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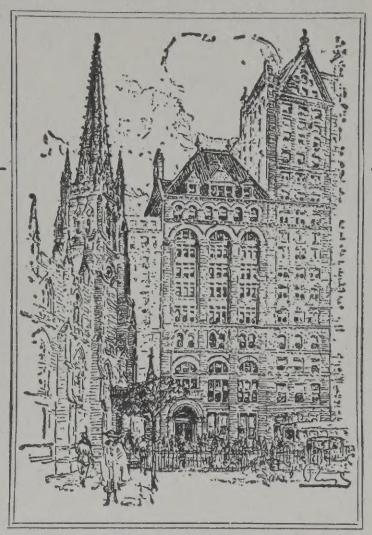
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STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS
DECEMBER 31, 1927

RESOURCES

Cash on hand, in Federal Reserve Bank and due from Banks and Bankers	$ 77,818,299.49
United States Bonds	36,279,661.20
Municipal Bonds	8,991,512.23
Loans and Discounts	222,901,550.55
Short Term Securities	12,412,417.78
Bonds and Other Securities	1,270,338.52
Stock in Federal Reserve Bank	1,125,000.00
Real Estate	3,295,000.00
Customers' Liability Account of Acceptances	36,437,444.69
Interest Accrued	1,737,022.87
Total	$402,268,247.33

LIABILITIES

Capital	$ 12,500,000.00
Surplus	30,000,000.00
Undivided Profits	7,645,964.22
Deposits	311,403,007.46
Dividend Payable January 3, 1928	1,500,000.00
Reserve for Taxes and Interest Accrued	1,623,943.56
Unearned Discount	345,012.26
Acceptances	37,250,319.83
Total	$402,268,247.33

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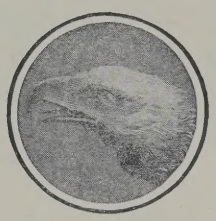
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Public Utility Corporations of the United States, Canada, Cuba, Mexico, etc.

(Including Electric Tractions and Street Railways, Gas and Electric Light, Telephone, Telegraph and Cable, Water, Water Power and Ferry Companies.)

SOUTHERN CANADA POWER COMPANY, LTD.

History and Properties—Incorporated Aug. 18, 1913, under law of Dominion of Canada, and acquired the charters, rights, powers, franchises, distributing systems, power sites, power houses, sub-stations etc., of the The Southern Canada Power Co., South Shore Power & Paper Co., Ltd., La Cie de Gaz, Electricite & Pouvoir, and St. John's Electric Light Co. In addition to the above, Company subsequently acquired the ownership or control of the following properties: Brome Lake Electric Power Co.; Richmond County Electric Co.; The Sherbrooke Railway & Power Co.; Lennoxville Light & Power Co., Ltd.; Eastern Townships Electric Co.; Stanstead Electric Light Co.; Burroughs Falls Power Co.; Westbury Electric Light & Power Co.; International Electric Co., of Vermont.

In addition to these subsidiaries the Company has acquired sixteen municipal and privately owned power plants and distribution systems located at Acton Vale, Bedford, Bromptonville, Cowansville, Drummondville, Farnham, Frelighsburg, Granby, Iberville, Stanbridge East, Sutton, St. Cesaire, West Shefford, Roxton Pond, Eastman and West Brome.

Territory Served—Company, as of Sept. 30, 1927, served (with actually no competition) through 453 miles of distribution lines and 422 miles of high tension lines, 21,662 customers (of which 600 are power users) to 96 towns and municipalities, covering an area of over 6,000 square miles south of the St. Lawrence River to the International Boundary, with an estimated population of over 500,000. The cities and towns are as follows:

Abbotsford	Knowlton	St. Jude
Acton Vale	Lake Park	St. Liboire
Ayers Cliff	La Providence	St. Luc
Bedford	Lennoxville	Ste. Madeleine
Beebe	Libbytown	St. Mathias
Beebe Jct.	Magog	St. Pierre
Belocil	North Hatley	Ste. Rosalie
Brome	New Rockland	St. Sebastian
Bromptonville	Pike River	St. Simon
Bury	Reedville	Sawyerville
Camobert	Richmond	Sherbrooke
Capelton	Rock Island	South Durham
Clarenceville	Rougemont	Stanbridge East
Compton	Roxton Falls	Stanbridge Station
Cookshire	Roxton Pond	Stanstead
Drummondville	St. Angele	Sweetsburg
Durham	St. Antoine	Sutton
East Angus	St. Barnabe	Up. Melbourne
East Farnum	Ste. Brigide	Upton
Eastman	Ste. Blaise	Venice
Eaton Corner	St. Cesaire	Warden
Eustis	St. Cyrille	Waterloo
Farnham	St. Dominique	Waterville
Frelighsburg	St. Germain	Waysmills
Foster	St. Gregore	West Brome
Granby	St. Helene de Bagot	West Shefford
Graniteville	St. Hilaire	Massawippi
Hatley	St. Hugues	Melbourne
Herryville	St. Hyacinthe	North Derby
Huntingville	St. Johns	Wickham
Iberville	St. Joseph	Derby Line, Vt.
Kingsbury		

Water Powers—At formation in 1913, company leased from the Quebec Government for 75 years, the riparian rights to its present location, covering an area exceeding 25 miles of river-bed on the St Francis River. This water way after draining an area of 4,000 square miles drops 300 ft. to sea level, forming six water powers, only two of which are at present developed. In addition company owns a power site on the Magog River, at Sherbrooke (partially developed), and several less important developments on the Yamaska and Eaton Rivers. It also possesses smaller developments on the rivers Salmon, Tomifobia, Massawippi and Nigger. In all, Company controls 20 power sites which at full development will generate over 200,000 h.p.

Power Plants—Company's largest plant is situated at Hemmings Falls, on the St. Francis River, 3 miles above Drummondville, construction of which was begun in Aug., 1923, and completed in July, 1925, at a cost of $4,000,000, and is equipped with six 6,000 h.p. units, giving a total capacity of 36,000 h.p. The Drummondville plant, also on the St. Francis River, has been enlarged with two 6,000 h.p. units and now has a total capacity of 18.000 h.p. The Sherbrooke Plant on the Magog River has 3 units of a total capacity of 4,000 h.p. Other plants consist of: Farnham, 600 h.p.; Foster, 160 h.p.; Upper Westbury, 175 h.p.; Lower Westbury, 137 h.p. Company also has an auxiliary steam plant at Farnham. Total present capacity 58,772 h.p.

Contracts—Company has a 15-year contract with Shawinigan Water & Power Co. for the sale to it of 10,000 h.p. It also has a reciprocal contract with Montreal Light, Heat & Power Consolidated for the purchase and sale of energy for emergency service.

Control of Sherbrooke Ry. & Power Co.—The Southern Canada Power Co., Ltd., in Dec., 1916, offered to take over control of the Sherbrooke Ry. & Power Co. and to give in exchange one share of new Preference stock for four shares of the capital stock of the Sherbrooke Co. It is reported that over 98% of the shareholders of the Sherbrooke Co. have exchanged their stock for Southern Canada stock.

Management—The Power Corporation of Canada, Ltd. (see General Index) has a substantial interest in and manages the property of the Southern Canada Power Company, Ltd.

Output, year ended Sept. 30, 1927, amounted to 123,452,980 k.w. hours, compared with 122,218,857 k.w. hours in year ended Sept. 30, 1926.

CAPITAL STOCK

Authorized, 100,000 shares of no par value Common and $10,000,000 6% Participating cumulative Pfd.; outstanding Jan. 15, 1928, 72,000 shares Common and $4,900,000 Pfd.; par, $100. In June, 1923, the authorized Common stock was changed from $4,500,000, par $100, and the Pfd. increased from $1,500,000 to $5,000,000; on Sept. 25, 1925, authorized Pfd. was increased to $10,000,000.

Subscription Privileges—Stockholders of record April 30, 1926 received the right to subscribe, at $80 per share, to 10,000 additional shares Common stock of no par value in the ratio of one new share for each five

shares held. Privilege expired June 30, 1926 and payment was due in full on or before that date at Montreal Trust Co., Montreal, Que.

Stockholders of record Oct. 31, 1927, received the right to subscribe, at $80 per share, to 12,000 additional shares Common stock in the ratio of one new share for each five shares held. Privilege expired Dec. 1, 1927. 25% of the subscription price was due Dec. 1, 1927, 25% Jan. 3, 1928, and 50% Feb. 1, 1928, at Montreal Trust Co., Montreal. New stock was entitled to dividends from Feb. 1, 1928.

Preferred Stock Provisions—Has preference for assets and 6% cumulative dividends, and in the event of liquidation or dissolution is entitled to preference over Common. The Common shares have full voting power, except if four quarterly Pfd. dividends should be in arrears, in which event both classes of stock have equal voting power. After payment of $6 per share on Common, the Pfd. shares equally with Common in any further distribution to 7%.

Transfer Agent—Montreal Trust Co., Montreal, Que.

Registrar—Eastern Trust Co., Ltd., Montreal, Que.

Listed—Common: Montreal Stock Exchange. Pfd. stock is quoted in unlisted department of Montreal Stock Exchange.

Annual Meeting—In December.

Price Range—

	1927	1926	1925	1924
Preferred—				
High	113	102⅛	101	97
Low	98½	101½	96	90
Common—				
High	140	100	84	73
Low	87	81¾	67	48½

Dividends—Initial quarterly dividend of 1½% on Pfd. stock was paid April 15, 1920, which rate has been maintained to date; payments quarterly, J, A, J & O 15, to stockholders of record M, J, S & D 25. On Common, initial dividend of $1 per share was paid Nov. 15, 1923, which semi-annual rate maintained to Nov. 15, 1926; March 15, July 15 and Nov. 15, 1927, and Feb. 15, 1928, $1 a share each.

FUNDED DEBT

$6,000,000 FIRST MORTGAGE 5% THIRTY-YEAR BONDS, SERIES "A," DUE OCTOBER 1, 1955

Dated October 1, 1925.

Interest Payable April and October 1, at Canadian Bank of Commerce, Montreal, Toronto, Winnipeg, Vancouver and Halifax, or at the Agency of said bank in New York City, in U. S. gold coin, or in Sterling at its branch in London, England, at the fixed rate of $4.86 2/3 to the £ Sterling.

Denominations—Coupon, $100, $500 and $1,000; principal, or both principal and interest, may be registered.

Trustee—Montreal Trust Co., Montreal, Que

Provisions of Issue—Authorized, $50,000,000; issued, $6,000,000 Series "A" 5s for the purpose of retiring $4,537,500 First & Refunding Sinking Fund Gold 6s, due September 1, 1948, and to finance additions to property being made. The balance of the authorized bonds may be issued as debenture stock and/or bonds, in such currencies and series, and may be payable in such places, mature at such dates, bear such rates of interest and carry such sinking fund provisions and redemption prices, as the directors may by resolution determine at the time of issue. Of the unissued bonds, $5,000,000 can be issued for the cost of extensions and additions to the Company's property and plant. The balance can only be issued against 75% of the cost of additions to, or betterments of, property and plant, provided in all cases that net earnings for any 12 consecutive months, out of the preceding 14, are equivalent to 1¾ times the interest requirements of the bonds outstanding, and those to be issued.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 102½ and interest.

Maintenance and Sinking Fund—The Deed of Trust securing this issue provides that Company shall annually set aside a sum equal to 15% of its total gross revenue, to be known as Maintenance and Sinking Fund. Of this amount, Company may annually expend on items properly chargeable to maintenance and renewals, an amount equal to 7½% of its total gross revenue. The balance may be expended annually on permanent additions; any amount not so utilized shall be used by the Trustee annually for the retirement of bonds as outlined in the Trust Deed.

Security—Secured by a first mortgage on fixed assets, and a floating charge on other assets of the Company.

Tax Provisions—Interest is payable without deduction for present or future taxes of any nature imposed by any taxing authority in Canada save any income tax which may be imposed on any person residing in Canada in respect to the interest on the bonds.

Legal Opinion—Laflamme, Mitchell & Callaghan and E. R. Parkins.

Original Offering—First publicly offered ($6,000,000) in September, 1925, at 97 and interest yielding 5.20%, by Nesbitt, Thomson & Co., Ltd., and Dominion Securities Corp., Montreal, Toronto, etc.

OTHER FUNDED DEBT

There were also outstanding, Sept. 30, 1927, the following bonds: $54,000 St. Johns Electric Co. 6s; $8,881.32 Town of D'Ville 5s; $10,000 Town of Iberville 4½s; $100,000 Farnham 4½s, and $62,650 mortgages payable.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED SEPTEMBER 30

(Accounts Audited by Macintosh, Cole & Robertson)

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,534,280	$1,389,131	$1,213,665	$1,150,863	$953,970	$843,565
Purchased power	19,312	12,163	93,908	129,742	111,128	85,406
Operation	319,734	298,982	269,472	240,393	222,702	216,075
Taxes	92,673	82,038	62,249	45,679	28,955	24,547
Maintenance	111,296	82,387	74,470	63,570	59,956	59,635
Total	$543,015	$475,570	$500,099	$479,384	$422,741	$385,663
Net earnings	991,265	913,561	713,566	671,479	531,229	457,902
Bad debts	6,110	6,930	6,020	5,750	3,117	985
Interest	357,413	333,068	269,305	270,958	275,057	306,847
Net income	$627,742	$573,563	$438,241	$394,771	$253,055	$150,069
Preferred dividends paid	294,392	286,074	227,089	179,088	82,160	19,911
Common dividends paid	180,000	100,000	100,000	100,000	.....	.....
Transferred to depreciation reserve	153,000	138,900	121,365	115,100	102,000	410,000
Surplus for year	$350	$48,589	†$10,213	$583	$68,895	†$279,842
Times Interest Earned	2.75	2.72	2.63	2.46	1.92	1.49
***Earnings Per Share—**						
Preferred	$12.79	$14.21	$11.41	$13.22	$9.79	$15.31
Common	5.55	4.79	4.22	4.31	3.42	3.16

*Before deducting depreciation. †Deficit.

CONSOLIDATED BALANCE SHEET, SEPTEMBER 30
(Southern Canada Power Co., Ltd. and Subsidiaries)
(Accounts Audited by Macintosh, Cole & Robertson)

Assets—	1927	1926	1925	1924	1923	1922
Plant investment	$17,576,080	$16,983,592	$15,328,001	$13,021,504	$10,743,318	$10,307,832
Cash	53,503	47,263	6,281	11,256	23,673	7,371
Victory bonds and accrued interest	217,520	822,144	.....	462,559	2,088,267	.....
Accounts receivable	163,472	167,107	121,802	96,148	81,934	84,298
Notes receivable	69,834	23,754	8,970	4,145	41,398	4,946
Materials and supplies	292,465	238,812	254,537	267,166	145,119	139,647
Prepaid accounts	20,358	18,774	15,410	13,218	11,759	11,438
Investments	6,850	40,282	14,784	25,174	20,492	21,999
Mortgages receivable	10,870	12,060	12,085	42,689	44,482	41,663
Funds in escrow for bonds of subsidiaries	100,137	93,173	.....	.....	.....	.....
Total	$18,511,089	$18,446,961	$15,761,870	$13,943,859	$13,200,442	$10,619,194
Liabilities						
Capital stock—						
Preferred	$4,905,100	$4,865,100	$3,840,100	$2,984,800	$2,584,800	$980,400
Common	4,971,925	4,971,925	4,171,925	4,171,925	4,171,925	4,119,200
Subsidiaries	12,500	13,200	16,300	16,300	19,700	22,900
Funded debt	6,956,531	7,100,556	5,507,024	5,548,496	5,497,910	4,686,649
Notes payable	.....	.....	525,000	.....	.....	77,802
Accounts payable	177,450	172,456	686,660	319,706	161,350	170,138
Customers' deposits	21,719	18,419	14,943	13,283	11,755	8,159
Tickets in circulation	.....	.....	.....	.....	.....	583
Bond interest matured	3,392	6,620	18,350	22,294	30,004	25,723
Bond interest accrued	161,395	163,245	35,335	35,412	35,219	31,244
Dividends payable	73,787	73,134	57,692	44,772	38,772	5,209
Depreciation reserve	1,010,828	864,311	735,961	621,133	507,870	410,000
Other reserves	49,747	31,630	34,803	37,749	13,730	22,675
Profit and loss	166,715	166,365	117,777	127,989	127,406	58,512
Total	$18,511,089	$18,446,961	$15,761,870	$13,943,859	$13,200,442	$10,619,194

Officers: J. B. Woodyatt, Pres. & Gen. Mgr.; J. M. Robertson, V-P.; J. S. H. Wurtele, V-P. & Plant Mgr.; P. T. Davies, V-P. & Commercial Mgr.; L. C. Haskell, Sec. & Pur. Agt.; Chas. Johnstone, Treas. & Comp.; V. J. Nixon, Asst. Sec., Montreal, Quebec.

Directors: Jas. Davidson, J. M. Robertson, A. J. Nesbitt, J. B. Woodyatt, P. A. Thomson, Montreal, Que.; R. R. Moodie, Hamilton, Ont.; W. K. Baldwin, Baldwins Mills, Que.; W. H. Miner, Granby, Que.; George Parent, Quebec, Que.; J. S. Gillies, Braeside, Ont.; J. S. H. Wurtele, P. T. Davies.

General Office, Coristine Bldg., Montreal, Que.

SHERBROOKE RAILWAY & POWER COMPANY

(Controlled by Southern Canada Power Company, Limited)

History and Property—Incorporated in 1910, under laws of the Province of Quebec, successor to Sherbrooke St. Ry. (For list of properties subsequently acquired, see 1924 Public Utility Volume, or consult our Information Department.) Franchises extend for forty years from 1910, and are exclusive. The City of Sherbrooke has the right to purchase the property as a going concern at end of twenty years. Line of road: Sherbrooke to Lennoxville and suburbs, 10 miles; first portion (6½ miles) put in operation in 1895. Total mileage of projected lines, 13 miles. Gauge, standard. Rail, 70 lb. T. Motor cars: Passenger (closed) 18; freight car, 1; other, 2. Owns water power rights on the Magog River in the City of Sherbrooke, with a development of 4,000 h.p.

CAPITAL STOCK

Authorized, $1,500,000; outstanding, $1,127,000; par, $100. Southern Canada Power Co., Ltd., owns $1,110,700 of the outstanding stock. Transfer office, 330 Coristine Bldg., Montreal, Can. Annual meeting, at call of President following close of fiscal year Sept. 30.

FUNDED DEBT

(1)

$88,000 SHERBROOKE STREET RY. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE JUNE 30, 1927 (NOT PAID)

NOTE—These bonds were allowed to remain outstanding with interest being paid regularly, under agreement with the bondholders.

Dated June 30, 1897.

Interest Payable January and July 1, at Montreal Trust Co., Montreal.

Denomination—Coupon, $500.

Provisions of Issue—Authorized and issued, $100,000, of which $12,000 held in escrow.

(2)

$721,000 SHERBROOKE RAILWAY & POWER COMPANY CONSOLIDATED FIRST MORTGAGE GOLD 5% BONDS; DUE JULY 1, 1940

Dated July 1, 1910.

Interest Payable January and July 1, at all branches of Eastern Townships Department of the Canadian Bank of Commerce in Canada, and at National Bank of Scotland, London, Eng.

Denomination—Coupon, $500; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized and issued, $1,500,000, of which $312,000 have been redeemed and cancelled, $467,000 are held in escrow or pledged as collateral, leaving $721,000 outstanding.

Callability—Subject to call as a whole at 105 and interest on any interest date.

Security—Secured on entire property, subject only to Sherbrooke St. Ry. bonds.

Sinking Fund—1% per annum of outstanding amount on July 1, of each year, and in addition a sum equal to the annual interest on all bonds purchased or called for retirement, prior to such date.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Original Offering—First publicly offered ($600,000) in July, 1910, at 95 and interest.

Listed—London Stock Exchange.

(3)

$1,000,000 SHERBROOKE RAILWAY & POWER COMPANY CONSOLIDATED GOLD 6s; DUE JULY 1, 1940

Dated July 1, 1922.

Interest Payable January and July 1, at Canadian Bank of Commerce, Montreal, Que.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—George Parent and C. E. Taschereau.

Provisions of Issue—Authorized and issued, $1,000,000, of which $500,000 are deposited as collateral security for loans and the remaining $500,000 are held in the treasury.

Callability—Subject to call on any interest date beginning 1927 at 105.

Security—Secured on entire property subject to the two issues described above.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

OFFICERS AND DIRECTORS

Officers: James B. Woodyatt, Pres. & Gen. Mgr.; L. C. Haskell, V-P., Sec. & Pur. Agt.; Chas Johnstone, Treas. & Compt., Montreal; V. J. Nixon, Asst. Sec.

Directors: V. J. Nixon, T. Irving, A. J. Nesbitt, J. B. Woodyatt, L. C. Haskell, Chas. Johnstone, Montreal.

Head Office, Montreal, Que. **Operating Office,** Sherbrooke, Que.

MANHATTAN BRIDGE THREE CENT LINE

History and Property—Incorporated Dec. 30, 1909, in N. Y. Line extends from Fulton St., Brooklyn, to Bowery and Canal St., New York City, passing through Flatbush Ave. Extension and over Manhattan Bridge. Length of line: Manhattan Bridge Section (round trip), 2.524 miles; Flatbush Avenue Extension (round trip), 1.496 miles—total, 4.020 miles. First portion of road put in operation Sept. 4, 1912; entire road opened Dec. 14, 1912. Gauge, standard, Rail, groove, 105 lbs. Operated by overhead trolley system. Motor cars—Closed passenger, 16; sweeper, 1; work car, 1—total cars, 18. Power rented.

Offer to Sell Equipment—In October, 1927, the Company offered to sell its equipment and surrender its franchise to the City of New York. The acceptance by the city has been recommended by Borough President James J. Byrne of Brooklyn, N. Y. The price asked by Company is $184,000 with $25,000 for salvage rights for equipment.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $450,000; par, $100. Annual meeting, second Monday in December.

Dividends—Dividends have been paid as follows: 1914, 3%; 1915, 6%; 1916, 4½%; 1917, none; 1918, 1¼%; 1919 to 1922 incl., 5%; 1923, 3¾%; none in 1924, Dec. 1, 1925, to Dec. 1, 1927, 1% each quarter; payments M, J, S & D 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	1922
Gross earnings	$233,479	$239,650	$260,191	$277,074	$284,897	$285,059
Operating expenses, taxes and depreciation	221,158	229,440	255,330	274,390	278,963	261,758
Net earnings	$12,321	$10,210	$4,861	$2,684	$5,934	$23,301
Other income	8,029	7,822	6,675	5,282	5,115	4,192
Total income	$20,350	$18,032	$11,536	$7,966	$11,049	$27,493
Interest, etc.	4,679	4,267	3,881	5,784	3,119	2,659
Balance for dividends	$15,671	$13,765	$7,655	$2,182	$7,930	$24,834
Dividends paid	*22,500	13,500	.....	.....	16,875	22,500
Surplus for year	†$6,829	$265	$7,655	$2,182	†$8,945	$2,334
Earnings Per Share	$3.48	$3.06	$1.70	$1.77	$2.46	$5.52

*Five quarterly dividends paid Sept. 1 and Dec. 1, 1926 and March 1, June 1 and Sept. 1, 1927. †Deficit.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$476,473	$476,405	$476,339	$489,401	$486,953	$486,308
Bonds owned	25,215	25,215	25,215	25,215	25,215	15,119
Other investments	138,954	138,954	86,250	49,000	49,000	49,000
Materials and supplies	6,505	7,050	10,411	11,884	12,058	11,230
Cash	48,752	27,099	56,846	40,046	15,646	31,513
Notes and accounts receivable	2,061	1,315	1,508	1,046	881	829
Other current assets	1,260	1,198	1,215	1,173	1,173	1,040
Deferred debit items	2,906	1,075	3,262	2,875	1,352	2,313
Total	$702,126	$678,311	$661,046	$620,640	$592,278	$597,352
Liabilities—						
Capital stock	$450,000	$450,000	$450,000	$450,000	$450,000	$450,000
Accounts payable	2,368	2,386	2,755	3,181	3,613	2,827
Dividend payable Sept. 1	4,500	.....	.....	.....	.....	.....
Other current liabilities	2,210	1,830	3,939	3,515	2,992	2,671
Reserve for taxes	19,661	19,588	21,750	22,015	22,418	24,358
Other reserves	209,354	183,646	162,006	128,988	102,496	97,792
Profit and loss	14,033	20,861	20,596	12,941	10,759	19,704
Total	$702,126	$678,311	$661,406	$620,640	$592,278	$597,352

Officers: Frederick W. Rowe, Pres.; Frederick D. MacKay, V-P.; Edwin A. Ames, V-P.; Walter Hammitt, Sec. & Treas.; Chas. E. Grau, Aud.; Arthur Porter, Supt., Brooklyn, N. Y.

Directors: S. J. Harding, Edwin A. Ames, Walter Hammitt, C. C. Tompkins, Frederick W. Rowe, Frederick D. MacKay, G. W. Rasch, Thos. P. Peters, Wm. F. Neu, Michael Furst, Frank H. Tyler, John V. Jewell, Brooklyn, N. Y.; J. C. Brackenridge, Stanley P. Jadwin, A. L. J. Smith, New York.

General Office, 333 Gold St., Brooklyn, N. Y.

PUEBLA TRAMWAY, LIGHT AND POWER COMPANY

History and Properties—Incorporated in 1903, in Can., as Puebla Light & Power Co., Ltd., name changed to above in 1906. Owns entire capital stock of La Compania Hidro-Electrica de San Agustin Puebla, the lighting business formerly carried on by La Compania Anonima del Alumbrado Electrico de Puebla, the tramway property known as El Ferrocarril Industrial de Puebla, together with concessions for the utilization of the waters of the Rio Blanco (Tuxpango) and Rio Atoyac. The tramway system is worked by gasoline cars. The Tuxpango and Atoyac Falls, when fully developed, will give a continuous power of 45,000 h.p. at the turbines, and a peak load capacity of about 70,000 h.p. Company owns two hydro-electric plants at Portezuelo, capable of producing 6,500 h.p., and two hydro-electric plants on the Rio Los Molinos about 4 miles from Portezuelo capable of producing 1,000 h.p., and a large hydro-electric plant at Tuxpango, capable of producing 29,500 h.p. The main distribution lines have a total length of over 112 miles, exclusive of local distribution systems. Company has also constructed 147 miles of transmission lines, connecting the power plant at Tuxpango with Puebla, 78½ miles, and with Vera Cruz, 68½ miles.

CAPITAL STOCK

Authorized and outstanding, $6,500,000; par, $100. Transfer Agent and Registrar: National Trust Co.,

Ltd., Toronto. Listed on London Stock Exchange. Annual meeting, in August. No dividends paid.

Price Range—

	1926	1925	1924	1923	1922	1921	1920	1919
High	8	8½	5½	6	6¾	7	7½	5¾
Low	5	2	2½	4	3	2¾	5	5¾

FUNDED DEBT

$3,721,800 Prior Lien Gold 5s; dated July 1, 1911; due July 1, 1961; interest payable Jan. and July 1, at London City & Midland Bank, Ltd., London, Eng., and in Toronto, Can. Coupon, $100 (£20 10s. 11d.), $500 and $1,000; principal may be registered. National Trust Co., Ltd., Toronto, Trustee. Authorized, $6,000,000; issued $4,317,500, of which $595,700 purchased for sinking fund and cancelled to Dec. 31, 1927. Subject to call at par on or after July 1, 1921, on three months' notice. Sinking fund, 1% of all bonds previously issued, plus the annual interest on all bonds redeemed, applicable annually in redeeming the bonds by purchase at or under par, or by drawings at par. A first lien on the entire property. Listed on the London Stock Exchange.

Price Range—

	1926	1925	1924	1923	1922	1921	1920	1919
High	74	74	75	78	75	68	69½	73¼
Low	60	62	62½	67 11/16	52⅛	52½	55¼	61

$3,123,500 First Mortgage Gold 5s; dated Jan. 1, 1907; originally due Jan. 1, 1937, but extended to Jan. 1, 1942; int. Jan. and July 1, at Bank of Montreal, London, Eng. Coupon, $100, $500 and $1,000; principal may be registered. Bonds are interchangeable. National Trust Co., Ltd., Toronto, Trustee. Authorized, $6,000,000; issued, $4,349,900, of which $1,226,400 purchased for sinking fund and cancelled to Dec. 31, 1927. Subject to call at 105 and interest on six weeks' notice. Sinking fund commencing Jan. 1, 1920, 1% of issued bonds, to retire by annual drawings at 105, or by purchase at or under that price. A lien on the lighting and tramway undertakings, water-power concessions, etc., subject to Prior Lien Gold 5s. Listed on London Stock Exchange.

Price Range—

	1926	1925	1924	1923	1922	1921	1920	1919
High	68¼	67	68½	75	62	70	55¾	45 3/4
Low	53	54	51	57	55¼	47½	44¼	39

£136,480 8% Notes; dated Jan. 1, 1924. Issued, £150,000; redeemed to Dec. 31, 1927, £13,520. Issued in part payment of Company's liability for advances in connection with the Tuxpango construction work. Notes are redeemable by means of a 2% sinking fund.

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

(Accounts Audited by Deloitte, Plender, Griffiths & Co.)

	1926	1925	1924	1923	1922	1921
Net profits in Mexico	£149,520	£139,155	£129,909	£89,600	£113,985	£117,395
Bond interest	£74,032	£76,283	£78,560	£80,516	£82,308	£84,343
Sinking fund, etc.	35,341	32,922	28,712	27,010	25,613	24,026
Expenses, taxes, loss on exchange, etc.	9,331	3,664	5,955	10,170	6,001	8,526
8% Note interest	11,501	11,760	15,000	.....	.....	.....
Total charges	£130,205	£124,629	£128,227	£117,696	£113,922	£116,895
Surplus for year	£19,315	£14,526	£1,682	*£28,097	£63	£500

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Accounts Audited by Deloitte, Plender, Griffiths & Co.)

Assets—	1926	1925	1924	1923	1922	1921
Cost of undertakings and properties	£3,154,094	£3,150,402	£3,130,765	£3,017,750	£2,912,837	£2,902,341
Furniture and fixtures	4,616	4,839	4,789	4,417	2,184	1,141
Stocks on hand	28,817	26,193	28,713	30,842	32,907	37,594
Debtors and debit balances (less reserve)	50,543	56,718	80,097	80,207	104,040	91,443
Cash	58,036	62,015	55,764	48,838	58,022	56,419
Profit and loss	146,260	165,575	180,101	181,783	153,686	153,749
Total	£3,442,366	£3,465,742	£3,480,229	£3,363,837	£3,263,676	£3,242,687
Liabilities—						
Capital stock	£1,335,479	£1,335,479	£1,335,479	£1,335,479	£1,335,479	£1,335,479
First mortgage bonds	671,623	699,894	727,405	753,765	775,770	800,836
Prior lien bonds	784,954	804,205	822,244	838,804	854,522	869,705
8% Notes	140,260	143,760	147,000	.....	.....	.....
Bond interest accrued	38,410	39,430	40,935	42,285	43,551	47,057
Current liabilities	134,818	157,182	170,152	203,256	101,496	77,215
Sinking funds	336,822	285,792	237,014	190,248	152,858	112,396
Total	£3,442,366	£3,465,742	£3,480,229	£3,363,837	£3,263,676	£3,242,687

Officers: Sir C. G. Hyde, Pres.; W. J. Simpson, Sec.; A. E. Worswick, Director General; F. J. Miller, Gen. Mgr.

Directors: Sir C. G. Hyde, A. J. Aubin, W. S. LeMasurier, H. W. Giffard, R. D. Hutchison, Robert Gowans, S. G. Crowell.

Head Office, Dominion Bank Bldg., Toronto, Canada. **Puebla Office,** Avenida Benito Juarez, Puebla. **Jersey Office,** 23 Hill St., Jersey, Channel Islands. **London Financial Agents,** Whitehall Securities Corp., Ltd., 47 Parliament St., S. W. **Mexico City Office,** 3a Calle de Colon, 39/41.

RUMFORD FALLS POWER COMPANY

(Controlled by Oxford Paper Co.)

History and Properties—Incorporated in 1890 in Maine. Owns and operates water power developments on the Androscoggin River at Rumford, Maine, about 80 miles from Portland. At this point the river has an aggregate drop of 180 feet, within a distance of about one mile. The Androscoggin River has its source in the Rangeley Lakes, which with Sawyer Lake, created by the Aziscohos Dam, have an available storage capacity of 30,000,000,000 cubic feet of water.

The Company owns and operates on its own land a hydro-electric power station with an installed equipment of 42,000 h.p. It also furnishes an additional 23,000 h.p. in the form of water from its canals to large consumers.

The two dams owned are of solid construction, and are situated at proper intervals down the river. Company furnishes electric energy to the Rumford Falls Light & Water Company, and for manufacturing purposes. During the years 1916-1918 the Company rebuilt its hydro-electric station, installing new and modern equipment according to plans for permanent and complete development so that future enlargements may be made as needed. Also owns the entire outstanding capital stock ($665,000) and guarantees the bonds of the Rumford Falls Realty Co. (see below); also owns $750,000 of the capital stock of Portland & Rumford Falls Ry. Co. (see statement in Steam Railroad Volume); and the entire outstanding capital stock ($44,300 of the Rumford Falls Boom Co.)

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par $100. All owned by Oxford Paper Co. Annual meeting, Thursday following first Wednesday in March.

FUNDED DEBT

(1)

$1,000,000 RUMFORD FALLS POWER COMPANY FIRST MORTGAGE GOLD 4s; DUE OCTOBER 1, 1945

Dated October 2, 1905.

Interest Payable April and October 1, at Portland National Bank, Portland, Me.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Portland National Bank, Portland, Me.

Provisions of Issue—Authorized and outstanding $1,000,000.

Callability—Subect to call on and after Oct. 1, 1915, at 105 and interest.

Sinking Fund—Sinking fund, effective Oct. 1, 1915, and every succeeding year until all bonds have been paid, $10,000 in cash, or $10,000 of these bonds, must be deposited with trustee; bonds may be called for this purpose at 105 and interest.

Security—A first lien upon entire water power rights, including the margins of the river, extending from the upper dam down to the Swift River, a distance of 1½ miles.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$1,300,000 RUMFORD FALLS POWER COMPANY GENERAL GOLD 4½s; DUE DECEMBER 1, 1929

Dated December 1, 1909.

Interest Payable June and December 1, at State Street Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—State Street Trust Co., Boston.

Provisions of Issue—Authorized issue, $2,000,000.

Callability—Subject to call at par and interest on any interest date.

Security—A general mortgage on the property, subject to the first 4s of 1945. Additionally secured by pledge of $750,000 capital stock of Portland & Rumford Falls Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$380,000 RUMFORD FALLS REALTY CO. FIRST GOLD 5s; DUE OCTOBER 1, 1942

Dated October 2, 1922.

Interest Payable April and October 1.

Provisions of Issue—Authorized issue, $600,000; remaining bonds may only be issued for additional real estate property at cost.

Callability—Subject to call at 105 and interest.

Security—Secured by direct first mortgage upon real estate and buildings in Rumford, Me.

Guaranty—Guaranteed, principal and interest, by endorsement by the Rumford Falls Power Co.

Tax Provisions—Company pays Normal Federal Income Tax. Exempt from municipal taxation in Maine.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($380,000) in Jan., 1924, at 94¼ and interest, yielding about 5.50% by Beyer & Small, Portland, Me.

OFFICERS AND DIRECTORS

Officers: Hugh J. Chisholm, Pres.; R. C. Bradford, V-P.; Frank H. Bradford, Treas.; Edward A. Mathes, Asst. Treas.; Wadleigh B. Drummond, Clerk, Portland, Me.; Chas. A. Mixer, Chief Engineer; C. T. Maynard, Engineer; Fred O. Eaton, Cashier, Rumford, Me.

Directors: Hugh J. Chisholm, R. C. Bradford, Frank H. Bradford, Edward W.Cox, Portland, Me.; Frank E. Tufts, New York.

Offices, 119 Exchange St.; Portland, Me., and Rumford, Me.,

THE DETROIT EDISON COMPANY

(See Accompanying Map)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Capital Stock (par $100)	J, A, J & O 15	$120,000,000	$89,661,600	$10,151,537	8%	$6,972,983	$11.32

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
(1) Detroit Edison Co., First 5s	Jan. 1, 1933	J & J 1	$10,000,000	$10,000,000	No	No	Pd. by Co.
(2) Eastern Mich. Edison Co. First 5s	Nov. 1, 1931	M & N 1	10,000,000	4,000,000	No	Yes	Pd. by Co.
(3) Detroit Edison Co. 1st & Ref. 5s, Ser. A	July 1, 1940	M & S 1	75,000,000	16,665,000	No	Yes	Not pd. by Co.
(4) Detroit Edison Co. 1st & Ref. 6s, Ser. B	July 1, 1940	M & S 1		18,319,000	No	Yes	Not pd. by Co.
(5) Detroit Edison Co. Gen. & Ref. 5s, A	Oct. 1, 1949	A & O 1	Unlimited	12,500,000	No	Yes	Not pd. by Co.
(6) Detroit Edison Co. Gen. & Ref. 5s, B	June 1, 1955	J & D 1	Unlimited	23,000,000	No	Yes	Not pd. by Co.
(7) Detroit Edison Co. Gen. & Ref. 5s, C	Aug. 1, 1962	F & A 1	Unlimited	20,000,000	No	Yes	Not pd. by Co.
(8) 6% ten-year Convertible Debentures	Dec. 15, 1932	J & D 15	6,836,800	458,100	Yes	Yes	Not pd. by Co.
(9) 7% ten-year Convertible Debentures	Jan. 15, 1928	J & J 15	3,800,000	133,100	Yes	Yes	Not pd. by Co.
(10) 7% ten-year Convertible Debentures	Feb. 1, 1929	F & A 1	2,600,000	167,400	Yes	Yes	Not pd. by Co.
(11) 7% ten-year Convertible Debentures	Mar. 1, 1930	M & S 1	5,503,500	559,800	Yes	Yes	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $105,802,400.
Amount Available for Interest in 1927, $14,882,625.
Interest Accrued in 1927, $4,731,088.
Times Interest Earned in 1927, 3.14.

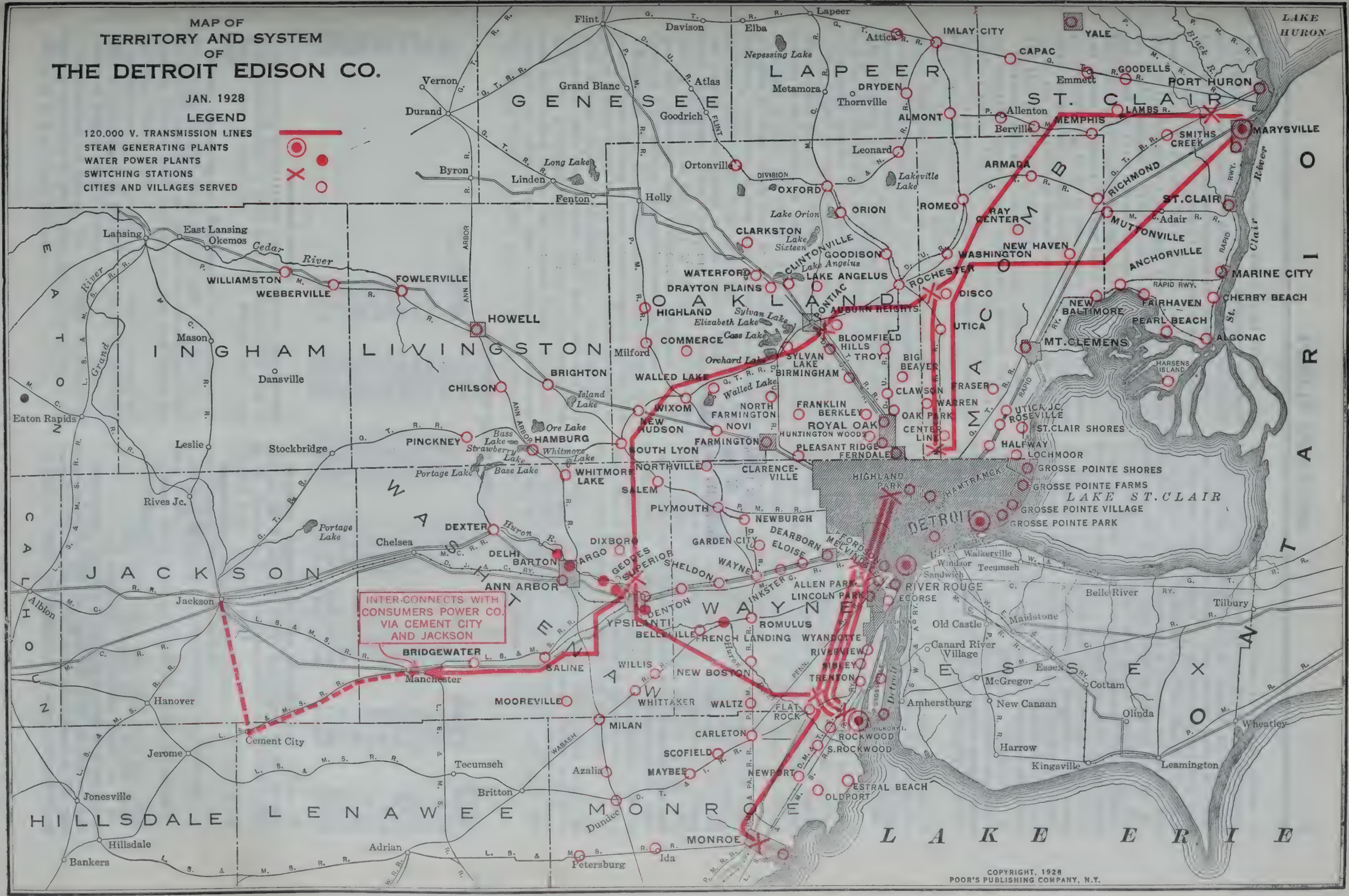
History—Incorporated Jan. 17, 1903, under the laws of the State of New York and immediately purchased the securities of two existing companies, The Edison Illuminating Company and The Peninsular Electric

25 BROAD STREET
NEW YORK

Branch Offices
Albany Boston
Chicago Providence
Philadelphia

DETROIT EDISON COMPANY

Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange


MAP OF
TERRITORY AND SYSTEM
OF
THE DETROIT EDISON CO.
JAN. 1928
LEGEND
120,000 V. TRANSMISSION LINES
STEAM GENERATING PLANTS
WATER POWER PLANTS
SWITCHING STATIONS
CITIES AND VILLAGES SERVED
INTER-CONNECTS WITH CONSUMERS POWER CO. VIA CEMENT CITY AND JACKSON
LAKE HURON
LAKE ST. CLAIR
LAKE ERIE
LAPEER
GENESEE
ST. CLAIR
MACOMB
OAKLAND
LIVINGSTON
INGHAM
EATON
CLINTON
SHIAWASSEE
GENESEE
JACKSON
CALHOUN
WASHTENAW
WAYNE
LENAWEE
MONROE
HILLSDALE
ESSEX
Flint
Davison
Lapeer
Elba
Attica
IMLAY CITY
YALE
CAPAC
Emmett
GOODELLS
PORT HURON
MARYSLEVILLE
Vernon
Grand Blanc
Atlas
Durand
Goodrich
Nepessing Lake
Metamora
DRYDEN
Thornville
ALMONT
Allenton
Berville
MEMPHIS
LAMBS
SMITHS CREEK
Byron
Linden
Long Lake
Fenton
Holly
Ortonville
Leonard
Lakeville Lake
OXFORD
ARMADA
RICHMOND
ST. CLAIR
Lake Orion
ORION
ROMEO
RAY CENTER
NEW HAVEN
WASHINGTON
MUTTONVILLE
ANCHORVILLE
MARINE CITY
CHERRY BEACH
ALGONAC
CLARKSTON
Lake Sixteen
CLINTONVILLE
GOODISON
Lake Angelus
ROCHESTER
WATERFORD
LAKE ANGELUS
DRAYTON PLAINS
PONTIAC
DISCO
UTICA
MT. CLEMENS
NEW BALTIMORE
FAIRHAVEN
PEARL BEACH
HARSENS ISLAND
HIGHLAND
Sylvan Lake
Elizabeth Lake
AUBURN HEIGHTS
COMMERCE
Cass Lake
Orchard Lake
BLOOMFIELD HILLS
TROY
BIG BEAVER
SYLVAN LAKE
BIRMINGHAM
WALLED LAKE
Walled Lake
CLAWSON
FRASER
WARREN
Lansing
East Lansing
Okemos
Cedar River
WILLIAMSTON
WEBBERVILLE
FOWLERVILLE
HOWELL
Mason
Dansville
CHILSON
BRIGHTON
Island Lake
Milford
Eaton Rapids
Leslie
Stockbridge
PINCKNEY
Bass Lake
Strawberry Lake
Ore Lake
HAMBURG
Whitmore Lake
Portage Lake
Base Lake
WIXOM
NEW HUDSON
NORTH FARMINGTON
NOVI
FARMINGTON
FRANKLIN
BERKLEY
ROYAL OAK
HUNTINGTON WOODS
OAK PARK
CENTER LINE
UTICA JC.
ROSEVILLE
ST. CLAIR SHORES
HALFWAY
LOCHMOOR
SOUTH LYON
PLEASANT RIDGE
FERNDALE
NORTHVILLE
WHITMORE LAKE
CLARENCE-VILLE
HIGHLAND PARK
HAMTRAMCK
GROSSE POINTE SHORES
GROSSE POINTE FARMS
GROSSE POINTE VILLAGE
GROSSE POINTE PARK
DETROIT
Rives Jc.
SALEM
PLYMOUTH
NEWBURGH
Portage Lake
Huron R.
DEXTER
Chelsea
DIXBORO
GARDEN CITY
DEARBORN
ELOISE
DELHI
BARTON
ARGO
GEDDES
SUPERIOR
SHELDON
WAYNE
FORD
MELVINDALE
Windsor
Sandwich
Walkerville
Tecumseh
ANN ARBOR
Albion
Jackson
ALLEN PARK
LINCOLN PARK
RIVER ROUGE
ECORSE
Belle River
Tilbury
DENTON
YPSILANTI
ROMULUS
Old Castle
Maidstone
BELLEVILLE
FRENCH LANDING
WYANDOTTE
RIVERVIEW
Canard River
Village
BRIDGEWATER
Manchester
SALINE
WILLIS
NEW BOSTON
TRENTON
GIBRALTAR
McGregor
Essex
Cottam
Hanover
MOOREVILLE
WHITTAKER
WALTZ
FLAT ROCK
Amherstburg
New Canaan
Olinda
Wheatley
MILAN
CARLETON
ROCKWOOD
S. ROCKWOOD
Cement City
Jerome
SCOFIELD
Tecumseh
Azalia
MAYBEE
NEWPORT
ESTRAL BEACH
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Ida
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Light Company, operating in the City of Detroit. In 1915 The Detroit Edison Company purchased and took title to the real estate and plants of its subsidiaries and since that time has done business in its own name.

The Company is required to maintain the corporate existence of four subsidiary electric companies—The Edison Illuminating Company, The Peninsular Electric Light Company, Washtenaw Light & Power Company, and St. Clair Edison Company. The Peninsular Electric Light Company continues as an electric light and power company, having been incorporated under an act applying to such companies alone. The other three companies are not now active in public service. All of the securities of these companies are owned by The Detroit Edison Company.

Territory Served—Company does entire commercial electric lighting and industrial power business in the cities of Detroit, Ann Arbor, Dearborn, Farmington, Ferndale, Fordson, Hamtramck, Highland Park, Howell, Lincoln Park, Marine City, Marysville, Monroe, Mt. Clemens, Port Huron, River Rouge, Royal Oak. St. Clair, Yale and Ypsilanti, also in 67 incorporated villages and 103 unincorporated communities, with a total population estimated at 2,100,000, all in the State of Michigan. The outer territory is tributary to Detroit and is all served by one interconnecting system of transmission lines.

Practically all the factories in the district use electric motive power. Of Detroit industries, the best known is the making of motor cars, in the production of which it leads the world. The City, however, is a leader in other lines, such as pharmaceutical manufactures, varnishes, stoves, steel stampings, aluminum castings, copper and brass plate and sheet, and has the largest development in the United States of the alkali industries. The Company does a large steam heating business in the City of Detroit and supplies gas for industrial and residential purposes in the cities of Port Huron, Marysville and St. Clair.

Property—The Company operates four large steam power plants having a total rated capacity of 633,000 k.w. and nine small hydro plants on the Huron River with a total capacity of 9,160 k.w. All plants are connected with each other and with the territory served by a comprehensive system of transmission and distributing lines, the output being distributed through 143 substations and out-door substations. The Delray Plant (123,000 Kw.) is located on a 33 acre site about four miles west from the center of the City of Detroit on the Detroit River. The Connors Creek plant (180,000 Kw.) is located on a 31 acre site on the Detroit River, just below Lake St. Clair at the east end of the City of Detroit and has been in operation since April, 1915. The Marysville plant (80,000 Kw.) is situated on a 54 acre site about five miles south of the City of Port Huron on the St. Clair River. The Plant was put in operation in November, 1922. The Trenton Channel plant (250,000 Kw.) is located on a 66 acre site, about 16 miles south of the center of Detroit on the Trenton Channel of the Detroit River. The principal departure here from the practice in the other three plants of the Company is in the use of pulverized fuel. This plant was put in operation in July, 1924, and is designed to house one more unit giving it, ultimately, a capacity of 300,000 Kw. All of these large steam plants are easily accessible to railroads and short intake canals from River Channels furnish an unlimited supply of water for condensing purposes.

The Heating System in the business section of Detroit is fed by 3 large modern Boiler Plants having an aggregate capacity of 30,617 B.H.P. and supplying steam to 1,985 customers. The new Beacon St. Heating Plant has boilers each rated at 4,200 B.H.P.

A new Gas Generating Plant was put in service during 1926 on the Marysville Power Plant site replacing the old Gas Plant in the City of Port Huron acquired through the purchase of the Port Huron Gas and Electric Company in 1919. Gas service is rendered to 8,400 customers.

The 120,000 volt transmission system of the Company comprises 3 lines of 2 circuits each connecting the Trenton Channel Power Plant to the City of Detroit and 1 line connecting the Marysville Power Plant to the City. In addition there is a 120 mile loop extending around Detroit from Trenton Channel to Marysville which traverses the heart of the suburban territory and serves as a transmission bus for 900 miles of 24,000 volt overhead transmission feeders to the several suburban cities and villages.

In the City of Detroit the transmission from the Delray and Connors Creek Power Plants and from the 120,000 volt step-down stations at Navarre, West Warren and Northeast, is at 24,000 volts over 859 miles of underground cables.

GROWTH BY CALENDAR YEARS

Year	No. of Customers (Bills Rendered)	Estimated Population Served	Gross Earnings	Net Earnings After Depreciation	Output K. W. H.	Maximum Load, K. W.	Electric Meters in Service
1904	.....	426,100	$685,504	$234,191	14,640,000	8,400	8,640
1910	41,814	643,100	3,030,208	1,310,083	130,018,200	40,600	43,424
1915	136,152	882,800	7,759,932	2,948,713	409,526,900	103,200	139,002
1920	284,191	1,389,000	21,990,352	4,533,694	1,002,306,000	218,800	287,941
1921	303,011	1,394,000	23,382,898	6,283,836	897,980,200	201,500	307,491
1922	331,238	1,511,100	26,352,486	7,169,545	1,105,211,100	254,700	336,910
1923	368,896	1,575,000	31,724,185	9,359,726	1,360,017,300	303,600	376,241
1924	409,700	1,781,000	34,163,286	10,265,563	1,460,631,400	333,400	413,384
1925	457,671	1,800,000	38,948,782	12,609,792	1,732,420,700	389,100	455,092
1926	488,474	2,000,000	44,854,736	13,994,177	2,025,063,700	435,000	493,415
1927	510,014	2,100,000	47,379,779	15,223,804	2,142,549,100	443,800	512,879

CAPITAL STOCK

Authorized, $120,000,000 (increased from $60,000,000 to $85,000,000 Feb. 4, 1924 and to $120,000,000 Feb. 1, 1926); outstanding, Dec. 31, 1927, $89,661,600; par, $100.

Recent Subscription Privileges—Stockholders of record May 5, 1924, received the right to subscribe to $11,151,300 new stock at par for an amount of stock equal to 25% of their holdings, or one new share for each four shares held.

Stockholders of record Sept. 21, 1925, received the right to subscribe to $7,161,600 new stock at par to the extent of 10% of their holdings.

Stockholders of record Oct. 29, 1926, received the right to subscribe to $8,092,800 new stock at par to the extent of 10% of their holdings.

Transfer Agents—Robert Randall and Albert E. Taylor, 60 Broadway, New York, and R. W. Symes, E. W. Baldwin, J. H. Lobban, and J. L. McLeod, 2000 Second Ave., Detroit, Mich.

Registrars—The Guaranty Trust Co. of New York, and Security Trust Co., Detroit.

Annual Meeting—First Monday in February, at New York.

Listed—New York and Detroit Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	170½	141½	159¾	115¾	111	118½	100	108
Low	133½	123½	110	101¼	100¼	100⅜	88	91

Dividends—At rate of 4% per annum paid quarterly from July 15, 1909, to April 15, 1910, inclusive; rate raised to 6% in July, 1910, and established at 7% rate on Jan. 15, 1911, which payments were maintained up

to and including Oct. 15, 1915. In January, 1916, the stock was placed on an 8% annual basis, and this rate has since been maintained. Dividends are payable quarterly, J, A, J & O 15, to stockholders of record, M, J, S & D 20.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1) Detroit Edison Co., First 5s.....Due Jan. 1, 1933
(2) Eastern Mich. Edison Co. First 5s....Due Nov. 1, 1931
(3) Det. Edison Co. 1st & Ref. 5s, Ser. A.Due July 1, 1940
(4) Det. Edison Co. 1st & Ref. 6s, Ser. B.Due July 1, 1940
(5) Detroit Edison Co. Gen. & Ref. 5s, A.Due Oct. 1, 1949
(6) Detroit Edison Co. Gen. & Ref. 5s, B.Due June 1, 1955
(7) Detroit Edison Co. Gen. & Ref. 5s, C.Due Aug. 1, 1962
(8) 6% ten-year Convertible Debentures..Due Dec. 15, 1932
(9) 7% ten-year Convertible Debentures..Due Jan. 15, 1928
(10) 7% ten-year Convertible Debentures..Due Feb. 1, 1929
(11) 7% ten-year Convertible Debentures..Due Mar. 1, 1930

(1)

$10,000,000 THE DETROIT EDISON CO. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE JANUARY 1, 1933

Dated January 28, 1903.

Interest Payable January and July 1, at office of North American Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Callability—Not subject to call.

Sinking Fund—None.

Security—A first lien on entire property, including acquisitions, except Connors Creek power plant and Huron River water powers with their transmissions, etc., with respect to which see First & Refunding 5s and 6s, and Eastern Michigan Edison First 5s. Additionally secured by pledge with the Trustee of the capital stock of The Edison Illuminating Co. of Detroit; and the capital stock of The Peninsular Electric Light Co. (see History). Provided for in the General and Refunding Mortgage, dated Oct. 1, 1924.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Strong & Cadwalader, Masten & Nichols and Sullivan & Cromwell, all of New York.

Legal for Savings Banks in Maine, California, New Hampshire, Oregon, Rhode Island, Vermont and for insurance companies in Massachusetts.

Original Offering—First publicly offered ($1,800,000) in January, 1903, at 104 and interest, by Vermilye & Co. and Spencer Trask & Co., New York.

Listed—New York and Detroit Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103⅝	103⅞	102⅜	101⅝	100½	101½	93¾	95
Low	101⅜	100⅞	100⅛	99	99¾	93	86¾	82¾

(2)

$4,000,000 EASTERN MICHIGAN EDISON CO. FIRST GOLD 5s; DUE NOVEMBER 1, 1931

Dated November 1, 1906.

Interest Payable May and Nov. 1, at office of North American Co., New York, and at Security Trust Co., Detroit, Mich.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $10,000,000; mortgage closed at $4,000,000.

Callability—Subject to call at 110 and interest.

Sinking Fund—None.

Security—A first lien on four hydraulic plants on the Huron River with their transmissions, etc., serving a large part of the suburban territory around Detroit. Additionally secured by pledge of the entire capital stock (except directors' qualifying shares) of the St. Clair Edison Co. and Washtenaw Light and Power Co. Provided for in The Detroit Edison Co. General and Refunding Mortgage, dated Oct. 1, 1924.

Guaranty—Guaranteed, unconditionally, principal and interest, and assumed by The Detroit Edison Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax free in Michigan.

Legal for Savings Banks in Maine, California, New Hampshire, Oregon, Rhode Island, Vermont and for insurance companies in Massachusetts.

Listed—Detroit Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	101¾	102	100¾	100½	98¼	97½
Low	100½	100½	99⅞	98	97⅝	91½

(3)

$16,665,000 THE DETROIT EDISON CO. FIRST & REFUNDING GOLD 5s, SERIES "A"; DUE JULY 1, 1940

(4)

$18,319,000 THE DETROIT EDISON CO. FIRST & REFUNDING GOLD 6s; SERIES "B"; DUE JULY 1, 1940

Dated (Both Issues), July 1, 1915.

Interest Payable March 1 and Sept. 1, at office of North American Co., 60 Broadway, New York.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000, and fully registered bonds, $1,000 and multiples. The coupon bonds of $100 and $500 denominations are exchangeable for $1,000 coupon bonds, and the $1,000 coupon bonds are interchangeable with fully registered bonds.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $75,000,000; issued, $47,484,000, of which $16,665,000 Series "A" 5s and $18,319,000 Series "B" 6s are in the hands of public and $12,500,000 are pledged as security for an issue of a like amount of General and Refunding Mortgage bonds; $13,516,000 are held in company's treasury to be issued only as security for future issues of General and Refunding Mortgage bonds. The remaining $14,000,000, reserved to retire $14,000,000 prior liens (described in Nos. 1 and 2) may be issued but when issued must be pledged as security under the General and Refunding Mortgage.

Callability—Subject to call on any interest date on or before March 1, 1930, at 107½ and interest; from then, to and including March 1, 1935, at 105 and interest, and thereafter at 102½ and interest.

Sinking Fund—None.

Security—A first mortgage upon the Connors Creek Plant at Detroit. They are secured in addition by a direct mortgage on the remainder of the Company's property, and by pledge, of all the securities of The Edison Illuminating Co. of Detroit and The Peninsular Electric Light Co. subject only to $10,000,000 of The Detroit Edison Co. First 5s of 1933, and $4,000,000 Eastern Michigan Edison Co. First 5s of 1931, both closed mortgages.

Tax Provisions—Company does not pay Normal Federal Income Tax, but the mortgage provides that whenever it may be lawful so to do, the Company may issue bonds that shall be free from the payment of the Federal Income Tax (which shall be so recited therein) and may provide for the exchange of all existing bonds for such new bonds.

Legal Opinion—Sullivan & Cromwell, New York.

Legal for Savings Banks in Maine, California, New Hampshire, Oregon, Rhode Island, Vermont and for insurance companies in Massachusetts.

Original Offering—First publicly offered ($3,500,000) in June, 1915, at 98½ and interest by Spencer Trask & Co., Harris, Forbes & Co. and Perry, Coffin & Burr, New York, etc., and Security Trust Co., Detroit. In May, 1916, $2,000,000 of Series A bonds were offered publicly at 101 and interest, and $1,500,000 additional in November, 1916, at 101½ and interest. In July, 1917, $2,000,000 bonds were sold at 93 and interest. In June, 1918, $2,036,000 were sold, in July, 1918, $320,000, and in August, 1918, $320,000, all at 87½ and interest. In September, 1919, $4,989,000 additional were sold at 89 and interest. Of the $18,319,000 Series B bonds, $10,000,000 were offered for sale May, 1920, at 89 and interest; $2,750,000 April, 1921, at 88½ and interest, and $5,569,000 July, 1921, at 88 and interest.

Listed—New York and Detroit Stock Exchanges.

Price Range—

Series "A"—	1927	1926	1925	1924	1923	1922	1921	1920
High	104⅞	104⅜	102¾	101	98	100	93½	90
Low	102¼	100⅝	99½	95	90¾	89¼	76½	76⅞
Series "B"—								
High	109	108⅜	108½	107¾	104½	106½	100½	91
Low	107¼	106	106½	104	101	99½	86⅛	88¼

(5)

$12,500,000 THE DETROIT EDISON CO. GENERAL AND REFUNDING MORTGAGE GOLD BONDS, SERIES "A," 5%, DUE OCTOBER 1, 1949

(6)

$23,000,000 THE DETROIT EDISON CO. GENERAL AND REFUNDING GOLD 5s; SERIES "B"; DUE JUNE 1, 1955

(7)

$20,000,000 THE DETROIT EDISON CO. GENERAL AND REFUNDING GOLD 5s, SERIES "C"; DUE AUGUST 1, 1962

Dated (All Issues) October 1, 1924.

Interest Payable on Series "A," April and October 1; on Series "B," June and December 1, and on Series "C," February and August 1, at office or agency of Company, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Coupon bonds in denomination of $1,000 and fully registered bonds interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount unlimited. Issued and outstanding, $55,500,000, of which $12,500,000 are Series "A" 5s, $23,000,000 are Series "B" 5s, and $20,000,000 are Series "C" 5s. Additional bonds may be issued in such series and amounts and at such interest rates and with such rates of redemption and other provisions as may be determined by Board of Directors (1) against the deposit of an equal face amount of the $13,516,000 First and Refunding Mortgage Gold bonds held in the treasury, (2) to retire $48,984,000 outstanding prior lien bonds, or bonds theretofore issued under the indenture; and (3) for a principal amount not to exceed 75% of the actual cost or fair value, whichever is less, of property additions (as defined in the indenture) acquired subsequent to June 30, 1924, but only when the earnings of company (as defined in the indenture) available for interest and reserves, including retirement reserves (depreciation), shall have been for a period of twelve consecutive months within the fifteen months preceding the application for bonds equal to at least one and three-quarters times the annual interest on all bonds outstanding, including all bonds then applied for.

Callability—Series "A" bonds are subject to call as a whole or in part on the first day of any month on eight weeks' notice at 107½ and interest for the first ten years, at 105 and interest for the next five years, the premium reducing thereafter at annual intervals to ½% for the last two years.

Series "B" bonds are subject to call at 107½ and interest on or before June 1, 1935, thereafter at 105 and interest on or before June 1, 1945, the premium thereafter reducing ½% annually to ½% for the last two years.

Series "C" bonds are subject to call on 60 days' notice at 107½ and interest on or before August 1, 1937; thereafter at 105 and interest on or before August 1, 1947; thereafter at 103 and interest on or before August 1, 1952; thereafter at 102 and interest on or before August 1, 1957, and thereafter prior to maturity at 100 and interest.

Sinking Fund—None.

Security—Secured by a direct mortgage on the entire fixed property and franchises of company, subject only to two closed underlying issues (Nos. 1 and 2), and a third closed divisional issue (Nos. 3 and 4), aggregating $48,984,000 bonds held by the public, and are also secured by the deposit of $12,500,000 First and Refunding Mortgage bonds. Company covenants to issue no additional First and Refunding Mortgage bonds unless they are deposited as further security for the bonds issuable under this mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Sullivan & Cromwell, New York and Oxtoby, Robison & Hull, Detroit.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($12,500,000 Series "A" 5s) in Oct., 1924, at 97½ and interest, yielding about 5.18%, by Coffin & Burr, Inc., Harris, Forbes & Co., Spencer Trask & Co. and Bankers Trust Co., New York, and Security Trust Co. and First National Co. of Detroit; $8,000,000 Series "B" 5s offered in June, 1925, at 99½ and interest, to yield over 5% and $15,000,000 additional Series "B" 5s offered in June, 1926, at 101½ and interest, yielding over 4.90%, all by the same bankers. $20,000,000 Series "C" bonds were offered in July, 1927, at 102¼ and interest to yield over 4.85% by the same bankers and Otis & Co., New York; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.

Listed (All Series)—New York and Detroit Stock Exchanges.

Price Range—

Series "A"—	1927	1926	1925	1924
High	105⅞	103⅞	101¾	98
Low	102⅛	100	97⅝	97
Series "B"—				
High	106	104	100¼	..
Low	101⅝	100⅛	99¾	..
Series "C"—				
High	105¾	..	..	..
Low	bid	..	..	..

(8)

$458,100 THE DETROIT EDISON CO. TEN-YEAR 6% CONVERTIBLE DEBENTURE GOLD BONDS; DUE DECEMBER 15, 1932

Dated December 15, 1922.

Interest Payable June and December 15, at North American Co.'s office, New York.

Denominations—Coupon, $100 and $1,000; principal may be registered.

Agent—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $6,836,800, of which $6,378,700 had been converted into capital stock to Dec. 31, 1927.

Callability—Subject to call (on 60 days' notice to registered holders and six weeks' published notice) on Dec. 15, 1925, and at any time thereafter at a premium of ½ of 1% for each year or fraction of a year from the redemption date to maturity with accrued interest in each instance; when so called for redemption the bonds may at option of holders, provided the time for conversion has not expired, be converted into stock at par at any time up to and including the date named for redemption.

Sinking Fund—None.

Convertibility—Convertible at par to June 15, 1932, at option of holder into fully paid shares of capital stock.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—The right to subscribe to these bonds was offered to stockholders of record Nov. 20, 1922; each stockholder being entitled to subscribe for an amount equal to 20% of the par value of stock held by him on record of that day. The bonds were underwritten by Spencer Trask & Co., New York; Coffin & Burr, Inc., Boston, and Security Trust Co. and First National Co., Detroit, and all bonds not subscribed for by stockholders on or before Dec. 15, 1922, were sold to the bankers who agreed to take the same.

Listed—Detroit Stock Exchange. Also quoted on New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922
High	143½	137½	158½	112¾	105	104
Low	133⅛	124½	109	102⅝	100	100

(9)

$133,100 THE DETROIT EDISON CO. TEN-YEAR 7% CONVERTIBLE DEBENTURE GOLD BONDS; MATURED AND PAID OFF JANUARY 15, 1928

(10)

$167,400 THE DETROIT EDISON CO. TEN-YEAR 7% CONVERTIBLE DEBENTURE BONDS; DUE FEBRUARY 1, 1929

Dated February 1, 1919.

Interest Payable February and August 1, at North American Co.'s Office, New York.

Denominations—Coupon, $100 and $1,000; principal may be registered.

Agent—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $2,600,000 of which $2,432,600 had been converted into capital stock to Dec. 31, 1927.

Callability—Subject to call on or before Feb. 1, 1927, at 105 and accrued interest, and on or after Feb. 1, 1927, and before maturity, at 102 and accrued interest, on 60 days' notice, and when so called for redemption, they may, at the option of holders, provided time for conversion has not expired, be converted into stock, as aforesaid, at any time before date named for redemption.

Sinking Fund—None.

Convertibility—Convertible until Aug. 1, 1928 at option of holders, into paid-up shares of stock of Company at par.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—The right to subscribe for these bonds was offered to stockholders of record December 31, 1918, each stockholder being entitled to subscribe for an amount equal to 10% of the par value of the stock held by him of record on that day. The bonds were underwritten by Spencer Trask & Co. and Coffin & Burr, Inc., New York, etc., and all bonds not subscribed for by the stockholders on or before Feb. 1, 1919, were sold to the bankers who agreed to take the same.

Listed—Detroit Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	162	135	158½	113¾	108¼	112¾
Low	bid	130	109	105¼	104	102

(11)

$559,800 THE DETROIT EDISON CO. TEN-YEAR 7% CONVERTIBLE DEBENTURE GOLD BONDS; DUE MARCH 1, 1930

Dated March 1, 1920.

Interest Payable March and September 1, at North American Co.'s office, New York.

Denominations—Coupon, $100 and $1,000; principal may be registered.

Agent—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued $5,503,500, of which $4,943,700 had been converted into capital stock to Dec. 31, 1927.

Callability—Subject to call before March 1, 1928, at 105 and accrued interest, and on or after March 1, 1928, and before maturity at 102 and accrued interest, on 60 days' notice, and when so called for redemption the bonds may, at option of holders, provided time for conversion has not expired, be converted into stock at any time before the date named for redemption.

Sinking Fund—None.

Convertibility—Convertible until Sept. 1, 1929, at option of holders, into paid-up shares of capital stock of Company at par.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—The right to subscribe to these bonds was offered to stockholders of record Feb. 4, 1920, each stockholder being entitled to subscribe for an amount equal to 20% of the par value of the stock held by him of record on that day. The bonds were underwritten by Spencer Trask & Co. and Coffin & Burr, Inc., New York, and all bonds not subscribed for by the stockholders on or before March 1, 1920, were sold to the bankers who agreed to take the same.

Listed—Detroit Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	143¾	138⅞	158½	113¾	108½	112¼
Low	137	124⅜	109	105	102½	101½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Gross Earnings—	1927	1926	1925	1924	1923	1922
Electricity	$44,759,413	$41,989,943	$36,382,376	$31,707,796		
Steam	2,223,657	2,459,047	2,183,880	21,117,858	$31,724,185	$26,352,486
Gas	305,993	287,227	266,680	251,472		
Miscellaneous	90,716	118,519	115,846	86,160		
Total	$47,379,779	$44,854,736	$38,948,782	$34,163,286	$31,724,185	$26,352,486
*Operating and non-operating expenses	21,619,975	21,310,959	18,692,140	17,756,623	19,344,559	16,767,941
†Federal and other taxes	4,586,000	4,049,600	3,131,850	2,641,100		
Retirement reserve (depreciation)	5,950,000	5,500,000	4,515,000	3,500,000	3,019,900	2,415,000
Net earnings	$15,223,804	$13,994,177	$12,609,792	$10,265,562	$9,359,726	$7,169,545
Deductions—						
Amortization of debt discount and expense	$312,429	$308,140	$424,343	$343,864	$320,259	$328,743
Miscellaneous	28,750	25,750	25,000	25,000	25,000	25,000
Total	$341,179	$333,890	$449,343	$368,864	$345,259	$353,743
Balance for interest	$14,882,625	$13,660,287	$12,160,449	$9,896,699	$9,014,467	$6,815,802
Interest on funded and unfunded debt	4,731,088	3,862,161	3,770,160	3,794,841	3,866,916	3,556,380
Net income	$10,151,537	$9,798,126	$8,390,288	$6,101,858	$5,147,551	$3,259,422
Dividends declared	6,972,983	6,354,457	5,471,996	3,968,480	3,061,547	2,599,278
Surplus for year	$3,178,554	$3,443,669	$2,918,292	$2,133,378	$2,086,004	$660,144
Appropriations from surplus	709,415	1,558,444	981,221	626,674	603,338	9,454
Net addition to surplus for year	$2,469,139	$1,885,225	$1,937,071	$1,506,704	$1,482,666	$650,690
Times All Interest Earned	3.14	3.53	3.24	2.71	2.42	2.02
Earnings Per Share	$11.32	$11.55	§$11.92	§$11.98	§$13.21	§$9.95

*All operating and maintenance charges except retirement reserve. †Total charges made monthly against revenue for reserve. §These figures are based on stock outstanding at dividend dates and surplus as revised to conform with classification used in 1923.

Retirement (Depreciation) Reserve—Appropriations are made from earnings monthly to insure replacement of physical property, and credited to retirement (depreciation) reserve, in accordance with the best principles of management and engineering practice. When property is replaced or abandoned, original cost of such property is charged against said reserve. These appropriations to retirement reserve are additional to full maintenance and repair expenditures, which are included in monthly operating expenses, and serve to maintain all parts of the property in good repair and in first-class operating condition. In addition to the monthly charge to operating expenses for retirement reserve the Company has added to this reserve by appropriations from profit and loss.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Including all Constituent Cos.)

Assets—	1927	1926	1925	1924	1923	1922
Real estate, buildings, fixtures and grounds	$44,053,019	$37,904,856	$32,157,683	$29,154,341	$25,312,996	$22,358,813
Power plant equipment, transmission and distribution system	161,424,874	145,104,879	120,899,250	105,325,446	84,340,872	72,957,578
Stock of subsidiary companies	1,285,049	1,204,049	1,949,049	1,949,049		
Advances to subsidiary companies	4,166,491	4,208,170	2,750,760	2,688,055	4,109,554	4,916,934
Bonds and other investments	137,037	170,086	177,146	245,553		
Materials and supplies	5,360,385	6,624,128	4,228,736	3,977,440	4,677,244	2,922,587
Cash	1,590,015	1,505,691	1,571,894	3,691,495	1,647,923	2,469,335
Notes receivable	3,037,009	15,437	2,866,953	86,989	5,232,192	4,614,687
Accounts receivable	6,799,023	6,340,601	5,936,984	5,121,547		
Special deposits	2,750	2,600	143,001	115,152	123,947	78,973
Subscribers to capital stock	118,992	2,408,104	703,442	581,009	966,092	.....
Insurance investment fund	1,152,908	1,135,192	738,168	613,747	500,245	437,597
Debt discount and expense	4,356,457	4,550,155	4,658,171	4,890,556	4,993,551	4,954,896
Deferred charges	164,887	131,159	149,317	481,381		
Reacquired securities	1,856	134,278	287,200	654,985	747,996	.....
Prepaid accounts	599,159	752,066	806,223	927,499	466,666	586,906
Total	$234,249,911	$212,191,451	$180,023,977	$160,504,244	$133,119,278	$116,298,306
Liabilities—						
Capital stock	$89,661,600	$86,542,800	$78,567,100	$61,148,100	$43,405,900	$34,938,242
Premium on capital stock	258,658	201,604	99,877	134,202	.....	.....
Capital stock subscribed	.....	2,584,500	1,388,298	1,310,300	2,190,800	.....
Funded debt	105,802,400	86,336,700	72,378,200	75,363,600	68,810,200	69,205,850
Notes payable and acceptances	.....	2,427,930	965,601	1,214,002	2,000,000	.....
Dividends payable	.....	1,620,220	1,570,412	1,204,578	864,612	688,326
Permanent and corporation reserves	.....	.....	.....	.....	109,584	104,163
Accounts payable	3,635,886	3,297,657	1,966,171	2,189,157	1,871,008	2,035,516
Taxes accrued	2,624,411	2,270,986	1,737,629	1,304,066		
Interest accrued	1,650,614	1,249,738	1,206,271	1,393,711	2,906,187	2,346,844
Miscellaneous accrued liabilities	183,425	310,829	170,183	527,812		
Retirement reserve	16,538,561	14,078,828	11,028,474	8,049,167	5,843,081	3,704,068
Casualty insurance reserve	1,146,060	1,137,107	741,338	615,648	500,000	445,072
Other reserves	193,936	105,622	150,060	62,308	240,833	213,691
Miscellaneous unadjusted credits	657,021	598,731	511,389	381,690	277,874	.....
Profit and loss	11,897,339	9,428,199	7,542,974	5,605,903	4,099,199	2,616,534
Total	$234,249,911	$212,191,451	$180,023,977	$160,504,244	$133,119,278	$116,298,306

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$1,590,014	$1,505,691	$1,571,894	$3,691,495	$1,647,923	$2,469,335
Notes receivable	3,037,009	15,437	2,866,953	86,989	5,232,192	4,614,687
Accounts receivable	6,799,023	6,340,601	5,936,984	5,121,547		
Materials and supplies	5,360,385	6,624,128	4,228,736	3,977,440	4,677,244	2,922,587
Special deposits	2,750	2,600	143,001	115,151	123,947	78,973
Total	$16,789,181	$14,488,457	$14,747,568	$12,992,622	$11,681,306	$10,085,582
Current Liabilities—						
Notes, etc., payable	.....	$2,427,930	$965,601	$1,214,002	$2,000,000	.....
Accounts payable	$3,635,886	3,297,657	1,966,171	2,189,157	1,871,008	$2,035,516
Dividends payable	.....	1,620,220	1,570,412	1,204,578	864,612	688,326
Taxes accrued	2,624,411	2,270,986	1,737,629	1,304,066		
Interest accrued	1,650,614	1,249,738	1,206,271	1,393,711	2,906,187	2,346,844
Miscellaneous accrued items	183,425	310,828	170,184	527,812		
Total	$8,094,336	$11,177,359	$7,616,267	$7,833,326	$7,641,807	$5,070,686
Net Working Capital	$8,694,845	$3,311,098	$7,131,301	$5,159,296	$4,039,499	$5,014,896

Officers: Alex Dow, Pres., Detroit; James F. Fogarty, V-P., New York; Alfred C. Marshall, V-P. and Gen. Mgr.; James V. Oxtoby, V-P.; Sarah M. Sheridan, V-P., Detroit; Frederick H. Piske, Sec. and Asst. Treas., New York; Samuel C. Mumford, Treas. and Asst. Sec.; Arthur D. Spencer, Controller and Asst. Sec.; Payson D. Foster, Mary E. Needham and E. W. Baldwin, Asst. Treas's., Detroit; Robert Randall, Asst. Sec.; Robert Sealy, Asst. Treas.; C. D. Burdick, Asst. Treas., New York.

Directors: Edwin M. Bulkley, John F. Dulles, E. W. Rice, Jr., Edwin Gruhl, B. A. Tompkins, New York; Alex Dow, Standish Backus, Alfred C. Marshall, James S. Holden, Detroit.

Offices, 2000 Second Ave., Detroit, Mich., and 60 Broadway, New York.

DELRAY TERMINAL RAILROAD COMPANY

(Controlled by The Detroit Edison Company)

History—Incorporated Jan. 24, 1905, in Michigan. Owns and operates a terminal railroad (length 1.09 mile) connecting the works of The Detroit Edison Co., The Solvay Process Co. and others; also owns an undivided interest jointly with the Solvay Process Co. and others in a certain railroad right-of-way connecting the Michigan Central R. R. and the Union Terminal R. R. For more complete statement see Railroad Volume.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. Entire capital stock (except qualifying shares of directors) is owned by The Detroit Edison Co.

Officers: Alex Dow, Pres.; A. C. Marshall, V-P.; J. V. Oxtoby, Sec.; S. C. Mumford, Treas. & Aud.; P. D. Foster, Asst. Treas.; M. E. Needham, Asst. Treas.; P. J. Savage, Gen. Supt.

THE EDISON ILLUMINATING COMPANY

(Controlled by The Detroit Edison Company)

History—Incorporated April 15, 1886, in Michigan. The electric transmission and distributing system in the city of Detroit, formerly owned by this company, was purchased by The Detroit Edison Co. on July 1, 1915. The company retains certain assets, but is not now active in public service. Operating results are included in those of The Detroit Edison Co.

CAPITAL STOCK

Authorized and issued, $1,000,000; par, $25. The entire capital stock (except qualifying shares of directors) is owned by The Detroit Edison Co., and is pledged under its First Mortgage.

Officers: Alex Dow, Pres.; A. C. Marshall, V-P.; J. V. Oxtoby, V-P.; S. C. Mumford, Sec. & Treas.; P. D. Foster, Asst. Treas.; M. E. Needham, Asst. Treas.

Directors: Alex Dow, S. C. Mumford, J. V. Oxtoby, J. S. Holden, A. C. Marshall, Geo. Wiley, G. W. Cato, J. W. Parker, S. Backus.
Office, Detroit, Mich.

THE PENINSULAR ELECTRIC LIGHT COMPANY

(Controlled by The Detroit Edison Company)

History—Inc. June 16, 1891, in Mich. Sells alternating electric current within the City of Detroit and villages and townships of Wayne County adjacent thereto on its north and east sides. Operating results are included in those of The Detroit Edison Co., which company, on July 1, 1915, purchased the transmission and distributing system of the Peninsular Electric Light Co. The company retains certain real estate and other property, and continues as an electric light and power company, having been incorporated under an act applying to such companies alone.

CAPITAL STOCK

Authorized and issued, $300,000; par, $25. The entire capital stock (except qualifying shares of directors) is owned by The Detroit Edison Co., and is pledged under its First Mortgage.

Officers: Alex Dow, Pres.; A. C Marshall, V-P.; J. V. Oxtoby, V-P.; S. C. Mumford, Sec. & Treas.; P. D. Foster, Asst. Treas.; M. E. Needham, Asst. Treas.
Directors: Alex. Dow, J. V. Oxtoby, A. C. Marshall, Geo. Wiley, S. Backus.
Office, Detroit, Mich.

ST. CLAIR EDISON COMPANY

(Controlled by The Detroit Edison Company)

History—Incorporated Aug. 27, 1906, in Mich. The company owns certain assets, but is not active in public service.

CAPITAL STOCK

Authorized and issued, $10,000; par, $100. Entire capital stock (except qualifying shares of directors) is owned by The Detroit Edison Co. and same is pledged under the Eastern Michigan Edison Co. First Mortgage.

FUNDED DEBT

None.

Officers: Alex Dow, Pres.; A. C. Marshall, V-P.; S. C. Mumford, Sec. & Treas.; P. D. Foster, Asst. Treas.; M. E. Needham, Asst. Treas., Detroit, Mich.
Directors: Alex Dow, A. C. Marshall, J. V. Oxtoby, Detroit, Mich.
Office, Detroit, Mich.

WASHTENAW LIGHT & POWER COMPANY

(Controlled by The Detroit Edison Company)

History—Incorporated August 1, 1902, in Michigan, as a consolidation of the Ann Arbor Electric Co. and Washtenaw Electric Co. of Ypsilanti. Perpetual franchise. Company owns certain assets, but is not active in public service.

CAPITAL STOCK

Authorized and issued, $10,000; par, $50. Entire capital stock (except qualifying shares of directors) is owned by The Detroit Edison Co., and same is pledged under the Eastern Michigan Edison Co. First Mortgage.

Officers: Alex Dow, Pres.; A. C. Marshall, V-P.; S. C. Mumford, Sec. & Treas.; P. D. Foster, Asst. Treas.; M. E. Needham, Asst. Treas., Detroit, Mich.
Directors: Alex Dow, A. C. Marshall, J. V. Oxtoby, Detroit. Mich.
Office, Detroit, Mich.

CITY OF DETROIT DEPARTMENT OF STREET RAILWAYS

History—On April 5, 1920, the voters of the City of Detroit approved an issue of $15,000,000 public utility bonds for the purpose of constructing and equipping new street railway trackage and acquiring certain lines on which the franchises had expired from the Detroit United Railway.

On April 17, 1922, the voters of the City of Detroit approved the terms of the purchase contract with the Detroit United Railway by which on May 15, 1922, the last of the lines owned by the Detroit United Railway in the City of Detroit, Highland Park, Hamtramck and Fordson passed into the possession of the Department of Street Railways of the City of Detroit. The consideration in the acquisition of these lines was $19,850,000, of which $2,770,000 was paid in cash out of the proceeds of the bond issue of $4,000,000 which was authorized by the voters on April 17, 1922, for the purpose of making the down payment and acquiring a stock of material and supplies. It was provided that the remainder of the consideration in the acquisition of the lines should be paid for in nineteen semi-annual installments of $500,000 each, the installments being payable June 1 and December 1 of each year with interest at 6% per annum on the unpaid balance, the final payment to be made in the amount of $7,580,000 on Dec. 31, 1931.

On April 2, 1923, the voters of the City of Detroit approved an issue of $5,000,000 bonds for the purpose of additions and betterments and extensions to the system.

The Department of Street Railways of the City of Detroit furnishes transportation facilities to Detroit, Highland Park, Hamtramck, and Fordson with a total population of 1,498,000 as of Dec. 31, 1927; owns 404.89 miles of railway track; operates 361.32 miles of coach routes; also owns 1,644 passenger cars and 302 motor coaches.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926
Railway revenue car miles	46,440,692	53,109,845
Coach revenue coach miles	12,495,942	8,977,267
Railway revenue car hours	4,622,887	5,497,640
Coach revenue coach hours	1,200,638	895,112
Railway revenue passengers	319,035,264	359,475,040
Railway transfer passengers	117,220,156	125,763,285
Railway total passengers	436,255,420	485,238,325
Coach revenue passengers	37,973,891	25,314,545
Coach transfer passengers	4,561,723	2,095,715
Coach total passengers	42,535,614	27,410,260
Total revenue & transfer passengers	478,791,034	512,648,585
Railway oper. rev. per car mile	43.56c	42.52c
Coach oper. rev. per coach mile	26.25c	24.04c
Railway oper. exp. per car mile	32.15c	32.11c
Coach oper. exp. per coach mile	24.39c	23.21c
Railway oper. rev. per car hour	$4.38	$4.11
Coach oper. rev. per coach hour	$2.73	$2.41
Railway oper. exp. per car hour	$3.23	$3.10
Coach oper. exp. per coach hour	$2.54	$2.33
Ratio of transfer pass. to rev. pass. —railway	36.74%	34.99%
Ratio of transfer pass. to rev. pass. coach	12.01%	8.28%
Railway rev. pass. per car mile oper.	6.87	6.77
Railway transfer pass. per car mile oper.	2.52	2.37
Total railway pass. per car mile oper.	9.39	9.14
Coach rev. pass. per coach mile oper.	3.04	2.82
Coach trans. pass. per coach mile oper.	.36	.23
Total coach pass. per coach mile oper.	3.40	3.05
Ratio of ry. oper. exp. to ry. oper. rev.	73.82%	75.53%
Ratio of coach oper. exp. to coach oper. rev.	92.94%	96.58%

FUNDED DEBT

(Outstanding December 31, 1927)

(1)

$15,000,000 **Construction Bonds** outstanding Dec. 31, 1927, as follows:

Amount	Issued	Mature	Sinking Fund Rate %
$100,000 5s	May 1, 1920	May 1, 1950	1.78301
200,000 5s	July 1, 1920	July 1, 1950	1.78301
700,000 5½s	Aug. 1, 1920	Aug. 1, 1950	1.78301
750,000 5½s	Aug. 1, 1920	Aug. 1, 1950	1.78301
1,000,000 5½s	Nov. 1, 1920	Nov. 1, 1945	2.40119
1,000,000 5½s	Jan. 1, 1921	Jan. 1, 1941	3.35817
1,000,000 5½s	May 1, 1921	May 1, 1948	2.12385
1,000,000 5½s	May 1, 1921	May 1, 1949	2.00129
1,000,000 6s	June 1, 1921	June 1, 1947	2.25673
1,000,000 5½s	Aug. 15, 1921	Aug. 15, 1944	2.73090
1,000,000 5½s	Aug. 15, 1921	Aug. 15, 1946	2.40119
1,300,000 5¼s	Oct. 15, 1921	Oct. 15, 1940	3.61386
1,000,000 5¼s	Oct. 15, 1921	Oct. 15, 1942	3.12801
1,000,000 5¼s	Oct. 15, 1921	Oct. 15, 1943	2.91988
1,000,000 4½s	Jan. 15, 1922	Jan. 15, 1932	8.32909
500,000 4¼s	June 1, 1922	June 1, 1933	7.41494
500,000 4¼s	June 1, 1922	June 1, 1934	6.65521
500,000 4¼s	June 1, 1922	June 1, 1935	6.01437
450,000 4¼s	June 1, 1922	June 1, 1936	5.46689

(2)

$3,335,000 4¼% **Purchase Bonds** (voted April 17, 1922); dated June 1, 1922; due $133,000 on June 1 of each year up to and including June 1, 1942, and then

$134,000 on June 1 of each year up to and including June 1, 1950. Interest payable June and December 1, at City Treasurer's office, Detroit, or Guaranty Trust Co., New York. Coupon, $1,000, with privilege of registration as to principal and interest. Legal for savings banks and trust funds in New York, Massachusetts, Connecticut and other states. Eligible as security for postal savings deposits. Tax exempt in Michigan.

Legal Opinion—John C. Thomson, New York.

(3)

$11,580,000 The Detroit United Railway 6% Obligation (voted April 17, 1922). Matures $500,000 on June 1 and Dec. 1, of each year up to and including Dec. 1, 1931. On Dec. 31, 1931, the remainder or final payment matures in the amount of $7,580,000. The interest rate is 6% per annum on the outstanding balance of the obligation, and is payable in M, J, S. & D 1 of each year.

(4)

$4,630,000 Additions and Betterments 4½% Bonds (voted April 2, 1923). Matures $110,000 on Dec. 15 and $50,000 on June 1 of each year up to and including June 1, 1936, and then $120,000 on Dec. 15, and $50,000 on June 1 of each year up to and including June 1, 1954, leaving two payments of $120,000 each to be made one on Dec. 15, 1954, and one on Dec. 15, 1955. Interest is payable June 1, June 15, Dec. 1, and Dec. 15 of each year.

(5)

$1,450,000 Street Railway 5% Equipment Trust Certificates (Series A); due in varying amounts each February and August 1, from February 1, 1928 to August 1, 1937.

Dated August 1, 1927.

Dividends Payable February and August 1, at Guardian Trust Co. of Detroit, Detroit, Mich.

Denomination—Coupon, $1,000.

Trustee—Guardian Trust Co. of Detroit, Detroit, Mich.

Provisions of Issue—Authorized and issued, $1,450,000.

Callability—Subject to call as a whole but not in part on any dividend date, upon 30 days' notice at par and accrued dividends plus a premium of ¼ of 1% for each six months of unexpired maturity but not in excess of 3%.

Security—Issued under an equipment trust agreement dated July 19, 1927, and secured by 125 new, standard double-truck street railway passenger cars of the Peter Witt type. Equipment has been leased to the Department of Street Railways, City of Detroit, by the Cummings Car & Coach Co. for ten years, at a rental of $18,000 per month. Lease has been assigned to the Trustee together with title to the cars and rentals described therein. Lease provides for the proper maintenance of the cars and option to purchase the leased cars at a stipulated price sufficient to retire all certificates issued hereunder, and the exercise of said option or the furnishing of other adequate security in the event of discontinuance of the City Street Railway System or the use of leased cars as a part of such system.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from any taxes or assessments which may be levied or assessed by any governmental authority on leased equipment or on the rent or income derived therefrom by the lessor.

Legal Opinion—Miller, Canfield, Paddock & Stone and John C. Spaulding.

Original Offering—First publicly offered ($1,450,000) in Sept., 1927, at prices ranging from 100.25 to 98 to yield from 4.50% to 5.25% according to maturity, by Detroit Trust Co. and Guardian Detroit Co., Detroit, Mich.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Railway operating revenue	$20,228,298	$22,580,244
Coach operating revenue	3,279,674	2,157,818
Total operating revenue	$23,507,972	$24,738,062
Non-operating income	249,763	268,528
Total revenue from all sources	$23,757,735	$25,006,590
Railway operating expenses	14,932,819	17,055,023
Coach operating expenses	3,048,018	2,083,942
Net revenue from all sources	$5,776,898	$5,867,625
Taxes assignable to operation	753,047	724,570
Other deduuctions	10,225	.....
Interst on purchase bonds	144,076	149,729
Interest on construction bonds	785,875	785,875
Interest on additions and betterments bonds	213,810	230,860
Interest on purchase contract (D. U. R.)	734,663	794,663
Total deductions	$2,641,696	$2,685,697
Net income	$3,135,202	$3,181,928
Disposition of net income:		
Sinking funds—		
For purchase bonds	$133,000	$133,000
For construction bonds	519,710	519,710
For additions & betterments bonds	160,000	160,000
For purchase contract (D. U. R.)—	1,787,518	1,787,518
Total sinking funds	$2,600,228	$2,600,228
Balance for the period	$534,974	$581,700

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Road and equipment	$48,091,933	$46,402,326
Sinking funds	7,158,946	6,593,245
Total investments	$55,250,879	$52,995,571
Cash	304,599	266,650
Working funds	114,600	114,600
Special deposits (for interest)	.....	300,508
Loans and notes receivable	991	991
Accounts receivable	133,808	77,000
Material and supplies	1,112,902	1,034,652
Interest, dividends and rents receivable	31,845	30,500
Other current assets	246	1,495
Insurance and other funds	.....	477,757
Prepaid items	174,874	41,858
Total	$57,124,744	$55,341,582
Liabilities—		
Funded debt	$34,545,000	$35,838,000
Accounts and wages payable	1,210,897	1,513,672
Accrued interest	261,809	300,508
Other current liabilities	146,647	135,614
Tax liability	*278,368	*404,794
Operating reserves	244,064	477,757
Depreciation	5,757,881	5,208,739
Other unadjusted credits	731,399	436,841
City of Detroit's equity in property:		
Funded debt retired through surplus	6,535,000	5,242,000
Sinking fund reserves	7,970,415	6,593,245
Total	$57,124,744	$55,341,582

*Debit.

Commissioners: G. O. Ellis, Pres.; John J. Gorman, J. J. Barlum, R. G. Lathrop, Sec.; D. A. Smith, Gen. Mgr.; W. B. Mayo, Consulting Engineer; W. M. Hauser, Aud.; C. J. Faber, Asst. Aud.

General Office, Detroit, Mich.

PHILADELPHIA RAILWAYS COMPANY

History and Properties—Incorporated May 13, 1911, in Pa.; successor to Southwestern St. Ry. Co., sold under foreclosure April 21, 1911. Line of road: Third & Jackson St., Philadelphia, to Bow Creek, with branch to Hog Island shipyard, 8.69 miles. Gauge, 5 ft. 2¼ in. Rails, 60 lb. T and 90 lb. girder. Cars, 16; work cars, 3; sweeper, 1. Property restored to company by the U. S. Shipping Board Emergency Fleet Corporation, June 1, 1922, when Company resumed operations.

Receivership Dissolved—Judge Rogers in Common Pleas Court No. 2 at Philadelphia on March 13, 1919 appointed Murdock Kendrick as temporary receiver for Company under bond of $5,000; appointment was made permanent April 15, 1919. The receivership was dissolved June 3, 1922.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $50. Registrar: Real Estate-Land Title & Trust Co., Philadelphia. Annual meeting, third Monday in January. No dividends paid.

FUNDED DEBT

$400,000 (entire issue) First Mortgage Gold 5s; dated May 15, 1911; due May 15, 1941; interest May and Nov. 15, at Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000; principal may be registered. Subject to call at 105 and interest. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$61,238	$61,757	$75,485
Operating expenses	66,559	76,570	82,328
Net earnings (loss)	$5,321	$14,813	$6,843
Interest & taxes	*1,596	21,670	21,764
Depreciation	9,000	9,000	9,000
Total charges	$10,596	$30,670	$30,764
Deficit for year	$15,917	$45,483	$37,607

*Exclusive of interest on First Mortgage bonds.

Officers: I. H. Silverman, Pres.; L. R. Isenthal, V-P.; A. W. From, Sec.; Chas. F. Wagner, Jr., Treas., Philadelphia, Pa.

Directors: Edwin Wolf, Benj. Wolf, Louis Wolf, C. F. Wagner, Jr., L. R. Isenthal, M. H. Silverman, Philadelphia, Pa.

Office, 606 Land Title Bldg., Philadelphia, Pa.

FRANKFORT WATER COMPANY

History—Incorporated Dec. 29, 1883, in Ky. Charter made perpetual by Act of Legislature approved March 11, 1886. Population served, 12,000. Daily capacity, 6,000,000 gallons. Miles of mains, 16. No. of meters, 600. In Sept., 1911, contract with city was renewed for 25 years from Jan. 1, 1911.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. Annual meeting, third Wednesday in September. A dividend at rate of $4 per share was paid in September, 1924; $5 per share in 1926 and $8 in 1927.

FUNDED DEBT

$138,000 First Mortgage Sinking Fund Gold 5s; dated Jan. 1, 1911; due Jan. 1, 1936; int. Jan. and July 1, at Fidelity & Columbia Trust Co., Louisville, Ky., Trustee. Authorized and issued, $150,000. Sinking fund of 5% per annum began Jan. 1, 1916. Company does not pay Normal Federal Income Tax.

Officers: D. W. Lindsey, Jr., Pres., Frankfort, Ky.; D. H. Long, V-P., Louisville, Ky.; Webster Griffin, Supt., Frankfort, Ky.; W. J. McGonigale, Sec., Treas. & Aud., Louisville, Ky.

Directors: G. J. Long, D. H. Long, James R. Peabody, Louisville, Ky.; T. N. Lindsey, D. W. Lindsey, Jr., Frankfort, Ky.

Office, Frankfort, Ky.

CONSUMERS' GAS COMPANY OF TORONTO

History—Incorporated March 23, 1848, by Special Act of the Ontario Legislature. The Company enjoys by legislative sanction a franchise without time limit in the City of Toronto, and in the Townships of York, East York, Forest Hill, Etobicoke, Vaughan, Markham and Scarboro. Population served, about 600,000. Daily capacity, 21,000,000 cu. ft. Price of gas: First, 10,000, 8½ cts. per 100 cu. ft.; next 90,000, 8 cts.; over 100,000, 7½ cts.; service charge, 50 cts. per meter per month. Miles of mains, Sept. 30, 1927, 830.

CAPITAL STOCK

Authorized $12,000,000 (increased from $6,000,000 Oct. 31, 1921), outstanding, $12,000,000, par, $100 (changed from $50 par on Feb. 6, 1922, and old stock of $50 par exchanged on basis of two old shares for one new share of $100 par).

Subscription Privilege—To shareholders of record May 15, 1926, $2,000,000 new stock was allotted in the proportion of one new share to five old shares, at $150 a share, increasing the issued stock from $10,000,000 to $12,000,000. In 1887 the outstanding stock amounted to $1,000,000. This amount has been increased at various times to the present outstanding amount, the more recent changes, with the average prices realized, being as follows: April 4, 1910, $500,000 at 199.99%; April 18, 1911, $384,500, at 166.84%; June 26, 1913, $340,500, at 166.84%; Dec. 15, 1913, $157,000, at 161.95%; May 21, 1917, $478,700, at 150%; Jan. 5, 1921, $639,300, at 118.72%; Feb. 3, 1923, $2,000,000, at 135%; Feb. 3, 1925, $2,000,000, at 140%; May 15, 1926, $2,000,000, at 150%. Authority was granted to Company by Letters Patent April 15, 1913, to sell unissued shares either by auction or by tender.

Transfer Office—Stock transferred by Company.

Annual Meeting—Second Monday in November, at Toronto.

Listed—Toronto Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	199	183⅞	177	170½	163½	*160	†75	150
Low	171	170	164	159	150½	†72	†62⅜	125

*New stock of $100 par. †Reduced to "Dollars per Share" instead of "Percentage" as in previous year.

Dividends—Payments have been as follows: 10% per annum from 1848 to 1857; 8% annually from 1858 to 1873, and 10% per annum since 1874, payable quarterly J, A, J. & O. 1, to holders of record on 15th of previous month. Dividends are limited to 10% per annum—see following paragraph.

Dividend Provisions—Company is required by terms of its incorporation to set aside all premium realized on the sale of capital stock to the credit of a Rest or Reserve Fund, which may be drawn upon to meet dividend disbursements (after payment of certain limited minor charges) in the event of net profits in any year proving insufficient to meet requirements. Any amount so withdrawn may be restored out of earnings. The amount at credit of Reserve Sept. 30, 1927, in support of dividends was $6,496,062.95. The dividend payable is fixed by statute at 10% per annum. If in any year net earnings fall below the amount required for dividend disbursements, the accumulated Reserve Fund may be drawn upon to make up the deficiency. The Company may then increase the price of gas sufficiently to yield revenues adequate to replace the Reserve Fund and pay the regular 10% dividend. If in any year net profits exceed amount required to pay the 10% dividend on capital stock, maintain the Reserve Fund, make the authorized payments to Renewal Fund and pay directors' fees, the surplus must be credited to a Special Surplus account applicable to a reduction in price of gas to consumers when amount is equal to 5 cents per 1,000 cu. ft. on the quantity of gas sold during preceding year.

FUNDED DEBT

None.

OPERATING STATISTICS, YEARS ENDED SEPT. 30

	Output, Cu. Ft.	Gas Meters
1918	4,720,502,000	113,022
1919	4,686,515,000	117,033
1920	5,127,827,000	122,793
1921	5,033,986,000	127,555
1922	5,016,944,000	132,141
1923	5,452,409,000	137,182
1924	5,335,600,000	142,836
1925	5,449,965,000	147,102
1926	5,696,915,000	151,784
1927	5,826,146,000	155,730

Renewal Fund—Provision is made by which Company must maintain out of earnings a Plant and Buildings Renewal Fund by placing aside each year out of

earnings 5% on the value which the plant and buildings in use by Company stand in their books at the end of the then fiscal year, and all ordinary repairs and renewals are chargeable against such fund. At Sept. 30, 1927, the amount at credit of Plant and Buildings Renewal Reserve stood at $1,443,809.41.

INCOME ACCOUNT, YEARS ENDED SEPTEMBER 30

	1927	1926	1925	1924	1923	1922
Gross earnings	$7,093,752	$6,999,399	$6,623,346	$6,615,045	$6,883,353	$6,813,940
Operating expenses and taxes	5,276,567	5,187,916	5,072,422	5,212,505	5,498,649	5,335,666
Net earnings	$1,817,185	$1,811,483	$1,550,924	$1,402,540	$1,384,704	$1,478,274
Interest on investments	92,713	57,273	32,210	40,291	.....	.....
Total income	$1,909,898	$1,868,756	$1,583,134	$1,442,831	$1,384,704	$1,478,274
Interest paid	.....	.....	.....	.....	8,586	51,516
Plant and buildings renewal fund	853,250	790,599	710,281	634,235	591,002	565,540
Total charges	$853,250	$790,599	$710,281	$634,235	$599,588	$617,056
Balance for dividends	1,056,648	1,078,157	872,853	808,596	785,116	861,218
Dividends paid	1,200,000	1,049,349	895,176	798,741	689,253	600,000
Surplus for year	†$143,352	$28,808	†$22,323	$9,855	$95,863	$261,218
*Earnings Per Share	$8.80	$8.98	$8.73	$10.17	$9.80	$7.18

*Earnings per share are based on amounts of stock outstanding on Sept. 30 in each year, irrespective of dates of issue, and are computed on $100 par stock in 1923, 1924, 1925, 1926 and 1927 and on $50 par stock in previous years. †Deficit.

GENERAL BALANCE SHEET, SEPTEMBER 30

Assets—	1927	1926	1925	1924	1923	1922
Real estate, plant and equipment	$17,568,112	$16,695,369	$14,979,704	$13,074,799	$12,168,835	$11,703,966
Other investments	1,636,238	2,740,893	1,127,135	818,039	1,124,933	201,647
Materials and supplies	867,786	762,991	847,915	1,001,805	947,858	839,615
Cash	31,302	21,440	265,241	8,650	100,638	157,550
Unpaid capital stock subscriptions	.....	.....	.....	.....	111,166	.....
Accounts receivable	538,740	481,173	502,038	465,054	537,577	469,189
Interest accrued, not due	32,793	40,313	25,033	14,436	16,340	2,062
Prepaid taxes	64,233	53,356	51,831	50,528	.....	.....
Total	$20,739,204	$20,795,536	$17,798,897	$15,433,311	$15,007,347	$13,374,029
Liabilities—						
Capital stock	$12,000,000	$12,000,000	$10,000,000	$8,000,000	$8,000,000	$6,000,000
Reserve Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Premium on stock	5,496,063	5,496,063	4,488,935	3,676,507	3,676,507	2,960,560
Special surplus acct.	89,163	232,515	203,707	226,030	216,175	120,312
Renewal fund	1,443,809	1,299,729	1,438,887	1,477,902	1,486,272	1,497,308
Sundry accounts payable	352,733	411,384	362,503	439,681	374,962	484,861
Special bank advance	.....	.....	.....	357,677	.....	1,098,887
Dividend reserve	300,000	299,848	249,968	200,000	197,501	150,000
Provision for Dominion Government taxation	57,436	55,996	54,897	55,513	55,930	62,101
Total	$20,739,204	$20,795,536	$17,798,897	$15,433,311	$15,007,347	$13,374,029

STATEMENT OF WORKING CAPITAL, SEPTEMBER 30

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$867,786	$762,991	$847,915	$1,001,805	$947,858	$839,615
Cash	31,302	21,440	265,241	8,650	100,638	157,550
Accounts receivable	538,740	481,173	502,038	465,054	537,577	469,189
Interest, accrued, not due	32,793	40,313	25,033	14,436	16,340	2,062
Prepaid taxes	64,233	53,356	51,831	50,528	.....	.....
Total	$1,534,854	$1,359,273	$1,692,058	$1,540,473	$1,602,413	$1,468,416
Current Liabilities—						
Reserved for dividend	$300,000	$299,848	$249,968	$200,000	$197,501	$150,000
Provision for taxes	57,436	55,996	54,897	55,513	55,930	62,101
Bank advances	.....	.....	.....	357,677	.....	1,098,886
Sundry accounts payable	352,733	411,384	362,503	439,681	374,962	484,861
Total	$710,169	$767,228	$667,368	$1,052,871	$628,393	$1,795,848
Net Working Capital	$824,685	$592,045	$1,024,690	$487,602	$974,020	*$327,432

*Debit.

Officers: A. W. Austin, Pres.; F. LeM. Grasett, V-P.; J. J. Armstrong, Sec.; Arthur Hewitt, Gen. Mgr.; E. G. Jackman, Pur. Agt., Toronto, Ont.

Directors: A. R. Auld, A. W. Austin, A. H. Campbell, Col. J. F. Michie, L. Goldman, F. LeM. Grasett, W. Mulock, F. G. Osler, Thomas H. Wood, The Mayor, Toronto, Can.

Office, Toronto, Ont.

BANNING WATER COMPANY

History—Incorporated June 11, 1884, in Cal., for purpose of developing and supplying the community, which is now known as the City of Banning, and adjacent territory with domestic and irrigation water. In 1913 the domestic feature of this Company's business was taken over by the City Water Co. of Banning, Cal., which secures its supply of water from the Banning Water Co., by rights through ownership of 120 shares of its capital stock. The Banning Water Co. is a mutual organization, the stock of which is not appurtenant to the land. The revenue for the Company's needs is secured by assessment, and no dividends accrue to stockholders, their benefit resulting from the application to their lands of the water to which their stock entitles them. Company owns 2,364.26 acres of land in the watershed of the San Gorgonic River Canyon, in Riverside and San Bernardino Counties, Cal. Practically all of the outstanding capital stock is held by the land owners, whose property is served. An annual assessment is levied in an amount sufficient to defray the costs of operation, and pay the fixed charges on the obligations incurred in connection with the construction and maintenance of the plant.

CAPITAL STOCK

Authorized, $300,000; outstanding, $163,798; par, $50. Annual meeting, third Tuesday in November. No dividends paid.

FUNDED DEBT

$150,000 FIRST SERIAL MORTGAGE GOLD 6S (ISSUED SINCE OCT. 31, 1927), PROCEEDS WERE USED TO PAY OFF ALL NOTES OUTSTANDING AND TO REDEEM THE $47,000 FIRST SERIAL GOLD 6s, DATED JUNE 1, 1915, AND DUE ANNUALLY JUNE 1, 1928 TO 1934, INCLUSIVE.

Trustee—Title Insurance & Trust Co., Los Angeles, Cal.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal Opinion—O'Melveny, Milliken & Tuller, Los Angeles, Cal.

INCOME ACCOUNT, YEARS ENDED OCT. 31

	1927	1926	1925
Total income	$18,256	$33,050	$34,705
Oper. exp., taxes, dep., etc.	29,369	26,307	32,016
Net earnings	*$11,113	$6,743	$2,689
Interest, etc.	6,251	6,585	7,105
Surplus for year	*$17,364	$158	*$4,416

*Deficit.

GENERAL BALANCE SHEET, OCT. 31

Assets—	1927	1926	1925
Equipment, mains, reservoirs, etc.	$292,722	$274,672	$268,456
Water rights	516,180	516,180	516,180
Materials and supplies	428	428	432
Revolving fund	.....	50	50
Cash	2,899	124	76
Accounts receivable	15,383	16,166	6,378
Contingent assets	407	293	286
Corporate deficit	31,143	13,780	13,937
Total	$859,163	$821,694	$805,794
Liabilities—			
Capital stock	$163,798	$163,798	$163,798
Funded debt	47,000	52,000	57,000
Notes payable	75,300	53,200	42,500
Accounts payable	7,524	641	2,997
Accrued expenses	2,737	1,855	1,948
Reserves	562,804	550,200	537,551
Total	$859,163	$821,694	$805,794

Officers: C. O. Barker, Pres.; C. D. Hamilton, V-P.; Chas. S. Hill, Sec., Banning, Cal.

Directors: C. O. Barker, W. L. Chase, E. L. Robertson, C. D. Hamilton, D. H. Gates, Banning, Cal.

Office, Banning, Cal.

MICHIGAN HEAT & POWER CO.

(Property owned by the City of Lansing, Mich., and operated by the Board of Water & Electric Light Commissioners)

History—Incorporated Sept. 1, 1919, in Mich., and took over all the properties of The Michigan Power Co. (see 1921 Public Utility Manual, page 2258). These properties comprise a power and central steam heat station, with an installed capacity of 8,500 k.w. and capable of delivering a steam heating load of 175,000 pounds of steam per hour, with distributing systems, and also a hydro-electric station of 1,000 k.w. rated capacity.

In 1919, after an affirmative vote, the City of Lansing, through its Board of Water & Electric Light Commissioners, purchased these properties subject to the mortgage liens described below. The property was deeded to the City of Lansing, and has been removed from the tax list, thereby placing it in the same position as its other municipal assets. As the holding of these properties by the city is dependent upon its meeting all the mortgage requirements these bonds have been practically, if not technically, assumed by that city, which has always met promptly the monthly sinking fund requirements.

Rates—Under the charter of the City of Lansing, the Board of Water & Electric Light Commissioners have full authority to fix all rates for water, electric lighting and electric power.

FUNDED DEBT

$751,200 First Mortgage 5s, Series "B"; dated Sept. 2, 1919; due Jan. 1, 1935; principal and semi-annual interest payable at Union Trust Co., Cleveland, Ohio. Denominations, $100, $500 and $1,000.

Sinking Fund—The mortgage provides that there shall monthly be paid to the Trustee one-twelfth of the annual interest due on Series "B" bonds, plus the monthly pro rata of the amount necessary to pay and retire all of the bonds of Series "B." Annually this sinking fund shall be used to pay off and cancel Series "B" bonds. For this purpose they may be called by lot at 101 and interest, unless after advertising for tenders a lower price can be obtained.

OPERATING STATEMENT, YEAR ENDED APRIL 30, 1927 (Board of Water & Electric Light Commissioners City of Lansing)

	Water Dept.	Steam Heat Dept.	Electric Dept.
Sales of output:			
Hundred cubic feet of water	2,917,720.2	.....	.....
Kilowatt hours of electricity	.....	.....	68,513,715
Thousand pounds of steam	.....	342,568.7	.....
Operating revenue	$367,519	$326,856	$1,726,093
Total revenue deductions	277,257	234,043	1,001,308
Operating income	$90,262	$92,813	$724,785
Rents for use of plants	37,223	34,788	*72,161
Miscellaneous income	193	.....	13,751
Gross department income	$127,678	$127,601	$666,375
Deduct:			
Interest on bonds	$77,375	$43,682	$119,475
Sinking funds	21,186	36,139	208,145
Other deductions	312	3,609	870
Total deductions	$98,873	$83,430	$328,490
Balance carried to city equity	$28,805	$44,171	$337,885

*Debit.

GENERAL BALANCE SHEET (Board of Water & Electric Light Commissioners City of Lansing)

Assets—	April 30, 1927	May 1, 1926
Fixed capital:		
Water Department	$3,286,649	$3,314,366
Electric Department	6,423,529	5,244,425
Steam Heat Department	1,410,585	1,733,510
General Departments	242,262	230,364
Cash	304,373	299,615
Accounts receivable	195,390	210,278
Materials and supplies	360,048	380,050
Prepayments	35,613	30,745
Miscellaneous current accts.	900	900
Miscellaneous investment	51,494	41,800
Sinking funds	557,450	409,311
Miscellaneous and special funds	35,645	28,529
Suspense	108,922	137,204
Total	$13,012,860	$12,061,097
Liabilities—		
City Equity	$4,426,304	$4,414,016
Water works bonds	1,330,000	1,360,000
Electric light bonds	3,075,000	3,100,000
Michigan Heat & Power Co. bonds	751,200	847,100
Accounts payable	48,758	43,329
Contracts payable	649,541	100,546
Consumers' deposits	30,721	28,529
Interest accrued	71,728	72,786
Reserves:		
Sinking fund	557,450	408,936
Bad account	3,400	.....
Depreciation	2,010,535	1,624,746
Misc. unadjusted credits	58,223	61,109
Total	$13,012,860	$12,061,097

Office, Lansing, Mich.

LINWOOD STREET RAILWAY

History—Incorporated Oct. 27, 1899, in Mass. Line of road extends from Linwood to Whitinsville, Mass., 2.28 miles. Gauge, standard. Rail, 70 lb. T. Cars, 8. Power, leased.

CAPITAL STOCK

Authorized and outstanding, $12,000; par, $100. Transfer office, Whitinsville, Mass. Annual meeting, third Monday in January.

Dividends—1901, 8%; 1902, none; 1903 to 1916, incl., 6% each; 1917, 6% regular and 2% extra; 1918, 1919 and 1920, 6% regular and 4% extra each year; 1921, 20%; 1922, 20%; 1923, 10%; 1924, 15%; 1925, and 1926, 6% each; 1927, 56%; payments annually in January.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$15,476	$16,995	$17,986
Oper. exp., dep. & taxes	17,221	16,233	19,359
Net earnings	*$1,745	$762	*$1,373
Other income	769	714	466
Total income	*$976	$1,476	*$907
Dividends	6,720	720	720
Surplus for year	*$7,696	$756	†$1,627
Surplus forward	15,054	14,298	15,925
Total surplus	$7,358	$15,054	$14,298

*Loss. †Deficit.

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Property account	$38,403	$38,403	$38,403
Bonds owned	6,940	12,140	12,140
Cash	3,521	4,817	2,939
Total	$48,864	$55,360	$53,482
Liabilities—			
Capital stock	$12,000	$12,000	$12,000
Reserve for depreciation	29,507	28,306	27,184
Profit and loss	7,358	15,054	14,298
Total	$48,864	$55,360	$53,482

Officers: G. B. Hamblin, Pres.; E. K. Swift, V-P.; A. S. Noyes, Sec. & Treas., Whitinsville, Mass.; Geo. Wilmot, Supt., Linwood, Mass.

Directors: G. B. Hamblin, J. M. Lasell, C. W. Lasell, E. K. Swift, A. S. Noyes, Whitinsville, Mass.

Office, Whitinsville, Mass.

DELAWARE GAS COMPANY

History—Incorporated Feb. 8, 1861, in Ohio. Supplies Delaware, Ohio, with natural gas purchased from The Logan Gas Co. Population served, 10,000. Miles of pipe line, 22. No. of domestic consumers, 2,301. Gas sold in 1927, 204,206,000 cu. ft., compared with 226,165,000 cu. ft. in 1926 and 239,311,000 cu. ft. in 1925. Price (domestic): $1.05 for first 500 cu. ft.; 65 cts. for all over 500 cu. ft.; less 5 cts. for prompt payment.

CAPITAL STOCK

Outstanding, $120,000. Annual meeting, third Monday in January. Dividends of 7% paid in 1914; 8% each in 1915, 1916, 1917, 1918, 1919, 1920 and 1921; 12% in 1922, 1923, 1924 and 1925; 16% each in 1926 and 1927; payments quarterly, M, J, S & D 20.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$49,694	$54,144	$52,349
Operating expenses	25,454	29,729	34,497
Taxes	9,059	7,134	
Net earnings	$15,181	$17,281	$17,852
Other income	7,349	7,676	7,438
Total income	$22,530	$24,957	$25,290
Dividends	19,200	19,200	14,400
Surplus for year	$3,330	$5,757	$10,890

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$141,162	$132,442	$126,872
Extensions made	8,998	8,721	5,620
U. S. Govt. securities	138,143	138,723	134,129
Materials and supplies	1,733	1,509	1,466
Cash	5,108	3,104	3,178
Current accounts	1,048	988	809
Total	$296,192	$285,487	$272,074
Liabilities—			
Capital stock account	$120,000	$120,000	$120,000
Current liabilities	708	533	478
Depreciation account	110,900	103,700	96,500
Amortization reserve	14,400	14,400	10,800
Surplus	50,184	46,854	44,296
Total	$296,192	$285,487	$272,074

Officers: T. C. Jones, Pres., Gen. Mgr. & Pur. Agt.; F. P. Hills, V-P.; J. F. Shoub, Sec.

Directors: T. C. Jones, F. P. Hills, J. F. Shoub, J. W. Hills, R. E. Hills.

Office, 68 North Sandusky St., Delaware, Ohio.

THE NEWELL BRIDGE & RAILWAY CO.

History and Property—Incorporated in 1913, in W. Va. and acquired, as of Dec. 31, 1913, the Newell Street Ry. and the Newell Bridge Co. (see Manual for 1914, page 3382). Lines operated connect Newell, W. Va., with East Liverpool, Ohio. Length of line owned (including Newell Bridge), 3.58 miles (including Bridge tracks and all tracks of Newell Street Ry. Co. in Ohio, where Newell Bridge & Ry. Co. both owns and operates under a lease); trackage (East Liverpool Traction & Light Co.), 0.32 mile—total operated, 2.42 miles. Sidings, etc., 0.48 mile. Cars, 5. Company furnishes energy for lighting through Newell Water & Power Co.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Transfer Agent: Colonial Trust Co., Pittsburgh, Pa. Annual meeting, third Tuesday in January. No dividends paid.

FUNDED DEBT

$175,000 First Gold 5s; dated Jan. 1, 1914; due Jan. 1, 1939; interest Jan. and July 1, at Colonial Trust Co., Pittsburgh. Coupon, $1,000; principal may be registered. Authorized issue, $500,000. Colonial Trust Co., Pittsburgh, Pa., and R. W. Patterson, East Liverpool, Ohio, Trustees. Subject to call on any interest date at 105 and interest. Sinking fund retires $5,000 bonds each year. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$119,035	$109,416	$96,444
Oper. exp. & taxes	61,023	55,899	56,833
Net earnings	$58,012	$53,517	$39,611
Other income	16,250	12,500	6,500
Total income	$74,262	$66,017	$46,111
Bond interest	11,300	14,000	15,800
Depreciation	20,130	20,130	20,130
Surplus for year	$42,832	$31,887	$10,181
Times Interest Earned	4.79	3.27	1.64
Earnings Per Share	$8.57	$6.37	$2.03

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Cost of road	$915,969	$915,969	$915,969
Investment affiliated Co.—			
Stock	10,000	10,000	10,000
Note	25,000	25,000	25,000
Cash	3,101	{3,051	2,794
Inventories		{2,000	
Total	$954,070	$956,020	$953,763
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	175,000	240,000	290,000
Current liability	798	710	470
Accrued depreciation	151,567	131,437	111,307
Surplus	126,705	83,873	51,986
Total	$954,070	$956,020	$953,763

Officers: Marcus Aaron, Pres., Pittsburg, Pa.; E. M. Knowles, V-P.; F. B. Lawrence, Sec., Treas. & Gen. Mgr., Newell, W. Va.

Directors: Marcus Aaron, C. I. Aaron, Pittsburgh, Pa.; F. B. Lawrence, East Liverpool, Ohio; E. M. Knowles, W. E. Wells, Newell, W. Va.

General Office, Newell, W. Va.

ATTLEBORO GAS LIGHT COMPANY CORP.

History and Properties—Incorporated, Oct. 7, 1898, in Mass.; franchise perpetual. Population served, 20,000. Co. has bought all gas since April 1, 1919. No. of meters, 4,290. No. of gas stoves in use, 1,600. Miles of mains, about 50. Prices in North Attleboro, $1.65 gross, $1.45 net; South Attleboro, $1.80 gross, $1.60 net.

CAPITAL STOCK

Outstanding, $116,000; par, $100. Transfer office, 19 Dunham St., Attleboro, Mass. Annual meeting, third Tuesday in January.

Dividends—1906 to 1927, inclusive, 12% per annum; payments quarterly M, J, S & D 31. In addition to regular dividends an extra of 10% was paid in 1910, and one of 3% in 1923.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings, etc.	$173,531	$172,246	$163,445
Oper. exp., taxes, deprec.	157,696	156,245	150,972
Net earnings	$15,835	$16,001	$12,473
Other income	9,279	6,001	5,227
Total income	$25,114	$22,002	$17,700
Sundry charges	982	192	.....
Balance for dividends	$24,132	$21,810	$17,700
Dividends paid	13,920	13,920	13,920
Surplus for year	$10,212	$7,890	$3,780
Earnings Per Share	$20.80	$18.80	$15.26

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant & other property	$345,484	$244,616	$238,265
Liberty bonds	.....	32,923	32,923
Materials and supplies	9,070	2,406	5,432
Cash	14,792	29,135	17,547
Accounts receivable	18,565	10,987	10,198
Prepaid insurance	635	597	787
Total	$388,546	$320,664	$305,152
Liabilities—			
Capital stock	$116,000	$116,000	$116,000
Premium on stock	43,500	43,500	43,500
Consumers' deposits	2,922	627	627
Notes payable	45,000	.....	.....
Accounts payable	9,469	8,862	8,950
Reserve for taxes, etc.	5,462	2,942	2,282
Depreciation reserve	42,982	35,734	28,683
Profit and loss	123,211	112,999	105,110
Total	$388,546	$320,664	$305,152

Officers: Frank L. Tinkham, Pres.; W. T. Soper, Treas., Taunton, Mass.; W. J. Luther, Sec., Gen. Mgr., Supt. & Pur. Agt., Attleboro, Mass.

Directors: Frank L. Tinkham, W. T. Soper, C. W. Davol, Merle T. Barker, Taunton, Mass.; Wm. J. Luther, Frederick G. Mason, Attleboro, Mass.

Office, Attleboro, Mass.

THE BROOKLYN CITY RAILROAD COMPANY

Stock Issue, At June 30, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Capital Stock (par, $10)	M, J, S & D 1	$16,000,000	$16,000,000	$1,120,587	5%	$799,928	$0.70

Bond Issues, At June 30, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Consolidated 5s	July 1, 1941	J & J 1	$6,000,000	$6,000,000	No	No	Not pd. by Co.
Refunding Gold 4s	Aug. 1, 1956	F & A 1	6,925,000	525,000	No	Yes	Not pd. by Co.
Equipment Trust 5s	Jan 15, 1935	J & J 15	3,750,000	3,000,000	No	No	Pd. by Co.

Total Funded Debt, at June 30, 1927, $9,925,000.
Amount Available for Interest in 1927, $1,633,080.
Interest Accrued in 1927, $512,493.
Times Interest Earned in 1927, 3.19.

History—Incorporated December 17, 1853, in New York. At various times the following companies have been absorbed: Bushwick R. R. Co., Brooklyn Crosstown R. R. Co., Calvary Cemetery, Greenpoint & Brooklyn R. R. Co., New Williamsburgh & Flatbush R. R. Co., Greenpoint & Lorimer St. R. R. Co., Grand St. & Newtown R. R. Co. and South Brooklyn Street R. R. Co. The Company's properties were leased on Feb. 14, 1893, for 999 years to the Brooklyn Heights R. R. Co.; the lessee agreeing to pay all fixed charges, taxes and organization expenses and a rental of 10% per annum on the $12,000,000 Brooklyn City R. R. Co. stock; lessee assumed operations under lease on June 6, 1893. A guaranty fund of $4,000,000, consisting of $2,000,000 First Mortgage 5% bonds of the Brooklyn, Queens Co. & Suburban R. R.; $1,627,000 First Mortgage 5% bonds of the Brooklyn City R. R.; $125,000 Refunding Mortgage 4% bonds of Brooklyn City R. R.; $25,000 First Mortgage 5% bonds of Brooklyn Rapid Transit Co., and $250,000 First Refunding Mortgage 4% bonds of Brooklyn Rapid Transit Co., was deposited with trustees as a guarantee of the performance of the terms of the lease, which provides that in case of any breach, default or omission the said guarantee fund should at once become the sole and absolute property of the Brooklyn City R. R. Co. Entire issue of $2,000,000 capital stock of the Brooklyn, Queens County & Suburban R. R. Co., owned by the Brooklyn Rapid Transit Co., was also deposited in escrow with Trustee, People's Trust Co., Brooklyn, N. Y., to become at the expiration or sooner termination of lease, the sole and exclusive property of the Brooklyn City R. R. Co.

By agreement dated Nov. 19, 1923, the Guaranty Fund controversy was adjusted as follows: $275,000 par value Brooklyn City R. R. Refunding 4s held by the Brooklyn-Manhattan Transit Corp. were substituted for the $250,000 Brooklyn Rapid Transit Co. Refunding 4s and $25,000 par value Brooklyn Rapid Transit Co. First 5s. All the Brooklyn City R. R. bonds, consisting of $1,627,000 5s and $400,000 4s were delivered free and clear to the Brooklyn City R. R. Co. $2,000,000 par value Brooklyn, Queens County & Suburban R. R. First Mortgage 5s were delivered to the Brooklyn-Manhattan Transit Corp. under a stipulation that the Brooklyn City R. R. Co. should receive a $2,000,000 offset against any recovery on the so-called $10,000,000 construction suit. It was further provided that if there should be no recovery on the construction suit, then Brooklyn, Queens County & Suburban R. R. bonds should be returned to the Brooklyn City R. R. Co. or the pro rata amount if the recovery should be less than $2,000,000.

In 1910, in a suit brought by The Brooklyn Heights R. R. Co., decision was rendered by D. Cady Herrick, as referee, awarding judgment against The Brooklyn City Railroad Company on account of capital expenditures to its property made by The Brooklyn Heights Railroad Company in the sum of $1,740,258 principal and $1,616,608 interest, a total of $3,356,939. On appeal to the Appellate Division of the Supreme Court judgment was modified by striking out the interest, leaving a judgment of $1,766,892. Pending appeal to the Court of Appeals, settlement was made for $1,650,000, to be paid in installments, to meet which the dividend on the stock of The Brooklyn City Company was reduced to 8% in 1910 and continued until 1917, when the 10% dividend was resumed.

Independent Operation—On July 14, 1919, The Brooklyn Heights Railroad Company was, by order of the United States District Court for the Southern District of New York, placed in the hands of Lindley M. Garrison, Receiver, who continued the operation of the property. The Receiver failed, in compliance with an order of the Court, to pay to the Brooklyn City Co. on Oct. 1, 1919, rental provided in the lease. The

Brooklyn City Railroad Company demanded the return of its property and the United States District Court directed that the Receiver return to The Brooklyn City Railroad Company its property as of midnight between Oct. 18 and 19, 1919. The Receiver of The Brooklyn Heights Company had also defaulted in September on the payment of certain taxes due under the lease.

The Brooklyn City R. R. Company resumed the operation of its property as of midnight between Oct. 18 and 19, 1919.

A proceeding instituted by Company against the Receiver of The Brooklyn Heights RR. Co., pending for some years, to recover the net earnings of the property of The Brooklyn City RR. Co. between July 14 and October 18, 1919, was adjudicated in 1927 in favor of Company which benefited by the receipt of a net amount approximating $100,000.

Delay in Proposed Financing—Letter to stockholders, dated May 6, 1927, stated in part, "The plan presented by the Board of Directors for a General and Refunding Mortgage and the sale of $2,500,000 of 6% bonds to be issued thereunder was approved by the stockholders on Dec. 7, 1926 and again at the annual meeting of the stockholders held Jan. 10, 1927. Application was made to the Transit Commission of the State of New York for its approval, made necessary by State law. Hearings were held, which terminated Jan. 24, and on March 10, the Commission issued an order which denied the application, with leave to the Company to renew the application. The commission in its opinion raised a number of questions which involve the lease dated Feb. 14, 1893, to the Brooklyn Heights Railroad Company and the so-called Construction Account, now in litigation. The action of the Commission denying our application must result in a considerable delay in any proposed financing."

Equitable Coach Co.—Since June 30, 1927, the Board of Estimate and Apportionment of The City of New York granted a franchise to the Equitable Coach Company for the operation of bus lines in the Borough of Brooklyn. Before such operation is possible it will be necessary, under the law, for the Transit Commission to issue a Certificate of Convenience and Necessity to the Equitable Coach Company, which applied under date of Aug. 26, 1927, for the issuance of such a Certificate. Many of the routes covered by the Equitable franchise are directly competitive and parallel to the car lines of The Brooklyn City RR. Co. and the Officers and Counsel of Company will appear before the Commission in opposition to the issuance of the required certificate.

Mileage, June 30, 1927—Lines owned, 105.799 miles; second track, 100.344 miles; sidings, etc., 1.929 miles —total track, 208.072 miles. Gauge, standard. Rails, mostly 105 and 122 lbs.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Passengers Carried	Passenger Car Miles
1921	216,207,720	23,594,065
1922	243,538,467	24,265,037
1923	250,700,975	24,649,242
1924	252,138,217	24,639,187
1925	244,568,850	24,099,309
1926	244,363,037	24,478,721
1927	245,893,730	24,091,332

CAPITAL STOCK

Authorized and outstanding, $16,000,000 (increased from $12,000,000 Feb. 6, 1924, the new stock being distributed as a 33⅓% stock dividend Sept. 30, 1924); par, $10.

Transfer Agent—Brooklyn Trust Co., Brooklyn, N. Y.

Registrar—Nassau National Bank of Brooklyn, N. Y.

Annual Meeting—Second Monday in January.

Listed—New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922
High	6⅞	9⅝	9½	14⅝	11¾	10⅝
Low	3⅜	6	6½	8⅜	7⅞	4⅜

Dividends—Regular quarterly dividends of 10% per annum were paid from 1894 to July, 1910, when rate was reduced to 8% (see above), which rate was paid to July 15, 1917, when the 10% dividend rate was resumed and continued until July 15, 1919, when payments were suspended. On Dec. 15, 1922, a 2% dividend was paid; March 1 and June 1, 1923, 2% each; Sept. 1, 1923 to Sept. 1, 1924, 2½% quarterly; Dec. 1, 1924, 2% regular and ½% extra on $16,000,000 stock; March 1, 1925 to Dec. 1, 1926, 2% each quarter; March 1, 1927, 1%; none since; payments formerly M, J, S & D 1. In addition a stock dividend of 33 1/3% ($4,000,000) was paid Sept. 30, 1924, to stockholders of record Sept. 5, 1924.

FUNDED DEBT

(1)

$6,000,000 FIRST CONSOLIDATED 5s; DUE JULY 1, 1941

Dated July 1, 1891.

Interest Payable January and July 1, at Brooklyn Trust Co., Brooklyn, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Kings County Trust Co., Brooklyn, N. Y.

Provisions of Issue—Authorized and outstanding, $6,000,000. In July, 1925, $1,627,000 bonds, which had been reacquired from the Brooklyn-Manhattan Transit Corp. upon the distribution of the "Guaranty Fund" in Dec., 1923 and held in treasury, were sold and proceeds used together with amount realized from the sale of the below described Equipment Certificates, in the purchase of 335 cars.

Callability—Not subject to call.

Sinking Fund—None.

Security—First lien on entire property owned.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Offering—$1,627,000 publicly offered in July, 1925, at 96 and interest, yielding about 5⅜%, by Halsey, Stuart & Co., Inc., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	95½	96	96⅝	94	88	91	77½	66
Low	86⅞	93¼	90⅝	87	83	75	75	64

(2)

$525,000 REFUNDING MORTGAGE GOLD 4s; DUE AUG. 1, 1956

Dated August 1, 1906.

Interest Payable February and Aug. 1, at Brooklyn Trust Co., Brooklyn, N. Y.

Denominations—Coupon, $1,000.

Trustee—Brooklyn Trust Co., Brooklyn, N. Y.

Provisions of Issue—Authorized, $6,925,000; issued $925,000, of which $400,000 reacquired by The Brooklyn City R. R. Co. upon the distribution of the "Guaranty Fund" in Dec., 1923. The $525,000 bonds outstanding are all owned by the Brooklyn-Manhattan Transit Corp. The $6,000,000 unissued bonds are reserved to retire an equal amount of Brooklyn City R. R. Co. First Consolidated 5s of 1941.

Callability—Subject to call at 110 and interest.

Sinking Fund—None.

Security—Secured on entire property, subject to the lien of the Refunding Mortgage 5s.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$2,625,000 EQUIPMENT TRUST 5% GOLD CERTIFICATES, SERIES "A"; DUE $375,000 ANNUALLY, JANUARY 15, 1929 TO 1935, INCLUSIVE

Dated January 15, 1925.

Interest Payable January and July 15 in New York, and at Halsey, Stuart & Co., Inc., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Brooklyn Trust Co., Brooklyn, N. Y.

Provisions of Issue—Authorized and issued, $3,750,000, of which $1,125,000 paid off to Jan. 15, 1928, inclusive.

Security—Issued under the Philadelphia Plan and secured on 335 double-end, four-motor, front entrance, center exit, double truck, steel frame cars, costing in excess of $5,000,000. Title to the equipment is vested in Trustee, which leases same to the company at a rental sufficient to pay the certificates and dividends as they mature.

Guaranty—Guaranteed unconditionally principal and dividends by endorsement by The Brooklyn City R. R. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($3,750,000) in Jan., 1925, at prices to yield 4.50% to 5.5%, according to maturities, by Halsey, Stuart & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED JUNE 30

(Accounts Audited by Price, Waterhouse & Co.)

	1927	1926	1925	†1924	†1923	1922
Passenger revenue	$11,460,570	$11,399,284	$11,363,196	$11,774,853	$11,715,814	$11,413,404
Other car revenue	15	90	85	75	150	247
Other operating revenue	191,175	278,542	300,398	288,171	270,289	274,099
Total operating revenue	$11,651,760	$11,677,916	$11,663,679	$12,063,099	$11,986,253	$11,687,750
Operating expenses	$9,326,057	$8,963,105	$9,077,698	$8,857,250	$8,471,109	$8,450,221
Taxes	714,542	768,707	775,364	849,553	889,532	931,521
Operating income	$1,611,161	$1,946,104	$1,810,617	$2,356,296	$2,625,612	$2,306,008
Other income	72,493	92,854	101,941	163,160	210,941	160,951
Gross income	$1,683,654	$2,038,958	$1,912,558	$2,519,456	$2,836,553	$2,466,959
Deductions—						
Interest	$512,493	$500,810	$282,688	$308,158	$367,453	$428,319
Rent of cars, tracks, etc.	50,574	115,411	218,294	209,578	213,885	273,112
Total deductions	$563,067	$616,222	$500,982	$517,736	$581,338	$701,431
Net income	$1,120,587	$1,422,736	$1,411,576	$2,001,720	$2,255,215	$1,765,528
Dividends paid	799,928	1,279,870	1,339,855	1,200,000	720,000	.....
Surplus after dividends	$320,659	$142,866	$71,721	$801,720	$1,535,215	$1,765,528
Times All Interest Earned	3.19	3.84	5.99	7.5	7.13	5.12
Earnings Per Share	$0.70	$0.89	$0.88	$1.67	$1.88	$1.47

†Consolidated Income Account, including Brooklyn City Development Corp.

Surplus Account, June 30, 1927—Balance, July 1, 1926, $2,800,499; net income year ended June 30, 1927, $1,120,587—total, $3,921,086. Deduct: Adjustments applicable to prior years (net), $63,431; dividends, $799,928—total, $863,359. Surplus, June 30, 1927, $3,057,727.

GENERAL BALANCE SHEET, JUNE 30

(Accounts Audited by Price, Waterhouse & Co.)

Assets—	1927	1926	1925	†1924	†1923	1922
Fixed capital	$39,122,177	$39,895,867	$36,220,034	$34,292,584	$21,364,500	$19,913,082
Less accrued amortization of capital	768,113	855,946	786,702	695,034	502,638	268,829
Total fixed capital	$38,354,064	$39,039,921	$35,433,332	$33,597,550	$20,861,862	$19,644,253
Stock of controlled cos.	.....	.....	.....	.....	.....	1,000,000
Real estate mortgages	.....	.....	.....	.....	.....	5,500
Cash	472,205	288,761	652,157	604,826	955,170	572,319
Special deposits	267,318	272,190	227,402	226,905	225,335	172,037
Interest receivable	.....	.....	.....	3,900	27,250	.....
Accounts receivable	92,886	82,671	127,830	113,250	100,346	84,856
U. S. Treasury notes and bonds	.....	.....	.....	214,510	2,277,180	1,255,378
Material and supplies	516,264	475,446	.....	.....	.....	.....
Reacquired securities	400,000	400,000	2,027,000	2,027,000	.....	.....
Bond & mortgage lot sold	50,000	.....	.....	.....	.....	.....
Bond and mortgage owned, general office building	.....	600,000	.....	.....	.....	.....
Unadjusted debit items	235,258	455,731	.....	.....	.....	.....
Deferred debit items:						
Prepayments	51,422	54,021	27,746	32,279	22,626	10,798
Suspense	.....	.....	255,606	75,198	57,801	184,421
Deposit—Equipment Trustees	150,550	39,808	3,269,091	.....	.....	.....
Total	$40,589,967	$41,708,550	$42,020,163	$36,895,418	$24,527,570	$22,929,562
Liabilities—						
Capital stock	$16,000,000	$16,000,000	$16,000,000	$12,000,000	$12,000,000	$12,000,000
*Capital expenditures from surplus	.....	.....	.....	.....	888,000	888,000
Funded debt	9,925,000	10,300,000	10,675,000	6,925,000	6,925,000	6,925,000
Notes payable	600,000	.....	**1,250,000	.....	.....	.....
Taxes accrued	428,650	562,846	582,650	603,048	586,955	411,534
Special franchise taxes in dispute (incl. int.)	650,860	650,860	639,580	606,641	558,288	491,345
Miscell. accounts payable	350,265	592,006	227,811	199,979	336,497	208,488
Interest accrued on funded debt	81,958	87,353	102,439	8,750	15,417	271,967
Matured coupon account	152,500	152,950	112,863	112,700	455,313	113,437
Dividends unpaid	1,965	6,675	3,181	3,072	2,742	2,546
Deferred credit items	30,902	1,085,543	28,865	34,677	826	377,191
Due for wages and deposits	60,188	107,119	12,601	11,396	9,826	18,760
Provision for payment to City for paving	.....	4,854	43,526	16,585	20,775	128,838
Reserves	289,347	274,446	596,738	487,223	684,925	800,936
Property and liability leasehold suspense	7,800,000	7,800,000	7,800,000	7,800,000	.....	.....
Special surplus	1,160,605	1,283,380	1,283,380	‡5,283,380	.....	.....
Corporate surplus	3,057,727	2,800,499	2,661,529	2,802,967	2,043,005	291,520
Total	$40,589,967	$41,708,550	$42,020,163	$36,895,418	$24,527,570	$22,929,562

*Being capital expenditures by Brooklyn Heights R. R. Co., former lessee, paid for by this company in accordance with the agreement of settlement of the suit referred to above. †Consolidated Balance Sheet, including Brooklyn City Development Corp. ‡From this a stock dividend of $4,000,000 (33 1/3%) was paid September 30, 1924. **Secured by $1,627,000 First Consolidated Mortgage 5% bonds.

STATEMENT OF WORKING CAPITAL, JUNE 30

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$472,205	$288,761	$652,157	$604,826	$955,170	$572,319
Special deposits	267,318	272,190	227,402	226,905	225,335	172,037
Material and supplies	516,264	475,446	.....	.....	.....	.....
Bond & mortgage lot sold	50,000	.....	.....	.....	.....	.....
Bond & mortgage owned	.....	600,000	.....	.....	.....	.....
Accounts receivable	92,886	82,671	126,878	113,250	100,346	84,856
Interest receivable	.....	.....	952	3,900	27,250	.....
U. S. Treasury notes and bonds	.....	.....	.....	214,511	2,277,180	1,255,378
Total	$1,398,673	$1,719,068	$1,007,389	$1,163,392	$3,585,281	$2,084,590
Current Liabilities—						
Taxes accrued	$428,650	$562,846	$582,650	$603,048	$586,955	$411,534
Interest accrued	81,958	87,353	102,439	8,750	15,417	271,967
Matured coupons	152,500	152,950	112,863	112,700	455,313	113,437
Notes payable	600,000	.....	.....	.....	.....	.....
Accounts payable	350,265	592,006	227,811	199,979	336,497	208,488
Unpaid wages and deposits	60,188	107,119	12,601	11,396	9,826	18,760
Matured dividends unpaid	1,964	6,675	3,181	3,072	2,742	2,546
Special franchise taxes in dispute (including interest)	650,860	650,860	639,580	606,641	558,288	491,344
Provision for paving	.....	4,854	43,526	16,585	20,775	128,838
Total	$2,326,385	$2,164,664	$1,724,651	$1,562,171	$1,985,813	$1,646,914
Net Working Capital	*$927,712	*$445,596	*$717,262	*$398,779	†$1,599,468	†$437,676

*Debit. †Credit.

Officers: H. Hobart Porter, Pres.; Clinton E. Morgan, V-P. & Gen. Mgr.; Geo. W. Jones, V-P. & Treas.; Sigourney B. Olney, Sec.; E. H. Reed, Aud., Brooklyn, N. Y.; Wm. D. Guthrie, Counsel, New York; Cullen & Dykman, Attorneys, Brooklyn, N. Y.

Executive Committee: William N. Dykman, Edwin P. Maynard, H. Hobart Porter, Hiram R. Steele, James Timpson, Harold T. White.

Directors: Edison Lewis, Geo. W. Jones, Hiram R. Steele, James Timpson, Crowell Hadden, H. Hobart Porter, Frederick L. Allen, Edwin P. Maynard, William N. Dykman, Harold T. White, Irving T. Bush, Thomas I. Parkinson, C. E. Morgan, Frank Bailey, A. L. Hodges.

Office, 168 Montague St., Brooklyn, N. Y.

THE NELSONVILLE-ATHENS ELECTRIC RAILWAY COMPANY

History—Incorporated, Dec. 15, 1925, in Ohio, as a reorganization of The Hocking-Sunday Greek Traction Co. (See 1925 Public Utility Section, page 1314.) New company began operations Feb. 8, 1926. Operates trolley line from Nelsonville to Athens, Ohio, through the towns of Floodwood, Circle Hill and Chauncey. Length of line, first track (owned), 14.51 miles, leased, 0.48 mile. Operated by overhead trolley. Equipment: Motor passenger cars, 4; freight cars, 1; other cars, 3.

CAPITAL STOCK

Authorized and outstanding, $1,085 Common and $54,000 6% cumulative Preferred; par of Common, $1; par of Preferred, $25. Stock transferred at office of Company. Annual meeting, third Wednesday in January.

Dividends—None paid to date.

FUNDED DEBT

$30,000 FIRST MORTGAGE 6s; DUE JANUARY 1, 1931

Dated January, 1926.

Interest Payable January and July 1.

Denomination—Coupon, $1,000.

Trustee—George E. Johnson.

Authorized, $30,000; issued to provide for purchase of road.

Callability—Subject to call at par on any interest date after three years from date of issue.

Security—A first lien on road and equipment.

Tax Provision—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$38,086	$37,397
Operating exp. & taxes	45,678	39,283
Loss from operation	$7,592	$1,886
Interest on bonds	1,800	1,375
Other interest	553	474
Total fixed charges	$2,353	$1,849
Deficit for the year	$9,945	$3,735

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of road and equipment	$93,311	$91,731
Cash	618	997
Accounts receivable	145	972
Deficit	15,398	3,735
Total	$109,472	$97,435
Liabilities—		
Preferred stock	$54,000	$54,000
Common stock	1,085	.....
Funded debt	30,000	30,000
Notes and accounts payable	15,737	10,923
Interest accrued	3,281	1,611
Reserve for taxes	769	901
Reserve for depreciation	4,600	.....
Total	$109,472	$97,435

Officers: E. B. Young, Pres. & Chrm. of Bd.; C. D. Shafer, V-P.; John H. Saltz, Sec. & Treas.; J. W. Shafer, Supt., Nelsonville, Ohio.

Directors: E. B. Young, Jno. V. Wood, C. D. Shafer, W. T. Bean, John H. Saltz, Nelsonville, Ohio.

General Office, Nelsonville, Ohio.

MAINE GAS COMPANIES

History—Incorporated Oct. 6, 1926 in Maine. Organized for the purpose of combining under one ownership and management the three gas companies supplying artificial gas to Portland (Maine) and the adjacent cities of South Portland and Westbrook, serving a total population of approximately 90,000. The Maine Gas Companies own 98.22% of the capital stock of the Portland Gas Light Company (see appended statement) and all the capital stock and bonds of the Municipal Light and Power Company and the Westbrook Gas Company. In March, 1927, purchased control of the Kennebec Wharf & Coal Co.

Gas is manufactured in a central plant located at tide water with a present daily capacity of 3,150,000 cubic feet. Of this capacity 1,950,000 cubic feet is in a modern Glover West coal gas installation of six benches, two of which were place in operation in April, 1926. The Company owns a water gas installation with daily capacity of 1,200,000 cubic feet, which is now used for reserve purposes. The Company has 2,550,000 cubic feet, in holder capacity.

The combined subsidiaries of Company are serving 18,264 consumers through 159.3 miles of mains. The total output of gas during 1927 was 557,747,000 cu. ft.

COMBINED SALES, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue from sale of gas	$703,246	$675,526
Gas sales (cu. ft.)	479,867,500	449,433,200
Coke and breeze sales (tons)	15,651	13,305
Gas appliance sales	$114,291	$74,749

CAPITAL STOCK

Authorized, 50,000 shares Common and 20,000 shares $6 Series cumulative Pfd.; outstanding, 49,644 shares Common and 12,262 shares Pfd., both of no par value. In addition 834 shares Pfd. stock was held in treasury Dec. 31, 1927.

Preferred Stock Provisions—Has preference for assets and dividends, and is entitled to $105 per share in liquidation, either voluntary or involuntary. Subject to call as a whole or in part on any dividend date on 60 days' notice at $105 per share and dividend. No additional Pfd. stock may be issued unless combined net earnings after all subsidiary company prior charges and allowance for minority interest but before depreciation reserves are equal to twice the Pfd. dividend requirement including additional stock proposed to be issued. Stock is entitled to vote for the election of Directors when the Company is in arrears in payment of four quarterly dividends.

Original Offering—First publicly offered (10,304 shares $6 Series cum. Pfd.) in October, 1926, at $96 per share and dividends, to yield 6.25%, by Paine, Webber & Co., New York, Boston, etc.

Annual Meeting—Fourth Wednesday in January.

Dividends—Initial quarterly dividend of $1.50 a share on Pfd. stock paid Jan. 15, 1927; regular quarterly payments since, J, A, J & O 15. On Common, initial dividend of 50c. a share was paid Feb. 15, 1928.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings after eliminating inter-company sales of gas	$712,537	$694,655
Operating expenses, depreciation, taxes and maintenance	515,405	503,180
Net earnings from operations	$197,132	$191,475
Non-operating income less expenses of parent company	12,464	.....
Total income all sources	$209,596	$191,475
Interest, amortization debt discount & minority interest after eliminating inter-company interest items	47,559	49,239
Surplus after charges	$162,037	$142,236
Preferred dividends, accrued or paid	73,455	.....
Balance available for Common	*$88,582	$142,236
Times Interest Charges Earned	4.41	3.88
Earnings Per Share—		
Preferred	$13.21	$12.26
Common	$1.78	†

*$44,091 of this amount was retained in assets of subsidiary companies. †Not available.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Maine Gas Companies and Subsidiary Gas Utilities)

Assets—	
Plant and equipment	$2,934,965
Organization	1,149
Cost of subsidiary capital stocks in excess of par values eliminated	691,730
Treasury stock	80,064
Investments	100.000
Cash	148,815
Accounts receivable	142,721
Interest receivable	1,635
Notes receivable	50,000
Materials and supplies	141,938
Prepaid accounts	12,732
Unamortized debt discount and expense	40,396
Total	$4,346,145

Liabilities—	
Maine Gas Cos. Pfd. stock	$1,257,216
Maine Gas Cos. Common stock	1,053,183
Minority interest in stock and surplus of sub. cos.	21,968
Funded debt:	
Portland Gas Light 1st 4s, 1936	200,000
Portland Gas Light 1st Ref. 5s, 1950	750,000
Notes payable	150,000
Accounts payable	33,442
Accrued interest and other accruals	34,835
Consumers' deposits	18,351
Depreciation reserves	545,032
Other reserves	41,795
Surplus	240,323
Total	$4,346,145

Officers: William S. Linnell, Pres.; F. Ward Paine, V-P.; J. A. Ackroyd, Treas.; Carl C. Jones, Sec.; Alexander Macomber, Consulting Engineer; Burton Smart, Treas. of Subsidiaries; G. Warren Stiles, Gen. Mgr. of Subsidiaries.

Directors: William S. Linnell, F. Ward Paine, Albert P. Everts, L. Brooks Leavitt, Maurice M. Wheeler, Alexander Macomber, William B. Nulty.

General Office, 188 Middle St., Portland, Me.

PORTLAND (ME.) GAS LIGHT COMPANY

(Controlled by Maine Gas Companies)

History and Property—Incorporated Aug. 14, 1849, in Me. Supplies Portland, South Portland and Westbrook, Me. Franchise expires Aug. 14, 1968. Population served, 95,322. Output in 1927, 557,747,000 cu. ft., compared with 501,655,000 cu. ft. in 1926 and 493,456,000 cu. ft. in 1925; sales in 1927, 488,133,000 cu. ft., compared with 458,101,000 cu. ft. in 1926 and 451,789,100 cu. ft. in 1925. Daily capacity 3,300,000 cu. ft. No. of meters, 15,203. No. of public street lights, 662. Miles of mains, 105.

Gas Prices—New rate approved Nov. 1, 1926 effective Dec. 1, 1926—$1.25 net down to 75c according to consumption. Service charge 50c per meter per month. House heating rate 80c per M. Service charge 50c per month. Minimum charge, $240.00 per year.

CAPITAL STOCK

Authorized, $2,000,000 (increased from $1,000,000 in 1925), outstanding, $1,000,000; par $50. The Maine Gas Companies own 19,644 shares. Annual meeting, fourth Wednesday in January. Transfer Agent: Canal National Bank of Portland, Me.

Dividends—Payments have been made as follows: 1900, 7%; 1901, 5%; 1902 and 1903, 4%; 1904 to 1907, inclusive, 5% per annum; 1908, 5½%; 1909, 6%; 1910, 6½%; 1911 and 1912, 7%; 1913, 6½%; 1914, 1915, 1916 and 1917, 6% each; 1918, 3%; 1919, 4½%; 1920, 6%; 1921, 6%; 1922, 11½%; 1923 to 1926, inclusive, 8% each; 1927, 10%; payments quarterly (beginning Oct. 1, 1926), J, A, J & O 1.

PORTLAND GAS LIGHT CO.
Paine, Webber & Co
ESTABLISHED 1880
NEW YORK BOSTON CHICAGO
Members New York, Boston, Chicago, Detroit and Hartford Stock Exchanges

FUNDED DEBT

(1)

$200,000 FIRST MORTGAGE GOLD 4s; DUE JANUARY 1, 1936

Dated January 1, 1907.

Interest Payable January and July 1, at Union Safe Deposit & Trust Co., Portland, Me.

Denomination—Coupon, $1,000.

Trustee—Union Safe Deposit & Trust Co., Portland, Me.

Provisions of Issue—Authorized, $400,000, (closed issue); outstanding, $200,000.

Security—A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$750,000 FIRST REFUNDING MORTGAGE 5% GOLD BONDS; DUE OCTOBER 1, 1950

Dated October 1, 1925.

Interest Payable April and October 1, at Canal National Bank of Portland, Me., and Merchants National Bank, Boston.

Denominations—Coupon, $500 and $1,000.

Trustee and Registrar—Canal National Bank of Portland, Me.

Provisions of Issue—Authorized amount, unlimited, except according to law; issued and outstanding, $750,000.

Callability—Subject to call on any interest date on 30 days' notice at 105 up to April 1, 1930; thereafter and up to April 1, 1935, at 104; and thereafter and up to April 1, 1940, at 103; thereafter and up to April 1, 1945, at 102; and thereafter to and including April 1, 1950, at 101; plus accrued interest in each case.

Security—A direct lien on the entire property of Co., subject to the above described prior lien.

Tax Provisions—Co. pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($750,000) late in 1925, at 98.50 and interest, to yield 5.11%, by Paine, Webber & Co., New York, Boston, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue	$649,672	$621,501	$641,311	$654,871	$664,129	$692,485
Operating exp. and taxes	450,750	443,898	463,667	493,421	484,807	481,952
Net operating revenue	$198,922	$177,603	$177,643	$161,449	$179,322	$210,532
Other income	6,748	6,236	2,824	2,719	3,917	4,542
Total income	$205,670	$183,839	$180,468	$164,169	$183,239	$215,075
Deductions:						
Fixed charges	$48,175	$45,992	$38,002	$41,745	$41,157	$45,965
Depreciation	20,924	24,000	24,000	24,000	45,000	43,900
Total deductions	$69,099	$69,992	$62,002	$65,745	$86,157	$89,865
Balance for dividends	$136,571	$113,846	$118,465	$98,423	$97,082	$125,209
Dividends paid	100,000	80,000	80,000	80,000	80,000	115,000
Surplus	$36,571	$33,846	$38,465	$18,423	$17,082	$10,209
Earnings Per Share	$6.83	$5.69	$5.92	$4.92	$4.85	$6.26

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Plant investment, June 30, 1915	$1,493,933	$1,506,582	Capital stock	$1,000,000	$1,000,000
Plant investment since June 30, 1925	898,171	809,456	Funded debt	950,000	950,000
Active assets	266,326	303,291	Sinking fund reserve	35,000	35,000
Inventory assets	136,910	147,208	Accrued liabilities	33,227	28,996
			Current liabilities	58,039	25,564
			Depreciation reserve	484,897	509,951
			Reconstruction and contingent reserve	234,177	197,027
			Dividends payable	.....	20,000
Total	$2,795,341	$2,766,539	Total	$2,795,341	$2,766,539

Officers: William S. Linnell, Pres.; F. Ward Paine, V-P.; Burton Smart, Treas. & Clerk; Chas. D. Fullerton, Asst. Treas.; G. Warren Stiles, Gen. Mgr.; Alexander Macomber, Cons. Engr., Portland, Me.

Directors: William S. Linnell, Herbert Payson, Fred N. Dow, Henry G. Beyer, Fred H. Gabbi, Widgery Thomas, Portland, Me.; F. Ward Paine, Alexander Macomber, Albert P. Everts, Boston, Mass.

Office, 5 Temple St., Portland, Me.

LINCOLN TELEPHONE AND TELEGRAPH COMPANY

History and Property—Incorporated Jan. 2, 1909, in Neb., and succeeded the Lincoln Telephone Co. by purchasing all of its property with which it consolidated the long distance lines of the Western Telephone Co. On Feb. 1, 1912, the Lincoln Tel. & Tel. Co. purchased all the property of Nebraska Telephone Co. (Bell) located in southeastern Nebraska. Subsequently purchased property of the Farmers Telephone Co., of Jensen, Neb., the Gilead Home Telephone., Co., Gilead, Neb., and the Farmers Mutual Telephone Co., Howe, Neb. Franchise in Lincoln was granted in 1903 for 50 years.

Owns and operates 127 exchanges and 155 minor exchanges and toll stations covering 22 counties in Nebraska, lying south of the Platte River and east of the west line of Adams and Webster counties. Also owns and operates 151,509 wire miles of exchange and long distance toll lines in the territory above named, serving a population of approximately 500,000. Number of phones in service, 77,310. Prices: City of Lincoln, business, $7; residence. $2.75 and $2.25.

CAPITAL STOCK

Authorized, $23,000,000, consisting of $3,000,000 special 5% cumulative non-voting Pfd., $10,000,000 6% Class "A" cumulative Pfd., (authorized Jan. 28, 1927) and $10,000,000 Common; par, $100; outstanding, Jan. 1, 1928, $1,001,700 special 5% cumulative non-voting Pfd.; $1,933,195 6% Class "A" cumulative Pfd., and $3,136,525 Common—total $6,071,420.

Transfer Agent and Registrar—Secretary of Company.

Annual Meeting—Third Tuesday in January.

Special Preferred Stock Provisions—After the Special Preferred stock has received 5% dividends and the Common stock has received 7% dividends for the current and all past dividends periods, any surplus available for dividends shall be divided between the Common and Special Preferred stockholders without distinction as to which class of stock they own. On Oct. 1, 1922, the dividend on the Common stock was increased from 7% to 8%, which automatically increased the dividend on the Special 5% Cumulative Non-Voting stock from 5% to 6%. This stock is a

first lien on the net assets of the Company after the $2,000,000 bond issue. Stock is tax free in Nebraska.

Dividends—Dividends on the 6% Cumulative Pfd. were regularly paid up to time of retirement. Dividends on special 5% Pfd., formerly 5%, now 6% under participating clause, quarterly, F, M, A & N 10; on Common at rate of 8%, quarterly, J, A, J & O 10.

FUNDED DEBT

$1,700,000 FIRST MORTGAGE GOLD 5s; DUE JAN. 1, 1946
$300,000 FIRST MORTGAGE GOLD 6s; DUE JAN. 1, 1946

Dated January 1, 1916.

Interest Payable January and July 1, at Harris, Forbes & Co., New York and Boston, and Harris Trust & Savings Bank, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris, Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized issue, $10,000,000. $1,700,000 of these bonds, bearing interest at rate of 5%, and $300,000 bearing interest at rate of 6%, have been issued. Of the remaining $8,000,000 escrow bonds, which may bear a different rate of interest but not to exceed 6% per annum, the first $3,000,000 may be issued for 75%, and the remaining $5,000,000 bonds may be issued for 66 2-3% of the cost, subsequent to Jan. 1, 1916, of permanent extensions, enlargements and additions, provided net earnings for twelve months shall have been at least equal to twice the annual interest charge on all bonds outstanding and those proposed to be issued.

Callability—Subject to call at 103 and interest.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in Jan., 1916, at 99½ and interest; $500,000 additional 5s offered in March, 1925, at 98¾ and interest to yield 5.10%, by Harris Trust & Savings Bank, Chicago; Merrill, Oldham & Co., Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Earnings—	1927	1926	1925	1924	1923	1922
Exchange revenue	$1,942,326	$1,888,923	$1,842,536	$1,793,011	$1,748,836	$1,697,445
Toll revenue, etc	922,752	871,673	801,697	745,917	730,907	686,414
Total telephone revenue	$2,865,078	$2,760,596	$2,644,233	$2,538,928	$2,479,743	$2,383,859
Expenses—						
Operative	$907,083	$834,876	$735,532	$708,282	$661,904	$677,472
Current maintenance	552,971	520,027	500,877	460,085	475,123	433,008
Depreciation	617,100	600,550	583,940	566,368	555,313	540,906
Taxes	197,725	192,000	190,500	181,000	175,500	163,000
Total telephone expenses	$2,274,879	$2,147,453	$2,010,849	$1,915,735	$1,867,840	$1,814,386
Net telephone earnings	$590,199	613,143	633,384	623,193	611,903	569,473
Other income	53,899	43,343	44,616	62,581	43,844	26,117
Total income	$644,098	$656,486	$678,000	$685,774	$655,747	$595,590
Deduct interest	138,953	153,336	142,665	116,648	113,850	111,369
Balance net profit	$505,145	$503,150	$535,335	$569,126	$541,897	$484,221
Preferred and common dividends	416,641	415,868	429,327	471,990	469,391	411,454
Balance for surplus	$88,504	$87,282	$106,008	$97,136	$72,506	$72,767
Company stations, Dec. 31	77,310	74,868	72,247	71,374	69,062	67,410
Miles of wire (exchange and toll)	151,509	146,547	.....	.....	.....	.....
Depreciation set up	6%	6%	6%	6%	6%	6%
Times Interest Earned	4.63	4.28	4.75	5.88	5.76	5.35

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Physical property	$10,631,254	$10,343,289	$10,064,757	$10,002,134	$9,575,111	$9,347,968
Investments	456,494	451,026	91,505	444,154	465,926	199,135
Materials and supplies	258,772	294,944	254,999	279,226	289,712	323,839
Cash and deposits	642,025	427,906	270,384	477,786	512,608	545,379
Current receivables, etc	314,349	285,093	372,134	389,825	404,297	311,487
Total	$12,302,894	$11,802,258	$11,053,779	$11,593,125	$11,247,654	$10,727,808
Liabilities—						
Capital stock	$6,071,420	$5,980,258	$5,767,725	$6,905,625	$6,877,406	$6,802,175
Funded debt	2,000,000	2,000,000	2,000,000	1,500,000	1,500,000	1,500,000
Current payables (not due)	495,019	450,180	341,805	348,866	316,731	298,804
Reserve for depreciation	2,629,926	2,337,961	2,070,632	2,074,506	1,879,586	1,524,782
Other reserves	139,000	139,000	80,000	80,000	80,000	80,000
Surplus	967,529	894,859	793,617	684,128	593,931	521,509
Total	$12,302,894	$11,802,258	$11,053,779	$11,593,125	$11,247,654	$10,727,808

Officers: Frank H. Woods, Pres.; S. H. Burnham, V-P.; Thos. C. Woods, V-P.; C. P. Russell, Sec. & Treas.; Wm. L. Lemon, Aud.; J. H. Agee, Gen. Mgr.; H. H. Wheeler, Jr., Chief Engr.; J. A. McKenzie, Pur. Agt., Lincoln, Neb.

Directors: S. H. Burnham, M. W. Woods, G. J. Woods, Joseph Grainger, Charles Stuart, F. H. Woods, Thomas C. Woods, John H. Agee, Lincoln, Neb.; L. E. Hurtz, Omaha, Neb.; C. N. Beaver, J. M. Bell, York, Neb.; Christian Klem, Beaver Cross, Neb.; Geo. E. Codington, Auburn, Neb.; L. B. Stiner, Hastings, Neb.

Office, 1342 M Street, Lincoln, Neb.

THE STAMFORD GAS AND ELECTRIC COMPANY

History and Property—Incorporated June 14, 1893, in Conn.; consolidation of Stamford Gas Light Co. and Stamford Electric Lighting Co. Franchises perpetual. Population served, about 50,000. Company lights Stamford, Glenbrook, Darien, Springdale and Noroton, Conn. No. of meters: Gas, 11,612; electric, 15,979. Miles of mains, about 104.16. Price, gas: Net, $1.20, plus monthly graduating service charge of 50 cts. minimum on small meters. Incandescent system, 100,000 lamps capacity. No. of public incandescents, 1,750. No. of public arcs, 261. Price, arc and incandescent commercial, 6 cts. to 8 cts. per k.w. hr.

CAPITAL STOCK

Authorized, $5,000,000 (increased from $2,500,000 in 1927; outstanding, $4,000,000 (increased from $2,000,000 to $3,000,000 Sept. 15, 1927 and to $4,000,000 Oct. 6, 1927); par, $100. Stock transferred at Company's office.

Annual Meeting—Last Wednesday in January.

Dividends—Dividends have been paid as follows: 1911, 8%; 1912, 9½%; 1913 to 1927 inclusive, 10% per annum; payments J, A, J & O 15, at First Stamford (Conn.) National Bank. A stock distribution of one new share for each share held was made Oct. 6,

1927. Directors meet for dividend action on third Wednesday in M, J, S & D.

Subscription Privilege—Stockholders of Company in September, 1927, were given the privilege to subscribe to 10,000 shares additional stock at par in the proportion of one share of new to two shares of stock held. Rights terminated Sept. 15, 1927.

FUNDED DEBT

$16,000 First Gold 5s; dated Aug. 1, 1893; due Aug. 1, 1929; int. Feb. and Aug. 1, at Stamford (Conn.) Trust Co., Trustee. Coupon, $1,000. Authorized and issued, $200,000 of which $184,000 redeemed to Dec. 31, 1927. Subject to call at not exceeding 110 and int. A first lien on entire property. Legal for Conn. savings banks. Company does not pay Normal Federal Income Tax.

$2,000 Second Gold 4s; dated Sept. 15, 1897; due Aug. 1, 1929; int. May and Nov. 1, at Stamford (Conn.) Trust Co. Coupon, $1,000. Central Trust Co., New York, Trustee. Authorized and issued, $100,000 of which $98,000 redeemed to Dec. 31, 1927. Subject to call at any time, at not exceeding 105 and int. A second lien on entire property. Legal for Conn. savings banks. Company does not pay Normal Federal Income Tax.

$18,000 First Consolidated Gold 5s; dated Jan. 2, 1918; due Jan. 1, 1948; int. Jan. and July 1, at Stamford (Conn.) Trust Co. Coupon, $1,000. Connecticut Trust & Safe Deposit Co., Hartford, Conn., Trustee. Issued, $300,000 of which $282,000 redeemed to Dec. 31, 1927. Legal for Conn. savings banks. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,831,186	$1,651,530	$1,470,228	$1,314,782	$1,240,438	$1,177,079
Operating expenses and taxes	1,190,713	1,020,705	919,197	881,231	852,593	792,054
Net earnings	$640,473	$630,825	$551,031	$433,551	$387,845	$385,025
Interest charges	$12,195	$4,631	$22,571	$47,516	$39,434	$32,871
Depreciation renewals, etc.	123,519	104,391	95,100	90,761	116,877	121,509
Sundry items	.....	31,275	15,510	26,401	33,909	11,437
Total charges	$135,714	$140,297	$133,181	$164,678	$190,220	$165,817
Balance for dividends	$504,759	$490,528	$417,850	$268,873	$197,625	$219,208
Dividends paid	275,000	200,000	174,687	100,000	100,000	98,125
Profit and loss "Sundry Items"	18,387	15,895	21,398	9,684	.....	.....
Surplus for year	$211,372	$274,633	$221,764	$159,189	$97,625	$121,083
Earnings Per Share	$12.62	$24.52	$20.89	$26.89	$19.76	$22.15

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$4,462,111	$3,332,476	$2,580,979	$2,374,381	$2,181,519	$1,685,689
Other investments	57,310	57,274	23,594	23,594	16,500	16,500
Materials and supplies	292,703	227,578	191,694	176,027	207,582	154,870
Cash	183,166	46,543	116,797	49,931	13,276	53,431
Accounts receivable	332,485	238,951	150,159	130,492	130,245	140,628
Marketable securities	.....	.....	52,900	.....	.....	.....
Miscellaneous current assets	.....	.....	235,541	.....	.....	.....
Interest and dividends receivable	134	134	2,247	703	.....	.....
Customers' deposit fund	10,000	10,000	10,000	10,000	10,000	10,000
Insurance fund	.....	.....	.....	85,348	70,298	61,602
Prepaid accounts	3,650	4,875	3,621	7,976	7,453	24,116
Total	$5,341,559	$3,917,831	$3,367,531	$2,858,452	$2,636,873	$2,146,836
Liabilities—						
Capital stock	$4,000,000	$2,000,000	$2,000,000	$1,000,000	$1,000,000	$989,800
Funded debt	36,000	50,000	76,000	600,000	600,000	600,000
Debentures	.....	.....	.....	.....	.....	10,200
Notes payable	.....	100,000	.....	275,000	325,000	.....
Accounts payable	265,102	110,523	42,039	53,221	43,882	59,603
Dividends declared	100,000	50,000	50,000	25,000	25,000	24,745
Interest and taxes accrued	118,323	119,031	93,841	89,802	82,773	34,289
Customers' deposits	40,262	34,305	32,375	26,015	22,915	18,390
Replacements and renewals	509,439	388,072	284,984	191,567	101,672	48,821
Other liabilities	2,582	8,907	5,446	3,804	1,695	.....
Reserve for bad debts	11,475	9,590	9,064	6,525	5,609	.....
Surplus	258,376	1,047,404	773,783	587,519	428,329	360,988
Total	$5,341,559	$3,917,831	$3,367,531	$2,858,452	$2,636,873	$2,146,836

Officers: Alfred W. Dater, Pres.; Schuyler Merritt, V-P.; W. D. Daskam, Sec. & Treas.; G. B. Leland, Gen. Mgr. & Pur. Agt.; H. G. Waterbury, Aud., Stamford, Conn.

Directors: E. E. Rowell, Samuel Pierson, Schuyler Merritt, A. W. Dater, I. E. Raymond, W. D. Daskam, F. C. Taylor, M. R. Pitt, Joseph A. Horne, Stamford, Conn.; J. H. Goss, Waterbury, Conn.; Henry L. Ferguson, Fisher's Island, N. Y.; Samuel Ferguson, Hartford, Conn.

General Office, Stamford, Conn.

HOLYOKE WATER POWER COMPANY

History and Properties—Incorporated Jan. 31, 1859, in Mass. Owns and operates a system of canals furnishing water power to a large number of factories and mills. A stone dam, 1,020 ft. long and 30 ft. high, was built in 1895-1899. On April 28, 1906, a 3,600 horse-power hydro-electric plant was placed in operation, supplementing the water power. No. 1 plant has capacity of 18,000 h.p. in steam turbo, generating apparatus and 5,000 h.p. in hydro-electric generating apparatus. No. 2 plant contains one 670 h.p., two 1,600 h.p. automatic hydro-electric machines. Supplies the city of Holyoke with water power to run the gas and electric light plants at a perpetual annual rental of $24,750.

On Dec. 5, 1925, the **Holyoke Power and Electric Co.** was incorporated in Massachusetts, with an authorized capital stock of $1,000,000 (par $100; none issued). It is planned to use power now going to waste, and Company's charter permits distribution anywhere in Massachusetts. The officers of the new company are as follows: Robert E. Barrett, Pres. & Treas.; Joseph A. Skinner, V-P.; Ralph A. Smith, Clerk & Asst. Treas., Holyoke, Mass. The directors are: Edward Milligan, Walter L. Goodwin, Charles A. Goodwin, Hartford, Conn.; George Dwight Pratt,

Frederic M. Jones, George G. Bulkley, Springfield, Mass.; Joseph A. Skinner, Frank A. Woods, Robert E. Barrett, Holyoke, Mass. Annual meeting, fourth Thursday in October. General office, Holyoke, Mass.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $1,800,000; par, $100.

Stock Increase—Stockholders voted at special meeting on June 26, 1924 to issue 6,000 shares to stockholders of record June 26, 1924, one share of new stock to two shares of old in proportion to their holdings at $100 per share, bringing outstanding stock to $1,800,000. Said 6,000 shares were issued as of Nov. 1, 1924.

Annual Meeting—Fourth Thursday in October.

Listed—Hartford Stock Exchange.

Price Range—	1927	1926	1925	1924	1923	1922
High	600	525	470	585	520	425
Low	490	425	440	450	425	380

Dividends—Payments are made quarterly J, A, J & O. Directors meet for dividend action about the 20th of March, June, Sept and Dec. Dividends in fiscal years ended Sept. 30, have been as follows (including extras): 1901, 70%; 1902, 75%; 1903 to 1905, 10%; 1906, 12%; 1907, 37%; 1908, 17%; 1909, 32%; 1910, 17%; 1911, 37%; 1912, 22%; 1913, 12%; 1914, 13%; 1915, 22%; 1916, 26%; 1917, 53%; 1918, 18½%; 1919, 17¼%; 1920, 41%; 1921, 31½%; 1922, 20%; 1923, 34%; 1924, 21%; 1925, 14%; 1926, 19½%; 1927, 22%; Jan. 3, 1928, 3% regular and 2% extra; April 2, 1928, 3% regular and 3% extra.

FUNDED DEBT

None.

INCOME AND PROFIT AND LOSS ACCOUNTS, YEARS ENDED SEPTEMBER 30

	1927	1926	1925	1924	1923	1922
Hydraulic and electric power	$833,394	$703,771	$599,544	$584,164	$604,551	$455,998
Real estate	142,421	111,996	57,799	150,584	129,264	129,270
Total earnings	$975,815	$815,767	$657,343	$734,748	$733,815	$585,268
Hydraulic and electric power	346,050	291,788	263,772	299,710	288,636	185,140
Real estate	82,151	85,773	84,826	84,677	86,936	85,833
Total operating expenses	*$428,201	*$377,561	$348,598	$384,387	$375,572	$270,973
Net operating income	547,614	438,206	308,745	350,361	358,243	314,295
Other income	48,812	53,668	73,249	58,578	60,257	94,474
Total income	$596,426	$491,874	$381,994	$408,939	$418,500	$408,769
General expenses and other charges	112,480	117,513	100,141	97,706	93,956	72,026
Net income for year	$483,946	$374,361	$281,853	$311,233	$324,544	$336,743
Previous surplus, as adjusted	$4,426,310	$4,424,728	$4,457,567	$4,410,554	$4,581,227	$4,461,084
Increase in market value of stocks	6,060	30,730	.....	.....	.....	.....
Total surplus	$4,916,316	$4,829,819	$4,739,420	$4,721,787	$4,905,771	$4,797,827
Dividends	396,000	351,000	252,000	252,000	408,000	240,000
Provision for Federal taxes	50,000	42,457	27,700	32,220	38,958	.....
Balance surplus Sept. 30	$4,470,316	$4,436,362	$4,459,720	$4,437,567	$4,458,813	$4,557,827
Earnings Per Share	†$24.10	†$18.44	†$14.12	†$23.25	†$23.80	$28.06

*Includes $81,782 depreciation in 1927 and $76,227 depreciation in 1926. †After allowing for Federal taxes.

GENERAL BALANCE SHEET, SEPTEMBER 30

Assets—	1927	1926	1925	1924	1923	1922
*Property	$6,799,439	$6,628,458	$6,338,834	$6,199,160	$5,849,436	$5,600,480
Less reserve for depreciation	873,051	793,458	717,366	658,746	611,660	575,966
	$5,926,388	$5,835,000	$5,621,468	$5,540,414	$5,237,776	$5,024,514
Real estate sales contracts	47,679	2,000	4,150	18,315	17,917	17,138
Cash	266,893	321,076	311,942	325,206	411,410	665,231
Investments	146,391	139,731	109,300	90,510	207,681	162,909
Accounts receivable, less reserve	134,863	128,135	119,843	110,608	115,556	106,099
Certificates of deposit	.....	125,000	245,000	280,000	.....	.....
Notes receivable	567,606	562,775	590,839	593,266	431,432	432,171
Dividends & interest accrued	8,535	10,476	18,231	10,229	13,725	11,970
Fuel and supplies	82,412	49,605	73,921	61,837	60,800	34,542
Advanced expenses	97,881	87,264	75,670	65,916	64,270	10,335
Total	$7,278,648	$7,261,062	$7,170,364	$7,096,301	$6,560,567	$6,464,909
Liabilities—						
Capital stock	$1,800,000	$1,800,000	$1,800,000	$1,200,000	$1,200,000	$1,200,000
Interim receipts—stock to be issued	.....	.....	.....	541,400	.....	.....
Reserve for Fed. income taxes (est.)	50,000	35,500	23,500	22,000	30,000	25,000
Unrealized profits on real estate sales	189,347	149,556	159,152	149,447	.....	.....
Accounts payable	13,873	101,199	9,945	16,661	177,752	18,387
Salaries and wages accrued	1,863	2,354	1,497	1,497	7,415	2,270
Compensation insurance accrued	.....	.....	284	1,274	5,624	2,986
Dividends, payable October	108,000	90,000	72,000	72,000	48,000	60,000
Dividends unclaimed	208	30	85	85	279	45
Taxes accrued	6,378	7,286	4,957	7,318	.....	88,097
Fed. inc. taxes, payable Dec. 15	.....	7,919	6,550	10,055	8,489	10,297
Local taxes payable Oct. 15	138,663	130,856	132,674	132,669	124,195	.....
Interest accrued on interim receipts	.....	.....	.....	4,327	.....	.....
Reserve for maint. and improvement	500,000	500,000	500,000	500,000	500,000	500,000
Surplus	4,470,316	4,436,362	4,459,720	4,437,567	4,458,813	4,557,821
Total	$7,278,648	$7,261,062	$7,170,364	$7,096,301	$6,560,567	$6,464,909

*Unimproved real estate owned prior to 1913 is valued on the basis of assessed values April 1, 1913; other property at cost.

STATEMENT OF WORKING CAPITAL, SEPTEMBER 30

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$266,893	$321,076	$311,942	$325,205	$207,681	$162,909
Certificates of deposit	.....	125,000	245,000	280,000	.....	.....
Accounts receivable	134,863	128,135	119,843	110,608	115,556	106,099
Notes receivable	287,107	209,502	269,758	264,402	431,432	432,171
Dividends & interest accrued	8,535	10,476	18,231	10,229	13,725	11,970
Fuel and supplies	82,412	49,605	73,921	61,837	60,800	34,542
Advanced expenses	97,881	87,264	75,670	65,916	64,270	10,335
Total	$877,691	$931,058	$1,114,365	$1,118,197	$893,464	$758,026

STATEMENT OF WORKING CAPITAL, SEPTEMBER 30 (Continued)

Current Liabilities—	1927	1926	1925	1924	1923	1922
Accounts payable	$13,872	$101,199	$9,945	$16,661	$177,752	$18,387
Salaries and wages accrued	1,863	2,354	1,497	1,497	7,415	2,270
Compensation insurance accrued	.....	.....	284	1,274	5,624	2,986
Dividends payable	108,000	90,000	72,000	72,000	48,000	60,000
Dividends unclaimed	208	30	85	85	279	45
Taxes accrued	6,378	7,286	4,957	7,318	.....	88,097
Federal income taxes	.....	7,919	6,550	10,055	8,489	10,297
Local taxes	138,663	130,856	132,674	132,669	124,195	.....
Interest accrued	.....	.....	.....	4,327	.....	.....
Total	$268,984	$339,644	$227,992	$245,887	$371,754	$182,082
Net Working Capital	$608,707	$591,414	$886,373	$872,310	$521,710	$575,944

Officers: Robert E. Barrett, Pres. & Treas.; Joseph A. Skinner, V-P.; Ralph A. Smith, Asst. Treas. & Clerk, Holyoke, Mass.

Directors: W. L. Goodwin, Edward Milligan, Chas. A. Goodwin, Hartford, Conn.; George G. Bulkley, George Dwight Pratt, Frederic M. Jones, Springfield, Mass.; Robert E. Barrett, Joseph A Skinner, Frank A. Woods, Holyoke, Mass.

Office, Holyoke, Mass.

BRAZILIAN TRACTION, LIGHT & POWER COMPANY, LTD.

Stock Issues, At December 31, 1926, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	—Dividends Paid— Per Cent	Amount	Earnings per Share
6% Cum. Preference (par $100)	J, A, J & O 1	$10,000,000	$10,000,000	.....	$11,745,397	6	$600,000	$117.45
Ordinary (par $100)	M, J, S & D 1	110,000,000	106,588,300	.....	11,145,397	5	5,329,211	10.46

History—Incorporated July 12, 1912, under laws of the Dominion of Canada, and has acquired, through exchange of stocks, over 99% each of the capital stocks of The Rio de Janeiro Tramway, Light & Power Co., Ltd., and The Sao Paulo Tramway, Light & Power Co., Ltd., and the entire capital stock of the Sao Paulo Electric Co., Ltd. Through the Rio de Janeiro Tramway, Light & Power Co., Ltd., the Brazilian Traction, Light & Power Co., Ltd., controls the entire capital stock of the Brazilian Telephone Co., which latter company was incorporated under the laws of Canada to acquire and develop the telephone enterprises. (For further details see statement of Rio de Janeiro Tramway, Light & Power Co. on a subsequent page.)

The Brazilian Traction Light & Power Co., Ltd., also owns the entire share capital of the **Brazilian Hydro-Electric Co., Ltd.,** which was incorporated for the purpose of purchasing a water power of 140,000 h.p. capacity on the Parahyba River, about 100 miles distant from the City of Rio de Janeiro, for which the necessary concessions for its development and transmission to Rio de Janeiro have been obtained.

The first installation of 50,000 k.v.a. and the transmission line to the City of Rio de Janeiro—a distance of approximately 100 miles—were completed and in service Aug. 1, 1924.

The Brazilian Traction, Light and Power Co., Ltd., through its controlled operating companies, does the street railway, electric light and power, gas and telephone business in the cities of Rio de Janeiro and Sao Paulo, Brazil, and adjacent territory, serving a population estimated at approximately 2,000,000. All the companies operate practically without competition and under concessions which are mainly exclusive, and are either perpetual, or for long periods except where local telephone franchises are being standardized. The companies' franchises fix the maximum rates which may be charged for services, and these are subject to revision only at stated intervals.

Basis of Exchange of Shares—Under the plan of exchange, two and three-quarter shares of Traction Co. stock were given in exchange for each share of Sao Paulo Tramway, Light & Power Co., Ltd.; one and three-fifths shares of Traction Co. stock were given in exchange for each share of Rio de Janeiro Tramway, Light & Power Co., Ltd., and one share of Traction Co. stock was given in exchange for one share of Sao Paulo Electric Co., Ltd. On the above basis of exchange the distribution of the ordinary share capital, providing all the shares of the constituent companies are exchanged, will be as follows:

For Rio de Janeiro Tramway, Light & Power Co., Ltd.	$72,000,000
For Sao Paulo Tramway, Light & Power Co., Ltd.	27,500,000
For Sao Paulo Electric Co., Ltd.	5,000,000
Total	$104,500,000

OPERATING STATISTICS FOR COMBINED COMPANIES

	1926	1925	1924	1923	1922
Tramways					
Miles of track	424.50	422.25	417.23	415.83	413.53
Equipment: Passenger cars	1,722	1,718	1,650	951	937
Passenger trailers				587	602
Freight cars	278	286	285	147	147
Freight trailers				139	155
Corcovado locomotives	4	4	4	4	4
Corcovado passenger cars	4	4	4	4	4
Corcovado freight cars	2	2	2	2	2
Autobusses (electric)	7	7	7	7	7
Miles run	49,914,442	46,484,275	46,120,480	46,197,145	44,618,420
Passengers carried	552,078,727	526,240,551	498,242,281	479,527,034	454,486,999
Electric Light and Power					
K. W. hours sold	526,317,699	479,540,843	483,240,843	468,211,051	426,918,516
Capacity of generating plant (kilowatts)	240,400	210,400	169,400	125,400	125,400
Total connected load (kilowatts)	435,210	403,700	373,901	340,973	326,335
Total consumers	201,620	185,853	175,397	164,188	152,588
Transmission lines (miles of circuit)	1,065.73	1,018.84	915.69	692.61	687.40
Distribution lines (miles of wire)	6,752.37	6,431.77	5,670.57	5,085.84	4,716.74
Gas					
Gas sold (cubic metres)	81,571,030	71,019,515	65,043,651	59,457,174	57,143,781
Total consumers	49,535	44,136	40,328	37,824	36,965
Mains laid (miles)	817.51	792.69	776.11	768.04	763.06
Stoves, water heaters, etc.	70,037	57,582	54,975	54,298	52,668
Telephones					
Total number of subscribers' stations	83,677	81,752	77,977	74,359	71,514

CAPITAL STOCK

Authorized, 7,600,000 shares Ordinary stock of no par value (see paragraph below) and $10,000,000 6% cumulative Preference stock, par $100. The outstanding amounts of the Preference and Ordinary shares will be determined in part by the extent to which the conversion privilege is exercised by the Preference shareholders. As of Jan. 31, 1928, about 90% of the Preference shareholders had converted their holdings. The Ordinary stock was mostly issued in exchange for capital stocks of Rio de Janeiro Tramway, Light & Power Co., Ltd., Sao Paulo Electric Co., Ltd., and Sao Paulo Tramway, Light & Power Co., Ltd., and to provide for capital requirements.

Changes in Ordinary Stock—At a meeting held Jan. 5, 1928, stockholders approved an increase in the Ordinary stock of $80,000,000, par $100, making the capitalization of the Company $200,000,000, consisting of $10,000,000 6% cumulative Preference stock and $190,000,000 Ordinary, both par $100. New shares were offered to Ordinary stockholders of record Jan. 31, 1928, for subscription at par, $100 a share, in the ratio of one new share for each five shares held. Subscriptions were payable as follows: $20 per share with subscription on or before March 31, 1928; $20 per share on June 1, 1928; $20 per share on August 1, 1928; $20 per share on October 1, 1928, and $18 per share on December 1, 1928. The unissued balance of the increased authorized Ordinary share capital is available for capital requirements in the future.

Stockholders on Jan. 5, 1928, also approved a resolution providing that after the increase in the Ordinary stock mentioned above had become effective, the Ordinary stock of the Company should consist of 7,600,000 Ordinary shares of no par value instead of 1,900,000 Ordinary shares of $100 par value, the new stock being distributed on the basis of four new shares of no par value for each share of $100 par held.

Voting Power—Each Ordinary share of no par value shall entitle the holder thereof to one vote, and holders of the 6% Preference shares shall be entitled to four votes in respect of each Preference share so held instead of one, as previously provided.

Conversion Privilege—Preference stock is convertible into Ordinary stock on the basis of 6 Preference for 5 Ordinary shares of no par value.

Transfer Agent—National Trust Co., Ltd., Toronto and Montreal.

Registrars—Canadian Bank of Commerce, Toronto and Montreal, and Guarantee Insurance & Investment Co., Ltd., London.

Listed—Ordinary stock listed on Toronto, Montreal and London Stock Exchanges. Preference stock listed on London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	*196½	*110½	*101¼	*101¾	*96	*95	*80	*90¾
Low	*106¼	*99¼	*93½	*92½	*87¼	*76	*72	*77
Common—								
High	234⅞	*126¼	*85¼	*60	53	50¼	36	51¼
Low	102½	*83¾	*53	*47½	35½	27⅞	19¾	28¾

*London.

Dividends—Quarterly dividends of 1½% have been regularly paid on Preference stock since July 1, 1913; payments J, A, J & O 1. Quarterly dividends of 1½% were paid on Ordinary stock from Nov., 1912, to June 1, 1915; Sept. 1, 1915, and Dec. 1, 1915, ½% each; March, June, Sept. and Dec. 1, 1916, 1% each; March 1, 1917, 1%; none thereafter until Sept. 1, 1922, when 1% was paid; 1923, 1924 and 1925, 4% each; 1926, 5%; 1927, 6%; March 1, 1928, 1¾%; payments, M, J, S & D 1.

FUNDED DEBT

Company has no funded debt and agrees not to issue any mortgage or debenture bonds without the consent of two-thirds of the Preference stock outstanding.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Canadian Currency)

	1926	1925	1924	1923	1922	1921
Revenue received under contracts with subsidiary cos.	$11,905,856	$8,328,439	$7,771,140	$6,717,941	$7,422,897	$4,410,057
Int. on investments and miscellaneous income	372,798	520,155	478,383	792,518	450,064	127,658
Total income	$12,278,654	$8,848,594	$8,249,521	$7,510,459	$7,872,961	$4,537,715
General and administration expenses	233,257	293,308	310,604	280,494	185,840	166,465
Int. and charges on secured gold notes	.....	.....	.....	.....	535,153	833,568
Provision for general amortization	300,000	300,000	300,000	300,000	300,000	300,000
Total deductions	$533,257	$593,308	$610,604	$580,494	$1,020,993	$1,300,033
Net revenue	$11,745,397	$8,255,286	$7,638,917	$6,929,965	$6,851,968	$3,237,682
Dividends on Preference shares	600,000	600,000	600,000	600,000	600,000	600,000
Dividends on Ordinary shares	5,329,211	4,263,266	4,262,788	4,262,477	2,131,511	.....
Surplus for year	$5,816,186	$3,392,020	$2,776,129	$2,067,488	$4,120,457	$2,637,682
Transferred to general reserve account	4,000,000	3,000,000	3,000,000	3,000,000	3,000,000	.....
Surplus to profit and loss	$1,816,186	$392,020	†$223,871	†$932,512	$1,120,457	$2,637,682
Surplus forward	6,075,908	5,683,888	5,907,759	6,840,270	5,719,813	3,082,131
Total surplus, Dec. 31	$7,892,094	$6,075,908	$5,683,888	$5,907,758	$6,840,270	$5,719,813
Earnings Per Share—						
Preferred	$117.45	$82.55	$76.39	$69.30	$68.52	$32.38
Common	10.46	7.18	6.60	5.94	5.86	2.47

†Deficit.

OPERATIONS OF SUBSIDIARY COMPANIES, YEARS ENDED DECEMBER 31
(Excluding Inter-Company Items)

	‡1926	‡1925	1924	1923	1922	1921
Average value of milreis for exchange on New York based on remittances	14.61 cts.	12.31 cts.	11.08 cts.	10.36 cts.	13.09 cts.	12.51 cts.
Gross earnings from operation in Brazil	$38,602,891	$31,243,759	$26,936,767	$24,184,761	$25,506,420	$21,036,150
Net earnings from operation in Brazil	$21,700,727	$17,489,445	$16,643,472	$15,332,329	$16,299,229	$11,898,523
Miscellaneous revenue	112,993	38,061	76,301	87,635	118,022	270,150
Total revenue of subsidiaries	$21,813,720	$17,527,506	$16,719,773	$15,419,964	$16,417,251	$12,168,673
Bond interest, general expenses and other charges of subsidiary companies	*$4,084,242	*$4,391,087	*$4,709,785	*$4,654,983	$5,052,961	$4,534,038
Reserves for depreciation and sinking funds of subsidiary companies	5,823,622	4,807,980	4,238,848	4,047,040	3,941,393	3,224,578
Total charges of subsidiaries	$9,907,864	$9,199,067	$8,948,633	$8,702,023	$8,994,354	$7,758,616
Balance being revenue to Brazilian Trac., Lt. & Power Co., Ltd.	$11,905,856	$8,328,439	$7,771,140	$6,717,941	$7,422,897	$4,410,057

*Commencing with the year 1923, the General Expenses have been included in the expenses of operation and therefore no longer appear in this account. ‡Also includes Brazilian Hydro Electric Co., Ltd.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Brazilian Trac., Lt. & Power Co., Ltd., The Rio de Janeiro Tramway, Lt. & Power Co., Ltd. (and its subsidiary Brazilian Telephone Co.,) The Sao Paulo Tramway, Lt. & Power Co., Ltd., and Sao Paulo Electric Co., Ltd.)

Assets—	‡1926	‡1925	1924	1923	1922	1921
Capital Account:						
Properties, plant and equip., construction expenditure, at cost, includ. int., during construction, etc.	$140,701,014	$131,603,183	$122,607,215	$117,678,485	$94,301,954	$91,253,021
Cost of securities of & advances to cos. owned or controlled by sub. cos., includ. premium paid on shares of sub. cos. acquired	68,942,223	68,256,436	67,804,058	67,417,072	85,320,582	84,788.144
Rights, franchises, contracts, good-will, discount on bonds, share and bond issue expenses	50,811,680	50,803,927	50,778,961	50,808,854	50,489,484	50,489,484
Total capital acct.	$260,454,917	$250,663,546	$241,190,234	$235,904,411	$230,112,020	$226,530,649
Sinking Fund Investments at Cost—						
The Rio de Janeiro Tramway, Light & Power Co., Ltd., 1st mtge. bonds	$7,017,529	$6,389,891	$5,798,985	$5,236,961	$4,692,591	$4,181,582
Sao Paulo Electric Co., Ltd., 1st mtge. bonds	473,858	365,962	264,558	171,070	83,323	.....
Stores in hand and in transit, incl. construction material	5,874,514	4,396,033	4,918,034	4,066,937	4,699,870	6,146,850
Sundry debtors and debit balances	4,355,734	5,762,628	5,022,716	4,606,016	4,034,573	4,915,806
Investments in Govt. & other securities (at cost being slightly below market value)	4,502,365	4,441,601	4,191,670	3,971,095	5,135.506	.....
Cash	3,425,817	3,371,602	4,383,739	3,629,559	1,927,191	7,940,836
Total	$286,104,734	$275,391,263	$265,769,936	$257,386,049	$250,685,074	$249,715,724
Liabilities—						
Ordinary shares (Braz. Trac., Lt. & Power Co. Ltd.)	$106,588,300	$106,587,900	$106,583,700	$106,582,900	$106,581,000	$106,576,000
Preference shares (Braz. Trac., Lt. & Power Co., Ltd.)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Shares of sub. cos. not held by Braz. Trac., Lt & Power Co., Ltd.	5,100	5,400	8,400	8,900	11,100	14,300
*Funded Debt:						
Braz. Tr., Lt. & Power Co., Ltd., notes	.....	.....	.....	.....	.....	7,500,000
Rio de Janeiro Tr., Lt. & Power Co., Ltd. bonds	47,959,377	48,288,496	48,601,948	48 900.408	49,184,817	49,455,579
Sao Paulo Tr., Lt. & Power Co., Ltd., bonds	9,999,996	9,999,996	9,999,996	9.999.996	9,999,996	9,999,996
Sao Paul Elec. Co., Ltd., bonds	9,733,333	9,733,333	9,733,333	9,733,333	9,733,333	9,733,333
Bond, debenture and share warrant coupons and dividend checks outstanding	1,180,131	826,421	424,444	615,045	486,331	281,969
Accrued charges on cum. Pref. shares and funded debt	1,396,016	1,400,130	1,404,049	1,407,779	1,411,334	1,489,719
Sundry creditors and credit balances	7,031,478	7,719,380	5,878,946	4,144,500	3,571,391	3,395,484
Insurance funds for injuries and damages	276,735	295,716	209,849	209,312	238,293	248,787
Sinking fund reserves	10,237,743	9,173,090	8,167,328	7,213,357	6,296,830	5,431,736
†Provisions for depreciation and renewals (balance after meeting renewals to date)	31,961,085	27,952,390	25,226,076	22,206,333	19,223,399	16,106,176
General amortization reserve	3,260,000	2,960,000	2,660,000	2,360,000	2,060,000	1,760,000
General reserves	38,437,934	34,227,690	31,042,567	27,951,016	24,901,567	21,857,420
Profit and Loss:						
Braz. Trac., Lt. & Power Co., Ltd.	7,892,094	6,075,908	5,683,888	5,907,758	6,840.270	5,719,813
Subsidiary cos.	145,412	145,412	145,412	145,412	145,412	145,412
Total	$286,104,734	$275,391,263	$265,769,936	$257,386,049	$250,685,074	$249,715,724

* In addition there are bonds outstanding of companies owned or controlled by the Subsidiary Companies, equivalent to $7,464,078 on which the yearly interest charge amounting to $373,708 is provided out of the revenue of the Subsidiary Companies. † This reserve includes provision for depreciation and renewals of physical assets of companies owned or controlled by subsidiary companies. ‡Also includes Brazilian Hydro Electric Co., Ltd.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

(Brazilian Traction, Light & Power Co., Ltd., and Subsidiaries.)

Current Assets—	1926	1925	1924	1923	1922	1921
Materials and supplies	$5,874,515	$4,396,033	$4,918,034	$4.066,937	$4,699,870	$6,146,850
Sundry debtors and debit balances	4,355,734	5,762,628	5,022,716	4.406,016	4,034,573	4,915,806
Investments in Govt. and other securities (at cost, being slightly below market value)	4,502,365	4,441,601	4,191,670	3,971,095	5,135,506	.....
Cash	3,425,816	3,371,602	4,383,739	3,629,559	1,927,191	7,940,836
Total	$18,158,430	$17,971,864	$18,516,159	$16,073,607	$15,797,140	$19,003,492
Current Liabilities—						
Bond, debenture and share warrant coupons and dividend checks outstanding	$1,180,131	$826,421	$424,444	$615.045	$486,331	$281,968
Accrued charges on cum. Pref. shares and funded debt	1,396,016	1,400,130	1,404,049	1.407.779	1.411.334	1,489,719
Sundry creditors and credit balances	7,031,478	7,719,380	5,878,946	4,144.500	3,571,391	3,395.484
Insurance funds for injuries and damages	276,735	295,716	209,849	209,311	238,293	248.788
Total	$9,884,360	$10,241,647	$7,917,288	$6,376.635	$5.707.349	$5,415.959
Net Working Capital	$8,274,070	$7,730,217	$10,598,871	$9,696.972	$10.089,791	$13,587.533

Officers: Sir Alexander Mackenzie, Pres., London, Eng., and Rio de Janeiro; E. R. Wood, Miller Lash and R. C. Brown, V-Ps., Toronto; E. R. Peacock and H. Malcolm Hubbard, V-Ps., London, Eng.; A. W. K. Billings, H. H. Couzens, V-P's., Rio de Janeiro; J. M. Smith, Sec.; A. W. Adams, Treas., Toronto, Ont.; D. H. Cromar, W. D. Hooper, Asst. Sec's.

Directors: E. R. Wood, D. B. Hanna, Miller Lash, Hon. F. H. Phippen, R. C. Brown, Sir Thomas White, Toronto, Ont.; Sir Alexander Mackenzie, London and Rio de Janeiro; H. Malcolm Hubbard, E. R. Peacock, London, England; Sir John Aird, Toronto, Ont.; Robert O. Hayward, New York; A. W. K. Billings, H. H. Couzens, Rio de Janeiro; A. P. Holt, J. W. McConnell, Montreal, Que.

General Office, 357 Bay St., Toronto 2, Ont. **London Office,** 3 London Wall Bldgs., E. C. 2.

THE RIO DE JANEIRO TRAMWAY, LIGHT & POWER COMPANY, LTD.

(Controlled by Brazilian Traction, Light & Power Co., Ltd.)

History and Properties—Incorporated in June, 1904, in Canada. The Company is the direct owner of the whole or its tramway system except that part belonging to the Companhia Jardim Botanico, of whose share capital over 80% is owned. Company has acquired a large interest in the **Companhia Carioca,** and the entire capital stock of the Brazilian Telephone Co. Also owns and operates the **Corcovado Ry.,** an electric line running to the top of the Corcovado Mountain under a concession from the Federal Government. In addition to the railway lines, the Rio de Janeiro company owns over 90% of the securities of the **Société Anonyme du Gaz de Rio de Janeiro.** This latter company has the exclusive right until 1945 to supply gas, including the lighting of the city streets during that period. The concession also gives the company the right to supply electricity with a monopoly for public lighting until 1945 and for private lighting until 1915, from which latter date the concession for private lighting continues in perpetuity without exclusive rights. The Rio de Janeiro tramway concessions were extended in 1907 until 1970 and give exclusive privileges until 1940 in very large area of city. Franchises for distribution of electric energy for lighting and power service were also extended to 1990. Concession to develop power is perpetual. Total population served, 1,250,000.

The Company owns a water power at Rio das Lages and also owns marginal lands controlling the development of a water power at the falls of Sapucaia on the River Parahyba about 100 miles from Rio de Janeiro, at which point at least 100,000 horse power can be developed. A concession has permitted the company to divert the waters of the River Pirahy into the valley of the River das Lages, thus increasing the capacity of the Rio das Lages station to 100,000 h.p. A hydro-electric power plant has been erected at Rio das Lages in which eight generators are connected to turbines of an aggregate capacity of 84,000 h.p.

During 1920 the Company purchased at public auction the properties and concessions of the Companhia Industrial de Electricidad. The properties acquired included a water power on the Parahybuna River with a capacity of 5,000 h.p., one unit only of 1,200 h.p. having been installed, a small auxiliary station on the same river at Parahyba do Sul with two units of 150 h.p. capacity, and about 300 miles of transmission and distribution lines.

Jardim Botanico Tramway (Companhia Ferro Carril do Jardim Botanico)—The Rio de Janeiro Tramway, Light & Power Co., Ltd., owns over 80% of the £1,400,000 capital stock of this company, and operates its lines under a contract by which the gross earnings go to the Rio Co. which undertakes to pay the interest and sinking fund on the Jardin Co.'s bonds, 5% on its stock, and in case the operating contract is terminated to return the property in a high state of efficiency.

CAPITAL STOCK

Authorized capital stock is $50,000,000 increased from $40,000,000 on Dec. 8, 1911. Outstanding, $45,000,000 (increased from $40,000,000 in 1912); par, $100. Transfer Agent: National Trust Co., Ltd., Toronto and Montreal. The Brazilian Traction, Light & Power Co., Ltd., owns over 99½% of the stock. Annual meeting in July, at Toronto.

Dividends—Quarterly dividends of 1% were paid from Nov. 1, 1909, to May 1, 1910, inclusive, and at rate of 1¼% quarterly (F, M, A & N 1), up to and including Nov. 1, 1917; none since.

FUNDED DEBT

(1)

$25,000,000 FIRST GOLD 5s; DUE JANUARY 1, 1935

Dated January 1, 1905.

Interest Payable January and July 1 on $500 and $1,000 denominations at Canadian Bank of Commerce either in London, Toronto, and (in U. S. gold coin) in New York; on $100 denominations at Canadian Bank of Commerce, Toronto and London; also in Geneva, Brussels and Berlin, at fixed rates of exchange.

Denominations—Coupon, $100, $500 and $1,000, and their sterling equivalents; principal may be registered.

Trustee—National Trust Co., Ltd., Toronto.

Provisions of Issue—Authorized and issued, $25,000,000.

Callability—Not subject to call.

Sinking Fund—Sinking fund, which commenced in 1910, 1% of the total bonds outstanding. All bonds purchased for the sinking fund are to be held alive and draw interest for the benefit of said fund. Sinking fund investments, Dec. 31, 1926, at cost, $7,017,529.

Security—Secured by a first lien on all present and future undertakings, real and personal property, tolls, income, rights, powers and franchises of the company whether now owned or hereafter acquired.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Listed—Toronto, Montreal, London and Brussels Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	95¾	100½	94¼	87	87	87¼	84¼	75½
Low	95	95⅜	85	83	82	73	73	60½

(2)

£4,717,680 ($22,959,377) 50-YEAR MORTGAGE 5s; DUE APRIL 1, 1958

Dated April 1, 1908.

Interest Payable April and October 1, payable on sterling issue at Canadian Bank of Commerce, Toronto, and London, Eng.; and on French issue in Paris, Brussels and Toronto.

Denominations—Coupon, £100 and Francs 500.

Trustee—National Trust Co., Ltd., Toronto.

Provisions of Issue—Authorized and issued, £5,266,000, of which £548,320 redeemed for sinking fund to Dec. 31, 1926, leaving £4,717,680 outstanding.

Callability—Subject to call as a whole or in part at 105 and interest at any time upon 3 months' notice; also callable at par for the sinking fund, annually commencing April 1, 1918.

Sinking Fund—The entire bond issue is to be redeemed by 1958 by means of annual drawings at par, or by purchase of the bonds, at or below par, commencing April 1, 1918.

Security—Secured by a second lien on all the property now owned or hereafter acquired, being subject to the First Mortgage bonds described above. The company reserves the right to create new or substitute mortgages, charges or securities in the place of any of the First Mortgage bonds which shall be paid off or redeemed, provided that the total principal amount secured by all securities having priority to this issue, at any one time outstanding, is not to exceed $25,000,000 in all.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Original Offering—First publicly offered (£900,000) in June, 1908, at 80.

Listed—London, Montreal, Toronto and Brussels Stock Exchanges.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	89½	89¼	87½	87	84	85¾	68½	75¾
Low	84	82	77	76½	76⅛	65½	57¼	60

(3)

£1,400,000 JARDIM-BOTANICO TRAMWAY CO. FIRST STERLING 5s; DUE JULY 1, 1951

Dated July 1, 1911.

Interest Payable January and July 1 at Canadian Bank of Commerce in London, New York and Toronto.

Trustee—National Trust Co., Ltd., Toronto.

Provisions of Issue—Authorized and issued, $1,400,000.

Callability—Subject to call as an entire issue at 102½ and interest at any time upon upon 3 months' notice, or in part yearly for sinking fund.

Sinking Fund—Sinking fund beginning in 1912 to redeem bonds by purchase at or under 102½ and interest, or by drawings at that price. The Rio de Janeiro Tramway, Light & Power Co., Ltd., undertakes to put aside semi-annually a sum sufficient to meet interest and sinking fund on the bonds.

Security—Secured by first lien on property of company, including track and equipment appertaining thereto, including motor cars, trailers and electric generating station.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Original Offering—First publicly offered (£800,000) in June, 1911, at 99½ and interest.

Listed—London Stock Exchange.

Price Range (London)—

	1926	1925	1924	1923	1922	1921	1920	1919
High	88	87½	86	88	89	71	79½	84
Low	83	81¾	80	80	70½	60¼	60	79¾

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

Credits—	1926	1925	1924	1923	1922	1921
Balance forward, Dec. 31	$56,543	$56,543	$56,543	$56,543	$56,543	$56,543
Net rev. retained in accordance with contract with Brazilian Traction, Lt. & Power Co., Ltd., after providing for interest, administration, general expenses and financial charges of subsidiary companies	$6,444,945	5,775,164	5,345,899	5,284,391	5,206,472	4,638,196
Total	$6,501,488	$5,831,705	$5,402,442	$5,340,934	$5,263,015	$4,694,739
Debits—						
Interest on bonds	$2,410,186	$2,426,054	$2,441,165	$2,455,561	$2,456,844	$2,469,431
Sinking funds	443,720	388,300	383,276	364,898	357,454	341,973
Transferred to Provisions for Depreciation and Renewals	3,591,039	2,960,809	2,521,458	2,463,932	2,392,174	1,826,792
Total	$6,444,945	$5,775,164	$5,346,899	$5,284,391	$5,206,472	$4,638,196
Balance, Dec. 31	$56,543	$56,543	$56,543	$56,543	$56,543	$56,543

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924	1923	1922	1921
Properties, plant and equipment, construction expenditure at cost, incl. interest during construction, etc.	$60,733,572	$59,413,639	$58,714,298	$57,699,502	$57,174,801	$56,211,820
Securities of and advances to sub. cos.	34,422,089	33,452,916	32,496,490	31,918,889	28,956,166	27,853,536
Rights, franchises, contracts, good-will, disc on bonds, bond and share issues exps.	36,777,872	36,777,872	36,777,872	36,777,872	36,777,872	36,777,872
Sundry debtors and debit balances	3,099,561	4,278,695	3,869,814	3,359,725	3,304,605	3,584,586
Balance due by Braz. Tr., Lt. & P. Co., Ltd., in respect of purchase of General Mtge. bonds of Co.	.....	.....	.....	1,352,200	1,352,200	1,352,200
Discount on General Mtge. bonds purchased by Braz. Tr., Lt. & Power Co., Ltd.	.....	.....	.....	1,250,733	1,250,733	1,250,733
Stores	3,032,914	2,274,608	2,393,524	2,165,804	3,915,684	4,856,710
Cash	113,917	167,917	247,702	719,152	391,915	2,821,270
Sinking fund investments (1st mtge. bonds) at cost	7,017,529	6,389,891	5,798,985	5,236,961	4,692,591	4,181,582
Total	$145,197,454	$142,755,538	$140,298,685	$140,480,838	$137,816,567	$138,890,310
Liabilities—						
Capital stock	$45,000,000	$45,000,000	$45,000,000	$45,000,000	$45,000,000	$45,000,000
Funded debt	47,959,377	48,288,496	48,601,948	53,903,341	54,187,750	54,458,512
Loans and accrued interest from Brazilian Traction, Lt. & Power Co., Ltd.	3,470,431	3,963,645	5,744,034	4,100,198	4,250,754	7,923,700
Outstanding bond coupons	921,615	580,392	228,187	128,173	206,703	200,959
Accrued interest	911,930	916,044	919,962	923,692	927,248	930,632
Sinking fund reserves	9,686,018	8,729,262	7,824,904	6,964,419	6,135,640	5,353,870
Provision for depreciation and renewals	20,869,212	18,353,821	152,887	14,529,850	12,481,199	10,295,439
Injuries and damages fund	176,170	209,161	16,445,446	150,460	169,936	181,229
General reserve fund	12,263,895	12,154,629	12,033,739	12,010,626	12,010,626	12,002,004
Sundry creditors and credit balances	3,882,263	4,503,546	3,291,035	2,713,536	2,390,168	2,487,421
Profit and loss	56,543	56,543	56,543	56,543	56,543	56,543
Total	$145,197,454	$142,755,538	$140,298,685	$140,480,838	$137,816,567	$138,890,310

Officers: Sir Alexander Mackenzie, Pres.; R. M. Horne-Payne and H. Malcolm Hubbard, V-Ps., London, England; E. R. Wood, Miller Lash and R. C. Brown, V-Ps., Toronto; A. W. K. Billings and H. H. Couzens, C. A. Sylvester, V-Ps., Rio de Janeiro; J. M. Smith, Sec.; A. W. Adams, Treas., Toronto; J. M. Bell, Gen. Mgr., Rio de Janeiro.

Directors: R. M. Horne-Payne, London, England; E. R. Wood, Miller Lash, D. B. Hanna, Sir Alexander Mackenzie, R. C. Brown, Sir John Aird, Sir Thomas White, Wm. Bain, C. D. Magee, Toronto; A. W. K. Billings, H. H. Couzens, C. A. Sylvester, Rio de Janeiro; H. Malcolm Hubbard, E. R. Peacock, London, England.

Head Office, 357 Bay St., Toronto. **London Office**, 3 London Wall Bldgs., E. C.

BRAZILIAN TELEPHONE COMPANY

(Controlled by Rio de Janeiro Tramway, Light & Power Co., Ltd.)

History—Incorporated in Canada as the Rio de Janeiro & Sao Paulo Telephone Co., to acquire and develop the telephone enterprises of the system. Name changed to Brazilian Telephone Co. on June 13, 1923. Company acquired the properties and businesses of the following companies: The Interurban Telephone Co. of Brazil, Companhia de Telephones Interestadoaes, Companhia Telephonica do Estado de Sao Paulo, and Compania Rede Telephonica Bragantina, and **Brazilianische Electricitats-Gesellschaft.** No. of telephones in operation, Dec. 31, 1926, 83,677, compared with 81,752 at Dec. 31, 1925.

CAPITAL STOCK

Authorized and issued, $5,000,000. All owned by the Rio de Janeiro Tramway, Light & Power Co., Ltd.

Annual Meeting—In July.

FUNDED DEBT

$7,500,000 First Mortgage Gold 6s; dated 1919; due 1949. Authorized, $12,500,000. National Trust Co., Ltd., Toronto, Ont., Trustee. Company does not pay or assume U. S. Normal Income Tax.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924	1923	1922	1921
Prop., plant and equip., construct. expenditure, incl. interest during construction, etc	$20,730,922	$20,117,653	$19,716,859	$19,241,489	$18,297,608	$11,664,123
Securities of and advances to subsidiary cos.	.....	.....	.....	.....	.....	5,922,328
Rights, franchises, contracts, good will and discount on bonds	4,895,583	4,889,366	4,889,366	4,889,366	4,889,366	4,889,366
Stores	1,240,654	1,112,398	1,069,831	1,178,719	.....	.....
Sundry debtors and debit balances	483,729	578,693	379,477	286,601	.....	.....
Cash	32,253	26,826	80,249	127,208	.....	.....
Total	$27,383,141	$26,724,937	$26,135,782	$25,723,383	$23,186,974	$22,475,817
Liabilities—						
Capital stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
Loan from The Rio de Janeiro T., L. & P. Co., Ltd.	14,490,160	13,745,149	13,221,573	12,951,974	10,686,674	9,817,952
Accrued interest on bonds	.....	.....	.....	.....	.....	75,000
Sundry creditors and credit balances	387,406	476,235	414,209	271,409	300	82,865
Insurance funds for injuries and damages, etc.	5,575	3,552	.....	.....	.....	.....
Total	$27,383,141	$26,724,937	$26,135,782	$25,723,383	$23,186,974	$22,475,817

Officers: Sir Alexander Mackenzie, Pres., London, Eng.; Miller Lash, V-P., Toronto, Ont.; A. W. K. Billings, V-P., Rio de Janeiro; R. C. Brown, V-P., Toronto, Ont.; H. H. Couzens, C. A. Sylvester, V-P's., Rio de Janeiro; J. M. Smith, Sec., Toronto, Ont.

Directors: Sir Alexander Mackenzie, London, Eng.; Miller Lash, R. C. Brown, Toronto, Ont.; A. W. K. Billings, H. H. Couzens, C. A. Sylvester, Rio de Janeiro.

Head Office, 357 Bay St., Toronto, Ont.

SAO PAULO ELECTRIC COMPANY, LTD.

(Controlled by Brazilian Traction, Light & Power Co., Ltd.)

History and Property—Incorporated in 1908, under Canadian laws. Owns and controls in the State of Sao Paulo, Brazil, undertakings for the utilization and sale of electric light and power. Supplies electric power to The Sao Paulo Tramway, Light & Power Co., Ltd., under contract with that Company and also supplies electric light and power in the City of Sorocaba, and in various other municipalities in the vicinity, and has a small tramway service in Sorocaba. The powerhouse is connected by a transmission line with the Parnahyba powerhouse of the Sao Paulo Tramway, Light & Power Co., Ltd., and has a present capacity of 80,000 h.p. The emergency steam plant has a capacity of 13,400 h.p. The San Paulo Gas Co., Ltd., is controlled by stock ownership (see statement appended).

CAPITAL STOCK

Authorized, $10,000,000; issued, $5,000,000: par, $100. All owned by Brazilian Traction, Light & Power Co., Ltd. Annual meeting in July. Dividends paid: In 1914, 2%; 1915, 3%; none since.

FUNDED DEBT

£2,000,000 ($9,733,333.33) FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1962

Dated January 1, 1912.

Interest Payable January and July 1, at office of Canadian Bank of Commerce, London, New York and Toronto.

Denominations—Coupon, £20, £100 and £500; principal may be registered.

Trustee—National Trust Co., Ltd., Toronto.

Callability—Subject to call at 103 and int. at any time upon 6 months' notice, or annually for sinking fund at par and interest commencing in 1922.

Sinking Fund—On Jan. 1, 1922, and on each succeeding first day of January the company shall pay over to the Trustee a sum equal to eight-tenths of 1% of the par value of the amount of bonds outstanding hereunder, which is to be applied to the purchase of these bonds at not exceeding par and interest or to annual drawings at that price. There is also a provision that this amount may be increased or diminished, if necessary, so as to provide the exact amount for the redemption by the first day of Jan., 1962. The Brazilian Traction, Light & Power Co., Ltd., agrees to set aside from the gross earnings of the Electric Co. sums sufficient to meet interest and sinking funds, and in case earnings fall short, to provide the difference from its own revenues.

Security—Secured by first lien on all the property, rights and franchises now owned or hereafter acquired by company.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Original Offering—First publicly offered (£1,800,000) in Oct., 1912, at 95.

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	89	86¾	86½	86¼	85	86½	66¾	72
Low	82½	82½	80	76	77	63¼	57½	58

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925	1924	1923	1922	1921
Balance, Dec. 31	$56,112	$56,112	$56,112	$56,112	$56,112	$56,112
Amount retained in accordance with contract with Brazilian Traction, Light & Power Co. Ltd.	910,625	922,072	900,317	895,434	891,882	801,636
Total	$966,737	$978,184	$956,429	$951,546	$947,994	$857,748
Deductions:						
Interest on bonds	$486,667	$486,667	$486,667	$486,667	$586,667	$486,667
Sinking fund	77,867	77,867	77,867	77,867	77,867	77,867
Transferred to provisions for depreciation and renewals	346,091	357,538	335,784	330,901	327,349	237,103
Total	$910,625	$922,072	$900,317	$895,434	$891,882	$801,636
Balance, Dec. 31	$56,112	$56,112	$56,112	$56,112	$56,112	$56,112

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924	1923	1922	1921
Properties, plant, equip., securities of and advances to sub. cos. rights, franchises, etc	$20,762,374	$20,156,213	$19,853,811	$19,686,613	$19,616,635	$20,180,682
Sinking fund investments	473,859	365,962	264,558	171,071	83,323	.....
Stores	67,561	171,931	378,936	130,000	117,295	107,391
Sundry debtors and debit balances	41,156	42,962	26,469	75,278	32,810	37,950
Cash	2,870	11,583	9,757	9,150	7,215	4,465
Total	$21,347,820	$20,748,651	$20,533,531	$20,072,112	$19,857,278	$20,330,488
Liabilities—						
Capital stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Funded debt	9,733,333	9,733,333	9,733,333	9,733,333	9,733,333	9,733,333
Sundry creditors and credit balances	391,034	338,211	259,367	257,399	212,291	188,183
Loan from Braz. Trac. Lt. & Pow. Co., Ltd.	3,306,741	3,056,895	3,288,519	3,249,936	3,460,897	4,344,497
Bond coupons outstanding	7,852	7,137	6,506	6,712	6,223	5,415
Insurance fund	6,359	8,098	5,679	4,612	6,488	5,741
Sinking fund	551,725	443,829	342,424	248,937	161,189	77,867
Provision for depreciation and renewals	2,051,330	1,861,702	1,598,258	1,271,737	977,412	676,007
Bond interest accrued	243,333	243,333	243,333	243,333	243,333	243,333
Surplus	56,112	56,112	56,112	56,112	56,112	56,112
Total	$21,347,820	$20,748,651	$20,533,531	$20,072,112	$19,857,278	$20,330,488

Officers: Sir Alexander Mackenzie, Pres.; A. W. K. Billings and H. H. Couzens, V-Ps., Rio de Janeiro; R. C. Brown and Miller Lash, V-Ps.; J. M. Smith, Sec.; A. W. Adams, Treas., Toronto, Can.

Directors: Sir Alexander Mackenzie, A. W. K. Billings, H. H. Couzens, Rio de Janeiro; Miller Lash, S. G. Crowell, R. C. Brown, Toronto, Can.

Head Office, 357 Bay St., Toronto, Ont.

THE SAN PAULO GAS COMPANY, LTD.

(Controlled by Sao Paulo Electric Co., Ltd.)

History—Registered December 14, 1869, under laws of Great Britain. Under a contract entered into in 1923, the undertaking and business of the company will be managed by and for account of and at the risk of the Sao Paulo Electric Co., Ltd., such company receiving for its own use all the revenues and profits of The San Paulo Gas Co., Ltd., and, on the other hand, undertaking to pay to the latter company annually a sum sufficient to meet the debenture interest, the dividend on the Preference shares and office and general expenses. The Sao Paulo Electric Co., Ltd., also undertakes to properly maintain the plant and equipment, and to provide such further sums as are required for additions and improvements to the property.

CAPITAL STOCK

Authorized, 70,000 Ordinary shares of £5 each, and 15,000 6% cumulative Preference shares of £10 each; outstanding, 55,000 Ordinary shares and 15,000 Preference shares. All the Ordinary shares are held by the Sao Paulo Electric Co., Ltd. The Preference shares are entitled to a cumulative dividend of 6% (payable A & O 1), and to priority for capital without further participation. Preference shares listed on London Stock Exchange. Transfer Agents: National Trust Co., Ltd., Toronto, and Canadian & General Finance Co., Ltd., London, E. C. 2.

FUNDED DEBT

£125,000 (entire issue) 5% Debentures. Redeemable at par on July 1, 1928, or at any earlier date on six months' notice from the Company; int. Jan. & July 1. Denomination, £50 Secured (without trust deed) as a first floating charge on the assets of company. Listed on London Stock Exchange. Company does not pay or assume U. S. Normal Income Tax.

Profit and Loss Account, year ended Dec. 31, 1926—Amount due and received from Sao Paulo Electric Co., Ltd., under contract, £20,650. Contra: Interest on debentures, £6,250; 6% dividend on Preference shares, £9,000; general expenses and administration charges, £5,400—total, £20,650.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Prop., franch. & concessions	£975,782	£951,289	£933,344
Floating, assets, including furniture & fixtures	170,988	120,168	112,269
Total	£1,146,770	£1,071,457	£1,045,613
Liabilities—			
Ordinary shares	£275,000	£275,000	£275,000
Preference shares	150,000	150,000	150,000
5% Debentures	125,000	125,000	125,000
General reserve fund	119,752	140,251	139,136
Depreciation reserve	16,017	16,017	15,343
Accrued int. on debentures, less tax	2,546	2,532	2,466
Divds. payable & unclaimed	4,509	4,537	4,528
Sundry creditors and credit balances	72,312	71,179	50,388
Sao Paulo Electric Co., Ltd.	262,282	228,714	240,632
Conting. liability (see note)	119,352	58,226	43,120
Total	£1,146,770	£1,071,457	£1,045,613

Contingent Liability—Amount provided by Sao Paulo Electric Co., Ltd., for capital expenditure, only payable in event of termination of management contract.

Officers: Miller Lash, Chairman of Board; A. W. Adams, Sec., Toronto, Can.

Directors: Miller Lash, H. Malcolm Hubbard, R. Nicholson, S. G. Crowell, C. D. Magee.

General Office, 357 Bay St., Toronto, Ont. **London Office,** 3 London Wall Bldgs., E. C. 2.

THE SAO PAULO TRAMWAY, LIGHT & POWER CO., LTD.

(Controlled by Brazilian Traction, Light & Power Co., Ltd.)

History and Property—Incorporated April 7, 1899, in Ontario, as Sao Paulo Ry., Light & Power Co., Ltd.; name changed to present title Dec. 13, 1899. In 1907 acquired the rights and property of the Santa Anna Ry., which has been entirely replaced by an electric line opened for traffic on Oct. 8, 1908. Has an exclusive 30-year concession for lighting in Sao Bernardo. Tramway franchise extends 40 years from July, 1901, with privilege of renewal.

The first unit of 40,000 h. p. of the Serra hydro-electric development of this Company was put into operation during Oct., 1926, and the second unit of the same capacity during April 1927.

CAPITAL STOCK

Authorized and issued, $10,000,000; par. $100. Transfer Agents: National Trust Co., Ltd., Toronto and Montreal, and British Empire Trust Co., Ltd., London. Registrar: National Trust Co., Ltd., Montreal and Toronto. The Brazilian Traction, Light & Power Co., Ltd., owns over 99½% of the stock. Annual meeting in July, in Toronto.

Dividends paid in 1903, 5¾%; 1904, 7½%; 1905, 8%; 1906, 8%; 1907, 8¼%; 1908, 9¼%. On Jan. 1, 1909, the annual rate was increased to 10% with payment of a quarterly dividend of 2½%, which rate maintained up to and including Nov. 1, 1917; none paid since. A special dividend of five-sixths of 1% was paid in Sept., 1912.

DEBENTURE STOCK

£821,917 ($3,999,996) 5% Perpetual Consolidated Debenture Stock; dated March 2, 1911; interest payable March and Sept. 2, British Empire Trust Co., Ltd., London, Eng., and National Trust Co., Ltd., Toronto, Trustees. Subject to call as a whole or in part at not less than 105 at any time upon 6 months' notice; no final date fixed for redemption of stock. Secured (subject to the First Mtge., against which an equal amount of this stock must be reserved) as a first floating charge on all the property, undertaking and assets. Listed on London Stock Exchange. $300,000 of this stock was offered in London, in Jan., 1911, at par.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	88½	85	83	83½	81	86	63	72
Low	81¾	81¼	76	74½	74	61	57	56½

FUNDED DEBT

$6,000,000 (entire issue) First Mortgage Debenture 5s; dated Dec. 1, 1900; due June 1, 1929; int. June and Dec. 1, at National Trust Co., Ltd., Toronto, Trustee, and Canadian Bank of Commerce, London, Eng., at par of exchange. Coupon, $500 or £102.14.10; principal may be registered. Secured by first lien on all property and rights of company. Listed on London and Toronto Stock Exchanges. Company does not pay or assume U. S. Normal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98⅛	102½	100	88¾	90¼	91½	82	79
Low	98	97¾	93	88	86	80	70	69¾

PROFIT & LOSS ACCOUNT, YEARS ENDED DECEMBER 31

Credits—	1926	1925	1924	1923
Balance Dec. 31	$32,757	$32,757	$32,757	$32,757
Amount retained in accordance with contract with B. T. L. & P. Co., Ltd.	1,634,910	1,295,061	1,282,836	1,254,597
Total	$1,667,667	$1,327,818	$1,315,593	$1,287,354
Interest charges	$500,000	$500,000	$500,000	$500,000
Transferred to provision for depreciation and renewals	1,134,910	795,061	782,836	754,597
Balance, Dec. 31	32,757	32,757	32,757	32,757
Total	$1,667,667	$1,327,818	$1,315,593	$1,287,354

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924	1923	1922	1921
Property, plant, equipment, franchises, good will, etc.	$50,060,189	$43,150,482	$35,020,291	$34,519,224	$33,908,036	$33,316,439
Stores in hand	1,468,944	788,598	965,879	592,414	666,891	1,182,748
Accounts receivable	621,055	675,870	609,863	520,298	603,217	521,224
Cash in hand	106,087	294,364	50,410	349,780	150,937	1,471,153
Balance due by B. T. L. & P. Co., Ltd., in respect of purchase of General Mtge. bonds	.....	.....	.....	901,100	901,100	901,100
Discount on General Mtge. bonds	.....	.....	625,367	625,367	625,367	625,367
Total	$52,256,275	$44,909,314	$37,271,810	$37,508,183	$36,855,548	$38,018,031
Liabilities—						
Capital stock	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
First mortgage debentures	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Perpetual consol. debenture stock (£821,917)	3,999,996	3,999,996	3,999,996	3,999,996	3,999,996	3,999,996
General mtge. bonds	.....	.....	.....	2,501,467	2,501,467	2,501,467
Loan & accrued int. from Brazilian Tr., Lt. & Pr. Co., Ltd.	13,877,199	7,621,736	716,056			
Sundry creditors & credit balances	1,586,374	1,738,197	1,463,536	774,586	803,728	2,631,848
Other current items	99,786	158,713	152,266			
Depreciation and renewals	8,617,384	7,484,853	7,098,372	6,404,747	5,764,789	5,134,730
Reserve, etc., funds	8,042,779	7,873,061	7,808,827	7,794,630	7,752,810	7,717,233
Profit and loss	32,757	32,757	32,757	32,757	32,757	32,757
Total	$52,256,275	$44,909,314	$37,271,810	$37,508,183	$36,855,548	$38,018,031

Officers: Sir Alexander Mackenzie, Pres., Toronto, Ont.; A. W. K. Billings and H. H. Couzens, V-Ps., Rio de Janeiro; E. R Wood, V-P.; Miller Lash, V-P.; R. C. Brown, V-P., Toronto, Ont.; H. Malcolm Hubbard, V-P., London, Eng.; Dr. E. de Souza, Gen. Mgr., Sao Paulo, Brazil; J. M. Smith, Sec.-Treas., Toronto, Ont.

Directors: Sir Alexander Mackenzie, E. R. Wood, J. H. Plummer, Miller Lash, R. C. Brown, D. B. Hanna, Sir Thomas White, Sir John Aird, Toronto, Ont.; R. M. Horne-Payne, H. Malcolm Hubbard, London, Eng.; H. H. Couzens, A. W. K. Billings, Rio de Janeiro.

Head Office, 357 Bay St., Toronto, Ont. **Operating Office**, Praca Antonio Prado No. 1, Sao Paulo, Brazil.

THE SUDBURY-COPPER CLIFF SUBURBAN ELECTRIC RY.

History—Incorporated April 16, 1912, under laws of the Province of Ontario. Operates 7.9 miles of standard gauge track extending from Sudbury to Copper Cliff, Ont. Rail, 80 lbs. Operated by overhead trolley. Franchises extend for 99 years. Closed passenger motor cars, 4; service car, 1. Power station, 1; engines to generate power, 2.

CAPITAL STOCK

Authorized, $250,000 Ordinary and $62,000 7% cumulative Pfd.; outstanding, $110,500 Ordinary and $62,600 Pfd.; par, $100. Annual meeting, last Saturday in Jan.

Dividends—Paid dividends of 10% on Ordinary and 6% on Pfd. in 1916; none paid since.

FUNDED DEBT

$75,000 (entire issue) First Gold 6s; dated Aug. 15, 1916; due Aug. 1, 1936; int. payable annually on Jan. 8, at Sudbury, Ont. Coupon, $1,000. No sinking fund and bonds cannot be called. Guaranteed as to principal and interest by Town of Sudbury. A first lien on entire property.

Company also had outstanding at Dec. 31, 1927, a loan of $40,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$37,691	$39,506	$43,390
Operating exp. and taxes	34,113	35,603	34,930
Net earnings	$3,578	$3,903	$8,460
Bond interest	4,500	4,500	4,500
Other interest	3,200	3,200	3,200
Total charges	$7,700	$7,700	$7,700
Surplus for year	*$4,122	*$3,797	$760

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed assets	$321,122	$321,123	$321,122
Cash on hand, etc.	2,151	2,724	3,539
Materials and supplies	3,580	3,580	3,680
Total	$326,853	$327,427	$328,341
Liabilities—			
Ordinary stock	$110,500	$110,500	$110,500
Preferred stock	62,600	62,600	62,600
Funded debt	75,000	75,000	75,000
Loan	40,000	40,000	40,000
Accounts payable	7,242	5,031	3,057
Wages accrued and due	717	840	890
Bond interest accrued	6,300	5,940	5,580
Interest on loans	4,900	3,800	3,200
Surplus and reserves	19,594	23,716	27,514
Total	$326,853	$327,427	$328,341

Officers: J. J. Mackay, Pres., W. J. Laforest, V-P.; C. Bibby, Sec. & Treas.; W. J. Ross, Aud.; L. O'Connor, Gen. Mgr.

Directors: J. J. Mackay, W. J. Laforest, A. J. Manley, J. C. Clemens, J. A. Laberge, Sudbury, Ont.

General Office, Sudbury, Ont.

LEWISTON-CLARKSTON TRANSIT COMPANY

History—Incorporated March 6, 1915, in Idaho. Company operates about 4.04 miles of lines connecting Lewiston, Ida., and Clarkston, Wash. Cars, 4; motor busses 2. Power purchased from Pacific Power & Light Co.

CAPITAL STOCK

Authorized, $400,000 Common and $100,000 Pfd.; outstanding, $155,400 Common and $47,800 Pfd.; par, $100. Annual meeting, second Tuesday in July. No dividends paid.

FUNDED DEBT

$29,500 First Mortgage 6% Bonds. No details furnished.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
Road and equipment	$165,887	$167,730	$171,061
Accrued depreciation	64,955	61,631	55,221
Cash	.....	128	121
Bills receivable	179	179	179
Accounts receivable	227	10	.....
Securities issued	1,500	2,000	1,500
Lewiston Terminal Co. stk.	7,090	7,090	7,090
Deficit	2,547	3,118	5,571
Total	$242,385	$241,886	$240,743
Liabilities—			
Common stock	$155,400	$155,400	$155,400
Preferred stock	47,800	47,800	47,800
Funded debt	29,500	30,500	30,000
Accrued accts. payable	3,645	3,373	3,129
Bills payable	5,235	3,275	3,932
Interest accrued	634	1,538	482
Cash	171	.....	.....
Total	$242,385	$241,886	$240,743

Officers: H. C. Hartung, Pres., Clarkston, Wash.; A. G. Nortz, V-P., Minneapolis, Minn.; M. A. Means, Sec. & Treas., Lewiston, Idaho.

Directors: H. C. Hartung, Clarkston, Wash.; M. A. Means, R. S. Erb, E. A. Cox, Lewiston, Idaho; A. G. Nortz, Minneapolis, Minn.

General Office, Lewiston, Idaho.

LEHIGHTON WATER SUPPLY COMPANY

History—Incorporated Nov. 8, 1899, in Pa. Supplies Lehighton and Weisport, Pa.

CAPITAL STOCK

Authorized and outstanding, $325,000; par, $10. No dividends paid. Stock transferred and registered at Company's office. Annual meeting, fourth Monday in January.

FUNDED DEBT

$305,000 First Mortgage Gold 5s; due Nov. 1, 1929; interest May and Nov. 1, at Miners Bank of Wilkes-Barre, Pa., Trustee. Authorized and issued, $325,000, of which $20,000 held in treasury. Free of Pennsylvania State Tax. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$43,207	$41,891	$39,109
Oper. exp. & taxes	22,291	21,854	24,346
Net earnings	$20,916	$20,037	$14,763
Other income, net	514	254	170
Total income	$21,430	$20,291	$14,933
Rents	60	70	20
Interest charges	15,100	15,143	15,119
Net income	$6,270	$5,078	*$206

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant & equipment	$731,049	$714,355	$724,128
Depreciation reserve	80,422	70,260	75,451
	$650,627	$644,095	$648,667
Treasury bonds	3,000	3,000	3,000
Cash	1,271	1,512	*372
Accounts receivable	634	531	562
Materials and supplies	1,053	399	758
Total	$656,585	$649,537	$652,615
Liabilities—			
Capital stock	$325,000	$325,000	$325,000
Funded debt	305,000	305,000	305,000
Notes payable	2,000	20,000	.....
Accrued interest	2,517	2,516	2,516
Surplus	22,068	15,021	20,099
Total	$656,585	$649,537	$652,615

*Overdraft.

Officers: John H. Foy, Pres., Pittston, Pa.; Geo. M. West, Sec., Lehighton, Pa.; G. W. Reynolds, Treas., Wilkes-Barre, Pa.

Directors: J. H. Foy, J. F. O'Boyle, Frank M. Foy, Chas. O'Boyle, Pittston, Pa.; G. W. Reynolds, J. B. Russell, Jr., Wilkes-Barre, Pa.; Geo. M. West, Lehighton, Pa.

Executive Office, 208 Dime Bank Bldg., Wilkes-Barre, Pa.

MICHIGAN NORTHERN POWER COMPANY

(Controlled by Union Carbide Co.)

History and Properties—Incorporated July 30, 1913, in Mich.; purchaser of the properties of the Michigan Lake Superior Power Co., sold under foreclosure, Aug. 26, 1913. Property consists of real estate, comprising several hundred acres, located wholly within the city limits of Sault Ste. Marie, Mich. This real estate has water frontage of over two miles along the St. Mary's River. The water-power development consists of a canal about 2¼ miles long, 200 ft. wide and 20 ft. deep. Power house is capable of developing 40,000 h.p. of electrical energy. The Company's water rights are derived from a long term lease from the U. S. Government, through the War Department, acting under authority of Act of Congress approved March 3, 1909.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par, $100. Entire capital stock, except directors' shares, owned by Union Carbide Co.

Annual Meeting—Fourth Tuesday in January, at Sault Ste. Marie, Mich.

FUNDED DEBT

$3,462,000 FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1941

Dated July 1, 1913.

Interest Payable January and July 1, at Central Union Trust Co., of New York.

Denominations—Coupon, $250, $500 and $1,000; principal of $100 bonds may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $4,500,000; issued, $3,959,000 of which $497,000 retired through operation of sinking fund.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—1% of bonds outstanding each year.

Security—A first lien on entire property.

Guaranty—Unconditionally guaranteed, principal and interest, by Union Carbide Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Michigan

OFFICERS AND DIRECTORS

Officers: W. J. Knapp, Pres.; W. M. Beard, V-P.; L. H. Davis, V-P.; B. O'Shea, V-P.; A. C. Cornell, Sec.; C. T. Ayres, Treas.; P. F. Smith, Asst. Sec.; C. A. Richter and L. C. Ripley, Asst. Treas's., New York.

Directors: L. H. Davis, W .J. Knapp, W. M. Beard, G. W. Mead, E. S. Whitney, B. O'Shea, F. H. Haggerson, New York.

General Office, Sault Ste. Marie, Mich. **New York Office,** Carbide & Carbon Bldg., 30 East 42nd St.

THE POTTSVILLE WATER COMPANY

History—Incorporated in 1834, in Pa. Furnishes Pottsville, Pa., with water. Owns four reservoirs with an aggregate storage capacity of 1,300,000,000 gals. water.

CAPITAL STOCK

Authorized, $1,500,000 (increased from $800,000 in 1925); outstanding Dec. 31, 1927, $1,299,200; par, $25. Stock transferred and registered at company's office. Annual meeting, second Monday in January.

Dividends—From July 2, 1900 to 1913, incl., 6%; 1914 to 1920, incl., 8%; 1921 to 1927, incl., 6%; payments semi-annually, Jan. and July 15. In addition stock dividends of 100% each paid on Oct. 31, 1910 and Nov. 30, 1920.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$239,915	$244,321	$213,000
Operating expenses	67,224	75,587	53,680
Taxes	46,962	43,625	30,802
Depreciation	35,803	23,110	16,564
Net earnings	$89,926	$101,999	$111,953
Other income	19,518	9,140	.....
Total income	$109,444	$111,139	$111,953
Interest on stock subscrip.	.....	.....	11,221
Surveys, etc.	.....	1,546	.....
Net income	$109,444	$109,593	$100,732
Dividends	77,952	62,976	48,000
Surplus for year	$31,492	$46,617	$52,732

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$2,396,868	$1,950,654	$1,768,012
Investments	100,000	75,000	175,000
Cash	63,700	63,039	75,276
Accounts receivable	830	260	.....
Other current assets	1,143	1,118	.....
Total	$2,562,541	$2,090,070	$2,018,288
Liabilities—			
Capital stock	$1,299,200	$1,299,200	$800,000
Stock subscription payments	.....	.....	499,200
Accounts payable	.....	15,622	676
Other current liabilities	652	.....	.....
Interest accrued	.....	.....	11,252
Dividends accrued	.....	.....	384
Reserve for taxes	21,207	.....	.....
Depreciation reserve	175,852	143,403	121,548
Surplus	1,065,630	631,845	585,228
Total	$2,562,541	$2,090,070	$2,018,288

Officers: W. D. Baber, Pres.; E. C. Luther, V-P.; W. H. McQuail, Jr., Sec.; C. B. Tyson, Treas.; N. J. Beisel, Gen. Mgr.; N. J. Clayton, Supt., Pottsville, Pa.

Directors: W. D. Baber, J. S. Ulmer, E. C. Luther, Hugh, Dolan, L. F. Ulmer, W. H. McQuail, Jr., T. R. Daddow, F. G. Clemens, Pottsville, Pa.; G. W. Robertson, Shamokin, Pa.

General Office, Pottsville, Pa.

THE NAPOLEON TELEPHONE COMPANY

History—Incorporated in 1926; successor to company of same name organized March 7, 1912, in Ohio. The new company commenced operation June 15, 1926. Operates exchanges at Holgate, Liberty Center, Florida, Grelton and Napoleon, O. No. of telephones in use 2,200. Miles of wire, 820. Prices: $27 to $51 per year. Population served, 8,000.

CAPITAL STOCK

Outstanding, $129,500 Common and $100,000 Preferred; par, $100. Secretary of Company acts as Transfer Agent. Annual meeting, first Tuesday in May at Napoleon, Ohio. Dividends of 8% paid in 1922 and 1923; 16% in 1924; 10% in 1925; 8% in 1926; 6% on Pfd. and 2% on Common in 1927.

FUNDED DEBT

$50,000 (entire issue) First Mortgage Gold 5s; dated April 1, 1912; due April 1, 1932; interest April and October, at Lima (Ohio) Trust Co., Trustee. Coupon, $100, $200, $500 and $1,000; principal may be registered. No sinking fund. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	†1926	*1925
Gross earnings	$57,715	$30,118	$49,075
Oper. exp., taxes & deprec.	42,646	25,457	38,440
Net earnings	$15,069	$4,661	$10,636
Other income	363	.....	52
Total income	$15,432	$4,661	$10,688
Interest deductions	$2,500	1,354	2,500
Other charges	748	.....	441
Total charges	$3,248	$1,354	$2,941
Balance for dividends	$12,184	$3,307	$7,747
Dividends paid	8,800	3,195	5,000
Surplus for year	$3,384	$112	$2,747

*Predecessor company. †For period June 15 to Dec. 31, 1926; new company.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	*1925
Property account	$269,231	$262,347	$117,729
Materials and supplies	15,303	17,101	934
Cash	1,861	2,189	3,324
Accounts receivable	2,956	3,026	5,369
Other current assets	503	376	530
Total	$289,854	$285,041	$127,885
Liabilities—			
Capital stock	$229,500	$229,500	$50,000
Funded debt	50,000	50,000	50,000
Accounts payable	780	632	804
Accrued liabilities	3,587	1,825	3,149
Depreciation reserve	2,605	2,972	9,287
Profit and loss surplus	3,382	112	14,646
Total	$289,854	$285,041	$127,885

*Predecessor company.

Officers: John L. Cable, Pres.; Emmett R. Curtin, V-P., Lima, O.; F. P. Diemer, Sec., Treas. & Mgr., Napoleon, O.

Directors: John L. Cable, Emmett R. Curtin, George H. Metheany, Lima, O.; Gustav Hirsch, Columbus, O.; F. P. Diemer, Napoleon, O.

General Office, Napoleon, O.

NIPISSING CENTRAL RAILWAY COMPANY

History—Incorporated April 12, 1907, in Canada. Connects Cobalt, North Cobalt, Haileybury, New Liskeard, Swastika, Kirkland Lake and Cheminis, Ont. and Rouyn, Que. Length of line, 42.77 miles; sidings, 8.49 miles. Gauge, standard. Rail, 60 lb. Passenger cars, 7; snow plow, 1; combination, 1; work, 1. Power purchased from Northern Ontario Light & Power Co., Ltd. The railway is owned by the Province of Ontario.

CAPITAL STOCK

Authorized, $629,000; outstanding, $159,000; par, $100. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

	1927	1926	1925
Gross earnings	$68,159	$72,079	$76,626
Operating expenses	70,933	59,730	76,624
Net earnings	*$2,774	$12,349	$2
Rentals, etc.	6,130	6,130	7,183
Other deductions	8,274	7,640	8,105
Total charges	$14,404	$13,770	$15,288
Deficit for year	$17,178	$1,421	$15,286

*Loss.

GENERAL BALANCE SHEET, OCTOBER 31

Assets—	1927	1926	1925
Road and equipment	$2,386,062	$2,588,823	$2,573,360
Material and supplies	14,610	198,580	207,849
Current accounts	348,149	37,117	52,109
Other assets	1	1	1
Deferred debit items	43	60	91
Profit and loss	292,786	236,808	187,128
Total	$3,041,651	$3,061,389	$3,020,538
Liabilities—			
Capital stock	$159,000	$159,000	$159,000
T. & N. O. Ry. advances	2,497,133	2,772,133	2,679,048
Current liabilities	385,518	130,256	182,490
Total	$3,041,651	$3,061,389	$3,020,538

Officers: Geo. W. Lee, Pres.; Wm. H. Maund, Sec. & Treas.; D. Hamilton, Aud. of Disbursements & Acct.; A. R. H. Mitchell, Aud. of Receipts, Car Service, Agt., and Car Accountant; G. B. Alford, Pur. Agt., North Bay, Ont.

Directors: George W. Lee, Col. J. I. McLaren, Lt.-Col. L. T. Martin, S. B. Clement, W. A. Griffin.

Office, North Bay, Ont.

TYROL HYDRO-ELECTRIC POWER COMPANY

(Tiroler Wasserkraftwerke A. G.) ("Tiwag")

History and Property—The Tyrol Hydro-Electric Power Company, generally known as the Tiwag, was incorporated in July, 1924, by the City of Innsbruck, capital of Tyrol, and a group of Austrian and Swiss banks. The State of Tyrol lent its active support to the organization of the Tiwag and has passed special legislation to further its development.

The purpose of the Tiwag is to develop the water power of Lake Achen which is the largest lake in Tyrol, and to supply electric power to the City of Innsbruck, the Austrian Federal Railroads and other cities and industries in Tyrol and Southern Germany.

Lake Achen is situated in the center of a district poor in coal, 1,300 feet above the valley where the main power plant is now nearing completion, and forms a perfect natural reservoir with a constant water supply at all seasons of the year. On account of the great storage capacity of this lake the Tiwag is in a position to furnish current to other plants in Tyrol and the neighboring countries at times of low water supply, a very unusual feature in a hydro-electric development.

The first installation of the Tiwag plant with a capacity of 54,700 h. p. is completed and began operation on Sept. 1, 1927. Owing to the growing demand for electric power throughout Tyrol and the conclusion of an important contract for the sale of power with the Bayernwerk A. G., largest distributor of electric power in Southern Germany, the Tiwag is now proceeding with the construction of the second and third installations of the plant which will increase the total capacity to 124,000 h. p. The completed plant will represent the largest hydro-electric installation in Austria and one of the largest in Central Europe, with an estimated annual output of 155,000,000 k. w. h., its transmission system linking Southern Germany and Austria.

The property of the Tiwag at present consists of: Lake Achen, covering over 2½ square miles, with considerable real estate adjoining and a concrete dam at the northern end turning the lake into a reservoir; the main power plant with an initial installation of five turbine sets and a capacity of 54,700 h. p.; switch house and transformer station; intake works at the southern end of the lake, a three-mile horizontal tunnel with connecting surge tower, pressure pipes and penstocks; tail race channel carrying the water after utilization from the power house to the River Inn; high tension transmission lines on steel towers from the plant to Innsbruck and main transformer station at Innsbruck. The above works are completed; operations commenced Sept. 1, 1927.

By means of financing in 1927 the capacity of the plant will be increased to 124,000 h. p. and high tension transmission lines will be extended from Innsbruck to the German frontier, making their total length 43 miles. After final completion of the plant, the Tiwag property will furthermore include a six-mile canal diverting the Ampels River into Lake Achen; a pumping station at Achenkirch and other works providing additional water supply.

In addition to the above the Tiwag property comprises two hotels on Lake Achen, several pleasure steamers and over 40% of the shares in the Jenbach-Achensee Railroad, which connects Lake Achen with the main lines of the Austrian Federal Railroads.

Contracts—The City of Innsbruck is under a sixty-year contract to purchase annually a minimum of $420,000 of energy. Under this agreement 8,000,000 k.w.h. is to be supplied yearly between Oct. 15 and April 15. The City of Innsbruck has to pay for this electric current whether used or not, cannot take more than 2,800,000 k.w.h. a month and cannot exceed a maximum peak load of 6750 k.w.

The twenty year contract entered into with the Austrian Federal Railways provides for a supply of at least 24,000,000 k.w.h. up to 40,000,000 k.w.h. a year. The Federal Railways have to take this supply in a constant way, though in December they can not take more than 15%, of the electric energy to be supplied during the winter half year, while during the period between Jan. 1 and April 30, 70% can be taken. The peak load has been fixed at 10,600 k.w. which may be increased, by the maximum purchase of 40,000,000 k.w.h. to 15,900 k.w. The price includes a fixed sum and a sum depending on the quantity of current supplied. The Federal Railways have to pay at least 90% of the fee on consumption. This contract also provides for an automatic increase of supply of 3½% per year.

A 25-year contract has been closed for the sale of electricity to the largest distributor of electric light and power in Southern Germany, the Bayernwerk A. G., owned and controlled by the Bavarian government, providing for an annual transmission of power, ranging from 60,000,000 k.w.h. for the first year and subsequently increasing to 85,000,000 k.w.h. in 1931 and thereafter.

CAPITAL STOCK

300,000 shares Common stock of 10 schillings each. The majority of the stock is owned by the City of Innsbruck while the balance with a few exceptions is held by the State of Tyrol and a syndicate of Viennese and Tyrolese banks.

Dividends—During the construction period of the work, from July 1, 1924, to December 1, 1927, the shares received a guaranteed dividend of 6% per annum each.

FUNDED DEBT

(1)

$3,000,000 (CLOSED) FIRST MORTGAGE GOLD 7½s; DUE MAY 1, 1955

Dated May 1, 1925.

Interest Payable May and November 1, without deduction of any present or future Austrian taxes, in

U. S. gold dollars at the present standard of weight and fineness in New York at the New York Trust Company and F. J. Lisman & Co., as well as in Vienna.

Denominations—Coupon, $100, $500 and $1,000. $500 and $1,000 bonds registerable as to principal.

Trustee—The New York Trust Co., New York.

Callability—Not callable before May 1, 1928. Then callable as a whole or in part upon 60 days' notice on May 1, 1928, until May 1, 1931, at 105; thereafter until May 1, 1934, at 103; thereafter at par.

Sinking Fund—Redeemable by a cumulative sinking fund of 1⅛% per annum, commencing May 1, 1928, which will redeem the entire issue in 30 years. Sinking fund shall be applied to purchase or redemption of these bonds at not exceeding 105 to May 1, 1933, 103 to May 1, 1938 and thereafter at par, bonds so redeemed to be cancelled.

Security—Secured by a closed first mortgage on the power houses, the lake Achensee and all other property of "Tiwag" with all future improvements thereon.

Guaranty—Unconditionally guaranteed jointly and severally, as to principal, sinking fund and interest, by endorsement on each bond by the State of Tyrol and the City of Innsbruck, in Austria.

Tax Provisions—Interest is payable without deduction for any tax, fee, impost, or other contribution, whether national, state, municipal, or of any other nature, now or hereafter levied or collected by or within the Republic of Austria, and which the Company may be required to pay thereon or to retain therefrom.

Legal Opinion—Curtis, Mallet-Prevost, Colt & Mosle, New York, and Dr. Julius Pfeiffer, Vienna.

Original Offering—First publicly offered ($3,000,000) in April, 1925, at 96½ and accrued interest, to yield 7.80%, by F. J. Lisman & Co., Baker, Kellogg & Co., Inc., Morgan, Livermore & Co., and A. M. Lamport & Co., Inc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	102¼	98	97
Low	97¼	94¼	96⅜

(2)

$3,000,000 7% GUARANTEED SECURED MORTGAGE 25-YEAR SINKING FUND GOLD BONDS; DUE FEBRUARY 1, 1952.

Dated February 1, 1927.

Interest Payable February and August 1, in U. S. gold dollars of the present weight and fineness in New York at the offices of The New York Trust Co. or of F. J. Lisman & Co. Fiscal Agent, as well as in Vienna at the Niederoesterreichische Escompte Gesellschaft, the Allgemeine Oesterreichische Bodencredit-Anstalt and the Oesterreichische Credit-Anstalt fuer Handel und Gewerbe.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Fiscal Agent—F. J. Lisman & Co., New York.

Purpose of Issue—The proceeds of this issue will be used to enlarge the main power plant to a total capacity of 124,000 h.p., and to provide for a corresponding increase in water supply by the construction of a six-mile canal and pumping station; furthermore, to erect a high-tension transmission line to the German frontier, connecting Company's plant with the distribution system of the Bayernwerk A. G., Germany.

Callability—Subject to call as a whole or in part, on 60 days' notice, on any interest date from Aug. 1, 1928 to Feb. 1, 1929 at 104 and interest with successive annual reductions of 1% in call price up to Feb. 1, 1932; thereafter at par and interest.

Sinking Fund—A semi-annual cumulative sinking fund commencing Aug. 1, 1929 is provided calculated to retire the entire issue by maturity through purchase in the open market below par and int., or if not so obtainable, by drawings by lot for redemption at par and interest.

Security—Bonds are direct obligation of Company, and are secured by: (1) First lien on proceeds from all sales to Bayernwerk A. G., owned by the Bavarian Government. (2) Closed first mortgage on main transformer station in Innsbruck, 43 miles of high-tension transmission lines, pumping station and canal works (part thereof to be acquired and constructed with the proceeds of this loan) valued at $2,045,000. (3) Second mortgage on all other real property of Company, including main plant, sub-stations, Lake Achen, hotels, etc., with all subsequent improvements thereon, valued at $7,420,000 which is subject to the first mortgage securing the $3,000,000 7½% bonds already outstanding, making a total of $6,465,000. A prominent Austrian and Swiss banking group has pledged itself to provide all funds which, subsequent to this financing, may still be required for the full completion of the plant.

Guaranty—Unconditionally guaranteed by endorsement as to principal, interest and sinking fund, by State of Tyrol, Austria, and by City of Innsbruck, Austria.

Tax Provisions—Principal and interest payable without deduction for any present or future taxes of the Republic of Austria, the State of Tyrol or any other taxing authority in Austria.

Legal Opinion—Curtis, Mallet-Prevost, Colt & Mosle, New York, and Dr. Alfred Lederer, Vienna.

Original Offering—First publicly offered ($3,000,000) in April, 1927, at 97½ and interest to yield over 7.20%, by F. J. Lisman & Co., New York.

GENERAL BALANCE SHEET, DECEMBER 31

	1926 schillings	1926 dollars	1925 schillings
Assets—			
Real estate and buildings	209,272	$29,560	118,347
Achensee power station	30,658,604	4,330,528	14,216,450
Securities	11,790	1,665	.....
Inventory	52,616	7,432	46,476
Suspense account	2,886,813	407,762	2,886,813
Debtors	617,696	87,250	11,384,038
Cash	5,967	843	948
Total	34,442,758	$4,865,040	28,653,072
Liabilities—			
Capital stock	3,000,000	$423,750	3,000,000
Funded debt	21,267,754	3,004,070	21,267,754
Reserve funds	147,418	20,823	147,419
Loans payable	7,200,000	1,017,000	.....
Creditors	561,330	79,288	1,988,376
Interest accrued	9,970	1,409	1,956
Suspense	2,046,813	289,112	2,046,812
Deferred liabilities	29,473	4,163	20,755
Interest on construction	180,000	25,425	180,000
Total	34,442,758	$4,865,040	28,653,072

Officers: Dr. Anton Eder, Pres.; Dr. Gottlieb Staudinger, V-P.; Eduard Ertl, V-P., Innsbruck, Austria; Dr. Ernst Mosing, V-P.; Dr. Hermann Oppenheim, V-P., Vienna; Ing. Erich Heller, Gen. Mgr., Innsbruck, Austria.

Directors: Julius Ahlgrimm, Innsbruck; Ernst Egger, Karl Naehr, Dr. Max Pernt, Dr. Ernst Mosing, Dr. Hermann Oppenheim, Vienna; Josef Auer, Sebastian Jdl, Alois Innerhofer, Karl Leitner, Dr. Friedrich Mader, Ernst Muller, Josef Tragseil, Fritz Thoeny, Johann Untermuller, Wilhelm Waldmuller, Dr. Anton Eder, Dr. Gottlieb Standinger, Dr. Franz Stumpf, Eduard Ertl, Innsbruck, Austria; F. Chuard, Zurich, Switzerland; Alfred O. Corbin, New York City; August Menge, Munich.

General Office, Wilhelm Greitstrasse, 10, Innsbruck, Austria.

PHILADELPHIA HYDRO-ELECTRIC CO.

History and Property—Incorporated in 1907, in Pa., to develop and market the water power from the Flat Rock Dam, on the Schuylkill River. Controls under perpetual lease from the Schuylkill Navigation Co. all the available water power from the Manayunk level of the canal, under which lease the cost of maintenance and depreciation of the dam, spillways and

canal banks is borne by the Navigation Co. Power house, situated in Manayunk, has hydraulic and electrical machinery capable of generating 1,600 k.w. and two 500 k.w. rotary converters. The Philadelphia Rapid Transit Co. has a ten-year contract with the company, under which it takes the entire electrical output of the plant at its maximum capacity for 18 hours per day.

CAPITAL STOCK

Authorized, $150,000; par, $100. Annual meeting, third Monday in December. Dividends not reported.

FUNDED DEBT

$225,000 First Gold 5s; dated Jan. 1, 1909; due Jan. 1, 1939; int. Jan. and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Substituted Trustee. Authorized issue, $250,000. Subject to call on any int. date at 102½ and int. Sinking fund provided, under which a sum sufficient to annually call or redeem, at 102½ and int., 2% of the issue, shall be deducted from the net earnings of the company, after payment of int. charges. Secured by first lien on entire property of the company, including electric generating machinery and power house at Manayunk, Pa., and on the lease from the Schuylkill Navigation Co. for use of water power from the Flat Rock Dam. Free of Pennsylvania State Tax. Company pays Normal Federal Income Tax up to 2%.

Officers: Samuel L. Kent, Pres., Lansdowne, Pa.; S. Leonard Kent, Jr., Sec., Treas. & Pur. Agt., Manayunk, Philadelphia, Pa.

General Office, Manayunk, Philadelphia, Pa.

WASHINGTON RAILWAY AND ELECTRIC COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
5% Cumulative Pfd. (par, $100)...	M, J, S & D 1	$8,500,000	$8,500,000	No	$1,573,065	5%	$425,000	$18.51
Common (par, $100)	M, J, S & D 1	6,500,000	6,500,000	....	1,148,065	6%	390,000	$17.66

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Anacostia & Potomac Riv. R.R. 1st 5s .....Apr.	1, 1949	A & O 1	$3,000,000	$2,964,000	No	Yes	Pd. by Co.
City & Suburban Ry. of Wash. First 5s .....Aug.	1, 1948	F & A 1	1,750,000	1,675,000	No	No	Pd. by Co.
Wash. Ry. & Elec. Co. Consolidated 4s ...Dec.	1, 1951	J & D 1	Mtge. closed	10,865,700	No	Yes	Pd. by Co.
Wash. Ry. & Elec. Co. Gen. & Ref. 6s....Nov.	1, 1933	M & N 1	10,000,000	1,532,500	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $17,037,200. **Interest Accrued** in 1927, $746,429.
Amount Available for Interest in 1927, $2,319,494. **Times Interest Earned** in 1927, 3.11.

History—Incorporated July 29, 1892, by special Act of Congress as the Washington & Great Falls Electric Ry. Co.; present title adopted Feb. 1, 1902. On Feb. 4, 1902, purchased the assets of the Washington Traction & Electric Co. The properties of the Columbia Ry. and Metropolitan R. R. were acquired Feb. 4, 1902, by deed in fee subject to their mortgage debt, and in 1912 the Anacostia & Potomac River R. R. Co. and the Brightwood Ry. Co. were absorbed (see Manual for 1912, page 2478, or apply to our Information Department). During 1912, company transferred its interest in the Great Falls Power Co. Effective Nov. 1, 1926, under provisions of Act of Congress approved June 5, 1900, and with the approval of the Public Utilities Commission of the District of Columbia, all of the estate, property, rights and franchises of the City and Suburban Railway of Washington and the Georgetown & Tennallytown Railway Co., were acquired, subject to the funded indebtedness of said companies.

Fare Decrease—The Public Utilities Commission ordered a decrease effective March 1, 1922, to eight cents cash, or six tickets for 40 cts., such rate to continue in force until otherwise ordered.

Properties—The Washington Ry. & Electric Co. controls the principal street railroads in the District of Columbia and also the Potomac Electric Power Co., the only electric light company which is operating, or authorized to operate, in the national capital. The railroad companies have 164.04 miles of track (all under electric traction), while the electric light company has 710 miles of subways with about 1,903 miles of ducts, being added to each day, besides many miles of overhead wires.

The Washington Ry. & Electric Co. directly owns and operates 152.52 miles of single track. It controls through ownership of stock, directly or indirectly, companies owning and operating 11.52 additional miles of single track, making a total of 164.04 miles of single track in entire system. Over 60 miles of track are located on private right-of-way. Number of cars, 526. In addition Company was operating at Dec. 31, 1927, 70 buses over routes having an aggregate mileage of 58.3 miles.

Subsidiaries—The companies controlled, together with their outstanding capital stock, and the amount owned by the Washington Ry. & Electric Co. are as follows:

Company	Capital Stock	Amount Owned
Washington & Rockville Ry.	$275,000	$275,000
Washington Interurban R. R. Co.....	50,000	*50,000
Washington & Glen Echo R. R.....	200,000	197,150
Washington Coach Co.	10,000	*10,000
Total railways	$535,000	$532,150
Potomac Electric Power Co.....	8,000,000	6,000,000
Braddock Light & Power Co.	50,000	*50,000
Potomac Electric Appliance Co.	95,000	*95,000
Grand total	$8,680,000	$6,677,150

*Owned by Washington & Rockville Ry.

The Washington Ry. & Electric Co. also owns the following bonds of above named controlled companies: $200,000 (entire issue) Washington & Glen Echo R. R. Co. First 6s; $50,000 (entire issue) Washington & Glen Echo R. R. Co. Second 6s and $185,000 (entire issue) Washington & Rockville Ry. Co. First 5s.

Merger Negotiations—Under date of November 8, 1927, the Washington Railway & Electric Co. received a letter from the Public Utilities Commission of the District of Columbia urging it to confer with Harley P. Wilson and representatives of the Capital Traction Co. with the object of formulating an acceptable plan for the merger of the transit systems of the District of Columbia. Such conferences were in progrss in February, 1928. The suggested outline for merger legislation as jointly submitted by the two companies to the Commission is given on page 212 of the 1927 Public Utility Manual.

We specialize in the Securities of
WASHINGTON RAILWAY & ELECTRIC CO.
WALTER S. PLACE & CO.
HANOVER 2090
42 Broadway, New York
Members N. Y. Curb
HUBBARD 7140
35 Congress St., Boston
Direct Private Telephone Connection Between Offices

OPERATING STATISTICS (SYSTEM), YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Car and bus miles	13,536,915	13,391,959	12,988,125	12,537,495	12,578,986	12,077,279
Total passengers carried	99,665,934	101,069,705	101,829,572	102,245,584	106,719,097	107,609,948
Revenue passengers	75,749,304	76,797,163	77,505,636	77,786,675	101,518,607	82,716,756
Free transfer passengers	23,916,630	24,272,542	24,323,936	24,458,909	25,200,490	24,893,192
Average fare per pay passenger	7.13c	7.08c	6.98c	6.94c	6.91c	6.90c
Average fare all passengers	5.42c	5.38c	5.31c	5.28c	5.28c	5.30c

CAPITAL STOCK

Authorized and outstanding, $6,500,000 Common and $8,500,000 5% cumulative Pfd.; par $100. The North American Company controls about 75% of the Common stock, constituting a minority interest. Pfd. stock has preference for assets as well as to dividends. It is not subject to call. Both classes of stock have equal voting power.

Transfer Agent (Both Classes)—American Security & Trust Co., Washington, D. C.

Registrar (Both Classes)—National Savings & Trust Co., Washington, D. C.

Annual Meeting—Third Saturday in January.

Listed (Both Classes)—Washington (D. C.) Stock Exchange. **Also traded in on New York Curb Market.**

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	101¼	91¾	92⅛	81¼	76⅛	80	67¼	56¾
Low	90	88¼	80	71¾	70¼	63½	50⅛	38½
Common—								
High	460	230	250	90	72⅛	68⅞	40	21½
Low	180	175¼	98⅝	69¾	61	35¼	21½	15¾

Dividends—Pfd. dividends were regularly paid, semi-annually, from Dec., 1904, to June 1, 1912; on Sept. 1, 1912, quarterly dividends were inaugurated by payment of 1¼%, which rate since maintained to date; payments, M, J, S & D 1. On Common, 1% paid Dec. 1, 1909; 2% each in 1910 and 1911; 1912, 4%; 1913, 6½%; 1914, 7%; 1915, 7%; 1916, 7%; 1917, 6½%; 1918, 5%; March 1, 1919, 1¼%; none thereafter until June 1, 1923, when 1¼% was paid, which quarterly rate paid to June 1, 1927; Sept. and Dec. 1, 1927 and Mar. 1, 1928, 1¾% each; payments, M, J, S & D 1. Directors meet on the fourth Wednesday of Jan., April, July and Oct., to act on dividend declarations for Pfd. and Common stock.

In addition, a special dividend of 20% was paid on Common stock, July 1, 1925, to compensate for period of 4 years during which dividends were suspended. Funds for the payment of same were made available from the special dividend received from the Potomac Electric Power Co. out of funds impounded by it from earnings from Aug. 1, 1917 to Dec. 31, 1924.

FUNDED DEBT

(1)

$2,964,000 ANACOSTIA & POTOMAC RIVER R. R. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1949

Dated April 1, 1899.

Interest Payable—April and October 1, at Baltimore Trust Co., Baltimore, Md.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Baltimore Trust Co., Baltimore, Md.

Provisions of Issue—Authorized, $3,000,000; outstanding, $2,964,000.

Callability—Subject to call at 112½ and interest.

Security—Secured by first lien on property and franchises of the former Anacostia & Potomac River R. R., consisting of 12.5 miles of practically double track line.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96¾	96	93¾	91	87	86¾	77	61
Low	95¾	94¾	91½	86	87	bid	62	61

(2)

$10,865,700 WASHINGTON RAILWAY & ELECTRIC CO. CONSOLIDATED MORTGAGE 4% GOLD BONDS, DUE DECEMBER 1, 1951

Dated March 1, 1902.

Interest Payable—June and December 1, at United States Mortgage & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $17,500,000; mortgage closed at $11,642,350 outstanding, of which $776,650 held in treasury.

Callability—Subject to call at 105 and interest on any interest date on three months' notice.

Security—A lien on entire property, being a first lien on about 45 miles of single track and a general lien upon the balance of the property, including real estate, a portion of which may be sold, and the proceeds applied to sinking fund for purchase of bonds at not exceeding 110 and interest; no bonds to be drawn.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Spooner & Cotton.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	92½	83¾	80¼	76½	73¼	75⅜	65¼	59¼
Low	83¾	80	76⅞	72	69	65½	57⅛	52

(3)

$1,532,500 WASHINGTON RAILWAY & ELECTRIC CO. GENERAL & REFUNDING MORTGAGE GOLD 6s; DUE NOVEMBER 1, 1933

Dated November 1, 1923.

Interest Payable—May and November 1, at American Security & Trust Co., Washington, D. C., and in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Security & Trust Co., Washington, D. C.

Provisions of Issue—Authorized, $10,000,000. Issued, $2,646,000 of which $150,000 held in treasury and $963,500 held as a temporary investment Dec. 31, 1927. Additional bonds may be issued for not to exceed 80% of capital expenditures for extensions and additions to the plants, properties and equipment and, under certain restrictions, against the acquisition of stocks, bonds and other securities, provided the combined net earnings (as defined in the Mortgage) of Company and its subsidiaries, for the twelve months' period ending not more than two months prior to the date of issue shall have been not less than 1¾ times the annual interest charges on all the funded debt of Company and of its subsidiaries, including the General and Refunding Mortgage bonds then to be issued.

Callability—Subject to call at any time on 60 days' notice at 104 and accrued interest if redeemed on or before Nov. 1, 1928, and at 102 and accrued interest if redeemed thereafter but prior to maturity.

Sinking Fund—Company covenants to deposit with the Trustee, semi-annually, cash or General and Refunding Mortgage bonds at their redemption price equal in the aggregate to at least 1% of bonds outstanding on the date of such payment. The cash deposited with the Trustee shall be utilized in the purchase of bonds at or below the then current redemp-

tion price, or to the extent that bonds are not so obtainable, in the purchase of underlying bonds. Bonds acquired by the Sinking Fund shall be held alive and interest thereon added to the fund.

Maintenance and Replacement Provisions—Company covenants that until and unless the Public Utilities Commission of the District of Columbia shall otherwise direct, it will either expend in each calendar year, from its annual earnings, for the reasonable maintenance, replacement, renewal and repair of its properties, or set aside as a reserve for depreciation or amortization of capital, an aggregate amount equal to at least 16% of its gross operating revenues for such year.

Security—Secured by a direct mortgage on the entire physical property of company, subject to $14,606,350 prior liens closed during the life of General and Refunding Mortgage. Further secured by a charge, subject to the prior pledge under the Consolidated Mortgage, on the entire outstanding Common capital stock of the Potomac Electric Power Co. and certain bonds and stocks of subsidiary railway companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,496,000) in June, 1924, at 99 and interest, yielding over 6.12%, by Harris Forbes & Co., and National City Co., New York, Crane, Parris & Co., Washington, D. C., etc., and Harris Trust & Savings Bank, Chicago.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	104½	104¼	103	101½
Low	103¼	102¼	99⅜	98½

(4)

$1,675,000 CITY & SUBURBAN RAILWAY FIRST MORTGAGE 5% GOLD BONDS; DUE AUGUST 1, 1948

Dated August 1, 1898.

Interest Payable February and August 1, at Baltimore Trust Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Balimore Trust Co., Baltimore.

Provisions of Issue—Issued, $1,735,000, of which $32,000 purchased and cancelled in 1925 through proceeds received from mortgaged property sold and $28,000 held in treasury as of Dec. 31, 1927.

Security—A first lien on property and franchises of the former City and Suburban Railway of Washington, consisting of 41.47 miles of track.

Tax Provisions—Company voluntarily pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99	89½	86½	86½	81	83¾	80	65
Low	92½	85	83¼	80	79¼	78	62	61½

NOTE—The $70,000 First Mortgage 6% bonds and the $30,000 Second Mortgage 6% bonds of the Georgetown & Tennallytown Ry. Co. which became due on Feb. 1, 1904, are all owned by the Washington Ry. and Electric Co., and held in its treasury.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Washington Ry. & Electric Co. Proper)

	1927	‡1926	1925	1924	1923	1922
Gross revenue	$5,865,430	$5,012,620	$4,775,285	$4,759,244	$4,957,215	$5,022,967
Operating expenses	3,771,545	3,194,353	3,127,732	3,058,484	3,367,579	3,433,926
Net operating revenue	$2,093,885	$1,818,267	$1,647,553	$1,700,760	$1,589,636	$1,589,041
Dividends—Potomac Elec. Power Co.	1,080,000	960,000	*840,000	720,000	600,000	600,000
Other income	220,683	189,113	185,501	138,802	107,758	90,226
Total income	$3,394,568	$2,967,380	$2,673,054	$2,559,562	$2,297,394	$2,279,267
Fixed charges	746,429	688,152	730,600	790,676	755,878	764,315
Net income	$2,648,139	$2,279,228	$1,942,454	$1,768,886	$1,541,516	$1,514,952
Federal taxes	69,679	62,732	61,040	64,709	49,939	52,797
D. C. and State taxes	389,645	351,375	248,318	241,399	232,001	241,559
Depreciation	615,750	531,763	478,869	456,030	439,498	409,244
Total taxes and depreciation	$1,075,074	$945,870	$788,227	$762,138	$721,438	$703,600
Balance	1,573,065	1,333,358	1,154,227	1,006,748	820,078	811,352
Preferred dividends	425,000	425,000	425,000	425,000	425,000	425,000
Common dividends	390,000	325,000	†325,000	325,000	243,750	.....
Surplus for year	$758,065	$583,358	$404,227	$256,748	$151,328	$386,352
Times Fixed Charges Earned	3.11	2.94	2.58	2.27	2.08	2.06
Earnings Per Share—						
Preferred	$18.51	$15.68	$13.58	$11.84	$9.65	$9.55
Common	17.66	13.97	11.22	8.95	6.08	5.94

*In addition to the regular dividend, a special dividend amounting to $2,880,000 was received from the Potomac Electric Power Co. from its proportion of Fund Impounded, under decree of court, out of earnings from the period from Aug. 1, 1917, to Dec. 31, 1924. †In addition to this regular dividend, a special dividend of 20% was paid on Common stock July 1, 1925 to compensate for period of four years during which dividends were suspended. Funds for the payment of same were made available from the special dividends received from Potomac Electric Power Co. ‡Includes operations of the City & Suburban Ry. of Washington and the Georgetown & Tennallytown Ry. Co. for the months of November and December, 1926.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance, Jan. 1, 1927, $5,267,487, surplus for year 1927 before dividends, $1,573,065; miscellaneous credits, $12,103 total, $6,852,655. Deduct: Preferred dividends (5%), $425,000; Common dividends (6%), $390,000; miscellaneous debits, $10,148—total, $825,148. Credit balance Dec. 31, 1927, $6,027,507.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	*1926	1925	1924	1923	1922
Cost of property	$37,759,227	$37,581,986	$34,887,968	$34,581,884	$34,547,032	$34,164,627
Sinking fund	144,113	110,408	80,578	175,756	85,183	42,083
Treasury bonds	2,018,150	2,114,650	1,583,150	150,000	2,645,000	350,000
Liberty bonds, etc.	1,004,781	493,405	493,176	493,301	893,301	894,135
Materials and supplies	204,937	202,231	257,106	210,972	320,698	357,484
Accounts receivable, sub. cos.	443,867	677,791	661,776	486,924	440,795	477,365
Miscellaneous accounts receivable	301,157	183,902	176,132	191,239	311,272	207,280
Prepaid insurance	11,123	24,852	33,976	46,092	55,991	9,101
Cash	2,115,123	1,585,301	578,641	1,919,906	489,923	604,736
Other assets	278,129	286,497	305,454	372,440	260,170	280,496
Special deposits	62,909	67,176	139,747	220,183	202,804	89,814
Investments	1,642,835	1,511,387	2,058,637	1,618,655	91,052	224,514
Total	$45,986,351	$44,839,586	$41,256,341	$40,467,352	$40,343,221	$37,701,635

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	*1926	1925	1924	1923	1922
Preferred stock	$8,500,000	$8,500,000	$8,500,000	$8,500,000	$8,500,000	$8,500,000
Common stock	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Funded debt	19,055,350	19,058,350	17,265,350	19,115,350	19,114,350	17,620,350
Reserves	4,717,529	4,327,563	3,650,537	3,207,126	2,786,679	2,429,672
Accounts payable, etc	177,524	174,944	156,443	188,265	221,066	278,073
Accounts payable to Sub. Cos	4,818	56,312	425	.....	.....	.....
Accrued interest	122,060	122,231	90,769	136,530	117,142	119,359
Accrued taxes	499,027	507,001	252,662	227,534	189,524	192,624
Loans	.....	.....	.....	.....	629,822	131,072
Deferred items	382,536	325,698	345,868	323,101	273,227	206,981
Profit and loss surplus	6,027,507	5,267,487	4,494,287	2,269,446	2,011,411	1,723,504
Total	$45,986,351	$44,839,586	$41,256,341	$40,467,352	$40,343,221	$37,701,635

*The merging of the City & Suburban Ry. of Washington and the Georgetown & Tennallytown Ry. Co., effective Nov. 1, 1926, is reflected in these figures.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$204,937	$202,231	$257,106	$210,972	$320,698	$357,484
Accounts receivable subsidiary companies	443,867	677,791	661,776	486,924	440,795	477,365
Miscellaneous accounts receivable	301,157	183,902	176,132	191,239	311,272	207,280
Cash	2,115,123	1,585,301	578,641	1,919,906	489,923	604,736
Special deposits	62,909	67,176	139,747	220,183	202,804	89,814
Other current assets	1,004,781	493,405	493,176	493,301	893,301	894,135
Total	$4,132,774	$3,209,806	$2,306,578	$3,522,525	$2,658,793	$2,630,814
Current Liabilities—						
Accounts payable	$127,628	$119,052	$101,127	$74,128	$165,023	$220,789
Accrued interest	122,060	122,231	90,769	136,530	117,142	119,359
Matured interest, etc	46,174	52,155	55,316	114,137	56,043	57,284
Total	$295,862	$293,438	$247,212	$324,795	$338,208	$397,432
Net Working Capital	$3,836,912	$2,916,368	$2,059,366	$3,197,730	$2,320,585	$2,233,382

Officers: W. F. Ham, Pres.; S. R. Bowen, V-P. & Counsel; A. G. Neal, V-P. & Compt.; H. M. Keyser, Sec.; A. M. Fisher, Treas.; W. L. Clarke, Asst. Sec.-Asst. Treas.; H. W. Kelly, Asst. Sec.; V. D. Brooke, Asst. Treas., Washington, D. C.

Executive Committee: Clarence F. Norment, Chairman; Woodbury Blair, Daniel J. Callahan, Chas. J. Bell, E. C. Brandenburg, Wm. F. Ham, E. E. Thompson, Harley P. Wilson, Washington, D. C.

Directors: Charles J. Bell, Chairman of Board; Clarence F. Norment, Woodbury Blair, Julius Garfinckel, Robert V. Fleming, D. J. Callahan, Wm. F. Ham, E. C. Brandenburg, Wm. T. Galliher, Robt. N. Harper, Lennard H. Mitchell, E. E. Thompson, Harley P. Wilson, Washington, D. C.; Edwin Gruhl, F. W. Doolittle, New York.

Main Office, 231—14th St., N. W., Washington, D. C.

POTOMAC ELECTRIC POWER COMPANY

(Controlled by Washington Railway and Electric Company)

History—Incorporated April 28, 1896, in D. C., to manufacture and supply electric light and power in Washington, D. C., and suburbs. Absorbed the United States Electric Lighting Co. During 1912 the Washington Railway and Electric Co. transferred to this company its two-third interest in Great Falls Power Co. Owns 2 main plants and 24 sub-stations, combined capacity of main plants being about 221,800 h. p. Company furnishes power to the Braddock Light & Power Co., the stock of which company is owned by Washington and Rockville Ry. Co.; also full current supply for the interurban road connecting the District of Columbia with Baltimore and Annapolis; and for the Virginia lines connecting with Alexandria, Falls Church, Fairfax, Mount Vernon, Bluemont, Cherrydale and Great Falls. Controlled by Washington Railway and Electric Co. (which owns entire Common stock) which guarantees principal and interest of Consolidated Mortgage bonds.

Operating Statistics, Dec. 31, 1927—Population served, about 572,000. No. of meters, 134,505. Street arc lamps, 1,140. Total conduit in service, 3,747,796 lineal feet, or 10,045,689 duct feet. Total connected load, 4,224,426 c.p. equivalents, compared with 3,674,548 in 1926, 3,222,534 in 1925, 2,869,618 in 1924, 2,589,910 in 1923 and 2,376,764 in 1922. Total output of the Benning plant, 383,127,090 k.w.h. in 1927, compared with 350,018,992 k.w.h. in 1926, 318,693,585 k.w.h. in 1925, 286,688,808 k.w.h. in 1924, and 269,865,217 k.w.h. in 1923.

Valuation—Depreciation Policy—Pursuant to an agreement reached Dec. 27, 1924, between Potomac Electric Power Co. and the Public Utilities Commission of District of Columbia the valuation of said company's property as of Jan. 1, 1925, was fixed at $32,500,000. Company is permitted to adjust rates so as to earn 7½% on said valuation. Present rate charged is 5 9/10c. per k.w.h. effective Jan. 1, 1928, reduced from 6¼c. Depreciation is based on a sliding scale from a rate of 2.3% of valuation when depreciation reserve is below 15% of the value of the property to 1.3% when reserve is 19%, but less than 20% of said value, and thereafter at a rate so that said reserve shall not be in excess of 20% of said value.

CAPITAL STOCK

Authorized, $10,000,000 Common and $20,000,000 Pfd.; outstanding, $6,000,000 Common, $2,000,000 cumulative Pfd. 6% Series of 1925 and $5,000,000 cumulative Pfd. 5½% Series of 1927; par of all classes, $100. The Washington Railway and Electric Co. owns the entire Common stock.

Preferred Stock Provisions—The Preferred stock has preference for assets as well as dividends over Common, being entitled in case of any liquidation to payment at par and accrued dividends. It is subject to redemption as a whole or in part at any time, the 6% Series of 1925 on or before Sept. 1, 1935, at 110 and accrued dividends and thereafter at 107 and accrued dividends and the 5½% Series of 1927 on or before June 1, 1937 at 110 and accrued dividends and thereafter at 107 and accrued dividends. Pfd. stock is non-voting, except in the case of default in payment of four quarter-yearly dividends and then only during the period of such default.

Transfer Agent—American Security & Trust Co., Washington, D. C.

Registrar—Union Trust Co., Washington, D. C.

Tax Provisions—Exempt from present Normal Federal Income Tax and District of Columbia Personal Property Tax.

Original Offering—Pfd. stock was first publicly offered ($2,000,000 6% Series of 1925) in October, 1925, at 98.50 by American Security & Trust Co., Commer-

cial National Bank, Crane, Parris & Co., District National Bank, Federal-American National Bank, W. B. Hibbs & Co., Liberty National Bank, National Bank of Washington, National Metropolitan Bank, National Savings & Trust Co., Riggs National Bank, Union Trust Co. and Washington Loan & Trust Co., Washington, D. C. $2,500,000 5½% Series of 1927 was offered in May, 1927, at 99, by company and 57 local banks and investment houses, with right, in event of oversubscription, to allot $5,000,000. The issue was oversubscribed more than five times, so entire $5,000,000 was allotted to over 7,300 subscribers.

Annual Meeting—Third Saturday in January.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

Preferred—6% Series	1927	1926	1925
High	112½	109½	105¾
Low	107⅜	102	102½
Preferred—5½% Series			
High	108¼	..	..
Low	99	..	..

Dividends—Dividends on Pfd. stock have been regularly paid since issuance, initial dividend of 1½% on the 6% Series of 1925 having been paid March 1, 1926 and initial dividend of 1⅜% on 5½% Series of 1927 having been paid Sept. 1, 1927; payments quarterly M, J, S & D 1. On Common, dividends have been paid as follows: 1917 and 1918, 11% each; 1919, 9%; 1920, 8%; 1921 to 1923, 10%; 1924, 12%, 1925, 14%; 1926, 16%; 1927, 18%. In addition a special dividend of $2,880,000 was paid in June, 1925 from Fund Impounded out of earnings from Aug. 1, 1917 to Dec. 31, 1924.

FUNDED DEBT

(1)

$1,700,000 FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1929

Dated June 1, 1904.

Interest Payable June and December 1 at Commercial Trust Co. of N. J., Jersey City, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Commercial Trust Co. of N. J., Jersey City, N. J.

Provisions of Issue—Authorized and issued, $4,000,000, of which $2,300,000 have been cancelled.

Callability—Subject to call on any interest date on three months' notice at 110 and interest.

Sinking Fund—None.

Security—Secured by a first lien on entire property.

Tax Provisions—Company voluntarily pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101⅜	101	100¾	100	97¼	100	92	93½
Low	100	99¾	99	97¼	96	91	85	92

(2)

$3,922,000 CONSOLIDATED MORTGAGE GOLD 5s; DUE JULY 1, 1936

Dated June 30, 1906.

Interest Payable January and July 1, at Commercial Trust Co., of N. J., Jersey City, N. J.

Denominations—Coupon $1,000; principal may be registered.

Trustee—Commercial Trust Co. of N. J., Jersey City, N. J.

Provisions of Issue—Authorized, $7,000,000; issued $5,300,000 of which $1,378,000 held in sinking fund Dec. 31, 1927. The $1,700,000 unissued bonds are reserved to retire the above described prior lien. Issued for purchase of real estate and erection of new central power station and sub-stations, and for general extensions and improvements.

Callability—None.

Sinking Fund—Sinking fund, 2% per annum of outstanding bonds, began Jan. 1, 1908, has accumulated to Dec. 31, 1927, $2,986,675.75, of which part is invested in these bonds and part in Consolidated Mortgage 4% bonds of the Washington Ry. & Electric Co. Bonds purchased for sinking fund kept alive.

Security—Secured by a lien on entire property, subject to the above described prior lien.

Guaranty—Guaranteed, principal and interest, by Washington Railway & Electric Co.

Tax Provisions—Company voluntarily pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,300,000) in July, 1906, at 99 and interest.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103⅞	101¼	100½	99¼	97½	97	90	94
Low	100¾	99¾	98½	96½	96½	89	79	79

(3)

$3,903,000 GENERAL & REFUNDING MORTGAGE GOLD 6s, SERIES "B"; DUE APRIL 1, 1953

Dated April 2, 1923.

Interest Payable April and October 1, at The National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; registered, $1,000, $5,000 and multiples of $5,000; interchangeable.

Trustee—The National City Bank, New York.

Provisions of Issue—Authorized amount of Series "B" bonds, $5,760,000, of which $1,760,000 held in treasury Dec. 31, 1927, and $97,000 retired by sinking fund to that date leaving $3,903,000 issued and outstanding in hands of public. Proceeds used to retire $3,600,000 General 6s, due July 1, 1923 and to reimburse company for construction expenditures. The outstanding Series "A" 7% bonds, due Oct. 1, 1941, were called for payment April 1, 1927, at 105 and interest.

Authorized amount of mortgage, unlimited. Additional bonds of any series (with the same or different interest rates, dates, maturities, etc., as may be determined by the Board of Directors) may be issued from time to time for the acquisition or retirement of underlying bonds or for the retirement of bonds of any series issued under this mortgage; also for not exceeding 75% of actual and reasonable expenditures made subsequently to Oct. 1, 1921, for permanent extension and additions to plants and equipment, provided net earnings for twelve consecutive months not more than 60 days prior to the application for the issuance of such bonds, after all operating expenses, taxes, rentals and insurance and adequate charges for maintenance and repairs, shall have been not less than twice the annual interest charges on all underlying bonds publicly held and General & Refunding Bonds issued and outstanding, including those for the issuance of which application is made.

Callability—Series "B" bonds are subject to call on any interest date on 30 days' notice at 107½ on or before April 1, 1933, at 105 thereafter to and including April 1, 1943, and at 102½ thereafter prior to maturity.

Sinking Fund—Company covenants to deposit with the Trustee, semi-annually (beginning April 1, 1922), cash or General and Refunding Mortgage bonds at their purchase price, equal in amount to at least ½ of 1% of the total amount of underlying bonds and General and Refunding Mortgage bonds then outstanding in the hands of the public. The cash deposited with the Trustee shall be utilized in the purchase or redemption of General and Refunding Mortgage bonds. All bonds acquired by the Sinking Fund shall be cancelled.

Maintenance and Replacement Provisions—Company also covenants that until and unless the Public Utilities Commission of the District of Columbia shall otherwise direct, it will either expend in each calendar year for the maintenance, replacement, renewal and repair of its properties or set aside out of its earnings for such year as a reserve for renewals and replace-

ments, an aggregate amount equal to at least 5% of the bonded debt outstanding in the hands of the public as at Dec. 31 of each such year.

Security—A direct mortgage on the entire property of company, subject only to underlying bonds, the aggregate amount of which (under terms of this mortgage) outstanding with the public may not be increased.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Shearman & Sterling, New York
Legal for Savings Banks in Maine.

Original Offering—$2,200,000 Series "A" 7s first publicly offered in Oct., 1921 at 98½ and interest, to yield about 7.15%, by Harris, Forbes & Co. and National City Co., New York, etc. $4,000,000 Series "B" 6s were publicly offered in May, 1923, at 101½ and interest, yielding over 5⅞%, by National City Co. and Harris, Forbes & Co., New York, etc., and Harris Trust & Savings Bank, Chicago.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

Series "B" 6s—	1927	1926	1925	1924	1923	1922	1921
High	108¾	108	106¼	104½	102	....	....
Low	107½	106⅛	102	101½	100	....	....

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925	1924	1923	1922
Gross revenue	$8,538,626	$7,937,663	$7,115,283	$6,235,947	$5,644,804	$5,115,869
Operating expenses	3,116,161	2,872,011	2,561,331	2,677,748	2,647,775	2,420,006
Net operating revenue	$5,422,465	$5,065,652	$4,553,952	$3,558,199	$2,997,029	$2,695,863
Other income	233,655	191,857	186,766	397,939	327,025	257,494
Total income	$5,656,120	$5,257,509	$4,740,718	$3,956,138	$3,324,054	$2,953,357
Fixed charges	697,464	779,463	819,331	791,460	784,867	762,929
Other interest charges	27,189	22,978	19,369	309,267	232,825	165,172
Net income	$4,931,467	$4,455,068	$3,902,018	$2,855,411	$2,306,362	$2,025,256
Federal taxes	502,915	521,906	428,234	309,061	213,994	158,672
D. C. and State taxes	468,975	406,932	303,587	273,656	266,088	213,411
Depreciation	921,415	822,113	768,473	692,171	690,384	587,312
Total taxes and depreciation	$1,893,305	$1,750,951	$1,500,294	$1,274,888	$1,170,466	$959,395
Balance	3,038,162	2,704,116	2,401,724	1,580,523	1,135,896	1,065,861
Preferred dividends	248,697	106,128	.....	30,000	25,000	25,000
Common dividends	1,080,000	960,000	840,000	690,000	575,000	575,000
Surplus for year	$1,709,465	$1,637,989	$1,561,724	$860,523	$535,896	$465,861
Times Fixed Charges Earned	5.19	4.47	3.93	3.00	2.45	2.40

*NOTE—In accordance with the decree of the Supreme Court of D. C., handed down Dec. 31, 1924, the Company's proportion of fund impounded out of earnings from Aug. 1, 1917 to Dec. 31, 1924 was $2,950,788.40, which was credited direct to Profit and Loss in 1925 and out of which a special dividend of $2,880,000 was paid in June, 1925 to the Washington Railway and Electric Co., owner of all stock outstanding at that time.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$36,694,958	$32,085,805	$29,222,484	$27,162,702	$23,702,905	$21,499,530
Bonds owned	22,555	22,555	1,258,242	25,000	25,000	916,820
Sinking fund	3,050,394	2,735,442	2,493,301	2,262,590	2,043,538	1,839,964
Materials and supplies	859,668	720,042	601,700	491,175	577,833	415,282
Cash	758,115	460,040	1,030,206	381,486	530,100	512,344
Notes receivable	201,000	15,035	15,095	15,570	15,270	15,970
Accounts receivable	970,121	825,599	1,006,138	682,690	666,983	655,160
Other current assets	330,596	698,584	665,962	1,420,614	550,214	404,234
Deferred debit items	249,065	335,819	341,520	365,523	364,424	307,541
*Contingent assets	351,756	391,908	653,133	5,841,822	4,775,672	3,405,795
Total	$43,488,228	$38,290,829	$37,287,181	$38,649,172	$33,251,940	$29,972,640
Liabilities—						
Common stock	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$6,000,000
Preferred stock	7,000,000	2,000,000	2,000,000	.....	.....	.....
Funded debt	10,903,000	12,433,200	12,687,000	13,559,900	13,690,900	13,420,700
Notes payable	.....	545,850	1,616,699	1,662,549	25,000	25,000
Accounts payable	1,009,465	1,186,004	803,591	709,249	662,146	620,059
Interest accrued	68,598	95,341	99,274	101,261	101,491	43,762
Other current liabilities	223,209	553,627	554,031	643,817	355,255	291,536
Reserve for taxes	1,400,145	1,217,045	1,120,657	808,244	624,325	486,098
Other operating reserves	393,859	353,893	650,839	377,355	212,526	110,473
Deferred credit items	99,453	3,288	9,424	16,037	49,104	50,853
Depreciation reserve	6,150,707	5,372,459	4,702,518	3,981,702	3,317,637	2,730,233
Sinking fund	2,986,676	2,734,663	2,492,661	2,262,020	2,043,078	1,839,604
*Contingent liabilities	351,756	391,908	653,133	6,401,577	4,823,312	3,448,117
Profit and loss surplus	6,901,360	5,403,551	3,897,954	2,125,461	1,347,166	906,204
Total	$43,488,228	$38,290,829	$37,287,181	$38,649,172	$33,251,940	$29,972,640

*Impounded by Court Order pending determination of valuation of property which was adjusted Dec. 31, 1924, as per terms of decree of Supreme Court of D. C. handed down that date.

Officers and Directors: Same as those for the Washington Ry. and Electric Co.
Office, 14th & C. Sts., N. W., Washington, D. C.

WASHINGTON & GLEN ECHO RAILROAD

(Controlled by Washington Ry and Electric Co.)

History—Incorporated in August, 1896, in Maryland, as successor to the Glen Echo R. R. Co. Road not in operation.

CAPITAL STOCK

$200,000 (par, $50), of which the Washington Ry and Electric Company owns $197,150. Annual meeting, second Wednesday in February. No dividends paid.

FUNDED DEBT

$200,000 First Mortgage Gold 6s; dated 1896; due June 1, 1916; interest J & D 1. All owned by Washington Ry. and Electric Company.

$50,000 Second 6s, all owned by Washington Ry and Electric Company.

Officers and Directors: Same as those of the Washington Ry. and Electric Co.
Office, Washington, D. C.

WASHINGTON & ROCKVILLE RAILWAY COMPANY

(Controlled by Washington Railway and Electric Company)

History and Property—Incorporated September 8, 1897 under the laws of Maryland. The Tennallytown & Rockville Ry. (organized March, 1890) was sold under foreclosure in 1896 and deeded to this company in Nov., 1897. The company went into the hands of a receiver on April 1, 1911 (Geo. Weems Williams). The Washington & Rockville Ry. Co. receivership was terminated by order of the court on Oct. 24, 1912, and the property returned to its stockholders. In 1915 acquired the franchises, property, etc., of the Washington, Woodside & Forest Glen Ry. & Power Co. (see Manual for 1915, page 888, or apply to our Information Department). Owns entire outstanding capital stock of The Washington Interurban R. R. Co. (see statement appended) the entire capital stock of the Washington Coach Co., Potomac Electric Appliance Co., and Braddock Light & Power Co. Miles of track, 11.52. Gauge, 4 ft. 8½ in. Cars, 5.

CAPITAL STOCK

Authorized and outstanding, $275,000; par, $50. All owned by the Washington Ry. and Electric Company. Annual meeting, first Monday in February. No dividends paid.

FUNDED DEBT

$185,000 First Mortgage 5% Gold bonds; dated Nov. 1, 1915; due Nov. 1, 1965; int. May and Nov. 1, at American Security & Trust Co., Washington, D. C., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $5,000,000. The Washington Ry. and Electric Company owns the entire issue, $185,000, of these bonds. Subject to call on any interest date at 103 and interest. A first lien on entire property. Company voluntarily pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$59,768	$64,389	$82,327	$88,798	$105,977	$103,995
Operating expenses	73,726	95,454	95,769	87,534	96,675	91,688
Federal and other taxes	2,216	2,945	3,570	2,347	2,466	2,722
Depreciation	1,185	1,185	1,185	1,185	1,185	1,191
Net earnings	*$17,359	*$35,195	*$18,197	*$2,268	$5,651	$8,394
Other income	34,000	23,000	39,925	12,125	15,750	19,500
Total income	$16,641	*$12,195	$21,728	$9,857	$21,401	$27,894
Fixed charges	12,550	12,550	12,550	12,550	12,550	12,550
Surplus for year	$4,091	*$24,745	$9,178	*$2,693	$8,851	$15,344

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$389,327	$499,035	$499,035	$499,035	$498,432	$498,187
Other investments	220,000	220,000	140,000	115,000	115,000	115,000
Cash	23,371	7,404	7,691	4,446	4,361	4,913
Loans and notes receivable	50,000	50,000	50,000	35,000	.....	.....
Interest receivable	55,625	55,625	55,625	55,625	55,625	51,875
Accounts receivable	5,052	5,715	.....	84	41	80
Other current assets	1,190	1,428	2,234	2,896	1,875	1,372
Profit and loss deficit	183,440	81,898	56,965	67,396	64,703	73,554
Total	$928,005	$921,105	$811,550	$779,482	$740,037	$744,981
Liabilities—						
Capital stock	$275,000	$275,000	$275,000	$275,000	$275,000	$275,000
Funded debt	185,000	185,000	185,000	185,000	185,000	185,000
Notes payable	55,000	55,000	55,000	55,000	55,000	55,000
Accounts payable	364,197	359,015	246,967	215,425	178,949	186,626
Interest accrued	1,542	1,541	1,541	1,542	1,541	1,541
Deferred credit items	.....	.....	183	1,253	1,178	1,005
Depreciation reserve	46,734	45,549	44,364	43,179	41,994	40,809
Other reserves	532	.....	3,495	3,083	1,375	.....
Total	$928,005	$921,105	$811,550	$779,482	$740,037	$744,981

Officers and Directors: Same as those for the Washington Ry. and Electric Co.
Office, Washington, D. C.

THE WASHINGTON INTERURBAN RR. CO.

(Controlled by Washington and Rockville Railway Company)

History—Incorp. Jan. 27, 1916, in Md.; successor to Washington Interurban Ry. Co., formerly Washington, Spa Springs & Gretta Railroad Co. (see Manual for 1915, page 1716, or apply to our Information Department). Road extends from 15th and H Sts., N. E., Washington, D. C., to East Riverdale, Md., passing through Bladensburg, Md., a distance of about 5½ miles, and is operated entirely by buses.

CAPITAL STOCK

Authorized, $150,000; outstanding, $50,000; par, $50. All owned by Washington & Rockville Ry. Co. Annual meeting, first Wednesday in January, at Hyattsville, Md. No dividends paid.

FUNDED DEBT

$150,000 (entire issue) First Mortgage Gold 5s; dated Feb. 1, 1916; due Feb. 1, 1946; interest Feb. and Aug. 1, at Continental Trust Co., Washington, D. C., Trustee. Coupon, $1,000; principal may be registered. Subject to call at 103. No sinking fund. A first lien on entire property, franchises, rights, privileges, etc. All owned by Washington & Rockville Ry. Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$55,901	$54,885	$48,838
Operating expenses	61,932	69,924	67,744
Federal & other taxes	3,020	3,055	2,500
Net loss	$9,051	$18,094	$21,406
Fixed charges	1,221	1,221	1,221
Deficit for year	$10,272	$19,315	$22,627

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$34,811	$34,811	$34,811
Cash	507	821	2,241
Accounts receivable	.....	.....	82
Deferred debits	.....	137	560
Profit and loss	319,354	309,083	289,911
Total	$354,672	$344,852	$327,605
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
Funded debt	150,000	150,000	150,000
Notes payable	20,344	20,344	20,344
Accounts payable	76,301	67,001	48,369
Matured interest	55,625	55,625	55,625
Deferred credits	48	.....	144
Reserves	2,354	1,882	3,123
Total	$354,672	$344,852	$327,605

Officers and Directors: Same as those for the Washington Ry. and Electric Co.

General Office, 14th & C Sts., N. W., Washington, D. C.

OMAHA & SOUTHERN INTERURBAN RAILWAY

History—Incorporated Jan. 5, 1906, in Neb. Operations began Oct. 20, 1906. Line of road: South Omaha to Bellevue and Fort Crook, 7.5 miles. Gauge, standard. Cars, 3. Power purchased.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $300,000; par $100. Annual meeting, second Monday in January. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$35,148	$36,764	$41,006
Operating expenses	37,187	38,218	39,955
Net earnings	*$2,039	*$1,454	$1,051

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$347,706	$344,507	$342,094
Securities owned	12,575	12,575	12,575
Cash	724	1,802	1,529
Bills collectible	9	12	47
Prepaid taxes	65	65	153
Corporate deficit	34,105	32,065	30,611
Total	$395,184	$391,026	$387,009
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Audited vouchers	14,178	12,696	9,006
Outstanding tickets	1,654	1,354	1,135
Depreciation reserve	71,250	70,084	70,630
Injuries & damage reserve	8,102	6,892	6,042
Tax liability	.....	.....	196
Total	$395,184	$391,026	$387,009

Officers: J. N. Shannahan, Pres.; C. D. Porter, 1st V-P. & Gen. Mgr.; J. A. Munroe, 2nd V-P.; F. S. Welty, Asst. Gen. Mgr.; W. G. Nicholson, Sec. & Aud.; A. S. Widenor, Treas., Omaha, Neb.

Directors: F. P. Hamilton, R. A. Leussler, J. N. Shannahan, W. A. Smith, J. A. Munroe, C. R. Tyler, C. D. Porter, Omaha, Neb.

General Office, Omaha, Neb.

HINGHAM WATER COMPANY

History—Incorporated March 21, 1879, in Mass.; franchise provides for purchase by the city. Supplies water to towns of Hingham, Hull and part of Cohasset, Mass.

CAPITAL STOCK

Authorized and outstanding, $440,000; par, $100. Annual meeting, first Monday in August. Dividends of 8% each paid in 1920, 1921, 1922, 1923 and 1924, and 6% each in 1925, 1926 and 1927.

FUNDED DEBT

$400,000 First Mortgage Gold 5s; dated June 1, 1923; due June 1, 1943; int. June and Dec. 1, at Hingham Trust Co., Hingham, Mass., Trustee. Coupon, $1,000. Authorized and outstanding, June 30, 1927, $400,000. Issued to refund $60,000 5% certificates of indebtedness due June 1, 1923, also $40,000 certificates due Dec. 1, 1925, and $20,000 certificates, due Dec. 1, 1928 (which were called for payment as of March 1, 1925), and to pay for construction past and contemplated. Not callable. Revolving fund of at least 1% per year of the largest amount of bonds which shall at any time prior to such date of payment have been outstanding, as provided in mortgage. A first lien on property of company. Legal for savings banks in Massachusetts. Quoted in Boston. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$151,630	$147,114	$128,143
Oper. exp. & taxes	85,778	86,272	88,468
Depreciation	13,298	8,004	543
Net earnings	$52,554	$52,838	$39,132
Other income	5,030	4,130	4,567
Total income	$57,584	$56,969	$43,699
Interest charges	20,052	20,184	19,937
Amortization of discount	473	.....	.....
Net income	$37,059	$36,785	$23,762
Dividends paid	26,400	26,400	26,400
Surplus for year	$10,659	$10,385	*$2,638
Earnings Per Share	$8.42	$8.36	$5.40

*Deficit.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
Property account	$1,022,774	$1,011,256	$1,007,132
Materials and supplies	8,658	8,500	8,490
Cash and reserve	22,193	16,560	8,698
Accounts receivable	10,628	10,996	12,865
Prepaid accounts	1,143	1,399	1,235
Discount on bonds	7,568	8,041	8,451
Total	$1,072,964	$1,056,752	$1,046,871
Liabilities—			
Capital stock	$440,000	$440,000	$440,000
Funded debt	400,000	400,000	315,000
Premium on bonds	1,807	1,920	1,067
Notes payable	.....	10,000	100,000
Accounts payable	7,273	4,000	5,164
Interest accrued	1,667	1,715	1,762
Reserve for depreciation	99,046	74,772	70,405
Other reserves	13,852	9,546	5,356
Surplus & profit and loss	109,319	114,799	108,117
Total	$1,072,964	$1,056,752	$1,046,871

Officers: Ira G. Hersey, Pres.; John J. Moore, V-P.; Morris F. Whiton, Sec. & Treas.; Samuel A. Agnew, Supt., Hingham, Mass.

Directors: I. G. Hersey, Morris F. Whiton, Benjamin A. Robinson, Chas. B. Barnes, J. J. Moore, William Ripley, George S. Marsh, Hingham, Mass.

Office, Hingham, Mass.

SKOWHEGAN WATER COMPANY

History and Property—Incorporated in 1887, in Maine, by Special Act. Population served, 4,500. Property consists of 13 miles of mains, stand pipe and pumping station with three pumps. No. of water meters, 850. Price of water, 30 cents per 1,000 gallons. Has contract with town of Skowhegan for use of 81 hydrants, at $2,500 per year; contract has eighteen years to run from 1913.

CAPITAL STOCK

Authorized, $200,000; outstanding, $91,200; par, $100. Annual meeting, third Tuesday in January. No dividends paid since May 5, 1916.

FUNDED DEBT

$61,000 First 5s; dated Aug. 1, 1887; due Aug. 1, 1917, extended to Feb. 1, 1930, at 6%; int. Feb. and Aug. 1. Denomination, $1,000. Authorized, $85,000. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$22,672	$21,779	$21,927
Oper. exp. & taxes	12,162	11,097	9,839
Depreciation	1,822	1,807	1,776
Net earnings	$8,688	$8,875	$10,312
Other income	101	29	416
Total income	$8,789	$8,904	$10,728
Interest charges	3,967	4,124	4,050
Other charges	50	31	.....
Total charges	$4,017	$4,155	$4,050
Surplus for year	$4,772	$4,749	$6,678

Officers: E. F. Merrill, Pres.; A. B. Lamb, Sec., Treas., Gen. Mgr. & Pur. Agt.; H. C. Young, Supt., Skowhegan, Me.

Directors: S. W. Philbrick, R. L. Marston, B. W. Page, E. F. Merrill, G. Allan Wentworth, Skowhegan, Me.

General Office, Skowhegan, Me.

ATLANTIC CITY & SHORE COMPANY

History—Incorporated May 24, 1909, in Del. Owns all but five shares of the $150,000 capital stock and all the $591,100 first mortgage bonds of the Atlantic & Suburban Ry.; all the $1,000,000 capital stock of the Atlantic City & Shore RR., and an interest in the $250,000 capital stock and the $40,000 bonds of the Central Passenger Ry.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $995,000; par, $100. Annual meeting, fourth Thursday in February.

FUNDED DEBT

$591,000 COLLATERAL TRUST GOLD 4s; DUE FEBRUARY 1, 1928 OR 1940

Dated February 1, 1910.

Interest Payable February and August 1, at Cambridge Trust Co., Chester, Pa.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Cambridge Trust Co., Chester, Pa.

Security—Secured by pledge of $149,750 capital stock and $591,100 first mortgage bonds of the Atlantic & Suburban Ry.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Default—One-half the interest on above bonds, namely 2% per annum, was paid from Feb. 1, 1918 to 1923, since which time no further payment has been made.

OFFICERS AND DIRECTORS

Officers: I. H. Silverman, Pres.; James H. Garthwaite, V-P.; L. R. Isenthal, Sec.; A. W. From, Treas., Philadelphia.

Directors: I. H. Silverman, L. R. Isenthal, R. I. D. Ashbridge, Philadelphia; James H. Garthwaite, Chester, Pa.; Harry W. Davis, Wilmington, Del.

General Office, 606 Land Title Bldg., Philadelphia, Pa.

ATLANTIC & SUBURBAN RY.

(Controlled by Atlantic City & Shore Company)

History—Incorporated December 7, 1908, in N. J., with perpetual charter; reorganization of the Atlantic City & Suburban Traction Co. Owns and operates the Pleasantville & Atlantic Turnpike, or Plank Road Co. Line of road: Atlantic City, N. J. to Pleasantville, Absecon and Somers Point, N. J., 16 miles. Gauge, standard. Rails, 80 lb. T. and 90 lb. girder. Motor cars, 20; other cars, 2. Company purchases its power.

CAPITAL STOCK

Authorized, $750,000; outstanding, $150,000; par, $50. All but five shares owned by Atlantic City & Shore Co. No dividends paid. Annual meeting, first Monday in May.

FUNDED DEBT

(1)

$591,100 First Mortgage 4% Gold Bonds; dated Aug. 1, 1909; due Aug. 1, 1929; int. Feb. and Aug. 1, at Cambridge Trust Co., Chester, Pa., Trustee Coupon, $100, $500 and $1,000; principal may be registered. Authorized, $650,000. All owned by Atlantic City & Shore Co.

(2)

$100,000 First Sinking Fund Gold 5% Bonds; dated Feb. 1, 1910; due Feb. 1, 1925, but extended to Feb. 1, 1940; int. Feb. and Aug. 1, at Cambridge Trust Co., Chester, Pa., Trustee. Coupon, $500 and $1,000. Guaranteed principal and interest by Atlantic City & Shore Co. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$81,649	$94,427	$107,762	$103,425	$110,625	$135,460
Operating expenses and taxes	120,691	123,119	123,197	121,572	135,417	136,520
Loss from operations	$39,042	$28,692	$15,435	$18,147	$24,792	$1,060
Other income	.....	.....	.....	....	.....	603
Total income (loss)	$39,042	$28,692	$15,435	$18,147	$24,792	$457
Bond interest	*5,000	28,644	28,644	28,644	28,644	28,644
Other interest	.....	2,004	2,190	2,196	3,690	3,524
Total charges	$5,000	$30,648	$30,834	$30,840	$32,334	$32,168
Deficit for year	$44,042	$59,340	$46,269	$48,987	$57,126	$32,625

*Exclusive of interest on First Mortgage bonds.

Officers: L. R. Isenthal, Pres.; A. W. From, Treas., Philadelphia, Pa.; J. M. Campbell, Sec. & Aud.; P. R. Goldey, Supt., Pleasantville, N. J.

Directors: James H. Garthwaite, Chester, Pa.; L. R. Isenthal, R. I. D. Ashbridge, Philadelphia; P. R. Goldey, Pleasantville, N. J.; J. M. Campbell, Atlantic City, N. J.

Office, Pleasantville, N. J.

ATLANTIC CITY & SHORE RR.

(Controlled by Atlantic City & Shore Company)

History and Property—Incorporated Oct. 21, 1905, in N. J. Line operated: In Atlantic City and via Pleasantville, Linwood and Somers Point to Ocean City. Road from Atlantic City to Longport, owned by the West Jersey & Seashore R. R. Co., and operated under agreement; Ocean City to Somers Point, N. J., leased from Atlantic City & Ocean City R. R. Co.; 2 miles in Atlantic City owned by Central Passenger Ry., also operated under agreement. Line owned 4.1 miles, leased 2.6 miles; trackage rights, 40.5 miles; total track operated, 48.2 miles. Rail, 85 lb. T and girder. Equipment: Owned, motor cars, 20; Atlantic Ave. and Longport Division motor cars, 76; other cars, 2—total cars, 98. Power purchased.

The Atlantic City & Shore R. R. owns all but $1,500 of the $220,000 outstanding Common stock of the Atlantic City & Ocean City Co.—see appended statement.

Federal Valuation—The Interstate Commerce Commission has placed a final valuation of $383,181 on the property of Company as of June 30, 1916.

Receivership—On Nov. 26, 1915, Hon. Clarence L. Cole was appointed Receiver of the Company. A. J. Purinton succeeded Clarence L. Cole as receiver. Receivership was dissolved June 27, 1921.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned by Atlantic City & Shore Co. Annual meeting, first Thursday in February at Atlantic City, N. J. No dividends paid.

FUNDED DEBT

$950,000 First Mortgage and Collateral Trust Gold 5s; dated December 1, 1905; due December 1, 1945; int. June and Dec. 1, at Girard Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,000,000. Subject to call at 110 and int. on any int. date. Company pays Normal Federal Income Tax up to 2%.

Dec. 1, 1915, and subsequent interest to Dec. 1, 1921, was defaulted. The Manual was officially advised that arrangements were made with the holders of these bonds whereby one-half of the interest coupon due Dec. 1, 1921, and one-half of the interest coupon due June 1, 1922, was paid; subsequent coupons have been paid in full.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,337,461	$1,366,159	$1,364,299	$1,235,706	$1,303,149	$1,194,854
Operating expenses and taxes	1,052,330	1,087,235	1,074,081	1,000,053	1,017,046	930,542
Net earnings	$285,131	$278,924	$290,218	$235,653	$286,103	$264,312
Other income	26,976	77,852	35,903	46,833	50,866	32,305
Total income	$312,107	$356,776	$326,121	$282,486	$336,969	$296,617
Interest, rentals, etc.	220,127	265,074	251,912	242,528	271,233	252,668
Surplus for year	$91,980	$91,702	$74,209	$39,958	$65,736	$43,949
Times Fixed Charges Earned	1.42	1.34	1.29	1.17	1.24	1.18

Officers: I. H. Silverman, Pres., Philadelphia, Pa.; A. J. Purinton, V-P.; J. M. Campbell, Sec. & Aud., Atlantic City, N. J.; A. W. From, Treas., Philadelphia, Pa.; A. J. Purinton, Gen. Supt., Atlantic City, N. J.

Directors: I. H. Silverman, R. I. D. Ashbridge, M. H. Silverman, Rolla L. Smith, A. W. From, Philadelphia, Pa.; A. J. Purinton, H. R. Coulomb, Atlantic City, N. J.

Office, 606 Land Title Bldg., Philadelphia, Pa.

ATLANTIC CITY & OCEAN CITY CO.

(Controlled by Atlantic City & Shore RR.)

History—Incorporated March 30, 1907, in Delaware. Owns entire capital stock and bonds of the Atlantic City & Ocean City RR. Co., which is leased to the Atlantic City & Shore RR. Co. for a term of 999 years at a fixed rental of $19,500 per annum (with a contingent rental of $8,750). The Atlantic City & Ocean City RR. Co. disburses $19,000 through the medium of interest on its bonds and dividends on its stock to enable the Atlantic City & Ocean City Co. to pay the interest on the latter Company's 5% Collateral Trust bonds described below.

CAPITAL STOCK

Authorized, $350,000 Common and $250,000 5% non-cumulative Pfd.; outstanding, $220,000 Common and $175,000 Pfd.; par, $100. Pfd. stock is subject to redemption at par. Of the $220,000 Common outstanding, $218,500 is owned by the Atlantic City & Shore RR. Co.

FUNDED DEBT

$350,000 First Collateral Trust Gold 5% Bonds; dated June 1, 1907; due March 1, 1947; interest March and September 1, at Girard Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized, $500,000. Secured by deposit of entire stock and bonds of the Atlantic City & Ocean City R. R. Co. Subject to call on any int. date at 110 and int. Company pays Normal Federal Income Tax up to 2%.

Officers: L. R. Isenthal, Pres.; A. W. From, Treas.; J. M. Campbell, Sec.

Directors: L. R. Isenthal, I. H. Silverman, Philadelphia; F. D. Lackey, Wilmington, Del.

Office, Atlantic City, N. J.

ATLANTIC CITY & OCEAN CITY RR.

(Leased to Atlantic City & Shore RR.)

History—Incorporated in March, 1906, in New Jersey. Owns about 2 miles of road from Ocean City to Somers Point, N. J., including trestle bridge over Great Egg Harbor Bay and constitutes a part of the Ocean City Division of the Atlantic City & Shore RR. Co. Entire stock and bonds of Atlantic City & Ocean City Railroad Co. are owned by Atlantic City & Ocean City Co. and its road is leased to the Atlantic City & Shore RR. Co. for 999 years at fixed rental of $19,500 per annum (with a contingent rental of $8,750). The Atlantic City & Ocean City RR. Co. disburses $19,000 through the medium of interest on its bonds and dividends on its stock to enable the Atlantic City & Ocean City Co. to pay the interest on the latter Company's 5% Collateral Trust bonds.

Federal Valuation—The Interstate Commerce Commission has placed a final valuation of $221,000 on the property of company as of June 30, 1916.

CENTRAL PASSENGER RY.

(Controlled by Atlantic City & Shore RR.)

History and Property—Incorp. April 21, 1903, in N. J. Line of road in Atlantic City, 1.88 miles; second track 0.8 mile; sidings, 0.15 mile. Gauge, standard. Has traffic agreement with Atlantic City & Shore R. R. Cars, 5.

CAPITAL STOCK

Authorized and issued, $250,000; par, $100. A majority of the capital stock is owned by the Atlantic City & Shore RR. Co. Annual meeting, first Wednesday in January.

Dividends—Dividends have been paid as follows: 1908, 5.6%; 1909, 3.19/25%; none since.

FUNDED DEBT

$40,000 (authorized, $190,000) First Mortgage Gold 5% bonds; dated Oct. 1, 1904; due Oct. 1, 1934; int. April and Oct. 1, at Atlantic Safe Deposit & Trust Co., Atlantic City, N. J. All owned by Atlantic City & Shore R. R. Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$42,614	$106,173	$99,663	$93,848	$92,964	$82,708
Operating expenses and taxes	43,513	71,035	89,907	95,587	84,326	73,277
Net earnings	*$899	$35,138	$9,756	*$1,739	$8,638	$9,431
Bond interest	2,000	2,000	2,000	2,000	2,000	2,000
Other interest	.....	3,180	4,275	4,278	4,275	4,275
Total interest	$2,000	$5,180	$6,275	$6,278	$6,275	$6,275
Surplus for year	*$2,899	$29,958	$3,481	*$8,017	$2,363	$3,156

*Deficit.

Officers: A. J. Purinton, Pres. & Gen. Supt., Atlantic City, N. J.; A. W. From, Treas., Philadelphia, Pa.; J. M. Campbell, Sec. & Aud., Atlantic City, N. J.

Directors: A. J. Purinton, J. M. Campbell, H. R. Coulomb, E. A. MacMillan, Atlantic City, N. J.; A. W. From, L. R. Isenthal, I. H. Silverman, Philadelphia, Pa.

General Office, Atlantic City, N. J.

THE NEW BRITAIN GAS LIGHT COMPANY

History and Property—Incorporated in May, 1855, in Conn. Population served 69,000. Sales in 1926, 420,000,000 cu. ft.; 1925, 385,000,000 cu. ft.; 1924, 370,000,000 cu. ft. Miles of mains, 97. No. of consumers, 16,500. Prices: Light, $1.60 gross, $1.50 net; fuel, $1.50 and $1.10.

CAPITAL STOCK

Authorized, $2,000,000 (increased from $1,000,000 in 1925); outstanding, Dec. 31, 1927, $1,250,000; par, $25. The outstanding stock was increased from $600,000 to $1,000,000 in 1925, by the sale of $200,000 to stockholders at par and by the payment of a $200,000 stock dividend. Transfer Agent: New Britain National Bank, New Britain, Conn. Annual meeting in February, on notice of directors.

Subscription Privilege—Stockholders of record Nov. 15, 1926 received the right to subscribe to $250,000 additional stock in the ratio of one new share for each four shares held. Privilege expired Dec. 1, 1926, and payment was to be made on Jan. 15, 1927.

Dividends—Dividends at rate of 8% per annum paid to 1917; 1918, 6%; 1919, 6%; 1920, 6%; 1921, 6½%; 1922, 11%; 1923, 8% regular and 4½% extra; 1924 to 1927, inclusive, 8% each; payments quarterly, F, M, A & N 1. In addition, a stock dividend of $200,000 was paid in 1925.

FUNDED DEBT

$400,000 FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1951

Dated January 1, 1926.

Interest Payable January and July 1.

Trustee—New Britain National Bank, New Britain, Conn.

Provisions of Issue—Authorized, $800,000; issued, $400,000 to refund a like amount of 5% bonds maturing January 1, 1926.

Callability—Subject to call on or after Jan. 1, 1936, at 103 and interest.

Security—A first mortgage on entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Bonds are free of Connecticut State tax.

Legal for savings banks and trust funds in Connecticut.

Original Offering—First publicly offered ($400,000) in December, 1925, at price to yield 4.60% to maturity, by Fuller, Richter, Aldrich & Co., Hartford, Conn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$603,864	$603,068	$551,930	$537,219	$548,956	$487,650
Operating expenses, depreciation, taxes, etc.	429,541	444,215	410,577	408,096	411,925	360,571
Net earnings	$174,323	$158,854	$141,353	$129,123	$137,031	$127,079
Other income	2,774	474	535	14	2,583	2,412
Total income	$177,097	$159,328	$141,888	$129,137	$139,614	$129,491
Fixed charges	19,547	20,029	21,400	22,053	21,823	21,952
Balance for dividends	$157,550	$139,299	$120,488	$107,084	$117,791	$107,539
Dividends paid	100,000	80,000	60,000	48,000	75,000	66,000
Surplus for year	$57,550	$59,299	$60,488	$59,084	$42,791	$41,539
Times Fixed Charges Earned	9.06	7.95	6.63	5.86	6.39	5.89
Earnings Per Share	$3.15	$3.48	*$3.01	$4.46	$4.91	$4.48

*On 40,000 shares.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,982,323	$1,729,547	$1,580,690	$1,307,629	$1,230,535	$1,153,624
Land and houses	9,268	9,268	9,268	9,268	9,268	9,268
Materials and supplies	38,351	34,843	18,671	26,284	31,543	24,048
Cash	90,602	23,156	51,735	22,228	27,802	34,142
Accounts receivable	16,053	15,077	19,363	18,154	13,866	15,526
Other current assets	1,979	1,883	.....	.....	.....	.....
Deferred debits	14,954	11,019	12,091	6,721	.....	.....
Total	$2,153,530	$1,824,793	$1,691,817	$1,390,284	$1,313,014	$1,236,608
Liabilities—						
Capital stock	$1,250,000	$1,000,000	$1,000,000	$600,000	$600,000	$600,000
Funded debt	400,000	400,000	397,000	397,000	397,000	397,000
Notes payable	.....	.....	.....	.....	25,000	.....
Accounts payable	6,190	9,600	1,891	2,311	.....	.....
Depreciation reserve	225,682	206,604	173,390	137,736	101,106	66,979
Tax reserve	34,788	41,760	40,636	41,680	35,000	30,000
Contributions for extensions	23,917	17,892	11,511	5,104	.....	.....
Premium on debt	15,674	16,355	.....	.....	.....	.....
Unadjusted credits	2,480	1,705	2,117	1,670	.....	.....
Profit and loss	194,799	130,877	65,273	204,783	154,908	142,629
Total	$2,153,530	$1,824,793	$1,691,817	$1,390,284	$1,313,014	$1,236,608

Officers: A. J. Sloper, Pres. & Treas.; F. S. Chamberlain, V-P.; H. T. Sloper, Sec., Asst. Treas. & Gen. Mgr.; Geo. P. Spear, Aud.; A. H. Scott, Supt. & Pur. Agt., New Britain, Conn.

Directors: A. J. Sloper, E. N. Stanley, H. T. Sloper, R. S. Brown, F. S. Chamberlain, A. H. Scott, New Britain, Conn.; F. M. Travis, Torrington, Conn.

Office, 25 West Main St., New Britain, Conn.

THE MAHONING VALLEY WATER COMPANY

History—Incorporated in July, 1905, in Ohio. Supplies Campbell (wholesale only), Struthers and Poland, Ohio. Population served, 25,000. Has franchises for pipe lines in highways and necessary rights where lines are on private property.

CAPITAL STOCK

Authorized and outstanding, 12,000 shares Common of no par value and $450,000 (increased from $250,000 to $350,000 in 1926 and to $450,000 Jan. 1, 1928) 8% cumulative Pfd.; par of Pfd., $100. Pfd. stock has preference as to 8% cumulative dividends. It has no voting power and is callable at par on any dividend date. Effective Jan. 1, 1926, the 3,000 shares of Common stock of $100 par value were changed to 12,000 shares of no par value.

Transfer Agent and Registrar—Commercial National Bank, Youngstown, Ohio.

Annual Meeting—Third Wednesday in January, at Struthers, Ohio.

Dividends—Pfd. dividends regularly paid from 1920 to 1927, inclusive. Common dividends as follows: 1915, 2%; 1916 and 1917, 6% each; 1918 to 1925, inclusive, 8%; 1926 and 1927, 62½ cts. per share each quarter; payments on both classes quarterly.

FUNDED DEBT

$500,000 FIRST MORTGAGE 6% GOLD BONDS; DUE ANNUALLY ON MAY 1, AS FOLLOWS: 1928, $20,000; 1929, $22,000; 1930, $23,000; 1931, $25,000; 1932, $27,000; 1933, $29,000; 1934, $31,000; 1935, $33,000; 1936, $35,000; 1937, $37,000; 1938, $39,000; 1939, $41,000; 1940, $44,000; 1941, $46,000; 1942, $48,000

Dated May 1, 1926.

Interest Payable May and November 1, at The Commercial National Bank, Youngstown, Ohio.

Denominations—Coupon, $500 (1939 to 1942 maturities only) and $1,000; principal may be registered.

Trustee—The Commercial National Bank, Youngstown, Ohio.

Provisions of Issue—Authorized and issued, $500,000. Proceeds were used to pay current obligations incurred in the acquisition of a new water shed, for the erection of a new dam, and for the retirement of $126,000 First Mortgage bonds outstanding.

Callability—Subject to call as a whole or in part at any time on 60 days' notice at 102 and accrued interest in inverse order of maturity.

Sinking Fund—None provided.

Security—Secured by a closed first mortgage on all the property now owned and hereafter acquired by the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mill tax refunded.

Legal Opinion—Squires, Sanders & Dempsey, Cleveland.

Original Offering—First publicly offered ($500,000) in May, 1926, at par and accrued interest by Hayden, Miller & Co., Cleveland.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$187,522	$180,155	$168,748
Oper. exp. & taxes	84,570	75,213	80,222
Depreciation	27,622	25,793	18,637
Net earnings	$75,330	$79,148	$69,889
Other income	37,598	26,553	19,306
Gross income	$112,928	$105,701	$89,195
Interest charges	32,785	18,553	8,880
Federal tax	10,743	.....	.....
Other deductions	.....	9,598	.....
Balance for dividends	$69,400	$77,550	$80,315
Preferred dividends	28,000	28,000	18,660
Common dividends	30,000	30,000	24,000
Surplus for year	$11,400	$19,550	$37,655

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$1,744,094	$1,455,480	$1,378,147
Materials and supplies	11,813	17,823	17,846
Cash	24,656	24,015	7,541
Current accounts	25,465	22,761	20,723
Sinking fund	.....	.....	10,207
Deferred items	.....	163,807	.....
Total	$1,806,028	$1,683,885	$1,434,464
Liabilities—			
Common stock	$300,000	$300,000	$300,000
Preferred stock	350,000	350,000	250,000
Funded debt	500,000	500,000	138,000
Notes payable	.....	.....	10,000
Current liabilities	107,143	23,243	270,728
Reserve for depreciation	215,506	190,858	164,523
Reserve for taxes	32,705	30,510	20,520
Surplus	300,674	289,274	280,693
Total	$1,806,028	$1,683,885	$1,434,464

Officers: L. B. McKelvey, Pres.; C. A. Cochran, V-P.; John C. Hamilton, V-P.; James J. McNally, Sec. Treas. & Pur. Agt., Youngstown, Ohio; G. Taylor Evans, Supt., Poland, Ohio.

Directors: L. B. McKelvey, C. A. Cochran, James J. McNally, John C. Hamilton, Mason Evans, Jr., Fred B. Hamilton, Youngstown, Ohio.

General Office, Struthers, Ohio.

PHILADELPHIA, READING & POTTSVILLE TELEGRAPH COMPANY

(Controlled by The Reading Company)

History—Incorporated March 15, 1847, in Pa. Franchise perpetual. 254 offices; 1,289 instruments; 4,867.6 miles of wire.

Federal Valuation—The Interstate Commerce Commission has placed a tentative valuation of $300,000 on the property of company as of June 30, 1917.

CAPITAL STOCK

Authorized, $50,000; issued, $20,000; par, $50. The Reading Co. owns all of the stock, of which $18,450 is pledged under its General Mortgage. Annual meeting, first Monday in October.

Dividends—Paid dividends of 50% each in 1921, 1922 and 1923; 100% in 1924; 150% in 1925; 50% in 1926; none in 1927.

FUNDED DEBT

$200,000 (entire issue) Debenture 6s; dated Nov. 30, 1877; due Dec. 1, 1917; int. June and Dec. 1, at Company's office, Philadelphia. Coupon, $1,000. No action has been taken covering payment or extension of these bonds. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$42,883	$50,906	$47,271
Oper. exp. & taxes	110,904	141,436	114,907
Loss from operation	$68,021	$90,530	$67,636
Other income	119,258	111,646	106,080
Total income	$51,237	$21,116	$38,444
Bond interest	12,007	12,000	12,000
Balance for dividends	$39,230	$9,116	$26,444
Dividends paid	.....	10,000	30,000
Deficit for year	*$39,230	$884	$3,556

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$521,490	$495,862	$434,731
Investment securities	25,000	25,000	25,000
Materials & supplies	176,461	133,492	114,782
Cash	23,187	30,627	19,060
Accounts receivable	117,746	98,883	73,971
Deferred debits	22,138	1,753	10,685
Total	$886,022	$785,617	$678,229
Liabilities—			
Capital stock	$20,000	$20,000	$20,000
Funded debt	200,000	200,000	200,000
Accounts payable	129,265	102,094	64,638
Int. & rents accrued	1,000	1,000	1,000
Accrued taxes	9,164	5,596	7,066
Accrued depreciation	52,128	32,592	.....
Deferred credits	2,530	2,763	.....
Appropriated surplus	285,089	259,461	160,983
Profit and loss surplus	186,846	162,111	224,542
Total	$886,022	$785,617	$678,229

Officers: Agnew T. Dice, Pres.; C. H. Ewing, V-P.; J. V. Hare, Sec.; H. E. Paisley, Treas.; W. H. Whitehead, Compt., Philadelphia, Pa.; L. D. Shearer, Supt., Reading, Pa.

Directors: Gordon Chambers, C. E. Dilkes, Jr., C. H. Ewing, E. D. Hilleary, Philadelphia, Pa.

Office, Reading Terminal, Philadelphia, Pa.

UNITED PUBLIC UTILITIES COMPANY

History—Incorporated Dec. 19, 1912, in Del. Formerly controlled through stock ownership the Defiance Gas & Electric Co., Maumee Valley Electric Co., and Swanton Light & Power Co. Company is now in liquidation under the laws of the State of Delaware.

CAPITAL STOCK

Authorized and outstanding, $1,500,00 Common; par, $100. Transfer Agent: Guaranty Trust Co., New York. An issue of $250,000 6% non-cumulative Pfd. stock of Company was called for redemption at $100 per share on Dec. 18, 1925.

Liquidating Dividends—An initial dividend in liquidation at the rate of $35 a share on all the Common stock of Company was declared Dec. 31, 1925, payable on and after Jan. 6, 1926. A second liquidating dividend of $5 per share on the Common stock was declared payable Dec. 22, 1926.

FUNDED DEBT

None.

Officers: H. L. Crawford, Pres.; H. C. Meyer, V-P.; H. J. Nicol, Sec. & Treas., New York.

Trustees of Liquidation: H. C. Meyer, H. L. Crawford, E. L. Crawford, J. W. Decker, L. T. Dyer, H. J. Nicol, Russell E. Burke.

Office, 60 Broad St., New York.

SUBURBAN ELECTRIC SECURITIES COMPANY

History—A Voluntary Association organized under Deed of Trust, dated January 28, 1921, at Boston, Mass.; formed as a reorganization to succeed the Boston Suburban Electric Companies, also a voluntary association. The reorganization plan was announced Dec. 16, 1920, the agreement and declaration of trust of the Suburban Electric Securities Company was entered into Jan. 28, 1921, but the property was not taken over and the liabilities assumed until Feb. 26, 1921 (see 1920 Public Utility Manual, page 2127).

Owns the entire capital stock of the Middlesex & Boston Street Ry. Co., which Company owns and operates 115 miles of track and bus routes; also the entire capital stock of the **Norumbega Park Co.**, an open-air amusement park on the Charles River at Auburndale, Mass., covering about 29 acres of land, and containing a covered open-air theatre of cement construction valued at about $60,000.

In the Declaration of Trust the Trustees are authorized to engage in the business of acquiring, owning, managing, exchanging, selling and dealing in bonds of the United States or of any other State or Municipality therein, the stocks, shares and securities of corporations, trusts or associations engaged in whole or in part in owning or operating railways or railroads or transporting passengers, merchandise, mails, or express matter, or in manufacturing, distributing, selling or dealing in electric light or power, or in supplying entertainments.

The Trustees may at any time with the consent of the holders of at least two-thirds of all shares then issued and outstanding, expressed at a meeting called for that purpose, assign, transfer and deliver all the property belonging to this trust to another trust, or association, or to a corporation organized under the law of such State as the Trustee may determine, with, so far as practicable, the same powers hereunder conferred upon the Suburban Electric Securities Co., in exchange for all the shares of such trust, association or corporations to be presently issued, which shall consist of the same number of shares of the same par value (or without par value, as the case may be) and divided into the same or similar classes having the same or similar preferences, dividend rights and rights in liquidation, and the same or similar voting power and other rights, respectively, as the shares at such time outstanding hereunder, except that the Com. shares, may, if the Trustees so determine, be of a less number than the number of Common shares outstanding hereunder.

Investments, at Dec. 31, 1927—19,870 shares Middlesex & Boston St. Ry. Co., 600 shares Norumbega Park Co., 2 shares Massachusetts Gas Co.'s Pfd. stock, $150,000 Middlesex & Boston St. Ry. Co. 4½% bonds, due 1932; $870,000 Middlesex & Boston St. Ry notes and $242,198 Norumbega Park Co. notes.

CAPITAL STOCK

Authorized and issued, 50,296 shares Common, 2,076 shares 6% cumulative First Pfd. and 31,203 shares Second Pfd. Par value, 1st Pfd., $100; 2nd Pfd. and Common, without nominal or par value.

Preferred Stock Provisions—In case of liquidation, the 1st Pfd. stock is payable at par and accrued dividend, in priority to all other shares of this issue. The 2nd Pfd. stock is entitled to dividends of $4 per share. These shares have no par value, but in case of liquidation, will be paid at the rate of $100 per share and accrued dividend.

Transfer Agent—Boston Safe Deposit & Trust Co., Boston, Mass.

Registrar—First National Bank, Boston, Mass.

Annual Meeting—Second Tuesday in March at Boston, Mass.

Dividends—Dividends on First Pfd. stock regularly paid quarterly, F, M, A & N 1. None paid on other classes.

Listed—Boston Stock Exchange.

FUNDED DEBT

$587,800 Ten-Year Collateral Trust 8% Bonds; dated, 1921; due 1931. Subject to call on any semi-annual interest date at 105 and accrued interest. After the notes have been outstanding one year an annual sinking fund of 5% of the amount of the issue will be created to provide for the retirement of the bonds. In addition to the outstanding amount, $292,200 have been purchased and cancelled. Secured by deposit of $870,000 face value of notes and $150,000 of the mortgage bonds of the Middlesex & Boston Street Ry. Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Dividend income	$8	$8	$8
Interest received	92,884	93,809	99,207
Total income	$92,892	$93,817	$99,215
Expenses and taxes	11,403	9,372	5,520
Net income	$81,489	$84,445	$93,695
Interest paid	54,393	58,943	66,479
Balance for dividends	$27,096	$25,501	$27,215
First Pfd. dividends paid	12,456	12,456	12,456
Surplus for year	$14,640	$13,045	$14,759

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Stocks of other cos.	$2,504,774	$2,504,774	$2,504,774
Bonds of other cos.	150,000	150,000	150,000
Notes, etc., of other cos.	1,112,198	1,127,198	1,142,198
Organization expenses, etc.	40,181	40,181	40,181
Interest prepaid	849	838	1,140
Cash	1,624	6,799	14,259
Accrued income receivable	16,274	10,390	12,767
Collateral trust bonds	192,574	189,309	232,809
Profit and loss divd. acct.	863,283	738,471	613,659
Total	$4,881,757	$4,767,960	$4,711,787
Liabilities—			
Capital Stock:			
2,076 shares 1st Pfd.	$207,600	$207,600	$207,600
31,203 shares 2nd Pfd. (without par value) .... 50,296 shs. Com. (without par value)	2,878,970	2,878,970	2,878,970
8% Collateral trust bonds	587,800	644,300	716,900
Accrued interest	19,593	21,477	23,897
Notes payable	132,750	112,750	148,750
Accrued dividend payable	867,838	742,718	617,590
Profit and loss surplus	187,206	160,145	118,080
Total	$4,881,757	$4,767,960	$4,711,787

Officers: Adams D. Claflin, Pres.; Chas. W. Smith, Treas.; Frank E. Frykstrand, Asst. Treas.; John P. Carr, Sec., Newtonville, Mass.

Trustees: Chas. W. Leonard, R. Elmer Townsend, Henry Hornblower, Pitt F. Drew, Alfred Pierce, Jas. L. Richards, Jas. W. French, Chas. W. Smith, E. P. Sanderson, Geo. D. Bullard, Adams D. Claflin, E. M. Richards, Robt. Winsor, Jr.; Frank L. Richardson, One Vacancy.

General Office, 797 Washington Street, Newtonville, Mass.

MIDDLESEX & BOSTON STREET RAILWAY COMPANY

(Controlled by Suburban Electric Securities Company)

History—Incorporated July 24, 1907, in Mass.; successor to the South Middlesex St. Ry. Co., sold at receivers' sale July 1, 1907. In Nov., 1908, absorbed the Westboro & Hopkinton St. Ry. and the Natick & Cochituate St. Ry.; on July 1, 1909, the Newton St. Ry.; on Oct. 8, 1909, the Newton & Boston St. Ry., and on July 1, 1912, the Lexington & Boston St. Ry. Operates the Newtonville & Watertown St. Ry. joint-

ly with Boston Elevated Ry. Length of track: Main line, 25.376 miles; second track, 13.149 miles; sidings, etc., 3.338 miles—total track, 41.863 miles. Company also operates 86.66 miles of bus routes. Its lines serve the Cities of Newton and Waltham, and the towns of Ashland, Arlington, Bedford, Belmont, Billerica, Concord, Framingham, Hopkinton, Lexington, Natick, Needham, Sherborn, Wayland, Watertown and Wellesley. Gauge, standard. Rails, 45 to 70 lb. T and 93 and 95 lb. girder. Equipment: Passenger cars, 118; service cars, 10; snow plows, 15; motor passenger busses, 70.

During 1927, Company carried 11,600,229 revenue passengers, compared with 11,660,413 in 1926 and 11,615,716 in 1925.

CAPITAL STOCK

Authorized and outstanding, $1,987,000 (increased from $1,262,000 in Oct., 1909, and to present amount in 1912); par, $100. All owned by Suburban Electric Securities Co. Annual meeting, first Tuesday in March.

Dividends—A dividend of 5% was paid in fiscal year, 1911; 5½% in 1912; 4% each in 1913, 1914 and 1915; 3¼% in 1916; 1½% in 1917; none in 1918, 1919 or 1920; 1% in 1921; 3% in 1922, none since.

FUNDED DEBT

$1,983,000 FIRST AND REFUNDING MORTGAGE GOLD 4½s; DUE JANUARY 1, 1932

Dated January 1, 1912.

Interest Payable January and July 1, at Boston Safe Deposit & Trust Co., Boston.

Denomination—Coupon, $1,000.

Trustee—Boston Safe Deposit & Trust Co., Boston.

Provisions of Issue—Authorized, $5,000,000. The unissued bonds are available for general corporate purposes, and for additions, extensions or acquisitions, subject to the approval of the Massachusetts Department of Public Utilities.

Callability—Subject to call on any interest day from Jan. 1, 1922, to July 1, 1926, at 105 and interest, and from Jan. 1, 1927, to maturity at 102½ and interest.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Gaston, Snow & Saltonstall, Boston, Mass.

Original Offering—First publicly offered ($500,000) in Feb., 1912, at 98¼.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,165,254	$1,173,575	$1,163,630	$1,185,431	$1,265,978	$1,304,955
Operating expenses, taxes and depreciation	998,212	1,002,410	993,883	1,048,569	1,162,076	1,065,084
Net earnings	$167,042	$171,165	$169,747	$136,862	$103,902	$239,871
Interest charges	172,258	171,579	169,549	$169,135	$172,277	$174,503
Net income	†$5,216	†$414	$198	†$32,272	†$68,375	$65,368
Dividends paid	.....	.....	.....	.....	.....	59,610
Deficit for year	$5,216	$414	*$198	$32,272	$68,375	*$5,758
Times Interest Earned	0.97	0.99	1.00	0.82	0.60	1.37
Earnings Per Share	Nil	Nil	$0.01	Nil	Nil	$3.29

*Surplus. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$4,817,802	$4,726,565	$5,001,657	$4,996,835	$4,904,013	$4,894,148
Bonds owned	82,910	70,080	54,077	31,750	29,940	22,260
Materials and supplies	51,614	58,563	55,035	55,404	70,261	57,718
Cash	31,117	29,847	39,201	34,115	26,010	48,174
Accounts receivable	14,772	11,502	14,096	12,146	21,739	19,738
Other current assets	.....	.....	.....	.....	500	9,751
Unadjusted debits	49,016	44,841	59,195	57,238	70,416	90,590
Deferred debit items	17,405	15,164	11,223	13,225	19,901	5,660
Profit and loss deficit	468,118	462,903	359,521	359,719	327,446	258,935
Total	$5,532,754	$5,419,465	$5,594,005	$5,560,432	$5,464,227	$5,406,974
Liabilities—						
Capital stock	$1,987,000	$1,987,000	$1,987,000	$1,987,000	$1,987,000	$1,987,000
Funded debt	1,983,000	1,983,000	1,983,000	1,983,000	1,983,000	1,983,000
Notes payable	987,398	954,109	870,000	919,923	870,000	950,000
Accounts payable	58,878	53,908	55,143	91,251	118,385	84,238
Interest accrued	5,113	.....	.....	1,135	.....	.....
Deferred credits	.....	.....	100	500	500	.....
Unadjusted credits	511,365	441,448	698,762	577,623	505,342	402,737
Total	$5,532,754	$5,419,465	$5,594,005	$5,560,432	$5,464,227	$5,406,974

Officers: Pitt F. Drew, Chairman of Board; H. H. Hanson, Pres.; Frank E. Frykstrand, Treas., Newtonville, Mass.; John P. Carr, Clerk, Boston, Mass.; F. G. L. Henderson, Pur. Agt., Newtonville, Mass.

Directors: J. L. Richards, Pitt F. Drew, C. W. Smith, Boston, Mass.; E. M. Richards, Frank L. Richardson, Adams D. Claflin, H. H. Hanson, Newtonville, Mass.

General Office, 797 Washington St., Newtonville, Mass.

NEWTONVILLE & WATERTOWN STREET RY.

(Leased by Middlesex & Boston Street Railway Company)

History—Incorporated in 1903 in Mass.; leased Oct. 1, 1897 to Newton & Boston St. Ry.; lease assumed by Middlesex & Boston St. Ry. on June 30, 1909, at rental of $3,250 per annum. Length of line, 1.66 miles; total track, 1.69 miles. Gauge, standard. Rail, 56 lb. T.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. Dividends at rate of 5% per annum are paid, F & A 1. Annual meeting, third Wednesday in October.

FUNDED DEBT

None.

Officers: Wm. H. Allen, Pres.; Joseph Remick, Sec. & Treas., Boston, Mass.

Directors: William Endicott, W. H. Allen, R. E. Townsend, Joseph Remick, H. B. Parker, John C. Rice, Boston, Mass.

Office, 50 Congress St. Boston, Mass.

FEDERAL POWER & LIGHT COMPANY

History—Incorporated in June, 1912, in Maine, for the purpose among other things of owning and operating gas and electric light properties.

CAPITAL STOCK

Authorized, $1,000,000 Common (par, $50) and $1,500,000 6-8% cumulative Pfd. (par, $100); outstanding, $1,000,000 Common and $213,900 Pfd.

Preferred Stock Provisions—Pfd. stock has preference as to dividends up to 6%, and in case of liquidation. It also shares equally with the Common in all dividends up to 8%. The Pfd. stock is exchangeable for new Debenture 6s on a par for par basis (see below).

Transfer Agent—Hooper, Kimball & Williams, Inc., 35 Congress St., Boston, Mass.

Registrar—Federal National Bank, Boston, Mass.

Annual Meeting—First Monday in October.

Dividends—Regular dividends of 6% in cash paid on Pfd. stock from date of issue to Nov. 15, 1917; Feb. 15 and May 15, 1918, 1½% each in 5-year scrip; none thereafter until Nov. 15, 1923, when 5% was paid in cash and 20% in Pfd. stock, taking care of all arrearages to date; regular payments thereafter to date. Pfd. dividends are declared the first of Feb., May, Aug. & Nov., and are paid the fifteenth of said months. at the office of company; books close 15 days before and reopen immediately thereafter. On Common stock a dividend of 50 cents a share was paid Nov. 16, 1925; May and Nov. 1, 1926 and May 1, 1927, 50 cents per share each; Nov. 1, 1927, $1 per share.

FUNDED DEBT

$946,100 6% GOLD DEBENTURE BONDS; DUE NOVEMBER 1, 1965

Dated—Each bond dated as of dates of exchange of Pfd. stock.

Interest Payable quarterly (F, M, A & N 1), by check from Company's office.

Denominations—Registered, $100 and multiples.

Provisions of Issue—Authorized, $1,200,000; outstanding, Dec. 31, 1927, $946,100.

Callability—Subject to call at any time on 30 days' notice at 101.

Sinking Fund—Sinking fund retires $20,000 bonds annually.

Convertibility—The Pfd. stock is exchangeable for these debentures on a par for par basis. The Pfd. stock exchanged to be cancelled.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$176,517	$125,583	$156,388	$226,448	$206,147	$141,293
Operating expenses and taxes	17,036	17,227	79,956	108,199	82,259	39,503
Net earnings	$159,481	$108,356	$76,431	$118,249	$123,888	$101,790
Bond and note interest	56,766	60,027	15,383	36,789	39,912	41,110
Sundry interest and amortization	2,473	2,709	11,150	13,358	7,396	9,015
Total charges	$59,239	$62,736	$26,533	$50,147	$47,308	$50,125
Balance surplus	$100,242	$45,620	*$49,897	$68,101	$76,580	$51,665
Earnings Per Share—Pfd.	$19.51	$8.19	$3.32	$5.11	$5.17	$6.54

*Exclusive of profit from sale of properties and other securities.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Stocks and bonds	$2,285,535	$2,393,380	$2,077,950	$1,581,378	$1,863,156	$2,181,172
Cash	677	4,605	14,358	76,251	17,959	5,488
Property investment	.....	.....	.....	209,522	165,000	.....
Notes and accounts receivable	55,570	21,425	247,753	605,875	445,090	291,581
Due from subsidiaries	.....	.....	.....	237,792	406,272	313,207
Miscellaneous assets	1,266	4,411	3,016	10,072	10,978	12,013
Advanced payments	.....	507	19,054	42,087	1,050	963
Unissued Pfd. stock	300,000	300,000	300,000	300,000	300,000	.....
Unamortized debt, discount and expense	.....	.....	645	12,920	11,008	17,455
Total	$2,643,048	$2,724,328	$2,662,776	$3,075,897	$3,220,513	$2,821,879
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Preferred stock	513,900	556,500	1,500,000	1,500,000	1,500,000	1,000,000
Debenture bonds	946,100	923,500	.....	.....	.....	.....
Coupon notes	.....	500	6,000	359,000	499,000	547,000
Notes payable	.....	100,000	25,000	75,000	135,000	51,800
Accrued liabilities	10,308	8,958	228	7,970	29	7,969
Vouchers payable	.....	.....	528	528	528	528
Scrip dividends	645	710	759	809	978	34,823
Surplus	172,095	134,161	130,261	132,590	84,978	179,759
Total	$2,643,048	$2,724,328	$2,662,776	$3,075,897	$3,220,513	$2,821,879

Officers: Lindsey Hooper, Pres.; M. A. Williams, V-P.; Chas. A. Olson, Sec. & Treas., Boston, Mass.

Directors: John H. Balch, Newburyport, Mass.; Lindsey Hooper, Chas. A. Olson, M. A. Williams, Thos. E. Williams, Boston, Mass.; Edward W. Willis, Robert S. Kimball, Ipswich, Mass.; Nicholas C. Johnson, Haverhill, Mass.; Epes W. Merchant, Gloucester, Mass.

Executive Office, 95 Exchange St., Portland, Me.

ELIZABETHTOWN CONSOLIDATED GAS COMPANY

History—Incorporated Dec. 29, 1922, in N. J., being a consolidation of the Elizabethtown Gas Light Co., Cranford Gas Light Co., Rahway Gas Light Co. and Metuchen Gas Light Co. (see 1922 Public Utility Manual, page 76, or consult our Information Department). Franchises perpetual. Supplies Elizabeth, Hillside, Union, Roselle, Roselle Park, Linden, Kennilworth, Cranford, Garwood, Westfield, Mountainside, Clark, Fanwood, Scotch Plains, Rahway, Metuchen and Raritan Township. Population served, 184,000. Miles of low pressure mains, 486; miles high pressure mains, 43. Number of prepayment meters, 2,450; regular meters, 48,982; gas services, 50,800. Number of consumers, 51,432.

Schedule of Rates—In force at Dec. 31, 1926, including minimum charges as follows: For the first 100,000 cu. ft. per month, $1.40 net per M. cu. ft.; next 100,000 cu. ft., $1.20 net; next 100,000 cu. ft., $1.15 net; next 200,000 cu. ft., $1.10 net; for the excess over 500,000 cu. ft. per month, $1.05 net; all less a discount of 20 cents per M. cu. ft. Minimum bill to be rendered is 65 cents per month.

CAPITAL STOCK

Authorized, $3,875,000; outstanding, $3,871,600; par, $100.

Registrar—National State Bank, Elizabeth, N. J.

Annual Meeting—Second Tuesday after first Monday in January.

Dividends—Dividend of 20% was paid in 1922 on 14,962 shares of $20 par value of the Elizabethtown Gas Light Co. stock. In 1923, 1924 and 1925, 2% each was paid on $100 par value stock of the new company; 1926, 3%; 1927, 4%.

FUNDED DEBT

$200,000 Elizabethtown Gas Light Co. First Refunding Gold 4½s; dated Jan. 1, 1913; due Jan. 1, 1933; int. Jan. and July 1, at Company's office, Elizabeth, N. J. Registered, $1,000. Bankers Trust Co., New York, Trustee. No sinking fund. Secured by a first lien on all of the assets of Company. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$2,239,559	$2,207,051	$1,956,731	$1,938,949	$1,872,239
Operating expenses	1,605,544	1,599,451	1,491,081	1,481,945	1,446,195
Net earnings	$634,015	$607,600	$465,650	$457,004	$426,044
Other income	10,064	9,476	12,169	14,043	9,425
Total income	$644,079	$617,076	$477,819	$471,047	$435,469
Bond interest	9,000	9,000	9,000	9,000	9,000
Other interest	6,535	3,237	4,422	3,448	1,661
Total fixed charges	$15,535	$12,237	$13,421	$12,448	$10,661
Net income	628,544	604,839	464,398	458,599	424,808
Dividends paid	154,864	125,827	87,111	77,432	77,465
Surplus for year	$473,680	$479,013	$377,287	$381,167	$347,343
Surplus previous year	1,657,099	1,178,086	800,799	419,632	72,289
Total surplus	$2,130,779	$1,657,099	$1,178,086	$800,799	$419,632
Earnings Per Share	$16.23	$15.62	$11.99	$11.84	$10.97

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$7,201,021	$6,394,795	$5,748,429	$5,372,669	$4,829,575	$4,281,514
Going value	250,000	250,000	250,000	250,000	250,000	250,000
Materials and supplies	117,014	115,792	92,660	79,035	94,628	101,478
Cash	57,885	102,803	64,098	41,181	50,581	48,506
Accounts receivable	211,863	182,624	166,120	140,862	127,368	94,242
Special deposits	300	300	200	350	200	300
Investments	89,087	75,965	75,965	75,965	75,965	76,286
Deferred charges	2,503	1,130	4,307	9,728	7,775	17,054
Suspense	.....	.....	.....	9,791	.....	.....
Total	$7,929,673	$7,123,409	$6,401,779	$5,979,581	$5,436,092	$4,869,370
Liabilities—						
Capital stock	$3,871,600	$3,871,600	$3,871,600	$3,871,600	$3,871,600	$3,871,512
Funded debt	200,000	200,000	200,000	200,000	200,000	200,000
Taxes accrued	144,299	137,492	112,292	102,485	95,606	82,089
Other accrued liabilities	.....	.....	.....	.....	1,441	167
Notes payable	125,000	.....	.....	85,000	90,000	.....
Other unfunded debt	.....	.....	15,000	.....	.....	.....
Consumers' deposits	231,436	203,523	175,544	150,199	122,377	92,715
Other accounts payable	118,032	114,799	82,256	81,772	50,083	79,294
Otther unadjusted credits	325,181	246,751	138,840	97,081	63,671	44,183
Accrd. amort. of capital	773,157	681,956	617,972	580,455	511,493	438,477
Casualty and ins. reserve	10,189	10,189	10,189	10,189	10,189	10,189
Corporate surplus	2,130,779	1,657,099	1,178,086	800,799	419,632	50,745
Total	$7,929,673	$7,123,409	$6,401,779	$5,979,581	$5,436,092	$4,869,370

Officers: Julian H. Kean, Pres.; Francis Engel, Sec. & Supt.; John Kean, Treas., Elizabeth, N. J.

Directors: Julian H. Kean, Hamilton F. Kean, John Kean, Robert W. Kean, Philip G. Roosevelt, Elizabeth, N. J.

General Office, Elizabeth, N. J.

WATERLOO, CEDAR FALLS AND NORTHERN RAILWAY COMPANY

History and Property—Incorporated Dec. 11, 1895, in Iowa, as the Waterloo & Cedar Falls Rapid Transit Co.; name changed to above on April 1, 1904. In 1896, absorbed the Waterloo St. Ry. Operates at Waterloo, Iowa, in connection with the Chicago Great Western R. R., Illinois Central R. R. and Chicago, Rock Island & Pacific Ry. Line of road: Waterloo to Cedar Falls, Farmer, Denver, Waverly and Cedar Rapids. At Cedar Rapids connects with Chicago & North Western, Chicago, Milwaukee & St. Paul and Chicago, Rock Island & Pacific. Owns and operates 140 miles of track. Gauge, standard. Rails, 75 lb. and 85 lb. T. Franchises in Waterloo and in Cedar Falls are perpetual.

Equipment—121 freight cars. Electric locomotives, 6; passenger interurban cars, 15; motor cars, 28; busses, 8; snow plows and other equipment, 31.

Franchise—The company accepted the franchise approved at a special election held on Dec. 15, 1917, which provides for a reduced rate of 13 tickets for $1 at all hours (since reduced to 10 tickets for 75 cts.), and special rates to school children; cash fares, 10 cts. The franchise also provides that whenever the gross income for the whole line shall be 5 cts. per car mile in excess of cost of operation, thereafter the Company shall share with the City in all such excess revenues, on the basis of 90% to the Company and 10% to the City. Franchise also provides for increase in fare through arbitration, arbitrators to be appointed by the district judge.

Default—Protective Committee—The interest due Jan. 1, 1922, on the $5,773,000 First Gold 5s, dated Jan. 1, 1910, having been defaulted, the following Protective Committee was formed as a precautionary measure to ensure the protection of bondholders in case of necessity. Committee: Edward B. Kane, Chairman; Arthur V. Morton, Philadelphia; M. A. Devitt, R. E. Wilsey, Chicago, and A. B. Conant, Boston. Clinton C. H. Thorpe, Secretary; Hepburn, Deckert & Norris, Philadelphia, Counsel. The Committee executed a Bondholders' Protective Agreement, dated Nov. 15, 1922, and notified holders who desired to join in the movement for protection of their mutual interests, that they should deposit their bonds, with coupons from and after Jan. 1, 1922, attached, with the Pennsylvania Co. for Insurances on Lives and Granting

Annuities, Philadelphia, Depositary, or with the First Trust & Savings Bank, Chicago, Agency Depositary. In Oct., 1923, it was announced that control of Company had passed into the hands of the First Mortgage Bondholders' Protective Committee by transfer of all the Common stock held by certain interests. In Oct., 1927, it was stated that there had been deposited with the Committee $5,241,000 of First Gold 5s and $2,170,000 of the Common stock.

CAPITAL STOCK

Authorized, $3,335,000 Common and $1,665,000 6% cumulative Pfd.; outstanding, $2,333,050 Common and $664,000 Pfd.; par, $100.

Annual Meeting—In January.

Dividends—Dividends at the rate of 6% per annum paid on Pfd. from fiscal year 1912-13 until and including July 1, 1916; none since. None paid on Common.

FUNDED DEBT

(1)

$5,773,000 FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1940

Dated January 1, 1910.

Interest Payable January and July 1, at First Trust & Savings Bank, Chicago. During the period of Federal operation the July 1, 1918 and Jan. 1, 1919 interest was delayed, but later on, the collection of compensation from the Government, this interest was paid in cash; the two subsequent coupons, July 1, 1919 and Jan. 1, 1920 were extended for four years by the issuance of interest bearing certificates. The July 1, 1920 and subsequent coupons were paid in cash; Jan., 1922 and subsequent coupons defaulted.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—First Trust & Savings Bank, Chicago, and Louis Boisot, Chicago.

Provisions of Issue—Authorized issue, $6,000,000; outstanding, $5,773,000; in treasury, $2,000; balance limited to 82½% of cost of future extensions.

Callability—Subject to call on 60 days' notice at 105 and interest.

Sinking Fund—2% of outstanding bonds began Dec. 31, 1912.

Security—Secured by first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Shope, Zane, Busby & Weber, Chicago, and Mullan & Pickett, Waterloo, Iowa.

Original Offering—First publicly offered ($1,300,000) in March, 1910, at 97 and interest.

(2)

$2,200,000 GENERAL MORTGAGE GOLD 7s; DUE MAY 1, 1950

Dated May 1, 1920.

Interest Payable May and November 1, at First Trust & Savings Bank, Chicago, Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—First Trust & Savings Bank, Chicago, and M. Traylor, Chicago.

Provisions of Issue—Authorized issue, $15,000,000; outstanding, $2,200,000. The issued bonds are all pledged as collateral.

Callability—Subject to call on any interest date at 103 and interest.

Security—Secured on entire railway system, subject to the First 5s of 1940.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$1,260,000 UNITED STATES GOVERNMENT LOAN.

No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$980,910	$914,698	$827,353	$860,308	$896,104	$841,217
Operating expenses and taxes	873,890	799,148	888,958	831,214	867,044	779,526
Net earnings	$107,020	$115,550	*$61,605	$29,094	$29,060	$61,691
Other income	2,538	2,515	2,478	2,791	840	.....
Total income	$109,558	$118,065	*$59,127	$31,885	$29,900	$61,691
Interest, etc.	481,176	484,183	525,128	723,143	464,470	465,750
Deficit for year	$371,618	$366,118	$584,255	$691,258	$434,570	$404,059

*Loss.

NOTE—The unusual operating expenses for the year 1925 contain a charge of $89,893 which represents the unaccrued depreciation of obsolete equipment retired. Without this charge the total income for the year 1925 would have been $30,765 profit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$9,467,083	$9,467,102	$9,437,969	$9,589,187	$9,562,962	$9,514,766
Stocks owned	1,690	1,490		2,990	3,020	3,191
Materials and supplies	127,026	112,924		93,132	114,083	93,157
Cash	143,186	56,788	344,967	5,550	9,015	70,956
Notes & accts. receivable	248,023	199,862		214,875	527,325	524,469
Other current assets	.....	36,658		.....	.....	.....
Collateral security	2,200,000	2,200,000				
Treasury bonds	2,000	2,000	2,909,171	757,929	814,982	869,903
Other unadjusted debits	608,748	657,453				
Deferred debit items	.....	.....	.....	.....	218,197	219,139
Profit and loss deficit	3,325,643	2,954,891	2,590,315	2,006,060	1,314,802	880,233
Total	$16,123,399	$15,689,168	$15,282,422	$12,669,723	$12,569,386	$12,175,814
Liabilities—						
Common stock	$2,333,050	$2,333,050	$2,333,050	$2,333,050	$2,333,050	$2,333,050
Preferred stock	664,000	664,000	664,000	664,000	664,000	664,000
Funded debt	7,033,000	7,033,000	7,052,971	7,064,219	7,375,755	7,425,058
General Mortgage bonds in treasury	2,200,000	2,200,000	2,200,000	.....	.....	2,200,000
First Mortgage bonds in treasury	2,000	2,000	2,000	2,000	2,000	2,000
Notes payable	588,000	588,000	588,000	588,000	593,000	589,000
Accounts payable	30,086	34,277	118,814	390,510	114,717	134,196
Accrued liabilities	2,661,745	2,251,684	2,126,531	1,429,153	1,019,405	613,505
Other current liabilities	416,074	403,439	.....	.....	.....	
Unadjusted credits	195,444	179,718	197,056	198,791	190,215	144,272
Deferred credit items	.....	.....	.....	.....	272,244	272,733
Total	$16,123,399	$15,689,168	$15,282,422	$12,669,723	$12,569,386	$12,175,814

Officers: C. M. Cheney, Pres. & Gen. Mgr.; C. D. Cass, V-P., Waterloo, Ia.; R. E. Wilsey, V-P., Chicago; J. B. Knowles, Sec., Treas. & Aud.; M. A. Welsh, Supt.; F. McDonald, Pur. Agt., Waterloo, Iowa.

Directors: C. M. Cheney, C. D. Cass, J. B. Knowles, Waterloo, Iowa; E. V. Kane, Philadelphia, Pa.; G. E. Hise, Des Moines, Iowa; R. E. Wilsey, Chicago.

Office. Waterloo. Iowa.

ESSEX COMPANY

History and Property—Incorporated in 1845, in Mass., for the purpose of developing the water power of the Merrimac River at Lawrence, Mass. Property consists of lands and water power located at Lawrence, Mass.

CAPITAL STOCK

Authorized and issued, $500,000; par $50. Stock transferred at company's office. Annual meeting, last Tuesday in February. Market for stock is in Boston.

Dividends—Regular dividends at rate of 12% per annum are paid June and Dec. 1, at company's office. Extra dividends have been paid as follows: $15 on June 1, 1907; $10 on June 1, 1908; $5 on June 1, 1909; $10 on June 1, 1911; $5 on June 1, 1915; $5 on June 1, 1916; $5 on June 1, 1917; $5 on June 1, 1918; $5 on June 2, 1919; $5 on June 1, 1920; $2 on Dec. 1, 1921; $3 extra and $7 special from the sale of land on Dec. 1, 1922; $2 extra and $7 special from the sale of land on Dec. 1, 1923; $3 extra each, Dec. 1, 1924 and 1925; $3 extra and $6 special from the sale of land on Dec. 1, 1926; $3 extra Dec. 1, 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Receipts—	1927	1926	1925
Mill rents, permanent leases	$55,730	$58,072	$58,559
Surplus power	126,532	102,822	86,275
Total	$182,262	$160,894	$144,834
Expenses on Canals	22,877	23,098	24,136
Expenses for measurements	22,477	23,047	30,291
Balance	$136,908	$114,749	$90,407
Other income (rent of buildings and lands, interest collected, etc.)	60,247	61,789	89,461
Total income	$197,155	$176,538	$179,868
Taxes for year	58,152	50,608	51,002
Dividends paid	90,000	*90,000	90,000
General expenses	27,747	30,630	29,290
Grading and repairs	14,668	.....	.....
Total deductions	$190,567	$171,238	$170,292
Surplus for year	6,588	5,300	9,576
Surplus previous year	372,582	367,282	357,706
Total surplus	$379,170	$372,582	$367,282
Earnings Per Share	$9.66	$9.53	$9.96

*Land sales in 1926 amounted to $123,327 of which $60,000 was paid to stockholders as a special dividend (not included above).

GENERAL BALANCE SHEET, DECEMBER 31

(Accounts Audited by Amos D. Albee Son & Co., C. P. A.)

Assets—	1927	1926	1925
Real estate	$100,000	$100,000	$100,000
Mill leases	400,000	400,000	400,000
Bonds	459,056	452,025	380,763
Notes secured by mtge.	264,054	272,729	280,419
Cash	9,086	2,541	23,263
Accounts due	3,487	1,800	.....
Guaranty fund	300,000	300,000	300,000
Total	$1,535,683	$1,529,095	$1,484,445
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Water power	300,000	300,000	300,000
Reserve	300,000	300,000	300,000
Grading	56,513	56,513	17,163
Profit & loss	379,170	372,582	367,282
Total	$1,535,683	$1,529,095	$1,484,445

Officers: S. H. Wolcott, Pres.; Howard Stockton, Treas.; F. M. Smith, Clerk, Boston.

Directors: Russell Gray, Louis Curtis, William Dexter, Robert H. Gardiner, J. T. Morse, Jr., Howard Stockton, S. H. Wolcott, Boston.

Office, 50 State St., Boston, Mass.

ARVADA ELECTRIC CO.

History—Incorporated June 17, 1908, in Colo. Franchise expires 1928. Supplies electricity to Arvada and surrounding territory; population served, 3,000. Current purchased from Public Service Co. of Colorado.

CAPITAL STOCK

Authorized and issued, $32,000, par, $1. No dividends paid. Annual meeting, in January, at Denver, Colo.

FUNDED DEBT

None.

Officers: W. C. Sterne, Pres. & Gen. Mgr.; Chas. S. Sterne, 1st V-P., Sec. & Treas., Denver; S. E. Rauh, 2d V-P., Indianapolis, Ind.; Harry Adler, Asst. Sec. & Asst. Treas., Denver, Colo.

Directors: W. C. Sterne, Chas. S. Sterne, Harry Adler, Denver, Colo.

Offices, Denver and Arvada, Colo.

THE LORAIN COUNTY TELEPHONE CO.

History—Incorporated Nov. 26, 1923, in Ohio. On June 1, 1924, acquired the Black River Telephone Co., Amherst Home Telephone Co., Vermilion Telephone Co. and Avon Sheffield Telephone Co. Operates local and long distance telephone system in Lorain, Avon, Amherst and Vermilion, Ohio, serving population of about 65,000. Has dual connection with Bell System and independent companies for long distance service.

CAPITAL STOCK

Authorized, $800,000 Common and $1,200,000 6% cumulative Pfd.; outstanding, $525,000 Common and $876,100 Pfd.; par, $100. Stock transferred at Company's office.

Preferred Stock Provisions—Has preference for assets and dividends, and is callable on any dividend date at 105. Has no voting power except in the default in dividends.

Annual Meeting—Third Wednesday in January.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1. Common dividends have been paid as follows: 1924, 3%; 1925, 1926 and 1927, 8% each; payments quarterly, F, M, A & N 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$358,017	$338,877	$305,930
Oper. exp. & taxes	172,292	160,081	149,738
Depreciation	91,054	86,149	69,376
Net earnings	$94,671	$92,647	$86,816
Miscell. charges	.....	2,932	10,018
Net income	$94,671	$89,715	$76,798
Preferred dividends	52,614	89,116	43,506
Common dividends	42,000		33,292
Surplus for year	$57	$599	.....

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total plant value	$1,591,335	$1,506,515	$1,301,671
Cash and deposits	22,118	42,603	37,030
Accounts receivable	15,018	12,803	13,671
Materials and supplies	14,235	32,035	10,940
Other current assets	3,319	3,840	3,428
Deferred debit items	6,824	18,024	24,024
Total	$1,652,849	$1,615,820	$1,390,764
Liabilities—			
Common stock	$525,000	$525,000	$464,600
Preferred stock	876,100	877,700	744,805
Capital stock installments	245	245	.....
Premium on capital stock	36,998	36,998	62,094
Accounts payable	17,284	4,976	5,462
Accrued liabilities not due	23,104	36,396	24,499
Depreciation reserve	173,461	133,906	89,304
Surplus	657	599	.....
Total	$1,652,849	$1,615,820	$1,390,764

Officers: A. V. Hageman, Pres.; Wm. Honecker, V-P.; B. G. Nichols, Sec.; H. E. Hageman, Treas., Lorain, Ohio.

Directors: A. V. Hageman, Wm. Honecker, B. G. Nichols, H. E. Hageman, N. C. Alfen, Judge W. B. Thompson, Lorain, Ohio.

General Office, Lorain, Ohio.

EAST ST. LOUIS, COLUMBIA & WATERLOO RY.

History—Incorporated Aug. 31, 1906, in Ill., to build an electric road from East St. Louis to Waterloo, Monroe County, Ill.; first portion of road opened May 25, 1912; road completed in Dec., 1912. Length of road, 22.18 miles. Sidings, 1.98 miles. Gauge, standard. Rail, 70 and 80 lbs. Motor cars, 8; other cars, 3. Power purchased from East St. Louis Light & Power Co.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $750,000; par, $100. Annual meeting, third Wednesday in January, at East St. Louis, Ill. Dividends of 2½% each paid in 1922 and 1923; none since.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$161,069	$169,939	$193,170
Oper. exp. & taxes	165,578	172,885	180,379
Depreciation	3,432	3,300	3,036
Deficit for year	$7,941	$6,246	*$9,755

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$838,150	$837,363	$826,544
Investments	5,000	5,000	.....
Materials and supplies	20,390	20,445	24,597
Cash	1,514	1,337	6,116
Accts. receivable	6,412	7,775	8,150
Unadjusted debits	50	50	4,106
Deferred debit items	11,853	11,966	11,797
Total	$883,369	$883,936	$881,309
Liabilities—			
Capital stock	$750,000	$750,000	$750,000
Accounts payable	13,982	10,028	10,454
Accrued taxes	4,994	7,278	6,188
Deferred credit items	6,425	5,038	3,804
Depreciation reserve	31,044	27,613	24,313
Unadjusted credits	7,092	6,207	2,532
Profit and loss	69,832	77,772	84,018
Total	$883,369	$883,936	$881,309

Officers: Chas. A. Lemp, Pres.; Edw. W. Foristel, V-P.; Wm. J. Lemp, Treas.; F. W. Kaelble, Sec.; C. E. Finch, Gen. Mgr. & Pur. Agt., East St. Louis, Ill.

Directors: Chas A. Lemp, E. W. Foristel, H. Leroy Browning, Josiah Whitnel, East St. Louis, Ill.; Jos. W. Rickert, Waterloo, Ill.

General Office, 19th & Baker Sts., E. St. Louis, Ill.

NASHVILLE INTERURBAN RAILWAY

History and Properties—Incorporated Jan. 18, 1905, in Tenn. Line of road: Nashville to Franklin, Tenn., 19.3 miles, including 2.8 miles of city lines operated under trackage contract with Nashville Ry. & Light Co. Gauge, standard. Passenger cars, 4; freight cars, 2. Electric locomotive, 1. Power purchased from Nashville Ry. & Light Co.; two sub-stations.

The Company also operates under lease the road formerly operated by the **Middle Tennessee R. R. Co.** which extends from Franklin to Mt. Pleasant, Tenn., a distance of 41.5 miles. This road is operated with gasoline motive power. Equipment consists of one freight and one passenger car. Revenues and expenses are included in those of the lessor.

CAPITAL STOCK

Authorized and issued, $600,000; par, $100. No dividends have ever been paid. Annual meeting, third Wednesday in January.

FUNDED DEBT

$600,000 (entire issue) First Mortgage 5% Gold bonds; dated May 1, 1907; due May 1, 1937; int. May and Nov. 1. Coupon, $1,000; principal may be registered. Subject to call at any time at 110. Sinking fund, 1% per annum, began May 1, 1912. Secured by first lien on railway and equipment. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$116,702	$143,271	$141,973
Oper. exp., taxes & deprec.	99,443	136,830	130,852
Net earnings	$17,259	$6,441	$11,121
Other income	.....	659	625
Total income	$17,259	$7,100	$11,746
Interest, rentals, etc.	35,354	35,355	30,111
Deficit for year	$18,095	$28,255	$18,365
Times Bond Interest Earned	0.57	0.24	0.39

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$880,632	$883,051	$877,138
Bonds owned	.....	.....	10,000
Materials and supplies	4,743	4,683	4,481
Cash	*324	3,556	2,847
Accounts receivable	74,566	73,432	73,404
Other current assets	2,273	2,273	2,273
Prepaid insurance	.....	911	.....
Deferred debit items	.....	450	450
Unadjusted debits	287,125	291,978	299,986
Corporate deficit	161,912	143,817	115,562
Total	$1,410,927	$1,404,151	$1,386,141
Liabilities—			
Capital stock	$600,000	$600,000	$600,000
Funded debt	600,000	600,000	600,000
Current liabilities	5,192	8,363	3,743
Taxes accrued	2,310	2,212	2,212
Interest accrued	5,000	5,000	5,000
Unadjusted credits	.....	1,770	.....
Reserve for depreciation	198,425	186,806	175,187
Total	$1,410,927	$1,404,151	$1,386,141

*Overdraft.

Officers: J. E. Napier, Pres. & Gen. Mgr.; John A. Pitts, V-P.; L. B. Howard, Sec. & Treas.; R. R. Johnson, Aud.; Nashville, Tenn.

Directors: J. E. Napier, L. B. Howard, John A. Pitts, R. F. Jackson, Jr., H. E. Colton, Nashville, Tenn.; H. H. Mayberry, Newt. Cannon, Jr., Franklin, Tenn.

General Office, Nashville, Tenn.

NORTH SHORE & WESTERN RAILWAY COMPANY

History—Incorporated Sept. 29, 1906, in Illinois Operating between Evanston, Ill. and the Glen View Club, 3.75 miles. One car.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. Annual meeting, third Tuesday in January.

FUNDED DEBT

$25,000 First Mortgage 5s; dated 1907; due 1927; extended to July 1, 1937; interest January and July 1, at State Bank of Chicago, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$3,753	$5,222	$9,360
Operating exp. & taxes	2,852	5,016	11,089
Net earnings	$901	$206	*$1,729
Fixed charges	1,250	1,255	1,250
Balance, deficit	$349	$1,049	$2,979

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and plant	$99,080	$99,080	$63,955
Current assets	795	839	2,059
Bond interest deposits	656	31	656
Bonus	25,000	25,000	25,000
Open accounts	14,603	14,603	14,634
Total	$140,134	$139,553	$106,304
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
Funded debt	25,000	25,000	25,000
Notes and accounts payable	40,208	40,213	15,333
Accrued liabilities	1,896	1,629	1,294
Reserves	14,049	12,189	10,212
Bond interest coupons	656	31	656
Surplus	8,325	10,491	3,809
Total	$140,134	$139,553	$106,304

Officers: Clement C. Smith, Pres., Milwaukee, Wis.; Chas. F. Speed, V-P. & Treas., Evanston, Ill.; Hugh W. McCulloch, V-P., Chicago, Ill.; J. H. Deinlein, Sec., Milwaukee, Wis.

Directors: Clement C. Smith, J. H. Deinlein, Milwaukee, Wis.; Chas. F. Speed, Evanston, Ill.; Hathorn W. McCulloch, Hugh W. McCulloch, Chicago, Ill.

Office, Evanston Railway Bldg., Evanston, Ill.

MONTREAL LIGHT, HEAT & POWER CONSOLIDATED

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Common Stock (no par)	J, A, J & O 31	2,558,163shs.	2,041,837shs.	$6,893,094	$1.83 1/3	$3,915,423	$3.37

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
25-Year Sinking Fund 5% 1st Ref. & Coll. Tr. Gold Bonds, Ser. "A"	Oct. 1, 1951	A & O 1	$75,000,000	$29,780,000	No	Yes	.....

History—Incorporated in 1916, in Quebec as a holding company, under name of The Civic Investment & Industrial Co. An Act amending the charter of The Civic Investment & Industrial Co. was assented to Feb. 9, 1918, whereby the name of the Company was changed to Montreal Light, Heat & Power Consolidated. Organized by large shareholders of The Montreal Light, Heat & Power Co. and The Cedars Rapids Manufacturing & Power Co., chiefly for the purpose of operating and placing under one control and management the properties of both companies and their subsidiaries. The properties controlled and operated are as follows: The Montreal Light, Heat & Power Co., Provincial Light, Heat & Power Co., Ltd., Standard Light & Power Co., The Cedars Rapids Manufacturing & Power Co., Lachine Rapids Hydraulic & Land Co., The Royal Electric Co. (founded in 1884), The Montreal Gas Co., (founded in 1836), Montreal Public Service Corp., etc. During 1924 acquired the business of the Quebec-New England Hydro-Electric Corporation, constituting about 15,000 electric consumers.

Under agreements made between The Civic Invesment & Industrial Co. (now Montreal Light, Heat & Power Consolidated), The Montreal Light, Heat & Power Co. and The Cedars Rapids Manufacturing & Power Co. (approved by directors and shareholders of the respective companies), the former company operates, effective Aug. 1, 1916, the properties of the last named companies during a period of 98 years. The operation of the two properties by one management has all the practical operating characteristics of a merger, with the resultant economies of administration.

Under terms of these agreements The Montreal Light, Heat & Power Consolidated guarantees all fixed charges, operating expenses, maintenance, etc., of both Companies, and 8% annual dividends of the stock of The Montreal Light, Heat & Power Co. and 3% annual dividends on the stock of The Cedars Rapids Manufacturing & Power Co. from Aug. 1, 1916. The Montreal Light, Heat & Power Consolidated has acquired over 99% of the capital stock in each company.

Jointly with The Shawinigan Water & Power Co., Company controls United Securities, Limited (see General Index), which through stock ownership, controls Montreal Tramways Co. (see General Index) which owns and operates under favorable long-term contract with the City of Montreal, the street railway system in the City and in the suburban municipalities on the Island of Montreal, embracing 275 equivalent miles of single track. Montreal Tramways Co. is a large consumer of electric power, purchasing 55,000 h.p. (maximum) annually from the Company and its subsidiaries.

Business and Property—Directly or through its subsidiaries or associated companies, Montreal Light, Heat & Power Consolidated does all the gas business, substantially all the domestic, municipal and commercial electric light and power generating and distributing business, and has a very important interest in the street railway system, of Greater Montreal, embracing a rapidly growing community of over 1,077,000 population.

The hydro-electric generating stations at Lachine Rapids and Soulanges on the St. Lawrence River and at Chambly on the Richelieu River, have a combined installed capacity of 53,400 h.p. The Cedar Rapids hydro-electric plant on the St. Lawrence River has an installed capacity in 18 units of 197,400 h.p. These plants, together with a steam auxiliary station of 22,500 h.p. capacity, give the Company a combined capacity of 273,300 h.p. The gas properties have a generating capacity of 29,000,000 cu. ft. per day.

GROWTH OF BUSINESS, CALENDAR YEARS

	—Output— Electricity M.k.w.h.	Gas M. cu. ft.	—No. of Customers— Electric	Gas	Rate per k.w.h.
1902	42,980	765,311	5,611	25,347	13.50
1905	93,453	1,010,207	12,191	34,039	12.75
1910	176,457	1,496,017	19,367	57,046	9.00
1915	349,642	2,547,040	65,476	94,817	6.00
1920	908,658	3,951,134	123,078	117,207	4.80
1921	907,231	3,873,913	131,006	118,542	4.80
1922	945,200	4,001,525	140,445	122,689	4.80
1923	1,089,099	4,502,565	150,056	127,083	4.25
1924	1,157,649	4,547,705	175,315	134,978	4.00
1925	1,175,430	4,663,423	187,284	144,201	3.50
1926	1,251,501	4,812,848	196,992	153,506	3.50
1927	1,354,895	5,176,138	212,842	162,349	3.50

CAPITAL STOCK

Authorized, 2,558,163 shares Common of no par value; outstanding, Dec. 31, 1927, 2,041,837 shares, of which 100,000 shares were sold to customers and employees at $50 a share and is only part paid. Stockholders on July 26, 1926, voted to change the former capital stock (consisting of $75,000,000 authorized and $64,727,900 outstanding, par, $100) into Common shares of no par value, and 6% cumulative Pfd. stock of $50 par value (redeemable at any time on 30 days' notice at par), and to exchange each issued share of capital stock, par, $100, for 3 shares of new Common of no par value and 1 share of 6% Pfd., par, $50, and to subdivide and convert each unissued share of old capital stock into 6 shares of new Common. As a result of these exchanges there were outstanding 1,941,837 shares of no par value Common and $32,363,950 6% Pfd. All the outstanding Pfd. stock was called for payment at par on Nov. 1, 1926, from the proceeds of the sale of the below described First Refunding & Collateral Trust 5% bonds, Series "A."

Annual Meeting—Usually first week in February.

Listed—Montreal and London Stock Exchanges, and New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	*96½	*75	220	188	143½	104¾	89½	90
Low	*68⅛	*60⅛	152	140	103½	85	77½	76

*New no par Common.

Dividends—Initial dividend of 1% on capital stock (par, $100), paid Nov. 15, 1916, which quarterly rate maintained to May, 1919; Aug. 15, 1919, to Nov. 15, 1922, 1¼% quarterly; Feb. 15 to Nov. 15, 1923, 1½% quarterly; Feb. 15, 1924, to Feb. 15, 1925, 1¾% quarterly; May 15, 1925, to Feb. 15, 1927, 2% quarterly, the last two dividends being paid on the unexchanged stock.. Initial dividend of 50 cts. a share on the no

par Common stock was paid Nov. 15, 1926; Jan. 31, 1927, 33 1-3 cts. a share, being for two months ended Dec. 31, 1926; April 30, 1927 to April 30, 1928, inclusive, 50 cents each quarter; payments, J 31, A 30, J 31 & O 31.

FUNDED DEBT

$29,780,000 25-YEAR SINKING FUND 5% FIRST REFUNDING & COLLATERAL TRUST GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1951

Dated October 1, 1926.

Interest Payable April and October 1 at the holder's option, in Canadian gold coin at Royal Bank of Canada, in Montreal and Toronto, or in U. S. gold coin at Agency of Royal Bank of Canada, New York, or in gold coin of Kingdom of Great Britain at The Royal Bank of Canada, London, Eng., at fixed rate of $4.86 2/3 to the £1.

Denominations—Coupon, $500 and $1,000, principal may be registered; fully registered bonds, $1,000 and authorized multiples.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized, $75,000,000; issued $30,000,000 Series "A" 5s, of which $220,000 redeemed to Dec. 31, 1927. Bonds are issuable in series, which may mature not earlier than Oct. 1, 1951, bear interest at any rate not exceeding 6% and may otherwise, subject to provision of Trust Deed, be of such kind, tenor and form as Company may determine. Trust Deed under which bonds are issued (and issuable) provides a permanent flexible medium for simplification of funded debt operations of the Montreal Light, Heat & Power Consolidated system, including refunding of outstanding bonds of subsidiary companies. Additional bonds of Series "A" or any other series may only be issued in accordance with restrictions of Trust Deed in following amounts and for following purposes: (a) Par for par, to refund, acquire or retire bonds or other secured obligations of present or future subsidiary companies outstanding in the hands of public, or to refund bonds of other series; (b) Not exceeding $5,000,000 principal amount for capital expenditures on existing fixed assets of, or acquisition of new fixed assets for, Company or any subsidiary company; or for acquisition of additional securities and/or shares as defined in Trust Deed; (c) Remaining authorized principal amount of bonds may be issued only to extent of 75% of actual cash cost or fair value (whichever may be less), of capital improvements or additions to properties of Company and/or any subsidiary company, or of additional securities and/or shares of a comany at least 51% of voting capital stock of which is, or will be upon pledge of such additional securities and/or shares, specifically pledged under Trust Deed. No additional bonds can be issued under (b) and (c) above, unless net earnings as defined in Trust Deed of Company and any subsidiary company or companies at least 51% of voting capital stock of which is pledged under Trust Deed for any twelve consecutive calendar months out of sixteen calendar months immediately preceding application for issue of such bonds shall have been equal to not less than one and one-half times annual interest charges on all First Refunding and Collateral Trust bonds of Company to be outstanding after proposed additional issue and on underlying subsidiary bonds as defined in Trust Deed.

Purpose of Issue—Proceeds from sale of $30,000,000 Series "A" bonds were applied toward retirement, at par and accrued dividend of Company's $32,363,950 par value of Pfd. stock.

Callability—Subject to call as a whole or in part on any interest date, on 60 days' notice, to and including Oct. 1, 1931, at 105 and interest, and thereafter at 1% less for each subsequent 5 years, or fraction thereof.

Sinking Fund—Provision is made for an annual cumulative sinking fund, commencing Oct. 1, 1927, which is sufficient to redeem one-third of Series "A" bonds by maturity.

Security—Secured by Trust Deed constituting a first specific mortgage and charge on: (1) all the real and immoveable properties of the Company; (2) the following securities and shares of subsidiary and/or associated companies; (a) over 99% of the issued capital stock of Montreal Light, Heat & Power Co.; (b) over 99% of the issued capital stock of Cedars Rapids Manufacturing & Power Co.; (c) certain bonds and shares of the above and other subsidiary companies; (d) $1,290,787.50 par value of $5,126,172.50 par value issued Common shares and $150,000 par value of $5,125,372.50 par value of issued Preferred shares of United Securities, Limited; (3) operating agreements of the Company with Montreal Light, Heat & Power Co. and Cedars Rapids Manufacturing & Power Co.; (4) power contracts with The Shawinigan Water and Power Co.

The bonds are additionally secured by the floating charge of the Trust Deed covering all the Company's assets not covered by the specific charge. The specific and floating charges will cover all of the Company's interest in assets acquired after the execution of the Trust Deed.

Legal Investment for life insurance companies under the Insurance Act, 1917, Canada.

Original Offering—First publicly offered in United States and Canada ($30,000,000, Series "A") in October, 1926, at 99.50 and interest, yielding over 5.03%, by Wood, Gundy & Co., Inc., Aldred & Co., Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago; Wood, Gundy & Co., Ltd., and Harris, Forbes & Co., Ltd., Montreal. An offering of these bonds, simultaneous with this offering, was made abroad.

Price Range—

	1927	1926
High	102¾	99⅜
Low	99⅛	98⅜

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Accounts Audited by P. S. Ross & Sons)

	1927	1926	1925	1924	1923	1922
Gross revenue	$20,314,902	$18,907,382	$18,348,806	$17,394,092	$16,140,960	$14,431,323
Expenses and taxes	8,467,405	8,322,956	8,623,899	7,984,493	†7,113,960	6,504,718
Depreciation and renewal reserve	2,031,490	1,890,738	1,834,880	1,739,409	1,614,096	1,443,132
Net revenue	$9,816,007	$8,693,688	$7,890,027	$7,670,190	$7,412,904	$6,483,473
Fixed charges	2,922,913	1,611,121	1,213,650	1,209,778	1,211,654	1,214,785
Net income	$6,893,094	$7,082,567	$6,676,377	$6,460,412	$6,201,250	$5,268,688
Dividends paid	$3,915,423	$5,135,041	$4,256,639	$3,770,642	$3,231,767	$2,690,398
Dividends accrued			862,452	754,262	754,041	646,069
Surplus	$2,977,671	$1,947,526	$1,557,286	$1,935,508	$2,215,442	$1,932,221
Less:						
Appropriated for pension fund	20,000	20,000	20,000	20,000	20,000	20,000
Insurance reserve	300,000	58,044	.....	150,000	.....	.....
Transferred to general surplus	$2,657,671	$1,869,482	$1,537,286	$1,765,508	*$2,195,442	*$1,912,221
Earnings Per Share	§$3.37	§$3.47	‡$10.32	$9.99	$9.60	$8.15

*Transferred to general surplus subject to income tax. †Does not include income tax. ‡On 646,839 shares of $100 par value each. §On 2,041,837 shares of no par value each.

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

(Accounts Audited by P. S. Ross & Sons)

Assets—	1927	1926	1925	1924	1923	1922
Stocks, bonds and interest in other Corps	‡$78,021,690	‡78,633,849	$64,058,020	$60,426,013	$61,100,106	$62,005,364
Advances to subsidiary companies			10,023,525	12,653,361	9,401,694	7,776,984
Property and plant investment	.....	.....	.....	.....	223,791	223,767
Investment securities	12,801,659	9,082,464	9,674.784	8,100,881	6,710,628	4,931,119
Bills receivable	1,654,020	1,215,072	1,322,726	1,257,788	110,400	132,179
Accounts collectible					1,192,910	1,246,415
Stores	873,794	853,130	1,481,658	1,624,410	363,850	356,288
Coal, coke, tar, etc.					1,581,186	1,578,308
Call loans	2,000,000	.....	.....	.....	.....	.....
Cash on hand and in bank	1,736,475	2,034,296	2,353,786	2,291,690	2,627,616	2,582,897
Total	$97,087,638	$91,818,811	$88,914,499	$86,354,143	$83,312,181	$80,833,321
Liabilities—						
Capital stock	§$61,425,134	$56,185,745	$64,683,900	$64,651,000	$64,632,100	$64,606,900
Funded debt	29,780,000	30,000,000	.....	.....	.....	.....
Reserves, including subsidiary companies:						
Insurance	1,000,000	700,000	641,956	641,956	491,956	491,956
Contingent	534,002	534,003	534,003	534,003	534,003	534,003
Depreciation and renewal	‡	‡	9,860,408	9,116,487	8,310,818	7,692,498
Accounts payable	†1,543,716	†1,465,322	†2,010,848	†1,940,068	1,056,955	1,026,203
Customers' deposits	792,041	714,202	638,206	564,878	469,730	402,755
Accrued interest on bonds	971,708	973,811	43,610	42,581	43,005	43,629
General suspense account	.....	.....	630,749	637,826	687,761	693,238
Dividend accrued	978,981	658,672	862,452	754,262	754,041	646,069
Preferred stock unredeemed	62,056	587,056	.....	.....	.....	.....
Surplus account	§	.....	9,008,367	7,471,082	*6,331,812	*4,696,070
Total	$97,087,638	$91,818,811	$88,914,499	$86,354,143	$83,312,181	$80,833,321

*Subject to income tax for current year. †Including provisions for income tax. ‡Depreciation deducted before showing stock, bonds and interest in other companies. §Capital stock and surplus represented by 2,041,837 shares, $62,695,136 of which $1,270,002 was unpaid, leaving balance of $61,425,134.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Accounts collectible	$1,654,020	$1,215,072	$1,322,726	$1,257,788	$1,192,910	$1,246,415
Bills receivable					110,400	132,179
Stores	873,794	853,130	1,481,658	1,624,410	363,850	356,288
Coal, coke, tar, etc.					1,581,186	1,578,308
Cash on hand, etc.	1,736,475	2,034,295	2,353,786	2,291,690	2,627,616	2,582,897
Call loans	2,000,000	.....	.....	.....	.....	.....
Investment securities	12,801,659	9,082,464	9,674,784	8,100,881	6,710,628	4,931,119
Total	$19,065,948	$13,184,961	$14,832,954	$13,274,769	$12,586,590	$10,827,206
Current Liabilities—						
Accounts payable	$1,543,716	$1,465,322	$2,010,847	$1,940,068	$1,056,955	$1,026,203
Customers' deposits	792,041	714,202	638,206	564,878	469,730	402,755
Accrued interest on bonds	971,708	973,811	43,610	42,581	43,005	43,629
General suspense account	.....	.....	630,749	637,826	687,761	693,238
Dividends payable	978,981	658,672	862,452	754,262	754,041	646,069
Preferred stock unredeemed	62,056	587,056	.....	.....	.....	.....
Total	$4,348,502	$4,399,063	$4,185,864	$3,939,615	$3,011,492	$2,811,894
Net Working Capital	$14,717,446	$8,785,898	$10,647,090	$9,335,154	$9,575,098	$8,015,312

Officers: Sir Herbert S. Holt, Pres.; J. S. Norris, V-P.; C. S. Bagg, Sec.-Treas., G. R. Whatley, Asst. Sec.-Asst. Treas.; P. S. Ross & Sons, Auditors, Montreal, Can.

Directors: J. E. Aldred, New York; Sir H. Montagu Allan, George Caverhill, Hon. Narcisse Perodeau, G. H. Montgomery, K. C., T. B. Macaulay, Hon. H. B. Rainville, J. W. McConnell, Sir Lomer Gouin, Julian C. Smith, Montreal, Can.

General Office, Power Bldg., Montreal, Can.

THE CEDARS RAPIDS MANUFACTURING & POWER COMPANY

(Controlled by Montreal Light, Heat & Power Consolidated)

History and Property—Incorporated July 18, 1904, under laws of Dominion of Canada, to acquire, develop and operate the water power of the St. Lawrence River available at Cedars Rapids, a point about 30 miles above Montreal. Company's property is operated by The Montreal Light, Heat & Power Consolidated on terms shown in that Company's statement.

Under contracts with the Dominion Government and the Government of the Province of Quebec, the Company has the perpetual right to take 56,000 cubic feet of water per second, which is sufficient at the head of 32 ft. available at this point to develop 180,000 h. p. during the entire year. A further grant of 19,000 cu. ft. per second was obtained, which can be used yearly from Nov. 20 to May 20, when the Company's load is the heaviest. With this additional grant, which gives a total of 75,000 cu. ft. per second, or the equivalent of 245,000 h. p. the ultimate of 220,000 h. p. can be secured. The rapids at Cedars extend over a distance of two miles. To concentrate the difference of level at one point, a canal has been cut out of the solid rock along the north bank of the river, the outer wall of this canal being protected by a ramp made of the rock excavated from the canal. The canal is 13,000 feet long, with a width of 1,200 feet at its lower end, where a concrete dam is constructed, furnishing the foundation for the power house structure.

THE CEDARS RAPIDS MANUFACTURING & POWER CO. Securities

ALDRED & CO.

40 Wall Street NEW YORK

In the spring of 1913 a contract was let for the construction of the main part of the work with the exception of the power house super-structure and the transformer house. The work was pushed with great energy and completed on schedule time in Nov., 1914. Water was let into the canal on Nov. 1, 1914, and the first machine, No. 1 exciter was turned over Nov. 5, 1914. The first main unit was turned over on Nov. 11, 1914. In Oct., 1918, two additional units aggregating 20,000 h. p. were put in operation. The company has recently installed the two final hydro-electric units at Cedars bringing the plant to its ultimate capacity of 220,000 h. p.

There is an unlimited flow of water as the proposition has the Great Lakes for storage. Only the natural flow of the river is utilized there being no impounding of water necessary.

Contracts—Long term contracts have been made with the Aluminum Company of America, for 60,000 h. p., to be utilized at Massena, New York, and supplemental contracts with the Aluminum Company of American for 15,000 h. p., and with The Montreal Light, Heat & Power Co., covering 105,000 h. p. for distribution in the City of Montreal and vicinity.

CAPITAL STOCK

Authorized, $10,000,000; issued, $8,900,000; par, $100. A majority of the issued stock has been exchanged for stock of The Civic Investment & Industrial Co. (now Montreal Light, Heat & Power Consolidated).

Transfer Agent—Montreal Trust Co., Montreal, Can.

Registrar—Canadian Trust Co., Montreal, Can.

Annual Meeting—First week in February.

Dividends—Quarterly dividends of ¾ of 1% are being paid on unexchanged stock; payments, F, M, A & N 15.

FUNDED DEBT

$13,749,200 FIRST MORTGAGE GOLD 5s; DUE JAN. 1, 1953

Dated January 17, 1913.

Interest Payable January and July 1, at Royal Bank of Canada, New York (in U. S. gold coin), Montreal and London (at $4.86⅔ to £1).

Denominations—Coupon, $100 or £20 10s. 2d.; $500 or £102 14s. 10d; and $1,000 or £209 9s. 8d.; principal may be registered.

Trustee—Montreal Trust Co., Montreal, Can.

Provisions of Issue—Authorized and issued, $15,000,000, of which $804,800 held in treasury; $446,000 have been redeemed, leaving $13,749,200 in hands of public.

Callability—Subject to call as a whole or in part at 110 and interest upon six weeks' notice.

Sinking Fund—Beginning Jan. 1, 1925, 1% of outstanding bonds; $446,000 bonds have been redeemed.

Security—Secured by a first (closed) mortgage on all the company's present and future movable and immovable property, licenses, franchises, lands, canals, power stations, transmission lines, machinery, and equipment, etc., and also all shares and stocks in, and bonds, debentures and other securities of any other company now owned or hereafter acquired.

Tax Provisions—Both principal and interest payable without deduction for any tax or taxes which the Company may be entitled or required to pay or retain therefrom under or by reason of any present or future law of the Parliament of Canada or by the Legislature of any Province of Canada.

Legal Opinion—McGibbon, Casgrain, Mitchell & Casgrain, Montreal, Can.

Listed—Montreal Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101⅞	101½	101¼	99¾	98¼	97½	97	89¼
Low	99	99¼	93	94	93	92¾	86	81

OFFICERS AND DIRECTORS

Officers: Sir Herbert S. Holt, Pres.; J. S. Norris, V-P.; C. S. Bagg, Sec.-Treas.; G. R. Whatley, Asst. Sec.-Asst. Treas. Montreal.

Directors: J. E. Aldred, New York; J. S. Norris, Sir Herbert S. Holt, G. H. Montgomery, K. C., J. W. McConnell, Montreal.

General Office, Montreal, Que., Can.

THE MONTREAL LIGHT, HEAT & POWER COMPANY

(Controlled by Montreal Light, Heat & Power Consolidated)

History—Incorporated March 28, 1901, under special act of Quebec Legislature, granting perpetual and valuable rights in and adjacent to city of Montreal. Has acquired through exchange of stock 99.05% of the capital stock of the Montreal Gas Co., and the entire capital stocks of the Royal Electric Co., Montreal & St. Lawrence Light & Power Co., the Imperial Electric Co., the Lachine Rapids Hydraulic & Land Co., Ltd., the Citizens Light & Power Co., Ltd., the Standard Light & Power Co. and the Temple Electric Co. Also owns 95% of the $500,000 capital stock of the Provincial Light, Heat & Power Co. All of these companies possess valuable charter rights and franchises, which can be exercised in perpetuity by the Light, Heat & Power Co.

Company's properties are operated by Montreal Light, Heat & Power Consolidated on terms shown in that Company's statement.

Property—Controls the entire gas, electric light and power business of Montreal and its suburbs. Supplies public lighting and power of the City and furnishes power in large blocks to consumers. Operates three hydraulic stations, one on the Richelieu River, one on the Lachine Rapids on the St. Lawrence River, and one at Soulanges, having a combined capacity of 53,400 h.p. Operates the Cedars Plant, with capacity of 197,400 h.p. installed. Under a 25-year contract (renewable at this Company's option for a like period of 25 years) the Power Company controls all of the power transmitted to Montreal by the Shawinigan Water & Power Co. from its hydraulic plants on the St. Maurice River. The gas properties, owned by Montreal Gas Co., a subsidiary, have a generating capacity of 29,000,000 cu. ft. per day. Population served, 1,077,000. Price, gas, $1.20 less 10 cts. per 1,000 cu. ft. if paid in 10 days. Electric rates, 4 cts. per k.w.h. less ½ ct. if paid in ten days.

STATEMENT OF OUTSTANDING CAPITAL STOCK OF SUBSIDIARY COMPANIES

Name of Company	Outstanding	Owned by Montreal L.,H.& P.Co. Amount	%
Montreal Gas Co.	$2,998,832	$2,970,200	99.05
Royal Electric Co.	2,250,000	2,250,000	100.
Montreal & St. Lawrence Light & Power Co.	2,750,000	2,750,000	100.
Imperial Electric Light Co.	150,000	150,000	100.
Citizens' Light & Power Co.	200,000	200,000	100.
Lachine Rapids & Hydraulic Land Co.	1,990,500	1,990,500	100.
Standard Light & Power Co.	249,500	249,500	100.
Temple Electric Co.	70,000	70,000	100.
Total	$10,658,832	$10,630,200	.....

CAPITAL STOCK

Authorized, $22,000,000 (increased from $17,000,000 on June 4, 1913); issued, $18,800,000; par, $100. A majority of the issued stock has been exchanged for stock of The Civic Investment & Industrial Co. (now Montreal Light, Heat & Power Consolidated).

Transfer Agent—Montreal Trust Co., Montreal and London, Eng.

Registrar—Canadian Trust Co., Montreal.

Annual Meeting—In February.

Dividends—Quarterly dividends of 2% are being paid on unexchanged stock; payments F, M, A & N 15.

FUNDED DEBT

(1)

$6,326,000 FIRST MORTGAGE & COLLATERAL TRUST GOLD 4½s; DUE JANUARY 1, 1932

Dated January 1, 1902.

Interest Payable January and July 1, at Bank of Montreal, Montreal and New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Royal Trust Co., Montreal, Can.

Provisions of Issue—Authorized and issued, $7,500,000, of which $1,174,000 held in Company's treasury, leaving $6,326,000 outstanding in hands of the public.

Callability—Subject to call as a whole, but not in part, at 105 and interest on any interest date upon 90 days' notice.

Security—Secured by first lien on the charters, rights and property of the company, including $2,942,080 of the $2,998,640 capital stock of the Montreal Gas Co.; all of the $2,250,000 stock of the Royal Electric Co.; $2,745,000 (over 99%) of the capital stock of the Montreal & St. Lawrence Light & Power Co., and $145,000 (over 99%) of the capital stock of the Imperial Electric Co. The bonds are a first lien on the property of the Montreal & St. Lawrence Light & Power Co., and on the property of the Imperial Electric Co., the Montreal Gas Co., and the Royal Electric Co.

Original Offering—First publicly offered ($2,500,000) in March, 1902, at 102 and interest.

Listed—Montreal Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99¼	98½	98½	97¾	95¼	93½	92	90
Low	97½	97	97	93	89¼	91¼	87	83

(2)

$2,832,000 LACHINE SINKING FUND GOLD 5s; DUE APRIL 1, 1933.

Dated April 1, 1903.

Interest Payable April and October 1, at Bank of Montreal, Montreal and New York.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $4,000,000, of which $384,000 held in escrow to retire the Lachine Rapids Hydraulic & Land Co., Ltd., 5s, matured and paid off Nov. 1, 1926, $784,000 have been redeemed by sinking fund to Dec. 31, 1927, leaving $2,832,000 outstanding in hands of the public.

Callability—Subject to call as a whole, but not in part, at 105 and interest on any interest date upon 90 days' notice.

Sinking Fund—Company is required, beginning May 1, 1904, to pay over annually to the trustee for the purposes of a sinking fund a sum equal to 1% of the par value of the bonds outstanding at the end of each year.

Security—The bonds are a direct obligation of the Montreal Light, Heat & Power Co. and are secured by deposit with the Royal Trust Co., as trustee, of over 99% of the capital stock of the Lachine Hydraulic & Land Co., Ltd., over 98% of the capital stock of the Standard Light & Power Co., and the capital stock of the Citizens Light & Power Co. and the Temple Electric Co. Through the deposit with the trustee of the capital stocks as above stated, the bonds are a lien on the property, rights, charters, franchises and contracts of these companies, and are also a lien on all the property, rights etc., of the Montreal Light, Heat & Power Co., subject only to the First and Collateral Trust 4½s due Jan. 1, 1932.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	101	101	97	96	93	90	76½
Low	99½	99½	98½	bid	93	bid	bid	bid

Original Offering—First publicly offered ($3,414,000) in 1903 at par and interest.

OFFICERS AND DIRECTORS

Officers: Sir H. S. Holt, Pres.; J. S. Norris, V-P.; C. S. Bagg, Sec.-Treas.; G. R. Whatley, Asst. Sec.-Asst. Treas.; H. R. Lyons, Compt., Montreal.

Directors: Sir Herbert S. Holt, T. B. Macaulay, G. H. Montgomery, Hon. H. B. Rainville, Sir H. Montagu Allan, Julian C. Smith, Geo. Caverhill, Hon. Narcisse Perodeau, J. S. Norris, Montreal; J. E. Aldred, New York.

Office, Power Bldg., Montreal, Can.

LACHINE RAPIDS HYDRAULIC & LAND CO.

(Controlled by The Montreal Light, Heat & Power Company)

History—Inc. Jan. 16, 1896, in Can. to supply electric light and power. Controls through ownership of its entire $200,000 capital stock, the Citizens Light & Power Co., Ltd., see appended statement.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,990,500; par, $100. All owned by The Montreal Light, Heat & Co. Annual meeting, in February.

FUNDED DEBT

None.

Officers: Sir H. S. Holt, Pres.; J. S. Norris, V-P.; C. S. Bagg, Sec.-Treas.; G. R. Whatley, Asst. Sec.-Asst. Treas., Montreal, Can.

Directors: Sir H. S. Holt, J. S. Norris, Hon. H. B. Rainville, Hon. N. Perodeau, Geo. Caverhill, T. B. Macaulay, Montreal, Que.; J. E. Aldred, New York.

Office, Power Bldg., Montreal, Can.

CITIZENS LIGHT & POWER CO., LTD.

(Controlled by Lachine Rapids Hydraulic & Land Co.)

History—Incorp. May 17, 1901, by letters patent of supply electric light and power. Holds four franchises to supply light in the vicinity of Montreal.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. All owned by the Lachine Rapids Hydraulic & Land Co. Annual meeting, in February.

FUNDED DEBT

None.

Officers: Sir H. S. Holt, Pres.; J. S. Norris, V-P.

Directors: Hon. N. Perodeau, G. H. Montgomery, T. B. Macaulay, Sir H. S. Holt, J. E. Aldred, George Caverhill, J. S. Norris.

Office, Power Bldg., Montreal, Can.

PROVINCIAL LIGHT, HEAT & POWER CO., LTD.

(Controlled by The Montreal Light, Heat & Power Company)

History—Incorp. May 17, 1901, by letters patent of Province of Quebec, ratified and confirmed with additional powers by special act of Quebec Legislature, as successor to the Canadian Electric Light Co. Has acquired valuable rights from the Dominion Government to the surplus water of the Soulanges Canal, which rights, although nominally granted till 1963, are practically perpetual. The surplus water rights have been developed to the extent of 15,000 electrical horsepower, with provision for the installation of an additional 5,000 h.p. unit later on. There is an effective head of 53 feet from a non-varying flow of water. Power from the development is transmitted to Montreal at high voltage to a transformer station built on property controlled by the Montreal Light, Heat & Power Co. The latter has contracted with this company to purchase its power until the expiration of the Provincial Co.'s lease of the Soulanges water rights from **the Government. The contract** provides that during the life of the bonds the Montreal Light, Heat

& Power Co. shall take the power at such prices, as will pay all operating expenses, interest charges and fulfill the sinking fund conditions.

CAPITAL STOCK

Authorized and issued, $500,000, of which the Montreal Light, Heat & Power Co. owns $475,000. Annual meeting in February.

FUNDED DEBT

$921,000 FIRST MORTGAGE GOLD 5s; DUE SEPT. 1, 1946

Dated September 1, 1906.

Interest Payable March and September 1, at National Trust Co., Ltd., Montreal, and at Canadian Bank of Commerce, New York and London.

Denominations—Coupon, $1,000 (£205 9s 8d) principal may be registered.

Trustee—National Trust Co., Ltd., Montreal, Can.

Provisions of Issue—Authorized and issued, $1,500,000, of which $380,000 retired by the sinking fund, $226,000 held in treasury, leaving $894,000 outstanding in hands of the public.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—1% of bonds outstanding yearly in operation from Sept. 1, 1911 to Sept. 1, 1928, and thereafter 1⅓% annually.

Security—A first lien on all rights, franchises and property.

Legal Opinion—Blake, Lash & Cassels, Toronto, Ont.

Guaranty—Guaranteed, principal and interest, by endorsement, by Montreal Light, Heat & Power Co.

Original Offering—First publicly offered in Jan. 1909, at 102 and interest.

OFFICERS AND DIRECTORS

Officers: Sir H. S. Holt, Pres.; J. S. Norris, V-P.; C. S. Bagg, Sec.-Treas.; G. R. Whatley, Asst. Sec.-Asst. Treas.; Montreal, Can.

Directors: Sir H. S. Holt, J. S. Norris, Hon. H. B. Rainville, Hon. N. Perodeau, Montreal, Que.; J. E. Aldred, New York.

Office, Power Bldg., Montreal, Can.

QUEBEC-NEW ENGLAND HYDRO-ELECTRIC CORPORATION

(Controlled by Montreal Light, Heat & Power Consolidated)

History—Incorporated by Act of Quebec Legislature in 1908 as the Saraguay Electric & Water Co., which latter name was changed by Act of Legislature in 1912 to the Montreal Public Service Corp. and in 1923 to the present title. In 1912 the Legislature also ratified the purchase, by the Montreal Public Service Corp., of the Dominion Light, Heat & Power Co., the St. Paul Electric Light & Power Co., and the distribution system of the Canadian Light & Power Co., and to further increase its distribution system, the Montreal Public Service Corp. acquired, by lease from the Canadian Light & Power Co., the plant and distribution system of the old Central Heat, Light & Power Co. The distribution system now covers the City of Montreal, and extends from the border of Montreal West to Bout de l'Isle, and from the St. Lawrence River to the Back River (Rivière des Prairies). The Company has over 250 miles of pole lines, and is occupying nearly 20 miles of ducts in the Municipal Conduit system of the City of Montreal. No. of customers, about 15,000. Company has a power capacity of 31,238 h. p. and a connected load of about 65,000 h. p. The Company's property is owned and operated by Montreal Light, Heat & Power Consolidated.

Control Changed—As of Feb. 24, 1926, United Securities, Ltd., sold all of its holdings of Common shares in Quebec-New England Hydro-Electric Corp. to Montreal Light, Heat & Power Consolidated. The purchaser assumed liability of the 5% First Mortgage bonds of Quebec-New England Hydro-Electric Corp., due 1942. Payments for stock is to extend over a period of 30 years from Aug. 1, 1924, and is to consist of an annual sum of $400,000.

CAPITAL STOCK

Authorized and issued $350,500 (reduced from authorized $5,000,000, May 18, 1925). All owned by Montreal Light, Heat & Power Consolidated.

FUNDED DEBT

$2,968,000 MONTREAL PUBLIC SERVICE CORPORATION FIRST & REFUNDING GOLD 5s; DUE SEPTEMBER 1, 1942

Dated September 1, 1912.

Interest Payable, March and September 1, at Bank of Montreal, in Montreal or its agency in New York.

Denominations—Coupon, $500 and $1,000.

Trustee—The Imperial Trust Co., Ltd., Montreal.

Provisions of Issue—Authorized, $10,000,000; issued $3,368,000; outstanding, $2,968,000.

Callability—Subject to call at 105 and interest on six months' notice.

Security—A first lien on entire property of company assumed by Montreal Light, Heat & Power Consolidated.

Legal Opinion—Perron, Taschereau, Rinfret & Co., Montreal.

Original Offering—Of these bonds, $500,000 were publicly offered in Nov., 1922 at 87 and interest to yield over 6.10%, by George Beausoleil & Co., Montreal.

OFFICERS AND DIRECTORS

Officers: J. S. Norris, Pres.; C. S. Bagg, V-P.; G. R. Whatley, Sec. & Treas.

Directors: J. S. Norris, C. S. Bagg, G. R. Whatley, G. H. Montgomery, K. C., Julian C. Smith.

General Office, Montreal, Que.

WESTSIDE ELECTRIC STREET RAILWAY

History—Incorporated Oct. 22, 1903, in Pa., to build an electric road connecting Charleroi and Ellsworth, 11 miles. Franchise perpetual. In operation: North Charleroi to Ellsworth, Pa., 10.81 miles. Gauge, 5 ft. 2½ in. Rails, 70 lb. T and girder. Operated by overhead trolley. Passenger cars, 3.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $50. Annual meeting, second Monday in January.

Dividends—Paid at rate of 2% per annum semi-annually June and Dec. from 1908 to 1910, inclusive; 1911, 5.4%; 1912, 2%; 1913, 1%; none thereafter until 1919, when 4% was paid; 1920, 4½%; 1921, 2%; 1922, 5%; 1923, 6%; 1924, 2½%; none since.

FUNDED DEBT

$340,000 First Mortgage Gold 5s; dated Jan. 1, 1913; due Jan. 1, 1943; interest payable June and Dec. 1, at Union Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000. Authorized issue, $400,000. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

$32,500 6% Car Trust Gold bonds; dated Dec. 1, 1925; due Dec. 1, 1939; int. June and Dec. 1, at Bank of Charleroi & Trust Co., Charleroi, Pa.; Trustee. Coupon, $1,000. Authorized and outstanding, $32,500. Subject to call at par and interest. Secured on 3 new one-man cars. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$127,181	$143,406	$169,177
Oper. exp. & taxes	94,290	114,915	90,688
Depreciation	13,075	13,075	13,075
Net earnings	$19,816	$15,416	$65,414
Bond interest	$17,000	$17,000	$17,000
Other deductions	4,419	2,423	51,813
Total charges	$21,419	$19,423	$68,813
Deficit for year	$1,603	$4,007	$3,399

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Property account	$816,461	$819,435	$808,699
Cash	14,157	4,074	15,075
Accounts receivable	2,566	2,779	3,485
Materials and supplies	1,568	1,568	1,569
Total	$834,752	$827,856	$828,828
Liabilities—			
Capital stock	$400,000	$400,000	$399,964
Funded debt	340,000	340,000	340,000
Equipment obligations	32,500	32,500	32,500
Notes payable	19,279	10,779	7,779
Profit and loss	42,973	44,577	48,585
Total	$834,752	$827,856	$828,828

Officers: William I. Berryman, Pres., Pittsburgh, Pa.; W. G. Callihan, V.-P. & Gen. Mgr.; Kerfoot W. Daly, Treas.; R. W. Brown, Sec. & Aud.; Thos. H. Warrensford, Pur. Agt., Charleroi, Pa.

Directors: Alex. C. Tener, Wm. I. Berryman, Pittsburgh, Pa.; John K. Tener, Kerfoot W. Daly, C. S. McKean, R. W. Brown, D. G. Callihan, Charleroi, Pa.

General Office, Charleroi, Pa.

SHIPPAN WATER & REALTY COMPANY

History—Incorporated April 24, 1901, in Conn., as Shippan Water Co. Miles of water mains, 8.16. No. of meters, 378. Output in 1927, 44,762,250 gallons, compared with 45,905,250 gallons in 1926. Company purchases its water from Stamford Water Co. Has contract with City of Stamford for fire hydrants at $16 per hydrant per year.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, in July. No dividends paid.

FUNDED DEBT

$75,000 (entire issue) Gold Debenture 6s; dated May 1, 1919; due May 1, 1924; interest payable May and Nov. 1, at Fidelity Title & Trust Co., Stamford, Conn. The bonds, now past due, have been distributed and are now held by heirs of C. F. Waterbury to whom the interest is paid. No sinking fund. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$18,044	$16,996	$16,190
Oper. exp., taxes & deprec.	7,542	7,580	7,493
Net earnings	$10,502	$9,416	$8,697
Fixed charges	8,592	8,063	8,063
Surplus for year	$1,910	$1,353	$634

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Plant and equipment	$64,805	$54,872	$47,415
Materials and supplies	154	113	346
Cash	3,555	1,266	769
Corporate deficit	184,592	186,502	187,855
Total	$253,106	$242,753	$236,385
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	75,000	75,000	75,000
Loans payable	74,506	64,953	59,385
Reserve for depreciation	3,600	2,800	2,000
Total	$253,106	$242,753	$236,385

Officers: David Waterbury, Pres. & Treas.; Annie S. Waterbury, V-P.; William H. Holly, Sec., Stamford, Conn.

Directors: David Waterbury, Annie S. Waterbury, Josephine W. Leaman, Stamford, Conn.

Office, Stamford, Conn.

SOMERSET TRACTION COMPANY

History—Incorporated in Jan. 1895, in Me. Franchise is perpetual. Line of road, Skowhegan to Madison, Me., 12.2 miles; total track, 12.68 miles. Gauge, standard. Rail, 40 lb. T. Equipment—motor cars: Passenger (box, 3; open, 2), 5; freight, 2; combination, 1; snow plows, 1; non-motor—freight, 2.

CAPITAL STOCK

Authorized, $200,000; outstanding, $30,000; par, $100. Annual meeting, second Tuesday in June. No dividends paid.

FUNDED DEBT

$75,000 First Mortgage 5% Bonds; dated April 28, 1896; due May 1, 1929; int. May and Nov. 1, at Second National Bank, Skowhegan, Me. Coupon, $1,000. W. P. Ordway and H. L. Swett, Trustees. Authorized, $200,000. Secured on all property. No interest is being paid on these bonds. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$21,396	$23,873	$25,708
Oper. exp. & taxes	25,611	25,543	24,131
Loss from operations	$4,215	$1,670	*$1,577
Other income	9,775	4,378	1,054
Total income	$5,560	$2,708	$2,631
Interest charges	2,813	456	668
Surplus for year	$2,747	$2,252	$1,963

*Gain.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$149,140	$149,140	$149,140
Misc. physical property	94,618	61,088	35,841
Materials and supplies	1,262	1,262	1,262
Cash	12	248	129
Accounts receivable	330	343	310
Total	$245,362	$212,081	$186,682
Liabilities—			
Capital stock	$30,000	$30,000	$30,000
Funded debt	75,000	75,000	75,000
Notes payable	31,017	25,040	11,027
Accounts payable	43,381	18,824	9,690
Paid in surplus account	52,053	52,053	52,053
Profit and loss surplus	13,911	11,164	8,912
Total	$245,362	$212,081	$186,682

Officers: W. P. Ordway, Pres., Skowhegan, Me.; H. L. Swett, Sec., Treas. & Gen. Mgr.; Percy Wittemore, Supt., Skowhegan, Me.

Directors: W. P. Ordway, W. H. Cummings, S. W. Gould, H. L. Swett, Skowhegan, Me.

Office, Skowhegan, Me.

CITIZENS WATER COMPANY
(Burlington, Iowa)

History—Incorporated Aug. 12, 1902; successor to Burlington Water Co. Franchise, 20 years from 1922. Population served, 28,000. Annual output, 1,000,000,000 gals. Daily capacity, 6,000,000 gals. Prices, 10c. to 30c. per 1,000 gals.; flat rates for residences. Miles of mains, 68¼.

CAPITAL STOCK

$150,000 Common and $180,000 5% cumulative Pfd.; par, $100. Dividends on Pfd. 5% per annum and on Common 6% are paid Feb. and Aug. Transfer office, Burlington, Iowa. Annual meeting, first Monday in January.

FUNDED DEBT

$188,000 First Mtge. 5% bonds; dated May 1, 1923; due May 1, 1943; int. May and Nov. 1, at First Iowa State Trust & Savings Bank, Burlington, Ia. Coupon, $500 and $1,000.

Authorized issue, $220,000. Interest on these bonds is a preferred claim on that part of the "water fund" to be raised by taxation, being payable by the city direct to the holders of coupons, the city agreeing to levy a 5-mill tax on assessed valuation of over $5,000,000 for the purpose. Trustees: Wm. Carson, Theo. W. Kreichbaum, J. L. Edwards, Burlington, Iowa. Secured on entire property and franchises. Company does not pay Normal Federal Income Tax.

Officers: E. S. Phelps, Pres.; H. W. Chittenden, V-P.; W. F. Gilman, Sec. & Treas.; Frank Lawlor, Supt., Burlington, Ia.

Directors: E. S. Phelps, H. S. Raud, Jas. E. Jamison, Geo. G. Higbee, Thomas J. Smith, Burlington, Ia.

Office, Burlington, Iowa.

PETROLEUM TELEPHONE COMPANY

History—Incorporated June 4, 1900, in W. Va., and reincorporated Aug. 7, 1916 in Pa. Operates in Oil City, Franklin, Titusville and Pleasantville, Pa. Has five exchanges, 11,120 telephones and 3,000 miles of wire.

CAPITAL STOCK

Authorized, $1,000,000 Common; outstanding, $976,225; par, $25. An issue of Pfd. stock was retired in 1926. Transfer Agent and Registrar: Wm. S. Paca, Sec., Oil City, Pa. Annual meeting, first Wednesday after Jan. 15.

Dividends—Regular 6% dividends on Pfd. were paid from 1905 to date of its retirement in 1926. On Common, 1908 to 1927, inclusive (except 1910-1911), 7% each; payments quarterly, J, A, J & O 10. In addition stock dividends of 25% each were paid Jan. 10, 1923, and July 1, 1927 on Common stock.

FUNDED DEBT

$422,000 First Mortgage Gold 6s; dated June 1, 1924; due June 1, 1944; interest June and Dec. 1, at Peoples Savings & Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000; principal may be registered. Subject to call at 101 and interest. Authorized, $500,000. The indenture provides that 5% of amount of bonds issued shall be put into new plant, or a like amount of bonds retired each year. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$432,107	$421,914	$412,227	$340,608	$300,839	$280,089
Operating expenses, taxes and maintenance	227,308	215,658	207,121	203,035	193,834	180,335
Depreciation	72,840	72,456	70,936	60,605	42,072	40,020
Net earnings	$131,959	$133,800	$134,170	$76,968	$64,933	$59,734
Bond interest, rents, etc.	33,793	39,065	33,222	24,013	15,441	14,496
Balance for dividends	$98,166	$94,735	$100,948	$52,955	$49,492	$45,238
Preferred dividends	.....	.....	6,000	6,000	6,000	6,000
Common dividends	56,870	45,883	45,755	44,968	38,963	31,959
Surplus for year	$41,296	$48,851	$49,193	$1,987	$4,529	$7,279
Times Interest, etc., Earned	3.90	3.42	4.04	3.88	5.67	4.12
Earnings Per Share—						
Preferred	.....	.....	$25.24	$13.24	$12.37	$11.31
Common	$2.51	$3.03	3.62	1.80	1.75	2.13

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,858,660	$1,792,165	$1,771,854	$1,701,122	$1,194,672	$1,113,127
Stocks owned	2,600	100	700	700	3,100	1,600
Bonds owned	1,000	1,000	.....	.....	.....	.....
Bonds in treasury	.....	.....	11,000	11,000	9,000	9,000
Sinking funds	.....	16,041	4,875	.....	.....	245
Materials and supplies	32,934	33,162	21,911	22,935	7,320	10,713
Cash	100,902	82,057	49,396	43,496	20,366	14,097
Accounts receivable	35,983	35,436	35,568	39,154	27,120	27,360
Unadjusted debits	400	400	400	400	400	400
Capital stock unsold	.....	.....	.....	.....	600	600
Discount on bonds	12,718	13,438	14,158	18,791	.....	.....
Total	$2,045,197	$1,974,500	$1,909,862	$1,837,598	$1,262,578	$1,177,142
Liabilities—						
Common stock	$976,225	$781,425	$655,850	$650,350	$635,425	$459,625
Preferred stock	.....	.....	100,000	100,000	100,000	100,000
Funded debt	422,000	422,000	445,000	449,000	168,500	171,500
Notes payable	.....	.....	.....	.....	6,000	6,000
Accounts payable	24,352	22,371	22,250	27,495	19,481	10,669
Interest accrued	2,110	2,110	2,225	3,961	842	857
Dividends accrued	.....	.....	500	500	500	500
Depreciation reserve	390,365	363,090	344,175	315,449	146,167	129,964
Profit and loss surplus	230,145	383,504	339,862	290,843	185,663	298,027
Total	$2,045,197	$1,974,500	$1,909,862	$1,837,598	$1,262,578	$1,177,142

Officers: A. W. Hayes, Pres., Erie, Pa.; Louis Walz, V-P.; W. S. Paca, Sec. & Gen. Mgr., Oil City, Pa.; R. Lamberton, Treas., Franklin, Pa.; W. A. Neely, Aud.; M. K. Gher, Pur. Agt., Oil City, Pa.

Directors: Louis Walz, W. S. Paca, Oil City, Pa.; A. W. Hayes, Chas. H. English, Erie, Pa.; Robert Lamberton, Franklin Pa.; Geo. J. Lamberton, Waterford, Pa.; F. J. Chesterman, Pittsburgh, Pa.

Office, Oil City, Pa.

MOBILE LIGHT & RAILROAD COMPANY

History—Incorporated Feb. 6, 1897, in Ala.; consolidation of the Mobile Light & Ry. Co. and the Mobile & Spring Hill Ry. In Sept., 1901, absorbed the property of the Mobile St. R. R. In 1906 Company sold on lease its lighting plant and lines to Mobile Illuminating Co., to be operated under lease until 1942 when title to property will pass. Miles of track, 55.91. Gauge, standard. Rails, 70 and 90 lb. T and girder. Passenger motor cars, 74; trailers, 10; work cars, 27. Owns Monroe Park and water power and 260 acres of land. Population served, about 75,000.

CAPITAL STOCK

Authorized and outstanding, $2,250,000; par, $100. Transfer Office, Mobile, Ala. Annual meeting, first Tuesday in February.

Dividends—½ of 1% paid in 1909 and 1910; 3½% in 1911; 1½% in 1912; 2% in 1913; 3% in 1914; 2% in 1915; 3% in 1916; 1% each in June, 1917, Oct., 1917, Feb., 1918 and April, 1918; 3% Aug., 1918; 1% Sept., 1919; 1% Sept., 1920; 1% June, 1921; 1% Sept., 1921; 1% Dec., 1922; 1%, Dec., 1926; 1%, Jan., 1927.

FUNDED DEBT

$270,000 First Gold 5s; dated June 1, 1897; due July 1, 1937; int. Jan. and July 1, at Farmers' Loan & Trust Co., New York. Coupon, $1,000; principal may be registered. Authorized, $400,000, of which $270,000 outstanding, $2,000 in Treasury and $128,000 had been cancelled at Dec. 31, 1927. A first lien on property owned as at June 1, 1897. A lien on the lighting plant and lines leased in 1906 to Mobile Illuminating Co. (see general index). The lease and contract of sale provides that these lines shall be maintained and operated under lease until 1942, when a deed is to be given. The lines have not been released from the lien of these

bonds. Company does not pay Normal Federal Income Tax.

$799,000 Consolidated Gold 5s, dated Sept. 1, 1901; due Sept. 1, 1941; int. March and Sept. 1, at New York Trust Co., Trustee. Coupon, $1,000; principal may be registered. Authorized, $2,250,000; issued, $1,795,000 of which $154,000 have been cancelled, $270,000 are in treasury of Company, $572,000 are held by Trustee, leaving $799,000 in hands of public at Dec. 31, 1927. The $455,000 unissued and uncertified bonds are reserved to retire prior liens. Secured on all property now owned or hereafter acquired, including lighting property leased with contract for sale to Mobile Illuminating Company, subject to above described prior liens. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$727,245	$736,330	$707,477	$730,777	$797,173	$812,208
Operating expenses, taxes and depreciation	596,545	569,527	636,524	693,227	718,884	783,092
Net earnings	$130,700	$166,803	$70,953	$37,550	$78,289	$29,116
Other income	28,893	33,452	16,017	7,236	11,759	9,882
Total income	$159,593	$200,255	$86,970	$44,786	$90,048	$38,998
Interest, etc. (net)	60,850	66,140	68,127	67,893	78,459	86,849
Balance for dividends	$98,743	$134,115	$18,843	*$23,107	$11,589	*$47,851
Dividends paid	22,500	22,500	.....	.....	.....	22,500
Surplus for year	$76,243	$111,615	$18,843	*$23,107	$11,589	*$70,349
Times Interest Earned	2.62	3.03	1.28	0.64	1.17	0.45
Earnings Per Share	$4.39	$5.96	$0.80	nil	$0.51	nil

* Deficit.

Profit and Loss Account, Dec. 31, 1927—Profit and loss deficit at beginning of year, $555,935; miscellaneous debits, $1,192,322; additions to property through surplus during year, $106,016—total, $1,854,272. Deduct: Surplus for year, $98,743; miscellaneous credits, $26,471—total, $125,214. Debit balance, Dec. 31, 1927, $1,729,058.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$4,258,656	$4,152,640	$4,184,241	$4,156,803	$5,384,469	$5,534,794
Intangibles, franchises	.....	460,868	460,868	460,868	.....	.....
Securities owned	62,638	220,733	122,205	73,323	31,695	.....
Materials and supplies	70,500	59,567	51,896	63,415	58,376	68,705
Cash on hand	137,229	55,407	77,977	71,086	45,320	57,342
Bills receivable	1,494	18,507	45,710	300	.....	.....
Current accounts	3,366	7,508	1,778	1,345	4,041	2,258
Other assets	40,843	3,997	3,473	3,185	.....	32,349
Deferred debit items	167,600	937,941	790,634	783,328	81,663	77,325
Deposit with Trustee to pay bond coupon	4,775	13,275	14,275	12,700	22,950	.....
Deficit	*430,582	.....	.....	.....	.....	.....
Total	$5,177,683	$5,930,443	$5,753,057	$5,626,354	$5,628,514	$5,772,773
Liabilities—						
Capital stock	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$2,250,000
Funded debt	1,069,000	1,248,000	1,324,000	1,334,000	1,348,000	1,623,000
Matured interest unpaid	4,775	13,275	14,275	12,700	22,950	.....
Current liabilities	16,812	20,025	15,940	21,767	41,210	17,993
Accrued interest, taxes and paving	14,850	17,532	27,554	30,157	27,909	30,370
Operating reserves	233,115	231,314	241,491	218,775	233,558 }	941,770
Accrued depreciation	895,831	843,383	826,604	739,905	738,289 }	
Other liabilities	693,300	670,389	644,092	631,619	557,598	509,412
Corporate surplus	.....	636,525	409,101	387,431	409,000	400,228
Total	$5,177,683	$5,930,443	$5,753,057	$5,626,354	$5,628,514	$5,772,773

*Represents profit and loss deficit, $1,729,058, less additions to property through surplus, $1,298,475—balance, $430,582.

Officers: J. H. Wilson, Pres.; F. F. Rossman, V-P. & Gen. Mgr.; Almer G. Fay, Sec. & Aud.; T. H. Halliwell, Treas. & Pur. Agt.; W. C. Stockman, Supt., Mobile, Ala.

Directors: F. F. Rossman, Sidney Lowenstein, Austil Pharr, D. P. Bestor, Jr., J. H. Wilson, Mobile, Ala.

Office, Mobile, Ala.

PLYMOUTH & BROCKTON STREET RAILWAY COMPANY

History—Incorporated Sept. 15, 1922, in Mass. On Nov. 1, 1922, acquired from John H. Dawson, purchaser at foreclosure sale, the property formerly owned and operated by Brockton & Plymouth Street Ry. Co., and by Hollis T. Gleason as Receiver of said Company (see 1922 Public Utility Manual, page 1148). Franchises perpetual. Owns an electric railway, 9.3 miles long, from Plymouth to Kingston, Mass. Gauge, standard. Rails, 60 lbs. Motor passenger cars, 13; other cars, 5; motor busses, 3. Population served, 26,000.

Electric Car Service to be Suspended—As of Dec. 29, 1927, it was reported that the Company would soon discontinue electric car service, the tracks to be taken up and sold, as would also the rolling stock. A line of busses will be established to cover the territory now covered by the cars. This change will take effect as soon as the franchise is secured from the towns through which the busses will operate.

CAPITAL STOCK

Authorized and outstanding, $280,000; par, $100. Transfer Agent: State Street Trust Company, Boston. Annual meeting, first Wednesday in May. No dividends paid.

FUNDED DEBT

$130,000 First Gold 6s; dated July 1, 1922; due July 1, 1932; int. Jan. and July 1, at Old Colony Trust Co., Boston, Trustee. Coupon, $500 and $1,000. Authorized issue, $150,000; escrow bonds issuable against 70% of cost or value of additional property. Under the plan of reorganization each $1,000 bond of Brockton & Plymouth St. Ry. received $500 of these First 6s, $500 Income 6s, and $500 stock. Subject to call at par and interest on any interest day on 30 days' published notice. A first lien on property. Company does not pay Normal Federal Income Tax.

$130,000 Income Gold 6s; dated July 1, 1922; due July 1, 1932; int. annually, July 1, at Old Colony Trust Co., Boston, Trustee. Interest payments contingent on

earnings, but cumulative; no interest paid since July 1, 1923, on which date 6% was paid. Coupon, $500 and $1,000. Authorized and outstanding, $130,000. Under the Plan of Reorganization each $1,000 bond of Brockton & Plymouth Street Ry. received $500 of these Income 6s, $500 First 6s, and $500 stock. Subject to call at par and interest on any interest date on 30 days' published notice. Sinking fund of $5,000 per annum, beginning July 1, 1923, for acquisition of these income bonds, payment being contingent on earnings, but cumulative and subsequent to all interest on bonds of either class. No sinking fund payments yet made. A first lien on property, equally secured as to principal with First 6s. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$67,864	$68,914	$88,977
Oper. exp. & taxes	62,484	62,547	82,862
Net earnings	$5,380	$6,367	$6,115
†Fixed charges	15,651	15,651	15,651
Deficit for year	$10,271	$9,284	$9,536

†$7,800 of this represents income bond interest, payment of which may be postponed when not earned.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Investments	$326,499	$535,881	$533,717
Current assets	25,824	27,927	28,045
Unadjusted debits	212,357	3,581	3,154
Corporate deficit	40,821	28,444	19,160
Total	$605,481	$595,833	$584,076
Liabilities—			
Capital stock	$280,000	$280,000	$280,000
Funded debt	260,000	260,000	260,000
*Current liabilities	40,840	34,323	25,075
Deferred liabilities	43	45	51
Unadjusted credits	24,598	21,465	18,950
Total	$605,481	$595,833	$584,076

*Including income bond interest not paid.

Officers: Hollis T. Gleason, Pres.; George B. Howland, V-P.; Harold F. Golden, Treas. & Clerk, Plymouth, Mass.

Directors: Ellis W. Brewster, Harry B. Davis, Harold F. Golden, George B. Howland, Plymouth, Mass.; Hollis T. Gleason, Russell B. Stearns, Boston, Mass.; Gilbert H. West, North Pembroke, Mass.; John E. Wright, Kingston, Mass.

General Office, Plymouth, Mass.

GRAND FORKS STREET RAILWAY COMPANY

History—Incorporated Dec. 1, 1908, in N. D.; successor to Grand Forks Transit Co. (see Manual for 1910, page 1693). Franchise extends 30 years in Grand Forks. Owns and operates city lines in Grand Forks, N. D., and extension to State University, 7 miles. Gauge, standard. Rail, 60 lb. T. Equipment: Passenger cars (motor, 18; non-motor, 7), 25; snow plow, 1; sweeper, 1. Power rented from Red River Power Co.

CAPITAL STOCK

Outstanding, $160,550; par, $100. Annual meeting, second Wednesday in January.

Dividends—6% each were paid in 1910, 1911, 1912, 1913 and 1914; 1915, a stock dividend of 6% was paid; 1916, 4%, 1917, 4%; none since.

FUNDED DEBT—None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$71,724	$68,417	$68,913
Oper., exp., taxes & deprec.	58,353	56,604	58,727
Net earnings	$13,371	$11,813	$10,186
Other income		43	62
Total income	$13,371	$11,856	$10,248
Bond interest		436	1,410
Other interest			28
Total charges		$436	$1,438
Surplus for year	$13,371	$11,420	$8,810

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$286,301	$289,216	$288,816
Materials and supplies	3,012	2,916	3,117
Cash	20,794	3,921	403
Bond sinking fund			35,200
Total	$310,107	$296,053	$327,536
Liabilities—			
Capital stock	$160,550	$160,550	$160,550
Funded debt			50,000
Accounts payable, etc.	2,610	6,929	6,866
Depreciation reserve	107,475	92,894	79,649
Profit & loss surplus	39,472	35,680	30,471
Total	$310,107	$296,053	$327,536

NOTE—Contingent liabilities, Dec. 31, 1927, $32,847.

Officers: T. J. Smith, Pres.; A. I. Hunter, V-P.; C. C. Gowran, Sec.; O. S. Hanson, Treas.; E. O. Odegard, Gen. Mgr. & Pur. Agt., Geo. A. Bangs, Gen. Counsel, Grand Forks, N. D.

Directors: T. J. Smith, A. I. Hunter, O. S. Hanson, Jas. A. Dinnie, E. F. Chandler, R. B. Griffith, C. C. Gowran, O. Young, E. J. Lander, J. P. Kennedy, Grand Forks, N. D.; D. F. Bull, Minneapolis, Minn.

Office, Grand Forks, N. D.

KEYSER LIGHT & POWER CO.

History—Incorporated July 18, 1924, in West Virginia; successor to Keyser Electric Co. Serves Keyser, W. Va., with electricity. Population served, about 8,000. Miles of distribution lines, 10. Franchises expire in 1944. Number of meters—electric, 1,610. Prices—electricity, 10c—2c.

CAPITAL STOCK

Authorized and outstanding, $55,000 Common and $55,000 7% cumulative Pfd.; par, $100. Stock transferred and registered at Company's office, Philadelphia, Pa. Preferred stock is subject to redemption at 105.

Dividends—On Preferred: 1924, 1¾%; 1925, 1926 and 1927, 7% each; payments quarterly, F, M, A & N 15. On Common: in 1925, 6%; 1926, 7%; 1927, 8%; payments quarterly, M, J, S & D 15.

FUNDED DEBT

$100,000 FIRST MORTGAGE 6½% GOLD BONDS; DUE AUGUST 1, 1944

Dated August 1, 1924.

Interest Payable February and August 1, at American Trust Co., Boston, Mass.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., Boston, Mass.

Provisions of Issue—Authorized, $250,000; issued. $125,000 for acquiring property of Keyser Electric Co., of which $25,000 have been redeemed.

Callability—Subject to call to Aug. 1, 1929, at 105; thereafter to Aug. 1, 1934, at 104; thereafter to Aug. 1, 1939, at 103; and thereafter to Aug. 1, 1944, at 102.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. New England States and Pennsylvania taxes up to 4 mills or 6% of interest as case may be, refunded.

Original Offered—First publicly offered ($125,000) in Aug., 1924, at par, by Damon & Bolles Co., Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$99,063	$90,665	$79,171
Operating expenses & taxes	58,648	53,477	50,534
Depreciation	12,000	11,400	6,000
Net earnings	$28,415	$25,788	$22,637
Bond interest	8,125	8,125	8,125
Other charges	737	844	832
Total charges	$8,862	$8,969	$8,957
Surplus after charges	$19,553	$16,819	$13,680
Preferred dividends	3,850	3,850	3,850
Common dividends	4,400	3,850	3,300
Surplus for year	$11,203	$9,119	$6,530

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of property	$229,691	$232,152	$235,742
Materials and supplies	904	316	.....
Cash	2,672	1,465	4,094
Accounts receivable	12,531	12,091	10,954
Deferred debit items	16,248	23,126	14,481
Total	$262,046	$269,150	$265,271
Liabilities—			
Common stock	$55,000	$55,000	$55,000
Preferred stock	55,000	55,000	55,000
Funded debt	100,000	125,000	125,000
Notes payable	9,000	.....	2,000
Accounts payable	7,705	5,840	5,553
Interest & taxes accrued	5,279	5,479	5,382
Other current liabilities	1,564	1,457	1,294
Deferred credit items	402	610	569
Reserve for depreciation	.....	.....	3,828
Profit and loss surplus	28,096	20,764	11,645
Total	$262,046	$269,150	$265,271

Officers: Chas. DeF. Besore, Pres., Trenton, N. J.; H. I. Thompson, Sec. & Treas.; E. W. Lothrop, Gen. Mgr., Philadelphia, Pa.; C. K. Beilharz, Supt., Keyser, W. Va.

Directors: Chas. DeF. Besore, H. I. Thompson, E. W. Lothrop.

General Office, 1328 Chestnut St., Philadelphia, Pa. **Operating Office,** Keyser, W. Va.

WEBSTER, MONESSEN, BELLE VERNON & FAYETTE CITY STREET RAILWAY

History—Incorporated May 1, 1901, in Pa.; road opened in 1903. Line of road, Monessen to Arnold City, 7.11 miles; total track, 8 miles. Gauge, standard. Cars, 17. Power purchased.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $50. Annual meeting, second Monday in January. Paid dividends of 5% in fiscal year 1912-13; 7½% in 1914; none in 1915; 5% in 1916; 5% in 1917; 5% in 1918; 5% in 1919; 3¾% in 1920; none since.

FUNDED DEBT

$250,000 Refunding Mortgage Gold 6s; dated Jan. 1, 1922; due Jan. 1, 1942; interest Jan. and July 1, at Union Trust Co. of Pittsburgh, Pa. Coupon, $1,000; principal may be registered. Authorized issue, $300,000. First lien on entire property and equipment.

Tax Provisions—Free of Pennsylvania State tax. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$119,849	$141,054	$165,215
Oper. exp. & taxes	108,999	125,079	161,763
Depreciation	6,765	6,765	6,765
Net earnings	$4,085	$9,210	†$3,313
Bond interest	15,000	15,000	15,000
Other deductions	9,969	7,036	1,490
Total charges	$24,969	$22,036	$16,490
Deficit for year	$20,884	$12,826	$19,803

†Deficit.

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Property account	$663,728	$660,865	$628,535
Materials and supplies	1,632	1,631	1,632
Cash	.....	1,488	2,232
Accounts receivable	1,186	686	2,335
Other assets	.....	1,636	.....
Corporate deficit	56,113	33,593	20,766
Total	$722,659	$699,899	$655,500
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	250,000	250,000	250,000
Equipment obligations	32,500	32,500	32,500
Bills payable	121,400	117,399	73,000
Accounts payable	18,759	.....	.....
Total	$722,659	$699,899	$655,500

Officers: D. G. Callihan, Pres. & Gen. Mgr.; Kerfoot W. Daly, V-P.; R. W. Brown, Sec.; D. M. McCloskey, Treas.; T. H. Warrensford, Pur. Agt., Charleroi, Pa.

Directors: Kerfoot W. Daly, John K. Tener, D. G. Callihan, David M. McCloskey, Charleroi, Pa.; Alex. C. Tener; W. I. Berryman, Pittsburgh, Pa.; Kinley J. Tener, Cleveland, Ohio.

General Office, Charleroi, Pa.

BIDDEFORD & SACO RAILROAD COMPANY

History—Incorporated Feb. 19, 1887, in Me. Line of road connects Biddeford, Old Orchard Beach and Saco, Me.; length of line, 7.61 miles; total track, 8.15 miles. Gauge, standard. Rails, 60 to 100 lbs. T. and girder. Passenger car equipment: 11 one-man cars, 4 two-man box cars, 15 two-man open cars. Work cars: 2 snow plows, 1 sand car, 1 line car, 2 flat cars. Population served, 25,989.

CAPITAL STOCK

Authorized and outstanding, $100,000: par, $50. Annual meeting, fourth Wednesday in January.

Dividends—4% in Oct., 1905; 5% annually from Oct., 1906 to 1909, inclusive; 5% per annum semi-annually, April and Oct. 1, from April 1, 1910, to April 1, 1912; 6% from Oct., 1912, to April, 1914; 8% from Oct., 1914, to April, 1915; 10% annually from Oct., 1915, to April 1, 1922; Oct. 1, 1922, 4%; April 1, 1923, 4%; Oct. 1, 1923, 4%; April 1, 1924, 5%; Oct. 1, 1924, April 1, and Oct. 1, 1925, April 1 and Oct. 1, 1926 and July 30 and Dec. 31, 1927, 3% each. An extra dividend of 20% was paid Aug. 1, 1916.

FUNDED DEBT

$100,000 First Mortgage 4% Gold bonds; dated June 1, 1900; due June 1, 1940; int. June and Dec. 1, at Portland (Me.) Trust Co., Trustee. Coupon, $1,000; principal may be registered. Subject to call beginning with 1920. Authorized, $300,000, of which $150,000 reserved for future uses. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$89,617	$93,611	$100,402
Oper. exp., taxes & deprec.	80,482	89,128	89,087
Net earnings	$9,135	$4,482	$11,315
Other income	919	1,223	1,155
Total income	$10,054	$5,705	$12,470
Interest charges, etc.	4,038	5,267	5,420
Balance for dividends	$6,016	$438	$7,050
Dividends paid	6,000	6,000	6,000
Surplus for year	$16	*$5,562	$1,050

*Deficit.

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Road and equipment	$410,607	$406,463	$401,694
Cash	613	282	532
Investments	23,993	11,635	19,567
Profit & loss deficit	.....	.....	236
Total	$435,213	$418,380	$422,029
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	100,000	100,000	125,000
Notes payable	9,500	5,500	.....
Depreciation reserve	225,261	212,398	197,029
Surplus	452	482	.....
Total	$435,213	$418,380	$422,029

Officers: H. P. Garland, Pres., Saco, Me.; C. F. Berry, V-P., Portland, Me.; J. Burton Stride, Clerk, Treas. & Gen. Mgr., Biddeford, Me.; E. O. Hill, Supt., Saco, Me.

Directors: S. H. Whitney, C. F. Berry, F. N. Dow, W. G. Davis, Portland, Me.; J. B. Stride, Biddeford, Me.; H. P. Garland, C. F. Clark, Saco, Me.; F. H. Libby, Old Orchard, Me.

Office, 237 Main St., Biddeford, Me

THE UNION TELEPHONE COMPANY

(Owosso, Mich.)

History—Incorporated March 22, 1899, in Mich., under a 30-year charter. Absorbed the Montcalm County Telephone Co., the Owosso Telephone Co., and the National Telephone Co. of St. Johns, Mich. On July 1, 1919, a division of territory merger was consummated with The Michigan Bell Telephone Co. The Union Telephone Co. now owns and operates in a non-competitive field, 36 exchanges having 15,498 subscribers, 55 toll stations and 30,789 (25,770 exchange and 5,019 toll lines) miles of wire.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,650,000; par, $10. Annual meeting, second Wednesday in April.

Dividends—Dividends of 8% per annum regularly paid; dividends are declared third Wednesdays of M, J, S & D, and are paid J, A, J & O 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$616,416	$577,135	$513,542	$498,363	$444,678	$437,646
Operating expenses and taxes	340,083	338,251	326,066	324,409	289,297	295,971
Net earnings	$276,333	$238,884	$187,476	$173,955	$155,381	$141,675
Dividends paid	132,000	132,000	131,850	122,565	119,548	109,008
Balance for depreciation reserve and surplus	$144,333	$106,884	$55,626	$51,389	$35,833	$32,667
Earnings Per Share (par $10)	$1.67	$1.45	$1.13	$1.05	$1.04	$0.97

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Total plant in service	$1,820,586	$1,737,985	$1,667,777	$1,579,584	$1,487,950	$1,399,748
Construction work in progress	27,444	45,785	54,871	85,952	77,614	139,779
Furniture and fixtures	20,483	19,009	17,567	16,404	15,312	14,675
General equipment, tools, etc.	13,389	13,212	12,913	11,382	10,175	10,255
Stocks and bonds	615	1,230	1,398	2,628	2,628	2,628
Cash on hand, etc.	38,277	59,305	18,613	14,486	8,604	9,738
Employees' working fund	2,570	2,570	2,720	2,650	2,500	2,460
Bills receivable	552	350	422	1,134	686	1,038
Due from sub. and agents	20,252	21,441	18,529	17,541	17,425	17,273
Miscellaneous accounts receivable	5,043	2,688	2,102	3,681	1,737	4,648
Materials and supplies	59,281	67,319	61,942	70,537	66,302	57,787
Prepayments	7,614	7,261	8,557	8,292	8,762	7,181
Suspense items	283	1,975	5,630	6,008	5,728	5,640
Supply expense	2,527	4,598	4,286	3,684	2,789	218
Total	$2,018,921	$1,984,729	$1,877,327	$1,823,963	$1,708,212	$1,673,068
Liabilities—						
Capital stock	$1,650,000	$1,650,000	$1,650,000	$1,650,000	$1,500,000	$1,438,560
Installments on stock	.....	.....	.....	.....	.....	1,591
Premiums on capital stock	16,079	16,079	16,078	16,079	16,078	16,079
Bills payable	90,000	150,000	95,016	15,000	63,903	47,506
Miscellaneous accounts payable	553	305	259	171	516	16
Dividends and interest unpaid	.....	.....	.....	.....	.....	66
Rent paid in advance	398	822	294	367	357	551
Reserve for tax liability	17,274	17,274	18,229	18,417	23,006	22,452
Reserve for accrued depreciation	166,800	99,761	50,343	67,712	43,584	84,674
Other reserves	2,826	2,821	2,224	709	6,331	6,522
War tax collected but not remitted	.....	.....	.....	.....	1,661	1,645
Other liabilities	783	407	2,881	12,525	11,291	8,612
Other accrued liabilities	34,453	34,937	33,513	33,057	31,086	29,238
Audited vouchers unpaid	423	1,871	1,685	3,120	1,586	1,683
Corporate surplus	39,332	10,453	6,806	6,806	8,813	13,873
Total	$2,018,921	$1,984,729	$1,877,327	$1,823,963	$1,708,212	$1,673,068

Officers: John H. Fildew, Pres., Pontiac, Mich.; John B. Chapin, V-P., St. Johns, Mich.; Worthy S. Cooper, V-P.; Lynds L. Conn, Sec. & Treas.; William J. Melchers, Gen. Mgr.; Samuel C. Gillan, Aud.; John H. Britten, Plant Supt., Owosso, Mich.

Directors: John H. Fildew, Pontiac, Mich.; Frank G. Thiers, Mt. Pleasant, Mich.; John T. Millman, John B. Chapin, St. Johns, Mich.; William A. Bahlke, Alma, Mich.; John E. Gerow, Ovid, Mich.; Lynds L. Conn, Calvin P. Bentley, William J. Melchers, Worthy S. Cooper, Owosso, Mich.; Chas, W. French, Cadillac, Mich.

Main Office, Owosso, Mich.

CHICAGO AND WEST TOWNS RAILWAY COMPANY

History and Properties—Incorporated Sept. 18, 1913 in Ill., and took over property of the County Traction Co. On March 11, 1918, purchased the property of the Suburban R. R. Co. Charter of Chicago & West Towns Ry. extends for 50 years, from Dec., 1910. Owns and operates approximately 66 miles of electric railway measured as single track. In addition to the mileage which the Company operates, it owns an additional seven miles of track which are leased to the Chicago Railways Co. The Company also operates 29 busses supplementing the railway service. Company renders suburban electric railway service to a section lying just west and southwest of the City of Chicago. The communities served include the cities and towns of Oak Park, River Forest, Maywood, Cicero, Berwyn, Forest Park, Lyons, Riverside, Brookfield and La Grange. Owns two power houses for the generation of electric current and in addition has contracted with the Chicago Sanitary District for a portion of its electric power requirements at a favorable rate. Estimated population served, in excess of 255,000.

CAPITAL STOCK

Authorized, $1,000,000 Common, $1,000,000 6% cumulative Pfd., and $500,000 8% Second Pfd.; outstanding, $1,000,000 Common, $1,000,000 6% Pfd. and $210,000 8% Second Pfd.; par, $100. Annual meeting in January, at Chicago, Ill.

Dividends—Dividends of 6% on First Pfd. paid regularly since 1914 to date, and 8% on Second Pfd. from 1921 to date; payments on both classes quarterly J, A, J & O 4. Dividends of 6% each were paid on Common in 1926 and 1927.

FUNDED DEBT

$1,500,000 FIRST MORTGAGE 7% GOLD BONDS SERIES "A"; DUE JULY 1, 1932
$425,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE JULY 1, 1932

Dated Series "A," July 1, 1922 and Series "B," July 1, 1927.

Interest Payable January and July 1, at Harris Trust & Savings Bank, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized, $5,000,000; issued and outstanding, $1,925,000 ($1,500,000 Series "A" 7s and $425,000 Series "B" 6s). Additional bonds may be issued from time to time for 75% of the actual and reasonable cash cost of additions and extensions to the property, provided net earnings for a twelve months' period ending not more than 60 days prior to application for issuance have been at the rate of at least twice the interest charges on all outstanding bonds and those then proposed to be issued. Subsequent series of bonds are not to bear interest in excess of 7% or run for more than 20 years from date of issuance.

Callability—Series "A" bonds are subject to call on any interest date, in the first year at 107½ and accrued interest, thereafter at par, accrued interest and premium of ¾ of 1% for each year or part of year of unexpired life.

Series "B" bonds are subject to call on any interest date at par, accrued interest and a premium of ¾ of 1% for each year or part of year of unexpired life.

Sinking Fund—None.

Security—A direct first and only mortgage on the entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,150,000 Series "A" 7s) in 1922, at 98½ and interest to yield 7¼%, by Harris Trust & Savings Bank, Chicago. $350,000 additional Series "A" 7s offered by the same bank in Sept., 1924, at 100 and interest, yielding 7%. $425,000 Series "B" 6s offered by the same bank in Sept., 1927, at 95¾ and interest, yielding over 7%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,472,099	$1,441,083	$1,348,902	$1,273,702	$1,208,218	$1,132,427
Operating expenses and taxes	1,109,099	1,091,814	1,031,338	985,524	934,187	888,825
Net earnings	$363,000	$349,269	$317,563	$288,177	$274,032	$243,601
Bond interest	$113,075	$105,000	$105,000	$91,961	$80,500	$69,250
Other interest	222	.....	.....	631	.....	918
Bond amortization	16,920	14,201	14,201	12,695	11,189	15,328
Total charges	$130,217	$119,201	$119,201	$105,287	$91,689	$85,496
Net income	$232,783	$230,068	$198,362	$182,890	$182,343	$158,105
Preferred dividends paid	76,800	76,800	76,800	76,800	76,800	76,800
Common dividends	60,000	60,000	.....	.....	.....	.....
Surplus for year	$95,983	$93,268	$122,562	$106,090	$105,543	$81,305
Times Fixed Charges Earned	2.79	2.93	2.66	2.74	2.99	2.85
Earnings Per Share—						
6% Preferred	$23.28	$23.01	$19.84	$18.29	$18.23	$15.81
8% Preferred	82.28	80.98	65.88	58.52	58.26	46.72
Common	15.60	15.33	12.16	10.61	10.55	8.13

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$4,874,379	$4,528,340	$4,347,447	$4,210,239	$3,873,531	$3,635,531
Treasury stock	129,000	129,000	129,000	129,000	129,000	129,000
Cash	86,847	73,943	100,633	111,153	48,189	205,858
Accounts receivable	1,304	1,694	2,762	1,966	1,750	3,548
Materials and supplies	62,967	30,672	73,604	71,638	56,131	20,134
Prepaid insurance	6,328	4,178	3,283	3,897	3,386	2,052
Amortization of bonds	99,924	78,106	92,306	106,507	95,104	104,177
Total	$5,260,749	$4,845,933	$4,749,034	$4,634,400	$4,207,091	$4,100,300
Liabilities—						
Capital stock	$2,339,000	$2,339,000	$2,339,000	$2,339,000	$2,339,000	$2,339,000
Funded debt	1,925,000	1,500,000	1,500,000	1,500,000	1,150,000	1,150,000
Accounts payable	88,692	48,029	63,182	45,269	43,057	46,399
Employees deposits	2,255	2,105	1,930	1,848	1,612	1,461
Unredeemed tickets	6,173	6,957	4,454	4,521	4,524	4,335
Reserve for taxes	68,403	67,680	44,874	35,889	20,566	18,087
Reserve for bus tires	6,552	4,083	.....	.....	.....	.....
Reserve for injuries and damages	36,738	77,739	71,860	66,490	57,758	46,646
Reserve for depreciation	679,502	668,077	633,328	540,662	505,713	428,010
Unpaid dividends	.....	34,200	.....	19,200	19,200	19,200
Surplus	108,434	98,063	90,407	81,521	65,661	47,163
Total	$5,260,749	$4,845,933	$4,749,034	$4,634,400	$4,207,091	$4,100,300

Officers: Walter J. Cummings, Pres.; Chas. N. Hebner, Sec. & Treas., Chicago; B. Collette, Gen. Mgr., Oak Park, Ill.

Directors: W. J. Cummings, Chairman, Chas. N. Hebner, A. W. Sullivan, J. R. Cardwell, W. J. Lawlor, Chicago; C. H. Wilcox, Oak Park, Ill.; Chas. G. Adsit, Atlanta, Ga.

General Office, Oak Park, Ill.

FAIRMOUNT PARK TRANSIT COMPANY

History—Incorporated in Sept., 1916, in Del., and on June 22, 1915, purchased all of the assets of the Fairmount Park Transportation Co., subject to $750,000 First Mortgage 5% bonds. The sale of the property to the Reorganization Committee was confirmed on Dec. 13, 1917, by Judge Thompson in the U. S. District Court of Philadelphia. (See 1918 Public Utility Manual, page 189, or apply to our Information Department.)

Operates an electric line in Fairmount Park, Philadelphia, together with the Woodside Real Estate Co. (capital stock, $100,000), which owns Woodside Park. License from Park Commission expires July 24, 1939. Assignment of license to the Fairmount Park Transit Co. approved by the Commissioners of Fairmount Park, Dec. 11, 1918. Operation from Nov. 30 to May 1 is optional. Miles of track operated, 8.83. Gauge, 5 ft. 2½ in. Rails, 90 lb. T. Cars—closed, 9; open, 50.

CAPITAL STOCK

Authorized, 150,000 shares Common stock of no par value (changed from 40,000 shares, par $10, by vote of stockholders Feb. 21, 1927) and $100,000 7% cumulative Pfd., par $10; outstanding, 119,370 shares Common and $79,686 Pfd.

Annual Meeting—Third Monday in February.

Dividends—On July 10, 1923, paid Pfd. dividend of 3½% for the six months ended June 30, 1923, and dividend of 14% against Pfd. stock accumulations at rate per annum for the years 1917 and 1918. All dividends have now been paid and current Pfd. dividends are now being regularly paid; payments (now 17½ cts. each quarter), J, A, J & O 10. On Common, initial dividend of 25c a share was paid July 11, 1927; Nov. 15, 1927, 25c a share.

FUNDED DEBT

$512,000 FAIRMOUNT PARK TRANSPORTATION CO., FIRST MORTGAGE SINKING FUND GOLD 5s; DUE APRIL 1, 1937

Dated April 1, 1912.

Interest Payable April and October 1, at Girard Trust Co., Philadelphia.

NOTE—The Oct. 1915 coupons from these bonds were purchased by E. W. Clarke & Co., Philadelphia; April 1, 1916, and subsequent interest paid at rate of 4% per annum until April 1, 1921, when 5% rate was restored.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued $750,000, of which $238,000 held alive in sinking fund as of Dec. 31, 1927, leaving $512,000 outstanding.

Callability—Subject to call at 105 and interest on any interest date on 60 days' notice.

Sinking Fund—A sinking fund of $13,000 per annum began October 1918, to purchase bonds at a price not to exceed 105 and interest; if not so obtainable, bonds are to be called by lot at that figure. Bonds redeemed thru sinking fund are to be kept alive and interest accruing thereon to be added to the fund. Security a direct lien on entire property of company. Additionally secured by pledge of securities covering property of Woodside Real Estate Co.

Assumed—Assumed by Fairmount Park Transit Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($750,000) in Aug., 1912, at 96 and interest, by E. W. Clark & Co., Philadelphia.

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including Woodside Real Estate Co.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$635,004	$565,700	$439,662	$448,991	$453,309	$364,056
Operating expenses	373,821	334,979	274,328	266,115	264,361	214,615
Net earnings	$261,183	$230,721	$165,334	$182,876	$188,948	$149,441
Bond interest	26,855	28,118	$29,262	$30,522	$31,775	$32,912
Other interest, taxes, etc.	17,829	15,332	14,401	13,506	14,621	13,818
Depreciation	87,851	72,985	64,455	63,151	59,206	51,394
Federal taxes (estimated)	18,000	15,500	6,000	9,500	10,600	6,500
Surplus after charges	$110,648	$98,786	$51,216	$66,197	$72,746	$44,817
Preferred dividends	5,571	§	§	§	§	§
Common dividends	59,685	.....	.....	.....	.....	.....
Surplus for year	$45,392	$98,786	$51,216	$66,197	$72,746	$44,817
*Times Fixed Charges Earned	3.88	3.63	2.31	2.72	2.79	2.09
Earnings Per Share—						
Preferred	$13.89	$12.39	$6.42	$8.31	$9.13	$5.62
Common	‡0.88	†2.33	1.14	1.52	1.68	0.98

*After depreciation. †On 40,000 shares, par $10, outstanding. ‡On 119,370 shares of no par value outstanding. §Not reported.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Fairmount Park Transit Co. Only)

	1927	1926	1925	1924	1923	1922
Gross earnings	$203,889	$215,156	$214,991	$224,871	$237,276	$229,239
Operating expenses and taxes	148,544	147,860	150,999	147,158	159,775	141,037
Net earnings	$55,345	$67,296	$63,992	$77,713	$77,501	$88,202
Fixed charges	26,711	28,118	29,357	30,969	32,107	33,217
*Surplus for year	$28,634	$39,178	$34,635	$46,744	$45,394	$54,985

*Available for depreciation and surplus.

COMBINED BALANCE SHEET, DECEMBER 31
(Including Woodside Real Estate Co.)

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,388,398	$1,379,207	$1,363,962	$1,340,318	$1,334,405	$1,318,597
Amusement devices owned by Co.	639,326	445,478	245,898	222,713	177,422	131,147
Materials and supplies	16,488	11,820	2,222	1,843	3,114	3,941
Accounts and notes receivable	2,248	9,057	792	565	1,239	54
Exp. of reorganization to be amortized	.....	6,158	6,158	6,158	6,158	6,158
Stock subscriptions to be adjusted	88	88	88	88	83	83
Prepaid insurance	8,819	3,293	2,020	1,728	1,032	1,782
Amount invested in sinking fund bonds	180,957	157,862	134,864	113,985	93,021	74,403
Girard Trust Co.—Trustee sinking fund	.....	.....	568	208	784	677
Work in progress	.....	55,593	37,210	7,521	2,589	2,845
Cash	8,859	19,433	71,359	88,579	77,245	88,929
Sesqui-Centennial Exposition subscription	.....	2,500	1,250	1,000	1,000	.....
Unadjusted debits	10,862	.....	.....	.....	.....	.....
Total	$2,256,046	$2,090,489	$1,866,392	$1,784,706	$1,698,092	$1,628,616
Liabilities—						
Common stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
Preferred stock	79,686	79,686	79,686	79,686	79,686	79,686
Funded debt	750,000	750,000	750,000	750,000	750,000	750,000
Accounts and notes payable	80,955	51,484	3,344	5,754	5,112	4,796
Accrued interest on bonds	9,550	9,550	9,550	9,375	9,375	9,375
Accrued taxes	4,095	4,311	4,100	4,385	4,778	5,060
Accrued sinking fund	3,250	3,250	3,250	3,250	3,250	3,250
Depreciation reserve	411,102	324,232	256,047	206,054	159,860	149,513
Reserve for injuries and damages	5,802	5,235	1,178	9,357	10,161	8,591
Surplus and undivided profits	511,606	462,741	359,237	316,845	275,870	218,345
Total	$2,256,046	$2,090,489	$1,866,392	$1,784,706	$1,698,092	$1,628,616

Officers: N. S. Alexander, Pres.; Clayton E. Platt, Sec. & Treas.

Directors: Percival E. Foerderer, Chas. A. Porter, Robert H. Irwin, Jr., Clayton E. Platt, N. S. Alexander.

General Office, Station W—West Park, Philadelphia, Pa.

CHICAGO, HARVARD AND GENEVA LAKE RAILWAY COMPANY

History—Incorporated Jan. 26, 1899, in Ill. and Wis. Franchises in Harvard, 50 years. Line of road: Harvard, Ill., to Walworth and Fontana, Wis., 13.615 miles. Gauge, standard. Rail, 60 lb. T. Motor cars, 5; other cars, 19. Company's line reaches Lake Geneva.

CAPITAL STOCK

Authorized and outstanding, $75,000 (reduced from $150,000 in 1915); par, $100. Annual meeting, fourth Tuesday in January. No dividends paid.

FUNDED DEBT

$72,500 First Mortgage 5% Bonds; dated March 1, 1915; due March 1, 1935; int. March and Sept. 1, at Central Trust Co. of Illinois, Chicago. Coupon, $500; principal may be registered. Authorized issue, $78,500, of which $6,000 is held in treasury. Secured by first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$37,311	$40,712	$42,389
Oper. exp. & taxes	34,757	36,063	36,475
Net earnings	$2,554	$4,649	$5,914
Interest charges, etc.	3,655	4,112	4,268
Surplus for year	*$1,101	$537	$1,646

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$234,969	$233,587	$368,534
Cash	4,714	3,326	5,211
Accounts receivable	4,981	3,668	12,155
Materials & supplies	2,752	5,552	5,935
Prepaid accounts	175	200	202
Total	$247,591	$246,333	$392,037
Liabilities—			
Capital stock	$75,000	$75,000	$75,000
Funded debt	72,500	72,500	72,500
Equipment notes	.....	4,000	7,500
Accounts payable	8,241	7,083	5,635
Reserve for interest	1,208	1,838	1,208
Other liabilities	.....	.....	206
Reserve for taxes	761	789	1,042
Depreciation	70,103	64,244	57,980
Surplus	19,778	20,879	170,966
Total	$247,591	$246,333	$392,037

Officers: William McKinley, Pres., Chicago; A. P. Jenks, V-P.; J. O. Schulze, Gen. Mgr., Walworth, Wis.; C. N. Hebner, Sec. & Treas., Chicago.

Directors: William McKinley, A. P. Jenks, C. N. Hebner, Chicago; J. O. Schulze, Carl Krabbe, Walworth, Wis.

General Office, Walworth, Wis.

THE UNION ELECTRIC LIGHT AND POWER COMPANY

History and Property—Incorporated June 14, 1901, in Conn. Furnishes electric light and power to Unionville, Farmington, Canton, Burlington, Avon, and Collinsville, Conn., and at wholesale to The New Hartford Electric Co. Property consists of generating plant and distribution lines. Franchises perpetual. In 1926, acquired the entire $15,000 capital stock of The New Hartford Electric Co. Population served, about 14,000. No. of meters, electric, Jan. 1, 1928, 2,891. Generating capacity, 2,650 h.p. Total connected load, 5,391 h.p.

SALES, YEARS ENDED DECEMBER 31

	K.W.H.		K.W.H
1922	2,798,570	1925	4,022,405
1923	3,231,072	1926	4,408,183
1924	3,620,066	1927	4,850,633

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $900,000 (increased from $750,000 in July, 1927); par, $50. Annual meeting, fourth Monday in January.

Dividends—Dividends have been paid in recent years, semi-annually, January and July, as follows: 1906 and 1907, 5%; 1908 and 1909, 6%; 1910, 7%; 1911, 8%; 1912 to 1925, 10%; 1926, 15% (including 25th anniversary dividend paid Nov. 19, 1926); 1927, 10%.

Subscription Privileges—Stockholders of record Jan. 18, 1927 received the right to subscribe to 3,000 additional shares of capital stock at par, $50 per share, in proportion of one additional share for each four shares held. Stockholders of record July 26, 1927, received the right to subscribe to additional stock at par, $50 per share, in the proportion of one additional share for each five shares held. Privilege expired Aug. 16, 1927.

FUNDED DEBT

None. All the outstanding First Mortgage 6% bonds due Jan. 1, 1944 were called for redemption on July 1, 1926, at 110 and interest.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$182,312	$165,239	$152,330
Oper. exp. & taxes	129,163	116,820	110,457
Net earnings	$53,149	$48,419	$41,873
Other income	52,859	39,031	30,288
Total income	$106,008	$87,450	$72,161
Bond interest, etc.	288	1,910	4,586
Balance for dividends	$105,720	$85,540	$67,575
Dividends paid	67,500	80,750	45,000
Surplus for year	$38,220	$4,790	$22,575
Earnings Per Share	$5.87	$7.13	$6.76

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Property account	$957,072	$642,337	$608,338
Cash	56,896	34,340	47,060
Accounts receivable	26,789	22,803	17,353
Other assets	79,571	64,940	43,322
Investments in affiliated cos.	30,000	30,000	.....
Sinking fund	.....	.....	7,970
Total	$1,150,328	$794,420	$724,043
Liabilities—			
Capital stock	$900,000	$600,000	$500,000
Funded debt	.....	.....	50,000
Ohter liabilities	7,250	8,111	4,513
Accrued taxes	19,001	15,690	12,892
Reserves & surplus	224,077	170,619	156,638
Total	$1,150,328	$794,420	$724,043

Officers: E. H. Deming, Pres.; W. A. Hitchcock, Sec., Farmington, Conn.; Chas. G. Bill, Treas. & Gen. Mgr.; Daniel C. Payne, Supt., Unionville, Conn.

Directors: E. H. Deming, W. A. Hitchcock, E. T. House, Farmington, Conn.; C. G. Bill, Unionville, Conn.; Chas. L. Taylor, Hartford, Conn.; F. J. Hough, Collinsville, Conn.; Frank M. Chapin, Pine Meadow, Conn.

General Office, Unionville, Conn.

TARENTUM, BRACKENRIDGE & BUTLER STREET RY. CO.

History—Incorporated March 22, 1912, in Pa., for 99 years; road opened July 12, 1912. Line of road: Tarentum to Birdville, Pa., 3.33 miles. Gauge, standard. Rail, 86 lbs. Cars, 6. Energy purchased from Natrona Light & Power Co.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. Treasurer of Company acts as Transfer Agent and Registrar. No dividends paid. Annual meeting, second Tuesday in January.

FUNDED DEBT

$120,000 First Mortgage 5s; dated July 1, 1912; due July 1, 1942; interest Jan. and July 1, at Tarentum Savings & Trust Co., Tarentum, Pa. Trustee.

Coupon, $1,000; principal may be registered. Authorized $150,000. Subject to call on any interest date, at 105 and accrued interest. Secured on entire property of company. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$47,209	$49,314	$49,380
Operating exp. & taxes	37,800	43,586	42,084
Net earnings	$9,409	$5,728	$7,296
Other income	2,025	1,427	702
Gross income	$11,434	$7,155	$7,998
Bond interest	6,000	6,000	6,000
Other interest	2,520	2,520	2,520
Miscellaneous taxes	.....	.....	1,500
Surplus for year	$2,914	*$1,365	*$2,022

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$254,570	$253,143	$253,143
Miscel. physical property	.....	2,192	740
Other investments	4,928	7,515	10,586
Cash	2,272	371	5,139
Accounts receivable	1,736	514	25
Materials and supplies	669	.....	.....
Other current assets	309	.....	.....
Deferred items	258	.....	.....
Corporate deficit	94,029	87,836	72,866
Total	$358,771	$351,571	$342,498
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	120,000	120,000	120,000
Loans and notes payable	33,613	33,613	33,613
Matured int., etc., unpaid	104,096	97,844	87,161
Other current liabilities	.....	114	1,725
Other liabilities	1,062	.....	.....
Total	$358,771	$351,571	$342,498

Officers: M. R. Brackenridge, Pres.; J. C. Smith, V-P.; C. H. Maurhoff, Sec. & Treas.

Directors: M. R. Brackenridge, C. H. Maurhoff, R. H. Boyd, J. C. Smith, Wm. G. Costin, J. G. Campbell, M. A. Britton.

Office, Crescent St., Brackenridge, Pa. **Post Office Address,** Box 88, Tarentum, Pa.

THE ANSONIA WATER COMPANY

History—Incorporated July 9, 1864, in Conn. Supplies water to the east and west portions of the city of Ansonia, Conn. The Fountain Water Company, the stock of which was acquired in Feb., 1925, on a share for share basis was merged with The Ansonia Water Co. as of Dec. 31, 1926.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $575,000; par, $25. In Feb., 1925, capital stock was increased from $400,000 to $575,000 through the issuance of a 25% ($100,000) stock dividend, and $75,000 in exchange for a like amount of stock of The Fountain Water Co. Annual meeting, second Wednesday in April.

Dividends—Dividends of 7% per annum regularly paid to and including 1924; 1925, 7% regular and 1% extra; 1926 and 1927, 8% each. In addition a 25% stock dividend amounting to $100,000 was paid in 1925.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Ansonia Water Co. and The Fountain Water Co.)

	1927	1926	1925
Gross revenue	$117,319	$117,775	$99,096
Oper. exp., taxes & deprec.	64,225	75,492	47,633
Net earnings	$53,094	$42,283	$51,463
Interest (net)	3,604	2,375	747
Balance for dividends	$49,490	$39,908	$50,716
Dividends paid	46,000	46,000	46,000
Surplus for year	$3,490	*$6,092	$4,716
Earnings Per Share	$2.15	$1.73	$2.20

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31
(The Ansonia Water Co. and The Fountain Water Co.)

Assets—	1927	1926
Fixed capital	$817,938	$795,776
Supplies and tools	7,823	8,333
Amount invested in A. F. P. Co.	51,888	51,888
Real estate outside of watershed	11,051	10,999
Reforesting	6,827	5,788
Notes receivable	12,255	12,455
Accounts receivable	32,354	38,415
Misc. suspense accounts	1,446	1,446
Prepaid items	.....	56
Cash	1,080	4,402
Total	$942,662	$929,558
Liabilities—		
Capital stock	$575,000	$575,000
Notes payable	94,200	104,500
Accounts payable	10,089	3,048
Depreciation reserve	114,188	101,315
Profit and loss	149,185	145,695
Total	$942,662	$929,558

Officers: Theodore L. Bristol, Pres., Treas. & Gen. Mgr.; W. A. Cowles, V-P.; Frank J. Davis, Sec. & Supt.; Samuel J. Kyle, Asst. Sec.; Theodore L. Bristol, Jr., Asst. Treas., Ansonia, Conn.

Directors: Theodore L. Bristol, Harold E. Drew, John T. Walsh, Theodore L. Bristol, Jr., Alton Farrell, W. A. Cowles, L. F. Anschutz, William A. Nelson, Frank J. Davis, S. J. Kyle, Ansonia, Conn.; Chas. F. Bliss, New Haven, Conn.; Dr. Walter S. Torrance, Derby, Conn.

General Office, Ansonia, Conn.

FLAMBEAU POWER COMPANY

History—Incorp. in 1922, in Wis., to own, develop and operate water-powers, and has acquired certain developed and undeveloped water-powers on the Flambeau River formerly owned by Flambeau Paper Co. and Wisconsin Realty Co., affiliated companies. Properties consist of two developed and three undeveloped water-powers on the Flambeau River, near Park Falls, in Northern Wisconsin, estimated at 11,850 turbine horse power, with an average annual capacity of 25,735,000 k.w.h. The two developed water-powers, which include complete flowage rights and all necessary real estate, aggregate 3,650 turbine horse power, with an average annual capacity of 8,465,000 k. w. h. The two developed water-powers have been leased for a period of 25 years to the Flambeau Paper Co. at a net annual rental of $47,600.

CAPITAL STOCK

Authorized, 10,000 Common shares of no par value and $250,000 6% cumulative Pfd.; par, $100; outstanding, 7,462 Common shares and $175,900 Pfd. Annual meeting January 20, in Milwaukee.

Dividends—Pfd. dividends regularly paid since issuance in 1922; payments quarterly, M, J, S & D 31. None paid on Common.

FUNDED DEBT

$200,000 First Mortgage Serial Gold 6% bonds, Series "A"; dated Jan. 1, 1923; due serially, $12,500, Jan. 1, 1929, to 1942, incl. and $25,000 Jan. 1, 1943; int. J & J 1, at First Wisconsin Trust Co., Milwaukee, Wis., Trustee. Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized, $1,000,000; issued, $250,000 Series "A" 6s, of which $50,000 retired to Jan. 1, 1928, incl. The remaining $750,000 bonds may be issued in one or more series and bear such date, maturity, rate of interest, redemption price and serial or sinking fund provisions as the Board of Directors may fix at time of issue, provided, however, that the bonds may be issued only for improvements, betterments, or additional property (excluding real estate and flowage rights in connection with undeveloped powers), at not exceeding 75% of the actual cost or reasonable value thereof, whichever is less, and then only when net earnings applicable to bond interest charges for 12 months of the preceding 14 calendar months last past

shall have been equal to at least twice the interest charges on all bonds of this issue outstanding, plus those to be issued.

Callability—Subject to call as a whole or in part, on any interest date, at 105 and interest up to and including Jan. 1, 1938; thereafter at 1% less each year, to and including Jan. 1, 1942, and at par and interest thereafter to maturity.

Security—A first mortgage on all of the Company's real estate, plants, equipment, waterpower and flowage rights now owned or hereafter acquired. Also secured by assignment to and deposit with the Trustee of the leases of its two developed properties and transmission lines to Flambeau Paper Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($250,000) in April, 1923, at prices ranging from 94.50 to 99.53 (and interest), to yield from 6.50% to 6.30% according to maturities, by Morris F. Fox & Co., Milwaukee, Wis.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Income from rental	$47,600	$47,600	$47,600
Operating expenses	941	726	432
Taxes	532	1,734	3,772
Depreciation reserve	17,009	17,009	17,009
Net earnings	$29,118	$28,130	$26,387
Other income	831	694	307
Total income	$29,949	$28,824	$26,694
Deductions:			
Interest on bonds	$12,750	$13,500	$14,250
Other interest	13	130	831
Bond discount	1,845	1,953	2,062
Total	$14,608	$15,583	$17,143
Net income	15,341	13,241	9,551
Preferred dividends	10,554	10,554	10,554
Surplus for year	$4,787	$2,686	*$1,003
Earnings Per Share—			
Preferred	$8.72	$7.52	$5.43
Common	0.64	0.36	Nil

*Deficit.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Properties	$440,601	$438,020	$436,336
Securities owned	7,120	6,919	14,650
Life ins. policy	1,057	870	688
Cash	9,588	8,316	4,975
Accounts receivable	14,339	7,588	.....
Deferred debit items	14,399	16,244	18,197
Total	$487,104	$477,957	$474,846
Liabilities—			
Preferred stock	$175,900	$175,900	$175,900
*Common stock	.....	.....	.....
Funded debt	212,500	225,000	237,500
Accounts payable, etc.	700	299	.....
Notes payable	.....	.....	4,000
Interest accrued	6,375	6,926	7,310
Unadjusted credits	120	120	120
Depreciation reserve	79,836	62,827	45,817
Surplus	11,673	6,886	4,199
Total	$487,104	$477,957	$474,846

*7,462 shares of no par value Common stock issued in exchange for raw water power value. No value placed on asset side for these water powers.

Officers: E. P. Sherry, Pres. & Treas., Milwaukee, Wis.; Guy Waldo, V-P. & Gen. Mgr.; L. W. Buboltz, Sec. Park Falls, Wis.

Directors: E. P. Sherry, Milwaukee, Wis.; Guy Waldo, L. W. Buboltz, Park Falls, Wis.

General Office, 461 Jefferson St., Milwaukee, Wis. **Operating Office,** Park Falls, Wis.

KANSAS CITY INTERURBAN FREIGHT TERMINAL CO.

History and Property—Incorporated July 18, 1916, in Mo. The terminal was opened for business Oct. 15, 1917. Company provides facilities in Kansas City, Mo., for handling interurban freight and express matter. This is a joint freight station, the following companies having entered into the contract: Kansas City, Clay County & St. Joseph Ry. and Kansas City, Kaw Valley & Western Ry. These companies have guaranteed an annual tonnage of 25,000 tons.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Stock closely held. Annual meeting, second Monday in January. No dividends paid.

FUNDED DEBT

$57,500 First Gold 6s; dated Oct. 2, 1916; originally due Oct. 1, 1926, but extended to Oct. 1, 1936 at same rate of interest; interest April and Oct. 1, at Commerce Trust Co., Kansas City, Mo., Trustee. Coupon, $500; principal may be registered. Authorized, $100,000; issued, $75,000, of which $17,500 have been cancelled. Subject to call on any interest date at 105 and interest. Sinking fund, 3% of outstanding bonds to be paid to trustee annually, began Oct. 1, 1918. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$21,740	$22,735	$31,339
Oper. exp. & taxes	18,087	19,950	22,059
Depreciation	1,538	1,539	1,538
Net earnings	$2,115	$1,246	$7,742
Other income	.....	649	873
Total income	$2,115	$1,895	$8,615
Bond interest	3,450	4,500	4,500
Other interest	.....	.....	78
Total charges	$3,450	$4,500	$4,578
Deficit for year	$1,335	$2,605	*$4,037

*Surplus.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Property account	$176,942	$176,942	$176,919
Materials and supplies	203	140	110
Cash	1,202	1,183	500
Liberty bonds	2,046	2,046	3,089
Accounts receivable	1,922	1,873	2,604
Sinking fund	1,052	18,552	18,027
Prepaid insurance	1,167	1,096	1,124
Total	$184,534	$201,832	$202,373
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	57,500	75,000	75,000
Interest accrued	862	1,650	1,125
Reserve for depreciation	10,765	9,226	7,688
Profit and loss surplus	15,407	15,956	18,560
Total	$184,534	$201,832	$202,373

Officers: R. P. Woods, Pres.; J. F. Holman, V-P.; E. S. Bigelow, Sec. & Treas., Kansas City, Mo.

Directors: R. P. Woods, E. S. Bigelow, W. S. Tuley, J. F. Holman, R. S. Mahan, W. R. Taylor, A. J. Meyer, Kansas City, Mo.

General Office, Fourth & Wyandotte Sts., Kansas City, Mo.

UNION TRACTION CO.

(Nashville Tenn.)

History—Incorporated Oct. 12, 1917, in Tenn. and purchased from the receivers the property of the Nashville-Gallatin Interurban Ry. Co. at the Court sale Sept. 25, 1917 (see 1917 Public Utility Manual, page 368). All right of way owned by Co., excepting one mile in Gallatin. Road extends from Nashville to Gallatin, Tenn., 27.6 miles. Enters Nashville over tracks of Nashville Railway & Light Co. Gauge, 4 ft. 8½ inches. Rails, T, 70 lb. Operated by overhead trolley. Motor passenger cars, 5; motor freight car, 1. Power purchased.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Annual meeting, first Thursday after first Monday in Jan. Transfer Agent and Registrar: Nashville Trust Co., Nashville, Tenn.

Dividends—Dividends of 10% paid in 1918 and 6% in 1919; none thereafter until 1923, when 6% was paid; 1924, 5%; none since.

FUNDED DEBT

$300,000 (entire issue) First Gold 6s; dated Dec. 1, 1917; due Dec. 1, 1947; int. June and Dec. 1, at Co.'s offices, Nashville, Tenn. Coupon, $500; principal may be registered. Nashville (Tenn.) Trust Co., Trustee. Subject to call on any interest date at 105 and int. No sinking fund. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	†$132,130	$142,189	$172,518
Oper. exp. & taxes	127,990	126,794	153,556
Net earnings	$4,140	$15,395	$18,962
Other income	†	1,068	668
Total income	$4,140	$16,463	$19,630
Bond interest, etc.	18,000	18,000	18,008
Surplus for year	*$13,860	*$1,537	$1,622

*Deficit. †Other income included in gross earnings.

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	*1925	1924
Road and equipment	$661,273	$661,272	$661,273
Cash	10,753	15,133	7,421
Special deposits	14,500	12,000	32,000
Notes receivable	.....	120	120
Accounts receivable	1,110	2,808	3,630
Other assets	498	165	165
Prepaid insurance	534	3,280	2,019
Treasury bonds	2,061	2,061	2,633
Profit and loss deficit	40,334	9,520	.....
Total	$731,063	$706,360	$709,261
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	300,000	300,000	300,000
Accounts payable	1,769	4,419	11,659
Matured interest	3,510	1,980	1,275
Accrued interest	1,500	1,500	1,500
Accrued taxes	11,953	7,493	7,467
Accrued depreciation	111,887	90,524	79,842
Unadjusted credits	444	444	500
Profit and loss surplus	.....	.....	7,017
Total	$731,063	$706,360	$709,261

*1926 figures not available.

Officers: John A. Bell, Pres., Nashville, Tenn.; F. R. Williams, V-P., Cincinnati, Ohio; John A. Aull, V-P., Middletown, Ohio; A. J. Anderson, Sec., Gen. Mgr. & Pur. Agt.; Harry S. Berry, Treas., Nashville, Tenn.

Directors: John A. Bell, A. J. Anderson, Harry S. Berry, H. H. Mayberry, M. M. Cullom, Nashville, Tenn.; F. R. Williams, Cincinnati, Ohio; John A. Aull, Middletown, Ohio.

General Office, Nashville, Tenn.

PRINCETON POWER COMPANY

History and Property—Incorporated Aug. 15, 1907, in W. Va. Supplies electricity to Princeton, W. Va.; also operates interurban railway, extending from Princeton to Bluefield, W. Va., 12 miles. Also operates street railway system in City of Princeton and City of Bluefield, and from Bluefield to Graham and to West Graham, Va. The Princeton Power Company purchased on Nov. 15, 1920, the entire street railway system of the Appalachian Power Company in Bluefield, W. Va., and Graham, Va., and operates the purchased system and its original system as one property. Franchise expires 1958. No. of meters, 2,100. Has municipal contract for street lighting. Population served, 10,000. Prices, 12 cts. to 4.2 cts. per k.w.h.

CAPITAL STOCK

Authorized, $500,000 Common and $50,000 Pfd.; outstanding, $305,450 Common and $30,100 Pfd.; par, $100. Annual meeting, last Tuesday in January.

Dividends—Common dividends of 6% each paid in 1919, 1920 and 1921; none since. Pfd. dividends at rate of 7% and 6% paid in 1923; none since.

FUNDED DEBT

$375,000 First Mortgage 8s; dated 1924; due $25,000 annually May 1, 1928 to 1942, inclusive. Interest payable May and November 1, at The First National Bank of Bluefield, W. Va., Trustee. Authorized and issued, $400,000, of which $25,000 matured and paid off May 1, 1927. A lien on entire property.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$350,056	$360,711	$370,077
Oper. exp. & taxes	228,331	251,314	283,054
Depreciation	38,617	58,226	57,134
Net earnings	$83,108	$51,171	$29,889
Bond interest	30,333	32,038	31,990
Note interest	4,382	.....	2,866
Amortization bond disc.	1,457	.....	6,954
Reserves for bad debts, etc.	1,094	.....	.....
Total charges	$37,266	$32,038	$41,810
Surplus for year	$45,842	$19,133	*$11,921

*Deficit

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Property account	$715,796	$744,833	$836,959
Interest in other cos	24,300	30,092	.....
Sinking fund	.....	4,200	.....
Cash	32,619	24,608	20,290
Notes & accts. receivable	24,185	28,886	27,104
Materials, supplies, etc.	129	416	.....
Discount on bonds, etc.	23,084	22,343	.....
Other liabilities	.....	2,934	.....
Pole line	29,765	28,071	49,858
Total	$849,878	$886,383	$934,211
Liabilities—			
Common stock	$305,450	$305,450	$305,450
Preferred stock	30,100	48,300	48,300
Funded debt	375,000	387,500	400,000
Bills payable	.....	11,000	23,000
Meter deposits	8,355	7,432	.....
Accounts payable	5,723	9,844	29,941
Other current liabilities	.....	.....	6,757
City of Bluefield	41,412	61,776	72,721
Other reserves	2,056	26,131	39,833
Profit and loss	81,782	28,950	8,209
Total	$849,878	$886,383	$934,211

Officers: S. J. Evans, Pres. & Gen. Mgr.; H. E. De Jarnette, V-P. & Gen. Counsel; W. D. Shuff, Sec. & Treas., Princeton, W. Va.

Directors: S. J. Evans, H. E. De Jarnette, W. D. Shuff, J. R. Vermillion, Princeton, W. Va.; Edwin Mann, D. E. French, Bluefield, W. Va.; A. M. Traugott, Norfolk, Va.

General Office, Princeton, W. Va.

FLORIDA TELEPHONE CORPORATION

History and Properties—Incorporated in 1925 as a consolidation of the following companies: Citrus County Telephone Co., Lake County Telephone Co., Orange County Telephone Co., Osceola County Telephone Co., Pasco County Telephone Co., Sumter County Telephone Co. and Florida Telephone Co. On Feb. 15, 1926, the Corporation closed a deal to purchase the Ocala Telephone Co.

The Corporation furnishes, without competition, telephone service to 5,885 subscribers in 35 communities located in Citrus, Lake, Orange, Osceola, Pasco, Sumter, Alachua, Hamilton, Lafayette, Levy, Suwanee and Union Counties in central and northern Florida and having a population estimated to exceed 100,000. In addition to local properties, the system includes a local toll line system connecting its 35 exchanges and 68 toll stations in other towns. These lines aggregate approximately 745 miles of wire conduits. The properties include 17 buildings in which exchanges are located and four parcels of land on which buildings will be erected to house exchanges.

CAPITAL STOCK

Authorized, $500,000 Common and $1,000,000 8% cumulative Preferred; outstanding, $400,000 Common and $413,900 Preferred; par, $100.

Preferred Stock Provisions.—Pfd. stock has preference as to assets as well as dividends over Com. and

is subject to redemption as a whole or in part at any time after July 1, 1930, upon 30 days' notice at 105 and accrued dividends. Upon any liquidation, dissolution or winding up of the Company, this Pfd. stock shall be entitled to $105 per share and accrued dividends before any payment shall be made on the Com. stock. Additional Pfd. stock with dividends not exceeding 8% per annum may be authorized and issued, but no class of stock having preference over the present Pfd. stock may be issued without consent of holders of two-thirds of the number of shares of Pfd. stock outstanding. In the event of the failure of Company to pay four quarterly dividends on the Pfd. stock, the entire voting power for the election of directors shall be vested in the Pfd. until such time as all defaulted dividends on the Pfd. shall be paid in full.

Transfer Agent—Seaboard National Bank of the City of New York.

Registrar—American Exchange Irving Trust Co., New York.

Legal Opinion (Preferred)—Beekman, Bogue, Clark & Griscom, New York (for the Bankers) and Duncan & Hamlin, Florida (for the Company).

Original Offering—Pfd. stock first publicly offered ($200,000) in November, 1925, at par by R. F. De Voe & Co., Inc., New York, Albany and Rochester, N. Y.

Dividends—Pfd. dividends are payable quarterly, J. A, J & O 1.

FUNDED DEBT

$671,500 FIRST MORTGAGE GOLD 6s; SERIES OF 1925; DUE OCTOBER 1, 1945

Dated October 1, 1925.

Interest Payable April and October 1, at Orlando Bank & Trust Co., Orlando, Fla., and at National Bank of Commerce, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Orlando Bank & Trust Co., Orlando, Fla.

Provisions of Issue—Authorized, $1,000,000; issued, $700,000, of which $28,500 retired by sinking fund. Additional bonds may be issued for not more than 75% of the cost or fair value (whichever is lower) of permanent improvements, betterments, additions and extensions, provided net earnings in any 12 of the preceding 15 months shall have been equal to at least twice the annual interest requirements on all First Mortgage Gold bonds outstanding, and those proposed to be issued. Additional bonds may be of Sinking Fund 6% Series of 1925, or of any other series. Bonds of any other series may bear such rate of interest, have such date of maturity (not prior, however, to Oct. 1, 1945) and may contain such other provisions, including provisions for redemption, as the directors may determine.

Callability—Sinking Fund 6% Series of 1925 bonds are redeemable as a whole or in part at option of Company on any interest date on and after October 1, 1930, on 30 days' notice at 105 and interest.

Sinking Fund—Mortgage provides a sinking fund for benefit of Sinking Fund 6% Series of 1925 bonds, payments to which shall be made annually commencing October 1, 1926, in amount equivalent to 2% of said bonds at any time outstanding prior to each such October first. Sinking fund shall be used for purchase or redemption of bonds at not exceeding 105 and interest, all bonds acquired for sinking fund to be cancelled.

Security—Secured by a direct first mortgage on all property of company now owned or hereafter acquired, including land, buildings, equipment and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund, upon application within 60 days after payment thereof, the Pennsylvania Four Mills Tax, Connecticut taxes not in excess of four mills per annum, the Maryland Securities Tax not in excess of 4½ mills per annum, and the Massachusetts Income Tax on interest not in excess of 6% per annum.

Legal Details—Beekman, Bogue, Clark & Griscom, New York (for the Bankers) and Duncan & Hamlin, Florida (for the Company).

Original Offering—First publicly offered ($400,000) in October, 1925, at 99 and interest to yield approximately 6.10%, by R. F. De Voe & Co., Inc., New York, Buffalo and Albany, N. Y., and $200,000 additional in August, 1926, at par and interest by the same concern.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$245,575	$223,113	$207,985
Operating expenses	138,768	114,774	112,786
Net earnings	$106,807	$108,339	$95,199
Taxes (not incl. Federal)	14,308	13,779	.....
Balance avail. interest, Federal taxes, dividends and depreciation	$92,499	$94,560	$95,199

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	Oct. 31, 1925
Plant and equipment	*$1,285,235	$1,256,346	$884,332
Cash	91,527	52,040	113,423
Deferred charges	121,750	140,440	48,000
Accounts receivable	14,504	12,526	601
Materials & supplies	20,467	16,104	.....
Prepaid premiums	2,007	4,765	409
Total	$1,535,490	$1,482,221	$1,046,765
Liabilities—			
Preferred stock	$400,000	$400,000	$200,000
Common stock	413,900	400,000	400,000
Funded debt	671,500	588,000	400,000
Subscribers' deposits	5,761	4,697	4,828
Accounts payable & audited vouchers	18,960	17,295	.....
Accrued interest & taxes	22,537	21,519	.....
Service billed in advance	.....	1,456	.....
Res. for undetermined liab.	.....	.....	10,000
Surplus	2,832	49,254	31,937
Total	$1,535,490	$1,482,221	$1,046,765

*After deducting $64,320 depreciation.

Officers: Otto Wettstein, Jr., Pres.; E. E. Edge, V-P.; G. G. Ware, V-P.; H. C. Duncan, Sec.; B. E. Wettstein, Treas.

Directors: Otto Wettstein, Jr., Chairman, B. E. Wettstein, G. G. Ware, Leesburg, Fla.; E. E. Edge, Groveland, Fla.; Col. H. C. Duncan, Tavers, Fla.; R. F. De Voe, New York City; W. M. Davis, A. M. Crittenden, Orlando, Fla.; G. T. Smith, Wintergarden, Fla.; E. V. Cartledge, Mount Dora, Fla.

Office, Leesburg, Florida.

LOCKHART POWER COMPANY

(Controlled by Monarch Mills)

History—Incorporated in S. C. Owns and operates a hydro-electric generating station, completed in 1921, of approximately 18,500 h.p. capacity, a 5,000 k.w. steam plant, completed in 1926, located on the Broad River in South Carolina, and a system of transmission lines serving textile mills and the mill villages or manufacturing plants in Lockhart, Union, Jonesville, Pacolet and Gaffney. Power is sold at wholesale to the city of Union and to the town of Jonesville. Total population served, about 15,000. Monarch Mills owns the entire Common stock of Lockhart Power Company and is its most important power customer. During 1927, the company produced over 48,000,000 k.w.h. of electric energy.

CAPITAL STOCK

Authorized and outstanding, $300,000 Common and $700,000 7% cumulative Pfd. The Monarch Mills owns the entire outstanding Common stock.

FUNDED DEBT

$1,455,000 FIRST MORTGAGE SINKING FUND GOLD BONDS, 5½% SERIES DUE 1950; DUE FEBRUARY 1, 1950

Dated February 2, 1925.

Interest Payable February and August 1, at office of Harris, Forbes & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—National Bank of Commerce in New York, New York City.

Provisions of Issue—Authorized $5,000,000; issued, $1,500,000, of which $45,000 retired to Sept. 30, 1926. Proceeds were used to retire unsecured indebtedness incurred in connection with construction of Company's property. Additional bonds either of the 5½% Series, due 1950, or of other Series having such rates of interest, maturity dates and other provisions as directors may determine (provided, however, that the Sinking Fund with respect to any additional bonds shall be not less than 1% per annum) may be issued for not to exceed 65% of the actual cash cost or fair value, whichever is less, of permanent physical property additions or extensions, to be defined in the mortgage. No additional bonds may be issued, however, unless net earnings, also to be defined in the mortgage, for 12 consecutive calendar months out of the 15 months immediately preceding application for issue, shall have been not less than twice the annual interest charges on all bonds then outstanding and to be issued.

Callability—Subject to call on any interest date on six weeks' notice at 105 and interest through Feb. 1, 1930; thereafter at 103½ and interest through Feb. 1, 1935; thereafter at 102 and interest through Feb. 1, 1945; and thereafter prior to maturity at 100½ and interest.

Sinking Fund—The mortgage requires the retirement annually of $45,000 principal amount of the 5½% Series due 1950, by purchase at or below the call price or by redemption at the call price.

Security—Secured by a direct first mortgage on entire property now owned by the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of these bonds resident in the respective states, if requested within 60 days after payment, for the Pennsylvania Four Mills Tax, for the Maryland Security Tax not exceeding four and one-half mills, and for the Connecticut Personal Property Tax not exceeding four mills per $1.00 per annum.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered, ($1,500,000) in Feb., 1925, at 96 and interest yielding over 5.80%, by Harris, Forbes & Co., New York, etc. and Harris Trust & Savings Bank, Chicago.

INCOME ACCOUNT, YEARS ENDED SEPT. 30

	1927	1926	1925
Gross earnings	$481,384	$369,507	$314,558
Operating exp., maint. & taxes	155,798	89,880	74,705
Net earnings	$325,586	$279,627	$239,853
Bond interest	77,987	82,212	82,500
Balance	$247,599	$197,415	$157,353

Officers: Emslie Nicholson, Pres., Union, S. C.; J. Roy Fant, Sec., Lockhart, S. C.; G. H. Milliken, Treas., New York; W. D. Dent, Asst. Treas., Mgr. & Chief Eng., Lockhart, S. C.

Directors: Emslie Nicholson, Union, S. C.; J. Roy Fant, Lockhart, S. C.; G. H. Milliken, H. A. Hatch, W. E. Winchester, New York.

Office, Union, S. C.

GARDNER ELECTRIC LIGHT COMPANY

History—Incorporated Sept. 30, 1891, in Mass., to supply electric light and power, and succeeded to business of Gardner Elec. Co. Franchise perpetual. Population served, 30,000. Annual output, 10,057,466 k.w.h. Miles of mains, 216. No. of meters, 6,731. Price, 11c. per k.w. and less.

CAPITAL STOCK

Authorized and outstanding, $480,000 Common and $241,300 5% cumulative Pfd.; par, $100.

Transfer Agent—Old Colony Trust Co., Boston, Mass.

Annual Meeting—Second Tuesday in October.

Dividends—Pfd. dividends paid semi-annually, Jan. and July 1. Common dividends, 8% per annum; payable Jan. and July 15.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$415,332	$395,569	$366,130	$330,849	$310,675	$264,137
Operating expenses and taxes	363,134	346,043	324,311	293,728	281,115	234,148
Net earnings	$52,198	$49,526	$41,819	$37,121	$29,560	$29,989
Other income	4,297	4,073	5,964	6,489	7,553	4,995
Total income	$56,495	$53,599	$47,783	$43,610	$37,113	$34,984
Interest, discount, etc.	6,030	8,682	8,427	5,579	7,510	6,615
Net income	$50,465	$44,917	$39,356	$38,031	$29,603	$28,369
Preferred dividends	12,065	12,065	12,052	11,493	29,603	28,369
Common dividends	38,400	32,852	27,304	26,538		
Total	$50,465	$44,917	$39,356	$38,031	$29,603	$28,369

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and property	$902,620	$862,226	$823,037	$616,006	$578,462	$522,921
Stores on hand	29,546	30,730	26,710	23,660	27,330	24,960
Accounts and bills receivable	23,829	25,593	25,854	18,857	18,616	31,042
Prepaid accounts	10,505	1,564	14,152	531	138	250
Cash	38,951	36,679	18,275	13,694	32,176	11,848
Suspense	2,198	16,543	11,957	135,581	15,313	11,960
Total	$1,007,649	$973,335	$919,985	$808,329	$672,035	$602,981
Liabilities—						
Capital stock	$721,300	$721,300	$582,600	$582,600	$465,600	$407,600
Premium on capital stock	97,825	97,825	55,338	55,338	42,754	36,299
Stock subscriptions	.....	.....	.....	300	550	.....
Bills payable	80,000	60,000	175,000	85,000	80,000	95,000
Customers' deposits	11,851	10,834	9,811	9,039	7,783	6,607
Accounts payable	28,920	36,327	66,823	36,762	32,041	26,853
Accrued accounts	7,930	6,794	6,539	7,199	8,194	3,579
Dividends reserve	25,232	25,232	13,652	19,684	16,007	14,185
Depreciation reserve	27,124	7,556	2,755	4,940	11,639	5,391
Surplus	7,467	7,467	7,467	7,467	7,467	7,467
Total	$1,007,649	$973,335	$919,985	$808,329	$672,035	$602,981

Officers: Frederick J. Dunn, Pres., Wellesley Hills, Mass.; Philip Young, V-P.; R. Y. Fitzgerald, Sec., Boston; F. S. Whittemore, Treas.; Mae G. Goggin, Asst. Treas.; C. A. Ware, Mgr., Gardner, Mass.; Carl S. Hermann, Aud., Worcester, Mass.

Directors: Frederick J. Dunn, Wellesley Hills, Mass.; F. S. Whittemore, Gardner, Mass.; Samuel C. Moore, Worcester, Mass.; Henry I. Harriman, Philip Young, Boston.

Office, 13 West Lynde St., Gardner, Mass.

SEATTLE AND RAINIER VALLEY RAILWAY COMPANY

History and Property—Incorporated June 8, 1916, in Del., successor to the Seattle, Renton & Southern Ry. (see Manual for 1916, page 728, or apply to our Information Department), which was bid in at foreclosure on May 12, 1916, by Attorney John C. Higgins, representing the bondholders and common claimants under the plan of reorganization. Owns and operates 25 miles of single track equivalent, from Seattle, via Columbia City and Rainier Beach to Renton, Wash. Gauge, standard. Rails, 56, 60 and 70 lb. T and girder. Passenger cars, 34; freight cars, 19; locomotives, 2. Power purchased from the City of Seattle.

Franchises—The Company's franchises from the City of Seattle run until Dec. 31, 1934. These franchises enable the Company to handle both freight and passengers and to operate express service. In April, 1917, a settlement was reached with the City over franchise difficulties and Company was awarded a judgment of $41,700 against City because of changes in grade on Rainier Ave., etc.

Proposed Purchase by City of Seattle—Final steps leading to the purchase of the property of this Company by the City of Seattle, Wash., for the sum of $1,200,000 were taken when the Seattle City Council in Dec., 1925, passed an ordinance offering this sum, but interests opposed to the purchase put the matter in litigation.

CAPITAL STOCK

Authorized and outstanding, $250,000 Common and $110,000 Pfd.; par, $100. Annual meeting, in January at Chicago, Ill. No dividends paid.

FUNDED DEBT

$484,000 First Mortgage 6% Gold bonds; dated June 15, 1916; due July 1, 1931; int. Jan. and July 1, at First National Bank, Chicago, Ill. Coupon, $100, $500 and $1,000; principal may be registered. First Trust & Savings Bank, Chicago, Ill., Trustee. Authorized issue, $600,000; issued, $500,000, of which $16,000 not yet sold; the $100,000 unissued bonds are reserved for future extensions and improvements and can only be issued upon the approval of Peabody, Houghteling & Co. Subject to call at 101 and interest on July 1, 1917, or on any interest day thereafter. Sinking fund, beginning July 1, 1918, a sum equal to 5% (but not exceeding $30,000 per annum) of the gross receipts of the Company from all sources for the preceding twelve months, the proceeds to be applied to the purchase and retirement of the bonds in blocks of $10,000 or more at not to exceed 101 and interest. First publicly offered ($374,000) in Nov., 1916, at par and interest. Company pays Normal Federal Income Tax up to 2%.

$577,500 GENERAL 5s

No details available.

$400,000 INCOME MORTGAGE 6s

No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$348,172	$364,642	$403,394	$426,596	$460,610	$508,309
Operating expenses, taxes, etc	318,311	320,183	349,890	355,119	364,767	409,592
Depreciation	62,117	60,709	60,493	60,279	57,407	56,649
Surplus from operations	*$32,256	*$16,250	*$6,990	$11,198	$38,436	$42,068
Bond interest	57,915	57,915	57,915	55,935	53,955	53,955
Adjustments & delayed items	.....	.....	3,282	.....	.....	.....
Deficit for year	$90,171	$74,165	$68,187	$44,737	$15,519	$11,887

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and equipment	*$1,395,920	*$1,452,826	*$1,509,122	$1,562,710	$1,597,277	$1,642,005
Materials and supplies	11,138	14,548	13,411	19,887	20,748	15,728
Cash	10,875	12,562	17,709	13,436	13,444	10,080
Accounts receivable	5,912	6,346	4,793	10,959	19,570	11,266
Other current assets	1,600	2,737	2,759	2,431	2,817	9,696
Unadjusted debits	923	40,547	.....	.....	.....	.....
Deferred debit items	24,951	5,620	5,249	2,783	2,444	26,484
Profit and loss deficit	578,508	465,517	428,616	364,915	307,123	266,740
Total	$2,029,827	$2,000,703	$1,981,659	$1,977,120	$1,963,423	$1,981,999
Liabilities—						
Common stock	$250,000	$250,000	$250,000	$250,000	$250,000	$250,000
Preferred stock	110,000	110,000	110,000	110,000	110,000	110,000
Funded debt	1,461,500	1,461,500	1,461,500	1,461,500	1,395,500	1,395,500
Notes payable	5,999	26,249	21,249	28,249	58,249	35,249
Accounts payable	123,140	104,874	91,952	80,902	95,604	148,109
Other current liabilities	35,125	9,679	9,319	7,919	9,565	3,241
Reserve for taxes	33,885	38,400	37,639	38,550	39,900	39,900
Deferred credit items	10,178	.....	.....	.....	4,604	.....
Total	$2,029,827	$2,000,703	$1,981,659	$1,977,120	$1,963,423	$1,981,999

*After deducting depreciation of $618,636 in 1927, $556,519 in 1926, and $496,443 in 1925.

Officers: Marshall E. Sampsell, Pres., Chicago, Ill.; Walter M. Brown, V-P. & Gen. Mgr., Seattle, Wash.; Leroy J. Clark, Sec. & Asst. Treas., Chicago, Ill.; P. C. Eichhorn Treas. & Asst. Sec.; T. H. Nolan, Supt., Seattle, Wash.

Directors: Marshall E. Sampsell, Wm. L. Latimer, Leroy J. Clark, Chicago, Ill.; P. C. Eichhorn, Walter M. Brown, Seattle, Wash.

General Office, 72 West Adams St., Chicago, Ill.
Operating Office, 5115 Rainier Ave., Seattle, Wash.
Corporate Office, Wilmington, Del.

OMAHA & COUNCIL BLUFFS STREET RAILWAY COMPANY

History—Incorporated Oct. 5, 1891, in Neb.; successor to Omaha Street Ry. Leases lines of Omaha & Council Bluffs Ry. & Bridge Co. in Council Bluffs, Iowa, together with the bridge over the Missouri River, owned by the latter company; rental under this lease is $60,000 per annum in addition to all fixed charges. Franchises expire in 1928 according to claims of the City, while Company maintains they are perpetual. Negotiations are under way to settle this controversy.

Company also has the exclusive right to operate busses in the City of Omaha in accordance with a temporary injunction issued by District Judge Hastings, July 11, 1926.

Road—Owns and operates 130.58 miles of track, including all the street railways in Omaha, Neb., and by lease the company controls all of the street railways in Council Bluffs, Iowa, 32.12 miles, including the Omaha-Council Bluffs Bridge, making total of mileage, operated or controlled, 162.70 miles. Gauge, standard. Rails, 60 lb. T and 73 and 97 lb. girder. Cars: 23 open, 352 closed, 61 service and other cars—total, 436.

Bondholders' Protective Committee. — Deposits Asked—Holders of the First Consolidated Mortgage 5% Gold bonds, due Jan. 1, 1928 were notified in June, 1927, that the following had consented to act as a Protective Committee: Sidney W. Noyes, Chrm., Samuel Burns, J. C. Neff, Edwin N. Sanderson, Frank D. True, A. Perry Osborn and Hamilton Allport, Sec., 30 So. La Salle St., Chicago, Ill., with Cutting, Moore & Sidley, Chicago, Ill., and Gaines, Van Orsdel & Gaines, Omaha, Neb., as Counsel. The Committee recommended in Dec., 1927, the deposit of bonds with the New York Trust Co., New York, or the Omaha National Bank, Omaha, Neb., depositaries. Under the proposed agreement the bonds are to be extended to mature Jan. 1, 1931 and the interest rate increased from 5% to 6%. About 71% of the bonds had been deposited up to Dec. 20, 1927.

As a result of careful and impartial study of the situation the following effective measures were taken for the protection of the bondholders: John N. Shannahan, was made President of Company; the financing of the Omaha & Council Bluffs Ry. & Bridge Co., thus preserving the equity in this Company for the benefit of the Railroad Company bondholders; the election of representative business men of Omaha to the board; agreement with Company providing: (a) that no dividends shall be paid during the period of extension, and (b) for the cancellation or deposit as security of the $1,005,000 bonds now held in the treasury of Company; and to insure the maintenance in office of a satisfactory board of directors during the period of extension.

Stockholders' Protective Committee—Owing to the uncertainty of company's franchise situation and to the negotiations under way for the extension of the First Mortgage Consolidated 5% bonds, due Jan. 1, 1928, the following, owning or representing a large amount of the stock of Company constituted themselves a stockholders' committee with a view to protecting such interests: Albert Strauss, Chairman; Fred Hamilton, Marshall S. Morgan, Louis C. Nash, with M. W. Gaines, Secretary, 54 Wall St., New York City, and Cravath, Henderson & de Gersdorff, Counsel, 52 William St., New York City. The committee in Dec., 1927, did not ask for the deposit of stock but all holders of stock, both Pfd. and Common were urged to send their names and addresses to M. W. Gaines, 54 Wall St., New York City, Secretary.

CAPITAL STOCK

Authorized, $10,000,000 Common and $5,000,000 5% cumulative Pfd.; outstanding, $4,990,000 Common and $4,000,000 Pfd.; par, $100.

Transfer Agents—Stock transferred at Company's office, at Equitable Trust Co., New York, and at Central Trust Co., Cincinnati.

Registrars—Merchants' Natl. Bank, Omaha; New York Trust Co., New York, and Fifth Third Union Trust Co., Cincinnati.

Annual Meeting—Second Monday in January.

Listed (Preferred)—Cincinnati Stock Exchange.

Dividends—Pfd. dividends were regularly paid quarterly, J, A, J & O 1, to and including July 1, 1918; none thereafter until Oct. 1, 1919, when 2½% was paid; Dec. 31, 1919, 2½%; April 1, 1920, 2½%; Aug. 1, 1920, 1¼%; Oct. 1, 1920, 1¼%; Dec. 31, 1920, 1¼%; April 1, 1921, 1¼%; Dec. 31, 1921, 1¼%; April 1, 1922, 2½%; July 1, 1922, 1¼%; Oct. 1, and Dec. 31, 1922, 2½% each; April 1, 1923 to April 1, 1927, inclusive, 1¼% each quarter; none since; payments were made J, A, J & O 1.

On Common semi-annual dividends of 4% per annum paid from July 1, 1907, to July 1, 1910; on Oct. 1, 1910, payments changed to quarterly, J, A, J, & O 1; rate advanced to 5% per annum Jan. 1, 1912, which rate was paid until July 1, 1915, on which date quarterly dividend of 1% was paid; 4% each paid in 1916 and 1917; April 1, 1918, 1%; none since.

FUNDED DEBT

$8,995,000 FIRST CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1928

NOTE—These bonds were not paid at maturity. Negotiations are under way to extend them for three years to Jan. 1, 1931 and to increase the interest rate from 5% to 6% (see above).

Dated December 1, 1902.

Interest Payable January and July 1, at Guaranty Trust Company, New York.

Denomination—Coupon $1,000; principal may be registered.

Trustee—Guaranty Trust Company of New York

Provisions of Issue—Authorized and issued, $10,000,000, of which $1,005,000 owned by Company and held in treasury, leaving $8,995,000 in hands of the public.

Security—Secured by absolute first mortgage on 130.58 miles of track, comprising entire street railway system of Omaha, Nebraska.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sheehan & Collin.

Legal for Savings Banks in Baltimore.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,352,916	$3,576,515	$3,735,122	$4,341,473	$4,498,411	$4,568,521
Operating expenses	2,119,625	2,284,435	2,354,720	2,433,818	2,624,931	2,741,226
Depreciation	282,923	361,006	358,512	480,000	480,000	480,000
Net earnings	$950,368	$931,074	$1,021,890	$1,427,655	$1,393,480	$1,347,285
Other income	366,927	340,813	335,662	22,894	36,441	42,139
Total income	$1,317,295	$1,271,887	$1,357,552	$1,450,549	$1,429,921	$1,389,424
†Interest payments	550,676	545,039	549,864	559,790	571,350	571,350
Taxes and rentals	467,218	465,345	465,334	520,525	524,730	533,102
Total charges	$1,017,894	$1,010,384	$1,015,198	$1,080,315	$1,096,080	$1,104,452
Balance for dividends	299,401	$261,503	$342,354	$370 234	$333,841	$284,972
Preferred dividends	50,000	200,000	200,000	200,000	200,000	350,000
Surplus for year	$249,401	$61,503	$142,354	$170,234	$133,841	*$65,028
Times Bond Interest Earned	1.54	1.47	1.62	1.66	1.58	1.50
Earnings Per Share—						
Preferred	$7.49	$6.54	$8.56	$9.25	$8.35	$7.12
Common	1.99	1.23	2.85	3.41	2.68	1.70

* Deficit. † Includes interest on bonds of leased lines.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant, franchise and lease	$14,657,351	$14,707,351	$14,707,351	$14,707,351	$14,707,351	$14,707,351
Additions and betterments	6,106,540	6,167,490	6,124,201	5,946,878	5,921,296	5,792,316
Current assets	1,394,284	1,074,010	1,016,740	932,326	838,783	1,208,986
Other investments	1,306,714	1,049,981	1,059,391	1,130,232	1,065,254	471,330
Unadjusted debits	23,303	117,219	43,398	89,756	17,186	12,834
Deferred assets	.....	.....	.....	.....	492,217	488,822
Total	$23,488,192	$23,116,051	$22,951,081	$22,806,543	$23,042,087	$22,681,639
Liabilities—						
Common stock	$4,990,000	$4,990,000	$4,990,000	$4,990,000	$4,990,000	$4,990,000
Preferred stock	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funded debt	8,995,000	8,995,000	9,155,000	9,348,000	9,619,000	9,619,000
Current liabilities	444,808	415,394	419,119	426,812	456,876	447,268
Accrued liabilities	157,917	147,619	175,398	159,236	150,786	145,207
Reserves	3,800,532	3,607,374	3,325,222	3,198,530	3,456,163	3,252,576
Unadjusted credits	90,704	123,237	106,228	81,706	62,985	55,131
Surplus	1,009,231	837,427	780,114	602,259	306,277	172,457
Total	$23,488,192	$23,116,051	$22,951,081	$22,806,543	$23,042,087	$22,681,639

Officers: J. N. Shannahan, Pres.; C. D. Porter, First V-P. & Gen. Mgr.; J. A. Munroe, Second V-P.; W. G. Nicholson, Sec. & Aud.; A. S. Widenor, Treas., Omaha, Neb.

Directors: F. P. Hamilton, W. A. Smith, L. C. Nash, R. A. Leussler, C. R. Tyler, F. B. Johnson, J. A. Munroe, J. N. Shannahan, C. D. Porter, C. L. Deuel, H. A. Scandrett, Omaha, Neb.; Emmet Tinley, Council Bluffs, Iowa.

Office, Omaha, Neb.

OMAHA & COUNCIL BLUFFS RY. & BRIDGE CO.

(Leased to Omaha & Council Bluffs Street Railway Company)

History and Properties—Incorporated March 2, 1887, in Iowa. Owns a toll bridge across the Missouri River between Omaha, Neb. and Council Bluffs, Iowa, and the entire street railway system in Council Bluffs, comprising 32.12 miles of track. Gauge, standard. Rails, 60, 70 and 97 lbs. T and girder. The bridge structure is 2,680 ft. long with paved approaches totaling 2,500 ft. and includes a 40-foot roadway with double street car tracks in center and a sidewalk on the north side. The bridge is used by all automobiles, vehicular and pedestrian traffic and by street car lines. Company also owns the entire capital stock of the Omaha, Council Bluffs & Suburban Ry. Co. and the Lake Manawa and Manhattan Beach Ry.

Lease and Franchise—The properties of Company are leased to the Omaha & Council Bluffs Street Ry. Co. at a net rental equal to $60,000 in excess of annual interest charges on all bonds of the Bridge Company at the time outstanding. The lessee company, in addition, pays all operating and maintenance expenses, taxes and other charges. The lease extends for a term co-ordinate with that of franchises granted by the City of Council Bluffs to this Company and its subsidiaries, or for the term of any extension of such franchises, such period, however, to be not over 99 years from the date of the lease which is 1902. The franchise whereunder the street railway system of Council Bluffs is operated expires in 1947.

Valuation—The properties of company have been appraised at a net sound value of over $5,482,477. The bridge alone has been appraised under the direction of Ralph Modjeski, New York City, as of Sept. 9, 1927, at a net sound value of $2,673,058 and the street railway system has been appraised by its engineers at a net sound value of $2,809,419.

CAPITAL STOCK

Authorized and outstanding, $1,500,000 Common and $1,500,000 4% cumulative Pfd.; par, $100. All the Common stock is held in trust for the benefit of the Preferred stockholders at the termination of the lease. Annual meeting, first Monday in January.

Dividends—On Pfd. stock, 4% per annum; payments semi-annually Feb. and Aug. No dividends paid on Common.

FUNDED DEBT

$2,000,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS; DUE OCTOBER 1, 1947

Dated October 1, 1927.

Interest Payable April and October 1, at New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized and issued, $2,000,000. The proceeds were used to refund a like amount of First Mortgage Consolidated 5s, due Jan. 1, 1928.

Callability—Subject to call as a whole or in part, on any interest date, on 30 days' notice, to and including Oct. 1, 1937, at 105 and interest, the premium thereafter decreasing ½ of 1% for each full 12 months, after April 1, 1937.

Sinking Fund—Mortgage provides for a sinking fund payable directly to Trustee calculated to retire at least 55% of the issue before maturity. Under the terms, the Railway Company for the account of the Bridge Company, and in part payment of the rentals accruing under the lease, will on each Feb. 1, and Aug. 1, beginning Feb. 1, 1928, deposit with the Trustee $30,000 to be applied by the Trustee to the purchase of bonds at not exceeding the then redemption price provided, however, if bonds sufficient to exhaust any such deposit shall not have been purchased by the Trustee on or before the 35th day preceding any interest payment date, then all of said deposit, if in excess of $10,000, shall be applied to the redemption of said bonds at the next redemption date.

Security—Secured by a first closed mortgage on all of the fixed properties, rights, privileges and franchises of Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the bondholders for any Massachusetts Income tax not exceeding 6% on the interest, for any personal property tax in Connecticut or Pennsylvania not exceeding 4 mills per annum; the Maryland 4½ Mills tax; the District of Columbia 5 Mills tax; the Virginia 6 Mills tax and the California 4 Mills tax.

Legal Opinion—Tinley, Mitchell, Ross & Mitchell, Council Bluffs, (for the Co.), and Chapman & Cutler, Chicago, (for the bankers).

OFFICERS AND DIRECTORS

Officers: G. S. Wright, Pres.; F. F. Everest, V-P.; C. T. Stewart, Sec.; B. P. Wickham, Treas., Council Bluffs, Iowa.

Directors: Geo. S. Wright, C. T. Stewart, B. P. Wickham, F. F. Everest, Council Bluffs, Iowa; R. A. Leussler, R. K. Brown, F. P. Hamilton, Omaha, Neb.

Office, Council Bluffs, Ia.

DANVILLE TRACTION & POWER COMPANY

History and Properties—Incorporated in 1911, in Va.; successor through purchase, to the properties of the Danville Ry. & Electric Co., (see Manual for 1911, page 2097, or consult our Information Department). Franchises expire March 1, 1944, and Jan. 1, 1950. Controls, through stock ownership, the Danville Water Power Co. Owns and operates 6.37 miles of line in Danville, Va.; total track, 9.41 miles. Gauge, standard. Rails, T and girder, 60, 73 and 93 lbs. Cars: 22 motor. Power station, 1; rotary converters, 2.

CAPITAL STOCK

Authorized, $300,000 Common and $200,000 7% cumulative Preferred; outstanding, $200,000 Common and $200,000 Preferred; par of both issues, $100. Pfd. stock is redeemable at option of company, at 105 and accrued dividends. Transfer Agent and Registrar: C. B. Talley, Sec. & Treas., Danville, Va. Annual meeting, fourth Monday in January.

Dividends—7% on Pfd. stock regularly paid semi-annually, Jan. and July 1, to July 1, 1926; the Jan. 1, 1927, dividend was passed. Initial dividend of 3% paid on Common Oct., 1914; 3% April, 1915; 5% Oct., 1915; 4% each in April and Oct., 1916 and 1917; 1% Jan., 1918; 3% April, 1918; 2% Oct., 1918; 2½% Jan. 1919; 4% April 1, 1919; 4% Oct., 1919; 1920 and 1921, 8% each; none since.

FUNDED DEBT

$400,000 FIRST MORTGAGE (CLOSED) GOLD 5s; DUE JULY 1, 1941

Dated July 1, 1911.

Interest Payable January and July 1, at Maryland Trust Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Maryland Trust Co., Baltimore.

Purpose of Issue—Authorized and issued, $400,000. Issued to provide funds for part payment for property, etc., of Danville Ry. & Electric Co.

Callability—Subject to call on any interest date, at 107 and interest on 60 days' notice.

Sinking Fund—None provided.

Security—A first lien on entire property, except stocks and bonds of other companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($400,000) in Sept., 1912, at 90 and interest, by Alex. Brown & Sons and Townsend Scott & Son, Baltimore.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$164,479	$174,930	$187,976	$194,051	$232,428	$249,922
Operating expenses, taxes and depreciation	147,935	176,470	146,105	173,555	195,384	214,435
Net earnings	$16,544	*$1,540	$41,871	$20,496	$37,044	$35,487
Other income	313	.....	.....	374	1,240	1,626
Total income	$16,857	*$1,540	$41,871	$20,870	$38,284	$37,113
Bond interest	20,000	20,000	20,000	20,000	20,000	20,000
Other deductions	.....	.....	.....	1,924	839	1,109
Total charges	$20,000	$20,000	$20,000	$21,924	$20,839	$21,109
Balance for dividends	*3,143	*21,540	21,871	*1,054	17,445	16,004
Dividends paid	.....	14,000	14,000	14,000	14,000	14,000
Surplus for year	*$3,143	*$35,540	$7,871	*$15,054	$3,445	$2,004
Times Bond Interest Earned	0.84	Nil	2.09	1.00	1.87	1.80
Earnings Per Share—						
Preferred	Nil	Nil	$10.94	Nil	$8.72	$8.00
Common	Nil	Nil	3.94	Nil	1.72	1.00

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,048,742	$1,048,581	$1,010,972	$1,003,499	$1,003,424	$940,417
Stocks owned	35,000	35,000	35,000	35,000	35,000	35,000
Other investments	.....	.....	419	1,324	4,269	3,040
Materials and supplies	5,404	6,784	3,969	4,895	6,401	5,159
Cash on hand, etc.	1,085	6,197	8,468	2,125	3,081	15,089
Bills and notes receivable	.....	.....	.....	3,000	.....	.....
Current accounts	128	154	190	276	292	439
Other current assets	17,550	17,579	17,779	18,299	18,545	18,474
Unadjusted debits	.....	.....	.....	7,567	.....	249
Deferred debit items	695	695	695	.....	.....	.....
Total	$1,108,604	$1,114,989	$1,077,492	$1,075,985	$1,071,013	$1,017,867
Liabilities—						
Common stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,000
Preferred stock	200,000	200,000	200,000	200,000	200,000	200,000
Funded debt	400,000	400,000	400,000	400,000	400,000	400,000
Current liabilities	11,328	12,656	8,807	19,007	12,748	8,742
Notes payable	53,500	79,000	.....	20,500	25,000	1,000
Interest accrued	10,050	10,000	10,200	10,025	10,350	10,200
Dividends accrued	.....	7,000	7,000	7,000	7,000	7,000
Taxes accrued	244	269	3,019	322	5,982	4,394
Reserves	127,380	103,818	110,681	89,794	71,128	56,270
Unadjusted credits	.....	.....	.....	1,404	.....	.....
Profit and loss	106,102	102,245	137,785	127,933	138,805	130,261
Total	$1,108,604	$1,114,989	$1,077,492	$1,075,985	$1,071,013	$1,017,867

Officers: C. G. Holland, Pres.; J. I. Pritchett, V-P.; C. B. Talley, Sec. & Treas.; E. V. Carter, Asst. Sec. & Asst. Treas.; Chas. C. Johnson, Gen. Mgr., Danville, Va.

Directors: D. A. Overbey, R. A. James, Jr., J. I. Pritchett, J. P. Swanson, M. O. Nelson, J. L. Penn, C. G. Holland, G. G. Temple, L. B. Conway, Jr., Danville, Va.

General Office, Danville, Va.

THE PORTLAND WATER COMPANY

History—Incorporated in 1887, in Conn.; organized, 1888; charter amended, 1889. Franchise perpetual. Population served, 3,450. Miles of mains, 25. Reservoir capacity, 60,000,000 gals.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Transfer office, Portland, Conn. Annual meeting, second Monday in January.

Dividends—Dividends have been paid as follows: In 1899, 2¾%; 1900, 3%; 1901, 2½%; 1902, 2½%; 1903, 1¼%; 1904, 1¼%; 1905, 1½%; 1906, 2½%; 1907, 3%; 1908 and 1909, 2½% each; 1910, 1911, 1912, 1913, 1914, 1915 and 1916 3½% each; 1917, 4%; 1918, 4½%; 1919, 4½%; 1920, 4%; 1921, 3½%; 1922, 3½%; 1923, 3%; 1924, 1½%; 1925, none; 1926 and 1927, 3% each; payments F & A 1.

FUNDED DEBT

$32,000 First Mortgage 5s; dated Sept. 1, 1909; due Sept. 1, 1929; interest March and Sept. 1, at City Bank & Trust Co., Hartford, Conn., Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$25,726	$24,930	$23,515
Oper. exp. & taxes	9,100	10,336	10,213
Depreciation	6,436	6,432	6,161
Net earnings	$10,190	$8,162	$7,141
Bond interest	$2,068	$2,408	$2,738
Other charges	100	.....	42
Total charges	$2,168	$2,408	$2,780
Balance for dividends	$8,022	$5,754	$4,361
Dividends paid	3,000	3,000	.....
Surplus for year	$5,022	$2,754	$4,361

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and plant	$216,746	$214,559	$214,387
Materials and supplies	982	1,309	416
Cash	360	311	190
Total	$218,088	$216,179	$214,993
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	32,000	42,000	50,000
Accounts payable	450	.....	.....
Reserve for depreciation	55,120	48,683	42,252
Surplus	30,518	25,496	22,741
Total	$218,088	$216,179	$214,993

Officers: Alfred Gildersleeve, Pres. & Gen. Mgr., Portland, Conn.; Oliver Gildersleeve, V-P., Gildersleeve, Conn.; J. Stewart Hall, Sec. & Treas., Portland, Conn.

Directors: Alfred Gildersleeve, Portland, Conn.; Alfred H. Gildersleeve, Mystic, Conn.; Oliver Gildersleeve, William Gildersleeve, A. N. Shepard, Gildersleeve, Conn.

General Office, Portland, Conn.

HARSHBARGER OIL & GAS COMPANY

History and Property—Incorporated Sept. 28, 1903, in W. Va. On Aug. 22, 1905, absorbed Cobill Oil & Gas Co. Franchise extends to 1953. Supplies natural gas to Milton, W. Va. Annual sales, 278,659,000 cu. ft. gas; crude oil production, 3,016 bbls. No. of oil wells, 12; gas wells drawn from, 28. Miles of pipe line: Oil, 2; gas, 25. No. of domestic consumers, 525; manufactory, 1. Prices: 27 cts. per 1,000 cu. ft. for the first 100,000 cu. ft. or part thereof; 20 2-3 cts. for the next 100,000 cu. ft. or part thereof; 16 1-3 cts. for all over 200,000 cu. ft. Subject to discount of 2 cts. per 1,000 cu. ft. if paid on or before 10th of month.

CAPITAL STOCK

Authorized and outstanding, $60,000. Annual meeting, fourth Wednesday in January.

Dividends—Dividends have been paid as follows: In 1904, 2%; 1905, 3%; 1906, none; 1907, 4%; 1908, 4%; 1909, 2%; 1910 and 1911, none; May 1, 1912, 2%; 1921, 8%; 1922, 10%; 1923, 8%; 1924, 4%; 1925 and 1926, 10% each; 1927, 14%.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Capital assets	$211,223	$171,305	$166,522
Oil and gas supplies	520	551	600
Cash	424	555	1,488
Consumers' accounts	683	914	631
Accounts receivable	.....	.....	54
Leasehold value	137,050	.....	.....
Deferred assets	2,563	2,265	2,337
Profit and loss deficit	.....	439	.....
Total	$352,463	$176,028	$171,632
Liabilities—			
Capital stock	$60,000	$60,000	$60,000
Notes payable	12,500	12,000	13,400
Guaranty deposit fund	467	545	405
Reserve for doubtful accts.	206	340	340
Reserve for depreciation	117,001	56,704	47,920
Reserve for depletion	122,101	46,440	44,025
Profit and loss surplus	*40,188	.....	5.541
Total	$352,463	$176,028	$171,632

*After adding $40,681 realized appreciation.

Officers: I. J. Harshbarger, Pres. & Mgr., Huntington, W. Va.; J. B. Kline, V-P.; C. L. Harshbarger, Sec. & Treas., Milton, W. Va.

Directors: R. L. O'Neil, P. W. Scott, C. L. Ritter, J. H. Harshbarger, H. E. Jackson, I. J. Harshbarger, P. W. Scott, Huntington, W. Va.; C. L. Harshbarger, J. B. Kline, Milton, W. Va.

Office, Milton, W. Va.

THE HARTFORD GAS COMPANY

History—Incorporated in May, 1848, in Conn. as Hartford City Gas Light Co.; name changed to present title in July, 1927. Supplies Hartford, West Hartford, East Hartford, Wethersfield, Manchester and Glastonbury and sells at wholesale to the company supplying Windsor, Windsor Locks, Thompsonville and Enfield, Conn. Company's franchise is perpetual. Daily capacity, between 6,000,000 and 7,000,000 cu. ft. Company manufactures both water and coal gas. Miles of mains, 322. No. of meters, 55,472. Gas rates: Gross—1st 100 ft., 61c; next 9,900 ft., 11c; next 10,000 ft., 10c; next 280,000 ft., 9c; next 200,000 ft., 8c; over 500,000 ft. 7½c; net—1st 100 ft., 60c; next 9,900 ft., 10c; next 10,000 ft., 9c; over 280,000 ft., 8c; next 200,000 ft., 7c; over 500,000 ft., 6½c. Population served, 220,000.

In 1917, stockholders amended company's charter to authorize it to purchase the franchise of the gas company at Manchester, Conn. This purchase was subsequently consummated, the new company being known as **Manchester Gas Co.**

Stock Acquired—The Connecticut Power Co. in 1927, acquired 31,100 shares of stock of The Hartford Gas Co. giving in exchange 7,650 shares of its stock. The basis of exchange was one share of Connecticut Power Co. stock for four shares of Common stock or six and one-half shares of Pfd. stock of The Hartford Gas Co.

OPERATING DATA, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gas made (M. cu. ft.)	1,973,667	1,869,652	1,637,778	1,503,654	1,461,159	1,296,120
Gas sold and used (M. cu. ft.)	1,852,554	1,740,299	1,541,437	1,414,717	1,349,647	1,162,035
Appliances sold	3,547	3,365	3,821	3,539	2,909	3,284
Unaccounted for gas	6.12%	6.92%	5.83%	5.91%	7.64%	10.31%

CAPITAL STOCK

Authorized, $5,000,000; outstanding, $2,750,000 Common (increased from $1,750,000 to $2,250,000 in July 1924 and from $2,250,000, Jan 5, 1928), and $750,000 8% Pfd.; par, $25.

Subscription Privileges—Stockholders of record Feb. 5, 1924 received the right until April 3, 1924 to subscribe to $500,000 additional Common stock at par, $25, to the extent of 20% of their holdings.

Stockholders of record Sept. 1, 1927 received the right to subscribe to one share of new Common stock at par, $25 per share for each six shares of either Common or Pfd. stock held. Privilege expired Oct. 5, 1927. Subscriptions were payable $12.50 each on Oct. 5, 1927 and Jan. 5, 1928.

Subject to their approval on April 25, 1928, Pfd. and Common stockholders were to be offered the right to subscribe to $500,000 additional Common stock at par in the ratio of one new share for each seven shares held.

Transfer Agent and Registrar—Hartford National Bank & Trust Co., Hartford, Conn.

Annual Meeting—Third Tuesday in January.

Listed—Hartford Stock Exchange.

Price Range—

	1927	1926	1925
Preferred—			
High	67	51	42
Low	49	42	38
Common—			
High	98	76	55½
Low	73	55	38

Dividends—Dividends at rate of 8% per annum regularly paid on Pfd.; payments quarterly M, J, S & D, 31. On Common: In 1913, 13% (including 1% extra); in 1914, 14% (including two extra dividends of 1% each); 1915, 13% (including 1% extra); 1916, 12%; 1917, 12%; 1918 to 1924, incl., 8%; 1925, 8% regular and 1% extra; 1926, 8% regular and 2% extra paid Dec. 31; 1927, 8% regular and 2% extra paid Jan. 3, 1928; April 2, 1928, 2%; payments quarterly.

FUNDED DEBT

$750,000 First Mortgage 4% Gold bonds; dated July 1, 1905; due July 1, 1935; interest payable Jan. and July 1, at Hartford-Connecticut Trust Co., Hartford, Trustee. Authorized issue, $1,000,000. Coupon, $1,000; principal may be registered. No sinking fund and bonds cannot be called. A first lien on entire property now owned or hereafter acquired. Legal for savings banks in Connecticut and Maine. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,132,431	$2,032,403	$1,834,645	$1,689,655	$1,617,096	$1,412,156
Operating expenses, int., taxes, etc.	1,531,333	1,470,224	1,325,959	1,245,975	1,302,413	1,108,329
Net earnings	$601,098	$562,179	$508,686	$443,680	$314,683	$303,827
Preferred dividends	60,000	60,000	60,000	60,000	60,000	60,000
Common dividends	225,000	225,000	202,500	160,000	140,000	140,000
Surplus for year	$316,098	$277,179	$246,186	$223,680	$114,683	$103,827
Earnings Per Share—						
Preferred	$20.04	$18.74	$16.96	$14.79	$10.49	$10.13
Common	6.01	5.58	4.99	4.26	3.64	3.48

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$6,080,135	$5,491,655	$4,857,874	$4,513,591	$4,295,118	$4,044,168
Pullar & Mechanic St. prop. acct.	.....	.....	50,500	.....	.....	.....
Material and supplies	212,715	169,795	201,533	198,332	185,747	132,379
Cash	199,435	23,497	183,885	222,130	11,346	74,900
Accounts receivable	192,917	175,288	159,034	126,078	131,931	118,449
Suspense account	9,334	11,237	12,183	9,355	15,578	19,302
U. S. Liberty bonds	12,150	33,761	33,761	28,694	28,694	25,749
Other investments	25,997	.....	.....	.....	.....	.....
Accident and damage cash fund	9,034	8,731	4,799	6,112	2,453	1,851
Total	$6,741,717	$5,913,964	$5,503,569	$5,104,292	$4,670,867	$4,416,798
Liabilities—						
Common stock	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$1,750,000	$1,750,000
Preferred stock	750,000	750,000	750,000	750,000	750,000	750,000
Premium on capital stock	2,499	2,499	2,499	.....	.....	.....
Subscriptions Common stock	450,000	.....	.....	.....	.....	.....
Funded debt	750,000	750,000	750,000	750,000	750,000	750,000
Notes payable	.....	50,000	.....	.....	350,000	300,000
Accounts payable	85,953	84,546	108,176	57,582	81,251	45,892
Wages unpaid	6,240	6,179	6,029	3,172	6,347	5,354
Consumers' deposits	46,730	43,104	37,047	31,385	27,072	22,442
Deposits on sewer mains	15,150	14,400	11,200	2,225	2,625	700
Taxes accrued	143,515	117,005	101,333	94,503	87,858	99,064
Interest and insurance accrued	7,548	5,964	4,573	3,515	4,893	2,296
Reserves	621,452	543,735	463,359	386,244	311,333	256,245
Surplus	1,612,630	1,296,532	1,019,353	775,666	549,488	434,805
Total	$6,741,717	$5,913,964	$5,503,569	$5,104,292	$4,670,867	$4,416,798

Officers: E. E. Eysenbach, Pres. & Gen. Mgr.; Francis R. Cooley, V-P.; J. A. McArthur, Sec., Treas. & Pur. Agt.; P. R. Buchanan, Supt. Works, Hartford, Conn.

Directors: E. E. Eysenbach, M. S. Little, Arthur D. Johnson, Francis R. Cooley, John T. Robinson, E. C. Johnson, Chas. D. Rice, Chas. L. Taylor, Hartford, Conn.; Clifford D. Cheney, So. Manchester, Conn.

Office, 233 Pearl St., Hartford, Conn.

ERIE COUNTY ELECTRIC COMPANY

History—Incorporated June 30, 1903, in Pa.; consolidation of Edison Electric Light & Power Company, and Erie County Electric Co., of Erie, Pa. Franchises perpetual. Population served, 130,000. No. of meters, 21,075.

CAPITAL STOCK

Authorized, $5,000,000 (increased from $2,500,000 in 1926); outstanding, $2,000,000; par, $100. Stock transferred at Company's office. Annual meeting, first Monday in February. No dividends paid.

FUNDED DEBT

(1)

$1,000,000 CONSOLIDATED MORTGAGE GOLD 6s; DUE JANUARY 1, 1959

Dated August 1, 1908.

Interest Payable January and July 1 at Title Guarantee & Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Title Guarantee & Trust Co., New York.

Provisions of Issue—Authorized and outstanding, $1,000,000.

Security—Secured on all property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State tax.

(2)

$88,000 FUNDING (NOW CLOSED) MORTGAGE 6s; DUE JANUARY 1, 1980

Dated November 1, 1919.

Interest Payable January and July 1 at Title Guarantee & Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Title Guarantee & Trust Co., New York.

Security—Secured on all property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State tax.

(3)

$1,037,000 GENERAL & REFUNDING MORTGAGE GOLD 5½s, SERIES "A"; DUE APRIL 1, 1960

Dated April 1, 1925.

Interest Payable April and October 1, in New York City.

Denominations—Coupon, (principal may be registered) $500 and $1,000, and fully registered bonds in denomination of $1,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $1,037,000 Series "A" 5½s. The proceeds from the sale of these bonds were used to pay in part for the new 12,500 k.w. unit installed in the power station, to pay off unfunded debt, and to provide working capital.

Additional bonds of this or other series, may be issued only for the purposes and under the conservative conditions provided in the mortgage: (a) to refund, par for par, an equal principal amount of underlying bonds or General and Refunding Mortgage Bonds of any series outstanding (b) for not in excess of 75% of the cost or fair value (whichever is less) of the construction or acquisition of permanent improvements or additions to the property of the company, subjected to the mortgage. No additional bonds may be issued, except for refunding purposes, unless net earnings of the Company as defined in the mortgage for twelve consecutive calendar months out of the preceding fourteen months shall have been equivalent to at least twice the annual interest charges on all General and Refunding Mortgage Bonds and underlying bonds then outstanding in the hands of the public, including the bonds proposed to be issued.

Callability—Subject to call, as a whole or in part, upon six weeks' notice on any interest payment date up to and including April 1, 1930, at 107 and interest, and on Oct. 1, 1930, at 106 and interest, the premium decreasing 1% each five years thereafter up to and including April 1, 1959, after which date the bonds may be called at 100 and interest.

Maintenance Fund—The mortgage contains a covenant under which the Company will, beginning May 1, 1925, credit each month to Maintenance, Replacement and Renewal Reserve an amount equivalent to at least 12½% of the gross operating revenue from the mortgaged property.

Security—Secured by a direct mortgage on all the physical property and franchises of the company, subject only to $1,088,000 Closed Mortgage bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to assume the Pennsylvania State Tax of 4 mills on bonds held by residents of Pennsylvania, and to refund the State Tax of Connecticut up to 4 mills annually, and the Massachusetts Income Tax not exceeding 6% per annum on income derived from the bonds.

Legal for Savings Banks in Maine, New Hampshire and Rhode Island.

Original Offering—First publicly offered ($1,000,000) in April, 1925, at 99½ and interest, yielding 5.53%, by Arthur Perry & Co., Boston, New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	*$1,246,983	*$1,301,280	$1,411,768	$1,327,062	$1,225,380	$995,973
Operating expenses	729,649	829,112	874,462	849,214	789,029	687,056
Net operating revenue	$517,334	$472,168	$537,306	$477,848	$436,351	$308,917
Other income	60,540	40,000	33,873	22,419	34,128	14,407
Total income	$577,874	$512,168	$571,179	$500,267	$470,479	$323,324
Deductions:						
Fixed charges	$132,907	$134,050	$123,157	$93,366	$109,048	$117,775
Depreciation	170,052	177,184	173,492	166,956	150,272	138,627
Total deductions	$302,959	$311,234	$296,649	$260,322	$259,320	$256,402
Balance	$274,915	$200,934	$274,530	$239,945	$211,159	$66,922
Earnings Per Share	$13.75	$10.05	$13.91	$12.15	$10.70	$11.15

*Decreased operating revenue due to rate reduction in each year.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Real estate, buildings and equipment	$4,994,621	$4,814,512	$4,589,947	$3,992,351	$3,718,686	$2,310,380
Securities of subsidiaries	212,000	.....	.....	.....	.....	.....
Current assets	780,613	886,216	786,406	396,117	378,555	380,453
Accrued assets	31,458	7,360	5,143	1,199	4,640	.....
Sinking fund	10,671	15,178	14,471	10,000	10,000	10,000
Debt discount and expense	63,830	66,710	69,556	.....	.....	.....
Total	$6,093,193	$5,789,976	$5,465,523	$4,399,667	$4,111,881	$2,700,833
Liabilities—						
Capital stock	$2,000,000	$2,000,000	$1,974,000	$1,974,000	$1,974,000	$600,000
Funded debt	2,125,000	2,192,000	2,192,000	1,193,000	1,242,100	1,286,900
Current liabilities	53,897	81,109	102,993	371,390	416,243	651,727
Accrued liabilities	67,464	60,318	66,090	60,870	59,840	.....
Reserves	814,091	650,015	467,765	319,807	150,272	.....
Surplus	1,032,741	806,534	662,675	480,600	269,426	162,206
Total	$6,093,193	$5,789,976	$5,465,523	$4,399,667	$4,111,881	$2,700,833

Officers: C. H. Strong, Pres.; W. W. Gingrich, V-P.; P. G. Sturtevant, 2d V-P.; G. M. Morton, Sec.; G. M. Driggs, Treas., Erie, Pa.

Directors: C. H. Strong, T. Scott Strong, W. W. Gingrich, A. O. Chapin, P. G. Sturtevant, G. C. Boughton, G. M. Driggs, Erie, Pa.

Office, Erie, Pa.

THE WATERBURY GAS LIGHT COMPANY

History—Incorporated Aug. 16, 1854, in Conn. In Sept., 1925, purchased the gas business of Connecticut Ry. & Lighting Co. in Naugatuck for $219,000. Merged The Watertown Gas Company (see 1926 Public Utility Volume, page 270) as of January 1, 1926. Population served (estimated), 135,000. Gas output, year ended Dec. 31, 1927, 730,153,000 cu. ft., compared with 704,089,998 cu. ft. in 1926, 662,577,298 cu. ft. in 1925, and 647,744,898 cu. ft. in 1924. Miles of mains, 189.081. No. of meters, 27,791. Rates as of Jan. 1, 1928: Waterbury, first 5,000 cu. ft., $1.50; next 5,000 cu. ft., $1.40; next 15,000 cu. ft., $1.20; over 25,000 cu. ft., $0.80; Watertown, Thomaston and Naugatuck Districts: First 2,000 cu. ft., $1.60; next 3,000 cu. ft., $1.50; next 5,000 cu. ft., $1.40; next 15,000 cu. ft., $1.20; over 25,000 cu. ft., $0.80.

CAPITAL STOCK

Authorized, $5,000,000 (increased from $3,000,000 in Oct., 1927) outstanding, Dec. 31, 1927, $2,640,000; par, $25. Annual meeting, fourth Tuesday in January.

Subscription Privilege—Stockholders in July, 1925, received the right, until Sept. 20, 1925, to subscribe to $440,000 new stock at the rate of one new share for each five shares held.

Dividends—8% each in 1914 and 1915; 1916, 10%; 1917, 10%; 1918, 9½%; 1919 to 1927, incl., 8%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,042,412	$1,025,007	$948,029	$931,248	$1,157,457	$1,059,050
Operating expenses and taxes	822,088	797,742	736,819	726,893	945,071	842,970
Net earnings	$220,324	$227,265	$211,210	$204,355	$212,386	$216,080
Other income	2,755	23,553	.....	15,984	22,445	18,089
Total income	$223,079	$250,818	$211,210	$220,339	$234,831	$234,169
Interest charges	11,392	4,995	.....	5,273	5,985	3,385
Balance for dividends	$211,687	$245,823	$211,210	$215,066	$228,846	$230,784
Dividends paid	211,200	211,200	184,800	176,000	176,000	176,000
Surplus for year	$487	$34,623	$26,410	$39,066	$52,846	$54,784
Earnings Per Share	$2.00	$2.32	$2.00	$2.44	$2.60	$2.62

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed assets	$3,515,593	$3,380,619	$3,107,075	$2,725,405	$2,979,111	$2,397,990
Investments	13,200	13,200	60,800	50,800	50,800	50,800
Materials and supplies	143,238	135,511	123,506	124,892	145,708	126,612
Prepayment accounts	62,168	41,826	50,275	42,863	48,834	.....
Accounts receivable	127,112	100,806	113,573	91,090	88,763	128,789
Cash	82,366	71,872	126,922	52,584	18,202	126,421
Other assets	2,844	428	41	.....	.....	.....
Total	$3,946,521	$3,744,262	$3,582,192	$3,087,634	$3,331,418	$2,830,612
Liabilities—						
Capital stock	$2,640,000	$2,640,000	$2,640,000	$2,200,000	$2,200,000	$2,200,000
Mortgage payable	.....	.....	.....	.....	50,000	.....
Notes payable	250,000	60,000	.....	30,000	30,000	.....
Accounts payable	152,296	148,482	142,993	141,998	80,682	217,366
Accrued liabilities	95,452	93,896	88,007	86,467	95,003	.....
Reserve accounts	512,773	506,371	450,302	394,690	680,320	270,680
Surplus	296,000	295,513	260,890	234,479	195,413	142,566
Total	$3,946,521	$3,744,262	$3,582,192	$3,087,634	$3,331,418	$2,830,612

Officers: Rowley W. Phillips, Pres.; E. H. Williams, V-P., Treas. & Gen. Mgr.

Directors: F. S. Chase, J. P. Elton, E. O. Goss, W. B. Lashar, R. E. McEldowney, R. W. Phillips, L. K. Thorne, F. M. Travis, E. H. Williams.

General Office, Waterbury, Conn.

BOSTON ELEVATED RAILWAY COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	—Dividends Paid— Rate	Amount	Earnings per Share
8% Cumulative 1st Pfd. (par $100)..	J & J 1	$6,400,000	$6,400,000	No	$3,325,327	8%	$512,000	$51.96
7% Cumulative 2nd Pfd. (par $100)..	A & O 1	14,029,850	13,549,450	No	2,813,327	7%	948,462	20.76
7% Cumulative Pfd. (par $100).....	J & J 1	3,000,000	3,000,000	Yes	1,864,865	7%	210,000	62.16
Common (par $100)	J, A, J & O 1	23,950,000	23,879,400	...	1,654,865	6%	1,432,764	6.93

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Boston Elevated Ry. Debenture 4s	May 1, 1935	M & N 1	$8,500,000	$8,500,000	No	No	Not pd. by Co.
Boston Elevated Ry. Debenture 4½s	Oct. 1, 1937	A & O 1	4,800,000	4,800,000	No	No	Not pd. by Co.
Boston Elevated Ry. Debenture 4½s	Nov. 1, 1941	M & N 1	5,000,000	5,000,000	No	No	Not pd. by Co.
Boston Elevated Ry. Debenture 5s	Dec. 1, 1942	J & D 1	8,286,000	8,286,000	No	No	Not pd. by Co.
Boston Elevated Ry. Debenture 6s	June 1, 1933	J & D 1	3,000,000	3,000,000	No	No	Not pd. by Co.
Boston Elevated Ry. Debenture 6s	Mar. 1, 1934	M & S 1	2,098,000	2,098,000	No	No	Not pd. by Co.
Boston Elevated Ry. Debenture 5½s	Aug. 1, 1934	F & A 1	1,581,000	1,581,000	No	No	Not pd. by Co.
Boston Elevated Ry. Debenture 5s	Feb. 1, 1937	F & A 1	6,511,000	6,511,000	No	Yes	Not pd. by Co.
West End St. Ry. Debenture 4½s	July 1, 1930	J & J 1	1,604,000	1,604,000	No	No	Not pd. by Co.
West End St. Ry. Debenture 4s	Aug. 1, 1932	F & A 1	5,709,000	5,709,000	No	No	Not pd. by Co.
West End St. Ry. Debenture 5s	Nov. 1, 1932	M & N 1	600,000	600,000	No	No	Not pd. by Co.
West End St. Ry. Debenture 5s	Mar. 1, 1944	M & S 1	2,600,000	2,600,000	No	No	Not pd. by Co.
West End St. Ry. Debenture 5s	May 1, 1936	M & N 1	815,000	815,000	No	No	Not pd. by Co.
West End St. Ry. Debenture 7s	Sept. 1, 1947	M & S 1	570,000	570,000	No	No	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $51,674,000. **Interest Accrued** in 1927, $2,524,843.

Amount Available for Interest in 1927, $5,850,170. **Times Interest Earned** in 1927, 2.32.

History—Chartered on July 2, 1894, in Mass. (Charter amended June 10, 1897), to construct and operate an elevated railway in Boston and Cambridge. The company was also authorized to lease the properties and franchises of the West End St. Ry. Co., and that property was accordingly taken over under lease, taking effect as of Oct. 1, 1897. In July, 1911, an Act was passed providing for the purchase and merger of

We specialize in the Bonds of
BOSTON ELEVATED RAILWAY CO.
WALTER S. PLACE & CO.
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the West End properties upon expiration of lease, on June 10, 1922, and the consolidation became effective on that date. The consolidation was effected as provided in the statute by an exchange of the outstanding Pfd. and Com. stock of the West End at par for an equal amount at par of First Pfd. and Second Pfd. stock of the Boston Elevated.

On April 29, 1903, the Boston Elevated Ry. Co. leased for 99 years certain tracks of the Old Colony St. Ry., located in the city of Boston, in all 23.75 miles. Rental, under the lease, is payment of taxes and 4% on the cost of all additions and betterments, together with 6⅛% of the replacement value of the leased property as of Feb. 16, 1903.

Consolidation of West End St. Ry.—In July, 1911, the Massachusetts Legislature passed an Act, superseding that of May, 1908, providing for the purchase and merger of this property by the Boston Elevated Ry., upon expiration of the lease on June 10, 1922. This Act was on July 21, 1911, approved by the shareholders of the Boston Elevated, and by a majority of the shareholders of the West End St. Ry. on Sept. 7, 1911, and was subsequently accepted by the City of Boston. The terms under which the merger was effected provided for the exchange at any time after June 10, 1922, of the Pfd. stock of the West End St. Ry. for an equal amount of First Pfd. stock of the Boston Elevated Ry., entitled to cumulative dividends at the rate of 8% per annum. The Common stock of the West End St. Ry. was exchanged for an equal amount of Second Pfd. stock of the Boston Elevated Ry., bearing cumulative dividends at the rate of 7% per annum.

Elevated Lines—The elevated section of the system in operation extends from Sullivan Square, Charlestown, to a connection with the subway lines at the North Union Station, Boston, and also from the subway lines on the south to Dudley St., Roxbury, together with a loop line along Atlantic Ave., in the city of Boston. An extension to Forest Hills was opened Nov. 22, 1909. The elevated line from Sullivan Square, Charlestown, to Everett, was opened to service March 15, 1919.

The Railroad Commissioners approved the route for the elevated structure in Boston, between the Boston end of the Cambridge Bridge and the Beacon Hill Tunnel, constructed by the Boston Transit Commission. This line, with the Beacon Hill Tunnel and the Cambridge Subway, was opened for business March 23, 1912. The East Cambridge elevated extension, running from the North Station through the West End district of the city and over the Charles River Viaduct to Lechmere Square, Cambridge, was opened to the public June 1, 1912.

SUBWAYS AND TUNNELS—COSTS TO DECEMBER 31, 1927, AND RENTALS

Owned by City of Boston	Construction Length (Miles)	Construction Cost Exclusive of Equipment	Rental per Annum	Basis of Rental
Tremont Subway	1.698	$4,382,629.04	*$197,058.49	4½% on Construction Cost
East Boston Tunnel	1.518	7,168,349.76	322,415.78	4½% on Construction Cost
East Boston Tunnel Extension	.411	2,334,494.83	105,038.01	4½% on Construction Cost
Washington Tunnel	1.157	7,943,784.43	357,455.79	4½% on Construction Cost
Beacon Tunnel (Cambridge Connection)	.470	1,643,116.56	79,997.37	4⅞% on Construction Cost
Boylston Subway	1.503	6,468,011.63	†291,086.91	4½% on Construction Cost
Dorchester Tunnel	2.485	12,120,992.52	486,809.35	4½% on Construction Cost
Total—City of Boston	9.242	$42,061,378.77	$1,839,861.70	
Owned by Comm. of Massachusetts				
Cambridge—Main Street Subway	2.722	7,964,000.00	400,333.34	See Note below.
Grand Total—Subways and Tunnels	11.964	$50,025,378.77	$2,240,195.04	

*Of this amount $9,959.99 was collected from the E. Mass. St. Ry. Co. for their use of the North Section of Subway.
†Of this amount $6,147.10 was collected from the Park Sq. Real Estate Trust on a/c of extension of Arlington Station to Berkeley Street.
NOTE—Annual rental equal to the total interest on the Commonwealth of Massachusetts bonds outstanding (a/c Cambridge Subway Loan) plus ½% additional and 4½ on the bonds that have been retired.

Subways—The Tremont St. subway built by city of Boston within its "congested district" is leased to West End St. Ry. for 20 years from Dec., 1916, at annual rental of 4½% of the net cost of the subway; this lease has been assumed by the Boston Elevated Ry. Co. On Dec. 24, 1904, the latter company leased the East Boston tunnel (under Boston Harbor) until June 10, 1922, at annual rental of ⅜ of 1% of earnings of all lines owned, leased or operated. Since June 10, 1922, the rental for the East Boston tunnel is the same as for all other subways and tunnels, viz.: 4½% of the net cost of construction. The Boston Elevated Ry. also leases the tunnel for elevated trains under Washington St., for 25 years, at rental equal to 4½% of the net cost of construction, estimated at about $8,000,000. This tunnel was put in operation Nov. 30, 1908.

In June, 1906, the Massachusetts Legislature passed a bill permitting the company to build two subways in Cambridge, and to issue stock or bonds to provide for the cost of construction. The city of Cambridge will have the right, after twenty years, to purchase the subways upon payment of the cost of construction, plus 7%, less dividends paid. Construction work on these subways was begun in Aug., 1909, and the subway was put in operation March 23, 1912.

By a Special Act of the Legislature in Dec., 1919, the Cambridge Subway was sold to the Commonwealth of Massachusetts. The purchase price which was determined by its cost as certified by the Department of Public Utilities, which filed their report on March 11, 1920, stating the cost to be $7,868,000. This amount was paid May 1, 1920 and rental began on that date. The State has issued serial bonds to pay for same, and the company has leased the subway, paying for same ½ of 1% more than the interest rate paid by the State, and as fast as the bonds are retired the Company is to pay 4½% on the amount retired.

After a hearing, the Department of Public Utilities directed the application of the fund to the following purposes:

For the payment of Boston Elevated Railway Co. bonds due March 1, 1920	$1,500,000.00
For the payment of West End St. Railway Co. bonds due Aug. 1, 1919	1,581,000.00
For the payment of West End St. Railway Co. notes due Feb. 1, 1920	375,000.00
For the payment of West End St. Railway Co. bonds due Aug. 1, 1920	1,581,000.00
For the payment of permanent additions to West End St. Railway Co. property	1,561,245.21
For the payment of additions and improvements to Boston Elevated Railway Co. property	269,754.79
Appropriated for Forest Hills terminal yard and Everett shops	1,000,000.00
	$7,868,000.00

Additional Tunnels and Subways—An Act providing for the extension of under-ground lines in Boston was passed by the State Legislature in the summer of 1911, and was subsequently accepted by the Boston Elevated Ry. and the officials of the City of Boston.

The Act provides for the construction by the Boston Transit Commission, immediately following the filing of necessary plans and the execution of contracts with the Boston Elevated Ry. Co., of new tunnels or subways, as follows:

Dorchester Tunnel (connecting with the Cambridge connection at Park Street Station, Boston), extending via Dewey Square and South Boston to Dorchester, with necessary intervening stations and connections; Boylston St. subway, extending from Commonwealth Ave. and Beacon St. to the Park St. station of the Tremont subway, with necessary stations, etc.; East Boston Tunnel Extension, extending from the East Boston tunnel in Court St., near Scollay Square, to the surface tracks in Cambridge St., near Lynde St., with stations, etc.

The cost of construction, etc., is to be met through the sale by the City Treasurer, upon request of the Commission, of City Bonds, to be known respectively as "Dorchester Tunnel Bonds," "Boylston St. Subway Bonds" and the "East Boston Tunnel Extension Bonds." Any unexpended proceeds of the Boston Riverbank Subway bonds, after application of not exceeding $50,000 to the preliminary work of the Commission, shall be used on the Boylston St. subway. All bonds are to be issued for a term of not exceeding 45 years, and shall bear interest at not exceeding 4%; details to be decided by the Mayor and City Treasurer. Work was started on the Boylston Street subway on March 12, 1912, on the Dorchester tunnel May 30, 1912, and on the East Boston tunnel extension Nov. 29, 1912. The Boylston Street subway, including the line to its terminal at Kenmore St. was put in service Oct. 3, 1914. The East Boston tunnel extension was put into service March 18, 1916. On Dec. 15, 1917, the Dorchester Tunnel was opened from South Station under to Broadway station, greatly facilitating travel in the Dorchester and South Boston section. The tunnel was opened complete to Andrew Square July 1, 1918.

Terms of Lease—All old contracts for the use of existing subways have been renewed from their present date of expiration to extend to July 1, 1936, the annual rental of same for the extended period being on the following basis: 4½% on net cost of the Tremont St. subway, Washington St. tunnel and East Boston tunnel, the contract covering the last named, however, to have eliminated therefrom the provisions for tolls from passengers using the tunnel for the extended period. Contracts for the new lines are also to run to July 1, 1936, the rentals therefor to be as follows: Cambridge Connection, 4⅞% of the net cost for the first 20 years and 4½% thereafter, which latter amount is also to be paid as an annual rental for the Dorchester, Boylston, and East Boston Extension lines. All contracts shall continue in force after July 1, 1936, upon the same terms and conditions, unless terminated by either the City or the Company, by giving two years' notice of such intention.

PUBLIC MANAGEMENT AND OPERATION—SERVICE AT COST

Up to July 1, 1918, the railway was operated by the stockholders, and, since July 1, 1918, the railway has been operated by trustees appointed by the Governor under the provisions of Chapter 159 of the Special Acts of 1918. This act was accepted by the Boston Elevated Ry. Co. and by the West End St. Ry. Co. on June 3, 1918, and certificates that it had been duly accepted and that the $3,000,000 of preferred stock named therein had been duly subscribed for were filed with the Secretary of the Commonwealth on June 24, 1918.

The Act went into effect July 1, 1918 and provides substantially as follows:

(1) Road to be managed by five trustees, appointed by the Governor.

(2) The period of public operation is to be ten years or longer, at option of the Commonwealth.

(3) Trustees to have power to regulate fares and transfer privileges, and to determine character and extent of service.

(4) Company to raise $3,000,000 by sale of Pfd. stock at not less than par, $1,000,000 to be used as a reserve fund and $2,000,000 for additions and improvements.

(5) Fares must be sufficient to meet cost of service, Pfd. dividends at 7% and Common dividends at rate of $5 a share for the first two years, $5.50 for the next two years and $6 during balance of period of public operations; the first payment to be made six months after commencement of public operation.

(6) The trustees to adopt a schedule of eight different grades of fares, of which four shall be below and four above rate of fare first established; schedule to be increased whenever fare is changed, so that there shall always be not less than four grades above and four grades below the existing fare.

(7) Whenever income is insufficient to meet the cost of service, the reserve fund is to be drawn upon; if income is more than sufficient, the excess is to be transferred to the reserve fund.

(8) The trustees are permitted on certain dates not more than twelve months apart, as from time to time may be fixed by them, to consider a change of the rates of fare in force if the reserve fund exceeds by 30% or more original amount, and income during the preceding three months exceeded cost of service, the next lower grade of fare shall be adopted; if reserve fund is less than 70% of original amount, and during preceding three months income was less than cost of service, the next higher grade of fare shall be adopted. The fare shall continue to be decreased or increased if reserve fund is above or below said limits.

(9) If reserve fund is insufficient to meet deficiency in the cost of service, the State shall make up the deficit and assess same upon the cities and towns in which the company operates.

(10) At the end of the period of public management and operation, the road reverts to the Board of Directors, who may continue to operate same on service-at-cost plan, and pay $6 a share Common dividends.

(11) The State has the option of taking over the road by assuming its liabilities and paying in cash an amount equal to that paid in by the stockholders. The State may also take over the properties of the former West End Street Ry. Co. by paying in cash an amount equal to amount paid in by Common stockholders of West End Street Ry. Co. plus the par value of the Pfd. stock.

Depreciation—The statute under which the trustees act requires that they shall set aside "such allowance as they may deem necessary or advisable for depreciation of property and for obsolescence and losses in respect to property sold, destroyed or abandoned." Under this authority the trustees voted that a general depreciation credit be established in the sum of $167,000 for the month of July, 1918, and each subsequent month; on Jan. 1, 1924, the amount was increased to $208,000, with additional provision for motor buses.

Joint Special Committee Report—The Joint Special Committee, appointed under authority from the Massachusetts Legislature of 1924, filed its report for the next Legislature, on Dec. 14, 1925, on the future course of the Boston Elevated Railway. The recommendations of the Committee consists of the following:

(1) Extension of public control for a period of 30 years from July 1, 1926.

(2) Reduction of the dividend rental on Common stock from 6% to 5% beginning July 1, 1926; the preferred stock rentals to be the same as heretofore.

(3) Appointment of Trustees for initial terms of two, four, six, eight and ten years, and thereafter for ten years, the board to elect its own chairman every two years.

(4) Trustees be authorized to dispose of preferred stock without offering it to stockholders.

(5) Trustees be given authority to put into effect from time to time such rates of fair and schedules of charges as in their judgment will meet the cost of service.

(6) A requirement that the reserve fund shall be increased to $3,000,000 and that the road shall have earned $1,000,000 annually for two successive years before trustees shall be compelled to reduce the basic fare.

(7) The limiting of the franchise tax during public control by providing for a refund of any amount by which the franchise tax in any one year exceeds that paid in 1925.

(8) In the event of the state exercising its option to take the road by purchase or by eminent domain, compensation shall not be enhanced by reason of the proposed legislation or any contract made under it.

(9) The bill shall take effect when a majority of each class of stock of the Boston Elevated Railway has accepted the act.

Statement of Special Trust Fund, Dec. 31, 1927—Principal of Trust Fund as established, $1,500,000; accretions and accumulations to Dec. 31, 1927, $633,496; income from June 10, 1922, to Dec. 31, 1927 ($540,170; less amount paid on account of retirement of 718½ shares of second preferred stock, purchased in July, 1923, $72,193; 919 shares purchased in July, 1924, $90,320; 1,116 shares purchased in July, 1925, $111,685; 1,030 shares purchased in July, 1926, $108,647; 1,020½ shares purchased in July, 1927, $107,437). $49,888—total, $2,183,383. Contra: Investments, $2,132,050; cash on deposit, $51,333—total, $2,183,383.

The above Trust Fund is held by the Boston Elevated Ry. Co. under Chapter 740, Acts of 1911, "An Act to authorize the consolidation of properties and franchises of the Boston Elevated Ry. Co. and the West End St. Ry. Co." and represents the proceeds from the sale to the Boston Elevated Ry. Co. of real estate of the West End St. Ry. Co., which was not required in the conduct of the business. The amount so received ($1,500,000) is to be held by the Boston Elevated Ry. Co. and invested by it and allowed to accumulate until June 10, 1922. Hereafter, the annual income therefrom will be applied toward the purchase and retirement of the second preferred stock of the Boston Elevated Ry. Co. No part of this fund or its income can be used for any other purpose until all of the second preferred stock has been retired, when the fund becomes available for capital purposes.

MILEAGE OPERATED DECEMBER 31

	1927 Miles	1926 Miles	1925 Miles
Leased from City of Boston	30.594	30.437	2.705
Leased from other cos.			27.512
Operated under trackage privileges	3.688	3.688	3.688
Surface track owned by Boston Elevated Ry.	407.806	413.656	421.899
Total track for surf. cars.	442.088	447.781	455.804
Total track for rapid transit cars	53.922	48.305	48.354
Total track operated	496.010	496.086	504.158

Length of main lines operated (surface, 203.292 miles; rapid transit, 21.546 miles), 224.838 miles. Second track (surface, 175.232 miles; rapid transit, 20.796 miles), 196.028 miles. Sidings, etc. (surface, 63.564 miles; rapid transit, 11.580 miles), 75.144 miles—total, 496.010 miles.

The total length of track in reservations in 44.939 miles, total length of tracks built with heavy girder rails, 418.762 miles, and the total length of surface track built with tram and light T rails, 10.638 miles.

The total length of track in subways, tunnels and on structure is 57.825 miles of which 12.667 are operated as Surface Lines and 45.158 miles as Rapid Transit Lines. The Surface Lines track is as follows: Tremont St. Subway, 5.400 miles; East Boston Tunnel & Extension, 0.406 mile; Boylston St. Subway, 3.016 miles; Cambridge-Dorchester Tunnel (Cambridge Tunnel and Incline, 0.723 mile; Dorchester Tunnel, including Andrew Station, 0.503 mile), 1.226 miles, and East Cambridge Viaduct and connections, 2.619 miles. The Rapid Transit Lines track is as follows: East Boston Tunnel & Extension, 4.132 miles; Washington St. Tunnel and Incline, 2.326 miles; Cambridge-Dorchester Tunnel (Cambridge Tunnel and Inclines, 4.743 miles; Cambridge Bridge & Elevated Connection, 1.062 miles; Cambridge connection (Beacon Hill Tunnel), 0.965 mile; Dorchester Tunnel, 5.059 miles), 18.287 miles; Elevated structures and Inclines, 21.685 miles; Dorchester Rapid Transit Extension, 5.186 miles.

Equipment as of Dec. 31, 1927—Semi-convertible cars, 394; semi-convertible cars, one or two man type, 461; center entrance cars, 396; trailer cars, 220; one-man cars: Birney type, 24; box cars, 77; total surface passenger cars, 1,572. Elevated cars, wood and steel, 22; elevated cars, steel, 302; Cambridge-Dorchester Tunnel cars, 155; East Boston Tunnel cars, 48—total rapid transit passenger cars, 527. Total surface and rapid transit cars, 2,099.

In addition 25 elevated cars and 10 semi-convertible cars are on order.

Company also owns 113 25-passenger busses; 100 29-passenger busses and 1 31-passenger bus—a total of 214, and operates 27 leased busses.

CAPITAL STOCK

Authorized, $23,950,000 Com., $6,400,000 8% cumulative First Pfd., $14,029,850 7% cumulative Second Pfd., and $3,000,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $23,879,400 Common; $6,400,000 8% First Pfd.; $13,549,450 Second Pfd., and $3,000,000 7% Pfd.; par of all issues, $100. In addition $275,350 Second Pfd. stock cancelled. The First Pfd. and Second Pfd. stocks were issued June 10, 1922, in exchange for West End Street Ry. Co. shares under terms of Consolidation Plan.

Preferred Stock Provisions—The 7% Pfd. stock (old issue) is subject to retirement at 105 and dividends and in event of liquidation at the same price. Neither the First Pfd. nor the Second Pfd. stocks are subject to call. All classes of stock have equal voting rights, and second Pfd. is entitled equally with the Common to participate in any increase in stock, but the First Pfd. does not carry this provision. No additional stock to be issued hereafter shall have a lien prior to or equal with the First and Second Pfd. stocks, without the consent of two-thirds of the holders of said stocks.

Conversion Privilege—Both the First and the Second Pfd. stocks are convertible into Common stock on a par for par basis.

Transfer Agent (All Classes)—Old Colony Trust Co., Boston.

Registrar (All Classes)—American Trust Co., Boston.

Annual Meeting—First Monday in April.

Listed (All Classes)—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Common—								
High	98½	85½	86	85	84	89½	79	68
Low	81	77	75¼	71¾	75	73½	61⅞	60
7% Preferred—								
High	103½	103	104¼	96¼	100½	105	100	89½
Low	98½	89	92	87¼	91½	94¼	78	74½
8% 1st Preferred—								
High	120	122	130	116	125	126	..	..
Low	109	112½	109	107	111⅛	116	..	..
Second Preferred—								
High	110	112	116	101¼	106	109	..	..
Low	101	98½	94	92	94	99	..	..

Dividends—Dividends have been paid as follows: Aug. 15, 1898, 2¼%; 1899, 5¼%; 1900, 4½%; 1901, 5¾%; 1902 to Aug., 1913, both inclusive, 6% per annum; Feb., 1914, 2%; Aug., 1914, 1¼%; Nov., 1914, 1¼%; Feb., 1915, 1¼%; May, 1915, 1%; Aug., 1915, 1½%; Nov., 1915, 1½%; Feb., 1916, 1½%; May, 1916, ½ of 1%; Aug., 1916, 1½%; Nov., 1916, 1½%; Feb., 1917, 1½%; May, 1917, ½%; Aug., 1917, 1½%; none in Nov., 1917.

Under public control dividends have been paid as follows: On Pfd. stock an initial dividend of $2.04 (1/16%) paid in Jan., 1919; July 1, 1919, $3.50; Jan. 2, 1920, $7; 1921 to date at rate of 7% per annum; payments semi-annually Jan. & July 1. On First Pfd. stock, initial dividend of $4 paid July 1, 1922, which semi-annual rate maintained to date; payments Jan. and July 1. On Second Pfd. stock, initial dividend of $3.50 paid on Second Pfd. stock Oct. 1, 1922, which semi-annual rate maintained to date; payments April and Oct. 2. On Com. an initial dividend of $2.50 was paid in Jan., 1919; April 1, 1919, $1.25; July 1, 1919, $1.25; Oct. 1, 1919, $1.25; Jan. 2, 1920, $1.25; April 1, 1920, $1.25; July 1, 1920, $1.25; Oct. 1, 1920, $1.37½; Jan. 3, 1921, $1.37½, and quarterly thereafter at the same rate to and including July, 1922; in Oct., 1922, quarterly rate was increased to $1.50, which quarterly rate maintained to date; payments, J, A, J & O 1.

FUNDED DEBT

NOTE—All the issues described below are direct obligations of the company, but are not secured by mortgage, having been issued with the approval of the Mass. R. R. Commission or the Mass. Public Service Commission and under vote of the stockholders and directors of the Company. The company has no mortgage bonds outstanding, and cannot mortgage its property without equally securing the below-described debentures.

(1)

$8,500,000 BOSTON ELEVATED RY. DEBENTURE GOLD 4s; DUE MAY 1, 1935

Dated May 1, 1905.

Interest payable May and Nov. 1, at Old Colony Trust Co., Boston, Registrar. Coupon (principal may be registered in amounts of $1,000 or over), $500 and $1,000; and registered, $1,000, $5,000, $10,000 and $50,000; interchangeable. Authorized, $8,500,000. Legal for Mass. Savings banks. Listed on Boston Stock Exchange. First publicly offered ($7,500,000) in Aug., 1905, at 105⅜ and interest. Company does not pay Normal Federal Income Tax.

(2)

$4,800,000 BOSTON ELEVATED RY. DEBENTURE GOLD 4½s; DUE OCTOBER 1, 1937

Dated October 1, 1907.

Interest payable April and October 1, at Old Colony Trust Co., Boston, Registrar. Coupon (principal may be registered in amounts of $1,000 or over), $500 and $1,000; and registered, $1,000, $5,000, $10,000 and $50,000; interchangeable. Authorized $4,800,000. Legal for Mass. savings banks. First issue of $2,500,000 of these bonds was subscribed for at public sale Oct. 9, 1907, at an average price of 101. Company does not pay Normal Federal Income Tax.

(3)

$5,000,000 BOSTON ELEVATED RY. DEBENTURE GOLD 4½s; DUE NOVEMBER 1, 1941

Dated November 1, 1911.

Interest payable May and Nov. 1, at Old Colony Trust Co., Boston, Registrar. Coupon (principal may be registered), $1,000; and registered, $1,000, $5,000, $10,000 and $50,000; interchangeable. Authorized, $5,000,000. Legal for Mass. savings banks. First publicly offered ($5,000,000) in Oct., 1911, at par and interest. Company does not pay Normal Federal Income Tax.

(4)

$8,286,000 BOSTON ELEVATED RY. DEBENTURE GOLD 5s; DUE DECEMBER 1, 1942

Dated December 2, 1912.

Interest payable June and Dec. 1, at Old Colony Trust Co., Boston, Registrar. Coupon (principal may be registered in amounts of $1,000 or over), $500 and $1,000; and registered, $1,000, $5,000, $10,000 and $50,000; interchangeable. Authorized, $8,286,000. Legal for Mass. savings banks. First publicly offered ($4,000,000) in Dec., 1912, at par and interest; $1,000,000 additional offered in July, 1915, at 95.68 and interest, yielding 5.30%. Company does not pay Normal Federal Income Tax.

(5)

$3,000,000 BOSTON ELEVATED RY. DEBENTURE GOLD 6s; DUE JUNE 1, 1933

Dated June 1, 1923.

Interest payable June and Dec. 1, at Old Colony Trust Co., Boston. Coupon, $1,000; exchangeable for fully registered bonds. Authorized, $3,000,000. Proceeds used as follows: $700,000 to reimburse the Company for money used to pay at maturity, on Jan. 1, 1923, a like amount of West End Street Ry. Co. Debenture 4½% bonds and the balance was used to provide for extensions to the Company's power station in South Boston, for new shops in Everett, and for the George Street storehouses in Somerville. Legal for Mass. savings banks. First publicly offered ($3,000,000) in May, 1923, at 98 and interest, yielding about 6.25%, by R. L. Day & Co., Estabrook & Co., Harris, Forbes & Co., Inc., and Merrill, Oldham & Co., Boston, etc. Company does not pay Normal Federal Income Tax.

(6)

$2,098,000 BOSTON ELEVATED RY. DEBENTURE GOLD 6s; DUE MARCH 1, 1934

Dated March 1, 1924.

Interest payable March and Sept. 1, in Boston. Coupon bonds of $1,000 denomination, exchangeable for fully registered bonds. Authorized, $2,098,000. Legal for Mass. savings banks. First publicly offered ($2,098,000) in March. 1924, at 103 and interest, yielding 5.60%, by R. L. Day & Co., Estabrook & Co., Harris, Forbes & Co., Inc., and Merrill, Oldham & Co., Boston, etc. Company does not pay Normal Federal Income Tax.

(7)

$1,581,000 BOSTON ELEVATED RY. DEBENTURE GOLD 5½s; DUE AUGUST 1, 1934

Dated August 1, 1924.

Interest payable Feb. and Aug. 1, at Old Colony Trust Co., Boston, Trustee. Coupon (principal may be registered) and fully registered, $1,000; interchangeable. Authorized $1,581,000. Proceeds used to retire a like amount of West End St. Ry. 7% bonds, due Aug. 1, 1924. Legal for Mass. savings banks. First publicly offered ($1,581,000) in July, 1924 at 101.25 and interest, to yield about 5.35%, by Paine, Webber & Co., Blodget & Co., Curtis & Sanger, and White, Weld & Co., Boston, etc. Company does not pay Normal Federal Income Tax.

(8)

$1,604,000 WEST END STREET RY. DEBENTURE 4½s; DUE JULY 1, 1930

Dated July 1, 1910.

Interest payable Jan. and July 1, at American Trust Co., Boston. Coupon and registered, $1,000. Legal for Mass. savings banks. Company does not pay Normal Federal Income Tax.

(9)

$5,709,000 WEST END STREET RY. DEBENTURE 4s; DUE AUGUST 1, 1932

Dated August 1, 1902.

Interest payable Feb. and Aug. 1, at American Trust Co., Boston. Coupon (principal may be registered), $1,000 and registered, $1,000, $5,000, $10,000 and $50,000. Legal for Mass. savings banks. Listed on Boston Stock Exchange. Company does not pay Normal Federal Income Tax.

(10)

$600,000 WEST END STREET RY. DEBENTURE 5s; DUE NOVEMBER 1, 1932

Dated November 1, 1912.

Interest payable May and Nov. 1, at American Trust Co., Boston. Coupon and registered, $1,000. Legal for Mass. savings banks. First publicly offered ($600,000) in Feb., 1913, at 105½ and interest. Company does not pay Normal Federal Income Tax.

(11)

$2,600,000 WEST END STREET RY. DEBENTURE 5s; DUE MARCH 1, 1944

Dated March 2, 1914.

Interest payable March and Sept. 1, at American Trust Co., Boston, Registrar. Coupon (principal may

be registered) and registered, $1,000. Authorized, $2,600,000; issued, $2,000,000 to refund a like amount of 4½% bonds which matured March 1, 1914, and the balance to pay for extensions and additions. Legal for Mass. savings banks. First publicly offered ($2,000,000) in Feb., 1914, at 106 and interest; $539,000 additional sold in April, 1914, at 106 and interest. Company does not pay Normal Federal Income Tax.

(12)

$815,000 WEST END STREET RY. DEBENTURE 5s; DUE MAY 1, 1936

Dated May 1, 1916.

Interest payable May and Nov. 1, at American Trust Co., Boston, Registrar. Coupon, $1,000; principal may be registered. Legal for Mass. savings banks. Company does not pay Normal Federal Income Tax.

(13)

$570,000 WEST END STREET RY. 30-YEAR DEBENTURE 7s; DUE SEPTEMBER 1, 1947

Dated September 1, 1917.

Interest payable March and Sept. 1, at American Trust Co., Boston, Registrar. Legal for Mass. savings banks. First publicly offered ($570,000) in Sept., 1917, at 106½ and interest to yield 6½%. Company does not pay Normal Federal Income Tax.

(14)

$6,511,000 BOSTON ELEVATED RY. DEBENTURE GOLD 5s; DUE FEBRUARY 1, 1937

Dated February 1, 1927.

Interest Payable February and August 1, at American Trust Co., Boston. Coupon, $1,000; exchangeable for fully registered bonds in denominations of $1,000 and $10,000. Authorized, $6,511,000. Proceeds used to refund $2,700,000 West End Street Railway Co. 6¼% bonds, due February 1, 1927, $1,956,000 West End Street Railway Co. 6s, due May 1, 1927, and the balance to reduce indebtedness incurred by the Company for extensions and improvements to property. Subject to call at 101 and interest on any interest date on or after February 1, 1929. Legal for Massachusetts savings banks. First publicly offered ($4,626,000) in February, 1927, at 100 and interest to yield 5%, by Brown Brothers & Co., Tucker, Anthony & Co., and Edward B. Smith & Co., New York, etc.; F. S. Moseley & Co., and Atlantic Corporation, Boston. $1,885,000 additional bonds of this issue offered in April, 1927, at 100¾ and interest to yield 4.90%, by Paine, Webber & Co., White, Weld & Co., Stone & Webster and Blodget, Inc. and First National Corp. of Boston, New York, etc. Company does not pay Normal Federal Income Tax.

TRAFFIC STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Revenue car miles run	*56,834,029	*57,943,381	*55,558,126	*56,091,347	*54,049,665	50,575,088
Revenue passengers carried	366,938,908	371,218,401	365,036,286	382,888,848	382,149,697	356,593,942

*Includes motor bus mileage, 465,382 in 1923; 890,901 in 1924; 2,472,456 in 1925; 4,717,900 in 1926 and 5,562,766 in 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Operating Income—	1927	1926	1925	1924	1923	1922
Passenger revenue	$32,051,614	$32,812,767	$32,906,220	$33,072,030	$33,146,803	$31,817,072
Bus revenue	1,911,751	1,548,592	853,707	331,223	135,238	.....
Special car & bus revenue	37,206	32,595	30,515	15,919	15,910	16,950
Mail revenue	175	175	177	229	327	391
Express revenue	324	18,329	38,205	44,224	50,058	50,132
Misc. transportation revenue	1,620	2,851	4,363	4,532	2,475	9,132
Total revenue from transportation	$34,002,690	$34,415,309	$33,833,187	$33,468,157	$33,350,812	$31,893,678
Revenue from other railway operation	1,093,186	956,021	599,111	577,424	596,201	559,156
Total railway operating revenue	$35,095,876	$35,371,330	$34,432,298	$34,045,581	$33,947,013	$32,452,834
Operating Expenses—						
Maintenance of way and structure	$3,764,086	$4,222,526	$3,766,616	$3,823,124	$4,030,197	$3,335,893
Maintenance of equipment	4,269,726	4,423,586	3,900,956	4,156,222	3,507,212	3,333,241
Power	2,515,297	2,641,775	2,536,129	2,819,283	3,094,731	3,261,919
Conducting transportation	11,436,060	11,924,518	11,567,233	11,825,235	10,905,933	10,040,832
Traffic	31,863	6,139	3,240	7,866	3,364	3,033
General and miscellaneous	3,122,604	2,873,978	2,656,276	2,611,292	2,609,929	2,145,071
Transportation for investment	¶7,303	¶16,255	¶24,714	¶20,889	¶21,113	¶31,530
Total operating expenses	$25,132,333	$26,076,268	$24,405,736	$25,222,133	$24,130,253	$22,088,459
Net revenue—railway operation	9,963,543	9,295,061	10,026,562	8,823,448	9,816,759	10,364,375
Taxes	1,864,136	1,910,765	1,652,517	1,623,996	1,688,140	1,587,187
Total operating income	$8,099,407	$7,384,297	$8,374,045	$7,199,452	$8,128,619	$8,777,188
Other Income—						
Net income from misc. physical property	.....	.....	$486	.....	$1,935	.....
Income from lease of road	.....	$41	50	$393	823	$823
Dividend income	.....	2	4	4	9,184	9,182
Income from funded securities	$4,268	10,298	11,287	19,147	16,401	5,148
Income from unfunded securities and accounts	34,022	36,806	39,583	43,317	58,505	196,031
Income from sinking fund and other reserves	33,280	33,280	33,280	33,280	33,280	33,280
Release of premiums on funded debt	25,178	28,414	28,414	28,738	27,568	.....
Miscellaneous income	786	1,143	1,978	4,912	2,104	1,879
Total other income	$8,196,941	$109,984	$115,082	$129,791	$149,801	$246,343
Gross income	$97,534	7,494,281	8,489,127	7,329,243	8,278,420	9,023,531
Deductions—						
Rents for leased roads	$49,919	$49,848	$49,917	$48,552	$52,512	$1,314,744
Miscellaneous rents	2,224,088	2,217,001	2,217,470	2,125,594	2,026,936	1,927,151
Loss on miscellaneous physical property	8,877	3,780	.....	53	.....	8,733
Interest on funded debt	2,464,866	2,422,935	2,422,935	2,430,789	2,289,215	1,831,394
Other interest	59,977	112,570	117,974	172,102	26,812	59,921
Amortization of discount on funded debt	46,823	40,595	40,595	43,366	51,121	31,468
Miscellaneous debits	17,064	17,695	18,510	18,469	19,127	24,816
Total deductions	$4,871,614	$4,864,424	$4,867,401	$4,838,925	$4,465,723	$5,198,227
Net income	$3,325,327	$2,629,856	$3,621,726	$2,490,319	$3,812,697	$3,825,304
Divds. (Boston El. Ry.)	‡3,102,512	‡3,112,605	‡3,119,532	‡3,127,015	‡3,133,066	‡2,413,115
Balance after cost of service	$222,815	§§482,749	$502,194	§§636,696	$679,631	$1,412,189
Times All Interest Earned	2.32	2.04	2.43	1.96	2.65	3.02
Earnings Per Share—						
1st Preferred	$51.96	$41.09	$56.59	$38.91	$59.57	$59.77
2nd Preferred	20.76	15.51	22.61	14.27	23.65	25.24
Preferred	62.16	38.74	71.56	33.54	77.46	99.84
Common	6.93	3.98	8.11	3.33	8.85	11.66

‡Dividends are designated as "Boston Elevated Ry. Co. dividend rentals" in Company's reports. §Deficit. ¶Credit.

DIVISION OF RECEIPTS AND EXPENDITURES, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total receipts	$35,193,410	$35,481,313	$34,547,380	$34,175,320	$34,096,813	$32,699,176
Operating Expenses—						
Wages	$16,757,339	$17,697,378	$16,931,550	$17,358,670	$16,224,276	$14,772,340
Materials and supplies	3,262,789	3,462,091	3,175,982	3,203,379	3,236,805	2,903,651
Injuries and damages	1,203,518	925,919	666,488	740,025	822,775	555,356
Depreciation	2,824,220	2,841,722	2,496,000	2,496,000	2,004,000	2,004,000
Fuel	1,084,467	1,149,159	1,135,715	1,424,059	1,842,397	1,853,112
Total operating expenses	$25,132,333	$26,076,268	$24,405,735	$25,222,134	$24,130,253	$22,088,458
Taxes	1,864,136	1,910,765	1,652,518	1,623,996	1,688,140	1,587,187
Rent of leased roads (incl. divd. rental under chapter 159, Acts of 1918)	3,152,432	3,162,454	3,169,449	3,175,566	3,185,578	3,646,596
Subway and tunnel rents	2,224,088	2,217,001	2,217,470	2,125,594	2,026,936	2,008,414
Interest on borrowed money	2,524,843	2,535,505	2,540,909	2,602,891	2,316,027	1,891,316
Miscellaneous items	72,763	62,070	59,105	61,835	70,248	65,016
Total cost of service	$34,970,595	$35,964,063	$34,045,186	$34,812,016	$33,417,182	$31,286,987
Loss for year		$482,749		636,696		
Gain for year	$222,815		$502,194		$679,631	$1,412,189

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$112,657,491	$109,103,445	$106,644,373	$105,790,819	$103,237,596	$97,236,991
Misc. physical property	58,889	58,889	58,889	58,889	112,349	556,521
Invest. in affiliated cos.:						
Stocks	2,501	2,501	2,553			201,509
Notes	75,900	91,000	229,700			
Advances	112,569	131,266	119,283			102,851
Other investments				272,149	599,315	270,155
Cash	791,459	982,465	750,385	2,237,296	1,280,273	825,666
Deposits for int., divds. & rents unpaid	1,025,904	825,436	1,198,994	796,102	794,613	804,907
Special deposit of reserve fund					243,032	1,000,000
Funds available for capital expenditures only				37,000	45,000	
Loans and notes receivable				9,000		1
Miscell. accounts receivable	294,77	255,395	200,314	197,754	148,306	165,871
Materials and supplies	2,145,429	2,098,291	2,272,808	2,973,480	3,200,986	2,418,280
Int., divds. & rents receiv	3,037	4,755	17,148	15,052	51,441	50,556
Other current assets	39,774	40,121	39,232	39,338	35,883	38,139
Insurance and other funds	2,936,046	2,936,045	2,936,046	2,923,450	2,975,762	3,009,892
Prepaid accounts	10,531	119,703	181,558	198,068	251,973	62,702
Discount on bonds	462,891	441,801	482,395	522,990	559,832	260,252
Other unadjusted debits	160,471	299,098	73,331	198,796	179,424	553,976
§Cost of service deficit	2,244,851	2,305,512	2,327,816	2,348,397	2,348,397	3,462,955
Profit and loss	96,360	353,199		331,769		
Total	$123,118,874	$120,048,921	$117,534,825	$118,950,349	$116,064,182	$111,021,224
Liabilities—						
First Preferred stock	$6,400,000	$6,400,000	$6,400,000	$6,400,000	$6,400,000	$6,400,000
Second Preferred stock	13,549,450	13,651,500	13,754,500	13,866,100	13,957,700	14,029,850
Preferred stock	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Common stock	23,879,400	23,879,400	23,879,400	23,879,400	23,879,400	23,879,400
Premium on Common stock	2,707,428	2,707,428	2,707,428	2,707,428	2,707,428	2,707,428
Premium on Second Preferred stock	2,232,477	2,232,477	2,232,477	2,232,477	2,232,477	2,232,477
Funded debt	51,674,000	49,819,000	49,819,000	49,819,000	49,221,000	46,221,000
Mortgage notes	125,000	125,000	125,000	125,000	125,000	125,000
Loans and notes payable	2,800,000	3,100,000	2,800,000	5,200,000	3,934,173	1,800,000
Accounts and wages payable	527,544	903,486	846,325	1,242,700	1,363,821	1,082,534
Matured interest, dividends and rents unpaid	790,445	792,641	794,066	797,307	795,819	805,113
Matured funded debt unpaid						1,000
Accrued int., dividends and rents payable	916,283	871,393	872,344	872,175	871,961	857,599
Deferred liabilities	37,798	36,843	38,680	40,300	40,323	38,751
Tax liability	721,842	712,112	633,631	660,105	664,672	844,531
Premium on bonds	185,118	210,296	238,710	267,124	274,555	370,549
Injury and damage reserve	1,190,759	940,188	784,354	933,203	1,031,804	906,602
Accrued depreciation	9,962,749	8,197,485	6,122,963	4,431,799	3,101,466	2,058,494
Other unadjusted credits	173,730	164,159	148,250	5,505	3,955	25,745
Outstanding tickets				122,329	56,027	102,234
†Amount advanced by Commonw'lth of Mass	2,244,851	2,305,512	2,327,816	2,348,397	2,348,397	3,462,955
Profit and loss			9,881		54,204	69,962
Total	$123,118,874	$120,048,921	$117,534,825	$118,950,349	$116,064,182	$111,021,224

† Amount advanced by Commonwealth of Massachusetts under Chapter 159, Acts of 1918, account deficit in cost of service for 12 months ended June 30, 1919. §Cost of service deficit for 12 months ended June 30, 1919, as provided for by Commonwealth of Massachusetts, Chapter 159, Acts of 1918.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$791,459	$982,465	$750,385	$2,237,296	$1,280,273	$825,666
Deposits for interest, rents, etc	1,025,904	825,436	1,198,994	796,102	794,613	804,907
Special deposit of reserve fund					243,032	1,000,000
Loans and notes receivable				9,000		1
Miscell. accts. receivable	294,771	255,395	200,314	197,754	148,306	165,871
Materials and supplies	2,145,429	2,098,291	2,272,808	2,973,480	3,200,986	2,418,280
Interest, dividends and rents receivable	3,037	4,755	17,148	15,052	51,441	50,556
Other current assets	39,774	40,121	39,232	39,337	35,883	38,139
Total	$4,300,374	$4,206,462	$4,478,881	$6,268,022	$5,754,534	$5,303,420
Current Liabilities—						
Loans and notes payable	$2,800,000	$3,100,000	$2,800,000	$5,200,000	$3,934,172	$1,800,000
Audited accts. and wages payable	527,544	903,486	846,325	1,242,700	1,363,821	1,082,534
Matured int., dividends and rents unpaid	790,445	792,641	794,066	797,307	795,819	805,113
Matured funded debt unpaid						1,000
Accrued int., dividends and rents payable	916,283	871,393	872,344	872,175	871,961	857,599
Tax liability	721,842	712,112	633,631	660,105	664,672	844,531
Total	$5,756,114	$6,379,633	$5,946,366	$8,772,287	$7,630,445	$5,390,777
Net Working Capital (debit)	$1,455,740	$2,173,171	$1,467,485	$2,504,265	$1,875,911	$87,357

Board of Trustees (Appointed by the Governor of Massachusetts): Samuel L. Powers, Chairman; Winthrop Coffin, Edward E. Whiting, J. Frank O'Hare, Stanley R. Miller.

Officers of the Corporation (Appointed by the Trustees): Henry L. Wilson, Treas.; Charles B. Gleason, Clerk.

Officers of Operating Departments, Etc.: Edward Dana, Gen. Mgr.; John H. Moran, Gen. Aud.; H. Ware Barnum, Gen. Counsel; Russell A. Sears, Gen. Claims Atty.

Directors: Sydney Harwood, Chairman, Matthew C. Brush, Joseph B. Russell, J. L. Richards, Robt. Winsor, Henry S. Lyons, Walter H. Trumbull, Jr.

Main Office, 31 St. James Ave., Boston, Mass.

CANADIAN MARCONI COMPANY

(Controlled by Canmar Investment Co.)

History and Properties—Incorporated Aug. 13, 1903, in Canada as The Marconi Wireless Telegraph Company of Canada, Limited; to operate in Canada under the patents of Guglielmo Marconi; name changed by Special Act to present title on June 12, 1925. Operates about 30 land stations in Canada, Newfoundland and Labrador, under subsidy from the Canadian and Newfoundland Governments, also direct transatlantic wireless telegraph services. In addition the Company owns and operates a factory for manufacturing apparatus which is rented to ships. Also manufactures and sells radio apparatus in Canada and Newfoundland.

An agreement has been concluded with the Canadian General Electric Co., Ltd., Canadian Westinghouse Co., Ltd., Northern Electric Co., Ltd., The Bell Telephone Co. of Canada and International Western Electric Co. under the terms of which the Company has effected an exchange of patent licenses with all these companies. In addition provision is made for an operating agreement which has for its object the establishment of certain wireless telephone services jointly by this Company and the Bell Telephone Co. of Canada.

New Beam Stations erected at Drummondville and Yamachiche for communication with similar stations erected in England for the British Post Office were opened for public communication on Oct. 25, 1926.

Control—Controlled through stock ownership by Canmar Investment Co., a British controlled holding company in which The Radio Corporation of America owns a substantial interest.

CAPITAL STOCK

Authorized, $7,500,000; subscribed and issued, $3,380,642, par, $1. At special meeting held Dec. 18, 1924, stockholders voted to reduce the capital stock from $7,500,000 to $3,000,000 by reducing the par value of shares from $2.50 to $1, and further to increase said $3,000,000 stock to $7,500,000, such increase to consist of 4,500,000 shares of the par value of $1 each. No dividends paid.

Transfer Agent—Quebec Savings & Trust Co., Quebec, Que.

Registrar—Montreal Trust Co., Montreal, Que.

Annual Meeting—In 1927, on September 20.

FUNDED DEBT

None.

Earnings, year ended Dec. 31, 1926 resulted in a net profit of $24,363, compared with $37,984 for year ended Dec. 31, 1925.

GENERAL BALANCE SHEET, DECEMBER 31

(Accounts Audited by Price, Waterhouse & Co.)

Assets—	1926	1925	1924	1923	1922	1921
Property, plant and equipment	$3,423,830	$3,308,263	*$2,797,870	$1,448,941	$1,280,547	$1,205,431
Patents, patent and other rights, licenses and contracts				4,909,381	4,791,881	4,491,881
Invesments in advances to subsidiary cos.	100,000	100,000	112,500	104,059	70,241	45,678
Apparatus and stores on hand and in transit	364,358	377,921	226,977	291,856	347,031	307,571
Accounts receivable, less reserve for bad and doubtful debts	357,417	348,663	313,252	249,051	200,092	264,060
Cash on hand and in bank	80,604	81,650	119,746	55,022	132,107	25,657
Dominion of Canada War Loan bonds	.....	.....	.....	.....	.....	50,000
Deferred charges	11,881	8,379	9,594	22,989	19,145	34,459
Deficit	.....	.....	.....	31,660	.....	.....
Total	$4,338,090	$4,224,876	$3,579,939	$7,112,960	$6,841,044	$6,424,737
Liabilities—						
Capital stock	$3,380,642	$3,380,642	$2,520,000	$6,300,000	$6,000,000	$5,525,000
Mortgage payable	35,000	49,000	49,000	49,000	49,000	49,000
Bank loan	.....	.....	.....	75,000	234,062	78,175
Note payable	.....	.....	.....	100,000	.....	.....
Accounts payable and accrued liabilities	109,063	252,643	327,018	268,139	216,909	169,170
Marconi's Wireless Telegraph Co., Ltd.	†751,038	504,607	683,921	.....	.....	.....
Reserve for insurance and contingencies	.....	.....	.....	9,599	17,127	17,921
Reserve for depreciation, etc.	.....	.....	.....	311,222	316,461	328,458
Surplus account	62,347	37,984	.....	.....	7,485	257,013
Total	$4,338,090	$4,224,876	$3,579,939	$7,112,960	$6,841,044	$6,424,737

*As adjusted. †Includes $644,053 cash advances to be liquidated by issue of capital stock.

Officers: Sir Joseph Flavelle, Bart., Pres. & Chrm. of Board; F. Perry, V-P. & Deputy Chrm. of Board; Dr. Milton L. Hersey, V-P.; H. M. Short, Mgr. Dir; J. Lyons, Sec.

Directors: Sir Joseph Flavelle, Bart.; F. Perry, Dr. Milton L. Hersey, A. E. Dyment, Rt. Hon. F. G. Kellaway, Gordon W. MacDougall, H. M. Short.

Office, 11 St. Sacrament St., Montreal, Que.

THE COLUMBUS, MARION AND BUCYRUS RAILWAY COMPANY

History—Incorporated March 25, 1914, in Ohio; successor to Columbus, Marion & Bucyrus R. R. Co., sold under foreclosure (see Manual for 1913, page 1879). Owns and operates an electric road from Marion to Bucyrus, 18 miles; put in operation in Aug. 1908. Gauge, standard. Rail, 60 lb. T. Cars, 4.

CAPITAL STOCK

Authorized and outstanding, $350,000; par, $100. Annual meeting, third Thursday in January. No dividends paid.

FUNDED DEBT

$47,000 First Mtge. 6% Gold bonds; dated Jan. 1, 1914; due Jan. 1, 1934; int. Jan. and July 1, at Guardian Trust Company, Cleveland, Trustee. Authorized, $100,000; issued, $52,000 of which $5,000 held in treasury. The $53,000 unissued bonds are reserved for extensions, power house, etc. Subject to call at 102½ and interest on any interest date. Company does not pay Normal Federal Income Tax.

$250,000 General and Refunding Gold 5s; dated Jan. 1, 1914; due Jan. 1, 1944; int. Jan. and July 1, at American Exchange Irving Trust Co., New York, Trustee. Authorized issue, $350,000, of which $100,000 reserved to take up First Mortgage bonds when due. Company does not pay Normal Federal Income Tax.

Default—Interest on these bonds is in default, the last coupon paid being Coupon Series 14, due January 1, 1921. Funds for payment of this coupon were deposited with the Trustee on April 30, 1923.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$62,403	$62,546	$62,952
Oper. exp., deprec. & taxes.	58,416	56,094	50,550
Net earnings	$3,987	$6,452	$12,402
Bond interest	15,320	15,320	15,320
Other interest	.....	.....	27
Total charges	$15,320	$15,320	$15,347
Deficit for year	$11,333	$8,868	$2,945
Times Bond Int. Earned	0.26	0.42	0.81

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$663,647	$662,897	$661,474
Materials and supplies	3,876	4,068	1,840
Cash	5,300	6,835	5,101
Accounts receivable	1,550	1,918	1,414
Deferred debit items	383	306	317
Treasury bonds	5,000	5,000	5,000
Profit and loss deficit	63,441	52,108	43,197
Total	$743,197	$733,132	$718,342
Liabilities—			
Capital stock	$350,000	$350,000	$350,000
Funded debt	297,000	297,000	297,000
First mortgage bonds nominally issued	5,000	5,000	5,000
Accounts payable	2,734	5,124	2,850
Unpaid bond interest	87,500	75,000	62,500
Reserve for taxes	963	1,008	993
Total	$743,197	$733,132	$718,342

Officers: Geo. Whysall, Pres., Gen. Mgr. & Pur. Agt., Marion, O.; James H. Caldwell, V-P., Troy, N. Y.; H. B. Hane, Sec. & Treas.; John J. Hane, Aud. & Asst. Treas., Marion, O.

Directors: Geo. Whysall, H. B. Hane, Marion, O.; F. L. Hopley, E. J. Songer, Bucyrus, O.; James H. Caldwell, Frank P. McCarthy, Troy, N. Y.; S. F. Ferguson, New York.

General Office, Marion, O.

BRISTOL AND WARREN WATER WORKS

History—Incorporated Dec. 29, 1883, in R. I. Owns the entire capital stock of the **Barrington Water Co.** Supplies water, without competition, to the towns of Bristol, Warren and Barrington, serving a total population of over 25,000. The Company owns four storage reservoirs. Its filter capacity is 3,000,000 gallons and it has total steam and electric pumping capacity of 8,500,000 gallons, affording ample reserve in case of emergency. The physical properties of the Company and its subsidiary have been appraised at $1,200,000.

CAPITAL STOCK

Authorized and outstanding, $750,000; par, $100. Annual meeting, second Wednesday in January, at Providence, R. I.

Dividends—7% each paid in 1905 and 1906; 3½% in 1907; none in 1908; 7½% in 1909; 5% in 1910; 6% in 1911; 4½% in 1912; 3% each in 1913 to 1918, incl., none in 1919; 3% in 1920; none in 1921 or 1922; 3% each in 1923 to 1927, inclusive; payments semi-annually Jan. and July 1.

FUNDED DEBT

$425,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JULY 1, 1946

Dated July 1, 1926.

Interest Payable January and July 1, at Industrial Trust Co., Providence, R. I.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Industrial Trust Co., Providence, R. I.

Provisions of Issue—Authorized and issued, $425,000.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' notice, on or after July 1, 1936, at 105 and interest; thereafter at ½ of 1% less for each full year elapsed between July 1, 1936, and the date of such redemption.

Security—Secured by a first mortgage on the entire physical property of the Company and also by the deposit of all the capital stock of its subsidiary company, Barrington Water Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%; bonds are tax exempt in Rhode Island.

Legal Investment for Rhode Island savings banks.

Original Offering—First publicly offered ($348,000) in July, 1926, at par and interest, by Bodell & Co., Providence, R. I., etc.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

	1927	1926	1925
Gross earnings	$123,875	$123,754	$118,414
Oper. exp. & taxes	63,790	63,801	60,679
Depreciation	10,000	10,000	10,000
Net earnings	$50,085	$49,953	$47,735
Other income	5,126	4,348	3,265
Total income	$55,211	$54,301	$51,000
Interest charges	21,250	19,414	19,634
Balance for dividends	$33,961	$34,887	$31,366
Dividends paid	22,500	22,500	22,500
Surplus for year	$11,461	$12,387	$8,866
Times Interest Earned	2.59	2.79	2.59
Earnings Per Share	$4.53	$4.65	$4.18

GENERAL BALANCE SHEET, OCTOBER 31

Assets—	1927	1926	1925
Property account	$1,219,366	$1,214,695	$1,206,348
Stocks owned	51,622	51,437	24,437
Other investments	.....	.....	5,000
Material and supplies	17,769	7,807	14,589
Cash	50,621	33,274	24,862
Accounts receivable	11,541	18,706	1,718
Deferred items	13,283	12,927	.....
Total	$1,364,202	$1,338,846	$1,276,954
Liabilities—			
Capital stock	$750,000	$750,000	$750,000
Funded debt	425,000	425,000	327,000
Notes payable	.....	.....	60,000
Accounts payable	7,547	3,653	3,479
Interest accrued	7,083	7,083	.....
Deferred credits items	195	195	497
Depreciation reserve	84,000	74,000	64,000
Profit and loss surplus	90,377	78,915	71,978
Total	$1,364,202	$1,338,846	$1,276,954

Officers: C. H. Manchester, Pres. & Treas.; J. Cunliffe Bullock, Sec., Providence, R. I.; J. M. Jones, Supt., Bristol, R. I.

Directors: C. H. Manchester, F. M. Howe, J. Cunliffe Bullock, Providence, R. I.; Edwin A. Cady, Warren, R. I.

Offices, Bristol, R. I., and Providence, R. I.

INDIANA COUNTY STREET RAILWAYS COMPANY

History and Property—Incorporated Aug. 6, 1907, in Pa.; consolidation of the Indiana, Clymer & Creek Side St. Ry. Co., the Indiana, Punxsutawney & Sagamore St. Ry. and the Indiana County Rys. Owns and operates electric lines connecting Ernest, Creek Side, Homer City, Black Lick, Josephine and Blairsville, Pa., 27 miles. Passenger cars, 8; work cars, 2. Passengers carried, 690,682 in 1927, compared with 704,861 in 1926. Car miles in 1927, 368,200, compared with 392,580 in 1926.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $972,500; par, $50. No dividends paid. Annual meeting, first Tuesday in December.

FUNDED DEBT

$765,500 First Mortgage 5% Gold bonds; dated 1908; due 1938; int. Jan. and July 1, at Farmers Bank, Indiana, Pa. Coupon, $500 and $1,000. Bank of North America & Trust Co., Philadelphia, Trustee. Authorized issue, $1,000,000; certified, $800,000; outstanding, $765,500. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$119,736	$123,056	$125,289
Oper. exps., maintenance, etc.	77,542	80,613	83,574
Net earnings	$42,194	$42,443	$41,715
Bond interest	38,275	38,275	38,275
Other interest	1,575	1,875	2,175
Accrued taxes	1,721	3,510	3,910
Total charges	$41,571	$43,660	$44,360
Deficit for year	*$623	$1,217	$2,645

*Surplus.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Total construction	$524,861	$597,281	$611,988
Franchise, charters, etc.	1,000,000	1,000,000	1,000,000
Treasury bonds	34,500	34,500	34,500
Treasury stock	27,500	27,500	27,500
Accounts receivable	612	612	612
Unexpired insurance	591	378	1,778
Supplies	9,450	9,450	9,450
Lucerne power plant	800	800	800
Profit and loss	269,824	206,235	176,731
Total	$1,868,138	$1,876,756	$1,863,359
Liabilities—			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	800,000	800,000	800,000
Bills payable	25,000	30,000	35,000
Accrued taxes	4,212	5,775	5,479
Accrued interest	38,461	38,536	19,474
Cash	465	2,444	3,406
Total	$1,868,138	$1,876,756	$1,863,359

Officers: F. M. Fritchman, Pres., Indiana, Pa.; James E. Phelan, V-P., Punxsutawney, Pa,; J. R. Maloney, Sec., Treas. & Aud.; I. C. Fine,, Gen. Mgr & Pur. Agt., Indiana, Pa.

Directors: F. M. Fritchman, B. M. Clark, Frank H. Beck, James W. Mack, Indiana, Pa.; James B. Phelan, Punxsutawney, Pa.; H. E. Clark, J. O. Clark, Glen Campbell, Pa.

Office, Indiana, Pa.

EDISON SAULT ELECTRIC COMPANY

History—Incorporated Dec. 15, 1891, in Mich.; corporate existence extended Dec. 16, 1921. Serves population of about 15,000. Plant situated next to St. Mary's Rapids. Controls **Chippewa Edison Co.** and leases power plant and water rights from the United States Government.

On May 12, 1925 the Secretary of War authorized head race dredging for United States Government power plant and authorized the Company to reimburse itself for the cost of said dredging by retention of rentals for power plant otherwise due the United States. As of Dec. 31, 1927, prepaid rentals amounted to $31,480; the retentions of rentals amounting to $3,170 per month will practically pay bond issue (described below) as serially maturing.

CAPITAL STOCK

Authorized, $500,000; outstanding, $300,000 (increased from $150,000 in 1912); par, $25. Annual meeting, first Tuesday in February.

Dividends—8% per annum are paid quarterly, J, A, J & O 15. Directors meet first Tuesday of each month.

FUNDED DEBT

$19,000 6% Non-mortgage Serial Debenture bonds; dated July 1, 1925; due $3,000 monthly from Jan. 1, 1926, except the twelfth, eighteenth and twenty-fourth months at which times, $2,000 matures and the fortieth month at which $1,000 matures. Original issue, $88,000, of which $69,000 matured and paid to Dec. 31, 1927. Interest payable January and July 1. Frank P. Sullivan, Sault Ste. Marie, Mich., Trustee. Bonds were sold locally to banks and individuals to finance on first instance, cost of dredging head race to power plant leased from U. S. Government.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$188,751	$185,531	$171,310
Oper. exp., taxes & deprec.	144,446	144,614	131,206
Net earnings	$44,305	$40,917	$40,104
Other income	4,782	5,789	4,143
Total income	$49,087	$46,706	$44,247
Other deductions	7,181	9,543	6,882
*Surplus for dividends	$41,906	$37,163	$37,365
Earnings Per Share	$3.49	$3.09	$3.11

*After Federal income tax.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$476,753	$455,372	$441,125
Other investments	54,101	47,562	48,562
Cash	8,903	10,535	7,574
Notes & accts. receivable	31,683	27,261	31,802
Materials and supplies	18,465	18,205	19,890
Prepaid accounts	1,706	1,965	2,253
Unamortized debt disc. & abandoned prop.	21,754	25,197	28,879
Suspense items	*37,188	67,267	84,616
Total	$650,553	$653,364	$664,701
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Bonds outstanding	19,000	53,000	86,000
Accounts payable	14,137	8,404	12,225
Other accrued liabilities	7,112	7,450	8,075
Dividends payable	6,000	6,000	6,000
Operating reserves	153,881	145,735	132,093
Profit and loss	150,423	132,775	120,308
Total	$650,553	$653,364	$664,701

*Includes $31,480 suspense prepayments U. S. Government power plant rental.

Officers: Thomas Chandler, Pres.; Edward Horry, V-P. & Gen. Mgr.; M. J. Magee, V-P.; G. W. Baldwin, V-P. & Sec.; Chas. O. Bye, Treas., Sault Ste Marie, Mich.

Directors: W. J. Dugan, H. T. Dunbar, Buffalo, N. Y.; Thomas Chandler, M. J. Magee, Edward Horry, G. W. Baldwin, John P. Old, Sault Ste. Marie, Mich.

Office, Sault Ste. Marie, Mich.

WISCONSIN RAPIDS STREET RAILROAD COMPANY

History—Incorporated Feb. 17, 1909, in Wis., as Grand Rapids Street R. R. Co.; name changed to above in 1921. Line of road: Wisconsin Rapids to Port Edwards, South Centralia and Nekoosa, total track, 8.25 miles. Gauge, standard. Rails, 60 and 70 lb. T. Operated by overhead trolley. Eight miles on private right of way. Motor cars, 3; work car, 1; other, 2. Power station, 1. Power purchased.

CAPITAL STOCK

Authorized and outstanding, $25,000 (reduced from $125,000 in January, 1928); par, $100. Annual meeting, January 26.

Dividends—Dividends paid at Wood County National Bank, Wisconsin Rapids, Wis.; payments quarterly, Jan., April, July and Oct. 1, as follows: 1911 to 1920, incl., 6% per annum; 1921, 8%; 1922, 6%; 1923, 4½%; 1924, 6%; 1925, 3%; 1926, 4%; 1927, 3%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$19,769	$22,903	$23,794
Oper. exp. & taxes	16,724	19,191	19,134
Depreciation	2,500	2,500	2,500
Net earnings	$545	$1,212	$2,160
Other income	293	318	301
Total income	$838	$1,530	$2,461
Dividends paid	3,750	5,000	3,750
Deficit for year	$2,912	$3,470	$1,289

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$157,859	$157,859	$157,859
Cash	317	1,376	2,313
Materials and supplies	480	480	520
Investments	1,650	1,650	1,650
Bonds owned	6,000	5,000	5,000
Profit & loss deficit	26,351	23,438	19,968
Total	$192,657	$189,803	$187,310
Liabilities—			
Capital stock	$125,000	$125,000	$125,000
Unredeemed tickets	600	246	253
Depreciation reserves	67,057	64,557	62,057
Total	$192,657	$189,803	$187,310

Officers: L. M. Nash, Pres.; W. F. Kellogg, V-P.; C. F. Kruger, Sec.; F. J. Wood, Treas.; Miss V. L. Witte, Aud.; John Schenk, Pur Agt., Wisconsin Rapids, Wis.

Directors: A. B. Sutor, L. M. Nash, F. J. Wood, W. F. Kellogg, C. F. Kruger, A. J. Hasbrouck, Wisconsin Rapids, Wis.; A. U. Marvin, Nekoosa, Wis.

Office, Wisconsin Rapids, Wis.

ST. JAMES TELEPHONE COMPANY

History—Incorporated Oct. 4, 1905, in Minn. Furnishes telephone service at St. James, Minn., and vicinity. No. of telephones in service, Dec. 31, 1927, 1,118; miles of wire, 1,360.

CAPITAL STOCK

Authorized, $50,000; outstanding, $49,475; par, $25. Transfer Agent and Registrar: W. D. Forsyth, Sec., St. James, Minn. Annual meeting, third Tuesday in January.

Dividends—Dividends, 1907 to 1916, incl., 10%; 1917, 8%; 1918, 10%; 1919, 5%; 1920, none; 1921, 4%; 1922 to 1927, inclusive, 8% each. Dividends payable semi-annually, Jan. and July, from St. James, Minn., by mail.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$23,647	$23,323	$22,420
Oper. exp., taxes & deprec.	17,508	16,043	16,336
Net earnings	$6,139	$7,280	$6,084
Interest charges	29	.....	6
Net income	$6,110	$7,280	$6,078
Dividends paid	3,958	3,958	3,958
Surplus for year	$2,152	$3,322	$2,120

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Cost of plant and equip.	$75,127	$73,522	$70,648
Cash	3,567	5,390	2,558
Certfs. of deposit & savings accts.	4,422	4,000	1,000
Bonds	2,054	.....	.....
Due from subscribers	1,936	1,816	1,712
Materials and supplies	661	281	339
Total	$87,767	$85,009	$76,257
Liabilities—			
Capital stock	$49,475	$49,475	$49,475
Notes payable	.....	2,500	.....
Accrued taxes	946	933	897
Depreciation reserve	22,390	19,368	16,508
Service charges paid in advance	190	119	85
Profit and loss surplus	14,766	12,614	9,292
Total	$87,767	$85,009	$76,257

Officers: Dr. A. Thompson, Pres.; J. C. Ranseen, V-P.; P. N. Sterrie, Treas.; Willard D. Forsyth, Sec. & Mgr., St. James, Minn.

Directors: P. N. Sterrie, Dr. A. Thompson, J. C. Ranseen, W. D. Forsyth, C. E. Fuller, John Krhoun, J. L. Lobben, Otto Wenstrom, Per Torkelson, O. P. Anderson, Louis Movitz, N. J. Nelson, St. James, Minn.

General Office, St. James, Minn.

QUINCY ELECTRIC LIGHT & POWER CO.

History—Incorporated Feb. 15, 1888, in Mass. Population served, 63,000. Supplies, 250,000 Mazdas, and 2,737 public lamps.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Stock transferred and registered by Company. Annual meeting, last Wednesday in January.

Dividends—Dividends in 1915, 15%; 1916, 18%; 1917, 18%; 1918, 15%; 1919, 12%; 1920, 12%; 1921, 12%; 1922, 12%; 1923, 12% regular and 12% extra; 1924, 12% regular and 9% extra; 1925, 12% regular and 24% extra; 1926, 12% regular and 18% extra; 1927, 12% regular and 9% extra; payments quarterly, J, A, J & O 15.

FUNDED DEBT

$250,000 First Gold 5s, Series "A"; dated Sept. 1, 1922; due Sept. 1, 1947; int. March and Sept. 1, at The National Shawmut Bank of Boston, Trustee. Coupon, $1,000; principal may be registered. Subject to call on any interest date between March 1, 1923, and March 1, 1944, both inclusive, at 110, and on any interest date between Sept. 1, 1944, and March 1, 1947, at par, in all cases with accrued interest. Additional bonds may be issued in series, bearing such rate or rates of interest, to mature not later than Sept. 1, 1962, and then only when net earnings (as defined in the indenture) for 12 consecutive calendar months within the 14 calendar months next preceding shall have been not less than twice the annual interest charges of the Company. A first lien on entire property. Legal for Massachusetts savings banks. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$857,103	$802,236	$715,576
Oper. exp., depre. & taxes	645,212	570,705	496,147
Net earnings	$211,891	$231,532	$219,429
Other income	1,081	†3,156	731
Total income	$212,972	$228,375	$220,160
Interest charges	24,989	24,612	18,572
Net income	$187,983	$203,763	$201,588
Dividends paid	105,000	150,000	180,000
Extra depreciation	76,165	.....	.....
Surplus for year	$6,818	$53,763	$21,588
Times All Int. Earned	8.52	9.28	11.85
Earnings Per Share	*$37.59	$40.75	$40.32

*Before deducting extra depreciation. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$1,579,042	$1,358,244	$1,276,092
Investments	6,170	6,170	6,170
Prepaid items	6,853	6,750	5,845
Cash	17,185	30,322	34,431
Accts. receivable—net	111,552	115,844	102,537
Materials and supplies	35,524	34,302	35,048
Total	$1,756,326	$1,551,631	$1,460,123
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	250,000	250,000	250,000
Premium on capital stock	106,854	106,854	106,854
Premium on bonds	6,195	6,510	6,825
Notes payable	310,000	260,000	250,000
Accounts payable	33,697	20,208	26,624
Accrued items	33,505	35,581	34,861
Consumers' deposits	36,230	27,315	17,370
Reserves	298,692	170,827	147,016
Surplus	181,153	174,336	120,573
Total	$1,756,326	$1,551,631	$1,460,123

Officers: Henry M. Faxon, Pres., Treas. & Gen. Mgr.; Thos. Fenno, V-P.; Fred W. Austin, Supt., Quincy, Mass.

Directors: Henry M. Faxon, Thomas Fenno, Quincy, Mass.; Alva Morrison, Cambridge, Mass.; James E. Cashman, Burlington, Vt.

Office, Quincy, Mass.

THE CLEVELAND RAILWAY COMPANY

(See Accompanying Map)

Stock Issue, At December 31, 1927, Summarized

Stock	Interest Payment Dates	Authorized	Outstanding	Income Available for Interest	Interest Paid—Rate	Interest Paid—Amount	Earnings per Share
Capital Stock (par, $100)	J, A, J & O 1	$35,000,000	$32,872,000	$2,161,855	6%	$1,858,406	$6.58

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Mortgage Gold 5s	Mar. 1, 1931	M & S 1	$35,000,000	$5,495,000	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $5,495,000. **Interest Accrued** in 1927, $274,750.
Amount Available for Interest in 1927, $2,720,420. **Times Interest Earned** in 1927, 9.90.

History—Incorporated Feb. 26, 1893, in Ohio, as the Cleveland Electric Ry. Co., consolidation of the Broadway and Newburg St. Ry., the Brooklyn St. Ry., the East Cleveland Ry. and the South Side St. Ry. companies. On July 1, 1903, purchased all the rights and properties of the Cleveland City Ry. Co., and on April 27, 1908, absorbed the Forest City Ry., which had previously absorbed the Low Fare Ry. On June 2, 1908, name of the company was changed from Cleveland Electric Ry. Co. to Cleveland Ry. Co.

The property of the Cleveland Electric Ry. Co. was leased to the Municipal Traction Co. on April 27, 1908, for a term of 25 years at rental of interest on bonds and 6% interest on stock. The first payment of interest of 1½% under the lease was paid July 1, 1908, but the lease was abrogated as a result of a referendum election, and the property of this company, together with the Municipal Traction Co. was placed in Receivers' hands on Nov. 12, 1908, it being alleged that the Municipal Traction Co., having lost the lease of the Cleveland Ry. lines, had practically no assets. The debts of the Municipal Traction Co. having been provided for, the Receivers were discharged by order of Judge Taylor in Feb., 1910, and the Cleveland Ry. resumed possession of its lines on March 1, 1910.

The North Randall Ry. (see 1925 Manual, page 872), previously operated under agreement by The Cleveland Railway Company, was abandoned in 1925.

Franchises—The City Council of Cleveland passed a franchise ordinance which became effective in March, 1910, under the terms of which net earnings in excess of fixed charges and 6% on the capital stock are to be used toward the reduction of fares or betterment of the service. The city has the right to purchase the property at any time at par of outstanding bonds and floating debt and 110% of outstanding capital stock, or after Jan. 1, 1918, to designate a purchaser or licensee in lieu of the City on payment of the same amount. Judge Tayler placed the value of the physical property at $17,511,856, and the franchise value at $3,615,844—a total of $21,127,700, in addition to which the agreed value of the Forest City lines ($1,805,600) must be added, making a total valuation of $22,933,300.

Effective July 1, 1926, the City of Cleveland passed a new ordinance the outstanding features of which are:

(1) The right of Company to furnish all the transportation to the City of Cleveland for 25 years, including Company's present system of street railways and motor coaches and additions thereto by any type of power or vehicle which the city may approve.

(2) The interest fund, from which interest on Company's stock is paid, has been increased in size by taking from earnings over a period of months $300,000. This fund was originally created by setting aside $500,000 of Company's capital. The levels of the fund at which the rate of fare is increased or decreased have been changed. Since 1910 they had been $300,000 and $700,000. This permitted the impairment of capital from time to time even though in each instance the impairment has been made good. The new contract makes the levels $500,000 and $1,100,000. The effect of the increase in the size and range should be to stabilize the rates of fare.

(3) Provision has been made that 1½% of gross receipts of Company shall be set aside monthly as a capital retirement or betterment fund. This fund can be used only in payment of floating or bonded indebtedness of company, the purchase of Company's stock, if the stock so purchased may legally be retired, or in the acquisition of property which shall not be added to the capital value of the Company. The purpose of this and its undoubted effect will be to relieve Company of making any unprofitable extensions or unwarranted additions and will create a small reservoir to draw on for reduction of capital.

(4) The city has the continuing right to renew the grant, but if it does not when present grant has less than 15 years' remaining life, Company may charge and collect, in addition to the rate of fare fixed through the interest fund by the cost of the service including interest on the investment, ½ cent from every street car rider and 1 cent from every motor coach rider, these charges to be used for the purpose of retiring the capital investment of Company. This provision increases the assurance of earlier contracts between Company and city that the city would, as it has, renew the grant, but beyond that it makes certain that a large amount of money may be charged annually for the benefit of investors should the franchise be permitted to expire.

(5) The schedule of fares ranged originally from 2 cents to 4 cents, was increased in 1919 to a permissable maximum of 6 cents and has had further higher rates included so that the permissible maximum rate of fare is now 10 cents.

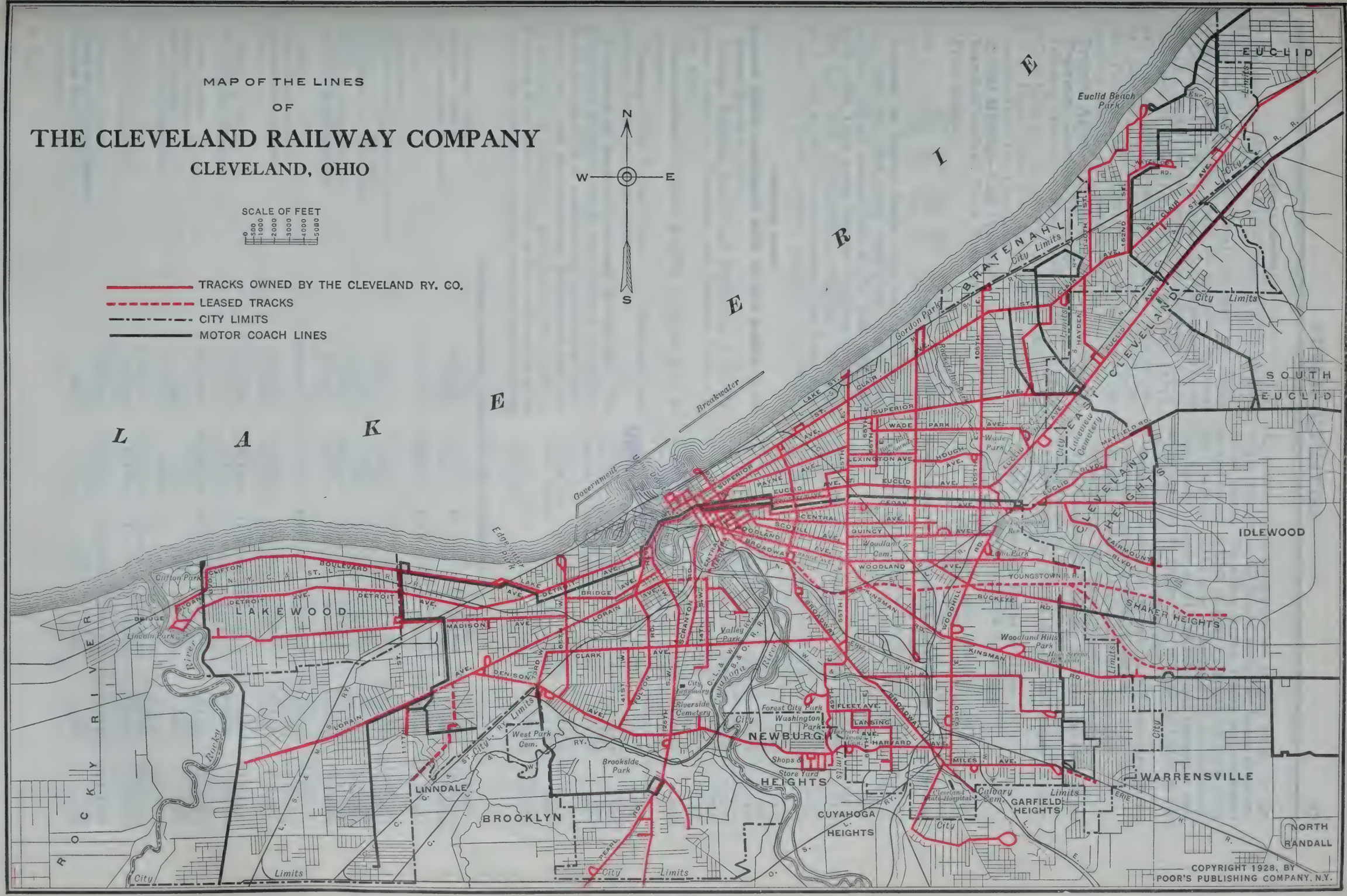
The fundamental basis of the settlement effective in 1910 is preserved and continued unchanged in this new contract. The purpose of service-at-cost—"to secure to the city the best possible transportation at cost consistent with the security of the property and the certainty of a fixed return thereon"—remains the purpose of the new contract. The provisions as to city control of service, protection of the Company against unwarranted demands made upon by the City, the right of the city to purchase by paying a premium of 10% on Company's stock, all are as they have been since March, 1910.

Company expects to make similar settlement with the cities of East Cleveland, Cleveland Heights and Lakewood, whereby they will pay the same rate of fare charged in the city of Cleveland for their local service and an additional cent for ride to and from the city of Cleveland.

Mileage comprises the entire street railway lines of the city of Cleveland and suburbs—a total, as of Dec. 31, 1927, including leased lines, of 418.3675 miles of track. Gauge, standard. Rail, 95 to 141 lb. girder. Equipment: Revenue cars, 1,453; service equipment cars, 277; motor coaches (72 single deck and 53 double deck), 125—a total of 1,855 cars and motor coaches.

OPERATING STATISTICS, YEARS ENDED DEC. 31

Years	Fares	Total Rides Incl. Transfers	Revenue Car Miles (Ordinance)
1918	273,239,716	375,570,360	35,081,583
1919	291,419,501	402,808,820	36,127,325
1920	327,840,438	450,925,677	38,774,682
1921	286,844,527	399,429,666	35,283,902
1922	286,587,977	402,263,233	35,290,458
1923	300,122,816	417,405,905	36,018,693
1924	279,917,221	390,424,469	34,343,449
1925	276,449,391	387,671,132	34,951,517
1926	275,527,421	388,412,414	36,821,983
1927	262,314,932	370,651,915	36,755,347



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CAPITAL STOCK

Authorized, $35,000,000; outstanding, Dec. 31, 1927, $32,872,000; par, $100.

Capital Stock Issues—Total as fixed by Tayler franchise, $14,675,600, issued to complete exchange of Cleveland City Ry. Co. stock for Cleveland Electric Ry. Co., $6,400; issued under the following resolutions: Feb. 21, 1910, $1,461,100; July 20, 1912, $3,015,000; Jan. 18, 1913, $3,600,000; Dec. 27, 1913, $2,141,100; Sept. 28, 1914, $2,382,600; Dec. 27, 1917, $2,700,000; Feb. 24, 1927, $2,890,200—total issued and outstanding, Dec. 31, 1927, $32,872,000.

Transfer Agent—The Union Trust Co., Cleveland.

Registrar—Guardian Trust Co., Cleveland.

Offering—Publicly offered ($3,580,000) in June, 1927, at 102½ per share by Hayden, Miller & Co., Otis & Co., Union Trust Co., Cleveland Trust Co. and Guardian Trust Co., Cleveland.

Annual Meeting—Last Wednesday in January.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	107¼	97	93½	96	98	100	93¾	100⅜
Low	96¼	88	86½	85	94⅛	86	84½	87

Interest on Capital Stock—Has been paid as follows: 1897, 3%; 1898, 3½%; 1899, 2½%; 1900 to 1904, inclusive, 4% per annum; 1905, 4¼%; 1906, 5%; 1907, 4½%; 1908, 1½% under the new franchise ordinance; 1909, none; 1910, 4½%; 1911 to 1919, incl., 6%; 1920, 6¼%; 1921 to 1927, 6% per annum; Jan. 3 and April 2, 1928, 1½% each; payments quarterly, J, A, J & O 1.

FUNDED DEBT

$5,495,000 FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1931

Dated March 1, 1911.

Interest Payable March and September 1, at The Union Trust Co., Cleveland, and Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—The Union Trust Co., Cleveland, and Bankers Trust Co., New York.

Provisions of Issue—Authorized, $35,000,000. The $29,505,000 unissued bonds are reserved as follows: $9,505,000 for 85% of cash cost of extensions, betterments, etc., and the remaining $20,000,000 for 50% of cash cost of extensions, betterments, etc., made or acquired after March 1, 1911, to the railways or property of the company, when net earnings for preceding 12 months shall have equalled at least twice the interest charges on all bonds, including bonds proposed to be issued. In other words, future improvements to the extent of 85% of their cost may be made from the proceeds of the sale of bonds until the outstanding bonds amount to $15,000,000, and thereafter betterments may be financed by the sale of bonds to the extent of 50% only of their cost.

Callability—Subject to call at 105 and interest on any interest date, on 90 days' notice.

Sinking Fund—No sinking fund provided.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%

Legal Opinion—Squire, Sanders & Dempsey, Cleveland.

Legal for Savings Banks in Maine.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100⅜	100¼	99½	99	97½	96	90	85½
Low	99¾	99	97½	95½	95½	88¼	80	82¼

COMPARATIVE INCOME AND COST PER CAR-MILE AND PER FARE

The gross income and the cost of operation under the Tayler grant for years ended Dec. 31, 1925, 1926 and 1927, were as follows:

	1927 (cents)	1926 (cents)	1925 (cents)
Per Car Mile—			
Maintenance expenses	9.49	11.09	14.32
Obsolete equipment	1.12	1.47	.....
Total	10.61	12.56	14.32
Operating expenses	29.67	29.02	27.78
Taxes	3.78	3.27	4.12
Int. on funded & float. debt	.76	.76	0.80
Interest on capital stock	5.06	4.73	4.98
Total cost of operation	49.88	50.34	52.00
Gross income	51.48	49 31	49.72
Deficit	*1.60	10.3	2.28
Per Fare—			
Maintenance expense	1.3292	1.4820	1.8109
Obsolete equipment	.1575	.1967	.....
Total	1.4867	1.6787	1.8109
Operating expenses	4.1579	3.8792	3.5125
Taxes	.5294	.4376	.5209
Int. on funded & float. debt.	.1066	.1015	.1012
Interest on capital stock	.7085	.6325	.6304
Total cost of operation	6.9891	6.7295	6.5759
Gross income	7.2129	6.5902	6.2866
Deficit	*0.2238	0.1393	0.2893

*Surplus.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating Revenue—						
Passenger revenues	$18,331,408	$17,657,297	$16,922,913	$17,002,018	$16,042,692	$16,506,044
Other operating revenues	374,882	344,763	291,615	311,531	299,412	386,990
Total	$18,706,290	$18,002,060	$17,214,528	$17,313,549	$16,342,104	$16,893,034
Expenses—						
Maintenance of way and structures	$1,734,913	$2,303,590	$3,595,155	$1,832,864	$1,959,870	$1,921,385
Maintenance of equipment	2,021,623	2,177,260	1,246,320	1,969,647	1,426,109	1,343,762
Maintenance of power plant	143,288	144,356	164,795	1,125,027	1,171,035	69,681
Power	1,294,188	1,344,695	1,301,908	1,254,741	1,354,622	1,488,088
Conducting transportation	6,878,067	6,957,605	6,061,355	5,776,149	5,715,546	5,343,360
General and miscellaneous	2,734,553	2,385,918	2,346,993	2,303,053	2,696,541	1,916,133
Total	$14,806,632	$15,313,424	$14,716,526	$14,261,481	$14,323,723	$12,082,410
Obsolete property	.....	.....	.....	.....	217,141	466,496
Net operating revenue	3,899,659	2,688,636	2,498,002	3,052,068	1,801,240	4,344,128
Taxes	1,388,602	1,205,786	1,440,114	1,279,741	1,082,195	1,378,933
Operating income	$2,511,057	$1,482,850	$1,057,888	$1,772,327	$719,045	$2,965,195
Non-operating income	214,363	155,620	164,653	146,666	152,208	189,359
Gross income	$2,725,420	$1,638,470	$1,222,541	$1,918,993	$871,252	$3,154,554
Interest charges	274,750	274,750	274,750	274,750	274,750	279,300
Bond discount	5,000	5,000	5,000	5,000	5,000	5,000
Interest fund deduction	283,815	136,868	.....	.....	.....	.....
Net income	$2,161,855	$1,221,852	$942,791	$1,639,243	$591,502	$2,870,254
Interest on capital stock	1,858,406	1,742,790	1,742,790	1,742,721	1,738,661	1,735,596
Surplus for year	$303,449	*$520,938	*$799,998	*$103,478	*$1,147,159	$1,134,658
Times Bond Interest Earned	9.90	5.94	4.43	6.97	3.15	11.44
Earnings Per Share	$6.58	$4.21	$3.24	$5.64	$2.04	$9.92

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$37,429,316	$37,106,506	$36,794,022	$37,057,186	$36,211,069	$34,386,116
Road and equipment suspense	.....	.....	.....	.....	.....	242,666
Miscellaneous investments	110,573	110,573	323,133	323,133	323,133	76,573
Cleveland Railway bonds	.....	.....	.....	.....	.....	212,560
Liberty bonds	.....	.....	.....	.....	.....	627,350
Materials and supplies	849,566	865,701	913,187	973,959	1,102,185	1,015,273
Bond discount	11,800	24,881	36,148	47,226	57,831	68,016
Bond discount sinking fund	168,691	151,567	136,591	121,949	107,918	81,984
Power contract sinking fund						.....
Bridge franchise sinking fund						12,456
Interest fund	573,201	212,249	572,111	532,254	.....	1,542,859
Cash	2,782,611	512,047	201,953	413,002	363,263	284,578
Prepaid accounts	712,471	139,659	148,917	113,989	110,001	151,898
Special deposits	6,288	6,019	9,316	8,841	8,561	.....
Bills receivable	40,000	99,000	114,000	123,700	103,900	.....
Interest and rents receivable	2,490	4,764	5,553	4,806	11,418	.....
Miscellaneous current assets	.....	.....	13,574	.....	.....	.....
Accounts receivable	649,198	450,949	475,682	325,660	468,428	889,324
U. S. War Savings certificates	.....	.....	.....	.....	.....	1,323
Maintenance reserve	.....	96,650	.....	.....	.....	.....
Operating reserve	217,873	30,235	.....	126,601	59,318	.....
Other unadjusted debits	60,860	56,115	401,208	163,571	163,441	.....
Work orders	.....	.....	.....	.....	.....	177,242
Income	226,799	424,619	.....	.....	541,792	.....
Total	$43,841,737	$40,291,535	$40,145,395	$40,335,877	$39,632,258	$39,770,218
Liabilities—						
Capital stock	$32,872,920	$29,046,575	$29,046,575	$29,046,575	$29,026,575	$28,926,575
Premium on capital stock	77,415	77,415	77,415	77,415	77,415	77,415
Funded debt	5,495,000	5,495,000	5,495,000	5,495,000	5,495,000	5,495,000
Accounts payable	874,440	1,696,201	1,224,220	910,510	1,186,299	1,109,735
Ticket float	166,862	183,993	209,571	208,285	198,353	139,835
Contracts payable	.....	5,659	6,481	427,591	35,576	.....
Miscellaneous liabilities	50,096	40,292	39,152	37,410	.....	.....
Old companies	.....	.....	.....	.....	.....	252,322
Depreciation reserve (power plants)	3,373,683	3,373,683	3,373,683	3,373,683	2,347,566	1,265,566
Operating reserve	.....	.....	344,437	.....	.....	500,677
Maintenance reserve	392,288	.....	23,224	516,528	947,595	790,780
Accrued accounts	.....	.....	.....	.....	.....	1,197,427
Amortization of bridge franchise	30,490	26,448	22,740	19,176	15,750	12,456
Other unadjusted credits	508,543	346,269	210,786	191,451	260,338	.....
Income	.....	.....	72,111	32,254	.....	2,429
Interest fund deficit	.....	.....	.....	.....	41,792	.....
Total	$43,841,737	$40,291,535	$40,145,395	$40,335,877	$39,632,258	$39,770,218

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Stores	$849,566	$865,701	$913,186	$973,959	$1,102,185	$1,015,273
Interest fund	573,201	212,249	572,111	532,254	.....	1,542,859
Cash	2,782,611	512,047	201,953	413,002	363,263	889,324
Special deposits	6,288	6,019	9,316	8,841	8,561	.....
Bills receivable	40,000	99,000	114,000	123,700	103,900	.....
Accounts receivable	649,198	450,949	475,682	325,660	468,428	284,578
Interest and rents receivable	2,490	4,764	5,553	4,806	11,418	.....
Liberty bonds	.....	.....	.....	.....	.....	627,350
W. S. & T. stamps	.....	.....	.....	.....	.....	1,323
Work orders	.....	.....	.....	.....	.....	177,242
Total	$4,903,...	$2,150,729	$2,291,801	$2,382,222	$2,057,755	$4,537,949
Current Liabilities—						
Accounts payable	$874,440	$1,696,201	$1,224,220	$910,510	$1,186,299	$1,109,735
Contracts payable	.....	5,659	6,481	427,591	.....	.....
Miscellaneous liabilities	50,096	40,292	39,152	37,410	.....	.....
Accrued accounts	.....	.....	.....	.....	35,576	1,197,427
Ticket float	166,862	183,993	209,571	208,285	198,353	139,835
Total	$1,091,398	$1,926,145	$1,479,424	$1,583,796	$1,420,228	$2,446,997
Net Working Capital	$3,811,95...	$224,584	$812,377	$798,426	$637,527	$2,090,952

Officers: J. H. Alexander, Pres.; Paul E. Wilson, V-P. & Sec.; Ralph W. Emerson, V-P. & Gen. Mgr.; Wm. J. Mead, Treas.; Paul S. Schreiner, Asst. Treas., Cleveland, O.

Directors: J. H. Alexander, G. G. Wade, Thos. P. Schmidt, L. C. Hanna, Jr., K. F. Gill, H. P. McIntosh, Warren Bicknell, F. W. Ramsey, H. J. Crawford, F. F. Prentiss, A. R. Horr, John Sherwin, Charles H. Stanley, Cleveland, Ohio.

General Office, Hanna Bldg., Cleveland, Ohio.

THE NEWARK TELEPHONE COMPANY

History—Incorporated in 1894, in W. Va. Supplies Newark, O. Has also exchanges in Granville, Hanover, St. Louisville, and Gratiot, and about 1,000 miles of farmer and toll lines; 8,671 telephones in service.

CAPITAL STOCK

Authorized, $200,000 Common and $400,000 6% Pfd.; outstanding, $191,700 Common and $400,000 Pfd.; par, $100. Annual meeting, third Monday in March.

Dividends—No dividends paid on Pfd. from 1920 to 1924, inclusive; Jan. 1, 1925 to date, 1½% each quarter; payments, J, A, J & O 10. In addition, an extra dividend of 3½% was paid on the Pfd. in 1927 to apply on dividends previously deferred. A stock dividend of $50,000 was paid on Common stock in 1917.

FUNDED DEBT

$150,000 FIRST MORTGAGE GOLD 6s; DUE SEPT. 1, 1949

Dated September 1, 1924.

Interest Payable March and September 1, at The Huntington National Bank, Columbus, Ohio, Trustee.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized issue $350,000. Additional bonds may be issued up to 75% of the cash cost of improvements and betterments or for 75% of

the cost of additions to the property, provided net earnings for the preceding twelve months have not been less than twice the interest charge on proposed and outstanding bonds.

Callability—Subject to call as a whole or in part on any interest date to and including Sept. 1, 1929, at 105 and interest; from Sept. 1, 1929 to and including Sept. 1, 1934, at 104 and interest; from Sept. 1, 1934, to and including Sept. 1, 1939, at 103 and interest; from Sept. 1, 1934 to and including Sept. 1, 1944, at 102½ and interest; from Sept. 1, 1944 to maturity, at 102 and interest.

Sinking Fund—½ of 1% annually of the largest amount of bonds outstanding, the first payment being due on or before Sept. 1, 1925, payable to the trustee in semi-annual installments to be used to purchase bonds in the market at the best price obtainable, but not exceeding 102½. Bonds so purchased to be held alive and the interest accruing thereon to be used to further augment sinking fund purchases.

Security—A direct lien covering the entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($200,000) in Sept., 1924 at 99½ to yield over 6%, by The Huntington National Bank, Columbus, O.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total income	$271,949	$263,135	$256,319	$250,566	$216,047	‡$170,828
Operating expenses, taxes and depreciation	197,470	203,595	193,833	193,159	169,500	186,805
Net earnings	$74,479	$59,540	$62,486	$57,407	$46,547	*$15,977
Interest, rentals, etc.	13,113	13,559	14,494	13,713	12,708	12,890
Net income	$61,366	$45,982	$47,992	$43,694	$33,839	*$28,867
Preferred dividends	38,000	30,000	24,000	.....	.....	.....
†Refund	.....	.....	.....	.....	34,369	.....
Surplus for year	$23,366	$15,982	$23,992	$43,694	*$530	*$28,867
Earnings Per Share—						
Preferred	$15.34	$11.50	$11.99	$10.92	$8.46	Nil
Common	19.47	11.47	12.51	10.27	5.13	Nil

*Deficit. †Paid back to subscribers during the year on account of collections made in previous years in excess of the ordinance rate. ‡Actual income $205,197, including $34,369 collections made in previous years in excess of franchise rate.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and property	$1,019,810	$974,473	$994,848	$960,227	$854,120	$841,876
Advances to leased properties		26,473	40,826	39,320	39,767	.....
Materials and supplies	29,978	30,913	29,097	34,358	23,017	13,863
Marketable securities	67,735	19,691	.....	.....	.....	.....
Cash	23,670	41,815	7,299	16,054	9,067	28,196
Current accounts	32,138	32,749	31,437	6,969	2,158	2,978
Deferred debit items	15,122	14,133	14,564	12,601	2,820	3,092
Profit and loss deficit	.....	.....	.....	.....	38,953	74,068
Total	$1,188,453	$1,140,247	$1,118,071	$1,069,529	$969,902	$964,073
Liabilities—						
Common stock	$191,700	$191,700	$191,700	$191,700	$191,700	$191,700
Preferred stock	400,000	400,000	400,000	400,000	400,000	400,000
Premium on capital stock	16,255	16,255	16,255	16,255	16,255	16,255
Funded debt	150,000	150,000	150,000	171,700	85,900	97,200
Loans and notes payable	.....	.....	.....	.....	41,500	25,160
Current liabilities	11,001	27,261	34,905	21,620	20,873	12,602
Interest and taxes accrued	9,901	14,635	17,988	17,096	7,954	10,088
Deferred credit items	.....	.....	.....	.....	.....	47,705
Depreciation reserve	316,184	274,629	261,623	236,426	199,618	160,632
Other reserves	24,330	18,508	12,823	9,461	6,102	2,731
Surplus and undivided profits	69,082	47,259	32,777	5,271	.....	.....
Total	$1,188,453	$1,140,247	$1,118,071	$1,069,529	$969,902	$964,073

Officers: W. L. Cary, Pres. & Gen. Mgr.; C. H. Spencer, V-P.; Walter C. Metz, Treas.; T. J. Evans, Sec.; Lewis W. Easton, Aud., Newark, Ohio.

Directors: Walter C. Metz, C. H. Spencer, Harry H. Postle, Thos. J. Evans, W. L. Cary, Newark, Ohio; W. C. Newton, Columbus, Ohio; Dwight Warner, Utica, Ohio.

Office, Newark, Ohio.

THE LIMA CITY STREET RAILWAY COMPANY

History—Incorporated Aug. 12, 1922, in Ohio, and purchased as of Nov. 1, 1922 from The Ohio Electric Ry. Co. its lines in the city of Lima, O. Length of line: First track, 12.95 miles; second track, 2.44 miles; sidings, etc., 1.69 miles—total, 17.08 miles. Gauge, 4 ft. 8½ in. Rail, 90 lbs. Operated by overhead trolley. Motor cars—closed passenger, 24; service and other cars, 3. Power purchased. Franchise expires 1947.

CAPITAL STOCK

Authorized, $750,000; outstanding, $380,000; par, $100. Annual meeting, second Tuesday in January. No dividends paid.

FUNDED DEBT

$350,000 First Mortgage Gold 6% Bonds; dated Dec. 1, 1922; due Dec. 1, 1942; int. June and Dec. 1, at Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $350,000. Bonds are subject to call. A sinking fund is provided operative after Oct. 15, 1925. These bonds were issued in part for purchase of property acquired from the Ohio Electric Ry. Co. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$257,689	$275,993	$270,819
Oper. exp. & taxes	219,750	220,773	213,592
Depreciation	12,000	12,000	12,000
Net earnings	$25,939	$43,220	$45,227
Other income	1,293	312	375
Total income	$27,232	$43,532	$45,602
Bond interest	$21,000	$21,000	$21,000
Other interest	21,811	19,903	17,104
Other charges	1,949	15,812	16,425
Total charges	$44,760	$56,715	$54,109
Deficit for year	$17,528	$13,184	$8,507

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Property account	$1,120,556	$1,107,296	$1,104,527
Other investments	22,885	13,374	4,375
Materials and supplies	18,443	18,651	25,381
Cash	26,243	23,724	23,810
Accounts receivable	21,955	23,916	20,255
Special deposits	200	200	200
Deferred debit items	119,873	92,400	101,218
Corporate deficit	107,971	91,799	77,508
Total	$1,438,126	$1,371,362	$1,357,274
Liabilities—			
Capital stock	$380,000	$380,000	$380,000
Funded debt	362,500	362,500	362,500
Equipment obligations	5,700	28,499	51,297
Accounts payable	435,185	377,928	341,144
Interest accrued	3,826	3,772	3,691
Other current liabilities	825	825	825
Reserve for taxes	4,872	9,848	11,782
Deferred credit items	10,580	17,111	19,884
Other liabilities	.....	249	.....
Reserve for depreciation	190,970	179,095	175,670
Reserves	41,300	11,536	10,481
Capital surplus	2,368	.....	.....
Total	$1,438,126	$1,371,362	$1,357,274

Officers: B. J. Jones, V-P. & Gen. Mgr.; C. E. Baker, Sec., Treas. & Aud.; F. A. Bundy, Gen. Supt.: F. R. Schultheis, Pur. Agt., Lima, O.

Directors: B. J. Jones, J. L. Cable, C. M. Cable, C. E. Baker, F. A. Bundy, Lima, O.

General Office, Lima, O.

LANCASTER TRACTION & POWER COMPANY

History—Incorporated Nov. 13, 1906, in Ohio; consolidation of the Lancaster Traction Co. and the Fairfield Traction Co. Owns and operates 14.13 miles of track in Lancaster, Ohio, and suburbs. Gauge, standard. Rail, 60 and 95 lb. T. cars, 22. Franchises are for 25 years. Population served, 17,000.

CAPITAL STOCK

Authorized, $200,000 Common and $200,000 6% cumulative Pfd.; outstanding, $200,000 Common and $134,000 Pfd.; par, $100. Transfer office, Lancaster, Ohio. Annual meeting, second Tuesday in January.

Dividends—6% per annum on Pfd. paid quarterly, J, A, J & O 1, since organization. No dividends paid on Common.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$83,889	$84,074	$85,579
Oper. exp., taxes & deprec.	74,082	70,034	70,945
Net earnings	$9,807	$14,040	$14,634
Preferred dividends	8,040	8,040	8,040
Surplus for year	$1,767	$6,000	$6,594

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Property account	$329,024	$369,379	$328,433
Bonds owned	112,957	97,957	77,957
Pfd. stock in treasury	66,000	66,000	66,000
Misc. physical property	.....	.....	591
Cash	194	738	661
Profit and loss deficit	39,975	.....	46,355
Total	$548,150	$534,074	$519,997
Liabilities—			
Common stock	$200,000	$200,000	$200,000
Preferred stock	200,000	200,000	200,000
Accounts payable	44	44	44
Taxes accrued	925	925	925
Unadjusted credits	1,085	1,085	1,085
Depreciation reserve	146,096	132,020	117,943
Total	$548,150	$534,074	$519,997

Officers: H. B. Peters, Pres., Gen. Mgr. & Pur. Agt.; Edward De Lancy, V-P.; P. R. Peters, Sec. & Treas.; J. R. Smith, Supt., Lancaster, O.

Directors: Edw. De Lancy, F. R. Rising, H. B. Peters, G. P. Rising, L. J. Snyder, Christopher Thimmes, Geo. A. Graham, P. R. Peters, H. A. Wachter, Lancaster, O.

Office, Lancaster, Ohio.

MT. MANITOU PARK & INCLINE RAILWAY COMPANY

History—Incorporated Oct. 8, 1914, in Colo.; successor to The Mt. Manitou Incline Ry. Co. Line extends from Manitou to Mt. Manitou, 1.25 miles. Gauge, 2 ft. 7½ in. Rail, T, 40 lbs. Operated by cable. Power purchased. Passenger cars, 2; service car, 1.

CAPITAL STOCK

Authorized, $100,000 Common and $74,000 7% cumulative Pfd.; outstanding Dec. 31, 1927, $90,000 Common and $40,000 Pfd.; par, $100. Pfd. stock is redeemable at any time at par and accrued dividends. Annual meeting, fourth Monday in January.

Dividends—Preferred dividends of 3½% were paid in 1915, and at rate of 7% up to June 30, 1916; 3% Nov. 5, 1917; 7% Dec. 1, 1918; 14½% Jan. 1, 1920, completing dividends due to Dec. 31, 1919; 7% regularly paid since to Oct. 15, 1927; payments annually on Oct. 15.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$18,182	$20,092	$20,479
Oper. exp. & taxes	9,826	11,991	12,144
Maintenance, etc.	3,193	2,327	3,326
Depreciation	3,752	3,752	3,752
Net earnings	$1,411	$2,022	$1,257
Pfd. dividends paid	2,800	2,800	2,800
Deficit for year	$1,389	$778	$1,543

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Property account	$156,335	$156,335	$156,335
Liberty Loan Bond	.....	.....	100
Cash	6,561	7,116	5,519
Accounts receivable	.....	17	8
Unadjusted debits	8,000	.....	.....
Profit and loss	607	.....	.....
Total	$171,503	$163,468	$161,962
Liabilities—			
Common stock	$90,000	$90,000	$90,000
Pfd. stock	40,000	40,000	40,000
Accounts payable	5,645	245	265
Reserve for taxes	1,315	2,100	2,000
Reserve for depreciation	34,543	30,341	28,136
Profit and loss surplus	.....	782	1,561
Total	$171,503	$163,468	$161,962

Officers: Spencer Penrose, Pres.; C. L. Tutt, V-P.; A. S. Gill, Treas.; E. S. Hartwell, Sec. & Aud.; J. J. Cogan, Gen. Mgr.; S. W. Baker, Pur. Agt., Colorado Springs, Colo.

Directors: Spencer Penrose, William A. Otis, M. W. Bogart, J. J. Cogan, C. L. Tutt, Colorado Springs, Colo.

General Office, Colorado Springs, Colo.

ADRIATIC ELECTRIC COMPANY

(Societa Adriatica di Elettricita)

History and Property—Organized in 1905 under the laws of the Kingdom of Italy. It is both an operating and a holding Company, and owns directly or indirectly more than a majority of the capital stock of twenty subsidiary companies. It and its subsidiaries, constituting the so-called Adriatica Group, own and operate hydro-electric plants, transmission lines and distribution systems, which together form one of the three largest systems for the production and distribution of electric power, heat and light in Italy.

The Group serves a territory comprising about 17,000 square miles, including 15 provinces surrounding the northern end of the Adriatic Sea and having a population of over 5,500,000. This territory includes Trieste and Venice, two of the four most important Italian ports, as well as the important cities of Bologna, Padua, Verona and Ferrara.

The plants owned by the Group have an aggregate installed capacity of approximately 236,000 h.p., (including steam reserves) with approximately 1,120 miles of transmission lines and approximately 6,700 miles of distribution lines and 58 principal sub-stations. Over 90% of such capacity is hydro-electric. These plants generate almost all of the electric energy sold by the Group, only about 10% of the energy sold being purchased outside the Group.

The electric energy supplied by the Group has increased steadily from about 220,000,000 k.w.h. in 1920 to over 546,000,000 k.w.h. in 1926, an increase of about 150% during the past six years. Of the energy distributed by the Group in 1926 it purchased about 55,000,000 k.w.h. outside of the Group. The number of consumers served by the Group has increased from about 178,000 in 1920 to over 300,000 in 1926. The water concessions from the Italian Government covering the deviation of public waters under which the companies of the Group operate either do not expire, or by virtue of the law of October 9, 1919, are renewable in such manner as not to expire, prior to 1977.

New plants and additional transmission lines now projected or in course of construction by the Group are expected to increase the installed capacity of its plants by 1930 by about 140,000 h.p., and its transmission lines by about 170 miles. The Company estimates the cost of completing this new construction at about $5,000,000.

CAPITAL STOCK

Outstanding, 2,500,000 shares of the par value of Lire 100 each, increased from 1,000,000 shares in Oct., 1924 and from 2,000,000 in Nov., 1927. 2,000,0000 shares are full paid, and the remaining 500,000 shares are one-tenth paid plus 5% premium, the balance being payable in April, 1928.

Dividends—Payments in respect of fiscal years have been made as follows: 1920 and 1921, 9%; 1922 to 1924, 10%; 1925, 12½%; 1926, 16%.

FUNDED DEBT

$5,000,000 TWENTY-FIVE YEAR 7% EXTERNAL SINKING FUND GOLD BONDS; DUE APRIL 1, 1952

Dated April 1, 1927.

Interest Payable April and October 1, in United States gold coin of the present standard of weight and fineness in New York City, at the principal office either of The Chase National Bank of the City of New York or Blair & Co., or in Swiss Francs at the rate of 5.18 Swiss Francs for each dollar at the principal office of Credit Suisse, in Zurich, Switzerland

Denominations—Coupon, $500 and $1,000.

Fiscal Agents—The Chase National Bank of the City of New York and Blair & Co., New York, American Fiscal Agents. Credit Suisse, Zurich, Switzerland, Fiscal Agent.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized and issued, $5,000,000.

Callability—Subject to call other than for sinking fund as a whole but not in part (except as provided in the Trust Indenture) on 60 days' notice on April 1, 1932, or on April 1 in any year thereafter at principal amount and interest plus a premium of 2½% if redeemed on April 1, 1932; 2% if redeemed on April 1, 1933; 1½% if redeemed on April 1, 1934; 1% if redeemed on April 1, 1935, or ½% if redeemed on April 1, 1936, and thereafter at 100 and interest.

Sinking Fund—Cumulative sinking fund is provided payable annually, commencing Oct. 1, 1932, calculated to be sufficient to retire the entire issue by maturity. The sinking fund payments are to be applied by the Fiscal Agents to the purchase of bonds at not exceeding 100 and interest, or if not so obtainable, to the redemption by lot of bonds at 100 and interest on the next succeeding April 1.

Security—Bonds are the direct obligation of the Corporation, and are secured by a first mortgage upon all of the hydro-electric plants, transmission lines and distribution systems of one of Corporation's principal operating subsidiaries, Societa Italiana per l'Utilizzazione delle Forze Idrauliche del Veneto (Cellina).

Guaranty—Unconditionally guaranteed as to principal and interest by Societa Italiana per l'Utilizzazione delle Forze Idrauliche del Veneto (Cellina).

Tax Provisions—Free from any present or future taxes of the Kingdom of Italy, or of any taxing authority thereof or therein.

Legal Opinion—Cravath, Henderson & de Gersdorff, New York, and Giuseppe Bianchini, Milan, Italy.

Original Offering—First publicly offered ($5,000,000) in April, 1927, at 96 and interest, to yield 7.35%, by Blair & Co., Inc., New York.

EARNINGS, YEARS ENDED DECEMBER 31

The consolidated net earnings (converted at the annual average rates of exchange) of the Adriatica Group as reported by Price, Waterhouse & Co., after deduction of operating expenses, maintenance and taxes, available for interest, income taxes, depreciation, reserves and directors' participations have been as follows:

1924	$2,918,024
1925	3,265,365
1926	3,565,713

Officer: Achille Gaggia, V-P. & Dir. General.

Directors: Giovanni Barberio, Guido Bassi, Vittorio Bignami, Ettore Berghinz, Vittorio Cini, Gio. Batta. Del Vo, Daniele Gauchat, Ludovico Mazzotti Biancinelli, Paolo Milani, Antonio Revedin, Adolfo Rossi, Carmine Siracusa, Gian Carlo Stucky, Giuseppe Toeplitz.

General Office, Venice, Italy.

NEW HAVEN WATER COMPANY

History—Incorporated in 1849, in Conn., to supply water to New Haven, Conn. Later absorbed the Fair Haven Water Co. In 1911 purchased the entire capital stock of Branford Lighting & Water Co. (named changed to Branford Water Co. in Aug., 1911) from the Housatonic Power Co., a subsidiary of the New York, New Haven & Hartford RR. Co. On Feb. 4, 1914, the Branford Water Co. and West Haven Water Co. were merged. Franchise perpetual, with the right of city to buy at end of any 25-year period from 1902. Supplies water to New Haven, Cheshire, East Haven, Branford, North Haven, Hamden, Orange, Woodbridge, Stony Creek, and West Haven, Conn. Population served, 250,000. Daily output, 27,500,000 gals. Miles of mains, 433., No. of meters, 21,636. Properties include 16 lakes and reservoirs with an aggregate storage capacity in excess of 3,700,000,000 gallons. Company owns $148.100 of the $150,000 stock of the Milford Water Co.

CAPITAL STOCK

Authorized, $5,000,000; outstanding Dec. 31, 1927, $3,999,650; par, $50. Transfer Agent: Union & New Haven Trust Co., New Haven, Conn. Annual meeting, first Monday in February.

Dividends—8% per annum, payable semi-annually, Jan. and July 1, at New Haven Bank, New Haven.

FUNDED DEBT

(1)

$200,000 Branford Water Co., General 4½s; dated April 1, 1913; due April 1, 1943; int. April and Oct. 1, at Union & New Haven Trust Co., New Haven, Conn., Trustee. Coupon, $1,000; principal may be registered. Authorized, $200,000. Subject to call at 102 and interest on any date. Guaranteed principal and interest by New Haven Water Co. The outstanding bonds were issued to pay for extension of the mains to Stony Creek. Legal for Connecticut savings banks. Company does not pay Normal Federal Income Tax.

(2)

$1,740,000 New Haven Water Co., General 4½s; dated July 1, 1915; due July 1, 1945; int. Jan. and July 1, at Union & New Haven Trust Co., New Haven, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $1,750,000. Subject to call on any interest date upon 2 months' notice at 105 and interest. A first lien on entire property. Subject to prior lien of $200,000 Branford Water Co. First 4½s 1943, which are a lien only on the property formerly owned by that company. Free of Connecticut State Property Tax. Legal investment for savings banks and trustees in Connecticut. Company does not pay Normal Federal Income Tax.

(3)

$500 New Haven Water Company, Convertible Debenture 4½% bonds; dated July 1, 1912; due July 1, 1962; int. Jan. and July 1, at New Haven Bank, New Haven. Coupon, $100, $500 and $1,000; principal may be registered. These debentures were convertible into stock at the option of the directors at any time prior to July 1, 1925, at the rate of $150 debentures for $100 stock. Should any mortgage be placed on the property this issue is to participate. Legal for Connecticut savings banks. Company does not pay Normal Federal Income Tax.

(4)

$2,000,000 NEW HAVEN WATER CO. FIRST & REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1957

Dated June 1, 1927.

Interest Payable June and December 1, at Union & New Haven Trust Co., New Haven, Conn.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Union & New Haven Trust Co., New Haven, Conn.

Provisions of Issue—Authorized, $7,000,000. Series "A" bonds will be issued in the amount of $3,950,000, of which, $2,000,000 have been sold and $1,950,000 are reserved to retire the above described prior liens. Bonds of future series may be issued to defray the cost of additions and extensions to the Company's properties as provided by the terms of the indenture. The proceeds of the $2,000,000 Series "A" bonds were used to defray a portion of the construction cost of the Totoket Reservoir, which is the initial development of the North Branford project.

Callability—Subject to call as a whole or in part at 105 and interest on June 1, 1937, or on any interest date thereafter on two month's notice.

Sinking Fund—None.

Security—A first lien on the North Branford development and on certain other properties representing in the aggregate an expenditure to July 1, 1927 of over $2,500,000, and also on all future additions to the Company's properties. In addition the bonds are secured by a direct mortgage on all other properties of the Company, subject to the above described prior liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Bonds are tax exempt in Connecticut.

Legal for Savings Banks in Connecticut.

Original Offering—First publicly offered ($1,000,000 Series "A" 4½s) in July, 1927, at par and interest by Charles W. Scranton & Co., New Haven, Conn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,089,443	$1,039,257	$1,001,439	$967,962	$991,141	$951,233
Operating expenses, taxes, etc.	563,777	564,141	542,784	538,075	508,527	477,223
Net earnings	$525,666	$475,116	$458,655	$429,887	$482,614	$474,010
Other income	48,302	74,792	64,715	77,882	70,283	4,036
Total income	$573,968	$549,908	$523,370	$507,769	$552,897	$478,046
Int., depreciation, etc.	259,322	189,655	180,392	183,422	173,814	169,595
Balance for dividends	$314,646	$360,253	$342,978	$324,347	$379,083	$308,451
Dividends paid	319,946	319,700	299,444	280,000	280,000	280,000
Surplus for year	*$5,300	$40,553	$43,534	$44,347	$99,083	$28,451
Earnings Per Share	$3.93	$4.50	$4.30	$4.63	$5.41	$4.40

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$8,628,821	$7,614,233	$6,676,648	$6,419,794	$6,199,337	$6,053,827
Other investments	107,682	105,482	105,407	105,286	104,912	104,912
Materials and supplies	120,543	110,689	103,593	101,822	109,026	90,841
Cash	1,269,550	279,083	222,340	139,170	126,722	178,007
Notes receivable	17,500	24,418	21,618	14,139	8,039	8,039
Accounts receivable	114,514	131,961	138,355	116,332	109,460	106,271
Other assets	50,629	51,890	55,612	55,143	48,250	36,675
Total	$10,309,239	$8,317,756	$7,323,573	$6,951,686	$6,705,746	$6,578,572
Liabilities—						
Capital stock	$3,999,650	$3,996,500	$3,986,100	$3,500,000	$3,500,000	$3,500,000
Funded debt	4,050,500	*2,055,200	1,220,800	1,550,000	1,430,000	1,390,000
Notes payable	.....	65,000	.....	85,000	1,400	25,400
Accounts payable	91,352	29,545	12,450	21,647	17,470	12,125
Interest accrued	11,140	3,640	2,250	2,250	900	3,915
Taxes accrued	49,313	56,997	49,109	45,952	53,487	44,064
Unpaid dividends	159,986	159,850	159,444	140,000	140,000	140,000
Profit and loss	1,947,298	1,951,024	1,893,420	1,606,837	1,562,489	1,463,068
Total	$10,309,239	$8,317,756	$7,323,573	$6,951,686	$6,705,746	$6,578,572

*Includes mortgage note of $110,000 in 1926 on office site.

Officers: G. Y. Gaillard, Pres.; Jas. English, V-P.; F. A. White, Sec.; A. F. Hemingway, Treas.; G. N. Van Horn, Asst. Sec.; H. F. Spencer, Asst. Treas.; E. E. Minor, Gen. Mgr., New Haven, Conn.

Directors: James English, Clarence Blakeslee, G. D. Watrous, Samuel Hemingway, E. P. Root, Burton Mansfield, W. P. Curtiss, G. Y. Gaillard, H. Q. Trowbridge, New Haven, Conn.

General Office, 100 Crown St., New Haven, Conn.

THE MILFORD WATER COMPANY

(Controlled by New Haven Water Co.)

History—Incorporated in 1892, in Conn., to supply water to Milford, Conn., its supply being taken from Beaver Brook.

CAPITAL STOCK

Authorized and outstanding, $150,000, of which the New Haven Water Co. owns $148,100. Par, $25. Annual meeting, first Monday in February.

FUNDED DEBT

(1)

$150,000 Refunding Mortgage 5% Gold bonds; dated April 1, 1909; due April 1, 1939; interest payable April and October 1, at Union & New Haven Trust Co., New Haven, Trustee. Denomination, $500. Subject to call at 105 and interest on any interest date after April 1, 1929. Company does not pay Normal Federal Income Tax.

(2)

$100,000 (entire issue) Second Mortgage 5% bonds; dated Dec. 1, 1919; due Dec. 1, 1949; interest June and Dec. 1, at Union & New Haven Trust Co., New Haven, Conn., Trustee. Coupon, $500 and $1,000; principal may be registered. Bonds can not be called before maturity. Guaranteed principal and interest by New Haven Water Co. Secured by second mortgage. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$94,635	$90,732	$89,128
Oper. exp. & taxes	49,679	50,479	46,358
Net earnings	$44,956	$40,253	$42,770
Other income	644	3,055	3,452
Total income	$45,600	$43,308	$46,222
Bond interest	12,500	12,500	12,500
Depreciation	12,953	13,987	11,712
Other charges	2,443		2,608
Total charges	$27,896	$26,487	$26,820
Surplus for year	$17,704	$16,821	$19,402

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$496,759	$470,779	$460,840
Materials and supplies	1,333	3,383	2,535
Cash	2,578	1,402	7,611
Accounts receivable	3,356	3,312	3,555
Other current assets		937	944
Deferred debit items	8,848	9,349	56,050
Total	$512,874	$489,162	$531,535
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Funded debt	250,000	250,000	250,000
Notes payable			1,500
Accounts payable	43,509	37,623	48,661
Interest accrued	2,292	2,292	2,291
Reserve for taxes	2,453	2,331	2,788
Profit and loss	64,620	46,916	76,295
Total	$512,874	$489,162	$531,535

Officers: G. Y. Gaillard, Pres. & Treas.; G. D. Watrous, V-P.; F. A. White, Sec.; E. E. Minor, Gen. Mgr., New Haven, Conn.; N. H. Fenn, Supt., Milford, Conn.

Directors: G. D. Watrous, G. Y. Gaillard, Samuel Hemingway, New Haven, Conn.; David J. Greene M. P. Tibbals, Milford, Conn.

Office, 100 Crown St., New Haven, Conn.

THE LIMA TOLEDO RAILROAD COMPANY

History and Property—Incorporated in 1922, in Ohio, and acquired from The Ohio Electric Ry. Co. the interurban lines from Lima to Toledo, O. Length of line: First track, 70.76 miles; sidings, etc., 3.61 miles—total, 74.37 miles. Guage, 4 ft. 8½ in. Rail, 70 lbs. Operated by overhead trolley. Motor cars—closed passenger, 9; freight, 9; service, etc., 4—total motor cars, 22. Non-motor: Closed passenger, 2; freight and other cars, 23. Total all cars, 47. Power purchased.

Franchises—County franchises unlimited. Village franchises expire 1930 and 1931. Of the mileage owned, 68.75 miles are on private right-of-way.

CAPITAL STOCK

Authorized and outstanding, $650,000 Common and $750,000 7% cumulative (after Jan. 1, 1926) Pfd.; par, $100. No dividends have been paid on either class of stock. Annual meeting, second Tuesday in January.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1943

Dated January 1, 1923.

Interest Payable January and July 1 at Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $100 and $1,000; principal may be registered. Coupon and registered bonds interchangeable.

Trustee—Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Callability—Subject to call at 110 and interest up to June 1, 1927; thereafter less ½% annually to maturity.

Sinking Fund—Subject to call on any interest date for the sinking fund at the then redemption price.

Security—Secured by a first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$585,275	$602,517	$556,985
Oper. exp. & taxes	487,585	479,631	446,793
Depreciation	24,000	24,000	24,000
Net earnings	$73,690	$98,886	$86,192
Other income	4,741	6,545	4,632
Total income	$78,431	$105,431	$90,234
Bond interest	60,000	60,000	60,000
Other interest, etc.	3,508	4,012	4,581
Total charges	$63,508	$64,012	$64,581
Surplus for year	$14,923	$41,419	$26,243
Times Interest Earned	1.25	1.69	1.42
Earnings Per Share—Pfd.	$1.99	$5.52	$3.50

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$2,459,870	$2,432,739	$2,423,040
Other investments	100	100	100
Materials and supplies	49,078	48,018	49,152
Cash	184,487	191,669	171,588
Accounts receivable	66,413	56,093	48,945
Deferred debit items	11,929	49,096	3,011
Corporate deficit		10,037	50,035
Total	$2,771,877	$2,787,752	$2,751,871
Liabilities—			
Common stock	$650,000	$650,000	$650,000
Preferred stock	750,000	750,000	750,000
Funded debt	1,000,000	1,000,000	1,000,000
Equipment obligations	3,565	4,021	4,933
Accounts payable	105,104	120,292	100,131
Other current liabilities	1,105	980	896
Reserve for taxes	11,857	24,679	21,994
Deferred credit items	345	1,591	2,909
Reserve for depreciation	239,645	230,288	208,857
Other reserves	4,258	1,672	1,672
Other accrued items	2,877	4,228	10,479
Capital surplus	1,672		
Surplus	1,449		
Total	$2,771,877	$2,787,752	$2,751,871

Officers: B. J. Jones, Pres. & Gen. Mgr.; F. A. Bundy, V-P.; C. E. Baker, Sec., Treas. & Aud.; F. R. Schultheis, Pur. Agt., Lima, Ohio; H. G. Mason, Supt.

Directors: B. J. Jones, F. A. Bundy, C. E. Baker, C. M. Cable, J. L. Cable, Lima, Ohio.

General Office, Interurban Bldg., Lima, Ohio.

PENNICHUCK WATER WORKS

History—Incorporated June 19, 1852, in N. H., as the Nashville Aqueduct; name changed as above June 27, 1853. Franchise, continuous. Supplies Nashua, N. H., serving a population of about 30,000. Annual output, about 1,000,000,000 gals. No. of meters, about 2,000. Prices, 4½c. to 18c. per 100 cu. ft.; flat rates, $7.20 and upwards.

CAPITAL STOCK

Authorized, $800,000; outstanding, $700,000; par, $100. Annual meeting, in February.

Dividends—6% per annum paid up to 1923, since when 7% has been paid. Dividends are declared the first Friday of Apr. & Oct., and are paid semi-annually, May and Nov. 1, by check.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross oper. rev. (water)	$157,065	$155,050	$151,415
Other operating revenue	4,127	2,721	3,880
Gross operating revenue	$161,192	$157,771	$155,295
Oper. exp., taxes, etc.	81,398	81,990	80,462
Net earnings	$79,794	$75,781	$74,833
Other income (net)	*470	59	5,939
Total income	$79,324	$75,840	$80,772
Depreciation reserve	13,500	12,000	12,000
Balance for dividends	$65,824	$63,840	$68,772
Dividends paid	49,000	49,000	49,000
Surplus for year	$16,824	$14,840	$19,772
Earnings Per Share	$9.40	$9.12	$9.82

*Debit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of plant	$1,109,303	$1,082,356	$1,054,150
Saw mill plant	4,806	4,806	4,806
Cash	4,634	2,430	4,103
Accounts receivable	41,552	44,178	39,598
Materials and supplies	13,256	23,690	22,099
Bonds owned	26,090	26,090	26,091
Liberty bonds	.....	25,046	25,046
Prepaid insurance	932	815	873
Other assets	75	.....	.....
Total	$1,200,648	$1,209,411	$1,176,766
Liabilities—			
Capital stock	$700,000	$700,000	$700,000
Notes payable	14,000	51,000	44,000
Depreciation reserve	181,877	170,014	159,235
Accrued interest	.....	535	219
Premium reserve	1,210	1,100	990
Govt. tax reserve	9,932	.....	.....
Accounts payable	.....	25	425
Profit and Loss—			
Operating	253,527	246,165	231,384
Non-operating	40,102	40,572	40,513
Total	$1,200,648	$1,209,411	$1,176,766

Officers: William F. Sullivan, Pres. & Mgr.; Arthur G. Shattuck, Sec.; Arthur B. Graves, Treas., Nashua, N. H.

Directors: Harry W. Ramsdell, William F. Sullivan, Lester F. Thurber, Arthur G. Shattuck, Ivory C. Eaton, Nashua, N. H.

General Office, Nashua, N. H.

EVANSVILLE, SUBURBAN & NEWBURGH RAILWAY

History and Property—Incorporated Dec. 15, 1887, in Ind. Electric power for passenger service was installed on the Newburgh line May 4, 1905, and on the Boonville line July 3, 1906. Steam is used for freight service on both lines. Line of road: Evansville to Newburgh, Ind., 10 miles; Evansville to Boonville, Ind., 18 miles—total, 28 miles; sidings, etc., 3 miles. Gauge, standard. Equipment: Locomotives, 4; electric cars, 6; trailers, 12; freight cars, 145.

CAPITAL STOCK

Authorized, $500,000; outstanding, $307,400; par, $100. Registrar and Transfer Agent: Citizens Trust & Savings Co., Evansville, Ind. Annual meeting, first Tuesday in February.

Dividends—A dividend of 2% was paid Oct. 20, 1914; 1915, 2%; 1917, 2%; 1918, 5½%; 1919, 5%; 1920, 3%; 1921, 5%; 1922, 3%; none since.

FUNDED DEBT

$455,000 First Mortgage Gold 5% bonds; dated July 1, 1904; due July 1, 1934; int. Jan. and July 1, at Citizens Trust & Savings Co., Evansville, Ind., Trustee, and at Chase National Bank, New York. Coupon, $500 and $1,000; principal may be registered. Authorized and issued, $500,000, of which $45,000 have been retired. Sinking fund of $2,500 per annum began July 1, 1910, to retire bonds at 105. Subject to call as a whole since Jan. 1, 1920, at 105. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Passenger earnings	$200,032	$168,801	$158,782	$182,136	$106,598	$114,916
Freight earnings					136,303	130,006
Gross earnings	$200,032	$168,801	$158,782	$182,136	$242,901	$244,922
Operating expenses, taxes and depreciation	174,193	142,171	146,654	161,694	218,011	204,241
Net earnings	$25,839	$26,630	$12,128	$20,442	$24,890	$40,681
Other income	2,386	1,965	2,189	2,287	2,217	2,213
Total income	$28,225	$28,595	$14,317	$22,729	$27,107	$42,895
Interest, etc.	22,812	23,000	23,000	23,188	23,313	23,437
Surplus for year	$5,413	$5,595	*$8,683	*$459	$3,794	$19,458
Times Interest Earned	1.24	1.24	0.62	0.98	1.16	1.83
Earnings Per Share	$1.76	$1.82	Nil	Nil	$1.23	$6.33

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$983,223	$899,522	$942,299	$942,972	$941,752	$936,795
Real estate	.....	85,608	.....	.....	.....	.....
Stocks owned	200	200	200	1,350	1,350	1,350
Other investments	.....	.....	.....	5,868	5,077	4,278
Cash & accounts receivable	5,698	10,643	12,298	20,196	25,291	32,761
Total	$989,121	$995,973	$954,797	$970,387	$973,471	$975,184
Liabilities—						
Capital stock	$307,400	$307,400	$307,400	$307,400	$307,400	$307,400
Funded debt	455,000	457,500	460,000	462,500	465,000	467,500
Depreciation reserve	139,560	89,841	.....	.....	.....	.....
Profit and loss	87,161	141,232	187,397	200,487	201,071	200,284
Total	$989,121	$995,973	$954,797	$970,387	$973,471	$975,184

Officers: Gus Muhlhausen, Pres. & Gen. Mgr.; Chas. W. Cook, V-P. & Treas.; F. Renner Cook, Sec.; C. H. Hendricks, Aud.; Alex. Clinard, Supt., Evansville, Ind.

Directors: Chas. W. Cook, H. E. Cook, Gus Muhlhausen, F. Renner Cook, C. H. Hendricks, Evansville, Ind.

General Office, Evansville, Ind.

YORK UTILITIES COMPANY

History and Property—Incorporated Feb. 1, 1923, in Maine; successor to properties of Atlantic Shore Railway, sold at foreclosure sale Jan. 18, 1923 (see 1922 Public Utility Manual, page 7, or apply to our Information Department), pursuant to the Plan of Reorganization outlined in the 1923 Manual, page 2430. The lines of road connect Kennebunk and Sanford, Lyman, Springvale, Kennebunkport and Biddeford, Me. Length of line owned, 36 miles. Gauge, standard. Rail, 60 and 70 lb. T. Equipment—Motor cars: Passenger, 10; busses, 6; work car, 1; snow plows, 3; locomotives, 3. Without motors: 1 car. Power stations: 2. Operated by overhead trolley. Company supplies power to mills in Sanford, Me. The road carries freight as well as passengers.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Passenger car mileage	347,226	478,947	456,343
Freight & exp. car mileage	56,500	70,240	69,026
Total car mileage	403,726	549,187	525,369
Total car hours	40,280	53,162	58,664
Total passengers carried	864,668	1,419,911	1,406,051
Bus miles	174,450	190,208	139,581

CAPITAL STOCK

Authorized and outstanding, $481,775 Common and $179,100 5% cumulative Preferred; par, $100. The Preferred stock is subject to call at any time on 30 days' notice. Transfer Agent: Portland National Bank, Portland, Me. Annual meeting, third Tuesday in March.

Dividends—In 1923, a dividend amounting to $2,845 was paid on Pfd.; none since. None paid on Common.

FUNDED DEBT

$469,200 First Mortgage Gold 5% bonds, Series "A"; dated Feb. 1, 1923; due April 1, 1943; int. April and Oct. 1, at Portland National Bank, Portland, Me., Trustee. Coupon, $100, $500 and $1,000. Authorized issue, $1,000,000; unissued bonds held in reserve for the payment under proper restrictions of the cost of future additions and improvements to the property. Subject to call on any interest date at par and interest. No sinking fund. These bonds were issued to acquire property of Atlantic Shore Ry. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Interest Default—The April 1, 1926, and subsequent coupons from these bonds are in default.

$344,900 Second Gold 5s; dated Feb. 1, 1923; due Feb. 1, 1943; int. Feb. and Aug. 1, at First National Bank, Portland, Me., Trustee. Coupon, $100, $500 and $1,000. Subject to call on any interest date at par and interest. No sinking fund. These bonds were issued to acquire property of Atlantic Shore Ry. A second lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Interest Default—The Feb. 1, 1926, and subsequent coupons from these bonds are in default.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	*1923	*1922
Gross earnings	$169,653	$202,323	$182,278	$180,856	$224,809	$230,814
Operating expenses and depreciation	177,655	211,353	176,186	170,314	214,405	181,706
Taxes	5,971	4,585	7,285	7,990	8,310	7,662
Net earnings	†$13,972	†$13,615	†$1,193	$2,552	$2,094	$41,446
Other income	53	63	244	234	3,000	6,023
Total income	†$13,919	†$13,552	†$949	$2,786	$5,094	$47,469
Rentals, etc.	33	176	12	$225	$900	$80,895
Bond interest	40,705	40,705	40,705	40,705	40,705	
Total charges	$40,738	$40,881	$40,717	$40,930	$41,605	$80,895
Net income (deficit)	$54,657	$54,433	$41,666	$38,144	$36,511	$33,426
Preferred dividends	.....	.....	.....	.....	2,845	.....
Deficit for year	$54,657	$54,433	$41,666	$38,144	$39,356	$33,426

* Figures previous to January, 1923 are of Atlantic Shore Ry. † Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	†1923
Cost of road & power properties	$1,779,950	$1,774,019	$1,776,789	$1,773,838	$1,767,421	$1,698,000
Cost of equipment	126,624	119,300	110,823	103,127	97,125	91,244
Cost of additions	2,834	2,834	.....	.....	.....	.....
Unfinished construction	.....	2,793	.....	.....	.....	.....
Other investments	.....	.....	.....	.....	24,960	.....
Cash	3,500	4,588	967	21,281	30,318	128,401
Receivables	4,411	4,640	4,086	21,650	12,047	14,275
Inventories	5,360	16,652	20,828	8,795	18,632	19,943
Prepaid accounts	3,123	3,278	2,346	3,743	6,294	4,953
Deficit	142,838	78,174	23,107	.....	.....	.....
Total	$2,068,640	$2,006,278	$1,938,946	$1,932,435	$1,956,797	$1,956,817
Liabilities—						
Common stock	$481,775	$481,775	$481,775	$481,775	$481,775	$481,775
Preferred stock	179,100	179,100	179,100	179,100	179,100	179,100
Funded debt	814,100	814,100	814,100	814,100	814,100	814,100
Payables	52,004	47,102	36,308	25,267	22,302	8,813
Interest accrued	94,460	53,756	13,050	13,050	13,050	.....
Special reserve	22,285	22,285	22,445	22,445	.....	20,295
Depreciation reserve	424,088	406,840	392,365	379,092	386,251	355,879
Other reserves	828	1,320	*197	*993	1,636	500
Surplus	.....	.....	.....	18,599	58,583	96,355
Total	$2,068,640	$2,006,278	$1,938,946	$1,932,435	$1,956,797	$1,956,817

*Credit. †February 1, 1923.

Officers: Frederick O. Conant, Pres.; Constant Southworth, V-P.; Geo. S. Hobbs, Treas., Portland, Me.; P. B. Hawley, Asst. Treas.; W. M. B. Lord, Gen. Mgr., Sanford, Me.; Geo. L. Hanscom, Supt., Sanford, Me.

Directors: F. O. Conant, R. O. Conant, Constant Southworth, G. S. Hobbs, L. F. Timberlake, Portland, Me.; J. W. Leavitt, W. M. B. Lord, Sanford, Me.

Office, Sanford, Me.

COMMONWEALTH WATER COMPANY OF NEW YORK

History and Properties—Incorporated April 19, 1909, in New York; consolidation of Arctic Water Co., and Central Valley & Highland Mills Water Co. Owns dams, real estate, including Cromwell Lake at Central Valley, N. Y. Supplies Central Valley, Highland Mills, and Hunter, N. Y.

CAPITAL STOCK

Authorized, $250,000 Common and $100,000 5% Pfd.; outstanding, $202,000 Common and $70,000 Pfd.; par, $100. Annual meeting, in June.

Dividends—Pfd. dividends were paid semi-annually, Jan. and July 1, from July 1, 1909 to Jan. 1, 1921, incl., none thereafter until July 1, 1924, when a payment of 2½% was made; which rate has been paid semi-annually since; payments Jan. and July 1. No dividends paid on Common stock.

FUNDED DEBT

$114,500 First Mortgage 5% Gold bonds; dated Apr. 1, 1909; due April 1, 1959; int. April and Oct. 1, at Empire Trust Co., New York, Trustee. Coupon, $500 and $1,000. Authorized, $200,000, of which $142,500 have been issued, $28,000 thereof have been retired through sinking fund and from part proceeds of sale of property at Castleton. Subject to call at 105 and interest. Sinking fund is provided. Secured by first lien on all property owned or acquired. Company pays Normal Federal Income Tax up to 2%.

Officers: William Morris Imbrie, Pres.; G. A. Thompson, V-P.; Gertrude M. Creamer, Sec. & Treas., New York.

Directors: Wm. Morris Imbrie, G. A. Thompson, Ellwood M. Rabenold, Marvyn Scudder, James Imbrie, New York; Herbert Welsh, Philadelphia; Geo. O. L. Duncan, Highland Mills, N. Y.

General Office, 115 Broadway, New York.

THE DENVER TRAMWAY CORPORATION

History and Properties—Incorporated June 23, 1925 in Delaware; organized in accordance with reorganization plan of The Denver Tramway Company, dated April 15, 1925 (see 1925 Public Utility Manual, pages 2084 and 2085 or apply to our Information Department); a consolidation of The Denver & Northwestern Railway Company, The Denver Tramway Company and The Consolidated Securities & Investing Company (see statements in 1925 Public Utility Manual, pages 2082 to 2088). Corporation owns all of the capital stock except directors' qualifying shares and all the outstanding mortgage notes of The Denver & Intermountain Railroad Company, all of said stock and notes being deposited as collateral under The Denver Tramway Corporation General & Refunding Mortgage.

Company owns and operates 221.39 miles of track, comprising the entire street railway system of Denver, including a line through the former town of Berkley (now part of Denver), northwesterly through Arvada to coal mining town of Leyden, with a branch from Arvada to Golden. It also owns all the capital stock (except directors' shares) of The Denver & Intermountain RR., operating 25.77 miles of track, making a total of 247.16 miles of lines in the system. In addition to the above, the company has traffic arrangement with The Denver & Crown Hill Ry., an independent company operating outside the limits of the city, which purchases its power and rents its cars from The Denver Tramway Corporation. Gauge, 3 ft. 6 in., rails, 30 to 100 lbs. Operated by overhead trolley. Population served, 325,000.

Franchises—The Denver Tramway Company (merged into present corporation), on March 30, 1914, acquired from Denver City Tramway Co. a franchise authorizing the operation and maintenance of cable and electric railways, dated Feb. 5, 1885. This franchise is without time limit. Franchises of The Denver & Northwestern Ry. (merged into present Corporation) runs for 50 years from March 3, 1902, in Denver; 99 years from June 2, 1903, in the city of Golden; are perpetual over county roads it crosses and intersects; balance comprising main mileage is over private right-of-way owned by the company in fee simple.

Rate Litigation—The properties of the former Denver Tramway Company were placed in the hands of a receiver on Dec. 24, 1920. This was brought about by company's failure to obtain relief in the way of a compensatory rate of fare and a general strike, following demands for increases in wages which the company was unable to meet.

Thereafter in March, 1921, the Court entered an interlocutory decree enjoining the city from enforcing a 6-cent fare and authorizing the receiver to collect fares not in excess of 8 cents for adults, with a 7½-cent ticket fare.

Valuation Proceedings—The city appealed from the above interlocutory decree, but such decree was affirmed by the U. S. Circuit Court of Appeals. Thereupon, for the purpose of final hearing and decree, the Court appointed a special master, who took testimony as to the values of the different classes of property comprising the Denver Tramway Company's entire electric street railway system within the city. The master reported the valuation of such property as he found it, and held that a 7½% return to the company upon such valuation would be fair and reasonable, and that the 6-cent fare sought to be enforced by the city did not afford such return and was confiscatory.

Reviewing the master's report, Judge Robert E. Lewis, in a decision filed in the U. S. District Court for the District of Colorado on Dec. 13, 1924, increased certain items in the valuation, fixing it at $23,514,769 for the part of the system within the city limits (not including either certain real estate not used in operation, or the Interurban Lines), and sustained the conclusions of the master as to the rate of return to which the company is fairly entitled and as to the confiscatory nature of the fare sought to be enforced by the city. Depreciated value of all properties owned by the System based on the above Court valuation was $27,445,668, as of Dec. 31, 1926.

In its opinion the court also referred to the franchise ordinances of 1885 and 1888 as perpetual easements in the streets.

CAPITAL STOCK

Authorized, 62,000 shares Common of no par value and $10,500,000 7% (5% cumulative) Pfd. of $100 par value; outstanding, 61,240 shares Common and $10,441,200 Pfd.

Stock Transferred at Company's office, Denver, Colo.

Registrar—International Trust Co., Denver, Colo.

Annual Meeting—Third Tuesday in March at Denver, Colo.

Preferred Stock Provisions—Has preference for dividends up to 7% per annum, of which the first 5% shall be cumulative, whether earned or not, and the remaining 2% shall be cumulative only when earned in any year, but not paid; in the event of liquidation or dissolution it is entitled to par and dividends at 7% per annum; has full voting power at all times and sole voting power in the election of directors whenever, and as long as, ¼ of 1% accumulated dividends thereon are in arrears for one year or more; it is subject to redemption at any time, in whole or in part, at par and dividends at the rate of 7% per annum. Common stock has full voting power except as stated above.

Dividends—Initial quarterly dividend of $1.25 a share was paid on Pfd. stock Oct. 1, 1925, which quarterly rate since maintained to Jan. 1, 1928 when 75 cents per share was paid; April 2, 1928, 75 cents per

share; payments, J, A, J & O 1. No dividends paid on Common.

Price Range—

Preferred—	1927	1926	1925
High	43	40⅞	47
Low	36½	26	35½

FUNDED DEBT

(1)

$1,167,000 THE DENVER CONSOLIDATED TRAMWAY CO. FIRST CONSOLIDATED GOLD 5s; DUE OCTOBER 1, 1933

Dated October 1, 1893.

Interest Payable April and October 1, at Bankers Trust Co., New York, and in Denver.

Denominations—Coupon $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $4,000,000. Of the amount authorized, $163,000 was never issued and has been cancelled, the remainder, $3,837,000, was issued. Of this amount, $2,670,000 are pledged as collateral under The Denver Tramway Corp. General & Refunding Mortgage. No more can be issued under the mortgage.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—A first lien on about 100 miles of track.

Assumed—Assumed by Denver City Tramway Co. in 1899 and assumed by The Denver Tramway Corporation in 1925.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

(2)

$2,000,000 THE DENVER CITY TRAMWAY CO. FIRST MORTGAGE EXTENDED GOLD 6s (FORMERLY 5s); DUE APRIL 1, 1919; ORIGINALLY EXTENDED TO APRIL 1, 1924 AT 6%, FURTHER EXTENDED TO APRIL 1, 1927, AND AGAIN EXTENDED TO OCT. 1, 1933, AT SAME RATE OF INTEREST

Dated April 1, 1899.

Interest Payable April and October 1, at Central Union Trust Co., New York, and in Denver.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized and issued, $2,000,000, all of which are pledged as part security for The Denver Tramway Corp. 6% First (Underlying) Mortgage Collateral Trust Gold notes, due Oct. 1, 1933 (see paragraph 6).

Callability—Subject to call as a whole at 101 and interest on any interest date upon 30 days' notice.

Sinking Fund—Sinking fund not provided.

Security—These bonds are a first lien on the properties formerly owned by The Denver City R. R. and the West End St. RR. Co., comprising 101 miles of trackage, including the 16th Street, 17th Street, 17th Avenue, Welton Street, Larimer Street, West 32nd Avenue and West 43rd Avenue lines and portions of the Colfax Avenue, Sixth Avenue, Eleventh Avenue, Thirteenth Avenue and South Broadway lines. In addition, these bonds are secured by a second lien on the properties formerly owned by The Denver Consolidated Tramway Co., subject to The Denver Consolidated Tramway Co's. First Consolidated Mortgage.

Assumed—Assumed by The Denver Tramway Corporation in 1925.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$598,000 THE DENVER TRAMWAY POWER CO. FIRST IMPROVEMENT 6s (FORMERLY 5s); DUE APRIL 1, 1923; ORIGINALLY EXTENDED TO APRIL 1, 1924, AT 6% AND FURTHER EXTENDED TO APRIL 1, 1927, AND AGAIN EXTENDED TO OCT. 1, 1933, AT SAME RATE OF INTEREST

Dated April 1, 1903.

Interest Payable April and October 1, at Guaranty Trust Co., New York, and International Trust Co., Denver.

Denomination—Coupon, $1,000.

Trustee—International Trust Co., Denver.

Provisions of Issue—Authorized and issued, $1,500,000, of which $902,000 had been redeemed by the sinking fund to Dec. 31, 1927. All the outstanding bonds ($598,000) are pledged as part security for The Denver Tramway Corp. 6% First (underlying) Mortgage Collateral Trust Gold notes, due Oct. 1, 1933 (see paragraph 6).

Callability—Callable for sinking fund purposes.

Sinking Fund—Commencing April 1, 1908, a sinking fund of $50,000 per annum was provided for the redemption of these bonds at 105 and interest.

Security—Secured by a first lien upon the central station, having installed capacity of 40,000 h.p., three sub-stations, high tension transmission lines, etc., having a depreciated value, based on Court valuation, of $2,318,000. The lien and security of the extended bonds continue unimpaired.

Guaranty—Guaranteed, principal, interest, and sinking fund, by endorsement by The Denver City Tramway Co. (now The Denver Tramway Corp.)

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($580,000) in May, 1903, at par and interest, by International Trust Co., Denver, and MacDonald, McCoy & Co. (now McCoy & Co.), Chicago.

(4)

$595,000 THE DENVER TRAMWAY TERMINALS CO. FIRST SERIAL GOLD 5s; DUE $60,000 ANNUALLY, BEGINNING SEPTEMBER 1, 1916

Dated September 1, 1910.

Interest Payable March and September 1, at Bankers Trust Co., New York, and at Company's office, Denver.

Denominations—Coupon, $100 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $1,500,000; issued, $1,333,000, of which $738,000 matured and paid off or were cancelled, leaving $595,000 outstanding in hands of public. Mortgage is closed.

Callability—Subject to call as a whole only at 105 and interest on any interest date upon thirty days' notice.

Security—A first lien on entire property.

Guaranty—Guaranteed, principal and interest, by endorsement by The Denver City Tramway Co. (now The Denver Tramway Corp).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sherman & Sterling, New York.

Original Offering—First publicly offered ($1,315,000) in April, 1912, on a 5¼% basis, by Clark, Dodge & Co., New York, and Montgomery, Clothier & Tyler, Philadelphia.

(5)

$6,442,000 THE DENVER TRAMWAY CORPORATION GENERAL & REFUNDING MORTGAGE BONDS, SERIES "A" 5%; DUE JULY 1, 1950

Dated July 1, 1925.

Interest Payable January and July 1 at International Trust Co. and Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—International Trust Co., Denver, Colo.

Provisions of Issue—Authorized amount open; issued, $6,943,500, of which $501,500 are held in the Treasury available for general purposes, and $6,442,000 were issued for the purposes outlined in Plan of Reorganization of The Denver Tramway Co., dated April 15, 1925. The mortgage provides for the issuance of bonds, par for par, to refund any or all of the underly-

ing bonds or bonds of any series previously issued under this mortgage and provides for the issuance of additional bonds without limit as to amount for not exceeding 75% of expenditures by Company for additions, betterments and improvements to its street railway system made after July 1, 1925. The bonds may be issued in series, at such rates of interest, and having such dates of maturity, not, however, earlier than July 1, 1950, as the directors may determine at the time of authorization.

Callability—Subject to call on or before June 30, 1930 at 102½; thereafter to June 30, 1933 at 102; thereafter to June 30, 1940, at 101½; thereafter to June 30, 1945, at 101, and thereafter to June 30, 1949 at 100½.

Sinking Fund—Mortgage provides that on July 1, 1928 and on the 1st day of July thereafter, so long as any of the bonds of Series "A" shall be outstanding, there shall be deposited in cash 1% of the aggregate principal amount of such bonds on the respective dates then outstanding to retire bonds at lowest price obtainable, not exceeding the call price; providing also that, if prior to July 1, 1928, the Corporation shall declare and pay a dividend upon its Common stock, the obligation to make sinking fund payment shall be effective forthwith and each July 1st thereafter; and also that appropriate provisions shall be made in respect to subsequent series of bonds issued under this mortgage.

Security—A first lien on all the street railway property and appurtenant real estate and franchises of corporation, subject to $3,512,000 underlying liens described in paragraphs 1, 4 and 6. Additionally secured by pledge of all the $1,000,000 outstanding stock (except directors' qualifying shares) and all of the $495,900 First Mortgage 5% notes, due Jan. 1, 1938 of The Denver & Inter-Mountain RR.; also by pledge of $2,670,000 of The Denver Consolidated Tramway Co. First Consolidated Mortgage 5% Gold bonds, due Oct. 1, 1933.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$1,750,000 THE DENVER TRAMWAY CORPORATION 6% FIRST (UNDERLYING) MORTGAGE COLLATERAL TRUST SINKING FUND GOLD NOTES; DUE OCT. 1, 1933

Dated April 1, 1927.

Interest Payable April and October 1, at The International Trust Co., Denver, Colo., or at Central Union Trust Co., New York.

Denomination—Coupon, $500 and $1,000; principal may be registered.

Trustee—The International Trust Co., Denver, Colo.

Provisions of Issue—This financing was effected by the extension of $2,598,000 principal amount of underlying liens and resulted in decreasing the outstanding funded debt in the hands of the public by $848,000. Such extension will consolidate into one maturity three of the four underlying liens, with the result that as of Oct. 1, 1933, the total amount, of obligations outstanding with the public, secured by underlying liens, will be but $2,552,000, of which $2,317,000 will mature as of that date.

Callability—Subject to call on the first day of any month on 30 days' notice, in whole or in part, at 101 and interest.

Sinking Fund—During the year ending March 31, 1928, and in each corresponding year thereafter, a sinking fund will retire $100,000 of this note issue either through purchase at or below 101, or through call by lot at that price.

Security—Secured by deposit of $2,000,000 The Denver City Tramway Co. First Mortgage Extended 6% Gold bonds, due Oct. 1, 1933, and $598,000 The Denver Tramway Power Co. First Mortgage Improvement Extended 6% Gold bonds, due Oct. 1, 1933. The total depreciated value of combined properties, against which collateral for these notes is a first lien, is $10,359,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Lewis & Grant, Denver (for the Bankers), and Hughes & Dorsey, Denver (for the Corporation).

Original Offering—First publicly offered ($1,750,000) in March, 1927, at 98½ and interest, to yield 6.25%, by Boettcher & Co., and The International Trust Co., both of Denver, Colo.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including The Denver Tramway Corp. and The Denver & Intermountain RR. Co.)

	1927	1926
Total operating revenue	$4,390,016	$4,565,251
Operating expenses, incl. depreciation	2,940,085	2,952,131
Taxes	523,460	543,029
Net operating income	$926,471	$1,070,091
Miscellaneous income	41,413	54,498
Total net income	$967,884	$1,124,589
Interest charges	529,920	572,134
Surplus after charges	$437,964	$552,455
Net profit and loss charges	*44,201	41,071
Balance	$482,165	$511,383
Preferred dividend requirements at 5%	522,060	520,820
Balance deficit	$39,895	$9,437
Times Interest Charges Earned	1.82	1.96
Earnings Per Share on Pfd. Stock	$4.62	$4.91

*Credit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Including The Denver Tramway Corp. and The Denver & Intermountain RR. Co.)

Assets—	1927	1926	1925
Prop. equipment, franchise & accrued depreciation	$26,660,816	$26,880,027	$27,092,993
Real est. not used in oper.	565,788	565,641	583,188
Sinking and other funds with Trustees	80,442	80,108	30,608
Invest. & securities owned	518,001	750,719	58,968
Material and supplies	418,140	419,850	512,924
Cash	753,360	1,369,524	2,048,339
Accrued int. and accounts receivable	90,072	68,729	53,399
Prepaid insurance & taxes	33,907	45,189	21,131
Deferred & suspended debit items	174,634	93,585	56,622
Total	$29,295,160	$30,273,372	$30,458,172
Liabilities—			
Preferred stock	$10,441,200	$10,416,400	$10,416,400
Funded debt	9,954,000	10,863,500	10,970,500
Audited accts. & wages pay.	114,370	153,076	305,686
Matured int. & divds. unpaid	244,902	305,036	305,086
Accrued interest payable	50,754	64,474	66,179
Accrued taxes	509,784	488,758	427,408
Outstanding tickets	90,264	87,328	82,889
Oper. & other reserves	163,418	167,205	150,954
Deferred & suspended credit items	3,998	3,663	7,977
Com. stock (61,240.8 shares) & surplus	7,722,470	7,723,932	7,725,093
Total	$29,295,160	$30,273,372	$30,458,172

Officers: Chas. Boettcher, Chrm. of Board; Howard S. Robertson, Pres.; S. M. Perry, V-P.; Gerald Hughes, Gen. Counsel; H. J. Alexander, Treas.; William A. Doty, Sec. & Aud.; James L. Adams, Supt. Transp., Denver, Colo.

Executive Committee: Chas. Boettcher, Chairman, Gerald Hughes, S. M. Perry, Howard S. Robertson and John Evans, Denver, Colo.

Directors: Chas. Boettcher, S. M. Perry, Gerald Hughes, H. W. Bennett, H. J. Alexander, John W. Morey, Howard S. Robertson, John Evans, Claude K. Boettcher, W. N. W. Blayney, Denver, Colo.; J. Cunliffe Bullock, Providence, R. I.; Geo. C. Clark, New York; Clarence M. Clark, Philadelphia; A. L. Drum, Chicago.

General Office, Denver, Colo.

THE DENVER & INTERMOUNTAIN RAILROAD COMPANY

(Controlled by The Denver Tramway Corporation)

History—Incorporated Oct. 27, 1907, in Colo., as Denver & Inter-Mountain Ry.; name changed to present one on April 2, 1909. Line of road: Denver to Golden City, with branches 25.77 miles; equipped for electrical operation. Gauge, standard.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned, except directors' qualifying shares, by The Denver Tramway Corp. and pledged under its General & Refunding Mortgage. Annual meeting, first Tuesday in November.

FUNDED DEBT

$495,900 First Mortgage 5% Notes; dated Jan. 1, 1908; due Jan. 1, 1938. Secured by mortgage on property of Company. On Nov. 1, 1917, $500,000 Inter-Mountain Ry. First Mortgage 5% gold bonds, due 1938, were cancelled and cremated, and the above-described notes were issued in lieu thereof. All owned by The Denver Tramway Corp. and pledged under its General & Refunding Mortgage.

Officers: Chas. Boettcher, Chrm. of Board; Howard S. Robertson, Pres.; S. M. Perry, V-P.; H. J. Alexander, Treas.; F. George, Asst. Treas.; W. A. Doty, Sec. & Aud., Denver, Colo.

Office, Denver, Colo.

TWIN CITY RAPID TRANSIT COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
7% Cumulative Pfd. (par $100)	J, A, J & O 1	$3,000,000	$3,000,000	No	$1,272,601	7%	$210,000	$42.42
Common (par $100)	J & J 1	22,000,000	22,000,000	...	1,062,601	4%	880,000	4.83

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Minneapolis St. Ry. 1st Mtge. Coll. 5½% notes	Aug. 15, 1928	M & N 1	$5,000,000	†$5,000,000	No	No	Paid by Co.
Minneapolis St. Ry. & St. Paul City Ry. Consol. 5s	Oct. 1, 1928	A & O 1	10,000,000	†10,000,000	No	No	Paid by Co.
St. Paul City Ry. First 6s	Apr. 1, 1932	A & O 1	.....	224,000	No	No	Not pd. by Co.
St. Paul City Ry. Consolidated 6s	Oct. 1, 1934	A & O 1	.....	456,000	No	No	Not pd. by Co.
St. Paul City Ry. Cable Consolidated 5s	Jan. 15, 1937	J & J 15	5,508,000	3,708,000	No	No	Not pd. by Co
Twin City Motor Bus Co. 5% Note	June 1, 1928-36	J & D 1	.....	85,000	..	....	.....
Twin City Rapid Transit Co. First Lien & Ref. Gold 5½s, Series "A"	Dec. 1, 1952	J & D 1	*Unlimited	18,000,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, ‡$22,473,000. **Interest Accrued** in 1927, $991,602.
Amount Available for Interest in 1927, $2,264,203. **Times Interest Earned** in 1927, 2.28.

*For issuance of additional bonds see description. †Funds for redemption of this issue are on deposit with Trustee. ‡After deducting $15,000,000 special deposit with Chase National Bank, New York for redemption of maturing securities noted above.

History—Incorporated June 3, 1891, in N. J. Owns and controls through operating subsidiaries the entire street railway systems in Minneapolis, St. Paul and vicinity. In addition, owns all of the local bus lines operating in and between Minneapolis and St. Paul, co-ordinated with the street railway system, and several important suburban bus routes; also owns a majority of the capital stock of the leading taxi-cab company operating in Minneapolis and St. Paul. The Company's lines serve an area exceeding 255 square miles with a population in excess of 800,000.

Company controls through stock ownership the Minneapolis Street Ry. Co., The St. Paul City Ry. Co., The Minneapolis and St. Paul Suburban RR. Co., The Minnetonka & White Bear Navigation Co., Twin City Motor Bus Co., The Rapid Transit Real Estate Corp., Transit Supply Co. and Yellow Cab Corp. of Minnesota (see appended statement of last mentioned corporation).

The electric railway system includes four interurban lines operating in and between Minneapolis and St. Paul, a suburban line of over 32 miles connecting St. Paul to White Bear, Stillwater and Bayport, and also lines totaling over 48 miles between Minneapolis and Excelsior, Deephaven and Tonka Bay on Lake Minnetonka together with lines from Minneapolis to Robbinsdale and St. Louis Park. The total mileage of the lines, reduced to single track, is 511.81 miles. The bus lines operate in and between the cities of St. Paul and Minneapolis, and in local service are co-ordinated with the street railways. The Yellow Cab Corp. of Minnesota owns over 300 cabs and is constantly adding to its fleet.

The companies own a large steam turbine electric power generating plant of 75,000 k. w. capacity and 12 sub-stations. Company also has favorable leases for water power at St. Anthony Falls of 16,000 k. w. capacity.

Subsidiary Companies—In 1910, in consequence of a decision of Supreme Court, holding that the suburban lines as railways are amenable to the Minnesota 5% gross earnings tax, the Minneapolis & St. Paul Suburban RR. was incorporated with $1,000,000 (outstanding, Dec. 31, 1927, $2,600,000) capital stock, and the Minnetonka & White Bear Navigation Co., with $250,000 capital stock, and The Rapid Transit Real Estate Corp., with $15,000 stock, to take title to the suburban lines, the steamer lines operated on Lake Minnetonka, and the restaurants and amusement enterprises of the company.

Twin City Motor Bus Company—The Twin City Rapid Transit Company on Aug. 1, 1924 purchased the entire capital stock (except directors' qualifying shares) of this company, which operates a line of automobile passenger busses between the business districts of Minneapolis and Saint Paul. In Dec., 1925, the Company purchased the remaining two bus lines, operating in Minneapolis and Saint Paul, and now owns all of the local bus lines operating in these cities.

Franchises—In April, 1921, the Legislature of the State of Minnesota passed an act vesting in the State Railroad and Warehouse Commission of the State of Minnesota exclusive power and authority to fix and determine the fair value of street railway property and establish rates of fare which shall yield a reasonable return on such value.

In addition the Act vests in the Commission, authority to regulate the issuance of stocks, bonds, notes and other forms of indebtedness.

Upon this law taking effect, the operating subsidiaries of Twin City Rapid Transit Company surrendered their then existing municipal franchises and accepted in lieu thereof indeterminate permits under the terms of the Statute. The indeterminate permits from the State continue in full force and effect unless and until the municipalities shall acquire the street railway properties at values established by the State Railroad and Warehouse Commission. The bus lines are operated under State Certificates of Public Convenience and Necessity.

Fares Increased—On July 3, 1925, the Railroad and Warehouse Commission of Minnesota filed its order fixing the fair value of the properties of Minneapolis Street Ry. Co. and the Saint Paul City Ry. Co., the

rate of return thereon and the fare to be collected at 8 cts. cash and requiring the Company to sell ten tickets for 60 cts., being an average rate of fare of about 6.20 cts. per revenue passenger. The companies commenced an action to enjoin the enforcement of the Commission's order. The Court denied an injunction, and ordered a six months' trial of the Commission's rate of fare, and appointing a special Master in Chancery to take testimony, who set October 12, 1925, for a hearing. In the meantime, the cities of Saint Paul and Minneapolis and the Company arrived at a settlement whereby they accepted the valuation of the property as of Jan. 1, 1925, as fixed by the Railroad and Warehouse Commission, being $26,787,228 for the Minneapolis Street Ry. Co. and $16,196,090 for the Saint Paul Railway Co. and a rate of return of 7½% upon the above value. This settlement was later confirmed by the U. S. District Court and the matter submitted to the Commission, which on December 22, 1925, filed its order fixing a fare of 8 cts. cash and requiring the Companies to sell six tickets for 40 cts., effective January 1, 1926, being an average rate of fare of about 6.67 cts. per revenue passenger.

RAILWAY OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926
Track miles, all track reduced to single track	511.81	504.53
Total car miles operated	29,136,626	29,297,108
Gross passenger car revenue	$12,068,273	$12,603,216
Revenue passengers carried	177,319,024	185,711,950
Transfer passengers carried	65,784,323	68,917,932
Revenue passengers per car mile	6.09	6.34
Total passengers per car mile	8.34	8.69

CAPITAL STOCK

Authorized and outstanding, $22,000,000 Com. and $3,000,000 7% cumulative Pfd.; par, $100.

Preferred Stock Provisions—Has preference for dividends and also for assets in event of liquidation. It is not subject to call.

Transfer Agents (Both Classes)—Farmers' Loan & Trust Co., New York, and National Trust Co., Ltd., Montreal.

Registrars (Both Classes)—Central Union Trust Co. of New York, and Montreal Trust Co., Montreal.

Annual Meeting—Fourth Tuesday in February at Jersey City, N. J.

Listed (Both Classes)—New York, Toronto and Montreal Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	106	102¾	101	93¼	98½	89	76	80
Low	92	101	94½	90	90	73	74¾	77¾
Common—								
High	66¾	78¾	78¼	66	80	62½	55½	43
Low	45	59¼	58	39½	58¼	34	31⅛	27¼

Dividends—Pfd. dividends have been regularly paid, quarterly, J, A, J & O 1 since issuance. Dividends on Common have been paid as follows: 1899, 2½%; 1900, 3%; 1901, 4%; 1902 to 1908, 5%; 1909, 5¼%; 1910 to 1917, 6%; 1918, 2%; 1919, 2½%; 1920, 3%; 1921, 2%; 1922, 4%; 1923, 6%; 1924 and 1925, 4% each; 1926, 5%; Jan. 3, 1927, 1¼%; April 1, 1927, to April 2, 1928, 1% each quarter; payments quarterly, J, A, J & O 1. Directors usually meet for dividend action on or about M, J, S & D 5.

FUNDED DEBT

(1)

$5,000,000 MINNEAPOLIS STREET RAILWAY COMPANY FIRST MORTGAGE COLLATERAL 5½% GOLD NOTES; DUE AUGUST 15, 1928

Dated November 1, 1924.

NOTE—Funds for redemption of these notes with interest to date of maturity have been deposited with Chase National Bank, New York.

(2)

$224,000 ST. PAUL CITY RAILWAY CO. FIRST 6s; DUE APRIL 1, 1932

Dated April 1, 1882.

Interest Payable April and Oct. 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. A first lien on the property of the St. Paul City Ry. Company does not pay Normal Federal Income Tax.

(3)

$456,000 ST. PAUL CITY RAILWAY CO. FIRST CONSOLIDATED GOLD 6s; DUE OCTOBER 1, 1934

Dated October 1, 1884.

Interest Payable April and Oct. 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $1,000,000. Company does not pay Normal Federal Income Tax.

(4)

$3,708,000 ST. PAUL CITY RAILWAY CO. CABLE CONSOLIDATED MORTGAGE 5% GOLD BONDS, DUE JANUARY 15, 1937

Dated January 15, 1887.

Interest Payable January and July 15, at Farmers' Loan & Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized, $5,500,000, of which $680,000 held in trust to retire the St. Paul City Ry. prior liens described in two preceding paragraphs, but under the Joint Consol. Gold 5% Mortgage, dated Oct. 1, 1903, the balance of the authorized issue cannot be issued.

Callability—Not subject to call.

Sinking Fund—None.

Security—A lien on all the street railway lines in St. Paul, Minn., now operated as the St. Paul division, subject to $680,000 prior liens, described in two preceding paragraphs.

Guaranty—Of the outstanding bonds $1,138,000 are guaranteed, principal and interest, by endorsement by the Twin City Rapid Transit Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96¾	98	97	96½	93	91	81¼	80
Low	94¼	95¼	95	91½	90½	85½	74½	65⅛

(5)

$10,000,000 MINNEAPOLIS STREET RY. & ST. PAUL CITY RY. JOINT CONSOLIDATED GOLD 5s; DUE OCTOBER 1, 1928

Dated October 1, 1903.

NOTE—Funds for redemption of these bonds with interest to date of maturity have been deposited with Chase National Bank, New York.

(6)

$35,000 TWIN CITY MOTOR BUS COMPANY FIRST REAL ESTATE MORTGAGE 5% NOTE; DUE JUNE 1, 1928 to 1936

Interest Payable June and December 1.

(No further details available.)

(7)

$18,000,000 TWIN CITY RAPID TRANSIT COMPANY FIRST LIEN AND REFUNDING 5½% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1952

Dated December 1, 1927.

Interest Payable June and December 1, at The Chase National Bank, New York, The National Bank of the Republic, Chicago, or The Royal Bank of Canada, Toronto.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000, and fully registered, $1,000, $5,000 and multiples thereof.

Trustee—The Chase National Bank, New York.

Provisions of Issue—Authorized amount, unlimited; issued, $18,000,000 Series "A" 5½s, due 1952. Additional bonds may be issued in accordance with terms of the indenture for three purposes: (1) For the acquisition by the Minneapolis and St. Paul Street Railway Companies of new property or for additions and betterments or to pay obligations on contracts duly entered into therefor, in an amount not in excess of 75% of the actual cost of the new property so acquired or of the cost of said improvements, provided that the net earnings available for interest during any 12 months of the 15 months' period preceding the date of such issue, shall be at least twice the interest charges on all of the

then outstanding bonds issued under this indenture, including the new issue, and including other funded debt of the above subsidiaries of the issuing Company, and provided further, that all of such additional bonds of the Minneapolis and St. Paul Railway Companies be pledged under the indenture of the issuing Company; or (2) to retire previous series of bonds by the issuance of new series; or (3) for refunding the existing obligations of The St. Paul City Railway Co. which mature in 1932, 1934 and 1937.

Purpose of Issue—Of the proceeds of this issue $15,000,000 and interest accrued to dates of maturity were to be deposited with the Trustee to retire $15,000,000 principal amount of funded debt of the pledging subsidiaries maturing August 15 and October 1, 1928, and the balance to pay for capital additions and for other corporate purposes.

Callability—Series "A" bonds are subject to call as a whole or in part at 105 on or before Dec. 1, 1932; at 104 on or before Dec. 1, 1937; at 103 on or before Dec. 1, 1942; at 102 on or before Dec. 1, 1947; at 101 on or before Dec. 1, 1951; thereafter at 100 until maturity; plus accrued interest in each case.

Sinking Fund—A sinking fund amounting to $360,000 per annum, equivalent to 2% of the principal amount of the initial series of these bonds, will be provided, beginning June 1, 1929, and payable on June 1 in each year thereafter. The indenture provides that in lieu of payment of cash into the sinking fund the Company may cause its subsidiaries to expend all or part for additions and betterments, in which event the said improvement shall become subject to the lien securing the pledged bonds, and no further bonds may be issued against said improvements.

Security—A direct obligation of Company, secured through pledge of First and Refunding Mortgage bonds of Minneapolis Street Railway Co. and Refunding Mortgage bonds of The St. Paul City Railway Co. aggregating $18,000,000. The entire capital stock of Twin City Motor Bus Co. (except directors' qualifying shares) and the entire capital stock of The Transit Supply Co. (except directors' qualifying shares) are also pledged as security for these bonds. The value of the property of the Minneapolis Street Railway Co. and The St. Paul City Railway Co. was fixed and determined as of Jan. 1, 1925, by the Railroad and Warehouse Commission of the State of Minnesota at $42,983,318. The Twin City Motor Bus Co. is valued as per the books of the Company at $1,264,992. The Minneapolis & St. Paul Suburban RR. Co. property value as of Jan. 1, 1926, was $4,825,794 and with property of The Minnesota & White Bear Navigation Co. and The Rapid Transit Real Estate Corp. and capital additions to Jan. 1, 1927, there was a total value of property of subsidiaries as of Jan. 1, 1927, of $50,027,003.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund upon timely application as provided in the Mortgage, personal property tax paid by residents of Connecticut and Pennsylvania not in excess of four mills, and of Maryland not in excess of four and one-half mills, and of California and Kentucky not in excess of five mills, and the Massachusetts local Income Tax not exceeding 6% per annum on income derived from these bonds.

Legal Opinion—Winston, Strawn & Shaw, Chicago (for the Bankers), and Lancaster, Simpson, Junell & Dorsey, Minneapolis (for the Company).

Original Offering—First publicly offered ($18,000,000) in December, 1927, at 97 and interest, to yield over 5.70%, by Chase Securities Corp., H. M. Byllesby & Co., Inc., Halsey, Stuart & Co., Inc., Hayden, Stone & Co., A. E. Ames & Co., Ltd., New York, etc.; Federal Securities Corp., and Illinois Merchants Trust Co., Chicago; Minnesota Loan & Trust Co. and First Minneapolis Trust Co., Minneapolis, and Merchants Trust Co. and Northwestern Trust Co., St. Paul.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total ry. operating revenue	$13,425,643	$13,945,266	$12,378,352	$12,704,570	$13,463,112	$13,772,647
Railway Operating Expenses—						
Way and structures	$1,198,583	$1,201,893	$1,215,796	$1,175,456	$1,197,373	$1,303,587
Equipment	1,052,106	1,106,304	1,129,066	1,039,109	1,137,029	1,240,968
Power	1,045,879	1,198,256	1,270,698	1,336,671	1,421,156	1,446,542
Conducting transportation	4,401,568	4,475,622	4,391,692	4,308,179	4,514,533	4,558,838
Traffic	48,261	46,492	36,233	46,480	51,021	30,362
General and miscellaneous	1,163,658	1,217,687	1,248,920	1,351,256	1,285,423	1,400,358
Transportation for investment—cr.	*39,029	*39,545	*58,317	71,222	68,694	66,331
Motor bus expense	1,088,946	1,115,779	.....	.....	.....	.....
Total	$9,959,972	$10,322,488	$9,234,088	$9,185,928	$9,537,841	$9,914,324
Net operating revenue	3,465,671	3,622,778	3,144,264	3,518,642	3,925,271	3,858,323
Taxes	1,254,793	1,229,115	1,291,138	1,265,982	1,373,069	1,251,925
Operating income	$2,210,878	$2,393,663	$1,853,126	$2,252,659	$2,552,202	$2,606,398
Non-operating income	63,930	56,498	184,631	101,062	116,935	69,242
Gross income	$2,274,808	$2,450,161	$2,037,757	$2,353,721	$2,669,137	$2,675,640
Deductions—						
Rent for leased roads	$3,000	$3,000	$3,000	$3,000	$3,000	$3,000
Interest on funded debt	991,602	995,520	988,954	1,072,968	1,087,626	1,091,255
Interest on unfunded debt	565	5,888	.....	.....	.....	.....
Net loss misc. physical property	.....	1,637	.....	.....	.....	7,345
Miscellaneous debits	7,040	7,311	8,376	8,744	8,443	8,838
Total	$1,002,207	$1,013,356	$1,000,330	$1,084,712	$1,099,069	$1,110,438
Net income	$1,272,601	$1,436,805	$1,037,427	$1,269,009	$1,570,068	$1,565,201
Preferred dividends	210,000	210,000	210,000	210,000	210,000	210,000
Common dividends	880,000	1,100,000	880,000	880,000	1,320,000	880,000
Surplus for year	$182,601	$126,805	*$52,573	$179,009	$40,068	$475,201
Times Funded Debt Interest Earned	2.28	2.44	2.05	2.18	2.44	2.43
Earnings Per Share—						
Preferred	$42.42	$47.89	$34.58	$42.30	$52.34	$52.17
Common	4.83	5.58	3.76	4.81	6.18	6.16

*Deficit.

Depreciation Policy—The depreciation policy of the operating subsidiaries has been in accord with the best practice, and has been in conformity with principles established and approved by the Railroad and Warehouse Commission of Minnesota. The depreciation reserve as of December 31, 1927, amounted to $13,950,775, practically all of which has been reinvested in the property. The trust indenture securing the Twin City Rapid Transit Co. First Lien & Refunding 5½s, due Dec. 1, 1952, provides that the depreciation policy shall continue in such manner as not only to preserve and maintain the reserves now existing, but to make such average annual charges to depreciation account in the future as have been made in the past.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$59,510,207	$58,785,683	$57,138,007	$56,808,929	$56,202,301	$55,304,963
Deposits in lieu of mort. property sold	5,500	5,500	5,500	.....	.....	.....
Special deposits (interest to maturity on bonds due in 1928)	717,700	.....	.....	.....	.....	.....
Miscellaneous physical property	11,699	11,699	11,699	905,592	989,174	1,122,440
Other investments	1,934,212	948,966	1,669,598	1,071,272	1,630,756	1,330,032
Cash	623,668	628,130	513,197	347,338	189,450	340,503
Loans and notes receivable	41,409	38,577	37,872	92,386	44,894	26,098
Miscellaneous accounts receivable	65,576	85,585	78,015	139,075	67,118	106,499
Material and supplies	929,546	873,157	845,091	691,100	836,715	986,431
Injuries & damages reserve fund	76,305	29,393	.....	.....	.....	.....
Rents and insur. paid in advance	49,642	64,472	32,408	34,511	54,686	11,493
Interest and dividends receivable	11,325	5,910	13,483	.....	.....	.....
Discount & exp. on funded debt to date	1,596,689	.....	.....	.....	.....	.....
Total	$65,573,478	$61,477,072	$60,344,870	$60,090,204	$60,015,094	$59,228,459
Liabilities—						
Common stock	$22,000,000	$22,000,000	$22,000,000	$22,000,000	$22,000,000	$22,000,000
Preferred stock	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Funded debt	*22,473,000	19,478,000	19,388,000	19,388,000	19,888,000	19,888,000
Loans and notes payable	.....	69,500	.....	.....	.....	.....
Audited accts. and wages payable	115,060	93,006	56,789	106,434	27,924	29,947
Miscellaneous accounts payable	297	9,983	3,491	368	16,131	7,124
Accrued interest (not due)	342,404	266,923	266,548	381,393	389,727	389,727
Tax liability	1,168,181	1,149,516	1,257,255	1,256,308	1,366,775	1,249,417
Reserve Accounts:						
For injuries and damages	249,255	207,508	198,213	218,000	264,717	273,810
For depreciation	13,950,775	13,110,379	12,211,510	11,848,562	11,270,963	10,594,138
Miscellaneous	.....	.....	.....	.....	.....	40,790
Unadjusted credits	139,800	129,352	168,931	15,100	16,764	32,770
Profit and loss	2,134,706	1,962,905	1,794,133	1,876,038	1,774,093	1,722,736
Total	$65,573,478	$61,477,072	$60,344,870	$60,090,204	$60,015,094	$59,228,459

*After deducting $15,000,000 special deposit for redemption of bonds and notes maturing in 1928.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$623,668	$628,129,	$513,197	$347,338	$189,450	$340,503
Loans and notes receivable	41,409	38,577	37,872	92,386	44,894	26,098
Interest & divds receivable	11,325	5,910	13,483	.....	.....	.....
Miscellaneous accounts receivable	65,576	85,585	78,015	139,075	67,118	106,499
Materials and supplies	929,546	873,157	845,091	691,100	836,715	986,431
Total	$1,671,524	$1,631,358	$1,487,657	$1,269,900	$1,138,177	$1,459,531
Current Liabilities—						
Audited accounts and wages payable	$115,060	$93,006	$56,788	$106,434	$27,924	$29,947
Loans and notes payable	.....	69,500	.....	.....	.....	.....
Miscellaneous accounts payable	297	9,983	3,491	368	16,131	7,124
Accrued interest not due	342,404	266,923	266,548	381,393	389,727	389,727
Tax liability	1,168,181	1,149,516	1,257,254	1,256,309	1,366,774	1,249,417
Total	$1,625,942	$1,588,928	$1,584,081	$1,744,504	$1,800,556	$1,676,215
Net Working Capital	†$45,582	†$42,430	*$96,424	*$474,604	*$662,379	*$216,684

*Debit. †Credit.

Officers: Horace Lowry, Pres.; E. W. Decker, V-P.; T. Julian McGill, V-P.; A. M. Robertson, V-P. & Sec.; E. A. Crosby, Treas.; A. D. Starkey, Asst. Treas.; D. J. Strouse, Compt.; S. Macdonald, Asst. Compt.

Directors: Horace Lowry, Alfred F. Pillsbury, E. W. Decker, Donald Goodrich, G. H. Partridge, Minneapolis; Chas. Hayden, New York; John R. Mitchell, W. O. Washburn, St. Paul, Minn.; Frank Bergen, Newark, N. J.; A. E. Ames, Toronto, Can.; James A. Cathcart, Chicago, Ill.

Office, Minneapolis, Minn.

YELLOW CAB CORPORATION OF MINNESOTA

(Controlled by Twin City Rapid Transit Company)

History and Business—Incorporated in Delaware in Dec., 1926, for the purpose of acquiring all of the outstanding capital stock of the Yellow Cab Company of Duluth, the Town Taxicab Company, Inc., Drive Yourself System, Inc., Yellow Cab Company, Inc., and the Pfd. and Common stocks of the Red Top Cab Co. As of January 1927 these subsidiaries operated a total of 330 Yellow Cab and Red Top taxicabs, 50 Hertz Ambassador Sedans, used in the taxicab and drive yourself services, and 52 Chevrolets, Fords and Chryslers, also used in the drive yourself service. They operate the Yellow Cab and Red Top taxi services in the cities of Minneapolis and St. Paul, the Yellow Cab taxi service in the City of Duluth, and the Town Taxi and Drive Yourself services in the cities of Minneapolis and Rochester, Minn.

CAPITAL STOCK

Authorized, 30,000 shares Class "A" Common of no par value; 60,000 shares Class "B" Common of no par value and $1,000,000 7% Pfd. stock, par $100; outstanding, Nov. 30, 1927, 25,000 shares Class "A" and 50,000 shares Class "B." A controlling interest is held by Twin City Rapid Transit Company.

Preferred Stock Provisions—Pfd. stock, if issued, will have priority over Common stock, as to earnings for cumulative dividends at $7 per share, and as to assets in case of dissolution for $100 per share plus accrued dividends.

Class "A" Stock Provisions—Class "A" Common is entitled to receive, subject to right of 7% Pfd. stock, if any shall be outstanding, cumulative dividends of $2 per share per annum, and after providing for cumulative dividends thereon at rate of $2 per share per annum for the current year, and for non-cumulative dividends on Class "B" Common at rate of $1 per share per annum for such year, any further dividends in such year shall be paid equally to outstanding Common stock without distinction as to class. In case of dissolution or liquidation Class "A" Common stock is preferred over Class "B" Common to the extent of $25 per share plus an amount equal to unpaid cumulative dividends at rate of $2 per share per annum, after which Class "B" Common well be entitled to receive $10 per share plus an amount equal to divi-

dends thereon at rate of $1 per share per annum for the current year, less such dividends not exceeding $1 as may have been paid thereon for such period. Thereafter remaining assets of the Corporation shall be distributed to the outstanding Common stock without distinction as to class. Voting power is vested in Class "B" Common except that holders of Class "A" Common shall have the right to elect three directors if the total number is seven, and a minority if the number is less. In the event of default in two years' cumulative dividends on Class "A" Common, and so long as non-payment shall continue, the right of holders of Class "B" Common to vote shall revert to holders of Class "A" Common, except that in the event of default in two years' cumulative dividends on any outstanding Pfd., and so long as non-payment shall continue, such right of holders of Class "B" Common to vote shall revert to holders of the outstanding Pfd. stock.

Transfer Agent and Registrar—First Minneapolis Trust Co., Minneapolis, Minn.

Legal Opinion—Lancaster, Simpson, Junell & Dorsey.

Original Offering—Class "A" Common stock first publicly offered (10,000) shares in December, 1926, at $22.50 per share and accrued dividend, by Lane, Piper & Jaffray, Inc.

Annual Meeting—Third Tuesday in January.

FUNDED DEBT

(1)

$200,000 6% SERIAL GOLD NOTES; DUE $50,000 ANNUALLY, JANUARY 1, 1929 to 1932, INCLUSIVE

Dated January 1, 1927.

Interest Payable January and July 1 at The Minnesota Loan & Trust Co., Minneapolis, Minn. Coupon, $1,000; principal may be registered.

Trustee—The Minnesota Loan and Trust Co., Minneapolis, Minn.

Provisions of Issue—Authorized and issued, $250,000 of which $50,000 matured January 1, 1928.

Callability—Subject to call as a whole or in part upon 30 days' notice in reverse order of maturity and number, at 100 and interest, plus a premium of ½% for each year or fraction thereof between the date of redemption and date of maturity, such premium to be not less than 1%.

Security—A direct obligation of Yellow Cab Corp. of Minnesota.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Lancaster, Simpson, Junell & Dorsey.

Original Offering—First publicly offered ($250,000) in January, 1927 at prices ranging from 100.96 and interest to yield 5% to 100 and interest to yield 6%, by Lane, Piper & Jaffray, Inc., Minneapolis, etc.

(2)

$90,000 6% EQUIPMENT TRUST GOLD NOTES; DUE JULY 1, 1932

Dated July 1, 1927.

Interest Payable January and July 1 at the Minnesota Loan and Trust Co., Minneapolis, Minn.

Denominations—Coupon, principal may be registered, and registered, $500 and $1,000; interchangeable.

Trustee—The Minnesota Loan and Trust Co., Minneapolis.

Provisions of Issue—Authorized, $240,000; issued, $90,000.

Purpose of Issue—Proceeds used to provide funds for purchase of new equipment and for other corporate purposes.

Callability—Subject to call on any interest date at par and accrued interest plus a premium of ½% for each year or fraction thereof between the date of redemption and date of maturity.

Security—Secured by a first lien on specific taxicabs owned by the Company.

Tax Provision—Cmpany pays Normal Federal Income Tax up to 3%.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

(Accounts Audited by Peat, Marwick, Mitchell & Co.)

Assets—	
Plant and equipment	$1,346,847
Investments	2,041
Cash	27,265
Other special deposits	31,352
Notes and accounts receivable	18,560
Interest, dividends and rents receivable	127
Materials and supplies	25,731
Prepaid insurance, etc.	14,759
Deferred charges	10,980
Total	$1,477,662
Liabilities—	
Capital stock	$996,309
6% serial gold notes	200,000
6% Equipment Trust notes	65,000
Accounts and notes payable	95,431
Accrued taxes	3,290
Other accrued liabilities	14,286
Reserve for injuries and damages	14,360
Reserve for depreciation	87,259
Miscellaneous reserves	1,594
Deferred credits	133
Total	$1,477,662

Officers: C. D. Goodsell, Pres.; C. R. Fowler, C. W. Gordon, V-Ps.; A. M. Robertson, Sec.; D. J. Stroose, Treas.; S. MacDonald, Asst. Treas.

Directors: R. F. Pack, C. R. Fowler, C. B. Goodsell, Glen W. Traer, Jr., D. J. Stroose, E. K. Lewis, C. W. Gordon.

General Office, Minneapolis, Minn.

WESTERN NEW YORK WATER COMPANY

History and Property—Incorporated Feb. 14, 1902, in N. Y. On Aug. 1, 1909 merged the Depew & Lake Erie Water Co. and Niagara Falls Water Works Co. The properties of the latter company were sold to the City of Niagara Falls on July 31, 1925. Supplies, water, without competition, for domestic, industrial and public purposes to cities, towns and villages in the suburban territory immediately adjacent to the City of Buffalo, including the City of Lackawanna, the towns of West Seneca, Tonawanda, Amherst and Cheektowaga, portions of the towns of Hamburg, East Hamburg, Lancaster and Alden, and the villages of Blasdell, Sloan, Depew, Lancaster, Williamsville and Kenmore. Estimated population served, 112,000. Water is taken from Lake Erie at Woodlawn. Miles of distribution system, 280. Daily pumping capacity, 10,000,000 gals., which will be increased to 15,000,000 gals.

CAPITAL STOCK

Authorized 50,000 shares Common of no par value and 50,000 shares $5 and Participating non-cumulative Preferred stock of no par value; outstanding, 50,000 shares Common and 10,000 shares Pfd. Of the unissued Pfd. stock, 13,334 shares are reserved to provide

25 BROAD STREET
NEW YORK
Branch Offices
Albany Boston
Chicago Providence
Philadelphia

WESTERN NEW YORK WATER CO.
Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange

for the conversion of the $1,000,000 Convertible 6% Gold Debentures described below. Both classes have equal voting power per share. In the latter part of 1925, capital stock was changed from authorized amounts of $5,000,000 Common, $2,000,000 7% cumulative Pfd., Class "B," and $3,000,000 7% non-cumulative Pfd., all classes of $100 par value.

Preferred Stock Provisions—Has preference for assets to extent of $100 per share and as to $5 non-cumulative dividends. Participates equally per share with Common in dividend payments until $8 has been paid on Pfd. It is callable at 105.

Transfer Agent—Manufacturers and Traders-Peoples Trust Company, Buffalo, N. Y.

Annual Meeting—First Monday in February.

Dividends—No dividends paid to Dec. 31, 1927.

FUNDED DEBT

(1)

$584,000 DEPEW & LAKE ERIE WATER CO. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE JUNE 1, 1930

Dated June 1, 1900.

Interest Payable June and Dec. 1, at Girard Trust Co., Philadelphia, Trustee. Coupon, $1,000. Authorized, $600,000; outstanding, $584,000. Sufficient Western New York Water Co. First Mortgage bonds are reserved to retire this issue. Company pays Normal Federal Income Tax up to 2%.

(2)

$2,186,000 WESTERN NEW YORK WATER CO. FIRST MORTGAGE 25-YEAR GOLD 5½s, SERIES "A"; DUE NOVEMBER 1, 1950

$600.000 WESTERN NEW YORK WATER CO. FIRST MORTGAGE 25-YEAR GOLD 5s, SERIES "B"; DUE NOVEMBER 1, 1950

Dated November 1, 1925.

Interest Payable May and November 1 at Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y., or at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y.

Provisions of Issue—Authorized amount of mortgage, unlimited. Issued, $2,786,000 ($2,186,000 Series "A" 5½s and $600,000 Series "B" 5s). The proceeds from the sale of the $2,000,000 Series "A" 5½s and of $1,000,000 Ten-Year 6% Convertible Debenture Gold bonds were used for the redemption of $2,760,000 First Refunding Mortgage bonds, and also to provide cash for improvements, including a new filtration plant. The proceeds from the sale of the $600,000 Series "B" 5s were used to provide for the cost of additions.

Additional bonds may be issued in series, bearing such dates and maturities, such interest rates and such provisions relating to the voluntary redemption of the bonds as shall be determined by the Board of Directors at the time of the original issuance of bonds of each series. Bonds of any series may be issued from time to time in principal amounts equal to and for (1) the acquisition or retirement of assumed bonds; (2) the redemption or retirement of bonds of another series; and (3) 80% of the actual expenditures for permanent extensions, enlargements and additions of and to the properties, provided the net earnings for 12 consecutive calendar months of the 15 months immediately preceding shall have been equal to at least 1¾ times the annual interest charges on all mortgage bonds outstanding and those proposed to be issued.

Callability—Series "A" and Series "B" bonds are subject to call as a whole or in part on any interest date upon 60 days' notice at 105 and interest.

Security—Secured by a direct first mortgage upon all the present and hereafter acquired fixed property and franchises of Company, subject only to $548,000 of assumed bonds on that part of the property formerly owned by the Depew & Lake Erie Water Co. for the retirement of which sufficient First Mortgage bonds are provided.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Pennsylvania 4 Mills Tax and the Massachusetts Income Tax on interest not exceeding 6% of such interest per annum will be refunded if requested within 60 days after payment.

Legal Opinion—Masten & Nichols, New York (for the Bankers) and Judge Daniel J. Kenefick, Buffalo, N. Y. (for the Company).

Original Offering—First publicly offered ($2,000,000 Series "A" 5½s), at 96½ and interest, to yield over 5.75%, by Spencer Trask & Co., New York, etc., Baker, Trubee & Putnam, Inc., O'Brian, Potter & Co., and the Fidelity Trust Co. (now Manufacturers & Traders-Peoples Trust Co.), Buffalo, N. Y. $600,000 Series "B" 5s were publicly offered in July, 1927, at 96½ and interest to yield about 5.25% by the same bankers.

Price Range—

	1927	1926	1925
High	*101¼	99½	97
Low	*97	95½	95

*Bid prices.

(3)

$1,000,000 WESTERN NEW YORK WATER CO. TEN-YEAR CONVERTIBLE DEBENTURE GOLD 6s; DUE NOVEMBER 1, 1935

Dated November 1, 1925.

Interest Payable May and November 1, at Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y., or at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y.

Provisions of Issue—Authorized, $1,000,000; issued, $1,000,000, the proceeds from which together with the proceeds from the sale of $2,000,000 First Mtge. 5½% bonds, Series "A," were used for the redemption of $2,760,000 First Refunding Mtge. 5% bonds and also to provide cash for improvements, including a new filtration plant.

Callability—Subject to call in whole or in part on any interest date on 60 days' notice at 105 and interest.

Convertibility—Bonds are convertible on the first and fifteenth days of month at option of holders, into Pfd. stock (without par value) at rate of one share for each $75 par value of bonds. When called for redemption the bonds are convertible into Pfd. stock at any time up to and including, but not after the date fixed for redemption.

Option Warrants.—These bonds are accompanied by Option Warrants in the ratio of 10 warrants for each $1,000 of bonds. Each of these warrants entitles the holder to purchase from Manufacturers & Traders-Peoples Trust Co. of Buffalo, one share of Pfd. stock (without par value) at $30 per share at any time during the first three years from the date of issue of the bonds, at $40 per share during the fourth year and at $50 per share during the fifth year, after which the Option Warrants expire.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax and the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum, refunded upon application made within 60 days.

Legal Opinion—Masten & Nichols, New York (for the Bankers) and Judge Daniel J. Kenefick, Buffalo (for the Company).

Original Offering—First publicly offered ($1,000,000) in October, 1925, at 98½ and interest, to yield about 6.20%, by Spencer Trask & Co., New York, and Baker, Trubee & Putnam, Inc., O'Brian, Potter & Co., and The Fidelity Trust Co. (now Manufacturers & Traders-Peoples Trust Co.), Buffalo, N. Y.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$645,723	$611,496	$522,376	$508,004	$487,355
Operating expenses	330,761	290,323	262,006	247,319	226,366
Depreciation	37,776	34,045	25,203	.....	.....
Net earnings	$277,186	$287,128	$235,167	*$260,685	*$260,989
Fixed charges	215,990	210,838	185,026	.....	.....
Net profit	$61,196	$76,290	$50,141	.....	.....
Times Fixed Charges Earned	1.28	1.36	1.27	.....	.....
Earnings Per Share—					
Preferred	$6.12	$7.63	$5.01	.....	.....
Common	0.22	0.52	Nil	.....	.....

*Available for interest, depreciation and income taxes.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Plant	$6,349,224	$5,830,604	$5,447,738	Common stock (50,000 no par shares)	$1,000,000	$1,000,000	$1,000,000
Bonds owned	5,000	5,000	5,000	Preferred stock (10,000 no par shares)	200,000	200,000	200,000
Stock owned	1,000	1,000	.....	Funded debt	4,370,000	3,770,000	3,785,000
Depew & Lake Erie Water Co., 2nd Mtge. Sink. fund	.....	.....	73,338	Notes & accts. payable	51,580	50,724	277,265
Inventories	48,313	121,042	41,615	Advs. received on acct. of pipe line extensions	394,416	338,506	
Cash	340,151	163,209	411,634	Deferred charges	9,892	9,224	8,526
Bills receivable	49,000	15,000	.....	Surplus	889,960	834,847	758,570
Accounts receivable	64,116	53,133	39,174				
Deferred charges	59,044	14,313	10,862				
Total	$6,915,848	$6,203,301	$6,029,361	Total	$6,915,848	$6,203,301	$6,029,361

Officers: F. S. McGraw, Pres.; John H. Baker, V-P.; D. J. Hibbard, Treas.; Howard Bissell, Asst. Treas.; Wm. R. Huntley, Sec.; Thomas R. Wheeler and Chas. P. Runkel, Asst. Sec's., Buffalo, N. Y.

Directors: John H. Baker, Howard Bissell, Edward H. Hutchinson, William B. Cutter, Walter F. Stafford, William R. Huntley, Lewis G. Harriman, Clark L. Ingham, Frank S. McGraw, F. Sears McGraw, Jr., Buffalo, N. Y.; J. T. Woodward, New York, N. Y.

Office, 11 Niagara St., Buffalo, N. Y.

ITALIAN PUBLIC UTILITY CREDIT INSTITUTE

(Istituto di Credito per le Imprese di Pubblica Utilita)

History and Business—The Institute was created by a Royal Decree signed by the King of Italy on May 20, 1924, which decree was converted into law by the Italian Parliament on April 17, 1925. The Institute was created for the purpose of granting loans to private concerns of Italian nationality for carrying out works and making installations, or for making alterations necessary for utilizing concessions of recognized public utility. Loans are granted for the purpose of making power installations and carrying out other works which have been recognized to be of public utility by the State, Provinces, or Communes of not less than 100,000 inhabitants. The Institute operates under the supervision of the Minister of Finance of the Italian Government and under its charter has special powers, which constitute it in effect a quasi-state agency.

Borrowing Companies—The Institute has no constituent, subsidiary, owned or controlled companies. The parent companies of the groups to which loans were made by the Institute from the proceeds of its External 7% Secured bonds described below are:

Societa Idroelettrica Piemonte (SIP)
Societa Elettricita e Gas di Roma
Societa Elettrica del Valdarno
Societa Ligure Toscana di Elettricita
Societa Italiana di Elettrochimica
Societa Acciaierie e Ferriere Lombarde

Properties of Borrowing Companies—The plants of such companies and their subsidiaries covered by mortgages number 25, with an aggregate installed capacity of approximately 361,000 H. P., together with 2,200 miles of transmission lines in addition to the small distributing lines, and 76 principal substations. These plants produced, in 1925, at the rate of more than 920,000,000 k.w.h. The various companies distribute a large percentage of the electric energy furnished to a number of important centers in central, western and northwestern Italy, including the City of Rome, Turin, Milan, Florence, Siena, Leghorn and Pisa, the total number of cities and towns supplied exceeding 500. The districts served by these companies have a population of 16,000,000. The combined share capital of the borrowing companies outstanding in the hands of the public had a market value of $78,000,000 at the time the bonds were offered.

CAPITAL STOCK

Authorized, 100,000,000 lire Common all of which has been subscribed by the most important Government-controlled savings banks and similar state institutions and the two foremost insurance companies of Italy. 30% of the subscribed capital has been paid in and the balance thereof is subject to call at any time by the Board of Directors. The stock is issued in 100 quotas of 1,000,000 lire each.

FUNDED DEBT

$20,000,000 EXTERNAL 7% SECURED SINKING FUND GOLD BONDS; DUE JANUARY 1, 1952

Dated January 1, 1926.

Interest Payable January and July 1 in U. S. gold coin of the present standard of weight and fineness at The Chase National Bank of the City of New York or Blair & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Chase National Bank of the City of New York.

Callability—Subject to call by operation of sinking fund, on interest dates at 100 and interest. Callable, other than for sinking fund, in whole at any time, or in part on any interest date on 60 days' notice at 105 and interest on or before Jan. 1, 1941, the premium decreasing thereafter ½% for each year or part thereof elapsed after Jan. 1, 1941 and prior to Jan. 1, 1951; thereafter at 100 and interest.

Sinking Fund—As a sinking fund for these bonds The Institute agrees to pay to the Fiscal Agents on May 1 and Nov. 1 in each year commencing Nov. 1, 1926, an amount in dollars equal to ¾ of 1% of the aggregate principal amount of all bonds then outstanding and all bonds then held for the sinking fund plus interest accrued on all bonds then held for the sinking fund to the interest payment date next succeeding such sinking fund payment date. The sinking fund payments are to be used by the Fiscal Agents to purchase bonds of this issue at not exceeding 100 and accrued interest. If bonds are not so obtainable, the sums remaining in the hands of the Fiscal Agents on May 15 and Nov. 15 next ensuing after any sinking fund payment date, shall be applied to the redemption by lot of bonds of this issue at 100 and accrued interest on the next succeeding interest date. Bonds may

be tendered in lieu of cash at prices not exceeding the average market price for the 15 day period immediately preceeding sinking fund payment date, but in no event greater than 100. Operation of the sinking fund is estimated to retire all of the bonds by maturity.

Security—These bonds are the direct obligations of The Institute specifically secured by closed first mortgage obligations aggregating $20,000,000 (U. S. gold) covering certain properties of six important Italian groups operating public utilities, the obligations of each group to be given to secure the repayment of the loan to be made by The Institute to such group, namely: Societa Idroelettrica, Piemonte (SIP) $11,-170,000; Societa Elettricita e Gas di Roma, $2,400,000; Societa Elettrica del Valdarno, $1,000,000; Societa Ligure Toscana di Elettricita, $2,500,000; Societa Italiana di Elettrochimica, $930,000; and Societa Acciaierie e Ferriere Lombarde, $2,000,000. The properties mortgaged as security for such underlying obligations with their transmission systems have been appraised by a commission of experts appointed by The Institute and concurred in by Stone & Webster, Inc., at 200% of the amount of the loan in each case, and in the aggregate at $40,000,000. The rate per installed horse power at which said properties and systems will be mortgaged will average $55.40 per horse power. The Institute in addition to the specific first mortgages above mentioned will have as security for the amount advanced to each company a special privileged credit and lien on the income from the mortgaged properties of such company, which is enforcible in the same manner as taxes are collectible by the State and ranks second only to the claim of the State for taxes. In addition, in case of default on the part of any of the borrowing companies, the Institute itself may collect for its own account the entire proceeds derived from the sale of all electric energy produced by such company.

Legal Opinion—Rushmore, Bisbee & Stern, New York and Sig. Roberto Pozzi, Milan, Italy.

Original Offering—First publicly offered ($20,000,-000) in February, 1926 at 93 and interest to yield over 7.60%, by Blair & Co., Inc., Bankers Trust Co., E. H. Rollins & Sons, Blyth, Witter & Co., Bonbright & Co., Inc., Cassatt & Co., Stone & Webster, Inc., New York, etc., and First National Corp., Boston. $5,000,-000 of this offering was sold in Europe.

Listed—New York Stock Exchange.

Price Range—

	1927	1926
High	101	93
Low	90⅝	87

NOTE—None of the borrowing companies have outstanding any bonds secured by mortgage lien other than the bonds of this issue, with the exception of an issue of Elettrochimica Co. bonds amounting to $1,134,936 and an issue of Societa Idroelettrica Piemonte bonds amounting to $22,440.

Internal Bonds—The Institute has also outstanding an issue of 150,000,000 lire Internal Secured Sinking Fund 6% bonds, due July 1, 1955.

EARNINGS OF BORROWING COMPANIES, YEAR ENDED DECEMBER 31, 1925

(Latest Available)

	Gross Earnings	Oper. Exp. Maint & Taxes	Net Earn. before Dep. Available for Interest
S. I. P. Group	$7,268,000	$3,800,000	$3,468,000
Elettricita e Gas	4,249,192	2,974,724	1,274,468
Valdarno	2,631,056	1,375,990	1,255,066
Ligure Toscana	1,623,965	817,642	806,323
*Elettrochimica	2,080,927	1,630,766	450,161
Acciaierie	.....	.....	912,000

*Year ended Sept. 30, 1925.

NOTE—Above earnings are partly estimated. Lire converted at rate of $0.04 per lire.

STATEMENT OF PROFIT AND LOSS FOR PERIODS STATED

(Italian Public Utility Credit Insutute)

	Lire		U. S. Dollars	
Profits—	*1926	§1925	*‡1926	†§1925
Interest accrued during the first year on amortization of loans	.....	5,437,500	.....	$217,500
Interest on loans granted	45,657,575	956,597	$1,776,080	38,264
Interest on Govt. securities held by Istituto (Treasury bills)	316,660	366,471	12,318	14,659
Interest on "carry over" transactions	855,219	1,232,188	33,268	49,287
Interest on several assets	598,100	22,565	23,266	903
Commission on loans	689,909	1,500,000	26,837	60,000
Sundry profits and receipts	2,739,029	.....	106,548	.....
Total profits	50,856,492	9,515,321	$1,978,317	$380,613
Liabilities and losses—				
Interest on bonds outstanding	43,780,900	4,500,000	$1,703,077	$180,000
Interest for anticipated payment of net proceeds of bonds	.....	786,360	.....	31,454
Commissions and dues	132,325	.....	5,148	.....
Sundry interest charges	39,378	.....	1,532	.....
Emergency expenses	106,566	.....	4,145	.....
Taxes and charges	147,668	77,927	5,744	3,117
Expenses incurred in making preparations for service of bonds	67,333	107,051	2,619	4,282
Management expense	249,399	166,495	9,702	6,660
Sundry expenses	111,727	55,594	4,346	2,224
Installation expenses	.....	45,026	.....	1,801
Amortization of difference in placing bonds	385,000	191,000	14,976	7,640
5.15% of income placed to the reserves	52,034	.....	2,024	.....
Special reserve	2,500,000	1,000,000	97,250	40,000
Reserve fund for security fluctuations	200,000	.....	7,780	.....
	47,772,330	6,929,453	$1,858,343	$277,178
Net profits	3,084,162	2,585,868	$119,974	$103,435

*Year ended Dec. 31, 1926. §Period Oct. 1, 1924 to Dec. 31, 1925. †Lire converted at rate of $0.04 per lira. ‡Lire converted at rate of $0.0449 per lira.

GENERAL BALANCE SHEET, DECEMBER 31

(Italian Public Utility Credit Institute)

	Lire		U. S. Dollars	
Assets—	1926	1925	1926	1925
Capital subscribed and to be paid up	70,000,000	70,000,000	$3,143,000	$2,800,000
Long term loans securing internal bond issue	147,668,060	149,241,029	6,630,296	5,969,641
Long term loans securing dollar bond issue	493,524,372	497,680,000	22,159,244	19,907,200
Treasury bonds	1,075,000	10,520,500	48,267	420,820
Credit in drawing account at Bank of Italy	7,101,429	5,643,166	318,854	225,727
Credit with Bank of Italy—account amount paid in advance for National Loan	1,000,000	.....	44,900	.....
Credit on current account with sundry banks	13,001,471	.....	583,766	.....
Credit on current account with banks on behalf of borrowing companies	5,787,594	.....	259,863	.....
Sundry debtors	201,531	.....	9,049	.....
Short term loans	11,000,000	12,000,000	493,900	480,000
Items to be accounted for in next fiscal year	.....	67,333	.....	2,693
Furniture	1	1	.....	.....
Discount on bonds sold	11,424,000	11,809,000	512,938	472,360
Total	761,783,458	756,961,029	$34,204,077	$30,278,441

GENERAL BALANCE SHEET DECEMBER 31 (Continued):

Liabilities—	Lire 1926	Lire 1925	U. S. Dollars 1926	U. S. Dollars 1925
Capital stock	100,000,000	100,000,000	$4,490,000	$4,000,000
Bonds issued in lire	147,100,000	149,055,000	6,604,790	5,962,200
Dollar bond issue	493,524,372	497,680,000	22,159,244	19,907,200
Bonds to be retired	565,000	655,000	25,369	26,200
Bonds called by lot	.....	290,000	.....	11,600
Interest accrued on bonds	4,885,950	4,500,000	219,379	180,000
Taxes and dues	222,288	74,620	9,981	2,985
Due to Credit Consortium for Public Works	1,881,563	.....	84,482	.....
Debt to borrowing companies	5,787,594	.....	259,863	.....
Various creditors	613,740	516,260	27,557	20,650
Items to be accounted for in next fiscal year	4,979	604,281	224	24,171
Statutory reserve fund	269,277	.....	12,090	.....
Special reserve fund	3,541,343	.....	159,006	.....
Reserve fund for security fluctuations	200,000	.....	8,980	.....
Surplus	3,187,352	3,585,868	143,112	143,435
Total	761,783,458	756,961,029	$34,204,077	$30,278,441

NOTE—Lire converted at rate of $0.04 per lira.

Officers: Alberto Beneduce, Pres.; Cesare Ferrero di Cambiano, V-P.; Salvatore Pantano, Sec.; Italico Pirro Francescato, Head Accountant.

Directors: Alfredo Bruchi, Siena; Arnoldo De Frigyessy, Edgardo Morpurgo, Trieste; Salvatore Gatti, Cesare Ferrero Di Cambiano, Lino Galli, Gino Olivetti, Rome; Guiseppe Fabris, Turin; Ignazio Mormino, Palermo; Edmondo Valdiserra, Milan; Tommaso de Angelis, Naples.

General Office, Rome, Italy.

PUGET SOUND TELEPHONE COMPANY

History and Property—Incorporated Jan. 7, 1916, in the State of Washington; consolidation of Puget Sound Independent Telephone Co. and a part of the Pacific Telephone & Telegraph Co. Company controls and does practically the entire local and long-distance telephone business in Snohomish and Skagit Counties, and in parts of King and Whatcom Counties, Wash., serving a population of 113,489. Among the cities and towns served are Everett, Anacortes, Mount Vernon, Sedro Woolley, Snohomish, Arlington, Stanwood, Monroe, Marysville, Burlington and Duvall. Operates as a "connecting company" of the Pacific Telephone & Telegraph Co., and the Bell System. No. of exchanges, 16; telephones, 16,709 miles of wire, 30,059.

CAPITAL STOCK

Authorized, $1,200,000 (increased from $200,000 in 1927) Common and $1,800,000 Pfd.; outstanding, $500,000 Common, $213,100 7% cumulative Pfd., Series "A," and $336,600 6% cumulative Pfd., Series "B"; par $100.

Preferred Stock Provisions—Has preference as to assets as well as dividends. Is subject to redemption on three months' notice at 115. No additional Pfd. stock may be issued unless net earnings for preceding year are at least twice dividend requirements on Pfd. outstanding and to be issued. In the event of liquidation, voluntary or involuntary, Pfd. stock is entitled to par and accrued dividends.

Original Offering—First publicly offered ($200,000 6% cumulative Pfd., Series "B") in July, 1927, at 98 and dividend to yield over 6.12% by Blyth, Witter & Co., and Peirce, Fair & Co., Seattle, etc.

Annual Meeting—In January.

Dividends—Preferred dividends are payable quarterly, J, A, J & O 2. On Common, dividends have been paid as follows: 1922, 23½%; 1923, 35%; 1924, 62%; 1925, 159.06%; 1926, 150.61% ($45,000 cash and $136,800 stock); 1927, 325.33% ($56,210 cash and $171,200 stock).

FUNDED DEBT

$1,200,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JULY 1, 1952

Dated July 1, 1927.

Interest Payable January and July 1 at The First National Bank of Everett, Everett, Wash

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The First National Bank of Everett, Everett, Wash.

Provisions of Issue—Authorized, $1,500,000 Series "A" 5s, due 1952; issued, $1,200,000. The balance of $300,000 authorized Series "A" bonds are to be retained in the treasury of the Company until their sale is authorized from time to time by resolutions of the Board of Trustees. Additional bonds may be issued under this Mortgage in series with such maturity dates, interest rates, redemption features and other special provisions not inconsistent with the mortgage, as may be determined by the Board of Trustees. Such additional bonds may be issued (a) to refund, retire or replace Series "A" or any other bonds issued under this mortgage; and (b) for not to exceed 70% of the actual cash cost of additions, extensions and betterments. No additional bonds shall be issued unless net earnings available for interest for a period of 12 consecutive months during 15 months immediately preceding shall have been not less than two times annual interest requirements, exclusive of sinking funds, of the total funded debt of the Company including the bonds proposed to be issued.

Purpose of Issue—Proceeds of this issue of $1,200,000 First Mortgage bonds and of $200,000 6% cumulative Pfd. stock, Series "B", were to be used to retire $50,000 First Mortgage 5% bonds and $1,076,400 First Mortgage 6% bonds due Feb. 1, 1936, to reimburse the Company for funds advanced in payment of $225,000 Farmers Mutual Independent Telephone Co. First Mortgage 6% bonds which matured April 1, 1927, and for other corporate purposes.

Callability—Subject to call as a whole but not in part upon 60 days' notice on July 1, 1937, or any interest date thereafter at 105 and interest

Sinking Fund—The Mortgage provides for a semi-annual sinking fund of $10,000 beginning Jan. 1, 1928, to be applied by the Trustee to the purchase of Series "A" bonds at prices up to and including 97½% of their face value. Payments to the sinking fund are not required during the time that moneys in such sinking fund amount to $20,000. Bonds acquired for the sinking fund are to be cancelled and are not to be reissued or replaced.

Security—Upon completion of financing, these bonds will constitute the only funded debt of Company and will be secured by a first mortgage upon all properties now owned or hereafter acquired. Valuation of the properties as fixed by the State Department of Public Works for rate making purposes on Dec. 31, 1921, was $1,950,000, and for sales purposes was $2,500,000. Additions and betterments from Dec. 31, 1921, to June 1, 1927, amounted to $673,042, giving a total rate base valuation of $2,623,042.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Peters & Powell, Seattle, Wash.

Original Offering—First publicly offered ($1,200,000) in July, 1927, at 96½ and interest, to yield over 5.25%, by Blyth, Witter & Co., and Peirce, Fair & Co., San Francisco, etc.

BONDS RETIRED

All of the First Mortgage 5% Bonds and First Mortgage 6% Bonds dated Feb. 1, 1916 and due Feb. 1, 1936, were called for redemption on Aug. 1, 1927, at 105 and interest at Dexter-Horton National Bank, Seattle, Wash.

As of August 1, 1927, the Company issued $300,000 of its Common stock and $130,000 6% Series "B" Pfd. stock in exchange for $430,000 of its Second Mortgage Gold 5s, due June 1, 1936. These bonds were delivered to the Trustee for cancellation and satisfaction of the mortgage.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$784,890	$750,455	$733,610	$697,993	$667,046	$619,563
Operating expenses, taxes, etc	547,974	505,710	488,661	468,701	348,728	343,616
Depreciation					106,589	100,808
Net earnings	$236,916	$244,745	$244,949	$229,292	$211,728	$175,139
Interest charges	$81,792	$102,432	$104,384	$97,392	$93,813	$89,847
Rentals, etc	64,424	43,049	39,936	37,750	37,260	38,341
Other charges	4,626	8,766	3,422	5,574	3,211	3,022
Total charges	$150,842	$154,247	$147,742	$140,716	$134,284	$131,210
Balance available for dividends	$86,074	$90,498	$97,207	$88,576	$77,445	$43,930

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$2,579,763	$2,461,399	$2,370,025	$2,280,751	$2,136,146	$2,044,376
Less reserve for accrued depreciation	755,697	694,463	662,833	606,908	573,472	514,030
	$1,824,066	$1,766,936	$1,707,192	$1,673,843	$1,562,674	$1,530,346
Cash	108,644	64,594	66,024	9,608	84,270	52,294
Marketable securities	210,937	129,217	113,966	42,717	180,316	204,567
Bills receivable	6,013	36,233	33,264	30,520	42,451	34,172
Due from subscribers and agents	42,102	26,509	24,786	25,755	19,552	18,281
Accounts receivable, less reserve for bad debts	20,989	11,455	2,329	*139	103,449	137,755
Materials and supplies	68,763	72,204	66,578	73,153	52,277	46,607
Unmatured interest, not due	303	727	945	5,507	5,145	4,331
Deferred debit items	134,837	112,504	104,295	103,654	83,544	86,343
Total	$2,416,654	$2,220,379	$2,119,380	$1,964,618	$2,133,678	$2,114,696
Liabilities—						
Common stock	$500,000	$55,000	$55,000	$55,000	$200,000	$200,000
Preferred stock	549,700	172,000	.....	.....	.....	.....
Installments on Pfd. stock subscriptions	2,639	4,247	.....	.....	.....	.....
Funded debt	1,200,000	1,686,900	1,697,900	1,647,900	1,712,200	1,751,200
Bills payable	.....	.....	11,883	12,783	12,882	3,500
Audited vouchers and wages	64,804	34,284	29,692	24,227	28,102	21,886
Accounts payable to system corp	.....	.....	5,600	5,600	2,991	2,991
Miscell. accounts payable	3,105	4,792	†11,350	†7,306	35	48
Matured interest, dividends & rent unpaid	592	28,677	129,273	100,793	41,985	25,986
Other current liabilities	.....	.....	100	.....	.....	.....
Taxes accrued	63,045	60,610	51,728	50,956	45,887	37,919
Other accrued liabilities	.....	30,646	31,235	29,449	30,806	29,797
Surplus invested in sinking funds	.....	24,977	.....	.....	.....	.....
Surplus reserved	198	.....	.....	.....	.....	.....
Corporate surplus	32,571	118,246	118,320	45,216	58,790	41,369
Total	$2,416,654	$2,220,379	$2,119,380	$1,964,618	$2,133,678	$2,114,696

* Debit. † Credit.

Officers: W. N. Winter, Pres. & Gen. Mgr.; C. M. Twelves, V-P., Treas., Supt. & Pur. Agt.; H. C. Allen, Sec., Everett, Wash.

Directors: W. N. Winter, H. C. Allen, C. M. Twelves, Everett, Wash.

General Office, Everett, Wash.

INTERBOROUGH RAPID TRANSIT CO.

History—Incorporated May 6, 1902, under the General Railroad Law of N. Y. State, and in accordance with the provisions of the Law of 1902, Chapter 544, amending the Rapid Transit Act of 1891, Chapter 4; corporate life to be perpetual. Operates the tunnel rapid transit system built and owned by the City of New York, the first portion of which was opened for traffic on Oct. 27, 1904. The tunnel is leased for a period of 50 years from the date of the completion of the railroad, together with the right of renewal for a further period of 25 years from expiry of the original term. The lease provided that the lessee was to operate the system and to furnish all necessary equipment.

In July, 1902, acquired the entire capital stock (except directors' shares) of the Rapid Transit Subway Construction Co., which constructed the above subway and a tunnel under the East River to Brooklyn. The railroad in the Brooklyn tunnel is leased to the Interborough Co. for 35 years with the privilege and obligation on the part of the contractor of operating the railroad for a further period of 25 years. This latter clause of the contract was assigned in Aug., 1905, to the Interborough Co. On Jan. 9, 1908, the East River tunnel from Bowling Green, Manhattan, to Borough Hall, Brooklyn, was opened, and on May 1, 1908, the extension to the Long Island R.R. Depot at Flatbush and Atlantic Aves., Brooklyn, was put in operation.

The rentals payable under both of the leases to the City of New York are as follows: (1) An amount equal to the interest on bonds issued by the City to provide funds for the construction of the road, which is at present at the rate of 3.05% per annum, in respect to Contract No. 1, and 3.865% in respect to Contract No. 2. (2) A further amount, not exceeding 1% per annum, upon the amount of bonds so issued, with the exception of certain bonds issued to acquire rights of way, but payable: (a) For the first five years, only out of net income operations under the lease, after allowing a return of 5% per annum upon the capital of the operating company invested in the enterprise; (b) for the next five years, a fixed payment of ½ of 1%—the remaining ½ of 1% to be paid out of surplus income from operations under the lease, after allowing a return of 5% per annum upon the capital of the operating company, invested therein; (c) thereafter, a fixed payment at the full rate of 1% per annum. It is agreed that at the termination of the lease, the City shall purchase from the operating company, at a fair valuation, the entire equipment, including power houses, rolling stock and other appliances, tools, etc.

Interest in Other Companies—In March, 1906, and June, 1916, the Interborough Rapid Transit Co. acquired all of the 20,000 shares of stock of the Subway Realty Co., but sold the stock in February, 1924, to the Park Avenue Operating Co. Company now owns over 99% of the stock of N. Y. & Queens County Ry. (see appended statement) and half of the stock and bonds (the other half being owned by the Long Island RR.) of the New York & Long Island Traction Co., and the Long Island Electric Ry. Co.

Protective Committee for Bonds and Notes—In view of the traction situation in New York City, the following named consented to act as a committee to further the interests of the holders of First and Refunding 5% bonds and the Three-Year Secured Convertible 7% notes. Deposit of securities was not desired, but holders were urged to send to the Secretary of the Committee their names and addresses, in order that future communications from the Committee might promptly be received. Committee: J. P. Morgan, Chairman: Frederic W. Allen, George F. Baker, Jr., Allen B. Forbes, G. Hermann Kinnicutt, H. C. McEldowney, John J. Mitchell, Dwight W. Morrow, Edward D. Duffield, Haley Fiske, Darwin P. Kingsley and Charles E. Mitchell, with William Ewing, Secretary, 23 Wall St., New York; Stetson, Jennings & Russell, Counsel, and Bankers Trust Co., New York, Depositary.

Plan of Readjustment Dated May 1, 1922

The plan of readjustment for the Interborough Rapid Transit Co. and the Manhattan Ry. Co., outlined below, was declared operative as of Nov. 25, 1922, by the concurrent action of the three committees representing the different security holders.

Summary of the Main Features of the Plan

Modification of Manhattan Dividend Rental—The Manhattan rental is to be payable out of the earnings of the combined systems after the payment of fixed charges and is to be at the following rates:

For the fiscal year beginning July 1, 1922, 3%.
For the fiscal year beginning July 1, 1923, 4%.
For the fiscal year beginning July 1, 1924, 5%.
For each subsequent year thereafter, 5%.

Such dividend rental shall be payable quarterly, J, A, J & O 1, beginning Oct. 1, 1922. These preferential payments are to be cumulative and must be made to the Manhattan stockholders if the earnings exist.

In case 4% dividends should be paid in any year upon Interborough stock, any further distribution of dividends for that year is to be divided upon a prescribed basis between the Interborough stock and the Manhattan stock until the total dividends upon the Manhattan stock for that year have reached 7%. The aggregate dividend rental to the Manhattan Co. for any one year shall not exceed 7%.

Interborough Dividends Limited to 7%—No dividends shall be paid upon the capital stock of the Interborough Co. (a) before July 1, 1926, nor (b) out of income accruing prior to that date, nor (c) unless and until the foregoing Manhattan accumulated dividend rental and all taxes upon the Manhattan property and all dividend rentals accruing to and including July 1, 1922, shall have been paid in full. The dividends to be paid upon the stock of the Interborough Co. in any year prior to July 1, 1950, shall not exceed 7%. At no time shall the Interborough Co. make any distribution of corporate assets except by way of dividend on its stock. After July 1, 1950, no dividend shall be paid in excess of 7% per annum and no other distribution of corporate assets shall be made if the result of such dividends or distribution will be to reduce the aggregate net value of the assets of the Interborough Co. below $35,000,000, unless such dividend or distribution shall have received the consent of the Board of Directors of the Manhattan Co.

Maintenance and Improvement of Manhattan Property—Provision is made to insure the application of a proper amount to the maintenance and improvement of the Manhattan property, including the installation of turnstiles at stations and pneumatic control doors for cars.

Sinking Fund Waived—The interest payments on the Interborough 5% First Mortgage bonds and on the Secured Notes is to continue uninterrupted, but in order to increase the amounts available for the improvement of the Interborough properties and other capital purposes, the sinking fund in respect of the Interborough 5% Mortgage bonds is to be waived for a five-year period, so that no sinking fund instalments will be payable until July 1, 1926.

Extension of Interborough Notes—90% of the $38,144,000 Interborough secured notes, maturing Sept. 1, 1922, are to be extended for a period of ten years, the remaining 10% to be paid in cash within sixty days after the plan is declared operative. The notes shall carry interest at the rate of 7% per annum, payable semi-annually, to be represented by new coupons.

New Ten-Year 6% Notes—To provide for capital expenditures the Interborough Co. will create its 10-Year 6% Gold Notes to the authorized amount of $15,000,000, of which it is intended presently to issue $10,500,000. Until the payment of these notes the Interborough Co. will not sell or issue any First & Refunding Mortgage bonds, except upon the conversion of its Secured Convertible Gold Notes (or renewals or extensions thereof) or for the purpose of paying the principal of these 10-Year 6% Gold Notes.

Participation in Plan by Holders of Interborough Rapid Transit Co. Stock—Holders of Interborough Rapid Transit Co. stock (of which $1,087,500 is in the hands of the public) shall be entitled to participate in the plan by purchasing at their principal amount and accrued interest new Interborough Ten-Year 6% Gold Notes to the extent of 32% of the par value of their stock or at their option by surrendering 60% of their stock for delivery to the underwriting syndicate. Stockholders shall make their election in this regard at the time of their assent to the plan. The purchase price of the new notes shall be payable on thirty days' notice after the plan is declared operative.

Directorate Increased—Under the "Plan" the number of directors was increased from fifteen to eighteen and of this number nine shall be designated by a committee representing stockholders, three by the New York Transit Commission, three by a committee representing Interborough Rapid Transit Co. First Ref. Mortgage 5s and three by a committee representing Manhattan Ry. Co. stockholders.

SECURITIES OUTSTANDING BEFORE ADOPTION OF PLAN

Interborough Rapid Transit Co. 5% First and Refunding Mortgage bonds		*$154,446,000
Interborough Rapid Transit Co. Extended Secured Convertible Gold notes, due Sept. 1, 1922	$37,445,300	
Interborough Rapid Transit Co. Secured Convertible Gold notes, not extended	669,100	
Total of notes		‡38,144,400
Manhattan Ry. Co. 4% bonds (two issues)		45,206,000
Manhattan Ry Co. 7% Guaranteed stock		60,000,000
Interborough-Metropolitan Co. Collateral Trust 4½% gold bonds (secured by Interborough Rapid Transit Co. stock originally pledged at the rate of $500 par value of stock for each $1,000 principal amount of bonds)		†63,808,000
Interborough Rapid Transit Co. stock in hands of public		1,087,500

*Exclusive of $7,660,000 of bonds now in the Sinking Fund. †This amount is exclusive of $3,543,000 of bonds that have been purchased by Interborough Consolidated Corp. for a sinking fund and $474,000 of bonds otherwise reacquired by that company, all of which bonds are held by its Trustee in bankruptcy, making the total amount issued $67,825,000. ‡Secured by the pledge (at about 64%) of $59,602,000 First and Refunding Mortgage bonds.

SECURITIES OUTSTANDING, DECEMBER 31, 1927

Interborough Rapid Transit Co. Capital stock (par value $100 per share)	$35,000,000
Interborough Rapid Transit Co. 5% First and Refunding Mortgage bonds	*166,468,000
Interborough Rapid Transit Co. Ten-Year 7% Notes	†33,568,860
Interborough Rapid Transit Co. Three-Year 7% Notes	‡15,700
Interborough Rapid Transit Co. Ten-Year 6% Gold Notes	10,500,000
Interborough Rapid Transit Co. Equipment Trust Certificates dated Mar. 15, 1923 (Series "A")	280,000
Interborough Rapid Transit Co. Equipment Trust Certificates dated Jan. 1, 1924 (Series "B")	450,000
Interborough Rapid Transit Co. Equipment Trust Certificates dated Nov. 1, 1924 (Series "C")	1,140,000
Manhattan Railway Co. 4% bonds (two issues)	45,206,000
Manhattan Railway Co. Capital stock	§60,000,000

*Including $16,748,000 bonds in the sinking fund but not including $848,000 in treasury. †Secured by the pledge of $58,232,000 First and Refunding Mortgage bonds. ‡Secured by pledge of $98,000 First & Refunding Mortgage bonds. §The Plan provides for dividend rental at 3% for the first year, 4% for the second, 5% for the third, and 5% for each subsequent year if earned.

Properties Operated—The Company operates the municipally owned underground railroad in New York City, popularly known as "the subway," comprising 249.39 miles of single track, and operates the Manhattan (Elevated) Railway, comprising the entire elevated railroad system in the Boroughs of Manhattan and the Bronx, 138.63 miles of single track, making a grand total of 388.02 miles of track.

The subways are owned by the City of New York, but all have been leased by the City to the Interborough Rapid Transit Co for a period extending until at least Jan. 1, 1966.

The real estate, power houses, sub-stations, rolling stock and other equipment employed in the operation of the existing subways are owned by the Interborough Rapid Transit Co., subject to the rights of the City under the leases.

The Interborough Rapid Transit Co. operates the property of the Manhattan Railway Company under a 999-year lease, from Nov. 1, 1875, at rental of interest on bonds and graduated dividends on stock and the new extensions to the elevated system under franchises granted by the City for periods of 85 years from the date of initial operation.

Out of the estimated cost of construction and equipment of new subways and elevated lines covered by said contract, the City will contribute over $66,000,000 for subways.

New Subways and Elevated Extensions

The contracts for the construction equipment and operation of the New Subways and Elevated Extensions were executed at the office of the New York Public Service Commission on March 19, 1913.

The new Subway Lines embraced in Contract No. 3, consist of additions to and extensions of the present subway System, covered by Contracts Nos. 1 and 2, and comprise 161.95 miles of single track, known respectively as the Astoria Line, Brooklyn Line, Corona Line, Clark St. Tunnel Line, Jerome Ave. Line, 149th Street Loops, Nostrand Ave. Branch, Lexington Ave. Line, Pelham Bay Park Line, Seventh Ave. Line, White Plains Rd. Line, and Queensboro Subway.

Contract No. 3 provides for the construction of the railroads above described together with the necessary terminals, storage yards and shops, by the City of New York and that the Company, the Lessee of said lines, shall contribute towards the cost thereof $58,000,000, unless the total cost shall be less than $116,000,000, in which case the Lessee's contribution shall be adminished by one-half the difference between $116,000,000 and the total sum of construction. The Lessee is to be deemed to have contributed the sum of $3,000,000 towards the cost of constructing the said railroads upon the assignment to the City by it of the railway known as the "Belmont Tunnel."

The Lessee shall provide at its own expense such equipment for the said railroads as shall be adequate to the requirements of the traveling public, not to exceed an estimated cost to the Company for initial operation of $22,000,000.

The City by the said Contract leases the said lines of railroad and their equipment to the Company for operation in conjunction with its existing railroads and equipment operated under Contracts Nos. 1 and 2 for a term of 49 years, beginning Jan. 1, 1919, and expiring Dec. 31, 1967.

The City reserves the right, upon notice at any time after the expiration of ten years from the date of initial operation to terminate the lease, upon all or certain specified groups of the new subways, upon payment to the Company of a sum of money which, with sinking fund accruals, will be sufficient to retire at 110 all outstanding bonds issued in respect thereto. These payments are to be received by the Trustee and applied to the redemption of the bonds. Provision is made for the equitable substitution of the downtown branch of the existing subway for the new downtown branch of the projected subway, or of the uptown branch of the existing subway for the new uptown branch of the projected subway (thus making a direct longitudinal line either upon the east side or upon the west side of the City); but in this event the branch taken over by the Interborough Company in exchange for the branch given up, is not to be subject to termination upon notice.

The leases from the City under which the Company now operates the existing subways are modified so as to expire contemporaneously with the lease of the new subways, but are not subject to termination by notice except as, in accordance with the provisions of the contract, portions thereof may be taken over in substitution for the Seventh Ave. branch or the Lexington Ave. branch of the new subways.

Rentals to be Paid the City—The lease provisions of Contract No. 3 provide that the gross receipts of the railways constructed under Contracts Nos. 1 and 2, hereinafter collectively termed the "Existing Railroads," and those constructed under Contract No. 3, hereinafter collectively termed the "Railroad," shall be combined during the terms of the latter Contract and that the City shall receive as rental a specified part thereof to be determined as follows:

From the said gross revenue the Lessee shall deduct (proportionately at the end of each quarter year), in the order named:

1. (a) The rentals required to be paid to the City under Contract No. 1 and Contract No. 2 for the Existing Railroads in the amount payable when the term of the lease begins.

(b) Such rentals, actually and necessarily payable by the Lessee for the use of other property in connection with the Railroad and the Existing Railroads, under contracts or leases approved by the Commission, as are not included in operating expenses in the accounting system prescribed by the Commission.

2. Taxes and such assessments for benefits as are not properly chargeable to cost of construction or cost of equipment.

3. All expenses, exclusive of maintenance actually and necessarily incurred by the Lessee in the operation of the leased Railroads.

4. An amount equal to 12% of the revenue for maintenance of said Railroads, exclusive of depreciation.

5. For the first year of operation under the lease an amount equal to 5% of the revenue for depreciation and for the subsequent years of the lease such allowances for depreciation and excess maintenance as may be determined by the Commission and the

Lessee. The said 5% for the first year of operation and such amounts as may be determined for future years as aforesaid shall be paid into certain depreciation funds for which the contract makes provision.

6. The sum of $6,335,000 to be retained by the Lessee for each year of the term of the lease as representing the average annual income from the operation of the Existing Railroads.

7. An amount equal to 6% of the Lessee's contribution towards the cost of construction of the Railroad and the cost of equipment of the Railroad for initial operation (such contribution and such cost of equipment, however), not to exceed $80,000,000, out of which the Lessee shall set aside amounts, sufficient, with interest and accretions thereon, to amortize within the terms of the lease such contributions and such cost.

8. An amount representing the annual interest upon the cost of any additional equipment, furnished by the Lessee, plus 1% for amortization.

9. An amount representing the annual interest upon the cost to the Lessee of construction of additions to the Railroad and Existing Railroads, plus 1% for amortization.

10. An amount to be paid to the City equal to 8.76% of the portion of the cost of construction of the Railroad, exclusive of additions, paid by the City.

11. An amount to be paid to the City representing the annual interest charge to the City upon its share of the cost of each additional unit of additions to the Railroad and Existing Railroads, together with an amount equal to 1% thereof for its amortization.

12. 1% of the revenue shall be paid quarterly into a separate fund until and to the extent that may be necessary to create and maintain a contingent reserve fund, equal to 1% of the cost of construction and the cost of equipment of the Railroad, or of the portion thereof remaining in operation.

13. The amount remaining after making all such deductions shall be deemed to be the income, earnings and profits of the leased Railroads, which income, earnings and profits shall be divided, 50% to be paid to the City, and the remaining 50% to be retained by the Lessee.

If in any quarter year the revenue shall be insufficient to meet the various obligations and deductions aforesaid in respect to said revenue, the deficits shall be cumulative and payments of such deficits shall be thereafter made in full before deducting the amounts required in the paragraph succeeding the paragraph providing for the payment of the obligations or deductions as to which there has been such deficit. Interest shall be payable upon such deficits at the actual rate payable by the Lessee or the City, or in the event that the Lessee or the City should not borrow money for the purpose of paying such deficits, then at the average rate of interest payable by the Lessee or the City on long term securities issued for the purpose of carrying out their obligations under this Contract. Interest upon such deficit shall semi-annually be added to and form a part of the cumulative deficits.

Manhattan Railway Certificate

The Manhattan Ry. Co. was, by the Certificate of the Public Service Commission dated March 19, 1913, authorized to construct, equip and operate certain additional tracks as a part of its elevated system on the Second, Third and Ninth Avenue Lines.

The licenses granted for the additional tracks above referred to shall be held by the Manhattan Ry. Co. for a period of 85 years from the date on which it shall first begin operation of any part of any of the railroads in question.

As compensation there shall be payable by the Manhattan Company to the City from the gross receipts from the transportation of passengers and property for each year or portion thereof, of each station served by express trains upon such line a sum equal to 2% of the excess of such gross receipts over the gross receipts of the same station from the transportation of passengers and property for the year ended June 30, 1911, or for a corresponding portion of such year; but no percentage of the gross receipts of intermediate local stations shall be required to be paid. The amounts to be so paid shall be readjusted at the end of 25 years, and thereafter at intervals of 20 years.

Interborough Certificate

The Interborough Rapid Transit Co. was, by the Certificate of the Public Service Commission dated March 19, 1913, authorized to construct, equip and operate certain extensions and connections of the Manhattan Railway System as follows: Webster Avenue Line, Eighth Avenue and 162nd Street Connection, Queensboro Bridge Line and West Farms Subway Connection.

The licenses granted for the extensions above referred to shall be held by the Interborough Company for a period of 85 years from the date on which the Interborough Company shall first begin operation of any sort on any of the railroads in question, unless sooner terminated as provided in said Certificate.

After the beginning of operation of any part of the extensions the net profits upon all elevated lines operated by the Interborough Company, including additional tracks to be added thereto under the Manhattan Certificate, in excess of the average annual net profits of the existing Manhattan Railway for the two years ended June 30, 1910 and 1911, shall be ascertained and one-half of the amount remaining of the said excess of net profits, after deducting therefrom the rental for additional tracks, shall be deemed to be the compensation payable to the City by the Interborough Company. The amount of excess net profits shall be ascertained by first deducting taxes, rentals not chargeable to operating expenses, including rentals payable to the Manhattan Ry. Co. for the use of property in connection with the Company Lines under contracts or leases, operating expenses, maintenance, depreciation, interest and sinking fund on bonds for extensions, additional tracks, power houses, equipment or additions to the Company Lines, and an amount to be retained by the Interborough Company equal to $1,589,348 as representing the average net profits of the existing Manhattan Railway for the two years ended June 30, 1910 and 1911, provided, however, that if the Federal corporation tax be held to be payable in respect of dividends on the stock of the Manhattan Ry. Co. the aforesaid amount shall be reduced to the sum of $1,547,351.

The completed system consists of a line from 242nd Street and Broadway (Van Cortlandt Park) via Broadway to a connection with the Seventh Avenue Subway at 45th Street, Times Square, there being two and three tracks above 96th Street and four tracks below 96th Street; also a line from 241st Street and White Plains Road, consisting of a three-track viaduct structure via White Plains Road to 179th Street and Boston Road, West Farms, where it joins the West Farms Branch of the present Subway which connects with the Broadway Subway at 96th Street and thence to Times Square where it connects with the Seventh Avenue Subway.

The new Seventh Avenue Subway is a four-track road extending under Seventh Avenue, Varick Street and West Broadway to Chambers Street; beyond this point it is a two-track road under Greenwich Street and Battery Park to South Ferry, where it connects with South Ferry Loop of old subway. Also a two-track subway from Chambers Street and West Broadway under Park Place, Mail, Beekman and William Streets, Old Slip and through Clark Street Tunnel and under Clark and Fulton Streets, Brooklyn, to a connection with old subway (which is a four-track line), just east of Borough Hall; thence to Atlantic Avenue, where a junction is made with Eastern Park-

way Line, which is a four-track double deck subway, under Flatbush Avenue and Eastern Parkway to Buffalo Avenue, where it curves into East 98th Street and will continue as an elevated two-track structure (with provision for an additional track), along East 98th Street and Livonia Avenue to terminus at New Lots Avenue and East New York. At Nostrand Avenue a two-track subway extends from Eastern Parkway Line southerly under Nostrand Avenue to terminus at Flatbush Avenue (Vanderveer Park).

The Jerome Avenue line runs from Woodlawn Road and Jerome Avenue as a three-track viaduct structure, on Jerome and River Avenues to 157th Street, continuing as a three-track subway under Mott Avenue to a point south of East 138th Street, where it becomes a two-track subway joining the Lexington Avenue Subway at 135th Street and Park Avenue.

The Pelham line starts at Pelham Bay Park and Westchester Avenue as a three-track viaduct structure, runs along Westchester and Whitlock Avenues to portal at Aldus Street, there becoming a three-track subway, running under Southern Boulevard and 138th Street to Rider Avenue and 138th Street, where it becomes a two-track structure and joins the Lexington Avenue Subway at 135th Street and Park Avenue. The four-track subway formed by the junction of the Pelham and Jerome Avenue lines continues south through the Harlem River tunnel and on a double deck structure under Lexington Avenue to junction with old subway at 38th Street and Park Avenue over which line it connects with South Ferry and the old Brooklyn Subway via Bowling Green.

A shuttle under 42nd Street connects the East and West Side subway lines.

The Queensboro lines consist of a three-track viaduct structure from Corona along Roosevelt Avenue and Queens Boulevard to a point west of Skillman Avenue, and two tracks to Queensboro Plaza where it is joined by Astoria Line, which is a three-track viaduct structure from Ditmars Avenue on Second and Jackson Avenues to a point south of South Washington Place, and two-track to Queensboro Plaza, from which point a two-track connection is made with Second Avenue elevated line by means of Queensboro Bridge. From this point also a two-track viaduct structure extends on Ely Avenue and Davis Street to portal at Hunters Point Avenue, continues as a two-track subway from Hunters Point Avenue, under 4th Street and East River and under 42nd Street, Manhattan, to Grand Central Station.

Construction, year ended June 30, 1927—Repairs and improvements to the Railroad were continued during the year, including the reinforcement of ends of longitudinal girders of the 3rd Avenue Line between Bent No. 473, near 36th Street, and Bent No. 286, at 6th Street.

The easterly pile cluster adjacent to the north rest pier of the 129th Street Drawbridge was redriven and the timber fender of the pivot pier of the 158th Street Drawbridge renewed. A new balance wheel track was installed on the pivot pier of the 129th Street Drawbridge.

Rebuilding of eleven column foundations of the 2nd Avenue Line, between 77th and 81st Streets, in order to remove the present bases which project above the street surface, is in progress.

Of the seventeen column foundations of the Sixth Avenue Line structure on the east side of West Broadway, between Spring and West 3rd Streets, to be rebuilt, nine have been completed.

The repairing of stringer I-beams which support ties of the Sixth Avenue Line pin connected structure has been completed.

Changes and additions at 149th Street and 3rd Avenue Elevated Station have been completed and placed in service. Work involved construction of new mezzanine at Bent No. 162 connecting with platforms by means of the two stairs south of Bent No. 162 and two new stairs north of Bent No. 162. From the mezzanine a stairway leads to street level where it connects with stairs and tunnels built by the City, leading to the Subway.

The work of installing interlocking plants north of 149th Street Station and at 164th Street, 3rd Avenue Line, is practically completed.

An additional stairway leading from platform to north east corner of 86th Street and Broadway, Broadway-7th Avenue Line, was completed and placed in service as was also the new stairway at the south west corner of 167th Street and River Avenue, 167th Street Station, Jerome Avenue Elevated Line.

The Queensboro Subway Extension to 8th Avenue was sufficiently completed to permit of extending operation to the Times Square Station on March 14, 1927.

The construction of the Flushing Extension from Alburtis Avenue to Main Street, Flushing, with the exception of the Bridge over Flushing Creek, and a portion of the structure under reconstruction, due to settlement, has been completed. The electrical equipment, signal apparatus work, etc., is in progress. On May 7, 1927, shuttle train operation was extended from 111th Street Station to Willets Point Boulevard Station, west bound track.

At Corona Yard the inspection shed enclosure is 89% completed. Equipment work has not been started. At 148th Street-Lenox Avenue Yard the dock construction has been completed. The construction work under the Fourth Addition to Shops, including erection of Service Building No. 3, Oil House, Garage, Storehouse, etc., is in progress. Equipment work in connection therewith has been started.

At Pelham Yard the construction work has been completed and the equipment work is practically completed.

Steel rails were renewed on 6.10 miles of single track and 38,415 ties were replaced on the Manhattan Division, and on the Subway Division steel rails were renewed on 23.75 miles of single track and 12,975 ties were replaced.

In the 74th Street Power Station, there has been installed one 4,250 kilovolt-ampere transmission transformer, one 300 K. W. turbine driven exciter generator, one boiler feed pump. There has been installed in the 59th Street Power Station, one boiler feed pump. All of the above installations of power station equipment were made necessary by the increased demand for power due to additional service.

To Install Control Devices—On May 13, 1927 the New York Transit Commission adopted an order directing a hearing with respect to the safety and adequacy of the signal system and signal methods now used on the local tracks of the subway and elevated lines operated by Company. As a result of conferences, the Transit Commission adopted an order requiring the installation of signals at a total estimated cost of $12,535,000 through a period of ten years based upon a schedule of expenditures which it is estimated the Company can meet from earnings, the principal part of the work being scheduled to be performed during the years 1934, 1935 and 1936.

Dividend Litigation—Decision—Several suits were brought against Interborough Rapid Transit Co. in the State Courts of New York, in which holders of Manhattan Ry. Co. stock who did not assent to the Plan of Readjustment claimed their right to the full 7% guaranteed dividend. In February, 1924, Supreme Court at New York and July 16, 1925, Appellate Division of Supreme Court, at Albany, decided that Interborough Rapid Transit Co. must pay 7% rental to holders who dissented to modification plan.

Advertising Contract—The N. Y. Transit Commission on July 14, 1925 approved a contract executed by Company and the Street Railways Advertising Co. of New Jersey, of which Barron Collier is President. The contract gives to the Street Railways Advertising Co. the privilege of controlling the advertising and merchandise vending privileges on the subway and elevated lines of Company for the period of 18 years from Nov. 1, 1925.

Wage Agreement—On April 1, 1927, an arrangement was made putting into effect an increase of 5% in the rates of pay prevailing March 31, 1927. Subsequently, the Constitution of the Brotherhood of Interborough Rapid Transit Company Employees was modified by the men so as to give the General Committee of the Brotherhood authority to negotiate contracts for employment with the Company for definite periods of service, not exceeding five years. Acting under this authority, on June 30, 1927, a contract was entered into between the Company and the Brotherhood providing for a two-year period of service for each employee and providing that the rates of pay as increased April 1, 1927, and present working conditions (unless modified by mutual consent) are to remain in force for a period of two years, until April 30, 1929, and from year to year thereafter unless terminated by 30 days' notice in writing by either party.

Fare Increase Application—It was announced Feb. 2, 1928 that Company had applied to New York Transit Commission for permission to increase its fare of 5 cents to 7 cents, upon five days' notice. On February 14, 1928 Company filed a bill in equity in the U. S. District Court praying for an injunction to issue, restraining city and state authorities from interfering with the collection of a 7-cent fare on its lines. On February 14, 1928, the Transit Commission announced it had denied Company's plea for an increased fare. The matter was still in litigation at date of going to press.

EQUIPMENT OWNED AND LEASED, JUNE 30

	1927	1926	1925
Manhattan Ry. Division:			
Passenger Cars—			
Motor, closed	1,001	1,004	1,007
Trailer, closed	707	707	707
Trailer, open	3	3	4
Total	1,711	1,714	1,718
Service Cars—			
Pay, motor, closed	1	1	1
Instruction, motor closed	1	1	1
Box, motor	2	2	2
Other service cars, trailer	61	61	60
Total	65	65	64
Passenger Cars—			
Motor, composite closed	476	476	476
Total, Manhattan Ry. Div.	2,252	2,255	2,258
Subway Division—Contracts Nos. 1 and 2			
Passenger Cars—	1927	1926	1925
Steel, motor, closed	784	784	784
Steel, trailer, closed	352	352	352
Total	1,136	1,136	1,136
Service Cars—			
Pay, motor, closed	1	1	1
Instruction, motor, closed	1	1	1
Other service cars, motor	8	8	8
Other service cars, trailer	44	44	44
Total	54	54	54
Total, contracts Nos. 1 & 2	1,190	1,190	1,190
Subway Division—Contract No. 3:			
Passenger Cars—	1927	1926	1925
Steel, motor, closed	579	579	579
Steel, trailer, closed	217	217	217
Service Cars—			
Motor, steel pay	1	1	1
Total contract No. 3	797	797	797
Subway Division—Leased from N. Y. Trust Co.:			
Passenger Cars	1927	1926	1925
Motor, steel closed	250	250	179
Trailer, steel, closed	100	100	100
Total leased N. Y. Trust	350	350	279
Total cars of all descriptions	4,589	4,592	4,524

MILEAGE OPERATED JUNE 30, 1927

Division	Length of Road	Single Track	Two Track	Three Track	Four Track	Five Track	Sidings, Etc.	Total Single Track
Subway:								
Contracts Nos. 1 and 2	25.72	0.63	10.41	7.18	7.50	....	14.45	87.44
Contract No. 3:								
Atlantic Ave.	....	0.03	0.11	....	....	....	0.02	0.27
Astoria Line	2.33	....	0.31	2.02	....	....	0.19	6.87
Brooklyn Line	5.68	....	2.37	0.12	3.19	....	4.13	21.99
Corona Line	5.21	1.00	0.52	3.69	....	....	0.28	13.39
Clark St. Tunnel Line	2.31	....	2.31	....	....	....	0.05	4.67
Jerome Avenue Line	6.04	....	0.20	5.59	....	0.25	4.72	23.14
Lexington Avenue Line	5.00	0.05	....	0.08	4.42	0.45	0.93	21.15
149th Street Loops	0.55	0.55	....	....	....	....	....	0.55
Nostrand Avenue Branch	2.70	....	2.70	....	....	....	0.15	5.55
Pelham Bay Park Line	7.15	....	0.34	6.81	....	....	0.49	21.60
Queensboro Subway	3.50	....	3.26	....	0.24	....	0.41	7.89
Seventh Avenue Line	4.19	0.08	0.83	....	3.28	....	0.87	15.73
White Plains Road Line	4.88	....	0.18	4.37	....	0.33	4.03	19.15
Manhattan Division	37.18	....	6.79	27.39	2.84	0.16	20.40	128.31
8th Ave. and 162nd St. Connection	0.62	....	0.62	....	....	....	0.02	1.26
Queensboro Bridge Line	1.35	....	1.35	....	....	....	0.03	2.73
Webster Avenue Line	1.74	....	0.03	1.71	....	....	0.14	5.33
West Farms Subway Connection	0.50	....	0.50	....	....	....	....	1.00
Totals	116.65	2.34	32.83	58.96	21.47	1.19	51.31	388.02

CAPITAL STOCK

Authorized and outstanding, $35,000,000; par, $100.

Transfer Agent—Secretary's office, New York.

Registrar—Guaranty Trust Co., New York.

Annual Meeting—Fourth Wednesday in September.

Voting Trust—To carry out the provisions of the Plan of Readjustment a voting trust, consisting of Frank Hedley, Guy E. Tripp (deceased) and Frank L. Polk, as Trustees, was established to continue in force until Oct. 1, 1927 and renewed for five years to Oct. 1, 1932. The said trustees purchased at public auction the 339,128 shares of the company's stock pledged under the Interborough-Metropolitan Collateral Trust 4½s. In addition the 1,808 shares held hitherto by the Committee as constituted under an Agreement dated May 1, 1922, out of the 10,872 shares outstanding but not pledged, together with 2,818 additional shares have been deposited with the voting trustees, making a total of 343,754 shares now in possession of the trustees. The remaining 6,246 shares have not been deposited. The trustee shall possess and exercise all rights and powers of absolute owners of said stock, including the right to vote for every purpose and to consent to any corporate act of the company and to receive dividends on said stock. Upon the final expiration of the voting trust or its earlier termination pursuant to its provisions and upon surrender of any voting trust certificates then outstanding, the trustees will deliver certificates of stock to the holders of voting trust certificates.

Listed—Voting Trust Ctfs. are listed on New York Stock Exchange.

Price Range—

	1927	1926
High	52⅛	53¾
Low	30½	24½

Dividends have been paid as follows: July, 1904, 2%; 1905, 8¾%; 1906, 8½%; 1907 to July, 1911, at rate of 9% per annum. In Oct., 1911, the rate was advanced to 10% per annum, and 1% extra was paid, to bring the rate for that year to 10%; 1912, 10% regular and 5% extra paid June 19, 1912, mainly from dividend received on stock of Rapid Transit Subway Construction Co.; 1913, 10% regular, and 2% extra was paid May 15, 1913; 1914, 10% regular, and 5% extra; 1915, 10% regular and 10% extra; 1916 and 1917, 20% regular; Jan., 1918, 5%; April, 1918, 2½%; July, 1918, 2½%; Oct., 1918, 2½%; Jan. 2, 1919, 2½%; none since.

Under the Plan of Readjustment no dividend shall be paid on this stock before July 1, 1926, nor out of income prior to that date, until the Manhattan dividend rental at the new rates, including accumulations, shall have been paid. Also no dividends prior to July 1, 1950 shall exceed 7% in any year and after said date no dividends in excess of 7% nor other distribution of assets shall be made if such would reduce value of company's net assets below $35,000,000, unless consent of Manhattan Ry. Board of Directors shall have been received.

FUNDED DEBT OUTSTANDING DECEMBER 31, 1927

(1)

$149,720,000 FIRST & REFUNDING GOLD 5s; DUE JANUARY 1, 1966

Dated January 1, 1913.

Interest Payable January and July 1 at office of treasurer, 165 Broadway, New York.

Denominations—Coupon (principal may be registered) $1,000; and registered, $1,000, $5,000 and $10,000, or any multiple of $10,000 authorized by the Company. Coupon and registered bonds are interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized, $300,000,000; outstanding in hands of public (Dec. 31, 1927), $149,720,000. In addition to this amount $16,748,000 were held in sinking fund; $555,000 were held in treasury and $58,232,000 were pledged as security for the 10-Year 7% Secured Convertible Notes dated Sept. 1, 1922, and $98,000 pledged as collateral for the Three-Year 7% Notes, extended at 8%.

The remainder of the authorized issue of the bonds is issuable as follows: (a) To pay for construction of or for acquisition of or improvements to or equipment for lines of rapid transit railway operated by the company; (b) to pay for acquisition, construction or improvement of lines or tunnels under East River connecting lines operated by the company; (c) to refund indebtedness of company existing on April 1, 1906, or contracted by it after such date for one or more of the above specified purposes; (d) to refund indebtedness of any other corporation assumed or guaranteed by company, as provided in mortgage.

Under date of July 23, 1918, the Public Service Commission authorized the issue of $61,587,500 additional First & Refunding 5% bonds as follows: To provide funds required; (1) for completion of equipment under Contract No. 3, $33,098,500; (2) for additional tracks on the lines of Manhattan Ry. Co., and for equipment of elevated extensions built under Interborough Certificate, and for Manhattan Ry. power house improvement, $28,489,000. On the same date the Public Service Commission authorized the issue and sale at 95½ of Three-Year 7% Notes of the face amount of $39,416,000, to be secured by the pledge of the First and Refunding Mtge. 5% bonds, and convertible into 5% bonds deposited as security therefor at 87½ per cent. of the face value of the bonds.

Under date of April 27, 1927, the Transit Commission authorized the issue of $7,515,374 additional First & Refunding Mortgage 5% bonds upon the following conditions, viz.: That Company shall dispose of $5,254,840 of said bonds by delivering and lodging same with the Trustee of the mortgage, upon special trust, to apply any and all thereof at par upon the request from time to time of the Company in discharge pro tanta of the obligation of the Company (created by the 1922 Readjustment) to pay on and after July 1, 1926, certain amounts into the Sinking Fund in addition to the annual sinking fund installments required under the Mortgage, in payment of that portion of the Sinking Fund which was suspended for the period of five years commencing Jan. 1, 1921, and ending July 1, 1926; and that the Company shall dispose of $2,260,534 of said bonds at par by delivery of same to Rapid Transit Subway Construction Co. in full satisfaction and discharge of notes for that amount heretofore made by the Interborough Rapid Transit Co. to the order of the Rapid Transit Subway Construction Co.

The First & Refunding 5% bonds, the 6% Notes, dated Oct. 1, 1922 and the 7% Notes dated Sept. 1, 1922 and Sept. 1, 1918 (described below), were issued for the following purposes:

	Bonds	7% Notes	6% Notes
To provide funds for subway construction and equipment under Contract No. 3, dated March 19, 1913	$80,280,678	$18,182,860	$8,622,448
To provide funds for elevated third tracking under certificate dated March 19, 1913	12,211,410	10,579,380	1,269,325
To provide funds for elevated extensions under certificate dated March 19, 1913	14,234,480	2,462,666	295,474
To provide funds for the Manhattan Div. power plant improvements	3,358,432	2,606,654	312,753
For the refunding of $15,000,000 notes, due May 1, 1913, and $33,959,000 Forty-five Year Mortgage 5% gold bonds, dated Nov. 1, 1913	52,615,000	.....	.....
	$162,700,000	$33,831,560	$10,500,000

Callability—Subject to call on any interest date as a whole or in amounts of not less than $500,000, or in any amounts for the sinking fund, at 110 and interest.

Sinking Fund—The mortgage provides that on the first day of July, 1918, and on the first day of January and the first day of July in each calendar year, thereafter, the company shall pay and deliver to the Trustee a sum equal to one-half of 1% of the face amount of all bonds issued and outstanding thereunder, including bonds held in the sinking fund (which sum may be paid in cash or bonds except that with regard to bonds issued for "Additions" as defined in Contract No. 3 with the City of New York said payments shall be in cash), for purchase of bonds for sinking fund at not exceeding 110% of the face value of the principal. If not so purchasable, bonds may be called by lot at that price. The bonds acquired by the Trustee for sinking fund shall be deemed to remain alive for purposes of the sinking fund and stamped "non-negotiable." If the new roads are open for operation prior to year 1918, sinking fund payments shall begin at the interest date next succeeding such initial operation. At its option the company at any time may pay additional sums into the sinking fund. Bonds are also subject to call as a whole, or in amounts of not less than $500,000, at 110 and interest on any interest date upon four weeks' notice.

Under the Plan of Readjustment dated May 1, 1922 and declared operative Nov. 25, 1922, the sinking fund is postponed for a period of five years beginning Jan. 1, 1921 (including the unpaid instalments due July 1, 1921, Jan. 1, 1922 and Jan. and July 1, 1923), so that no sinking fund instalments will be payable until July 1, 1926. However, these sinking fund payments are to be made up by increasing the annual payments on and after the latter date.

Security—1. The First and Refunding Mortgage covers all the right, title and interest of the Interborough Company in and to the real estate and the buildings thereon erected, situate in the City of New York, constituting the main power house and electric sub-stations, and also all machinery and appliances for the generation and transmission of electric power therein contained, constituting a part of the equipment of the rapid transit railroads operated by the Company under the Rapid Transit Contracts No. 1 and No. 2, hereinafter referred to, and together with all other equipment, including all rolling stock and motors purchased or acquired pursuant to the said Contracts, and all machinery, wires, conduits, subways, implements and devices, including power houses or real estate used by the Company for the generation or transmission of motive power and all apparatus and devices for signalling and ventilations which may be provided by the Company at its own expense, pursuant to the provisions of the said contracts having an aggregate value at the present time of approximately $40,000,000. Also all equipment used or intended for use on the said railroads acquired pursuant to the provisions of said contracts or with the proceeds of bonds issued under the mortgage; and subject to the lien reserved in said contracts by the City of New York for the faithful performance thereof.

2. Certain parcels of real estate, buildings and improvements thereon, including terminal properties situate in the City of New York not constituting part of the equipment of the Company under or in connection with the said Contracts No. 1 and No. 2, or either of them but subject to all rights of the City of New York under contract No. 1 or Contract No. 2.

3. The lease part of the aforesaid Contract No. 1, dated Feb. 21, 1900, between John B. McDonald and the City of New York, duly assigned to the Interborough Company under date of July 10, 1902, and the leasehold interest of the Interborough Company therein, and all the right, title, interest, claim and demand whatsoever of the Interborough Company, of, in and to the said lease part of said contract and the premises and property covered thereby; subject, however, to any and all rights of the City of New York, created by or arising out of the provisions of the Contract No. 3, dated March 19, 1913, between the City of New York and the Interborough Company.

4. The lease part of the aforesaid Contract No. 2, dated July 21, 1902, between Rapid Transit Subway Construction Co. and the City of New York, assigned to the said Interborough Company, Aug. 10, 1905, and the leasehold interest of the Interborough Company therein, and all the right, title, interest, claim and demand whatsoever of the Interborough Company of, in and to the said lease part of said contract and the premises and property covered thereby; subject, however, to any and all rights of the City of New York created by or arising out of the provisions of the aforesaid Contract No. 3, dated March 19, 1913, hereinafter referred to, between the City of New York and the Interborough Company.

5. The said Contract No. 3, dated March 19, 1913, between the City of New York and the Interborough Company, including:

(a) The leasehold interest of the Company thereunder and all the right, title and interest, claim and demand whatsoever of the Company, of, in and to said contract and the terms and property subject, or to become subject thereto:

(b) Any and all sums of money, indemnity bonds or other security and other property of every kind, payable, or paid to, or receivable, or received by the Company, or its successors in the event of the termination by the City of New York of said contract as to all or any part of the lines covered thereby under any of the provisions thereof; and

(c) Any and all sums of money, indemnity bonds or other security and other property of every kind payable or paid to, or receivable or received by, the Company, or its successors, in the event that the City of New York, or its licensees shall enter into possession of, or operate the railroads or any thereof, subject to the provisions of said contract.

6. The lease executed to the Company by the Manhattan Company, dated Jan. 1, 1903, hereinafter referred to, subject to an agreement entered into between the Interborough Company and the Manhattan Railway Co., dated March 15, 1913, including:

(a) Any and all right, title and interest of the Company in or to railroad property and appurtenances constructed or acquired, or provided by the Company for, or in connection with the railroads constructed pursuant to provisions of the Certificate, dated March 19, 1913, granted by the Public Service Commission for the First District in respect to the construction, equipment and operation of the railroads designated in said Certificate, Second Avenue additional tracks, Third Avenue additional tracks and Ninth Avenue additional tracks; in the Boroughs of Manhattan and Bronx in the City of New York;

(b) Any and all equipment and other property constructed or acquired by the Company for use upon or in connection with said railroads or any thereof; and

(c) Any and all sums of money, indemnity bonds, or other security and other property of every kind payable or paid to, or receivable or received by the Company, or its successors, in the event of the termination by the City of New York of the authorizations or licenses granted by said Certificate, but excepting any and all equipment and other property which is, or may be paid for, or reimbursed by the Manhattan Railway Company pursuant to the provisions of Article Second of the said agreement between the Company and the Manhattan Railway Co., dated March 15, 1913, and excepting (unless such equipment or other property to be hereafter acquired by bonds issued hereunder or the proceeds thereof) also the payments or other form of reimbursement received by the Interborough Company thereunder.

7. The franchises, authorizations, licenses and rights conferred upon or vested in the Company under and pursuant to the provisions of the Certificate dated March 19, 1913, granted by the Public Service Commission for the First District, in respect of the construction, equipment and operation of the lines of railroad designated in said Certificate. The Webster Ave. Line, Eighth Ave. and 162d St. Connection, Queensboro Bridge Line, and West Farms Subway Connection, in the Boroughs of Manhattan, Bronx and Queens, in the City of New York, including:

(a) The railroad, property, appurtenances and equipment constructed or provided by the Company pursuant to the provisions of said Certificate; and

(b) Any and all sums of money, indemnity bonds, or other securities and other property of every kind payable or paid to, or receivable or received by the Company, or its successors, in the event of the termination by the City of New York of the authorizations and licenses granted by the said Certificate.

8. Any and all proceeds of bonds secured by the First and Refunding Mortgage, whether held by the Company or deposited for its account in any depositary, subject, however, to the right of the Company

to withdraw and to disburse such proceeds for the purposes for which the same shall be applicable under the provisions of said mortgage, and to deposit such part thereof as may be required under the terms of the aforesaid Contract No. 3 with the City of New York as security for the performance by the Company of said contract.

9. All other property, real or personal, acquired at any time subsequent to the date of said mortgages by the Company with bonds issued thereunder, or the proceeds thereof, other than such of said bonds as shall be certified and delivered to the Company in reimbursement for its expenditures theretofore made for the acquisition for property that shall have been subjected to the lien of the said mortgage, or upon property that shall be subject thereto, subject, however, to any and all rights or liens upon any such property created by or vested in the City of New York under the provisions of the said Contract No. 3 or the said Interborough Certificate, or the said Manhattan Certificate.

10. Any and all additional shares of stock which hereafter shall be acquired by the Company with the proceeds of bonds issued under the said Mortgage in any corporation of which a majority of the stock shall be subject thereto.

11. All bonds, obligations and evidences of indebtedness of and claims and demands and rights of action against any corporation or association, the greater part of whose capital stock shall at any time be subject to the said mortgage, which the Company owned, or was entitled to at the date of said mortgage, and all mortgages, liens and charges upon or against any part of the property of any such corporation then owned or possessed, or which with the proceeds of bonds issued under said mortgage, shall thereafter be acquired by the Company.

12. All property of every name and nature, from time to time hereafter, by delivery or by writing of any kind, for the purposes hereof, pledged assigned or transferred by the Company, or with its written consent by any one in its behalf, to the Trustee, together with any and all rents, issues, profits, tolls and other income of the lines of railway or other properties, including leasehold estates hereinbefore described, and any and all right, title and interest which may be hereafter acquired by the Company in, or to any of said lines of railway or other properties, including leasehold estates.

Briefly, these bonds are secured by a first lien (subject to the City's rights under the leases) upon real estate, power houses, sub-stations, equipment and other property now owned directly by the Interborough Rapid Transit Co., and also by first lien upon all the leasehold and other rights of the Interborough Rapid Transit Co. in the existing and proposed subway and elevated lines.

Tax Provision—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($30,000,000) in Oct., 1913, at 98½ and interest; $10,000,000 in Feb., 1914, at 99 and interest; $20,000,000 in June, 1914, at 99 and interest; $25,000,000 in Dec., 1915, at 99½ and int.; $36,686,000 in Nov., 1916, at 99 and int.

Listed—New York and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	79⅞	80⅜	74¾	71¼	72⅞	78⅛	58¼	58
Low	75½	62½	59⅜	58¾	56½	54	48½	41⅝
(Stamped)								
High	79¾	80¼	73½	72¼	72½	...	....	....
Low	75⅜	62	59	58¾	57½	....	....	....

(2)

$33,568,860 TEN-YEAR SECURED CONVERTIBLE 7% GOLD NOTES; DUE SEPTEMBER 1, 1932

Dated September 1, 1922.

Interest Payable March and September 1 at office of J. P. Morgan & Co., New York.

Denominations—Coupon, $100, $500 and $1,000 or any multiple thereof; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $34,330,000. Issued for the purpose of refunding 90% of the $38,144,400 outstanding amount of the old Three-Year Secured Convertible 7% notes, dated Sept. 1, 1918, the remaining 10% being paid in cash from the proceeds of the below described Ten-Year 6% Gold notes.

Callability—Subject to call in whole or in part on any interest date upon 60 days' notice at a premium of ¼ of 1% of the principal amount for each six months elapsing between date of redemption and maturity of notes, accrued interest also being payable in each case.

Convertibility—Convertible at holders' option into company's First & Refunding Mortgage 5s at 80% prior to Sept. 1, 1925; thereafter to Aug. 1, 1928, at 85% and thereafter to Aug. 31, 1932, at 90%, with adjustment of interest.

Security—Secured by pledge of $58,232,000 First & Refunding Mortgage 5s, bearing thereon a notation of participation in the Plan of Readjustment, and the modification thereof.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	99¼	100	95	94	94¾	98¾
Low	96⅜	85¾	85	82⅛	82	93½

(3)

$10,500,000 TEN-YEAR 6% GOLD NOTES; DUE OCTOBER 1, 1932

Dated October 1, 1922.

Interest Payable April and October 1 at Company's office, 165 Broadway, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized $15,000,000; issued, $10,500,000, for the purpose of paying the cost of equipment authorized by contracts Nos. 1, 2 and 3 ($6,153,060); of refunding and discharging 10% of the outstanding $38,144,400 of the old Three-Year Secured Convertible 7% notes, dated Sept. 1, 1918 ($3,814,440) and of paying the expenses of the sale of the notes including underwriting, but not exceeding $532,500. These notes were distributed pursuant to the Plan of Readjustment to holders of certificates of deposit for the Interborough-Metropolitan Collateral Trust 4½% bonds and to holders of certificates of deposit for stock of the Interborough Rapid Transit Co.

Callability—Subject to call on any interest day on 30 days' notice at a premium of ¼ of 1% of the principal amount and accrued interest.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	82⅝	84	81½	90⅛	73⅛	82
Low	73⅛	64	61¾	54⅛	52⅞	72⅛

(4)

$280,000 INTERBOROUGH 6% EQUIPMENT TRUST CERTIFICATES, SERIES "A"; MATURED AND PAID OFF MARCH 15, 1928

(5)

$450,000 INTERBOUROUGH 6½% EQUIPMENT TRUST CERTIFICATES, SERIES "B"; DUE JANUARY 1, 1929

Dated January 1, 1924.

Dividends Payable January and July 1, at J. P. Morgan & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized and issued, $2,250,000. Issued by the Trustee under the Philadelphia Plan.

Security—Secured on 100 subway motor cars, title to which is vested in the Trustee under lease to the company at a sufficient rental to pay the certificates

Tax Provision—Company does not pay Normal Federal Income Tax.

(6)

$1,140,000 INTERBOROUGH 6% EQUIPMENT TRUST CERTIFICATES SERIES "C"; DUE $570,000 EACH NOV. 1, 1928 AND 1929

Dated November 1, 1924.

Dividends Payable May and November 1 at office of J. P. Morgan & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized and issued, $2,850,000. Issued by the Trustee under the Philadelphia Plan.

Security—Secured on 150 subway motor passenger cars.

Tax Provision—Company does not pay Normal Federal Income Tax.

(7)

$15,700 THREE-YEAR SECURED CONVERTIBLE 7% GOLD NOTES; DUE SEPTEMBER 1, 1921; EXTENDED AT 8% (OVERDUE) $9,700; NOT EXTENDED (OVERDUE) $6,000

Dated September 1, 1918.

Additions and Betterments—A net expenditure of $1,425,160 was made during the year ended June 30, 1927, for additions, betterments and replacements. This amount includes the Company's contribution towards construction and equipment under contract No. 3 and the Related Certificates as well as additions thereto.

TRAFFIC STATISTICS, YEARS ENDED JUNE 30

Years	Passengers Carried No.	*Exps. to Earnings %
1917-18	770,998,335	47.19
1918-19	809,335,658	60.71
1919-20	955,133,110	61.57
1920-21	1,013,678,831	65.46
1921-22	993,492,690	60.27
1922-23	†1,025,175,131	61.90
1923-24	1,074,343,243	58.57
1924-25	1,089,544,225	56.64
1925-26	1,130,484,647	54.35
1926-27	1,173,646,256	56.19

*Excluding taxes. †Includes 155,786 half-fare (2½c) passengers—school children, during New York City Jubilee, June 4 to June 22, 1923.

GENERAL BALANCE SHEET, JUNE 30

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital:						
Subway Division:						
Contracts No. 1 and No. 2	$60,496,038	$60,500,959	$60,498,437	$60,878,598		
Contract No. 3	120,879,749	119,723,821	116,914,846	110,290,900	$207,709,200	$203,622,578
Manhattan Division:						
Elevated Certificates	44,116,549	43,842,397	43,566,200	43,445,568		
Construction & Equipment Funds:						
Cash	348,620	518,642	4,046,894	6,319,533	1,568,613	672,565
Investments	1,381,178	1,535,888	1,470,923	2,277,183	6,432,418	4,378,852
Accts. receivable & int. accrued	15,372	13,998	27,249	39,269	97,436	52,954
Investments:						
Securities of associated Cos.	*15,684,796	15,684,796	17,051,335	17,047,456		
U. S. Govt. securities	813,882	813,881	813,881	611,006	21,528,898	21,522,722
Other investments	578,445	570,077	907,361	903,475		
Securities in trust for voluntary relief fund	53,258	53,258	53,258	53,258	53,258	53,258
Current Assets—						
Cash	$4,099,056	$6,007,771	$2,826,209	$1,837,637	$2,284,240	$5,238,460
U. S. Govt. securities	500,000	.....	.....	200,000	2,100,000	.....
Special deposits	1,560	1,560	2,470	3,700	3,943,325	4,310,064
Purchase of I. R. T. First & Ref. Mtge. bonds for s. f.	801,135	758,653	.....	.....	.....	.....
Accounts receivable & int. accrued	730,317	747,426	755,241	973,207	842,488	716,751
Due from construction & equip. funds	39,055	64,383	114,666	211,121	.....	.....
Prepayments—ins., rents, etc.	211,631	221,034	275,772	361,632	261,919	143,444
Materials and supplies	2,318,518	2,467,577	2,673,109	2,931,043	2,743,902	3,358,817
Purchase of scrip certificates	.....	.....	.....	.....	188,249	.....
Due from associated companies	*6,991,207	6,994,032	7,324,742	7,316,766	8,077,963	7,736,558
Items awaiting distribution:						
Invest. in & advances to assoc. Cos. in liquidation	*1,551,109	1,677,338	.....	.....	.....	.....
Other items	247,133	238,356	135,306	.....	.....	.....
Accounts in suspense:						
Reserves for maintenance and depreciation—under Contract No. 3 & Related Elevated Certificates	4,944,631	3,464,809	2,483,464	991,168	.....	.....
Capital retirements to be replaced	991,295	981,921	963,628	151,875	.....	.....
Federal taxes—protested	3,468,693	.....	.....	.....	.....	.....
Unamortized debt discount & exp.	9,993,219	10,023,869	9,904,627	9,912,501	10,004,592	9,805,690
Accounts per contra:						
Bankers Trust Co. Trustee under Collateral Indentures, dated Sept. 1, & 2, 1918 & Sept. 1, 1922	58,715,351	59,304,012	59,603,186	59,603,186	59,603,186	59,603,186
First & Ref. Mtge. 5s reacquired	528,000	464,000	464,000	464,000	464,000	464,000
Account receivable when earned by N. Y. Rapid Transit Corp.	380,750	290,750	200,750	.....	.....	.....
Cash advanced from General Fund to subway contribution	1,288,714	.....	.....	.....	.....	.....
Accruals payable from future earnings, under Contract No. 3 & Related Certificates	71,143,459	65,613,013	61,003,635	54,402,679	48,017,801	39,946,182
Profit and loss deficit	.....	.....	.....	.....	524,783	524,866
Total	$413,312,720	$402,578,221	$394,081,189	$381,226,761	$376,446,271	$362,150,947
Liabilities—						
Capital stock	$35,000,000	$35,000,000	$35,000,000	$35,000,000	$35,000,000	$35,000,000
First & Refunding Mtge. 5s, 1966	162,700,000	162,106,000	162,106,000	162,106,000	162,106,000	162,106,000
Ten-Year 7% notes, 1932	33,815,860	34,120,860	34,307,670	34,296,600	33,658,110	.....
Ten-Year 6% notes, 1932	10,500,000	10,500,000	10,500,000	10,500,000	10,500,000	.....
Three-Year Convert. 7s & 8s	15,700	15,700	24,800	37,100	756,000	38,144,400
Equipment trust certificates	2,890,000	4,190,000	5,490,000	3,370,000	1,400,000	.....
Rapid Transit Subway Constr. Co. notes	3,500,642	3,500,642	3,464,565	3,464,565	.....	.....
Loan from Rapid Transit Subway Constr. Co. a/c Saratoga award	.....	.....	.....	.....	1,954,318	1,954,318
Extended Six Months 7% notes	.....	.....	.....	.....	.....	553,050
Manhattan Railway Co.—lease account	377,323	377,323	377,323	377,323	377,323	377,323
Construction funds accounts payable	213,622	240,626	489,124	614,082	.....	.....

GENERAL BALANCE SHEET JUNE 30 (Continued):

Current Liabilities—	1927	1926	1925	1924	1923	1922
Sinking fund on First & Ref. 5s	†$12,906,521	**$12,430,613	**$9,976,860	**$7,759,780	**$5,542,700	$3,325,620
Int. & rentals due & accrued	3,822,496	3,149,773	3,999,512	4,262,604	6,961,040	6,788,578
Divdend rentals on Manhattan Ry. Co. capital stock	.....	.....	.....	.....	628,689	3,150,129
Scrip Certificates for arrears of divid. rentals on Manhattan Ry. stock	.....	.....	.....	.....	2,968,413	.....
Due for wages	408,767	450,865	374,498	463,018	501,237	408,106
Accounts payable	846,151	753,869	1,005,177	902,713	1,703,687	2,559,352
Taxes due and accrued	‡3,405,836	‡3,075,818	‡2,506,096	‡2,149,670	3,001,895	3,414,419
Trustee for voluntary relief fund	53,054	48,540	41,190	46,476	.....	.....
Items awaiting distribution	.....	.....	.....	50,334	88,671	2,049,599
Federal taxes in suspense	.....	541,911	541,911	.....	.....	.....
Reserves:						
Accrd. amortization of capital (deprec. reserve prior to operation under Contract No. 3 & Ctfs.)	1,114,515	1,114,515	1,114,515	1,114,515	1,114,515	1,114,515
Int. on investment of depreciation reserve	570,471	521,671	472,871	424,071	375,271	326,471
Reserve for insurance on substations	18,756	12,246	6,000	.....	.....	.....
Sundry reserves—Manhattan Ry. Co.	674,310	657,290	637,030	533,697	489,814	489,284
Depreciation reserve under Contract No. 3	.....	.....	.....	.....	2,665,667	2,518,671
Equipment reserve, subway division	.....	.....	.....	.....	14,674	13,613
Less investments & cash deposits a/c reserves	§1,168,573	§1,168,573	§1,154,202	§1,106,000	§1,101,294	§1,101,011
Less deprec. reserve under Elevated Ext. Certificate	.....	.....	.....	.....	§2,344,260	§1,758,672
Accounts per contra:						
First & Ref. Mtge. 5s pledged as collateral for notes	58,650,000	59,304,000	59,602,000	59,602,000	59,602,000	59,602,000
First & Ref. Mtge. 5s released by Bankers Trust Co. Trustee	822,000	762,000	464,000	464,000	464,000	464,000
Subway contribution cash liability for advances from general fund	1,288,714	.....	.....	.....	.....	705,000
Deferred rental account N. Y. Rapid Transit Corp.	380,750	290,750	200,750	.....	.....	.....
Accruals under Contract No. 3 & Related Ctfs.	71,143,459	65,613,013	61,003,635	54,402,679	48,017,801	39,946,182
Surplus	9,362,346	4,968,769	1,529,864	391,534	.....	.....
Total	$413,312,720	$402,578,221	$394,081,189	$381,226,761	$376,446,271	$362,150,947

*Several of the items included in "Securities of Associated Companies" and in "Due from Associated Companies" are in course of liquidation, including the first item under "Items Awaiting Distribution", which may realize but a comparatively small sum. When their value shall be definitely ascertained and items of a similar character shall have been re-valued in accordance with the existing conditions, the balance sheet will be re-cast and there will be entered upon the books the full asset value of Contract No. 3, the Subway Lease including the appraised present worth of the Subway preferentials when earned. This value has not been set forth heretofore in full and is now awaiting final appraisal. It is believed that the additional value of the Lease, when finally determined, will be in excess of the shrinkage in the other assets.

†The total liability for the Sinking Fund on First and Refunding Mortgage 5% bonds included in "Current Liabilities" is made up of $2,356,030 which is a present current obligation, and $10,550,491 which need only be met pro rata semi-annually to July 1, 1956, as provided by the "Plan of Readjustment." $13,938,000 face amount of these bonds have been acquired for the sinking fund and are in the possession of the Trustee of the mortgage.

‡This accrual makes no allowance for Federal taxes on income from date of operation under contracts with the City of New York to Jan. 1, 1924. Complete exemption is claimed because of the profit sharing contracts with the City.

**Under the "Plan of Roadjustment" of May 1, 1922, payments of the sinking fund instalments due from July 1, 1921, were postponed to July 1, 1926, at which date they were to be resumed in an amount sufficient to retire the bonds at the date originally contemplated by the sinking fund provisions of the mortgage.

§Debit.

Surplus Account, June 30, 1927—Surplus at beginning of year, $4,968,769; net corporate income for year, $2,950,709; net changes in profit and loss account (due principally to adjustment of Subway Division Federal Income Tax accruals for years 1917 and 1918) $1,442,868—surplus, June 30, 1927, $9,362,346.

STATEMENT OF WORKING CAPITAL, JUNE 30

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$4,099,056	$6,007,772	$2,826,209	$1,837,637	$2,284,240	$5,238,461
Accounts receivable	730,317	747,426	755,241	973,207	733,277	618,049
Interest and dividends receivable	.....	.....	.....	.....	109,211	98,702
Materials and supplies	2,318,518	2,467,577	2,673,109	2,931,043	2,743,902	3,358,817
Special deposit to meet interest, dividends, etc.	1,560	1,560	2,470	3,700	3,943,325	4,310,064
U. S. Government securities	500,000	.....	.....	200,000	2,100,000	.....
Due from construction and equipment funds	39,055	64,383	114,666	211,121	.....	.....
Purchase of scrip certificates for arrears of dividend rentals on Manhattan Ry. stock	.....	.....	.....	.....	188,249	.....
Purchase of I. R. T. Co. First and Refunding Mtge. bonds for sinking fund	801,135	758,653	.....	.....	.....	.....
Total	$8,489,641	$10,047,371	$6,371,695	$6,156,708	$12,102,205	$13,624,093
Currrent Liabilities—						
Interest and rentals due and accrued	$3,822,496	$3,149,772	$3,999,512	$4,262,604	$6,961,040	$6,788,579
Dividends due July 1, Manhattan Ry	.....	.....	.....	.....	628,689	3,150,129
Scrip certificates for arrears of dividend rentals on Manhattan Ry. stock	.....	.....	.....	.....	2,968,413	.....
Due for wages	408,766	450,865	374,498	463,018	501,237	408,106
Accounts payable	846,151	753,869	1,005,177	902,713	1,703,687	2,559,352
Taxes due and accrued	3,405,836	3,075,818	2,506,095	2,149,670	3,001,895	3,414,420
Sinking fund	12,906,521	12,430,613	9,976,860	7,759,780	5,542,700	3,325,620
Subway contrib. cash liability for adv.	.....	.....	.....	.....	.....	705,000
Total	$21,389,770	$19,860,937	$17,862,143	$15,537,785	$21,307,661	$20,351,206
Net Working Capital (Debit)	$12,900,129	$9,813,566	$11,490,448	$9,381,077	$9,205,456	$6,727,113

INCOME ACCOUNT, YEARS ENDED JUNE 30
(Subway and Elevated Lines.)

Earnings—	1927	1926	1925	1924	1923	1922
Manhattan Ry. Division	$19,519,678	$19,065,166	$18,988,378	$19,381,140	$19,215,177	$18,898,018
Subway Division	43,796,410	42,643,649	39,430,613	38,392,635	36,344,258	34,642,841
Gross operating revenue	$63,316,088	$61,708,815	$58,418,991	$57,773,775	$55,559,436	$53,540,859
Operating expenses	35,575,666	33,540,813	33,088,385	33,841,415	34,392,509	32,272,509
Taxes	3,506,822	3,350,783	3,299,590	2,763,530	2,662,310	2,802,824
Net earnings	$24,233,600	$24,817,219	$22,031,016	$21,168,830	$18,504,617	$18,465,526
Other income	257,175	276,979	292,200	402,763	573,850	652,876
Gross income	$24,490,775	$25,094,198	$22,323,216	$21,571,593	$19,078,467	$19,118,402

INCOME ACCOUNT, YEARS ENDED JUNE 30 (Continued):

Deductions—	1927	1926	1925	1924	1923	1922
Interest and sinking fund on City bonds	$2,655,569	$2,655,186	$2,644,905	$2,610,999	$2,584,035	$2,482,633
Interest on I. R. T. Co. First & Refunding Mtge. 5s	8,097,966	8,074,067	8,070,962	8,066,992	8,032,090	8,022,326
Sinking fund on I. R. T. Co. First & Refunding Mtge. 5s	2,375,996	2,453,753	2,217,080	2,170,556	2,136,051	2,103,340
Interest on 7% notes	2,362,786	2,379,073	2,375,862	2,246,420	2,303,076	2,501,433
Interest on 10-Yr. 6% notes	548.736	526,899	398,173	260,909	65,146	.....
Interest on Equip. Tr. Certfs.	215,825	291,322	169,423	70,420	390	.....
Interest on Manhattan Ry. Consol. Mtge. 4s	1,627,320	1,627,320	1,627,320	1,627,320	1,627,320	1,627,320
Interest on Manhattan Ry. Second Mtge. 4s	180,920	180,920	180,920	180,920	180,920	180,920
Manhattan Railway rental (organization)	50,000	50,000	50,000	50,000	50,000	35,000
Dividend rental on Manhattan Ry. Co. capital stock	3,086,756	3,066,486	3,065,310	2,723,877	‡1,710,000	4,200,000
Interest on investment of depreciation reserve	48,800	48,800	48,800	48,800	48,800	48,800
Amortization of debt disc. & exp.	.....	.....	.....	.....	880	839
Interest on unfunded debt	56,935	69,311	87,262	178,543	175,901	327,345
Other rent deductions	232,457	246,021	240,412	264,660	295,653	355,243
Total charges	$21,540,066	$21,669,158	$21,176,429	$20,500,416	$19,210,262	$21,885,199
Net corporate income	2,950,709	3,425,040	1,146,787	1,071,177	†131,795	†2,766,797
Maintenance expenditures in excess of contractual provisions	1,479,821	981,345	1,492,296	1,430,203	437,198	.....
Balance after actual maintenance	‖$1,470,888	‖$2,443,695	†$345,508	†$359,026	†$568,992	†$2,766,797
Add: Accruals under Contract No. 3 and Related Certificates	*	4,609,378	6,600,956	6,384,878	8,071,620	10,238,489
Surplus for year	.....	$7,053,073	$6,255,448	$6,025,852	$7,502,628	$7,471,692
Times Total Charges Earned	1.14	1.15	1.05	1.05	0.99	0.87
Earnings Per Share	$4.20	$6.98	Nil	Nil	Nil	Nil

*Figure subject to adjudication and not available. †Deficit. ‡Amount determined in accordance with formulae contained in the Plan of Readjustment and Agreement with Manhattan Ry. Co. and its stockholders. ‖Surplus.

Officers: Edward J. Berwind, Chairman of Board and of the Executive Committee; Frank Hedley, Pres. & Gen. Mgr.; Earl E. Starbard, V-P.; H. M. Fisher, Sec. & Treas.; James L. Quackenbush, Gen. Counsel & Gen. Atty.; A. C. Wigren, Asst. Sec.; H. T. Berry, Compt.; Frank Samuelson, Aud., New York.

Executive Committee: Edward J. Berwind, Chairman; Samuel W. Reyburn, William Roberts, Herman A. Metz, F. de C. Sullivan, New York; Frank Hedley, Yonkers, N. Y.; John E. Zimmermann, Philadelphia, Pa.

Directors: E. J. Berwind, F. de C. Sullivan, Mortimer N. Buckner, Robert C. Rathbone, Abel E. Blackmar, Bertram Cutler, Charles E. Dunlap, Frederick H. Ecker, Herman A. Metz, William W. Niles, Thomas I. Parkinson, Samuel W. Reyburn, William Roberts, Frank Hedley, New York; E. E. Starbard, Ridgewood, N. J.; H. M. Fisher, Plainfield, N. J.; John E. Zimmermann, Philadelphia, Pa.

Office, 165 Broadway, New York.

MANHATTAN RAILWAY COMPANY

(Leased by Interborough Rapid Transit Co.)

History and Property—Incorporated Nov. 1, 1875, in N. Y., under charter running for 999 years; consolidation of New York Elevated R.R., Metropolitan Elevated Ry., and Suburban Rapid Transit Cos. Owns all the completed elevated railroad lines in Manhattan and Bronx Boroughs, New York City. Leased on Jan. 1, 1903 (the lease taking effect as of April 1, 1903), to the Interborough Rapid Transit Co., for 999 years (from Nov. 1, 1875—the date of incorporation of the Manhattan Ry. Co.), at annual rental of 7% dividends on the stock and interest on the bonds. The line was operated by steam power up to Oct., 1902, at which time the third rail electric system was placed in operation. For proposed extensions, etc., see under Interborough Rapid Transit Co.

Franchises, Etc.—The Company's franchises, except as to the third tracks built under the certificate from the Public Service Commission, dated March 19, 1913, are perpetual. The lease and subsequent agreements provide that upon a possible default by the Interborough Rapid Transit Co. and consequent forfeiture of the lease, the Manhattan Ry. Co. shall, within eighteen months, pay the Interborough Rapid Transit Co. for capital expenditures upon the road and equipment not provided for by the Consolidated or Second Mortgage of the Manhattan Elevated Ry. Co., and that in the event of a recapture of the third tracks and additional structures provided for under the Public Service Commission's certificate of March 19, 1913, the Manhattan Elevated Ry. Co. will repay to the Interborough Rapid Transit Co. for its expenditures in construction from the moneys received from the City to the extent that the Interborough Rapid Transit Co. has made such expenditures. Claim for reimbursement for such expenditures was waived by the Interborough Rapid Transit Co. under the Plan of Readjustment dated May 1, 1922.

Mileage, June 30, 1926—Length of line, 41.39 miles; second track, 9.29 miles; third to fifth tracks, 32.10 miles; sidings and turnouts, 20.59 miles; total track, 138.63 miles. Gauge, standard.

Equipment, June 30, 1926—Passenger cars (motor, closed, 1,004; trailer, closed, 707; trailer, open, 3), 1,714; service cars, 65—total cars, 1,779. Elevated extensions, passenger closed motor cars, 476.

Plan of Readjustment dated May 1, 1922—For details see statement of Interborough Rapid Transit Co. on a preceding page.

CAPITAL STOCK

Authorized and outstanding, $60,000,000; par, $100. Of the amount outstanding, $55,646,600 represents stock with modified guaranty.

Transfer Agent—Stock transferred at Company's office.

Registrar—Bankers Trust Co., New York.

Annual Meeting—Second Wednesday in November.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	90	92¾	119½	85	55	58	58½	65¾
Low	78¼	84	64	42	38¼	33	32	38¼
(Mod. Guar.)—								
High	54⅞	61⅞	51¼	51⅞	45½	..	..	..
Low	41¾	38⅛	32⅛	30½	29	..	..	..

Dividends—Dividends of 7% per annum were formerly paid under the lease, quarterly, Jan., etc., but under the Plan of Readjustment dated May 1, 1922, the rental has been modified (for details see statement of Interborough Rapid Transit Co.) as to the stockholders who deposited under the Plan. The Jan. 1, April 1 and July 1, 1922 dividends, amounting to $3,050,000 due under the lease were defaulted, but the July 1 and Oct. 1, 1922 payments of 1¾% each were made. On Jan. 2, 1923, a distribution of $5.25 per share was made in scrip warrants of Interborough Rapid Transit Co., payable on Nov. 1, 1923, representing the arrears of dividends at 7% per annum up to and including dividend due July 1, 1922; in addition, $1.50 per share was paid in cash, being the dividend of ¾ of 1% due Oct. 1, 1922, and the dividend for the same amount due Jan. 1, 1923, in accordance with the Plan of Readjustment; April 2, 1923, 75 cts.; July 2, 1923, 60 cts.; Oct. 1, 1923, $1; Jan. 1, 1924, dividend deferred; April 1, 1924, $1; July 1, 1924, $1 and 15 cents balance due on account of July, 1923, dividend; Oct. 1, 1924, $1, being payment deferred in Jan. 1, 1924; Nov. 1, 1924, $1.25; Jan. 1, 1925, dividend deferred; April 1, 1925, $1.25; July 1, 1925, $2.50, including $1.25 on account of Jan. 1, 1925, dividend deferred; Oct. 1, 1925, 75 cents; Jan. 2, 1926, 27 cents on the modified guaranteed stock (leaving $1.48 a share accrued unpaid dividends on that stock); April 1, 1926, $1.25; July 1, 1926, $2.73 (including 50 cents account Oct. 1, 1925 and 98 cents account Jan. 1, 1926, dividends); Oct. 1, 1926, $1.25; **Jan. 1, 1927, deferred; April 1, 1927, $1.25; July 1, 1927,** $1.25; Sept. 1, 1927, $1.25 (in payment of dividend due Jan. 1, 1927); Oct. 1, 1927, $1.25; Jan. 1 and April 1, 1928, deferred.

Dividends under the Modifications of the Plan were to be cumulative and payable out of earnings of the Manhattan Leased Lines or the Interborough Manhattan System, whichever amount was the larger and were to be 3% for the year ended June 30, 1923; 4% for the year ended June 30, 1924, and 5% for each fiscal year thereafter. Dividends guaranteed under lease by the Interborough Rapid Transit Co.

Between Jan. 1, 1922 and Oct. 1, 1925, dividends were actually paid only to those stockholders who had deposited their stock under the Plan or who had entered into separate agreements with the Interborough Rapid Transit Co., but on Oct. 1, 1925, $28 was paid on account of dividends accrued upon non-assenting stock from Jan. 1, 1922 to Oct. 1, 1925; Jan. 2, 1926, $1.75 per share on non-assenting stock, and $1.75 each quarter to and including April 1, 1928; payments, J, A, J & O 1.

Dividend Litigation—Decision—Several suits were brought against Interborough Rapid Transit Co. in the State Courts of New York, in which stockholders who did not assent to the Plan of Readjustment claimed their right to the full 7% guaranteed dividend. In February, 1924, Supreme Court at New York and July 16, 1925, Appellate Division of Supreme Court at Albany, decided that Interborough Rapid Transit Co. must pay 7% rental to holders who dissented to modification plan.

FUNDED DEBT

(1)

$40,683,000 CONSOLIDATED (NOW FIRST) MORTGAGE GOLD 4s; DUE APRIL 1, 1990

Dated February 26, 1890.

Interest Payable April and October 1 at office of Interborough Rapid Transit Co., New York.

Denominations—Coupon (principal may be registered), $1,000; and registered, $1,000, $5,000, $10,000 and $50,000; interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—The amount authorized on the present mileage is $40,894,000, and while additional bonds are issuable at not exceeding $300,000 per mile of single track and $600,000 per mile of double track, the mortgage is now practically closed. Issued $40,881,000.

Callability—Not subject to call.

Security—A first lien on entire property, including practically all the electric elevated railroads in the Boroughs of Manhattan and the Bronx, New York City, a total mileage of 129½ miles, 37½ miles being double track; together with a bridge over the Harlem River and extensive real estate holdings.

Guaranty—Interest guaranteed under lease by the Interborough Rapid Transit Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%. Of these bonds (Nos. 28,183 to 40,894), $12,712,000 are stamped tax exempt in New York State, cities and local sub-divisions.

Original Offering—First publicly offered ($6,000,000) in April, 1890, at 96 and interest by Drexel, Morgan & Co., New York, and Drexel & Co., Philadelphia, $11,712,000 tax exempt bonds were offered in July, 1908, at 96½ and interest by Redmond & Co., Moffat & White, N. W. Harris & Co., and Clark, Dodge & Co., New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	73⅞	69½	64	65	64½	74¾	62	60
Low	67¼	59¼	57½	56	55⅛	57½	52½	49½

(2)

$4,523,000 SECOND MORTGAGE GOLD 4s; DUE JUNE 1, 2013

Dated June 1, 1913.

Interest Payable June and December 1, at Treasurer's office, Interborough Rapid Transit Co., New York.

Denomination—Coupon (principal may be registered), and registered, $1,000; interchangeable.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized issue, $5,409,000. The lease provides that after the remaining $886,000 Second Mortgage bonds have been issued, all further expenditures upon the Manhattan Ry. Co.'s railroads and property will be made by the Interborough Rapid Transit Co.

Callability—Subject to call as a whole only at 105 and interest, on any interest date upon 30 days' notice.

Security—The mortgage is a lien on all the properties of the Company, subject to the Consolidated (now First) Mortgage bonds. By agreement between the Interborough Rapid Transit Co. and the Manhattan Ry. Co., it is provided that the lien of the Second Mortgage upon the property of the Manhattan Elevated Ry. Co. shall be superior to the rights and lien of the Interborough Rapid Transit Co. under the lease. The Interborough Company has pledged its lessee interest in the lease under its First and Refunding Mortgage of March 20, 1913.

Guaranty—Interest guaranteed under lease by the Interborough Rapid Transit Co.

Tax Provision—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($4,523,000) in Feb. 1, 1916, at 89 and interest, by E. H. Rollins & Sons, Boston, New York, etc., and The Equitable Trust Co., New York.

Listed—New York Stock Exchange.

Price Range (Stamped)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	65	63	56¼	58	55⅞	67⅝	60¾	60½
Low	58½	53	51	47	45	57½	52½	49¾

$12,379 4% CONVERTIBLE BOND CERTIFICATES

Interest Payable April and October. Authorized and issued, $1,905,035, of which $1,892,035 retired or converted and $621 held by Company. Issued in payment of dividends during 1889-1890.

INCOME ACCOUNT, YEARS ENDED JUNE 30
(Manhattan Division of I. R. T. Co.)

(The earnings shown and the dividends deducted for 1923 to 1927 are in Accordance with the Modifications of Plan of Readjustment dated May 1, 1922).

	1927	1926	1925	1924	1923	1922
Revenue from transportation	$17,052,126	$16,551,755	$16,905,948	$17,246,320	$16,772,682	.....
Other operating revenue	1,568,695	1,754,937	1,352,200	1,402,738	1,771,214	.....
Total operating revenue	$18,620,821	$18,306,692	$18,258,148	$18,649,058	$18,543,896	$18,898,018
Operating expenses	12,931,798	*11,810,217	*12,212,503	*12,175,871	*12,283,389	‡14,786,303
Net operating revenue	$5,689,023	$6,496,475	$6,045,645	$6,473,187	$6,260,507	$4,111,715
Operating ratio	69.45%	64.51%	66.88%	65.28%	66.24%	.....
Taxes	2,420,233	2,427,920	2,456,886	2,160,946	2,204,621	‡
Operating income	$3,268,790	$4,068,555	$3,588,759	$4,312,241	$4,055,886	$4,111,715
Other income	75,434	84,960	78,608	84,270	80,881	71,197
Gross income	$3,344,224	$4,153,515	$3,667,367	$4,396,511	$4,136,767	$4,182,912
Interest on Manhattan Ry Co. bonds & rentals	1,949,093	1,945,969	1,912,040	1,915,182	1,912,357	1,896,073
Net income	$1,395,131	$2,207,546	$1,755,327	$2,481,329	$2,224,410	$2,286,839
Dividends on Manhattan Ry. Co. Stock	3,086,756	3,066,486	3,065,310	2,723,877	1,710,000	4,200,000
Balance available for Interborough charges (deficit)	$1,691,625	$858,940	$1,309,983	$242,548	†$514,410	$1,913,161
Accruals under contract No. 3 and related certificates	7,771,745	7,019,878	6,942,129	5,956,657	6,052,782	.....
Times Fixed Charges Earned	1.71	2.13	1.92	2.29	2.16	2.20
Indicated Earnings on Capital Stock of Manhattan Ry. Co.	2.33%	3.68%	2.92%	4.13%	3.70%	3.81%

*Includes maintenance in excess of contractual provisions, but does not include deferred maintenance provided for under plan, which in 1923, amounted to $96,143, in 1924 to $321,124, in 1925 to $5,876, and in 1926 to $1,009. †Surplus. ‡Taxes included with operating expenses.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925	1924	1923
Road and equipment	$112,943,654	$112,943,654	$112,943,654	$112,995,097	$112,995,097
Other investments and real estate	89,595	88,446	87,400	86,429	85,524
Bills and notes receivable	12,987	13,165	13,036	13,130	20,455
Cash on hand & in bank	41,477	17,368	66,946	46,120	4,400
Special deposits	23,872	24,261	24,368	24,402	24,402
Interbor. Rapid Trans. Co., lease account	377,323	377,323	377,323	377,323	377,323
Inter. equip. res. acct.	310,434	310,434	310,434	258,991	258,991
Unamortized debt, discount and expense	615,758	616,907	617,953	618,924	619,830
I. R. T. Co.-Man. Ry. Co. construction cash acct.	216,834	216,834	216,834	216,834	216,834
Total	$114,631,934	$114,608,392	$114,657,948	$114,637,250	$114,602,856
Liabilities—					
Capital Stock	$60,000,000	$60,000,000	$60,000,000	$60,000,000	$60,000,000
Funded debt	45,198,581	45,199,198	45,199,379	45,199,439	45,199,439
Premium on capital stock	1,809,382	1,809,382	1,809,382	1,809,382	1,809,382
Open accounts	80	80	80	80	80
Profit and loss	7,623,891	7,599,732	7,649,107	7,628,349	7,593,955
Total	$114,631,934	$114,608,392	$114,657,948	$114,637,250	$114,602,856

Officers: William Roberts, Pres.; James F. Hughes, V-P.; P. V. Trainque, Sec. & Treas., New York.

Executive Committee: William Roberts, Bertram Cutler, Thomas I. Parkinson, Finley J. Shepard.

Directors: E. T. Jeffrey, Alvin W. Krech, Frederick Strauss, Bertram Cutler, Thomas I. Parkinson, Wm. Roberts, Finley J. Shepard, Franklin Day, James F. Hughes, Wm. Dean Embree, Edward L. Ballard.
Office, 165 Broadway, New York.

NEW YORK & QUEENS COUNTY RAILWAY COMPANY

(Controlled by Interborough Rapid Transit Co.)

Incorporated June 29, 1896, in N. Y. and reorganized on June 30, 1899. Absorbed the Newtown Ry. Co., the Riker Ave. & Sanford Point Ry., the Steinway Ry. Co., the Long Island City & Newtown Ry. Co. and the Flushing & College Point Electric Ry. Co. In June, 1902, absorbed the Queens Ry. Co., which was a reorganization of the New York & North Shore Ry., sold under foreclosure. Owns and operates street railway lines in Long Island City and vicinity. Length of line, 18.673 miles; total track, 35.068 miles. Gauge, standard. Rail, 70 to 116 lb. T and girder. Cars, 81. Sub-stations, 2.

On Dec. 16, 1909, this company was granted a permanent franchise to run cars over the Queensboro Bridge across Blackwells Island and operations were begun on Feb. 5, 1910. Through passengers only are carried across the bridge; no extra fare being charged.

Receiverships—Justice Callaghan in the Queens County (N. Y.) Supreme Court April 27, 1922, on the application of the Guaranty Trust Co. of New York, trustee under the First Mortgage of the Steinway Railway, named S. W. Huff and Robt. C. Lee, receivers of that property. The order signed by Justice Callaghan provided that the receivers take over the property which originally belonged to the Steinway Company, the Dutch Kills Line from the Queensboro Bridge Plaza to the 92nd Street Ferry in Astoria, the Steinway Line from the Bridge Plaza to Riker Avenue at North Beach, the Broadway Line from the 92nd Street Ferry to Woodside, the Flushing Avenue Line from the 92nd Street Ferry to North Beach, the Ravenswood Line and the Jackson Avenue Line from the 34th Street Ferry to Woodside. Application for a receivership was based on the fact that the company had defaulted on Jan. 1, 1922, in the payment of interest on the Steinway Railway mortgage bonds. The default of the interest on Jan. 1, 1922, on the bonds was corrected, the members of the protective committee, of which Harold B. Thorne, Chairman, having subscribed the $45,000 necessary to meet the interest due on that date. The receivers took over the Steinway property on May 10, 1922.

Following the announcement of Grayson M-P. Murphy that the Interborough Rapid Transit Co. would no longer advance funds to meet deficits, L. C. Andrews on Jan. 18, 1923, was appointed receiver for the New York & Queens County Co. by Justice J. C. Van Siclen in the Supreme Court at Long Island City, N. Y. on the petition of the Bankers Trust Co., Trustee for outstanding bonds. The receivership does not

cover the so-called Steinway lines, formerly part of the system but now operated by receivers.

Steinway Ry. Bondholders' Committees Consolidate—The two bondholders' committees constituted respectively under deposit agreements dated Jan. 3, 1922 and Dec. 28, 1921 of which George W. Davison and Harold B. Thorne were Chairmen, respectively, in Jan., 1922, announced that they had agreed to consolidate. The committee resulting from the consolidation consists of George W. Davison, Roswell Eldridge, Walter E. Frew, Harold B. Thorne and Wm. Carnegie Ewen, with Larkin, Rathbone & Perry and Dewey Loucks as Counsel. The depositary for the consolidated commitee is Central Union Trust Co. of New York. Holders of bonds were urged to support the consolidating committee by depositing their bonds with the depositary.

Committee for First Consolidated Mortgage Bonds—Default having been made in the payment of semi-annual interest due April 1, 1922, on the First Consolidated Mortgage 4% bonds, and defaults having also been made in the payment of the semi-annual interest payments on three underlying issues, protective committee was formed under Deposit Agreement dated April 6, 1922, in order that First Consolidated Mortgage bondholders could take concerted action for the protection of their securities. Committee: Frederick Osborn, Chairman; C. Stevenson Newhall, and James H. Perkins, with C. D. Bailey, Sec., New York, and Cravath Henderson, Leffingwell & De Gersdorff, New York, as Counsel. Bondholders were asked to deposit their bonds with April 1, 1922, and subsequent coupons attached, at the Farmers' Loan & Trust Co., New York, Depositary, or the Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Sub-Depositary. Present Committee: M. N. Buckner, Chairman; C. Stevenson Newhall and W. C. Potter, with H. M. Fisher, Sec., New York, and Cravath, Henderson & De Gersdorff, New York, as Counsel.

CAPITAL STOCK

Authorized, $5,000,000; outstanding, $3,235,000; par, $100. The Interborough Rapid Transit Co. owns $3,194,800 of the stock. Annual meeting, third Wednesday in July.

FUNDED DEBT

$1,300,000 New York & Queens County Ry. First Consolidated Gold 4s; dated June 29, 1896; due Oct. 1, 1946; int. April and Oct. 1, at Corn Exchange Bank, Queens County Branch, Long Island City. Coupon, $1,000. Bankers Trust Co., New York, Trustee. Authorized issue, $3,000,000. There were originally issued $2,500,000 5% bonds, but at time of reorganization in 1899, $1,200,000 were cancelled and interest reduced to 4%. Subject to call at 105 and interest. Company does not pay Normal Federal Income Tax.

Default—Interest due April 1, 1922, was defaulted.

$1,500,000 (entire issue) Steinway Ry. First Gold 6s; dated July 1, 1892; due July 1, 1922; int. Jan. and July 1, at Guaranty Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. A first lien on the property formerly of the Steinway Ry., 18.25 miles. Company does not pay Normal Federal Income Tax.

Default—Company defaulted the payment of interest due on Jan. 1, 1922, but the default was subsequently corrected by the Protective Committee. The principal is now in default.

$2,086,827 New York & Queens County Ry. First & Refunding Gold 4s. Company has not sold any of the $10,000,000 First Refunding Mortgage bonds authorized by the State Board of RR. Commissioners, but bonds in the amount of $2,186,827.28 have been certified and delivered to the Trustee, of which $2,086,327.28 are pledged as collateral security for loans made, the proceeds of which have been expended for additional construction and equipment. The remaining $100,000 of said bonds are in the Treasury of the Company for the purpose as set out in Article 1 of the First Refunding Mortgage dated Nov. 1, 1906.

NOTE—Newton Railway Company's 5s, due Dec. 1, 1924, par value $150,000, and Flushing and College Point Railway Company's 5s, due June 1, 1925, par value $50,000, with interest coupons attached were acquired during 1926 by the Receiver and subsequently cancelled by the New York Trust Company, Trustee.

SUPPLEMENTARY INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Receiver's Operations Only)

	1927	1926
Revenue from transportation	$734,095	$660,811
Other street railway oper. rev.	118,679	114,904
Gross operating revenue	$852,774	$775,715
Operating expenses	688,707	626,804
Net operating revenue	$164,067	$148,911
Taxes	27,945	33,156
Income from operation	$136,122	$115,755
Non-operating income	7,679	6,808
Gross income	$143,801	$122,563
Interest deductions	590	2,452
Other rent deductions	1,293	3,098
Net income	$141,918	$117,013

INCOME ACCOUNT, YEARS ENDED JUNE 30

	§1926-27	§1925-26	1924-25	1923-24	1922-23	1921-22
Gross earnings	$819,857	$778,836	$823,941	$676,910	$691,026	$1,261,201
Operating expenses	669,884	615,923	676,094	577,226	678,164	1,305,546
Net earnings	$149,973	$162,913	$147,847	$99,684	$12,862	*$44,345
Other income	6,898	6,747	4,365	2,151	2,007	10,228
Total income	$156,871	$169,660	$152,212	$101,835	$14,869	*$34,117
Interest, taxes, etc.	32,092	49,564	344,077	360,354	345,627	421,492
Surplus for year	$124,779	$120,096	*$191,865	*$258,519	*$330,758	*$455,609

*Deficit. §Includes receiver's operations only.

GENERAL BALANCE SHEET, JUNE 30
(Corporation and Receiver Combined)

Assets—	1927	1926	1925	1924	1923
Fixed capital, Dec. 31, 1908	$7,962,137	$7,962,137	$7,965,759	.....	$8,007,881
Fixed capital subsequent to Dec. 31, 1908	884,450	880,664	870,638	.....	864,695
Total fixed capital	$8,846,587	$8,842,801	$8,836,397	$8,837,594	$8,872,576
Cash	20,514	6,009	69,337	65,105	52,934
Accounts receivable	73,001	81,206	67,771	24,138	83,730
Interest receivable	2,576	2,309	180	.....	822
Special deposits	16,021	16,021	166,046	48,816	46,721
Materials and supplies	55,976	72,218	84,408	82,213	80,507
Other assets	.....	1,950	2,197	2,139	4,050
U. S. Treasury certificates	232,000	150,000	.....	.....	.....
Prepaid taxes, ins., etc.	7,657	2,071	7,951	12,542	3,963
Receiver of property under foreclosure	.....	.....	.....	67,955	.....
Receiver of sequestration proceedings	.....	.....	.....	111,186	.....
Other temporary debits	210,154	232,523	134,633	59,438	.....
Corporate deficit	6,274,955	6,196,281	6,026,497	5,764,182	5,504,563
Total	$15,739,441	$15,603,389	$15,395,417	$15,075,309	$14,649,866

GENERAL BALANCE SHEET JUNE 30 (Continued):

Liabilities—	1927	1926	1925	1924	1923
Capital stock	$3,235,000	$3,235,000	$3,235,000	$3,235,000	$3,235,000
Other funded debt	1,300,000	1,300,000	1,300,000	3,000,000	3,000,000
Equipment trusts	3,650	12,410	21,170	29,930	38,690
Taxes accrued	312,640	306,898	394,301	358,150	320,350
Loans and bills payable	.....	.....	.....	77,888	6,791,688
Miscellaneous accounts payable	6,290	5,596	17 772	.....	62,828
Interest accrued	1,677,310	1,392,739	1,156,134	863,315	562,704
Other rents accrued	34,725	34,725	34,725	.....	34,725
Due associated companies	6,811,318	6,810,420	6,815,609	6,791,687	.....
Other liabilities	355,130	314,702	314,702	106,249	1,872
Due for wages and salaries	6,106	5,279	4,591	.....	.....
Matured funded debt unpaid	1,500,500	1,500,500	1,700,500	500	500
Accrued amortization of capital	308,704	308,704	310,445	313,532	331,203
Reserves	188,068	376,416	90,468	299,058	270,306
Total	$15,739,441	$15,603,389	$15,395,417	$15,075,309	$14,649,866

Officers: L. C. Andrews, Receiver; Fisk & Roberts. New York, Operating Managers; T. A. Crausway, Compt.

Office, 36-25th St., Jackson Heights, N. Y.

RAPID TRANSIT SUBWAY CONSTRUCTION CO.

(Controlled by Interborough Rapid Transit Co.)

Incorporated Feb. 19, 1900, in N. Y., with a perpetual charter, to construct and equip rapid transit railroads in New York City.

CAPITAL STOCK

$6,000,000; par, $100. All owned by Interborough Rapid Transit Co. Annual meeting, last Thursday in February.

FUNDED DEBT

None.

Officers: Edward J. Berwind, Chrm. of Board of Directors; Frank Hedley, Pres.; Earl E. Starbard, V-P.; H. M. Fisher, Sec. & Treas.; H. T. Berry, Compt.; Frank Samuelson, Aud.; A. C. Wigren, Asst. Sec., New York.

Directors: Edward J. Berwind, H. M. Fisher, Frank Hedley, Samuel W. Reyburn, F. de C. Sullivan, Herman A. Metz, William Roberts, New York.

General Office, 165 Broadway, New York.

REPUBLIC SERVICE CORPORATION

History—Incorporated in 1926, in Delaware. Owns over 85% of the stock of the **Mauch Chunk Heat, Power & Electric Light Co.,** all the stock of the **Mercersburg, Lehmasters & Markes Electric Co.,** the **Fulton Electric Light, Heat & Power Co.,** the **Greencastle Light, Heat & Power Co.,** the **Renovo Edison Light, Heat & Power Co.,** the **Brockway Light, Heat & Power Co.,** the **Abington Electric Co.,** the **Centre Electric** Co., Howard, Pa., and **Massamitten Power Co.,** Shenandoah, Va. These furnish, without competition, electric light and power in Shenandoah, Va., Mauch Chunk, East Mauch Chunk, Packerton, Hacklebernie, Greencastle, Pa.; Renovo, South Renovo, North Bend, Gleaston, Farwell and Noyes townships in Clinton County, Pa.; Mercersburg, St. Thomas, Lehmasters, Fort Louden, Markes, Upton and McConnelsburg, Pa.; Brockway and Snyder Townships in Jefferson County, Pa., and territory suburban to Scranton, Pa., in Lackawanna and Wyoming Counties. Population served, about 52,000. In addition it wholesales current to Lehighton Electric Co., which serves about 8,000 people. Number of customers Jan. 1, 1927, 8,805; k.w.h. output in 1926, 11,281,597.

CAPITAL STOCK

Outstanding, 40,599 shares Common and 8,500 shares $6 cumulative Pfd., both of no par value.

Preferred Stock Provisions—Has preference for cumulative dividends at the rate of $6 per share per annum, is subject to call and purchase by Company in whole or in part on any dividend date at $110 a share and accrued dividend, and is entitled in liquidation and priority to all junior shares to $100 per share and accrued dividends. No additional shares of such stock shall be issued unless and until the net earnings of the corporation for 12 consecutive months out of the 14 months preceding such issue shall have been not less than twice the annual Pfd. dividend requirements upon the Pfd. stock outstanding and to be issued. In computing net earnings for the purposes of this provision, there shall be included the earnings for such period available for payment of dividends on stock owned by the corporation in subsidiary or underlying corporations, after making adequate provisions out of earnings for the maintenance and (after Jan. 1, 1930) renewal of the plant and facilities of such corporations.

Dividends—Pfd. dividends regularly paid quarterly since Aug. 1, 1926; payments F, M, A & N 1.

FUNDED DEBT

$1,936,000 25-YEAR FIRST LIEN COLLATERAL TRUST 5% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1951

Dated June 1, 1926.

Interest Payable June and December 1, in Wilmington, Del., or Philadelphia, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Authorized, $10,000,000; issued, $1,936,000 Series "A" 5s. Additional bonds may be issued only under provisions of the trust indentures, which provide among other restrictions that net earnings available for interest charges for twelve consecutive months out of the fourteen months preceding the date of issue, shall be at least 1¾ times the interest charges on all bonds outstanding and those proposed to be issued.

Purpose of Issue—Proceeds together with other monies were used for the acquisition of the stocks of subsidiary companies, for capital expenditures for permanent additions and improvements and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 105 and interest.

Renewal Reserve—Not less than 5% of the gross earnings of the subsidiary companies shall, after Jan. 1, 1930 be set aside annually before the payment of dividends, as a Renewal Reserve.

Security—Bonds are the direct obligation of the Company and are secured by pledge of the entire capital stocks of Mercersburg, Lehmasters and Markes Electric Co., the Fulton Electric Light, Heat & Power Co., Greencastle Light, Heat and Power Co., the Renovo Edison Light, Heat and Power Co., the Centre Electric Co., Howard, Pa., the Massamitten Power Co., Shenandoah, Va., and over 85% of the capital stock of the Mauch Chunk Heat, Power &

Electric Light Co. These companies have no mortgage outstanding and the capital stocks represent the ownership of the properties unencumbered by funded debt.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax free in Pennsylvania. Connecticut 4 Mills Tax, Massachusetts Income Tax, New Hampshire Income Tax under present laws refundable to holders resident in those states. The Company covenants to refund as provided in the Indenture, upon proper application, the state property tax or state income tax assessed by any state in the United States not in excess of 4 mills per annum upon each dollar of the principal amount of the bond.

Legal Opinion—Evans, Bayard & Frick, Philadelphia.

Original Offering—First publicly offered ($1,100,000) in Dec., 1926, by Baker, Young & Co., Boston.

CONSOLIDATED EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	*$585,497
Operating expenses and taxes	375,719
Depreciation	29,483
Net earnings	$180,295
Minority interest	4,461
Balance	$175,834
Bond interest	74,535
Other interest	4,915
Debt discount and expenses	8,358
Balance	$88,026
Pfd. dividend requirements	45,750
Balance	$42,276

*Includes other income (net), $4,901.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital	$2,973,231
Investments	1,140
Cash	70,379
Accounts receivable	100,145
Material and supplies	51,891
Prepayments	6,468
Suspense	29
Organization	9,103
Unamortized debt discount and expense	246,176
Total	$3,458,562
Liabilities—	
Common stock	*$421,439
Preferred stock	†707,500
Funded debt	1,936,000
Subsidiary stock (not owned)	26,078
Accounts payable	63,467
Interest payable	8,067
Taxes payable	7,366
Reserve for depreciation	283,124
Reserve for bad debts	1,371
Other reserves	4,150
Total	$3,458,562

*Represented by 40,599 shares of no par value. †Represented by 8,500 shares of no par value.

Officers: Philip Young, Pres.; Joseph W. Swain, Jr., V-P., F. W. Harris, V-P., Coatesville, Pa.; L. B. Harvey, Treas., Philadelphia, Pa.

Directors: William W. Brooks, F. W. Harris, L. B. Harvey, A. M. Swain, Jos. W. Swain, Jr., Philip Young, F. S. Whitfield.

General Office, Coatesville, Pa. **Treasurer's Office,** 424 Land Title Bldg., Philadelphia, Pa.

OLD COLONY GAS COMPANY

History and Property—Incorporated Oct. 26, 1908, in Mass., as Plymouth County Gas Light & Power Co.; name changed June 1, 1911. Franchises perpetual. Property comprises land and plant at tidewater on Fore River, East Braintree, Mass.; and distributing system in Braintree, Weymouth, Hingham, Rockland, Abington and Whitman, Mass. Population served, about 50,000. Daily capacity, 2,000,000 cu. ft. Miles of mains, 193. No. of meters, 10,064. Prices: $1.10 for first 100 cu. ft. of gas used each month; 18 cents for next 900 cu. ft.; 16 cents for next 9,000 cu. ft.; 13 cents for next 40,000 cu. ft.; 12 cents for next 50,000 cu. ft.; 11 cents for next 100,000 cu. ft.; and 10 cents for all over 200,000 cu. ft.; less a discount of 10% for payment within 15 days.

CAPITAL STOCK

Authorized and outstanding, $354,500 Common and $354,500 5% non-cumulative Preferred; par, $25 (par of both classes of stock changed from $100 Nov. 11, 1926). Registrar: First National Bank, Boston. Pfd. stock has preference for assets and to dividends up to 5% and shares equally with Common after latter receives 5%. It also has equal voting power with Common stock. Annual meeting, first Monday in March.

Proposed Stock Issue—In January, 1928, Company made application to the Massachusetts Department of Public Utilities for authority to issue 2,040 shares of Common stock at par, $25, for the purpose of paying off floating debt.

Dividends—Dividends at rate of 5% paid on Pfd. from December, 1912, until Oct. 1, 1917; none thereafter until 1922, when 3% was paid; 1923 and 1924, 5% each; 1925 and 1926, 7% each; 1927, 8%; payments J, A, J & O 1. A dividend of 3% was paid on Common in 1923; 1924, 5%; 1925 and 1926, 7% each; 1927, 8%.

FUNDED DEBT

$595,000 FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1931

Dated December 1, 1911.

Interest Payable June and December 1, at Atlantic National Bank of Boston, Mass.

Denomination—Coupon (principal may be registered), and registered, $1,000; interchangeable.

Trustee—Atlantic National Bank of Boston, Mass.

Provisions of Issue—Authorized by stockholders, $1,000,000; by Mass. Board of Gas and Electric Light Commissioners, $595,000.

Callability—Not subject to call.

Sinking Fund—None provided.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Storey, Thorndike, Palmer & Dodge, Boston.

Legal for Savings Banks in Massachusetts.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross receipts	$504,644	$456,941	$425,291	$392,714	$370,468	$323,464
Operating expenses and taxes	341,712	300,519	266,233	246,068	236,205	205,080
Net earnings	$162,932	$156,422	$159,058	$146,646	$134,263	$118,384
Interest charges	31,917	31,276	31,181	32,276	33,812	35,275
Balance for dividends	$131,015	$125,146	$127,877	$114,370	$100,451	$83,109
Preferred dividends paid	28,360	24,815	24,815	17,725	17,725	28,360
Common dividends paid	28,360	24,815	24,815	17,725	10,635	
Balance	$74,295	$75,516	$78,247	$78,920	$72,091	$54,749
Reserve for replacements	64,462	59,711	57,460	54,347	51,112	50,491
Surplus for year	$9,833	$15,805	$20,787	$24,573	$20,979	$4,258
*Times Interest Earned	5.10	5.06	5.10	4.54	4.00	3.35

*Before reserve for replacements.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$1,765,239	$1,679,904	$1,600,121	$1,519,829	$1,449,682	$1,415,553
Materials and supplies	58,109	54,066	39,837	39,911	38,114	26,584
Cash	43,223	35,534	43,177	75,284	72,704	59,051
Accounts receivable	75,561	71,544	62,200	47,773	41,792	36,633
Advance payments	3,549	4,346	3,810	6,696	2,520	2,381
Total	$1,945,681	$1,845,394	$1,749,145	$1,689,493	$1,604,812	$1,540,202
Liabilities—						
Common stock	$354,500	$354,500	$354,500	$354,500	$354,500	$354,500
Preferred stock	354,500	354,500	354,500	354,500	354,500	354,500
Funded debt	595,000	595,000	595,000	595,000	338,000	338,000
Notes payable	51,000	20,000	.....	.....	.....	.....
Debentures	2,000	2,000	2,000	3,500	244,500	246,000
Current liabilities	55,621	69,863	43,658	54,931	50,405	34,032
Accrued liabilities	34,374	12,303	33,396	33,429	34,734	31,296
Reserves	369,292	317,667	262,336	210,665	169,778	144,460
Surplus	129,394	119,561	103,755	82,968	58,395	37,414
Total	$1,945,681	$1,845,394	$1,749,145	$1,689,493	$1,604,812	$1,540,202

Officers: E. M. Farnsworth, Pres.; E. M. Farnsworth, Jr., V-P. & Treas, Brookline, Mass.; Howard B. Hall, Sec., East Braintree, Mass.

Directors: E. M. Farnsworth, E. M. Farnsworth, Jr., G. Loring Briggs, Franklin King, Brookline, Mass.; S. G. King, Boston, Mass.

Office, East Braintree, Mass.

GLEN TELEPHONE COMPANY

History—Incorporated June 20, 1899, in New York. The system of the Company is connected with the lines of the New York Telephone Co. and of the American Telephone & Telegraph Co. No. of exchanges, 12. No. of telephones, 12,966. Miles of wire, 19,981.5 Population served, about 70,000.

CAPITAL STOCK

Authorized and outstanding, $900,000 (increased from $750,000 in 1926); par, $100. Vice-Pres. of Companys acts as Transfer Agent. Annual meeting, second Wednesday in January.

Dividends—Payments have been made as follows: 1907 and 1908, 6% each; 1909, 3%; 1910 and 1911, 6% each; 1912 and 1913, 8% each, 1914, 6%; 1915 to 1920, incl., 8% each; 1921 to 1925 incl., 9% each; 1926, 9% regular paid from income and special dividend of 10% paid from surplus on Oct. 1, 1926; 1927, 9%; payments January and July at Johnstown, N. Y.

FUNDED DEBT

$200,000 (entire issue) First and General Mortgage 6% Gold bonds; dated Dec. 1, 1909; due Dec. 1, 1934; int. June and Dec. 1, at Utica Trust & Deposit Co., Utica, N. Y., Trustee. Coupon, $1,000. Subject to call at 110. No sinking fund. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$446,633	$445,975	$426,669	$406,370	$364,532	$342,805
Operating expenses, taxes and depreciation	373,938	354,135	330,753	315,696	302,430	288,916
Net earnings	$92,695	$91,840	$95,916	$90,674	$62,102	$53,889
Other income	2,898	3,946	9,070	2,707	1,348	1,564
Total income	$95,593	$95,786	$104,986	$93,381	$63,450	$55,453
Interest, rentals, etc.	17,718	18,165	15,328	16,170	16,417	14,114
Balance for dividends	$77,875	$77,621	$89,658	$77,211	$47,033	$41,339
Dividends paid	81,000	74,250	67,500	54,000	45,000	45,000
Surplus for year	*$3,125	$3,371	$22,158	$23,211	$2,033	*$3,661
Times Bond Interest Earned	7.49	7.47	8.47	7.43	4.92	4.44
Earnings Per Share	$8.65	$8.62	$11.95	$12.87	$9.41	$8.26

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,535,309	$1,475,731	$1,369,392	$1,146,911	$1,039,251	$970,830
Misc. investments	2,500	.....	.....	.....	.....	300
Materials and supplies	46,976	43,589	45,478	52,322	42,497	40,487
Cash	14,723	6,254	7,603	29,171	492	5,652
Current accounts	58,864	55,169	63,127	51,355	48,820	47,984
Prepayments	2,926	1,894	3,023	2,053	1,492	23,836
Suspense	1,790	2,178	1,963	2,163	2,578	2,509
Reserve for insurance	5,062	5,000	5,000	5,000	5,000	5,000
Total	$1,668,150	$1,589,815	$1,495,586	$1,288,974	$1,140,130	$1,096,598
Liabilities—						
Capital stock	$900,000	$900,000	$750,000	$600,000	$500,000	$500,000
Funded debt	200,000	200,000	200,000	200,000	200,000	200,000
Notes payable	60,000	25,000	44,265	14,100	48,000	22,000
Current liabilities	10,822	15,606	33,302	53,216	11,029	18,890
Interest accrued	.....	333	117	1,000	1,000	1,000
Reserve for taxes	.....	1,568	3,137	3,137	984	942
Other liabilities	43,331	42,388	34,841	32,030	27,927	25,355
Depreciation	342,684	297,505	257,959	267,299	232,629	215,231
Service billed in advance	28,778	27,704	26,810	.....	23,776	21,564
Insurance reserve	12,198	9,380	6,642	4,182	3,148	2,565
Surplus	70,337	70,331	138,513	114,010	91,637	89,051
Total	$1,668,150	$1,589,815	$1,495,586	$1,288,974	$1,140,130	$1,096,598

Officers: L. N. Littauer, Pres.; G. G. W. Green, V-P. & Gen. Mgr., Gloversville, N. Y.; V. R. Folmsbee, Sec., Henry Veghte, Treas., Johnstown, N. Y.; V. R. Folmsbee, Supt., Johnstown, N. Y.

Directors: L. N. Littauer, S. Rothchild, Burt Z. Kasson, G. G. W. Green, Gloversville, N. Y.; Donald Fraser, F. L. Carroll, Henry Veghte, James E. Knox, V. R. Folmsbee, H. A. DeGraff, Johnstown, N. Y.; Edward Edwards, Harry MacNeil, Fonda, N. Y.; F. E. Barbour, Canajoharie, N. Y.

General Office, 6 Church St., Johnstown, N. Y.

MINNEAPOLIS GAS LIGHT COMPANY

History—Incorporated in Minn., in 1870. The Co's franchise was granted Feb. 21, 1870, and approved Feb. 24, 1870, for a period of 40 years. The ordinance granting the franchise provided that if at the expiration of 40 years the city desired to purchase the said franchise and gas works, it should have the privilege of doing so, and that three arbitrators should be chosen, one by the city, one by the gas company, and the third by the two thus chosen; also that should the city decline to purchase at the valuation fixed by the arbitrators, then the said rights, franchises and privileges should be extended automatically for 20 years longer and in 1910, owing to the failure of city to purchase plant, franchise was extended as above. The franchise gives the company exclusive right to manufacture and sell gas for any and all purposes in Minneapolis. This franchise contains no burdensome restrictions and its exclusive character has been sustained by the courts of Minnesota.

The east side of the river, or, as it was called originally, St. Anthony, also granted a franchise which is owned and controlled by the Minneapolis Gas Light Co., and which is of the same character as the Minneapolis franchise.

Officials of Company on Nov. 3, 1927, presented to the Minneapolis city council special committee on gas matters the draft of a proposed ordinance to extend the present franchise which expires in 1930, for 20 years, fixing a minimum charge of $1 a month for all gas consumers, retaining the present method of arriving at the monthly charge of consumers using up to 3,000 cubic feet of gas, and providing step rates for large users of gas.

Receivers Discharged—On Oct. 9, 1924 Alonzo T. Rand and Clive T. Jaffrey, were discharged as Receivers for Company and property turned back to owners. These two men succeeded Rufus R. Rand (deceased) on April 16, 1921, the latter having been appointed on Jan., 1920, by Judge Wilbur F. Booth in the Federal District Court.

Property—Property includes a water gas manufacturing plant, with daily capacity of 24,600,000 cu. ft.; 4 holders with a capacity of over 8,700,000 cu. ft., and 785 miles (of which 20 suburban) of mains, serving 118,876 (of which 1,030 suburban) meters.

Valuation—Wm. A. Baehr of Chicago, consulting engineer, has appraised the valuation of the Company's property as of Jan. 1, 1920, at $19,371,063 and fixed the valuation at $13,792,831 as of July 1, 1918, at a date when Dr. Milo R. Maltbie of New York, public utilities expert employed by the City of Minneapolis, fixed $6,000,000 as a fair valuation. The U. S. Circuit Court of Appeals at St. Louis on Jan. 9, 1923, handed down a decision fixing the valuation of Company's property at $9,255,216 and ordering the price of gas to be fixed to yield 7.5% annually on this amount.

Gas Rates—On May 1, 1923, the U. S. District Court allowed 3c per thousand cu. ft. to be added to the rate representing the return of 7½% per annum on the increase in valuation from $8,000,000 as found by the Master to $9,255,216 as found by the U. S. Circuit Court of Appeals. Price of gas to City of Minneapolis (net): May 1 to Aug. 31, 1924, $1.01; Sept. 1 to Dec. 31, 1924, $0.98; Jan. 1 to Apr. 30, 1925, $0.96. May 1 to Aug. 31, 1925, $0.95; Sept. 1 to Dec. 31, 1925, $0.93; Jan. 1 to April 30, 1926, $0.94; May 1, 1926, to Aug. 31, 1926, $0.97; Sept. 1, 1926, to Dec. 31, 1926, $0.95; Jan. 1, 1927, to April 30, 1927, $0.93; May 1, 1927 to Aug. 31, 1927, $0.96; Sept. 1, 1927 to Dec. 31, 1927, $0.94; Jan. 1, 1928 to April 30, 1928, $0.94. Suburban gas rates: First 500 cu. ft. and minimum bill, $1.00 net; next 4,500 cu. ft., $1.50 net per M.; over 5,000 cu. ft., $1.10 net per M.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Miles of Mains	No. of Meters	Cubic ft. Sold
1923		106,559	3,443,506,000
1924	653	110,015	3,616,810,000
1925	712	113,557	3,696,554,000
1926	749	116,304	3,992,585,000
1927	785	118,876	4,165,031,000

CAPITAL STOCK

Authorized, $2,500,000 Common, par $50 and $2,500,000 Pfd., par, $100; outstanding, Dec. 31, 1927, $2,200,000 Common and $2,032,800 7% Pfd. United Gas Improvement Co. (see General Index) owns 50% of the Common stock. Capital stock was changed from $800,000 Common to present amounts in Feb., 1925, $1,400,000 Common stock being issued as a 175% stock dividend and the 7% Pfd. stock being offered to customers and employees.

Preferred Stock Provisions—Pfd. stock may be issued in series, such series to have such dividend rates not exceeding 8% as may be designated, all series to have equal preference for dividends. The 7% Pfd. stock is subject to call on any dividend date as a whole or in part at 110 and dividends; is not convertible; and has no voting powers except whenever four full quarterly dividends shall be in arrears and until all defaulted dividends shall have been paid in full.

Annual Meeting—In March.

Dividends—Dividends on Common stock (formerly capital stock) have been paid as follows: Jan. 7, 1915, 6% from earnings for year 1914; Sept. 8, 1915, 6% from earnings for year 1915; Jan. 24, 1916, 8%; July 1, 1916, 8%; Jan. 2, 1917, 8%; none thereafter until 1924 when 48% was paid; Mar. 27, 1925, 9 1-3%; Oct. 1 and Dec. 1, 1925, 2% each; 1926 and 1927, 8% each. In addition a 175% stock dividend was paid on Common stock to the amount of $1,400,000 on Mar. 3, 1925.

On Pfd. stock initial dividend of 1¾% was paid June 1, 1925, which quarterly rate maintained to date; payments M, J, S & D 1.

FUNDED DEBT

(1)

$4,915,000 FIRST GENERAL GOLD 5s; DUE FEBRUARY 1, 1930

Dated September 1, 1903.

Interest Payable March and September 1 at the Equitable Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized and issued, $10,000,000, of which $2,455,000 retired by sinking fund to Dec. 31, 1927, and $2,630,000 held in treasury, $2,200,000 being pledged as collateral for the below described notes.

Callability—Subject to call at 105 and interest on any interest date, except bonds numbered 1001 to 3868, which are redeemable at 102½.

Sinking Fund—A supplemental indenture provides for the payment of $147,000 each Feb. 15, 1911, to 1929, inclusive, and Jan. 15, 1930, to Continental & Commercial Trust & Savings Bank, Chicago, for the retirement of the bonds numbered 1001 to 3868 in numerical order at 102½. Bonds are to be redeemed on March 1 of each year.

Security—A first lien on entire property owned.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Wood & Oakley, Chicago.

Original Offering—Publicly offered ($3,000,000) in March, 1910, at par and interest.

Price Range—

	1927	1926	1925
High	99½	99½	99½
Low	98½	98½	94½

(2)

$2,000,000 6% SECURED GOLD NOTES; DUE FEBRUARY 1, 1930

Dated August 1, 1924.

Interest Payable February and August 1 at The Minneapolis Loan and Trust Co., Minneapolis, Minn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Minneapolis Loan and Trust Co., Minneapolis, Minn.

Provisions of Issue—Issued, $2,000,000. Proceeds used in part to retire some of the above described bonds (No. 1) and to reimburse company for capital expenditures heretofore made, and for additions and extensions. Additional notes may be issued for 100/110ths of First Mortgage bonds so deposited.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 102½ and interest to Feb. 1, 1925, with successive reductions of ½ of 1% of the principal on each Aug. 1, to Aug. 1, 1929, on which date notes are redeemable at par and interest.

Security—Secured by deposit of $2,200,000 First Mortgage bonds (described in No. 1).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax, Connecticut four mill tax, District of Columbia and Maryland 4½ mill taxes, and Massachusetts 6% income tax refunded (on application within 60 days after payment) to holders resident in these states.

Original Offering—First publicly offered ($2,000,000) in Sept., 1924, at par and interest, by E. H. Rollins & Sons, New York, etc., and The Minneapolis Loan and Trust Co., and Minneapolis Trust Co., Minneapolis, Minn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	*1924	1923	1922
Gross earnings	$4,033,218	$3,895,469	$3,582,650	$3,667,840	$3,640,076	$3,355,332
Operating expenses and taxes	3,064,708	2,912,141	2,699,956	2,702,179	2,691,659	2,599,186
Depreciation	150,000	150,000	184,828	180,840	174,194	163,286
Net earnings	$818,510	$833,328	$697,866	$784,821	$774,223	$592,860
Interest charges	$370,401	$377,487	$387,072	$357,510	$339,918	$338,503
Bond and note discount	22,634	22,634	22,634	11,091	3,716	3,716
Taxes (non-operating and int. coupons)	5,719	5,945	6,008	5,821	6,069	5,600
Expenses Pfd. stock sales	1,707	9,370	17,692	.....	.....	.....
Total charges	$400,461	$415,436	$433,406	$374,422	$349,704	$347,820
Surplus for year	$418,049	$417,892	$264,460	$410,399	$424,519	$245,040
Times Interest Earned	2.08	2.11	1.74	2.15	2.25	1.72
Earnings Per Share—						
Preferred	‡$20.56	‡$37.10	‡$43.86	.....	.....	.....
Common	§6.27	§7.70	§5.05	$25.65	$26.53	$15.31

*A. T. Rand and C. T. Jaffray, Receivers, and The Minneapolis Gas Light Co. ‡Based on stock outstanding December 31, $603,000 in 1925, $1,126,300 in 1926, and $2,032,800 in 1927. §After dividends at the rate of 7% per annum for full year on $603,000 7% Pfd. for 1925, $1,126,300 for 1926, and $2,032,800 in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant beginning of year	$12,402,044	$11,888,628	$11,355,591	$10,955,286	$10,307,380	$9,895,687
Improvements, betterments and extensions during year	775,058	513,416	533,037	400,305	647,905	411,693
Fixed assets	$13,177,102	$12,402,044	$11,888,628	$11,355,591	$10,955,285	$10,307,380
Stores, supplies and residuals	414,031	487,012	398,215	410,024	404,215	480,080
Accounts receivable	316,019	326,807	288,381	241,200	254,699	254,601
Rate litigation	28,425	28,975	39,840	50,706	.....	15,493
Prepaid accounts	39,742	27,864	15,851	23,669	44,999	37,313
Investment	500	7,990	.....	.....	.....	.....
Funds with Equitable Trust Co., Trustee	3,148	353	18,696	18,242	17,622	17,234
Funds with Cont. & Com. Tr. & Sav. Bank Trustee (bond redemption)	1,075	750	3,300	90,366	.....	.....
Bonds and notes discount	47,155	69,789	92,423	115,057	.....	.....
Cash	762,965	558,290	527,550	418,373	215,734	153,254
Due on Pfd. stock subscriptions	20,451	9,327	17,358	.....	.....	.....
Special deposits	45,202	29,831	16,004	.....	.....	.....
Profit and loss	.....	.....	.....	.....	.....	77,541
Total	$14,855,815	$13,949,032	$13,306,246	$12,723,228	$11,892,554	$11,342,896
Liabilities—						
Common stock	$2,200,000	$2,200,000	$2,200,000	$800,000	$800,000	$800,000
7% Pfd. stock	2,032,800	1,126,300	603,000	.....	.....	.....
7% Pfd. stock subscription	38,400	23,700	50,200	.....	.....	.....
Funded debt	6,915,000	7,058,000	7,222,000	7,439,000	6,111,000	6,111,000
Accrued accounts, taxes, interest, etc.	518,988	517,692	694,365	635,726	602,969	537,502
Customers' deposits and interest	46,340	48,022	53,505	48,800	52,503	50,537
Accounts payable	214,220	177,323	.....	.....	.....	.....
Prepayment meter balances	20,409	19,174	.....	.....	.....	.....
Misc. current liabilities	7,734	6,893	.....	.....	.....	.....
Misc. unadjusted credits	29,073	26,138	.....	.....	.....	.....
Suspense accounts	.....	5,800	11,601	26,596	28,464	28,632
Notes payable	.....	.....	.....	.....	434,524	434,524
Receiver's certificates	.....	.....	.....	.....	100,000	100,000
Depreciation reserve	2,331,863	2,334,671	2,233,121	2,172,631	2,122,908	1,977,251
Sinking fund reserve	35,000	35,000	35,000	1,291,000	1,303,450	1,303,450
Miscellaneous reserves	6,249	.....	.....	.....	.....	.....
Profit and loss surplus	459,738	370,318	203,454	309,475	336,736	.....
Total	$14,855,815	$13,949,032	$13,306,246	$12,723,228	$11,892,554	$11,342,896

Officers: A. H. Rand, Pres. & Gen. Mgr.; R. R. Rand, Jr., V-P.; E. W. Brace, Sec.-Treas.; C. B. Gamble, Supt., Minneapolis.

Directors: E. W. Brace, A. H. Rand, R. R. Rand, Jr., Minneapolis; J. B. Klumpp, W. W. Bodine, Philadelphia, Pa.

Office, Minneapolis, Minn.

LOUISVILLE WATER COMPANY

History—Originally a private corporation. Its stock was gradually purchased through the sinking fund of the City of Louisville, until all of the capital stock was acquired. It is operated by a Board of Water Works appointed by the mayor for a term of four years. Population served, 310,000. Length of mains, Dec. 31, 1927, 569.92 miles. Number of meters 15,674.

CAPITAL STOCK

Authorized and outstanding, $1,275,100; par, $100. All owned by the City of Louisville, Ky. Annual meeting, first Tuesday in April. Dividends of 15% each were declared in 1921 and 1922, payable 7½% each, Sept. 12 and Jan. 15; also declared dividends of 11.76% in 1923, payable Sept. 10 and Jan. 15; in 1924, 15%, and an extra dividend of $23,157.24 was paid; 1925, 1926 and 1927, 15% each.

FUNDED DEBT

$675,000 40-Year $1,000 Coupon Second Mortgage (now 1st) 4% Bonds; dated 1906; due July 2, 1946; int. Jan. and July 1, at First National Bank, New York, N. Y. There is a sinking fund of $8,500 to be deposited with commissioners of sinking fund of City of Louisville, on Jan. 2 of each year. Secured on entire property of the company. Fidelity & Columbia Trust Co., Louisville, Ky., Trustee. Authorized and issued, $1,000,000 of which $325,000 cancelled through sinking fund, leaving $675,000 outstanding. These bonds are absolutely non-taxable, except inheritance tax.

$404,000 40-Year Second 4s; dated 1910; due Aug. 1, 1950; int. Feb. and Aug. in New York City. There is a sinking fund of $5,500 to be deposited with commissioners of sinking fund of City of Louisville on Aug. 1 of each year. Secured on entire property of the company. Fidelity & Columbia Trust Co., Louisville, Ky., Trustee. Denomination, $1,000. Authorized and issued, $500,000, of which $96,000 cancelled through sinking fund, leaving $404,000 outstanding. These bonds are absolutely non-taxable, except inheritance tax.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,644,841	$1,615,587	$1,167,784	$1,080,058	$1,011,520	$932,093
Operating expenses	575,047	495,849	435,296	427,889	411,506	389,269
Retirement expense	147,610	131,622	.....	.....	.....	.....
Net earnings	$922,184	$988,116	$732,488	$652,169	$600,014	$542,824
Other income	4,073	1,332	172,696	70,649	59,166	.....
Total income	$918,111	$989,448	$905,184	$722,818	$659,180	$542,824
Interest on bonds	43,160	43,160		43,160	43,160	43,160
Other interest	4,342	2,411	44,908	1,584	1,402	1,382
Other charges	6,636	39,121		6,163	3,704	13,434
Total charges	$54,138	$84,692	$44,908	$50,907	$48,266	$57,976
Balance for dividends	$863,973	$904,755	$860,276	$671,911	$610,913	$484,848
Dividends paid	191,265	191,265	191,265	214,422	150,000	191,265
Surplus for year	$672,708	$713,490	$669,011	$457,489	$460,913	$293,583

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Real estate and buildings	$480,226	$480,226	$480,226	$480,226	$480,041	$475,380
Pipe system, plant and equipment	15,325,042	13,415,178	12,369,460	9,055,400	8,646,418	8,125,977
Filter plant				2,693,368	2,650,131	2,646,908
Storehouse supplies	148,568	155,121	266,520	101,959	92,564	118,792
Fuel	13,392	7,107	10,550	6,014	16,335	1,809
Miscellaneous supplies	.....	.....	2,371	2,235	3,444	3,164
Cash	1,671	131,612	7,478	38,541	34,440	156,474
Bond investment account	.....	.....	.....	.....	.....	3,629
Second mortgage sinking fund, 1906	263,653	245,793	227,856	210,378	193,462	178,052
Second mortgage sinking fund, 1910	131,116	121,089	111,400	101,905	92,712	83,258
Insurance unexpired	6,978	2,572	8,519	7,778	3,937	6,331
Accounts receivable	24,564	84,085	66,626	63,181	64,262	54,322
Total	$16,395,210	$14,642,783	$13,551,007	$12,760,985	$12,277,746	$11,854,097
Liabilities—						
Capital stock	$1,275,100	$1,275,100	$1,275,100	$1,275,100	$1,275,100	$1,275,100
Funded debt	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000
Deferred revenue	121,636	.....	.....	.....	.....	.....
Notes payable	450,000	.....	.....	.....	.....	.....
Accounts payable	196,565	40,997	192,905	27,334	27,792	44,610
Deposits	118,475	96,362	50,984	45,360	40,489	40,924
Accrued interest, 5% bonds	.....	.....		50	50	50
Accrued interest, 4% bonds	21,039	17,865	16,324	6,733	6,733	6,733
Accrued interest, meter deposits	.....	.....		8,642	7,938	7,318
Commissioners of the sinking fund, City of Louisville	95,633	95,633	95,633	95,633	75,000	95,632
Reserves	1,094,757	781,415	311,766	.....	.....	.....
Accretions, sinking fund investment	142,263	128,377	114,751	.....	.....	.....
Surplus	11,800,742	11,128,034	10,414,544	10,223,134	9,765,643	9,304,730
Total	$16,395,210	$14,642,783	$13,551,007	$12,760,985	$12,277,746	$11,854,097

Board of Water Works: Wm. B. Harrison, Mayor (ex-officio), J. H. Durham, I. T. Axton, Edw. J. Miller and J. G. Brown, Louisville, Ky.

Officers: Edw. J. Miller, Pres.; J. H. Durham, V-P.; Goodloe Hammond, Sec.; Chas. F. Gans, Treas.; Elliott Callahan, Aud.; F. W. Hudson, Pur. Agt., John Chambers, Chief Eng. & Supt.; J. Baxter Kremer, Chief Assessor, Louisville, Ky.

Office, 435 South Third Street, Louisville, Ky.

EAST TAUNTON STREET RAILWAY

History—Incorporated June 27, 1898, in Mass.; road opened Dec. 23, 1898. Length of line, 10.52 miles; sidings, etc., 0.18 mile; leased, 0.48 mile; total track operated, 11.18 miles. Connects Taunton, Lakeville and Middleborough. Gauge, standard. Rail, 56 and 90 lb. T. and girder. Passenger cars, closed, 5; electric motors, 8.

CAPITAL STOCK

Authorized, $110,000; outstanding, $97,800; par $100. No dividends have been paid since 1919. Annual meeting, first Tuesday in July.

FUNDED DEBT

$21,000 First Mortgage 6% bonds; dated March 1, 1900; due March 1, 1920, but extended to March 1, 1925 and rate of interest increased from 5% to 6%; further extended to March 1, 1929; int. March and Sept. 1, at Boston Safe Deposit & Trust Co., Boston, Mass. Coupon, $1,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$31,890	$29,690	$25,898
Operating expenses & taxes	43,043	45,819	44,318
Loss from operation	$11,153	$16,129	$18,420
Bond interest	1,260	1,260	1,260
Other interest	1,827	1,849	998
Total charges	$3,087	$3,109	$2,258
Deficit for year	$14,240	$19,238	$20,678

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$219,629	$219,629	$195,829
Cash	1,539	884	1,383
Accounts receivable	180	217	115
Materials and supplies	192	192	192
Other assets	199	199	69
Profit and loss deficit	43,569	29,223	9,967
Total	$265,308	$250,344	$207,556
Liabilities—			
Capital stock	$97,800	$97,800	$97,800
Funded debt	21,000	21,000	21,000
Notes payable	28,219	36,219	19,700
Accounts payable	38,632	27,879	13,217
Other current liabilities	5,549	3,913	2,617
Depreciation reserve	74,108	63,533	53,222
Total	$265,308	$250,344	$207,556

Officers: James P. Dunn, Pres.; James H. Murphy, Mgr. & Treas., Taunton, Mass.

Directors: Jas. P. Dunn, Peter H. Corr, Stephen O'Hara, James P. Corr, Taunton, Mass.; Jas. F. Cavanaugh, Manchester, N. H.

Office, Taunton, Mass.

MANNHEIM & PALATINATE ELECTRIC COMPANIES

(Grosskraftwerk Mannheim Aktiengesellschaft) (Pfalzwerke Aktiengesellschaft)

History and Business—The Mannheim Electric Company was organized in 1921 by the City of Mannheim, the Palatinate Electric Company, in Ludwigshafen am Rhein, the Baden Works (Badische Landeselektrizitaetsversorgungs A. G.) in Karlsruhe, and the Neckar Canal Company (Neckar Aktiengesellschaft) in Stuttgart, and began operations in the latter part of 1923. The Common stock of the Company, of 2,000,000 R. M. par value (cumulative Pfd. shares are outstanding in the amount of 186,000 R. M. only) is all owned by the original organizing group.

The Mannheim Electric Company at present supplies, under contracts, the entire requirements of electric power and light of the City of Mannheim, substantially the entire requirements of the Rheinau Works (Kraftwerk Rheinau A. G.), which distributes power and light in territory adjacent to the City of Mannheim, and at least a third of the requirements of the Palatinate Electric Company

Current delivered by the Mannheim Electric Company in the fiscal years ending March 31 was: 1925, in excess of 95,000,000 k.w.h.; 1926, approximately 130,000,000 k.w.h., with a maximum demand of about 33,000 k.w.; 1927, about 141,000,000 k.w.h.

The Palatinate Electric Company was organized in 1912 by the Palatinate district of the Free State of Bavaria, certain of the cities and communities within the district and the Rhine Electric Company (Rheinische Elektrizitaets A. G.) of Mannheim. More than 70% of its capital stock of 9,000,000 Reichsmarks par value is owned by the Palatinate and certain Palatinate municipalities. For its principal sources of supply the Palatinate Electric Company utilizes not only the Mannheim Electric Company but also the Kraftwerk Homburg A. G. in the neighboring Saar District, in which it owns 100% of the capital stock. The Palatinate Electric Company also maintains high tension connections with the Baden Works and with the Rhine-Hessen Electric Works (Elektrizitaetswerk Rhein-hessen A. G.) so that its current supply is well insured against contingencies.

The Palatinate Electric Company has over 60,000 customers including 268 cities and communities which purchase current at wholesale for redistribution to local consumers. It distributes directly to consumers in 325 cities and communities. The total population of the territory reached both directly and indirectly was about 780,000 in 1925.

Current delivered by the Palatinate Electric Company in the calendar year 1924 was in excess of 37,500,000 k.w.h.; in the calendar year 1925 was about 50,900,000 k.w.h.; and in the calendar year 1926, 61,600,000 k.w.h. The connected load at the end of 1925 was 91,000 k.w.

The Mannheim Electric Company (Grosskraftwerk Mannheim Aktiengesellschaft) owns and operates a large central generating plant delivering electric energy at wholesale only, principally to three important utility systems, which in turn distribute to consumers. One of these distributing systems is owned and operated by the Palatinate Electric Company (Pfalzwerke Aktiengesellschaft), which draws at least a third of its supply from the Mannheim Electric Company, in which it owns 26% of the Common stock. Thus the Companies have a mutual interest in the improvement and extension of their respective production and distribution facilities.

Properties—The central generating plant operated by the Mannheim Electric Company has at present a capacity of 37,500 k.w. and includes switch and transformer facilities for delivery of electric energy to the lines of its customers at voltages of 20,000 and 100,000. This plant, in operation only since the latter part of 1923, is modern in every respect. It is located on the Rhine near the great coal terminals of Mannheim and possesses ample storage capacity and equipment for handling fuel directly from barges. Extensions now under way will add one 20,000 k.w. unit to present capacity as well as additional boiler plant; the buildings under construction will provide for the installation of yet another generator of like capacity.

The property of the Palatinate Electric Company includes a generating plant of 6,000 k.w. capacity located in Ludwigshafen a. Rh.; a large administration building; two converter and five switch stations; a 100,000 volt transformer station for receiving, and 570 transformer stations for delivering current; about 974 miles of high tension lines (of which 66.5 miles are 100,000 volt and 848 miles 20,000 volt) and 323 local distribution systems. The Company owns in addition to its shares in the Mannheim Electric Company, 48% of the capital stock of the Kraftwerk Homburg Plant located in the Saar District (capacity 20,000 k.w.) and the entire capital of a small electric company.

The sound value of the plant directly owned and operated by the Mannheim Electric Company, as independently appraised, is $2,976,000. The sound value of the plant and equipment of the Palatinate Electric Company, as appraised is $5,000 000. The combined appraised values of plant and equipment of the two Companies is therefore about $8,000 000, exclusive of extensions to be made out of the proceeds of the loan described below.

CAPITAL STOCK

See under "History" for details.

FUNDED DEBT

$3,000,000 FIFTEEN-YEAR 7% SINKING FUND MORTGAGE GOLD BONDS; DUE JUNE 1, 1941

Dated June 1, 1926.

Interest Payable June and December 1, in U. S. gold coin, at office of A. G. Becker & Co., Chicago, or

at office of International Acceptance Securities & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—First Trust & Savings Bank, Chicago, and Deutsche Waren-Treuhand Aktiengesellschaft, Hamburg, Germany.

Purpose of Issue—Proceeds of this issue were used for additions and betterments, retirement of underlying indebtedness and other corporate purposes.

Callability—Subject to call as a whole only, except for sinking fund, on any interest date, on 60 days' notice, on and after June 1, 1931, at par and interest.

Sinking Fund—Companies shall pay to fiscal agent as a sinking fund sum of $120,000 annually May 24, 1931 to 1940, inclusive, to be applied on next succeeding interest date to redemption of bonds at par and interest. Bonds so redeemed shall be selected by lot.

Security—Bonds are the direct, joint and several obligations of both Companies, secured by two mortgages each in gold mark equivalent of one-half of the principal amount of bonds outstanding, as follows: (a) Mortgage upon the generating plant of the Mannheim Electric Co., subject to no prior liens except charges under the Dawes Plan of $65,120 (based on the present assessment), and ranking equally with an existing mortgage in terms of coal value, which is estimated to have a value, at March 31, 1927, of approximately $597,527; (b) mortgage upon the generating plant and administration building of the Palatinate Electric Co. at Ludwigshafen a. Rh.; the 100,000 volt transformer station of that Company at Mundenheim, together with switch stations, high tension lines and certain transformers with an aggregate capacity of about 21,000 kw., subject to no prior liens except charges under the Dawes Plan of $515,240 based on the present assessment.

The Indenture securing these bonds authorizes each Company to create additional liens upon any of its property mortgaged to secure these bonds, ranking equally with the mortgage securing these bonds, provided that the total of the amount of such mortgage, of all liens upon such property ranking equally therewith or prior thereto and of the lien proposed to be created less cash deposited under the Indenture, shall not exceed one-half the then appraised fair value of such property and that net earnings applicable to interest charges of the Company in question, during its next preceding fiscal year shall have been at least 1¼ times the maximum annual interest and amortization charges on all indebtedness of such Company to be outstanding after the creation of such additional lien.

Tax Provisions—Principal and interest payable without deduction for any taxes or charges, past, present or future, of the German Reich or of any German State, municipal, or other governmental subdivision or German taxing authority.

Original Offering—First publicly offered ($3,000,000) in July, 1926, at 96½ and interest, to yield 7.40%, by A. G. Becker & Co., W. A. Harriman & Co., Inc., and Marshall Field, Glore, Ward & Co. (now Field, Glore & Co.), New York.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
High	101	96½
Low	96	96½

EARNINGS

Based on figures reported by Price, Waterhouse & Co., the combined earnings of the Mannheim Electric Co. for its fiscal year ended March 31, 1927 and for the Palatinate Electric Co. for its fiscal year ended Dec. 31, 1926, after deduction of the estimated maximum charges payable by the Companies under the Dawes Plan (which maximum charges will go into effect in the year ending Dec. 31, 1928) were as follows:

Gross earnings, including miscellaneous income	$2,505,131
Operating expenses, including maintenance, taxes not based on profits, etc.	1,423,103
Combined net earnings before depreciation, available for interest	$1,082,028

NOTE—Conversion from German to United States Currency has been made at the rate of 4.2 Reichsmarks to the Dollar.

General Office, Mannheim, Ludwigshafen am Rhein, Germany.

THE INTERSTATE UTILITIES COMPANY

History and Property—Incorporated Aug. 28, 1914, in Ida., consolidation of The Interstate Telephone Co., Ltd., and the North Idaho Telephone Co. Company also acquired certain properties of the Pacific Telephone & Telegraph Co. Company operates without competition in parts of northern Idaho, eastern Washington and northwestern Montana, serving a population of about 200,000. Company owns and operates about 20,598 miles of wires and cables and 1,574 miles of pole line. No. of exchanges served at Dec. 31, 1927, 31; subscribers, 11,299; leased and locally owned stations, 2,187; checked toll stations, 152. It owns 21 office buildings throughout the territory served. Franchises are held at all places operated by the Company either as original grantee or successor in interest. Long distance lines connect with the Pacific Tel. & Tel. Co., at Spokane, and Mountain States Tel. & Tel. Co., at Missoula, Mont. Lines also connect with Kootenai Telephone Lines, Ltd., Eureka, Montana Telephone Co., The Waverly Telephone System, and Deary Telephone Co. Also connect with the Postal Telegraph-Cable Co. at Spokane Wash., for the interchange of telegrams, cablegrams and radiograms between the two companies.

CAPITAL STOCK

Authorized, $1,000,000 Common and $1,000,000 7% Pfd.; outstanding, $450,600 Common and $586,400 Pfd.; par, $100. Annual meeting, second Tuesday in Feb. at Coeur d'Alene, Idaho.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1. On Common as follows: 6% Nov. 1, 1915; 3% May 1, 1916; 4% Nov. 1, 1916; 4% May 1, 1917; 4% Nov. 1, 1917; 4% May 1, 1918; 4% Nov. 1, 1918; 4% Aug. 15, 1919; 4% Nov. 15, 1919; May 31, 1920, 2½%; Dec. 15, 1920, 5%; 2½% June 30, 1921; 5½% Dec. 15, 1921; 2½% July 15, 1922; 5½% Dec. 15, 1922; Jan. 15, 1923, 2% which quarterly rate (8% per annum) maintained to date; payments, J, A, J & O 15.

FUNDED DEBT

$943,700 THE INTERSTATE UTILITIES COMPANY FIRST (CLOSED) MORTGAGE SINKING FUND GOLD 6s; DUE MAY 1, 1939

Dated May 1, 1919.

Interest Payable May and November 1, in U. S. gold coin of the present standard weight and fineness at the banking quarters of the Lumbermens Trust Company, Portland, Ore.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—Lumbermens Trust Company, Portland, Ore.

Provisions of Issue—Authorized and issued, $1,000,000; outstanding, $943,700; in sinking fund, Dec. 31, 1927, $56,300. Proceeds from $578,800 bonds issued in 1925 were used in part to reimburse the company for capital expenditures incurred in the acquisition of new properties, for the retirement of underlying liens and for additional working capital.

Callability—Subject to call by lot, after May, 1924, at 105 and accrued interest on any semi-annual interest date on 60 days' notice.

Sinking Fund—During the life of these bonds the Company covenants to pay to the Trustee an annual sinking fund to be used for the redemption of bonds

equal to 1% of the aggregate par value of all outstanding bonds of this issue (including such bonds as may be in such fund) and further, covenants that whenever a dividend is declared on its Common stock, it will apply 50c. on each dollar of dividend payments made, towards the reduction of its indebtedness.

Security—Secured by a first (closed) mortgage dated May 1, 1919 covering all the real estate, buildings, telephone plants and equipment owned or hereafter to be acquired.

Legal Opinion—Dey, Hampson & Nelson, Portland, Ore.

Original Offering—First publicly offered ($578,800) in June, 1925, by Lumbermens Trust Company and Ladd & Tilton Bank, Portland, Ore., and Pearsons-Taft Co., Chicago, and San Francisco, Cal.

OTHER FUNDED DEBT

There were also outstanding March 1, 1928, $100 Interstate Telephone Co., Ltd., First 6s, due 1927, and $1,500 Inland Co-Operative Association bonds guaranteed. Funds are on deposit with The Lumbermens Trust Co. of Portland, Ore., to retire The Interstate Telephone Co., Ltd. bonds, ownership of which cannot be located.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$633,572	$583,319	$488,416	$433,112	$381,030	$308,027
Operating expenses, taxes, etc	308.803	292,821	249,168	217.206		
Current maintenance	79,635	69,973	56,310	47,963	291,508	222,496
Depreciation	92.442	84,603	69,413	55,421		
Net earnings	$152,692	$135,921	$113,525	$112,522	$89,522	$85,531
Bond and other interest	69,953	72,256	59,977	48,390	46,398	40,724
Balance for dividends	$82.739	$63,666	$53,548	$64,132	$43,124	$44,807
Preferred dividends	35,666	24,989	13,336	34,022	27,026	24,400
Common dividends	36,034	36,024	34,384			
Surplus for year	$11,039	$2,653	$5,828	$30,110	$16,098	$20,407
Times Interest Earned	2.18	1.88	1.89	2.32	1.93	2.10
Earnings Per Share—						
*Preferred	$14.11	$14.99	$20.48	$70.01	.....	.....
Common	10.44	8.59	7.83	14.81	$12.07	$14.69

*First issued in 1924.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Intangible capital	$241,930	$241,872	$241,801	$241,423	$241,423	$229,045
Plant—						
Land and buildings	226,087	185,786	162,490	90,632	77,719	40,021
Telephone plant and general equipment	1,824,489	1,737,385	1,567,425	1,123,995	1,068,500	891,067
	$2,292,506	$2,165,043	$1,971,716	$1,456,050	$1,387,642	$1,160,133
Construction work in progress	.....	.....	2,401	.....	.....	.....
Investment securities (sub co.)	.....	.....	.....	60,800	60,800	60,800
Investment securities	500	.....	.....	.....	.....	.....
Cash and deposits	13,859	6,465	10,257	4,127	1,388	12,411
Bills and accounts receivable	92,435	93,657	114,127	50,239	51,679	31,361
Materials and supplies	55,966	58,533	45,504	41,428	42,726	38,097
Total	$2,455,266	$2,323,698	$2,144,005	$1,612,644	$1,544,235	$1,302,802
Liabilities—						
Common stock	$450,600	$450,300	$450,300	$389,700	$357,300	$305,000
Preferred stock	586,400	424,600	261,500	91,600	.....	.....
Preferred stock instalments	18,233	14,956	22,341	15,471	.....	.....
Preferred certificates guaranteed	.....	425	425	.....	.....	.....
Funded debt	945,300	967,200	1,012,700	639,725	652,125	653,925
Long term notes	43,969	56,820	74,671	52,273	61,124	.....
Bills payable	41,518	55,000	20,000	57,619	94,798	10,000
Other payables	27,072	51,906	37,815	43,522	59,683	45,118
Accrued liabilities, not due	70,020	68,737	66,221	38,615	45,091	28,987
Reserve for depreciation	240,672	222,410	187,170	192,113	194,353	168,375
Surplus appropriated	16,858	7,481	4,000	60,800	60,800	60,800
Surplus unappropriated	14,624	3,862	6,861	31,206	18,961	30,597
Total	$2,455,266	$2,323,698	$2,144,005	$1,612,644	$1,544,235	$1,302,802

Officers: John MacGinniss, Pres., New York; John F. Davies, V-P. & Gen. Mgr.; Frank Davies, Treas.; C. C. Lester, Sec., Spokane, Wash.

Directors: John MacGinniss, John F. Davies, Chas. P. Lund, Stanly A. Easton, Frank Davies.

General Office, 424 Hutton Bldg., Spokane, Wash.

CHARLESTOWN GAS & ELECTRIC COMPANY

History—Incorporated in 1846, in Mass. The Company furnishes gas in Charlestown and sections of Somerville, Medford and Everett, Mass., and electric light in the Charlestown District of Boston. Purchases electric current from the Edison Electric Illuminating Co. of Boston. Population served about 70,000.

CAPITAL STOCK

Authorized and outstanding, $700,000 (increased from $658,000 in 1922); par, $25 (changed from $50 in 1925).

Voting Trust—Stockholders in April, 1927 were asked to deposit their stock under a 5-year Voting Trust Agreement which terminates December 31, 1931, with the Boston Safe Deposit & Trust Co. of Boston as Depositary. The agreement may be extended for another five years at the option of stockholders. A majority of the stock has been deposited. Voting Trustees are: Alexander Macomber, F. J. Bartlett, J. M. Hunnewell, Wm. C. Chick, F. M. Sawtell.

Transfer Agent and Registrar—Boston Safe Deposit & Trust Co., Boston.

Annual Meeting—Fourth Monday in January.

Dividends—Dividends were paid at the rate of $3.50 per annum up to and including 1903; in 1904, $4.50; 1905 to 1911, $5; 1912, $6.25; 1913, $7; 1914, 1915 and 1916, $7.50 each; 1917 and 1918, $8.50 each; 1919, $6; 1920 and 1921, $7.50 each; 1922, $10; 1923, $12; 1924, $10.50; 1925, 1926 and 1927, $6 per annum; Feb. 1, 1928, $1.50; payments quarterly, F, M, A & N 1.

FUNDED DEBT

$200,000 20-year First Mortgage 5% Gold bonds, Series "A"; dated Jan. 1, 1923; due Jan. 2, 1943; int. Jan. and July 1, in Boston, Mass. Coupon, $1,000;

principal may be registered. Subject to call to and including July 1, 1933, at 107½ and interest, and thereafter at par plus a premium of ¼% per annum between the redemption date and maturity. Legal for Maine Savings banks.

$200,000 First Gold 5s, Series "B"; dated Jan. 1, 1925; due Jan. 1, 1950; int. Jan. and July, in Boston, Mass. Coupon, $1,000; principal may be registered. Subject to call to and including Jan. 1, 1940 at 107½ and interest, and thereafter at par plus a premium of ¼% per annum between the redemption date and maturity.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$864,804	$822,664	$789,845	$758,052	†$782,286	†$764,734
Operating expenses, taxes, etc.	613,698	587,229	564,343	554,870	561,192	520,691
Depreciation	55,786	44,514	37,421	37,986	*	*
Net earnings	$195,320	$190,921	$188,081	$165,195	$221,094	$244,043
Other income	329	1,837	4,952	4,678	.....	.....
Total income	$195,649	$192,758	$193,033	$169,873	$221,094	$244,043
Bond interest	20,000	20,000	19,861	10,000		
Other interest	7,569	3,726	2,802	7,339	58,038	77,399
Rentals	80	72	96	42		
Total charges	$27,649	$23,798	$22,759	$17,381	$58,038	$77,399
Balance for dividends	168,000	$168,960	$170,274	$152,492	$163,056	$166,644
Dividends paid	168,000	168,000	168,000	147,000	163,056	131,760
Surplus for year	.....	$960	$2,274	$5,492	.....	$34,884
Earnings Per Share	$6.00	$6.03	‡$6.08	$10.89	$11.65	$12.65

*Included in fixed charges. †Includes other income. ‡Par value of shares, $25; $50 in prior years.

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and equipment	$1,882,263	$1,754,006	$1,655,746	$1,544,364	$1,437,178	$1,295,531
Materials and supplies	125,101	128,694	131,383	163,456	183,022	94,383
Accounts receivable	104,958	103,369	95,460	79,452	77,820	96,118
Cash	32,428	57,089	59,309	52,542	22,603	82,522
Deferred debit items	8,581	10,194	10,246	5,853	8,188	4,241
Total	$2,153,331	$2,053,352	$1,952,144	$1,845,667	$1,728,811	$1,572,795
Liabilities—						
Capital stock	$700,000	$700,000	$700,000	$700,000	$700,000	$658,800
Funded debt	400,000	400,000	400,000	200,000	200,000	200,000
Notes payable	175,000	150,000	100,000	225,000	125,000	125,000
Accounts payable	60,789	51,304	42,740	37,783	39,221	47,722
Consumers' deposits	44,621	42,142	39,732	.....	.....	.....
Interest and taxes accrued	36,837	29,333	.....	23,425	35,185	6,139
Other current liabilities	13,026	13,417	13,483	51,588	55,265	45,047
Reserves	268,844	212,231	200,557	160,663	133,618	113,517
Other liabilities	.....	.....	.....	1,702	.....	1,969
Premium on capital stock	196,041	196,041	196,041	201,027	196,041	130,121
Premium on bonds	13,694	14,405	15,115	.....	.....	.....
Profit and loss	244,479	244,479	244,479	244,479	244,479	244,479
Total	$2,153,331	$2,053,352	$1,952,144	$1,845,667	$1,728,811	$1,572,795

Officers: Frank J. Bartlett, Pres., Malden, Mass.; James M. Hunnewell, V-P.; Alexander Macomber, Treas. & Clerk, Boston, Mass.

Directors: Frank J. Bartlett, Malden, Mass.; Frank M. Sawtell, James M. Hunnewell, Alexander Macomber, Wm. C. Chick, Boston, Mass.; Samuel J. Fowler, Frank D. Brown, Cambridge, Mass.

Office, Charlestown District, Boston, Mass.

BROOKLYN EDISON COMPANY, INC.

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Capital Stock (par, $100)	M, J, S & D 1	$100,000,000	$90,000,000	†$8,745,202	8%	$6,578,069	*$10.60

*Calculated on average stock outstanding during year. †After deducting reserve for contingencies and employes' profit sharing.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Kings Co. Elec. Lt. & Power Co. 1st 5s	Oct 1, 1937	A & O 1	Closed	$2,500,000	No	No	Not pd. by Co.
Kings Co. Elec. Lt. & Pr. Co. Pur. Money 6s	Oct 1, 1997	A & O 1	Closed	5,176,000	No	No	Pd. by Co.
Edison Elec. Ill. Co. of B'klyn 1st Consol. 4s	Jan 1, 1939	J & J 1	Closed	4,275,000	No	No	Pd. by Co.
Brooklyn Edison Co., Inc., General Mortgage Bonds:							
Series "A" 5s	Jan 1, 1949	J & J 1	$100,000,000	30,500,000	No	Yes	Pd. by Co.
Series "B" 6s	Jan 1, 1930	J & J 1		3,000,000	No		

Total Funded Debt, at Dec. 31, 1927, $45,451,000.
Amount Available for Interest in 1927, $12,468,699.
Interest Accrued in 1927, $2,310,652.
Times Interest Earned in 1927, 5.39.

History—The Brooklyn Edison Company, Inc., succeeded, by change of name on Jan. 10, 1919, to the Kings County Electric Light & Power Co., incorporated June 26, 1890, and by merger on Jan. 27, 1919, to the Edison Electric Illuminating Co. of Brooklyn, incorporated March 9, 1887. The Edison Electric Illuminating Co. of Brooklyn was itself the successor, through merger on Oct. 31, 1899, to the Citizens Electric Illuminating Co., incorporated Dec. 13, 1883, and the Municipal Electric Light Co., incorporated Aug. 2, 1884, and was also the owner, through acquisition at the time of such merger, of the controlling interest in the bonds and stock of the Amsterdam Electric Light, Heat & Power Co., which was incorporated April 12, 1897, and was the assignee of the franchise granted on Jan. 7, 1896, to the State Electric Light & Power Co., incorporated Dec. 7, 1891. The Edison Electric Illuminating Co. of Brooklyn was also the successor, through merger on April 11, 1900, to the Bergen Beach Light & Power Co., incorporated April 10, 1896.

In Nov., 1924, the Brooklyn Edison Company, Inc., acquired from the Flatbush Gas Company its entire electric transmission and distribution sys-

tem in the 29th Ward, together with its franchise granted by the State of New York to the Knickerbocker Electric Light and Power Company, by and with the consent of the Town Board of the Town of Flatbush, dated July 21, 1893, and assigned to the Flatbush Gas Company, Dec. 27, 1893. Subsequently in 1925, the electric transmission and distribution system in the 30th and 31st Wards was acquired from the Flatbush Gas Company.

By these mergers, change of name and acquisitions, the various franchises and other properties have become concentrated in the present operating company, the Brooklyn Edison Co., Inc., with the gradual elimination and disappearance of the other companies named, except the Flatbush Gas Company and the Amsterdam Electric Light, Heat & Power Co. The franchise and properties of the Amsterdam Electric Light, Heat & Power Co. are leased for operation by the Brooklyn Edison Co., Inc., and all the $500,000 in stock and $300,000 in bonds of the Amsterdam Electric Light, Heat & Power Co. are owned by the Brooklyn Edison Co., Inc. The operations by the Brooklyn Edison Co., Inc. under the various franchises cover the entire electric light and power business in the Borough of Brooklyn.

Franchises—The various franchises, brought together under the one control as above, are not limited in duration, and in the most important cases extend over the entire Borough of Brooklyn as now constituted, for both lighting and power purposes.

Property and Service—The Company's property includes three generating plants, one located on the East River at Hudson Avenue, another on the East River at Gold Street, and the third on New York Bay at 66th Street, which have an aggregate rated capacity of 419,500 kilowatts in generators, with the necessary condensing, switchboard and auxiliary equipment.

The aforementioned capacity includes the 80,000 kilowatt unit at the Hudson Avenue Generating Station, the installation of which was started in 1925 and placed in operation in 1926, making the total capacity of this station 230,000 kilowatts. The station structure to house this unit and four additional units, as they may be required, was also completed in 1926.

There are twenty-seven substations containing 80 units, with a total rated capacity of 95,700 kilowatts for converting alternating current into direct current, and 45 units of alternating current transforming capacity, totaling 402,500 kilovolt amperes. The substation adjacent to the Hudson Avenue Generating Station has a 35,000 kilovolt ampere frequency changer set used for tying in the twenty-five cycle system to the sixty cycle system.

The installation of a 110,000 kilowatt generating unit at the Hudson Avenue Generating Station was started in October, 1927, to provide for additional load in 1928. It was planned to have this unit ready for operation in the summer of 1928. This is the fifth generating unit to be installed at Hudson Avenue and will bring the total capacity of the station up to 340,000 kilowatts. Approximately three-quarters of the total energy generated by the Company during 1927 was supplied by the Hudson Avenue Station.

The Company owns a 35-acre parcel of land on the waterfront in the Borough of Richmond, which is used for coal storage purposes, being fully equipped with modern devices for the loading, unloading, handling and storage of coal. The twelve story office building owned by the Company on the northwest corner of Pearl and Willoughby Streets is wholly devoted to the purposes of the Company for housing the general executive and operating departments. This building was extended in 1927, increasing the square feet of office space by approximately 80%. There is also a six story office building, at Johnson and Pearl Streets, occupied in part as a substation. Property has been purchased on Fourth Avenue between First and Third Streets for a general service building and garage.

The transmission and distribution systems include 7,040 miles of overhead construction carried on 46,420 poles, and 6,435 miles of underground construction laid in subway conduits. There are 744,323 meters in use on the system, the territory served being estimated to have a population of over 2,250,000.

Rates—A voluntary reduction was made by the Company in its maximum rate for service, from 7½ cents to 7 cents a kilowatt hour, effective Jan. 1, 1927. This is the second general reduction in rates in two years.

NUMBER OF METERS ON LINE, DECEMBER 31

1918	114,864
1919	142,222
1920	180,422
1921	220,209
1922	278,214
1923	356,269
1924	498,791
1925	601,257
1926	684,454
1927	744,323

SALES OF KILOWATT HOURS, YEARS ENDED DEC. 31

1920	298,807,110
1921	325,764,518
1922	381,232,300
1923	444,996,313
1924	500,652,744
1925	594,576,980
1926	674,741,645
1927	754,635,691

CAPITAL STOCK

Authorized, $100,000,000; outstanding, Dec. 31, 1927, $90,000,000; par, $100.

Stock Increase—At the meeting of stockholders on Feb. 28, 1927, it was voted to increase the capital stock of the Company from $75,000,000, consisting of 750,000 shares of the par value of $100 each, to $100,000,000 to consist of 1,000,000 shares of the par value of $100 each. Of this increased stock the directors on April 28, 1927 voted to issue $15,000,000, which stock was offered to stockholders of record May 11, 1927, for subscription at par, each stockholder being entitled to subscribe for one new share for each five shares then held. Right to subscribe expired June 1, 1927, when the new stock was issued. New stock could be paid for when issued, or in three installments: 40% on June 1, 1927, 30% on Sept. 1, 1927 and 30% on Dec. 31, 1927.

Transfer Agent—The Bank of America, Brooklyn and Manhattan, New York.

Registrar—Central Union Trust Co. of New York.

Annual Meeting—Fourth Monday in February.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	225	163	156½	124¼	121½	124⅝	101	96¾
Low	148½	133	120⅝	107¼	104¼	100	88	82

Dividends—Dividends have been paid as follows: 1900, 4½%; 1901 and 1902, 6% each; 1903, 7½%; from June 1, 1903, to date, at the rate of 8% per annum. Dividends are declared the fourth Tuesday of January, April, July and October, and are paid quarterly, March, June, September and December 1.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1) Kings County Electric Lt. & Power Co. 1st 5s ..... Due Oct. 1, 1937
(2) Kings County Electric Lt. & Power Co. Purchase Money 6s ..... " Oct. 1, 1997
(3) Edison Electric Illum. Co. of Brooklyn, 1st Consol. 4s ..... " Jan. 1, 1939
(4) Brooklyn Edison Co., Inc., General Mortgage Bonds,
(a) Series "A," 5s ..... " Jan. 1, 1949
(b) Series "B," 6s ..... " Jan. 1, 1930

(1)

$2,500,000 KINGS COUNTY ELECTRIC LIGHT & POWER CO. FIRST MORTGAGE GOLD 5s, DUE OCTOBER 1, 1937

Dated October 1, 1897.

Interest Payable April and October 1 at The Equitable Trust of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Equitable Trust Company of New York.

Provisions of Issue—Authorized issue, $2,500,000 Mortgage now closed.

Callability—Bonds cannot be called.

Security—Secured by a first lien on all property of the former Kings County Company. Of these bonds, $1,500,000 were issued for building power plant; remainder to provide $1,000,000 Cash Guarantee Fund, at the time deposited with the Trustee as additional security for payment of Purchase Money Gold Bonds described below (No. 2). Underlie $5,176,000 Kings County Electric Light and Power Co. Purchase Money 6s due 1997 (No. 2), $4,275,000 Edison Electric Illuminating Co. 1st Consol. 4s of 1930 (No. 3) $30,500,000 Brooklyn Edison Co., Inc. General 5s, Series "A" of 1949 (No. 4a) and $3,000,000 Brooklyn Edison Co., Inc. General 6s, Series "B" of 1930 (No. 4b).

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine, Massachusetts and Connecticut.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104⅛	104	103	103	100	99¾	86	84½
Low	103½	102	99	98⅝	96¼	91½	81⅝	80⅜

(2)

$5,176,000 KINGS COUNTY ELECTRIC LIGHT & POWER CO. PURCHASE MONEY GOLD 6s, DUE OCTOBER 1, 1997

Dated October 1, 1898.

Interest Payable April and October 1, at Central Union Trust Co. of New York.

Denomination—Coupon $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized issue, $5,176,000. Mortgage now closed.

Callability—Bonds cannot be called.

Security—Secured by a closed mortgage on all property of the former Kings County Electric Light & Power Co. Also now secured by a mortgage on all property constituting the entire electric transmission and distribution system in the 29th Ward, with the franchise or franchises acquired from the Flatbush Gas Company, as substituted security for the the $1,000,000 cash Guarantee Fund originally deposited as security shown above (No. 1). The total issue of $5,176,000 was used for purchase of entire capital stock of Edison Electric Illuminating Company of Brooklyn. Underlie $4,275,000 Edison Electric Illuminating Co. 1st Consol. 4s of 1939 (No. 3), $30,500,000 Brooklyn Edison Co., Inc. General 5s Series "A" of 1949 (No. 4a), and $3,000,000 Brooklyn Edison Co., Inc., General 6s, Series "B" of 1930 (No. 4b).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine and Connecticut.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	130⅞	129	120¾	116½	113½	111½	109⅞	90
Low	124¼	119½	114½	110⅞	108½	106½	93	85

(3)

$4,275,000 EDISON ELECTRIC ILLUMINATING COMPANY OF BROOKLYN, FIRST CONSOLIDATED MORTGAGE GOLD, 4s, DUE JANUARY 1, 1939

Dated October 1, 1898.

Interest Payable January and July 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized issue, $10,000,000. Mortgage now closed.

Callability—Bonds cannot be called.

Security—Secured by a first lien on all property of the former Edison Electric Illuminating Company of Brooklyn; also (by virtue of the ancillary mortgage likewise made on October 1, 1898, by the Kings County Company) by a lien on all property of the Kings County Company, including after acquired property, carrying even to properties acquired by the Kings County Company after its change of name to Broklyn Edison Company, Inc. Underlie $30,500,000 Brooklyn Edison Company, Inc., General 5s, Series "A" of 1949 (No. 4a), and $3,000,000 Brooklyn Edison Co., Inc., General 6s, Series "B" of 1930 (No. 4b).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts and Connecticut.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	99⅞	95¼	92	91	90	82	77
Low	94⅞	93	89	89⅛	86	81⅛	73	73

(4)

(a) $30,500,000 BROOKLYN EDISON COMPANY, INC., GENERAL MORTGAGE SERIES "A" 5% GOLD BONDS, DUE JANUARY 1, 1949

Dated January 1, 1919.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000. Bonds of $1,000 may be registered as to principal only; fully registered bonds in denominations of $1,000, $5,000 and $10,000. Coupon bonds of $1,000 and registered bonds interchangeable.

Trustee—Central Union Trust Co. of New York.

Callability—Redeemable at option of Company upon 30 days' notice at 105 and interest, on any interest date before maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts and Connecticut.

Original Offering—First publicly offered ($5,500,000) in Jan., 1919 at 91 and interest to yield about 5⅝% by the Guaranty Trust Company of New York and Millett, Roe & Hagen, New York, etc.; $25,000,000 additional offered in October, 1924, at 100 and interest, to yield 5% by Guaranty Company of New York, The National City Company and Dillon, Read & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106⅜	105¾	103	102⅛	99	100⅛	92⅝	82½
Low	103⅛	102⅝	99⅛	99⅛	94⅜	89⅞	76	66¼

(b) $3,000,000 BROOKLYN EDISON COMPANY, INC. GENERAL MORTGAGE SERIES "B" 6% GOLD BONDS, DUE JANUARY 1, 1930

Dated January 1, 1920.

Interest Payable on January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000. Bonds of $1,000 registerable as to principal only. Fully registered bonds in denominations of $1,000, $5,000 and $10,000. Coupon bonds of $1,000 and registered bonds interchangeable.

Trustee—Central Union Trust Co. of New York.

Callability—Redeemable at option of Company upon 30 days' notice at 105 and interest on any interest date before maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts and Connecticut.

Original Offering—First publicly offered ($3,000,000) in Feb., 1920, at 92¾ and interest to yield about 7% by The Guaranty Trust Company of New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	105⅜	106½	106	106½	104⅞	104¼	100⅞
Low	102¾	103⅝	103¾	102½	100½	100	87

PROVISIONS OF GENERAL MORTGAGE APPLICABLE TO FOREGOING SERIES "A," AND "B" BONDS, AND TO ADDITIONAL BONDS ISSUABLE.

Aggregate face amount of bonds at any time outstanding shall never exceed $100,000,000. Bonds may differ as to interest rate, maturity and redemption date, and may have the privilege of conversion into capital stock as shall be determined by the Company. Bonds are the direct obligations of the Brooklyn Edison Co., Inc., and are secured equally by a mortgage on all its real and personal property now owned or hereafter in any way acquired, subject only to the liens of the mortgages securing the above enumerated outstanding $11,951,000 in mortgage bonds of the Kings County Electric Light & Power Co. and the Edison Electric Illuminating Co. of Brooklyn, which underlying mortgages are closed by the General Mortgage so that no more underlying bonds may be issued. Bonds are issuable only upon authorization by Public Service Commission of the State of New York

$8,500,000 of Series "A" and "B" bonds, as well as $500,000 of the Series "C" bonds, (which latter were called for redemption Jan. 1, 1925), comprised the $9,000,000 of bonds issuable under the provisions of the General Mortgage for reimbursing the Company's treasury for cost of properties acquired prior to the date of the Mortgage (Jan. 1, 1919) in construction, completion, extension and improvement of plants and facilities. The remaining $1,500,000 of Series "C" bonds (which also were called for redemption Jan. 1, 1925) and the $8,000,000 of Series "D" bonds (which latter were redeemed Dec. 1, 1924), together with the remaining $14,300,000 of outstanding Series "A" bonds, or $23,800,000 in the aggregate, were issued to reimburse the Company's treasury in part for expenditures made for the acquisition of property and for construction, completion, extension and improvement of plants and facilities subsequent to said date of the Mortgage as therein provided.

The remaining bonds under the General Mortgage may be issued for future—

(1) Refunding or acquisition of the above enumerated underlying bonds or other obligations constituting a lien upon the mortgaged property at the date of the mortgage or other obligations secured by a lien upon property subsequently acquired by the Company and become subject to the lien of the mortgage.

(2) Construction, completion, extension, development or improvement of or additions to plants and facilities.

(3) Acquisition of the whole or any part of the properties, rights, privileges and franchises of any corporation supplying light, heat or power by electricity or other means in the present territory of New York City and Nassau and Suffolk Counties.

(4) Acquisition of securities of other corporations supplying light, heat or power by electricity or other means in said territory, provided the Company be or thereby becomes the owner of at least two-thirds of the outstanding capital stock of any such corporation.

(5) Reimbursement of the Company for expenditures made subsequent to the date of the Mortgage for any of the purposes for which bonds are issuable under (2), (3) and (4) above or to meet indebtedness of the Company contracted for any of such purposes.

Provided, however, that except for refunding or acquisition of underlying bonds and obligations under (1) above, bonds shall not be issuable at face amount in excess of 80% of the actual cost or reasonable value (whichever may be less) of the property or securities acquired, or the extensions, developments, improvements or additions made, nor issuable for the acquisition of securities under (4) above if thereby more than 25% of the actual cost or the reasonable value of the property subject to the General Mortgage (after deducting the face amount of all underlying liens) would consist of stock, bonds, or other obligations acquired by the use of bonds issued under the General Mortgage, nor unless net earnings of the Company, as defined in the General Mortgage, shall have been at least twice the annual interest charges upon all outstanding underlying bonds, the outstanding bonds secured by the General Mortgage and those applied for.

COMPARATIVE STATEMENT OF INCOME, YEARS ENDED DECEMBER 31

Income from Operating Properties:	1927	1926	1925	1924	1923	1922
Operating revenue	$37,015,599	$34,020,871	$29,791,801	$25,879,576	$23,003,520	$19,129,690
Operating Expenses:						
General	14,751,479	13,702,720	12,451,153	11,616,077	10,460,643	8,705,811
Maintenance	2,402,473	2,315,251	2,080,218	1,712,999	1,429,144	1,305,827
Retirement expense	2,779,711	2,447,670	2,090,634	1,153,715	1,620,198	1,285,688
Taxes	4,700,000	4,173,819	3,385,000	2,356,000	2,242,000	1,800,000
Total revenue deductions	$24,633,663	$22,639,460	$20,007,905	$16,838,791	$15,751,985	$13,097,326
Oper. income applicable to corp. property	$12,381,936	$11,381,411	$9,784,796	$9,040,785	$7,251,535	$6,032,364
Income from non-oper. properties	183,159	202,456	95,500	151,263	418,794	196,799
Gross corporate income	$12,565,095	$11,583,867	$9,880,296	$9,192,048	$7,670,329	$6,229,163
Deductions from Gross Corporate Income:						
Interest on long term debt	$2,310,652	$2,310,160	$2,302,310	$1,872,260	$1,790,303	$1,862,178
Miscellaneous interest deductions	96,396	54,113	51,453	105,981	27,712	123,773
Amort. of debt discount and expense	121,669	121,669	121,650	154,796	137,912	137,804
Total deductions from gross corp. income	$2,528,717	$2,485,942	$2,475,413	$2,133,037	$1,955,927	$2,123,755
Net income	$10,036,378	$9,097,925	$7,404,883	$7,059,011	$5,714,402	$4,105,407
Disposition of Net Income:						
Dividend appropriations of income	6,578,069	5,967,075	4,791,978	4,084,307	3,171,518	1,805,813
Miscel. appropriations of net income:						
Contingencies	740,312	680,417	595,836	496,897	1,355,263	1,151,784
Employes' profit sharing	550,864	458,254	368,419	294,855	224,095	175,447
Total appropriations of net income	$7,869,245	$7,105,747	$5,756,233	$4,876,059	$4,750,876	$3,133,044
Balance transferred to surplus	$2,167,133	$1,992,179	$1,648,650	$2,182,952	$963,526	$972,364
Net surplus deductions	.....	.....	118,570	1,372,020	.....	.....
Net surplus additions	273,802	49,899	.....	.....	.....	.....
Net increase in surplus	$2,440,935	$2,042,077	$1,530,080	$810,931	$963,526	$972,364
Times Bond Interest Earned	5.39	4.99	4.29	4.85	4.27	3.28
***Earnings Per Share** (average stock outstanding)	$10.60	$10.65	$10.49	$11.84	$10.06	$11.60

*After deducting reserve for contingencies and employes' profit sharing.

COMPARATIVE CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$148,606,472	$139,517,145	$124,868,913	$111,902,125	$83,710,140	$66,438,213
Current Assets:						
Cash	11,807,083	2,988,198	10,922,759	6,103,840	2,262,101	1,506,459
Notes receivable	.....	.....	.....	.....	25,900	1,664
Accounts receivable (less reserve)	2,766,868	2,905,164	3,034,762	2,948,392	2,287,415	2,682,607
Interest and dividends receivable	23,915	5,195	21,395	49,181	23,846	56,814
Marketable securities, at par	.....	100,000	100,000	200,000	159,000	168,000
Materials and supplies	1,942,566	2,084,126	2,141,435	2,513,581	2,335,224	1,904,406
Prepaid expense	40,088	73,493	133,422	15,546	11,176	5,564
Subscribers to Capital stock	.....	.....	542,100	.....	.....	.....
Miscellaneous Assets:						
Investments in affiliated companies pledged in part	1,205,030	1,144,426	404,460	404,460	404,460	411,798
Miscellaneous investments	6,270	6,270	6,270	6,270	6,270	6,270
Miscellaneous Special Funds:						
Pension fund, company and other securties	576,296	537,270	498,385	456,263	406,351	367,629
Central Union Trust Co., trustee	.....	.....	.....	.....	1,000,000	1,000,000
Fire insurance fund, company and other securities	983,152	863,033	748,410	531,510	459,909	459,909
Securities dep. with State Indus. Comm.	99,000	84,000	84,000	84,000	84,000	75,000
Other securities and cash deposits	22,116	14,302	53,053	6,765	5,665	.....
Special Deposits:						
Coupon interest and dividends	985,623	984,404	984,321	1,047,791	451,351	453,429
Cash deposits with City of New York	40,955	38,455	42,701	35,455	34,117	43,012
Redemption and premiums—called securities	3,235	9,148	37,613	2,678,350	.....	.....
Miscellaneous	.....	.....	65,075	.....	.....	.....
Redemption of matured long term debt	6,200	.....	.....	.....	.....	.....
Reacquired Securities—underlying mortgage bonds, at par	.....	35,000	35,000	742,000	.....	.....
Unamortized debt discount and expense	1,642,141	1,763,810	1,885,479	1,998,900	1,835,880	1,973,791
Miscellaneous suspense	110,193	155,404	203,349	143,734	66,174	72,115
Total	$170,867,203	$153,308,843	$146,812,902	$131,868,163	$95,568,979	$77,626,680
Liabilities—						
Capital stock outstanding	$90,000,000	$74,993,800	$74,010,200	$59,754,400	$43,704,300	$28,383,800
Capital stock subscribed	.....	.....	908,800	.....	.....	35,300
Premium on Capital stock	10,542	10,542	10,542	10,542	10,542	10,542
Long Term Debt:						
Underlying mortgage bonds	11,951,000	11,951,000	11,951,000	11,951,000	11,951,000	11,951,000
General mortgage gold bonds	33,500,000	33,500,000	33,500,000	33,500,000	18,500,000	18,500,000
Convertible debenture bonds	.....	.....	.....	245,000	295,100	571,600
Real estate mortgage	.....	.....	.....	.....	4,000	750,000
Called Securities and Premiums Payable:						
General mortgage gold bonds, Series "C" and "D"	3,235	9,148	37,612	2,678,350	.....	.....
Current Liabilities:						
Notes payable	.....	2,000,000	.....	.....	.....	.....
Accounts payable	1,395,296	1,522,117	1,258,279	1,837,583	1,192,599	806,916
Consumers' deposits	1,078,946	895,246	767,111	796,178	841,358	791,664
Matured interest unpaid	961,823	957,887	963,075	1,036,394	443,624	448,702
Dividends declared unpaid	23,800	26,516	21,246	11,397	7,728	4,726
Matured long term debt unpaid	6,200	6,200	6,700	600	600	9,300
Accrued Liabilities:						
Taxes accrued	2,248,004	1,840,843	1,681,787	1,272,821	1,262,931	874,892
Interest accrued	158,002	148,292	139,511	148,398	205,929	264,561
Miscellaneous items	33,278	159,459	83,868	143,990	173,734	89,267
Miscellaneous unadjusted credits	3,399	8,063	16,252	54,345	72,899	111,685
Reserves:						
Retirement reserve	7,145,893	6,270,756	5,348,084	4,718,135	4,637,786	4,175,761
Casualty and workmen's compensation reserve	561,943	563,524	539,387	524,518	509,681	442,428
Fire insurance reserve fund	983,152	863,033	748,410	531,510	459,909	459,909
Contingency reserve	7,824,995	7,084,683	6,404,266	5,808,430	5,311,533	3,956,270
Pension reserve fund	576,296	537,270	498,385	456,263	406,351	367,629
Other	.....	.....	.....	.....	.....	6,878
Profit and loss—surplus	12,401,399	9,960,464	7,918,387	6,388,307	5,577,375	4,613,850
Total	$170,867,203	$153,308,843	$146,812,902	$131,868,163	$95,568,979	$77,626,680

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$11,807,083	$2,988,198	$10,922,759	$6,103,840	$2,262,101	$1,506,459
Notes receivable	.....	.....	.....	.....	25,900	1,665
Accounts receivable (less reserve)	2,766,868	2,905,164	3,034,762	2,948,392	2,287,415	2,682,607
Interest and dividends receivable	23,915	5,195	21,395	49,181	23,846	56,814
Marketable securities	.....	100,000	100,000	200,000	159,000	168,000
Materials and supplies	1,942,566	2,084,126	2,141,435	2,513,581	2,335,224	1,904,405
Coupon interest and dividends	985,622	984,403	984,321	1,047,791	451,351	453,429
Total	$17,526,054	$9,067,086	$17,204,672	$12,862,785	$7,544,837	$6,773,379
Current Liabilities—						
Notes payable	.....	$2,000,000	.....	.....	.....	.....
Accounts payable	$1,395,296	1,522,117	$1,258,279	$1,837,584	$1,192,599	$806,916
Consumers' deposits	1,078,946	895,245	767,111	796,178	841,358	791,664
Matured interest unpaid	961,823	957,887	963,075	1,036,394	443,624	448,702
Dividends declared unpaid	23,800	26,516	21,246	11,397	7,728	4,726
Matured long term debt unpaid	6,200	6,200	6,700	600	600	9,300
Taxes accrued	2,248,004	1,840,843	1,681,787	1,272,821	1,262,931	874,892
Interest accrued	158,002	148,292	139,511	148,398	205,929	264,561
Miscellaneous accrued items	33,278	159,459	83,868	143,990	173,734	89,267
Total	$5,905,349	$7,556,559	$4,921,577	$5,247,362	$4,128,503	$3,290,028
Net Working Capital	$11,620,705	$1,510,527	$12,283,095	$7,615,423	$3,416,334	$3,483,351

Officers: Nicholas F. Brady, Chairman of Board, New York; Matthew S. Sloan, Pres., Brooklyn, N. Y.; Walter F. Wells, V-P. & Gen. Mgr.; John C. Parker, V-P. in Charge Engineering; Walter P. Holcombe, V-P. in Charge Purchasing & Transportation; Edward A. Baily, Treas.; Edward W. Kells, Sec.; Reuel O. Launey, Aud., Brooklyn, N. Y.

Directors: Frank Bailey, Joseph F. Becker, William C. Courtney, Daniel J. Creem, George B. Gallagher, Edward W. Kells, Adrian T. Kiernan, Thomas E. Murray, James H. Post, Franklin W. Slater, Matthew S. Sloan, Walter F. Wells, Brooklyn, N. Y., Nicholas F. Brady (Chairman), and John D. Ryan, New York.

Office, Pearl and Willoughby Streets, Brooklyn, N. Y.

AMSTERDAM ELECTRIC LIGHT, HEAT & POWER COMPANY

(Controlled by Brooklyn Edison Company, Inc.)

History—Incorporated April 12, 1897, in New York. Acquired the franchise granted to the State Electric Light & Power Co. (see statement of Brooklyn Edison Co., Inc., above).

CAPITAL STOCK

Authorized and outstanding, $500,000; all owned by Brooklyn Edison Co., Inc. Annual meeting, first Tuesday in April.

FUNDED DEBT

$300,000 First Gold 5s; dated Sept. 1, 1897; due Sept. 1, 1937; int. March and Sept. 1. All owned by Brooklyn Edison Co., Inc.

Officers: Matthew S. Sloan, Pres.; Walter F. Wells, V-P & Gen. Mgr.; Edward A. Baily, Treas.; Edward W. Kells, Sec., Brooklyn, N. Y.

Directors: Nicholas F. Brady, Thomas E. Murray, Matthew S. Sloan, Walter F. Wells.

Office, Pearl and Willoughby Streets, Brooklyn, N. Y.

BARCELONA TRACTION, LIGHT AND POWER COMPANY, LIMITED

History and Properties—Incorporated Sept. 12, 1911, under laws of Canada, for the purpose of developing hydro-electric power in Spain, with the intention of serving the very large market for light and power and also developing the electric railway and tramway system in the City of Barcelona and the surrounding district. For the purpose of constructing and operating the hydro-electric works in Spain, a subsidiary company, called the **Ebro Irrigation & Power Co., Ltd.,** was formed in Canada, and protocolised in Spain under the name of "Riegos y Fuerza del Ebro, S. A." For the purpose of developing the electric railway and tramways a Spanish company, entitled **Ferrocarriles de Cataluna, S. A.,** was also organized. The Ebro Irrigation & Power Co., Ltd., in addition to operating its own hydro-electric business, operates and controls the electric undertakings of the various subsidiary companies which the Barcelona Traction, Light & Power Co., Ltd., controls through share holdings.

The Company controls (a) The Ebro Irrigation & Power Co., Ltd., through ownership of entire stock and bonds; (b) the **Compania Barcelonesa de Electricidad, S. A.,** through the ownership of approximately its entire outstanding Ordinary Share Capital; (c) **Union Electrica de Cataluna** (which in turn owns the entire capital stock of the **Energia Electrica de Cataluna**), and (d) the supply of light and power, in a large portion of the Province of Cataluna by means of an extensive system of transmission lines, and in the important industrial cities of Tarrasa, Tarragona, Reus and Tortosa, through the ownership of practically the entire Share Capital of the Companies operating in these towns.

The Compania Barcelonesa de Electricidad furnishes electric light and power and has an extensive system of canalisations for the distribution of light and power throughout the City of Barcelona and the surrounding district, serving a population of about 800,000 people, and has a steam station of a total capacity of about 65.000 H.P., held as a reserve plant.

The lighting and power companies operating in Tarrasa, Tarragona, Reus and Tortosa, where there are many manufactories in operation, serve a large industrial population, estimated at approximately 300.000.

The Ebro Irrigation & Power Co., Ltd., hydraulic generating plant on the Pallaresa and Segre Rivers have a rated capacity of approximately 134,000 H. P., with the following stations in operation: Pobla, 4,000 h.p.; Seros, 56,000 h.p.; Tremp, 36,000 h.p.; Camarasa, 34,000 h. p.; Corbera, a small plant. The Energia Electrica de Cataluna has five hydro-electric power stations in operation, with an estimated capacity of 58,000 h. p.

OPERATING DATA (ALL COMPANIES) YEARS ENDED DEC. 31

	1926	1925	1924
No. of customers—			
Light	257,057	238,702	214,055
Power	23,304	21,933	20,103
K. W. connected—			
Light	86,198	81,475	75,445
Power	223,955	211,653	204,404
Steam generation	148,565	17,962,500	491,632
Hydraulic generation	480,738,398	468,136,473	418,809,879
Power purchased	49,408,744	43,991,616	40,744,500
Total k.w.h. generated	530,295,707	512,128,089	460,046,011
Total k.w.h. sold	396,147,094	385,650,511	.....

CAPITAL STOCK

Authorized, $15,000,000 Ordinary (par $50) and $30,000,000 7% non-cumulative Participating Preference; (par, $100); outstanding, $14,362,500 Ordinary and $25,193,400 Preference. The capital was increased in June, 1913, from $25,000,000 to $30,000,000, and in July, 1913, to $42,500,000. In 1921 the rights of the Preference shares were modified and the provisions compelling the Company to redeem the Preference shares in fifteen years or at any time were cancelled. In June, 1924, the capital was increased by the creation of $17,500,000 of Preference shares and was reduced to $45,000,000 by halving the nominal value of the Ordinary shares ($100 to $50). The Preference shares are entitled to a non-cumulative dividend of 7%, to participate pro rata with the Common shares in remaining profits, and to priority for capital without further participation. They are redeemable, at the Company's option, at 110% at any time.

Transfer Agent—National Trust Co., Ltd., Toronto.

Listed (Preference and Ordinary Shares)—Toronto Stock Exchange. Traded in on New York Curb Market and Unlisted Department of Montreal Stock Exchange.

Price Range—

Ordinary	1927	1926	1925	1924	1923	1922	1921	1920
High	68⅛	40½	30	23	22	15⅞	5⅞	9⅛
Low	33½	26	18¼	12⅞	12½	3½	3	3¼

Dividends—On Participating Preference shares 5% dividends were paid in 1925; March 31, 1926, to Mar. 31, 1928, 1¾% each quarter; payments M, J, S & D 31. In addition extra dividends of 1% each were paid on Participating Preference shares June 30, 1927 and Feb. 10, 1928. On Ordinary shares initial dividend of 50c a share was paid June 30, 1927; Feb. 10, 1928, 50c a share.

FUNDED DEBT

(1)

£2,800,000 CONSOLIDATED 6½% PRIOR LIEN BONDS (FORMERLY 6% PRIOR LIEN "B" BONDS); DUE JUNE 1, 1965

Dated June 1, 1915.

Interest Payable June and December 1, in sterling, at office of J. Henry Schroder & Co., London, Eng.

Denominations—Coupon, £100, £500 and £1,000.
Trustee—National Trust Co., Ltd., Toronto.
Provisions of Issue—Authorized, £5,000,000; outstanding, £2,800,000 or $13,626,666.67. By deed of June 25, 1924, the Company was authorized to increase the Prior Lien Bonds from £3,000,000 to £5,000,000, subject to the provisions that it should retain in its treasury for the redemption of the Prior Lien "A" bonds an amount of Prior Lien bonds of a nominal par value at least 10% in excess of the par value of the Prior Lien "A" bonds for the time being outstanding.
Callability—Subject to call as a whole or in part on any interest date upon six months' notice, at 102, before June 1, 1939, and at par on and after that date.
Sinking Fund—The bonds are redeemable by the operation of a cumulative sinking fund to be applied annually in purchasing bonds at or under par, or by drawings at par. The operation of this fund commenced during the year 1925.
Security—Secured by trust deeds, dated July 10, 1915, Dec. 31, 1918, and June 25, 1924, under which the bonds are the direct obligation of the Company and, with the redemption on June 1, 1926, of the 7% Prior Lien "A" bonds, became automatically a first specific charge on the whole of the mortgaged assets of the Company and a first floating charge on its general undertakings and assets.
Original Offering—First publicly offered (£2,800,000) in June, 1924, at 91, by J. Henry Schroder & Co., London, Eng.
Listed—London Stock Exchange.
Price Range—

	1927	1926	1925
High	104¾	100¼	95½
Low	97½	93	87½

(2)
£1,975,880 FIRST MORTGAGE 5½s; DUE DECEMBER 1, 1974 (ORIGINALLY DUE DECEMBER 1, 1961)
Dated December 1, 1911.
Interest Payable June and December 1, payable in pesetas (formerly in sterling) at office of Arnus-Gari, Barcelona, Spain, or at Canadian Bank of Commerce, Toronto, in Canadian currency at current rate of exchange; in London in sterling on a basis of £20 equals 500 pesetas; in Paris and Brussels in francs at mean rates of exchange ruling on the last business day immediately preceding the date on which coupons were presented for payment, at such banks as designated by company.
Denominations—Coupon, £20 and £100; principal may be registered.
Provisions of Issue—Authorized, £4,798,380; outstanding, £1,975,880 (including £52,020 set aside for the redemption of Income Bonds not yet surrendered); also £2,640,000 deposited as collateral for 6% 45-year bonds.
Callability—Subject to call at par on Dec. 1, 1974 (formerly 1961), or at 105 (a) at any earlier date on 6 months' notice or (b) in the event of voluntary liquidation or amalgamation (unless the new company arising from such amalgamation assumes the liability in respect of the bonds); the company can also purchase bonds at or under 105, and provision is also made for accumulative sinking fund to commence to accrue during the year ending May 31, 1935 (formerly 1927), and to operate by purchase at or under par or by drawings at par.
Security—Secured by trust deeds, dated Dec. 1, 1911, Sept. 15, 1913, July 10, 1915, Dec. 31, 1918, Dec. 31, 1921 and Aug. 1, 1924, in the same manner as, but subject to, the above described 6½% bonds.

(3)
45,821,500 PESETAS 6% 45-YEAR BONDS; DUE MAY 1, 1972
Dated May 1, 1927.
Trustee—Westminster Bank, Ltd., London, England.
Provisions of Issue—Authorized 100,000,000 pesetas; issued, 45,821,500 pesetas. These bonds were issued for the purpose of acquiring the 7% 30-Year bonds due Dec. 1, 1951, all of which have been retired.
Security—Secured by deposit of £2,640,000 5½% First Mortgage bonds (interest payable in pesetas).

SUMMARY OF OPERATIONS OF THE COMBINED ENTERPRISES, YEARS ENDED DECEMBER 31
(Including Controlled Companies Other Than the Union Electrica de Cataluna and Energia Electrica de Cataluna up to and including 1923; in subsequent Years these two Companies are included)

	Gross Earnings (Pesetas)	Operating Expenses (Pesetas)	Net Earnings (Pesetas)
1916	20,225,827	6,661,218	13,564,609
1917	22,966,847	6,758,841	16,208,005
1918	27,004,721	10,067,235	16,937,486
1919	25,949,540	10,203,323	15,746,217
1920	32,078,223	11,287,684	20,790,539
1921	37,700,431	13,675,094	24,025,337
1922	46,728,300	18,694,073	28,034,227
1923	51,080,839	21,073,823	30,007,016
1924	79,706,840	28,274,054	51,432,786
*1925	81,373,384	25,526,341	55,847,043
1926	84,186,500	27,407,355	56,779,145

*The figures corresponding to the Ferrocarriles de Cataluna have been eliminated from the 1925 figures for the purpose of comparison, the Railway having been sold in 1926 and operated for account of the purchasers from Jan. 1, 1926.

REVENUE ACCOUNT, YEARS ENDED DECEMBER 31

Receipts—	1926	1925	1924	1923	1922	1921
Revenue from all sources	$4,030,090	$3,678,234	$2,999,287	$2,726,973	$2,575,466	$2,065,537
Deduct:						
Adminis. & general exp. includ. French taxes	$196,759	$149,134	$163,353	$154,476	$340,241	$160,936
Reorganization and issue expenses		47,019	342,174	.....	.....	.....
Service of 7% Prior Lien "A" bonds	200,757	384,177	483,269	556,294	554,457	615,266
Service of Consolidated 6½% Prior Lien bonds	966,185	960,977	387,949	.....	.....	.....
Interest on 6% Prior Lien "B" bonds, payable in cash	.....	.....	.....	.....	10,281	462,333
Service of 8% Secured Debentures	.....	.....	513,890	584,000	583,452	.....
Service of 7% 30-year bonds	500,241	465,049	.....	.....	.....	.....
Interest on 6% six-year bonds and 7% 30-year bonds	.....	.....	430,653	308,692	348,676	230,247
Interest on 1st mtge. bonds	382,265	423,782	603,327	917,950	715,273	753,627
Reserve in respect of interest on First mtge. bonds	.....	.....	.....	183,576	.....	.....
Total	$2,246,208	$2,430,138	$2,924,615	$2,704,988	$2,552,380	$2,222,409
Balance	$1,783,882	$1,248,096	$74,672	$21,985	$23,086	*$156,872
Preference dividends	1,729,509	1,162,445	.....	.....	.....	.....
Balance (surplus)	$54,373	$85,651	$74,672	$21,985	$23,086	*$156,872

*Deficit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Barcelona Traction, Lt. & Pr. Co., Ltd., and Controlled Cos.)
(Including the Union Electrica de Cataluna, S. A., & the Energia Electrica de Cataluna, S. A., and its subsidiaries for 1924 only)

Assets—	1926	1925	1924	1923	1922	1921
Properties, including franchises, concessions, water rights, survey, expenses, hydro-electric installations, bonds and other int., etc.	*$103,946,002	*$112,553,558	*$113,721,910	*$102,325,369	*$102,697,485	*$108,960,867
Investments in associated undertakings	.....	.....	.....	9,153,881	8,566,753	8,565,936
Materials in store and in transit	1,143,269	1,584,422	1,686,416	922,537	959,242	1,213,232
Sundry debtors and debit balances, less reserve for bad and doubtful debts	4,455,550	2,308,533	1,992,471	2,285,831	1,336,017	1,949,879
Temporary investments at cost	231,222	3,418,874	3,422,145	2,275,612	2,030,237	.....
Cash on hand and in banks	2,455,640	1,967,328	1,898,966	847,621	2,081,505	2,468,635
Sinking fund investments	177,318	124,864	.....	.....	.....	.....
Revenue account	.....	.....	.....	946,885	968,870	1,003,954
Total	$112,409,001	$121,957,579	$122,721,908	$118,757,736	$118,640,111	$124,162,503
Liabilities—						
Capital stock, Barcelona Traction, Light & Power Co., Ltd.	$39,555,900	$36,973,900	$36,973,900	$35,933,500	$35,933,500	$35,933,500
Shares of controlled cos. in hands of public	14,405	15,135	24,114	25,234	26,012	55,504
Prior lien "A" bonds	.....	4,855,790	5,102,993	8,063,217	8,063,217	8,063,217
Prior lien "B" bonds & 8% secured debens.	.....	.....	.....	5,051,600	5,211,713	9,733,333
Consolidated 6½% Prior Lien bonds	13,626,667	13,626,667	13,626,667	.....	.....	.....
5½% First Mortgage bonds	9,615,949	10,451,167	10,451,167	.....	.....	.....
6% six-year bonds	.....	.....	.....	.....	155,849	4,212,467
7% 30-year bonds	7,654,765	7,377,635	7,478,058	5,679,902	5,672,564	.....
6% 1st Mtge. bonds	.....	.....	.....	36,715,301	36,674,908	36,524,333
5½% Income bonds	.....	.....	.....	2,726,784	2,661,265	8,662,569
Interest and 5% 10-yr. notes in discharge of which there is an obligation to issue 5½% Income bonds	.....	.....	.....	516,330	784,006	2,881,812
Bonds of controlled cos. in hands of public	35,426,637	41,935,901	42,292,531	14,999,845	14,858,809	14,849,757
Bond interest accrued	904,395	1,095,808	1,120,517	828,904	930,681	1,007,247
Bonds drawn but not yet redeemed	623,043	568,422	489,687	.....	.....	85,094
Pref. dividends outstanding	69,707	17,632	.....	.....	.....	.....
Sundry creditors and credit balances	4,203,182	4,259,282	4,755,681	2,366,958	2,302,817	2,153,669
Capital reserve	.....	.....	.....	5,098,312	5,098,312	.....
Sinking fund reserves	449,852	572,702	331,922	568,271	266,457	.....
First Mtge. bond interest reserve	.....	.....	.....	183,576	.....	.....
Revenue account	264,499	207,538	74,672	.....	.....	.....
Total	$112,409,001	$121,957,579	$122,721,908	$118,757,736	$118,640,111	$124,162,503

*After deduction for depreciation and amortization.

NOTE—There are contingent liabilities and also liabilities for future annual payments under agreements in connection with controlled associated companies.

Officers: H. Malcolm Hubbard, Chairman, London, Eng.; F. Fraser Lawton, Pres., Barcelona, Spain; R. C. Brown, V-P.; Miller Lash, K. C., V-P.; R. H. Merry, Sec.; J. S. Holmested, Asst. Sec., Toronto, Ont.; W. D. Hooper, Asst. Sec., London, Eng.; McAuliffe, Davis & Hope, Auds., London, England, and Barcelona, Spain.

Directors: H. Malcolm Hubbard, E. R. Peacock, London, Eng.; Maurice Bauwens, Alfred Lowenstein, London, Eng.; R. C. Brown, Miller Lash, C. D. Magee, E. R. Wood, J. H. Plummer, Toronto, Ont.; F. Fraser Lawton, Marques de Alella, Domingo Sert, Conde de Torroella de Montgri, Barcelona, Spain; D. N. Heineman, Henri Speciael, Brussels, Belgium.

General Office, 357 Bay Street, Toronto, Ont. **London Agents,** Canadian & General Finance Co., Ltd., 3 London Wall Buildings, E. C. 2.

THE HARTFORD ELECTRIC LIGHT COMPANY

History—Incorporated Apr. 12, 1881, in Conn. Supplies Hartford, West Hartford, Windsor, East Hartford, Wethersfield, Rocky Hill, Tariffville, Bloomfield, East Granby, Granby and Newington. Also supplies Central Connecticut Power & Light Co., Manchester Electric Light Co., Connecticut Power Co., Connecticut Light & Power Co., Ensign Bickford Co., Simsbury, Conn., the Connecticut Co., and Union Electric Light & Power Co., Unionville, Conn. Franchise perpetual. Population served, about 250,000. Also owns a large minority interest (about one-third) in the Common stock of the Connecticut Power Co., acquired in March, 1920, which Company does the entire electric light and power business in New London, Middletown and Thomaston, Conn., and furnishes wholesale power to manufacturing and public utility companies in various other Connecticut towns.

ELECTRICAL OUTPUT, YEARS ENDED DEC. 31

	k.w.h.
1918	93,000,000
1919	93,000,000
1920	103,000,000
1921	98,000,000
1922	134,000,000
†1923	181,000,000
†1924	163,000,000
†1925	176,000,000
†1926	*192,000,000
†1927	*197,000,000

*Exclusive of 31,000,000 k.w. hours of power in 1926, and 23,000,000 k.w. hours in 1927, furnished in the exchange of power with other companies. †Including power sold to Connecticut Light & Power Co.

Controlled Company—The Electric Transportation Co. was organized in 1923 in Conn., with an authorized capital stock of $200,000 (par $25), of which the Hartford Electric Light Co. owns $83,800 of the $84,000 outstanding stock. The new company took over the business of the battery and vehicle department of the parent company. Directors: Samuel Ferguson, Chairman; W. M. Thayer, Pres.; E. S. Nutting, Sec. & Treas.; A. D. Colvin, R. D. Cutler, C. M. Yale; D. C. Perkins and Grant U. Kierstead.

Investments In Other Companies—Company owns a large minority interest in The Connecticut Power Co. which on Feb. 15, 1926, increased its Common stock from $3,000,000 to $4,500,000. Privilege to subscribe to The Hartford Electric Light Company's proportion ($500,000) of the additional Connecticut Power Co. Common stock was transferred by it to its own Common and Preferred stockholders in Feb., 1926—see subscription privilege below. The Company formerly owned 10,000 shares of New England Power Association. These shares were sold in 1927 and the profits from the transaction were distributed to stockholders in the form of a payment of $1 per share on Jan. 5, 1928, as stated below.

CAPITAL STOCK

Authorized, $30,000,000 Common (increased from $20,000,000 Sept. 7, 1927); outstanding, Dec. 31, 1927, $14,000,000; par, $100. All of the 5% cumulative Pfd. formerly outstanding has been converted into Common stock.

Proposed Change in Par Value—Directors on March 27, 1928 voted to recommend to stockholders that the par value of the Common stock be reduced from $100 to $25, four new shares to be exchanged for one old share, subject to action of stockholders at a subsequent meeting.

SUBSCRIPTION PRIVILEGES

Preferred and Common stockholders of record Feb. 15, 1926, received the right to subscribe to one new share of Connecticut Power Co. Common stock for every 24 shares, Preferred or Common, held in Hartford Electric Light Co.

Stockholders of record April 12, 1927 received the right to subscribe to 20,000 additional shares of Common stock at par, $100 a share, in the ratio of one new share for each six shares held. Privilege expired June 15, 1927. Subscriptions were payable in full at Hartford National Bank & Trust Co., Hartford, Conn., on June 15, 1927.

Transfer Agent—Hartford National Bank & Trust Co., Hartford, Conn.

Registrar—Riverside Trust Co., Hartford, Conn.

Annual Meeting—Beginning in 1929, fifth Tuesday in calendar year.

Voting Trust Agreement—Stockholders were requested in July, 1927, to deposit their stock under a Voting Trust Agreement. As of Feb. 1, 1928, all the directors and more than 35% of the stockholders had deposited the whole or a part of their holdings. Under the terms of the Agreement the Trust will continue for five years or until June 22, 1932, or will continue further unless request is made in writing by 75% of the stockholders that it be terminated. Trustees: Charles E. Chase, Charles G. Woodward and L. Edmund Zacher. Depositary, The Hartford National Bank & Trust Co.

Listed—Hartford Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	410	348	297	210
Low	328	275	195	166

Dividends—Common dividends paid at rate of 8% per annum from May, 1903, to Nov. 1909, inclusive; 1910 to 1917, 10% per annum; 1918, 8%; Feb. 1, 1919, 2%; from and including May 1, 1919, to date, 2½% quarterly. Extra dividends of ½ of 1% each paid Aug. and Nov. 1, 1909. Payments quarterly, F, M, A & N 1; dividends declared on fourth Tuesday of each month preceding payment. On Jan. 5, 1928, an extra dividend of $1 per share was paid on the Common stock out of profits received from sale of shares in New England Power Association.

Return of Premium—In Sept., 1926, the premium paid to Company in 1920 on an issue of stock made then at $200 per share, was returned to the stockholders in the form of a distribution of $6.25 per share.

FUNDED DEBT

$4,000,000 THREE-YEAR 7% CONVERTIBLE GOLD NOTES; DUE FEBRUARY 1, 1928, ALL OF WHICH WERE CONVERTED INTO COMMON STOCK, ON A PAR FOR PAR BASIS, AT MATURITY

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total sales, electric	*$5,330,400	§$5,057,400	‡$4,676,700	$4,724,400	$4,718,000	$4,066,200
Less expenses	2,655,200	2,468,800	2,277,900	2,267,700	2,522,600	2,116,100
	$2,675,200	$2,588,600	$2,398,800	$2,456,700	$2,195,400	$1,950,100
Less taxes	430,200	420,000	370,000	385,000	340,000	276,000
Less appropriation for retirement reserve	533,100	505,700	467,600	472,500	519,000	725,600
Net earnings	$1,711,900	$1,662,900	$1,561,200	$1,599,200	$1,336,400	$948,500
Other income	346,500	179,500	144,300	128,500	162,000	162,600
Total income	*$2,058,400	§$1,842,400	‡$1,705,500	$1,727,700	$1,498,400	$1,111,100
Less interest and dividends	1,722,000	1,458,300	1,381,900	1,350,100	1,341,600	1,397,700
Balance carried to surplus	*$336,400	§$384,100	‡$323,600	†$377,600	$156,800	‖$286,600

*After returning to customers $185,000 in the form of 40% reduction on their October bills. †From this balance the sum of $225,000 was appropriated to cover premium and amortization charges incident to the retirement as of March 1, 1925, of $3,000,000 7% notes, and appears as a current liability. ‡After returning to customers the sum of $225,000 in the form of 50% reduction on their October bills. §After returning to customers the sum of $284,000 in the form of 60% reduction on their October bills. ‖Deficit.

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital assets	$18,775,200	$17,754,000	$17,225,000	$16,649,700	$15,990,900	$15,261,900
Other assets	4,055,000	4,545,600	3,437,800	3,546,700	3,746,100	3,549,700
Cash	2,168,200	207,900	1,457,600	556,100	178,700	705,500
Total	$24,998,400	$22,507,500	$22,120,400	$20,752,500	$19,915,700	$19,517,100
Liabilities—						
Common stock	$14,000,000	$11,998,700	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Preferred stock		1,300	2,000,000	2,000,000	2,000,000	
Premium on capital stock	*	*	750,000	750,000	750,000	750,000
Notes	4,000,000	4,000,000	4,000,000	3,000,000	3,000,000	5,000,000
Other liabilities	863,300	1,043,900	623,400	917,400	522,000	498,500
Retirement reserve	4,173,200	3,829,500	3,495,000	3,156,600	3,643,700	3,268,600
Surplus	1,961,900	1,634,100	1,252,000	928,500		
Total	$24,998,400	$22,507,500	$22,120,400	$20,752,500	$19,915,700	$19,517,100

*Premium on Capital Stock returned to stockholders Sept. 1, 1926.

Officers: Samuel G. Dunham, Chairman of Board; Samuel Ferguson, Pres.; Townsend H. Soren, V-P.; D. Newton Barney, V-P.; J. E. Lynch, Sec. & Treas.; Leonard D. Way, Asst. Sec.; Bert C. Gable, Asst. Sec.; E. S. Nutting, Asst. Treas.; Allan D. Colvin, Gen. Mgr.; K. P. Applegate, Pur. Agt., Hartford, Conn.

Directors: D. Newton Barney, Morgan B. Brainard, L. R. Cheney, Henry Roberts, E. K. Root, Samuel Ferguson, Samuel G. Dunham, Samuel M. Stone, Townsend H. Soren, Geo. G. Williams, Isidore Wise, Hartford, Conn.; Frederick P. Royce, Boston, Mass.; V. E. Bird, G. W. Lawrence, W. R. Peabody.

Office, 266 Pearl St., Hartford, Conn.

INTERSTATE RAILWAYS COMPANY

History—Incorporated Dec. 3, 1902, in N. J., to acquire, construct, and invest in other railroads; to develop and furnish all kinds of motive power, etc. Acquired control of The United Power & Transporation Co. through purchase of the outstanding capital stock on a basis of $75 for each $25 share, payable in collateral trust bonds. All of the 143,750 shares of The United Power & Transportation Co. have been acquired.

During 1924 the Company cancelled 99,600 reacquired shares of the 100,000 shares of its Pfd. stock then outstanding, leaving only 400 shares outstanding. Of these 400 shares 384 shares have been cancelled and retired. The Company also owns $1,835,000 of its Collateral Trust 4% bonds.

Plan of Reorganization—On Nov. 25, 1910, shareholders ratified the plan of readjustment (see Manual for 1912, page 1843), and the leasing of underlying companies was subsequently consummated. The subsidiaries are now in four groups, Wilkes-Barre, Reading, Wilmington and Trenton, and the following leasing companies were formed to take over the various

properties; Wilkes-Barre Ry., Reading Transit Co. Trenton & Mercer County Traction Corporation, Wilmington & Philadelphia Traction Co. and Southern Pennsylvania Traction Co. (the two latter companies being under the same management,) but part of the Reading properties were disposed of during 1917. (For statements of these several companies, see General Index).

The United Power & Transportation Co. owns practically the entire capital stocks of the leased properties, and the leases return to the respective lessor companies a total annual income of $830,000 as follows:

Wilkes-Barre System	*Reading System	Wilmington System	Trenton System	Total
$400,000	$55,000	$225,000	$150,000	$830,000

*Balance of Reading System was disposed of during 1917. The rentals received in former years were $300,000 annually.

CAPITAL STOCK

Authorized, 385,000 shares Common of no par value and $4,000 6% cumulative Pfd., par $10; outstanding, 52,000 shares Common and $160 Pfd. Common stock was changed from 77,000 shares, par $100, to present amount in March 1925, five shares of new no par value stock being issued in exchange for one share of $100 par stock. The Pfd. stock was issued early in 1911, in pursuance of Plan referred to above.

Transfer Agent—New Jersey Corporation Guarantee & Trust Co.. Camden, N. J.

Registrar—Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Annual Meeting—First Monday in March.

Listed—Common stock listed on Philadelphia Stock Exchange. The Pfd. shares have been stricken from the Exchange.

Price Range—

Common—	1927	1926	1925
High	14½	10	15
Low	bid	bid	11

Dividends—Pfd. dividends were paid semi-annually, Jan. and July 1, from July 1, 1911, to July 1, 1917. None thereafter until July 1, 1924 when all back Pfd. dividends were paid, and 6% is now being paid on the $160 outstanding Pfd. stock. A dividend of 1% was paid on $100 par Common Nov. 1, 1924; 1% Feb. 1925. On May 1, 1925, initial dividend of 25 cts. per share was paid on new no par Common stock, which quarterly rate maintained to Feb. 1, 1926; 30 cts. per share paid quarterly May 1, 1926 to Feb. 1. 1927; 35 cts. per share paid quarterly May 1, 1927 to Feb. 1, 1928, inclusive; payments, F, M, A & N 1. In addition a stock dividend of 1/25th of a share of Common was paid on Common May 1, 1925.

FUNDED DEBT

$7,908,400 COLLATERAL TRUST GOLD 4s; DUE FEBRUARY 1, 1943

Dated February 1, 1903.

Interest Payable February and August 1, at Real Estate-Land Title & Trust Co., Philadelphia, Pa. The bonds carried 3% interest for first year, 3½% for second year, and 4% thereafter.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized issue, $10,781,250; unisssued bonds reserved for the remaining 62 shares of United Power & Transportation Co. stock. Of the outstanding bonds $1,835,000 are owned by the Company.

Callability—Subject to call at 105 and interest on any interest date upon 30 days' notice.

Security—Secured by pledge of all but 62 shares of the 143,750 shares of United Power & Transportation Co. stock.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	52	56¾	60	60	49	48½	37	30½
Low	48	48	55	44	44	37½	30	25

INCOME ACCOUNT, YEARS ENDED JANUARY 31

	1928	1927	1926	1925	1924	1923
Income from dividends, interest, etc	$356,056	$365,051	$363,929	$349,915	$325,994	$337,271
Expenses (incl. interest and taxes)	17,134	18,258	22,274	26,535	27,777	17,718
Interest on Collateral Trust bonds	243,172	257,016	265,888	274,059	284,640	306,640
Net income	$95,750	$89,778	$75,767	$49,321	$13,577	$12,913
Dividends on Preferred stock	104	199	199	4,770	.....	.....
Dividends on Common stock	72,799	62,399	51,497	20,000	.....	.....
Credit to surplus	$22,847	$27,181	$24,072	$24,551	$13,577	$12,913
Times Bond Interest Earned	1.39	1.35	1.28	1.18	1.05	1.04
Earnings Per Share—						
Common	*$1.84	*$1.72	*$1.45	$4.45	Nil	Nil

*Shares of no par value.

CONDENSED BALANCE SHEET, JANUARY 31

Assets—	1928	1927	1926	1925	1924	1923
Stocks owned (investments)	$8,866,907	$9,233,834	$8,008,931	$8,275,368	$10,995,313	$11,262,574
Bonds owned (investments)			1,454,217	1,329,689	1,322,074	1,245,855
Bonds owned (reserve account)	.....	.....	.....	100,000	600,000	200,000
Amounts invested in plants of underlying companies	783,759	1,042,479	1,311,208	1,561,099	1,792,003	1,530,997
Accounts receivable	4,945	2,097	1,654	6,210	.....	.....
Cash	139,823	141,507	145,180	146,855	137,330	153,430
Bills receivable	11,450	11,450	.....	.....	.....	.....
Deferred debit account	10	199	.....	.....	.....	.....
Total	$9,806,894	$10,431,566	$10,921,190	$11,419,221	$14,846,720	$14,392,856
Liabilities—						
Common stock	$1,009,995	$1,010,000	$1,010,000	$1,000,000	$2,291,200	$2,291,200
Common stock warrants	5	.....	.....	.....	.....	.....
Preferred stock	160	3,310	4,000	4,000	1,000,000	1,000,000
Collateral Trust bonds	7,908,400	8,460,000	8,948,700	9,408,400	9,970,000	10,195,000
Serial 6-year 5% Secured Notes	76,500	127,500	.....	.....	.....	.....
Bills and accounts payable	95,387	129,092	313,840	285,500	406,025	158,239
Accrued bond interest	121,468	125,674	130,194	135,928	137,320	153,320
Accrued interest, bills payable	.....	.....	26,403	22,472	13,805	331
Reserve account	.....	.....	.....	100,000	600,000	200,000
Miscellaneous credits	.....	.....	.....	.....	380,679	360,652
Accrued interest on secured notes	18,966	25,234	.....	.....	.....	.....
Pfd. dividend payable	10	199	.....	.....	.....	.....
Common stock dividend payable	18,199	15,600	13,238	10,000	.....	.....
Profit and loss	557,804	534,957	474,815	452,921	47,691	34,114
Total	$9,806,894	$10,431,566	$10,921,190	$11,419,221	$14,846,720	$14,392,856

Officers: Walter A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Treas. & Asst. Sec.; J. W. Goodwin, Sec. & Asst. Treas., Camden, N. J.

Directors: D. B. C. Catherwood, R. N. Buckley, Daniel Houseman, T. W. Grookett, Jr., John W. Goodwin, Philadelphia, Pa.; William McIlvain, S. B. Rigg, W. A. Rigg, Reading, Pa.

General Office, 1005 Wilson Bldg., Camden, N. J.

THE UNITED POWER AND TRANSPORTATION COMPANY

(Controlled by Interstate Railways Company)

History—Incorporated April 20, 1899, in N. J., to construct and own street railways, power and water companies, etc. In Dec., 1902, the Interstate Rys. Co. acquired practically the entire stock of the company. (See statement of that company above.)

The following is a list of the companies controlled with the number of shares owned and the total amount issued.

Name of Company	Total Issued	Owned
Delaware Co. & Phila. Elec. Ry.	6,000	5,993
Lebanon Valley St. Ry.	10,000	9,992
Media, Glen R. & Rock El. St. Ry.	1,640	1,632
Rox., Chestnut Hill & Norristown Ry.	4,968	4,951
Schuylkill Valley Tr. Co.	10,000	9,992
Trenton St. Ry	20,000	19,969
Wilkes-Barre & Wy. Val. Traction	50,000	49,992
Wilmington & Chester Traction	40,000	39,995
Wilmington City Electric	5,100	5,095
Wilmington & Gt. V. Turnpike Co.	1,040	978
Wilmington & Phila. Turnpike	1,200	1,035
Wilm. & Christiana Turnpike Co.	680	644
Mercer County Traction Co.	1,000	975
Trenton, Pennington & Hopewell St. Ry.	5,000	4,993
Trenton, Hamilton & Ewing Trac. Co.	2,000	1,975

The United Power & Transportation Co. and the Interstate Railways Co. sold during the year 1917 their entire holdings in the United Traction Co., of Reading, Pa., and the Edison Electric Illuminating Co., of Lebanon, Pa., for a consideration of $1,250,000 face value United Railways Gold Trust Certificates, and $2,760,000 in cash, this Company's proportion being the $1,250,000 United Railways Gold Trust Certificates and $1,465,431.65 in cash. The $1,250,000 face value United Railways Gold Trust Certificates, together with $750,000 additional of said certificates, purchased out of the cash received above by this Co., making a total of $2,000,000, were surrendered to and cancelled by the New York Trust Co., under the supplemental agreement with it, dated July 26, 1917, for the withdrawal of the shares of stock of the United Traction Co., of Reading, Pa., the Edison Electric Illuminating Co., of Lebanon, Pa., and the Holmesburg, Tacony & Frankford Electric Ry. Co., deposited under the Original Trust Agreement and the supplemental agreement aforesaid. The balance of the cash received by this Company has been all invested.

The Co. also surrendered and had cancelled, during the year 1917, $323,000 additional United Railways Gold Trust Certificates, and $40,500 Delaware County Railway Gold Trust Certificates, which, together with $354,400 Interstate Railways Co. Collateral Trust Gold bonds purchased, were applied in the withdrawal from the Real Estate Title Insurance & Trust Co., of Philadelphia, of 1,125 shares of stock of the Reading & Southwestern Street Ry. Co., and 4,925 shares of stock of Roxborough, Chestnut Hill & Norristown Ry. Co., deposited under the new tripartite agreement of July 26, 1917; said shares of stock now being free assets in the treasury of the Company, with the exception of 785 shares of stock of Reading & Southwestern Street Rv. Co. subsequently disposed of.

The Company also surrendered and had cancelled, during the year 1918, $222,200 United Railways Gold Trust Certificates and $27,700 Delaware County Ry. Gold Trust Certificates, which, together with $250,000 Interstate Railways Co. Collateral Trust Gold bonds were applied in the withdrawal from the Real Estate Title Insurance & Trust Co. of Philadelphia, of 9,975 shares of stock of the Schuylkill Valley Traction Co. and 1,600 shares of stock of Media, Glen Riddle & Rockdale Electric St. Ry. Co., deposited under the new tripartite agreement of July 26, 1917, said shares of stock now being free assets in the treasury of the Company.

The company also surrendered and had cancelled during the year 1921, $112,100 Delaware County Ry. Gold Trust Certificates; $55,600 for and on account of the withdrawal from the Real Estate Title Insurance & Trust Co., Philadelphia, of 9,975 shares of stock of Lebanon Valley Street Ry. Co. deposited under the new tripartite agreement of July 26, 1917, and $56,500 additional. During 1923, $444,900 United Railways Gold Trust Certificates also surrendered and cancelled account withdrawal of 9,975 shares Lebanon Valley Street Ry. The company also surrendered and had cancelled during the year 1925, $21,200 Delaware County Railway Gold Trust Certificates. During 1925 the Company surrendered for cancellation $103,000 United Railways Gold Trust Certificates. During 1927, Company surrendered for cancellation $2,100 Delaware County Railway Gold Trust Certificates.

CAPITAL STOCK

Authorized and outstanding, 143,750 shares ($3,593,750), no par value. The Interstate Railways Co. owns all of the issued capital stock. Annual meeting, first Tuesday in February.

Dividends—Payments have been made as follows: In 1900, $1; 1901, $2; 1902, $2; 1903, $1; 1904, $2.66; 1905, $2.39; 1906, $3.10; 1907, $3.20; 1908, $3.31; none then to July 1, 1911, when $1.10 was paid; Jan., 1912, $1.40; July, 1912, $1.41; Jan., 1913, $1.79; July, 1913, $1.26; Jan.., 1914, $1.52; $1.40, July, 1914; $1.54, Jan., 1915; $1.34, July, 1915; $1.55, Jan., 1916; $1.43, July, 1916; $1.55, Jan., 1917; $1.23, July, 1917; $1.32, Jan., 1918; $1.20, July, 1918; 50 cts., Jan., 1919; $1.95, Jan. 30, 1920; $1.60, Jan. 31, 1921; $1.85, Jan. 31, 1922; $1.94, Jan. 31, 1923; $2.26, Jan., 1924; $1.88, Jan., 1925; Jan., 1926, $2.09; Jan., 1927, $2.10; July, 1927, $1.00; Jan. 1928, $1.10.

FUNDED DEBT

(1)

$4,824,900 UNITED RAILWAYS 4% GOLD TRUST CERTIFICATES; DUE AT OPTION OF HOLDER ON JULY 1, 1949, AND THEREAFTER ON ANY JAN. 1 OR JULY 1, AT OPTION OF THE UNITED POWER & TRANSPORTATION CO.

Dated May 1, 1899.

Interest Payable January and July 1, at Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized issue, $8,000,000; issued, $7,989,339, of which $3,164,439 have been retired.

Security—These certificates were issued under a trust agreement to the New York Trust Co. as Trustee and are secured by deposit with the Trustee of 19,953 shares of stock of the Trenton St. Ry. Co. 39,993 shares of the Wilmington & Chester Traction Co., 5,089 shares of the Wilmington City Electric Co., and 49,911 shares of the Wilkes-Barre & Wyoming Valley Traction Co.

Tax Provisions—These Trust Certificates are not taxable under a Government ruling.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	69	65	65	73	58	76¾	55	49
Low	63	59	59¼	54	54	50	33	32

(2)

$795,300 DELAWARE COUNTY RAILWAY 4% GOLD TRUST CERTIFICATES; DUE AT OPTION OF HOLDER ON JULY 1, 1949, AND THEREAFTER AT OPTION OF THE UNITED POWER & TRANSPORTATION CO. ON ANY JAN. 1, OR JULY 1.

Dated May 1, 1899.

Interest Payable January and July 1, at Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Denominations—$100, $500 and $1,000.

Trustee—Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized, $1,000,000; issued, $998,950, of which $203,650 have been retired.

Security—These Certificates were issued under a trust agreement with The Real Estate Title Ins. & Trust Co., Philadelphia, as Trustee, and are secured by deposit with the Trustee of 5,993 shares of stock of The Delaware County & Philadelphia Electric Ry. Co.

Tax Provisions—These Trust Certificates are not taxable under a Government ruling.

Listed—Philadelphia Stock Exchange.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Income from dividends, interest, etc.	$562,132	$552,230	$559,501	$551,975	$589,606	$560,189
Expense accounts (taxes, etc.)	21,731	23,844	29,551	31,742	32,252	33,202
Interest on Gold Trust Certificates	224,850	226,322	229,279	229,860	232,120	247,656
Total charges	$246,581	$250,166	$258,830	$261,602	$264,372	$280,858
Balance for dividends	315,551	$302,064	$300,671	$290,373	$325,234	$279,331
Dividends paid	301,875	301,875	300,438	270,250	324,875	278,875
Surplus for year	$13,676	$189	$233	$20,123	$359	$456
Times Interest Earned	2.40	2.33	2.31	2.26	2.40	2.12
Earnings Per Share	$2.19	$2.10	$2.09	$2.02	$2.26	$1.94

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Securities owned	$9,806,709	Capital stock	$3,593,750
Real estate	54,236	United Rys. Trust Ctfs.	4,824,975
Accounts receivable	61,300	Delaware County Ry. Trust Ctfs.	795,300
Cash	97,503	Dividend payable Jan., 1928	158,125
		Paid in surplus	187,500
		Profit and loss	460,098
Total	$10,019,748	Total	$10,019,748

Officers: W. A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Treas. & Asst. Sec.; J. W. Goodwin, Sec. & Asst. Treas., Camden, N. J.

Directors: R. N. Buckley, D. B. C. Catherwood, John W. Goodwin, Daniel Houseman, T. W. Grookett, Jr., Philadelphia; S. B. Rigg, W. A. Rigg, W. McIlvain, Reading, Pa.

General Office, 1005 Wilson St., Camden, N. J.

THE LIMA TELEPHONE & TELEGRAPH COMPANY

History, Etc.—Incorporated May 27, 1901, in Ohio. Franchise perpetual. Population served, 50,000. Number of 'phones, 12,372. Miles of wire, 42,749. Prices, $24 to $90.

CAPITAL STOCK

Authorized, $2,250,000 (increased from $750,000 in 1924) Common, and $750,000 6% cumulative Pfd.; outstanding, $975,000 Common and $750,000 Pfd.; par, $100. Stock transferred at Company's office Registrar: Lima Trust Co., Lima, O. Annual meeting, first Thursday in February.

Dividends—Pfd. dividends regularly paid to date; payments now quarterly, J, A, J & O 1. On Common, 8% per annum (effective Oct. 1, 1923); payable quarterly, J, A, J & O 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$500,164	$495,954	$498,900	$439,467	$405,980	$373,144
Operating expenses, taxes and depreciation	362,097	349,069	355,586	359,805	290,037	277,756
Net earnings	$138,067	$146,885	$143,314	$79,662	$115,941	$95,388
Interest charges	86	74	.....	$1,243	$1,277	$1,069
Other deductions	891	1,527	684	1,919	1,140	2,274
Total charges	$977	$1,601	$684	$3,162	$2,417	$3,343
Balance for dividends	$137,090	145,284	142,630	76,500	113,524	92,045
Dividends paid	123,000	123,000	133,653	66,618	91,697	81,381
Surplus for year	$14,090	$22,284	$8,977	$9,882	$21,829	$10,664
Earnings Per Share—						
Preferred	$18.28	$19.37	$19.02	$10.20	$16.01	$14.54
Common	9.45	10.29	10.01	3.68	6.01	8.54

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$2,257,001	$2,233,466	$2,164,058	$1,983,932	$1,809,692	$1,633,699
Stocks owned	12,000	12,000	12,000	12,000	12,000	12,000
Marketable securities	95,000	75,000	50,000	.....	.....	.....
Materials and supplies	116,036	114,166	122,360	121,398	102,470	61,578
Cash	17,841	7,178	6,531	65,023	12,135	8,613
Current accounts	23,883	25,355	22,485	22,453	22,861	22,958
Deferred debit items	4,497	4,978	3,752	7,537	7,581	7,382
Profit and loss	.....	.....	.....	.....	.....	2,021
Total	$2,526,258	$2,472,143	$2,381,186	$2,212,343	$1,966,739	$1,748,251
Liabilities—						
Common stock	$975,000	$975,000	$975,000	$883,500	$709,000	$633,000
Preferred stock	750,000	750,000	750,000	750,000	709,000	633,000
Notes payable	.....	.....	.....	.....	.....	15,000
Current liabilities	13,292	28,899	30,977	20,923	35,150	31,844
Accrued liabilities	36,645	54,509	55,455	44,313	62,996	55,700
Res. for accrued depreciation	702,846	629,350	558,288	488,736	436,208	379,707
Unappropriated surplus	48,475	34,385	11,466	24,871	14,385	.....
Total	$2,526,258	$2,472,143	$2,381,186	$2,212,343	$1,966,739	$1,748,251

Officers: E. R. Curtin, Pres.; A. D. MacDonell, V-P.; W. H. Duffield, Treas.; G. H. Metheany, Sec. & Gen. Mgr.; O. J. Neuman, Asst. Sec. & Asst. Gen. Mgr., Lima, Ohio.

Directors: John L. Cable, Geo. H. Metheany, W. H. Duffield, E. R. Curtin, A. D. MacDonell, C. H. Cory, Henry Deisel, Lima, O.; A. J. Mellen, Toledo, O.; W. G. Barry, Cleveland, O.; F. M. Stephens, Columbus, Ohio.

Office, 122 So. Elizabeth St., Lima, Ohio.

ENTERPRISE TELEPHONE COMPANY

History—Incorporated Nov. 2, 1902, in Pa., as Enterprise Tel. & Tel. Co.; name changed to present title in 1923. Number of exchanges, 4; 'phones, 1,412; miles of wire, 6,197. Annual rental, $24, $36 and $48.

CAPITAL STOCK

Authorized and issued, $50,000; par, $25. Annual meeting, third Saturday in July.

Dividends—Dividends at rate of 6% per annum formerly paid; 1919, 5%; 1920, 5½%; 1921 to 1927, 6% each; payments Jan. and July 15.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$47,766	$47,777	$46,011
Oper. exp., taxes., deprec., etc.	39,606	40,591	44,332
Net earnings	$8,160	$7,186	$1,679
Interest, rentals, etc.	994	885	657
Net income	$7,166	$6,301	$1,022
Dividends	3,000	3,000	2,997
Surplus for year	$4,166	$3,301	*$1,975

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$108,735	$98,542	$137,826
Materials and supplies	3,344	3,260	9,716
Cash	2,800	1,793	493
Accounts receivable	*132	34	62
Deferred debit items	1,999	2,333	.....
Total	$116,746	$105,962	$148,097
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
Funded debt	.....	2,200	6,400
Notes & accts. payable	17,192	15,303	4,150
Other current liabilities	625	363	.....
Deferred credit items	801	204	.....
Depreciation reserve	34,702	28,632	76,588
Profit and loss surplus	13,426	9,260	10,959
Total	$116,746	$105,962	$148,097

*Credit.

Officers: John Gehr, Pres., Ephrata, Pa.; H. M. Stauffer, V-P.; Leola, Pa.; John H. Martin, Sec., New Holland, Pa.; N. E. Martin, Treas. & Pur. Agt., Leola, Pa.; A. R. Stief, Supt., New Holland, Pa.

Directors: John Gehr, Ephrata, Pa.; Noah Nolt, Bareville, Pa.; John H. Martin, New Holland, Pa.; H. M. Stauffer ,N. E. Martin, Leola, Pa.; John C. Hoover, Gordonville, Pa.

General Office, New Holland, Pa.

THE NARRAGANSETT PIER RAILROAD COMPANY

History and Property—Incorporated April 12, 1875, in R. I.; road opened July 17, 1876. Company's property was formerly leased to Rhode Island Co., but early in 1920 the lease was terminated by default and on March 1, 1920, the Company received its property directly from the U. S. Railroad Administration. Line of road, Kingston to Narragansett Pier, R. I., 8.5 miles, sidings, etc., 0.8 mile. Gauge, standard. Equipment: Locomotives, 1; Passenger cars, 7; 1 McKeen gasoline passenger car; 2 Mack-Brill passenger gasoline cars.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $133,800; par, $100. Annual meeting, third Tuesday in April.

Dividends—Payments have been made as follows: 1893, 2%; 1894, 1895 and 1896, 6% each; 1897 to 1901, incl., 8% each; 1902, 4%; 1903, 2%; 1904, none; 1905 and 1906, 6% each; 1907, 1908 and 1909, 4% each; 1910, none; 1911, 2%; 1912 to 1917, incl., 4% each; 1918, 2%; none since.

FUNDED DEBT

$70,000 First Mtge. 5% bonds; dated Aug. 1, 1916; due Aug. 1, 1936; int. Feb. and Aug. 1 at Rhode Island Hospital Trust Co., Providence, R. I., Trustee. Coupon, $1,000; principal may be registered. None of these bonds are outstanding, but are all held in Company's treasury. These bonds were received from the Rhode Island Company in March, 1920, in settlement of a suit brought by the Narragansett Pier R. R. against the Rhode Island Company for default in the terms of the lease, under which the road was leased to the latter company for 99 years. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$99,547	$103,555	$88,235
Oper. exp. & taxes	82,629	79,301	73,493
Depreciation	10,702	12,787	6,046
Net earnings	$6,216	$11,467	$8,696
Other income	1,157	.....	40
Total income	$7,373	$11,467	$8,736
Interest charges	1,105	1,197	1,279
Rentals, etc.	4,570	6,553	5,865
Total charges	$5,675	$7,750	$7,144
Surplus for year	$1,698	$3,717	$1,592

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$279,679	$278,654	$273,651
Materials and supplies	6,136	7,299	5,816
Cash	17,487	3,414	9,985
Accounts receivable	4,695	3,536	3,630
Other current assets	1,543	1,570	995
Unadjusted debits	188	188	143
Total	$309,728	$294,661	$294,220
Liabilities—			
Capital stock	$133,800	$133,800	$133,800
Notes payable	14,000	21,500	14,500
Accounts payable	23,490	13,441	30,955
Interest accrued	453	305	199
Accrued deprec., equip.	58,534	47,862	40,731
Surplus	79,451	77,753	74,036
Total	$309,728	$294,661	$294,220

Officers: Rowland Hazard, Pres., Peace Dale, R. I.; T. G. Hazard, Jr., V-P., Narragansett, R. I.; Jos. A. Monahan, Sec., Aud. & Asst. Treas.; R. R. Robinson, Treas.; A. Ross, Supt. & Pur. Agt., Wakefield, R. I.

Directors: Rowland Hazard, Peace Dale, R. I.; T. G. Hazard, Jr., W. A. Nye, Narragansett, R. I.; **R. R. Robinson, L. F. Bell, B. F. Robinson, Wakefield,** R. I.; I. P. Hazard, Peace Dale, R. I.

General Office, Wakefield, R. I.

BUFFALO & WILLIAMSVILLE ELECTRIC RAILWAY

History and Properties—Incorporated Aug. 10, 1891, in N. Y. Franchise runs 99 years from Aug. 10, 1891. Line of road, Buffalo to Williamsville, N. Y., 6.65 miles. Gauge, standard. Rail, 80 to 90 lbs. T and girder. Motor cars, 8; power station 1. The Batavia Traction Co., incorporated in 1914, took over the property of this company in Batavia, N. Y.

CAPITAL STOCK

Authorized, $3,500,000; outstanding, $75,000; par, $100. Annual meeting, in August. No dividends paid.

FUNDED DEBT

$168,500 First Mtge. 5% Gold bonds; dated July 1, 1904; due July 1, 1944; int. Jan. and July 1, at City Trust Co., Buffalo, N. Y., Trustee. Coupon, $500 and

$1,000; principal may be registered. Authorized issue, $3,500,000. Subject to call at 105 and int. on any int. date. A first lien on property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$45,698	$49,734	$51,600
Oper. exp., deprec. & taxes	42,929	47,240	43,709
Net earnings	$2,769	$2,494	$7,891
Other income	880	778	717
Total income	$3,649	$3,272	$8,608
Bond interest	8,425	8,425	8,425
Other charges	5	237	156
Total charges	$8,430	$8,662	$8,581
Deficit for year	$4,781	$5,390	*$27

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$155,891	$155,891	$155,794
Cash	20,385	23,074	24,697
Accounts receivable	.....	107	418
Unadjusted debits	123,856	123,331	123,344
Deferred debit items	383	463	.....
Deficit	8,548	3,766	.....
Total	$309,063	$306,632	$304,253
Liabilities—			
Capital stock	$75,000	$75,000	$75,000
Funded debt	168,500	168,500	168,500
Depreciation reserve	65,195	62,735	58,722
Tax reserve	218	247	256
Appropriated surplus	150	150	150
Profit and loss	.....	.....	1,625
Total	$309,063	$306,632	$304,253

Officers: L. L. Lewis, Jr., Pres., Buffalo, N. Y.; Godfrey Morgan, Sec. & Gen. Mgr.; L. K. Warnick, Treas., Buffalo, N. Y.; A. Fisher, Supt., Williamsville, N. Y.

Directors: Wm. M. Evarts, L. L. Lewis, Jr., W. C. Carroll, L. K. Warnick, Godfrey Morgan, Howard Kellogg, Buffalo, N. Y.; Chas. S. Clark, Derby, N. Y.; Geo. L. Lewis, New York, N. Y.

General Office, 98 Delaware Ave., Buffalo, N. Y. **Operating Office,** Williamsville, N. Y.

SPRINGFIELD TERMINAL RAILWAY COMPANY

History—Incorporated in 1922, in Vt., and took over the entire property of the Springfield Electric Ry. Co. as of Jan. 1, 1923 (see 1922 Public Utility Manual, page 1812), and owns entire capital stock of the Cheshire Bridge Corporation and entire capital stock of the Springfield Electric Ry. Co. of N. H., operating the latter company under 99-year lease at annual rental of $1.00. Carries both freight and passengers. Operates standard gauge track connecting with the Boston & Maine R. R. at Charlestown, N. H. Miles of main line, 6½; miles of track, 10. Furnishes switching service for all industries at Springfield, Vt. Population served, 11,000.

CAPITAL STOCK

Authorized, $200,000 Common and $150,000 7% non-cumulative Preferred; outstanding, $100,000 Common (par, $100), and $82,500 Preferred (par, $50). Pfd. stock has preference for assets and non-cumulative dividends at 7%, is redeemable at 102½% and dividends and has equal voting rights with Common. Annual meeting, first Tuesday in June.

Dividends—7% per annum regularly paid on Pfd.; payments semi-annually, May and Nov. 1. On Common, 6% each in 1925, 1926 and 1927.

FUNDED DEBT

$157,200 First Mortgage Gold 7s; dated Jan. 1, 1923; due Feb. 1, 1942; int. Feb. and Aug. 1, at Vermont Peoples National Bank, Brattleboro, Vt., Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $250,000. Subject to call at 105 and interest. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$102,024	$106,012	$109,400
Oper. exp. & taxes	80,493	78,088	77,021
Net earnings	$21,531	$27,924	$32,379
Other income	292	651	1,018
Total income	$21,823	$28,575	$33,397
Bond interest	11,056	11,087	11,479
Other interest	53	69	.....
Rentals	4,001	4,002	4,002
Total charges	$15,110	$15,158	$15,481
Net income	$6,713	$13,417	$17,916
Preferred dividends	5,775	5,775	5,775
Common dividends	6,000	6,000	6,000
Surplus for year	*$5,062	$1,642	$6,141
Earnings Per Share—			
Preferred	$4.06	$8.13	$10.85
Common	0.94	7.64	12.14

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$504,679	$522,847	$502,886
Stocks owned	22,900	22,900	22,900
Cash	28,719	23,097	26,393
Accounts receivable	1,415	588	869
Other current assets	4,426	3,332	1,043
Total	$562,139	$572,763	$554,092
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Preferred stock	82,500	82,500	82,500
Funded debt	157,200	158,100	158,600
Accounts payable	12,187	5,363	3,085
Notes payable	.....	3,500	.....
Interest accrued	4,585	4,611	4,691
Other current liabilities	4,017	4,615	3,028
Reserve for depreciation	33,769	27,424	19,963
Reserve for taxes	.....	781	.....
Unadjusted credits	.....	2,002	.....
Surplus	167,881	183,867	182,226
Total	$562,139	$572,763	$554,092

Officers: E. S. French, Pres., Springfield, Vt.; E. A. Davis, V-P., Boston, Mass.; C. G. Staples, Sec. & Treas., Brattleboro, Vt.; John Wahlen, Supt., L. A. Putnam, Aud., Springfield, Vt.

Directors: E. S. French, Springfield, Vt.; E. A. Davis, Boston, Mass.; C. G. Staples, E. R. Pratt, M. C. Houghton, F. R. Vaughan, Brattleboro, Vt.; A. C. Bowman, W. D. Woolson, John Wahlen, Springfield, Vt.

General Office, Springfield, Vt.

SPRINGFIELD ELECTRIC RY. CO. OF N. H.

(Leased to Springfield Terminal Ry. Co.)

History—Incorporated Aug. 20, 1897, in N. H. Length of line 2½ miles. Leased for 99 years to Springfield Terminal Ry. Co., at annual rental of $1.

CAPITAL STOCK

Authorized and outstanding, $12,000; par, $100. All owned by Springfield Terminal Ry. Co. Annual meeting, second Wednesday in June.

FUNDED DEBT

None.

Officers: E. S. French, Pres., Springfield, Vt.; C. G. Staples, V-P., Brattleboro, Vt.; F. W. Hamlin, Clerk, Charlestown, N. H.

Directors: The above, R. R. Finn and F. H. Perry, Charlestown, N. H.

General Office, Charlestown, N. H.

ANGELS FLIGHT RAILWAY CO.

History—Incorporated Nov. 14, 1912, in Cal. Franchise expires May, 1931. Owns and operates 405 ft. of track, from Hill St. to Olive St., in Los Angeles, Cal. Equipment: 2 closed cars, operated by cable with electric motor.

CAPITAL STOCK

Authorized and outstanding, $25,000 Common. Dividends in recent years have been paid as follows,

on both capital and paid in surplus: 1920, 8%; 1921, 9%; 1922, 10%; 1923, 10%; 1924, 8½%; 1925, 9%; 1926, 6½%; 1927, 5%; payments annually on Dec. 30.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$27,336	$27,710	$30,974
Operating expenses	16,378	15,988	21,106
Taxes	2,498	2,421	3,356
Depreciation	4,500	4,500	4,500
Net earning	$3,960	$4,801	$2,012
Other income	49	52	5,175
Total income	$4,009	$4,853	$7,187
Dividends	3,900	5,070	7,020
Surplus for year	$109	*$217	$167

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of road	$82,856	$82,856	$82,856
Other investments	73,832	69,332	64,832
Cash	426	328	610
Total	$157,114	$152,516	$148,298
Liabilities—			
Common stock	$25,000	$25,000	$25,000
Paid in surplus	53,000	53,000	53,000
Accounts payable	542	553	618
Reserve for depreciation	48,485	43,985	39,485
Profit and loss surplus	30,087	29,978	30,195
Total	$157,114	$152,516	$148,298

Officers: R. M. Moore, Pres.; John Lopizich, V-P.; L. J. Christopher, Sec.; L. J. Hill, Supt., Los Angeles, Cal.

Directors: L. J. Christopher, John Lopizich, R. M. Moore, Los Angeles, Cal.

General Office, Los Angeles, Cal.

THE EASTERN TOWNSHIPS TELEPHONE CO.

History and Properties—Incorporated Aug. 31, 1888, in the Province of Quebec, Canada, as the Sherbrooke Telephone Association; name changed to People's Telephone Co. in 1893, and to present title in 1912. No. of exchanges, 9; No. of 'phones in use, 2,308. Prices charged, $18 to $33.

CAPITAL STOCK

Authorized, $142,000 Common and $58,000 6% noncumulative Preferred; outstanding, $21,620 Common and $57,900 Preferred; par $10.

Annual Meeting—First Wednesday in March.

Dividends on Pfd. stock are payable semi-annually, April and October 15, and have been paid as follows: 1923 and 1924, 4% per annum; 1925, 1926 and 1927, 6% each; payments semi-annually, A & O 15. On Common 4% paid for 3 mos. ended Sept. 30, 1927; April 1, 1928, 6% for 3 mos. ended Dec. 31, 1927.

FUNDED DEBT

$115,300 6% BONDS; DUE JULY 2, 1932

Dated July 2, 1912.

Interest Payable January and July 2 at Sherbrooke, Que.

Denomination—Coupon, $100; principal may be registered.

Trustee—James MacKinnon, Sherbrooke, Que.

Callability—The bonds are not subject to call.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$86,353	$83,462	$80,821
Oper. expense, taxes & depreciation	67,248	65,754	64,526
Net earnings	$19,105	$17,708	$16,295
Interest charges	7,200	7,657	8,137
Surplus after charges	$11,905	$10,051	$8,158
Preferred dividends	4,015	3,474	3,048
Surplus for year	$7,890	$6,577	$5,110

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Rights and privileges	$51,003	$51,103	$51,150
Real estate	1,332	1,332	1,332
Telephone plant	238,745	232,182	222,497
General equipment	7,176	6,529	6,462
Supplies on hand	4,487	4,277	7,832
Cash and deposits	5,026	1,840	735
Accounts receivable	6,677	6,798	6,487
Prepaid expense	350	210	344
Bond discount	238	291	344
Deficit		9,134	15,755
Total	$315,034	$313,696	$312,938
Liabilities—			
Capital stock	$79,520	$79,520	$79,520
Funded debt	115,300	115,300	115,300
Bills payable (Bell Company)		7,000	13,000
Accounts payable	3,899	5,136	5,263
Accrued liabilities	6,006	5,549	5,399
Unearned revenue	871	696	736
Replacement reserves	107,899	100,495	93,720
Surplus	1,539		
Total	$315,034	$313,696	$312,938

Officers: A. C. Skinner, Pres.; H. Bruce Fletcher, V-P.; T. J. Harding, Gen. Mgr. & Sec.-Treas., Sherbrooke, Que.

Directors: J. R. Collins, Robt. Neilson, D. J. Rayside, Montreal, Que.; E. Winn Farwell, H. Bruce Fletcher, T. J. Harding, A. C. Skinner, Sherbrooke, Que.; C. Lee Jenkins, Rock Island, Que.; J. W. Quinn, Windsor, Que.

General Office, Sherbrooke, Que.

WESTPHALIA UNITED ELECTRIC POWER CORPORATION

(Vereinigte Elektrizitatswerke Westfalen G. m. b. H.)

History and Properties—Organized on March, 1, 1923, under the name of Dortmunder und Verbands-Elektrizitatswerk G. m. b. H., the Company acquired from time to time the properties and franchises of Stadtisches Elektrizitatswerk Dortmund, Elektrizitatswerk Westfalen A. G. and Westfalisches Verbands-Elektrizitatswerk A. G. On Jan. 1, 1925, the name of the Company was changed to Vereinigte Elektrizitatswerke Westfalen G. m. b. H., on which date Elektrizitatswerke Westfalen A. G. leased its properties to the Company which assumed all the liabilities of the lessor company.

Westphalia United Electric Power Corp. is one of the most important producers and distributors of electricity in Germany. It serves a territory of over 4,255 square miles in western Germany including most of the industrialized districts in the Ems, Lippe and Ruhr river valleys. The principal cities served are Dortmund, Barmen, Bochum, Munster, Buer, Herne, Recklinghausen, Horde and Witten. Corporation supplies, directly or through local distributing systems, electricity to about 440,000 customers in 530 communities (serving directly more than 180,000 consumers in 395 communities), and gas to over 21,000 consumers in 14 communities. The aggregate population of communities served is estimated at about 3,000,000. Property includes four large steam electric generating plants with an aggregate installed generating capacity of 160,000 k. w., which in Jan., 1928, was being increased to 235,000 k.w.; about 2,669 circuit miles of transmission lines (including about 474 miles of 50,000 and 100,000 volt lines carried on steel towers, 1,268 miles of 10,000 and 15,000 volt lines and about 927 miles of underground cables) and about 3,460 circuit miles of distribution lines (of which about 670 miles are underground).

In addition Company operates a hydro-electric plant having an installed capacity of 6,000 K. W. under a lease extending to 1948 from Ruhr Valley Stream Control Association. An additional 6,000 k.w. in water power and 33,000 k.w. in steam power has been made available by purchase contracts with owners of small water power plants and mining companies within the Company's territory.

The gas properties include 194 miles of mains (of which 39 miles are high pressure transmission mains) and six small generating plants. Two plants are operated under lease. The greater part of the gas distributed is purchased from by-product coke oven plants.

Four coal mines, owned by subsidiary companies, have reserves adequate for the system's requirements on the basis of present operations, for a period of over 25 years.

Corporation owns at least 93½% of the capital stock of each of its subsidiary companies except Gemeinschaftswerk Hattingen G.m.b.H. and a half interest in this company; the other half is owned by the City of Barmen. Gemeinschaftswerk Hattingen G.m.b.H. owns one of the power plants subject to the mortgage securing the Series "A" 6% bonds.

CONSOLIDATED STATEMENT OF GROWTH, YEARS ENDED DECEMBER 31

	Electricity (K. W. H.)	Gas (Cubic Meters)
1924	241,887,735	5,788,441
1925	333,188,414	6,656,703
1926	334,117,001	6,532,603
*1927	422,436,892	7,300,272

*Year ended Oct. 31.

CAPITAL

Amount, M 42,000,000. Capital is all owned, directly or indirectly, by municipalities served and by the Free State of Prussia.

FUNDED DEBT

$20,000,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1 at Speyer & Co., New York, or Harris Trust & Savings Bank, Chicago, in U. S. gold coin. Principal payable at office of Speyer & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Deutsche Treuhand-Gesellschaft, Berlin, Germany, Trustee, and Harris Trust & Savings Bank, Chicago, Ill., Co-Trustee.

Provisions of Issue—The total amount of bonds to be at any time outstanding will be limited to $50,000,000 (or equivalent in other currencies). Issued and outstanding $20,000,000 Series "A" 6s, the proceeds of which were used to refund the $7,500,000 First Mortgage 6½% bonds, due Dec. 1, 1950, to repay floating debt incurred for capital expenditures, and to provide for additions and improvements to the properties of Corporation and its subsidiary companies.

Additional bonds may be issued as Series "A" bonds or bonds of other series with such rates of interest, maturity dates and other provisions as may be determined by the Corporation, under restrictions set forth in the indenture, for a principal amount not to exceed 66 2/3% (in the case of coal properties not to exceed 50%) of the cost or fair value, whichever is less, of (a) additions and improvements made by the Corporation or subsidiaries, the fixed properties of which are subject to the mortgage, and (b) fixed properties, subjected to the mortgage, of additional subsidiary companies; but bonds may be so issued only if, for a period of twelve consecutive months (within fifteen months preceding application for such issue), combined net earnings (as defined in the indenture), shall have been not less than three times the annual interest on all bonds to be outstanding, including bonds then to be issued. Bonds may be issued also for refunding, but only for an amount not to exceed the bonds to be refunded. The indenture provides that hereafter only $8,000,000 bonds may be issued in respect of gas properties and only $3,000,000 bonds in respect of coal properties.

Callability—Series "A" bonds are subject to call as a whole or in part on any interest date, on 60 days' notice, at par and interest.

Sinking Fund—Provision is made for an annual cumulative sinking fund beginning in 1931, sufficient to redeem 60% of Series "A" bonds at or before maturity, to be applied to the purchase of such bonds at or below par and interest, or, if not so obtainable, to redemption by lot at par, the first redemption to be on Jan. 1, 1932. In lieu of cash payments Corporation may tender Series "A" bonds at par.

Security—A direct obligation of Corporation and secured by a direct first mortgage on substantially all fixed properties now owned by Corporation and its subsidiary companies, subject only to charges under laws enacted to give effect to the Dawes Plan and to a real estate mortgage of $33,333 on a small portion of the property of Corporation. The lien of the mortgage covers all fixed property, mortgagable under German law, hereafter acquired by Corporation or its present subsidiary operating companies and by future subsidiary companies the properties of which may be subjected to the mortgage. The electric and gas properties to be mortgaged have been appraised by an independent American engineer at about $36,000,000 and the coal properties by an independent German engineer at more than $3,000,000.

Tax Provisions—Principal and interest are payable without deduction for any German taxes of any nature.

Legal Opinion—Sullivan & Cromwell, New York, and Dr. Heinrich F. Albert and G. A. Westrick, Berlin, Germany.

Original Offering—First publicly offered ($20,000,000 Series "A" 6s) in January, 1928, at 92¾ and interest, to yield about 6.60%, by Speyer & Co. and Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

Listed—Boston Stock Exchange and New York Curb Market. Application will be made to list the bonds on the New York Stock Exchange.

BOND REDEMPTION

All of Company's $7,500,000 First Mortgage 6½% bonds, due December 1, 1950, were called for payment on June 1, 1928, at par and interest.

INDUSTRIAL DEBENTURES

Under the Dawes Plan and the Law of Industrial Charges of August 30, 1924, the Corporation and its subsidiary companies have issued approximately $1,378,000 principal amount of Industrial Debentures, the maximum annual payments in respect of which, amounting to about $82,680, are secured by a first charge upon their fixed properties. The total charges, in accordance with the above law and other legislation for carrying out the Dawes Plan, on the basis of present provisional assessments, will be $92,132 per annum.

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED
(Corporation and Subsidiaries, Intercompany Transactions Eliminated)

	Aug. 31, 1927	Dec. 31, 1926
Gross operating earnings	$10,523,107	$8,580,736
Non-operating income	359,371	386,812
Total	$10,882,478	$8,967,548
Operating expenses, maintenance, depletion and taxes	6,792,011	5,634,516
Net earnings (before interest and reserves for renewals & replacements)	$4,090,467	$3,333,032

NOTE—The net earnings include $221,177 for the twelve months ended Aug. 31, 1927 and $133,329 for the year 1926, applicable to interest not owned by the Corporation in subsidiary companies, substantially all the fixed properties of which are to be subject to the mortgage securing these bonds.

During 1926 and 1927 additions to properties amounted to over $15,800,000, the effect of which is only partially reflected in the above earnings, and substantial sums from the proceeds of the Series "A" bonds will be expended for the further development of the system.

All conversions from German to United States currency have been made at 4.20 reichsmarks to the dollar.

GENERAL BALANCE SHEET
(Westphalia United Electric Power Corp.)
(Latest Available)

Assets—	June 30, 1926	Dec. 31, 1925
Plant property, less res. for depreciation	$15,885,144	$14,938,057
Cash & current assets	2,060,229	6,676,634
Loans receivable	2,442,773	1,234,753
Investment in Gemeinschaftswerk Hattinggen G. m. b. H.	966,107	966,107
Other investments	2,321,608	626,815
Guarantees (per contra)	841,858	238,095
Total	$24,517,719	$24,680,461
Liabilities—		
Capital stock	$9,523,809	$9,523,810
Funded debt	7,500,000	7,500,000
Notes & accounts payable	987,589	1,478,684
Loans payable	2,807,676	2,953,361
Guarantees (per contra)	841,858	238,095
Reserves	2,267,021	2,302,198
Surplus	589,766	684,313
Total	$24,517,719	$24,680,461

GENERAL BALANCE SHEET
(Gemeinschaftswerk Hattingen G. m. b. H.)
(Latest Available)

Assets—	June 30, 1926	Dec. 31, 1925
Plant property, less reserve for depreciation	$2,135,394	$2,017,672
Cash, accts. receiv. & inventories	72,549	223,253
Total	$2,207,943	$2,240,925
Liabilities—		
Capital stock	$595,238	$595,238
Accounts & loan interest payable	185,505	180,178
Loans payable	1,336,975	1,336,975
Legal reserve	59,524	59,524
Surplus	30,701	69,010
Total	$2,207,943	$2,240,925

Managing Directors: Generaldirektor M. Krone; Generaldirektor Dr. Fischer, Direktor Buttke, Direktor Kreienfeld, Direktor Lipken, Dortmund; Direktor Kinzel, Bochum; Direktor Medicus, Muenster.

Office, Dortmund, Germany.

MEXICO TRAMWAYS COMPANY

History—Incorporated March 19, 1906, under the Canadian Companies Act, as the Yucatan Power Co.; name changed to Mexican Consolidated Electric Co., Ltd., on March 24, 1906, and again, on June 1, 1906, by Special Act, to present title. Owns the entire £1,000,000 capital stock, £41,000 "A" Debentures, and all the £321,000 "B" Debentures of the Mexico Electric Tramways, Ltd., an English corporation, registered April 13, 1898, to acquire the share capital of the company controlling the tramway system of the City of Mexico. Also owns the entire capital stock (100,000 pesos) of the Cia de Omnibus de Mexico, S. A., which operates 13 omnibuses in the Federal District. Has exclusive rights until 1982 to operate on the streets of the City of Mexico, and has power to extend lines to the suburban towns of San Angel, Guadalupe, Tacuba, Xochimilco, etc.

The Mexico Tramways Co., owns 87,336 shares of the 135,850 of the no par Ordinary shares, £1,500,000 Second Mortgage bonds, and $11,720,000 Income bonds of the Mexican Light & Power Co., Ltd., organized in 1902 to acquire property and franchises in connection with water powers on the Necaxa, Tenango, Catepuxtla and Laxaxalpam Rivers in the State of Pueblo, Mex. Also owns 55% of the share capital of 200,000 pesos of the Mexican Steel & Chemical Co., Ltd., the remaining 45% being owned by Mexican Light & Power Co.

Tramways System, in operation, as of Dec. 31, 1926, consisted of 208.2 miles of electric lines, 6.1 miles of gasoline lines and 2.2 miles operated by animal traction—a total of 216.5 miles.

Equipment, as of Dec. 31, 1926—Passenger cars: First class motor, electric, 308; trail, electric, 35; mule, 5; second class trail, 65; combination 1st and 2nd class motor, (gasoline, 3; electric, 6), 9. Freight—motor, 43; trail, 57; mule, 3. Funeral equipment—motors and trailers, 48; miscellaneous, 4. Total cars, 577. Omnibuses, 9.

Interest Defaults—The interest defaults of the various issues of bonds of the Mexico Tramways Co. and its controlled companies were attributable, not to any failure of the management, but on account of the extraordinary conditions prevailing in Mexico and the consequent depreciation in Mexican currency. Furthermore, the operation of the Mexico Tramways Co. was taken over by the Government authorities in Mexico in Nov., 1914, and were so operated from that time up to May, 1919, when the properties were returned to the officials of the Company by whom they are now operated.

Bondholders' Protective Committee—The bondholders of the Mexico Tramways Co., the Mexican Light & Power Co., Ltd., the Mexican Electric Light Co., Ltd., and the Pachuca Light & Power Co. in February, 1916, were notified that the Protective Committee urged deposits at an early date. Committee: E. R. Peacock (Chairman), H. F. Chamen, Robert Fleming, A. P. Holt, H. Malcolm Hubbard, Sir Alexander Roger and G. C. Cassels, 3 London Wall Bldgs., London, E. C. This committee co-operates with the Trustees, the Mexican Light & Power Co., Ltd., and the Board of Directors in taking such measures from time to time as will best safeguard the interests of the security holders.

Plan Approved—The Provisional Agreement of Reorganization, dated May 30, 1921, outlined at some length in the 1921 Public Utility Manual, on page 2395, was approved by the bondholders at a meeting held June 29, 1921.

CAPITAL STOCK

Authorized, $30,000,000 (increased from $20,000,000 in Nov., 1913); outstanding, $20,177,000 (increased from $11,487,000 to $16,487,400 in 1910, to $20,000,000 in Nov., 1912, and to $20,177,000 in 1914); par, $100.

Transfer Agent and Registrar—National Trust Co., Ltd., Toronto, Can.

Listed—London and Toronto Stock Exchanges and Paris Bourse.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	30½	20¼	19½	33¼	43	26	14½	33½
Low	17½	13¼	12½	18	22	9½	7¾	14⅜

Dividends—Dividends have been paid as follows: 1907, 1%; 1908, 4%; 1909, 6%; 1910, 6½%; 1911, 1912 and 1913, 7%; none since; payments quarterly, F, M, A & N 1.

FUNDED DEBT

(Arranged in Order of Priority of Lien)

(1) Cia de los Ferrocarriles del Distrito Federal 8% 1st Mtge. Debentures.....Due Dec. 31, 1931
(2) Cia de los Ferrocarriles del Distrito Federal 8% 2nd Mtge. Debentures ....Due Dec. 31, 1959
(3) Mexico Electric Tramways Co., Ltd. 5% "A" 1st Charge Debentures.....Due *
(4) Mexico Electric Tramways Co., Ltd. 5% "B" 2nd Charge Debentures.....Due *
(5) Mexico Tramways Co. 5% Gen. Consol. 1st Mtge. Gold Bonds .....Due Sept. 1, 1963
(6) Mexico Tramways Co. 6% 50-yr. Mortgage Bonds .....Due Jan. 1, 1966
*No final date fixed for redemption.

(1)

$2,925,000 CIA DE LOS FERROCARRILES DEL DISTRITO FEDERAL 8% FIRST MORTGAGE DEBENTURES; DUE DEC. 31, 1931

Issued, $3,000,000, of which Mexico Tramways Co. owns $75,000.

(2)

$2,000,000 CIA DE LOS FERROCARRILES DEL DISTRITO FEDERAL 8% SECOND MORTGAGE DEBENTURES; DUE DEC. 31, 1959

All owned by Mexico Electric Tramways, Ltd.

(3)

$1,589,453 MEXICO ELECTRIC TRAMWAYS, LTD. 5% "A" FIRST CHARGE DEBENTURES, NO FINAL DATE FIXED FOR REDEMPTION.

Dated May 12, 1898, June 28, 1899, and December 2, 1903.

Interest Payable January and July 1.

Denomination—Coupon, £100; principal may be registered.

Trustees—Ludwig Breitmeyer and George Stanley Pott.

Provisions of Issue—Authorized and issued (£400,000 at $4.86 2/3), $1,946,666.66, of which $199,533.33 owned by Mexico Tramways Co., and $157,679.99 redeemed through sinking fund, to Dec. 31, 1926, leaving $1,589,453.34 outstanding with public.

Callability—Subject to call at 105 at any time on six months' notice.

Sinking Fund—Cumulative sinking fund of 1% per annum, commencing in 1922, for the purchase below or redemption at par by annual purchases or drawings of the First Charge Debentures.

Security—Secured by a fixed charge on the shares and debentures owned by Mexico Electric Tramways, Ltd., and a floating charge on the general assets.

(4)

£321,000 MEXICO ELECTRIC TRAMWAYS, LTD., 5% "B" SECOND CHARGE DEBENTURES. NO FINAL DATE FIXED FOR REDEMPTION.

Dated 1904.

Interest Payable January and July 1.

Denomination—Registered, £100.

Provisions of Issue—Authorized, £500,000; issued, £321,000. All owned by Mexico Tramways Co. and deposited as a guarantee for its First Mortgage bonds.

Security—Secured by a second fixed charge on the shares and debentures owned by Mexico Electric Tramways, Ltd., and a second floating charge on the general assets.

(5)

$10,298,000 MEXICO TRAMWAYS COMPANY 5% GENERAL CONSOLIDATED FIRST MORTGAGE GOLD BONDS; DUE SEPTEMBER 1, 1963 (EXTENDED FROM SEPTEMBER 1, 1956)

Dated September 1, 1906.

Interest Payable March and September 1, at Bank of Montreal, Montreal, Toronto, or London, Eng., or at Agency of Bank of Montreal, New York.

The interest due March 1, 1915, was defaulted but under the terms of the "Provisional Agreement of Reorganization" of May 30, 1921, which was approved by the bondholders at a meeting held June 29, 1921, at least one interest coupon was to be paid on each interest date commencing with Sept. 1, 1921, when Coupon No. 17 dated March 1, 1915, was advertised for payment and on March 1, 1922, Coupon No. 18, dated Sept. 1, 1915, was paid. On Sept. 1, 1922, Coupon No. 19, dated Mar. 1, 1916, was paid; on Mar. 1, 1923, Coupon No. 20, dated Sept. 1, 1916, was paid; on Sept. 1, 1923, Coupon No. 21, dated March 1, 1917, was paid; on March 1, 1924, Coupon No. 22, dated Sept. 1, 1917, was paid; on Sept. 1, 1924, Coupon No. 23, dated March 1, 1918, was paid; on March 1, 1925, Coupon No. 24, dated Sept. 1, 1918, was paid; on Sept. 1, 1925, Coupon No. 25, dated March 1, 1919, was paid; on March 1, 1926, Coupon No. 26 dated Sept. 1, 1919, was paid; on Sept. 1, 1926, Coupon No. 27, dated March 1, 1920, was paid; on March 1, 1927, Coupon No. 28, dated Sept. 1, 1920, was paid; on Sept. 1, 1927, Coupon No. 29, dated March 1, 1921, was paid; on March 1, 1928, Coupon No. 30, dated Sept. 1, 1921, was paid. Under the terms of the Provisional Agreement the Sinking Fund payments are to be resumed in 1928 and the authorized amount of the bonds and the date of maturity were amended to the amount and date shown above.

Denominations—Coupon and registered, $100, $500 and $1,000.

Trustee—National Trust Co., Ltd., Toronto, Can.

Provisions of Issue—Authorized issue, $20,000,000, of which $7,500,000 were issued in part payment for the securities of the Mexico Electric Tramways. Of the $10,298,000 bonds issued, $10,057,700 were in hands of the public and $240,300 were held in sinking fund as of Dec. 31, 1926.

Callability—Subject to call at 105 on and after Sept. 1, 1916, on six months' notice.

Sinking Fund—1% per annum from Sept. 1, 1911, to be applied to redemption of bonds of this issue by annual drawings at 105, or by purchase at or below that price. Under the terms of the Provisional Agreement of Reorganization of May 30, 1921 the sinking fund payments (then in default) are to be resumed in 1928.

Security—Secured by trust deed dated May 1, 1906, constituting a first lien on the shares and debentures of the Mexico Electric Tramways, acquired, and covering the undertakings, properties, tools, incomes, rights, powers, privileges and franchises of the Mexico Tramways Co., present and future.

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	82½	73½	72¾	78¾	87	82½	60	49
Low	63¼	60½	59½	64½	68	54	35	26¾

(6)

£1,461,500 ($7,112,633.33) MEXICO TRAMWAYS COMPANY 6% FIFTY-YEAR MORTGAGE BONDS; DUE JANUARY 1, 1966

Dated January 1, 1909.

Interest Payable January and July 1, at Bank of Scotland, London, Eng., Jan. 1, 1915, and subsequent interest in default.

Under the terms of the "Provisional Agreement of Reorganization" the payment of interest on the bonds is to be postponed so that such arrears as well as the current interest and revised Sinking Fund payments will only be paid out of the surplus earnings of the Company so far as they are sufficient for the purpose in the opinion of the Committee, but to be cumulative. As soon as all the arrears of interest have been discharged an additional 1% per annum to be allocated from Surplus Revenue to be applied as a Sinking Fund. This arrangement to remain in existence until all arrears of interest have been discharged and the current interest has been paid regularly for six consecutive half yearly periods. After that date the interest to become again fixed and the Sinking Fund stipulated by the Trust Deed to come into operation should the date be 1928 or later.

Denomination—Coupon, £100; principal may be registered.

Trustee—National Trust Co., Ltd., Toronto, Can.

Provisions of Issue—Authorized issue (subject to increase), £3,150,000, of which £1,688,500 held in treasury. The issue of these bonds may be increased subject to the provisions of the trust deed, it being provided that all additional security and assets acquired by such additional bonds or the proceeds thereof shall form additional security for the entire issue of the said mortgage debenture bonds.

Callability—Subject to call at 105 and interest at any time on six months' notice.

Sinking Fund—See under "Interest Payable" above.

Security—These bonds are secured on all concessions and immovable property of company, present and future, and upon all shares, stocks, bonds and securities of other companies now or hereafter owned by it, subject to the 5% bonds described above. Also secured by a first charge upon certain securities which were purchased with the proceeds of these bonds but subject to the conditions of the Reorganization Agreement of 1921.

Listed—London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	82½	49¼	56	65	63	59	30	38
Low	45½	40¼	47	43½	49	24½	19½	19½

SCHEDULE OF OPERATING RESULTS, YEARS ENDED DECEMBER 31

(Mexican Currency.)

	Passengers Carried. 1st Class.	Passengers Carried. 2nd Class.	Cash Fares. Total	Car Earnings.	Miscel. Income.	Total. Receipts.	Oper. Exp. & Taxes.	Net Income.
1919	53,730,636	20,431,984	74,162,620	$8,653,958	$98,360	$8,752,318	$7,324,548	$1,427,770
1920	71,567,455	30,185,887	101,753,342	10,900,914	105,216	11,006,130	9,342,538	1,653,592
1921	81,228,443	29,480,482	110,708,925	12,943,785	131,496	13,075,291	10,739,885	2,335,436
1922	77,158,559	32,128,119	109,286,678	12,795,228	147,188	12,942,417	10,844,499	2,097,918
1923	70,858,543	31,463,095	*103,083,773	12,147,585	119,244	12,266,829	11,120,781	1,146,048
1924	69,625,847	28,469,758	*100,057,239	11,552,658	139,712	11,692,370	11,537,790	154,580
1925	62,947,208	22,561,126	*86,019,139	9,837,469	159,565	9,997,033	10,527,288	†530,255
1926	63,844,517	23,090,106	86,934,623	9,774,254	157,027	9,931,281	9,852,777	78,504

*Including passengers carried by omnibuses: In 1923, 762,145; in 1924, 1,961,634; in 1925, 510,805. †Deficit.

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

(Mexican Currency)

	1926	1925	1924	1923	1922	1921
Car Earnings:						
Passengers	$7,483,550	$7,635,802	$8,932,977	$9,500,688	$10,195,070	$10,546,537
Monthly tickets	1,586,366	1,415,932	1,622,709	1,660,838	1,644,660	1,521,054
Chartered cars	39,379	49,252	45,858	61,846	66,285	76,957
Freight	371,576	339,050	351,874	403,013	394,112	301,213
Baggage and parcels	110,495	107,628	127,340	225,789	275,433	296,674
Funeral	182,888	211,723	230,337	201,183	219,668	201,360
Omnibuses	.....	78,081	241,563	94,228	.....	.....
Total	$9,774,254	$9,837,469	$11,552,658	$12,147,585	$12,795,228	$12,943,795
Miscellaneous earnings	157,027	159,565	139,712	119,245	147,188	131,496
Total earnings	$9,931,281	$9,997,033	$11,692,370	$12,266,830	$12,942,416	$13,075,291
Expenses:						
Operation	$6,506,748	$6,482,819	$6,594,912	$6,574,719	$6,377,671	$5,986,229
Maintenance, taxes and depreciation	3,346,029	4,044,469	4,942,878	4,546,062	4,466,828	4,753,626
Total	$9,852,777	$10,527,288	$11,537,790	$11,120,781	$10,844,499	$10,739,855
Net operating income	$78,504	†$530,255	$154,580	$1,146,049	$2,097,917	$2,335,436

†Deficit.

CONSOLIDATED REVENUE AND EXPENDITURE ACCOUNT, YEARS ENDED DECEMBER 31

(Prepared in accordance with the Reorganization Agreement, dated May 30, 1921)

Earnings—	1926	1925	1924	1923	1922
Net income from operations in Mexico	*$43,822	*$265,128	$77,290	$573,024	$1,048,959
Deduct exchange of remittances, etc.	.....	83,346	25,326	15,602	49,624
	*$43,822	*$348,474	$51,964	$557,422	$999,335
Net income from investments	283,130	317,023	360,790	398,958	393,017
Miscellaneous income	22,159	7,518	6,855	1,537	21,834
Shortage	855,972	984,130	543,368	2,950	.....
Total	$1,117,439	$960,197	$962,977	$960,868	$1,414,186
Expenses—					
Administration & general expenses	$81,618	$99,023	$101,802	$100,484	$100,682
Interest on bonds	835,625	837,304	838,107	838,910	841,708
Sinking fund	25,550	23,871	23,068	21,474	19,467
Contribution towards meeting capital expenditures in accordance with terms of Reorganization Agreement	.....	.....	.....	.....	452,329
Extraordinary expenses in connection with extension of Cia. de Los Ferrocarriles Del Distrito Federal 8% Mortgage Debentures	174,646	.....	.....	.....	.....
Total	$1,117,439	$960,197	$962,977	$960,868	$1,414,186

*Loss.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Mexico Tramways Co. and its Subsidiary Companies: Mexico Electric Tramways, Ltd., Compania de los Ferrocarriles del Distrito Federal de Mexico, S. A., and Compania de Omnibus de Mexico, S. A.)

Assets—	1926	1925	1924	1923	1922
Capital Account:					
Property, plant & equipment, construction, expenditure at cost.	$17,772,150	$17,679,491	$17,538,361	$16,466,471	$16,071,244
Rights, franchises, contracts, good will, discount on, and expenses of, issue of bonds	10,270,194	10,263,255	10,270,194	10,270,193	10,270,193
Cost of investment in The Mexican Light & Power Co., Ltd.	22,213,262	22,213,262	22,213,262	22,213,262	22,213,262
Cost of investments in other cos.	96,668	97,168	97,168	72,301	122,301
Total	$50,352,274	$50,253,176	$50,118,985	$49,022,227	$48,677,000
Stores in hand and transit including construction material	$472,505	$564,267	$655,889	$624,967	$681,549
Accounts receivable	59,543	53,783	76,598	52,758	70,627
Deferred charges and debit balances	22,931	26,305	28,434	69,838	53,744
Securities at market value	179,779	811,930	1,735,018	1,938,814	891,108
Cash on hand and in banks	387,179	304,402	246,254	427,577	731,019
Mexican Government:					
Amount due at face value	1,842,258	1,827,588	1,610,974	1,638,047	1,628,205
Paper money on hand	76,519	76,519	76,519	76,448	76,448
Mexican Light & Power Co., Ltd.:					
Bond interest unpaid	5,378,674	4,672,123	3,965,572	3,259,020	2,552,718
Demand loan interest	.....	.....	.....	953,767	1,758,371
Sinking fund investments	223,389	22,079	220,167	219,944	219,137
Total	$58,995,051	$58,812,171	$58,734,410	$58,283,407	$57,339,926
Liabilities—					
Capital stock	$20,177,000	$20,177,000	$20,177,000	$20,177,000	$20,177,000
Funded debt	21,925,087	21,936,767	21,994,680	22,009,280	22,040,913
Accrued bond interest	8,960,593	8,533,646	8,122,174	7,718,015	7,288,497
Accounts payable and accrued charges	1,142,139	1,012,045	716,766	691,325	724,324
Sinking fund reserve	385,163	346,892	310,532	277,350	243,470
Reserve for depreciation amortization of franchises and other assets	6,405,069	6,805,821	7,413,258	7,410,437	6,865,722
Total	$58,995,051	$58,812,171	$58,734,410	$58,283,407	$57,339,926

NOTE—Exchange calculated at two pesos to the dollar.

Officers: Miller Lash, K.C., Chairman of the Board, Toronto; G. R. G. Conway, Pres. & Managing Director, Mexico City, R. C. Brown, V-P., Toronto, H. Malcolm Hubbard, V-P., London, England; R. H. Merry, Sec., Toronto; W. H. Fraser, Gen. Mgr.; P. Mendez y Mendez, Asst. Sec., Mexico City; J. S. Holmested, Asst. Sec., Toronto; W. D. Hooper, Asst. Sec., London, Eng.

Directors: Miller Lash, K.C., R. C. Brown, G. T. Clarkson, E. R. Wood, Walter Gow, K.C., C. D. Magee, Toronto; G. R. G. Conway, Mexico City; E. R. Peacock, H. Malcolm Hubbard, Alfred Loewenstein, London, England; Vicomte Gaston de Breteuil, Paris; Henri Speciael, D. N. Heineman, Brussels, Belgium; Don. Francisco de A. Cambo y Batlle, Barcelona.

Offices, 357 Bay Street, Toronto, Can., and Mexico City, Mex. **London Agents,** Canadian & General Finance Co., Ltd., 3 London Wall Bldgs., E. C. 2.

THE MEXICO ELECTRIC TRAMWAYS, LTD.

(Leased to Mexico Tramways Company)

History—Incorporated April 13, 1898, in Great Britain. Company owns the 5,000,000 pesos ordinary capital and 4,000,000 pesos 6% Second Debentures of La Compania de los Ferrocarriles del Distrito Federal de Mexico, together with the shares of the Mexican Traction Co., and a lease as from Jan. 1, 1901, of the former company's system. The entire undertaking is leased from July 1, 1907, to the Mexico Tramways Co., which holds all the shares of The Mexico Electric Tramways, Ltd.

Modifications of the Rights of Debenture Holders—Early in 1922 holders of the £400,000 5% First Charge Debentures agreed to certain modifications of the rights of the debenture holders, substantially as follows: (a) That the trustees as holders of all the 4,000,000 pesos Second Charge 6% debentures of La Compania de los Ferrocarriles del Distrito Federal de Mexico, which form part of the specific security for the 5% First Charge debentures, consent that the First Debentures of La Compania de los Ferrocarriles del Distrito Federal de Mexico be extended from Dec. 31, 1921, to Dec. 31, 1926, and that the interest on such debentures be increased to 8%, such debenture holders being paid a cash bonus of 5% on the debentures on Dec. 31, 1921, and such debentures be made payable free of all Mexican taxes and in gold pesos or at the option of the holders in U. S. dollars at the exchange of one U. S. dollar for two Mexican dollars; (b) that the trustees consent that the Second Charge debentures of La Compania de los Ferrocarriles del Distrito Federal de Mexico be extended to Dec. 31, 1959, on similar terms to those arranged with the First debentures, except that no cash bonus be paid for the extension of the Second debentures; (c) that company create a cumulative sinking fund of 1% per annum, commencing in 1922, for the purchase below or redemption at par by annual purchases of drawings of the First Charge debentures of Mexico Electric Tramways, Ltd., which are not payable at any fixed date.

CAPITAL STOCK

Authorized and outstanding, £500,000 Ordinary and £500,000 6% cumulative Preference shares; par, £1. All owned by the Mexico Tramways Co., and deposited as a guarantee for its First Mortgage bonds.

FUNDED DEBT

For details, see statement of Mexico Tramways Co.

Officers: Miller Lash, Chairman; R. H. Merry, Sec., Toronto; W. D. Hooper, Asst. Sec., London, Eng.

Directors: Wm. Bain, R. C. Brown, S. G. Crowell, R. Gowans, Miller Lash, K. C., Toronto, Can.

General Office, 357 Bay Street, Toronto, Can. **London Office,** Canadian & General Finance Co., Ltd., 3 London Wall Bldgs., E. C.

THE MEXICAN LIGHT & POWER COMPANY, LTD.

(Controlled by Mexico Tramways Co.)

History and Properties—Incorporated in Sept. 1902, in Canada, to acquire property and franchises of Societe de Necaxa in connection with water power on Necaxa, Tenango and Catepuxtla rivers, in Puebla, Mex. Original concession, granted in 1903, gave the right to construct transmission lines in any part of Mexico, with the right of expropriation of land required. The concession granted the exclusive use of the waters in the Necaxa and Tenango rivers, with the right of expropriation of all lands required for reservoirs and other purposes in connection with the hydraulic development. Subsequently the company made application for a supplementary concession covering the entire upper water-sheds of the rivers adjacent to the Necaxa and Tenango, and these rights, granted in May, 1906, and approved by decree of the Federal Congress, extend to 2012. The company has acquired franchises from the States of Pueblo, Hidalgo, Mexico and Michoacan, through which its transmission lines now pass. The franchises of the Company are consolidated and ratified by decrees of the Federal Congress.

In Aug., 1903, purchased the Mexican Electric Works, Ltd., now lighting streets of Mexico City; and in 1905 acquired Mexican Gas & Electric Co. and San Ildefonso Lighting Co., through formation of Mexican Electric Light Co., Ltd., which this company controls by lease, and whose entire capital stock it owns. In Aug., 1907, arranged to acquire the Robert Electric Co., a competitive lighting company in the Federal District of Mexico. In Jan., 1910, acquired the entire capital stock of the Compania Electricia e Irrigadora en al Estado de Hidalgo, and subsequently the entire share capital of the **Officina Tecnica.** For the convenience of working, the Pachuca Light & Power Co. (whose entire capital stock is owned by the Mexican Light & Power Co.) was subsequently incorporated, and succeeded to the business and undertaking of the Compania Electricia e Irrigadora en al Estado de Hidalgo. Also controls the Alameda River Hydro-Electric Co. (Cia Hidro-Electrica del Rio de la Alameda), which has completed a hydro-electric development on the Alameda River, placed in operation Jan. 21, 1923. Also owns 45% of the share capital of 200,000 pesos of the Mexican Steel & Chemical Co., Ltd., the remaining 55% being owned by the Mexico Tramways Co.

In Sept., 1922, the installations of the El Oro Light & Power Co., a subsidiary of The Mexican Light & Power Co., Ltd., which supplied the local services to the small towns of El Oro and Acambaro, were transferred to the latter Company and the liquidation of the El Oro Light & Power Co. completed in 1923.

Receivership—G. T. Clarkson was appointed Receiver in Aug. 1915, being subsequently succeeded by R. C. Brown, President of the Company, who was duly discharged upon the termination of the Receivership Sept. 30, 1921.

INSTALLED CAPACITY OF GENERATING PLANTS AT DECEMBER 31, 1926

Necaxa System	Horsepower
Necaxa	108,000
Tepexic	60,000
Laguna No. 1	1,100
Laguna No. 2	2,090
	171,190
San Ildefonso Plants	2,650
Cia de Luz y Fuerza de Pachuca	9,820
Cia Hidro-Electrica del Rio de la Alameda	12,000
Total hydro-electric system	195,660
Reserve steam and oil plants in Mexico City, incl. Mexico Tramways plant	16,500
Grand total	212,160

OPERATING STATISTICS, DECEMBER 31

Connected load (in H. P.)—	1926	1925	1924	1923	1922	1921
Public lighting—arc lamps	215	373	373	373	1,565	1,565
Incandescent lamps	1,957	1,776	7,075	1,775	291	258
Commercial lighting	49,303	48,486	44,783	40,358	34,805	31,229
Power	146,146	147,420	134,085	128,514	122,113	112,600
Heat	40,876	29,661	24,120	18,225	13,550	10,084
Total connected load	238,497	227,716	205,136	188,870	172,324	155,736
Electricity generated (all plants) K. W. H.	593,472,460	560,664,705	523,595,300	477,062,315	441,991,000	369,229,000
Number of customers	.....	123,485	108,615	91,076	73,815	61,732

NOTE—Number of lamps Dec. 31, 1926: arc, 293; incandescent, 10,539; commercial lighting, 922,173.

Scheme of Arrangement for Payment of Arrears of Interest—On May 3, 1927, a scheme of arrangement was prepared for the purpose of settling the outstanding arrears of interest on the Second Mortgage bonds amounting to £750,000; on the 6% Cumulative Income bonds amounting to $3,532,757; and also for discharging the unpaid accumulations of dividend on the 7% Cumulative Preference Shares amounting to $5,670,000. The scheme was approved by shareholders and second mortgage bondholders the latter part of May, 1927, and subsequently by the Canadian Courts.

Under the Scheme, each £100 Second Mortgage bond received (a) £7 10s. 0d. in cash and (b) £50 in bonds of the same issue with interest coupon payable June 1, 1927, in satisfaction of all accumulated interest to the holders of the 6% Cumulative Income bonds, there were issued at par $3,532,757 10-year unsecured non-interest bearing notes, due Jan. 1, 1937 (described below), in satisfaction of all accumulative interest. As sum of $200,000 (which may be increased to not exceeding $650,000 in any year) is to be set aside every half-year as a sinking fund for the redemption of the notes at or under par.

To the holders of the 7% cumulative Preference Shares there was issued 4% cumulative Redeemable Second Preference Shares of $5 each (a new issue created by the Scheme), on the basis of $95 par value of Second Preference Shares for each $100 par value of 7% Preference Shares held, in full satisfaction of all accumulated dividends. The Ordinary capital stock was changed from shares of $100 par value to shares of no par value.

CAPITAL STOCK

Authorized, 19,000,000 shares Ordinary of no par value, $6,000,000 7% cumulative Preference, par, $100, and $5,700,000 4% cumulative Redeemable Second Preference, par, $5; outstanding upon completion of the above mentioned Scheme of Arrangement, 13,585,000 shares Ordinary, $6,000,000 Preference and $5,700,000 Second Preference. The Mexico Tramways Co. owns 8,733,600 Ordinary Shares.

In May, 1927, the par value of the Ordinary stock was changed from $100 to no par and the Second Preference stock issued at $95 to holders of 7% Preference stock in satisfaction of the accumulated dividends thereon from 1913 to May 1, 1927, amounting to $5,670,000.

Second Preference Stock Provisions—Has preference, subject to the rights of the 7% Preference shares, for assets and 4% cumulative dividends over Ordinary stock, and is redeemable as a whole or in part by purchase at or below par or by drawings at par and accrued dividend. On or before May 1, 1928 and annually thereafter, 50% of the surplus profits of the preceding fiscal year (to be determined as below stated) is to be set aside as a sinking fund to be applied to the redemption of the Second Preference shares either by purchases in the market at or under par and accrued dividend or by drawings at par. The surplus profits shall be the ones remaining after deducting (a) full dividends of 7% per annum on the Preference shares; (b) full dividends of 4% per annum on the Second Preference shares; (c) not exceeding $250,000 for the sinking fund for the Unsecured Non-Interest Bearing Notes, and (d) dividends of $4 per share per annum on the Ordinary shares now outstanding and those that may be issued for cash hereafter; however, should any Ordinary shares be issued for the redemption of any prior security or share capital, there shall be deducted such additional sum above the $4 per share per annum as would be equivalent to annual charges on such securities redeemed.

Transfer Agent and Registrar—National Trust Co., Ltd., Toronto.

Listed—Montreal, Toronto and London Stock Exchanges, and New York Curb Market.

Price Range—(London.)

7% Pref.—	1927	1926	1925	1924	1923	1922	1921	1920
High	....	86¼	64	60	68	55	28	40
Low	....	60	57	35½	46¼	26	14½	15
Ordinary—								
High	 67	36¼	34¼	28	40½	24¾	12¼	22½
Low	 29	29	23	16	16½	15	7½	10

Dividends—Dividends on 7% Preference shares were regularly paid up to and including Dec. 31, 1913. Under the Scheme of Arrangement, dated May 3, 1927, all accumulated dividends to May 1, 1927 amounting to $5,670,000, were refunded by the issue at $95 of $5,700,000 4% Second Preference shares, which were issued to shareholders of record June 24, 1927. Cash dividends were resumed on Nov. 21, 1927 with the semi-annual payment of 3½%.

Initial semi-annual dividend of 10 cents per share was paid on Second Preference shares Nov. 21, 1927.

On Common, 1% each paid July 15 and Oct. 15, 1908; 1½% Jan. 1, 1909; 1% then quarterly (Jan. 15), to Dec. 1913; none since.

FUNDED DEBT

(1)

$11,340,500 THE MEXICAN LIGHT & POWER CO., LTD. FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1940 (EXTENDED FROM FEBRUARY 1, 1933)

Dated February 1, 1903.

Interest Payable February and August 1, at Montreal, Toronto, New York, and London.

Interest Defaults—The interest due Feb. 1, 1915 on these bonds was defaulted. Defaults to be met as per "Provisional Agreement of Arrangement" dated May 30, 1921 and approved by Bondholders June 29, 1921; current interest payments were to be resumed with that due Aug 1, 1921, and all arrears to be paid forthwith excepting Coupons Nos. 34 and 35 due Feb. 1, 1920, and Aug. 1, 1920, which were to be paid on or before June 30, 1922, and Coupon No. 36 due Feb. 1, 1921, which was to be paid on or before June 30, 1923; under this arrangement Coupons Nos. 24 to 49, inclusive have been paid.

Denominations—Coupon, $500 and $1,000.

Trustee—National Trust Co., Ltd., Montreal and Toronto.

Provisions of Issue—Authorized and issued, $12,000,000, of which $135,000 redeemed through sinking fund in 1909, $136,500 in 1910, $129,500 in 1911, $130,000 in 1912, and $128,500 in 1913, a total of $659,500.

Sinking Fund—Sinking fund provides for the payment, beginning in 1928, of 1% of the par value of the bonds issued. Bonds are purchasable for sinking fund at not exceeding 110.

Security—A first lien on entire property of Company.

Listed—London, Montreal, and Toronto Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	82½	72½	75½	70	77	76	80	62⅝
Low	63½	63	60½	58	59	59	47½	34

(2)

$14,600,000 (£3,000,000) THE MEXICAN LIGHT & POWER CO., LTD., SECOND MORTGAGE 50-YEAR 5s; DUE DECEMBER 1, 1968

Dated December 1, 1911.

Interest Payable June and December 1, at Bank of Scotland, London, Eng., and Canadian Bank of Commerce, New York, Montreal or Toronto.

Interest Defaults—The interest due Dec. 1, 1914 on these bonds, was defaulted.

Defaults to be met as per "Provisional Agreement of Arrangement" dated May 30, 1921, and approved by Bondholders June 29, 1921; current interest payments were to be resumed June 1, 1922, and all arrears still outstanding after 1925 to be then discharged as quickly as the funds of the Company will in the opinion of the Committee permit. Under this arrangement Coupon No. 6, dated Dec. 1, 1914, was paid June 1, 1922; Coupon No. 7, dated June 1, 1915, was paid Dec. 1, 1922; Coupon No. 8, dated Dec., 1915, was paid June 1, 1923; Coupon No. 9, dated June 1, 1916, was paid Dec. 1, 1923; Coupon No. 10, dated Dec. 1, 1916, was paid June 1, 1924; Coupon No. 11, dated June 1, 1917, was paid Dec. 1, 1924; Coupon No. 12, dated Dec. 1, 1917, was paid June 1, 1925; Coupon No. 13, dated June 1, 1918, was paid Dec. 1, 1925; Coupon No. 14, dated Dec. 1, 1918, was paid June 1, 1926, and Coupon No. 15, dated June 1, 1919, was paid Dec. 1, 1926.

Under the Scheme of Arrangement, dated May 3, 1927, Coupons Nos. 16 (dated Dec. 1, 1919) to 30 (dated Dec. 1, 1926) inclusive, were refunded by the payment of £7 10s in cash and by the issue of £750,000 additional Second Mortgage bonds. Coupons numbered 31 and subsequently were paid when due.

Denomination—Coupon, £50 and £100; principal may be registered.

Trustee—National Trust Co., Ltd., Toronto.

Provisions of Issue—Authorized and issued, £3,000,000, of which £1,000,000 held in treasury. The outstanding bonds may be increased from time to time, but only after the sale for cash of an equal amount of Common stock at par.

Callability—Subject to call at 105 and interest at any time on six months' notice.

Sinking Fund—Sinking fund, commencing in 1928, to be applied in annual drawings at par, or by purchase of bonds at or below that price.

Security—A lien on entire property of company, also on securities owned, and a general floating charge upon all other assets, subject only to the above described First Mortgage bonds.

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98¾	91	87	85	90½	85½	55	40
Low	58½	83½	79¾	67	74	52½	34½	21½

(3)

$11,775,859.14 THE MEXICAN LIGHT & POWER CO., LTD., 6% CUMULATIVE INCOME BONDS

Interest Payable (when earned) January and July 1. No interest is being paid on these bonds, but under the Scheme of Arrangement, dated May 3, 1927, all accumulations of interest up to Dec. 31, 1926, amounting to $3,532,757, were refunded by the issue of $3,532,757 10-year Unsecured non-interest bearing notes, due Jan. 1, 1937, described below. Subsequent interest was paid when due.

Trustee—National Trust Co., Ltd., Toronto.

Security—These bonds are a floating charge under the Canadian Law on the properties and assets of the Company, subject to the First 5s and Second 5s. Issued at par to the Mexico Tramways Co. in settlement of part of the debt due to them as at Dec. 31, 1921.

(4)

$3,532,757 THE MEXICAN LIGHT & POWER CO., LTD., 10-YEAR UNSECURED NON-INTEREST BEARING NOTES; DUE JANUARY 1, 1937

These notes were issued under the Scheme of Arrangement, dated May 3, 1927, to the holders of the Income Bonds, described above, in full satisfaction of all accumulated interest amounting to $3,532,757 as of Dec. 31, 1926. All held by Mexico Tramways Co.

A sum of $200,000 is to be set aside every half-year as a sinking fund for the redemption of the Notes to be applied in purchasing the Notes on the market at or under par, or by drawings at par. The Company has the power with the consent of the Bondholders Committee to increase the amount of the sinking fund payments up to but not exceeding $650,000 per year.

(5)

$5,567,000 THE MEXICAN ELECTRIC LIGHT CO., LTD., FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1942 (EXTENDED FROM JULY 1, 1935)

Dated July 1, 1905.

Interest Payable January and July 1, at Bank of Montreal, Montreal, Toronto, New York and London.

Interest Defaults—The interest due January 1, 1915 on these bonds, was defaulted. Defaults to be met as per "Provisional Agreement of Arrangement," dated May 30, 1921 and approved by Bondholders June 29, 1921. Current interest payments were to recommence with that due July 1, 1921 and all arrears were to be paid forthwith excepting Coupons Nos. 29 and 30, due Jan. 1 and July 1, 1920, respectively, to be paid on or before June 30, 1922, and Coupon No. 31, due Jan. 1, 1921, to be paid on or before June 30, 1923. Coupons Nos. 19 to 44, inclusive, have been paid under the above arrangement.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—National Trust Co., Ltd., Montreal and Toronto.

Provisions of Issue—Authorized and issued, $6,000,000, of which $433,000 redeemed through sinking fund.

Sinking Fund—Sinking fund (waived until 1928), 1% of outstanding bonds to redeem bonds by drawings, at 105 and int., or by purchase below that price.

Security—Secured by first lien on property of The Mexican Electric Light Co.

Guaranty—Guaranteed principal and interest by The Mexican Light & Power Co., Ltd.

Listed—London and Toronto Stock Exchanges.

Price Range—(London.)

	1927	1926	1925	1924	1923	1922	1921	1920
High	71½	62	56	67½	72½	72	77	49½
Low	60	59½	56	67	58	53¼	47	21½

(6)

£800,000 ($3,893,333.33) PACHUCA LIGHT & POWER CO. FIRST MORTGAGE 50-YEAR GOLD 5s; DUE OCTOBER 1, 1967

Dated October 1, 1910.

Interest Payable April and October 1, at Canadian Bank of Commerce, Toronto, and its agents in New York, London, Brussels and Basle.

Interest Defaults—The interest due April 1, 1915 on these bonds, was defaulted. Defaults to be met as per "Provisional Agreement of Arrangement" dated May 30, 1921 and approved by Bondholders June 29, 1921. Current interest payments were to be resumed with that due Oct. 1, 1921, and all arrears of interest were to be paid forthwith excepting Coupons Nos. 19 and 20, due April 1 and Oct. 1, 1920, respectively, to be paid on or before June 30, 1922, and Coupon No. 21 due April 1, 1921 to be paid on or before June 30, 1923. The following Coupons have been paid under the above arrangements: Nos. 9 to 34, inclusive.

Denominations—Coupon, £20 and £100, principal may be registered.

Trustee—National Trust Co., Ltd., Montreal and Toronto.

Provisions of Issue—Authorized, £1,200,000; issued, £800,000. The Mexican Light & Power Co., Ltd., agrees not to demand its rental for any power that may be supplied until sufficient funds have been set aside to cover the interest on these bonds.

Callability—Subject to call as a whole at any time at 105 on six months' notice or on voluntary liquidation or consolidation with another company.

Sinking Fund—An annual sinking fund to be resumed 1928, is provided to retire bonds at par and interest.

Security—A first lien on property of Pachuca Light & Power Co. (Cia. de Luz y Fuerza de Pachuca, S. A.).

Guaranty—Guaranteed principal and interest by the Mexican Light & Power Co., Ltd.

Listed—London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	69	65	66	64½	72	72	78⅛	58½
Low	58	59½	56	55½	60½	55	49½	30

CONSOLIDATED REVENUE AND EXPENDITURE ACCOUNT, YEARS ENDED DEC. 31

(Accounts Audited by Clarkson, Gordon & Dilworth, Toronto, and Price, Waterhouse & Co., Mexico City, Mexico)
(Prepared in accordance with the Reorganization Agreement dated May 30, 1921)
(Exchange calculated at 2 pesos to the dollar)

	1926	1925	1924
Net income from operations in Mexico	$4,764,871	$4,545,970	$4,469,139
Deduct: Exchange on remittances, etc.	281,874	247,693	258,912
	$4,482,997	$4,298,277	$4,210,227
Net income from invests.	242,085	164,373	56,557
Miscellaneous income	45,200	2,450	26,546
Total	$4,770,282	$4,465,100	$4,293,330
Administration & gen. exp.	$173,597	$144,689	$100,423
Interest on demand loan	.....	.....	9,681
Interest on bonds:			
Mex. Lt. & Pow Co. 1st 5s	567,025	567,025	567,025
Mex. Lt. & Pow. Co. 2nd 5s	486,667	486,667	486,667
Mex. El. Lt. Co. 1st 5s	278,350	278,350	278,350
Pachuca Lt. & Pow. Co. 1st 5s	194,667	194,667	194,667
Alameda Riv. Hy.-El. Co. 1st 7s	.....	12,687	63,438
Contribution towards meeting capital expenditures in accordance with terms of Reorganization Agre'm'nt	3,069,976	2,781,015	2,593,079
Total	$4,770,282	$4,465,100	$4,293,330

CONSOLIDATED BALANCE SHEET, DEC. 31

(The Mexican Light & Power Co., Ltd., and its subsidiaries: The Mexican Electric Light Co., Ltd., Pachuca Light & Power Co. and Alameda River Hydro-Electric Co.)

(Accounts Audited by Clarkson, Gordon & Dilworth, Toronto, and Price, Waterhouse & Co., Mexico City)
(Exchange calculated at two pesos to the dollar)

Assets—	1926	1925	1924
Capital Account:			
Properties, plant & equipt., construction expenditure at cost incl. int. during construction, etc.	$52,525,235	$53,282,249	$52,741,764
Rights, franchises, contracts, goodwill, discount on bonds, share & bond issue expenses	24,912,785	22,926,735	22,912,066
Cost of investments in, & advances to subsidiary & related cos.	209,900	303,393	524,510
	$77,647,920	$76,512,377	$76,178,340
Stores at hand & in transit incl. constn. material	1,056,062	876,057	811,118
Accounts receivable	826,985	907,300	601,997
Deferred charges	689,949	143,231	115,486
British & Dominion Govt. securities at market value	5,108,144	3,804,549	1,701,890
Other securities	.....	.....	41,753
Cash on hand & in banks	1,687,547	744,295	683,707
Accts. for supply of light & power due by Mexican Govts. (Federal, State & Municipal) at face value	4,222,415	4,393,402	4,587,967
Total	$91,239,022	$87,381,211	$84,722,259
Liabilities—			
Ordinary shares	$13,585,000	$13,585,000	$13,585,000
Preference shares	6,000,000	6,000,000	6,000,000
Funded debt	42,310,026	42,310,026	42,672,526
Accrued bond interest	4,116,861	4,116,861	4,123,205
Int. on income bonds of The Mexican Light & Power Co., Ltd.	3,532,758	2,826,206	*2,119,655
Accts. pay. & accrd. charges	998,321	947,688	1,439,707
Reserve for depreciation, amortization of franchises and other assets	20,696,056	17,595,430	14,782,167
Total	$91,239,022	$87,381,211	$84,722,259

*Accumulated to date but only payable out of future surplus revenue in accordance with terms of Trust Deed.

DETAILED STATEMENT OF EARNINGS AND EXPENSES, YEARS ENDED DEC. 31

(Mexican Currency)

Earnings	1926	1925	1924
Light and Power—			
Federal govt. & Municipal:			
Public lighting	$551,725	$621,991	$610,458
Office lighting	894,422	933,572	832,643
Lighting services in Pachuca	42,830	43,325	45,349
Power	477,533	468,005	443,098
Heat	30,087	20,214	14,285
Commercial:			
Lighting	8,701,168	8,151,898	7,398,659
Power	8,202,652	7,604,991	7,044,143
Heat	719,194	598,344	487,159
	$19,619,611	$18,442,340	$16,875,794
Miscellaneous	94,410	127,187	163,040
Gross earnings	$19,714,021	$18,569,527	$17,038,834
Expenses:			
Operation	$4,645,005	$4,080,246	$3,735,866
Maintenance, taxes & dep.	5,539,274	5,397,341	4,364,690
Total expenses	$10,184,279	$9,477,587	$8,100,556
Net earnings from operations in Mexico	$9,529,742	$9,091,940	$8,938,278

NOTE—The Gross Earnings, amounting to $19,714,021, include uncollected accounts for services rendered to the Municipal and Federal Government Departments during the year 1926, representing a sum of approximately $955,000.

Officers: Miller Lash, K.C., Chairman of the Board, Toronto; G. R. G. Conway, Pres. & Managing Director, Mexico City; H. Malcolm Hubbard, V-P., London, England; R. C. Brown, V-P.; R. H. Merry, Sec.; J. S. Holmested, Asst.-Sec., Toronto; P. Mendez y Mendez, Asst.-Sec.; W. D. Hooper Asst.-Sec.; W. H. Fraser, Gen. Mgr., Mexico City.

Directors: Miller Lash, K.C., R. C. Brown, G. T. Clarkson, E. R. Wood, Sir Thomas White, K.C.M.G., Walter Gow, K.C., Toronto; E. R. Peacock, H. Malcolm, Hubbard, A. P. Holt, London, England; G. R. G. Conway, Mexico City; Henri Speciael, D. N. Heineman, Brussels, Belgium.

Offices, 357 Bay Street, Toronto, Can.; Mexico City, Mex. **London Agents,** Canadian & General Finance Co., Ltd., 3 London Wall Bldgs., E. C. 2.

MEXICAN ELECTRIC LIGHT CO., LTD.

(Controlled by Mexican Light & Power Co., Ltd.)

History and Property—Incorporated June 26, 1905, in Canada. Company owns the Mexican Electric Works, La Compania Explotodora la Fuerzas Hidro-Electricas de San Ildefonso, S. A., and La Compania Gas y Luz Electrica, which were absorbed. Is owned and leased for 99 years from Jan. 1, 1906, by Mexican Light & Power Co., Ltd. Through above consolidation the entire lighting business of City of Mexico is now under one management. Property consists of two steam generating stations in Mexico City, capable of producing 1,300 h.p; a hydraulic installation of 3,500 h.p. capacity, and an extensive system of electric light canalization in Mexico City.

CAPITAL STOCK

Paid up, $6,000,000; par, $100. All held by the Mexican Light & Power Co., Ltd.

FUNDED DEBT

For details, see statement of Mexican Light & Power Co., Ltd.

Officers: Miller Lash, Pres.; R. H. Merry, Sec.; J. S. Holmested, Asst. Sec., Toronto, Can.

Directors: R. C. Brown, G. T. Clarkson, Miller Lash, K. C., E. R. Wood, Toronto; E. R. Peacock, London, Eng.

Offices, Toronto, Ont., Mexico City, Mex. **London Agents,** Canadian & General Finance Co., Ltd., 3 London Wall Bldgs., E. C. 2.

PACHUCA LIGHT & POWER CO.

(Controlled by Mexican Light & Power Co., Ltd.)

History and Property—Incorporated May 13, 1910, in Mexico; successor to Hidalgo Hydro-Electric Co. Supplies electricity to the city and district of Pachuca. Population served, 100,000. Has hydro-electric power plant of 12,700 h.p. capacity and 50 miles of transmission lines. Has an agreement with the Mexican Light & Power Co., Ltd., providing for additional supply of power.

CAPITAL STOCK

Authorized and outstanding, $4,000,000 (Mexican currency). All owned by the Mexican Light & Power Co.

FUNDED DEBT

For details, see statement of Mexican Light & Power Co., Ltd.

Officers: G. R. G. Conway, Pres.; F. Wood, Treas.; P. Mendez y Mendez, Sec., Mexico City, Mex.; R. H. Merry, Asst. Sec., Toronto, Can.

Directors: R. C. Brown, P. Mendez, Luis Riba, S. M. Cancino, G. R. G. Conway, Jean Bernier, W. H. Fraser, F. Wood, Mexico City, Mex.

General Office, Mexico City, Mex. **Toronto Office,** 357 Bay Street, **London Agents,** Canadian & General Finance Co., Ltd., 3 London Wall Bldgs., E. C. 2.

NEW YORK STEAM CORPORATION

Stock Issues, At June 30, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
$7 Cum. Pfd., Series "A" (no par)	J, A, J & O 1	41,930 shs.	41,930 shs.	Yes	‡$933,299	$7.00	$442,086	‡$10.15
$6 Divd. Series Pfd. (no par)	J, A, J & O 1	58,070 shs.	50,000 shs.	...		‡4.50		
Common (no par)		30,000 shs.	30,000 shs.	...	‡491,213	None	None	‡16.37

‡Initial dividend of $1.50 a share paid January 1, 1927.

Bond Issues, At June 30, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Mortgage 6s	May 1, 1947	M & N 1	*Unlimited	$5,693,500	No	Yes	Paid by Co.
First Mortgage 5s	May 1, 1951			7,954,000			

Total Funded Debt, at June 30, 1927, $13,647,500.
Bond Interest Accrued in 1927, $536,039.
†**Amount Available for Interest** in 1927, $1,469,338.
Times Bond Interest Earned in 1927, 2.74.
*Authorized unlimited under indenture restrictions. †After depreciation.

History and Property—Incorporated, July 14, 1921, in New York, for the purpose of acquiring under Plan of Reorganization by Agreement all the property, rights and franchises of the New York Steam Co., which was incorporated in 1881 as the consolidation of the Steam Heating & Power Co. of New York and the New York Steam Co. (see 1921 Public Utility Manual, page 791, or apply to our Information Department.) Operates under perpetual and unrestricted franchise granted by the Board of Aldermen of the City of New York, Dec., 1880, permitting the corporation to lay mains and pipes in any of the streets on the Island of Manhattan for the purpose of transporting steam and other fluids.

The corporation serves two districts, one embracing below Chambers Street that portion of Manhattan known as the financial district in which most of the large office buildings are situated, and the other, the up-town East Side residential and mid-town business district. The Corporation supplies steam to over 2,000 buildings in the City of New York, the cubic contents of which buildings aggregate 1,108,400,000 cu. ft. Of this amount, 625,300,000 cu. ft. or over 56% of the total are represented by 1,450 buildings which contain no steam generating equipment whatsoever and in many instances not even smoke stacks. These figures compare with 389,000,000 cu. ft. content of all buildings connected with the system, during the heating season of 1921-1922. The distribution system consists of 240,000 feet of substantially constructed mains and services. Corporation owns 4 steam generating stations, practically at the waterfronts of each of the territories served, together with the land upon which they are situated and in two cases land adjacent thereto sufficient for future expansion, two being located at 59th St. and East River, one at Burling Slip and one, the new Kip's Bay Station (the first two units of which are in operation), located at 35th St. and East River, two blocks south of the New York Edison Co.'s Waterside Station. The combined capacity of the boilers installed in these plants is over 100,000 horsepower.

The Kip's Bay Station will be the most highly concentrated and one of the most efficient plants in the world. It is designed for an ultimate capacity of 150,000 horsepower and the initial installation, including a new unit now being installed, is 46,000 horsepower. Thus, upon completion of the initial installation and including that part of the capacity of The New York Edison Co., at the disposal of the Corporation, under contract, the latter will have available 136,000 horsepower, a boiler capacity sufficient to operate about 400,000 kilowatts in modern electric generating units. The principal station in the downtown financial district is of modern design, and its capacity has recently been increased by over 10,000 horsepower through the installation of boiler economizers which have also increased the efficiency of the station. The equipment in Station "J" at 59th Street and East River was installed in 1922.

Under a mutually advantageous agreement, The New York Edison Company is supplying steam from its Waterside Stations to the New York Steam Corporation in order to augment the supply from the corporation's present stations for distribution in the territory, north of 70th Street on Park Avenue, and south from Madison Avenue at 47th Street through the Grand Central commercial section to 33rd Street. Steam is also available from the Edison Company's Duane Street Station. The Corporation has disposed of its station known as "B" at Cortland, Dey, Greenwich and Washington Streets, on a long term lease upon advantageous terms, said station being of no further usefulness in the conduct of the business.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Steam Metered to Consumers	Gross Revenue
1922	2,892,000,000	$3,233,000
1923	3,533,000,000	3,710,000
1924	3,773,000,000	3,697,000
1925	4,031,000,000	3,893,000
1926	5,185,000,000	5,193,000
1927	6,112,000,000	5,977,426

CAPITAL STOCK

Authorized, 30,000 shares Common of no par value and 100,000 shares Pfd. of no par value; outstanding June 30, 1927, 30,000 shares Common, 41,930 shares $7 cumulative Pfd., Series "A," and 50,000 shares of $6 dividend Series Pfd.

Capital Stock Reclassification—Stockholders on April 17, 1924, authorized a reclassification and change of the 50,000 previously authorized shares of Series"A" Pfd. stock, of the par value of $100 each, issued or unissued, into shares of Pfd. stock, Series "A", without par value, and an increase in the number of shares of such stock, as reclassified, to 100,000 shares without par value.

Preferred Stock Provisions—Has preference for assets and dividends. Additional Pfd. stock of Series "A", or any other series, entitling holders to cumulative dividends at such rate or rates, redeemable at such price or prices and with such other preferences and privileges and such other restrictions and qualifications not inconsistent herewith, as a corporation may determine at the time of the authorization of the particular series, may from time to time be authorized and issued. However, no Pfd. stock of any series shall be created in such amount that the aggregate amount of authorized Pfd. stock of all series shall exceed 100,000 shares except with the written consent of the holders of two-thirds in amount of Pfd. stock outstanding, all series voting as one class.

Additional shares of Pfd. stock may be issued only (a) upon the acquisition or retirement of funded obligations of the Corporation, at the rate of one share for each $100, principal amount, of funded obligations

acquired or retired, or (b) on account of expenditures for permanent extensions or betterments to the properties of the Corporation; provided, that in the case of the issue of stock on account of such expenditures, net earnings for a twelve months' period ending not more than ninety days prior to the date of such issue of Pfd. stock, after the payment of all interest charges and taxes and after making provision for maintenance and replacements to the extent required by the Corporation's First Mortgage, shall have been at least equal to twice the annual dividend requirements on all Pfd. stock which shall be outstanding immediately after such issue. As to 75% of such expenditures, Pfd. stock may be issued at the rate of one share for each $100 of expenditures in excess of the principal amount of First Mortgage bonds issued on account thereof, and as to the remaining 25% thereof, Pfd. stock may be issued at a rate not exceeding one share for each $125 thereof.

So long as any of the Pfd. stock remains outstanding, no bonds, notes or other evidences of indebtedness maturing more than one year from the date of their issue (except bonds issued as permitted by the conservative provisions of the Corporation's First Mortgage) may be issued, nor may the authorized number of shares of Pfd. stock be increased, nor may the provisions relating thereto be changed or repealed, except as authorized by the vote of two-thirds of the Pfd. stock at the time outstanding, or two-thirds of the particular series affected by such change or repeal. The Pfd. stock also has the right to vote in any proceeding for mortgaging the property and franchises of the corporation, or for the sale thereof; but for any other purpose (including the election of directors) the Pfd. stock has no voting rights, unless the Corporation shall be in default in the payment of any two quarterly dividends on the Pfd. stock, in which event, the Pfd. stock will have full voting rights at least equal to the stock of any other class until all unpaid accumulated dividends on the Pfd. stock shall have been paid or provided for. If the Corporation shall at any time be in default in the payment of any four quarterly dividends on the Pfd. stock, the Pfd. stock will have the exclusive right to elect directors until all unpaid dividends thereon shall have been paid or provided for.

Preferred Stock Reserve Fund—Company is required under its amended Certificate of Incorporation to set upon its books on May and Nov. 20 of each year a sum equivalent to $2. per share on the number of shares of Pfd. stock issued, of which one-half may be released to company upon certificate that it has made capital expenditures to a like amount which have not been made the basis in whole for the issuance of bonds or Pfd. stock, and the other half or $1. per share shall be applied to the purchase of Pfd. stock at not exceeding 105, which Pfd. stock may again be issued to company and sold under the provisions relating to the issuance of additional Pfd. stock.

Series "A" Preferred Stock—Entitled to cumulative dividends at rate of $7 per share per annum; also to $115 a share and accrued dividends in case of voluntary dissolution and to $100 a share and accrued dividends in case of involuntary liquidation. It is subject to redemption as a whole or in part on any dividend date at thirty days' notice at $115 a share and accumulated dividends.

$6 Dividend Series Preferred Stock—Entitled to cumulative dividends at rate of $6 per share per annum; also to $105 a share and dividends in the case of voluntary distribution of capital assets and $100 a share and dividends in the case of involuntary liquidation. It is subject to call as a whole or in part on any dividend date on 30 days' notice at $105 a share and accumulated dividends.

Tax Provisions—Free of Normal Federal Income Tax, Pennsylvania Four Mills Tax and Massachusetts Income Tax at not exceeding 6% of the dividends refunded to resident owners from company's surplus, upon proper application.

Legal Opinion—Shearman & Sterling, New York.

Public Offering—11,000 shares of $7 cumulative Pfd. stock, Series "A" publicly offered in July, 1924, at $94 and accrued dividend, yielding about 7.45%, by The National City Co. and Cassatt & Co., New York, etc.; 5,000 shares of same stock offered in Oct. 1924, at $96 flat, yielding about 7.29%, by The National City Co., New York, etc.; 10,000 shares of same stock offered in April, 1925, at $99 flat, yielding over 7.05%, by National City Co. and Cassatt & Co., New York, and Thayer, Baker & Co., Philadelphia. The $6 Dividend Series Pfd. (25,000 shares) was first publicly offered in Oct., 1926, at $93.50 per share, yielding about 6.45%, by National City Co., New York, etc., and Cassatt & Co., Philadelphia, etc. 25,000 additional shares $6 Dividend Series Pfd. were publicly offered in April, 1927, at $97.50 per share flat, to yield 6.20%, by the last two named bankers.

Transfer Agent (All Classes)—The National City Bank, New York.

Registrar (All Classes)—The Farmers' Loan & Trust Co., New York.

Annual Meeting—First Thursday following third Wednesday in September.

Listed (Both Classes Pfd.)—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
$7 Pfd. Series "A"—					
High	114½	105¾	102	98½	92
Low	105	99¼	97	88	91
$6 Divd. Series Pfd.—					
High	102½	92½	..	..	..
Low	93½	92½	..	..	..

Dividends—Dividends on $7 Pfd. Series "A" regularly paid since issuance. Initial dividend of $1.50 per share on $6 Divd. Series Pfd. was paid Jan. 1, 1927, which quarterly rate maintained to date. Pfd. dividends are declared Thursdays following F, M, A & N 20, and are paid J, A, J & O 1. None paid on Common.

FUNDED DEBT

$5,693,500 FIRST MORTGAGE GOLD BONDS, SERIES "A," 6% DUE 1947; DUE MAY 1, 1947

$7,954,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES DUE 1951; DUE MAY 1, 1951

Dated—Series "A" 6s, May 1, 1922; 5% Series, May 1, 1926.

Interest Payable May and November 1, at The National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; exchangeable in equal aggregate amounts, and interchangeable with fully registered bonds in denominations of $1,000, $5,000 and multiples thereof.

Trustee and Registrar—The National City Bank, New York.

Authorized—Authorized amount, unlimited. Issued, $6,100,000 Series "A" 6s, and $8,000,000 5% Series due 1951, of which $406,500 Series "A" and $46,000 5% Series due 1951 retired by sinking fund to Feb. 14, 1927.

Additional bonds in series bearing the same or different rates of interest, dates, maturities and such other distinguishing features with respect to each particular series, as may be determined by the Board of Directors at the time of the original authorization of each series, subject always to the restrictive provisions of the mortgage, may be issued from time to time in amounts equal to and for the acquisition or retirement of bonds of another series issued under this mortgage or of any bonds secured by lien upon after-acquired property. Additional bonds may also be issued in reimbursement of not exceeding 75% of actual and reasonable expenditures for permanent extensions and additions to the plants and properties of the Corporation made after May 1, 1922, provided net earnings for twelve consecutive months shall have been at least twice the annual interest charges on all First

Mortgage bonds outstanding in the hands of the public, together with those then to be issued. The mortgage contains certain provisions permitting the modification or alteration thereof, or of any supplemental indenture, in any particular, with the assent of the holders of 75% in principal amount, of the outstanding bonds, not including any bonds owned by the corporation, provided that nothing shall permit the extension of the maturity of any bond or the reduction in the rate of interest there or any other modification in the terms of payment of such interest, without the consent of the holder thereof, nor the creation by the Corporation of any mortgage lien ranking prior to or on a parity with the lien of the First Mortgage.

Callability—Series "A" 6s: Not redeemable prior to May 1, 1932; redeemable on any interest payment date upon 60 days' prior notice at 107½ from May 1, 1932 to Nov. 1, 1936, incl.; at 105 from May 1, 1937 to Nov. 1, 1941, incl.; and at 102½ thereafter but prior to maturity.

5% Series due 1951: Subject to call as a whole or in part, either at option of the Corporation or by the sinking fund, on any interest date, upon 30 days' notice, at 105 on or before May 1, 1948, and at 100 thereafter.

Sinking Fund—The mortgage provides for a sinking fund for Series "A" bonds, requiring cash payments to the Trustee on Dec. 1, 1922, and semi-annually thereafter, so long as Series "A" bonds are outstanding, equal in each case to 1% of the largest aggregate principal amount of Series "A" bonds at any time issued, such moneys to be applied toward the purchase of Series "A" bonds up to 102½ and accrued interest, the balance remaining unexpended after three months being reimbursed to the corporation at its request for property expenditures against which no bonds shall have been or may be issued.

A sinking fund is also provided for bonds of the 5% Series, due 1951, requiring semi-annual cash payments to the trustee equal in each case to at least ½% of the aggregate principal amount of said bonds outstanding at the time of such payment. Such moneys shall be applied toward the purchase or redemption and cancellation of bonds of the 5% Series due 1951.

General Reserve Fund—The mortgage requires the corporation annually either to expend for maintenance, repairs, renewals and replacements, for extensions, enlargements and additions against which no bonds may be issued, or for the purchase of First Mortgage bonds, an amount equal to 7½% (subject to periodical redetermination) of the aggregate bonded indebtedness of the corporation outstanding with the public at Dec. 31 of such year, or in so far as such an amount is not so expended, to deposit with the Trustee cash, which may in turn be drawn out to reimburse the corporation for expenditures for one or more of the said purposes.

Security—Secured by a direct first mortgage on the entire physical property of the Corporation.

Covenants—Company covenants that so long as any of the bonds remain outstanding and unpaid, it will not declare or pay any cash dividends on any of its Common stock, except out of surplus earnings from its operations subsequently to May 1, 1922, remaining after deducting therefrom all operating expenses, including taxes of every kind, rentals, insurance, all expenses or charges for current maintenance and repairs, and for renewals and replacements, all interest charges and charges for amortization of debt discount and expense and all other usual and proper deductions from income.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax and Connecticut Personal Property or Exemption Tax 4/10% of principal in any year, refunded upon application.

Legal Opinion—Shearman & Sterling, New York.

Legal Investment for Savings Banks in New Hampshire.

Public Offering—$800,000 Series "A" 6s publicly offered in Oct. 1924, at 98 and interest, yielding about 6.16%; $2,500,000 5% Series due 1951, offered in April, 1926, at 92 and interest, both issues offered by The National City Co., New York, etc.; $3,000,000 5% Series due 1951, offered in Feb., 1927, at 96 and interest to yield about 5.30%, by National City Co., New York, etc.; and Cassatt & Co., Philadelphia, etc.; $1,500,000 additional 5% Series due 1951, offered in June, 1927, at 98½ and interest to yield 5.10% by National City Co. and Cassatt & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

Series "A" 6s—	1927	1926	1925	1924	1923	1922
High	108⅞	105½	104	98½	98	99⅞
Low	105¼	101⅛	97½	92½	92	96¾

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	†1922
Operating Revenues—						
Downtown district	$2,473,421	$2,601,207	$2,246,307	$2,389,353	$2,309,880	$3,087,897
Uptown district	3,471,796	2,559,023	1,622,811	1,285,048	1,400,473	
Total operating revenues	$5,945,217	$5,160,230	$3,869,118	$3,674,401	$3,710,353	$3,087,897
Non-operating revenues	32,209	33,353	24,540	23,584	21,062	12,987
Total gross earnings	$5,977,426	$5,193,583	$3,893,658	$3,697,985	$3,731,415	$3,100,884
Operating expenses and taxes—						
Operation	$3,523,243	$3,102,965	$2,358,627	$2,255,559	$2,446,864	‡$2,463,213
Maintenance	420,941	322,361	316,659	270,520	266,868	
Taxes	349,076	297,281	202,698	185,600	169,215	
Total operating expenses and taxes	$4,293,260	$3,722,607	$2,877,984	$2,711,679	$2,882,947	$2,463,213
Net earnings before depreciation	$1,684,166	$1,470,976	$1,015,674	986,306	848,468	637,671
Deduct—Interest Charges:						
Interest on funded debt	$536,039	$364,171	$336,963	$309,384	$299,475	$187,910
General interest	(a)250,816	(a)13,206	(a)24,897	7,312	9,719	26,129
Bond discount and expense	46,744	27,903	25,097	23,330	23,258	6,928
Miscellaneous amortization	3,900	7,117	.....	.....	.....	.....
Total	$335,867	$385,985	$337,163	$340,026	$332,453	$220,967
Surplus net income before depreciation	1,348,299	1,084,991	678,511	646,280	516,014	416,704
Dividends on Preferred stock	442,086	285,110	213,509	86,981	68,127	.....
Balance	$906,213	$799,881	$465,002	$559,299	$447,887	$416,704
Renewal and replacement reserve	415,000	425,000	325,000	325,000	300,000	160,428
Surplus for year	$491,213	$374,881	$140,002	$234,299	$147,887	$256,276
§Times Bond Interest Earned	2.74	2.81	2.05	2.04	1.72	.....
§Earnings Per Share—						
Preferred	$10.15	$15.74	$8.85	$12.89	$20.01	.....
Common	16.37	12.49	4.66	7.80	4.93	.....

†Period Aug. 12, 1921, to June 30, 1922. ‡Includes $187,688 rental for (station A) which was acquired by purchase in July, 1922. §After depreciation. (a) Credit.

EARNED SURPLUS ACCOUNT, JUNE 30, 1927

Credit balance June 30, 1926, $901,889; net income for year 1927 before dividends and renewal and replacement provisions, $1,348,299—total, $2,250,188. Deduct: Preferred dividends, $442,086; appropriation for renewals and replacements, $415,000; appropriation to bring no par Pfd. stock to minimum liquidation price, $10,069; bond discount and premiums applicable to bonds retired through sinking fund, $3,913; loss on obsolete materials sold and inventory adjustment $8,800; sundry surplus charges—net, $14,307—total, $894,175. Credit balance June 30 ,1927, $1,356,013.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925	1924	1923	1922
Plant, property, franchises, etc.	$31,588,584	$20,367,667	$17,342,929	$14,619,126	$13,542,252	$7,989,062
Investments in stocks and bonds	3,427	3,427	3,427	3,427	3,427	28,721
Sundry deposits	1,466	992	1,482	841	1,025	500
Advances for construction	.....	6,000	6,000	6,000	6,000	4,500
Advances to affil. cos.	41,682	.....	.....	.....	.....	.....
Sinking fund deposits	71,468	71,006	61,321	238	60	.....
Held pending refinancing vs. bank loans per contra	.....	.....	.....	.....	.....	2,237,257
Advances for property to be purchased	.....	.....	240,295	80,642	.....	46,280
Debt discount and expense in process of amort.	1,579,361	886,953	562,389	524,131	557,282	180,672
Deferred charges	148,637	121,173	122,101	11,110	19,258	33,921
Cash on hand and in banks	720,359	852,498	208,619	1,132,664	119,448	41,945
Accounts receivable (less reserve for bad debts)	627,179	409,601	359,803	301,874	299,546	285,015
Notes receivable	.....	.....	67	1,015	1,059	2,746
Materials and supplies at cost	643,759	543,550	832,591	500,251	346,059	352,965
Total	$35,425,922	$23,262,868	$19,741,024	$17,181,318	$14,895,416	$11,203,584
Liabilities—						
Common stock	*$7,320,000	*$7,320,000	*$7,320,000	*$7,320,000	*$7,320,000	$5,146,433
Preferred stock	†9,193,000	†4,193,000	†3,992,100	†2,492,100	1,079,000	.....
Funded debt	13,647,500	8,193,500	5,821,000	5,082,500	5,193,000	2,637,000
Temporary bank loans for refinancing	.....	.....	.....	.....	.....	2,280,000
Deferred liabilities	291,572	288,706	123,792	137,551	.....	.....
Notes and trade acceptances payable	62,566	104,054	209,940	353,345	41,257	14,000
Accounts payable	1,906,154	1,075,244	833,943	690,886	277,901	245,200
Accrued interest	159,017	105,945	73,953	59,002	52,924	53,500
Accrued taxes	162,223	159,499	52,126	58,864	48,217	39,018
Accrued water rentals	13,519		71,054	54,960	38,861	24,571
Accrued dividends	148,378	73,378	69,862	22,612	19,057	.....
Customers' security deposits	.....	.....	.....	.....	.....	13,801
Accrued payroll	23,370	47,167	22,834	20,091	6,484	4,175
Sundry current liabilities	57,793	28,834	1,475	948	2,459	2,311
New York City District Realty Corp.	.....	.....	.....	.....	.....	178,373
Renewals and replacements	815,398	723,919	547,181	321,377	187,081	157,965
Other reserves	54,419	47,733	95,490	19,826	82,581	8,201
Other liabilities	.....	.....	.....	22,458	145,485	140,575
Surplus	1,571,013	901,889	506,274	524,799	401,108	258,460
Total	$35,425,922	$23,262,868	$19,741,024	$17,181,318	$14,895,416	$11,203,584

*30,000 shares Common of no par value at stated value of $7,320,000. †Valued at minimum liquidation price.

Officers: James D. Hurd, Pres.; Charles A. Gillham, V-P; David C. Johnson, V-P.; George S. Beith, Treas.; F. E. Pendleton, Sec.; William J. Baldwin, Jr., Asst. Sec.; Chas. E. Kelly, Asst. Treas., New York.

Directors: George R. Cottrelle, Toronto, Can.; George S. Beith, Allen G. Hoyt, Richard M. Hurd, Chas. A. Gillham, James D. Hurd, David C. Johnson, Travis H. Whitney, New York; George F. Hurd, Cedarhurst, N. Y.

General Office, 280 Madison Ave., New York.

FAYETTE HOME TELEPHONE COMPANY, INCORPORATED

History and Property—Incorp. Oct. 17, 1923 in Del., to take over the business of The Fayette Home Telephone Company, which, latter company was incorporated under the laws of W. Va., in 1901, the Delaware corporation issuing therefor $300,000 of Pfd. stock and 50,000 shares of Common stock without nominal or par value. The new company assumed all assets and liabilities of the old company as well as debts and obligations unpaid upon date of transfer.

The company has exchanges at Lexington, in Fayette county, and in Versailles and Midway, in Woodford county, and county lines radiating from each exchange, the whole serving a population of approximately 95,000. No. of stations at Dec. 31, 1927, 13,292 Franchises were granted in Lexington in 1927 for period of 20 years; Versailles in 1918 for 20 years; and Midway in 1924 for five years. The rates charged vary at different exchanges from $2.00 to $3.75 for residence, and from $3.00 to $6.75 for business telephones.

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value and $300,000 6% cumulative Pfd., par, $100; outstanding, 50,000 shares of Common stock and $300,000 Pfd. Both classes of stock have equal voting power. Transfer Agent and Registrar: Security Trust Co., Lexington, Ky. Annual meeting, first Thursday after February 18.

Dividends—Quarterly dividends at rate of 6% on Pfd. stock regularly paid. Dividends in recent years have been paid on Com. stock as follows: 1916, 6%; 1917, 6½%; 1918, 6%; 1919, 8½%; 1920 to 1922 incl., 8%; 1923, 10%; 1924 to date, 25cts. per share each quarter; payments (since 1924) quarterly, J., A, J & O 1.

FUNDED DEBT

$300,000 FAYETTE HOME TELEPHONE CO. (W. VA.) FIRST MORTGAGE GOLD 7s, SERIES "A," DATED FEBRUARY 1, 1921, DUE FEBRUARY 1, 1941

$50,000 FAYETTE HOME TELEPHONE CO. (W. VA.) FIRST MORTGAGE GOLD 6½s, SERIES "B," DATED FEBRUARY 1, 1922, DUE FEBRUARY 1, 1941

Interest Payable February and August 1, at Security Trust Co., Lexington, Ky., and National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000 (principal may be registered), and fully registered bonds, $1,000. Coupon and registered bonds and the several denominations are interchangeable.

Trustee—Security Trust Co., Lexington, Ky.

Provisions of Issue—Authorized, $1,000,000; issued, $300,000 Series "A" 7s, and $50,000 Series "B" 6½s. These bonds and the mortgage securing same were issued by the predecessor company (The Fayette Home Telephone Co., a W. Va. corporation) and payment of both principal and interest on same was assumed by the Delaware corporation when it acquired all of the property of the W. Va. corporation. No more bonds may be issued under this mortgage as the W. Va. corporation has been dissolved.

Callability—Subject to call as a whole but not in part, on any interest date from Feb. 1, 1926 to Feb. 1, 1936 at 110 and accrued interest, and after Feb. 1, 1936 at 105 and accrued interest.

Security—Secured by a first lien upon all the tangible property, rights, franchises, easements, choses in action and property of every description now owned in the Counties of Fayette and Woodford, and also a lien on all future acquired property and assets of every sort.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($300,000) in Jan., 1921, at 97½ and interest, to yield over 7.20%, by The Security Trust Co., Lexington, Ky., and J. J. B. Hilliard & Son, Louisville, Ky.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$615,456	$585,143	$544,010	$512,987	$480,597	$441,335
Operating expenses & taxes	354,865	325,198	401,299	375,978	374,451	338,387
Depreciation	101,835	97,816				
Net earnings	$158,756	$162,129	$142,711	$137,009	$106,146	$102,948
Other income	2,658	4,390	5,217	3,610	1,958	1,603
Total income	$161,414	$166,519	$147,928	$140,619	$108,104	$104,551
Interest, rentals, etc.	26,010	26,303	27,230	25,683	26,391	26,346
Balance for dividends	$135,404	$140,216	$120,698	$114,936	$81,713	$78,205
Dividends paid	68,000	68,000	68,000	68,000	*27,302	56,992
Surplus for year	$67,404	$72,216	$52,698	$46,936	$54,411	$21,213
Earnings Per Share—						
Preferred	$45.13	$46.74	$40.23	$38.31	$27.24	$26.07
Common	†2.35	†2.44	†2.05	†1.94	12.74	12.26

*Balance of dividends paid from surplus. †Based on no par shares.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,830,087	$1,757,130	$1,666,366	$1,498,887	$1,387,657	$1,277,473
Stocks owned	39,987	38,867	32,400	.....	.....	.....
Bonds owned	.....	.....	.....	.....	.....	828
Cash	16,894	26,608	7,043	11,413	13,772	18,759
Materials and supplies	27,652	34,727	23,949	16,977	19,117	32,558
Notes and accounts receivable	95,702	30,080	27,681	**76,163**	**102,884**	**48,415**
Other assets	28,050	28,789	34,823	34,274	31,390	32,002
Total	$2,038,372	$1,916,201	$1,792,262	$1,637,714	$1,554,820	$1,410,035
Liabilities—						
Common stock	$560,024	$675,000	$560,024	$560,024	$500,000	$490,100
Preferred stock	300,000	300,000	300,000	300,000	300,000	300,000
Funded debt	350,000	350,000	350,000	350,000	350,000	350,000
Notes payable	.....		30,000	.....	.....	.....
Accounts payable	47,567	42,864	41,283	32,684	29,659	26,980
Other current liabilities	18,962	14,927	11,784	10,742		
Accrued interest, taxes, etc.	45,384	41,350	37,558	34,791	47,756	10,104
Deferred credit items	714	.....	.....	.....	.....	.....
Reserves	491,415	435,133	361,927	302,537	267,381	186,880
Surplus	224,306	56,927	99,686	46,936	60,024	45,971
Total	$2,038,372	$1,916,201	$1,792,262	**$1,637,714**	**$1,554,820**	**$1,410,035**

Officers: Thomas A. Combs, Pres.; Robert L. Northcutt, V-P. & Sec.; James H. Combs, V-P., Lexington, Ky.; Leland Hume, V-P., Nashville, Tenn.; Joseph W. Porter, Treas.; James A. Sullivan, Gen. Mgr.; J. P. Warren, Aud., Lexington, Ky.

Directors: John R. Allen, Desha Breckinridge, Thomas A. Combs, Leonard G. Cox, Louis des Cognets, George K. Graves, Paul M. Justice, Wm. F. Klair, C. N. Manning, W. K. Massie, R. L. Northcutt, J. W. Porter, Thos. S. Scott, J. Craig Shelby, Geo. S. Weeks, Lexington, Ky; Leland Hume, Nashville, Tenn.; Charles Kerr, Washington, D. C.; Ben S. Read, Atlanta, Ga.; H. A. Schoberth, S. L. Wooldridge, Versailles, Ky.; L. K. Webb, Louisville, Ky.

General Office, Lexington, Ky. **Corporate Office**, Wilmington, Del.

PETALUMA AND SANTA ROSA RAILROAD COMPANY

History—Organized under the laws of the State of California Aug. 23, 1918, and on Oct. 29, 1918, purchased the properties and took over the assets and liabilities of the Petaluma & Santa Rosa Ry. Co. at foreclosure sale as per plan of Reorganization outlined in the 1918 Manual Public Utility Section, page 970. The Petaluma & Santa Rosa Ry. Co. was dissolved on Dec. 26, 1918.

Operates 38.01 miles of main line between Petaluma and Forestville, Sebastopol and Santa Rosa, Cal., and 10.91 miles of branch and side tracks. Gauge, standard. Rail, 70 lbs. T. Owns and operates steamer connection between San Francisco and Petaluma.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Railway passengers	241,376	273,789	279,962	368,852	408,175
Steamer passengers	342	317	398	400	399
Railway freight (tons)	253,663	219,893	163,864	182,222	204,398
Steamer freight (tons)	101,216	97,945	113,486	104,876	101,123

CAPITAL STOCK

Authorized, $1,000,000 Common and $250,000 6% cumulative Preferred; outstanding, $770,700 Common and $127,800 Preferred, par, $100. Pfd. stock has preference both as to assets and dividends, and is subject to redemption at not exceeding $100 per share. Of the $173,600 Pfd. stock issued, 458 shares ($45,800) have been retired.

Annual Meeting—First Tuesday in February.

Dividends—Dividends of 6% per annum are paid on Pfd. stock semi-annually, May and Nov. 1. On Common: 1919 and 1920, 1% each; 1922, 2%; 1923, 3¼%; 1924 and 1925, 4% each; 1926, 4% regular and 1% special; 1927, 4%; payments quarterly, F, M, A & N 1.

Common Dividend Provisions—The Common stock is entitled to receive (if the earnings justify, and the

other necessities of the Company permit) the sum of $25,000 per annum. If a greater sum than $25,000 be earned and properly available for disbursement outside the Company's business needs, the excess shall go 50% to Common stock dividend; 25% to a trust fund to retire First Mortgage bonds and the remaining 25% to a trust fund to retire Pfd. stock.

FUNDED DEBT

$590,800 First Mortgage Sinking Fund 5½% Gold bonds; dated Sept. 1, 1918; due Sept. 1, 1943; int. Mar. and Sept. 1, at San Francisco, Cal., and New York. Coupon, $100 and $1,000; principal may be registered. First Federal Trust Co. of San Francisco, Cal., Trustee. Authorized, $750,000; issued, $698,400, of which $26,000 retired and $81,600 reacquired and held alive, leaving $590,800 outstanding in hands of public; unissued bonds reserved for future requirements. Subject to call at 105 and interest on 30 to 60 days' notice. The mortgage provides that the earnings ordinarily applicable to Common stock dividends shall be disbursed by the Company as follows:

The Common stock shall be entitled to receive (if the earnings justify, and the other necessities of the Company permit) the sum of $25,000 per annum. If a greater sum than $25,000 be earned and properly available for disbursement outside the company's business needs, the excess shall go 50% to Common stock dividend; 25% to a trust fund to retire First Mortgage bonds and the remaining 25% to a trust fund to retire Pfd. stock. The trustee is authorized as funds accumulate to buy First Mortgage bonds and Pfd. stock from the lowest bidder or in the open market, if the bonds or stock can be secured at a price less than that tendered under the call, provided, that not more than $1,050 may be paid for each $1,000 bond, nor more than $100 per share for Pfd. stock. These bonds were issued to holders of securities of the Petaluma & Santa Rosa Ry. Co., under the reorganization plan. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$561,474	$579,119	$531,503	$557,313	$593,865	$556,369
Operating expenses and taxes	449,959	460,653	427,061	438,714	478,471	447,512
Net earnings	$111,515	$118.466	$104,442	$118,599	$115,394	$108,857
Other income	9,604	4,586	4,069	4,777	4,415	3,335
Total income	$121,119	$123,052	$108,511	$123,376	$119,809	$112,192
Bond interest	36,234	32,875	33,154	33,911	37,697	37,697
Balance for dividends	$84,885	$90,177	$75,357	$89,465	$82,112	$74,495
Dividends paid	38,496	46,353	38,796	39,396	33,616	25,830
Surplus for year	$46,389	$43,824	$36,561	$50,069	$48,496	$48,665
Times Bond Interest Earned	3.34	3.74	3.27	3.64	3.18	2.97
Earnings Per Share—						
Preferred	$66.42	$70.56	$56.74	$67.37	$57.50	$42.91
Common	10.02	10.68	8.74	10.57	9.54	8.31

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1927

Surplus for year 1927 before dividends, $84,885; add profit from auxiliary operations, $4,895—total, $89,780. Deduct: Amortization of reorganization expenses, $527; franchise taxes, $2,721; construction and additions 1927, $56,024; Preferred dividends, $7,668; Common dividends, $30,828; discount on reacquired bonds written off, $14,016; previous deficit, $10,263—total deductions, $122,047. Deficit transferred to corporate surplus, $32,267.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$2,120,541	$1,997,405	$1,961,621	$1,919,950	$1,866,228	$1,810,539
Materials and supplies	33,869	40,615	34,420	36,881	35,530	31,715
Cash on hand	207,849	155,201	155,777	95,080	111,464	121,363
Accounts receivable, etc.	24,442	21,766	25,549	20,234	19,399	23,150
Deferred assets	1,302	3,524	11,072	1,207	687	8,078
Unadjusted debits	12,017	12,002	12,297	11,159	11,317	10,878
Total	$2,400,020	$2,230,513	$2,200,736	$2,084,511	$2,044,625	$2,005,723
Liabilities—						
Common stock	$770,700	$770,700	$770,700	$770,700	$770,700	$770,700
Preferred stock	127,800	127,800	132,800	132,800	142,800	173,600
Funded debt	672,400	590,800	602,800	602,800	616,800	635,800
Current liabilities	113,954	68,772	106,370	50,534	65,726	84,441
Accrued interest	12,327	10,831	11,051	11,051	12,566	12,566
Accrued taxes	32,277	41,049	34,453	38,958	35,610	28,678
Accrued depreciation, etc.	184,997	169,016	139,170	117,783	115,943	80,058
Corporate surplus	*485,565	451,545	403,392	359,884	284,480	219,880
Total	$2,400,020	$2,230,513	$2,200,736	$2,084,511	$2,044,625	$2,005,723

*Consisting of: Additions to property through surplus to Dec. 31, 1927, $446,032; bonds retired through surplus to Dec. 31, 1927, $26,000; Pfd. stock retired through surplus to Dec. 31, 1927, $45,800—total, $517,832. Less over-appropriation, Dec. 31, 1927, $32,267. Balance, corporate surplus, $485,565.

Officers: E. H. Maggard, Pres. & Gen. Mgr.; Thos. Maclay, V-P.; Geo. P. McNear, Treas., Petaluma, Cal.; R. W. Wise, Sec., San Francisco, Cal.; H. Von Emster, Aud., Petaluma, Cal.

Directors: Thos. Maclay, Geo. P. McNear, E. H Maggard, Petaluma, Cal.; B. F. Dibblee, Allen I. Kittle, Howard Spreckles, San Francisco, Cal.; E. C. Merritt, Sebastopol, Cal.

Office, c/o E. H. Rollins & Sons, San Francisco, Cal.

GREENFIELD GAS LIGHT CO.

History—Incorporated in 1860, in Mass. Supplies gas to Greenfield and Turners Falls, Mass. Population served, 13,000. Annual output, 93,000,000 cu. ft. Miles of mains, 41. No. of meters, 3,974.

CAPITAL STOCK

Authorized and issued, $240,000 Common (increased from $68,850 to $83,000 in 1912; to $120,000 in 1925 and to present amount in August, 1927), and $83,000 6% cumulative Pfd. (increased from $48,000 in 1914); par, $50. Annual meeting, in March.

Dividends—Dividends on Pfd., 6% per annum, regularly paid semi-annually, May and Nov. 1; on Common, 5% per annum until 1921, when only 2½% was paid; none in 1922 and 1923; 1924, 4%; 1925 and 1926, 6% each; 1927, 7%; payments, semi-annually Jan. and July 1.

FUNDED DEBT

$200,000 FIRST MORTGAGE 4¾s; DUE AUGUST 1, 1945

Dated August 1, 1925.

Provisions of Issue—Authorized and outstanding, $200,000; issued to refund $75,000 First Gold 5s of 1937 and to pay off promissory notes.

Callability—Subject to call as a whole at 107 and interest for the first ten years; 105 and interest for the next five years, and at 103 and interest for the remainder of the term.

Security—These bonds are a direct obligation of company and are secured by a first mortgage on all of its fixed property.

Legal Opinion—Storey, Thorndike, Palmer & Dodge, Boston.

Original Offering—First publicly offered ($200,000) in August, 1925, at 101.95 to net 4.60%, by F. S. Moseley & Co., Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$168,466	$169,807	$159,807
Oper. exp., taxes and depr.	132,521	135,771	118,839
Net earnings	$35,945	$34,036	$40,967
Interest charges	13,649	12,379	15,372
Discount on securities	255	242	82
Balance for dividends	$22,040	$21,414	$25,513
Dividends paid	17,180	12,180	10,743
Surplus for year	$4,860	$9,234	$14,770
Times Bond Int. Earned	3.32	3.25	5.76
Earnings Per Share—			
Preferred	$13.27	$12.90	$15.39
Common	3.55	6.84	8.55

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant investment	$570,005	$542,222	$466,603
Other investments	700	700	700
Materials and supplies	18,302	13,946	15,547
Cash	23,329	19,617	15,550
Accounts receivable	16,587	13,171	12,292
Other current assets	.....	.....	1,078
Prepayments	678	1,426	.....
Deferred debit items	20,114	4,752	3,872
Total	$649,717	$595,835	$515,645
Liabilities—			
Common stock	$240,000	$120,000	$120,000
Preferred stock	83,000	83,000	83,000
Funded debt	200,000	200,000	200,000
Notes payable	10,000	80,000	35,000
Accounts payable	8,213	15,148	18,590
Other current liabilities	8,031	8,340	500
Accrued items	9,005	5,787	8,033
Reserves	66,116	63,069	39,266
Profit and loss	25,350	20,490	11,255
Total	$649,717	$595,835	$515,645

Officers: W. L. Mason, Pres.; P. H. Faulkner, Treas.; E. L. Gay, Asst. Treas., Keene, N. H.; C. N. Stoddard, Clerk; L. B. Fortin, Mgr. & Pur. Agt., Greenfield, Mass.; Charles H. Tenney & Co., Auditors, Boston, Mass.

Directors: W. L. Mason, P. H. Faulkner, William Pearson, Keene, N. H.; Allen Hollis, Concord, N. H.; C. N. Stoddard, Greenfield, Mass.

Operating Office, Greenfield, Mass. **Corporate Office,** Keene, N. H.

TEMESCAL WATER COMPANY

History and Property—Incorporated in 1887, in Cal., as a mutual irrigation company, furnishing water to its stockholders at cost. This is met by assessments on the capital stock, the holders of which own the land, under the water system. Owns 5,862 acres of water-bearing land in the Temescal Canyon and Perris Valley. Company is delivering daily between 850 and 1,000 miners' inches of water to its consumers, who own over 5,000 acres of citrus lands in and around Corona, Riverside County, Cal. Also owns about 55 miles of pipe lines, pumping stations and all the necessary equipment for a complete operating system. In addition company is the sole source of supply of Corona City Water Co., which it controls through trustee ownership of the Com. stock, except directors' qualifying shares.

CAPITAL STOCK

Authorized, $1,600,000; issued, $1,412,974; par, $100. Annual meeting, second Tuesday in December. No dividends paid.

FUNDED DEBT

$650,000 First Mortgage 6½% Gold bonds; dated July 1, 1924; due $25,000 annually July 1, 1929 to 1947, inclusive; interest payable January and July 1, at Los Angeles-First National Trust and Savings Bank, Los Angeles, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized, $750,000. Issued ($650,000) to acquire additional water and to defray the cost of acquiring and constructing additional canal and pipe line facilities.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 102 and interest.

Security—Secured by a first lien on entire property owned and additionally secured by pledge of the entire capital stock, except directors' qualifying shares, of the Corona City Water Co.

Original Offering—First publicly offered ($475,000) in Aug., 1924, at 99½ and interest, to yield over 6½%, by Bond & Goodwin & Tucker, Inc., First Securities Co., Banks, Huntley & Co., and Security Co., Los Angeles.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from California personal property tax.

Legal Opinion—Gibson, Dunn & Crutcher, Los Angeles.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Water system	$1,678,636	$1,550,121	$1,495,895
Real estate and buildings	230,205	199,572	293,863
Wagons, tools, supplies, etc.	16,446	16,446	16,634
Accounts receivable	105,479	32,129	26,601
Notes receivable	30,000	35,628	43,878
Cont. for sale of real estate	208,205	259,153	3,600
Cash on hand and in banks	854	8,577	892
Total	$2,269,825	$2,101,627	$1,881,362
Liabilities—			
Issued capital stock	$1,412,974	$1,141,786	$1,141,404
Funded debt	650,000	650,000	575,000
Accounts payable	53,822	8,925	14,101
Notes payable	153,029	94,163	150,857
Real estate subject to sales contract adjustments	.....	206,754	.....
Total	$2,269,825	$2,101,627	$1,881,362

Officers: J. G. Jameson, Pres.; A. C. Barnes, V-P.; C. M. Scoville, Sec. & Treas.

Directors: R. L. Willits, H. S. Hazeltine, J. G. Jameson, A. J. Davis, A. C. Barnes, G. W. Waterbury, F. J. Mueller.

Office, Corona, Cal.

CORONA CITY WATER COMPANY

(Owned by Stockholders of Temescal Water Company)

History—Incorporated Sept. 27, 1897, in Cal. Supplies water to Corona, Cal., through ownership of 700 shares of stock of Temescal Water Co., insuring a pro rata delivery of about three times the amount now required.

CAPITAL STOCK

Authorized and outstanding, $75,000; par $100. All owned by Temescal Water Co. stockholders. Annual meeting, second Tuesday in February. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$41,288	$38,460	$36,630
Oper. exp., taxes, etc.	32,745	27,607	24,414
Depreciation	5,010	4,382	1,383
Net earnings	$3,533	$6,471	$10,833
Fixed charges	5,264	4,180	3,958
Surplus for year	*$1,731	$2,291	$6,875

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$244,420	$210,063	$199,445
Cash	704	478	381
Materials and supplies	1,875	1,920	1,971
Accounts receivable	1,107	1,776	1,149
Total	$248,106	$214,237	$202,946
Liabilities—			
Capital stock	$75,000	$75,000	$75,000
Notes payable	40,000	40,000	40,000
Accounts payable	66,624	35,574	30,759
Interest accrued	.....	.....	7
Depreciation reserve	35,465	30,455	24,481
Surplus	31,017	33,206	32,699
Total	$248,106	$214,237	$202,946

Officers: R. L. Willits, Pres.; F. J. Mueller, V-P.; C. M. Scoville, Sec. & Treas.; H. R. Case, Gen. Mgr., Corona, Cal.

Directors: R. L. Willits, J. G. Jameson, A. J. Davis, G. W. Waterbury, F. J. Mueller.

Office, Corona, Cal.

INTER-MOUNTAIN WATER AND POWER COMPANY

History—Incorporated May 16, 1924, in Wyoming. Furnishes water to the Salt Creek Oil and Teapot Dome Fields, principally for industrial purposes. This Company is a public utility corporation, operating under an exclusive Certificate of Necessity and Convenience from the Public Utility Commission of the State of Wyoming. Company obtains its water from the Tisdale Artesian Well, said to be the third largest in the world, flowing 133,000 barrels daily. Miles of mains, 35.

CAPITAL STOCK

Authorized, $1,600,000; outstanding, $1,599,757; par, $1.

Transfer Agent—International Trust Co., Denver, Colo.

Registrar—Corporation Security Co., Denver, Colo.

Annual Meeting—First Tuesday in May, at Casper, Wyo.

Dividends—No dividends paid.

FUNDED DEBT

$25,000 FIRST MORTGAGE 6½% SERIAL GOLD BONDS, DUE ANNUALLY JULY 1, 1929 to 1944

Dated July 1, 1927.

Interest Payable January and July 1, at Bankers Trust Co., New York, or at International Trust Co., Denver, Colo.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—International Trust Co., Denver, Colo.

Provisions of Issue—Authorized, $850,000; outstanding, Dec. 31, 1927, $25,000. In addition $825,000 have been sold to provide for retirement of the $557,000 First Mortgage 7% Serial bonds, and for other purposes.

Purpose of Issue—The proceeds of these bonds were used to refund $557,000 First Mortgage 7% Serial Gold bonds due annually to July 1, 1935, previously outstanding and to provide for the construction of extensions and additions to Company's mains and lines, for a greater water delivery.

Callability—Subject to call on any interest date on 60 days' notice in the inverse of numerical and chronological order at 101 and interest.

Trust and Sinking Fund—Trustee under the mortgage and trust agreement, is the custodian of the trust and sinking funds of Company throughout the life of the bonds, provision being made for a sinking fund to retire the issue in the inverse of numerical and chronological order at 101. All earnings after paying interest charges, the bonds as they mature, trust fund and dividends on stock not to exceed 10%, will be placed in the hands of the Trustee for the purpose of such retirement of the bonds.

Security—Secured by first closed mortgage on all the now owned or hereafter acquired property of Company consisting of 160 acres of land, sixteen miles of main pipe line with distributing lines and connections, together with steel reservoirs and other power equipment. The value of the property, viz.: land, buildings, reservoirs, rights of way, mains and connections, etc., as determined by appraisal, was in excess of $1,250,000 in 1924; and the present estimated value of the property is in excess of $1,750,000.

Tax Provisions—Company pays Normal Federal Income tax up to 2%.

Legal Opinion—Squire, Sanders & Dempsey, Cleveland (for the Bankers), and Pershing, Nye, Tallmadge & Bosworth, Denver (for the Company).

Original Offering—First publicly offered ($850,000) in September, 1927, at par and interest, by E. H. Kisor Co., Inc., Columbus, Ohio.

There were also outstanding at December 31, 1927, $557,000 First Mortgage 7% Serial Gold bonds, due annually to July 1, 1935, which are to be refunded from proceeds of the issue of 6½% bonds.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$133,598	$145,842	$157,215
Operating exps. & taxes	44,346	44,318	33,859
Net earnings	$89,252	$101,524	$123,356
Bond interest	$39,227	$40,495	$42,000
Other interest	12,643	13,143	9,741
Total charges	$51,870	$53,638	$51,741
Net income, before deprec.	$37,382	$47,886	$71,615

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed assets	$2,472,698	$2,459,659	$2,410,954
Autos & trucks, furniture & fixtures	6,165	5,386	3,886
Cash	54,901	23,857	22,705
Accounts receivable	13,663	11,409	15,345
Discount on securities	.....	.....	40,000
Deferred charges	.....	.....	170
Total	$2,547,427	$2,500,312	$2,493,059
Liabilities—			
Capital stock	$1,599,757	$1,599,757	$1,599,757
Funded debt	582,000	557,000	600,000
Non-negotiable debt, affiliated cos.	184,715	199,497	182,286
Notes payable	.....	.....	9,340
Accounts payable	3,860	4,996	29,728
Interest accrued	20,307	19,646	333
Surplus	156,788	119,416	71,615
Total	$2,547,427	$2,500,312	$2,493,059

Officers: C. A. Bowman, Pres.; Mark U. Weber, V-P., Denver, Colo.; A. J. Hardendorf, V-P.; A. W. Garrison, Sec., Treas., Aud., Gen. Mgr. & Pur. Agt., Casper, Wyo.

Directors: Mark U. Weber, W. T. Funk, C. A. Bowman, W. C. Gregory, Denver, Colo.; A. J. Hardendorf, A. W. Garrison, Casper, Wyoming; J. O. Baar, Portland, Ore.

General Office, 343 P. & R. Bldg., Casper, Wyo.

SIOUX FALLS TRACTION SYSTEM

History—Incorporated April 16, 1907, in S. D. First portion of road placed in operation Oct. 5, 1907; balance in November, 1909. Franchise extends to Nov. 22, 1940. Owns and operates 17 miles of tracks in Sioux Falls, S. D., and 4 city motor coach lines. Also operates inter-city motor coach lines between Sioux Falls, S. D. and Sioux City, Iowa; Sioux Falls, S. D. and Estherville, Iowa; Sioux Falls and Omaha, Neb.; Sioux Falls and Vermillion, S. D., and Sioux Falls and Worthington, Minn. Gauge standard. Rail, 60 lb. to 70 lb. T. Motor coaches, 16. Power purchased from Northern States Power Co.

CAPITAL STOCK

Authorized and outstanding, $400,000 Common and $100,000 cumulative Pfd.; par, $100. The entire $500,000 capital stock is held by directors. Annual meeting, first Tuesday in June.

FUNDED DEBT

$414,000 First Gold 6s; dated Nov. 1, 1910; due Nov. 1, 1930; interest payable May and Nov. 1, at American Exchange Irving Trust Co., New York, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized, $500,000, of which $86,000 are reserved for 80% of cost of future extensions, etc. Issued to pay for part of construction, equipment, etc. Subject to call on any interest date at 105. Secured by first mortgage on all property, real estate, etc. Company pays Normal Federal Income Tax up to 2%.

GROSS RECEIPTS

1916	$79,000	1922	$123,649
1917	84,156	1923	129,907
1918	83,577	1924	153,480
1919	106,717	1925	197,017
1920	121,236	1926	198,545
1921	122,112	1927	199,600

Officers: F. M. Mills, Pres.; Annette C. Mills, V-P.; R. C. Mills, V-P., Sec., Treas. & Mgr.; C. C. Mills, Aud.; John K. Gibson, Supt., Sioux Falls.

Directors: F. M. Mills, Annette C. Mills, R. C. Mills, C. C. Mills, Sioux Falls, S. D.

General Office, Sioux Falls, S. D.

ERIE RAILWAYS COMPANY

History and Properties—Incorporated Sept. 27, 1924, in Pa., and took over the property formerly owned and operated by the Buffalo and Lake Erie Traction Company in the City of Erie, Pa., and adjacent townships, in accordance with the Plan and Agreement of Reorganization dated April 1, 1924. The interurban line between Erie and Buffalo formerly operated by the Buffalo and Lake Erie Traction Co., as a result of reorganization is now owned and operated by the Buffalo & Erie Railway Co., a separate organization. Under the Plan, holders of First and Refunding Mortgage 5% 30-year Gold Bonds of the Buffalo and Lake Erie Traction Co. received for each $1,000 principal amount of the following: 1½ shares of 7% cumulative Pfd. stock (in $100 shares) and 3 shares of Common stock (of no par value) of Erie Railways Company, 1 share of 5% non-cumulative Pfd. stock of Buffalo and Erie Railway Company (of $100 par value), together with $28 in cash. (For latest published statement of Buffalo and Lake Erie Traction Co. see 1924 Public Utility Manual, or consult our Information Department). The Erie & Suburban Ry. Co. and the Erie Electric Motor Co., formerly controlled through stock ownership and lease, have been consolidated (for latest published statements, see 1927 Public Utility Section, page 211). Company owns the entire $40.000 capital stock of the **Erie Coach Company.**

Mileage, Dec. 31, 1927—First track, 40.94 miles; second track 18.22 miles; sidings, etc., 6.96 miles—total operated, 66.12 miles. Rails, T, 80, 95 and 100 lbs. Gauge, 4 ft. 8½ in. Operated by overhead trolley. Equipment: Closed passenger motor cars, 108; service cars, 16; automobiles, 10. Company also operates 8 busses over a round trip mileage of 12 miles.

Valuation—The Public Service Commission of Pennsylvania fixed a valuation as of Oct. 12, 1920 of $4,100,000 for the property, exclusive of an allocation of property then assigned to the Interurban Division, which has now become the sole property of the Erie Railways Company, which, plus net capital expenditures since that date to August, 1924, amount to nearly $5,500,000.

Franchises—All franchises, with minor exceptions, are practically perpetual.

CAPITAL STOCK

Authorized, 60,000 Common shares of no par value, and $1,500,000 7% cumulative Pfd., (par, $100); outstanding, 60,000 Common shares and $1,050,800 Pfd. Of the issued Pfd. stock, $240,700 is held in Company's treasury.

Preferred Stock Provisions—Subject to redemption on any dividend date at 110 and dividends.

Transfer Agents (Both Classes)—Equitable Trust Co., New York.

Registrar (Both Classes)—New York Trust Co., New York.

Annual Meeting—Last Monday in September, in Erie, Pa.

Dividends—Initial dividend (No. 5) of 1¾% for quarter ended Dec. 31, 1925, paid Jan. 2, 1926; also a dividend (No. 1) of 1¾% for quarter ended Dec. 31, 1924, was paid same date. Subsequent Pfd. dividends have been regularly paid quarterly when due, and deferred dividend No. 2 of 1¾% was paid Jan. 3, 1927, leaving dividends still unpaid as of Dec. 31, 1927 (Nos. 3 and 4) of 3½%; payments J, A, J & O 1. No dividends paid on Common.

FUNDED DEBT

(1)

$745,000 ERIE ELECTRIC MOTOR CO. FIRST REFUNDING (CLOSED) MORTGAGE GOLD 5s; DUE APRIL 1, 1941

Dated April 1, 1901.

Interest Payable April and Oct. 1, at New York Trust Co., New York.

Denominations—Coupon (principal may be registered) and registered, $1,000.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $1,250,000; mortgage closed. Issued, $1,250,000, of which $500,000 held alive in sinking fund and $5,000 purchased and cancelled Dec. 31, 1927, leaving $745,000 outstanding on that date.

Sinking Fund—1% of outstanding bonds began April 1, 1906, and was increased in 1916 to 1½%. The funds so raised shall be, from time to time, invested by the trustee in the bonds of this Company, provided they can be obtained at a price which will yield an interest return of at least 3½% per annum. Should the trustees be unable to obtain the bonds of this Company, they may invest such funds in certain classes of approved bonds. All securities so held by the sinking fund shall be kept alive and interest thereon shall accrue to the benefit of this fund.

Security—Secured by a first lien on the entire street railway system of Erie, including about 32 miles of track.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—$750,000 in March, 1901, at 103 and interest.

(2)

$831,800 ERIE & SUBURBAN RY. CO. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE APRIL 1, 1941

Dated April 1, 1911.

Interest Payable April and Oct. 1, at Philadelphia Trust, Safe Deposit & Insurance Co., Philadelphia, Pa.

Denominations—Coupon, $500 and $1,000.

Trustee—Philadelphia Trust, Safe Deposit & Insurance Co., Philadelphia, Pa.

Provisions of Issue—Authorized, $3,000,000, but mortgage closed. Outstanding, Dec. 31, 1927, $831,800.

Callability—Subject to call at 105 and interest on any interest date.

Security—A first lien on entire property formerly owned by Erie & Suburban Ry. Co.

Guaranty—Guaranteed principal and interest by Erie Electric Motor Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$997,500 ERIE RAILWAYS COMPANY FIRST & REFUNDING MORTGAGE GOLD 6s; DUE OCTOBER 1, 1954

Dated October 1, 1924.

Interest Payable April and October 1, at Equitable Trust Co., New York.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York. New York Trust Co., New York, Registrar.

Provisions of Issue—Authorized, $5,000,000; issued, $1,000,000 of which $2,500 purchased and cancelled to Dec. 31, 1927. Additional bonds may be issued as follows: (a) For the purpose of refunding par for par underlying prior lien bonds, and (b) for not more than 80% of the cost or fair value, whichever is less, of permanent improvements, or additions and the acquisition of new property. No additional bonds may be issued except for refunding prior lien bonds then outstanding unless net earnings as defined in the mortgage for 12 consecutive calendar months out of the 15 immediately preceding application for issue shall have been at least equal to 1¾ times the actual annual interest requirements on all underlying bonds (except bonds held in sinking funds) and all First and Refunding Mortgage Bonds issued and outstanding, including those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on and after Oct. 1, 1929 to and including Oct. 1, 1934 at 105; thereafter, to and including Oct. 1, 1939 at 104; thereafter, to and including Oct. 1, 1944 at 103; thereafter, to and including Oct. 1, 1949 at 102; thereafter and prior to maturity at 101.

Maintenance and Renewal Funds—The Company covenants to pay to the trustee on or before April 1 in each year, beginning with the year 1929, as a Maintenance and Renewal Fund, an amount of money as follows: For the years to April 1, 1934, 2% of the railway operating revenues from all sources for the preceding calendar year; for the years thereafter to maturity, 5% of said railway operating revenues. This fund may be used and applied under the mortgage provision for improvements, repairs, renewals, betterments and additions, against which no First and Refunding mortgage bonds may be issued. This fund may, however, be used for the purchase and retirement of First and Refunding mortgage bonds at not exceeding the then redemption price.

Security—Secured by a first mortgage on essential parts of the system and a direct mortgage lien on the balance of the property subject only to $1,576,800 bonds outstanding under closed mortgages which are being retired through annual sinking fund operations.

Tax Provisions—Free of Pennsylvania Four Mill tax. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Beekman, Bogue, Clark & Griscom, New York (for the bankers), and Brooks, English & Quinn, Erie, Pa. (for the company).

Original Offering—First publicly offered ($1,000,000) in Nov., 1924 at 95 and interest to yield 6⅜%, by Myron S. Hall & Co., New York, and Harper & Turner, Philadelphia.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Erie Railways Company System)

	1927	1926	1925	1924
Gross earnings	$1,174,897	$1,187,397	$1,176,389	$1,160,927
Operating expenses	750,039	745,907	723,345	
Taxes	46,840	48,136	45,448	808,321
Depreciation	122,097	114,288	118,896	138,920
Net earnings	$255,921	$279,066	$288,700	$213,686
Other income	.....	.....	8,728	.....
Gross income	$262,908	$279,066	$297,428	$213,686
Bond interest	163,808	164,090	164,602	167,035
Balance available for divds. on Pfd. & Common stock	$99,100	$114,976	$132,826	$46,651
Sinking fund, Erie Electric Motor Co.	18,750	18,750	18,750	18,750
Improvement fund, Erie & Suburban Ry. Co.	24,484	27,967	30,063	25,420
Preferred dividends	56,707	63,525	36,778	.....
Balance	***$841**	**$4,734**	**$47,235**	$2,481
Times Interest Earned	1.60	1.70	1.81	1.28

*Deficit.

NOTE—The Erie Railways Company is obligated to pay out of available funds the sinking fund on the Erie Electric Motor Co. bonds, $18,750, and the improvement fund of the Erie & Suburban Ry. Co., which is based on earnings, and which for 1927 was $24,484.

CONSOLIDATED BALANCE SHEET, DECEMBER, 31
(Erie Railways Company System)

Assets—	1927	1926	1925	1924
Road and equipment	$6,314,697	$6,445,401	$6,437,126	$6,643,462
Construction work in progress	32,810	25,316	503	39,406
Materials and supplies	95,050	98,359	95,377	96,033
Accounts receivable	100,568	51,376	42,257	82,466
Cash	104,680	80,532	212,794	210,812
Special deposits	87,375	44,375	23,190	53,013
Sinking fund	434,962	416,212	397,462	379,347
Stocks of affiliated cos.	1,550,000	1,550,000	2,050,000	1,750,000
Bonds of affiliated cos.	154,181	106,181	106,823	1,322
Pfd. stock, Erie Rys. Co.	240,700	240,700	.....	.....
Prepayments	6,151	9,047	7,868	6,062
Contingent reserve	50,000	50,000	50,001	50,001
Total	$9,171,174	$9,117,499	$9,423,402	$9,311,924
Liabilities—				
Common stock	$1,510,000	$1,510,000	$2,010,000	$2,010,000
Preferred stock	1,050,800	1,050,800	1,050,800	1,050,800
Funded debt	3,074,300	3,081,800	3,081,800	3,171,669
Accounts payable	104,009	58,739	43,973	65,016
Accruals	129,198	86,297	65,112	114,480
Contingencies	44,007	84,862	95,562	87,008
Depreciation reserve	1,128,869	1,066,242	993,825	909,163
Tax liability	37,301	.....	.....	.....
Unadjusted credits	5,010	4,679	5,169	4,994
Surplus	2,087,680	2,174,081	2,077,161	1,898,794
Total	$9,171,174	$9,117,499	$9,423,402	$9,311,924

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Erie Coach Company)

	1927	1926
Gross revenue	$63,939	$52,283
Operating expenses and taxes	48,664	40,852
Net revenue	$15,275	$11,431
Depreciation	7,787	6,809
Surplus	$7,488	$4,622

GENERAL BALANCE SHEET, DECEMBER 31
(Erie Coach Company)

Assets—	1927	1926
Equipment	$59,398	$50,258
Accounts receivable	9,484	4,207
Prepayments	417	142
Total	$69,299	$54,607
Liabilities—		
Common stock	$40,000	$40,000
Contingencies	1,063	527
Depreciation & operating reserve	16,495	7,908
Unadjusted credits	.....	1,918
Surplus	11,741	4,254
Total	$69,299	$54,607

Officers: A. R. Myers, Pres. & Gen. Mgr.; Charles H. English, V-P.; A. F. Tideswell, Sec., Treas. & Pur. Agt.; J. L. Cotter, Aud.; R. T. Nolan, Supt.; W. L. Lewis, Engineer.

Directors: A. R. Myers, Charles H. English, Fred Hofft, John R. McDonald, James Thompson, Charles Messenkopf, James C. Griffin, James Burke, Erie, Pa.; Geo. Bullock, Oyster Bay, Long Island, N. Y.

General Office, 231 State St., Erie, Pa.

DOMINION TRACTION & LIGHTING CO., LTD.

History—Incorporated in January, 1913, in Canada. Owns the entire $750,000 outstanding First Mortgage bonds of the Windsor, Essex & Lake Shore Rapid Ry. Co.; also all the First Mortgage bonds of the Windsor Gas Co., Ltd., amounting to $1,200,000. Formerly owned all the stock and certain bonds of the Windsor Gas Co., Ltd., but control was sold late in 1926 to The Union Natural Gas Company of Canada, Ltd.

CAPITAL STOCK

Authorized, $8,000,000 Common and $2,500,000 6% cumulative Pfd.; outstanding, $500,000 Common and $300,000 Pfd.; par, $100. The authorized Common stock was reduced from $10,000,000 to $8,000,000 in May, 1915.

FUNDED DEBT

$1,428,897 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1943

Dated May 1, 1913.

Interest Payable May and November 1, at Union Trust Co., Ltd., Toronto, Trustee, and at office of the Investment Registry, Ltd., London, Eng.

Denominations—Coupon, £50, £100 and $1,000; with full registration privileges.

Provisions of Issue—Authorized issue, $5,000,000. The Trust Deed provides that no more than $1,825,000 of bonds can be issued until the earnings of the Company are sufficient to pay at least twice the amount required for the annual interest on all bonds issued and proposed to be issued, and the capital security has been increased in accordance with the stipulations contained in the Deed.

Callability—Subject to call at 105 and interest, on any interest date on three months' notice. The bonds are also redeemable by drawings at 105 and interest, or by purchase at or below that price.

Sinking Fund—Sinking fund began May 1, 1917.

Security—The bonds constitute a first mortgage on (a) $1,200,000 First and Refunding bonds of the Windsor Gas Co., of Ontario, covering all the property of that Company, consisting of land, plant, buildings, mains, franchises, etc., in the cities of Windsor, Walkerville and Sandwich and (b) $750,000 First Mortgage bonds of the Windsor, Essex & Lake Shore Ry., which constitute a first lien on the entire property and assets of such railway company.

Original Offering—First publicly offered (£250,000) in May, 1913, at 93.

Officers and Directors: G. D. Wickett, Pres.; T. P. Pinchard, V-P.; Adrien St. Pierre, Sec. & Treas., Windsor, Ontario.

Office, Windsor, Ont.

WINDSOR, ESSEX & LAKE SHORE RAPID RY.

(Controlled by Dominion Traction & Lighting Co., Ltd.)

History—Incorporated in Ontario, Can. Owns and operates an electric railway from Windsor, via Essex and Kingsville, to Leamington, Ont., 36.17 miles—total track, 39.16 miles. Gauge, standard. Motor passenger cars, 10; freight cars, 19; combination, 2; snow plow, 1.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $750,000; par, $100.

FUNDED DEBT

$750,000 First Gold 5s; dated Dec. 2, 1908; due Dec. 2, 1947; int. Jan. and July 1, at Union Trust Co., Ltd., Toronto, Trustee. Denomination, $1,000. Subject to call in any amounts at 105. The amount authorized is $25,000 per mile of railway constructed or under contract to be constructed, but not in the whole to exceed $2,500,000. Secured on all real estate and personal property. All owned by Dominion Traction & Lighting Co., Ltd.

Officers: G. D. Wickett, Pres., Windsor, Ont.; G. A. Persall, Sec. & Treas., Toronto, Ont.; J. L. Baird, Asst. Sec. & Asst. Treas.; A. B. Coryell, Gen. Supt., Kingsville, Ont.

Office, Kingsville, Ont.

DIXIE POWER COMPANY

History and Property—Incorporated Jan. 9, 1917, in Utah. Purchased the municipal plant belonging to Town of St. George, Utah, and has succeeded to its lighting business. During 1919 purchased local plant at Cedar City, Utah. Company owns $115,000 of the capital stock of the **Red Mountain Water Co.** In 1925, Company acquired 44 miles of transmission lines from the State of Utah. During 1927, the Company built a branch transmission line from Leeds to Zion Park, a distance of 24 miles. Franchise extends for 50 years. Property consists of three 1,000 h. p. hydro plants on Santa Clara River, Washington County, Utah, 185 miles of 33,000-volt transmission lines and 71 miles of distribution lines. No. of electric meters, 2,015. Price of electricity, 14 c. per k.w.h. Population served, about 13,000. Has municipal contract for street lighting in St. George, Hurricane, Enterprise, Santa Clara and Cedar City, Utah.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $294,000 Common and $175,000 7% Pfd.; par, $100. Transfer Agent **and Registrar:** Bankers Trust Co., Salt Lake City, Utah. Annual meeting, second Tuesday in January at Salt Lake City or Cedar City, Utah.

Dividends—Dividends on Pfd. stock regularly paid since issuance in June, 1925; payments quarterly, M, J, S & D 1. On Common, 4% each was paid in 1920 and 1921; none thereafter until 1926, when 3% was paid; 1927, 3%; payments, Jan. and July 15.

FUNDED DEBT

$325,000 First Mortgage 6% bonds; dated July, 1919; due July, 1929; int. Jan. and July 1, at National Copper Bank, Salt Lake City, Utah. Coupon, $500 and $1,000. Authorized issue, $350,000, Bankers Trust Co., Salt Lake City, Utah, Trustees. Series "A" bonds are convertible at par into Common stock at $120 per $100, Series "B" into 7% Pfd. at $110 per $100, and Series

"C" into Common at $105 per $100. Issued to provide funds for construction of plant. Secured on all property of Company. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$112,034	$100,085	$93,029
Oper. exp., etc.	52,239	42,936	45,424
Taxes	10,343	7,770	5,591
Depreciation	7,000	8,000	5,000
Net earnings	$42,452	$45,379	$37,014
Bond interest	$17,250	$15,000	$14,266
Other interest	9	234	2,413
Rents, etc.	5,961	5,124	5,546
Total charges	$23,220	$20,358	$22,225
Net income	19,232	25,021	14,789
Preferred dividends	12,081	8,960	5,110
Common dividends	8,698	8,235	.....
Surplus for year	*$1,547	$7,826	$9,679

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$823,320	$664,920	$627,870
Stocks owned	115,000	30,000	30,000
Materials and supplies	5,847	7,131	4,172
Office fixtures	4,027	3,468	.....
Cash	*6,963	2,052	10,276
Notes & accts. receivable	15,043	82,301	27,637
Deferred debit items	23,533	25,653	29,115
Total	$979,807	$815,525	$729,070
Liabilities—			
Capital stock, Installments paid on stock subscriptions	$469,226	$442,526	$384,778
Funded debt	325,000	250,000	250,000
Notes payable	84,702	44,485	13,925
Accounts payable	8,408	15,103	26,337
Int. & insurance accrued	12,649	9,119	7,367
Dividends accrued	1,020	983	4,735
Depreciation reserve	33,000	26,000	18,000
Deferred credit items	30,971	9,741	17,488
Consumers' deposits	†	460	382
Profit and loss	14,831	17,108	6,058
Total	$979,807	$815,525	$729,070

*Overdraft. †Included in int. & insurance accrued.

Officers: A. L. Woodhouse, Pres. & Mgr., Cedar City, Utah; Geo. H. Dern, V-P.; Lafayette Hanchett, Sec.; W. W. Armstrong, Treas., Salt Lake City, Utah; I. Y. Bigelow, Aud.; C. A. Thompson, Supt., Cedar City, Utah.

Directors: Geo. H. Dern, Lafayette Hanchett, W W. Armstrong, Salt Lake City, Utah; A. L. Woodhouse, C. A. Thompson, L. W. Jones, Cedar City, Utah; Wilford Day, Parowan, Utah.

General Office, Cedar City, Utah.

MARION WATER COMPANY

(Marion, Iowa)

History and Property—Incorporated July 12, 1926, in Iowa. The Company, or its predecessors, have served the city of Marion, Iowa, with water for domestic and industrial purposes since 1855. Company owns and operates the sole water works system of the city of Marion, Iowa. Its supply of water is drawn from a group of three large springs located three-fourths of a mile from the pumping station, to which the water flows by gravity. The springs are located on lands owned by the company. No filtering or sterlizing is necessary at any time of the year. The pumping station is exceptionally well equipped and maintained with a combined capacity at least double the normal requirements of a city of Marion's population. The storage capacity of the company's reservoirs is ample for several days' supply of water. Population served, about 4,500.

CAPITAL STOCK

Authorized, $60,000 Common and $40,000 Pfd.; outstanding, $50,000 Common and $22,300 Pfd.

Transfer Agent—Cedar Rapids Savings Bank & Trust Co., Cedar Rapids, Iowa.

FUNDED DEBT

$85,000 (ENTIRE ISSUE) FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1946

Dated July 1, 1926.

Interest Payable January and July 1 at Cedar Rapids Savings Bank & Trust Co., Cedar Rapids, Iowa.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Cedar Rapids Savings Bank & Trust Co., Cedar Rapids, Iowa.

Callability—Subject to call as a whole or in part on any interest date at 103 and accrued interest.

Maintenance and Improvement Fund—The company covenants to establish a maintenance and improvement fund sufficient to assure adequate upkeep and proper maintenance of the property of the Company.

Security—Secured by a closed first mortgage on all of the Company's real estate, buildings, machinery and equipment, now owned or that may be hereafter acquired, used in the production, storage and distribution of water. The properties of the Company have been appraised by independent engineers at $192,895.

Original Offering—First publicly offered ($85,000) in July, 1926, at 100 and interest, to yield 6%, by Cedar Rapids Savings Bank & Trust Co., Cedar Rapids, Iowa.

Officers: R. C. Toms, Pres., Cedar Rapids, Iowa; B. C. Toms, V-P.; M. McHenry, Sec.-Treas., Marion, Iowa.

Directors: R. C. Toms, B. C. Toms, M. McHenry.

General Office, Marion, Iowa.

QUINTE & TRENT VALLEY POWER COMPANY, LIMITED

History and Property—Incorporated by Letters Patent under the laws of the province of Ontario. Owns and operates hydro-electric power plants at Frankford and Campbellford on the Trent River, Ontario. The plant at Frankford with a present installation of 3,000 h.p. was put into operation in June, 1926, and the Campbellford plant with 1,000 h.p. in April of the same year. The ultimate installation at these points will be about 6,000 h.p. Company owns all the issued shares of stock of and furnishes power to the Frankford Electric Light Co., which holds franchises from and contracts with the Municipality of Frankford.

CAPITAL STOCK

Authorized, 10,000 Common shares of no par value and $500,000 7% cumulative Preference: par, $100; outstanding, 5,006 Common shares and $350,000 Pref

Preference Stock Provisions—Has preference for assets and dividends and is subject to call as a whole or in part at 105 and dividends. Pref. stock has no voting rights except in case 2 years' dividends are in arrears and unpaid, in which event holders of Pref. shares have the right, until all arrears are declared and paid, to elect annually a majority of Directors and to appoint, subject to provisions of Ontario Companies' Act, the auditors of Company.

Transfer Agent (Pref.)—Montreal Trust Company.

Original Offering—First publicly offered ($325,000 7% cumulative Pref., par $100) in October, 1926, at $99 per share and accrued dividends, to yield over 7%, by Johnston & Ward, Montreal, etc.

Annual Meeting—Last Monday in February.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1 since Jan. 1, 1927, by check.

FUNDED DEBT

$444,000 FIRST MORTGAGE 30-YEAR SINKING FUND GOLD BONDS, SERIES "A" 6%; DUE JULY 1, 1955

Dated July 1, 1925.

Interest Payable at par at any branch of the Standard Bank of Canada, in Canada or at the Royal Bank of Canada in Halifax, in Canadian gold coin.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Chartered Trust and Executor Company, Toronto, Ont.

Provisions of Issue—Authorized, $1,000,000; issued, $450,000 Series "A" 6s, of which $6,000 redeemed to Dec. 31, 1927. The balance of the authorized issue, ($550,000) may be issued for extensions or improvements to the mortgaged premises, or for the acquisition of additional property or securities, but only to the extent of 80% of the cost or fair value of such improvements and additions, whichever is less, and only when net earnings for 12 months out of the preceding 14 months are not less than 1½ times the interest requirements on bonds issued and those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date at the option of the Company on 60 days' notice at 104 until July 1, 1931; at 103 thereafter until July 1, 1937; at 102 until July 1, 1943; at 101 until July 1, 1949; at 100 until July 1, 1955.

Sinking Fund—Commencing July 1, 1927, and annually thereafter, the Company will pay to the Trustee for the sinking fund a sum equal to 1½% of the greatest amount of bonds at any time outstanding plus an amount equal to the annual interest on bonds redeemed. In lieu of cash, bonds of this issue may be deposited. All bonds purchased or lodged with the Trustee for sinking fund purposes shall be cancelled and no bonds issued in their place.

Security—The bonds will be secured by a first mortgage on the Company's real and immovable property now owned or hereafter acquired and also by a floating charge upon all the other properties and assets of the Company.

Legal Opinion—Kilmer, Irving & Davis, Toronto (for the company) and Tilley, Johnston, Thomson and Parmenter, Toronto, and Davidson, Wainwright, Elder and McDougall, Montreal (for the bankers).

Original Offering—First publicly offered ($400,000) in July, 1925, at 98½ and accrued interest, to yield about 6⅛% by Johnston & Ward, Montreal, Toronto, etc.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Revenue from power sales	$67,200
Operating expenses	6,846
Balance	$60,354
Bond interest	23,820
Depreciation	6,000
Net profit	$30,534
Preference dividends	22,750
Common dividends	5,006
Surplus for year	$2,778

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$742,696
Investment in subsidiary company	5,000
Cash	386
Accounts receivable	27,192
Inventory	125
Cash deposited with trustees	51,436
Deferred charges	414
Total	$827,249
Liabilities—	
Common stock (no par)	$5,006
7% Pfd. stock	350,000
Funded debt	444,000
Accounts payable	261
Bond interest	13,320
Preferred dividend	5,688
Accrued charges	197
Depreciation reserve	6,000
Profit & loss surplus	2,777
Total	$827,249

Officers: J. G. G. Kerry, Pres., Montreal; Hon. E. D. Smith, V-P., Winona, Ont.; C. E. Whitten, Sec. & Treas., Montreal.

Directors: Hon. E. D. Smith, Winona, Ont.; C. E. Whitten, John Kerry, Stanley Johnston, J. G. G. Kerry, Montreal, Que.

Head Office, Frankford, Ont. **Toronto Office,** 550 Confederation Life Bldg.

NORTHERN TELEGRAPH COMPANY

(Controlled by Bangor & Aroostook R. R. Co.)

History—Incorporated March 1, 1879, in Maine as the Moosehead Lake Telegraph Co. and in 1895 name was changed to present title. Owns and operates 617 miles of telegraph wires on right of way of Bangor & Aroostook R. R. Co. and 27.167 miles of wire in Greenville, Monson, etc. The telegraph lines are operated in connection with the Western Union Telegraph Co.

CAPITAL STOCK

Authorized and issued, $262,600; par value, $100. All owned by Bangor & Aroostook R.R. Co. Annual meeting, third Tuesday in April. Dividends amounting to 12% were paid in 1923; 1924, 7%; 1925, 1926 and 1927, 6% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenues	$82,430	$77,303	$69,290
Operating exp., taxes, etc.	48,698	46,598	42,855
Net earnings	$33,732	$30,705	$26,435
Other income	5,680	4,977	2,599
Gross income	$39,412	$35,682	$29,034
Deductions	255	314	186
Net income	$39,157	$35,368	$28,848
*Dividends	*15,756	15,756	15,756
Surplus for year	$39,157	$35,368	$28,848

*Paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant & equipment	$293,267	$281,143	$280,460
Current assets	77,999	64,407	32,766
Deferred debits	719	422	153
Total	$371,985	$345,972	$313,379
Liabilities—			
Capital stock	$262,600	$262,600	$262,600
Current liabilities	13,701	21,094	8,385
Deferred credits	19,587	18,217	17,465
Profit and loss	76,097	44,061	24,929
Total	$371,985	$345,972	$313,379

Officers: Percy R. Todd, Pres.; Wingate F. Cram, Treas. & Clerk; H. P. Burns, Gen. Aud., R. H. MacCready, Gen. Mgr.; C. D. Baldwin, Pur. Agt., Bangor, Me.

Directors: I. K. Stetson, Percy R. Todd, Bangor, Me.; John H. Hammond, New York; H. P. Binney, James J. Phelan, Boston, Mass.; A. W. Spaulding, Caribou, Me.; C. A. Powers, Fort Fairfield, Me.; Ora Gilpatrick, Houlton, Me.; Nathan F. Perry, Presque Isle, Me.; Allan E. Hammond, Van Buren, Me.

General Office, 84 Harlow St., Bangor, Me.

THE NORTH AMERICAN TELEGRAPH COMPANY

History—Incorporated Oct. 15, 1885, in Minn., to operate telegraph and telephone lines between Chicago, Ill., and Minneapolis, Minn. Franchise expires in 1936.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. Annual meeting, fourth Tuesday in December. Dividends 6% per annum, payable quarterly, J, A, J & O 1, at Minneapolis, Minn.

FUNDED DEBT

None.

Officers: W. H. Eustis, Pres; W. B. Dunn, Sec.; A. S. Harris, Asst. Sec. & Supt.; E. S. Hales, Treas. & Aud., Minneapolis, Minn.

Directors: C. H. Mackay, E. Reynolds, New York; S. H. Mudge, C. M. Baker, Chicago, Ill.; W. H. Eustis, A. S. Harris, J. R. Brown, Minneapolis, Minn.

General Office, Phoenix Bldg., Minneapolis, Minn.

BLUEFIELD TELEPHONE COMPANY

History and Properties—Incorporated June 3, 1893, in W. Va. Owns buildings, real estate, materials and appurtenances in Bluefield, Bramwell, Welch and Princeton, W. Va., and Tazewell, Va. Franchise of Dec., 1892, expires Dec., 1952. Population served, 350,000; twelve exchanges. 'Phones, 7,954. Prices, $15 to $175. Miles of wire 14,024.14 all metallic circuits.

CAPITAL STOCK

Authorized, $1,000,000 (increased from $500,000 in August, 1922); outstanding, $554,300 Common and $317,800 6% Pfd.; par, $100. Stock transferred at Treasurer's office. Annual meeting, second Thursday in February.

Dividends—Pfd. dividends regularly paid. Dividends on Common: In 1918, 6%; 1919, 3%; 1920 to 1927, inclusive, 8% each; payments April and Oct. 1.

FUNDED DEBT

$50,000 (entire issue) First Mortgage Gold 6s; dated July 1, 1905; due July 1, 1935; int. Jan. and July 1, at First National Bank, Bluefield, W. Va. W. C. Pollock, Trustee. Coupon, $500; principal may be registered. Subject to call five years after date of issue. Secured on plant. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$434,375	$412,701	$386,393	$349,258	$329,596	$298,986
Operating expenses & taxes	278,508	255,258	308,537	288,526	240,661	233,132
Depreciation	75,699	72,540				
Net earnings	$80,168	$84,903	$77,856	$60,732	$88,935	$65,854
Interest charges	3,000	6,117	6,080	5,611	3,509	4,410
Rentals, etc.	.....	.....	.....	.....	.....	4,686
Total charges	$3,000	$6,117	$6,080	$5,611	$3,509	$9,096
Balance for dividends	$77,168	$78,786	$71,776	$55,121	$85,426	$56,758
Dividends paid	58,968	50,990	49,411	46,485	44,456	39,206
Surplus for year	$18,200	$27,796	$22,365	$8,636	$40,970	$17,552

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,341,462	$1,270,839	$1,218,119	$1,132,527	$986,719	$812,309
Treasury certificates and war stamps	.....	.....	.....	.....	.....	60,846
Materials and supplies	36,667	47,725	48,602	51,157	48,748	42,940
Cash	42,925	63,008	26,789	5,815	*14,388	6,700
Accounts receivable	44,201	35,905	29,145	29,649	38,548	32,800
Prepayments	7,382	10,099	8,789	6,950	6,359	3,026
Total	$1,472,637	$1,427,576	$1,331,444	$1,226,096	$1,065,987	$958,621
Liabilities—						
Common stock	$554,300	$443,200	$443,200	$443,200	$443,200	$443,200
Preferred stock	317,800	317,800	247,800	225,700	150,000	150,000
Funded debt	50,000	50,000	50,000	50,000	50,000	50,000
Notes payable	.....	.....	60,000	40,000	13,000	.....
Accounts payable	38,936	61,320	58,263	54,634	48,801	36,188
Accrued liabilities	9,848	10,837	5,438	13,244	9,160	1,649
Depreciation reserve	449,031	399,097	349,216	304,157	265,301	232,028
Profit and loss	52,722	145,322	117,527	95,161	86,525	45,556
Total	$1,472,637	$1,427,576	$1,331,444	$1,226,096	$1,065,987	$958,621

* Overdraft.

Officers: John J. Lincoln, Pres., Elkhorn, W. Va.; Edwin Mann, V-P.; Fred M. Hawley, Sec., Treas. & Aud.; W. A. Pankey, Gen. Mgr. & Pur. Agt., Bluefield, W. Va.

Directors: I. T. Mann, Washington, D. C.; Edwin Mann, W. A. Pankey, Fred M. Hawley, Bluefield, W. Va.; J. E. Jones, Switchback, W. Va.; John J. Lincoln, Thomas Miller, Elkhorn, W. Va.; D. J. F. Strother, James French Strother, Welch, W. Va.

Office, Bluefield, W. Va.

THE BROOKLYN UNION GAS COMPANY

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid— Per Share	Dividends Paid— Amount	Earnings per Share
Capital Stock (no par value)	J, A, J & O 1	1,000,000 shs.	511,024 shs.	$3,911,558	$4.50	$2,425,782	*$7.66

*Based on 510,658 average shares outstanding in 1927.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
(1) Citizens Gas Light Co. Consolidated First Mtge. 5s	Feb. 1, 1940	F & A 1	Closed	$264,000	No	No	Not pd. by Co.
(2) Brooklyn Union Gas Co. 1st Consolidated Mortgage 5s	May 1, 1945	M & N 1	Closed	14,736,000	No	No	Not pd. by Co.
(3) Brooklyn Union Gas Co. 7% Convertible Debentures	Nov. 1, 1929	M & N 1	Closed	5,000	Yes	No	Not pd. by Co.
(4) Brooklyn Union Gas Co. 1st Lien & Refund. Mtge. 6s, "A"	May 1, 1947	M & N 1	Unlimited	6,000,000	No	No	Pd. by Co
(5) Brooklyn Union Gas Co. 10-Year 7% Convertible Debentures	May 1, 1932	M & N 1	Closed	22,800	Yes	No	Pd. by Co.
(6) Brooklyn Union Gas Co. 10-Year 5½% Convertible Debentures	Jan. 1, 1936	J & J 1	Closed	11,800,000	Yes	No	Pd. by Co.

Total Long Term Debt, at Dec. 31, 1927, $32,827,800. **Interest Accrued** in 1927, $1,762,238.
Amount Available for Interest in 1927, $5,860,393. **Times Interest Earned** in 1927, 3.32.

History—Incorporated Sept. 7, 1895, under the Transportation Corporation Laws of New York and on Nov. 4, 1895, acquired, subject to existing mortgages, the properties, rights and franchises of the following gas companies in Brooklyn: Brooklyn Gas Light Co., Metropolitan Gas Light Co., Fulton Muni-

cipal Gas Co., People's Gas Light Co., Citizen's Gas Co., Williamsburgh Gas Light Co. and Nassau Gas Light Co. Franchises are perpetual and cover Wards 1 to 29, inclusive and 32 of the Borough of Brooklyn, and Wards 2 and 4 of the Borough of Queens.

The Company also acquired, in 1896, the following companies: The Flatbush Gas Company, operating in the 29th Ward of the Borough of Brooklyn; The Newton Gas Company, operating in the 2nd Ward of the Borough of Queens; The Jamaica Gas Light Company; The Woodhaven Gas Light Company and the Richmond Hill and Queens County Gas Light Company operating in the 4th Ward of the Borough of Queens. The Company owned the entire capital stocks and bonds of these companies, which were operated as subsidiary companies, the Brooklyn Union Gas Company supplying all the gas sold by them. On Dec. 31, 1927, these companies, together with the Equity Gas Company, a non-operating company, were merged into The Brooklyn Union Gas Company.

Price of Gas—The following rates for gas became effective October 1, 1922, by an order of the Public Service Commission: First 100,000 cu. ft. of gas, per meter per month, $1.15 per 1,000 cu. ft.; next 200,000 cu. ft., $1.10 per 1,000 cu. ft.; next 300,000 cu. ft., $1.05 per 1,000 cu. ft.; next 400,000 cu. ft., $1.00 per 1,000 cu. ft.; all over 1,000,000 cu. ft., $0.95 per 1,000 cu. ft

Dollar Gas Law Confiscatory—The Company and its subsidiaries instituted suits in the U. S. District Court to have declared unconstitutional the Dollar Gas Law passed by the State Legislature and known as Chapter 899 of the Laws of 1923. This law not only reduced the price of gas to be charged by the various gas companies in the City of New York to $1 per thousand cubic feet, but increased the standard of gas from 537 B.T.U. (as fixed by the Public Service Commission in conjunction with a rate of $1.15 per thousand cubic feet) to a standard of 650 B.T.U.

On March 21, 1925, the Special Master in the case filed his Final Report with the District Court. In the Final Report, as in the Tentative Report and Opinion rendered December 29, 1924, the Special Master found, after resolving all doubts against the Company, that the statute had been proved to be confiscatory as to The Brooklyn Union Gas Company and that a return of $1.00 per thousand cubic feet for gas, whether of the standard actually supplied by the Company or as prescribed by the statute was, is and will continue to be confiscatory. He also found that the company was entitled to a return of not less than 8% per annum, on the fair value of its property devoted to the public service. In his Final Report the Special Master substantially increased his findings as to property values and in addition found that the Company was possessed of "Going Value" in the amount of $6,000,000 over and above the value found for the physical property.

The Final Report of the Master, with one immaterial exception, was confirmed in all respects by the U. S. District Court in an Opinion handed down on June 24, 1925.

The Attorney General of the State appealed from the decision to the Supreme Court of the United States. The Public Service Commission did not join in the appeal, having withdrawn from the case.

Argument on the appeal was made at the October, 1926 term of the court, and on Nov. 29, 1926, the U. S. Supreme Court unanimously confirmed the decision of the District Court, declaring the statute to be confiscatory as against this Company. The Mandate of the Supreme Court was subsequently filed in the U. S. District Court and on Jan. 5, 1927, the latter Court entered its final decree in the case, rendering judgment in favor of the Company.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31
(The Brooklyn Union Gas Company System)

		1927	1926	1925	1924	1923	1922
Production equipment in place at end of year:							
Manufacturing plants		7	6	6	6	6	6
Water gas sets		56	50	50	50	50	47
Capacity (M. C. F. in 24 hrs.)		144,400	124,400	124,400	124,400	124,400	105,500
Holders		32	32	32	32	31	30
Capacity (M. C. F.)		81,653	66,957	66,957	66,957	61,957	56,957
Steam plant rating (H. P.)		30,260	24,132	24,072	22,566	21,185	17,938
Distribution system at end of year:							
Mains (miles)		2,075.03	2,000.75	1,891.48	1,816.19	1,728.94	1,652.32
Services		304,449	289,892	271,242	252,592	234,688	219,129
Meters (active)		688,370	672,365	652,589	636,493	614,999	595,322
Street lamps		1,530	2,138	3,097	3,825	4,758	5,356
Disposition of gas:							
Made	(M. C. F.).	23,730,786	25,538,051	22,354,433	22,041,739	21,984,891	19,885,148
In holders at beginning of year	" .	58,907	53,577	59,648	48,921	49,992	46,271
In holders at end of year	" .	69,912	58,907	53,577	59,648	48,921	49,992
Variation in gas in holders	" .	(i) 11,005	(i) 5,330	(d)6,071	(i)10,727	(d)1,071	(i)3,721
Send-out during calendar year	" .	23,719,781	25,532,721	22,360,504	22,031,012	21,985,962	19,881,427
Sold:							
Metered sales to general consumers	" .	21,901,687	23,214,914	20,030,810	19,356,947	19,232,791	17,005,897
Prepaid gas sales	" .	99,217	169,654	252,151	307,534	349,426	362,367
Municipal street lighting	" .	27,302	38,769	49,905	62,678	71,813	76,179
Miscellaneous municipal sales	" .	57,957	63,777	58,810	65,602	66,410	60,196
Total sold	" .	22,086,163	23,487,114	20,391,676	19,792,761	19,720,440	17,504,639
Used by System Companies	" .	84,268	98,630	86,951	84,307	77,791	65,910
Total sold and used	" .	22,170,431	23,585,744	20,478,627	19,877,068	19,798,231	17,570,549
Unaccounted for		1,679,267	2,113,294	1,631,035	2,022,895	2,347,586	2,195,737
% unaccounted for		7.04	8.22	7.38	9.24	10.60	11.11
Day's make:							
Maximum	(M. C. F.).	101,319	122,685	107,533	96,299	94,694	86,595
Minimum	" .	39,864	33,928	36,812	30,816	35,336	33,084
Average	" .	65,016	69,967	61,245	60,223	60,233	54,480
Day's send-out:							
Maximum	" .	97,141	121,555	107,304	94,944	95,056	86,564
Minimum	" .	40,887	36,537	35,742	32,156	35,899	33,264
Average	" .	64,986	69,953	61,262	60,194	60,236	54,470
Day's sales:							
Average	" .	60,510	64,172	55,868	54,079	54,029	47,827
Calorific value	(B. T. U.).	545	552	567	580	587	606

CAPITAL STOCK

Authorized, 1,000,000 shares of no par value (increased from 600,000 shares, Nov. 30, 1925); outstanding, Dec. 31, 1927, 511,024 shares. Capital stock was changed from 300,000 shares of the par value of $100 to 600,000 shares of no par value on Feb. 13, 1924, the new no par stock being issued for the old $100 par stock on the basis of two to one. Of the no par value shares, 360,000 shares were issued for the outstanding 180,000 shares of $100 par value; 151,024 shares have been issued in the conversion of bonds; 556 are reserved for the conversion and retirement of outstanding 7% Convertible Debenture bonds, due Nov. 1, 1929, and 7% Convertible Debenture bonds, due May 1, 1932; 236,000 are reserved for the conversion and retirement of the 5½% Convertible Debenture bonds (convertible on and after Jan. 1, 1929), due Jan. 1, 1936; and the remaining 252,420 are reserved for future financing.

Subscription Privilege—Stockholders of record, Dec. 12, 1925, were given the right until Jan. 15, 1926, to subscribe at par for $22 principal amount of Convertible Debenture bonds for each share of stock held. Subscriptions were due either in full on Jan. 15, 1926, or in one installment of 40% on Jan. 15, 1926, and two installments of 30% each on April 1 and July 1, 1926, respectively.

Transfer Agent—Guaranty Trust Co., New York.

Registrar—United States Mortgage & Trust Co., New York.

Annual Meeting—First Thursday in February.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	157½	98	100¼	82¾	120¾	124½	76½	65
Low	89⅝	68	73¾	56⅝	103½	68	51	48

Dividends—Dividends on old $100 par stock paid as follows: 1896 to 1899, 6%; 1900, 7%; 1901 to 1903, 8% per annum; 1904, 9½%; 1905, 8½%; 1906, 3%; 1907, none; 1908, 5½%; 1909, 6%; 1910, 6% and 1½% extra; 1911, 6% and 1% extra; 1912 to 1917, 6% and 2% extra; 1918 and 1919, 6% each; 1920 and 1921, none; 1922, 4%; 1923, 8%. On stock of no par value (2 shares of no par value issued in exchange for each share of $100 par value); 1924 to April 1, 1927, $4 per share per annum; July 1, 1927 to April 2, 1928 at the rate of $5 per annum. Dividends are paid quarterly J, A, J & O 1 to stock of record about Dec., March, June and Sept. 15.

In addition a special payment of $7 a share was paid Jan. 11, 1926, for reimbursement of dividends suspended during period Jan., 1920 to July, 1922.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1) Citizens Gas Light Co., Consolidated 5s..Due Feb. 1, 1940
(2) Brooklyn Union Gas Co. First Cons. 5s. Due May 1, 1945
(3) Brooklyn Union Gas Co., 7% Convert. Deb. Bonds .....Due Nov. 1, 1929
(4) Brooklyn Union Gas Co. 1st Lien & Ref. 6s. Series "A" .....Due May 1, 1947
(5) Brooklyn Union Gas Co. 10-yr. 7% Conv. Deb. Bonds .....Due May 1, 1932
(6) Brooklyn Union Gas Co. 10-yr. 5½% Conv. Deb. bonds .....Due Jan. 1, 1936

(1)

$264,000 CITIZENS GAS LIGHT COMPANY CONSOLIDATED (NOW FIRST) MORTGAGE GOLD 5s; DUE FEB. 1, 1940

Dated February 1, 1890.

Interest Payable February and August 1, at The National City Bank, Peoples Trust Branch, Brooklyn, N. Y.

Denomination—Coupon, $1,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized and issued, $750,000, of which $486,000 have been retired, leaving $264,000 outstanding on Dec. 31, 1927.

Security—A direct first lien on property of former Citizens Gas Light Co. Assumed by The Brooklyn Union Gas Co. Underlie $14,736,000 Brooklyn Union Gas Co. Consolidated (now First) 5s of 1945 and $6,000,000 Brooklyn Union Gas Co. First Lien & Refunding 6s of 1947, which latter issue provides for retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$14,736,000 THE BROOKLYN UNION GAS COMPANY CONSOLIDATED (NOW FIRST) MORTGAGE GOLD 5s; DUE MAY 1, 1945

Dated September 16, 1895.

Interest Payable May and November 1, at The Chase National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized issue, $15,000,000; outstanding, $14,736,000; mortgage closed. These bonds were issued in part payment for the property and franchises of the seven Brooklyn gas companies acquired in Nov., 1895, and to retire the outstanding bonds of these companies.

Security—Secured by first lien on entire property owned, subject only to the lien of $264,000 Citizens Gas Light Co. Consolidated (now First) 5s, due 1940. Underlie $6,000,000 The Brooklyn Union Gas Company First Lien and Refunding 6s of 1947, which provide for retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	107	104¾	102¼	100½	100	99½	92	79
Low	102⅝	100⅝	99⅛	96⅝	93½	87½	71	70

(3)

$5,000 THE BROOKLYN UNION GAS COMPANY 7% CONVERTIBLE DEBENTURE GOLD COUPON BONDS; DUE NOVEMBER 1, 1929

Dated November 1, 1919.

Interest Payable May and November 1, at The Chase National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—The National City Bank of New York.

Provisions of Issue—Authorized and issued, $2,000,000, of which $1,995,000 have been converted into no par value Common stock, leaving $5,000 outstanding at Dec. 31, 1927. Issued to reimburse treasury for expenditures on properties, improvements, etc.

Convertibility—Convertible at par into two shares of no par capital stock for each $100 debenture, on and after Nov. 1, 1924 to maturity, on 10 days' notice.

Security—Secured equally with the First Lien & Refunding Mortgage bonds described in following paragraph.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

(4)

$6,000,000 THE BROOKLYN UNION GAS COMPANY FIRST LIEN AND REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE MAY 1, 1947

Dated May 1, 1922

Interest Payable May and November 1, at The National City Bank of New York.

Denominations—Coupon, $500 and $1,000, and fully registered, $1,000, $5,000 and $10,000. All coupon bonds are registerable as to principal. Coupon bonds in denominations of $500 aggregating $1,000 in principal amount are interchangeable with coupon bonds in denominations of $1,000. Coupon bonds aggregat-

ing in principal amount of $1,000 or multiples thereof, are interchangeable with fully registered bonds. Registered bonds are interchangeable with coupon bonds of the same series.

Trustee—National City Bank of New York.

Provisions of Issue—Authorized issue unlimited. The First Lien and Refunding Mortgage provides for the issuance of bonds thereunder in series bearing the same or different rates of interest, dates, maturities and such other distinguishing features with respect to each particular series as may be determined by the Board of Directors of the Company at the time of the original issue of each series, subject always to the restrictive provisions of the Mortgage. Bonds of any series may be issued from time to time in the future in principal amounts equal to and for the acquisition or retirement of underlying bonds now outstanding with the public, so much of the 7% Convertible Debentures of 1919 as shall not have been converted, and bonds of other series issued under the new mortgage. Additional bonds may also be issued for not exceeding 75% of actual and reasonable expenditures for permanent extensions and additions to the plants and properties of the system made after May 1, 1922, provided consolidated net earnings for twelve consecutive months shall have been at least twice the annual interest charges on all underlying bonds outstanding in the hands of the public, all unconverted 7% Convertible Debentures of 1919, and all First Lien and Refunding Mortgage bonds outstanding and then proposed to be issued.

The First Lien and Refunding Mortgage contains certain provisions permitting the modification thereof or of any supplemental indenture, in any particular, with the assent of the holders of 75% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided, however, that nothing shall permit the extension of the maturity of any bonds or the reduction in the rate of interest thereon, or any other modification in the terms of payment of such interest without the consent of the holder thereof, nor the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of the First Lien and Refunding Mortgage.

Callability—Not subject to call.

Sinking Fund—None.

Security—Secured by a direct mortgage on the entire property of the Company now owned or hereafter acquired, subject to the following (closed) mortgages retirement of which is hereunder provided for: $264,000 Citizens Gas Light Co. Consolidated (now First) 5s due 1940, and $14,736,000 Brooklyn Union Gas Co. Consolidated (now First) 5s due 1945. Further secured by the pledge of all stocks and $5,222,000 First Mortgage 6½% bonds (the entire funded debt) of the Company's five subsidiaries, The Flatbush Gas Co., The Newtown Gas Co., The Jamaica Gas Light Co., The Woodhaven Gas Light Co. and the Richmond Hill & Queens County Gas Light Co. As further amounts of First Mortgage bonds of the subsidiaries are issued, they shall be acquired by Company and promptly pledged under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Shearman & Sterling, New York (for the bankers), Cullen & Dykman (for the Company).

Original Offering—First publicly offered ($6,000,000) in May, 1922, by National City Co. and Guaranty Trust Co. of New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	117⅞	114½	110¾	109½	105½	104½
Low	113⅝	110	107¼	103½	100¼	102

(5)

$22,800 THE BROOKLYN UNION GAS COMPANY TEN-YEAR 7% CONVERTIBLE DEBENTURE GOLD BONDS; DUE MAY 1, 1932

Dated May 1, 1922.

Interest Payable May and November 1, at National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Coupon bonds in denominations of $100 when presented in aggregate of $500 or $1,000 are exchangeable for coupon bonds of denominations of $500 or $1,000; coupon bonds in denominations of $500 when presented in the aggregate of $1,000 are exchangeable for coupon bonds of $1,000 each.

Trustee—The National City Bank of New York.

Provisions of Issue—Authorized and issued, $5,579,000, of which $5,556,200 have been converted into no par value Common stock, leaving $22,800 outstanding on Dec. 31, 1927.

Callability—Not subject to call.

Sinking Fund—None.

Convertibility—On Nov. 1, 1924 or at any time thereafter prior to maturity the principal of the bonds may be converted at the option of the holder, upon ten days' previous notice, into two shares of fully paid Common stock for each $100 debenture, with an adjustment of accrued interest and dividends.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$11,800,000 THE BROOKLYN UNION GAS COMPANY TEN-YEAR 5½% CONVERTIBLE DEBENTURE GOLD (COUPON) BONDS; DUE JANUARY 1, 1936

Dated January 1, 1926.

Interest Payable January and July 1, at The National City Bank of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The National City Bank of New York.

Provisions of Issue—Authorized and outstanding, $11,800,000. A portion of the proceeds of the sale of these bonds were applied toward the purchase of $4,061,800 additional Capital stocks of subsidiary companies. The balance of the proceeds was applied to the discharge of outstanding notes in the amount of $500,000, the paying off of purchase money mortgages in the amount of $1,370,000 and for the reimbursement of the treasury of the Company in part for moneys expended for the acquisition of property, the construction, completion, extension and improvement of its facilities, plants and distributing system within the period from Aug. 1, 1921, to July 31, 1924, all in accordance with the order of the Public Service Commission of New York, dated Dec. 3, 1925.

Callability—Not subject to call.

Convertibility—Convertible into capital stock on and after Jan. 1, 1929 to maturity, on 10 days notice on the basis of two shares of no par stock for each $100 of Debentures.

Security—A direct obligation of Company but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—Stockholders of record, Dec. 12, 1925, received the right until Jan. 15, 1926 to subscribe at par for $22 principal amount of convertible debentures for each share of stock held. Underwritten by Charles D. Barney & Co. and Jesup & Lamont, New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926
High	280	166
Low	156	126

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Brooklyn Union Gas Company System)

	1927	1926	1925	1924	1923
Operating and non-operating revenues	$25,778,912	$27,641,173	*$20,968,500	*$22,297,360	*$23,844,546
Oper. and non-oper. expenses, incl. taxes & retirement expenses	19,918,519	21,717,346	19,328,372	19,962,216	19,875,545
Gross corporate income	$5,860,393	$5,923,827	$1,640,128	$2,335,144	$3,969,001
Deductions:					
Interest on long term debt	$1,762,238	$1,741,571	$1,210,691	$1,586,542	$1,640,530
Miscellaneous interest deductions	165,534	170,662	175,088	171,744	149,170
Amortization of debt discount and expense	14,924	14,910	3,769	6,353	6,235
Amortization of premium on debt—Credit	4,800	4,800	4,800	4,800	4,800
Miscellaneous deductions from gross corporate income	10,939	5,473	2,841	8,599	7,375
Total	$1,948,835	$1,927,816	$1,387,589	$1,768,438	$1,798,510
Net corporate income	$3,911,558	$3,996,011	$252,539	$566,706	$2,170,491
†Net revenues in suspense	.....	.....	2,952,746	2,875,945	1,345,046
Net income, including net revenues in suspense	$3,911,558	$3,996,011	$3,205,285	$3,442,651	$3,515,537
Dividends declared out of surplus	$2,425,782	$2,037,180	¶$5,542,573	$1,513,763	$1,440,000
Times Long Term Debt Interest Earned	3.32	3.40	‡.35	‡1.47	‡2.42
Earnings Per Share	§$7.66	§$7.85	‡§50 cts.	‡§$1.50	‡§$12.06

*Includes electric revenues of The Flatbush Gas Company of $101,008 in 1925, $2,060,769 in 1924, $1,854,945 in 1923 and $1,578,163 in 1922. Operating revenues for the years 1922 to 1925 are based on statutory rates, and the amounts charged in excess of statutory rates carried in suspense were transferred to surplus in 1926. †Amount charged in excess of statutory rates. ‡Not including amount charged in excess of statutory rates. §Based on average amount of no par value shares outstanding, during 1924, 1925, 1926 and 1927, 510,658 in 1927, 509,305 in 1926, 496,078 in 1925 and 376,696 in 1924. ¶Includes special payment of $7 a share ($3,558,268) paid Jan. 11, 1926.

GENERAL BALANCE SHEET, DECEMBER 31
(The Brooklyn Union Gas Company System)

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$94,876,902	$79,551,053	$74,472,685	$70,113,176	$67,536,418	$60,881,425
Cash	3,323,959	2,831,522	2,846,194	3,707,673	1,258,781	8,482,413
Notes receivable	30,027	3,000,000	.....	.....	.....	.....
Accounts receivable	1,866,064	2,314,065	2,097,489	2,145,115	1,870,947	1,835,770
Interest & dividends receivable	4,438	4,269	786	875	21,699	1,154
Materials and supplies	3,686,665	3,233,395	3,335,667	3,380,684	3,616,303	2,426,829
Prepayments	119,217	49,333	113,311	102,370	149,773	60,079
Marketable securities	.....	.....	.....	.....	1,751,937	25,000
Investments	738,065	748,065	568,065	568,065	606,065	606,065
Special deposits	199,555	196,975	198,051	216,568	179,738	144,065
Unamortized debt disc. & exp.	156,468	170,975	72,944	77,148	111,750	117,700
Suspense—unbilled gas, etc.	1,688,036	1,848,252	1,907,037	1,590,796	1,569,163	1,642,059
Total	$106,689,396	$93,947,904	$85,612,229	$81,902,470	$78,672,574	$76,222,559
Liabilities—						
Capital stock	*$25,551,200	*$25,503,800	*$25,416,500	*$24,150,800	$18,000,000	$18,000,000
Long term debt	32,827,800	32,875,200	21,162,500	22,428,200	28,579,000	28,579,000
Subscript. for long term debt	.....	.....	71,166	.....	.....	.....
Mortgages on properties	.....	.....	1,370,000	400,000	.....	.....
Notes payable	11,000,000	.....	1,200,000	.....	.....	.....
Accounts payable	1,266,587	1,513,438	1,195,343	1,400,879	1,446,897	1,263,456
Consumers deposits	2,931,838	2,713,729	2,722,010	2,898,663	2,653,904	2,380,032
Matured interest unpaid	36,684	27,718	21,141	31,611	40,649	35,496
Miscellaneous current liabilities	33,319	36,027	31,487	30,649	45,219	68,920
Interest accrued	1,370,534	1,289,321	934,476	886,027	892,599	837,254
Taxes accrued	819,889	892,832	713,390	712,640	628,518	430,252
Misc. accrued liabilities	20,658	9,141	16,407	12,214	17,370	6,961
Dividends declared	638,771	510,762	508,055	471,812	360,060	361,064
‡Dividends declared—special payment	.....	.....	3,558,268	.....	.....	.....
Unamortized premium on debt	92,800	97,600	102,400	107,200	112,000	116,800
Contributions for extensions	398,533	318,905	210,778	105,257	.....	.....
Misc. unadjusted credits	47,724	92,540	100,358	.....	.....	.....
Retirement reserve	1,422,620	1,225,142	1,021,663	811,369	1,352,201	1,532,880
Casualty and insurance reserve	584,809	640,859	731,948	751,989	781,299	748,992
Contingency reserve	13,800,429	13,800,429	13,800,429	13,800,429	14,480,391	14,480,391
†Revenues in suspense	.....	576,174	7,951,212	4,958,410	2,060,907	758,308
Profit and loss—surplus	13,845,201	11,824,287	2,772,698	7,944,321	7,221,560	6,622,753
Total	$106,689,396	$93,947,904	$85,612,229	$81,902,470	$78,672,574	$76,222,559

*Average outstanding capital stock, as follows: 1924, 18,834,800; 1925, $24,803,900; 1926, $25,465,250; 1927, $25,532,900. †Amounts charged over statutory rates, held in suspense pending determination of litigation. ‡Special payment made Jan. 11, 1926, for dividends suspended from Jan., 1920, to July, 1922.

Officers: J. H. Jourdan, Pres.; A. F. Staniford, V-P.; C. E. Paige, V-P.; H. E. McGowan, Sec.; Herbert Wellington, Treas.; F. C. Weber, Asst. V-P.; Morton O. Davis, Asst. Treas.; T. P. Payne, Aud.; C. J. Fue, Asst. Aud.; J. T. White, Asst. Sec.; F. R. Wogan, Asst. Sec.

Directors: James H. Jourdan, Robert L. Pierrepont, William R. Coe, William H. English, Arthur F. Staniford, Stanley P. Jadwin, Adrian H. Larkin, Percival J. McIntosh, J. Horace Harding.

Office, 176 Remsen St., Brooklyn, N. Y.

THE ARIZONA POWER COMPANY

History—Incorporated March 31, 1908, in Maine, and on Dec. 31, 1922, purchased all the properties and assets of the Prescott Gas & Electric Co. and The Arizona Steam Generating Co. (see 1922 Public Utility Manual, page 1142, or apply to our Information Department).

Property—The Company owns and operates: Two modern hydro-electric power plants, installed capacity 11,500 h.p., located about 65 miles east of Prescott, Ariz.; a modern steam turbo-electric plant, capacity 12,000 h.p., at Clarkdale; electric and gas generating and distributing systems in Prescott; transmission

lines, sub-stations and distribution lines for general distribution of power.

The Company supplies without competition the following: Gas and electricity in Prescott, County Seat; electricity to U. S. Public Health Hospital (1,000 beds) at Fort Whipple, near Prescott; electricity at wholesale or retail in Clarkdale, Jerome, Humboldt, Mayer and Cottonwood; power for mines and smelters in the Yavapai County Copper District, its largest consumer being the United Verde Copper Co.; power to the Central Arizona Light & Power Co., which in turn serves a population of about 60,000 in Phoenix and adjacent territory in the Salt River Valley.

Franchises—All franchises and permits under which the Company operates extend beyond the maturity of all bonds outstanding, the shortest franchise expiring in 1952.

CAPITAL STOCK

Authorized, $3,000,000 Common, $1,000,000 8% cumulative First Pfd., and $1,000,000 6% and 7% cumulative Pfd.; outstanding, Feb. 20, 1928, $3,000,000 Common; $99,400 8% Pfd.; $980,250 7% Pfd., and $19,750 6% Pfd.; par of all issues, $100.

Exchange of 6% Pfd. Stock—Holders of the 6% Pfd. stock have the right to exchange their holdings, share for share, for 7% Pfd. Stock. Of the $1,000,000 6% Pfd. stock originally outstanding, $980,250 has been exchanged for the 7% Pfd. leaving $19,750 unexchanged.

Preferred Stock Provisions—Holders of the 7% Pfd. stock are entitled after payment of cumulative dividends on all 8% First Pfd. stock outstanding, to dividends of 7% per annum in preference to holders of any other stock of the Company now outstanding, and in case of liquidation or winding up of the Corporation are entitled to be paid the full par value of the stock, together with all dividends accrued and unpaid whether or not earned or declared, in preference to any other stock of the Company, except the 8% First Pfd. stock.

Transfer Agent—Registrar & Transfer Co., 7 Dey St., New York.

Registrar—American Exchange Irving Trust Co., New York.

Annual Meeting—Second Friday in October at Portland, Me.

Dividends—Dividends have been paid on both the 8% First Pfd. and 7% Pfd. stocks since issuance; payments quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$174,000 PRESCOTT GAS & ELECTRIC CO. FIRST MORTGAGE SINKING FUND GOLD 6s; DUE JULY 1, 1940.

Dated July 1, 1910.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $500,000 (mortgage closed as of Dec. 31, 1922); issued, $336,000, of which $174,000 in hands of the public, $22,500 held in treasury, $86,500 in sinking fund, and $53,000 have been exchanged for First Lien & Refunding 6s of 1947 and are pledged with the Trustee of that mortgage.

Callability—Subject to call at 105 and interest.

Sinking Fund—Sinking fund, annually on May 15, to 1919, 1% of all bonds issued; May 15, 1920 to 1939, 2% per annum of all bonds issued; in addition to above, on May 15, 1916 to 1939, an amount equal to 6% int. on all bonds cancelled prior to such date shall be paid into the sinking fund.

Security—A first lien on property of former Prescott Gas & Electric Co.

Guaranty—Guaranteed, principal and interest, by The Arizona Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$225,700 ARIZONA STEAM GENERATING CO. FIRST MORTGAGE GOLD 6s; DUE MARCH 1, 1933

Dated March 1, 1917.

Interest Payable March and September 1, at The New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—The New York Trust Co., New York and Frederick J. Horne, New York.

Provisions of Issue—Authorized, $5,000,000 (mortgage closed as of Dec. 31, 1922); issued, $717,000, of which $225,700 in hands of the public, $71,300 in hands of trustee in reserve for maintenance and depreciation and $419,200 have been exchanged for First Lien & Unifying 6s of 1947 and are pledged with the Trustee of that mortgage, and $800 are held in treasury of Company.

Callability—Subject to call at 102 and interest on any interest date upon 4 weeks' published notice.

Maintenance Reserve—A reserve for maintenance was begun Jan. 1, 1918.

Security—A first lien on property of former Arizona Steam Generating Co., comprising real estate, about 12 acres, with appurtenant water rights, buildings and equipment, altogether constituting an efficient steam plant with a capacity of 12,000 h.p.

Guaranty—Guaranteed, principal and interest, by The Arizona Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$545,000 THE ARIZONA POWER CO. FIRST MORTGAGE GOLD 6s; DUE MAY 1, 1933

Dated May 1, 1908.

Interest Payable May and November 1, at The New York Trust Co., New York, and Barclay's Bank, London, Eng.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $2,000,000, of which $545,000 in hands of the public, $618,000 have been exchanged for First Lien & Unifying 6s of 1947 and are pledged with Trustee of that mortgage, $829,500 held in sinking fund, as of Dec. 31, 1927, and $7,500 held in treasury of Company.

Callability—Subject to call as a whole or in part at 102 and interest on any interest date upon 15 days' notice.

Sinking Fund—Sinking fund of 2% of face value of all bonds issued began March 15, 1914, to be applied to purchase of bonds at not exceeding 102 and interest, or bonds may be called for that purpose at same price. On March 15, 1915, and annually thereafter a further sum equal to 6% a year on all bonds redeemed will be paid into sinking fund.

Security—Secured by first lien on all property now owned or hereafter acquired, including all rights, privileges, franchises and concessions, subject, however, to the property covered by the two mortgages above described.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$2,333,000 THE ARIZONA POWER CO. FIRST LIEN AND UNIFYING MORTGAGE GOLD 6s; SERIES "A"; DUE NOVEMBER 1, 1947

Dated November 1, 1922.

Interest Payable May and November 1, at Wells Fargo Bank & Union Trust Co., San Francisco, and at National Bank of Commerce, New York.

Denominations—Coupon, $500 and $1,000. Bonds of $1,000 denomination registerable as to principal.

Trustee—Wells Fargo Bank & Union Trust Co., San Francisco.

Provisions of Issue—Authorized issue, Series "A" $4,000,000. No bonds of future series may be issued having an earlier date of maturity than the Series "A" bonds so long as any Series "A" bonds are outstanding. As of Dec. 31, 1927, $2,348,000 were issued and outstanding, of which $1,317,500 were exchanged for underlying bonds; $1,015,500 were sold to the public and $15,000 were held in the treasury. Of the remaining bonds $953,000 are reserved to retire balance of underlying bonds, and $699,000 are reserved for extensions, etc., at not over 80% of cost, provided net earnings for previous year have been equal to at least 1½ times interest on all bonds outstanding including those then to be issued.

Callability—Non-callable before Nov. 1, 1932; redeemable thereafter as a whole or in part on any interest date, upon 30 days' notice, at 105 and interest to and including May 1, 1937; thereafter at 104 and interest to and including May 1, 1942; thereafter at 104 and interest less 1% for each year, to and including May 1, 1944; thereafter at 101 and interest to and including May 1, 1946; thereafter to maturity at par and interest.

Sinking and Improvement Fund—The mortgage requires the annual application of an amount equal to 1½% of all bonds outstanding in the hands of the public on Dec. 31 preceding, under this and the prior lien mortgages, to one or more of the following: (1) Permanent improvements, against which no bonds may be issued; (2) payments to or deposits with Trustees in satisfaction of Sinking Fund requirements of prior lien mortgages; (3) cash paid to the Trustee of this mortgage; (4) bonds of this or prior lien mortgages deposited with the Trustee of this mortgage

Security—A direct obligation of the Company secured by a mortgage on all its property now owned or hereafter acquired, subject to $953,000 prior lien bonds in hands of the public or held in treasury (see above). The remainder of the issued prior lien bonds, $1,090,200 is deposited with the Trustee as further security for these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Present Pennsylvania and Connecticut Personal Property taxes, refunded upon application.

Legal Investment for Savings Banks in California.

Legal Opinion—Curtis, Mallet-Prevost & Colt, New York, and Gibson, Dunn & Crutcher, Los Angeles.

Original Offering—First publicly offered ($800,000) in March, 1923, at 97 and interest to yield about 6¼%, by Stephens & Co., San Francisco, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross operating revenue	$664,880	$753,820	$764,865	$779,770	$872,624	$625,845
Operating expenses and taxes	345,723	411,436	399,957	417,523	440,725	303,679
Net operating revenue	$319,157	$342,384	$364,908	$362,247	$431,899	$322,166
Non-operating revenue	†495	6,348	5,856	17,513	2,565	3,138
Total corporate income	$318,662	$348,732	$370,764	$379,760	$434,464	$325,304
Deductions—						
Interest on bonds	$195,534	$195,737	$195,204	$192,919	$167,346	$163,020
Interest on notes	.....	.....	.....	.....	23,828	23,828
Interest on floating debt	4,256	2,399	4,978	3,671	4,864	8,741
Amortization debt discount and exp.	24,340	19,784	22,718	19,689	25,053	26,558
Total deductions	$224,130	$217,920	$222,900	$216,279	$221,091	$222,147
Net income before deducting depreciation	$94,532	$130,812	$147,864	$163,481	$213,373	$103,157
*Times Bond Interest Earned	1.48	1.67	1.76	1.84	2.28	1.63

*Before depreciation. †Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property investment	$7,749,595	$7,641,773	$7,544,356	$7,491,805	$7,395,025	$8,080,550
Treasury securities	2,100	3,740	3,740	3,740	3,740	3,742
Cash	2,592	114,101	49,845	31,435	45,559	15,136
Cash to redeem 5-Year notes (retired)	.....	.....	.....	.....	340,000	.....
Cash in sinking fund	820	820	870	880	1,080	1,080
Cash in bond int. & divd. acct.	.....	33,497	.....	.....	.....	.....
Accounts receivable	79,995	87,040	87,321	80,780	90,920	76,157
Subscription to 8% Preferred stock	160	160	962	10,209	.....	.....
Notes receivable	1,668	.....	.....	.....	.....	2,101
Materials and supplies	48,369	62,691	61,522	48,663	50,875	36,257
Marketable securities	13,940	.....	.....	.....	.....	.....
Prepaid accounts	5,536	12,119	2,064	2,199	1,949	1,935
Unamortized debt discount and expense	282,747	301,207	318,105	334,022	321,236	215,906
Operation suspense	18,592	.....	4,033	4,142	.....	365
Total	$8,206,114	$8,257,148	$8,072,818	$8,007,875	$8,250,384	$8,433,229
Liabilities—						
Common stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,800,000
Preferred stock	1,099,400	1,096,900	1,048,500	1,014,400	975,000	950,000
Capital stock subscribed	200	700	2,400	15,500	.....	.....
Funded debt	3,277,700	3,279,200	3,248,700	3,246,700	3,216,200	2,717,000
Five-Year 7% notes	.....	.....	.....	.....	340,400	340,400
Notes payable	45,000	10,000	40,000	40,000	40,000	58,600
Vouchers and accounts payable	52,565	67,702	46,689	33,042	53,582	67,699
Bond int. & divds. payable	.....	28,277	.....	.....	.....	.....
Consumers' deposits	99,957	105,768	28,888	23,968	17,270	15,980
Accrued liabilities	44,970	43,129	39,744	45,094	52,399	37,060
Miscellaneous deposits	695	.....	.....	.....	.....	.....
Reserves	399,540	385,877	279,150	218,146	225,579	248,415
Suspense	215	.....	.....	.....	971	.....
Corporate surplus	185,872	239,595	338,747	371,025	328,983	198,075
Total	$8,206,114	$8,257,148	$8,072,818	$8,007,875	$8,250,384	$8,433,229

Officers: F. S. Viele, Chairman of the Board, Prescott, Ariz.; S. S. Perry, Pres. & Treas.; D. A. Dunham, V-P. & Asst. Treas., Hartford, Conn.; L. V. Seares, V-P.; A. C. Johnson, Asst. Sec., Prescott, Ariz.; A. B. Farnham, Clerk, Portland, Me.; S. W. Reid, Sec., Hartford, Conn.

Directors: F. S. Viele, Prescott, Ariz.; F. E. Kingston, W. H. Brooks, New Haven, Conn.; S. W. Reid, D. A. Dunham, S. S. Perry, Hartford, Conn.; B. M. Wotkyns, Los Angeles, Cal.

Office, Prescott, Ariz.

TEXAS-LOUISIANA POWER COMPANY

History—Incorporated in Delaware July 29, 1925; a consolidation of the Continental Gas, Light & Power Co., the Southwestern Gas, Light & Power Co., the Newcastle Light, Power & Ice Co. and a number of independent companies, operating in the States of Texas, Oklahoma, Kentucky, New Mexico and Louisiana. The great bulk of the business is electric light and power. The principal territory served by the Company is in the northeast and central Texas. The Company also serves seventeen communities with ice, including Houston, Fort Worth and Gainesville, Texas. The estimated population served, exclusive of ice, is in excess of 162,000. Number of electric and gas consumers 22,685; water consumers 2,587.

Electric Department—The properties consist of twenty-eight fully equipped electric power plants having a combined capacity of 17,600 h.p. The principal stations are located at Arcadia, Alamogordo and Lordsburg, New Mexico. The Company also serves considerable territory through more than 590 miles of high tension transmission and lateral lines, and 501 miles of local distribution lines. The Company also purchases current at various points from the Texas Power & Light Co., Kentucky Utilities Co., and the Union Gas & Electric Co. At present 90% of the current consumed is produced in the Company's own plants, and 10% is purchased.

Gas Department—The Company owns and operates four natural gas plants, serving the towns of Ranger, Graham, Breckenridge and Nocona, Texas, through over two hundred miles of main and lateral lines, a considerable portion of its gas supply being owned by the Company, the balance being purchased from the Texas Pacific Coal & Oil Co. and the Phillips Petroleum Co.

Ice Department—The Company owns fourteen artificial ice plants operating in conjunction with the electric plants, and three separate ice manufacturing plants, with a total production capacity of 450 tons daily, and storage capacity of 5,500 tons.

Water Department—The Company operates four water systems located at Arcadia, Louisiana, Yoakum, Pecos and Sanderson, Texas, the water supply being derived from deep wells and pumped electrically to adequate storage facilities.

CAPITAL STOCK

Authorized, 30,000 Common shares of no par value, and $5,000,000 cumulative Pfd., par, $100; outstanding, 20,000 Common shares and $1,250,000 Pfd.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to call as a whole or in part on any dividend date, on 30 days' notice, at 107 and dividend. Whenever dividends are in default in an amount aggregating 7%, then Pfd. stock shall have voting power share for share with Common stock. Company shall not, without affirmative vote or written consent of two-thirds of outstanding Pfd. stock, create or issue any shares of stock having preference over or priority to Pfd. stock, nor shall any amendment be made to charter or by-laws diminishing rights of holders of Pfd. stock without like consent. Additional Pfd. stock may be issued, as defined in by-laws from time to time as determined by directors for acquisition of properties, additions and betterments or for other corporate purposes, provided that net earnings after deducting from gross earnings (a) all operating and administrative expenses, including maintenance and taxes but not including Federal Income taxes or depreciation. (b) annual interest on funded debt for twelve calendar months ending not more than two months next preceding, shall have amounted to at least 2½ times annual dividend requirements on Pfd. stock then outstanding and that proposed to be issued.

Transfer Agent (Pfd.)—Union Trust Co., Chicago.

Registrar (Pfd.)—Central Trust Co. of Illinois, Chicago.

Annual Meeting—Third Monday in July.

Tax Provisions—Massachusetts 6% income tax, Maryland 4½ mills securities tax and Pennsylvania 4 mills personal property tax refunded upon application within 60 days after payment.

Legal Opinion—F. B. Black, Chicago, (for the Company), and Chapman, Cutler & Parker, Chicago, (for the Bankers).

Original Offering—Pfd. stock first publicly offered in June, 1926, at 95 and dividend, to yield about 7.37%, by R. E. Wilsey & Co., Inc., and Troy & Co., Chicago, and Frederick Peirce & Co., Philadelphia.

Dividends—Pfd. dividends regularly paid since issuance; payments J, A, J & O 1, to stock of record on the 15th day of month preceding.

FUNDED DEBT, JANUARY 31, 1928

(1)

$6,900,000 FIRST MORTGAGE 20-YEAR 6% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1946

Dated January 1, 1926.

Interest Payable January and July 1, at Central Trust Co. of Illinois, Chicago and Chase National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Provision is made for the exchange of bearer and registered bonds and for the exchange of bonds of one or both denominations for other bonds of one or both denominations of a like aggregate amount.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—The mortgage securing these bonds provides that additional bonds may be issued thereunder, either in this or separate series, for refunding purposes and for not in excess of 80% of the actual cost or fair value, determined as provided in the mortgage, whichever is lower, of additions, extensions and permanent improvements to the property of the Company made after January 1, 1926, provided, the net earnings of the Company as defined in the mortgage for the twelve calendar months ended within ninety days immediately prior to the application for the new bonds shall have been equal to at least twice the annual bond interest charge of the Company, including interest on the bonds proposed to be issued.

Purpose of Issue—The proceeds of these bonds were used to reimburse the Company in part for capital expenditures heretofore incurred, and to defray part of the cost of the new properties and other additions and betterments, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' published notice at 105 and accrued interest on or before Jan. 1, 1931; thereafter at 104 and interest to and including Jan. 1, 1936; thereafter at 102.50 and interest to and including Jan. 1, 1941, and thereafter at 101 and interest to and including July 1, 1945.

Replacement, Renewal, Etc., Fund—The Company covenants that while any of these bonds are outstanding, subject to biennial revision with the approval of the Trustee, it will pay to the Trustee annually an amount equal to 13½% of the gross operating revenues, as defined in the mortgage, less the amount expended during the preceding year on unfunded improvments, betterments, additions, maintenance, repairs, renewals and replacements. The monies so paid may be used for the retirement of bonds outstanding under the mortgage at or below the redemption price or, at the option of the Company, may be used for extensions, improvements, and additions against which no additional bonds may be issued, or for maintenance, repairs, renewals and replacements.

Security—Secured by a direct first mortgage on all of the fixed property now owned by the Company as

provided in the mortgage, subject to underlying property purchase obligations amounting to $280,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Reimbursement of the Pennsylvania, California, Connecticut and Kansas taxes not to exceed 4 mills; Maryland 4½ mills tax; District of Columbia and Kentucky 5 mills tax; Michigan 5 mills exemption tax; Virginia 5½ mills tax and Massachusetts income tax not to exceed 6%, to holders upon proper and timely application, as provided in the mortgage.

Legal Opinion—Chapman, Cutler & Parker, Chicago (for the bankers); Frank B. Black, Chicago (for the Company).

Listed—Chicago Stock Exchange.

Original Offering—First publicly offered ($3,250,000 Series "A" 6s) in Jan., 1926, at 99 and interest, to yield over 6%, by P. W. Chapman & Co., Inc., First Illinois Company, Carman, Fox & Snider, Inc., and Troy & Co., Chicago; $1,000,000 additional in March, 1927, at 100 and interest, to yield 6%, by R. E. Wilsey & Co., Inc., Troy & Co., Chicago, and A. E. Fitkin & Co., New York, etc.; $400,000 in February, 1927, at 100 by R. E. Wilsey & Co. and Troy & Co.; $650,000 in March, 1927, at 100 by R. E. Wilsey & Co. and Troy & Co.; $500,000 in Aug., 1927 at 100 by R. E. Wilsey & Co. and Troy & Co.; $300,000 in Oct., 1927 by R. E. Wilsey & Co. and Troy & Co.

(2)

$2,650,000 15-YEAR 6% SINKING FUND DEBENTURE GOLD BONDS, SERIES "A"; DUE MARCH 1, 1942

Dated March 1, 1927.

Interest Payable March and September 1, at Central Trust Co. of Illinois, Chicago, or at Chase National Bank, New York.

Denominations—Coupon (interchangeable denominations), $100, $500, and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Issued, $2,650,000. Under the terms of the Trust Indenture, additional debenture bonds may be issued only when net earnings available for bond interest as defined in the Trust Indenture, after deducting interest on all prior funded indebtedness of Company (except on bonds issued thereunder), taxes (except Federal and State Income Taxes) provision for depreciation, shall be at least 2½ times the annual interest requirements on the then outstanding Debentures bonds including those to be issued.

Purpose of Issue—Proceeds from the sale of these bond were used for the acquisition of additional properties and to reimburse treasury for improvements and extensions.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' published notice at 103 and accrued interest on or before March 1, 1931; at 102½ to and including March 1, 1935; at 102 to and including March 1, 1939, at 101 to and including March 1, 1941, and thereafter at par.

Sinking Fund—A graduated sinking fund is provided, beginning March 1, 1928, calculated to retire 30% of these Debentures before maturity; namely, on or before March 1, 1928, 1%; thereafter, annually 1½% for each of the succeeding two years; thereafter, 2% for each of the suceeding five years; thereafter, 2½% for each of the succeeding five years, and on March 1, 1941, 3½%.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, California, Connecticut, Kansas, Maryland, District of Columbia, Kentucky, Michigan and Virginia taxes and Massachusetts income tax refunded as provided in the Indenture.

Legal Opinion—Chapman, Cutler & Parker, Chicago, (for the Bankers) and Frank B. Black, Chicago, (for the Company).

Original Offering—First publicly offered ($1,400,000) in April, 1927, at 96½ and accrued interest. to yield over 6.35% by R. E. Wilsey & Co. and Troy & Co., Chicago, and A. E. Fitkin & Co., New York; $350,000 in June, 1927, at 97 by R. E. Wilsey & Co. and Troy & Co.; $200,000 in Oct., 1927; $700,000 in January, 1928, at 99 and interest to yield over 6.10% by Mysell, Moller & Co., Inc., San Francisco, R. E. Wilsey & Co., Inc., Chicago, and Stephenson-Leydecker & Co.

OTHER FUNDED DEBT

There are outstanding $280,000 6% and 6½% Purchase Money Mortgages, payable in annual installments of $27,500.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenue	$2,077,772	$1,737,690
Operating expenses	1,159,298	1,019,938
Net revenue	$918,474	$717,752

EARNINGS, YEARS ENDED

(Of properties now owned by Texas-Louisiana Power Co.)

	Dec. 31, 1927	Feb. 28, 1927
Gross earnings	$2,077,772	$1,672,694
Oper. exp., maint. & taxes (except Fed. Income Taxes) and prior charges	1,159,298	991,619
Net earnings	$918,474	$681,075
Annual interest requirements on total outstanding mortgage indebtedness	431,025	318,000
Balance	$487,449	$363,075
Annual interest requirements on 15-Yr. 6% Sinking Fund Debenture bonds	159,000	84,000
Balance before depreciation	$328,449	$279,075

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Real estate, plant & equipment	$13,370,160	$6,830,409
Other investments	54,258	2,575
Cash	85,310	11,806
Accounts receivable	543,961	145,428
Notes receivable	1,360	.....
Inventories	190,584	54,382
Refundable deposits	40,080	.....
Prepaid expenses	40,484	.....
Unamortized bond discount	566,405	.....
Other current assets	.....	175,117
Deferred debit items	.....	4,083
Total	$14,892,602	$7,223,800
Liabilities—		
Preferred stock	$1,250,000	$850,000
Common stock & surplus	*2,034,595	879,695
First mortgage bonds	6,100,000	3,250,000
15-Year debentures	2,350,000	.....
One-year notes	.....	600,000
Equipment obligations	597,266	555,660
Due for property purchases	311,686	.....
Other advances	185,623	.....
Customers' deposits	108,658	.....
Notes payable	31,387	50,000
Accounts payable	603,445	136,765
Accrued expenses	91,026	30,469
Other current liabilities	.....	106,446
Depreciation reserve	1,228,916	764,765
Total	$14,892,602	$7,223,800

*Represented by 20,000 no par shares.

Officers: A. P. Barrett, Pres., Fort Worth, Tex.; L. J. Troy, V-P.; R. S. Morris, Sec., Chicago, Ill.; A. D. McNab, Treas.; A. J. Smith, Gen. Mgr.; J. G. Harris, Pur. Agt., Fort Worth, Tex.

Directors: A. P. Barrett, Fort Worth, Tex.; L. J. Troy, R. S. Morris, N. P. Zech, E. P. Smith, Chicago, Ill.

General Office, 701 Harris Trust Bldg., Chicago, Ill. **Operating Office**, Fort Worth Club Bldg., Fort Worth, Tex.

THE OHIO CITIES TELEPHONE COMPANY

History and Property—Incorporated in Ohio and as of July 1, 1925, acquired the rights, property and other assets of The Tuscarawas County Telephone Co. (see 1925 Manual, page 437, or apply to our Information Department). Company serves the cities of New Philadelphia, Dover, Mineral City and intervening

rural districts, including all local toll and rural properties. Company has a contract with the Ohio Bell Telephone Co. (Bell system) for long distance toll service. No. of stations, 5,008. The Company's new plant and exchange building, located between New Philadelphia and Dover, Ohio, is completed. Automatic equipment in service since Aug. 15, 1926.

CAPITAL STOCK

Authorized, 15,000 shares Common of no par value and $600,000 Pfd.; outstanding, 15,000 shares Common and $240,980 Pfd. Annual meeting, third Monday in January.

Dividends—Pfd. dividends are regularly paid quarterly, J, A, J & O 1; initial payment made Jan. 1, 1926. None on Common.

FUNDED DEBT

$367,400 FIRST MORTGAGE CONVERTIBLE GOLD 6½, SERIES "A"; DUE JULY 1, 1945

Dated July 1, 1925.

Interest Payable January and July 1, at The Union Trust Co., Cleveland, O.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Union Trust Co., Cleveland, O.

Provisions of Issue—Authorized, $750,000; issued, $450,000, of which $82,600 retired to Dec. 31, 1927. Additional bonds may be issued for extensions and acquisitions at not to exceed 80% of the cost thereof. No such bonds may be issued unless the net earnings for the preceding year shall have been not less than twice the annual interest charges on the then outstanding bonds, including those to be issued.

Callability—Subject to call to July 1, 1935 at 105 and interest, thereafter at 102.

Sinking Fund—Beginning July 1, 1927, the Company will annually pay to the Trustee, 1% of the par amount of all outstanding bonds, to be used in the redemption or purchase of bonds.

Convertibility—Convertible at any time between July 1, 1926 and July 1, 1929 into 7% cum. Pfd. stock of the Company, in the ratio of $1,100 par value of Pfd. stock for each $1,000 bond; thereafter convertible into $1,000 par value of Pfd. stock.

Security—Secured by a first mortgage on all of the Company's properties and franchises, now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and will refund Massachusetts Income Tax not in excess of 6%; and any present or future State property and/or income tax not exceeding four mills.

Legal Opinion—Frankel & Frankel (for the Company), Tolles, Hogsett, Ginn & Morley (for the bankers).

Original Offering—First publicly offered ($400,000) in July, 1925, at 100 and interest, by Schultz Brothers & Company, Cleveland, and R. W. Evans & Co., Inc., Pittsburgh, Pa., and New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925
Gross earnings	$171,779	$170,248	$37,574
Operating expenses	71,092	79,735	12,920
Taxes	15,820	4,595	1,127
Depreciation	13,690	18,531	3,329
Net earnings	$71,177	$67,387	$20,198
Deduct:			
Bond interest	$24,452	$25,217	$3,400
Other interest	9,501	7,075	88
Rents	414	1,779	228
Other charges	2,478	2,353	8,286
Total charges	$36,845	$36,424	$12,002
Net income	$34,332	$30,963	$8,196
Preferred dividends	12,226	5,157	.....
Surplus for year	$22,106	$25,806	$8,196

***Company leased the plant from July 1 to Nov. 1, 1925. and operated the property during Nov. and Dec., 1925. The figures show only the income account for the two months, plus receipts—less expense for period covered by the lease.**

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of plant & equipment	$832,107	$808,450	$484,041
Material and supplies	4,823	8,767	30,368
Cash	2,782	*3,037	17,597
Notes receivable	6,030	6,030	112,462
Accounts receivable	13,509	6,990	4,969
Deferred debits	64,808	49,355	49,052
Total	$924,059	$876,555	$698 489
Liabilities—			
Common stock	$112,962	$112,963	$112,963
Preferred stock	240,980	72,468	58,000
Funded debt	367,400	450,000	400,000
Notes payable	103,987	179,038	.....
Accounts payable	22,246	17,911	113,400
Interest accrued	10,040	2,654	.....
Reserve for taxes		6,088	3,101
Depreciation reserve	10,335	1,430	2,829
Profit and loss	56,109	34,003	8,196
Total	$924,059	$876,555	$698,489

*Overdraft.

Officers: Michael Seibold, Chairman of Board, New Philadelphia, O.; N. I. Dryfoos, Pres.; Philip Frankel, V-P. & Sec., Cleveland, O.; W. B. Gregson, Treas. & Gen. Mgr., New Philadelphia, O.

Directors: Michael Seibold, W. B. Gregson, New Philadelphia, Ohio; N. I. Dryfoos, Philip Frankel, Fred Frankel, S. M. Schultz, Edward Schultz, Cleveland, Ohio; H. L. Harris, Chicago, Ill.; S. J. Brister, Dover, Ohio.

Office, New Philadelphia, O.

CONSOLIDATED UTILITIES COMPANY

(North Dakota)

History—Incorporated in 1926 in North Dakota, successor to the Bismarck Gas Co. and Valley City Gas Co. Supplies gas to Bismarck, Mandan and Valley City, N. D., serving a population of over 19,000. Gas sales in 1925 totaled 32,860,000 cu. ft.; for the 10 months to Dec. 31, 1926, 29,786,000 cu. ft.; year ended Dec. 31, 1927, 40,991,000 cu. ft.

CAPITAL STOCK

Authorized, $200,000 Common and $300,000 7% cumulative Pfd.; outstanding, $100,000 Common and $150, 000 Pfd.

Annual Meeting—Fourth Monday in January.

Transfer Agent & Registrar (Pfd. Stock)—First Minneapolis Trust Co., Minneapolis, Minn. Common stock transferred and registered by Company.

Dividends—Initial dividend of 2 1/3% was paid on the Pfd. stock July 1, 1926 to cover the period from March 1 to July 1, 1926; Oct. 1, 1926 to Jan. 1, 1928, 1¾% each quarter; payments J, A, J & O 1.

FUNDED DEBT

$233,000 FIRST MORTGAGE GOLD BONDS, SERIES "A," 6%; DUE MARCH 1, 1946

Dated March 1, 1926.

Interest Payable March and September 1, at First Minneapolis Trust Co., Minneapolis, Minn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—First Minneapolis Trust Co. and A. B. Whitney, Minneapolis, Minn.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $233,000 Series "A" 6s.

Additional bonds may be issued in series, with such distinguishing features with respect to each particular series as the Board of Directors may determine at the time of the original issue of each series. Among other restrictive provisions additional bonds may only be issued for not more than 70% of the cost of permanent extensions and additions to the property, and only when net earnings, as defined in the mortgage, shall be at least twice the interest charges computed on the basis of twelve consecutive months within the preceding fifteen months on all bonds then to be outstanding, including those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest up to Sept. 1, 1936, and thereafter at a premium decreasing ½% each March 1, until maturity.

Sinking Fund—Sinking fund amounts to 5% per annum of the Series "A" bonds outstanding from time to time which fund may be expended for additions to the property against which no additional bonds may be issued or may be used for the retirement of bonds.

Security—A first lien on entire property, now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Shaw, Safford, Putnam and Shaw, Minneapolis, Minn.

Original Offering—First publicly offered ($150,000 Series "A" 6s) in April, 1926, at par and interest, by Minneapolis Trust Co., Minneapolis, Minn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926	†1925
Earnings from operations	$105,595	$75,921	$85,239
Oper. exp. maint., taxes, etc.	82,280	55,801	61,686
Net earnings	$23,315	$20,120	$23,553
Other income	118	1,557	.....
Total income	$23,433	$21,677	.....
Bond interest	12,370	7,500	.....
Other interest	9	1,460	.....
Balance for dividends	$11,053	$12,717	.....
Preferred dividends	7,875	8,750	.....
Surplus for year	$3,178	$3,967	.....

*10 mos. to Dec. 31. †Predecessor companies.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of property less depreciation	$546,278	$433,606
Material and supplies	14,808	10,910
Cash	9,019	7,087
Notes receivable	138	138
Accounts receivable	18,713	13,004
Prepaid items	419	583
Deferred debit items	2,573	1,750
Discount on securities	5,204	655
Deficit	1,256	1,780
Total	$598,408	$469,513
Liabilities—		
Common stock	$100,000	$100,000
Preferred stock	150,000	150,000
Funded debt	233,000	150,000
Advances from affiliated cos.	92,988	50,000
Notes & accounts payable	10,085	8,765
Interest accrued	4,660	3,000
Customers' deposits	.....	2,088
Taxes and other liabilities	7,677	5,363
Other reserves	.....	297
Total	$598,408	$469,513

Officers: Frank E. Ployhar, Pres., Valley City, N. Dak.; James Trimble, V-P., Treas. & Gen. Mgr., Bismark, N. D.; Frederic R. Abbe, Sec., Minneapolis, Minn.

Directors: Frank E. Ployhar, Valley City, N. Dak.; James Trimble, Bismark, N. Dak.; Justus F. Lowe, Fred W. Putnam, Frederic R. Abbe, Minneapolis, Minn.

General Office, Bismark, North Dakota.

THE CINCINNATI STREET RAILWAY COMPANY

History and Property—Organized in July, 1880, in Ohio as a consolidation of five local transportation companies. On February 21, 1901, it leased its property to The Cincinnati Traction Company, which operated it until October 31, 1925. On November 1, 1925, it purchased from its lessee all of its rights and interests in the property accruing by virtue of the lease, effected a cancellation of the lease and resumed the active operation of its own property. On April 1, 1926, it purchased the property of The Cincinnati & Hamilton Traction Company for $1,000,000 in stock at par. In June 1926, it purchased the tracks of The Cincinnati, Milford & Blanchester Traction Company running from Cincinnati to Milford, Ohio.

The Company owns and controls 278.61 miles of single track and operates 614 motor passenger cars, 60 trailer passenger cars, 121 service cars and 80 motor coaches.

Franchises—Property is now operated in the City of Cincinnati under a service-at-cost franchise for 25 years from Nov. 1, 1925. Under the terms of this franchise, fares are to be automatically adjusted from time to time to cover operating expenses, taxes, depreciation and fixed charges, including a return on capital stock, amounting to 5% per annum during the first three years and thereafter to 6% per annum. The franchise gives the City the right to control the operation of the property in all respects so long as such control is exercised in such manner as to assure the return on capital. The City has the right at the end of each year to purchase the Company's properties for an amount equal to the aggregate of its then outstanding capitalization consisting of the original $28,000,000, recognized when the franchise went into effect, and additional capitalization issued with the approval of the City and the Public Utilities Commission of Ohio.

The Company has also a 25-year franchise in the City of Norwood, covering the operation of street cars in that city. This franchise is modeled on the Cincinnati franchise.

Motor Coaches—Franchises have also been granted to the Company by the Cities of Cincinnati and Norwood and the village of Cheviot covering the operation of motor coaches.

COMPARISON OF PASSENGERS

	Passengers Revenue	Transfers	Free
1921	106,527,759	34,904,917	1,527,297
1922	107,528,666	34,765,044	1,399,018
1923	108,625,599	34,066,858	1,297,290
1924	100,839,343	32,706,502	1,319,318
1925	90,629,875	30,832,130	1,309,845
1926	93,597,745	30,249,522	1,465,801
1927	100,822,449	31,612,568	1,553,513

CAPITAL STOCK

Authorized, $25,000,000; outstanding, Dec. 31, 1927, $23,761,950; par, $50.

Transfer Agent—Stock transferred at Company's office.

Registrar—The Central Trust Company, Cincinnati, Ohio.

Annual Meeting—Last Wednesday in January.

Dividends—Under the terms of the lease to the Cincinnati Traction Co. 6% dividends were paid on the stock to Oct. 1, 1925; payments quarterly, J, A, J & O 1. Under present franchise Company is allowed a return of 5% a year on its capital stock for the first three years of the franchise and 6% thereafter. On January 2, 1926, a dividend of 66 2-3 cents a share was paid, which was at the rate of 6% for the month of October and 5% for the months of November and December, the latter being the first two months of operation under

MEMBERS:
New York Stock Ex.
Cincinnati Stock Ex.
Detroit Stock Ex.
New York Cotton Ex.
Chicago Board of Trade
New York Curb Market

We specialize in the securities of
The Cincinnati Street Railway Co.
W. E. HUTTON & COMPANY
ESTABLISHED 1886

OFFICES:
60 Broadway, New York
1st Nat'l Bk. Bldg., Cinn.
Penobscot Bldg., Detroit
Mutual Home Building, Dayton, O.
Phoenix Hotel, Lexington, Ky.

the new franchise; the annual dividend rate at the present time on the stock is $2.50, under the service-at-cost plan, payable quarterly (62½ cents), J, A, J & O 1.

Listed—Cincinnati Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	51	39	39⅜	35⅛	35⅛	41	39⅞	44½
Low	38⅜	32	31¾	26⅝	25¾	31¾	33	37¼

FUNDED DEBT

$7,000,000 FIRST MORTGAGE GOLD BONDS, SERIES "A" 5½%; DUE APRIL 15, 1952

Dated April 15 1927.

Interest Payable April and October 15, at Guaranty Trust Company, New York, or at The Central Trust Co. in Cincinnati.

Denominations—Coupon $500 and $1,000; principal may be registered, and fully registered bonds of $1,000, $5,000 and multiples of $5,000; interchangeable.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized amount not limited; issued, Series A, $7,000,000. Additional bonds, either of Series A or of other series may be issued (a) par for par to refund bonds previously issued under the mortgage and not retired by sinking fund, and also the equipment trust certificates now outstanding (b) for a principal amount of $2,500,000 on account of property in existence April 15, 1927, and not conditioned upon future property additions thereto, and (c) for a principal amount which, together with prior liens assumed or created on property additions, shall not be in excess of 75% of property additions, provided, with respect to all bonds proposed to be issued under (b) and (c), that net earnings after depreciation for twelve consecutive months out of the preceding fifteen, shall have been at least twice aggregate interest and rental requirements, all as defined in the mortgage. In determining the amount of bonds which may be issued under (c) above property and equipment on which prior liens are outstanding or which represent fixed additions to property may not be included in excess of 30% of the total mortgaged property all as measured in terms of cost or value and as defined in the mortgage.

Purpose of Issue—Proceeds of these bonds were to be used to retire $4,500,000 First Mortgage 6% Notes outstanding, to reimburse the Company for capital additions theretofore made, and to provide funds for further additions and other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date at 105 and interest on or before Oct. 15, 1932, and thereafter at ¼ of 1% less for each year or fraction thereof expired subsequent to Oct. 15, 1932.

Sinking Fund—A cumulative sinking fund of 1% per annum is provided for the retirement of Series A Bonds. If by Nov. 1, 1940, the franchise has not been extended to Nov. 1, 1960 or a later date, the Company will be required, as long as no such extension has been made, to increase the sinking fund payments sufficient to provide for the retirement of all Series A bonds by the expiration of the franchise or the maturity of the bonds, whichever shall be the earlier.

Maintenance Provisions—At intervals of three years or more subsequent to April 15, 1930, the Trustee may, and if requested by holders of 10% of the outstanding Bonds shall, appoint an independent engineer approved by the Company who shall inspect the mortgaged property and report to the Trustees whether or not it is being properly maintained. In case he finds any under-maintenance, he shall submit to the Trustee estimates of the total maintenance expenditures required during each of the next three calendar years to correct this condition. These estimates the Company will be required to incorporate in its budgets under the franchise, and if any part thereof is disallowed by the City's Director of Public Utilities, the Company shall exercise its right of arbitration as to the amount disallowed and shall appoint as its representative on the Board of Arbitration the aforesaid engineer.

Security—Secured by a direct first mortgage on all fixed property and all equipment owned by the Company, except about one-third of its railway cars, and on these the mortgage has a lien subject to the $512,500 outstanding equipment trust certificates. With the consent of 80% of the outstanding bonds (excluding any bonds held by the Company), the Company may make changes in the mortgage, provided such changes do not modify the terms of payment of principal and interest of any of the bonds or provide for the creation of any prior lien not permitted by the terms of the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York (for the Bankers) and Taft, Stettinius & Hollister, Cincinnati (for the Company).

Original Offering—First publicly offered ($7,000,000) in April, 1927 at 100 and interest to yield 5½% by Guaranty Company of New York and W. E. Hutton & Co., Cincinnati.

EQUIPMENT TRUST OBLIGATIONS ASSUMED BY COMPANY, NOVEMBER 1, 1925

(The two issues of Notes described below were originally issued by The Cincinnati Traction Company, and were assumed by The Cincinnati Street Railway Company as of Nov. 1, 1925, the date when the latter resumed operation of its property, the change of trust being accepted by the trustee.)

(1)

$150,000 THE CINCINNATI TRACTION CO. 6% EQUIPMENT TRUST GOLD NOTES, SERIES "G1"; DUE $50,000 SEMI-ANNUALLY TO APRIL 1, 1929, INCLUSIVE

Dated April 1, 1919.

Interest Payable April and Oct. 1, at The Fifth Third Union Trust Company, Cincinnati, Ohio, Trustee. Coupon, $1,000; principal may be registered. Original issue, $1,000,000 of which $850,000 retired to Dec. 31, 1927. Secured on 105 double truck closed motor cars complete, valued at $1,250,000. The title to equipment remains with Trustee until all these certificates have been paid off. The Fifth-Third National Bank was the original trustee under this trust but was succeeded by The Union Trust Company (now the Fifth Third Union Trust Co.) of Cincinnati in December, 1923. First publicly offered ($1,000,000) in March, 1919, at prices ranging from $100 to $98.16 and interest, yielding 6% to 6.25%, according to maturities, by Fifth-Third National Bank of Cincinnati, Ohio. Company does not pay Normal Federal Income Tax.

(2)

$362,500 THE CINCINNATI TRACTION CO. 6% EQUIPMENT TRUST GOLD NOTES, SERIES "H1"; DUE $72,500 ANNUALLY TO JULY 1, 1932, INCLUSIVE

Dated July 1, 1922.

Interest Payable Jan. and July 1, at The Northern Trust Co., Chicago, Trustee, or in New York. Denominations, $100 (1931 and 1932 maturities only), $500 and $1,000. Original issue $725,000 of which $362,500 retired to Dec. 31, 1927. Secured on 75 new double truck motor cars, valued at $967,000. Title to the equipment is vested in the Trustee. Subject to call in whole or in part on 30 days' notice at 101 and dividends for certificates having more than five years to run from date of redemption, and at 100½ and dividends for certificates having five years or less to run. First publicly offered ($725,000) in August 1922, at prices to yield from 5.50% to 6.25%, according to maturities, by Halsey, Stuart & Co., Inc., New York, etc. Pennsylvania four mills tax refundable. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Railway operating revenue	$8,748,278	$8,102,517
Railway operating expense	6,332,429	5,846,222
Taxes except Franchise tax	771,369	708,832
Net after taxes	$1,644,480	$1,547,463
Charges:		
Rentals		$25,150
Int. & sinking fund on bonds & notes	$436,043	332,885
Total charges	$436,043	$358,035
Surplus after charges	$1,208,437	$1,189,428
Allowance for return on capital	1,188,098	1,175,364
Surplus or deficiency	$20,339	$14,064

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Investment in property	$37,658,967	$36,381,017	$34,269,158
Securities owned	151,105	114,684	128,900
Other investments	165,281	222,986	68,509
Fare control fund, U. S. Govt. secur.	400,000	400,000	863,670
Spec. deposit (secur. owned)	250,000	265,894	
Cash	95,408	104,535	97,236
U. S. Treasury certificates			536,330
Loans & notes receivable	83,161	79,691	
Misc. accounts receivable	105,753	117,824	150,347
Material and supplies	332,183	338,138	353,743
Int., divds. & rents receiv.	12,069	7,782	4,535
Other current assets	13,319	8,181	7,455
Deferred assets	2,739	3,778	2,292
Unadjusted debits	1,015,011	224,588	130,707
Total	$40,284,996	$38,269,098	$36,612,882
Liabilities—			
Capital stock	$23,761,950	$23,761,950	$22,761,950
Funded debt	7,000,000	4,500,000	4,500,000
Equipment Trust Ctfs.	512,500	788,400	1,064,300
†Loans & notes payable		300,000	
Audited accts. & wages pay.	670,891	579,738	558,987
Misc. accounts payable	1,855	4,369	1,854
Matured divds. & rents unpaid		296,975	
Accrued int. & rents pay.	86,176	51,518	54,164
Deferred liabilities	2,612	2,641	2,539
Tax liability	176,725	24,282	*30,898
Reserve for depreciation, road and equipment	7,207,028	4,729,421	3,426,346
Accrued depre.—equipment	266,049	107,981	
Other unadjusted credits	93,158	99,413	118,139
Surplus	506,052	3,022,410	4,155,501
Total	$40,284,996	$38,269,098	$36,612,882

*Debit. †Loans and notes payable are for money borrowed at bank to pay for additions and betterments and for which the Company was reimbursed when such additions and betterments were capitalized by new financing.

Officers: Walter A. Draper, Pres.; A. Benham, V-P.; J. W. Nicholson, Sec.; Caroline Hein, Asst. Sec.; C. V. Link, Treas.; F. L. Haller, Asst. Treas.; J. B. Stewart, Jr., Gen. Mgr.; Benjamin Frankland, Aud.

Directors: Samuel Assur, George D. Crabbs, Walter A. Draper, Charles W. Dupuis, Jas. P. Orr, John B. Hollister, James M. Hutton, Charles D. Jones, George W. Lewis, George H. Warrington, Wm. H. Lueders, Maurice E. Pollak, Charles P. Taft, Robert A. Taft, Charles F. Windisch.

General Office, Dixie Terminal Building, Cincinnati, Ohio.

ASHLAND HOME TELEPHONE COMPANY

History and Property—Incorporated in 1926, in Del., and acquired the properties of the Ashland Telephone Company of Ashland, Ky., and the Peoples Telephone System of Catlettsburg, Ky., which had been operating in this territory for a period of nearly 30 years. On Jan. 1, 1928, the Company owned and operated 5,379 urban subscribers' stations. Population served, over 30,000.

CAPITAL STOCK

Authorized, 75,000 shares Common stock of no par value; outstanding, 25,000 shares. The Southern Bell Telephone & Telegraph Co. (Bell System) owns 25% of the outstanding stock. Annual meeting in February.

Dividends—In 1927 dividends of 60c per share were paid; payments quarterly J, A, J & O 1.

FUNDED DEBT

$400,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1952

Dated February 1, 1927.

Interest Payable February and August 1, at National City Bank of New York, Harris Trust & Savings Bank of Chicago, or Security Trust Co. of Lexington, Ky.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Security Trust Company, Lexington, Ky.

Provisions of Issue—Authorized, $3,000,000; issued, $400,000 Series "A" 5½s. Under the terms of the mortgage additional bonds of other series may be issued for refunding purposes; and for betterments or the acquisition of new property not to exceed 75% of the cash cost of additional property acquired, and provided further that, except in the cases of bonds issued for refunding purposes, the net earnings of Company after depreciation and taxes (except Federal taxes) available for interest charges, during the period of twelve consecutive calendar months ending not more than 60 days prior to such request for authentication, shall have been not less than two times interest charges during such period on Company's bonded debt outstanding, including interest charges on the bonds proposed to be issued, but excluding interest charges on bonds purchased by the Company and held in the treasury. Such additional bonds may be issued in the future in different series maturing February 1, 1952, and with such interest rates and other provisions as the directors may, from time to time, determine.

Purpose of Issue—Proceeds of the $400,000 Series "A" bonds were used to defray in part the purchase price of the properties acquired.

Callability—Subject to call as a whole but not in part upon three months notice on any interest date at the folowing prices and accrued interest: 105 on or before February 1, 1942; thereafter, on or before February 1, 1947, at 102½; thereafter, on or before August 1, 1951, at 101.

Reserve for Depreciation—Company covenants that it will, during each year this mortgage or deed of trust continues in force, out of its net earnings set aside to its fund known as "Reserve for Accrued Depreciation," an amount equal at least to 5% of its bonded indebtedness then outstanding, and that it will not, against the properties on which said fund must be used, issue any additional bonds, and that said fund will be expended only as authorized by the regulations of the Interstate Commerce Commission.

Security—Secured by a first lien on all the tangible property, rights, and franchises of Company. As of Jan. 1, 1927, Mr. J. E. Jagoe, Appraisal Engineer of the Southern Bell Telephone & Telegraph Co. appraised the real estate, buildings and telephone plant as having a net sound value after depreciation of $690,015.

Legal Opinion—Hunt, Northcutt & Bush, Lexington, Ky.

Original Offering—First publicly offered ($400,000) in February, 1927, at 100 and interest, yielding 5½%, by Security Trust Co., Lexington, Ky.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$218,738	$205,875	$193,400
Operating expenses & taxes	125,972	108,914	102,556
Depreciation	32,675	33,025	26,590
Net earnings	$60,091	$63,936	$64,254
Other income	217		
Total income	$60,308		
Bond interest	20,166		
Other charges	1,151		
Total charges	$21,317		
Net income	$38,991		
Dividends	15,000		
Surplus for year	$23,991		

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$635,965
Other investments	200
Materials and supplies	7,635
Cash	53,427
Accounts receivable	12,655
Discount on securities	22,008
Prepaid insurance	3,190
Other assets	689
Total	$735,769
Liabilities—	
Capital stock	$250,000
Funded debt	400,000
Accounts payable	5,083
Interest accrued	9,167
Reserve for taxes	23,741
Reserve for depreciation	22,746
Reserve for retirement of intangibles	41
Profit and loss surplus	23,991
Total	$735,769

Officers: Thomas A. Combs, Pres., Lexington, Ky.; Leland Hume, V-P., Nashville, Tenn.; J. H. Combs, V-P.; J. D. Van Hooser, V-P. & Treas.; R. L. Northcutt, Sec., Lexington, Ky.; H. E. Clendenen, Aud.; D. Kelly McNish, Gen. Mgr., Ashland, Ky.

Directors: Desha Breckinridge, J. E. Bassett, Leonard G. Cox, Thomas A. Combs, C. N. Manning, R. L. Northcutt, John Skain, John G. Stoll, J. D. Van Hooser, Lexington, Ky.; Paul Blazer, John Russell, Ashland, Ky.; Leland Hume, Nashville, Tenn.; Ben S. Read, Atlanta, Ga.; George B. Martin, Cattlesburg, Ky.; L. K. Webb, Louisville, Ky.

General Office, Lexington, Ky. **Operating Office,** Ashland, Ky.

TELLURIDE POWER COMPANY

History—Incorporated Nov. 12, 1917, in Del., under name of Beaver River Power & Light Co., to carry on a general power business and other allied businesses, and upon its incorporation acquired all property and assets of The Beaver River Power Co., a Colorado corporation. In 1918, by appropriate corporate action, the name of the Company was changed to Telluride Power Co., its authorized capital stock was increased from $400,000 to $1,000,000, a new bond issue was authorized, and it thereupon acquired by purchase all of the property and assets of the Southern Utah Power Co., a Delaware corporation. For later increase in capitalization see below.

Properties—Owns two hydro-electric power plants on Beaver River in Beaver County, Utah, having a total capacity of about 4,000 h.p., together with primary rights to the use of all the waters of that stream for power purposes; also a small hydro-electric plant near Glenwood in Sevier County, Utah; a small hydro-electric plant on Six Mile Creek in San Pete County, Utah, and a small hydro-electric plant on Panguitch Creek in Garfield County, Utah. High tension transmission lines, about 275 miles. Distribution lines about 175 miles.

Territory Served—The company serves directly the towns and cities of Sterling, Mayfield, Fayette, Gunnison, Centerfield, Redmond, Salina, Aurora, Vermillion, Sigurd, Venice, Glenwood, Richfield, Annabella, Central, Elsinore, Joseph, Sevier, Cove, Marysvale, Panguitch, Minersville, Milford, Holden, Fillmore, Meadows, Kanosh, and Sulphurdale, all in South Central Utah; and, through its subsidiaries, Pahvant Power Company and Big Springs Power Company, Delta, Deseret, Oasis, Hinkley, Oak City, Moroni, Fountain Green, Wales, and Levan. It also supplies the agricultural and mining districts adjacent to these towns and cities.

CAPITAL STOCK

Authorized, $1,200,000 Common (increased from $1,000,000 in 1927) and $300,000 7% cumulative Preferred (created in 1927); outstanding, $911,697 Common and $7,500 Preferred; par of Common, $1; par of Preferred, $100.

Dividends—Company paid regular dividends on its Common stock for more than eleven years prior to 1920, also a 25% stock dividend in 1918; 1¼% in 1920; 2½% in 1921; 5% in 1922; 3¾% in 1923; 2½% in 1924; 5% each in 1925, 1926 and 1927. On Preferred stock, 7% was paid in 1927. Dividends on both classes of stock are paid quarterly, J. A, J & O 20.

FUNDED DEBT

$475,000 First Mortgage 6% Gold bonds; dated July 1, 1918; due July 1, 1938; int. Jan. and July 1, at office of Union Trust Co., Cleveland, O. Coupon, $100, $500 and $1,000; principal may be registered. Union Trust Co. and J. P. Harris, Cleveland, O., Trustees. Authorized, $1,000,000, of which $500,000 have been certified, and $475,000 are outstanding. The remaining $500,000 not now certified can only be issued against new property acquired after Jan. 1, 1919, to the extent of 85% of its value and when net earnings for 12 months preceding request for certification equal 1¾ times total interest charges. Subject to call on any interest date at 105 and accrued interest. A first lien on all physical property and assets of the Company now owned or hereafter acquired. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$216,652
Operating expenses & taxes	117,708
Net earnings	$98,944
Deduct:	
Interest on long term debt	$28,500
Miscellaneous interest deductions	2,771
Balance available for dividends and reserves	$67,673

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$1,390,887
Stock and bonds owned	172,000
Other investments	322
Materials and supplies	37,770
Cash	1,731
Notes receivable	30,764
Accounts receivable	41,087
Other current assets	1,367
Unadjusted debits	84
Deferred debit items	108
Total	$1,676,120
Liabilities—	
Common stock	$911,697
Preferred stock	7,500
Funded debt	475,000
Notes payable	125,000
Accounts payable	10,689
Interest accrued	2,099
Dividends accrued	11,527
Other current liabilities	3,230
Reserve for taxes	2,781
Deferred credit items	520
Reserve for depreciation	126,077
Total	$1,676,120

Officers: P. N. Nunn, Pres.; F. C. Noon, V-P.; W. L. Biersach, Treas.; H. R. Waldo, Sec.; H. B. Waters, Gen. Mgr.; J. A. Boshard, Aud.

Directors: P. N. Nunn, H. B. Waters, H. R. Waldo, Salt Lake City, Utah; F. C. Noon, Los Angeles, Cal.; E. P. Bacon, Casper, Wyo.; J. A. Boshard, W. L. Biersach, Provo, Utah.

Offices, Roundy Block, Provo, Utah; Richfield, Utah, and 1306-9 Walker Bank Bldg., Salt Lake City, Utah.

WESTCHESTER FERRY CORPORATION

History and Properties—Incorporated Dec. 1922, under the Transportation Laws of the State of New York, to operate a ferry service between the City of Yonkers, Westchester County, N. Y., and the Borough of Alpine, Bergen County, N. J., on the opposite shore of the Hudson River. The Company is operating two coal burning steam ferry boats, and the installation of the proposed two all-steel, electrically driven ferry boats has been deferred.

CAPITAL STOCK

Authorized, 10,000 Common shares of no par value, and $750,000 8% cumulative Pfd.; issued, 10,000 Common shares, and $540,105 Pfd. The Pfd. stock is callable in whole or in part on any dividend date at $110 and accrued dividends.

Transfer Agent and Registrar—Yonkers Trust Co., Yonkers, N. Y.

Original Offering—The stock was publicly offered early in 1923, in blocks of two shares of Pfd. and one share of Common, at $200 per block.

Legal Opinion (Pfd. Stock)—Barron, Rice & Rockmore, New York.

Dividends—None paid to Dec. 31, 1927.

FUNDED DEBT

As of March 1, 1928 the following mortgages were outstanding: $68,000 6% mortgage due 1933 on Company's terminal at Yonkers, N. Y. and $45,000 5% mortgage due $15,000 annually on boats of Company.

OFFICERS AND DIRECTORS

Officers: Frank R. Pierson, Pres.; Leo E. Schwarzstein, V-P. & Gen. Mgr.; Eugene T. Huberti, Sec. & Treas.

Directors: John J. Walsh, Chairman; Leo E. Schwarzstein, Eugene T. Huberti, Charles D. Millard, Frank R. Pierson, Milton D. Barkann.

General Office, 26 Main St., Yonkers, N. Y.

NORTH CONTINENT UTILITIES CORPORATION

History—Incorporated in November, 1922, in Delaware, as a holding company. Through a subsidiary, Chicago Suburban Gas and Electric Company, controls North Shore Gas Company. Also controls Elk River Power & Light Company, Great Northern Utilities Company, Great Northern Gas Company, Ltd., Great Falls Gas Company. The total population served with gas or electricity is about 150,000. The Company also controls Capital Ice Refrigerating Co., Indianapolis, Ind., and The Denver Ice and Cold Storage Company. Company also controls the William A. Baehr Organization. The Company has acquired a substantial interest in North Shore Coke & Chemical Co. (see appended statement), organized to construct a coke and gas plant at Waukegan, Illinois, whose entire output of gas will be subject to purchase by North Shore Gas Co. under a long term contract.

Management—The management of the North Continent Utilities Corporation and its subsidiary properties is in the hands of the William A. Baehr Organization, Chicago.

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value and $10,000,000 7% cumulative Pfd., par, $100; outstanding, 200,000 shares Common and $2,500,000 Pfd

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is subject to redemption at 105 and dividends on any dividend date, upon 30 days' notice.

Transfer Agents—National City Bank of New York and Central Trust Co. of Illinois, Chicago.

Registrars—Empire Trust Co., New York, and Chicago Trust Co., Chicago.

Annual Meeting—In April.

Public Offering—$1,250,000 Pfd. stock offered in March, 1928, at par by George M. Forman & Co., Inc., New York, and Curtis, Stephenson & Co., Inc., Boston.

Dividends—Pfd. dividends have been regularly paid since issuance in 1922; payments quarterly, J, A, J & O 1. Common dividends not reported.

FUNDED DEBT

$3,500,000 FIRST COLLATERAL LIEN AND REFUNDING GOLD BONDS, SERIES "A," 5½%; DUE JANUARY 1, 1948

Dated, January 1, 1928.

Interest Payable January and July 1, at The National City Bank of New York or Central Trust Company of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Company of Illinois, Chicago.

Provisions of Issue—Issued $3,500,000 Series "A" 5½s. Additional First Collateral Lien and Refunding bonds issuable in varying series, may be issued only for (a) not to exceed 80% of the cost or fair value (whichever is lower) of fundable acquisitions, or against the deposit of cash, provided earnings applicable to bond interest for a period of 12 months out of the preceding fifteen months shall at least equal 1¾ times the aggregate of (1) the annual interest charges on all bonds outstanding under the indenture, including bonds requested to be certified, and (2) the annual interest and/or Pfd. dividend charge on all the controlled companies' funded debt and/or Preferred stock not pledged under the mortgage (except minority Pfd. stock of Chicago Suburban Gas & Electric Co.); (b) par for par against any fundable prior lien or underlying obligation of a subsidiary: retired or deposited with the Trustee as part of the pledged securities and/or the aggregate par value of any fundable Pfd. stock of a subsidiary which may hereafter be acquired and pledged wth the Trustee; (c) par for par to refund bonds of this or any other series issued under the indenture.

Purpose of Issue—Proceeds from the sale of $3,500,000 First Collateral Lien and Refunding Gold bonds, Series "A" were used to retire the $2,000,000 6½% Convertible Sinking Fund Gold Debenture bonds, due Jan. 1, 1942, in reimbursement of expenditures for additions and improvements already made and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on sixty days' notice at 105 and accrued interest up to and including Jan. 1, 1938, the premium decreasing ½% of the principal on each July 1 thereafter.

Sinking Fund—Indenture provides that Corporation will deposit with the Trustee annually beginning Jan. 1, 1929, as a sinking fund, a sum equal to 1% of the aggregate principal amount of all Series "A" bonds at the time outstanding, the monies in such fund to be used either for the retirement of Series "A" bonds outstanding or to reimburse the Corporation for fundable acquisitions not theretofore used, or thereafter usable, as a basis for the issue of bonds.

Security—Secured by pledge with the Trustee of all indebtedness (other than current indebtedness not in excess of current assets) of the controlled companies (except North Shore Gas Company and Capital Ice Refrigerating Company); over 99% of the outstanding Preferred and Common stocks of Great Northern Utilities Company, Elk River Power and Light Company, Capital Ice Refrigerating Company and Denver Ice and Cold Storage Company; 62.29% of the capital stocks of Chicago Suburban Gas and Electric Co. (representing ownership of 62.29% of the Common stock of North Shore Gas Co.); 58.75% of the outstanding Common stock and over 34.95% of the outstanding Pfd. stock of Great Falls Gas Co., and 69% of the outstanding Common stock and over 48% of the outstanding Pfd. stock of Great Northern Gas Co., Ltd.; $1,250,000 par value of the authorized and outstanding $1,500,000 par value 7% cumulative Pfd. stock of North Shore Coke and Chemical Co. Upon the acquisition by Corporation of any minority Common shares of a subsidiary such shares shall forthwith become a part of the pledged securities and deposited with the Trustee.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and will refund upon application, Pennsylvania, California, or Connecticut Personal Property taxes not in excess of four mills per annum, Maryland Securities tax not in excess of four and one-half mills per annum, Kentucky Personal Property tax not in excess of five mills per annum and Massachusetts Income tax not in excess of 6% per annum.

Legal Opinion—Pam & Hurd, Chicago (for the Bankers); Everett L. Millard, Chicago (for the Corporation).

Original Offering—First publicly offered ($3,500,000 First Collateral Lien and Refunding Gold 5½s, Series "A",) in March, 1928, at 97 and interest to yield about 5.75%, by George M. Forman & Co., Chicago.

BOND REDEMPTION

All of the outstanding 6½% Convertible Sinking Fund Gold Debenture bonds, due January 1, 1942, were retired during 1928.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenue	$3,213,178
Operating expense, maintenance & taxes	2,129,124
Balance	$1,084,054
Less subsidiary interest	218,257
Balance	$865,797
Less subsidiary dividends	205,689
Balance	$660,108
Minority interests reserved	78,980
Balance available for divds., int. charges, etc...	$581,128

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Property account	$14,627,763	Common stock	$2,382,800
Investments	1,312,005	Preferred stock	4,393,900
Cash	481,335	Funded debt	5,093,300
Accounts receivable	512,931	Accounts payable	312,339
Materials and supplies	252,061	Notes payable	97,842
Deferred charges	285,811	Accrued items	166,584
Prepaid accounts	29,998	Reserves	2,821,453
		Other liabilities	253,817
		Surplus	1,979,869
Total	$17,501,904	Total	$17,501,904

Officers: W. A. Baehr, Pres., Chicago, Ill.; John C. Thompson, V-P., Oshkosh, Wis.; R. B. Meredith, V-P. & Gen. Mgr.; A. C. Winters, V-P. & Treas.; Wm. B. Baehr, Sec., Chicago, Ill.

Directors: The above and E. L. Millard, A. W. Childs, E. R. Foster, H. V. Plate, G. L. Aiken, G. C. Klopf, Chicago; J. G. Hart, Waukegan, Ill.

General Office, Illinois Merchants Bank Bldg., Chicago, Ill.

CHICAGO SUBURBAN GAS & ELECTRIC COMPANY

(Controlled by North Continent Utilities Corp.)

History—Incorporated Aug. 27, 1912, in Del. Owns entire Common stock of the North Shore Gas Co. of Illinois. (See statement appended).

CAPITAL STOCK

Authorized, $4,000,000 Common and $2,000,000 6% cumulative Pfd.; outstanding, $2,750,000 Common and $1,000,000 Pfd.; par, $100. Stock control is held by North Continent Utilities Corp. Pfd. stock is subject to call at 105 and has preference both as to assets and dividends. Transfer Agent: Central Trust Co. of Illinois, Chicago. Annual meeting, third Monday in August.

Dividends—Dividends on Pfd. formerly paid quarterly, J, A, J & O 1; none paid since early in 1917. No dividends paid on Common.

FUNDED DEBT

None.

Income Account and Balance Sheet—This Company does not make public its financial condition.

Officers: Everett L. Millard, Pres.; W. A. Baehr, 1st V-P.; R. B. Meredith, V-P.; D. S. Boynton, Sec.; A. C. Winters, Treas., Chicago.

Directors: Everett L. Millard, A. Volney Foster, W. A. Baehr, D. S. Boynton, A. C. Winters, W. A. Alexander and R. B. Meredith.

Principal Office, 69 West Washington St., Chicago, Ill.

NORTH SHORE GAS COMPANY

(Controlled by Chicago Suburban Gas & Electric Company)

History and Property—Incorporated July 29, 1908, in Ill., as North Shore Consolidated Gas Co., which was a consolidation of the North Shore Gas Co. and the Winnetka Gas Co.; name changed to present title in Jan., 1912. Furnishes gas to the suburban district north of the City of Chicago, including Waukegan, North Chicago, Lake Bluff, Fort Sheridan, Highwood, Highland Park, Libertyville, Ravinia, Winnetka, Hubbard Woods, Winthrop Harbor, Deerfield, Glencoe, Great Lakes Naval Station, Diamond Lake, Grays Lake, Mundelein, Lake Forest, and Prairie View, Ill. The territory embraces about 275 square miles. Population served, estimated, 100,000. There are approximately 21,427 meters and 411.5 miles of service mains. Capacity of present generating plants, 7,000,000 cu. ft. per day. Also owns 3 gas-holders at Waukegan. Prices, $1.40 gross; $1.35 net.

Gas Contract—See appended statement of North Shore Coke & Chemical Company.

CAPITAL STOCK

Authorized, $3,000,000 Common and $3,000,000 7% Pfd.; outstanding, $3,000,000 Common and $2,566,400 Pfd.; par, $100. Entire issue of Common stock owned by Chicago Suburban Gas & Electric Co. Annual meeting, first Monday in August. Pfd. dividends regularly paid quarterly, J, A, J & O 1. No dividends paid on Common.

FUNDED DEBT

$2,558,000 FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1937

Dated February 1, 1912.

Interest Payable February and August 1, at First National Bank, New York, and Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized issue, $5,000,000. The outstanding bonds were issued to retire two prior issues, amounting to $1,491,000. $339,000 were reserved to provide funds to pay part cost of additional land and new gas generating station, and $320,000 were issued to retire debentures and notes. The $2,442,000 unissued bonds are issuable only at 80% of cost of additional property acquired or constructed after July 1, 1912, at such time if within five years, as the net earnings for the preceding 12 months shall exceed 1½ times on year's interest, and if after five years 1¾ times interest on all bonds outstanding, including those applied for. No dividends may be declared or paid on the common stock unless the net earnings for the preceding 12 months shall have been equal to twice interest on bonds outstanding.

Callability—Subject to call as a whole or in part at 103 and interest on any interest date upon 60 days' notice.

Sinking Fund—Maintenance or sinking fund, beginning, June, 1914, provides that 10% of gross receipts from sales of gas, by-products and residuals be set aside, which must be expended (1) on the property for the purposes for which bonds would otherwise be issuable and in lieu thereof, or (2) expenditures for the maintenance of Company's plants and properties, or (3) the purchase and cancellation of outstanding bonds at or at less than 103 and interest.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Mayer, Meyer, Austrian & Platt, Chicago, Ill.

Original Offering—First publicly offered ($1,491,000) in Jan., 1912, at 97 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,495,651	$1,349,886	$1,207,592	$1,081,043	$989,330	$902,098
Operating expenses and taxes	986,530	930,908	874,639	800,064	766,925	700,066
Net earnings	$509,121	$418,978	$332,953	$280,979	$222,406	$202,032
Interest and other fixed charges	146,473	144,268	143,039	135,524	139,857	143,891
Depreciation	76,699	60,793	48,439	42,271	.....	.....
Total charges	$223,172	$205,061	$191,478	$177,795	$139,857	$143,891
Surplus after charges	$285,949	$213,917	$138,375	$103,184	$82,549	$58,141
Preferred dividends	153,507	106,926	63,905	34,622	§.....	.....
Surplus for year	$132,442	$106,991	$74,370	$68,562	§.....	$58,141
Times Interest Earned	†2.95	†2.48	†2.15	†1.76	1.59	1.40
Earnings Per Share—						
Preferred	$11.14	$11.72	$11.94	$16.03	§.....	.....
Common	4.41	3.57	2.48	2.28	.....	.....

†After depreciation. §Earlier Pfd. dividends not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$8,683,272	$7,893,637	$6,872,880	$6,340,564	$6,022,786	$5,663,646
Other investments	94,826	.....	66,609	.....	.....	.....
Inventories	167,792	116,769	102,046	78,555	110,418	68,064
Accounts receivable	239,614	235,355	194,356	178,966	178,978	159,667
Cash	282,705	202,667	277,503	227,556	92,391	104,953
Prepaid accounts	24,818	4,880	1,447	5,024	4,533	2,392
Sinking fund	.....	.....	.....	8,000	.....	132,249
Deposits	.....	1,943	1,844	.....	1,844	1,744
Deferred charges	101,795	113,402	124,209	133,903	60,298	64,231
Total	$9,594,822	$8,568,653	$7,640,894	$6,972,570	$6,471,248	$6,196,945
Liabilities—						
Preferred stock	$2,556,400	$1,824,900	$1,158,300	$643,700	$310,800	$16,600
Pfd. stock subscriptions	50,638	50,144	38,122	30,539	.....	.....
Common stock	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Funded debt	2,558,000	2,558,000	2,558,000	2,558,000	2,150,000	2,441,100
Notes	29,500	.....	.....	.....	363,000	289,000
Consumers' deposits	139,776	134,360	24,626	51,710	.....	.....
Chicago Suburban Gas & Electric Co.	.....	.....	.....	.....	59,690	55,700
Accrued liabilities	189,852	125,040	228,888	66,594	97,091	70,299
Current liabilities	136,056	121,281	188,108	87,673	134,635	120,172
Reserves	400,058	315,740	134,351	296,882	217,638	122,958
Surplus	524,542	439,588	310,499	237,473	138,393	81,116
Total	$9,594,822	$8,568,653	$7,640,894	$6,972,570	$6,471,248	$6,196,945

Officers: Everett L. Millard, Pres.; W. A. Baehr, V-P.; R. B. Meredith, V-P.; D. S. Boynton, Sec.; A C. Winters, Treas. & Pur. Agt., Chicago; J. G. Hart, Gen. Mgr.; A. R. Gruel, Supt., Waukegan, Ill.

Directors: Everett L. Millard, A. Volney Foster, W. A. Baehr, D. S. Boynton, A. C. Winters, W. A. Alexander and R. B. Meredith.

Office, Waukegan, Ill.

NORTH SHORE COKE & CHEMICAL COMPANY

(Affiliated with North Shore Gas Company)
(Under Management of the William A. Baehr Organization)

History and Property—Incorporated Jan. 17, 1927, in Delaware, to build a gas, coke and by-products plant at Waukegan, Ill., primarily for the purpose of increasing the supply of gas of the North Shore Gas Company to enable it to meet the rapidly increasing demands of its customers. (See statement preceding).

The company's plant will be located on a tract of 42 acres on the Government maintained deep water harbor at Waukegan, Ill., and will be served by the Elgin, Joliet, & Eastern belt line Railroad, connected with practically every railroad system entering the Chicago territory; thus coal supplies can be received and coke shipped either by water or rail. Plant was to start operation April 1, 1928.

Gas Contract—The North Shore Coke & Chemical Company has entered into an irrevocable contract running for a period of twenty-five years with the North Shore Gas Company whereby the North Shore Gas Company has agreed to purchase approximately 3,000,000 cubic feet of gas per day. This contract contains appropriate labor and material clauses providing for increases in price of gas in accordance with increases in labor and material costs and corresponding decreases in the price of gas with decreases of labor and material costs. Based upon present prices for gas as provided in the contract, payments will be due from the North Shore Gas Company at the rate of $657,000 per annum. This contract has been assigned to the Trustee for the benefit of the bonds described below, and the mortgage securing these bonds is subject to this contract.

CAPITAL STOCK

Authorized and outstanding, 200,000 shares Common stock of no par value, and $1,500,000 7% cumulative Pfd. Pfd. stock is subject to redemption. Stock transferred and registered by Company.

FUNDED DEBT

$2,000,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS, SERIES "A;" DUE MARCH 1, 1947.

Dated March 1, 1927.

Interest Payable March and September 1, at Central Trust Co., of Illinois, Chicago, or at The National City Bank of New York.

Denomintions—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Issued, Series "A", $2,000.000. Additional First Mortgage bonds may only be issued to the extent of not to exceed 75% of the cost or fair value (whichever is lower) of new properties or permanent extensions, additions and improvements to the plants and properties of the Company when the net earnings of the Company applicable to bond interest, as defined in the Trust Indenture, for the preceding twelve calendar months ending not more than three months prior to the application for additional bonds shall be equal to at least twice the total annual interest charge on all bonds of this issue then outstanding and in addition, those then proposed to be issued.

Purpose of Issue—Proceeds are being used for the purpose of paying part of the cost of construction of the new gas, coke and by-products plant, the remainder of the estimated cost having been deposited in cash with the Trustee. Any unexpended balance remaining from this issue can be used only for property additions, or to redeem outstanding bonds of this series.

Callability—Subject to call as a whole or in part on any interest date before maturity upon 30 days' notice at 103 and interest to and including March 1, 1937, at 102 and interest thereafter to and including March 1, 1942, and at 101 and interest thereafter prior to maturity.

Sinking Fund—Mortgage provides for semi-annual sinking fund payments beginning Feb. 1, 1929, sufficient on the basis of the initial issue of $2,000,000, to amortize all but approximately $190,000 by their maturity.

Security—Secured by a direct first mortgage on all fixed property now owned by the Company and on the gas, coke and by-products plant proposed to be constructed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will refund, upon timely application, Pennsylvania, California or Connecticut Personal Property taxes not in excess of four mills per annum. Maryland Securities Tax not in excess of four and one-half mills, Kentucky Personal Property tax not in excess of five mills, Massachusetts Income tax not in excess of 6% per annum, to holders resident in those states.

Original Offering—First publicly offered ($2,000,000) in March, 1927, at 100 and interest by George M. Forman & Co., New York, Chicago, etc.

OFFICERS AND DIRECTORS

Officers: W. A. Baehr, Pres.; E. L. Millard, V-P.; W. B. Baehr, Sec.; A. C. Winters, Treas., Chicago, Ill.

Directors: W. A. Baehr, E. L. Millard, W. B. Baehr, D. S. Boynton, A. V. Foster, Chicago, Ill.; R. T. Chambers, New York.

General Office, 231 So. La Salle St., Chicago, Ill.

ELK RIVER POWER & LIGHT COMPANY

(Controlled by North Continent Utilities Corp.)

History and Property—Incorporated July 10, 1925, in Minnesota. Supplies electric service to Elk River, Princeton, Zimmerman and Dayton, Minn., a district just north of Minneapolis. Population served, about 5,000. Owns a hydro-electric generating station at Elk River with steam auxiliary, with total capacity of 1,000 k.w. Miles of transmission lines, about 39.

CAPITAL STOCK

Authorized and outstanding, $100,000; par. $100. Stock control is held by North Continent Utilities Corp.

FUNDED DEBT

$157,300 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE MAY 1, 1945

Called for Payment—These bonds were called for payment on May 1, 1928, at 105 and interest.

Dated May 1, 1925.

Interest Payable May and November 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustees—Central Trust Co. of Illinois, Chicago. Aksel K. Bodholdt, Co-Trustee.

Provisions of Issue—Authorized amount, unlimited; outstanding, Series "A", $157,300. Indenture provides for issuance of bonds to refund equal amounts of bonds issued under mortgage or prior liens on property hereafter acquired. Additional bonds may also be issued for 80% of the cost or value of additions, improvements or extensions less prior liens thereon, of any, provided earnings applicable to bond interest for twelve consecutive months within fifteen calendar months preceding equal 1¾ times annual interest charges on all bonds outstanding and to be issued.

Callability—Subject to call on any interest date on 30 days' notice at 105 to May 1, 1930; at 104 to May 1, 1935; at 103 to May 1, 1940 and at 102 thereafter.

Maintenance and Improvement Fund—Indenture provides for an improvement, maintenance and depreciation fund of 10% of gross earnings.

Security—Secured by direct first mortgage on entire property now owned or hereafter acquired.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Earnings from operations	$54,074	$50,104	$44,338
Operating exp., taxes, etc.	28,923	30,122	28,482
Net earnings from oper.	$25,151	$19,982	$15,856
Other income	1,085	606	579
Total income	$26,236	$20,588	$16,435
Deductions:			
Bond interest	$9,438	$9,438	$8,428
Other deductions	1,692	1,757	1,081
Total deductions	$11,130	$11,195	$9,509
Net income	$15,106	$9,393	$6,925

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$265,510	$261,236	$258,832
Materials and supplies	1,571	1,904	1,779
Cash	8,661	8,626	2,880
Accounts receivable	5,068	5,162	5,279
Other current assets	150	150	150
Unadjusted debits	367	719	52
Deferred items	28,772	30,464	27,648
Inter-company charges	31,018	16,869	17,364
Reserves	2,937	1,324	.....
Total	$344,054	$326,453	$313,983
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Funded debt	157,300	157,300	157,300
Accounts payable	2,212	1,301	2,434
Other current liabilities	1,345	1,239	4,158
Reserve for taxes, etc.	5,271	4,976	5,396
Reserve for depreciation	36,942	33,942	31,807
Surplus	40,984	27,694	12,887
Total	$344,054	$326,453	$313,983

Officers: W. A. Baehr, Pres.; R. B. Meredith, V-P.; A. C. Winters, V-P. & Treas.; W. B. Baehr, Sec., Chicago, Ill.; L. G. Nelson, Mgr., Elk River, Minn.

Directors: R. B. Meredith, A. C. Winters, W. A. Baehr, Chicago, Ill.

Offices, Illinois Merchants Bank Bldg., Chicago, Ill. and Elk River, Minn.

GREAT FALLS GAS COMPANY

(Controlled by North Continent Utilities Corp.)

History—Incorporated Feb. 11, 1909, in Mont. Operations commenced in November, 1909. Franchise extends for thirty-three years from Jan. 21, 1908. New gas rates approved by Montana Public Service Commission effective July 1, 1922; First 10,000 cu. ft., $1.95 per 1,000 gross; second 10,000 cu. ft., $1.75 gross; next 30,000 cu. ft., $1.55 gross; all above 50,000 $1.30 gross. Discount, 10% on first 10,000 cu. ft. and 10 cts. per 1,000 cu. ft. on remainder. Minimum bill, $1.00 per month; prepay meters, $1.80 per 1,000 cu. ft. Supplies gas to Great Falls, Mont., serving a population of 25,000. Miles of mains, 39.88. No. of meters, 4,161.

GAS SALES
(M. cu. feet)

1920	61,362	1924	68,792
1921	66,533	1925	67,958
1922	70,292	1926	69,043
1923	70,792	1927	77,699

CAPITAL STOCK

Authorized, $350,000 Common and $750,000 7% cumulative Preferred; outstanding, $350,000 Common and $249,400 Preferred; par, $100. Stock control is held by North Continent Utilities Corp. Annual meeting in February. Preferred dividends are paid semi-annually, January and July 1. None paid on Common.

FUNDED DEBT

$378,000 First Mortgage Gold 6s; dated May 1, 1916; due May 1, 1936, but called for payment on May 1, 1928, at 103 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$139,456	$126,413	$121,885
Operating expenses & taxes	92,719	95,843	88,517
Net earnings	$46,737	$30,570	$33,368

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,064,876	$952,962	$931,430
Securities owned	11,500	2,800	4,100
Materials and supplies	32,771	31,272	22,251
Cash	18,568	13,181	14,257
Current accounts	41,385	23,055	14,356
Deferred charges	34,281	26,814	22,128
Prepayments	168	200	230
Total	$1,203,549	$1,049,884	$1,008,753
Liabilities—			
Common stock	$350,000	$350,000	$350,000
Preferred stock	249,400	229,400	229,400
Funded debt	378,000	331,500	335,000
Current liabilities	86,446	45,201	40,328
Accrued liabilities	9,895	6,873	6,594
Inter-company accounts	121,308	82,577	44,103
Depreciation reserve	2,960	2,933	2,620
Surplus	5,540	1,400	708
Total	$1,203,549	$1,049,884	$1,008,753

Officers: Wm. A. Baehr, Pres.; R. B. Meredith, V-P.; W. B. Baehr, Sec.; A. C. Winters, Treas., Chicago, Ill.; A. H. Sikes, Gen. Mgr., Great Falls, Mont.

Directors: W. A. Baehr, W. B. Baehr, A. C. Winters, R. B. Meredith, A. W. Childs, Chicago, Ill.

Offices, Illinois Merchants Bank Bldg., Chicago, Ill., and Great Falls, Mont.

GREAT NORTHERN GAS COMPANY, LTD.

(Controlled by North Continent Utilities Corp.)

History and Property—Incorporated under laws of Province of Ontario. Furnishes gas service in Sault Ste. Marie, Ontario, Canada. Miles of mains, 26.84 No. of meters, 956. Output in 1927, 35,850,000 cu. ft., compared with 23,130,800 cu. ft. in 1926.

CAPITAL STOCK

Authorized, $100,000 Common and $600,000 cumulative Pfd.; outstanding, $100,000 Common and $51,400 Pfd.; par of both issues, $100. Stock control is held by North Continent Utilities Corp. Stock transferred and registered by Company. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Earnings from operations	$42,195	$28,031	$19,707
Oper. expenses, taxes, etc.	26,796	23,505	22,232
Net earnings from oper.	$15,399	$4,526	*$2,525
Other income	6,277	5,314	4,341
Total income	$21,676	$9,840	$1,817
Miscellaneous int. charges		13,296	11,349
Deficit	$21,676	$3,456	$9,532

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$370,489	$352,597	$319,246
Materials and supplies	5,168	6,751	11,074
Cash	5,403	8,247	7,076
Accounts receivable	13,039	11,536	6,330
Other current assets	394	64	
Unadjusted debits		225	328
Deferred items	1,120	1,254	1,390
Deficit		1,189	
Total	$395,613	$381,863	$345,444
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Preferred stock	51,400	51,400	51,400
Notes payable	1,500	4,007	1,772
Accounts payable	4,844	11,744	10,536
Other current liabilities	1,540	1,005	688
Reserve for taxes	519		3,500
Unadjusted credits	783	4,966	385
Reserve for depreciation	1,588	2,194	2,194
Inter-company charges	230,773	206,547	172,702
Surplus—appropriated	2,666		2,266
Total	$395,613	$381,863	$345,444

Officers: W. A. Baehr, Pres.; R. B. Meredith, V-P. & Gen. Mgr.; A. C. Winters, V-P. & Treas.; W. B. Baehr, Sec.; A. W. Childs, Aud., Chicago, Ill.

Directors: W. A. Baehr, R. B. Meredith, A. C. Winters, E. R. Foster, W. B. Baehr, G. L. Aiken, Chicago, Ill.; W. C. Franz, P. T. Rowland, Sault Ste. Marie, Ont., Canada; J. D. Jones.

Offices, Illinois Merchants Bank Bldg., Chicago, Ill., and Sault Ste. Marie, Ontario, Canada.

GREAT NORTHERN UTILITIES COMPANY

(Controlled by North Continent Utilities Corp.)

History and Property—Incorporated in Montana. Furnishes gas and electric service to Shelby, Mont. Miles of distribution lines, 31. Miles of gas mains, 6.47. No. of meters: Electric, 426; gas, 485. Output in 1927: Electricity, 489,485 k.w.h.; gas, 129,434,000 cu. ft.

CAPITAL STOCK

Outstanding, $250,025 Common and $151,500 Pfd. Stock control is held by North Continent Utilities Corp.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$105,779	$90,251
Operating exps., taxes, etc.	75,523	59,566
Net earnings	$30,256	$30,685
Other income	1,321	2,251
Total income	$31,577	$32,937
Interest charges	7,965	8,384
Net income	$23,612	$24,552

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties	$518,667	$512,159
Materials and supplies	6,006	6,175
Cash	3,433	3,506
Accounts receivable	22,569	21,686
Other current assets	227	289
Unadjusted debits	446	362
Deferred items	2,769	11,663
Total	$554,117	$555,839
Liabilities—		
Common stock	$250,025	$250,025
Preferred stock	151,500	151,500
Notes payable	.....	750
Accounts payable	7,677	9,448
Other current liabilities	2,963	8,140
Deferred credits	395	250
Reserve for depreciation	12,279	7,290
Inter-company items	110,818	117,063
Surplus	18,460	11,373
Total	$554,117	$555,839

Officers: W. A. Baehr, Pres.; R. B. Meredith, V-P.; A. C. Winters, V-P., Sec. Treas. & Aud., Chicago. Ill.; A. H. Sikes, Gen. Mgr., Great Falls, Mont.

Directors: W. A. Baehr, R. B. Meredith, A. C. Winters, A. W. Childs, G. L. Aiken, Chicago, Ill.

Offices, Illinois Merchants Bank Bldg., Chicago, Ill., and Shelby, Mont.

ST. FRANCOIS COUNTY RAILROAD COMPANY

History and Property—Incorporated Oct. 21, 1910, in Mo., with 50-year charter; successor to St. Francois County Ry., sold under foreclosure Aug. 22, 1910. Franchises expire 1954 to 1960. Line of road: De Lassus via Farmington to Esther, 9.88 miles; sidings, etc., 2.24 miles; total track, 12.12 miles, of which 9 miles are on private right of way. Gauge, standard. Rails, 60 lb. T. Operated by overhead trolley. Motor cars, closed passenger, 3; freight, 1; non-motor, freight and other, 1. Power house, 1; engines to generate power, 2.

CAPITAL STOCK

Authorized, $300,000; outstanding, $125,000; par, $100. No dividends paid. Annual meeting, second Tuesday in March.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$38,617	$35,681	$40,385
Oper. exp., taxes & dep.	39,397	32,362	43,480
Net earnings	*$780	$3,319	*$3,095

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$131,400	$364,471	$366,701
Materials and supplies	11,572	6,346	5,611
Cash	2,895	9,549	.....
Accounts receivable	563	1,868	.....
Notes receivable	10,000	.....	.....
Unadjusted debits	1,741	100	.....
Insurance paid in advance	447	394	.....
Profit and loss deficit	13,353	.....	.....
Total	$171,971	$382,728	$372,312
Liabilities—			
Capital stock	$125,000	$125,000	$125,000
Accounts payable	4,642	6,262	.....
Unadjusted credits	21	15	.....
Reserves for deprec., etc.	42,308	40,556	37,448
Profit and loss surplus	.....	210,895	209,864
Total	$171,971	$382,728	$372,312

Officers: M. P. Cayce, Pres., Farmington, Mo.; C. H. Giessing, V-P. & Gen. Mgr.; G. B. Snider, Sec.; F. W. Schramm, Treas.; W. E. Hogenmiller, Aud., Farmington, Mo.

Directors: M. P. Cayce, C. H. Giessing, G. B. Snider, C. E. Rozier, F. W. Schramm, W. R. Lang, D. F. Giessing, Farmington, Mo.

Office, Farmington, Mo.

LEVIS TRAMWAYS COMPANY

History and Property—Incorporated in March, 1919, in Quebec, with perpetual charter and all the rights and privileges of the Levis County Ry. and The Levis County Ry. Co. Property was purchased on Dec. 22, 1924, for $1,115,000, payable in $615,000 7% 10-year Income bonds and $500,000 Common stock of the Levis Tramways Company. The income bonds were delivered to holders of Receiver's Certificates of a like principal amount outstanding and 5,000 shares of stock were delivered to the bondholders of the Levis County Ry. in exchange for $500,000 First Mortgage bonds. Former franchises revised and renewed or new for a further period of 20 years after 1926. Owns and operates electric line of 11¼ miles extending through the town of Lauzon, the village of Bienville, the city of Levis, the town of St. Romauld to the Quebec Bridge, following the St. Lawrence east and west opposite Quebec City. Gauge, standard; rail, 60 lbs.; cars, 22. Population served, about 20,000, not including Quebec City.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Annual meeting, third Wednesday in October. No dividends paid.

FUNDED DEBT

$615,000 FIRST MORTGAGE INCOME 7% BONDS; DUE DEC. 31, 1954

Dated January 1, 1925.

Interest Payable January 1, at Levis, Que.

Trustee—Warren K. Hale.

Provisions of Issue—Authorized, $1,000,000; outstanding, $615,000.

Callability—Not subject to call.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all properties of the Company.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$161,978	$149,720	$139,406
Operating expenses	112,773	106,492	101,849
Taxes	1,440	1,957	1,989
Net earnings	$47,766	$41,271	$35,568
Other income	2,722	2,428	1,052
Total income	$50,488	$43,699	$36,620
Bond interest	24,600	18,450	6,150
Reserve for bad debts	186	.....	.....
Reserve for depreciation	21,310	19,703	29,537
Reserve for liability ins.	5,000	5,000	.....
Total charges	$51,096	$43,153	$35,685
Surplus for year	*$608	$546	$935

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed assets	$837,544	$837,544	$837,544
Cash	14,578	11,462	5,871
Accounts receivable	9,449	14,193	15,312
Stores	29,336	28,113	25,981
Depreciation fund	25,800	25,400	25,000
Prepaid expenses	6,386	5,977	3,244
Goodwill, franchises, etc.	276,399	276,399	276,399
Total	$1,199,492	$1,199,088	$1,189,351
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	615,000	615,000	615,000
Accounts payable	11,083	9,713	8,477
Accrued taxes	.....	608	283
Accrued bond interest	.....	.....	6,150
Reserve for bad debts	100	100	100
Reserve for depreciation	61,533	66,210	57,156
Insurance reserve	10,000	5,000	.....
Surplus	1,775	2,457	2,185
Total	$1,199,492	$1,199,088	$1,189,351

Officers: Hon. Raoul Dandurand, Pres.; E. A. MacNutt, V-P.; J. W. Brown, Sec. & Treas., Montreal; H. E. Weyman, Gen. Mgr. & Pur. Agt., Levis, Que.

Directors: Hon. Raoul Dandurand, E. A. MacNutt, A. B. Colville, J. A. Ewing, H. P. Thornhill, J. W. Brown, Montreal; E. M. Lennon, Quebec.

Office, Levis, Que., Can.

NEW YORK STATE RAILWAYS

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	Earnings per Share
5% Cumulative Preferred (par $100)	J, A, J & O 1	$3,862,500	$3,862,500	Yes	$308,565	Nil	Nil	$7.99
Common (par $100)	.....	19,997,700	19,952,400	...	115,440	Nil	Nil	0.58

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
(1) Rochester Ry. Consol. 5s	Apr. 1, 1930	A & O 1	$3,000,000	$2,271,000	No	No	Pd. by Co.
(2) Rochester Ry. Second 5s	Dec. 1, 1933	J & D 1	1,500,000	1,500,000	No	....	Pd. by Co.
(3) Utica Belt Line St. R.R. 1st 5s	Nov. 1, 1939	M & N 1	500,000	500,000	No	....	Not pd. by Co.
(4) Utica Belt Line St. R.R. 2d 5s	Jan. 1, 1931	J & J 1	200,000	39,000	No	....	Not pd. by Co.
(5) Utica & Mohawk Vy. Ry. 1st 4½s	Sept. 1. 1941	M & S 1	4,000,000	2,268,000	No	.....	Pd. by Co.
(6) East Side Traction Co. 1st 5s	June 1, 1929	J & D 1	250,000	250,000	No	Yes	Not pd. by Co.
(7) Syracuse Rap. Tr. Co. 1st 5s	Mar. 1, 1946	M & S 1	3,250,000	2,500,000	No	....	Not pd. by Co.
(8) Syracuse Rap. Tr. Co. 2nd 5s	Jan. 1, 1930	J & J 1	750,000	654,000	No	Yes	Not pd. by Co.
(9) New York State Rys. 1st Consols	Nov. 1, 1962	M & N 1	50,000,000	13,457,000-4½s	No	Yes	Pd. by Co.
				3,000,000-6½s	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $26,439,000
Amount Available for Bond Interest in 1927, $2,129,386.
Interest on Bonds in 1927, $1,290,295.
Times Bond Interest Earned in 1927, 1.65.

History—Incorporated March 22, 1909, in N. Y. Took over from Mohawk Valley Co. ownership of certain electric railway properties in New York State, which that company had previously acquired from N. Y. Central & Hudson River R. R. (now New York Central R. R. Co.) On March 22, 1909, the Rochester Ry. Co., the Rochester & Sodus Bay Ry. Co. and the Rochester & Eastern Rapid Ry. Co. were consolidated, forming the New York State Rys.

The Rochester & Eastern Rapid Ry. had previously acquired from New York Central & Hudson River R. R. and Central Ry. Syndicate the entire capital stock of Utica & Mohawk Valley Ry.; practically all the stock of Oneida Ry. Co.; a majority of the stock of the Syracuse Rapid Transit Ry. Co. and 50% of the stock (the other 50% being owned by The Delaware & Hudson Co.) of the Schenectady Ry. Co. and increased its stock from $1,500,000 to $15,290,200 to provide for the purchase.

On Oct. 31, 1912, the Utica & Mohawk Valley Ry., Oneida Ry., Syracuse Rapid Transit Ry. and Rochester & Suburban Ry. Cos. were merged into the New York State Railways.

In 1910 the New York State Railways acquired from the Mohawk Valley Co. the entire capital stock of the Ontario Light & Traction Co. During the year 1917, under authority of the Public Service Commission, the lighting property of the Ontario Light & Traction Co. was sold to the Rochester Railway & Light Co. in consideration of the assumption by that company of all the bonded and other indebtedness of the Ontario Light & Traction Co., the Ontario Light & Traction Co. now owning only railway property, which is leased to the New York State Railways. The earnings of the Ontario Light & Traction Co. since the sale of its lighting property Sept. 30, 1917, consist simply of the rental received from the New York Railways and are returnable to the latter company through its ownership of the entire capital stock of the Ontario company.

On Aug. 28, 1919, under authority granted by the New York Public Service Commission, the Company was permitted to merge into itself, the East Side Traction Co., the entire stock of which had been owned since 1912.

Service-At-Cost Contract—Under date of Aug. 1, 1920, the Company entered into a Service-at-Cost contract with the City of Rochester for a term of 10 years. The base value of the property used in serving the Rochester city lines was fixed by the Board of Appraisers at $19,216,000. The Company is entitled to a return ranging from 6% to 8% on this amount plus the cost of any additions thereto. The present rate of fare in Rochester is 9 cts. cash, or tickets at the rate of 8 1-3 cts. each.

Rate on Utica and Syracuse Lines—The N. Y. Public Service Comm. on Aug. 19, 1926, issued an order granting a fare increase to the Utica lines of Company. Under the order Company is permitted to charge in Utica and adjoining villages a 10c cash fare and 7½c ticket fare. Fare was previously 7c. Effective Feb. 10, 1927, a similar increase in the rate of fare in Syracuse was granted by the Public Service Commission.

Subway Contract—It was announced in the annual report for 1927 that Company had entered into an agreement with the City of Rochester to operate the new Subway Railroad constructed by the City at a cost of upwards of $12,000,000. Under the terms of this contract Company is to provide the necessary rolling stock for passenger and freight service and pay the cost of operation and maintenance, after which any surplus or deficit is to be applied as provided in the existing Service at Cost Contract which governs this service. The City assumes all interest and other fixed charges including taxes. In conjunction with this arrangement, agreements were entered into with the various steam railroads entering the City providing for the movement of freight cars to and from commercial sidings located on the Subway Railroad and also the transfer of freight cars from one railroad to another.

Properties—The New York State Railways operates, in the aggregate, 348.28 miles of lines, comprising the city lines in Rochester, Syracuse, Utica and Oneida, and interurban lines to Sodus Bay, Sea Breeze, Summerville, Canandaigua and Geneva. Franchises, with the exception of a few minor extensions, which are for 50 years, are perpetual. The Company also supplements its trolley service with bus lines in and radiating from each city in which it operates. Company's investment in bus lines amounted to approximately $650,000 on Dec. 31, 1927.

MILEAGE OF SYSTEM, DECEMBER 31, 1927

	Total First Track	Other Main Track	Sidings	Storage	Total All Tracks
Owned—					
Rochester Lines	148.28	72.17	8.69	13.55	242.69
Syracuse Lines	54.01	36.10	1.95	4.77	96.83
Utica Lines	68.27	40.19	2.12	4.30	114.88
Oneida Lines	7.11	3.26	.40	.27	11.04
Total owned	277.67	151.72	13.16	22.89	465.44
Leased—					
Rochester Lines	7.24	4.88	.27	.07	12.46
Utica Lines	9.60	5.08	.42	.29	15.39
Oneida Lines (W.S.R.R.)	44.12	44.11	14.95	....	103.18
Total leased	60.96	54.07	15.64	.36	131.03
Trackage Rights—					
Rochester Lines	9.56	17.09	5.33	....	31.98
Syracuse Lines	.09	.09	....	....	.18
	348.28	222.97	34.13	23.25	628.63

Equipment as of Dec. 31, 1927—Closed motor cars, 349; open cross bench motor cars, 4; semi-convertible motor cars, 382; trailer cars, 49; electric locomotive, 1; express cars, 17; snow plows, 39; sweepers, 26; line and work cars, 93; other service cars, 31—total, 991. There are also 90 passenger busses and 14 freight trucks owned and operated by subsidiary companies.

CAPITAL STOCK

Authorized, $19,997,700 Common and $3,862,500 5% cumulative Pfd.; issued: $19,952,400 Common and $3,862,500 Pfd.; par of both classes, $100. The New York Central R. R. Co. owns $13,604,300 of the Common stock. During 1910, the $4,500,000 2nd Pfd. stock originally authorized was converted into Common stock.

Preferred Stock Provisions—Pfd. stock has preference for assets as well as dividends and cannot be increased without the consent of two-thirds of the holders of such Pfd. stock, and if so increased, holders are entitled to the privilege of taking their proportionate share of such new stock. This stock is redeemable, only as an entirety, at company's option on any dividend date upon thirty days' notice, at 110. It is further provided that, except with the consent of holders of two-thirds of the preferred stock, the bond issue shall be limited, and that not exceeding $5,000,000, except for refunding purposes, shall be issued unless the net income (including proportion of net earning of subsidiary companies, through ownership of stock) is at least 1½ times the amount required to pay dividends, on the first preferred stock, after first deducting all charges, plus interest on any additional bonds desired to be issued.

Transfer Agents—A. W. Stone, Treasurer's office, 466 Lexington Ave., New York, and Fidelity & Columbia Trust Co., Louisville, Ky. (Pfd. only).

Registrars—Guaranty Trust Co., New York, and Citizens Union National Bank, Louisville, Ky. (Pfd. only.)

Annual Meeting—Third Wednesday in February, at Rochester, N. Y.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	50⅜	50¼	58½	....	.....	61	56	54
Low	25	30	51	....	....	55	41	33
Common—								
High	22	28½	44½	27	....	33½	35¼	37
Low	9½	13	21	22	....	33½	17½	10½

Dividends—On Pfd. stock at rate of 5% per annum paid regularly from July, 1909 to April 1, 1918, inclusive; none thereafter until July 1, 1922, when 6¼% was paid; Oct. 2, 1922, 6¼%; Jan. 2, 1923, 11¼%, thus clearing up all arrears of Pfd. dividends. Regular quarterly payments of 1¼% were thereafter made to July 1, 1925; none since; payments J, A, J & O 1. Common dividends at rate of 6% per annum were paid quarterly (Jan. 1, etc.) from July 1, 1910, to Dec. 31, 1913; in 1914, 5%; 1915, 4%; 1916, 4¾%. Dividends at the rate of 4% per annum were paid April 1, 1917 (1%) and July 2, 1917 (1%); none thereafter until Jan. 2, 1923, when 1½% was paid; April 2, 1923, ¾ of 1%, which quarterly rate was paid to Oct. 1, 1923; none since.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1)	Rochester Ry. Co. Cons. Mtge. 5s.....	Due	Apr. 1, 1930
(2)	Rochester Ry. Co. 2nd Mtge. 5s.....	"	Dec. 1, 1933
(3)	Utica Belt Line St. RR. 1st 5s.....	"	Nov. 1, 1939
(4)	Utica Belt Line St. RR. 2nd Mtge. 5s..	"	Jan. 1, 1931
(5)	Utica & Mohawk Valley Ry. 1st 4½s..	"	Sept. 1, 1941
(6)	East Side Traction Co. 1st 5s.....	"	June 1, 1929
(7)	Syracuse Rapid Transit Co. 1st 5s.....	"	Mar. 1, 1946
(8)	Syracuse Rapid Transit Co. 2nd Mtge. 5s	"	Jan. 1, 1930
(9)	N. Y. State Rys. 1st Consol. 4½s.....	"	Nov. 1, 1962
(9a)	N. Y. State Rys. 1st Consol. 6½s.....	"	Nov. 1, 1962

(1)

$2,271,000 ROCHESTER RAILWAY CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE APRIL 1, 1930

Dated April 1, 1890.

Interest Payable April and October 1, at Treasurer's office, 466 Lexington Ave., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $3,000,000. At least $25,000 must be set aside each year for the retirement of this issue.

Security—A first lien on property of the former Rochester Ry. Co., about 50 miles. Assumed by New York State Railways.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	*99¼	97½	97	96	97½
Low	*94	94½	94½	85	83

*Bid price.

(2)

$1,500,000 ROCHESTER RAILWAY CO. (ENTIRE ISSUE) SECOND MORTGAGE GOLD 5s; DUE DECEMBER 1, 1933

Dated December 1, 1893.

Interest Payable June and December 1, at Treasurer's office, 466 Lexington Ave., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Security Trust Co., Rochester, N. Y.

Security—A second lien on property of the former Rochester Ry. Co., about 50 miles. Assumed by New York State Railways.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	89	87	90	93	88
Low	bid	83	88	86	85

(3)

$500,000 UTICA BELT LINE STREET R. R. CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1939

Dated November 1, 1889.

Interest Payable May and November 1, at Treasurer's office, 466 Lexington Ave., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Security—A first lien on property of former Utica Belt Line Street R. R. Co., comprising 8.84 miles of track in Utica, N. Y. Assumed by New York State Railways. These bonds are prior in lien to the Utica Belt Line Street R. R. Co. Second 5s of 1931, the Utica & Mohawk Valley Ry. First 4s of 1941, and New York State Rys. First Consolidated 4½s and 6½s of 1962, bond being reserved under this latter mortgage for retirement of this issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$39,000 UTICA BELT LINE STREET R. R. CO. SECOND MORTGAGE GOLD 5s; DUE JANUARY 1, 1931

Dated January 1, 1891.

Interest Payable January and July 1, at Treasurer's office, 466 Lexington Ave., New York.

Denomination—Coupon, $500; principal may be registered.

Trustee—New York Trust Co., New York.

Security—A second lien on the property formerly owned by the Utica Belt Line St. R. R., 8.84 miles. Assumed by New York State Rys.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(5)

$2,268,000 UTICA & MOHAWK VALLEY RY. CO. FIRST MORTGAGE GOLD 4½s; DUE SEPTEMBER 1, 1941

Dated September 1, 1901.

Interest Payable March and September 1, at Harris, Forbes & Co., New York.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $4,000,000; outstanding, $2,268,000.

Security—A first lien on properties formerly owned by the Utica & Mohawk Valley Ry., 64.5 miles, a second lien on 5.75 miles, and a third lien on 8.84 miles in Utica. Assumed by New York State Railways. These bonds are prior in lien to the New York State Railways First Consolidated 4½s and 6½s, bonds being reserved under this latter mortgage for their retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$250,000 EAST SIDE TRACTION CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1929

Dated June 1, 1899.

Interest Payable June and December 1, at Treasurer's office, 466 Lexington Ave., New York, and First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Union Trust Co., Cleveland, O.

Callability—Subject to call on any interest date.

Security—A first lien on about 6 miles of track in Syracuse, N. Y. Assumed by New York State Railways. These bonds are prior in lien to the First Consolidated 4½s and 6½s, bonds being reserved under this latter mortgage for their retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(7)

$2,500,000 SYRACUSE RAPID TRANSIT RY. CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1946

Dated March 1, 1896.

Interest Payable March and September 1, at Treasurer's office, 466 Lexington Ave., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $3,250,000; issued, $2,500,000; mortgage closed.

Security—A first lien on the lines formerly owned by the Syracuse Rapid Transit Ry. and the People's R. R. Co., about 54 miles. Assumed by the New York State Rys. These bonds are prior in lien to the Syracuse Rapid Transit Ry. Co. Second 5s and to the First Consolidated 4½s and 6½s.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Philadelphia and Cleveland Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	*85	73	88	86	88
Low	*77	70	84	81	78½

*Bid Price.

(8)

$654,000 SYRACUSE RAPID TRANSIT RY. CO. SECOND MORTGAGE GOLD 5s; DUE JANUARY 1, 1930

Dated January 1, 1900.

Interest Payable January and July 1, at Treasurer's office, 466 Lexington Ave., and First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Union Trust Co., Cleveland, O.

Provisions of Issue—Authorized, $750,000; issued, $654,000.

Callability—Subject to call on any interest date.

Security—A second lien on the lines formerly owned by the Syracuse Rapid Transit Ry., and the People's R. R. Co., about 54 miles. Assumed by New York State Rys. These bonds are prior in lien to the First Consolidated 4½s and 6½s, bonds being reserved under this latter mortgage for their retirement.

Tax Provision—Company does not pay Normal Federal Income Tax.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	82	75	88	86	82
Low	bid	65	85½	80	75¼

(9)

$13,457,000 NEW YORK STATE RAILWAYS FIRST CONSOLIDATED MORTGAGE GOLD 4½s, SERIES "A"; DUE NOVEMBER 1, 1962

Dated November 1, 1912.

Interest Payable May and November 1, at Treasurer's office, 466 Lexington Ave., New York.

Denominations—Coupon, (principal may be registered), $1,000; and registered, $1,000, $5,000 and multiples; interchangeable.

Trustee—Security Trust Co., Rochester, N. Y.

Transfer Agent and Registrar—Treasurer of Company, New York.

Provisions of Issue—Authorized issue, $50,000,000. Of the $33,543,000 unissued bonds (which bear a lower rate of interest than 4½%) $10,097,000 are reserved to retire underlying bonds, including $250,000 East Side Traction Co. First 5s; the remaining bonds may be issued only when net income (including net income from securities owned) is equal to at least one and one-half times total interest charges on all bonds (including prior lien bonds) outstanding for twelve consecutive months preceding, plus interest on additional bonds to be issued at par for equipment and extensions, connections, betterments and improvements and additions to property covered by the mortgage at 90% of the cost thereof, or at par for additional property or securities of other companies at actual cost, such property or securities to be subject to the lien of the First Consolidated Mortgage, and appraisement may be required on request of holders of over 25% of the First Consolidated Mortgage bonds.

Callability—Series "A" bonds subject to call as a whole or in part at 105 and accrued interest on Nov. 1, 1913, or on any interest date thereafter, on at least 60 days' notice to holders of registered bonds by mail, and to holders of coupon bonds by publication at least once a week for seven successive weeks.

Security—Secured by a direct first mortgage on approximately 102 miles of railway lines and by a direct mortgage on all the remaining physical property, rights and franchises of the company, subject to divisional closed mortgage bonds. Additionally secured by the deposit of certain stocks of certain subsidiary companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Strong & Cadwalader, New York, and Kernan & Kernan, Utica, N. Y.

Original Offering—First publicly offered ($6,925,000 Series A) on Nov. 1, 1912, at 94% and interest. $5,823,000 additional were offered in March, 1914, at 90 and interest; $709,000 additional in Oct., 1916.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	59½	59¾	68½	69½	69	73⅞	64¾	59½
Low	47¼	49	56	57½	58⅛	61½	46½	44¾

(9a)

$3,000,000 NEW YORK STATE RAILWAYS FIRST CONSOLIDATED MORTGAGE GOLD BONDS SERIES "B" (4½% BONDS WITH 2% EXTRA COUPONS) BEARING 6½% INTEREST; DUE NOVEMBER 1, 1962

Dated November 1, 1912.

Interest Payable May and November 1, at Treasurer's office, 466 Lexington Ave., New York.

Trustee—Security Trust Co., Rochester, N. Y.

Provisions of Issue, Callability and Security—Similiar in all respects to the First Consolidated 4½s, Series "A", described above.

Supplemental Indenture—Interest on these bonds is payable at the rate of 6½% per annum, of which amount interest at the rate of 4½% is secured by the lien of the Fifty-Year First Consolidated Mortgage and under the terms of an indenture dated Nov. 1, 1921, supplemental to the Fifty-Year First Consolidated Mtge., the Company has affixed to the bonds its obligation to pay additional interest at the rate of 2% per annum. This 2% interest obligation is not secured by the Fifty-Year First Consolidated Mortgage, but in the supplemental indenture the Company has covenanted with the Trustee that it will not create

any new mortgage upon any part of the property subject to this mortgage unless such new mortgage expressly shall secure the payment of the additional interest obligation equally and ratably with any indebtedness secured by such new mortgage. Each of these $3,000,000 of bonds bears on its face and back an inscription reading, "Six and one-half per cent. (6½%) series as per additional interest obligation attached to the coupons."

Legal Opinion—Stetson, Jennings & Russell, New York.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($3,000,000) in April, 1922, at 95 and interest, yielding about 6⅞%, by Harris, Forbes & Co., New York and Boston and Harris Trust & Savings Bank, Chicago.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	82	82	90⅞	96	97½
Low	61⅛	60	78¼	85	83

REAL ESTATE MORTGAGES

There were outstanding at Dec. 31, 1927 real estate mortgages amounting to $36,000

STOCKS OWNED, AS OF DECEMBER 31, 1927

Company	Shares Owned	Par Value	Book Value
Schenectady Ry. Co.	20,500	$100	$2,050,000
Ontario Light & Tr. Co.	1,000	100	100,000
Rochester Electric Ry. Co.	1,766	100	179,000
Glen Haven Imprvmt Co.	145	100	14,500
Syracuse Land & Steamboat Co.	100	100	10,347
Syracuse & Valley Land Co.	44½	100	4,450
Onondago County Fair Association	18	33⅓	200
Rochester Ry. Co-ordinated Bus Lines	1,500	100	150,000
Utica Railway Co-ordinated Bus Line	300	100	30,000
East Av. Bus Co. Inc. Pref.	239	100	10,281
East Av. Bus Co., Inc., Common	1,465	5	7,325
Syracuse Railway Co-ordinated Bus Line	500	100	50,000
Rochester Interurban Bus Co.	162½	100	16,250
Darling's Bus Lines, Inc.	1,044	10	10,448
Total			$2,632,801

Depreciation Policy—The policy of the Company in regard to depreciation is to accrue out of its earnings an amount that the management deems sufficient to meet the depreciation and obsolescence of the various units of the property.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Railway operating revenues	$9,879,150	$10,351,484	$10,027,907	$10,358,199	$10,800,517	$10,500,221
Railway operating expenses	7,058,067	7,263,756	7,019,140	7067,945	7,427,178	7,161,370
Taxes	596,566	659,422	695,146	711,305	797,121	705,383
Operating income	$2,224,517	$2,428,306	$2,313,621	$2,578,949	$2,576,218	$2,633,468
Non-operating income	122,956	*37,698	134,190	125,737	79,351	98,966
Gross income	$2,347,473	$2,390,608	$2,447,811	$2.704,686	$2,655,569	$2,732,434
Deductions:						
Interest on bonds	1,290,295	1,292,994	1,303,767	1,308,436	1,311,229	1,257,619
Other interest & deductions	218,087	243,607	203,905	170,043	139,948	177,899
Net income	$839,091	$854,007	$940,139	$1,226,207	$1,204,392	$1,296,916
Appropriations:						
For sinking fund	30,526	31,604	32,664	34,636	34,130	34,740
For depreciation reserve	500,000	325,000	180,000	189,800	281,000	525,647
Balance	$308,565	$497,403	$727,475	$1,001,771	$889,262	$736,529
Preferred dividends	.....	.....	96,562	193,125	193,125	193,125
Common dividends	.....	.....	.....	.....	448,763	299,175
Surplus for year	$308,565	$497,403	$630,913	$808,646	$247,374	$244,229
†Times Bond Interest Earned	1.65	1.66	1.72	1.94	1.92	2.03
Earnings Per Share—						
Preferred	$7.99	$12.88	$18.83	$25.94	$23.02	$19.04
‡Common	0.58	1.52	2.68	4.05	3.49	2.72

*Adjustment of excess of specified return under Service-at-Cost Contract, City of Rochester. †After deducting other interest and deductions, but before appropriations for sinking fund and depreciation reserve. ‡After deducting current Preferred dividend requirements only, and not accumulations.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$53,121,504	$52,721,908	$52,455,425	$51,450,659	$50,987,369	$53,386,132
Sinking funds	109,367	158,950	161,366	232,542	226,394	225,889
Investments	2,632,801	2,632,336	2,641,597	2,545,297	2,408,892	2,358,742
Cash	220,496	218,434	220,875	227,253	197,561	686,427
Special deposits	132,254	129,495	129,495	119,339	118,940	56,155
Loans and notes receivable	799,000	693,500	441,000	275,000	100,000	.....
Accounts receivable	185,925	128,279	104,137	177,372	200,925	110,450
Materials and supplies	813,458	814,125	889,964	764,035	707,199	578,964
Interest and rents receivable	363,600	321,063	344,176	368,360	314,282	313,044
Other current assets	33,307	38,450	41,320	.....	.....	.....
Prepayments	132,288	159,866	138,209	128,183	157,024	151,020
Discount on funded debt	1,542,592	1,586,877	1,631,161	1,675,447	1,719,731	1,734,998
Unadjusted debits	32,179	45,423	31,470	542,709	425,235	330,010
Total	$60,118,771	$59,648,706	$59,230,195	$58,506,196	$57,563,552	$59,931,831
Liabilities—						
Preferred stock	$3,862,500	$3,862,500	$3,862,500	$3,862,500	$3,862,500	$3,862,500
Common stock	19,952,400	19,952,400	19,952,400	19,952,400	19,952,400	19,952,400
Funded debt	26,439,000	26,522,000	26,554,000	26,813,000	26,868,000	26,928,000
Real estate mortgages	36,000	36,000	36,000	36,000	36,000	36,000
Loans and notes payable	1,725,000	1,600,000	1,575,000	550,000	250,000	.....
Audited accounts and wages payable	741,919	781,123	687,473	556,395	694,542	405,329
Accrued interest	346,509	353,811	332,810	321,458	303,021	288,644
Accrued taxes	183,992	241,121	264,764	300,495	320,605	281,029
Paving assessments (not due)	371,481	470,274	610,599	657,245	804,437	890,873
Casualty reserve	216,088	184,619	184,553	.....	10,003	.....
Depreciation reserve	2,467,565	2,249,859	2,364,930	2,461,085	2,433,597	4,339,799
Sinking fund reserve	416,672	386,322	357,393	321,204	261,568	202,437
Other reserves	44,318	18,721	22,377	30,407	26,917	26,450
Other unadjusted credits	175,006	155,336	79,099	121,689	90,780	71,303
Corporate surplus	3,140,321	2,834,620	2,346,387	2,522,318	1,649,182	2,647,067
Total	$60,118,771	$59,648,706	$59,230,195	$58,506,196	$57,563,552	$59,931,831

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$220,496	$218,434	$220,875	$227,253	$197,561	$686,427
Special deposits	132,254	129,495	129,495	119,339	118,940	56,155
Loans and notes receivable	799,000	693,500	441,000	275,000	100,000	.....
Accounts receivable	185,925	128,279	104,137	177,372	200,925	110,450
Material and supplies	813,458	814,125	889,964	764,035	707,199	578,964
Interest and rents receivable	363,600	321,063	344,176	368,360	314,282	313,044
Other current assets	33,307	38,450	41,320	.....	.....	.....
Total	$2,548,040	$2,343,346	$2,170,967	$1,931,359	$1,638,907	$1,745,040
Current Liabilities—						
Loans and notes payable	$1,725,000	$1,600,000	$1,575,000	$550,000	$250,000	.....
Audited accts. & wages payable	741,919	781,123	687,473	556,395	694,542	$405,329
Accrued interest	346,509	353,811	332,810	321,458	303,021	288,644
Accrued taxes	183,992	241,121	264,764	300,495	320,605	281,029
Total	$2,997,420	$2,976,055	$2,860,047	$1,728,348	$1,568,168	$975,002
Net Working Capital	*$449,380	*$632,709	*$689,080	$203,011	$70,739	$770,038

*Debit.

Officers: James F. Hamilton, Pres., Rochester, N. Y.; Walter N. Kernan, V-P., Utica, N. Y.; Benjamin E. Tilton, V-P., Syracuse, N. Y.; H. L. Reichart, Sec. & Treas.; D. A. Byrne, Asst. Treas.; Joseph M. Joel, Asst. Sec. & Gen. Aud.; L. G. Toomey, Aud., Rochester Lines, Rochester, N. Y.; Chester C. Brown, Aud., Utica-Syracuse Lines, Utica, N. Y.

Executive Committee: James F. Hamilton (ex-officio), D. M. Beach, Harold S. Vanderbilt, W. K. Vanderbilt, A. H. Harris, P. E. Crowley, Benjamin E. Tilton.

Directors: A. H. Harris, H. S. Vanderbilt, W. K. Vanderbilt, P. E. Crowley, Norman L. Crowley, Martin J. Alger, W. F. Place, New York; D. M. Beach, James F. Hamilton, Mortimer R. Miller, Rochester, N. Y.; A. C. Fobes, William P. Gannon, Benjamin E. Tilton, Syracuse, N. Y.; W. N. Kernan, Chas. B. Rogers, Utica, N. Y.

Principal Office, 267 State St., Rochester, N. Y.

ROCHESTER ELECTRIC RAILWAY COMPANY

(Controlled by New York State Railways)

History and Property—Incorporated July, 1887, in N. Y. Leased to Rochester Ry. Co. for 50 years from July 1, 1894, at annual rental of 8% on stock, and in addition 25% of gross earnings in excess of $55,000; lease taken over by N. Y. State Rys. when Rochester Ry. Co. was merged therein. Length of line, 4.69 miles; total track, 9.69 miles. Gauge, standard. Rail, 70 lb.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. The New York State Rys. owns $179,000 (89.5% of the stock). Annual meeting, second Tuesday in June.

Dividends—Payments have been as follows: 1905-6, 8.8%; 1906-7, 11.28%; 1907-8, 13.04%; 1908-9, 14.24%; 1909-10, 15.75%; 1910-11, 16.21%; 1911-12, 16.96%; 1913, 16.66%; 1914, 16.50%; 1915, 15.80%; 1916, 13.05%; 1917, 10.63%; 1918, 9.07%; 1919, 8%; 1920, 8%; 1921, 10.3% regular and 20.09% special dividend representing the proportion of receipts held in suspense during the period of litigation between the City of Rochester and the New York State Rys.; 1922, 14.26%; 1923, 15.66%; 1924, 15.26%; 1925, 14.93%; 1926, 15.27%; 1927, 15.14%.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $200,000; profit and loss, $32,525—total, $232,525 representing property investment.

OFFICERS AND DIRECTORS

Officers: James F. Hamilton, Pres.; D. M. Beach, V-P.; H. L. Reichart, Sec. & Treas.; D. A. Byrne, Asst. Treas.; J. M. Joel, Gen. Aud.; L. G. Toomey, Aud., Rochester, N. Y.

Directors: M. J. Alger, P. E. Crowley, A. H. Harris, E. L. Rossiter, W. K. Vanderbilt, H. S. Vanderbilt, W. F. Place, New York; J. F. Hamilton, M. R. Miller, Willis A. Matson, D. M. Beach, H. L. Reichart, Rochester, N. Y.; W. N. Kernan, Utica, N. Y.

General Office, Rochester, N. Y.

AUBURN & SYRACUSE ELECTRIC RAILROAD COMPANY

History and Properties—Incorporated Sept. 30, 1902, in N. Y.; consolidation of Auburn City Ry. and Auburn Interurban Electric R. R. Franchises perpetual. Owns Lakeside Park. Has trackage agreement with New York State Rys. under which its cars enter Syracuse. Lines include the city lines in Auburn, N. Y., and extend from that city to Syracuse. Service was discontinued on Auburn City Lines on and after Oct. 16, 1927, by authority of the New York Public Service Commission. Total track now operated, 53.26 miles. Gauge, standard. Rail, 45 to 90 lbs. T. Passenger cars, 51; express cars, 3; work and service cars, 4; snow plows, 6; sweepers, 2; sub-stations, 3.

CAPITAL STOCK

Authorized, $1,250,000 Common and $750,000 6% non-cumulative Pfd.; outstanding, $1,250,000 Common and $712,000 Pfd.; par, $100.

Voting Trust—A majority of the Common stock was deposited under a voting trust agreement for five years from Dec. 1, 1921. Voting Trustees were: Arthur W. Loasby, F. W. Roebling, Jr., and Edwin Nottingham.

Registrar—Syracuse Trust Co., Syracuse, N. Y.

Annual Meeting—Second Tuesday in March.

Dividends—Dividends on Pfd. have been paid as follows: 1% quarterly Nov. 1, 1904, to Aug. 1, 1905, inclusive; 1¼% quarterly Nov. 1, 1905, to Oct. 1, 1906, inclusive; from Oct. 1, 1906, to July 1, 1914, 1½% quarterly; none since.

FUNDED DEBT

$1,752,000 FIRST AND REFUNDING MORTGAGE GOLD 5s, DUE OCTOBER 1, 1942

Dated October 1, 1902.

Interest Payable April and October 1, at Harris, Forbes & Co., New York.

Interest Default—Interest due April 1, 1926 and subsequently defaulted.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; issued, $1,752,000. Unissued bonds are reserved for future extensions at 75% of cost, but are issuable only when net earnings are twice interest charges.

Callability—Subject to call at 110 and interest on any interest date.

Security—A first lien on all property and franchises now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Protective Committee—The following named agreed to act as a Protective Committee in the interest of First and Refunding Mortgage bondholders under the terms of an Agreement dated April 1, 1926: Charles W. Beall, Chairman; Francis E. Frothingham; A. B. Merrill, with George D. Woods, Sec., 56 William St., New York, and National Bank of Commerce in New York, as Depositary. Holders were requested to deposit their bonds.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$355,563	$445,814	$476,182	$520,228	$594,420	$575,073
Operating expenses, depreciation and taxes	395,869	446,212	447,058	452,430	510,296	487,562
Net earnings	†$40,306	†$398	$29,124	$67,798	$84,124	$87,511
Other income	2,811	2,624	5,451	6,431	7,411	8,629
Total income	†$37,495	$2,226	$34,575	$74,229	$91,535	$96,140
Bond interest	$87,600	$87,600	$87,600	$87,600	$87,600	$87,600
Other interest	2,125	186	660	536	1,025	2,841
Other deductions	164	2,125	2,125	2,125	2,125	2,125
Total charges	$89,889	$89,911	$90,385	$90,261	$90,750	$92,566
Deficit for year	$127,384	$87,685	$55,810	$16,032	*$785	*$3,574
Times Bond Interest Earned	Nil	Nil	0.38	0.81	1.01	1.04
Earnings Per Share—						
Preferred	Nil	Nil	Nil	Nil	$0.11	$0.50
Common	Nil	Nil	Nil	Nil	Nil	Nil

*Surplus. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of property	$3,726,462	$3,726,462	$3,726,462	$3,744,101	$3,725,709	$3,711,915
Stocks owned	51,646	50,139	45,139	20,251	20,251	20,251
Bonds owned				16,888	16,888	17,769
Materials and supplies	34,811	68,287	62,102	63,505	70,084	62,335
Cash on hand	18,772	11,239	22,123	24,501	24,626	44,655
Accounts receivable	8,264	6,151	6,567	4,985	3,935	4,625
Current assets	67,260	65,965	65,095	96,889	111,986	114,993
Unadjusted debits	39,972	46,609	41,782	43,835	47,455	50,440
Deficit	211,090	83,705	.....	.....	.....	.....
Total	$4,158,277	$4,058,557	$3,969,269	$4,019,955	$4,020,934	$4,026,983
Liabilities—						
Common stock	$1,250,000	$1,250,000	$1,250,000	$1,250,000	$1,250,000	$1,250,000
Preferred stock	712,000	712,000	712,000	712,000	712,000	712,000
Funded debt	1,752,000	1,752,000	1,752,000	1,752,000	1,752,000	1,752,000
Notes payable	.....	.....	8,250	8,250	11,000	32,000
Current liabilities	16,184	28,281	40,404	36,368	35,308	30,422
Interest and taxes accrued	197,100	109,969	22,302	22,922	22,976	23,576
Other current liabilities	9,239	5,293	6,799	10,910	16,713	10,437
Depreciation reserve, etc.	221,754	201,014	173,140	167,321	144,721	142,661
Profit and loss surplus	.....	.....	4,375	60,184	76,216	73,887
Total	$4,158,277	$4,058,557	$3,969,269	$4,019,955	$4,020,934	$4,026,983

Officers: T. C. Cherry, Pres. & Gen. Mgr., Syracuse, N. Y.; H. C. Beatty, Sec.; W. K. Zinsmeister, Treas., Syracuse, N. Y.

Directors: F. W. Barker, A. H. Cowie, T. C. Cherry, L. E. Lippitt, H. G. Metcalf, R. S. Messenger, Edwin Nottingham, F. W. Roebling, Jr., H. C. Beatty.

Office, Syracuse, N. Y.

NOVA SCOTIA LIGHT & POWER COMPANY, LIMITED

History—Inc. under special act of the legislature of Nova Scotia in 1914, as Nova Scotia Tramways & Power Co., Ltd. (name being changed to present one in 1928), with authority, among other special powers, to purchase the properties and franchises of the Halifax Electric Tramway Co., Ltd. (see Manual for 1916, page 4459), comprising all street railways, commercial electric light and power and gas properties in the City of Halifax and to acquire water powers, lands, etc., on the Gaspereaux River, 55 miles from Halifax, capable of hydro-electric development of approximately 12,000 horse-power. The organization of the Company was affected on Jan. 7, 1917. The Company operates under franchises which are satisfactory in terms and which in the opinion of counsel are without limit of time. Company does the entire electric light, power and gas business and the entire street railway business in Halifax, Nova Scotia, serving a population of about 57,000.

The street railway system includes 24.38 miles of equivalent single track, the greater part of which is double track. The rolling stock consists of 15 closed cars, 46 Birney Safety cars and several miscellaneous cars and sweepers. The lighting and power distributing system is modern in every respect and adequately covers the city. A central steam station with a capacity of 8,311 electrical horse-power, including a new 4,000 horse-power turbo generator is used as a stand-by plant. Company has secured a contract from the Nova Scotia Power Commission under which it obtains power from the Government hydro-electric plant at St. Margaret's Bay under a thirty-year contract at cost. The Company has erected a gas plant near its power station with daily capacity of approximately 500,000 cubic feet. The distributing system consists of 42.86 miles of mains.

CAPITAL STOCK

Authorized, $3,500,000 Common and $2,500,000 6% cumulative Pfd.; outstanding, $2,510,000 Common and $2,078,800 Pfd.; par, $100.

Recapitalization Authorized—At annual meeting of Company, March 7, 1928, recapitalization of Company was authorized by vote of stockholders, subject to approval of the Provincial Legislature and the Nova Scotia Public Utilities Board. The chief points of the plan are as follows: (1) Calling of $2,250,000 of existing 5% First Mtge. bonds and also of $1,432,500 7% General Mtge. bonds, a total of $3,682,500; (2) cancellation of present Pfd. stock, amounting to $2,078,800, and the issue to the shareholders, in exchange, shares of new no par value Com. stock; (3) cancellation of existing Com. stock, amounting to $2,510,000 of $100 par value, and issuing in exchange, of one share of new no par Com. for each 10 shares of $100 par Com. now held; (4) creation of new First Mtge. bonds on or about June 1, 1928, of $3,500,000 Series "A" bearing 5% interest; (5) creation of 25,000 shares of $100 par ($2,500,000) of new 6% cum. Pfd. stock; (6) creation of 40,000 new shares of no par value Com.

stock; (7) change of name of company to "Nova Scotia Light & Power Co."

Preferred Stock Provisions—Pfd. stock has preference for dividends and in case of liquidation, and dividends are payable without deduction for taxes of any nature imposed by any taxing authority in Canada; it also has equal voting powers with the Common stock.

Transfer Agents—Stock transferred by C. J. Hayes and A. W. Wentzell, at Company's office, Halifax, N. S., at Bankers Trust Co., New York, and The Imperial Trust Co., Montreal, Que.

Registrars—The Eastern Trust Co., Montreal and Halifax, and New York Trust Co., New York.

Annual Meeting—In 1927, on April 19.

Dividends—Dividends on Pfd. stock payable semi-annually Jan. and July 2; the Jan., 1918 (dividend No. 2), payment was deferred, owing to the catastrophe in Halifax; dividends Nos. 3, 4 and 5, for the half years ended June 30, 1918, and Dec. 31, 1918, and June 30, 1919, respectively, have been paid. The Jan., 1920 and subsequent dividends deferred; at Dec. 31, 1927, 18 half-yearly dividends were in arrears.

FUNDED DEBT

(1)

$2,250,000 NOVA SCOTIA TRAMWAYS & POWER CO., LTD. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1946

Called for Payment—These bonds were called for payment on June 1, 1928 at 105 and interest.

Dated December 1, 1916.

Interest Payable June and December 1, at Bank of Montreal, Montreal, New York and London. Both principal and interest payable in Canadian or American funds at option of the holder.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Central Union Trust Co. New York, and The Royal Trust Co., Montreal.

Provisions of Issue—Authorized, $10,000,000. During life of the General Mortgage bonds the First Mortgage bond issue is closed at present outstanding amount. Further bonds may be issued only for 75% of the actual cost of additions and improvements made after June 15, 1915, and only when net earnings are at least double the first mortgage interest charges.

Callability—Subject to call as a whole or in part for sinking fund, at 105 and accrued interest on any interest date upon 60 days' notice.

Sinking Fund—The mortgage provides for an annual sinking fund or improvement fund of 1% of the total bonds issued (first payment due Dec. 31, 1917), the proceeds to be used either for additional properties or improvements, or to purchase or call bonds of this issue at not exceeding 105 and interest.

Security—A direct first lien on all properties now owned or hereafter acquired.

(2)

$1,432,500 NOVA SCOTIA TRAMWAYS & POWER CO., LTD. GENERAL MORTGAGE GOLD 7s, SERIES "A"; DUE APRIL 1, 1952

Dated April 1, 1922.

Interest Payable April and October 1, at The Eastern Trust Co., in Canadian gold coin at Halifax, St. John, Montreal, Toronto, Winnipeg or Vancouver; or at option of the holder, at New York, N. Y., in U. S. gold coin.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Eastern Trust Co., Montreal, Que., and Halifax, N. S.

Provisions of Issue—Issued, $1,500,000, of which $67,500 redeemed to Dec. 31, 1927. A further $2,250,000 par value General Mortgage bonds of any series and bearing such rate of interest and payable in such place or places as the Company may determine, and maturing not earlier than April 1, 1952 are specifically reserved to refund at or before maturity the $2,250,000 First Mortgage 5s, maturing 1946. Additional Mortgage bonds of any series may be issued bearing such rate of interest and payable at such place or places as the Company may determine to the extent of 75% of the fair value or actual cost, whichever is less, of additional property and additions or extensions to the Company's properties or to the properties of the Dartmouth Gas, Electric Light, Heating & Power Co., Ltd., of a permanent nature, and then only when the net earnings of the Company after deduction of operating expenses, maintenance and taxes for twelve consecutive calendar months, within the fifteen calendar months next preceding date of issue, shall have been at least 1½ times the aggregate interest charges on all First Mortgage bonds and General Mortgage bonds then outstanding and proposed to be issued.

Callability—Subject to call in whole, but not in part, except for the sinking fund, on 60 days' notice on any interest date up to and including April 1, 1932, at 110 and interest; thereafter, to and including April 1, 1942, at 105 and interest; thereafter, to and including April 1, 1947, at 102½ and interest; thereafter, at 100 and interest.

Sinking Fund—An annual cumulative sinking fund of 1% of the Series "A" bonds previously certified and delivered became operative April 1, 1924, and will be sufficient to retire by maturity approximately $1,000,000 of the 7% General Mortgage bonds, Series "A", at not exceeding the current redemption prices.

Security—Bonds are a direct obligation of the Company and are secured by a specific mortgage on all properties of the Company, real and immovable, with all buildings and plants and on all rights and franchises, and all bonds, debentures or shares now owned or hereafter acquired, and by floating charge upon all other assets of the Company present and future, subject only to $2,250,000 First Mortgage 5% bonds, due 1946, the mortgage securing which is closed at that amount and for the retirement of which at or before maturity bonds of this issue are reserved.

Legal Opinion—Covert, Pearson & Rutledge, Halifax, N. S., and Ropes, Gray, Boyden & Perkins, Boston (for the company); Victor E. Mitchell, Montreal (for the bankers).

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Electric customers	10,737	10,379	10,071
K.W.H. purch. and generat.	23,903,733	22,157,470	20,900,836
Gas customers	2,516	2,487	2,282
Cu. ft. gas sold	87,853,100	83,047,500	80,690,000
Tramway pass. carried	8,625,119	8,561,459	8,043,803
Car mileage	1,805,304	1,602,811	1,623,206
% oper. exp. to income	63.42	62.05	63.92

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,491,607	$1,438,903	$1,344,099	$1,299,371	$1,393,980	$1,419,471
Operating expenses and taxes	1,054,257	1,003,765	959,371	1,022,237	1,076,282	1,098,785
Net earnings	$437,350	$435,138	$384,728	$277,134	$317,698	$320,686
Interest charges	214,975	216,214	216,925	217,940	218,035	207,648
Balance	$222,375	$218,924	$167,803	$59,194	$99,663	$113,038
Depreciation	137,373	169,186	151,276	42,653	128,000	68,000
Net income	$85,002	$49,738	$16,527	$16,541	*$28,337	$45,038

*Deficit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant, etc.	$5,906,453	$57,764,587	$5,661,873	$5,621,391	$5,602,240	$5,476,455
Unamortized debt, disc. & exp.	2,371,099	2,387,440	2,404,130	2,421,167	2,437,341	2,453,202
Materials and supplies	114,248	113,698	121,939	123,554	124,624	147,208
Advances to and stock held in subsidiary companies at book value	127,393	112,367	.....	.....	.....	.....
Investments	214,675	162,796	217,016	¶126,783	71,758	*69,955
Advance payments	211	324	475	37	333	608
Accounts receivable	83,369	76,911	119,248	124,334	106,351	124,609
Cash	98,954	127,893	82,301	51,864	108,980	166,319
Deficit	174,476	204,024	237,241	237,241	237,241	192,384
Total	$9,090,878	$8,950,041	$8,844,223	$8,706,371	$8,688,868	$8,630,740
Liabilities—						
Common stock	$2,510,000	$2,510,000	$2,510,000	$2,510,000	$2,510,000	$2,510,000
Preferred stock	2,078,800	2,078,800	2,078,800	2,078,800	2,078,800	2,078,800
Funded debt	3,682,500	3,701,000	3,718,000	3,735,000	3,750,000	3,750,000
Accounts payable	140,374	126,023	74,710	74,736	75,678	98,916
Consumers' deposits	31,892	28,078	71,817	66,471	66,724	70,974
Accrued interest and taxes	45,953	43,993				
Suspense	.....	.....	38,195	37,281	44,845	38,032
Operating reserves	32,196	30,386	29,926	25,996	.....	.....
Replacement reserve	569,163	431,761	322,775	178,087	162,821	84,018
Total	$9,090,878	$8,950,041	$8,844,223	$8,706,371	$8,688,868	$8,630,740

*Includes 100 shares of Nova Scotia Tramways & Power Co., Ltd., Common stock. ¶Includes $50,200 Dominion Government bonds and $4,825 Novia Scotia Tramways & Power Co., Ltd. 7% General Mortgage bonds.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$114,248	$113,698	$121,939	$123,554	$124,624	$147,208
Accounts receivable	83,369	76,911	119,248	124,334	106,351	124,609
Cash	98,954	127,893	82,301	51,864	108,980	166,319
Total	$296,571	$318,502	$323,488	$300,252	$339,955	$438,136
Current Liabilities—						
Accounts payable	$140,374	$126,023	$74,710	$74,736	$75,678	$98,916
Consumers' deposits	31,892	28,078	71,817	66,471	66,724	70,974
Accrued interest and taxes	45,953	43,993				
Total	$218,219	$198,094	$146,527	$141,207	$142,402	$169,890
Net Working Capital	$78,352	$120,408	$176,961	$159,045	$197,553	$268,246

Officers: W. H. Covert, Pres., Halifax, N. S.; W. C. Pitfield, V-P., Montreal, Que.; J. F. Lumsden, Mgr.; C. J. Hayes, Sec.; A. W. Wentzell, Treas., Halifax, N. S.

Directors: W. H. Covert, H. E. Mahon, G. MacG. Mitchell, J. McG. Stewart, J. C. McKeen, Dr. E. V. Hogan, Halifax, N. S.; W. C. Pitfield, Dennis Stairs, Montreal, Que.; Frank Stanfield, Truro, N. S.

Office, Halifax, N. S.

SPRINGFIELD CITY WATER COMPANY

History—Incorporated Feb. 10, 1911, in Me.: successor to Springfield Water Co. (see Manual for 1911, page 2357). Owns the entire water works system and serves without competition Springfield, Mo., and vicinity with water for public and domestic purposes. Storage reservoir capacity, 200,000,000 gals. The minimum pumping capacity in lowest drought conditions is 7,500,000 gallons daily against normal requirements of 4,000,000 gals. Franchise perpetual. Population served, 60,000. Miles of mains, about 199. No. of meters, 12,130. No. of consumers, 13,198.

CAPITAL STOCK

Authorized, $800,000 Common and $500,000 (increased from $300,000 in 1925) 7% Pfd.; outstanding, $800,000 Common, $203,500 Pfd. Series "A" and $296,500 Pfd. Series "B"; par, $100. Annual meeting, fourth Monday in January, at Portland, Me.

Dividends—Pfd. dividends are paid quarterly, J, A. J & O 1. Dividends on Common ½% in 1919; 2% in 1920; 2¼% in 1921; 3% in 1922; 4% each in 1923, 1924 and 1925; rate increased to 5% in 1926; 1927, 5%; payments quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$630,500 SPRINGFIELD WATER CO. FIRST MORTGAGE GOLD 5% BONDS; DUE AUGUST 1, 1936

Dated June 1, 1906.

Interest Payable February and August 1, at St. Louis Union Trust Co., St. Louis, Mo., and American Trust Co., Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—St. Louis Union Trust Co., St Louis, Mo.

Provisions of Issue—Authorized, $700,000 (closed), outstanding, $630,500.

Callability—Subject to call at 105.

Sinking Fund—2% of gross income.

Security—A first lien on property of former Springfield Water Co. These bonds underlie Springfield City Water Co. First Refunding 6s, which issue provides for retirement, on or before maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$500,000 SPRINGFIELD CITY WATER CO. FIRST REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE MAY 1, 1944

Dated May 1, 1924.

Interest Payable May and November 1, at Union Safe Deposit & Trust Co., Portland, Me., and Chase National Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Union Safe Deposit & Trust Co., Portland, Me. and St. Louis Union Trust Co., St Louis, Mo.

Provisions of Issue—Authorized issue, unlimited; outstanding, $567,500. Bonds under this mortgage may be issued for 75% of the actual cost of future additions and extensions so long as the First Mortgage bonds are outstanding, and thereafter for 80% of such cost, if net earnings after depreciation are equal to one and three-quarters times the interest charges. Bonds may also be issued at par for refunding the First Mortgage bonds.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date at 103 and interest.

Sinking Fund—An annual sinking fund of 2% of the gross income of the Company has been provided by this mortgage and that securing the First Mortgage bonds for the retirement of funded indebtedness.

Security—Secured by a direct mortgage on the entire property of the Company subject to $630,500 First Mortgage 5% bonds, due August, 1936, to retire which, on or before maturity, bonds under the mortgage are provided.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills tax and Massachusetts income tax up to 6% refunded to holders on proper application.

Legal Opinion—Drummond & Drummond (for the Company), Bradley, Linnell & Jones (for the Bankers).

(3)

$333,500 SPRINGFIELD CITY WATER CO. FIRST REFUNDING MORTGAGE 5% BONDS, SERIES "B"; DUE 1956; NO DETAILS AVAILABLE

OTHER FUNDED DEBT

As of Dec. 31, 1927, the Company had authorized an issue of Five Year 5½% Gold Coupon Notes, subject to the approval as to issue and sale price, of the Public Service Commission of Missouri. Proceeds will be used to pay in part for improvements and extensions made by the Company.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$311,692	$301,337	$295,681	$273,858	$259,000	$243,689
Operating expenses, taxes and depreciation	*143,045	*131,015	*137,679	151,494	150,626	140,253
Net earnings	$168,647	$170,322	$158,002	$122,364	$108,376	$103,436
Interest charges	74,218	64,993	65,596	59,549	52,004	41,139
Other deductions	5,540	5,270	8,339	3,390	.....	2,748
Total charges	$79,758	$70,263	$73,935	$62,939	$52,004	$43,887
Balance for dividends	88 889	100,059	*84,067	59,425	56,370	59,549
Preferred dividends	35,000	35,000	23,645	21,000	21,000	21,000
Common dividends	40,000	36,000	32,000	32,000	32,000	24,000
Surplus for year	$13,889	*$29,059	*$28,422	$6,425	$3,372	$14,549
Times All Interest Earned	*2.20	*2.54	*2.28	2.00	2.00	2.45
Earnings Per Share—						
Preferred	*$17.78	*$20.01	*$16.81	$19.81	$18.46	$19.85
Common	6.73	*8.13	*6.13	4.80	4.42	4.82

*Not including depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of properties	$3,094,514	$2,764,914	$2,616,184	$2,388,815	$2,192,354	$2,035,432
Materials and supplies	43,516	20,581	28,338	23,106	20,482	14,451
Stocks and bonds	8,434	.....	5,574	.....	.....	.....
Insurance fund	.....	8,434	.....	3,880	.....	.....
Sinking fund	8,901	2,771	3,585	2,155	1,515	.....
Cash deposited for coupons	2,564	.....	1,581	780	799	.....
Cash on hand	10,496	12,871	12,973	7,871	16,597	3,930
Accounts receivable	40,654	40,179	37,769	37,193	31,744	23,540
Deferred debit items	75,262	55,998	42,685	28,780	.....	8,439
Prepaid insurance	.....	.....	.....	361	7,072	1,460
Total	$3,284,341	$2,905,748	$2,748,689	$2,492,941	$2,270,566	$2,087,252
Liabilities—						
Common stock	$800,000	$800,000	$800,000	$800,000	$800,000	$800,000
Preferred stock	500,000	500,000	500,000	300,000	300,000	300,000
Funded debt	1,464,000	1,205,000	†1,137,500	1,101,000	897,000	751,000
Notes payable	234,299	120,793	54,878	55,953	55,000	48,000
Maintenance reserve	.....	.....	.....	.....	.....	*1,039
Insurance reserve	.....	6,972	.....	3,176	.....	.....
Accounts payable	9,976	6,582	4,936	9,489	19,613	7,024
Consumers' deposits	8,562	7,690	6,596	5,530	5,007	3,559
Accrued liabilities	29,664	27,506	26,862	25,083	23,104	24,701
Depreciation and other reserves	.....	139,305	128,320	105,870	95,196	85,300
Sinking fund accrued	8,827	2,697	3,512	2,081	1,441	1,929
Coupons outstanding	1,930	2,110	1,432	780	797	*3,255
Deferred credit items	.....	.....	.....	4,148	.....	.....
Profit and loss	227,083	87,093	84,653	79,831	73,406	70,033
Total	$3,284,341	$2,905,748	$2,748,689	$2,492,941	$2,270,566	$2,087,252

*Credit. †Includes $133,000 7% Debenture Notes refunded April 1, 1926, through the issue of a like amount of First Refunding 6s, Series "A."

Officers: Geo. F. West, Pres., Vernon F. West, V-P., Portland, Me.; H. B. McDaniel, V-P. & Treas.; R. L. Pate, Sec., Mgr. & Pur. Agt., Springfield, Mo.

Directors: G. F. West, James W. Coburn, Vernon F. West, Portland, Me.; H. B. McDaniel, W. D. Tatlow, E. Y. Mitchell, R. L. Pate, Springfield, Mo.

Offices, Springfield, Mo., and Portland, Me.

SAN DIEGO ELECTRIC RAILWAY COMPANY

History—Incorporated Nov. 30, 1891, in Cal. Purchased Jan. 30, 1892, San Diego Street Car Co.; Feb. 1, 1898, Citizens Traction Co.; July 1, 1908, the electric division (2.55) miles of the Coronado R.R. Co.; May 27, 1909, South Park & East Side Ry. Co.; and in 1922, the Point Loma R.R. Co. (See 1922 Public Utility Manual, page 2367). Owns 95.88 miles of equivalent single track in San Diego and vicinity, 150 passenger cars, 20 motor coaches and 10 work cars.

CAPITAL STOCK

Authorized and outstanding, $5,000,000; paid in, $4,298,000; par, $100; $1,350,000 owned by J. D. & A. B. Spreckels Securities Co., San Francisco, and $2,948,000 owned by Oceanic Steamship Co. of San Francisco. Annual meeting, third Monday in February.

Dividends—In 1912, 6%; 1913, 8%; Dec., 1914, 6%; none since.

FUNDED DEBT

$498,500 6% GUARANTEED EQUIPMENT TRUST CERTIFICATES, SERIES "A"; MATURING IN ANNUAL INSTALLMENTS, OCTOBER 1, 1928 TO OCTOBER 1, 1934, INCLUSIVE

Dated October 1, 1923.

Dividends Payable April and October 1, at the First Trust & Savings Bank, San Diego, Cal., and the Anglo and London Paris National Bank, San Francisco, Cal.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Trust & Savings Bank, San Diego, Cal.

Provisions of Issue—Issued under the Philadelphia Plan. Issued in part payment for 50 double end, double truck, four motor, electric street cars, costing $865,000, and 10 Fageol safety automobile coaches, costing $85,000,—total cost of equipment, $950,000.

Security—Full title to this equipment is vested in the trustee for the benefit of the certificate holders, and the San Diego Electric Ry. Co. will lease the equipment during the life of the certificates. As additional security for the fulfillment of its obligations under this issue, the San Diego Electric Ry. Co. has executed a second mortgage upon real estate owned by it in San Diego County.

Guaranty—Principal and dividends unconditionally guaranteed jointly and severally by endorsement of the San Diego Electric Ry. Co. and J. D. & A. B. Spreckels Securities Co.

Tax Provisions—Exempt from Personal Property tax in California.

Legal Opinion—Morrison, Dunne, & Brobeck.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,676,501	$1,667,519	$1,608,502	$1,482,832	$1,374,908	$1,379,490
Operating expenses, taxes and depreciation	1,499,937	1,464,201	1,511,713	1,320,534	1,244,827	1,168,328
Net earnings	$176,564	$203,318	$96,789	$162,298	$130,080	$211,162
Other income	104,282	100,571	79,034	58,058	37,143	31,861
Total income	$280,846	$303,889	$175,823	$220,356	$167,223	$243,023
Bond interest	33,128	37,395	103,072	150,625	225,228	174,451
Other interest, rentals, etc.	330,373	347,693	350,153	163,378	22,258	37,255
Total charges	$363,501	$385,088	$453,225	$314,003	$247,486	$211,706
Deficit for year	$82,655	$81,199	$277,402	$93,647	$80,262	†$31,317

†Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of road	$6,584,178	$6,624,749	$6,390,331	$5,709,752		
Cost of equipment	2,180,284	2,045,608	2,127,526	1,187,938	5,464,599	$4,599,440
Other investments	2,419	8,250	27,885	58,671		
Materials and supplies	215,016	258,016	362,812	579,398	896,307	193,479
Cash	1,958,979	1,882,434	1,573,946	39,672	21,550	9,644
Notes receivable	8,620	15,296	638	1,053	.....	.....
Current accounts	9,402	13,931	50,764	38,977	102,138	63,848
Int., div. and rents receivable	.....	.....	.....	.....	4,772	5,410
Other current assets	3,063	44,269	38,634	103,430	2,779	2,132
Depreciation and other funds	.....	.....	.....	654,471	635,534	459,403
Other deferred assets	45,211	.....	.....		.....	36,043
Discount on funded debt	.....	10,558	15,715	1,204,789	379,070	397,911
Other unadjusted debits	26,893				327,093	102,708
Profit and loss	2,787,823	2,824,828	2,827,097	2,635,591	2,324,046	2,170,175
Total	$13,821,888	$13,727,939	$13,415,348	$12,213,743	$10,157,888	$8,040,193
Liabilities—						
Capital stock	$4,298,000	$4,298,000	$4,298,000	$1,350,000	$1,350,000	$1,350,000
Funded debt	498,500	570,000	641,000	3,000,000	3,077,000	3,129,000
Loans and notes payable	5,906,383	6,050,447	5,808,470	4,568,500	2,611,500	656,000
Accounts and wages payable	52,540	50,185	35,712	138,966	100,210	78,509
Accrued int. divids. and rents payable	8,093	8,865	9,943	75,000	77,155	78,479
Tax liability	36,778	30,891	28,646	24,906	23,481	24,271
Accrued depreciation—road and equip	2,887,504	2,581,538	2,383,326	2,042,530	1,993,555	1,860,675
Reserve for amortization of franchises	.....	.....	.....	.....	24,962	23,094
Liability for provident funds	.....	.....	.....	.....	1,210	7,937
Other deferred liabilities	93,180	92,157	95,433	111,467	94,234	82,887
Unadjusted credits	40,910	40,288	15,948	43,574	22,923	19,825
Deferred credit items	.....	5,568	10,121	.....	.....	.....
Funded debt retired through surplus	.....	.....	88,750	858,800	729,375	677,375
Sinking fund reserves	.....	.....			52,283	52,141
Total	$13,821,888	$13,727,939	$13,415,348	$12,213,743	$10,157,888	$8,040,193

Officers: W. H. Hannam, Pres., San Francisco, Cal.; W. Clayton, V-P.; Lane D. Webber, Sec.; Frank J. Belcher, Jr., Treas.; W. H. Mann, Accountant; S. E. Mason, Gen. Mgr.; W. O. Anderson, Eng.; Chas. Christopher, Pur. Agt., San Diego, Cal.

Directors: W. H. Hannam, San Francisco, Cal.; Frank J. Belcher, Jr., Lane D. Webber, A. T. Mercier, W. Clayton, San Diego, Cal.

Office, Union Bldg., San Diego, Cal.

TENNESSEE EASTERN ELECTRIC COMPANY

History and Property—Incorporated June 1, 1912, in Mass.; successor to Watauga Electric Co., Jonesboro Electric Co. and Greeneville Electric Co. Also owns the entire outstanding capital stock of the Johnson City Traction Corp. Property consists of hydro-electric development 12,000 k.w. capacity; a modern steam power station of 8,500 k.w. capacity; 70 miles of 44,000 volt transmission line and 6 1-5 miles of street railway lines. Supplies Johnson City, Jonesboro and Greeneville, Tenn., serving a population of about 50,000. Franchises in Johnson City are unlimited in term. In Greeneville and Jonesboro, fifty-year franchises granted in 1912.

CAPITAL STOCK

Authorized, 15,000 shares no par Common, $750,000 6% cumulative Pfd. (par $100), and 12,000 shares cumulative Pfd. stock (dividends $7 per share per annum) of no par value; outstanding, 15,000 Common shares, $600,000 6% Pfd. and 5,105 shares cumulative Pfd. stock (dividends $7 per share per annum).

Preferred Stock Provisions—The 6% Pfd. stock has proportionate preference with $7 Pfd. as to assets, and is entitled to 120% in liquidation; is also subject to call at 120 at any time.

Transfer Agents—American Trust Co., Boston, Mass., Unaka & City National Bank, Johnson City, Tenn.

Registrar—Boston Safe Deposit & Trust Co., Boston, Mass.

Annual Meeting—Second Tuesday in March.

Dividends—Full Pfd. dividends have been regularly paid to date; payments quarterly, M, J, S & D 1, at American Trust Co., Boston. Dividends of $2 per share on Common were paid June 15, 1922, Oct. 10,

1922, and June 15 and Oct. 15, 1923; Jan. 1, 1924, to date, $1 per share quarterly; payments, J, A, J & O 1.

FUNDED DEBT

(1)

$1,996,500 FIRST MORTGAGE GOLD 5s; DUE FEB. 1, 1943

Dated February 1, 1913.

Interest Payable February and August 1, at American Trust Co., Boston, Mass.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., Boston, Mass.

Provisions of Issue—Authorized, $3,000,000; issued, $2,134,000 of which $137,500 purchased and cancelled by Improvement Fund. Mortgage is closed.

Callability—Subject to call on any interest date until Aug., 1937, at 105 and interest; thereafter on a 4% income basis.

Improvement Fund—Improvement fund, 1% of bonds outstanding each year, began Feb. 1, 1918. This fund is to be expended for improvements and betterments to the plant, or for purchase and cancellation of first mortgage bonds.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt, Boston.

(2)

$800,000 REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE 1955; DUE MAY 1, 1955

Dated May 1, 1925.

Interest Payable May and November 1, in Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The First National Bank of Boston.

Provisions of Issue—Additional bonds can be issued to a par amount not exceeding 80% of the cost or value, whichever is less, of additional property acquired subsequent to May 1, 1925, when the net earnings of the Company for twelve consecutive months within the fifteen months next preceding such proposed issuance shall have been at least twice the interest charges on the outstanding underlying mortgage bonds and bonds outstanding under this Refunding Mortgage, together with bonds proposed to be issued. Bonds may also be issued under appropriate safeguards to refund first mortgage bonds and divisional lien bonds, if any, on properties hereafter acquired subject to such liens, and to refund bonds secured by this mortgage not acquired by the sinking fund.

Callability—Subject to call up to and including November 1, 1945, at 105 and interest, the premium reducing ½% per annum thereafter.

Sinking Fund—Annual sinking fund payments begin on July 1, 1928, at 1% of all bonds outstanding under this Refunding Mortgage and continue at this rate so long as any Series "A" bonds remain outstanding. The sinking fund is to be used exclusively for the retirement and cancellation of Refunding Mortgage Bonds through purchase or call at not exceeding the current redemption price.

Security—Secured by a general mortgage on the entire physical property of the Company subject only to $1,996,500 First (Closed) Mortgage 5% Gold Bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt, Boston.

Original Offering—First publicly offered ($400,000) in July, 1925, at 98 and interest, to yield 6.15%, by Coffin & Burr, Inc., and Warner, Tucker & Co., Boston, New York, etc.

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including earnings of Johnson City Traction Corp.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$582,418	$571,129	$497,212	$449,547	$431,036	$347,891
Operating expenses, maintenance and taxes	248,092	249,692	231,498	201,997	212,341	160,463
Net earnings	$334,326	$321,437	$265,714	$247,550	$218,695	$187,428
Interest and amortization charges	139,430	130,882	110,038	99,978	79,718	46,267
Balance for depreciation and dividends	$194,896	$190,555	$155,676	$147,572	$138,977	$141,161
Times Fixed Charges Earned	2.40	2.45	2.41	2.48	2.74	4.05

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$5,144,595	$4,839,617	$4,598,297	$4,134,454	$3,813,858	$3,424,764
Current assets	290,632	437,299	371,599	299,325	237,668	218,518
Miscellaneous assets	264,569	227,543	54,712	6,985	4,205	3,455
Suspense (incl. unamortized bond discount)	436,695	406,454	407,289	360,830	294,826	227,882
Total	$6,136,491	$5,910,913	$5,431,897	$4,801,594	$4,350,557	$3,874,619
Liabilities—						
Capital stock	$2,402,333	$2,402,333	$2,340,711	$2,229,481	$2,009,350	$1,940,050
Funded debt	2,796,500	2,817,000	2,437,000	1,951,000	1,717,000	1,377,000
Current liabilities	358,860	185,608	228,521	88,166	117,237	130,672
Misc. unadjusted credits	.....	.....	6,078	.....	398	180
Accruals and reserves	480,045	418,633	357,000	466,550	460,673	355,540
Profit and loss surplus	98,753	87,339	62,587	66,397	45,899	71,177
Total	$6,136,491	$5,910,913	$5,431,897	$4,801,594	$4,350,557	$3,874,619

Officers: Thad. A. Cox, Pres.; Johnson City, Tenn.; W. H. Baldwin, V-P & Treas., Boston, Mass.; D. R. Shearer, V-P. & Gen. Mgr., Johnson City, Tenn.; J. C. Rice, Spec. V-P.; A. T. Baldwin, Spec. V-P., Sec. & Asst. Treas., Boston, Mass.

Directors: F. W. Eaton, Chairman; B. Earle Appleton, A. T. Baldwin, W. H. Baldwin, Thad. A. Cox, Clarence Crane, A. A. Gillette, J. J. McDonald, Charles T. Main, I. C. Rice, D. R. Shearer, Ben H. Taylor, R. L. Warner, Lester Watson, G. N. White.

Offices, 40 Central St., Boston, and Johnson City, Tennessee.

JOHNSON CITY TRACTION CORPORATION

(Controlled by Tennessee Eastern Electric Company)

History and Property—Incorporated in 1912, under the laws of Tennessee; successor to the Johnson City Traction Co. Franchise was granted in 1903, and is exclusive for 20 years on one line; on a second line granted Jan. 25, 1911, 13 years exclusive and 99 years non-exclusive. Owns and operates 6.2 miles of track connecting Johnson City, Tenn., with the Soldiers' Home and Cranberry Furnace. Gauge, Standard. Rails, 70 lbs. Motor cars, 9. Population served, 20,000.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $10. All owned by Tennessee Eastern Electric Co. Annual meeting, first Monday in June.

FUNDED DEBT

None.

Officers: Thad. A. Cox, Pres., Johnson City, Tenn.; W. H. Baldwin, V-P. & Treas., Boston, Mass.; D R. Shearer, V-P. & Gen. Mgr., Johnson City, Tenn.; A. T. Baldwin, Spec. V-P., Sec. & Asst. Treas., Boston Mass.

Directors: F. W. Eaton, Chairman; B. F. Appleton, W. H. Baldwin, Thad. A. Cox, A. T. Baldwin, D R. Shearer, Ben H. Taylor.

Offices, Johnson City, Tenn., and 40 Central Street, Boston, Mass.

RICHMOND HOME TELEPHONE CO.

History—Incorp. Feb. 10, 1899, in Ind. Operates a local independent system at Richmond, Ind. Miles of lines, about 2,765. No. of subscribers, 5,610.

CAPITAL STOCK

Authorized, $400,000 Common and $175,000 7% Pfd.; outstanding, $260,100 Common and $175,000 Pfd.; par, $100. Annual meeting, fourth Wednesday in January.

Dividends—Pfd. dividends regularly paid, quarterly, J, A, J & O. Dividends on Common 6% per annum; payments semi-annually, April and Oct. 15.

FUNDED DEBT

$186,000 First Mortgage 5% Gold bonds; dated July 1, 1909; due July 1, 1939; interest payable Jan. and July 1, at Bank of America, New York. Union Trust Co., Indianapolis, Trustee. Subject to call at 105. Sinking fund, ½ of 1% on amount outstanding annually. Authorized, $500,000. Secured on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$216,849	$201,512	$193,546
Operating expenses & taxes	148,617	139,610	134,870
Net income	$68,232	$61,902	$58,676
Fixed charges, etc.	9,625	10,628	10,957
Other deductions	2,100	2,230	3,200
Total charges	$11,725	$12,858	$14,157
Balance for dividends	56,507	49,044	44,519
Preferred dividends	12,250	12,250	12,250
Common dividends	15,606	15,606	15,606
Surplus for year	$28,651	$21,188	$16,663
Earnings Per Share—			
Preferred	$32.29	$28.02	$25.44
Common	17.02	14.14	12.40

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property & equipment	$978,508	$939,926	$887,827
Cash	4,610	462	532
Accounts receivable	960	.....	363
Materials & supplies	8,925	9,311	10,480
Sinking fund	17,708	14,794	12,019
Prepayment	2,094	2,536	2,352
Unextinguished discount on capital stock	21,000	21,000	21,000
Profit & loss deficit	.....	15,685	32,348
Total	$1,033,805	$1,003,714	$966,921
Liabilities—			
Common stock	$260,100	$260,100	$260,100
Preferred stock	175,000	175,000	175,000
Funded debt	186,000	186,000	192,000
Bills payable	392	15,749	13,570
Accrued liabilities	31,325	28,113	26,591
Accounts receivable—credit balance	.....	38	.....
Other liabilities	18,445	16,345	13,645
Reserve for depreciation	328,388	301,183	269,352
Appropriated surplus	34,155	21,188	16,663
Total	$1,033,805	$1,003,714	$966,921

Officers: J. M. Lontz, Pres.; E. H. Cates, V-P.; L. E. Browne, Sec. & Treas., Richmond, Ind.

Directors: Gath Freeman, L. E. Browne, J. M. Lontz, E. H. Cates, S. W. Gaar, Miss Alice L. Maley, Thomas Swaner, H. R. Lontz, A. C. Lindemuth, Richmond, Ind.

Office, Richmond, Ind.

CONSOLIDATED WATER POWER COMPANY

(Controlled by Consolidated Water Power & Paper Co.)

History and Properties—Incorporated in 1919 in Wisconsin; formerly known as the Oneida Power Company. Originally owned and operated a hydro-electric development at Stevens Point, Wis.; and a transmission line from that point to Wisconsin Rapids. It subsequently acquired from the Consolidated Water Power & Paper Co. (see Industrial Manual) essentially all of the water power and hydro-electric properties of the latter Company, including necessary water and flowage rights, located at Wisconsin Rapids and Biron and a transmission line from Biron to Wisconsin Rapids. The Company now owns in fee three water power properties connected by 20½ miles of 44,000 volt transmission lines. The installed capacity of the three properties, both electric and direct connected, totals 34,210 h.p. Company has contract for 10 years from April 3, 1926 to supply power to the City of Wisconsin Rapids and a contract for the life of its First Mortgage bonds, due May 1, 1946, to supply power to the Consolidated Water Power & Paper Co. The transmission system of Company is connected with that of the Wisconsin Valley Electric Co. and with the power properties of the Nekoosa Edwards Paper Co.

CAPITAL STOCK

Authorized and outstanding, $1,000,000. The Consolidated Water Power & Paper Co. owns all the Common stock except directors' qualifying shares. Annual meeting, fourth Wednesday in January

FUNDED DEBT

$1,970,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES OF 1926; DUE MAY 1, 1946

Dated May 1, 1926.

Interest Payable May and November 1 at First Wisconsin Trust Co., Milwaukee, or First National Bank of Wisconsin Rapids, Wis.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee.

Provisions of Issue—Issued, $2,000,000 Series of 1926, of which $30,000 had been redeemed to Dec. 31, 1927. The indenture provides that: (1) Company shall each year expend or reserve for maintenance, depreciation, extensions, betterments, improvements and additions to its property, which shall not be used as a basis for certifications of additional bonds, a sum equal to 12½% of gross operating revenues during preceding calendar year; (2) additional bonds may be issued in series, from time to time, in future (with approval of Railroad Commission of Wisconsin), in principal amounts equal to and for: (a) acquisition or retirement of underlying bonds; (b) redemption or retirement of bonds of another series; (c) not to exceed 75% of cost or fair value, of permanent improvements, betterments, extensions or additions to property, provided net earnings available for interst, depreciation, reserves and dividends in any twelve consecutive calendar months within fifteen calendar months preceding such application plus annual net revenue to be derived from new contracts, if any shall be equal to at least two times interest charges on all bonds then outstanding and those to be issued and all underlying bonds. Such additional bonds, to be issued in series, bear such interest rates, be of such maturities, be issued in such amounts, and at such times and for such purposes as is permitted by indenture and as directors shall determine.

Purpose of Issue—Proceeds from sale of these bonds will be used to purchase the Wisconsin Rapids and Biron properties from Consolidated Water Power & Paper Co.

Callability—Subject to call as a whole or in part, on any interest date, on 30 days' notice, to and including May 1, 1932, at 103 and interest; thereafter to and including May 1, 1938 at 102 and interest; thereafter to and including May 1, 1944 at 101 and interest and thereafter at par and interest.

Sinking Fund—A sinking fund beginning Nov. 1, 1927, and annually thereafter, will retire by call or purchase these bonds equal to at least 1½% of maximum amount of such bonds at any time outstanding. Company may anticipate sinking fund requirements by depositing either cash or bonds with Trustee and receive credit for future years.

Security—These bonds are the direct obligation of Company secured by first mortgage upon all property of Company (except certain personal property) now owned and hereafter acquired. Bonds will be further secured by deposit with Trustee of contracts between Company and Consolidated Water Power & Paper Co. and City of Wisconsin Rapids providing for sale and purchase of power.

Tax Provisions—Company pays Normal Federal Income tax up to 2%.

Legal Opinion—Goggins, Brazeau & Graves, (for the Company) and Miller, Mack & Fairchild, (for the bankers).

Original Offering—First publicly offered ($2,000,000) in May, 1926, at par and interest, by First Wisconsin Co., Milwaukee, Wis.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$430,495	$343,847
Taxes	34,104	32,659
Depreciation	140,781	98,917
Net earnings from operations	$255,610	$212,271
Deductions:		
Bond interest	$109,725	$93,945
Bond discount and expense	6,957	4,210
Total deductions	$116,682	$98,155
Net income	$138,928	$114,116

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of equip. & plant, less deprec.	$1,456,908	$2,910,444
Accounts receivable—parent company	.....	441,141
Deferred debit items	94,537	100,854
Real estate and flowage	2,230,476	.....
Total	$3,781,921	$3,452,439
Liabilities—		
Capital stock	$1,000,000	$1,000,000
Funded debt	1,970,000	2,000,000
Accounts payable—parent company	194,924	6,772
Interest accrued	18,058	18,333
Other current liabilities	8,846	.....
Reserve for taxes	120,579	94,810
Miscellaneous reserves	.....	1,938
Appropriated surplus	469,514	330,586
Total	$3,781,921	$3,452,439

Officers: Stanton W. Mead, Pres., Wisconsin Rapids, Wis.; R. L. Kraus, V-P., Marshfield, Wis.; E. B. Redford, Sec. & Treas., Wisconsin Rapids, Wis.

Directors: S. W. Mead, E. B. Redford, W. L. Mead, Theo. Brazeau, Wisconsin Rapids, Wis.; R. L. Kraus, Marshfield, Wis.

General Office, Wisconsin Rapids, Wis.

ELKO LAMOILLE POWER COMPANY

History—Inc. Dec. 6, 1912 in Nev.; successor to Elko Water & Light Corp. (see Manual for 1913, p. 1925). Supplies light and power to Elko, Nev., population 3,500, and Lamoille, Nev., population 150. Has city contract for street lighting in Elko.

CAPITAL STOCK

Authorized, $200,000 (increased from $100,000 Feb. 16, 1925), par $10, and $80,000 7% cumulative Pfd. (created Feb. 16, 1925), par $100; outstanding $120,000 Common and $55,200 Pfd. Pfd. stock has preference for assets and dividends and in liquidation or dissolution whether voluntary or involuntary is entitled to par and accrued dividend. It is also subject to redemption after 3 years at 110. Annual meeting, third Monday in February.

Dividends—Dividends have been paid on Common stock as follows: 1916, 5%; 1920, 1921 and 1922, 8% each; 1923, 12%; 1924, 8%; 1925 to 1927, inclusive, 6% each. Prepaid dividends are payable semi-annually May 1 and November 1. In addition a stock dividend of 100% ($60,000) was paid on Common stock in 1925, subsequent to Feb. 16.

FUNDED DEBT

$70,000 First Mortgage 7% Gold bonds; dated Feb. 1, 1923; due Feb. 1, 1938; int. Feb. and Aug. 1, at Central Trust Co., Salt Lake City, Utah, Trustee. Coupon, $500 and $1,000; principal may be registered Authorized, $100,000. In addition to the $70,000 bonds outstanding, $10,000 are held in treasury. Subject to call on 30 days' notice at 105. Sinking fund sufficient to provide for $5,000 to mature each year. A first lien on entire property of Company. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings, incl. misc. income	$96,486	$84,784	$72,241
Oper. exp., taxes, etc.	66,052	53,781	43,304
Depreciation	.....	14,364	11,243
Net earnings	$30,434	$16,639	$17,694
Fixed charges	14,565	7,589	8,600
Balance for dividends	$15,869	$9,050	$9,094
Dividends paid	7,200	7,200	4,780
Surplus for year	$8,669	$1,850	$4,314

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$342,027	$283,563	$268,787
Cash	587	7,299	4,926
Notes & accts. receivable	34,018	20,535	22,916
Int. & divd. receivable	813	358	122
Treasury bonds	12,000	10,000	10,000
Materials & supplies	9,230	10,366	11,850
Prepayments	186	912	1,600
Unamortized debt disc. & expense	6,132	6,745	7,358
Misc. suspense	1,952	3,952	5,952
Total	$406,945	$343,731	$333,511
Liabilities—			
Capital stock	$175,200	$123,500	$122,300
Funded debt	80,000	85,000	90,000
Notes payable	10,000	19,950	23,950
Accounts payable	6,380	6,169	5,057
Consumers' deposits	1,136	1,123	920
Other current liabilities	2,842	2,559	1,394
Retirement reserve	100,743	83,403	69,039
Casualty and ins. reserve	.....	.....	535
Contributions for extensions	1,241	1,376	1,599
Miscellaneous reserve	1,667	1,584	1,500
Profit and loss	27,736	19,067	17,217
Total	$406,945	$343,731	$333,511

Officers: B. G. McBride, Pres. & Gen. Mgr.; Frank Fernald, Sr., V-P.; H. S. Taber, Sec. & Treas.; C. F. De Armond, Aud.; C. A. Stephenson, Supt., Elko, Nev.

Directors: L. J. Wintermantel, H. S. Taber, B. G. McBride, Frank Fernald, Sr., C. A. Stephenson, Elko, Nev.; George Glaser, Halleck, Nev.

Principal Office, Elko, Nev.

WOODLAWN AND SOUTHERN STREET RAILWAY COMPANY

(Controlled by Jones & Laughlin Steel Corp.)

History and Property—Incorporated Nov. 22, 1910, in Pa.; road completed and put in operation Jan. 1, 1912. Road extends through the Borough of Aliquippa, Pa., 5.48 miles. Gauge, 5 ft. 2½ in. Operated by overhead trolley. Cars, 13.

CAPITAL STOCK

Authorized and outstanding, $225,000; par, $50. Controlled by Jones & Laughlin Steel Corp. through

stock ownership. Annual meeting, fourth Monday in January. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$140,977	$134,706	$124,088
Oper. exp. & taxes	129,435	106,561	119,694
Profit from operations	$11,542	$28,145	$4,394
Other income	228	224	1,599
Gross income	$11,770	$28,369	$5,993
Other expenses	2,506	4,558	1,837
Surplus for year	$9,264	$23,811	$4,156

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$411,182	$415,496	$408,650
Cash	19,871	7,783	6,056
Accounts receivable	1,006	911	470
Materials and supplies	15,236	17,209	18,994
Total	$447,295	$441,399	$434,170
Liabilities—			
Capital stock	$225,000	$225,000	$225,000
Non-negotiable debt to affil. companies	.....	35,000	70,000
Accts. and wages payable	5,747	6,072	5,515
Tax liability	1,957	3,839	990
Other liabilities	20,659	22,395	21,738
Depreciation reserve	156,702	121,126	106,771
Profit and loss	37,230	27,967	4,156
Total	$447,295	$441,399	$434,170

Officers: A. B. Shepherd, Pres.; F. A. Ogden, V-P. & Gen. Pass. Agt.; J. N. Wilson, Sec. & Aud.; F. M. Harbison, Treas.; W. H. Dupka, Controller; J. S. Brown, Asst. Sec. & Asst. Treas.; H. Carey, Asst. Treas.; N. F. Reid, Asst. Aud.; T. R Latshaw, Pur. Agt., Pittsburgh, Pa.

Directors: A. B. Shepherd, F. A. Ogden, W. H. Dupka, J. A. Doyle, S. A. McFarland, J. N. Wilson, Pittsburgh, Pa.

Office, 311 Ross St., Pittsburgh, Pa.

JAMESTOWN STREET RAILWAY

History and Property—Incorporated Oct. 18, 1883, in N. Y.; franchise expires 1982. Line of road: Jamestown to Celoron, Lakewood and Falconer, N. Y., 20.9 miles; total track, 29.26 miles. Gauge, standard. Rail, 80 lbs. T girder. Passenger cars (closed, 30; open, 9), 39; other, 8; sweeper, 1; snow plows 3. Engines to generate power, 5; electric motors, 96.

CAPITAL STOCK

Authorized and issued, $250,000 (increased from $100,000 in 1907-8); par, $50. Stock transferred at company's office. Annual meeting, third Monday in October. No dividends paid.

FUNDED DEBT

$218,000 First Mortgage Gold 6s; dated Jan. 23, 1893; due Jan. 1, 1923; interest Jan. and July 1, at Guaranty Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $300,000 of which $82,000 have been reacquired. A first lien on property and equipment. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$329,030	$340,585	$359,581
Oper. exp., taxes & deprec.	311,750	339,816	409,903
Net earnings	$17,280	$769	*$50,322
Other income	7,493	.....	22,538
Total income	$24,773	$769	*$27,784
Bond interest	12,988	11,940	16,745
Other interest	15,395	9,305	69,009
Total charges	$28,383	$21,245	$85,754
Deficit for year	$3,610	$20,476	$113,538

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,124,263	$1,255,093	$1,231,655
Materials and supplies	23,080	10,638	3,504
Cash	23,658	5,622	12,842
Bills and notes receivable	1,686	1,508	1,509
Current accounts	14,589	28,004	407,391
Other current assets	.....	.....	27,500
Deferred debit items	412,659	412,432	3,000
Profit and loss	373,148	321,508	286,906
Total	$1,973,083	$2,034,804	$1,974,308
Liabilities—			
Capital stock	$250,000	$250,000	$250,000
Funded debt	218,000	220,000	221,000
Loans and notes payable	229,660	251,954	157,040
Accounts payable	117,482	91,532	908,524
Reserve for taxes	.....	.....	
Current liabilities	.....	.....	
Accrued depreciation	376,875	433,718	437,744
Deferred credits	781,066	787,599	
Total	$1,973,083	$2,034,804	$1,974,308

Officers: H. M. Preston, Pres.; Geo. L. Maltby, V-P. & Gen. Mgr.; William R. Reynolds, Sec.; William A. Broadhead, Treas.; Clare L. Lammers, Supt. of Transportation; William H. Pickard, Traffic Mgr. & Pur. Agt.; R. Allyn White, Compt., Jamestown, N. Y.

Directors: H. M. Preston, William A. Broadhead, William R. Reynolds, Geo. L. Maltby, Frank E. Gifford, William S. Bradshaw, Fletcher Goodwill, Robert H. Jackson.

Office, Jamestown, N. Y.

MOUNT SPOKANE POWER COMPANY

History and Property—Incorporated in August, 1914, in Washington. In Jan. 1926, the Kulzer Electric System was acquired. Company supplies electrical current for all purposes without competition to 11 towns and villages and 21 farmer lines serving rural communities and 4 resorts in Spokane, Stevens and Pend Oreille Counties, Wash. Franchises expire, one in 12 years and four in 48 years. Owns and operates 3 water power plants (2 near Milan and one near Valley) and 1 gas engine stand-by plant, with a combined rate capacity of 850 h.p. No. of customers, 886. No. of electric meters, 750. Miles of lines, 129.6. Output in 1927, 883,642 k.w.h., compared with 786,121 in 1926.

CAPITAL STOCK

Authorized, $100,000 Common and $50,000 7% cumulative Pfd.; outstanding, $67,400 Common and $43,000 Pfd.; par, $100. Stock transferred at Company's office.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends and is subject to redemption five years after issue at 105 and accrued dividends. The holder of Pfd. stock has the option, five years after issue, to convert one-fifth of his stock into an equal number of shares of Common stock, at $125 per share of Common stock.

Annual Meeting—Second Monday in January.

Dividends—Pfd. dividends regularly paid quarterly On Common, dividends have been paid as follows: 1921 and 1922; 10% each; 1923, 6%; 1924, 1925 and 1926, 8% each; 1927, none.

FUNDED DEBT

$100,000 FIRST MORTGAGE SINKING FUND GOLD 6s; DUE AUGUST 1, 1937

Dated August 1, 1922.

Interest Payable February and August 1, at Lincoln Trust Co., Spokane, Wash.

Denominations—Coupon, $100 and $500; principal may be registered.

Trustee—Lincoln Trust Co., Spokane, Wash.

Provisions of Issue—Authorized and issued, $100,000.

Callability—Subject to call since August 1, 1927 at 103 and interest.

Sinking Fund of 2% of bonds outstanding is to be used for purchase or redemption of bonds, or may be used for new work or to acquire new property.

Security—A first lien on all realty and chattels and future acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$37,076
Operating exp., taxes & depreciation	28,506
Net earnings	$8,570
Other income	1,094
Total income	$9,664
Bond interest	3,669
Other charges	2,924
Surplus after charges	$3,071
Preferred dividends	2,915
Surplus for year	$156

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Land, bldgs., plants, lines & equip.	$239,787	$223,060	$148,165
Stocks owned	6,936	.....	.....
Cash	26,876	5,536	20,317
Notes & accts. receivable	35,306	23,735	18,523
Merchandise	1,576	891	717
Miscellaneous assets	.....	129	43
Total	$310,481	$253,351	$187,765
Liabilities—			
Preferred stock	$43,000	$41,100	$37,950
Common stock	67,400	65,400	62,350
Funded debt	99,900	50,000	38,000
Contracts	42,500	40,000	.....
Stock held for contracts	10,750	13,100	14,900
Real estate mortgages	2,062	2,512	2,962
Notes & accts. payable	8,500	8,781	4,392
Consumers' deposits	2,683	2,634	2,431
Retirement reserve	18,355	14,290	7,404
Surplus	15,331	15,534	17,376
Total	$310,481	$253,351	$187,765

Officers: M. F. Mendenhall, Sr., Pres.; H. B. Mendenhall, V-P.; J. Wesley Mendenhall, Sec. & Treas.; C. H. Lansing, Plant Mgr.; I. M. Clary, Construction Supt., Deer Park, Wash.

Directors: M. F. Mendenhall, Sr.; H. B. Mendenhall, M. F. Mendenhall, Jr.; J. Wesley Mendenhall, Deer Park, Wash.; Harper Joy, Spokane, Wash

General Office, Deer Park, Wash.

BARNSTABLE WATER COMPANY

History and Properties—Inc. Apr. 14, 1911, in Mass.; began operations Feb. 1, 1912. Franchise unlimited. Company has the right to furnish water to the several villages in the town of Barnstable, and is now supplying the inhabitants of Hyannis, Hyannisport and Hyannispark. Property consists of 200 acres of land on which are located 49 driven wells and a large, fresh water pond fed by springs. Daily pumping capacity, 864,000 gallons; stand-pipe capacity, 400,000 gallons. Population served: Winter, 5,000; summer, 10,000. Has contract with Hyannis Fire District for 99 hydrants.

CAPITAL STOCK

Authorized, $200,000; outstanding, $75,000; par, $100. Annual meeting, third Tuesday in February.

Dividends—Paid dividends of 1% Dec. 31, 1917; 1918 to 1922, inclusive, 4% each; 1923, 4% and ½% extra; 1924, 5%; 1925, 5¼%; 1926, 6% regular and ¼% extra; 1927, 6% and 1% extra; Feb. 1, 1928, 1½% and ¼% extra; payments quarterly, F, M, A & N 1.

FUNDED DEBT

$75,000 First Mortgage Gold 5s; dated Oct. 1, 1911; due Oct. 1, 1931; int. April and Oct. 1, at Exchange Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Authorized, $200,000; the unissued bonds can be issued only to amount of 50% of cost of permanent additions and extensions, and then only upon approval by the Commissioner of Corporations. Subject to call on any interest date at 105 and int. on four weeks' notice. No sinking fund. A first lien on entire property now owned or hereafter acquired. First publicly offered ($75,000) in 1911 at par and interest, by Hayden, Stone & Co., New York and Boston. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$37,009	$33,784	$32,257
Oper. exp. & taxes	15,826	15,360	14,197
Net earnings	$21,183	$18,424	$18,060
Other income	33	609	.....
Total income	$21,216	$19,033	$18,060
Interest, rents, etc.	6,818	7,264	6,035
Depreciation	5,000	4,000	4,000
Total charges	$11,818	$11,264	$10,035
Balance for dividends	$9,398	$7,769	$8,025
Dividends paid	5,250	5,063	4,312
Surplus for year	$4,148	$2,706	$3,713

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$246,622	$235,696	$201,092
Materials, supplies, etc.	2,582	3,066	1,184
Cash	3,073	2,573	354
Accounts receivable	3,736	4,534	3,025
Other assets	476	232	1,057
Total	$256,489	$246,101	$206,712
Liabilities—			
Capital stock	$75,000	$75,000	$75,000
Funded debt	75,000	75,937	75,000
Notes payable	52,000	49,000	18,800
Accounts payable	198	2,464	1,254
Interest accrued	1,323	385	1,058
Other current liabilities	1,154	900	.....
Unearned revenue reserve	5,329	5,078	4,138
Depreciation reserve	30,000	25,000	21,000
Profit & loss surplus	16,485	12,337	10,462
Total	$256,489	$246,101	$206,712

Officers: Lewis L. Wadsworth, Pres. & Gen. Mgr.; H. C. Richards, Sec.; Kenneth T. Young, Treas.; Henry A. Symonds, Engineer, Boston; George H. Palmer, Supt., Hyannis, Mass.

Directors: Charles P. Le Royer, Kenneth T. Young, Henry A. Symonds, Lewis L. Wadsworth, Arthur S. Dewing, Boston.

General Office, 70 State St., Boston Mass. **Operating Office,** Hyannis, Mass.

EVANSTON RAILWAY COMPANY

History—Incorporated Sept. 20, 1913, in Ill. as the Evanston Traction Co.; name changed to above Nov. 18, 1913. Acquired the lines in Evanston, Ill., of the County Traction Co. Length of line 11.53 miles. Gauge, 4 ft. 8½ in. Rail, 85 lb. Cars, 15. Power purchased from Public Service Co. of Northern Illinois. Fares, 7 cts. cash or 10 tickets for 55 cts. Owns $30,000 par value stock of **Evanston Bus Co.**

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Annual meeting, last Monday in July, at Chicago or Evanston, Ill.

Dividends—Dividends of 5% each paid from 1918 to 1924, inclusive; 1925, 6%; 1926 and 1927, 7% each.

FUNDED DEBT

$311,800 First Mtge. 6% Bonds; dated Dec. 1, 1913; due Aug. 1, 1933; interest Feb. and Aug. 1, at Illinois Merchants Trust Co., Chicago, Trustee. Coupon, $100. $500 and $1,000; principal may be registered. Subject to call at 103 and int. for sinking fund. Sinking fund calls for 2% of outstanding bonds, from June 1, 1917, and annually thereafter. Company does not pay Normal Federal Income Tax.

$247,700 General 6s; dated Dec. 31, 1913; due Aug. 1, 1933; int. Feb. and Aug. 1, at Illinois Merchants Trust Co., Chicago, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Subject to call at 103 and int. on any int. date upon 30 days' notice. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$347,259	$343,392	$314,331
Compensation to city	11,306	11,548	10,724
Balance	$335,953	$331,844	$303,607
Operating expenses & taxes	227,914	217,390	201,832
Depreciation	38,242	35,489	34,476
Gross income	$69,797	$78,965	$67,299
Interest charges	33,271	31,310	31,319
Surplus for year	$36,526	$47,655	$35,980
*Times Interest Earned	2.10	2.52	2.15
Earnings Per Share	$7.30	$9.53	$7.20

*After depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and plant	$1,202,879	$1,193,081	$1,113,466
Securities owned	31,000	31,000	31,000
Reserve, sinking & special fund assets	175,397	140,538	107,652
Cash	33,708	9,089	28,175
Notes & accts. receivable	14,078	4,649	5,516
Materials and supplies	5,406	5,451	17,617
Prepaid accounts	690	778	1,401
Bond interest deposit	1,722	1,209	1,086
Open accounts	6,348	5,388	4,722
Total	$1,471,228	$1,391,183	$1,310,635
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	559,500	524,300	507,100
Notes & accounts payable	6,096	12,351	16,340
Accrued int., taxes, etc.	42,729	38,142	32,358
Stock sub.-Ev. Bus Co.	.....	.....	9,500
Res., sinking & spec. fund	333,448	288,975	228,700
Bond interest coupons	1,722	1,209	1,086
Surplus	27,733	26,206	15,551
Total	$1,471,228	$1,391,183	$1,310,635

Officers: Clement C. Smith, Pres., Milwaukee, Wis.; C. F. Speed, V-P., Treas. & Gen. Mgr.; H. C. Mackay, V-P. & Sec.; Hugh McCulloch, Asst. Sec. & Asst. Treas.; J. H. Deinlein, Asst. Sec. & Asst. Treas.

Directors: Clement C. Smith, Milwaukee, Wis.; C. F. Speed, Evanston, Ill.; Hugh W. McCulloch, Chicago, Ill.

Office, Evanston, Ill.

NORTHWESTERN POWER & LIGHT COMPANY

History and Property — Incorporated in Delaware, as successor by change of name to Northwestern Edison Co., which in turn was successor, also by change of name, to Northwesternern Power & Manufacturing Co. Owns and operates hydro-electric properties near Port Angeles in the State of Washington, having succeeded to a business established in 1914. Company generates electric energy at the Elwha and Glines Canyon Power Plants on the Elwha River which it sells under contract to an affiliated industry known as Washington Pulp & Paper Corporation.

Company owns or controls sites for power development and water rights on the Elwha River which are capable of ultimate development to produce 40,000 k.w. Two units having a combined capacity of 25,500 k.w. have been installed and are now in operation.

CAPITAL STOCK

Authorized and outstanding, $750,000, of which $250,000 is Common and $500,000 6% Pfd. All the stock, excepting $13,850 Pfd., is owned by Olympic Paper and Power Company, which is controlled through entire stock ownership by Zellerbach Corp. (See Industrial Volume).

FUNDED DEBT

None

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

(Latest Furnished)

	Gross Income	Operating Expenses	*Net Income
1921	$303,835	$82,675	$221,160
1922	266,689	75,027	191,662
1923	280,717	54,898	225,819
1924	303,896	129,392	174,504
1925	292,039	152,736	139,303

*Available for interest.

Officers: E. M. Mills, Pres.; I. Zellerbach, V-P.; J. D. Zellerbach, V-P.; S. Sonnenberg, Treas.; A. I. Ellis, Sec.

Directors: E. M. Mills, I. Zellerbach, M. R. Higgins, J. D. Zellerbach, M. M. Baruh.

Offices, 534 Battery St., San Francisco, Cal., and Port Angeles, Wash.

THE FREMONT HOME TELEPHONE COMPANY

History—Incorporated April 4, 1899, in Ohio. Operates exchanges in Fremont and Lindsey, Ohio. No. of Company stations, Dec. 31, 1927, 3,958. Miles of wire, 5,238.20.

CAPITAL STOCK

Authorized, $250,000 Common and $50,000 6% cumulative Pfd.; outstanding, $239,625 Common and $45,000 Pfd. Pfd. stock has preference for assets and dividends. Annual meeting, first Monday in February.

Dividends—Pfd. dividends are regularly paid. Dividends of 6% paid on Common stock in 1920; none in 1921; 4½% in 1922; 6% in 1923; 7% in 1924; 8% annually, 1925 to 1927, inclusive.

In addition, there was paid in 1923 from surplus a 9% special cash dividend of $16,587 for the period Oct. 1, 1920 to March 31, 1922, during which no dividends were paid. An additional cash dividend of 8% from surplus was paid in 1924 on the Common stock for the purpose of bringing the basis of dividends for the past four years from 6% to 7%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$114,327	$111,044	$108,108
Operating expenses & taxes	88,352	84,011	79,884
Net earnings	$25,975	$27,033	$28,224
Other income	2,387	2,050	1,396
Total income	$28,362	$29,083	$29,620
Interest charges	.....	.....	13
Rentals, etc.	521	293	268
Total charges	$521	$293	$281
Balance for dividends	$27,841	$28,790	$29,339
Pfd. dividends	2,700	2,700	2,700
Common dividends	19,170	19,170	19,170
Surplus for year	$5,971	$6,920	$7,469

GENERAL BALANCE SHEET DECEMBER 31

Assets—	1927	1926	1925
Property account	$365,840	$371,001	$359,410
Cash and deposits	20,608	22,912	14,918
Bills & accts. receivable	10,034	8,361	7,465
Materials and supplies	6,328	9,750	8,630
Accrued income not due	407	373	272
Deferred debit items	2,483	1,478	1,711
Marketable securities	27,103	27,103	25,203
Total	$432,803	$440,978	$417,609
Liabilities—			
Common stock	$239,625	$239,625	$239,625
Preferred stock	45,000	45,000	45,000
Accounts payable	4,054	3,892	3,321
Accrued liabilities not due	10,867	9,884	9,480
Deferred credit items	69	11	.....
Fixed capital reserves	104,170	119,519	104,055
Surplus & undivided profits	29,018	23,047	16,128
Total	$432,803	$440,978	$417,609

Officers: Jas. G. Hunt, Pres.; Jno. M. Sherman, V-P. & Treas.; Wm. A. Gabel, Sec.; C. B. Forrest, Gen. Mgr., Fremont O.; W. E. Burnett, Aud.; Cleveland, O.

Directors: Jas. G. Hunt, Wm. A. Gabel, Jno. M. Sherman, C. C. Wolfe, Fremont, O.; A. J. Mellen, W. G. Palmer, L. A. Steeg, Toledo, O.; W. G. Barry, Cleveland, O.

General Office, Fremont, Ohio.

THE CITY RAILWAY COMPANY

(Dayton, Ohio)

History—Incorporated May 12, 1893, in Ohio; consolidation of the Dayton Street R. R., Dayton & Soldiers' Home Electric Ry., Fifth Street R. R., and the Green Line. The franchise of the Dayton Street R.R. Co. and the Fifth Street R. R. Co. are for 50 years each from Feb. 8, 1892, and April 19, 1893, respectively. Miles of track, 38.70. Gauge, standard. Rail, 70, 80 and 90 lb. girder and T Equipment. Passenger cars, 82; sprinklers, 3; snow plows, 3; sand cars, 2; work cars, 2—total, 92.

CAPITAL STOCK

Authorized, $2,400,000 Common and $600,000 6% Pfd.; outstanding, $2,395,100 Common and $600,000 Pfd.; par, $100. Annual meeting, second Thursday in February.

Dividends—Dividends of 6% per annum paid on Pfd. On Common, 1900 to 1903, incl., 6%; also 16 2/5% ($250,000 in new stock at par or in cash), declared Nov., 1903, paid Jan. 1, 1904; in 1904, 6%; in 1905, 6½%; 1906 to 1910, incl., 7%; in Feb., 1907, paid a special dividend of 5%; in 1911, Jan., 1¾%; April, 1¾%, and special dividend of $9.09 per share (applicable at option of holder to purchase of additional Common stock); July, 1¾%; Oct., 1¾%; 1912, 9½%; 1913, 8%; 1914, 7¾%; 1915, 6%; 1916, 7%; 1917, 7%; 1918 to 1921, 6%; 1922, 3¾%; 1923, 1924 and 1925, 3%; 1926, 4%; 1927, 5%; payments on both classes, quarterly, M, J, S & D 31, by check. In Dec., 1906, an extra dividend of 5% was paid on Common, and in May, 1911, a special dividend of $200,000.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$984,970	$996,588	$963,598	$970,998	$990,114	$958,327
Operating expenses, taxes and depreciation	776,030	758,159	779,075	842,969	868,377	818,300
Net earnings	$208,940	$238,429	$184,523	$128,030	$121,737	$140,027
Other income	15,554	9,441	4,010	2,633	2,785	4,660
Total income	$224,494	$247,870	$188,533	$130,663	$124,522	$144,687
Interest charges, etc.	18,755	.....	11,013	13,933	9,234	11,105
Balance or dividends	$205,739	$247,870	$177,520	$116,730	$115,288	$133,582
Preferred dividends	36,000	36,000	36,000	36,000	36,000	36,000
Common dividends	119,755	95,804	71,853	71,853	71,853	89,816
Surplus for year	$49,984	$116,066	$69,667	$8,876	$7,435	$7,766
Earnings Per Share—						
Preferred	$34.29	$41.31	$29.59	$19.45	$19.21	$22.59
Common	7.09	8.84	5.91	3.37	3.31	4.51

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$3,947,735	$3,887,588	$3,934,788	$3,970,558	$3,873,554	$3,865,287
Other investments	355,782	102,298	92,248	7,250	10,517	20,410
Materials and supplies	33,409	43,598	35,791	53,977	34,294	38,041
Cash on hand and in bank	29,497	175,743	23,296	22,947	12,573	47,989
Bills and notes receivable	.....	.....	.....	6,000	6,020	.....
Current accounts	7,341	13,134	27,442	10,303	21,538	31,27?
Other assets	2,414	1,441	916	46	.....	.....
Unadjusted debits	119,978	149,507	190,707	241,660	234,892	230,797
Total	$4,496,156	$4,373,309	$4,305,188	$4,312,741	$4,193,389	$4,233,797
Liabilities—						
Common stock	$2,395,100	$2,395,100	$2,395,100	$2,395,100	$2,395,100	$2,395,100
Preferred stock	600,000	600,000	600,000	600,000	600,000	600,000
Current liabilities	40	4,515	29,791	107,780	107,171	248,702
Accrued depreciation	1,087,878	1,013,393	999,747	954,454	866,621	868,831
Accrued taxes	95,438	96,790	86,624	73,326	96,005	.....
Paving assessments	.....	.....	97,498	117,158	.....	.....
Unadjusted credits	151,616	130,070	.....	.....	.....	.....
Deferred credit items	348	357	60,474	58,584	59,162	120,295
Other liabilities	.....	.....	115	111	64,885	.....
Appropriated surplus	39,553	26,619	.....	.....	.....	.....
Profit and loss	126,183	106,465	35,839	6,227	4,445	869
Total	$4,496,156	$4,373,309	$4,305,188	$4,312,741	$4,193,389	$4,233,797

Officers: J. M. Markham, Chairman; Geo. G. Shaw, Pres.; H. S. Mead, V-P.; R. K. Landis, Sec.; T. A. Ferneding, Treas.; C. N. Kincaid. Aud.; T. E. Howell, Gen. Mgr. & Pur. Agt., Dayton, Ohio.

Directors: J. M. Markham, G. G. Shaw, H. S. Mead, V. Winters, P. H. Worman, Wm. H. Kuhlman, T. A. Ferneding, Dayton, Ohio.

General Office, 14 E. Second St., Dayton, Ohio.

THE GREAT LAKES POWER COMPANY, LIMITED

History and Property—Incorporated March 20, 1916, under laws of the Province of Ontario, Canada. Company has acquired and owns in fee all the water power property, rights and franchises formerly owned and operated by the Algoma Steel Corp., Ltd., at Sault Ste. Marie, Ont. The Province of Ontario has granted the Company the right in perpetuity, without rental or other charges, to the use of 20,000 cu. ft. per second of primary or continuous water on the Canadian side of the St. Mary's River. The rights of the Province of Ontario and of the Algoma Steel Corp., Ltd., (predecessor company), to the use of this water was decided by order, dated May 27, 1914, of the International Joint Commission representing the United States and the Dominion of Canada.

The original development was acquired from the Algoma Steel Corp. and consisted of an intake canal, etc. This canal had a capacity of about 10,000 cu. ft. per second, permitting approximately 14,000 h.p. to be developed. Of this 11,000 water h.p. is sold to the Lake Superior Paper Co. under a 99-year contract, the balance being developed into electric power. To meet the demands of power, the Company constructed an additional canal parallel to the original canal, and other necessary improvements, including a new power house from which about 29,200 electric and 12,000 h.p.

hydraulic is developed. The electric power is sold under long time contracts to the City of Sault Ste. Marie, Algoma Steel Corp., Algoma Central & Hudson Bay Ry., International Transit Co., Lake Superior Paper Co. and others.

Company also owns the entire capital stock of International Transit Co., operating a street railway system in Sault Ste. Marie, Ont., and ferry service between Sault Ste. Marie, Ont., and Sault Ste. Marie, Mich.

CAPITAL STOCK

Authorized and outstanding, $2,000,000 Common and $600,000 7% cumulative Pfd.; par, $100. Pfd. stock has preference for assets. Secretary of Company acts as Transfer Agent and Registrar. Annual meeting, second Wednesday in February.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D 15. On Com. dividends of 4% each paid in 1921, 1922, 1923, 1924, 1925, 1926 and 1927; payments quarterly, J, A, J & O.

FUNDED DEBT

$2,370,000 FIRST SERIAL GOLD 6s, DUE MAY 1, AS FOLLOWS: 1928 TO 1930, INCL., $100,000; 1931 AND 1932, $110,000, INCREASING $10,000 EACH YEAR THEREAFTER UNTIL 1939 INCLUSIVE, AND $160,000 IN EACH YEAR FROM 1940 TO 1944, INCLUSIVE

Dated May 1, 1916.

Interest Payable May and Nov. 1, at State Street Trust Co., Boston, Trustee. Hon. Frederick Stone, Sault Ste. Marie, Ont., Co-trustee.

Provisions of Issue—Authorized and issued, $3,000,000, of which $630,000 have been retired.

Callability—Subject to call as a whole on any interest date before May 1, 1935, at a 5% income basis and thereafter at a 4½% basis.

Security—A first lien on entire property of company now owned or hereafter acquired, and additionally secured by the deposit of all the stock (except directors' shares) of International Transit Co.

Legal Opinion—Ropes, Gray, Boyden & Perkins.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Great Lakes Power Co., Ltd.)

	1927	1926	1925	1924	1923	1922
†Gross earnings	$592,034	$599,920	$601,367	$585,037	$577,488	$542,338
Operating expenses, taxes and depreciation	225,001	212,948	207,161	190,465	162,019	128,614
Net earnings	$367,033	$386,972	$394,206	$394,572	$415,469	$413,724
Fixed charges, etc.	143,263	149,516	154,557	162,267	169,563	196,784
Balance	$223,770	$237,456	$239,649	$232,305	$245,906	$216,940
Preferred dividends	42,000	42,000	42,000	42,000	42,000	42,000
Common dividends	80,000	80,000	80,000	80,000	80,000	80,000
Surplus for year	$101,770	$115,456	$117,649	$110,305	$123,905	$94,939
*Times Fixed Charges Earned	2.56	2.58	2.55	2.43	2.45	2.10
*Earnings Per Share—						
Preferred	$37.29	$39.57	$39.94	$38.72	$40.98	$36.16
Common	9.08	9.77	9.88	9.51	10.19	8.75

†Includes miscellaneous income. *After depreciation.

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Great Lakes Power Co., Ltd., and International Transit Co.)

	1927	1926	1925	1924	1923	1922
Gross income	$712,893	$710,203	$711,263	$693,588	$693,369	$652,762
Expenses, depreciation, etc.	321,101	307,411	303,278	260,059	257,742	262,771
Net operating income	$391,792	$402,729	$407,985	$433,529	$435,627	$389,991
Interest charges	156,045	161,959	165,227	173,316	181,190	182,830
Net profits	$235,747	$240,833	$242,758	$260,213	$254,437	$207,161
Preferred dividends	42,000	42,000	42,000	42,000	42,000	42,000
Common dividends	80,000	80,000	80,000	80,000	80,000	80,000
Surplus for year	$113,747	$118,833	$120,758	$138,213	$132,437	$85,161

CONDENSED BALANCE SHEET, DECEMBER 31
(Great Lakes Power Co., Ltd.)

Assets—	1927	1926	1925	1924	1923	1922
Property account	$6,127,260	$6,120,241	$6,101,603	$6,090,186	*$5,567,361	*$5,792,094
Invested in affiliated companies	338,003	373,960	325,899	299,963	.....	.....
Marketable securities	298,592	178,596	178,432	154,248	154,828	154,828
Common stock subscriptions	.....	600	600	600	600	.....
Preferred stock subscriptions	.....	.....	.....	1,337	.....	.....
Interest and dividends receivable	3,733	3,061	2,937	2,845	.....	.....
Prepayments	1,442	2,287	1,824	2,581	.....	.....
Open accounts	50,959	.....	.....	.....	3,000	8,102
Materials and supplies	2,110	2,424	2,033	2,069	2,147	1,337
Special deposits	506	521	1,171	.....	.....	.....
Notes and accounts receivable	49,340	49,550	50,252	47,245	192,185	146,153
Cash	37,014	169,021	111,939	66,403	94,923	18,696
Reacquired securities at cost	67,934	.....	.....	.....	.....	.....
Total	$6,976,893	$6,900,262	$6,776,690	$6,667,477	$6,105,044	$6,121,210
Liabilities—						
Preferred stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Common stock	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	1,999,400
Funded debt	2,370,000	2,460,000	2,545,000	2,625,000	2,700,000	2,770,000
Accounts and notes payable	3,575	17,074	1,718	2,335	4,287	30,537
Interest and dividends	46,535	48,100	48,950	49,750	50,500	51,200
Dominion Income taxes	24,435	21,191	24,953	27,019	25,610	19,721
Retirement reserve	827,524	728,420	628,421	528,421	.....	.....
Reserve for contingencies	.....	.....	.....	.....	.....	24,000
Surplus	1,104,824	1,025,477	927,648	834,952	724,647	626,352
Total	$6,976,893	$6,900,262	$6,776,690	$6,667,477	$6,105,044	$6,121,210

*Depreciation deducted.

Officers: Samuel Insull, Pres.; Martin J. Insull, V-P., Chicago, Ill.; John A. McPhail, V-P. & Asst. Treas., Sault Ste. Marie, Ont.; Oliver E. McCormick, Sec. & Treas.; E. J. Knight, Asst. Sec., Chicago, Ill.; A. E. Pickering, Gen. Mgr.; J. M. McNeil, Asst. Sec., Aud. & Pur. Agt., Sault Ste. Marie, Ont.

Directors: Samuel Insull, Martin J. Insull, James L. Martin, B. A. Eckhart, James O. Heyworth, Donald R. McLennan, Chicago, Ill.; Arthur Sinclair, New York; John A. McPhail, Sault Ste. Marie, Ont.

General Office, Sault Ste. Marie, Ont.

THE INTERNATIONAL TRANSIT COMPANY

(Controlled by The Great Lakes Power Company, Limited)

History and Property—Incorporated May 22, 1888, in Canada, and by subsequent legislation Aug. 22, 1902. Franchise granted July 1, 1901 for a period of 25 years, gives exclusive use of all streets in Sault Ste. Marie. Line of road: In Sault Ste. Marie, 3.68 miles; siding, 0.22 mile—total track, 3.90 miles. Gauge, standard. Rails, 80 lb. T. Motor cars, 14; snow sweeper, 1. Power purchased from Great Lakes Power Co., Ltd. Also operates ferry between Sault Ste. Marie, Mich., and Sault Ste. Marie, Ont.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. All owned by Great Lakes Power Co., Ltd., and deposited (except directors' qualifying shares) under that Company's First Mortgage. Annual meeting in February.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$120,859	$110,283	$109,896
Oper. exp., taxes & deprec.	96,100	94,462	96,117
Net earnings	$24,759	$15,821	$13,779
Interest charges	12,781	12,444	10,670
Surplus for year	$11,978	$3,377	$3,109

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$635,909	$671,051	$596,928
Materials and supplies	7,290	6,642	6,552
Cash	10,333	2,852	7,028
Unbilled income	62	62	62
Notes & accounts receivable	622	574	620
Prepaid expenses	3,187	3,306	2,279
Deferred debits	.....	.....	200
Total	$657,403	$684,487	$613,669
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Advances from affil. cos.	188,000	223,957	175,896
Accounts payable	7,100	2,200	3,512
Other current liabilities	1,595	746	1,159
Retirement reserve	197,182	205,380	185,380
Other reserves	20,159	19,185	17,947
Surplus	93,367	83,019	79,775
Total	$657,403	$684,487	$613,669

Officers: James O. Heyworth, Pres.; Martin J. Insull, V-P., Chicago, Ill.; John A. McPhail, V-P. & Asst. Treas., Sault Ste. Marie, Ont.; Oliver E. McCormick, Sec. & Treas.; E. J. Knight, Asst. Sec., Chicago, Ill.; J. M. McNeil, Asst. Sec., Aud. & Pur. Agt.; A. E. Pickering, Gen. Mgr., Sault Ste. Marie, Ont.

Directors: Samuel Insull, Martin J. Insull, James L. Martin, James O. Heyworth, Donald R. McLennan, Chicago, Ill.; Arthur Sinclair, New York; John A. McPhail, Sault Ste. Marie, Ont.

General Office, Sault Ste. Marie, Ont.

THE PROSPECT ELECTRIC LIGHT AND POWER COMPANY

History—Incorporated Oct. 17, 1904, in Ohio. Furnishes electricity in Prospect, Ohio, serving a population of about 1,300. Franchises expire in 1938. No. of meters, 415. Annual output of electricity, 250,000 k.w.h. Prices: Base rate, 10 cts. per k.w.h., minimum rate 3 cts.

CAPITAL STOCK

Authorized and outstanding, $20,000; par, $100. Annual meeting, second Monday in January, at Marion, Ohio.

Dividends—1914, 3%; 1915, 4%; 1916, 6%; 1917, 8%; 1918, 6%; 1919, 1920 and 1921, 8%; 1922, 14%; 1923, 10%; 1924, 16%; 1925, 12%; 1926, 20%; 1927, 32½%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue from electric operation	$18,375	$17,725	$15,670
Operating exp. & taxes	13,001	12,363	10,804
Depreciation	1,064	1,462	1,617
Net operating revenues	$4,310	$3,900	$3,249
Other income	1,299	785	1,094
Total income	$5,609	$4,685	$4,343
Other expenses	1,250	1,203	1,058
Bal. available for divds.	$4,359	$3,482	$3,285
*Dividends	6,500	4,000	2,400
Surplus for year	†$2,141	†$518	$885
Surplus forward	11,539	11,986	10,999
Adjustments to surplus	5	71	102
Profit and loss surplus	$9,403	$11,539	$11,986

*Of which paid from surplus: $1,000 in 1925; $2,000 in 1926; $4,500 in 1927. †Deficit after dividends.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$33,469	$35,164	$34,012
Materials and supplies	1,165	643	727
Cash	763	1,002	950
Notes receivable	.....	1,000	3,000
Accounts receivable	2,117	4,462	1,977
Unexpired insurance	41	127	162
Deferred upkeep fund	9,030	.....	.....
Total	$46,585	$42,398	$40,829
Liabilities—			
Capital stock	$20,000	$20,000	$20,000
Accounts payable	824	1,776	1,088
Taxes accrued	574	597	549
Reserve for deferred upkeep	6,753	8,486	7,206
Surplus	9,404	11,539	11,986
Borrowings from deferred upkeep fund	9,030	.....	.....
Total	$46,585	$42,398	$40,829

Officers: Geo. Whysall, Pres. & Gen. Mgr.; Chas. C. Whysall, V-P.; John J. Hane, Sec. & Treas., Marion, O.; Carl Gabriel, Supt., Prospect, O.

Directors: Geo. Whysall, C. T. Whysall, Chas. C. Whysall, John J. Hane, H. B. Hane, Marion, O.

General Office, Marion, Ohio. **Operating Office,** Prospect, Ohio.

THE GAS COMPANY OF CHEBOYGAN

History—Incorporated April 6, 1926, in Michigan; successor to Cheboygan Gas Light Company (for last published statement, see 1926 Public Utility Volume, page 2355). Supplies gas to Cheboygan, Mich. Population served, approximately 5,000. Miles of mains, 5½. Number of meters, 300. Sales in 1927, 5,230,400 cu. ft.

CAPITAL STOCK

Authorized and outstanding, 1,000 shares of no par value.

FUNDED DEBT

None.

Officers: George H. Waring, Pres.; Charles McPherson, V-P., Grand Rapids, Mich.; Kurt Acker, Sec.-Treas., Cheboygan, Mich.

General Office, Cheboygan, Mich.

ALBIA LIGHT AND RAILWAY COMPANY

History and Property—Incorporated June 14, 1916, in Del.; reorganization of the Albia Gas Co., Albia Interurban Railway and Southern Iowa Railway & Light Co. (see Manual for 1916, page 1407). Franchises expire in Aug., 1941. Company owns and operates an electric light, gas, heat and power plant. Property consists of power house, distributing system and a 16.5-mile transmission line. Miles of gas mains, 8. No. of gas meters, 482. Annual output, gas, 12,221,000 cu. ft. No. of electric meters, 1,718. Has contract for all municipal lighting, heating and power in City of Albia, Iowa. All franchises consolidated and extended for 25 years from Aug. 6, 1916.

CAPITAL STOCK

Authorized and outstanding, $400,000 Common (par, $100) and $100,000 6% non-cumulative Pfd. (par, $10). Pfd. stock has preference for assets and dividends, and cannot be called. Stock transferred at Company's office, 211 Brady St., Davenport, Ia. Annual meeting third Monday in March.

Dividends—Initial Pfd. dividend of 1½% was paid July 23, 1917; quarterly dividends at same rate were regularly paid, F, M, A & N 1, until July, 1918; none since.

FUNDED DEBT

$500,000 First Gold 5s; dated July 1, 1916; due July 1, 1941, int. Jan. and July 1, at Empire Trust Co., New York, Trustee and Registrar. Coupon, $100 and $1,000; principal may be registered. Authorized issue, $500,000. No sinking fund and bonds cannot be called. A first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$132,065	$128,961	$129,354
Oper. exp. & taxes	104,581	99,505	98,885
Depreciation	21,005	6,448	6,468
Net earnings	$6,479	$23,008	$24,001
Other income	1,873	2,003	1,819
Total income	$8,352	$25,011	$25,820
Bond interest	25,000	25,000	25,000
Other int., etc.	2,514	7,747	46,419
Total charges	$27,514	$32,747	$71,419
Deficit for year	$19,162	$7,736	$45,599

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$983,463	$980,683	$979,965
Materials and supplies	11,593	10,016	17,541
Cash	3,607	6,467	2,143
Notes & accts. receivable	13,968	28,222	21,617
Other current assets	529	1,774	843
Bond discount and exp.	20,111	21,601	23,091
Corporate deficit	129,713	96,098	88,362
Total	$1,162,984	$1,144,863	$1,133,563
Liabilities—			
Common stock	$400,000	$400,000	$400,000
Preferred stock	100,000	100,000	100,000
Funded debt	500,000	500,000	500,000
Notes & accounts payable	48,324	64,146	59,922
Interest accrued	640	.....	827
Other current liabilities	1,886	1,757	1,561
Reserve for taxes	2,155	5,030	4,506
Deferred credit items	10,674	10,674	10,674
Reserve for depreciation	99,305	61,491	55,260
Other reserves	.....	1,766	813
Total	$1,162,984	$1,144,863	$1,133,563

Officers: J. Ross Lee, Pres.; E. F. Bulmahn, V-P.; H. R. Bechtel, Sec. & Treas., Davenport, Ia.; Bert Dunkin, Gen. Mgr., Albia, Ia.

Directors: J. Ross Lee, E. F. Bulmahn, Frank S. Payne, H. R. Bechtel, Davenport, Ia.

General Office, Davenport, Iowa.

CITIZENS' GAS, ELECTRIC & POWER CO. OF NANTUCKET, MASS.

History and Property—Incorporated April 5, 1905, in Mass.; successor to Nantucket Gas & Electric Co. Supplies gas and electricity for light, heat and power in Nantucket and Siasconset, Mass. Population served, 3,000. Miles of gas mains, 14. Prices: Gas is billed at $2.80 per 1,000 cu. ft.; discount 20 cts. if bill is paid on or before 10th of month. Electricity is billed effective March 1, 1927), at 23 cts. per k.w.h.; discount 2 cts. if bill is paid on or before 10th of month. Has city contract for lighting Nantucket.

CAPITAL STOCK

Authorized and outstanding, $200,000 (increased from $125,000 in 1927); par, $100. Annual meeting, third Wednesday in February.

Dividends—Dividends paid as follows: 1909 and 1910, 4% each; none thereafter until Aug. 1, 1914, when 4% was paid; Aug., 1915, 4%; 1916, 4½%; 1917, 6%; 1918, 6%; 1919, 6½%; 1920 to 1922, 8% per annum; 1923, 9%; 1924 to 1927, inclusive, 8% each; payments M, J, S & D 1, at office of the Company, 56 Main St.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$114,220	$105,531	$91,480
Oper. exp. & taxes	83,097	67,534	69,234
Depreciation	*11,994	9,035	
Net earnings	$19,129	$28,962	$22,246
Other income	1,493	1,575	.....
Total income	$20,622	$30,537	$22,246
Interest charges	5,739	4,125	3,411
Rents	.....	70	.....
Balance for dividends	$14,883	$26,342	$18,835
Dividends paid	13,000	10,000	9,000
Surplus for year	$1,883	$16,342	$9,835
Earnings Per Share	$7.44	$21.07	$15.07

*In addition $3,466 was appropriated from surplus account for depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$356,218	$262,575	$206,892
Other investments	.....	.....	311
Materials & supplies	16,551	11,135	9,288
Cash	1,298	248	11,174
Notes & accts. receivable	11,681	14,117	10,734
Prepaid int. & insurance	4,268	3,118	2,643
Total	$390,016	$291,193	$241,042
Liabilities—			
Capital stock	$200,000	$125,000	$125,000
Funded debt	.....	18,000	18,000
Notes payable	100,000	69,000	45,000
Accounts payable	5,423	3,841	25
Interest accrued	.....		2,217
Consumers' deposits	30	.....	.....
Reserve for taxes	1,647	.....	.....
Depreciation reserve	48,374	39,226	31,198
Profit and loss	34,542	36,126	19,602
Total	$390,016	$291,193	$241,042

Officers: George C. Rule, Pres.; Wm. C. Brock V-P., Sec., Gen. Mgr. & Pur. Agt.; Albert G. Brock, Treas.; Nantucket, Mass.; Wm. C. Canning, Aud., Boston.

Directors: George C. Rule, William C. Brock, Albert G. Brock, Harry B. Turner, Fred V. Fuller, John P. Conway, Joshua B. Ashley, 3rd, Nantucket, Mass.; Franklin E. Smith, Newton, Mass.; Charles R. Prichard, Lynn, Mass.

General Office, Nantucket, Mass.

CANADA ELECTRIC COMPANY, LIMITED

History and Property—Incorporated in 1889, in Nova Scotia. Furnishes light and power to an industrial and mining territory in North Western Nova Scotia, including the towns of Amherst and Springhill, and contiguous territories, in addition to the two Cumberland County coal fields. Total population supplied, 20,000. The Company's plants consists of a 2,000 k. w. (2,700 h.p) generating plant at Chignecto, N. S. A new plant, with an ultimate capacity of 4,000 k. w. (5,200 h.p.) is under construction at Maccan. Company also owns the entire street lighting and power distribution system with standby plant, in the Town of Amherst, as well as inter-connecting high tension transmission lines, aggregating 34 miles in length.

In 1927, Company acquired a controlling interest in the Eastern Electric & Development Co., Ltd., which supplies the town of Sackville, N. B., with electric light and power.

Under the Nova Scotia Public Utilities Act, the Company is entitled to earn an 8% interest return on the capital value of its plant and 4% depreciation on same.

CAPITAL STOCK

Authorized, $500,000 Common; outstanding, $470,000; par, $100.

Annual Meeting—In March.
Dividends—On Common, 6% was paid in 1926.

FUNDED DEBT

$470,000 TWENTY-FIVE YEAR 6½% FIRST MORTGAGE SINKING FUND GOLD BONDS; DUE MARCH 1, 1951

Dated March 1 1926.

Interest Payable March and September 1, at any branch of Bank of Nova Scotia in Canada or at the Bank's agency in New York City.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Eastern Trust Co., Montreal.

Provisions of Issue—Authorized $500,000; issued $470,000. The terms of the Act of the Province of Nova Scotia, under which Company is incorporated, provide that its bonded debt shall not exceed the amount of its capital stock, paid up and outstanding. The remaining $30,000 of authorized bonds may only be issued after a corresponding amount of Common stock has also been issued.

Purpose of Issue—Proceeds used to finance erection of plant at Maccan, N. S., and to redeem an outstanding issue of $30,000 First Mortgage bonds of Company.

Callability—Subject to call in whole or in part on 60 days' notice on any interest payment date up to and including March 1, 1931, at 105; to March 1, 1936, at 104; to March 1, 1941, at 103; to March 1, 1946, at 102; and to Sept. 1, 1950, at 101.

Sinking Fund—An annual cumulative sinking fund of 2% of the amount of bonds then outstanding, together with interest on bonds previously redeemed and cancelled through the action of the sinking fund, first payment of which commences March 1, 1928, is calculated to retire the entire issue by maturity.

Security—Bonds constitute a first mortgage on Company's fixed properties, now owned or hereafter acquired, and are a floating charge on other assets.

Legal Opinion—Logan & Smiley, Amherst, N. S.

Original Offering—First publicly offered ($450,000) in August, 1926, at par and interest, by Hanson Bros., Montreal, Toronto, etc., and Eastern Securities Co., Ltd., St. John, Halifax, etc.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$233,898
Operating expenses and taxes	141,590
Depreciation	29,000
Net earnings	$63,308
Interest charges	23,914
Sinking fund	7,500
Surplus for year	$31,894

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$1,082,050
Other investments	205
Materials and supplies	11,099
Cash	11,706
Accounts receivable	41,120
Other current assets	5,937
Unadjusted debits	42,821
Deferred debit items	2,893
Total	$1,197,831
Liabilities—	
Common stock	$470,000
Funded debt	470,000
Notes payable	18,000
Accounts payable	30,662
Interest accrued	9,885
Deferred credit items	1,266
Reserve for depreciation	127,476
Reserve for sinking fund	7,500
Profit and loss surplus	63,042
Total	$1,197,831

Officers: W. G. Hanson, Pres. & Chrm. of Board; Hon. W. G. Mitchell, V-P., Montreal; H. M. Harper, Sec. & Treas.; N. T. Avard, Gen. Mgr., Amherst, N. S.

Directors: Hon. Walter G. Mitchell, W. G. Hanson, William Hanson, R. Wilson, Jr., Montreal; G. Ratcliffe Hulme, London, Eng.; Jas. MacMurray, St. John, N. B.

General Office, Amherst, N. S.

CHICAGO TUNNEL TERMINAL CORPORATION

History—Organized under the laws of Delaware, June 7, 1923. Acquired in September, 1925, the capital stock and mortgage notes of the Chicago Tunnel Company and Chicago Warehouse & Terminal Company. Also owns stock of Chicago Tunnel Transportation Company, organized in Illinois, May 16, 1927, with $10,000 capital stock.

CAPITAL STOCK

Authorized, 20,000 shares of no par value; outstanding, 18,882 shares. Secretary of company acts as transfer agent. Registrar: Continental National Bank & Trust Co., Chicago. Annual meeting, third Tuesday in March.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Stocks and notes owned	$623,608	$613,608	Capital stock	$653,357	$658,034
Other investments	10,040	88,364	Liquidating dividends declared	186	94,520
Cash	19,895	50,582			
Total	$653,543	$752,554	Total	$653,543	$752,554

Officers: R. J. Dunham, Pres.; S. W. Tracy, V-P.; G. E. Shipway, V-P.; J. J. Mitchell, Treas.; L. J. Gundlach, Sec. & Asst. Treas.; R. S. Tuthill, Asst. Sec.

Directors: R. J. Dunham, G. E. Shipway, J. J. Mitchell, C. A. McCulloch, J. Harris, E. C. Kohlsaat, S. W. Tracy, R. M. Shaw.

Office, Chicago, Illinois.

CHICAGO TUNNEL COMPANY

(Controlled by Chicago Tunnel Terminal Corporation)

History and Property—Incorporated March 27, 1912, in Ill., and acquired the property of the Illinois Tunnel Co. The property consists of 52 miles of small single track freight tunnels underlying streets in the central business section of the City of Chicago, Ill., about 3,300 freight cars, and 150 electric locomotives. It connects with facilities of the Chicago Warehouse and Terminal Co., consisting of about 10 miles of tunnels and terminal facilities under all railroad freight stations, four universal freight stations, and premises of a large number of private shippers and buildings. The entire system placed in operation Sept. 1, 1907, is 2 ft. gauge; rail, 56 lbs. Franchise expires in 1929.

CAPITAL STOCK

Authorized and outstanding, $100,000. All owned by Chicago Tunnel Terminal Corporation. Annual meeting, second Monday in March. No dividends paid.

DEMAND NOTES

$23,057,306 6% Demand Notes, of various dates, due on demand; interest payable in Chicago. Authorized issue, $24,000,000. Central Trust Co. of Illinois, Chicago, Trustee. The notes were issued to take over operation and possesion of all tunnel properties. A first lien on entire property.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Earnings from operation	$681,160	$705,213	$627,649	$619,430	$642,587	$636,808
Operating expenses	503,643	532,619	460,844	495,187	496,503	457,568
Taxes	102,565	105,300	94,699	92,362	76,294	68,352
Depreciation	106,673	95,127	67,697	101,284	95,140	95,023
Net earnings	*$31,721	*$27,833	$4,409	*$69,403	*$25,350	$15,865
Other income	12,905	12,655	13,059	19,015	15,987	13,710
Total income	*$18,816	*$15,178	$17,468	*$50,388	*$9,363	$29,575
Interest charges	1,399,236	1,405,058	1,411,236	1,420,236	1,420,236	1,420,236
Deficit for year	$1,418,052	$1,420,236	$1,393,768	$1,470,624	$1,429,599	$1,390,661

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$20,160,938	$20,102,785	$20,083,481	$19,996,684	$19,990,261	$19,957,919
Miscellaneous investments	399,528	300,000	275,000	2,886,337	2,835,834	2,834,112
Due from affiliated companies	.....	.....	2,533,045			
Materials and supplies	44,648	74,456	51,894	68,035	66,605	48,885
Cash	90,842	42,472	57,701	128,349	92,595	34,284
Current accounts	67,265	83,325	72,100	76,622	69,912	51,139
Unadjusted debits	.....	.....	186	5,741	3,114	.....
Prepaid expenses	6,516	6,354	6,154	7,006	6,424	6,353
Profit and loss	27,203,670	25,785,650	21,828,521	20,434,753	18,967,664	17,528,933
Total	$47,973,407	$46,395,042	$44,908,082	$43,603,527	$42,032,409	$40,461,625
Liabilities—						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Demand notes	23,057,306	23,057,306	23,157,306	23,407,306	23,407,306	23,407,306
Notes payable	313,300	313,300	313,300	313,300	313,300	313,300
Current liabilities	20,769	43,294	28,961	27,276	36,555	29,099
Interest accrued	22,403,544	21,004,307	19,599,249	18,188,045	16,767,777	15,347,540
Taxes accrued	598,424	516,697	431,624	355,508	280,453	224,092
Accrued depreciation	1,472,585	1,354,394	1,263,539	1,204,120	1,119,610	1,032,130
Other liabilities	7,479	5,744	5,325	5,000	4,189	4,939
Deferred liabilities	.....	.....	8,778	2,972	3,219	3,219
Total	$47,973,407	$46,395,042	$44,908,082	$43,603,527	$42,032,409	$40,461,625

Officers: S. W. Tracy, Pres.; R. J. Dunham, V-P.; C. A. McCulloch, V-P.; L. J. Gundlach, Sec. & Treas.; J. H. Burke, Traffic Mgr.; A. Slade, Chief Engr.; J. W. Costello, Supt. of Trans.; D. Bonner, Pur. Agt., Chicago, Ill.

Directors: R. J. Dunham, C. A. McCulloch, S. W. Tracy, A. Slade, W. J. Gavin, Chicago, Ill.

General Office, 754 W. Jackson Blvd., Chicago, Ill.

CHICAGO WAREHOUSE & TERMINAL COMPANY

(Controlled by Chicago Tunnel Terminal Corporation)

History and Property—Incorporated under the laws of Ill., Nov. 30, 1904. Property consists of about 10 miles of tunnels and terminal facilities, connecting with all railroad freight stations and four Universal Freight stations, for receiving and delivering L. C. L. freight shipments. Also connects with a large number of private shippers and buildings for removal of ashes and delivery of coal. Operates in conjunction with the Chicago Tunnel Company.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, second Monday in March. No dividends paid.

FUNDED DEBT

There are outstanding $6,193,343 6% Mortgage notes issued in payment of the property. Notes now held by Chicago Tunnel Terminal Corp.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Earnings from operation	$752,729	$847,724	$716,412	$622,219	$684,265	$612,202
Operating expenses	688,704	779,952	650,894	577,596	607,933	486,260
Taxes	3,357	3,412	3,314	2,854	3,137	3,024
Depreciation	56,568	58,153	32,224	45,528	82,730	136,616
Net earnings	$4,100	$6,207	$29,980	*$3,759	*$9,535	*$13,698
Other income	17,071	34,506	15,374	16,874	27,356	8,659
Total income	$21,171	$40,713	$45,354	$13,115	$17,821	*$5,039
Interest charges	372,558	374,051	378,748	382,702	382,519	380,134
Deficit for year	$351,387	$333,338	$333,394	$369,587	$364,698	$385,174

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real estate, plant & equip.	$6,274,752	$6,271,876	$6,237,986
Additions & improvements	.....	.....	45,890
Other investments	231,996	185,000	175,000
Materials and supplies	25,571	26,740	29,683
Cash	77,891	62,086	47,972
Accounts receivable	260,091	307,716	267,555
Other current assets	7,578	8,190	7,075
Deferred charges	3,468	5,862	1,896
Profit and loss deficit	5,947,236	5,596,158	5,261,506
Total	$12,828,583	$12,463,628	$12,074,563

Liabilities—	1927	1926	1925
Common stock	$100,000	$100,000	$100,000
Funded debt	6,193,343	6,193,343	6,193,343
Bills payable	4,467	35,457	76,958
Accounts payable	93,918	115,472	114,626
Accrued taxes	46	346	288
Accrued interest	5,769,411	5,397.955	5,025,675
Other accrued items	1,984	1,807	1,189
Accrued depreciation	660,414	605,748	553,284
Other reserves	5,000	13,500	9,200
Total	$12,828,583	$12,463,628	$12,074,563

Officers: S. W. Tracy, Pres.; R. J. Dunham, V-P.; C. A. McCulloch, V-P.; L. J. Gundlach, Sec. & Treas.; J. H. Burke, Traffic Mgr.; A. Slade, Chief Eng.; J. W. Costello, Supt. of Trans.

Directors: R. J. Dunham, C. A. McCullough, S. W. Tracy, J. H. Burke, A. Slade, W. J. Gavin, L. J. Gundlach.

Office, Chicago, Ill.

PITTSFIELD COAL GAS COMPANY

History—Incorporated 1853, in Mass., under Special Act. Franchise perpetual. Supplies Pittsfield, Dalton, Lenox and Lee, Mass. Population served, 55,000. Annual output 400,000,000 cu. ft. Daily capacity, 2,500,000 cu. ft. Miles of mains, 139. No. of meters, 13,522. Price net, $1.50 to $1.00.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 (increased from $750,000 in 1925); par, $100. Annual meeting, fourth Tuesday in January.

Dividends—6% per annum previous to 1910-11 fiscal year; 1910-11 to 1912-13, 7%; 1913-14 to 1921, 8%; 1922, 9%; 1923, 9%; 1924 and 1925, 8% each; 1926, 8% regular and 1% extra; 1927, 8% regular and 1% extra; payments quarterly.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings, incl. other income (net)*	$557,875	$578,889	$532,406	$530,717	$537,636	$508,221
Operating expenses and taxes	408,875	428,406	§437,551	393,624	430,466	*420,341
Net earnings	$149,000	$150,483	$94,855	$137,093	$107,170	$87,879
Interest	19,553	20,063	27,335	34,265	.....	.....
Depreciation and other reserves	25,760	28,599	.....	37,676	25,602	16,271
Balance for dividends	$103,687	$101,821	$67,520	$65,152	$81,568	$71,608
Dividends paid	90,000	90,000	60,000	48,000	54,000	54,000
Surplus for year	$13,687	$11,821	$7,520	$17,152	$27,568	$17,608
Earnings Per Share	‡$10.37	‡$10.18	‡$9.00	‡$10.85	$13.60	$11.93

*Includes interest, etc. ‡Based on $600,000 stock in 1924, $750,000 stock in 1925, and $1,000,000 stock in 1926 and 1927. §Includes depreciation, etc.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,624,541	$1,517,872	$1,431,355	$1,305,178	$1,177,069	$1,032,711
Cash	6,619	9,164	239,847	268,408	247,237	192,014
Current assets	197,744	247,013				
Investments	4,460	34,686	34,686	26,454	27,003	25,023
Prepaid accounts	5,774	7,183	8,717	.....	.....	.....
Total	$1,839,138	$1,815,918	$1,714,605	$1,600,040	$1,451,309	$1,249,748
Liabilities—						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$750,000	$600,000	$600,000
Premium on capital stock	106,500	106,500	106,500	81,500	66,500	66,500
Coupon notes	.....	240,000	240,000	300,000	.....	.....
Consumers' deposits	17,437	16,496	17,063	14,255	14,422	11,879
Current accounts payable	12,248	8,358	9,135	17,450	12,243	12,699
Notes payable	395,000	160,000	95,000	220,000	596,200	443,200
Reserve for Federal tax	16,553	16,416	9,444			13,992
Reserve for depreciation	171,106	160,474	142,257	137,220	99,481	63,031
Other reserves	7,651	8,718	8,071			3,553
Profit and loss	112,643	98,956	87,135	79,615	62,463	34,894
Total	$1,839,138	$1,815,918	$1,714,605	$1,600,040	$1,451,309	$1,249,748

Officers: W. L. Adam, Pres.; G. H. Tucker, V-P.; H. A. Dunbar, Treas.; H. C. Crafts, Mgr. & Pur. Agt., Pittsfield, Mass.

Directors: W. L. Adam, N. C. Hull, G. H. Tucker, W. G. Backus, T. F. Plunkett, W. T. Rice, M. M. Chesney, Pittsfield, Mass.

Office, 31 South Street, Pittsfield, Mass.

WYOMING VALLEY WATER SUPPLY CO.

(Controlled by Lehigh Valley RR. Co.)

History—Incorporated April 30, 1900, in Pa. Supplies water in Luzerne, Northumberland, Schuylkill and Columbia Counties. The Company controls and operates the following subsidiaries: Denison Township Water Co., Beaver Meadow Water Co., Drifton Water Co., Oneida Water Co., Delano Water Co., Hazleton Water Co., Locust Mountain Water Co., Wright Township Water Co., Blackwood Water Co., Centralia Water Co., Citizens Water Co. of Tremont, Diamond Water Co. of Hazleton and Tomhicken Water Co.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,686,900; par, $100. All owned by Lehigh Valley RR. Co. Stock transferred by Secretary. Annual meeting, second Monday in January.

Dividends—Recent dividends have been as follows: 1918, 7%; 1919 and 1920, none; 1921, 4%; 1922 and 1923, 4.446% each; 1924 and 1925, 2.964% each; 1926, 5.928%; 1927, 5.928%; payments in November.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$426,122	$435,115	$411,783	$424,282	$429,876	$376,063
Operating expenses and taxes	259,507	268,085	256,412	259,938	278,400	267,629
Depreciation	50,919	46,559	43,264	42,292	38,153	38,153
Net earnings	$115,696	$120,471	$112,107	$122,052	$113,323	$70,281
Other income	4,556	3,969	4,737	4,735	4,865	4,043
Total income	$120,252	$124,440	$116,844	$126,787	$118,188	$74,324
Other deductions	14,216	24,253	23,938	22,302	10,000	10,241
Balance for dividends	$106,036	$100,187	$92,906	$104,485	$108,188	$64,083
Dividends paid	100,000	100,000	50,000	50,000	75,000	75,000
Balance	$6,036	$187	$42,906	$54,485	$33,188	*$10,917
Addition to surplus	122,953	9,015	.....	503	15,605	.....
Surplus for year	$128,989	$9,202	$42,906	$54,988	$48,793	*$10,917

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$23,651	$22,700	$21,003	$15,764	$13,549	$11,446
Stocks owned	791,090	791,090	791,090	791,090	791,090	791,090
Bonds owned	893,000	893,000	893,000	893,000	893,000	893,000
Other investments	740,430	562,368	536,478	476,006	410,311	337,803
Materials and supplies	27,900	24,143	11,666	10,382	9,248	3,570
Cash	76,808	103,622	47,219	52,848	58,536	54,231
Accounts receivable	45,591	52,569	61,924	39,127	38,045	37,793
Other current assets	14,607	17,937	17,875	12,831	669	701
Total	$2,613,077	$2,467,429	$2,380,255	$2,291,048	$2,214,448	$2,129,634
Liabilities—						
Capital stock	$1,686,900	$1,686,900	$1,686,900	$1,686,900	$1,686,900	$1,686,900
Accounts payable and current liabilities	26,991	60,592	25,423	21,283	44,299	52,566
Interest accrued	2,500	2,500	2,500	2,500	2,500	2,500
Reserve for taxes	30,439	29,307	26,268	26,817	22,038	15,904
Reserve for depreciation	369,320	320,192	280,427	237,718	197,868	159,715
Surplus	496,927	367,938	358,737	315,830	260,843	212,049
Total	$2,613,077	$2,467,429	$2,380,255	$2,291,048	$2,214,448	$2,129,634

Officers: E. E. Loomis, Pres., Bethlehem, Pa.; J. A. Middleton, V-P., New York; John M. Humphrey, V-P. & Gen. Mgr., Wilkes-Barre, Pa.; A. F. Bayfield, Treas.; D. G. Baird, Sec.; C. E. Hildum, Compt., Philadelphia, Pa.; D. J. McGeehin, Supt., Hazleton, Pa.

Directors: E. T. Stotesbury, Philadelphia, Pa.; E. E. Loomis, Bethlehem, Pa.; J. A. Middleton, New York; C. E. Hildum, Plainfield, N. J.; John M. Humphrey, F. W. Wheaton, Wilkes-Barre, Pa.; H. R. German, Maplewood, N. J.

General Office, 228 South Third St., Philadelphia, Pa.

DIAMOND WATER COMPANY OF HAZLETON, PA.

(Controlled by Wyoming Valley Water Supply Co.)

History—Incorporated June 24, 1887, in Pennsylvania. Supplies water to part of Hazleton and West Hazleton, Pa. Wells, reservoirs and pumping station are located near Hazleton. Operated by the Wyoming Valley Water Supply Co. under lease dated July 1, 1918, which company pays interest on the bonds and any other charges.

CAPITAL STOCK

Authorized and outstanding, $120,000; par, $25. All owned by Wyoming Valley Water Supply Co. Annual meeting, second Monday in January. No dividends paid since 1914.

FUNDED DEBT

$150,000 First Mtge. 5% Gold bonds; dated Sept. 1, 1909; due Sept. 1, 1939; int. March and Sept. 1, at company's office, Philadelphia, Pa., or Markle Banking & Trust Co., Hazleton, Pa. Coupon, $500 and $1,000; principal may be registered. People's Savings & Trust Co., Hazleton, Pa., Trustee. Authorized issue, $150,000. Subject to call on any interest date after Sept. 1, 1919, at 102 and accrued interest on 60 days' notice. Guaranteed principal and interest by Wyoming Valley Water Supply Co. Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$543,289	$504,487	$453,888
Other assets	83,838	72,169	62,163
Total	$627,127	$576,656	$516,051
Liabilites—			
Capital stock	$120,000	$120,000	$120,000
Funded debt	150,000	150,000	150,000
Other liabilities	273,289	133,462	82,862
Reserve for depreciation	83,838	72,168	62,163
Profit and loss	.....	101,026	101,026
Total	$627,127	$576,656	$516,051

Officers: E. E. Loomis, Pres., Bethlehem, Pa.; J. A. Middleton, V-P., New York; D. G. Baird, Sec.; A. F. Bayfield, Treas.; Philadelphia, Pa.

Directors: D. G. Baird, Beverly, N. J.; A. L. Williams, J. M. Humphrey, Wilkes-Barre, Pa.; E. E. Loomis, Bethlehem, Pa.; J. A. Middleton, New York; G. H. Foster, Ridgewood, N. J.; C. E. Hildum, Plainfield, N. J.

Office, Philadelphia, Pa.

SAN FRANCISCO, NAPA & CALISTOGA RAILWAY

History and Property—Incorporated Nov. 10, 1911, in Cal.; successor to San Francisco, Vallejo & Napa Valley R.R. sold under foreclosure Oct. 30, 1911. Also acquired the Vallejo, Benicia & Napa Valley R.R. Franchises extend from 41 to 46 years. Line of road: Calistoga to Napa and Vallejo, Cal., 45.05 miles, of which 30 miles on private right of way, 12.39 miles on streets or highways and 2.32 miles sidings. Gauge standard Cars: Motor, 13; other, 26. Has twenty-year traffic agreement with the Monticello SS. Co., providing for a schedule of at least 6 round trips per day between Vallejo, where connection is made with the railway and San Francisco. Power purchased from Great Western Power Co. Also owns half interest in and operates Mare Island Freight Line.

Napa Valley Bus Co.—This subsidiary of San Francisco, Napa & Calistoga Ry. operates a co-ordinated auto stage line in the Napa Valley, between Vallejo and Calistoga.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $731,700; delinquent, $1,268,300; par, $100. Assessment of $5 per share levied July, 1913. Annual meeting, second Tuesday in November, in San Francisco, Cal.

Dividends—None paid.

FUNDED DEBT

(1)

$443,500 FIRST MORTGAGE SINKING FUND GOLD 6s; DUE DECEMBER 1, 1936

Dated November 20, 1911.

Interest Payable June and December 1, at American Trust Co., San Francisco, and at office of E. H. Rollins & Sons, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized, $1,000,000; outstanding, $443,500; held alive in sinking fund, $156,500; in treasury, $33,000; unissued, $367,000. Escrow bonds are reserved to cover 75% of cost of extensions and additions, but only when net earnings for the preceding 12 months equal twice the interest on bonds issued and to be issued.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—1% per annum of outstanding bonds, began in 1914, to redeem bonds at 105 and interest; bonds so taken to remain alive and interest thereon added to the sinking fund.

Security—A first lien on entire property of company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$599,100 NON-FORECLOSABLE 25-YEAR UNSECURED 5% DEBENTURES; DUE DECEMBER 31, 1936

Dated November 20, 1911.

Interest Payable June and December 1, at American Trust Co., San Francisco, Trustee.

Provisions of Issue—Authorized, $610,000, of which $10,900 held in treasury, leaving $599,100 outstanding. Provision in indenture provides that bonds shall not be deemed in default if company shall have applied and used ratably for payment of interest all surplus available after operating expenses, taxes, maintenance, interest on First Mortgage bonds, and sinking fund.

Callability—Subject to call on any interest date at par and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$224,721	$234,336	$250,634	$279,416	$316,410	$306,135
Oper. exp., taxes and depreciation	174,075	179,524	174,832	210,471	210,279	217,262
Net earnings	$50,646	$54,812	$75,802	$68,945	$106,131	$88,872
Bond interest, etc.	57,460	58,482	59,038	59,730	60,677	61,878
Miscellaneous deductions	1,256	1,250	1,288	.....	1,546	1,875
Rents for leased road	12,565	13,212	11,493	14,495	18,169	3,608
Total charges	$71,281	$72,944	$71,819	$74,225	$80,392	$67,361
Surplus for year	*$20,635	*$18,132	$3,983	*$5,280	$25,739	$21,511
Times Fixed Charges Earned	0.71	0.75	1.05	0.93	1.32	1.32
Earnings Per Share	Nil	Nil	$0.55	Nil	$3.52	$2.94

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$2,187,146	$2,186,132	$2,175,977	$2,140,717	$2,138,116	$2,118,680
Securities owned	61,528	58,571	56,688	36,126	56,126	16,126
Materials and supplies	26,369	27,972	36,098	38,365	34,891	37,192
Cash	20,876	34,688	34,061	69,376	60,895	88,641
Accounts receivable	8,550	12,830	10,914	10,084	13,969	9,088
Unadjusted debits	.....	.....	198	1,111	329	1,320
Other current assets	14,034	374	64	.....	392	138
Cash in sinking fund	309	48	105	315	59	2,261
Prepaid expenses	1,923	668	1,893	1,116	977	.....
Total	$2,320,735	$2,321,283	$2,315,998	$2,297,210	$2,305,754	$2,273,446
Liabilities—						
Capital stock	$731,700	$731,700	$731,700	$731,700	$731,700	$731,700
Assessments	36,585	36,585	36,585	36,585	36,585	36,585
Funded debt	1,042,600	1,062,800	1,077,100	1,085,400	1,103,300	1,118,800
Accounts and wages payable	10,439	10,402	10,917	9,380	12,248	10,417
Accrued interest	4,714	19,792	4,886	4,418	5,017	5,095
Matured interest	29,955	.....	.....	.....	.....	.....
Reserve for taxes	.....	.....	79	.....	2,856	1,976
Accrued depreciation	235,820	216,184	196,563	177,463	158,999	141,050
Sinking fund reserve	156,809	136,348	118,904	103,215	89,859	77,561
Surplus	72,113	107,472	139,264	149,049	165,190	150,262
Total	$2,320,735	$2,321,283	$2,315,998	$2,297,210	$2,305,754	$2,273,446

Officers: James Irvine, Pres.; Guy C. Earl, V-P., San Francisco, Cal.; C. E. Brown, V-P., Gen. Mgr. and Pur. Agt., Napa, Cal.; E. M. Price, Sec & Treas., San Francisco, Cal.; H. J. Hoffman, Gen. Aud., Napa, Cal.

Directors: James Irvine, G. C. Earl, M. P. Irvine, John T. York, C. E. Brown, Napa, Cal.

General Office, Napa, Cal. **Executive Office**, Crocker Bldg., San Francisco, Cal.

WEST KOOTENAY POWER AND LIGHT COMPANY, LIMITED

History and Properties—Incorporated May 8, 1897, by Special Act of the Legislature of British Columbia. Company operates No. 1 Plant, Lower Bonnington Falls; No. 2 Plant, Upper Bonnington Falls; and No. 3 Plant, Cascade City. The company is authorized to supply electrical energy for all purposes, within a radius of 50 miles from the City of Rossland, B. C., and through purchase of the **South Kootenay Water Power Co.** (which it controls), in various towns, cities and municipalities in the west division of the Kootenay district, and in the Yale district. The company owns the entire outstanding stock of the Cascade Water, Power & Light Co., Ltd., and unconditionally guarantees its bonds, principal, interest and sinking fund. By its ownership of the Cascade Co. practical control of the hydro-electric power in the central portion of southern British Columbia is secured to the West Kootenay Power & Light Co. Ltd. Also owns the Rossland Water & Light Co., Okanagan Water Power Co. and Northport Power & Light Co.

Output—Revenue producing load years ended Dec. 31: 1926, 62,789 h. p.; 1927, 72,992 h. p.

Control—Stockholders of the Consolidated Mining & Smelting Co. of Canada, Ltd., voted on Feb. 7, 1916, to purchase the entire Common stock of company, on the basis of $75 par value of Consolidated Mining & Smelting stock for $100 West Kootenay stock.

CAPITAL STOCK

Authorized, $14,500,000 Common and $500,000 7% cumulative Pfd., outstanding, $4,612,000 Common and $500,000 Pfd.; par, $100. The Consolidated Mining & Smelting Co. of Canada, Ltd., owns the entire Common stock.

Transfer Agent—Royal Trust Co., Montreal.

Listed (Preferred)—Montreal Stock Exchange.

Annual Meeting—Third Wednesday in February.

Dividends—Pfd. dividends have been regularly paid, quarterly, J, A, J & O 1. Dividends at rate of 2½% per annum paid on Common from Dec. 31, 1903, to Sept. 1, 1912; Dec. 1, 1912, to Sept. 1, 1913, at rate of 4% per annum; fiscal years 1914 to 1916, incl., 5% per annum; 1917 fiscal year 7½%; 1918 fiscal year, 8%; 1919 fiscal year, 8%; 1920, 8%; 1921, 8%; Jan. and April 1, 1922, 2% each quarter; none since.

FUNDED DEBT

(1)

$915,420.48 THIRTY-FIVE YEAR GOLD 6s; DUE SEPTEMBER 1, 1940

Dated November 16, 1905, and July 27, 1907.

Interest Payable March and September 1.

Denomination—Coupon, £100; principal may be registered.

Trustee—Royal Trust Co., Montreal.

Provisions of Issue—Authorized and issued, $1,500,000 (£308,219), of which $584,579.52 have been redeemed.

Callability—Subject to call at 110 on Sept. 1 in any year, on three months' notice.

Sinking Fund—A cumulative sinking fund is provided, which is to be applied to redemption of bonds by purchase in the market at or under 110, or by drawings at same price, at which price also the bonds can be redeemed on Sept. 1 in any year, on three months' notice.

Security—A first lien on entire property.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Listed—London and Montreal Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105	104⅛	104	100½	102½	92½	98	111¼
Low	105	103½	101½	100¼	98	92	93¼	97½

(2)

$1,588,500 GENERAL MORTGAGE SINKING FUND GOLD 6s, SERIES "A"; DUE JUNE 15, 1943

Dated June 15, 1923.

Interest Payable June and December 15, at any branch of the Royal Bank of Canada, in Canada.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized, $7,500,000; issued, $1,750,000, of which $161,500 have been redeemed. Additional bonds may be issued from time to time for refunding purposes, and also for not exceeding 75% for expenditures made or contracted for or indebtedness incurred on capital account subsequent to the date of the mortgage, such as extensions and additions, etc. to the properties, provided net earnings shall have been not less than twice the interest charges on bonds outstanding in the hands of the public, as well as on those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date at option of Company on 60 days' notice at 105 and accrued interest during the first five years, and thereafter the premium being reduced 1% for each five year period.

Sinking Fund—3% per annum commencing in June, 1925, estimated to retire the entire amount of Series "A" bonds by their maturity.

Security—Secured by a direct mortgage on all the real and personal property of the Company, including the shares of subsidiary companies, subject to the lien of the First Mortgage under which there are outstanding with the public $915,420.48.

Guaranty—Unconditionally guaranteed, principal and interest, by endorsement on each bond, by The Consolidated Mining & Smelting Co. of Canada, Ltd.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Legal Opinion—Brown, Montgomery & McMichael, Montreal.

Original Offering—First publicly offered ($1,750,000) in June, 1923, at par and interest, by The National City Co., Ltd., Montreal, etc., and Hanson Brothers, Montreal and Ottawa.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue	$1,923,702	$1,660,670	$1,041,126	$683,516	$690,574	$772,123
Operating expenses, maintenance, etc.	522,686	385,388	344,773	241,620	211,839	194,267
Net earnings	$1,401,016	$1,275,282	$696,353	$441,896	$478,735	$577,856
Interest and sinking funds	$279,705	$325,332	$291,813	$176,147	$126,318	$149,242
Depreciation	507,233	465,073	364,864	232,655	284,264	287,048
Other deductions	.....	146	312	199	30,514	1,440
Adjustment of income taxes	.....	.....	§870	§2,170	.....	.....
Total charges	$786,938	$790,551	$656,119	$406,831	$441,096	$437,730
Balance for dividends	$614,078	$484,731	$40,234	$35,065	$37,637	$140,126
Preferred dividends paid	35,000	35,000	35,000	35,000	35,000	35,000
Common dividends paid	.....	.....	.....	.....	.....	128,480
Surplus for year	$579,078	$449,731	$5,234	$65	$2,637	‡$23,354

‡Deficit. §Credit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(West Kootenay Power & Light Co., Ltd., Cascade Water, Power & Light Co., Ltd., South Kootenay Water Power Co., Rossland Water & Light Co., Okanagan Water Power Co., and Northport Power & Light Co.)

Assets—	1927	1926	1925	1924	1923	1922
Plant, transmission lines, bldgs. & real estate	$9,214,575	$7,732,229	$7,473,859	$6,280,282	$5,228,579	$5,261,895
Autos, mdse., meters, furniture & fixtures, etc.	268,140	289,785	195,924	183,872	185,773	181,104
Cash on hand	36,320	80,262	75,109	26,251	25,239	61,897
Accounts receivable	236,688	328,195	244,078	705,307	1,734,416	271,421
Prepaid operating charges	7,132	5,642	58,703	61,492	59,731	3,145
Sundry investments	1,461	1,461	1,461	1,461	1,860	3,861
Sinking fund	1,713	34,477	9,025	1,582	1,396	2,012
Total	$9,766,029	$8,472,051	$8,058,159	$7,260,247	$7,236,995	$5,785,335
Liabilities—						
Common stock	$4,612,000	$3,812,000	$3,812,000	$3,212,000	$3,212,000	$3,212,000
Preferred stock	500,000	500,000	500,000	500,000	500,000	500,000
Funded debt	2,650,920	2,769,074	2,879,767	2,979,294	3,029,687	1,327,687
Bills payable	.....	.....	.....	.....	.....	275,000
Accounts payable	126,780	196,092	219,334	22,053	26,739	37,873
Accrued liabilities	68,079	71,193	72,357	73,290	35,966	40,793
Reserve account	762,832	657,353	558,091	462,236	421,294	383,310
Profit & loss account	1,045,418	466,339	16,609	11,374	11,309	8,672
Total	$9,766,029	$8,472,051	$8,058,159	$7,260,247	$7,236,995	$5,785,335

Officers: Jas. J. Warren, Pres. & Managing Dir., Montreal; L. A. Campbell, V-P. & Gen. Mgr., Rossland, B. C.; F. E. McNally, Sec. & Treas., Montreal; C. B. Smith, Asst. Sec.-Treas., Rossland, B. C.

Directors: Hon. W. J. Shaughnessy, W. R. Baker, Elwood B. Hosmer, G. F. Benson, Edwin Hanson, James J. Warren, Montreal; L. A. Campbell, Rossland, B. C.

Head Office, Rossland, B. C.

CASCADE WATER, POWER & LIGHT COMPANY, LTD.

(Controlled by West Kootenay Power & Light Co., Ltd.)

History—Incorp. in 1897, in British Columbia, for purpose of appropriating and using water from Boundary Creek, Kettle River, and the North Fork of Kettle River, B. C., chiefly for the purpose of generating electricity, and of supplying light, heat and power within a radius of 40 miles from the Townsite of Grand Forks.

CAPITAL STOCK

Authorized and outstanding, $300,000 (reduced from $500,000 by Special Act of Legislature); par, $10. All owned by West Kootenay Power & Light Co., Ltd.

FUNDED DEBT

$147,000 First Mortgage 4½% Gold bonds; dated March 1, 1909; due May 1, 1940; int. May and Nov. 1, at Royal Trust Co., Montreal, Trustee and Registrar. Coupon, $500; principal may be registered. Authorized, $375,000; issued, $300,000, of which $153,000 have been retired by sinking fund. Subject to call at any time at par and interest, on three months' notice. Sinking fund $4,063.50 annually, to be proportionately increased as and when the remaining $75,000 bonds are issued. A first lien on entire property, and unconditionally guaranteed, principal, interest and sinking fund, by the West Kootenay Power & Light Co., Ltd. First publicly offered in 1911 at 90. Listed on London Stock Exchange.

Price Range (London)—

	1926	1925	1924	1923	1922	1921	1920	1919
High	87¼	85	78	87¼	78¼	73½	90¼	96
Low	bid	bid	bid	87¼	76	73½	83½	82¼

Officer: L. A. Campbell, Pres., Rossland, B. C.
General Office, Rossland, B. C.

SAN JOSE WATER WORKS

History and Property—Incorporated Feb. 21, 1916, in Cal.; successor to San Jose Water Co., which was organized in 1866. Franchise perpetual. Serves population of about 80,000. Property consists of approximately 6,000 acres of land owned in fee, and riparian rights to approximately 3,000 additional acres, together with pumping plants and pumping equipment, reservoirs, dams, pipe lines, distributing mains and metered service connections serving the City of San Jose and vicinity, the Town of Los Gatos and vicinity, the village of Saratoga and vicinity and other parts of Santa Clara County. Miles of mains, 329. No. of meters, about 20,000. Daily pumping capacity is in excess of 30,000,000 gallons.

CAPITAL STOCK

Authorized, $5,000,000; outstanding, $3,000,000; par $100. Annual meeting, third Monday in Feb. Dividends at rate of 6.96% (formerly 6%) per annum are regularly paid on the 10th of each month, at office of American Trust Co., Growers Bank and Bank of Italy, San Jose, Cal. Secretary of Company acts as transfer agent.

FUNDED DEBT

$500,000 FIRST MORTGAGE 5% GOLD BONDS; DUE JULY 1, 1951

Dated July 1, 1926.

Interest Payable January and July 1, at American Trust Co., San Francisco, or at American Trust Co., San Jose.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized $5,000,000. Of the remaining $4,500,000 authorized bonds, $2,500,000 may be issued but only to pay for cost of permanent additions, betterments, etc., made by Company subsequent to Jan. 1, 1926, and $2,000,000 may be issued under same restrictions, but must not exceed 50% of cost of permanent additions, betterments, etc., provided that net earnings for twelve consecutive calendar months, and not more than sixty days prior to application for issuance of bonds, shall have been not less than 1¾ times annual interest charges on all bonds outstanding in hands of public, and for issuance of which application is then made.

Purpose of Issue—Proceeds of these $500,000 bonds were used to retire an equal amount of notes payable which were created to meet expenditures made for capital purposes.

Callability—Subject to call as a whole or in part on any interest date at 105 and interest, up to July 1, 1931, and decreasing ¼% each year thereafter, but in no case shall call price be less than 100½.

Security—Secured by a first mortgage on all operative properties now owned or hereafter acquired, and constitute Companys sole funded debt.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from personal property taxes in California.

Legal Investment for Savings Banks in California.

Legal Opinion—McCutchen, Olney, Mannon & Greene, San Francisco, and R. C. Leib, San Jose.

Original Offering—First publicly offered ($500,000) in July 1926, at 102¾ and interest, to yield 4.80%, by The Bank of Italy, San Francisco, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$612,357	$602,847	$562,979	$385,792	$325,812	$306,981
Operating expenses, taxes and depreciation	346,545	325,774	301,669	227,304	205,546	182,148
Net earnings	$265,812	$277,073	$261,310	$158,488	$120,266	$124,833
Other income	904	1,933	2,315	2,714	2,502	1,974
Total income	$266,716	$279,006	$263,625	$161,203	$122,768	$126,807
Interest, etc.	41,950	35,303	31,378	24,918	2,165	.....
Balance for dividends	$224,766	$243,703	$232,247	$136,285	$120,603	$126,807
Dividends paid	208,800	208,800	170,313	158,694	150,481	137,190
Surplus for year	†$8,742	†$28,144	†$61,030	*$22,900	*$32,113	*$10,383
Earnings Per Share	$7.49	$8.12	$7.74	$5.99	$4.56	$5.27

*Deficit for year, after adding $2,235 miscellaneous debits in 1923 and $491 in 1924. †After deducting $904 net miscellaneous debits in 1925, $6,759 in 1926 and $7,224 in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$4,455,959	$4,203,549	$3,836,990
Materials and supplies	46,070	37,492	72,564
Cash	88,774	16,367	20,436
Accounts receivable	44,737	46,073	40,231
Collector's fund	90	90	90
American Trust Co.	.....	8,771	7,646
Suspense items	15,024	32,996	36,574
Prepaid insurance	785	717	830
Total	$4,651,439	$4,346,056	$4,015,361

Liabilities—	1927	1926	1925
Capital stock	$3,000,000	$3,000,000	$3,000,000
Funded debt	500,000	500,000	.....
Premium on capital stock	72,560	72,560	72,560
Notes payable	400,000	237,000	500,000
Accounts payable	858	337	2,001
Service billed in advance	305	304	356
Consumers' construction advances	55,270	39,967	24,657
Engineering	.....	742	5,174
Appreciation in fixed capital	932	932	932
Deferred credits	1,948	1,948	.....
Depreciation reserve	479,311	417,194	362,284
Other reserves	2,673	2,531	3,000
Suspense	56,299	.....	.....
Profit and loss surplus	81,283	72,541	44,397
Total	$4,651,439	$4,346,056	$4,015,361

Officers: H. S. Kittredge, Pres.; Paul S. Williams, V-P.; E. W. Green, Sec. & Treas.; John B. Harmon, Asst. Sec.; O. S. Relph, Supt., San Jose, Cal.

Directors: C. T. Ryland, R. C. Leib, J. J. Miller, George C. Singletary, C. G. Lathrop, Paul S. Williams, H. S. Kittredge, San Jose, Cal.

General Office, San Jose, Cal.

SALT LAKE TERMINAL COMPANY

(Joint Control)

History and Property—Incorporated Nov. 29, 1913, in Utah, to furnish terminal facilities for both freight and passenger business for the Bamberger Electric R. R. Co. and the Salt Lake & Utah R. R. Co. The capital stock of the Salt Lake Terminal Company is owned, 50% each, by the two above-named roads. The property consists of four and one-half blocks of double tracks and two blocks of single tracks, extending on First West St., from north of South Temple St. to Sixth South St., at the northern end making a connection with the tracks of the Bamberger Electric R. R. Co., and at the southern end with the tracks of the Salt Lake & Utah R. R. Co. The passenger terminal of the Company fronts on South Temple St. and West Temple St. Total track, 3.47 miles. The passenger terminal property includes 90,000 square feet of land, owned in fee, and the freight terminals consist of approximately 109,000 square feet of ground also owned in fee. Franchise of Company was granted Jan. 1, 1914, for a period of 50 years. It is entirely free from burdensome restrictions, and gives the right to handle freight, passenger and express business.

Lease—The Salt Lake Terminal Co. is operated by the Salt Lake & Utah R. R. Co. and the Bamberger Electric R. R. Co. under a 50-year lease which runs to Dec. 31, 1963. Under the terms of the lease, the two operating companies agree to pay to the Terminal Co., annually (each operating Co. paying one-half), a sum sufficient to cover taxes (except income tax) and insurance. In addition on a pro rata basis, according to wheelage, the two operating companies agree to pay annually to the Terminal Co. a sum equivalent to all operating expenses, maintenance and depreciation, and a 6% return on the appraised valuation of the entire property of the Terminal Co. used for terminal facilities.

CAPITAL STOCK

Authorized, $1,000,000; outstanding $200,000; par, $100. Entire stock owned jointly by the Bamberger Electric R. R. Co. and the Salt Lake & Utah R. R. Co. Annual meeting, first Tuesday after first Monday in July. No dividends paid.

FUNDED DEBT

$632,900 FIRST MORTGAGE 6% GOLD BONDS; DUE JUNE 1, 1935

Dated June 1, 1915.

Interest Payable June and Dec. 1, at The International Trust Co., Denver, Colorado, and Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The International Trust Co., Denver, Colo

Provisions of Issue—Authorized issue, $1,000,000; additional bonds may be issued for only 80% of the cost of new property or extensions and improvements to the existing property.

Sinking Fund—1% of all issued bonds in each of the years from 1920 to 1924, incl.; 1½% from 1925 to 1929, incl.; 2% from 1930 to 1934, incl. This sinking fund must be invested each year in bonds of this issue, either by purchase in the open market, or, if not obtainable in this way, by calling by lot, which bonds are to be cancelled and retired.

Guaranty—Unconditionally guaranteed principal and interest, jointly and severally, by the Bamberger Electric R. R. Co. and the Salt Lake & Utah R. R. Co.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($250,000) in Oct., 1915, at 101 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$127,801	$121,762	$126,101
Oper. exp. & taxes	81,214	75,153	76,441
Depreciation	4,514	4,642	4,642
Net earnings	$42,073	$41,967	$45,019
Bond interest	37,974	37,617	37,974
Other deductions	4,099	4,350	4,103
Total charges	$42,073	$41,967	$42,077
Surplus for year	.....	.....	$2,942
Times Fixed Ch'gs Earned	1.00	1.00	1.08

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$732,766	$732,766	$732,766
Terminal Inv. Co. stock	128,238	128,238	128,238
Sinking fund	91	91	91
Materials and supples	27	30	214
Cash	13,974	5,223	695
Accounts receivable	162,234	156,854	131,196
Unadjusted debits	26,820	30,614	34,262
Total	$1,064,150	$1,053,816	$1,027,462
Liabilities—			
Capital stock	$200,000	$200,000	$200,000
Funded debt	632,900	632,900	632,900
Notes payable	139,877	137,877	115,330
Accounts payable	17,995	14,528	14,516
Interest & insurance accrd.	5,711	3,165	3,521
Reserve for depreciation	40,883	36,369	31,728
Unadjusted credits	.....	2,193	2,682
Profit and loss	26,784	26,784	26,784
Total	$1,064,150	$1,053,816	$1,027,462

Officers: Julian M. Bamberger, Pres.; William Story, V-P.; N. S. Wiltsie, Gen. Mgr. & Supt.; Henry I. Moore, Sec. & Treas.; C. M. Osborn, Aud.; H. I. Price, Pur. Agt., Salt Lake City, Utah.

Directors: A. B. Irvine, Ogden, Utah; Julian M. Bamberger, William Story, Henry I. Moore, D. P. Abercrombie, Hugh L. Balser, Salt Lake City, Utah.

General Office, Salt Lake City, Utah.

SANTA MARIA GAS COMPANY

History and Property—Incorporated Jan. 7, 1907, in Cal., as Santa Maria Gas & Power Co.; reorganized March 16, 1920, as Santa Maria Gas Co. Supplies the following towns in Santa Barbara and San Luis Obispo Counties: Santa Maria, Orcutt, Betteravia, Guadalupe, Sisquoc, Nipomo, Arroyo Grande, Pismo, Avila, San Luis Obispo, and consumers adjacent to pipe lines. Number of consumers, domestic and industrial, 5,489; street lights, 362. Miles of pipe line, about 300. The company manufactures no gas, being only a distributor of natural gas. The gas sold is drawn from wells in Santa Maria oil fields in Santa Barbara County, Cal. Total gas sent out in 1927, 467,654,000 cu. ft. as compared with 497,465,000 cu. ft. in 1926 and 645,300,000 cu. ft. in 1925. Population of district supplied, estimated, 25,000. Rate schedules: Domestic service, $1.10 to $1.35; commercial service, 40 cts. to 75 cts.; gas engine service, 50 cts. and 55 cts.; industrial service 23 cts. and 28 cts. according to consumption.

CAPITAL STOCK

Authorized, $500,000; outstanding, $300,700, par, $100. Annual meeting, fourth Thursday in March.

Dividends—$8,000 paid in 1922; $10,000 in 1923; $12,000 in 1924; $18,000 each in 1925 and 1926, and $24,000 in 1927.

FUNDED DEBT

$313,000 Santa Maria Gas Co. First & Refunding Gold 6s; dated April 1, 1920; due April 1, 1940; int. April and Oct. 1, at Wells Fargo Bank & Union Trust Co., San Francisco, Cal., Trustee and The First National Bank of Santa Maria, Cal. Coupon, $1,000. Authorized, $700,000; issued, $427,000, of which $114,000 have been redeemed. These bonds were issued to

provide for the purchase of the assets of Midland Counties Public Service Corp. and to retire an issue of Santa Maria Gas & Power Co. First Sinking Fund Gold 6s, due April 15, 1927. Subject to call in whole or in part in numerical order on any interest date at 101 and interest. Sinking fund: An amount equivalent to 1% of outstanding bonds on April, 1922 to 1927, inclusive, and 2% annually thereafter. Secured by a direct first lien on all properties of Company now owned or hereafter acquired. Company does not pay Normal Federal Income Tax. Exempt from California personal property tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$307,760	$280,688	$310,869
Oper. exp., taxes & deprec.	234,700	222,738	237,007
Net earnings	$73,060	$57,950	$73,862
Other income	8,736	11,731	9,354
Total income	$81,796	$69,681	$83,216
Bond and other interest	20,453	20,679	21,023
Other deductions	910	7,356	790
Total charges	$21,363	$28,035	$21,813
Surplus for dividends	$60,433	$41,645	$61,403
Dividends	24,000	18,000	18,000
Surplus for year	$36,433	$23,645	$43,403
Earnings Per Share	$20.10	$13.85	$20.42

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant & equipment, leases, franchises, etc.	$1,167,436	$1,023,213	$982,014
Miscellaneous investments	2,000	.....	.....
Materials and supplies	16,304	19,727	13,229
Notes & accts. receivable, less reserve	36,356	34,760	38,199
Cash in banks, sinking funds, etc.	9,657	3,719	6,505
Deferred charges	15,714	12,935	24,000
Total	$1,247,467	$1,094,355	$1,063,948
Liabilities—			
Capital stock	$300,700	$300,700	$300,700
Funded debt	313,000	323,500	342,000
Notes payable	73,000	.....	20,000
Mortgage payable	6,000	6,000	6,000
Accounts payable	31,539	20,441	19,811
Dividends declared	.....	7.000	.....
Accrued interest, taxes, etc.	30,874	27,805	30,399
Consumers' deposits	4,658	.....	.....
Deferred credits	8,773	6,671	5,439
Reserve for depreciation	350,877	310,626	271,632
Corporate surplus	128,046	91,612	67,967
Total	$1,247,467	$1,094,355	$1,063,948

Officers: J. F. Goodwin, Pres.; R. E. Easton, Sec. & Mgr., Santa Maria, Cal.; Paul O. Tietzen, Treas., San Francisco, Cal.; Allen T. Fesler, Supt.; Chas. W. Hatch, Gen. Aud. & Pur. Agt., Santa Maria, Cal.

Directors: M. P. Baker, J. F. Goodwin, R. E. Easton, P. O. Tietzen, Guy L. Goodwin, J. H. Tietzen, Leo P. Scaroni, Santa Maria, Cal.

General Office, Santa Maria, Cal.

SOUTHERN CALIFORNIA UTILITIES INC.

History and Property—Incorporated in 1926, in California, to acquire the South Los Angeles Land and Water Co., and other public utility water properties in Southern California. Serves the City of Vernon, City of Huntington Park and that part of Los Angeles County bounded by Slauson Ave. on the north, Manchester Ave. on the south, Central Ave. on the west, and Alameda Street on the east. The total population of these districts is approximately 35,000, all of which is served by this system.

The distribution system consists of four interconnected units known as the Huntington Park Plant, Vernon Plant, Goodyear Plant and Nadeau Plant. Over 6,500 customers are served by 75.25 miles of mains. Water is obtained from 16 wells having a total capacity of 6,084 gallons per minute.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $225,300.

FUNDED DEBT

$350,000 FIRST MORTGAGE 20-YEAR 6½% SINKING FUND GOLD BONDS, SERIES "A"; DUE APRIL 1, 1946

Dated April 1, 1926.

Interest Payable April and October 1, at Bank of Italy, Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bank of Italy, Los Angeles, Cal.

Provisions of Issue—Issued, $350,000 Series "A" 6½s. Additional bonds can only be issued for not exceeding 75% of the actual cost of permanent additions and betterments to the properties, and only when net earnings for 12 consecutive months out of the preceding 14 calendar months have equalled 1¾ times interest charges on all bonds outstanding and about to be issued.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' notice, at 103 and interest.

Sinking Fund—A sinking fund of 2% of amount of outstanding bonds is effective from April 1, 1928, until April 1, 1937. Thereafter and until maturity sinking fund is 3% per annum.

Security—Secured by a direct first mortgage on all the lands, water rights, pumping equipment, distributing mains, etc., belonging to the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Bonds are exempt from personal property tax in California.

Legal Opinion—Gibson, Dunn & Crutcher, Los Angeles.

Original Offering—First publicly offered ($350,000, Series "A") in May, 1926, price on application, by Bond & Goodwin & Tucker, Inc., Los Angeles.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$134,659	$119,078
Operating expenses, taxes, etc.	76,379	73,009
Net income	$58,280	$46,069
Other income	293	*
Total income	$58,573	*
Deductions:		
Interest on funded debt	$22,750	*
Realized deprec. not covered by reserve	1,224	*
Other interest deductions	185	*
Total deductions	$24,159	*
Surplus for year	$34,414	*

*Figures not available.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Capital accounts	$1,045,645
Cash and deposits	1,701
Special deposits	100
Due from consumers and agents	13,179
Miscellaneous accounts receivable	127
Prepaid insurance	82
Unamortized discount	21,989
Suspense	27,500
Total	$1,110,323
Liabilities—	
Capital stock	$225,300
Funded debt	350,000
Notes payable	5,000
Audited vouchers and wages unpaid	14,794
Consumers' guarantee deposits	3,477
Miscellaneous accounts payable	12,550
Interest accrued	5,688
Taxes accrued	3,828
Consumers' advances for construction	73,719
Reserve for accrued depreciation	123,574
Other liabilities	16
Capital surplus	259,736
Corporate surplus	32,641
Total	$1,110,323

Officers: R. H. Nicholson, Pres. & Mgr.; Daisy M. Degelman, V-P.; Rose Goode, Sec.; E. Jappe, Asst. Sec. & Treas.

Directors: R. H. Nicholson, Daisy M. Degelman, Rose Goode, E. Jappe, Annie G. Ardis.

General Office, 1127 E. 61st St., Los Angeles, Cal.
Corporation Office, 510 West 6th St., Los Angeles, Cal.

LEWISTON GAS LIGHT COMPANY

History—Incorporated in 1853, in Me. Supplies gas in Lewiston and Auburn, Me., by water gas process. Franchise perpetual. Population served, 56,000. Gas accounted for in 1927, 244,195,000 cu. ft., compared with 226,171,000 cu. ft. in 1926, and 206,238,000 cu. ft. in 1925. Daily capacity, 1,000,000 cu. ft. Miles of mains, about 62. No. of meters, 9,883. No. of fuel appliances (estimated), 12,636. Price: Average for year, $1.32.

CAPITAL STOCK

Authorized and outstanding, $400,000 Common and $200,000 7% cumulative Pfd.; par, $100. Transfer office, Lewiston, Me. Annual meeting, third Saturday in April.

Dividends—Pfd. dividends paid quarterly, F, M, A & N 1 since Feb. 1, 1922; 4% per annum paid on Common stock up to July, 1912; 1913, 5%; 1914 to 1920, inclusive, 6% per annum; 1921, 7%; 1922 to 1927, inclusive, 8%; extra payments 5% annually, 1925 to 1927, inclusive. Payments semi-annually, J & D 20. In addition stock dividends of 12½% ($50,000) each in Nov., 1921, and April, 1922, and 25% ($100,000) in May, 1926, were paid in 7% Preferred stock pro rata to Common stockholders.

FUNDED DEBT

$225,000 First & Refunding Mortgage 5% Gold bonds; dated Oct. 1, 1923; due Oct. 1, 1943; int. Apr. and Oct. 1, at Fidelity Trust Company, Portland, Me., Trustee. Denomination, $500 and $1,000. Subject to call on any interest date up to Oct. 1, 1938, at 103 and interest; thereafter at par and interest. Issued for the purpose of refunding. Additional bonds may be issued for (a) the amount of expenditures for additions and improvements when the total amount of bonds issued and to be issued does not exceed the amount of issued capital stock; (b) 75% of the amount of expenditures for additions and improvements and only when the net earnings of the company are equal to twice the interest charges on all bonds issued and to be issued. Secured by first mortgage on all the plant and property of the company. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$322,593	$309,107	$303,430	$286,537	$301,581	$285,318
Operating expenses and taxes	217,625	205,739	192,042	195,580	200,078	199,868
Depreciation	15,756	13,548	17,036	15,774	17,549	16,415
Net earnings	$89,212	$89,820	$94,352	$75,183	$83,954	$69,035
Bond interest, etc.	12,407	12,407	12,411	11,306	8,000	8,000
Balance for dividends	$76,805	$77,413	$81,941	$63,877	$75,954	$61,035
Dividends paid	66,000	59,000	59,000	39,000	39,000	37,367
Surplus for year	$10,805	$18,413	$22,941	$24,877	$36,954	$23,668
Times Bond Interest Earned	7.82	7.88	8.28	6.65	10.49	8.63
Earnings Per Share—						
Common	15.70	$17.60	$18.73	$14.22	$17.24	$13.51

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and property	$917,540	$852,193	$823,510	$790,995	$755,872	$729,777
Bonds owned	2,000	2,000	2,000	2,000	2,000	2,000
Materials and supplies	34,605	28,633	33,513	31,192	57,485	44,095
Cash	25,534	75,171	62,220	56,668	18,746	27,396
Accounts receivable	17,639	13,168	11,804	11,049	10,346	11,417
Unadjusted debits	915	568	521	599	504	439
Deferred debit items	18,808	19,965	21,123	22,280	.....	.....
Metered sales	.....	424	354	333	.....	.....
Total	$1,017,041	$992,122	$955,045	$915,116	$844,953	$815,124
Liabilities—						
Common stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
Preferred stock	200,000	100,000	100,000	100,000	100,000	100,000
Funded debt	225,000	225,000	225,000	225,000	200,000	200,000
Accounts payable	20,501	17,110	10,893	9,108	3,793	3,988
Accrued interest	2,813	2,813	2,813	2,813	2,000	2,000
Depreciation reserve	111,787	97,564	85,117	69,913	55,755	62,685
Profit and loss	56,940	149,635	131,222	108,282	83,405	46,451
Total	$1,017,041	$992,122	$955,045	$915,116	$844,953	$815,124

Officers: Wm. B. Skelton, Pres., Lewiston, Me.; Herbert Payson, Treas., Portland, Me., W. R. Stevens, Sec. & Asst. Treas.; John J. Scott, Gen. Mgr. & Pur. Agt., Lewiston, Me.

Directors: Wm. B. Skelton, Lewiston, Me.; Charles H. Payson, Herbert Payson, Harold C. Payson, Phillips M. Payson, Portland, Me.

Office, Lewiston, Me.

THE CLEVELAND SOUTHWESTERN COMPANY

History—Incorporated in 1924 as per plan for reorganization of Cleveland, Southwestern & Columbus Railway (See 1923 Public Utility Manual, page 2539, or apply to our Information Department) as a holding company for The Cleveland Southwestern Railway & Light Co. (See statement appended.)

CAPITAL STOCK

Authorized and outstanding, 18,330 shares Common of no par value and $3,666,000 5% cum. Pfd.; par of Pfd. $100. Entire capital stock was issued to the holders of The Cleveland Southwestern & Columbus Railway Co. bonds amounting to $3,666,000 on the basis of 10 shares of Pfd. stock and 5 shares of Common for each $1,000 bond.

Transfer Agent and Registrar—C. J. Mayers, Sec. and Treas.

Annual Meeting—Fourth Thursday in January at The Union Trust Bldg., Cleveland. Ohio.

Dividends—None paid on either class of stock.

FUNDED DEBT

None.

Officers: F. H. Wilson, Pres.; J. P. Harris, V-P.; C. J. Mayers, Sec. & Treas.

Directors: F. H. Wilson, J. P. Harris, Otto Miller, E. B. Greene, H. C. Robinson.

Ohio.

General Office, 1670 Union Trust Bldg., Cleveland,

THE CLEVELAND SOUTHWESTERN RAILWAY & LIGHT COMPANY

(Controlled by The Cleveland Southwestern Company)

History and Property—Incorporated March 7, 1924 in Ohio as a reorganization of The Cleveland, Southwestern & Columbus Railway Co. (see 1924 Public Utility Manual, page 2573, or apply to our Information Department) and took title to the properties on May 1, 1924. For details of reorganization see 1923 Public Utility Manual, page 2539, or apply to our Information Department.

Company operates approximately 185 miles of track from Cleveland to Elyria, Lorain, Oberlin and Wellington on one division and to Berea, Medina, Seville, Wooster, Ashland, Mansfield, Crestline, Galion and Bucyrus on the other. Gauge, standard. Rail, 70 to 100 lbs. Passenger cars, 52; freight, 34; other, 24. Also does a light and power business over the entire railroad. Sales of electricity in 1927, 1,480,596 k.w.h.

CAPITAL STOCK

Outstanding, $4,000,000; par, $100. Entire issue held by The Cleveland Southwestern Co. Annual meeting, fourth Thursday in January at The Union Trust Bldg., Cleveland, Ohio.

FUNDED DEBT

(1)

$775,000 THE CLEVELAND SOUTHWESTERN RY. & LIGHT CO. 25-YEAR SINKING FUND PRIOR LIEN 6½s; DUE MARCH 1, 1949

Dated March 1, 1924.

Interest Payable March and September 1, at The Union Trust Co., Cleveland.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Union Trust Co., Cleveland.

Provisions of Issue—Authorized $1,500,000. Issuable under the plan of reorganization for the following purposes: $1,000,000 to obtain funds that will provide for the essential improvements, to the property, accrued taxes, reorganization expenses, etc.; $500,000 to be held by the Trustee to be issued as a whole or in part at a later date to provide funds for construction work necessary to give the railway its approach to and connection with the new Cleveland Union Railroad Station and for rights of way and/or for other purposes incident to obtaining and/or maintaining any entrance into the city of Cleveland, if such be deemed advisable by the management. Issued, $800,000 of which $25,000 retired by sinking fund to Dec. 31, 1927.

Callability—Subject to call in whole or in part at 101 and interest.

Sinking Fund—Sinking fund is provided, the details of which are not furnished.

Security—A first mortgage on the entire property of the Company.

(2)

$200,000 CLEVELAND & ELYRIA DIVISIONAL 30-YEAR 6% BONDS; DUE MARCH 1, 1954

Dated March 1, 1924.

Interest Payable March and Sept. 1, at The Cleveland Trust Co., Cleveland, Ohio, Trustee. Coupon, $500; principal may be registered. Subject to call as a whole or in part at 101 and interest. A first mortgage on 17 miles of single track interurban electric railway from Kamm's Corners to Elyria, subject to the above described prior lien 6½s. These bonds may be exchanged for an equal principal amount of the 30-year General & Consolidated 5s described below.

(3)

$100,000 ELYRIA & OBERLIN DIVISIONAL 30-YEAR 6s; DUE MARCH 1, 1954

Dated March 1, 1924.

Interest Payable March and Sept. 1, at The Cleveland Trust Co., Cleveland, Trustee. Coupon, $500; principal may be registered. Subject to call as a whole or in part at 101 and interest. A first mortgage on nine miles of road from Elyria to Oberlin, subject to Prior Lien 6½s, due March 1, 1949, described above. These bonds may be exchanged for an equal principal amount of 30-year General & Consolidated 5s.

(4)

$127,000 CLEVELAND, BEREA, ELYRIA & OBERLIN DIVISIONAL 30-YEAR 6s; DUE MARCH 1, 1954

Dated March 1, 1924.

Interest Payable March and Sept. 1 at The Cleveland Trust Co., Trustee. Coupon, $1,000; principal may be registered. Subject to call in whole or in part at 101 and interest. A lien subject to above described bonds on ten miles of line from Lorain St. Depot, Cleveland to Berea and five miles from Lorain St. Depot, Cleveland to Puritas Springs and approximately 29 miles from Lorain St. Depot to Elyria and Oberlin. These bonds may be exchanged for an equal amount of the 30-year General & Consoldiated 5s.

(5)

$1,073,000 CLEVELAND, ELYRIA & WESTERN DIVISIONAL 30-YEAR 6s; DUE MARCH 1, 1954

Dated March 1, 1924.

Interest Payable March and September 1 at The Cleveland Trust Co., Cleveland.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Cleveland Trust Co., Cleveland.

Callability—Subject to call as a whole or in part at 101 and interest.

Security—Secured by a first mortgage on 9 miles of road from Oberlin to Wellington, subject to prior lien 6½s described above and on 44 additional miles subject to underlying bonds. These bonds may be exchanged for an equal principal amount of the 30-year General & Consolidated 5s.

(6)

$2,200,000 CLEVELAND SOUTHWESTERN RY. & LIGHT CO. 30-YEAR GENERAL & CONSOLIDATED MORTGAGE 5% BONDS; DUE MARCH 1, 1954

Dated March 1, 1924.

Interest Payable March and September 1 at the Guardian Trust Co., Cleveland.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized $3,700,000; issued $2,200,000 for the following purposes: $2,010,000 to replace the following bonds of the Cleveland, Southwestern & Columbus Railway Co. in accordance with the terms of the Plan of Reorganization: Elyria, Grafton & Southern First 5s $100,000; Cleveland & Southwestern Traction 1st & Cons. 5s $1,400,000; Ohio Central Traction First 5s, $95,000; Ohio Central Traction Consolidated 5s, $305,000; and Norwalk Gas & Electric First 5s, $110,000; and $190,000 issued to adjust accrued interest on bonds mentioned above. The balance of the issue, ($1,500,000), bearing interest at a rate not exceeding 6%, will be held by the Trustee for the purpose of providing for the Divisional bonds described above.

Callability—Subject to call in whole or in part at 101 and interest.

Security—Secured by a lien on entire property of the Company subject to the above described underlying bonds.

Deferring of Bond Interest Arranged—In June, 1924, it was stated that net earnings had not been sufficient to pay interest currently on the Gen. & Consolidated Mtge. bonds of the newly organized Cleveland Southwestern Ry. & Light Co. Consequently provision for deferring payment of certain coupons has been necessitated in the interest of these bondholders and to give Company the opportunity to gain

advantage of entrance to Cleveland by private rapid transit right-of-way into the new Union Terminal, which is expected to be completed by 1929. For these reasons interest coupons on the bonds for the 5-year period from Mar. 1, 1924, to Mar. 1, 1929, have been made deferrable until the last five-year period of the mortgage, and will not be paid on the regular interest dates unless earned and payment authorized by directors. It is further provided, however, that such deferrable coupons must be paid prior to the declaration or payment of any dividend on Company's capital stock.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	†1922
Gross earnings	$1,583,732	$1,576,473	$1,655,903	$1,650,372	$1,763,511	$1,520,151
Oper. exp., taxes and depreciation	1,416,758	1,406,588	1,425,547	1,480,771	1,560,866	1,357,540
Net earnings	$166,974	$169,885	$230,356	$169,601	$202,645	$162,611
Other income	70,039	49,685	13,594	12,419	12,871	43,035
Total income	$237,013	$219,570	$243,950	$182,020	$215,516	$205,646
Bond interest	248,153	248,828	251,730	195,040	.....	.....
Other interest	5,460	6,240	7,020	13,247	2,229	$121
Rentals, etc.	4,373	4,493	11,660	4,791	4,250	4,248
Total charges	$257,986	$259,560	$270,410	$213,078	$6,479	$4,369
Net income—deficit	$20,973	$39,990	$26,460	$31,058	*$209,037	*$201,277

*Surplus. †Jan. 21, to Dec. 31.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924
Road and equipment	$8,321,645	$8,205,173	$8,444,011	$8,494,617
Deposits in lieu of mtge. property sold	560	13,771	24,750	.....
Sinking fund	7,970	3,745	7,584	.....
Stocks, bonds & other investments	149,133	164,153	163,540	138,214
Cash	122,020	93,246	62,576	145,029
Due from agents and conductors	.....	2,329	.....	3,454
Accounts receivable	91,131	87,532	77,367	50,441
Material on hand	68,168	75,669	88,306	62,013
Notes receivable	189,930	85,930	120,000	15,000
Unadjusted debits	5,802	23,948	30,564	31,396
Deficit	433,191	411,880	67,837	41,377
Total	$9,389,550	$9,167,377	$9,086,535	$8,981,541
Liabilities—				
Capital stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000
Funded debt	4,475,000	4,486,000	4,495,000	4,500,000
Car Trust bonds	84,500	97,500	110,500	123,500
Accounts & wages payable	18,969	17,761	18,560	11,528
Notes payable	80,000	.....	.....	.....
Accrued taxes, int. & rents	91,691	89,538	95,003	205,626
Other current liabilities	.....	3,955	3,128	3,030
Deferred interest	412,639	304,980	201,667	.....
Reserve for deprec. (road & equip.)	214,765	148,896	132,451	.....
Res. for injuries & damages	11,986	3,556	10,717	.....
Unadjusted credits	.....	15,191	16,733	99,326
Property surplus	.....	.....	2,776	38,531
Total	$9,389,550	$9,167,377	$9,086,535	$8,981,541

Officers: F. H. Wilson, Pres. & Gen. Mgr.; J. P. Harris, V-P.; C. J. Mayers, Sec. & Treas.; C. E. McKisson, Asst. to Pres. and Gen. Claims Atty.

Directors: F. H. Wilson, J. P. Harris, F. H. Ginn, E. B. Greene, H. C. Robinson, Chas. S. Thrasher, Otto Miller, P. A. Myers, L. M. Coe.

General Office, The Union Trust Bldg., Cleveland, Ohio.

WESTERN RESERVE POWER & LIGHT COMPANY

History—Incorporated in 1925, in Ohio, to take over the companies serving electric light and power in Medina, Spencer, West Salem, Lodi, Burbank and Nova, Ohio, with a total population of about 13,000. Among the properties merged were the following: East Ohio Power & Light Co., Medina, The Spencer Light & Power Co., The West Salem Electric Supply Co., Lodi Light and Power Co., Sullivan Light and Power Co. and The Nova Electric Lighting Company. The territory served is located in Medina, Wayne and Ashland Counties in northern Ohio, about 28 miles southwest of Cleveland. Company is serving at the present time about 2,622 lighting consumers and 105 power consumers. Company obtains its power supply from the Ohio Public Service Company.

CAPITAL STOCK

Authorized 1,000 Common shares of no par value and $100,000 7% Pfd. of $100 par value; outstanding, 1,000 shares Common and $46,200 Pfd. Annual meeting, fourth Thursday in January.

Dividends—Pfd. dividends at rate of 7% per annum were paid in 1926. On Common $2 per share was paid in 1926; 1927, $3 per share.

FUNDED DEBT

$196,000 First Mortgage Sinking Fund Gold 6s, Series "A"; dated June 1, 1925; due June 1, 1945; int. June and Dec. 1, at Atlantic National Bank, Boston. Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized issue, $2,500,000 outstanding, $196,000 Series "A" 6s. Additional bonds can be issued at only 80% of the cost of new property and then only when net earnings for the previous 12 months are at least twice the interest on all bonds outstanding and those to be issued. Bonds other than Series "A" can be issued at the prevailing rates of interest at the time of issuance, but not, however, in excess of 7% and the interest periods, callable feature, maturity, place of payment of interest and denominations can be determined by the directors at that time.

Callability—Subject to call as a whole or in part on any interest date at 105 and interest on 20 days' notice.

Sinking Fund—The mortgage provides that the company shall deposit with the Trustee each year beginning June 1, 1926, 1% of all outstanding bonds which must be used for the purchase and cancellation of its first mortgage bonds. If bonds for this purpose cannot be purchased in the market at less than 105 and interest, they may be called at this price.

Maintenance and Depreciation Fund—Provision is made in the mortgage for a maintenance and depreciation fund, in which there will be set aside each year 13% of the gross operating revenues, to be used to maintain the property. Any part of this fund not used for this purpose, shall be reserved for depreciation. This provision is considered adequate to maintain the property at its maximum efficiency.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($200,000) in June, 1925, at 100 and interest, yielding 6% by Damon & Bolles Co., Boston.

INCOME ACCOUNT

	12 Mos. Ended Dec. 31, 1927	12 Mos. Ended Dec. 31, 1926	*6 Mos. Ended Dec. 31, 1925
Gross earnings	$158,608	$158,418	$70,511
Oper. exp., taxes & deprec.	113,057	112,451	48,423
Net earnings	$45,551	$45,967	$22,088
Other income	48,340	26,464	.....
Balance	$93,891	$72,431	$22,088
Interest charges, etc.	15,289	18,326	10,021
Surplus after charges	$78,602	$54,105	$12,067
Preferred dividends	2,797	752	.....
Common dividends	3,000	2,000	1,600
Surplus for year	$72,805	$51,353	$10,467

*Operations of present company started July 1, 1925.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$389,358	$334,256	$303,802
Materials and supplies	6,740	6,447	4,588
Cash	981	1,904	1,900
Notes receivable	4,000	.....	.....
Accounts receivable	28,646	32,086	20,296
Deferred charges	17,417	18,417	19,417
Unadjusted debits	.....	.....	1,300
Total	$447,142	$393,110	$351,303
Liabilities—			
Com. stock (no par value)	$20,000	$20,000	$20,000
Preferred stock	46,200	39,100	.....
Funded debt	196,000	198,000	200,000
Notes and accts. payable	30,287	55,656	110,112
Accrued interest	980	990	1,000
Accrued dividends	3,270	2,228	1,600
Customers' deposits	2,580	1,565	747
Unadjusted credits	.....	1,090	.....
Reserve for taxes	4,642	3,511	3,627
Reserve for depreciation	16,350	9,150	3,750
Profit and loss	126,833	61,820	10,467
Total	$447,142	$393,110	$351,303

Officers: F. H. Wilson, Pres.; J. P. Harris, V-P.; C. J. Mayers, Sec. & Treas., Cleveland, O.

Directors: F. H. Wilson, J. P. Harris, Otto Miller, H. C. Robinson, C. S. Thrasher, Gardner Abbott, Cleveland, O.; P. A. Myers, Ashland, O.

General Office, Union Trust Bldg., Cleveland, O.

T. W. PHILLIPS GAS & OIL COMPANY

History and Property—Incorporated July 30, 1896, in Pa., as the Phillips Gas Co.; in 1904 name was changed as above and with it were merged gas companies in Butler, Punxsutawney and Freeport. Supplies gas to the following towns and cities in Western Pennsylvania: Butler, Kittanning, Tarentum, Springdale, Cheswick, New Kensington, Punxsutawney, Freeport, Natrona, Brackenridge, Parnassus, Worthington, Plumville, Big Run, Marion Center, Sligo, Ringgold, and many other smaller towns. On Jan. 1, 1928, the company had 497,261 acres under lease, 2,276 acres in fee, 2,083 gas wells, 146 oil wells and about 1,730 miles of gas lines. No. of domestic consumers, 22,458; industrial consumers, 260.

SALES AND PRODUCTION, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gas sold (M. cu. ft.)	12,684,871	12,153,414	9,745,407
Oil produced (barrels)	29,548	32,806	34,629

CAPITAL STOCK

Authorized, $10,000,000; outstanding, $6,000,000; par, $100. Stock is closely held. Dividends not reported.

FUNDED DEBT

None.

Officers: T. W. Phillips, Jr., Pres.; B. D. Phillips, Sec. & Treas., Butler, Pa.

Office, Butler, Pa.

CITIZENS' TELEPHONE CO.

(Decatur, Ind.)

History—Incorporated in Ind. to operate a local telephone system. Absorbed the Decatur Telephone Co. Operates exchanges at Decatur, Berne, Monroe and Linn Grove, Ind.

CAPITAL STOCK

Outstanding, $125,000 Common and $37,000 6% Pfd.; par, $10. Annual meeting, first Monday in September. Dividends on both classes of stock are regularly paid. On Common: 1924 and 1925, 6%; 1926 and 1927, 8% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$86,339	$82,283	$77,530
Oper. exp., taxes & deprec.	61,021	60,423	61,240
Net earnings	$25,318	$21,860	$16,290
Interest, etc.	*311	.....	2,363
Balance for dividends	$25,007	$21,860	$13,927
Preferred dividends	2,010	2,455	2,291
Common dividends	10,000	10,000	7,500
Surplus for year	$12,997	$9,405	$4,136

*Bad accounts charged off.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant, property & equip.	$237,347	$228,631	$225,516
Cash	2,363	1,077	1,593
Accounts receivable	4,026	4,226	3,378
Deferred debit items	566	319	399
Total	$244,302	$234,253	$230,886
Liabilities—			
Common stock	*	$125,000	$125,000
Preferred stock	$30,000	37,000	45,000
Loans & notes payable	.....	.....	1,500
Accounts payable	.....	.....	25
Reserve for taxes, etc.	3,712	3,419	3,500
Depreciation reserve	17,918	14,159	10,591
Profit and loss surplus	*192,672	54,675	45,270
Total	$244,302	$234,253	$230,886

*Represented by 37,500 Common shares of no par value.

Officers: Leo Yager, Pres.; S. E. Hite, V-P.; C. J. Voglewede, Treas.; H. F. Ehinger, Sec. & Gen Mgr.

Directors: The above and C. E. Bell, Decatur, Ind.

Office, Decatur, Ind.

LEADVILLE WATER COMPANY

History—Originally incorporated Nov. 12, 1878, in Colo., for 20 years; extended Aug. 26, 1899, for 20 years; again extended on Nov. 12, 1918 for a further 20 years. Supplies City of Leadville, Colo., serving a population of 10,000. Daily average, 1,250,000 gallons. No. of services, 2,401.

CAPITAL STOCK

Authorized, $400,000; outstanding, $365,600; par, $100. Annual meeting, third Monday in September.

Dividends—4% per annum until 1919; in 1920, 2%; 1921, 1%; 1922 and 1923, 2% each; 1924, 1925 and 1926, 1% each; 1927, 2%; payments quarterly, J, A, J & O 15.

FUNDED DEBT

$142,500 First Refunding 5s; dated April 1, 1913; due August 1, 1940; int. February and August 1, at Union Safe Deposit & Trust Co., Portland, Me., Trustee. Coupon, $500 and $1,000. Subject to call at par on any interest date on 60 days' notice. Sinking fund, $10,000 per annum. Authorized and issued

$250,000, of which $107,500 retired through sinking fund as of Dec. 31, 1927. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$50,108	$50,773	$47,793
Oper. exp. & taxes	29,905	26,653	28,735
Net earnings	$20,203	$24,120	$19,058
Interest charges	7,343	7,924	8,672
Balance for dividends	$12,860	$16,196	$10,386
Dividends paid	7,312	3,656	3,656
*Surplus for year	$5,548	$12,540	$6,730

*Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$603,587	$603,412	$602,562
Other investments	18,682	17,790	16,933
Materials and supplies	1,020	954	727
Cash	953	1,675	1,763
Accounts receivable	3,101	2,882	2,673
Special deposits	3,687	263	475
Corporate deficit	5,995	6,743	14,483
Total	$637,025	$633,719	$639,616
Liabilities—			
Capital stock	$365,600	$365,600	$365,600
Funded debt	142,500	149,500	164,000
Notes payable	700	1,000	
Accounts payable	11,000	9,000	7,000
Bond interest matured	2,969	3,198	3,385
Depreciation reserve	105,214	100,414	95,614
Suspense	5,354	4,745	3,542
Coupons payable	3,688	262	475
Total	$637,025	$633,719	$639,616

Officers: Geo. F. West, Pres.; W. W. Mason, V-P. & Treas., Portland Me.; A. S. Sharp, Sec. & Supt., Leadville, Colo.

Directors: Wm. W. Mason, Geo. F. West, Geo. T. Spear, Portland, Me.; A. S. Sharp, Leadville, Colo.; Geo. M. Hawks, Bennington, Vt.

General Office, Leadville, Colo.

ILLINOIS SOUTHERN TELEPHONE COMPANY

History and Properties.—Incorporated November 14, 1923 in Illinois; purchased properties of Murphysboro Telephone Co. and White County Telephone Union. Operates in 14 adjoining counties in Southern Illinois. Franchises expire on various dates, all covering long terms. Population served, 350,000. Number of exchanges, 42. Number of 'phones in use, 19,101. Miles of pole lines, 1,560; miles of wire, 30,710.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $550,000; par $100. Annual meeting, last Tuesday in January.

Dividends—Dividends at rate of 7% per annum were paid from 1924 to 1927, inclusive; payments quarterly, J, A, J & O.

FUNDED DEBT

(1)

$428,800 MURPHYSBORO TELEPHONE CO. FIRST MORTGAGE 6% GOLD BONDS, DUE MAY 1, 1937

Dated May 1, 1917.

Interest Payable May and November 1 at Illinois State Trust Co., East St. Louis, Ill.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Illinois State Trust Co., East St. Louis, Ill.

Provisions of Issue—Authorized, $500,000; outstanding, $428,800.

Callability—Subject to call on any interest date at 102.

Sinking Fund—2% of outstanding bonds during the first ten years and 4% of outstanding bonds during second ten years.

Security—Secured by a first mortgage on entire property of former Murphysboro Telephone Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$335,000 ILLINOIS SOUTHERN TELEPHONE CO. FIRST AND REFUNDING MORTGAGE 6½% GOLD BONDS, FIRST SERIES; DUE DECEMBER 31, 1943

$100,000 ILLINOIS SOUTHERN TELEPHONE CO. FIRST AND REFUNDING MORTGAGE 6½% GOLD BONDS, SECOND SERIES; DUE MAY 1, 1945

Dated First Series, December 31, 1923; Second Series, May 1, 1925.

Interest Payable on First Series June 30 and Dec. 31, and on Second Series May and Nov. 1 at Chicago Trust Co., Chicago, Ill.

Denominations—Coupon; principal may be registered; interchangeable.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Authorized (all series), $2,000,000; outstanding, Dec. 31, 1927, $435,000; issued to provide for construction and improvements. Additional bonds may be issued under restrictions.

Callability.—Subject to call on any interest date at par.

Security—Secured by a direct mortgage on entire property of company, subject to $428,800 Murphysboro Telephone Co. First 6s of 1937, to retire which bonds of this issue are reserved.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$594,899	$596,945	$585,791
Operating expenses & taxes	486,829	474,444	467,989
Net earnings	$108,070	$122,501	$117,802
Other income			1,331
Total income	$108,070	$122,501	$119,133
Interest, rentals, etc.	72,716	70,227	70,444
Balance for dividends	$35,354	$52,274	$48,689
Dividends paid	19,036	36,150	34,132
Surplus for year	$16,318	$16,124	$14,557
Earnings Per Share	$6.43	$9.67	$9.75

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$2,021,344	$1,853,076	$1,763,942
Securities	12,400	12,400	12,400
Other investments	537		
Materials & supplies	59,125	73,312	60,897
Cash	10,350	18,894	17,581
Notes & accts. receivable	26,916	36,574	41,019
Deferred debit items	10,552	9,959	13,555
Workers' funds—employees	3,049		
Total	$2,144,273	$2,004,216	$1,909,394
Liabilities—			
Common stock	$550,000	$540,100	$499,200
Funded debt	863,800	872,500	881,400
Accounts payable	59,133	82,544	80,490
Notes payable	111,471		
Accrued liabilities	6,197	51,569	41,422
Reserve for taxes	38,346		
Reserve for depreciation	421,266	377,139	354,385
Deferred credits	2,137		
Appropriated surplus	11,513		
Surplus	80,410	80,365	52,497
Total	$2,144,273	$2,004,216	$1,909,394

Officers: S. L. Odegard, Pres.; J. F. O'Connell, V-P.; A. J. Parsons, Sec. & Asst. Treas., Murphysboro.

Directors: O. F. Glenn, O. M. Burgess, E. J. B. Schrubig, S. L. Odegard, J. F. O'Connell, T. R. Hefty, Murphysboro, Ill.; B. S. Garvey, Chicago, Ill.

General Office, Murphysboro, Ill.

EASTPORT WATER COMPANY

History—Incorporated June 8, 1887, in Maine. Supplies Eastport, Me. Miles of mains, 15. Has hydrant contract with City of Eastport.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, first Tuesday in June. No dividends paid.

FUNDED DEBT

$80,000 Consolidated Mortgage 6% Gold Bonds; dated March 1, 1891; due March 1, 1931; interest payable March and September 1, at Massachusetts Loan & Trust Co., Boston, Mass. Coupon, $1,000. Forest City Trust Co., Portland, Me., Trustee. Authorized issue, $200,000.

$100,000 First Mortgage 5% Gold Bonds; dated Oct. 1, 1914; due Oct. 1, 1944; int. April and Oct. 1, at Forest City Trust Co., Portland, Me., Trustee. Coupon, $500 and $1,000. Authorized issue, $100,000. Not subject to call. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$23,163	$23,274	$25,092
Oper. exp., taxes & deprec.	9,198	9,611	9,855
Net earnings	$13,965	$13,663	$15,237
Bond interest	9,800	9,800	9,800
Other interest, etc.	1,014	1,062	1,144
Total charges	$10,814	$10,862	$10,944
Surplus for year	$3,151	$2,801	$4,293

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$245,496	$245,194	$245,194
Cash	3,869	1,939	1,054
Notes receivable	62	62	62
Accounts receivable	3,789	2,842	5,700
Corporate deficit	72,784	75,935	78,736
Total	$326,000	$325,972	$330,746
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	180,000	180,000	180,000
Accounts payable	3,600	4,800	6,000
Interest accrued	1,250	1,250	1,250
Deferred credit items	.....	.....	37,600
Bond int. matured unpaid	32,800	32,800	.....
Depreciation reserve	8,350	7,122	5,896
Total	$326,000	$325,972	$330,746

Officers: Isaac W. Dyer, Pres. & Gen. Mgr., Portland, Me.; E. B. Quigley, Treas.; R. K. Newcomb, Supt., Eastport, Me.

Directors: Isaac W. Dyer, Portland, Me.; Chas. E. Capen, Long Beach, Cal.

General Office, Eastport, Me.

BIDDEFORD & SACO WATER COMPANY

History—Incorporated March 4, 1882, in Me. Has perpetual franchise to supply water to Biddeford, Saco, Old Orchard, Grand Beach and Pine Point, Me. Population served (permanent), over 25,000. No. of consumers, 7,106. Average daily consumption, 2,062,258 gals. Miles of mains, 94.44. No. of hydrants, 347.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $799,900 (increased from $786,200 in 1926); par, $100. Annual meeting, at call of President, at Portland, Me.

Dividends—Quarterly dividends at rate of 6% paid to 1921; 7% annually, 1922 to 1927, inclusive; payments J, A, J & O 20.

FUNDED DEBT

$705,000 FIRST & REFUNDING GOLD 5s, SERIES "A"; DUE AUGUST 1, 1943

Dated August 1, 1923.

Interest Payable February and August 1, at Portland National Bank, Portland, Me., or at the First National Bank, Boston, Mass.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Portland National Bank, Portland, Me.

Provisions of Issue—Authorized amount, $2,500,000; issued, $705,000 Series "A" 5s. Additional bonds may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms and containing such other rights and limitations permitted by the Mortgage as the Board of Directors of company may determine prior to the issue thereof. Mortgage further provides that additional bonds be issued only (a) for refunding outstanding series par for par and (b) for 80% of the cost of new construction, additions, betterments and extensions to the property, but only if the average net earnings, for the last three preceding years, are not less than 1¾ times the interest charges on all bonds then outstanding and those about to be issued.

Callability—Subject to call on any interest date, upon four weeks' notice, at 102½ and interest.

Maintenance and Improvement Fund—Company agrees to set aside each year 10% of its gross earnings. After deducting from this fund the amount expended for repairs, renewals and replacements, the unexpended balance may be used to pay for additions and extensions to the property, but no bonds can be issued against such expenditures for additions and extensions.

Security—A first mortgage on all property now owned and hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Wadleigh Drummond, Portland, Me.

Original Offering—First publicly offered ($600,000), in April, 1923, at 94 and interest, yielding 5.50%, by H. M. Payson & Co., Portland, Me.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$163,358	$159,590	$160,306	$159,155	$157,346	$151,482
Operating expenses, taxes and depreciation	†60,310	68,598	69,528	70,676	77,748	72,992
Net earnings	$103,048	$90,992	$90,778	$88,479	$79,598	$78,490
Fixed charges	39,928	38,731	37,572	36,298	25,774	22,120
Balance for dividends	$63,120	$52,261	$53,206	$52,181	$53,824	$56,370
Dividends paid	55,993	55,034	55,034	51,443	49,967	42,633
Surplus for year	$7,127	*$2,773	*$1,828	$738	$3,857	$13,737
Times Fixed Charges Earned	2.58	2.35	2.42	2.44	3.09	3.55
Earnings Per Share	$7.89	$6.53	$6.77	$6.63	$7.52	$7.89

*Deficit. †Not including depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Construction	$1,639,608	$1,593,591	$1,550,413	$1,498,760	$1,418,695	$1,266,228
Cash	2,542	5,352	1,213	3,334	53	637
Accounts receivable	14,555	10,987	13,274	11,875	9,231	14,373
Special deposits	150	450	900	240	1,075	420
Materials & supplies	18,352	15,348	17,825	20,147	23,741	12,587
Investments	5,830	5,830	5,830	5,830	5,830	1,330
Prepaid accounts	6,118	73	484	596	776	12,391
Notes receivable	.....	201	357	513	.....	308
Bond discount	55,513	59,068	59,583	58,927	62,096	.....
Other assets	.....	6,980	8,160	9,373	25,131	3,960
Total	$1,742,668	$1,697,880	$1,658,039	$1,609,595	$1,546,633	$1,312,234

GENERAL BALANCE SHEET DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Capital stock	$799,900	$799,900	$786,200	$786,200	$716,200	$716,200
Funded debt	705,000	705,000	654,000	600,000	600,000	420,500
Premium on capital stock	10,012	10,012	9,053	9,053	5,553	5,553
Notes payable	47,000	20,000	44,200	53,200	62,550	33,450
Coupons payable	150	450	900	240	1,075	420
Accounts payable	15,082	925	3,086	1,087	816	62
Accrued interest	14,386	14,386	13,324	12,199	12,199	5,107
Deferred credit items	.....	.....	†355	*310	.....	*283
Bond discount suspense	.....	.....	.....	.....	.....	150
Depreciation reserve	120,619	111,309	106,406	105,800	107,532	96,441
Insurance reserve	2,223	2,488	2,673	1,746	1,064	.....
Profit and loss	28,296	33,410	38,552	40,380	39,642	34,724
Total	$1,742,668	$1,697,880	$1,658,039	$1,609,595	$1,546,633	$1,312,234

*Credit. †Taxes accrued credit.

Officers: Geo. F. West, Pres. & Gen. Mgr.; Chas. H. Payson, V-P.; E. C. Hersey, Sec. & Treas.; Vernon F. West, Asst. Treas., Portland, Me.

Directors: C. H. Payson, Geo. F. West, Portland, Me.; J. G. Shaw, Carlos H. McKenney, Biddeford Me.; H. H. Gilman, Haverhill, Mass.; H. R. Jordan, H. P. Garland, Saco, Me.

Office, Biddeford, Me.

OTTER TAIL POWER COMPANY (OF DELAWARE)

History—Incorporated April 1, 1926 in Delaware to hold all of the Common stock and such of the Pfd. stock of the Otter Tail Power Company of Minnesota as it may acquire, the total number of shares of its own stock issued being exactly equal to the number of each class of shares of the Minnesota corporation which it holds.

CAPITAL STOCK

Outstanding, 16,468 shares of Common stock of no par value, consisting of 10,068 shares of Special Common stock and 6,400 shares of Founders' Common stock and 25,414 shares of $6 dividend cumulative Pfd.

Preferred Stock Provisions—The $6 dividend Pfd. stock has preference for assets and cumulative dividends at the rate of $6 per share per annum. In the event of liquidation the Pfd. stock is entitled to receive $100 per share or Pfd. stock of the Otter Tail Power Co. (of Minnesota) of the par value of $100 per share. Pfd. stock is subject to redemption as a whole or in part on 30 days' notice on any dividend date at $100 per share and accrued dividends.

$7 Dividends Preferred Stock Redemption—All of the $7 dividend cumulative Pfd. stock of no par value was called for redemption on July 1, 1927 at the company's office, Fergus Falls, Minn.

Tax Provisions—Free from Minnesota Moneys and Credits Tax.

Legal Opinion—Lancaster, Simpson, Junell & Dorsey, Minneapolis.

Original Offering—First publicly offered (8,000 shares Special Common stock) in March, 1926, at $125 per share, by Wells-Dickey Co., and Kalman & Co.,

First publicly offered (a block of $6 dividend Pfd.) in Aug., 1927, at 97 and dividend to yield 6.19% by Kalman & Co., St. Paul, Minn., etc.

Dividends—Pfd. dividends payable quarterly, J, A, J & O 1.

Officers: Vernon A. Wright, Pres.; C. S. Kennedy, V-P. & Gen. Mgr.; Samuel P. Adams, V-P. & Treas.; W. L. Hatch, Sec., Fergus Falls, Minn.

General Office, Fergus Falls, Minn.

OTTER TAIL POWER COMPANY (OF MINNESOTA)

(Controlled by Otter Tail Power Company of Delaware)

History and Property—Incorporated July 3, 1907, in Minn., to furnish electric power. Subsequently purchased and now operates the property of the Western Electric Co. of Jamestown, No. Dak. In April, 1925, purchased the properties in No. Dakota formerly owned and operated by the Midwest Power Co. of St. Paul (see 1925 Manual, page 525, or apply to our Information Department), which served with electric light and power, Devils Lake, Carrington, New Rockford, and Minnewaukan, N. D., and water, telephone service and steam heat to Devils Lake, N. D. The Midwest Company still retains its corporate existence although there are no assets held or liabilities outstanding.

Properties owned and operated by the Company include an inter-connected system of five hydro-electric plants having an installed capacity of 5,000 k.w., supplemented by steam-generating equipment of 13,000 k.w. capacity. An additional hydro-electric capacity of 650 k.w. is leased and operated by the Company giving a total capacity of approximately 18,650 k.w. of primary power. Also owns auxiliary generating stations of 1,300 k.w., and operates in all approximately 2,980 miles of inter-connected transmission lines. Population served, over 100,000. Has contracts with more than 185 cities and villages in Minn., No. Dak and So. Dak.

CAPITAL STOCK

Authorized, $1,000,000 Special Common, $500,000 Founders Common (both of $50 par value), $4,000,000 6% cumulative Pfd. and $1,000,000 5½% cumulative Pfd., par $100; outstanding, $503,400 Special Common, $320,000 Founders Common, and $3,167,900 6% Pfd. None of the 5½% Pfd. stock has been issued. Special and Founders Common stock are equal in every respect except that Special has no voting rights.

Capital Stock Changes—The authorized capital stock was changed from $600,000 Special Common, $500,000 Founders Common, $1,000,000 7% cumulative Pfd. and $1,000,000 6% cumulative Pfd. to the amounts stated above in 1927. All of the 7% Pfd. stock previously outstanding was called for redemption on July 1, 1927 at the office of the Company, Fergus Falls, Minn.

Transfer Office—Fergus Falls, Minn.

Annual Meeting—Second Monday in October.

Dividends—Initial dividend of ½% on 6% Pfd. for period June 1 to July 1, 1925, paid July 1, 1925; Oct. 1, 1925, 1½%, which quarterly rate maintained to date; payments J, A, J & O 1. On Common, dividends of 6% per annum were paid from 1919 to 1921; 1922 and 1923, 9% each; 1924 and 1925, 12% each; payments monthly; 1926, $8.25 per share; 1927, $7.50; March, 1928, $1.87½; payments quarterly, M, J, S & D 1.

FUNDED DEBT

$800,000 GENERAL MORTGAGE AND REFUNDING GOLD 6½s, SERIES "C"; DUE APRIL 1, 1939

$1,200,000 GENERAL MORTGAGE AND REFUNDING GOLD 5½s; SERIES "D"; DUE JANUARY 1, 1945

$2,481,500 GENERAL MORTGAGE AND REFUNDING GOLD 5s, SERIES "E"; DUE OCTOBER 1, 1946

Dated—Series "C" April 1, 1924; Series "D" January 1, 1925; and Series "E" October 1, 1926.

Interest Payable on Series "C" and Series "E," April and October 1, and on Series "D" January and July 1,

at First National Bank of Minneapolis, or the First National Bank of Fergus Falls, Minn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Northwestern Trust Co., Saint Paul, Minn.

Provisions of Issue—The trust deed permits the issuance of additional bonds in series, with such distinguishing features with respect to each particular series as the directors may determine. Additional bonds may be issued only for not exceeding 70% of the cost of permanent extensions, enlargements and additions, and then only when net earnings before depreciation shall be at least twice interest charges computed on the basis of 12 preceding consecutive months or at least 1½ times interest charges after depreciation.

There have been issued under the mortgage (Dec. 31, 1927), $4,481,500 of which $800,000 Series "C" 6½s, $1,200,000 Series "D" 5½s, and $2,481,500 Series "E" 5s are outstanding and $268,700 Series "A" 7s, dated July 1, 1920, and due July 1, 1950, $300,000 Series "B" 7s, dated April 1, 1924, and due April 1, 1927, $137,700 Series "A" 8s, and $1,000,000 First & Refunding Gold 6s, due April 1, 1933 have been refunded.

Callability—Series "C" bonds are non-callable up to April 1, 1933, but thereafter are subject to call at 100. Series "D" bonds are subject to call on any interest date on 60 days' notice at 103 and interest to Jan. 1, 1938, and thereafter at ½% less for each year or part thereof to Jan. 1, 1944, and thereafter at par. Series "E" bonds are callable on any interest date on 60 days' notice at 103, if redeemed on or before Oct. 1, 1939; thereafter at ½ of 1% less for each succeeding year or part thereof to Oct. 1, 1945; from Oct. 1, 1945 to maturity at par.

Sinking Fund—An amount equal to 1% per annum of outstanding bonds, which fund may be expended for improvements to the property against which no additional bonds may be issued or may be used for the retirement of bonds outstanding under this mortgage.

Depreciation Fund—The Company covenants to maintain its property in good and efficient operating condition and in addition the Trust Deed provides for a depreciation fund of a sum each year equal to not less than 4% of the aggregate amount of all bonds outstanding under this mortgage and any underlying mortgages, which fund may be expended for improvements against which no bonds may be issued or may be used to retire bonds secured by this mortgage.

Security—The General Mortgage and Refunding bonds are a direct first mortgage obligation of the Company, covering its entire properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Moneys and Credits Tax in Minnesota.

Original Offering—First publicly offered ($400,000) in April, 1924, at 99¼ and interest to yield about 6.55%, by Wells-Dickey Co., Minneapolis, Minn.; $175,000 additional by the same concern in June, 1924, at par and interest to yield 6.50%; $1,300,000 Series "E" 5s in Nov., 1926, also by the same firm at 98½ and interest to yield over 5.12%. $800,000 additional Series E bonds were publicly offered in April, 1927, at 99½ and interest to yield over 5.04% by Minneapolis Trust Co., Wells-Dickey Co. and Justus F. Lowe Co., Inc., Minneapolis.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,978,032	$1,641,109	$1,283,723	$832,053	$618,279	$531,449
Oper. exp. & taxes, incl. Federal Income tax	1,091,225	928,567	678,414	467,745	326,544	294,381
Depreciation	228,280	227,760	205,417	135,244	114,796	95,714
Net earnings	$658,527	$484,782	$399,892	$229,064	$176,939	$141,354
Other income	21,459	11,720	23,831	44,906	9,334	11,015
Total income	$679,986	$496,502	$423,723	$273,970	$186,273	$152,369
Bond interest	196,930	174,667	204,559	134,621	91,805	
Other interest	2,197	28,952	1,566	5,144	4,272	90,343
Other charges	66,196			3,788	2,175	
Total charges	$265,323	$203,619	$208,232	$143,553	$98,252	$90,343
Balance for dividends	$414,663	$292,883	$217,598	$130,417	$88,021	$62,026
Preferred dividends	168,091	120,551	67,751	30,915	25,758	*
Common dividends	123,511	62,070	70,388	36,022	28,008	*
Surplus for year	$123,061	$110,262	$79,459	$63,480	$34,255	*

*Figures not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$10,176,311	$7,902,498	$5,974,726	$3,840,253	$2,632,568	*$2,066,994
Bonds & other investments			9,011	1,265	5,533	5,585
Material and supplies	116,365	115,985	97,505	64,273	25,897	26,909
Cash	238,417	371,575	180,442	147,033	107,895	62,486
Notes receivable	11,120	12,000	16,751	21,563	37,028	
Accounts receivable	296,099	266,885	183,258	120,702	78,593	120,794
Deferred debit items	364,569	188,069	163,194	93,866	48,482	33,232
Sinking fund					2,445	
Other assets	35,582	93,159				10,600
Total	$11,238,463	$8,950,171	$6,624,887	$4,288,955	$2,938,441	$2,326,600
Liabilities—						
Common stock	$823,400	$823,400	$404,400	$381,800	$312,200	$293,900
Preferred stock	3,167,900	2,451,900	1,465,400	500,100	389,000	335,300
Funded debt	4,481,500	3,289,740	3,330,000	2,368,700	1,412,400	1,421,757
Consumers' deposits	62,398	40,436	16,201	1,042	312	
Long term contracts	10,356	7,284	44,445	33,168	24,925	
Notes payable					54,907	
Accounts payable	213,031	248,913	140,890	59,469	31,618	137,562
Interest accrued	44,221	20,404	28,000	33,303	14,930	
Dividends accrued	57,284	47,581	22,224	8,591	6,708	38,385
Reserve for taxes	161,216	125,575	64,677	49,197	31,054	46,886
Unadjusted credits	408	2,538	2,447	10,823	12,812	5,764
Depreciation reserve	1,136,675	955,931	790,148	626,045	528,166	
Appropriated surplus	22,690	19,072	40,389	77,933	59,745	47,046
Earned and capital surplus	1,057,384	917,397	275,666	138,784	59,664	
Total	$11,238,463	$8,950,171	$6,624,887	$4,288,955	$2,938,441	$2,326,600

*After deducting depreciation.

Officers: Vernon A. Wright, Pres., Minneapolis, Minn.; C. S. Kennedy, V-P. & Gen. Mgr.; W. L. Hatch, Sec.; Samuel P. Adams, Treas.; W. J. Sorensen, Gen. Supt.; Fergus Falls, Minn.

Directors: Vernon A. Wright, Minneapolis, Minn.; C. S. Kennedy, Samuel P. Adams, W. L. Hatch, W. J. Sorenson, G. W. Welch, Fred Leffler, Fergus Falls, Minn.

General Office, Fergus Falls, Minn.

DES MOINES CITY RAILWAY COMPANY

History—Incorporated in 1893, in Iowa; consolidation of the Des Moines Street R. R. Co. and the Des Moines Suburban Ry. Co. Owns and operates a total of 103.31 miles of street railway measured as single track. Gauge, standard. Rail, 45 to 129 lbs. T and girder. Passenger cars, 155; service cars, 33. Is authorized to carry freight.

Franchises—A new "Service-at-Cost" franchise was passed by the City Council on Oct. 24, 1921, and was approved by a large majority of the voters at a special election on Nov. 28, 1921. The company accepted this new franchise on Jan. 25, 1922. The franchise extends for a period of 25 years, and provides for a sliding scale of fares. The city has the right to purchase the property on six months' notice at a price to be agreed upon by the company and the City.

Fares—The "Service-at-Cost" franchise provides for a sliding scale of fares beginning with 8c cash fare and 7½c ticket fare for adults, and 2½c for children and high school students. Under the terms of the franchise, when the Stabilizing Fund reaches $150,000, the next lowest fare becomes effective. The amount accumulated for Stabilizing Fund having reached the sum of $150,000 on Dec. 27, 1923, the adult fare was reduced to 7c cash fare and 7c ticket fare; on June 29, 1924, raised to 8c cash fare and 7½c ticket fare; on Oct. 1, 1924, to 8c cash fare and 8c ticket fare; on Nov. 30, 1924, to 9c cash fare and 8½c ticket fare; on July 18, 1925, to 9c cash and 9c ticket fare and on Oct. 1, 1925, to 10c cash, 9½c ticket fare, children 5c and school children, 2½c. Weekly pass, at $1.25, went into effect Sept. 20, 1926.

Receivership—On April 1, 1927, the Company defaulted in the payment of principal and interest on $618,000 5-Year 7% Debenture bonds and upon application of the holders of these bonds the Federal Court appointed F. C. Chambers and C. L. Herring, Receivers, on Nov. 11, 1927.

CAPITAL STOCK

Authorized, $2,000,000 Common and $3,000,000 7% cumulative Pfd.; outstanding, $1,055,000 Common and $1,964,100 Pfd.; par, $100.

Preferred Stock Provisions—The Pfd. stock carries the same voting powers as the Common stock, and is callable, all or in part, on any dividend date at 107½ and dividends.

Annual Meeting—Third Tuesday in January.

Dividends—Dividends on Pfd. stock regularly paid from Jan. 26, 1922; payments quarterly, J, A, J & O 1. from Jan. 26, 1922 to Oct. 1, 1927, inclusive; none since; payments were made quarterly, J, A, J & O 1. No dividends paid on Common.

FUNDED DEBT

(1)

$4,651,000 GENERAL AND REFUNDING GOLD 5s; DUE JANUARY 1, 1936

Dated January 1, 1916.

Interest Payable January and, July 1, at Harris Forbes & Co., New York, and Harris Trust & Savings Bank, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago, Ill.

Provisions of Issue—Authorized issue, $15,000,000, of which $4,821,000 have been certified, $4,651,000 being in the hands of the public and $170,000 held as collateral to Company's notes. The remaining bonds may be issued for 80% of expenditures for extensions, enlargements and additions, provided that net earnings after the payment of operating expenses, taxes, insurance and reasonable expenditures for maintenance and repairs shall have been at least 1¾ times annual interest charges on all bonds outstanding, including those for which application is made.

Callability—Subject to call on any interest date at 105 and interest.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$618,000 FIVE-YEAR 7% GOLD DEBENTURES; DUE APRIL 1, 1927

Note—Principal and interest due April 1, 1927 are in default.

Dated April 1, 1922.

Interest Payable April and Oct. 1, at Harris Trust & Savings Bank, Chicago, Trustee.

Provisions of Issue—Authorized, $1,000,000; outstanding, $618,000.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Passenger revenue	$2,139,003	$2,250,634	$2,248,092	$2,199,436	$2,493,137	$2,464,374
Other revenue	94,300	96,734	96,946	106,155	16,979	18,537
Total revenue	$2,233,303	$2,347,368	$2,345,038	$2,305,591	$2,510,116	$2,482,911
Operating expenses	1,553,886	1,533,554	$1,541,177	$1,634,191	$1,557,585	$1,550,132
Taxes	158,400	138,000	152,000	180,000	180,000	180,000
Depreciation	217,000	217,000	217,000	216,996	217,000	216,996
Total	$1,929,286	$1,888,554	$1,910,177	$2,031,187	$1,954,585	$1,947,128
Net earnings	$304,017	$458,814	$434,861	$274,404	$555,531	$535,783
Interest on bonds	$236,800	$241,050	$241,050	$241,050	$241,050	$241,725
Other interest	71,613	82,896	83,532	76,468	62,644	81,866
Other charges	7,284	7,054	7,769	7,677	6,768	7,823
Total deductions	$315,697	$331,000	$332,351	$325,195	$310,463	$331,414
Net income	*11,680	127,813	102,510	*50,791	245,068	204,369
Preferred dividends	116,076	127,653	120,625	112,176	97,361	74,074
Amortization reserve	.....	.....	.....	.....	59,140	49,601
Bal. to stabilizing fund	*$127,756	$160	*$18,115	*$162,967	$88,566	$65,689
‡Times Bond Int. Earned	2.20	2.80	2.74	2.04	3.20	3.12
†Times Bond Int. Earned	0.95	1.53	1.42	1.14	2.30	2.22
Earnings Per Share—						
Preferred	Nil	$6.76	$5.83	Nil	$15.74	$15.14
Common	Nil	Nil	Nil	Nil	14.00	12.35

*Deficit. †After depreciation and other charges. ‡Before depreciation and other charges.

Stabilizing Fund—Operating under "Service-at-Cost" franchise and when fares are reduced and do not produce sufficient revenue to pay operating expenses and other charges, the deficit is taken from Stabilizing Fund.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$9,027,554	$8,988,624	$8,933,205	$8,867,770	$8,503,702	$8,018,678
Materials and supplies	262,009	231,903	261,596	260,568	225,926	214,614
Cash	310,286	230,196	150,347	77,950	178,701	540,756
Special deposits	1,447	9,118	9,266	4,558	.....	.....
Current accounts	23,901	35,515	34,349	42,778	31,060	28,093
Other assets	13,671	4,857	18,260	23,225	14,433	15,937
Deferred debit items	349,390	349,414	362,878	357,193	344,498	332,287
Unadjusted debits	10,333	11,141	650,943	650,943	702,641	670,124
Total	$9,998,591	$9,860,768	$10,420,844	$10,284,985	$10,000,961	$9,820,489
Liabilities—						
Common stock	$1,055,000	$1,055,000	$1,055,000	$1,055,000	$1,055,000	$1,055,000
Preferred stock	1,964,100	1,888,000	1,757,800	1,657,000	1,557,300	1,350,000
Funded debt	4,651,000	4,651,000	4,651,000	4,651,000	4,651,000	4,651,000
Debentures	618,000	618,000	618,000	618,000	253,000	324,000
Loans and notes payable	659,369	659,369	659,369	704,431	710,569	727,835
Current liabilities	104,757	84,143	105,742	118,269	179,884	256,969
Taxes and interest accrued	581,294	523,347	563,772	574,760	556,904	540,369
Other liabilities	75,149	94,994	111,309	114,415	94,819	139,943
Unadjusted credits	61,625	62,636	709,685	750,822	738,250	709,684
Depreciation reserve	332,720	191,945	165,994	.....	.....	.....
Stabilizing fund	*154,423	*26,666	*26,827	*8,712	154,255	65,689
Working fund	50,000	50,000	50,000	50,000	50,000	.....
Total	$9,998,591	$9,860,768	$10,420,844	$10,284,985	$10,000,961	$9,820,489

*Deficit.

Officers: A. W. Harris, Chrm. of Board, Chicago, Ill.; F. C. Chambers, Pres. & Gen. Mgr., Des Moines, Ia.; M. H. MacLean, V-P., Chicago, Ill.; O. H. Bernd, Sec. & Gen. Aud.; E. B. Bieghler, Treas. & Aud., Des Moines, Ia.

Directors: Albert W. Harris, M. H. MacLean, Chicago; Homer A. Miller, H. A. Benjamin, F. C. Chambers, O. H. Bernd, E. B. Bieghler, Des Moines, Ia.

Executive Committee: Albert W. Harris, M. H. MacLean, Chicago, Ill.; F. C. Chambers, Des Moines, Ia.

Office, Des Moines, Iowa.

DES MOINES & CENTRAL IOWA RAILROAD

History and Property—Incorporated Nov. 28, 1899, in Ia., as the Inter-Urban Ry. Co., name changed to present title early in 1922. Company was incorporated to construct a system of inter-urban roads connecting with Des Moines. Operates 99.37 miles of track (including sidings), connecting Des Moines and Colfax, Des Moines and Perry, with a branch to Woodward. Gauge, 4 ft. 8½ in. Rail, 60 and 70 lb. T. Cars—passenger (motor), 10; passenger coach, 1; freight, 173; express motors, 2; express trailers, 3; caboose, 5; service, 17; electric locomotives, 7.

Interest in Default—See under Funded Debt below.

CAPITAL STOCK

Authorized, $1,200,000; outstanding, $1,160,000; par, $100. Annual meeting, third Tuesday in January. No dividends paid.

FUNDED DEBT

(1)

$562,500 Inter-Urban Ry. First Mortgage 7½% Gold Bonds; dated April 1, 1921; due April 1, 1931; int. April and Oct. 1, at Harris Trust & Savings Bank, Chicago, Trustee, and at Harris, Forbes & Co., New York. Denominations, $500 and $1,000.

Provisions of Issue—Authorized, $2,500,000. Bonds in excess of $1,428,500 will only be issued as follows: (a) $100,000 for the full cost of extensions, additions and betterments, when net annual earnings shall have been not less than 1¼ times the annual interest charge upon the amount of First Mortgage bonds outstanding, together with those proposed to be issued; (b) the remaining $971,500 of bonds may be issued for 75% of such cost when such net earnings shall have been not less than 1½ times such annual interest charges, or 10% of the aggregate principal amount of all such bonds, whichever is the greater. The mortgage also provides that bonds in excess of $1,750,000 can only be issued with the consent of the Interstate Commerce Commission as long as the Company's loan from the Government remains unpaid. In addition to the $562,500 bonds outstanding, $866,000 treasury bonds are pledged as collateral security to Company's notes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Interest in Default—Interest due April 1, 1927 and Oct. 1, 1927 on the above First Mortgage bonds is in default.

(2)

$250,000 Inter-Urban Ry. Debenture 6s; dated Jan. 1, 1913; due Jan. 1, 1923 (unpaid as of Dec. 31, 1927); int. Jan. and July 1, at Harris Trust & Savings Bank, Chicago, Trustee. Denominations, $500 and $1,000. Authorized and issued, $350,000, of which $100,000 held in treasury. Subject to call on any interest date at 101 and interest. Company does not pay Normal Federal Income Tax.

(3)

$633,500 U. S. Government 6% Note; dated April 1, 1921; due April 1, 1931; int. April and Oct. 1, at Federal Reserve Bank, Chicago. Secured by deposit of $795,000 First Mortgage 7½% bonds of Company. Company does not pay Normal Federal Income Tax.

Interest in Default—Interest due Oct. 1, 1927 on the above U. S. Government note is in default.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
*Gross earnings	$421,594	$478,453	$578,709	$637,578	$711,521	$644,035
Operating expenses and taxes	406,076	466,050	480,363	538,487	587,331	523,060
Depreciation	71,648	71,648	71,648	71,649	72,407	73,155
Net earnings	†$56,130	†$59,245	$26,698	$27,442	$51,783	$47,820
Bond and other interest	123,743	124,015	124,477	125,390	128,013	128,443
Deficit for year	$179,873	$183,260	$97,779	$97,948	$76,230	$80,623
Times Interest Earned—						
(After depreciation)	Nil	Nil	0.21	0.22	0.40	0.37

*Includes miscellaneous income. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$3,421,851	$3,422,571	$3,427,552	$3,452,873	$3,512,952	$3,518,288
Stock owned	500	500	500	.....	.....	.....
Materials and supplies	8,727	7,546	3,561	1,862	1,784	2,738
Cash	33,971	42,269	89,950	83,124	93,689	98,537
Special deposits	300	.....	.....	.....	.....	.....
Bonds owned	.....	.....	.....	2,000	2,000	2,000
Notes receivable	4,878	4,448	4,560	5,080	532	5,427
Current accounts	39,730	36,408	80,003	91,415	81,378	59,877
Other assets	4,200	938	3,572	4,221	3,671	3,889
Deferred debit items	9,289	9,055	11,145	13,235	15,324	17,414
Unadjusted debits	31,187	37,607	34,480	34,555	32,413	32,682
Profit and loss	646,052	466,178	282,091	180,694	81,586	2,311
Total	$4,200,685	$4,027,522	$3,937,414	$3,869,059	$3,825,330	$3,743,163
Liabilities—						
Capital stock	$1,160,000	$1,160,000	$1,160,000	$1,160,000	$1,160,000	$1,160,000
Funded debt	562,500	562,500	562,500	562,500	562,500	562,500
Debentures	250,000	250,000	250,000	250,000	250,000	250,000
U. S. Government note	633,500	633,500	633,500	633,500	633,500	633,500
Loans and notes payable	386,323	386,323	386,323	386,323	386,323	386,323
Current liabilities	86,732	90,708	88,542	150,381	114,763	127,776
Taxes and interest accrued	311,719	194,730	89,639	72,121	65,593	56,761
Depreciation reserve	690,523	619,959	550,910	483,992	414,801	348,006
Other liabilities	75,264	54,241	115,227	47,977	128,484	119,185
Unadjusted credits	44,124	75,561	100,773	122,264	109,366	99,111
Total	$4,200,685	$4,027,522	$3,937,414	$3,869,059	$3,825,330	$3,743,163

Officers: Albert W. Harris, Chairman of Board, Chicago; F. C. Chambers, Pres.; H. A. Benjamin, V-P. & Gen. Mgr., Des Moines, Ia.; M. H. MacLean, V-P., Chicago, Ill.; O. H. Bernd, Sec. & Gen. Aud.; E. B. Bieghler, Treas. & Aud., Des Moines, Ia.

Directors: Albert W. Harris, M. H. MacLean, Chicago; F. C. Chambers, E. B. Bieghler, Homer A. Miller, O. H. Bernd, H. A. Benjamin, Des Moines, Ia.

Executive Committee: Albert W. Harris, M. H. MacLean, Chicago, Ill.; F. C. Chambers, Des Moines, Ia.

Office, Des Moines, Ia.

GARY HEAT, LIGHT & WATER COMPANY

History and Properties—Incorporated Aug. 21, 1906, in Ind. Operates electric, gas and water plants and systems in Gary, Ind., serving population of about 95,000. Operates under an indeterminate permit from the Public Service Commission of Indiana.

OPERATING STATISTICS, YEARS ENDED DEC. 31

	1927	1926	1925
Gas output (M. cu. ft.)	848,000	678,000	637,000
Electric output (kwh)	30,000,000	22,000,000	18,156,000
Water output (M. gals.)	2,719,000	2,100,000	2,052,000
No. of meters:			
Gas	19,460	17,500	15,325
Electric	24,010	22,300	19,145
Water	12,595	11,450	10,175
Miles of mains:			
Gas	109	92	83
Water	125	104	98

CAPITAL STOCK

Authorized and outstanding, $1,250,000; par, $100. All owned by U. S. Steel Corp. Annual meeting, second Wednesday in June.

Dividends—Dividends have been paid in recent years as follows: 1913, 10%; 1914 to 1927, incl., 6%.

FUNDED DEBT

$425,000 First Mortgage 5% Gold bonds; dated March 1, 1913; due $75,000 annually on March 1, 1928 to 1932, incl., and on March 1, 1933, $50,000; int. March and Sept. 1, at Company's office, Chicago, Ill. Coupon, $1,000; principal may be registered. Continental National Bank & Trust Co., Chicago, and H. G. Hay, Jr., Gary, Ind., Trustees. Authorized issue, $4,000,000. Subject to call at 105 and int. on any interest date. A first lien on entire property, rights and franchises. Company pays Normal Federal Income Tax up to 2%.

Officers: Eugene J. Buffington, Chairman of Board, Chicago, Ill.; L. W. McNamee, Pres. & Treas.; Leonard Fitzgerald and Wm. Luscombe, V-Ps.; W. J. Mlodoch, Sec. & Aud., Gary, Ind.; C. H. Rhodes, Pur. Agt., Chicago, Ill.

Directors: E. J. Buffington, G. G. Thorp, Chicago, Ill.; L. W. McNamee, Leonard Fitzgerald, Wm. Luscombe, Gary, Ind.

General Office, Gary, Ind.

THE CANON GAS COMPANY

History—Incorporated July 1, 1907, in Colo.; successor under reorganization to Canon City Gas Co. Supplies gas to Canon City. Population served, 6,000. Miles of mains 8. No. of meters, 731. Ranges in use, 556; water heaters, 126. Output, in 1927, 7,707,000 cu. ft. Prices, $2.10 gross; $2.00 net.

CAPITAL STOCK

Authorized and outstanding, $75,000; par, $100. No dividends paid.

FUNDED DEBT

$12,000 First Mortgage 6% bonds; dated 1907; due 1922 (but still outstanding); int. Jan. and July 1, at Pueblo Saving & Trust Co., Denver, Colo., Trustee. Coupon, $500; principal may be registered. Authorized issue, $25,000. Subject to call at any time at 105. No sinking fund.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$16,293	$16,872	$16,935
Oper. exp., taxes, etc.	13,615	12,315	12,892
Net earnings	$2,678	$3,557	$4,043
Fixed charges	1,873	1,818	1,306
Surplus for year	$805	$1,739	$2,737

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$75,049	$74,885	$74,400
Materials and supplies	3,773	3,478	2,661
Cash	295	1,673	2,586
Accounts receivable	3,175	3,073	2,842
Prepayments	590	488	527
Profit and loss	8,476	9,281	11,020
Total	$91,358	$92,878	$94,036
Liabilities—			
Capital stock	$75,000	$75,000	$75,000
Funded debt	12,000	13,000	14,000
Notes payable	2,545	2,545	3,545
Accounts payable	874	1,305	411
Interest accrued	409	408	570
Consumers' deposits	530	620	510
Total	$91,358	$92,878	$94,036

Officers: Herbert A. Black, Pres., Treas. & Gen. Mgr.; Mrs. Ella Lawrence, V-P.; Alva B. Adams, Sec., Pueblo, Colo.; Roger Bedell, Supt., Canon City, Colo.

Directors: Herbert A. Black, Mrs. Ella Lawrence, Alva B. Adams, Pueblo, Colo.; Roger Bedell, Canon, City, Colo.

Office, Canon City, Colo.

CALIFORNIA STREET CABLE RAILROAD COMPANY

History—Incorporated July 31, 1884, in Cal.; charter runs for 50 years from 1879. Length of line (cable), 11.5 miles. Gauge, 3 ft. 6 in. Rail, 56 lb. side-bearing. Cars, 48; auto trucks, 3. Population served, about 450,000. Franchise expires in 1929.

CAPITAL STOCK

Authorized and outstanding, $1,000,000, par, $100; paid in $600,000, or $60 per share. Stock transferred at Secretary's office. Annual meeting, third Wednesday in January.

Listed—San Francisco Stock Exchange.

Dividends—Dividend rate was increased from 50 cents to 75 cents monthly in Aug., 1902, and to 90 cents monthly in Nov., 1904, at which rate paid until April, 1906. No dividends paid from April, 1906, to Aug., 1907; 50 cents monthly resumed Sept., 1908; increased to 60 cents (7 1-5% per annum) in May, 1909, the present rate. Dividend meetings, third Wednesday of each month.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$520,195	$530,887	$556,198	$556,024	$559,341	$546,275
Operating expenses and taxes	571,594	512,202	461,487	480,009	442,423	426,312
Depreciation	8,284	10,477	10,323	10,433	10,169	13,792
Net earnings	*$59,683	$8,208	$84,388	$65,582	$106,749	$106,171
Other income	23,354	25,000	24,102	29,169	21,269	19,627
Total income	*$36,329	$33,208	$108,490	$94,751	$128,018	$125,798
Bond interest	.....	2,760	5,100	7,320	9,480	11,460
Other deductions	.....	46,000	39,000	37,000	.....	.....
Total deductions	.....	$48,760	$44,100	$44,320	$9,480	$11,460
Balance for dividends	*$36,329	*$15,552	64,390	50,431	118,538	114,338
Dividends paid	72,000	72,000	72,000	72,000	72,000	72,000
Surplus for year	*$108,329	*$87,552	*$7,610	*$21,569	$46,538	$42,338
Earnings Per Share	Nil	Nil	$6.44	$5.04	$11.85	$11.43

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$1,672,613	$1,672,613	$1,675,113	$1,672,921	$1,672,827	$1,672,827
Miscellaneous physical property	65,422	65,423	65,423	67,050	67,415	67,415
Miscellaneous bond investments	163,167	260,808	338,754	333,629	328,705	302,659
Cash on hand, etc.	18,479	12,760	16,763	18,640	37,091	40,017
Discount on capital stock	400,000	400,000	400,000	400,000	400,000	400,000
Cable reserve	9,285	17,899	13,198	15,197	10,526	8,613
Unamortized bond discount	.....	.....	.....	320	640	960
Total	$2,328,966	$2,429,503	$2,509,251	$2,507,758	$2,517,204	$2,492,491
Liabilities—						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	.....	.....	46,000	85,000	122,000	158,000
Current liabilities	13,926	14,417	14,590	15,010	13,753	13,435
Depreciation, road and equipment	225,615	220,216	209,737	199,416	188,983	178,813
Bond redemption	.....	.....	338,000	299,000	262,000	226,000
Reserve for income tax	.....	.....	.....	480	480	971
Dividend suspense account	920	920	920	920	488	.....
Surplus account	1,088,505	1,193,950	900,002	907,932	929,500	915,272
Total	$2,328,966	$2,429,503	$2,509,251	$2,507,758	$2,517,204	$2,492,491

Officers: James W. Harris, Pres., Gen. Mgr. & Pur. Agt.; A. H. Payson, V-P.; S. Waldo Coleman, V-P.; Lester K. Wells, Sec.; Wells Fargo Bank & Union Trust Co., Treas.; C. B. Stone, Aud.; J. T. McGhee, Supt., San Francisco, Cal.

Directors: James W. Harris, Chairman of Board; A. H. Payson, S. Waldo Coleman, J. Freuler, F. E. Buck, San Francisco, Cal.

General Office, 1061 Hyde Street, San Francisco, Cal.

OTTAWA TRACTION COMPANY, LIMITED

History—Incorporated Oct. 23, 1913, under laws of Dominion of Canada. Is a holding company for The Ottawa Electric Ry. Co., of which company's stock it now holds $3,484,400 out of total outstanding of $3,519,700.

CAPITAL STOCK

Authorized, $10,000,000; outstanding, $5,581,500; par, $100.

Transfer Agent—National Trust Co., Ltd., Montreal.

Annual Meeting—First Monday in February.

Listed—Montreal Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	70	74½	66⅞	60	67½	74	68¾	68½
Low	65	60	61	60	60	67½	58½	68½

Dividends—Dividends of 4% regular and 1% bonus (payable Jan. 2) were regularly paid from 1914 to Jan. 2, 1928, inclusive; quarterly dividend of 1% declared in Feb., 1928, for payment April 2, 1928, was cancelled; payments were made quarterly, J 2, A 1, J 2 & O 2, at 248 Albert St., Ottawa, Ont.

FUNDED DEBT

$3,000,000 5½% FIRST MORTGAGE AND COLLATERAL TRUST SINKING FUND GOLD BONDS, SERIES "A"; DUE JULY 1, 1955

Dated July 1, 1925.

Interest Payable January and July 1, at the Bank of Montreal, Montreal, Toronto, Ottawa, St. John, Halifax, Winnipeg and Vancouver, in Canadian gold coin or its equivalent, or at the Bank of Montreal, London, England, at the rate of $4.86⅔ to £1.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Royal Trust Company, Montreal.

Provisions of Issue—Further bonds may be issued only to the extent of par for par of additional bonds of The Ottawa Electric Railway Company mortgaged and pledged to the Trustee for the Ottawa Traction Company bond issue, and further bonds of The Ottawa Electric Railway Company in addition to the $3,000,000 of bonds now outstanding may be issued only to the extent of 75% of the cost or fair value (whichever is less) of extensions and additions to the

properties, plants and equipment of the Company made or constructed after Jan. 1, 1925, and then only when net earnings of the Railway Company for 12 consecutive months out of the preceding 15 months shall have been equal to not less than 1¾ times the annual interest charges on all bonds of the Railway Company outstanding and those about to be issued.

Callability—Subject to call, as a whole or in part, on any interest date on 30 days' notice, at 105 to July 1, 1930; at 104 thereafter to July 1, 1935; at 103 thereafter to July 1, 1940; at 102 thereafter to July 1, 1945; at 101 thereafter to July 1, 1950, and at par thereafter until maturity; plus accrued interest in each case.

Sinking Fund—Annual cumulative sinking fund, commencing Jan. 1, 1927, of 1½% per annum of First Mortgage and Collateral Trust Bonds, Series "A", certified plus interest on bonds redeemed, is estimated to be sufficient to retire the amount of this issue by maturity.

Security—These bonds are a direct obligation of the Traction Company and are secured by the pledge and deposit of all the outstanding bonds and of 18,605 shares out of 18,772 shares of the outstanding capital stock of The Ottawa Electric Railway Company. The bonds of the Ottawa Electric Railway Company so pledged are issued under authority of Special Act of the Dominion of Canada, and additional bonds, under restrictions as to capital expenditures and earnings, may be issued only for pledge under the Trust Deed securing this issue. As at April 1, 1922, Company's plant, properties and equipment (exclusive of Company's water power rights at the Chaudiere Falls) were valued by Dr. L. A. Herdt, D. Sc., Consulting Engineer, Montreal, at $4,949,477.

Legal Opinon—Geo. F. Henderson, K. C. and Redmond Quain, of Ottawa (for the company) and McGibbon, Mitchell, Casgrain, McDougall & Stairs, Montreal (for the Bankers).

Price Range—

	1927	1926	1925
High	102	100½	101
Low	bid	bid	100

Original Offering—First publicly offered ($3,000,000) in June, 1925, at 101 and interest, to yield over 5.40%, by The Royal Securities Corp., Ltd., Wood, Gundy & Co., the National City Co., Ltd., Dominion Securities Corp., Ltd., Greenshields & Co., Hanson Bros., and R. A. Daly & Co., Montreal, etc.

Income Account, year ended Dec. 31, 1927—Total income, $279,075; dividends paid, $279,075.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
18,605 shares of The Ottawa Elec. Ry. Co.	$5,581,500	$5,581,500	$5,581,500
$3,000,000 bonds of The Ottawa Elec. Ry. Co.	3,000,000	3,000,000	3,000,000
Divd. receiv. (The Ottawa Elec. Ry. Co.)	111,630	111,630	111,630
Total	$8,693,130	$8,693,130	$8,693,130
Liabilities—			
Capital stock	$5,581,500	$5,581,500	$5,581,500
Funded debt	3,000,000	3,000,000	3,000,000
Divd. payable Jan., 1% and bonus 1%	111,630	111,630	111,630
Total	$8,693,130	$8,693,130	$8,693,130

Officers: T. Ahearn, Pres.; Major F. D. Burpee, V-P. & Mgr.; G. L. Snelling, Sec. & Treas., Ottawa, Ont.

Directors: T. Ahearn, Major F. D. Burpee, E. N. Soper, T. F. Ahearn, J. F. Smellie, Thomas Workman, Geo. F. Henderson, K. C., Col. Geo. P. Murphy, C. M. G., Otis G. Whelen, Ottawa, Ont.

General Office, 248 Albert St., Ottawa, Ont.

THE OTTAWA ELECTRIC RAILWAY COMPANY

(Controlled by Ottawa Traction Company, Limited)

History and Property—The Company operates under the Special Act of the Ottawa City Passenger Railway Company passed by the Province of Canada, in 1866, and subsequent amendments thereto by the Dominion of Canada, with the necessary municipal franchises.

Under the contract with the City of Ottawa dated Jan., 1924, the franchise granted the Company in 1893, with certain amendments, is continued without limitation as to time, subject to the right of purchase by the City of Ottawa stated below. The Company is given certain privileges as regards tax exemption, method of operation of cars, etc., and its franchise to operate any transportation system within the limits of the City of Ottawa is made exclusive. This includes the right to operate motor buses or other automotive equipment and the consequent prohibition of any competition from the operation of such buses or other automotive equipment, entirely within the city limits by other interests.

The City has the right to acquire the properties of the Company at the end of any five-year period subsequent to Aug., 1923, at their actual value as defined in the 1893 franchise. In case of failure to agree, the amount to be paid by the City shall be settled under the provisions of the Ontario Arbitration Act.

Under the agreement with the City of Ottawa, certain provisions are made as to extensions of the Company's system, and a five-cent fare is fixed until Aug. 13, 1928. In 1928 and at the end of any subsequent five-year period the company has the right to submit a new tariff of fares for the next five-year period, and, failing agreement, to apply to the Board of Railway Commissioners, the City having a corresponding right to ask for a decrease of fares, and the decision of the Board in either case being final.

The Company operates with complete equipment, approximately 2 miles of single track and 26.5 miles of double track, equivalent to 55 miles of single track, standard gauge street railway, in the City of Ottawa and surrounding territory. A substantial part of the power used by the Electric Railway system is hydro-electrically generated by the Company at its own power station at the Chaudiere Falls. The balance of the power used by the Company is purchased under favorable contract from The Ottawa Electric Company. The Company also has an up-to-date auxiliary steam plant which can be utilized if necessity requires.

PASSENGERS CARRIED, YEARS ENDED DEC. 31

1916	27,033,778	1922	37,442,477
1917	29,347,692	1923	35,730,874
1918	29,723,068	1924	35,201,257
1919	32,285,836	1925	34,366,662
1920	36,396,831	1926	35,753,611
1921	37,902,198	1927	36,205,995

CAPITAL STOCK

Authorized, $4,000,000 (increased from $2,000,000 in Nov., 1912); outstanding, $3,519,700; par, $100. Ottawa Traction Co., Ltd., owns $3,484,400 of the stock.

Dividends—From 1893 to 1904, 8% per annum; in 1905, 10%; in 1906, 12%, including bonus of 4% in Dec.; 1907 to 1910, inclusive, 10% and 2% bonus each year; 1911, 10% and 5% bonus; 1912 to 1925, 12% regular and 3% bonus in each year; 1926 and 1927, 8% each; payments quarterly, J, A, J & O.

FUNDED DEBT

$3,000,000 First Mortgage 5½s, due 1955; all deposited as security for $3,000,000 Ottawa Traction Co., Ltd., First Mortgage & Collateral Trust 5½s. Secured by first mortgage and charge on all rights, franchises, privileges, properties and assets now owned or hereafter acquired. Issued under authority of Special Act of Parliament of the Dominion of Canada passed in 1925 which states in part: "The Company may borrow money and may make and issue bonds, debentures or other securities to the extent of 75% of the

value of Company's assets from time to time. For the purposes of this section the value of Company's assets shall be deemed to have been $4,500,000 on July 31, 1922, and hereafter shall be deemed to be the total of such amount and all amounts after such date from time to time invested in capital assets of Company."

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,788,691	$1,764,857	$1,719,607	$1,777,724	$1,751,631	$1,822,544
Oper. exp., maint. & local taxes	1,312,138	1,316,570	1,303,397	1,306,267	1,290,855	1,355,502
Net earnings available for bond interest, before depreciation and income tax	$476,553	$448,287	$416,210	$471,457	$460,776	$467,042

Officers: Thos. Ahearn Pres.; Major F. D. Burpee, V-P. & Mgr.; G. L. Snelling, Sec. & Treas.; J. M. Ahearn, Asst. Mgr. & Pur. Agt.; A. J. Tobin, Supt., Ottawa, Ont.

Directors: T. Ahearn, Major F. D. Burpee, Thos. Workman, T. F. Ahearn, E. N. Soper, Geo. F. Henderson, K. C., Col. Geo. P. Murphy, C. M. G., Ottawa, Ont.

Office, 248 Albert St., Ottawa, Ont.

WILKES-BARRE & HAZLETON RAILROAD COMPANY

History—Incorporated May 8, 1901, in N. J., in perpetuity. Acquired the entire capital stock and bonds of the Wilkes-Barre & Hazleton Ry. Co., and deposited the same with $140,000 Lehigh Traction Co. Certificates of Indebtedness and $993,100 Lehigh Traction Co. stock as security for its own first collateral trust 5% bonds. Franchises are perpetual from Hazleton to Wilkes-Barre and for 999 years in and around Hazleton.

CAPITAL STOCK

Authorized, $2,500,000 Common and $700,000 6% non-cumulative Pfd.; outstanding, Dec. 31, 1927, $2,500,000 Common, $458,700 Pfd., and $440 Pfd. scrip; par $100.

Convertibility, Etc.—Pfd. stock is convertible or exchangeable at par, at the option of the Company at anytime, into the bonds of the Company at par, the bonds to bear not less than 5% interest, or said Pfd. stock may, at the discretion of the Company, be redeemable at par in cash.

Transfer Agent—Equitable Trust Co., New York.

Annual Meeting—First Monday in May, at Jersey City, N. J.

Dividends—None paid.

FUNDED DEBT

(1)

$1,900,000 COLLATERAL TRUST GOLD 5s; DUE MAY 15, 1951

Dated May 15, 1901.

Interest Payable May and November 15, at Guaranty Trust Co., New York. The interest due May 15, 1914, was paid June 15, 1916 and that due Nov. 15, 1914, was paid Nov. 20, 1916. To Dec. 31, 1927, 82% of the bondholders accepted Company's offer of 6% non-cumulative Pfd. stock of Company at par in exchange for unpaid coupons, May 15, 1915, to Nov. 15, 1916, (see 1925 Manual, page 389). All subsequent coupons have been regularly paid.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $2,500,000, of which $600,000 are reserved to retire the Lehigh Traction Co. bonds.

Sinking Fund—A sinking fund of $20,000 per annum began June 1, 1908, to be invested in these bonds or in bonds legal for savings banks in New York State.

Security—Secured by pledge of entire capital stock and bonds of Wilkes-Barre & Hazleton Ry. Co.; and $993,100 stock and $140,000 Certificates of Indebtedness of Lehigh Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,227,000 COLLATERAL TRUST TERMINAL 5s; DUE OCTOBER 1, 1945

Dated October 1, 1905.

Interest Payable April and October 1, at Guaranty Trust Co., New York. The interest due Oct. 1, 1914, was paid Aug. 15, 1916, and that due April 1, 1915, was paid April 1, 1917. To Dec. 31, 1927, 98% of the bondholders accepted Company's offer of 6% non-cumulative Pfd. stock of company, at par, in exchange for unpaid coupons Oct. 1, 1915, to April 1, 1917 (see 1925 Manual, page 389). All subsequent coupons have been regularly paid.

Denomination—Coupon, $1,000.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $1,500,000; outstanding, Dec. 31, 1927, $1,227,000

Callability—Subject to call at 110 and interest.

Sinking Fund—Sinking fund of $10,000 per annum began in 1910.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Interest received on bonds owned	$112,412	$112,491	$112,499	$112,489	$112,483	$112,589
Bond interest	156,350	156,350	156,350	156,350	156,350	156,350
Expenses and taxes	6,733	9,439	6,638	7,382	8,491	7,430
Total charges	$163,083	$165,789	$162,988	$163,732	$164,841	$163,780
Balance deficit	50,671	$53,298	$50,489	$51,244	$52,358	$51,191
Loss on power house equip. abandoned	.....	*43,643	43,643	.....	.....	.....
Deficit for year	$50,671	$9,655	$94,132	$51,244	$52,358	$51,191
Times Bond Interest Earned	0.67	0.66	0.68	0.67	0.67	0.67

*Loss transferred year 1926 to the operating Company, The Wilkes-Barre Terminal RR. Co.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Stocks and bonds owned	$4,758,356	$4,758,356	$4,735,240	$4,735,240	$4,735,240	$4,735,240
Cash	63	63	63	63	63	524
Advances to cos. owned or controlled	390,380	441,025	474,716	567,957	619,168	674,862
Interest due and accrued on bonds owned	21,384	21,413	21,425	21,416	21,422	21,167
Profit and loss	980,334	929,663	920,009	825,876	774,632	722,274
Total	$6,150,517	$6,150,520	$6,151,453	$6,150,552	$6,150,525	$6,154,067
Liabilities—						
Common stock	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Preferred stock	459,140	451,340	450,440	447,340	442,240	372,640
Funded debt	3,127,000	3,127,000	3,127,000	3,127,000	3,127,000	3,127,000
Accrued interest	64,312	72,113	73,012	76,113	81,213	153,312
Accrued taxes	65	67	1,001	99	72	1,115
Total	$6,150,517	$6,150,520	$6,151,453	$6,150,552	$6,150,525	$6,154,067

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Wilkes-Barre & Hazleton Railroad Co. and Allied Companies)

	1927	1926	1925	1924
Gross earnings	$840,801	$836,797	$808,293	$901,550
Operating expenses	596,990	575,927	551,753	597,142
Net earnings	$243,811	$260,870	$256,540	$304,409
Micellaneous income	2,369	2,960	5,786	2,002
Total income	$246,180	$263,830	$262,326	$306,411
Deduct:				
Taxes	$18,131	$18,287	$17,261	$18,552
Interest on bonds	164,193	164,335	163,680	162,350
Interest on floating debt	15,737	18,254	17,493	16,464
Interest on equipment trust certificates	8,037	9,900	8,796	933
Amortization of bond discount	6,385	6,457	5,182	1,889
Total deductions	$213,083	$217,233	$212,411	$200,189
Net income	$33,097	$46,597	$49,914	$106,221
Profits or less from sales of capital assets	1,300	11,000	*95,752	9,320
Balance for depreciation, injuries and damages	$31,797	$35,597	†$45,838	$115,541
Depreciation of ways and structures	70,821	72,908	72,315	72,034
Depreciation of equipment	55,089	52,496	38,309	47,377
Injuries and damages	13,041	12,374	13,858	18,391
Deficit for year	$107,154	$102,181	$170,320	$22,260

†Deficit. *Loss due to power house equipment abandoned. On account of insufficient depreciation set up in past years the amount is large. The Company discontinued generating power at the St. Johns Power Plant which cost about $275,000 but installed approximately $250,000 of substation apparatus to purchase power from Pennsylvania Power & Light Co., thus preserving the investment in power equipment.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Wilkes-Barre & Hazleton Railroad Co. and Allied Companies)

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Franchise, road and equip..	$6,327,176	$6,318,362	$6,430,457	Common stock	$2,390,300	$2,390,800	$2,390,800
Cash	4,889	8,770	4,296	Preferred stock	431,100	426,600	426,600
Accounts receivable	4,350	4,473	5,637	Preferred scrip	440	440	440
Materials and supplies	8,870	10,603	15,039	Mortgage bonds	3,248,400	3,274,400	3,282,900
Advances to employes (metal tickets)	123	137	216	Equipment trust certificates	150,000	170,000	190,000
Accrued interest	217	246	258	Notes payable	257,533	265,259	310,734
Prepaid insurance	4,240	2,337	2,373	Accts. pay. and ticket sales	30,056	27,650	27,770
Organization expenses	6,995	4,180	3,525	Interest on bonds, etc.	67,118	76,128	77,398
Discount on funded debt	55,401	60,496	23,182	Taxes	7,712	8,457	8,231
Prepaid taxes	870	800	973	Wages	11,670	11,474	10,749
Deficit	1,351,481	1,272,235	1,133,732	Depreciation	1,031,301	905,490	780,499
				Injuries and damages	138,982	125,941	113,567
Total	$7,764,612	$7,682,639	$7,619,688	Total	$7,764,612	$7,682,639	$7,619,688

Officers: A. Markle, Pres.; C. B. Houck, V-P.; A. Markle, Jr., Sec.; Hazleton, Pa.; Geo. W. Hodges Treas., New York.

Directors: A. Markle, A. Markle, Jr., C. B. Houck, J. H. Bigelow, H. Dryfoos, Jr., E. B. Markle, John Markle 2nd., Hazleton, Pa.; J. Markle, Jeddo, Pa.; J. N. Conyngham, Wilkes-Barre, Pa.

Offices, 15 Exchange Place, Jersey City, N. J., Hazleton, Pa., and 14 Wall St, New York.

THE LEHIGH TRACTION COMPANY

(Controlled by Wilkes-Barre & Hazleton Railroad Company)

History and Property—Incorporated November 7, 1892, in Pa., to operate electric street railways. Franchises perpetual. Leases the Hazleton & North Side Electric Ry., Hazleton & South Side Electric Ry., and Hazleton & Suburban Street Ry. for 999 years from March 8, 1893, at annual rental of $1 each. Line of road extends from Hazleton to the surrounding towns—Milnesville and Lattimer, Harleigh, Ebervale, Jeddo, Drifton and intermediate towns to Freeland, Jeanesville, Tresckow, Yorktown, Audendried, and intermediate towns to McAdoo. Length of line, 18.60 miles; total track, 20.63 miles. Gauge, standard. Rail, 90 lb. T. Cars: Passenger motor, 25; work cars, 3; snow plows and sweepers, 3.

Company also owns entire capital stock ($100,000) of **Hazleton Auto-Bus Company.**

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. The Wilkes-Barre & Hazleton RR. Co. owns $993,100 of the stock, and same is pledged under that Company's Collateral Trust Mortgage. Transfer office, Hazleton, Pa. Annual meeting, second Monday in January.

FUNDED DEBT

(1)

$500,000 FIRST GOLD 5s; DUE JUNE 1, 1923; EXTENDED TO JUNE 1, 1933, A BONUS OF $7.44 FOR EACH $100 OF BONDS BEING PAID AT TIME OF EXTENSION JUNE 1, 1923.

Dated June 1, 1893.

Interest Payable June and December 1, at Markle Banking & Trust Co., Hazleton, Pa., Trustee. Coupon, $100, $500 and $1,000; principal may be registered. A first lien on entire property of company. $350,000 were publicly offered in 1923 at 89.10 to yield 6½%.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Geo. R. Bedford, Wilkes-Barre, and John H. Bigelow, Hazleton, Pa.

(2)

$60,000 HAZLE PARK REFUNDING 6s, DUE APRIL 1, 1940

Dated April 1, 1925.

Interest Payable April and Oct. 1, at Markle Banking & Trust Co., Hazleton, Pa., Trustee. Coupon, $1,000; principal may be registered. Authorized and issued $60,000, to refund a like amount of Hazle Park 5s, due April 1, 1925. Secured by a first lien on certain lands in the Hazle Park tract of Company, consisting of 45 acres, together with all improvements thereon.

Tax Provision—Company does not pay Normal Federal Income Tax.

(3)

$150,000 5½% EQUIPMENT TRUST CERTIFICATES; DUE $10,000 SEMI-ANNUALLY APRIL 1, 1928 TO 1935

Dated April 1, 1925.

Dividends Payable—April and October 1, at Markle Banking & Trust Co., Hazleton, Pa.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Markle Banking & Trust Co., Hazleton, Pa.

Provisions of Issue—Authorized and issued, $200,000 of which $50,000 paid off to Dec. 31, 1927.

Security—Secured by deposit with Trustee of title to 13 double-truck passenger cars with steel bodies and 2 double-passenger cars with wooden bodies.

Original Offering—First publicly offered ($200,000) in March, 1925, by Markle Banking & Trust Co., Hazleton, Pa., at prices to yield from 5% to 6% according to maturity.

(4)

$140,000 CERTIFICATES OF INDEBTEDNESS; DUE MAY 1, 1951

Dated May 1, 1901.

Interest Payable May and November 1, at Guaranty Trust Co., New York, Trustee. All owned by Wilkes-Barre & Hazleton R. R. Co., and pledged under that Company's Collateral Trust Mortgage.

INCOME ACCOUNT
(Hazleton Auto-Bus Company)

	Year ended Dec. 31, 1927	Year ended Dec. 31, 1926	Aug. 6 to Dec. 31, 1925
Gross earnings	$75,297	$57,434	$13,862
Operat. exp., taxes., deprec.	71,693	55,046	17,893
Net operating revenue	$3,604	$2,388	*$4,031
Other income	53	76	13
Total income	$3,657	$2,464	*$4,018
Interest paid	18	18	.....
Surplus for year	$3,639	$2,446	*$4,018

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31
(Hazleton Auto-Bus Company)

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property and equipment	$74,737	$81,344	$89,814	Common stock	$100,000	$100,000	$100,000
Cash	607	2,977	169	Accounts payable	3,524	1,795	1,399
Accounts receivable	66	311	242	Notes payable	1,532	900	.....
Materials and supplies	1,049	447	1,108	Reserve for taxes	799	897	398
Due from subsidiary cos.	31,322	16,382	7,972	Other current liabilities	1,302	947	1,006
Prepaid accounts	1,443	1,507	1,447	Reserve for depreciation	.....	.....	1,966
Profit and loss deficit	.....	1,571	4,017	Surplus	2,067	.....	.....
Total	$109,224	$104,539	$104,769	Total	$109,224	$104,539	$104,769

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Lehigh Traction Company)

	1927	1926	1925	1924	1923	1922
Gross earnings	$460,976	$470,951	$482,893	$529,680	$494,461	$386,924
Operating expenses and taxes	381,921	376,989	381,440	405,108	364,335	330,122
Net earnings	$79,055	$93,962	$101,453	$124,572	$130,126	$56,802
Bond interest	63,990	67,386	66,249	56,386	49,527	37,260
Surplus for year	$15,065	$26,576	$35,204	$68,186	$80,599	$19,542
Times Interest Earned	1.23	1.39	1.53	2.21	2.62	1.52

GENERAL BALANCE SHEET, DECEMBER 31
(The Lehigh Traction Company)

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$958,587	$957,156	$957,076	$726,375	$703,936	$725,506
Franchises	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Securities owned	368,215	378,258	405,974	345,137	331,737	10,491
Cash and current assets	10,847	13,194	15,188	24,038	18,184	13,318
Prepaid insurance	1,967	999	1,053	1,494	718	1,101
Wilkes-Barre & Hazleton Ry.	282,783	235,834	182,022	180,469	174,738	76,248
Discount on funded debt	16,601	19,510	23,181	14,575	13,758	.....
Profit and loss	.....	.....	.....	679	68,865	149,464
Total	$2,639,000	$2,604,951	$2,584,494	$2,292,767	$2,311,936	$1,976,128
Liabilities—						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Funded debt	710,000	730,000	750,000	566,000	572,000	578,000
Certificate of indebtedness	140,000	140,000	140,000	140,000	140,000	140,000
Due affiliated cos.	20,708	14,668	7,972	.....	.....	.....
Bills payable	250,000	264,359	306,234	277,000	303,000	.....
Interest and taxes accrued	11,159	12,730	11,933	8,926	29,054	30,731
Current liabilities	13,948	14,110	14,679	17,970	16,559	11,444
Depreciation	333,064	292,626	251,331	223,939	201,288	173,779
Reserve for damages	83,955	75,358	67,820	58,932	50,035	42,174
Profit and loss	76,166	61,100	34,525	.....	.....	.....
Total	$2,639,000	$2,604,951	$2,584,494	$2,292,767	$2,311,936	$1,976,128

Officers: (Lehigh Traction Co.)—A. Markle, Pres.; C. B. Houck, V-P. & Gen. Mgr.; E. B. Markle, Asst. V-P. & Gen. Mgr.; A. Markle, Jr., Sec. & Treas.; G. A. Zeeb, Traf. Mgr., Hazleton, Pa.

Officers: (Hazleton Auto-Bus Co.)—E. B. Markle, Pres.; C. B. Houck, V-P.; A. Markle, Jr., Sec. & Treas., Hazleton, Pa.

Directors: (Lehigh Traction Co. and Hazleton Auto-Bus Co.)—J. H. Bigelow, C. B. Houck, A. Markle, H. Dryfoos, Jr., E. B. Markle, W. H. Lawall, A. Markle, Jr., Hazleton, Pa.

Office, Hazleton, Pa.

THE WILKES-BARRE AND HAZLETON RAILWAY COMPANY

(Controlled by Wilkes-Barre & Hazleton Railroad Company)

History and Property—Incorporated Dec. 13, 1899, in Pa.; operation began Jan. 12, 1903. Lines extend from Wilkes-Barre to Hazleton, Pa.; length of line, 24.76 miles; total track, 31.4 miles. Gauge, standard. Rails, 95 lb. Cars, 10 motor passenger, 1 express, 1 electric locomotive and 14 freight.

Anthracite Power Company—The Wilkes-Barre and Hazleton Ry. Co. owns the entire $5,000 capital stock of this company, incorporated Aug. 11, 1910, in Pa. on October 14, 1915, merged the Hazleton Power Co., Sugar Loaf Power Co., Foster Power Co., Butler Power Co., Hanover Power Co., Wright Power Co., Wilkes-Barre Power Co., Ashley Power Co. and Wilkes-Barre Township Power Co. Supplies 81 customers in Hazleton, Conynghan Pass, St. John, Nuarigola, Blytheburn and cottages along the right of way of the Wilkes-Barre and Hazleton Ry. Co. Estimated population served, 1,500. Franchises perpetual. Power is purchased from Wilkes-Barre & Hazleton Ry. Co.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $100; all owned by Wilkes-Barre & Hazleton RR Co., and pledged under that Company's Collateral Trust Mortgage. Annual meeting, second Monday in January.

FUNDED DEBT

$1,500,000 First Mtge. 5% Gold bonds; dated 1901; due May 1, 1951; int. May and Nov. 1, at Guaranty Trust Co., New York, Trustee. All owned by Wilkes-Barre & Hazleton R. R., and pledged under that Company's Collateral Trust Mortgage. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$334,163	$335,345	$346,426	$424,228	$455,213	$443,710
Operating expenses and taxes	290,314	282,678	283,608	339,819	369,177	335,331
Net earnings	$43,849	$52,667	$62,818	$84,409	$86,036	$108,379
Other income	7,657	7,008	14,198	17,131	6,224	5,750
Total income	$51,506	$59,675	$77,016	$101,540	$92,260	$114,129
Bond interest, etc.	125,392	126,580	123,994	134,011	138,638	135,540
Balance deficit	$73,886	$66,905	$46,978	$32,471	$46,378	$21,411
Loss on equip. retired		5,204	60,396			
Deficit for year	$73,886	$72,109	$107,374	$32,471	$46,378	$21,411
Times Fixed Charges Earned	0.41	0.47	0.62	0.77	0.67	0.84

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$3,620,272	$3,619,971	$3,631,723	$3,741,110	$3,771,708	$3,737,691
Materials and supplies	1,463	3,056	4,794	9,204	7,017	3,900
Bonds owned	73,206	63,526	58,368	51,688	51,688	53,152
Stocks owned	10,722	8,466	7,567	6,672	27,363	27,289
Cash	2,172	2,325	2,097	15,009	12,402	17,937
Current assets	12,032	4,416	4,089	5,433	1,692	12,728
Deferred debit items						1,886
Other assets	1,700	1,575	1,973	1,947	1,952	
Deficit	492,955	419,069	346,960	239,586	207,114	160,736
Total	$4,214,522	$4,122,404	$4,057,571	$4,070,649	$4,080,936	$4,015,319
Liabilities—						
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Funded debt	1,500,000	1,500,000	1,500,000	1,508,000	1,516,000	1,524,000
Loans and notes payable	6,000	5,000	5,000	5,000	5,000	5,000
Current liabilities	22,954	22,284	25,934	22,820	69,166	121,279
Taxes accrued	1,867	1,975	2,404	2,544	2,834	4,272
Interest accrued	12,500	12,500	12,532	12,667	15,346	13,000
Due associated companies	640,566	610,134	603,606	555,788	574,283	503,008
Reserves	530,635	470,511	408,095	463,830	398,307	344,760
Total	$4,214,522	$4,122,404	$4,057,571	$4,070,649	$4,080,936	$4,015,319

Officers: A. Markle, Pres.; C. B. Houck, V-P. & Gen. Mgr.; E. B. Markle, Asst. V-P. & Gen. Mgr.; A. Markle, Jr., Sec. & Treas.; **G. A. Zeeb, Traf. Mgr.,** Hazleton, Pa.

Directors: A. Markle, C. B. Houck, A. Markle, Jr., W. H. Lawall, H. Dryfoos, Jr., E. B. Markle, W. Wear, John Markle, 2nd, D. T. Evans, Hazleton, Pa.
Office, Hazleton, Pa.

WILKES BARRE TERMINAL RAILROAD

(Leased to Wilkes-Barre and Hazleton Railway Company)

History—Incorporated Oct. 9, 1903, in Pa. Owns 3.8 miles of road connecting with Wilkes-Barre & Hazleton Ry. Gauge, standard. Rail, 90 lb. T.

CAPITAL STOCK

Authorized and issued. $35,000; par, $50. Annual meeting, second Monday in January.

FUNDED DEBT

$600,000 (entire issue) First Mortgage 5% Gold bonds; dated Oct. 1, 1905; due Oct. 1, 1945; int. April and Oct. 1, in New York. Coupon and registered, $1,000. All owned by Wilkes-Barre & Hazleton RR.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Rent of road and equipment, $50,228. Charges: Bond interest, $30,000; depreciation, $18,042; amortization of bond discount, $2,186—total, $50,228.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$653,055	$653,055	$615,250
Due from Wilkes-Barre & Hazelton Ry.	342,168	372,586	421,584
Discount on funded debt	38,800		
Profit and loss	200,525	*200,525	106,822
Total	$1,234,548	$1,267,152	$1,143,656

Liabilities—	1927	1926	1925
Capital stock	$35,000	$35,000	$35,000
Funded debt	600,000	600,000	600,000
Interest accrued	7,500	7,500	7,500
Reserve for depreciation	201,668	183,627	164,854
Wilkes-Barre & Hazleton RR. Co.	390,380	441,025	336,302
Total	$1,234,548	$1,267,152	$1,143,656

*Includes adjustment of loss on Jewett cars and powerhouse equipment abandoned during year 1925, the charge for which was previously made upon the books of the Wilkes-Barre & Hazleton RR. Co., $49,439; also adjustment of amortization of discount on funded debt for the period Oct. 1, 1905, to Dec. 31, 1925, $44,264.

Officers: C. J. Kirschner, Pres.; A. Markle, Jr., Sec. & Treas., Hazleton, Pa.

Directors: Geo. A. Zeeb, C. J. Kirschner, W. Wear, A. Markle, Jr.
Office, Hazleton, Pa.

SHREVEPORT RAILWAYS COMPANY

History and Property—Incorporated May 6, 1914, in La.; successor to Shreveport Traction Co. (see Manual for 1914, page 2603), which company, in turn, succeeded the Shreveport Belt Ry. Co. and Shreveport City Ry., and purchased the Highland Park Traction Co. and the Shreveport City Suburban Ry. In 1912, all franchises were extended until Sept. 29, 1954. By order of Federal Court dated May 31, 1926 Company charges a 7c care for adults and issues school tickets at 3½c each.

Owns and operates 35 miles standard gauge electric road. Rails, T, 70 to 80 lbs. Operated by overhead trolley. Motor cars, 52; other cars, 4. Purchases all power using four 500 k. w. sub stations to convert to direct current.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,059,600; par, $100. Annual meeting, second Tuesday in January.

Dividends—Paid dividend of 2% Jan. 15, 1920; 4% Jan. 15, 1921; 3% Jan. 11, 1923; none since.

FUNDED DEBT

$905,000 FIRST MORTGAGE SERIAL GOLD 5s; DUE ANNUALLY ON JULY 1, AS FOLLOWS: 1928, $25,000; 1929 TO 1932, $30,000 EACH; 1933 TO 1937, $35,000 EACH; 1938 TO 1943, $40,000 EACH; 1944, $345,000

Dated July 1, 1914.

Interest Payable January and July 1, at Hibernia Bank & Trust Co., New Orleans, La., Trustee.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized issue, $3,000,000; issued, $1,075,000, of which $170,000 have been redeemed. Of the $1,925,000 unissued bonds, $20,000, due $5,000 annually 1925 to 1928, will not be issued and the remaining $1,905,000, if issued, will fall due in 1944. No additional bonds can ever be issued unless the Company earns at least three times its interest charges on all outstanding bonds, and then only for 80% of cash cost of additions, extensions, etc.

Callability—Subject to call at 103 and interest on any interest date.

Security—An absolute first mortgage and the only debt of the Company, which does all of the street railway business in the City of Shreveport.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—McCloskey & Benedict, New Orleans, La.

Original Offering—First publicly offered ($800,000) in July, 1914, at prices to yield 5.15%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$690,205	$678,325	$633,519	$650,182	$650,881	$629,421
Operating expenses, taxes and damages	561,728	553,245	532,040	561,828	535,807	512,068
Depreciation	58,844	57,517	56,846	52,544	49,820	24,000
Net earnings	$69,633	$67,563	$44,634	$35,810	$65,254	$93,353
Interest charges	51,036	46,043	58,723	42,859	40,210	40,699
Balance for dividends	$18,597	$21,520	*$4,089	*$7,049	$25,044	$52,654
Dividends paid	.....	.....	.....	.....	.....	30,000
Surplus for year	$18,597	$21,520	*$4,089	*$7,049	$25,044	$22,654
Times Interest Earned	1.36	1.46	0.76	0.83	1.62	2.29
Earnings Per Share	$1.76	$2.03	Nil	Nil	$2.50	$5.27

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of road, etc.	$2,059,317	$2,196,283	$2,180,115	$2,091,973	$1,936,847	$1,907,333
Cost of equipment	437,060	407,202	405,654	407,801	364,516	319,697
Investments	4,375	3,475	2,550	1,600	.....	15,841
Securities pledged	275,000	.....	.....	.....	.....	.....
Materials and supplies	70,980	71,277	45,076	40,383	40,278	28,210
Cash	5,416	3,029	39,944	3,061	1,600	42,918
Bills receivable	.....	.....	.....	.....	.....	3,362
Accounts receivable	15,124	13,465	6,286	5,048	7,473	.....
Office fixtures	.....	.....	.....	5,539	4,997	4,460
Unadjusted debits	4,356	7,193	5,287	7,834	.....	.....
Other current assets	15,927	.....	.....	.....	6,973	2,585
Total	$2,887,555	$2,701,924	$2,684,911	$2,563,239	$2,362,684	$2,324,406
Liabilities—						
Capital stock	$1,059,600	$1,059,600	$1,053,600	$1,000,000	$1,000,000	$1,000,000
Funded debt	905,000	650,000	670,000	690,000	710,000	730,000
Notes payable	250,000	212,685	235,000	220,000	70,000	60,000
Accounts payable	2,416	1,276	7,543	697	485	567
Reserve for taxes and damage	109,872	66,267	76,920	58,096	31,226	24,357
Reserve for depreciation	352,842	385,607	307,814	256,323	205,801	159,354
Profit and loss	207,825	326,489	334,034	338,123	345,172	350,128
Total	$2,887,555	$2,701,924	$2,684,911	$2,563,239	$2,362,684	$2,324,406

Officers: H. B. Hearn, Pres., Gen. Mgr. & Pur. Agt.; Ed. Jacobs, V-P.; E. J. Crawford, Sec. & Treas.; H. C. Kihneman, Jr., Aud.; F. H. Patterson, Supt., Shreveport, La.

Directors: Ed Jacobs, E. J. Crawford, H. B. Hearn, Mrs. F. A. Jacobs, P. W. Oden, Shreveport, La.

Office, Shreveport, La.

THE CONNECTICUT POWER COMPANY

History and Property—Incorporated May 23, 1899, in Conn., as the Marine Power Co.; name changed to present title June 9, 1905. This company has acquired by consolidation the properties formerly owned by The New London Gas & Electric Co., The Middletown Electric Light Co., The Berkshire Power Co., The Norfolk Electric Light Co. and The Sharon Electric Light Co. Company does the entire gas, electric lighting and commercial power business in New London, Conn.; the entire electric lighting and commercial power business in Middletown, and serves numerous other manufacturing communities in Connecticut, including Canaan, North Canaan, Sharon, Salisbury, Norfolk and Thomaston, Conn., and Millerton, N. Y. Under a 999-year lease, the Company operates The Thomaston Electric Light Company, which serves Thomaston, Conn., and its vicinity. From the hydro-electric plant on the Housatonic River at Great Falls, Conn., where 12,000 h.p. has been installed—ultimate capacity, 16,000 h.p.—wholesale current is furnished under long term contracts to public service companies in Torrington, Bristol and Hartford. Franchises, not limited in time. Power stations located at Falls Village, and Canaan, Conn.; capacity 9,600 k.w.; also purchases power from The Hartford Electric Light Co., Connecticut Light & Power Co., and the Eastern Connecticut Power Co. Power supplied to Central Connecticut Power & Light Co., The Torrington Electric Light Co., Connecticut Light & Power Co. and The Hartford Electric Light Co. Company owns and operates 110 miles of transmission lines which extend from North East, N. Y., through northern Connecticut to Hartford on east and Massachusetts State line at Agawam on north, linking with lines of New York, Connecticut and Massachusetts companies.

Interest in Hartford Gas Company Acquired—In December, 1927, it was announced that Company had completed exchange of 7,650 of its shares for 31,100

shares of Hartford Gas Company. The exchange was on the basis of 4 shares of Hartford Gas Company Common stock for 1 share of Connecticut Power Company Common, and 6½ shares Hartford Gas Company Preferred stock for one share of Connecticut Power Company Common stock.

Lighting Department—Commercial power, 17,423 h.p.; commercial incandescents, 13,619 k.w.; miscellaneous, 25,726 k.w. Gas department—No. of meters, 6,983. Miles of mains, 56.53. Gas output, year ended Dec. 31, 1927, 294,918,000 cu. ft., compared with 270,658,000 cu. ft. in 1926; 229,924,000 cu. ft. in 1925; 207,309,000 cu. ft. in 1924; 194,103,000 cu. ft. in 1923, and 174,251,000 cu. ft. in 1922. Estimated population served Jan. 1, 1928: Electric light and power, 89,000; gas, 35,000.

CAPITAL STOCK

Authorized (by the stockholders), $6,050,000 (increased from $4,750,000 Oct. 4, 1927) Common and $1,500,000 6% cumulative Preferred; outstanding, Dec. 31, 1927, $5,766,200 Common and $1,500,000 Pfd.; par, $100. The amount of capital stock which the company, by its charter, has authority to issue is unlimited, but additional stock may be authorized only by vote of the stockholders, and as much shall be Preferred stock as the stockholders may determine. Pfd. stock is redeemable at 115 and accumulated dividends, and has preference for assets. The Hartford Electric Light Co. owns a large minority interest in the Company.

Subscription Privileges—Stockholders of record, April 2, 1923, received the right to subscribe to an issue of $750,000 additional Common stock at par, $100 a share, to the extent of 50% of their holdings. Common stockholders of record March 7, 1924 received the right to subscribe to $750,000 additional Common stock at par, $100 a share, in the ratio of one new share for each three shares held; payment was due one-half by June 2, 1924, and the balance by Sept. 2, 1924. The purpose of these two issues was to finance construction of a new transmission line and erection of new gas holder facilities.

Common stockholders of record Feb. 15, 1926, received the right until May 15, 1926, to subscribe at par, $100, to $1,500,000 additional Common stock on the basis of one new share for every two shares held; payments are due, 50% on or before June 1, 1926, and 50% on or before December 1, 1926.

Common stockholders of record Oct. 4, 1927, received the right until Nov. 15, 1927, to subscribe at par, $100, to $500,000 additional Common stock on the basis of one new share for every nine shares held; payment due Nov. 15, 1927.

Transfer Agent—Hartford Bank & Trust Co., Hartford, Conn.

Registrar—Riverside Trust Co., Hartford, Conn.

Annual Meeting—First Wednesday after fifth Tuesday of year (commencing in 1929).

Listed (Both Classes)—Hartford Stock Exchange.

Price Range—

	1927	1926	1925	1924
Preferred—				
High	111	108	104	99
Low	105	102½	99	94½
Common—				
High	420	440	312	190
Low	307	250	195	151

Dividends—Pfd. dividends regularly paid to date. On Com. initial dividend of 3% paid Dec. 1, 1916; March 1, 1917 to March 1, 1918, 1½% quarterly; none thereafter until June 2, 1919, when 1½% was paid; Sept. 2, 1919, 1½%; Dec. 1, 1919, 1½%; 1920, 6%; 1921, 7%; 1922, 1923 and 1924, 8% each; 1925, 8½%; 1926, 10%; 1927, 10%; Jan. 2, 1928, 1% extra; March 1, 1928, 2½%. Dividends on both classes of stock are declared the first Monday of F, M, A & N and are paid M, J, S & D 1, at Hartford, Conn.; books close 10 days before and reopen immediately thereafter.

FUNDED DEBT

(1)

$64,000 BERKSHIRE POWER CO. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1934

Dated December 1, 1904.

Interest Payable June and Dec. 1, at Hartford National Bank & Trust Co., Hartford, Conn., successor Trustee and Registrar. Coupon, $1,000; principal may be registered. Authorized and issued, $100,000, of which $36,000 cancelled by sinking fund. Sinking fund, 2% annually, Dec. 1, proceeds to be used to purchase bonds. Issued in payment of obligations contracted, as to shares of stock of The Norfolk Electric Light Co., and certain land, bill and flowage rights in the towns of North Canaan and Salisbury, Conn. A first lien on entire property of former Berkshire Power Co. Assumed by The Connecticut Power Co. Legal for savings banks in Connecticut and Maine. Company pays Normal Federal Income Tax up to 2%.

(2)

$517,000 THE CONNECTICUT POWER CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1956

Dated July 1, 1906.

Interest Payable Jan. and July 1, at Equitable Trust Co., New York, successor Trustee and Registrar. Coupon, $1,000; principal may be registered. Authorized issue unlimited, but mortgage is closed. Of the $517,000 outstanding bonds, $27,000 are owned by The Connecticut Power Co. Secured by first lien on important water power at Falls Village, Conn., on Housatonic River, partially developed. Assumed by The Connecticut Power Co. (consolidated company). Legal for savings banks in Connecticut and Maine. Company pays Normal Federal Income Tax up to 2%.

(3)

$76,000 NEW LONDON GAS & ELECTRIC CO. SECOND MORTGAGE GOLD 5s; DUE APRIL 1, 1929

Dated April 1, 1899.

Interest Payable April and Oct. 1, at New York Trust Co., successor Trustee. Coupon, $1,000. Authorized, $125,000, of which $76,000 issued and outstanding. Subject to call at 105 and interest on any interest date. A lien on entire property of former New London Gas & Electric Co. Assumed by The Connecticut Power Co. Legal for savings banks in Connecticut and Maine. Company does not pay Normal Federal Income Tax.

(4)

$375,500 NEW LONDON GAS & ELECTRIC CO. FIRST CONSOLIDATED AND REFUNDING MORTGAGE GOLD 5s; DUE JULY 1, 1933

Dated July 1, 1903.

Interest Payable Jan. and July 1, at Equitable Trust Co., New York, successor Trustee and Registrar. Coupon, $500 and $1,000. Authorized, $750,000 (mortgage closed); issued, $375,500, of which $2,000 are owned by The Connecticut Power Co. Secured on plant, property and franchises of former New London Gas & Electric Co., subject to $76,000 prior lien bonds, described in No. 3. Assumed by The Connecticut Power Co. Legal for savings banks in Connecticut and Maine. Company pays Normal Federal Income Tax up to 2%.

(5)

$1,764,000 THE CONNECTICUT POWER CO. FIRST AND CONSOLIDATED MORTGAGE SINKING FUND GOLD 5s; DUE APRIL 1, 1963

Dated April 1, 1913.

Interest Payable April and October 1, at Old Colony Trust Co., Boston.

Denominations—Coupon (principal may be registered), $500 and $1,000, and registered, $5,000 and multiples; interchangeable.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized amount, unlimited; issued, $1,991,000, of which $227,000 cancelled by sink-

ing fund. Additional bonds may be issued, bearing a lower rate than 5%, as determined by directors, for the following purposes: (1) Sufficient for exchange for a like amount of underlying bonds described above: (2) for only 75% of the actual cost or value of additional property or permanent additions, improvements, etc., to the property of the company, or of the actual cost or value of securities of other operating companies deposited with the trustee (which shall always include a voting control of such companies), or of additional property or permanent additions, improvements, etc., to the properties of such companies, evidenced by their stocks, bonds or notes, all of such bonds or notes and a share of such stock proportionate to the share previously held by the company to be deposited with the trustee. Bonds can be issued under the above provisions only when net earnings are not less than 1½ times the combined interest charges of company and of underlying companies.

Callability—Subject to call as a whole or in part for sinking fund at 107½ and int. on any int. date.

Sinking Fund—Commenced April 1, 1916, amounts to 1% of bonds outstanding.

Security—Secured by a first lien on the entire property formerly owned by Middletown Electric Light Co. and by liens on the Falls Village development and on the entire physical properties formerly owned by the New London Gas & Electric Co., Berkshire Power Co., Norfolk Electric Light Co. and Sharon Electric Light Co., subject only to $1,003,500 prior lien bonds (not including $29,000 bonds held in treasury).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Connecticut State Property Tax.

Legal for Savings Banks in Connecticut and Maine.

Price Range—

	1927	1926	1925	1924
High	106	106	103½	104
Low	103	102½	103	96

Original Offering—First publicly offered ($1,100,000) in April, 1913, at 96 and interest; $490,000 additional in 1915, at 95 and interest; $140,000 additional in Aug., 1917, at 92.6 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(1924, 1925, 1926 and 1927 Figures Exclude Millerton Electric Light Company)

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,774,873	$2,547,684	$2,260,198	$2,002,045	$1,994,932	$1,759,323
Expenses—Operating	1,329,677	$1,243,185	$1,113,864	$1,115,703	$1,176,433	
Maintenance	89,886	103,690	78,981	67,840	87,605	$1,328,180
Taxes	202,939	175,357	149,404	115,717	102,301	
Depreciation	281,511	259,297	246,666	224,696	205,550	
Total	$1,904,013	$1,781,529	$1,588,916	$1,523,956	$1,571,889	$1,328,180
Net earnings	870,860	766,155	671,282	478,089	423,043	431,143
Other income	40,236	20,691	9,642	29,642	.....	.....
Total income	$911,096	$786,846	$680,924	$507,731	$423,043	$431,143
Deductions—						
Rentals	$5,000	$5,000	$5,000	$5,000	$8,000	
Interest on funded debt	142,176	153,443	154,342	155,273	197,371	$208,702
Other interest	28,905	53,526	53,529	49,607	5,408	
Other fixed charges	‡2,386	‡3,142	‡2,950	‡3,057	.....	.....
Total	$178,467	$215,111	$215,821	$212,937	$210,779	$208,702
Net income	732,629	571,735	465,103	294,795	212,264	222,441
Preferred dividends	90,000	89,792	88,299	76,943	75,000	75,000
Common dividends	539,240	340,550	255,000	203,458	143,222	120,000
Net miscellaneous credits to surplus	28,151	.....	11,337	11,136	.....	.....
Net miscellaneous debits to surplus	.....	62,556	.....	.....	.....	.....
Surplus for year	$131,540	$78,837	$133,141	$25,530	*$5,958	$27,441
Times Funded Debt Interest Earned	6.17	4.75	4.03	2.92	3.08	†2.91
Earnings Per Share—						
Preferred	$48.84	$38.12	$31.28	$20.64	$16.98	$17.79
Common	11.14	10.71	12.56	7.26	6.10	9.83

*Deficit. †Times interest and rentals earned. ‡Tax paid at source.

GENERAL BALANCE SHEET, DECEMBER 31

(1924, 1925, 1926 and 1927 Figures Exclude Millerton Electric Light Company)

Assets—	1927	1926	1925	1924	1923
Cost of property	$10,559,007	$10,053,835	$9,267,662	$8,773,121	$7,844,332
Bonds owned	29,000	29,000	29,000	29,000	29,000
Other investments	2,835,077	586	2,386	2,386	1,486
Miscellaneous special funds	90,603	72,136	.....	.....	.....
Material and supplies	232,160	219,350	288,944	198,297	161,450
Cash	277,786	100,836	62,678	25,848	215,823
Notes receivable	52,764	10,150	8,877	18,976	22,180
Accounts receivable	457,449	384,162	332,760	361,296	297,329
Other current assets	30,763	34,152	10,316	9,920	9,772
Unadjusted debits	38,158	55,491	44,916	39,979	28,074
Unamortized debt discount	49,546	51,395	55,666	60,179	64,759
Subscriptions to cap. stock	.....	100	2,446	4,484	.....
Total	$14,652,313	$11,011,193	$10,105,651	$9,523,486	$8,674,205
Liabilities—					
Common stock	$5,766,200	$4,499,900	$3,000,000	$3,000,000	$2,250,000
Preferred stock	1,500,000	1,500,000	1,487,000	1,428,400	1,250,000
Common stock subscribed	.....	100	.....	.....	.....
Preferred stock subscribed	.....	.....	13,000	2,700	.....
Premium on stock	2,068,876	.....	.....	.....	.....
Funded debt	2,796,500	3,091,000	3,610,000	3,628,000	3,649,500
Equipment obligations	.....	.....	76,037	84,683	93,329
Notes payable	400,000	250,000	175,000	.....	.....
Accounts payable	113,454	152,970	179,375	110,432	160,569
Accounts not yet due	142,805	50,246	59,315	79,282	59,009
Other current liabilities	47,680	36,498	15,745	11,911	10,446
Taxes accrued	160,720	126,178	88,039	65,297	52,252
Unadjusted credits	3,882	5,369	6,298	6,832	4,166
Depreciation reserve	802,896	581,172	756,920	600,169	661,022
Profit and loss	849,300	717,760	638,922	505,780	483,912
Total	$14,652,313	$11,011,193	$10,105,651	$9,523,486	$8,674,205

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923
Current Assets—					
Material and supplies	$232,160	$219,350	$288,944	$198,297	$161,450
Cash	277,786	100,836	62,678	25,849	215,822
Notes receivable	52,764	10,150	8,877	18,976	22,180
Accounts receivable	457,449	384,162	332,760	361,296	297,329
Other current assets	121,366	106,288	10,316	9,920	9,772
Total	$1,141,525	$820,786	$703,575	$614,338	$706,553
Current Liabilities—					
Accounts payable	$113,454	$152,970	$179,375	$110,432	$160,569
Accounts not yet due	142,805	50,246	59,315	79,282	59,009
Taxes accrued	160,720	126,178	88,039	65,298	52,252
Other current liabilities	47,680	36,498	15,746	11,911	10,446
Total	$464,659	$365,892	$342,475	$266,923	$282,276
Net Working Capital	$676,866	$454,894	$361,100	$347,415	$424,277

Officers: Samuel Ferguson, Pres., Hartford, Conn.; Viggo E. Bird, V-P. & Gen. Mgr., New London, Conn.; Townsend H. Soren, V-P.; John E. Lynch, Sec. & Treas., Hartford, Conn.; Clifford Trull, Asst. Treas.; Richard B. Curran, Asst. Sec.; K. P. Applegate, Pur. Agt., Hartford, Conn.; Prentice M. Hatch, Asst. Gen. Mgr., New London, Conn.

Directors: Samuel Ferguson, Danford N. Barney, Morgan B. Brainard, Townsend H. Soren, Samuel G. Dunham, Roy T. H. Barnes, Edward K. Root, John E. Lynch, Hartford, Conn.; John J. McKeon, S. C. Moorehouse, New Haven, Conn.; Frederick P. Royce, Marcy L. Sperry, Boston, Mass.

General Office, 266 Pearl St., Hartford, Conn.

THE THOMASTON ELECTRIC LIGHT COMPANY

(Leased to The Connecticut Power Company)

History—Incorporated April 10, 1889, in Conn. Leased for 999 years from July 1, 1912, to The Connecticut Power Co. Population served, 3,300.

CAPITAL STOCK

Authorized and outstanding, $37,500 par, $100.

Dividends—Dividends have been paid as follows: 1906, 1907 and 1908, 6%; 1909 and 1910, 4%; 1911, 5%; 1912, 7%; 1913, 8%; 1914, 13.42%; 1915, 12%; 1916, 13%; 1917, 13%; 1918, 13%; 1919 to 1927, incl., 12% per annum, payments quarterly, J, A, J & O. In 1909 a stock dividend of 50% was paid.

FUNDED DEBT

None.

Income Account, year ended December 31, 1927—Rental received, $5,000; taxes refunded, $430—total, $5,430. Deduct: Taxes paid, $430; salaries of directors, $540; net earnings, $4,460; Common dividends (12%), $4,500. Deficit for year, $40.

General Balance Sheet, December 31, 1927—Cost of properties, $45,696; notes receivable, $151—total, $45,847. Liabilities: Common stock, $37,500; profit and loss surplus, $8,347—total, $45,847.

Officers: Joseph M. Travis, Pres.; F. M. Travis, V-P., Torrington, Conn.; F. I. Roberts, Sec. & Treas., Thomaston, Conn.

Directors: J. M. Travis, F. M. Travis, Torrington, Conn.; E. A. Thomas, Seth Thomas, F. I. Roberts, Thomaston, Conn.

Office, Thomaston, Conn.

MILLERTON ELECTRIC LIGHT COMPANY

(Controlled by The Connecticut Power Company)

History and Property—Incorporated Oct. 4, 1907 in New York. Serves Millerton and Stissing, N. Y., with electricity. Miles of transmission lines, 0.59. Miles of distribution lines, 18.2. Population served, 2,700. No. of meters, 393. Annual sales, 532,751 k.w.h.

CAPITAL STOCK

Authorized and outstanding, $24,000; par, $100. A majority owned by The Connecticut Power Company. Stock transferred at Company's office. Annual meeting, second Wednesday in June.

Dividends—Dividends of 8% per annum paid from 1923 to 1925, incl.; 1926, 10%; 1927, 10% and 5% extra; payments semi-annually, March and Sept. 15.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$33,164	$29,490	$25,631
Oper. exp., maint. & taxes	27,018	24,589	20,275
Depreciation	1,658	761	621
Net earnings	$4,488	$4,140	$4,735
Interest charges	228	75	6
Balance for dividends	$4,260	$4,065	$4,729
Dividends paid	3,600	2,020	1,160
Misc. debits to profit & loss	.....	953	.....
Misc. credits to profit & loss	*7,590	.....	85
Surplus for year	$8,250	$1,091	$3,654

*Includes adjustment of property value account appraisal.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$59,145	$27,021	$22,796
Materials and supplies	1,051	997	440
Cash	616	6,951	1,475
Accounts receivable	5,665	5,009	4,663
Other current assets	111	430	103
Total	$66,588	$40,408	$29,477
Liabilities—			
Capital stock	$24,000	$24,000	$14,500
Accounts payable	2,147	494	2,357
Other current liabilities	371	125	195
Accrued taxes	696	656	249
Reserve for depreciation	6,089	3,316	2,960
Contr. for ext.	4,871	3,871	2,361
Unadjusted credits	219	.....	.....
Advances from affil. cos.	12,000	.....	.....
Profit and loss surplus	16,195	7,946	6,855
Total	$66,588	$40,408	$29,477

Officers: Samuel Ferguson, Pres., Hartford, Conn.; Viggo E. Bird, V-P. & Gen. Mgr., New London, Conn.; John C. Lynch, Sec. & Treas., Hartford, Conn.

Directors: Samuel Ferguson, Hartford, Conn.; Viggo E. Bird, New London, Conn.; Dan. J. Gleason, Millerton, N. Y.

General Office, New London, Conn. **Operating and Corporate Office,** Millerton, N. Y.

BATTLE CREEK GAS COMPANY

History—Incorporated May 26, 1914, in Mich., as the Calhoun Gas Co.; name changed as above in 1919. Supplies Battle Creek, Mich.; serving a population of about 47,000. Miles of mains, 123. No. of meters, 11,559. Gas sales in 1927, 803,401,500 cu. ft., compared with 670,728,000 cu. ft. in 1926. Prices: 11.2 cents net per 100 cu. ft. for all over first 300 cu. ft. First 300 cu. ft., 75 cts. Minimum charge, 50 cts. per month. 1 ct. additional per 100 cu. ft. if paid after the 15th of any month.

CAPITAL STOCK

Authorized, 134,430 shares Common of no par value and $300,000 6% cumulative Pfd., par, $100; outstanding, 134,430 shares Common and $100,100 Pfd. The Pfd. stock is preferred as to assets and is subject to redemption on or after July 1, 1929, at par and accrued dividends. Stocks transferred and registered

by Co. Annual meeting, in December. Pfd. dividends are paid quarterly. Common dividends not made public.

FUNDED DEBT

(1)

$600,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1946

Dated November 1, 1926.

Interest Payable May and November 1, at Harris Trust & Savings Bank, in Chicago, and in Battle Creek, Mich.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago, and Murdoch H. MacLean.

Provisions of Issue—Authorized amount unlimited. Issued $600,000 Series "A" 5s and $300,000 Series "B" 4½s. In addition to $200,000 bonds of Series "A" which may be issued at any time upon order of the Company, escrow bonds may be issued (a) for refunding of underlying bonds subject to which any property may be acquired, or of bonds of a prior series issued under this mortgage, and (b) for 75% of cost of additions and extensions to properties, provided net earnings for the preceding year shall have amounted to at least twice annual interest charge on all bonded indebtedness, including bonds then proposed to be issued. Future issues of bonds may be of various series, bearing different rates of interest, with different call features, for different maturities not exceeding thirty years from date of issue, etc.

Callability—Subject to call on any interest date at par and interest, plus the following premiums: 5% if such redemption is effected on or before Nov. 1, 1930; 4% thereafter to Nov. 1, 1934; 3% thereafter to Nov. 1, 1938; 2% thereafter to Nov. 1, 1942; 1% thereafter to Nov. 1, 1945, but without a premium if such redemption is effected on May 1, 1946.

Maintenance and Depreciation—Under the terms of the mortgage, Company agrees to expend or set aside annually for maintenance and repairs or for renewals and replacements of its property, at least 11% of its gross earnings. Any part of this fund not used for such purposes may be expended for extensions and additions to the properties, for which no First Mortgage bonds may be issued, or for the purchase or redemption of bonds of this issue. The above percentage is subject to redetermination.

Security—First lien on entire property. The mortgage contains provisions permitting its modification (except in certain important particulars) with the assent of the Trustee and the holders of 80% in aggregate principal amount of bonds outstanding thereunder.

Original Offering—First publicly offered ($600,000 5s) in November, 1926, at 101 and interest, to yield over 4.90%, by Harris Trust & Savings Bank, Chicago.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property taxes in Michigan.

(2)

$300,000 FIRST MORTGAGE 4½% GOLD BONDS, SERIES "B"; DUE JANUARY 1, 1948.

Dated January 1, 1928.

Interest Payable January and July 1 at Harris Trust & Savings Bank, Chicago, and in Battle Creek.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago, and Murdock H. MacLean.

Provisions of Issue—See under Series "A" bonds above.

Callability—Subject to call on any interest date on or before Jan. 1, 1938 at 103 and interest; thereafter to and including Jan. 1, 1943 at 102 and interest; thereafter to and including Jan. 1, 1946 at 101 and interest, and thereafter at par and interest.

Security and Tax Provisions—See under Series "A" bonds above.

Original Offering—First publicly offered ($300,000 4½s) in March, 1928, at 97½ and interest to yield about 4.70%, by Harris Trust & Savings Bank, Chicago.

BOND REDEMPTION

All of the First Gold 5½% and 6% bonds, due Aug. 1, 1929, were called for redemption on Feb. 1, 1927, at 103 and interest, at Harris Trust & Savings Bank, Chicago, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$774,074	$683,292
Operating expenses	367,824	291,971
Taxes	85,107	72,887
Depreciation	42,000	42,000
Net earnings	$279,143	$276,434
Deduct—		
Interest on bonds	$30,000	$32,056
Other interest	20,621	9,083
Bond disc. & exp.	2,611	7,272
Total deductions	$53,232	$48,411
Surplus after charges	$225,911	$228,023

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$2,796,656	$2,385,481	$2,261,591	$2,102,997	$1,854,957	$1,709,104
Bonds owned	36,170	36,170	71,025	60,210	.....	.....
Other investments	10,557	10,601	9,826	9,826	139,963	50,838
Materials and supplies	141,694	121,416	105,665	81,948	132,812	83,395
Cash	22,461	10,851	11,075	12,917	5,900	21,993
Notes receivable	495	19,625	61,598	59,900	14,750	45,189
Accounts receivable	226,431	181,404	147,420	101,474	116,171	109,767
Other current assets	.....	.....	.....	3,854	.....	.....
Deferred debit items	55,719	54,419	28,576	31,417	42,302	56,273
Total	$3,290,183	$2,819,967	$2,696,776	$2,464,543	$2,306,855	$2,076,559
Liabilities—						
Common stock	$1,344,300	$1,344,300	$1,222,100	$1,110,000	$1,067,300	$1,026,200
Preferred stock	100,100	99,900	99,900	97,600	38,000	26,500
Funded debt	600,000	600,000	570,000	570,000	570,000	570,000
Notes payable	479,150	81,663	96,400	116,176	195,845	61,047
Accounts payable	154,665	133,973	102,225	40,234	45,553	35,042
Interest accrued	15,652	9,942	17,958	21,800	115,415	67,806
Dividends payable	53,772	55,270	50,382	45,864		
Other accrued liabilities	.....	.....	.....	32,950	.....	.....
Reserve accounts	59,016	49,638	146,777	110,110	149,925	153,492
Reserve for taxes	41,841	40,317	39,710	30,278		
Unadjusted credits	.....	.....	7,500	7,500	.....	.....
Reserve for depreciation	94,309	246,546	151,128	113,598	.....	.....
Profit and loss surplus	347,378	158,418	192,696	168,433	124,817	136,472
Total	$3,290,183	$2,819,967	$2,696,776	$2,464,543	$2,306,855	$2,076,559

Officers: D. H. Frazer, Pres.; F. W. Seymour, V-P., Gen. Mgr. & Pur. Agt.; E. B. Zimmer, Sec. & Treas.; D. H. Frazer, Jr., Asst. Sec. & Asst. Treas.; O. L. Nordheim, Supt., Battle Creek, Mich.

Directors: D. H. Frazer, F. W. Seymour, Geo. W. Mechem, E. B. Zimmer, J. F. Rathbun, D. H. Frazer, Jr., Battle Creek, Mich.

General Office, Battle Creek, Mich.

MISSOURI RIVER BRIDGE COMPANY

History and Property—The Company owns and operates under perpetual charter from the United States of America, the bridge over the Missouri River at Sioux City, Iowa. The bridge serves without competition, Northwestern Iowa and Northeastern Nebraska, and is the only bridge except railroad bridges over the Missouri River between Yankton, S. D., eighty-five miles to the north, and Omaha, Neb., a distance of one hundred miles south.

Charter—The charter from the United States of America under which the bridge is operated grants in the opinion of counsel, to the Missouri River Bridge Company the right to operate perpetually a bridge over the Missouri River connecting Sioux City, Iowa, with the Nebraska shore, and to charge reasonable tolls for the same under the jurisdiction of the Secretary of War of the United States.

CAPITAL STOCK

Authorized and outstanding, $500,000. Dividends paid, 8% in 1925; 9% in 1926 and 10% in 1927.

FUNDED DEBT

$574,900 FIRST MORTGAGE 7% SINKING FUND GOLD BONDS; DUE MAY 1, 1943, BUT CALLED FOR PAYMENT ON MAY 1, 1928 AT 105 AND INTEREST

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$201,954	$204,255	$184,344
Other income	5,450	6,691	7,400
Total	$207,404	$210,946	$191,744
Operating expense	21,989	20,969	21,164
Net revenues	$185,415	$189,977	$170,580
Interest on bonds & disc'nts	45,537	46,242	47,236
Taxes	35,500	38,914	28,506
Depre. and miscel.	27,179	21,783	19,372
Total	$108,216	$106,939	$95,114
Net income after all charges	77,199	83,038	75,466
Dividends paid	50,000	45,000	40,000
Balance, surplus	$27,199	$38,038	$35,466

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Combination bridge	$1,400,005	$1,400,005	$1,400,005
Cash	12,698	23,474	31,389
Bills receivable	78,134	67,000	41,000
Accounts receivable	42,234	34,956	18,946
Stocks and bonds	52,679	51,909	51,009
Sinking fund	35,564	30,454	24,908
Discount on bonds	49,570	52,820	56,070
Unearned capital stock tax	.....	.....	421
Unearned insurance	455	624	500
Income tax a/c bonds	426	1,103	628
Furniture and fixtures	4,736	5,084	764
Miscellaneous	8,809	.....	.....
Total	$1,685,310	$1,667,429	$1,625,639
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	574,900	592,000	608,100
Bills payable	47,000	50,000	50,000
Reserves for depre.	121,883	106,883	91,883
Reserves for taxes, int., etc.	24,810	23,827	18,864
Loss and gain account	22,966	38,248	22,492
Surplus	393,751	356,470	334,300
Total	$1,685,310	$1,667,429	$1,625,639

Officers: J. A. Magoun, Pres.; B. H. Kingsbury, V-P.; S. G. Eaton, Sec. & Treas.

General Office, Sioux City, Iowa.

UNITED UTILITIES COMPANY

History—Incorporated Dec. 12, 1910, in Me., to deal in securities and properties of electric power, electric lighting, gas and other public service companies or enterprises.

CAPITAL STOCK

Authorized and outstanding, 50,000 shares Common of no par value and $1,000,000 7% cumulative and participating Pfd., par $100.

Preferred Stock Provisions—Pfd. stock has preference as to assets and is subject to call at 120 on 30 days' notice. After payment of, or provisions for, all cumulative dividends on Pfd., at 7%, and non-cumulative dividends on the Com. up to $5 per share in any calendar year, any additional dividends paid or declared for that year shall be in the same amount on both Com. and Pfd. stocks. Pfd. and Com. stocks have equal voting power.

Transfer Agent—Registrar & Transfer Co., Jersey City, N. J.

Registrar—Corporation Trust Co., Jersey City, N. J.

Annual Meeting—Second Wednesday in March, at Portland, Me.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1, since 1911. On Common, an initial dividend of $2 per share was paid Jan. 20, 1926; Jan. 20, 1927, $2 per share; Dec. 22, 1927, $4 per share. Directors meet for dividend action on March, June, Sept. and Dec. 20.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Income from divds. & int.	$187,872	$199,082	$146,609
Administration, etc., exp.	47,040	1,242	2,835
Balance	$140,832	$197,840	$143,774
Profits from sale of securities, etc.	819,728	624,585	810,328
Total income	$960,560	$822,425	$954,102
Bond and other interest	13,296	26,603	26,675
Premium on bonds	24,519	.....	.....
Reserve for Income tax	.....	91,607	104,081
Reserve for contingencies	100,000	.....	.....
Total charges	$137,815	$118,210	$130,756
Balance for dividends	$822,745	$704,215	$823,346
Preferred dividends paid	70,000	70,000	70,000
Common dividend declared	200,000	100,000	100,000
Surplus after dividends	$552,745	$534,215	$653,346

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Investment securities:			
Bonds, notes, etc.	$540,170	$575,855	$1,799,503
Stocks	3,281,803	2,714,608	1,810,357
Notes receivable	.....	.....	17,692
Int. & divds. accrued on securities owned	37,531	15,869	32,470
Cash & current accts.	188,419	576,554	38,014
Total	$4,047,923	$3,882,886	$3,698,036
Liabilities—			
Preferred stock	$1,000,000	$1,000,000	$1,000,000
Common stock	250,000	250,000	250,000
Funded debt	.....	443,200	444,200
Accounts payable & accruals	.....	130,991	462,604
Reserve for redemption of bonds	3,540	.....	.....
Other reserves	270,272	87,329	104,081
Surplus	2,524,111	1,971,366	1,437,151
Total	$4,047,923	$3,882,886	$3,698,036

Officers: L. K. Thorne, Pres.; A. L. Loomis, H. S. Scarritt and George Roberts, V-Ps.; A. P. Taliaferro, Treas. & Asst. Sec.; Ernest G. Strand, Sec. & Asst. Treas.

Directors: L. K. Thorne, A. L. Loomis, H. S. Scarritt, George Roberts, James W. Maitland, P. M. Tuttle.

Principal Office, Portland, Me. **Business Office,** 25 Nassau St., New York.

GUILFORD-CHESTER WATER COMPANY

History—Incorporated Mar. 16, 1893, in Ct. In 1908, absorbed the Chester Water Co. Serves the towns of Guilford, Clinton, Madison, Westbrook, Essex, Old Saybrook, Saybrook and Chester, Conn. Estimated population served, 20,000 year around; 30,000 in summer. Franchise perpetual. Daily capacity, 9,000,000 gals. Miles of mains, 85. Reservoirs, 3. No. of meters, 1,100. No. of customers, 3,000.

CAPITAL STOCK

Authorized, $500,000; outstanding, $300,000; par, $100. Annual meeting, any Monday in July.

Dividends—2% paid in 1917; 1% in 1918; 3% in 1919; 2% in 1920; 3% in 1921; 4% each in 1922 and 1923; 5% in 1924; 6% each in 1925, 1926 and 1927; payments annually, Aug. 1.

FUNDED DEBT

(1)

$461,000 5% CONSOLIDATED MORTGAGE GOLD BONDS; DUE JANUARY 1, 1939

Dated January 1, 1909.

Interest Payable January and July 1, at Union & New Haven Trust Co., New Haven.

Denomination—Coupon, $500; principal may be registered.

Trustee—Union & New Haven Trust Co., New Haven.

Provisions of Issue—Authorized and issued, $500,000, of which $39,000 held in treasury.

Security—Secured by a first lien on all the assets and property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$44,000 FIRST AND REFUNDING 5% GOLD BONDS; DUE JANUARY 1, 1956

Trustee—Seymour Trust Co., Seymour, Conn.

Provisions of Issue—Authorized, $1,000,000; issued, $200,000, of which $156,000 held in treasury, Dec. 31, 1927. Of the unissued bonds, $500,000 are reserved to refund the 5% Consolidated Mortgage Gold bonds described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$110,065	$98,237	$83,256
Oper. exp., taxes, etc.	36,041	30,875	25,965
Depreciation	18,292	15,176	13,029
Net earnings	$55,732	$52,186	$44,262
Interest charges	33,937	31,325	24,036
Balance for dividends	$21,795	$20,861	$20,226
Dividends paid	18,000	18,000	18,000
Surplus for year	$3,795	$2,861	$2,226

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,105,239	$1,011,679	$929,197
Bonds owned	195,000	188,000	56,000
Materials and supplies	8,249	2,145	1,794
Cash	10,796	11,242	6,191
Accounts receivable	12,843	11,406	11,248
Unadjusted debits	201	220	300
Special reserve	5,000	3,550	2,050
Total	$1,337,328	$1,228,242	$1,006,780
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	700,000	675,000	500,000
Notes payable	183,000	121,000	91,000
Accounts payable			1,545
Dividends accrued			83
Depreciation reserve	95,951	77,660	62,483
Profit and loss	58,377	54,582	51,669
Total	$1,337,328	$1,228,242	$1,006,780

Officers: John Moran, Pres., Pine Orchard, Conn.; David J. Greene, V-P., Milford, Conn.; C. S. Boies, Treas., Seymour, Conn.; J. B. Tuttle, Sec. & Gen. Counsel, New Haven, Conn.; O. B. Swain, Supt., Clinton, Conn.

Directors: J. Birney Tuttle, New Haven, Conn.; John Moran, Pine Orchard, Conn.; C. S. Boies, Seymour, Conn.; David J. Greene, Milford, Conn.

General Office, New Haven, Conn. **Operating Office**, Clinton, Conn.

THE MT. VERNON TELEPHONE CO.

History—Incorporated in 1904, in Ohio; successor to Mt. Vernon Telephone Co., organized 1895 under laws of W. Va. **Franchises** perpetual. Population served, 31,066. Number of exchanges, 5. Number of 'phones in use, 5,941.

CAPITAL STOCK

Authorized and outstanding, $400,000. Annual meeting, third Tuesday in February.

Dividends—Dividends of 6% per annum paid from 1895 to 1919, incl.; 1920, 3%; 1921, 1½%; 1922, 4%; 1923, 4½%; 1924, 6%; 1925, 7% regular and 10% from surplus; 1926, and 1927, 7% each; payments quarterly.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$149,671	$146,291	$140,443
Oper. exp., taxes & deprec.	119,629	115,031	104,202
Net earnings	$30,042	$31,260	$36,241
Dividends paid	27,842	27,020	*23,940
Surplus for year	$2,200	$4,240	$12,301

*In addition, 10% extra dividends were paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$475,277	$450,946	$442,776
Other investments	500	500	500
Materials and supplies	21,980	20,789	19,755
Cash	3,041	18,033	5,205
Current assets	8,471	7,960	10,733
Deferred debit items	3,296	2,923	1,640
Total	$512,565	$501,151	$480,609
Liabilities—			
Capital stock	$400,000	$391,000	$350,000
Current liabilities	9,008	4,066	30,158
Reserve for taxes			4,434
Res. for depreciation, etc.	84,381	89,108	83,280
Surplus	19,176	16,977	12,737
Total	$512,565	$501,151	$480,609

Officers: Frank L. Beam, Pres.; B. D. Herron, V-P.; Henry G. Beam, Treas; H. C. Devin, Sec., Mt. Vernon, Ohio.

Directors: Frank L. Beam, C. Y. McVey, Cleveland, Ohio; H. C. Devin, B. D. Herron, H. S. Campbell, F. M. Devin, Henry G. Beam, Mt. Vernon, Ohio.

General Office, Mt. Vernon, Ohio.

WESTERN COUNTIES GAS COMPANY

History and Property—Incorporated Feb. 1, 1926, in Delaware and supplies natural gas for domestic and industrial purposes to cities and towns in southwestern Oklahoma. Population to be immediately served, over 15,000. Gas supply for the Company will be obtained primarily from the Sayre Gas Field in Beckham County, Oklahoma, which has an open flow of 105,000,000 cu. ft. from its present wells. Company transports gas through about 84 miles of pipe lines. It has a distributing system of ample pipe lines, meters, regulators and equipment to deliver gas from the transporting lines to approximately 3,000 homes and buildings in the towns served.

CAPITAL STOCK

Authorized, 50,000 shares Common stock of no par value, and $1,000,000 cumulative 7% Pfd., par, $100; outstanding, 21,000 shares Common, and $300,000 Pfd.

Dividends—None paid to Dec. 31, 1927.

FUNDED DEBT

$707,500 FIRST MORTGAGE TEN-YEAR SINKING FUND 7% GOLD BONDS; DUE MARCH 1, 1936

Dated March 1, 1926.

Interest Payable March and September 1, at Colonial Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Colonial Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $750,000 of which $42,500 retired by sinking fund to March 15, 1928.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 102 and interest.

Sinking Fund—A sinking fund is provided, payable monthly to commence the first month after the first

year's operation, in any event not later than July 1, 1927. Payments are made to the Colonial Trust Co., Philadelphia, as Trustee, and shall amount to the sum of $9,375 monthly ($112,500 annually). This fund is used to pay interest on the bonds outstanding, and the balance used for retirement of bonds by quarterly advertisement for tenders at not exceeding the call price, or, in the event sufficient bonds are not so received, by call by lot. The fund is calculated to retire the entire issue by maturity.

Security—Secured by a direct closed first mortgage on all the physical properties of Company now owned or hereafter acquired, including pipe lines, distributing systems and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($750,000) in March, 1926, at 100 and interest, to yield 7.00%, by West & Co., New York, Philadelphia, etc.

Legal Opinion—Cornelius D. Scully, Pittsburgh (for the Company) and Hepburn, Dechert & Norris, Philadelphia (for the Bankers).

OFFICERS AND DIRECTORS

Officers: Alfred J. Diescher, Pres.; R. J. Lindsay V-P.; John P. Chalmers, Sec. & Treas.

Directors: Alfred J. Diescher, B. E. Hepler, Gorman O. Kimmel, C. W. Sears, Robert J. Lindsay, Clyde L. Paul, John P. Chalmers.

General Office, Winfield, Kan.

FOREIGN POWER SECURITIES CORPORATION LIMITED

History—Incorporated in 1927 under the laws of the Dominion of Canada, primarily to acquire selected securities of electric light and power companies operating in foreign countries. Corporation has acquired a substantial interest in the securities of L'Energie Industrielle and indirectly in all its subsidiaries as well as directly in two of them, namely, L'Union Hydro-Electrique Armoricaine and the Societe Hydro-Electrique du Sud-Est.

L'Energie Industrielle—This company, which has been in successful operation since 1906, generates, distributes and sells electricity in France. Besides its own system it owns or controls and operates ten subsidiaries. The combined system comprises 23 hydro-electric plants, 15 steam plants, 2,470 miles of high tension transmission and primary distribution lines and 1,734 miles of secondary distribution lines. Its aggregate hydro-electric resources are capable of developing 122,600 h.p. of which 43,600 h.p. is installed and in operation. The steam plants develop 44,300 h.p., and in addition a further 44,000 h.p. is purchased, making a total of 131,900 h.p. available for distribution throughout the system. Its operations, with the exception of a small plant serving 3,000 customers in Madagascar, are well distributed throughout France, including Brittany and the cities of St. Nazaire and Vannes, the Pyranees and the cities of Bayonne and Biarritz, the Cote d'Azure and the cities of Menton and Monte Carlo. In all 972 communities are served and have a combined population of approximately 1,200,000. The entire system had 170,000 connected customers on March 31, 1927. Sales: 1926, 110,000,000 k.w.h.; 1925, 65,000,000 k.w.h.; 1924, 54,000,000 k.w.h.

L'Energie Industrielle has outstanding francs 105,000,000 Common stock which is listed on the Paris Bourse. Dividends at the rate of 10% or more have been paid on this stock since 1918 and in 1926, 11% was paid.

Societe Hydro-Electrique du Sud-Est—This concern is a subsidiary of L'Energie Industrielle and owns several water powers aggregating 59,000 h.p. ultimate capacity. The Falls of the Allemont have already been developed with 2,400 h.p. installed under a head of 102 feet; a third unit will be added to bring the capacity of this plant to 3,600 h. p. The development of the Falls of the Roya is nearing completion and will be in operation by June 1, 1927, with an installed capacity of 10,000 h.p. under a head of 224 feet. The most important of the undeveloped powers of the Company is on the Sarennes where the ultimate installed capacity will be 44,000 h.p. under a head of 3,283 feet. These powers are being developed or held in reserve to supply the needs of various distributing subsidiaries of the parent company, particularly in the southeastern part of France.

L'Union Hydro-Electrique Armoricaine—This is another subsidiary of L'Energie Industrielle which owns an important water power on the Blavet at Guerledan. It is the only water power of substantial capacity in Brittany or, in fact, the northern part of France. It is situated almost in the centre of the region of Brittany where the distribution of power is largely controlled by the parent company. The power will be supplied to furnish the requirements of the parent company and its subsidiaries operating in this region. The development as of April, 1927, was well under way with all under-water work completed and the plant is expected to go into operation about May 1, 1928, with an installed capacity of 20,000 h.p. under a head of 138 feet.

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value, and $5,000,000 6% cumulative Participating Preferred, par, $100; outstanding, 50,000 shares Common and $2,500,000 Preferred.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends and is subject to call in whole or in part at any time at 105 and accrued dividends upon 30 days' notice. It participates with the Common stock up to $7 per share per annum.

Transfer Agent (Pfd.)—Montreal Trust Company, Montreal, Que.

Registrar (Pfd.)—Royal Trust Company, Montreal, Que.

Legal Opinion—E. R. Parkins, K. C., for the Corporation, and Coudert & Coudert, Paris, for the French companies.

Original Offering—First publicly offered ($2,500,000 6% Cumulative Participating Preferred) in April, 1927, at 100 and accrued dividends to yield 6%, each share carrying a bonus of one-half share Common, by Nesbitt, Thomson & Co., Ltd., Montreal, etc.

Listed (Common shares)—Montreal Curb Market.

Dividends—Preferred dividends regularly paid; initial dividend of $1.50 per share having been paid Aug. 15, 1927; payments quarterly, F, M, A & N 15.

FUNDED DEBT

None.

Earnings—Earnings of Corporation will be derived from interest or dividends received from its invested capital, to which may be added from time to time, profits which may accrue by reason of the sale of any part of its investment holdings.

Officers: A. J. Nesbitt, Pres.; J. B. Woodyatt, V-P.

Directors: A. J. Nesbitt, J. B. Woodyatt, P. A. Thomson, J. Versailles, Montreal, Que.; P. Durant, General R. Brutinel, R. Despres, Paris.

Office, Montreal, Quebec.

THE HOME TELEPHONE COMPANY

(Chillicothe, Ohio)

History—Incorporated in Feb., 1895, in Ohio, to operate telephone exchanges in Chillicothe and Ross County, Ohio.

CAPITAL STOCK

Authorized, $191,000 Common and $50,000 5% Pfd.; outstanding, $191,000 Common and $23,750 Pfd.; par, $50. Of the $50,000 Pfd. stock originally issued $26,250

has been retired. Annual meeting, first Tuesday following first Monday in May.

Dividends—Regular dividends of 5% on Pfd. and 8% on Common are being paid; payments June 30 and Dec. 31. In addition extra dividends of 4% each paid on Common in 1922, 1923, 1924 and 1925, and 8% extra each in 1926 and 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$168,279	$165,964	$162,533
Oper. exp., taxes & deprec.	140,927	119,879	117,985
Net earnings	$27,352	$46,085	$44,548
Other income	2,563	.....	.....
Total income	$29,915	$46,085	$44,548
Interest	58	23	181
Other charges	750	615	496
Total charges	$808	$638	$677
Balance for dividends	29,107	45,447	43,871
Preferred dividends	1,214	1,326	1,631
Common dividends	30,560	30,560	22,920
Surplus for year	*$2,667	$13,561	$19,320
Earnings Per Share—			
Preferred	$61.27	$90.35	$72.75
Common	7.30	11.55	11.06

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$435,244	$426,346	$410,463
Port Home Tel. Co., Pfd. stock	.....	.....	20,500
Materials and supplies	11,922	4,797	5,354
Cash	1,914	2,458	1,615
Notes receivable	41,627	44,734	15,145
Accounts receivable	5,666	4,937	5,590
Other current assets	177	202	250
Prepayments	1,928	2,430	1,774
Total	$498,478	$485,904	$460,691
Liabilities—			
Common stock	$191,000	$191,000	$191,000
Preferred stock	23,750	25,150	30,150
Notes & accounts payable	4,034	10,488	3,771
Reserve for taxes	13,858	8,981	8,515
Reserve for depreciation	183,471	160,385	150,916
Surplus	82,365	89,900	76,339
Total	$498,478	$485,904	$460,691

Officers: William Scott McKell, Pres.; Louis Brehmer, V-P. & Treas.; Charles D. Duncan, Sec.; H. M. Elliott, Mgr., Chillicothe, Ohio.

Directors: William Scott McKell, Chairman of Board; Helen McC. McKell, Charles D. Duncan, R. T. Gerber, Louis Brehmer, Chillicothe, Ohio; J. F. Druckemiller, Columbus, Ohio.

Office, Chillicothe, Ohio.

SHORT HILLS WATER COMPANY

History—Incorporated Oct. 10, 1899, in N. J. Furnishes water to parts of Milburn Township, Essex County, N. J., parts of Springfield Township, Union County, N. J., and other water companies. Franchises, varied. Estimated population served, 4,300. Annual output, about 478,000,000 gals. No. of meters, 720

CAPITAL STOCK

Authorized, $200,000; outstanding, $104,600; par, $100. No dividends paid. Annual meeting, in October.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$51,266	$46,311	$45,632
Oper. exp. & taxes	37,391	36,225	31,717
Net earnings	$13,875	$10,086	$13,915
Other income	3,371	2,923	2,391
Total income	$17,246	$13,009	$16,306

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$300,710	$239,524	$211,095
Other investments	17,837	17,837	17,837
Materials and supplies	1,509	727	891
Cash	15,103	30,300	30,322
Current accounts	12,679	20,230	10,244
Suspense account	1,809	1,809	1,809
Total	$349,647	$310,427	$272,198
Liabilities—			
Capital stock	$104,600	$104,600	$104,600
Current liabilities	.....	28,700	3,480
Unadjusted credits	51,346	.....	.....
Accrued amortiz. of cap.	16,500	15,400	14,300
Profit and loss	177,201	161,727	149,818
Total	$349,647	$310,427	$272,198

Officers: Stewart Hartshorn, Pres.; Harold W. Hack, V-P.; Stewart H. Hartshorn, Sec. & Treas., Short Hills, N. J.; F. G. DuBois, Inc., Aud., Newark, N. J.

Directors: Stewart Hartshorn, Harold W. Hack, Stewart H. Hartshorn, Short Hills, N. J.

General Office, Short Hills, N. J.

MISSOURI EDISON COMPANY

History and Properties—Incorporated March 13, 1889 in Missouri as the Louisiana Light, Power & Traction Co.; name changed to present one in 1925 Serves with electric light and power, Ashley, St. Clement, Bowling Green, Louisiana, Clarkesville, Elsberry, Annada, Paynesville, Stark, Whiteside, Silex, Eolia, Turpin, and Curryville, Missouri, having a total population of approximately 25,500. Also serves Louisiana, Mo., with gas. Company owns plants at Elsberry and Silex, and an electrical generating plant, at Louisiana, Mo. Electrical power is generated partly by Company and is also bought from the Missouri Power & Light Co. at Frankford, Mo., and delivered to the station in Louisiana over a 17-mile transmission line. It also owns the gas plant at Louisiana.

CAPITAL STOCK

Authorized, 3,000 shares Common and 5,000 shares Preferred of no par value; outstanding, Jan. 31, 1928, 2,400 shares Common and 1,000 shares Preferred.

Dividends—Dividends regularly paid on Pfd. stock at rate of 7% per annum. On Common, 8% was paid in March, 1926; Jan. 1, 1927 and Jan. 1, 1928.

FUNDED DEBT

$500,000 FIRST MORTGAGE 5½% GOLD BONDS, 1927 SERIES; DUE DECEMBER 1, 1947

Dated December 1, 1927.

Interest Payable June and December 1 at First Trust & Savings Bank, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered, and registered, $1,000 and $5,000 or such other denominations as may be authorized by directors.

Trustee—First Trust & Savings Bank. Chicago, Ill. Co-Trustee: Walter S. McLucas, Kansas City, Mo.

Provisions of Issue—Issued, $500,000 5½% bonds, 1927 Series. Additional bonds of this or other series may be issued (1) to retire an equal amount of bonds theretofore authenticated under this mortgage, or (2) to the extent of 75% of additions, extensions, betterments or improvements of a permanent character to property or equipment, made subsequent to Dec. 1, 1927 or property purchased after that date; only when net earnings as defined in the indenture, for a period of 12 consecutive calendar months ending within 90 days next preceding shall have been at least twice a sum equal to interest for one year on all bonds then outstanding and those proposed to be issued.

Callability—Bonds of 1927 Series are subject to call as a whole or in part at any time upon 30 days' notice at 105 and interest on or before Dec. 1, 1932, the premium to be reduced ½ of 1% each year to Dec. 1, 1941 and at par and interest thereafter.

Maintenance and Renewal Fund—Company covenants that during each calendar year beginning with 1928 so long as any of these bonds shall be outstanding, it will expend not less than 10% of gross earnings derived during such year from operation of the physical properties upon which this mortgage shall be a lien, for one or more of the following purposes: (a) Maintenance and/or renewal or replacement of properties; (b) extensions and/or acquisition of purchased property; (c) redemption and/or purchase and cancellation of any bonds issued under and secured by this mortgage.

Security—Secured by a first mortgage on all property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Connecticut and Pennsylvania four mill tax and Massachusetts Income tax not exceeding 6% per annum refunded upon application.

Original Offering—First publicly offered ($500,000) in January, 1928, at par and interest by Hill, Joiner Co., Inc., Chicago, Ill.

BOND REDEMPTION

All the $100,000 outstanding First Gold 6½s, Series "A", due May 1, 1940 were called for payment on May 1, 1928 at 105 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenues	$159,180	$114,030	$102,119
Operating expenses & taxes	96,458	61,206	71,483
Net earnings	$62,722	$52,824	$30,636
Depreciation	11,388	15,365	12,841
Interest paid & accrued	37,492	12,792	7,624
Bond discount and expense	2,914	871	525
Surplus after charges	$10,928	$23,795	$9,646

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed assets	$991,861	$364,958	$296,748
Treasury stock—Common	.....	30,000	28,000
Cash	113,026	1,940	28,012
Accts. & notes receivable		11,895	17,773
Inventories		19,222	4,067
Other current accounts		41,697	.....
Missouri & Illinois Bridge Co. investment	1,000	1,000	1,000
Deferred items	52,336	13,702	23,066
Total	$1,158,223	$484,414	$398,666
Liabilities—			
Preferred stock	$100,000	$50,000	$50,000
Common stock	240,000	150,000	148,000
Funded debt	500,000	100,000	100,000
Accounts payable	73,200	19,876	8,787
Notes payable		111,926	40,353
Connor Construction Co.		3,074	.....
Customers' deposits		659	.....
Accrued interest		4,480	1,083
Accrued taxes, etc.	.....	283	1,067
Reserve for depreciation	66,236	36,543	30,829
Other reserves	3,546	.....	.....
Surplus	175,241	7,573	18,546
Total	$1,158,223	$484,414	$398,666

Officers: A. H. Latimer, Pres. & Gen. Mgr.; James W. Peterson, V-P. & Treas.; Vivian S. Smith, Sec., Louisiana, Mo.

Directors: A. H. Latimer, James W. Peterson, Louisiana, Mo.; Blair A. Phillips, Davenport, Iowa; Vivian Smith, Bowling Green, Mo.

General Office, Louisiana, Mo.

UNION NATURAL GAS COMPANY OF CANADA, LTD.

History—Incorporated Dec. 11, 1911, under laws of Province of Ontario. Supplies Windsor, Chatham, Sarnia, Petrolia, Ridgetown, Blenheim, Essex, Tilbury, etc. Early in 1919, acquired the Tilbury Town Gas Co., Ltd. (see 1919 Public Utility Manual, page 326), and on Dec. 31, 1922, the assets and business of the Northern Pipe Line Co. were taken over (see 1923 Public Utility Manual, page 369). On August 8, 1925 stockholders of Sarnia Gas Co., Ltd., approved sale of entire plant and property of their Company to Union Natural Gas Co. of Canada, Ltd., for $230,000. Late in 1926 purchased control of the Windsor Gas Co., Ltd. and early in 1927 purchased control of Chatham Gas Co., Ltd., Wallaceburg Gas Co. and Petrolia Utilities Co.

CAPITAL STOCK

Authorized, 1,000,000 shares of no par value; outstanding, 477,623 shares. Stock was changed in July, 1927, from $6,000,000 authorized; par $25, two shares of new no par value being given in exchange for each old $25 share. The Volcanic Oil & Gas Co., controls 55% of the stock. (For statement of latter Company see Industrial Volume).

Transfer Agent—The Seaboard National Bank, New York.

Registrar—The New York Trust Co., New York.

Annual Meeting—Fourth Friday in March.

Subscription Privileges—Stockholders of record July 9, 1927, received the right to subscribe for additional no par value shares at $15 per share to the extent of one-seventh of their holdings. Privilege expired Aug. 15, 1927. Stockholders of record April 2, 1928, received the right to subscribe to one share of no par value at $20 per share for each 10 shares held. Right to subscribe expired May 1, 1928.

Dividends—On former shares of $25 par value $1.25 per share was paid in 1927. Initial dividend of 35 cents per share on new shares of no par value was paid Sept. 10, 1927; Dec. 10, 1927, 35 cents; March 10, 1928, 35 cents regular and 5 cents extra.

OFFICERS AND DIRECTORS

Officers: F. E. Ogden, Pres., Buffalo, N. Y.; W. J K. Vanston, V-P., New York; D. A. Coste, V-P., Niagra Falls, Can.; S. A. Morse, Gen. Mgr., Sec. & Treas., Chatham, Ont.

Directors: C. E. Calvert, Toronto, Ont.; W. J. K. Vanston, New York; F. E. Ogden, R. L. O'Brian, Walter Stafford, Buffalo, N. Y.; D. A. Coste, Niagara Falls, Can.; S. A. Morse, Chatham, Ont.

General Office, Chatham, Ont., Can.

WINDSOR GAS CO., LTD.

(Controlled by Union Natural Gas Company of Canada, Ltd.)

History—Incorporated in 1874, in Ont. Controls entire gas lighting and gas fuel business of Windsor, Sandwich, Walkerville, Riverside and Ford City, Ont., and supplies total population of about 90,000. Franchise expires 1954. Price: 85 cts., for 5 summer months, 60, 65 and 75 cts. for 7 remaining months, discount 5 cts. Miles of pipe line, 70. No. of meters, 9,500.

CAPITAL STOCK

$1,500,000; par, $100. All owned by Union Natural Gas Company of Canada, Ltd.

FUNDED DEBT

$1,200,000 FIRST & REFUNDING GOLD 5s; DUE NOVEMBER 1, 1966

Dated November 1, 1926.

Interest Payable May and November 1, at Canadian Bank of Commerce, Windsor, Can., or London, Eng.

Callability—Subject to call at par and interest.

Provisions of Issue—Outstanding, $1,200,000; all owned by Dominion Traction & Lighting Co., Ltd.

OFFICERS AND DIRECTORS

Officers: S. A. Morse, Pres.; G. D. Wickett, V-P. & Gen. Mgr.; Jos. McKee, Sec. & Treas.

Directors: S. A. Morse, Jos. McKee, Chatham, Ont.; G. D. Wickett, Windsor, Ont.

Office, Windsor, Ont.

CHATHAM GAS COMPANY, LTD.

(Controlled by Union Natural Gas Company of Canada, Ltd.)

History—Incorporated in Oct., 1872, in Ontario. Supplies natural gas to Chatham, Ont. Franchises perpetual. Population served, 18,000. Miles of mains, 45. Annual output, 560,818,000 cu. ft. No. of gas meters, 3,700.

CAPITAL STOCK

Authorized, $200,000; outstanding, $134,400; par, $20. All owned by Union Natural Gas Company of Canada, Ltd. Annual meeting, third Tuesday in February.

FUNDED DEBT

None.

Officers: S. A. Morse, Pres.; P. S. Coate, V-P.; Jos. McKee, Sec. & Treas.

Directors: S. A. Morse, P. S. Coate, Jos. McKee, F. E. Ogden, D. A. Coste, J. G. Kerr, J. A. McNevin,

Office, Chatham, Ont.

UNITED ELECTRIC SERVICE COMPANY

(Unione Esercizi Elettrici)

History and Property—Incorporated in 1905 under the laws of Italy. Owns and operates directly or through subsidiaries, a comprehensive system for the generation, transmission and distribution of electricity for electric power and light purposes. Territory served embraces over 1,000 communities in Italy, and the zones served are located in the provinces of Genova, Torino, Novara, Cuneo, Spezia, Forli, Pesaro-Urbino, Ancona, Macerata, Ascoli, Roma, Teramo, Chieti, Aquila, Caserta, Perugia, Potenza, Salerno, Bari. The principal districts served include Rivoli, Stresa, Pallanza, Viareggio, Santa Margherita, Rapallo, Ceva, Chiavari, Marche, Abruzzi, Umbria, Basilicata and Tevere. The aggregate population served is estimated over 5,000,000. No. of consumers, 380,000.

The properties of the Company and its subsidiaries include 50 hydro-electric plants with a present installed capacity of 82,800 h.p. and a steam plant of 7,200 h.p. The Company proposes to construct additional hydro-electric plants with an installed capacity of 20,000 h.p., and its plans include 150,000 h.p. to be subsequently developed. From these plants power is sent over 4,540 miles of high tension transmission lines to the various distributing systems, which carry the current directly to the consumer through 2,024 substations and 2,145 miles of distribution lines. While the various districts served by the Company are not directly connected by the lines of the Company, nevertheless, through the net work of transmission lines of other companies, substantially all these plants are interconnected. The revenues of the electric power and light business of the Company are divided about 50% light and heat and about 50% for power.

Franchises—The Royal Decrees authorizing the water power franchises and given by the Ministry of Public Works have a duration of 60 years. Franchises obtained in accordance with Royal Decree of October 9, 1919 Law No. 2161 can be extended until January 31, 1977. The water power franchises of the Company in general continue for about 55 years.

CAPITAL STOCK

Outstanding, 3,719,900 shares of 50 lire par value. In addition 80,600 shares are held in the treasury and 1,199,500 shares are held in escrow for purchase under option warrants.

Dividends—Dividends in recent years have been paid out of earnings and accumulated surplus: 1923, 15%; 1924, 15%; 1925, 16%; 1926, and 1927, 18% each.

FUNDED DEBT

$5,966,000 EXTERNAL FIRST MORTGAGE SINKING FUND GOLD BONDS, SERIES "A" 7%; DUE DECEMBER 1, 1956

Dated December 1, 1926.

Interest Payable June and December 1, in U. S. gold coin of present standard of weight and fineness at The Chase National Bank of the City of New York or Blair & Co., New York, Fiscal Agents.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized and issued, $6,000,000 Series "A" 7s, of which $5,966,000 were outstanding as of June 30, 1927. The trust indenture provides for additional bonds which may be hereafter authorized to a total amount (including the Series "A" bonds) of $10,000,000. Such additional bonds, under certain conditions, may be issued in series which may vary from the bonds of Series "A" as to interest rate, maturity date and in certain other respects. Additional bonds may be issued either (a) to an amount not exceeding 50% of the cost or fair value, whichever is less, of additional property and improvements, provided net earnings of Company, as defined in the indenture for 12 consecutive months out of 15 months immediately preceding, shall have been at least twice the annual interest on the divisional bonds and on all bonds outstanding under the indenture, and on the bonds for which the application is made; or (b) par for par to retire bonds of any series then outstanding under the indenture.

Purpose of Issue—Proceeds of these bonds were to be used for the purpose of developing hydro-electric properties, for the construction of additional transmission lines in order further to interconnect the various properties of the Company, and for other corporate purposes.

Stock Purchase Warrants—Attached to each definitive bond is a detachable warrant entitling the holder to purchase, on or before Dec. 31, 1931, 100 shares of the fully paid capital stock of the Company (par value 50 lire) at the equivalent of 50 lire a share, at the rate of exchange current at the time of purchase. In no event, however, shall this price be less than $5 per share. There are appropriate provisions protecting the interests of the holders of warrants in case of a change in the par value of the stock, in the case of the issuance of additional shares of stock as a stock dividend, and in case of the issuance of additional shares for a consideration in cash or property less than the then existing purchase price per share.

Callability—Subject to call for sinking fund on April 15 and October 15 in each year at 100 and accrued interest. Otherwise redeemable in whole or in part on any date on 60 days' published notice at 105 and accrued interest to and including December 1, 1936, and thereafter at par and accrued interest, plus a premium of 1% for each five year period and/or part thereof of unexpired term.

Sinking Fund—For the purpose of paying interest on all bonds of Series "A" and of creating a cumulative sinking fund sufficient to redeem all of such bonds on or before the date of maturity, the Company will pay to the Fiscal Agents the sum of $242,000 semi-annually on May and November 1 of each year beginning May 1, 1927. Each such payment is to be applied, so far as necessary, to the payment of interest due on the next interest date on all bonds of Series "A" outstanding, and the balance is to be applied as a sinking fund for the purchase of bonds of Series "A," if obtainable at not exceeding their principal amount and accrued interest, or if not so obtainable, to the redemption on the next succeeding October 15 and April 15 of bonds of Series "A," to be called by lot, at their principal amount and accrued interest. Such sinking fund is calculated as sufficient to retire all of the Series "A" bonds on or prior to their maturity date.

Security—Secured by a direct first mortgage on the physical properties of the Company and its subsidiaries subject only to prior mortgages on certain parcels as follows: $211,820 divisional bonds and $200,000 purchase money mortgage on the municipal plant of the Municipality of Foligno. The total value of the properties on which these bonds are secured by first mortgage exceeds 90% of the total value of all properties mortgaged as security for these bonds. The mortgaged properties have been appraised by independent engineers as having a sound valuation after depreciation of $12,536,370, exclusive of properties to be acquired

and constructed with proceeds of this issue. The trust indenture provides that no cash dividends shall be paid on Common stock except from earnings accumulated subsequent to June 30, 1926.

Tax Provisions—Interest is payable without deduction for and free from any present or future taxes of the Kingdom of Italy or of any taxing authority thereof or therein.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York, and Roberto Pozzi, Milan, Italy (for the Bankers) and Camillo Giussani (for the Company).

Original Offering—First publicly offered ($6,000,000) in January, 1927, at 92½ and interest, to yield 7⅝%, by E. H. Rollins & Sons, J. A. Sisto & Co., Blair & Co., Inc., Banca Commerciale Italiana Trust Co., New York.

OTHER FUNDED DEBT

In addition to the above-described Series "A" bonds, there were outstanding June 30, 1927, $411,820 Divisional Bonds and Purchase Money Mortgage payable in lire (closed issues).

EARNINGS, YEARS ENDED JUNE 30

	*1927	1926
Gross	$4,876,034	$3,295,245
Operating expenses	2,289,931	1,739,037
Net earnings before depreciation	$2,586,103	$1,556,208
Bond Interest—		
Divisional Bonds and Purchase Money Mtge.	$19,524	$19,524
First Mtge. bonds	417,620	420,000
Balance available for other interest, deprec., etc.	$2,148,959	$1,116,684

*Figures converted at 4.38c. average for period from June 30, 1926 to June 30, 1927.

Officers: Gr. Uff. Ludovico Mazotti Brancinelli, Pres.; Comm. Ing. Adolfo Covi, V-P.; Comm. Ing. Paolo Frigerio, V-P.; Gr. Uff. Ing. Oreste Simonotti, Managing Director & Director General.

Offices, Milan, Turin, Rome, etc., Italy.

THE FOSTORIA & FREMONT RAILWAY COMPANY

History—Incorporated Sept. 27, 1909, in Ohio to build an electric line from Fremont to Havens, Burgoon, Kansas, Amsden, and Fostoria, extensions projected between Fremont and Port Clinton. In 1911, absorbed the Fremont City Ry., Fremont to Ballville, 2 miles. Miles of railroad in operation, 21.38, all on private right of way outside of the municipalities. All franchises to operate in the cities, counties and towns served, extend not less than five years beyond 1930, the date of maturity of the bonds. Gauge, standard. **Equipment:** 4 passenger, 2 freight and 2 miscellaneous cars.

CAPITAL STOCK

Authorized and issued, $200,000 Common and $200,000 6% cumulative Preferred; par, $100. Transfer Agent and Registrar: The Cleveland Trust Company, Cleveland, Ohio. Annual meeting, second Monday in January.

Dividends—A dividend of 3% on Pfd. was paid in fiscal year 1912-13, covering period July 1, 1911, to Jan. 1, 1912; 1917, 6%; 1918, 3%; 1919, 3%; 1920, 6%; 1921, 6%; 1922, 3%; 1923, 3%; none since. No dividends paid on Common.

FUNDED DEBT

$85,000 First Mtge. 5% Gold Bonds; dated Oct. 31, 1910; due Oct. 1, 1930; int. Apr. and Oct. 1, at Cleveland Trust Co., Cleveland, Ohio, Trustee. Coupon, $1,000; principal may be registered. Subject to call at 105 and interest on any interest date. Authorized issue, $250,000. In addition to the usual provisions for the protection of the bondholders, an amendment to the Trust Deed provides that the six months grace allowed the Railway Co. in the payment of its coupons, shall immediately cease in the event of the appointment of a receiver for the properties, and that all maturing coupons thereafter, and so long as said receiver shall remain in possession, must be paid promptly on the due date thereof, in default of which, the Trustee may immediately declare said bonds due, enter upon and take possession of the properties, and either operate, lease or sell the same, as in his judgment may seem best. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$95,278	$86,737	$89,766
Oper. exp., taxes & deprec.	82,360	70,855	74,648
Net earnings	$12,918	$15,882	$15,118
Other income	.....	14	43
Total income	$12,918	$15,896	$15,161
Bond interest	4,250	4,250	4,250
Other interest, etc.	563	1,198	2,183
Total charges	$4,813	$5,448	$6,443
Surplus for year	$8,105	$10,448	$8,728
Times All Interest Earned	2.68	2.92	2.35
Earnings Per Share—			
Preferred	$4.05	$5.22	$4.36
Common	Nil	Nil	Nil

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$636,045	$632,682	$632,296
Cash	2,682	2,798	4,576
Accounts receivable	8,560	5,057	4,790
Deferred debit items	141	290	608
Total	$647,428	$640,827	$642,270
Liabilities—			
Common stock	$200,000	$200,000	$200,000
Preferred stock	200,000	200,000	200,000
Funded debt	85,000	85,000	85,000
Notes payable	8,000	12,656	24,407
Accounts payable	7,831	4,930	8,079
Interest accrued	1,183	1,180	1,213
Deferred credit items	1,231	.....	.....
Depreciation accrued	19,924	18,015	16,106
Reserve for taxes	4,036	10,243	9,915
Other reserves	10,492	9,907	9,750
Profit and loss	109,731	98,896	87,799
Total	$647,428	$640,827	$642,270

Officers: F. D. Carpenter, Pres.; J. H. Goeke, V-P., Lima, Ohio; R. C. Guernsey, Sec., Treas. & Gen. Mgr., Fostoria, O.; E. O. Reed, Aud., Lima, O.

Directors: J. H. Goeke, F. D. Carpenter, Lima, O.; R. C. Guernsey, C. A. Strauch, Fostoria, O.; F. W. Coen, Sandusky, O.

General Office, Lima, O. **Operating Office,** Fostoria, O.

NORTH BRANCH BUS COMPANY

History—Incorporated June 25, 1926, in Pennsylvania, and operates under Certificate of Convenience issued by the Public Service Commission of the State, expiring June 1, 1928, with renewal rights. Purchased at foreclosure sale the property of North Branch Transit Co., an electric road, and scrapped same. (see 1926 Public Utility Manual, page 253). Motor bus transportation is furnished upon that section of the Susquehanna Trail where are located the towns of Danville, Bloomsburg, Catawissa, Almedia, Lime Ridge, Miflinville and Berwick, a total of about 26 miles; also between Danville and Sunbury, 10 miles, and Bloomsburg and Benton, 28 miles, (Sunday only.) There is no competition from trolley or other bus lines. Owns 9 Mack 25-passenger busses.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. Stock transferred and registered by Company.

Dividends—A dividend of 6% was paid in 1927.

Annual Meeting—Second Friday in January.

FUNDED DEBT

$150,000 FIRST MORTGAGE 6% GOLD BONDS; DUE AUGUST 1, 1946

Dated August 2, 1926.

Interest Payable February and August 1, at Markle Banking & Trust Co., Hazleton, Pa.

Denominations—Coupon $100 and $1,000; principal may be registered.

Trustee—Markle Banking & Trust Co., Hazleton, Pa.

Provisions of Issue—Authorized, $200,000; issued, $150,000. The additional bonds may be issued only for extension and development of the operations of the Company when the Company shall have acquired additional property to an amount equal to the par value of the bonds thus issued plus 20% of such par value.

Callability—Subject to call on any interest date at 103 on 30 days' notice.

Sinking Fund—Company is obligated to pay to the Trustee annually the sum of $7,500 beginning Aug. 1, 1928, which sum will retire the entire issue by maturity.

Security—Secured by a first mortgage on all the franchises, real estate, property, busses and equipment now owned or hereafter acquired.

Legal Opinion—John H. Bigelow.

Original Offering—First publicly offered ($150,000) in Aug., 1926, at 98½ and interest to yield 6⅛% to maturity by Markle Banking & Trust Co., Hazleton, Pa.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT

	Year ended Dec. 31, 1927	8 mos. ended Dec. 31, 1926
Gross earnings	$104,841	$62,148
Operating expenses	74,272	44,723
Depreciation	14,870	8,286
Net earnings	$15,699	$9,139
Other income	1,370	104
Total income	$17,069	$9,243
Bond interest	9,000	3,750
Other interest	161	.....
Amortization of bond discount	375	156
Income tax	727	.....
Balance for dividends	$6,806	$5,337
Dividends paid	3,000	.....
Surplus for year	$3,806	$5,337

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$162,148	$185,185
Bonds owned	30,400	10,450
Materials and supplies	2,555	1,009
Cash	19,434	10,573
Accounts receivable	2,595	659
Accured interest on bonds owned	800	.....
Deferred items	7,846	8,079
Total	$225,778	$215,946
Liabilities:		
Capital stock	$50,000	$50,000
Funded debt	150,000	150,000
Accounts payable	3,718	2,438
Interest accrued	3,752	3,475
Dividend payable	750	.....
Other current liabilities	5,125	1,564
Sinking fund	3,125	.....
Reserve for taxes	1,857	1,796
Ticket sales	1,433	1,336
Surplus	6,018	5,337
Total	$225,778	$215,946

Officers: C. B. Houck, Pres.; E. B. Markle, V-P.; A. Markle, Jr., Sec. & Treas.; Wilbert Wear, Aud., Hazleton, Pa.; E. Douglas Ford, Gen. Mgr., Bloomsburg, Pa.

Directors: Alvan Markle, C. B. Houck, E. B. Markle, John Markle, 2nd, A. Markle, Jr., J. H. Bigelow, Hazleton, Pa., E. Douglas Ford, Bloomsburg, Pa.

General Office, Bloomsburg, Pa. **Executive Office,** Hazleton, Pa.

THE ATLANTIC CITY SEWERAGE COMPANY

History and Property—Incorp. Dec. 28, 1888, in N. J. Furnishes sewer service in Atlantic City, N. J. Property consists of 87 miles of mains, 40 miles of connections, pumping plant, auxiliary stations, etc. Population served, minimum, 70,000; maximum, 500,000.

CAPITAL STOCK

Authorized and outstanding, 75,000 shares of no par value. Capital stock changed from $75,000 par $100, to 75,000 shares of no par value in June, 1926. Annual meeting, last Saturday in April at Atlantic City, N. J.

Dividends—Semi-annual dividends of 2½% were paid on $75,000 stock of $100 par value from 1894 to 1920; none thereafter until 1924, when 10% was paid (5% for 1921 and 5% for 1924); 1925, 15% (5% for 1922, 5% for 1923 and 5% for 1925). Initial dividend of 25c per share was paid on shares of no par value in 1926; 1927, 50 cents per share.

FUNDED DEBT

$1,485,000 FIRST MORTGAGE SINKING FUND 6% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1956

Dated December 1, 1926.

Interest Payable June and December 1 at The Garfield National Bank of the City of New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—The Garfield National Bank of the City of New York.

Provisions of Issue—Issued, Series "A," $1,500,000, of which $15,000 retired through sinking fund to Dec. 31, 1927. Mortgage provides, that subject to the limitations thereof, additional series of bonds of such maturities and rates of interest as the Board of Directors may determine, may be issued to the extent of 70% of the cost or fair value of permanent improvements to the plant and system of the Company made after Jan. 1, 1928, but due allowance must be made for the cost or value of any improvements replaced or superseded by such permanent improvements, and additional bonds can be issued only provided that net earnings, as defined in the mortgage, are equal to at least 1¾ times interest requirements on all bonds outstanding and those to be issued.

Purpose of Issue—Proceeds were used for the following purposes: $850,000 for redemption of existing funded debt maturing April 15, 1927, and the remaining $650,000 for additions, extensions and improvements.

Callability—Subject to call as a whole or in part upon 30 days' notice on or before Dec. 1, 1936, at 105 and interest; after Dec. 1, 1936 to Dec. 1, 1940, at 104 and interest; after Dec. 1, 1940 to Dec. 1, 1944, at 103 and interest; after Dec. 1, 1944 to December 1, 1948, at 102 and interest; after Dec. 1, 1948 to Dec. 1, 1952 at 101 and interest, and at 100 and interest after Dec. 1, 1952.

Sinking Fund—A sinking fund of not less than ½ of 1% of all outstanding bonds, shall be paid by the Company to the Trustee during each and every year after 1926 for the purpose of the purchase and retirement of outstanding bonds. If bonds are not purchasable at or less than the redemption price then in effect, the Trustee may call bonds at such redemption price in the amount available in the sinking fund for redemption.

Maintenance and Renewal Fund—Mortgage provides that after Dec. 31, 1926, not less than 9% of the gross earnings of the system shall be expended or reserved for improvements, additions, extensions, replacements, renewals, maintenance and depreciation in each calendar year.

Security—Secured by a direct first mortgage on all the physical properties, rights and franchises of the Company now owned or hereafter acquired.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Joseph Thompson, Atlantic City, and J. J. Treacy, Jersey City (for the Company) and Edwards, O'Loughlin & George, New York (for the Trustee) and Cooke & Marvin, New York.

Original Offering—First publicly offered ($1,500,000) in Dec., 1926, at 100 and interest to yield 6% by Charles A. Frank & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$443,576	$432,578	$417,453
Oper. exp., taxes & dep.	255,671	244,975	250,455
Net earnings	$187,905	$187,603	$166,998
Other income	7,719	2,826	1,981
Total income	$195,624	$190,429	$168,979
Interest charges	93,071	62,820	59,910
Adjustments & amortiz	*4,159	20,489	.....
Total charges	$88,912	$83,309	$59,910
Balance for dividends	$106,712	$107,120	$109,069
Dividends paid	37,500	18,750	11,250
Surplus for year	$69,212	$88,370	$97,819
Times Interest Earned	2.10	2.70	2.80

*Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$2,973,295	$2,912,168	$2,114,372
Materials and supplies	41,362	39,798	40,421
Bills and notes receivable	4,321	2,239	3,368
Cash	128,567	161,630	21,643
Deferred debit items	108,098	137,101	60,235
Total	$3,255,643	$3,252,936	$2,240,039
Liabilities—			
Capital stock	$750,000	$750,000	$75,000
Funded debt	1,485,000	1,500,000	850,000
Loans and notes payable	.....	.....	64,000
Current liabilities	27,604	28,670	32,656
Reserves for deprec., etc.	503,817	563,127	527,323
Profit and loss	489,222	411,139	691,060
Total	$3,255,643	$3,252,936	$2,240,039

Officers: F. C. Poucher, Pres., Atlantic City, N. J.; J. F. Calvert, Treas., W. S. Faddis, Sec., New York, N. Y.

Directors: F. C. Poucher, J. F. Calvert, W. S. Faddis, E. E. Watts, C. Krummel, Jr.

General Office, Guarantee Trust Bldg., Atlantic City, N. J. **Treasurer's Office,** 2 East 23rd St., New York.

WAUSAU TELEPHONE COMPANY

History—Incorporated April 8, 1895 in Wis. Furnishes local and long distance telephone service to Wausau, Wis., and vicinity. No. of exchanges, 1; population served, 35,000. No. of 'phones in use, 5,329; prices, $2.25 to $4.50.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common; par, $50. Annual meeting, first Monday in February.

Dividends—In recent years, dividends have been paid as follows: 1907, 10%; 1908 and 1909, 5%; 1910 to 1913 incl., 6%; 1914 to 1916 incl., 10%; 1917, 8%; 1918, 10%; 1919, 6%; 1920, 8%; 1921 to 1927, incl., 10%; payments annually on Dec. 20. A stock dividend of 200% was paid in 1908 and one of 33⅓% in 1917.

FUNDED DEBT

$200,000 FIRST MORTGAGE GOLD 5½s, SERIES "A"; DUE NOVEMBER 1, 1944, BUT CALLED FOR PAYMENT MAY 1, 1928, AT 105 AND INTEREST, AT CITIZENS STATE BANK, WAUSAU WIS.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$166,459	$154,583	$142,954
Operating expenses, maintenance, etc.	41,662	37,273	37,345
Depreciation	32,634	30,180	22,538
Net earnings	$92,163	$87,130	$83,071
Interest charges	14,185	12,354	11,042
Taxes	14,807	13,700	13,000
Other charges	1,203	1,501	1,148
Total charges	$30,195	$27,555	$25,190
Net income	$61,968	$59,575	$57,881
Dividends paid	50,000	50,000	50,000
Surplus for year	$11,968	$9,575	$7,881
Times All Interest Earned	5.37	5.82	6.15
Earned Per Share	$6.19	$5.96	$5.79

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Fixed capital	$1,025,687	$953,233	$902,721
Materials and supplies	52,617	36,831	40,812
Accounts receivable	7,877	3,030	4,539
Cash and deposits	7,419	553	746
Other prepayments	7,490	1,633	2,388
Unamortized debt discount and expense	5,138	5,446	5,754
Total	$1,106,228	$1,000,726	$956,960
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	200,000	200,000	200,000
Depreciation reserve	204,682	176,965	150,081
Taxes accrued	14,686	14,919	14,000
Other accrued liabilities not due	2,034	1,904	2,406
Subscribers' deposits	3,700	3,451	3,223
Bills payable	105,000	42,000	35,000
Accounts payable	1,039	1,336	1,673
Surplus	75,087	60,151	50,576
Total	$1,106,228	$1,000,726	$956,960

Officers: E. B. Thayer, Pres.; F. W. Genrich, V-P. & Counsel; A. H. Zimmerman, Sec.; W. W. Albers, Treas.; F. D. Timlin, Asst. Sec. & Asst. Treas.; H. I. Crawford, Gen. Mgr. & Pur. Agt., Wausau, Wis.

Directors: E. B. Thayer, F. W. Genrich, A. H. Zimmerman, F. D. Timlin, W. W. Albers, Wausau, Wis.

General Office, Wausau, Wis.

MONTREAL AND SOUTHERN COUNTIES RAILWAY COMPANY

History and Property—Incorporated June 29, 1897, in Canada. Owns electric line from Montreal to St. Lambert, Montreal South, Longueuil and M. & S. C. Junc. and from St. Cesaire to Granby. Length of track, 28.16 miles. Also leases 37.52 miles of Central Vermont Ry., between M. & S. C. Jct. and St. Cesaire, also between Marieville and St. Angele, and has electrified same. Gauge, standard. Locomotives, 2; motor passenger cars, 26; combination, 3; trailers, 10; motor baggage, 3; milk, 5; work, 3; snow plows, 3; sweepers, 2.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Annual meeting, last Thursday in September, at Montreal.

FUNDED DEBT

No funded debt, but on Dec. 31, 1927, there was outstanding an obligation due to the Canadian National Railways amounting to $2,362,979.

Officers: Sir Henry W. Thornton, Pres.; R. P. Ormsby, Sec.; James A. Yates, Treas.; J. M. Rosevear, Gen. Aud., Montreal, Que.; W. B. Powell, Gen. Mgr., St. Lambert, Que.

Directors: Sir Henry W. Thornton, S. J. Hungerford, Gerard Ruel, E. R. Decary, W. C. Chisholm, Montreal, Que.; Major G. A. Bell, Ottawa, Ont.

General Office, St. Lambert, Que., Can. **Head Office,** Montreal, Que.

PALESTINE LIGHT, HEAT & POWER CO.

History and Property—Incorporated May 12, 1906, in Tex., to do a general lighting, heating and electric supplying business. Acquired franchise granted to Federal Gas Co. in Dec., 1905. Population served, 10,482. Commenced supplying gas in Palestine in Sept., 1906. Miles of mains, 16.42. No. of meters, 1,025. Prices $1.95 gross; $1.80 net. Annual output 27,000,000 cu. ft. Operated by Gas & Electric Improvement Co., Chicago.

CAPITAL STOCK

Authorized, $300,000 Common and $100,000 Pfd.; outstanding, $100,000 Common and $100,000 Pfd.; par, $100. Annual meeting, third Monday in June. No dividends paid.

FUNDED DEBT

$160,000 First Mortgage 5s; dated June 1, 1906; due June 1, 1946; int. quarterly, March, June, Sept. and Dec. 1, at Central Trust Co. of Illinois, Chicago, Trustee. Coupon, $1,000. Authorized issue, $400,000. Subject to call at 105. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Officers: E. Chandler Beach, Pres.; A. Volney Foster, V-P. & Treas.; E. C. Campbell, Sec.; W. R. Galvin, Asst. Sec. & Asst. Treas.; J. V. Murdaugh, Gen. Mgr. & Pur. Agt.

Directors: A. Volney Foster, E. Chandler Beach, A. J. Knies, J. V. Murdaugh, E. C. Campbell.

Office, Palestine, Tex.

ST. LOUIS COUNTY WATER COMPANY

History and Property—Incorporated Dec. 5, 1925, in Mo., to take over all properties of the West St. Louis Water & Light Company (see 1925 Public Utility Manual, page 1082) and the West St. Louis Pipe Line Company. The Company serves without competition the entire county of St. Louis, except a comparatively small area which is supplied by the municipal system of the City of St. Louis, (with the consent of the St. Louis County Water Co.) and the municipalities of Kirkwood and Valley Park. The source of the Company's water is the Missouri River. The property includes a complete water supply system embracing pumping stations, storage reservoirs, distributing mains, equipment, land and buildings. Company owns more than 67 acres of land. Population served, 160,000. The present pumping capacity is 19,000,000 gallons per day in the high service and 17,000,000 gallons per day in the low service. The storage reservoir capacity is 50,000,000 gallons. No. of connections to mains 27,500.

OPERATING STATISTICS, YEARS ENDED APRIL 30

	Gallons Pumped	Number of Services	Miles of Mains
1920	1,355,000,000	10,052	276.63
1921	1,450,000,000	11,113	288.24
1922	1,572,000,000	12,558	303.23
1923	1,825,000,000	14,627	325.59
1924	2,032,000,000	16,840	374.78
1925	2,151,000,000	19,249	394.44
*1925	2,400,000,000	22,150	434.00
*1926	2,820,000,000	24,105	465.00
*1927	3,032,988,900	26,621	505.85

*Years ended Dec. 31.

CAPITAL STOCK

Authorized, 25,000 shares Common of no par value, and 25,000 shares $6 cumulative Pfd. of no par value; outstanding, 14,000 shares Common, and 14,000 shares Pfd.

Preferred Stock Provisions—Subject to call on any dividend date on 30 days' notice at $100 per share. In event of liquidation is entitled to $106 per share. Exempt from all Missouri taxation.

Annual Meeting—Second Monday in May.

Dividends—Preferred dividends payable quarterly, F, M, A & N 1. No dividends paid on Common.

FUNDED DEBT

$2,800,000 FIRST MORTGAGE GOLD 5½s, SERIES "A"; DUE DECEMBER 1, 1945

Dated December 1, 1925.

Interest Payable June and December 1, at Mississippi Valley Trust Co., St. Louis, Mo., or at New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Mississippi Valley Trust Co., St. Louis, Mo.

Provisions of Issue—Issued, $2,800,000 to retire outstanding bonds of the West St. Louis Water & Light Co., to acquire the properties of the West St. Louis Pipe Line Co., which were under lease and operated by the West St. Louis Water & Light Co., and for other corporate purposes. The mortgage provides that $2,200,000 additional bonds may be issued thereunder either in this or other series, bearing interest at such rate as may be determined, for refunding purposes and for not in excess of 80% of the actual cost or fair value, whichever is lower, of additions, extensions and permanent improvements to the property of the Company made after July 31, 1925, provided net earnings of Company as defined in the mortgage for the 12 calendar months immediately prior to the issuance of the new bonds have been at least 1¾ times interest charges on all bonds which will be outstanding in the hands of the public under this mortgage, including interest on the proposed issue of bonds.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 105 and interest on or before December 1, 1935, and thereafter at ½ of 1% less for each subsequent year prior to December 1, 1945.

Reserve for Maintenance and Replacements—Company covenants to expend or reserve for maintenance, renewals and replacements of or to the mortgaged property, an amount equal to not less than 9% of the annual gross earnings of Company derived from the mortgaged property, against which expenditures no first mortgage bonds may be issued.

Security—Secured by a first mortgage on the entire property of Company now owned or hereafter acquired. On the basis of reproduction value less depreciation, as reported by Alvord, Burdick & Howson of Chicago, as of September 1, 1923, and with proper allowance for additions and improvements since made, the properties have a value of $6,175,111.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and agrees to reimburse Pennsylvania, California, Connecticut and Kansas Taxes not to exceed 4 Mills, Maryland 4½ Mills Tax, District of Columbia and Kentucky 5 Mills Tax, Michigan 5 Mills Exemption Tax, Virginia 5½ Mills Tax, and Massachusetts Income Tax not to exceed 6% to holders upon proper and timely application as provided in the mortgage.

Legal Opinion—Chapman, Cutler & Parker, Chicago, and Bryan, Williams & Cave, St. Louis (for the Bankers), and Charles M. Polk, St. Louis (for the Company).

Original Offering—First publicly offered ($2,800,000) in December, 1925, at 98.50 and interest, yielding over 5.62%, by Francis Bros. & Co. St. Louis, and P. W. Chapman & Co., Inc., New York.

CONDENSED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	†1926	1925	*1924	*1923	*1922
Gross earnings	$897,176	$799,054	$751,136	$569,041	$499,569	$412,285
Allowances & bad debts	9,731	7,814	.....	2,750	1,538	4,385
Operating expenses, taxes and depreciation	473,443	396,670	345,247	295,196	270,159	200,332
Net earnings	$414,002	$394,570	405,889	$271,095	$227,871	$207,568
Interest	$165,536	$154,242		$70,000	$62,500	$60,000
Amortization, etc.	41,862	37,891	$154,000	8,615	8,615	2,615
Sinking fund and interest	.....	.....		43,179	45,622	33,220
Total charges	$207,398	$192,133	$154,000	$121,794	$116,737	$95,835
Net income	$206,604	$202,437	$251,889	$134,759	$111,134	$111,733
Surplus adjustments, net	33,379	32,889	.....	.....	.....	.....
Dividends paid	98,000	65,333	‡	‡	‡	‡
Surplus for year	$75,225	$104,215	$251,889	$134,759	$111,134	$111,733

*Years ended April 30. †For period Jan. 20, 1926 to Dec. 31, 1926. ‡Not reported.

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	April 30, 1924	Oct. 31, 1923	Oct. 31, 1922
Fixed capital installed	$5,759,487	$5,284,342	$4,700,364	$3,599,328	$3,133,006	$3,002,138
Investments	.....	.....	33,430	.....	.....	.....
Betterments	.....	.....	218,794	.....	.....	.....
Cash on hand, etc.	99,743	23,175	43,864	38,270	51,269	63,209
Accounts receivable	73,707	71,987	59,337	84,474	77,472	74,479
Notes receivable	.....	.....	200,000	27,836	47,836	.....
Materials and supplies	37,243	75,045	47,358	18,450	58,026	24,868
Construction account	2,641	.....	.....	127,908	270,272	91,840
Prepaid insurance	2,849	.....	.....	.....	3,573	3,714
War Savings Stamps	.....	.....	.....	.....	826	1,662
In escrow—Central Mo. Tr. Co.	.....	12,007	11,775	270,334	226,528	184,279
Other open accounts	.....	.....	38,947	2,813	.....	.....
Bond expense, etc.	275	275	.....	.....	.....	.....
Kirkwood rate case expense	7,291	6,385	9,037	15,010	16,875	.....
Commission sale of Common stock	12,000	24,000	.....	.....	.....	.....
Discount on funded debt, etc.	200,667	220,705	268,822	31,698	37,199	19,199
Appraisal account, etc.	2,314	4,449	.....	4,148	4,148	4,123
Pub. Serv. Comm. valuation expense	38,347	29,260	.....	.....	.....	.....
Total	$6,236,564	$5,751,630	$5,631,728	$4,220,268	$3,927,030	$3,469,511
Liabilities—						
Common stock	$315,000	$315,000	$315,000	$1,000,000	$1,000,000	$1,000,000
Preferred stock	1,400,000	1,400,000	1,400,000	400,000	400,000	300,000
Funded debt	2,800,000	2,800,000	2,800,000	1,400,000	1,400,000	1,200,000
Notes payable	300,000	50,000	.....	.....	.....	40,000
Accounts payable	30,494	559,698	602,314	324,559	115,956	44,597
Meters sold, privilege of return	8,004	8,599	8,628	8,437	8,685	8,679
Bond interest reserve	12,833	12,833	51,333	17,500	17,500	15,000
Interest on guarantee deposits	273	1,015	781	598	474	347
Sinking fund reserve	.....	.....	.....	273,251	228,195	184,279
Insurance reserve, etc.	.....	976	2,897	6,710	3,149	3,149
Accrued reserve for depreciation	451,652	399,019	371,159	280,785	261,118	225,148
Guarantee deposits	15,206	13,362	11,841	7,953	7,596	6,451
Tax reserve	43,708	21,134	34,853	7,394	10,676	10,856
Reserve for Pfd. dividends	14,000	.....	.....	.....	.....	.....
Conditional liability to promotors	521,871	.....	.....	.....	.....	.....
Suspense account—bonuses	78,215	.....	.....	.....	.....	.....
Profit and loss / Surplus	245,218	169,993	32,434 / 488	493,080	81,409 / 392,271	91,011 / 339,994
Total	$6,236,564	$5,751,630	$5,631,728	$4,220,268	$3,927,030	$3,469,511

Officers: W. H. Henby, Pres.; C. M. Polk, V-P.; D. R. Francis, Jr., V-P.; W. A. Brennan, Sec.; Chas. E. Jutz, Treas., St. Louis, Mo.

Directors: W. H. Henby, T. H. Francis, D. R. Francis, Jr., A. L. Shapleigh, C. M. Polk St. Louis, Mo.; P. W. Chapman, H. L. Harker, Chicago.

Office, 6600 Delmar Ave., St. Louis, Mo.

SCHENECTADY RAILWAY COMPANY

History and Property—Incorporated Feb. 11, 1895, in N. Y.; successor to the Schenectady St. Ry. Franchises perpetual. Lines comprise entire street railway system of Schenectady, and include lines to Albany, Troy, Watervliet, Aqueduct, Ballston Spa and Saratoga. Total miles of track, 114.98. In addition the company leases 13.03 miles and operates 12.21 miles of track under trackage rights, making a total mileage of 140.22 miles. Gauge, standard. Rail (girder and T): 65 to 93 lbs. Cars—Passenger motor, 146; express, 5; snow plows, 6; line and work, 30; sweepers, 6—total, 193. Power station, 1; sub-stations, 3. Population served, about 350,000, including territory surrounding Schenectady and Albany, Troy, Watervliet and Saratoga.

CAPITAL STOCK

Authorized, $7,000,000; outstanding, $4,100,000; par, $100. Capital stock owned in equal shares by The Delaware & Hudson Co. and New York State Rys. Annual meeting, first Tuesday in February.

Dividends—Dividends in recent years have been paid quarterly (M, J, S & D 31), as follows: 4% in 1909; 6½% in 1910; 6% each in 1911, 1912, 1913, 1914 and 1915; 5% in 1916; 3¾% in 1917; no dividends paid since June 30, 1917.

FUNDED DEBT

$2,676,000 FIRST MORTGAGE GOLD 5s, SERIES "A"; DUE MARCH 1, 1946

Dated March 1, 1916.

Interest Payable March and September 1, at U. S. Mortgage & Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized issue, $20,000,000. Of the present issue of bonds, $2,256,000 were issued to refund the old First Mortgage bonds which were called for payment on March 1, 1916; $744,000 additional bonds may be issued for the retirement of floating indebtedness and for other corporate purposes. The remainder of the first $5,000,000 bonds (which have been designated as Series "A") may be issued from time to time for the cash cost of extensions and permanent improvements to the property. Bonds in excess of $5,000,000 may only be issued for 80% of the cost of extensions and permanent improvements to the property provided the net earnings for twelve consecutive months out of the preceding fourteen months shall have been equal to at least one and three-quarters times the interest on all outstanding First Mortgage bonds, together with those proposed to be issued. Bonds issued after the first $5,000,000 may bear such rate of interest not, however, exceeding 6% per annum, as may be fixed and determined by the Board of Directors. Subject to call on any interest date on and after March 1, 1919.

Callability—Subject to call on any interest date since March 1, 1919 at 102½ and interest.

Sinking Fund—None.

Security—A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($2,256,000) in March 1916, at 101 and interest, yielding about 4.94%.

EQUIPMENT TRUST OBLIGATIONS

$70,560 Equipment Trust Obligations were outstanding Dec. 31, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,637,318	$1,758,963	$1,680,924	$1,688,475	$1,194,656	$1,776,451
Operating expenses and depreciation	1,501,112	1,866,132	1,282,088	1,430,462	1,778,773	1,446,236
Net earnings	$136,206	*$107,169	$398,836	$258,013	*$584,117	$330,215
Other income	2,005	2,778	2,664	2,218	1,818	1,906
Total income	$138,211	*$104,391	$401,500	$260,231	*$582,299	$332,121
Interest, taxes and rentals	347,844	332,212	335,372	313,636	264,237	242,523
Surplus for year	*$209,633	*$436,603	$66,128	*$53,405	*$846,536	$89,598
Times Fixed Charges Earned	0.39	Nil	1.20	.83	Nil	1.37
Earnings Per Share	Nil	Nil	$1.61	Nil	Nil	$2.19

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$7,810,037	$7,751,425	$7,749,575	$7,556,812	$7,363,756	$7,349,086
Materials and supplies	104,413	104,545	122,404	124,178	150,861	69,317
Cash on hand	59,913	47,241	12,750	66,208	129,812	55,047
Securities owned	.....	.....	.....	.....	.....	7,100
Current accounts	16,210	15,117	10,917	21,812	23,942	22,970
Unamortized debt discount and expense	52,070	55,437	55,804	58,571	61,338	64,106
Premium on reacquired 4½% mortgage bonds	121,110	127,777	134,444	141,111	150,278	155,037
Other assets	97,122	35,850	225,430	45,894	25,226	24,618
Profit and loss deficit	1,269,571	1,062,793	613,816	561,075	507,734	.....
Total	$9,530,446	$9,200,185	$8,925,140	$8,575,661	$8,412,947	$7,747,281
Liabilities—						
Capital stock	$4,100,000	$4,100,000	$4,100,000	$4,100,000	$4,100,000	$4,100,000
Funded debt	2,676,000	2,676,000	2,676,000	2,676,000	2,676,000	2,676,000
Car Trust obligations	70,560	94,080	94,080	.....	.....	.....
Current liabilities	1,797,400	1,750,176	1,782,775	1,509,222	1,172,039	132,738
Interest and taxes accrued	159,483	80,283	83,218	94,285	71,520	75,780
Accrued amortization of capital	301,863	198,944	183,319	189,776	167,334	146,467
Other liabilities	425,140	300,702	5,748	6,378	226,054	55,784
Surplus	.....	.....	.....	.....	.....	560,512
Total	$9,530,446	$9,200,185	$8,925,140	$8,575,661	$8,412,947	$7,747,281

Officers: James H. Hustis, Pres.; J. B. Mahan, Sec., Treas. & Pur. Agt.; F. J. Eaton, Aud., Schenectady, N. Y.

Directors: P. E. Crowley, A. H. Harris, Ira A. Place, L. F. Loree Wm. H. Williams, Wm. E. Eppler, New York; J. F. Hamilton, Rochester, N. Y.; William B. Potter, John R. Magarvey, J. H. Hustis, Schenectady, N. Y.

Office, Schenectady, N. Y.

EASTERN MINNESOTA POWER COMPANY

History—Incorporated Nov. 9, 1910, in Minn. and in July, 1912, consolidated with Pine City Electric Power Company. Owns entire capital stock of **Eastern Minnesota Holding Company.** Furnishes electricity in 30 communities in Minn. including Pine City, Rush City, Cambridge, Braham, Mora, Milaca, Onamia and North Branch, serving a population of approximately 16,000. Miles of transmission lines, 255; miles of distribution lines, 275. No. of meters, 4,222. Sales in 1927, 3,213,393 k.w.h., compared with 2,384,308 k.w.h. in 1926.

CAPITAL STOCK

Authorized, $500,000 Common, $450,000 7% cumulative Special Pfd., $50,000 7% non-cumulative Pfd., and $1,000,000 cumulative Pfd., dividend rate to be fixed at the time sale is authorized and to be designated as Series "A," "B," etc. (of this latter stock $100,000 has been authorized as Series "A" and $200,000 as Series "A 1927," both at 6% (annual dividend rate payable quarterly); outstanding, Dec. 31, 1927, $467,250 Common, $439,900 Special Pfd., $100,000 Series "A," and $42,700 Series "A 1927"; par of all issues, $100. An issue of 7% non-cumulative Pfd., previously outstanding has been retired.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends over Common stock, and in liquidation or dissolution (whether voluntary or involuntary) is entitled to par and accrued dividends. In the event that 8 quarterly dividends on Pfd. are in default, holders of Pfd. stock have the right to nominate and elect a majority of the Board of Directors, and the holders of the Common shall have the right to nominate and elect the remainder. All classes of Pfd. stock are subject to redemption at $105 on 30 days' notice. No additional Pfd. stock may be issued bearing a dividend rate higher than 8%.

Annual Meeting—Second Monday in November, at Pine City, Minn.

Dividends—Dividends on 7% Special Pfd., Series "A" 6% Pfd. and Series "A 1927" 6% Pfd. are paid quarterly. On the 7% Special Pfd. M 31, J 30, S 30 & D 31, and on Series "A" and Series "A 1927", J, A, J & O 1. Dividends on 7% non-cumulative Pfd. were regularly paid until its retirement. On Common, dividends of 4% per annum paid from 1916 to 1920 incl.; 1921 to 1924, 6% per annum; 1925, 1926 and 1927, 4% each; payments, J, A, J & O 20. In addition, a 100% stock dividend on Common stock was paid on Aug. 8, 1924 and one of 75% on May 1, 1927.

FUNDED DEBT

$315,000 FIRST MORTGAGE GOLD 5½s, SERIES "A"; DUE JULY 1, 1945

Dated July 1, 1925.

Interest Payable January and July 1, at First Minneapolis Trust Co., Minneapolis, Minn.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—First Minneapolis Trust Company, Minneapolis, Minn.

Provisions of Issue—Authorized amount, unlimited. Issued $500,000 Series "A" 5½s (of which $185,000 held in treasury) to retire the old First Mortgage 5s due July 1, 1941 and other obligations.

Additional bonds, in series bearing such interest rate, maturity date, redemption provisions and other terms and conditions as the Directors may determine, may be issued only: (1) When net earnings as defined by the mortgage, for 12 consecutive months within the 15 months immediately preceding the application for issuance of additional bonds, shall have been not less than twice the interest charges on the bonds outstanding, including those proposed to be issued, such bonds not to exceed 75% of the cost of construction of extensions and improvements to present property and/or not to exceed 70% of money spent in acquiring additional property to be subjected to the lien of the mort-

gage, but not to exceed 70% of the physical value of such acquired property; (2) for the refunding of a like amount of other bonds issued under the mortgage.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest up to and including July 1, 1935, thereafter at a premium decreasing ½% each January 1, until maturity.

Depreciation and Sinking Fund—Mortgage provides that beginning Jan. 1, 1926, 12½% of annual gross earnings must be used either: (1) For maintenance of the mortgaged property and additions or improvements to the property against which no bonds can be issued; or (2) for deposit with the Trustee as a sinking fund, which may be held in cash, invested in bonds issued under this mortgage or obligations of the United States Government and later expended for additions and improvements to the mortgaged property against which no bonds can be issued, or used for the purchase and retirement of bonds issued under this mortgage.

Security—Secured by a direct first mortgage on the entire property of Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Bonds are free from Moneys and Credits tax in Minnesota.

Legal Opinion—Lancaster, Simpson, Junell & Dorsey, Minneapolis, Minn.

Original Offering—First publicly offered ($315,000 Series "A") in August, 1925, at par and interest to yield 5½%, by Minneapolis Trust Company, Minneapolis, Minn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$242,382	$204,220	$178,056
Oper. exp., maint. & taxes	129,603	115,062	98,668
Depreciation	37,160	33,705	29,670
Net earnings	$75,619	$55,453	$49,718
Other income	11,975	13,040	10,263
Total income	$87,594	$68,493	$59,981
Interest on bonds	17,325	17,325	11,755
Other interest	.....	651	7,500
Other fixed charges	1,334	695	1,448
Total charges	$18,659	$18,671	$20,703
Net income	$68,935	$49,822	$39,278
Preferred dividends paid	36,113	31,016	19,110
Common dividends paid	16,687	10,680	10,680
Surplus for year	$16,135	$8,126	$9,488
*Surplus forward	52,255	51,879	42,614
Total surplus	$68,390	$60,005	$52,102
Times Bond Interest Earned	4.98	3.88	4.34
Earnings Per Share—			
Preferred	$11.83	$10.57	$10.90
Common	7.02	7.04	7.55

*Income tax charged to surplus, estimated tax for 1927, being $10,000.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and equipment	$1,241,868	$1,107,390	$1,001,517
Stocks owned	48,200	48,200	48,200
Other investments	13,994	9,484	7,855
Materials and supplies	34,105	33,652	28,864
Cash	31,873	31,779	32,746
Notes & accts. receivable	59,853	38,715	28,808
Deferred debit items	46,208	46,109	45,748
Intangible assets	264,145	242,526	229,719
Total	$1,740,246	$1,557,855	$1,423,458
Liabilities—			
Common stock	$467,250	$267,000	$267,000
Preferred stock	582,600	471,300	360,075
Funded debt	315,000	315,000	315,000
Notes payable	10,000	.....	22,987
Accounts payable	11,908	6,268	13,563
Interest accrued	.....	.....	25
Dividends accrued	6,660	3,015	2,670
Other current liabilities	7,226	10,539	16,376
Reserve for taxes	23,012	18,500	14,382
Unadjusted credits	8,769	.....	.....
Reserve for depreciation	212,847	189,489	155,405
Appropriated surplus	36,584	224,239	203,873
Profit & loss surplus	58,390	52,505	52,102
Total	$1,740,246	$1,557,855	$1,423,458

Officers: J. J. Flynn, Chrm. of Board & Pres., Rush City, Minn.; R. P. Allen, V-P., Sec. & Gen. Mgr.; J. A. Peterson, V-P., Pine City, Minn.; John C. Carlson, Treas., Rush City, Minn.; H. C. J. Peisch, Aud., Minneapolis, Minn.; J. W. A. Drummond, Supt.; C. R. Perkins, Pur. Agt., Pine City, Minn.

Directors: J. J. Flynn, John C. Carlson, Rush City, Minn.; J. A. Peterson, R. P. Allen, Pine City, Minn.

General Office, Pine City, Minn.

MILFORD & UXBRIDGE STREET RAILWAY COMPANY

History—Incorporated May 14, 1901, in Mass. In July, 1902, absorbed the Milford, Holliston & Framingham St. Ry. Owned and operated a line from South Framingham, Mass., to Uxbridge, and from Milford to Medway. Gauge, standard. Rail, 60 to 90 lb. T and girder. Passenger cars (open, 12; closed 27) 39; service cars, 4; snow plows, 8; electric motors, 143. Formerly leased the Medway & Dedham Street Ry., but lease expired Sept. 30, 1922, and was not renewed.

Bondholders' Protective Committees—The following bondholders' protective committees have been formed to act for such of the bondholders as may deposit their bonds under the respective agreements.

Milford & Uxbridge Street Ry. First 5s, dated Jan. 1, 1902, protective agreement dated Oct. 9, 1925, on file with the Merchants National Bank of Boston, as Depositary. Committee: Robert G. Emerson, Boston; George R. Beal, Waltham, Mass.; Walter A. Danforth, Bangor, Me., with Pillsbury, Dana & Young, Boston, Counsel.

Milford, Holliston & Framingham Street Ry. First 5s, dated Jan. 1, 1898, protective agreement dated Oct. 14, 1925, on file with the Merchants National Bank of Boston, as Depositary. Committee: Walter G. Davis, Cambridge, Mass.; Louis S. Ayen, Holyoke, Mass.; John T. Manson, New Haven, Conn., with S. R. Wrightington, Boston, Counsel. In July, 1926, the American Trust Co., Boston, filed bill in equity in Supreme Court against Company asking to be allowed to foreclose the Milford, Holliston & Framingham Street Ry. mortgage.

Receivership—Judge Braley in Supreme Court at Boston, Mass. on Aug. 4, 1926 appointed Walter L. Adams of Milford, Mass. as receiver of Company.

Sale—On Feb. 21, 1928, property of Company was sold to the Citron-Byer Co. of Trenton, N. J., for $86,200, under decree of Judge Wait of the Supreme Court at Boston. Busses are to replace the street cars.

CAPITAL STOCK

Authorized and outstanding, $440,000 Common and $100,000 6% cumulative Pfd. (issued in Jan., 1911); par, $100. Annual meeting, fourth Wednesday in March.

Dividends—6% on Pfd. regularly paid up to and including 1918; none since. Dividends on Common have been paid as follows: 1904, 1½%; 1907, 3%; 1908, 1%; 1909, 3%; 1910, 4%; 1911, 4%; 1912, 5½%; 1913, 1914, 1915 and 1916, 5% each; none since.

FUNDED DEBT

$165,000 Milford, Holliston & Framingham Street Ry. First Mortgage 5% Gold bonds (extended as 7s); dated Jan. 1, 1898; originally due Jan. 1, 1918, but extended to Jan. 1, 1923, and again extended to Jan. 1, 1928; int. Jan. and July 1, at American Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. A first lien on 21 miles of line, formerly the Milford, Holliston & Framingham St. Ry. Company does not pay Normal Federal Income Tax.

Interest Default—Interest due July 1, 1925 and subsequently defaulted. A Protective Committee has been formed (see above).

$335,000 (entire issue) Milford & Uxbridge Street Ry. First Gold 5s (extended as 7s); dated Jan. 1, 1902; originally due Jan. 1, 1918, but extended to Jan. 1, 1923, and again extended to Jan. 1, 1928; int. Jan. and

July 1, at American Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. A first lien on the original 12.69 miles of line before consolidation. Company does not pay Normal Federal Income Tax.

Interest Default—Interest due July 1, 1925 and subsequently defaulted. A Protective Committee has been formed (see above).

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$174,346	$209,208	$234,402
Operating exp. & taxes	161,001	178,609	190,880
Depreciation	5,423	5,551	5,550
Net earnings	$7,922	$25,049	$37,973
Interest, etc	35,947	36,541	37,337
Deficit for year	$28,025	$11,492	*$636

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$1,154,744	$1,154,474	$1,160,777
Materials and supplies	21,348	24,991	27,344
Cash	75,322	72,821	53,781
Accounts receivable	2,759	5,064	5,237
Unadjusted debits	1,577	2,810	4,007
Total	$1,255,750	$1,260,160	$1,251,145
Liabilities—			
Common stock	$440,000	$440,000	$440,000
Preferred stock	100,000	100,000	100,000
Funded debt	500,000	500,000	500,000
Notes payable	9,866	21,231	33,222
Accounts payable	5,837	7,195	5,881
Interest accrued	105,000	70,000	35,000
Other accrued liabilities	980	1,226	1,133
Ticket sales	6,229	6,317	5,810
Accrued depreciation	66,702	62,085	64,391
Accrued accident reserve	1,703	4,648	6,758
Profit and loss surplus	19,433	47,458	58,951
Total	$1,255,750	$1,260,160	$1,251,145

Officers: Walter L. Adams, Receiver, Milford, Mass.; D. E. Manson, Pres., Boston, Mass.; Wendell Williams, V-P. & Sec., Milford, Mass.; Charles H. Tenney & Co., Auditors, Boston, Mass.

Directors: Horatio G. Kelsey, West Haven, Conn.; C. E. Graham, New Haven, Conn.; D. Edgar Manson, Sidney Harwood, Boston, Mass.; Wendell Williams, W. L. Adams, Milford, Mass.

Office, Milford, Mass.

THE BRIDGETON GAS LIGHT COMPANY

History—Incorporated March 20, 1857, in N. J. Franchise perpetual. Miles of mains, 35. No. of meters, 3,970. Output in 1927, 129,838,000 cu. ft., compared with 133,413,000 cu. ft. in 1926. Price, $1.70, with reductions down to $1.45 for larger quantities. Population served, 15,000.

CAPITAL STOCK

Authorized, $500,000; outstanding, $388,000 (increased from $194,000 Sept. 1, 1925); par, $100. Annual meeting, second Thursday in July

Dividends—Dividends in 1916, 8%; 1917, 6½%; 1918 and 1919, 6%; 1920, 7%; 1921, 8%; 1922 to 1925, 10% per annum; 1926, 7½%; 1927, 8%; payments January and July. In addition a stock dividend of 100% was paid Sept. 1, 1925.

FUNDED DEBT

$60,000 20-Year First 5s; int. April and Oct. All held by local investors.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross receipts	$199,788	$202,813	$196,651
Oper. exp. and taxes	148,199	157,253	152,601
Net earnings	$51,589	$45,560	$44,050
Bond interest	3,000	3,000	3,000
Net income	$48,589	$42,560	$41,050
Dividends paid	31,040	29,100	19,400
Surplus for year	$17,549	$13,460	$21,650
Times Interest Earned	17.19	15.19	14.68
Earnings Per Share	$12.52	$10.96	$10.56

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$593,332	$585,091	*$576,624
Materials and supplies	26,697	15,348	21,615
Cash	16,365	30,405	19,638
Bank certificates	80,000	60,000	50,000
Accounts receivable	6,206	6,761	5,361
Total	$722,600	$697,605	$673,238
Liabilities—			
Capital stock	$388,000	$388,000	*$388,000
Funded debt	60,000	60,000	60,000
Int. and insur. reserve	750	750	952
Retort work in progress		1,800	
Accrued amortization	108,199	98,953	89,643
Profit and loss	165,651	148,102	134,643
Total	$722,600	$697,605	$673,238

*During 1925 an appraisal of the plant and equipment was made, showing an increase in real value. After an examination duly made the State Board of Public Utility Commissioners authorized Co. to issue 100% stock dividend, said issue representing uncapitalized expenditures for additions and betterments, extending over a long period of years. The stock was issued as of Sept. 1, 1925.

Officers: B. H. Minch, Pres.; W. C. Mulford, Sec.; J. B. Jones, Treas. & Gen. Supt., Bridgeton, N. J.

Directors: Bloomfield H. Minch, Wm. C. Mulford, Edward P. Bacon, Joseph H. Powell, J. Herbert Fithian, Bridgeton, N. J.

General Office, Bridgeton, N. J.

THE OSHAWA RAILWAY COMPANY

History and Property—Incorporated June 23, 1887, in Canada, and operates 18.398 miles of track (including sidings, in Oshawa, Ont.). Gauge, standard. Rail, 56, 80 and 103 lb. Equipment: Locomotives, 6. Cars—combination, 8; freight, 2; work, 2; sweeper, 1—total, 13. Power purchased from Hydro-Electric Power Commission of Ontario.

CAPITAL STOCK

Authorized, $200,000; outstanding, $40,000; par, $100. All owned by Canadian National Rys. Annual meeting in 1927, November 30.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$482,985	$353,561	$300,441
Operating expenses & taxes	246,102	164,509	165,173
Net earnings	$236,883	$189,052	$135,268
Other income	4,886	4,295	16,510
*Total income	$241,769	$193,347	$151,778

*These amounts transferred to Canadian National Rys. as a dividend.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$837,210	$694,838	$653,906
Materials and supplies	102,209	85,869	59,618
Cash	48,953	69,025	77,285
Accounts receivable	61,897	38,625	9,437
Other current assets	2,036	78	62
Deferred debit items	625	625	900
Total	$1,052,930	$889,059	$801,208
Liabilities—			
Capital stock	$40,000	$40,000	$40,000
Accounts payable	58,766	68,915	72,659
Can. Natl. Rys. advances	953,289	777,972	688,549
Unadjusted credits	875	234	
Deferred credits		1,937	
Total	$1,052,930	$889,059	$801,208

Officers: Sir H. W. Thornton, K. B. E., Pres. Montreal, Que.; D. E. Galloway, V-P.; James A. Yates, Gen. Treas.; Geo. F. Ancrum, Treas., Montreal, Que.; H. W. Cooper, Sec. & Gen. Mgr., Oshawa, Ont.; J. M. Rosevear, Gen. Compt., T. H. Cooper, Gen. Aud., Montreal; G. A. Wightman, Aud.; J. J. Callaghan, Supt., Oshawa, Ont.

Directors: Jas. A. Yates, Sir H. W. Thornton, K. B. E., Gerard G. Ruel, D. E. Galloway, S. J. Hungerford, W. C. Chisholm, A. T. Weldon, Montreal, Que.

Office, Oshawa, Ont.

BINGHAMTON RAILWAY COMPANY

History and Property—Incorporated Sept. 30, 1901, in N. Y.; a consolidation, Dec. 6, 1901, of the Binghamton R. R. Co. and the Binghamton, Lestershire & Union R. R. Co. Does the entire electric street railway business in the City of Binghamton and the principal adjacent communities. Total population served, 100,000. Franchises in city of Binghamton and in villages of Port Dickinson, Johnson City and Endicott, N. Y., are perpetual and practically exclusive. All franchises, both city and interurban permit the transportation of freight and express. In addition to its railway business the Company furnishes electric light and power to Endicott and vicinity. Also owns the Binghamton Industrial Exposition grounds, totaling 55 acres of city property.

Mileage and Equipment—Line of road, 31.59 miles; second track and sidings, 16.13 miles—total track 47.72 miles. Gauge, standard. Rail, 60 to 103 lb. T and girder. Passenger cars: Closed wood, 23; closed steel, 48; open motor, 7; service, 14; snow sweepers, 3; snow plows, 2. Power station is at Binghamton; also has a sub-station at Endicott, which furnishes electric lighting to Endicott. Power purchased from Scranton, Montrose & Binghamton RR. and Binghamton Light, Heat & Power Co.

Former Receivership—Judge George W. Ray on Oct. 8, 1918, appointed William G. Phelps as Receiver for the Company. The receivership was lifted Feb. 23, 1924, by order of the Court and the Receiver discharged.

Reorganization Committee—A reorganization committee was formed to work out a new financial plan, the members of which are: Harry Evers, Buffalo, Chairman; Walter H. Morse, Binghamton; and J. H. Pardee, New York. The Secretary is H. C. Hasbrouck, 61 Broadway, New York.

Proposed Reorganization—In notice sent June 6, 1925 to security holders, the Reorganization Committee stated that it had been requested by Company and holders of a large amount of Consolidated bonds to act as a Reorganization Committee in an endeavor to work out a financial reorganization that will be fair to all concerned. If substantially all bonds are deposited Company is assured of support from responsible financial interests necessary to carry out the plan the essential features of which are as follows: Company's electric properties, including such properties as are not devoted exclusively to railroad uses, to be sold for an amount at least sufficient to pay in cash the underlying bonds and secured notes. The holders of the First Consolidated Mortgage 5% bonds, due Nov. 30, 1931, to receive for each $1,000 principal amount thereof together with the interest accrued thereon, $600 principal amount of new 6% First Mortgage bonds and $250 par value of 6% Pfd. stock. of Company or a successor Corp. The holders of the General & Refunding First Mortgage 6% bonds, due Jan. 1, 1939, to receive for each $1,000 principal amount thereof together with the interest accrued thereon, $1,000 par value of new 6% Pfd. stock. The new 6% First Mortgage bonds are to be a part of a new issue of bonds of Company or of a Corp., which shall acquire the railway properties of Company, to mature 50 years from their date, to bear interest at the rate of 6% per annum payable semi-annually, to be redeemable, in whole or in part at their principal amount and accrued interest, and to be secured by a first mortgage upon the railway properties and franchises now owned or which may be hereafter acquired, which mortgage shall be a modern open-end mortgage permitting the issuance of bonds in series bearing different rates of interest, maturities and/or redemption prices. The new Pfd. stock shall be non-cumulative Pfd. stock of Company or of a Corp. which shall acquire the railway properties of the Company, entitled to non-cumulative dividends at the rate of $6 per annum, payable quarterly and shall be redeemable at the price of $100 per share. Said new Pfd. stock may either have the par value of $100 per share or may be without par value, but entitled to $100 per share in preference to the Common stock. upon liquidation, dissolution, or winding up, in which event the term "par value" as herein used shall be deemed to be the amount to which the Pfd. stock shall be entitled upon liquidation, dissolution, or winding up. Said new Pfd. stock shall be non-voting and non-participating in any new issue or offering of stock or obligations convertible into stock.

The Reorganization Committee recommended deposit of bonds with The Chase National Bank, New York. No expenses of the Reorganization Committee will be assessed against depositing bondholders. As of April 1, 1927 the Reorganization Committee held $1,580,000 face amount of the $1,782,000 Consolidated 5% bonds due 1931, or more than 88%; also 96% of the General and Refunding Mortgage 6% bonds due 1939 which are not prevented from deposit by court orders or similar restraints.

Receivership—By order dated Oct. 3, 1925, Frank Cooper, U. S. District Judge for the Northern District of New York, on a creditor's Bill of Complaint appointed Edwin M. Walker of Schenectady, and William H. Riley of Binghamton, receivers of all the property and assets of Binghamton Ry. Co.

Sale Ordered—Foreclosure action was begun by the trustee of the Consolidated Mortgage, and sale of the property of Company was ordered for Dec. 1, 1927; upset price $2,300,000.

Decree of Foreclosure Set Aside—In the course of the foreclosure proceedings Counsel for the Empire Trust Co. of New York as Trustee under the General & Refunding Mortgage dated Jan. 1, 1924, questioned whether the Mortgage was not a first lien on certain important portions of the property, including the Binghamton Industrial Exposition grounds and other real estate not used in operation, and all the property devoted to electric light and power service in Endicott and vicinity, claiming that the Consolidated Mortgage by its terms does not cover this property. As a result of his motion Judge Cooper by order under Jan. 7, 1928, set aside the Decree of Foreclosure and ordered rehearings on the issue thus presented.

Fare Increase Authorized—The New York Public Service Commission in Oct., 1927, authorized William H. Riley, receiver of Company, to charge a 10-cent cash fare, four tokens for 30 cents, on its two operating zones known as the City and Endicott zones. The new fare rates became effective on Oct. 16, 1927, and are to continue in effect until June 30, 1929, and thereafter until otherwise ordered.

CAPITAL STOCK

Authorized, $1,150,000; outstanding, $978,895; par, $100. Stock transferred at company's office, Binghamton, N. Y. Annual meeting, second Tuesday in January.

Dividends—Dividends have been paid as follows: 2% per annum, 1901 to 1904, inclusive; 1905, 2% in cash and 20% in scrip; 1906 to 1910, inclusive, 2½% per annum; 1911, Sept., 3%; 1912, 4%; 1913, 4%; Feb., 1914, 2%; none since.

FUNDED DEBT

(1)

$147,000 BINGHAMTON, LESTERSHIRE & UNION R. R. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1925 (IN DEFAULT)

Dated June 1, 1895.

Interest Payable June and December 1, at Chatham Phenix National Bank and Trust Co., New York. Coupon, $500; principal may be registered. Binghamton Trust Co., Trustee. A first lien on 6 miles of track from Lestershire to Union. Assumed by Binghamton Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$452,000 BINGHAMTON RAILROAD FIRST MORTGAGE GOLD 6s (FORMERLY 5s), ORIGINALLY DUE SEPTEMBER 1, 1923; EXTENDED AS 6s TO JULY 1, 1925 (IN DEFAULT)

Dated March 1, 1893.

Interest Payable January and July 1, at Chatham Phenix National Bank and Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized, $900,000; issued, $689,000, of which $237,000 have been retired. The $211,000 unissued bonds were cancelled.

Security—A first lien on 30 miles of single track. Assumed by Binghamton Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$1,782,000 BINGHAMTON RAILWAY CO. FIRST CONSOLIDATED GOLD 5s; DUE NOVEMBER 1, 1931

Dated December 10, 1901.

Interest Payable May and November 1, at Manufacturers & Traders Trust Co., Buffalo, N. Y., and at Seaboard National Bank, New York. The May 1, 1925, interest was paid by Receivers Nov. 1, 1925, under authority of Federal Court; Nov. 1, 1925 was paid in April, 1926; May 1, 1926, and subsequent interest in default.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y.

Provisions of Issue—Authorized, $2,500,000, of which sufficient are reserved to retire the above described prior liens.

Callability—Subject to call in lots of from $50,000 to $100,000 at 110 and int. on any int. date upon 2 weeks' notice.

Security—Secured on about 48 miles of track, on 9¼ miles of which these bonds are a first lien. Also a first lien on the larger part of the station equipment, including sub-station, and the larger real estate holdings, including new car barns and Stow property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$426,200 BINGHAMTON RAILWAY CO. GENERAL & REFUNDING MORTGAGE 6s, SERIES "A"; DUE JANUARY 1, 1939

Dated January 1, 1924.

Interest Payable January and July 1.

Interest Default—July 1, 1925 and subsequent interest defaulted.

Trustee—The Empire Trust Co., New York.

Provisions of Issue—Authorized issue unlimited; outstanding, Dec. 31, 1927, $426,200.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,049,616	$1,104,703	$1,123,059	$986,104	$1,072,292	$1,027,057
Operating expenses	760,966	786,255	793,447	727,660	747,990	710,429
Net earnings	$288,650	$318,448	$329,612	$258,444	$324,302	$316,628
Other income	.....	280	112	403	.....	.....
Total income	$288,650	$318,728	$329,724	$258,847	$324,302	$316,628
Taxes accrued	60,082	53,031	46,931	70,436	62,760	56,726
*Interest accrued, etc.	167,400	167,740	169,757	165,624	152,916	153,568
Total charges	$227,482	$220,771	$216,688	$236,060	$215,676	$210,294
Net income	$61,168	$97,957	$113,036	$22,786	$108,626	$106,334
Times Interest Earned	1.36	1.58	1.66	1.13	1.77	1.69

*Includes amortization of funded debt, loss on physical property, etc.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Road and equipment	$4,262,183	$4,243,456	$4,045,995	Capital stock	$978,895	$978,895	$978,895
Deposits in lieu of mortgaged property sold	37,780	37,780	37,000	Funded debt	2,807,200	2,807,200	2,811,700
Investments	5,000	5,000	5,000	Loans and notes payable	99,256	105,600	125,600
Miscel. physical property	78,013	77,789	76,791	Accts. and wages payable	47,869	46,372	57,268
Materials and supplies	38,326	37,685	42,508	Matured interest unpaid	396,554	28,137	75,844
Cash on hand	292,047	104,285	37,566	Accrued interest, divds. and rents payable	.....	211,631	104,619
Notes receivable	9,000	9,000	9,000	Unadjusted credits	6,206	922	1,037
Special deposits	10,237	16,656	64,363	Deferred credit items	226,087	193,055	112,764
Accounts receivable	91,260	53,813	35,554	Insurance & casualty res.	31,923	21,504	13,050
Other current assets	93,263	96,317	91,268	Profit and loss	398,727	340,678	242,720
Construc. work in progress	.....	.....	36,659				
Unamortized debt discount	27,360	34,200	41,040				
Deferred debit items	.....	18,013	753				
Receiver expenses	48,248	.....	.....				
Total	$4,992,717	$4,733,994	$4,523,497	Total	$4,992,717	$4,733,994	$4,523,497

Officers: F. L. Fuller, Pres.; A. J. Stratton, V-P. & Gen. Mgr.; F. W. Ogden, Sec.; E. M. White, Treas., Binghamton, N. Y.

Directors: F. L. Fuller, Thos. J. Keenan, W. H. Hecox, Walter H. Morse, F. W. Ogden, W. G. Phelps, A. J. Parsons, E. M. White, Binghamton, N. Y.; M. B. Fuller, Harry M. Griffiths, Scranton, Pa.; A. J. Stratton, Mohawk, N. Y.

Office, Binghamton, N. Y.

BERLIN CITY ELECTRIC COMPANY, INCORPORATED

(Berliner Staedtische Elektrizitaetswerke Aktien Gesellschaft)

History—The Berlin City Electric Company (Berliner Staedtische Elektrizitaetswerke Akt.-Ges.) and the **Berlin City Gas Company** (Berliner Staedtische Gaswerke Akt.-Ges.) were organized by the City of Berlin, Germany, in 1923, for the purpose of separately operating the electrical and gas works formerly operated by the City, all the stock of both companies being owned by the City of Berlin.

The Berlin City Electric Co., Inc., operates under lease from the city, the electrical works which since 1915 had been operated directly by the city. The business was founded in 1884 by the Allgemeine Elektricitaets Gesellschaft (General Electric Company, Germany), and operations were carried on through a subsidiary, under concessions from the city, until 1915. The city of Berlin owns all of the company's capital stock. The electric power properties of the city have been leased to the company for a period of 50 years from December 21, 1923. The amount of the annual rental payable to the city is based on gross receipts from sales of current and is subject to change. Under the terms of the lease, however, the company is empowered to fix rates for the sale of electricity adequate to cover all operating ex-

penses, interest and amortization of loans, depreciation and other proper reserves. The city has agreed to assume, upon termination of the lease, all obligations of the company, including interest and amortization of loans, and the company has agreed not to consent to any change in the lease in this respect or as to its right to fix rates, so long as the debentures are outstanding.

The company sells about 90% of the electric current supplied in Berlin, which, with a population of about 4,000,000, is the third largest city in the world. In the districts of the city which it serves, the company is practically without competition. A new plant, owned by the city and leased to the company, has been completed at Klingenberg (formerly Rummelsburg), a suburb of Berlin, increasing the capacity by approximately 220,000 kilowatts. With the completion in Dec., 1926, of two out of three units of this plant, generating capacity was increased from 221,500 kilowatts to 381,500 kilowatts, which should materially reduce the proportion of current purchased (amounting in 1925 to about 55% of total current transmitted) and result in substantial economies. The third unit of the new plant, to be completed in the fall of 1927, will increase generating capacity by an additional 80,000 kilowatts. Distributing lines at present aggregate over 8,000 miles. Customers, numbering approximately 417,000, include purchasers of current for domestic and industrial purposes, as well as for operation of surface and underground railways. A large majority of the industrial concerns in Berlin are customers of the company, including the Siemens concern, the Allgemeine Elektricitaets Gesellschaft and the German National Railways.

Sales in 1924 amounted to over 462,000,000 k.w.h., for 1925 were over 662,000,000 k.w.h. and for 1926 approximately 717,000,000 k.h.w. Number of customers during 1924 increased from 216,333 to 273,787, in 1925 again increased to 369,205 and at the end of 1926 there were about 440,000.

The gas plants of the Berlin City Gas Co. have a daily capacity of over 64,000,00 cu. ft. Sales in 1924 amounted to about 11,200,000,000 cu. ft., and in 1925 to about 13,800,000,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, 1,000 shares of 15,000 Reichmarks each, or 15,000,000 Reichmarks ($3,571,429). All owned by the city of Berlin.

Annual Meeting is held in Berlin, unless another place is designated in the notice of the meeting, within six months after the end of the fiscal year.

FUNDED DEBT

(1)

sw. fr. 29,700,000 7% SWISS FRANC LOAN, DUE NOVEMBER 1 1940

Dated November 1, 1925.

Authorized, sw. fr. 30,000,000—not secured by mortgage.

(2)

$2,000,000 6½% NOTES, DUE FEBRUARY 1, 1929

Dated February 1, 1926.

Interest Payable February and August 1, at Hallgarten & Co., New York, in U. S. gold coin.

Denominations—Coupon, $1,000; principal may be registered.

Registrar—The Bank of America, New York.

Callability—Subject to call in whole or in part on any interest date upon not less than six months' notice at par and interest, with a premium of ½% for each unexpired year or fraction thereof.

Provisions of Issue—Authorized and issued, $3,000,000, of which $1,000,000 matured and paid off Feb. 1, 1928. The proceeds of this loan, together with that of a sw. fr. 30,000,000 loan (about $6,000,000), due 1940 and secured in Europe, were used only in the construction of additional generating capacity.

Security—A direct obligation of Company, which has agreed that if during the life of this loan, it shall pledge any of its revenues as security for any other loan, these notes shall be equally and ratably secured thereunder.

Guaranty—Unconditionally guaranteed as to payment of both principal and interest by endorsement on each note by Berlin City Gas Company.

Tax Provisions—Principal and interest free from all present or future German taxes.

Original Offering—First publicly offered ($3,000,000) in Feb., 1926, at 99 and interest for the Feb. 1, 1928 maturity and 98½ and interest for the Feb. 1, 1929 maturity, to yield over 7%, by Hallgarten & Co., Halsey, Stuart Co., Inc., Goldman, Sachs & Co., Lehman Bros., and J. & W. Seligman & Co., New York.

Price Range—

	1927	1926
High	100	101
Low	97	98¼

(3)

$20,000,000 TWENTY-FIVE YEAR 6½% SINKING FUND DEBENTURES; DUE DECEMBER 1, 1951

Dated December 1, 1926.

Interest Payable June and December 1, at principal office of Dillon, Read & Co., New York, in United States gold coin of the standard of weight and fineness, existing Dec. 1, 1926.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Central Union Trust Co. of New York, American Trustee. Reichs-Kredit-Gesellschaft, A. G., Berlin, German Trustee.

Registrar—Central Union Trust Co. of New York.

Provisions of Issue—Authorized and issued, $20,000,000.

Purpose of Issue—Proceeds were used to liquidate all current indebtedness except about $1,500,000 due during 1927, to complete construction of the new Rummelsburg plant and for other corporate purposes

Callability—Subject to call at par for the sinking fund only. In addition, the debentures are subject to call as a whole, or in part by lot, on any interest date on 30 days' notice at 102½ and interest on or before Dec. 1, 1931, and thereafter at 100 and interest.

Sinking Fund—Company agrees to provide a sinking fund, payable in equal semi-annual installments of approximately $430,000, the first payment June 1, 1929, sufficient to retire the entire issue by maturity by purchase at not over 100 and interest, or, if debentures are not so obtainable, by call by lot at that price.

Security—Debentures are issued under a Trust Indenture and are the direct obligation of the Company. The City of Berlin, which owns all the properties operated by the Company, has agreed that so long as the Debentures are outstanding it will not mortgage or otherwise encumber any of such properties, except subject to the Company's lease. The indenture further provides that while the debentures are outstanding the Company will not mortgage or pledge any of its assets or revenues as security for any funded debt, but that the Company may pledge quick assets for short term loans in the ordinary course of business and may acquire real estate and mortgage the same for the purpose of erecting employees' houses thereon. The city of Berlin owns all of the Company's capital stock and has entered into an agreement with the Company extending beyond the maturity of the Debentures, empowering the Company to fix rates for the sale of electricity adequate to cover all operating expenses, interest and amortization of loans, depreciation and other proper reserves, and providing that, upon termination thereof, the city shall assume all obligations of the Company, including interest and amortization of loans.

Tax Provisions—Free from any German taxes, past, present or future.

Original Offering—First publicly offering ($20,000,000) in December, 1926, at 98 and interest to yield over 6.65%, by Dillon, Read & Co., Hallgarten & Co., International Acceptance Bank, and Halsey, Stuart & Co., Inc., New York, etc., and Mendelssohn & Co., Amsterdam. A substantial portion of this issue was withdrawn for simultaneous offering in Europe by Mendelssohn & Co., Amsterdam, Nederlandsche Handel Maatschappij, Pierson & Co., R. Mees & Zoonen and others.

Listed—New York and Boston Stock Exchanges.

Price Range—

	1927	1926
High	99⅛	98¼
Low	92½	98

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	Dollars 1926	Reichmarks 1926	Dollars 1925	Reichmarks 1925	Dollars 1924	Reichmarks 1924
Revenues:						
Current furnished	$23,046,865	96,835,566	$21,050,227	88,446,332	$18,024,743	75,734,212
Steam	5,577	23,432	3,245	13,634	3,629	15,249
Ice	32,786	137,759	41,032	172,402	22,726	95,489
Installations, interest, rent, etc.	147,548	619,950	139,452	585,933	160,300	673,529
Profit from securities	353,050	1,483,404	.....	.....	.....	.....
Total income	$23,585,826	99,100,111	$21,233,956	89,218,301	$18,211,398	76,518,478
Operating expenses, etc.	11,752,732	49,381,229	11,055,955	46,453,592	8,948,361	37,598,156
Net earnings	$11,833,094	49,718,882	$10,178,001	42,764,709	$9,263,037	38,920,322
Deductions:						
Interest on American loan	$657,585	2,762,963	$559,521	2,350,930	.....	.....
Taxes	553,247	2,324,566	277,250	1,164,915	$123,481	518,826
Exchange fluctuations	1,388,574	5,834,343	1,008,197	4,236,122	731,351	3,072,904
Taxes paid to the city of Berlin	2,146,448	9,018,691	1,538,270	6,463,320	881,080	3,702,017
Depreciation	2,485,233	10,442,153	2,354,876	9,894,436	2,847,549	11,964,490
Extraordinary reserve	.....	.....	.....	.....	2,261,253	9,501,065
Paid to the City of Berlin on account of capital obligation	1,547,000	6,500,000	1,309,000	5,500,000	.....	.....
Inventory reserve	.....	.....	.....	.....	432,084	1,815,479
Reserve for pension	226,838	953,101	184,416	774,857	238,000	1,000,000
Maintenance reserve	2,268,140	9,530,000	.....	.....	.....	.....
Other reserves	198,076	832,252	712,749	2,994,745	320,239	1,345,540
Sinking fund for capital depre. acct.	.....	.....	1,428,000	6,000,000	1,428,000	6,000,000
Legal reserve	.....	.....	357,000	1,500,000	.....	.....
Total deductions	**$11,471,141**	48,198,069	$9,729,279	40,879,325	$9,263,037	38,920,322
Balance for dividends	$361,953	1,520,813	$448,722	1,885,385	.....	.....
Dividends	*	*	357,000	1,500,000	.....	.....
Surplus for year	**$361,953**	1,520,813	$91,722	385,385	.....	.....

*Not reported.

Depreciation Policy—The following rates of depreciation are in application for the depreciation of the stations and their instalments: Office and residence-buildings, 2%; circulating water channels, high and low voltage distibuting network, including telephone cables, transformer, sub-station and other buildings, street illuminating network, house service connections, piers and bulkheads, 3%; total electrical apparatus trucks and wagons, 7½%; coal transportation plants, small transformer and switching stations, prime movers and auxiliary machines in power plants, storage batteries, electricity meters, ice generating plant, 10%; transformers, 6%; telephone offices (without cables), 20%; inventory, 100%.

GENERAL BALANCE SHEET, DECEMBER 31

	Dollars 1926	Reichmarks 1926	Dollars 1925	Reichmarks 1925	Dollars 1924	Reichmarks 1924
Assets—						
Plant and equip. acct. with the City of Berlin	$31,273,328	131,400,538	$4,610,318	19,371,086	.....	.....
Cash and cash items	48,804	205,060	159,799	671,424	$320,600	1,347,061
Materials and supplies	1,778,978	7,474,696	2,135,208	8,971,462	911,285	3,828,930
Investments	2,291,913	9,629,887	1,253,456	5,266,621	1,846,181	7,757,063
Accounts receivable	10,203,165	42,870,441	10,991,281	46,181,851	2,571,241	10,803,534
Prepaid insurance	102,745	431,703	58,586	246,160	34,075	143,170
Capital depreciation account	.....	.....	.....	.....	1,428,000	6,000,000
Internal sinking fund for Franc Loan	112,526	472,800	.....	.....	.....	.....
Total	$45,811,459	192,485,125	$19,208,648	80,708,604	$7,111,382	29,879,757
Liabilities—						
Capital stock	$3,570,000	15,000,000	$3,570,000	15,000,000	$3,570,000	15,000,000
Legal reserve funds	357,000	1,500,000	357,000	1,500,000	.....	.....
Franc loan of 1925	5,739,773	24,116,695	5,799,108	24,366,000	.....	.....
6½% American Loan I of 1926	2,998,800	12,600,000	.....	.....	.....	.....
6½% American Loan II of 1926	19,992,000	84,000,000	.....	.....	.....	.....
Res. for renewals in accordance with lease	.....	.....	.....	.....	1,838,706	7,725,656
Reserve for betterments	262,993	1,105,011	476,000	2,000,000	238,000	1,000,000
Reserve for works maintenance	2,268,140	9,530,000	.....	.....	.....	.....
Reserve for doubtful accounts	119,000	500,000	119,000	500,000	119,000	500,000
Other reserves	285,600	1,200,000	226,100	950,000	.....	.....
Accounts payable	7,603,010	31,945,423	6,921,217	29,080,744	1,107,676	4,654,102
Bills payable	1,685,468	7,081,798	934,501	3,926,475	.....	.....
Pension fund for officers & employees	476,000	2,000,000	357,000	1,500,000	238,000	1,000,000
Profit and loss	453,675	1,906,198	448,722	1,885,385	.....	.....
Total	$45,811,459	192,485,125	$19,208,648	80,708,604	$7,111,382	29,879,757

Executive Committee: Dr.-Ing. Johannes Adolph, Dr. jur. Robert Kauffmann, Dipl.-Ing. Martin Rehmer, Gustav Wilkens.

Supervisory Board: Oberbuergermeister Gustav Boess, Chairman; Stadtrat Rudolf Schlichting, Stadtrat Dr. Richard Treitel, Stadtrat Martin Katz, Stadtverordneter Fritz Brolat, Stadtverordneter Julius Fabian, Stadtverordneter Wilhelm Gnadt, Stadtverordneter Dr.-Ing. Theodor Klinckhart, Stadtverordneter Dr. Paul Michaelis, Stadtverordneter Franz Czeminski, Stadtverordneter Willi Riese, Oberbaurat Bruno Heck, Dr.-Ing. Wilhelm Majerczik, Dipl.-Ing., Generaldirektor Friedrich Minox, Direktor Carl Mueller, Alwin Arndt, Otto Elchner.

General Office, Berlin, Germany

THE MOHAWK VALLEY COMPANY

History—Incorporated Feb. 6, 1905, in N. Y. State, as a holding company. Acquired control of practically all of the electric railway and lighting properties which had been acquired by the New York Central RR. Co. In March, 1909, the control of the railway properties was transferred to the New York State Railways (statement for which see). With properties subsequently acquired, The Mohawk Valley Company now controls through stock ownership the Rochester Gas and Electric Corporation (see appended statement), The Mount Morris Water Power Company, Mount Morris Illuminating Company, Cooper Electric Corporation, Hilton Electric Light Power & Heat Company, Geneseo Gas Light Company and the Canada Power Corporation.

CAPITAL STOCK

Authorized and outstanding, 750,000 shares of no par value, of which 511,430 shares are owned by The New York Central R. R. Co. The capital stock was reduced from $20,000,000 to $7,500,000 when control of the electric railway properties was relinquished Capital stock was changed from 75,000 shares of $100 par value to 750,000 shares without par value on July 2, 1925, ten new shares being issued for each $100 share.

Transfer Agent—A. W. Stone, 466 Lexington Ave., New York.

Registrar—Guaranty Trust Co., New York.

Annual Meeting—Third Thursday in January, at Rochester, N. Y.

Price Range—

	1927	1926	1925
High	53½	41⅞	45¾
Low	37	30	31

Dividends—Dividends of 4½% paid in 1910; 6% each in 1911, 1912, 1913, 1914, 1915, 1916 and 1917; none in 1918, 1919 and 1920; 5% in 1921; 6¾% in 1922; 8% in 1923; 1924, 12%; April and July, 1925, 3% each on $100 par; Oct. 1, 1925, 30 cts. per share on no par; Jan. 2, 1926, 30 cts. regular and 20 cts. extra; April 1, 1926 to April 2, 1928, 50 cents each quarter; payments J, A, J & O 1.

SUMMARY OF OPERATIONS, YEARS ENDED DECEMBER 31
(Mohawk Valley Co. and Rochester Gas & Electric Corp.)

	1927	1926	1925	1924	1923	1922
Earnings from operation	$12,608,489	$11,658,748	$10,445,908	$9,590,190	$9,098,199	$8,108,754
Expenses of operation (including depreciation)	6,536,921	6,367,737	5,943,345	5,523,377	5,354,180	4,941,753
Net earnings	$6,071,568	$5,291,011	$4,502,563	$4,066,813	$3,744,019	$3,167,001
Taxes	1,456,639	1,290,040	1,117,079	928,870	958,483	830,918
Uncollectible bills	45,537	39,637	12,177	38,984	32,232	39,789
Income less operating expenses, taxes, etc.	$4,569,392	$3,961,334	$3,373,307	$3,098,959	$2,753,304	$2,296,294
Non-operating revenues	157,835	27,705	57,035	108,067	84,929	106,416
Gross income	$4,727,227	$3,989,039	$3,430,342	$3,207,026	$2,838,233	$2,402,710
Interest, rentals, etc.	1,439,333	1,248,153	1,422,729	1,413,074	1,162,773	1,166,060
Net income	$3,287,894	$2,740,886	$2,007,613	$1,793,952	$1,675,460	$1,236,650
Less proportion not applicable to stock owned by The Mohawk Valley Co.	1,338,003	956,810	518,320	410,760	360,472	274,244
Applicable to Mohawk Valley Co.'s stock	$1,949,891	$1,784,076	$1,489,293	$1,383,192	$1,314,988	$962,406
Dividends paid by Mohawk Valley Co.	1,499,360	1,499,360	1,049,552	899,616	599,744	506,034
Surplus for year	$450,531	$284,716	$439,741	$483,576	$715,244	$456,372
Earnings Per Share	*$2.60	*$2.38	*$1.99	$18.45	$17.54	$12.84

*Shares of no par value.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Investments	$12,039,908	$12,134,687	$12,233,241	$12,698,922	$12,179,060	$11,788,341
Cash	21,182	110,491	129,559	99,936	60,982	72,137
Bills receivable	1,305,699	55,130	.....	.....	.....	.....
Accounts receivable	.....	.....	55,130	.....	.....	.....
Suspense	834,097	200,241	172,705	.....	.....	.....
Reacquired securities	3,200	3,200	3,200	3,200	3,200	3,200
Total	$14,204,086	$12,503,749	$12,593,835	$12,802,058	$12,243,242	$11,863,678
Liabilities—						
Capital stock	$7,500,000	$7,500,000	$7,500,000	$7,500,000	$7,500,000	$7,500,000
Bills payable	1,702,000	.....	.....	250,000	.....	.....
Suspense	.....	.....	.....	230	.....	.....
Rochester Gas & Elect. Corp.	.....	.....	85,000	85,000	.....	.....
Surplus	5,002,086	5,003,749	5,008,835	4,966,828	4,743,242	4,363,678
Total	$14,204,086	$12,503,749	$12,593,835	$12,802,058	$12,243,242	$11,863,678

Officers: Walter N. Kernan, Pres., Utica, N. Y.; Robert M. Searle, V-P.; H. L. Reichart, Sec. & Treas., Rochester, N. Y.; H. G. Snelling, Asst. Treas., New York; F. H. Patterson, Gen. Aud., Rochester, N. Y.

Directors: Patrick E. Crowley, Albert H. Harris, Harold S. Vanderbilt, Wm. H. Vanderbilt, Wm. K. Vanderbilt, New York; Walter N. Kernan, Utica, N. Y.; Robert M. Searle, Rochester, N. Y.

Office, Rochester, N. Y.

ROCHESTER GAS AND ELECTRIC CORPORATION

(Controlled by The Mohawk Valley Company)

History—Incorporated June 11, 1904, in N. Y., as Rochester Ry. & Light Co.; name changed as above in 1919. The former company was a consolidation of the Rochester Gas & Electric Co. and the Rochester Light & Power Co. (see 1919 Public Utility Manual, page 748).

This company is the only public utility corporation supplying electricity in the cities of Rochester and Canandaigua, the villages of Victor, East Rochester, Manchester, Shortsville, Pittsford, East Bloomfield, Holcomb, Wolcott and Red Creek, and the surrounding towns. Electricity is supplied throughout this entire region of over 400 square miles, and gas is furnished to the cities of Rochester and Canandaigua and the villages of Fairport, East Rochester, Pittsford and Webster. The company also supplies steam for heating and industrial purposes to many large industries adjacent to its steam power houses. The company supplies the New York State Rys. with electric power for the operation of the entire system in Rochester and adjacent suburban territory, under a long-term contract.

Company also supplies electric current to the Sodus Gas & Electric Co., the Hilton Electric Light, Power & Heat Co., Cooper Electric Corp., and the Mt. Morris Illuminating Co., for distribution in the following territories, viz.: Webster, Ontario, Williamson, Sodus, Sodus Point, Hilton, Mt. Morris, and Geneseo. Population served, about 431,300. Franchises, with minor exceptions, are perpetual.

Company owns about 96% of the water rights in the city limits, and has several hydro-electric stations on the Genesee River, with a total generating capacity of 46,530 k.w., supplemented by steam generating capacity to the extent of 72,095 k.w. and transforming capacity of 207,090 k.w. Miles of overhead lines, 3,959; miles of underground cable, 2,372; miles of electrical subway duct, 1,716; miles of gas mains, 701. No. of street arc lamps, 1,430. No. of street incandescents, 17,710. Gas plants have a total daily capacity of 8,670,000 cu. ft. of coal gas and 12,710,000 cu. ft. of water gas. The Company does no street railway business, having disposed of its street railway holdings in 1912.

OPERATING DATA, DECEMBER 31

	Electric Consumers	K. W. H. Sold	Gas Consumers	M. Cu. Ft. Gas Sold
1918	28,907	161,572,023	79,037	2,512,736.7
1919	30,978	138,801,284	79,816	2,542,583.5
1920	34,742	155,843,125	81,241	2,839,460.2
1921	40,391	149,815,791	81,585	2,724,403.7
1922	48,911	170,613,730	84,460	2,961,035.4
1923	59,455	199,985,438	87,121	3,408,967.1
1924	70,715	213,043,339	90,700	3,480,950.2
1925	81,063	234,449,942	94,484	3,571,679.1
1926	90,160	256,649,783	97,889	3,995,657.8
1927	99,328	276,679,209	102,782	4,206,355.3

CAPITAL STOCK

Authorized, 825,000 shares Common, of no par value; $4,000,000 7% cumulative Pfd., Series "B," par $100; $2,700,000 6% cumulative Pfd., Series "C," par, $100, and $23,300,000 6% cumulative Pfd., Series "D," par, $100; outstanding, Dec 31, 1927, 756,070 shares Common, $4,000,000 Series "B," Pfd., $2,700,000 Series "C" Pfd., and $16,497,800 Series "D" Pfd. The Mohawk Valley Co. as of Dec. 31 1927, owned all of the outstanding Common shares.

Capital Stock Changes—Stockholders on July 24, 1925, voted to change the authorized capital stock from $18,250,000, consisting of $8,250,000 Common, par $100; $3,000,000 5% cumulative Pfd. and $7,000,000 cumulative Pfd. (issuable in Series with dividends at not exceeding 7%) to $38,250,000, consisting of 825,000 shares Common of no par value, $4,000,000 7% Series "B" Pfd., $2,700,000 6% Series "C" Pfd. and $23,300,000 6% Series "D" Pfd. In April, 1926, $300,000 Series "C" Pfd. was reclassified as Series "D." The old 5% cumulative Pfd. was reclassified as 6% cumulative Series "D" Pfd. The par value of the Common shares was changed from $100 to no par value, 10 shares of no par stock being issued in exchange for each share of $100 par stock and voting rights changed to the basis of one vote for each ten shares.

Subscription Privilege—In Feb., 1927, $4,000,000 Series "D" 6% Pfd. stock was offered to stockholders for subscription at par and accrued dividends. Subscription rights expired March 1, 1927, and stock not subscribed was offered publicly.

Preferred Stock Provisions—All classes of Pfd. stock have equal preference as to assets and dividends and are subject to call at 105 and accrued dividends on 60 days' notice. The Series "B" and Series "C" Pfd. stocks have the same rank and rights, and also voting power with Common, except that Common has one vote for each ten shares, while Pfd. has one vote for each share. The Series "D" 6% Pfd. has no voting power, except after a non-payment of dividends for six months and is non-participating, having no rights of subscription to any class of stock now authorized or to be authorized in the future.

Transfer Agents (All Classes of Pfd.)—A. W. Stone, 466 Lexington Ave., New York, and Katherine Price, Rochester, N. Y.

Registrars (All Classes of Pfd)—Guaranty Trust Co. of New York, and Security Trust Co., Rochester.

Annual Meeting—Third Wednesday in March.

Series "D" Pfd. Stock Offering—A block of Series "D" 6% cumulative Pfd. stock was publicly offered in July, 1925, at par and accrued dividends, by Tucker, Anthony & Co., Bonbright & Co., the Old Colony Trust Co., Edward B. Smith & Co., and Roy T. H. Barnes & Co.

Price Range—

	1927	1926	1925
7% Pfd. "B"—			
High	107	107	106½
Low	105	105	103
6% Pfd. "C"—			
High	105¼	103	100
Low	103¼	100	96
6% Pfd. "D"—			
High	105½	102	104
Low	103¼	98	98

Dividends—Dividends on the old 5% Pfd. stock were regularly paid from incorporation of Company in 1904 to the reclassification as of Sept. 1, 1925. Dividends on the Series "B" 7% Pfd. have been regularly paid to date since March, 1918. Dividends on Series "C" 6% Pfd. have been regularly paid to date since June, 1923. Dividends on Series "D" 6% Pfd. have been regularly paid to date since Dec., 1925. Payments on all classes of Pfd. stock quarterly, M, J, S & D 1.

On Common stock regular dividends have been paid as follows: 1907, 5%; 1908, 8%; 1909, none; 1910 to 1918, 7%; 1919, 8%; 1920, 5%; 1921 to 1923 8%; 1924, 10%; 1925, $1.60; 1926, $2.00 and 1927, $2.00, on no par stock. Payments on Common stock quarterly, M, J, S & D 28. In addition, the following extra dividends have been paid on Common stock: 1911, 15%; 1912 and 1913, 5% each; 1915 and 1916, 2½% each; 1922, 1923 and 1924, 5% each.

FUNDED DEBT AS OF FEBRUARY 20, 1928

(1)

$1,400,000 MUNICIPAL GAS & ELECTRIC CO. FIRST GOLD 4½s, DUE APRIL 1, 1942

Dated April 1, 1902.

Interest Payable April and October 1, at Central Union Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,500,000. Subject to call at 102½ and interest on any interest date on three weeks' notice. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923
High	*101	97½	92¼	94½	90
Low	*98	bid	bid	88½	88

*High and low bid prices.

(2)

$10,921,000 ROCHESTER RY. & LIGHT CO. CONSOLIDATED GOLD 5s; DUE JULY 1, 1954

Dated June 15, 1904.

Interest Payable January and July 1, at Security Trust Co., Rochester, N. Y., and at Treasurer's office, 466 Lexington Ave., New York.

Denominations—Coupon (principal may be registered) $500 and $1,000, and registered, $100. Registered bonds exchangeable for coupon bonds in denomination of $500 and multiples.

Trustee—Security Trust Co., Rochester, N. Y.

Provisions of Issue—Authorized, $16,000,000. Reduced through retirement of $2,000,000 underlying bonds with cash to $14,000,000. Mortgage closed, except for the issuance of $1,400,000 for the refunding of a like amount of Municipal Gas & Electric Co. First 4½s, due April 1, 1942. Issued, $12,581,000 of which $1,640,000 are deposited with Bankers Trust Co., New York City as collateral under the Rochester Gas & Electric Corp. General Mortgage. $19,000 bonds have not been issued.

Callability—Subject to call on any interest date on 90 days' notice at 110 and interest.

Sinking Fund—None.

Security—In addition to being secured by a general lien on all the property of the Company, the Consolidated Mortgage bonds are also secured by a first lien on all extensions and betterments to the property since the execution of the Mortgage (said extensions and betterments costing substantially in excess of the amount of all Consolidated Mortgage 5s outstanding).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	109½	103¾	100¼	100	96½
Low	104	100¼	99½	94	93½

(3)

$7,000,000 ROCHESTER GAS & ELECTRIC CORP. GENERAL MORTGAGE 25-YEAR GOLD 7s, SERIES "B," DUE MARCH 1, 1946

$4,000,000 ROCHESTER GAS & ELECTRIC CORP. GENERAL MORTGAGE 25-YEAR GOLD 5½s, SERIES "C," DUE SEPTEMBER 1, 1948

$6,000,000 ROCHESTER GAS & ELECTRIC CORP. GENERAL MORTGAGE 50-YEAR GOLD 4½s, SERIES "D"; DUE SEPTEMBER 1, 1977

Dated, Series "B," March 1, 1921; Series "C" September 1, 1923; Series "D", September 1, 1927.

Interest Payable March and September 1, at Treasurer's Office, 466 Lexington Ave., New York.

Denominations—Coupon, $500 and $1,000 for Series "B" and "C" and Coupon, $1,000 for Series "D" (principal may be registered), and registered, $1,000 and multiples; coupon and registered bonds interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—The Series "B", "C" and "D" bonds (issued under a supplemental indenture dated March 1, 1921) are issued under and secured by the Company's General Mortgage, dated Sept. 1, 1918, to Bankers Trust Co., New York, as Trustee. The total authorized issue of Series "B" bonds is limited to $7,000,000, that of Series "C" to $4,000,000 and that of Series "D" to $6,000,000. Additional bonds of other series may be issued under the mortgage (at such rate of interest as the Board of Directors may at the time determine) to refund underlying bonds, and for a principal amount not exceeding 80% of the cash cost and fair value of improvements, extensions and additions to the company's property and of the cost of the acquisition of securities of similar companies as provided in the mortgage, provided (1) that the total principal amount of bonds issued, including underlying bonds, shall not exceed twice the amount of stock then outstanding; (2) that the company's net earnings for a period of twelve months ending not more than sixty days prior to the application for such bonds, after deducting all operating expenses (including taxes, rentals, insurance, adequate current maintenance and replacement reserve), shall have been equal to at least 1¾ times the company's total annual interest charges, including interest on the bonds proposed to be issued, and (3) that not more than one-third of the total value of the security under the mortgage shall consist of shares of stock.

Callability—Series "B" bonds are subject to call on and after Sept. 1, 1931, on any interest date upon 60 days' notice at 105 and accrued interest. Series "C" bonds are subject to call upon 60 days' notice, on Sept. 1, 1933, or on any interest date thereafter at 105 and interest. Series "D" bonds are subject to call as a whole, but not in part, upon 60 days' notice, on Sept. 1, 1967, or on any interest date thereafter, at 102 and interest.

Sinking Fund—None.

Security—Secured by a direct lien on the entire property of the company, subject to $12,321,000 prior lien bonds, the aggregate amount of which cannot be increased, and by the deposit of $1,640,000 of the Company's Consolidated 5s, due 1954.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—Series "D" 4½s first publicly offered ($6,000,000) in Feb., 1928, at 99½ and interest, by J. P. Morgan & Co., New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924
Series "B" 7s—				
High	115⅝	114	112¾	110½
Low	110⅝	111	110	107½
Series "C" 5½s—				
High	107¼	106	105½	103
Low	105	104⅝	102¾	95¼

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$12,608,489	$11,658,748	$10,445,908	$9,635,946	$9,098,200	$8,108,755
Operating expenses, taxes and depreciation	7,973,075	7,651,985	7,039,278	6,484,496	6,322,974	5,799,257
Net earnings	$4,635,414	$4,006,763	$3,406,630	$3,151,450	$2,775,226	$2,309,498
Other income	122,340	17,611	50,056	55,867	82,801	103,973
Total income	$4,757,754	$4,024,374	$3,456,686	$3,207,317	$2,858,027	$2,413,471
Interest charges	1,426,798	1,326,152	1,381,434	1,400,844	1,143,975	1,136,009
Other income deductions	11,119	12,012	12,555	12,977	18,798	20,787
Total income deductions	$1,437,917	$1,338,164	$1,393,989	$1,413,821	$1,162,773	$1,156,796
Balance for dividends	3,319,837	2,686,210	2,062,697	1,793,496	1,695,254	1,256,675
Preferred dividends paid	1,338,003	957,754	603,547	467,455	417,192	331,085
Balance available for Common divd	$1,981,834	$1,728,456	$1,459,150	$1,326,041	$1,278,062	$925,590
Times Interest Earned	3.33	3.03	2.50	2.29	2.50	2.12

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital—completed	$58,419,397	$51,034,377	$43,287,688	$39,302,555		
Uncompleted construction	2,139,748	3,414,476	4,603,960	1,805,845	$35,390,287	$33,365,633
Total fixed capital	$60,559,145	$54,448,853	$47,891,648	$41,108,400		
Cash	523,780	656,516	565,056	728,215	425,119	339,710
Notes receivable		23,305	5,000	5,000	6,000	2,507
Accounts receivable	1,754,544	1,753,909	1,347,732	1,113,754	1,036,037	887,609
Materials and supplies	1,359,848	1,108,457	983,307	1,025,382	973,400	666,145
Prepaid insurance	32,142	37,497	21,046	17,373	24,912	11,760
Subscribers to capital stock	186,513	304,931	221,793	135,396	124,808	150,321
Investments	98,331	47,780	47,780	52,780	47,781	43,341
Special deposits	385,905	362,618	2,855,187	1,065,758	4,393,776	1,552,481
Unamortized debt, disc. & exp.	962,428	1,010,307	1,058,185	1,106,064		
Property abandoned			400,000	500,000	3,807,804	1,960,846
Other suspense	1,315,924	833,513	66,423	103,297		
Total	$67,178,560	$60,587,686	$55,463,157	$46,961,418	$46,229,924	$38,980,353

GENERAL BALANCE SHEET DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$8,248,200	$8,248,200	$7,248,200	$7,248,200	$7,248,200	$7,248,200
Preferred stock	23,197,800	18,530,300	14,205,400	8,482,300	7,256,100	6,598,400
Capital stock subscribed	391,300	465,700	338,600	270,800	215,800	277,000
Long term debt	23,321,000	23,499,500	23,499,500	23,499,500	23,499,500	19,499,500
Accounts payable	982,001	907,600	2,796,086	911,150	879,716	506,822
Notes payable	3,025,000	1,650,000	.....	.....	1,340,000	.....
Consumers' deposits	135,654	129,775	120,162	109,142	259,932	196,707
Matured interest unpaid	281,786	290,881	292,468	292,420	289,999	287,309
Dividends declared	12,770	10,585	6,301	.....	.....	.....
Taxes accrued	335,178	492,710	367,520	286,734	629,093	535,460
Interest accrued	259,297	256,230	255,663	254,693		
Retirement reserve	2,674,926	2,487,136	3,149,783	2,969,414		
Casualty and insurance reserve	215,056	202,415	157,429	137,176	2,746,519	2,261,759
Contributions for extensions	549,214	411,852	281,606	144,845		
Miscellaneous reserves	44,565	45,439	45,856	40,532		
Long-term debt matured, unpaid	1,000	.....	.....	.....	2,000	2,000
Miscellaneous unadjusted credits	557,648	402,986	352,258	230,854	.....	.....
Surplus	2,946,165	2,556,377	2,346,326	2,083,658	1,863,065	1,567,196
Total	$67,178,560	$60,587,686	$55,463,157	$46,961,418	$46,229,924	$38,980,353

Officers: R. M. Searle, Pres.; W. N. Kernan, V-P.; E. G. Miner, V-P.; Herman Russell, V-P.; J. C. Collins, Sec. & Treas.; C. L. Cadle, Gen. Mgr; J. P. Haftenkamp, Asst. Gen. Mgr.; E. C. Scobell, Gen. Aud.; C. A. Tucker, Asst. Treas.; H. L. Reichart, Asst. Sec.; Harry G. Snelling, Asst. Sec.; F. H. Patterson, Aud.; Harris, Beach & Matson, Gen. Counsel.

Directors: A. H. Harris, W. K. Vanderbilt, H. S. Vanderbilt, P. E. Crowley, W. N. Kernan, W. H. Vanderbilt, New York; Edw. Bausch, T. W. Finucane, L. M. Todd, D. M. Beach, R. M. Searle, E. G. Miner, Herman Russell, L. S. Foulkes, Rochester, N. Y.

Office, 89 East Ave., Rochester, N. Y.

PHILADELPHIA & WESTERN RAILWAY COMPANY

History—Incorporated June 6, 1907, in Pa.; successor to Philadelphia & Western R. R. In 1910 control was acquired by a Syndicate headed by Edward B. Smith & Co., of Philadelphia and New York. Owns entire capital stock of **Philadelphia & Western Home Owners' Association, Main Line Transfer Co.,** and jointly with Lehigh Valley Transit Co., the capital stock of the Norristown Transit Co., which company's $200,000 outstanding First Mortgage 5% bonds, due Feb. 1, 1942, are jointly and severally guaranteed, principal and interest, by these two companies.

It operates, by electric third rail, a high speed double track road between Philadelphia, Norristown and Strafford, on private right of way; and connects with Philadelphia Rapid Transit Company's Elevated-Subway system in the Union Station at 69th and Market Sts., Philadelphia, and with the Pennsylvania R. R. Co.'s Main Line at Strafford. In Aug. 1912, a double track extension from Villa Nova into Norristown, which is entirely on private right of way, was put in operation. In Dec. 1912, a connection was made with the Lehigh Valley Transit Co.'s lines at Norristown via Norristown Transit Co., and a through service established between Allentown and Philadelphia. Track connections for the interchange of carload freight with the Pennsylvania R. R. are maintained at Philadelphia, Strafford, and near Norristown.

Mileage and Equipment, Dec. 31, 1927—Length of road, 17.33 miles; main line first and second track, 33.72 miles; spurs and sidings, 4.47 miles—total track, 38.19 miles. Gauge, standard. Rail, 85 lbs. Motor cars, passenger, 31; express, 2; flat, 4—total, 37. Snowplow, 1. Owns electric sub-stations at Beechwood, Villa Nova and Norristown for the distribution of power.

The operation of the **Maine Line Transfer Company,** operating a bus line through Bryn Mawr, has been discontinued temporarily.

TRAFFIC STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Passengers carried	4,151,887	4,604,871	4,703,793
Receipts per pass. (cts.)	19.8	18.1	18.0
Passenger car mileage	1,651,174	1,634,963	1,594,414
Earnings per pass. car mile (cents)	49.2	50.0	53.0
Exp. per pass. car mile (cents)	30.5	30.8	31.0

CAPITAL STOCK

Authorized, $4,000,000 Common and $2,000,000 5% Pfd. (cumulative since Jan. 1, 1916); outstanding, $3,725,000 Common and $2,000,000 Pfd.; par, $50. In addition 5,500 Common shares ($275,000) held in treasury.

Preferred Stock Provisions—Has preference for assets and cumulative dividends. Both classes of stock have equal voting power.

Transfer Agent (Both Classes)—Company's Office, Norristown, Pa.

Registrar (Both Classes)—Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia, Pa.

Annual Meeting—First Monday in March.

Listed (Both Classes)—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	39	37½	37½	36	38⅞	35	29¾	29
Low	33	34⅝	35	31¾	32	28⅝	26	22
Common—								
High	15½	16½	18½	20¾	12⅞	10¼	5	7
Low	10⅛	11	10½	9	8	5	3½	4½

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O. 15 since April 15, 1916. Directors meet for dividend action on the third Mondays of M, J, S & D. On Common initial dividend of 50 cents per share was paid Feb. 15, 1927; none since.

FUNDED DEBT

$2,630,000 FIRST MORTGAGE 50-YEAR GOLD 5s; DUE JULY 1, 1960

Dated July 1, 1910.

Interest Payable January and July 1, at Edward B. Smith & Co., Philadelphia.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Philadelphia Trust, Safe Deposit & Insurance Co., Philadelphia.

Provisions of Issue—Authorized, $4,000,000; issued $3,000,000 of which $370,000 held in Treasury. The Syndicate which purchased $2,000,000 of these bonds in 1910 dissolved by limitation on June 21, 1913.

Callability—Subject to call at 102½ and interest on any interest date on 60 days' notice.

Security—Secured by an absolute first lien on the entire property of the Company, including the main line to Strafford, equipment, etc., and also the Norristown extension.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$862,353	$884,813	$891,852	$895,943	$870,853	$825,459
Operating expenses	474,353	474,297	469,721	479,828	478,353	440,517
Taxes	47,260	50,554	49,780	54,600	52,500	50,253
Net earnings	$340,740	$359,962	$372,351	$361,515	$340,000	$334,689
Interest	$131,500	$131,500	$131,500	$131,500	$131,500	$133,100
Other deductions	3,858	2,520	2,517	4,034	2,508	73
Total charges	$135,358	$134,020	$134,017	$135,534	$134,008	$133,173
Balance	205,382	225,942	238,334	225,981	205,992	201,516
Depreciation	87,129	89,629	64,629	64,629	60,218	60,218
Balance	$118,253	$136,313	$173,705	$161,352	$145,774	$141,298
Preferred dividends	100,000	100,000	100,000	100,000	100,000	100,000
Common dividends	37,250	.....	.....	.....	.....	.....
Surplus for year	†$18,997	$36,313	$73,705	$61,352	$45,774	$41,298
***Times Interest Earned**	1.90	2.04	2.32	2.23	2.11	2.06
Earnings Per Share—						
*Preferred	$2.95	$3.41	$4.34	$4.03	$3.64	$3.53
*Common	0.24	0.48	0.92	0.77	0.57	0.52

*After depreciation. †Deficit.

Surplus Account, December 31, 1927—Corporate surplus at Dec. 31, 1926, $137,942; add net income for year ended Dec. 31, 1927, before providing for depreciation, $205,382—total, $343,324. Deduct: Depreciation, $87,129; Preferred dividends paid, $100,000; Common dividends paid, $37,250; reserve against advances to Main Line Transfer Co., $18,250—total, $242,629. Corporate surplus at Dec. 31, 1927, $100,695.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$8,461,528	$8,302,615	$8,297,631	$8,284,236	$8,241,908	$8,222,586
Abandoned property	.....	.....	205,000	280,000	372,000	417,000
Other investments	.....	.....	.....	.....	.....	26,223
U. S. Certificates of indebtedness	.....	.....	.....	.....	40,045	.....
Bonds in treasury	.....	.....	.....	.....	370,000	370,000
Stocks in other companies	*27,000	*27,000	*27,000	27,000	30,000	30,000
Cash	131,435	193,854	233,084	203,499	159,828	196,874
Accounts receivable	15,301	4,751	4,707	4,120	4,378	2,973
Materials and supplies	34,927	37,069	37,566	50,862	51,685	47,900
Notes receivable	.....	.....	.....	.....	22,600	17,000
Marketable securities at cost	331,546	375,673	294,374	190,879	111,174	.....
Advances to Phila. & West. Home Owners Association	34,476	44,476	54,476	54,476	44,476	44,476
Advances to Norristown Tr. Co.	8,214	8,214	8,214	8,215	.....	.....
Advances to Main Line Trans. Co.	.....	17,250	12,765	8,500	.....	.....
Miscellaneous assets	3,915	2,844	1,046	554	1,207	1,744
Discount on bonds	75,088	77,472	79,856	82,239	84,623	87,007
Matured interest payable (contra)	.....	.....	.....	.....	550	575
Total	$9,123,431	$9,091,217	$9,255,719	$9,194,580	$9,534,475	$9,464,358
Liabilities—						
Common stock	$3,725,000	$3,725,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000
Preferred stock	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Funded debt	†2,630,000	†2,630,000	†2,630,000	†2,630,000	3,000,000	3,000,000
Current accounts	16,000	13,794	11,212	18,112	14,689	12,397
Interest accrued	66,500	66,200	66,550	66,650	65,750	65,750
Taxes accrued	47,181	50,638	52,030	53,283	80,111	77,635
Inter-line ticket sales	7,178	6,517	6,246	.....	.....	.....
Reserves	530,876	461,127	388,575	324,134	259,025	199,380
Miscellaneous liabilities	.....	.....	.....	.....	12,317	7,363
Matured interest unpaid (contra)	.....	.....	.....	.....	550	575
Profit and loss	$100,696	137,942	101,107	102,401	102,033	101,258
Total	$9,123,431	$9,091,217	$9,255,719	$9,194,580	$9,534,475	$9,464,358

*Consisting of entire $10,000 capital stock of Philadelphia & Western Home Owners' Association, entire $5,000 capital stock of Main Line Transfer Co., and one-half ($12,000) capital stock of Norristown Transit Co. †Does not include $370,000 bonds in treasury.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash in bank, etc.	$131,435	$193,854	$233,084	$203,499	$159,828	$196,874
Accounts receivable	15,301	4,751	4,707	4,120	4,378	2,973
Materials and supplies	34,927	37,069	37,566	50,862	51,685	47,900
Marketable securities at cost	331,546	375,673	294,374	190,879	.....	.....
U. S. certificates of indebtedness	.....	.....	.....	.....	40,045	.....
Notes receivable	.....	.....	.....	.....	22,600	17,000
Total	$513,209	$611,346	$569,731	$449,360	$278,536	$264,747
Current Liabilities—						
Accounts payable and accured wages	$16,000	$13,794	$11,212	$18,112	$14,689	$12,397
Interest accrued	66,500	66,200	66,550	66,650	65,750	65,750
Taxes accrued	47,181	50,637	52,030	53,283	80,111	77,635
Inter-line ticket sales	7,178	6,517	6,246	.....	.....	.....
Total	$136,859	$137,148	$136,037	$138,045	$160,550	$155,782
Net Working Capital	$376,350	$474,198	$433,694	$311,315	$117,986	$108,965

Officers: J. L. Adams, Pres. & Gen. Mgr.; C. Jared Ingersoll, V-P.; F. W. Steinbright, Sec. & Treas.; C. S. Mountz, Supt. & Aud.; Norristown, Pa.

Directors: Chas. E. Ingersoll, E. C. Felton, J. Jared Ingersoll, Albert L. Smith, Edw. F. Beale, Chas. H. Bean, Archie D. Swift, Joseph A. Coleman, Philadelphia; W. Barklie Henry, Rosemont, Pa.

General Office, Penn and Swede Sts., Norristown, Pa.

THE MACKAY COMPANIES

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
4% Cumulative Pfd. (par, $100)	J, A, J & O 1	$50,000,000	$50,000,000	Yes	$4,627,417	4%	†$1,715,361	*$10.79
Common (par, $100)	J, A, J & O 1	50,000,000	41,380,400	...	2,912,056	7%	2,896,625	7.03

*Based on amount in hands of public Dec. 31, 1927. †Based on amount in hands of public.

NOTE—The policy of The Mackay Companies is to take only sufficient monies from the Commercial Cable-Postal Telegraph Companies, which added to the income and profits of The Mackay Companies from its other investments, will enable it to pay its dividends and expenses.

History and Properties—A voluntary association organized in State of Massachusetts by an Agreement and Declaration of Trust, executed and carried out on Dec. 19, 1903. Owns the entire $25,000,000 capital stock of the Commercial Cable Co., and the whole or a portion of the capital stocks of a number of telegraph, cable and radio companies in the United States, Canada and Europe, including the land line system known as the Postal Telegraph-Cable Co. The Commercial Cable System spans the Atlantic and Pacific Oceans with a system of 36,209 miles extending westward from Havre, France, and London, England, to Shanghai, China.

The combined Postal-Commercial land and ocean system is the largest in the world, and by connections reaches all parts of the world. On the north it connects with Canadian Pacific Ry. Telegraph System for all points in Canada, and on the south with the extensive system of the All America Cables for Mexico, Central and South America; at the Azores Islands connection is made with the Eastern Telegraph Co. for Southern Europe, Asia and Africa, and with the German and Italian cables; at London with the Great Northern Telegraph Co. for Denmark, Scandinavia, Russia in Europe and Russia in Asia; at the Bonin Islands, with the Japanese Government System of Telegraph; at Shanghai with the Chinese Telegraph Administration. It also connects with the British Pacific Cable for Australia and New Zealand, with the Halifax and Bermudas and direct West India Companies for Bermuda and the West Indies, and with the Newfoundland Government Telegraphs for all of Newfoundland.

The surplus and reserves of the subordinate companies are represented to a substantial degree by investment in Government bonds and other securities of the highest class. In the annual report dated Feb. 15, 1927, it was stated that the consolidated current assets of The Mackay Companies, the greater portion of which are represented by readily marketable securities and cash, aggregate $24,000,000, while the current liabilities aggregate $2,500,000.

Commercial Cable Co.—Inc. Dec. 12, 1883, in N. Y. Has seven submarine cables running from Europe to America; cables from Ireland to England and France, and cables along the North American coast, besides a cable from New York to Cuba and a cable from Miami, Fla., to Cuba, operated by the Commercial Cable Co. of Cuba (incorp. Dec., 1906), stock of which is also owned by The Mackay Companies. Also operates under lease, lines in Great Britain and a subterranean line from Paris to Havre, France, as well as lines from London to Antwerp and Rotterdam. A submarine cable from San Francisco to Manila, connecting Honolulu, Midway and Guam, is operated by the Commercial Pacific Cable Co. Cables from Guam to the Bonin Islands, near Yokohama, and from Manila to Shanghai, are also operated.

Postal Telegraph-Cable Co.— This company operates a telegraph system throughout the United States and in addition is now operating 40,000 miles of long distance telephone wires in various States in the Union, and the financial results are very satisfactory. It is a by-product, being transmitted over wires which are used at the same time for telegraph purposes. The long distance telephone service of the Postal Telegraph-Cable Company now reach 170 cities and towns.

Fusion With International Telephone & Telegraph Corp.—Announcement was made March 22, 1928 that the Directors of International Telephone & Telegraph Corp. had approved the plan for fusion of control with The Mackay companies. At that date trustees of the latter had already approved the plan. The plan contemplates the formation of a commercial postal company under the chairmanship of Clarence H. Mackay which will acquire the outstanding shares of the Mackay Companies. Holders of stocks of Company and of bonds of the Commercial Cable Co. were asked to deposit their holdings with J. P. Morgan & Co., New York, Depositary.

Mackay Radio & Telegraph System—The Mackay System has lately embraced radio. This is fully explained in the annual report dated Feb. 15, 1928, excerpts from which are quoted below.

Excerpts from 1927 Annual Report—During the past year, the Companies has added to its operating group by acquiring the radio telegraph system of the Federal Telegraph Company, including the latter's point-to-point system and its ship-to-shore service between its Pacific Coast stations and ships in the Pacific Ocean. The Federal Telegraph Company has further contracted to manufacture for the Mackay System, radio apparatus, including such apparatus as is covered by its patents, some of which are underlying in the radio art. The Mackay System will also utilize in its radio expansion a Research and Experimental Department employing a high grade personnel from which the development of patentable improvements in radio invention may be expected. This Research Department is, and for some time past has been, engaged in experiments in the field of television, facsimile and photo-electric telegraphy and telephony, and the Mackay System is equipped at the present time to exploit to the fullest extent any worthwhile invention in these fields.

In taking up radio, the Trustees have no idea that it in any way is a menace to the future of the cable or wire systems, but, as stated in previous annual reports, radio can be made a most valuable supplement to a wire system, and such a plan has been in the minds of the Trustees for several years past. "Beam" or short wave radio stations can be constructed at comparatively low cost, but they do not give continuous service because the signals are subject to "fading." Hence, a radio company relying on short wave only, cannot furnish efficient competition with a cable company. The radio company must also employ the expensive long wave equipment to guarantee continuous service. A cable company, however, because of the reliability of the cable service, may very advantageously make use of the short wave as a supplement to the cable. The cables may be used to carry the regular urgent and ordinary services, while the low cost short wave radio carries such parts of the cheaper services as it is capable of. This co-ordination of the cables and short wave radio furnishes a service which not all-operated radio can match either from the standpoint of profit or efficiency.

With this co-ordination in view, the Mackay Companies, after investigation and negotiation beginning over a year ago, has embraced radio by the acquirement of an actually operating radio system which has been manufacturing radio apparatus and conducting radio operations for many years and has attracted to itself a very considerable amount of the total business transacted between the points which it serves. Furthermore, from its three modern, long-range transmitting stations at San Francisco, Los Angeles and Portland, it has handled for some time past a substantial proportion of the ship-to-shore and shore-to-ship business on the Pacific Coast. A highly-trained and efficient operating staff was brought into the Mackay organization when the above-mentioned radio system was taken over.

The Federal Company is foremost in the development of the long wave arc system of radio transmission, through its ownership of numerous improvement patents which are now in force, the original Poulsen patents having expired.

With respect to the short wave transmission, by reason of its rights in the De Forest patents, which are based upon inventions made by Dr. Lee De Forest at a time when he was in the employ of that Company as Research Engineer, it is in a position to supply the Mackay System with short wave tube transmission equipment based on the De Forest oscillating audion patent, as well as other necessary radio equipment for the establishment of short wave communication.

The rights of the Federal Telegraph Company in the De Forest patents have recently been put beyond question by the granting of an unrestricted license from the American Telephone & Telegraph Co. and assented to by the Westinghouse and General Electric Companies and the Radio Corporation of America. The rights thus secured are not restricted to any particular field, and your Companies will, therefore, enjoy wider scope for development under these patents than that possessed by any of your competitors. These De Forest patents, which have been held valid by the Court of Appeals for the District of Columbia and by the Federal District Court for the Eastern District of Pennsylvania, were again held valid by the Federal Court of Appeals for the 3rd Circuit in November last.

The value of the rights under these patents have been further increased by the fact that the Langmuir patent owned by competitors, generally referred to as the "high vacuum patent" and pertaining to construction of highly efficient thermionic tubes for use in connection with the circuits disclosed in these De Forest patents, were held invalid on Jan. 3, 1928, by Judge Morris of the Federal District Court of Delaware.

Now, with a working nucleus for operations and assurance of all necessary equipment, the Trustees purpose to begin expansion at once. Equipment of the latest type, including directive short wave transmission and reception apparatus, utilizing machine telegraphy and high-powered water-cooled tubes of greatly improved design over anything heretofore used, is now being manufactured for the installation of a chain of stations across the Pacific Ocean.

Control of the well known high power trans-oceanic radio station at Sayville, L. I. has just been acquired through the purchase of the entire capital stock of the Commercial Wireless, Inc., which holds a lease from the United States Navy Department on this property. It is the intention, as soon as the necessary arrangements can be made, to re-equip and modernize this station, and put it into immediate use for Atlantic ship-to-shore service.

The landline and cable companies during the past year have more than maintained their competitive positions, the combined gross receipts from these operations showing an increase. In the case of the cable company, however, each year finds it handling a substantially increasing volume of traffic, but without a commensurate return in net earnings, due to the rapidly increasing use by the public of deferred classes of service, the rates for which are unremunerative and below what is a fair charge for the service performed. Every possible improvement is being installed to increase the capacity of the cables so as to reduce the cost of handling these cheaper services.

Owing to the removal of the Postal Telegraph Company's Main Operating Office in New York from 253 Broadway to the Commercial Cable Building at 20 Broad Street, in the heart of the financial district, it became necessary to transfer the cable company's operating department from the third to the ninth floor of the building. The work was completed last summer. Opportunity was taken to regroup the circuits and introduce various improved methods for fast handling of a large volume of traffic, and the new arrangement has exceed expectations. The close proximity of the cable circuits to the main operating department of the landlines has greatly facilitated the exchange of cable business.

Regenerative relays have now been installed at all the cable repeater stations, with marked advantage in the improvement of signals and with further advantages in the flexibility of circuits which permits the effective linking up of sections in ways that were not formerly possible. The operation at repeater points is entirely automatic, and the working is direct between terminals. That is to say, New York is now in direct communication, on several circuits each, with London, Liverpool and Paris, while these European cities can be but into direct communication with any cities in America where the traffic load makes it economically desirable to do so. Further developments and extensions of "through" working are in contemplation.

The installation of superimposed, or "phantom" circuits on the Weston-Waterville cables, and the Newfoundland-Canso cables, has provided alternative-routes which can be used as links in the through working circuits during times of interruption of one or other of the physical cables between the same points, or as supplemental circuits under normal conditions, which is an important change.

The new joint operating building at Horta, Fayal, Azores Islands, has now been completed after much delay caused by the disastrous earthquake of August, 1926, and during the closing weeks of the year the Commercial Cable Company moved into its own portion of the new building. The most up-to-date apparatus and arrangements have been adopted, and it is confidently anticipated that the working in the new station will be of the most efficient kind.

With the approval of the Belgian Government, the Company has opened two offices in Belgium, one at Brussels and the other at Antwerp, where it will deal directly with the public and operate wires to London, where they will be in direct connection with the cable company's Atlantic cable system.

During the year there has been continued expansion by the landline company of the use of printer apparatus to replace the Morse operation. A large number of trunk line circuits have been equipped with what are known technically as "drop channel" sets, an improvement perfected by the engineers. By means of this arrangement it has been possible to provide many additional direct circuits for use between intermediate trunk line points and terminal offices without stringing additional wire, thus increasing the flexibility of handlng traffic and expediting its movement. Improvements which substantially reduce the maintenance cost of trunk line printers and improve and stabilize their preformance, have also been made by the engineers during the year and applied to all printer trunk line circuits. Many additional printers have been placed in branch offices to replace Morse circuits, thereby expediting the service and reducing the cost of operation. Tape printers for use in main and branch offices and for use at customers' offices where a large volume of business originates have been perfected and are now being generally applied.

Under the direction of the company's engineers, new thermionic tubes, which infringe no patents, have been devised. These tubes (which are now available for use in the various services) are equal in efficiency to any heretofore produced for use in telephony, cable, landline telegraphy and radio reception.

CAPITAL STOCK

Authorized, $50,000,000 Common and $50,000,000 4% cumulative Pfd.; outstanding, $41,380,400 Common and $50,000,000 Pfd.; par of both classes, $100.

Preferred Stock Provisions—Has priority as to assets in case of liquidation, and is subject to redemption at any time at 106 and accrued dividends.

Transfer Agents (Both Classes)—Guaranty Trust Co. of New York; American Trust Co., Boston; National Trust Co., Montreal and Toronto.

Registrars (Both Classes)—American Exchange Irving Trust Co., New York; First National Bank, Boston; Royal Trust Co., Montreal; Toronto General Trusts Corporation, Toronto.

Annual Meeting—February 15, or if that date is Sunday, following day.

Listed (Both Classes)—New York, Boston, London, Montreal and Toronto Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	74	73⅛	77¼	69	70½	70	62	64¼
Low	67	68	66	64⅛	64¼	57	55	56
Common—								
High	134	138	141	119	121	117	72	69¾
Low	105	122	114	107	103	72	59½	56

Dividends—Pfd. dividends have been regularly paid quarterly since April, 1904. On Com. 2% per annum was paid, semi-annually, from Jan., 1905, to Jan., 1906; 4% per annum July, 1906 to Oct., 1909; increased to 5% per annum (quarterly Jan.), beginning Jan., 1910, which rate was paid to Jan., 1917, incl.; April 1, 1917, rate was increased to 6% per annum and beginning with Jan. 2, 1923, rate was increased to 7% per annum, which rate has been paid to date. On Jan. 2, 1923, a special cash dividend of $10 per Common share was paid from accumulated reserves.

Dividends on both classes of stock are usually declared the third Tuesdays of F, M, A & N, and are paid A, J, O & J 1.

FUNDED DEBT

The Mackay Companies has no funded debt, but there is outstanding an issue of $20,000,000 First Mortgage bonds on the property of the Commercial Cable Co., fully described below.

$20,000,000 COMMERCIAL CABLE CO. FIRST MORTGAGE GOLD 4s; DUE JANUARY 1, 2397

Dated January 13, 1897.

Interest Payable J, A, J & O 1, on coupon bonds at office of Farmers' Loan & Trust Co., New York, and on registered bonds at Company's office, New York.

Denominations—Coupon bonds are $1,000, and may be exchanged for registered issues; registered bonds are in denominations of $100, $500 and $1,000, $5,000 and $10,000. The bonds are exchangeable into Sterling Debenture stock (transferable only at the office of the Co. in London, Eng.) at the rate of £206 for each $1,000 bond, but Debenture stock cannot be converted into bonds. Over half the bonds have been so exchanged.

Trustee—Farmers' Loan & Trust Co., New York.

Security—Secured by a first mortgage on all the property of company, on a substantial portion of the

property of the Postal Telegraph System throughout the United States, and by pledge of the entire stocks (with the exception of a few shares of one small company) of all the corporations constituting such system. These have no funded debt and their properties are not subject to any mortgage liens other than that of the First Mortgage of The Commercial Cable Co. None of the stocks pledged under the mortgage may be voted in favor of any mortgage or other lien ranking prior to or equally with the lien thereof.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York, Toronto, Montreal and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	82	83	77½	76¼	75½	78	64½	64½
Low	77	75	71½	70	69	72	64½	60

INCOME ACCOUNT, MACKAY COMPANIES, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	†1922
Income from investments	$4,910,835	$4,922,811	$4,801,207	$4,787,286	$4,898,565	*$8,623,181
Operating expenses	283,418	296,640	184,937	173,955	292,490	164,272
Balance	$4,627,417	$4,626,171	$4,616,270	$4,613,331	$4,606,075	$8,458,909
Dividends paid	4,611,989	4,611,111	4,605,701	4,601,561	4,596,502	*8,439,248
Surplus for year	$15,428	$15,060	$10,569	$11,770	$9,573	$19,661
Earnings Per Share—						
Preferred	‡$10.79	§$10.79	§$10.80	§$10.82	§$10.84	§$10.08
Common	7.03	7.03	7.02	7.03	7.02	6.29

*Includes 10% extra paid on Com. Jan. 2, 1923, from accumulated reserves of subsidiary Companies aggregating $4,138,040, which amount is included in "Income from Investments." †11 months to Dec. 31. §Based on average amount in hands of public during year. ‡Based on amount in hands of public Dec. 31, 1927.

NOTE—The policy of The Mackay Companies is to take only sufficient monies from the Commercial Cable-Postal Telegraph Companies, which added to the income and profits of The Mackay Companies from its other investments, will enable it to pay its dividends and expenses.

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Investments in other companies	$93,404,578	$92,883,716	$93,837,754	$93,219,804	$93,304,989	$93,304,842
Cash	256,651	824,085	456,796	295,368	198,412	188,987
Total	$93,661,229	$93,707,801	$94,294,550	$93,515,172	$93,503,401	$93,493,829
Liabilities—						
Preferred stock	$50,000,000	$50,000,000	$50,000,000	$50,000,000	$50,000,000	$50,000,000
Common stock	41,380,400	41,380,400	41,380,400	41,380,400	41,380,400	41,380,400
Sundry accounts payable	105,000	167,000	768,809	.....	.....	.....
Surplus	2,175,829	2,160,401	2,145,341	2,134,772	2,123,001	2,113,429
Total	$93,661,229	$93,707,801	$94,294,550	$93,515,172	$93,503,401	$93,493,829

Officers: Clarence H. Mackay, Pres.; William J. Deegan, V-P. & Sec.; Milton W. Blackmar, Treas., New York.

Trustees: Clarence H. Mackay, Charles H. Sabin, Lewis L. Clarke, Frank L. Polk, M. W. Blackmar, William J. Deegan, John Goldhammer, New York; F. G. Osler, Toronto, Ont.

New York Office, 253 Broadway. **Boston Office**, 100 State Street.

DAKOTA CENTRAL TELEPHONE COMPANY

History and Properties—Incorporated Aug. 30, 1904, in S. D. Consolidation of Central Dakota Telephone Lines, Southern Dakota Telephone Co., Southern Minnesota Telephone Co. and Western Dakota Telephone Co. Operates exchanges and toll lines in South Dakota and North Dakota. During 1926, Company purchased exchange properties at Wagner, Parkston, Tripp and Onida, S. D., and Lehr, N. D. During 1927, Company purchased exchange properties at Redfield, Cresbard and Veblen, S. D., and at Ledgerwood, N. D. Exchanges, 103. No. of Company stations, Dec. 31, 1927, 37,343. Prices, $1.50 to $4.25 per month. Miles of wire, 64,518. Miles of pole line, 10,871.

CAPITAL STOCK

Authorized, $3,000,000 Common and $2,000,000 6½% cumulative Pfd.; outstanding, Dec. 31, 1927, $1,867,191.67 Common and $390,750 Pfd.; par, $100. In addition to the Pfd. stock outstanding, $21,700 is held in treasury.

Change in Stock—On April 1, 1927, the outstanding 6% cumulative Pfd. stock was called in and exchanged for the present 6½% cumulative Pfd. stock.

Preferred Stock Provisions—Has preference for assets and dividends, and is redeemable at par upon 60 days' notice. Common stock has full voting power.

Transfer Agent—Stock transferred at Company's office, Aberdeen, S. D.

Annual Meeting—Fourth Thursday in December.

Dividends—Dividends on 6% Pfd. stock formerly outstanding were regularly paid to April 1, 1927. On present 6½% Pfd. stock, initial quarterly dividend of $1.62½ was paid July 1, 1927, which rate regularly paid since. On Common 6% paid from 1906 to 1920; 1921 to 1925, incl., 8% per annum; 1926, 8% regular and a special stock dividend of 10%; 1927, 8%; Jan. and April, 1928, 2% each; payments on both classes quarterly, J, A, J & O 1. Since incorporation to Jan. 1, 1928, company has paid cash dividends aggregating $2,946,222, including special stock dividend of $169,439.

FUNDED DEBT

$1,421,000 FIRST MORTGAGE GOLD 6s; DUE JUNE 1, 1935

Dated June 1, 1915.

Interest Payable June and December 1, at Boston Safe Deposit & Trust Co., Boston, Mass.

Denominations—$500 and $1,000; principal may be registered.

Trustee—Boston Safe Deposit & Trust Co., Boston, Mass.

Provisions of Issue—Authorized, $2,500,000; issued $1,650,000 of which $1,421,000 outstanding in hands of public, $229,000 in sinking fund. The remaining $850,000 unissued bonds can be certified and delivered to the extent of 100% of actual cost of extensions or additional property acquired. No additional bonds may be issued unless net earnings equal or exceed twice the interest charge on all bonds outstanding and proposed to be issued.

Callability—Subject to call on any interest date at 107½ and interest.

Sinking Fund—1% per annum of outstanding bonds to be used in purchasing bonds of this issue. The bonds purchased are to be kept alive and interest accumulations added to the sinking fund.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,000,000) in June, 1915, at par and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Exchange revenue	$829,075	$773,384	$719,807	$671,559	$654,484	$646,477
Toll revenue	571,862	539,374	517,067	463,064	499,368	472,706
Miscellaneous operating revenues	17,126	15,716	12,947	8,544	10,087	8,898
Total telephone revenue	$1,418,063	$1,328,474	$1,249,821	$1,143,167	$1,163,939	$1,128,081
Operation	$428,080	$399,055	$379,848	$370,585	$438,247	$422,295
Current maintenance	245,738	229,959	201,673	165,659	163,785	159,344
Depreciation	259,020	240,440	221,737	207,153	196,145	188,287
Taxes	126,602	124,303	111,249	104,512	101,274	87,669
Total telephone expenses	$1,059,440	$993,757	$914,507	$847,909	$899,451	$857,595
Net telephone earnings	358,623	334,717	335,314	295,258	264,488	270,486
Sundry net earnings	8,409	5,457	5,948	4,070	5,424	3,323
Total net earnings	$367,032	$340,174	$341,262	$299,328	$269,912	$273,809
Deduct interest	90,641	84,016	76,379	72,987	72,448	69,644
Balance net profits	$276,391	$256,158	$264,883	$226,341	$197,464	$204,165
Dividends, Preferred and Common	169,196	153,488	142,980	142,980	142,980	142,532
Balance for surplus	$107,195	$102,668	$121,903	$83,361	$54,484	$61,633
Times Interest Earned	4.05	4.05	4.47	4.10	3.73	3.93
Earnings Per Share—						
Preferred	$70.73	$233.61	$213.70	$182.60	$159.31	$164.72
Common	13.74	13.36	15.19	12.92	11.22	11.61

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$5,326,345	$5,029,512	$4,653,199	$4,303,585	$4,181,759	$3,946,503
Marketable securities and stock	110,147	101,880	9,500	20,936	11,500	12,000
Stock—Grant County Telephone Co	.....	.....	.....	.....	13,494	33,760
Sinking fund investments	.....	6,567	5,912	5,398	139,716	119,312
Cash	123,735	60,443	69,351	78,522	104,055	161,005
Accounts receivable	36,248	39,664	19,446	27,911	45,189	66,601
Notes receivable	2,691	2,912	3,429	5,449	8,395	14,650
Materials and supplies	161,414	159,578	148,653	211,179	127,402	94,607
Prepaid expenses	45,936	23,983	17,087	17,100	10,413	9,590
Unamortized bond discount and expense		19,666	34,656	39,606	35,535	38,647
Total	$5,806,516	$5,444,205	$4,961,233	$4,709,686	$4,677,458	$4,496,675
Liabilities—						
Preferred stock	$390,750	*$136,150	$123,950	$123,950	$123,950	$123,950
Common stock	1,867,192	1,867,191	1,694,292	1,694,292	1,694,292	1,694,292
Funded debt	1,421,000	1,448,500	1,211,500	1,174,500	1,297,200	1,265,000
Notes and accounts payable	88,927	179,350	89,609	108,908	87,341	94,665
Interest accrued	50,795	.....	.....	.....	.....	.....
Depreciation reserves	1,441,773	1,380,034	1,339,457	1,245,294	1,175,745	1,075,516
Employees benefit fund, etc.	62,170	55,000	25,000	.....	19,752	19,981
Surplus appropriated	245,389	201,980	178,032	201,844	139,462	103,959
Surplus unappropriated	238,520	176,000	299,393	160,898	139,716	119,312
Total	$5,806,516	$5,444,205	$4,961,233	$4,709,686	$4,677,458	$4,496,675

*Of which $26,500 is held in treasury.

Officers: W. G. Bickelhaupt, Pres.; C. N. Herreid, V-P.; B. C. Lamont, Sec.; J. A. Cathline, Asst. Sec.; E. E. Ingham, Treas.; G. A. Anderson, Aud.; W. J. Brazell, Gen. Mgr.; J. F. Zietlow, Supt. & Pur. Agt., Aberdeen, S. D.

Directors: C. N. Herreid, W. G. Bickelhaupt, B. C. Lamont, J. F. Zietlow, E. Hamilton, Aberdeen, S. D.

Office, Aberdeen, S. D.

JOHNSTOWN TELEPHONE COMPANY

History—Incorporated March 19, 1895, in Pa. Franchise perpetual, The Somerset Telephone Co. was merged with this Company in Jan., 1920. (see 1920 Public Utility Manual, page 1589.) On Oct. 1, 1927, the Pittsburg-Johnstown Long Distance Telephone Co. was merged with the Company. Exchanges 16. No. of telephones, Jan. 1, 1928, 14,928. Prices, $30 to $78. Miles of wire, 21,010. Population served, 175,000.

CAPITAL STOCK

Authorized, $2,000,000 (increased from $600,000 on June 6, 1911); outstanding, $1,805,500; par, $50. Annual meeting, last Tuesday in January. Regular dividends, 12% per annum; payments quarterly. In addition an extra dividend of 1% was paid in Dec., 1910; 4% on Dec. 22, 1914; 2% in Dec., 1915; 2% in Dec., 1916, and 1% in Dec., 1917. Transfer office, Johnstown, Pa.

FUNDED DEBT

$300,000 First Mortgage 5s; dated Aug. 1, 1922 due Aug. 1, 1942; int. Feb. and Aug. 1, at Company's office. Coupon, $100 and $500. Subject to call at par. E. D. Schade, Johnstown, Pa., Trustee. Authorized issue, $300,000. Secured on entire property. Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$630,095	$553,547	$537,825	$507,583	$489,529	$457,883
Operating expenses and taxes	401,589	344,626	322,816	303,919	297,650	275,901
Net earnings	$228,506	$208,921	$215,009	$203,664	$191,879	$181,982
Interest charges	13,875	13,574	12,963	12,970	15,012	14,950
Other charges	8,074	2,226	4,964	10,318	8,640	.....
Total charges	$21,949	$15,800	$17,927	$23,288	$23,652	$14,950
Balance for dividends	$206,557	$193,121	$197,082	$180,376	$168,227	$167,032
Dividends paid	205,582	192,900	183,720	179,535	166,980	166,980
Surplus for year	$975	$221	$13,362	$940	$1,247	$52
Times Interest Earned	$15.89	15.22	16.20	15.70	12.78	12.17
Earnings Per Share	*6.43	*$6.47	*$6.44	*$6.45	$6.36	$6.00

*Based on average amount of stock outstanding.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$2,326,901	$2,133,214	$2,025,524	$1,926,291	$1,806,535	$1,730,981
Other investments	700	1,000	1,000	7,107	6,607	6,107
Materials and supplies	18,675	2,591	2,143	2,228	2,074	2,014
Cash on hand	29,608	14,246	3,519	15,351	13,942	3,759
Current accounts	27,982	34,737	45,977	31,919	22,159	52,040
Prepayments	14,056	1,790	3,072	2,257	278	629
Total	$2,417,922	$2,187,578	$2,081,235	$1,985,153	$1,851,595	$1,795,530
Liabilities—						
Capital stock	$1,805,500	$1,684,000	$1,531,000	$1,531,000	$1,391,500	$1,391,500
Funded debt	300,000	255,000	255,000	255,000	255,000	255,000
Current liabilities	5,752	8,263	62,451	8,753	46,733	19,245
Interest accrued	5,812	5,313	5,313	5,312	5,313	4,167
Taxes accrued	48,009	45,322	40,229	35,313	37,455	39,525
Other liabilities	229,214	167,020	164,803	140,698	108,821	78,784
Profit and loss	23,635	22,660	22,439	9,077	6,773	7,309
Total	$2,417,922	$2,187,578	$2,081,235	$1,985,153	$1,851,595	$1,795,530

Officers: Chas. Griffith, Pres.; E. D. Schade, V-P., Sec. & Gen. Mgr.; P. F. McAneny, Treas.; J. T. Carliss, Supt., Johnstown, Pa.

Directors: Chas. Griffith, P. F. McAneny, Isaac Marx, Chas. V. Raab, G. W. Swank, P. S. Fisher, H. W. Scherer, J. P. Thomas, E. D. Schade, Johnstown, Pa.; F. W. Biesecker, Somerset, Pa.; C. A. Phillips, Myersdale, Pa.

Office, Johnstown, Pa.

NORTHERN OHIO TELEPHONE COMPANY

History and Property—Incorporated Nov. 11, 1926, with a nominal capitalization of $1,000 for the purpose of purchasing all of the property and assets of the following eight telephone companies: The Bellevue Home Telephone Company, The Crestline Local Telephone Company, The Galion Telephone Company, The Local Telephone Company, The Medina Telephone Company, The New Ottawa County Telephone Company, The Oberlin Telephone Company and The Wood County Telephone Company.

On Feb. 16, 1927, the capital stock of the Northern Ohio Telephone Company was increased to $4,000,000 in 20,000 shares of Common stock, par $100, and 20,000 shares Pfd. stock, par, $100.

Under date of February 16, 1927, The Public Utilities Commission of Ohio issued its order authorizing the Northern Ohio Telephone Company to purchase the total property and assets of the eight companies at the following prices:

The Bellevue Home Telephone Company	$251,700
The Crestline Local Telephone Company	116,200
The Galion Telephone Company	283,500
The Local Telephone Company	1,060,100
The Medina Telephone Company	265,100
The New Ottawa County Telephone Company	753,900
The Oberlin Telephone Company	206,600
The Wood County Telephone Company	269,000

a total property value of $3,206,100. Property was taken over as of April 1, 1927. During April 1928 The Citizens Telephone Co. of Delaware, Ohio, was acquired. Upon completion of the purchase, the acquired company was to be dissolved.

Company operates 24,000 telephone in fifteen counties of north central Ohio, with 700 miles of its own toll lines.

CAPITAL STOCK

Authorized, $2,000,000 Common and $2,000,000 7% cumulative Pfd.; outstanding Dec. 31, 1927, $1,344,800 Common and $815,800 Pfd.; par of both issues, $100. The Common stock is the only voting stock, unless there occurs a lapse of Pfd. dividends for a period of one year.

FUNDED DEBT

$1,170,000 FIRST MORTGAGE THIRTY-YEAR SINKING FUND 5½% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1957

Dated February 1, 1927.

Interest Payable February and August 1, at Guardian Trust Co., Cleveland, Ohio, or at Bankers Trust Co., New York.

Denominations—Coupon (interchangeable denominations), $500 and $1,000; principal may be registered.

Trustee—Guardian Trust Co., Cleveland, Ohio.

Provisions of Issue—Issued, $1,200,000 Series "A" 5½s, of which $30,000 redeemed to Dec. 31, 1927. Additional bonds may be issued for not more than 75% of the cost of permanent improvements, extensions, additions and/or acquisitions, provided that net earnings after depreciation for 12 consecutive months in the preceding 15 months shall be equal to at least twice the annual interest charges on all first mortgage bonds outstanding, including those presently to be issued.

Purpose of Issue—The proceeds of the $1,200,000 Series "A" 5½s provided the cash necessary to effect the consolidation and for additional working capital.

Callability—Subject to call as a whole or in part on any interest date on not less than 30 days' published notice, at 105 on or before Feb. 1, 1937, at 104 thereafter and on or before Feb. 1, 1942, at 103 thereafter and on or before Feb. 1, 1947, at 102 thereafter and on or before Feb. 1, 1952, and after Feb. 1, 1952, and prior to Feb. 1, 1957, at 101, plus accrued interest in each case.

Sinking Fund—While any Series "A" bonds are outstanding, the Company will pay to the trustee on or before the first day of February in each year from Feb. 1, 1928 to and including Feb. 1, 1942, an amount equal to 1% of the aggregate principal amount of Series "A" bonds theretofore issued and from Feb. 1, 1943 to and including Feb. 1, 1956, an amount equal to 2% of the aggregate principal amount of Series "A" bonds theretofore issued, to be applied to the purchase or call of bonds at not exceeding the then current redemption price and accrued interest.

Security—Secured by a direct first mortgage on all fixed property and franchises of the Company, including land, buildings, equipment and conduits, and by a direct lien on property hereafter acquired, subject to certain permitted existing liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of these bonds if requested within 60 days after payment for the following legally assessed personal property taxes: By Pennsylvania not exceeding 4 mills; by Connecticut, not exceeding 4 mills; by Maryland, not exceeding 4½ mills; by Michigan, not exceeding 5 mills; or for the Massachusetts income tax not exceeding 6% per annum on the interest received on such bonds.

Legal Opinion—Beekman, Bogue, Clark & Griscom, New York (for the Bankers); Hon. Allan Aigler, Bellevue, Ohio (for the Company).

Original Offering—First publicly offered ($1,200,000 Series "A" 5½s) in Feb., 1927, at 100 and interest, to yield 5½%, by R. F. De Voe & Co., Inc., New York, and Chicago Trust Co., Chicago.

INCOME ACCOUNT, NINE MONTHS FROM APRIL 1 TO DECEMBER 31, 1927

Operating revenue	$544,829
Operating expense	255,961
Taxes	51,195
Depreciation	113,691
Net earnings	$123,982
Other income	11,321
Total income	$135,303
Deduct:	
Bond interest	$49,271
Other charges	8,785
Total charges	$58,056
Surplus after charges	77,247
Preferred dividend accrued	14,276
Common dividend accrued	13,448
Dividends paid	42,001
Surplus for year	$7,522

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Mar. 31, 1927
Fixed capital installed	$3,160,756	$3,161,896
Investment securities	18,170	1,000
Cash and deposits	14,835	167,587
Accounts receivable	36,618	20,115
Materials and supplies	51,666	41,225
Bills receivable	165,750	.....
Other current assets	3,026	.....
Sinking fund assets	12,786	.....
Prepayments	2,971	2,257
Unamortized bond discount	93,067	96,000
Total	$3,559,645	$3,490,079
Liabilities—		
Common stock	$1,344,800	$1,344,800
Preferred stock	815,800	815,800
Funded debt	1,170,000	1,200,000
Bills payable	.....	20,500
Audited vouchers unpaid	32,136	52,515
Matured interest unpaid	27,271	9,167
Other current liabilities	12,276	165
Accrued taxes	59,312	46,940
Other accrued liabilities	29,479	.....
Reserve for depreciation	60,229	.....
Corporate surplus unappropriated	8,342	192
Total	$3,559,645	$3,490,079

Officers: Frank A. Knapp, Pres. & Gen. Mgr.; John P. Ruffing, V-P.; Allan G. Aigler, V-P. & Gen. Counsel; Wm. C. Henry, Sec.-Treas., Bellevue, Ohio.

Directors: J. O. Campbell, Ed. L. Young, Norwalk, Ohio; A. W. Surrell, Cleveland, Ohio; Frank L. McKinney, Gustav Hirsch, Columbus, Ohio; R. F. DeVoe, New York City; John E. Wise, H. C. Stahl, J. A. Wright, Bellevue, Ohio; F. W. Uhlman, Bowling Green, Ohio; H. H. Thornton, Oberlin, Ohio.

General Office, Bellevue, Ohio.

NAHANT & LYNN STREET RAILWAY COMPANY

History—Incorporated Feb. 15, 1905, in Mass.; road opened July 20, 1905. Line of road connects Nahant with Lynn, Mass., 3.66 miles; total track, 6.79 miles. Gauge, standard. Open cars, 12; closed cars, 5; service cars, 2; snow plows, 2; electric motors, 35.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, in March.

Dividends—Dividends have been paid as follows: 1908, 5%; 1909, 6%; 1910, 6%; 1911, 7%; 1912, 8%; 1913, 8%; 1914, 8%; 1915, 8%; 1916, 5%; 1917, 4%; none since.

FUNDED DEBT

$100,000 (entire issue) First Gold 5s, of which $75,000 are dated July 1, 1905; due July 1, 1925, and $25,000 are dated Jan. 1, 1909; due Jan. 1, 1925. Both maturities have been extended with no date given as to length of extension. Of these bonds $75,000 are held by the Maine Savings Bank, Portland, Me., and $25,000 by the Portland Savings Bank, Portland, Me. Interest June and Dec. 15, at Beacon Trust Co., Boston, Trustee. Coupon, $1,000. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$41,912	$51,512	$60,473
Ope. exp. & taxes	36,907	51,644	49,575
Depreciation	11,059	11,059	11,059
Loss from operation	$6,054	$11,191	$161
Interest charges	5,560	6,072	6,929
Deficit for year	$11,614	$17,263	$7,090

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$309,658	$309,658	$309,658
Cash	2,983	3,185	3,809
Accounts receivable	576	705	490
Other current assets	.....	.....	1,725
Profit and loss deficit	35,393	47,783	30,416
Total	$348,610	$361,331	$346,098
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	100,000	100,000	100,000
Notes payable	28,867	31,167	31,667
Accounts payable	3,597	25,077	20,403
Other current liabilities	5,500	5,500	5,500
Depreciation reserve	110,646	99,587	88,528
Total	$348,610	$361,331	$346,098

Officers: T. A. Kelley, Pres., Lynn, Mass.; Walter H. Southwick, Sec.; Wallace Shaw, Gen. Mgr. & Pur. Agt., Nahant, Mass.

Directors: T. A. Kelley, Geo. H. Plummer, Lynn, Mass.; W. H. Southwick, Nahant, Mass.; A. G. Walton, Wakefield, Mass.

Office, Nahant, Mass.

THE SOUTH MANCHESTER WATER COMPANY

(Controlled by Cheney Brothers)

History and Property—Incorporated May 23, 1889, in Conn. Franchise, perpetual. Supplies village of South Manchester and Manchester Green, Conn., serving population of about 14,000. No. of water meters, 2,603. Prices 25 cts., 17½ cts. and 10 cts. per 100 cu. ft., according to quantity used. Total consumption in 1927, 257,500,000 gals., compared with 243,836,548 gals. in 1926 and 241,301,808 gals. in 1925. Property includes three reservoirs with storage capacity of about 260,000,000 gals, filtration plant, about 1,939 acres of land, water rights, and about 49 miles of mains.

CAPITAL STOCK

Authorized, $750,000; issued, $500,000; par, $100. All owned by Cheney Brothers. Annual meeting, third Monday in March.

Dividends—5% per annum paid in 1918, 1919 and 1920; none since. In 1927, a stock dividend of 1/9 share for each share outstanding, was paid.

FUNDED DEBT

$500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1954

Dated December 1, 1924.

Interest Payable June and Dec. 1, at The Manchester Trust Co., So. Manchester, Conn., or in New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Manchester Trust Co., So. Manchester, Conn.

Provision of Issue—Authorized amount of Series "A" bonds is $500,000. Additional bonds may be issued under this mortgage when the aggregate amount of the par value of the bonds outstanding, including the bonds to be issued, does not exceed the amount of paid-in capital stock, and when the aggregate amount of the par value of the bonds outstanding, or to be issued, does not exceed 50% of the cost or fair value, (whichever is less), and provided the company has a legal right to issue such additional bonds under its charter.

Callability—Not subject to call.

Security—Secured by a first mortgage on the land, flowage rights, reservoirs, buildings, underground pipes and machinery of the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Connecticut State Tax.

Legal Opinion—Day, Berry & Reynolds.

Original Offering—First publicly offered ($450,000), in Oct., 1924 at 100 and accrued interest to yield 5%, by Putnam & Co., Hartford, Conn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$105,973	$108,229	$98.845
Oper. exp., deprec. & taxes	55,401	65,871	56,859
Net earnings	$50,572	$42,358	$41,986
Other income	47	72	.....
Total income	$50,619	$42,430	$41,986
Sundry charges	25,532	25,092	24,426
Surplus for year	$25,087	$17,338	$17,560
Surplus forward	151,546	134,208	116,648
Total surplus & reserves.	$176,633	$151,546	$134,208
Stock dividend	50,000	.....	.....
Surplus and reserves	$126,633	$151,546	$134,208

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,261,274	$1,220,824	$1,184,298
Materials and supplies	3,946	7,825	2,959
Cash	19,202	15,729	4,585
Current accounts	29,801	28,163	23,075
Deferred debit items	19,404	20,152	20,793
Total	$1,333,627	$1,292,693	$1,235,710
Liabilities—			
Capital stock	$500,000	$450,000	$450,000
Funded debt	500,000	450,000	450,000
Notes payable	.....	50,000	30,000
Accounts payable	.....	9,584	8,431
Interest accrued	13,392	7,496	5,225
Unadjusted credits	26	25	32
Reserve for depreciation	193,575	174,042	157,814
Reserve for taxes	7,450	4,468	4,700
Profit and loss	119,184	147,078	129,508
Total	$1,333,627	$1,292,693	$1,235,710

Officers: Frank Cheney, Jr., Pres. & Gen. Mgr.; Chas. H. Cheney, Sec.; Chas. Cheney, Treas., South Manchester, Conn.

Directors: Frank Cheney, Jr., Robert Cheney, Chas. Cheney, W. C. Cheney, C. H. Cheney, South Manchester, Conn.

General Office, South Manchester, Conn.

PORTO RICO GAS AND COKE COMPANY

History—Inc. June 21, 1922, in Del., as successor in reorganization to the Porto Rico Gas Co., whose properties were sold under foreclosure sale in July, 1922 (see 1923 Public Utility Manual, page 2555). Company serves a population of 85,000, and operates in San Juan, Porto Rico.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Gas sales (cu. ft.)	101,324,300	94,371,400	93,860,200
Number of meters	4,021	3,792	3,722

CAPITAL STOCK

Authorized and issued, $250,000 Common, par, $25 and $500,000 6% non-voting cumulative Pfd. par, $100, of which $5,500 Pfd. stock was held in treasury Dec. 31, 1927. The Pfd. stock has been cumulative since July 1, 1927, and has been redeemable since July 1, 1927, on 60 days' notice, at 105 and dividends. The Common stock is deposited under a Voting Trust for a period of five years.

Transfer Agent for Stock and Voting Trust Certificates—Provident Trust Co., Philadelphia.

Annual Meeting—Second Thursday in February.

Dividends—No dividends paid on either class of stock.

FUNDED DEBT

$494,500 First Mtge. 6% bonds; dated July 1, 1922; due July 1, 1952; interest Jan. & July 1. Coupon, $100, $500 and $1,000; principal may be registered. The Provident Trust Co., Philadelphia, Pa., Trustee. Authorized, $3,000,000; issued, $750,000, of which $51,500 held in treasury Dec. 31, 1927, and $204,000 deposited as security for demand loans. Additional bonds may be issued in series when and at such rates of interest as may be determined. A first lien on entire property of the Company.

NOTE REDEMPTIONS

The remaining $107,500 10-year 8% Collateral Trust notes, due July 1, 1932, were called for payment on Jan. 1, 1928 at par and interest. In Place of these notes, Company had outstanding as of Jan. 1, 1928 $102,000 of bank loans.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$250,400	$233,005	$231,381
Operating expenses & taxes	144,191	145,660	141,985
Income from operations.	$106,209	$87,345	$89,396
Non-operating income	6,392	2,936	1,265
Total income	$112,601	$90,281	$90,661
Interest charges	45,127	45,148	45,939
Net income	$67,474	$45,133	$44,722
Transferred to depreciation reserves, etc.	63,138	39,482	40,559
Net surplus	$4,336	$5,651	$4,163
Times Interest Earned	2.49	2.00	1.97

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$1,549,329	$1,545,224	$1,532,224
Materials and supplies	42,948	34,300	45,222
Cash	4,274	14,753	9,329
Accounts receivable	32,816	30,812	23,938
6% bonds in treasury	51,500	69,500	25,500
Prepaid accounts	1,262	1,866	5,767
First Mtge. bonds deposited as security	204,000	186,000	230,000
Treasury Pfd. stock	5,500	5,500	5,500
Total	$1,891,629	$1,887,955	$1,877,480
Liabilities—			
Common stock	$250,000	$250,000	$250,000
Preferred stock	500,000	500,000	500,000
First Mtge. bonds	750,000	750,000	750,000
Collateral 8% bonds	.....	148,500	184,000
Demand loans	102,000	.....	.....
Accounts payable	18,277	16,797	13,148
Accrued liabilities	876	807	595
Deferred credit items	835	847	741
Res. for depreciation, etc.	143,411	99,110	62,754
Surplus	126,230	121,894	116,243
Total	$1,891,629	$1,887,955	$1,877,480

Officers: Rufus Waples, Pres.; John W. Sparks, V-P.; Wm. F. Bitler, Sec. & Treas., Philadelphia, Pa.; Geo. H. Joy, Gen. Mgr., San Juan, Porto Rico.

Directors: Rufus Waples, John W. Sparks, F. P. Ristine, C. W. Fenninger, J. Maurice Wynn, Philadelphia, Pa.; Chas. E. Dunlap, New York; Henry A. Bishop, Bridgeport, Conn.

General Office, 322 Chestnut St., Philadelphia, Pa. **Operating Office,** San Juan, Porto Rico.

THE NIAGARA, ST. CATHARINES AND TORONTO RAILWAY COMPANY

History and Property—Incorporated in 1899, in Canada; consolidation of Niagara Central Ry., Niagara Falls, Wesley Park & Clifton Tramway Co. and Pt. Dalhousie, St. Catharines & Thorold Electric Street Ry. Owns the entire $100,000 stock of Niagara, St. Catharines & Toronto Navigation Co., and guarantees the bonds, principal and interest. Franchise perpetual. Line extends from Port Dalhousie, on Lake Ontario, passing through St. Catharines, Merritton, Thorold and Niagara Falls, on to Falls View. Has an extension of 18.76 miles from Thorold through Fonthill and Welland to Port Colborne. Also an extension of 12.16 miles from St. Catharines to Niagara-on-the-Lake. Main track operated, 69.373 miles. Industrial sidings, etc., 32.82 miles. Gauge, standard. Rail, 80 lb. Power purchased from Canadian Niagara Power Co., Ltd. Passenger cars, 59; combination repair cars

and plow, 2; electric locomotives, 10; snow plow, 3; snow sweepers, 3. Also operates two steamers between Toronto and Port Dalhousie.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $925,000, of which $924,900 is owned by the Canadian National Railways.

FUNDED DEBT

$1,098,000 First Mortgage Gold 5s; dated November 1, 1899; due November 1, 1929; interest May and November 1, at Canadian Bank of Commerce, Toronto, Can., and New York, and Bank of Scotland, London, Eng. Coupon, $1,000, or £205 9s 8d.; principal may be registered. National Trust Co., Ltd., Toronto, Trustee. Amount authorized, $20,000 per mile. A first lien on railroad property.

Officers: Sir Henry Thornton, Pres.; D. E. Galloway, V-P.; R. P. Ormsby, Sec.; J. A. Yates, Treas., Montreal, Que.; E. W. Oliver, Mgr.; J. R. Empringham, Supt. Park and Marine Service, Toronto, Ont.; J. C. Haight, Supt.; H. D. MacLachlan, Storekeeper; R. L. Harrison, Engr., St. Catharines, Ont.

Directors: Sir Henry Thornton, Major G. A. Bell, Gerard Ruel, E. R. Decary, D. J. McDougald, J. G. Gardner, J. Stuart Rayside.

Office, Montreal, Que.

EASTERN MASSACHUSETTS STREET RAILWAY COMPANY

History—Incorporated Jan. 15, 1919, in Massachusetts, pursuant to the terms of a special Act of the Legislature (Chapter 188, Special Acts of 1918), to acquire substantially all the assets of the Bay State Street Ry. Co. (see 1918 Public Utility Manual, or apply to our Information Department), the property of which company was bid in at judicial sale on April 21, 1919, for $3,600,000 by Arthur I. Glidden, in behalf of Lee, Higginson & Co., Boston, the Reorganization Managers, subject to the taking over of various obligations including those of the Bay State Street Ry. receivership and mortgages of the Boston & Northern Street Ry. and the Old Colony Street Ry. The sale was confirmed on April 26, 1919, by Federal Judge James M. Morton, Jr., in the U. S. District Court at Boston, Mass.

The Special Act pledges the credit of the State of Massachusetts for the payment of principal of not exceeding $4,000,000 of the Serial Bonds dated Jan. 1, 1919, of which $2,500,000 were specifically required to be sold under the terms of the Act so as to produce $2,500,000 cash, of which $2,000,000 must be used for future additions and improvements and $500,000 set aside as a reserve fund. Under the Special Act, $1,000,000 cash additional must be realized from sale of other securities of the new company and applied to the rehabilitation of the properties or other corporate purposes, making a total of $3,500,000 new cash to be obtained as a prerequisite to the acquisition of the property by the New Company under the Act.

The Special Act, among other things, further provides:

(1) That the new Company shall be managed for ten years by five Trustees to be appointed by the Governor of Massachusetts. The Governor has appointed as such trustees for the second five years: Geo. P. Bullard, Chairman, Arthur G. Wadleigh, Fred J. Crowley, Earl P. Charlton and George M. Bryne. The Trustees assumed control of the properties on June 1, 1919.

(2) That the Trustees shall have absolute power to fix rates and fares (free from the jurisdiction of the Public Service Commission or any other authority), so as to produce income sufficient to pay all costs of operation (including taxes, maintenance and depreciation) and a return on the investment sufficient to cover all interest requirements, the stated dividends on the Preferred stocks and 6% per annum on the Common stock of the new Company.

The limitation on the total of this amount appears in Section 4 of the Act, as follows: "The entire capitalization of the new company shall not represent a capital bearing an annual interest and dividend charge (common dividends being computed at the rate of 6% per annum) which will exceed 6% upon the sum of $40,282,340, plus such sums as may determined by the Public Service Commission to have been additions or improvements of the property of the company since the date as of which such computation was made."

Under date of Dec. 31, 1919, the Public Service Commission determined that such value of the property was $41,401,825.72.

Bill Extending Public Control Voted—The Massachusetts Legislative Committee on Street Railways, by a vote of 7 to 6, voted on March 28, 1928 to report bill extending public control of this Company for five years. Bill also provides for board of three public trustees instead of five as at present. The Massachusetts House on April 3, 1928, by a vote of 113 to 82, voted to pass to engrossment the bill.

Mileage and Equipment—Miles of track (owned and operated), about 656 miles. Gauge, 4 ft. 8½ in. Cars: Motor, 798; service, 43; electric plows, 71; snow sweepers, 39. The Company has purchased 325 one-man cars and about 434 old cars have been adapted to one-man operation. 50 double truck light weight cars are being equipped with air cushioned genuine leather seats and battleship linoleum floor covering and 50 additional cars so equipped have been purchased for delivery in 1927, all for operation on interurban lines. In 1926, 96% of all mileage was by one-man cars. Since the trustees assumed control of the property about 180 miles of non-paying lines have been discontinued. Freight business was discontinued in June, 1920.

The Eastern Massachusetts Street Ry. Co. assumed the leases of the Boston & Chelsea R. R., Boston & Revere Electric St. Ry., East Middlesex St. Ry. and the Winnisimmet R. R. The Reorganization Managers did not assume the lease of the Newport & Fall River St. Ry. (including the properties of the Newport Illuminating Co.), made to Old Colony St. Ry. Co., under date of July 1, 1901. Receiver Donham, of the former Bay State Street Ry. Co., on March 1, 1918, turned over the property of the Nashua Street Ry. to its stockholders, thereby annulling the 99-year lease which then had 82 years to run.

Operates in the following cities and towns in Massachusetts: Abington, Andover, Arlington, Avon, Beverly, Billerica, Boston, Braintree, Bridgewater, Brockton, Burlington, Chelmsford, Chelsea, Danvers, Dedham, Dighton, Dracut, East Bridgewater, Easton, Everett, Fall River, Georgetown, Groveland, Hamilton, Haverhill, Hingham, Holbrook, Lawrence, Lowell, Lynn, Malden, Marblehead, Medford, Melrose, Methuen, Middleton, Milton, Newburyport, North Andover, North Reading, Norwood, Peabody, Quincy, Randolph, Raynham, Reading, Rehobeth, Revere, Rockland, Salem, Saugus, Seekonk, Somerset, Stoneham, Stoughton, Swampscott, Swansea, Taunton, Tewksbury, Tyngsboro, Wakefield, Walpole, Wenham, West Bridgewater, West Newbury, Westwood, Weymouth, Whitman, Wilmington, Winchester and Woburn. Total population served over 1,250,000.

On April 29, 1903, the Boston Elevated Ry. Co. leased for 99 years all the tracks of the former Old Colony St. Ry., located in the city of Boston, in all 25.87 miles of main track. Rental, under the lease, is payment of taxes and 4% on the cost of all additions and betterments, together with 6⅛% of the replacement value of the leased property as of Feb. 16, 1903.

Interest Deferred—The coupons due March 15 and Sept. 15, 1920, and March 15, 1921, on the $972,000

Refunding Mortgage 6s, Series "C," and April 1 and Oct. 1, 1920, and April 1, 1921 on the $806,000 Refunding Mortgage 6s, Series "D," as well as those due July 1, 1920 and Jan. 1, 1921, on the Refunding Mortgage Series "A" 4½% and "B" 5% bonds of 1919 were not paid when due. The failure to pay the interest on these bonds, which fell due prior to June 30, 1921, does not amount to a legal default. Subsequent to June 30, 1921, interest on the foregoing issues has been paid regularly when due.

READJUSTMENT PLAN

Under date of Nov. 3, 1921, the Public Trustees presented a plan which they had formulated, by which it was hoped that the defects in the original organization might be corrected. The plan as presented to the security holders on Nov. 3, 1921, was declared effective as of Jan 4, 1922, except that it was slightly modified by making the Adjustment stock non-cumulative until Feb. 1, 1924, and it was found unnecessary to ask the Common stockholders to provide any Common stock. All of the Sinking Fund, First Pfd., Preferred "B" and Adjustment Stocks and $5,785,582.39 of the Common stock were issued in payment for the property, and $2,302,431.59 of the Common stock was issued for cash at par, the proceeds of the sale being for the purpose of establishing the Rehabilitation Fund of $1,000,000 as provided in the Special Act of 1918, and to provide $1,302,431.59 for further improvements of property and other corporate purposes.

CAPITAL STOCK

Originally issued: $3,182,800 6% cumulative Sinking Fund stock, $978,800 6% cumulative First Pfd., $2,997,800 6% cumulative Pfd. "B" stock, $8,711,200 5% cumulative Adjustment stock and $6,785,600 Common stock—total $22,656,200. Issued at Dec. 31, 1927, $24,200 Sinking Fund stock, $4,134,900 First Pfd., $2,997,800 Pfd. "B," $8,711,200 Adjustment stock and $8,488,014 Common—total, $24,356,114. Par value of all issues, $100.

All but $24,200 par of Sinking Fund stock originally issued has been exchanged for First Preferred in accordance with the Readjustment Plan of 1922.

Sinking Fund Stock Provisions—Entitled to cumulative dividends at the rate of 6% per year, and no more, ranking equally and pro rata with First Pfd. shares, with respect to such dividends which are payable before any cash dividends are paid on Preferred "B" or Adjustment shares. These shares are issued in twenty-one series which are to be redeemed by a sinking fund to which the Company shall make payments before paying or declaring any dividends or making any purchase of any Preferred "B," Adjustment or Common shares. In case of liquidation or dissolution, Sinking Fund and First Pfd. shares rank equally, and shall be paid in full at $100 per share and accrued dividends before any payment is made upon other shares. Under a Readjustment Plan dated Nov. 3, 1921, as amended under date of Jan. 4, 1922, provision was made for the exchange of these shares into First Pfd. shares.

First Preferred Stock Provisions—Entitled to cumulative dividends at the rate of 6% per year, and no more, ranking equally and pro rata with Sinking Fund shares with respect to such dividends. In case of liquidation or dissolution they rank equally with Sinking Fund shares and must be paid in full at $100 per share and accrued dividends before any payment is made upon any other shares.

Preferred "B" Stock Provisions—Entitled to cumulative dividends at the rate of 6% per year, and no more, payable in cash or Common stock, provided however, that the rate of dividends on Preferred "B" shares which in any year are paid in Common stock instead of cash (1) shall not exceed the rate of dividends on the Adjustment shares which in such year are paid in Common stock, unless all the dividends on the Adjustment shares, in such year, if any, are paid in Common stock; (2) shall be less by at least 2% than the rate of the dividends on the Common shares which in such year are paid in Common stock unless all the dividends on the Common shares in such year, if any, are paid in Common stock. In liquidation or dissolution Preferred "B" shares shall be paid in full at $100 per share and accrued dividends before any payment is made upon Adjustment or Common shares.

Adjustment Stock Provisions—Entitled Adjustment shares are entitled, subject to prior payment of all dividends upon First Pfd., Sinking Fund and Preferred "B" shares and to making all prior Sinking Fund payments in respect to Sinking Fund shares, to preferential dividends at the rate of 5% per year, and no more. Such dividends may be paid in cash or Common stock, provided, however, that the rate of the dividends on the Adjustment shares which in any year are paid in Common stock instead of cash shall be less by at least 2% than the rate of the dividends on Common shares which in such year are paid in Common stock unless all dividends on the Common shares in such year, if any, are paid in Common stock. In case of liquidation or dissolution the Adjustment shares shall be paid in full at $100 per share and accrued dividends, before any payment is made upon the Common shares.

In case of liquidation or dissolution the remaining proceeds of liquidation after payment in full of Sinking Fund, First Pfd., Preferred "B" and Adjustment shares, and accumulated dividends thereon, shall be distributed among the holders of Common shares alone.

Transfer Agents—First Pfd. and Common: Old Colony Trust Co., Boston. Pfd. "B" stock: Boston Safe Deposit & Trust Co., Boston. Adjustment stock: National Shawmut Bank, Boston.

Registrars—First Pfd., Pfd. "B" and Common: First National Bank, Boston. Adjustment stock: American Trust Co., Boston.

Annual Meeting—First Monday in March.

Listed (All classes, except Sinking Fund stock)—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
First Pfd.—						
High	81	71	73	71	72	77
Low	64	59½	58	58½	58	66
Pfd. B—						
High	78	69	70	61½	65	60
Low	60	56	51	48	50¾	51
Adjustment—						
High	59½	49¼	50	46¼	46	47
Low	42	40	35	28	31	28
Common—						
High	43½	61	62½	38½	35	26⅝
Low	25	28	26	18	18	18

Dividends—In 1922 accumulated dividends on Pfd. "A" and Sinking Fund stocks were liquidated to Feb. 1, 1922, under the Readjustment Plan. In addition, dividends were declared during 1922 by the payment of 3% on the First Pfd. and Sinking Fund stocks on Aug. 1, and by the appropriation of surplus accumulated to Dec. 31, 1922, to pay 3% on these stocks on Feb. 1, 1923; Aug 1, 1923 to Feb. 15, 1928, 6% per annum on both classes; payments Feb. and Aug. 15.

On Pfd. "B" stock, dividends accumulated to Feb. 1, 1922 were waived; on Feb. 1, 1923, 6% was paid from surplus accumulated to Dec. 31, 1922; Aug. 1, 1923 to Feb. 1, 1928, 6% per annum; payments Feb. and Aug. 1.

On Adjustment stock, initial dividend of 2½% was paid May 15, 1923; Dec. 15, 1923, 2½%; May 15, 1924, 5/6ths of 1%, covering period from Feb. 1, to April 1, 1924; Oct. 1, 1924 to Apr. 2, 1928, incl., 5% per annum, payments, April and Oct. 1.

In July, 1923, L. Sherman Adams, a stockholder, brought a bill in equity in the Supreme Judicial Court of Suffolk County seeking to compel the Public Trustees to pay dividends claimed to have accrued on the Common and Adjustment shares of the company to Feb. 1, 1923. In July, 1924, he filed a supplemental bill seeking also to compel payment of dividends on the Common shares claimed to have accrued between the filing of the original bill and Feb. 1, 1924. The

Public Trustees filed answers setting forth in substance that such dividends had not been earned and therefore were not declared.

The case was referred by a justice of the Supreme Court to Frederic H. Chase, of Boston as Master, "to hear the evidence and to find the facts and report the same to the court," and this order was subsequently exended to cover the supplemental bill.

Hearings were held before the Master beginning Sept. 29, 1924, and concluding on June 2, 1925. The Master therefore considered all the evidence, and in Nov., 1925, presented to counsel, in accordance with practice, a draft report, which was not a public document and was not filed in Court. The Master held numerous hearings before counsel on the draft report in which he made some modifications at the request of one party or the other. On Jan. 29, 1926, the Master filed his formal report in the Supreme Court of Massachusetts. Both parties filed various objections to the Master's report and thereafter Judge Crosby of the Supreme Court made an order that the case was "reserved upon the pleadings, the Master's report and the exceptions of the parties thereto for the consideration and determination of the full Court." The case was argued March 18, 1926 and the opinion of the full bench of the Supreme Court was rendered Oct. 2, 1926. In their opinion the Supreme Court overruled the exceptions of the plaintiff and sustained thirteen out of fourteen exceptions of the defendants and ordered a final decree to be entered dismissing the plaintiff's bill with costs.

FUNDED DEBT

(1)

$93,000 BOSTON, MILTON & BROCKTON STREET RY. FIRST MORTGAGE 5s; DUE JULY 1, 1919; EXTENDED TO JANUARY 1, 1929

Dated 1899.

Interest Payable Jan. and July 1, at International Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Company does not pay Normal Federal Income Tax.

(2)

$35,000 HAVERHILL, GEORGETOWN & DANVERS STREET RY. FIRST MORTGAGE GOLD 6s; DUE MARCH 1, 1919; EXTENDED TO SEPT. 1, 1928 INTEREST BEING INCREASED FROM 5%

Dated 1899.

Interest Payable March and Sept. 1, at American Trust Co., Boston, Trustee. Coupon, $500. Company does not pay Normal Federal Income Tax.

(3)

$3,352,000 LYNN & BOSTON R. R. FIRST MORTGAGE 6s; DUE DEC. 1, 1924; EXTENDED TO DEC. 1, 1929, INTEREST BEING INCREASED FROM 5%

Dated December 1, 1894.

Interest Payable June and Dec. 1, at office of Eastern Massachusetts Street Railway Co., 38 Chauncy St., Boston, Mass. Coupon, $1,000; principal may be registered. Authorized, $5,379,000, of which $2,027,000 have been cancelled. Company does not pay Normal Federal Income Tax.

(4)

$60,000 MYSTIC VALLEY STREET RY. FIRST MORTGAGE GOLD 6s; DUE JAN. 1, 1919; EXTENDED TO JAN. 1, 1929, INTEREST BEING INCREASED FROM 5%

Dated January 1, 1899.

Interest Payable Jan. and July 1, at American Trust Co., Boston, Trustee. Coupon, $500 and $1,000. Company does not pay Normal Federal Income Tax.

(5)

$324,000 NEW BEDFORD, MIDDLEBORO & BROCKTON STREET RY. FIRST MORTGAGE GOLD 5s; DUE JAN. 1, 1920; EXTENDED TO JAN. 1, 1929, AT SAME RATE OF INTEREST

Dated January 1, 1900.

Interest Payable Jan. and July 1, at American Trust Co., Boston, Trustee. Coupon, $1,000. Company does not pay Normal Federal Income Tax.

(6)

$64,000 PEOPLE'S STREET RY. FIRST MORTGAGE GOLD 5s; MATURED AND PAID OFF JANUARY 1, 1928

(7)

$150,000 PROVIDENCE & TAUNTON STREET RY. FIRST MORTGAGE GOLD 6s; DUE SEPT. 1, 1918; EXTENDED TO SEPT. 1, 1928, INTEREST BEING INCREASED FROM 5%

Dated 1888.

Interest Payable March and Sept. 1, at American Trust Co., Boston, Trustee. Coupon, $1,000. Authorized, $200,000. Company does not pay Normal Federal Income Tax.

(8)

$331,000 SOUTH SHORE & BOSTON STREET RY. FIRST MORTGAGE GOLD 5s; DUE AUG. 1, 1919; EXTENDED TO FEB. 1, 1929

Dated 1899.

Interest Payable Feb. and Aug. 1, at American Trust Co., Boston, Trustee. Coupon, $1,000. Authorized, $1,000,000. Company does not pay Normal Federal Income Tax.

(9)

$300,000 EASTERN MASSACHUSETTS STREET RY. REFUNDING MORTGAGE ONE-TEN YEAR SERIAL GOLD 6s, SERIES "SA"; DUE JAN. 1, 1929

Dated January 1, 1919.

Interest Payable January and July 1 at office or agency of company in Boston or New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston, Mass.

Provisions of Issue—The Special Act pledges the credit of the State for the payment of principal of not exceeding $4,000,000 of these Serial bonds, of which $2,500,000 were specifically required to be sold under the terms of the Act so as to produce $2,500,000 cash, of which $2,000,000 must be used for future additions and improvements and $500,000 set aside as a reserve fund. Issued, $2,500,000 of which $2,200,000 paid off to Jan. 1, 1928.

Callability—Subject to call on any interest date on 60 days' notice at 105 and interest.

Security—The mortgage covers substantially all the properties of the Company, subject only to less than $4,345,000 underlying bonds and undisturbed securities. The interest on the Serial Bonds is a charge ahead of $20,153,947 of Refunding Mortgage bonds issued under the same mortgage.

Guaranty—The principal of these bonds is guaranteed, in effect, by the Commonwealth of Massachusetts.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($2,500,000) in March, 1919, at par, by Lee, Higginson & Co., New York, etc.

Listed—Boston Stock Exchange.

(10)

$217,500 EASTERN MASSACHUSETTS STREET RY. REFUNDING MORTGAGE 6% SERIAL BONDS, SERIES "SC"; DUE $110,000 ON FEB. 1, 1928 AND $107,500 ON JAN. 1, 1929

Interest Payable Feb. and Aug. 1, at company's office, Boston. These bonds have the same security and guarantees as the Series "SA" bonds. Of the $217,500 outstanding, $59,800 are held in treasury. Company does not pay Normal Federal Income Tax.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	99¾	99	100	99	99½
Low	97	98	89¼	98	98

(11)

$14,956,000 EASTERN MASSACHUSETTS STREET RY. REFUNDING MORTGAGE GOLD 4½s, SERIES "A"; DUE JANUARY 1, 1948

Interest Payable (from January 1, 1919) January and July 1, except that interest on $180,000 of these bonds exchanged at par for an equal amount of Georgetown, Rowley & Ipswich St. Ry. Co. bonds carry interest from Jan. 1, 1918. Subject to call at 105 and accrued interest on any interest day up to and including July 1, 1943, at 104 and accrued interest on any interest day in the calendar year 1944, at 103 and accrued interest on any interest day during the next cal-

endar year, and so on at a price of 1% less each calendar year. These bonds were issued at par under the plan for an equal amount of bonds of the following companies: Georgetown, Rowley & Ipswich St. Ry. Co., Boston & Northern St. Ry. Co., and Old Colony St. Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	75	70⅞	72	66½	72	70½
Low	64½	62	61½	58	57	66

(12)

$2,832,547 EASTERN MASSACHUSETTS STREET RY. REFUNDING MORTGAGE GOLD 5s, SERIES "B"; DUE JANUARY 1, 1948

Interest Payable (from January 1, 1919) January and July 1, at company's office, Boston. Subject to call at 110 and accrued interest on any interest day up to and including July 1, 1938, at 109 and accrued interest on any interest day in the calendar year 1939, at 108 and accrued interest on any interest day during the next calendar year, and so on at a price of 1% less each calendar year. Holders of Bay State Street Ry. Co. Pfd. stock and of Massachusetts Electric Cos. Pfd. shares received the right under the Plan to subscribe for these bonds. Company does not pay Normal Federal Income Tax.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	82	76½	78	74¾	77½	77½
Low	69	65	66	59	60	69

(13)

$864,600 EASTERN MASSACHUSETTS STREET RY. REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "C"; DUE (AS EXTENDED) JAN. 1, 1948

Interest Payable March and September 15, at company's office, Boston. Subject to call at 103 and accrued interest on any interest date up to and including Sept. 15, 1926, and at 100 and accrued interest on March 15, 1927. These bonds were issuable under the Plan for Bay State Street Ry. Co. 5% one-year Collateral Notes, due March 15, 1918, at the rate of $1,000 of bonds for every $875 of Collateral Notes. Company does not pay Normal Federal Income Tax.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	96	86½	87½	78	99	98⅓
Low	83½	77	77	70	86	98

(14)

$783,300 EASTERN MASSACHUSETTS STREET RY. REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "D"; DUE APRIL 1, 1925, EXTENDED TO JANUARY 1, 1948

Interest Payable April and October 1, at company's office, Boston. Listed on Boston Stock Exchange. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922
High	94½	88	88⅞	82	85	81
Low	82	74	76	70	73	80

(15)

$500,000 EASTERN MASSACHUSETTS STREET RY. REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "E"; DUE MAY 1, 1925; EXTENDED TO JANUARY 1, 1948

Interest Payable May and November 1, at company's office, Boston. Listed on Boston Stock Exchange. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926
High	90½	83½
Low	bid	76½

NOTE—In respect to any of Refunding Mortgage bonds (described in Nos. 11 to 15, inclusive), any instalment of interest payable prior to June 30, 1921, could be extended at the option of the company if there was no available income for the payment thereof. The interest so extended, plus 20% of its amount, was payable 60 days after the close of the first period ending June 30 or Dec. 31, in which available income should have accrued for the payment thereof, but in no event later than Dec. 31, 1925. In the meantime the total sum so payable was to bear interest payable semi-annually at the rate of 6% per annum. Both the said total sum and the said interest thereon was payable upon presentation of the coupon for the instalment of interest extended as aforesaid. In case any instalment of interest was so extended the coupon therefor could be deposited with the trustee under the Refunding Mortgage, which issued its receipt in negotiable form therefor, and was to receive any sums from time to time payable on account of the Refunding Mortgage Extended Interest represented by the coupon so deposited, and was to pay such sums over to the holder of such receipt. The Refunding Mortgage Extended Interest and the interest thereon were to continue to be secured by the Refunding mortgage. The Company was unable to pay interest that matured upon its Refunding Mortgage bonds, Series "A," "B," "C" and "D" during the year 1920, and the Public Trustees were obliged to defer payment thereof in accordance with the provisions of the plan of reorganization. This deferred interest amounted to $976,590 of which $967,215 has been liquidated to Dec. 31, 1927, leaving a balance unliquidated of $9,375 now payable at face value, plus interest and penalty as stated above. Under the readjustment plan of Nov. 3, 1921, these extended coupons of Refunding Mortgage bonds, Series "A," "B," "C," and "D" were cancelled and penalty waived in exchange for $732,500 (75%) in 1-7 year 6% Serial bonds with State guarantee payable Feb., 1923-1929, inclusive.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Combined Financial Statement of the 17 Operating Districts)

	1927	1926	1925	1924	1923	1922
Passenger revenue	$8,855,184	$9,031,547	$8,855,262	$9,220,689	$10,098,144	$9,989,729
Freight and other revenue	35,566	31,562	29,667	30,633	30,430	56,464
‡Rentals, advertising, etc.	452,446	470,579	214,031	211,322	233,741	252,892
‡Total earnings	$9,343,196	$9,533,688	$9,098,960	$9,462,664	$10,362,316	$10,299,085
†Oper. expenses and maintenance	$6,424,315	$6,524,254	$6,056,526	$6,443,800	$7,212,300	$7,758,091
Depreciation	848,467	917,940	898,254	788,874	848,214	
Taxes	358,894	365,138	348,327	348,770	375,505	396,823
‡Total	$7,631,676	$7,807,332	$7,303,107	$7,581,444	$8,436,019	$8,154,914
Net earnings	1,711,520	1,726,356	1,795,853	1,881,220	1,926,297	2,144,171
Other income	282,238	254,347	234,290	282,837	350,390	413,578
Total income	$1,993,758	$1,980,703	$2,030,143	$2,164,057	$2,276,687	$2,557,749
Deductions—						
Rentals	$61,498	$61,802	$61,904	$61,478	$61,193	
Bond interest	1,142,210	1,164,199	1,209,461	1,278,483	1,312,870	$1,470,474
Other interest (notes)	4,500	4,500	4,633	5,593	6,139	
Other charges	13,490	15,364	15,822	17,104	17,950	27,482
Total	$1,221,698	$1,245,865	$1,291,820	$1,362,658	$1,398,152	$1,497,956
Net income	772,060	734,838	738,323	801,399	878,535	1,059,793
§Preferred dividends	430,641	433,134	432,749	433,229	524,292	733,268
Adjustment stock dividends	435,560	435,560	435,560	290,372	435,560	.....
Surplus for year	*$94,141	*$133,856	*$129,986	$77,798	*$85,613	$326,525
Times Bond Interest Earned	1.67	1.63	1.61	1.63	1.67	†1.70

*Deficit. †Times all fixed charges earned. §Pfd. dividends include Common stock in lieu of dividends to Feb. 1, 1922 on 1st Pfd. stock of $608,483 in 1922; $5,016, 1923; $3,983, 1924; $1,719, 1925 and $672 in 1926. ‡In 1925 and prior years, revenue from the sale of power was applied in reduction to power expenses. In 1926 and 1927, power revenue is included in "Rentals, advertising, etc."

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Investments:						
Road and equipment	$36,690,886	$36,358,027	$36,917,865	$38,280,124	$38,217,896	$41,193,612
Rehabilitation under Chap. 188, Special Acts	933,253	933,253	933,253	893,900	729,451	539,044
Deposits in lieu of mortgaged property sold	464,007	663,584	564,053	431,731	949,852	524,817
Other investments	1,434,904	1,781,088	1,239,849	1,579,628	1,957,001	3,343,760
Difference between par value of securities issued for the property and value of at which property is carried	6,565,357	6,565,357	6,565,357	6,565,357	6,565,357	6,565,357
Total	$46,088,407	$46,301,309	$46,220,377	$47,750,740	$48,419,557	$52,166,590
Cash	1,141,880	1,160,682	1,079,161	623,466	411,982	510,215
Special deposits	773,316	754,830	721,098	754,562	789,891	784,963
Loans and notes receivable	245,584	248,704	260,798	262,511	271,891	238,356
Miscellaneous accounts receivable	241,487	223,332	244,110	229,036	199,305	196,532
Materials and supplies	812,258	785,480	887,379	1,131,295	1,263,547	1,241,701
Interest, dividends and rents receivable	49,029	54,958	46,268	52,313	64,354	102,259
Insurance and other funds	624,115	633,898	653,865	661,953	786,122	780,375
Other deferred assets	9,942	12,266	11,975	18,137	19,651	16,770
Property abandoned chargeable to oper. exps.	1,631,672	1,631,447	1,907,845	1,443,302	1,309,209	943,488
Other unadjusted debits	2,300,748	2,384,609	2,631,333	2,589,425	2,747,614	1,182,278
Advance payments	104,594	109,167	73,693	108,735	57,420	72,120
Securities issued or assumed—unpledged	2,192,259	2,267,323	2,475,395	2,004,664	2,370,247	1,634,613
Securities issued or assumed—pledged	.....	.....	.....	67,050	67,050	67,050
Total	$56,215,291	$56,568,005	$57,213,297	$57,697,189	$58,777,840	$59,937,310
Liabilities—						
Capital stock	$24,356,114	$24,356,114	$24,358,614	$24,358,614	$24,358,614	$24,358,614
Capital adjustment—leased lines	965,598	965,598	965,598	965,598	965,745	965,745
Total	$25,321,712	$25,321,712	$25,324,212	$25,324,212	$25,324,359	$25,324,359
Funded debt	24,798,947	25,504,297	26,050,297	26,611,597	28,193,597	29,193,597
Loans and notes payable	.....	.....	.....	21,859	32,788	43,717
Audited accounts and wages payable	203,373	216,432	170,418	180,364	389,521	399,790
Matured interest, dividends and rents unpaid	467,794	478,405	492,154	510,259	527,820	587,490
Matured funded debt unpaid	250,200	258,600	184,850	228,000	252,000	207,000
Accrued interest, dividends and rents payable	67,865	75,657	80,412	93,936	101,192	107,014
Other current liabilities	1,756	3,812	1,622	1,110	1,212	1,212
Deferred liabilities	329,080	329,326	700,410	707,611	708,096	876,679
Tax liability	260,794	258,834	401,605	338,032	236,274	303,106
Insurance and casualty reserve	134,550	134,592	200,000	200,000	200,000	194,554
Operating reserve	452,246	443,418	448,364	394,813	184,559	175,454
Accrued depreciation—road and equipment	3,484,927	3,008,380	2,618,087	2,432,331	1,937,613	1,403,572
Other unadjusted credits	139,475	132,557	173,420	149,563	127,677	132,971
Corporate surplus	302,572	401,983	367,446	503,502	561,132	986,795
Total	$56,215,291	$56,568,005	$57,213,297	$57,697,189	$58,777,840	$59,937,310

Public Trustees: George P. Bullard, Chairman, Arthur G. Wadleigh, Fred J. Crowley, Earle P. Charlton, George M. Bryne.

Officers: R. B. Stearns, V-P., Treas. & Gen. Mgr.; Fred A. Cummings, V-P.; Philip G. Carleton, General Counsel, W. F. Crawshaw, Gen. Aud., Boston, Mass.

Directors: Lester Watson, Chairman; L. Sherman Adams, Roger Amory, Robert B. Stearns, Henry G. Lapham, Boston, Mass.; Charles Hayden, New York; C. W. Hubbard, Franklin T. Miller, Auburndale, Mass.; Albert A. Harrison, Fall River, Mass.; Arthur W. Pinkham, Lynn, Mass.; Cornelius J. Corcoran, Lawrence, Mass.

General Office, 38 Chauncy St., Boston, Mass.

BOSTON & CHELSEA RR.

(Leased to Eastern Massachusetts Street Railway Co.)

History—Incorporated April 29, 1854, in Massachusetts. Leased in 1880 to the Middlesex RR. Co.; lease now held by the Eastern Massachusetts St. Ry. for 99 years from Nov. 12, 1880. Annual rental is 6% on stock. Length of main line, 2.19 miles; second main track, 2.18 miles; sidings, etc., 0.03 mile—total, 4.40 miles. Gauge, standard.

CAPITAL STOCK

Authorized, $300,000; outstanding, $121,000; par, $50. Dividends of 6% per annum are paid, A & O. Transfer Agent, State Street Trust Co., Boston.

FUNDED DEBT

None.

Officers: B. W. Warren, Pres.; I. McD. Garfield, Treas. & Clerk, Boston, Mass.

Directors: N. T. Kidder, B. W. Warren, Geo. S. Winslow, I. McD. Garfield, C. J. Upham.

Office, Boston, Mass.

BOSTON & REVERE ELECTRIC STREET RY.

(Leased to Eastern Massachusetts Street Railway Co.)

History—Incorporated under Laws of Massachusetts. Leased July 1, 1895, to the Lynn & Boston R. R. Co. (now the Eastern Massachusetts St. Ry.) for 99 years; rental, 5% on stock, and interest on bonds. Length of main line, 1.86 miles; second main track, 1.85 miles; sidings, etc., 0.09 mile—total, 3.80 miles. Gauge, standard. Rail, 56 lbs. T and 90 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. Dividends of 5% per annum are paid, J & J.

FUNDED DEBT

$50,000 (entire issue) Gold 5s; dated Sept. 1, 1908; due Sept. 1, 1928, but subject to call at 105 on any interest date upon 6 weeks' notice; interest M & S 1. American Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Interest guaranteed by Bay State St. Ry. Co., now Eastern Massachusetts St. Ry. Co. Legal for Massachusetts savings banks. Company does not pay Normal Federal Income Tax.

Officers; P. G. Carleton, Pres.; W. F. Howard, V-P., & Clerk; R. B. Stearns, Treas., Boston.

Directors: B. W. Warren, P. G. Carleton, R. B. Stearns Boston.

Office, Boston, Mass.

EAST MIDDLESEX STREET RY.

(Leased to Eastern Massachusetts Street Railway Company)

History—Incorporated in Massachusetts. Leased May 1, 1893, to the Lynn & Boston R. R. (now Eastern Massachusetts St. Ry.) for 99 years at an annual rental of $30,000 per annum, and interest on bonds. Length of main line, 16.03 miles; second main track, 3.31 miles; sidings, etc., 0.38 mile—total, 19.72 miles. Gauge, standard.

CAPITAL STOCK

Authorized, $300,000; outstanding, $297,700; par, $100. Dividends of 8% per annum are paid.

FUNDED DEBT

None.

Officers: B. W. Warren, Pres.; Andrew J. Peters, V-P.; I. McD. Garfield, Treas. & Clerk, Boston.

Directors: A. G. Monks, B. W. Warren, N. T. Kidder, I. McD. Garfield, A. J. Peters.

Office, Boston, Mass.

WINNISIMMET RR.

(Leased to Eastern Massachusetts Street Railway Company)

History—Incorporated May 26, 1857, in Mass. Leased to the Lynn & Boston R. R. (now the Eastern Massachusetts St. Ry.) for 999 years from Jan. 1, 1880, at 6% on stock. Length of main line, 1.04 miles; second main track, 1.04 miles; sidings, etc., 0.54 mile—total, 2.62 miles.

CAPITAL STOCK

Authorized, $75,000; outstanding, $50,000; par, $50. Dividends, 6% per annum; payments semi-annually, J & J 1, are being made. Transfer Agent, State Street Trust Co., Boston.

FUNDED DEBT

None.

Officers: B. W. Warren, Pres.; I. McD. Garfield, Treas. & Clerk, Boston.

Directors: B. W. Warren, I. McD. Garfield, Chas. N. Cogswell, N. T. Kidder, C. A. Coolidge.

Office, Boston, Mass.

CHUCTANUNDA GAS LIGHT CO.

History—Incorporated April 1, 1860, in N. Y. Supplies gas to Amsterdam, N. Y. Population served, 36,000. Miles of mains, 43.1. No. of meters, 7,780. No. of gas stoves, 5,668. Annual output, 160,000,000 cu. ft. Rates: First 2 M cu. ft. per month at $1.80 per M cu. ft.; next 3 M at $1.30 per M; next 5 M at $1.25 per M; next 10 M at $1.20 per M; next 30 M at $1.10 per M; next 50 M at 90 cts. per M; all over 100 M at 80 cts. per M. Discount of 10 cents per M if paid by the 15th of month following the month for which rendered.

CAPITAL STOCK

Authorized, 40,000 shares of no par value; outstanding, 19,360 shares. Capital stock was changed in 1925 from shares of $25 par value to shares of no par value.

Annual Meeting—Third Monday in April.

Dividends—Dividends: 11% in 1910; 12% in 1911; 16% (including 4% extra) in 1912; 16% each in 1913 and 1914; 18% in 1915; 24% in 1916; 8% in 1917; 1918, 4%; 1919, 12%; 1920, 4% 1921, 8%; 1922 and 1923, 12% each; 1924, 27%; 1925, $3.00 on shares of no par value; 1926, $3; 1927, $2.40.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$300,186	$312,576	$311,066
Oper. exp., dep. & taxes	259,090	266,181	258,189
Net earnings	$41,096	$46,395	$52,877
Interest charges, etc	.....	.....	5
Balance for dividends	$41,096	$46,395	$52,872
Dividends paid	46,464	52,800	52,800
Deficit for year	$5,368	$6,405	†$72
*Earnings Per Share	$2.12	$2.63	$3.30

*After depreciation. †Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$665,024	$653,122	$629,316
Materials and supplies	69,063	57,028	52,454
Cash	4,612	4,233	6,929
Accounts receivable	42,894	41,928	51,572
Total	$781,593	$756,311	$740,271
Liabilities—			
Capital stock	$484,000	$440,000	$440,000
Notes payable	5,000	15,000	.....
Accounts payable	14,331	16,810	10,954
Other current liabilities	.....	.....	17,155
Reserve for depreciation	130,814	124,963	114,976
Consumers' deposits	17,737	16,989	.....
Profit and loss	129,711	142,579	157,186
Total	$781,593	$756,311	$740,271

Officers John Sanford, Chairman; W. H. Cooper, Pres.; Harry W. De Graff, V-P.; D. D. Cassidy, Sec.; Jas. E. Voorhees, Treas.; H. E. Congdon, Aud.; O. A. Merchant, Jr., Gen. Mgr., Supt. & Pur. Agt., Amsterdam, N. Y.

Directors: John Sanford, A. R. Conover, Wm. H. Cooper, D. D. Cassidy, Harry W. De Graff, William B. Charles, A. V. Morris, Amsterdam, N. Y.

Office, Amsterdam, N. Y.

THE CHILLICOTHE GAS LIGHT & WATER COMPANY

History—Incorporated in 1881 in Ohio. Supplies water in Chillicothe, O., serving population of 18,000. Miles of mains, 33. Annual sales of water, 424,207,406 gals. Manufacture of gas was discontinued in 1916.

CAPITAL STOCK

Authorized, $225,000; outstanding, $200,000; par, $100. Annual meeting, second Monday in February.

Dividends—4% annually since 1917; payments Jan. and July.

FUNDED DEBT

$75,000 First Mortgage 6% bonds; dated Jan. 15, 1923; due Jan. 15, 1933; int. Jan. and July 15. Authorized issue, $75,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$62,750	$61,563	$57,667
Oper. exp., taxes & depre.	44,699	44,374	46,976
Net earnings	$18,051	$17,189	$10,691
Bond interest	4,640	4,614	$3,150
Other interest			222
Other charges	4,469	.....	.....
Total charges	$9,109	$4,614	$3,372
Net income	8,942	12,575	7,319
Dividends paid	8,000	8,000	8,000
Surplus for year	$942	$4,575	*$681
Times Interest Earned	2.93	3.72	3.17
Earnings Per Share	$4.47	$6.28	$3.66

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$387,455	$378,277	$366,046
Cash	394	3,031	1,255
Accounts receivable	9,344	10,315	8,809
Material and supplies	.....	.....	4,229
City contract	.....	.....	13,409
Total	$397,193	$391,624	$393,748
Liabilities—			
Capital stock	$200,000	$200,000	$200,000
Funded debt	75,000	75,000	75,000
Notes payable	3,000	3,000	5,000
Accounts payable	2,992	260	.....
Dividends accrued	4,000	4,000	4,000
Depreciation reserve	44,595	40,126	35,657
Other reserves	.....	2,573	12,002
Profit and loss	67,606	66,664	62,089
Total	$397,193	$391,624	$393,748

Officers: F. A. Stacey, Pres., Treas. & Mgr.; John D. McKell, V-P.; John A. Poland, Sec.; Geo. E. Hurff, Supt., Chillicothe, Ohio.

Directors: F. A. Stacey, J. A. Poland, J. D. McKell, W. Scott McKell, Cyrus Hoffman, Chillicothe, Ohio; O. P. Tatman.

Office, 36 W. Second St., Chillicothe, Ohio.

CASCO BAY LIGHT & WATER CO.

History—Incorporated March 28, 1910, in Maine, as Peaks Island Corporation; name changed to present title in 1926. Serves Peaks Island with gas, electricity and water; Great Diamond Island with electricity and water; and Little Diamond Island and Cushings Island with water. No. of meters: Gas, 471; electric, 361; water, 910. Annual sales: Gas, 4,286,000 cu. ft.; electricity, 200,000 k.w.h.

CAPITAL STOCK

Authorized, $250,000; outstanding, $225,000; par, $100. No dividends paid. Annual meeting, fourth Monday in January, at Portland, Me.

FUNDED DEBT

$217,500 FIRST REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE MAY 1, 1956

Dated May 1, 1926.

Interest Payable May and November 1, at Fidelity Trust Co., Portland, Me.

Denominations—Coupon, $500 and $1,000.

Trustee—Fidelity Trust Co., Portland, Me.

Provisions of Issue—Authorized, $220,000; outstanding, $217,500. The proceeds of these bonds were used for the following purposes: $120,000 for the discharge of outstanding promissory notes and for the reimbursement of Company's treasury for money spent for construction purposes not secured by nor obtained from the issue of stocks, bonds, notes or other evidences of indebtedness of Company; $100,000 for exchange or payment and discharge of an equal amount of underlying bonds issued by Company under the name of Peaks Island Corporation, dated August 1, 1911, due August 1, 1931.

Sinking Fund—5% of gross income each year.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$55,601	$51,382
Oper. exp., taxes & depr.	34,889	32,327
Net earnings	$20,712	$19,055

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties	$538,075	$501,008
Materials and supplies	4,433	6,894
Cash and receivables	6,843	4,388
Other current assets	16,010	17,226
Discount on bonds	11,757	12,172
Total	$577,118	$541,688
Liabilities—		
Common stock	$225,000	$225,000
Funded debt	217,500	220,000
Notes payable	71,441	49,870
Accounts payable	9,107	758
Interest accrued	3,503	2,986
Other current liabilities	2,844	4,177
Reserve for depreciation	24,596	20,876
Surplus	23,127	18,018
Total	$577,118	$541,688

Officers: Vernon F. West, Pres.; Geo. P. West, V-P.; Eugene S. Bodge, Sec.; Jas. W. Coburn, Treas. & Gen. Mgr., Portland, Me.

Directors: Vernon F. West, Geo. P. West, Jas. W. Coburn, Geo. S. Hobbs, Eugene S. Bodge, Portland, Me.

General Office, 120 Exchange St. Portland, Me. **Operating Office,** Peaks Island, Me.

NAUGATUCK WATER COMPANY

History—Incorporated in 1887, in Conn., to supply water in Naugatuck, Conn. Estimated population served, 15,051. No. of services, 2,155. Miles of mains, 43.65. No. of meters, 75. No. of hydrants: 194 public and 69 private. No. of reservoirs, 7, with a combined capacity of 645,000,000 gallons.

CAPITAL STOCK

Authorized, $400,000; outstanding, $300,000; par, $25. Annual meeting, third Tuesday in February. Dividends, 6% per annum to 1925 inclusive, 1926 and 1927, 7% each; payments May and Nov. 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$75,097	$70,624	$74,437
Oper. expenses & taxes	28,654	28,402	25,968
Depreciation	10,478	10,434	10,247
Net earnings	$35,965	$31,788	$38,222
Other income	451	377	838
Total income	$36,416	$32,165	$39,060
Interest	2,825	3,160	3,552
Accounts charged off	24	113	77
Net income	$33,567	$28,881	$35,431
Dividends	21,000	21,000	18,000
Reserve for Federal tax	4,560	3,901	4,430
Surplus for year	$8,007	$3,980	$13,001

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$649,894	$641,340	$629,721
Materials and supplies	8,251	6,758	6,590
Cash	8,297	8,388	6,995
Accounts receivable	889	1,033	1,470
Total	$667,331	$657,519	$644,776
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Notes payable	50,000	50,000	58,000
Interest accrued	794	892	972
Rentals prepaid	.....	7,292	.....
Reserve for Federal taxes	4,560	3,901	4,430
Depreciation reserve	211,991	203,456	193,199
Profit and loss	99,986	91,978	88,175
Total	$667,331	$657,519	$644,776

Officers: Oscar L. Warner, Pres. & Treas.; Geo. C. Ham, Sec. & Gen. Mgr., Naugatuck, Conn.

Directors: H. B. Tuttle, Geo. C. Ham, Oscar L. Warner, George T. Wigmore, E. M. Barnum, H. H. Bristol, Naugatuck, Conn.

Office, 250 Meadow St., Naugatuck, Conn.

NORTHWESTERN ILLINOIS UTILITIES

History and Properties—Incorporated in November, 1925, in Illinois and acquired the properties of the Peoples Gas & Electric Company of Savanna, Ill., the Mount Carroll Electric Light Company of Mount Carroll, Ill., and the Carroll County Independent Telephone Company. Electric light and power are furnished in Savanna, Mount Carroll, Wacker, Chadwick, Thomson and Argo Fay, Illinois. Current is also supplied to the municipal plants at Sabula, Teeds Grove and Andover, Iowa, which is directly across the Mississippi River from Savanna. Gas is supplied to the City of Savanna. A system of telephone lines is owned and operated in Carroll County, Illinois, and in territory contiguous thereto. The electric properties consist of a power house at Savanna of 1,900 k.w. capacity and about 36 miles of high-tension transmission lines. The gas plant is located at Savanna and gas mains cover the principal part of the city. There are approximately 300 miles of telephone lines. Company has toll connections with the Bell Telephone System. Company has installed 3,550 electric and gas meters and has a total of 2,546 telephones in service.

CAPITAL STOCK

Authorized, $750,000 Common and $250,000 7% cumulative Preferred; outstanding, $619,310 Common and $50,900 Preferred.

Annual Meeting—Second Monday in January.

Dividends—Pfd. dividends regularly paid semi-annually March and Sept. An initial dividend of 5% was paid on the Common in 1926; 1927, 8%; payments in March and Sept.

FUNDED DEBT

$650,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1945

Dated December 1, 1925.

Interest Payable at The Northern Trust Co., Chicago, Illinois, or at The First National Bank of Savanna, Savanna, Illinois.

Denominations—Coupon $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Northern Trust Co., Chicago, Ill.

Provisions of Issue—Issued, $650,000 and proceeds used to retire underlying bonds and pay in part for properties recently acquired and for other corporate purposes. Additional bonds may be issued under this mortgage with the following restrictions: (a) for the purpose of refunding any bonds of this issue; (b) for 80% of the cash cost of extensions and additions, but then only provided net earnings for the previous twelve months, as defined in the Trust Indenture, are at least twice interest charges on all outstanding bonds, including those to be issued. These bonds may be issued in series, each series bearing such interest rates, dates and maturity as the Board of Directors may determine.

Callability—Subject to call in whole or in part on any interest date, on 30 days' notice, on or before Dec. 1, 1930, at 105 and interest; thereafter on or before Dec. 1, 1935, at 103 and interest; thereafter on or before Dec. 1, 1940, at 102 and interest and thereafter on or before June 1, 1945, at 101 and interest.

Maintenance and Renewal Fund—Company agrees to appropriate each year 10% of annual gross earnings. Any part not expended for maintenance is to be deposited with the Trustee for the benefit of the bondholders and may be used in acquiring new property, for extensions and additions (which cannot be used as the basis for the issuance of escrow bonds), or for retiring outstanding bonds.

Security—Bonds are secured by a first lien on all fixed property of Company and will constitute its only funded debt.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($650,000) in March, 1926, at par and interest, by Emery, Peck & Rockwood, Chicago and Milwaukee.

There were also outstanding, Dec. 31, 1927, $119,000 6% Five-Year Gold Notes, dated 1927 and due 1932.

EARNINGS, YEARS ENDED DECEMBER 31

	Gross	Net
1920	$183,284	$46,789
1921	202,876	61,608
1922	**217,713**	**58,787**
1923	228,156	75,828
1924	247,553	100,147
1925	254,143	108,253
1926	264,937	120,530
1927	296,014	137,161

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$296,014
Operating expenses, maintenance and taxes	158,852
Depreciation	23,882
Net earnings	$113,280
Other income	3,975
Total income	$117,255
Deductions:	
Bond interest	$39,000
Other interest	3,728
Bond discount	3,140
Warehouse adjustments	3,806
Total deductions	$49,674
Balance for dividends	$67,581
Preferred dividends	3,143
Common dividends	49,545
Surplus for year	$14,893

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and equipment	$1,386,412	$1,286,274
Investments	40,000	.....
Materials and supplies	11,644	18,545
Cash	37,915	9,414
Notes receivable	.....	535
Accounts receivable	26,827	24,995
Other current assets	1,763	105
Unadjusted debits	2,457	286
Debt discount and expense	52,125	51,077
Total	$1,559,143	$1,391,231
Liabilities—		
Common stock	$619,310	$619,310
Preferred stock	50,900	44,900
Funded debt	769,000	650,000
Accounts payable	970	61
Interest accrued	5,647	3,419
Other current liabilities	3,500	2,759
Reserve for taxes	18,791	18,531
Reserve for depreciation	35,908	12,027
Surplus	55,117	40,224
Total	$1,559,143	$1,391,231

Officers: Franklin J. Stransky, Pres. & Chairman of Board; F. H. Jenks, V-P.; P. M. Ferguson, Sec.; L. H. Miles, Treas.; F. P. Bowen, Gen. Mgr., Savanna, Ill.

Directors: F. J. Stransky, F. H. Jenks, Geo. B. Woodside, Frank P. Bowen, John E. Mullen, L. H. Miles, Savanna, Ill.; Robert D. Bennett, Thomson, Ill.; S. J. Campbell, Ren Williamson, Mt. Carroll, Ill.

General Office, Savanna, Ill.

THE MANCHESTER ELECTRIC COMPANY

History and Property—Incorporated June 14, 1893, in Conn., as the South Manchester Light, Power & Tramway Co.; name changed to above title April 26, 1917. The street railway only was leased May 15, 1895, to the Hartford, Manchester & Rockville Tramway Co. for 25 years; lease assumed by Consolidated Ry. Co., since merged with the N. Y., N. H. & H. R. R. Co. Now operated by The Connecticut Co. Length of line, 0.74 mile. Gauge, 4 ft. 8½ in. Rail, steel, 56 lbs. T.

CAPITAL STOCK

Authorized, $500,000 (increased from $200,000 in 1923); outstanding, $350,000; par, $100. Annual meeting, third Monday in March.

Dividends—Paid dividend of 50% (stock, $50,000) in 1917; 8% in 1918; 10% in 1919; 10% in 1920; 10% in 1921; 15% in 1922; 8% cash and 66⅔% stock ($100,000) in 1923; 8% in 1924; 10% each in 1925 and 1926; 1927, 12% in cash and a stock dividend of 40%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Including all activities)

	1927	1926	1925
Gross earnings	$385,291	$343,089	$345,456
Operating exps., taxes, etc.	302,775	253,339	260,210
Depreciation	20,703	20,484	18,484
Net earnings	$61,813	$69,266	$66,762
Other income	9,571	8,039	2,648
Total income	$71,383	$77,305	$69,410
Sundry charges	.....	125	1,038
Balance for dividends	$71,383	$77,180	$68,372
Dividends paid	*142,000	25,000	25,000
Surplus for year	†$70,617	$52,180	$43,372
Earnings Per Share	$20.40	$30.87	$27.35

*Includes $100,000 paid as a stock dividend. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$592,542	$571,911	$543,560
Cash	31,176	38,161	9,663
Accounts receivable	28,707	18,509	19,333
Notes receivable	40,000	.....	.....
Materials and supplies	6,214	4,440	.....
Total	$698,639	$633,021	$572,556
Liabilities—			
Capital stock	$350,000	$250,000	$250,000
Notes payable	.....	.....	15,000
Accounts payable	27,603	26,009	25,535
Deferred credits	11,139	8,949	6,623
Depreciation reserve	211,580	190,877	170,393
Reserve for taxes	29,403	16,911	16,200
Surplus	68,914	140,275	88,805
Total	$698,639	$633,021	$572,556

Officers: Frank Cheney, Jr., Pres. & Gen. Mgr.; Charles H. Cheney, Sec.; Louis S. Carter, Treas., South Manchester, Conn.

Directors: Frank Cheney, Jr., Charles Cheney, Charles H. Cheney, Robert Cheney, William C. Cheney.

Office, South Manchester, Conn.

FORT WORTH GAS COMPANY

(Controlled by Lone Star Gas Corporation)

History—Incorporated Sept. 5, 1905, in Tex., as Consumers Light & Heating Co.; name changed to above June 17, 1910. Owns a distributing plant in Fort Worth, Texas, and is engaged in the distribution of natural gas supplied to it by Lone Star Gas Corp. (see Industrial Volume). On Oct. 1, 1910, company sold its electric department. Population served, about 190,000.

CAPITAL STOCK

Authorized and outstanding, 8,000 shares of no par value (changed from 8,000 shares of $100 par, Jan. 7,1927). All owned by Lone Star Gas Corp. (see

statement in Industrial Volume). Annual meeting, second Tuesday in April.

Dividends—6% paid in 1926 on the old $100 par stock.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gas sales	.....	.....	$2,523,695
Gas purchased	.....	.....	1,874,078
Gross earnings	$699,310	$717,481	$649,617
Operating expenses & taxes	507,416	421,555	329,904
Depreciation	177,571	183,025	160,107
Net earnings	$14,323	$112,901	$159,606
Other income	16,775	20,375	27,450
Total income	$31,098	$133,276	$187,056
Interest	.....	49,111	40,397
Other charges	.....	.....	11,745
Dividends paid	.....	48,000	.....
Surplus for year	$31,098	$36,165	$134,914
Surplus forward	482,957	446,792	311,878
Total surplus	$514,055	$482,957	$446,792
Earnings Per Share	$3.89	$10.52	$16.86

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant account	$5,738,133	$3,460,766	$3,045,261
Stocks owned	14,510	5,000	5,000
Bonds owned	.....	7,500	7,500
Inventories	64,626	46,372	44,821
Notes receivable	8,951	5,205	6,331
Accounts receivable	106,175	184,824	115,117
Cash	2,766	6,069	4,572
Deferred charges	3,242	2,564	2,526
Total	$5,938,403	$3,718,300	$3,231,128
Liabilities—			
Capital stock	$800,000	$800,000	$800,000
Notes payable	650,000	400,000	400,000
Accounts payable	610,546	708,764	217,337
Consumers' secur. deposits			264,472
Other liabilities	.....	.....	33,606
Unadjusted credits	62,810	42,453	.....
Deferred credit items	64,640	48,033	.....
Depreciation reserve	1,394,934	1,236,093	1,068,921
Surplus appreciation	1,841,418	.....	.....
Surplus & undivided profits	514,055	482,957	446,792
Total	$5,938,403	$3,718,300	$3,231,128

Officers: O. K. Shannon, Pres. & Gen. Mgr., Fort Worth, Texas; R. A. Crawford, V-P., H. C. Morris, V-P., Dallas, Texas; C. K. Fletcher, Sec. & Treas.; J. F. Mason, Supt.; J. C. Williams, Pur. Agt., Fort Worth, Texas.

Directors: R. A. Crawford, L. B. Denning, H. C. Morris, Dallas, Tex.; O. K. Shannon, R. E. Harding, Fort Worth, Tex.

General Office, 4th & Main Sts., Fort Worth, Tex.

BIRMINGHAM WATER COMPANY

History—Incorporated June 1, 1859, in Conn. In 1909 purchased the City Water Supply Corp. Supplies Derby, Conn., serving a population of about 11,200. Miles of mains, 23.757.

CAPITAL STOCK

Authorized, $1,000,000; issued, $375,000; par. $25. Annual meeting, in January. Dividends are being paid at rate of 7% (increased from 5% in 1927) per annum, quarterly, J, A, J & O 31.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$69,358	$48,178	$44,776
Oper. exp. & taxes	32,059	21,908	19,542
Depreciation	4,764	4,996	4,973
Net earnings	$32,535	$21,274	$20,261
Interest charges	112	660	416
Net income	$32,423	$20,614	$19,845
Dividends paid	26,250	18,750	18,750
Surplus for year	$6,173	$1,864	$1,095
Earnings Per Share	$2.17	$1.47	$1.42

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Construction	$466,854	$470,852	$469,691
Materials and supplies	8,398	8,534	8,934
Investment account	.....	7,500	7,500
Cash	16,137	3,553	1,618
Accounts receivable	6,257	6,615	3,545
Other assets	.....	.....	6,271
Total	$497,646	$497,054	$497,559
Liabilities—			
Capital stock	$375,000	$375,000	$375,000
Notes payable	1,000	12,000	12,000
Interest payable	.....	15	10
Taxes payable	6,002	3,912	3,435
Depreciation reserve	47,732	48,152	43,177
Accounts payable	816	203	.....
Other liabilities	5,325	2,275	2,275
Profit and loss	61,771	55,497	61,662
Total	$497,646	$497,054	$497,559

Officers: George E. Barber, Pres.; Geo. H. Scranton, Sec., Treas. & Gen. Mgr., Derby, Conn.

Directors: Geo. E. Barber, Edward E. Gardner, Terence S. Allis, James B. Atwater, George H. Scranton, Frank M. Clark, Irving H. Peck, Daniel B. Giddings, Theodore L. Bristol.

Office, Derby, Conn.

EIGHTH AND NINTH AVENUES RAILWAY COMPANY

History and Property—Incorporated in 1926, in New York, as a consolidation of the Eighth Avenue Railroad Co. and the Ninth Avenue Railroad. Owns and operates about 37.27 miles of track. Passenger cars, 123. Passengers carried, year ended June 30, 1926, 29,592,407.

Permanent Receivers Appointed—Nathaniel A. Elsberg and Michel Kirtland, formerly temporary receivers, were in May, 1926, continued as permanent receivers.

CAPITAL STOCK

Authorized and outstanding, 58,000 shares Common stock of no par value. Annual meeting, third Wednesday in January. No dividends paid.

Registrar—American Exchange Irving Trust Co., New York.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED JUNE 30
(Combined Companies)

	*1927	1926
Gross earnings	$1,328,559	$1,514,372
Operating expenses and taxes	1,530,272	1,748,161
Loss from operation	$201,713	$233,789
Other income	38,717	48,245
Balance, deficit	$162,996	$185,544
Interest charges	31,599	42,099
Rents	74,071	34,515
Deficit for year	$268,666	$262,158

*Operations of company from July 1, 1926 to May 5, 1927, and of receivers from May 6 to June 30, 1927.

Officers: Jos. Tate, Pres.; W. H. Hays, V-P.; J. G. Affleck, Sec. & Treas.; Wm. Affleck, Asst. Sec. & Asst. Treas.; C. A. Kretzschmar, Asst. Aud.; R. Lawrence, Pur. Agt., New York.

Directors: F. B. Tompkins, Wm. H. Hays, Jos. Tate, Wm. Affleck, J. G. Affleck, J. G. Affleck, Jr., Michel Kirtland, Wm. J. Curtin, Morgan J. O'Brien, Jr., New York.

General Office, 250 West 57th St., New York.

MINOT GAS COMPANY

History—Incorporated in 1926, in North Dakota, will operate a modern gas plant and distribution system to serve, without competition, the City of Minot, North Dakota, with a population of approximately 13,000. The properties of the Company will include a water gas works complete with duplicate generator equipment, purifiers, holders, storage tanks, and 17

miles of gas distribution mains. Fuel supply is obtainable at low cost from large fields of lignite coal near Minot, and from the oil fields of northern Montana. The Company has a favorable twenty-year franchise with the City of Minot. Conduct of the business of the company is subject to supervision by the Board of Railroad Commissioners of the State of North Dakota.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $100,000 7% cumulative Pfd.; par, $100.

Preferred Stock Provisions—Has preference for assets and dividends, and is redeemable on any dividend date at 105 and accrued dividend.

Legal Opinion—Shaw, Safford, Putnam & Shaw, Minneapolis.

Original Offering—First publicly offered ($200,000 Pfd.) in Feb., 1927, at $98.50 per share and accrued dividend, to yield over 7.10%, by Drake-Jones Co., Minneapolis and St. Paul.

Dividends—Pfd. dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

$200,000 FIRST MORTGAGE GOLD 6s; DUE MAY 1, 1937

Dated May 1, 1927.

Interest Payable May and November 1, at Midland National Bank & Trust Co., Minneapolis.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Midland National Bank & Trust Co., Minneapolis.

Provisions of Issue—Outstanding, $200,000 6s. Additional bonds may be issued to provide funds for betterments and additions to plant, in an amount not to exceed 75% of the actual cost of such improvements; provided that no such additional bonds may be issued unless net earnings of the Company, after taxes, available for interest charges during twelve consecutive months within fifteen months preceding such proposed issue, shall have been not less than two times the interest charges during such period on the Company's bonded debt, including interest charges on the bonds proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date, at option of Company, on 30 days' notice, at 105 and accrued interest.

Improvement Fund—The Trust Deed provides that Company shall set aside for improvements and maintenance each year, a sum equivalent to not less than 3% of the average amount of bonds outstanding during such fiscal year.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Shaw, Safford, Putnam & Shaw, Minneapolis.

Original Offering—First publicly offered ($200,000) in May, 1927, at 100 and interest, to yield 6%, by Drake-Jones Company, Minneapolis.

Officer: C. I. Tenney, Pres., Newton, Iowa.

General Office, Minot, N. D.

SAULT STE. MARIE TRACTION COMPANY

History and Properties—Incorporated in Jan. 1919, in Mich., and in April, 1919, took over the properties of the Trans St. Mary's Traction Co., for $100,000 of stock issued which has all been paid in in cash. (see 1918 Public Utility Manual, page 1967.) Owns and operates 6¾ miles of track, in Sault Ste. Marie, Mich. Gauge, standard. Rail, 80 lb. T. Cars: Motor, 8; other, 3. Power rented from Michigan Northern Power Co.

CAPITAL STOCK

Authorized, $200,000; issued, $100,000; par, $100. No dividends paid. Annual meeting, Sept. 1, at Sault Ste. Marie, Mich.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$37,438	$38,384	$42,702
Oper. exp., deprec. & taxes	42,276	44,189	47,577
Loss from operations	$4,838	$5,805	$4,875
Other income	7	3	5
Deficit for year	$4,831	$5,802	$4,870
Deficit forward	44,108	38,306	33,436
Total deficit	$48,939	$44,108	$38,306

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
Road and equipment	$87,103	$86,888	$87,909
Materials and supplies	3,859	5,111	5,487
Cash	1,626	1,529	2,234
Accounts receivable, etc.	256	373	251
Corporate deficit	48,939	44,108	38,306
Total	$141,783	$138,009	$134,187
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Accounts payable	2,345	823	750
Other current liabilities	.....	1,224	4,353
Unadjusted credits	900	.....	.....
Reserve for taxes	270	440	163
Res. for depreciation, etc.	38,268	35,522	28,921
Total	$141,783	$138,009	$134,187

Officers: W. C. Franz, Pres.; Jas. W. Gemmell, V-P., Sault Ste. Marie, Ont.; Alex. Taylor, Sec., Toronto; E. W. Shell, Treas.; E. Carey, Compt.; S. V. McLeod, Pur. Agt.; John H. Stewart, Supt., Sault Ste. Marie, Mich.

Directors: W. C. Franz, Jas. W. Gemmell, Frank B. Kaltz, E. W. Shell, Sault Ste. Marie, Ont.; Alex. Taylor, Toronto, Ont., Can.

General Office, Sault Ste. Marie, Ont. **Operating Office,** Sault Ste. Marie, Mich.

CONSUMERS WATER COMPANY

History—Incorporated in 1926, in Maine, to own and operate water works properties. Owns all of the capital stocks, except directors' qualifying shares, of the Penobscot County Water Co., supplying water to the cities of Old Town, Brewer and Ellsworth and the towns of Milford, Orono and Veazie, in the State of Maine; Shenango Valley Water Co., supplying water to Sharon, Farrell, Petrolia and Wheatland, Pa., and Masury, Ohio; Northern Illinois Water Co., supplying water to Kankakee, West Kankakee and Bradley, Ill.; Beaver Valley Water Co., supplying water to Beaver Falls, Bridgewater, College Hill, Freedom, New Brighton, Patterson Heights, Rochester and Rochester Township, Pa., and Delaware Water Co., supplying water to Delaware, Ohio (see statements appended). Total population served about 190,000.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value, $500,000 7% cumulative First Pfd., and $200,000 7% Pfd.; par of Pfd. stocks, $100. Outstanding, 10,000 shares Common, $409,300 7% First Pfd. and $200,000 7% Pfd. Common stock is closely held.

Preferred Stock Provisions—The 7% First Pfd. stock has preference for assets and dividends, and in liquidation is entitled to par and dividends. It is callable at $105, and has no voting power unless dividends are in default. The 7% Pfd. stock has second preference for assets and dividends, and in liquidation is entitled to par and dividends. It is callable at $100, and has no voting power unless dividends are in default.

Transfer Agent—Stock transferred at Company's office, 120 Exchange St., Portland, Me.

Dividends—Payments on both classes of Pfd. stock are regularly made quarterly, M, J, S & D 1.

FUNDED DEBT

$500,000 FIRST COLLATERAL TRUST MORTGAGE 6% GOLD BONDS; SERIES "A"; DUE MAY 1, 1946

Dated May 1, 1926.

Interest Payable May and November 1, at Union Safe Deposit & Trust Co., Portland, Me., or at agency of Company in Boston, Mass.

Denomination—Coupon, $500 and $1,000; principal may be registered.

Trustee—Union Safe Deposit & Trust Co., Portland, Me.

Provisions of Issue—Open mortgage; outstanding issued, $500,000 Series "A" 6s.

Mortgage provides that First Collateral Mortgage bonds may be issued in series bearing such rates of interest and maturing on such dates, redeemable on such terms and containing such other rights and limits permitted by the mortgage as Directors may determine prior to issuance thereof, but mortgage provides that additional bonds may be issued only: (a) For refunding outstanding bonds of previous issue, par for par; (b) upon deposit with the Trustee of cash equal to the par value of bonds to be issued; (c) for 80% of the cost or fair value, whichever is less, of additional stocks, bonds, or other evidences of indebtedness of subsidiary Companies when the net earnings as defined in the mortgage are not less than 3 times the annual interest charges on all bonds then outstanding and those to be issued.

Callability—Subject to call as a whole or in part, upon 30 days' notice, at 102 and interest.

Sinking Fund—On May 1, 1927, and annually thereafter, Company shall deposit with Trustee not less than 1% of amount of all bonds issued and outstanding in bonds of this issue or cash to be used to purchase bonds of this issue. Bonds in the sinking fund to be held alive and interest on same added to sinking fund. It is estimated that this sinking fund will retire 25% of this series of bonds before maturity.

Security—Secured by specific pledge to Trustee of entire Common stock (except directors' qualifying shares) of Penobscot County Water Co. and Northern Illinois Water Co.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania and Connecticut 4 mills tax, and Massachusetts Income tax up to 6%, refundable.

Legal Opinion—Wm. P. Skelton.

Original Offering—First publicly offered ($500,000) in June, 1926, at 98½ and interest, to yield 6⅓%, by H. M. Payson & Co., Portland, Me., and G. L. Ohrstrom & Co., Inc., New York.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenues	$894,893	$748,380
Non-operating revenues	18,166	11,864
Total	$913,059	$760,244
Other income	47,547	30,353
Gross income	$960,606	$840,597
Oper. exp. & all taxes, & maintenance & depreciation equal to 12½% of gross earnings	498,609	454,611
Net earnings	$461,997	$385,986
Interest charges & amortization—subsidiaries	186,616	155,098
Dividends on sub. co. stocks	57,876	56,079
Balance	$217,505	$174,809
Interest on funded debt	30,000	15,250
Other interest & amortization	17,759	26,716
Balance	$169,746	$132,843
First Pfd. dividend	27,340	9,030
Preferred dividend	14,000	8,167
Balance	$128,406	$115,646
Less minority stockholders' interest	1,898	.....
Balance for surplus & reserves	$126,508	$115,646
Times Bond Interest Earned	6.66	9.71
Earnings Per Share—		
First Pfd.	.....	$42.58
Preferred	$71.20	61.91
Common	12.65	11.56

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital	$7,256,220
Cash	11,575
Accounts receivable	128,899
Materials and supplies	66,005
Prepaid accounts	1,999
Notes receivable	342,399
Debt discount and expense	133,288
Special deposits	12,290
Investment securities	18,202
Sundry charges	5,383
Stock subsidiary companies	977,275
Sinking fund	8,300
Total	$8,961,835
Liabilities—	
Common stock	$1,823,000
Preferred stock	1,482,200
Installments paid on Pfd. stock	135
Bonds—First mortgage	3,545,000
Subsidiary companies	63,000
Accounts payable	45,414
Notes payable	694,840
Consumers' deposits	14,659
Interest accrued	40,576
Reserve for depreciation	502,363
Dividends accrued	15,848
Coupons payable	12,290
Taxes and interest accrued	*4,318
Contributions to extensions	4,768
Sinking fund accrued	3,300
Segregated surplus	213,104
Profit and loss	505,656
Total	$8,961,835

*Credit.

Officers: Vernon F. West, Pres.; H. C. Payson, V-P.; James W. Coburn, Sec. & Treas., Portland, Me.

Directors: George F. West, Vernon F. West, H. C. Payson, Herbert Payson, Portland, Me.; W. B. Skelton, Lewiston, Me.; Philip Burgess, Columbus, Ohio.

General Office, 120 Exchange St., Portland, Me.

BEAVER VALLEY WATER COMPANY

(Controlled by Consumers Water Company)

Properties—Incorporated April 25, 1902, in Pa.; consolidation of the Union Water Co., People's Water Co., New Brighton Water Co., North Rochester Water Co., Valley Water Co. of Rochester, West Side Water Co., Freedom Water Co., Patterson Heights Water Co., College Hill Borough Water Co., Fallston Water Co., and Patterson Township Water Co. Owns 100 miles of pipe lines and supplies the Boroughs of Beaver Falls, College Hill, Patterson Heights, New Brighton, Rochester, North Rochester, West Bridgewater, Freedom, Fallston, Patterson Township and Rochester Township. Daily pumping capacity, 8,000,000 gallons by water power and 7,000,000 gallons by steam power. Gallons water pumped in 1926, 2,031,300,000; in 1927, 2,040,405,400. No. of meter customers in 1926, 8,915; in 1927, 9,316.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common and $250,000 7% cumulative Preferred (created July, 1925); par of Common, $50; par of Pfd., $100. All the Common stock, except directors' qualifying shares, owned by Consumers Water Co.

Preferred Stock Provisions—Has preference as to assets and dividends, and is redeemable as a whole or in part, upon 60 days' notice at $105 per share and accrued dividends.

Registrar—The Federal Title & Trust Co., Beaver Falls, Pa.

Legal Opinion (Pfd. Stock)—Joseph A. Beck, Pittsburgh, Pa. and William A. Connell, Beaver, Pa.

Annual Meeting—First Monday in May.

Dividends—Pfd. dividends regularly paid semi-annually Jan. and July 15 (since issuance). On Common 2% was paid in 1925 and 3½% in 1926; none reported in 1927.

FUNDED DEBT

$975,000 First Mortgage 5% Gold bonds; dated May 1, 1902; due May 1, 1932; int. May and Nov. 1, at Peo-

ples Savings & Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $1,000,000, the $25,000 unissued bonds being reserved for a like amount of bonds of the New Brighton Water Co. Secured by first lien on entire properties. Company pays Normal Federal Income Tax up to 2%.

$63,000 Subsidiary Company's Bonds—No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross operating revenue	$313,965	$268,479	$260,099
Operating expenses & taxes	153,321	138,381	146,967
Depreciation	29,000	26,000	26,000
Net operating revenue	$131,644	$104,098	$87,132
Other income	2,484	5,751	*15,973
Total revenue	$134,128	$109,849	$103,105
Interest accrued	52,126	53,018	55,802
Amort. debt disc. & exp.		3,500	3,500
Other deductions	762	1,590	1,579
Net income	$81,240	$51,741	$42,224
Preferred dividends	26,004	11,580	
Common dividends		35,000	20,000
Surplus for year	$55,236	$5,161	$22,224
Times Interest Earned	2.55	1.97	1.75
Earnings Per Share—			
Preferred	$32.49	$22.99	

*Includes $14,414 surplus credit accounts.

Surplus Account, December 31, 1927—Profit and loss, January 1, 1927, $357,340; net income, year ended Dec. 31, 1927, $81,240—total, $438,580. Contra: Expenses not provided elsewhere, $135; Preferred dividends, $26,004; other deductions from surplus, $10,498—total, $36,637. Profit and loss at Dec. 31, 1927, $401,943.

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Fixed capital	$3,064,953	$2,787,697	$2,623,052
Investment securities	3,892	3,880	34,381
Reacquired bonds		15,000	
Interest on special deposits	675		
Cash	784	3,509	21,911
Accounts receivable	52,651	37,844	37,452
Special deposits	1,740	1,582	1,437
Materials and supplies on hand	13,102	15,259	12,824
Prepaid interest, etc.	499	706	578
Unamortized debt discount and expense	6,122	10,469	13,479
Preliminary charges	2,074	4,803	1,887
Total	$3,146,492	$2,880,749	$2,747,001
Liabilities—			
Common stock	$1,000,000	$1,000,000	$1,000,000
Preferred stock	250,000	225,000	175,300
Funded debt of Company	975,000	975,000	975,000
Funded debt of Sub. Co.	63,000	63,000	63,000
Pfd. stock subscriptions		17,885	17,140
Notes payable	105,000		
Current liabilities	32,869	36,178	19,120
Accrued bond interest	9,442	9,442	9,442
Reserve for depreciation	309,238	196,904	170,904
Appropriated surplus	401,943	74,913	74,913
Unappropriated surplus		282,427	242,182
Total	$3,146,492	$2,880,749	$2,747,001

Officers: Vernon F. West, Pres., Portland, Me.; Arthur N. Burnie, V-P. & Treas.; J. T. Taylor, V-P., Beaver Falls, Pa.; M. D. Youtes, Sec., Monaca, Pa.

Directors: Vernon F. West, Harold C. Payson, Portland, Me.; Arthur N. Burnie, J. T. Taylor, Beaver Falls, Pa.; Philip Burgess, Columbus, Ohio.

Office, Beaver Falls, Pa.

DELAWARE WATER COMPANY

(Controlled by Consumers Water Co.)

History—Incorporated Nov. 15, 1888, in Ohio. Franchise perpetual. Sources of supply are Olentangy River and 16 driven wells. Population served, 11,000. Miles of mains, 23. No. of customers, 2,264. No. of meters, 2,261. The city rents 269 hydrants at an annual rental of $40 per hydrant. On Feb. 8, 1922, the Public Utilities Commission of Ohio reported the depreciated value of the used and useful properties of the Company to be $434,625. Gallons of water pumped in 1927, 300,816,000, compared with 316,337,200 in 1926.

CAPITAL STOCK

Outstanding, $200,000 Common and $127,500 7% Pfd.; par, $100. The entire Common stock, except directors' qualifying shares, is owned by Consumers Water Co. Stock transferred and registered at company's office. Annual meeting, first Monday in March.

Dividends—On Pfd., 7% per annum; on Common, 3% each in 1916, 1917 and 1918; 2¼% in 1919; none thereafter to 1925 inclusive; 1926 and 1927, 4% each.

FUNDED DEBT

$250,000 First Mortgage Gold 5% Bonds; dated August 1, 1914; due August 1, 1934; interest February and Aug. 1, at Delaware, Ohio, and at American Trust Co., Boston, Mass. Coupon, $500 and $1,000; principal may be registered. Delaware (Ohio) Savings Bank, Trustee. Authorized issue, $250,000. Subject to call at 102 on any interest date. First publicly offered ($600,000) in December, 1914, at 96 and interest. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$16,825	$86,491	$83,203
Oper. exp., taxes & deprec.	56,504	55,827	53,014
Net earnings	$30,321	$30,664	$30,189
Other income	1,948	1,738	708
Total income	$32,269	$32,402	$30,897
Interest charges	12,602	12,777	12,898
Other charges	1,554	2,485	3,863
Total charges	$14,156	$15,262	$16,761
Balance for dividends	18,113	17,140	14,136
Pfd. dividends paid	8,925	8,925	8,925
Common dividends paid	8,000	8,000	
Surplus for year	$1,188	$215	$5,211
Times Fixed Chgs. Earned	2.28	2.12	1.84
Earnings Per Share—			
Preferred	$14.20	$13.54	$11.09

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$581,862	$573,262	$585,143
Materials and supplies	5,019	4,786	5,134
Cash & accounts receivable	6,798	6,556	5,964
Notes receivable	900		4,009
Prepaid accounts		12	
Special deposits	175	238	250
Commission on bonds	8,532	9,827	11,123
Commission on Pfd. stock		257	4,646
Investments	14,309	13,522	
Total	$617,595	$608,460	$616,269
Liabilities—			
Common stock	$200,000	$200,000	$200,000
Preferred stock	127,500	127,500	127,500
Funded debt	250,000	250,000	250,000
Notes payable		2,000	
Accounts payable	1,810	2,020	1,436
Consumers' deposits	613	573	507
Interest accrued	5,208	5,208	5,208
Coupons payable	175	238	250
Prepaid taxes (cr.)			96
Depreciation reserve	18,340	8,160	18,916
Profit and loss	13,949	12,761	12,548
Total	$617,595	$608,460	$616,269

Officers: Hon. F. M. Marriott, Pres., Delaware, O.; Vernon F. West, V-P.; James W. Coburn, Treas., Portland, Me.; F. M. Marriott, Jr., Sec.; Joy M. Marriott, Asst. Treas. & Mgr.; D. R. Smith, Supt., Delaware, O.

Directors: Geo. F. West, Vernon F. West, Portland, Me.; Hon. F. M. Marriott, Philip Burgess, Francis M. Marriott, Jr., Delaware, O.

Offices, 120 Exchange St., Portland, Me., and Delaware, Ohio.

NORTHERN ILLINOIS WATER COMPANY

(Controlled by Consumers Water Co.)

History—Incorporated Nov. 28, 1910, in Me., as the Illinois Water Co., name subsequently changed as above. Supplies water to Kankakee and Bradley, Ill. Estimated population served, 19,000.

CAPITAL STOCK

Authorized, $200,000 Common and $200,000 7% Pfd.; issued, $200,000 Common and $160,000 Pfd.; par, $100. The entire Common stock, except directors' qualifying shares, is owned by Consumers Water Co. Annual meeting, second Tuesday in February.

Dividends—Pfd. dividends regularly paid from 1922 to 1927, inclusive.

FUNDED DEBT

$320,000 First & Refunding Mortgage 6% bonds, Series "A"; dated Jan. 1, 1922; due Jan. 1, 1952; int. Jan. and July 1, at U. S. Trust Co., Portland, Me., Trustee. Coupon, $100, $500 and $1,000. A first mortgage on all the property of the Northern Illinois Water Co. now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$124,225	$117,456	$113,871
Oper. exp. & taxes	70,940	69,420	73,351
Depreciation	7,538	7,086	6,803
Net earnings	$45,747	$40,950	$33,717
Interest charges, etc.	30,667	25,924	24,363
Net income	$15,080	$15,026	$9,354
Pfd. dividends paid	11,200	11,193	11,200
Surplus for year	$3,880	$3,833	*$1,846

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$913,590	$817,402	$766,184
Materials and supplies	13,272	19,770	11,335
Cash	649	35	1,698
Accounts receivable	6,735	4,757	6,389
Prepaid items	521	154	463
Other assets	12,843	140	.....
Unamort. debt disc. & exp.	35,492	36,974	38,455
Total	$983,102	$879,232	$824,524
Liabilities—			
Common stock	$200,000	$200,000	$200,000
Preferred stock	160,000	160,000	160,000
Funded debt	320,000	320,000	320,000
Preferred stock sub. dep.	135	135	135
Accounts payable	3,281	118,709	66,308
Notes payable	202,990	.....	.....
Other current liabilities	9,612	.....	.....
Consumers' deposits	4,517	2,786	1,946
Accrued dividends	1,867	1,863	.....
Contributions to extensions	4,768	.....	.....
Depreciation reserve	47,919	51,603	53,963
Profit and loss	28,013	24,136	22,172
Total	$983,102	$879,232	$824,524

Officers: Vernon F. West, Pres.; Harold C. Payson, V-P.; George Huse, Treas. & Supt.; Jas. W. Coburn, Asst. Treas. & Clerk.

Directors: Vernon F. West, Harold C. Payson, Jas. W. Coburn, Portland, Me.; Philip Burgess, Columbus, Ohio; George Huse, Kankakee, Ill.

Offices, Kankakee, Ill., and Portland, Me.

SHENANGO VALLEY WATER COMPANY

(Controlled by Consumers Water Company)

History—Incorporated in 1926 to own and operate water works properties formerly owned by Sharon Water Works Company and South Sharon Water Company. Supplies water to Sharon, Farrell, Petrolia and Wheatland, Pa., and Masury, Ohio. Population served, about 43,000. Company operates water works serving 9,290 consumers, and 431 city fire hydrants are connected to the mains. Equipment includes pumping stations with a nominal daily distributive pumping capacity of approximately 15,000,000 gallons, and filtration plants with a nominal daily capacity of approximately 8,000,000 gallons. The source of water supply is the Shenango River. The distribution system includes over 48 miles of mains.

CAPITAL STOCK

Outstanding, 10,000 shares Common of no par value, and $350,000 7% cumulative Pfd., par, $100. The entire Common stock, except directors' qualifying shares, is owned by Consumers Water Co.

Dividends—Payments on Pfd. regularly made. On Common: $6 per share in 1926; $4 per share in 1927.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1956

Dated October 1, 1926.

Interest Payable April and October 1, at Union Safe Deposit & Trust Co., Portland, Me., or Agency in New York or Boston.

Denominations—Coupon, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee—Union Safe Deposit & Trust Co., Portland, Me.

Provisions of Issue—Issued, $1,000,000 Series "A" 5s. Mortgage provides for issuance of bonds in series, bearing the same or different rates of interest, and such other features and provisions as may be determined by directors subject to provisions of the Mortgage. Additional bonds may be issued under the Mortgage for (a) not exceeding 75% of cost or fair value, whichever is lower, of permanent improvements, additions or extensions to property of Company or any new or additional property as defined in Mortgage; (b) cash deposited with Trustee under provisions of the Mortgage; (c) the paying, redeeming or refunding of indebtedness secured by prior liens on property as defined in Mortgage; and (d) the paying, redeeming or refunding of bonds of another series. No additional bonds may, however, be issued except for purposes expressed in (c) and (d) above, unless net earnings of Company, for twelve consecutive calendar months within fifteen calendar months immediately preceding the month in which application is made for authentication of bonds, shall have been at least one and three-quarter times annual interest charges upon (a) all bonds outstanding under the Mortgage, (b) those to be issued and (c) all indebtedness secured by prior liens, if any, on property, except such part thereof as will be paid or retired from proceeds or through issue under the Mortgage of the additional bonds applied for. In the calculation of such net earnings at least 4½% of gross revenues must be charged to operating expenses for repairs and current maintenance.

Purpose of Issue—Proceeds from sale of these bonds were used for the purchase of properties and for other corporate purposes.

Callability—Subject to call as a whole or in part, on 30 days' notice to Oct. 1, 1936 at 105 and interest; thereafter to Oct. 1, 1946 at 102½ and interest, and thereafter at par and interest.

Improvement and Maintenance Fund—Company covenants to expend or reserve in each calendar year after 1926 for improvements, maintenance and depreciation an amount not less than 9% of annual gross operating earnings of Company derived from mortgaged property. This reserve may be expended by Company under the limitations of the Mortgage for renewals or sinking funds. It may be expended for cost of improvements to properties of Company against which no First Mortgage bonds may be issued.

Security—Secured by a first mortgage on all physical property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; free from personal property tax of State of Pennsylvania not exceeding four mills. Connecticut, Kansas and California taxes not to exceed four mills, Maryland four and one-half mills.

Michigan five mills exemption tax, Kentucky five mills tax, Virginia five and one-half mills tax and Massachusetts income tax not to exceed 6%, refundable.

Legal Opinion—Seibert & Riggs, New York (for the bankers), and Ballard, Spahr, Andrews & Madeira, Philadelphia (for the Company).

Original Offering—First publicly offered ($1,000,000) in October, 1926, at 93 and interest, to yield over 5.45%, by W. C. Langley & Co., New York, and H. M. Payson & Co., Portland, Me.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross operating revenue	$244,828	$237,372
Operating expenses and taxes	95,531	109,494
Net earnings	$149,297	$127,878
Other income	12,791	4,627
Total income	$162,088	$132,505
Interest deductions	50,267	30,224
Depreciation	24,000	27,000
Amortization bond interest	240	390
Net income	$87,581	$72,891
Preferred dividends	21,583	6,125
Common dividends	40,000	60,000
Surplus for year	$25,998	$6,766
*Times Interest Earned	2.74	3.47
Earnings Per Share—		
Preferred	$25.02	$20.82

*After deducting depreciation.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Plant and property	$1,597,884
Masury Water Co.	128,254
Cash on hand	4,659
Accounts receivable	50,698
Materials and supplies	6,163
Prepaid accounts	7,361
Total	$1,795,019
Liabilities—	
Common stock (no par) (10,000 shares at $1)	$10,000
Preferred stock	350,000
Funded debt	1,000,000
Notes payable	52,250
Consumers' deposits	9,345
Accounts payable	6,085
Bond interest accrued	12,500
Preferred dividend accrued	1,750
Coupons payable	1,375
Surplus & reserves	351,714
Total	$1,795,019

Officers: Vernon F. West, Pres.; H. C. Payson, V-P.; James W. Coburn, Sec. & Treas., Portland, Me.

Offices, Sharon, Pa., and 120 Exchange St., Portland, Me.

PENOBSCOT COUNTY WATER COMPANY

(Controlled by Consumers Water Company)

History—Incorporated Feb. 2, 1922 in Maine. Serves with water Old Town, Milford, Veazie, Brewer, Orono and Ellsworth, Maine. Miles of water mains, 77. Number of water meters, 680. Annual sales, 769,200,270 gallons.

CAPITAL STOCK

Authorized, $500,000; outstanding, $403,000; par $100. All owned by Consumers Water Company. No dividends paid.

FUNDED DEBT

$500,000 FIRST AND REFUNDING MORTGAGE 6% BONDS; DUE APRIL 1, 1942

Dated April 1, 1922.

Interest Payable April and October 1 at Merrill Trust Co., Bangor, Maine, and H. M. Payson & Co., Portland, Maine.

Dominations—Coupon, $500 and $1,000.

Trustee—Merrill Trust Co., Bangor, Maine.

Provisions of Issue—Authorized, $1,000,000; outstanding, $500,000.

Callability—Subject to call at 103 upon 4 weeks' notice up to April 1, 1937.

Security—Secured by first lien on water works property.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross income	$126,567	$125,850
Operating expenses	81,281	78,506
Net earnings	$45,286	$47,344
Other income	*574	709
Total income	$44,712	$48,053
Deductions:		
Interest charges	37,426	37,441
Amortization debt disc.	1,013	1,012
Law and valuation expense	.....	18,285
Surplus for year	$6,273	*$8,685

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property and equipment	$998,085
Cash	1,820
Accounts receivable	7,966
Prepaid accounts	643
Debt disc. & exp.	14,440
Special deposits	465
Deficit	30,350
Total	$1,053,769
Liabilities—	
Capital stock	$403,000
Funded debt	500,000
Notes & accounts payable	128,591
Interest & taxes accrued	4,561
Reserve for depreciation	17,617
Total	$1,053,769

Officers: Herbert Payson, Pres.; Harold C. Payson, V-P.; Vernon F. West, Treas.; James W. Coburn, Clerk & Asst. Treas.

Directors: Herbert Payson, Harold C. Payson, Vernon F. West, George F. West, Phillips M. Payson.

General Office, 120 Exchange St., Portland, Maine.

MINNEAPOLIS, ANOKA AND CUYUNA RANGE RAILWAY COMPANY

History—Incorporated Feb. 12, 1915, in Maine; successor to Minneapolis & Northern Ry. Co. Road extends from Minneapolis to and in Anoka, Minn. Total operated 27.48 miles. Of the line, 15.10 miles is on private right of way; Anoka franchise, 0.57 mile; Minneapolis franchise, 8.30 miles; shop tracks, 0.13 mile; leased tracks, 2.72 miles; sidings, 0.66 mile. Line as above put in operation in January, 1913. Gauge, 4 ft. 8½ in. Rail, T 56 and 60 lbs. Operated by overhead trolley. Equipment: Locomotives, 2; motor passenger cars, 4; service cars, 3. Principal business is freight and switching.

Receivership—Edward P. Burch was appointed receiver July 9, 1926.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $200,000 7% cumulative Pfd.; par, $100. Annual meeting, second Tuesday in February at Augusta, Me.

Dividends—Dividends on Pfd. are paid semi-annually, Jan. and July 1 to 1924; none since. None paid on Common.

FUNDED DEBT

$284,000 First Mortgage, 5% Gold bonds; dated May 1, 1915; due May 1, 1935; int. May and Nov. 1, at American Trust Co., Boston, Mass., Trustee. Chas. E. Bowen, co-trustee. Coupon, $1,000. Authorized issue $2,500,000. Subject to call on any interest date at 10 and accrued interest upon 30 days' notice. Sinking fund, begins after 1920, 1% per annum, to be used in retirement of bonds, or may be used for permanent improvements and extensions. A first lien on entire property. Company does not pay Normal Federal Income Tax.

Interest Defaulted—Coupons due Nov. 1, 1925, and subsequently in default.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$78,014	$103,724	$95,179
Oper. exp., deprec. & taxes	96,846	104,452	79,328
Net earnings	*$18,832	*$728	$15,851
Other income	856	248	748
Total income	†$17,976	†$480	$16,599
Bond interest	.....	$9,988	$15,000
Amortization, etc.	.....	5,040	4,708
Total charges	.....	$15,028	$19,708
Deficit for year	$17,976	$15,508	$3,108

*Loss. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$519,195	$518,256	$672,256
Investments	.....	.....	520
Materials and supplies	7,129	6,947	6,346
Cash	38,078	25,621	20,138
Accounts receivable	16,392	24,262	15,260
Int., rents & div. receivable	.....	.....	219
Other deferred assets	.....	.....	105
Unadjusted debits	961	244	89,566
Profit & loss deficit	190,135	268,491	.....
Total	$771,891	$843,821	$804,410
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Preferred stock	200,000	200,000	200,000
Funded debt	284,000	380,000	380,000
Accounts payable	79,116	57,199	38,164
Accrued liabilities	16,923	20,242	10,266
Deprec., reserves, etc.	91,851	86,380	50,832
Profit and loss surplus	.....	.....	25,148
Total	$771,891	$843,821	$804,410

Receiver: Edward P. Burch, 913 Hennepin Ave., Minneapolis, Minn.

Corporate Officers: C. P. Bratnober, Pres.; H. L. Bratnober, V-P.; C. A. Bratnober, Sec. & Treas., St. Paul, Minn.

Directors: H. L. Bratnober, C. P. Bratnober, C. A. Bratnober, A. A. Kranhold, St. Paul, Minn.; F. H. Stevens, A. E. Appleyard, Minneapolis, Minn.

General Office, 913 Hennepin Ave., Minneapolis, Minn.

JOPLIN & PITTSBURG RY.

History and Property—Incorporated June 10, 1907, in Mo.; consolidation of the Pittsburg Ry. & Light Co. and the Joplin & Pittsburg St. Ry. Co. Early in 1910 absorbed the Pittsburg & Kansas City Ry. Owns and operates an electric railway, 96.5 miles in length, with a total trackage of over 100 miles (including sidings and yard tracks), embracing the local street lines in Joplin, Mo., and Pittsburg, Kan., and interurban lines connecting the two cities (about 27 miles apart), also Pittsburg with Mulberry, Girard, Cherokee, Mineral, Weir City, Scammon and Columbus, all except in the cities and towns upon private right of way. Gauge, standard. Rail 50 to 70 lb. T. Motor cars, passenger, 35, express, 8, freight, 60. Car barns, 3. The company has 6 sub-stations, transforming current purchased under long term contract from the Spring River Power Co., (controlled by Empire District Electric Co.,) and Kansas Gas & Electric Co.

Receivership—On Feb. 29, 1924, the Company went into receivership. K. D. Klemm was appointed Receiver by the United States District Court of Western Missouri. On Sept. 16, 1924, under foreclosure proceedings instituted by the trustees of the First Mortgage, M. H. MacLean was appointed receiver, succeeding K. D. Klemm.

Bondholders' Protective Committee—In view of the non-payment of March 1, 1924, interest on company's First Mortgage 5s and the fact that bondholders have the right to enforce their security unless payment is made within sixty days, a Bondholders Protective Committee has been formed consisting of Chester Corey, John W. Esmond, B. C. Lingle, John R. Macomber and William H. Wildes. Deposits of bonds may be made at the Harris Trust & Savings Bank, Chicago, through E. H. Rollins & Sons, New York or Boston, and Harris, Forbes & Co., New York or Boston.

Foreclosure Sale.—The Committee named above purchased the property at foreclosure sale April 17, 1925 for upset price of $350,000. Sale has not yet been confirmed by the Court.

CAPITAL STOCK

Authorized, $5,000,000 Common and $2,000,000 Pfd.; outstanding $5,000,000 Common and $800,000 Pfd. Rights; par, $100. Pfd. Rights are entitled to 6% cumulative dividends from April 1, 1916, and share equally with Common after latter has received 6% dividends. Shares transferred by Secretary of the company. Annual meeting, second Wednesday in March, at Kansas City. No dividends have been paid.

FUNDED DEBT

(1)

$1,750,000 FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1930

Dated March 1, 1910.

Interest Payable March and September 1, at Harris Trust & Savings Bank, Chicago, at office of Harris Forbes & Co., New York, and through any of the offices of E. H. Rollins & Sons. March 1, 1924 and subsequent interest in default.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago, joint trustee with St. Louis Union Trust Co.

Provisions of Issue—Authorized, $5,000,000; unissued bonds held in escrow and can be issued to reimburse the company for not to exceed 80% of the actual cost of extensions and additions, but only in case the net earnings for the year preceding shall have been at least twice the annual interest charge, including bonds then proposed to be issued.

Callability—Subject to call at 103 and interest on any interest date.

Security—Secured by a first lien on all property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in 1910, at 97 and interest.

(2)

$1,050,000 GENERAL MORTGAGE GOLD 6s (NOW 7s); ORIGINALLY DUE APRIL 1, 1920, BUT EXTENDED FOR 3 YEARS TO APRIL 1, 1923, AND INTEREST RATE INCREASED FROM 6% TO 7%, AND FURTHER EXTENDED AT SAME RATE OF INTEREST TO MARCH 1, 1930

Dated April 1, 1913.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago, and First National Bank, New York. April 1, 1924, and subsequent interest in default.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Central Trust Co. of Illinois, Chicago, and Commerce Trust Co., Kansas City, Mo.

Provisions of Issue—Authorized issue, $1,050,000. These General Mortgage 6s were issued in exchange for an equal amount of Ten-Year Debenture 6s, dated April 1, 1910.

Callability—Subject to call at par and interest on any interest day on 30 days' prior notice, published in a Chicago paper.

Security—Secured by a second mortgage upon all the property of the Company, whereas the Debentures were simply secured upon income.

Tax Provisions—Company pays Normal Federal Income tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$461,476	$415,291
Operating expenses, taxes & depre.	499,398	468,571
Loss from operations	$37,922	$53,280
Interest, etc.	174,730	174,730
Deficit for year	$212,652	$228,010

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of road and equipment	$8,973,463	$8,960,056
Materials & supplies	7,757	11,143
Cash	33,641	63,434
Notes and accounts receivable	30,718	14,010
Unadjusted debits	5,570	5,570
Deferred debit items	38,428	54,819
Profit and loss deficit	477,126	283,436
Total	$9,566,703	$9,392,468
Liabilities—		
Common stock	$5,000,000	$5,000,000
Preferred stock	800,000	800,000
Funded debt	2,800,000	2,800,000
Accounts payable	71,475	45,797
Interest accrued	691,542	530,542
Reserve for taxes	62,745	87,068
Deferred credit items	16,121	14,528
Reserve for depreciation	124,820	114,533
Total	$9,566,703	$9,392,468

Officers: M. H. MacLean, Receiver; L. V. Bower, Asst. to Receiver; J. F. Layng, Gen. Mgr.; J. F. Fennimore, Supt.; D. C. McGuire, Gen. Freight & Passenger Agt.; Tracey Eyestone, Aud.

General Office, Pittsburg, Kan.

UTILITY SHARES CORPORATION

History—Incorporated November 17, 1925, in Delaware, and acquired from Electric Railway Securities Company assets to the value of $1,440,000. In consideration of such transfer the Utility Shares Corporation issued and distributed 40,000 shares Participating Pfd. stock, 80,000 shares Common stock, and 80,000 Options, expiring Dec. 31, 1927, to purchase Common stock at $10 per share, ratably to the holders of Electric Railway Securities Company's outstanding 80,000 shares of stock, as follows: ½ share of Participating Pfd. stock, 1 share of Common stock, and 1 Option to each share of Electric Railway Securities Company stock.

Utility Shares Corporation also purchased 30,000 shares of Commonwealth Power Corporation Common stock and in payment therefor issued 120,000 shares of its Common stock and a like number of Options.

Exchange Offer—Common stockholders of Utility Shares Corp. of record Nov. 12, 1927, were offered the right, until Nov. 26, 1927, to exchange their shares for Common stock of American Superpower Corp. on the basis of one share of Common "B" stock of the latter for three shares of Common stock of Utility Shares Corp.

CAPITAL STOCK

Authorized, 500,000 shares Common stock of no par value; 200,000 shares non-voting Participating Pfd. stock of no par value, and $50,000 6% cumulative First Pfd. stock of $100 par; outstanding, 397,877 shares Common and 26,950 shares Participating Pfd. Of the 26,950 shares of Participating Pfd. stock, 105 shares are represented by 210 non-dividend bearing Due Bills for ½ share each. None of the First Pfd. stock has been issued.

Stock Provisions—Dividends of 6% per annum are cumulative on First Pfd. stock, and on Participating Pfd. stock at rate of $1.20 per share per year. When Common dividends exceed 60 cents per share per year a like excess shall be paid to Participating Pfd. up to but not exceeding an additional 40 cents per share in such year. First Pfd. stock is redeemable at 105. Participating Pfd. stock is entitled to $20 per share upon dissolution, and is callable at $22.50 per share.

Transfer Agent—Hodenpyl, Hardy & Co., Inc., 14 Wall St., New York.

Registrar—Bankers Trust Co., New York.

Annual Meeting—Third Tuesday in July, at Dover, Del.

Dividends—Initial quarterly dividend of 30 cents per share on Participating Pfd. stock paid March 1, 1926, and at same rate quarterly since to June 1, 1928; payments M, J, S & D 1. Out of earnings and net profits of Corporation from organization in Nov., 1925 to Oct. 31, 1926, a dividend of 50 cts. per share was declared on the Common stock payable Dec. 15, 1926; May 2, and Nov. 1, 1927, 30 cts. per share each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Income—	1927	1926
Dividends	$136,645	$106,868
Interest	6,030	17,564
Net profit on sale of securities	222,819	58,561
Total income	$365,494	$182,993
Deduct—		
Expenses	$4,441	$3,605
Taxes	32,122	7,915
Total	$36,563	$11,520
Surplus net income	$328,931	$171,473

SUMMARY OF SURPLUS

	1927	1926
Balance, January 1	$48,992	$11,894
Surplus net income, as above	328,931	171,473
Total	$377,923	$183,367
Deduct—Dividends:		
Participating Preferred stock	$20,294	$34,193
Common stock	126,918	100,182
Total dividends	$147,212	$134,375
Balance, Dec. 31	$230,711	$48,992

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cash in bank	$538,111	$30,618
U. S. Government securities	†1,188,047	200,000
Bonds	†29,860	17,489
Preferred and Common stocks	†2,677,006	1,799,366
Dividends receivable	4,225	5,575
Interest receivable accrued	9,838	642
Total	$4,447,087	$2,053,690
Liabilities—		
Capital stock	*$4,183,683	$1,997,011
Dividends accrued	2,684	.....
Dividends received subject to claim	325	.....
Reserve for Federal Income Tax	29,684	7,687
Earned surplus	230,711	48,992
Total	$4,447,087	$2,053,690

*Represented by 26,950 shares non-voting Participating Pfd. stock and 397,877 shares Common stock. †Market value of these securities at Dec. 31, 1927, was $5,061,401.

Officers: Jacob Hekma, Pres.; E. E. Nelson, Sec.; Otto Brunenmeister, Jr., Treas.; H. G. Kessler, Compt.; O. R. Coleman, Asst. Sec. & Asst. Treas., New York.

Directors: W. M. Flook, Jacob Hekma, James McMillen, J. W. Maitland, New York; H. S. Scarritt, West Orange, N. J.

Principal Office, Dover, Del. **New York Office,** 14 Wall Street.

EXETER AND HAMPTON ELECTRIC COMPANY

History—Incorporated April 1, 1908, in N. H. Franchises perpetual. Furnishes Exeter, Hampton, Hampton Falls, Kingston, Stratham, Newton, East Kingston, Seabrook, Danville, Plaistow and Atkinson, N. H., with electric light and power. Population of district supplied, 13,211. In Sept., 1926, the Plaistow Electric Light & Power Co. of Plaistow, N. H., was consolidated with the Exeter & Hampton Electric Co. No. of customers, 4,738.

ELECTRICITY PURCHASED

	k.w.h.		k.w.h.
1924	2,066,670	1926	2,605,900
1925	2,405,230	1927	2,939,817

Electricity sold in 1927, 2,116,751 k.w.h., compared with 1,887,664 k.w.h. in 1926.

Executive Managers—Charles H. Tenney & Co., 200 Devonshire St., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding $200,000 Common and $125,000 7% Pfd.; par, $100. Annual meeting, first Thursday in February.

Transfer Agent—E. A. Bradley, Treas., 200 Devonshire St., Boston, Mass.

Dividends—Pfd. dividends regularly paid quarterly since issuance in 1923; payments, J, A, J & O. On Common in fiscal years ended June 30, as follows: 1911, 4¼%; 1912, 4½%; 1913, 5¼%; 1914 to 1917, incl., 6% each; fiscal years ended Dec. 31, 1918 to 1922, incl., 6%; 1923, 7%; 1924 to 1927, 8% each. Payments, quarterly, J, A, J & O.

FUNDED DEBT

$140,000 First Mtge. 5% bonds; dated Nov. 1, 1915; due Nov. 1, 1945; int. May and Nov. 1, at American Trust Co., Boston, Mass., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $250,000. Subject to call on any interest date at 105 and interest. No sinking fund. A first lien on entire property. Bonds are legal investment for savings banks and trust funds in New Hampshire. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$220,741	$191,373	$169,264
Oper. exp., taxes, dep., etc.	180,359	159,265	141,051
Net earnings	$40,382	$32,108	$28,213
Other income	1,556	1,657	1,184
Total income	$41,938	$33,765	$29,397
Fixed charges	7,410	6,338	3,247
Net income	$34,528	$27,427	$26,150
Preferred dividends	8,750	8,750	8,750
Common dividends	13,400	10,800	10,800
Surplus for year	$12,378	$7,877	$6,600

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$599,809	$563,826	$437,093
Investments	15,112	12,945	47,187
Accounts receivable	34,650	30,995	26,749
Materials and supplies	29,779	25,604	26,877
Cash	20,794	28,594	9,445
Subs. to capital stock	.....	4,700	.....
Prepaid accounts	1,138	1,745	2,459
Suspense items	1,979	1,572	1,655
Total	$703,261	$669,981	$551,466
Liabilities—			
Common stock	$200,000	$135,000	$135,000
Preferred stock	125,000	125,000	125,000
Capital stock subscribed	.....	65,000	.....
Funded debt	140,000	40,000	40,000
Notes payable	20,000	85,250	75,000
Accounts payable	7,594	6,050	5,916
Customers' deposits	6,894	6,215	5,439
Accruals	8,004	7,369	6,103
Depreciation reserve	94,263	110,673	80,749
Other reserves	2,835	2,239	2,596
Profit and loss surplus	98,671	87,185	75,663
Total	$703,261	$669,981	$551,466

Officers: Charles H. Tenney, Chrm. of Board, Springfield, Mass.; Allen Hollis, Pres., Concord, N. H.; Francis L. Ball, V-P.; Charles H. Tenney & Co., Gen. Mgrs.; E. A. Bradley, Treas., Boston, Mass.; Lucy M. Mason, Clerk, Concord, N. H.; Hazel E. Hagar, Sec., Cambridge, Mass.; Kenneth H. Goss, Aud., Newton Centre, Mass.; Geo. D. Baxter, Asst. Treas. & Local Mgr., Exeter, N. H.

Directors: Allen Hollis, Concord, N. H.; C. H. Tenney, Springfield, Mass.; Ernest G. Cole, Hampton, N. H.; John Scammon, Exeter, N. H.; B. E. Helme, Kingston, R. I.; E. A. Landman, Plaistow, N. H.; Francis L. Ball, Cambridge, Mass.

Executive Office, 200 Devonshire St., Boston, Mass. **Local Office**, 81 Water St., Exeter, N. H.

PROVIDENCE GAS COMPANY

History—Incorporated in June, 1847, in R. I. In 1878 absorbed the Citizens' Gas Co. Supplies East Providence, Cranston, Warwick, North Providence, Johnston, West Barrington and Barrington, R. I. Population served, 402,000. Output year ended Dec. 31, 1927, 2,903,452,000 cu. ft., compared with 2,814,436,000 cu. ft. in 1926, and 2,648,808,400 cu. ft. in 1925. Miles of mains, 550.5 No. of meters, 77,818. Gas rates, effective July 1, 1926: First 2,000 cu. ft., $1.10 gross per 1,000; the next 8,000 cu. ft. $1.00 gross per 1,000; the next 90,000 cu. ft. 90 cts. gross per 1,000; the next 400,000 cu. ft., 80 cts. gross per 1,000; the next 500,000 cu. ft., 70 cts. gross per 1,000; all in excess of 1,000,000 cu. ft., 65 cts. gross per 1,000. Discount 10 cts. per 1,000; service charge $6.00 per meter per year payable monthly. For the Riverside district of the town of East Providence and for the town of Barrington, the rate is 15 cts. more in each step of the schedule.

Charter Amendment—Early in 1915, the shareholders voted to apply to the Rhode Island Legislature for the right to operate in the towns of Barrington, Coventry, East Greenwich, Scituate, Smithfield, Warwick and West Warwick. The amendment to the charter was subsequently granted.

Stockholders' Protective Plan and Agreement—Stockholders of Company were asked to deposit their stock under Stockholders' Protective Plan and Agreement, dated April 1, 1927, in order to prevent a majority of the shares of Company being acquired by outside interests. Time for deposit of stock under the agreement was extended from May 2 to July 15, 1927. The agreement may be terminated at any time by a majority vote of the committee, but unless sooner terminated the agreement shall continue to and including April 1, 1932, or may be extended for a further period of five years upon at least 90 days' notice to each depositor.

Committee: Frank W. Matteson, George W. Gardiner, Preston H. Gardner, William L. Sweet, Charles H. Manchester. **Depositaries**: Industrial Trust Co., and Rhode Island Hospital Trust Co.

CAPITAL STOCK

Authorized, $15,000,000 (increased from $10,000,000 in 1925); outstanding, Dec. 31, 1927, $9,205,950; par, $50

Listed—Providence Stock Exchange.

Annual Meeting—First Monday in March.

Dividends—1908 to 1917 incl., 8%; 1918, 4%; 1919, 4%; 1920, 6%; 1921 to 1925, incl., 8%; 1926 and 1927, 8% regular and 2% extra; Jan. 3, 1928, 2% regular and 2% extra; April 2, 1928, 2%; payments quarterly, J, A, J & O 1. Directors meet for dividend action on the second Monday in M, J, S & D.

FUNDED DEBT

$2,800,000 20-YEAR FIRST GOLD 5½s, SERIES "A," DUE JANUARY 1, 1942

Dated January 1, 1922.

Interest Payable January and July 1, at Rhode Island Hospital Trust Co., Providence, R. I., or at its office or agency in New York or in Boston.

Denominations—Coupon, $500 and $1,000, and fully registered, $1,000. Coupon bonds of $1,000 denomination registerable as to principal. Interchangeable.

Trustee—Rhode Island Hospital Trust Co., Providence. R. I.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice, on and after Jan. 1, 1932, at 105, less ½ of 1% for each full year of expired life after Jan. 1, 1932.

Mortgage Provisions—The Deed of Trust authorizes an unlimited issue of bonds, in series, and of such amounts, rates, dates, maturities, etc., as may be determined by the Board of Directors at the time of authorization of each series, all, however, subject to the restrictive provisions of the Indenture. Series "A" is closed at $3,500,000. Future issuance of bonds may be made (a) for retirement of bonds of an earlier

series and (b) otherwise under certain restrictions provided the net earnings are twice the interest requirements on the bonds outstanding and those whose issue is applied for. The proceeds of Series "A" were used by the Company to pay its bank loans and such of the outstanding 5-Year 7% Convertible Gold Notes as were not converted into stock.

Security—Secured by a first lien on the real estate and fixed property of the company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Swan, Keeney & Smith (for the Company) and Comstock & Canning (for the Bankers).

Original Offering—First publicly offered in Jan. 1922 at 100 and int., by Bodell & Co., Brown, Lisle & Marshall, Davis & Davis, C. A. Kilvert & Co., Richardson & Clark and W. W. White & Co., all of Providence, R. I.; $628,000 additional were offered in Oct. 1925, by Brown, Lisle & Marshall, Providence.

OTHER FUNDED DEBT

In addition there was outstanding, Dec. 31, 1927, $300 Five-Year 7% Convertible Gold Coupon Notes; dated January 1, 1918; due January 1, 1923, but called for payment on July 1, 1922. The right to convert these notes into stock expired on July 11, 1922, and interest ceased on July 1, 1922.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings (including other income)	$3,153,801	$3,169,496	$3,085,084	$3,192,159	$3,160,675	$3,150,244
Operating expenses	1,779,143	1,714,797	1,747,075	1,881,367	1,842,269	1,812,180
Net earnings	$1,374,658	$1,454,699	$1,338,008	$1,310,792	$1,318,406	$1,338,064
Interest charges	$158,533	$156,575	$128,741	$122,001	$75,232	$124,893
Depreciation	200,000	300,000	300,000	300,000	300,000	251,856
Total charges	$358,533	$456,575	$428,741	$422,001	$375,232	$376,749
Balance for dividends	$1,016,125	$998,124	$909,267	$888,791	$943,174	$961,315
Dividends paid	920,595	920,595	736,476	736,476	736,476	696,013
Surplus for year	$95,530	$77,529	$172,791	$152,315	$206,698	$265,302
†Times All Interest Earned	7.41	7.37	8.07	8.28	13.53	8.69
Earnings Per Share	$5.51	$5.42	$4.94	$4.82	$5.12	$5.22

†After depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$15,692,002	$14,984,866	$14,107,976	$13,296,655	$12,390,652	$11,879,388
Materials and supplies	795,417	705,173	702,041	594,068	683,288	671,068
Cash on hand, etc	554,913	793,531	582,107	361,414	527,858	564,472
Investment securities	.....	.....	.....	450,000	460,000	252,000
Certificates of deposit	.....	.....	500,000	.....	.....	.....
Notes receivable	.....	.....	.....	.....	35,000	45,000
Accounts receivable	316,497	434,871	390,730	369,417	337,585	472,093
Deferred charges	54,299	42,658	33,475	69,238	73,746	76,377
Trustees a/c capital stock for employees	.....	.....	41,274	98,338	36,596	69,578
Trustees a/c capital stock for customers	.....	.....	.....	.....	196,499	41,842
Total	$17,413,128	$16,961,100	$16,357,604	$15,239,130	$14,741,224	$14,071,819
Liabilities—						
Capital stock	$9,205,950	$9,205,950	$9,205,950	$9,205,950	$9,205,950	$9,205,950
5-Yr. Convertible coupon notes	300	300	350	1,150	1,650	46,850
20-Yr. 5½% 1st mtge. bonds	2,800,000	2,800,000	2,800,000	2,172,000	2,172,000	2,124,000
Accounts payable	141,326	133,685	128,313	191,206	143,802	120,787
Notes payable	350,000	.....	.....	.....	.....	.....
Consumers' deposits	97,019	96,293	94,540	95,687	90,866	92,327
Dividends payable Jan. 1	368,238	368,238	184,119	184,119	184,119	184,119
Depreciation reserve	2,459,361	2,512,415	2,306,353	2,051,918	1,798,263	1,590,496
Other reserves	803,299	762,858	662,683	534,595	494,384	263,799
Unadjusted credits	39,280	28,535	.....	.....	.....	.....
Profit and loss	1,148,355	1,052,825	975,296	802,505	650,190	443,491
Total	$17,413,128	$16,961,100	$16,357,604	$15,239,130	$14,741,224	$14,071,819

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$795,417	$705,173	$702,041	$594,068	$683,288	$671,068
Cash	554,913	793,531	582,107	361,414	527,858	564,472
Notes receivable	.....	.....	.....	.....	35,000	45,000
Accounts receivable	316,496	434,871	390,730	369,417	337,585	472,093
Total	$1,666,826	$1,933,575	$1,674,878	$1,324,899	$1,583,731	$1,752,633
Current Liabilities—						
Accounts payable	$141,326	$133,685	$128,313	$191,206	$143,802	$120,787
Notes payable	350,000	.....	.....	.....	.....	.....
Consumers' deposits	97,019	96,293	94,540	95,687	90,866	92,327
Dividends payable Jan. 1	368,238	368,238	184,119	184,119	184,119	184,119
Total	$956,583	$598,216	$406,972	$471,012	$418,787	$397,233
Net Working Capital	$710,243	$1,335,359	$1,267,906	$853,887	$1,164,944	$1,355,400

Officers: Chas. H. Manchester, Pres.; Henry D. Sharpe, V-P.; Frederick C. Freeman, V-P. & Engineer; Arthur F. Short, Sec. & Treas.; Augustus W. Bourne, Asst. Treas., Providence, R. I.

Directors: Henry D. Sharpe, Webster Knight, Frank W. Matteson, Chas. H. Manchester, John O. Ames, James R. MacColl, Florrimon M. Howe, William G. Roelker, William L. Hodgman, Frederick S. Peck, Herbert W. Rice, Providence, R. I.

Office, Providence, R. I.

SALT LAKE & UTAH RAILROAD

History and Property—Incorporated Oct. 5, 1912, in Maine. Road was formally opened, Salt Lake City to Provo, Aug. 1, 1914, although trains were placed in operation July 24, 1914. Extension Provo to Springville, about 6 miles was completed and train operation begun in the fall of 1915. Extension Springville to Spanish Fork, about 5 miles completed and train operation begun Jan. 1, 1916. Extension Spanish Fork to Payson, about 8 miles, completed and train operation begun May 20, 1916. Branch from Granger to

Magna, about 9 miles, completed and train operation started Oct. 10, 1917.

The company operates a total trackage of 94.40 miles. 76.10 miles of road are operated including .96 mile operated under lease from Salt Lake Terminal Co. in Salt Lake City, Utah. The remainder, or 75.14 miles of road, owned by the company, extends from Salt Lake City to Payson, Utah, 65.99 miles and Granger, Utah to Magna, Utah, 9.15 miles. Current for propulsion is purchased from the Utah Power & Light Co. and is supplied through four substations which aggregate 2,500 k. w. The shops are at Payson, Utah, and are provided with modern machinery and tools, with individual electric or pneumatic motors.

The rolling equipment consists of the following: All steel equipment: 13 motor passenger cars, 4 passenger trailers, 2 motor express and baggage cars, 1 trailer express and baggage car, 6 electric locomotives, 70 general service gondola freight cars, 14 hopper cars; other equipment: 10 steel underframe box cars, 2 cabooses, 1 line car, 1 reel car, 10 Rodger ballast cars, 5 flat and 23 box cars—total 162 units.

Franchises extend to 1960 in Utah County and in Provo; to 1962 in Salt Lake City and County; to 2010 in Lehi City, American Fork and Pleasant Grove, and to 2012 in Springville, Spanish Fork and Payson; remainder on private right of way.

Owns 50% of the $200,000 outstanding stock (authorized, $1,000,000) of the Salt Lake Terminal Co., the other 50% being owned by the Bamberger Electric R. R. Co. The Terminal Company is operated by these two companies under a fifty-year lease running to Dec., 1963.

Receivership—The Company was placed in receivership on July 24, 1925, Henry I. Moore, of Salt Lake City, and D. P. Abercrombie, Jr., of Boston, being appointed receivers.

Protective Committee—The following committee was organized under a Deposit Agreement, dated June 1, 1927, to protect the interests of holders of Company's First Mortgage 6% Gold bonds, dated April 1, 1914; Five-Year 7% Convertible Gold notes, dated October 1, 1923, and other notes secured by pledge of the First Mortgage bonds, and to attempt to formulate a plan for the reorganization of the Company: Geo. W. Treat, Chrm.; Alexander Berger, F. A. Fisher, J. W. Harding, Herbert K. Hallett, J. W. Hyer and C. H. Sturtevant, with The Atlantic National Bank of Boston as Depositary (Continental National Bank & Trust Co., Chicago, and The International Trust Co. of Denver, Agents for Depositary); Henry R. Guild, Sec., 1 Federal St., Boston, and Herrick, Smith, Donald & Farley, Boston, Counsel.

CAPITAL STOCK

Authorized, $3,000,000 Common, $2,000,000 7% cumulative Pfd. and $3,000,000 7% cumulative First Pfd.; outstanding, Dec. 31, 1927, $3,000,000 Common, $1,400,000 Pfd. and $643,700 First Pfd.; par, $100. The Interurban Construction Co. owns all the Pfd. stock and 90% of the Common. Both Pfd. stocks are subject to call at 105.

Annual Meeting—Second Wednesday in September, at Portland, Me.

Dividends—Dividends on Pfd. stocks were payable quarterly, M. J. S & D 15; none paid since 1925 on either class of stock.

FUNDED DEBT

(1)

$1,431,900 FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1944

Dated April 1, 1914.

Interest Payable April and October 1, at Continental National Bank & Trust Co., Chicago, and First National Bank, New York.

Interest Default—Interest due Oct. 1, 1925 and subsequently is in default.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental Bank & Trust Co., Chicago.

Provisions of Issue—Original authorized issue, $10,000,000. The $1,431,900 outstanding bonds bear 5% interest; remainder will bear such rates not exceeding 6% as the directors may determine. All 6% or other rate bonds may be called on any interest payment date at 102 and interest, and the trustee shall on request of the company issue in lieu thereof a like amount of bonds bearing a lower rate of interest. Additional bonds may only be issued for not exceeding in par value 75% of the cash cost of additions, extensions or betterments to the property, and provided the net earnings for the preceding twelve months are not less than 1¾ times the annual interest on all bonds outstanding and those requested to be certified.

In addition to the $1,431,900 bonds outstanding, $1,213,800 have been certified, of which $340,000 are deposited as collateral to the Five-Year 7% Secured Convertible Notes; $830,300 are deposited as collateral to the U. S. Government Loan (due $15,700 annually 1927 to 1935 and the balance, $700,000, in 1936); $42,000 as collateral to $125,000 Missouri Pacific RR. and Western Pacific RR. Note matured and unpaid; and $1,500 are in Company's treasury.

Sinking Fund—A sinking fund is provided for the retirement annually of the then outstanding bonds as follows: 1% in 1919 to 1923, inclusive; 1½%, 1924 to 1933, inclusive; 2%, 1934 to 1943, inclusive.

Security—A first lien on entire property now owned or hereafter acquired; additionally secured by pledge of one-half interest in the Salt Lake Terminal Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($500,000) in Dec., 1914, at 98 and interest; an additional block of $500,000 offered in Jan., 1916, at par and interest.

Bondholders' Committee—A Bondholders' Committee has been formed for the protection of the above First Mortgage bonds of which George W. Treat, New York, is chairman. See paragraph above.

(2)

$150,000 FIVE-YEAR 7% SECURED CONVERTIBLE GOLD NOTES; DUE OCTOBER 1, 1928

Dated October 1, 1923.

Interest Payable April and October 1, at The Northern Trust Co., Chicago.

Interest Default—Interest due Oct. 1, 1925, and subsequently is in default.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Northern Trust Co., Chicago.

Provisions of Issue—Authorized issue, $500,000 remaining $350,000 notes may only be issued upon deposit with the Trustee of First Mortgage 6% bonds at rate of $1,333.33 face value of bonds for each $1,000 of notes requested to be certified.

Callability—Subject to call on any interest date on 30 days' notice in whole or in part at the following prices and accrued interest: 102½ in the year 1924; 102 in the year 1925; 101½ in the year 1926; 101 in the year 1927; 100½ in the year 1928.

Convertibility—These notes are convertible at 100 at the option of holder into First Mortgage 6% bonds of Company as follows: Up to and including Oct. 1, 1925, at 89; thereafter up to and including Oct. 1, 1926, at 90; thereafter up to and including Oct. 1, 1927, at 91; thereafter up to and including Oct. 1, 1928, at 92. Accrued interest to be adjusted at time of conversion.

Security—Secured by deposit of $200,000 Salt Lake & Utah R. R. Co. First Mortgage 6% bonds, due April 1, 1944.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($150,000) in Nov., 1923, at 99 and interest to yield about 7.25%, by the Palmer Bond & Mortgage Co., Salt Lake City, Utah.

Government Loans—A loan was secured from the United States Government during the year 1920, under Section 210, Transportation Act, 1920, and as amended, in the amount of $300,000 (reduced at Dec. 31, 1927, to $172,600), bearing interest at 6% per annum. This loan is covered by a number of notes which mature at various dates over a term of 15 years and are secured by a deposit of the Company's First Mortgage bonds in the amount of $251,200, and $700,000 secured under same Act in 1921, covered by notes due in fifteen years and secured by 1.33⅓% bonds and First Preferred stock.

The Interstate Commerce Commission on Nov. 23, 1922, authorized the company (a) to issue $600,000 First Mortgage 6% bonds by pledging them with the Secretary of the Treasury as partial security for a loan of $700,000 from the United States under Section 210 of the Transportation Act, 1920, as amended; (b) to borrow and pledge with the Secretary of the Treasury for the same purpose, $500,000 7% cumulative Pfd. stock. The 7% Cumulative Pfd. stock so to be pledged is held by the Interurban Construction Co., a holding company, which owns all of the company's Preferred stock and 90% of its Common stock. It will be borrowed by the company to enable it to make the proposed pledge.

EQUIPMENT CERTIFICATES

$32,000 7% Car Trust Ctfs.; dated May 1, 1920; due $6,000 each May 1 and $7,000 each Nov. 1 to May 1, 1930, incl. Interest payable M & N 1, at Northern Trust Co., Chicago, Trustee. Coupon, $1,000; principal may be registered. Original issue, $133,000.

Receivers' Certificates—At Dec. 31, 1927, there were outstanding $145,000 Receivers' Certificates.

GUARANTEED BONDS

$632,900 Salt Lake Terminal Co. First Gold 6s. These bonds are unconditionally guaranteed principal and interest jointly and severally by the Salt Lake & Utah R. R. Co. and the Bamberger Electric R. R. Co. For complete description see statement of Salt Lake Terminal Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$639,383	$734,902	$734,035	$780,158	$877,461	$752,492
Operating expenses and taxes	632,950	641,089	623,873	554,012	583,620	526,279
Depreciation	24,702	24,228	18,391	19,178	19,103	18,546
Net earnings	‡$18,269	$69,585	$91,771	$206,968	$274,738	$207,667
Other income	.....	3,161	1,761	120	1,180	1,305
Total income	‡$18,269	$72,746	$93,532	$207,088	$275,918	$208,972
Interest charges	191,181	186,550	178,864	172,099	160,399	157,136
Other charges	21,652	14,335	9,687	11,255	9,692	8,686
Total charges	$212,833	$200,885	$188,551	$183,354	$170,091	$165,822
Balance for dividends	‡$231,102	‡$128,139	‡$95,019	$23,734	$105,827	$43,150
Preferred dividends	.....	.....	11,033	43,865	120,002	*
Deficit for year	$231,102	$128,139	$106,052	$20,131	$14,175	†$43,150

* Not reported. † Surplus. ‡ Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$7,984,215	$7,966,014	$7,878,646	$7,823,103	$7,754,121	$7,681,281
Securities owned	100,000	116,931	100,220	118,292	53,321	71,686
Cash in banks	36,846	39,224	153,453	200	2,388	295
Supplies	77,252	69,491	69,167	76,087	79,767	77,669
Notes and accounts receivable	198,081	189,238	204,323	99,428	955	900
Deferred debit items	5,462	3,835	134,836	399	153,539	145,896
Discount on securities	108,576	120,403		133,868	40,523	35,419
Corporate deficit	428,895	195,378	60,426	.....	.....	.....
Total	$8,939,327	$8,700,514	$8,601,071	$8,251,377	$8,084,614	$8,013,146
Liabilities—						
Capital stock	$5,043,700	$5,043,700	$5,043,700	$5,030,700	$5,022,200	$5,001,300
Funded debt	2,568,019	2,602,177	2,639,592	$2,584,700	2,539,851	2,478,700
Equipment obligations				76,120	104,307	40,512
Receivers' certificates	145,000	100,000	100,000	.....	.....	.....
Current liabilities	955,266	$723,782	616,533	312,374	204,360	302,265
Accrued liabilities		32,367	28,359	56,602	47,530	25,221
Operating reserves	18,228	13,470	.....	4,232	6,169	9,404
Deferred credit items	18,011	9,641	20,700	7,715	3,763	.....
Depreciation reserve	191,103	175,377	152,186	130,908	111,730	95,490
Profit and loss	.....	.....	.....	48,026	44,704	60,254
Total	$8,939,327	$8,700,514	$8,601,071	$8,251,377	$8,084,614	$8,013,146

Receivers: Henry I. Moore, Salt Lake City, Utah; D. P. Abercombie, Jr., Boston, Mass.

Officers: W. C. Orem, Pres. & Gen. Mgr.; H. I. Moore, V-P. & Gen. Counsel, Salt Lake City, Utah; Mark T. McKee, V-P., Detroit, Mich.; Murray Sullivan, Asst. to Pres.; F. M. Orem, Sec. & Treas.; C. M. Osborn, Aud.; A. J. Anderson, Traffic Mgr.; C. A. Chapman, Tax Agent & Pur. Agt.; R. K. Brown, Supt., Salt Lake City, Utah.

Directors: W. C. Orem, F. M. Orem, W. W. Orem, Henry I. Moore, David A. Smith, Frank A. Fisher, A. J. Anderson, F. J. Curtis, Salt Lake City, Utah; J. B. Keller, Provo, Utah; Chapin A. Day, Ogden, Utah; J. S. McBeth, Payson, Utah; S. L. Chipman, American Fork, Utah; Mark T. McKee, Detroit, Mich.

General Office, Salt Lake City, Utah.

RAILWAY AND LIGHT SECURITIES COMPANY

History—Incorporated Dec. 24, 1904, in Me. for the purpose of holding for income or for sale the securities of transportation, illuminating, power or other public service corporations. Under its charter, Co. may issue its own collateral trust bonds secured by bonds, stocks and notes of other companies as collateral. Owns stocks, bonds and notes of 65 independent companies. Owns bonds to the amount of $3,351,525 (book value) in 41 of the above companies, stocks aggregating $3,371,023 (book value) in 24 companies, and had on Jan. 31, 1928, cash, notes, accrued interest receivable, etc., $1,495,333 a total of $8,217,881.

CAPITAL STOCK

Authorized, 80,000 shares Common of no par value (changed from $1,200,000 Common, par $100, April 26, 1926) and $2,000,000 6% cumulative Pfd., par $100; outstanding 75,000 shares Common and $1,532,700 Pfd. Common stock of no par value was exchanged

for Common stock of $100 par on the basis of five new shares for each share of $100 par held.

Subscription Privilege—Stockholders of record May 5, 1926 were given the right to subscribe to additional Common stock at $40 per share on the basis of one new share for each two shares of old stock held.

Preferred Stock Provisions—Pfd. stock is subject to call in whole or in part, at 125 and accrued dividends, and in case of liquidation is payable in full at par with accrued dividends. It is provided that there can be no voluntary liquidation of company without the consent of 75% of the Pfd. stock and a majority of the Common.

Transfer Agent—Stone & Webster, Inc., Boston.

Registrar—American Trust Co., Boston.

Annual Meeting—Last Monday in June.

Dividends—Pfd. dividends regularly paid quarterly, F, M, A & N 1. On Common: 4% per annum from Feb. 1910, to Feb., 1912, inclusive; Aug 1, 1912, 2½%; 1913, 6%; 1914, 6%; 1915, 6%; 1916, 6%; 1917, 6%; 1918, 6%; 1919, 6%; 1920, 6%; 1921, 6%; 1922, 6%; Feb. 1, 1923, 3% regular and 1% extra; Aug. 1, 1923, 3%; Feb. 1, 1924, 3% regular and 1% extra; Aug. 1, 1924, 3%; Feb. 2, 1925, 3% and 1% extra; Aug. 1, 1925, 3%; Feb. 1, 1926, 3% and 6% extra. Initial dividend of $1.00 per share was paid on new Common stock of no par value, Aug 2, 1926; Feb. 1, 1927, $1.00 regular and $2.00 extra; May 2, Aug. 1, and Nov. 1, 1927, 50 cents per share each; Feb. 1, 1928, 50 cents per share regular and $2.00 extra. Payments on no par Common stock F, M, A & N 1.

FUNDED DEBT

$500,000 Seventh Series Collateral Trust Gold 5s; dated Nov. 2, 1925; due Nov. 1, 1945; interest May and Nov. 1, at Old Colony Trust Co., Boston, Trustee and Registrar. Coupon, $500 and $1,000; principal may be registered. Authorized and issued, $500,000. Subject to call as a whole or in part on any interest date on 30 days' notice at 103 up to and including May 1, 1940 and thereafter at 103 less ½ of 1% for each 12 months or fraction thereafter to and including May 1, 1945; in all cases with accrued interest. Sinking fund provides that Company beginning in 1930, shall retire annually $20,000 principal amount of bonds outstanding at not more than call price and accrued interest. Sinking fund will retire $300,000 of bonds prior to maturity. Bonds are a direct obligation of Company and are secured by pledge as collateral of $625,000 face value of bonds and 1,750 shares of stock with a market value which must be maintained at not less than 120% of the aggregate principal amount of bonds outstanding as follows: $50,000 International Power Securities Corp. Collateral Trust 6½s, Series "B"; $50,000 International Power Securities Corp. Secured Gold 6½s, Series "C"; $50,000 Electric Power Corp. of Germany First Mortgage Sinking Fund 6½s, Series due 1950; $47,000 Hamburg Electric Co. Ten-Year Sinking Fund External Gold Debenture 7s; $50,000 Toho Electric Power Co. Ltd., First Mortgage (Kansai Division) Sinking Fund Gold 7s, Series "A"; $150,000 Ujigawa Electric Power Co., Ltd. First Mortgage Gold 7s; $100,000 Indiana Electric Corp. First Mortgage Gold 6s, Series "A"; $128,000 Savannah Electric Co. First Consol. Mortgage Gold 5s, and 1,750 shares Puget Sound Power & Light Co. Common stock of no par value. Company pays Normal Federal Income Tax up to 2%. First publicly offered ($500,000) in Feb., 1926, at 95½ and interest to yield about 5⅜%, by Estabrook & Co., Stone & Webster, Inc., and Parkinson & Burr, Boston.

$1,000,000 Eighth Series Collateral Trust Gold 5s; dated Nov. 1, 1926; due Nov. 1, 1951; int. May and Nov. 1, at Old Colony Trust Co., Boston and The Chase National Bank of the City of New York. Coupon, $500 and $1,000; principal may be registered. Wilmington (Del.) Trust Co., Trustee and Registrar. Authorized and issued, $1,000,000. Subject to call as a whole or in part on any interest date on 30 days' notice at 103 up to and including May 1, 1946, and thereafter at 103 less ½ of 1% for each 12 months or fraction thereof to and including May 1, 1951, in each case with accrued interest. Sinking fund provides that Company, beginning in 1931, shall retire annually $20,000 principal amount of bonds outstanding at not more than call price and accrued interest. Bonds are a direct obligation of Company and are secured by pledge as collateral of the following securities with a market value which must be maintained at not less than 120% of the aggregate principal amount of bonds outstanding: $100,000 Eastern Texas Electric Co. 5s (notes); $75,000 Florida Public Service Co. 7s; $75,000 Houston Electric Co. 6s, Series "A"; $25,000 Indiana Hydro-Electric Power Co. 7s; $75,000 Indiana Service Corp. 5s Series "A"; $90,000 Jacksonville Traction Co. 5s; $60,000 Northern Texas Electric Co. 5s; $45,000 The Tennessee Electric Power Co. 6s, Series "A"; $75,000 The United Light & Railways Co. 5s; $25,000 The United Light & Railways Co. 6s, Series "A"; 1,000 shares Common stock Voting Trust Certificates Blackstone Valley Gas & Electric Co.; 2,000 shares Common stock Columbus Electric & Power Co.; 1,000 shares $7 Pfd. stock Engineers Public Service Co.; 1,000 shares Common stock The Great Lakes Power Co., Ltd.; 600 shares 6% Pfd. stock Savannah Electric & Power Co.; 1,000 shares Common stock Southern California Edison Co.; 2,000 shares Common stock Tampa Electric Co., and 2,000 shares Capital stock of The Pennsylvania RR. Co. Company pays Normal Federal Income Tax up to 2%. First publicly offered ($1,000,000) in Nov., 1926, at 96½ and interest, to yield over 5.25%, by Estabrook & Co., Stone & Webster, Inc., and Parkinson & Burr, Boston.

$1,000,000 Ninth Series Collateral Trust Gold 5s; dated Nov. 1, 1927; due Nov. 1, 1952; interest May and Nov. 1, at Old Colony Trust Co., Boston, and The Chase National Bank of the City of New York. Coupon, $500 and $1,000; principal may be registered. Wilmington Trust Co., Wilmington, Del., Trustee and Registrar. Authorized and issued, $1,000,000. Subject to call as a whole or in part on any interest date on thirty days notice at 103 up to and including May 1, 1947, thereafter at 103 less ½ of 1% for each twelve months or fraction thereof to and including May 1, 1952, in each case with accrued interest. Sinking fund provides that Company, beginning in 1932, shall retire annually $20,000 principal amount of bonds outstanding at not more than call price and accrued interest. Bonds are a direct obligation of the Company and are secured by pledge as collateral of the following securities with a market value which must be maintained at not less than 120% of the aggregate principal amount of bonds outstanding: $100,000 Great Consolidated Electric Power Co., Ltd., 6½s; $75,000 Houston Electric Co. Series "A" 6s; $100,000 Italian Public Utility Credit Institute 7s; $100,000 Koppers Gas & Coke Co. 5s; $50,000 Lombard Electric Co. Series "A" 7s; $100,000 Rio Grande Valley Gas Co. Series "A" 7s; $75,000 Savannah Electric Co. 5s; $50,000 Ujigawa Electric Power Co., Ltd. 7s; 1,000 shares Common Stock Voting Trust Certificates Blackstone Valley Gas & Electric Co.; 2,000 shares Common stock Columbus Electric & Power Co.; 1,000 shares $7 Pfd. stock Engineers Public Service Co.; 2,000 shares Common stock Tampa Electric Co.; 1,000 shares Common stock Union Pacific RR. Co. Company pays Normal Federal Income Tax up to 2%. First publicly offered ($1,000,000) in Nov., 1927, at 99 and interest, to yield about 5.07%, by Estabrook & Co., and Stone & Webster, and Blodget, Inc., New York, etc., and Parkinson & Burr, Boston.

BOND REDEMPTION

All of Company's outstanding Collateral Trust Sinking Fund bonds, First to Sixth Series, inclusive, due to November 1, 1946, were called for redemption May 1, 1928, at 103 and interest at Old Colony Trust Co., Boston.

INCOME ACCOUNT, YEARS ENDED JANUARY 31.

	1928	1927	1926	1925	1924	1923
Income from investments	$471,931	$375,779	$315,665	$289,299	$312,536	$300,699
Profit on securities sold, less taxes	415,075	336,769	15,591	25,332	57,676	36,964
Total income	$887,006	$712,548	$331,256	$314,631	$370,212	$337,663
Expenses, taxes, etc.	54,278	54,697	32,857	40,572	40,071	31,858
Interest and amortization charges	146,604	106,530	81,485	84,371	87,745	93,383
Total	$200,882	$161,227	$114,342	$124,943	$127,816	$125,241
Balance for dividends	686,124	551,321	216,914	189,688	242,396	212,422
Preferred dividends	90,981	90,000	90,000	90,000	90,000	90,000
Common dividends	300,000	281,246	120,000	70,000	70,000	70,000
Surplus for year	$295,143	$180,075	$6,914	$29,688	$82,396	$52,422
Times Interest Earned	5.68	6.18	3.66	3.25	3.76	3.27
Earnings Per Share—						
Preferred	$44.77	$36.76	$14.46	$12.65	$16.16	$14.16
Common	†7.94	†6.15	12.69	9.97	15.24	12.24

†On stock of no par value.

GENERAL BALANCE SHEET, JANUARY 31.

Assets—	1928	1927	1926	1925	1924	1923
Bonds, book value	$3,351,525	$2,973,702	$2,790,604	$2,918,464	$3,173,502	$3,433,218
Treasury bonds	.....	.....	5,000	.....	37,000	70,000
U. S. Government bonds	.....	.....	.....	524,313	.....	.....
Surp. of coll. held as security for Coll. Tr. 5s (see contra)	.....	.....	263,415	347,116	440,863	361,660
Stocks, book value	3,371,023	1,954,040	1,417,042	1,208,243	1,280,135	1,328,862
Certificates of deposit and transfers received	.....	.....	28,393	.....	.....	.....
Treasury Preferred stock	.....	.....	.....	500,000	500,000	500,000
Notes receivable	1,128,940	1,066,440	321,690	24,437	34,262	34,262
Accounts receivable	859	4,725	725	652	631	555
Accrued interest	63,802	55,732	53,573	56,800	51,851	55,265
Special fund	.....	.....	31,250	59,648	29,899	2,468
Cash	301,732	1,154,473	209,948	122,608	345,664	91,904
Unamortized debt discount and expense	143,677	105,401	.....	.....	.....	.....
Total	$8,361,558	$7,314,513	$5,121,640	$5,762,281	$5,893,807	$5,878,194
Liabilities—						
Common stock	.....	.....	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Preferred stock	$1,532,700	$1,500,000	1,500,000	2,000,000	2,000,000	2,000,000
Collateral trust bonds	3,515,000	2,816,000	1,612,000	1,672,000	1,739,000	1,884,000
Surp. of coll. held as security for Coll. Tr. 5s (see contra)	.....	.....	263,415	347,116	440,863	361,660
Accounts payable	1,500	.....	3,150	.....	.....	.....
Accrued interest	43,937	35,200	20,087	20,900	21,262	22,675
Tax liability	70,140	60,176	.....	.....	.....	.....
Surplus	†3,198,281	†2,903,137	722,988	722,265	692,682	609,859
Total	$8,361,558	$7,314,513	$5,121,640	$5,762,281	$5,893,807	$5,878,194

†Surplus represented by 75,000 shares Common of no par value.

Officers: Henry G. Bradlee, Pres.; Thos. Nelson Perkins, V-P.; Frederick P. Royce, V-P.; Cyrus Y. Ferris, V-P.; Henry B. Sawyer, Treas.; William T. Crawford, Sec.; Russell Robb, Jr., Asst. Treas.

Directors: Frank B. Bemis, H. G. Bradlee, Hermann F. Clarke, W. Cameron Forbes, Thomas B. Gannett, Robert F. Herrick, Harry H. Hunt, Thomas N. Perkins, Frederick P. Royce, Henry B. Sawyer, Philip L. Spalding, Chas. A. Stone, Edwin S. Webster.

Office, 49 Federal St., Boston, Mass.

RADIO CORPORATION OF AMERICA

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
7% "A" Preferred (par $50)	J, A, J & O 1	$25,000,000	$19,779,870	Yes	$8,478,320	7%	$1,368,150	$21.43
"A" Common (no par value)		1,500,000 shs	1,155,400 shs	...	7,110,170	Nil	Nil	$6.15

History—Incorporated in Oct. 1919, in Delaware, and as of Nov. 30, 1919, purchased all the assets of the Marconi Wireless Telegraph Co. of America, including all its stations and patents, excepting certain claims against the U. S. Government and certain private corporations and firms arising from the unlicensed use of the apparatus covered by the patents of the Marconi company. In 1912, the Marconi Wireless Telegraph Co. of America acquired the assets and patents of the United Wireless Telegraph Co. from the parent company, Marconi's Wireless Telegraph Co., Ltd., also the patents of Sir Oliver Lodge.

An agreement was entered into by Marconi's Wireless Telegraph Co., Ltd., with General Electric Company and Radio Corp. of America, by which Marconi's Wireless Telegraph Co., Ltd., secured the sole rights for the whole of the British Empire and a license for other parts of the world other than the United States of America, of all the radio patents and inventions of the General Electric Company and the Radio Corporation of America past, present and future, until 1945, which embraces the Alexanderson High Frequency Alternator. The General Electric Company acquired the shares of Marconi Wireless Telegraph Co. of America formerly owned by Marconi's Wireless Telegraph Co., Ltd., of Great Britain.

The Radio Corporation entered into agreements with the General Electric Company and Westinghouse Electric & Manufacturing Co. concerning present and future patent rights, the manufacture of patented apparatus and devices by the General Electric Co. and the Westinghouse Co. for the Radio Corporation and the exclusive right to the Radio Corporation to sell patented radio apparatus and devices of these two companies.

An arrangement was entered into with the American Telephone & Telegraph Co. by which the Radio Corp. of America acquired the use, in its field of radio telegraphy of recent inventions of great importance.

Company operates in connection with Marconi's Wireless Telegraph Co., Ltd.; The Marconi International Marine Communication Co., Ltd., of London, Eng.; Societe Anonyme Internationale de Telegraphie sans Fil, Brussels, Belgium; Compagnie Generale de Telegraphie sans Fil, Radio France of Paris, France

Societe Italo Radio, of Rome, Italy, and the Gesellschaft fur Drahtlose Telegraphie, m.b.H., of Berlin, Germany, the governments of Sweden, Norway, Holland, Poland, Belgium, Turkey, Venezuela and Japan, and consortium stations near Buenos Aires, Argentine, and Rio de Janeiro, Brazil, in which the Radio Corporation of America owns an interest with English, French and German radio interests.

The Corporation has now in operation direct international radio communication circuits as follows:

Country	Service Opened	Country	Service Opened
Great Britain	Mar. 1, 1920	French Indo-China	Sept. 15, 1926
Japan	Mar. 1, 1920	Holland	Nov. 1, 1926
Hawaii	Mar. 1, 1920	Dutch W. Indies (St. Martin)	June 21, 1927
Hawaii-Japan	Mar. 1, 1920	Philippines	June. 27, 1927
Norway	May 17, 1920	Dutch Guiana	Aug. 9, 1927
Germany	Aug. 1, 1920	Colombia	Aug. 12, 1927
France	Dec. 14, 1920	Venezuela	Aug. 18, 1927
Italy	Aug. 10, 1923	Belgium	Oct. 3, 1927
Poland	Oct. 4, 1923	Porto Rico	Oct. 10, 1927
Argentina	Jan. 25, 1924	Hong Kong (via Philippines)	Oct. 18, 1927
Sweden	Dec. 1, 1924	Turkey	Dec. 10, 1927
Dutch E. Indies	Jul. 16, 1925		
Brazil	May 3, 1926		

The Corporation owns and operates international radio communication stations located at Rocky Point and Riverhead, L. I., N. Y.; Belfast, Me.; Marion and Chatham, Mass.; New Brunswick and Tuckerton, N. J.; Bolinas and Marshall, Calif., and Kahuku and Koko Head, T. H.

Additional circuits to Canada, Cuba, Spain, Portugal, Czecho-Slovakia, Chile and Liberia are projected for the near future. Stations in Manila owned and operated by **Radio Corp. of the Philippines,** a subsidiary, commenced operation in 1927. They communicate with United States, Hawaii and Hong Kong, Dutch East Indies, French Indo China and Japan. The station at San Juan, Porto Rico, is owned and operated by Radio Corporation of America. The station at Bogota, Colombia, is jointly owned and operated by Radio Corporation of America and Marconi's Wireless Telegraph Co., Ltd. (England).

In Aug. 1921, the Corporation entered into an agreement with the International Radio Telegraph Co. and the Westinghouse Electric & Mfg. Co. By this arrangement, the Radio Corp. of America acquired the radio inventions of the International Co. and those of the Westinghouse Co., the development of which had begun during the War. It is now possible for the corporation to develop, free from the previously existing patent restrictions, both receiving and sending apparatus essential to the furtherance of the art. The Westinghouse Electric & Mfg. Co., in order to better carry out the agreements for co-operation in the scientific development and advancement of the art of radio transmission and reception, purchased a substantial minority stock interest in the Radio Corp. of America.

The Radio Corp. of America continues to enjoy the benefits of the highly developed manufacturing and research organizations of the General Electric Co., American Telephone & Telegraph Co., Western Electric Co., Inc., the Wireless Specialty Apparatus Co. and the Westinghouse Electric & Mfg. Co.

On Dec. 30, 1927, acquired the property and business of the Independent Wireless Telegraph Company and organized a subsidiary, the **Radiomarine Corporation of America** to take over marine radio activities. The Radiomarine Corporation of America operates marine coastal stations at the following points: Chatham, Mass.; New York, N. Y.; Tuckerton, N. J.; Los Angeles, Cal.; San Francisco, Cal.; Galveston, Texas; Chicago, Ill.; Cleveland, Ohio; Buffalo, N. Y.; Duluth, Minn.; East Moriches, N. Y.; New London, Conn.

Contracts have been made for the sale to the Victor Talking Machine Co. and the Brunswick-Balke Collender Co. of "Radiolas" to be used in combination radio-phonograph sets.

During 1926, commercial photoradiogram service was inaugurated between San Francisco and Hawaii and between New York and London. In Jan. 1927, telephone service was established between New York and London by American Telephone & Telegraph Co.; transmission across the ocean uses certain facilities of the Radio Corporation, leased to the Telephone Co.

The stock control of the Canadian Marconi Company passed by sale, during 1927, from Marconi's Wireless Telegraph Company, Ltd., to a British-controlled holding company known as the Canmar Investment Company. The Radio Corporation of America owns a substantial interest in this holding company.

In connection with the development of recording and reproducing of sound, in synchronization with moving pictures on the same film, Corporation in 1927 acquired a substantial interest in the stock of the FBO Pictures Corporation, producer of motion picture films.

CAPITAL STOCK

Authorized, 1,500,000 shares "A" Common stock, without nominal or par value and $25,000,000 7% "A" Pfd. stock (cumulative from Jan. 1, 1924), par, $50; outstanding, 1,155,400 shares Common and $19,779,870 Pfd.

Stock Changes Approved—At special meeting of stockholders held May 6, 1924, the Directors' proposal of Feb. 1, 1924, to exchange the then existing stock into new "A" Common and "A" Pfd. stocks, was approved. Stockholders were requested to exchange their certificates of the original Common and Pfd. stock on the basis of one share of "A" Common stock for five shares of the original Common, and one share of "A" Pfd. stock for ten shares of the original Pfd. stock. Only a small portion of the original stock had not been exchanged for the new stock.

Exchange of Stock—Stockholders of record on Dec. 10, 1919 received the right to exchange Marconi Wireless Telegraph Co. of America stock for stock of Radio Corporation of America on the basis of one share of Pfd. stock of Radio Corporation of par amount equal to the par amount of one share of the Marconi Company, and one share of Common stock of Radio Corporation without par value, for each share of Marconi Company stock.

Stockholders of Marconi Wireless Telegraph Co. of America are entitled to receive from time to time their aliquot share of the proceeds of the reserved claims as may hereafter be distributed in liquidation of the Marconi Company (such distribution will be made only by the issue of Pfd. stock of Radio Corporation).

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is redeemable on any dividend date at $55 per share and accrued dividends. Each share of the "A" Common stock represents five votes, each share of the "A" Pfd. ten votes, each share of the old Common or Pfd. stock remaining outstanding, and each fractional one-fifth of the "A" Common or one-tenth of the "A" Pfd. shares represents one vote.

Transfer Agent—Corporation Trust Co., New York.

Registrar—New York Trust Co., New York.

Annual Meeting—First Tuesday in May.

Listed (Both Classes)—New York Stock Exchange.

Price Range—

	1927	1926	1925	*1924	1923	1922	1921	1920
Preferred—								
High	57	53⅞	54	50	4 7/8	4⅝	2⅞	4½
Low	49	44⅝	45	40	2 5/8	2	1⅝	1⅜
Common—								
High	101	61⅝	77⅞	66⅞	4¾	6¼	2½	3
Low	41⅛	32	39¼	42⅛	2¾	2⅛	1½	1⅛

*New stock.

Dividends—Pfd. dividends have been paid as follows: July 1, 1924 (1st and 2nd quarters of 1924), 3½%; Oct. 1, 1924 to Apr. 2, 1928, inclusive, 1¾% each quarter. The 7% dividends on the Pfd. stock for 1925, amounting to $1,384,591, were set aside as a reserve out of net income. Payments quarterly, J, A. J & O 1. No dividends paid on Common.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Accounts Audited by Arthur Young & Co.)

Gross Income from Operations—	1927	1926	1925	‡1924	‡1923	‡1922
Gross sales	$56,651,658	$56,093,505	$46,251,786	$50,747,202	$22,465,091	$11,286,489
From transoceanic communication	3,934,367	3,632,626	3,418,179	3,358,584	3,191,559	2,914,283
From marine service	990,954	874,215	762,654	742,345	738,140	630,084
From royalties	†3,310,722	52,427	378,835	.....	.....	.....
From real estate operations	194,373	182,974	182,982	.....	.....	.....
Total	$65,082,074	$60,835,747	$50,994,436	$54,848,131	$26,394,790	$14,830,857
General operating, development and administration expenses, depreciation and cost of sales	53,618,970	53,760,799	45,622,742	45,838,398	21,833,040	12,126,465
Net earnings	$11,463,104	$7,074,948	$5,371,694	$9,009,733	$4,561,750	$2,704,392
Other income	336,546	321,539	422,921	493,709	176,024	270,188
Total income	$11,799,650	$7,396,487	$5,794,615	$9,503,442	$4,737,774	$2,974,580
Applied as Follows:						
Reserve for amortization af patents	$966,095	$944,590	$960,145	$989,907	$931,460	$2,480,576
Reserve for Federal income tax	1,405,235	940,500	700,000	1,100,000	500,000	270,000
Organization expenses written off	.....	.....	.....	275,000	277,805	224,004
Amount written off on account of ascertained losses sustained on investments in companies taken over from Marconi Wireless Tel. Co. of America	.....	.....	.....	768,513	.....	.....
Reserve against foreign investments	100,000	100,000	524,068	414,236	.....	.....
Reserve for employees' pension fund	100,000	.....	.....	.....	.....	.....
Reserve against account due by Marconi Wireless Tel. Co. of America	.....	.....	.....	587,845	.....	.....
General reserve	750,000	750,000	.....	.....	.....	.....
Amount written off contracts, good-will, etc.	.....	.....	700,000	626,699	.....	.....
Reserve for Pfd. stock dividend	.....	.....	.....	1,384,591	1,384,591	.....
Transferred to surplus	8,478,320	4,661,397	2,910,402	3,356,651	1,643,918	.....
Total	$11,799,650	$7,396,487	$5,794,615	$9,503,442	$4,737,774	$2,974,580
Earnings Per Share—						
Preferred	$21.43	$11.78	$7.35	*$11.98	$0.77	Nil
Common	6.15	2.85	1.32	*2.90	0.28	Nil

*New stock. †Including past damages of $1,307,791 ‡Radio Corp. of America only.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance, Jan. 1, 1927, $6,218,761; surplus for year 1927 (before Pfd. dividends), $8,478,320—total, $14,697,081. Deduct: 7% dividends on Pfd. stock, $1,-368,150; reserve for plant and equipment, $4,500,000; sundry machinery, tools and furniture written down to $1, $799,310; patent account written down, $1,000,-000—total, $7,667,460. Surplus at Dec. 31, 1927, $7,029,621.

GENERAL BALANCE SHEET, DECEMBER 31
(Accounts Audited by Arthur Young & Co.)

Assets—	‡1926	1925	1924	1923	1922	1921
Plant and equipment	*$14,916,863	$13,779,510	$12,918,009	$12,373,177	$12,711,348	$12,702,087
Patents, patent rights, contracts and good-will	†12,507,068	15,837,400	17,785,957	17,900,071	16,735,232	16,584,846
Invest. in and advances to sub. and assoc. cos.	7,191,340	4,379,609	3,062,656	3,150,024	1,173,508	598,000
Investments in marketable securities	1,286,998	1,308,062	4,505,157	250,380	252,880	497,737
Cash	4,235,755	6,155,763	7,875,252	4,093,274	946,889	550,456
Notes receivable	86,489	155,131	7,591,488	3,720,538	2,445,926	.....
Accounts receivable	7,042,158	9,259,168				2,967,498
Inventories (mechandise)	13,054,749	7,785,239	3,108,358	3,284,456	3,909,401	895,233
Inventories (ships, shore & high power apparatus)	1,078,581	990,243	927,075	870,051	1,131,812	.....
Deferred charges	375,629	264,865	204,159	474,353	1,028,906	916,229
Installation work for foreign customers	200,802	261,295	314,240	314,061	639,706	.....
Total	$61,976,432	$60,176,286	$58,292,351	$46,430,385	$40,975,608	$35,712,085
Liabilities—						
Common stock	$13,767,264	$13,767,264	$13,767,264	$13,767,264	$13,660,164	$12,039,608
Preferred stock	19,779,870	19,779,870	19,779,870	19,779,870	19,779,870	19,779,870
Current accounts payable	6,326,065	7,010,801				
Federal income tax accrued	940,015	714,434	8,629,927	4,218,231	2,688,941	954,471
Other accruals	8,645	22,489				
Dividends declared and unpaid	342,182	341,836				
Pfd. stock dividends reserve	.....	.....	1,384,591	1,384,591	.....	.....
Advance collections from foreign customers	.....	.....	144,167	144,167	895,600	.....
Deferred liability	370,000	540,000	625,000	560,000	390,000	620,000
Reserve for amort. of patents after writing off patents expired	5,490,745	4,849,497	3,902,743	2,912,836	2,045,376	1,391,084
Reserve for depreciation and obsolescence of plant and inventories	5,463,009	4,599,775	3,326,360	1,575,242	1,347,705	818,329
Reserve for invest. in and adv. to sub. & assoc. cos.	1,653,471	1,541,896	1,002,080	.....	.....	.....
General reserve	750,000	.....	.....	.....	.....	.....
Other reserves	967,858	654,861	729,780	444,267	167,952	108,723
Surplus	6,117,308	6,353,563	5,000,570	1,643,918	.....	.....
Total	$61,976,432	$60,176,286	$58,292,351	$46,430,385	$40,975,608	$35,712,085

*Comprising high power, ship, marine and broadcasting stations in operation, with the necessary equipment, together with experimental stations, construction work in progress, sundry machinery, tools, furniture, etc. †Patents and patent rights only.
‡For Consolidated Balance Sheet as of December 31, 1927 see below.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1926	1925	1924	1923	1922	1921
Cash	$4,235,755	$6,155,763	$7,875,252	$4,093,274	$946,889	$550,456
Notes receivable	86,489	155,131	7,591,488	3,720,538	2,445,926	.....
Accounts receivable	7,042,159	9,259,169				2,967,498
Merchandise	13,054,749	7,785,239	3,108,358	3,284,456	3,909,401	895,233
Ship, shore and high power apparatus	1,078,581	990,243	927,075	870,051	1,131,812	.....
Marketable securities	1,286,998	1,308,062	4,505,157	250,380	252,880	497,737
Total	$26,784,731	$25,653,607	$24,007,330	$12,218,699	$8,686,908	$4,910,924

STATEMENT OF WORKING CAPITAL, DECEMBER 31 (Continued):

Current Liabilities—	1926	1925	1924	1923	1922	1921
Current accounts payable	$6,326,065	$7,010,801				
Federal income tax accrued	940,015	714,434	$8,629,927	$4,218,231	$2,688,942	$954,471
Other accruals	8,645	22,489				
Dividends declared and unpaid	342,182	341,836				
Total	$7,616,907	$8,089,560	$8,629,927	$4,218,231	$2,688,942	$954,471
Net Working Capital	$19,167,824	$17,564,047	$15,377,403	$8,000,468	$5,997,966	$3,956,453

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

(Accounts Audited by Arthur Young & Co.)

Assets—			Liabilities—	
Plant and equipment	$14,225,245		Preferred stock	$19,779,870
Less reserves	7,683,634		Common shares	13,767,264
		$6,541,612	Current accts. payable	9,145,016
Office building and other real estate	$1,302,439		1927 Federal income tax accrued	1,405,000
Less reserves	108,639		Other accruals	10,790
		1,193,800	Dividends declared	349,813
Construction work in progress		836,739	Deferred liabilities	290,000
Patents and patent rights	$12,671,183		General reserve	1,500,000
Less reserve for amortization	7,155,640		Other reserves	919,802
		5,515,543	Surplus	7,029,621
Contracts and goodwill		1		
Investments in & advances to asso. cos.	$7,145,470			
Less reserves	612,400			
		6,533,070		
Deferred charges		196,495		
Cash		4,235,401		
Collateral call loans		3,500,000		
Marketable securities at cost		10,542,330		
Notes & trade acceptances receivable	$87,975			
Accounts receivable	10,408,073			
Total	$10,496,048			
Less reserve	291,691			
		10,204,356		
Merchandise inventories	$5,548,368			
Ship, shore and high power apparatus inventories	724,928			
Total	$6,273,296			
Less reserves	1,375,467			
		4,897,829		
Total		$54,197,176	Total	$54,197,176

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31, 1927

Current Assets—			Current Liabilities—	
Cash		$4,235,401	Current accounts payable	$9,145,016
Collateral call loans		3,500,000	1927 Federal income tax accrued	1,405,000
Marketable securities at cost		10,542,330	Other accruals	10,790
Notes & trade acceptances receivable	$87,975		Dividends declared & unpaid	349,813
Accounts receivable	10,408,073			
Total	$10,496,048			
Less reserve	291,691			
		10,204,356		
Merchandise inventory	$5,548,368			
Ship, shore and high power apparatus inventory	724,928			
Total	$6,273,296			
Less reserves	1,375,467			
		4,897,829		
Total		$33,379,916	Total	$10,910,619
Net Working Capital				$22,469,297

Officers: Owen D. Young, Chrm. of Bd.; James G. Harbord, Pres.; David Sarnoff, V-P. & Gen. Mgr.; William Brown, V-P. & Gen. Counsel; Geo. S. De Sousa, Treas.; Lewis MacConnach, Sec.; Alexander Nicol, Asst. Treas.; Chas. J. Ross, Compt.; W. P. Van Wyck, Pur. Agt.

Directors: Owen D. Young, Chrm., New York; Gordon Abbott, Boston, Mass.; Albert G. Davis, Schenectady; Edward W. Harden, Edwin M. Herr, Edward J. Nally, Edwin W. Rice, Jr.; James G. Harbord, Gerard Swope, Paul D. Cravath, Cornelius N. Bliss, David Sarnoff, James R. Sheffield, New York; Arthur E. Braun, Harry P. Davis, Pittsburg, Pa.; John Hays Hammond, Jr., Gloucester, Mass.

General Office, Woolworth Bldg., New York City.

UNION STREET RAILWAY COMPANY

History—Incorporated March 18, 1887, in Mass.; consolidation of Acushnet St. Ry., and New Bedford & Fairhaven St. Ry. On Nov. 1, 1910, absorbed the Dartmouth & Westport St. Ry. Lines connect New Bedford, Fairhaven, Dartmouth, Fall River and adjacent territory. On Oct. 1, 1927, an added line to Mattapoisett of 2.58 miles was acquired. Miles of track owned, 63.13. Gauge, standard. Rails, 60 and 98 lb. T and girder. Passenger cars, 186; other, 18; snow plows, 17; buses, 13. Population served, 250,000.

Increased Fare Schedule—Company filed in March, 1927, a new fare schedule with Mass. Dept. of Public Utilities effective April 15, 1927. Cash unit was increased to 10 cents throughout Company's territory, compared with former 5 cents cash, except in Dartmouth and Westport, Mass., where it already was 10 cents. Ticket rates are four for 25 cents, or 6¼ cents a ride, except in Dartmouth and Westport, where the ticket is 7½ cents, compared with 21 tickets for $1 or 4.7 cents a ride, except in Dartmouth and Westport, where it already was 7½ cents. The Massachusetts Dept. of Public Utilities issued an order in May, 1927, asking the Company to file an amendment to its petition providing for the sale of pupils' tickets

at the rate of 25 cents for eight rides. The new tariff became effective upon the filing of this amendment.

CAPITAL STOCK

Authorized and outstanding, $2,437,500; par, $100. Annual meeting, fourth Thursday in March.

Dividends—Dividends of 2% paid quarterly to May 1, 1926; Aug. 2 and Nov. 1, 1926, 1% each; Feb. 1, 1927 to Feb. 1, 1928, 1½% each quarter. Dividends are declared the third Thursdays of J, A, J & O and are paid F, M, A & N 1. Transfer Office, New Bedford, Mass.

FUNDED DEBT

$250,000 First Mortgage 4½% Gold bonds; dated Jan. 1, 1914; due Jan. 1, 1934; int. Jan. and July 1, at Old Colony Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Authorized, $2,000,000. Subject to call after five years at 105. No sinking fund. The $250,000 outstanding bonds were issued to refund in part an issue of $500,000 Consolidated 5% bonds matured Jan. 1, 1914. A first lien on entire property. Legal for Massachusetts Savings Banks. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,493,337	$1,479,448	$1,488,927	$1,456,767	$1,629,020	$1,608,760
Operating expenses and depreciation	1,255,327	1,237,214	1,192,137	1,201,165	1,229,073	1,173,138
Taxes	74,690	84,121	87,830	102,288	121,063	131,462
Net earnings	$163,320	$158,113	$208,960	$153,314	$278,884	$304,160
Other income	1,370	1,221	2,138	2,121	5,267	3,163
Gross income	$164,690	$159,334	$211,098	$155,435	$284,151	$307,323
Interest charges	14,252	14,832	12,070	11,250	12,250	18,197
Balance for dividends	$150,438	$144,502	$199,028	$144,185	$271,901	$289,126
Dividends paid	146,250	146,250	195,000	195,000	195,000	195,000
Surplus for year	$4,188	*$1,748	$4,028	*$50,815	$76,901	$94,126
Earnings Per Share	$6.17	$5.93	$8.16	$5.91	$11.15	$11.86

* Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of road and equipment	$3,052,429	$2,972,668	$2,870,128	$2,746,722	$2,676,658	$2,455,078
Land and buildings	2,201,881	2,199,706	2,164,956	2,130,339	2,114,853	2,111,579
Materials and supplies	71,227	79,518	102,650	85,108	95,025	81,309
Cash on hand	47,351	75,760	82,335	59,531	63,968	89,340
Accounts receivable	30,966	36,882	50,861	35,222	58,632	58,192
Prepaid accounts	5,201	10,112	16,518	3,944	8,111	15,989
Total	$5,409,055	$5,374,646	$5,287,447	$5,060,866	$5,017,248	$4,811,487
Liabilities—						
Capital stock	$2,437,500	$2,437,500	$2,437,500	$2,437,500	$2,437,500	$2,437,500
Funded debt	250,000	250,000	250,000	250,000	250,000	250,000
Notes payable	27,000	97,000	57,000	.....	.....	40,000
Accounts payable	64,697	71,836	106,328	.....	.....	.....
Liabilities accrued	34,942	33,050	41,609	93,658	184,564	160,154
Special funds	1,429,977	1,323,981	1,230,283	1,122,837	974,104	829,468
Premium on stock issues	545,800	545,800	545,800	545,800	545,800	545,800
Profit and loss	619,139	615,479	618,927	611,071	625,280	548,565
Total	$5,409,055	$5,374,646	$5,287,447	$5,060,866	$5,017,248	$4,811,487

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$47,351	$75,760	$82,335	$59,531	$63,968	$89,340
Accounts receivable	30,967	36,882	50,861	35,222	58,632	58,192
Materials and supplies	71,227	79,518	102,650	85,108	95,025	81,309
Total	$149,545	$192,160	$235,846	$179,861	$217,625	$228,841
Current Liabilities—						
Notes payable	$27,000	$97,000	$57,000	.....	.....	$40,000
Accounts payable	64,697	71,836	106,328	.....	.....	.....
Accrued liabilities	34,943	33,050	41,609	$93,658	$184,564	160,154
Total	$126,640	$201,886	$204,937	$93,658	$184,564	$200,154
Net Working Capital	$22,905	*$9,726	$30,909	$86,203	$33,061	$28,687

*Debit

Officers: E. S. Wilde, Pres. & Gen. Mgr.; E. F. Nicholson, Treas.; J. P. Francis, Aud., New Bedford.

Directors: H. H. Crapo, E. S. Wilde, Edw. F. Nicholson, E. T. Pierce, William R. West, L. C. Lapham, E. S. Brown, Oliver Prescott, Mark M. Duff, Francis C. Rogerson, New Bedford, Mass.

Office, New Bedford, Mass.

NEW JERSEY INTERURBAN COACH COMPANY

History—Incorporated Feb. 14, 1925, in New Jersey; successor to New Jersey Interurban Company. (See 1925 Public Utility Section, page 1931.) Operates motor bus route from Easton, Pa., to Port Colden, N. J., passing through Mansfield, Washington, Franklin, Greenwich, Lopatcong and Phillipsburg, N. J. Began operation Feb 7, 1925. Line of route, 20 miles. Operates under same rights as former trolley company. Equipment, 9 motor passenger buses and one truck.

CAPITAL STOCK

Authorized, 2,000 shares $7 cumulative Pfd., 5,000 shares Class "A" Common and 1,000 shares Class "B" Common; outstanding, 951 shares Pfd., 3,856 shares Class "A" Common and 1,000 shares Class "B" Common, all of no par value. Pfd. stock is subject to redemption at $105 per share, three years after issue. Transfer Agent and Registrar: P. W. Brooks & Co., Inc., New York. Annual meeting, second Tuesday in Feb.

Dividends—No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$97,919	$83,381	$58,458
Operating exp. & taxes	75,373	58,563	40,668
Depreciation reserve	27,555	15,601	10,414
Net earnings	*$5,009	$9,217	$7,577

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Property and buses	$94,240	Common stock	$1,064
Stocks owned	500	Preferred stock	38,040
Cash	25	Equipment obligations	11,431
Notes receivable	8,205	Notes payable	43,500
Accounts receivable	746	Accounts payable	1,506
Rights, privileges & franchises	45,104	Dividends accrued	14,978
Profit & loss deficit	23,721	Other current liabilities	2,206
		Reserve for depreciation	59,816
Total	$172,541	Total	$172,541

Officers: Warner Marshall, Pres., Larchmont, N. Y.; Robt. A. Pritchard, V-P., Boston, Mass.; E. Evans, Sec.; L. M. Symmes, Treas. & Gen. Mgr., New York.

Directors: Warner Marshall, Larchmont, N. Y.; R. A. Pritchard, Boston, Mass.; L. M. Symmes, E. Evans, New York; Wm. L. Doyle, Easton, Pa.

General Office, 115 Broadway, New York.

THE EDISON ELECTRIC ILLUMINATING COMPANY OF BOSTON

History—Incorporated in 1886, in Mass., to supply electric light and power to Boston. In June, 1901, purchased the property of the Boston Electric Light Co. and the Suburban Light & Power Co. On July 31, 1903, purchased the Milton Light & Power Co., Dedham Electric Co., Blue Hill Electric Co., Framingham Electric Co., Natick Gas & Electric Co. and Greendale Chemical & Electric Light Co. of Needham. In Jan. 1904, took over the Somerville Electric Light Co., in June, 1905, the Woburn Light, Heat & Power Co., in Dec. 1905, the Medway Electric Light & Power Co., in Jan. 1906, the Medfield Electric Light & Power Co., in July 1907, the Woodville Electric Light Co. of Hopkinton, Mass., on Sept. 1, 1909, the electric interests of the Newton & Watertown Gas Light Co., Waltham Gas Light Co., Chelsea Gas Light Co., and Brookline Gas & Electric Co. In May, 1910, took over Lexington Gas & Electric Co., and on June 30, 1912, acquired by purchase all the property, except the generating station of the Hyde Park Electric Light Co —see Manual for 1912, page 4145. On Sept. 30, 1912, the electric light property of the Western Electric Light Co. was acquired.

Company now supplies service to individual consumers in Boston and 37 surrounding cities and towns, and sells energy in bulk to 10 other light and power companies and municipalities. It also supplies current to Middlesex & Boston St. Ry. Co. Population of territory in which it serves individual consumers is 1,265,000. Including the new super-power plant at Weymouth (present capacity 133,150 k.w.), the company has generating capacity of 351,150 k.w. Price, electricity, 8½ cts. per k.w.h., reduced from 9½ cts., Sept. 1, 1925.

Total meter capacity (customers' premises), Dec. 31, 1927, 918,373 k.w.; 1926, 819,032 k.w.; 1925, 722,206 k.w.; 1924, 652,363 k.w.

CAPITAL STOCK

Authorized, $53,387,500 (increased from $46,714,100 May 23, 1927); issued, as of Dec. 31, 1927, $53,387,500; par, $100.

Stock Offerings—Stockholders of record Nov. 5, 1923, received the right to subscribe to 64,881 shares of stock at $140 per share, in the proportion of one new share for every five old shares held, payable $40 on Dec. 17, 1923, and $100 on Feb. 2, 1924. On Nov. 5, 1924, stockholders authorized an increase in the capital stock from $38,928,400 to $46,714,100, and the number of shares from 389,284 to 467,141. On Nov. 6, 1924, these 77,857 shares ($7,785,700) were offered to stockholders of record Nov. 5, 1924 at $155 per share, in the proportion of one new share for every five old shares held. Stockholders of record May 23, 1927 received the right to subscribe to 66,734 additional shares of stock at $215 per share, in the proportion of one new share for every seven old shares held, increasing the amount of capital stock from $46,714,100 to $53,387,500.

Transfer Agent—Old Colony Trust Co., Boston, Mass.

Registrar—American Trust Co., Boston, Mass.

Annual Meeting—Third Tuesday in March.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	267	250	213	204½	172	185	166¼	164
Low	217	207	200	163½	152⅝	156	142¼	140

Dividends—Payments have been made in calendar years as follows: 1900, 9%; 1901, 10½%; 1902 to 1906, 10%; 1907 to 1909, 11%; 1910, 11½%; 1911 to 1927, 12%; Feb. and May, 1928, 3% each; payments, F, M, A & N 1, to stock of record J, A, J & O 15, at Old Colony Trust Co., Boston.

FUNDED DEBT

$30,000,000 THREE-YEAR 4½% NOTES; DATED NOVEMBER 1, 1927; DUE NOVEMBER 1, 1930

$10,000,000 ONE-YEAR 4% NOTES; DATED NOVEMBER 2, 1927; DUE NOVEMBER 2, 1928

Interest Payable May and November 1 on the Three-Year notes, and May and November 2 on the One-Year notes, both at Old Colony Trust Co., Boston, Mass.

Denomination—$1,000.

Purpose of Issue—Proceeds were used to pay off all existing coupon notes and other floating indebtedness, and $1,500,000 was reserved for future extensions of the property.

Callability—Not subject to call.

Security—Notes are the direct obligation of the Company, and it is provided that no mortgage will be put upon the Company's existing property unless these notes are equally secured or retirement thereof is provided for in such mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Choate, Hall & Stewart, Boston.

Original Offering—First publicly offered in October, 1927, as follows: $30,000,000 4½% Notes at 100 and interest, yielding 4½%, and $10,000,000 4% Notes at 99¾ and interest, yielding about 4¼%, by Lee, Higginson & Co., Old Colony Corp., Kidder, Peabody & Co., Harris, Forbes & Co., Blake Bros. & Co., National City Co., First National Corp. of Boston, Bankers Trust Co., F. S. Moseley & Co., New York, etc.; Har-

EDISON ELEC. ILLUMINATING CO. OF BOSTON, NOTES
F. S. MOSELEY & CO.
50 Congress Street
BOSTON
New York Chicago

ris, Forbes & Co., Inc., Parkinson & Burr, Boston; Harris Trust & Savings Bank, Chicago; and Harris, Forbes & Co., Ltd., Montreal.

UNSECURED NOTES

In addition there were outstanding Dec. 31, 1927, $4,015,000 unsecured notes.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Electric operating revenues	$25,886,945	$23,204,901	$21,315,241	$19,494,784	$17,877,963	$15,885,820
Expenses and taxes	14,807,136	13,561,463	13,121,975	11,833,352	11,367,172	10,362,141
Net operating income	$11,079,809	$9,643,438	$8,193,266	$7,661,432	$6,510,791	$5,523,679
Non-operating income	68,582	‡4,700	110,604	74,711	10,117	28,735
Total income	$11,148,391	$9,638,738	$8,303,870	$7,736,143	$6,520,908	$5,552,414
Interest charges	1,900,393	1,866,485	1,599,434	1,173,288	1,305,224	1,507,157
Balance for dividends	$9,247,998	$7,772,253	$6,704,436	$6,562,855	$5,215,684	$4,045,257
Dividends paid	6,006,096	5,605,692	5,605,692	4,667,964	3,890,610	3,241,428
Surplus for year (before depreciation)	$3,241,902	$2,166,561	$1,098,744	$1,894,891	$1,325,074	$803,829
†Times Interest Earned	5.87	5.16	5.19	6.53	5.00	3.68
†Earnings Per Share	$17.32	$16.64	$14.35	$16.86	$16.08	$14.96

†Before depreciation. ‡Debit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant investment	$121,336,865	$113,744,599	$92,531,852	$80,614,451	$73,977,452	$68,403,334
Unfinished construction	10,898,742	7,251,475	21,547,952	22,762,823	8,824,256	3,285,076
Cash in banks	30,113,623	386,557	428,754	1,072,760	2,558,096	973,011
Materials and supplies	1,773,099	1,958,129	2,087,108	2,211,686	1,953,285	1,008,863
Accounts receivable	2,896,179	2,666,085	2,125,391	2,078,097	1,800,879	1,742,092
Notes receivable	7,305	24,262	27,298	18,681	20,652	23,229
Sundry ledger accounts	1,030,129	1,470,537	319,978	.....	265,468	475,710
Total	$168,055,942	$127,501,644	$119,068,333	$108,758,498	$89,400,088	$75,911,315
Liabilities—						
Capital stock	$53,387,500	$46,714,100	$46,714,100	$38,928,400	$32,440,300	$27,033,600
Funded debt	.....	.....	.....	.....	1,250,000	1,250,000
Premium on stock	36,605,434	28,914,634	28,914,634	24,614,544	22,000,596	19,292,777
Instalments paid on new stock issue	.....	.....	.....	619,595	4,305,760	787,300
Accounts payable	515,165	492,481	576,325	450,590	541,470	390,109
Notes payable	4,015,000	14,035,000	6,005,000	25,760,000	11,820,000	7,385,000
Coupon notes	64,428,000	30,000,000	30,000,000	12,000,000	12,000,000	16,000,000
Accrued interest	793,271	630,289	621,640	347,186	457,553	449,457
Dividends declared	1,601,625	1,401,423	1,401,423	1,167,852	973,209	811,008
Reserve for depreciation	5,869,221	4,800,200	4,188,284	4,045,323	3,011,977	1,909,245
Sundry ledger accounts	.....	.....	.....	59,239	.....	.....
Profit and loss	840,726	513,517	646,927	765,769	599,223	602,819
Total	$168,055,942	$127,501,644	$119,068,333	$108,758,498	$89,400,088	$75,911,315

Officers: C. L. Edgar, Pres. & Gen. Mgr.; W. C. Baylies, V-P.; W. H. Atkins, V-P.; L. L. Edgar, V-P.; Sidney Hosmer, V-P.; T. K. Cummins, V-P., Treas. & Asst. Clerk; F. G. Havlin, Clerk & Asst. Treas.

Executive Committee: W. C. Baylies (chairman), I. T. Burr, T. K. Cummins, Chas. F. Adams, C. L. Edgar, ex-officio.

Directors: Charles L. Edgar, Chairman of Board; Chas. F. Adams, Oliver Ames, W. C. Baylies, R. L. Agassiz, I. T. Burr, T. K. Cummins, Robert Saltonstall, Robert Amory, John E. Thayer, Jr., Robert F. Herrick, Boston, Mass.; Geo. R. Jewett, Salem, Mass.

General Office, 39 Boylston St., Boston, Mass. **Executive Office,** 70 State St., Boston, Mass.

ELECTRICAL SECURITIES CORPORATION

(Controlled by General Electric Co.)

History—Incorporated Oct. 13, 1904, in New York. Corporation purchases securities of public utility companies for investment.

The United Electric Securities Co. (see statement in 1927 Public Utility Volume, page 298) transferred all its assets and liabilities to the Hudson Stock Corporation as of Oct. 31, 1927. During January, 1928, Hudson Stock Corporation was merged with Electrical Securities Corporation.

CAPITAL STOCK

Authorized, 200,000 shares Common and 50,000 shares $5 cumulative Preferred, both of no par value; outstanding, Dec. 31, 1927, 200,000 shares Common and 49,205 shares Preferred. Common stock is owned by the General Electric Co.

Stock Changes—Stockholders on July 19, 1927 approved change in authorized capital stock from 25,000 shares Common and 10,000 shares 5% cumulative Pfd., both par $100, to 200,000 shares Common and 50,000 shares $5 Pfd., both of no par value. The 25,000 shares of $100 par value Common then outstanding were exchanged for 100,000 shares of no par value Common on the basis of four new shares for one old share, and the 10,000 shares of $100 par value Pfd. stock then outstanding were exchanged for 12,000 shares of no par Pfd. on the basis of 1 1/5 shares of new stock for each old share. The outstanding amounts were subsequently increased during 1927 to amounts given above.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—U. S. Mortgage & Trust Co., New York.

Annual Meeting—Third Wednesday in January at New York.

Dividends—Dividends on Pfd. stock have been paid since May 1, 1905; to and including Nov. 1, 1910, payments were made semi-annually May and Nov. 1, since that date quarterly, F, M, A & N 1. Initial dividend on the new no par value Pfd. stocks was paid Nov. 1, 1927. On Common; 4% July 1, 1909; Oct. 1, 1909, to June 30, 1927, at rate of 8% per annum; Sept. 30, 1927, initial quarterly dividend of 50 cents a share on no par value stock; Dec. 31, 1927, 50 cents a share; payments quraterly on last days of M, J, S & D.

FUNDED DEBT

None.

BOND REDEMPTIONS

All the various series of Collateral Trust bonds of Electrical Securities Corp. described in the 1927 Public Utility Manual on page 269 were called for redemption on various dates to and including June 1, 1928.

The various series of Collateral Trust bonds of the United Electric Securities Co. described on page 298 of the 1927 Manual were also called for payment on various dates to and including April 1, 1928.

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

	†1927	1926	1925	1924	1923	1922
Interest on underlying and investment bonds, and on U. S. Ctfs., bank deposits, etc., received and accrued	$610,620	$486,925	$548,664	$517,348	$624,796	$609.643
Dividends on underlying and investment stocks received and other income	992,706	490,710	357,994	317,354	124,177	93,171
Gross income	$1,603,326	$977,635	$906,658	$834,702	$748,973	$702,814
Deduct—						
Interest on Collateral Trust bonds	$695,451	$405,670	$312,277	$309,609	$290,436	$224,903
Other interest	39,454	.....	.....	.....	.....	.....
Expenses and taxes	289,842	95,106	121,272	126,813	133,006	112,181
Total deductions	$1,024,747	$500,776	$433,549	$436,422	$423,442	$337,084
Net income	578,579	476,859	$473,109	$398,279	$325,531	$365,730
Profit from sale and exchange of securities, less premium on Coll. Tr. bonds retired	488,213	342,162	191,343	510,200	*45,380	100,213
Net income and profit	$1,066,792	$819,021	$664,452	$908,479	$280,151	$465,943
Surplus forward from previous year	4,117,365	2,825,166	2,410,352	1,749,786	1,727,243	1,397,850
Total	$5,184,157	$3,644,187	$3,074,804	$2,658,265	$2,007,394	$1,863,793
Preferred dividends paid	138,663	50,000	50,000	50,000	58,333	50,000
Common dividends paid	300,000	200,000	200,000	200,000	200,000	200,000
Balance	$4,745,494	$3,394,187	$2,824,804	$2,408,265	$1,749,061	$1,613,793
Add: Increase in book value of assets for current year	*639	*217,332	362	2,087	725	113,451
Total surplus	$4,744,855	$3,176,855	$2,825,166	$2,410,352	$1,749,786	$1,727,244
Deductions from surplus:						
Amount transferred to Capital Stock Account to adjust the Pfd. stock exchanged and sold, to its valuation in liquidations	959,850	.....	.....	.....	.....	.....
Premiums on Collateral Trust bonds retired and called for redemption	424,283	.....	.....	.....	.....	.....
Surplus, December 31	$3,360,722	$3,176,855	$2,825,166	$2,410,352	$1,749,786	$1,727,244
Earnings Per Share—						
Preferred	‡$21.68	$81.90	$66.45	$90.85	$28.02	$46.59
Common	‡4.64	30.76	24.58	34.34	9.21	16.64

†Consolidated Statement of Electrical Securities Corp. for 12 months ended Dec. 31, 1927; of United Electric Securities Co. for 10 months ended Oct. 31, 1927 and of Hudson Stock Corp. for 2 months ended Dec. 31, 1927. Inter-Company items eliminated. ‡On shares of no par value. *Decrease.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Electrical Securities Corporation and Hudson Stock Corporation)
(Inter-Company Items Eliminated)
(Accounts Audited by Niles & Niles)

Assets—		Liabilities—	
Investment Securities:		Common stock	$5,000,000
Stock	$17,058,831	Preferred stock	4,920,500
Bonds	9,421,073	Notes payable due Dec. 31, 1947	14,096,264
Cash	899,942	Accounts payable	1,250
Accounts receivable	6,768	Accrued dividend on Pfd. stock	41,004
Accrued interest receivable	133,970	Accrued taxes	180,758
Suspense	700	Collateral Trust bonds called for redemption including premium and accrued interest	13,640,036
Deposit for redemption of called bonds	13,761,398	Reserves	42,148
		Surplus	3,360,722
Total	$41,282,682	Total	$41,282,682

Officers: C. N. Mason, Pres.; C. P. Hamilton, V-P.; W. O. Hay, Jr., V-P.; L. W. Osborne, Sec. & Treas.; J. P. Waite, Asst. Sec. & Asst. Treas.; Hugh Y. Blodget, Asst. Sec. & Asst. Treas., New York

Directors: Robt. C. Morse, Boston, Mass.; A. A. Tilney, Ernest B. Tracy, C. N. Mason, C. P. Hamilton, Chas. W. Appleton, Perry T. Hanscom, New York; Henry W. Darling, J. R. Lovejoy, Schenectady, N. Y.

Office, 31 Nassau St., New York.

LOWER AUSTRIAN HYDRO-ELECTRIC POWER COMPANY NEWAG

(Newag Niederosterreichische Elektrizitatswirtschafts-Aktiengesellschaft)

History—Incorporated May 17, 1922, by the Austrian Provincial governments of Vienna and Lower Austria. Each of the two provinces had one-half interest in the Lower Austrian Electric Works and agreed to turn over this property to the Company in exchange for 1,000,000 shares (of 1,000 kr. par value) of Common stock in the Company. The properties which were brought into the Company as the result of this arrangement consisted of Wienerbruck water power plant and the St. Poelten Diesel Engine Plant, together with the transmission and distribution lines belonging to these plants and their contracts for the supply of current. On Aug. 1, 1922, the electric power plants of the City of Wiener Neustadt (including water power plants at Mirawerk, Faehrenwald, Ungarfeld and Heidemuehle and the Diesel Engine plant at Wiener Neustadt) together with the existing high tension, transmission and distributing lines were acquired in exchange for 500,000 shares (par value 1,000 kr.) of the Company's Common stock. This exchange was authorized in a resolution of the municipality of Wiener Neustadt, dated July 14, 1922. On Aug. 1, 1922, the plants and high tension and transmission lines of the Traisentaler Electric Works, as well as the Stollhofener water power plant and all the transmission lines of the Stollhofener Electric Works were acquired. The Traisentaler Electric Works received for its properties 62,000 shares (par value 1,000 kr.) and 10,000,000 kr. in bonds, the Stollhofener Electric Works receiving 31,000 shares of Common stock (par value 1,000 kr.) and 5,000,000 kr. in bonds of Newag. These transactions were approved respectively by the stockholders of the Traisentaler Electric Works on Aug. 10, 1922, and by the stockholders of the Stollhofener Electric Works on or about the same date. On Jan. 1, 1924, the Newag acquired from the Wollersdorf Aktiengesellschaft its water power plants Akademie in Wiener Neustadt and Amwasser. The real estate in connection with these plants was leased for 49 years for the nominal rental of 1 gold

crown yearly. This transfer of property was approved by the stockholders of the Woellersdorf Aktiengesellschaft on Jan. 1, 1924.

Company is engaged in producing and transmitting electric power in the province of Lower Austria, Republic of Austria.

Properties—With the exception of the Blumau power station and the Woellersdorf steam plant, which are leased, Company owns the following plants:

Name	H. P. Installed
Ungarfeld	600
Akademie	900
Brunnenfeld, new	1,360
Faehrenwald, new	1,360
Wienerbruck	7,200
Erlaufboden, new	4,900
Mirawerk	1,000
Heide Muhle	120
Amwasser	100
Oberndorf, new	1,120
Stollhofer	250
Traisen Group (turbines owned)	700
Blumau (leased)	800
Total	20,410
Diesel motor units:	
Wiener Neustadt	1,360
St. Polten	2,800
Wollersdorfer	400
Total	4,560
Steam plant (leased):	
Wollersdorf	4,500
Total owned and leased	29,470

All plants are inter-connected by high-tension transmission lines and can be operated as a single group with interchange of power. For this purpose the "Newag" has over 1,000 miles of high-tension power and distribution lines. All high tension lines are carried by up-to-date or reinforced concrete towers. The main transformer stations are centrally located to the districts served.

The largest stations are the Wienerbruck and Erlaufboden. These plants operate under a head of 500 to 550 feet. Storage is provided by two artificial reservoirs in the mountains. One contains 11,100,000 cubic feet and the other approximately 74,000,000 cubic feet. The storage in the latter can be increased to 111,000,000 cubic feet, which will produce approximately 2,500,000 k.w.h. per annum. The steam plant at Wollersdorf has been secured under a long-time lease. It is equipped with automatic stokers, economizers and superheaters.

Number of communities served, 680; population of territory served, about 500,000; number of electric meters, 1,700. Sales in 1926, 41,002,000 k.w.h., compared with 38,785,000 k.w.h. in 1925.

CAPITAL STOCK

Authorized, Schilling, 4,500,000; outstanding, Dec. 31, 1926, Schilling, 4,169,010. Transfer Agent and Registrar: Chatham Phenix National Bank & Trust Co., New York. Annual meeting, end of June (at the latest). Listed on New York Stock Exchange and Wiener Borse.

Dividends—Dividends of 56% paid in 1922; 80% in 1923; none in 1924, 1925 and 1926.

FUNDED DEBT

$2,844,000 20-YEAR (CLOSED) FIRST SINKING FUND GOLD 6½s; DUE AUGUST 1, 1944

Dated August 1, 1924.

Interest Payable February and August 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—$500 and $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized and issued $3,000,000, of which $156,000 retired to Feb. 20, 1928.

Purpose of Issue—Issued to pay for installation of about 10,000 h.p.

Callability—Not subject to call except for sinking fund until August 1, 1934; thereafter callable as a whole on any interest date at 100 and interest upon 30 days' notice.

Sinking Fund—Mortgage provides for a sinking fund which requires the payment of $142,584 each January and July 1 beginning Jan. 1, 1927, to the Trustee for the purchase of bonds at not exceeding par and interest, or if not so obtainable, for the redemption of bonds by lot semi-annually at 100 and interest.

Security—A first closed lien on all properties of the Company.

Guaranty—Unconditionally guaranteed, principal, interest and sinking fund, by endorsement, by the Province of Lower Austria.

Tax Provisions—Exempt from all Austrian taxes or deductions of any nature, present or future.

Legal Opinion—Hornblower, Miller & Garrison, New York, and Dr. Julius Pfeiffer, Vienna.

Original Offering—First publicly offered ($3,000,000) in October, 1924, by F. J. Lisman & Co., and Morgan, Livermore & Co., New York, at 85 and interest, to yield over 8%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	95½	90	87	85½
Low	87⅛	82½	85½	85¼

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926 Schilling	1925 Schilling
Current sold	.....	5,340,643
Operating expenses	.....	1,751,464
Current purchase	.....	331,198
Gross profit	5,588,506	3,257,981
Other income	436,457	226,393
Total income	6,024,963	3,484,374
Deductions:		
General expense	2,799,333	429,870
Interest	2,392,961	2,819,745
Reserves	198,254	764
Government taxes	558,851	518,064
Discount expense, etc.	274,061	.....
Insurance and taxes	.....	78,472
Total deductions	6,223,460	3,846,915
Loss for year	198,497	362,541

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Total receipts	$875,260	$794,387	$760,147
Expenditures	529,431	478,595	497,913
Net	$345,829	$315,792	$262,234

Depreciation Policy—Depreciation is provided for in the following statements at the rate of 2% per year on plants including land, water structures, buildings, transmissions and motors and machinery that cannot be dismantled. On machinery other than that included in the above, 5% depreciation annually has been taken. Supplies are priced at purchase price or at market price if the latter is lower than purchase price.

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—	
Fixed assets and inventories	$6,006,938
Supplies on hand	31,755
Transitory items	52,706
Cash	132,242
Securities	11,715
Discounts	384
Accounts receivable	161,530
Deficit	28,038
Total	$6,425,308
Liabilities—	
Capital stock	$588,873
Dollar bonds	3,010,108
Second Dollar issue less sinking fund	1,978,143
Reserves	537,662
Unredeemed bonds (in Austrian Crowns)	12,721
Depreciation reserve	28,565
Pension and welfare fund	61,302
Accounts payable	193,054
Unpaid dividends & int. coupons	14,880
Total	$6,425,308

Officers: August Segur, Chairman of Board & Pres.; Dr. Sigmund Frankel, V-P.; Johann Mayer, V-P.; Arthur Ziegler, Sec.; Viktor Morwitzer, Franz R. Muellner, Auds.; Ing. Eduard Heider, Gen. Mgr.

Directors: Dr. Sigmund Frankel, Franz Christoph, Georg Emmerling, Hans Hess, Anton Ofenbock, Heinrich Schmid, Hubert Schnofel, Albert Sever, Dr. Karl Buresch, Dr. Karl Prokoppund Ing., Friedrich Brock.

General Office, I. Löwelstrasse 18, Vienna.

MUTUAL TELEPHONE COMPANY

History and Property—Incorporated Aug. 16, 1883, in Hawaiian Islands. On Nov. 16, 1894, absorbed the Bell Telephone Co., and on Aug. 2, 1909, the Hawaiian Telephone & Telegraph Co. In 1925 the Hawaii Telephone Co. and Maui Telephone Co. were merged. Operates telephone systems on the Islands of Hawaii and Maui, and an automatic telephone system on Island of Oahu, including city of Honolulu, also wireless telegraph system connecting the several Islands. As of Dec. 31, 1927, Company had 16,049 main stations, 21 fire-proof exchange buildings, and 62,547 miles of wire (37,771 aerial and 24,776 underground).

CAPITAL STOCK

Authorized, $5,000,000 (increased from $2,500,000 in 1924); outstanding $2,161,640; par $10. Listed on Honolulu Stock & Bond Exchange. Annual meeting in March.

Dividends—Dividends since 1915 paid as follows: 1916 to 1919, 10%; 1920, 5%; June 30, 1920 to June 30, 1921, none; July 31, 1921 to date, 8 cents per share (9.6%) monthly; payments, last day of month. In addition extra dividends of 50 cents a share paid Dec. 31, 1921, and 4 cents per share each Dec. 31, 1923, 1924 1925, 1926 and 1927. Also a stock dividend of 20% ($360,270) paid Feb. 2, 1925.

FUNDED DEBT

$757,000 First Refunding & Improvement Mortgage 6% Bonds; dated Jan. 15, 1925; due Jan. 15, 1955; int. Jan. and July 15, at Hawaiian Trust Co., Ltd., Honolulu, T. H., Trustee. Coupon $100, $500 and $1,000. Subject to call on any interest date after 10 years. Sinking fund starts when bonds outstanding exceed 50% of the amount of the combined capital stock and surplus, and shall be in such annual amounts as to refund such excess bonds by Jan. 15, 1955. Secured by first lien on the entire property. Company does not pay United States Normal Income tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,353,826	$1,270,894	$1,220,872	$825,100	$797,318	$731,744
Oper. expenses, taxes, etc.	1,034,739	980,126	960,129	626,012	614,935	561,008
Net earnings	$319,087	$290,768	$260,743	$199,088	$182,383	$170,736
Other income	33,476	30,890	18,928	62,875	33,966	23,560
Total income	$352,563	$321,658	$279,671	$261,963	$216,349	$194,296
Bond interest	45,420	45,420	38,738	23,081	24,078	24,730
Sundry funds, etc.	5,346	3,242	7,827	5,400	3,755	3,831
Total charges	$50,766	$48,662	$46,565	$28,481	$27,833	$28,561
Balance for dividends	301,797	272,996	233,106	233,482	188,516	165,735
Dividends paid	216,164	216,164	213,282	180,115	158,378	133,200
Surplus for year	$85,633	$56,832	$19,824	$53,367	$30,138	$32,535
Times Bond Interest Earned	7.76	7.08	7.02	11.12	8.83	7.70
Earnings Per Share	$1.40	$1.26	$1.07	$1.30	$1.05	$1.11

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$3,769,144	$3,492,908	$3,207,422	$2,400,115	$2,112,118	$1,938,967
Stocks owned	.....	.....	.....	240,545	239,175	154,585
Other investments	126,586	126,586	126,586	126,586	126,586	126,586
Materials and supplies	120,346	117,355	110,802	85,842	64,006	43,736
Cash	29,113	33,364	36,689	14,217	46,585	9,942
Current accounts	107,362	109,019	89,971	82,487	127,056	129,687
Deferred debit items	13,068	11,643	11,859	12,937	12,017	12,262
Reserves and sinking fund assets	297,679	294,717	289,612	285,875	287,561	283,615
Total	$4 463,298	$4,185,592	$3,872,941	$3,248,604	$3,015,104	$2,699,380
Liabilities—						
Capital stock	$2,161,640	$2,161,640	$2,161,640	$1,801,370	$1,800,000	$1,500,000
Funded debt	757,000	757,000	757,000	457,000	475,400	490,700
Loans and notes payable	60,000	60,000	.....	150,000	.....	15,000
Accrued liabilities	20,818	20,817	20,818	5,713	5,942	6,134
Current accounts	63,466	58,894	65,857	40,999	41,680	58,039
Reserve for taxes	52,330	55,000	54,550	45,000	40,000	40,000
Depreciaion reserve	938,958	767,148	587,286	389,450	366,479	331,641
Ins. and other reserves	44,712	41,608	38,796	33,667	42,010	34,686
Unadjusted credits	34,893	31,934	27,295	16,030	432	1,526
Appropriated surplus	.....	.....	987	97,530	117,527	83,594
Unappropriated surplus	329,481	231,551	158,713	211,845	125,634	138,060
Total	$4,463,298	$4,185,592	$3,872,941	$3,248,604	$3,015,104	$2,699,380

Officers: J. A. Balch, Pres.; C. H. Atherton, 1st V-P.; J. R. Galt, 2d V-P.; F. G. Hummel, V-P. & Gen. Mgr.; J. M. Peirce, Sec. & Asst. Mgr.; W. C. Avery, Treas.; G. H. Brown, Asst. Sec., Honolulu, Hawaii.

Directors: E. F. Bishop, C. H. Atherton, John Waterhouse, J. A. Balch, W. F. Frear, J. R. Galt, Philip E. Spalding, F. G. Hummel, J. M. Peirce, L. E. Clark, W. C. Avery, R. A. Cooke, Honolulu, Hawaii.

General Office, Honolulu, Hawaii.

THE HAWAIIAN ELECTRIC COMPANY, LTD.

History and Property—Incorporated Oct. 13, 1891, in Hawaiian Islands. Supplies electric light and power and ice in Honolulu and vicinity. Operates a cold storage warehouse in connection with ice plant. Also does contracting business for installation of electric plants. Property consists of three 10,000 k.w. generating units, (the first completed and in operation July 1, 1920, the second on Dec. 31, 1921, the third in 1924), and an additional 2,500 k. w. unit installed in 1925. Rates for electricity: Residence and commercial, 8 cts. per k.w. primary rate. Minimum charge, $1. Power rates on sliding scale, commencing at 8 cts. per k.w. Mini-

mum charge, 50 cts. per connected h.p. per month. Total consumers Dec. 31, 1927, 30,976 compared with 28,425 in 1926, 26,808 in 1925 and 24,816 in 1924.

CAPITAL STOCK

Authorized by charter, $5,000,000; by stockholders, $3,000,000; outstanding, $3,000,000, increased from $500,000 to $750,000 in 1910; to $1,000,000 April 1, 1914; to $1,500,000 May 1, 1919; to $2,250,000 Aug. 1, 1920 and to $3,000,000 May 1, 1924; par, $20 (changed from $100 May 1, 1919). Stock listed on Honolulu Stock Exchange. Annual meeting in March.

Dividends—Dividends at rate of 10% per annum regularly paid monthly, 20th day, to April 20, 1924; at rate of 9% per annum monthly from May 20, 1924 to date. Extra cash dividends have been paid as follows: Nov., 1913, $1 per share; Nov., 1914, 2%; 1915, 3%; Dec. 20, 1926, 1%; Dec. 20, 1927, 1%. In addition stock dividends of $250,000 each were paid in 1910 and 1914, respectively, and one of $750,000 May 1, 1924.

FUNDED DEBT

$1,500,000 REFUNDING AND IMPROVEMENT (NOW FIRST) MORTGAGE 6% BONDS, SERIES "A"; DUE MARCH 31, 1954

Dated March 31, 1924.

Interest Payable March 31 and Sept. 30, at Hawaiian Trust Co., Ltd., Honolulu, Hawaii, T. H.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Hawaiian Trust Co., Ltd., Honolulu, T. H.

Provisions of Issue—Authorized, $20,000,000; authenticated by Trustee, $2,000,000 Series "A" 6s, of which $1,000,000 issued to refund a like amount of First Gold 6s, dated March 31, 1920, and $500,000 additional Series "A" bonds were issued in December, 1926. The remaining $18,000,000 may be issued in series bearing such date of issue, interest rate, maturity (not later than March 31, 1974) and redemption features as may be determined at the time of issue, (a) to meet the cost of replacements, enlargements, extensions, etc.; (b) to refund earlier issues; (c) to liquidate any other indebtedness of the company, or to meet the liabilities of any other enterprise it may acquire; or (d) for any other lawful corporate purpose; provided, however, that no bonds shall be issued in excess of the then net value of the assets over all liabilities and unless the net annual income, plus amounts accrued and/or paid as interest on its bonds, averaged, over a period of 3 years next prior to the intended issue thereof, an amount equal to at least twice the annual interest requirements of all bonds which, with such additional issue, will be outstanding.

Callability—Series "A" bonds are subject to call as a whole, or in part, on any interest date at 105 and interest after March 31, 1929, at 104½ and interest on Sept. 30, 1929, the premium reducing ½ of 1% each successive six months' period, or without premium, if redeemed on or after March 1, 1934.

Sinking Fund—Mortgage provides for sinking fund when the issued and outstanding amounts shall exceed 50% of the amount authorized hereunder; payments shall be made annually March 31, in an amount to be determined by dividing such excess by the number of years remaining until the due date of the bonds, which due date shall be the earliest maturing date of any series outstanding.

Security—Secured by a first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Honolulu Stock Exchange.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,995,110	$3,513,341	$3,328,064	$3,188,499	$2,771,140	$2,576,372
Operating expenses & taxes	2,896,091	2,550,642	2,381,081	2,315,924	1,931,982	1,805,648
Depreciation	337,848	306,203	258,290	235,267	216,124	182,166
Net earnings	$761,171	$656,496	$688,693	$637,309	$623,034	$588,558
Interest, etc.	$96,465	$74,178	$60,000	$60,000	$60,000	$66,408
Federal tax reserves, etc.	6,194	.....	103,578	110,728	123,000	63,000
Total charges	$102,659	$74,178	$163,578	$170,728	$183,000	$129,408
Balance for dividends	658,512	582,318	525,115	466,581	443,034	459,150
Dividends paid	300,000	300,000	270,000	253,125	225,000	225,000
Surplus for year	$358,512	$282,318	$255,115	$213,456	$215,034	$234,150
***Times Interest Earned**	7.82	8.85	9.75	9.19	8.33	7.91
***Earnings Per Share**	$4.39	$3.88	$3.50	$3.11	$3.94	$4.08

* After Federal tax reserves.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$8,042,001	$7,105,214	$6,263,479	$6,063,922	$5,245,072	$4,863,560
Other investments	.....	.....	.....	.....	100,000	190,000
Materials and supplies	673,113	614,290	440,537	422,919	336,505	337,651
Cash	41,181	112,446	12,976	49,815	222,603	42,241
Accounts receivable	478,760	343,452	300,064	223,724	279,723	316,449
Other current assets	14,716	16,878	.....	59,709	104,229	.....
Sundries	.....	.....	.....	7,745	3,786	5,704
Unadjusted debits	.....	35,986	18,461	.....	.....	.....
Deferred debit items	.....	.....	16,428	.....	.....	.....
Total	$9,249,771	$8,228,266	$7,051,945	$6,827,834	$6,291,919	$5,755,605
Liabilities—						
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$2,250,000	$2,250,000
Funded debt	1,500,000	1,500,000	1,000,000	1,000,000	1,000,000	1,000,000
Accounts payable	349,098	117,738	126,916	117,716	105,406	105,678
Consumers' deposits, etc.	50,788	46,155	45,459	45,215	51,259	41,713
Interest accrued	22,744	22,701	15,163	15,000	15,162	15,162
Reserve for taxes	.....	183,435	103,578	75,000	220,199	74,639
Reserves, casualty, etc.	196,309	263,259	156,158	195,639		50,988
Deferred liabilities	358,316	.....	98,215	111,475	80,826	54,515
Plant depreciation reserve	2,091,513	1,772,487	1,466,284	1,536,362	1,301,095	1,084,971
Surplus account	1,681,003	1,322,491	1,040,173	731,427	1,267,972	1,077,938
Total	$9,249,771	$8,228,266	$7,051,945	$6,827,834	$6,291,919	$5,755,605

Officers: R. A. Cooke, Pres.; F. C. Atherton, V-P.; C. H. Cooke, V-P.; F. E. Blake, Treas. & Gen. Mgr.; J. F. Fenwick, Sec. & Asst. Mgr.; Henry Davis, Aud.; T. J. McGrath, Supt.; L. A. Hicks, Chief Eng.; Harry Halpern, Chief Accountant, Honolulu, Hawaii.

Directors: R. A. Cooke, F. W. Macfarlane, F. C. Atherton, C. H. Cooke, P. E. Spalding, Lester McCoy, Atherton Richards, F. E. Blake, J. F. Fenwick, Honolulu, Hawaii.

General Office, 900 Richards St., Honolulu, Hawaii.

SUMTER GAS AND POWER COMPANY

History—Incorporated in August, 1912, in S. C., to manufacture and sell gas. Supplies Sumter, S. C., with artificial gas; began operations Nov. 28, 1912. Franchise expires in 1962. Miles of gas mains, 16.79. No. of meters, 973. Gas output in 1926, 32,342,500 cu. ft., compared with 30,324,300 cu. ft. in 1925, 29,968,700 cu. ft. in 1924, and 31,624,900 cu. ft. in 1923. Price, $1.65 net. Population served, 10,000.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, first Tuesday after fourth Tuesday in January, at Sumter, S. C. No dividends paid.

FUNDED DEBT

$136,000 First Mtge. 5% Gold bonds; dated 1912; due 1937; int. payable at Mercantile Trust & Deposit Co., Baltimore, Trustee. Denomination, $1,000. Authorized, $200,000. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$49,444	$48,695	$47,389
Oper. exp. & taxes	39,902	37,757	37,648
Depreciation	3,600	3,600	3,600
Net earnings	$5,942	$7,338	$6,041
Other income	2,045	2,423	3,754
Total income	$7,987	$9,761	$9,795
Bond interest	6,800	6,675	6,500
Other interest	479	670	751
Amortiz. debt discount	249	149	.....
Total charges	$7,528	$7,494	$7,251
Surplus for year	$459	$2,267	$2,544
*Deficit.			

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$257,859	$255,299	$255,789
Uncompleted construction & repairs	.....	1,935	39
Other investments	500	500	240
Accts. & notes receivable	11,987	12,528	7,737
Materials and supplies	7,718	9,455	9,868
Cash	2,627	2,092	3,206
Other assets	450	812	577
Unamort. debt. disc. & exp.	620	860	.....
Total	$281,761	$283,481	$277,456
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	136,000	136,000	130,000
Accounts payable	2,901	3,327	3,406
Notes payable	5,500	7,900	13,627
Other current liabilities	1,892	1,327	1,459
Bond interest accrued	2,267	2,667	2,167
Renewal & replace. res.	25,915	25,242	22,018
Profit and loss	7,286	7,018	4,779
Total	$281,761	$283,481	$277,456

Officers: A. C. Howard, Pres., South Orange, N. J.; A. I. Phillips, V-P.; M. L. Gridley, Sec. & Treas., New York; C. J. De Mers, Local Mgr., Sumter, S. C.

Directors: A. C. Howard, South Orange, N. J.; A. I. Phillips, M. L. Gridley, New York; R. O. Purdy, C. G. Rowland, Sumter, S. C.

General Office, 122 Greenwich St., New York. **Operating Office,** Sumter, S. C.

CRISFIELD LIGHT & POWER CO., INC.

History—Incorporated Oct. 10, 1910, in Del. Furnishes Crisfield, Md., with gas. Franchises expire 1935. Miles of mains, 10. No. of meters, 880. Annual sales, approximately 15,000,000 cu. ft. Price, $2.50 gross; $2.40 net. Population served, 7,000.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $50. Annual meeting, second Tuesday in Jan. Registrar: Equitable Guarantee & Trust Co., Wilmington, Del.

Dividends—Dividends paid as follows: 1923, 3%; 1924, 6%; 1925, 4%; 1926 and 1927, 6% each.

FUNDED DEBT

$30,000 (entire issue) First Gold 6s; dated July 1, 1911; due July 1, 1931; int. annually, July 1, at Equitable Guarantee & Trust Co., Wilmington, Del., Trustee. Coupon, $250; principal may be registered. Subject to call after July 1, 1921, at par and int. A sinking fund becomes operative in ten years. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$36,828	$36,532	$35,889
Oper. exp., taxes & deprec.	31,644	32,171	31,666
Net earnings	$5,184	$4,361	$4,223
Bond interest	$1,800	$1,800	$1,800
Other int., etc.	869	761	692
Total charges	$2,669	$2,561	$2,492
Net income	$2,515	$1,800	$1,731
Dividends paid	3,000	2,916	1,944
Deficit for year	$485	$1,116	$213

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$117,727	$107,565	$103,322
Materials and supplies	4,579	4,872	4,837
Cash	972	658	706
Bills and accounts receiv.	6,522	6,719	6,679
Deferred debit items	480	792	400
Total	$130,280	$120,606	$115,944
Liabilities—			
Capital stock	$50,000	$48,600	$48,600
Funded debt	30,000	30,000	30,000
Notes & accounts payable	18,654	12,703	12,783
Accrued interest	900	900	900
Customers' deposits	48	45	.....
Accrued taxes	597	615	584
Reserve for depreciation	26,348	23,525	17,743
Profit and loss surplus	3,733	4,218	5,334
Total	$130,280	$120,606	$115,944

Officers: I. H. Tawes, Pres.; Wm. E. Daugherty, V-P.; Thomas C. Hill, Sec., Treas. & Aud.; R. G. Anklam, Gen. Mgr. & Supt, Crisfield, Md.

Directors: I. H. Tawes, Wm. E. Daugherty, Thomas C. Hill, Wellington Tawes, Warren F. Sterling, Crisfield, Md.

General Office, Crisfield, Md.

HAVERHILL ELECTRIC COMPANY

History—Incorporated Dec. 7, 1888 in Mass., with perpetual charter. On March 31, 1926, merged the Newburyport Gas & Electric Co. (see 1926 Public Utility Manual, page 474). Supplies Haverhill, Newburyport, Newbury, W. Newbury, Ipswich and Rowley, Mass., with electricity, and Newburyport and Newbury with gas, serving population of 67,700. No. of consumers: Gas, 3,022; electric, 17,827. Has contracts for street lighting with city of Newburyport, Town of W. Newbury and Town of Newbury for minimum number of lamps. In Haverhill, basis is actual lamps in use. Miles of gas mains, 37.02. Gas purchased from Haverhill Gas Light Co. Gas sales in 1927, 53,096,000 cu. ft. Prices of gas: First 100 cu. ft. per month, 80c net; next 400 cu. ft., 25c. per 100 cu. ft.; over 500 cu. ft. per month, 16½c. per 100 cu. ft.

Electric generating capacity, 25,125 k.v.a.; electricity generated in 1927, 43,351,540 k.w.h.; sales, in 1927, 36,566,392 k.w.h.

Executive Managers—Charles H. Tenney & Co., 200 Devonshire St., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding, $2,243,050 (89,722 shares); par, $25.

Transfer Agent—E. A. Bradley, Treas., 200 Devonshire St., Boston, Mass.

Registrar—Old Colony Trust Co., Boston, Mass.

Dividends—Dividends have been paid as follows: 8% in 1906; 10% in 1907; 8% each 1908 to 1912, inclusive; 10% each 1913 to 1923, inclusive; 12% ($3) each in 1924 to 1927; payments quarterly, J, A, J & O.

FUNDED DEBT

$650,000 NEWBURYPORT GAS & ELECTRIC CO. FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1942

Dated June 1, 1922.

Interest Payable June and December 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $500 and $1,000; registrable in full or as to principal only. Coupon and registrable bonds interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized amount, $2,000,000; issued and outstanding, $650,000 Series "A" 5s. The proceeds of the $650,000 Series "A" bonds, were used to refund an equal amount of First Mortgage 7% bonds, due Feb. 1, 1936, but called for payment Aug. 1, 1922.

Under the terms of the mortgage indenture and the laws of Massachusetts, the total amount of bonds which may at any time be outstanding under this mortgage cannot exceed the total par value of capital stock then paid in and devoted to the purposes of the company. Additional bonds may be issued to an amount equal to 50% of the cash cost or fair value (whichever is less) of additional physical property and then only provided the net earnings of the company for twelve out of the preceding fourteen months shall have been not less than twice the annual interest charges on all first mortgage bonds outstanding, including those proposed to be issued.

Callability—Subject to call on 60 days' notice on any interest date up to and including Dec. 1, 1932 at 107½ and at ¾ of 1% less for each year thereafter, reducing to 100¾ on Dec. 1, 1941.

Sinking Fund—None provided.

Security—A first lien on all the property of the Newburyport Division of the Haverhill Electric Company.

Assumed by Haverhill Electric Co. upon consolidation with Newburyport Electric Co. on March 31, 1926.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Investment for Savings Banks and Trust Funds in Massachusetts.

Original Offering—First publicly offered ($650,000) in May, 1922, at 101.50 and interest to yield over 4⅞% by Arthur Perry & Co., Boston, New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,591,174	$1,376,973	$819,976	$782,929	$789,170	$698,719
Operating expenses, taxes and depreciation	1,236,025	1,057,480	593,446	580,247	558,337	531,936
Net earnings	$355,149	$319,493	$226,530	$202,682	$230,833	$166,783
Other income	17,015	14,270	12,615	10,201	6,054	5,962
Total income	$372,164	$333,763	$239,145	$212,883	$236,887	$172,745
Interest and other charges	57,589	33,719	4,884	7,537	17,543	18,517
Net income	$314,575	$300,044	$234,261	$205,346	$219,344	$154,228
Dividends paid	269,166	248,967	188,363	174,518	125,580	125,580
Surplus for year	$45,409	$51,077	$45,898	$30,828	$93,764	$28,648
Earnings Per Share	$3.51	$3.34	$3.72	$3.27	†$4.36	$12.28

†Par value changed from $100 to $25.

Profit and Loss Account, Dec. 31, 1927—Balance at beginning of year, $503,914; net income for 1927, $314,575—total, $818,489. Contra: Miscellaneous debits, $14,000; dividends paid, $269,166—total, $283,166. Balance, surplus, at Dec. 31, 1927, $535,324.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and property	$5,051,537	$4,478,011	$2,545,327	$2,410,609	$2,305,803	$2,156,114
Investments	242,226	227,330	151,405	56,912	83,781	29,550
Materials and supplies	222,328	219,462	131,467	171,908	189,151	137,893
Cash	188,551	260,775	83,354	147,921	85,720	136,341
Accounts receivable	173,970	177,599	90,395	142,901	81,086	66,376
Prepaid accounts, etc.	12,137	15,649	10,148	8,589	360,036	8,222
Debt discount & expense	33,773	36,115	.....	.....	.....	.....
Miscellaneous suspense	14,000	28,000	.....	.....	.....	.....
Total	$5,938,522	$5,442,941	$3,012,096	$2,938,840	$3,105,578	$2,534,498
Liabilities—						
Capital stock	$2,243,050	$2,243,050	$1,569,750	$1,569,750	$1,569,750	$1,255,800
Premium on capital stock	746,779	746,779	413,606	413,605	413,605	348,265
Funded debt	650,000	650,000	.....	.....	.....	.....
Notes payable	775,000	440,000	75,000	125,000	390,000	385,000
Current liabilities	95,476	70,616	26,577	34,381	30,341	37,770
Accrued liabilities	61,269	63,029	40,492	35,186	38,748	28,332
Depreciation reserve	828,324	721,153	564,079	484,224	417,269	327,228
Other reserves	3,300	4,400	.....	.....	.....	.....
Profit & loss surplus	535,324	503,914	322,592	276,693	245,865	152,101
Total	$5,938,522	$5,442,941	$3,012,096	$2,938,840	$3,105,578	$2,534,498

Officers: Charles H. Tenney, Chairman of Board, Springfield, Mass.; Albert B. Tenney, Pres., Lexington; D. E. Manson, V-P., Brookfield, Mass.; Charles H. Tenney & Co., Exec. Mgrs.; E. A. Bradley, Treas., Boston, Mass.; R. C. Tenney, Asst. Treas., Lexington, Mass.; Hazel E. Hagar, Clerk, Cambridge, Mass.; Kenneth H. Goss, Aud., Newton Centre, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; Albert B. Tenney, D. Edgar Manson, Boston, Mass.; D. Willard Leavitt, Parsonsfield, Me.; Nathaniel N. Jones, Newburyport, Mass.; E. M. Bradley, S. A. York, New Haven, Conn.; Bernon E. Helme, Kingston, R. I.; I. Peace Hazard, Peace Dale, R. I.; Charles B. Price.

Executive Office, 200 Devonshire St., Boston, Mass. **Local Office,** 121-125 Merrimack St., Haverhill, Mass.

SPRINGFIELD (MASS.) GAS LIGHT COMPANY

History—Incorp. in Jan., 1847, in Mass. Franchise perpetual. Controls the **Springfield Navigation Co.** Supplies Springfield, West Springfield, Longmeadow, Agawam, East Longmeadow, Ludlow, Chicopee and South Hadley, Mass. Population served, 227,441. No. of customers, 55,892. Daily capacity, 12,280,000 cu. ft. Miles of mains, 466.28. Prices: $1.45, with sliding scale discount on all over 50,000 cu. ft. per month.

Also discount of 10 cts. for prompt payment within 15 days.

GAS OUTPUT, YEARS ENDED DECEMBER 31

1923	1,647,591,000 cu. ft.
1924	1,611,307,000 cu. ft.
1925	1,676,751,000 cu. ft.
1926	1,921,109,000 cu. ft.
1927	1,862,934,000 cu. ft.

Executive Managers—Charles H. Tenney & Co., 200 Devonshire St., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding, $4,535,475 (181,419 shares); par, $25.

Stock Increase — Subscription Privilege — Stockholders on March 22, 1927 voted to increase capital stock by selling 25,917 shares of additional stock of $25 par value. The Massachusetts Department of Public Utilities approved the increase, stock to be sold at $45 a share. Stockholders of record March 22, 1927, received right to subscribe for one new share for every six held. Payment was to be made in full on April 26, 1927 or $15 on April 26, 1927, $15 on July 20 and $15 on Oct. 20, 1927.

Transfer Agent—Valentine L. Ewig, Treas., Springfield, Mass.

Registrar—Springfield Safe Deposit & Trust Co., Springfield, Mass.

Annual Meeting—Fourth Tuesday in January, at Boston or Springfield, Mass.

Dividends—Payments have been made as follows: 1902, 10%; 1903, 10%; 1904, 12%; 1905, 12%; 1906, 10%; 1907, 10%; 1908 to 1919, inclusive, 12%; 1920, 11½%; 1921, 13%; 1922 to 1927, inclusive, 12% per annum. Payments quarterly. J, A, J & O.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total operating revenue	$2,297,387	$2,305,156	$2,113,661	$2,024,050	$1,999,331	$1,870,167
Operating expenses and taxes	1,667,741	1,667,289	1,506,466	1,512,732	1,531,935	1,439,819
Depreciation	94,086	95,818	114,580	59,249	51,967	45,292
Net earnings	$535,560	$542,049	$492,615	$452,069	$415,429	$385,056
Other income	8,088	6,744	7,790	4,571	1,972	3,139
Total income	$543,648	$548,793	$500,405	$456,640	$417,401	$388,195
Interest and other charges	34,426	53,581	64,999	67,788	74,134	53,827
Net income	$509,222	$495,212	$435,406	$388,852	$343,267	$334,368
Dividends paid	501,580	461,602	405,271	375,477	311,004	311,004
Surplus after dividends	$7,642	$33,610	$30,135	$13,375	$32,263	$23,364
Surplus adjustments (net)	22,264	.....	.....	.....	13,114	833
Final surplus for year	$29,906	$33,610	$30,135	$13,375	$19,149	$22,531
Earnings Per Share	$2.80	†$3.19	†$2.87	†$3.00	†$2.97	$12.89

†Based on $25 par shares; in previous years on $100 par.

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$8,003,596	$7,256,387	$6,890,813	$6,270,262	$5,835,080	$5,370,874
Subscriptions to capital stock	.....	.....	92,553	.....	388,507	.....
Investments	190,547	163,674	182,748	151,628	169,547	39,045
Cash	200,415	228,148	161,200	119,511	197,536	131,002
Notes and accounts receivable	218,780	187,859	160,688	140,118	155,402	.....
Materials and supplies	460,294	416,954	365,106	375,362	386,869	290,179
Suspense—general	155,378	96,381	129,297	117,399	79,238	161,376
Other assets	.....	.....	.....	.....	.....	12,977
Prepayments	21,762	36,733	25,080	28,453	34,705	38,832
Total	$9,250,772	$8,386,136	$8,007,485	$7,202,733	$7,246,887	$6,044,285
Liabilities—						
Capital stock, issued	$4,535,475	$3,887,550	$3,795,200	$3,239,625	$2,884,075	$2,591,700
Capital stock subscribed	.....	.....	85,025	.....	355,550	.....
Premium on stock issued	2,768,427	2,249,747	2,196,540	1,918,752	1,738,542	1,576,205
Premium on stock subscribed	.....	.....	42,513	.....	177,775	.....
Premium on capital stock, subsidiary cos.	.....	.....	.....	.....	.....	16,150
Funded debt	.....	.....	.....	500,000	500,000	500,000
Notes payable	925,000	1,325,000	1,050,000	835,000	915,000	735,000
Accounts payable & customers' deposits	147,438	81,615	61,376	61,583	79,645	133,247
Accrued liabilities	85,425	92,282	84,223	76,954	63,451	58,947
Reserve for depreciation, etc.	379,468	370,308	346,585	254,930	230,334	149,671
Profit and loss surplus	409,539	379,634	346,024	315,889	302,513	283,365
Total	$9,250,772	$8,386,136	$8,007,485	$7,202,733	$7,246,887	$6,044,285

Officers: Charles H. Tenney, Pres.; Springfield, Mass.; D. Edgar Manson, 1st V-P., Brookline, Mass.; Albert B. Tenney, 2nd V-P., Lexington, Mass.; Charles H. Tenney & Co., Gen. Mgrs., Boston, Mass.; Valentine L. Ewig, Treas.; Lloyd A. Galbraith, Asst. Treas.; Charles G. Young, 2nd Asst. Treas., Springfield, Mass.; Hazel E. Hagar, Clerk, Cambridge, Mass.; Kenneth H. Goss, Aud., Newton Centre, Mass.; W. H. Bradley, Local Mgr., Springfield, Mass.

Directors: Charles H. Tenney, Frederick D. Parsons, Frederick M. Jones, Charles T. Shean, Springfield, Mass.; Samuel A. York, Edward M. Bradley, New Haven, Conn.; Albert B. Tenney, Lexington, Mass.; D. Edgar Manson, Brookline, Mass.; D. Willard Leavitt, Parsonsfield, Me.; Isaac S. Hall, West Medford, Mass.; Bernon E. Helme, Kingston, R. I.; I. Peace Hazard, Peace Dale, R. I.

Executive Office, 200 Devonshire St., Boston, Mass. **Local Office,** 35-39 State St., Springfield, Mass.

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY

History—Incorporated May 13, 1852, in Mass. Supplies electricity and gas to Fitchburg, Townsend, Ashby and Lunenburg, Mass., under a perpetual franchise. Population served: Electricity, 48,366; gas, 43,689. Owns coal gas plant and water gas plant, the two combined having a daily capacity of 2,400,000 cu. ft.; holder capacity, 1,494,000 cu. ft.; miles of mains, 77.86. Also owns a modern steam electric generating plant of 19,775 k. v. a. capacity and a water power development of 500 h. p. capacity; miles of overhead wires, 711.97. Maximum daily sendout—gas, 931,000 cu. ft. Peak load, 6,600 k. w.

Rates—Price of gas for commercial and public lighting, $1.60 net to $1.25 net, on sliding scale. Price of electric commercial lighting 12 cts. net per k.w.h.; power, 2.8 cts. to 7 cts. per k.w.h. less 10% discount in 15 days.

Executive Managers—Charles H. Tenney & Co., 200 Devonshire St., Boston, Mass.

OPERATING STATISTICS, DECEMBER 31

	No. of Gas Customers	Gas Output Cubic Feet	No. of Electric Customers	Electric Output (k.w.h.)
1922	9,655	245,763,000	7,486	20,215,838
1923	9,841	267,870,000	8,959	22,779,799
1924	9,876	261,537,000	10,235	22,093,535
1925	10,403	250,461,000	11,658	23,253,849
1926	9,967	252,315,000	12,055	25,069,017

Sales in 1926: Gas, 227,657,000 cu. ft.; electricity, 20,798,397 k.w.h.

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, $2,468,600; par, $50. Stock transferred at company's office, 200 Devonshire St., Boston, Mass. Registrar: Old Colony Trust Co., Boston. Annual meeting, fourth Wednesday in January.

Subscription Privilege—Stockholders in the latter part of 1924 received the right to subscribe to an issue of $617,150 Common stock at $65 a share.

Dividends—1897 to 1901, inclusive 10% per annum; 1902 to 1905, inclusive, 6%; 1906, 10%; 1907, 12%; 1908 to 1923, inclusive, 10% per annum; 10¼% ($5.12 per share) in 1924; 11% each in 1925, 1926 and 1927; payments quarterly, J, A, J & O.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,303,524	$1,246,054	$1,169,557	$1,118,537	$1,155,738	$1,003,489
Operating expenses, taxes and depreciation	966,942	909,987	848,672	855,612	903,577	744,408
Net earnings	$336,582	$336,067	$320,885	$262,924	$252,160	$259,081
Other income	5,992	3,199	4,121	3,868	4,430	4,779
Total income	$342,574	$339,266	$325,006	$266,793	$256,590	$263,860
Interest, etc.	31,732	24,106	28,978	40,814	40,269	55,570
Balance for dividends	$310,843	$315,160	$296,028	$225,979	$216,321	$208,290
Dividends paid	271,546	271,546	265,598	189,588	185,145	182,270
Surplus for year	$39,297	$43,614	$30,430	$36,390	$31,176	$26,020
Surplus adjustment	.....	*3,716	392	*1,310	271	513
Final surplus	$39,297	$39,898	$30,822	$35,080	$31,447	$26,533
Times Fixed Charges Earned	10.80	14.07	11.21	6.44	6.37	4.75
Earnings per Share	$6.30	$6.38	$5.99	$4.79	$5.84	$5.62

*Deduction.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$4,125,563	$4,029,910	$3,850,990	$3,586,908	$3,262,960	$3,150,987
Investments	25,000	25,000	38,778	60,866	91,666	66,342
Materials and supplies	221,620	187,554	191,426	192,750	197,620	143,629
Cash	222,680	294,095	193,101	323,432	132,795	108,934
Accounts receivable	195,138	181,581	188,287	163,457	153,350	135,134
Other current assets	.....	.....	.....	105,365	.....	.....
Deferred debit items	18,654	17,780	17,473	15,714	15,619	14,780
Total	$4,808,655	$4,735,920	$4,480,057	$4,448,494	$3,854,012	$3,619,806
Liabilities—						
Capital stock	$2,468,600	$2,468,600	$2,468,600	$2,468,600	$1,851,450	$1,851,450
Premium on capital stock	784,220	784,220	759,220	759,220	574,075	574,075
Coupon notes	.....	.....	.....	500,000	500,000	500,000
Notes payable	640,000	690,000	625,000	150,000	385,000	295,000
Accounts payable	27,427	41,896	27,993	55,288	62,582	43,776
Consumers' deposits	13,794	12,616	13,240			
Accrued liabilities	54,716	61,898	50,082	43,096	43,427	40,486
Unadjusted credits	553	.....	.....	.....	.....	.....
Depreciation reserve, etc.	471,235	367,877	267,005	234,195	234,465	142,911
Surplus	348,110	308,813	268,915	238,093	203,013	172,108
Total	$4,808,655	$4,735,920	$4,480,057	$4,448,494	$3,854,012	$3,619,806

Officers: C. H. Tenney, Chairman of Board, Springfield, Mass.; D. Edgar Manson, Pres.; Albert B. Tenney, 1st V-P., Boston, Mass.; Francis L. Ball, 2nd V-P. & Local Mgr., Fitchburg, Mass.; E. A. Bradley, Treas.; R. C. Tenney, Asst. Treas.; Hazel E. Hagar, Clerk; Henry F. Peirce, Aud., Boston, Mass.

Directors: Chas. H. Tenney, Springfield, Mass.; Albert B. Tenney, D. Edgar Manson, D. Willard Leavitt, Francis L. Ball, Boston, Mass.; Edward M. Bradley, Samuel A. York, New Haven, Conn.; Charles E. Ware, Fitchburg, Mass.; Bernon E. Helme, Kingston, R. I.; Chas. B. Price, I. Peace Hazard.

Executive Office, 200 Devonshire Street, Boston, Mass. **Local Office,** 655 Main Street, Fitchburg, Mass.

ALLIED UTILITIES CORPORATION

History—Incorporated in Delaware, to own, operate and finance public utility companies including ice companies. Owns the entire capital stock (except directors' qualifying shares) and mortgage bonds of the **Mountain States Utilities Corporation,** a West Virginia Corporation. It is contemplated that the foregoing subsidiary will endeavor to acquire other properties and that additional operating subsidiaries will be formed in other states when and if satisfactory opportunities develop for acquiring properties therein. The purchase of several additional properties is under consideration.

The Mountain States Utilities Corporation supplies without competition electric light and power in West Union and Salem, water and ice in Kingwood, water in Philippi and water and ice in Buckhannon; all in West Virginia. Estimated population, 14,000.

CAPITAL STOCK

Authorized, 15,000 shares Common, of no par value, and $500,000 7% Pfd.; outstanding, 10,000 shares Common and $200,000 Pfd.; par of Pfd., $100.

FUNDED DEBT

$300,000 FIRST LIEN AND REFUNDING GOLD BONDS, SERIES "A" 6%; DUE NOVEMBER 1, 1951

Dated November 1, 1926.

Interest Payable May and November 1, at The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, or at The Chase National Bank, New York.

Denominations—Coupon (interchangeable denominations), $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Provisions of Issue—The indenture authorizes the issuance of bonds thereunder in an unlimited principal amount, in one or more series, with interest rates, maturity dates, and other terms and conditions thereof as may be prescribed by the Company, subject only to the limitations of the Trust Indenture. Outstanding, $300,000 Series "A" 6s. Additional bonds of Series "A" as well as bonds of any other series may be issued: (a) Upon deposit with the Trustee of at least an equal amount of mortgage bonds of any subsidiary of which at least 55% of the outstanding voting stock shall have been acquired by the Company and deposited with the trustee, and then only when the annual interest upon all deposited bonds including those which it is proposed to deposit, together with all other income from other sources and the income available to all deposited stock for 12 consecutive calendar months within the previous 15 months shall have been at least 1¾ times the annual interest charges upon the bonds issued thereunder and those which it is proposed to issue. Bonds shall not be issued beyond an amount which, together with any prior lien bonds or other secured obligations outstanding with the public, would exceed 80% of the fair value of the property securing the deposited bonds, (b) to refund an equal amount of First Lien & Refunding bonds of another series.

Callability—Subject to call as whole or in part on any interest date on 30 days' notice prior to Dec. 31, 1932, at 105, and thereafter at ¼ of 1% per year less for each succeeding calendar year except that during 1951 they are redeemable at 100.

Sinking Fund—A sinking fund is established providing for payments upon the amount of Series "A" bonds at the time outstanding as follows: 1% per annum for the years 1928 to 1931 incl.; 1½% per annum, 1932 to 1936, incl.; and 2% per annum, 1937 to 1950, incl., such amounts to be used for the retirement of Series "A" bonds issued thereunder.

Security—Secured by deposit and pledge of all of the outstanding First Mortgage bonds (aggregating $300,000 and constituting the sole funded debt of the issuing company) and all of the capital stock except directors' qualifying shares now issued, of the Mountain States Utilities Corporation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Personal Property Tax not exceeding 4 mills and also certain taxes in Maine, Massachusetts, Connecticut, Maryland and District of Columbia refunded upon application within 60 days.

Legal Opinion—Rawle & Henderson, Philadelphia (for the Bankers); Leo P. Harlow, Washington, D. C. (for the Company).

Original Offering—First publicly offered ($300,000) in Feb., 1927, at 97 and interest, yielding about 6.24%, by Parsly Bros. & Co., and Boenning & Co., Philadelphia.

CONSOLIDATED EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$112,377	$96,430
Oper. exp., maint., taxes (except Federal Income taxes), etc.	78,673	64,449
Balance for interest, Federal Income taxes, etc	$33,704	$31,981

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Fixed capital	$2,193	Preferred stock	$200,000
Investments:		Common stock	50,000
Stock of subsidiary Co.	35,260	Funded debt	300,000
Bonds of subsidiary Co.	300,000	Accounts payable	1,736
Other bonds	10,000	Dividends payable	7,000
Cash	9,061	Accrued int. & taxes	3,842
Notes & accts. receivable	171,526	Reserve for unamortized disc. on Mt. St. Utilities	28,967
Interest receivable	16,213	Corporate surplus	564
Material and supplies	1,102		
Special deposits	3,000		
Deferred charges	43,754		
Total	$592,109	Total	$592,109

Officers: Francis R. Weller, Pres., Washington, D. C.; John L. Livers, V-P., Charlottesville, W. Va.; C. C. Pierce, V-P., Kingwood, W. Va.; A. J. May, V-P.; M. X. Wilberding, Sec. & Treas.; C. A. Blinston, Asst. Sec. & Asst. Treas., Washington, D. C.

Directors: Francis R. Weller, A. J. May, M. X. Wilberding, Leo. P. Harlow, Washington, D. C.; John L. Livers, Charlottesville, W. Va.; C. C. Pierce, Kingwood, W. Va., E. G. Parsly, Philadelphia, Pa.

General Office, 601 Mills Bldg., Washington, D. C.

PENNSYLVANIA WATER & POWER COMPANY

History and Business—Incorporated Jan. 13, 1910, and owns and operates at Holtwood, Pa., on the Susquehanna River about 10 miles above the Maryland State Line, a combination hydro-electric and steam-electric power development, consisting of one of the largest low-head water power plants in the country and an adjacent pulverized coal burning steam-electric plant formerly the property of the Holtwood Power Company. All of the assets of the latter, a wholly owned subsidiary, were acquired by the Pennsylvania Water & Power Company in 1927.

The Susquehanna is, next to the St. Lawrence, the largest river flowing into the North Atlantic Ocean and has above Holtwood a drainage area of 26,800 square miles. The Company's water power site is located only twenty miles from tidewater. This location is highly advantageous from the viewpoint of market for power, as many large cities and important industrial centers, as well as some of the richest agricultural districts in the United States, are within easy transmission distance from Holtwood.

The Company, under contract with the Consolidated Gas, Electric Light & Power Company of Baltimore, supplies a large portion of the electric current used in Baltimore, including the street railway requirements of the United Railways & Electric Company. The

PENNSYLVANIA WATER & POWER CO. SECURITIES
ALDRED & CO.
Fiscal Agents
40 Wall Street NEW YORK

Company also supplies practically all of the current used in the City of Lancaster, Pa., and vicinity, under contract with the Edison Electric Company; and in the City of Coatesville, Pa. and vicinity, under contract with the Chester Valley Electric Company. A large portion of the current used in the City of York, Pa., and vicinity is supplied by the Company under contract with the Edison Light & Power Company. The total population served by the distributing companies which are customers of the Pennsylvania Water & Power Company is in excess of 1,000,000.

Properties—The Company's dam at Holtwood was completed and the first generating unit was placed in operation in 1910, and by 1914 eight of the ten main units had been installed. Thus the greater part of the investment was made at pre-war prices. The final installation, consisting of two turbine units of increased size, was placed in operation early in 1924, bringing the total capacity of the plant up to 150,000 horsepower. The dam is a solid concrete overflow type with a length of nearly one half mile, a width at the base of 65 feet and an average height of 55 feet. The power house, which is a continuation of the dam at its easterly end, is approximately 500 feet long and 165 feet wide. In addition to the ten main generating units, it contains step-up transformers with a total capacity of 180,000 kilovolt-amperes, two frequency changers with a capacity of 10,000 kilowatts, and complete switching, control and protective apparatus.

The Holtwood steam plant, adjacent to the hydro-electric plant, has an initial capacity of 30,000 horsepower, but is capable of being increased to an ultimate capacity of at least 135,000 horsepower. It is a pulverized coal burning station of the most modern type. The steam generating units are controlled from the switchboard in the hydro plant, and economies are effected by the combined use of operating and maintenance forces.

The Company owns and operates double circuit steel tower transmission lines of the most up-to-date type radiating from Holtwood to Lancaster, York and Coatesville, Pa., being respectively 16, 23 and 30 miles long, together with terminal step-down transformer stations at Lancaster and York. It also operates two double circuit steel tower transmission lines, each forty miles in length, from Holtwood to Baltimore, Md., a large step-down transformer station located in the industrial section of Baltimore. In addition it owns all the capital stock and bonds of the **Susquehanna Transmission Company of Pennsylvania** and the **Susquehanna Transmission Company of Maryland**, in which are vested the titles to the above transmission lines, which include a right-of-way 100 feet wide owned in fee for the entire distance, the Baltimore substation and also a 10 mile steel tower transmission line (leased to the Consolidated Gas, Electric Light & Power Company) from the substation to the outskirts of the city.

The Company owns extensive properties and flowage rights in connection with the reservoir about eight miles long, formed by the Holtwood dam, and also owns a considerable part of the properties and/or rights for a proposed water power development on the Susquehanna River, immediately above the Holtwood Reservoir, known as the Safe Harbor Project.

Contracts—The Company sells to the Consolidated Gas Electric Light & Power Co. of Baltimore a large part of the electric current used in Baltimore and vicinity for light and power, and also for street railways purposes, as the Consolidated Company supplies the entire requirements of the United Railways & Electric Co. of Baltimore. This contract was renewed on Jan. 3, 1928, for a period of 43 years. The Company also has a contract with the Edison Electric Co. of Lancaster, Pa. under which it supplies nearly all of the electric current used in that city and county. The Company also sells under long term contracts the major part of the power used by the Chester Valley Electric Co. of Coatesville, Pa. and the Edison Light & Power Co. of York, Pa.

The Company has entered into a 50-year agreement with The Susquehanna Power Co., which is constructing a hydro-electric development near Conowingo, Maryland, about 15 miles down the river from Holtwood, whereby the lower company is permitted to flood back into the Company's tailrace in a particular manner. The Company will be compensated for such flooding and in addition will share with The Susquehanna Power Co. the benefits resulting from the gain in power at Conowingo. This arrangement was consummated in lieu of continuing the excavation of the Holtwood tailrace, which on account of the increased capacity of the Holtwood plant has become inadequate, causing a considerable loss in head, which loss will now largely be regained at the Conowingo plant.

The Holtwood Coal Co.—The entire capital stock of this company is owned by the Pennsylvania Water & Power Co. It was incorporated in the State of Pennsylvania for the purpose of the recovering, cleaning, preparation and sale of anthracite river-coal which is carried down by the Susquehanna River and deposited in the reservoir formed by the Pennsylvania Water & Power Co.'s dam.

CAPITAL STOCK

Authorized, 540,000 shares of no par value; outstanding, 429,848 shares. Effective May 31, 1927, the capital stock of the Company was changed from 135,000 shares of $100 par value to 540,000 shares of no par value, the new stock being distributed to stockholders on the basis of four new shares for each share of old stock.

Subscription Privileges—Stockholders of record July 2, 1923, received the right to subscribe at par for $1,274,300 stock to the extent of 15% of their holdings, payable on or before Aug. 6, 1923; stockholders of record July 14, 1924, were offered the right to subscribe at $112.50 a share, for $976,900 additional stock to the extent of 10% of their holdings.

Transfer Agent—Fidelity Trust Co., Baltimore, Md.

Registrar—Mercantile Trust & Deposit Co., Baltimore, Md.

Annual Meeting—Second Tuesday in February, at Holtwood, Pa.

Listed—Baltimore, Philadelphia and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	*75	184½	185	147½	108¾	118	95	84½
Low	*45	130⅛	126½	98¾	98¼	92½	77½	74

*New stock of no par value.

Dividends—Dividends at rate of 4% per annum were paid from April 1, 1914, to June 30, 1916; quarter ended Sept. 30, 1916, to quarter ended June 30, 1918, at rate of 5% per annum; Sept. 30, 1918, to quarter ended June 30, 1920, at rate of 1½% quarterly; on Sept. 30, 1920, the quarterly rate was increased to 1¾%, which rate was paid to Jan. 2, 1924; April 1, 1924, quarterly payments increased to 2%, which quarterly rate was paid to July 1, 1927, inclusive. An initial dividend of 62½ cents per share was paid on the new stock of no par value, Oct. 1, 1927, which quarterly rate has been paid to date; payments, J, A, J & O 1.

FUNDED DEBT

(1)

$11,500,000 PENNSYLVANIA WATER & POWER CO. FIRST SINKING FUND 30-YEAR GOLD 5s; DUE JANUARY 1, 1940

Dated January 1, 1910.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York, Montreal Trust Co., Montreal, and Bank of Scotland, London, Eng.

Denominations—Coupon, $1,000 (£205 9s 8d); principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $12,500,000; less bonds redeemed by trustees or cancelled for sinking

fund investment, $1,000,000; leaving $11,500,000 outstanding Feb. 1, 1928.

Sinking Fund—Sinking fund for purchase of bonds at not over 105, 1915 to 1919, $50,000 per annum; 1920 to 1924, $75,000 per annum; thereafter, $100,000 per annum.

Security—Secured by first lien on entire property, power development and generating station, with a present installed capacity of 150,000 h.p. Additionally secured by the duplicate steel tower transmission line forty miles long, extending from Holtwood, Pa., to the Company's sub-station in Baltimore, Md., together with the 100 ft. right of way, equipment and sub-station in Baltimore, through deposit with the Trustee of all of the stock and bonds of the Susquehanna Transmission Companies of Pa. and Md.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

Legal Opinion—Simpson, Thacher & Bartlett, New York.

Original Offering—Of the bonds outstanding $500,000 were offered to stockholders of record on Sept. 22, 1914, at 88 and accrued interest; $450,000 additional offered in March, 1923, at 98½ and interest, these latter by Minsch, Monell & Co., Inc., New York.

Listed—Listed on Baltimore, Philadelphia, Montreal and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105	102½	100½	100¼	97¾	99	92½	86¼
Low	102¼	101¾	100	99¼	94¾	92	80¾	77

(2)

$3,000,000 PENNSYLVANIA WATER & POWER CO. FIRST REFUNDING MORTGAGE GOLD 5½s, SERIES "A"; DUE OCTOBER 1, 1953; CALLED FOR REDEMPTION ON MARCH 1, 1928, AT 106½ AND INTEREST AT NEW YORK TRUST CO., NEW YORK, TRUSTEE

(3)

$6,000,000 PENNSYLVANIA WATER & POWER CO. FIRST REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES B; DUE MARCH 1, 1968

Dated March 1, 1928.

Interest Payable March and September 1, at The New York Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The New York Trust Company, New York.

Provisions of Issue—Authorized, $50,000,000; issued, Series "B," $6,000,000. Additional bonds may be issued only (a) to refund the $11,500,000 First Sinking Fund Gold 5s, due Jan. 1, 1940; (b) upon the basis of 80% of the cost of additional properties, and (c) upon the basis of the acquisition of securities of other corporations in accordance with restrictions contained in the mortgage.

Purpose of Issue—Proceeds were used in the retirement of $3,000,000 5½% First Refunding Gold Bonds, Series "A," of the Company called for payment March 1, 1928, and $2,750,000 6% First Mortgage Gold Bonds, Series "A," of Holtwood Power Co., called for payment March 1, 1928.

Callability—Subject to call as a whole or in part on 30 days' notice at 105 and interest prior to March 1, 1933, the premium decreasing ¼% each year from March 1, 1933, to March 1, 1952, thereafter callable at 100 and interest.

Sinking Fund—As a sinking fund for the retirement of bonds of Series "B," the Company is required to pay to the Trustee on October 1 in each year, beginning with the year 1933, an amount equivalent to 8% of the interest charges upon all bonds of Series "B," then outstanding, according to the definition in the Supplemental Indenture which excludes bonds pledged by the Company as security for short time loans. After the expiration of five years from 1933 the amount payable to the sinking fund is increased to 10% of such interest charges, and after the expiration of a further five-year period, it is increased to 12%. The Trustee may purchase bonds for the sinking fund in the open market at or below the call price, and in the event that bonds cannot be so purchased, the Trustee will redeem bonds by lot for this purpose. Bonds in the sinking fund will be cancelled.

Security—Secured by lien, subject to the lien of the First 5s, due Jan. 1, 1940, described above, on all the Company's property now owned or hereafter acquired (except securities acquired subsequent to Oct. 1, 1923, other than securities made the basis of issue of additional bonds).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania four-mills tax.

Legal Opinion—Simpson, Thacher & Bartlett, New York.

Listed—Baltimore Stock Exchange.

Original Offering—First publicly offered ($6,000,000) in February, 1928, at 99 and interest, to yield over 4.55%, by Minsch, Monell & Co., Inc., New York; Chase & Co., Boston, and Joseph W. Gross & Co., Philadelphia.

(4)

$2,750,000 HOLTWOOD POWER CO. FIRST MORTGAGE 6% BONDS, SERIES "A"; DUE SEPTEMBER 1, 1954; CALLED FOR REDEMPTION ON MARCH 1, 1928, AT 107 AND INTEREST AT NEW YORK TRUST CO., NEW YORK, TRUSTEE

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

(Accounts Audited by Sharp, Milne & Co.)

	1927	1926	1925	1924	1923	1922
Income from all sources	$3,525,343	$3,103,674	$2,960,436	$2,686,466	$2,124,428	$2,003,478
Expenses—						
Operating expenses	$255,345	$216,184	$203,948	$194,735	$149,748	$136,981
General expense	192,503	151,005	151,482	152,532	152,695	138,095
Taxes	395,000	358,000	301,100	222,100	150,200	125,000
Maintenance	429,969	231,532	226,793	204,992	141,761	147,002
Total expenses	$1,272,817	$956,721	$883,323	$774,359	$594,404	$547,078
Net earnings	$2,252,526	$2,146,953	$2,077,113	$1,912,107	$1,530,024	$1,456,400
Interest on First Mtge. bonds	754,050	$580,100	585,000	574,800	548,150	535,144
Interest on First Ref. Mtge.		$165,000	153,000	73,333	.....	.....
Net revenue	$1,498,476	$1,401,853	$1,339,113	$1,263,974	$981,874	$921,256
Balance from previous year	34,878	22,773	4,207	863	1,650	3,254
Total	$1,533,354	$1,424,626	$1,343,320	$1,264,837	$983,524	$924,510
Distributed as follows:						
Dividends	$967,158	$859,696	$859,696	$820,620	$639,251	$594,650
Contingent account	200,000	200,000	140,000	130,000	93,000	80,000
Reserve for sinking fund	100,000	100,000	100,000	100,000	75,000	75,000
Transferred to depreciation fund	243,144	230,052	220,850	210,010	175,410	173,210
Profit and loss account	23,052	34,878	22,774	4,207	863	1,650
Total	$1,533,354	$1,424,626	$1,343,320	$1,264,837	$983,524	$924,510
***Times Bond Interest Earned**	2.66	2.57	2.52	2.62	2.47	2.40
†Earnings Per Share	‡$2.68	$9.97	$9.48	$8.88	$8.26	$8.80

***After depreciation. †After depreciation and sinking fund. ‡On the basis of 429,848 shares of no par value outstanding.**

GENERAL BALANCE SHEET, DECEMBER 31

(Accounts Audited by Sharp, Milne & Co.)

Assets—	1927	1926	1925	1924	1923	1922
Plant, property and power development	$27,190,992	$22,955,698	$22,536,060	$22,040,903	$18,158,432	$17,916,192
Plant additions in progress	196,217	102,687	164,160	400,296	3,586,182	.....
Securities in other companies	4,368,502	5,435,334	5,178,086	4,927,585	3,342,985	3,388,033
Loose plant and stores	197,145	187,765	185,497	130,243	134,798	87,051
Prepaid charges	23,634	28,966	17,773	9,922	29,549	5,378
Cash with trustees for bond redemption	100,740	100,048	100,644	100,519	75,843	75,097
Accounts receivable	732,351	505,439	708,238	508,067	378,683	282,119
Cash in banks, etc.	1,000,692	1,455,625	843,857	1,141,952	1,183,657	265,195
Bills receivable	525,000	25,000	25,000	25,000	25,000	25,000
Total	$34,335,273	$30,796,562	$29,759,315	$29,284,487	$26,915,129	$22,044,065
Liabilities—						
Capital stock	†$10,868,312	$10,746,200	$10,746,200	$10,746,200	$9,769,300	$8,495,000
Premium on capital stock	.....	122,113	122,112	122,112	.....	.....
Funded debt	17,256,000	14,602,000	14,700,000	14,801,000	13,878,000	11,039,000
Accounts payable	387,833	584,262	478,563	433,921	573,740	63,464
Interest accrued	96,250	41,250	41,250	41,250	27,500	.....
*Contingent fund	2,141,540	1,614,540	1,000,539	860,540	730,540	721,540
*Depreciation reserve	2,080,142	1,724,729	1,525,902	1,312,801	1,142,029	985,104
Sinking fund	.....	925,000	825,000	725,000	625,000	550,000
*Reserve for sinking fund	1,050,000	25,000	25,000	25,000	25,000	25,000
Reserve for taxes	432,144	376,590	271,975	212,456	143,157	163,307
Profit and loss	23,052	34,878	22,774	4,207	863	1,650
Total	$34,335,273	$30,796,562	$29,759,315	$29,284,487	$26,915,129	$22,044,065

*Invested in marketable securities of other companies. †Represented by 429,848 shares of capital stock of no par value.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Accounts receivable	$732,351	$505,439	$708,238	$508,067	$378,683	$282,119
Bills receivable	525,000	25,000	25,000	25,000	25,000	25,000
Cash in hand, etc.	1,000,692	1,455,625	843,857	1,141,952	1,183,657	265,195
Loose plant and stores	197,145	187,765	185,497	130,243	134,798	87,051
Total	$2,455,188	$2,173,829	$1,762,592	$1,805,262	$1,722,138	$659,365
Current Liabilities—						
Accounts payable	$387,833	$584,262	$478,563	$433,921	$573,740	$63,464
Interest accrued	96,250	41,250	41,250	41,250	27,500	.....
Total	$484,083	$625,512	$519,813	$475,171	$601,240	$63,464
Net Working Capital	$1,971,105	$1,548,317	$1,242,779	$1,330,091	$1,120,898	$595,901

Officers: Chas. E. F. Clarke, Pres., New York; J. A. Walls, V-P. & Chief Engineer, Lewisburg, Pa.; F. J. Allen, Sec., New York; J. L. Rintoul, Treas., Baltimore, Md.

Executive Committee: J. E. Aldred, Chairman; R. M. Smith, Chas. E. F. Clarke, Mortimer N. Buckner, New York; A. V. Davis, Pittsburgh, Pa.

Directors: J. E. Aldred, Chairman of the Board, New York; Sir Herbert S. Holt, Howard Murray, Montreal, Que.; Chas. E. F. Clarke, R. M. Smith, Mortimer N. Buckner, H. J. Fuller, New York; A. V. Davis, Pittsburgh, Pa.; Joseph W. Gross, Henry Tatnall, Philadelphia; Josiah B. Chase, Boston, Mass.; J. A. Walls, Lewisburg, Pa.; F. D. Carney, Steelton, Pa.; Marvin E. Bushong, Lancaster, Pa.; Irvin W. Gleason, Williamsport, Pa.

Executive Office, 40 Wall Street, New York. **Baltimore Office,** 1611 Lexington Bldg.

TELEPHONE INVESTMENT CORPORATION

History—Incorporated July 20, 1905, in Nevada. Owns the Philippine Telephone & Telegraph Co., of Manila, P. I., and other telephone interests Subsequent to Jan. 1, 1926, corporation purchased from American Insular Telephone Co., all of that Company's holdings in the Southern Philippine Islands, consisting of all the issued and outstanding stock of the Panay Telephone & Telegraph Co. operating in Iloilo and vicinity on the Island of Panay, the Cebu Telephone & Telegraph Co. operating in Cebu and vicinity on the Island of Cebu, and the Negros Telephone & Telegraph Co. operating in Bacolod on the Island of Negros. Total stations at Dec. 31, 1927: Automatic, 10,840; manual common battery, 3,012; magneto, 2,006; connecting stations, 1,232—total company and connecting stations, 17,090.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,760,000; par, $20. Annual meeting, second Monday in March.

Stock Increase—During the early part of 1926 the issued capital stock was increased $240,000 through the exchange of stock in payment for telephone systems operating on the Islands of Panay, Cebu and Negros, and through the sale of stock at $25.50 net per share, to provide funds to pay for additional automatic switchboard apparatus and equipment installed in the City of Manila.

Subscription Privilege—Stockholders of record Feb. 1, 1927 received the right to subscribe for 8,000 shares of capital stock at $25 per share, in the ratio of one share of new stock for each ten shares held, the right to subscribe expiring Feb. 16, 1927.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	31	26½	27	25	20
Low	25½	24	23½	19	17½

Dividends—Dividends of 16⅔ cts. paid monthly from Feb. 1, 1916 to June 1, 1921; from July 1, 1921, to Dec. 31, 1922, 20 cts. per share each month; Jan. 1, 1923 to Dec. 31, 1923, 10 cts. each month; Jan. 1, 1924 to Dec. 31, 1924, 12 cts. each month; Jan. 1, 1925 to Dec. 21, 1927, 13½ cts. each month; Feb. 1, 1928, 15 cts. and dividends were declared at rate of 15 cts. monthly for entire year 1928. Extra dividends of 1% per annum paid in Dec., 1912, 1913 and 1914; ½% in Dec., 1922 and Dec., 1923; Dec., 1924, 12 cts. per share; Dec., 1925, Dec. 18, 1926 and Dec. 21, 1927, 13½ cts. per share each. A 100% stock dividend was paid in Dec., 1922 to stockholders of record Nov. 15, 1922. Up to Dec. 31, 1927, Company has paid 224 consecutive dividends.

FUNDED DEBT

$197,000 PHILIPPINE TELEPHONE & TELEGRAPH CORP. COLLATERAL TRUST BONDS ($15,000 5s AND $182,000 6s); DUE SEPTEMBER 14, 1955.

Dated September 14, 1905.

Interest Payable March and September 1, at Wells Fargo Bank & Union Trust Co., San Francisco.

Trustee—Wells Fargo Bank & Union Trust Co. San Francisco.

Provisions of Issue—Bonds, Nos. 1 to 250 incl., and 501 to 523 incl., bear interest at the rate of 6% per annum; Nos. 251 to 300 incl., bear interest at the rate of 5% per annum, and Nos. 524 to 1920 incl., at rate fixed by directors. Authorized, $1,920,000; issued, $323,000 ($267,000 6% and $50,000 5%), of which $126,000 ($91,000 6% and $35,000 5%) held in sinking fund.

Callability—Not subject to call.

Sinking Fund—1% of outstanding bonds for 39 years, began July 1, 1910. In addition to the bonds outstanding, as shown above, $91,000 6s and $35,000 5s are held alive in the sinking fund; interest thereon accrues to the fund.

Security—Secured by pledge of entire capital stock of the Philippine Telephone & Telegraph Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	‡1922	1921
Gross revenues	$771,264	$715,323	$590,243	$544,973	$501,005	$460,790
Operating expenses, depreciation, etc.	509,547	450,345	370,451	368,904	377,875	350,692
Taxes and exchange	40,904	40,161	35,570	35,040	19,236	27,368
Net earnings	$220,813	$224,817	$184,222	$141,028	$103,894	$82,730
Interest on bonds	12,804	18,697	17,605	17,500	17,500	17,500
Net income	$208,009	$206,120	$166,617	$123,528	$86,394	$65,230
Dividends paid	$152,030	140,130	119,340	106,080	91,263	63,714
Surplus for year	$55,979	$65,990	$47,277	$17,448	†$4,869	$1,516
Earnings Per Share	$2.36	$3.22	$3.06	$2.27	$1.59	$2.80

†Deficit. ‡1923 figures not available.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance, Jan. 1, 1927, $151,554; net income for current year, $208,009; sundry additions, $4,168—total $363,731. Contra: Dividends paid during 1927, $152,030; sundry deductions $3,700—total, $155,730. Surplus, Dec. 31, 1927, as per Balance Sheet, $208,001.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Inter-Company Duplications Excluded)

Assets—	1927	1926	1925	1924	†1922	1921
Fixed capital	$2,795,756	$2,495,214	$2,035,319	$1,925,764	$1,499,394	$1,311,494
Investment securities	1,863	1,048	858	858	.....	.....
Cash and deposits	7,019	15,696	3,178	37,284	78,696	38,222
Accounts receivable	21,652	22,991	17,277	11,563	81,262	39,655
Materials and supplies	234,406	166,781	110,055	86,049	106,997	.....
Sinking fund assets	292	88,363	79,592	70,832	38,610	35,610
Prepayments	8,810	9,049	2,462	2,368	983	2,724
Other suspense	2,665	761	5,037	4,188	4,188	4,188
Furniture and fixtures	.....	.....	.....	.....	8,532	7,069
Distribution inter-co. account	.....	.....	.....	.....	680,000	.....
Total	$3,072,463	$2,799,903	$2,253,778	$2,138,906	$2,498,662	$1,438,962
Liabilities—						
Capital stock	$1,760,000	$1,600,000	$1,360,000	$1,360,000	$1,360,000	$581,580
Premium on capital stock	66,949	26,000	.....	.....	.....	.....
Funded debt	197,000	‡323,000	317,000	300,000	300,000	300,000
Accrued bond interest	4,270	6,293	6,173	5,833	5,833	5,833
Notes payable	25,000	*36,000	24,000	83,002	218,323	8,742
Accounts payable	59,863	22,124	2,555	10,538		
Accrued taxes	31,978	31,352	60,024	28,488	4,998	7,611
Other accruals	4,428	4,403	4,636	.....	.....	.....
Pension fund reserve	15,330	15,330	15,330	14,441	12,863	14,100
Reserve for subscribers' guarantee deposits	26,241	23,834	18,375	17,803	15,551	12,956
Other deferred credit items	13,638	2,888	1,826	638	.....	.....
Depreciation reserve	659,765	557,125	367,118	259,255	570,043	478,918
Surplus	208,001	151,554	76,741	58,906	11,051	29,222
Total	$3,072,463	$2,799,903	$2,253,778	$2,138,906	$2,498,662	$1,438,962

*Paid in January, 1927. †1923 figures not available. ‡Including $98,000 bonds reacquired.

Officers: Theo. V. Halsey, Pres.; Chas. J. Deering, V-P. & Treas.; Geo. J. Petty, V-P. & Asst. Treas.; Wm. R. Twamley, Sec. & Gen. Attorney; M. H. Mosey, Asst. Sec.; K. Mayor, Gen. Aud.

Directors: A. B. Cooper, John H. Corcoran, Chas. J. Deering, Theo. V. Halsey, R. W. Payne, Geo. J. Petty, Thomas E. Shumate, Wm. R. Twamley.

Head Office, 116 New Montgomery St., San Francisco, Cal. **Corporate Office,** Washoe County Bank Bldg., Reno, Nev.

ROCHESTER, LOCKPORT & BUFFALO RAILROAD CORPORATION

History—Incorporated April 4, 1919, in N. Y., and took over the property and franchises of the Buffalo, Lockport & Rochester Ry. Co. as of April 1, 1919. (see 1919 Public Utility Manual, page 407, or apply to our Information Department). Road extends from Rochester to Lockport, N. Y., 54½ miles, at which latter point it connects with the tracks of the International Ry. Co. for entrance into Buffalo. Total, all lines operated, 58.20 miles; total track, 72.49 miles. Also has trackage rights into Rochester, over the tracks of the New York State Railways. The road is built entirely over private right of way, except in cities and towns where franchises are either perpetual or for 99 years. Gauge, standard. Rails, 75, 80 and 91 lb. R. Cars: Motor passenger cars, 19; motor express cars, 3; freight trailers, 5; service cars, 9; snow plows, 3.

CAPITAL STOCK

Authorized, $2,200,000 Common and $1,500,000 6% cumulative Pfd.; issued, $2,199,250 Common and $1,499,500 Pfd.; par, $100.

Registrar—Union Trust Co., Rochester, N. Y.

Annual Meeting—Second Tuesday in February.

Dividends—Dividends on Pfd. stock have been paid as follows: Aug. 1, 1919, 1½%; Nov. 15, 1919, 1½%; 1920 to 1926, inclusive, 6% each; Jan., 1927, 3%; July 1, 1927, 1½%; Jan., 1928, 2½%; payments semi-annually Jan. and July 1. None paid on Common.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$422,799	$495,615	$534,546	$508,159	$546,439	$504,520
Operating expenses, taxes, etc	377,516	413,862	436,872	417,506	446,240	407,221
Depreciation	4,228	9,149	13,734	10,483	12,314	11,412
Net earnings	$41,055	$72,604	$83,940	$80,170	$87,885	$85,887
Other income	12,211	5,503	7,268	11,234	5,728	6,528
Total income	$53,266	$78,107	$91,208	$91,404	$93,613	$92,415
Sundry charges	26	26	26	26	26	526
Balance for dividends	$53,240	$78,081	$91,182	$91,378	$93,587	$91,889
Dividends paid on Pfd. stock	59,980	89,970	89,970	89,970	89,970	89,970
Surplus for year	*$6,740	*$11,889	$1,212	$1,408	$3,617	$1,119
Earnings Per Share—						
Preferred	$3.55	$5.20	$6.08	$6.06	$6.24	$6.13
Common	Nil	Nil	.05	.06	.16	.09

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and equipment	$3,648,968	$3,659,545	$3,662,290	$3,658,784	$3,665,672	$3,666,758
Materials and supplies	21,747	23,821	30,816	36,044	38,144	36,742
Cash on hand, etc.	207,450	170,202	200,578	139,179	93,567	86,108
Accounts receivable	4,007	2,423	3,552	2,233	2,001	3,699
Bonds owned	.....	.....	.....	50,188	97,726	78,045
Special deposits	.....	3,622	2,167	815	866	674
Unadjusted debits	3,622	2,077	9,432	8,381	9,683	16,767
Total	$3,885,794	$3,861,690	$3,908,836	$3,895,623	$3,907,659	$3,888,793
Liabilities—						
Common stock	$2,199,250	$2,199,250	$2,199,250	$2,199,250	$2,199,250	$2,199,250
Preferred stock	1,499,500	1,499,500	1,499,500	1,499,500	1,499,500	1,499,500
Accounts payable	12,628	17,924	12,052	12,126	23,683	23,737
Dividends accrued	38,444	45,812	45,902	45,800	45,851	45,659
Taxes accrued	20,221	20,221	28,019	27,505	14,844	14,952
Unadjusted credits	10,917	19,858	44,395	42,657	42,903	41,232
Depreciation reserve	33,083	30,349	61,121	51,401	65,652	52,104
Casualty & insurance reserve	20,032	20,351	.....	.....	.....	.....
Surplus	51,719	8,425	18,596	17,384	15,976	12,359
Total	$3,885,794	$3,861,690	$3,908,836	$3,895,623	$3,907,659	$3,888,793

Officers: W. W. Foster, Pres., Rochester, N. Y.; A. S. Muirhead, V-P., Toronto, Ont.; J. D. Nailor, Treas. & Gen. Mgr.; J. B. Foster, Sec. & Aud.; R. W. Travisee, Supt.; H. J. Vosburgh, Pur. Agt., Rochester, N. Y.

Directors: E. R. Wood, A. S. Muirhead, D. B. Hanna, W. J. Hastie, Toronto, Ont.; W. A. Matson, F. W. Zoller, W. W. Foster, J. F. Hamilton, D. M. Beach, Rochester, N. Y.

General Office, Rochester, N. Y.

INTERNATIONAL LIGHT AND POWER COMPANY, LTD.

History—Incorporated Feb. 25, 1913, in Canada, for the purpose of buying and holding the securities of companies owning gas, electric light, power, water supply, drainage, tramways, and other similar undertakings in South America and elsewhere. Since June 30, 1927, the character of this Company has changed; it has disposed of the properties controlled and is now continuing as an investment Company.

The company acquired all of the capital stock and debentures of the companies owning electric lighting and gas plants and distribution systems in the cities of Caracas, Venezuela, and Parana, Province of Entre Rios, Argentina, and the City of Merida, Mexico, and the tramway system in the city of Parana. The company owned (1) all of the issued capital of $1,063,000 (Canadian currency) Ordinary shares and all of the $823,000 outstanding 12% First Mtge. Debenture stock of the **Venezuela Electric Light Co., Ltd.** (of Canada), which operates in Caracas with a population of 80,000, and (2) the entire issued share capital of $500,000 (Argentine currency) of the **Compania Luz y Fuerza de Parana,** which owns the lighting properties in Parana, Argentine, with a population of 42,000 (this property was sold in 1927, as stated below), and (3) all of the issued share capital of $2,500,000 (Mex. currency) and all the $2,000,000 "obligations" of the **Compania de Electricidad de Merida** operating lighting and power properties in Merida, Mex., with a population of 60,000; and (4) the entire share capital of £75,000 of the **Parana Tramways Co. Ltd.** This latter company owns and operates a tramway system in the city of Parana, Argentine. In connection with this purchase the International Light & Power Co., Ltd., increased its Preference Share capital by $200,000, while a further liability exists for the balance of the purchase price in the form of additional cumulative Preference shares to be issued in 1926, the amount being dependent on the net income derived from the tramways.

In the first half of 1925 Company acquired the share capital of the **South Brazilian Rys. Co., Ltd.** which owns and operates the electric light, power and tramways systems at Curityba, the capital of the State of Parana in South Brazil. The necessary funds were raised by the issue of £128,000 Three-Year 7% Collateral Trust notes. The cost of purchase was £95,000 cash, 1,750 Preference shares of $100 each and 5,350 Ordinary shares of $100 each in the International Light & Power Co., Ltd., inclusive of commissions. This Company has been sold as stated below.

Number of consumers at June 30, 1927: In Caracas, 10,777; in Merida, 6,911; in Parana, 4,735; in Curityba, 6,792. Passengers carried on the Parana tramway system during year ended June 30, 1927, 2,459,903, compared with 2,210,558 in previous year, and on the Curityba tramway, 5,533,344, compared with 5,025,707.

Sale of Subsidiaries—As of July 28, 1927, Company sold its subsidiary operating in Parana, Argentina, the Compania Luz y Fuerza de Parana, to the Atlas Light & Power Co., Ltd. The proceeds of the sale were applied to the redemption of £246,500 par value 5% First Mortgage Debentures, due July 1, 1968 and the entire issue of £128,000 7% 3-Year Collateral Trust Notes.

During March, 1928, South Brazilian Rys. Co., Ltd., a subsidiary operating at Curityba, State of Parana, Brazil, was acquired by South American Power Co., a subsidiary of American & Foreign Power Co., Inc

CAPITAL STOCK

Authorized, $10,000,000 Ordinary and $10,000,000 6% cum. Preference; outstanding, $3,535,000 Ordinary and $1,757,300 Preference; par, $100.

Preferred Stock Provisions—Has preference for assets and dividends. Additional Preference stock can be issued for the purchase of securities of other companies, or for the use of subsidiary companies, but only if the company's proportion of the net profits for the previous year of those companies whose shares the company owns or intends to purchase are equal to the interest on the Debentures issued and proposed to be issued, and one and one-half times the dividend on the Preference stock issued and proposed to be issued.

Transfer Agent and Registrar (Both Classes)—National Trust Co., Ltd., Toronto, Can.

Annual Meetings—In 1927: At Toronto, on Dec. 12; at London on Dec. 9.

Dividends—On Preference stock are usually paid quarterly, J, A, J & O 1. Arrears of dividends on Preference shares were all paid to Dec. 31, 1918, and regular quarterly dividends of 1½% resumed up to quarter ended Dec. 31, 1920; none thereafter until Dec. 12, 1923, when 3% was paid; 4½% on Feb. 29, 1924; 6% on Sept. 1, 1924; 4½% on Dec. 20, 1924; 6% on Feb. 27, 1925; 3% each on June 30, 1925, Jan. 2 and June 30, 1926 and Jan. 2 and June 30, 1927. No dividends have been paid on Ordinary shares.

FUNDED DEBT

£286,400 5% (STERLING) FIRST MORTGAGE DEBENTURES; DUE JULY 1, 1968

Dated, 1913.

Interest Payable January and July 1, at Glynn, Mills & Co., London, Eng.

Denomination—Coupon, £100; principal may be registered.

Trustee—The Metropolitan Trust Co., Ltd., Gresham House, London, E. C., Eng.

Provisions of Issue—Present authorized issue, £587,500, but additional debentures can be issued for the purchase of securities of other companies, or for the use of subsidiary companies whose shares it holds, limited to 80% of the actual cost of securities purchased, or at cost of additions to existing properties or new properties acquired, but only if the company's proportion of the net profits for the previous year of the subsidiary companies whose shares it owns or intends to purchase are equal to twice the amount necessary to provide the yearly interest and sinking fund for the debentures outstanding and proposed to be issued. Amount issued to June 30, 1927, £427,500, of which £141,100 purchased and cancelled.

Sinking Fund—The sinking fund has been increased from 1% to 2%. The Debentures of present issue will be completely redeemed in about 26 yearly quotas in place of about 37 years under the smaller sinking fund.

Tax Provisions—Company does not assume U. S. Normal Federal Income Tax.

Listed—London Stock Exchange.

Price Range (London)—

	1926	1925	1924	1923	1922	1921	1920	1919
High	84½	83	78½	74¼	69	70	..	76¼
Low	83	80½	78	72½	65½	69½	..	72⅞

NOTE REDEMPTION

The £128,000 7% 3-Year Collateral Trust Notes, due in 1928, outstanding as of June 30, 1927, were retired later in 1927 from part of the proceeds of the sale of the Company's subsidiary, the Compania Luz y Fuerza de Parana.

INCOME AND PROFIT AND LOSS ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	1922
Interest, dividends, etc., received and accrued	£79,397	£81,908	£73,399	£70,613	£60,290	£67,774
Administration expenses	3,275	4,085	3,364	2,884	2,688	2,666
Debenture interest paid and accrued and debenture redemption account	29,925	29,237	28,000	28,000	28,000	28,000
Interest on Collateral Tr. Notes	8,960	8,960	2,037	.....	.....	.....
Provision for Income Tax	.....	.....	.....	.....	2,500	7,500
Other interest, etc	.....	.....	.....	.....	335	2,362
Total charges	£42,160	£42,282	£33,401	£30,884	£33,523	£40,528
Net income	37,237	39,626	39,998	39,729	26,767	27,246
Surplus forward previous year	28,790	14,382	30,433	28,283	24,016	39,270
Total	£66,027	£54,008	£70,431	£68,012	£50,783	£66,516
Deduct:						
Amount written off loans to subsidiary cos	15,000	.....	.....	15,000	20,000	40,000
Reserve for contingencies	2,500	2,500	2,500	2,500	2,500	2,500
Discount on debentures	.....	4,812	.....	.....	.....	.....
Preference dividends	21,258	17,906	‡53,549	*20,079	.....	.....
Total deductions	£38,758	£25,218	£56,049	£37,579	£22,500	£42,500
Balance carried to balance sheet	£27,269	£28,790	£14,382	£30,433	£28,283	£24,016

*Arrears of Cumulative Preference dividend for 15 months to March 31, 1922. ‡Cumulative Preference dividend for 39 months to June 30, 1925.

GENERAL BALANCE SHEET, JUNE 30

(Accounts Audited by Deloitte, Plender, Griffiths & Co., C. A.)

Assets—	1927	1926	1925	1924	1923	1922
Purchase price of investments	£1,544,631	£1,484,174	£1,453,743	£1,201,538	£1,203,593	£1,210,697
Advances to subsidiary companies	162,362	133,825	119,950	123,100	132,500	153,500
Expenditure on Curityba Hydro-Electric project	3,750	.....	.....	.....	.....	.....
Cost of debentures purchased and cancelled in advance of sinking fund	525	8,171	4,156	17,776	.....	.....
Sundry debtors and debit balances	12,022	887	5,721	4,468	6,466	33,550
Cash	22,466	47,618	45,589	6,663	6,822	7,169
Total	£1,745,756	£1,674,675	£1,629,159	£1,353,545	£1,349,381	£1,404,916
Liabilities—						
Capital stock	£1,096,131	£1,032,901	£1,032,901	£884,659	£884,659	£884,659
5% debentures	286,400	303,400	287,600	287,600	324,900	341,600
Collateral Trust Notes 7%	128,000	128,000	128,000	.....	.....	.....
Loan	.....	.....	.....	.....	.....	20,000
Sundry creditors and credit balances	20,655	14,892	14,998	10,381	10,246	52,550
Interest accrued	7,698	7,932	7,292	5,572	6,193	6,191
Debenture redemption account	141,100	124,100	112,400	112,400	75,100	58,400
Reserve for contingencies	30,000	27,500	25,000	22,500	20,000	17,500
Preference dividends accrued, less tax	8,503	7,160	6,586	.....	.....	.....
Profit and loss	27,269	28,790	14,382	30,433	28,283	24,016
Total	£1,745,756	£1,674,675	£1,629,159	£1,353,545	£1,349,381	£1,404,916

NOTE—There is a contingent liability in connection with the purchase of the interest in the Parana Tramways Co., Ltd., dependent on the net income derived therefrom.

Officers: John B. White, Pres.; Jordan Gauthier, V-P.; Robert Gowans, Asst. Sec.; C. L. Sauter, Asst. Sec.

Directors: John B. White, William D. Harkins, Jordan Gauthier.

Registered Office, 1528 Land Title Bldg., Philadelphia. **Canadian Office:** Canadian Bank of Commerce Bldg., Toronto, Ont.

MARCONI'S WIRELESS TELEGRAPH COMPANY, LTD.

Registered July 20, 1897, in Great Britain as Wireless Telegraph & Signal Co., Ltd., to acquire certain patent rights from Guglielmo Marconi, and in 1900 the name was changed as above. In 1900 the Company's maritime rights were sold to the Marconi International Marine Communication Co., Ltd., payment being made in shares, and the Company holds a considerable interest in subsidiary companies formed in other countries (see 1921 Public Utility Manual, page 635).

The Company conducts public wireless telegraph services, and messages are accepted for transmission, via Marconi, to the United States of America, the West Indies, Spain, France, Switzerland, Austria, etc.

After several years of effort Company received from the British General Post Office on Dec. 31, 1925, a general license permitting it to establish wireless telegraph services with all foreign countries outside Europe and with the following European countries: Austria, Bulgaria, Denmark, Finland, France, Greece, Portugal, Russia, Spain, Sweden, Switzerland, Turkey and Yugoslavia.

Fusion of Interests—During March, 1928, announcement was made that Company and Eastern & Associated Cable Companies had provisionally arrived at an arrangement for a fusion of interests through the medium of a holding Company, subject to Governmental approval and to acceptance by stockholders.

Unsuccessful Ventures Written Off Books—At the beginning of 1925 Company had interests, either directly or through its subsidiaries, in 56 other companies—in many cases holding the whole of the capital. Twelve of these companies had no connection with the wireless business, and a substantial part of the writing off was in respect of their operations. The present position is that Company's interest in nine of them has either been disposed of, the concerns have been liquidated, or the losses entirely written off. No further losses can arise in respect of them. The management of the three non-wireless companies which remain have been reorganized with a view to disposing of these companies at the earliest possible moment. They are now either making a small profit or balancing their accounts. There were also five companies which were dormant but had not been liquidated at the beginning of 1925. These dormant companies have now been wound up or are in process of liquidation.

CAPITAL STOCK

Authorized, £499,935 Ordinary Shares, par £1, £3,250,065 Ordinary Shares, par 10s, and £250,000 7% cumulative Participating Preference shares (see paragraph below for stock changes); outstanding, Dec. 31, 1927, £1,625,019 Ordinary shares, par 10s, and £250,000 Preference, par £1.

Recapitalization Plan—On April 7, 1927, stockholders confirmed resolutions passed on March 15, 1927, approving a plan whereby the capitalization of Company was reduced from £4,000,000 divided into 250,000 7% cum. Part. Pref. shares of £1 each and 3,750,000 shares of Ordinary stock of £1 each, to £2,374,954, divided into 250,000 shares of 7% cum. Part. Pref. stock of £1 each, 499,935 Ordinary shares of £1 each, and 3,250,038 Ordinary shares of 10s. each, such reduction being effected by cancelling capital to the extent of 10s. per share on each of the 3,250,038 Ordinary shares of £1 each, which had been issued and were fully paid up and had not been forfeited, and by cancelling each of the 27 Ordinary shares of £1 each which had been forfeited. The stockholders also voted that on such reduction of capital taking effect the stock of Company be increased to its former amount of £4,000,000 by the creation of 3,250,092 new Ordinary shares of 10s. each. The British Court on Nov. 11, 1927, approved the above capital readjustment whereupon it was put into effect.

Preference Stock Provisions—The Participating Preference shares are preferred as to assets, are entitled to 7% cumulative dividends and, after Ordinary shares have received a 10% non-cumulative dividend, share ratably with Ordinary shares in surplus profits remaining.

Annual Meeting—In 1927, on December 22, at London, Eng.

Listed—London Stock Exchange.

Price Range (London)—

Pref'nce—	1927	1926	1925	1924	1923	1922	1921	1920
High	46/6	26/3	31/10½	38/9	48/1	55/0	53/1	78/9
Low	17/6	20/7½	22/6	25/7½	33/9	31/10	29/10	36/10
Ordinary—								
High	41/3	26/3	36/4½	42/0	55/7	59/4	54/4	88/9
Low	20/1½	13/9	21/3	27/6	33/9	31/1	27/6	37/6

Dividends—Preference dividends have been paid as follows: For the years 1911, 1912, 1913, 17%; 1914 and 1915, 7%; 1916, 12%; 1917, 17%; 1918, 22%; 1919, 22% and a bonus of 5s per share; 1920, 12%; 1921, 12%; 1922, 12%; 1923, 7%; 1924, 7%; 1925, 7%; 1926, 7%; 1927, 7%. Ordinary dividends have been paid as follows: For the years 1911, 1912 and 1913, 20%; 1914 and 1915, 10%; 1916, 15%; 1917, 20%; 1918, 25%; 1919, 25% and a bonus of 5s. per share; 1920, 15%; 1921, 15%; 1922, 15%; 1923 and 1924, 10% each; 1925, none; 1926, 5% on reduced capital (this dividend was not actually paid until January, 1928). Dividends to stockholders in the United States paid at Hanover National Bank, New York.

CONVERTIBLE DEBENTURE STOCK

£1,207,186 6½% CONVERTIBLE TEN-YEAR FIRST DEBENTURE STOCK; DUE OCTOBER 1, 1932

Dated 1922.

Interest Payable April and October 1, in London, Eng.

Trustee—The Law Debenture Corporation, Ltd., London, Eng.

Provisions of Issue—Authorized, £3,000,000; issued, £1,500,000, of which £292,814 redeemed to Dec. 31, 1927.

Callability—Subject to call as a whole on any interest date subsequent to Oct. 1, 1923, on three months' notice, with accrued interest as follows: In 1924 at 109%; in 1925 at 108%; in 1926 at 107%; in 1927 at 106%; in 1928 at 105%; in 1929 at 104%; in 1930 at 103%; in 1931 at 102%; in 1932 at 101%.

Sinking Fund—The Company undertakes to apply £75,000 in each year, beginning in 1924, in purchasing stock for cancellation when it can be acquired below the premium payable in case of anticipated redemption in that particular year and to the extent that stock cannot be so purchased then in drawings at such premium; stock so drawn to be repaid on the next April 1. Any stock outstanding on Oct. 31, 1932 will be paid off at par. Should the Company issue futher Debenture stock (part of the £3,000,000 authorized) the above annual sum of £75,000 will be proportionately increased.

Convertibility—Stockholders have the right to convert on any J, A, J & O 1 up to and including April 1 1929, on giving not less than seven days' previou

notice to the Company, all or any part of their stock into Ordinary shares on the basis of one fully paid share of £1 for each £3 of Debenture stock, the unissued balance of Ordinary shares being reserved in the treasury for this purpose. These shares will as on and from the date for conversion rank pari passu with the other fully-paid Ordinary shares, the stockholder converting being entitled to interest on his stock accrued up to the date for conversion. On conversion of entire holdings fractions of stock will be satisfied in cash at par. Should the Company on or before April 1, 1929, give notice of its intention to redeem on an interest date the whole of the stock outstanding, stockholders will be entitled to convert into Ordinary shares on such interest date on the above basis on giving notice at any time not later than 21 clear days before the dates so fixed for redemption.

Security—This stock is secured by a first floating charge on all the Company's assets, present and future, including uncalled capital (if any).

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Original Offering—First publicly offered (£1,500,000) in Nov., 1922, at £99, by Helbert, Wagg & Co., Ltd., London, Eng.

Listed—London Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	105¼	103⅛	107	106
Low	94½	95½	99	99

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
Balance of contracts and sales, traffic and trading accounts, interest, etc.	£325,143		£641,319	£552,113	£556,290	£553,729
Miscellaneous income	815		874	811	1,129	786
Total income	£325,958		£642,193	£552,924	£557,419	£554,515
Rents, rates, taxes, etc.	†£5,000		£199,102	£178,934	£151,276	£169,556
Depreciation	38,080		31,415	37,028	29,906	27,476
Station expenses	.....	Not	89,737	66,925	73,289	82,122
Interest on Debenture stock	83,930		96,340	97,494	.....	.....
		Reported				
Total charges	£127,010		£416,594	£380,381	£254,471	£279,154
Balance for dividends	£198,948		£225,600	£172,543	£302,948	£275,361
Preference dividends	17,500		17,500	17,500	30,000	30,000
Ordinary dividends	81,251		300,006	275,006	412,506	397,098
Transfer to Debenture Redemption Account	75,000		.....	.....	.....	.....
Deficit for year	*£25,197		£91,906	£119,963	£139,558	£151,737

*Surplus. †Directors fees.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	(Latest Available) 1926	1925	1924	1923	1922	1921
Holdings in and advances to Assoc. Cos.	£1,764,126	£1,768,137	£2,397,175	£2,699,516	£3,543,531	£3,327,213
Patents and patent rights	1	1				
Investments	248,463	530,634	395,980	771,354	1,644,100	1,318,875
Plant, machinery, etc.	330,930	357,395	230,933	237,782	328,788	321,760
Freehold and leasehold property, etc.	253,395	223,302	167,980	152,110	152,883	151,090
Cash	71,404	145,252	174,429	234,887	168,644	124,773
Debtor balances	863,891	660,510	2,838,453	3,064,261	3,398,189	2,526,018
Stock at cost	740,966	448,442	£291,711	267,798	554,353	509,942
Contracts in progress			£137,617	.....	.....	.....
Freehold works	.....	.....	33,623	32,850	31,504	30,547
Expenditures on leasehold premises, etc.	.....	.....	95,598	98,693	78,400	64,945
Suspense account	.....	*1,625,794	.....	.....	.....	.....
Total	£4,273,176	£5,759,468	£6,763,500	£7,559,251	£9,900,392	£8,285,163
Liabilities—						
Capital stock, fully paid	£1,875,019	£3,499,839	£3,000,065	£3,000,065	£3,000,000	£2,871,568
Capital stock, partly paid	.....	.....	.....	.....	.....	9,536
Debenture stock	1,281,589	1,357,042	1,429,205	1,499,800	1,500,000	.....
Interest accrued	20,826	22,052	23,225	24,372	4,188	.....
Bills payable	.....	.....	1,658	591	2,915	9,412
Sundry creditors, etc.	914,295	880,535	500,528	571,138	384,587	230,886
Reserves	.....	.....	1,180,660	1,767,470	4,040,924	4,069,833
Profit and loss	181,447	.....	628,159	695,815	967,778	1,093,928
Total	£4,273,176	£5,759,468	£6,763,500	£7,559,251	£9,900,392	£8,285,163

NOTE—There is also a contingent liability on partly paid shareholdings and guarantees for bank overdrafts £219,889.

*Amount required to write off or write down sundry assets and other provisions, after taking into account the trading profit less the Preference dividend for 1925—£2,766,168, less amount transferred from reserve fund, £829,721 and from Profit and Loss Account, £310,652—balance £1,625,794.

Directors: Rt. Hon. Lord Inverforth, Chrm.; Senatore Guglielmo Marconi, Pres.; Rt. Hon. F. G. Kellaway, Deputy Chairman & Man. Director; Major H. Lefroy, Sir Frederick J. Barthorpe, Sir William Slingo, Dr. J. F. O'Malley, P. A. Cooper, L. G. Sherlock, Major General Sir Frederick Sykes, Sir Charles Barrie, F. R. S. Balfour, Rt. Hon. Lord Wester Wemyss.

Secretary and Registered Office, B. O. Collis, Marconi House, Strand, London, W. C. 2, Eng.

BROCKTON GAS LIGHT COMPANY

History—Incorporated Sept. 5, 1859, in Mass.; successor to North Bridgewater Gas Light Co. Charter perpetual. Furnishes gas in Avon, Bridgewater, Brockton, Canton, Easton, East Bridgewater, Halifax, Hanson, Hanover, Holbrook, Pembroke, Plympton, Randolph, Sharon, Stoughton and West Bridgewater, serving population of 121,864. Number of consumers, 22,408. Daily plant capacity, 3,700,000 cu. ft. Holder capacity, 2,708,000 cu. ft. Miles of mains, 332.52. Gas sales in 1927, 620,113,000 cu. ft., compared with 573,633,000 cu. ft. in 1926, and 542,275,600 cu. ft. in 1925.

Rates—Brockton: 75c per 100 cu. ft. first 100 cu. ft.; 21½c. per 100 cu. ft., next 400 cu. ft.; 12½c. per 100 cu. ft., next 19,500 cu. ft. North Easton: $1.02 per 100 cu. ft. first 100 cu. ft.; 29c. per 100 cu. ft. next 600 cu. ft.; 17c. per 100 cu. ft. next 19,300 cu. ft. All other: 85c. per 100 cu. ft. first 100 cu. ft.; 26½c. per 100 cu. ft. next 600 cu. ft.; 13½c. per 100 cu. ft. next 19,300 cu. ft. With sliding scale discount for prompt payment in 10 days. The foregoing are general household rates.

Executive Managers—Charles H. Tenney & Co., 200 Devonshire St., Boston, Mass.

CAPITAL STOCK

Authorized and issued, $2,049,400 (81,976 shares) (increased from $1,537,000 in Aug., 1925); par, $25 (changed from $100 in Dec., 1925).

Stock Trust Agreement—A large majority of the shares of Company's stock has been deposited under a Trust Agreement dated Feb. 15, 1927 for a period of five years.

Transfer Agent—E. A. Bradley, Treas., 200 Devonshire St., Boston, Mass.

Annual Meeting—Fourth Tuesday in January.

Dividends—Dividends at rate of 6% per annum paid up to June 30, 1909; 5½% for year ended June 30, 1910; 6% each year to and including year ended June 30, 1917; half-year ended Jan. 1, 1918, 2½%; none thereafter until Dec., 1921, when 1% was declared; 1922, 4½%; 1923, 6½%; 1924 and 1925, 8% each; 1926 and 1927, $2 each on $25 par.

FUNDED DEBT

$100,000 First Mortgage 5% Gold bonds; matured and paid off Feb. 1, 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$959,434	$920,103	$905,646	$911,150	$941,189	$949,480
Operating expenses and taxes	729,546	649,380	639,580	651,114	662,685	677,053
Depreciation	26,918	94,200	83,100	82,500	39,000	39,900
Net earnings	$202,970	$176,522	$182,966	$177,536	$239,504	$232,527
Non-operating income	3,180	1,824	2,654	‡	‡	‡
Total gross income	$206,151	$178,346	$185,620	$177,536	$239,504	$232,527
Interest charges	13,917	6,170	18,461	28,868	27,702	26,348
Net income	$192,234	$172,176	$167,159	$148,668	$211,802	$206,279
Dividends paid	163,952	163,952	133,208	122,960	99,905	69,165
Surplus for year	$28,282	$8,224	$33,951	$25,708	$111,897	$137,014
Earnings Per Share	†$2.34	†$2.10	†$2.04	$9.67	$13.78	$13.41

†Par, $25; previous years, $100. ‡Included with operating revenues.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$2,764,245	$2,665,178	$2,419,321	$2,334,406	$2,228,837	$1,977,990
Investments	21,044	6,113	96,693			
Cash	289,721	173,492	120,745	143,301	98,622	296,304
Accounts and notes receivable	195,087	181,091	204,089	202,443	197,046	
Materials and supplies	176,577	149,154	109,584	195,271	232,208	180,834
Office furniture, fixtures, etc	.....	.....	.....	.....	.....	12,705
Unfinished construction	.....	.....	.....	.....	.....	118,713
Prepaid accounts	10,662	10,155	7,271	13,485	14,014	.....
Suspense	.....	997	1,619	3,862	3,292	.....
Total	$3,457,336	$3,186,180	$2,959,322	$2,892,768	$2,774,019	$2,586,546
Liabilities—						
Capital stock	$2,049,400	$2,049,400	$2,049,400	$1,537,000	$1,537,000	$1,537,000
Funded debt	†100,000	100,000	100,000	100,000	100,000	100,000
Notes payable	400,000	150,000	.....	575,000	.....	425,000
Accounts payable	33,942	44,567	56,872			
Customers' deposits	6,949	17,184	17,609	80,032	*632,493	127,171
Accruals	18,572	30,611	26,756			
Unadjusted credits	.....	.....	28	634	1,264	.....
Reserves	344,032	309,622	232,086	158,947	87,815	397,375
Profit and loss surplus	504,441	484,796	476,571	441,155	415,447	
Total	$3,457,336	$3,186,180	$2,959,322	$2,892,768	$2,774,019	$2,586,546

*Includes notes payable. †Paid at maturity, Feb. 1, 1928.

Officers: Albert B. Tenney, Pres.; Francis L. Ball, V-P.; Charles H. Tenney & Co., Exec. Mgrs.; Elihu A. Bradley, Treas.; Rockwell C. Tenney, Asst. Treas.; Hazel H. Hagar, Clerk; Perley M. Scott, Aud., Boston, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; Edward M. Bradley, Samuel York, New Haven, Conn.; D. Willard Leavitt, Parsonsfield, Me.; Albert B. Tenney, Rockwell C. Tenney, Lexington, Mass.; Francis L. Ball, Cambridge, Mass.; Benjamin N. Johnson, Lynn, Mass.; I. Peace Hazard, Peace Dale, R. I.; Bernon E. Helme, Kingston, R. I.; Charles B. Price, Swampscott, Mass.

Executive Office, 200 Devonshire St., Boston, Mass.
Local Office, 54 Main St., Brockton, Mass.

CONCORD ELECTRIC COMPANY

History—Incorp. May 20, 1901, in N. H. successor to the Concord Land & Water Power Co. On July 1, 1916, absorbed most of the property and all of the business of the Penacook Electric Light Co. Charter perpetual. Is the only company supplying electricity in Concord, Boscawen, Salisbury, Chichester, Epsom, Canterbury and Bow, N. H., power being obtained from Company's dam on Merrimac River and transmitted to distributing station in Concord. Population of district supplied, 26,202. No. of consumers, 7,074 Electricity purchased in 1927, 2,650,100 k.w.h.; generated, 10,008,607 k.w.h.; sales, 9,244,092 k.w.h. Generating capacity, 2,000 k.v.a. Miles of overhead wires, 769.36. General rate: Household, 11c., 8c., 4c.; commercial, 11c. Has city contract for street lighting expiring Jan. 1, 1933. Under the executive management of Charles H. Tenney & Co., Boston, Mass.

CAPITAL STOCK

Authorized and issued, 40,000 shares Common of no par value and $225,000 6% Pfd., par $100. Common stock was changed in April, 1927, from 8,000 shares, par $100, to 40,000 shares of no par value, five new shares being issued for each old share of $100 par.

Transfer Agent—E. A. Bradley, Treas., 200 Devonshire St., Boston, Mass.

Registrar—Old Colony Trust Co., Boston, Mass.

Annual Meeting—First Thursday in February.

Dividends—Dividends of 6% per annum regularly paid on Pfd.; on Common of $100 par value, as follows: 6½% in 1917; 7% each in 1918 and 1919; 7¼% in 1920; 8% each in 1921, 1922 and 1923; 9% each in 1924 and 1925; 10% in 1926; Jan. and April 15, 1927, 2½% each. Initial dividend of 60 cents per share on

Common stock of no par value was paid July 15, 1927; Oct. 15, 1927, 60 cents per share. Payments on both classes quarterly, J, A, J & O.

FUNDED DEBT

$270,000 FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1931

Dated July 1, 1901.

Interest Payable January and July 1, at American Trust Co., Boston.

Denomination—Coupon (principal may be registered) and registered, $1,000. Coupon and registered bonds interchangeable.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized and issued, $350,000, of which $80,000 paid off to Dec. 31, 1927, $13,000 thereof being held in treasury.

Callability—Subject to call at any time at 107½ and interest.

Sinking Fund—Sinking fund requires that $5,000 bonds be retired annually by purchase and cancellation of bonds at not exceeding 107½.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Investment for savings banks and trust funds in New Hampshire.

Legal Opinion—Storey, Thorndike, Palmer & Thayer, Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Oper. revenue, incl. other income	$463,427	$423,994	$391,582	$353,789	$317,752	$281,081
Oper. exp., taxes and depreciation	311,896	278,231	253,963	†242,710	†228,143	†195,475
Net earnings	$151,531	$145,763	$137,619	$111,079	$89,609	$85,606
Interest charges, etc.	13,747	25,985	20,550	20,777	20,064	19,217
Net income	$137,785	$119,778	$117,069	$90,302	$69,545	$66,389
Dividends paid	101,500	73,500	67,500	67,500	61,500	58,500
Surplus for year	$36,285	$46,278	$49,569	$22,802	$8,045	$7,888
Earnings Per Share—						
Preferred	$61.24	$53.23	$52.03	$40.13	$30.90	$29.50
Common	‡3.11	*13.28	17.26	12.80	9.34	8.81

*Based on 8,000 shares, par $100. †Includes Surplus Adjustments which have been considered as operating expenses. ‡Based on 40,000 shares of no par value.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$1,660,198	$1,595,218	$1,492,554	$1,378,607	$1,338,331	$1,281,355
Investments	95,523	79,349	73,422	73,215	69,884	73,881
Materials and supplies	77,238	76,535	64,038	53,455	33,711	31,803
Cash on hand	62,254	50,363	45,108	64,806	38,474	41,711
Accounts receivable	71,934	57,784	38,579	38,981	39,735	33,104
Prepayments	2,998	2,985	5,641	.....	.....	.....
Sinking fund	13,000	8,000	13,000	13,040	18,255	20,954
Suspense	510	656	802			
Total	$1,983,655	$1,870,890	$1,733,144	$1,622,106	$1,538,393	$1,482,808
Liabilities—						
Common stock	$800,000	$800,000	$600,000	$600,000	$600,000	$600,000
Preferred stock	225,000	225,000	225,000	225,000	225,000	225,000
Funded debt	270,000	275,000	280,000	285,000	290,000	295,000
Notes payable	30,000	30,000	185,000	170,000	140,000	120,000
Accounts payable & customers' deposits	11,148	9,132	9,719	9,829	11,982	13,679
Accruals	30,245	28,651	26,119	221,083	183,019	148,784
Reserves for depreciation, etc.	360,172	296,083	246,560			
Profit and loss	257,090	207,024	160,746	111,192	88,390	80,345
Total	$1,983,655	$1,870,890	$1,733,144	$1,622,106	$1,538,393	$1,482,808

Officers: C. H. Tenney, Chrm. of Board, Springfield, Mass.; Allen Hollis, Pres., Concord, N. H.; A. B. Tenney, 1st V-P., Lexington, Mass.; D. E. Manson, 2nd V-P., Brookline, Mass.; Charles H. Tenney & Co., Gen. Mgrs.; E. A. Bradley, Treas., Boston, Mass.; R. C. Tenney, Asst. Treas., Lexington, Mass.; Hazel E. Hagar, Sec., Cambridge, Mass.; Lucy M. Mason, Clerk, Concord, N. H.; Henry F. Pierce, Aud.; Winchester, Mass.

Directors: C. H. Tenney, Springfield, Mass.; Allen Hollis, J. E. Fernald, Burns P. Hodgman, Concord, N. H.; A. B. Tenney, Lexington, Mass.; D. E. Manson, Brookline, Mass.; Willard Leavitt, Parsonsfield, Me.; S. A. York, E. M. Bradley, New Haven, Conn.; B. E. Helme, Kingston, R. I.

Executive Office, 200 Devonshire St., Boston, Mass.

Local Office, 15-19 Capitol St., Concord, N. H.

THE WEST CHESTER STREET RAILWAY COMPANY

(The Chester Valley Lines)

History and Properties—Incorporated August 4, 1890, in Pennsylvania. Acquired capital stock of **The Coatesville Electric Light, Heat and Power Company** and **The Chester Valley Electric Light, Heat and Power Company,** which properties were leased in 1911 to the Chester Valley Electric Company. Franchises perpetual. The Company's railway lines operate between and through the City of Coatesville and the Borough of Downingtown, West Chester and Kennett Square.

In 1923, the Company acquired entire capital stock of motor bus company known as The Peoples Transportation Corporation. Operations of latter Company were extended by merger and new acquirements, lines ultimately reaching Reading, Pottstown, Norristown, Paoli, Valley Forge, West Chester, Kennett Square, Avondale, West Grove, Chester and various other points in southeastern Pennsylvania also Wilmington, Delaware. In 1927 there was a voluntary financial reorganization of the latter Company and its assets were transferred to a new corporation, **Chester Valley Bus Lines, Inc.** All necessary approval was granted by the Public Service Commission.

Total length of railway lines, 38 miles. Rails, 70, 90 and 103 lb. "T." Passenger cars, 14; service cars, 3; flat cars, 3; snow plow, 1.

Protective Committee—In July, 1927, a Security Holders Protective Committee was organized. The Committee submitted a Plan for the Readjustment of securities (outlined below) of The West Chester Street Railway Co. to security holders. In February, 1928, a large majority of all classes of securities had deposited under the plan. Time for deposit of securities was extended to May 31, 1928. Committee: O. Howard Wolfe, Chrm.; John T. Collins, Jr., Edmond W. Palmer and Lawrence J. Morris, Philadel-

phia, Pa., with Eric H. Biddle, Sec., 20 South High St., West Chester, Pa. Depositaries: Philadelphia-Girard National Bank, Philadelphia, Pa., and The National Bank of Chester County, West Chester, Pa.

PLAN OF READJUSTMENT OF SECURITIES, DATED SEPTEMBER 15, 1927

PARTICIPATING SECURITIES

The securities of Company which may be deposited under and participate in the Plan are as follows: First Mortgage 5% Gold bonds, due Aug. 1, 1932; First Lien and Collateral Trust Sinking Fund Gold bonds, due Oct. 1, 1939; Secured promissory notes; 7% Participating cumulative Preferred stock; Common capital stock.

NEW SECURITIES

Class "A" Stock—This stock will be authorized to an amount to be provided for in the charter of the Old Company (as amended) or the New Company to be formed, not to exceed 25,000 shares, the shares to be of a par value of $50, or if the Readjustment Committee shall so determine for a small par value, or without par value. The Class "A" stock is to bear non-cumulative dividends at rate of $2.50 a share per annum, provided no dividends shall be paid on Class "B" stock until there shall have first been paid the dividend on the Class "A" stock as above stated, and provided further, that no dividends shall be paid on the Common stock unless dividends shall have been paid in an amount equal to the full non-cumulative rate for five consecutive years on all Class "A" stock outstanding.

Class "A" stock to be redeemable in whole or in part, at $52.50 a share on such terms as may be determined by the Board of Directors; and Class "A" stock shall have preference over Class "B" stock and Common stock as to assets on liquidation to an amount of $50 per share. There shall also be provided in Class "A" certificates to be issued that no prior liens shall be placed on the property of the Corporation, without the unanimous consent of the voting trustees, if any, nor upon dissolution of the voting trust, unless the same shall be consented to by three-fourths of the holders of said Class "A" stock. Holders of Class "A" stock will have the same voting rights as holders of Common stock, to wit: one vote for each share held.

A sinking fund shall be created for the purpose of retiring Class "A" stock, and commencing on or before June 30, 1933, there shall be deposited in a special fund a sum equivalent to 2% of the gross earnings of the railway property for the preceding year, including dividends received from the subsidiaries. The money so deposited shall be used to purchase or redeem Class "A" stock at price not exceeding $52.50 per share, stock so purchased to be cancelled.

Before any dividends shall be paid on Common stock there shall have been retired by sinking fund or otherwise, at least $25,000 Class "A" stock. When above conditions have been complied with and dividends have been paid on Class "A" and Class "B" stock as herein stated, then the Board of Directors may, at its option, declare a dividend on the Common stock, not to exceed 50 cents per share in any year, and provided further, that if in any one year more than $25,000 Class "A" stock is retired, any amount in excess of said $25,000 shall be applied towards the amount to be retired in any suceeding year or years and these provisions shall remain in full force and effect as long as any Class "A" stock shall remain outstanding, and provided further that, whenever in any one year, there shall have been declared and paid a dividend of $2.50 per share on Class "A," $3 per share on Class "B" and 50 cents per share on Common stock, any additional amount declared as dividends during the same year shall be divided equally share for share upon Class "A," Class "B" and Common stocks.

Class "B" Stock—This stock will be authorized to an amount not to exceed 17,500 shares, the shares to be of par value of $50, or, if the Readjustment Committee shall so determine, for a smaller par value, or without par value. Class "B" stock shall be junior to the Class "A" stock and after a dividend has been paid in any one year of $2.50 per share on Class "A," Class "B" shall be entitled to receive a non-cumulative dividend of $3 per share. Upon liquidation or dissolution of Company, Class "B" shall be entitled to receive after Class "A" stock has been paid in full as above stated, the sum of $50 per share, and shall be redeemable, in whole or in part, at a price of $52.50 per share, and on such terms as may be determined by the Board of Directors of the New Company at the time of the creation thereof. No prior liens shall be placed on the property of Company except Class "A" stock, without unanimous consent of the voting trustees, if any, nor upon dissolution of the voting trust, unless consented to by three-fourths of holders of Class "B." Holders of Class "B" stock will have the same voting rights as holders of Class "A" and Common stock, to wit: one vote for each share held.

No dividends shall be paid on Common stock unless dividends shall have been paid at full non-cumulative rate for three consecutive years on all Class "B" stock.

Common Stock—Common stock will be authorized to such an amount as the Readjustment Committee may deem advisable, not to exceed 50,000 shares, the shares to be of a par value of $20, or, if the Readjustment Committee shall so determine, without par value or such par value as it may fix. Said Common stock shall be junior to Class "A" and Class "B" stock and shall only be entitled to receive dividends after dividends have been paid on the Class "A" and Class "B" stock as heretofore stated, and shall only be entitled to share in the assets upon liquidation or dissolution after Class "A" and Class "B" stocks have been paid in full. Holders of Common stock shall be entitled to one vote for each share held.

Voting Trust—The Readjustment Committee shall have power, in its discretion, to create a voting trust or voting trusts for all or any part of the Class "A" and/or Class "B" and/or Common stock of the Old Company (as amended) or of the New Company, and to cause such stock or any part thereof to be deposited thereunder, for the purpose of providing for representation of public authorities or of holders of any class of stock on the Board of Directors, such voting trust or trusts to be for such period or periods and to contain such provisions as the Readjustment Committee may prescribe.

TABLE OF READJUSTMENTS

	Amount Present	Holders to receive Class A		Class B		Common	
Existing Securities	Securities	No. Shares	Amount	No. Shares	Amount	No. Shares	Amount
First Mortgage bonds	$838,000	16,760	$838,000	.....	.....	8,380	$167,600
Second Mortgage bonds	178,500	.....	.....	3,570	$178,500	1,785	35,700
Secured promissory notes	327,612	2,069	103,450	8,980	449,000	.....	.....
Preferred stock	186,150	.....	.....	1,861	93,075	7,446	148,920
Common stock	1,000,000	.....	.....	.....	.....	20,000	400,000
	$2,530,262	18,829	$941,450	14,411	$720,575	37,611	$752,220

The plan will eliminate all fixed charges, by the exchange of present bonds, notes and Preferred stock for Class "A" (non-cumulative), Class "B" (non-cumulative) and Common shares of a new company or of the old company by amending its present charter.

Obligations to Remain Undisturbed—Car trust agreement of J. G. Brill Co., dated Dec. 22, 1924, given in part payment of purchase price and payable in monthly installments, total amount involved, $2,418.

CAPITAL STOCK

Authorized $1,000,000 Common and $250,000 7% Participating cumulative Preferred (authorized in

1925); outstanding December 31, 1927, $1,000,000 Common and $186,150 Pfd.; par of both classes, $50.

Transfer Agent (Preferred)—Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Preferred Stock Provisions—Preferred stock has preference as to assets as well as dividends. It is not subject to redemption before March 1, 1930; thereafter redeemable on any dividend date upon 30 days' notice at 115% of par. If four quarterly dividends are passed, stock votes equally share for share with Common. After $3.50 per share has been paid on Preferred stock, and $3 on Common, any additional dividends shall be divided equally, share for share, between Preferred and Common.

Annual Meeting—Second Monday in February.

Dividends—Preferred dividends regularly paid to Dec. 1, 1926; none since; payments were quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$349,000 FIRST (CLOSED) GOLD 5s; DUE AUGUST 1, 1932

Dated August 1, 1902.

Interest Payable February and August 1, at Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Default—Interest due Aug. 1, 1927 and subsequently in default.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized and issued, $1,000,000 of which $139,000 have been purchased and cancelled and $12,000 purchased and pledged as of Dec. 31, 1927.

Sinking Fund of $10,000 annually, beginning August 1, 1923 is to be used to purchase and cancel bonds at best prices obtainable. Sinking fund in default since Aug. 1, 1927.

Security—First mortgage on 29 miles of railway, car houses, real estate, etc.; also secured by pledge of entire capital stocks of The Chester Valley Electric Light, Heat and Power Company and The Coatesville Electric Light, Heat and Power Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

(2)

$651,000 FIRST LIEN AND COLLATERAL TRUST SINKING FUND GOLD BONDS, SERIES "A" 6%; DUE OCTOBER 1, 1939

Dated October 1, 1924.

Interest Payable April and October 1, at National Bank of Chester County, West Chester, Pa.

Default—Interest due Oct. 1, 1927, and subsequently in default.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—National Bank of Chester County, West Chester, Pa.

Provisions of Issue—Authorized, $1,500,000; certified by Trustee to Dec. 31, 1927, $651,000. Sufficient of these bonds are reserved to refund First Mortgage bonds and the balance are issuable under restrictions, providing among other things that subsidiaries may not create funded debt or preferred stocks.

Security—Secured by a direct first mortgage on 7½ miles of railway line, and by direct mortgage on balance of Company's railway lines subject to $849,000 First 5s. Also secured by pledge of $25,000 Preferred stock and 45% of Common stock of Chester Valley Bus Lines, Inc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$167,488	$200,416
Operating expenses and taxes	140,676	152,816
Operating income	$26,812	$47,600
Other income	5,589	197
Total income	$32,401	$47,797
Interest on funded debt	52,519	49,043
Interest on unfunded debt	18,190	10,101
Amortization of disc. on funded debt		1,809
Total deductions	$70,709	$60,953
Deficit after charges	$38,308	$13,156
Dividends on Pfd. stock	.....	11,304
*Deficit for year	$38,308	$24,460
Times Interest on Funded Debt Earned	0.35	0.73
Earnings Per Share—		
Preferred	Nil	Nil

*Before depreciation.

***GENERAL BALANCE SHEET, DECEMBER 31, 1926**

(Latest Available)

Assets—	
Road and equipment	$1,977,629
Sinking funds	940
Investments in affil. Cos.	745,498
Other investments	70,000
Cash	5,113
Miscellaneous accounts receivable	3,607
Materials & supplies	8,560
Int., etc. receivable	229
Deferred assets	1,953
Discount on funded debt	22,022
Total	$2,835,551
Liabilities—	
Capital stock	$1,104,350
Funded debt	1,009,500
Loans & notes payable	301,317
Accounts & wages payable	49,023
Accrued int., etc. payable	21,182
Tax liability	4,900
Accrued depreciation	229,899
Profit and loss	115,380
Total	$2,835,551

*Owing to the drastic reorganization of the bus system owned by Company, shortly after Jan. 1, 1927, this balance sheet does not reflect the true condition of the Company subsquent to that time.

Officers: O. Howard Wolfe, Pres.; Eric H. Biddle, V-P., Sec., Treas. & Gen. Mgr.; T. O. Roberts, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: Eric H. Biddle, John T. Collins, Jr., Franklin P. Jones, Lawrence J. Morris, Edmond W. Palmer, J. V. Pennegar, O. Howard Wolfe.

General Office, 20 So. High Street, West Chester, Pa.

FLORENCE GAS & FUEL COMPANY

History—Incorporated Aug. 7, 1922 in S. C.; successor to The Florence Gas Co. (bankrupt). Franchise perpetual. Serves Florence, S. C. with gas. Population served, 15,000. Miles of gas mains, 22. No. of meters, 1,027. Sales of gas during 1927, 30,497,000 cu. ft. compared with 28,900,000 cu. ft. in 1926. Rates: $2.15 per M for the first 5,000 cu. ft.; $1.95 per M for the second 5,000 cu. ft.; $1.75 per M for the third 5,000 cu. ft. and $1.55 per M for all over 15,000 cu. ft.; less 10% per M cu. ft. for prompt payment.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $100,000 7% cumulative Pfd.; par $100.

Preferred Stock Provisions—Pfd. stock has preference for cumulative dividends at the rate of 7% per annum over the Common. In the event of any liquidation or dissolution of the Company, whether voluntary or involuntary, Pfd. stock shall be entitled to $100 per share and all unpaid and accumulated dividends before any distribution to Common stockholders. Pfd. stock is subject to redemption as a whole or in part on any dividend date at $110 per share and accrued dividends. Pfd. stock has no voting power.

Annual Meeting—Second Tuesday in December, at Florence, S. C.

Dividends—Pfd. dividends regularly paid. None paid on Common.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$71,561	$71,984	$54,192
Operating exp. & taxes	52,081	51,967	43,493
Depreciation	7,200	6,861	.....
Net earnings	$12,280	$13,156	$10,699
Interest on bonds	.....	.....	3,150
Interest on notes	5,987	5,966	2,102
Total fixed charges	$5,987	$5,966	$5,252
Surplus for year	$6,293	$7,190	$5,447
Earnings Per Share—			
Preferred	$6.29	*	*
Common	Nil	$9.98	$7.56

*Preferred stock was issued in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$378,376	$370,346	$188,795
Bonds owned	.....	.....	5,000
Materials and supplies	5,684	5,254	4,018
Cash	3,287	1,418	50
Accounts receivable	9,187	8,620	8,336
Other current assets	578	.....	.....
Deferred debit items	.....	.....	3,600
Total	$397,112	$385,638	$209,799
Liabilities—			
Capital stock	$200,000	$72,000	$72,000
Funded debt	.....	.....	58,000
Notes payable	82,514	82,092	29,500
Accounts payable	2,512	1,574	4,100
Interest accrued	503	500	1,630
Other current liabilities	2,827	1,417	1,165
Unadjusted credits	248	.....	534
Depreciation reserve	65,929	58,729	1,338
Profit and loss surplus	42,579	169,326	41,532
Total	$397,112	$385,638	$209,799

Officers: Charles B. Hawley, Pres.; H. C. Ramsey, V-P. & Pur. Agt.; L. C. Whitt, Sec.; F. L. Cavis, Treas. & Aud., Washington, D. C.; J. S. Rider, Mgr., Florence, S. C.

Directors: F. L. Cavis, Charles B. Hawley, H. C. Ramsey, D. C. Walser, Washington, D. C.

General Office, Washington, D. C. **Operating Office,** Florence, S. C.

MONTAUP ELECTRIC COMPANY

History and Property—Organized April 24, 1923, and incorporated under the provisions of Sec. 2 Chap. 290 of the Acts of 1923, Massachusetts Laws, for the purpose of generating and buying electricity and the transmitting and selling of the same to the Fall River Electric Co., Fall River, Mass.; Blackstone Valley Gas & Electric Co., Pawtucket, R. I., and the Edison Electric Illuminating Co. of Brockton, Mass. The Company was organized by the three companies named and is owned by them through ownership of the entire outstanding capital stock. A steam generating plant has been constructed on tidewater in the town of Somerset, Mass., near Fall River, and operation was started Nov. 1, 1925. Plant consists of one 32,000 k.w. turbo generator and one 37,500 turbo generator with five 1,490 h.p. boilers and necessary auxiliaries. Coal is burned in pulverized form. 66 k.v. lines connect the generating station with Fall River, Brockton, Pawtucket and Woonsocket.

CAPITAL STOCK

Authorized and outstanding, $7,000,000 Common and $1,500,000 Pfd., par, $100. All owned by companies above mentioned.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$1,216,978	$1,008,422
Operating expenses & maintenance	863,600	750,996
Taxes	209,686	150,990
Depreciation	147,371	110,647
Operating loss	$3,679	$4,211
Other income	3,679	4,211

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$10,947,486	$8,508,208	$7,860,510
Cash	82,135	313,414	212,830
Accounts receivable	106,666	147,464	60,374
Material and supplies	99,926	22,863	94,710
Prepaid accounts	753,248	39,626	109,524
Unadjusted debits	278	.....	.....
Total	$11,989,739	$9,031,575	$8,337,948
Liabilities—			
Common stock	$7,000,000	$7,000,000	$3,500,000
Pfd. stock	1,500,000	1,500,000	1,500,000
Advances	3,180,000	180,000	3,335,000
Accounts payable	54,888	239,314	2,948
Other current liabilities	.....	1,614	.....
Depreciation reserve	254,851	110,647	.....
Total	$11,989,739	$9,031,575	$8,337,948

Officers: Charles Walcott, Pres.; Henry B. Sawyer, Treas., Boston, Mass.; Roy F. Whitney, Gen. Mgr., Fall River, Mass.

Directors: David Daly, Pawtucket, R. I.; Harry T. Edgar, A. Stuart Pratt, Charles Walcott, Boston, Mass.; Alfred F. Nelson, Brockton, Mass.; Roy F. Whitney, Fall River, Mass.

General Office, 85 North Main St., Fall River, Mass.

RED HOOK TELEPHONE CO.

History—Incorporated Jan. 29, 1896, in New York. Franchise extends 50 years. Serves the towns of Red Hook, Rhinebeck and Staatsburg, N. Y. No. of exchanges, 3.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. Annual meeting, second Tuesday in January. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$49,008	$45,797	$42,496
Oper. exp. & taxes	32,166	29,596	28,877
Depreciation	8,303	9,147	7,200
Net earnings	$8,539	$7,054	$6,419
Other income	1,722	1,462	1,755
Total income	$10,261	$8,516	$8,174
Interest charges	265	350	578
Other charges	.....	.....	562
Total charges	$265	$350	$1,140
Surplus for year	$9,996	$8,166	$7,034

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$175,312	$160,162	$150,545
Materials and supplies	5,296	5,806	3,725
Cash and deposits	7,926	11,586	10,321
Accounts receivable	9,184	7,321	6,288
Supply expense	.....	.....	302
Deferred debit items	1,537	1,383	639
Total	$199,255	$186,258	$171,820
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
Funded debt	.....	.....	6,500
Notes payable	.....	500	.....
Accounts payable	*10,320	10,277	4,907
Accrued liabilities	169	358	241
Reserve for taxes	1,176	1,779	1,577
Reserve for depreciation	67,995	63,676	57,024
Profit and loss surplus	69,595	59,668	51,571
Total	$199,255	$186,258	$171,820

*Includes a mortgage on real estate, $4,500 having a life of one year renewable.

Officers: Peter H. Troy, Pres. & Treas., Poughkeepsie, N. Y.; Tracy Dows, V-P.; John Troy, Sec. and Gen. Mgr., Rhinebeck, N. Y.

Directors: Peter H. Troy, Frank B. Lown, Poughkeepsie, N. Y.; John Troy, Tracy Dows, Rhinebeck, N. Y.; Maurice Troy, Edward Troy, Red Hook, N. Y.

General Office, Rhinebeck, N. Y.

GREENCASTLE GAS & ELECTRIC LIGHT COMPANY

History—Incorporated March 4, 1892, in Ind. Furnishes gas to Greencastle, Ind.; population served 3,780. Miles of mains, 10.7. No. of meters, 683. Output in 1927, 15,223,200 cu. ft., compared with 14,532,300 cu. ft. in 1926. Prices: Light and fuel, net, $1.60 to $1.85.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. Annual meeting, first Wednesday in March, at Greencastle, Ind.

Dividends—2% paid in year ended June 30, 1917; none since.

FUNDED DEBT

$33,600 First Mortgage Gold 6s; dated Jan. 1, 1924; due Jan. 1, 1944; interest January and July 1, at The Bank of the State of Indiana, La Porte, Ind., Trustee. Coupon $100 and $500. Authorized, $45,000. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$30,153	$29,085	$29,809
Operating expenses & taxes	24,343	23,798	25,626
Depreciation	1,160	960	960
Net earnings	$4,650	$4,327	$3,223
Other income	1,188	1,244	2,314
Total income	$5,838	$5,571	$5,537
Bond and other interest	$2,628	$2,628	$2,628
Rentals	780	720	540
Other charges	354	334	354
Total charges	$3,762	$3,702	$3,522
Surplus for year	$2,076	$1,869	$2,015

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$83,884	$82,876	$81,875
Material and supplies	5,504	6,497	4,657
Accounts receivable	6,738	5,916	7,044
Other current assets	1,598	224	557
Profit and loss—deficit	425	2,501	4,370
Total	$98,149	$98,015	$98,503
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
First mortgage bonds	33,600	25,600	25,600
Notes payable	9,000	17,200	17,950
Meter deposits	643	544	412
Other current liabilities	853	1,129	1,023
Other accrued liabilities	555	710	1,717
Depreciation reserve	2,952	2,285	1,641
Reserve for taxes	546	546	160
Total	$98,149	$98,015	$98,503

Officers: Vacancy, Pres.; T. F. Martin, V-P.; J. G. Martin, Sec., Mgr. & Pur. Agt., La Porte, Ind.; Chas. K. Warren, Treas., Three Oaks, Mich.

Directors: J. G. Martin, T. F. Martin, La Porte, Ind.; Chas. K. Warren, Three Oaks, Mich.; one vacancy.

General Office, Rochester, Ind.

ROCHESTER GAS & FUEL COMPANY

History—Incorporated April 9, 1906, in Ind. Supplies gas to Rochester, Ind. Franchises expire in Feb., 1931. Population served, 3,800. Miles of mains, Dec. 31, 1926, 10.4. No. of meters, 797. Gas output in 1927, 15,663,900 cu. ft., compared with 16,306,300 cu. ft. in 1926 and 16,148,900 cu. ft. in 1925. Prices: Light and fuel, net, $1.55 to $1.80.

CAPITAL STOCK

Authorized, $60,000; outstanding, $50,000; par, $100. Annual meeting, third Monday in September, at La Porte, Ind.

Dividends—Dividend of 2% paid in fiscal year 1914-15; 4% in 1915-16; none since.

FUNDED DEBT

$61,000 First Mortgage 6% Gold bonds; dated Jan. 1, 1924; due Jan. 1, 1944; int. Jan. and July 1, at Rochester, Ind. Coupon, $500; principal may be registered. Subject to call at any time at 105 and interest. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$32,429	$33,346	$30,663
Oper. exp., taxes, etc.	26,751	26,054	25,709
Net earnings	$5,678	$7,292	$4,954
Other income	457	269	962
Total income	$6,135	$7,561	$5,916
Bond interest	3,660	3,660	3,660
Other interest, etc.	1,908	1,416	1,416
Total charges	$5,568	$5,076	$5,076
Surplus for year	$567	$2,485	$840

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$115,517	$114,697	$113,480
Stock owned	10,000	10,000	10,000
Materials and supplies	7,631	8,246	10,538
Accounts receivable	4,964	5,834	5,597
Other current assets	1,234	437	883
Profit and loss—deficit	12,036	12,602	15,088
Total	$151,382	$151,817	$155,586
Liabilities—			
Capital stock	$60,000	$60,000	$60,000
Funded debt	61,000	61,000	61,000
Notes payable	24,500	25,000	24,700
Meter deposits	675	534	483
Other current liabilities	220	3,603	6,602
Accrued liabilities	3,259	.....	.....
Reserve for taxes	846	846	846
Depreciation reserve	881	833	1,955
Total	$151,382	$151,817	$155,586

Officers: Vacancy, Pres.; Emmet Scott, V-P.; J. G. Martin, Sec. & Gen. Mgr., La Porte, Ind.; Chas. K. Warren, Treas., Three Oaks, Mich.

Directors: J. G. Martin, Emmet Scott, La Porte, Ind.; C. K. Warren, Three Oaks, Mich.

General Office, Rochester, Ind.

INTERSTATE STREET RAILWAY COMPANY

History and Property—Incorporated April 27, 1925 in Massachusetts; a reorganization of Interstate Consolidated Street Ry. Co. (for last published statement see 1925 Public Utility Section, page 1669, or apply to our Information Dept.) Under date of July 12, 1926, the entire property, franchises, etc., of the Attleborough Branch RR. Co. were purchased by the Interstate Street Railway Co. and the Attleborough Branch RR. Co. is in process of liquidation (see 1926 Public Utility Manual, page 1178). Line of road connects the towns of Plainville, Attleboro, So. Attleboro and North Attleboro, Mass. Total length of line operated, 31 miles; gauge, 4 ft. 8½ in.; operated by overhead trolley. Company owns 1 sub-station. Equipment, as of Dec. 31, 1927: Passenger cars (closed), 12; freight car, 1; service and other cars, 5—total motor cars, 18. Present company began operations May 29, 1925.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $25. Annual meeting, first Wednesday in November. No dividends paid.

FUNDED DEBT

$100,000 FIRST MORTGAGE SINKING FUND GOLD 6s; DUE APRIL 1, 1951

Dated April 1, 1926.

Interest Payable April and October 1, at Attleboro Trust Co., Attleboro, Mass.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Attleboro Trust Co., Attleboro, Mass.

Provisions of Issue—Authorized, $250,000; outstanding, $100,000. Issued to refund $50,000 car trusts and to reimburse company for purchase price of Attleborough Branch RR. Co.

Callability—Subject to call on any interest date on 30 days' notice at 105.

Sinking Fund—Annual sinking fund of 2% of amount issued.

Security—Secured by a first mortgage on all property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Massachusetts Income Tax up to 6% refunded.

Original Offering—First publicly offered ($150,000) in May, 1926, at 95½, by the Company itself.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$197,191	$180,382
Operating expenses & taxes	161,253	145,348
Depreciation	4,543	3,557
Net earnings	$31,395	$31,477
Other income	164	337
Total income	$31,559	$31,814
Deduct:		
Interest on bonds	$5,896	$2,964
Int. on car trust notes, etc.	3,855	3,807
Additional depreciation	8,905	9,172
Total charges	$18,656	$15,943
Surplus after charges	$12,903	$15,871

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of road & equipment	$560,783	$559,524	$428,753
Bond sinking fund	.....	2,261	.....
Materials and supplies	3,750	3,601	1,317
Cash	5,498	7,174	2,339
Accounts receivable	7,296	4,924	1,906
Other current assets	3,667	.....	.....
Unadjusted debits	4,605	24,017	13,439
Deferred debit items	3,991	.....	.....
Total	$589,590	$601,501	$447,754
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	101,700	100,000	.....
Equipment obligations	49,878	75,371	62,460
Notes payable	26,300	28,770	29,855
Accounts payable	26,531	19,933	13,009
Interest accrued	1,781	1,506	317
Other current liabilities	12,276	29,785	18,926
Reserve for taxes	1,255	3,280	3,000
Reserve for depreciation	26,222	13,002	910
Operating reserves	3,341	1,666	4,701
Unadjusted credits	.....	786	.....
Surplus	40,306	27,402	14,576
Total	$589,590	$601,501	$447,754

Officers: Gardner F. Wells, Pres., New York; George W. Wells, V-P. & Gen. Mgr.; Wadsworth Winslow, Sec. & Aud., Attleboro, Mass.; Albert W. Hemphill, Treas., New York.

Directors: Gardner F. Wells, Albert W. Hemphill, Ethel B. Wells, New York; George W. Wells, Wadsworth Winslow, Attleboro, Mass.

General Office, 41 North Ave., Attleboro, Mass.

ELMIRA, CORNING & WAVERLY RY.

History and Property—Incorporated Aug. 24, 1905, in N. Y.; road completed in 1911. Line of road: Waverly to Corning, N. Y., 27.25 miles; trackage rights, 7.18 miles—total track, 34.43 miles. Gauge, standard. Rails, 80 and 90 lb. T and girder. Motor cars: (Passenger, 9; freight and express, 2), 11; work, 2.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $336,900; par, $100. Annual meeting, third Saturday in October, at Elmira, N. Y. No dividends paid.

FUNDED DEBT

$1,352,000 First Gold 5s; dated July 1, 1907; due July 1, 1957; int. Jan. and July 1, at company's office, 50 Church St., New York. Coupon, $1,000. Guaranty Trust Co., New York, Trustee. All owned by Erie R. R. Co. Authorized issue, $5,000,000. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$122,302	$133,224	$152,635
Oper. exp., taxes & deprec.	130,712	136,960	137,782
Net earnings	*$8,410	*$3,736	$14,853
Other income	1,740	1,255	816
Total income	*$6,670	*$2,481	$15,669
Bond interest	67,600	67,600	67,600
Deficit for year	$74,270	$70,081	$51,931

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,505,948	$1,505,948	$1,505,948
Materials and supplies	19,180	21,380	21,582
Cash on hand	57,178	60,665	50,143
Current assets	16,589	3,167	2,918
Other assets	200	200	200
Unadjusted debits	542	643	547
Profit and loss	840,345	766,200	696,165
Total	$2,439,982	$2,358,203	$2,277,504
Liabilities—			
Capital stock	$336,900	$336,900	$336,900
Funded debt	1,352,000	1,352,000	1,352,000
Current liabilities	11,547	8,907	7,346
Interest accrued	540,800	473,200	405,600
Reserve for depreciation	198,735	187,196	175,657
Total	$2,439,982	$2,358,203	$2,277,504

Officers: J. J. Bernet, Pres.; G. F. Brownell, V-P. & Gen. Counsel; G. H. Minor, V-P. & Sec.; W. A. Baldwin, V-P.; J. G. Walsh, Treas.; C. P. Crawford, Compt., New York; C. B. Hammond, Gen. Agt., Elmira, N. Y.

Directors: J. J. Bernet, C. P. Crawford, R. C. Falconer, G. F. Brownell, R. J. Bowman, R. S. Parsons, G. N. Orcutt, W. A. Baldwin, G. H. Minor, J. G. Walsh, D. L. Gray, New York.

New York Office, 50 Church St

PEOPLES TELEPHONE CORPORATION

History—Incorporated in May, 1925, in Pennsylvania, as successor to the Peoples Telephone Co. of Butler, organized in 1923 (see 1926 Public Utility Manual, page 1997). On Jan. 1, 1926, took over the local property of the Bell Telephone Co. of Pennsylvania in Butler County. Operates 12 exchanges, located at Butler, Bruin, Chicora, Conoquenessing, Eau Claire, Evans City, Foxburg, Nixon, North Washington, Parker, Prospect and West Sunbury, connecting 8,182 telephones as of Dec. 31, 1927.

This corporation is one of a group of four independent telephone companies associated for mutual protection and improvement, the other three companies being Meadville Telephone Co., Meadville, Pa.; Home Telephone Co., Ridgway, Pa., and Jamestown Telephone Corp., Jamestown, N. Y. While having no financial connection one with the other, these companies have an inter-related management, with the resources, such as electrical experts, technical equipment, etc., of one immediately available to the other companies in time of need.

Telephone Securities Company—This company was organized in Pennsylvania by the above associated companies, which jointly own all its capital stock. It acts as a clearing house for the securities of these companies, buying the securities of stocks and bond holders who desire to sell and selling them to those who desire to buy. Officers: John H. Wright, Pres.; M. N. Heizner, V-P.; L. C. Wright, Sec., and Frank A. McClung, Treas. Directors: The above and C. E. Lockhart, H. M. Dickson, E. W. McGill, Wm J. Maddox, and Daniel Younkins. Headquarters of the company are at Butler, Pa.

CAPITAL STOCK

Authorized, $600,000 Common and $400,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $460,960 Common and $230,000 Pfd.; par, $100. Annual meeting, third Tuesday in January.

Preferred Stock Provisions—Has preference for assets and dividends, and is subject to call at 102. In the event of liquidation is entitled to par and accrued dividends, and after Common receives $100 per share participates equally with that stock in any further distributions. Common stock has sole voting power.

Dividends—Initial quarterly Pfd. dividend of 1¾% paid March 1, 1926, which quarterly rate maintained to date; payments M, J, S & D 1. Initial dividend on Common of 1% paid Jan. 25, 1926; April 15, 1926, 1½%; July 15, 1926, to date, 2% each quarter.

FUNDED DEBT

$549,500 FIRST MORTGAGE 6% GOLD BONDS; DUE AUGUST 1, 1950

Dated August 1, 1925.

Interest Payable February and August 1 at Guaranty Trust Co., Butler, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co., Butler, Pa.

Provisions of Issue—Authorized, $750,000; issued and outstanding, Dec. 31, 1927, $549,500. Additional bonds may be issued for 75% of the cost of additions, extensions, etc.

Callability—Subject to call on any interest date on 30 days' notice at 102½ and interest.

Sinking Fund—2% of bonds outstanding to be used only to purchase bonds offered. Sufficient is to be added yearly after 1927, to keep total at 2%, except that in no year shall more than 2% be paid.

Security—A first lien on entire property owned.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax free in Pennsylvania.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1924
Gross earnings	$333,808	$329,594	$202,071
Oper. exp. & taxes	166,618	175,159	121,192
Depreciation	63,184	61,710	46,345
Net earnings	$104,006	$92,725	$34,534
Interest charges	35,837	36,576	5,831
Other deductions	3,066	2,721	1,645
Total charges	$38,903	$39,297	$7,476
Balance for dividends	65,103	53,428	27,058
Preferred dividends	16,100	13,380	16,434
Common dividends	36,572	29,365	
Surplus for year	$12,431	$10,683	$10,624

*Predecessor Company.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Land, bldgs., equip., etc.	$1,514,445	$1,573,178	$1,463,544
Materials and supplies	33,683	29,134	16,977
Cash and deposits	32,496	31,258	31,238
Notes receivable	1,075	700	850
Accounts receivable	18,854	19,989	17,152
Marketable securities	11,270	1,000	.....
Accrued income not due	69	.....	.....
Sinking fund assets	10,710	.....	.....
Unamortized debt disc., etc.	31,513	31,301	25,449
Prepayments	2,936	3,765	3,232
Total	$1,657,051	$1,690,325	$1,558,442
Liabilities—			
Common stock	$460,960	$459,500	$450,680
Preferred stock	230,000	230,000	119,700
Funded debt	549,500	550,000	550,000
Notes payable	29,000	30,000	80,000
Accounts payable	20,251	20,415	12,638
Accrued liabilities	28,560	29,578	13,750
Other current liabilities	.....	.....	16,579
Deferred credits	.....	8,228	.....
Reserve for depreciation	58,058	45,087	7,995
Profit and loss surplus	280,722	317,517	307,100
Total	$1,657,051	$1,690,325	$1,558,442

Officers: John H. Wright, Pres., Jamestown, N. Y.; Daniel Younkins, V-P.; M. N. Heinzer, V-P.; H. W. F. Graham, Treas.; A. O. Black, Sec. & Gen. Mgr.; William H. Cunningham, Aud., Butler, Pa.

Directors: Daniel Younkins, H. W. F. Graham, M. N. Heinzer, F. A. McClung, A. O. Black, R. E. Forsythe, F. A. W. Green, Butler, Pa.; John H. Wright, Jamestown, N. Y.; E. W. McGill, Meadville, Pa.

Office, Butler, Pa.

COUNTY GAS COMPANY

(Atlantic Highlands, N. J.)

History—Incorporated March 15, 1922, in New Jersey, as a reorganization of the Standard Gas Co. sold at receiver's sale.

The predecessor company had previously absorbed the Atlantic Highlands Gas Co. and the Freehold Gas Light Co. The present company consolidated the Borough Gas Co. on Aug. 14, 1922.

Company supplies the Boroughs of Atlantic Highlands, Highlands, Matawan, Keyport and Rumson, the Townships of Middletown, Freehold, Raritan, Marlboro and Matawan, and the Town of Freehold, including all territory along the Raritan Bay from Highlands to Keyport. Franchises in part are perpetual while others expire in 1960. Generating capacity, 1,800,000 cu. ft. daily. Miles of mains about 170, number of meters about 9,200.

CAPITAL STOCK

Authorized, $700,000 Common, par $25, and 6,500 shares $6 cumulative Pfd., of no par value; outstanding, $135,000 Common and 4,800 shares Pfd. The authorized capital stock was changed from $135,000 Common, par $25, and $60,000 7% cumulative Pfd., par $50, in January, 1928,, the 7% Pfd. stock being retired.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and in the event of liquidation, dissolution or in any distribution except by redemption, the Pfd. stock is entitled to receive $105 per share and accrued dividends. Pfd. stock is subject to redemption in whole or in part on any dividend date on 30 days' notice at $105 per share and accrued dividend. No stock preferred as to dividends and/or assets to the $6 cumulative Pfd. stock may be created without the consent of the holders of 70% of the $6 cumulative Pfd. stock outstanding. No holder of the $6 cumulative Pfd. stock shall have any pre-emptive rights to subscribe to any stock of any class or to any bonds convertible into stock whether at present or hereafter authorized. Pfd. stock has no voting power except in the event of four quarterly dividends being in arrears when holders of Pfd. stock shall after thirty days have full voting rights.

Transfer Agent—Stock transferred at Company's office.

Registrar—The Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia.

Tax Provisions—Free from New Jersey property tax. Pennsylvania four mills personal property tax refundable upon proper application.

Legal Opinion—Roberts and Montgomery, Philadelphia (for the Company) and Rawle & Henderson, Philadelphia (for the Bankers).

Original Offering—First publicly offered (a block of $6 cumulative Pfd.) in Jan., 1928, at $96 per share and accrued dividends, to yield over 6.25%, by Parsly Bros. & Co., Walter Stokes & Co. and Rufus Waples & Co., Philadelphia.

Annual Meeting—First Monday in May at Atlantic Highlands, N. J.

Dividends—Pfd. dividends payable quarterly, F, M, A & N 1. No dividends paid on Common to date.

FUNDED DEBT

(1)

$600,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES "A"; DUE JANUARY 1, 1952

Dated April 1, 1927.

Interest Payable April and October 1 at The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized amount, not limited; issued, 5% Series "A," $600,000. Directors of the Company may, from time to time, authorize the issuance of additional bonds under the terms of the mortgage in one or more series and in such amounts and bearing such rates of interest and having such maturity dates, redemption provisions, sinking funds and other provisions as are permitted by the mortgage.

Additional bonds may be issued in accordance with the terms of the mortgage for a principal amount not in excess of 75% of the cost or fair value, whichever is less, of gas and/or electrical plants and property in New Jersey to be acquired by the Company, and for permanent extensions, additions, betterments and improvements and other capital expenditures, made subsequent to April 1, 1927, provided that net earnings of the Company as defined in the Indenture, for 12 consecutive months out of 15 preceding months shall have been at least 1¾ times the annual interest charges on all First Mtge. bonds and prior lien bonds (if any), then outstanding, together with those proposed to be issued. Mortgage provides that the aggregate amount of obligations secured by lien on after-acquired property prior to lien of mortgage shall not exceed 25% of the total amount of bonds outstanding under the mortgage, including any bonds then applied for.

Mortgage contains provision for the modification of the terms thereof, or of any supplemental mortgage, with the written consent of the holders of 85% of the outstanding bonds, provided that no such change shall, without consent of the holders, alter any of the terms and provisions of the bonds with reference to the amount, time, place or medium of payment of the principal or interest thereof or the redemption price or dates thereof or the amounts payable to the sinking fund for the benefit of the bonds of the 5% Sinking Fund Series "A."

Purpose of Issue—Proceeds were used in part to provide for the redemption of $296,600 First Mortgage 7% Series "A" and 6% Series "B" bonds previously outstanding, to pay off current indebtedness and to reimburse the Company for expenditures already made and to be made, including gas main extensions, and other improvements and for general corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on not less than 30 days' notice, upon payment of the principal and a premium of 5% of the principal if redeemed on or before April 1, 1937; thereafter a premium of 4% if redeemed on or before April 1, 1947; and thereafter at successively reduced premiums of ½ of 1% for each year commencing October 1, 1947, in each case with accrued interest.

Sinking Fund—Company agrees to pay annually to the Trustee as a sinking fund, beginning Feb. 1, 1929, a sum of money equal to 1% of the principal amount of the bonds of this series outstanding at the time of such payments. The moneys in the sinking fund are to be applied by the Trustee toward redemption of bonds of this series unless the same can be purchased for cancellation at or below the then current redemption price, as provided in the mortgage.

Security—Secured by a first mortgage on the entire mortgageable property of the Company now owned, and subject to then existing prior liens (if any), on property acquired after April 1, 1927, for which additional bonds may be issued under conservative restrictions.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Present Pennsylvania and Connecticut personal property taxes not exceeding $4.00 annually per bond, the present Maryland securities tax not exceeding $4.50 annually per bond and the Massachusetts income tax, not exceeding $3.00 annually per bond, refunded upon application.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Company), and Dickson, Beitler & McCouch, Philadelphia (for the Bankers).

Original Offering—First publicly offered ($600,000) in July, 1927, by W. H. Newbold's Son & Co., Philadelphia; price not stated.

(2)

$200,000 INCOME DEBENTURE 5s; DUE FEBRUARY 1, 1952

Dated February 1, 1922.

Interest Payable February and August 1, at Girard Trust Co., Philadelphia.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $655,000, of which $455,000 retired to February 1, 1928.

BONDS CALLED

The First Mortgage Gold 7s, Series "A" and First Gold 6s, Series "B," described in the 1927 Manual, were called for redemption on October 1, 1927, at 105 and interest at Girard Trust Co., Philadelphia, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$358,607	$332,268	$299,192
Operating expenses	248,131	231,713	232,406
Net operating revenue	$110,476	$100,555	$66,786
Interest charges	†63,457	†45,299	†43,150
Other deductions	21,946	15,940	6,717
Net income	$25,072	$39,306	$16,919
Pfd. dividends	3,213	1,465	
Balance	$21,859	*$37,841	*$16,919

*Subject to income tax of $5,289 in 1926 and $2,212 in 1925.
†Includes $32,750 interest on Income Debentures.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$1,518,220	$1,354,075	$1,278,937
Investments	2,138	184	236
Treasury bonds	.....	.....	150,000
Materials and supplies	34,747	22,483	14,772
Cash	82,294	28,177	32,632
Accounts receivable	58,611	47,205	37,273
Dividends	.....	.....	485
Other funds receivable	3,976	1,566	1,658
Prepayments		3,465	66
Sinking fund	.....	.....	269
Deferred charges	105,776	52,557	42,743
Total	$1,805,762	$1,509,712	$1,559,071
Liabilities—			
Common stock	$135,000	$135,000	$135,000
Preferred stock	56,640	48,445	17,400
Pfd. stock part paid	.....	.....	9,250
Funded debt	1,255,000	951,600	952,300
Notes payable	.....	.....	149,640
Current liabilities	63,009	70,996	39,033
Amortization reserve	192,328	177,909	165,746
Reserve for deferred int. on debenture account	.....	34,022	34,022
Sinking fund reserve	.....	6,962	3,991
Reserve for uncol. accts.	6,607	9,068	12,267
Other reserves	.....	508	848
Surplus	97,178	75,203	39,574
Total	$1,805,762	$1,509,712	$1,559,071

NOTE—Six months' interest due and payable Feb. 1, 1926 on $655,000 Income Debenture Bonds, $16,375 chargeable against "Reserve for Deferred interest on Debenture."

Officers: Robert L. Montgomery, Chairman, Villa Nova, Pa.; H. A. Stockton, Pres., Atlantic Highlands, N. J.; W. A. Fawley, Sec. & Treas., Philadelphia, Pa.

Directors: Robert L. Montgomery, Edgar Scott, Villa Nova, Pa.; C. H. Alderfer, Norristown, Pa.; H. B. Hagy, Reading, Pa.; Rufus Waples, W. A. Fawley, Walter Stokes, Philadelphia, Pa.; H. A. Stockton, Atlantic Highlands, N. J.; W. E. Foster, Red Bank, N. J.

General Office, Philadelphia, Pa. **Operating Office,** Atlantic Highlands, N. J.

CORNING & PAINTED POST STREET RAILWAY

History and Property—Incorporated Dec. 3, 1894, in N. Y. Line of road: Corning to Painted Post, N. Y., 5¼ miles; total track, 5.85 miles. Gauge, standard. 56, 80 and 90 lb. T and girder rail. Cars, 23. Power purchased from New York Central Electric Corp.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Stock transferred at New York office. Annual meeting, second Tuesday in July, at Corning, N. Y.

Dividends—A dividend of 4% was paid for year ended June 30, 1906, and 4% for each year thereafter. to and including 1925; none since.

FUNDED DEBT

$100,000 (entire issue) First 5s; dated Jan. 1, 1896; due Jan. 1, 1936 (extended from Jan. 1, 1916); int. Jan. and July 1. Coupon, $1,000. A first lien on property and franchises. Company does not pay Normal Federal Income tax.

INCOME ACCOUNT, YEARS ENDED DECEMEER 31

	1927	1926	1925
Gross earnings	$48,041	$53,025	$57,119
Oper. exp., taxes & dep.	60,999	64,817	49,493
Net earnings	*$12,958	*$11,792	$7,626
Other income	387	642	827
Total income	*$12,571	*$11,150	$8,453
Bond interest	$5,000	$5,000	$5,000
Rentals, etc.	900	900	900
Total charges	$5,900	$5,900	$5,900
Deficit for year	$18,471	$17,050	†$2,553

*Deficit. †Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$255,466	$255,466	$255,466
Other investments	500	500	500
Materials and supplies	7,506	6,712	6,715
Cash	3,845	9,827	23,057
Accounts receivable	2,957	738	619
Other current assets	71	71	100
Unadjusted debits	53	86	69
Deferred debit items	5,100	5,100	5,000
Deficit	6,971	.....	.....
Total	$282,469	$278,500	$291,526
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	100,000	100,000	100,000
Accounts payable	18,732	8,255	4,205
Interest accrued	2,500	.....	2,500
Accrued depreciation	46,145	43,671	41,197
Appropriated surplus	15,092	15,092	15,092
Profit and loss	.....	11,482	28,533
Total	$282,469	$278,500	$291,526

Officers: J. J. Bernet, Pres.; Geo. F. Brownell, V-P. & Gen. Counsel; Geo. H. Minor, V-P. & Sec.; W. A. Baldwin, V-P.; J. G. Walsh, Treas.; C. P. Crawford, Compt., New York; C. B. Hammond, Gen. Agt., Elmira, N. Y.

Directors: A. D. Falk, Elmira, N. Y.; J. J. Bernet, Geo. H. Minor, G. N. Orcutt, R. C. Falconer, G. F. Brownell, A. L. Sorensen, R. J. Bowman, W. A. Baldwin, C. P. Crawford, J. G. Walsh, New York.

New York Office, 50 Church St.

INTER-MOUNTAIN TELEPHONE COMPANY

History and Property—Charter granted Jan. 15, 1922, by the State Corporation Commission of Va. Company was organized to take over the entire physical property of The Bristol Telephone Co. (see 1921 Public Utility Manual, page 22). The East Tennessee Telephone Co. of Virginia, and all the physical property in the vicinity of Bristol, Tenn., belonging to the Chesapeake & Potomac Telephone Co. of Virginia, and the Cumberland Telephone & Telegraph Co., except the through toll lines of the two last named. The long distance lines of the Bell Company are available to subscribers of all the exchanges of the Inter-Mountain Telephone Co., located at Abingdon, Chilhowie, Damascus, Gate City, Glade Spring, Marion and Bristol, Va. and Bristol, Bluff City, Elizabethton, Erwin, Greeneville, Johnson City, Jonesboro, Kingsport and Mountain City, Tenn. No. of telephones, Feb., 1928, 11,294.

CAPITAL STOCK

Authorized, $500,000 Common, $250,000 6% cumulative First Pfd. and $250,000 6% non-cumulative Second Pfd.; outstanding, $269,000 Common, $53,000 First Pfd., and $228,000 Second Pfd.; par of all classes, $100. First Pfd. stock has voting power. Annual meeting, last Wednesday in March.

Dividends—Payments on both classes of Pfd. stock regularly made. In 1926 and 1927, 8% each paid on both Second Pfd. and Common stock. Payments made quarterly on all classes of stock.

FUNDED DEBT

$387,000 First Gold 6s; dated July 1, 1922; due July 1, 1942; int. Jan. and July 1, at Safe Deposit & Trust Co., Baltimore, Md., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $1,000,000. Subject to call as a whole only on any interest date at 105. Sinking fund, July 1 each year 1% of all bonds authenticated, for redemption of that amount at best terms offered not exceeding par. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$376,665	$305,762	$248,743
Oper. exp., taxes & deprec.	261,854	208,670	185,391
Net earnings	$114,811	$97,092	$63,352
Other income	1,996	1,465	929
Gross income	$116,807	$98,557	$64,281
Rent deductions	$9,723	$7,975	
Interest on funded debt	23,340	23,850	$31,656
Other interest	4,948	5,060	
Amortiz. of debt disc. & exp.	282	283	
Net income	$78,514	$61,659	$32,625
Dividend approp. of income	39,460	34,824	10,220
Surplus for year	$39,054	$26,835	$22,405

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Fixed capital accounts	$1,178,805	$969,524
Cash & deposits	20,464	9,387
Paymaster's advance fund	3,200	3,200
Employees' working fund	1,055	736
Due from subscribers & agents	29,105	21,280
Unbilled toll service	4,264	2,497
Miscellaneous accounts receivable	3,048	4,403
Materials & supplies	25,548	44,202
Prepaid items	3,188	1,807
Other deferred debit items	3,341	2,915
Amortization of debt disc. and expenses	4,098	4,380
Total	$1,276,116	$1,064,332
Liabilities—		
Capital stock	$550,000	$490,000
Funded debt	387,000	391,000
Bills payable	121,500	55,661
Audited vouchers and payrolls	8,288	9,937
Subscribers' deposits	47	42
Miscellaneous accounts payable	32,918	18,802
Accrued dividends	10,735	7,350
Accrued taxes	9,675	.....
Accrued liability insurance	646	112
Reserve for depreciation	50,205	25,380
Corporate surplus	105,102	66,048
Total	$1,276,116	$1,064,332

Officers: W. N. McAnge, Jr., Pres. & Treas., Bristol, Tenn.; Leland Hume, V-P., Nashville, Tenn.; A. E. Reynolds, Sec.; W. G. Snapp, Aud.; W. G. Griffin, Supt., Bristol, Tenn.

Directors: W. N. McAnge, Jr., H. W. Powers, Bristol, Tenn; C. H. Weber, Richmond, Va.; Ben S. Read, Atlanta, Ga.; Leland Hume, D. F. Turnbull, Nashville, Tenn.; W. C. Sweat, Corinth, Miss.

General Office, Telephone Bldg., Bristol, Tenn.

THE VERMONT COMPANY

(Controlled by New York, New Haven & Hartford RR.)

History and Property—Incorporated Dec. 8, 1902, in Vt., as Bennington & North Adams St. Ry., present title adopted Dec. 27, 1910. Owns 19.56 miles of line, being that part of the former Bennington & North Adams St. Ry. lying within the State of Vermont. The balance of the line, located in New York State,

was acquired by The Hoosick Falls RR. Co. Serves Bennington and Pownal, Vt. Formerly leased to the Berkshire St. Ry. Co. but lease has been terminated. Owned the entire $100,000 capital stock of the Hoosick Falls R. R. Co. which has been dissolved by order of the New York Supreme Court dated Sept. 10, 1927.

CAPITAL STOCK

Authorized and outstanding, $650,000; par, $100. All owned by New York, New Haven & Hartford RR. Co.

Annual Meeting—Third Tuesday in September.

FUNDED DEBT

$846,000 First Mortgage Gold 5s; dated Feb. 1, 1911; due Feb. 1, 1931; interest Feb. and Aug. 1. Coupon $1,000. Old Colony Trust Co., Boston, Trustee. Authorized, $1,000,000. The New York, New Haven & Hartford R. R. Co. owns all outstanding bonds.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$55,772	$78,875	$76,783
Operating Expenses—			
Maint'ance of way & equip.	$12,704	$23,225	$23,621
Transportation	15,058	22,325	48,354
Other	29,683	41,252	14,317
Total	$57,445	$86,802	$86,292
Deficit	$1,673	$7,927	$9,510
Tax accruals	2,893	4,897	5,503
Operating deficit	$4,566	$12,824	$15,013
Non-operating income	94	116	189
Deficit	$4,472	$12,708	$14,824
*Deductions from gross inc.	45,870	45,870	45,870
Deficit	$50,342	$58,578	$60,694

*Represents interest accrued to the N. Y., N. H. & H. RR. Co., but not included in the Income Account of that company.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,247,877	$1,247,877	$1,247,819
Invest. in affiliated cos.	100,000	100,000	100,000
Cash	3,361	4,846	5,201
Misc. accounts receivable	470	914	705
Materials and supplies	3,898	3,581	3,690
Int., divds. & rent receiv.	186,825	186,825	186,825
Other current assets	50	100	100
Unadjusted assets	433	54,680	54,386
Deficit	474,346	375,209	316,631
Total	$2,017,260	$1,974,032	$1,915,356
Liabilities—			
Capital stock	$650,000	$650,000	$650,000
Long-term debt	846,000	846,000	846,000
Loans and notes payable	59,500	59,500	59,500
Vouchers & wages payable	33,783	34,912	25,611
Matured int., divds. & rents unpaid	398,550	352,680	306,810
Accrd. int., divds. & rents	17,625	17,625	17,625
Deferred liabilities	16	42	7,688
Unadjusted credits	11,786	13,273	2,122
Total	$2,017,260	$1,974,032	$1,915,356

Officers: E. G. Buckland, Pres., New Haven, Conn.; L. S. Storrs, V-P., New York; C. Q. Richmond, V-P. & Gen. Mgr., Pittsfield, Mass.; R. E. Healey, Clerk & Treas., Bennington, Vt.; A. E. Clark, Asst. Clerk; A. S. May, Asst. Treas.; I. A. May, Aud., New Haven, Conn.

Directors: George E. Greene, Hoosick Falls, N. Y.; Lucius S. Storrs, Charles M. Sheafe, Jr., New York, N. Y.; Clinton Q. Richmond, Pittsfield, Mass.; Arthur E. Clark, Edward G. Buckland, Edward J. Pearson, New Haven, Conn.; Arthur P. Russell, Boston, Mass.

General Office, Bennington, Vt.

MONTREAL COKE & MANUFACTURING COMPANY

History—Incorporated in 1927 under the laws of the Province of Quebec. Company has purchased a plant site over 70 acres in extent adjoining the gas plant of Montreal Light, Heat & Power Co., at Ville LaSalle, near the city of Montreal. On this site Company is constructing and will own and operate a modern coke and gas plant including 59 Koppers combination coke ovens and a by-product plant for the recovery of tar and ammonium sulphate, together with all necessary auxiliary equipment. Plant is expected to be ready for operation not later than July 1, 1928. Company has also leased the gas manufacturing plant of Montreal Light, Heat & Power Co. at Ville LaSalle. Properties to be operated by the Company have a total annual capacity of approximately 450,000 tons of coke and 9,000,000,000 cu. ft. of gas and resultant by-products. Company has a marketing agreement for its gas with Montreal Light, Heat & Power Consolidated.

Control—All the Common stock of Company is owned by Montreal Light, Heat & Power Consolidated and by The Koppers Company of Delaware, through a wholly owned subsidiary.

CAPITAL STOCK

Authorized, 100,000 shares, of no par value and $5,000,000 6% cumulative Preferred, par $100; outstanding, May 14, 1927, 100,000 shares Common and $2,000,000 Pfd. All the Common stock is owned by Montreal Light, Heat & Power Consolidated and by The Koppers Company of Delaware, through a wholly owned subsidiary. The $2,000,000 Pfd. stock was subscribed for in equal amounts by these two companies.

FUNDED DEBT

$4,000,000 20-YEAR FIRST MORTGAGE SINKING FUND GOLD 5½s, SERIES "A"; DUE JUNE 1, 1947

Dated June 1, 1927.

Interest Payable June and December 1, in U. S. gold coin, at Agency of Royal Bank of Canada in New York, and at Royal Bank of Canada, Montreal and Toronto in Canadian gold coin.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered bonds in denomination of $1,000 and authorized multiples thereof.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized, $10,000,000; issued and outstanding, $4,000,000 Series "A" 5½s. The remaining $6,000,000 of bonds may be issued in any one or more series and in accordance with the provisions of the Trust Deed to the extent of 75% of the actual cost or fair value (whichever is less) of additional property, and then only when average annual net earnings of the Company, as defined in the Trust Deed, for the two preceding years are more than twice annual interest on all the bonds then outstanding, including those proposed to be issued.

Purpose of Issue—The proceeds from the sale of these bonds and of the $2,000,000 Pfd. stock, subscribed for by the two controlling companies, were used for the construction and equipment of Company's plant and for working capital and other corporate purposes. The entire proceeds of these bonds will be deposited with the Trustee and may only be paid to the Company against construction certificates and otherwise in accordance with the provisions contained in the Trust Deed.

Callability—Subject to call as a whole or in part, on any interest date, on 60 days' notice, at 103 and interest to and including June 1, 1934; thereafter at 102 and interest to and including June 1, 1941, and thereafter at 101 & interest.

Sinking Fund—Provision is made for an annual cumulative sinking fund commencing June 1, 1932, which is calculated to be sufficient to retire at or before maturity all bonds of Series "A" issued.

Security—Secured by a first specific mortgage and charges on all of Company's real and immovable properties and on above-mentioned lease and gas sales contract. Additionally secured by a floating charge on all other assets. Fixed assets of Company on completion of present construction program, exclusive of working capital, are estimated to have a value of not less than $5,500,000. Company covenants that upon completion of plant it will have net current

assets of not less than $800,000 and that, so long as any bonds remain outstanding, it will not redeem any of its capital stock, nor pay any dividends on Common if and so long as its net current assets are ess than 20% of the principal amount of bonds then outstanding, or such net current assets would by such redemption of stock or payment of dividends be reduced to an amount equal to less than 20% of the principal amount of bonds then outstanding.

Legal Opinion—Brown, Montgomery & McMichael, Montreal.

Original Offering—First publicly offered ($4,000,000 Series "A" 5½s) in May, 1927, at par and interest to yield 5½%, by Wood, Gundy & Co., New York, etc.

OFFICERS AND DIRECTORS

Officers: J. S. Norris, Pres.; D. G. Munroe, V-P. & Mgr. Dir.; E. Dain, Sec. & Treas.

Directors: J. S. Norris, G. H. Montgomery, J. J. Humphreys, W. F. Rust, H. Lee, J. T. Tierney and D. G. Munroe.

Office, Montreal, Can.

THE MELBOURNE ELECTRIC SUPPLY COMPANY, LIMITED

History—Incorporated Aug. 17, 1899, in the United Kingdom, as the Electric Lighting & Traction Co. of Australia; name changed in July, 1908. Company supplies electricity for light and power in the suburban districts of Melbourne, Australia, and also electricity and street railway service in the City of Geelong, about 50 miles from Melbourne. The City of Melbourne Corporation supplies electricity within the limits of the city proper to a population of 105,000 (1926). The suburban population is 807,000, the total metropolitan population thus being 912,000. Of this population the Company serves 530,000, occupying an area of approximately 116 sq. miles. The City of Melbourne Corp's electric operations are conducted under statutory powers, which restrict them to the area of the city proper, as the Company's operations are restricted to specified suburban areas, thus eliminating competition between the two existing undertakings.

At Melbourne the Company owns an electric power station having a generating capacity of 16,500 kilowatts. In addition the Company purchases electrical energy in bulk delivered at its distribution centers from the State Electricity Commission of Victoria. The present maximum load of the undertaking is 37,200 kilowatts. Company's distributing systems in Melbourne and Geelong cover 1,172 miles of streets.

In Geelong the Company owns an electric power station of 10,500 k.w present capacity. Here the distributing system covers 123 miles of streets and serves a population of about 36,500.

Franchises—The Company operates in Melbourne under franchises or Orders in Council granted under the Victorian Electric Light & Power Act, 1896. Under these the Company has the right to supply electric light and power to the majority of the important suburbs of Melbourne. On November 13, 1925, Company started operations under a new franchise. Under its provisions operations will be continued until such time as the purchase of the Company's Melbourne and Geelong undertakings will be completed and which purchase may at the option of the Government take place on Aug. 31, 1930, Feb. 28, 1933 or Aug. 31, 1935, the Company itself having the option of demanding that purchase shall take place on Aug. 31, 1930, if at that date for any reason it so desires.

OPERATING STATISTICS, AS OF AUGUST 31

	1927	1926	1925	1924	1923	1922
MELBOURNE—						
No. of consumers	116,080	108,689	101,360	92,649	80,597	69,261
Lighting, etc., in Kilowatts	126,780	114,090	109,780	93,800	77,650	64,300
Motors in rated H-P	90,020	84,140	76,800	66,900	53,950	45,100
Total connections in Kilowatts	216,800	198,230	186,580	163,700	131,600	109,400
Total Kelvins sold	114,447,000	107,140,000	96,900,000	87,800,000	73,500,000	63,070,000
GEELONG—						
No. of consumers	8,884	7,845	7,045	6,431	5,601	4,875
Lighting, etc., in Kilowatts	9,480	8,520	7,570	6,530	4,923	4,044
Motors in rated H-P	14,120	13,000	9,300	7,600	6,547	4,395
Total connections in Kilowatts	23,600	21,520	16,870	14,130	11,470	8,439
Total Kelvins sold	27,059,000	18,230,000	14,300,000	11,394,000	8,675,400	2,544,000

CAPITAL STOCK

Authorized, £1,000,000 Consolidated Ordinary stock (par £1), and £750,000 8% First Cumulative Preference shares (par £5); outstanding, £800,600 Consolidated Ordinary and £500,000 First Pref.

Annual Meeting—In 1927 on December 14.

Listed—London Stock Exchange.

Price Range—

Preference—	1927	1926	1925	1924	1923	1922	1921	1920
High	6	5¾	6	6⅛	6⅛	6¼	5½	5 5/16
Low	5½	5 7/16	5⅜	5⅜	5 7/16	5¼	4⅛	4 5/16
Ordinary—								
High	172½	160½	154	164	172	157	129½	140½
Low	160½	151	140½	140	147½	134½	105¼	123½

Dividends—Dividends on Preference shares payable semi-annually March and Sept. 1, have been paid in full to Sept. 1, 1927. Dividends of 10% per annum regularly paid semi-annually (June and Dec.) on Ordinary stock to Dec., 1927.

DEBENTURE STOCK

(1)

£205,360 5% REDEEMABLE FIRST MORTGAGE DEBENTURE STOCK

Interest Payable January and July 1. Authorized and issued, £250,000, of which £44,640 redeemed to Aug. 31, 1927. Debenture Corporation, Ltd., London, Eng., Trustee. These debentures are obligations of the Company without maturity (except by sinking fund redemption not later than Dec. 1, 1946, or in the event of purchase by a local authority), and are secured as a first specific charge on the Company's real estate and by a floating charge on its current assets. They are redeemable at the Company's option at 105 at any time on six months' notice or at 105 on Dec. 1, 1946. The Company must set aside out of the profits each year (commenced 1911), after payment of dividends on the Preference shares, the sum of £2,500 as a sinking fund for the redemption of the stock by drawings at 105, or by purchase at or under 105.

Listed—London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	97	97	99	97	94½	94	72¾	83¾
Low	94	93	94⅛	91½	90	71½	68¼	69

(2)

£196,621 5% REDEEMABLE CONSOLIDATED DEBENTURE STOCK (SECOND MORTGAGE)

Interest Payable April and October 15. Authorized and issued, £250,000, of which £53.379 redeemed to August 31, 1927. Electric & General Investment Co., Ltd., London, England, Trustee. These debentures are obligations of the Company without maturity (except by sinking fund redemption, or in the event of purchase by a local authority), and are secured by the charge on the Company's properties, subject only to the First Mortgage Debentures. They are redeemable at the Company's option, at any time at 105, on six months' notice. Cumulative sinking fund,

1% per annum, to be set aside after providing for the First Mortgage Debenture stock sinking fund.

Listed—London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	97	98½	94	94	90½	69¾	84½
Low	94	93	94	90¼	90	66½	66¼	69

(3)

£287,395 6% REDEEMABLE GENERAL MORTGAGE DEBENTURE STOCK

Dated January 31, 1922; interest June and Dec. 1. Redeemable at 102½% (a) on Dec. 1, 1946 (or as soon as the security becomes enforecable), or (b) (the entire amount outstanding) on any interest date after June 1, 1930, on six months' notice. Anglo-American Debenture Corp., Ltd., London, Eng., Trustee. Authorized and issued, £300,000 of which £12,605 redeemed to Aug. 31, 1927. Cumulative sinking fund of 1% per annum, commencing Dec. 1, 1923, to operate by purchase at or below 102½%. By an Act of Parliament dated Dec. 30, 1924, the Company s franchise was extended for a further five, 7½, or 10 years, dating from Nov. 12, 1925, and the Victorian Government was empowered to purchase the Undertaking at any of these periods. This Act provides for the Victorian Government taking over the obligations under the Trust Deed, and also provides that notice may be given at any time after the date of sale in accordance with the conditions of the Trust Deed for the redemption of the stock. Secured (subject to the 5% Debenture Stocks) in the same manner as, and pari passu with the 7½% Gold bonds (see below).

Listed—London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	102	104	105	105	106
Low	98	99½	101½	101	102

FUNDED DEBT

£497,637 GENERAL MORTGAGE SINKING FUND GOLD 7½s SERIES "A"; DUE DECEMBER 1, 1946

Dated December 1, 1921.

Interest Payable June and December 1, payable in United States gold coin of the U. S. of America of the present standard at the offices of Lee, Higginson & Co., in Boston, New York and Chicago, without deduction for any British or Australian taxes.

Denominations—Coupon, $500 and $1,000.

Trustee—Anglo-American Debenture Corp., Ltd., London, Eng.

Provisions of Issue—Authorized issue, Series "A", limited to £513,769 ($2,500,000), of which £16,132 re-redeemed to Aug. 31, 1927. Total authorized issue limited by provision that the aggregate amount of General Mortgage bonds and prior lien securities may never exceed amount of paid-up capital stock. Future series ranking pari passu may bear such rates of interest, have such dates of maturity, be payable in such currencies and at such places, have such redemption prices, tax provisions, convertible provisions, etc., as may be determined at the time of issue.

Callability—Subject to call at 102½ and accrued interest, viz.; as a whole, but not in part except for the sinking fund, on Dec. 1, 1930, or any interest date thereafter on six months' notice, or for the sinking fund on Dec. 1, 1924, or any Dec. 1, thereafter, on two months' notice. By an Act of Parliament dated Dec 30, 1924, the Company's franchise was extended for a further five, 7½, or 10 years, dating from Nov. 12, 1925, and the Victorian Government was empowered to purchase the Undertaking at any of these periods. This Act provides for the Victorian Government taking over the obligations under the Trust Deed, and also provides that notice may be given at any time after the date of sale in accordance with the conditions of the Trust Deed for the redemption of the Bonds. The Trust Deed provides that if and when the Government of the State of Victoria thus assumes these obligations, all the properties and assets of the Company will be released from the lien of the General Mortgage bonds, and the Company will be released from all its obligations thereunder.

Cumulative Sinking Fund—1% per annum of all Series "A" bonds issued, first payment Dec. 1, 1923, to purchase or call Series "A" bonds at not exceeding the redemption price. Bonds acquired for the sinking fund will be concelled, but nevertheless there will be added to the sinking fund annually an amount equal to interest on the bonds so cancelled. This cumulative sinking fund will be sufficient to retire about 55% of the Series "A" bonds before maturity.

Security—Secured by a direct general mortgage upon the Company's properties and undertaking, ranking after the two issues of 5% Debenture Stock and equally with the 6% General Mortgage Debenture Stock above described.

Tax Provisions—Free of all British and Australian Taxes.

Original Offering—First publicly offered $2,500,000 in Feb., 1922, at 101 and interest, yielding over 7.40%, by Lee, Higginson & Co., New York, Boston, etc.

Listed—London Stock Exchange.

Price Range—1927: High, 105¼ bid; low, 104½ bid.

£300,000 6½% Debenture Stock (1924). Interest payable January and July 15. The Melbourne Trust Ltd., London, Eng., Trustee. Company is at liberty to issue further £400,000 under present security. Subject to call at par on Oct. 31, 1935 or earlier in event of security becoming enforceable under terms of Trust Deed Secured by floating charge over all properties of Company, ranking subject to the debenture stock and General Mortgage bonds, described above. No sinking fund.

£400,000 7% Debenture Stock (1925). Interest payable Jnauary and July 15. Redeemable at par on Oct. 31, 1935, or earlier in event of security becoming enforceable under terms of Trust Deed. Secured by 6½% (1924) Debenture Stock Trust Deed securing £300,000 and ranking pari passu therewith.

CONTINGENT LIABILITY

£8,963 3% Non-Cumulative Income Certificates issued in satisfaction of arrears of dividends (from Aug. 31, 1901, to Sept., 1910) on the Preference stock Issued, £30,000. The Certificates bear non-cumulative interest at 3%.

PROFIT AND LOSS ACCOUNT

	Period from Sept. 1, 1926 to Aug. 31, 1927	Period from Nov. 13, 1925 to Aug. 31, 1926	Period from Sept. 1, 1924 to Nov. 12 1925
Trading account	£288,034	£216,142	£567,61
Interest on investments	572	3,999	.....
Transfer from gen. reserve	21,991	14,254	.....
Total	£310,597	£234,395	£567,61
Deductions—			
Debenture and bond int.	£122,495	£98,369	£128,81
Interest on loans	25,652	2,542	2,42
Debenture stock sinking funds	17,055	14,801	8,49
Income certificate service fund	1,545	1,440	2,16
Transfer to general res.	.....	.....	270,98
Transfer to reserve for staff retiring allowances	.....	.....	10,00
Transfer to reserve for income tax	23,500	18,000	20,00
Other deductions	.....	.....	4,00
Total deductions	£190,247	£135,152	£446,87
Balance	£120,350	£99,243	£120,73
Dividends on First Cumulative Preference stock	40,000	32,000	48,00
Dividends on consolidated ordinary stock	80,060	64,048	96,07
Total dividends paid	£120,060	£96,048	£144,07
Surplus for year	£290	£3,195	*£23,33
Surplus for previous year	.....	.....	23,33
Total surplus	†£290	†£3,195	.....

*Deficit. †This balance represents the amount payable t the State Electricity Commission under the Melbourne Elec tric Supply Company Act 1924.

GENERAL BALANCE SHEET

	Aug. 31, 1927	Aug. 31, 1926	Nov. 12, 1925
Assets—			
Buildings, plant & mains Melbourne undertaking	£3,614,599	£3,126,768	£2,992,344
Geelong undertaking	903,829	837,561	803,539
Further capital works Melbourne undertaking	.....	146,591	.....
London office furniture	50	50	50
Stores & items in transit at cost or under	164,424	192,953	210,989
Scrapped assets	.....	1,558	.....
Sundry debtors	270,402	257,222	232,747
7½% gold bonds sinking fund, cash deposit	5,177	5,547	5,631
Investments at cost	663,300	643,300	663,300
Interest accrued on deposits	.....	1,161	.....
Staff retiring allowances reserve investments at cost	30,131	27,905	18,640
Cash	58,908	60,507	26,504
6% Gen. Mtge. Deb. stock sinking fund, cash deposit	51	49	196
Loans against security	.....	.....	42,217
Total	£5,710,871	£5,301,172	£4,996,157
Liabilities—			
Consolidated ordinary stock	£800,600	£800,600	£800,600
8% First Cum. Preference shares	500,000	500,000	500,000
5% Redeemable First Mtge. Deb. stock	205,360	207,215	210,515
5% Reedeemable Consol. Deb. stock	196,621	201,934	205,087
7½% General Mortgage Gold bonds	497,637	503,391	508,837
6% Reedeemable General Mtge. Deb. stock	287,395	290,845	294,195
6½% Deb. stock (1924)	300,000	300,000	300,000
7% Deb. stock (1925)	400,000	400,000	400,000
Accrued interest on bonds Deb. stock and loans	28,075	27,794	28,364
Loans against security	667,255	146,461	.....
Creditors and contingent accounts	402,668	405,439	414,709
Amount claimed by State Elec. Comm. to Aug. 31, 1926	149,000	245,000	.....
Income certificate service fund	8,963	7,687	6,534
Debenture stock sinking funds	135,692	118,995	104,250
Loans redemption account	110,000	110,000	110,000
Reserve for income tax	55,646	45,777	105,158
Reserve for bad debts, etc	.....	.....	4,000
Reserve for staff retiring allowances	30,132	28,111	28,660
General reserve	875,507	898,698	911,206
Profit and loss account	60,320	63,226	64,042
Total	£5,710,871	£5,301,172	£4,996,157

Contingent Liability—3% non-cumulative Income Certificates, £8,963.

Officers: The Hon. Agar Wynne, Chairman; F. W. Clements, Mng. Director; G. G. Jobbins, Engineer & Mgr.; W. J. Mountain Sec., Melbourne, Australia; W. E. Lane, London Mgr. & Sec.

Directors: The Hon. Agar Wynne, The Hon. W. L. Baillieu, F. W. Clements, J. Seymour Teulon.

Head Office, 19 Queen St., Melbourne, Australia. **London Office,** 27-28 Finsbury Square, London, E. C., 2, England.

LAKE ONTARIO POWER CORPORATION

History and Property—Incorporated Nov. 15, 1925 in New York and acquired by purchase and merger all of the property, rights and franchises of the Sodus Gas & Electric Light Company (see 1927 Public Utility Volume, page 129), Marion Power Corporation and Northern Cayuga Light & Power Corporation, and certain hydro-electric plants, water power sites and water rights from Preston Power Corporation. Among the communities served with electric light and power service are Sodus, Webster, West Webster, Union Hill, Pultneyville, Ontario, Ontario Center, Williamson, East Williamson, Sodus Point, Fair Haven, Sterling, Victory, Cato, Ira and Conquest, all in the state of New York, having a total estimated population of 60,000.

The properties include a complete transmission and distribution system with approximately 35 miles of 33,000 volt lines and 100 miles of 6,600 and 4,400 volt lines. The Corporation owns two small hydro-electric stations on Salmon Creek with an aggregate generating capacity of 725 k. w. together with power sites and water rights on Salmon Creek and on Canandaigua Outlet capable of developing approximately 5,000 k. w. of generating capacity. Part of the Corporation's power requirements are obtained from the Rochester Gas & Electric Corporation and the Seneca River Power Corporation under long term contracts.

CAPITAL STOCK

Outstanding, 10,000 shares Common of no par value No further details available.

FUNDED DEBT

(1)

$1,000,000 FIRST MORTGAGE 5½% GOLD BONDS; DUE JULY 1, 1957

Dated July 1, 1927.

Interest Payable January and July 1.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Century Trust Co. of Baltimore, Md.

Provisions of Issue—Issued, $1,000,000. The indenture provides that additional bonds of this series or other series having such rates of interest, maturity dates (not prior to July 1, 1957), and other provisions, as the Board of Directors of the Company may determine, may be authenticated to an amount not exceeding 80% of the cost or fair value, whichever is less, of property additions made subsequent to April 30, 1927, providing net earnings for a period of 12 consecutive months ending within 60 days next preceding the authentication of any such bonds shall have been at least: (1) 1¾ times the combined annual interest charges on all bonds outstanding under the mortgage including those proposed to be authenticated for the first $700,000 of such additional bonds and (2) twice such interest charges for the issuance of additional bonds authenticated in excess of such $700,000.

Purpose of Issue—Proceeds from the sale of this issue of bonds and of $500,000 of One-Year notes were used to retire a total of $960,000 6% First Mortgage bonds comprising all of the outstanding funded debt of the constituent companies and for additions to the property.

Callability—Subject to call at any time upon 30 days' notice at 105 on or before July 1, 1937 and thereafter at par plus a premium of ¼ of 1% for each year or fraction thereof to maturity.

Security—A direct first mortgage on all the property, rights and franchises of the Corporation now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. State, County and Municipal taxes not in excess of 5 mills refundable.

Legal Opinion—Janney, Ober, Slingluff and Williams (for the bankers) and Edwin C. Redfern (for the Company).

Listed—Baltimore Stock Exchange.

Original Offering—First publicly offered ($1,000,000) in June, 1927, at 98 and interest, to yield 5.65%, by J. A. W. Iglehart & Co., Baltimore, Md., etc.

(2)

$500,000 ONE-YEAR 6% GOLD NOTES; DUE JULY 1, 1928

Dated July 1, 1927.

Interest Payable January and July 1.

Denomination—Coupon, $1,000.

Trustee—The Century Trust Co. of Baltimore, Md.

Provisions of Issue—Authorized and issued, $500,000.

Purpose of Issue—Proceeds from sale of these notes and $1,000,000 First Mortgage bonds were used to retire a total of $960,000 6% First Mortgage bonds comprising all of the outstanding funded debt of the

constituent companies, and for additions to the hydro-electric generating capacity and transmission lines of the system.

Callability—Subject to call at any time upon 30 days' notice at 100¼ on or before Jan. 1, 1928, and thereafter at par.

Security—A direct obligation of Corporation which covenants that so long as any of these notes are outstanding it will not create any mortgage on its properties except the mortgage securing the First Mortgage bonds. Corporation further covenants to devote to the retirement of these notes all proceeds received from the sale of any First Mortgage bonds except the $1,000,000 offered simultaneously with these notes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. State, County and Municipal Taxes not in excess of 5 mills refundable.

Legal Opinion—Janney, Ober, Slingluff and Williams (for the bankers) and Edwin C. Redfern (for the Corporation).

Original Offering—First publicly offered in June, 1927, at par and interest by J. A. W. Iglehart & Co., Baltimore.

BOND REDEMPTION

All the outstanding Sodus Gas & Electric Light Co. First 6s, Series "B," due May 1, 1941, described in the 1927 Public Utility Volume, were called for payment on Nov. 1, 1927, at 105 and interest.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$283,722
Operating expenses, taxes, etc.	128,810
Net income before charges, etc.	$154,912

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital	$1,157,575
Current assets	654,453
Miscellaneous assets	1,928
Suspense, unamortized discounts	143,258
Total	$1,957,214
Liabilities—	
Common stock	$100,500
First Mortgage bonds	1,000,000
Notes payable	500,000
Accounts payable	113,613
Consumers' deposits	2,890
Interest accrued	42,485
Insurance accrued	187
Reserves	174,501
Surplus	23,038
Total	$1,957,214

Officers: G. R. Mills, Pres.; C. W. Mills, V-P.; Anna M. Mills, Sec.; Mabel G. Mills, Treas.

General Office, Sodus, N. Y.

FALL RIVER ELECTRIC LIGHT COMPANY

History and Property—Incorporated March 7, 1883, in Mass. Absorbed the Edison Electric Illuminating Co. Does the entire commercial electric light and power business in the city of Fall River and vicinity, including Somerset, Swansea, and parts of Westport and Dighton. Sells to Tiverton (R. I.) Electric Light Company their entire energy requirements. Plant consists of a modern 15,000 k.w. steam power station located on tidewater, and is connected by transmission lines to systems of Montaup Electric Company and New England Power Company. By stock ownership jointly with Blackstone Valley Gas & Electric Company and Edison Electric Illuminating Company of Brockton, the Company is part owner of Montaup Electric Company, which has constructed a new steam station located on tidewater with a capacity of 70,000 k.w. Population served, 138,000. City and Town contracts, 1,620 arcs, 1,665 incandescents.

COMPARATIVE OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Customers	33,280	31,396	28,907	26,689	24,026	17,852
K. W. connected load	77,552	73,513	69,001	63,584	60,857	55,093
K. W. H. sold	97,691,991	86,597,054	81,532,900	63,683,225	72,897,623	66,583,978

CAPITAL STOCK

Authorized, $5,250,000 Common (par, $25), (increased from $3,500,000 and par changed from $100 in April, 1923) and $50,000 Employees' stock (par, $10); outstanding, Dec. 31, 1927, $5,250,000 Common and $50,000 Employees' stock. Stock transferred at Company's office, Fall River, Mass.

Annual Meeting—First Monday in March.

Stock Pool—In Feb., 1927, the directors of Company in circular to stockholders stated that they had approved a trust agreement under which stockholders could deposit their stock. Circular states: "Directors feel that the trend in public utilities indicates that shareholders should protect themselves against the possibility that control of Company might pass without each shareholder having an opportunity to secure for his holdings an adequate price. Such prices, available to all, cannot be assured at present, inasmuch as purchasers are free to obtain majority control by acquiring scattered holdings and disregarding the minority stock not sold." The agreement under which stock may be deposited runs until Dec. 31, 1931, subject to extension to Dec. 31, 1936, or in case of sale of Company meanwhile the trust may be terminated earlier. In the agreement the three trustees are authorized either to sell all, but not less than all, the deposited Common stock at not less than $60 a share, or to sell all of the deposited stock at such price as may be approved by three-fourths in interest of the deposited stock.

The designated trustees of the pool are: Simeon B. Chase, Frederick O. Dodge and James E. Osborn. Any Common shareholder may become a party to the agreement by depositing his shares thereunder. Shares may be deposited by delivering the same endorsed in blank to B. M. C. Durfee Trust Co., in Fall River, or Boston Safe Deposit & Trust Co. in Boston, Mass. Upon deposit of shares duly endorsed as aforesaid, the agent of the trustees will issue a Common stock trust Ctf. or Ctfs., representing the same number of shares and registered in the same name as the shares deposited. These stock trust Ctfs. may be transferred, sold or pledged in the same manner as the stock Ctfs. held.

Dividends—1880 to 1898, 6%; 1899 to 1906, 7%; 1907 to date, 8%; payments quarterly, J, A, J & O. An extra dividend of 1% (25 cts.) was paid Jan. 3, 1927.

FUNDED DEBT

$2,000,000 FIRST MORTGAGE GOLD 5s, SERIES "A"; DUE JULY 1, 1945

Dated July 1, 1925.

Interest Payable January and July 1, at B. M. C. Durfee Trust Co., Fall River, Mass., and The First National Bank of Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—B. M. C. Durfee Trust Company of Fall River, Mass.

Provisions of Issue—Authorized, $6,000,000; issued $2,000,000 Series "A" 5s to retire floating indebtedness and purchase stock of Montaup Electric Co.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, prior to July 2, 1930, at 110; thereafter, and until July 2, 1940, at par plus a premium diminishing from 10% by ¼ of 1% on each interest date; and after July 2, 1940, at par plus a premium diminishing from 5% by ½ of 1% on each interest date until maturity.

Security—Secured by a first mortgage on all physical properties, franchises, etc., of the company, now owned or hereafter acquired.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston, and Borden, Kenyon & Hawes, Fall River, Mass.

Legal for Savings Banks in Massachusetts and other New England States.

Original Offering—First publicly offered ($2,000,000) in July, 1925, at 107.92 and interest, yielding 4.40%, by Curtis & Sanger and Blodgett & Co., Boston and New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,516,851	$2,313,140	$2,196,441	$1,844,678	$1,948,388	$1,795,547
Operating expenses and taxes	1,613,794	1,513,633	1,440,925	1,292,471	1,323,954	1,165,400
Reserve for depreciation	203,651	187,223	183,073	174,840	163,393	154,778
Net operating income	$699,406	$612,284	$572,443	$377,367	$461,041	$475,369
Other income	108,798	18,992	161,292	74,686	17,037	14,035
Total net income	$808,204	$631,276	$733,735	$452,053	$478,078	$489,404
Interest	121,318	107,441	84,301	22,676	22,879	31,527
Non-operating charges	105,115	27,293	97,361	40,109	8,100	10,019
Net income	$581,771	$496,542	$552,073	$389,268	$447,099	$447,858
Dividends (8%)	423,167	‡475,126	422,334	380,114	283,952	282,747
Surplus for year	$158,604	$21,416	$129,738	$9,154	$163,147	$165,111
Surplus forward	648,988	627,571	497,833	488,679	325,532	160,421
Total surplus	$807,592	$648,988	$627,571	$497,833	$488,679	$325,532
Earnings Per Share	†$2.77	†$2.37	†$2.61	†$1.84	†$3.15	$12.65

*After depreciation. †$25 par value stock in 1923, and subsequent years; in former years, $100 par. ‡Includes 1% extra paid Jan. 3, 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant investment	$5,726,436	$5,439,098	$5,125,753	$5,139,423	$5,059,052	$4,883,104
Unfinished construction	244,983	250,108	321,704	267,548	136,661	36,378
Montaup Electric Co.	4,726,900	4,156,900	3,924,000	2,448,000	.....	.....
Other investments	3,241	315,741	103,240	103,640	368,640	142,020
Cash	118,265	190,604	206,651	128,159	110,551	108,140
Notes receivable	2,243	19,910	9,697	907	2,668	1,573
Accounts receivable	325,859	334,878	322,325	527,845	275,858	267,860
Interest and dividends receivable	.....	735	735	1,797	894	944
Materials and supplies	156,514	139,527	197,381	117,248	126,634	104,849
Prepaid accounts	30,995	25,246	17,855	21,005	20,588	12,747
Unadjusted debits	.....	3,174	.....	4,000	4,000	.....
Total	$11,335,436	$10,875,921	$10,229,341	$8,759,573	$6,105,547	$5,557,615
Liabilities—						
Capital stock:						
Common	$5,250,000	$5,229,175	$5,229,175	$5,229,175	$3,500,000	$3,500,000
Employees	50,000	50,000	50,000	50,000	50,000	39,800
Premium on capital stock	678,740	652,501	652,501	652,501	445,000	445,000
Funded debt	2,000,000	2,000,000	2,000,000	.....	.....	.....
Premium on bonds	125,400	125,400	125,400	.....	.....	.....
Notes payable	850,000	700,000	225,000	1,210,000	675,000	455,000
Accounts payable	157,314	120,509	153,547	98,048	92,584	100,828
Consumers' deposits	23,550	16,357	8,818	6,093	5,134	4,327
Dividends declared	106,000	158,375	105,583	105,584	71,000	70,888
Tax liability	81,383	88,272	100,169	71,862	86,127	73,219
Interest accrued	938	990	990	3,164	2,304	1,826
Other accrued liabilities	1,153	6,538	4,592	3,038	851	190
Depreciation reserve	1,203,366	1,078,816	945,995	832,275	688,868	541,005
Profit and loss	807,592	648,988	627,571	497,833	488,679	325,532
Total	$11,335,436	$10,875,921	$10,229,341	$8,759,573	$6,105,547	$5,557,615

Officers: Roy F. Whitney, Pres. & Gen. Mgr.; James E. Osborn, V-P.; Andrew P. Nichols, Clerk & Treas.

Directors: Thos. B. Bassett, Roy H. Beattie, Jerome C. Borden, Spencer Borden, John S. Brayton, William L. S. Brayton, Simeon B. Chase, Frederick O. Dodge, Nathan Durfee, Thomas E. Lahey, Albert A. Harrison, Oliver S. Hawes, Jas. E. Osborn, Chas. Walcott, Roy F. Whitney.

General Office, 85 North Main Street, Fall River, Mass.

THE CONNECTICUT COMPANY

History—Incorporated in Conn. to operate the electric railways in Conn. previously controlled by the Consolidated Railway Co. That company was on May 31, 1907, legally merged in the New York, New Haven & Hartford R. R. Co., and its bonds and those of its constituent companies were assumed by the "New Haven" company (see details under the statement of that company in the Steam Railroad Volume).

On June 30, 1909, absorbed the Columbia Traction Co., and on Feb. 28, 1910, purchased and absorbed substantially all the various street railway properties in the State of Connecticut of the New York, New Haven & Hartford R. R. Co.

In March, 1910, the Housatonic Power Co. took over all the gas, water and electric light interests of the New York, New Haven & Hartford R. R., located in Connecticut.

The lines owned and operated, including those leased from the Connecticut Ry. & Lighting Co. and West Shore Ry. Co., cover virtually the entire State of Connecticut, serving the following cities and towns: Cities of New Haven, Hartford, Bridgeport, Waterbury, Meriden, New Britain, Middletown, Stamford, Norwalk, Rockville, Derby, Shelton, Ansonia, New London, Norwich, Willimantic, Milford, and towns of East Haven, Branford, North Haven, Wallingford, Hamden, Orange, Southington, Plainville, Farmington, Portland, Middlefield, Cromwell, Rocky Hill, Wethersfield, West Hartford, Bloomfield, Windsor, Stafford, East Hartford, East Windsor, South Windsor, Manchester, Vernon, Glastonbury, Greenwich, Stratford, Huntington, Fairfield, Westport, Darien, Naugatuck, Watertown, Middlebury, Thomaston, Torrington, Winchester, Beacon Falls, Seymour, Che-

shire, Newington, Berlin, Woodbury, Prospect, Tolland, Ellington, Waterford, Montville, Uncasville, Round Hill, Jewett City, Plainfield, Central Village, Wauregan, Danielson, Killingly, Elliott, Dayville, Putman, East Killingly, Windham, Baltic, Occum, Taftville, Norwich Town, South Coventry, Greenville, and Taft, Conn. Buses are now operated over a number of lines; trolley service between Willimantic and South Coventry was discontinued in Nov. 1926.

Control—On Nov. 21, 1925 the Federal Court granted the application of the New York, New Haven & Hartford RR. Co. permission to resume operation of its street railway and trolley lines which were taken from them in 1913.

MILEAGE OPERATED, AS OF DECEMBER 31, 1927

	First Track Miles	Second Track Miles	Sidings, Etc.	Total Track.
Lines owned and operated	338.314	104.028	36.184	478.526
Lines operated under trackage rights	0.764	.....	0.063	0.827
Lines operated under lease	160.192	81.517	21.237	262.946
Lines operated under agreement	8.732	.....	0.171	8.903
Total	508.002	185.545	57.655	751.202

Gauge, standard. Rail, 40 to 95 lbs. T. 70 to 110 lbs. girder tram and 85 to 125 lbs. girder groove.

Equipment, Dec. 31, 1927—Closed passenger cars (motor), 962; open passenger cars (motor), 361; buses, 125; freight cars (motor) 24; express cars (motor, 32; non-motor, 8), 40; work cars (motor), 90; work cars (non-motor), 37; snow plows (motor), 65; sweeper (motor), 37; locomotives (motor), 2—total, 1,743.

CAPITAL STOCK

Authorized (by directors) and outstanding, $40,000,000; par, $100; all owned by The New York, New Haven & Hartford R. R. Co.

Annual Meeting—First Saturday in March.

Dividends—A dividend of 1½% was paid in 1910; 2½% in 1911; 3¾% in 1912; 3¾% in 1913; 3¾% in 1914; 1% in 1915; 1½% in 1916; ½% in 1917; none since.

FUNDED DEBT

All of the Company's mortgage debt has been assumed, principal and interest, by the New York, New Haven & Hartford R. R. Co. (see Steam Railroad Volume).

EQUIPMENT OBLIGATIONS

(1)

$77,000 EQUIPMENT TRUST 5% GOLD NOTES, SERIES "E"; MATURING IN SEMI-ANNUAL INSTALLMENTS OF $8,000 EACH APRIL 1, AND $9,000 EACH OCTOBER 1, TO OCTOBER 1, 1931, AND $9,000 ON APRIL 1, 1932

Dated April 1, 1922.

Interest Payable April and October 1, at United States Security Trust Co., Hartford, Conn., or at First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—United States Security Trust Co., Hartford, Conn.

Callability—Not callable before maturity.

Security—The title to the equipment under the agreement remains with the Trustee until both principal and interest of all notes shall have been paid in full. Secured on 35 single-truck steel safety cars and 3 double-truck steel safety cars, purchased at the cost of $229,000, of which $58,000 paid in cash.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$37,500 EQUIPMENT TRUST 6% GOLD NOTES, SERIES "P"; DUE JULY 1, 1928

Dated July 1, 1923.

Interest Payable January and July 1, at United States Security Trust Co., Hartford, Conn.

Denominations—Coupon, $500 and $1,000.

Trustee—United States Security Trust Co., Hartford, Conn.

Provisions of Issue—Issued, $487,500, of which $450,000 retired to Dec. 31, 1927.

Security—The title to the equipment under the trust agreement remains with the trustee, its successors and assigns, until both principal and interest of all notes shall have been paid in full. Secured on 50 double truck one-man, two-man steel safety cars purchased at the cost of $650,000, of which $162,500 paid in cash.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$135,000 6% EQUIPMENT TRUST GOLD NOTES, SERIES "G" DUE $45,000 EACH JUNE AND DECEMBER UNTIL JUNE 1929

Dated June 16, 1924.

Interest Payable June and December 15, at United States Security Trust Co., Hartford, Conn.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—United States Security Trust Co., Hartford, Conn.

Provisions of Issue—Issued, $450,000, of which $315,000 retired to Dec. 31, 1927.

Callability—Not callable before maturity.

Security—These notes are a direct obligation of The Connecticut Company under an Equipment Trust Agreement between it and the United States Security Trust Co. The title to the equipment under this Agreement remains with the Trustee until both principal and interest of all notes shall have been paid in full. Secured on the following equipment costing $906,968 with a present valuation of $770,000; 50 convertible steel passenger cars with a seating capacity of 56 passengers per car, and 20 convertible steel passenger cars with a seating capacity of 32 passengers per car.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Connecticut four mills tax.

Legal Opinion—Day, Berry & Reynolds, Hartford, Conn. (for the bankers) and Watrous, Hewitt, Sheldon & Gumbart (for the Company).

PROVISIONAL 5% GOLD DEBENTURES

On Dec. 31, 1927, there were outstanding four provisional 5% gold debentures for $250,000 each; dated Aug. 1, 1916, maturing respectively on the first day of Feb., 1919 to 1922, inclusive, but none retired subsequent to the Feb. 1, 1918 maturity. Original issue $1,500,000. These $1,000,000 debentures are all owned by The New York, New Haven & Hartford RR. Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$14,185,034	$14,649,682	$14,522,177	$14,374,839	$14,717,233	$14,477,6
Operating expenses	11,563,166	11,917,518	11,585,188	11,590,737	11,673,454	11,177,5
Net earnings	$2,621,868	$2,732,164	$2,936,989	$2,784,102	$3,043,779	$3,300,0
Other income	56,984	71,654	50,759	50,434	62,618	44,8
Total income	$2,678,852	$2,803,818	$2,987,748	$2,834,536	$3,106,397	$3,344,8
Interest, taxes, rentals, etc.	2,150,835	2,268,354	2,122,274	2,132,068	2,081,150	2,034,4
Surplus for year	$528,017	$535,464	$865,474	$702,468	$1,025,247	$1,310,4
Times Fixed Charges Earned	1.24	1.24	1.40	1.36	1.49	1.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$51,286,532	$50,922,917	$50,909,624	$49,999,306	$49,252,983	$48,799,773
Expenditures on leased lines	6,612,987	6,645,446	6,408,348	5,888,637	5,747,557	5,057,632
Stocks owned	44,001	44,001	42,885	42,885	71,499	71,499
Other investments	205,000	255,000	280,000	30,000	.....	582,169
Materials and supplies	1,319,440	1,291,072	1,370,900	1,406,791	1,270,820	1,173,914
Cash	864,384	845,232	827,463	144,953	1,132,702	1,485,883
Bills receivable	220,640	358,520	273,721	576,220	.....	.....
Current accounts	23,567	14,790	18,275	20,090	384,908	464,816
Other assets	.....	.....	.....	.....	53,528	46,014
Unadjusted debits	110,264	146,324	102,304	166,108	103,423	39,981
Additions and equip. U. S. Housing Corp.	.....	.....	.....	.....	1,145,495	1,145,495
Deferred debit items	.....	.....	.....	4,500	90,824	54,668
Equipment trust	1,512,498	1,512,498	1,512,498	1,949,010	1,350,241	436,733
Total	$62,199,313	$62,035,800	$61,746,018	$60,229,200	$60,603,980	$59,358,577
Liabilities—						
Capital stock	$40,000,000	$40,000,000	$40,000,000	$40,000,000	$40,000,000	$40,000,000
Equipment notes	249,500	456,500	815,188	892,500	666,500	308,000
5% Debentures	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Obligations of Conn. Ry. & Ltg. Co. at date of lease	1,518,892	1,518,892	1,518,892	1,518,591	1,518,591	1,518,892
Obligations to West Shore Ry. Co. at date of lease	8,100	8,100	8,100	8,100	8,100	8,100
U. S. Housing Corp. add. and equipment	.....	.....	.....	.....	1,126,747	1,126,747
Non-negotiable debt to N. Y., N. H. & H. R. R	4,481,741	4,568,917	4,568,917	4,568,916	4,568,916	4,568,916
Current liabilities	385,130	415,310	696,987	857,020	825,038	489,768
Interest and rents accrued	316,497	601,359	579,847	553,924	212,945	200,199
Taxes accrued	833,207	770,324	854,498	1,037,826	1,497,505	2,068,145
Unadjusted credits	4,690,938	2,616,219	1,948,746	123,128	100,240	92,876
Other liabilities	12,605	22,026	15,852	6,267	8,300	7,745
Deferred credit items	495,336	497,129	496,828	1,096,333	962,176	841,311
Rehabilitation fund	4,702,391	4,702,391	4,702,391	4,702,391	4,702,391	4,702,391
Profit and loss surplus	3,504,976	4,858,633	4,539,772	3,864,204	3,406,531	2,425,487
Total	$62,199,313	$62,035,800	$61,746,018	$60,229,200	$60,603,980	$59,358,577

Officers: E. J. Pearson, Chrm. Board of Directors; J. K. Punderford, Pres. & Gen. Mgr.; W. J. Flickinger, V-P.; E. T. Chapman, Sec. & Treas.; I. A. May, Compt., New Haven, Conn.

Directors: J. K. Punderford, Leonard M. Daggett, Edw. J. Pearson, Benj. Campbell, Arthur T. Hadley, Edw. G. Buckland, Nathaniel M. Rice, New Haven, Conn.; Morgan B. Brainard, Edw. Milligan, Hartford, Conn.; Chas. Cheney, South Manchester, Conn.; Chas. G. Sanford, Walter B. Lasher, Bridgeport, Conn.; Francis T. Maxwell, Rockville, Conn.; Edward O. Goss, Waterbury, Conn. James L. Richards, Boston.

Office, New Haven, Conn.

WEST SHORE RAILWAY

(Operated Under Lease by The Connecticut Co.)

History—Incorporated Dec. 14, 1893, charter amended June 10, 1901. Leased to The Connecticut Co. at rental of interest on bonds and dividend of 5% on stock. Line of road: Savin Rock to Woodmont, Conn. (double track), 7.32 miles; total track, 7.43 miles. Rail, T. steel, 56 to 60 lbs. Gauge, standard.

CAPITAL STOCK

Authorized, $200,000; outstanding, $80,000; par, $25. Annual meeting, third Monday in October, at West Haven, Conn.

Dividends—Dividends of 5% per annum paid under the lease; payments semi-annually, June and Dec.

FUNDED DEBT

None.

General Balance Sheet, Dec. 31, 1927—Capital stock, $80,000; long term debt, $137,365; profit and loss, $743—total, $218,108. Contra: Property account, $218,108.

Officers: J. K. Punderford, Pres.; Edward T. Chapman, Sec. & Treas., New Haven, Conn.

Directors: John B. Carrington, Samuel Hemingway, J. K. Punderford, New Haven, Conn.

Office, New Haven, Conn.

WAYNE SEWERAGE COMPANY

History—Incorporated Dec. 1, 1902, in Pa., and owns a sewerage system and disposal plant in Radnor Township, Delaware Co., Pa.

CAPITAL STOCK

Authorized, 2,000 shares Common of no par value and $100,000 7% cumulative Preferred, par $100; outstanding, 2,000 shares Common and $20,000 Preferred.

Preferred Stock Provisions—Preferred stock is non-voting. It is subject to redemption at 105 and dividends.

Annual Meeting—First Tuesday in February at Philadelphia, Pa.

Dividends—Preferred dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

$160,000 FIRST MORTGAGE SINKING FUND 5% GOLD BONDS; DUE NOVEMBER 1, 1959

Dated November 1, 1909.

Interest Payable May and November 1 at Columbia Avenue Trust Co. of Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Columbia Avenue Trust Co. of Philadelphia.

Provisions of Issue—Authorized, $500,000; issued, $180,000, of which $20,000 held in treasury Dec. 31, 1927. A supplemental mortgage provides that additional First Mortgage bonds may be issued to a principal amount not in excess of 75% of the cost or fair value, whichever is lower, of new properties, additions, extensions and permanent improvements. First Mortgage bonds may not be issued unless net earnings before depreciation and Federal taxes for a period of 12 consecutive calendar months within the 15 calendar months immediately preceding the issuance of the new bonds have been at least 1½ times the annual interest charges on all bonds which will be outstanding in the hands of the public and on these bonds to be issued.

Callability—Subject to call as a whole or in part on any interest date upon three weeks' notice at 102½ and interest.

Sinking Fund—Under the provisions of the supplemental mortgage, the Company agrees to pay annually to the Trustee as a sinking fund beginning May 1, 1929, 1% per annum upon amount of bonds at the time

outstanding, such amounts to be used for retirement of the bonds issued thereunder. All bonds so purchased or redeemed are to be held by the Trustee in the sinking fund until maturity and interest thereon added to the fund.

Security—Secured by a direct first mortgage on the entire real and personal property, franchises, rights, and privileges of the Company now owned or hereafter acquired.

Equity—The value of the Company's property as of May 2, 1927, reported by Hodge & Roth, Inc., Philadelphia, Engineers, is not less than $325,000, after depreciation.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Free of Pennsylvania four mill tax.

EARNINGS, YEARS ENDED

	Dec. 31, 1927	March 3 1927
Gross revenues	$31,570	$28,45
Operating expenses, maint. & taxes	13,692	12,11
Net earnings	$17,878	$16,34
Interest on bonds	8,667	*
Balance available for depreciation, Federal taxes, Pfd. dividends and surplus	$9,211	*

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Fixed capital (book value)	$348,515	Preferred stock	$20,0
Cash	10,083	Common shares	50,0
Accounts receivable, etc.	889	Funded debt	160,0
Deferred charges	8,100	Floating liabilities	43,3
		Accrued liabilities	2,5
		Reserves	21,4
		Surplus	70,2
Total	$367,587	Total	$367,5

Officers: W. W. Levering, Pres.; Henry D. Boenning, V-P; Daniel S. Blackman, Treas.; Paul A. Haffner, Sec., Philadelphia, Pa.

Directors: W. W. Levering, Henry D. Boenning, C. S. Newhall, Daniel S. Blackman, Philadelphia, Pa. B. E. Estes, Portland, Maine.

General Office, 1606 Walnut St., Philadelphia, Pa.

MOHAWK HUDSON POWER CORPORATION

(See Accompanying Map)

History and Business—Incorporated May 26, 1925 in New York. Controls the following public utilities operating in New York State: New York Power & Light Corporation, Eastern New York Utilities Corporation, Seneca River Power Company, The Syracuse Lighting Company, Inc., Utica Gas & Electric Company. In Jan., 1928, the New York Public Service Commission approved the acquisition of the stock of the Schodack Light & Power Corp., supplying electricity in Castleton, N. Y., and vicinity.

All the capital stock of Mohawk Valley Securities Corporation is owned. Has investments in bonds and preferred stocks of companies controlling adjacent properties.

SALES, ETC., YEARS ENDED DECEMBER 31

	1927	1926	1925
*Sales of electricity (k.w.h.)	981,448,938	953,090,506	852,726,870
Gas (cu. ft.)	6,811,955,520	6,865,301,000	6,050,095,000
Customers, electricity	279,781	258,144	235,339
Customers, gas	202,216	198,121	193,937

*Exclusive of inter-company sales.

CAPITAL STOCK

Authorized, 2,500,000 shares Common of no par value; 500,000 shares $7 cumulative Preferred of no par value and 500,000 shares $7 cumulative Second Preferred of no par value; outstanding Dec. 31, 1927, 1,572,843 shares Common, 400,000 shares First Preferred and 250,000 shares Second Preferred. The authorized amounts of $7 cumulative Pfd. and $7 cumulative Second Pfd. were increased from 400,000 shares and 250,000 shares, respectively, to present amounts in April, 1928.

Preferred Stock Provisions—Both classes of Preferred are entitled to cumulative dividends at rate of $7 per share per annum, are entitled to priority over the Common stock in case of liquidation at $100 per share. On majority vote of Common stock, Preferred and Second Preferred stocks are subject to redemption at any time at $107.50.

Option Warrants—When originally issued each share of Second Preferred carried a detachable option warrant which entitles the holder to purchase at any time two shares of Common at $50 per share, or in lieu of cash, to receive two shares of Common stock upon surrender of one share of Second Preferred stock with all unpaid dividends accrued thereon.

Voting Rights—All classes of stock have full voting rights.

Transfer Agent (All Classes of Stock)—Centr Union Trust Co., New York.

Registrar (All Classes of Stock)—Guaranty Tru Co., New York.

Annual Meeting—First Wednesday in April Albany, N. Y.

Market—All stocks traded in on New York Cu market.

Price Range—

	1927	1926	19
Pfd.			
High	112	105	105
Low	101⅜	102¼	101
Second Pfd.—			
High	107	102	93
Low	94	90	88
Common—			
High	32½	28⅝	43
Low	20⅝	20⅛	20

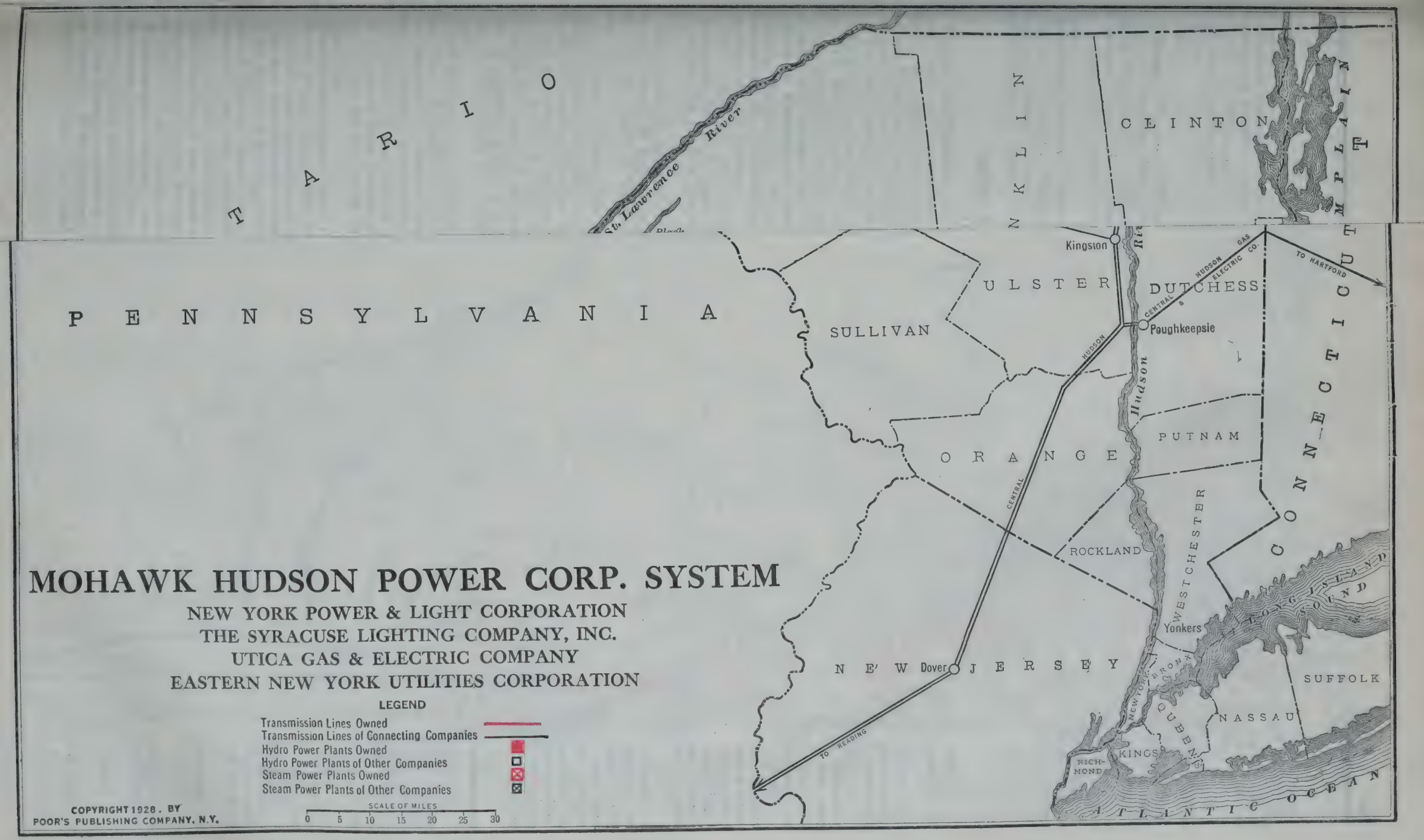
Dividends—Pfd. dividends regularly paid sin Nov. 2, 1925; payments quarterly F, M, A & N 1, stock of record about 10 days prior. Second Pfd. div dends have been paid as follows: Initial dividend of per share Feb. 1, 1926; May 1, 1926, $1.72; Aug. 2, 192 Nov. 1, 1926, Feb. 1, April 1, June 1 and Aug. 1, 192 $1.75 each, the August dividend clearing up all a cumulations; Oct. 1, 1927 to date regular quarter dividends of $1.75; payments, J, A, J & O 1, to sto of record about 10 days prior.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(With Inter-company Items Eliminated)

	1927	1926
Gross operating revenues of subs. cos.	$31,227,432	$29,571,8
Exps., res., int. and Pfd. divds. of subs.	25,435,333	24,348,7
Minority and former int. in sub. cos.	14,395	683,6
Balance	$5,777,704	$4,539,4
Other income (net)	310,355	866,7
Earned for Mohawk Hudson Power Corp.	$6,088,059	$5,406,1
Divd. require. on Mohwk Hudson Power Corp. Preferred stocks	4,529,948	3,650,0
Balance for Common stock and surplus, Mohawk Hudson Power Corp.	$1,558,111	$1,756,1
Earnings Per Share—		
Preferred (Both Classes)	$9.37	$8.
Common	0.99	1.



MOHAWK HUDSON POWER CORP. SYSTEM

NEW YORK POWER & LIGHT CORPORATION
THE SYRACUSE LIGHTING COMPANY, INC.
UTICA GAS & ELECTRIC COMPANY
EASTERN NEW YORK UTILITIES CORPORATION

LEGEND

- Transmission Lines Owned
- Transmission Lines of Connecting Companies
- Hydro Power Plants Owned
- Hydro Power Plants of Other Companies
- Steam Power Plants Owned
- Steam Power Plants of Other Companies

SCALE OF MILES
0 5 10 15 20 25 30

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MOHAWK HUDSON POWER CORP. SYSTEM

NEW YORK POWER & LIGHT CORPORATION
THE SYRACUSE LIGHTING COMPANY, INC.
UTICA GAS & ELECTRIC COMPANY
EASTERN NEW YORK UTILITIES CORPORATION

LEGEND

- Transmission Lines Owned
- Transmission Lines of Connecting Companies
- Hydro Power Plants Owned
- Hydro Power Plants of Other Companies
- Steam Power Plants Owned
- Steam Power Plants of Other Companies

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GENERAL BALANCE SHEET, DECEMBER 31
(Mohawk Hudson Power Corp.)

Assets—	1927	1926
Investments	$79,594,372	$87,680,474
Organization expense	282,199	422,862
Furniture and fixtures	4,282	3,726
Cash and call loans	8,747,481	556,375
Notes & accts. receivable	6,379,425	5,236,207
Subscribers to capital stock	.....	450
Suspense	4,024	.....
Total	$95,011,783	$93,900,094

Liabilities—	1927	1926
No par capital stock and surplus	$93,817,664	$92,517,489
Stock issuable	.....	1,400
Accrual for taxes	270,962	97,012
Accrual for dividends on Pfd. stocks	904,164	1,284,193
Other accrued liabilities	18,993	.....
Total	$95,011,783	$93,900,094

Officers: Charles S. Brewer, Chairman of Board; Charles S. Ruffner, Pres.; Perry T. Hanscom, V-P.; Fifield Workum, V-P.; Darius E. Peck, Sec.; Paul D. Weathers, Treas.; H. T. Somerville and A. N. Woodhead, Asst. Sec's.; Louis F. Mentz, Asst. Sec. & Asst. Treas.

Directors: Roger W. Babson, Wellesley Hills, Mass.; Charles S. Brewer, William I. Taber, Charles B. Rogers, William E. Lewis, Utica, N. Y.; C. W. Appleton, Nicholas F. Brady, Floyd L. Carlisle, P. T. Hanscom, R. A. C. Smith, Owen D. Young, H. E. Machold, Fifield Workum, O. L. Johnston, F. J. Fuller, New York; Edward Murphy, Troy, N. Y.; John N. Carlisle, Watertown, N. Y.; Ledyard Cogswell, Jr., R. C. Pruyn, Albany, N. Y.; Charles S. Ruffner, Schenectady, N. Y.; Arthur V. Davis, Cornelius D. Scully, Pittsburgh, Pa.; F. E. Frothingham, Boston, Mass.; James T. Hutchings, A. W. Thompson, Philadelphia, Pa.; F. M. Tait, Dayton, Ohio.

General Office, 126 State St., Albany, N. Y.

NEW YORK POWER AND LIGHT CORPORATION

(Controlled by Mohawk Hudson Power Corporation)

History and Property—Incorporated in Oct., 1927 in New York, as a consolidation of the Adirondack Power & Light Corporation, Troy Gas Company, Cohoes Power and Light Corporation, Municipal Gas Company of the City of Albany, Fulton County Gas and Electric Company, and Adirondack Electric Power Corporation (see statement of these Corporations in the 1927 Public Utility Volume, pages 661 to 669). Also acquired the electric and gas property formerly owned by the Eastern New York Utilities Corporation.

Basis of Exchange of Stock—The manner of distributing the shares of the new consolidated corporation among the stockholders of the constituent corporations was as follows:

Each holder of one share of 8% Pfd. stock of Adirondack Power & Light Corp. received one share of the 8% Pfd. stock of the new consolidated corporation.

Each holder of one share of 7% Pfd. stock of Adirondack Power & Light Corp. received one share of the 7% Pfd. stock of the new consolidated corporation.

Each holder of one share of $6 Pfd. stock of Adirondack Power & Light Corp. received one share of the $6 Pfd. stock of the new consolidated corporation.

Each subscriber to one share of the $6 Pfd. stock of Adirondack Power & Light Corp. received one share of the $6 Pfd. stock of the new consolidated corporation on payment in full of the subscription price for such $6 Pfd. stock of Adirondack Power & Light Corp.

Each holder of one share of Com. stock of Adirondack Power & Light Corp., other than Municipal Gas Co., received ½ share of the $6 Pfd. stock of the new consolidated corporation.

Each holder of one share of the capital stock of Troy Gas Co., other than Municipal Gas Co., received one share of the $6 Pfd. stock of the new consolidated corporation.

Each holder of one share of Pfd. stock of Adirondack Electric Power Corp., other than Adirondack Power & Light Corp., received one share of 7% Pfd. stock of the new consolidated corporation.

Each holder of one share of the Com. stock of Adirondack Electric Power Corp., other than Adirondack Power & Light Corp., received ½ share of the $6 Pfd. stock of the new consolidated corporation

Each holder of one share of the capital stock of Municipal Gas Co. of Albany received one share of the Com. stock of the new consolidated corporation.

Subsidiaries—Company controls Blue Hill Light and Power Corporation, Port Henry Heat, Light and Power Company and Adirondack Realty Holding Corporation, through ownership of Common stock. During January, 1928, Company acquired the stock of Ridgefield Electric Co., and Washington Electric Light & Power Co., both of Connecticut and the stock of Granville Electric Co. (Vermont) and Spring Brook Power Co. in New York.

Property, Etc.—The territory served includes the following communities: Albany, Troy, Schenectady, Amsterdam, Watervliet, Oneida, Cohoes, Saratoga Springs, Glens Falls, Gloversville and Hudson, N. Y. In addition, electric service is supplied in 158 other cities and towns and gas service in 19 cities and towns. Power is also sold under long term contracts to distributing companies and to electric railways in the vicinity. Estimated population served, 750,000.

The generating capacity of the Company's electric plants is 275,080 k.v.a., and gas plants have a daily capacity of 23,750,000 cu. ft. Electricity is transmitted over a comprehensive inter-connected system of high-tension lines aggregating more than 800 miles. Distribution is through 12,700 miles of lines to 168 communities.

Franchises—Of the total number of electric and gas franchises over 85% are unlimited as to duration; in the thirteen largest cities, which include nearly 70% of the population served, all of the electric franchises and all but three of the gas franchises are without limit as to duration; of the remaining franchises in system the great majority run for long periods of time.

Control—Company is controlled through ownership of its entire Common stock by the Mohawk Hudson Power Corporation.

OPERATING STATISTICS
(Properties now owned by New York Power & Light Corporation)

Years Ended Dec. 31	Power Plant Capacity Kw.	Sales—Electricity Kwh.	Sales—Gas M. Cu ft.	Meters in Service—Electric	Meters in Service—Gas
1922	141,760	356,327,800	2,402,400	107,030	101,636
1923	158,760	430,665,300	2,839,100	121,647	103,544
1924	230,950	467,307,500	2,891,300	139,208	106,572
1925	230,840	574,564,200	3,076,100	150,485	106,627
1926	230,840	659,583,400	3,439,400	165,459	110,277
Year Ended Aug. 31, 1927	230,840	683,230,100	3,467,900	168,611	111,649

CAPITAL STOCK

Authorized, 1,250,000 shares Common of no par value, $15,000,000 7% cumulative Pfd., par $100 and 320,000 shares $6 dividend cumulative Pfd. of no par value; outstanding, 1,000,000 shares Common, $11,222,100 7% Pfd., and 68,021 shares $6 Pfd. In addition, $3,241,000 7% Pfd., and 2,519 shares $6 Pfd. are issuable under the provisions for the exchange of stock of the consolidating companies.

8% Preferred Stock Called—All of the outstanding 8% Pfd. stock was called for redemption on Jan. 1, 1928 at $115 a share.

Callability—The 7% cumulative Pfd. is callable on 30 days' notice at $115 and the $6 Pfd. stock is callable on the same notice at $105.

Transfer Agent (Preferred)—Guaranty Trust Co. of New York.

Registrar (Pfd.)—Bankers Trust Co., New York.

Dividends—Initial quarterly dividends of $1.75 on the 7% Pfd., $1.50 on the $6 Pfd. and $2.00 on the 8% Pfd. were declared payable Jan. 3, 1928; payments J, A, J & O 1.

FUNDED DEBT

(1)

$4,000,000 COHOES POWER AND LIGHT CORP. FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1929

Dated January 1, 1918.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000 and registered, $1,000 and $10,000. Coupon and registered bonds interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized issue, $4,000,000; outstanding, $4,000,000.

Callability—Subject to call at 105 and interest on any interest date on 30 days' notice.

Security—Secured by a first lien on the entire property formerly owned by Cohoes Power and Light Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,500,000) in January, 1919, at 102½ and interest, to yield over 5.65%, by First National Bank and Hemphill Noyes & Co., New York; $725,000 additional in Feb., 1921, at 91 and interest, to yield about 7.50%, by Potter Brothers & Co., New York and Coffin & Burr, Inc., Boston; and $675,000 in April, 1922, at 101½ and interest, to yield 5.75%, by Paine, Webber & Co. and Halsey, Stuart & Co., Inc., New York; $100,000 in 1923 by E. W. Clucas & Co.

(2)

$400,000 TROY GAS CO. FIRST MORTGAGE 5% BONDS; DUE NOVEMBER 1, 1939

Dated November 1, 1889.

Interest Payable May and November 1 at Manufacturers' National Bank, Troy, N. Y.

Denominations—Coupon, $1,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $500,000.

Security—Secured by a first mortgage on the entire property formerly owned by the Troy Gas Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$500,000 TROY GAS CO. SECOND MORTGAGE GOLD 6s; ORIGINALLY DUE FEBRUARY 1, 1923, EXTENDED TO FEBRUARY 1, 1939

Dated February 1, 1898.

Interest Payable February and August 1 at Manufacturers' National Bank, Troy, N. Y.

Denominations—Coupon, $500 and $1,000.

Provisions of Issue—Authorized and issued, $500,000, of which $89,500 held in treasury of Corporation.

Security—Secured by a second mortgage on the entire property formerly owned by the Troy Gas Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$66,000,000 NEW YORK POWER AND LIGHT CORP. FIRST MORTGAGE GOLD BONDS, 4½% SERIES DUE 1967; DUE OCTOBER 1, 1967

Dated October 1, 1927.

Interest Payable April and October 1, at the office or agency of the Corporation in New York City.

Denominations—Coupon, $500 and $1,000 and fully registered bonds in denominations of $1,000 and $5,000. Coupon bonds in denominations of $1,000 and fully registered bonds interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount, not limited; issued, $66,000,000.

Mortgage provides for the issuance of bonds thereunder in series bearing the same or different rates of interest, dates, maturities, redemption provisions an such other distinguishing features and provisions a may be determined by the directors of the Corpora tion, subject, however, to the restrictive provisions c the Mortgage. The Mortgage also provides that addi tional bonds of the 4½% Series due 1967, or other ser ies may be issued thereunder (a) for refunding an equa principal amount of bonds of any series, or underlyin or prior lien bonds, both as defined in the Mortgage (b) for cash; (c) to not exceeding 75% of the cost o fair value to the Corporation, whichever is less, c property additions, as defined in the mortgage, to th properties of the Corporation made or acquired afte Dec. 31, 1927.

Additional bonds may not be issued, except for re funding purposes, unless net earnings, as defined i the mortgage for 12 consecutive months within the 1 calendar months immediately preceding the month i which the application for issue is made shall have bee at least equal to twice the annual interest requirement on (or 12% of the principal amount of) all bond issued and outstanding under the mortgage, includin those proposed to be issued, and on all underlying an prior lien bonds, as defined in the mortgage. Not mor than 15% of such net earnings shall consist in th aggregate of (a) net non-operating income; and (b net income directly derived from the operation c properties not subject to the lien of the mortgage.

Not more than 15% of the bonds issued under th mortgage may be issued against property addition subject to prior liens. No property additions subjec to prior liens may be made the basis for the issue c bonds under this mortgage if the amount of such pric liens exceeds 50% of the cost or fair value to the Co poration, whichever is less, of such property addition Not more than 20% of the bonds issued under th mortgage shall be issued against "specially classifie properties." "Specially classified properties" includ among other things, property used in the business c supplying steam or hot water heat, water, or in th telephone business or in the street railway busines and all properties on which the franchises do not com ply with certain conservative restrictions.

The mortgage contains a clause subjecting fixe property acquired after the date of the mortgage to th lien thereof subject to liens existing on said propert at the time of acquisition and subject to the provisio that when property is acquired by the Corporation sul ject to a lien prior to the lien of this mortgage an because of the restrictions of this mortgage said pro erty cannot be used as a basis for the issue of bonc thereunder, then and in that case the Corporation sha have the right to place a mortgage or mortgages o said property and additions thereto which shall hav priority to the lien of this mortgage.

The bonds of the 4½% Series due 1967 contain clause permitting changes in the mortgage and an indenture supplemental thereto on the vote of 85% c the bondholders in the manner therein defined. N change whatever will be permitted which will modif the terms of payment of the principal or interest c any bond of the 4½% Series due 1967 without th owner's consent.

Purpose of Issue—The proceeds of the $66,000,0(outstanding bonds were used, (1) to the extent c $35,316,190 for the retirement of bonds of the co solidating companies, (2) to the extent of $22,171,54 for payment of debt incurred by the consolidating com panies for proper capital purposes, and (3) the balanc for the partial reimbursement of over $10,000,000 c capital expenditures made by the consolidating com panies and heretofore unfunded.

Callability—Subject to call as a whole or in part a any time upon 30 days' notice at par and accrued in terest to date of redemption, together with a premiu of 5% if redeemed on or before Oct. 1, 1938, and ther after with a premium of 5% less 1/5 of 1% for eac full year elapsed since Oct. 2, 1937 up to and includin

Oct. 1, 1962, and with no premium if redeemed after Oct. 1, 1962 and before maturity.

Sinking Fund—None provided.

Security—Secured by a first mortgage on the entire fixed properties of the Corporation now owned, subject as to portions thereof to the lien of $4,900,000 divisional bonds described in paragraphs 1, 2 and 3 above, of which $4,000,000 mature on Jan. 1, 1929, for the payment of which $4,000,000 additional bonds are reserved under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax and Massachusetts Income Tax not in excess of 6% per annum refundable upon due application.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York (for the bankers) and Simpson, Thacher & Bartlett, New York (for the Corporation).

Original Offering—First publicly offered ($66,000,000) in Oct., 1927, at 96 and interest to yield about 4.72% by Bonbright & Co., Inc., Bankers Trust Co., Coffin & Burr, Inc., F. L. Carlisle & Co., Inc., Harris, Forbes & Co., Guaranty Co. of New York, E. H. Rollins & Sons, New York, etc.; New York State National Bank, National Commercial Bank & Trust Co., Albany, N. Y.; Union Trust Co. of Pittsburgh, Pittsburgh; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston; and Harris, Forbes & Co., Ltd., Montreal.

Price Range—1927: High, 96¼; low, 95½.

(5)

$394,100 ADIRONDACK POWER & LIGHT CORP. TEN-YEAR 5% DEBENTURE BONDS; DUE 1930

Dated 1920.

Interest Payable January and July 1 at State Street Trust Co., Boston.

Callability—Subject to call at 101 and interest on 30 days' notice.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

PREDECESSOR COMPANY BONDS CALLED

All of the Adirondack Electric Power Corp. First (Closed) Mortgage Gold 5s; due January 1, 1962, were called for redemption on Jan. 1, 1928, at 105 and interest, at New England Trust Co., Boston, Trustee.

All of the Adirondack Power & Light Corp. First and Refunding Mortgage Gold bonds, 6% Series due March 1, 1950, were called for redemption on Sept. 1, 1927 at 106½ and interest at Guaranty Trust Co. of New York, Trustee.

All of the Adirondack Power & Light Corp. First and Refunding Mortgage Gold bonds, 5½% Series, due March 1, 1950, were called for redemption on Nov. 1, 1927 at 105½ and interest at Guaranty Trust Co., New York, Trustee.

All of the Adirondack Power & Light Corp. First and Refunding Mortgage Gold bonds, 5% Series, due January 1, 1956, were called for redemption on Jan. 1, 1928 at 105 and interest at Guaranty Trust Co., New York, Trustee.

All of the Adirondack Power & Light Corp. 5-year 5% Convertible Gold Debenture Bonds; due April 1, 1929, were called for redemption on Oct. 1, 1927, at 101 and interest at New York Trust Co., New York, Trustee.

All of the Municipal Gas Co. of the City of Albany First Mortgage Gold 5½s, Series "A," due April 1, 1952 were called for redemption on Oct. 1, 1927 at 107½ and interest at Central Union Trust Co. of New York, Trustee.

All of the Fulton County Gas & Electric Co. First and Refunding Mortgage Gold 6s, Series "A," due March 1, 1946, were called for redemption on Sept. 1, 1927, at 107½ and interest at Bankers Trust Co., New York, Trustee.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenue	$18,799,093
Operating expenses	11,410,973
Net revenue	$7,388,120
Fixed charges	2,953,542
Net income	$4,434,578
Preferred dividends	1,177,164
Balance	$3,257,414

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital	$89,635,369
Cash	10,305,981
Notes receivable	106,635
Accounts receivable	3,458,964
Materials and supplies	1,402,368
Prepayments	37,737
Investments	1,841,984
Special deposits	3,007,142
Unamortized debt discount and expense	5,042,230
Suspense to be amortized	3,571,313
Other suspense	3,531,422
Reacquired securities	337,700
Intangible capital to be amortized	1,432,135
Total	$123,710,980
Liabilities—	
Common stock	$7,500,919
Preferred stock	*20,155,800
Stock issuable in exchange	*3,916,800
Funded debt	71,294,100
Accounts payable	4,273,825
Unmatured liabilities	1,876,439
Consumers' deposits	715,547
Prepaid service accounts	36,900
Suspense credit	180,107
Unamortized premium on debt	389
Liability to purchase stock	550
Retirement reserve	3,401,874
Other reserves	493,112
Liability for improvement taxes	2,806,337
Surplus	7,058,281
Total	$123,710,980

*Includes $2,554,700 8% Preferred stock called for redemption Jan. 1, 1928.

Officers: Charles S. Ruffner, Pres.; Otto Snyder, Exec. V-P.; John L. Haley, C. A. Davis, L. C. Smith, H. C. Shields, L. A. Jones, M. E. Skinner, J. M. Seay, V-P.'s; Paul D. Weathers, Treas.; James F. McKinney, Sec.; James A. McGuire, W. N. Bissell, J. M. Brucker, T. H. Powers, W. C. Coleman, Asst. Treas.'s; A. N. Woodhead, R. E. Herrick, H. I. Olwine, Asst. Sec.'s.

Directors: Chas. S. Brewer, Chairman; Charles S. Ruffner, Robert Olcott, Neile F. Towner, Oswald L. Johnston, Harry C. Shields, Jesse R. Lovejoy, Darius E. Peck, Abram V. Morris, Maurice E. Hoopes, Thaddeus R. Beal.

General Office, 126 State St., Albany, N. Y.

PORT HENRY LIGHT, HEAT AND POWER COMPANY

(Controlled by New York Power & Light Corp.)

History—Incorporated in 1906, in New York Furnishes electric energy in Port Henry, Moriah, and Crown Point, N. Y., and other nearby communities. Owns hydro plant of 1,480 k.w. capacity. Purchases power from Public Service Corp. of Vermont. Electric sales in 1927, 9,129,961 k.w.h. compared with 5,884,781 k.w.h. in 1926; electric customers, 991.

We specialize in the Securities of
PORT HENRY LIGHT, HEAT & POWER CO.
Charles E. Doyle & Co.
49 Wall Street New York City

CAPITAL STOCK

Authorized, $200,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $150,000 Pfd.; par, $100. All Common stock (except directors' qualifying shares) owned by New York Power & Light Corp. Pfd. stock has preference for assets and dividends, and is redeemable as a whole or in part at $110 per share. Transfer Agent and Registrar of Pfd. stock: James F. McKinney, Sec., Albany, N. Y. Annual meeting, first Wednesday in February.

Dividends—Pfd. dividends paid quarterly M, J, S & D 1. A dividend of 5% was declared on Common stock April 10, 1918; none since.

FUNDED DEBT

$290,000 First Mortgage Gold 5s; dated Aug. 1, 1916; due Aug. 1, 1946; int. Feb. and Aug. 1, at New York Trust Co., New York, Trustee and Registrar. Coupon, $1,000; principal may be registered. Subject to call at 105 on any interest date. A sinking fund of 1% of gross revenue became operative Jan. 1, 1918. A first lien on entire property, franchises, etc., now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$145,203	$114,085	$106,384
Oper. exp., deprec. & taxes	104,990	86,225	78,373
Net earnings	$40,213	$27,860	$28,011
Bond interest	14,510	19,449	14,650
Other deductions	6,532		2,483
Total charges	$21,042	$19,449	$17,133
Net income	$19,171	$8,411	$10,876
Pfd. dividends paid	10,500	5,250	10,500
Balance for Common, adjustments & surplus	$8,671	$3,161	$376

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$604,171	$572,147	$529,700
Miscell. investments	3,893	3,500	2,500
Materials and supplies	6,473	2,834	3,504
Cash	9,550	870	3,263
Notes receivable	355	347	478
Accounts receivable	25,184	23,273	18,929
Prepayments	1,413	1,996	1,457
Sinking fund	144	4	.....
Miscell. suspense	9,285	295	.....
Unamort. debt, disc. & exp.	28,482	30,128	32,533
Total	$688,950	$635,394	$592,364

Liabilities—	1927	1926	1925
Common stock	$50,000	$50,000	$50,000
Preferred stock	150,000	150,000	150,000
Funded debt	290,000	291,000	292,000
Notes payable	55,000	32,000	20,000
Accounts payable	37,973	23,720	16,524
Int. and taxes accrued	12,225	6,686	6,20
Consumers' deposits	1,449	.....	.....
Reserve for depreciation	48,513	48,087	46,764
Other reserves	2,313	1,946	10,05
Profit and loss surplus	41,477	31,818	82
Total	$688,950	$635,394	$592,364

Officers: Otto Snyder, Pres.; J. L. Haley, V-P.; J. F. McKinney, Sec.; J. M. Brucker, Treas., Schenectady, N. Y.

Directors: Otto Snyder, J. F. McKinney, J. M. Brucker, J. L. Haley, Schenectady, N. Y.; C. F. Carpenter, C. H. Churchill, Jr., Port Henry, N. Y.; A. H. Stack, Albany, N. Y.

Office, Port Henry, N. Y.

SENECA RIVER POWER CO.

(Controlled by Mohawk Hudson Power Corp.)

History and Property—Incorporated in 1905, in New York, and on June 1, 1920, absorbed the Oswego River Power Transmission Co. (see 1920 Public Utility Manual, page 825) and in Jan., 1927, merged Mexico Electric Company (see 1927 Public Utility Manual, page 668). Furnishes electricity to the villages of Baldwinsville, Phoenix, Hannibal, Parish, Mexico, Palermo, N. Y., and also to several towns. Owns generating station on Seneca River in Baldwinsville. Company purchases power from the Niagara, Lockport & Ontario Power Co.

COMPARATIVE OPERATING STATISTICS, DECEMBER 31

	1927	1926	*1925
Electric sales (k.w.h.)	12,189,330	8,647,068	11,056,617
Electric customers	3,056	2,888	2,116

*Does not include Mexico Electric Co. (now merged).

CAPITAL STOCK

Authorized, 100,000 shares of no par value. All owned by Mohawk Hudson Power Corporation. Annual meeting, first Tuesday in May.

FUNDED DEBT

None.

BONDS CALLED

All of the Mexico Electric Co. First Mortgage 6s due August 1, 1934 were called for payment on August 1, 1927.

All of the Seneca River Power Co. General Mortgage 50-Year Gold 6s, Series "A," due June 1, 1970 were called for redemption on Dec. 1, 1927 at 11[illegible] and interest at First Trust & Deposit Co., Syracuse N. Y., Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$252,261	$204,228	$211,522	$229,542	$261,638	$203,40
Oper. exp., deprec. & taxes	170,848	142,633	146,244	177,677	201,099	159,82
Net earnings	$81,413	$61,595	$65,278	$51,865	$60,539	$43,58
Other income (net)	1,225	357	495	.....	.....	.....
Gross income	$82,638	$61,952	$65,774	$51,865	$60,539	$43,58
Interest & income deductions	34,567	18,196	12,268	16,462	15,369	16,12
Net income	$48,071	$43,756	$53,506	$35,403	$45,170	$27,45
Dividends paid	†	†	46,974	30,318	*29,403	15,99
Surplus for year	$48,071	$43,756	$6,532	$5,085	$15,767	$11,45

*In addition a stock dividend of 15.75% ($27,981) was paid in Common stock to holders of both Common and Pfd. stock on August 15, 1923. †Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$1,031,899	$713,941	$629,696
Materials and supplies	35,851	26,125	18,030
Investments	.....	1	.....
Cash on hand, etc.	837	1,363	8,675
Accounts receivable	27,004	26,461	21,976
Notes receivable	282	.....	.....
Prepayments	1,060	.....	.....
Special deposits	320	.....	.....
Suspense	6,736	845	344
Unamortized debt discount and expense	.....	3,276	3,351
Intangible to be amortized	.....	6,480	7,198
Total	$1,103,989	$778,492	$689,270

Liabilities—	1927	1926	1925
Capital stock	$208,200	$208,200	$208,20
Funded debt	.....	271,100	271,10
Real estate mortgages	.....	865	86
Notes payable	716,000	98,000	25,00
Accounts payable	12,707	37,986	39,26
Consumers' deposits	1,150	937	89
Accrued accounts	4,633	1,756	3,52
Retirement reserve	75,949	77,722	77,68
Other reserves	9,962	5,391	1,00
Corporate surplus	75,388	76,535	61,72
Total	$1,103,989	$778,492	$689,27

Officers: W. G. Pearce, Pres.; J. J. McGraw, V-P.; rnest Johnston, Sec. & Treas., Syracuse, N. Y.; C. E. gan, Asst. Sec. & Asst. Treas.

Directors: W. G. Pearce, J. J. McGraw, Ernest Johnston, C. E. Agan.

Office, Syracuse, N. Y.

EASTERN NEW YORK UTILITIES CORPORATION

(Controlled by Mohawk Hudson Power Corporation)

History and Properties—Incorporated Sept. 14, 909, in N. Y., as the Albany Southern R.R. Co. resent name adopted in Oct., 1924. (see 1926 Public tility Manual, page 1615 for other details).

Company operates an interurban third rail elec- ic line from Albany through Rensselaer to Hud- on, a distance of 38 miles, as well as a subsidiary bus ompany in Hudson. In addition to regular passenger affic, Company interchanges freight and express with ie steam railroads connecting with the New York entral R.R. at Rensselaer and Hudson and with the oston & Albany R.R. at Niverville and Hudson, Fran- ises perpetual.

Transfer of Electric and Gas Properties—The elec- ic and gas properties formerly owned by Company ere transferred in September, 1927, to the Municipal as Co. of the City of Albany (now the New York ower & Light Corp.)

COMPARATIVE OPERATING STATISTICS. AT DEC. 31

	1927	1926	1925
lectric sales (k.w.h.)	15,977,553	20,230,823	19,280,272
lectric customers	8,666	8,097	7,458
as sales (M. cu. ft.)	74,443	97,593	90,047
as customers	4,184	3,983	3,927

Control—Majority of capital stock owned by Mo- awk Hudson Power Corporation.

CAPITAL STOCK

Authorized, $1,375,000 Common, and $2,100,000 5% on-cumulative Pfd.; outstanding, $1,375,000 Common nd $2,029,000 Pfd.; par, $100.

Prior Preference Stock Called—The Prior Prefer- nce stock formerly outstanding was called for redemp- on on Feb. 1, 1928, at 112½ and dividends at Bankers rust Co., New York.

Preferred Stock Provisions—Preferred stock has reference as to assets and dividends, and participates qually with Common after the latter has received 5% any year.

Voting Rights—All classes of stock have equal vot- g power.

Registrar—Bankers Trust Co., New York.

Transfer Agent—Brooklyn Trust Co., New York.

Annual Meeting—Second Monday in Sept.

Dividends—Dividends have been paid as follows: On Prior Preference, $1.75 per share quarterly, F, M, A & N 1 from date of issue until retirement; on 5% Pfd., 1½% Feb. 1, 1911; ½% Aug. 1, 1911; none thereafter until Oct. 1, 1925, when 1¼% was paid, which quarterly rate has been maintained to date. No dividends have been paid on Common.

FUNDED DEBT

$1,169,000 ALBANY SOUTHERN R. R. FIRST MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1939

Dated September 1, 1909.

Interest Payable March and September 1, at Redmond & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Total, authorized and issued, $1,500,000, of which $331,000 retired by sinking fund. The bonds were issued principally to provide for the acquisition of the Albany & Greenbush Bridge, for straightening and double tracking road, and to cover 85% of cost of additions and betterments made to property since the date of issue.

Callability—Subject to call as a whole only on any interest date at 106 and interest.

Sinking Fund—Annually, from March 1, 1918, 2% of total authorized issue to Feb. 28, 1929, and 3% from March 1, 1929, to maturity, for the purchase of bonds at not over 106 and interest. If bonds are not so purchasable, the fund is to be invested in securities legal for New York State savings banks until such time as bonds may be purchased.

Security—A first lien upon entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—1927: High, 100 bid; low, 97¾ bid.

Original Offering—First publicly offered ($1,250,- 000) in Oct., 1909 at 97½ and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ailroad earnings	$253,404	$274,057	$331,846	$334,042	$363,773	$331,995
lectric earnings	609,350	778,429	731,986	621,856	581,401	518,000
as earnings	132,108	176,577	164,281	151,157	148,362	130,048
Total earnings	$994,862	$1,229,063	$1,228,114	$1,107,055	$1,093,536	$980,043
perating expenses, taxes, depreciation and rentals	816,788	1,005,550	954,892	915,784	927,964	824,990
et operating revenue	$178,074	$223,513	$273,222	$191,271	$165,572	$155,053
ther income	50,034	6,559	2,792	27,009	6,949	18,785
Total income	$228,108	$230,072	$276,014	$218,280	$172,521	$173,838
ond and other interest and miscellaneous deductions	76,642	68,097	69,677	73,056	72,964	78,679
Net income	$151,466	$161,975	$206,338	$145,224	$99,557	$95,159
eferred dividends	157,450	152,783	71,725	5,250	.....	.....
Balance	*$5,984	$9,191	$134,613	$139,974	$99,557	$95,159
rplus adjustments	17,221	20,335	83,814	86,836	101,732	18,319
Balance for Common	$11,237	*$11,144	$50,799	$53,138	$2,175	$76,840

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
operty investment	*$2,294,629	$5,593,053	$5,345,412	$5,189,976	$5,036,354	$4,925,775
vestments	28,949	63,022	47,153	46,653	46,653	46,991
sh	23,936	57,749	31,346	140,257	69,330	169,945
otes and accounts receivable	58,918	218,802	173,141	156,182	159,064	199,379
nking fund trustee	.....	159	1,719	8,852	3,252	3,052
ecial deposits	3,362,601	10,705	3,876			
epaid accounts	1,049	10,009	11,584	8,559	5,684	9,601
aterials and supplies	26,406	140,925	128,788	105,065	124,506	97,921
namortized debt discount and expense	30,922	43,337	46,758	13,956	19,463	25,106
spense accounts	29,062	34,437	24,736	3,764	2,236	8,847
Total	$5,856,472	$6,172,198	$5,814,513	$5,673,264	$5,466,542	$5,486,617

GENERAL BALANCE SHEET DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$1,375,000	$1,375,000	$1,375,000	$1,375,000	$1,375,000	$1,375,000
Prior Preference stock	785,000	785,000	285,000	285,000	.....	.....
Preferred stock	2,029,000	2,029,000	2,029,000	2,029,000	2,029,000	2,029,000
First mortgage bonds	1,169,000	1,198,000	1,228,000	1,261,000	1,297,000	1,332,000
Notes & accounts payable	35,962	137,357	273,105	154,086	223,254	209,304
Consumers' deposits	.....	31,961	27,258	23,575	19,918	17,101
Accrual accounts, etc.	48,285	53,452	40,674	46,685	29,474	34,999
Retirement reserves	4,669	136,482	124,256	143,122	134,815	125,171
Other reserves	7,062	27,762	33,585			
Suspense	4,104	11,031	338	8,298	63,721	67,507
Profit and loss	398,390	387,153	398,297	347,498	294,360	296,535
Total	$5,856,472	$6,172,198	$5,814,513	$5,673,264	$5,466,542	$5,486,617

*Electric and gas properties, and assets and liabilities associated therewith were transferred in September, 1927, to Municipal Gas Co. of the City of Albany (now New York Power & Light Corp.).

Officers: J. D. Whittemore, Pres.; J. L. Haley, V-P.; A. N. Woodhead, Sec.; Arthur J. Hewig, Treas.

Directors: Irwin W. Day, Waterbury, Conn.; Randall J. Le Boeuf, Albany, N. Y.; J. M. Seay, A. N. Woodhead, J. D. Whittemore, Chas S. Brewer, Utica N. Y.; Chas. S. Ruffner, Schenectady, N. Y.

Officers, Rensselaer, N. Y.

THE SYRACUSE LIGHTING COMPANY INC.

(Controlled by Mohawk Hudson Power Corp.)

History—Incorporated as of Feb. 25, 1924, under the laws of New York as The Syracuse Lighting Co., Inc., being a consolidation of Onondaga Utilities Corp. and Syracuse Lighting Co., which latter company was incorporated May 28, 1901, as a consolidation of Electric Light & Power Co. of Syracuse and Underground Electric Wire Co. and acquired all of the property and franchises of Syracuse Gas Co. (see 1923 Public Utility Manual, page 1300).

Purchases power from Niagara, Lockport & Ontario Power Co. Sells power to New York Central RR. Co., Village of Solvay, Marcellus Light Company and various other companies. Owns a coal gas plant and a water gas plant. Serves with electricity and gas, Syracuse, Eastwood and Solvay. It serves with electricity only, Villages of Liverpool and East Syracuse and various other communities.

COMPARATIVE OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Electric sales (k.w.h.)	191,068,230	180,341,986	173,338,675
Electric customers	63,504	59,330	52,984
Gas sales (M. cu. ft.)	2,112,639	2,143,206	1,907,130
Gas customers	54,250	53,497	50,723

Control—All Common stock owned by Mohawk Hudson Power Corporation.

CAPITAL STOCK

Authorized, 1,000,000 shares Common and $10,000,000 (all series) cumulative Pfd.; outstanding, 966,920 shares Common, $2,000,000 8% Pfd., $1,000,00 7% Pfd., $2,000,000 6½% Pfd. and $3,959,400 6% Pfd.; par $100. All the Common stock is owned by Mohawk Hudson Power Corp.

Preferred Stock Provisions—The four issues of Pfd. stocks are part of one authorization of $10,000,000, no one issue having preference in lien over the others, either as to assets or dividends. The 8% Pfd. is callable at 120 and dividends after Jan. 1, 1931 and has full voting power; the 7% Pfd. is callable at 110 and has limited voting power; the 6½% Pfd. is callable at 110 and has limited voting power; and the 6% Pfd. is callable at 105, and has limited voting power.

Transfer Agent—The Syracuse Trust Co., Syracuse, N. Y.

Registrar—First Trust & Deposit Co., Syracuse, N. Y.

Annual Meeting—First Tuesday in April.

Price Range—

	1927	1926	1925
6½% Pfd.—			
High	110	107¼	..
Low	103	103	..
7% Pfd.—			
High	111	107	107
Low	103	105	103
8% Pfd.—			
High	119	115	..
Low	114	bid	..

Dividends—Dividends on Pfd. stock quarterly, F, M A & N 15, have been paid without interruption since date of issuance, initial dividend of 1½% being paid on the 6% Pfd. stock Feb. 15, 1927. Common dividend paid quarterly, F, M, A & N 15, at rate of 2% per annum from Dec. 1, 1903 to Dec. 1, 1908; 1909, 2½%; 1910 and 1911, 5% each; 1912 and 1913, 6% each; 1914, 7%; 1915 to 1925, 8% each; Feb., May and Aug., 1926, 2% each; none since.

FUNDED DEBT

(1)

$2,500,000 SYRACUSE GAS CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1946

Dated January 1, 1896.

Interest Payable January and July 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Callability—Not subject to call.

Security—A first lien on entire property of former Syracuse Gas Co. Assumed by The Syracuse Lighting Co. Inc.

Legal for Savings Banks in Maine.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	*106	102¼	99½	99½	9[illegible]
Low	*102	98	97	94	91

*High and low bid prices.

(2)

$2,500,000 SYRACUSE LIGHTING CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1951

Dated June 1, 1901.

Interest Payable June and December 1, at office of Redmond & Co., New York; or Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York

Callability—Not subject to call.

Security—Assumed by The Syracuse Lighting Co., Inc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	19[illegible]
High	106½	103	101⅝	98⅞	96	94⅝	..	[illegible]
Low	102¾	101	97½	92	90⅛	85	..	[illegible]

(3)

$6,773,000 THE SYRACUSE LIGHTING CO. INC., FIRST & REFUNDING MORTGAGE GOLD 5½s; DUE FEBRUARY 1, 1954

Dated February 1, 1924.

Interest Payable February and August 1, at The Equitable Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited; issued, $7,000,000 5½s, of which $227,000 redeemed to Dec. 31, 1927.

Additional bonds may be issued under this mortgage in one or more series, in such amounts, and bearing such rates of interest and having maturity dates, and such other provisions within the limitations of the mortgage as the directors may from time to time determine. Additional bonds of the present series, as well as bonds of any other series subsequently authorized, may be issued only for the purposes and under the restrictions provided in the mortgage, which include the following:

(a) To refund in whole or in part at or before maturity an equal principal amount (1) present underlying bonds outstanding; (2) bonds of this or other series issued under this mortgage; (3) underlying bonds secured by closed mortgage or mortgages on property hereafter acquired by the company.

(b) For not in excess of 75% of the cost or fair value, whichever is less, of physical plants or properties hereafter acquired by the company, and of permanent additions, extensions, betterments and improvements to the property of the company, now owned or hereafter acquired, provided that net earnings of the company for the twelve consecutive calendar months out of the fifteen next preceding calendar months, shall have been not less than 1¾ times the annual interest charges on all First & Refunding Mtge. bonds and underlying bonds then outstanding together with those proposed to be issued.

The mortgage contains provisions permitting the modification or alteration thereof or of any Supplemental Indenture in any particular, with the assent of the company and of the holders of not less than 85% of the aggregate principal amount of outstanding bonds not including any bonds owned by the company; provided that any such modification or alteration shall not permit (a) the extension of the maturity of any bonds or the reduction in rate of interest thereof, or any other modification in the terms of payment without the consent of the holder thereof, or (b) the creation of any mortgage lien ranking prior to or on a parity with the lien of the First & Refunding Mortgage as to any property covered thereby.

Callability—Subject to call as a whole or in part and for the sinking fund on any interest date at not less than 30 days' notice at a premium of 6% on or before Feb. 1, 1934; thereafter at a premium of 5% on or before Feb. 1, 1944; said premium to be reduced by ½ of 1% commencing Aug. 1, 1944, with a like additional reduction commencing on Aug. 1 of each year thereafter, the bonds being redeemable at par on Aug. 1, 1953; in each case with accrued interest.

Sinking Fund—A sinking fund is provided, beginning Nov. 1, 1924; payable semi-annually on May and Nov. 1, of a sum equal to ½ of 1% of the total amount of bonds of this series outstanding, the monies to be applied to the purchase and cancellation of bonds of this series at or below the redemption price existing at the next ensuing interest date, or, if not so purchasable, to their call by lot at such redemption price on such interest date. All bonds so purchased or redeemed by the sinking fund are to be cancelled.

Security—A first mortgage on all property, subject to $5,000,000 underlying (closed) mortgage bonds.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia.

Legal for Savings Banks in Maine.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund the Pennsylvania State tax not exceeding four mills on bonds held by residents of Pennsylvania; the State tax in Connecticut up to four mills annually; the Maryland Security tax not exceeding 4½ mills per annum; and the Massachusetts Income tax not exceeding 6% per annum on income derived from the bonds; but will not refund more than one such State tax on the same bond for the same year.

Original Offering—First publicly offered ($7,000,000) in Feb., 1924, at 97 and interest, to yield about 5.70%, by Drexel & Co., Philadelphia.

Price Range—

	1927	1926	1925	1924
High	106	106	103½	102
Low	105	102	100½	95

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$7,093,989	$6,745,003	$6,119,729	$5,474,996	$5,188,039	$4,476,663
Oper. exp., taxes, maint. and depreciation	†4,507,931	†4,415,976	†4,244,023	3,839,527	3,682,662	3,591,910
Net earnings	$2,586,058	$2,329,028	$1,875,706	$1,635,469	$1,505,377	$884,753
Other revenue, net	‡21,848	12,888	46,058	.....	.....	.....
Gross income	$2,564,210	$2,341,916	$1,921,764	$1,635,469	$1,505,377	$884,753
Interest & income deductions	737,382	954,395	601,781	630,249	542,380	533,785
Balance for dividends	$1,826,828	$1,387,521	$1,319,983	$1,005,220	$962,997	$350,968
Dividends paid (Pfd. and Common)	*457,800	*425,995	650.851	479,506	368,828	350,550
Surplus for year	$1,369,028	$961,526	$669,132	$525,714	$594,169	$418

*Pfd. dividends only; Common dividends not reported. †Includes credit to reserve for depreciation of $300,000 in 1925 and 926, and $372,000 in 1927. ‡Debit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$26,433,759	$23,829,022	$20,777,474	$17,745,266	$13,700,530	$12,224,423
Investments	3,502	3,945	3,945	28,990	28,290	23,016
Notes receivable	.....	.....	.....	2,651	18,551	6,439
Materials and supplies	940,284	979,174	675,069	469,482	393,483	281,859
Accounts receivable	810,559	760,379	685,080	1,052,489	644,278	409,954
Subscribers to capital stock	4,669	37,592	59,267	.....	.....	.....
Special deposits	55,782	25,045	25,045	.....	.....	.....
Sinking fund trustee	.....	605	689	.....	.....	.....
Cash	93,944	84,918	270,213	1,458,856	131,928	177,829
Suspense account (intangible capital to be amort.)	31,770	.....	251,000	.....	1,435,502	2,463,933
Prepaid accounts	140,518	152,482	115,886	96,749	106,115	
Suspense	.....	49,977	29,502	.....	.....	.....
Unamortized debt disct. & exp.	505,486	527,358	551,948	606,749	.....	254
Total	$29,020,273	$26,450,497	$23,445,119	$21,461,232	$16,458,677	$15,587,707

GENERAL BALANCE SHEET DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	192
Common stock	$4,834,600	$4,834,600	$4,834,600	$4,830,500	$3,908,000	$4,500,0(
Preferred stock 8%	2,000,000	2,000,000	2,000,000	2,000,000	1,500,000	.....
Preferred stock 7%	1,000,000	1,000,000	1,000,000	701,400	.....	.....
Preferred stock 6½%	2,000,000	1,996,800	1,864,200	.....	.....	.....
Preferred stock 6%	3,959,400	895,500	.....	.....	.....	.....
Capital stock subscribed	32,100	107,700	126,900	.....	.....	.....
Funded debt	11,773,000	11,837,000	11,901,000	11,967,000	8,924,000	8,924,0(
Notes payable	1,000,000	1,580,000	.....	.....	800,000	.....
Consumers' deposits	94,530	101,331	150,459	.....	.....	99,7
Accounts payable	213,294	329,317	234,700	444,764	344,882	974,8
Accrued accounts	370,389	361,684	404,461	614,464	159,814	719,5
Premium on Pfd. stock	141	.....	.....	.....	.....	.....
Suspense credits	2,552	.....	.....	.....	.....	.....
Retirement reserve	821,530	667,716	498,098}	599,749	519,119	70,5
Other reserves	217,609	116,078	127,138}			
Profit and loss	701,128	622,771	303,563	303,355	302,862	298,9
Total	$29,020,273	$26,450,497	$23,445,119	$21,461,232	$16,458,677	$15,587,7(

Officers: J. C. De Long, Pres.; G. I. Vincent, V-P.; Ernest Johnston, Sec. & Asst. Treas.; A. D. Dudley, Treas. & Asst. Sec., Syracuse, N. Y.

Directors: J. C. De Long, A. C. Fobes, Crandall Melvin, S. H. Cook, Syracuse, N. Y.; L. C. Smith, Gloversville, N. Y.; C. S. Brewer, Utica, N. Y.; C. S. Ruffne Schenectady, N. Y.

Offices, 421 South Warren St., Syracuse, N. Y. ar Albany, N. Y.

UTICA GAS AND ELECTRIC COMPANY

(Controlled by Mohawk Hudson Power Corporation)

History and Properties—Incorporated May 10, 1902, in New York State, as a consolidation of the Equitable Light & Power Co. Subsequently merged various other companies (see 1926 Public Utility Manual, page 1619). In 1926, merged Central New York Power Co., Canastota, N. Y., and Newport Electric Light & Power Co. The Company does the entire gas business and practically all the electric business in Utica, Little Falls, Ilion, Herkimer, Mohawk, Frankfort, and numerous towns and communities. It serves with electricity only, Newport, and many other places in the upper Mohawk valley. Is interconnected with New York State Gas & Electric Co., Northern New York Utilities Corp. and New York Power & Light Corp. (the latter also a unit in the Mohawk Hudson System).

The company owns generating plants with 82,200 k.w. capacity of which 32,200 k.w. is in hydro plants and 50,000 k.w. in steam plants. The Harbor Point steam plant with 30,000 k.w. capacity was completed in 1926. The plants and their capacities are as follows:

Hydro Plants:	Trenton Falls	28,800 k.w.
	Dolgeville	1,900 "
	Little Falls	1,200 "
	Newport	300 "
Steam Plants:	Harbor Point	30,000 "
	Washington Street	20,000 "

The company's gas manufacturing plants have an aggregate daily manufacturing capacity of 9,500,000 cu. ft., of which total 3,000,000 cu. ft. is represented by a plant completed in 1926.

COMPARATIVE OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Electric sales (k.w.h.)	168,686,047	178,312,284	114,462,868
Electric customers	38,523	37,589	34,380
Gas sales (M. cu. ft.)	1,179,680	1,103,822	1,014,478
Gas customers	38,037	37,827	36,363

Control—All Common stock owned by Mohawk Hudson Power Corporation.

CAPITAL STOCK

Authorized, 400,000 shares Common of no par value, $6,000,000 7% cumulative Pfd. (par $100) and 100,000 shares $6 cumulative Pfd. of no par value; outstanding, Dec. 31, 1927, 400,000 shares Common, $6,000,000 7% Pfd. and 39,283 shares $6 Pfd. All the Common stock is owned by Mohawk Hudson Power Corp.

Preferred Stock Provisions—Both classes of Pfd. stock have equal preference for assets and dividends and, in case of dissolution, are entitled to payment at par and accrued dividends. Both classes are redeemable as a whole or in part at any time on one month's notice at 105 per share and accumulated and unpa dividends. Non-voting, except in case of default payment of quarterly dividends and in certain oth contingencies.

Transfer Agents—Empire Trust Co., New Yor and First Bank & Trust Co., Utica, N. Y.

Registrars—Central Union Trust Co. of New Yor and Citizens Trust Co., Utica, N. Y.

Original Offering—Initial offering of $1,220,000 7 Pfd. in Dec., 1920 at par on public sale by Compan $2,000,000 additional offered in July, 1924, at $102 p share and accrued dividend, to yield over 6.85%, b Guaranty Company of New York.

Annual Meeting—First Monday in April.

Dividends—Pfd. dividends regularly paid quarterl the 7% Pfd. F, M, A & N 15 and the $6 Pfd., F, M, A N 1. Dividends on Common have been paid follows: 1909, 4½%; 1910, 7%; 1911 and 1912, 8 each; 1913, 9½%; 1914, to and including 1920, 10 per annum; 1921 and 1922, 5% each on $4,000,00 1923, 6¼%; 1924, 8%; 1925, 12.56%; 1926 and 192 not reported. In addition a stock dividend of 100 ($2,000,000) was paid in 1920.

Price Range—

	1927	19
7% Preferred—		
High	106½	10
Low	105	10
$6 Preferred—		
High	106	10
Low	101	bi

FUNDED DEBT

(1)

$593,000 UTICA ELECTRIC LIGHT & POWER CO. FIRS MORTGAGE SINKING FUND GOLD 5s; DUE JANUAR 1, 1950

Dated December 15, 1899.

Interest Payable January and July 1, at Centr Union Trust Co. of New York.

Denomination—Coupon, $1,000; principal may registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized and issued, $1,00 000, of which $407,000 retired through operation sinking fund.

Sinking Fund—1% per annum of bonds outstandi began Jan. 1, 1905, for their purchase at a price sati factory to the trustee and the company.

Security—These bonds are a lien on all property the former Utica Electric Light & Power Co. and second lien on the property of the former Equitab Gas & Electric Co. of Utica.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106½	102¾	102¼	101	95¾	84	..	95
Low	103	100⅝	100¾	97⅜	95	83	..	95

(2)

$390,000 HERKIMER COUNTY LIGHT & POWER CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1930

Dated July 1, 1900.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denomination—Coupon, $1,000 principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $400,000; outstanding, $390,000.

Callability—Subject to call on any interest date at 110 and interest.

Security—Secured by a first mortgage on property formerly owned by the company of issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$1,000,000 (ENTIRE ISSUE) EQUITABLE GAS & ELECTRIC CO. OF UTICA FIRST MORTGAGE 5s; DUE APRIL 1, 1942

Dated April 1, 1902.

Interest Payable April and October 1, at Central Union Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Security—Secured by a first mortgage on all property formerly owned by the Equitable Gas & Electric Co. of Utica and by a second mortgage on all property of the former Utica Electric Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	*102½	*100½	99	100	97
Low	*100	*100	bid	95	94

*High and low bid prices.

(4)

$4,610,000 UTICA GAS & ELECTRIC CO. REFUNDING & EXTENSION GOLD 5s; DUE JULY 1, 1957

Dated July 1, 1907.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $5,000,000, of which $390,000 are reserved to retire a like amount of bonds of the Herkimer County Light & Power Co. and the remainder for extensions and improvements at 75% of cost.

Sinking Fund—A sinking fund of 1% of bonds outstanding began in 1927.

Security—Secured on entire property of company and on property of constituent companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($1,000,000) in March, 1908, at 92½ and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106½	103	103	99½	92½	94¾	83½	95
Low	102⅛	100⅛	98¼	90⅛	88⅞	84¾	bid	95

(5)

$3,300,000 UTICA GAS & ELECTRIC CO. GENERAL MORTGAGE GOLD 5½s, SERIES "C"; DUE JUNE 15, 1949
$6,000,000 UTICA GAS & ELECTRIC CO. GENERAL MORTGAGE GOLD 5s, SERIES "D," DUE APRIL 1, 1956

Dated—Series "C," March 1, 1920; Series "D," April 1, 1926.

Interest Payable on Series "C" June and December 15, and on Series "D" April and October 1, at Central Union Trust Co., New York.

Denominations—Coupon, $500 (Series "C" only) and $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—The authorized issue of bonds under this mortgage is not limited in amount, and additional bonds may be issued under the indenture in series bearing such maturities and rates of interest as the Board of Directors of the Company may determine. The trust indenture provides that additional bonds may only be issued from time to time for the following purposes: (a) Bonds may be issued to a face amount not exceeding 80% of the actual cost or fair value (whichever is less) of acquisitions of new or additional property, or permanent betterments, extensions, improvements or additions to the property of the Company subsequent to Sept. 1, 1919, provided that the net earnings for twelve consecutive months within the fifteen months immediately preceding the issuance of any additional bonds, except for exchange for underlying bonds, shall have been at least equal to 10% of the face amount of bonds outstanding, including all underlying bonds, and including those proposed to be issued, and also shall have been equal to at least 1¾ times the annual interest charge on all bonds outstanding, including underlying bonds and including those proposed to be issued; (b) bonds may be issued at the rate of par for par for the retirement of underlying bonds.

Callability—The Series "C" bonds are subject to call on any interest date on not less than six weeks' published notice, at 105 and interest through June 15, 1934; thereafter at 104 and interest through June 15, 1938; thereafter at 103 and interest through June 15, 1942; thereafter at 102 and interest through June 15, 1946, and thereafter at 101 and interest.

Series "D" bonds are subject to call on any interest date on not less than six weeks' notice at 105 and interest through April 1, 1936; thereafter at 104 and interest through April 1, 1941; thereafter at 103 and interest through April 1, 1946; thereafter at 102 and interest through April 1, 1951, and thereafter at 101 and interest.

Maintenance and Improvement Fund—The trust indenture provides for a maintenance and improvement fund of not less than 12% of the gross operating revenues of the Company for each year.

Security—The General Mortgage bonds are secured by a direct mortgage upon the entire property of the company, subject only to $6,593,000 Underlying and Divisional Mortgage Bonds, $407,000 additional of which are held alive in a sinking fund, and other mortgage debt of $19,600.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded.

Legal Opinion—Sullivan & Cromwell, New York (for the Bankers); and Bronner & Ward, Little Falls, N. Y. (for the Company).

Original Offering—First publicly offered ($3,300,000) Series "C" 5½s in June, 1924, at 100 and interest, yielding 5½%, by Harris, Forbes & Co., New York, Harris, Forbes & Co., Inc., Boston, Coffin & Burr, Inc., New York, etc., and Harris Trust & Savings Bank, Chicago. $6,000,000 Series "D" 5s were publicly offered in May, 1926, at par and interest by the same syndicate.

Price Range—

	1927	1926	1925
Series "C" 5½s—			
High	105	104¾	103½
Low	104¼	103½	101
Series "D" 5s—			
High	104	101	..
Low	100½	99½	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$4,886,895	$4,697,799	$4,264,080	$4,218,392	$4,045,907	$3,442,219
Operating expenses, taxes and depreciation	2,770,904	2,754,611	2,555,080	2,560,963	2,550,794	2,086,737
Net earnings	$2,115,991	$1,943,188	$1,709,000	$1,657,429	$1,495,113	$1,355,482
Other income, net	†36,712	32,152	46,766	73,596	22,956	11,583
Total income	$2,079,279	$1,975,340	$1,755,766	$1,731,025	$1,518,069	$1,367,065
Interest & income deductions	927,324	624,713	673,142	753,303	709,932	712,112
Net income	$1,151,955	$1,350,627	$1,082,624	$977,722	$808,137	$654,953
Dividends paid	*622,834	*459,045	918,864	605,845	360,880	252,217
Surplus for year, (before adjustments)	$529,121	$891,582	$163,760	$371,877	$447,257	$402,736
Times Bond Interest Earned	2.24	3.16	2.61	2.51	2.37	2.2
Earnings Per Share—						
Preferred	$11.60	$16.79	$18.07	$16.75	$34.67	$56.9

*Pfd. dividends only; in previous years both Common and Pfd. dividends are included. †Debit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$32,732,430	$31,396,991	$26,237,092	$22,109,160	$18,042,057	$15,838,11
Bonds owned	.....	.....	.....	.....	.....	17,77
Other investments	989,505	23,416	117,112	155,685	109,052	116,23
Subscribers to capital stock	26,391	236,123	.....	.....	.....	.....
Materials and supplies	948,165	793,562	567,579	608,273	543,102	340,72
Cash	115,626	166,468	203,153	1,423,595	83,331	648,87
Notes receivable	2,021	1,280	435,800	377,837	265,859	4,11
Accounts receivable	779,857	1,521,428	625,926	511,596	376,595	331,86
Prepayments, etc.	5,670	47,617	13,192	67,584	45,359	7,86
Special deposits	102,578	22,684	23,374	24,992	23,769	18,36
Suspense	77,716	80,347	78,293	289,141	110,421	65,63
Unamortized debt discount	721,520	747,863	563,895	583,262	523,987	597,55
Total	$36,501,479	$35,037,779	$28,865,416	$26,151,125	$20,123,532	$17,987,11
Liabilities—						
Common stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,00
Preferred stock	9,928,690	8,044,800	5,992,000	5,837,200	2,330,200	1,149,80
Capital stock subscriptions	69,800	324,900	5,703	.....	.....	.....
Funded debt	15,893,000	15,920,000	11,947,000	12,022,600	10,228,000	10,253,00
Other mortgage liability	19,600	20,500	19,600	.....	.....	.....
Premium on Pfd. stock	95,604	95,604	95,422	92,346	22,236	.....
Notes payable	1,903,600	1,750,000	2,745,000	540,000	200,000	.....
Accounts payable	130,328	382,770	206,012	122,872	339,014	156,82
Consumers' deposits	68,938	71,448	71,378	79,475	72,762	58,38
Accrued accounts	468,604	487,748	351,157	148,872	118,289	103,58
Other liabilities	.....	.....	.....	42,119	47,664	32,76
Unadjusted credits	5,873	.....	.....	.....	.....	.....
Other reserves	132,827	131,925	117,354	229,780	161,744	106,93
Retirement reserve	1,697,141	1,651,162	1,495,935	1,364,937	1,257,791	1,105,12
Surplus	2,087,474	2,156,922	1,818,855	1,670,924	1,345,832	1,020,69
Total	$36,501,479	$35,037,779	$28,865,416	$26,151,125	$20,123,532	$17,987,1

Officers: William T. Baker, Pres.; Frank B. Steele, 1st V-P. & Gen. Mgr.; George H. Stack, Emerson P. Peck, Wm. J. Reagan, V-Ps.; W. J. McSorley, Sec.; Geo. H. Stack, Treas.; Miss Sara Harris, Asst. Sec.; Thomas V. Ealy, Asst. Treas.

Directors: Wm. T. Baker, Chas. S. Brewer, Alexander F. Hobbs, John A. McGregor, O. Judd McKeow Frank B. Steele, George H. Stack, Utica, N. Y.; Myrc G. Bronner, Little Falls, N. Y.; Chas. S. Ruffne Albany, N. Y.

Office, Utica, N. Y.

BERKSHIRE STREET RAILWAY COMPANY

(Controlled by New York, New Haven & Hartford RR.)

History and Properties—Incorporated June 11, 1901, in Mass., in perpetuity. In 1906, absorbed the Hoosac Valley St. Ry., and in May, 1910, the Pittsfield Electric St. Ry. On March 1, 1912, began the operation of the line of The Vermont Co., under 99-yr. lease, and on Feb. 1, 1913, began the operation of the line of the Hoosick Falls R. R. Co., under 99-yr. agreement with The Vermont Co. to which the Hoosick Falls R. R. Co., was leased on Feb. 1, 1913, for 99 years. This lease has been terminated. Line of road extends from Pittsfield, Mass., to Gt. Barrington, Mass.; from Pittsfield to North Adams, and from Adams to North Adams, Mass. Franchise is perpetual. Length of line, Dec. 31, 1927: 88.49 miles; second track, 3.11 miles; sidings, etc., 4.28 miles; total track operated, 97.09 miles. Gauge, standard. Passenger cars (closed, 78; open, 29), 107; express cars, 6; service cars, 6; snow plows, 15; locomotive, 1. In September, 1925, permission was granted Company to operate buses on the highways of Pittsfield, Lenox, Lee, Stockbridge and Great Barrington, Mass.

CAPITAL STOCK

Authorized and outstanding, $5,398,100 (increased from $1,948,100 in 1912, and from $4,398,100 in 1913); par, $100. All owned by N. Y., N. H. & H. RR. A nual meeting, in May, at Pittsfield, Mass.

Dividends—Dividends have been paid as follows: 1909-10 and 1910-11, 2% each; 1% in 1911-12; no since.

Litigation Regarding Stock Ownership—By a rangement with the Dept. of Justice of the Unit States it was agreed that the 53,981 shares of the cap tal stock of the Berkshire St. Ry. Co. and 6,500 shar of capital stock of the Vermont Co. owned by t New York, New Haven & Hartford RR. Co., shou be sold before July 1, 1919 (time extended to July 1922). In November, 1925, Federal Judge Winslo in Southern District Court, New York, sustained petition of the "New Haven" Company for furth modification of the dissolution decree of 1914 a directed the U. S. Government to return to the "Ne Haven" Company holdings in the Connecticut Co., t N. Y. & Stamford Ry., the Berkshire St. Ry. and t Vermont Ry.

FUNDED DEBT

$777,000 Berkshire Street Ry. First Mtge. 6% Go bonds; dated June 1, 1902; due June 1, 1922, but e tended to June 1, 1927, interest being increased fro 5% to 7%; again extended to June 1, 1937, intere

being reduced from 7% to 6%; interest June and Dec. 1, at office of Harris, Forbes & Co., Inc., Boston. Coupon, $1,000; principal may be registered. Girard Trust Co., Philadelphia, Trustee. Authorized, $800,000 of which $23,000 retired. Company does not pay Normal Federal Income tax.

$200,000 Berkshire Street Ry. Debenture Gold 5s; dated March 1, 1905; due March 1, 1925, but extended to March 1, 1930; int. M. & S. 1. Denomination, $1,000. Guaranteed by Consolidated Ry. Co. (now New York, New Haven & Hartford R. R. Co.). All owned by New York, New Haven & Hartford R. R. Co. Company pays Normal Federal Income Tax up to 2%.

$300,000 Hoosac Valley Street Ry. Refunding First Gold 7s; dated Sept. 1, 1904; due Sept. 1, 1924; extended to Sept. 1, 1929, interest being increased from 4%; interest March and Sept. 1, at Berkshire Loan & Trust Co., Pittsfield, Trustee. Coupon, $1,000. Authorized, $400,000. Company does not pay Normal Federal Income Tax.

$242,000 Pittsfield Electric Street Ry. First 7s; dated July 1, 1903; originally due July 1, 1923, but extended for five years, interest being increased from 4%; interest Jan. and July 1, at Berkshire Loan & Trust Co., Pittsfield, Mass. Coupon, $1,000. A first lien on 21 miles of road. Company does not pay Normal Federal Income Tax.

Notes—The New York, New Haven & Hartford RR. owns $3,340,500 6% notes of this company.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$798,696	$850,660	$858,875	$928,578	$985,144	$1,046,774
Oper. expenses, taxes and depreciation	780,802	785,605	769,791	813,208	927,292	864,419
Net earnings	$17,894	$65,055	$89,084	$115,370	$57,852	$182,355
Other income	2,239	1,654	6,162	1,778	3,264	1,849
Total income	$20,133	$66,709	$95,246	$117,148	$61,116	$184,204
Bond interest	$101,510	$102,330	$92,330	$94,250	$298,623	$83,334
Other interest	200,725	200,251	210,072	200,683		207,157
Miscellaneous debits	11,334	.....	309	50	50	42,300
Total charges	$313,569	$302,581	$302,711	$294,983	$298,673	$332,791
Deficit for year	$293,436	$235,782	$207,465	$177,835	$237,557	$148,587
Times Interest Earned	0.06	0.22	0.31	0.40	0.20	0.49

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$6,050,841	$6,282,698	$6,146,673	$6,282,660	$7,467,358	$8,368,911
Expended on leased lines	.....	.....	.....	.....	.....	9
Materials and supplies	77,822	97,120	149,650	144,652	115,554	87,559
Cash on hand	49,340	45,829	55,203	127,909	103,518	95,147
Bills receivable	500	500	500	550	916	1,282
Current accounts	47,587	47,235	34,576	42,065	29,372	30,777
Other currents assets	28,501	25,344	3,450	3,450	5,950	6,050
Unadjusted debits	3,199	8,106	4,016	34,183	142,889	142,565
Deferred debit items	.....	.....	.....	.....	55,635	99,563
Profit and loss	7,641,342	7,255,226	6,931,863	6,500,982	5,240,455	4,216,581
Total	$13,899,132	$13,762,058	$13,325,931	$13,136,451	$13,161,647	$13,048,444
Liabilities—						
Capital stock	$5,398,100	$5,398,100	$5,398,100	$5,398,100	$5,398,100	$5,398,100
Funded debt	1,519,000	1,519,000	1,519,000	1,519,000	5,047,500	5,092,500
Equipment obligations	54,000	67,500	.....	5,736	17,714	79,058
Notes payable	3,340,500	3,355,500	3,333,000	3,333,000	.....	.....
Current liabilities	3,033,543	2,837,079	2,603,167	2,406,957	2,164,927	1,931,078
Interest & rentals accrued	37,465	38,303	29,442	34,474	98,273	115,886
Taxes accrued	5,240	3,440	1,856	11,920	6,630	3,249
Other liabilities	483,522	515,814	414,846	411,390	414,702	414,014
Unadjusted credits	27,347	26,874	26,029	15,341	13,223	13,905
Deferred credit items	415	448	491	533	578	654
Total	$13,899,132	$13,762,058	$13,325,931	$13,136,451	$13,161,647	$13,048,444

Officers: E. G. Buckland, Pres., New Haven Conn.; L. S. Storrs, V-P., New York City; C. Q. Richmond, V-P., Clerk & Gen. Mgr., Pittsfield, Mass.; A. S May, Treas.; I. A. May, Aud. New Haven, Conn.; A. E. Clark, Asst. Clerk; H. S. Palmer, Compt., New Haven, Conn.; Thos. McDonald, Supt., Pittsfield, Mass.; W. H. Marley, Supt., North Adams, Mass.

Directors: L. S. Storrs, New York City, E. G Buckland, Edward J. Pearson, New Haven, Conn.; W. L. Adam, C. Q. Richmond, Arthur M. Robinson, Pittsfield, Mass.; A. P. Russell, Boston, Mass.

General Office, New Haven, Conn. **Local Office,** Pittsfield, Mass.

NEW BEDFORD GAS AND EDISON LIGHT COMPANY

History and Property—Incorporated in 1850 in Mass. In 1888 absorbed New Bedford Electric Light Co. and in 1890 the Edison Electric Illuminating Co. of New Bedford. Company does the entire electric and gas lighting, heating and industrial power business in the City of New Bedford and several neighboring communities, including Acushnet, Fairhaven, Dartmouth, Mattapoisett, East Freetown, Lakeville, Westport and Assonet, and serves from New Bedford by high tension submarine, underground and tower lines to Wareham, Plymouth, Middleboro, and the Cape District. Population served, 150,000.

We deal in the Securities of
NEW BEDFORD GAS & EDISON LIGHT CO.
C. D. PARKER & CO., Inc.
Reliable Investments Since 1896
PARKER BUILDING 150 CONGRESS ST., BOSTON

In the Coffin Street station there are installed 28 B. & W. boilers, with boiler capacity of 22,072 h. p., and a generating plant of 3—4,000, 1—10,000, 2—15,000 and 2—20,000 k.w. G. E. generators, with a total of 92,000 k.w. generating capacity. Each of its two water gas machines has a daily capacity of 3,500,000 cu. ft. and in addition, the Company has completed the installation of apparatus for making gas by the Jones Oil Gas Process, which provides an additional daily capacity of 4,000,000 cu. ft.

The wharf has been extended a length of 210 ft. by 265 ft. front, giving a depth to accommodate vessels drawing 25 ft. of water. It gives a storage capacity of 40,000 tons of coal.

OPERATING STATISTICS, DECEMBER 31

Electric Department—	1927	1926	1925
Output in k.w.h.	173,617,728	172,222,651	155,470,639
No. of meters	40,085	37,772	34,352
Miles of electric line	330.6	318.3	298.8
Gas Department—			
Output in hundred cu. ft.	10,212,647	10,294,073	9,791,800
No. of meters	34,389	33,905	33,632
Miles of mains	252	241	232

Prices: Gas on city mains, block rate, $1.30 to $0.85, discount 10 cents, ten days. On suburban mains, block rate, $1.35 to $0.90, discount 10 cents, ten days. On remote mains, block rate, $1.50 to $1.05, discount 10 cents, ten days. Electric lighting: First zone, block rate, 8 cents to 4½ cents, discount 5%, ten days. Second zone, block rate, 11 cents to 7½ cents, discount 1 cent, ten days. Third zone, block rate, 14 cents to 9½ cents discount 1 cent, ten days. Power: First zone, block rate 7 cents to 1 6/10 cents, discount 5%, ten days. Second and third zones, block rate, 8 cents to 2 6/10 cents, discount 5%, ten days.

CAPITAL STOCK

Authorized and issued, $5,342,400 (increased from $4,579,200 in Dec., 1926); par, $25 (par changed from $100 in Oct., 1923). Transfer office, New Bedford, Mass. Annual meeting, Friday after fourth Thursday in February.

Stock Deposit Recommended—In March, 1927, directors voted to recommend to stockholders that they deposit their stock for a period of five years with trustees for possible sale at not less than $125 a share. The agreement for deposit may be extended for an additional period of five years on a three-quarters vote of deposited stock.

Subscription Privilege—Stockholders of record May 3, 1926, were given the right until June 5, 1926, to subscribe to 30,528 ($763,200) additional shares of capital stock at $55 a share on the basis of 1 new share for each 6 shares held. The stock was issued in Dec. 1926.

Dividends—Dividends have been paid in fiscal years ended June 30, as follows: 1899, 6½%; 1900, 7%; 1901, 7½%; 1902, 6%; 1903, 10½%; 1904, 8%; 1905, 9%; 1906, 10%; 1907, 11%; 1908, 11½%; 1909, 31%; 1910, 11%; 1911, 13½%; 1912, 12%; 1913, 14%; 1914, 13¼%; 1915, 13%; 1916, 15%; 1917 to 1921, 12%. In fiscal years ended Dec. 31 as follows: 1922 to 1924, incl., 12% per annum; 1925, 12% and 2% extra; 1926, 14% and 2% extra (April 15); 1927, 16%; Jan. and April, 1928, 4% each. Dividends are declared the fourth Thursday of M, J, S & D, and are paid J, A, J & O 15, by check.

FUNDED DEBT

(1)

$1,500,000 FIRST GOLD 5s, SERIES "D"; DUE JANUARY 1, 1938

$1,145,000 FIRST GOLD 5s, SERIES "E"; DUE JANUARY 1, 1938

$572,000 FIRST GOLD 5s, SERIES "F"; DUE JANUARY 1, 1938

$600,000 FIRST GOLD 5s, SERIES "G"; DUE JANUARY 1, 1938

Dated January 1, 1918.

Interest Payable January and July 1, at Safe Deposit National Bank of New Bedford, Mass., and at First National Bank of Boston.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Safe Deposit National Bank of New Bedford, Mass.

Provisions of Issue—Authorized, $10,000,000; outstanding bonds being limited by statute to not exceeding the outstanding paid in capital stock. Issued, $5,751,000, of which $3,817,000 outstanding as above; $885,000 First 6s, Series "A," due Jan. 1, 1928 and $477,000 First 7s, Series "B," due Jan. 1, 1928, matured and were paid off, and $572,000 First 6½s, Series "C," due Jan. 1, 1938, were refunded by a like amount of First 5s, Series "F," due Jan. 1, 1938, the 6½s being called for payment on July 1, 1926, at 105 and interest.

Additional bonds may be issued for 50% of the cash cost or fair value whichever is less, of permanent additions, extensions and improvements to the Company's property, when the other 50% of such cost is represented by capital stock at not less than par, and then only when the net earnings of the Company for twelve consecutive months out of the preceding fourteen months shall have been in the aggregate not less than twice the annual interest charge on the then outstanding bonds and those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest.

Sinking Fund—None.

Security—A direct first mortgage upon the franchises and entire property of the Company real and personal (with minor exceptions) now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Legal for Savings Banks in Massachusetts.

Original Offering—First publicly offered ($408,000 Series "A" 6s) in Jan., 1918 at par and interest, by Coffin & Burr, and Harris, Forbes & Co., Inc., Boston; $477,000 Series "B" 7s offered in Sept., 1920, at par and interest, by E. H. Rollins & Sons, Boston and New York; $1,500,000 Series "D" 5s were publicly offered in May, 1922, at 103.29 and interest, yielding about 4.70% by Guaranty Co. of New York; $1,145,000 Series "E" 5s were publicly offered in June, 1923, at par and interest by Harris, Forbes & Co., New York, Boston etc.; $572,000 Series "F" 5s were publicly offered in July, 1926, at 104.45 and interest to yield 4.50% by E. H. Rollins & Sons, New York, Boston, etc.; $600,000 First Series "G," 5s were sold in Dec., 1927.

(2)

$762,000 FIVE-YEAR 5% NOTES; DUE JANUARY 1, 193

Dated January 2, 1928.

Interest Payable January and July 1, at First National Bank of Boston or Safe Deposit National Bank of New Bedford, Mass.

Denomination—Coupon, $1,000.

Trustee—Safe Deposit National Bank of New Bedford, Mass.

Provisions of Issue—Authorized and issued, $762,000. Issued to retire a like amount of First Mortgage bonds maturing Jan. 1, 1928.

Callability—Subject to call on any interest date upon 30 days' notice at 105 and interest in 1928; at 104 in 1929; at 103 in 1930; at 102 in 1931, and at 101 in 1932.

Security—A direct obligation of Company, not secured by mortgage.

Original Offering—First publicly offered ($762,000 in Dec., 1927, at 102¼ and interest, to yield about 4.50% by Lee, Higginson & Co., and Old Colony Corp New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues—						
Gas department	$1,118,255	$1,132,424	$1,124,139	$1,100,907	$1,133,426	$1,122,370
Electric department	3,212,886	3,035,543	2,861,260	2,441,650	2,516,392	2,219,680
Total operating revenue	$4,331,141	$4,167,967	$3,985,399	$3,542,557	$3,649,818	$3,342,050
Operating expenses—						
Gas department	738,023	809,629	797,650	746,825	770,823	719,591
Electric department	1,335,126	1,263,187	1,237,369	1,114,874	1,255,636	1,127,886
Total operating expenses	$2,073,149	$2,072,815	$2,035,019	$1,861,699	$2,026,459	$1,847,477
Net operating revenue	$2,257,991	$2,095,152	$1,950,379	$1,680,858	$1,623,359	$1,494,573
Taxes	565,104	490,334	428,078	399,756	368,339	335,266
Depreciation	371,816	322,138	282,300	295,873	288,593	*213,354
Net earnings	$1,321,071	$1,282,680	$1,240,001	$985,229	$966,427	$945,953
Other income	†2,799	3,751	1,394	1,928	8,335	15,181
Gross income	$1,318,272	$1,286,431	$1,241,395	$987,157	$974,762	$961,134
Deductions—						
Bond interest	$247,340	$251,630	$255,920	$255,920	$225,705	$204,920
Interest on notes, etc.	13,594	70,503	62,830	47,789	50,560	99,976
Amortization charges	8,375	8,299	8,224	8,222	7,363	7,734
Total	$269,309	$330,432	$326,974	$311,931	$283,628	$312,630
Net income	1,048,962	955,999	914,421	675,227	691,135	648,504
Dividends	854,784	808,992	641,088	549,504	549,504	412,128
Surplus for year	$194,178	$147,007	$273,333	$125,723	$141,631	$236,376
Times Bond Interest Earned	5.24	4.80	4.57	3.64	4.06	4.16
Earnings Per Share	‡$4.90	§‡$5.22	‡$4.99	‡$3.69	‡$3.77	$18.88

*Depreciation prior to April 1, 1922 charged against Profit and Loss. If depreciation charges for the full twelve months had been included in expenses on present basis, this item would have been $268,410. †Loss. ‡Par, $25. §Excluding 30,528 shares issued in Dec., 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant investment	$16,560,070	$16,142,943	$15,326,513	$14,787,374	$13,690,371	$12,556,266
Miscellaneous investments	7,585	7,360	7,360	.....	.....	.....
Cash	95,566	110,959	148,908	54,745	74,364	37,656
Special deposits	*1,362,565	565	565	565	515	.....
Notes receivable	210	1,283	1,268	1,538	967	3,334
Accounts receivable	351,214	372,834	333,142	317,665	317,510	335,019
Materials and supplies	688,272	619,721	537,119	502,198	572,255	404,297
Subscribers to capital stock	.....	.....	.....	.....	.....	14,280
Prepaid insurance and interest	33,500	16,140	45,133	46,010	23,845	24,633
Advances on contracts	.....	.....	.....	.....	6,444	9,959
Unadjusted debits	26,625	31,749	38,303	46,526	54,738	37,359
Total	$19,125,607	$17,303,554	$16,438,311	$15,756,621	$14,741,010	$13,422,803
Liabilities—						
Capital stock	$5,342,400	$5,342,400	$4,579,200	$4,579,200	$4,579,200	$3,434,400
Premium on stock	3,081,268	3,081,268	2,165,246	2,165,246	2,165,246	1,707,326
Funded debt	4,579,000	4,579,000	4,579,000	4,579,000	4,579,000	3,434,000
Notes payable	250,000	250,000	1,720,000	1,560,000	920,000	1,121,500
Accounts payable	131,926	192,221	72,275	127,738	148,105	103,425
Consumers' deposits	82,852	81,901	81,795	77,654	75,763	66,810
Dividends declared	213,696	213,696	137,376	137,376	137,376	103,032
Accrued taxes, interest, etc.	183,859	166,952	156,699	113,477	105,266	132,629
Subscriptions to capital stock	.....	.....	.....	.....	.....	1,602,720
Unadjusted credits	†1,444,996	44,272	35,156	38,083	41,010	43,941
Depreciation reserve	2,262,073	1,993,046	1,686,139	1,475,516	1,223,490	1,050,960
Other reserves	35,611	35,050	28,842	17,054	6,000	.....
Profit and loss	1,517,926	1,323,748	1,196,583	886,277	760,554	622,060
Total	$19,125,607	$17,303,554	$16,438,311	$15,756,621	$14,741,010	$13,422,803

*To take up bonds maturing Jan. 1, 1928, etc. †Includes proceeds from sale of bonds and coupon notes dated Jan. 1, 1928.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$95,566	$110,959	$148,908	$54,745	$74,364	$37,656
Special deposits	565	565	565	565	515	.....
Notes receivable	210	1,284	1,268	1,538	967	3,334
Accounts receivable	351,214	372,834	333,142	317,665	317,510	335,019
Materials and supplies	688,272	619,721	537,119	502,198	572,255	404,297
Liberty bonds and miscellaneous investments	7,585	7,360	7,360	.....	.....	.....
Total	$1,143,412	$1,112,723	$1,028,362	$876,711	$965,611	$780,306
Current Liabilities—						
Notes payable	$250,000	$250,000	$1,720,000	$1,560,000	$920,000	$1,121,500
Accounts payable	131,926	192,221	72,275	127,738	148,104	103,425
Consumers' deposits	82,852	81,900	81,795	77,654	75,763	66,810
Dividends declared	213,696	213,696	137,376	137,376	137,376	103,032
Accrued taxes, interest, etc.	183,859	166,952	156,699	113,477	105,266	132,629
Total	$862,333	$904,769	$2,168,145	$2,016,245	$1,386,509	$1,527,396
Net Working Capital	*$281,079	*$207,954	†$1,139,783	†$1,139,534	†$420,898	†$747,090

*Credit. †Debit.

Officers: Oliver Prescott, Pres., Dartmouth, Mass.; F. H. Gifford, V-P.; C. R. Price, Treas. & Clerk; W. H. Snow, Gen. Mgr.; D. W. Beaman, Mgr. Elec. Dept.; Robert Lindsay, Mgr. Gas Dept., New Bedford, Mass.

Directors: C. R. Price, Frederic Taber, A. R. Pierce, George R. Cherry, F. H. Gifford, Ulric E. Collette, Thos. F. Glennon, John Duff, New Bedford, Mass.; Oliver Prescott, Dartmouth, Mass.; Francis E. Frothingham, Boston, Mass.

Office, New Bedford, Mass.

VINCENNES ELECTRIC RAILWAY COMPANY

History—Incorporated Nov. 28, 1921, in Ind., as successor under reorganization to the Vincennes Traction Co. (see 1921 Public Utility Manual, page 1683, or consult our Information Department). The properties were taken over by the new company on Feb. 1, 1922, commencing as of date, Jan. 1, 1921. Length of road, 6.11 miles. Gauge, standard. Rail, 70 and 72 lbs. T. Passenger cars, 10; work cars, 3. Power purchased from Interstate Public Service Co.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $25. Annual meeting, first Monday in January. No dividends paid.

FUNDED DEBT

$164,500 First Sinking Fund Gold 6s; dated Jan. 1, 1922; due Jan. 1, 1941; int. Jan. and July 1, at Mercantile Trust Co., St. Louis, Mo. Trustee. Coupon, $500. Authorized and issued, $200,000, of which $35,500 retired to Jan. 1, 1928. Subject to call at 100 and interest on 30 days' notice. A sinking and interest fund is provided, of $1,500 per month, to pay interest and retire bonds monthly commencing Jan. 1, 1922. A first lien on entire property. Pennsylvania State Tax refunded. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$60,858	$64,975	$61,108
Oper. exp. & taxes	49,729	50,463	49,384
Net earnings	$11,129	$14,512	$11,724
Interest charges	9,905	10,264	10,710
Surplus for year	$1,224	$4,248	$1,014
Earnings Per Share	$0.30	$1.06	$0.25

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$311,507	$308,440	$277,228
Park system	30,000	30,000	30,000
Cash	324	637	765
Materials and supplies	2,393	2,277	3,596
Unadjusted debits	.....	.....	28,535
Total	$344,224	$341,354	$340,124
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	164,500	167,000	174,500
Notes (new construction)	10,175	10,975	11,500
Current liabilities	994	1,981	.....
Taxes accrued	2,395	2,157	5,249
Depreciation	33,627	27,627	21,627
Surplus	32,533	31,614	27,248
Total	$344,224	$341,354	$340,124

Officers: Ewing R. Emison, Pres.; J. Hugh Powers, V-P.; H. L. Bennett, Sec. & Aud.; Vincennes, Ind.

Directors: Ewing R. Emison, W. S. Hoover, H. L. Bennett, Vincennes, Ind., J. Hugh Powers, George H. Armstrong, St. Louis, Mo.

General Office, Vincennes, Ind.

MONTREAL ISLAND POWER COMPANY

History—Incorporated Apr. 16, 1923, under the laws of the Province of Quebec, for the purpose of developing a water power located on the Riviere des Prairies (Black River), about 7 miles from the city of Montreal. It is estimated that this site, under a head of 26 feet, is capable of developing 65,000 h.p. Construction will start immediately and will be so carried out that 40,000 h.p. should be available for delivery by the end of 1929, provision being made for increasing the capacity to 65,000 h.p. as required.

Company has entered into a contract with Montreal Light, Heat & Power Consolidated, whereby that Company will purchase all of the power from the above development for a period of 30 years, with provision for extension of the contract for a further like period.

Management—Operation of the plant will be under the supervision of the officials of Montreal Light, Heat & Power Consolidated.

CAPITAL STOCK

Authorized and outstanding, March 1, 1928, 75,000 shares Common of no par value and $1,000,000 6% Preferred; par $100.

Preferred Stock Provisions—Preferred as to assets as well as dividends. Subject to redemption as a whole or in part at any time at 105 and dividends.

Transfer Agent—Montreal Trust Co., Montreal, Que.

Registrar—Eastern Trust Co., Montreal, Que.

Dividends—Preferred dividends accrue and become cumulative as from Jan. 1, 1928 and are payable quarterly, J, A, J & O 1.

Original Offering—Preferred stock first publicly offered ($1,000,000) about August, 1927, at 98, to yield 6.12% (carrying a bonus of 4 shares of Common stock with each 10 shares Preferred).

FUNDED DEBT

$8,000,000 FIRST MORTGAGE 30-YEAR SINKING FUND 5½s, SERIES "A"; DUE MAY 1, 1957.

Dated May 1, 1927.

Interest Payable May and November 1, in Canadian gold coin at any branch of Royal Bank of Canada, in Canada; or in U. S. gold coin at agency of Royal Bank of Canada, in New York; or in gold coin of Kingdom of Great Britain at Royal Bank of Canada, London, England, at the fixed rate of $4.86 2/3 to the £ sterling.

Denominations—Coupon, $500 and $1,000; principal may be registered; fully registered bonds in denominations of $1,000.

Trustee—Montreal Trust Co., Montreal, Quebec.

Stock Purchase Warrants—Accompaning these bonds are share warrants entitling the holder of each $1,000 bond to purchase two Common shares of the Company at $40 per share if exercised on or before May 1, 1929. Said warrants will be non-negotiable before May 1, 1928, unless accompanied by bonds.

Provisions of Issue—Authorized, $15,000,000. Issued and outstanding, $8,000,000 Series "A" 5½s. Bonds in excess of $10,000,000 may be issued to the extent of 75% of the cost of extensions and additions to properties and then only when the net earnings, after sinking fund, are not less than one and one-half times interest requirements on all bonds outstanding, including those proposed to be issued.

Callability—Subject to call in whole or in part on any interest date upon 60 days' notice at 105 and interest, if redeemed on or before May 1, 1932, and thereafter at 1% less for each five subsequent years, or portion thereof.

Sinking Fund—An annual sinking fund is provided which will be sufficient to redeem one-third of the issue by maturity, first payment to be made May 1, 1937.

Security—Secured by a first mortgage on all fixed assets of Company, now owned or hereafter acquired including the dam, power house and lands necessary for the proposed development, and in addition, by deposit with the Trustee of the contract for sale of power to the Montreal Light, Heat & Power Consolidated.

Original Offering—First publicly offered ($8,000,000) in May, 1927, at par and interest to yield 5½% carrying share warrants as described above, by Nebbitt, Thomson & Co., Ltd., Montreal, etc.

OFFICERS AND DIRECTORS

Officers: John S. Norris, Pres.; J. S. H. Wurtele V-P.; C. S. Bagg, Sec. & Treas.; G. R. Whatley, Asst Sec. & Asst. Treas.

Directors: John S. Norris, G. H. Montgomery, H Milliken, H. B. Pope, P. T. Davies, J. S. H. Wurtele Harold E. Walker.

Office, Montreal, Que.

OTTAWA LIGHT, HEAT AND POWER COMPANY, LIMITED

History—Incorporated May 28, 1906, by Letters Patent, Dominion of Canada, as the Consolidated Light, Heat & Power Co.; name changed to present title on June 14, 1909. Owns the entire capital stock of the Ottawa Electric Co., and the Ottawa Gas Co., except directors' qualifying shares. One share of stock of the Ottawa Light, Heat & Power Co., Ltd., was given in exchange for one share of either the Electric Co. or the Gas Co.

The Ottawa Electric Co. supplies electric light and power in Ottawa, Hull and vicinity and owns three hydro-electric plants having an aggregate installed capacity of nearly 13,000 h. p. and a steam plant of 6,300 h.p.; also purchases under a 10-year contract a minimum of 15,000 h.p. The Ottawa Gas Co. does the entire gas business in Ottawa and vicinity. See appended statements.

The subsidiary operating companies are incorporated by special Acts of the Dominion Parliament, under which they are vested with valuable franchises which are without time limit. The Companies operate without competition except for a municipally owned electric distributing system which owns no generating station and purchases its power wholesale.

CAPITAL STOCK

Authorized, $10,000,000 (increased from $5,000,000 Nov. 10, 1927); outstanding, $3,500,000 Common and $1,500,000 6½% cumulative Pfd.; par, $100.

Preferred Stock Provisions—Preferred shares have preference for assets and dividends. They carry voting power and are redeemable, in event of liquidation or voluntary winding-up, at 100 and accrued dividend, or at option of the Company, on any dividend date on 60 days' notice, at 105 and accrued dividend.

Transfer Agent—National Trust Co., Ltd., Montreal.

Registrar—The Royal Trust Co., Montreal.

Annual Meeting—Last Monday in February.

Listed—Montreal Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	107½	105	105½	102½	..	..	..	..
Low	105	102	100⅞	99	..	..	..	..
Common—								
High	141¼	100¼	103½	97	92½	96	72½	81
Low	99	95½	95½	82	79¼	70	60	70

Dividends—Cash dividends on Common of 5% each paid in 1908 and 1909; 6% and a bonus of 2% in 1910; 7% and a bonus of 1% each in years 1911 and 1912; 8% and a bonus of 1% June 30, 1913, and a further bonus of 1% Dec. 31, 1913; 1914, 8% (no bonus); 1915, 6½%; 1916 to date 6%. Pfd. dividends have been regularly paid since issuance. Payments on Common quarterly, April 1, July 1, Oct. 1, and Dec. 31 and on Pfd. J, A, J & O 1. A stock dividend of 25% was paid on Common in Feb., 1911.

FUNDED DEBT

$3,225,000 5% REFUNDING MORTGAGE AND COLLATERAL TRUST SINKING FUND GOLD BONDS, SERIES "A;" DUE OCTOBER 1, 1957

Dated October 1, 1927.

Interest Payable April and October 1 in Canadian gold coin or its equivalent at the Bank of Montreal, Ottawa, Montreal, Toronto, Winnipeg, Vancouver, Quebec, Halifax and St. John; in United States gold coin, or its equivalent, at the agency of the Bank of Montreal, New York, or in pounds sterling at the Bank of Montreal, London, England, at the rate of $4.86 2/3 to £1.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Royal Trust Co., Montreal, Que.

Provisions of Issue—Authorized, $6,000,000; issued, $3,225,000. Of the unissued bonds, $775,000 principal amount are being held in escrow to retire bonds of subsidiaries at maturity. The remaining $2,000,000 principal amount may be issued from time to time for the corporate purposes of the Company in the discretion of its directors when secured by pledge and deposit of bonds of subsidiary companies, as more fully stated in the Trust Deed. Further bonds in addition to the $6,000,000 principal amount now authorized may be issued from time to time but only for principal amounts not exceeding 75% of the cost or fair value, whichever is less, of additional physical properties of a permanent nature acquired or constructed by the company or either subsidiary (in which latter case bonds of such subsidiary company of a fixed principal amount at least equal to the principal amount of the Refunding Mortgage and Collateral Trust Sinking Fund Gold bonds proposed to be issued must be deposited with the Trustee as additional collateral security for the said Refunding Mortgage and Collateral Trust Gold bonds) subsequent to the date of the last issue of the additional $2,000,000 of bonds above referred to, and then only when the consolidated net earnings as defined in the Trust Deed shall have been at the rate of not less than 1½ times the annual interest charges on bonds then outstanding and on those proposed to be issued.

Purpose of Issue—Proceeds were used in the retirement of 6% Refunding Mortgage and Collateral Trust Bonds due 1953 of the Ottawa Light, Heat & Power Co., Ltd. and 6% Refunding Mortgage bonds due 1939 of The Ottawa Gas Co.; toward the funding of capital expenditures already made or incurred, including the cost of a ten-story modern stone, brick and concrete office building, a new sub-station and other additions and equipment; and the balance for the corporate purposes of the Company.

Callability—Subject to call as a whole or in part, on any interest date, at 105 up to and including Oct. 1, 1932; thereafter at 104 up to and including Oct. 1, 1937; thereafter at 103 up to and including Oct. 1, 1942; thereafter at 102 up to and including Oct 1, 1947; thereafter at 101 up to and including Oct. 1, 1952; thereafter at par until maturity; in each case with accrued interest to date of redemption.

Sinking Fund—Company shall pay to the Trustee as a cumulative annual sinking fund for the redemption of First Mortgage bonds on the first day of October in each year, commencing Oct. 1, 1928, a sum equal to 1% of the aggregate principal amount of bonds previously issued under this mortgage, together with a sum equal to the interest on bonds previously redeemed through the sinking fund or otherwise. The sinking fund is to be used by the Trustee for the purchase of bonds in the open market. Should sufficient bonds not be so acquired, the Trustee shall call bonds to exhaust the sinking fund at the redemption price then in effect.

Security—These bonds are the direct obligation of the Company and are secured by a specific mortgage and pledge of all the Company's holdings of bonds and shares of its subsidiaries as follows: The entire issued capital stock of The Ottawa Electric Co., amounting to $3,000,000, and of The Ottawa Gas Co., amounting to $2,000,000 (except directors' qualifying shares); $3,182,500 of The Ottawa Electric Co.'s 5% Refunding and General Mortgage Bonds due 1957, and $878,800 of The Ottawa Gas Co.'s 5% General & Refunding Bonds due 1957. These bonds are also secured by fixed and specific mortgage and charge on all real, immovable and leasehold properties which may be acquired by the Company and all additional bonds and other securities and shares of stock of the subsidiary companies and of any other companies which may hereafter be owned or controlled by the Company, and by floating charge on all other assets of the Company, both present and future. The Company covenants that so long as any of these bonds are outstanding, it will not permit the Ottawa Electric Co. and/or The Ottawa Gas Co. (1) to issue any additional capital stock without providing for its deposit as additional security for these bonds; and (2) to create any bonds, debentures, notes, or other se-

curities secured by mortgage, lien or charge upon their respective undertakings, properties and assets except to the Ottawa Light, Heat & Power Co., Limited, and that it will forthwith deposit any such securities with the Trustee to be held as security for these bonds from time to time issued under the provisions of the Trust Deed.

Legal Opinion—Geo. F. Henderson, Esq., K. C., Ottawa (for the Company) and Victor E. Mitchell, Esq., K. C., D. C. L., Montreal (for the Bankers).

Original Offering—First publicly offered ($3,225,000) in Nov., 1927, at 99 and interest to yield over 5.05% by Royal Securities Corp., Ltd., Montreal, Toronto, New York., etc.

BOND REDEMPTION

All the Ottawa Light, Heat and Power Company, Ltd. Refunding Mortgage & Collateral Trust, Series "A" 6s, due Sept. 1, 1953 (described on page 422 of the Public Utility Volume for 1927), of which $640,000 were outstanding, were called for redemption on March 1, 1928 at 105 and interest, at Montreal Trust Co., Montreal or at any of the offices of the Bank of Montreal.

INCOME ACCOUNT (ALL COMPANIES), YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,920,943	$1,854,383	$1,787,183	$1,720,841	$1,718,402	$1,685,381
Operating expenses and taxes (except Income taxes)	1,261,185	1,223,666	1,204,635	1,165,191	1,171,680	1,140,847
Net earnings	$659,758	$630,717	$582,548	$555,650	$546,722	$544,534
Interest charges, etc.	138,465	142,374	136,526	125,427	207,000	220,106
Balance for dividends, etc.	$521,293	$488,343	$446,022	$430,222	$339,722	$324,428
Preferred dividends	97,500	97,500	97,500	97,500	19,771	.....
Common dividends	210,000	210,000	210,000	210,000	210,000	210,000
*Surplus for year	$213,793	$180,843	$138,522	$122,722	$109,951	$114,428
Times Interest, Etc., Earned	4.76	4.43	4.26	4.43	2.62	2.47
Earnings Per Share—						
Preferred	$34.75	$32.55	$29.73	$28.68	$22.65	.....
Common	12.10	11.17	9.96	9.50	9.01	$9.27

*Before Dominion Income tax of $28,045 in 1927 and reserve for depreciation of $130,000 in 1927.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Ottawa Light, Heat & Power Co., Ltd., The Ottawa Electric Co. and The Ottawa Gas Co.)

Assets—	1927	1926	1925	1924	1923	1922
Property, plant and equipment	$11,248,007	$9,656,498	$9,361,786	$9,123,957	$8,855,031	$8,627,249
Investments	31,337	110,936	85,380	146,303	102,346	.....
Cash	267,384	14,137	19,411	19,734	95,362	.....
Inventories	231,648	183,205	158,620	153,721	261,665	272,243
Accounts and bills receivable	463,881	467,519	469,327	456,836	445,543	*410,104
Special deposits	13,439	6,880	.....	.....	.....	41,000
Deferred assets	444,521	218,564	223,182	231,182	234,182	.....
Total	$12,700,217	$10,657,739	$10,317,706	$10,131,733	$9,994,129	$9,350,696
Liabilities—						
Common Stock (O. L., H. & P. Co.)	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000
Preferred stock (O. L., H. & P. Co.)	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Stock (Ottawa El. Co., held by O. L. H. & P. Co.)	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Funded debt	4,000,000	2,157,000	†2,187,540	†2,211,340	†2,080,500	2,925,000
Loans payable	56,630	240,000	75,000	134,715	38,020	232,277
Accounts payable	340,100	140,113	161,883		161,350	104,014
Accrued bond interest	46,667	32,604	30,474	36,354	.....	.....
General reserve	77,000	770,000	770,000	770,000	770,000	770,000
Dividend payable	76,875	76,875	.....	.....	76,875	.....
Reserve for depreciation	641,500	511,500	406,216	301,266	191,314	93,741
Reserve for bad and doubtful debts	25,022	41,971	44,463	36,262	29,273	.....
Profit and loss	243,423	187,675	142,130	141,796	146,797	225,664
Total	$12,700,217	$10,657,739	$10,317,706	$10,131,733	$9,994,129	$9,350,696

*After deducting amounts set aside to provide for bad and doubtful debts. †Less sinking fund.

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1927

Balance, Jan. 1, 1927, $187,675; surplus for year (before dividends) 1927, $521,293—total $708,968. Deduct: Common dividends, $210,000; Preferred dividends, $97,500; Dominion Income tax, $28,045; reserve for depreciation, $130,000—total, $465.545. Surplus, Dec. 31, 1927, $243,423.

Officers: Hon. T. Ahearn, Pres.; Frederic E. Bronson, V-P.; F. W. Fee, Sec. & Treas.; D. R. Street, Gen. Mgr.; F. A. Jansen, Chief Acct., Ottawa, Ont.

Directors: Hon. T. Ahearn, F. E. Bronson, Thos. Workman, H. H. Horsey, W. L. Lyle Reid, L. N. Poulin, Geo. F. Henderson, T. F. Ahearn, Ottawa, Ont.; W. C. Pitfield, Abner Kingman, Montreal, Que.

Office, 56 Sparks Street, Ottawa, Ont.

THE OTTAWA ELECTRIC COMPANY

(Controlled by Ottawa Light, Heat and Power Company, Limited)

History and Properties—Incorp. in July, 1894 in Can.; consolidation of the Ottawa Electric Light Co., Chaudiere Electric Light & Power Co., and the Standard Electric Co. of Ottawa. **Franchise**, perpetual, except for a municipally owned electric distributing system. The Ottawa Electric Co. supplies electric light and power in Ottawa, Hull and vicinity.

Practically the entire power requirements of Company are generated by hydro-electric plants located at the Chaudiere Falls of the Ottawa River, only a short distance from the business centre of Ottawa. The development of the Chaudiers Falls in the City of Ottawa is controlled jointly by four users of power therefrom and the right to use the water in proportion to the individual developments is leased from the Government at a nominal price. The Ottawa Electric Company controls over 30% of the power developed from this source.

Company's three hydro-electric plants have an aggregate installed capacity of nearly 13,000 h. p. Two of the plants are located on crown lands held by the Company under renewable leases and the third upon land held by Company under a lease which does not expire until 1992. The Company also owns a modern steam-power station of 6,300 h. p. installed capacity which is held for reserve purposes and is only operated

in case of shortage of water or other emergency. In addition, the Company purchases under contract a minimum of 15,000 h. p. and surplus power from other local producers.

The overhead electrical distribution system includes approximately 1,150 miles of wire and the underground system consisting of about 18.2 miles of conduit extends throughout the business district of the city.

Company also owns real estate in the centre of the business district of the city, including a modern nine story office building in which are located the offices of the Company.

Current is distributed to more than 25,000 customers including the Canadian Pacific Railway, the Canadian National Railways and Dominion Government buildings.

CAPITAL STOCK

Authorized and issued, $3,000,000; par, $100. All deposited as security for Ottawa Light, Heat & Power Co., Ltd., Refunding & Collateral Trust Sinking Fund Gold bonds, except directors' qualifying shares. Annual meeting, last Monday in February.

FUNDED DEBT

(1)

$625,000 Refunding Gold 5s; dated June 1, 1908; due June 1, 1933; int. June and Dec. 1, at Imperial Bank of Canada, Ottawa, Toronto and Montreal. Coupon, $100, $500 and $1,000; principal may be registered. National Trust Co., Ltd., Toronto, Trustee. Authorized, $1,125,000, but mortgage is closed; outstanding, $625,000. Secured on entire property. Company does not pay or assume U. S. Normal Income Tax.

(2)

$3,182,500 GENERAL AND REFUNDING 5% BONDS, DUE 1957

Provisions of Issue—Authorized, $3,807,500; issued, $3,182,500 (all deposited as security for Ottawa Light, Heat & Power Co., Limited. Refunding and Collateral Trust Sinking Fund Gold bonds). The $625,000 unissued bonds are reserved to retire a like amount of Refunding and First Mortgage Gold bonds due 1953.

OFFICERS AND DIRECTORS

Officers: Hon. T. Ahearn, Pres.; Frederic E. Bronson, V-P.; F. W. Fee, Sec. & Treas.; D. R. Street, Gen. Mgr.; F. A. Jansen, Chief Acct.

Directors: Hon. T. Ahearn, F. E. Bronson, Levi Crannell, Geo. F. Henderson, D. R. Street, T. F. Ahearn, Elbert N. Soper, Ottawa; W. C. Pitfield, Montreal.

Office, Ottawa, Ont., Canada.

THE OTTAWA GAS COMPANY

(Controlled by The Ottawa Light, Heat and Power Company, Limited)

History—Incorporated in 1854, in Canada, as The Bytown Consumers Gas Co.; name changed to present title and its powers extended by Special Act of the Parliament of Canada, dated Sept. 18, 1865. Perpetual charter and franchise to carry on a gas business in the Cities of Ottawa and Hull were granted the Company by a By-Law of the Town of Bytown (now Ottawa) passed in 1854, and by legislation of the Parliament of the Province of Canada, passed in 1853-1854 and 1865. Population served, about 150,000. Daily capacity, coal gas and water gas, 2,500,000 cu. ft. Miles of mains, 152. No. of customers, over 18,000.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. All deposited as security for Ottawa Light, Heat & Power Company, Limited, Refunding & Collateral Trust Sinking Fund Gold bonds, except directors' qualifying shares. Annual meeting, last Monday in February. Present dividends, 6% per annum.

FUNDED DEBT

(1)

$150,000 Consolidated 5s; dated Jan. 1, 1904; due Jan. 1, 1934; int. Jan. and July 1, at Parr's Bank, Ltd., London, Eng., and Bank of Ottawa, Ottawa. Denominations $1,000 or £205 9s 7d. Mortgage closed Secured by all the real estate, plant and equipment of the company. Company does not pay or assume U. S. Normal Income Tax.

(2)

$878,800 GENERAL AND REFUNDING 5% BONDS, DUE 1957

Provisions of Issue—Authorized, $1,028,800; issued, $878,800. All deposited as security for Ottawa Light, Heat & Power Company, Limited, Refunding and Collateral Trust Sinking Fund Gold bonds.

BOND REDEMPTION

All the Ottawa Gas Co. 6% Refunding Mortgage sinking fund Gold bonds, due March 1, 1939 (described in the 1927 Public Utility Volume, page 424), of which $850,000 were outstanding, were called for redemption at 103 and interest on March 1, 1928 at Montreal Trust Co., Montreal, Que., or Bank of Nova Scotia, Ottawa, Toronto, Montreal, or at agency of the bank in New York or at Midland Bank, London, Eng.

Officers: Hon. T. Ahearn, Pres.; Frederic E. Bronson, V-P.; F. W. Fee, Sec. & Treas.; D. R. Street, Gen. Mgr.; F. A. Jansen, Chief Acct.

Directors: Hon. T. Ahearn, Frederic E. Bronson, Geo. F. Henderson, J. Roberts Allan, G. P. Murphy, D. R. Street, A. E. Provost, Ottawa, Ont.

Office, Ottawa, Ont.

GENERAL UTILITIES AND OPERATING COMPANY

History—Incorporated May 1, 1914, in Del., as a holding company. Controls through stock ownership the Auburndale Power Co., Auburndale, Fla.; Hastings Power & Ice Co., Hastings, Fla.; Taylor County Power Co., Perry, Fla.; Madison County Power Co., Madison, Fla.; Jefferson County Power Co., Monticello, Fla.; and Islands Edison Company, which owns all the capital stock of the Compania Electrica de Santo Domingo, C. por A., Santo Domingo, R. D. and the Macoris Light and Power Company, San Pedro de Macoris, R. D.

In Nov., 1922, sold its interest in St. Petersburg Lighting Co., St. Petersburg, Fla., and Clearwater Lighting Co., Clearwater, Fla., to A. E. Fitkin & Co., New York. In Dec., 1922, sold its interest in Lykens Valley Light & Power Co., Williamstown, Pa., to J. G. White Management Corp., New York. In March, 1923, sold its interest in Americus Lighting Co., Americus, Ga., to Day & Zimmerman, Inc., Philadelphia. In November, 1924, sold its interest in Maryville Lighting Company, Maryville, Tenn., to Tennessee Electric Power Company, Chattanooga, Tenn. In May, 1925, sold its interest in the Central Louisiana Power Co. to H. C. Couch, Pine Bluff, Ark. In March, 1926, sold its interest in the Brevard County Power Co., Cocoa, Fla., to the Florida Power & Light Co., N. Y.

CAPITAL STOCK

Authorized 10,000 shares of no-par-value stock of which 9,545 shares outstanding. In Sept., 1924, the Common stock was changed from $100 par to no-par-value stock and five shares of no-par-value were issued for each share of $100 par stock.

Transfer Agent—Stock transferred at Company's office, 1310 Standard Oil Building, Baltimore, Md.

Registrar—Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Annual Meeting—First Wednesday in May.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$139,331	$1,370,073	$150,541
Expenses, taxes, etc.	42,965	221,249	37,834
Net revenue	$96,366	$1,148,824	$112,707

GENERAL BALANCE SHEET, DECEMBER 31
(General Utilities and Operating Co.)

Assets—	1927	1926	1925
Investments	$1,554,582	$1,580,146	$713,171
Cash	41,124	70,391	50,086
Bills receivable	294,763	316,119	113,280
Accounts receivable		9,463	3,494
Other current assets	.....	25,240	53,613
Premium on securities	.....	21,936	.....
Prepaid accounts	21,235	.....	.....
Suspense accounts	.....	.....	14,775
Total	$1,911,704	$2,023,295	$948,419
Liabilities—			
Capital stock	$393,650	$375,150	$367,650
Current liabilities	21,230	51,620	276,250
Bills payable	50,000	.....	.....
Reserves	88,528	277,160	72,889
Corporate surplus	1,358,296	1,319,365	231,630
Total	$1,911,704	$2,023,295	$948,419

Officers: J. C. M. Lucas, Pres.; S. P. Morton, Jr., V-P., Baltimore, Md.; H. P. Lucas, Sec. & Treas.; W. V. Horner, Asst. Sec. & Asst. Treas., Baltimore, Md.; J. A. Slattery, Counsel, Philadelphia, Pa.

Directors: J. C. M. Lucas, Samuel P. Morton, E. McC. Fisher, H. P. Lucas, Frank B. Adams, E. H. Bankard, Baltimore, Md.; Geo. E. Warfield, Alexandria, Va.

Offices, Standard Oil Bldg., Baltimore, Md., and Perry, Fla.

AUBURNDALE POWER COMPANY

(Controlled by General Utilities and Operating Co.)

History—Incorp. under laws of Maryland in July, 1924. Successor to Auburndale Electric Light Company, furnishing electric light and power to town of Auburndale, Fla., and vicinity.

CAPITAL STOCK

Authorized 2,000 shares no par Common and $200,000 Pfd., par, $100; outstanding, 2,000 shares no par Common and $100,000 Pfd.

FUNDED DEBT

None.

Offices, Standard Oil Bldg., Baltimore, Md., and Auburndale, Fla.

HASTINGS POWER AND ICE COMPANY

(Controlled by General Utilities and Operating Co.)

History—Incorporated in Maryland in Sept., 1924, as successor to the Hastings Cold Storage Company, furnishing light, power and ice to Hastings, Fla., and vicinity.

CAPITAL STOCK

Authorized, 1,000 shares no par Common and $100,000 Pfd., par, $100; outstanding, 1,000 shares no par Common and $50,000 Pfd.

FUNDED DEBT

None.

Offices, Standard Oil Bldg., Baltimore, Md., and Hastings, Fla.

ISLANDS EDISON COMPANY

(Controlled by General Utilities and Operating Co.)

History—Incorporated in November, 1926, in Maryland, as a holding company. Owns all the capital stock of the Compania Electrica de Santo Domingo, C. por A., Santo Domingo, R. D. and the Macoris Light and Power Co., San Pedro de Macoris, R. D.

CAPITAL STOCK

Authorized, 40,000 shares Common of no par value, and $2,000,000 7½% cumulative Pfd. of $100 par value; outstanding, 40,000 shares Common and $550,000 Pfd. Pfd. stock is subject to call as a whole or in part on any dividend date on 60 days' notice at 110 and dividend.

Preferred Stock Sold—$400,000 of Pfd. stock was privately placed in Nov., 1927, at 102½ and dividend by Gillet & Co., Baltimore, Md.

Dividends—Preferred dividends are payable semi-annually, J & J.

FUNDED DEBT

$500,000 SECURED 6½% SINKING FUND GOLD BONDS; DUE DECEMBER 1, 1951

Dated December 1, 1926.

Interest Payable June and December 1, at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Provisions of Issue—Authorized and issued, $500,000.

Purpose of Issue—Issued to purchase the property of The Compania Electrica de Santo Domingo, C. por A.

Callability—Subject to call as a whole or in part upon any interest date on 30 days' notice at 105 and interest.

Sinking Fund—Sinking fund commencing Dec. 1, 1929, will retire approximately 50% of the issue by maturity.

Security—Secured by pledge with the Trustee of all the outstanding Common stock of the San Domingo Electric Company.

Listed—Baltimore Stock Exchange.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Includes Islands Edison Company, Compania Electrica de Santo Domingo and The Macoris Light & Power Co.)

Operating revenues	$370,206
Operating expenses, depreciation, etc.	208,955
Gross income	$161,251
Deductions:	
Interest on funded debt	$32,581
Interest on unfunded debt	10,470
Amortization of bond discount, etc.	1,427
Income taxes 1927	7,608
Miscellaneous	1,909
Total deductions	$53,995
Net income	$107,256

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Islands Edison Company, Compania Electrica de Santo Domingo and The Macoris Light & Power Co.)

Assets—	
Fixed capital	$1,232,459
Cash	97,781
Special deposits, etc.	19,605
Notes receivable	36,100
Accounts receivable	116,918
Materials and supplies	30,067
Miscellaneous	443
Unamortized bond discount and expense	34,129
Discount on Preferred stock	29,750
Prepaid accounts	5,243
Miscellaneous accounts	2,633
Total	$1,605,130
Liabilities—	
Common stock	$4,000
Preferred stock	550,000
Funded debt	500,000
Accounts payable	65,914
Consumers' deposits	34,048
Accrued for interest and taxes	10,310
Reserve for depreciation, etc	86,740
Surplus	354,117
Total	$1,605,130

Officers: J. C. M. Lucas, Pres.; Wm. S. Merrick, V-P.; H. P. Lucas, Sec. & Treas.; W. V. Harner, Asst. Sec. & Asst. Treas., Baltimore, Md.

Office, Standard Oil Bldg., Baltimore, Md.

THE JEFFERSON COUNTY POWER COMPANY

(Controlled by General Utilities and Operating Co.)

History—Incorporated under laws of Maryland, December, 1926.

CAPITAL STOCK

Authorized, 3,000 shares Common of no par value, and $300,000 7% Pfd. of $100 par value; outstanding, 3,000 shares Common and $150,000 Pfd.

FUNDED DEBT

None.

Offices, Standard Oil Bldg., Baltimore, Md., and Monticello, Fla.

THE MADISON COUNTY POWER COMPANY

(Controlled by General Utilities and Operating Co.)

History—Incorporated in Sept., 1925, in Maryland.

CAPITAL STOCK

Authorized, 3,000 shares Common of no par value and $300,000 8% Pfd., par, $100; outstanding, 1,500 shares Common and $200,000 Pfd.

FUNDED DEBT

None.

Offices, Standard Oil Bldg., Baltimore, Md. and Madison, Fla.

THE TAYLOR COUNTY POWER COMPANY

(Controlled by General Utilities and Operating Co.)

History—Incorporated in June, 1925, in Maryland.

CAPITAL STOCK

Authorized, 4,000 shares Common of no par value and $500,000 7% cumulative Pfd., par, $100; outstanding, 4,000 shares Common and $200,000 Pfd.

FUNDED DEBT

$150,000 First Mortgage Sinking Fund 6% Gold Bonds; dated July 1, 1925; due July 1, 1945; interest January and July 1. The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, Trustee. Authorized, $1,000,000. Company pays Normal Federal Income Tax up to 2%.

Offices, Standard Oil Bldg., Baltimore, Md., and Perry, Fla.

THE NORTHERN CONNECTICUT POWER COMPANY

History—Incorporated in Connecticut and pursuant to the provisions of the Agreement of Merger and Consolidation, dated January 29, 1926, and filed in Connecticut on April 1, 1926, merged The Connecticut River Company (see 1925 Manual, page 190), The Northern Connecticut Light and Power Company (see 1925 Manual, page 304), The Thompsonville Water Company (see 1925 Manual, page 435), The Stafford Springs Aqueduct Company (see 1925 Manual, page 435), and The Somers Electric Company.

Prior to the consolidation, The Northern Connecticut Power Co. acquired $91,900 7% Pfd. stock, $251,100 6% Pfd. stock, and $134,600 Common stock of The Northern Connecticut Light & Power Co.; all the 250 shares of no par value Common stock of The Somers Electric Co.; and $150,000 7% Pfd. stock and all the $500,000 outstanding Common stock of The Connecticut River Co. The necessary funds to provide for the purchase of these stocks were obtained through the issue of $1,100,000 First and Refunding Mortgage 5½% Gold bonds, due 1946.

The Connecticut River Co. prior to consolidation, acquired $115,400 Common stock of The Northern Connecticut Light and Power Co. and also called for payment its own outstanding First Mortgage 6% Gold bonds, due Jan. 15, 1934.

The Somers Electric Co. prior to consolidation, acquired $149,750 Common stock and $34,150 6% Pfd. stock of The Thompsonville Water Co. and also all the $50,000 Common stock and $48,800 6% Pfd. stock of The Stafford Springs Aqueduct Co.

The outstanding Pfd. stocks of The Northern Connecticut Light and Power Co., The Connecticut River Co., The Thompsonville Water Co. and The Stafford Springs Aqueduct Co., (not held by the constituent companies) were called for redemption, The Light Company Preferred stock (both classes) at $110 per share and accrued dividends, The River Company, Pfd. stock at $105 per share and accrued dividends, and The Water Company and The Aqueduct Company Pfd. stocks at $30 per share and accrued dividends.

The holders of the Common stock of The Thompsonville Water Co. received three shares of Common stock of The Northern Connecticut Power Co. for each share held.

The Northern Connecticut Power Co. assumed the $247,000 outstanding First Mortgage Sinking Fund 5% Gold bonds of The Northern Connecticut Light & Power Co.

The Northern Connecticut Power Co. owns and operates properties which supply electric light and power, water and gas to a territory situated on both sides of the Connecticut River between Hartford, Conn., and the Massachusetts line, serving an estimated population of about 40,000. In addition to its developed properties, Company owns water rights, franchises and necessary adjacent lands for hydro-electric development of the Connecticut River in the vicinity of Windsor Locks, Conn., making possible the future installation of 34,000 h.p. additional capacity.

The gas properties consist of about 56 miles of mains with necessary storage tanks and other equipment for the distribution of gas which is purchased from the Springfield Gas Light Co. and The Hartford Gas Co.

During September 1927, the Connecticut Public Utility Commission authorized the acquisition by Company of the Windsor Locks Water Co.

The water properties consist of 7 reservoirs and 3 tanks with storage capacity of 70,350,000 gallons and 62.3 miles of mains.

Business—The number of meters, Dec. 31, 1927, was 9,973 (6,035 electric and 3,938 gas), compared with 9,347 (5,585 electric and 3,762 gas) in 1926. Number of water customers Dec. 31, 1927, 3,160. Sales for the year ended Dec. 31, 1927, were 88,807,700 cu. ft. of gas, 4,451,753 k. w. h. of electricity and 264,475,050 gallons of water.

CAPITAL STOCK

Authorized, 25,000 shares Common of no par value and 12,000 (increased from 10,000 shares in Sept. 1927) shares $6.50 cumulative Pfd. of no par value; outstanding, Dec. 31, 1927, 25,000 shares of Common and 10,629 shares of Pfd. Pfd. stock has preference for dividends and assets and in dissolution or liquidation is entitled to receive $100 per share and accrued dividends; it is subject to call as a whole or in part on any dividend date upon 30 days' notice at $105 per share and accrued dividends.

Preferred Stock Offered—10,000 shares $6.50 cumulative Pfd. stock of no par value were publicly offered in June, 1926, at $98½ and dividend, to yield about 6.60%, by E. H. Rollins & Sons, and J. G. White & Co., Inc., New York, etc. During October 1927 Company offered and sold to customers 1,000 shares of Pfd. stock at $100 per share.

Annual Meeting—Third Friday in October.

Dividends—Initial quarterly dividend of $1.62½ on Pfd. stock was paid July 1, 1926, which quarterly rate paid to date. On Common $1 per share was paid in 1927. Payments on both classes last days of M, J, S & D.

FUNDED DEBT

(1)

$234,500 THE NORTHERN CONNECTICUT LIGHT AND POWER COMPANY FIRST MORTGAGE SINKING FUND 5% GOLD BONDS; DUE DEC 1, 1946

Dated December 1, 1906.

Interest Payable June and December 1 at Connecticut Trust & Safe Deposit Co., Hartford, Conn.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized, $350,000; issued 312,000, of which $77,500 held in sinking fund.

Sinking Fund—A sinking fund of 1% of bonds outstanding began Dec. 1, 1911, to be invested in bonds of this issue at not exceeding 110.

Security—A first lien on the entire property formerly owned by The Northern Connecticut Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sperry & McLean, Hartford, Conn.

Original Offering—First publicly offered ($100,000) in December, 1906, at 101 and interest.

(2)

$2,100,000 THE NORTHERN CONNECTICUT POWER COMPANY FIRST MORTGAGE AND REFUNDING 5½% GOLD BONDS, DUE MARCH 1, 1946

Dated March 1, 1926.

Interest Payable March and September 1, at The Equitable Trust Co. of New York.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount of mortgage unlimited; issued and outstanding, Dec. 31, 1927, $2,100,000.

Additional bonds in one or more series with interest rates, maturity dates, and other terms and conditions as may be determined by Company, may be issued against deposit of an equal amount of cash, or for 75% of cash cost or fair value, whichever is less, of additional property, betterments, improvements or additions, provided net earnings for twelve consecutive months out of the preceding fifteen months shall have been not less than 1¾ times annual int. charges on all bonds outstanding and to be issued and all other secured bonded debt. Company may also issue additional bonds to retire underlying bonds, par for par, and to refund or in exchange for bonds of another series, par for par.

Callability—Subject to call as a whole or in part on any interest date at 105 and accrued interest, up to and including Mar. 1, 1936, the premium thereafter decreasing ½ of 1% for each year or portion thereof.

Maintenance and Renewal Fund—Mortgage will provide for expenditure annually of a sum equal to 12½% of gross operating revenues derived from operations of preceding calendar year, for maintenance, renewals and replacements for retirement of bonds issued under mortgage and of obligations, if any, secured by prior liens, and/or for improvements, betterments or additions to plants or property which shall not be made the basis for issuance of additional bonds.

Security—A first mortgage on all property of Company now owned or hereafter acquired subject to $234,500 The Northern Connecticut Light and Power Co. First Mortgage Bonds, described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania personal property taxes not exceeding 4 mills, the Maryland tax not exceeding 4½ mills, the District of Columbia tax not exceeding 5 mills or the Massachusetts Income Tax not exceeding 6% of the annual interest, refunded upon application. Exempt from Connecticut state taxes.

Legal Opinion—Murray, Aldrich & Roberts, New York.

Original Offering—First publicly offered ($2,100,000 5½%) in March, 1926, at 97½ and interest, to yield 5.71%, by J. G. White & Co., Inc., and E. H. Rollins & Sons, New York, etc., and Putnam & Storer, Inc., Boston.

INCOME ACCOUNT

	Year Ended Dec. 31, 1927	April 1 to Dec. 31, 1926
Gross earnings	$631,658	$451,084
Operating expenses, taxes & depre.	366,857	260,665
Net earnings	$264,801	$190,419
Non-operating income	983	6,305
Total income	$265,784	$196,724
Int. charges & misc. deductions	134,904	103,154
Balance for divds. and surplus	$130,880	$93,570

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Fixed capital	$4,016,746	$3,888,816
Investment in controlled cos.	59,000	15,000
Sinking fund cash & accrued interest	4,223	2,364
Current assets	266,392	253,482
Deferred charges	181,559	190,906
Reacquired securities	3,000	.....
Total	$4,530,920	$4,350,568
Liabilities—		
Capital stock	$1,562,900	$1,500,000
Capital stock subscribed	48,600	.....
Funded debt	2,334,500	2,339,500
Current liabilities	24,632	20,189
Deferred liabilities	19,755	19,809
Accrued liabilities	77,766	72,176
Reserve for depreciation & contingency	376,167	353,459
Profit and loss, surplus	86,600	45,434
Total	$4,530,920	$4,350,568

Officers: Walter P. Schwabe, Pres. & Gen. Mgr., Thompsonville, Conn.; J. Dugald White, V-P.; Loring N. Farnum, V-P., New York; James A. Turnbull, Treas., Thompsonville, Conn.; T. W. Moffat, Sec., New York.

Directors: Loring N. Farnum, George DeB. Greene, T. W. Moffat, John E. Whinery, J. Dugald White, New York; M. J. Warner, Pine Orchard, Conn.; Walter P. Schwabe, Thompsonville, Conn.

General Office, Thompsonville, Conn. **New York Office**, 37 Wall St.

ANDERSON GAS & UTILITIES COMPANY

History—Incorporated in April, 1918, in South Carolina; successor to the Anderson City Gas Company. Serves with gas, Anderson, S. C., and suburbs. Miles of gas mains, 21. Number of gas meters, 773.

CAPITAL STOCK

Outstanding, $22,700; par $100. Annual meeting first Thursday after fourth Thursday in January.

FUNDED DEBT

$88,000 FIRST MORTGAGE 6% GOLD BONDS; DUE JULY, 194

Dated 1918.

Interest Payable January and July 1 at Republic Trust Co., Philadelphia, Pa.

Denominations—Coupon, $350 and $1,000.

Trustee—Republic Trust Co., Philadelphia, Pa.

Callability—Bonds are subject to call.

Sinking Fund of 10% of earnings is provided.

Security—Secured by first mortgage on Company's property.

Tax Provisions—Company pays Normal Federa Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$48,128	$41,90
Operating expenses and taxes	41,311	38,23
Depreciation	1,800	1,80
Net earnings	$5,017	$1,86
Other income	2,023	1,89
Total income	$7,040	$3,75
Interest on bonds, etc.	6,148	5,51
Surplus for year	$892	*$1,76

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties	$131,312	$141,554
Uncompleted construction	1,205	641
Other investments	8,079	325
Materials and supplies	7,416	6,668
Cash	1,032	873
Notes and accounts receivable	10,889	9,975
Other current assets	516	498
Deferred debit items	367	.....
Sinking fund	205	228
Total	$161,021	$160,762
Liabilities—		
Capital stock	$22,700	$22,700
Funded debt	88,000	81,000
Notes and accounts payable	30,663	27,893
Other current liabilities	1,226	1,209
Reserve for depreciation, repairs, etc.	12,047	16,816
Profit and loss	6,385	11,144
Total	$161,021	$160,762

Officers: Alfred I. Phillips, Pres., New York City; H. E. Ely, Jr., V-P., Washington, D. C.; M. L. Gridley, Sec.; A. C. Howard, Treas., New York, N. Y.; W. K. Mundy, Mgr., Anderson, S. C.

Directors: Alfred I. Phillips, A. C. Howard, New York, N. Y.; H. E. Ely, Jr., Washington, D. C.

General Office, 122 Greenwich St., New York. **Operating Office,** Anderson, S. C.

THE AMERICAN SUPERPOWER CORPORATION

(Of Delaware)

History—Incorporated Oct. 26, 1923, in Delaware, with broad powers to acquire and hold securities of electric power and light and other companies, to construct, operate or lease power stations and transmission lines and to act as fiscal agent for electric power and light properties.

The Corporation has acquired as diversified permanent investments common stocks of a number of successful and progressive companies in the electric light and power business. The primary source of its earnings is the dividends on these stocks. In addition, it has received fees in connection with the underwriting of offerings of additional stocks of certain of the companies in which it is interested, and has sold at substantial profits certain of its holdings. While the corporation is not limited as to the character of the investments that it may make, it is primarily interested in the development of the electric power and light industry.

Holdings—The American Superpower Corporation owns (Jan. 23, 1928) substantial interests in the following companies.

American & Foreign Power Co., Inc.
American Gas & Electric Co.
American Power & Light Company.
Brooklyn Edison Company, Inc.
Columbia Gas & Electric Corp.
Commonwealth Power Corporation.
Consolidated Gas Electric Light & Power Co. of Baltimore.
The Detroit Edison Company.
Electric Bond & Share Securities Corp.
Electric Power & Light Corporation.
Penn-Ohio Edison Co.
Penn-Ohio Securities Corp.
Public Service Corporation of N. J.
Southeastern Power & Light Company.
The United Gas Improvement Co.
The United Light and Power Company.
United Illuminating Co. (of New Haven).
Utility Shares Corp.
Waterbury Gas Light Co.

It also has holdings in several other companies.

CAPITAL STOCK

Authorized, 1,000,000 shares (no par value) Common stock Class "A," 1,500,000 shares (no par value) Common stock Class "B," 400,000 shares (no par value) $6 cumulative First Pfd. stock (no par value) and 400,000 shares (no par value) $6 cumulative Preference stock. To be outstanding upon completion of changes in capitalization including those to be voted on April 16, 1928, 521,862 shares Class "A" Common, 814,188 shares Class "B" Common, 250,000 shares First Preferred and 267,210 shares Preference stock.

Class "A" and Class "B" Common stocks are alike in all respects except that the Class "B" stock has the sole voting power.

Stock Increase—At general meeting of stockholders on March 9, 1928, an increase in the Class "A" stock from 600,000 to 1,000,000 shares was authorized and an increase in First Preferred stock from 200,000 to 400,000 shares.

Participating Preferred Stock Redemption—All the $6,847,950 7% cumulative Participating Preferred stock was called for payment on April 16, 1928 at $30 per share (par value $25 per share) and accrued dividends

Subscription Privilege—To obtain the funds necessary for the retirement of the Participating Preferred stock each Common stockholder (both Class "A" and Class "B") of record February 20, 1928, was given the right to subscribe for new Class "A" Common stock to the extent of one-fourth of his holdings of Common stock at a price of $33 per share. Right expired March 6, 1928. Offering was underwritten.

New Preference Stock—Common stockholders at the annual meeting on April 16, 1928, will be asked to authorize the creation of a new class of Preference stock, junior to the First Preferred stock, which shall bear cumulative dividends at rate of $6 per share per annum and be callable at $107.50 per share. Directors propose then to forthwith distribute approximately 267,210 shares of such stock to the Common stockholders pro rata on the basis of one share of Preference stock for each five shares of Common stock, Class "A" or Class "B." The new Common stock subscribed for on or before March 6, 1928 will receive its pro rata share of Preference stock.

First Preferred Stock Provisions—This stock is entitled to cumulative dividends of $6.00 per share per annum payable quarterly. Preferred as to dividends and assets over any other stock of the Corporation. Redeemable as a whole or in part, at the option of the Corporation at any time upon sixty days' notice at $110 per share and accumulated dividends. Upon dissolution or liquidation, whether voluntary or involuntary, the First Preferred stock shall be entitled to receive out of the assets of the Corporation $100 per share and accumulated dividends before any payments are made to any other stock of the Corporation. The First Preferred stock has no voting power except upon failure of the Corporation to pay when due four successive quarterly dividends, in which case entire voting power rests in the First Preferred stock so long as such failure to pay dividends continues; but such voting power ceases upon subsequent payment by the Corporation of all such accumulated and unpaid dividends, subject, however, to renewal on similar failure to pay dividends.

Transfer Agent (All Classes)—Central Union Trust Co. of New York.

Registrar (All Classes)—New York Trust Co., New York.

Legal Opinion (First Pfd. stock)—Winthrop & Stimson, New York.

Annual Meeting—April 15, at Dover, Del.

Listed (First Preferred)—New York Curb Market.

Original Offering—35,000 shares First Pfd. stock were publicly offered in May, 1925, at $95 and accrued dividends per share, to yield over 6.30%; in Sept., 1925, 30,000 shares of First Pfd. stock was offered at $96 a share and accrued dividend, to yield 6.25%; in September, 1927, 25,000 additional shares First Preferred stock were publicly offered at $98.50 per share and dividend to yield about 6.10% and in February, 1928, 90,000 additional shares First Preferred stock at $102.50 and dividend to yield 5.85%. All offerings were made by Bonbright & Co., Inc., New York, etc.

Price Range—

	1927	1926	1925	1924
First Pfd.—				
High	102	95½	..	..
Low	93½	93	..	..
Class "A"—				
High	43	37⅞	41½	33¾
Low	27¼	19½	27½	24⅝
Class "B"—				
High	43	39	45	36
Low	28⅛	21⅛	27¾	25

Dividends—Dividends on First Pfd. stock regularly paid quarterly, J, A, J & O 1. On Participating Pfd. 7% paid in 1924; 1925, 7% regular and 1% extra paid Nov. 16, 1925; 1926, 8%; 1927, 8%; Feb. 15, 1928, 2% (stock called for payment April 16, 1928); payments were quarterly, F, M, A & N 15. On Class "A" and Class "B" Common stock, 60c. per share was paid in Participating Pfd., Nov. 15, 1924; 1925, $1.50 per share in Participating Pfd.; initial cash dividend of 30c. per share on Class "A" and "B" Common stock was paid April 1, 1926; 30c. per share in cash quarterly thereafter during 1926, with additional dividend on Dec. 31, 1926 of 50c. per share payable in Participating Pfd. stock, fractional shares being paid in cash: in 1927 30c. per share in cash each quarter and special dividend of 1/50th of a share of Class "A" Common stock, paid Dec. 31, 1927.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Income from all sources	$3,828,488	$3,807,942	$3,350,531
Deduct:			
Expenses	$32,961	$26,560	$27,156
Taxes, including reserve for income tax	114,675	255,428	292,283
Total	$147,636	$281,988	$319,439
Balance applic. to divds.	$3,680,852	$3,525,954	$3,031,092
First Preferred dividends	771,000	507,050	226,146
Partic. Preferred dividends	546,245	415,860	291,461
Com. divds. ("A" & "B")	†1,197,635	*1,605,216	1,365,675
Surplus	$1,165,972	$997,828	$1,147,810
Earnings Per Share—			
First Preferred	$23.00	$35.26	$37.89
Partic. Preferred	10.62	11.02	14.45
Common "A" & "B"	2.21	2.66	2.75

*$1.20 in cash and 50 cents per share in Participating Pfd. stock. †$1.20 in cash and 1/50th of a share of Class "A" Common stock for each share Common stock held.

GENERAL BALANCE SHEET

	Dec. 31, 1927	Dec. 31, 1926	April 12, 1925
Assets—			
Securities (at market value)	$70,432,352	$45,127,769	$34,755,350
Cash & accruals of divids.	919,665	905,925	256,539
Miscellaneous	3,160	6,245	65,843
Total	$71,355,177	$46,039,939	$35,077,732
Liabilities—			
Capital stock and surplus	*$69,926,520	$45,722,860	$32,841,730
Temporary bank loan	.....	.....	1,900,000
Reserves for income taxes & Pfd. divds.	1,428,657	317,079	336,002
Total	$71,355,177	$46,039,939	$35,077,732

*Represented by 160,000 shares First Pfd. stock, 273,918 shares Participating Pfd. stock, 254,652.66 shares Common stock "A," and 814,188 shares Common stock "B."

Officers: Alfred L. Loomis, Chairman of Board; Landon K. Thorne, Pres.; Horace S. Scarritt, 1st V-P.; A. P. Taliaferro, V-P. & Treas.; Ernest G. Strand, Sec., New York.

Directors: B. C. Cobb, George E. Hardy, Alfred L. Loomis, Sidney Z. Mitchell, William S. Murray, George Roberts, Horace S. Scarritt, Ray P. Stevens, Henry L. Stimson, Landon K. Thorne, New York; Richard Schaddelee, Grand Rapids, Mich.; Thomas N. McCarter, Percy S. Young, Newark, N. J.; William W. Bodine, Philadelphia, Pa.; T. B. Macaulay, Montreal, Can.

Corporate Office, Dover, Del.

MUTUAL TELEPHONE COMPANY
(Erie, Pa.)

History—Incorporated Feb. 1, 1897, in Pa. The Pennsylvania Public Utilities Commission on June 22, 1921, approved the sale of the property of the Union Telephone Co., Erie, Pa., to the Mutual Telephone Co. As of April 1, 1926 purchased all the properties of The Bell Telephone Co. of Pa. in Erie County, Pa., with the exception of one central station with its equipment and connections, which was retained by the latter for toll connections under a contract with Company. Company does the entire telephone business in Erie County, Pa., serving the city of Erie and towns of Girard, Union City, North East and Corry, and intervening and adjoining territory. Company operates 24,092 subscribers' stations and 9 central stations inter-connected with 31,680 miles of aerial wire and 39,182 miles of underground wire.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,997,900; par, $50. Annual meeting, fourth Monday in July.

Dividends—6% annually has been regularly paid since July 1, 1898; payments quarterly, J, A, J & O 10. In addition stock dividends of 25% each were paid June 1, 1907, Jan. 31, 1911, March 31, 1915, Nov. 30, 1916, June 1, 1921 and Aug. 1, 1925.

FUNDED DEBT

$1,680,000 FIRST MORTGAGE GOLD 5s ($1,184,000 SERIES "A" AND $496,000 SERIES "B"); DUE OCTOBER 1, 1945

Dated Series "A," October 1, 1925; Series "B," Oct. 1, 1926.

Interest Payable April and October 1, at National Bank of Commerce, New York, and Erie Trust Co., Erie, Pa.

Trustee—Erie Trust Co., Erie, Pa.

Denominations—Coupon (principal may be registered), $500 and $1,000; or fully registered; interchangeable denominations. Coupon bonds are exchangeable for fully registered bonds and re-exchangeable under conditions provided in the indenture.

Provisions of Issue—Authorized, $10,000,000; issued, $1,700,000, of which $16,000 Series "A" bonds and $4,000 Series "B" bonds redeemed to Dec. 31, 1927. Proceeds of the issued bonds were used in connection with acquisition of the local service properties of The Bell Telephone Co. of Pennsylvania in Erie County, for the construction of a new building in Erie, Pa., and for other corporate purposes. Additional bonds may be issued for not more than 75% of the cost of permanent improvements, extensions, additions and/or acquisitions, provided that net earnings for 12 consecutive months in the preceding 15 months shall be equal to at least twice the annual interest charges on all first mortgage bonds outstanding including those presently to be issued.

Callability—Subject to call as a whole or in part on 30 days' notice on Oct. 1, 1930, and thereafter to and including October 1, 1935, at 105, and thereafter at a price successively decreasing ½ of 1% each year until maturity when any bonds of this issue then outstanding will be payable at par.

Sinking Fund—Company will pay to the trustee on or before Oct. 1, 1931, and in each year thereafter to and including Oct. 1, 1934, a sum equal to 2% of the gross operating revenue of the Company and a sum equal to 3% of such gross operating revenue (less certain specified deductions), on or before Oct. 1, 1935 and on or before Oct. 1, in each and every year thereafter while any Series "B" bonds are outstanding, to be applied to the purchase or call of bonds at not exceeding the then current redemption price and accrued interest.

Security—Secured by a direct first mortgage on all property of Company, including land, buildings, equipment, conduits and franchises, and by a direct lien on property hereafter acquired, subject to existing liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania 4 Mill Tax.

Legal Opinion—Beekman, Bogue, Clark & Griscom, New York (for the Bankers) and Brooks, English & Quinn, Erie, Pa. (for the Company).

Original Offering—First publicly offered ($1,200,000 Series "A") in August, 1925, at 100 and interest, by R. F. De Voe & Co., Inc., New York; $500,000 Series "B" in Sept., 1926, at the same price and by the same bankers.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925
Gross earnings	$1,085,736	$916,829	$583,897
Oper. exp., taxes & dep...	788,174	719,814	401,974
Net earnings	$297,562	$197,015	$181,923
Other income	3,311	27,460	.....
Total income	$300,873	$224,475	$181,923
Bond interest	85,131	66,250	3,250
Rentals, etc.	14,158	18,550	15,100
Total charges	$99,289	$84,800	$18,350
Balance for dividends	$201,584	$139,675	$162,573
Dividends paid	119,725	119,568	89,318
Surplus for year	$81,859	$20,107	$74,255
Earnings Per Share	$5.04	$3.50	$4.08

*Year ended June 30.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$5,456,700	$5,327,302	$3,153,007
Stocks and bonds	14,950	14,670	14,670
Other investments	5,855	21,197	.....
Materials and supplies	119,356	155,168	119,681
Cash on hand	198,643	50,509	701,459
Notes receivable	17,400	17,400	17,400
Accounts receivable	51,511	92,075	65,411
Other assets	117,191	120,396	67,638
Total	$5,981,606	$5,798,717	$4,139,266
Liabilities—			
Capital stock	$1,997,900	$1,993,963	$1,992,350
Capital stock scrip	763	.....	.....
Capital stock subscriptions	443	.....	.....
Funded debt	1,680,000	1,700,000	1,200,000
Current liabilities	75,135	78,913	127,800
Accrued items	83,027	6,005	37,204
Deferred credit items	.....	.....	38,537
Reserve for taxes	.....	39,765	.....
Depreciation reserve	955,854	875,146	584,665
Profit and loss	1,188,484	1,104,925	158,710
Total	$5,981,606	$5,798,717	$4,139,266

Officers: A. A. Culbertson, Pres.; J. C. Spencer, V-P.; A. W. Hayes, Sec. & Treas.; Harry M. Engh, Gen. Mgr., Erie, Pa.

Directors: J. C. Spencer, A. A. Culbertson, A. W. Hayes, John Z. Miller, Chas. H. English, James Russell, James Burke, Erie, Pa.

Office, Erie, Pa.

NATIONAL GAS AND ELECTRIC CORPORATION

History and Business—Incorporated Aug. 3, 1927 in Delaware. Corporation operates public utility properties through subsidiaries, in the states of Ohio, Michigan, Missouri, Colorado, Georgia, Alabama, Virginia, North Carolina and South Carolina and serves communities having a population in excess of 140,000, not including the territories served with natural gas. Electric light and power is furnished to communities centered around and including Manchester, Ga.; Marion, N. C., and Laurens, S. C. Manufactured gas is furnished to communities centered around and including Grand Haven, Monroe, Coldwater and Hillsdale, Mich.; Brookfield and Kirksville, Mo.; Greeley, Colo.; Florence, Ala.; Winchester and Staunton, Va., and Statesville, N. C. Natural gas is supplied to various industrial plants at Zanesville, Crooksville and Cambridge, Ohio. Among the companies acquired are the Central States Utilities Company (see 1927 Public Utility Volume, page 580) and Consumers Utilities Co.

CAPITAL STOCK

Authorized, 20,000 shares Common and 30,000 shares Pfd.; of which 20,000 shares are designated as $6.50 Dividend Series Cumulative Pfd., all of no par value; outstanding, 18,000 shares Common and 2,000 shares $6.50 Dividend Series Pfd.

Annual Meeting—Third Wednesday in March.

FUNDED DEBT

(1)

$3,400,000 FIRST MORTGAGE COLLATERAL GOLD BONDS, 25-YEAR 5½% SERIES OF 1928; DUE FEBRUARY 1, 1953

Dated February 1, 1928.

Interest Payable February and August 1 at Illinois Merchants Trust Co., Chicago, or at The Chase National Bank of the City of New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago, Ill.

Provisions of Issue—Authorized amount, not limited; issued, 25-Year 5½% Series of 1928, $3,400,000. Additional bonds may be issued in one or more series with interest rates, maturity dates, redemption fund provisions and other terms and conditions to be determined as new series are created. Additional bonds may be issued par for par against the deposit with the Trustee of First Mortgage bonds of subsidiary corporations which have been issued for not more than 80% of the cash cost or fair value, whichever is less, of additions, extensions and improvements to the properties of such subsidiary corporations. Such additional bonds may only be issued, however, when consolidated net earnings, as defined in the Trust Indenture, for twelve consecutive calendar months within the fifteen calendar months immediately preceding the application for issuance of such additional bonds shall be equal to at least twice the interest requirements for one year on all outstanding bonds and those proposed to be issued.

Purpose of Issue—Proceeds of these bonds provided part of the purchase price of the capital stock and funded debt of subsidiary corporations acquired by National Gas & Electric Corp. or was used to reimburse the Corporation for expenditures made for such purposes, or applied to other corporate requirements.

Callability—Subject to call in whole or in part at any time on 60 days' notice at 105 during the years 1928 to 1932, inclusive; 104 during the years 1933 to 1937, inclusive; 103 during the years 1938 to 1942, inclusive; 102 during the years 1943 to 1947, inclusive; 101 during the years 1948 to 1951 inclusive and 100 thereafter; accrued interest to be added in all cases.

Sinking and Improvement Fund—Beginning Jan. 1, 1930, the Trust Indenture provides for a Sinking and Improvement Fund which will require the payment by the Corporation annually of a sum equal to not less than 1% of the greatest principal amount of 25-Year 5½% Series of 1928 bonds at any time outstanding, such sum to be applied, at the Corporation's option, (1) to the purchase of bonds of this series at not exceeding their prevailing call price or to their retirement by call at that price, or (2) to investment in permanent additions, extensions and improvements to the Company's property and/or to the property of any subsidiary, the amount so invested to be certified to the Trustee, but such additions, extensions and improvements not to be the basis for the issuance of additional bonds.

Maintenance, Renewal and Depreciation Reserve—The Corporation covenants to cause each subsidiary company to create a maintenance, renewal and depreciation reserve and to credit yearly to such reserve at least 10% of the gross operating revenues of each manufactured gas and water company, and 12½% of the gross operating revenue of each electric light and power property, natural gas property and other public utility properties. All expenditures for maintenance and renewals will be charged to such accounts and any portion of such accounts not exhausted by such charges will be credited to depreciation reesrve.

Security—Secured by deposit and pledge with the Trustee of First Mortgage bonds of subsidiary companies, which have been approved by the regulatory bodies in the various states wherever required and which constitute the entire funded debt of such companies, in an aggregate principal amount equal to at

least 100% of the total amount of First Mortgage Collateral Gold bonds outstanding. Further secured by deposit and pledge with the Trustee of the entire outstanding voting stocks, except Directors' qualifying shares, of such subsidiary companies with the exception of small minority stock interest of two subsidiaries, funds for the acquisition whereof have been placed by the Corporation in deposit. The Trust Indenture provides that no funded debt shall be sold or disposed of by any subsidiary corporation for any purpose whatsoever unless such funded debt shall be acquired forthwith by the National Gas & Electric Corp. and pledged as security for the First Mortgage Collateral Gold bonds. The Corporation also covenants that no subsidiary corporation will be permitted to incur any current liability in excess of its current assets unless such excess is acquired by the Corporation and pledged with the Trustee as security for the First Mortgage Collateral Gold bonds. Corporation also covenants that it will not acquire public utility properties other than manufactuerd gas and electric properties in excess of 30% of the fair value of the combined properties, including the properties to be acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Vermont and Connecticut four mills taxes, District of Columbia and Michigan five mills taxes and the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum, refunded upon request within 60 days after payment.

Legal Opinion—Cutting, Moore & Sidley, Chicago (for the Bankers) and Dickinson & Smith, Chicago, (for the Corporation).

Listed—Chicago Stock Exchange.

Original Offering—First publicly offered ($3,400,000) in Feb., 1928, at 98½ and interest to yield over 5.60% by Spencer Trask & Co., New York; Nichols, Terry & Co., Inc., and William L. Ross & Co., Inc., Chicago; Fenton, Davis & Boyle, Grand Rapids, Mich., and Edgar, Ricker & Co., Milwaukee, Wis.

(2)

$1,800,000 THREE-YEAR 5½% CONVERTIBLE GOLD NOTES; DUE FEBRUARY 1, 1931

Dated February 1, 1928.

Interest Payable February and August 1 at Union Trust Co., Chicago, Ill., or Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Union Trust Co., Chicago, Ill.

Provisions of Issue—Authorized and issued, $1,800,000.

Purpose of Issue—Proceeds were used to provide part of the purchase price of the capital stock and funded debt of the subsidiary corporations acquired, and also to reimburse the Corporation for expenditures made for such purposes, or applied to other corporate requirements.

Callability—Subject to call as a whole or in part on 60 days' notice at 101 during 1928, 100½ during 1929, 100¼ up to Aug. 1, 1930 and 100 thereafter; accrued interest to be added in each case.

Convertibility—Convertible up to and including Oct. 31, 1930, or until 30 days prior to any date specified for redemption if called prior to that date, at the option of the holders, into ten shares of $6.50 Dividend Series Cumulative Pfd. stock, without par value, for each $1,000 face value of Notes.

Sinking Fund—None provided.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and Vermont four mills taxes, District of Columbia and Michigan five mills taxes and Massachusetts Income tax on the interest not exceeding 6% of such interest per annum, refunded upon request within 60 days after payment.

Legal Opinion—Cutting, Moore & Sidley, Chicago (for the Bankers) and Dickinson & Smith, Chicago (for the Corporation).

Listed—Chicago Stock Exchange.

Original Offering—First publicly offered ($1,800,000) in Feb., 1928, at par and interest by Spencer Trask & Co., New York; Nichols, Terry & Co., Inc., and William L. Ross & Co., Inc., Chicago; and Fenton, Davis & Boyle, Grand Rapids, Mich., and Edgar, Ricker & Co., Milwaukee, Wis.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$1,160,806	$1,076,464
Operating expenses	724,099	658,175
Net earnings	$436,707	$418,289
Bond interest	187,000	
Interest on Convertible notes	99,000	
Balance	$150,707	

CONSOLIDATED BALANCE SHEET, SEPTEMBER 29, 1927
(After giving effect to new financing)

Assets—	
Fixed assets	$6,098,180
Cash	424,941
Prepaid expense, note and bond discount	416,183
Total	$6,939,304
Liabilities—	
Common stock	$500,000
Preferred stock	200,000
Funded debt	3,400,000
Convertible notes	1,800,000
Surplus	1,039,304
Total	$6,939,304

Officers: F. W. Seymour, Pres., D. H. Frazer, V-P., Battle Creek, Mich.; H. A. Sebald, V-P. & Gen. Mgr., Coldwater, Mich.; H. L. Nichols, V-P., Chicago, Ill.; W. L. Smith, V-P.; D. H. Frazer, Jr., Sec.; E. B. Zimmer, Treas., Battle Creek, Mich.

Directors: F. W. Seymour, D. H. Frazer, W. L. Smith, H. C. Hawk, D. H. Frazer, Jr., E. B. Zimmer, J. F. Jones, Battle Creek, Mich.; H. A. Sebald, Coldwater, Mich.; H. L. Nichols, L. C. Anderson, Chicago, Ill.; R. J. Boyle, Grand Rapids, Mich.

General Office, 26 East Main St., Battle Creek, Mich.

BUTTE WATER COMPANY

History—Incorporated April 27, 1901, in N. J.; reorganization of the former Butte City Water Co. In 1907, absorbed the Moulton Water Co. and is the only water company in the city of Butte, Mont. Population served, about 75,000. Book value plant and equipment, Dec. 31, 1927, $4,378,297.

CAPITAL STOCK

Authorized, $5,000,000 (increased from $1,000,000 Dec. 15, 1913); outstanding, $3,000,000; par, $25. Annual meeting, first Wednesday in April. Dividends not made public.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$560,371	$560,458	$549,03
Operating expenses	319,256	333,118	366,40
Net earnings	$241,115	$227,340	$182,62

Officers: A. H. Melin, Pres.; James Dickson, Sec. & Treas., New York; Eugene Carroll, V-P. & Gen. Mgr. Butte, Mont.

Directors: A. H. Melin, John D. Ryan, B. B. Thayer, C. F. Kelley, New York; Eugene Carroll, Butte, Mont.

Offices, Butte, Mont., and 25 Broadway, New York.

CONTINENTAL TELEGRAPH COMPANY

History—Incorporated May 5, 1908, in Mont. Company owns no real property, being only an operating company, under contract to operate telegraph business on lines of Chicago, Milwaukee & St. Paul Ry. Co. west of Mobridge, S. D. Miles of wire, 14,119

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Annual meeting, first Wednesday in June, at Butte, Mont. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$41,552	$39,880	$40,420
Oper. exp. and taxes	63,445	53,051	66,172
Net loss from operation	$21,893	$13,171	$25,752

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$299	$299	$299
Accounts receivable	4,129	3,088	3,808
Deferred debit items	299,701	299,701	299,701
Total	$304,129	$303,088	$303,808
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Accounts payable, etc.	4,129	3,088	3,808
Total	$304,129	$303,088	$303,808

Officers: E. A. Patterson, Pres. & Supt., Milwaukee, Wis.; L. W. Spratlen, V-P., Chicago; T. W. Burtness, Sec., Milwaukee, Wis.; E. F. Rummel, Asst. Sec., John Dickie, Treas.; Walter V. Wilson, Aud., Chicago.

Directors: E. A. Patterson, T. W. Burtness, Milwaukee, Wis.; L. W. Spratlen, W. D. Millard, James Needham, C. R. Sutherland, E. F. Rummel, Chicago.

Corporate Office, Milwaukee, Wis. **General Office,** Chicago, Ill.

DUKE-PRICE POWER COMPANY, LIMITED

History and Properties—Incorporated in July, 1924, in Canada. Company has completed installation consisting of 450,000 h.p. in ten hydro-electric units of 45,000 h.p., each located in the Province of Quebec on the Saguenay River, at a point known as the Grand Discharge, about eight miles below Lake St. John. The power station building will permit the installation of another two such units making the ultimate capacity 540,000 h.p. Lake St. John, with its 385 square miles of surface area and 30,000 square miles of drainage area, forms a natural impounding reservoir which permits the storage of sufficient water to operate the plant at high capacity throughout the entire year.

The Company has 50-year power contracts which require the payment to it of $2,055,000 in 1927, $2,330,000 in 1928, $2,605,000 in 1929, and $2,880,000 in 1930 and annually thereafter. In addition, the Company has power contracts running from 10 to 25 years which require the payment to it in 1927 of approximately $800,000 and annually thereafter a minimum amount of $864,000. Any renewals or replacements of these contracts will undoubtedly be at substantially increased rates. Beyond these existing contracts, the Company will have available a substantial amount of part-time power for which there will be a demand and which at generally prevailing rates should when sold produce more than $400,000 additional annual income.

CONTRACTS

Company has firm contracts for sale of 330,000 h.p. as follows:

Company	Amount	Period
*Aluminum Company of Canada	100,000 h.p.	50 yrs.
The Shawinigan Water & Power Co.	100,000 "	50 "
Price Brothers & Company, Ltd.	40,000 "	50 "
	60,000 "	10 "
Port Alfred Pulp & Paper Corp.	30,000 "	25 "

*All of whose stock is owned, and the due performance of whose contract is guaranteed, by Aluminum Company of America.

Price Brothers & Company, Limited, has the option of taking the 60,000 h.p. indicated above for 40 years after 1936, but only at an increased price.

CAPITAL STOCK

210,000 shares Common no par value. Aluminum Company of America interests own 53 1/3%; The Shawinigan Water & Power Co., 20% and the Duke-Price interests 26 2/3% of the capital sock of Company.

Annual Meeting—First Wednesday in March.

Dividends—No dividends paid.

FUNDED DEBT

(1)

$37,000,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS, SERIES "A"; DUE MAY 1, 1966

Dated May 1, 1926.

Interest Payable May and November 1, in New York, Pittsburgh or Montreal.

Denomination—Coupon, $1,000.

Trustees—The Union Trust Co. of Pittsburgh and National Trust Co., Ltd., Montreal.

Provisions of Issue—Authorized, $50,000,000; issued, $37,000,000. The remaining $13,000,000 may be issued either as Series "A" bonds or in other series with varying interest rates not exceeding 6% and maturity dates not earlier than May 1, 1966. Except for a principal amount not exceeding $3,000,000 which may be issued for acquisition of stocks or other securities or property at not exceeding 75% of cost thereof and without any restrictions as to earnings, additional bonds may be issued only for not more than 75% of cost of additional physical property subjected to mortgage as a direct first lien and provided net earnings, for twelve consecutive months out of preceding fifteen months shall have been at least 1½ times annual interest charges on all bonds theretofore issued and then proposed to be issued. The mortgage contains certain provisions permitting, with assent of holders of at least 80% of outstanding bonds (not including any bonds owned by Company) and with consent of American Trustee, modification or alteration of mortgage or of any supplementary indenture, provided that nothing shall permit extension of maturity of any bond, or reduction in principal or in rate of interest thereon, or any other modification in terms of payment of such principal or interest, or creation by Company of any lien ranking prior to or on a parity with lien of mortgage on property specifically subjected thereto.

Callability—Subject to call as a whole on the first day of any month on 60 days' notice, or in part for the sinking fund on any Nov. 1 (beginning in 1929) on 30 days' notice, at 106 and interest on or before May 1, 1931, and at ¾ of 1% less for each 5-year period or fraction thereof elapsed thereafter up to and including May 1, 1961, and at 101 and interest thereafter prior to maturity.

Sinking Fund—A cumulative sinking fund, beginning Sept., 1929, will be provided calculated to retire at least half of all Series "A" bonds by maturity.

Security—Secured by direct First Mortgage on entire physical property now owned by Company, and by a floating charge upon all its other assets. In addition the contracts mentioned above are pledged under the Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mill tax refundable.

Legal Opinion—William R. Perkins, New York, and McCarthy & McCarthy, Toronto (for the Company), and Gordon, Smith, Buchanan & Scott, Pittsburgh and Lafleur, MacDougall, Macfarlane & Barclay, Montreal (for the Bankers).

Original Offering—First publicly offered ($37,000,000) in April, 1926, at par and interest by Guaranty Co. of New York, Bankers Trust Co., Aldred & Co., Lee, Higginson & Co., Brown Brothers & Co., and Marshall Field, Glore, Ward & Co., New York, etc., and The Union Trust Co. of Pittsburgh, and Mellon National Bank, Pittsburgh.

Listed—New York Stock Exchange.

(2)

$3,500,000 5-YEAR 6% GOLD NOTES; DUE APRIL 15, 1932

All of these notes were taken by stockholders of the Company at their face value and accrued interest; no details available.

BOND REDEMPTION

All of the outstanding First Mortgage Gold bonds 6% Series due July 1, 1949, were called for redemption on July 1, 1926 at 107½ and interest at the National City Bank, New York, Trustee, or at Bank of Montreal in Montreal or Quebec or at office of National City Bank of New York in London, England.

CONSOLIDATED INCOME ACCOUNT

	Year ended Dec. 31, 1927	May 10 to Dec. 31, 1926
Operating revenues	$3,123,526	$1,030,867
Operating and general expense	470,470	146,925
Depreciation	315,894	.....
Operating income	$2,337,162	$883,941
Miscellaneous interest revenues	66,629	586,650
Total income	$2,403,791	$1,470,591
Bond interest	2,220,000	1,424,500
Other interest	121,351	.....
Net income	$62,440	$46,091
Times Interest Earned	1.03	1.03

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	*1927	*1926	1925
Plant, equip., rights and contracts	‡$59,170,792	$56,259,155	$31,835,028
Cash	157,426	70,918	487,606
Notes & accounts receivable	1,457,251	165,629	198,243
Suspense account	.....	.....	630,330
Materials and supplies	61,708	33,087	.....
Marketable securities	261,000	.....	.....
Deferred charges	2,189,570	2,289,050	.....
Total	$63,297,747	$58,817,840	$33,151,207
Liabilities—			
†Capital stock	$21,000,000	$21,000,000	$19,000,000
Funded debt	40,500,000	37,000,000	12,000,000
Notes and accounts payable	1,268,009	401,749	1,900,694
Accrued interest	413,750	370,000	.....
Reserves for casualties & insurance	7,457	.....	.....
Surplus	108,531	46,091	250,513
Total	$63,297,747	$58,817,840	$33,151,207

*Consolidated Balance Sheet. †Represented by 210,000 shares of no par value in 1926 and 190,000 shares in 1925. ‡After depreciation.

Officers: Arthur V. Davis, Pres.; John H. Price, V-P.; George G. Allen, V-P.; Thomas J. Bostwick, V-P.; Leighton McCarthy, V-P.; Walter C. Parker, Sec. & Treas.; George T. Curtis, Asst. Sec.; John F. Van Lane, Asst. Sec.

Directors: John E. Aldred, George G. Allen, William R. Perkins, New York, N. Y.; Thomas J. Bostwick, Arthur V. Davis, Pittsbugh, Pa.; Leighton McCarthy, John F. Van Lane, Toronto, Ant.; John H. Price, Quebec; Julian C. Smith, Montreal.

General Office, 611 Canada Cement Bldg., Montreal, Can. **New York Office,** 535 Fifth Ave.

TOLEDO AND WESTERN RAILWAY COMPANY

History and Property—Incorporated March 5, 1924, in Ohio; successor to Toledo & Western Railroad Company (see 1924 Public Utility Manual, page 2131). Road extends from Toledo, Ohio, to Adrian, Mich. and Pioneer, Ohio passing through the following towns: Sylvania, O.; Blissfield, Mich.; Palmyra, Mich.; Metamora, O.; Lyons, O.; Denson, O.; Morenci, Mich.; Fayette, O.; Franklin, O.; and Alvordton, O. Length of line owned, 74.098 miles; trackage rights, 5.413 miles; total line operated, 79,511; gauge, 4 ft. 8½ in. Rail, 60 and 80 lb. Operated by overhead trolley. Motor cars—closed passenger, 11; freight cars, 3; service, 2—total motor cars, 16; non-motor freight and other cars, 46—total cars, 62. Locomotives, 5.

CAPITAL STOCK

Authorized, $500,000; outstanding, $200,000; par, $100. Stock transferred and registered by A. B. Qualy, Sec., Toledo, O. No dividends paid.

Annual Meeting—First Wednesday after the third Monday in May, at Toledo, Ohio.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$673,423	$554,329	$507,162
Operating expenses, maintenance and taxes	538,110	543,157	454,703
Depreciation	6,344	4,994	.....
Net earnings	$128,969	$6,178	$52,459
Other income	1,281	789	577
Total income	$130,250	$6,967	$53,036
Interest	38,107	.....	36
Rentals	921	1,423	1,020
Net income	$91,222	$5,544	$51,980

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$2,698,519	$2,634,067	$2,400,122
Materials and supplies	72,235	77,180	58,842
Cash	79,820	35,734	63,267
Accounts receivable	14,742	15,294	13,369
Other current assets	.....	3,027	1,292
Unadjusted debits	8,651	4,259	6,994
Total	$2,873,967	$2,769,561	$2,543,886
Liabilities—			
Capital stock	$200,000	$200,000	$200,000
Accounts payable	62,903	64,739	87,906
Reserve for taxes	19,135	10,415	.....
Reserve for depreciation	11,339	4,994	.....
Unadjusted credits	357,550	357,302	103,575
Appropriated surplus	125	125	125
Profit and loss surplus	2,222,915	2,131,986	2,152,280
Total	$2,873,967	$2,769,561	$2,543,886

Officers: J. N. Willys, Pres., Toledo, O.; J. E. Taussig, Exec. V-P., St. Louis, Mo.; A. B. Qualy, Sec.; J. H. Gerkens, Treas., Toledo, O.; M. O. Hoeggen, Aud.; H. O. Kelley, Gen. Mgr.; J. W. Anderson, Traffic Mgr., Sylvania, O.

Directors: William H. Williams, New York, N. Y.; J. E. Taussig, N. S. Brown, J. W. Newell, St. Louis, Mo.; John N. Willys, A. B. Qualy, J. H. Gerkens, L. A. Miller, Toledo, O.

General Office, Toledo, Ohio. **Operating Office,** Sylvania, Ohio.

SOMERVILLE WATER CO.

History—Incorporated May 24, 1881, in N. J. Supplies Somerville and Raritan, N. J. Miles of mains, 29.98. Annual output, in 1927, 656,701,000 gals., compared with 682,504,000 gals. in 1926. No. of meters, 578. Price, 20 cents per 1,000 gals. Population served, 11,500.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $189,000; par, $25. Annual meeting, second Tuesday in January.

Dividends—A dividend of 4% was paid May 1, 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$81,334	$74,882	$73,063
Oper. exp. and taxes	41,335	37,789	37,241
Depreciation	11,613	11,494	11,162
Net earnings	$28,386	$25,599	$24,660
Other income	708	592	.....
Total income	$29,094	$26,191	$24,660
Interest charges	3,600	6,544	6,928
Net income	$25,494	$19,647	$17,731
Dividends	7,560	.....	.....
Surplus for year	$17,934	$19,647	$17,731

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$509,175	$499,985	$486,503
Investments	1,725	51,031	51,031
Materials and supplies	937	967	796
Cash	32,773	22,359	3,148
Accounts receivable	8,788	6,130	5,741
Total	$553,397	$580,472	$547,219
Liabilities—			
Capital stock	$189,000	$189,000	$189,000
Notes payable	60,000	109,046	110,046
Advances from other cos.	.....	260	260
Misc. accts. payable	.....	.....	2,650
Interest accrued	54,000	78,844	72,301
Accrued amort. of capital	120,372	118,057	107,344
Profit and loss surplus	130,025	85,265	65,618
Total	$553,397	$580,472	$547,219

Officers: Jacob Shurts, Pres.; John Kean, V-P.; Hugh K. Gaston, Sec. & Treas.; Chas. Wyckoff, Supt., Raritan, N. J.

Directors: Hugh K. Gaston, Jacob Shurts, L. L. Miller, Somerville, N. J.; John Kean, Elizabeth, N J.

General Office, Somerville, N. J.

MISSISSIPPI GAS COMPANY

History—Incorporated Jan. 25, 1928 in Delaware; qualified to do business in Mississippi. Company has twenty-five year franchise to supply gas in the City of Laurel, Miss., and is constructing a high pressure water gas system there, which was expected to be in operation on or before August 1, 1928. Population of City of Laurel, 17,000. Franchise expires in 1952. Estimated number of gas meters, 1,100. Estimated production for first year, 38,000,000 cu. ft. gas.

CAPITAL STOCK

Authorized, 5,000 shares Common of no par value and $150,000 7% cumulative Preferred of $100 par value; outstanding 5,000 shares Common and $117,-00 Preferred.

Preferred Stock Proivsions—Preferred stock is subject to redemption on any dividend date at 105.

Transfer Agent and Registrar—Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia.

Dividends—Preferred dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

$75,000 FIRST MORTGAGE SINKING FUND GOLD BONDS, SERIES "A" 6½%; DUE JANUARY 1, 1948

Dated January 1, 1928.

Interest Payable January and July 1 at The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000 interchangeable; principal may be registered.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized amount, not limited; issued, $275,000. Additional bonds may be issued in series, the respective series having such rates of interest, such maturity dates, such redemption provisions and containing such other rights, limitations and provisions as may be permitted by the mortgage and as the Company may provide. Additional bonds of Series "A" 6½% or other Series may be issued thereunder; (a) for refunding an equal principal amount of bonds of any Series; (b) against the deposit of cash; (c) for refunding an equal principal amount of prior lien bonds; (d) for 70%, 75% or 80%, respectively, of the fair value or cost, whichever is less, of additions, improvements, extensions, betterments and acquisitions, provided total income as defined in the mortgage for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of application for such bonds shall have been at least equal to 1½ times, 1¾ times or twice, respectively, annual interest charges on all bonds outstanding under the mortgage including bonds proposed to be issued and on all prior lien bonds, except those pledged under the Mortgage or under any prior lien mortgage. Bonds may also be issued, subject to earnings restrictions as provided, against the pledge of an equal principal amount of mortgage bonds of a subsidiary company, as defined in the Mortgage, provided that the principal amount of all mortgage indebtedness of such subsidiary, excluding such mortgage indebtedness as is pledged under any mortgage of such subsidiary, shall not exceed 75% of the value of the permanent property, as defined in the Mortgage of such subsidiary.

Purpose of Issue—Proceeds, together with cash received from other sources, provided for the construction of the property, and other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice during 1928 at 105 and interest, and thereafter until maturity at ¼ of 1% per year less for each succeeding year.

Sinking and Improvement Fund—A sinking fund is established providing for payments upon the amount of Series "A" 6½% Bonds at the time outstanding thereunder as follows: 1½% per annum for the years 1930 to 1934, inclusive; 2% per annum for the years 1935 to 1939, inclusive; 2½% per annum for the years 1940 to 1947, inclusive. This fund may be used in the purchase or redemption of bonds issued under the mortgage at not exceeding the then prevailing redemption price, or for additions, extensions, improvements, betterments or acquisitions, against which bonds have not been and shall not thereafter be issued. All bonds so purchased or redeemed shall be cancelled.

Security—Secured by a first mortgage lien on all of the property now owned or hereafter acquired, subject to the right of the Company to purchase additional properties subject to liens

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to reimburse holders for any personal property or income taxes imposed on either the principal or interest by the states of Pennsylvania, Connecticut, Maryland, Massachusetts and the District of Columbia to an amount not exceeding the personal property or income tax in effect on Jan. 1, 1928, in the several states, and the personal property tax in effect in the District of Columbia on Jan. 1, 1928, also certain taxes in the State of Maine, all as provided in the Mortgage, and upon application made within 60 days, but the Company will not refund more than one such tax on the same bond for the same year.

Legal Opinion—Rawle & Henderson, Philadelphia.

Original Offering—First publicly offered ($275,000) in Feb., 1928, at 97 and interest to yield over 6.75% by Parsly Bros. & Co. and Boenning & Co., Philadelphia.

OFFICERS AND DIRECTORS

Officers: Francis R. Weller, Pres., Washington, D. C.; E. G. Parsly, V-P., Philadelphia, Pa.; F. S. Mordaunt, V-P., New Orleans, La.; M. X. Wilberding, Sec. & Treas.; C. A. Blinston, Asst. Treas. & Asst. Sec., Washington, D. C.

Directors: F. R. Weller, M. X. Wilberding, Washington, D. C.; E. G. Parsly, H. D. Boening, Joseph W. Henderson, Philadelphia, Pa.

Office of President, 601 Mills Bldg., Washington, D. C.

MISSOULA GAS & COKE COMPANY

History—Incorporated May 1, 1924, in Mont.; successor to Garden City Gas Co. Furnishes Missoula, Mont., with gas, serving a population of about 16,000. Franchise expires in 1946. Miles of mains, 23. No. of meters, 1,350. Annual sales, 27,420,000 cu. ft. Price is on a sliding scale from $2.15 net, downward.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. No dividends paid. Annual meeting, first Tuesday in January. Dividends not reported.

FUNDED DEBT

$90,200 First Mortgage 7% Gold Bonds; dated May 1, 1924; due May 1, 1944; int. May and Nov. 1, at Central Trust Co. of Illinois, Chicago, Trustee. Coupon (various denominations); principal may be registered. Authorized issue, $500,000. A sinking fund is provided, ranging from 1% to 3%. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Officers: R. C. Cardell, Pres. & Gen. Mgr., Missoula, Mont.; James H. McGill, V-P., Valparaiso, Ind.; L. L. Swingle, Sec., Missoula, Mont.; G. E. Snell, Treas.; E. E. Murray Aud., Billings, Mont.

Directors: R. C. Cardell, L. L. Swingle, Missoula, Mont.; James H. McGill, Valparaiso, Ind.; I. C. Arnott, G. E. Snell, Billings, Mont.

General Office, Missoula, Mont.

CONSOLIDATED GAS ELECTRIC LIGHT & POWER CO. OF BALTIMORE

Stock Issues, At March 1, 1928, Summarized
(Including Subsidiary Companies)

Stocks	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends for year 1927	Divd. Requirements—Rate	Divd. Requirements—Amount	†Earnings per Share
Consol. Gas Elec. Lt. & Power Co. of Baltimore:							
8% cum. Pfd., Ser. "A"; par $100	J, A, J & O 1	.....	(1)	....	....	.....	....
7% cum. Pfd. Ser. "B"; par $100	J, A, J & O 1	.....	(2)	....	....	.....	....
6½% cum. Pfd., Ser. "C"; par $100	J, A, J & O 1	.....	(3)	....	....	.....	....
6% cum. Pfd. Ser. "D"; par $100	J, A, J & O 1	‡$25,000,000	††$1,605,400 †† 1,576,700 ¶14,090,800	$5,177,371	6% 5½% 5%	$887,583	$42.47
5% cum. Pfd., Ser. "A"; par $100	J, A, J & O 1						
Common; no par value	J, A, J & O 1	1,200,000 shs	*941,281 shs	4,289,788	$3.00	2,823,843	4.62

*Carried in Balance Sheet at $26,022,224. In addition, 14,419 shares were subscribed by employees on installment payment basis. †Based on average stock outstanding for year 1927. (1) Entire issue called for redemption on April 2, 1928 at 125 and accrued dividend. (2) Entire issue called for redemption on April 2, 1928 at 110 and accrued dividend. (3) Entire issue called for redemption on April 2, 1928 at 110 and accrued dividend. ††In addition, $1,135,900 Series "D" 6% and $575,100 Series "E" 5½% were subscribed for by Company's customers on installment payment basis. ¶Authorized to be issued on and after April 5, 1928, upon provision for redemption on April 2, 1928 of old 8%, 7% and 6½% issues. Subscription receipts of the Company have been issued for this stock. ‡On April 4, 1928 stockholders approved an increase in authorized Pfd. stock from $25,000,000 to $30,000,000 which increase of $5,000,000 has been classified as 5% Series "A."

Bond Issues, At March 1, 1928, Summarized
(Including Subsidiary Companies)

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Consol. Gas Elec. Lt. & Pow Co. Gen. 4½s	Feb.14, 1935	J & J 1	$15,000,000	*$13,845,000	No	No	Pd. by Co.
Consol. Gas Elec. Lt. & Pow. Co. of Baltimore:							
Series A First Refunding 6s	Feb. 1, 1949	F & A 1	100,000,000	10,531,000	No	Yes	Pd. by Co.
Series E First Refunding 5½s	Sept. 1, 1952	M & S 1		4,999,000	No	Yes	Pd. by Co.
Series F First Refunding 5s	June 1, 1965	J & D 1		15,964,000	No	Yes	Pd. by Co
The Consol. Gas Co. of Balt. City Consol. 1st 5s	July 1, 1939	J & J 1	Closed	3,400,000	No	No	Not pd. by Co
The Consol. Gas Co. of Balt. City General 4½s	Apr. 1, 1954	A & O 1	†Closed	6,100,000	No	No	Pd. by Co
The United Elec. Lt. & Pow. Co. 1st Consol 4½s	May 1, 1929	M & N 1	Closed	4,428,000	No	No	Pd. by Co
Roland Park Elec. & Water Co. First 5s	Feb. 1, 1937	F & A 1	Closed	‡225,000	No	No	Pd. by Co

Total Funded Debt, at March 1, 1928, $59,492,000. **Fixed Charges Accrued** in 1927, $3,070,133.
§**Amount Available for Fixed Charges** in 1927, $8,247,504. **Times Fixed Charges Earned** in 1927, 2.69.

*$1,155,000 additional deposited under First Refunding Mortgage of Consolidated Gas Elec. Lt. & Pr. Co. of Balt., making total issued, $15,000,000. †$3,400,000 reserved to retire Consol. Gas Co. 5s due 1939. ‡Excluding $75,000 reacquired. §After deducting retirement expense.

History and Properties—Incorporated June 20, 1906, in Md., as a consolidation of Consolidated Gas Electric Light & Power Co. and The Consolidated Gas Co. of Baltimore City. Owns the entire capital stock of the following companies: Mt. Washington Electric Light & Power Co., The Consolidated Power Co. of Baltimore, Patapsco Electric & Manufacturing Co. (of Maryland), Patapsco Electric & Manufacturing Co. (of Delaware), The Baltimore County Electric Co., Northern Electric Co. and Bel Air Electric Company, all of which are operated under lease. It is proposed, during 1928, to convey all properties and franchises of the above named subsidiary companies, and of The Public Service Building Co. named hereunder, to the Consolidated Company. Also owns the entire capital stock of The Baltimore Co. of Baltimore City, Baltimore Electric Co. of Baltimore City, Maryland Securities Co. and the entire Common stock of The Public Service Building Co. The last named company owns a 20-story office building for the use of the executive, commercial, engineering and merchandising departments of Consolidated Company and for retail shops and general office purposes. Consolidated Gas Electric Light & Power Co. of Baltimore has leased this building for a period of twenty-five years, datin from Aug. 2, 1915.

In June, 1927, all the properties and franchises c Baltimore Electric Co. of Baltimore City and Marylan Securities Co. were conveyed to the Consolidated Com pany. It is proposed to dissolve the foregoing eleve subsidiaries during 1928. The Consolidated Compan also owns the entire capital stock of Baltimore Co poration of Maryland and Roland Park Electric an Water Co. which latter is operated under lease. I June, 1927, Baltimore Corporation of Maryland a quired approximately 54% of each of the Preferred ar Common stocks of Washington, Baltimore and A napolis Electric Railroad Co. which in turn owns a the capital stock of The Annapolis and Chesapeal Bay Power Co.

The present company is the only company engage in the gas, electric light and power business in Bal more and surrounding territory. Its operatio extend into the suburbs and surrounding counties, i cluding Baltimore, Howard, Anne Arundel, Harfo and Carroll Counties, serving a population of appro mately 900,000.

CONSOLIDATED GAS ELECTRIC LIGHT & POWER CO.
and Subsidiary Companies' Securities
Bought—Sold—Quoted
MACKUBIN, GOODRICH & COMPANY
111 E. REDWOOD ST. Members New York, Baltimore Stock Exchanges BALTIMORE, MD.
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Franchises—Original gas franchise was granted in 1816 and original electric franchise was granted in 1881. The franchises for both gas and electricity are unlimited as to time. No other company can enter the territories served without the consent of the Public Service Commission of Maryland.

Electric Properties—The Company's system includes four generating plants, viz., the large modern steam generating plants and power stations at Westport, Gould St. and Pratt St., Baltimore, and the water power development at Ilchester, Md. The equipment of these stations has an aggregate capacity in excess of 295,000 h.p. The initial unit of the new "Gould Street" pulverized fuel burning station was put into operation in December, 1926. This first unit has a capacity of 48,000 h.p. in one turbo-electric generator. The second 48,000 h.p. unit is now nearing completion. This station has an ultimate capacity of 192,000 h.p., and embodies the latest developments in steam and electric engineering. The company also has 24 sub-stations in its system including three sub-stations completed, and placed in operation in 1927.

In addition to its generating plants, the company has available a capacity of more than 100,000 h.p. from the hydro-electric development of Pennsylvania Water & Power Co. at Holtwood, Pa., on the Susquehanna River, 40 miles from Baltimore, and, by a long-term contract, has the exclusive use of the output of this development in the State of Maryland including the supply of all power used by the street railways system of Baltimore and vicinity. This supply of hydro-electric power (supplemented with steam-electric power) has resulted in economies in operation and insures uninterrupted service and continuous current throughout the entire system.

Gas Properties—The manufacture of gas is at present concentrated at the company's Spring Gardens plant, which has a daily capacity of 67,000,000 cu. ft. This plant occupies a tract of 57 acres of land provided with both railroad and deep-water facilities. The equipment here is of modern Lowe carburetted water gas type apparatus, and the buildings are of brick and steel. The works have ample capacity, and are equipped with reserve generators. The company also has an advantageous contract under which it purchases by-product coke oven gas from the Maryland plant of the Bethlehem Steel Co. for a substantial part of its output. The gas distribution system is in excellent condition, only about 3% of the total output being unaccounted for.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Electric Department				Gas Department				
	Customers	Sales K.W. Hours	†Connected Install. K.W.	*Income Sales of Electricity	Customers	Sales in Cu. Ft.	Ranges in Use	Water Heaters in Use	‡Income Sales of Gas
§1918	54,351	348,725,511	204,438	$6,044,633	137,750	6,543,120,100	127,626	34,117	$4,444,919
1919	64,932	349,330,115	228,399	7,760,293	144,477	6,989,863,900	134,393	38,157	5,019,827
1920	79,469	377,613,364	281,319	9,385,889	152,454	8,771,431,700	143,193	41,800	6,003,556
1921	92,543	359,071,254	306,940	9,694,054	155,240	8,733,580,200	147,216	43,881	6,911,956
1922	107,202	501,878,824	323,545	11,800,905	159,720	9,307,518,500	153,470	46,190	8,120,050
1923	126,485	603,889,695	.....	13,314,964	165,060	10,015,893,500	158,933	48,625	8,445,991
1924	142,527	582,904,527	.....	12,995,375	169,512	10,283,263,800	163,016	51,038	8,329,679
1925	158,608	645,215,639	.....	14,191,571	175,075	10,372,886,400	¶	¶	8,387,771
1926	174,423	727,475,746	.....	15,312,939	184,036	11,376,914,900	¶	¶	9,169,143
1927	188,888	703,379,370	.....	15,470,873	188,273	11,177,309,500	¶	¶	9,043,432

*On Jan. 1, 1918, fuel rate adjustment effective for industrial customers. Effective July 1, 1923, secondary electric rate was reduced from 5 cts. to 4 cts. per K.W.H. The minimum number of kilowatt hours at which the primary rate is to be charged was reduced from 50 to 40 K.W.H. per month. A tertiary rate of 2½ cts. per K.W.H. was also established. Effective Dec. 1925 the minimum number of Kilowatt hours at which the primary rate is to be charged was reduced from 40 to 25 and the hours' use from which the primary rating is determined was reduced from 40 to 20. Effective January, 1927, maximum rate reduced from 8c to 7c per K.W.H.; also reduction in industrial schedules which included modification of demand charges.

†The tabulation of these figures was discontinued at the end of 1922 and they are therefore not available thereafter.

‡Secondary gas rate increased from 35 cts. to 50 cts. per M cu. ft. Dec. 1, 1918. Also increase of 15 cts. per 1,000 cu. ft. for industrial consumption and standard reduced from 600 B.T.U. to 550 B.T.U. Secondary rate increased from 50 cts. to 60 cts. per M cu. ft., Dec. 15, 1920, and standard changed from 550 B.T.U. to 500 B.T.U. on July 1, 1920. On July 1, 1921, primary gas rate temporarily increased from 75 cts. to 92 cts. per 1,000 cu. ft. and secondary rate increased from 60 cts. to 70 cts. per 1,000 cu. ft. Effective July 1, 1923, primary rate was fixed at 85 cts. net and secondary rate at 65 cts. net per 1,000 cu. ft.

§Year ended June 30.

¶Tabulation of these figures discontinued 1925.

CAPITAL STOCK

Authorized, 1,200,000 shares of no par value Common stock and $30,000,000 Preferred stock of $100 par value; issued March 1, 1928, 941,281 shares Common (carried in balance sheet at March 1, 1928, at $26,022,224); $1,605,400 Series "D" 6% cumulative Pfd., $1,576,700 Series "E" 5½% cumulative Pfd. and $14,090,800 Series "A" 5% cumulative Pfd.; in addition to which 14,419 shares Common, $1,135,900 Series "D" and $575,100 Series "E" Pfd. were subscribed on instalment payment basis. The new 5% Series "A" was authorized to be issued on or after April 5, 1928, upon provision for redemption on April 2, 1928 of old 8%, 7% and 6½% issues. The authorized Common stock was increased from $20,000,000 to $30,000,000 on March 22, 1915. On October 21, 1924, shareholders approved amendments to the charter increasing the number of shares authorized and/or issued to four times the number previously authorized and/or issued and providing that all shares of Common stock should be shares of no par value. Stockholders were requested to surrender their $100 par value certificates on the basis of four shares of new no par value Common stock for each one share of $100 par value Common stock.

On April 4, 1928, stockholders approved an increase in the authorized Preferred stock from $25,000,000 to $30,000,000 which increase of $5,000,000 has been classified as 5% Series "A."

Preferred Stock Redemptions—Entire issues of $5,000,000 Series "A" 8%, $2,000,000 Series "B" 7% and $4,000,000 Series "C" 6½% Pfd. stock were called for redemption on April 2, 1928, at $125, $110 and $110 respectively, plus accrued dividend in each case.

Subscription Privilege—Common stockholders of record Dec. 17, 1926 received the right until Jan. 10, 1927 to subscribe to 84,155 shares of additional no par Common stock at $35 a share, to the extent of one share of new Common for every ten shares held. Payment was to be made $35 a share with subscription on

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INVESTMENT SECURITIES
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or before Jan. 10, 1927; or $10 a share with subscription and $25.26 a share on Feb. 15, 1927; or $10 a share with subscription, $10 a share on Feb. 15, 1927 and $15.34 a share on March 10, 1927. Under the second and third methods, adjustment was made for the allowance of interest and the accrual of dividend. In April, 1927, employees subscribed for 31,361 shares Common stock, including 1,361 of the 84,155 above mentioned, at $40 per share, on installment payment basis.

Preferred Stock Provisions—Has preference as to assets and dividends and is subject to redemption, the Series "D," Series "E" and 5% Series "A" at $110 per share and accrued dividends. By sole vote of the Common stock, any authorized but unissued Pfd. stock may be classified or reclassified into one or more series, which may differ from existing series in the following but no other respects: (1) the rate and/or payment periods of the fixed preferential dividends thereon, (2) convertibility into other stocks, bonds or securities, (3) prices and times, if any, of redemption, and (4) participation, if any, in dividends in excess of the fixed preferential dividends thereon or in distribution of assets in excess of the fixed preferential distribution thereof. The Board of Directors may classify or reclassify authorized but unissued Pfd. stock into series which may differ from existing series only in the first three respects above mentioned.

Pfd. stock shall have no voting powers except that (a) Pfd. stock shall have full voting powers (one vote for each share of Common and four votes for each share of Pfd.) with respect to any proposed amendment of charter of Company (except amendments reclassifying authorized but unissued Pfd. stock), any proposed consolidation, sale, lease or exchange of all the Company's property and assets as an entirety, including its good will and franchises, or any proposed dissolution, and no such amendment, consolidation, etc. shall be made without consent of two-thirds of all shares of Pfd. stock outstanding, and (b) whenever Company shall fail to pay full dividends on Pfd. stock and such failure shall continue for one year, the Pfd. stock shall then have full voting powers (one vote for each share of Common and four votes for each share of Preferred) until all such dividends have been paid in full, when sole voting power reverts to Common. At no time shall Pfd. stock be issued and outstanding as to number of shares in excess of ¼ the number of shares of Common stock issued and outstanding and not held or owned by Company. Pfd. stock may be issued in different series, the fixed preferential dividends upon which shall in no case exceed 8% per annum. At no time shall any Pfd. stock be issued unless net earnings over and above operating expenses (including allowance for depreciation and other reserves), fixed charges and any other deductions from or charges against income ranking prior to dividends on Pfd. stock, for 12 successive calendar months ending within the 60 days immediately preceding such issuance of Pfd. stock, shall have been at least twice the annual dividend requirements of Pfd. outstanding and that proposed to be issued.

Public Offering—Series "D" 6% Pfd. stock first publicly offered ($1,000,000) in June, 1925, at 100½ and dividend to yield 5.97%, by Spencer Trask & Co., New York, etc., and Chase & Co., Boston. Since February, 1927, $1,741,300 additional Series "D" has been sold by the Company at prices ranging from 105 to 111. $2,151,800 Series "E" 5½% Pfd. stock has been sold by the Company since Nov. 1, 1927 at prices ranging from 100 to 106. In Jan., 1928, $10,000,000 5% Series "A" was offered at 100 and dividends by Spencer Trask & Co., Minsch, Monell & Co., Inc., New York; Chase & Co., Boston and Joseph W. Gross & Co., Philadelphia. During Feb., 1928, $4,090,800 additional 5% Series "A" was sold at 100 and dividends by the Company to residents of Maryland.

Transfer Agents (All Classes)—The Continental Trust Co., Baltimore, Md., and The New York Trust Co., New York.

Registrars (All Classes)—Union Trust Co. of Maryland, Baltimore and Guaranty Trust Co. of New York.

Annual Meeting—First Wednesday in April.

Listed—All classes on Baltimore Stock Exchange. Common is also listed on London Stock Exchange and quoted on New York Curb Market.

Price Range—

(par $100)	1927	1926	1925	1924	1923	1922	1921	1920
Com.								
High	..	..	..	*155	118	120	97½	103¾
Low	..	..	..	*110	106½	91	80	82
Common (no par)—								
High	71	57½	47¾	†35½	..	..	..	..
Low	51	45	32	†31½	..	..	..	..
8% Pfd. Series "A"—								
High	130⅞	128¾	127⅝	124½	120	122½	110	..
Low	126	124	122	115½	114	105	100	..
7% Pfd. Series "B"—								
High	117	115⅜	114	110⅛	108	108½	..	..
Low	112¼	110⅞	109	104½	103	102	..	..
6½% Pfd. Series "C"—								
High	114¾	112⅛	110½	107	..	..	..	..
Low	110⅝	108¼	105	100½	..	..	..	..
6% Pfd. Series "D"—								
High	111⅝	107	105	..	..	..	..	..
Low	106⅛	102	102	..	..	..	..	..
5½% Pfd. Series "E"—								
High	109	..	..	..	..	..	..	..
Low	102⅝	..	..	..	..	..	..	..

*To October 21, 1924. †From October 21, 1924

Dividends—Continuous cash dividends have been paid on the Common stock since 1910 as follows: Initial dividend of 2% on Common shares of $100 par value paid in April, 1910; Nov., 1910, 2%; Feb., 1911, 1%; April 1, 1911, to Jan. 2, 1913, 1¼% quarterly; April 1, 1913, to July 1, 1914, 1½% quarterly; October 1, 1914, to Jan. 2, 1917, 1¾% quarterly; April 2, 1917, to Oct. 1, 1924, 2% quarterly. On Jan. 2, 1925, initial quarterly dividend of 50 cts. a share was paid on no par value Common, which rate, equivalent to 8% per annum on the former $100 par value shares, was paid to Oct. 1, 1925; Jan. 2, 1926 to Oct. 1, 1927, 62½c quarterly. The dividend paid Jan. 3, 1928 was increased to 75c per share (equivalent to $3.00 per annum).

Dividends on Preferred stock have been regularly paid since respective dates of issue. Dividends are usually declared during F, M, A & N and are paid on all classes J, A, J & O 1, to holders of record about the 15th day of the respective preceding months. Dividend checks mailed.

FUNDED DEBT OF SYSTEM

(Arranged in Order of Mortgage Priority)

(1)	The Consolidated Gas Co. of Baltimore City Consol. 1st 5s	Due July	1, 1939
(2)	The United Electric Light & Power Co. 1st Consol. 4½s	" May	1, 1929
†(3)	Roland Park Electric & Water Co. 1st Gold 5s	" Feb	1, 1937
(4)	The Consolidated Gas Co. of Baltimore City General 4½s	" April	1, 1954
(5)	Consolidated Gas Electric Light & Power Co., Gen. 4½s	" Feb.	14, 1935

CONSOLIDATED GAS ELEC. LIGHT & POWER CO., BALTIMORE SECURITIES

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*(6) Consolidated Gas Electric Light & Power Co. of Baltimore, 1st Ref "A" 6s ..... Due Feb 1, 1949
*(6) Consolidated Gas Electric Light & Power Co. of Baltimore 1st Ref. "E" 5½s ..... " Sept. 1, 1952
*(6) Consolidated Gas Electric Light & Power Co. of Baltimore, 1st Ref. "F" 5s ..... " June 1, 1965

*Rank equally. †Issue of subsidiary company, a first mortgage on property of the Company of issue.

Entire issue of the Public Service Building Co. First Mortgage 5% bonds was redeemed as of Feb. 1, 1928 at 105 and interest.

(1)

$3,400,000 THE CONSOLIDATED GAS CO. OF BALTIMORE CITY FIRST (CLOSED) MORTGAGE GOLD 5s; DUE JULY 1, 1939

Dated July 1, 1889.

Interest Payable January and July 1, at Farmers & Merchants National Bank, Baltimore.

Denomination—Coupon, $1,000; principal may be registered at company's office, Baltimore.

Trustee—Mercantile Trust & Deposit Co., Baltimore.

Provisions of Issue—Authorized, $7,000,000; mortgage closed; issued and outstanding, $3,400,000.

Callability—Not subject to call.

Sinking Fund—None.

Security—A first lien on entire property of former The Consolidated Gas Company of Baltimore City, including its Spring Gardens plant and additions and its distribution system. Provision is made in The Consolidated Gas Company of Baltimore City General Mortgage for the retirement of this issue.

Assumed—Assumed, principal and interest by Consolidated Gas Electric Light & Power Co. of Baltimore.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine, Massachusetts, Rhode Island, New Hampshire and Vermont.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105½	103¼	101½	100½	101	101	93¼	96
Low	103⅝	101½	99	98	98	93	86	85½

(2)

$4,428,000 THE UNITED ELECTRIC LIGHT & POWER CO. FIRST CONSOLIDATED (CLOSED) MORTGAGE GOLD 4½s; DUE MAY 1, 1929

Dated May 8, 1899.

Interest Payable May and November 1, at Alexander Brown & Sons, Baltimore.

Denomination—Coupon, $1,000; principal may be registered at Company's office, Baltimore.

Trustee—Maryland Trust Co., Baltimore.

Provisions of Issue—Authorized, $4,500,000; mortgage closed; issued and outstanding $4,428,000.

Callability—Not subject to call.

Sinking Fund—None.

Security—Secured by first lien on entire franchises and property of the former The United Electric Light & Power Co. Provision is made in Consolidated Gas Electric Light & Power Co. of Baltimore First Refunding Mortgage for the retirement of this issue.

Assumed—Assumed principal and interest by Consolidated Gas Electric Light & Power Co. of Baltimore.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, Rhode Island, New Hampshire and Vermont.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99⅞	99¾	99	98	95¾	95¾	87	85
Low	99¼	98¼	98¼	94	94	89¼	83	78¼

(3)

$225,000 ROLAND PARK ELECTRIC & WATER COMPANY FIRST (CLOSED) MORTGAGE GOLD 5s, DUE FEBRUARY 1, 1937

Dated February 1, 1907.

Interest Payable February & August 1 at The Continental Trust Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered at Trustee's office.

Trustee—The Continental Trust Co., Baltimore.

Provisions of Issue—Authorized, $400,000; mortgage closed; issued, $300,000, of which $75,000 reacquired as of March 1, 1928.

Callability—Not subject to call.

Sinking Fund—No sinking fund provided.

Security—A first lien on the entire corporate rights, franchises and property of every description of Roland Park Electric & Water Company. Provision is made in the First Refunding Mtge. of Cons. Gas Elec Lt. & Pr. Co. of Balto. for the retirement of this issue.

Guaranty—Guaranteed principal and interest by Consolidated Gas Electric Light & Power Co. of Baltimore.

Legal for Savings Banks in Maine, New Hampshire, Vermont and Rhode Island.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange.

(4)

$6,100,000 THE CONSOLIDATED GAS CO. OF BALTIMORE CITY GENERAL MORTGAGE GOLD 4½s; DUE APRIL 1, 1954

Dated April 1, 1904.

Interest Payable April and October 1, at The Fidelity Trust Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar (Substituted)—The Fidelity Trust Co., Baltimore.

Provisions of Issue—Authorized, $15,000,000, of which $5,500,000 are unissuable, leaving a balance of $9,500,000. Of these $9,500,000 bonds, $6,100,000 are issued and outstanding and $3,400,000 are reserved to retire an equal amount of Consolidated 5s of the same Company due July 1, 1939. Provision is made in turn in the First Refunding Mortgage of Cons. Gas Elec. Lt. & Pr. Co. of Balto. for the retirement of this issue.

Callability—Not subject to call.

Sinking Fund—None.

Security—A second lien on the entire property owned by the former The Cons. Gas Co. of Balto. City, including its Spring Gardens plant and additions and its distribution system, subject to the $3,400,000 First (closed) Mortgage 5s, due July 1, 1939 (No. 1).

Assumed—Assumed, principal and interest by Consolidated Gas Electric Light & Power Co. of Baltimore.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, New Hampshire, Vermont and Rhode Island.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101½	98½	95⅜	93½	88¾	92½	83	83
Low	98½	94⅞	92⅛	88½	86	81¾	68¼	72

(5)

$13,845,000 CONSOLIDATED GAS ELECTRIC LIGHT & POWER CO. OF BALTIMORE GENERAL (CLOSED) MORTGAGE GOLD 4½s; DUE FEBRUARY 14, 1935

Dated February 14, 1905.

Interest Payable January and July 1, at The Continental Trust Co., Baltimore, Blair & Co., New York, and (as to $3,054,000 bonds stamped for payment in sterling) at Midland Bank Ltd., London, Eng.

Denomination—Coupon, $1,000; principal may be registered at the Company's office in Baltimore and as to bonds stamped for payment in Sterling at the Midland Bank Ltd., London. Principal payable in Baltimore and as to Sterling bonds in London.

Trustee—The Continental Trust Co., Baltimore, Md.

Provisions of Issue—Authorized and issued, $15,000,000, of which $13,845,000 are outstanding in hands of public and $1,155,000 deposited as collateral under

the First Refunding Mortgage of Cons. Gas Elec. Lt. & Pr. Co. of Balto.

Callability—Not subject to call.

Sinking Fund—None.

Security—Secured by a first mortgage on the Company's Westport and Gould Street Power Plants, the main generating stations of the Company, electric substations, office and shop buildings, warehouses, commercial properties, sites for future gas manufacturing and electric generating stations, a substantial part of the gas and electric distribution systems of Consolidated Gas Electric Light & Power Co. of Baltimore and also on securities pledged with the Trustee carrying control of subsidiary companies; and also by mortgage on all other electric properties now owned or hereafter to be acquired, subject to the underlying lien of the mortgage (described in No. 2), as to certain parts of said properties. It is also a general mortgage on all gas properties of the Company now owned or hereafter acquired, subject to the liens of the two gas mortgages (described in Nos. 1 and 4), as to certain parts of these properties.

Assumed—Assumed, principal and interest, by Consolidated Gas Electric Light & Power Co. of Baltimore, which provides for the retirement of this issue in its First Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange; $3,054,000 stamped for payment in Sterling listed on London Stock Exchange.

Legal for Savings Banks in Maine, Massachusetts, New Hampshire, Vermont and Rhode Island.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100¾	99	97¾	96	92⅝	94½	85½	81
Low	98½	97½	95⅝	91	90¼	84¾	72	71½

(6)

$10,531,000 CONSOLIDATED GAS ELECTRIC LIGHT & POWER CO. OF BALTIMORE FIRST REFUNDING MORTGAGE SINKING FUND GOLD BONDS, SERIES "A" 6%; DUE FEBRUARY 1, 1949

$4,999,000 CONSOLIDATED GAS ELECTRIC LIGHT & POWER CO. OF BALTIMORE FIRST REFUNDING MORTGAGE SINKING FUND GOLD BONDS, SERIES "E" 5½%; DUE SEPTEMBER 1, 1952

$15,964,000 CONSOLIDATED GAS ELECTRIC LIGHT & POWER CO. OF BALTIMORE FIRST REFUNDING MORTGAGE SINKING FUND GOLD BONDS, SERIES "F" 5%; DUE JUNE 1, 1965

Dated, Series "A" 6% February 1, 1919, Series "E" 5½% September 1, 1922, and Series "F" 5%, June 1, 1925.

Interest Payable on Series "A" 6%, February and August 1, on Series "E" 5½%, March and September 1, and on Series "F" 5% June and December 1, at Alexander Brown and Sons, Baltimore, Bank of the Manhattan Company, New York, and Midland Bank Limited, London, England.

Denominations—Coupon, $500 and $1,000; principal may be registered at any interest paying agent; fully registered bonds in denominations of $1,000 and $10,000, and also $500 for Series "A"; coupon and fully registered; interchangeable; $500 coupon bonds are exchangeable into $1,000 coupon bonds.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—The First Refunding Mortgage dated Feb. 1, 1919, is a blanket mortgage, the provisions of which afford the means for financing the Company's recurring capital requirements for construction and extension purposes and the refunding of underlying bond issues of its constituent and subsidiary companies. Bonds may be issued under this mortgage in series, at varying rates of interest and under varying conditions as to the life of each series; bonds may be issued in pounds sterling or in U. S. currency. The largest amount to be outstanding at any one time is limited to $100,000,000 and no series may mature at a date later than Feb. 1, 1999.

There were outstanding March 1, 1928, $10,531,000 Series "A" bonds, $4,999,000 Series "E" bonds and $15,964,000 Series "F" bonds, a total of $31,494,000 under the mortgage. In addition $732,000 Series "A" bonds, $1,000 Series "E" bonds, $36,000 Series "F" bonds, and $467,500 bonds of a retired series, have been cancelled by sinking fund.

Of the remaining authorized bonds, $28,073,000 are reserved to refund underlying issues, $5,407,500 Series "F" bonds are held by the Trustee and are issuable at any time upon application to and authorization from the Public Service Commission of Maryland, and $35,025,500 may be issued for additions and improvements to the properties (and, to a limited extent, for the acquisition of additional securities or stocks of controlled companies) at a rate not exceeding 80% of the cost of such additions, improvements or securities.

The Series "A" bonds were issued, $10,000,000 to retire two short term note issues of $5,000,000, each due Aug. 1, 1922. Subsequent to the sale of the bonds, $1,263,000 additional were issued in conversion of a like par value of one of these note issues, thus releasing that sum of cash for additions and extensions to property. The $5,000,000 Series "E" bonds were issued to provide a portion of the funds required by the redemption on Dec. 1, 1922, of $5,000,000 Series "B" 7½% bonds at 110 and interest.

Of the $16,000,000 Series "F" bonds, $9,000,000 were issued to provide funds to refund $8,532,500 Series "D" 6½% bonds, which were called for payment at 110 and interest on Aug. 1, 1925, and for additions and extensions to property, and $7,000,000 to provide for the redemption of entire issue of Baltimore Electric Co. of Balto. City 5% bonds, due June 1, 1947, and entire issue of 5% Preferred stock of that Company, and for additions and extensions to property.

Callability—Series "A" bonds are subject to call as a whole or in part upon sixty days' notice at 107½ prior to Feb. 1, 1929, at 105 during the next 15 years and at 102 during the last 5 years before maturity with accrued interest in each case.

Series "E" bonds are subject to call as a whole or in part upon sixty days' notice at 107½ on or prior to Sept. 1, 1932, at 105 during the next 10 years and at 102½ during the last 10 years before maturity with accrued interest in each case.

Series "F" bonds are subject to call as a whole or in part at any time on 60 days' notice at 105 on or prior to June 1, 1935, at 104 during second 10 years, at 102½ during third 10 years, at 101 during next 8 years and at 100 during last 2 years before maturity; plus accrued interest in each case.

Sinking Fund—Annual sinking fund equal to 1% of largest amount of bonds outstanding, during each yearly period, commenced Aug. 1, 1923; funds are to be applied to the purchase (at not more than the redemption price) or call of bonds, which bonds so acquired are to be cancelled and not reissued. $467,500 Series "D" bonds, which issue has now been fully retired, $732,000 Series "A," $1,000 Series "E" and $36,000 Series "F," or a total of $1,236,500 had been cancelled by sinking fund to March 1, 1928.

Security—A lien on entire property of Company, and through deposit under No. 5 of stock of subsidiary companies, on entire properties of such subsidiary companies, subject to the above described (Nos. 1, 2, 3, 4 and 5) prior liens. Additionally secured by deposit under First Refunding Mortgage of $1,155,000 General Mortgage 4½% bonds (No. 5).

Tax Provisions—Company pays the interest on these series without deduction for any tax or taxes not in excess of 2% of any such interest payment which it may be required or permitted to pay thereon or to retain therefrom under any present or future law of the United States or any state, county or municipality therein.

Legal Opinion—Haman, Cook, Chesnut & Markell, Baltimore (for the Company); Ropes, Gray, Boyden & Perkins, Boston, and Venable, Baetjer &

Howard, Baltimore (for the bankers), and White & Case, New York (for the Trustee).

Legal for Savings Banks in Maine, Rhode Island, New Hampshire and Vermont.

Original Offering—Series "F" bonds offered ($9,000,000) in June, 1925, at 100½ and interest, and ($7,000,000) in November, 1926, at 101½ and interest, by Alexander Brown & Sons, Baltimore, Brown Brothers & Co., Lee, Higginson & Co., Jackson & Curtis, and Spencer Trask & Co., New York.

Listed (All Series)—Baltimore Stock Exchange and quoted on the New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922
Series "A" 6s—						
High	108	107¾	107¾	106	104½	107
Low	107¼	105¾	104¾	101⅜	100¾	99⅞
Series "E" 5½s—						
High	107	107	105½	102¾	100	101⅝
Low	106¾	104¾	102¼	97¼	96¾	98½
Series "F" 5s—						
High	105	102¼	100¼	..	..	..
Low	101¾	100¼	99	..	..	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Revenue from electric sales	‡$15,470,873	‡$15,312,939	$14,191,571	‡$12,995,375	$13,329,131
Revenue from gas sales	9,043,433	9,169,143	8,387,771	¶8,329,679	8,504,575
Miscellaneous operating revenues	142,695	228,522	166,801	134,644	119,431
Total operating revenue	$24,657,001	$24,710,604	$22,746,143	$21,459,698	$21,953,137
Operating expenses	12,762,456	12,742,794	10,950,800	10,725,840	10,765,118
Retirement expense	1,628,969	1,545,364	1,493,545	1,484,000	1,495,000
Taxes	2,365,600	2,291,680	2,166,710	2,338,162	1,896,225
Total operating revenue deductions	$16,757,025	$16,579,838	$14,611,055	$14,548,002	$14,156,343
Net operating revenue	7,899,976	8,130,766	8,135,088	6,911,696	7,796,794
Misc. non-operating revenue	347,528	378,615	346,067	252,229	341,313
Total income	$8,247,504	$8,509,381	$8,481,155	$7,163,925	$8,138,107
Fixed charges	3,070,133	2,929,772	3,036,392	3,074,365	3,232,095
Net income	$5,177,371	$5,579,609	$5,444,763	$4,089,560	$4,906,012
Preferred dividends	867,396	859,905	824,502	687,613	526,262
Common dividends	2,447,492	2,095,999	1,524,398	1,397,710	1,331,906
Surplus for year	$1,862,483	$2,623,705	$3,095,863	$2,004,237	$3,047,844
Deductions from surplus	§1,454,896	567,517	813,784	125,051	2,231,698
Net increase in surplus	$407,587	$2,056,188	$2,282,079	$1,879,186	$816,146
Times Fixed Charges Earned	2.69	2.90	2.79	2.33	2.52
Earnings Per Share—					
Preferred (a)	$42.47	$46.50	$47.64	$43.31	$71.96
Common (a)	*4.62	*5.64	*6.41	*4.87	†26.00

*Based on shares of no par value. †Based on shares of $100 par value. (a) Based on average number of shares outstanding. §1927 includes $1,067,354 Federal Income and State Gross Receipts taxes paid in 1927 based on 1926 earnings. Prior to 1927, these taxes were charged against the earnings of years in which they were paid. These taxes payable in 1928, but applicable to 1927 are included in "Taxes" in Income Account. ‡Rates reduced effective July 1, 1923, December, 1925, and January, 1927. ¶Effective July 1, 1923, primary rate was reduced from temporary rate of 92c. net per 1,000 cu. ft. to 85c. net and secondary rate from temporary rate of 70c. net to 65c. net per 1,000 cu. ft.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Consolidated Gas Electric Light & Power Co. of Baltimore and Subsidiaries)

Assets—	1927	1926	1925	1924
Fixed capital	$106,309,716	$101,310,265	$95,421,460	$91,618,108
Cash	3,378,974	6,012,393	5,701,538	3,224,393
Receivables	3,381,391	3,381,475	2,823,627	2,530,973
Miscellaneous investments	2,429,809	1,289,291	.....	.....
Marketable securities	1,841,942	1,738,384	2,608,123	970,022
Materials and supplies	3,319,920	3,039,612	2,717,100	2,864,326
Prepayments	57,134	86,155	14,790	50,498
Subscribers to capital stock	1,439,610	18,800	443,468	112,046
Miscellaneous current assets	78,185	65,967	44,410	62,789
Sinking funds	50,681	1,261,768	1,108,289	978,583
Special deposits	1,382,070	1,502,662	1,233,644	1,032,116
Sundry deferred charges	239,527	112,737	100,881	110,315
Advances re-customers' emp. stock sub.	.....	.....	440	142,170
Total	$123,908,959	$119,819,510	$112,217,770	$103,696,339
Liabilities—				
*Capital stock	$41,718,522	$34,641,654	$34,441,195	$28,532,200
Capital stock of subsid.	166,300	†1,653,400	1,665,000	1,676,700
Premium on capital stock	221,287	111,179	111,179	111,021
Funded debt	59,713,000	†63,953,500	57,825,500	57,618,500
Total capital liabilities	$101,819,109	$100,359,733	$94,042,874	$87,938,421
Accounts payable	886,934	819,165	716,273	499,137
Consumers' deposits	35,453	49,803	71,170	62,223
Matured interest unpaid	416,961	437,277	443,980	439,825
Dividends declared	938,200	740,987	730,682	544,302
Matured long term debt unpaid	.....	3,400	34,930	23,080
Miscellaneous current liabilities	27,616	34,088	9,717	12,574
Taxes accrued	1,028,059	24,761	9,462	15,896
Interest accrued	533,843	570,647	553,236	662,483
Miscellaneous accrued liabilities	58,059	58,041	57,167	60,655
Retirement reserve	5,223,530	4,303,660	5,172,478	5,186,603
Casualty and contingency reserve	535,309	465,977	496,543	480,564
Sinking fund reserves	50,179	50,179	50,179	154,598
Contributions for extension	361,951	302,733	247,371	152,186
Miscellaneous reserves	295,217	325,441	347,367	314,013
Miscellaneous unadjusted credits	494,182	476,848	493,759	458,276
Funded debt retired through surplus	.....	.....	.....	233,000
Surplus	11,204,357	10,796,770	8,740,582	6,458,503
Total	$123,908,959	$119,819,510	$112,217,770	$103,696,339

*Includes subscribed but not fully paid for $2,202,240 in 1927, $196,805 in 1926, $578,075 in 1925, and $374,900 in 1924. †A temporary duplication of outstanding securities existed at Dec. 31, 1926. Series "F" 5% First Refunding Mortgage Sinking Fund Gold bonds were issued in December, 1926, to provide in part for the redemption, in 1927, of $3,328,000 First Mortgage 5% bonds and $1,000,000 5% Preferred stock of Baltimore Electric Company of Baltimore City.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924
Current Assets—				
Cash	$3,378,974	$6,012,393	$5,701,538	$3,224,393
Receivables	3,381,391	3,381,475	2,823,627	2,530,973
Marketable securities	1,841,942	1,738,384	2,608,123	970,022
Materials and supplies	3,319,920	3,039,612	2,717,100	2,864,326
Prepayments	57,134	86,155	14,790	50,498
Subscribers to capital stock	1,439,610	18,800	443,468	112,046
Miscellaneous current assets	78,185	65,967	44,410	62,789
Special deposits	1,382,070	1,502,662	1,233,644	1,032,116
Total	$14,879,226	$15,845,448	$15,586,700	$10,847,163
Current Liabilities—				
Accounts payable	$886,934	$819,165	$716,273	$499,137
Consumers' deposits	35,453	49,803	71,170	62,223
Matured interest, unpaid	416,961	437,277	443,980	439,825
Dividends declared	938,200	740,987	730,682	544,302
Funded debt matured, unpaid	.....	3,400	34,930	23,080
Miscellaneous current liabilities	27,616	34,088	9,717	12,574
Taxes accrued	1,028,059	24,761	9,462	15,896
Interest accrued	533,843	570,647	553,236	662,483
Miscellaneous accrued liabilities	58,059	58,041	57,167	60,655
Total	$3,925,125	$2,738,169	$2,626,617	$2,320,175
Net Working Capital	$10,954,101	$13,107,279	$12,960,083	$8,526,988

Officers: J. E. Aldred, Chairman of Board & of Executive Committee, New York; Herbert A. Wagner, Pres.; Charles M. Cohn, V-P., Baltimore, Md.; Charles E. F. Clarke, V-P., New York; William Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane, C. E. Wollman, Asst. Treasurers and Asst. Secretaries, Baltimore, Md.

Executive Committee: J. E. Aldred, Chairman; Charles E. F. Clarke, John L. Bailey, William J. Casey, Charles M. Cohn, Howell Fisher, Norman James, Herbert A. Wagner, Frederick W. Wood.

Directors: J. E. Aldred, Chairman; Charles E. F. Clarke, H. J. Fuller, New York; John L. Bailey, Charles M. Cohn, Norman James, Herbert A. Wagner, Frederick W. Wood, Waldo Newcomer, William Schmidt, Jr., Howell Fisher, Siegmund B. Sonneborn, Joseph J. Hock, R. Howard Bland, William J. Casey, Baltimore; Arthur W. Thompson, Philadelphia, Pa.

Executive Office, Lexington Building, Lexington and Liberty Sts., Baltimore, Md.

BALTIMORE ELECTRIC COMPANY OF BALTIMORE CITY

(Controlled by Consolidated Gas Electric Light & Power Co. of Baltimore)

History and Property—Incorporated May 4, 1907, in Md., as a consolidation of Baltimore Electric Power Co. of Baltimore City, and Maryland Telephone & Telegraph Co. of Baltimore City to generate and sell electricity. Subsequently Maryland Telephone Co. of Baltimore City was formed to acquire the telephone business, and its $1,000,000 stock, at first held by Baltimore Electric Co. of Baltimore City was sold to Bell interests.

In 1927, all the property and franchises of Baltimore Electric Co. of Baltimore City were conveyed to Consolidated Gas Electric Light and Power Company of Baltimore. It is proposed to dissolve this company during 1928.

CAPITAL STOCK

Authorized and outstanding, $250 Common; par, $50. All owned by Consolidated Gas Electric Light & Power Co. of Baltimore. Authorized capital stock was reduced from $2,500,000 Common and $1,250,000 5% cumulative Pfd. in June, 1927.

Preferred Stock Redemption—The entire issue of $1,000,000 Pfd. stock was redeemed as of July 1, 1927, at par ($50 per share) and accrued dividend.

Annual Meeting—Second Wednesday in February.

FUNDED DEBT

None

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; Wm. Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane and C. E. Wollman, Asst. Sec. & Asst. Treas., Baltimore, Md.

Directors: Charles E. F. Clarke, New York; Charles M. Cohn, Herbert A. Wagner, Frederick W. Wood, John L. Bailey, Baltimore, Md.

Office, Baltimore, Md.

THE PUBLIC SERVICE BUILDING COMPANY

(Controlled by Consolidated Gas Electric Light & Power Co. of Baltimore)

History and Property—Incorporated Aug. 2, 1915, in Md., and acquired a parcel of land approximately 84 x 120 ft., situated at the southeast corner of Lexington and Liberty Streets, Baltimore, Md., upon which a modern twenty-story office building has been erected. Consolidated Gas Electric Light & Power Co. of Baltimore has leased this building for a period of 25 years from Aug. 2, 1915, the rental being sufficient to pay interest and sinking fund on the hereinafter mentioned bonds, dividends and sinking fund on the Pfd. stock, operating expenses, taxes, maintenance, etc.

It is proposed, during 1928, to convey all this Company's property to Consolidated Gas Electric Light & Power Co. of Baltimore, after which this Company will be dissolved.

CAPITAL STOCK

Authorized, $900,000 Common; outstanding, $746,600 Common; par, $100. Entire stock is owned by Consolidated Gas Electric Light & Power Co. of Baltimore.

Preferred Stock Redemption—The entire issue of 6% cumulative Pfd. stock was redeemed as of Feb. 1, 1928, at 110 and accrued dividends.

Annual Meeting—Second Wednesday in February.

FUNDED DEBT

None.

The $739,500 First Mortgage Gold 5s; dated Aug. 2, 1915 and due Aug. 1, 1940 were called for payment and redeemed on Feb. 1, 1928 at 105 and interest at Mercantile Trust & Deposit Co., Baltimore.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; Wm. Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane and C. E. Wollman, Asst. Sec. & Asst. Treas., Baltimore, Md.

Directors: John L. Bailey, Charles M. Cohn, Herbert A. Wagner, Horatio L. Whitridge, Baltimore, Md.; Charles E. F. Clarke, New York.

General Office, Lexington Building, Baltimore, Md.

ROLAND PARK ELECTRIC & WATER COMPANY

(Leased to Consolidated Gas Electric Light & Power Co. of Baltimore)

History and Property—Incorporated April 1, 1904, in Md., to generate and sell electricity and to operate a water works system. Properties used in water business were disposed of in 1907. The electric business is operated under lease dated March 1, 1909, by Consolidated Gas Electric Light & Power Co. of Baltimore.

CAPITAL STOCK

Authorized and issued, $25,000; par, $100. All owned by Consolidated Gas Electric Light & Power Co. of Baltimore. Annual meeting, second Wednesday in February.

FUNDED DEBT
(March 1, 1928)

$225,000 First Gold 5s, dated Feb. 1, 1907 and due Feb. 1, 1937. Issued, $300,000 of which $75,000 reacquired. For complete description, see funded debt statement (No. 3) of Consolidated Gas Electric Light & Power Co. of Baltimore.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; Wm. Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane and C. E. Wollman, Asst. Sec. & Asst. Treas., Baltimore, Md.

Directors: Charles M. Cohn, John L. Bailey, Herbert A. Wagner, Frederick W. Wood, Baltimore, Md.; Charles E. F. Clarke, New York.

Office, Baltimore, Md.

THE BALTIMORE COUNTY ELECTRIC COMPANY

(Leased to and Wholly Owned by Consolidated Gas Electric Light & Power Co. of Baltimore)

History—Incorporated April 13, 1910, in Md. to generate and sell electricity. Entire capital stock owned by, and operated under lease dated June 1, 1912, by Consolidated Gas Electric Light & Power Co. of Baltimore.

It is proposed during 1928, to convey all this company's property and franchises to Consolidated Gas Electric Light and Power Co. of Baltimore, after which this company will be dissolved.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. All owned by Consolidated Gas Electric Light & Power Co. of Baltimore. Annual meeting, second Wednesday in February. No dividends paid.

FUNDED DEBT

$221,000 First Mortgage 5% Gold bonds; dated Dec. 1, 1911; due Dec. 1, 1951. Authorized issue, $1,500,000. The Continental Trust Co., Baltimore, Trustee. All owned by Consolidated Gas Electric Light & Power Co. of Baltimore, and deposited under C. G. E. L. & P. Co. General Mortgage, due Feb. 14, 1935. It is proposed to retire this issue during 1928.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; Wm. Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane, and C. E. Wollman, Asst. Secretaries & Asst. Treasurers, Baltimore, Md.

Directors: John L. Bailey, Charles M. Cohn, Norman James, Herbert A. Wagner, Frederick W. Wood, Baltimore, Md.

Office, Baltimore, Md.

BEL AIR ELECTRIC COMPANY

(Leased to and Wholly Owned by Consolidated Gas Electric Light & Power Co. of Baltimore)

History—Incorporated June 30, 1902 in Maryland. Operated under lease dated June 1, 1925, by Consolidated Gas Electric Light & Power Co. of Baltimore, which owns all the outstanding capital stock.

It is proposed during 1928, to convey all this company's property and franchises to Consolidated Gas Electric Light & Power Co. of Baltimore, after which this Company will be dissolved.

CAPITAL STOCK

Authorized and outstanding, $25,000 Common and $25,000 Pfd.; par, $100. All owned by Consolidated Gas Electric Light & Power Co. of Baltimore. Annual meeting, second Wednesday in February.

FUNDED DEBT

None.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; William Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; William R. F. Bonsall, James E. Kane and C. E. Wollman, Asst. Secretaries & Asst. Treasurers, Baltimore, Md.

Directors: John L. Bailey, Charles M. Cohn, Norman James, Herbert A. Wagner, Frederick W. Wood, Baltimore.

Office, Baltimore, Md.

THE CONSOLIDATED POWER COMPANY OF BALTIMORE

(Leased to and Wholly Owned by Consolidated Gas Electric Light & Power Co. of Baltimore)

History—Incorporated Aug. 1, 1917, in Md. Operated under 25-year lease dated Aug. 1, 1917, by Consolidated Gas Electric Light & Power Co. of Baltimore, which owns all the outstanding capital stock. Property includes two steam electric power plants with transmission lines, distribution lines and substations.

It is proposed, during 1928, to convey all this company's property and franchises to Consolidated Gas Electric Light & Power Co. of Baltimore, after which this company will be dissolved.

CAPITAL STOCK

Authorized, $100 Common and $1,299,900 Preferred; issued, $100 Common and $1,274,900 Preferred; par of each, $5. All outstanding stock owned by Consolidated Gas Electric Light & Power Co. of Baltimore. Annual meeting, second Wednesday in February.

FUNDED DEBT

$13,750,000 First Mortgage 5% bonds; dated August 1, 1917; due August 1, 1937. All of these bonds were cancelled during March, 1928 and the mortgage was released.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P., Baltimore, Md.; Charles E. F. Clarke, V-P., New York; William Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, James E. Kane and C. E. Wollman, Asst. Secretaries & Asst. Treasurers, Baltimore, Md.

Directors: John L. Bailey, Charles M. Cohn, Herbert A. Wagner, Frederick W. Wood, Baltimore, Md.; Charles E. F. Clarke, New York.

Office, Baltimore, Md.

MARYLAND SECURITIES COMPANY

(Controlled by and Wholly Owned by Consolidated Gas Electric Light & Power Co. of Baltimore)

History—Incorporated April 8, 1902, in Md. A holding company, formerly owning entire Common stock of Baltimore Electric Co. of Baltimore City.

In June, 1927, all this company's property was conveyed to Consolidated Gas Electric Light and Power Co. of Baltimore. It is proposed to dissolve this company during 1928.

CAPITAL STOCK

Authorized and issued, $500 (reduced from $100,000 in June, 1927); par, $100. All owned by Consolidated Gas Electric Light & Power Company of Baltimore. Annual meeting, second Wednesday in February.

FUNDED DEBT

None.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; Wm. Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane and C. E. Wollman, Asst. Secretaries & Asst. Treasurers, Baltimore, Md.

Directors: Charles M. Cohn, Herbert A. Wagner, Frederick W. Wood, John L. Bailey, Baltimore, Md.; Charles E. F. Clarke, New York.
Office, Baltimore, Md.

MOUNT WASHINGTON ELECTRIC LIGHT & POWER COMPANY

(Leased to and Wholly Owned by Consolidated Gas Electric Light & Power Co. of Baltimore)

History—Incorporated June 25, 1892, in Md., to generate and sell electricity. Operated by Consolidated Gas Electric Light & Power Co. of Baltimore, under lease dated Jan. 17, 1912.

It is proposed, during 1928, to convey all this company's property and franchises to Consolidated Gas Electric Light & Power Company of Baltimore, after which this company will be dissolved.

CAPITAL STOCK

Authorized, $200,000; outstanding, $83,260; par, $10. All owned by Consolidated Gas Electric Light & Power Company of Baltimore. Annual meeting, second Wednesday in February.

FUNDED DEBT

None.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; Wm. Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane and C. E. Wollman, Asst. Secretaries & Asst. Treasurers, Baltimore, Md.

Directors: Charles M. Cohn, Norman James, Herbert A. Wagner, Frederick W. Wood, Baltimore, Md.; Charles E. F. Clarke, New York.
Office, Baltimore, Md.

PATAPSCO ELECTRIC & MANUFACTURING CO. (OF DELAWARE)

(Leased to and Wholly Owned by Consolidated Gas Electric Light & Power Co. of Baltimore)

History—Incorporated April 25, 1901, in Del., to generate and sell electricity. Operated by Consolidated Gas Electric Light & Power Co. of Baltimore, under lease dated July 2, 1913.

It is proposed, during 1928, to convey all the property and franchises of this company to Consolidated Gas Electric Light & Power Company of Baltimore, after which this company will be dissolved.

CAPITAL STOCK

Authorized, $100,000 Pfd. and $250,000 Common; outstanding, $225,000 Common; par, $10. All owned by Consolidated Gas Electric Light & Power Co. of Baltimore. Annual meeting, second Wednesday in February.

FUNDED DEBT

None.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; Wm. Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane and C. E. Wollman, Asst. Sec. & Asst. Treas., Baltimore, Md.

Directors: John L. Bailey, Charles M. Cohn, Norman James, Herbert A. Wagner, Frederick W. Wood, Baltimore, Md.
Office, Baltimore, Md.

PATAPSCO ELECTRIC & MANUFACTURING CO. (OF MARYLAND)

(Leased to and Wholly Owned by Consolidated Gas Electric Light & Power Co. of Baltimore)

History—Incorporated April 8, 1902, in Md., to generate and sell electricity. Operated by Consolidated Gas Electric Light & Power Co. of Baltimore under lease dated July 2, 1913.

It is proposed, during 1928, to convey all this company's property and franchises to Consolidated Gas Electric Light & Power Company of Baltimore, after which this company will be dissolved.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. All owned by Consolidated Gas Electric Light & Power Co. of Baltimore. Annual meeting, second Wednesday in February.

FUNDED DEBT

None.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn, V-P.; Wm. Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, Jas. E. Kane and C. E. Wollman, Asst. Secretaries & Asst. Treasurers, Baltimore, Md.

Directors: John L. Bailey, Charles M. Cohn, Norman James, Herbert A. Wagner, Frederick W. Wood, Baltimore, Md.
Office, Baltimore, Md.

BALTIMORE CORPORATION OF MARYLAND

(Controlled and Wholly Owned by Consolidated Gas Electric Light & Power Co. of Baltimore)

History—Incorporated May 26, 1927, in Maryland. A holding company which owns 32,429 shares of Common stock and 19,148 shares of Preferred stock of Washington, Baltimore and Annapolis Electric Railroad Company, constituting approximately 54% of the outstanding stock issues of that company.

CAPITAL STOCK

Authorized 100,000 shares of no par value; outstanding, 45,433 shares. All owned by Consolidated Gas Electric Light & Power Company of Baltimore. Annual meeting, second Wednesday in February.

FUNDED DEBT

None.

Officers: Herbert A. Wagner, Pres.; Charles M. Cohn and Charles E. F. Clarke, V-P.'s; William Schmidt, Jr., Sec. & Treas.; John L. Bailey, Controller; R. F. Bonsall, James E. Kane, C. E. Wollman, Asst. Sec's. & Asst. Treas.'s, Baltimore, Md.

Directors: John L. Bailey, Charles M. Cohn, Herbert A. Wagner, Frederick W. Wood, Baltimore, Md.; Charles E. F. Clarke, New York.
Office, Baltimore, Md.

WASHINGTON, BALTIMORE AND ANNAPOLIS ELECTRIC RAILROAD CO.

(Controlled by Baltimore Corporation of Maryland)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
6% non-cumulative Pfd. (par $50)	J, A, J & O 1	$2,500,000	$1,760,500	Yes	$16,638	None	.....	$0.47
Common, (par $50)	.....	3,000,000	3,000,000	....	None	None	.....	Nil

Bond Issues, At December 31, 1927, Summarized
(Including Subsidiaries)

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
The Annapolis & Chesa. Bay Pr. Co. First Mtge. bonds:							
Ser. "A" 6s	June 1, 1948	J & D 1	*$800,000	$773,000	No	Yes	Paid by Co.
Ser. "B" 5½s	June 1, 1948	J & D 1	250,000	185,000	No	Yes	Paid by Co.
Annapolis Short Line RR. Car Trust 7s...†	Jan. 1, 1931	J & J 1	240,000	96,000	No	No	Paid by Co.
Annapolis Short Line R.R. Sink. Fund 7s ...	Jan. 1, 1936	J & J 1	732,000	631,000	No	No	Paid by Co.
Balt. & Annap. Short Line R.R. First 5s	Aug. 1, 1946	F & A 1	1,000,000	1,000,000	No	No	Paid by Co.
Wash., Balt. & Annap. El. R.R. First 5s	Mar. 1, 1941	M & S 1	7,500,000	7,216,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $9,901,000. **Interest Accrued** in 1927, $535,805.
Amount Available for Interest in 1927, $552,443. **Times Interest Earned** in 1927, 1.03.

*The Annapolis & Chesapeake Bay Power Co. first mortgage limits the principal amount of bonds which may be issued to $5,000,000. To date only Series "A" and "B" have been authorized. †$24,000 annually to Jan. 1, 1931, inclusive.

History—Incorporated June 5, 1905, in Maryland, as Baltimore Terminal Co.; present title adopted March 31, 1911, on which date the property, rights, franchises, etc., of the former Washington, Baltimore & Annapolis Electric Ry. (sold under foreclosure March 20, 1911) were acquired (see Manual for 1910, page 2329, or apply to our Information Department), with the exception of the property of the Washington, Berwyn & Laurel Electric R. R. In Feb. 1921, the Maryland Public Service Commission approved the merger of the Annapolis Short Line R. R. Co. with the Washington, Baltimore & Annapolis Electric R. R. The transaction necessitated the divorcing of the Short Line from the other properties of the Maryland Electric Rys.; the taking over by the Washington, Baltimore & Annapolis of the total stock of the old Annapolis & Chesapeake R. R., progenitor of the Short Line, amounting to $7,000; the issuing of $1,000,000 new stock by the Short Line; an operating agreement between the Short Line and Washington, Baltimore & Annapolis for the use of the latter's tracks between Shipley's Station and Baltimore by the Short Line and finally the taking over of all the properties of the Short Line by the Washington, Baltimore & Annapolis, the latter assuming the $1,000,000 First Mortgage bonds of the Short Line. The Washington, Baltimore & Annapolis Electric R. R. Co. also assumed and guaranteed $732,000 15-year Sinking Fund bonds dated Jan. 1, 1921, and $240,000 7% Car Trust bonds dated Jan. 1, 1921, issued by the Annapolis Short Line.

Property—Line of road extends from Baltimore to Washington, with branch to Annapolis, built entirely on private right of way except in cities, where franchises extend to 1956. Also a line of railroad formerly known as the Annapolis Short Line, which is connected with the Baltimore and Washington line at Shipley, Md., running on the north side of the Severn River to Annapolis; both lines use same passenger and freight terminals at Annapolis and Baltimore. The total trackage owned is equivalent to 133 miles of single track, of which all but 1.33 miles in the streets of Annapolis and 0.872 mile in the city of Baltimore are on private right of way. The company also owns extensive freight and passenger terminals in the heart of the City of Baltimore, and passenger, freight and express terminals in Washington, D. C., and Annapolis, Md.; also a modern car barn and machine shops located at Naval Academy Junction. Enters Washington over tracks of Washington Ry. & Electric Co. Owns entire capital stock of The Annapolis and Chesapeake Bay Power Company, (see statement appended). Power purchased from Potomac Electric Power Co. Other subsidiaries are Terminal Real Estate Company and Maryland Development and Realty Company of Anne Arundel County. Population served, over 1,300,000.

MILEAGE TABLE

Owned: Miles of single track, 73,524; miles of second track, 40,934; miles of sidings and turnouts, 19.3598—total mileage owned 133.8178. Operated under Contract: Miles of single track, 6.667; miles of secon track, 6.667—total mileage operated under contract, 13.334. Total mileage operated, all tracks, 147.1518. Gauge, standard. Rail, 80 lb. T. Cars: Passenger, 32; two section articulated trains, 10; parlor car auto motor coaches, 3; combination, 39; passenger trail, 58; city passenger, 1; freight and express (motor, 14; trailer, 3), 17; box, 7; flat, 5; gondola, 10; hopper, 8; line, 4—total, 194.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Earnings per car mile (cents)	49.84	49.65	53.00	52.00	54.30	56.13
Earnings per bus mile (cents)	20.11	.....	.....	.....	.....	.....
Earnings per miles of track operated	$15,101.37	$15,237.13	$16,627.58	$17,763.30	$18,152.02	$18,248.62
Earnings per mile of road	$27,485.34	$27,702.38	$30,185.56	$32,212.07	$32,916.97	$33,092.14
Earnings per passenger (electric line) (cents)	45.69	45.00	47.71	46.76	45.58	46.98
Earnings per passenger (bus line)	$1.09	.....	.....	.....	.....	.....
Rev. passengers carried (electric line)	3,769,753	3,871,600	4,021,766	4,429,387	4,644,472	4,570,996
Rev. passengers carried (bus line)	11,135	.....	.....	.....	.....	.....
Car miles	*4,422,004	4,479,856	4,582,032	5,004,072	4,906,578	4,763,256

*Includes 6,754, bus miles.

CAPITAL STOCK

Authorized, $3,000,000 Common and $2,500,000 6% non-cumulative Pfd. outstanding, $3,000,000 Common and $1,760,500 Pfd.; par, $50. The Baltimore Corporation of Maryland owns $1,621,450 of the Common stock and $957,400 of the Pfd. Preferred stock is subject to redemption at any time at $55.

Transfer Agents (Common)—The Fidelity Trust Co., Baltimore, Md. (Preferred)—The Equitable Trust Co., Baltimore, Md.

Registrars (Both Classes)—Safe Deposit & Trust Co., Baltimore, Md.

Annual Meeting—Last Monday in March, at Naval Academy Junction, Md.

Listed (Both Classes)—Baltimore and Washington (D. C.) Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	24¾	25½	26	28	31¾	34½	30	33½
Low	17	15	11	11	26½	29	26	28¾
Common—								
High	22	15½	17¼	7½	15	19	15¾	19
Low	8½	8	5⅝	4½	5	12	12	19

Dividends—Pfd. dividends regularly paid quarterly from 1912 to April 1, 1924; none since; payments M, J, S & D 31. Initial Common dividend of 3% paid Oct. 31, 1917; Jan., 1918, 3%; April, July and Oct. 1918, 2% each; on Jan. 1, 1919 7½% was paid (7.17% in Liberty Bonds at par and 0.33%, in cash); in 1919, 2% each quarter, with the exception of the 1st quarter (paid Jan. 2, 1920), when 1½% was paid, making 7½% for the entire year; 1920, 1921 and 1922, 2% each quarter; none since; payments J, A, J & O 1.

FUNDED DEBT

(1)

$1,000,000 BALTIMORE & ANNAPOLIS SHORT LINE R. R. FIRST GOLD 5s; DUE AUGUST 1, 1946

Dated August 6, 1906.

Interest Payable Feb. and Aug. 1, at office of Alex. Brown & Sons, Baltimore. The Fidelity Trust Co., Baltimore, Trustee. Denomination, Coupon, $1,000; principal may be registered at Trustees' office. Authorized, $1,000,000. A first lien on the property formerly owned by the Baltimore & Annapolis Short Line RR. Unconditionally guaranteed, principal and interest, by endorsement, by Washington, Baltimore & Annapolis Electric RR. Co. at time of merger. Company pays Normal Federal Income Tax up to 2%.

(2)

$7,216,000 WASHINGTON, BALTIMORE AND ANNAPOLIS ELECTRIC R. R. CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1941

Dated March 1, 1911.

Interest Payable March and September 1, at Safe Deposit & Trust Co., Baltimore, and at Cleveland Trust Co., Cleveland, Ohio.

Denominations—Coupon, $1,000, which may be registered as to principal only at Trustees' office or fully registered.

Trustee—The Cleveland Trust Co., Cleveland, O.

Provisions of Issue—Authorized, $7,500,000; issued, $7,308,000 of which $92,000 held in treasury. The $192,000 unissued bonds are reserved for improvements, extensions, etc., at not exceeding 83⅓% of the cost.

Callability—Subject to call at 105 and interest on any interest date.

Original Offering—$1,600,000 were publicly offered in Dec., 1921, at 78 and interest yielding 7.10%, by Robert Garrett & Sons, Mackubin, Goodrich & Co. and Fidelity Securities Corp., Baltimore, and Tucker, Anthony & Co., and Stone & Webster, Inc., New York.

Listed—Baltimore Stock Exchange.

Tax Provision—Company pays Normal Federal Income Tax up 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	93⅜	73½	77	71¼	77⅞	84	78½	76½
Low	65	62	58	60	70	75	67¾	69

(3)

$631,000 ANNAPOLIS SHORT LINE R. R. 15-YEAR SINKING FUND 7% BONDS, DUE JANUARY 1, 1936

Dated January 1, 1921.

Interest Payable Jan. and July 1, at Alexander Brown & Sons, Baltimore, Md. Coupon, $1,000. Maryland Trust Co., Baltimore, Trustee. Authorized, $732,000, of which $101,000 cancelled by sinking fund. Annual sinking fund of 2% of outstanding bonds commenced Nov., 1921, to be applied to the purchase of bonds at not exceeding 102. Assumed and guaranteed by Washington, Baltimore and Annapolis Electric RR. Co. at time of merger. Company pays Normal Federal Income Tax up to 2%.

(4)

$96,000 ANNAPOLIS SHORT LINE R. R. 7% CAR TRUST BONDS; DUE $24,000 EACH JANUARY 1, 1928 TO 1931, INCLUSIVE

Dated January 1, 1921.

Interest Payable Jan. and July 1, at Maryland Trust Co., Baltimore, Md., Trustee. Coupon, $1,000; principal may be registered at Trustees' office. Authorized and issued, $240,000, of which $144,000 retired to December 31, 1927. Unconditionally guaranteed as to payment of both principal and interest, by endorsement on each bond, by the Washington, Baltimore & Annapolis Electric R. R. Co. The equipment under lease consists of 15 electric cars, the title to the equipment being vested in the trustee for the benefit of holders of these bonds until all such outstanding bonds shall have been paid. First publicly offered ($240,000) in April, 1921, at prices ranging from 99.29 to 93.32, according to maturities, to yield about 8%, by Alex. Brown and Sons, Baltimore. Company pays Normal Federal Income Tax up to 2%.

NOTES

There were also outstanding Dec. 31, 1927, $347,715 notes; no details available.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Washington, Baltimore and Annapolis Electric Railroad Co. and Subsidiaries)

	1927	1926	1925	1924
Operating revenue	$2,601,367	$2,564,047	$2,694,911	$2,818,085
Operating expenses (before depreciation)	‡1,915,685	1,826,038	1,994,724	2,017,303
Taxes	131,882	121,713	128,867	117,086
Operating income	$553,800	$616,296	$571,320	$683,696
Non-operating income (net)	19,190	29,854	27,516	29,439
Gross income	$572,990	$646,150	$598,836	$713,135
Deductions—				
Interest on funded debt	$535,805	$522,513	$518,804	$516,206
Amortization of discount on funded debt, etc.	.....	53,994	47,077	39,334
Depreciation	.....	45,536	46,489	139,065
Miscellaneous deductions	20,547	.....	.....	.....
Total	$556,352	$622,043	$612,370	$694,605
Net income	$16,638	$24,107	*$13,534	$18,530
Preferred dividends (1½%)	.....	.....	.....	26,407
Surplus for year	$16,638	$24,107	*$13,534	*$7,877
†Times Funded Debt Interest Earned	1.03	1.05	0.97	1.04
Earnings Per Share—				
Preferred	$0.47	$0.68	Nil	$0.53
Common	Nil	Nil	Nil	Nil

*Deficit. †After amortization of discount on funded debt and depreciation. ‡Including depreciation in 1927.
NOTE—For Income Account on different basis. 1923 to 1919, see 1926 Manual, page 559.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Washington, Baltimore and Annapolis Electric RR. Co. and Subsidiaries)

	1927	1926	1925	1924
Assets—				
Road and equipment	$14,309,894	$14,132,693	$14,176,504	$14,173,107
Gas & elec. light properties	1,882,888	1,809,043	1,732,261	1,600,163
Miscellaneous physical properties	276,484	126,581	126,581	126,581
Sinking funds	44,497	44,701	43,749	40,427
Deposits in lieu of mortgaged property sold	1,281	.....	8,927	39,850
Cash	207,269	394,301	400,639	215,089
Special deposits for interest coupons	25,445	26,775	28,140	29,505
Marketable bonds	185,596	298,636	308,301	408,394
Loans and notes receivable	46,354	48,308	.....	.....
Accounts receivable	196,554	160,161	161,593	162,406
Materials and supplies	171,185	156,584	166,506	182,268
Interest, dividends and rents receivable	2,172	3,490	3,832	4,865
Discount on capital stock	.....	64,680	69,300	73,920
Discount on funded debt	.....	573,974	611,760	631,302
Prepaid rents, insurance premium & other unadjusted debits	79,193	67,382	57,580	55,190
Total	$17,428,812	$17,907,309	$17,895,674	$17,743,667
Liabilities—				
Common stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Preferred stock	1,760,500	1,760,500	1,760,500	1,760,500
Funded debt	*10,248,715	9,949,000	9,997,000	9,861,000
Accounts and wages payable	275,790	256,340	254,627	240,016
Consumers' deposits	26,347	24,107	21,175	18,765
Matured interest, dividends and rents unpaid	25,445	26,775	28,140	29,505
Accrued interest and rents not due	146,841	146,235	146,280	145,505
Reserves—				
For tax liability	10,038	18,729	36,022	12,496
For injuries and damages	109,015	.....	.....	132,077
For deferred maintenance	31,665	31,352	27,091	21,040
For depreciation	1,003,917	1,138,580	1,093,044	1,299,392
For other unadjusted credits	100,207	107,556	106,697	168,940
Additions to property through surplus	1,057	.....	.....	.....
Surplus from revaluation (arising from a physical appraisal of the gas and electric light properties)	689,275	{526,593	526,593	526,593
Surplus from operations		{921,542	898,505	527,833
Total	$17,428,812	$17,907,309	$17,895,674	$17,743,667

*Includes $347,715 notes.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924
Current Assets—				
Cash	$207,269	$394,301	$400,639	$215,689
Special deposits for interest coupons	25,445	26,775	28,140	29,505
Marketable bonds	185,596	298,636	308,301	408,394
Loans and notes receivable	46,354	48,308	.....	.....
Accounts receivable	196,554	160,161	161,593	162,406
Materials and supplies	171,185	156,584	166,506	182,268
Interest, dividends and rents receivable	2,172	3,490	3,832	4,865
Total	$834,575	$1,088,255	$1,069,011	$1,003,127
Current Liabilities—				
Accounts and wages payable	$275,790	$256,340	$254,626	$240,016
Consumers' deposits	26,347	24,106	21,175	18,765
Matured interest, dividends and rents unpaid	25,445	26,775	28,140	29,505
Accrued interest and rents not due	146,841	146,235	146,280	145,505
Tax liability	10,038	18,729	36,022	12,496
Total	$484,461	$472,185	$486,243	$456,287
Net Working Capital	$350,114	$616,070	$582,768	$546,840

Officers: Herbert A. Wagner, Chairman of Board; J. J. Doyle, Pres.; Geo. W. Williams, 1st V-P. & Gen. Counsel, Baltimore; T. P. Littlepage, 2nd V-P. & Sec., Washington; William M. Garrett, Treas. & Asst. Sec.; W. E. Larrimore, Asst. Treas.; H. T. Connolly, Gen. Mgr., Baltimore, Md.

Executive Committee: Herbert A. Wagner, Chrm.; H. T. Connolly, J. J. Doyle, Geo. W. Williams.

Directors: Herbert A. Wagner, W. Graham Boyce, W. J. Casey, H. T. Connolly, J. J. Doyle, Geo. W. Williams, Baltimore; T. P. Littlepage, Washington.

General Office, Terminal Station Bldg., Baltimore, Md.

THE ANNAPOLIS AND CHESAPEAKE BAY POWER COMPANY

(Controlled by Washington, Baltimore and Annapolis Electric Railroad Co.)

History and Properties — Incorporated in May, 1912, in Maryland, as Annapolis Public Utilities Co. (see 1922 Public Utility Manual, page 1049); name changed to Severn Light & Power Co. in Feb., 1923, and to present title on April 17, 1923. On May, 1, 1913, acquired by purchase the property and plant of the Annapolis Gas & Electric Light Co. (see Manual for 1913, page 1766). Information in back Manuals furnished on request to our Information Department. In 1923, the property of the Glen Burnie Electric Co. was acquired. Company does the entire electric lighting, power and gas business in and around the city of Annapolis, Md., supplying electricity to Laurel, Bowie, Glen Burnie, Harmans and many other communities, serving a population in excess of 25,000. Franchise runs for fifty years. Number of gas meters, 1,966. Annual output, gas, approximately 75,000,000 cu. ft. Price, gas, $1.75. Electric department supplies 107 arcs and 10,000 incandescents. Company has contract with city of Annapolis for 67 arcs at $70 per annum and 76 incandescents at $12.

Output, year ended Dec. 31, 1927: Electricity, 9,047,790 k.w.h.; gas, 72,937,760 cu. ft.; year ended Dec. 31, 1926: Electricity, 7,951,145 k.w.h.; gas, 73,670,562 cu. ft.

CAPITAL STOCK

Authorized, 60,000 shares of no par value; outstanding, 39,721 shares. All owned by Washington, Baltimore & Annapolis Electric R. R. Co. During 1923, the par value per share of capital stock was changed from $100 to no par value and 39,721 shares issued in exchange for 1,727 shares, par, $100, the basis being 23 shares no par value for each $100 par value of stock. Annual meeting last Monday in March.

Dividends—Dividends have been paid as follows: 1913, 4%; 1914, 6%; 1915, 5%; 1916, 4%; 1917, 3%; none thereafter until 1922, when 25% was paid; 1923, $1 per share was paid on no par value stock; 1924, $1 per share; 1925, $1.50 per share; 1926 and 1927, $2 per share each.

FUNDED DEBT

$773,000 FIRST SINKING FUND GOLD 6s, SERIES "A," DUE JUNE 1, 1948

$185,000 FIRST SINKING FUND GOLD 5½s, SERIES "B," DUE JUNE 1, 1948

Dated (Series "A") June 1, 1923; (Series "B") June 1, 1925.

Interest Payable June and December 1, at the Chatham Phenix National Bank & Trust Co., New York, and at The Fidelity Trust Co., Baltimore, Md., Trustee.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered at the Trustee's office. Coupon bonds may be exchanged for fully registered bonds.

Trustee—The Fidelity Trust Co., Baltimore, Md.

Provisions of Issue—Authorized, $5,000,000. Series "A" bonds to the amount of $800,000 were authorized and issued of which $27,000 redeemed to Dec. 31, 1927, and Series "B" bonds to the amount of $250,000 were authorized and issued, $65,000 thereof being held in treasury unpledged.

Additional bonds may be issued in series bearing such rates, due dates (not later than June 1, 1948), etc., as the directors may determine, provided the par amount of the bonds to be issued shall not exceed 80% of the cash cost or fair value, whichever is less, of permanent additions and improvements to the physical property acquired since Jan. 1, 1924, and then only when net earnings for twelve consecutive months within the fourteen months next preceding such proposed issuance shall have been at least twice the interest charges on all bonds outstanding including those to be issued.

Callability—Subject to call at 105 and interest prior to June 1, 1933, at 120½ during the next ten years and thereafter at par and interest.

Sinking Fund—Annual sinking fund, which commenced Jan. 1, 1925, amounts to 2% of the highest principal amount of bonds previously outstanding, payments to be made in cash. At least one-half of this fund must be used to redeem bonds either through purchase or by call by lot at not exceeding the current redemption price and at the option of the company not more than one-half of the fund may be used each year for permanent improvements, for which no further bonds of this issue may be issued.

Security—Secured by a first lien on entire property of company now owned or hereafter acquired, such after-acquired property to be located in the State of Maryland or the District of Columbia.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Massachusetts Income Tax not to exceed 6%, the Pennsylvania Personal Property tax up to 4 mills, the Maryland Personal Property tax up to 4½ mills, and the District of Columbia Personal Property tax up to 5 mills refunded.

Legal Opinion—Marbury, Gosnell & Williams, Baltimore (for the company) and Ropes, Gray, Boyden & Perkins, Boston (for the bankers).

Original Offering—First publicly offered ($800,000 Series "A") in Jan. 1924, at 95 and interest, yielding

over 6.40%, by Otis & Co., and Coffin & Burr, Inc., New York; $50,000 Series "B" bonds were publicly offered in September, 1925, at 97, to yield 5.75%, by Otis & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenues	$568,384	$527,257	$475,547
Deduct—			
Operating expenses	$364,228	$319,491	$295,162
Taxes	35,271	36,546	38,742
Depreciation	4,371	4,302	4,437
Total	$403,870	$360,339	$338,341
Net earnings	$164,514	$166,918	$137,206
Other income	1,074	1,296	459
Total income	$165,588	$168,214	$137,665
Deduct:			
Interest	$67,937	$63,353	$60,515
Other charges	6,325	11,479	10,249
Total	$74,262	$74,832	$70,764
Surplus after charges	$91,326	$93,382	$66,901
Dividends	79,442	79,442	59,581
Surplus for year	$11,884	$13,940	$7,320

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Fixed capital	$1,882,888	$1,809,043	$1,732,261
Cash	22,796	38,234	48,485
Accounts receivable	73,995	68,886	63,981
Materials and supplies	72,663	53,421	51,204
Sinking funds	.....	20,649	19,704
Unextinguished discount on securities	.....	110,214	115,264
Other assets	63,572	33,227	34,362
Total	$2,115,914	$2,133,674	$2,065,261
Liabilities—			
Capital stock	$172,700	$172,700	$172,700
Funded debt	958,000	968,000	977,000
Interest & taxes accrued	16,352	20,875	17,657
Customers' deposits	26,347	24,107	21,174
Accounts payable	78,669	29,944	59,686
W. B. & A. E. RR. advan.	205,000	165,000	90,000
Accrued depreciation	32,932	33,168	28,866
Reserve for deferred maint.	31,665	31,353	27,091
Other liabilities	80,521	76,248	72,565
Surplus	513,728	612,279	598,522
Total	$2,115,914	$2,133,674	$2,065,261

Officers: J. J. Doyle, Pres.; H. T. Connolly, V-P. & Gen. Mgr.; Wm. M. Garrett, Treas., Baltimore, Md.; T. P. Littlepage, Sec., Washington, D. C.; W. E. Larrimore, Asst. Sec. & Asst. Treas., Baltimore, Md.

Directors: Charles M. Cohn, H. T. Connolly, J. J. Doyle, William M. Garrett, W. E. Larrimore, T. P. Littlepage, Geo. W. Williams.

General Office, Terminal Station, Baltimore, Md. **Local Office,** Annapolis, Md.

SOUTHERN NEBRASKA POWER COMPANY

History—Incorporated Feb. 9, 1914, in Neb., as successor to Guthrie & Co. Serves electricity to 27 communities, including Superior, Clay Center, Deshler, Hebron, Nelson and Guide Rock, Neb. Miles of transmission lines, 229. Miles of distribution lines, 82. Population served, 17,000. No. of electric meters, 2,798. Prices: 8 cts. to 15 cts. per k.w.h.

The Company owns and operates a complete system for the generation, transmission and distribution of electric light and power. Electrical energy is generated at three modern hydro-electric plants located at Superior, Hebron and Oak, Neb., with auxiliary steam and oil engines located at Superior, Oak and Deshler, Neb. The high voltage transmission system totals approximately 230 miles, and is connected with the high voltage lines of the Central Power Co., Nebraska, from whom a substantial amount of current is purchased.

CAPITAL STOCK

Authorized, $400,000 Common and $600,000 7% cumulative Pfd.; outstanding, $381,100 Common and $308,900 Pfd.; par, $100. Transfer Agent and Registrar: United Trust Co., Abilene, Kans. Annual meeting, third Tuesday in January.

Dividends—Dividends on Pfd. regularly paid; on Common, 8% each in 1924, 1925, 1926 and 1927. Payments on both classes quarterly J, A, J & O 15.

FUNDED DEBT

$500,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES B; DUE JULY 1, 1947

Dated July 1, 1927.

Interest Payable January and July 1 in Chicago or Omaha, Neb.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered. Coupon and registered bonds interchangeable.

Trustee—Peters Trust Co., Omaha, Neb.

Provisions of Issue—Authorized amount, not limited; issued, Series "B," $500,000.

Mortgage securing these bonds provides that additional bonds of this series, or bonds of other series, maturing within 20 years from date of issue and having such other provisions as directors at the time of issuance may determine, may be issued, (a) par for par against the deposit of cash or against the deposit or discharge of underlying bonds, or to refund pay or cancel bonds of other series which may be issued under the Mortgage; (b) to the extent of 75% of the actual cost of additions and improvements, and to the extent of 75% of expenditures for/or of the fair depreciated value (whichever is less) of purchased property, as defined in the Mortgage, provided that the total amount of bonds issued under the Mortgage in respect of such purchased property, together with the principal amount of all mortgage indebtedness upon the property so acquired, outstanding in the hands of the public, shall not exceed 75% of the actual expenditures for/or fair depreciated value of such property, whichever is less. Bonds issued on account of additions or betterments or purchased property or for refunding purposes, may not be issued unless the net earnings as defined in the Mortgage, during the period of 12 months embraced within the 14 months next preceding the date of issuance, shall have been at least two times the annual interest charges on all bonds then issued and outstanding and those then proposed to be issued, and on all bonds, if any, then outstanding in the hands of the public prior in lien on any part of the property of Company or of property being acquired.

Purpose of Issue—Proceeds were used to retire the First Gold 7s of Company, due Jan. 1, 1934, to retire the 8% Pfd. stock; for partially reimbursing the Treasury for expenditures made and to be made on account of additions and improvements to the properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest payment date at the following prices and accrued interest; on or before July 1, 1929, at 105; after July 1, 1929, but on or before July 1, 1938, at 104½ less ½ of 1% per annum for each full year elapsed after July 1, 1929; on and after Jan. 1, 1939 at 100.

Sinking Fund—None provided.

Maintenance and Renewal Fund—Mortgage provides that Company shall deposit with Trustee in a special trust fund on the first day of April in each year, commencing with April 1, 1928, an amount in cash equivalent to 12½% of its gross earnings from the operation of its properties during the preceding calendar year, less the amount actually expended during such year for—(a) the making of repairs, renewals and replacements; (b) the making of extensions or acquisitions of property on account of which Company would otherwise be entitled to issue additional bonds. The money so deposited may be withdrawn—(a) for the making of repairs, renewals and replacements; (b) for the making of extensions or acquisitions of property on account of which Company would otherwise be entitled to issue additional bonds; or (c) for the redemption or the purchase and cancellation at not to exceed par and interest of any bonds issued and secured by the mortgage, or of bonds or other evidence

of indebtedness secured by prior lien. After Jan. 1, 1930, the percentage of gross earnings specified in the Mortgage shall be subject to revision by agreement between Company and Trustee, as therein provided.

Security—Secured by a first mortgage on all the property, rights and franchises of the Company now owned or hereafter acquired, subject to underlying bonds, if any, on hereafter acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property tax in Nebraska. Company agrees to refund upon application within 60 days, the present Kansas 5 mills tax to holders resident in Kansas who have paid such tax.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($500,000) in June, 1927, at 98 and interest to yield over 5.65% by Hill, Joiner & Co., Inc., Chicago, etc. and Peters Trust Co., Omaha, Neb.

BOND REDEMPTION

All of the First Mortgage 7% Ten-Year Gold bonds, due Jan. 1, 1934 (described on page 133 of the 1927 Public Utility Volume), of which $300,000 were outstanding, were called for redemption on July 1, 1927 at par and interest at Peters Trust Co., Omaha, Neb.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$277,284	$237,128	$196,619
Operating expenses	132,195	121,908	93,340
Net earnings	$145,089	$115,220	$103,279
Other income	4,936	6,498	3,277
Gross income	$150,025	$121,718	$106,556
Bond interest	26,652	21,000	21,000
Other interest	6,811	12,373	11,904
Depreciation	29,826	28,665	26,921
Other items	37,524	7,900	8,646
Net income	$49,212	$51,780	$38,085
Dividends paid	54,347	44,593	40,532
Surplus for year	*$5,135	$7,187	*$2,447

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,190,045	$1,132,711	$1,050,513
Stocks owned	170	.....	.....
Work in progress	54,851	.....	.....
Material and supplies	38,933	36,078	29,172
Cash	4,194	32,427	7,044
Notes & accounts receivable	105,481	56,848	59,588
Prepayments	3,409	2,358	2,146
Apprec. due to appraisal	210,485	210,485	210,485
Deferred debit items	69,590	69,630	75,676
Total	$1,677,158	$1,540,537	$1,434,623
Liabilities—			
Common stock	$381,100	$381,100	$181,100
Preferred stock	308,900	362,900	360,950
Installment stock	1,647	.....	.....
Funded debt	500,000	300,000	300,000
Notes payable—long term	.....	.....	166,837
Accts. payable—long term	.....	.....	15,900
Current liabilities	20,592	61,281	23,319
Interest accrued	13,750		12,531
Dividends declared	13,024	23,171	10,137
Taxes accrued	4,425		3,711
Other liabilities	.....	17,233	4,495
Deferred credit items	125	.....	15,490
Renewal & contingency res.	394,416	138,629	95,892
Permanent res. for deprec.		210,485	210,485
Reserve for doubtful accts.	2,959	4,384	1,257
Profit and loss surplus	36,220	41,354	32,519
Total	$1,677,158	$1,540,537	$1,434,623

Officers: C. L. Brown, Pres., Abilene, Kans.; C. W. Amidon, V-P., Grand Island, Nebr.; L. O. Verkler, V-P., Abilene, Kans.; C. A. Fees, Sec. & Gen. Mgr., Superior Nebr.; H. W. Rohrer, Treas., Abilene, Kans.

Directors: C. L. Brown, L. O. Verkler, Geo. P. Taylor, R. B. Gemmill, Abilene, Kans.; C. A. Fees, Peter Johnson, Superior, Nebr.; C. W. Amidon, J. C. Hage, Grand Island, Nebr.; W. C. Sharp, Chicago.

General Office, Superior, Neb.

PENOBSCOT POWER COMPANY

History—Inc. Apr. 10, 1922, in Me. Owns valuable water power rights on the Penobscot River at a point situated in the town of Medway, Me. Has developed a hydro-electric power plant, including a concrete dam, a power station of modern design with five generating units, each of 1,000 h.p., and with foundations ready for the later installation of one additional unit of like capacity, and a transmission line extending from the power station to the mills of Advance Bag & Paper Co., Inc., at Howland, Me.

CAPITAL STOCK

Authorized and outstanding, $300,000, all owned by Advance Bag & Paper Co., Inc.

FUNDED DEBT

None

All the outstanding First Gold 7s, due May 1, 1942, described in the 1927 Public Utility Manual, on page 390, were called for payment on May 1, 1928, at 106 and interest.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equip., less depre.	$872,366	$881,293	$899,786
Investments	.....	.....	1,000
Cash	3,589	3,817	4,330
Accounts receivable	2,318	2,183	15,152
Receivable accounts contract for retirement of bonds	510,000	.....	.....
Deferred assets	3,205	63,992	67,364
Total	$1,391,478	$951,285	$987,632
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Notes payable	.....	5,000	27,000
Funded debt	510,000	540,000	570,000
Accrued interest	5,950	6,300	6,650
Advance Bag & Paper Co.	60,323	78,122	.....
Contract for retirement of bonds	510,000	.....	.....
Surplus	5,205	21,863	83,982
Total	$1,391,478	$951,285	$987,632

Officers: John E. Kelley, Pres., Bangor, Me.; E. C. Shaw, Treas., Howland, Me.

Directors: John E. Kelley, C. A. Ring, Bangor, Me.; P. D. Caskey, J. N. Harvey, Boston, Mass.; B. E. Estes, Portland, Me.

General Office, Howland, Me.

PASCOAG WATER COMPANY

History—Incorporated March 28, 1902, in R. I. Supplies water to the town of Burrillville, R. I., and to the villages of Pascoag, Bridgeton and Harrisville, in that town, serving a combined population of about 6,000. Water is derived from driven wells and is ample for double the population served. Miles of mains, 13.2. Company receives $40 per year for each hydrant set in fire districts.

CAPITAL STOCK

Authorized and outstanding, $125,000; par, $100. Annual meeting, second Saturday in March, at Pascoag, R. I. No dividends paid.

FUNDED DEBT

$45,000 First Gold 6s; dated July 1, 1923; due July 1, 1963; interest January and July 1, at Union & New Haven Trust Co., New Haven, Conn., Trustee. Coupon, $500; principal may be registered. Authorized, $115,000. The unissued $70,000 bonds are held for extensions or permanent improvements. The $45,000 bonds were issued for improvements and extensions to plant and mains, and for additional working capital. Subject to call on and after July 1, 1933, at 100 and interest. A first lien on entire property of company. The mortgage provides that no dividends can be paid on the capital stock until the First Mortgage Bonds are paid in full. First publicly offered ($45,000) in Dec., 1923, at 97½ and interest, to yield about 6¼%. Company pays Normal Federal Income Tax up to 2%. Company agrees to refund (on written request within sixty days after payment) all state taxes other than trans-

fer, estate, inheritance and succession taxes not exceeding 0.4% annually.

$131,250 40-Yr. Non-Cumulative Income Gold 5s; dated 1923; due Jan. 1, 1963; int. annually, Jan. 1, at Union & New Haven Trust Co., New Haven, Conn., Trustee. Issued in exchange for old First Mortgage Bonds due Jan. 1, 1923, and all unpaid interest coupons thereon, with non-cumulative income not exceeding 5%. Subject to call on any interest date. Secured by second mortgage on entire property. Interest at rate of 3% declared and paid for years 1923 to 1927, inclusive. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$20,415	$23,610	$22,765
Oper. exp., taxes & depre.	23,913	23,315	†23,275
Net income	*$3,498	$295	*$510

*Deficit. †Incudes half mile extension.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real estate, plant & equip..	$149,989	$152,222	$153,288
Inventory	2,136	2,042	1,656
Accounts receivable	8,663	7,802	5 880
Cash	1,139	369	373
Other assets	625	625	625
Organization expense	125,000	125,000	125,000
Deficit	17,396	15,149	16,869
Total	$304,948	$303,209	$303,691
Liabilities—			
Capital stock	$125,000	$125,000	$125,000
Funded debt	176,875	176,875	176,875
Accounts payabe	3,073	1,334	1,816
Total	$304,948	$303,209	$303,691

Officers: David J. Greene, Pres.; Francis Fagan, V-P., Wm. M. P. Bowen, Sec. & Treas., Providence, R. I.

Directors: David J. Greene, Francis Fagan, Wm. M. P. Bowen, Gertrude P. Saunders.

General Office, Pascoag, R. I. **Treasurer's Office,** 940 Hospital Trust Bldg., Providence, R. I.

WASHINGTON GAS LIGHT COMPANY

Stock Issue At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Capital Stock (par $20)	F, M, A & N 1	$2,600,000	$2,600,000	$583,088	$3.60	$468,000	$4.48

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
General Gold 5s	Nov. 1, 1960	M & N 1	$5,200,000	$5,199,612	No	No	Pd. by Co.
10-Yr. 6% Mtge. bonds, Ser. "A"	Apr. 1, 1933	A & O 1	15,000,000	4,000,000	No	No	Pd. by Co.
10-Yr. 6% Mtge. bonds, Ser. "B"	Oct. 1, 1936	A & O 1		1,500,000	No	No	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, *$10,709,612.
Amount Available for Interest in 1927, $1,170,353.
*Includes $10,000 real estate mortgage notes.

Interest Accrued in 1927, $587,266.
Times Interest Earned in 1927, 1.99.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	86½	74½	75	54	59⅛	61	50¼	50
Low	69	67¾	53¼	47⅝	47⅜	48¼	37¼	38

History and Properties—Incorporated in 1848, by Act of Congress. Supplies gas to the entire city of Washington, D. C., and several of the communities in adjoining counties of Maryland and Virginia. Population served, over 475,000. Company owns and operates two plants for the manufacture of water gas with a combined output capacity of 37,000,000 cu. ft. of gas per day. Its nine holders have an aggregate storage capacity of 12,000,000 cu. ft. of gas. Price (since Nov. 1923) to consumers other than U. S. and District of Columbia Government, $1 net per 1,000 cu. ft. with a differential rate to wholesale consumers; U. S. and District of Columbia Government, 70 cents net. Owns all the capital stock of the Georgetown Gas Light Co., 497 shares of stock of Washington Gas Light Co. of Montgomery Co., Md., and 500 shares of stock and $81,000 bonds of the Rosslyn Gas Co. The Georgetown Gas Light Co. owns 395 shares of capital stock of the Georgetown Gas Light Co. of Montgomery County, Md.

Franchise Situation—The Company operates in the District of Columbia under a perpetual charter which can only be changed by an Act of Congress and does not require municipal franchises. The Georgetown Gas Light Co. also operates under Congressional charter and the subsidiaries outside of the District of Columbia operate under State charters and do not have franchises from incorporated municipalities therein.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
No. of meters (Co.)	102,187	98,544	93,766
No. of meters (incl. subs)	121,006	115,453	108,607
Miles of mains	669	650	623
Gas sold	5,773,281,104	5,715,475,623	5,305,582,470
Street lamps	10,198	11,611	11,510

CAPITAL STOCK

Authorized and outstanding, $2,600,000; par, $20. Listed on Washington Stock Exchange. Annual meeting, first Monday in February.

Dividends—Dividends of 10% per annum paid to Nov. 1, 1910. Company formerly paid quarterly dividends of $4.80 per share per annum, but on Nov. 1, 1917, dividends were reduced to 90 cents per share per quarter, equal to $3.60 per annum, which rate has since been maintained to date; payments Feb., May, Aug. and Nov. 1.

FUNDED DEBT

(1)

$5,199,612 GENERAL (NOW FIRST) MORTGAGE GOLD 5s DUE NOVEMBER 1, 1960

Dated November 1, 1910.

Interest Payable May and November 1, at American Security & Trust Co., Washington, D. C.

Denominations—Coupon, $500; principal may be registered.

Trustee—American Security & Trust Co., Washington, D. C.

Provisions of Issue—Authorized, $5,200,000. Issued to refund Certificates of Indebtedness, dated June 1 1903, and to provide for current obligations.

Callability—Not subject to call.

Sinking Fund—None.

Security—Secured on entire rights, property, franchises, etc. now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	105⅛	101⅝	100	99¼	96	96	91½	90
Low	100	98⅞	98	93	92½	88½	73	74

(2)

$4,000,000 TEN-YEAR 6% MORTGAGE GOLD BONDS, SERIE "A"; DUE APRIL 1, 1933

Dated April 2, 1923.

$1,500,000 TEN-YEAR 6% MORTGAGE GOLD BONDS, SERIE "B"; DUE OCTOBER 1, 1936

Dated October 1, 1926.

Interest Payable April and October 1, at Riggs National Bank, Washington, D. C., Harris, Forbes & Co New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered.

Trustee—Riggs National Bank, Washington, D. C

Provisions of Issue—Authorized, $15,000,000; outstanding, $4,000,000 Series "A" and $1,500,000 Series "B." The proceeds from the sale of Series "A" bonds were used in part to provide for the redemption on July 1, 1923, at 103 and interest, of $1,200,000 7½% Gold Notes, and in part to provide t

sum of $1,000,000 which will be deposited with Trustee to be drawn upon from time to time by company to reimburse it for expenditures made subsequent to Feb. 28, 1923, for additions and extensions to its property. The remaining proceeds of Series "A" were used to reimburse company for expenditures made prior to Feb. 28, 1923, for additions and extensions to its property not previously made the basis for the issuance of bonds and for other corporate purposes.

$1,500,000 Series "B" bonds were offered in 1926 for subscription to customers at 101 and interest; proceeds were to be used for financing additions, improvements and extensions to the properties of Company.

The remaining $9,500,000 bonds may be issued in different series as company may from time to time determine, but shall mature either April 1, 1933, or ten years from their respective dates of issue, to reimburse company for not to exceed 80% of the cash cost of additions and extensions to its property made subsequent to Feb. 28, 1923, to the extent that such expenditures exceed $1,000,000, provided further that net earnings for a period of twelve consecutive months out of fifteen months immediately preceding the date of issue of any such bonds shall have been not less than 1¾ times the annual interest charge on all prior lien bonds and all bonds of this issue outstanding together with those proposed to be issued. Bonds of any series may also be issued under said mortgage to refund a like amount of any other series.

Callability—Not subject to call.

Sinking Fund—None.

Security—Secured by a direct mortgage upon all the company's property, rights and franchises, subject to $5,199,612 General (now First) Mortgage 5s; due 1960.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Patterson, Eagle, Greenough & Day, New York (for the Bankers) and Minor, Gatley & Rowland, Washington, D. C. (for the Company).

Original Offering—First publicly offered ($4,000,000) in May, 1923, at 100 and interest, to yield 6% by the Company and by Harris, Forbes & Co., and National City Co., New York, etc.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
Series "A" Bonds—					
High	107⅛	105	104	103	103
Low	102¼	100	101½	100	100
Series "B" Bonds—					
High	107⅝				
Low	103				

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$5,354,427	$5,860,307	$5,448,786	$5,389,251	$5,339,639	$5,108,245
Operating expenses and taxes	4,165,933	4,553,989	4,360,410	4,128,424	4,256,819	4,167,019
Net earnings	$1,188,494	$1,306,318	$1,088,376	$1,260,827	$1,082,820	$941,226
Other income	45,613	14,300	16,696	47,370	44,098	20,459
Total income	$1,234,107	$1,320,618	$1,105,072	$1,308,197	$1,126,918	$961,685
Interest, etc.	651,019	594,574	546,799	541,300	570,546	428,106
Balance for dividends	$583,088	$726,044	$558,273	$766,897	$556,372	$533,579
Dividends paid	468,000	468,000	468,000	468,000	468,000	468,000
Surplus after dividends	$115,088	$258,044	*$90,273	*$298,897	*$88,372	*$65,578
Times Fixed Charges Earned	1.90	2.22	2.02	2.42	2.31	2.31
Earnings Per Share	$4.48	$5.58	$4.29	$5.90	$4.28	$4.10

*After setting up $60,000 to apply on Income Tax for the year 1922, $70,771 in 1923, $100,000 in 1924 and $70,000 in 1925. and $70,000 in 1925.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$20,274,158	$19,334,630	$18,441,689	$17,493,387	$16,506,006	$15,949,762
Miscellaneous investments	911,322	685,891	685,892	763,199	1,685,887	770,395
Special deposits	6,024					
Cash	114,600	149,273	149,322	137,735	98,671	183,452
Bills receivable		12,678	12,678	14,928	15,228	25,529
Accounts receivable	804,575	966,192	887,581	867,132	718,165	685,433
Interest and dividends receivable	63,822	59,528	55,443	51,650	49,400	45,049
Materials and supplies	580,115	607,410	600,197	559,576	548,812	674,299
Other current assets	40	6,186	5,785	5,047	8,921	12,554
Prepayments	44,064	46,110	59,349	27,456	25,595	32,019
Unamortized debt disc. & other items in suspense	172,135	165,106	165,816	183,461	201,103	69,525
Construction work in progress		18,413	27,076	6,722	136,180	30,152
Total	$22,970,855	$22,051,417	$21,090,828	$20,110,294	$19,993,969	$18,478,169
Liabilities—						
Capital stock	$2,600,000	$2,600,000	$2,600,000	$2,600,000	$2,600,000	$2,600,000
Funded debt	10,699,612	10,517,412	9,199,612	9,199,612	8,955,712	6,399,612
Real estate mortgage notes	10,000					
Bond subscriptions		38,895			187,566	
Interest accrued	175,897	163,320	144,069	133,387	134,117	78,164
Taxes accrued	517,314	492,000	494,140	470,082	363,526	356,458
Consumers' deposits	281,791	244,615	200,276	154,237	125,289	137,071
Notes payable	850,000	250,000	850,000	1,500	251,500	1,305,684
Accounts payable	266,121	313,684	329,921	333,693	209,356	519,432
Consumers' proportion of gas services		455,013	378,383	298,822	244,551	198,709
Accrued amortization of capital		23,307			239,199	285,090
Unamortized premium on debt		15,000				
Misc. current liabilities	14,348	8,513	9,705	8,555	7,838	5,295
Retirement reserve	347,249					
Contribution for extensions	515,113					
Corporate surplus	6,693,410	6,929,658	6,884,722	6,910,406	6,675,315	6,592,654
Total	$22,970,855	$22,051,417	$21,090,828	$20,110,294	$19,993,969	$18,478,169

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$114,600	$149,273	$149,322	$137,735	$98,671	$183,452
Bills receivable		12,678	12,678	14,928	15,228	25,529
Accounts receivable	804,575	966,192	887,581	867,132	718,165	685,433
Interest and dividends receivable	63,822	59,528	55,443	51,650	49,400	45,049
Materials and supplies	580,115	607,410	600,197	559,576	548,812	674,299
Other current assets	40	6,186	5,785	5,047	8,921	12,554
Total	$1,563,152	$1,801,267	$1,711,006	$1,636,068	$1,439,197	$1,626,316

STATEMENT OF WORKING CAPITAL, DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Current Liabilities—						
Interest accrued	$175,897	$163,320	$144,069	$133,387	$134,117	$78,164
Taxes accrued	517,314	492,000	494,140	470,082	363,526	356,458
Consumers' deposits	281,791	244,615	200,276	154,237	125,289	137,071
Accounts payable	266,121	313,685	329,921	333,693	209,356	519,432
Misc. current liabilities	14,348	8,513	9,705	8,555	7,837	5,295
Notes payable	850,000	250,000	850,000	1,500	251,500	1,305,684
Total	$2,105,471	$1,472,133	$2,028,111	$1,101,453	$1,091,625	$2,402,104
Net Working Capital	*$542,319	†$329,134	*$317,105	†$534,615	†$347,572	*$775,788

† Credit. * Debit.

Officers: Ord Preston, Pres.; R. D. Weaver, V-P.; George M. Whitwell, Sec.; Lawrence Townsend, Treas.; Richard A. Ennis, Compt.; Edward T. Stafford, Asst. Sec.; Rawlins Hume, Asst. Treas.; C. C. Bayly, Asst. Compt.; John L. Schick, Asst. Compt.; Thomas B. Gardner, 2nd Asst. Sec.; A. Gray Dawson, 2nd Asst. Treas., Washington, D. C.

Directors: William King, J. M. Green, Joseph Leiter, Ord Preston, E. F. Stellwagen, Robert D. Weaver, Charles C. Glover, Jr.

Office, 413-417 Tenth St., N. W., Washington, D. C.

GEORGETOWN GAS LIGHT COMPANY

(Controlled by Washington Gas Light Company)

History and Property—Incorporated in June, 1854, under act of Congress. Owns all the capital stock of the Georgetown Gas Light Co. of Montgomery County, Md. Population served, approximately 31,784. No. of meters, 12,526. No. of public lamps, 475. Miles of mains, 109. Gas sales in 1927, 808,960,117 cu. ft., compared with 712,868,010 cu. ft. in 1926 and 611,453,619 cu. ft. in 1925. Prices of gas: Less than 200,000 cu. ft. per month, $1; 200,000 and less than 500,000 cu. ft. per month, 95 cents; 500,000 and less than 800,000 cu. ft. per month, 90 cents; 800,000 cu. ft. or more per month, 85 cents. Penalty of 10 cents per 1,000 cu. ft. if not paid within 10 days from rendition of bill. The foregoing rates apply to each installation or plant.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $25. The Washington Gas Light Co. owns all the capital stock. Annual meeting, first Monday in June.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE 5s; DUE AUGUST 1, 1961

Dated August 1, 1911.

Interest Payable Feb. and Aug. 1, at American Security & Trust Co., Washington, D. C., Trustee. Coupon, $500; principal may be registered. Authorized and issued, $1,000,000. No sinking fund, and bonds cannot be called. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Listed—Washington Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103½	100¼	96	90¾	90	90	81¾	..
Low	98½	95	92	85	86½	81	70	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating income	$774,211	$681,040	$576,948	$524,776	$483,188	$426,740
Operating expenses, taxes, etc.	634,566	576,175	504,784	422,223	385,668	359,353
Net operating income	$139,645	$104,865	$72,164	$102,553	$97,520	$67,387
Other income	17,735	10,047	12,252	10,190	6,626	5,591
Total income	$157,380	$114,912	$84,416	$112,743	$104,146	$72,978
Interest, amortization, etc.	55,764	51,276	47,185	44,148	42,798	40,203
Surplus for year	*$101,616	*$63,636	*$37,231	*$68,595	$61,348	$32,775
Times Interest, Etc. Earned	2.82	2.24	1.79	2.55	2.43	1.81

*Before Federal taxes.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$2,357,638	$2,344,807	$2,121,597	$1,987,734	$1,869,522	$1,766,662
Cash	6,702	17,262	22,984	20,283	22,238	21,123
Bills receivable	87,000	87,000	87,000	87,000	87,000	87,000
Accounts receivable	208,171	188,932	135,336	102,095	53,563	47,795
Materials and supplies	6,998	6,289	8,868	8,463	7,043	4,587
Georgetown Gas Light Co. of Mont. County stock	51,458	51,458	51,458	51,458	51,458	51,458
Prepayments	1,137	438	1,032	183	792	1,137
Unamortized debt discount and expense	8,862	10,654	8,400	9,600	10,800	12,000
Valuation expense	7,116	.....	.....	.....	.....	.....
Total	$2,735,082	$2,706,840	$2,436,675	$2,266,816	$2,102,416	$1,991,762
Liabilities—						
Capital stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000
Funded debt	1,000,000	1,000,000	750,000	750,000	750,000	750,000
Taxes accrued	67,418	61,735	51,372	44,305	37,824	33,164
Interest accrued	24,722	24,028	19,457	18,040	17,638	17,352
Other accruals	505	399	1,005	.....	.....	.....
Consumers' deposits	27,453	23,397	19,357	16,947	14,302	11,882
Notes payable	75,000	20,000	171,000	48,000	52,000	58,000
Accounts payable	71,459	71,756	46,988	87,523	38,845	31,266
Misc. current liabilities	19,939	29,541	13,238	13,462	12,623	9,185
Contributions for extensions	144,804	119,270	91,655	71,836	52,891	37,492
Accrued amortization of capital	.....	151,351	126,126	107,972	86,276	64,810
Corporate surplus	1,153,782	1,055,363	996,477	958,730	890,017	828,611
Total	$2,735,082	$2,706,840	$2,436,675	$2,266,816	$2,102,416	$1,991,762

Officers: Robt. D. Weaver, Pres.; Ord Preston, V-P.; Frederick K. Heupel, Sec.; Rawlins Hume, Treas.; Richard A. Ennis, Gen. Aud.

Directors: Ord Preston, Jos. Leiter, Wm. King, Chas. Carroll Glover, Jr., Robt. D. Weaver and J. S. McIlhenny, H. V. Haynes.

General Office, Washington, D. C.

THE LONDON STREET RAILWAY COMPANY

History—Incorporated in 1873, under laws of Ontario. Owns and operates 36.10 miles of track, constituting the entire street railway system of London, Ont. Gauge, standard; 56, 70, 73 and 80 lb. T and girder rails. Motor cars (open, 8; closed, 38; one-man safety, 15), 61; service cars, 5; line wagon, 1; auto line truck, 1; double truck cars, 3; auto welding trucks, 2. Company uses hydro-electric power, purchased from the Ontario Hydro-Electric Commission.

City Purchase and Franchise Extension Defeated—The purchase of the railway and the extension of the franchise were voted on at the Municipal Elections, held on Dec. 6, 1926, the result being the defeat of both propositions, the purchase being defeated by a very large majority, and the franchise extension being voted down about two to one. The matter of the extension of the franchise is now under consideration.

OPERATING STATISTICS, YEARS ENDED DEC. 31

	1927	1926	1925
Passengers carried	12,731,728	12,514,582	12,552,064
Transfer passengers	2,083,934	1,780,643	1,644,584
Total passengers	14,815,662	14,295,225	14,196,648
Car earnings per rev. pass.	4.94 cts.	4.94 cts.	4.94 cts.
Car miles operated	2,250,818	2,160,678	2,040,484
Revenue per car mile	28.36 cts.	29 cts.	30.82 cts.
Total expenses per car mile	27.78 cts.	28.31 cts.	30.09 cts.
Net income per car mile	.58 cts.	.69 cts.	.73 cts.

CAPITAL STOCK

Authorized, $750,000; subscribed, $700,000; paid up, $637,480; par, $40. Transfer Agent: Toronto General Trusts Corp., Toronto. Annual meeting, first Wednesday in February.

Dividends—A stock dividend of 3% was paid June 30, 1916; a cash dividend of 3% Dec. 31, 1916, and a stock dividend of 3% July 2, 1917; Jan. 2, 1918, and subsequent dividends omitted until Dec. 21, 1922, when 2½% was paid; 1923, 5%; none since.

FUNDED DEBT

$475,000 FIRST DEBENTURE EXTENDED GOLD 6s; DUE MARCH 8, 1933

Dated 1896; due March. 8, 1925, but extended to March 8, 1933, interest being increased from 5% to 6% at time of extension.

Interest Payable March and September 8, at Canadian Bank of Commerce, Toronto.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Toronto General Trusts Corporation.

Provisions of Issue—Authorized, $750,000; issued, $720,000, of which $475,000 are outstanding, $1,000 are held in treasury and $244,000 had been redeemed to Dec. 31, 1927. Unissued bonds reserved for 66 2-3% of the cost of additions and extensions, but only when net earnings are double interest charges on bonds issued and to be issued. Total debt, however, must not exceed $20,000 per mile of single track. From March 8, 1915, 5% of the outstanding bonds must be redeemed and paid off annually.

Security—A first lien on entire railway, equipment and franchise.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$638,519	$626,691	$628,918	$665,302	$693,411	$594,584
Operating expenses	531,598	528,528	529,011	546,364	572,082	494,986
Net earnings	$106,921	$98,163	$99,907	$118,938	$121,329	$99,598
Interest and taxes	44,130	$43,793	$45,418	$43,201	$37,087	$34,621
Depreciation	48,625	38,125	38,125	38,091	37,364	35,423
Dominion tax	1,118	1,287	1,513	3,743	4,712	2,893
Total charges	$93,873	$83,205	$85,056	$85,035	$79,163	$72,937
Balance for dividends	$13,048	$14,958	$14,851	$33,903	$42,166	$26,661
Dividends paid	.....	.....	.....	.....	31,874	15,937
Surplus for year	$13,048	$14,958	$14,851	$33,903	$10,292	$10,724

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$1,577,532	$1,525,397	$1,471,828	$1,717,958	$1,687,619	$1,540,208
Real estate in trust	5,545	5,545	5,545	5,545	5,545	7,192
	$1,583,077	$1,530,942	$1,477,373	$1,723,503	$1,693,164	$1,547,400
Cash	11,345	20,802	15,704	18,817	12,122	27,403
Materials and supplies	38,863	31,222	31,797	36,287	43,574	25,578
Accounts receivable	2,036	2,912	3,949	1,082	2,245	1,495
Uniforms	82	92	102	166	85	162
Advances to conductors	2,915	2,690	2,420	2,500	2,745	1,860
Prepaid insurance	1	3	6	233	224	116
Treasury bonds	1,000	1,000	3,000	2,000	2,000	2,000
Bank balance, etc.	6,727	.....	.....	.....	.....	.....
Dispense	.....	.....	.....	70	1,474	.....
Total	$1,646,046	$1,589,663	$1,534,350	$1,784,658	$1,757,633	$1,606,014
Liabilities—						
Capital stock	$637,480	$637,480	$637,480	$637,480	$637,480	$637,480
Funded debt	475,000	475,000	477,000	477,000	477,000	477,000
Notes and accounts payable a/c capital improvements	74,742	64,729	49,467	86,608	123,402	.....
Accrued bond interest	9,157	9,097	9,217	7,545	7,545	7,545
Dominion Income Tax	1,325	1,287	1,513	3,743	4,712	2,893
Other taxes	.....	.....	1,594	.....	.....	.....
Accounts payable	14,979	16,106	10,554	21,040	22,497	26,370
Wages payable	13,782	14,602	13,644	14,748	14,821	14,059
Outstanding tickets	3,496	4,556	4,627	4,763	5,620	7,222
Injuries and damages	5,709	5,717	5,717	5,717	5,717	5,717
Dispense accounts, etc.	5,100	3,529	174	.....	.....	46
Depreciation reserve	210,086	175,418	150,137	373,553	339,821	318,956
Other reserves	.....	.....	6,041	.....	.....	.....
Surplus	195,190	182,142	167,183	152,460	119,018	108,726
Total	$1,646,046	$1,589,663	$1,534,350	$1,784,658	$1,757,633	$1,606,014

Officers: Chas. Currie, Pres., Cleveland, O.; R. G. Ivey, V-P.; Leonard Tait, Mgr. & Sec.-Treas., London, Ont.

Directors: W. M. Spencer, R. G. Ivey, Leonard Tait, London, Ont.; J. C. Elliott, Ottawa, Ont.; P. W. D. Brodrick, Toronto; Chas. Currie, H. H. Allyn, Cleveland, O.

Main Office, London, Ont.

DUKE POWER COMPANY

History—Incorporated May 1, 1917, in New Jersey as the Wateree Electric Company; name changed to the present title Nov. 18, 1924. Company owns what was formerly known as the Southern Power System in the States of North Carolina and South Carolina, which was built up by the late James B. Duke and associates. Southern Power Company, incorporated in 1905 and Great Falls Power Company (N. J.) incorporated in 1909, were merged into the Company on Dec. 3, 1927. The Company owns the following subsidiaries:

Southern Public Utilities Company
Wateree Power Company
Western Carolina Power Company
Catawba Manufacturing & Electric Power Company
Catawba Power Company

Properties—The Company owns a group of properties furnishing the electric light and power used in the manufacturing and industrial territory in the central section of North Carolina, including Charlotte, Winston-Salem and Greensboro, and in the western section of South Carolina, including Greenville, Spartanburg and Anderson. This territory is commonly known as the Piedmont section of the Carolinas.

In addition to its physical properties the company owns, among its more important subsidiaries, all of the capital stock of the Southern Public Utilities Company.

The total population served by Duke Power System is estimated to be in excess of 1,500,000.

The plants of the Company and its subsidiaries comprise one of the largest hydro-electric power systems in the United States. These include 16 major hydro-electric generating stations and 6 steam electric generating stations with a total installed capacity of 849,905 h.p., of which 616,465 h.p. is hydro-electric and 233,440 h.p. is steam. Over 85% of this total generating capacity is directly owned by the Company. The Company, through its subsidiary, Western Carolina Power Company, is now completing a hydro-electric plant on Catawba River, known as Oxford Shoals, of a rated installed capacity of 48,300 h.p. Reservoirs on the Catawba River have an available storage capacity of forty billion cubic feet. Over 3,800 miles of equivalent three wire circuit high tension transmission lines, together with over 300 sub-stations, completely interconnect the system.

The transmission lines of the Duke Power System interconnect with the Georgia Power Company at Tallulah Falls, Ga., Tallassee Power Company at Badin, N. C., Carolina Power & Light Company at Wateree Station, S. C. and near Raleigh, N. C., and Broad River Power Company at Union, S. C. These companies are, in turn, connected with the transmission lines of all the major power companies in the states of Georgia, Alabama, Tennessee and South Carolina thus making the interchange of power possible.

CAPITAL STOCK

Authorized, $100,000,000 Common (increased from $80,000,000 in Aug., 1925) and $1,000,000 7% cumulative Pfd.; outstanding, $90,024,936 Common and $294,800 Pfd.; par, $100. The Pfd. stock outstanding represents the Pfd. stocks of Southern Power Company and Great Falls Power Company which were not held by this company at the time of the merging of those companies on Dec. 3, 1927.

Transfer Agent—Guaranty Trust Co. of New York

Dividends—Initial quarterly dividend of 1¾% paid on Pfd. stock on Jan. 3, 1928; payments J, A, J & O 1. Initial cash dividend of $1 per share was paid on Common April 1, 1926, and at same rate quarterly to date; payments, J, A, J & O 1, to stockholders of record the 15th day of the previous month.

FUNDED DEBT

(1)

$40,000,000 DUKE POWER COMPANY FIRST AND REFUNDING MORTGAGE 4½% GOLD BONDS; DUE DECEMBER 1 1967

Dated December 1, 1927.

Interest Payable June and December 1.

Denominations—Coupon, $1,000; principal may b registered. Fully registered bonds in denomination of $100,000 and any multiple thereof, and interchangeable for coupon bonds.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized amount, not limited; issued, $40,000,000.

In addition to the $40,000,000 of bonds, $12,714,00 of bonds are issuable against the properties of th Company as they exist at the time of the executio and delivery of the Mortgage Indenture and furthe bonds of the same or other series may be issued unde the provisions of the Mortgage Indenture witho limit as to maximum amount on substantially the fo lowing bases: (a) To refund, principal amount fc principal amount, $7,279,000 of underlying bonds re maining outstanding in the hands of the public an also other underlying bonds constituting prior liens c charges on after acquired properties which may b made the basis of the issuance of additional bonc under clause (b) below. (b) To the extent of 75% c the net amount of additional property, as defined i the Mortgage and subjected to the lien thereof, certified as charged to fixed capital accounts after the da of the execution and delivery of the Mortgage Indenture less the amount of any underlying bonds co stituting a prior lien thereon; provided, however, tha for twelve consecutive calendar months within fifte calendar months next preceding the application ther for, the available net earnings of the Company are least 1¾ times the amount of the annual intere charges on all bonds issued and about to be issu under the Mortgage and on any outstanding pri lien bonds, all as defined in the Mortgage Indentur (c) To refund, principal amount for principal amou bonds of any other series previously issued under t Mortgage. (d) For equal amount of cash not excee ing $5,000,000 at any one time deposited with t Trustee and withdrawable by the Company in lieu the issuance of bonds for the above purposes und the conservative provisions of the Mortgage Indenture.

Purpose of Issue—Proceeds were used to reimbu the Company for expenditures made in connecti with additions and improvements to plant and pro erty, to retire floating indebtedness incurred in co nection therewith and for other corporate purpos

Callability—Subject to call as a whole at any ti or in part on any interest date on not less than days' notice at a premium of 5% if redeemed prior Dec. 1, 1932; 4½% if redeemed on or after said da but prior to Dec. 1, 1937; 4% if redeemed on or af said date but prior to Dec. 1, 1949; and the premi

We specialize in the Securities of
DUKE POWER CO.
Charles E. Doyle & Co.
49 Wall Street New York City

then decreasing by ¼% on each anniversary of said date until Dec. 1, 1964, on or after which date the bonds shall be redeemable without premium, in each case with accrued interest to date fixed for redemption.

Sinking Fund—None provided.

Security—Secured by a direct lien on all the fixed electrical properties acquired or being acquired by the Company, subject to the $7,000,000 Southern Power Co. First Gold 5s, due March 1, 1930 and $279,000 Catawba Power Co. First Gold 6s, due June 1, 1933, described below.

Tax Provisions—Compay pays Normal Federal Income Tax up to 2%. Pennsylvania taxes refundable to the extent provided in the mortgage.

Legal Opinion—Rushmore, Bisbee & Stern, New York (for the Bankers) and W. R. Perkins, New York and Cocke & Robinson, Charlotte, N. C. (for the Company).

Original Offering—First publicly offered ($40,000,000) in Dec., 1927, at 98 and interest by Stone & Webster and Blodget, Inc., Guaranty Co. of New York, First National Corp. of Boston and Estabrook & Co., New York, etc. and Drexel & Co., Philadelphia.

(2)

$7,000,000 SOUTHERN POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1930

Dated March 1, 1910.

Interest Payable March and September 1, at Farmers' Loan & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized issue, $10,000,000; the remaining bonds in escrow can be issued only for 70% of the cash cost of additions and extensions, but in no event, unless the net earnings for the preceding twelve months shall have been equal to at least twice the annual interest on all first mortgage bonds outstanding, including those proposed to be issued.

Callability—Subject to redemption as an entirety on any interest date, at 105 and accrued interest.

Security—Secured by a first and only mortgage upon the hydro-electric development of the Great Falls Power Co., and upon the Southern Power Co.'s high-tension transmission lines, inter-connecting and distributing stations and all appurtenances.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—L. C. Krauthoff, New York.

(3)

$279,000 CATAWBA POWER COMPANY FIRST MORTGAGE 6s; DUE JUNE 1, 1933

Dated June 1, 1903.

Interest Payable June and December 1 at Equitable Trust Co., New York.

Trustee—Equitable Trust Co., New York.

Sinking Fund—Mortgage contains provisions for a sinking fund to retire a certain amount of bonds each year at not more than 105 and accrued interest, under the terms of which the Company paid into this fund on Nov. 1, 1906, the sum of $10,500, which sum is paid into this fund on Nov. 1, each year, plus a further amount equal to the interest saved and not paid on the bonds previously purchased by the sinking fund and cancelled, until payment in full of all the bonds.

Security—Secured by a first lien on the entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$67,000 ENOREE POWER COMPANY FIRST MORTGAGE 6% GOLD BONDS; DUE OCTOBER 1, 1932

Dated October 1, 1912.

Interest Payable April and October 1, at Chemical National Bank, New York.

Denomination—$1,000.

Trustee—Wilmington Savings & Trust Co., Wilmington, N. C.

Provisions of Issue—Authorized and issued, $100,000 of which $67,000 outstanding Dec. 31, 1927 and $33,000 retired and cancelled.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 105 and interest.

Sinking Fund—Sinking fund commenced May 1, 1913 and annually thereafter amounts to 3% of bonds issued to be used to purchase bonds at not over 105.

Security—Secured by a first mortgage on property formerly owned by Enoree Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenue	$20,788,211
Operating expenses, including taxes	10,678,968
Balance	$10,109,243
Deductions:	
Bond interest	$901,852
Renewals and replacement reserve	3,340,715
Total deductions	$4,242,567
Balance for dividends	$5,866,676
Preferred dividends	5,159
Common dividends	3,588,198
Dividends on stock of sub. cos. not owned by Duke Power Co.	30,149
Surplus for year	$2,243,170
*Times Interest Earned	7.50
Earnings Per Share—	
Common	$6.48

*After renewals and replacement reserve.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plants, lines, substations, real estate, water rights, rolling stock, etc.	$144,821,286
Payment account newly acquired properties	4,555,428
Materials and supplies	2,021,133
Vehicles, furniture and fixtures, etc.	280,346
Notes, accounts and interest receivable	19,133,325
Stocks and bonds of other companies	6,715,749
Sinking funds	44,210
Bonds in treasury	28,868
Cash	856,869
Unexpired insurance	52,457
Deferred charges	2,455,371
Total	$180,965,042
Liabilities—	
Common stock	$90,024,936
Preferred stock	294,800
Funded debt	40,000,000
Bonds of other companies	17,205,000
Notes, accounts and interest payable	9,494,319
Accrued interest on bonds	278,581
Dividends declared	905,408
Reserve for taxes	1,964,990
Reserves for renewals and replacement, etc.	13,825,950
Surplus	6,971,058
Total	$180,965,042

Officers: G. G. Allen, Pres.; B. N. Duke, W. S. Lee, C. I. Burkholder, W. R. Perkins, N. A. Cocke, V-Ps.; W. C. Parker, Sec. & Treas.; D. C. Carmichael, Asst. Sec.; E. R. Bucher, Asst. Treas.

Directors: G. G. Allen, B. N. Duke, W. S. Lee, C. I. Burkholder, W. R. Perkins, W. C. Parker, R. H. Wylie, W. G. Wylie, N. A. Cocke, E. C. Marshall, W. S. O'B. Robinson, W. Gill Wylie, Jr.

New York Office, 535 Fifth Avenue.

SOUTHERN PUBLIC UTILITIES COMPANY

(Controlled by Duke Power Company)

History and Properties—Incorporated March 7, 1913, in Me., for the purpose of acquiring public service properties in North and South Carolina. Owns and operates electric power and lighting plants and lines, and also owns and operates gas, water works and electric street railway lines, in eighteen cities and

towns, serving a district 300 miles by 75 miles in what is known as the Piedmont section of North and South Carolina, having a population of about 180,000. The company now owns the following properties:

Charlotte, N. C.—The electric light, gas and street railway properties.

Greenville, S. C.—The electric light, gas and street railway properties.

Winston-Salem, N. C.—The electric light, and street railway properties.

Anderson, S. C.—The electric light, water and street railway properties.

Also the electric light properties in towns of Thomasville, Belmont, Mount Holly, China Grove, Bessemer City, Hickory, Paw Creek, Hoskins, and Reidsville, N. C.; and Chester, Greer, Fort Lawn, York and Clover, S. C.

The above properties were formerly owned by the following companies, all of which have ceased to operate: Charlotte Power Co., Charlotte Gas & Electric Co., Charlotte Electric Ry. Co., all of Charlotte, N. C.; Greenville Gas & Electric Light & Power Co., Greenville Traction Co., Greenville, S. C.; Fries Manufacturing & Power Co., Winston-Salem Power Co., Winston-Salem, N. C.; Anderson Water, Light & Power Co., Anderson, S. C.; Chester Power Co., Chester, S. C., and the Thornton Light & Power Co., Hickory, N. C.

The company acquired with the above properties the hydro-electric plant of the Anderson Water, Light & Power Co., situated near Anderson on the Seneca River at Portman Shoals, having an installed capacity of 12,000 h.p.; a long term lease of the Savannah Power Company's plant, situated on the Savannah River near Anderson at Gregg Shoals, having an installed capacity of 1,500 h.p.; the hydro-electric plant of the Fries Manufacturing & Power Company, situated on the Yadkin River near Winston-Salem, N. C., having an installed capacity of 1,800 h.p.; a 3,500 h.p. hydro-electric power plant on the Saluda River near Greenville and a steam plant located at Anderson, S. C., with an installed capacity of 1,300 h.p.

In Dec. 1923, purchased a new hydro-electric plant with an installed capacity of 100,000 h.p., situated at Mountain Island, near Charlotte, N. C. This plant is leased to Southern Power Co.

The Company supplies several cotton mills with power from its hydro-electric plants located near Anderson, S. C., Greenville, S. C., and Winston-Salem, N. C.

The Company purchases a large part of its power requirements from the Southern Power Co., under contract running until 1944.

The gas plants of Company have a rated daily capacity of 3,230,000 cu. ft., together with over 100 miles of gas mains in Charlotte, N. C. and Greenville, S. C. The street railway system in Charlotte, Winston-Salem, Greenville and Anderson, consists of 70 miles of track. The water works in Anderson, S. C. has 26 miles of mains.

Control—Control of the Southern Public Utilities Co. was acquired by Duke Power Company through an exchange of 1.4 shares of stock of the latter Company for each share of stock of Southern Public Utilities Co. in Nov., 1925.

CAPITAL STOCK

Authorized and outstanding, $10,827,500; par, $100. Practically all owned by Duke Power Company.

Annual Meeting—Second Wednesday in July.

Dividends—Dividends have been paid as follows: 1916, 4%; 1917, 4%; 1918, 3%; 1919, 2%; 1920, 1%; 1921, 4%; 1922, 4%; 1923, 4½%; 1924, 5½%; Jan., April and July 15, 1925, 1½% each; Sept. 15, 1925, 3%; years ended June 30, 1926 and 1927, 6% each. In addition a 25% stock dividend ($1,500,000) was paid in Dec., 1920.

FUNDED DEBT

(1)

$210,000 GREENVILLE-CAROLINA POWER COMPANY FIRST (CLOSED) MORTGAGE GOLD 5s; DUE MAY 1, 1935

Dated May 1, 1905.

Interest Payable May and November 1, at Old Colony Trust Co., Boston, Trustee.

Denomination—Coupon, $1,000.

Sinking Fund—A sinking fund of 1% per annum began May 1, 1910.

Security—Secured by a first closed mortgage on property of former Greenville-Carolina Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(2)

$437,000 FRIES MANUFACTURING & POWER COMPANY FIRST (CLOSED) MORTGAGE GOLD 5s; DUE JANUARY 1, 1940

Dated January 1, 1900.

Interest Payable January and July 1, at Equitable Trust Co., New York, Trustee.

Denomination—Coupon, $1,000.

Callability—Subject to call by lot at 110 and interest.

Security—A first closed mortgage on property of former Fries Mfg. & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(3)

$269,000 CHARLOTTE ELECTRIC RAILWAY, LIGHT AND POWER CO. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE JULY 1, 1929

Dated July 1, 1899.

Interest Payable January and July 1, at Mercantile Trust & Deposit Co., Baltimore, Md., Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $400,000, of which $131,000 retired by sinking fund as of Dec. 31, 1927. Assumed by Charlotte Electric Ry. Co.

Sinking Fund—1% of bonds outstanding to be invested in bonds drawn by lot, at 107½ and interest unless obtainable at a lower price in the open market.

Security—Secured by a first closed mortgage upon 19 miles of street railway and on plants supplying gas and electricity in Charlotte, N. C. These bonds are prior in lien to the Refunding and Extension Gold 5s of 1936 (see below) and to the Southern Public Utilities Co. First and Refunding 5s of 1943, which latter issue provides for their retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

(4)

$410,000 CHARLOTTE ELECTRIC RAILWAY, LIGHT AND POWER CO. REFUNDING AND EXTENSION (CLOSED) MORTGAGE GOLD 5s; DUE APRIL 1, 1936

Dated April 1, 1906.

Interest Payable April and October 2, at Mercantile Trust & Deposit Co., Baltimore, Md., Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized, $2,000,000 (mortgage closed); issued, $504,000, of which $94,000 retired by sinking fund to Dec. 31, 1927. Assumed by Charlotte Electric Ry. Co.

Callability—Subject to call on any interest date at 107½ and interest.

Sinking Fund—Sinking fund of 1% per annum became operative April, 1907, to retire bonds at 107½ and interest.

Security—Secured by second closed mortgage upon 19 miles of street railway and on plants supplying gas and electricity in Charlotte, N. C. The Southern Public Utilities Co. First and Refunding 5s of 1943 provide for the retirement of this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(5)

$46,000 WINSTON-SALEM POWER COMPANY FIRST (CLOSED) MORTGAGE 6s; DUE JANUARY 1, 1936

Dated January 1, 1906.

Interest Payable January and July 1, at Wachovia Bank & Trust Co., Winston-Salem, N. C., Trustee.

Denomination—Coupon, $1,000.

Callability—Subject to call at 107 and interest on any interest date.

Security—Secured by a first closed mortgage on property of former Winston-Salem Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(6)

$8,487,000 SOUTHERN PUBLIC UTILITIES COMPANY FIRST AND REFUNDING GOLD 5s; DUE JULY 1, 1943

Dated July 1, 1913.

Interest Payable January and July 1, at Farmers' Loan & Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered. Exchangeable for registered non-coupon bonds in denominations of $1,000, $5,000 and multiples of $5,000. Registered bonds are exchangeable for coupon bonds.

Trustee—Farmers' Loan & Trust Company, New York.

Provisions of Issue—Authorized issue, $30,000,000, of which sufficient reserved to retire prior liens. Escrow bonds can only be issued up to 70% of cost of additional extensions made, or of property purchased in fee, and then only when net earnings for twelve months preceding, after deducting operating expenses, including taxes, insurance and reasonable expenditures and reserves for maintenance, renewals and depreciation shall have been at least twice the interest requirements of the entire funded debt of the Company, including the bonds about to be issued. No collateral can be placed under this mortgage as a basis for issuing bonds.

Callability—Subject to call in whole or in part at 105 and interest.

Security—The mortgage securing these bonds covers the following plants and properties: (a) Power and light primary lines aggregating 1,644 miles; (b) four street railway systems with an aggregate of 70 miles of track; (c) two gas plants serving the cities of Charlotte and Greenville with an aggregate of 87.5 miles of gas mains; (d) one water plant serving the city of Anderson with 26 miles of mains; and (e) electric power plants having an aggregate capacity of 17,500 h. p.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($3,250,000) in Nov., 1915, at 95½ and interest, to yield 5.30%; $4,000,000 additional offered in Dec., 1923, at 91¼ and interest, to yield about 5.75%, by Blodget & Co., Stone & Webster, Inc., and Estabrook & Co., New York; etc., and Drexel & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$7,403,707	$6,305,834	$5,658,854	$5,430,913	$4,548,009	$4,083,925
Operating expenses and taxes	4,981,657	4,157,824	3,643,886	3,365,089	3,037,453	2,743,943
Net earnings	$2,422,050	$2,148,010	$2,014,968	$2,065,824	$1,510,556	$1,339,982
Renewals and replacement reserves	$635,294	$574,509	$518,691	$495,512	$317,829	$240,000
Bond interest	493,410	494,160	495,110	495,760	307,416	297,560
Total charges	$1,128,704	$1,068,669	$1,013,801	$991,272	$625,245	$537,560
Net income	$1,293,346	$1,079,341	$1,001,167	$1,074,552	$885,311	$802,422
Dividends paid	*	649,650	*	595,512	491,375	353,100
Surplus for year	*	$429,961	*	$479,040	$393,936	$449,322
Times Interest Earned	3.62	3.18	3.02	3.17	3.86	3.69
Earnings Per Share	$11.95	$9.97	$9.25	$9.92	$8.17	$9.09

*Figures not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plants, lines, rolling stock, sub-stations, etc.	$25,661,499	$24,676,788	$23,160,555	$22,478,302	$22,026,717	$15,263,579
Vehicles & livestock, furniture & fixtures, etc.	136,288	121,162	86,950	81,128	74,919	76,971
Payment on acct. of acquired properties	4,555,428	.....	.....	.....	.....	.....
Materials and supplies	606,835	572,897	399,001	326,759	341,048	287,032
Unexpired insurance	16,333	11,834	10,879	10,377	9,348	9,092
Suspense accounts	606,659	572,054	594,779	598,108	647,001	181,678
Notes, accounts and interest receivable	1,776,388	1,473,084	1,782,361	1,492,241	683,817	1,023,548
Stock in other companies	125,441	122,125	62,209	59,509	55,509	55,215
Sinking fund	25,936	6,957	8,043	9,308	8,370	3,668
Bonds in treasury	27,828	20,828	23,153	125,360	123,475	117,175
Cash	279,848	113,817	116,447	243,357	223,817	161,360
Total	$33,818,483	$27,691,546	$26,244,377	$25,424,449	$24,194,021	$17,179,318
Liabilities—						
Capital stock	$10,827,500	$10,827,500	$10,827,500	$10,827,500	$10,827,500	$8,827,500
Underlying bonds	1,372,000	1,387,000	1,403,000	1,419,000	1,441,000	1,455,000
5% 30-yr. gold bonds	8,487,000	8,487,000	8,487,000	8,487,000	8,487,000	4,487,000
Notes payable	13,500	5,000	5,000	11,011	35,664	61,156
Accounts and interest payable	5,430,745	761,656	512,608	549,109	356,338	317,722
Accrued bond interest	6,825	7,359	7,476	7,554	10,570	21,875
Taxes accrued	396,990	330,494	272,057	181,315	164,737	41,337
Reserve for injuries and damages	701,282	617,458	550,393	473,831	399,888	321,891
Retirement reserve	4,172,937	3,502,195	2,842,818	2,320,538	1,802,294	1,466,692
Profit and loss	2,409,704	1,765,884	1,336,525	1,147,591	669,030	179,145
Total	$33,818,483	$27,691,546	$26,244,377	$25,424,449	$24,194,021	$17,179,318

Officers: E. C. Marshall, Pres.; A. V. Harrill, V-P., Charlotte, N. C.; W. C. Parker, Sec., New York; D. G. Calder, Treas.; L. H. Adams, Asst. Sec.; R. E. L. Graham, Asst. Treas.; Mill Power Supply Co., Pur. Agents, Charlotte, N. C.

Directors: A. V. Harrill, E. C. Marshall, Charlotte, N. C.; H. A. Orr, Anderson, S. C.; W. R. Perkins, W. C. Parker, Alex H. Sands, Jr., New York.

General Office, 426 South Church St., Charlotte, N. C.

CATAWBA POWER COMPANY

(Controlled by Duke Power Company)

History—Incorporated in South Carolina. Owns a hydro-electric power plant on the Catawba River at Catawba, near Rock Hill, S. C., with an installed generating capacity of 100,000 h.p.

CAPITAL STOCK

Authorized and issued, $500,000 Common and $200,000 Pfd.; par, $100. All owned by Southern Power Co.

FUNDED DEBT

$279,000 First Mortgage Gold 6s; dated June 1, 1903; due June 1, 1933. For description, see statement of Duke Power Company.

Officers: George C. Allen, Pres., New York; W. S. Lee, V-P.; D. C. Carmichael, Sec.; E. C. Marshall, Treas., Charlotte, N. C.

Directors: George C. Allen, New York; W. S. Lee, Chas. I. Burkholder, E. C. Marshall, D. C. Carmichael, Charlotte, N. C.

Office, Charlotte, N. C.

CONSOLIDATED WATER COMPANY OF UTICA, N. Y.

History—Incorporated Nov. 13, 1899, in N. Y.; consolidation of Utica Water Works Co., New Hartford Water Co., West Canada Water Co. and Whitestown Water Works Co., located in Utica, N. Y., and suburbs. Subsequently purchased the Whitesboro Water Works Co. Franchise perpetual. Population served 130,000. Storage capacity over 20,000,000,000 gallons; distribution capacity 14,000,000 gallons daily. Miles of mains, 261. Meters, 20,118. Controls practically all the available sources of water supply for the city of Utica and adjacent towns. The system is operated by gravity, making it unnecessary to maintain pumping stations.

CAPITAL STOCK

Authorized, 140,000 shares Class "A," 35,000 shares Class "B" stock, both classes of no par value, and $2,500,000 7% cumulative First Pfd. stock, par $100; outstanding, Dec. 31, 1927, 120,000 shares Class "A," 30,000 shares Class "B" and $600,000 Pfd. Transfer office, Utica, N. Y. Annual meeting, last Thursday in January.

Capitalization Changes.—Stockholders on Dec. 31, 1925, authorized the conversion of the then outstanding 5% Pfd. and Common stock into Class "A" and Class "B" stock without par value. Stockholders received four shares of Class "A" stock and one share of Class "B" stock for each share of 5% Pfd. and Common stock then held by them. The 7% Pfd. stock remained unchanged. The Class "A" stock is entitled to a cumulative preference dividend of $1.50 per share per annum, and is also entitled to share, as a class, equally with the Class "B" stock in any dividends declared after the Class "B" stock has received $2 per annum. A plan has been devised under which a limited number of Class "A" shares will be offered to all customers of Company for subscription at $25 per share.

Dividends—Dividends on Pfd. stock regularly paid quarterly, F, M, A & N 1. Initial dividend on the old $100 par Common in 1911, 1%; 1912, 2%; 1913, 1%; none in 1914; 1915, 2%; 1916, 3%; 1917, 4%; 1918, 5%; 1919, 6%; 1920, 6%; 1921, 6%; 1922, 6%; 1923, 6%; 1924, 6%; 1925, 6%. Initial dividend on Class "A" stock of 37½ cts. a share paid March 1, 1926, and at same rate since to date; payments quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$1,023,000 **First Mortgage 5s**; dated 1899; due Jan. 1, 1930; int. Jan. and July 1, at The Equitable Trust Co. of New York. Coupon (principal and interest may be registered), $1,000. New York Trust Co., Trustee. Authorized and issued, $2,500,000, of which $1,477,000 exchanged for a like amount of First Refunding Gold 5½s, Series "A" bonds, to Dec. 31, 1927. Secured by first lien on all property. First publicly offered ($2,000,000) in 1899, by Redmond & Co., New York. Company pays Normal Federal Income Tax up to 2%

(2)

$504,000 **Gold Debenture (now Second Mtge.) 5s**; dated Jan. 1, 1906; due Jan. 1, 1930; int. Jan. and July 1, at The Equitable Trust Co. of New York. Coupon, $1,000; principal may be registered. Utica Trust & Deposit Co., Utica, N. Y., Trustee. Authorized and issued, $1,500,000, of which $996,000 exchanged for a like amount of First Refunding Gold 5½s, Series "A" bonds, to Dec. 31, 1927. Secured by second mortgage on all properties. Subject to call at 105 on 60 days' notice. Company does not pay Normal Federal Income Tax.

(3)

$2,428,000 FIRST REFUNDING 5½% GOLD BONDS, SERIES "A," DUE JULY 1, 1965
$490,000 FIRST REFUNDING 5½% GOLD BONDS, SERIES "B," DUE APRIL 1, 1960

Dated April 1, 1925.

Interest Payable—On Series "A," January and July 1, and on Series "B," April and October 1, at the Citizens Trust Co. of Utica, N. Y. and The Equitable Trust Co. of New York.

Denominations—Series "A," Coupon, $1,000 only; Series "B," Coupon, $500 and $1,000. Both issues registerable as to principal.

Trustee—Citizens Trust Company of Utica, N. Y.

Provisions of Issue—Authorized amount of mortgage $10,000,000, of which $4,000,000 Series "A" 5½s, and $1,000,000 Series "B" 5½s, have been certified and authenticated. Of the Series "A" bonds $2,473,000 ($45,000 retired by sinking fund), were issued in exchange for $1,477,000 First Gold 5s, due Jan. 1, 1930, and $996,000 Gold Debenture (now Second Mortgage) 5s, due Jan. 1, 1930. The remaining $1,723,000 unissued Series "A" bonds were originally issuable in exchange for a like amount of First 5s, due Jan. 1, 1930, and Gold Debenture 5s, due Jan. 1, 1930, described above, but this privilege was withdrawn July 14, 1927. Of the Series "B" bonds $500,000 ($10,000 retired by sinking fund) were issued to refund Company's floating debt, the greater part of which was due to the cost of construction, during 1924, new 30 and 24-inch transmission mains, northerly from the city of Utica. The unissued $500,000 Series "B" 5½s may be issued for the construction of additions, etc., to the plant and property.

Additional bonds may be issued from time to time in one or more series having such maturity dates, interest rates, etc., as may be determined at the time of issue to refund bonds of Series "A" or Series "B" or any other Series issued hereunder; also for the full amount of expenditures for additions, etc., until the aggregate amount of bonds outstanding, plus the amount of prior funded debt of Company shall be twice the amount of the outstanding capital stock, but not more than $7,000,000; when bonds outstanding exceed the aforesaid amount, bonds may be issued only to the extent of 66 2/3% of the amount of such expenditures.

Callability—Subject to call in whole or in part, at 103 and accrued interest at the option of the Company on any interest date upon 60 days' published notice.

Sinking Fund—A sinking fund is provided for both Series "A" and "B" bonds on a basis of 1% per annum on all bonds ever issued. Money paid into the sinking fund shall be applied from time to time to purchase the bonds of Series "A" and "B" in the open market at a price not exceeding 103%, or applied to the redemption of bonds of such series at 103% if the company so elects.

Security—These bonds are secured by a first refunding mortgage on all the properties of the Company, including ten reservoirs and 261 miles of mains, which properties have been valued at over $10,500,000, after allowing for depreciation and obsolescence. As soon as all the First Mortgage 5s and the Debenture 5s are converted into the $4,000,000 First Refunding Mortgage 5½% 1965 Series "A," this mortgage will become a first mortgage on all property of the Company.

Legal Opinion—Miller & Hubbell (for the bankers) and Dunmore, Ferris & Dewey (for the Company).

Original Offering—First publicly offered ($500,000) in April, 1925, by Mohawk Valley Investment Corporation, Utica, N. Y.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$785,498	$791,270	$772,776	$743,335	$747,692	$686,896
Oper. expenses and taxes	259,366	250,039	259,567	225,629	245,370	238,858
Depreciation	63,523	62,449	61,508	52,080	50,852	50,000
Net earnings	$462,609	$478,782	$451,701	$465,626	$451,470	$398,038
Interest charges, etc.	246,215	245,903	231,040	208,554	208,346	217,157
Balance for dividends	$216,394	$232,879	$220,661	$257,072	$243,124	$180,881
Pfd. dividends paid	42,000	42,000	65,370	71,377	73,194	79,251
Common dividends paid	.....	.....	151,956	139,748	57,038	110,677
Class "A" dividends	180,000	180,000	.....	.....	.....	.....
Surplus for year	*$5,606	$10,879	$3,335	$45,946	$112,892	*$9,047
Times Fixed Charges Earned	1.88	1.95	1.95	2.23	2.16	1.83
Earnings Per Share—						
7% Preferred	$36.06	$38.81	$36.77	$42.85	$40.52	$30.15
Class "A"	1.45	1.59	.....	.....	.....	.....
Class "B"	Nil	0.36	.....	.....	.....	.....

* Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$8,311,938	$8,202,574	$8,525,968	$8,408,860	$7,422,890	$7,283,396
Securities owned	87,307	108,230	5,100	5,100	5,100	5,300
Cash	126,512	126,104	123,906	116,161	127,911	152,320
Accounts receivable	350,554	275,012	160,976	135,715	122,568	156,916
Materials and supplies	77,298	68,761	60,846	66,512	46,624	56,474
Other current assets	.....	100,000	.....	.....	.....	.....
Suspense	111,536	98,551	547,646	49,281	36,255	44,016
Total	$9,065,145	$8,979,232	$9,424,442	$8,781,629	$7,761,348	$7,698,422
Liabilities—						
Common stock	.....	.....	$2,681,600	$2,436,100	$1,895,400	$1,851,000
First Pfd. stock, 7%	$600,000	$600,000	600,000	600,000	600,000	600,000
Pfd. stock, 5%	.....	.....	318,400	563,900	604,600	649,000
Funded debt	4,445,000	4,474,000	4,500,000	4,000,000	4,000,000	4,000,000
Interest accrued	114,224	115,267	113,676	103,222	103,523	102,350
Taxes accrued	.....	2,927	19,647	16,188	44,852	51,458
Accounts payable	645	3,161	12,448	20,931	9,121	17,675
Bills payable	101,000	35,000	35,000	455,000	20,000	50,000
Other current liabilities	48,183	38,471	494,842	1,995	1,339	56,956
Amortization	573,553	522,260	471,563	410,362	354,529	304,891
Profit and loss	*3,182,540	*3,188,146	177,266	173,931	127,984	15,092
Total	$9,065,145	$8,979,232	$9,424,442	$8,781,629	$7,761,348	$7,698,422

*Applicable to 120,000 shares Class "A" and 30,000 shares Class "B" stock without par value.

Officers: Wm. I. Taber, Chrm. of Board; F. C. Hopkins, Pres.; R. W. Bacot, V-P.; C. R. Dewey, V-P.; P. A. Sittig, Sec.; H. B. Miles, Treas.; J. C. Brayton, Asst. Treas.; J. T. Robertson, Engineer; George C. Hodges, Biologist, Utica, N. Y.

Directors: R. W. Bacot, Geo. L. Bradford, A. J. Bromley, W. I. Taber, A. V. Brower, C. R. Dewey, A. J. Eckert, S. A. Beardsley, Jr., F. C. Hopkins, H. B. Miles, Utica, N. Y.; F. W. Cristman, Herkimer, N. Y.

Office, 712 Washington St., Utica, N. Y.

PECOS VALLEY POWER & LIGHT COMPANY

History—Incorporated April 8, 1927, in Texas. Within three months it constructed and is now operating a power system comprising a power station of 12,000 k.w. in two units and more than 143 miles of transmission and distribution lines, serving the West Texas oil fields. Company has long term contracts with six oil companies for their entire electric power requirements in the territory served and in addition is supplying electric power to several others.

The power plant of the Company is centrally located in the oil fields of Western Texas on the Pecos River. It is a modern oil-burning plant of permanent type of construction in a brick, steel and concrete building, delivering power over three 66,000-volt transmission lines, having an aggregate length of 99 miles and four step-down substations of an aggregate capacity of 12,000 k.v.a. to be increased as required, which supply 44 miles of 13,200-volt distribution lines. The generating capacity of the station when present construction is completed will be 18,000 k.w., consisting of three 6,000 k.w. turbo generators and 22,500 k.v.a. in transformers. The plant is operated with one unit reserved as a spare. The plant was originally laid out for an ultimate capacity of 24,000 k.w. with provision for additional capacity if required. However, to supply the potential market, capacity considerably in excess of 24,000 k.w. will be required.

CAPITAL STOCK

Authorized, 200,000 shares Common, and 10,000 shares $7 Preferred, both of no par value; outstanding, 110,000 shares Common and 10,000 shares Preferred. Sufficient Common shares are held in Company's treasury for delivery upon exercise of stock option warrants of bondholders.

Voting Trust—All outstanding Common stock is held in a voting trust.

Transfer Agent—The New York Trust Co., New York.

Dividends—None paid to May 1, 1928.

FUNDED DEBT

(1)

$1,750,000 FIRST MORTGAGE TEN YEAR 6½% GOLD BONDS, SERIES "A"; DUE MAY 1, 1937

Dated May 1, 1927.

Interest Payable May and November 1, at The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable denominations.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000; issued, $1,750,000 Series "A" 6½s. The mortgage provides that additional bonds in excess of an additional $1,250,000 principal amount, which it is estimated will provide funds to complete Company's 24,000 k.w. plant, shall be issued only in an amount not exceeding 75% of the cost or fair value of additions, betterments or improvements and only if net operating revenue available for interest charges shall be not less than twice the amount of interest charges on the bonds issued and to be issued. Bonds hereafter issued may be of the same or different series and of the same or different rates of interest and maturities.

Option Warrants—The bonds are accompanied by stock option warrants exercisable at any time on or before May 1, 1933, and detachable after May 1, 1928, entitling the holder to purchase Voting Trust Certificates for Common stock of the Company in the ratio of ten shares for each $1,000 principal amount of bonds at the following prices: On or before May 1, 1929, at $10 per share; thereafter and on or before May 1, 1931, at $12.50 per share; thereafter and on or before May 1, 1933, at $15 per share.

Purpose of Issue—Proceeds of the $1,750,000 Series "A" bonds and a small amount of bonds which may be issued later, together with proceeds of junior financing which has been underwritten, it is estimated, will provide sufficient funds to insure the completion of the system to 18,000 k.w. capacity and provide working capital.

Callability—Subject to call as a whole or in part on any interest date on 45 days' notice at 105 and interest up to and including May 1, 1928, and thereafter at 105 and interest less ½ of 1% for each twelve months or part thereof elapsed after May 1, 1928.

Sinking Fund—The mortgage provides for a sinking fund, commencing November 1, 1928, payable semi-annually, consisting of a minimum annual payment sufficient to acquire 3% of the greatest principal amount of bonds of Series "A," at any time theretofore issued, and in addition thereto, an annual payment for the benefit of all bonds outstanding of all series ratably as provided in the mortgage, of 25% of the net earnings of the Company in each year after deduction of interest charges, minimum sinking fund payment and Federal taxes. The minimum sinking fund payments will be applied to the acquisition of bonds for the sinking fund, but the additional sinking fund payments from net earnings may be invested in additions, betterments and improvements. Bonds will be kept alive in the sinking fund. In lieu of cash payments, the Company may tender bonds at cost, but in no case at a price greater than the redemption price. This sinking fund is estimated by the engineers to be sufficient to retire the bonds of Series "A" by maturity.

Security—The bonds are secured by a direct First Mortgage on the power station, rights of way and other fixed property of the Company as defined in the mortgage. It is estimated by Ford, Bacon & Davis, Inc.,, that with the system limited to 18,000 k.w. capacity the properties and business of the Company will have a value of $4,000,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut personal property taxes of four mills each, Maryland State Tax of 4½ mills, and Massachusetts Income Tax not to exceed 6% refundable upon timely and proper application.

Legal Opinion—Kellogg, Emery, Inness-Brown & Cuthell, New York.

Original Offering—First publicly offered ($1,750,000 Series "A" 6½s) in May, 1927, at 99 and interest, to yield over 6.60%, by Bauer, Pond & Vivian, New York; Pearson, Erhard & Co., Boston, Mass.; Warren A. Tyson & Co., Inc., Philadelphia.

(2)

$1,000,000 FIFTEEN-YEAR 7% GOLD DEBENTURES; DUE JULY 1, 1942

Dated July 1, 1927.

Interest Payable January and July 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $1,000,000. Proceeds were used to provide funds for the installation of an additional 6,000 k. w. unit and to provide additional working capital.

Callability—Subject to call as a whole or in part on any interest date on not less than 45 days' notice at 107½ and interest up to and including July 1, 1928, and thereafter at 107½ and interest less ½ of 1% for each 12 months or part thereof elapsed after July 1, 1928.

Sinking Fund—The indenture provides for a sinking fund commencing Nov. 1, 1928, payable annually, consisting of a sum in cash equal to 5% of the net earnings of Company for the 12 months, terminating on the preceding Sept. 30, after deduction of all interest charges and requirements of the "minimum sinking fund" on the First Mortgage bonds of the Company and Federal taxes. Payments will be applied to the acquisition of Debentures for sinking fund at not exceeding the redemption price on the next succeeding interest payment date. In lieu of cash payments, Company may tender Debentures at the redemption price.

Security—A direct obligation of Company, issued under an indenture which provides among other things that Company will not create any mortgage, pledge or lien (other than purchase money mortgages, pledges of quick assets contracted in the ordinary course of business, and the indenture securing Company's First Mortgage bonds), upon any property of the Company, without securing these Debentures equally and ratably, with bonds or other obligations issued under such new mortgage, pledge or lien.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut personal property taxes of four mills each, Maryland Securities tax of 4½ mills and Massachusetts Income tax not to exceed 6% refundable upon timely and proper application.

Legal Opinion—Kellogg, Emery, Innes-Brown & Cuthell.

Public Offering—First publicly offered ($500,000) in January, 1928, at par and interest by Bauer, Pogue, Pond & Vivian, New York.

Management—Ford, Bacon & Davis, Inc., 115 Broadway, New York, are engineers and managers of the properties. G. I. Rhodes, a V-P. of that Corporation, is President of Company.

OFFICERS AND DIRECTORS

Officers: George I. Rhodes, Pres.; Ackert Bickel, V-P.; Morgan H. McClement, V-P.; D. L. Johnson, V-P. & Gen. Mgr.; S. C. Stivers, Treas. & Asst. Sec.; H. F. Storck, Sec. & Asst. Treas.; R. E. Graham, Asst. Sec. & Asst. Treas.

Directors: Ackert Bickel, Hugh J. Curran, George I. Rhodes, Robert L. Pond, Morgan H. McClement, D. L. Johnson, B. Earle Appleton.

Office of President, 115 Broadway, New York.

HARRISBURG RAILWAYS COMPANY

History—Incorp. Nov. 29, 1912, in Pa., and in 1913 merged the Central Pennsylvania Traction Co., Harrisburg & Hummelstown St. Ry. Co. and the Linglestown & Blue Mountain St. Ry. Co. Leases the Harrisburg Traction Co., and through that company the properties of the East Harrisburg Passenger Ry. Co., Citizens' Passenger Ry. Co., Harrisburg City Passenger Ry. Co., and the Middletown, Highspire & Steelton St. Ry. Co. Operates 73.91 miles of track.

CAPITAL STOCK

Authorized and outstanding, $3,000,000 Common and $2,100,000 6% cumulative Pfd.; par, $50.

Registrar—Harrisburg Trust Co., Harrisburg, Pa.

Annual Meeting—First Tuesday in March.

Dividends—Pfd. dividends of 3¾% were paid in 1913; 5% in 1914; 3½% in 1915; 1½% in 1916; 1¾% April 1, 1917; 1% Oct. 1, 1917; none thereafter until April 1, 1921, when 3% was paid; April 1, 1922, 3%; Oct. 1, 1922, 3%; 1923, 8%; 1924, 8%; 1925, 7%; April and Oct., 1926, and April and Oct., 1927, 3% each; payments semi-annually, April and Oct. 1, to stock of record about March and September 16. No dividends paid on Common.

FUNDED DEBT

$2,942,000 FIRST & REFUNDING GOLD 5s; DUE JAN. 1, 1963

Dated January 1, 1913.

Interest Payable January and July 1, at Harrisburg Trust Co., Harrisburg, Pa.

Denominations—Coupon, $50, $100, $500 and $1,000.

Trustee—Harrisburg Trust Co., Harrisburg, Pa.

Provisions of Issue—Authorized, $10,000,000; issued, $3,169,900, of which $227,900 held in treasury.

Callability—Subject to call at 102½.

Security—A lien on entire property and on leases held by Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,584,431	$1,651,549	$1,652,302	$1,692,234	$1,747,586	$1,668,187
Operating expenses, taxes and dep.	1,236,769	1,226,990	1,266,231	1,269,449	1,233,910	1,167,162
Net earnings	$347,662	$424,559	$386,071	$422,785	$513,676	$501,025
Other income	55,306	56,361	52,722	56,289	50,176	39,310
Total income	$402,968	$480,920	$438,793	$479,074	$563,852	$540,335
Bond interest	148,500	148,825	148,825	$148,825	$148,825	$148,825
Rentals, etc.	164,524	164,578	164,389	166,030	169,351	169,277
Total charges	$313,024	$313,403	$313,214	$314,855	$318,176	$318,102
Balance for dividends	$89,944	$167,517	$125,579	$164,219	$245,676	$222,233
Preferred dividends paid	126,000	126,000	147,000	168,000	‡192,333	126,000
Surplus for year	†$36,056	$41,517	†$21,421	†$3,781	*$55,387	$96,233
Times Bond Interest Earned	1.61	2.12	1.84	2.09	2.65	2.49
Earnings Per Share—						
Preferred	$2.14	$3.99	$2.99	$3.91	$5.85	$5.29
Common	Nil	0.69	Nil	0.67	1.98	1.95

*After adding profit and loss and loss adjustment of $2,045. †Deficit. ‡Consists of $168,000 Pfd. dividends paid and $24,333 added to reserve for Pfd. dividends.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and investment	$9,486,292	$9,388,355	$9,277,080	$9,244,120	$9,108,064	$8,974,006
Stocks owned	710,099	700,382	691,913	634,901	563,156	521,243
Bonds and notes owned	55,962	55,962	55,962	55,962	75,000	75,000
U. S. Govt. bonds and Treasury notes	134,438	400,937	400,938	400,938	400,938	100,000
Materials and supplies	111,352	135,791	113,871	117,192	127,141	122,307
Cash	19,906	62,287	25,783	18,578	21,334	71,855
Special deposits	583,998	200,000	200,000	200,000	325,000	500,000
Accounts, etc., receivable	1,671	3,571	2,437	3,228	1,442	1,426
Unadjusted debits	22,708	12,961	2,189	2,189	3,012	97,033
Total	$11,126,426	$10,960,245	$10,770,173	$10,677,108	$10,625,087	$10,462,870
Liabilities—						
Common stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Preferred stock	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Funded debt	2,942,000	2,976,500	2,976,500	2,976,500	2,976,500	2,976,500
Due to affiliated companies	8,769	8,769	8,769	.....	.....	.....
Current liabilities	23,167	499	4,671	8,869	77,112	13,900
Reserve for taxes	228,633	190,883	180,750	180,265	193,283	204,059
Depreciation and contingent reserve	1,880,241	1,734,785	1,638,713	1,513,233	1,419,837	1,393,028
Other reserves	299,864	276,231	229,710	266,313	220,081	193,840
Unadjusted credits	.....	.....	.....	.....	6,198	4,855
Profit and loss	643,752	672,578	631,060	631,928	632,075	576,688
Total	$11,126,426	$10,960,245	$10,770,173	$10,677,108	$10,625,087	$10,462,870

Officers: F. B. Musser, Pres. & Gen. Mgr.; C. F. Crane, Asst. to Pres.; J. O'Connell, Sec., Treas. & Pur. Agt.; F. M. Davis, Supt. Trans., Harrisburg, Pa.

Directors: Edward Bailey (Chairman), J. M. Cameron, E. S. Herman, F. B. Musser, J. William Bowman, G. W. Reily, E. Z. Wallower, J. O'Connell, Harrisburg, Pa.; M. A. Cumbler, Steelton, Pa.; E. C. Felton, Philadelphia, Pa; two vacancies.

Office, Harrisburg, Pa.

HARRISBURG TRACTION COMPANY

(Leased to Harrisburg Railways Company)

History and Property—Incorporated June 18, 1895, in Pa. Leases the East Harrisburg Pass. Ry., the Citizens' Pass. Ry., the Middletown, Highspire & Steelton Street Ry. Co. and the Harrisburg City Passenger Ry. Owns all but 173-3/5 shares of stock of the East Harrisburg Passenger Ry. Co. and the entire $235,000 stock of the Citizens' Passenger Ry. Co. Leased in July, 1903, to the Central Pennsylvania Traction Co. (now Harrisburg Rys. Co.) at an annual rental of 6% on the stock.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $2,100,000; par, $50. Dividends, 6% per annum, payable Feb. and Aug. Stock transferred at Secretary's office. Annual meeting, third Tuesday in July.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Rentals received	$90,638	$90,638	$90,638
General expenses, etc.	904	891	921
Net earnings	$89,734	$89,747	$89,717
Dividends, etc., received	36,275	36,275	36,275
Total income	$126,009	$126,022	$125,992
Dividends paid	126,000	126,000	126,000
Surplus for year	$9	$22	*$8

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$244,521	$244,521	$244,521
Stocks owned	1,870,000	1,870,000	1,870,000
Bonds owned	300	300	300
Cash	416	407	386
Total	$2,115,237	$2,115,228	$2,115,207
Liabilities—			
Capital stock	$2,100,000	$2,100,000	$2,100,000
Other liabilities	14,521	14,521	14,522
Profit and loss	716	707	685
Total	$2,115,237	$2,115,228	$2,115,207

Officers: Edward Bailey, Pres.; F. B. Musser, V-P.; J. O'Connell, Sec. & Treas.

Directors: Edward Bailey, George R. Bailey, J. M. Cameron, Joseph Davis, S. F. Dunkle, H. A. Kelker, Jr., E. S. Herman, G. W. Reily, E. Z. Wallower, F. B. Musser, J. O'Connell, J. F. Hutchinson, H. M. Gross, Harrisburg, Pa.; E. C. Felton, Philadelphia, Pa.; M. A. Cumbler, Steelton, Pa.

Office, Harrisburg, Pa.

CITIZENS' PASSENGER RY.

(Leased to Harrisburg Traction Co.)

History—Incorporated January 11, 1892, in Pa. Leased on July 1, 1895, to the Harrisburg Traction Co. Length of line, 10.04 miles.

CAPITAL STOCK

Outstanding, $235,000. All owned by Harrisburg Traction Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: Edward Bailey, Pres.; F. B. Musser, V-P.; J. O'Connell, Sec. & Treas., Harrisburg, Pa.

Directors: J. O'Connell, J. M. Cameron, F. B. Musser, S. F. Dunkle, Edward Bailey, G. W. Reily, E. S. Herman, George R. Bailey, Harrisburg, Pa.; M. A. Cumbler, Steelton, Pa.

Office, Harrisburg, Pa.

EAST HARRISBURG PASSENGER RAILWAY

(Leased to Harrisburg Traction Co.)

History—Incorporated July 28, 1886, in Pa. On May 1, 1891, leased the Harrisburg City Passenger Ry. Co. for 99 years, and on Jan. 1, 1893, leased the Middletown, Highspire & Steelton St. Ry. Co. for 999 years. Is itself leased to the Harrisburg Traction Co. Length of line, 22.3 miles.

CAPITAL STOCK

Outstanding, $697,000. The Harrisburg Traction Co. owns all except 173 3-5 shares. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: Edward Bailey, Pres.; F. B. Musser, V-P.; J. O'Connell, Sec. & Treas., Harrisburg, Pa.

Directors: E. Z. Wallower, J. O'Connell, J. M. Cameron, F. B. Musser, S. F. Dunkle, Edward Bailey, G. W. Reily, E. S. Herman, J. Wm. Bowman, George R. Bailey, Harrisburg, Pa.; M. A. Cumbler, Steelton, Pa.

Office, Harrisburg, Pa.

HARRISBURG CITY PASSENGER RAILWAY

(Leased to East Harrisburg Passenger Ry.)

History—Incorporated May 1, 1861, and on April 1, 1873, in Pa.; charter perpetual. Leased to the East Harrisburg Passenger Ry. Co. for 99 years from May 1, 1891, at a rental of 12% on stock. Length of line, 19.38 miles.

CAPITAL STOCK

$125,000; par, $25. Annual meeting, first Monday in May.

FUNDED DEBT

None.

Officers: G. W. Reily, Pres.; G. R. Bailey, V-P.; H. A. Kelker, Jr., Sec.; Frederick J. Bolton, Treas., Harrisburg, Pa.

Directors: E. C. Ensminger, Edward Bailey, Frederick Kelker, H. A. Kelker, Jr., F. B. Musser, Lesley McCreath, G. W. Reily, Geo. A. Gorgas, Harrisburg, Pa.

Office, Harrisburg, Pa.

MIDDLETOWN HIGHSPIRE & STEELTON STREET RAILWAY

(Leased to East Harrisburg Passenger Ry.)

History—Incorporated Dec. 11, 1891, in Pa. Leased on Jan. 1, 1893, for 999 years to the East Harrisburg Passenger Ry.; rental is 6% on stock for first year; 7% for second year; 8% for third year; 9% for fourth year, and 10% yearly thereafter. Length of line, 6½ miles; total track, 9.72 miles.

CAPITAL STOCK

$100,000; par, $50. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: Edward Bailey, Pres.; F. B. Musser, V-P.; J. O'Connell, Sec. & Treas., Harrisburg.

Directors: J. M. Cameron, Geo. W. Reily, F. B. Musser, Edward Bailey, Harrisburg, Pa.; C. C. Cumbler, R. M. Rutherford, Steelton, Pa.

Office, Harrisburg, Pa.

NIPPON ELECTRIC POWER COMPANY, LIMITED

(Nippon Denryoku Kabushiki Kaisha)

History and Properties—Company received a license to conduct an electric power and light business in Japan on October 16, 1919. Since that date it has steadily increased its generating capacity and its business and at the present time it is the owner of and is operating four hydro-electric plants with a combined present generating capacity of 83,360 k.w. and a steam plant with a present generating capacity of 100,000 k.w. and with a reserve steam turbine unit of 40,000 k.w. under construction. The Company is at present primarily a wholesaler of power, its principal customers being Toho Electric Power Company, Limited; Great Consolidated (Daido) Electric Power Company, Limited; Kyoto Electric Light Company, Limited; Hokuriku Cooperative Electric Company, Limited, and the Osaka Municipal Electric Bureau. In addition it sells power at wholesale to large industrial consumers and conducts a small distribution business.

The Company's generating stations and the markets for its power in the Osaka and Nagoya districts in the western and central portions of Honshu, the principal island of the Empire of Japan, are inter-connected by a comprehensive transmission system consisting of over 700 circuit miles of lines, the principal portion of which is carried on steel towers. Power is distributed through six major substations and six local substations.

A transmission line, 374 circuit miles in length, connecting the Company's system with the Tokio district in the eastern portion of the Island of Honshu, has recently been completed but has not yet been placed in operation. When this line is in operation the Company will have an inter-connected system reaching into practically every important market for power on the principal island of the Empire and will be in a position to supply interchange facilities for the various markets.

Concessions for water rights for the generation, and franchises for the transmission, distribution and sale of electric light and power are granted under the general supervisory power of the Imperial Japanese Government. All of the franchise extend beyond the maturity of Company's First Mortgage bonds of the initial series due Jan. 1, 1953, and none of the concessions for water rights, which may pursuant to law be extended, expire before 1940, subject to the usua

rights of revocation or purchase of properties retained by the Imperial Japanese Government. The Company covenants in the Indenture to file all necessary applications to secure the extension of all concessions relating to the mortgaged properties beyond the maturity of the bonds. Concessions and franchises cannot be mortgaged or pledged in Japan but the Company will deposit with the trustee assignments in blank of all rights of this character pertaining to the mortgaged property and pursuant to law in case of enforcement of the Mortgage these rights may be transferred with the mortgaged properties.

The Imperial Japanese Government has been advised of the proposed mortgaging of the properties to secure these bonds and has given formal assurance that if the properties are purchased by the Imperial Government or by municipalities the lien of the Mortgage will be recognized.

Subsidiaries—In addition to its physical properties, Company has substantial holdings in stocks of subsidiary companies. It owns substantially all of the outstanding capital stock of the Kansai Electric Power Company, Limited, which owns valuable undeveloped water power concessions on the Masuda River. The Kansai Electric Power Company, Limited, owns in turn practically all of the outstanding capital stock of the Toyo Aluminum Company, Limited, which has recently (December 1927) completed construction of a hydro-electric generating plant on the Kurobe River, known as the Yanagawara Plant. This plant has a present generating capacity of 50,700 k.w. In addition the Toyo Aluminum Company, Limited, has valuable undeveloped water power concessions on the Kurobe River. The Company also owns a majority of the outstanding capital stock of Shogawa Hydro-Electric Company, Limited. This company is now constructing a hydro-electric plant on the Sho River, to be known as the Komaki Plant, which it is expected will be completed before 1930 with an initial installed generator capacity of 72,000 k.w. In addition, the Company has substantial interests in several small electric companies.

CAPITAL STOCK

Amount paid in, $37,500,000.

FUNDED DEBT

$9,000,000 FIRST MORTGAGE 6½% GOLD BONDS; DUE JANUARY 1, 1953

Dated January 2, 1928.

Interest Payable January and July 1 at Harris, Forbes & Co., New York, in U. S. gold coin.

Denomination—Coupon, $1,000.

Trustee—Mitsui Bank, Limited, Tokio.

Authenticating Agent—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—The Indenture under which these bonds were issued authorizes the issuance of a total of $50,000,000 bonds, or the equivalent thereof in other currencies. Additional bonds of the series due 1953 or of other series having such rates of interest, maturity dates and other provisions as may be determined by the Company, and as may be permitted by the Indenture, may be issued from time to time subject to the restrictions thereof.

A total of $11,000,000 bonds, or the equivalent thereof in other currencies if of a series other than the initial series, in addition to the initial issue of $9,000,000, may be issued at any time upon the basis of the properties of the Company to be mortgaged for the security of these bonds, existing as of Nov. 30, 1927, provided: (a) Company shall have subjected to the lien of the Mortgage for the equal benefit and security of all bonds isuued or to be issued under the Indenture, the Kamegaya Plant free and clear of all prior or equal liens and shall have deposited with the Trustee all water power concessions and franchises requisite for the operation thereof, together with assignments thereof in blank; and (b) net earnings of the Company (as defined in the Indenture) for twelve successive months out of the 16 months immediately preceding the month in which the application for the issuance of the additional bonds is filed shall have been at least three times the annual interest charges on all secured funded debt of the Company, including the bonds to be issued. The remaining $30,000,000 of bonds, or the equivalent thereof in other currencies, will be issuable, from time to time for not exceeding 50% of the cost or fair value, whichever is less, of additions to the electric properties of the Company constructed or acquired subsequent to Nov. 30, 1927, provided that (a) the same shall have been subjected to the lien of the Mortgage free and clear of all prior or equal liens for the equal benefit and security of all bonds issued or to be issued under the Indenture; (b) net earnings of the Company for 12 successive months out of the 16 months immediately preceding the month in which the application for the issuance of the additional bonds is filed shall have been at least three times the annual interest charges on all secured funded debt of the Company including the bonds to be issued; (c) the Company shall merge or consolidate with itself Toyo Aluminum Company, Limited; (d) the Company shall merge or consolidate with itself Kansai Electric Power Co., Ltd., or deposit and pledge with the Trustee all of the shares of stock in said Kansai Electric Power Co., Ltd., then owned by the Company; and (e) the Company shall subject to the lien of the Mortgage free and clear of all prior or equal liens for the equal benefit and security of all bonds issued or to be issued under the Indenture the Yanagawara Plant of Toyo Aluminum Co., Ltd., acquired by the Company on such merger, the Tokio transmission line and any other property located in or in the vicinity of Tokio and used in connection therewith, and shall deposit with the Trustee all water power concessions and franchises requisite for the operation of such properties, together with assignments in blank thereof

The Company will covenant in the Indenture not to declare or pay any dividends or make any other distribution upon its stock except out of earnings accruing subsequent to Sept. 30, 1927.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 102 and interest if redeemed on or prior to Jan. 1, 1933 and at 100 and interest if redeemed thereafter.

Sinking Fund—Company will pay, as a sinking fund, on the 15th day of October in each year commencing Oct. 15, 1928, an amount sufficient to redeem at par and interest on the next succeeding interest date the following percentages of the aggregate amount of First 6½s due 1953 outstanding on Oct. 1, 1928: 2% annually, Oct. 15, 1928 to 1932 inclusive; 3% Oct. 15, 1933 to 1937 inclusive; 4% Oct. 15, 1938 to 1942, inclusive; 5% Oct. 15, 1943 to 1947, inclusive; 6% Oct. 15, 1948 to 1952 inclusive.

Security—Secured by a first mortgage lien created under the laws of Japan on practically all of the Company's directly owned mortgageable property excepting the Kamegaya Plant, a transmission line now utilized for transmitting another company's power and the Tokio transmission line which had recently been completed but which had not been placed in operation to February, 1928. Company covenants in the Indenture to subject to said first mortgage lien all additions to the mortgaged property. As further security Company agreed to deposit with the Trustee its water power concessions and franchises relating to the mortgaged properties, together with assignments thereof in blank, and to pledge all its more important power contracts, including the contract for the purchase of power from the Yanagawara Plant of the Toyo Aluminum Co., Ltd. and the contracts for the sale of power to the Toho Electric Power Co., Ltd., Great Consolidated (Daido) Electric Power Co., Ltd., and Kyoto Electric Light Co., Ltd.

Valuation—The reproduction cost less depreciation as of Sept. 30, 1927 of the physical properties upon which these bonds are secured by a first mortgage lien is estimated at $38,430,000 and the Company covenants in the Indenture to subject to said first mortgage lien as soon as the necessary requirements therefor according to Japanese law can be completed as further security for these bonds additional physical property having an estimated valuation as of Sept. 30, 1927 on the same basis, of $2,933,000. The estimated reproduction cost, less depreciation, of the entire physical property owned by the Company as of Sept. 30, 1927, including construction in progress to that date and the Kamagaya Plant, was $53,300,000. The estimated reproduction cost of the property of the subsidiary companies as of Sept. 30, 1927 totaled $18,150,000.

Tax Provisions—Interest payable without deduction for any Japanese taxes of any nature when held by non-residents of Japan.

Legal Opinion—All legal matters in connection with this issue were to be passed upon for the bankers by Sullivan & Cromwell, New York, except as to matters of Japanese law which were to be uassed upon by Dr. S. Kishi, Tokio, Japan, and for the Company by Dr. G. Matsumoto, Tokio, Japan.

Listed—Boston Stock Exchange.

Original Offering—First publicly offered ($9,000,000) in January, 1928, at 94 and interest to yield over 7% by Dillon, Read & Co.; Guaranty Co. of New York; Harris, Forbes & Co., New York; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal, and Takehara & Co., Ltd., Osaka, Japan.

FUNDED DEBT ISSUED IN JAPAN

$575,000 Bonds, Due 1928, representing an obligation of the Company secured by a first mortgage on the Kamegaya Plant
$10,000,000 7½% Debentures due 1930
$5,000,000 7% Debentures due 1933
$5,000,000 7% Debentures due 1934
$7,500,000 7% Debentures due 1936

In addition, Company has guaranteed principal and interest of an obligation of the Toyo Aluminum Company, Limited, maturing in December, 1929, and secured by a first mortgage on the new Yanagawara Plant, up to a maximum of $5,000,000, of which $3,750,000 is outstanding. This obligation represents the only funded indebtedness, secured or unsecured, of any of the subsidiaries.

EARNINGS, YEARS ENDED SEPTEMBER 30
(Company Proper)

	1927	1926
Gross operating revenues	$4,514,415	$4,228,76(
Operating expenses, maintenance & taxes, other than income taxes	1,286,113	1,445,61(
Net operating income	$3,228,302	$2,783,15(
Other income	203,084	256,10
Net income before interest, depreciation and income taxes	$3,431,386	$3,039,25

Officer: Yoshizo Ikeo, V-P.
General Office, Osaka, Japan.

IOWA SOUTHERN UTILITIES COMPANY

History and Properties—Organized under the laws of the State of Delaware in 1923. The company owned and operated the electric light property at Creston, Cromwell, Lorimor, Talmage and Thayer, and wholesaled current to Orient, Prescott, Tingley, Ellston and Arispe; and in March, 1923, it purchased all of the physical assets, subject to a First Mortgage issue of $1,765,100, of the Iowa Southern Utilities Co., a corporation oganized under the laws of the State of Maine in 1905 under the name of the Centerville Light & Traction Co., which name was changed to the Iowa Southern Utilities Co. in 1916 (see 1923 Public Utility Manual, page 470). The company later acquired all of the properties of the Centerville, Albia & Southern Ry. Co. (see 1916 Manual, page 136).

In 1924, the Company leased property at Grinnell, Iowa, from the Iowa Light, Heat & Power Co., for a definite rental on a monthly basis for a period of 22½ years. In Jan., 1926 this property was purchased.

On January 1, 1925, the property purchased from the United Utilities Corporation (formerly The Burlington Railway & Light Co.) was transferred to Iowa Southern Utilities Co., subject to the outstanding bonds.

On June 1, 1925 purchased the properties of Iowa Gas & Electric Co. (see 1925 Manual, page 201, or apply to our Information Department), subject to the outstanding bonds. On the same date purchased the street railway at Ottumwa, Iowa, from the Ottumwa Railway and Light Co., the electric and steam heating properties at Ottumwa from the Northern States Power Co., and the electric properties at Lamoni, Davis City, Pleasanton, Kellerton and Grand River. On Aug. 1, 1926, the gas property at Burlington and West Burlington was purchased from the Burlington Gas Light Co.

Iowa Southern Utilities Company of Delaware operates electric light and power properties serving directly and indirectly 131 communities in an extensive area in the southern part of the State of Iowa, including Centerville, Albia, Mystic, Numa, Brazil, Cincinnati, Exline, Moulton, Blakesburg, Rathburn, Allerton, Leon, Decatur City, Leroy, Garden Grove, Humeston, Derby, Van Wert, Weldon, Mt. Ayr, Diagonal, Shannon City, Clearfield, Lenox, Blockton, Benton, Malloy, Redding, Creston, Newton, Chariton, Russell, Lacona, Lucas, Murray, Truro, Osceola, Burlington, Ottumwa, Wapello, Morningsun, Columbus Junction, Washington, Grinnell, Mt. Pleasant, Sigourney, Brooklyn, Malcom, Newburg, Kellogg, Kilduff, Lineville, Searsboro, Peru, New Virginia and Lamoni. Estimated population served, 200,000.

The Company also operates an electric railway conducting a freight and passenger business between Centerville, Mystic and Albia, and the street railway lines in Burlington and Ottumwa (purchased June 1925). Also the gas business in Centerville, Osceola, Washington, Mt. Pleasant and Burlington, and the steam heating business in several communities.

The main generating system of the company is located at Centerville, which is the geographical and business center of the territory served. The Iowa Southern Utilities Co. of Delaware's transmission lines radiate from Centerville, and at present comprise 1,00 miles of modern high grade construction. The property consists of 29.64 miles of electric railway, 3 district steam heating systems, 5 gas works, electric light and power station with installed capacity of 21,000 k. Miles of gas mains, 123. Number of gas meters, 9,63 Electric meters, 48,168. Prices: Gas, $1.75; electricity 12 cents, maximum.

CAPITAL STOCK

Authorized, 100,000 Common shares of no par value and $15,000,000 cumulative Pfd. (par. $100); outstanding, 100,000 Common shares and $5,750,000 Pf The unissued Pfd. stock is issuable in series of 1,00 shares each bearing a dividend rate of either 6%, 6½% or 7%, as the Board of Directors may determine.

Stock Increase—At stockholders' meeting held De 21, 1926, it was unanimously approved to increase the authorization of Pfd. stock of Company from $5,00,000 to $15,000,000, the new stock containing all of the same provisions as are in the old stock. The Common stock authorization was increased from 10,000 to 10,000 shares of no par and it was also voted to exchange the old Common stock for the new Common stock on the basis of ten shares of new stock for each one share of the old stock.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is redeemable

whole or in part at option of the Company on any dividend date on 30 days' notice at $115 per share and accrued dividends. No stock having superior preference to this cumulative Pfd. stock shall be issued without the consent of 75% in amount of the outstanding cumulative Pfd. stock. No additional cumulative Pfd. stock shall be issued (1) unless the net earnings available for Pfd. stock shall have been at least 2 times the annual dividend requirements on the Pfd. stock outstanding and that proposed to be issued (2) unless the net earnings available for interest charges shall have been at least 1¼ times the interest requirements on the funded debt and the annual dividend requirements on the Pfd. stock outstanding and that proposed to be issued.

No cash dividends on the Common stock shall be paid in excess of $100,000 per annum until the Company shall have accumulated a surplus from its net earnings at least equal to the dividend requirements for a period of two years on all Pfd. stock outstanding, but, if and when the amount of the Company's surplus from its net earnings shall have reached an amount equal to the dividend requirements for a period of two years on all its Pfd. stock outstanding, then no cash dividends shall thereafter be declared or paid on the Common stock which shall reduce its surplus below that amount.

In addition to these rights and preferences, the First and Refunding Mortgage provides that before the payment of any dividends on the Common stock the Company shall set aside in a "depreciation fund" a sum amounting to 5% of its annual gross earnings.

Transfer Agents and Registrars (Pfd. Stock)—American Exchange Irving Trust Co., New York, and H. F. Berry and E. L. Shutts, Centerville, Ia.

Transfer Agents (Common Stock)—H. F. Berry, E. L. Shutts, Centerville, Ia.

Annual Meeting—Third Monday in February.

Legal Opinion (Pfd. Stock)—Seibert & Riggs, New York.

Original Offering—$1,000,000 Pfd. stock publicly offered in Nov., 1924 at 93½ and accrued dividends to yield 7.49%, by W. C. Langley & Co., New York.

Price Range—

Preferred—	1927	1926	1925
High	102	98	96½
Low	95	94¼	93

Dividends—Pfd. dividends are regularly paid; payments quarterly, J, A, J & O 1. On Common, 5% in 1922; $5.00 per share each in 1923 and 1924; $6.00 per share in 1925; $10 per share in 1926; $1.00 per share in 1927 on 100,000 shares.

FUNDED DEBT

(1)

$716,400 IOWA GAS & ELECTRIC CO. FIRST MORTGAGE 6% GOLD BONDS, DUE JULY 1, 1934

Dated July 1, 1916.

Interest Payable January & July 1, at Chicago Trust Co., Chicago, and Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Chicago Trust Co., Chicago. Lucas Teeder, Co-Trustee, Chicago.

Provisions of Issue—Authorized, $800,000: mortgage closed; outstanding, $716,400.

Callability—Subject to call in whole or in part on any interest date on 60 days' notice at 105 and interest.

Sinking Fund—Beginning March 1, 1917 and each year thereafter 1% of the largest principal amount of bonds in excess of $225,000 outstanding during the preceding calendar year.

Security—A first lien on the entire property formerly owned by Iowa Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Matz, Fisher & Bayden, Chicago.

Original Offering—First publicly offered ($225,000) in Aug., 1916, at 100 and interest.

(2)

$1,610,400 IOWA SOUTHERN UTILITIES CO. FIRST MORTGAGE GOLD BONDS (OF WHICH $1,049,800 BEAR 6% INTEREST AND ($560,600) BEAR THE 6% COUPON WITH AN ADDITIONAL 2% COUPON ATTACHED), DUE OCTOBER 1, 1933

Dated October 2, 1916.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago, and Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee and Registrar—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized, $2,500,000; outstanding, $1,610,400. Mortgage closed.

Callability—Subject to call as a whole or in part on any interest date at 105 and accrued interest upon sixty days' notice.

Sinking Fund—On March 1, 1919, and each year thereafter, the Company shall set aside as a sinking fund 10% of its net earnings for the previous year, but the amount set aside shall in no year be less than 1½% of the average amount of First Mortgage bonds outstanding during such year.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($550,000) in Dec., 1916, at 101 and interest, yielding over 5.90%.

(3)

$321,000 SOUTHERN IOWA ELECTRIC CO. FIRST MORTGAGE GOLD 6s, DUE APRIL 1, 1936

Dated April 1, 1916.

Interest Payable April and October 1, at Chicago Trust Co., and Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Chicago Trust Co., Chicago, Lucius Teter, co-trustee, Chicago, Ill.

Provisions of Issue—Authorized, $800,000; outstanding, $321,000. Mortgage closed.

Callability—Subject to call at any time at 103 and accrued interest upon 60 days' notice.

Sinking Fund—Beginning March 1, 1919, 1% per annum of outstanding bonds.

Security—A first lien on entire property of former Southern Iowa Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$1,547,000 THE BURLINGTON RAILWAY & LIGHT CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1932

Dated March 1, 1912.

Interest Payable March and Sept. 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Company, New York.

Provisions of Issue—Authorized, $7,500,000; outstanding, $1,547,000. Mortgage closed.

Callability—Subject to call at 105 and interest on any interest date on 3 months' notice.

Sinking Fund—Annual sinking fund, 5% of gross earnings, began July 1, 1914. This fund has retired $387,000 of the bonds.

Security—A first lien on entire property of former The Burlington Railway & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$169,000 IOWA GAS & ELECTRIC CO. FIRST & REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1948

Dated April 1, 1943.

Interest Payable April and October 1, at Chicago Trust Co., Chicago, or Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Chicago Trust Co., Chicago. Willard F. Hopkins, Chicago, Co-Trustee.

Provision of Issue—Authorized issue, unlimited. Mortgage closed at $169,000 outstanding.

Callability—Subject to call on any interest date as a whole or in lots of $25,000 or in parts for sinking fund at 105 and interest on 60 days' notice.

Sinking Fund—Payable each March 1, an amount equal to 4% of the net earnings of the company for the calendar year preceding or 1% of the total bonds outstanding, whichever is larger. Such funds to be used for the purpose or redemption of bonds of this issue at not exceeding the call price. It is provided, however, that so long as any First Mortgage 6% Bonds shall be outstanding, the company may deduct from the amount of sinking fund due until this mortgage, an amount equal to the money's deposited with the sinking fund of the first mortgage. Bonds acquired by the sinking fund to be cancelled.

Security—Secured by mortgage on entire property formerly owned by Iowa Gas & Electric Co., subject to that company's First Mortgage 6s of 1934.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$1,450,300 IOWA SOUTHERN UTILITIES CO. FIRST AND REFUNDING MORTGAGE BONDS, 6% SERIES OF 1923, DUE FEBRUARY 1, 1943

$5,867,100 IOWA SOUTHERN UTILITIES CO. FIRST AND REFUNDING MORTGAGE BONDS, 5½% SERIES OF 1925, DUE JULY 1, 1950

Dated—6% Series of 1923, February 1, 1923, 5½% Series of 1925, July 1, 1925.

Interest Payable on 6% Series of 1923, February and August 1, and on 5½% Series of 1925, January and July 1, at The Northern Trust Co., Chicago, and in New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—The Northern Trust Co., Chicago, and Harold H. Rockwell.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding $7,317,400, of which $5,867,100 are 5½% Series of 1925 and $1,450,300 are 6% Series of 1923.

Further bonds are issuable for not to exceed 80% of actual cash purchase price of any new properties acquired, and then only when the net earnings during twelve consecutive months ending within three months next preceding the application for certification and delivery of such bonds shall have been not less than 1¾ times total interest charges for the same period on all outstanding bonds including those applied for. Bonds may be issued against the cancellation of underlying divisional bonds and against the deposit of first mortgage bonds of any electric light and power company, when there is also deposited with the Trustee not less than a majority of the voting stock and when the depreciated sound value of such property is not less than 125% of the bonds to be issued. The earning restriction to apply in every such case.

Callability—The 6% Series of 1923 is subject to call on any interest date at 107½ to Jan. 1, 1928; at 105 to July 1, 1933, and 102½ thereafter.

The 5½% Series of 1925 is subject to call on any interest date on 30 days' notice at 105 and accrued interest to July 1, 1931; 102½ and accrued interest to July 1, 1941; 101 and accrued interest to July 1, 1948; and at par thereafter.

Maintenance and Improvement Fund—Beginning March 1, 1924, the company covenants to expend annually 17% of gross earnings from the interurban railway and 7% of the remainder of the gross earnings for the maintenance and improvement of the properties.

Dividend Restriction—Before the payment of any Common stock dividend, there shall be set aside in a "Depreciation Fund," a sum amounting to 5% of the gross earnings in each year commencing March 1, 1923.

Security—These bonds are a first mortgage on the power stations and distribution systems at Ottumwa, Creston, and Lamoni and the distribution systems at Cromwell, Kellerton, Pleasanton, Davis City and Grand River; the distribution systems in Grinnel, Malcom, Brooklyn, Newburg, Kellogg, Killduff, Lully, Lynnville and Searsboro, together with the transmission lines connecting these towns; the distribution systems in Murray, New Virginia, Truro, Peru, together with the connecting transmission lines; high voltage transmission lines connecting Grinnel with Ottumwa and Albia with Chariton and Osceola; and the gas property at Burlington and West Burlington. The bonds are also secured by mortgage on the remainder of the properties subject only to $4,363,800 divisional bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded on proper application.

Legal Opinion—Mayer, Meyer, Austrian & Platt, Chicago, Ill.

Listed—Chicago Stock Exchange.

Original Offering—First publicly offered ($1,000,000 6% Series of 1923) in March, 1923, at 93 and interest, to yield 6.58%, by Hoagland, Allum & Co., Inc., New York and Chicago. $3,000,000 5½% Series of 1925 were offered in July, 1925, at 97½ and interest, to yield about 5.70%, by Hoagland, Allum & Co., Inc., Chicago, and W. C. Langley & Co., New York; $1,100,000 additional 5½% Series of 1925 were offered in Jan., 1926, at 97 and interest, to yield over 5.70% by Hoagland, Allum & Co., Inc., Chicago, W. C. Langley & Co., New York, Emery, Peck & Rockwood, Detroit, and Geo. M. Bechtel & Co., Davenport, Ia.; $1,100,000 additional 5½% Series of 1925 were offered in July, 1926, at 97½ and interest, by Hoagland, Allum & Co., Inc., and W. C. Langley & Co., New York.

Price Range—

	1927	1926	1925
6s of 1943—			
High	*103	*99½	100
Low	*97¼	*98½	100
5½s of 1950—			
High	101½	97½	97½
Low	97	96	97½

*High and low bid prices.

(7)

$1,370,000 IOWA SOUTHERN UTILITIES CO. 6% GOLD NOTES, DUE IN VARYING AMOUNTS (SEE BELOW) TO DECEMBER 1, 1937

Dated January 1, 1926.

Interest Payable March and September 1, at office of Geo. M. Bechtel & Co., Davenport, Iowa.

Denominations—Coupon, $500 and $1,000.

Provisions of Issue—Authorized and issued, $1,500,000, of which $1,370,000 were outstanding Dec. 31, 1927. The maturities are as follows: $30,000 March 1, 1928; $100,000 Sept. 1, 1928; $35,000 March 1 and $100,000 Sept. 1, 1929 to 1932; $50,000 each March 1 and Sept. 1, 1933 to 1935; and $50,000 each Dec. 1, 1930 to 1937.

Callabilty—Subject to call to March 1, 1928, at 101 and accrued interest and at par and accrued interest thereafter.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(8)

$150,000 IOWA SOUTHERN UTILITIES CO. 5½% SERIAL GOLD NOTES; DUE $50,000 EACH, AUGUST 1, 1928, FEBRUARY 1, 1929 AND AUGUST 1, 1929

Dated August 1, 1927.

Interest Payable February and August 1 at office of Geo. M. Bechtel & Co., Davenport, Iowa.

Denominations—Coupon, $500 and $1,000.

Purpose of Issue—Proceeds used to reimburse Company for additions to properties, for improvements and for other corporate purposes.

Original Offering—First publicly offered ($150,000) in 1927, by Geo. M. Bechtel & Co., Davenport, Iowa, at par and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,653,641	$3,555,471	$2,933,365	$1,133,441	†$1,114,711	†$846,823
Operating expenses and taxes	2,090,998	2,036,214	1,706,315	706,546	705,457	562,505
Depreciation	182,682	.....	124,596	.....	.....	.....
Net earnings	$1,379,961	$1,519,257	$1,102,451	$426,895	$409,254	$284,318
Other income	57,706	43,073	*89,467	*52,193	.....	.....
Total income	$1,437,667	$1,562,330	$1,191,918	$479,088	$409,254	$284,318
Bond and other interest	$760,935	$717,437	$513,819	$239,534	$191,684	$148,697
Rents, amortization and depreciation	58,267	234,984	§88,759	101,664	62,630	34,446
Total charges	$819,202	$952,421	$602,578	$341,198	$254,314	$183,143
Net income	$618,465	$609,909	$589,341	$137,890	$154,940	$101,175
Pfd. dividends paid	384,414	297,931	225,110	63,889	46,381	37,274
Surplus available for Federal Tax and dividends on Common	$234,051	$311,978	$364,231	$74,001	$108,559	$63,901
Common dividends	100,000	100,000	60,000	¶	¶	¶
Surplus for year	$134,051	$211,978	$304,231	$74,001	$108,559	$63,901
‡Times Interest Earned	1.81	1.85	2.15	1.58	1.81	1.68
‡Earnings Per Share—						
Preferred	$10.75	$12.76	$15.51	$14.51	$26.17	$18.37
Common	**2.34	31.20	36.42	12.76	19.57	11.01

*Includes $26,877 in 1924 and $49,863 in 1925 net earnings from the leased Grinnell property. †Includes other income. ‡After depreciation. §Excludes depreciation which is shown separately above. ¶Amounts not reported. **Based on 100,000 shares Common outstanding.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of road and equipment	$19,882,386	$18,954,855	$15,695,169	$5,560,062	$4,568,769	$3,436,136
Stocks owned	2,950	3,250	2,000	.....	.....	.....
Bonds owned	150	150	.....	150	650	200
Materials and supplies	347,285	335,317	265,264	138,179	98,857	72,914
Cash	418,650	557,769	290,145	124,029	171,816	16,454
Notes receivable	17,999	10,619	2,799	3,771	3,169	1,918
Accounts receivable	547,269	652,735	440,555	248,816	137,283	106,182
Other current assets	.....	.....	.....	315	.....	4,244
Deferred debit items	96,864	102,123	87,287	17,592	14,673	6,039
Bond discount	807,878	852,261	590,452	322,222	327,727	92,120
Sinking funds	5,314	3,517	5,139	.....	.....	.....
Other assets	.....	.....	.....	8,451	255,168	.....
Total	$22,126,745	$21,472,596	$17,378,810	$6,423,588	$5,578,112	$3,736,206
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$580,000	$580,000	$580,000
Preferred stock	5,750,000	4,780,000	3,800,000	950,000	592,100	550,800
Funded debt	11,722,500	11,759,290	9,543,600	3,702,400	3,603,600	2,031,600
Equipment obligations	.....	7,560	15,413	.....	.....	.....
Gold Notes	1,520,000	1,500,000	900,000	.....	.....	.....
Special assessments	21,016	25,254	20,667	.....	.....	.....
Notes payable	156,031	605,931	506,046	103,673	86,686	128,248
Accounts payable	246,324	354,056	218,163	129,113	115,636	99,978
Interest accrued	127,127	131,448	130,687	78,122	73,669	34,782
Dividends accrued	.....	.....	59,979	.....	.....	.....
Other current liabilities	77,792	73,342	52,514	.....	.....	.....
Reserved for taxes	233,322	190,487	153,766	51,443	41,141	15,588
Reserve for depreciation	779,673	519,361	380,529	263,383	167,654	152,501
Other reserves	126,643	94,455	20,489	14,897	21,687	.....
Deferred credit items	15,915	17,929	.....	2,103	1,428	12,758
Unadjusted credits	17,054	11,332	9,256	.....	.....	.....
Other liabilities	.....	.....	292,000	317,729	116,746	.....
Surplus donated	49,301	49,301	.....	.....	.....	.....
Surplus earned	284,047	352,850	275,701	230,725	177,765	129,949
Total	$22,126,745	$21,472,596	$17,378,810	$6,423,588	$5,578,112	$3,736,206

Officers: Geo. M. Bechtel, Pres.; J. Ross Lee, V-P., Davenport, Ia.; Frank S. Payne, V-P., Centerville, Ia.; H. R. Bechtel, Sec., Davenport, Ia.; E. F. Bulmahn, Treas., Gen. Mgr. & Pur. Agt.; E. L. Shutts, Aud., Centerville, Ia.

Directors: Geo. M. Bechtel, J. Ross Lee, H. R. Bechtel, Ray Nyemaster, Davenport, Ia.; Frank S. Payne, E. F. Bulmahn, Centerville, Ia.

General Office, Centerville, Iowa.

THE CENTRAL KANSAS POWER COMPANY

History and Property—Company is a reorganization and change of name as of June 11, 1924 of The Rocky Ford Milling & Power Company (incorporated June 20, 1917) for the primary purpose of acquiring and developing electric light and properties in central and western Kansas. Owns and operates a complete system for the generation, transmission and distribution of electric power and light, serving a population of about 10,250 in the towns of Hays, Russell, Collyer, Gorham, Ogallah, Fairport Oil Fields, Fairport, Quinter, Victoria, Wakeeney and Walker. The electrical generating plants in Hays, Quinter and Wakeeney, Kan. have a total generating capacity of 2,940 KVA. Company also owns distributing systems and sub-stations in towns of Walker, Hays, Ogallah, Wakeeney, Quinter, Collyer, Fairport Oil Fields, Russell, Victoria and Gorham, and over 120 miles of transmission lines connecting these towns with Russell.

CAPITAL STOCK

Authorized, 8,000 shares Common of no par value and $1,200,000 Pfd., par, $100; outstanding Dec. 31, 1927, 1,500 shares Common and $181,200.

Annual Meeting—Second Tuesday in February.

Dividends—Pfd. dividends are regularly paid quarterly, J, A, J & O 15. On Common $6 per share in 1925; $8 per share in 1926; $2 per share in 1927.

FUNDED DEBT

$385,000 FIRST MORTGAGE GOLD BONDS, SERIES OF 6s; DUE MARCH 1, 1946

Dated March 1, 1926.

Interest Payable March and September 1 at Peters Trust Co., Omaha, Neb.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Peters Trust Co., Omaha, Neb.

Provisions of Issue—Authorized amount of Mortgage, unlimited. Issued $385,000 Series of 6s, due 1946 to retire Two-Year 5½% First Mortgage Gold bonds, due September 1, 1926, and for other corporate purposes.

Additional bonds of this or subsequent series may be issued for refunding purposes, for the acquisition of additional public utilities properties or for permanent extensions or additions to Company's property up to 75% of the cost or fair value, whichever is less, of such new properties, providing net earnings for the preceding 12 months shall have been at least equal to twice the annual interest requirements, on the Company's bonded debt, including bonds then proposed to be issued. Future issues of bonds may be of various series, bearing different rates of interest, with different call features, and for different maturities not exceeding twenty years from date of issue, etc., and bonds of one series may be issued to refund bonds of an earlier issue.

Callability—Subject to call on any interest date, at 103 and interest up to Sept. 1, 1927; at 102 and interest in 1928 and 1929; at 101 and interest in 1930 and 1931, and at par and interest thereafter. Subject to call at any time during the last six months before maturity on 30 days' notice at par and accrued interest.

Maintenance and Depreciation—Company covenants to deposit with the Trustee on the first day of April in each year, commencing April 1, 1927, an amount in cash equal to 12½% of its gross earnings from the operation of its properties during the preceding calendar year, less the amounts actually expended during such year for maintenance and repairs and for renewals and replacements of property. The money so deposited may be withdrawn: (1) For further maintenance, repairs, renewals and replacements; (2) to pay for extensions and additions to the properties, which shall not be made the basis for issuing First Mortgage bonds; (3) for the retirement of outstanding bonds.

Security—Secured by a direct first mortgage upon all real estate, electrical machinery and the entire transmission and distribution system of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund, upon application, the present Kansas 2½ mill tax to holders resident in Kansas who have paid such tax.

Legal Opinion—Stout, Rose, Wells & Martin, Omaha, Neb.

Original Offering—First publicly offered ($300,000) in February, 1926, at 99 and interest, to yield about 6.10% by Peters Trust Co. and Omaha Trust Co., Omaha, Neb. $85,000 additional bonds were offered in Nov., 1927, at par and interest by Peters Trust Co., Omaha, Neb.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$199,924	$174,873	$121,645
Oper. exps. & taxes	158,137	130,587	97,045
Net earnings	$41,787	$44,286	$24,600
Other income	10,293	11,307	13,636
Gross income	$52,080	$55,594	$38,236
Bond interest	18,949	17,771	12,045
Other deductions	15,279	15,936	7,792
Net income	$17,852	$21,887	$18,399
Preferred dividends	11,914	11,485	6,897
Common dividends	3,000	12,000	9,000
Surplus for year	$2,938	*$1,597	$2,502
Times Interest Earned	1.94	2.23	2.52
Earnings Per Share—			
Preferred	$9.85	$12.99	$13.18
Common	3.96	6.93	7.66

*Deficit, to which should be added appropriation for depreciation, 1926, $7,000, making total deficit for the year of $8,597.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Fixed assets	$792,407	$592,069	$511,817
Materials and supplies	49,339	26,527	27,699
Cash	2,846	6,522	1,808
Notes receivable	32,637	.....	9,000
Accounts receivable	61,554	47,523	94,512
Prepayments	2,375	745	924
Debt discount and expense	25,637	22,349	3,589
Unadjusted debits	.....	601	340
Deficit	.....	1,535	.....
Total	$966,795	$697,871	$649,689
Liabilities—			
Common stock	$37,500	$37,500	$37,500
Preferred stock	181,200	168,500	139,600
Funded debt	385,000	300,000	275,000
Notes payable	18,000	14,600	22,170
Accounts payable	8,269	5,839	27,70
Due associated Cos. under same management	161,529	150,366	91,06
Municipal contract, Quinter, Kansas	.....	.....	25,00
Reserve for depreciation	154,963	1,156	1,72
Other liabilities	18,931	.....	10
Taxes, int. & divds. accrd.	.....	18,562	21,48
Consumers' deposits & coupons	.....	1,348	1,27
Surplus	1,403	.....	7,06
Total	$966,795	$697,871	$649,68

Officers: C. L. Brown, Pres.; L. O. Verckler, V-P R. B. Gemmill, V-P.; W. M. Irwin, Treas.; M. C Beamer, Sec.; C. G. Van Doren, Asst. Sec., Abilen Kan.; Ross Beach, Gen. Mgr., Hays, Kan.

Directors: C. L. Brown, L. O. Verckler, Geo. P. Ta lor, W. M. Irwin, M. C. Beamer, R. B. Gemmill, Ab lene, Kan.; Ross Beach, Hays, Kan.

General Office, Abilene, Kan.

UNION ELECTRIC CO.

(Dillon, Mont.)

History—Incorporated July 1, 1908, in Mont.; co solidation of Greater Electric Co. and Dillon Electr Light & Power Co. Owns two hydraulic plants, l cated respectively two and nine miles from Dillon separate water courses. Supplies Dillon, Mont., ser ing population of about 3,000.

CAPITAL STOCK

Authorized, $150,000 Common and $100,000 8 Pfd.; outstanding, $150,000 Common and $10,000 Pf par, $100. Secretary of company acts as transf agent. Registrar: New York Trust Co., New Yor

Dividends—Pfd. dividends regularly paid quarter J, A, J & O 1. Common dividends have been pa as follows: July 1, 1917 to 1921, 6% per annum; 19 to 1927, 8%; payments quarterly, F, M, A & N 1

FUNDED DEBT

$50,000 First Mortgage Gold 5s; dated April 1, 19 due April 1, 1938; interest April and Oct. 1, at N York Trust Co., New York. Coupon, $250 and $5 principal may be registered. Guaranty Trust C New York, Trustee. Subject to call at 105 and int est on any interest date on 30 days' notice. Sink fund became operative in 1918. A first lien on ent property. Company pays Normal Federal Income T up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	19
Gross earnings	$55,178	$53,753	$55
Operating exp. & taxes	31,026	32,433	29
Depreciation	4,200	4,200	4
Net earnings	$19,952	$17,120	$22
Other income	627	1,129	
Total	$20,579	$18,249	$22
Interest charges	2,606	2,837	3
Surplus after charges	$17,973	$15,412	$1
Preferred dividends	$800	$800	
Common dividends	12,000	12,000	1
Surplus for year	$5,173	$2,612	$

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and equipment...	$311,493	$302,484	$301,428
Stocks and bonds owned..	3,034	9,034	8,500
Materials and supplies ...	1,558	1,761	978
Cash	3,184	3,313	6,701
Notes & accts. receivable..	6,806	6,366	9,582
Other current assets	2,559	2,559	2,559
Deferred debit items	567	587	437
Total	$329,201	$326,104	$330,184
Liabilities—			
Common stock	$150,000	$150,000	$150,000
Preferred stock	10,000	10,000	10,000
Funded debt	50,000	55,000	60,000
Notes & accts. payable ...	2,526	952	6,124
Dividends accured	2,925	2,525	2,185
Other current liabilities ...	490	687	1,283
Reserve for taxes	3,562	4,483	3,907
Unadjusted credits, etc. ..	1,548	15,966	21,190
Reserve for depreciation ..	28,735	28,571	24,571
Surplus	79,415	57,920	50,924
Total	$329,201	$326,104	$330,184

Officers and Directors: H. W. Turner, Pres., Butte, Mont.; L. K. Adams, V-P. & Mgr., Dillon, Mont.; G. B. Perier, Sec. & Treas., Butte, Mont.

Office, Dillon, Mont.

WATER COMPANY OF TONOPAH

History and Property—Incorporated in June, 1912, in Del.; successor to Tonopah United Water Co. (see Manual for 1912, page 2375). Capacity, 400,000 gals. per day, with an auxiliary for 400,000 gals. additional when needed. Water is brought from a point about 13 miles from Tonopah.

CAPITAL STOCK

Authorized and issued, $1,000,000; par, $1. Annual meeting, first Wednesday in June No dividends paid.

FUNDED DEBT

$550,000 First Gold 6s; dated July 1, 1912; due July 1, 1932; int. Jan. and July 1, at Equitable Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $1,000,000; issued, $550,000, of which $30,000 held in treasury. Subject to call at 102½ and interest at any time on 60 days' notice. Sinking fund, 3% of outstanding bonds. Secured on water rights, real estate and plant located in and near Tonopah, Nev. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$71,894	$76,120	$87,844
Oper. exp. & taxes	58,823	43,609	47,127
Net earnings	$13,071	$32,511	$40,717
Fixed charges	49,500	63,021	63,022
Deficit for year	$36,429	$30,510	$22,305

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,573,953	$1,573,164	$1,573,164
Cash	16,260	1,473	2,183
Accounts receivable	5,382	5,416	24,273
Treasury bonds	30,000	30,000	30,000
Deficit	339,123	302,693	272,183
Total	$1,964,619	$1,912,746	$1,901,803
Liabilities—			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	550,000	550,000	550,000
Accounts payable	11,758	4,978	6,414
Deposits on meters	5,941	9,951	6,391
Matured interest on bonds.	253,753	222,286	222,989
Reserves	143,167	129,531	116,009
Total	$1,964,619	$1,912,746	$1,901,803

Officers and Directors: Due to litigation between officers, none were reported as of March, 1928, except J. H. Greenwood, Gen. Mgr., Tonopah, Nevada.

General Office, Tonopah, Nev.

DETROIT MOTORBUS COMPANY

History and Property—Incorporated Feb. 3, 1919 in Michigan, for the purpose of providing additional transportation service to the people of the City of Detroit. Service was inaugurated June 11, 1920 with a fleet of eight motorbuses, which number has been increased until as of Feb. 13, 1928, the Company owned and operated 355 buses. During 1923, 43,133,659 passengers were carried, compared with 40,384,771 in 1926. Company controls the following subsidiary companies: Grosse Pointe Bus Co., Detroit, Northville & Milford Coach Co., and Rennie Transit Co.

CAPITAL STOCK

Authorized, $3,000,000, (increased from $1,500,000 in March, 1924); outstanding, $2,609,210, par $10.

Transfer Agent—Company acts as Transfer Agent.

Registrar—Union Trust Co., Detroit, Mich.

Annual Meeting—Second Monday in February.

Listed—Detroit Stock Exchange.

Dividends—Cash dividends have been paid as follows: 1921, 4½%; 1922, 11%; 1923, 1924 and 1925, 12% each; 1926, 6% 1927, 6%; Jan. and April, 1928, 2% each; payments J, A, J & O 15. In addition an extra dividend of 1½% was paid Dec. 31, 1927. The following stock dividends have been paid: 1922, 45%; 1923, 20%; 1924, 20%; 1925, 10%.

FUNDED DEBT

$250,000 6% EQUIPMENT TRUST GOLD CERTIFICATES; DUE $62,000 JULY 1, 1928; $63,000 JAN. 1, 1929; $62,000 JULY 1, 1929 AND $63,000 JAN. 1, 1930

Dated January 1, 1926. Interest payable January and July 1. Guardian Trust Co. of Detroit, Trustee. Denomination, $1,000. Authorized and issued, $500,000 of which $250,000 matured and paid off to and including Jan. 1, 1928.

NET EARNINGS, YEARS ENDED DECEMBER 31

(Net earnings applicable to dividends, after deducting Federal Income Taxes)

1922	$339,988
1923	433,300
1924	541,047
1925	434,081
1926	161,494
1927	319,512

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$4,282,112	$4,263,813	$3,831,426
Franchises and permits ...	62,865	79,365	116,655
Cash	130,611	117,485	112,424
Marketable securities	301,651	99,851	99,851
Sinking fund for Equipment Trust Ctfs	.....	76,616	.....
Inventories	173,572	242,602	123,129
Accounts receivable	47,050	19,497	49,112
Land contracts receivable..	13,996	6,452	3,879
Deferred charges	115,516	50,432	75,731
Total.....	$5,127,372	$4,956,113	$4,412,208
Liabilities—			
Capital stock	$2,610,101	$2,613,928	$2,625,261
Equipment trust Gold Certificates	250,000	438,000	.....
Notes payable	.....	80,000	.....
Accounts payable	88,502	189,930	343,794
Accrued payrolls	76,905	85,333	87,266
Dividends payable	52,184	.....	78,731
Accrued interest on Equipment Trust Ctfs.	.....	13,140	.....
Reserve for Federal taxes ..	54,000	21,000	64,750
Reserves for depreciation..	1,433,358	1,077,031	715,292
Reserves for injuries and damages, etc.	132,344	118,477	149,288
Surplus	429,978	319,273	347,827
Total.....	$5,127,372	$4,956,113	$4,412,208

Officers: Niels C. Ortved, Pres., Walkerville, Ont.; Wm. B. Mayo, 1st V-P. & Chairman Exec. Comm.; Harold H. Emmons, 2nd V-P. & Gen. Counsel; Earle F. Johnson, Treas.; Clifford A. Britt, Sec. & Asst. Treas., Detroit, Mich.

Directors: Niels C. Ortved, Walkerville, Ont.; Wm. B. Mayo, Harold H. Emmons, Earle F. Johnson, Sherman D. Callender, John A. Bryant, Charles T. Bush, Fred M. Butzel, Harry S. Hall, George Hind, William J. Kennedy, William E. Metzger, Detroit, Mich.; Emil E. Keller, Wellington F. Evans, Birmingham, Mich.; A. B. C. Hardy, Lansing, Mich.

General Office, 14401 Dexter Boulevard, Detroit, Mich.

THE TRI-STATE TELEPHONE & TELEGRAPH COMPANY

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	*Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
6% Cumulative Pfd. (par $10)	M, J, S & D 1	$10,000,000	$5,742,230	Yes	$1,206,035	6%	$343,826	$2.10
†Common (par $10)	J & D 1	10,000,000	5,000,000		862,209	9%	450,000	1.72

*In addition $119,470 Pfd. and $2,600 Common stock of Twin City Telephone Co. was outstanding Dec. 31, 1927—which was retired Feb. 29, 1928. †The authorized Common stock was changed in February 1928 to 200,000 shares of no par value.

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Tri-State Tel. & Tel. Co. 1st & Ref. 5½s, "A"	May 1, 1942	M & N 1	Unlimited	$5,000,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $5,000,000.
Amount Available for Interest in 1927, $1,471,945.
Interest Accrued in 1927, $265,910.
Times **Interest Earned** in 1927, 5.53.

History—Incorporated May 16, 1903, in Maine, to construct and operate telephone lines. Company furnishes local and long distance telephone service without competition in City of Saint Paul and throughout the southern part of the State of Minnesota, with a total estimated population of over 1,000,000. Prior to July 1, 1918, the Company operated in parts of Minnesota, Wisconsin and North Dakota in competition with subsidiaries of the American Telephone & Telegraph Co. On that date an agreement with The Northwestern Telephone Exchange Co. (Bell System) became effective, which provides for an exchange of property and a division of the operating territory, thus eliminating competition between the two companes. As a consequence, The Tri-State Telephone & Telegraph Co., acquired all the property in St. Paul and the southern part of Minnesota, formerly owned by The Northwestern Telephone Exchange Co. This transaction received the approval of the Railroad and Warehouse Commission of Minnesota and the Attorney General of the United States. The agreement between the two companies renders the long distance lines of the American Telephone & Telegraph Co. available for all subscribers of the Tri-State Company, thus affording nation-wide telephone service.

Development—The Company operates, 5,864 miles of pole lines and 33 local exchanges including service in City of Saint Paul, the capital of the State. Its toll lines are connected with all locally owned companies in its territory. The Company connects with the associated Bell companies for service to other parts of the State and United States. On Dec. 31, 1927, there were in this territory about 208,590 telephones connected directly with this system, of which this Company owns and operates 105,360.

Franchises—Company operates under indeterminate permits under the jurisdiction of the Minnesota RR. & Warehouse Commission, which has control over rates and service.

OPERATING STATISTICS

	1927	1926	1925	1924
No. of exchanges	33	34	34	29
Owned stations	105,360	102,955	100,251	93,364
Associated Companies stations	7,863	2,437		
Connecting stations	95,367	99,908	101,196	102,600
Total stations	208,590	205,300	201,447	195,964
Pole mileage	5,864	5,865	5,937	5,879
Total miles of wire	427,880	405,544	389,674	370,098

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value and $10,000,000 6% cumulative Pfd., par $10; outstanding, 100,000 shares Common and $5,742,230 Pfd. The authorized Common stock was changed from $10,000,000, par $10, to 200,000 shares of no par value in February, 1928.

Preferred Stock Provisions—Has preference for assets, and to 6% cumulative dividends in accordance with the amendment of by-laws in 1912. It is subject to call as a whole or in part on 60 days' notice at 110 and accrued dividends.

Transfer Agent (Common)—Bankers Trust Co., New York.

Registrar (Common)—Bank of America, New York.

Annual Meeting—First Tuesday in April, at Augusta, Me.

Original Offering—A block of Pfd. stock was publicly offered in January, 1928, at $10.50 per share, to yield 5.70%, by Merchants Trust Co., St. Paul, and Wells-Dickey Co., Minneapolis, etc.; 35,000 shares no par Common stock were publicly offered in February, 1928, at $104.50 per share, by Spencer Trask & Co., New York, etc.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D 1. On Common, dividends of 6% per annum were paid from 1909 to 1915, incl.; none thereafter until 1922, when 8% was paid; 1923 and 1924, 8% each; 1925, 1926 and 1927, 9% each; payments semi-annually, J & D 1. Commencing April 1, 1928, dividends on the no par Common stock will be paid quarterly, J, A, J & O 1, at the rate of $6 per share per annum. In addition, a stock dividend of 10% ($400,000) was paid Dec. 1, 1912.

FUNDED DEBT

$5,000,000 THE TRI-STATE TELEPHONE & TELEGRAPH CO. FIRST & REFUNDING (NOW FIRST) GOLD 5½s, SERIES "A"; DUE MAY 1, 1942

Dated May 1, 1922.

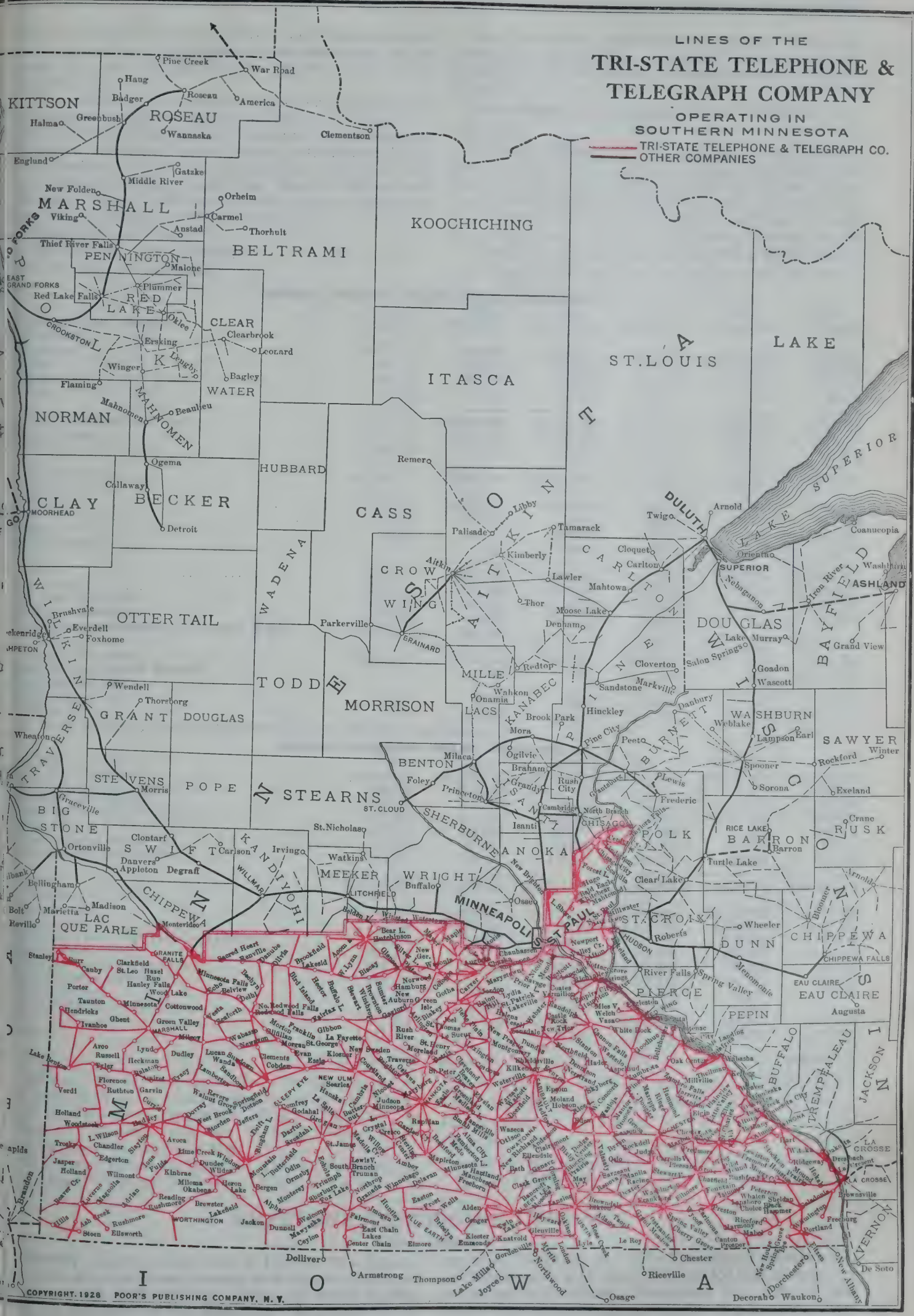
Interest Payable May and November 1, at Harris Trust & Savings Bank, Chicago, at Merchants Trust Co., Saint Paul, Minn., and Harris, Forbes & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized issue of bonds is not specifically limited in the mortgage, but provision is made that the amount of the First and Refunding Mortgage bonds and underlying bonds shall not, at any time, exceed the amount of the Company's total paid in capital stock, plus its accrued surplus. Authorized $6,000,000 Series "A" 5½s; issued, $5,000,000. Under the terms of the mortgage $1,000,000 additional of Series "A" bonds may be certified upon application of the company. The requirements of the mortgage will insure that the proceeds of these bonds will be expended upon the property and for the development of the business.

Under the carefully guarded provisions of the mortgage, bonds in excess of the Series "A" bonds above mentioned may be issued for the retirement of underlying bonds and for not over 75% of the cost of additional property, when the net earnings of the company for the preceding year shall have been at least one and three-fourths times the annual interest charge on the Company's bonded debt, including First and Refunding Mortgage bonds then proposed to be issued. Bonds may be issued in series of different maturities


LINES OF THE
TRI-STATE TELEPHONE & TELEGRAPH COMPANY
OPERATING IN
SOUTHERN MINNESOTA
TRI-STATE TELEPHONE & TELEGRAPH CO.
OTHER COMPANIES
KITTSON
ROSEAU
MARSHALL
PENNINGTON
RED LAKE
CLEARWATER
NORMAN
MAHNOMEN
BECKER
CLAY
WILKIN
OTTER TAIL
GRANT
DOUGLAS
TRAVERSE
BIG STONE
STEVENS
POPE
STEARNS
TODD
WADENA
HUBBARD
CASS
BELTRAMI
KOOCHICHING
ITASCA
LAKE OF THE WOODS
ST. LOUIS
LAKE
CROW WING
AITKIN
MORRISON
MILLE LACS
BENTON
SHERBURNE
WRIGHT
CARLTON
COOK
LAKE SUPERIOR
DULUTH
SUPERIOR
ASHLAND
BAYFIELD
DOUGLAS
WASHBURN
SAWYER
BURNETT
WASHINGTON
ANOKA
CHISAGO
ISANTI
KANABEC
PINE
POLK
BARRON
RUSK
RICE LAKE
ST. CROIX
PIERCE
PEPIN
EAU CLAIRE
DUNN
CHIPPEWA
MINNEAPOLIS
ST. PAUL
MEEKER
LAC QUE PARLE
CHIPPEWA
SWIFT
KANDIYOHI
WILLMAR
LITCHFIELD
ST. CLOUD
MONTEVIDEO
GRANITE FALLS
NEW ULM
MANKATO
WORTHINGTON
WINONA
BUFFALO
TREMPEALEAU
JACKSON
LA CROSSE
VERNON
IOWA
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bearing different rates of interest, and with different call features, etc., and bonds of one series may be issued on a par for par basis to refund bonds of an earlier series.

The company will continue its present standards of maintenance and its present provisions for depreciation, subject to changes only as permitted or required by public regulatory bodies having authority to do so.

Callability—Series "A" bonds are subject to call on any interest payment date from May 1, 1932 to and including May 1, 1933, at 105 and interest, thereafter decreasing ½% each twelve months.

Sinking Fund—None.

Security—A first mortgage on all of the property and franchise of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Money and Credits Tax in Minnesota. Pennsylvania 4 mills tax refunded.

Legal Opinion—Chapman, Cutler & Parker, Chicago, Ill.

Original Offering—First publicly offered ($4,500,000 Series "A" 5½s) in May, 1922, at 102½ and interest, to yield about 5.30%, by Harris, Forbes & Co., New York, Harris, Forbes & Co., Inc., Boston, Harris, Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago. $250,000 additional Series "A" bonds were offered in Aug., 1927, by Wells-Dickey Co., Minneapolis, and Merchants Trust Co., St. Paul.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Earnings from operation	$5,501,696	$5,354,152	$5,165,320	$4,874,051	$4,686,068	$4,323,659
Expenses:						
Operating	$2,552,013	2,548,890	2,448,993	2,333,252	2,333,349	2,136,922
Taxes	408,353	393,000	371,327	356,793	274,238	218,689
Depreciation	946,343	911,186	878,287	841,340	815,504	798,596
Other	17,168	15,011	13,313	15,031	7,503	28,105
Total operating expenses	$3,923,882	$3,868,087	$3,711,920	$3,546,416	$3,430,594	$3,182,312
Net earnings	1,577,814	1,486,065	1,453,400	1,327,635	1,255,474	1,141,347
Other income	105,773	110,961	107,665	112,795	126,547	157,368
Total income	$1,683,587	$1,597,026	$1,561,065	$1,440,430	$1,382,021	$1,298,715
Deductions—						
Bond interest	$265,910	$273,675	$287,100	$284,946	$285,000	$281,856
Other interest	11,679	11,531	11,942	12,024	12,156	151,368
Rentals, etc.	195,296	189,367	180,558	170,511	193,821	163,449
Other charges	4,667	4,107	4,456	5,713	6,197	11,070
Total	$477,552	$478,680	$484,056	$473,194	$497,174	$607,743
Net income	1,206,035	1,118,346	1,077,009	967,236	884,847	690,972
Preferred dividends	343,826	343,763	342,425	327,816	327,633	191,568
Common dividends	450,000	450,000	406,710	361,520	361,520	361,520
Additional appropriation to Benefit Fund	100,000	100,000	.....	.....	.....	.....
Surplus for year	*$312,209	*$224,583	$327,874	$277,900	$195,694	$137,884
Times Bond Interest Earned	5.53	5.09	4.75	4.40	4.10	3.45
Earnings Per Share—						
Preferred	$2.10	$1.78	$1.88	$1.77	$1.58	$1.23
Common	1.72	1.35	1.62	1.41	1.23	1.10

*After deducting additional appropriation to Benefit Fund Reserve.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$19,802,027	$19,026,442	$18,360,748	$17,439,551	$17,161,800	$16,378,161
Stocks of system Corp	594,774	290,280	65,375	67,375	70,325	197,890
Materials and supplies	398,568	403,267	412,400	443,634	444,732	437,173
Notes and accounts receivable	442,360	437,910	333,448	355,892	320,660	257,874
Cash	569,052	334,735	617,398	577,320	472,880	642,292
Deferred debit items	44,300	69,076	59,682	69,364	73,319	77,339
Miscellaneous investments	490,016	538,611	410,969	368,052	333,029	423,602
Total	$22,341,097	$21,100,321	$20,259,120	$19,321,188	$18,876,745	$18,414,331
Liabilities—						
Common stock	$5,000,000	$5,000,000	$4,519,000	$4,519,000	$4,519,000	$4,519,000
Preferred stock	5,742,230	5,729,390	5,729,390	5,463,620	5,463,620	5,459,470
Stocks of Twin City Tel. Co. (assumed)	122,070	134,910	134,910	135,960	135,960	140,110
Funded debt	5,000,000	4,750,000	5,247,000	5,287,000	5,195,000	5,245,000
Notes and accounts payable	283,319	281,914	300,231	281,945	237,919	247,568
Accrued taxes, interest, etc	448,540	428,342	399,920	377,952	330,541	315,224
Provident fund	247,431	150,000	50,000	50,000	50,000	50,000
Other deferred credit items	26,359	19,818	6,274	1,896	4,407	.....
Reserves	3,513,954	2,960,962	2,452,395	2,092,322	2,125,098	1,811,771
Surplus	1,957,194	1,644,985	1,420,000	1,111,493	815,200	626,088
Total	$22,341,097	$21,100,321	$20,259,120	$19,321,188	$18,876,745	$18,414,331

Officers: G. W. Robinson, Pres. & Gen. Mgr.; C. B. Randall, V-P. & Gen. Counsel; George K. Gann, V-P. in Charge of Operation; A. C. Cragg, Sec. & Treas.; C. B. Hall, Asst. Sec. & Asst. Treas.; R. F Wilder, Gen. Commercial Mgr.

Directors: James D. Bronson, Homer P. Clark, N. P. Delander, George K. Gann, Arthur H. Gilbert, Albert H. Harmon, H. H. Irvine, Paul J. Kalman, R. C. Lilly, James H. Lockhart, J. Marshall Lockhart, Harry G. McNeely, H. L. Mason, Jr., Paul N. Myers, E. B. Ober, H. A. Patterson, George H. Prince, C. B. Randall, George W. Robinson, Eli S. Warner, Frank H. Woods.

General Office, 369 Cedar St., Saint Paul, Minn.

KEYSTONE TELEPHONE COMPANY

(New Jersey)

History—Incorporated April 5, 1900, in New Jersey, to construct, own, lease, control and operate telephone and telegraph lines, etc., etc. Owns the entire $2,500,000 capital stock of the Keystone Telephone Co. of Philadelphia, which latter controls the Eastern Telephone & Telegraph Co. The Keystone Telephone Co. of Philadelphia also owns 28%, or $51,000, of stock of the Camden & Atlantic Telephone Co.; 32% of this latter Co.'s stock being owned by the Eastern Telephone & Telegraph Co.

CAPITAL STOCK

Authorized, $5,000,000 6% cumulative Pfd. and $5,000,000 Common; outstanding, $1,936,850 Pfd. and $5,000,000 Common; par of both classes, $50.

Preferred Stock Provisions—Pfd. stock has preference for assets as well as dividends, and shares equally with Common stock in all dividends over 6% on the entire capital. Pfd. stock has no voting power.

Transfer Agent—Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Registrar—Provident Trust Company, Philadelphia, Pa.

Annual Meeting—Second Monday in March.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	19½	29¾	35	30	34½	39	30½	35
Low	12	17	20	25½	25	26½	27	29
Common—								
High	5	7⅛	9¼	8½	8¾	10	10	13
Low	2¼	4	6	6¼	5½	7	6	7

Dividends—Initial Pfd. dividend of 3% paid Nov. 5, 1913, and at the same rate semi-annually to and including May, 1919. Accumulated dividends on Pfd. stock previously 63%, have been reduced by payments as follows: July 15, 1915, 2%; Feb. 1, 1916, 2%; Aug. 1, 1916, 2%; Feb. 1, 1917, 2%; Aug. 1, 1917, 2½%; Feb. 1, 1918, 2½%; none since.

FUNDED DEBT

None.

COMBINED INCOME AND PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

(Keystone Telephone Co. of Phila., Keystone Telephone Co. (of N. J.) and Eastern Telep. & Teleg. Co.)

(Accounts Audited by Lybrand, Ross Bros. & Montgomery.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,097,189	$2,071,394	$1,991,959	$1,905,675	$1,814,371	$1,703,274
Operating and maintenance charges, including taxes and provisions for doubtful accounts	1,079,412	1,066,501	1,032,920	1,014,884	984,599	977,681
Net earnings	$1,017,777	$1,004,893	$959,039	$890,791	$829,772	$725,593
Interest charges	560,545	522,424	503,487	513,670	516,999	501,235
Profit for year before reserve for depreciation, etc.	$457,232	$482,469	$455,552	$377,121	$312,773	$224,358
Distribution—						
Dividends Phila. Co. Pfd. stock	159,415	136,939	120,000	41,666	1,253	.....
Discount on bonds	33,162	11,200	15,362	40,939	30,135	32,765
Federal Income Taxes	17,000	10,000	17,750	19,500	.....	.....
Added to renewal reserve	201,154	199,664	194,661	186,712	179,232	170,595
Total deductions	$410.731	$357,803	$347,773	$288,817	$210,620	$203,360
Balance added to surplus	$46,501	$124,666	$107,779	$88,304	$102,152	$20,998
‡Times Interest Earned	1.36	1.50	1.90	1.37	1.27	1.11
Earnings Per Share—						
Preferred	$1.20	$3.22	$2.78	$2.28	$2.63	$0.54
Common	Nil	Nil	Nil	Nil	Nil	Nil

‡After deducting reserves, etc.

COMBINED BALANCE SHEET, DECEMBER 31

(Keystone Telephone Co. of Phila., Keystone Telephone Co. (of N. J.) and Eastern Telep. & Teleg. Co.)

	1927	1926	1925	1924	1923	1922
Assets—						
Cost of property	$21,424,591	$20,852,570	$20,379,128	$19,623,314	*$19,294,394	*$17,840,212
Securities owned	145,253	144,530	342,106	330,350	.....	.....
Investments	.....	.....	.....	.....	2,962	2,962
Materials and supplies	33,103	100,274	73,382	111,644	74,732	80,143
Cash at banks and on hand	263,415	203,827	244,569	245,907	225,018	189,784
Accounts receivable	167,390	193,578	184,611	195,522	142,594	161,193
Reserve fund, cash	.....	.....	.....	.....	17,500	17,500
Prepaid accounts, etc	45,698	36,325	59,757	28,259	258,157	303,524
Unamortized debt discount and expense	661,507	525,473	479,688	516,632	.....	.....
Suspense account	.....	.....	.....	.....	20,942	.....
Automatic equipment account	.....	.....	.....	.....	.....	1,017,569
Total	$22,740,957	$22,056,577	$21,763,241	$21,051,628	$20,036,299	$19,612,887
Liabilities—						
Keystone Telephone Co.:						
Preferred stock	$1,936,850	$1,936,850	$1,936,850	$1,936,850	$1,936,850	$1,936,850
Common stock	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Keystone Tel. Co. of Pa.:						
Preferred	2,038,987	2,029,953	1,517,495	1,517,495	120,709	.....
Funded debt	10,800,000	10,000,000	9,725,000	9,468,000	8,368,000	8,471,000
Current accts., res. and other current liabilities	201,692	357,776	794,639	312,781	1,872,043	1,638,144
Interest on bonds	183,521	178,768	173,987	193,199	183,295	184,335
Renewal reserve	1,642,929	1,569,121	1,589,635	1,528,983	1,538,486	1,466,795
Surplus	†936,978	984,109	1,025,635	1,094,320	1,016,916	915,763
Total	$22,740,957	$22,056,577	$21,763,241	$21,051,628	$20,036,299	$19,612,887

*Including securities. †As adjusted.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Materials and supplies	$33,103	$100,274	$73,382	$111,644	$74,732	$80,144
Cash at bank, etc	263,415	203,827	244,569	245,907	225,018	189,784
Accounts receivable	167,390	193,578	184,611	195,522	142,594	161,193
Liberty bonds	.....	.....	.....	.....	2,962	2,961
Total	$463,908	$497,679	$502,562	$553,073	$445,306	$434,082
Current Liabilities—						
Interest on bonds	$183,521	$178,768	$173,987	$193,199	$183,295	$184,335
Current accounts, reserves and other current liabilities	201,692	357,776	794,639	312,781	1,872,043	1,638,144
Total	$385,213	$536,544	$968,626	$505,980	$2,055,338	$1,822,479
Net Working Capital	*$78,695	†$38,865	†$466,064	*$47,093	†$1,610,032	†$1,388,397

*Credit. †Debit.

Officers: Nathan T. Folwell, Chrm. of Board; Percival E. Foerderer, Chrm. of Executive Committee; F. Clark Durant, Jr., Pres.; Joseph F. Stockwell, Executive V-P.; Ira S. Weiss, Sec. & Treas., Philadelphia.

Directors: N. T. Folwell, John A. Murphy, P. E. Foerderer, Louis J. Kolb, John I. Bishop, Gerald Ronon, F. Clark Durant, Jr., Ernest T. Trigg, Joseph F Stockwell, Marcus Beebe, Jr., John C. Chaffe, Clayton E. Platt, Thomas Shallcross, Jr., Conrad N. Lauer George W. Hebdon.

Offices, 135 South Second St., Philadelphia, Pa. and Camden, N. J.

KEYSTONE TELEPHONE COMPANY OF PHILADELPHIA

(Controlled by Keystone Telephone Co., New Jersey)

History and Property—Incorporated Nov. 12, 1902, n Pa. State charter and Philadelphia franchise perpetual; also perpetual franchises in 41 boroughs and townships in the counties of Delaware, Bucks and Montgomery, Pa. On Dec. 31, 1907, absorbed the roperty of the Keystone State Telephone & Telegraph Co., comprising a number of surburban exchanges, and over 1,600 miles of toll line circuit in Pennsylvania. Through ownership of its entire capital stock, acquired in April, 1906, controls the Eastern Telephone & Telegraph Co., which holds unrestricted franchises n the cities of Camden, Gloucester, Woodbury, Cape May, Merchantville, Wildwood, Woodbine, and all ther desirable points in the Counties of Camden, Gloucester and Cape May, in the State of New Jersey. Also controls the Camden & Atlantic Telephone Co. hrough ownership of a majority of its capital stock.

The company has a conduit system comprising 3,161,151 ft. of vitrified tile ducts, located in 345 miles f street and containing 4,020,581 ft. of cable. It wns also 310 miles of pole lines and 6,403 miles of erial wire. The Company and its subsidiary own and perate six automatic exchanges in Philadelphia and ne in Camden. They also lease 18 modern telephone xchange buildings in nearby cities and towns. Total umber of telephones in service, over 55,000.

The Keystone Telephone Co. of Philadelphia has rofitable contracts under which part of its conduit ystem is leased on annual rentals by the Philadelphia lectric Co. and the telegraph companies.

The directors in 1919 decided to adopt the automatic ystem of operation throughout the Philadelphia District in place of the manual method then in use, and the nstallation of automatic equipment was completed luring the year 1921 and is now in successful operaion.

CAPITAL STOCK

Authorized, $2,500,000 Common, par, $50, and 200,00 ($4 per share cumulative) Preference shares of no ar value; outstanding, Dec. 31, 1927, $2,500,000 Comon and 40,000 shares Preference. Entire Common tock owned by Keystone Telephone Co. (of N. J.)

Subscription Privilege—Pref. stockholders of record Nov. 17, 1926, received the right to subscribe to 10,000 dditional shares of Preference stock at $53.50 a share n the basis of 1 new share for each 3 shares held.

Preference Stock Provisions—Pfd. stock has preference for assets and dividends, and is callable at any ime, in whole or in part, at $65 per share and accrued ividends. Free from all Pennsylvania taxes except 'ennsylvania Inheritance taxes. No Preference stock n excess of the 40,000 shares outstanding shall e issued unless the net earnings of the corporation uring any twelve consecutive months out of the ast preceding fifteen months applicable to dividends n the Preference stock shall be equal to at least ½ times the dividend requirements of the Preference tock then outstanding and that proposed to be issued. No indebtedness maturing later than 3 years from the ate of issue shall be created, except bonds issued under the First Mortgage due 1935, without the consent f a majority of the Preference stock then outstanding.

Transfer Agent—Real Estate-Land Title & Trust o., Philadelphia.

Registrar—The Pennsylvania Co. for Insurances n Lives and Granting Annuities, Philadelphia.

Annual Meeting—Third Tuesday in January.

Legal Opinion (Preference Stock)—James Collins ones, Philadelphia (for the Company); Masten & ichols, New York, (for the Bankers).

Original Offering—Late in 1923, a block of Preference shares were publicly offered at $54 per share, ayable either in full or on the partial payment plan; Oct., 1924, additional shares were offered by Hemphill, Noyes & Co., New York, and Love, Macomber Co., Philadelphia, at $54 a share to yield 7.41%.

Price Range—

Preference—	1927	1926
High	58	56
Low	54	54

Dividends—Initial dividend of $1.00 per share on the Preference shares was paid Dec. 1, 1923, which quarterly rate maintained to date; payments, M. J. S & D 1. None paid on Common.

FUNDED DEBT

(1)

$4,350,000 KEYSTONE TELEPHONE CO. OF PHILADELPHIA FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1935

Dated July 1, 1905.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon (principal may be registered), $1,000; and registered, $1,000, $5,000 and $10,000; interchangeable.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized and issued, $10,000,000, of which $4,350,000 are outstanding in hands of public and $5,650,000 are pledged as collateral under the First Lien & Refunding Mortgage.

Callability—Subject to call as a whole only at 108 and accrued interest on any interest date upon 60 days' notice.

Security—Secured by direct first lien on all lands, buildings, equipments, franchises, etc., now owned or hereafter acquired, including the entire property of the Keystone State Telephone & Telegraph Co. Additionally secured by deposit of 10,000 shares (being the entire capital stock) of the Eastern Telephone & Telegraph Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax free.

Original Offering—First publicly offered ($4,000,000) in July, 1905.

Listed—New York and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	98	94½	92½	85¾	80	88	73¾
Low	93	90	82	75	70	72	55

(2)

$1,750,000 KEYSTONE TELEPHONE CO. OF PHILADELPHIA FIRST LIEN AND REFUNDING GOLD 5½s, SERIES "A"; DUE JUNE 1, 1955

Dated June 1, 1925.

Interest Payable June and December 1, at Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized, $10,000,000; of which $1,750,000 Series "A" 5½s and $3,200,000 Series "B" 6s were outstanding Dec. 31, 1927. The proceeds of the Series "A" 5½s were used to retire $1,243,000 Equipment & First Mortgage Ten-Year Sinking Fund Gold 6s and for other corporate purposes.

Additional bonds may be issued in series with such interest rates, maturity dates, redemption provisions and other terms and conditions which may be determined by the Board of Directors at the time of the creation of such series and subject to the terms of the mortgage, up to 75% of the cost of permanent additions and betterments to the property, as defined in the mortgage, provided that net earnings, as defined in the mortgage, for 12 consecutive calendar months within the 15 months preceding the application for

the issuance thereof shall have been equal to at least 1¾ times the annual bond interest charge, as defined in the mortgage, including interest on those bonds for which certification is requested. Additional bonds may also be issued for refunding purposes and for not more than 75% of the cost or fair value of the capital stock and/or securities of other corporations supplying telephone and telegraph service within the Commonwealth of Pennsylvania or a State adjacent thereto, all as set forth in the mortgage.

Callability—Subject to call as a whole or in part, at any time upon 30 days' notice, at 105 and accrued interest prior to June 1, 1935, and thereafter at successive reductions in redemption price of 1% during each five year period to maturity.

Maintenance and Renewal Fund—The Company covenants that an amount equivalent to not less than 15% of its gross earnings shall be expended for maintenance or set aside annually as a renewal reserve for repairs or renewals or replacements to its property. Any part of this fund not used for such purposes may be expended for improvements and additions to the property, such expenditures, however, not to be used as a basis for issuing First Lien & Refunding Mortgage Gold Bonds. Company may also utilize any balance of this fund for the purchase of its First Mortgage 5% Bonds—the same to be deposited with the Trustee of this issue against which no bonds of this issue may be certified, or for the purchase or redemption of the First Lien and Refunding Mortgage Gold Bonds which will thereupon be cancelled. In addition, Company covenants that it will set aside annually as a renewal reserve a sum equivalent to $4 for each telephone in actual service, which sum is to be expended for replacements and obsolescence for which no bonds may be issued.

Security—Secured by a direct mortgage on all the property now owned or to be hereafter acquired, subject to $10,000,000 (closed mortgage) First Mortgage 5% Gold Bonds due July 1, 1935, of which $4,350,000 are outstanding in the hands of the public. Through deposit with the Trustee of $5,650,000 First Mortgage 5% Gold Bonds due July 1, 1935, the First Lien & Refunding Mortgage shares the security of the First Mortgage to that extent.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from the Pennsylvania four mills tax. Company will agree to refund, upon timely application as provided in the indenture, the Connecticut taxes not in excess of four mills per annum, the Maryland Securities Tax not in excess of 4½ mills per annum, and the Massachusetts Income Tax on the interest not in excess of 6% per annum.

Legal Opinion—Gerald Ronon, and Lewis M. Stevens, Philadelphia, (for the company) and Masten & Nichols, New York, (for the bankers).

Original Offering—First publicly offered ($2,300,000), in July, 1925, by Hemphill, Noyes & Co. and Love, Macomber & Co., New York.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925
High	95	91½	91
Low	89	89½	85½

(3)

$3,200,000 FIRST LIEN & REFUNDING MORTGAGE GOLD BONDS, SERIES "B" 6%; DUE OCTOBER 1, 1951

Dated October 1, 1926.

Interest Payable April and October 1, at The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, or in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Issued, and outstanding $3,200,000 Series "B". Issued to provide funds for the retirement of $1,250,000 First Mortgage Bond Secured 6% Gold Notes, due Nov. 1, 1927 (called for payment on Nov. 15, 1926, at 100½ and interest) and the $250,000 Eastern Telephone & Telegraph Co. First 6s, due Dec. 1, 1932, retired as of Dec. 1, 1926, and for other corporate purposes. For further details, see under Series "A" above.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date to and including October 1, 1931, at 105 and interest; thereafter to and, including October 1, 1936, at 104 and interest; thereafter to and including October 1, 1941, at 103 and interest; thereafter to and including October 1, 1946, at 102 and interest; thereafter to and including April 1, 1950, at 101 and interest; and thereafter to maturity at 100 and interest.

Security, Renewal Fund, Tax Provisions—See under Series "A", above.

Legal Opinion—Stradley, Ronon & Stevens, Philadelphia (for the Company); Seibert & Riggs, New York (for the bankers).

Original Offering—First publicly offered ($2,000,000) in October, 1926, at 98½ and interest, to yield over 6.10%.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
High	98	99
Low	97½	98½

(4)

$1,500,000 THREE-YEAR 5% GOLD NOTES; DUE OCTOBER 1 1930

Dated October 1, 1927.

Interest Payable April and October 1 at Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Authorized and issued, $1,500,000. Proceeds were used to pay off $700,000 one-year 5% Gold notes, due Nov. 1, 1927, to pay off $475,000 bank loans and to reimburse the treasury for extensions and improvements.

Purpose of Issue—Proceeds were used to pay of $700,000 One-Year 5% Gold notes on their due date Nov. 1, 1927, and for other corporate purposes, including the payment of bank loans amounting to $475,000 and reimbursement to the Company for extensions and improvements.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at par and interest plus a premium of ½ of 1% for each full six month of unexpired life, except that the notes may be redeemed without any premium on April 1, 1930.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania Four-Mill Tax. Upon timely application as provided in the Trust Agreement Company will refund any taxes (except succession or inheritance taxes) assessed and paid by the holder upon these notes or the income derived therefrom, under the laws of any State, Commonwealth or Possession of the United States, not in excess of Five Mills per annum on each dollar in principal amount, to holders resident in such State or Possession.

Legal Opinion—Stradley, Ronon & Stevens, Philadelphia (for the Company) and Seibert & Riggs, New York (for the bankers).

Original Offering—First publicly offered ($1,500,000) in October, 1927 at 98 and interest, to yield about 5.75% by A. C. Allyn & Co., Inc., New York, etc.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31
(Keystone Telephone Co. of Philadelphia and Eastern Telephone & Telegraph Co.)

	1927	1926	1925
Gross earnings	$2,097,189	$2,071,395	$1,991,960
Oper. exps., maint. & taxes	1,079,412	1,066,501	1,032,920
Net earnings	$1,017,777	$1,004,894	$959,040
Interest on bonds	548,282	505,330	491,526
Other interest charges	12,263	17,095	11,961
Balance avail. for res., Fed. tax, divds. & surp.	$457,232	$482,469	$455,553

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$15,098,540	$14,551,779	$14,110,224
Unamort. debt disc. & exp.	661,507	525,473	479,688
Eastern Telephone & Telegraph Co. advances for construction	1,619,524	1,572,791	1,264,716
Cash	239,919	200,941	241,734
Accounts receivable	180,822	169,255	164,924
Prepaid accounts	49,730	32,970	56,757
Materials and supplies	33,103	100,274	73,382
Securities owned	357,000	392,631	590,206
Total	$18,240,145	$17,546,114	$16,981,631
Liabilities—			
Common stock	$2,500,000	$2,500,000	$2,500,000
Preference stock	2,038,987	2,029,953	1,517,495
Funded debt	10,800,000	10,000,000	9,475,000
Accts. & notes payable	97,140	256,364	653,869
Int. accrued on funded debt	183,521	178,767	173,844
Renewal reserve	1,603,256	1,532,993	1,545,786
Other reserves	97,139	92,284	129,930
Profit and loss surplus	*920,102	955,753	985,707
Total	$18,240,145	$17,546,114	$16,981,631

*As adjusted.

Officers: Nathan T. Folwell, Chairman of the Board; Percival E. Foerderer, Chairman of Executive Committee; F. Clark Durant, Jr., Pres.; Joseph F. Stockwell, Executive V-P.; Ira S. Weiss, Sec. and Treas., Philadelphia, Pa.

Directors: John I. Bishop, F. Clark Durant, Jr., Percival E. Foerderer, Nathan T. Folwell, Louis J. Kolb, John A. Murphy, Conrad N. Lauer, Gerald Ronon, Joseph F. Stockwell, Marcus Beebe, Jr., George W. Hebdon, Ernest T. Trigg, John C. Chaffe, Clayton E. Platt, Thomas Shallcross, Jr.

Office, 135 South Second St., Philadelphia, Pa.

CAROLINA TELEPHONE & TELEGRAPH CO.

History and Property—Incorporated January 5, 1900 in North Carolina, and operates under a sub-license contract with Southern Bell Telephone & Telegraph Co. In January 1926 merged the Home Telephone and Telegraph Co., Henderson, N. C., incorporated September 30, 1903 (see 1925 Public Utility Manual page, 193). During 1927, purchased the Clayton Telephone Co.

Company owns and operates 27,303 telephone stations through 56 central offices located throughout North Carolina. The principal communities served are: Tarboro, Scotland Neck, Washington, Benson, Lillington, Kinston, Henderson, Macon, New Bern, Nashville, Weldon, Windsor, Rocky Mount, Roanoke Rapids, Louisburg, Morehead City, La Grange, Wilson, Kenly, Smithfield, Dunn, Fayetteville, Red Springs, Elm City, Pinetops, Raeford, and Maxton, N. C., and connecting lines.

Operating Statistics, Dec. 31, 1927—Number of central offices, 56; number of telephone stations, 27,303; miles of pole lines, 1,750; miles of wire in aerial cables, 35,022; miles of wire in underground cables, 2,390.

CAPITAL STOCK

Authorized, $3,000,000 Common; outstanding Dec. 31, 1927, $1,999,900; par $100. There was also outstanding $100 (1 share) 8% cumulative Pfd. stock, representing stock not presented for cancellation. Annual meeting, first Wednesday in March.

Dividends—From organization to 1907 Company paid quarterly dividends on Common stock of 1½%, and from Jan. 1, 1907 to 1912, 2% quarterly; 1913, 10%; 1914, 8%; 1915, 8% regular and 4% extra, 2% of the extra being on account of the earnings of 1914; 1916 to 1919, 8% regular and 2% extra; 1920 to 1923, 10%; 1924, 8%; 1925 and 1926, 8% regular and 3% extra; 1927, 10% regular; payments quarterly, Apr., July and Oct. 1, and Dec. 31. Dividends on the Pfd. stock have been regularly paid quarterly F, M, A & N 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$1,231,433	$1,101,137	$483,433
Operating expenses	703,357	666,093	326,734
Taxes & uncollec. revenues	169,100	131,541	48,708
Operating income	$358,976	$303,502	$107,991
Non operating income	55	3,563	224
Gross income	$359,031	$307,065	$108,215
Rentals	13,457	12,419	3,535
Interest, etc.	11,762	4,385	1,003
Net income	$333,812	$290,262	$103,677
Dividends	199,998	219,997	119,999
Surplus for year	$133,814	$70,265	*$16,322

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Physical property	$3,551,538	$3,258,168	$1,515,711
Intangible capital	3,731	3,731	
Investment securities	30,000	30,000	20,000
Materials and supplies	75,383	65,681	12,994
Cash	40,792	3,517	12,087
Accounts receivable	84,374	77,931	41,579
Prepayments	14,391	17,151	146
Other suspense items			662
Total	$3,800,209	$3,456,179	$1,603,179
Liabilities—			
Capital stock	$2,000,000	$2,000,000	$1,000,000
Premium on capital stock	14,941	14,941	14,841
Bills payable	330,223	210,705	25,000
Accounts payable	13,986	13,165	6,889
Accrued liabilities	86,982	65,375	19,879
Depreciation reserve	933,166	872,557	452,232
Other reserves	30,000	36,556	6,480
Profit and loss	390,902	242,870	77,858
Total	$3,800,209	$3,456,179	$1,603,179

Officers: Geo. A. Holderness, Pres.; J. R. Porter, Executive V-P.; C. A. Johnson, V-P., Tarboro, N. C.; J. P. Taylor, V-P., Richmond, Va.; C. P. McCluer, V-P. & General Mgr.; C. C. Todd, Sec. & Treas.; Downell Gilliam, Gen. Counsel; J. T. Sadler, Aud.; Emily S. Austin, Asst. Sec. & Treas., Tarboro, N. C.

Directors: A. McDowell (Chairman), J. Harper Alexander, H. T. Clark, Scotland Neck, N. C.; T. L. Bland, Raleigh, N. C.; John F. Bruton, W. T. Clark, Wilson, N. C.; L. G. Cooper, Greenville, N. C.; W. H. Holderness, Greensboro, N. C.; Geo. A. Holderness, J. P. Taylor, Richmond, Va.; Leland Hume, Nashville, Tenn.; C. A. Johnson, W. H. Macnair, J. R. Porter, Tarboro, N. C.; H. L. Jones, M. B. Speir, Charlotte, N. C.; A. D. MacLean, Harry McMullan, Washington, N. C.; J. B. Owen, Henderson, N. C.; Ben S. Read, Atlanta, Ga.; C. S. Wallace, Morehead City, N. C.

General Office, Tarboro, N. C.

NEW HAMPSHIRE POWER COMPANY

History and Properties—Incorporated in Oct., 1923, in N. H., and as of Jan. 1, 1924, purchased all the properties, rights and franchises of the following hydro-electric power companies in central New Hampshire: Antrim-Bennington Electric Light & Power Co., Canaan-Enfield Electric Co., Contoocook Electric Light Co., Lake Sunapee Power Co., Hills-

boro Electric Light & Power Co., Newport Electric Light Co., and Sunapee Electric Light & Power Co. As of Aug. 1, 1924, purchased the Bradford Electric Light Co. In 1926 acquired the Bristol Electric Light Co., and the Pittsfield Light & Power Co.

The company serves with electricity, without competition, Newport, Sunapee, New London, Warner, Contoocook, Henniker, Hillsborough, Antrim, Bennington, Canaan, Enfield, Bristol, Hebron, Alexandria, Bridgewater, Pittsfield, London, Canterbury, New Hampshire, and other neighboring communities. Population served varies from about 25,000 in winter to 30,000 in summer. The electric systems include six generating plants on the Contoocook, Warner, New Found and Sugar Rivers having an installed generating capacity of approximately 3,000 h.p. capable of producing 8,000,000 k.w.h. per annum, with about 70 miles of transmission lines, 180 miles of distribution lines and substations serving over 5,100 customers.

CAPITAL STOCK

Authorized 13,500 (increased from 6,000 in 1926) Common shares of no par value, and $2,000,000 8% cumulative Pfd., (issuable in Series); par, $100; outstanding 13,500 Common shares and $370,000 Pfd. Series "A." Stock control is held by New Hampshire-Vermont Power Co., which in turn is controlled by Hydro-Electric Development Syndicate. The latter company was organized by various interests.

Preferred Stock Provisions—Series "A" Pfd. stock has preference for assets and dividends, and is redeemable as a whole or in part at option of Company, at 115 and accrued dividend; stock so redeemed shall not be reissued. Upon dissolution or liquidation the holders of preferred stock will be entitled to $100 per share plus accumulated and unpaid dividends in preference to any distribution on the Common stock.

The preferred stockholders have no right to subscribe to any additional issue of capital stock, Pfd. or Common.

Whenever and as often as dividends on Pfd. stock are unpaid in an amount equal to the full dividend for 12 months, the Pfd. stockholders are entitled to vote. They are entitled also to vote as to the authorization of stock of a class preferred to this Pfd. stock or changing the provisions of this Pfd. stock (not including any right to vote as to any increase of the amount authorized or issued of this Pfd. stock) and as to the authorization of any mortgage on the real estate or general assets of the Company and as otherwise expressly provided by law. Whenever the Pfd. stock is entitled to vote, each share of Pfd. stock entitles the holder to one vote at all stockholders' meetings. Voting rights continue as long as any dividend on the Pfd. stock is in arrears and no longer.

The Company has agreed that it will not issue any additional Pfd. stock unless all accumulated Pfd. stock dividends have been paid or set apart for payment, nor unless the net earnings of the Company for 12 consecutive calendar months out of the next preceding 15 calendar months have been at least 1¾ times the aggregate dividend requirements on the Pfd. stock then outstanding and on the stock to be issued; provided, however, that, if at the time of any proposed issue of Pfd. stock the Company is party to a contract or contracts for the sale of power or water, the Company may issue said proposed stock to such an amount that the net income of the Company from all sources, including the net earnings from said contracts, for the 12 calendar months next following the time of such issue and thereafter as estimated by an independent engineer, will be equal to or in excess of 2¼ times the dividend requirements on the Pfd. stock at the time outstanding and on the additional stock so proposed to be issued.

Transfer Agent—Old Colony Trust Co., Boston.

Annual Meeting—First Tuesday in March.

Legal Opinion (Pfd. Stock)—Tyler, Tucker, Eames & Wright, and, Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered (2,500 shares Pfd.) in March, 1924, at $100 and accrued dividends to yield 8%, by Blake Brothers & Co., New York and Boston.

Dividends—Pfd. dividends regularly paid quarterly J, A, J & O 1, to stock of record on the 15th day of the preceding month. None on Common.

FUNDED DEBT

$826,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE DECEMBER 1, 1943

Dated December 1, 1923.

Interest Payable June and December 1, at American Trust Co., Boston.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized issue, $10,000,000. Additional bonds may be issued in one or more series bearing such rates, due dates, etc., as the directors may determine, but no series may mature later than 30 years from its initial date. As more fully provided in the indenture, additional bonds may be issued to a par amount not exceeding 75% of the cost or fair value whichever is less of physical property acquired subsequent to March 1, 1924. No additional bonds may be issued unless net earnings for 12 consecutive months out of the 15 months next preceding such proposed issuance shall have been at least twice the annual interest on all First Mortgage bonds outstanding together with those to be issued. The Indenture also includes provisions covering the maintenance and upkeep of the property and does not permit the issuance of bonds for securities or the acquisition of street railway property.

Callability—Subject to call at 105 and interest during the first ten years, 103 and interest during the next five years, 102 and interest during the next three years and thereafter at par and interest.

Sinking and Improvement Funds—The mortgage provides that beginning May 1, 1925, the Company shall pay to the Trustee an amount equal to 1% of the highest amount of bonds at any time previously outstanding thereunder. This fund is increased to 2% on May 1, 1926, and continues annually, on May 1 thereafter at this rate during the life of the Series "A" bonds. The entire amount of the first payment, on May 1, 1925, must be used exclusively for the retirement of First Mortgage bonds and at least half of each succeeding annual payment is to be used for the call pro rata, or purchase at not exceeding the current redemption price of all bonds at the time outstanding under this First Mortgage. All bonds acquired through the action of this fund are to be cancelled forthwith. The remainder of the fund may be also so used unless the Company elects to employ it in making additions and improvements to its physical property which, however, may not thereafter be made the basis for issuing additional First Mortgage bonds of any series.

Security—A first mortgage on all the physical property, rights and franchises of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund (when paid and claimed by the holders) the Massachusetts and New Hampshire income taxes not to exceed 6% and the Connecticut and Pennsylvania Personal Property Taxes up to four mills.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston, Mass.

Original Offering—First publicly offered ($600,000) in Feb., 1924, at 94½ and interest, yielding about 6.50%, by Coffin & Burr, Inc., New York, Boston, et

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$280,284	$246,471	$194,228
Oper. expenses and taxes	148,785	131,851	110,130
Depreciation	17,953	16,331	12,018
Net earnings	$113,546	$98,289	$72,080
Other income	882	2,132	2,677
Gross income	$114,428	$100,421	$74,757
Interest	51,948	51,039	45,101
Other charges	8,994	11,670	10,875
Total charges	$60,942	$62,709	$55,976
Net income	53,486	37,712	18,781
Pfd. dividends	29,260	22,200	20,000
Surplus for year	$24,226	$15,512	*$1,219

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$1,396,676	$1,345,570	$1,177,060
Cash	25,945	27,651	13,982
Accounts receivable	36,423	31,354	29,996
Materials and supplies	22,889	13,635	7,588
Prepaid accounts	9,691	8,049	8,092
Sinking fund	.....	7,349	149
Authorized First Mortgage 6% bonds	.....	.....	48,000
Authorized 8% Pfd. stock	17,000	.....	75,000
Special fund (fire insur.)	31,013	.....	.....
Other suspense	43,168	43,168	45,166
Unextinguished discount on securities	80,867	85,306	78,002
Suspense—construction job	2,594	11,233	2,593
Suspense—insurance claims receivable	.....	.....	544
Other suspense	474	475	.....
Total	$1,666,740	$1,573,790	$1,486,172
Liabilities—			
Preferred stock	$370,000	$360,000	$250,000
Undelivered Pfd. stock	.....	.....	105,000
Common stock	230,235	230,235	100,000
First Mortgage bonds	826,000	843,000	703,000
Unissued First Mtge. 6% bonds	.....	.....	48,000
Unissued 8% Pfd. stock	17,000	.....	75,000
Notes payable	85,500	27,500	141,560
Accounts payable	30,194	40,065	19,511
Dividends payable	7,400	7,200	5,000
Consumers' deposits	100	40	30
Unmatured int. on funded debt accrued	4,130	4,215	3,515
Unmatured interest on notes payable accrued	.....	.....	2,841
Amortization reserve	8,811	6,691	4,516
Depreciation reserve	41,840	32,758	21,049
Uncollectible bills reserve	590	618	171
Materials & supplies reserve	.....	.....	213
Insurance reserve	700	.....	.....
Discounts allowed	1,230	1,071	872
Profit and loss	43,010	20,397	5,894
Total	$1,666,740	$1,573,790	$1,486,172

Officers: Geo. Otis Spencer, Pres., Augusta, Me.; Arthur C. Sullivan, V-P.; Arthur C. Dodge, Sec & Treas.; Paul Hatch, Gen. Mgr. & Pur. Agent, Boston, Mass.; E. E. Harrington, Supt., Newport, N. H.

Directors: George Otis Spencer, Augusta, Me.; Wm. A. Buttrick, C. R. Cabot, Arthur C. Sullivan, Boston, Mass.; Lee H. McCray, Portsmouth, N. H.

General Office, 70 State St., Boston, Mass. **Operating Office,** Newport, N. H. **Corporate Office,** 70 State St., Boston, Mass.

TRENTON-PRINCETON TRACTION COMPANY

History and Property—Incorporated Sept. 29, 1922, in N. J., as a merger and consolidation of New Jersey & Pennsylvania Traction Co. and its subsidiary companies: Trenton, Lawrenceville & Princeton R. R., Trenton, Lawrenceville & Princeton Extension R. R. and Princeton St. Ry. (see 1922 Public Utility Manual, page 1808). The lines of the merged company extend from Princeton and Trenton, N. J. Franchises perpetual, except that for the city of Trenton, which is for 50 years from Dec. 22, 1902. Gauge, 4 ft. 8½ in. Rail, 70 and 80 lb. T and 90 lb. girder. Cars—passenger, 6; freight, 3; service, 2—total, 11.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. Annual meeting, first Tuesday in March. No dividends paid.

FUNDED DEBT

$400,000 First Mortgage 6% bonds; dated May 1, 1923; due May 1, 1943; interest payable May and Nov. 1, at Northern Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000; principal may be registered. Subject to call on any interest date at 102.5% on 60 days' notice. Issued in exchange for the 4% Bonds of the New Jersey & Pennsylvania Traction Co. Company pays Normal Federal Income Tax up to 2%.

Interest Default—Interest due November 1, 1927 was not paid.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$100,506	$101,524	$709,107
Oper. exp. & taxes	87,863	92,190	93,960
Net earnings	$12,643	$9,334	$15,147
Other income	8,092	8,691	8,670
Total income	$20,735	$18,025	$23,817
Bond interest	24,000	24,000	24,000
Deficit for year	$3,265	$5,975	$183
Times Bond Interest Earned	0.86	0.75	0.99

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of road & equipment	$985,690	$975,028	$955,179
Current assets	6,342	6,368	10,902
Cash	31,117	22,893	34,483
Unadjusted debits	4,128	3,457	10,126
Total	$1,027,277	$1,007,746	$1,010,690
Liabilities—			
Capital stock	$200,000	$200,000	$200,000
Funded debt	400,000	400,000	400,000
Current liabilities	12,144	11,085	9,228
Accrued interest	16,000	4,000	4,000
Tax liability	1,021	1,021	1,467
Accrued depreciation	25,171	23,073	21,270
Other reserves	2,595	2,639	2,585
Unadjusted credits	202,377	194,694	194,302
Corporate surplus	167,969	171,234	177,838
Total	$1,027,277	$1,007,746	$1,010,690

Officers: Gaylord Thompson, Pres. & Gen. Mgr., Trenton, N. J.; William H. Snyder, V-P.; John M. Morrissey, Sec. & Treas., Philadelphia.

Directors: John Barbey, Reading, Pa.; Wm. Henry Snyder, S. L. Wright, Jr., Jay Gates, John M. Morrissey, Philadelphia, Pa.; Gaylord Thompson, Trenton, N. J.; Joseph S. Hoff, Princeton, N. J.

General Office, 407 No. Willow St., Trenton, N. J. **Philadelphia, Office,** 133 So. 5th St.

HONOLULU RAPID TRANSIT COMPANY, LIMITED

History and Properties—Incorporated Aug. 30, 1898, in Hawaii, as Honolulu Rapid Transit & Land Co.; name changed as above in 1922.

Owns and operates 37.042 miles of track for passenger and freight service in Honolulu. Gauge, 4 ft. Rail, 85-lb. girder and 122-lb. girder. Motor cars, 78; motor passenger buses, 9; other cars, 7; power station, 1; d.c. generators, 3; capacity, 1600 k. w. One rotary converter of 1,500 k.w. capacity installed and held in reserve. Revenue passengers carried in 1927, 16,642,251 (16,064,834 rail and 577,417 bus) compared with 16,664,183 (16,306,252 rail and 357,931 bus) in 1926 and 17,436,122 (17,085,078 rail and 351,044 bus) in 1925.

Franchise—Company operates under an indeterminate franchise passed by the Legislature of the Territory of Hawaii April 26, 1921, ratified by Congress, and made effective by acceptance of stockholders Feb. 16, 1922. The franchise provides that, in addition to Territorial and Federal Property and In-

come Taxes, there shall be paid to the City and County of Honolulu annually a franchise tax of 2½% of the gross revenue from railway operation. This tax has been discontinued by Act of Legislature for a period of four years from Jan., 1925. The rate of fare to be fixed from time to time, with the approval of the Public Utilities Commission of Hawaii, so that the revenue will be sufficient to meet cost of operations and taxes, plus a fair return on the property of the Company actually used for public utility purposes. Provides for purchase by the City and County of Honolulu at any time, on six months' notice, at a fair value. No capital expenditure may be made from earnings. Extensions and improvements may be ordered by the Public Utilities Commission, providing that revenue is sufficient to pay operating costs and a fair return on the total property of the Company including such additions and extensions.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, Dec. 31, 1927, $2,500,000 (increased from $2,000,000 in 1922); par, $20.

Annual Meeting—In February.

Listed—San Francisco Stock Exchange; also at Honolulu, T. H.

Dividends—Dividends on Common in recent years have been paid as follows: 4% in 1904 and 1905; 3¼% in 1906; 3% in 1907; 4%, 1908 to 1910, incl.; increased to 6% March 31, 1911; further increased to 8% in 1913, which rate was maintained to Dec. 31, 1923; 1924, 3%; 1925, 7%; 1926, 6%; 1927, 7% ($1.40); March, 1928, 1½% (30 cents); payments quarterly, M, J, S & D 31. Dividends declared on third Thursday of M. J. S & D.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,004,774	$1,015,108	$1,062,788	$1,005,193	$978,433	$973,129
Operating expenses	6,216,453	662,932	708,717	713,930	618,708	602,757
Net earnings	$378,321	$352,176	$354,071	$291,264	$359,725	$370,372
Other income	14,471	8,664	11,696	9,155	10,495	16,392
Total income	$392,792	$360,840	$365,767	$300,419	$270,220	$386,764
Interest, taxes, depreciation, etc.	208,281	192,642	172,321	203,868	213,804	191,217
Balance for dividends	$184,511	$168,198	$193,445	$96,551	$156,416	$195,547
Dividends paid	175,000	150,000	175,000	75,000	190,000	160,000
Surplus for year	$9,511	$18,198	$18,445	$21,551	†$33,584	$35,547
Earnings Per Share (par, $20)	$1.48	$1.34	$1.55	$0.77	$1.25	$1.95

†Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Road and equipment	$3,182,722	$3,014,717	$3,017,718	$2,867,804	$2,779,451	$1,914,319
Miscellaneous physical property	277,718	277,606	277,606	258,386	258,386	257,283
Investments in affiliated companies	79,049	79,049	79,049	79,049	79,049	79,049
Other investments	10,000	104,862	97,362	64,502	25,000	.....
Cash	34,363	65,098	6,746	79,311	52,193	81,559
Special deposits	25,314	15,933	25,487	38,731	59,976	51,026
Miscellaneous accounts receivable	4,601	5,858	2,597	3,894	10,255	1,843
Materials and supplies	109,285	131,999	151,836	146,910	123,389	139,172
Interest receivable	.....	.....	.....	1,758	.....	.....
Prepaid accounts	6,168	5,747	6,070	3,109	4,752	3,742
Other unadjusted debits	11,804	11,891	1,650	44,793	50,761	62,850
Property abandoned	.....	6,034	9,052	12,069	.....	.....
Total	$3,741,024	$3,718,794	$3,675,173	$3,600,316	$3,443,212	$2,590,844
Liabilities—						
Capital stock	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,000,000
Capital stock installments	.....	.....	.....	.....	.....	264,680
Loans and notes payable	110,000	110,000	100,000	100,000	.....	.....
Audited accounts and wages payable	30,965	27,900	30,050	31,708	34,210	30,576
Miscellaneous accounts payable	.....	.....	2,164	223	259	811
Matured interest and dividends unpaid	24,332	13,854	23,738	11,382	20,127	18,648
Other current liabilities	856	1,098	.....	25,359	24,723	39,124
Miscellaneous fund reserve	.....	.....	.....	.....	.....	100,000
Tax liability	.....	.....	.....	2,103	.....	.....
Reserve for depreciation, etc	709,823	702,279	670,433	642,324	644,453	.....
Other unadjusted credits	19,710	16,206	14,225	9,765	495	.....
Pearl Harbor Traction Co.	67,532	67,542	68,157	29,492	30,053	29,454
Profit and loss	277,806	279,915	266,406	247,961	188,891	107,551
Total	$3,741,024	$3,718,794	$3,675,173	$3,600,316	$3,443,212	$2,590,844

Officers: A. L. Castle, Pres.; L. T. Peck, 1st V-P. & Treas.; W. F. Dillingham, 2nd V-P.; H. K. L. Castle, Sec.; A. E. Kirk, Gen. Supt.; Young, Lamberton & Pearson, Auditors, Honolulu, T. H.

Directors: L. T. Peck, W. F. Dillingham, A. L. Castle, H. K. L. Castle, E. H. Wodehouse, A. S. Davis, E. W. Greene, C. F. Damon, R. E. Wooley, Honolulu, T. H.

Office, Honolulu, Hawaii.

CITY GAS COMPANY OF LONDON

History—Incorporated in 1864 in Ontario, under the name of the City Gas Company, and has been manufacturing and distributing artificial gas throughout the City of London, Ont. and surrounding district since that time. The property consists of an artificial gas plant with a distributing system of 110 miles of mains.

CAPITAL STOCK

Authorized, $400,000; outstanding, $288,000; par $20. Annual meeting, first Monday in February.

FUNDED DEBT

$225,000 6% 20-YEAR FIRST MORTGAGE SINKING FUND GOLD BONDS; DUE APRIL 1, 1947

Dated April 1, 1927.

Interest Payable April and October 1, at Bank of Toronto, London, Montreal or Toronto.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The London & Western Trusts Co., Ltd.

Provisions of Issue—Authorized, $250,000; issued, $225,000.

Callability—Subject to call as a whole or in part at Company's option at any time upon 60 days' notice at 103 and interest up to and including April 1, 1929; at 102 and interest thereafter up to and including April 1, 1932; at 101½ and interest thereafter up to and including April 1, 1937; at 101 and interest thereafter up to and including April 1, 1942, and at par and interest thereafter.

Sinking Fund—The Trust Deed provides for the payment to the Trustee of a sinking fund, commencing April 1, 1928, which it is estimated will be sufficient to redeem over 50% of the total issue at or before maturity.

Security—Secured by a first mortgage on all the real and immovable property now owned or hereafter acquired and a floating charge on all the undertaking and other property of the Company, both present and future.

Original Offering—First publicly offered ($225,000) in April, 1927, at par and interest by Midland Securities, Limited, London and Toronto, Ont.

OFFICERS AND DIRECTORS

Officers: C. M. Duffield, Pres.; W. L. Duffield, V-P.; R. W. Kidner, Sec. & Treas.

Directors: John Pringle, S. Cummings, C. M. Duffield, R. Harris, A. M. Smart, W. L. Duffield.

General Office, London, Ont.

TEXAS ELECTRIC RAILWAY

History—Chartered July 5, 1916, for 50 years under the laws of the State of Texas. Where city charters permit, all franchises are for fifty years. All right-of-way outside of incorporated cities is owned in fee simple or held under perpetual easements.

Owns and operates the properties formerly comprising the Texas Traction Co. (which began operation between Dallas and Sherman on July 1, 1908 and purchased the property of Denison & Sherman Ry. Co., in April, 1911) and the Southern Traction Co (which began operation Jan. 1, 1914.) The Southern Traction Co. and Texas Traction Co. were consolidated as of Jan. 1, 1917 under name of Texas Electric Railway (see Manual for 1916, page 834).

Enters Dallas over the tracks of Dallas Railway & Terminal Co., under long term trackage contract

Trackage and Equipment—The Company operates a modern, high-speed, electric interurban railway system between Dallas and Denison, Dallas and Waco, and Dallas and Corsicana, comprising 226.63 miles of main track, 2.86 miles of second track and 16.98 miles of sidings and turnouts, a total of 246.47 miles (of which 8.81 miles, being entrance into Dallas, is leased); also local street railway systems in Denison, Sherman, Corsicana, Waxahachie and Waco, consisting of 24.40 miles of main track, 2.64 miles of second track and 1.49 miles of sidings and turnouts, a total of 28.53 miles; total all lines operated computed as single track, 275 miles. In addition company owns 1.81 miles of Dallas Suburban operated by Dallas Railway & Terminal Co. All track standard gauge, interurban lines 70 and 80 lb. A. S. C. E. "T" rail.

Power—Owns generating plant which it has leased to Texas Power & Light Co. at $30,000 per annum, from which Company power is purchased under favorable contract which expires coincident with lease on plant.

Cars—Total, 190. Interurban passenger, motor, 45; trailer, 15; express and baggage, motor, 10; trailer, 16; work, motor, 2; line, motor, 1; flat and ballast, 38; city passenger motor cars (closed), 56; miscellaneous, 1; buses, 6. Operated by single trolley catenary suspension; 15 sub-stations, including 3 portable; main shops at Monroe (a suburb of Dallas). Owns valuable terminals at Denison, Corsicana, and Waco, and express terminals in Dallas.

CAPITAL STOCK

Authorized, $6,000,000 Common, $3,660,000 (increased from $1,500,000 in Jan., 1921) 7% cumulative First Pfd., and $3,000,000 7% cumulative Second Pfd.; outstanding, Dec. 31, 1927, $6,000,000 Common, $1,712,000 First Pfd. and $2,952,900 Second Pfd.; par, $100. In addition $600,000 First Pfd. and $47,100 Second Pfd. held in treasury, the First Pfd. being issuable.

Preferred Stock Provisions—First Pfd. stock has preference for both assets and dividends, and is redeemable on any dividend date on 30 days' notice at 107½ and accrued dividends (see debentures). The Second Pfd. stock is redeemable on any dividend date upon 30 days' notice at 107½ and accrued dividends.

Transfer Agent (All Classes)—Dallas Union Trust Co., Dallas, Tex.

Registrar (All Classes)—North Texas National Bank, Dallas, Tex.

Annual Meeting—Last Tuesday in January.

Dividends—Dividends on First Pfd. stock regularly paid quarterly, J, A, J & O 1, to and including April 1, 1926; none paid since. On Second Pfd. stock payable quarterly, F, M, A & N 1, the last dividend on that stock being paid on Feb. 1, 1926. Quarterly dividends of ½ of 1% each were paid on Common stock during 1920, and 1% each quarter during 1921, 1922, 1923 and 1924, and at same rate to and including June 1, 1925; none since; payments, M, J, S & D 1.

FUNDED DEBT

(1)

$1,071,000 TEXAS TRACTION COMPANY FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JANUARY 1, 1937

Dated January 1, 1907.

Interest Payable January and July 1, at Old Colony Trust Co., Boston, Mass.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston, Mass.

Provisions of Issue—Authorized issue, $3,000,000; issued $2,166,000, of which $1,095,000 held in sinking fund Dec. 31, 1927, leaving $1,071,000 outstanding in hands of the public.

Sinking Fund—Effective July 1, 1912, 5% of gross earnings for the previous calendar year, to be used in purchasing bonds at not exceeding 110, or to draw bonds at that price by lot. Bonds acquired by sinking fund will remain alive and draw interest.

Security—A first lien on 80.02 miles of interurban lines between Dallas and Denison and also on 4.53 miles of city lines in Sherman and Denison.

SPECIALISTS IN THE BONDS AND STOCKS OF THE
TEXAS ELECTRIC RAILWAY
PYNCHON & CO.
Members of the New York Stock Exchange
111 Broadway, New York Tel. Rector 0970
BOSTON Tel. Hancock 7320
PHILADELPHIA Tel. Rittenhouse 1530
BALTIMORE Tel. Plaza 7373
LONDON
CHICAGO Tel. Wabash 7700
MILWAUKEE Tel. Broadway 306
PROVIDENCE Tel. Gaspee 8600
LIVERPOOL
Private wire connections to all important markets in the United States and Canada

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Johnson, Clapp & Underwood and Ropes, Gray & Gorham, Boston, Mass.

Original Offering—First publicly offered in 1911, at 95 and interest.

(2)

$5,519,000 TEXAS ELECTRIC RAILWAY FIRST & REFUNDING MORTGAGE GOLD 5s; DUE JANUARY 1, 1947

Dated January 1, 1917.

Interest Payable January and July 1, at Harris Trust & Savings Bank, Chicago, or at option of the holder, at the Agency of the Company in the City of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Additional First & Refunding bonds may be issued for only 75% of the cost of extensions and additions to the Company's properties, provided net earnings for the twelve months preceding have been at least twice the annual interest charges on all bonds outstanding, and those proposed to be issued. Provision for the refunding of divisional underlying bonds, at par, is made in the mortgage securing this issue. In addition to the $5,519,000 outstanding bonds (which includes $75,000 held in injuries and damage reserve fund) $52,000 were held in treasury, Dec. 31, 1927, and an issue of $500,000 6s due Jan. 1, 1947, was also held in the treasury.

Callability—Subject to call on any interest date up to and including Jan. 1, 1942, at 105 and interest, and thereafter at 102½ and interest, upon 30 days' published notice.

Improvement and Sinking Fund—The mortgage provides that beginning with April 1, 1921, and on each April 1 thereafter, there shall be deposited cash equal to 1% of the First and Refunding 5s and underlying bonds outstanding on the previous Dec. 31, after making allowance for underlying sinking fund payments made during the preceding year. This money may be withdrawn for the cost of extensions and additions against which no First and Refunding 5s shall be issued, or, at the option of the Company, for the retirement of First and Refunding Mortgage or underlying bonds.

Maintenance and Renewal Fund—Under the terms of the mortgage the Company agrees to expend or set aside annually for maintenance and repairs or for renewals and replacements of its property, the following amounts. 14% of gross earnings in 1920, and 15% in 1921 and each year thereafter.

Any part of this fund not used for such purposes may be expended for extensions and additions to the properties, such expenditures, however, not to be used as the basis for issuing First and Refunding Mortgage bonds.

Security—A direct first lien on 183.45 miles of road, comprising the lines from Dallas to Corsicana, and from Dallas to Waco, and city lines in Waco, Waxahachi and Corsicana. Also a lien on 84.55 miles, subject only to the outstanding divisional bonds on the lines from Dallas to Denison.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($4,804,000) in Jan., 1917, at 95.50 and interest, yielding 5.38%.

(3)

$1,348,000 TEXAS ELECTRIC RAILWAY 25-YEAR 6% GOLD CONVERTIBLE DEBENTURES; DUE JANUARY 1, 1942

Dated January 1, 1917.

Interest Payable January and July 1, at St. Louis Union Trust Co., St. Louis, Mo., or at option of the holder, at the Agency of the Company in the City of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—St. Louis Union Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized, $3,000,000; issued, $2,160,000, of which $812,000 converted into First Pfd. stock to Dec. 31, 1927. Balance ($840,000) reserved for capital expenditures.

Callability—Subject to call Jan. 1, 1922, or any interest date thereafter at 102½ and accrued interest upon 30 days' written notice.

Convertibility—Convertible on and after Jan. 1, 1922, into 7% cumulative First Pfd. stock of the Company on a par for par basis, with adjustment of accrued interest and dividends. Debentures may be presented at the Bankers Trust Co., New York, for the conversion into First Pfd. stock. Additional First Pfd. stock to the amount of $2,160,000 to provide for conversion of debentures was authorized by stockholders in Jan., 1921.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Theodore S. Chapman, Chicago, and Simpson, Thatcher & Bartlett, New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,864,999	$2,036,860	$2,362,114	$2,794,636	$2,980,475	$2,706,996
Operating expenses, taxes and maint.	1,189,380	1,360,119	1,524,615	1,691,416	1,747,501	1,651,527
Depreciation	*104,566	100,000	100,000	100,000	100,000	100,000
Net earnings	$571,053	$576,741	$737,498	$1,003,220	$1,132,974	$955,468
Other income	2,063	1,854	586	840	1,630	2,397
Gross income	$573,116	$578,595	$738,084	$1,004,060	$1,134,604	$957,865
Interest charges	419,170	427,825	426,322	428,169	441,651	460,856
Balance	$153,946	$150,769	$311,762	$575,891	$692,953	$497,009
First Preferred dividends	.....	29,958	119,635	109,761	84,828	62,690
Second Preferred dividends	.....	.....	210,000	210,000	210,000	210,000
Common dividends	.....	.....	120,000	240,000	240,000	240,000
Balance surplus	$153,946	$120,811	†$137,873	$16,130	$158,125	$15,681
Times Interest Earned	1.37	1.35	1.73	2.34	2.57	2.08
Earnings Per Share—						
1st Preferred	$8.99	$8.80	$18.23	$34.29	$51.91	$47.85
2nd Preferred	‡1.15	‡1.04	6.40	15.54	20.27	14.48
Common	Nil	Nil	Nil	4.27	6.64	3.74

*Includes $4,566 bus retirement expense. †Deficit. ‡After deducting full dividend requirements for the year on amount of First Pfd. stock outstanding, Dec. 31.

Surplus Account, Dec. 31, 1927. Balance, Jan. 1, 1927, $1,484,240. Add: Surplus net income for year ended Dec. 31, 1927, $153,946; discount on Texas Traction Co. bonds purchased for sinking fund, $17,205—total surplus, Dec. 31, 1927, $1,655,391.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Real estate, plant equip., franchise right, etc. .	$21,193,599	$21,138,829	$20,996,659	$20,806,278	$20,564,921	$20,532,702
Additions and improvements	.....	75,164	142,170	190,381	241,357	32,219
Other investments	2,509	2,509	2,508	6,503	7,203	7,300
Materials and supplies	57,900	69,786	78,928	98,083	99,016	108,138
Cash	39,443	42,880	41,691	15,538	84,354	129,144
Bills and accounts receivable	46,389	55,630	42,315	52,166	51,084	45,546
Current accounts, prepaid taxes, etc.	5,110	9,382	16,266	7,884	8,200	8,065
Other assets	28,569	32,067	35,547	240,974	254,392	307,719
Bonds in co's. treasury	.....	.....	.....	552,000	52,000	52,000
Special funds	105,470	109,773	104,950	104,843	97,866	75,000
Second Pfd. stock purchased for resale to employees	.....	.....	17,200	.....	.....	.....
Total	$21,478,989	$21,536,020	$21,478,234	$22,074,650	$21,460,393	$21,297,833
Liabilities—						
Preferred stock	$4,664,900	$4,664,900	$4,710,000	$4,697,500	$4,358,000	$4,038,500
Common stock	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Funded debt	6,590,000	6,733,000	6,826,000	7,378,000	6,878,000	6,879,000
Debentures	1,348,000	1,348,000	1,350,000	1,380,500	1,502,000	1,821,500
Current liabilities	166,002	245,058	226,557	22,610	32,607	25,655
Accrued liabilities	5,462	4,552	4,559	7,085	7,127	78,734
Other liabilities	106,552	104,477	95,800	201,000	210,000	228,000
Reserves	942,682	951,792	856,578	816,308	797,782	751,122
Taxes accrued	.....	.....	.....	30,845	114,650	.....
Dividends declared	.....	.....	54,125	113,940	113,754	113,930
Profit and loss surplus	1,655,391	1,484,240	1,354,615	1,444,862	1,446,473	1,361,392
Total	$21,478,989	$21,536,020	$21,478,234	$22,074,650	$21,460,393	$21,297,833

Officers: Jack Beall, Pres.; Jas. P. Griffin, V-P. & Sec., Dallas, Tex.; F. N. Drane, V-P., Corsicana, Tex.; W. J. Neale, V-P., Waco, Tex.; W. R. Brents, V-P., Sherman, Tex.; J. S. Heard, V-P., McKinney, Tex.; B. S. Fenlaw and C. F. McAuliff, Asst. Secs.; D. W. Milam, Jr., Asst. Treas. & Aud.; Beall, Worham, Rollins, Burford and Ryburn, Gen. Attys., Dallas, Tex.

Executive Committee: Jack Beall, Nathan Adams, T. A. Ferris, Dallas, Tex.; J. S. Heard, McKinney, Tex.; F. N. Drane, Corsicana, Tex.

Directors: A. A. Jackson, Jack Beall, T. H. Obenchain, Jas. P. Griffin, C. L. Cox, Dallas, Tex.; W. J. Neale, T. F. Bush, Waco, Tex.; Geo. W. Coleman, T. A. Ferris, Waxahachie, Tex.; A. L. Smith, Hillsboro, Tex.; W. B. Munson, Denison, Tex.; W. R. Brents, C. B. Dorchester, Sherman, Tex.; F. N. Drane, J. L. Whiteselle, Corsicana, Tex.; C. G. Comegys, W. A. Dowell, McKinney, Tex.; S. D. Moore, Van Alstyne, Tex.; W. W. Batchler, Ferris, Tex.; W. R. Glasgow, West, Tex.; C. N. Mason, New York.

General Office, Dallas, Tex.

THE PEOPLES GAS LIGHT AND COKE COMPANY

(See Accompanying Chart)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Declared, Per Cent	Dividends Declared, Amount	Earnings per Share
Capital stock (par, $100)	J, A, J & O 17	$60,000,000	$50,893,400	$5,499,330	8	$3,804,510	$10.80

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Chicago Gas Light & Coke Co., 1st 5s	July 1, 1937	J & J 1	$10,000,000	$9,929,000	No	No	Not pd. by Co.
Consumers' Gas Co., First 5s	Dec. 1, 1936	J & D 1	5,000,000	4,196,000	No	No	Not pd. by Co.
Mutual Fuel Gas Co., Gold 5s	Nov. 1, 1947	M & N 1	5,000,000	4,886,000	No	No	Pd. by Co.
Peoples Gas Light & Coke Co., 1st Cons. 6s.	Apr. 1, 1943	A & O 1	10,000,000	4,900,000	No	No	Not pd. by Co.
Peoples Gas Lt & Coke Co., Gen & Ref 5s.	Dec. 1, 1963	J & D 1	Unlimited	1,712,000	No	Yes	Pd. by Co.
Peoples Gas Lt & Coke Co., Refunding 5s.	Sept. 1, 1947	M & S 1	40,000,000	20,554,000	No	No	Pd. by Co.
Called for purchase Dec. 1, 1927.							

Bonds Assumed Since December 31, 1927

Chicago By-Product Coke Co. First & Ref. Mtge. Gold 5s, Series "A"	Jan. 1, 1976	J & J 1	.....	$13,000,000	No	Yes	Pd. by Co.

Notes Issued Since December 31, 1927

Peoples Gas Light & Coke Co. 4¼% and 4½% Serial Gold Notes	Dec. 1, 1928 to 1930	J & D 1	$8,000,000	$8,000,000	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $46,177,000.
Interest Accrued in 1927, $2,404,632.
Amount Available for Interest in 1927, $7,903,962.
Times Interest Earned in 1927, 3.28.

History—Incorporated Feb. 12, 1855, in Ill., under special perpetual charter (amended in 1865), which authorizes company to manufacture, distribute and sell illuminating gas in Chicago and to own all property necessary thereto; to increase its capital stock from time to time at pleasure, and to mortgage or lease any of its properties or franchises. In Aug., 1897, absorbed Chicago Gas Light & Coke Co., Consumers Gas Co., Equitable Gas Light & Fuel Co., Illinois Light, Heat & Power Co., Chicago Economic Fuel Gas Co., Lake Gas Co. and Suburban Gas Co. In 1897 the Mutual Fuel Gas Co. was purchased, and in 1898 was merged into People's Co., as was also the Hyde Park Gas Co. In Jan. 1899, acquired the Calumet Gas Co. In 1907, leased the property of the Ogden Gas Co. until 1945. In 1907, also leased the property of Universal Gas Co., until 1944. In 1913, made agreement with Ogden Gas Co. and Universal Gas Co., whereby for a cash amount all the rentals under the Universal lease and half the rentals under the Og-

Representing The Peoples Gas Light & Coke Company
UTILITY SECURITIES COMPANY
New York CHICAGO St. Louis
Louisville Indianapolis Milwaukee Minneapolis Richmond

den lease were commuted, beginning with 1914, besides which the People's Co. on the expiration of the leases will succeed to the title, and to the property of Ogden and Universal companies.

The Company distributes gas to the entire City of Chicago through over 3,500 miles of transmission and distribution mains, the main artery of the system consisting of a high pressure main four feet in diameter extending 34 miles from the northern limits of the City to the southern boundary. With the acquisition of the Chicago By-Product Coke Co. as of Feb. 1, 1928, having 105 modern coke ovens and a combined coke oven gas and water gas capacity of 65,000,000 cubic feet per day, the Company's plants have a conservative total daily capacity of 150,000,000 cubic feet, while an additional 70,000,000 cubic feet of gas per day is available for purchase under contracts. Gas storage capacity now aggregates 88,000,000 cubic feet.

Refund Suit—The Supreme Court of Illinois entered final judgment Oct. 22, 1927, on the Agreed Case submitted in the so-called refund suit. The Agreed Case was entered into for the purpose of determining the legal issues in the litigation resulting from the seventy cent gas ordinance of 1911 in advance of an expensive trial on the merits. The Supreme Court sustained every contention made by the Company and thus ended all claims for refunds and terminated this litigation.

GAS RATES IN EFFECT AS OF DECEMBER 31, 1927

General Rate—Class 1

Cu. ft. of Gas Consumed in Any One Month—	Rate
For the first 400 cu. ft.	60 cts.
For the next 9,600 cu. ft.	95 cts. per 1,000 cu. ft.
For the next 40,000 cu. ft.	90 cts. per 1,000 cu. ft.
For all over 50,000 cu. ft.	85 cts. per 1,000 cu. ft.

Minimum charge per meter per month, 60 cts. An additional charge at the rate of 10 cts. per 1,000 cu. ft. of gas supplied will be applied when the bill is not paid within 10 days after its date.

Industrial Rate—Class 2

Demand Charge

Cu. ft. of Maximum Demand in Any One Month—	Charge per Cu. ft
For the first 50 cu. ft.	12 cts.
For the next 50 cu. ft.	4 cts.
For the next 900 cu. ft.	3 cts.
For all over 1,000 cu. ft.	2 cts.

Output Charge

Cu. ft. of Gas Consumed in Any One Month—	Charge per 1,000 cu. ft.
For the first 1,000,000 cu. ft.	75 cts.
For the next 1,000,000 cu. ft.	70 cts.
For the next 1,000,000 cu. ft.	65 cts.
For all over 3,000,000 cu. ft.	60 cts.

The industrial rate is gross. Discount of 3% allowed from total amount of bill if bill is paid within ten days. Minimum bill—not less than 50% of the highest previous monthly demand charge.

House Heating Rate—Class 3

Cu. ft. of Gas Consumed in Any One Month—	Rate
For the first 400 cu. ft.	60 cts.
For the next 2,600 cu. ft.	95 cts. per 1,000 cu. ft.
For all over 3,000 cu. ft.	75 cts. per 1,000 cu. ft.

Minimum charge per meter per year, $24. An additional charge at the rate of 10 cts. per 1,000 cu. ft. of gas supplied will be applied when the bill is not paid within 10 days after its date.

Industrial Rate—Class 4

Demand Charge

Cubic Feet of Maximum Demand in Any One Month—	Charge per Cu. ft.
For the first 100 cu. ft.	5 cts.
For the next 400 cu. ft.	4 cts.
For all over 500 cu. ft.	3 cts.

Demand charge: Determined on basis of highest hourly demand between Nov. 15 and the following March 15.

Output Charge

Cubic Feet of Gas Consumed— in Any One Month—	Charge per 1,000 cu. ft.
For the first 100,000 cu. ft.	70 cts.
For the next 400,000 cu. ft.	60 cts.
For the next 500,000 cu. ft.	55 cts
For the next 1,000,000 cu. ft.	50 cts
For all over 2,000,000 cu ft.	45 cts

Rate available only to a gas customer whose demand between the hours of 10 A. M. and 2 P. M. on Thanksgiving Day Christmas Day, New Year's Day and Sundays during the period from Nov. 15 to March 15, does not exceed 10% of his maximum demand. The industrial rate is gross. Discount is the same as Class 2—Industrial Rate. Minimum Bill—not less than 50% of the highest previous monthly demand charge and in no case less than $50, except that customers using no gas during the period from Nov. 15 to March 15, shall not pay any minimum charge.

Oil Clause: If the cost of oil per gallon exceeds 6 cts., the customer shall pay an additional output charge of 3 mills per 1,000 cu. ft. for each 1 mill increase above 5 cts. If the cost of oil per gallon is less than 4 cts., the customer shall receive a credit for gas consumed at the rate of 3 mills per 1,000 cu. ft. for each 1 mill decrease below 5 cts.

Rate Reduction—Effective April 1, 1928, the basic price for gas under the general rate (Class 1) was reduced from 95 cents to 90 cents per 1,000 cubic feet. In addition a new optional service charge rate was placed in effect for general gas service (as Class 5) and new industrial rate (as Class 6).

Plant Purchased—Pursuant to the option contained in the contract with The Koppers Company of Feb. 2, 1920, the Peoples Gas Light & Coke Co. purchased and took over as of Feb. 1, 1928, the coke oven and water gas plants on Crawford Avenue owned by the Chicago By-Product Coke Co. The purchase price was approximately $21,000,000. Of this sum $13,000,000 was represented by the First and Refunding Mortgage bonds of the Chicago By-Product Coke Co. which the Peoples Gas Light & Coke Co. has assumed and agreed to pay. The remainder of the purchase price was paid in cash.

Plants provide facilities for the manufacture of gas, coke and the principal coal by-products and include a combined water-gas plant and by-product coke plant situated on 160 acres in Chicago. The plants were placed in operation Oct. 6, 1921 (the first gas being received Oct. 10, 1921) with an initial daily capacity of 30,000,000 cu. ft. of gas in addition to coke and other by-products. These plants have at present a combined daily capacity of 65,000,000 cu. ft. and were so planned that they can be readily expanded to a daily capacity of more than 100,000,000 cu. ft.

Subsidiary Companies—In order to segregate the non-utility properties of the company, The People Gas Subsidiary Corporation was organized in 1927 which is wholly owned by Peoples Gas Light & Coke Co. The Peoples Gas Subsidiary Corporation in turn owns the Peoples Gas Stores, Inc., which holds title to the Peoples Gas Building in Chicago, and the People Gas By-Products Corporation which owns and operates a light oil refining plant.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gas produced (cu. ft.)	16,189,772,000	13,797,101,000	11,994,751,000	19,846,107,000	16,169,836,000	18,294,972,00
Gas bought (cu. ft.)	23,600,808,000	23,538,038,000	21,811,703,000	13,527,200,000	15,130,507,000	11,414,897,00
Gas sold (cu. ft.)	38,031,814,185	35,687,863,592	32,500,781,806	31,621,305,748	29,791,110,822	27,602,698,06
Miles of mains	3,584	3,515	3,440	3,357	3,252	3,18
No. of meters	887,443	858,405	824,397	788,081	750,746	725,11

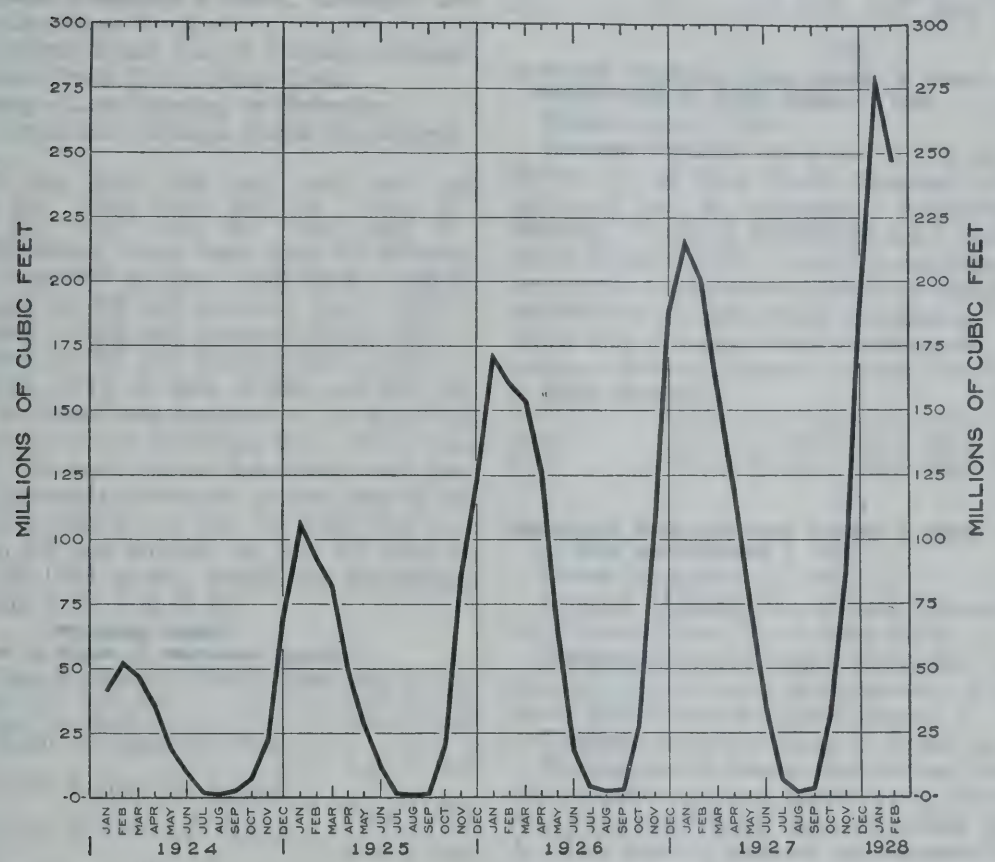
CAPITAL STOCK

Authorized, $75,000,000 (increased from $35,000,000 to $50,000,000 Nov. 14, 1913, to $60,000,000 Feb. 23, 1926, and to $75,000,000 Feb. 28, 1928); outstanding, Dec. 31, 1927, $50,893,400; par, $100.

Stock Increase—At the annual meeting held Feb. 28, 1928, stockholders approved an increase in the authorized capital stock from $60,000,000 to $75,000,000. The additional stock will be issued by directors when necessary for corporate purposes.

Subscription Privileges—Stockholders of record Jun 17, 1925, had the privilege until July 17, 1925 to subscribe for $3,850,000 additional stock to the extent of 10% of their respective holdings, subscriptions to be paid for either (a) in one payment on or before Jul 17, 1925, or (b) in four installments of 25% each o

Gas for House Heating Increases Yearly



The above chart shows how the sales of gas for House Heating have increased during the last few years. Indications are that they will continue to grow for many years to come.

An active campaign for this business was inaugurated in Chicago in 1923 when a special rate for House Heating was established. New installations have been added to our lines at the rate of approximately 500 per year. Home owners have accepted gas as a heating fuel because of its cleanliness, convenience, adaptability, and because the source of supply is constant and dependable.

The Peoples Gas Light and Coke Company

CHICAGO

Gas for House Heating Increases Yearly

The above chart shows how the sales of gas for House Heating have increased during the last ten years. Indications are that they will continue to grow for many years to come.

An active campaign for this business was inaugurated in Chicago in 1923 when a special rate for House Heating was established. New installations have been added to our lines at the rate of approximately 500 per year. Those contracting for gas for heating find increased comfort, convenience, adaptability, and because the source of supply is constant and dependable.

The Peoples Gas Light and Coke Company

CHICAGO

or before July 17, 1925, October 19, 1925, January 18, 1926 and April 19, 1926, respectively, or (c) in ten installments of 10% each, monthly, July 17, 1925 to April 19, 1926. 37,413 shares were subscribed, the remaining 1,087 shares being placed in the treasury.

Stockholders of record Oct. 15, 1926, were given the right to subscribe for additional capital stock at par, $100 a share, to the extent of 10% of their holdings. Rights expired Nov. 15, 1926.

Stockholders of record Oct. 3, 1927, were given the right to subscribe to additional capital stock to the extent of 10% of their holdings at par, $100 a share. Rights expired Nov. 3, 1927. Subscriptions were received for 46,250 shares.

Transfer Agents—Company's office, Chicago, and Lawyers Trust Co., New York.

Registrars—Central Trust Co. of Illinois, Chicago, and Central Union Trust Co. of New York.

Annual Meeting—Last Tuesday in February.

Listed—New York and Chicago Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	168¾	131	122¼	119½	98½	99	64⅜	45
Low	126	117	112	92½	86	59¾	33⅝	27

Dividends—Dividends have been paid as follows: 6% per annum from 1897 to Nov., 1905; Feb., 1906, to Nov., 1906 at rate of 5% per annum; Feb., 1907 to Feb., 1909, at rate of 6% per annum; May, 1909 to Aug. 1913, at rate of 7% per annum; Nov., 1913 to and including Feb., 1916, at rate of 8%; on May 25, 1916, quarterly dividend was reduced to 1½%, which rate was maintained to and including Feb., 1917; May and Aug., 1917, 1% each; none thereafter until Jan. 17, 1922, when quarterly dividends at the rate of 5% per annum were resumed; on Jan. 17, 1923, the rate was increased to 6% per annum, on Jan. 17, 1924, to 7% and on Jan. 17, 1925, to 8%, which rate maintained to date; payments J, A, J & O 17.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1) Chicago Gas Light & Coke Co. First 5s	Due	July 1, 1937
(2) Consumers Gas Co. First 5s	"	Dec. 1, 1936
(3) Mutual Fuel Gas Co. Gold 5s	"	Nov. 1, 1947
(4) Peoples Gas Light & Coke Co. First Cons. 6s	"	Apr. 1, 1943
(5) Peoples Gas Light & Coke Co. Refunding 5s	"	Sept. 1, 1947
(6) *Peoples Gas Light & Coke Co. Gen. & Ref. Gold 5s	"	Dec. 1, 1963

*Called for purchase Dec. 1, 1927.

(1)

$9,929,000 CHICAGO GAS LIGHT & COKE CO FIRST 5s, DUE JULY 1, 1937

Dated July 1, 1887.

Interest Payable Jan. and July 1, at Central Union Trust Co., of New York. Coupon, $1,000. Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Authorized issue, $10,000,000. A direct lien on entire property of old Chicago Gas Co. Assumed by Peoples Gas Light & Coke Co. Listed on New York and Chicago Stock Exchanges. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103¾	103	101¾	100	96¾	99	86	75
Low	102	101½	98¼	93½	92	89	77	62

(2)

$4,196,000 CONSUMERS' GAS CO. FIRST 5s, DUE DECEMBER 1, 1936

Dated December 1, 1886.

Interest Payable June and Dec. 1, at Central Union Trust Co. of New York, Trustee. Coupon, $1,000 Authorized issue, $5,000,000. Secured on old Consumers' Gas property, and also on capital stock of Hyde Park Co., which latter company's property is now pledged under mortgage with Central Union Trust Co. Listed on New York and Chicago Stock Exchanges. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102¼	102¾	100⅞	100	95¾	99	87½	..
Low	100¾	98¼	92⅞	93¼	90	92	79⅝	..

(3)

$4,886,000 MUTUAL FUEL GAS CO. GOLD 5s, DUE NOVEMBER 1, 1947

Dated November 1, 1897.

Interest Payable May and Nov. 1, at Central Union Trust Co. of New York, Trustee. Coupon, $1,000; registerable as to principal and fully registerable, and registered, $1,000 and multiples. A first lien on property of Mutual Fuel Gas Co., acquired in 1897. Assumed by Peoples Gas Light & Coke Co. Listed on New York Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103	102⅝	101¾	96¼	95	95¼	..	63
Low	101½	96⅛	95½	92	89¾	78½	..	61

(4)

$4,900,000 PEOPLES GAS LIGHT & COKE CO FIRST CONSOLIDATED 6s, DUE APRIL 1, 1943

Dated April 1, 1893.

Interest Payable April and Oct. 1, at Central Union Trust Co. of New York, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $10,000,000, of which $4,600,000 were reserved to retire prior liens in 1904. In all probability these will not be issued, as provision is made in Refunding Mortgage of 1897 for all underlying mortgages. Listed on New York and Chicago Stock Exchanges. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	114⅞	114½	110¾	108½	108	110	101⅜	89
Low	113½	110¼	107	103¾	103¾	101¼	84	84

(5)

$20,554,000 PEOPLES GAS LIGHT & COKE CO. REFUNDING 5s, DUE SEPTEMBER 1, 1947

Dated September 1, 1897.

Interest Payable March and September 1, at Central Union Trust Co. of New York.

Denominations—Coupon (principal or both principal and interest may be registered), $1,000, and registered, $1,000 and multiples thereof.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized, $40,000,000, the $19,446,000 unissued bonds being reserved solely to retire the underlying liens described in Nos. 1, 2 and 4. The rate of interest on unissued bonds may be made less than 5% at option of company.

Callability—Not subject to call.

Sinking Fund—None.

Security—Secured by a general lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—W. W. Gurley and Arthur Dyrenforth, Chicago.

Public Offering—A block of $4,800,000 bonds was publicly offered in July, 1904, at 104 and interest.

Listed—New York and Chicago Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105½	103¼	100	98	94	96½	86½	70½
Low	101⅜	98½	94⅝	87½	87⅛	85	63⅛	57

(6)

$1,712,000 PEOPLES GAS LIGHT & COKE CO. GENERAL AND REFUNDING GOLD 5s, DUE DECEMBER 1, 1963

Bonds Called—All of these General & Refunding Mortgage 5% Gold bonds, due Dec. 1, 1963, were called for purchase on Dec. 1, 1927, at 105 and interest, at Illinois Merchants Trust Co., Chicago.

BONDS ASSUMED SINCE DEC. 31, 1927

$13,000,000 CHICAGO BY-PRODUCT COKE CO. FIRST AND REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE JANUARY 1, 1976

Dated January 2, 1926.

Interest Payable January and July 1 at Illinois Merchants Trust Co., Chicago, at Union Trust Co. of Pittsburgh or Bankers Trust Co., New York.

Denominations—Coupon (principal may be registered), $1,000; fully registered bonds of $1,000 and multiples thereof; interchangeable.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Issued, $13,000,000. Proceeds applied to redemption of the entire outstanding funded indebtedness of the Company and for other corporate purposes. Additional bonds of this series, or of any other series, bearing such rates of interest, maturing at such times and having such other provisions as the Directors at the time of issuance may determine, may at any time be issued (a) in equal amount against the deposit of cash or U. S. obligations, or against the deposit or discharge of underlying bonds, if any, and to pay or refund other series issued under the mortgage, and (b) to the extent of 75% of expenditures for extensions and to the extent of 75% of the cost or value (whichever is less) of purchased property.

Callability—Subject to call at any time, as a whole or in part, on four weeks' notice at 105 and interest.

Security—Secured by a first mortgage on all the real estate, including all improvements of the Company now or hereafter erected thereon, and all rights and franchises formerly owned by the Company. These properties were valued by The Koppers Company as worth in excess of $25,000,000 as of January, 1926.

Assumed—Assumed by Peoples Gas Light & Coke Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to reimburse holders of these bonds (if residents of such States and upon their request within 60 days after payment) for and to the extent of payment by them of the Pennsylvania Four Mill Tax, Connecticut Personal Property Tax not exceeding four mills and Massachusetts Income Tax not exceeding 6%.

Legal Opinion—Cooke, Sullivan & Ricks, Chicago (for the Peoples Gas Light & Coke Co.) and Reed, Smith, Shaw & McClay, Pittsburgh (for the Bankers).

Original Offering—First publicly offered ($13,000,000) in January, 1926, at 94¾ and interest, to yield 5.30% by The Union Trust Company of Pittsburgh, and Guaranty Company and Halsey, Stuart & Co., New York.

NOTES ISSUED SINCE DECEMBER 31, 1927

$8,000,000 PEOPLES GAS LIGHT & COKE CO. 4¼% AND 4½% SERIAL GOLD NOTES; DUE $3,000,000 (4¼%) DECEMBER 1, 1928; $2,000,000 (4½%) DECEMBER 1, 1929 AND $3,000,000 (4½%) DECEMBER 1, 1930

Dated January 3, 1928.

Interest Payable June and December 1 at Halsey, Stuart & Co., Inc., Chicago and New York.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $8,000,000.

Purpose of Issue—Proceeds were used to reimburse the treasury of the Company for expenditures heretofore made for additions to and extensions of its properties. The funds thus made available were applied to the acquisition of the combination coke oven and water gas plant of the Chicago By-Product Coke Co., and to other corporate purposes.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at 100 and interest plus ¼ of 1% for each full year or portion thereof to elapse to maturity.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($8,000,000) in Dec., 1927, at par and interest by Halsey, Stuart & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Peoples Gas Light and Coke Co.)

	1927	1926	1925	1924	1923	1922
Operating revenues	$35,107,498	$33,920,196	$31,854,552	$31,329,895	$30,615,188	$29,645,777
Operating expenses	23,128,374	22,251,587	21,104,552	20,091,261	19,521,334	19,912,312
Depreciation	1,444,792	1,427,079	1,321,033	1,297,679	1,232,020	1,155,332
Uncollectible operating revenue	165,445	163,160	153,929	152,062	223,926	218,187
Taxes	2,882,153	2,778,553	2,400,000	2,259,324	2,289,238	2,001,894
Net operating income	$7,486,734	$7,299,817	$6,875,038	$7,529,569	$7,348,670	$6,358,052
Other income	874,391	932,896	1,114,631	1,163,128	895,181	915,947
Total income	$8,361,125	$8,232,713	$7,989,669	$8,692,697	$8,243,851	$7,273,999
Deductions from total income	457,163	420,618	434,296	1,773,915	1,687,487	1,654,152
Balance	$7,903,962	$7,812,095	$7,555,373	$6,918,782	$6,556,364	$5,619,847
Interest on funded debt	2,404,632	2,702,850	2,702,850	2,643,433	2,357,850	2,357,850
Net income	$5,499,330	$5,109,245	$4,852,523	$4,275,348	$4,198,514	$3,261,997
Deduct dividends	3,804,510	3,458,500	3,218,672	2,791,250	2,983,750	1,924,980
Balance to surplus	$1,694,820	$1,650,745	$1,633,851	$1,484,098	$1,214,764	$1,337,017
Times Funded Debt Interest Earned	3.28	2.89	2.80	2.62	2.78	2.38
Earnings Per Share	$10.80	$11.04	$11.55	$11.10	$10.90	$8.47

Depreciation Policy—The policy of Company as to depreciation is to set aside out of the gross income $0.042 per 1,000 cubic feet of gas sold as a reserve to cover retirements.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31,
(The Peoples Gas Light and Coke Company and Subsidiary Corporations)

	1927	1926	1925
Operating revenues	$39,658,954	$38,888,960	$36,824,567
Cost of production, distribution and general operating expense	25,997,166	25,505,464	24,291,541
Rent of leased plant facilities	1,470,844	1,500,649	1,464,101
Retirement expenses	1,555,050	1,529,576	1,403,486
Total operating expenses	$29,023,060	$28,535,688	$27,159,128
Net operating expenses	$10,635,894	$10,353,272	$9,665,439
Uncollectible bills	190,767	188,571	177,550
Taxes	2,951,942	2,842,872	2,463,645
Net operating income	$7,493,185	$7,321,829	$7,024,244
Other income	1,361,414	1,376,931	1,533,276
Total income	$8,854,599	$8,698,759	$8,557,520
Other deductions	$274,593	$218,565	$317,13
Balance available for funded debt interest	$8,580,006	$8,480,195	$8,240,38
Interest on funded debt	2,901,643	3,239,670	3,233,10
Net income	$5,678,363	$5,240,524	$5,007,28
Dividends declared	3,804,510	3,458,500	3,218,67
Balance to surplus	$1,873,853	$1,782,024	$1,788,60
Times Funded Debt Interest Earned	2.96	2.62	2.5
Earnings Per Share on parent company's stock	$11.16	$11.32	$11.9

GENERAL BALANCE SHEET, DECEMBER 31

(Peoples Gas Light and Coke Co.)

Assets—	1927	1926	1925	1924	1923	1922
Property, plant & equip.	$118,362,414	$114,759,758	$112,122,731	$106,230,142	$101,910,807	$100,462,287
Invest. in affil. cos.	8,514,661	5,411,525	4,337,398	3,376,939	2,218,542	2,428,000
Misc. investments	416,423	3,070,010	3,770,080	4,198,078	2,333,723	855,089
Reacquired securities	1,797,600	.....	.....	.....	.....	.....
Sinking funds	11,130	12,009	12,009	12,009	12,009	12,009
Reserve funds	3,007,065	2,692,187	2,435,811	2,540,312	2,298,834	1,772,592
Matured bond interest deposits	409,350	346,190	308,610	360,315	340,275	340,980
Coal, coke, and oils on hand	1,273,952	1,202,165	1,254,246	430,357	525,470	862,439
Other material on hand				773,448	910,623	735,980
Sundry deposits and advances	1,395,436	1,236,937	711,040	29,734	295,278	313,469
Gas accounts receivable	2,671,723	2,730,953	2,182,027	1,829,967	1,816,378	1,899,322
Sundry accts. receivable				596,922	1,210,887	803,510
Loans and notes receivable	14,833	21,667	28,500	1,063,000	1,168,000	703,556
Subscribers to capital stock	212,426	216,242	92,237	.....	.....	.....
Interest & divds. receivable	208	41,517	62,417	.....	.....	.....
Cash	3,843,969	7,945,373	3,878,384	2,236,240	1,394,470	1,184,526
Prepayments	118,230	166,422	96,495			
Unamortized debt disc. & exp.	417,536	441,622	522,443			
Unamortized rents	3,635,080	3,839,717	4,044,354	6,060,131	5,835,006	5,832,312
Misc. deferred debits	789,834	882,052	1,095,547			
Total	$146,891,870	$145,016,345	$136,954,329	$129,737,594	$122,270,302	$118,206,072
Liabilities—						
Capital stock	$50,893,400	$46,273,800	$42,027,100	$38,500,000	$38,500,000	$38,500,000
Capital stock subscribed	316,600	311,200	214,200	.....	.....	.....
Funded debt	46,177,000	51,927,000	51,927,000	51,927,000	46,177,000	46,177,000
Deposits, security for gas bills, etc	770,593	740,726	565,042	580,206	773,693	889,977
Accounts payable	1,151,550	1,075,934	987,014	1,053,649	791,427	1,072,959
Dividends declared	1,018,808	925,476	840,542	770,052	673,774	.....
Bills and notes payable	.....	.....	.....	.....	1,000,000	.....
Matured interest unpaid	409,350	346,190	308,610	360,315	340,275	340,980
Sundry current liabilities	37,980	39,470	34,305	82,013	81,535	72,612
Deferred credits	34,740	33,677	27,298	31,937	401,527	2,427
Interest accrued	475,466	598,649	598,194	596,400	481,400	481,400
Taxes accrued	3,248,587	3,085,331	2,661,335	2,506,543	2,504,807	2,219,578
Retirement reserve	14,410,167	13,938,693	12,888,312			
Insurance fund reserve (invested)	1,450,120	1,265,252	1,118,509			
Provident fund reserve (invested)	1,556,945	1,426,935	1,317,302	14,671,768	13,313,184	12,375,343
Miscellaneous reserves	2,340,566	1,955,264	1,537,260			
Surplus	22,599,998	21,072,748	19,902,306	18,657,711	17,231,680	16,073,796
Total	$146,891,870	$145,016,345	$136,954,329	$129,737,594	$122,270,302	$118,206,072

Contingent Liability—Company guarantees payment principal and interest of $6,000,000 5% bonds due May 1, 1945, of Ogden Gas Co., $6,000,000 5% bonds due May, 1936, of The Indiana Natural Gas & Oil Co., $13,000,000 5% bonds, due Jan. 1, 1976, of Chicago By-Product Coke Co., and $196,333.33 6% bonds due July 1, 1947 of Chicago & Illinois Western Railroad. The interest on the Ogden Gas issue is deducted from income and not charged to bond interest. The interest on the first three named issues was not a charge against company for the year 1927. These four bond issues are not listed as liabilities on the balance sheet of The Peoples Gas Light and Coke Company.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(The Peoples Gas Light and Coke Company and Subsidiary Corporations)

Assets—	1927	1926	1925
Property, plant & equip.	$132,479,439	$128,301,808	$125,921,768
Miscellaneous investments	6,937,957	6,837,420	7,275,323
Reacquired securities	1,797,600	.....	.....
Reserve funds (see reserves)	3,007,065	2,692,187	2,435,811
Cash	4,398,488	8,379,870	4,195,836
Notes receivable	37,343	45,431	49,550
Accounts receivable	4,172,264	4,435,166	3,821,470
Int. & divds. receiv.	75,653	96,093	76,088
Materials and supplies	2,290,239	1,895,854	1,975,239
Sundry advances and deposits	1,476,863	1,236,937	711,040
Matured bond interest deposits	410,300	350,490	310,035
Subscribers to cap. stock	212,426	216,242	92,237
Prepayments	169,936	192,463	124,226
Unamortized debt disct. & expense	639,748	690,500	797,988
Unamortized rents	3,635,080	3,839,717	4,044,354
Misc. deferred debits	972,129	985,061	1,122,703
Total	$162,712,530	$160,195,239	$152,953,668

Liabilities—	1927	1926	1925
Capital stock	$50,893,400	$46,273,800	$42,027,100
Subscribed	316,600	311,200	214,200
Funded debt	58,177,000	63,927,000	63,927,000
Property purchase contracts payable	400,000	600,000	957,000
Notes payable	647,221	388,333	537,194
Accounts payable	1,114,677	964,549	929,466
Dividends declared	1,018,808	925,476	840,542
Matured bond interest unpaid	410,300	350,490	310,035
Consumers' deposits	770,592	740,726	565,042
Taxes accrued	3,297,188	3,136,801	2,718,549
Interest accrued	513,408	645,691	649,070
Sundry current liabilities	55,967	40,270	35,599
Retirement reserve	16,294,167	15,525,464	14,593,076
Insurance fund reserve (invested)	1,450,120	1,265,252	1,118,509
Provident fund reserve (invested)	1,556,945	1,426,935	1,317,302
Miscellaneous reserves	2,418,575	2,031,133	1,572,775
Deferred credits	51,183	56,212	41,423
Surplus	23,326,379	21,585,906	20,599,787
Total	$162,712,530	$160,195,239	$152,953,668

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Gas, coke, coal, etc.	$1,273,951	$500,549	$505,674	$430,357	$525,470	$862,439
Other material on hand		701,616	748,572	773,448	910,623	735,980
Loans and notes receivable	14,833	21,667	28,500	1,063,000	1,168,000	703,556
Subscribers to capital stock	212,426	216,242	92,237	.....	.....	.....
Interest and dividends receivable	208	41,517	62,417	.....	.....	.....
Gas accounts receivable	2,671,723	2,249,406	1,890,105	1,829,967	1,816,378	1,899,322
Sundry accounts receivable		481,547	291,922	596,922	1,210,887	803,510
Deposits with agencies for bond coupons	409,350	346,190	308,610	360,315	340,275	340,980
Cash	3,843,970	7,945,373	3,878,384	2,236,240	1,394,470	1,184,527
Sundry deposits and advances	1,395,436	1,236,937	711,040	29,734	295,278	313,469
Total	$9,821,897	$13,741,043	$8,517,461	$7,319,983	$7,661,381	$6,843,783

STATEMENT OF WORKING CAPITAL DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Current Liabilities—						
Accounts payable	$1,151,550	$1,075,934	$987,014	$1,053,649	$791,427	$1,072,9
Loans and notes payable	.....	.....	.....	.....	1,000,000	.....
Dividends declared	1,018,808	925,476	840,542	770,052	673,774	.....
Taxes accrued	3,248,587	3.085,332	2,661,335	2,506,543	2,504,807	2,219,5
Matured bond interest unpaid	409,350	346,190	308,610	360,315	340,275	340,9
Interest accrued	475,466	598,649	598,194	596,400	481,400	481,4
Customers and other deposits	770,593	740,726	565,042	580,205	773,693	889,9
Sundry current liabilities	37,980	39,470	34,305	82,013	81,535	72,6
Total	$7,112,334	$6,811,777	$5,995,042	$5,949,177	$6,646,911	$5,077,5
Net Working Capital	$2,709,563	$6,929,266	$2,522,419	$1,370,806	$1,014,470	$1,766,2

Officers: Samuel Insull, Chairman of Board & Pres.; Geo. F. Mitchell, Asst. to Pres. & V-P.; Bernard J. Mullaney, V-P.; Theo. V. Purcell, V-P.; William G. Rudd, V-P.; Wm. A. Sauer, V-P.; A. L. Tossell, Sec.; Robert Blair, Asst. Sec.; Frank L. Griffith, Asst. Sec.; Wm. R. Weldon, Treas.; Walter I. Coble, Comp Charles J. Hill, Aud., Chicago.

Directors: Samuel Insull, James A. Patten, Mart J. Insull, Stanley Field, George F. Mitchell, Chicago

Chicago Office, 122 South Michigan Ave.

THE INDIANA NATURAL GAS & OIL COMPANY

(Controlled by The Peoples Gas Light and Coke Company)

History—Incorp. Oct. 5, 1889, in Ind., to develop and distribute natural gas and oil. Company owns pipe line, 115 miles in length, extending from the southeast limits of Chicago, Illinois, to Howard County, Indiana, utilized in serving gas to cities of East Chicago, Hobart, Valparaiso, Winamac, Logansport, Peru, Wabash and Kokomo, and owns gas distributing systems in East Chicago and Kokomo, pumping stations, etc.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $50. All deposited under the refunding mortgage described below. Annual meeting, second Wednesday in June. No dividends paid.

FUNDED DEBT

$6,000,000 REFUNDING (NOW FIRST) GOLD 5s, DUE MAY 1, 1936

Dated May 1, 1906.

Interest Payable May and November 1, at Central Union Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized and outstanding $6,000,000.

Security—A direct first lien on entire property; additionally secured by pledge of entire $2,000,000 capital stock of this company. Retirement is specifica provided for at or before maturity in the General a Refunding Mortgage of The Peoples Gas Light Coke Co.

Guaranty—Guaranteed principal and interest by dorsement by The Peoples Gas Light and Coke Co.

Tax Provisions—Company pays Normal Fede Income Tax up to 2%.

Public Offering—A block of $1,000,000 of th bonds offered in May, 1909, at 95 and interest; a f ther block of these bonds offered in Jan., 1917, 92½ and interest.

Listed—New York and Chicago Stock Exchanges

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1
High	99⅝	98½	94	91⅝	80½	82¼	..	7
Low	98	91⅛	87½	82	79	81½	..	7

Officers: Samuel Insull, Pres.; Geo. F. Mitch V-P.; W. L. Weldon, Treas. & Asst. Sec.; A. L. T sell, Sec. & Asst. Treas.; W. A. Sauer, Compt.; W Coble, Aud.

Directors: Samuel Insull, Geo. F. Mitchell, C cago, Ill.; B. P. Shearon, Morse Dell Plain, Hammo Ind.; S. E. Mulholland, Fort Wayne, Ind.

Office, 122 S. Michigan Ave., Chicago, Ill.

OGDEN GAS COMPANY

(Leased to The Peoples Gas Light and Coke Company)

History—Incorporated in 1895 in Illinois, to manufacture gas and its by-products in Chicago. In Feb., 1907, the works and mains were leased to The Peoples Gas Light and Coke Co. for 38 years.

CAPITAL STOCK

Authorized and outstanding, $5,000,000. Annual meeting, second Monday in January. No dividends paid.

FUNDED DEBT

$6,000,000 (entire issue) First Mortgage 5% Gold bonds; dated Nov. 1, 1900; due May 1, 1945; int. May and Nov. 1, at Farmers' Loan & Trust Co., New York, Trustee. A first lien on property of company. Gu anteed, principal and interest, by The Peoples Light and Coke Co. (see Manual for 1905 for stipu tion in deed of trust, or apply to our Information partment). Quoted on unlisted dept. of Chicago St Exchange. Company pays Normal Federal Inco Tax up to 2%.

Officers: W. A. Fox, Pres.; E. J. Doyle, Sec Treas.

Directors: W. A. Fox, E. J. Doyle, John H. Gul F. L. Blackinton, J. J. Guinan.

Office, 72 West Adams St., Chicago, Ill.

NEW YORK & HOBOKEN FERRY COMPANY

(Controlled by and leased to The Delaware, Lackawanna & Western R. R. Co.)

History and Properties—Incorporated Nov. 10, 1898, in N. J.; consolidation of the Hoboken Ferry Co. and New York & New Jersey Ferry Co. Operates the Barclay St., Christopher St. and West St. (New York) ferries to Hoboken, N. J., and o valuable wharf and dock properties. Control of

SPECIALISTS IN
HOBOKEN FERRY CO. 1st 5s, 1946
PYNCHON & CO.
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CHICAGO Tel. Wabash 7700
MILWAUKEE Tel. Broadway 306
PROVIDENCE Tel. Gaspee 8600
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Private wire connections to all important markets in the United States and Canada

ompany was acquired by The Delaware, Lackawanna & Western R. R. Co. April 27, 1903. Rental provides or annual interest on bonds.

CAPITAL STOCK

Authorized, $4,000,000; outstanding, $3,300,000; par, 100. All owned by The Delaware, Lackawanna & Western RR. Co.

Dividends—Dec., 1899, 1%; 1900, 4½%; 1901 to 904, inclusive, 5% per annum; none reported since.

FUNDED DEBT

$1,000,000 New York & New Jersey Ferry Co. econd Gold 5s; dated 1896; due Jan. 1, 1946; int. Jan. nd July 1, at 90 West St., New York. Kings County rust Co., Brooklyn, N. Y., Trustee. Issued, $1,000,-00 of which $600,000 were issued in exchange for a ke amount of New York & New Jersey Ferry Co. irst Gold 4½s due Jan. 1, 1946. Secured on shore roperty at 14th St., Hoboken, on 3 ferry boats and n franchise to operate a ferry between 14th St., Ioboken, and 23d St., New York. The Delaware, ackawanna & Western RR. Co. owns $751,000 of ie issue. Company does not pay Normal Federal ncome Tax.

$4,080,000 Hoboken Ferry Co. First Consolidated old 5s; dated May 1, 1896; due May 1, 1946; int. May nd Nov. 1, at D., L. & W. office, 90 West St., New ork. Coupon, $1,000; principal may be registered. nited States Mortgage & Trust Co., New York, Trus-e. Authorized issue, $4,500,000. Subject to call at 10 and interest on any interest date on six months' otice. Secured on all property, rights, privileges and anchises of the former Hoboken Ferry Co., in-uding the leases of the Christopher and Barclay St. rries, and all the wharfage and cranage of the prop-ty 142 to 146 West St., New York. The Delaware. ackawanna & Western RR. Co. owns $171,000 of ie issue. Company does not pay Normal Federal In-me Tax.

$3,300,000 New York & Hoboken Ferry Co. General Gold 5s; dated Dec. 1, 1898; due May 1, 1946; int. June and Dec. 1, at 90 West St., New York. Coupon, $1,000; principal may be registered. United States Mortgage & Trust Co., New York, Trustee. Subject to call at 110 and int. on any interest date on six weeks' notice. Authorized, $4,000,000; unissued bonds reserved for improvements. Secured on entire property of company, subject to the prior liens described in the three preceding paragraphs. The Delaware, Lackawanna & Western RR. Co. owns $1,516,000 of the issue. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$422,715	$423,150	$422,650
Deductions:			
Fixed charges	$254,565	$255,000	$254,500
Income charges	168,150	168,150	168,150
Total deductions	$422,715	$423,150	$422,650

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Invests. in affil. cos.	$7,875,232	$7,875,232	$7,875,232
Corporate deficit	30,969	29,750	29,825
Total	$7,906,201	$7,904,982	$7,905,057
Liabilities—			
Capital stock	$3,300,000	$3,300,000	$3,300,000
Funded debt	3,300,000	3,300,000	3,300,000
Due affiliated companies	1,275,232	1,275,232	1,275,232
Interest matured	30,969	29,750	29,825
Total	$7,906,201	$7,904,982	$7,905,057

Officers: J. M. Davis, Pres.; W. S. Jenney, V-P.; W. G. Van De Water, Sec. & Treas.; J. G. Enderlin, Asst. Sec. & Asst. Treas., New York.

Directors: W. H. Truesdale, P. J. Flynn, W. S. Jenney, E. M. Rine, W. G. Van De Water, G. E. Hustis, J. M. Davis, New York.

Offices, 90 West St., New York, and Hoboken, N. J.

COMMONWEALTH EDISON COMPANY

(See Accompanying Chart)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
pital Stock (par $100)	F, M, A & N 1	$150,000,000	$111,088,000	$13,984,169	8%	$8,793,216	$12.59

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
) Commonwealth Edison Co. 1st Gold 5s	June 1, 1943	M & S 1	.....	$45,774,000	No	Yes	Paid by Co.
) Commonwealth Electric Co. 1st Gold 5s	June 1, 1943	M & S 1	.....	8,000,000	No	Yes	Paid by Co.
) Commonwealth Edison Co. 1st Gold 6s	June 1, 1943	M & S 1	.....	6,000,000	No	Yes	Paid by Co.
) Commonwealth Edison Co. 1st Coll. 5s "A"	July 1, 1953	J & J 1	.....	15,000,000	No	Yes	Paid by Co.
) Commonwealth Edison Co. 1st Coll. 5s "B"	June 1, 1954	J & D 1	.....	15,000,000	No	Yes	Paid by Co.
6) Commonwealth Edison Co. 1st Coll. 4½s "C"	Apr. 1, 1956	A & O 1	.....	15,000,000	No	Yes	Paid by Co.
) Commonwealth Edison Co. 1st Coll. 4½s "D"	July 1, 1957	J & J 1	.....	15,000,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $119,774,000.
Amount Available for Interest in 1927, $19,739,699.
Interest Accrued in 1927, $5,755,530.
Times Interest Earned in 1927, 3.43.

History—Incorporated in Ill.; consolidation as of pt. 17, 1907, of the Chicago Edison Co. and the Commonwealth Electric Co., the latter company having rmerly been owned in the same interest as the Chi-go Edison Co. (For plan of consolidation see Man-l for 1914, page 2147, or apply to our Information epartment).

Does practically all the central station electric light-g and power business of Chicago, Ill., serving a pulation of 3,100,000. The old franchise of the hicago Edison Co. was granted in March, 1887, and extended for 25 years. The franchise of the Commonwealth Electric Co. was granted in 1897 for 50 years. On March 24, 1908, the Chicago City Council passed an ordinance providing that 3% annually of the gross receipts during the life of the franchise of the old Commonwealth Electric Co. be paid to the City, and providing that the franchise be extended to include all of the subsidiary companies. It has been the policy of the company to reduce its rates as fast as possible. The latest rate reduction was Aug. 1, 1923, from 9 cents to 8 cents (net) per kilowatt-hour

Representing Commonwealth Edison Company
UTILITY SECURITIES COMPANY
New York CHICAGO St. Louis
Louisville Indianapolis Milwaukee Minneapolis Richmond

as the primary or maximum rate. This company has the record of going through the war and after-war period without increasing its rates to customers or reducing its dividend rate to stockholders.

During 1925 Company entered into an interchange energy contract with the Public Service Company of Northern Illinois and the Northern Indiana Gas & Electric Company. By the terms of this contract the **capacities of the three companies are pooled against their combined maximum load. Electrical energy is interchanged from one system to another depending on conditions of load throughout the territory covered by the three companies.**

Not only is the great "pool of power" in and around Chicago now inter-connected, but the Chicago District itself forms a part of the great super-power inter-connection embracing parts of Wisconsin, Illinois, Indiana, Michigan and Kentucky, and is connected with territory in Ohio and Pennsylvania.

Property—The company has six generating stations and 97 substations in service and 10 substations under construction. The principal generating stations now in operation are the Fisk Street of 230,000 kilowatts capacity; Quarry Street of 84,000 kilowatts capacity; Northwest of 165,000 kilowatts capacity; Calumet of 187,000 kilowatts capacity, and Crawford Avenue of 324,000 kilowatts capacity.

During 1924 the first electrical generating unit of 60,000 kilowatts was put into service at Crawford Avenue station. A second unit, rated at 50,000 kilowatts, was put in service March 20, 1925, a third, of 51,000 kilowatts, in May, 1925, and a fourth unit of 75,000 k.w. capacity, Aug. 1, 1926, a fifth unit of 88,000 k.w. capacity was put in service in Aug., 1927, making the total generating capacity of the station 324,000 kilowatts, compared with the 230,000 kilowatts for the Fisk Street Station. Work on the installation of another group-unit (No. 6), rated at 100,000 kilowatts, was progressing at Crawford Avenue Station, at the end of 1927. These are very large turbo-generator group units, and their installation is illustrative of a growing tendency to install large units in large generating stations. Inter-connections of large systems and large stations make it possible to utilize the economies of these large generating units. When group-unit No. 6 is added to the Crawford Avenue Station, its total rating will be 424,000 kilowatts and still further additions to a total capacity of 1,000,000 kilowatts are anticipated in the future.

The Crawford Avenue station is not only the largest but it is also the most efficient of the Company's generating stations; and it produced about 33% of all the energy generated by the Company during 1927. The Calumet station and the more efficient units in other generating stations produced another 33% of the energy generated, with the result that, for the first time in the history of the Company, the consumption of coal in all stations has averaged less than two pounds per kilowatt-hour of energy generated.

At Dec. 31, 1927, Company's total generating and **storage-battery capacity (using the rating developed as a result of the interchange energy contract referred** to above) was 1,042,365 kilowatts, compared with 965,000 kilowatts on Dec. 31, 1926.

The physical properties include 12,540 miles of overhead conductors, 7,600 miles of underground conduit, 3,400 miles of cables, 373 acres of real estate in **the City of Chicago, and (through subsidiary companies) coal rights in 54,030 acres of coal land in Illinois and Indiana estimated to contain over 400,000,000 tons of coal.**

State Line Generating Co.—This company, controlled jointly by the Commonwealth Edison Co., the Public Service Co. of Northern Illinois (through its Subsidiary Corporation), the Northern Indiana Public Service Co., and the Interstate Public Service Co., is constructing an electric generating station located on a 90-acre tract of ground on Lake Michigan just east of the Illinois-Indiana line. A turbo-generator of 200,000 k.w. capacity is under construction as the first unit of the station, and it is expected that the above four companies will absorb its total output. This plant will have, eventually, a generating capacity of 1,000,000 kilowatts, according to present plans.

Commonwealth Subsidiary Corporation—In Dec. 1926, this corporation was formed by the Commonwealth Edison Co. to take over, hold and manage as agent for the latter, securities and accounts carried on the books of the Commonwealth Company at a total value of over $29,401,100. These assets did not constitute a part of the utility business. All the 294,02 shares (except 9 directors' qualifying shares) are owned and will continue to be owned by the Company. The Board of Directors of the Subsidiary Corporation, in personnel, is identical with the Board of the Commonwealth Company, and all officers of the former are also officers of the latter.

Chicago and Illinois Midland Ry. Co.—The Commonwealth Edison Co. controls this company (see Railroad and Bank Section), which on Feb. 13, 192 was authorized by the Interstate Commerce Commission to acquire control of the Springfield, Havana & Peoria RR., formerly a part of the old Chicago, Peoria & St. Louis RR. Co.

Chicago Rapid Transit Co.—Control of Chicago Rapid Transit Co. (see appended statement) is held by Commonwealth Edison Company through the ownership of Voting Trust Certificates representing a majority of Common stock.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
No. of customers	906,088	864,488	811,366	755,233	688,155	610,3
Output (k.w.h.)	3,778,380,000	3,482,632,000	3,091,424,000	2,787,090,000	2,573,287,000	2,225,443,0
Maximum load (k.w.h.)	916,000	867,000	792,000	697,000	635,000	600,0
Coal burned (tons)	3,293,776	3,368,750	3,062,856	2,953,237	2,800,000	2,416,0

CAPITAL STOCK

Authorized, $150,000,000 (increased from $40,000,000 to $50,000,000 Sept. 25, 1913; to $60,000,000 Feb. 28, 1916; to $80,000,000 Feb. 27, 1922; to $100,000,000 Feb. 26, 1923; to $125,000,000 Feb. 24, 1925, and to $150,000,000 Feb. 28, 1927); outstanding, as of Dec 31, 1927, $111,088,000; par, $100.

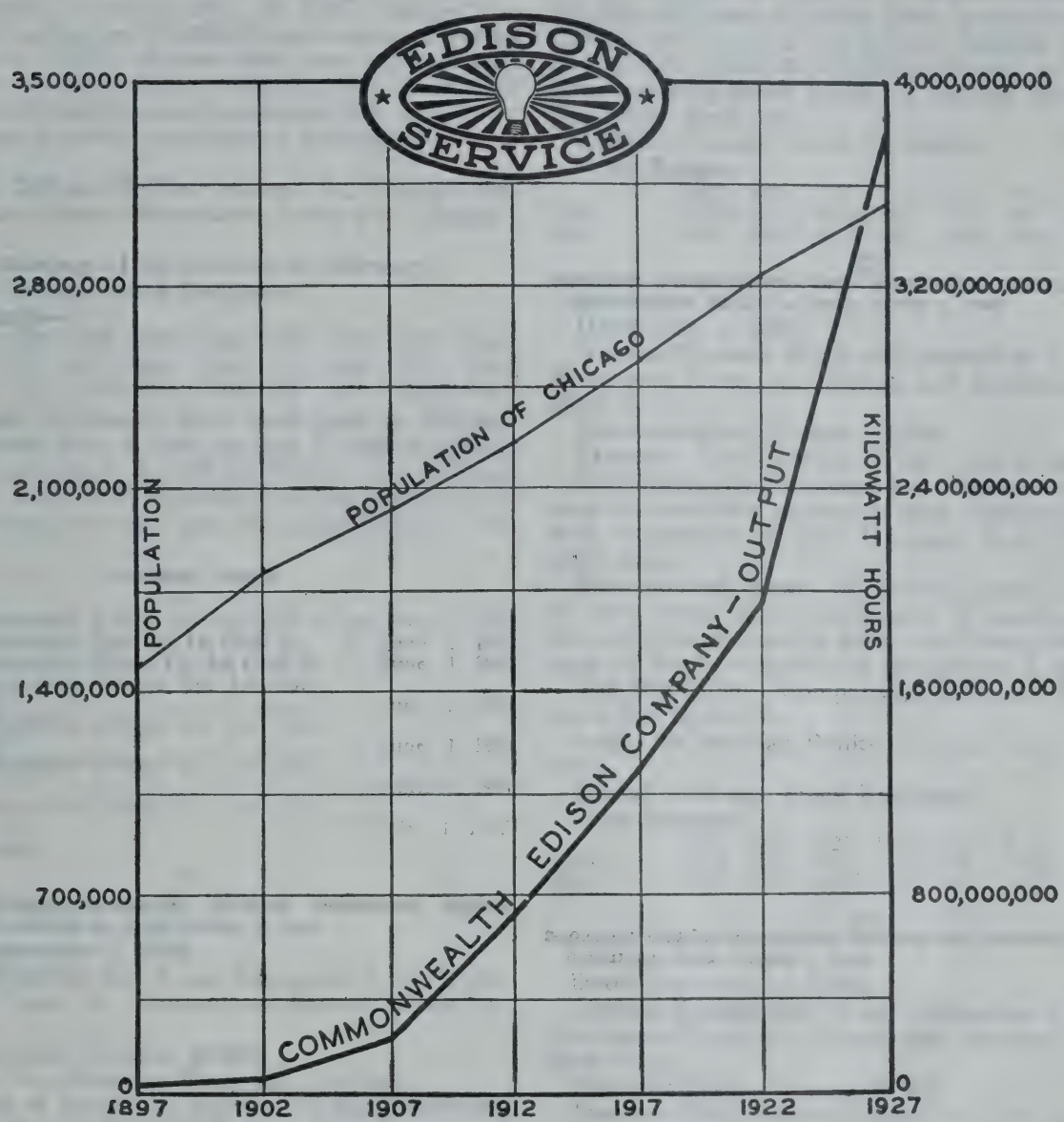
Stock Subscription Privileges—Stockholders of record Dec. 17, 1921, received the right to subscribe for $4,535,000 new stock at par, to the extent of 8% of their holdings. Stockholders of record Dec. 23, 1922, received the right to subscribe for $12,000,000 new stock at par to the extent of 20% of their holdings, payable in one lump sum or in four installments of 25% each Feb. 1, 1923, May 1, Aug. 1, and Nov. 1, 1923, or payable in ten monthly installments of 10% each beginning Feb. 1, 1923.

Stockholders of record April 1, 1924, received the right to subscribe for $14,400,000 new stock at par to the extent of 20% of their holdings, payable in one installment on or before May 1, 1925; or in four equal installments on May 1, Aug. 1, and Nov. 1, 192 and Feb. 2, 1925, or in ten equal installments beginning May 1, 1925; interest allowed on the installments at dividend rate.

Stockholders of record April 1, 1925, received the right to subscribe for $10,837,200 new stock at par to the extent of 12½% of their holdings, payable in one installment on or before May 1, 1925; or in four equal installments on May 1, Aug. 1 and Nov. 2, 192 and Feb. 1, 1926; or in ten equal installments beginning May 1, 1925; interest allowed on the installments at dividend rate.

Commonwealth Edison Company

Keeping Pace with its Expanding Field



Chicago is Maintaining its Marvelous Growth. Commonwealth Edison Company, supplying practically all of this great city's electricity requirements, grows with it.

In fact, electricity output grows many times faster than population.
Output nearly FOUR BILLIONS OF KILOWATT HOURS *during 1927.*

Thirty-eight years of uninterrupted dividends.

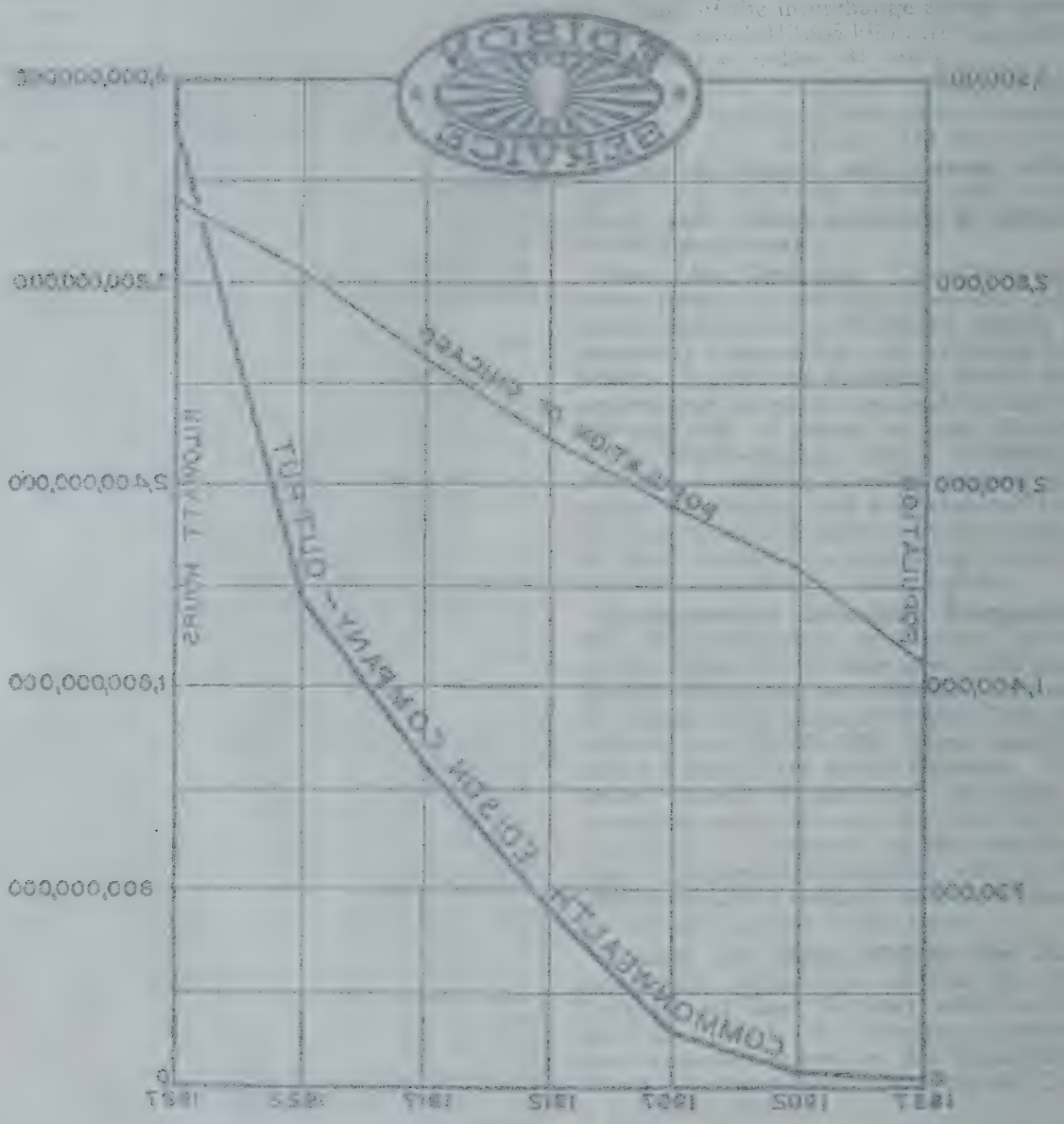
A well-balanced financial structure, assured business, and steady returns, make Commonwealth Edison Company securities — either bonds or stock — an attractive investment. *For further information, address*

COMMONWEALTH EDISON COMPANY

EDISON BUILDING · · · · *72 West Adams Street* · · · · CHICAGO

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COMMONWEALTH EDISON COMPANY

Edison Building, 72 West Adams Street, CHICAGO

Stockholders of record July 1, 1926, received the right to subscribe for $12,257,600 new stock at par to the extent of 12½% of their then recorded holdings, payable in full on or before Aug. 2, 1926, or in four equal quarterly installments beginning Aug. 2, 1926, or in ten equal monthly installments beginning Aug. 2, 1926.

Stockholders of record Dec. 31, 1927, received the right to subscribe for $13,886,000 new stock at par to the extent of 12½%, of their then recorded holdings, payable in full on or before Feb. 1, 1928, or in four equal quarterly installments beginning Feb. 1, 1928, or in ten equal monthly installments beginning Feb. 1, 1928.

Transfer Office—72 West Adams St., Chicago, Ill.

Registrar—Illinois Merchants Trust Co., Chicago, Ill.

Annual Meeting—Last Monday in February.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	173	145	140	136¾	131	140	117	110½
Low	138	135¼	133	126¼	126	114	101½	100

Dividends—Dividends have been paid as follows: 1¼% quarterly Nov. 1, 1907, to Aug. 1, 1908, inclusive; 1½% quarterly Nov. 2, 1908, to Feb. 1, 1911; at rate of 7% until Aug. 1, 1913, when rate was increased to 8%, which rate has been paid since; payments, F, M, A & N 1.

FUNDED DEBT

*(1)	Commonwealth Edison Co. 1st Gold 5s	Due June 1, 1943
*(2)	Commonwealth Elec. Co. 1st Gold 5s	" June 1, 1943
*(3)	Commonwealth Edison Co. 1st Gold 6s	" June 1, 1943
(4)	Commonwealth Edison Co. 1st Coll. 5s, "A"	" July 1, 1953
(4)	Commonwealth Edison Co. 1st Coll. 5s, "B"	" June 1, 1954
(4)	Commonwealth Edison Co. 1st Coll. 4½s, "C"	" April 1, 1956
(4)	Commonwealth Edison Co. 1st Coll. 4½s, "D"	" July 1, 1957

*Equal in lien.

(1)

$45,774,000 COMMONWEALTH EDISON COMPANY FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1943

Dated September 1, 1908.

Interest Payable March and September 1, at Illinois Merchants Trust Co., Chicago, and Bankers Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—The Northern Trust Co., Chicago.

Provisions of Issue—In addition to the $45,774,000 outstanding bonds, $60,000,000 have been issued and are pledged to secure the $15,000,000 First Mortgage Collateral Gold 5s, Series "A," due July 1, 1953, $15,000,000 First Mortgage Collateral Gold 5s, Series "B," due June 1, 1954, and $15,000,000 First Mortgage Collateral Gold 4½s, Series "C," due April 1, 1956, and $15,000,000 First Mortgage Collateral Gold 4½s, Series "D," due July 1, 1957, described below. Additional bonds issuable up to 75% of expenditures for permanent improvements and new properties. In a resolution passed by the directors at the time of the consolidation, it is provided that this mortgage shall be used to cover future bond issues of the consolidated company.

Callability—Subject to call at 110 and interest on Sept. 1, 1918, or on any interest date thereafter upon 60 days' notice.

Depreciation Reserve—Mortgage provides that all net earnings during 5 years from its date must be invested in betterments and $17,000 annually must be credited to depreciation reserve for each $1,000,000 of bonds outstanding, charging against such reserve expenditures for extensions and betterments in addition to expenditures for repairs and renewals.

Security—Secured by a first mortgage on substantially entire property of the Company and rank equally with the $8,000,000 Commonwealth Electric Co. bonds and $6,000,000 Commonwealth Edison Co. 6% bonds described below.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine and Massachusetts.

Original Offering—Of these bonds, $8,000,000 were publicly offered in April, 1915, at par and interest, $2,631,000 additional in April, 1916, a further $4,000,000 in Feb., 1919, at 93¼ and interest yielding over 5½%, and in Nov., 1922, $7,143,000 additional at 99 and interest yielding about 5.07%, by Halsey, Stuart & Co., Inc., New York, etc.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	107⅞	105¼	102¾	100	99	100	94½	88⅛
Low	102½	103¾	99½	95	94½	94½	78½	77

(2)

$8,000,000 COMMONWEALTH ELECTRIC COMPANY FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1943

Dated June 1, 1898.

Interest Payable March and September 1, at Illinois Merchants Trust Co., Chicago, and Bankers Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—The Northern Trust Co., Chicago.

Callability—Not callable but Commonwealth Edison Co. must offer to redeem them contemporaneously with redemption of First Mortgage 5s of 1943 and at same price.

Provisions of Issue—With the exception of the date of issue these bonds are similar in every respect to, and are secured equally with, the Commonwealth Edison Co. bonds described in paragraphs 1 and 3.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine and Massachusetts.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106⅞	103¼	99¾	99¾	98	99¾	92¾	86¾
Low	105⅛	102½	99¾	97¾	95	97¾	92	76

(3)

$6,000,000 COMMONWEALTH EDISON CO. FIRST MORTGAGE GOLD 6s; DUE JUNE 1, 1943

Dated September 1, 1908.

Interest Payable March and September 1, at Illinois Merchants Trust Co., Chicago, and Bankers Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—The Northern Trust Co., Chicago.

Provisions of Issue—With the exception of the date of issue these bonds are similar in every respect, and are secured equally with the bonds described in paragraphs 1 and 2.

Callability—Subject to call at 110 and interest on any interest date upon 60 days' published notice.

Security—Secured by a first mortgage on substantially the entire property of the company and rank equally with the $8,000,000 Commonwealth Electric Co. First Mortgage 5% bonds and the Commonwealth Edison Co. First Mortgage 5% bonds outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine and Massachusetts.

Original Offering—First publicly offered ($6,000,000) in July, 1921, at 91½ and interest, to yield about 6¾%, by The Bankers Trust Co., Guaranty Co., A. B. Leach & Co., Inc., Lee, Higginson & Co., National City Co. and Spencer Trask & Co., New York: Continental & Commercial Trust & Savings Bank, First Trust & Savings Bank, Halsey, Stuart & Co., Inc., Harris Trust & Savings Bank, Hill, Joiner & Co., Illinois Trust & Savings Bank, Marshall Field, Glore, Ward & Co., Merchants Loan & Trust Co., Mitchell, Hutchins & Co., Inc., National Bank of the Republic, Northern Trust Co., Russell, Brewster & Co., Stevenson Bros. & Perry, Inc., and State Bank of Chicago.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	112¼	112	110½	110½	106	108½	103¼
Low	102⅞	110	109½	105½	103½	104	97¾

(4)

$15,000,000 COMMONWEALTH EDISON CO FIRST MORTGAGE COLLATERAL GOLD 5s, SERIES "A," DUE JULY 1, 1953
$15,000,000 COMMONWEALTH EDISON CO. FIRST MORTGAGE COLLATERAL GOLD 5s, SERIES "B," DUE JUNE 1, 1954
$15,000,000 COMMONWEALTH EDISON CO. FIRST MORTGAGE COLLATERAL GOLD 4½s, SERIES "C," DUE APRIL 1, 1956
$15,000,000 COMMONWEALTH EDISON CO. FIRST MORTGAGE COLLATERAL GALD 4½s SERIES "D" DUE JULY 1, 1957

Dated Series "A," July 1, 1923; Series "B" June 1, 1924; Series "C" February 1, 1926; and Series "D" January 1, 1927.

Interest Payable on Series "A" January and July 1, on Series "B" June and December 1, on Series "C" April and October 1, and on Series "D" January and July 1, at Illinois Merchants Trust Co., Chicago, and Bankers Trust Co., New York.

Denominations—Coupon $100, $500 and $1,000; principal may be registered. Fully registered bonds, $1,000, $5,000 and $10,000. Coupon and fully registered bonds interchangeable.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Additional Collateral Gold Bonds of any series may be issued only: (a) On account of pledge under mortgage or redemption or payment of like principal amount of First Mortgage bonds outstanding at date of mortgage; (b) on account of pledge under Mortgage of like principal amount of First Mortgage bonds thereafter issued; (c) to refund like principal amount of other bonds issued under mortgage; and (d) after payment or provision for payment of all First Mortgage bonds, then up to 75% of cost or value of unencumbered permanent property acquired by the Company against which no mortgage bonds have been issued. All First Mortgage bonds hereafter issued must be pledged under mortgage securing First Mortgage Collateral Gold bonds.

Callability—Subject to call as a whole or in part at any time upon 40 days' notice at 110 and interest.

Security—The Series "A," "B," "C," and "D" bonds are all equally secured by Mortgage dated July 1, 1923, to Illinois Merchants Trust Co., covering substantially entire property of Company subject only to above described First Mortgage, and by pledge under Mortgage of $60,000,000 First Mortgage bonds. Until release of First Mortgage or previous redemption of all outstanding redeemable First Mortgage bonds, all Collateral Gold bonds at any time outstanding will be secured by pledge of First Mortgage bonds par for par.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to reimburse holders (if requested within sixty days after payment) for the Pennsylvania four mills tax, for the Connecticut personal property tax, not exceeding four mills per dollar per annum, and the Massachusetts income tax on the interest not exceeding 6% of such interest per annum.

Legal for Savings Banks (Series "A" and "B") in Maine.

Original Offering—First publicly offered ($15,000,000 Series "A" 5s) in December, 1923, at 92½ and interest, yielding over 5½%, by Halsey, Stuart & Co., Inc., New York. $15,000,000 Series "B" 5s were publicly offered in Aug., 1924, at 98½ and interest, yielding about 5.10%, by Halsey, Stuart & Co., Inc., New York, etc., and Illinois Merchants Trust Co., Harris Trust & Savings Bank, Continental & Commercial Trust & Savings Bank, Union Trust Co., Northern Trust Co. and Central Trust Co. of Illinois, Chicago. $15,000,000 Series "C" 4½s were publicly offered in Jan., 1926, at 93 and interest, yielding 4.95%, by Halsey, Stuart & Co., Inc., Illinois Merchants Trust Co., Harris Trust & Savings Bank, Continental & Commercial Trust & Savings Bank, First Trust & Savings Bank, Union Trust Co., Northern Trust Co., and Central Trust Co. of Illinois, Chicago. $15,000,000 Series "D" 4½s, were publicly offered in March, 1927, at 96 and interest to yield 4.75%, by Halsey, Stuart & Co., Inc., and Harris Trust & Savings Bank, Chicago.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924
Series "A" 5s—				
High	105	102¾	101	99¼
Low	102⅝	100½	98½	92
Series "B" 5s—				
High	104⅞	103¼	101	....
Low	102¾	102½	98	....
Series "C" 4½s—				
High	102	96¼	.....	....
Low	95¾	94¾	.....	....
Series "D" 4½s—				
High	101⅜	.....	.....	....
Low	98¾	.....	.....	....

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$71,628,560	$65,776,058	$58,691,584	$53,672,442	$49,136,042	$43,107,956
Operating expenses	36,379,367	34,135,648	31,329,442	28,997,333	27,670,697	25,131,735
Retirement expense	6,489,795	5,929,225	4,932,967	4,327,878	3,912,725	3,287,212
Net operating revenues	$28,759,398	$25,711,185	$22,429.175	$20,347,231	$17,552,620	$14,689,009
Other Charges:						
Uncollectible bills	$361,138	$310,491	$305,001	$339,047	$177,722	$165,148
Taxes	5,700,000	5,400,000	4,500.000	4,375,861	4,230,000	3,400.000
Municipal compensation	2,139,816	1,959,093	1,756,268	1,606,230	1,469,585	1,283,883
Total other charges	$8,200,954	$7,669,584	$6,561.269	$6,321,137	$5,877,307	$4,849,031
Net operating income	$20,558,444	$18,041,601	$15,867,906	$14,026,094	$11,675,313	$9,839,978
Other income	408,489	1,312,527	937,239	728,221	557,270	687,565
Gross income	$20,966,933	$19,354 128	$16,805,145	$14,754,315	$12,232,583	$10,527,543
Deductions from gross income	1,227,234	1,698,522	1,494,079	1,557,033	1,627,853	1,202,946
Balance	$19,739,699	$17,655,606	$15,311,066	$13,197,283	$10,604,730	$9,324,597
Interest on funded debt	5,755,530	5,157,405	4,544,280	4,089,363	3,052,613	3,048,222
Available for dividends	$13,984,169	$12,498,201	$10,766,786	$9,107,919	$7,552,117	$6,276,375
Dividends paid	8,793,216	7,990,450	7,202,942	6,230,288	5,389,002	$4,602,416
Surplus after dividends	$5,190,953	$4,507,751	$3,563,844	$2,877,631	$2,163,115	$1,673,959
Times Interest Earned	3.43	3.42	3.37	3.23	3.47	3.06
Earnings Per Share	$12.59	$11.49	$11.13	$10.72	$10.49	$10.46

Surplus Account, December 31, 1927—Surplus Dec. 31, 1926, $23,566,368; surplus for year, $51,190,953—total, $28,757,321. Deduct net miscellaneous credits and debits, $108,872. Surplus Dec. 31, 1927, $28,866,193.

Retirement Reserve—During the year 1927, there was added to Retirement Reserve $6,489,795 and the amount used to reduce fixed capital on account of property abandoned due to wear, obsolescence, inadequacies or other causes amounted to $2,362,496. This makes a net increase in Retirement Reserve for the year of $4,127,299.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$242,430,263	$219,066,110	$195,304,630	$181,858,418	$154,277,410	$130,005,164
Cash	12,393,991	11,283,057	10,091,307	7,216,799	4,118,675	3,593,393
U. S. Treasury Certificates	2,700,000	1,700,000	.....	.....	.....	.....
Notes receivable	4,459	3,597	5,770	20,915	30,561	33,989
Accounts receivable	8,231,668	8,257,524	7,899,522	7,553,373	7,064,624	6,292,810
Interest and dividends receivable	93,633	50,739	169,218	61,831	196,687	135,451
Material and supplies	2,338,692	3,015,240	2,503,753	2,462,499	2,548,423	1,938,357
Fuel (coal in storage)	1,982,161	1,887,695	1,833,507	1,759,843	1,950,947	1,384,633
Prepayments	312,020	301,711	378,669	498,774	734,804	638,603
Subscribers to capital stock	.....	703,278	179,448	301,421	.....	.....
Miscellaneous current assets	374,009	297,623	226,787	355,271	259,635	231,209
Total current assets	$28,430,633	$27,500,464	$23,287,981	$20,230,727	$16,904,346	$14,248,445
Investment in Commonwealth Subsidiary Corp.	29,401,100	29,401,100	.....	.....	.....	.....
Investments in affiliated companies	.....	.....	13,815,121	14,287,756	9,740,681	11,133,404
Miscellaneous investments	3,343,967	1,474,525	8,382,132	6,463,056	7,766,443	6,479,353
Insurance fund	2,593,635	2,302,348	2,047,154	1,814,304	1,622,828	1,409,977
Service annuity fund	2,219,104	1,459,719	1,024,781	972,717	875,164	769,711
Special deposits	6,499	8,850	9,046	8,828	6,965	8,760
Total miscellaneous assets	$37,564,305	$34,646,542	$25,278,234	$23,546,660	$20,012,081	$19,801,205
Unamortized debt discount and expense	5,548,242	4,768,982	3,472,886	3,687,100	3,222,976	1,729,124
Jobbing accounts	170,293	224,899	125,050	205,312	149,281	.....
Work in progress	46,316	55,875	97,604	91,662	110,634	142,562
Clearing or apportionment accounts	.....	.....	.....	.....	92,545	112,661
Miscellaneous deferred debits	284,391	539,893	1,816,515	909,449	397,571	634,048
Total deferred debits	$6,049,242	$5,589,649	$5,512,055	$4,893,522	$3,973,007	$2,618,395
Treasury securities	.....	.....	.....	.....	218,500	268,500
Total	$314,474,443	$286,802,765	$249,382,900	$230,529,327	$195,385,344	$166,941,709
Liabilities—						
Capital stock	$111,088,000	$108,802,600	$96,748,500	$84,971,800	$72,000,000	$60,000,000
Capital stock subscribed	.....	1,680,800	994,500	1,486,100	.....	21,000
Funded debt	119,774,000	104,774,000	89,774,000	89,774,000	74,774,000	59,774,000
Total capital liabilities	$230,862,000	$215,257,400	$187,517,000	$176,231,900	$146,774,000	$119,795,000
Loans and notes payable	.....	.....	.....	.....	.....	4,500,000
Accounts payable	2,653,188	2,345,084	1,972,306	2,080,285	1,900,905	1,770,157
Consumers' deposits	560,285	602,075	636,730	645,322	759,941	850,610
Miscellaneous current liabilities	1,036,579	998,558	628,238	910,880	690,574	638,857
Total current liabilities	$4,249,992	$3,945,717	$3,237,274	$3,636,487	$3,351,420	$7,759,624
Taxes accrued	7,064,038	6,563,989	6,259,719	4,940,000	4,244,206	3,287,077
Municipal compensation accrued	1,389,926	1,277,659	1,139,344	1,039,023	1,020,889	912,903
Interest accrued	1,998,510	1,661,010	1,492,260	1,492,689	1,432,693	1,059,409
Total accrued liabilities	$10,452,474	$9,502,658	$8,891,323	$7,471,712	$6,697,788	$5,259,389
Retirement reserve	32,263,574	28,136,276	24,708,828	22,415,933	20,243,041	18,762,362
Insurance reserve	2,593,635	2,302,347	2,047,154	1,814,304	1,622,828	1,409,978
Unamortized premium on debt	.....	15,698	16,654	17,610	18,567	19,523
Service annuity reserve	2,219,104	1,459,719	1,024,781	972,717	875,164	769,711
Amortization reserve	2,847,300	2,307,300	1,767,300	1,620,025	1,472,750	1,325,475
Total reserves	$39,923,613	$34,221,340	$29,564,717	$26,840,589	$24,232,350	$22,287,049
Miscellaneous unadjusted credits	120,171	309,282	1,019,000	785,279	1,626,474	1,232,182
Surplus	28,866,193	23,566,368	19,153,586	15,563,361	12,703,312	10,608,465
Total	$314,474,443	$286,802,765	$249,382,900	$230,529,327	$195,385,344	$166,941,709

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$12,393,991	$11,283,057	$10,091,307	$7,216,799	$4,118,675	$3,593,393
Special deposits	6,499	8,850	9,046	8,828	6,965	8,760
U. S. Treasury Certificates	2,700,000	1,700,000	.....	.....	.....	.....
Notes receivable	4,459	3,597	5,770	20,915	30,561	33,989
Accounts receivable	8,231,668	8,257,524	7,899,522	7,553,373	7,064,614	6,292,810
Interest and dividends receivable	93,633	50,739	169,218	61,831	196,687	135,451
Material and supplies	2,338,692	3,015,240	2,503,753	2,462,499	2,548,423	1,938,357
Fuel (coal in storage)	1,982,161	1,887,695	1,833,507	1,759,843	1,950,947	1,384,633
Prepayments	312,020	301,711	378,669	498,774	734,804	638,603
Miscellaneous current assets	374,009	297,623	226,787	355,271	259,634	231,209
Subscribers to capital stock	.....	703,278	179,448	301,421	.....	.....
Total	$28,437,132	$27,509,314	$23,297,027	$20,239,554	$16,911,310	$14,257,205
Current Liabilities—						
Loans and notes payable	.....	.....	.....	.....	.....	$4,500,000
Accounts payable	$2,653,188	$2,345,084	$1,972,306	$2,080,285	$1,900,905	1,770,157
Consumers' deposits	560,285	602,075	636,730	645,322	759,941	850,610
Miscellaneous current liabilities	1,036,519	998,558	628,238	910,880	690,573	638,857
Taxes accrued	7,064,038	6,563,989	6,259,719	4,940,000	4,244,206	3,287,077
Municipal compensation accrued	1,389,926	1,277,659	1,139,344	1,039,023	1,020,890	912,903
Interest accrued	1,998,510	1,661,010	1,492,260	1,492,689	1,432,693	1,059,409
Total	$14,702,466	$13,448,375	$12,128,597	$11,108,199	$10,049,208	$13,019,013
Net Working Capital	$13,734,666	$14,060,939	$11,168,430	$9,131,355	$6,862,102	$1,238,192

Officers: Samuel Insull, Pres.; Louis A. Ferguson, V-P.; John F. Gilchrist, V-P.; John H. Gulick, V-P.; Edward J. Doyle, V-P.; Edward W. Lloyd, V-P.; John W. Evers, Jr., Sec. & Asst. Treas.; George W. Williamson, Treas. & Asst. Sec.; Henry E. Addenbrooke, Aud.; George E. Burns, Asst. Treas.; Robert L. Elliott, Asst. Sec.; Richard Mueller, Asst. Sec.; David Levine, Asst. Aud.; Thos. J. Walsh, Asst. Aud., Chicago, Ill.

Executive Committee: Samuel Insull, Henry A. Blair, Donald R. McLennan, James A. Patten, Stanley Field, Chicago, Ill.

Directors: Henry A. Blair, John J. Mitchell, Jr., Stanley Field, Donald R. McLennan, James A. Patten, Samuel Insull, Samuel Insull, Jr., James Simpson, Solomon A. Smith, Chicago, Ill.

Office, Edison Bldg., 72 West Adams St., Chicago, Ill.

CHICAGO RAPID TRANSIT COMPANY

(Controlled by Commonwealth Edison Company)

(See Accompanying Map)

History—Incorporated Jan. 9, 1924, under the Railroad Law of Illinois for a term of fifty years, renewable for periods of fifty years each. Under this franchise, the Company has the right to conduct its business indefinitely in the City of Chicago and other communities served, subject to all lawful regulations by public authorities. There are a number of municipal ordinances to predecessor companies which either extend to various dates from 1930 to 1957, or are without limit as to time.

Chicago Rapid Transit Company was formed by consolidation of The Metropolitan West Side Elevated Ry. Co., Northwestern Elevated R. R. Co. and South Side Elevated R. R. Co. on Jan. 9, 1924, and on Jan. 31, 1924, it acquired title to the properties of the Chicago & Oak Park Elevated R. R. Co. through purchase at foreclosure sale for $2,600,000, subject to $5,156,362.59 first mortgage bonds, equipment notes and other mortgages, and the Court required the Chicago Rapid Transit Co. to pay the remaining unpaid liabilities of the Receiver of the Chicago & Oak Park Elevated R. R. Co. After the sale on Jan. 5, 1924, of collateral pledged under the Secured Gold Notes of Chicago Elevated Railways, the Plan of Reorganization dated July 14, 1923, was declared operative on Feb. 18, 1924, approximately 97% of the said Secured Gold Notes and more than 90% of the Ten-Year 6% Debentures having been deposited under the Plan (for organization, etc., of Chicago Elevated Railways, see 1923 Public Utility Manual, page 805).

The original elevated lines began operation as follows: The South Side Elevated in 1892; the Oak Park Elevated in 1893; the Metropolitan West Side Elevated in 1895 and the Northwestern Elevated in 1900. At midnight Nov. 2, 1913, began through-routing of north and south elevated trains, using the Loop for that purpose and free transfer stations were established between said trains and trains of Metropolitan and Oak Park Companies.

The Chicago Rapid Transit Co. provides rapid transit facilities for the City of Chicago and the suburbs of Evanston, Niles Center, Wilmette, Oak Park, Cicero, River Forest, Forest Park, Berwyn, Maywood, Bellwood and Westchester, which have a total population of approximately 3,426,800 as of Dec. 31, 1927, all but 15% being within walking distance of the elevated lines.

Two interurban lines, the Chicago, Aurora & Elgin R. R. reaching Aurora and Elgin to the West and Chicago North Shore & Milwaukee R. R. reaching Milwaukee to the North, operate their trains over the tracks of the Chicago Rapid Transit Co. on a favorable rental basis and constitute a source of additional income for the company.

Territory Served—The territory now served by the elevated lines extends from Wilmette on the north to Sixty-third Street on the south, a distance of 24 miles. On the north, the Ravenswood branch extends from Belmont Avenue northwest to Kimball and Lawrence Avenues. The Niles Center division operates westward from Howard Avenue to Niles Center. On the south, branches run to Englewood and Normal Park, Kenwood and the Union Stockyards. On the west, lines run from the Loop to Forest Park on the Lake Street Division; to Westchester; Oak Park Avenue in Berwyn, and to Logan Square and to Humboldt Park, on the Metropolitan Division. Service was extended westward from Forest Park to Maywood, Bellwood and Westchester, October 1, 1926. The distance from the Loop to Westchester is approximately 14½ miles.

Fares—The following table shows the various changes in rates of fare and dates these changes became effective:

Date When Fare Change Became Effective	City Fare & West of City Limits Cash.	Ticket.	North of City Limits Local Through	Ticket Rate.
November 22, 1918	6 cts.	.....	6 cts.	11 cts.
August 8, 1919	8 cts.	.....	6 cts.	14 cts.
February 1, 1920	8 cts.	2 tickets 15 cts.	6 cts.	12 cts.
August 4, 1920	10 cts.	4 tickets 35 cts.	7 cts.	13 cts.
September 18, 1922	10 cts.	3 tickets 25 cts.	*7 cts.	13 cts., 2 for 25 cts.
Weekly pass. riders pay per week		$1.25		$2.00
School book of 50 rides		2.50		4.00
Children 7 to 12 years 3 cts.			3 cts.	

*Beginning Oct. 1, 1926, these rates also apply west of Desplaines Avenue.

In Feb., 1928, the Company filed with the Illinois Commerce Commission new fare schedules providing for a straight ten-cent fare with the three-for-a-quarter tickets and the $1.25 unlimited ride weekly passes abolished.

Mileage, Equipment, Etc.—The Company operates 229.54 miles of single track (197.33 being main track), of which 170.55 miles are owned and 58.99 miles are under lease or contract. Mileage is largely on its private right-of-way except where streets are crossed. The equipment includes 1,202 motor passenger cars, 628 trailer passenger cars, 42 service cars and 2 electric locomotives, a total of 1,874.

PROPERTY VALUE

Illinois Public Utilities Commission's valuation for rate making purposes of operating properties as of June 30, 1919	$86,250,000.00
Additions and betterments to Dec. 31, 1927, (less retirements)	8,875,003.54
Total valuation (operative property)	$95,125,003.54
Miscellaneous physical property (non-operative)	2,219,715.59
Total valuation	$97,344,719.13

PASSENGERS CARRIED, YEARS ENDED DEC. 31

1922	181,280,754	1925	216,045,575
1923	203,953,574	1926	228,812,766
1924	212,901,024	1927	226,212,172

CAPITAL STOCK

Authorized, $20,329,500 Common, $5,000,000 7.8% Prior Pfd., Series "A", $1,500,000 7.2% Prior Pfd., Series "B", and $1,000 Pfd. Par of all classes, $100. Outstanding, Dec. 31, 1927, $20,329,500 Common, $5,000,000 7.8% Prior Pfd. Series "A," and $1,500,000 7.2% Prior Pfd., Series "B."

Voting Trust—The Common stock (excepting directors' qualifying shares) is held under a Voting Trust of which George M. Reynolds, R. Floyd Clinch and Samuel Insull are the trustees. Voting Trust Agreement to continue in force until July 1, 1939, unless sooner terminated. The Commonwealth Edison Co. owns a majority of the Voting Trust certificates.

Prior Pfd. Stock Provisions—Prior Pfd. has preference as to dividends over interest on Adjustment Debenture Bonds, and is preferred as to both dividends and assets over Common stock. Subject to call at


CHICAGO RAPID TRANSIT COMPANY'S LINES AND STATIONS IN THE CITY OF CHICAGO AND SUBURBS
MAP OF CHICAGO RAPID TRANSIT COMPANY
KEY
North Side Division
South Side Division
Metropolitan Division
Lake Street Division
Transfer Stations
Chicago, South Shore & South Bend R.R.
Chicago, North Shore & Milwaukee R.R.
Chicago, Aurora & Elgin R.R.
Forest Preserves
North Shore Line Two Routes direct from Chicago Loop to North Shore Suburbs, Libertyville, Mundelein, Milwaukee and Intermediate Points
Operates over Rapid Transit Lines to the Loop
Electric Cars to South Chicago, Roseland, and West Pullman, Connections with the Chicago, South Shore and South Bend R.R.
Electric Cars to Windsor Park, South Chicago, and South Deering
Electric Cars to South Chicago, Pullman and Gary
Electric Cars to Hammond, Whiting East Chicago and South Chicago
Municipal Pier
LAKE MICHIGAN
POOR'S PUBLISHING COMPANY, N.Y.

CHICAGO RAPID TRANSIT COMPANY
MAP OF
LINES AND STATIONS
IN THE
CITY OF CHICAGO
AND SUBURBS
KEY
North Side Division
South Side Division
Metropolitan Division
Lake Street Elevated
Stations
Loop
Wells Street Station
Van Buren Street Station
Harrison Street Station
Jackson Boulevard Station
Van Buren Street
Jackson Boulevard
Harrison Street
Polk Street
Taylor Street
Roosevelt Road
Twelfth Street
Eighteenth Street
Cermak Road
Twenty-second Street
Archer Avenue
Thirty-first Street
Thirty-fifth Street
Indiana Avenue
Michigan Avenue
Wabash Avenue
State Street
Dearborn Street
Clark Street
La Salle Street
Wells Street
Franklin Street
Orleans Street
Canal Street
Halsted Street
Desplaines Street
Jefferson Street
Des Plaines Avenue
Ashland Avenue
Racine Avenue
Loomis Street
Lincoln Avenue
Western Avenue
Damen Avenue
Paulina Street
Wood Street
Honore Street
Lincoln Park
Grant Park
Union Park
Douglas Park
Garfield Park
Jackson Park
Washington Park
Lake Michigan
Chicago River
South Branch
North Branch
Main Stem
Illinois Central Railroad
Chicago and Western Indiana Railroad
Chicago and North Western Railway
Chicago, Rock Island and Pacific Railway
Chicago, Burlington and Quincy Railroad
Chicago, Milwaukee, St. Paul and Pacific Railroad
Chicago and Northwestern

any time, the Series "A" at 115 per share and the Series "B" at $110 per share (accrued dividends added in each case). No stock can be issued having priority over Prior Pfd. stock except with the consent of every stockholder. No additional Prior Pfd. stock in excess of the Series "A" stock (which is limited to $5,000,000) and Series "B" (also limited to $5,000,000) can be authorized or issued except by consent of holders of two-thirds in amount of the entire outstanding stock of the Company. Prior Pfd. stock Series "B" ranks on an equality with Series "A" except as to the rate of dividends. Pfd. stock is exempt from Personal Property Tax in Illinois and from Normal Federal Income Tax.

Transfer Office—Prior Pfd. stock transferred at Company's office, 72 West Adams St., Chicago.

Registrar—Illinois Merchants Trust Co., Chicago.

Annual Meeting—Last Tuesday in February.

Listed (Prior Preferred Series "A")—Chicago Stock Exchange.

Price Range—

Prior Pfd., Series "A"—	1927	1926	1925	1924
High	104½	103⅞	99	98
Low	101⅜	99½	bid	bid

Dividends—Initial dividend of 65 cents per share on 7.8% Prior Pfd., Series "A" paid July 1, 1924, which monthly rate has been paid to date. Initial monthly dividend of 60 cents per share on 7.2% Prior Pfd., Series "B," paid Feb. 1, 1927, which monthly rate paid to date.

FUNDED DEBT

(1)

$10,000,000 METROPOLITAN WEST SIDE ELEVATED RY. CO. FIRST MORTGAGE GOLD 4s; DUE AUGUST 1, 1938

Dated August 1, 1898.

Interest Payable February and August 1, at Company's office, Chicago and at Central Union Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered, or may be surrendered for cancellation with unmatured coupons attached, in exchange for fully registered bonds. Registered bonds, $1,000 or some multiple thereof.

Trustees—Central Union Trust Co., of New York and Joseph E. Otis.

Provisions of Issue—Authorized and issued, $10,000,000.

Callability—There is no privilege of redemption before maturity.

Security—A first lien on about 15 miles of elevated railroad in the City of Chicago, and all other property of mortgagor except property covered by a first lien under Extension Mortgage and Union Consolidated Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York and Chicago Stock Exchanges.

***Price Range—**

	1927	1926	1925	1924	1923	1922	1921	1920
High	81½	76	80	72½	62	69½	56	50
Low	76	71½	68⅞	62	51	50	44	44

*New York prices.

(2)

$4,432,000 METROPOLITAN WEST SIDE ELEVATED RY. CO. EXTENSION MORTGAGE GOLD 4s, DUE JULY 1, 1938

Dated July 1, 1901.

Interest Payable January and July 1, at Company's office, Chicago and at Central Union Trust Co. of New York.

Denomination—Coupon (principal may be registered), and registered, $1,000.

Trustee—Northern Trust Co., Chicago.

Provisions of Issue—Authorized, $5,000,000, of which $4,432,000 outstanding and $567,000 pledged as collateral to Chicago Rapid Transit Co. First & Refunding 6s and 6½s.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' notice.

Security—Secured by first lien on the Douglas Park Extension, the Garfield Park Extension, the Wells Street Terminal, certain battery sub-stations, and also on 68 motor and passenger cars and a 3,500 h.p. engine, and a second lien on property covered by First Mortgage bonds dated Aug. 1, 1898, described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,500,000) in May, 1901, at 98 and interest.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	78¾	74½	76	71	59	64½	54	46
Low	74½	70¾	68½	58	59	50	43½	42⅝

(3)

$407,000 UNION CONSOLIDATED ELEVATED RY. CO. FIRST MORTGAGE GOLD 5s, SERIES "A," DUE NOVEMBER 1, 1936

Dated November 1, 1896.

Interest Payable May and November 1, at Central Union Trust Co. of New York.

Denomination—Coupon, $1,000.

Trustees—Central Union Trust Co. of New York and Geo. Sherman, New York.

Provisions of Issue—Authorized, $1,000,000, of which $500,000 are Series "A"; no bonds of Series "B" have been issued. In addition to the $407,000 shown as outstanding, $46,000 are pledged as collateral to Chicago Rapid Transit Co. First & Refunding 6s and 6½s, and $45,000 are held in Company's treasury.

Security—A first lien on that part of the franchise and structure of the Company in Van Buren St., between Wells St. and Market St., and in Market St. to a connection with the Metropolitan system.

Guaranty—Guaranteed, principal and interest, by Chicago Rapid Transit Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$10,746,000 NORTHWESTERN ELEVATED R. R. CO. FIRST MORTGAGE GOLD 5s, DUE SEPTEMBER 1, 1941

Dated September 1, 1911.

Interest Payable March and September 1, at Illinois Merchants Trust Co., Chicago, and at The National City Bank of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized and issued, $25,000,000, of which $10,746,000 are outstanding in the hands of the public, $1,962,000 held alive in sinking fund, and $12,292,000 have been cancelled.

Callability—Subject to call as a whole, but not in part, except for sinking fund, at 102 and int., on any interest date on thirty days' notice.

Sinking Fund—Supplemental agreement dated July 1, 1914, provides for annual sinking fund, beginning Sept. 1, 1919, of an amount equal to 1% of all bonds outstanding, and held in sinking fund, for the purchase or redemption of these bonds at not to exceed 102 and interest. Bonds to be kept alive in sinking fund.

Security—A first lien on entire property of Company except that formerly belonging to the Union Elevated

Specialists in
METROPOLITAN WEST SIDE ELEVATED RAILWAY CO.
4% Bonds
EDWIN L. LOBDELL & COMPANY, Inc.
INVESTMENT SECURITIES
209 SO. LA SALLE ST. CHICAGO

R. R. on which they are a second lien. Further secured by pledge of $528,000 Union Elevated R. R. First 5s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($12,500,000) in 1914, at a price to yield about 5.70%.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	90¼	85¼	84	80¼	96½	80½	68	63¼
Low	84½	80	78½	71	71½	69	67	42½

(5)

$4,188,000 UNION ELEVATED R. R. CO. FIRST GOLD 5s; DUE OCTOBER 1, 1945

Dated October 1, 1895.

Interest Payable April and October 1, at Illinois Merchants Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Total issue, $5,000,000, of which $4,188,000 are outstanding, $43,000 are pledged as collateral under Chicago Rapid Transit Co. First & Refunding 6s and 6½s, and $528,000 are owned by the Company and pledged under Northwestern Elevated R. R. Co. First 5s of 1941 and $241,000 have been retired.

Security—Secured by a direct first mortgage covering all properties of the Company, comprising about 2½ miles of double track railway on elevated steel structure forming the Wabash, Van Buren and Wells sides of the Union Loop with stations and some connecting tracks, with operating rights without further cost over the Lake Street Loop tracks.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York and Chicago Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	91	85½	80	77	70	77	51½	46⅛
Low	81	77½	75	70	62½	70	47	46

(6)

$1,281,000 LAKE STREET ELEVATED R.R. C. (CHICAGO AND OAK PARK ELEVATED R. R.) FIRST MORTGAGE 5s; DUE JULY 1, 1928

Dated April 1, 1893.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Continental National Bank & Trust Co., Chicago and Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized and issued, $5,000,000, of which $324,000 are held in treasury, $1,281,000 are outstanding and $3,395,000 are pledged as collateral under Chicago Rapid Transit Co. First & Refunding 6s and 6½s.

Callability—Bonds assenting to reorganization are stamped redeemable at 105 and interest on any interest date upon six weeks' notice.

Security—A first lien on entire property.

Guaranty—Guaranteed, principal and interest, by Northwestern Elevated R. R. Co. (now Chicago Rapid Transit Co.).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99¾	97½	94½	93	66	65	..	39¼
Low	95¾	95	92	69½	66	40	..	39¼

(7)

$11,242,000 CHICAGO RAPID TRANSIT CO. FIRST & REFUNDING MORTGAGE 6½% GOLD BONDS, SERIES DUE 1944, DUE JULY 1, 1944

$3,395,000 CHICAGO RAPID TRANSIT CO. FIRST & REFUNDING MORTGAGE 6% GOLD BONDS, SERIES DUE 1953, DUE JULY 1, 1953

Dated, 6½% Series, due 1944, July 1, 1924, and 6% Series due 1953, July 1, 1923.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago, and The National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Registered bonds in denominations of $1,000, $5,000 and multiples of $5,000. Coupon and registered bonds are interchangeable in principal amount of $1,000 or some multiple thereof.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized amount of mortgage, unlimited. Issued and outstanding, $14,637,000, of which $11,242,000 are 6½% Series, due 1944, and $3,395,000 6% Series, due 1953.

Additional bonds may be issued in series with such rates of interest, dates, maturities and redemption provisions, as may be determined by the Board of Directors. Bonds of any series may be issued from time to time for the acquisition or retirement of equal principal amounts of divisional mortgage bonds or equipment obligations or First and Refunding Mortgage bonds of other series. Bonds not exceeding $5,000,000 may be issued subject only to such conditions as the Illinois Commerce Commission may prescribe. Additional bonds may be applied for and issued at any time for not exceeding 75% of expenditures for additions, extensions, and improvements to the property and equipment of the Company, provided that net earnings for 12 consecutive calendar months ending not more than 60 days prior to the date of issuance of the bonds shall have been not less than 1¾ times the annual interest charges on all divisional mortgage bonds and First and Refunding Mortgage bonds outstanding in the hands of the public, and the First and Refunding Mortgage bonds so applied for.

The First and Refunding Mortgage contains provisions permitting the modification thereof, or of any supplemental indenture, with the assent of holders of 75% in principal amount of bonds present or represented at a meeting of bondholders at which two-thirds in aggregate principal amount of the outstanding bonds shall be represented; provided, however, that nothing shall permit the extension of the maturity of any bond, or the reduction in the rate of interest thereof, or any other modification in the terms of payment of principal or interest, without the consent of the holder thereof, nor the creation by the Company of any mortgage lien on its property ranking prior to or on a parity with the lien of the First and Refunding Mortgage.

Callability—The 6½% Series, due 1944, is subject to call as a whole or in part at option of Company or through the operation of the sinking fund on any interest date prior to maturity on 30 days' previous notice at 105 if redeemed on or before July 1, 1925 the premium decreasing thereafter at the rate of ¼% of principal for each full year intervening between June 30, 1925, and the date of redemption.

The 6% Series, due 1953, is subject to call on any interest date on 30 days' notice at 105 if redeemed on or before July 1, 1933, and at 102½ if redeemed thereafter.

Sinking Fund—The First and Refunding Mortgage provides for a Sinking Fund calling for the payment in cash, on Jan. 1 and July 1 in each year, beginning Jan 1, 1929, of an amount equal to ½ of 1% of the total aggregate principal amount of First and Refunding Mortgage Gold bonds issued and then outstanding. Moneys so paid into the Sinking Fund are required to be utilized first in the purchase of First and Refunding Mortgage Gold bonds at or below the price at which they might be redeemed, and if such bonds are not obtainable by purchase, the moneys not so utilized are to be used in the redemption and retirement of bonds.

Security—The First and Refunding Mortgage Gold bonds are secured by a direct first mortgage on the property formerly owned by the South Side Elevated

R. R. Co. The value of the properties comprising the South Side Division, based on an appraisal by the Illinois Public Utilites Commission, is more than $23,700,000. The South Side Division includes all the elevated lines serving the south side of the city of Chicago, consisting of 39.58 miles of track owned by the Company, and 6.31 miles (the Kenwood and Stock Yards Branch) operated under long term lease. The South Side lines are located partly in street and alleys, and partly on private rights-of-way. The real estate of the South Side Division, chiefly consisting of private rights-of-way, aggregates 57 acres, and cost more than $4,700,000.

The First and Refunding Mortgage Gold bonds are secured also by a direct mortgage lien on the remaining properties owned by Chicago Rapid Transit Co., subject to divisional mortgage bonds and equipment obligations of which $31,929,000 amount are outstanding with the public as at Dec. 31, 1927. As additional security, $4,187,000 divisional mortgage and equipment obligations are pledged with the Trustee under the First and Refunding Mortgage. The divisional mortgages have been closed and no further bonds may be issued thereunder.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

The Company agrees to reimburse to owners resident in the respective states, upon proper applicaton, the following taxes hereafter paid in respect to First and Refunding Mortgage bonds of the 6½% Series due 1944; the 4 mills tax in Pennsylvania; any securities tax in Maryland not exceeding in the aggregate 45 cents on each $100 of assessed value in any year; and any personal property or exemption taxes in Connecticut not exceeding 4/10ths of 1% of face amount in any year.

Legal Opinion—Sherman & Sterling, New York, and Isham, Lincoln & Beale, Chicago.

Price Range—

	1927	1926	1925	1924
6½% Series, 1944—				
High	97¼	97¼	96	94¼
Low	96½	93	93	92
6% Series, 1953—				
High	93	*87	..	..
Low	90	*84	..	..

*High and low bid prices.

Original Offering—First publicly offered ($6,500,000) in June, 1924, at 94½ and interest to yield over 7%, by The National City Co., and Halsey, Stuart & Co., New York, etc. An additional $2,500,000 were offered in October, 1924, at 94½ and interest, to yield over 7% and $2,000,000 more in December, 1925 at 95 and interest to yield about 6.98% all by the same bankers; $1,795,000 additional 6% Series bonds due 1953, were publicly offered in May, 1927, at 93 and interest to yield about 6.56% by National City Co. and Halsey, Stuart & Co., Inc., New York, etc.

(8)

$18,563,000 CHICAGO RAPID TRANSIT CO. ADJUSTMENT DEBENTURE BONDS, DUE JULY 1, 1963

Dated July 1, 1923.

Interest Payable January and July 1, only if declared by Board of Directors, at The National City Bank, New York, and Continental National Bank & Trust Co., Chicago. Interest (not exceeding 6% per annum) is payable, prior to maturity, only out of the net income or other available funds of Company if and when appropriated for that purpose by the directors from time to time. Interest is cumulative from July 1, 1924, at the rate of 4% per annum. This interest is payable from time to time only if and when declared by Directors, provided that all accrued and unpaid cumulative interest must be paid (1) before any dividends are paid on Company's Common stock, and (2) at the maturity of the bonds.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Coupon and registered interchangeable.

Trustee—The National City Bank, New York.

Provisions of Issue—Authorized and issued, $18,563,000.

Callability—Subject to call as a whole or in part upon at least 30 days' published notice, by payment of principal amount thereof, if redeemed on or before Jan. 1, 1929, or if redeemed thereafter, by the payment of the principal thereof plus the amount of any unpaid interest accumulated thereon from Jan. 1, 1929, at 4% per annum.

Sinking Fund—$250,000 must be appropriated for redemption of these Debentures in any calendar year wherein the Company pays any cash dividends on its capital stocks of any class not entitled to preference dividends as ordered by the Board of Directors from surplus, and in any calendar year wherein such cash dividends exceed $834,000 then the sinking fund must be increased to equal 30% of such total dividends and may be further increased.

Convertibility—Debentures are not convertible.

Security—So long as any of the Debenture Bonds remain outstanding and unpaid, no dividends shall be declared on the Common stock, unless (a) all arrears of the 4% cumulative interest shall have been paid on all outstanding debenture bonds, nor unless (b) interest at the full rate of 6% per annum for such fiscal year on all outstanding Debenture Bonds shall have been either paid or declared payable and the moneys therefor set aside and appropriated for the purpose nor unless (c) in such fiscal year the Corporation shall have paid to the Trustee $250,000 in cash as a sinking fund for the retirement of debenture bonds at par and interest. In case the Company shall, in any fiscal year, pay a dividend or dividends on any class of capital stock not entitled to preference dividends amounting to more than $834,000, the cash payment to the sinking fund shall be an amount equal to 30% of the aggregate of such dividend payments. The Company has the right to deposit with the Trustee any additional sum or sums for the account of the sinking fund.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—1927: High, 51¾ bid; low 37 bid.

Equipment Obligations issued jointly by Metropolitan West Side Elevated Ry. Co., Northwestern Elevated R. R. Co. and South Side Elevated R. R. Co.

(9)

$875,000 6% EQUIPMENT TRUST GOLD CERTICIFATES, SERIES C-1; DUE $170,000 EACH SEPTEMBER 1, 1928 TO 1931, INCLUSIVE, AND $195,000 SEPTEMBER 1, 1932

Dated September 1, 1922.

Dividends Payable March and September 1, in Chicago or New York.

Denominations—Coupon, $1,000, except last maturity which is in denominations of $100, $500 and $1,000.

Trustee—Northern Trust Co., Chicago.

Provisions of Issue—Original issue, $1,725,000, of which $850,000 matured and paid off to Dec. 31, 1927.

Callability—Subject to call as a whole or in part on 30 days' notice on any dividend payment date at 101 and accrued dividends for certificates having more than five years to run from date of redemption, and at 100½ and accumulated dividends for certificates having five years or less to run.

Security—These certificates have been issued under an Equipment Trust Agreement by the Northern Trust Co., Chicago, as Trustee, and represent about 75% of the cost of 100 steel passenger motor cars. Upon delivery of the equipment to the railroad companies, full title thereto will be vested in the trustee providing for rentals sufficient to pay these certificates and the dividend warrants as they come due. Under the terms of the lease and the Equipment Trust Agreement, the railroad companies covenant jointly and severally (a) to maintain and keep the equipment in good order and repair, (b) to replace any of said equipment that may be worn out, lost or destroyed, (c) to insure the equipment against loss or damage by fire to an amount not less than the balance of the certificates unpaid and

outstanding, and (d) to pay to the trustee as rental, amounts sufficient to pay these certificates and dividend warrants as they become due.

The equipment was leased to the Norwestern Elevated R. R. Co., South Side Elevated R. R. Co. and The Metropolitan West Side Elevated Ry. Co., jointly and severally, and in addition the companies, jointly and severally, guaranteed the principal and dividend payments. These companies having been merged into the Chicago Rapid Transit Co., the obligations of the several companies under the lease have been assumed by the consolidated company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded.

Original Offering—First publicly offered ($1,725,000) in Sept., 1922, by Halsey, Stuart & Co., Inc., New York at prices ranging from 100.48 to 100, with accumulated dividends in each case, yielding from 5.50% for the 1923 maturity, 5.75 for the 1924 maturity and 6% for the remaining maturities.

REAL ESTATE MORTGAGES

There were also outstanding Dec. 31, 1927, $22,600 Real Estate Mortgages.

INCOME STATEMENT OF CHICAGO RAPID TRANSIT COMPANY FOR THE YEARS ENDED DEC. 31, 1924 TO 1927, INCLUSIVE AND COMPARATIVE CONSOLIDATED INCOME ACCOUNT OF PREDECESSOR COMPANIES

(Metropolitan West Side Elev. Ry., Northwestern Elevated R. R., South Side Elevated R. R., and Chicago & Oak Park Elevated R. R. for prior years)

	1927	1926	1925	1924	1923	1922
Gross operating revenues	$20,011,912	$20,151,155	$19,031,813	$18,565,186	$17,990,782	$17,267,75
Total operating expenses	*14,189,151	*14,134,199	*13,345,195	*13,759,650	12,953,494	13,124,03
Net operating revenue	$5,822,761	$6,016,956	$5,686,618	$4,805,536	$5,037,288	$4,143,72
Taxes, city compensation and other items	1,767,949	1,663,457	1,622,315	1,407,460	1,406,132	1,327,87
Operating income	$4,054,812	$4,353,499	$4,064,303	$3,398,076	$3,631,156	$2,815,84
Non-operating income	332,840	269,504	250,075	210,748	155,524	136,92
Gross income	$4,387,652	$4,623,003	$4,314,378	$3,608,824	$3,786,680	$2,952,77
Deductions:						
Interest charges	‡2,427,681	‡2,400,086	‡2,332,879	‡2,313,778	†2,184,549	2,517,53
Rentals	1,074,348	1,039,525	881,282	467,715	449,550	420,36
Amortization of discount	69,527	65,760	56,816	25,955	.....	.....
Total deductions	$3,571,556	$3,505,371	$3,270,977	$2,807,448	$2,634,099	$2,937,90
Net income	$816,096	$1,117,632	$1,043,401	$801,375	$1,152,581	$14,87
Prior Preferred dividends	464,369	375,741	308,530	74,733	.....	.....
Surplus for year	$351,727	$741,891	$734,871	$726,642	$1,152,581	$14,87
Times Fixed Charges Earned	1.23	1.32	1.31	1.35	1.44	1.0
Earnings Per Share—						
Prior Preferred	¶$12.56	¶$22.06	¶$20.86	.....	.....	.....

*Includes retirement reserve of $239,609 in 1924, $241,907 in 1925, $316,087 in 1926 and $322,453 in 1927. †After eliminating interest on indebtedness retired pursuant to terms of merger. ‡Does not include interest accrued during the year on Adjustment Debenture bonds. §Does not include Chicago & Oak Park Elevated RR. Co. for January, as said Company was not acquired until Jan. 31, 1924. ¶Based on stock actually issued and outstanding and before allowance for interest on Adjustment Debenture bonds, which interest is junior to Prior Pfd. dividends.

GENERAL BALANCE SHEET

(Accounts Audited by Arthur Young & Co.)

	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	Dec. 31, 1924	Jan. 3 192
Assets—					
Road and equipment	$94,189,652	$92,913,559	$91,675,511	$88,713,595	$87,637,9
Misc. physical property	2,155,067	2,120,945	2,101,917	2,002,504	1,983,3
Other investments	360,429	532,487	491,285	911,201	880,3
Sinking fund (cash)	848	653	378	181	‡1,029,2
Deposits in lieu of mortgaged property sold	572,546	746,782	684,967	.....	.....
Advances to affil. cos.	459	459	655	.....	.....
Cash	959,310	1,069,108	1,266,094	2,144,077	
Special deposits	676,966	534,471	514,335	94,149	
Loans and notes receivable	551,000	26,750	13,650	52,571	3,734,5
Miscellaneous accts. receivable	1,291,128	1,089,157	1,098,032	848,560	
Materials & supplies	610,474	608,303	638,547	597,228	
Other current assets	9,458	2,593	2,905	32,414	
Prepaid rents and insurance	92,952	141,080	27,806		
Disc. & exp. on funded debt	1,219,668	1,161,172	1,224,858	1,222,168	2,124,2
Other unadjusted debits	33,434	26,026	203,590		
Deferred assets	.....	.....	.....	.....	29,9
Total	$102,723,391	$100,973,545	$99,944,530	$96,618,649	$97,419,6
Liabilities—					
Prior Pfd. stock	$6,500,000	‖$5,081,502	$5,000,000	$23,691,586	$20,329,5
Common stock	20,329,500	20,329,500	20,329,500		
Adjustment debenture bonds	18,563,000	18,563,000	18,563,000	18,563,000	18,563,0
Mortgage bonds and real estate mortgages	†45,713,600	44,705,900	44,907,400	43,252,000	*46,008,0
Equip. trust obligations	†875,000	1,263,000	1,704,000	2,276,000	2,722,0
Loan & notes payable	.....	350,000	.....	475,000	
Accounts payable	1,184,376	1,568,417	1,166,028	833,124	2,410,4
Matured int., dividends & rentals	643,762	605,738	539,672	531,020	
Deferred liabilities	§451,621	483,985	521,136	582,236	553,3
Tax liability	1,537,771	1,493,588	1,378,229	1,260,203	1,336,7
Accrued interest and rentals	488,076	498,988	509,931	519,471	
Retirement reserve	3,414,128	3,405,412	3,395,082	2,058,818	1,857,2
Other reserves				1,316,929	3,504,9
Other unadjusted credits	105,054	110,097	198,839	300,589	7,0
Corporate surplus	2,917,503	2,514,418	1,731,713	958,673	126,0
Total	$102,723,391	$100,973,545	$99,944,530	$96,618,649	$97,419,0

*Exclusive of $12,292,000 bonds in escrow with Central Union Trust Co. of New York, which have since been cancelled. †In addition to the funded debt above stated, $4,579,000 of Divisional Mortgage Bonds and $136,000 of Equipment Obligations are pledged under the Company's mortgages; $1,962,000 Divisional Mortgage Bonds are held in a Sinking Fund and $370,000 Divisional Mortgage Bonds, and $15,000 Equipment Obligations are held in the Company's Treasury. ‡Sinking Fund bonds at par and cash. §In addition to these deferred liabilities there is accrued and unpaid cumulative interest of $2,59 820 on the Adjustment Debenture bonds, which interest is not required to be paid until July 1, 1963. ‖Includes $5,000,000 7.2% Prior Pfd., Series "A", and $81,502 7.2% Prior Pfd. Series "B", of which $65,000 had been issued and $16,502 represents instruments paid on $111,100 stock.

Officers: Samuel Insull, Chairman of Board; Britton I. Budd, Pres.; R. Floyd Clinch, V-P.; E. C. Noe, V-P.; B. J. Fallon, V-P. in charge of operations; W. V. Griffin, V-P., Sec. & Treas.; C. E. Thompson, V-P.; Hal M. Lytle, V-P.; M. J. Feron, Asst. to V-P. in charge of operation; H. A. Johnson, Gen. Mgr.; E. A. Brion, Compt.; T. B. MacRae, Aud.; F. M. O'Donnell, Asst. Sec. & Asst. Treas.; L. C. Torrey, Asst. Sec. & Asst. Treas.; G. E. Porter, Gen. Counsel; A. L. Gardner, Gen. Atty., Chicago, Ill.

Executive Committee: Samuel Insull, Britton I. Budd, R. F. Clinch.

Directors: Samuel Insull, A. G. Hoyt, Britton I. Budd, R. Floyd Clinch, John H. Gulick.

General Office, 72 West Adams St., Chicago, Ill.

CHICAGO JUNCTION RAILROAD COMPANY

(Leased to Chicago Rapid Transit Company)

History and Property—Incorporated Nov. 24, 1902, in Ill., to build a line to the Union Stock Yards and a loop around the Yards, 3¾ miles, which was completed in May, 1908. Leased to the South Side Elevated R. R. Co. (now Chicago Rapid Transit Co.) for 50 years (with right to purchase at cost within 20 years), at annual rental of interest on bonds, taxes and all fixed charges. Franchises are unlimited. Company not operating. Acts as lessor of property.

CAPITAL STOCK

Authorized and outstanding, $50,000. The entire stock is held in trust to be purchased by the Chicago Rapid Transit Co. (formerly the South Side Elevated R. R. Co.) in case that company should desire to do so.

FUNDED DEBT

$2,327,000 (Entire Issue) First Mortgage Gold 4s; Due March 1, 1945

Dated March 1, 1905.

Interest Payable March and September 1, at Harris Trust & Savings Bank, Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—First Trust & Savings Bank, Chicago.

Callability—Subject to call at 105 and interest on any interest date upon 90 days' notice.

Security—A first lien on entire property and franchises.

Guaranty—Guaranteed, principal and interest, by the Chicago Junction Rys. & Union Stock Yards Co. It is provided that this issue of bonds must be retired in event of consolidation with the South Side Elevated R. R. Co. (now Chicago Rapid Transit Co.).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,500,000) in March, 1905, at 101 and interest.

Market—Quoted on unlisted Department of Chicago Stock Exchange.

OFFICERS AND DIRECTORS

Officers: A. G. Leonard, Pres.; H. E. Poronto, V-P.; J. W. Austin, Sec. & Treas.; J. C. Erickson, Asst. Sec.; H. C. Wilkening, Aud., Chicago, Ill.

Directors: H. E. Poronto, A. G. Leonard, R. Fitzgerald, S. H. Strawn, O. T. Henkle, Chicago, Ill.; F. H. Prince, M. A. Taylor, Boston, Mass.

Office, Chicago, Ill.

STONE & WEBSTER, INC.

(Public Service Corporations under the Executive Management of Stone & Webster, Inc.)

(See Accompanying Map)

The properties under the management of this organization comprise a number of electric railways, electric lighting, gas and water power companies located in various sections of the United States. The accompanying map shows the location of the several properties. Each of the companies is a distinct corporation, having its own accounts, which are separately kept, and its own officers and board of directors. This independence is necessary, as the security holders, with the exception of Stone & Webster, Inc., are not common to the different companies.

ELECTRIC LIGHTING, GAS AND WATER POWER PROPERTIES UNDER THE EXECUTIVE MANAGEMENT OF STONE & WEBSTER, INC.

Americus Lighting Company
Baton Rouge Electric Company
Beaumont Traction Company
Blackstone Valley Gas & Electric Company
Brush Electric Company (Delaware)
Cape Breton Electric Company, Ltd.
Carolina Public Service Company
City Gas Company of Norfolk
Columbus Electric & Power Company
Columbus Power Company (The)
Eastern Texas Electric Company (Delaware)
Edison Electric Illuminating Company of Brockton
Electric Light & Power Company of Abington and Rockland (The)
El Paso Electric Company (Delaware)
El Paso Electric Company (Texas)
Fall River Gas Works Company
Galveston Electric Company
Galveston-Houston Electric Company
Galveston-Houston Electric Railway Company
Georgia-Alabama Power Company
Gulf States Utilities Company
Haverhill Gas Light Company
Houston Electric Company
Jacksonville Traction Company
Jamaica Public Service Company, Limited
Key West Electric Company (The)
Lowell Gas Light Company
Nebraska Electric Power Company
Nevada Power, Light & Water Company
Norfolk and Atlantic Terminal Company
Norfolk and Portsmouth Traction Company
Norfolk Railway and Light Company (The)
Norfolk Street Railroad Company
Northern Texas Electric Company
Northern Texas Traction Company
Old Dominion Iron and Nail Works Company
Pacific Coast Power Company
Pacific Northwest Traction Company
Pawtucket Electric Company
Pawtucket Gas Company of New Jersey (The)
Plant City Public Service Company
Ponce Electric Company
Puget Sound Electric Railway
Puget Sound Power & Light Company
Puget Sound Power Company
Railway & Light Securities Company
Reno Power Light & Water Company
Savannah Electric and Power Company
Savannah Electric Company
Savannah, Thunderbolt and Isle of Hope Railway, (The)
Seattle Electric Company (The)
Sierra Pacific Electric Company
South Georgia Power Company
Sydney and Glace Bay Railway Company, Limited
Tacoma Railway and Power Company
Tampa Electric Company
Truckee River Power Company
Twin City Light and Traction Company
United Ice Service Company
Virginia Electric and Power Company
Virginia Electric Company
Virginia Railway and Power Company
Western Public Service Company
Whatcom County Railway and Light Company
Woonsocket Electric Machine and Power Company

CAPE BRETON ELECTRIC COMPANY, LIMITED

History and Property—Incorporated in Nova Scotia, and does the entire electric lighting and electric railway business in Sydney, N. S.; the entire electric lighting business in North Sydney, the ferry business between Sydney and North Sydney, and operates an interurban line between North Sydney and Sydney Mines. Owns $220,000 of the $342,000 outstanding First Mortgage bonds, and entire capital stock of the **Sydney & Glace Bay Ry. Co., Ltd.,** an interurban line, 19 miles in length, between Sydney and Glace Bay, which is operated under lease for 99 years from Jan. 1, 1911, and guarantees the payment of said Company's bonds as to principal, interest and sinking fund. It also owns the capital stock of the **Sydney Mines Electric Co., Ltd.,** and operates that company's electric lighting and power property in Sydney Mines, N. S.,

under lease for 88½ years from July 1, 1921. Length of tracks: Cape Breton Electric Co., Ltd., 12.84 miles; Sydney & Glace Bay Ry. Co., Ltd., 19.36 miles. Gauge, standard. Rail, 60 lb. Motor passenger cars, 27, other cars 6. Power stations located at Sydney, No. Sydney and Sydney Mines, N. S.; capacity, 1,975 k.w. No. of electric customers, 6,770. Estimated population served, Jan. 1, 1928: Railway, 56,400; electric light and power, 37,900. Franchises are not limited as to time.

CAPITAL STOCK

Authorized by charter, $2,000,000; authorized by shareholders, $1,125,000 Common and $500,000 (increased from $250,000 May 5, 1914) 6% non-cumulative Preferred; outstanding, $1,125,000 Common and $314,000 Pfd.; par, $100. Pfd. is redeemable at 120 and is preferred as to dividends and in case of liquidation. As much of the unissued stock shall be Pfd. as shareholders may determine.

Transfer Agents—Stone & Webster, Inc., Boston.

Registrar—State Street Trust Co., Boston.

Annual Meeting—First Tuesday in May.

Price Range—

	1927	1926	1925	1924	1923	1922
Preferred—						
High	42	50	60	63	55	..
Low	35	45	57¾	49	42	..
Common—						
High	5	5	4	11	10	17
Low	2	3	4	7½	5	15

Dividends—Pfd. dividends regularly paid semi-annually, May and Nov. 1. On Common: 1½% Nov. 1, 1910; 2% each, May 1 and Nov. 1, 1911, and May 1 and Nov. 1, 1912; 1% extra paid Nov. 1, 1912; 1913 and 1914, 6% each year; 1915, 3%; 1916, 3%; 1917, 3%; 1918, 3%; May and Nov. 1, 1919, 1½% each; none since.

FUNDED DEBT

(1)

$1,096,000 CAPE BRETON ELECTRIC CO., LTD., FIRST GOLD 5s; DUE JANUARY 1, 1932

Dated January 1, 1902.

Interest Payable January and July 1, at State Street Trust Co., Boston.

Denominations—Coupon, $1,000; principal may be registered.

Trustee and Registrar—State Street Trust Co., Boston.

Provisions of Issue—Authorized, $1,500,000; issued, $1,098,000 of which $2,000 have been purchased for improvement fund and cancelled. The $402,000 unissued bonds are reserved for future improvements at 80% of cost.

Callability—Subject to call as a whole at 105 and interest on any interest date.

Improvement Fund—Improvement fund, 1% per annum of outstanding issue, which may be used in making additions or improvements to property, or in purchase of bonds at not exceeding 105 and interest.

Security—A first lien on entire property owned.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	81	80	81	81	73	83	65
Low	81	75¼	75	71¼	70	78½	65

(2)

$122,000 SYDNEY & GLACE BAY RY. CO., LTD., FIRST GOLD 5s; DUE JULY 1, 1932

Dated July 1, 1902.

Interest Payable Jan. and July 1, at Royal Trust Co., Montreal, Trustee. Authorized issue, $500,000; issued, $440,000, of which $98,000 have been cancelled by sinking fund and $220,000 are owned by Cape Breton Electric Co., Ltd. Subject to call as a whole at 110 and interest on any interest date. Sinking fund, 1% per annum of bonds certified, payable Oct. 1. Guaranteed, principal, interest and sinking fund, by Cape Breton Electric Co., Ltd. A first lien on property of company, including 19 miles of road between Sydney and Glace Bay, N. S. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Including leased property)

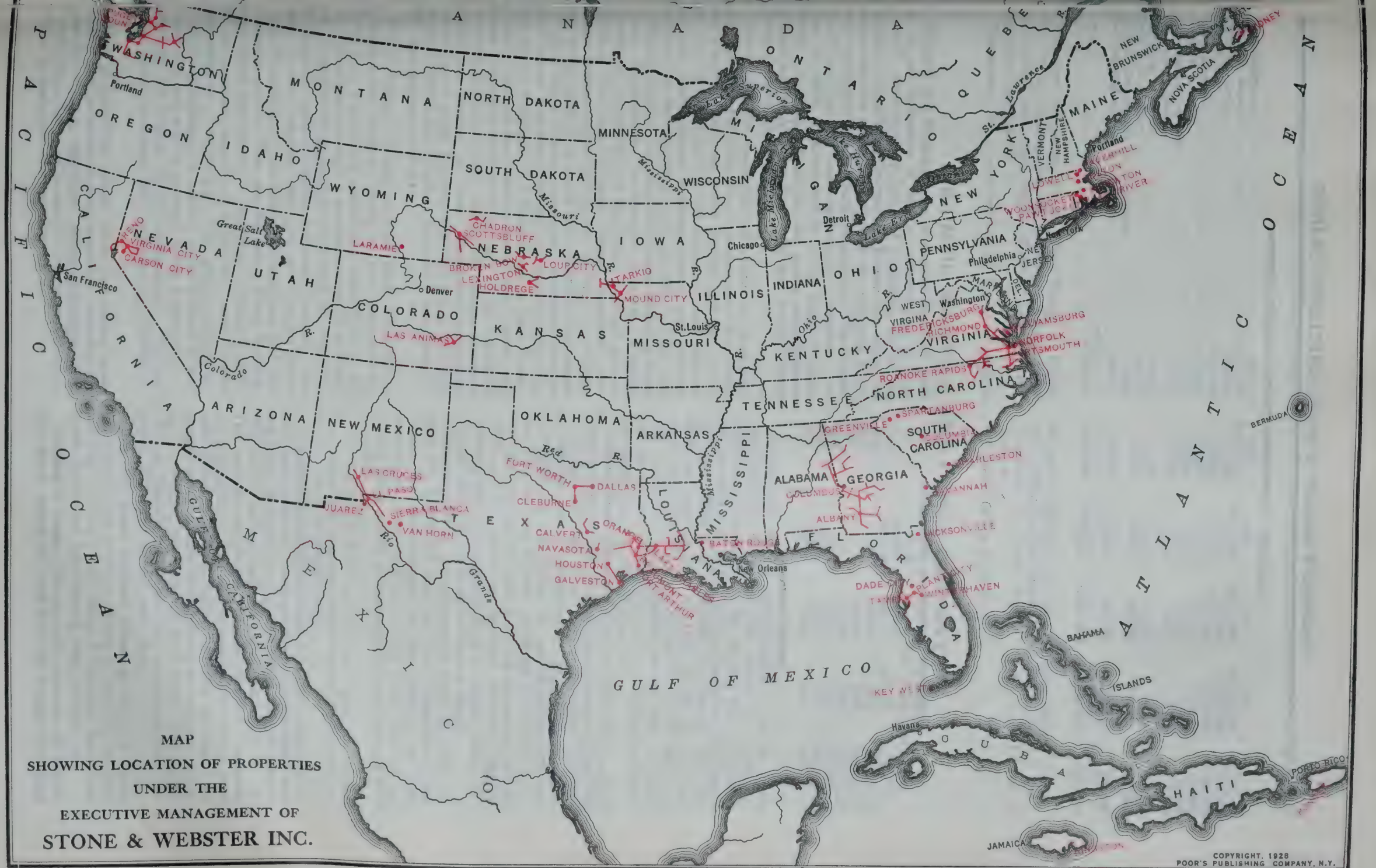
	1927	1926	1925	1924	1923	1922
Gross earnings	$656,656	$612,629	$567,914	$662,906	$701,214	$626,238
Operating expenses and taxes	‡512,501	492,883	475,073	535,576	608,563	552,684
Net earnings	$144,155	$119,746	$92,841	$127,330	$92,651	$73,554
Interest charges	68,533	69,271	69,074	68,408	67,781	67,196
Balance for reserves, retirements and divds.	$75,622	$50,475	$23,767	$58,922	$24,870	$6,358
Dividends on Preferred stock	18,840	18,840	18,840	18,840	18,840	18,840
Balance for reserves and retirements	$56,782	$31,635	$4,927	$40,082	$6,030	†$12,482
*Times Fixed Charges Earned	2.10	1.73	1.34	1.86	1.37	1.09
*Earnings Per Share—						
Preferred	$24.08	$16.07	$7.67	$18.76	$7.92	$2.02
Common	5.04	2.81	0.44	3.56	0.54	Nil

*Before reserves and retirements. ‡Includes operation, $382,135; maintenance, $99,336 and taxes, $31,030.

Maintenance—During the 26 years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expenses, a total of 16.08% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 6.80% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property, plant, etc.	$3,246,623	$3,225,728	$3,219,767	$3,197,533	$3,177,978	$3,101,962
Investment securities	5,004	5,004	2,503	2,503	2,503	.....
Materials and supplies	57,725	56,297	57,220	63,748	62,833	59,901
Advance payments	6,071	6,569	6,610	6,663	8,292	7,311
Accounts receivable	49,057	45,871	44,521	52,663	58,922	56,041
Sinking funds	574	234	910	572	236	978
Unadjusted debits	4,518	7,550	958	802	7,117	8,212
Funds in escrow	.....	.....	.....	.....	815	.....
Cash	29,334	23,011	15,934	30,482	29,916	53,198
Purchase agreement—						
Sydney Mines Electric Co	.....	.....	.....	.....	.....	28,100
Total	$3,398,906	$3,370,264	$3,348,423	$3,354,966	$3,348,612	$3,315,703


MAP
SHOWING LOCATION OF PROPERTIES
UNDER THE
EXECUTIVE MANAGEMENT OF
STONE & WEBSTER INC.
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POOR'S PUBLISHING COMPANY, N.Y.
NORTH AMERICA
PACIFIC OCEAN
ATLANTIC OCEAN
GULF OF MEXICO
WASHINGTON
Portland
OREGON
IDAHO
MONTANA
NORTH DAKOTA
MINNESOTA
SOUTH DAKOTA
WYOMING
NEBRASKA
IOWA
WISCONSIN
MICHIGAN
ONTARIO
QUEBEC
NEW BRUNSWICK
NOVA SCOTIA
MAINE
VERMONT
NEW HAMPSHIRE
NEW YORK
PENNSYLVANIA
NEW JERSEY
Philadelphia
New York
Boston
Chicago
Detroit
Lake Superior
Lake Michigan
Lake Huron
Lake Erie
St. Lawrence
Mississippi
Missouri
Ohio
Great Salt Lake
NEVADA
RENO
VIRGINIA CITY
CARSON CITY
CALIFORNIA
San Francisco
UTAH
COLORADO
Denver
LARAMIE
CHADRON
SCOTTSBLUFF
BROKEN BOW
LEXINGTON
HOLDREGE
LOUP CITY
STARKIO
MOUND CITY
ILLINOIS
INDIANA
OHIO
KENTUCKY
WEST VIRGINIA
FREDERICKSBURG
RICHMOND
WILLIAMSBURG
NORFOLK
PORTSMOUTH
VIRGINIA
ROANOKE RAPIDS
NORTH CAROLINA
TENNESSEE
St. Louis
MISSOURI
KANSAS
LAS ANIMAS
Colorado R.
ARIZONA
NEW MEXICO
OKLAHOMA
ARKANSAS
Red R.
FORT WORTH
DALLAS
CLEBURNE
LAS CRUCES
EL PASO
JUAREZ
SIERRA BLANCA
VAN HORN
Rio Grande
TEXAS
CALVERT
NAVASOTA
HOUSTON
GALVESTON
ORANGE
PORT ARTHUR
BATON ROUGE
New Orleans
LOUISIANA
MISSISSIPPI
ALABAMA
GEORGIA
SOUTH CAROLINA
GREENVILLE
SPARTANBURG
CHARLESTON
SAVANNAH
COLUMBUS
ALBANY
JACKSONVILLE
FLORIDA
DADE CITY
PLANT CITY
WINTER HAVEN
TAMPA
KEY WEST
BAHAMA ISLANDS
CUBA
Havana
HAITI
PORTO RICO
JAMAICA
BERMUDA



GENERAL BALANCE SHEET DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000
Preferred stock	314,000	314,000	314,000	314,000	314,000	314,000
Funded debt	1,218,000	1,222,000	1,227,000	1,231,000	1,235,000	1,240,000
Notes payable	130,000	132,125	132,125	137,125	117,125	95,000
Accounts payable	31,131	45,190	49,413	44,366	74,292	56,225
Accounts not yet due	24,722	28,733	7,663	8,192	7,911	7,768
Unadjusted credits	15	.....	.....	26	4	.....
Operating reserves	11,655	12,525	12,617	12,090	11,308	7,841
Retirement reserve	297,288	262,781	246,561	229,848	210,211	199,085
Appropriated reserve for retirements	2,428	.....	.....	.....	.....	.....
Reserves and surplus	244,667	227,910	234,044	253,320	253,761	270,784
Total	$3,398,906	$3,370,264	$3,348,423	$3,354,966	$3,348,612	$3,315,703

Officers: A. Stuart Pratt, Pres.; Harry T. Edgar, V-P.; V. D. Vickery, Sec.; H. B. Sawyer, Treas.; Stone & Webster, Inc., Exec. Mgrs., Boston; Leon E. Seekins, Mgr., Sydney, N. S.

Directors: W. Cameron Forbes, Harry T. Edgar, Raymond Emerson, A. Stuart Pratt, Walter Hunnewell, Allan Forbes, Henry G. Bradlee, John C. Rice, Frederick S. Pratt, Henry B. Sawyer, Edwin S. Webster.

General Office, Sydney, N. S.

COLUMBUS ELECTRIC AND POWER COMPANY

History and Property—Incorporated March 9, 1886, in Ga., as Columbus R. R. Co.; effective as of June 1, 1922, the corporate name of Columbus R. R. Co. became Columbus Electric & Power Co. On the same date the company acquired the property formerly controlled through stock ownership of The Columbus Power Co. and Gas Light Co. of Columbus. On Dec. 31, 1925, acquired control of the South Georgia Power Co., which acquired the assets and property of the Georgia-Alabama Power Co. and South Georgia Public Service Co.

Through direct ownership of operating properties and control of the Columbus Transportation Company, this Company does the entire electric lighting, power, gas and bus business in Columbus, Ga., and vicinity, and the entire electric lighting, power, gas and bus business in the adjoining town of Phenix City, and a wholesale power business in 17 places including West Point, Hogansville, La Grange, Lanette, Trimble, Grantville, Moreland and Newnan. Through ownership of the stock of South Georgia Power Co., furnishes electric light and power service to 44 cities and towns located in southwest Georgia, the largest of these being Albany, Americus, Cordele, Dawson and Tifton, and does the gas business in Americus and an ice business in Tifton, Cochran and Montezuma. Principal franchises of Columbus Electric and Power Co. not limited in time; some of the franchises of South Georgia Power Co. are of various duration, others not limited in time. Estimated population served Jan. 1, 1928: Electric light and power, 216,000, of which 88,000 are served at wholesale only; gas, 70,500; transportation, 65,100.

Power stations, located at Goat Rock, Flint River, Columbus and Bartlett's Ferry on the Chattahoochee River, have a combined generating capacity of 75,200 k.w. In addition there is a purchase capacity of 63,800 k.w., available through connections with the transmission lines of Georgia Railway & Power Company, Alabama Power Company and Central Georgia Power Company permit the advantageous purchase and sale of surplus power. The new Bartlett's Ferry development which was placed in operation in January, 1926, has an installed capacity of 30,000 k.w., and an ultimate capacity of 80,000 h.p. The project formed by this new development is subject to the Federal Water Power Act and will be operated under a license to be issued by the Federal Power Commission. The gas plants have a combined daily capacity of 1,350,000 cu. ft.

Miles of equivalent single track (subsidiary companies), 16.9, including 5 miles leased to Seaboard Air Line Ry. Gauge, standard. Motor passenger cars, 7; other cars, 5. No. of busses, 22. Steam locomotives leased to Seaboard Air Line Ry.), 2.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Gas Department— Miles of Mains	No. of Meters	Output Cubic Feet
1922	.....	42.69	2,733	100,252,000
1923	.....	46.44	2,907	112,423,000
1924	.....	51.68	3,033	114,321,000
1925	.....	54.51	3,153	117,646,000
1926	13,725	69.59	4,074	143,434,000
1927	19,779	79.40	4,650	171,782,137

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value, $4,165,400 7% cumulative Pfd., Series "B" (to be proportionately increased as the Second Pfd. is converted), par $100; $2,000,000 6½% cumulative Pfd., Series "C," par, $100, and $2,000,000 7% Second Pfd., par, $100; outstanding, Dec. 31, 1927, 275,785 shares Common; $4,165,400 7% Pfd., Series "B", $1,935,900 6½% Pfd. Series "C," and $334,600 Second Pfd. In addition $1,665,400 Second Pfd. has been exchanged for a like amount of 7% Pfd. Series "B."

Capital Stock Changes—Capital stock was changed from authorized and outstanding amounts of $3,167,600 Common, $332,400 First Preferred Series "A" and $1,428,700 Second Preferred to $5,250,000 Common, $2,500,000 7% Pfd. Series "B" and $2,000,000 7% Second Pfd. on July 28, 1925; $213,400 First Pfd, Series "A" outstanding was called for redemption on Oct. 21, 1925, at 120 a share and accrued dividends, the remaining part of the issued First Preferred, Series "A" having been converted into Common stock.

Stockholders at special meeting Sept. 16, 1926, created the $2,000,000 issue of 6½% cumulative Pfd., Series "C," and changed the par value of the Common stock from $100 to no par value, five no par shares being issued in exchange for one share of $100 par value.

On March 31, 1927, stockholders voted to increase the authorized Common stock from 262,500 shares of no par value to 500,000 shares.

Preferred Stock Provisions—Preferred stock, Series "B," and Series "C," have preference for dividends and for assets in liquidation, and is subject to call; Series "B" at 115 and accrued dividends, and Series "C" at 110 and accrued dividend. The Second Preferred is redeemable at 120, and is convertible at any time into Preferred stock, Series "B," par for par. All classes of stock have voting power as follows: Common (no par), one vote for each share; Pfd. Series "B" and Second Pfd., 5 votes for each share, and Pfd. Series "C," one vote for each share.

Pfd. "B" Stock Original Offering—Pfd. "B" stock ($2,500,000) first publicly offered in Jan., 1926, at $100 per share, to yield 7% by Stone & Webster, Inc., Estabrook & Co., and Parkinson & Burr, Boston, etc.

Purpose of Issue—The proceeds from the $2,500,000 Pfd. stock, Series "B", and $571,300 Second Pfd. stock

sold locally, together with the proceeds of the sale of $2,500,000 5% Gold Notes, due 1928, provided the funds necessary for the purchase through the South Georgia Power Co., of the property, assets, and franchises of Georgia-Alabama Power Company and South Georgia Public Service Company, and for the completion of the initial development at Bartlett's Ferry.

Transfer Agent—Stone & Webster, Inc., Boston.

Registrar—Old Colony Trust Co., Boston.

Annual Meeting—First Wednesday in March.

Listed (Common)—New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Cum. Pfd., Ser. "B"—							
High	113	107	..	..	..	..	..
Low	107	100	..	..	..	..	..
Second Pfd.—							
High	..	..	103	102	95	94	..
Low	..	..	100	94	92	86½	..
Common ($100)—							
High	..	278½	158	138	120	60	21½
Low	..	150	135½	115½	95	40	11½
Common (no par)—							
High	80	56	..	..	..	..	..
Low	42⅞	55	..	..	..	..	..

Dividends—Dividends on First Preferred stock, Series "A", regularly paid quarterly, J, A, J & O 1, to date of redemption. Dividends on Preferred stock, Series "B," Preferred stock, Series "C," and Second Preferred stock regularly paid quarterly, J, A, J & O 1, initial dividends having been paid on Preferred Series "B," April 1, 1926, and on Preferred Series "C" Jan. 3, 1927. Initial dividend on Common stock, 2% paid Oct. 2, 1922, which quarterly rate paid to Oct. 2, 1923; Jan. 2, 1924, 2½%, which quarterly rate paid to Oct., 1926. Initial dividend of 50 cents a share on no par Common paid Jan. 3, 1927, which quarterly rate maintained to date; payments, J, A, J & O 1. In addition semi-annual dividends of 1-40th of a share of Common stock paid on Common stock July 1, 1927 and Jan. 3, 1928.

FUNDED DEBT

(1)

$3,370,000 COLUMBUS POWER CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1936

Dated April 2, 1906.

Interest Payable April and October 1, at The Atlantic National Bank, Boston.

Denominations—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The Atlantic National Bank, Boston.

Provisions of Issue—Authorized and issued $4,000,000, of which $575,000 cancelled by sinking fund to Dec. 31, 1927, and $55,000 held alive in sinking fund on that date.

Callability—Subject to call as a whole, or in part for sinking fund, on any interest date, at 110 and interest.

Sinking Fund—1% per annum, payable April 1, of bonds certified, began April 1, 1912.

Security—A first lien on entire property of former The Columbus Power Co.

Assumed—Assumed by The Columbus Electric and Power Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, New Hampshire, Vermont and Rhode Island.

Original Offering—First publicly offered ($1,375,000) in April, 1906, at 96½ and interest, additional bonds offered in 1918, at 88 and interest, yielding 6⅛%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105	103	103	99	102	98	90	85
Low	101	99½	99¼	94½	94½	91	76	78

(2)

$1,411,800 COLUMBUS ELECTRIC AND POWER CO. FIRST AND REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE JUNE 1, 1947

$5,940,000 COLUMBUS ELECTRIC AND POWER CO. FIRST AND REFUNDING MORTGAGE GOLD 5s, SERIES "B"; DUE NOVEMBER 1, 1954

Dated—Series "A," June 1, 1922; Series "B," November 1, 1924.

Interest Payable on Series "A" June and December 1, and on Series "B" May and November 1, at Old Colony Trust Co., Boston, and Farmers' Loan & Trust Co., New York.

Denominations—Series "A" Coupon, $100, $500 and $1,000; principal may be registered. Series "B": Coupon bonds in denominations of $100, $500 and $1,000, registrable as to principal and fully registered bonds in denominations of $1,000 and $10,000; interchangeable in denomination and form.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Total authorized issue not limited in amount, but additional bonds, except for refunding underlying bonds, par for par, can be issued only subject to restrictions mentioned below. Issued, $1,500,000 (closed) Series "A" and $6,000,000 Series "B" of which $88,200 Series "A" and $60,000 Series "B" cancelled by sinking fund to Dec. 31, 1927.

The proceeds from the sale of $4,000,000 of the Series "B" 5% bonds and of $2,000,000 5% Coupon Notes dated Dec. 1, 1924, were applied toward the construction of a new hydro-electric development at Bartlett's Ferry having an initial capacity of 40,000 h.p. The proceeds from the sale of an additional $2,000,000 Series "B" 5s, and of $1,500,000 6½% Pfd. stock, Series "C," were applied toward the retirement of $2,000,000 5% notes due Dec. 1, 1927, and for construction purposes.

Bonds of Series "B" and subsequent series may be issued only when net earnings for 12 mos. within the 15 mos. immediately preceding shall have been at least 1¾ times total annual interest requirements on all mortgage debt of company, including underlying bonds and those sought to be issued; and when issued against acquisitions of physical property by the Company they are limited to 75% of the cost or fair value, whichever is less. They may also be issued par for par in exchange for First Mortgage bonds of controlled companies, provided that the total issue of such bonds does not exceed 75% of the fair value of the controlled Company's property. Bonds of future series may bear such dates, mature at such dates not later than Jan. 1, 2000, bear interest at such rates, be callable at such prices, and have such sinking fund, conversion, tax or other provisions as shall be determined by the Board of Directors at the time of issue.

Stockholders on March 7, 1928, consented to the bonding of the Company's property, rights, privileges and franchises, both present and future acquired, to an aggregate principal amount not exceeding $18,500,000, including the $8,500,000 bonds authorized by the stockholders on Dec. 1, 1924. To this end the directors were empowered from time to time in their discretion to issue, under the Company's First & Refunding Mortgage dated June 1, 1922, and in conformity with the provisions thereof, bonds in such installments and series as they may deem desirable, but within the limitation as to aggregate principal amount herein specified.

Callability—Series "A" bonds are subject to call as a whole or in part on any interest date after June 1, 1932, up to and including June 1, 1937, at 105 and thereafter decreasing ½ of 1% each year to 101 for year ending June 1, 1945, and at 100 thereafter, plus accrued interest in each case.

Series "B" bonds are subject to call as a whole or in part on any interest day at 105 up to and including Nov. 1, 1944, and thereafter decreasing ½ of 1% for each year to 100 after Nov. 1, 1935, plus accrued interest in each case.

Sinking Fund—Series "A" bonds: 2% per annum of the total bonds issued, commenced Nov. 1, 1923, to be applied to the purchase of Series "A" bonds at not exceeding 105 and accrued interest prior to and including June 1, 1937, and thereafter at not exceeding their redemption prices.

Series "B" bonds: 1½% per annum of bonds outstanding at time of payment (first payment Nov. 1, 1926) to be applied to purchase of Series "B" bonds at not exceeding 100 and interest.

If bonds are not so purchasable, the balance may be applied either to purchase underlying bonds at not exceeding their redemption price in case of Series "A" sinking fund and at not exceeding 100 and interest in case of Series "B" sinking fund, or to reimburse the Company for 75% of the cost or fair value, whichever is less, of additional property acquired against which no bonds may be issued. All First and Refunding Mortgage bonds acquired by the sinking fund are to be cancelled.

Security—A mortgage on entire property now owned or hereafter acquired, being a first lien on the Bartlett's Ferry hydro-electric development, a portion of the transmission lines, the retail electric light and power distribution system and the railway properties; and is a lien subject only to $3,543,000 underlying closed mortgage bonds on the other power properties and transmission lines; and is also a first lien on the entire property of the former Gas Light Co. of Columbus.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Johnson, Clapp, Ives & Knight, and Ropes, Gray, Boyden & Perkins, Boston, Lawrence & Abrahams, Savannah, Ga., and Frank U. Garrard, Columbus, Ga.

Legal for Savings Banks in Maine, New Hampshire, Vermont and Rhode Island.

Original Offering—First publicly offered ($1,500,000 Series "A" 6s) in June, 1922, at 97 and interest, yielding about 6.25% by Estabrook & Co., Stone & Webster, Inc. (now Stone & Webster and Blodget, Inc.), and Parkinson & Burr, New York, Boston, etc.; $2,000,000 Series "B" 5s were publicly offered in Dec., 1924, at 92 and interest, yielding 5.55%, by the same syndicate of bankers; $2,000,000 additional Series "B" 5s were publicly offered in June, 1925, at 95½ and interest to yield 5.30%, by the same bankers; in Nov., 1927, $2,000,000 Series "B" 5s were publicly offered at 101.87 and interest, yielding 4.875%, also by the same bankers.

Price Range—

	1927	1926	1925	1924	1923	1922
Series "A" 6s—						
High	106	106	105	105	105	104
Low	105	103	103	102	101½	92½
Series "B" 5s—						
High	100	99½	96	92	..	..
Low	99¾	96	94	91½	..	..

(3)

$2,500,000 COLUMBUS ELECTRIC & POWER CO. THREE-YEAR 5% GOLD NOTES; DUE NOVEMBER 1, 1928, BUT CALLED FOR PAYMENT MAY 1, 1928, AT PAR AND INTEREST

(4)

$2,000,000 COLUMBUS ELECTRIC AND POWER CO. THREE-YEAR 5% GOLD NOTES; DUE JUNE 1, 1929

Dated June 1, 1926.

Interest Payable June and December 1, at The Atlantic National Bank, Boston, and Farmers' Loan & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The Atlantic National Bank, Boston.

Provisions of Issue—Authorized and outstanding, $2,000,000. Proceeds used to provide funds for retirement of floating indebtedness and in part for acquisition of new properties including construction of transmission lines to effect connection with Company's present system.

Callability—Subject to call on any interest date as a whole on or before June 1, 1927 at 101½; on Dec. 1, 1927 at 101; on June 1, 1928 at 100½; and on Dec. 1, 1928 at 100 plus interest in each case.

Tax Provision—Company pays Normal Federal Income tax up to 2%.

Legal Opinion—Johnson, Clapp, Ives & Knight, and Ropes, Gray, Boyden & Perkins, Boston; Lawrence & Abrahams, Savannah; Frank U. Garrard, Columbus, Ga.

Original Offering—First publicly offered ($2,000,000) in June, 1926, at 99⅞ and interest, to yield 5.05%, by Estabrook & Co., Stone & Webster, Inc., New York, and Parkinson & Burr, Boston.

Price Range—

	1927	1926
High	100⅜	99⅞
Low	95⅝	99¼

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$4,200,699	$3,777,338	$2,753,510	$2,326,800	$2,240,190
Operating expenses and taxes	‡1,880,680	1,661,602	2,004,006	1,269,984	1,095,736
Net earnings	$2,320,019	$2,115,736	$749,504	$1,056,816	$1,144,454
Other income	15,200	12,056	.....	.....	.....
Total income	$2,335,219	$2,127,792	$749,504	$1,056,816	$1,144,454
Interest and amortization	894,519	853,543	263,034	268,374	271,772
Balance for reserves, retirements and dividends	$1,440,700	$1,274,249	$486,470	$788,442	$872,682
Preferred dividends	362,132	263,491	9,100	35,903	
Second Preferred dividends	27,884	51,929	100,009	100,009	375,595
Common dividends, cash	531,384	523,044	378,135	298,710	
Common dividends, stock	265,702	.....	.....	.....	.....
*Surplus for year	$253,598	$435,785	†$774	$353,820	$497,087
***Times Fixed Charges Earned**	2.61	2.49	2.85	3.94	4.21
***Earnings Per Share—**					
Preferred	¶$23.61	¶$30.11	§$19.46	$237.20	$94.09
Second Preferred	322.34	190.06	33.41	52.67	52.62
Common	3.80	3.61	7.32	20.60	25.33

*Before Reserves and Retirements. †Deficit. ‡Includes operation, $1,301,594; maintenance, $203,521 and taxes, $375,565. §Earned on $2,500,000 Pfd. stock, Series "B" issued in Jan. 1926. ¶Earned on Pfd. Series "B" and "C."

NOTE—1925 figures do not include any income, etc., from the property of South Georgia Power Co., control of which was acquired Dec. 31, 1925.

Maintenance—During the 27 years under Stone & Webster executive management, the Company and its predecessor companies have expended for maintenance, which is included in operating expenses, a total of 7.98% of the entire gross earnings over this period, and in addition during this period have set aside for reserves or retained as surplus a total of 12.25% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

	*1927	*1926	*1925	1924	1923	1922
Assets—						
Property, plant, etc.	$29,346,722	$27,473,990	$19,379,809	$13,111,031	$11,450,999	$11,102,585
Miscellaneous investments	194,417	194,417	17,034	.....	.....	.....
Subscribers to Common stock	.....	.....	88,600	.....	.....	.....
Subscribers to Pref. stock	38,264	47,920	.....	.....	.....	.....
Materials and supplies	336,332	245,831	189,261	144,009	161,465	129,274
U. S. Treasury certificates of indebtedness	.....	.....	.....	.....	.....	200,188
Advance payments	71,563	346,419	431,812	324,226	5,549	6,721
Notes receivable	.....	.....	.....	2,000	5,352	2,350
Accounts receivable	499,385	396,090	303,765	233,340	189,724	210,373
Sinking fund investment	117,132	29,964	31,133	8,100	888	634
Funds in escrow	.....	.....	.....	1,000,000	.....	.....
Unadjusted debits	35,716	17,550	12,131	10,592	501	329
Unamortized debt discount and expense	440,660	499,384	453,609	295,834	785	1,213
Cash	351,504	329,305	392,848	1,632,573	534,395	435,379
Total	$31,431,695	$29,580,870	$21,300,002	$16,761,704	$12,349,658	$12,089,046
Liabilities—						
Common stock	‡	†	$5,158,900	$3,167,600	$2,572,800	$1,500,000
Common stock subscribed	.....	.....	88,600	.....	.....	.....
Second Pfd. stock	$334,600	$531,800	1,428,700	1,428,700	1,428,700	1,428,700
Second Pfd. stock subscribed	.....	17,200	.....	.....	.....	.....
Pfd. stock "B" and "C"	6,101,300	4,232,000	.....	332,400	927,200	2,000,000
Pfd. stock Series "C" subscribed	64,100	55,700	.....	.....	.....	.....
Bonds:						
Columbus Electric & Power Co.	7,351,800	5,352,800	5,442,300	5,449,300	1,470,800	1,500,000
Columbus Power Co.	3,425,000	3,464,000	3,504,000	3,543,000	3,584,000	3,625,000
Georgia-Alabama Power Co.	349,500	760,500	.....	.....	.....	.....
Americus Lighting Co.	234,000	236,000	.....	.....	.....	.....
Coupon notes	4,500,000	6,500,000	2,000,000	.....	.....	.....
Car Trust certificates	.....	.....	.....	.....	16,599	26,381
Notes payable	424,000	424,000	1,150,000	200,000	.....	.....
Accounts payable	79,165	80,855	154,867	69,295	57,281	32,340
Accounts not yet due	337,380	291,333	117,684	96,511	69,078	69,124
Unadjusted credits	42,464	32,341	10,140	5,475	1	.....
Contributions for extensions	13,711	6,256	3,657	.....	.....	.....
Operating reserves	33,715	28,455	24,154	15,603	12,103	18,891
Retirement reserve	1,491,819	1,204,749	919,378	880,509	741,444	671,673
Reserves and surplus	‡6,649,141	†6,362,881	1,297,622	1,573,311	1,469,652	1,216,937
Total	$31,431,695	$29,580,870	$21,300,002	$16,761,704	$12,349,658	$12,089,046

*Consolidated balance sheet of Columbus Electric & Power Company and subsidiary company. †Represented by 262,500 shares of Common stock no par value, and includes $1,112,641 earned surplus. ‡Represented by 275,785 shares of Common stock of no par value, and includes $1,133,200 earned surplus.

Offices: G. Gunby Jordan, Chairman of Board, Columbus, Ga.; Harry H. Hunt, Pres.; Donald G. Barnes, V-P., Boston; R. M. Harding, V-P. & Mgr., Columbus, Ga.; Wm. T. Crawford, Sec.; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Exec. Mgrs., Boston; H. W. Patterson, Mgr., South Georgia Power Co., Albany, Ga.

Directors: Frank B. Bemis, Frank U. Garrard, John F. Flournoy, Harry H. Hunt, Henry G. Bradlee, G. Gunby Jordan, Reynold M. Harding, Edwin S. Webster, Orrin G. Wood, William C. Bradley, Frederick B. Gordon.

General Office, Columbus, Ga.

SOUTH GEORGIA POWER COMPANY

(Controlled by Columbus Electric and Power Company)

History—Incorporated Nov. 2, 1925, in Ga., and acquired the physical properties of Georgia-Alabama Power Company (see 1925 Manual, p. 1742) and South Georgia Public Service Company (see 1925 Manual, p. 1720, or apply to our Information Department). Company furnishes electric light and power service to 38 cities and towns located in southwest Georgia, the largest of these being Albany, Americus, Cordele and Tifton, and does the gas business in Americus and an ice business in Cochran, Montezuma and Tifton. It owns 5 hydro-electric plants and 5 steam auxiliary plants, with a total generating capacity of 16,050 h.p.

CAPITAL STOCK

Outstanding, 80,000 shares of no par value; all owned by Columbus Electric and Power Company. Annual meeting, second Monday in July.

FUNDED DEBT

(1)

$234,000 AMERICUS LIGHTING CO. FIRST MORTGAGE 6% GOLD BONDS; DUE APRIL 1, 1937

Dated April 1, 1917.

Interest Payable April and October 1, at Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Trustee and Registrar—Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized, $500,000; issued, $250,000 of which $16,000 cancelled by sinking fund.

Callability—Subject to call as a whole or in part for the sinking fund at 105 and interest on any interest date.

Sinking Fund—From April 1, 1922, to April 1, 1927, incl., 1% of bonds outstanding; from April 1, 1928, to April 1, 1932, incl., 1½% of bonds outstanding; from April 1, 1933, to maturity, 2% of bonds outstanding.

Security—A first lien on entire property formerly owned by Americus Lighting Co.

Assumed by South Georgia Power Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$349,500 GEORGIA-ALABAMA POWER COMPANY FIRST & REFUNDING SINKING FUND GOLD 6½s; DUE FEBRUARY 1, 1957.

Dated February 1, 1922.

Interest Payable February and August 1 at Mercantile Trust & Deposit Co., of Baltimore, Md.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Coupon and registered bonds interchangeable.

Trustee and Registrar—Mercantile Trust & Deposit Co., of Baltimore, Md.

Provisions of Issue—Authorized, $5,000,000. Issued $2,650,000, of which $1,887,500 held in treasury Dec. 31, 1927, $385,500 held by Columbus Electric and Power Co., $27,500 cancelled by sinking fund, leaving $349,500 outstanding with the public.

Callability—Subject to call as a whole or in part on any interest date at 105 and interest, on 60 days' notice

Sinking Fund—Sinking fund commences Feb. 1, 1927, equal to 1% of the then outstanding bonds. Funds deposited to be used to purchase bonds at 105 and interest; bonds to be cancelled.

Security—A first lien on entire property formerly owned by Georgia-Alabama Power Company.

Assumed by South Georgia Power Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

NOTES

There were also outstanding at Dec. 31, 1927, $424,000 notes, dated Dec. 31, 1925; due Dec. 31, 1930, without interest, issued in connection with the purchase of the properties of Georgia-Alabama Power Co. These notes are guaranteed by Columbus Electric & Power Co.

Officers: R. M. Harding, Pres.; W. T. Crawford, V-P.; H. W. Patterson, V-P. & Mgr.; A. A. Lawrence, V-P.; Henry B. Sawyer, Treas.; Laurens H. Crowell, Sec.; Stone & Webster, Inc., Executive Managers, Boston.

Directors: R. M. Harding, H. W. Patterson, A. A. Lawrence.

Office, Albany, Ga.

EASTERN UTILITIES ASSOCIATES

A voluntary association organized in 1928 to effect a closer relationship between Blackstone Valley Gas & Electric Company, Edison Electric Illuminating Company of Brockton and The Electric Light & Power Company of Abington and Rockland, which should result in more efficient and economical service and be of benefit to the stockholders and to the public served. It is the opinion that such relationship can be best accomplished under existing laws through the exchange of Common stock of the three companies above mentioned for shares in the new voluntary association. The electric properties of the three operating companies are already interconnected and their power requirements furnished in part from the same generating stations which has resulted in substantial savings. A consolidation of the physical properties is not feasible under the existing laws. The powers and financial structure of the new association will be such that it will be able to take advantage of favorable opportunities to acquire securities of other strategically located companies either through purchase or through exchange for its own securities.

The basis of exchange proposed contemplates the issue of Common shares of the new voluntary association, the dividend rate on which will be equivalent to the regular dividends now paid by the respective companies and the issue of convertible shares in proportion to the further values in the respective properties.

The plan of reorganization provides for the exchange of shares of the voluntary association for shares of Blackstone Valley Gas & Electric Company, Edison Illuminating Company of Brockton and The Electric Light & Power Company of Abington and Rockland, on the following basis:

Each share of Common stock of Blackstone Valley Gas & Electric Company shall be exchangeable for 2½ Common shares and 3¾ convertible shares of the new association;

Each share of Common stock of Edison Illuminating Company of Brockton shall be exchangeable for 1¼ Common shares and 1¼ convertible shares of the new association;

Each share of Common stock of The Electric Light & Power Company of Abington and Rockland shall be exchangeable for 1 Common share and 1¾ convertible shares of the new association.

Fractional shares will not be issued but in lieu thereof there will be issued scrip for fractional shares which may be either assignable or issued to bearer and which, when presented in sufficient amounts to represent one or more full shares of the same class, will entitle the holder to receive therefor the number of full shares so represented. Such scrip will not entitle the holders thereof to vote or to receive dividends thereon.

The Deposit Agreement provides that the depositary is not obligated to declare the plan operative and proceed with its consummation unless the existing voting trusts are terminated and unless a majority of the voting stock of Blackstone Valley Gas & Electric Company, Edison Electric Illuminating Company of Brockton and The Electric Light & Power Company of Abington and Rockland, respectively, is deposited but that the depositary may, nevertheless, in its discretion, declare such plan operative even if less than such majority is so deposited. Common stockholders of the three operating companies or holders of voting trust certificates therefor who desired to become parties to the agreement were requested to deposit their certificates with the depositary, Stone & Webster, Inc., 49 Federal St., Boston, Mass., not later than April 2, 1928 (time temporarily extended). Transferable Certificates of Deposit were issued to depositors.

Up to April 2, 1928 the following amounts of Common stock were deposited under the deposit agreement of March 3, 1928, for exchange of shares of Eastern Utilities Associates: Blackstone Valley Gas & Electric Company, 81%; Edison Electric Illuminating Company of Brockton, 84%; the Electric Light & Power Company of Abington and Rockland, 86%.

CAPITAL STOCK

The transferable certificates of beneficial interest known as shares to be issued shall consist of Common shares without par value, Convertible shares without par value, and of Pfd. shares of one or more classes either with or without par value. Subject to the prior rights and preferences of any class or classes of Pfd. shares that may be hereafter authorized and issued, Common shares shall be entitled out of the profits or surplus of the association to non-cumulative dividends when and as declared by the trustees at the rate of $2 per share per year before any dividends are paid on the Convertible shares. In any calendar year in which dividends at the rate of $2 per Common share have been paid or declared and set aside for payment in that year, Convertible shares shall be entitled out of the profits or surplus of the association to non-cumulative dividends up to but not exceeding $1 per share per year before any further dividends are paid in such year on the Common shares. Any dividends in excess of the aforesaid amounts paid in such year shall be distributed to both classes of shares in such amounts that each Convertible share will receive one-half the amount received by each Common share when the earnings of the Association for two consecutive calendar years available for distribution as dividends on the shares of the Association (including in such earnings that portion of undistributed earnings for said

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two consecutive calendar years of any subsidiary corporations or associations, in which this Association owns not less than a majority of the Voting shares, available for distribution as dividends on the shares of any such subsidiary owned by this Association) all as determined by the Trustees, shall have been not less than $2.40 per share per annum on the outstanding Common shares plus $1.20 per share per annum on the outstanding Convertible shares, the Convertible shares shall be convertible at the option of the holder at any time or from time to time thereafter into Common shares in the ratio of two Convertible shares for one Common share.

In the event of the liquidation of the Association resulting in a distribution to the shareholders, the amount distributed in liquidation shall be so distributed that each Common share shall receive in such liquidation twice the amount received by each Conververtible share. Subject to certain limitations, shares of any class or classes may be issued by the Trustee from time to time for cash, property or services. Not exceeding 2,000,000 Common shares and 2,000,000 Convertible shares may be issued by the Trustees without the consent, vote or authority of the holders of any shares previously issued, but such number of Common shares shall be automatically increased and such number of Convertible shares automatically decreased by and upon the conversion of Convertible shares into Common shares and to the extent respectively to effect such conversion. Of the shares so authorized 614,200 Common and 826,155 Convertible shares shall be set apart and reserved to be issued in exchange for shares of the Common stock of Blackstone Valley Gas and Electric Company, Edison Electric Illuminating Company of Brockton and The Electric Light and Power Company of Abington and Rockland as shall have been deposited under the Deposit Agreement of March 3, 1928. The remaining 1,385,760 Common shares and 1,173,845 Convertible shares plus such Common shares and Convertible shares as shall not have been used or required for exchange for Common shares of the three companies mentioned above may be issued for such purposes as the Trustees may determine, provided that if any shares are sold for the purpose of raising funds to enable the Association to subscribe for its pro rata portion of any additional securities offered to it for subscription as a shareholder in any other association or corporation or to reimburse its treasury for funds expended for that purpose, then in that case, the shares of the Association so sold for such purpose shall be first offered for subscription to the holders of Common shares and of Convertible shares.

COMBINED EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

(Blackstone Valley Gas & Electric Co., Edison Electric Illuminating Co. of Brockton and Electric Light & Power Co. of Abington & Rockland)

Gross earnings	$8,276,727
Operating expenses & taxes	5,347,896
Net earnings	$2,928,831
Other income	38,714
Net income	$2,967,545
Interest, amortization, etc.	742,070
Balance for Eastern Utils. Associates & deprec.	$2,225,475
Required for $2 divd. on Common stock	1,228,480
Net surplus	$996,995

Officers: Edwin S. Webster, Pres.; William T. Crawford, V-P.; Henry B. Sawyer, Treas.

Trustees: Willard T. Carleton, Ashton L. Carr, Frederic W. Easton, Cyrus Y. Ferris, Roger Pierce, Philip L. Spalding, Charles Stetson, Edwin S. Webster.

Office, 49 Federal St., Boston, Mass.

BLACKSTONE VALLEY GAS & ELECTRIC COMPANY

History and Property—Incorporated April 23, 1912, in R. I., and acquired the physical property of Woonsocket Gas Co., and subject to the outstanding bonds, the physical properties of Pawtucket Electric Co. and Woonsocket Electric Machine & Power Co. (see Manual for 1912, page 2034). It also acquired all the Common stock ($1,000,000 par value) and $10,000 of $1,000,000 par value of the preferred capital stock of The Pawtucket Gas Co. of New Jersey, which owns all the capital stock of The Pawtucket Gas Co., and other property and assets of the Blackstone Valley Gas & Electric Co. of Maine (see Manual for 1912, page 2303). Stock of the present company was exchanged for stock of the old company, share for share.

This company, through direct ownership and control of The Pawtucket Gas Co., does the entire gas, electric lighting and power business in the Blackstone Valley of Rhode Island, including the cities of Pawtucket, Woonsocket and Central Falls, the towns of Cumberland, Lincoln and those adjacent. The principal franchises are not limited in time. Estimated population served, Jan. 1, 1928: Electric light and power, 181,300; gas, 185,900. Power stations are located at Pawtucket and Woonsocket, R. I.; capacity 30,400 k.w. The transmission system is connected with that of the Rhode Island Power Transmission Co., which permits the purchase and sale of 38,590 k.w. under a long term contract. Power is supplied to Union Light & Power Co., and gas is supplied to Blackstone Electric Light Co. The Company owns a 39.437% interest in the Montaup Electric Co. in conjunction with the Fall River Electric Light Co. and the Edison Electric Illuminating Co. of Brockton

Electric rate effective Jan. 1, 1927: First block rate, 10 cts. per k.w.h.; second block rate, 5 cts. per k.w.h.; third block rate, 3 cts. per k.w.h.

New Holding Association—See Eastern Utilities Associates.

OPERATING STATISTICS, DECEMBER 31

	1927	1926
Number of steam power plants	2	2
Capacity of steam power plants	49,100 h.p.	49,100 h.p.
Number of hydro-electric plants	3	3
Capacity of hydro-electric plants	2,350 h.p.	2,350 h.p.
Purchased power available	45,442 h.p.	45,442 h.p.
Capacity of Montaup Elec. Co.	42,900 h.p.	42,900 h.p.
Miles of transmission pole line (6,600 volts or over)	78.1	72.7
Miles leased to Rhode Island Power Transmission Co. (not included above)	33.5	33.7
Miles of distribution line	329.2	299.1
Miles of underground line	3.1	2.8
Capacity of coal gas plant (day)	2,060,000 cu. ft.	1,000,000 cu. ft.
Capacity of water gas plant (day)	6,250,000 cu. ft.	6,250,000 cu. ft.
Number of holders	7	7
Capacity of largest	3,000,000 cu. ft.	3,000,000 cu. ft.
Miles of high pressure pipe line, Pawtucket to Woonsocket	27	14
Miles of low pressure gas main	219.1	218
Number of electric customers	44,151	41,992
Number of gas customers	38,869	38,529
Population served (electric)	181,300	179,300
Number of employees	794	820

GROWTH OF SYSTEM, YEARS ENDED DECEMBER 31

	No. of Electric Customers	No. of Gas Customers	K.W.H. Electricity Generated or Purchased	Cubic Feet of Gas Made
1918	9,854	29,742	69,845,109	784,200,000
1919	11,919	30,969	70,728,179	763,860,000
1920	14,696	31,787	76,978,018	836,077,000
1921	17.874	32,592	83,506,703	831,035,000
1922	22,361	33,720	107,522,791	902,975,000
1923	27,962	35,880	124,094,235	1,030,403,000
1924	33,253	36,588	121,580,921	1,043,128,000
1925	38,276	37,882	138,876,293	1,118,215,000
1926	41,992	38,529	153,976,958	1,251,377,000
1927	44,151	38,869	169,060,382	1,329,957,000

CAPITAL STOCK

Authorized by charter, $16,000,000; by stockholders, $7,796,200 Common (increased from $6,496,850 April 21, 1926) and $1,350,000 6% cumulative Pfd.; outstand-

ing, Dec. 31, 1927, $7,796,200 Common (par, $50), and $1,294,200 Pfd. (par, $100).

Subscription Privileges—Common stockholders of record May 29, 1924 received the right to subscribe to $1,299,350 additional Com. stock at par, on the basis of one new share for each four held.

Common stockholders of record Feb. 1, 1927, had the right until March 2, 1927, to subscribe to $1,299,350 (25,987 shares) additional capital stock at par ($50) on the basis of one new share for each five shares held.

Voting Trust—Exchange of Shares—Announcement was made Oct. 6, 1927 that stockholders of Company having a voting control of stock had deposited their stock under the voting trust formed in May, 1927. By its terms the voting trustees received authority to sell the deposited Pfd. stock at $115 per share and deposited Common Stock at not less than $200 per share. In March, 1928, an offer of exchange was made to Common stockholders and to holders of Voting Trust Certificates for Common stock to exchange their holdings for no par shares of Eastern Utilities Associates, each share of Blackstone Valley Common stock to receive in exchange 2½ Common shares and 3¾ Convertible shares of Eastern Utilities Associates, (for further details see statement of Eastern Utilities Associates).

Preferred Stock Provisions—Has preference for assets as well as dividends, and is redeemable at 115. As much of the unissued stock shall be Pfd. as the Stockholders may determine, but the Pfd. stock shall not exceed 75% of the total issue.

Transfer Agents—Stone & Webster, Inc., Boston.

Registrar—American Trust Co., Boston.

Annual Meeting—Second Tuesday in April.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred								
High	110	103	100	101	100	100	77	88
Low	103	100	95	97¾	97½	84	77	80
Common—								
High	157	109¼	98¼	77	78	78	65	63
Low	97	91⅞	75¾	69	68	75	54	50
Common Trust Ctfs.—								
High	140¼	..	..	..	..	..	..	..
Low ...	129½	..	..	..	..	..	..	..

Dividends—Pfd. dividends regularly paid semi-annually June and Dec. 1. On Com. 8% per annum from 1912 to 1920, incl.; 1921, 8½%; 1922 to date 2½% each quarter; payments quarterly, M, J, S & D 1. Exempt from Rhode Island taxes.

FUNDED DEBT

(1)

$176,000 PAWTUCKET ELECTRIC CO. (CLOSED MORTGAGE) CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1938

Dated January 1, 1908.

Interest Payable Jan. and July 1, at Old Colony Trust Co., Boston, Trustee and Registrar. Coupon (principal and interest may be registered) and registered, $1,000. Subject to call as a whole or in part at 105 and interest on any int. date. Authorized issue, $2,000,000; issued, $750,000, of which $574,000 have been cancelled. Mortgage closed. Assumed by Blackstone Valley Gas & Electric Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$90,000 WOONSOCKET ELECTRIC MACHINE & POWER CO. FIRST (CLOSED) MORTGAGE GOLD 4½s; DUE JANUARY 1, 1931

Dated January 1, 1901.

Interest Payable Jan. and July 1, at The First National Bank, Boston, Trustee and Registrar. Authorized and issued, $200,000, of which $110,000 held alive in sinking fund at Dec. 31, 1927. Sinking fund: $4,000 per annum, payable Jan. 1. Assumed by Blackstone Valley Gas & Electric Co. A first lien on property formerly owned. Company does not pay Normal Federal Income Tax.

(3)

$165,000 WOONSOCKET ELECTRIC MACHINE & POWER CO. CONSOLIDATED GOLD 4½s; DUE APRIL 1, 1943

Dated April 1, 1903.

Interest Payable April and Oct. 1, at The First National Bank, Boston, Trustee and Registrar. Subject to call at par and interest on April 1, 1933, or on any interest date thereafter. Authorized, $500,000; issued, $300,000, of which $165,000 were outstanding Dec. 31, 1927, $85,000 were held alive in sinking fund and $50,000 were held by Blackstone Valley Gas & Electric Co. Of the $200,000 unissued bonds, $90,000 are reserved to retire the above described First 4½s, the mortgage being closed except for such refunding. Sinking fund: $3,177.42 per annum, payable April 1. Assumed by Blackstone Valley Gas & Electric Co. Company does not pay Normal Federal Income Tax.

(4)

$4,489,000 BLACKSTONE VALLEY GAS & ELECTRIC CO. FIRST AND GENERAL GOLD 5s; DUE JANUARY 1, 1939

Dated July 1, 1912.

Interest Payable January and July 1, at Industrial Trust Co., Slater Branch, Pawtucket, R. I.

Denominations—Coupon (principal may be registered), $1,000 and registered, $1,000 and multiples thereof.

Trustee and Registrar—Industrial Trust Co., Slater Branch, Pawtucket, R. I.

Provisions of Issue—Authorized and issued, $5,000,000, of which $511,000 cancelled by sinking fund to Dec. 31, 1927, leaving $4,489,000 in hands of public.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 110 and interest.

Sinking Fund—Sinking fund, 1% per annum of bonds outstanding, payable Jan. 1, to be applied to purchase or redemption of bonds at not exceeding 110 and interest.

Security—Secured by a first lien on property formerly owned by Woonsocket Gas Co.; also secured by a lien on the property formerly owned by Pawtucket Electric Co. and Woonsocket Electric Machine & Power Co., subject to $431,000 outstanding bonds described above. Additionally secured by pledge of the entire $1,000,000 Com. and $10,000 of the $1,000,000 Pfd. stock of the Pawtucket Gas Co. of N. J., which company owns all the capital stock of the Pawtucket Gas Co. (of R. I.).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Public Offering—$1,000,000 were publicly offered in March, 1919, at 92½ and interest, yielding about 5.63%, by Estabrook & Co., New York, Boston, etc.; $500,000 in Jan., 1920, at 90 and interest, yielding 5⅞%, by the same bankers and $906,000 in Jan., 1924, at 98¾ and interest, yielding 5.12½%, by Estabrook & Co., and Stone & Webster, Inc., New York, Boston, etc.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103	102½	100¾	100	100	99	91	90
Low	102½	100¼	99½	98½	97½	91	82	75

(5)

$4,000,000 BLACKSTONE VALLEY GAS & ELECTRIC CO. MORTGAGE & COLLATERAL TRUST GOLD 5s, SERIES "A"; DUE APRIL 1, 1957

Dated April 1, 1926.

Interest Payable April and October 1 at State Street Trust Co., Boston, National Bank of Commerce in New York, and Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee and Registrar—State Street Trust Co., Boston, Mass.

Provisions of Issue—Authorized amount of bonds is not limited, except by Charter provisions which limit the total indebtedness of the Company to $16,-

000,000; issued, $4,000,000 Series "A." Proceeds of Series "A" bonds, together with proceeds received from the issue of $1,299,350 Common stock, were used in payment of $2,700,000 two year 5½% Gold notes, due May 1, 1926; for the retirement of $400,000 of floating indebtedness, and the financing to the extent of $1,900,000 of the 1926 construction program.

The Mortgage Indenture provides that bonds may be issued in series bearing such rates of interest, maturing at such dates, redeemable on such terms and containing such other rights and limitations as the directors may determine prior to the issue thereof. Bonds additional to the $4,000,000 Series "A" 5% bonds may be issued:

(a) Against 75% of the cost or value, whichever is less, of additional public utility property as defined in the mortgage acquired by the Company or when acquired by The Pawtucket Gas Company (Rhode Island) or a new subsidiary when notes of The Pawtucket Gas Company and secured debt of a new subsidiary, par for par, are acquired and subjected to the lien of this mortgage;

(b) Par for par against The Pawtucket Gas Company of New Jersey Preferred stock and bonds now outstanding when acquired and subjected to the lien of this mortgage;

(c) Against 100% of mortgage bonds or other secured debt and 50% of unsecured debt and stock of a new subsidiary outstanding at the date it becomes a subsidiary acquired by the Company and subjected to the lien of this mortgage, provided that the principal amount of bonds issued under this provision plus the secured debt of such subsidiary outstanding and not owned by the Company, shall not exceed 75% of the cost or engineers' appraisal value, whichever is less, of the public utility property owned by the subsidiary company at the date it becomes a subsidiary;

(d) Against 100% of the cost of secured debt and 50% of the cost of unsecured debt and stock of the Montaup Electric Company subjected to the lien of this mortgage;

(e) To refund bonds of any series of this mortgage, and underlying bonds of the Blackstone Valley Gas and Electric Company, The Pawtucket Electric Company, Woonsocket Electric Machine and Power Company and The Pawtucket Gas Company of New Jersey and secured debt of any other subsidiary made refundable under the mortgage;

(f) Against cash to the amount deposited with the Trustee.

Additional bonds of any future series shall be issued for the aforesaid purposes, other than (b) and (e) above only when the combined net earnings of the Company and subsidiaries for 12 consecutive months within the 15 calendar months preceding are 1¾ times the interest charges on the bonds to be issued, together with all obligations prior to and on a parity with the bonds to be issued.

Callability—Subject to call in whole at any time or in part on any interest date on 30 days' published notice at 105 up to and including Oct. 1, 1931; thereafter at 104 to and including Oct. 1, 1935; thereafter at 103 to and including Oct. 1, 1939; thereafter at 102 to and including Oct. 1, 1943; thereafter at 101 to and including Oct. 1, 1947 and at 101 less ¼ of 1% for each year or part thereof thereafter to maturity and with accrued interest in all cases.

Sinking Fund—Beginning July 1, 1927 the Company will pay in each year to the Trustee cash to the amount of 1% of Series "A" bonds certified. Such sinking fund shall be applied to the purchase of bonds at a price not in excess of a maximum price to be fixed each year by the directors of the Company, provided, however, that such maximum price shall not be less than 100. If the Trustee is unable to purchase bonds with the money deposited in the sinking fund at the maximum price or less any balance may be paid to the Company against additional property (to the extent of its cost or value, whichever is less), not previously used for bond issue or release purposes under its mortgages.

Security—Secured on entire property directly owned by Company and by deposit of collateral valued at over $5,300,000, subject to the prior liens described under (1) to (4) above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the Bankers).

Original Offering—First publicly offered ($4,000,000) in May, 1926, at par and interest, by Estabrook & Co. and Stone & Webster, Inc., New York, Boston, etc.

Price Range—

	1927	1926
High	102	101¾
Low	101¾	99¾

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Combined Companies)

	1927	1926	1925	1924	1923	1922
Gross earnings	$5,910,629	$5,528,769	$5,067,740	$4,627,311	$4,525,997	$4,003,44
Operating expenses and taxes	‡3,787,424	3,546,721	3,128,121	3,081,504	2,903,028	2,539,08
Net earnings	$2,123,205	$1,982,048	$1,939,619	$1,545,807	$1,622,969	$1,464,36
Other income	31,100	4,649	124,207	45,017	.....	.....
Gross income	$2,154,305	$1,986,697	$2,063,826	$1,590,824	$1,622,969	$1,464,36
*Charges subsidiary companies	$105,500	$105,500	$105,500	$105,500	$105,500	$105,50
Interest and amortization charges	529,210	467,185	434,839	377,294	234,230	227,69
Total charges	$634,710	$572,685	$540,339	$482,794	$339,730	$333,19
Balance for reserves, retirements and dividends	1,519,595	1,414,012	1,523,497	1,108,030	1,283,239	1,131,17
Retirement reserve	460,000	420,000	**	**	**	**
Balance	$1,059,595	$994,012	$1,523,497	$1,108,030	$1,283,239	$1,131,17
Dividends on Preferred stock	77,652	77,652	77,652	77,652	77,652	77,65
Dividends on Common stock	747,136	649,685	648,360	583,485	430,928	346,50
Surplus for year	$234,807	$266,675	$797,485	$446,893	$774,659	$707,01
†Times Fixed Charges Earned	3.39	3.47	3.82	3.82	6.48	5.9
†Earnings Per Share—						
Preferred	$117.41	$109.26	$117.72	$85.62	$99.15	$87.4
Common	9.25	§10.21	11.14	7.94	11.60	15.2

*Interest charges on bonds and dividends on $990,000 outstanding Preferred stock of The Pawtucket Gas Co. of N. J. †Before Reserves and Retirements. ‡Includes operation, $3,167,025; maintenance, $247,237, and taxes, $373,162. §Based on 129,937 shares outstanding Dec. 31, 1926. **Not available.

NOTE—Earnings per share of stock in 1926 and 1927 after Retirement Reserve each year were as follows: Pfd., 1926, $76.79; 1927, $81.87. Common, 1926, $7.05; 1927, $6.29. Amounts appropriated to Retirement Reserve previous to 1926 not made public.

Maintenance—During the 20 years under Stone & Webster executive management, the Company and its predecessor companies have expended for maintenance, which is included in operating expenses, a total of 5.00% of the entire gross earnings over this period, and in addition during this period have set aside for reserves or retained as surplus a total of 12.47% of these gross earnings.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant, etc	$24,803,254	$22,098,637	$20,259,459	$18,246,648	$14,358,965	$12,795,482
Materials and supplies	655,733	609,621	544,149	502,448	480,008	383,879
Advance payments	70,048	9,339	25,168	42,067	350,266	46,787
Notes receivable	10,737	1,450	2,380	7,094	38,858	700
Accounts receivable	806,392	1,010,260	939,403	822,852	790,217	628,518
Miscellaneous current assets	.....	.....	5,240	5,290	.....	.....
Special deposits	.....	.....	822	.....	.....	.....
Sinking fund investments	*328,413	311,061	293,904	275,973	250,114	234,612
Treasury bonds	50,000	50,000	50,000	50,000	779,000	779,000
Treasury stock	.....	.....	.....	.....	33,408	.....
Unadjusted debits	106,941	28,341	69,286	.....	.....	.....
Suspense	.....	.....	.....	32,162	41,088	14,949
Cash	515,675	190,611	275,694	1,332,929	136,844	152,474
Unamortized debt discount and expense	293,940	315,169	246,622	296,315	227,266	244,713
Total	$27,641,133	$24,624,489	$22,712,127	$21,613,778	$17,486,034	$15,281,114
Liabilities—						
Common stock	$7,796,200	$6,496,850	$6,487,250	$6,487,250	$5,194,300	$3,465,000
Premium on Common stock	10,717	9,021	.....	.....	.....	.....
Preferred stock	1,294,200	1,294,200	1,294,200	1,294,200	1,294,200	1,294,200
Funded debt	9,165,000	9,209,000	7,954,000	7,999,000	5,150,000	5,188,000
Stock, Pawtucket Gas Co. of N. J.	990,000	990,000	990,000	990,000	990,000	990,000
Bonds, Pawtucket Gas Co. of N. J.	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Notes payable	1,550,000	610,000	400,000	.....	250,000	.....
Accounts payable	241,854	243,901	271,713	178,648	284,055	222,755
Accounts not yet due	327,770	306,402	79,379	87,435	64,614	63,758
Unadjusted credits	19,673	12,933	13,703	7,341	1,132	.....
Operating reserves	.....	.....	.....	.....	.....	64,432
Appropriated reserve for retirements	2,661	.....	.....	.....	.....	.....
Contributions for extensions	3,484	.....	.....	.....	.....	.....
Retirement reserve	1,855,985	1,532,742	1,323,953	1,055,780	816,398	1,001,435
Reserves and surplus	2,983,589	2,519,440	2,497,929	2,114,124	2,041,335	1,591,534
Total	$27,641,133	$24,624,489	$22,712,127	$21,613,778	$17,486,034	$15,281,114

*Includes $195,000 bonds of Woonsocket Electric Machine & Power Co., held in sinking fund uncancelled.

Officers: David Daly, Pres.; William McGregor, V-P., Pawtucket, R. I.; Harry T. Edgar, V-P.; Wm. T. Crawford, Sec.; H. B. Sawyer, Treas.; Stone & Webster, Inc., Executive Mgrs., Boston; W. Lawrence Weston, Mgr., Woonsocket, R. I.; Robert C. Brooks, Mgr., Pawtucket, R. I.

Directors: Charles B. Barnes, Frank B. Bemis, Henry G. Bradlee, Ashton F. Carr, Frederic W. Easton, Howard W. Fitz, John Johnston, Richard Pigeon, George Putnam, Charles Stetson.

Executive Office, 147 Milk St., Boston.

PAWTUCKET GAS CO. OF N. J.

(Controlled by Blackstone Valley Gas and Electric Company)

History—Incorporated May 14, 1902, in New Jersey, as a holding company. Owns the entire $1,400,000 capital stock of the Pawtucket Gas Co. of R. I., (see appended statement).

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common and $1,000,000 5% cumulative Preferred; par, $100. The Blackstone Valley Gas & Electric Co. owns entire Com. stock and $10,000 of the Pfd. The Pfd. stock has preference as to dividends and in case of liquidation.

Transfer Agent (Pfd. Stock)—Industrial Trust Co., Slater Branch, Pawtucket, R. I.

Registrar (Pfd. stock)—William McGregor, Pawtucket, R. I.

Annual Meeting—First Tuesday in March.

Dividends—Pfd. dividends regularly paid, semi-annually, June and Dec. 1.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Pfd., Bid	*85	83½	84	86½	80	74	60	65

*Sale.

FUNDED DEBT

$1,400,000 FIRST COLLATERAL (CLOSED) MORTGAGE GOLD 4s; DUE MAY 1, 1932

Dated May 1, 1902.

Interest Payable May and November 1, at Industrial Trust Co., Slater Branch, Pawtucket, R. I.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—Industrial Trust Co., Slater Branch Pawtucket, R. I.

Provisions of Issue—Authorized, $2,000,000 but mortgage closed at $1,400,000 outstanding.

Callability—Subject to call as a whole at 110 and interest on any interest date on 4 weeks' notice.

Security—Secured by pledge of capital stock, constituting practically a first mortgage on property of The Pawtucket Gas Co. in R. I.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Bid	*95½	94	93½	90	86	87	80	68

*Sale.

Officers: F. W. Easton, Pres.; David Daly, V-P.; Wm. McGregor, V-P.; Geo. A. Stiness, Treas.; Oscar W. Bennett, Sec.

Directors: Richard Pigeon, David Daly, Frederick W. Easton, Howard W. Fitz, Andrew E. Jencks, Morrell Mackenzie, Harry T. Edgar.

Office, Pawtucket, R. I.

THE PAWTUCKET GAS CO. (R. I.)

(Controlled by Pawtucket Gas Co. of N. J.)

History—Incorporated in May, 1850, in R. I. Supplies Central Falls, Valley Falls, Berkeley, Lonsdale, Ashton and Pawtucket. Franchise perpetual. Owns a combined water and coal gas plant located on tidewater at Pawtucket.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,400,000; par, $50. All owned by Pawtucket Gas Co. of N. J. Annual meeting, first Wednesday in June.

FUNDED DEBT

None.

Officers: F. W. Easton, Pres.; Wm. T. Crawford, Sec.; Stone & Webster, Inc., Executive Mgrs.; Geo. A. Stiness, Treas.; Robert C. Brooks, Mgr., Pawtucket, R. I.

Directors: Frank B. Bemis, David Daly, Frederick W. Easton, Howard W. Fitz, Andrew E. Jencks, Morrell Mackenzie, Harry T. Edgar.

Office, Pawtucket, R. I.

EDISON ELECTRIC ILLUMINATING COMPANY OF BROCKTON

History and Property—Incorporated in 1884 in Mass., to supply electric light and power. Acquired the Whitman Light & Power Co. in July, 1904; on May 9, 1906, purchased plant and business of Stoughton Gas & Electric Co., and in 1909, purchased the properties of Bridgewater Electric Co. Does entire electric lighting and power business in Brockton and adjoining towns of Whitman, Avon, Hanson, Bridge-

water, East and West Bridgewater, Stoughton, Pembroke, Halifax and Easton, and furnishes power at wholesale to The Electric Light & Power Co. of Abington and Rockland, the Plymouth Electric Light Co., and the town of Middleboro. Franchises not limited in time. Estimated population served, Jan. 1, 1928: Light and power, 108,200. Power station located at East Bridgewater, Mass., has capacity of 19,000 k.w. No. of electric customers, 28,026.

New Holding Association—See Eastern Utilities Associates.

CAPITAL STOCK

Authorized and outstanding Dec. 31, 1927, $4,035,000 (increased from $2,583,000 to $3,228,000 in 1924 and to $4,035,000 in Nov., 1925); par, $25 (changed from $100 July 9, 1924). Non-taxable in Massachusetts. Transfer Agents: Stone & Webster, Inc., Boston. Registrar: State Street Trust Co., Boston. Annual meeting, first Tuesday in March.

Stock Increase—Stockholders on Feb. 2, 1928, authorized Company to petition the Massachusetts Dept. of Public Utilities for approval of the issue of 32,280 additional shares of capital stock. Proceeds will be used to capitalize permanently the floating debt and raise part of cash needed for capital requirements. It is proposed to offer the new stock to shareholders at $45 a share in ratio of one new for five old shares.

Subscription Privileges—Stockholders of record March 4, 1924, received the right to subscribe to $645,000 additional stock at $165 per share in the ratio of one new share for each four shares held.

Stockholders of record Sept. 28, 1925, received the right until Nov. 4, 1925, to subscribe to 32,280 additional shares of the stock at $45 per share in the ratio of one new share for each four shares held.

Voting Trust—Exchange of Shares—Stockholders in May, 1927, were asked to deposit their stock in a voting trust, with the stipulation that the stock would not be sold for less than $85 a share. The original time limit set for depositing the shares was June 10, 1927, but this was subsequently extended. In March, 1928, an offer of exchange was made to stockholders and to holders of Voting Trust Certificates to exchange their holdings for no par shares of Eastern Utilities Associates, each share of Edison Electric stock to receive in exchange 1¼ Common shares and 1¼ Convertible shares of Eastern Utilities Associates. (For further details see statement of Eastern Utilities Associates).

Listed—New York Curb Market.

Price Range—

	1927	1926	1925	1924
High	76	68	63½	55
Low	58¾	59	54	52

Dividends—Dividends paid as follows: 1910, 7½%; 1911 to 1919, 8% per annum; Feb. 1, 1920, 2%; May 1, 1920, 2% and an extra of 5%; Aug. 2, 1920, 2%; Nov. 1, 1920, 2%; 1921, 10%; 1922, 10% and 3% extra; 1923, 10% and 4% extra; 1924, 10% and 2% extra Dec. 31; 1925, 10% and 4% extra, Dec. 31; 1926, 10% and 1% extra Dec. 31; 1927, 10% and 3% extra Dec. 31; Feb. 1928, 2½%; payments quarterly, F, M, A & N 1.

FUNDED DEBT

$200,000 (entire issue) First Mortgage 5% Gold bonds; dated Dec. 1, 1900; due Dec. 1, 1930; interest June and Dec. 1, at Boston Safe Deposit & Trust Co., Trustee and Registrar. Coupon, $1,000; principal may be registered. Subject to call as a whole or in part at 110 and interest on any interest date upon 3 weeks' notice. A first lien on the property. Legal for Mass. savings banks. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100	100⅞	100½	100	100	100½	89	86
Low	bid	100⅞	100½	100	100	100¼	87	83¼

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,942,473	$1,756,686	$1,677,015	$1,572,415	$1,583,804	$1,382,038
Operating expenses and taxes	‡1,263,249	1,178,818	1,077,531	1,013,498	1,007,075	883,784
Net earnings	$679,224	$577,868	$599,484	$558,917	$576,729	$498,254
Other income	7,613	1,355	37,180	14,074	.....	.....
Total income	$686,837	$579,223	$636,664	$572,991	$576,729	$498,254
Interest charges	22,449	11,106	30,067	16,347	11,997	10,373
Balance	$664,388	$568,117	$606,597	$556,644	$564,732	$487,88
Dividends paid	524,563	443,862	484,203	371,220	361,620	335,790
Surplus for reserves and retirements	$139,825	$124,255	$122,394	$185,424	$203,112	$152,09
*Earnings Per Share	†$4.11	†$3.52	†$3.76	†$4.31	$21.86	$18.8

*Before Reserves and Retirements. †Par, $25. ‡Includes operation, $921,179; maintenance, $71,511, and taxes, $270,558.

Maintenance—During the 30 years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expense, a total of 6.19% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 10.84% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property, plant, etc.	$7,730,247	$6,760,720	$6,367,141	$5,465,526	$4,132,107	$3,761,91
Miscellaneous investments	1,103	1,103	1,102	.....	.....	.....
Materials and supplies	190,819	206,097	182,256	191,966	236,737	128,54
Liberty Loan 4¼% bonds	.....	.....	.....	.....	.....	49,84
Advance payments	17,428	49,980	9,577	148,545	159,453	6,63
Accounts receivable	244,164	243,065	243,253	205,557	194,222	186,90
Notes receivable	.....	.....	.....	.....	.....	65
Cash	93,990	70,089	412,639	168,939	61,234	102,24
Unadjusted debits	3,788	10,282	7,142	8,335	.....	8,03
Total	$8,281,539	$7,341,336	$7,223,110	$6,188,868	$4,783,753	$4,244,76
Liabilities—						
Capital stock	$4,035,000	$4,035,000	$4,035,000	$3,228,000	$2,583,000	$2,583,00
Premium on sale of stock	1,444,004	1,444,004	1,444,004	796,785	377,313	377,31
Funded debt	200,000	200,000	200,000	200,000	200,000	200,00
Notes payable	875,000	50,000	.....	530,000	350,000	.....
Accounts payable	64,930	53,174	66,633	37,770	40,936	36,77
Accounts not yet due	92,102	84,747	74,765	72,800	73,397	61,02
Dividends declared	.....	.....	.....	80,700	.....	.....
Unadjusted credits	366	394	130	102	.....	64
Contributions for extensions	2,315	.....	.....	.....	.....	.....
Retirement reserve	922,022	833,041	771,864	702,739	626,635	559,05
Reserves and surplus	645,800	640,976	630,714	539,972	532,472	426,95
Total	$8,281,539	$7,341,336	$7,223,110	$6,188,868	$4,783,753	$4,244,76

Officers: F. B. Howard, Pres., Brockton, Mass.; A. Stuart Pratt, V-P.; Marcy L. Sperry, V-P., Boston; Albert F. Nelson, V-P., Brockton, Mass.; H. B. Sawyer, Treas.; Victor B. Vickery, Clerk; Stone & Webster, Inc., Exec. Mgrs., Boston; Walter A. Furbush, Mgr., Brockton, Mass.

Directors: Willard T. Carleton, Samuel Eliot, Frederick B. Howard, Chas. Stetson, Alexander Wheeler.

General Office, Brockton, Mass.

THE ELECTRIC LIGHT AND POWER CO. OF ABINGTON AND ROCKLAND

History and Property—Incorporated in 1889, in Mass., and does the entire electric lighting and power business in the towns of Abington, Rockland, Hanover, Norwell, Cohasset and Scituate. In 1910, acquired the Cohasset Electric Co. Franchises, not limited in time. Estimated population served, Jan. 1, 1928, 24,100. All power is purchased from Edison Electric Illuminating Co. of Brockton. No. of electric customers, 7,780.

New Holding Association—See Eastern Utilities Associates.

CAPITAL STOCK

Authorized and outstanding, $567,000 (increased from $453,600 in 1925); par, $25 (changed from $100, July 11, 1924). Non-taxable in Massachusetts. Transfer Agent: Stone & Webster, Inc., Boston. Registrar: Beacon Trust Co., Boston. Annual meeting, second Tuesday in March.

Stock Increase—Stockholders on Jan. 27, 1928, authorized the Company to petition the Massachusetts Dept. of Public Utilities for approval of the issue of 5,670 additional shares of capital stock. It is proposed to issue the additional stock at $40 per share in the ratio of one new share for each four shares held.

Voting Trust—Exchange of Shares—In Sept., 1927, it was announced that more than a majority in interest of stockholders of Company had deposited or had agreed to deposit their certificates of stock under the Stock Trust Agreement dated May 3, 1927 providing for the deposit of Common stock with Wilmot R. Evans, Edward V. French, Henry B. Patrick, Roger Pierce and Orrin G. Wood, as Trustees. The Agreement runs until May 1, 1932, with provision for extension until May 1, 1937, upon the written consent of 75% in interest of the depositing stockholders, unless sooner terminated by the Trustees, or until all the securities held under the Agreement are disposed of.

In March, 1928, an offer of exchange was made to stockholders and to holders of Voting Trust Certificates to exchange their holdings for no par shares of Eastern Utilities Associates, each share of The Electric Light & Power Co. stock to receive in exchange one Common share and 1¾ Convertible shares of Eastern Utilities Associates (for further details see statement of Eastern Utilities Associates).

Price Range—

	1927	1926	1925	1924
High	60	47½	43	39
Low	46	42¾	39	36½

Dividends—Dividends, 8% regular and 2% extra (payable in Jan.) per annum; payments J, A, J & O 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$627,857	$580,914	$535,577	$440,457	$454,235	$382,276
Operating expenses and taxes	$501,455	477,977	428,830	378,159	382,770	308,685
Net earnings	$126,402	$102,937	$106,747	$62,298	$71,465	$73,591
Interest and amortization	7,259	3,687	4,954	2,644	4,303	7,674
Balance for reserves, retirements and dividends	$119,143	$99,250	$101,793	$59,654	$67,162	$65,917
Dividends paid	56,700	56,700	49,896	36,288	43,040	27,216
*Surplus for year	$62,443	$42,550	$51,897	$23,366	$24,122	$38,701
*Earnings Per Share	†$5.25	†$4.38	†$2.49	†$3.29	$14.81	$19.35

*Balance for Reserves and Retirements. †Par, $25. §Includes operation, $416,018; maintenance, $42,092, and taxes $43,345.

Maintenance—During the 23 years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expenses, a total of 8.22% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 8.35% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant	$1,031,528	$854,971	$771,418	$714,027	$641,739	$581,585
Materials and supplies	61,501	72,619	80,765	62,099	56,551	51,078
Advance payments	13,202	2,529	3,051	3,601	2,282	2,065
Accounts receivable	127,195	104,388	96,075	63,778	75,601	65,915
Notes receivable	.....	.....	.....	1,589	2,035	2,701
Unamortized debt discount and expense	.....	.....	.....	.....	.....	146
Cash	27,441	40,172	23,357	14,216	11,994	16,485
Unadjusted debits	1,218	10,735	9,180	2,672	.....	.....
Total	$1,262,085	$1,085,414	$983,846	$861,982	$790,202	$719,975
Liabilities—						
Capital stock	$567,000	$567,000	$567,000	$453,600	$453,600	$340,200
Premium on capital stock	100,992	100,992	100,992	78,234	78,234	55,385
Coupon notes	.....	.....	.....	.....	.....	85,000
Notes payable	260,000	140,000	30,000	100,000	30,000	25,000
Accounts payable	37,379	24,049	43,269	24,531	21,685	23,520
Accounts not yet due	16,210	14,379	12,931	8,316	8,981	8,246
Unadjusted credits	115	215	243	268	.....	.....
Operating reserves	.....	.....	.....	.....	5,000	.....
Retirement reserve	44,589	58,683	66,865	61,734	60,695	54,740
Appropriated reserve for retirements	28,260	.....	.....	.....	.....	.....
Reserves and surplus	207,540	180,096	162,546	135,299	132,006	127,884
Total	$1,262,085	$1,085,414	$983,846	$861,982	$790,202	$719,975

Officers: Orrin G. Wood, Pres.; A. Stuart Pratt, V-P.; Marcy L. Sperry, V-P.; V. D. Vickery, Clerk; H. B. Sawyer, Treas.; Stone & Webster, Inc., Exec. Mgrs., Boston, Mass.; F. N. Sanderson, Mgr., North Abington, Mass.

Directors: Wilmot R. Evans, Edward V. French, Henry B. Patrick, Roger Pierce, Orrin G. Wood.

General Office, North Abington, Mass.

FALL RIVER GAS WORKS COMPANY

History and Property—Incorporated in 1880, in Mass. Does the entire gas business of Fall River and Somerset, Mass, and sells gas to the Tiverton Gas Co. at the State line, for distribution in the town of Tiverton, R. I. Franchise perpetual. Estimated population served, Jan. 1, 1928, 130,100.

OPERATING STATISTICS, DECEMBER 31

	Miles of Mains	No. of Meters	Output Cubic Feet
1922	159.3	30,933	898,967,100
1923	162.7	31,817	913,511,400
1924	166.8	31,138	911,795,700
1925	170.9	30,890	898,160,700
1926	174.6	30,718	927,676,900
1927	177.2	30,963	953,901,800

CAPITAL STOCK

Authorized and outstanding, $1,654,525; par, $25 (changed from $100 July 14, 1924). Non-taxable in Massachusetts. Transfer Agents: Stone & Webster, Inc., Boston. Registrar: Old Colony Trust Co., Boston. Annual meeting, fourth Wednesday in March.

Stock Increase—The Massachusetts Department of Public Utilities approved, in March, 1927, the issuance of 3,677 additional shares ($91,925) of capital stock, increasing the outstanding amount from $1,562,600 to $1,654,525, the new stock being offered to stockholders at $45 per share in the ratio of one new share for each seventeen shares held.

Listed—New York Curb Market.

Price Range—

	1927	1926	1925	1924
High	81	62	61½	54¼
Low	60	54	54¼	51¼

Dividends—Dividends of 12% per annum, payable quarterly F, M, A & N 1. In 1907 an extra dividend of 20% and in 1910 an extra dividend of 15% was paid from surplus; Feb. 1, 1926, 1% extra.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,043,776	$1,009,777	$998,025	$1,006,400	$1,028,389	$1,006,686
Oper. exp., maintenance & taxes	§777,553	773,536	747,065	757,788	796,474	762,669
Net earnings	$266,223	$236,241	$250,960	$248,612	$231,915	$244,017
Interest charges	17,684	5,546	3,587	1,183	620	1,070
Balance for reserves, retirements and divds.	$248,539	$230,695	$247,373	$247,429	$231,295	$242,947
Dividends paid	192,995	203,138	180,312	180,312	180,312	145,134
*Surplus for year	$55,544	$27,557	$67,061	$67,117	$50,983	$97,813
*Earnings Per Share	†$3.75	†$3.69	†$4.12	†$4.12	$15.39	$16.17

*Before Reserves and Retirements. †Par, $25. §Includes operation, $540,942; maintenance, $83,780, and taxes, $152,831.

Maintenance—During the 25 years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expenses, a total of 8.35% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 9.05% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant	$3,571,725	$3,414,880	$3,169,570	$3,073,873	$3,052,937	$2,934,422
Subscribers to capital stock	.....	.....	7,990	.....	.....	.....
Materials and supplies	293,820	190,133	302,618	214,292	209,127	141,408
Advance payments	16,127	38,940	3,449	4,600	5,879	17,445
Accounts receivable	160,967	167,950	155,694	146,634	136,958	134,336
Unadjusted debits	2,404	6,407	1,773	556	.....	.....
Cash	123,217	103,035	36,843	98,394	92,405	209,842
Total	$4,168,260	$3,921,345	$3,677,937	$3,538,349	$3,497,306	$3,437,453
Liabilities—						
Capital stock	$1,654,525	$1,562,600	$1,502,600	$1,502,600	$1,502,600	$1,502,600
Premiums on sale of stock	975,610	901,670	841,670	841,670	841,670	841,670
Capital stock subscribed	.....	.....	120,000	.....	.....	.....
Notes payable	450,000	415,000	30,000	25,000	.....	.....
Accounts payable	38,388	29,959	30,929	36,524	28,839	21,533
Accounts not yet due	46,448	44,548	43,909	44,951	47,314	50,319
Unadjusted credits	3,619	3,837	3,011	1,882	.....	.....
Appropriated reserve for retirements	339	.....	.....	.....	.....	.....
Contributions for extensions	510	.....	.....	.....	.....	.....
Operating reserves	.....	.....	.....	.....	.....	24,000
Retirement reserve	301,458	273,964	392,008	384,280	402,558	324,138
Reserves and surplus	697,363	689,767	713,810	701,442	674,325	673,193
Total	$4,168,260	$3,921,345	$3,677,937	$3,538,349	$3,497,306	$3,437,453

Officers: Spencer Borden, Pres.; Claude C. Curtis, V-P. & Mgr., Fall River, Mass.; Marcy L. Sperry, V-P.; V. D. Vickery, Clerk; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Exec. Mgrs., Boston.

Directors: George C. Lee, Malcolm Donald, Nathan Durfee, Robt. H. Gardiner, John R. Thayer, Jr., Everett N. Slade, Spencer Borden, Philip Stockton, Edward R. Utley.

Office, Fall River, Mass.

GALVESTON-HOUSTON ELECTRIC COMPANY

History—Incorporated May 8, 1907, in Maine. Owns the capital stock of the Galveston Electric Co., Houston Electric Co., Galveston-Houston Electric Ry. Co., Texas Bus Lines, Inc., and Hitchcock Ice & Storage Co., which companies do the entire electric railway, electric lighting and power business in Galveston; the electric railway and bus business in Houston; operate an interurban electric railway between the cities of Galveston and Houston, 50 miles, a bus line between Galveston and Texas City, and the electric and ice business in Hitchcock, Texas. Estimated population served Jan. 1, 1928: Transportation, 350,000; light and power, 52,500. It guarantees the payment of Galveston-Houston Electric Ry. Co.'s bonds as to principal, interest and sinking fund.

The subsidiary companies operate 175.2 miles of equivalent single track. Gauge, standard. The interurban railway operates on its own private right of way. There are 91 bus routes using 52 buses. Car barns and shops are located at Galveston and Houston, Tex. No. of passenger cars, 330; other, 17—total, 347.

There are four power stations, located two at Galveston, one at Houston and one at League City, Tex., with a combined capacity of 9,862 k.w. Company also

purchases power from Houston Lighting & Power Co. Miles of transmission line, 54.5. Miles of distribution line (Galveston), 117.

Franchises of subsidiary companies expire in Galveston in 1950 and 1961, and in Houston in 1951.

Management—The subsidiary companies of the Galveston-Houston Electric Co. are under the executive management of Stone & Webster, Inc., Boston.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Electric Output (k.w.h.)	Revenue Passengers Carried	Railway Dep't'ment Earnings
1916	2,392	23,315,000	31,664,563	$1,826,297
1920	3,450	30,007,000	48,433,103	3,613,843
1921	3,849	30,674,000	44,224,166	3,468,338
1922	4,141	30,132,000	40,710,177	3,093,785
1923	4,366	31,075,000	40,693,881	3,076,269
1924	4,606	36,816,000	48,059,786	3,572,974
1925	4,807	36,731,000	50,370,590	3,648,180
1926	10,025	48,008,000	51,937,592	3,889,481
1927	10,376	.....	.....	.....

CAPITAL STOCK

Authorized, $5,000,000 (increased from $4,000,000 in Oct., 1913) Common and $4,000,000 (increased from $3,000,000 in Oct., 1913) 6% cumulative Pfd.; outstanding, $3,988,000 Common and $3,000,000 Pfd.; par, $100.

Preferred Stock Provisions—Has preference for dividends and in case of liquidation, and is callable at 120 and accumulated dividends.

Transfer Agent (Both Classes)—Stone & Webster, Inc., Boston.

Registrar (Both Classes)—Old Colony Trust Co., Boston.

Annual Meeting—Third Tuesday in March.

Listed (Both Classes)—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	88	68	75	76	72	77	70	67
Low	66	41½	56	50	39	67	65	48
Common—								
High	38	27	38	43	29¾	39	32½	30
Low	22	14	17	11½	5	16	16	9¼

Dividends—Pfd. dividends regularly paid semi-annually March and Sept. 15. On Com., 1½% paid Sept. 15, 1909; in 1910, 3%; in 1911, 3%; March 15, 1912, 1½%; Sept. 16, 1912, 2%; March 15, 1913, 2½%; Sept. 15, 1913, 3%; March 16, 1914, 3½%; Sept. 15, 1914, 3½%; March 15, 1915, 3½%, none since.

FUNDED DEBT

$2,000,000 SECURED GOLD NOTES, SERIES "A" 6½%; DUE JUNE 1, 1931

$1,200,000 SECURED GOLD NOTES, SERIES "B" 6%; DUE JUNE 1, 1931

Dated June 1, 1926.

Interest Payable June and December 1, on both issues, at The Atlantic National Bank, Boston, The Chase National Bank, New York, and Continental National Bank & Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Atlantic National Bank of Boston.

Provisions of Issue—Authorized, $5,000,000; issued, $2,000,000 Series "A" 6½% and $1,200,000 Series "B" 6%. Additional notes of Series "A", Series "B" or other series may be issued against the deposit of additional General Mortgage Bonds.

Purpose of Issue—Proceeds were used to reimburse the companies for the cost of the property of the Brush Electric Co., for a part of the new construction made necessary by this purchase and the power contract, and to refund $1,200,000 2-Year 7% Notes, due June 1, 1927.

Callability—Series "A" notes are subject to call as a whole at any time, or in part on any interest date, on 30 days' notice, at 104 and accrued interest on or before Dec. 1, 1926, decreasing ½% each six months thereafter to 100 and accrued interest after June 1, 1930.

Series "B" notes are subject to call on 30 days' notice as a whole at any time or in part on any interest date at 102½ and accrued interest on or before Dec. 1, 1927, decreasing one-half per cent. each six months thereafter to 100½ and accrued interest after June 1, 1929, and to 100 after Dec. 1, 1929.

Sinking Fund—None provided.

Security—Secured by a lien through the deposit of General Morgage 6½% Bonds of subsidiaries on substantially all of the physical properties of the three operating companies (excluding the leasehold interest in the Galveston Causeway) subject to $9,801,000 Underlying First Mortgage bonds and bonds hereafter issued under the terms of the underlying mortgages.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the Bankers), and Tyler, Eames, Wright & Hooper, Boston, (for the Company).

Original Offering—First publicly offered ($2,000,000 Series "A" 6½%) in May, 1926, at 97.92 and interest, to yield about 7%, by Lee, Higginson & Co., New York, Boston, etc., and $1,200,000 Series "B" 6% notes in May, 1927, by the same bankers, at 97.41 and interest to yield about 6¾%.

Price Range—

	1927	1926
Series "A"—		
High	100	98
Low	98¼	97½
Series "B"—		
High	98½	
Low	97½	..

INCOME ACCOUNT (COMBINED COMPANIES), YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$5,052,638	$4,589,080	$3,938,944	$3,832,085	$3,317,846	$3,317,580
Oper. exp. and taxes	†3,479,521	3,258,507	2,934,809	2,821,306	2,636,338	2,639,707
Net earnings	$1,573,117	$1,330,573	$1,004,135	$1,010,779	$681,508	$677,873
Other income	1,529	31,280	.....	.....	.....	.....
Total income	$1,574,646	$1,361,853	$1,004,135	$1,010,779	$681,508	$677,873
Interest and amortization	$863,004	$809,386	$631,654	$534,354	$493,711	$464,194
Balance for reserves, retirements & divds.	$711,642	$552,467	$372,481	$476,425	$187,797	$213,679
Preferred dividends	180,000	180,000	180,000	180,000	180,000	180,000
Balance for reserves and retirements	$531,642	$372,467	$192,481	$296,424	$7,797	$33,679
*Times Fixed Charges Earned	1.82	1.68	1.59	1.89	1.38	1.46
*Earnings Per Share—						
Preferred	$23.72	$18.41	$12.42	$15.88	$6.26	$7.12
Common	13.33	9.34	4.83	7.43	0.11	0.84

*Before Reserves and Retirements. †Includes operation, $2,462,053; maintenance, $633,950, and taxes, $383,518.

Maintenance—During the last 26 years, the Company has expended for maintenance, which is included in operating expenses, a total of 13.08% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 8.52% of these gross earnings.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Galveston-Houston Electric Co. and Subsidiaries)

	1927	1926	1925	1924	1923	1922
Assets—						
Property, plant, etc.	$21,913,099	$21,013,506	$17,897,524	$17,846,168	$17,135,606	$16,902,158
Miscellaneous investments	28,360	34,083	52,078	73,829	6,833	.....
Materials and supplies	253,267	264,968	237,653	253,691	225,584	224,870
Advance payments	61,882	64,275	22,643	18,997	48,701	42,359
Notes receivable	100	.....	500	750	1,000	864
Accounts receivable	123,361	106,688	69,181	42,522	30,710	53,228
Securities in treasury	§175,000	187,000	26,000	26,000	26,000	26,000
Unadjusted debits	6,150	36,167	42,729	58,611	505	10,588
Sinking fund investments	‡227,008	203,964	961	*1,280,512	*1,182,485	1,088,850
Cash	292,490	456,843	192,703	379,176	249,863	309,842
Special deposits	.....	.....	150,000	.....	.....	.....
Unamortized debt discount and expense	578,998	601,007	572,462	42,284	53,090	68,244
Bonds in escrow	51,000	51,000	.....	.....	.....	29,000
Total	$23,710,715	$23,019,501	$19,264,434	$20,022,540	$18,960,378	$18,756,002
Liabilities—						
Common stock	$3,988,000	$3,988,000	$3,988,000	$3,988,000	$3,988,000	$3,988,000
Preferred stock	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Funded debt	9,937,000	10,099,000	8,764,500	6,317,500	6,373,500	6,427,500
Coupon notes	3,200,000	3,200,000	1,200,000	2,855,000	2,450,000	2,450,000
Car trust certificates	358,755	196,292	234,883	545,428	312,732	244,404
Notes payable	360,625	27,800	.....	700,000	450,000	.....
Accounts payable	292,720	232,467	210,329	217,297	170,014	187,614
Accounts not yet due	184,634	170,785	101,356	178,918	163,190	158,343
Unadjusted credits	249	1,100	.....	.....	.....	.....
Operating reserves	73,128	45,049	58,044	68,366	70,679	52,383
Retirement reserve	1,383,892	1,298,219	986,860	1,324,572	1,201,586	1,386,611
Appropriated reserve for retirements	124,071	.....	.....	.....	.....	.....
Reserves and surplus	807,641	760,789	720,462	827,460	780,677	861,147
Total	$23,710,715	$23,019,501	$19,264,434	$20,022,540	$18,960,378	$18,756,002

*Includes $1,244,000 bonds of Houston Electric Co., held in sinking fund, uncancelled. ‡Includes $226,000 bonds of Brush Electric Co., held in sinking fund, uncancelled. §Includes $26,000 bonds of the Galveston-Houston Electric Ry. Co. in the treasury of the Galveston-Houston Electric Co., and $149,000 bonds of the Brush Electric Co. in the treasury of the Galveston Electric Co.

Officers: Alex. F. Crichton, Pres.; E. Ennalls Berl, V-P.; E. M. Harrigan, V-P.; Henry T. Graham, Sec. & Treas., Wilmington, Del.; Stone & Webster, Inc., Exec. Mgrs., Boston; Raymond G. Carroll, Mgr., Galveston Electric Co., Hitchcock Ice & Storage Co., and Texas Bus Lines, Inc., Galveston, Tex.; J. L. Alexander, Mgr., Houston Electric Co. and Galveston-Houston El. Ry. Co., Houston, Tex.

Directors: Alex. F. Crichton, George H. Clifford, L. H. Greenwood, Charles F. Adams, George C. Lee, Charles A. Stone, N. P. Hallowell, Chas. G. Bancroft, Harry H. Hunt, Thomas B. Gannett, George Putnam, Henry G. Bradlee, Edwin S. Webster.

General Office, Galveston, Texas.

GALVESTON ELECTRIC COMPANY

(Controlled by Galveston-Houston Electric Company)

History and Property—Incorporated April 29, 1905, in Texas, and acquired the property and franchises of Galveston City Ry. Co. Company does all of the electric lighting business of Galveston, Tex. Power stations located at Galveston, Tex. On Dec. 31, 1930, and every 5 years thereafter until 1950, the city has the right to purchase the property.

On March 18, 1926, acquired the properties of the Brush Electric Co. (see 1925 Manual, page 1259), subject to $1,265,000 outstanding bonds. This company served part of the City of Galveston with electric light and power.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,350,000; par, $100. All owned by Galveston-Houston Electric Co. Annual meeting, third Tuesday in February.

FUNDED DEBT

(1)

$1,069,000 GALVESTON ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1940

Dated May 1, 1905.

Interest Payable—May and November 1, at company's agency (Blair & Co., Inc.), New York, and at Old Colony Trust Co., Boston.

Denominations—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $2,500,000; issued $1,474,000, of which $405,000 cancelled by sinking fund to Dec. 31, 1927. The $1,026,000 unissued bonds are reserved for additions and improvements at 80% of the cost.

Callability—Subject to call as a whole (or in part for sinking fund) at 110 and interest on any interest date on 30 days' notice.

Sinking Fund—A sinking fund of 1½% per annum of bonds certified to be applied to purchase or redemption of bonds at not exceeding 110 and interest.

Security—A first lien on entire property, and in case the city purchases the property, these bonds have a first lien on all moneys paid by city.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,000,000) in July, 1905, at 97½ and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	94	89	88	84	89½	89½	82	75
Low	90½	86¾	71	81	82⅜	84	70	72

(2)

$1,074,000 BRUSH ELECTRIC CO. FIRST GOLD 5s; DUE APRIL 1, 1952

Dated April 1, 1912.

Interest Payable April and October 1, at Bankers Trust Co., New York.

Denominations—Coupon, $1,000 (optional, $100, $250 and $500); principal may be registered.

Trustee and Registrar—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $1,500,000; outstanding, Dec. 31, 1927, $1,074,000; in sinking fund not cancelled, $226,000; deposited under escrow agreement, $51,000; in treasury, $161,000; unissued, $3,500,000.

Callability—Subject to call at 105 on any interest date on four weeks' notice.

Sinking Fund—Sinking fund, equal to 1% of outstanding bonds, exclusive of Treasury bonds, must be set aside yearly for purchase of bonds at not more than 105, or call at that figure. In lieu of cash payments, bonds secured hereby with all unmatured coupons attached, will be equivalent to a cash payment of 105 and accrued interest; or commencing April 1, 1915, sinking fund may be satisfied by investing, in property or construction, a sum per annum equal to 2% of all bonds outstanding; or part in cash and part in property in above named proportion. Bonds to be kept alive in sinking fund.

Security—A first lien in entire property formerly owned by Brush Electric Co.

Assumed—Assumed by Galveston Electric Co. on March 18, 1926.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—	1927	1926	1925
High	93	89	82
Low	83½	82½	78

Officers: Harry L. Harding, V-P.; Henry B. Sawyer, Treas.; W. T. Crawford, Sec.; Raymond G. Carroll, Mgr. Executive Managers: Stone & Webster, Inc., Boston.

Directors: Chas. G. Bancroft, Thomas B. Gannett, Henry G. Bradlee, Levi H. Greenwood, H. H. Hunt, N. Penrose Hallowell, Sealy Hutchings, Henry B. Sawyer, Charles F. Adams, George C. Lee, Edwin S. Webster, George Putnam.

Office, Galveston, Texas.

GALVESTON-HOUSTON ELECTRIC RAILWAY COMPANY

(Controlled by Galveston-Houston Electric Company)

History and Property—Incorporated April 17, 1907, in Texas. Company owns and operates a standard gauge interurban electric railway between Galveston and Houston, 50 miles, with entrances and terminals in both cities. The interurban began operations in Dec., 1911. Owns private right of way for entire length with exception of crossings on country roads, in which cases the Company has perpetual rights. The Company has rights of entrance into Galveston over tracks of Galveston Electric Co., and into Houston over tracks of Houston Electric Co., authorized in both cases by city ordinances. Power station capacity, 3,000 k. w.

CAPITAL STOCK

Authorized, $3,500,000; outstanding, $1,650,000; par, $100. All owned by Galveston-Houston Electric Co. Annual meeting, second Friday in May.

FUNDED DEBT

$2,552,500 FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1954

Dated October 1, 1909.

Interest Payable—April and October 1, at Old Colony Trust Co., Boston.

Denominations—Coupon (principal may be registered), $500 and $1,000; and registered, $1,000, $5,000 and at option of Company in other multiples of $1,000. Coupon and registered bonds are interchangeable.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized $5,000,000; issued, $3,000,000, of which $26,000 are held in trust for benefit of Company and $421,500 cancelled in sinking fund. The $2,000,000 unissued bonds are reserved for acquisitions and improvements at 80% of the cost thereof.

Callability—Subject to call as a whole (or in part for sinking fund) at 105 and interest on any interest date.

Sinking Fund—Sinking fund, 1% annually, through 1944; 1½% thereafter, payable Feb. 1; fund to be applied to purchase or redemption of these bonds at not exceeding 105 and interest.

Security—A first lien on all properties now owned or hereafter acquired.

Guaranty—Guaranteed, principal, interest and sinking fund, by endorsement by Galveston-Houston Electric Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,750,000) in Feb., 1910, at 95 and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	77	76	88	86	88	89	78½	70
Low	72	60½	71	80½	81	78½	67½	60

Officers: Harry L. Harding, V-P.; Luke C. Bradley, V-P.; Henry B. Sawyer, Treas.; W. T. Crawford, Sec. Executive Managers: Stone & Webster, Inc., Boston.

Directors: Chas. F. Adams, Chas. G. Bancroft, Henry G. Bradlee, Thomas B. Gannett, Levi H. Greenwood, N. Penrose Hallowell, Harry H. Hunt, Josiah F. Hill, George Putnam, George C. Lee, Edwin S. Webster, Henry B. Sawyer.

General Office, Houston, Tex.

HOUSTON ELECTRIC COMPANY

(Controlled by Galveston-Houston Electric Company)

History—Incorporated October 26, 1901, in Texas; successor to Houston Electric St. Ry., foreclosed October, 1901. Does the entire street railway business in Houston, Tex. Franchise expires in 1951. Power is purchased from Houston Lighting & Power Co. Standby power station is located at Houston, Tex. Company is also inter-connected with Galveston-Houston Electric Ry. Co.

CAPITAL STOCK

Authorized, $6,000,000; outstanding, $5,000,000; par, $100.

FUNDED DEBT

$4,789,500 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1935

Dated June 1, 1925.

Interest Payable June and December 1, at The First National Bank of Boston, Hanover National Bank, New York, and The Continental National Bank & Trust Co., Chicago.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The First National Bank, Boston.

Provisions of Issue—Authorized amount, unlimited; issued, $5,000,000 Series "A" 6s, of which $210,500 cancelled by sinking fund to Dec. 31, 1927. Proceeds from the sale of these bonds provided funds for retirement on Aug. 1, 1925 of $2,974,000 first 5s and floating indebtedness and for construction requirements.

Additional bonds can be issued for not in excess of 75% of the cost or fair value, whichever is less, of additions, extensions or new properties on which the mortgage is a first mortgage, or against the deposit of cash, but, only when net earnings for 12 months within 15 months immediately preceding the issue are at least 1¾ times the total annual interest requirements on all bonds secured by this mortgage, including those to be issued, and on underlying bonds, if any; and to refund bonds secured by this mortgage, but not to refund bonds retired by the sinking fund for Series "A" as long as any Series "A" bonds remain outstanding.

Bonds of future series may bear such dates, mature at such times, bear interest at such rates, be callable at such prices and have such Sinking Funds and conversion, tax or other provisions as shall be determined by the Board of Directors at the time of the issue.

Callability—Subject to call as a whole at any time or in part on any interest date at 102 before June 1, 1927, decreasing ½% at end of each 2-year period from date of issue to par during last two years, plus accrued interest in each case.

Sinking Fund—2% per annum on total amount of Series "A" bonds issued.

Security—Secured by a first mortgage on all property now owned, or hereafter acquired. The mortgage provides that certain changes in the mortgage or any supplemental indenture, or in the security, may be made with the assent of the holders of not less than 80% of the bonds, except that the amount of principal, rate of interest and date of payment of principal and interest may not be altered.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston, (for the Bankers), and Tyler, Tucker, Eames & Wright, Boston (for the Company).

Original Offering—First publicly offered ($5,000,000) in June, 1925, at 94¼ and interest, to yield about 6.80%, by Lee, Higginson & Co., Estabrook & Co., Parkinson & Burr, and Stone & Webster, Inc., New York, etc.

Price Range—

	1927	1926	1925
High	98	93	94¼
Low	93	90	93½

Officers: L. C. Bradley, V-P.; H. L. Harding, V-P.; Henry B. Sawyer, Treas.; W. T. Crawford, Sec.; J. L. Alexander, Mgr. Executive Managers: Stone & Webster, Inc., Boston.

Directors: Chas. F. Adams, James A. Baker, Chas. B. Bancroft, Henry G. Bradlee, Thomas B. Gannett, Levi H. Greenwood, N. Penrose Hallowell, Josiah F. Hill, Harry H. Hunt, George C. Lee, George Putnam, Edwin S. Webster.

General Office, Houston, Tex.

HAVERHILL GAS LIGHT COMPANY

History and Property—Incorporated in 1853 in Mass. In 1924 purchased the property of the Amesbury & Salisbury Gas Co. (see 1924 Manual, page 423, or apply to our Information Department). Company does the entire gas business in Haverhill, Groveland, Merrimac, Amesbury and Salisbury, including Salisbury Beach. It also sells gas to Newburyport Gas Co. and Hampton Gas Co. Franchises not limited in time. Estimated population served Jan. 1, 1928, 84,300. Capacity, 2,200,000 cu. ft. per day.

OPERATING STATISTICS, DECEMBER 31

	Miles of Mains	No. of Meters	Output Cubic feet
1912	114.05	14,312	430,318,000
1913	114.72	14,578	462,558,000
1914	144.54	16,180	504,705,200
1915	145.79	16,485	555,394,000
1916	149.15	17,003	618,605,000
1917	150.02	15,725	633,023,000

CAPITAL STOCK

Authorized and outstanding, $982,800 (increased from $702,000 in 1924); par $25 (changed from $50 in July, 1924). Non-taxable in Massachusetts.

Transfer Agents—Stone & Webster, Inc., Boston.

Registrar—Old Colony Trust Co., Boston.

Annual Meeting—Third Tuesday in March.

Price Range—

	1927	1926	1925	1924
High	75	52½	45	42½
Low	52½	48	42½	41½

Dividends—Dividends at rate of 9% per annum established Jan. 1, 1915; payments quarterly, J, A, J & O. In addition an extra dividend of 1% was paid April 1, 1926.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$711,401	$691,977	$637,922	$617,254	$568,032	$545,847
Oper. exp., maintenance and taxes	§583,378	568,815	503,207	471,989	445,199	406,352
Net earnings	$128,023	$123,162	$134,715	$145,265	$122,833	$139,495
Interest charges	3,860	824	315	1,673	569	997
Balance for reserves, retirements & dividends..	$124,163	$122,338	$134,400	$143,592	$122,264	$138,498
Dividends paid	88,452	98,280	88,452	82,418	63,183	63,183
Balance for reserves & retirements	$35,711	$24,058	$45,948	$61,174	$59,080	$75,314
*Earnings Per Share	†$3.16	†$3.11	†$3.38	†$3.65	$8.71	$9.80

*Before Reserves and Retirements. †Par, $25. §Includes operation, $487,000; maintenance, $33,850 and taxes, $62.528.

Maintenance—During the 18 years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expenses, a total of 4.52% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 12.21% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant	$1,865,321	$1,782,245	$1,717,948	$1,653,970	$1,275,906	$1,235,05
Materials and supplies	72,080	70,842	75,333	67,607	92,711	77,95
Advance payments	4,668	5,531	2,771	38,454	5,077	1,84
Accounts receivable	101,666	117,093	106,744	86,358	60,376	56,99
Cash	25,911	28,467	22,320	44,440	11,720	28,54
Unadjusted debits	3,670	8,336	7,608	3,566	.....	.....
Total	$2,073,316	$2,012,514	$1,932,724	$1,894,395	$1,445,790	$1,400,39
Liabilities—						
Capital stock	$982,800	$982,800	$982,800	$982,800	$702,000	$702,00
Premiums on sale of stock	112,690	112,690	112,690	112,690	371	3
Notes payable	105,000	60,000	.....	.....	10,000	.....
Accounts payable	39,860	35,158	34,938	22,005	16,634	25,1
Accounts not yet due	34,378	38,270	32,128	33,797	33,999	33,6
Unadjusted credits	3,915	3,612	3,593	2,520	.....	.....
Appropriated reserve for retirements	3,034	.....	.....	.....	.....	.....
Contributions for extensions	641	.....	.....	.....	.....	.....
Retirement reserve	250,521	235,218	210,868	195,823	169,200	154,7
Reserves and surplus	540,477	544,766	555,707	544,760	513,586	484,5
Total	$2,073,316	$2,012,514	$1,932,724	$1,894,395	$1,445,790	$1,400,3

Officers: Wallace B. Donham, Pres., Cambridge, Mass.; Marcy L. Sperry, V-P.; H. B. Sawyer, Treas.; V. D. Vickery, Clerk; Stone & Webster, Inc., Exec. Mgrs., Boston; Lewis A. Keen, Mgr., Haverhill, Mass.

Directors: George C. Lee, Walworth Pierce, Ge S. Mumford, Wallace B. Donham, Philip Stockto Frank B. Bemis, Fred D. McGregor.

General Office, Haverhill, Mass.

JACKSONVILLE TRACTION COMPANY

History and Property—Incorporated March 1, 1911, in Mass.; successor (April 18, 1911) to Jacksonville Electric Co. (see Manual for 1910, page 2204, or apply to our Information Department). Does the entire electric railway business in Jacksonville, Fla. Franchise expires in 1932. Estimated population served, Jan. 1, 1928, 150,000. Length of track, 59.76 miles. Trackage, 2.95 miles. Gauge 5 ft. Motor passenger cars, 101; other cars, 8. Power station, car barn and shops located at Jacksonville; capacity of station, 2,400 k.w. Power is also purchased from the city of Jacksonville.

Receivership Terminated—The receivership under which Company had operated since Oct. 30, 1919, was terminated Sept. 1, 1925 under an order issued by Judge R. M. Call of the Federal Court at Jacksonville, Fla. J. P. Ingle successor as receiver to E. J. Triay in April, 1925, was made Manager of Company.

Reorganization Plan Operative—The Deposit managers (Hermann F. Clarke, Allan Forbes, Edward H. Gleason, and Edwin S. Webster) under the Agreement dated Dec. 18, 1919, for the deposit of the two-Year 6% Gold Coupon notes, due Mar. 1, 1919, in Oct. 1925, declared operative and effective a Plan and Agreement for adjustment of the affairs of Company and for the readjustment of the rights and holders of the Coupon notes which were submitted to depositors on the date of Aug. 12, 1925. (For details see 1927 Public Utility Manual, page 473).

CAPITAL STOCK

Authorized, $1,500,000 Common and $1,000,000 6% cumulative Preferred (increased from $1,000,000 and $500,000 respectively, February 26, 1914); outstanding, $1,000,000 Common and $500,000 Pfd.; par, $100. In addition to stock outstanding company holds $100,000 Common stock in treasury. Non-taxable in Massachusetts. Pfd. stock has preference for dividends a in case of liquidation.

Transfer Agents—Stone & Webster, Inc., Bosto

Registrar—American Trust Co., Boston.

Annual Meeting—Last Tuesday in January.

Price Range—

	1927	1926	1
Preferred—			
High	72	72	4
Low	50	42	
Common—			
High	22¼	22½	1
Low	5	12½	

Dividends have been paid as follows: On Pfd. rate of 6% per annum from Feb. 1903, to 1914; 19 4½%; 1916, 3%; none since. Preferred dividends crued and unpaid to Nov. 1, 1927 (11¾ years) amou to $352,500. On Common, 2% paid Feb. 1, 1905; A 1, 1905, 3%; from 1906 to 1909, inclusive, 6% per num; in 1910, 6½%; in 1911, 1912, 1913 and 1914, each; none since.

FUNDED DEBT

(1)

$887,500 Jacksonville Traction Co. First Cons dated Gold 5s; dated March 1, 1911; due March 1931; int. March and Sept. 1, at State Street Trust Boston, Trustee and Registrar. Coupon, $500 $1,000; principal may be registered. Coupon and r istered bonds are interchangeable. Subject to call whole (or in part for sinking fund) at 105 and int. any interest date upon 20 days' notice. Sinking f 1% per annum of bonds certified, began March 1, 1 to be applied to purchase or redemption of bond not exceeding 105 and interest. Authorized, $5,000,0 issued, $2,246,500, of which $144,000 retired by sink fund and cancelled and $1,215,000 held in treas pledged. The $2,753,500 unissued bonds are reser

for 80% of the cost of additions and improvements. Unissued bonds may bear interest at a lower rate than 5%, as determined by directors. Secured by first lien on entire property. First publicly offered ($750,000) in June, 1911, at 96½ and interest. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,242,600 Jacksonville Traction Co. 10-Year 5% Gold Coupon Notes; dated Sept. 1, 1925; due Sept. 1, 1935; interest March and Sept. 1, at The Atlantic National Bank of Boston, Trustee and Registrar. Registered, $100, $500 and $1,000; interchangeable. Authorized, $1,368,900; issued, $1,368,000, of which $1,242,600 outstanding and $125,400 cancelled. Subject to call in whole or in part on 30 days' notice at 100 and interest. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925
High	82	87.7	93½
Low	bid	79	75

INCOME ACCOUNT, YEARS ENDED DECEMBER 31.

	‡1927	1926	1925	1924	1923	1922
Gross earnings	$1,378,181	$1,620,366	$1,332,633	$1,101,477	$1,037,630	$1,056,777
Operating expenses, maintenance & taxes	*1,237,453	1,052,209	861,778	785,785	729,246	754,188
Net earnings	$140,728	$568,157	$470,855	$315,692	$308,384	$302,589
Interest and amortization	173,090	189,334	191,209	190,370	189,783	179,412
Balance for reserves, retirements and dividends	†$32,362	$378,823	$279,646	$125,322	$118,601	$123,177

*Includes operation, $705,189; maintenance, $176,096; retirement accruals, $242,845, and taxes, $113,323. †Deficit. ‡In accordance with the order of the Florida Railroad Commission, provision for retirements must be made through operating expenses, and net earnings beginning with 1927 are after these charges, which for 1927 amounted to $242,844.45.

NOTE—Jacksonville Traction Co. began operating City of South Jacksonville line on May 15, 1924.

GENERAL BALANCE SHEET, DECEMBER 31

Assets —	1927	1926	1925
Plant	$4,759,036	$4,701,354	$4,768,932
Treasury Common stock	100,000	100,000	100,000
Treasury bonds (pledged)	1,215,000	56,500	56,500
Investment securities	.....	250,000	.....
Sinking funds	143	43	303
Materials and supplies	71,954	82,358	96,213
Cash	77,427	195,021	222,856
Notes receivable	4,000	.....	.....
Accounts receivable	11,502	16,922	7,977
Special deposits	.....	54,678	40,643
Prepayments	20,433	1,740	4,213
Unamortized debt discount & expense	13,381	20,322	28,009
Unadjusted debits	23,503	872	60
Retirement reserves (deficit)	.....	.....	99,916
Reserves and surplus	.....	.....	108,644
Total	$6,296,379	$5,479,810	$5,534,266

Liabilities—	1927	1926	1925
Common stock	$1,100,000	$1,100,000	$1,100,000
Preferred stock	500,000	500,000	500,000
Jacksonville Elec. Co. bonds	.....	1,245,000	1,245,000
Jacksonville Trac. Co. bonds	2,102,500	956,000	969,000
Jacksonville Trac. Co. notes	1,242,600	1,242,600	1,367,900
Paving liens	82,180	103,637	125,365
Equipment notes	10,753	51,283	101,091
Notes payable	760,000	.....	.....
Accounts payable	29,079	38,748	51,566
Accounts not yet due	91,933	90,524	64,824
Operating reserve	45,830	13,996	9,520
Retirement reserve	288,116	70,200	.....
Reserves and surplus	43,387	67,822	.....
Total	$6,296,379	$5,479,810	$5,534,266

NOTE—Deferred cumulative Pfd. dividends at 6% for 11¾ years to Nov. 1, 1927, amounting to $352,500 not included above.

Officers: Donald C. Barnes, Pres.; Harry L. Harding, V-P.; William T. Crawford, Clerk; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Executive Managers, Boston; J. P. Ingle, Mgr., Jacksonville, Fla.

Directors: Edwin S. Webster, Henry M. Williams, R. E. Forbes, Henry Endicott, Donald C. Barnes, Hermann F. Clarke, Allan Forbes, Alfred L. Ripley, George H. Baldwin.

General Office, Jacksonville, Fla.

JAMAICA PUBLIC SERVICE COMPANY, LIMITED

History and Property—Organized under laws of Crown Colony of Jamaica, B. W. I. and effective June 1, 1923, acquired the tramways system, constituting the property formerly owned by The West India Electric Co., Ltd. (see 1923 Public Utility Manual, page 1053 or apply to our Information Department), and the property of The Jamaica Light and Power Company. Company does the entire electric railway business in the Corporation of Kingston and St. Andrew, and the entire electric light and power business in the Corporation of Kingston and St. Andrew, and the Parish of St. Catharine. It also owns the capital stock of the **Jamaica Hydro-Electric Co., Ltd.** Estimated population served, Jan. 1, 1928: Railway, 95,600; electric light and power, 105,200. Power station located at Kingston, Jamaica; capacity, 3,700 k. w. No. of electric customers, 5,020.

The tramways property consists of 26.6 miles of standard gauge track with overhead cross suspension trolley, operating 51 revenue type cars and 2 other cars. The power and electric light property consists of a hydro-electric station at Bog Walk on the Rio Cobre and steam stations in Kingston, necessary transmission lines and wharf, transforming stations, etc. The Jamaica Hydro-Electric Co., Ltd., owns land and water rights on the White River, where approximately 6,000 h.p. can be developed. Properties are under the executive management of Stone & Webster, Inc.

CAPITAL STOCK

Authorized, $1,000,000 Ordinary, par $50; $750,000 7% cumulative Preference, par $100, and $250,000 (£51,369 17s 3½d) 7% cumulative Preference "B," par £1 (created in 1925); outstanding, Dec. 31, 1927, $750,000 Ordinary, $750,000 Preference and $248,579.62 (£51,078) Preference "B."

Preference Stock Provisions—Preference stock and Preference "B" stock have preference for dividends, and assets in liquidation in order named. Issues of bonds or other securities ranking prior to Preference stock, other than authorized under the careful restrictions of the trust deed securing the First Mortgage 6½s, due 1943, cannot be made without the consent of two-thirds in interest of the Preference stockholders.

Preference Stock Public Offering—$200,000 Preference stock was publicly offered in July, 1925, at market to yield about 7.10%, by Greenshields & Co., Montreal, etc.

Transfer Agents—Preference: Quebec Savings & Trust Co., Montreal. Preference "B": Montreal Trust Co., Montreal (Royal Bank of Canada, Kingston, Agent).

Registrar (Preference) — The Royal Trust Co., Montreal.

Annual Meeting—First Wednesday in May at Montreal.

Listed (Preference)—Montreal Stock Exchange.

Price Range—

Preference—	1927	1926	1925
High	105	99	98¼
Low	97	96¼	97

Dividends—Initial dividend of $1.42 per share on Preference stock paid Oct. 31, 1923, and at regular rate of $1.75 quarterly since; payments J, A, J & O 1. Dividends on Preference "B" stock has been regularly paid since issuance; payments, J, A, J & O 1. No dividends paid on Common.

FUNDED DEBT

$182,000 THE JAMAICA LIGHT & POWER CO., LTD., FIRST MORTGAGE GOLD 5s; MATURED AND PAID AT MATURITY, JANUARY 1, 1928

$970,500 JAMAICA PUBLIC SERVICE CO., LTD., FIRST SINKING FUND 6½s, SERIES "A"; DUE JULY 1, 1943

Dated July 1, 1923.

Interest Payable January and July 1, at The Royal Bank of Canada, Montreal and Toronto or in London, Eng. and Kingston, Jamaica at $4.86 to the £ Sterling.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized and issued (Series "A" 6½s), $1,000,000, of which $29,500 cancelled by sinking fund to Dec. 31, 1927. The amount of authorized bonds under Series "A" is limited to the amount now outstanding, but bonds of other series may be issued for additions only to 75% of actual expenditure, and then only when net earnings for twelve consecutive months within the previous fifteen months have been at least 1¾ times the interest required for all bonds outstanding, including those to be issued. The proceeds of $1,000,000 Series "A" 6½s and $550,000 Pfd. stock were used to retire existing West India Electric Co., Ltd. Mortgage bonds, in part payment for properties acquired and in the development of additional power and tramway facilities.

Callability—Subject to call as a whole or in part for sinking fund, on any interest date on 30 days' notice at 105 on or after July 1, 1928; at 104 after July 1, 1933; at 103 after July 1, 1938; at 102 after July 1, 1940; at 101 after July 1, 1941; at par after July 1, 1942.

Sinking Fund—Commencing with 1926, 1½% per annum of bonds issued, payable July 1, plus an amount equal to the sum which would have been payable during the preceding year as interest upon all bonds redeemed or purchased for sinking fund purposes at any time prior to the date of such annual payment, had such bonds so redeemed or purchased not been cancelled.

Security—Secured by a first mortgage on all the property formerly owned by the West India Electric Co., Ltd., including the entire tramways system and by a mortgage on all the property formerly owned by the Jamaica Light & Power Co., Ltd., and also by a pledge of the entire outstanding capital stock of the Jamaica Hydro-Electric Co., Ltd. First publicly offered ($1,000,000) in June, 1923, at 100 and accrued interest, to yield 6½%.

Legal Opinion—Brown, Montgomery & McMichael, Montreal; Greenshields, Greenshields & Languedoc, Montreal, and Morrison & Morrison, Jamaica, B. W. I.

Original Offering—First publicly offered ($1,000,000 Series "A" 6½s) in June, 1923, at 100 and interest, yielding 6½%, by Aemilius Jarvis & Co., Greenshields & Co. and Mackenzie & Kingman, Toronto etc.

***Price Range—**

	1927	192(
High	103½	103
Low	101½	101

*High and low bid price.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	†1923
Gross earnings	$694,160	$652,103	$625,275	$579,056	$309,87
Operating expenses	304,961	291,395	283,432	302,446	
Maintenance	77,808	78,721	80,188	66,093	210,67
Taxes	26,398	26,601	25,541	23,865	
Net earnings	$284,993	$255,386	$236,114	$186,652	$99,22
Interest charges	73,389	74,605	79,178	76,998	45,74
Balance	$211,604	$180,781	$156,936	$109,653	$53,48
Preference dividends	52,500	52,500	45,500	38,500	16,54
Preference "B" dividends	13,862	8,437	3,761	.....	.....
Balance for reserves & retirements	$145,242	$119,844	$107,675	$71,153	$37,03
Appropriated for retirement reserve	70,000	50,795	35,000	25,000	.....
Net direct debits to Profit & Loss	3,528	1,635	50,340	11,761	.....
Balance	$71,714	$67,414	$22,335	$34,393	.....
Prior surplus	151,171	83,757	61,422	27,030	.....
Total surplus	$222,885	$151,171	$83,757	$61,422	.....
***Times Interest Charges Earned**	3.88	3.42	2.98	2.42	.....
***Earnings Per Share—**					
Preference	‡$21.19	‡$19.69	‡$18.92	$19.94	.....
Ordinary	9.68	7.99	7.18	4.74	.....

*Before reserves and retirements. †June 11 to Dec. 31, 1923. ‡Per cent earned on both Preference and Preference "B" stock.

Maintenance—During the four years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expenses, a total of 12.13% of the entire gross earnings over this period, and in addition during the period, has set aside for reserves or retained as surplu a total of 15.88% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Property, plant, etc.	$2,852,876	$2,791,410	$2,741,487	$2,567,048	$2,398,5(
Dominion Govt. bonds	75,000	25,000	.....	.....	.....
Sinking funds	179	500	.....	.....	.....
Reacquired securities	.....	18,000	.....	.....	.....
Materials and supplies	104,107	106,351	112,999	97,555	104,5
Cash	147,366	170,980	87,370	76,193	46,5
Accounts receivable	44,338	33,840	37,182	27,937	31,5
Other current assets	.....	.....	.....	.....	1
Unadjusted debits	11,242	3,058	2,014	28,989	3,9
Prepayments	373	285	252	2,097	.....
Total	$3,235,481	$3,149,424	$2,981,304	$2,799,819	$2,585,4

GENERAL BALANCE SHEET DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923
Ordinary stock	$750,000	$750,000	$750,000	$750,000	$750,000
Preference stock	998,580	917,910	829,312	550,000	550,000
Funded debt	970,500	1,186,000	1,200,000	1,200,000	1,200,000
Notes payable	.....	.....	.....	125,000	.....
Accounts payable	75,471	11,171	26,462	27,676	17,756
Accounts not yet due	43,717	33,276	9,942	9,724	.....
Interest accrued	.....	.....	.....	.....	418
Other current liabilities	.....	.....	.....	.....	8,060
Tax liability	.....	.....	14,062	19,156	17,750
Unadjusted credits	.....	5,840	5,840	9,286	122
Reserve for retirements	129,811	70,983	42,180	34,462	10,000
Appropriated reserve for retirements	16,120	.....	.....	.....	.....
Operating reserves	28,398	23,073	19,749	13,093	4,268
Surplus and reserves	222,884	151,171	83,757	61,422	27,030
Total	$3,235,481	$3,149,424	$2,981,304	$2,799,819	$2,585,404

Officers: Russell D. Bell, Pres.; Abner Kingman, Jr., V-P., Montreal, Can.; Marcy L. Sperry, V-P.; William T. Crawford, Sec.; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Executive Mgrs., Boston, Mass.; Alfred S. Nichols, Local Mgr., Kingston, Jamaica.

Directors: Russell D. Bell, Abner Kingman, Jr., Daniel J. O'Donahoe, Montreal, Can.; Marcy L. Sperry, Boston, Mass.

General Office, Kingston, Jamaica.

LOWELL GAS LIGHT COMPANY

History—Incorporated May 2, 1849, in Mass., to manufacture gas, coke, tar and gas liquor. The Company does the entire gas business in Lowell, and its gas mains extend into Dracut, Tewksbury and Chelmsford. Estimated population served Jan. 1, 1928, 128,500. Daily capacity, 6,050,000 cu. ft. Miles of mains, 191.36. No. of meters, 25,716. Gas output year ended Dec. 31, 1927, 775,781,000 cu. ft. Prices based on monthly consumption per meter: First 100 cu. ft. or less, 50 cts. net; next 400 cu. ft., 13 cts. net per 100 cu. ft.; next 4,500 cu. ft., 11 cts. net per 100 cu. ft.; next 95,000 cu. ft., 10 cts. net per 100 cu. ft.; next 400,000 cu. ft. 9 cts. net per 100 cu. ft.; next 500,000 cu. ft. 8 cts. net per 100 cu. ft.; for all additional, 7 cts. net per 100 cu. ft.

CAPITAL STOCK

Authorized, $1,500,000 Capital stock and $60,000 Series "A" stock; outstanding, $1,500,000 Capital stock and $24,050 Series "A" stock; par of both issues, $25. Capital stock was increased from $1,200,000, par $100, to $1,500,000, par $25, in April, 1925, the $300,000 new stock being sold at $42.50 per share to pay off floating indebtedness incurred for capital expenditures. In Oct., 1926, the Massachusetts Department of Public Utilities approved the issue by Company of 2,400 additional shares capital stock, $25 par, known as Series "A," for sale to customers and employees at $50 a share. Provisions of the issue allow employes to subscribe for 10 shares or so many as to bring their then holdings up to 20 shares. After employees have taken their share of the stock, any left will be offered to customers of Company, with subscription limited to five shares or such number as will bring their holdings to five shares. Persons buying these shares, who desired to sell before Jan. 1, 1928, could arrange such sale with Company, which would pay $50 a share for the stock. Thereafter, until Jan. 1, 1930, sale to Company can be arranged at the fair market value, not exceeding $52.50 a share. After 1930 there are no restrictions on sales.

Transfer Agent—Stone & Webster, Inc., Boston, Mass.

Annual Meeting—Fourth Tuesday in March.

Dividends—Dividends in 1908, 16½%; 1909 to April 1, 1928, incl., at rate of 12% per annum; payments quarterly, J 3, A, J & O 1. The same dividends are paid on Class "A" stock.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,018,038	$1,067,225	$1,109,666	$1,100,742	$1,199,739	$1,144,664
Operating expenses and taxes	738,505	710,397	705,016	774,510	849,789	794,578
Retirement reserve	85,000	125,000	150,000	150,773	125,591	131,035
Balance	$194,534	$231,828	$254,650	$175,459	$224,359	$219,051
Interest, etc.	16,657	17,040	36,203	39,259	27,801	27,769
Balance	$177,877	$214,788	$218,447	$136,200	$196,558	$191,282
Dividends paid	182,426	180,000	153,000	144,000	144,000	144,000
Balance for reserves & retirements	†$4,549	$34,788	$65,447	†$7,800	$52,558	$47,282
Earnings Per Share	‡$2.92	‡$3.58	‡$3.64	$11.35	$16.38	$15.94

†Deficit. ‡Deficit, $25.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant	$3,370,229	$3,209,011	$3,131,077	$3,110,676	$2,797,756
Materials and supplies	308,683	268,768	366,985	355,986	380,349
Cash	54,011	245,099	124,074	95,606	64,225
Accounts receivable	98,239	93,640	115,892	108,475	118,885
Prepayments	9,144				
Unadjusted debits	1,447	10,773	8,668	5,313	6,497
Total	$3,841,753	$3,827,291	$3,746,696	$3,676,056	$3,367,712
Liabilities—					
Capital stock	$1,500,000	$1,500,000	$1,500,000	$1,200,000	$1,200,000
Capital stock, Series "A"	24,050	.....	.....	.....	.....
Premium on stock	778,687	754,637	754,637	542,883	542,883
Notes payable	300,000	300,000	370,000	900,000	695,000
Accounts payable	56,550	47,290	47,578	39,466	53,949
Accounts not yet due	114,236	202,090	162,608	138,694	149,589
Retirement reserve	569,717	501,708	418,635	431,099	294,576
Appropriated reserve for retirements	19,360	.....	.....	.....	.....
Unadjusted credits	1,440	.....	.....	.....	.....
Reserves and surplus	477,704	521,566	493,238	423,914	431,715
Total	$3,841,753	$3,827,291	$3,746,696	$3,676,056	$3,367,712

Officers: Austin K. Chadwick, Pres., Lowell, Mass.; Harry H. Hunt, V-P., Boston, Mass.; John A. Hunnewell, V-P., Lowell, Mass.; Henry B. Sawyer, Treas.; Victor D. Vickery, Clerk; Stone & Webster, Inc., Exec. Mgrs., Boston, Mass.; E. J. Boothby, Mgr., Lowell, Mass.

Directors: Arthur C. Spalding, Austin K. Chadwick, A. Penrose Hallowell, Harry H. Hunt, W. H. Potter, Jr., P. L. Spalding, C. Brooks Stevens.

General Office, Lowell, Mass.

NORTHERN TEXAS ELECTRIC COMPANY

History—Incorporated Nov. 16, 1905, in Me. Owns the entire issued capital stock and participating mortgage bonds of the Northern Texas Traction Co., the capital stock of Tarrant County Traction Co. and Texas Motorcoaches, Inc., and owns the majority of capital stock of West Texas Coaches, Inc. These companies do the entire electric railway and bus business in Fort Worth, Tex., and operate an interurban electric railway and bus service between Fort Worth and Dallas, an interurban electric railway between Fort Worth and Cleburne, do the electric lighting and power business in Arlington, Handley and Grand Prairie, Texas, and operate an intercity bus service from Fort Worth to Sweetwater and San Angelo, and from Pecos to El Paso, Texas. Has leased for 20 years from Dec. 17, 1915, the terminal facilities of the Dallas Interurban Terminal Association. The terminal was opened for service Sept. 1, 1916. In 1917 lease (with the right to purchase for $2,000,000) the Oak Cliff line to the Dallas Ry. at an annual rental of $115,000 for first three years, $120,000 for fourth year, $125,000 for fifth year, $135,000 for sixth year and $150,000 thereafter.

Franchises—Northern Texas Traction Co.'s principal franchises in Fort Worth expire in 1973; between Fort Worth and Dallas private right of way for entire length, with exception of such locations as are in the streets of towns, in which cases the Traction Company has rights expiring about 1950; in Dallas franchises expire in 1937, in Arlington in 1951. Tarrant County Traction Co.'s franchises in Fort Worth and Cleburne expire in 1936; between Fort Worth and Cleburne private right of way for entire length, with exception of crossings on country roads and such locations as are in streets of towns, in which cases the Company has rights expiring in 1961.

Miles of equivalent single track (subsidiary companies), 176.6 miles. Gauge, standard. No. of revenue type cars, 282; other cars, 12—total, 294. In addition, 50 cars leased to Dallas Ry. Co. No. of buses. 9. Car barns and shops are located at Fort Worth, Hadley and Oak Cliff, Tex. Power station is located at Hadley, Tex.; capacity 10,800 k. w. Purchased power capacity, 900 k.w. Estimated population served, Jan. 1, 1928: transportation, 456,000; light and power, 12,600.

CAPITAL STOCK

Authorized, $5,000,000 Common and $5,000,000 6% non-cumulative Pfd. (increased from $2,500,000 Common and $4,500,000 Pfd. on Feb. 24, 1913); outstanding, $3,150,000 Common and $4,000,000 Pfd.; par, $100.

Preferred Stock Provisions—Has preference for dividends and in case of liquidation, and is subject to redemption at 110.

Transfer Agent (Both Classes)—Stone & Webster, Inc., Boston.

Registrar (Both Classes)—Old Colony Trust Co., Boston.

Annual Meeting—Third Tuesday in November.

Listed (Both Classes)—Boston Stock Exchange.

Dividends—Cash payments have been made as follows: On Pfd. 1% March 1, 1906; 2% Sept. 1, 1906; 6% per annum from March 1, 1907, to Sept. 1, 1927, inclusive, semi-annually, March and Sept. 1. On March 1, 1928, a semi-annual dividend of $3 per share on Pfd. stock was paid in transferable interest-bearing scrip.

On Common: 2% on Sept. 1, 1909, and March 1, 1910; 1¼% each June 1, Sept. 1 and Dec. 1, 1910; 1½% quarterly from March 1, 1911, to June 2, 1913, inclusive; Sept. 2, 1913, 1¾%; Dec. 1, 1913, 1¾%; 1914, 7%; 1915, 4¾%; 1916, 4%; 1917, 4%; 1918, 6%; 1919, 6%; 1920 to Sept. 1, 1925, 8% per annum; Dec. 1, 1925 and March 1, 1926, 1% each; none since; payments, M, J, S & D 1.

Preferred Dividend Scrip—On Dec. 15, 1927, it was announced that Company would pay dividends on the non-cumulative Pfd. stock in interest-bearing scrip until such time as its financial condition warrants a return to the cash basis. The scrip bears 6% interest, payable when earned, and principal is payable at any time at Company's option and, in case of liquidation, ranks junior to all other debt and must be redeemed before any dividends are paid on the Common stock.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High ...	77	63	73½	75	82	85	80	74
Low	44	43	50	66	67½	80	70	62
Common—								
High ...	37	49	70	73	84	97½	83	82
Low	10	15¼	33	55	58	80	69¾	58

FUNDED DEBT

(1)

$3,149,000 COLLATERAL TRUST 5% GOLD BONDS; DUE JANUARY 1, 1940

Dated January 1, 1910.

Interest Payable January and July 1, at The New England Trust Co., Boston.

Denominations—Coupon (principal may be registered), $1,000; and registered, $1,000, $5,000 and $10,000 and other multiples of $1,000. Coupon and registered bonds are interchangeable.

Trustee and Registrar—The New England Trust Co., Boston.

Provision of Issue—Authorized, $10,000,000; issued $5,760,000, of which $611,000 had been retired by sinking fund to Dec. 31, 1927, $2,000,000 are pledged as collateral security for the 3-year Secured 6% Gold Coupon Notes, due Jan. 1, 1931, leaving $3,149,000 outstanding. The $4,240,000 unissued bonds are reserved as follows: $2,500,000 to retire Northern Texas Traction Co. First 5s, and the balance either for securities of operating companies or for acquisitions, improvements, extensions, etc., at 80% of cost.

Callability—Subject to call as a whole (or in part for sinking fund) at 105 and interest on any interest date upon 30 days' notice.

Sinking Fund—Sinking fund, 1% per annum of bonds issued, payable Nov. 1, to be applied to purchase or redemption of bonds at not exceeding 105 and interest.

Security—Secured by pledge of $4,499,100 stock and participating refunding mortgage bonds of the Northern Texas Traction Co. and by all stock of the Tarrant County Traction Co., being the entire outstanding stocks of said companies, except directors' shares. The participating refunding bonds are secured by a direct lien on the property of the Northern Texas Traction Co., subject only to its $2,500,000 First 5s. Under the terms of the indenture, no evidence of indebtedness may be issued by the Northern Texas Traction Co. except to the Northern Texas Electric Co., to be placed with the Trustee of this mortgage as additional security; except that short-time notes for the purposes of temporary borowing may be issued not to exceed in the aggregate at any one time the sum of $250,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Tyler, Corneau & Eames, and Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered ($1,100,000) in April, 1910, at 96 and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	85	79	85	87	91	90	87	83
Low	72	69½	70¾	82	82	85	72½	71½

(2)

$500,000 FIVE-YEAR 7% GOLD BONDS; MATURED AND PAID OFF MARCH 1, 1928

(3)

$1,500,000 THREE-YEAR SECURED 6% GOLD COUPON NOTES; DUE JANUARY 1, 1931

Dated January 1, 1928.

Interest Payable January and July 1, at State Street Trust Co., Boston, Mass., and Fort Worth National Bank, Fort Worth, Texas.

Denominations—Coupon, in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—State Street Trust Co., Boston, Mass.

Provisions of Issue—Authorized, $2,000,000; outstanding, $1,500,000. These notes were issued to provide funds to retire bank debt of $1,000,000 and to pay off $500,000 Five-Year 7% Coupon notes, due March 1, 1928.

Callability—Subject to call at any time as a whole or in part at 100 and accrued interest.

Sinking Fund—None provided.

Security—Secured by pledge of $2,000,000 Collateral Trust 5% Gold bonds, due January 1, 1940. The indenture provides for the issue of $500,000 additional notes secured by Collateral Trust bonds in the same proportion as the initial issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

CAR TRUST CERTIFICATES

There were outstanding at Dec. 31, 1927, $121,906 car trust certificates.

INCOME ACCOUNT (COMBINED COS.), YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,707,487	$2,524,333	$2,458,272	$2,706,002	$2,901,132	$3,069,517
Oper. exp. and taxes	§1,981,079	1,833,064	1,834,024	1,912,619	2,062,494	2,163,086
Net earnings	$726,408	$691,269	$624,248	$793,383	$838,638	$906,431
Other income	150,000	150,000	150,000	150,000	138,750	127,500
Total income	$876,408	$841,268	$774,248	$943,383	$977,388	$1,033,931
Interest and amortization charges	364,962	356,659	346,360	338,066	321,329	299,611
Balance for reserves, retirements & dividends	$511,446	$484,609	$427,888	$605,317	$656,059	$734,320
Preferred dividends	240,000	240,000	240,000	240,000	240,000	240,000
Common dividends	.....	31,500	220,500	252,000	252,000	252,000
*Surplus for year	$271,446	$213,109	†$32,612	$113,317	$164,059	$242,320
*Times Fixed Charges Earned	2.40	2.36	2.24	2.79	3.04	3.45
*Earnings Per Share—						
Preferred	$12.78	$12.12	$10.70	$15.13	$16.40	$18.36
Common	8.61	7.77	5.96	11.60	13.21	15.69

*Before Reserves and Retirements. †Deficit. §Includes operation, $1,391,508; maintenance, $372,249 and taxes, $217,322.

Maintenance—During the last 22 years, the Company has expended for maintenance, which is included in operating expenses, a total of 12.92% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 10.43% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant, etc.	$17,904,496	$17,456,057	$17,277,407	$17,207,660	$17,185,756	$16,604,959
Miscellaneous investments	261,347	126,560	101,261	75,309	.....	.....
Materials and supplies	251,440	246,706	250,291	271,037	312,846	298,308
Advance payments	83,037	21,128	25,104	26,448	30,427	31,754
Notes receivable	13,172	13,335	14,876	14,651	25,428	28,085
Accounts receivable	62,733	64,019	63,734	67,920	88,699	70,183
Unadjusted debits	109,043	4,589	6,939	10,776	8,681	17
Cash	153,739	107,491	114,664	136,451	183,820	189,512
Sinking fund investments	342	673	686	150	6	23
Unamortized debt discount and expense	3,403	2,100	3,300	5,416	7,838	3,359
Total	$18,847,752	$18,042,658	$17,858,262	$17,815,818	$17,843,501	$17,226,200
Liabilities—						
Common stock	$3,150,000	$3,150,000	$3,150,000	$3,150,000	$3,150,000	$3,150,000
Preferred stock	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Funded debt	5,649,000	5,689,000	5,731,000	5,771,000	5,809,000	5,848,000
Coupon notes	500,000	500,000	500,000	500,000	500,000	.....
Car trust certificates	121,906	31,557	50,999	90,248	138,065	72,893
Notes payable	1,250,000	610,000	435,000	160,000	.....	.....
Accounts payable	86,641	80,265	69,236	67,919	83,267	59,342
Accounts not yet due	140,113	130,258	110,818	86,998	51,926	27,750
Unadjusted credits	.....	4,045	3,672	3,042	.....	.....
Contributions for extensions	.....	.....	.....	1,700	.....	.....
Operating reserves	37,496	56,557	130,949	179,616	189,414	191,939
Appropriated reserve for retirements	11,802	.....	.....	.....	.....	.....
Retirement reserve	2,028,422	1,985,883	1,833,482	1,720,560	1,743,216	1,652,460
Reserves and surplus	1,872,372	1,805,093	1,843,106	2,084,735	2,178,614	2,223,816
Total	$18,847,752	$18,042,658	$17,858,262	$17,815,818	$17,843,501	$17,226,200

Officers: Alex. F. Crichton, Pres.; E. Ennalls Berg, V-P.; E. M. Harrigan, V-P.; Henry T. Graham, Sec. & Treas., Wilmington, Del.; Stone & Webster, Inc., Executive Mgrs., Boston; Alfred F. Townsend, Mgr. of all Oper. Cos., Fort Worth, Tex.

Directors: Thos. B. Gannett, Ernest B. Dane, Chas. B. Barnes, D. L. Pickman, Hermann F. Clarke, Geo. C. Lee, Henry S. Grew, Henry G. Bradlee, George H. Clifford, Alex. F. Crichton, Henry B. Sawyer.

General Office, Fort Worth, Tex.

NORTHERN TEXAS TRACTION COMPANY

(Controlled by Northern Texas Electric Company)

History and Property—Incorporated June 8, 1874 in Texas, as the Fort Worth St. Ry. Co.; name changed to present title in 1901. Purchased the City Ry. and in 1901 extended its road to Dallas, Tex., a distance of 35 miles. In 1902 purchased Dallas & Oak Cliff Electric Ry. and acquired the Glenwood & Polytechnic College St. Ry., and on July 1, 1911, acquired the railway property of Citizens' Ry. & Lt. Co., sold at foreclosure.

Owns about 88 miles in Fort Worth and a line of 35 miles between Fort Worth and Dallas, which was put in operation on June 18, 1902, and also 11 miles in Dallas. Total track

owned 146.461 miles, of which 19.3 miles leased to Dallas Ry. Co. Gauge, standard. Rails, 60 to 103 lb. Franchises in Fort Worth expire 1973; between Fort Worth and Dallas private right of way for entire length, with exception of such locations as are in the streets of towns through which the railway passes, in which cases the company has rights which expire about 1950; in Dallas franchise expires in 1937; in Arlington franchise expires in 1951.

CAPITAL STOCK

Authorized, $6,000,000; issued, $4,986,000; par, $100. All owned by Northern Texas Electric Co. Annual meeting, last Tuesday in February.

FUNDED DEBT

$2,500,000 (entire issue) First Mtge. 5% Gold bonds; dated Jan. 1, 1903; due Jan. 1, 1933; int. Jan. and July 1, at The Union Trust Co., Cleveland, Ohio, Trustee and Registrar, and at Chase National Bank, New York. Coupon, $1,000; principal may be registered. Subject to call as a whole at 105 and interest on any interest date. A first lien on property of company. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	94½	96	97	96¼	95	92	90	84
Low	89	78	95½	93	91	90	80	81

Officers: Vacancy, Pres.; George H. Clifford, V-P., Fort Worth, Tex.; William T. Crawford, Sec.; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Executive Mgrs., Boston. Alfred F. Townsend, Local Mgr., Fort Worth, Tex.

Directors: Chas. B. Barnes, Henry G. Bradlee, Hermann F. Clarke, Ernest B. Dane, Thomas B. Gannett, Henry S. Grew, Harry H. Hunt, George C. Lee, Dudley L. Pickman, Henry B. Sawyer.

General Office, Fort Worth, Tex.

PUGET SOUND POWER & LIGHT COMPANY

History—Incorporated originally Jan. 19, 1912, in Maine, as Puget Sound Traction Light & Power Co.; reincorporated July 9, 1912, in Mass.; present title adopted March 22, 1920. Purchased and consolidated the properties formerly owned by The Seattle Electric Co.; Pacific Coast Power Co.; Puget Sound Power Co.; Seattle-Tacoma Power Co., and Whatcom County Ry. & Light Co. (see Manual for 1912, pages 2323, etc.); also acquired the Washington Coast Utilities, North Coast Power Co. and Olympia Light & Power Co. (see 1923 Public Utility Manual). For statement of Puget Sound Traction, Light & Power Co. (of Me.) and plan of exchange of securities, see Manual for 1912, page 2322. Information in back Manuals furnished on request to our Information Department.

Also owns most of the capital stock of Puget Sound Electric Ry. Co. and the entire capital stock of Pacific Northwest Traction Co., which owns the capital stock of Puget Sound International Ry. & Power Co. (lessee of Everett Ry., Light & Water Co.).

Recent Acquisitions—On Dec. 1, 1925, Company took possession of about 90 miles of transmission lines of Northwestern Power & Manufacturing Co. (now Northwestern Power & Light Co.—see General Index), and other electric light and power properties in the Olympic Peninsula, Wash., of the Sequin Light & Power Co.

On Jan. 2, 1926, acquired and took possession of the properties of North Pacific Public Service Co. (see 1925 Manual, page 783), operating in Bremerton, Charleston and Poulsbo, Wash.

On March 1, 1926, acquired the properties of Avery Public Utilities Corp. In Feb., 1927, purchased the Oakville Power, Light & Telephone Co., together with franchise holdings of the People's Utility Co.

Sale of Everett Water Plant—On Aug. 10, 1916, the City of Everett took over the water plant of the Everett Ry., Light & Water Co. for $994,000. Proceeds were used to take up the $500,000 Everett Water Co. First 5s, due 1921, and $497,000 of the $675,000 Everett, Ry., Light & Water Co. First 5s, due 1925.

Sale of Seattle Street Railway System—An ordinance authorizing the City of Seattle to purchase the operating street railway system (not including power equipment), operated by Puget Sound Traction, Light & Power Co. within the City of Seattle, was passed Dec. 31, 1918. This ordinance contains a contract whereby the City is to purchase from the Company power delivered to the trolley system. Terminal facilities for the two interurbans entering the city are provided for by contract. Consummation of the negotiations was dependent on the validation by the Washington State Supreme Court of the $15,000,000 5% utility bonds to be turned over by the City in exchange for the property. In March, 1919, the State Supreme Court affirmed the validity of the purchase. In April, 1919, the City of Seattle delivered to the Company $15,000,000 of 5% utility bonds in payment for the above property. The bonds taken in payment are deposited with the trustees of mortgages securing certain bonds and notes of the Corporation in substitution for the properties sold.

Properties and Territory Served—This Company does the greater part of the commercial electric lighting and power business in Western Washington, including the cities of Seattle, Tacoma, Bellingham, Everett, Olympia, Chehalis, Bremerton and Wenatchee, Wash. The Company owns or controls hydro-electric plants and water powers, with a present installed capacity of 198,700 horse power, amply capable of development to meet the growing power requirements of the district, and steam stations, with a present capacity of 44,710 horse power. Through ownership or control it operates city railways and buses over 46 miles of equivalent single track and bus routes and interurban lines over 936 miles of rail and bus routes. Estimated population served, Jan. 1, 1928: Transportation, 1,282,000; electric light and power, 961,000 of which 160,000 are served at wholesale only; gas, 51,300. Power stations are located at Baker River, White River, Snoqualmie Falls, Electron, Seattle, Bellingham, Nooksack, Falls, Entiat, Dryden, Chehalis, Wenatchee, Tumwater and Everett, Wash. Car barns and shops at Seattle, Bellingham, Tacoma, Everett, Olympia and Chehalis, Wash. Passenger cars, 59; freight, mail and miscellaneous, 101; auto stages and buses, 95.

Franchises—In Seattle lighting franchises expire in 1952. In Tacoma principal railway franchise expires in 1939; power in 1930. In Bellingham, principal railway franchise expires in 1941; minor railway in 1934; electric light and power in 1940; gas in 1941. In Everett lighting franchise expires in 1950; principal railway franchises expire in 1944, 1947 and 1950. In Olympia electric light and power franchises expire in 1937 and 1939, and railway in 1940. In Chehalis, light and power franchises expires in 1961. In Wenatchee the electric light and power franchise expires in 1950, gas in 1957; other principal franchises expire up to 1972. Interurbans operate chiefly over private right of way.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Gas Department — Miles of Mains	No. of Meters	*Output Cubic Feet
1922	.....	55.46	2,856	55,844,000
1923	.....	68.47	3,639	81,678,100
1924	.....	69.3	3,653	85,917,500
1925	.....	70.4	3,791	90,280,400
1926	119,059	70.8	3,837	96,526,500
1927	131,192	71.6	3,665	101,638,400

*Including gas purchased.

CAPITAL STOCK

Authorized, 202,829 shares Common of no par value $10,000,000 7% cumulative Prior Preference, par, $100 and 300,000 shares of $6.00 cumulative Pfd. (increased from 200,000 shares March 7, 1927) of no par value outstanding Dec. 31, 1927, 202,829 shares Common $10,000,000 (increased from $7,372,100 in 1924) Prior Preference and 233,000 shares of $6 cumulative Pfd. In March, 1924, capital stock was reduced from $51,000,000 to $46,282,900, by cancelling 47,171 unissued shares

of $100 par Common stock. The par value of Common stock was changed from $100 to shares of no par value without change in number of shares.

Proposed Change in Preference Stock—At a special meeting called for May 2, 1928, stockholders will vote on question of redeeming $10,000,000 7% cumulative Prior Pref. stock, par $100, as of May 1, 1928 and creating in place thereof an issue of 110,000 shares of $5 Dividend cumulative Prior Pref. stock of no par value, subject to call at $110, entitled in case of liquidation to $100 per share, and otherwise having substantially the same preferences, voting rights, restrictions and qualifications as the existing 7% Prior Pref. stock.

Preferred Stock Provisions—Prior Preference and Pfd. stocks have preference for dividends, and assets in case of liquidation or dissolution up to par and accrued dividends, in order named. They are subject to redemption as a whole or in part at any time and from time to time, the Prior Preference at $110 per share and accrued dividend, and the Pfd. at $125 per share and accrued dividend. Either the Prior Preference, Pfd. or Common stock, or any of such classes, may be increased according to law, and such increased stock, whether Prior Preference, Pfd. or Common, may be issued for property in the same manner as an original issue of stock and without offering such increased stock to stockholders for subscription. If any increased stock is offered to stockholders for subscription, no right to subscribe for or take any part of such stock so offered, if the same is Common stock, shall accrue to the Prior Preference or Pfd. stock; no right to subscribe for or take any part of such stock so offered, if the same is Pfd. stock, shall accrue to the Prior Preference stock; and if the stock so offered to stockholders for subscription is Prior Preference stock, it shall be offered pro rata to all stockholders regardless of class. All classes of stock have equal voting rights.

Prior Preference Stock Offering—$2,575,700 7% Prior Preference stock was publicly offered in Feb., 1924, at 103½ and dividends, to yield 6¾%, by Stone & Webster, Inc., New York, Boston and Chicago, Parkinson & Burr, Boston, and Estabrook & Co., New York and Boston.

Transfer Agents (All Classes)—Stone & Webster, Inc., Boston, and The Dexter-Horton National Bank, Seattle, Wash.

Registrars (All Classes)—Old Colony Trust Co., Boston, and The First National Bank, Seattle, Wash.

Annual Meeting—First Monday in March.

Listed (Common)—New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Prior Pref.—								
High	113¾	109	109	107	106	107	..	..
Low	103½	101	103½	101½	100	100	..	..
Preferred—								
High	94	86	87	85	84	100	94	60
Low	83½	82	83	77½	78	78¼	55¼	49
Common—								
High	38¾	66½	60	61½	56	56½	30	20⅝
Low	28	26	47½	42	44	27	15	9⅛

Dividends—On Preferred stock quarterly dividends at rate of 6% per annum were regularly paid from April 15, 1912, to April 15, 1915, incl.; July, 1915, 4%, which quarterly rate maintained to October 15, 1917; none thereafter until July 15, 1919, when 1½% was paid; Jan. and April 15, 1920, ¾% each; 1921, 1½%; 1922 to date, $6 per share per annum; payments, J, A, J & O 15. In Feb., 1922, Company declared a dividend of $22.50 per share, payable $2.50 in cash and balance, 20%, in Prior Preference stock, in payment of all deferred Pfd. dividends accumulated to and including Jan. 15, 1922.

On Prior Preference stock, initial dividend of 1¾% paid April 15, 1922, which quarterly rate since maintained to date; payments, J, A, J & O 15.

On Common stock dividends of 4% per annum were paid to Oct. 15, 1913; 1914, 3%; none thereafter until July 15, 1922, when 1% was paid, which rate was quarterly paid on par $100 stock to Jan. 15, 1924; initial quarterly dividend of $1.00 per share was paid on no par stock April 15, 1924, which quarterly rate was maintained to April 15, 1926; none since. Payments were made J. A. J & O 15.

FUNDED DEBT

(1)

$3,990,000 PACIFIC COAST POWER CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1940

Dated March 1, 1919.

Interest Payable March and September 1, at Harris Trust & Savings Bank, Chicago, and at Harris, Forbes & Co., Boston and New York.

Denomination—Coupon (principal and interest may be registered), and registered $1,000.

Trustee and Registrar—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized, $10,000,000; mortgage closed; issued $4,000,000, of which $10,000 cancelled.

Callability—Subject to call as a whole or a part on any interest date at 105 and interest.

Sinking Fund—None.

Security—A first lien on all property, rights and franchises formerly owned by Pacific Coast Power Co., including the 60,000 h. p. White River hydro-electric plant and extensive transmission lines.

Assumed—Assumed by Puget Sound Power & Light Co. under which company's First and Refunding Mortgage, these bonds are provided for.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($2,000,000) in April 1910, at 97 and interest.

Price Range—

	1927	1926	1925	1924
High	102¼	101½	100	98¼
Low	99½	99	98	bid

(2)

$2,326,000 PUGET SOUND POWER CO. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1933

Dated June 1, 1903.

Interest Payable June and December 1, at Old Colony Trust Co., Boston.

Denomination—Coupon $1,000; principal may be registered.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $4,000,000, mortgage closed; issued, $3,313,000, of which $987,000 cancelled by sinking fund and otherwise.

Callability—Subject to call as a whole (or in part for sinking fund) at 110 and interest on any interest date on 60 days' notice.

Sinking Fund—1% per annum of bonds certified, payable March 1, to be applied to purchase or redemption of bonds at not exceeding 110 and interest.

Security—A first lien on property of the former Puget Sound Power Co.

Assumed—Assumed by Puget Sound Power & Light Co. under which company's First and Refunding Mortgage these bonds are provided for.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	100½	100⅝	100	95½	96½	90	85
Low	100¾	100¼	99¾	95	94¾	86½	81¼	81¼

(3)

$2,412,000 THE SEATTLE ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1930

Dated February 1, 1900.

Interest Payable February and August 1, at Boston Safe Deposit and Trust Co., Boston.

Denomination—Coupon $100; principal may be registered.

Trustee and Registrar—Boston Safe Deposit and Trust Co., Boston.

Provisions of Issue—Authorized and issued, $5,000,000 of which $2,588,000 held alive in sinking fund.

Callability—Subject to call as a whole (or in part for sinking fund) at 110 and interest at any interest date at two months' notice.

Sinking Fund—1% of bonds certified, payable annually Feb. 1, to be applied to purchase or redemption of bonds at not exceeding 110 and interest.

Security—A first lien on property of the former The Seattle Electric Co., and a second mortgage subject only to $323,000 Seattle Ry. First 5s, which were formerly secured on 193 miles of street railway in the heart of the city, but which are now secured by pledge of a part of the $15,000,000 issue of utility bonds of the City of Seattle.

Assumed—Assumed by Puget Sound Power & Light Co. under which company's First and Refunding Mortgage these bonds are provided for.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered in 1900 at 98½ and interest.

Listed—Boston and Louisville Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102	104⅜	100½	102	100¾	100	92	84
Low	101	100½	100	98½	97½	96	87	80½

(4)

$2,425,000 THE SEATTLE ELECTRIC CO., SEATTLE-EVERETT FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1939

Dated March 1, 1909.

Interest Payable March and September 1, at Old Colony Trust Co., Boston.

Denominations—Coupon (principal and interest may be registered), $1,000, and registered, $1,000 and $10,000; interchangeable.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $5,000,000; mortgage closed; issued, $3,100,000, of which $675,000 held alive in sinking fund.

Callability—Subject to call as a whole (or in part for sinking fund) at 105 and interest on any interest date.

Sinking Fund—1% per annum of bonds outstanding commenced March 1, 1914, to be invested in bonds of this issue at not exceeding 105 and interest.

Security—Secured by first lien upon about 30 miles of interurban line between Seattle and Everett, and upon about 35 miles of interurban line now under construction southerly from Bellingham, Wash., and on all other property and franchises now owned or hereafter acquired. Additionally secured by pledge of $200,000 (entire issue) stock of Puget Sound International Ry. & Power Co. and $500,000 Consolidated 5% bonds of Everett Ry., Light & Water Co. The Pacific Northwest Traction Co. has agreed to pay principal, interest and sinking fund payments on these bonds and has mortgaged its entire property as security.

Assumed—Assumed by Puget Sound Power & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,600,000) in April 1909 at 98½ and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	95½	95	95	90	91	93	83	73½
Low	92½	93	90¾	88	88¾	85	66	61¾

(5)

$179,000 TWIN CITY LIGHT & TRACTION CO. FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1935

Dated January 1, 1910.

Interest Payable Jan. and July 1, at Guaranty Trust Co., New York, Trustee and Registrar. Coupon and registered, $1,000. Secured on property of former Chehalis Electric & Traction Co. and Centralia Electric & Traction Co. Authorized, $500,000, of which $50,000 held in treasury and $121,000 cancelled by sinking fund. Sinking fund, $8,000 per annum, began Jan. 1, 1915. Assumed by Puget Sound Power & Light Co. under which company's First and Refunding Mortgage these bonds are provided for. Company pays Normal Federal Income Tax up to 2%.

(6)

$1,254,000 WHATCOM COUNTY RAILWAY & LIGHT CO. FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1935

Dated November 1, 1905.

Interest Payable May and November 1, at Old Colony Trust Co., Boston.

Denomination—Coupon $1,000; principal may be registered.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $2,500,000; mortgaged closed. Issued, $1,764,000, of which $261,000 cancelled by sinking fund, $246,000 cancelled otherwise and $3,000 held in sinking fund of Puget Sound Power & Light Co.

Callability—Subject to call as a whole on any interest date on 30 days' notice at 105 and interest.

Sinking Fund—1% per annum of bonds issued, payable Nov. 1, which is to be invested in these bonds at not exceeding 105 and interest, or in First Mortgage bonds of street railway, light or power companies in the U. S.

Security—A first lien on property of the former Whatcom County Railway & Light Co.

Assumed—Assumed by Puget Sound Power & Light Co. under which company's First and Refunding Mortgage these bonds are provided for.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925	1924	1923
High	100	98	96½	92	88
Low	97	96	93	bid	bid

(7)

$4,772,000 THE SEATTLE ELECTRIC CO. CONSOLIDATED AND REFUNDING MORTGAGE GOLD 5s; DUE AUGUST 1, 1929

Dated August 1, 1907.

Interest payable February and August 1, at Old Colony Trust Co., Boston.

Denomination—Coupon (principal and interest may be registered) and registered, $1,000, interchangeable.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $25,000,000; issued $7,968,000 of which $1,852,000 held alive in sinking fund and $1,344,000 cancelled. The mortgage is closed except for the issue of $4,738,000 bonds of which $2,326,000 reserved to retire a like amount of Puget Sound Power Co. First Mortgage 5s, due June 1, 1933 (No. 2), and $2,412,000 reserved to retire a like amount of The Seattle Electric Co. First 5s, due Feb. 1, 1930 (No. 3).

Callability—Subject to call as a whole or in blocks of not less than $500,000 (or less for sinking fund) at 105 and interest on any interest date.

Sinking Fund—1% annually of bonds outstanding began Oct. 1, 1909, which is to be invested in these bonds at not exceeding 105 and interest.

Security—A lien on the property of the former The Seattle Electric Co. subject to $2,395,000 Puget Sound Power Co. First 5s (No. 2) and $2,578,000 The Seattle Electric Co. First 5s (No. 3).

Assumed—Assumed by Puget Sound Power & Light Co., under which company's First and Refunding Mortgage these bonds are provided for.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,500,000) in June 1907 at 92½ and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101½	101	100¾	100	99¼	97	90	86¼
Low	99½	100⅛	99¾	95¾	99¼	93	79½	78

(8)

$23,499,000 PUGET SOUND POWER & LIGHT CO. FIRST AND REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1949

$4,649,500 FIRST AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE FEBRUARY 1, 1931

Dated Series "A," June 2, 1924, and Series "B," February 1, 1926.

Interest Payable on Series "A" June and December 1, and on Series "B" February and August 1, at Old Colony Trust Co., Boston, Bankers Trust Co., New York, and Commercial National Bank, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered, and fully registered bonds of $1,000 and $10,000; interchangeable.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized amount, unlimited. Issued $33,500,000 ($28,500,000 Series "A" 5½s and $5,000,000 Series "B" 5s), of which $1,000 Series "A" 5½s and $350,500 Series "B" 5s cancelled by sinking fund.

The proceeds from the sale of $20,000,000 Series "A" were used to retire the entire $13,476,500 General and Refunding Mortgage 7½% bonds and $453,700 underlying bonds, and to reimburse the Company, in part, for the cost of additions and improvements already made; the remaining $8,500,000 Series "A" were issued to provide funds for construction (chiefly for a large hydro-electric plant on Baker River) and to reimburse company for construction already made.

Additional Series "A" bonds, and bonds of other series, bearing such rates of interest, maturities, calling prices, etc., as the Board of Directors may determine, may be issued (a) to refund, par for par, underlying and divisional bonds, or any series of First & Refunding Mortgage bonds (except bonds acquired or retired through sinking funds); (b) $6,000,000 may be issued for 100%, and thereafter bonds may be issued for only 75%, of the cost or fair value of extensions, additions and improvements, to the electric light and power, gas, water, steam heat and transportation properties of the Company or any controlled Company, under carefully guarded restrictions to be provided in the mortgage, but only when net earnings, as defined in the mortgage, for 12 consecutive months within the 15 months next preceding such issue shall have been at least 1¾ times the sum of the annual interest charges on all First & Refunding Mortgage bonds outstanding and those proposed to be issued, and on all underlying bonds then outstanding, and any other interest charges on indebtedness secured by a lien on any part of the property mortgaged or pledged under the First & Refunding Mortgage, prior or equal to the lien of this mortgage.

Callability—Subject to call on any interest date on thirty days' published notice as follows: Series "A" prior to and including June 1, 1929, at 105; thereafter decreasing ¼% annually to 100 on Dec. 1, 1948. Series B" prior to and including Feb. 1, 1927 at 101¾; thereafter decreasing ¼% each six months to 100 on Aug. 1, 1930. Accrued interest to be added in the above cases.

Sinking Fund—Annual sinking fund (first payment Sept. 1, 1926) payable in cash or bonds equal to 1¼% of aggregate amount of bonds (including First & Refunding Mortgage and underlying bonds) in the hands of the public, on the mortgaged property. Any payments of sinking funds on underlying bonds will be credited toward the above sinking fund. The cash remainder will be applied to purchase First & Refunding Mortgage bonds of any series, at not exceeding par and accrued interest, or if bonds not so purchasable, to the cost or value of additions to the mortgaged property or reduction of bonded debt.

Security—A direct first mortgage on important parts of the Company's property including the hydro-electric plant now under construction on Baker River, having a proposed initial installation of 48,000 H. P. and an ultimate capacity of 100,000 H.P.; its water power lands and rights on the Skykomish River with 40,000 potential H.P.; (with minor exceptions) the electric light and power systems in the cities of Everett and Olympia and the power and light property formerly owned by the North Coast Power Co.; and certain additions and extensions to the Company's property,—together having value in excess of $12,000,000. As additional first lien security the Trustee holds, as collateral, $12,501,000 City of Seattle Municipal Railway 5% bonds of 1919, maturing serially $833,000 each year March 1, 1925 to 1938, inclusive, and $839,000 March 1, 1939, being the balance of $15,000,000 of bonds issued in 1919 in payment for the street railway properties in the City of Seattle, and of which $2,499,000 have already matured and been paid by the City.

The mortgage covers, substantially the entire remaining light and power and certain other property of the Company subject to the underlying divisional bonds, (described in Nos. 1, 2, 3, 5, 6 and 7), for the refunding of which, First & Refunding Mortgage bonds are specifically provided, and property hereafter acquired by the Company, excepting properties or securities hereafter acquired but not made the basis of the issue of First & Refunding Mortgage bonds.

The lien of this mortgage does not cover electric railway property, with one unimportant exception, and although the mortgage contains provisions permitting such property to be brought under its lien at not exceeding its then fair value, the Company now has no intention of exercising this right.

The mortgage provides that the cash proceeds received from the payment or sale of the City of Seattle Municipal Railway 5% bonds of 1919 will be deposited with the Trustee, and must be expended either for the acquisition and retirement of First & Refunding Mortgage bonds or underlying and divisional bonds at not exceeding the calling prices, or for the cost or fair value of additions or improvements to the mortgaged properties, which otherwise might be made the basis for issue of additional First & Refunding Mortgage bonds, with a further provision that all proceeds of the City bonds received before the underlying Seattle Electric Co. bonds are paid, if used for additions and improvements, shall be used only for those on which the First & Refunding Mortgage bonds will be a first mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the bankers), and Messrs. Gaston, Snow, Saltonstall & Hunt, Boston (for the Company).

Original Offering—First publicly offered ($20,000,000 Series "A" 5½s) in June, 1924, at 96¾ and interest, yielding about 5¾%; an additional $5,000,000 Series "A" 5½s were publicly offered in Sept., 1924, at 97 and interest, yielding about 5.70%, both issues, by Lee, Higginson & Co., Harris, Forbes & Co., and Estabrook & Co., New York, Boston, etc. $5,000,000 Series "B" 5s offered in April, 1926, at 99½ and interest, yielding 5.10%, by the same bankers.

Price Range—

	1927	1926	1925	1924
Series "A" 5½s—				
High	103½	102½	101⅛	98½
Low	101	99¾	97⅞	96¾
Series "B" 5s—				
High	100½	100	..	
Low	99¼	99	..	..

(9)

$2,977,500 PUGET SOUND POWER & LIGHT CO. FIVE-YEAR 6% GOLD COUPON NOTES; DUE FEBRUARY 1, 1930

Dated February 2, 1925.

Interest Payable February and August 1 at The Seattle National Bank, Seattle, Wash.

Denominations—Coupon $100, $500 and $1,000, principal may be registered.

Trustee and Registrar—The Seattle National Bank, Seattle, Wash.

Provisions of Issue—Authorized and issued, $3,000,000 of which $22,500 held in treasury. Proceeds were used for additions and improvements to property in accordance with 1925 construction program.

Callability—Subject to call on any interest date on 45 days' notice at 103 and interest prior to Aug. 1, 1926, the rate thereafter decreasing ½% semi-annually to par and interest on Aug. 1, 1929.

Sinking Fund—No sinking fund provided.

Security—A direct obligation of company but not secured by mortgage or otherwise.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Peters & Powell, for the Bankers, and James B. Howe, for Company.

Original Offering—First publicly offered ($3,000,000) in Feb., 1925, at par and interest, by William P. Harper & Sons, Seattle National Bank, First National Bank of Seattle, National Bank of Commerce of Seattle, and Puget Sound Power & Light Securities Co., Seattle, Wash. and Blyth, Witter & Co., and Bond & Goodwin & Tucker, Inc., San Francisco, etc.

(10)

$1,328,400 PUGET SOUND POWER & LIGHT CO. FIVE-YEAR 6% GOLD COUPON NOTES; DUE AUGUST 1, 1930

Dated August 1, 1925.

Interest payable February and August 1, at The Seattle National Bank, Seattle, Wash.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Seattle National Bank, Seattle, Wash.

Provisions of Issue—Authorized, $2,000,000; issued, $1,350,000, of which $21,600 held in treasury at Dec. 31, 1927, leaving $1,328,400 outstanding. The proceeds of these notes were used to provide in part funds to meet obligations maturing and called Sept. 1, 1925; and for current additions and improvements to the property in accordance with the 1925 construction program.

Callability—Subject to call on any interest date on 45 days' notice to the Trustee, as follows: At 103 if called prior to or on February 1, 1927; at 102½ August 1, 1927; 102 February 1, 1928; 101½ August 1, 1928; 101 February 1, 1929; and 100½ August 1, 1929, at the office of the Trustee.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Preston, Thorgrimson & Turner (for the Trustee) and James B. Howe, Seattle, (for the Company).

Original Offering—Holders of Company's 8% Gold Coupon notes, due Sept. 1, 1925, and of 8% Gold Coupon notes, due Sept. 1, 1926 (which were called for redemption on Sept. 1, 1925, at 101 and interest) were offered the privilege of exchanging their notes on the basis of 100.50 for the notes due 1925 and 101.50 for the notes due 1926, for the above described notes. The unsubscribed portion were subsequently offered by Puget Sound Power & Light Securities Co.

BOND REDEMPTION

All the outstanding Washington Coast Utilities First Mortgage 6% bonds due Sept. 1, 1941, were called for redemption Sept. 1, 1927 at 105 and interest.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	*1923	1922
Gross earnings	$14,925,482	$13,533,747	$12,842,275	$12,539,868	$12,424,708	$10,477,609
Oper. exp. & taxes	§8,564,667	7,814,498	7,979,515	7,956,809	7,555,294	6,099,025
Net earnings	$6,360,815	$5,719,249	$4,862,760	$4,583,059	$4,869,414	$4,378,584
‡Other income	507,042	548,692	590,341	631,991	673,641	715,292
Total income	$6,867,857	$6,267,941	$5,453,101	$5,215,050	$5,543,055	$5,093,876
Interest and amortization	3,349,626	3,306,763	2,775,884	2,608,253	2,555,653	2,451,925
Balance	$3,518,231	$2,961,178	$2,677,217	$2,606,797	$2,987,402	$2,641,951
Prior Preference dividends	699,528	698,950	699,573	698,902	1,437,131	1,071,177
Preferred dividends	1,298,636	1,112,242	977,646	931,701		
Common dividends	.....	202,809	811,311	811,120	811,295	402,568
Balance for reserves and retirements	$1,520,067	$947,177	$188,687	$165,074	$738,976	$1,108,206
†Times Fixed Charges Earned	2.05	1.90	1.96	2.00	2.17	2.08
†Earnings Per Share—						
Prior Preference	$35.18	$29.61	$26.77	$26.07	$40.52	$50.40
Preferred	12.09	11.60	11.70	12.00	16.02	16.39
Common	7.49	5.67	4.93	4.81	7.64	7.80

*Includes earnings for the twelve months ended Dec. 31, 1923, of the Washington Coast Utilities and North Coast Power Co., which companies were acquired in Jan. 1923, by the Puget Sound Power & Light Co. and earnings for the five months ended Dec. 31, 1923, of the Olympia Light & Power Co. acquired in Aug. 1923. †Before Reserves and Retirements. ‡Income from City of Seattle Utility bonds. §Includes operation, $6,029,699; maintenance, $1,357,269, and taxes, $1,177,699.

Maintenance—During the 28 years under Stone & Webster executive management, the Company and its predecessor companies have expended for maintenance, which is included in operating expenses, a total of 11.06% of the entire gross earnings over this period and in addition during this period have set aside for reserves or retained as surplus a total of 6.40% of these gross earnings.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	*1923	1922
Property, plant, etc	$90,280,398	$98,277,201	$93,865,065	$85,242,886	$79,001,746	$70,875,90
Invest. in Puget Sound Electric Ry. & sub. cos.	8,116,205	.....	.....	.....	.....	.....
Materials and supplies	933,455	1,110,667	1,117,612	1,226,171	1,018,869	738,57
Investment securities	†194,928	†304,205	173,106	385,889	197,529	506,00
Advance payments	91,713	65,760	102,228	91,853	127,105	146,39
Notes receivable	55,208	62,061	75,747	60,757	226,987	214,26
Accounts receivable	2,972,886	2,302,581	2,004,047	1,973,881	1,863,944	1,448,84
Subscribers to Prior Pref. stock	.....	.....	.....	.....	13,876	113,61
Sinking fund investments	‡5,231,292	4,930,023	4,589,542	4,201,372	3,854,518	3,488,75
Unadjusted debits	341,386	863,377	883,724	886,324	512,865	454,24
Funds in escrow	.....	.....	.....	.....	15,723	190,68
Special deposits	123,327	1,164,423	418,259	1,011,484	.....	.....
Cash	1,776,015	1,571,484	2,330,904	2,254,691	1,265,595	1,295,23
Treasury bonds	94,100	105,900	152,200	185,100	1,015,400	815,00
Unamortized debt discount and expense	2,060,975	2,200,424	2,173,816	2,050,480	172,676	38,19
City of Seattle bonds in escrow	10,002,000	10,835,000	11,668,000	12,501,000	13,334,000	13,734,00
Total	$122,273,888	$123,793,106	$119,554,250	$112,071,888	$102,620,833	$94,059,71

CONSOLIDATED BALANCE SHEET DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	*1923	1922
Common stock	¶.....	¶.....	¶.....	§.....	$20,282,900	$20,132,925
Preferred stock	¶.....	¶.....	¶.....	$15,902,800	15,454,100	15,000,000
Prior Preference stock	$10,000,000	$10,000,000	$10,000,000	10,000,000	7,372,100	5,242,380
Subscriptions to Prior Preference stock	.....	.....	.....	.....	52,212	175,101
Premium on sale of Prior Pref. stock	148,777	148,777	148,777	148,777	148,765	87,901
Stock of sub. companies	.....	.....	.....	.....	113,700	.....
Funded debt	55,674,500	61,462,700	56,933,000	53,654,900	43,682,800	41,525,000
Coupon notes	4,350,000	4,350,000	4,300,000	2,957,000	2,957,000	2,850,000
Car trust certificates	.....	.....	.....	.....	14,841	23,586
Notes payable	2,700	100,000	2,750,000	158,750	2,115,000	206,000
Accounts payable	588,342	605,821	664,042	562,854	591,837	471,399
Accounts not yet due	1,787,563	1,691,189	1,316,191	1,297,528	1,953,847	1,649,613
Dividends declared	520,456	464,310	629,601	612,538	.....	.....
Unadjusted credits	30,333	46,940	102,337	76,207	74,872	167,456
Operating reserves	117,388	120,917	139,266	147,594	146,380	151,152
Contributions for extensions	.....	.....	10,599	2,174	.....	.....
Retirement reserves	4,447,710	4,327,896	4,306,435	5,142,593	6,020,595	5,989,075
Accrued depreciation—road and equipment	432,325	285,260	244,542	208,401	.....	1,020
Preferred dividend reserve	.....	.....	.....	.....	.....	387,109
Reserves and surplus	¶44,173,793	¶40,189,296	¶38,009,460	§21,199,772	1,639,884	
Total	$122,273,888	$123,793,106	$119,554,250	$112,071,888	$102,620,833	$94,059,717

*Includes operations from Jan. 1, 1923, of Washington Coast Utilities and North Coast Power Co. and from Aug. 1, 1923, of Olympia Light & Power Co. †Includes securities of Puget Sound Power & Light Co. owned and held for sale by Puget Sound Power & Light Securities Co. ‡Includes $675,000 The Seattle Electric Co., Seattle Everett Traction Co. 5s 1939, $2,588,000 The Seattle Electric Co. First 5s 1930, $1,852,000 The Seattle Electric Co. Consol. & Ref. 5s 1929, $50,000 Twin City Light & Traction Co. First 6s, 1935, and $3,000 Whatcom County Ry. & Light Co. 5s, 1935. §Balance of assets showing book value for 202,829 shares Common stock of no par value. ¶Balance of assets showing book value for Pfd. shares (169,000 in 1925, 195,000 in 1926 and 233,000 in 1927) of no par value (entitled in liquidation to $100 a share), and 202,829 Common shares of no par value (including earned surplus of $981,948 in 1926 and $1,675,145 in 1927).

NOTE—The above Consolidated Balance Sheet includes the Balance Sheet of North Coast Transportation Co. and subsidiary company, but excludes the Balance Sheet of Puget Sound Electric Ry. and subsidiary companies, as of the close of business Dec. 31, 1927.

Officers: Frederick S. Pratt, Chairman of the Board, Boston, Mass.; Alton W. Leonard, Pres.; Wm. H. McGrath, V-P., Seattle; Donald C. Barnes, V-P.; William T. Crawford, Clerk, Boston, Mass.; James B. Howe, Sec., Seattle, Wash.; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Exec. Mgrs., Boston; Richard M. Boykin, Mgr.—Central Dist., Seattle, Wash.; Harry B. Sewall, Mgr.—Northern Dist., Bellingham, Wash.; Richard T. Sullivan, Mgr.—Southwestern Dist., Tacoma, Wash.; George Newell, Mgr.—Northeastern District, Everett, Wash.; Leslie R. Coffin, Mgr.—Eastern District, Wenatchee, Wash.; Edward T. Steel, Mgr.—Western Dist., Bremerton, Wash.; A. M. Chitty, Mgr.—Southern Dist., Chehalis, Wash.

Directors: Charles F. Adams, Henry G. Bradlee, Robert S. Bradley, Harcourt Amory, George C. Lee, Alton W. Leonard, John R. Macomber, Thomas N. Perkins, Frederick S. Pratt, Ernest W. Purdy, John C. Rice, Frederick P. Royce, W. Cameron Forbes, Harry H. Hunt, Frederic E. Snow, Philip L. Spalding, Isaac Sprague, Philip Stockton, Edwin S. Webster, Alexander Winsor, Raymond Emerson.

General Office, Seattle, Wash.

PACIFIC NORTHWEST TRACTION COMPANY

(Controlled by Puget Sound Power & Light Company)

History and Property—Incorp. Feb. 13, 1909 in Wash.; successor to Seattle-Everett Traction Co. Owns and operates a standard gauge interurban electric railway between Seattle and Everett, Wash., and between Bellingham, Burlington, Mount Vernon and Sedro-Woolley in the Skagit Valley, Wash. Also operates buses. Length of equivalent single track, 61.91 miles. Gauge, 4 ft. 8½ in. Revenue type cars, 110; other 3. Buses, 21. Owns the entire capital stock of Puget Sound International Ry. & Power Co. (See statement appended). Purchases its power from the Puget Sound Power & Light Co. Car barns and shops at Allendale, Wash. Estimated population served, 483,000.

CAPITAL STOCK

Authorized and issued, $2,000,000 Common and $747,700 6% cumulative Pfd.; par, $100. All owned by Puget Sound Power & Light Co. Pfd. stock is redeemable at 110 and is preferred as to assets and dividends. Annual meeting, first Tuesday in June.

FUNDED DEBT

Outstanding in hands of public, $2,425,000 Seattle Electric Co., Seattle-Everett First 5s; due March 1, 1939. For description see bond No. 4 of funded debt, statement of Puget Sound Power & Light Co.

Officers: Frederick S. Pratt, Pres., Boston, Mass.; Alton W. Leonard, V-P.; Wm. H. McGrath, V-P., Seattle, Wash.; H. B. Sawyer, Treas.; W. T. Crawford, Sec.; Stone & Webster, Inc., Executive Mgrs., Boston; H. B. Sewall, Mgr., Bellingham, Wash.; George Newell, Mgr., Everett, Wash.

Trustees—H. G. Bradlee, H. B. Sawyer, W. T. Crawford, Donald C. Barnes, F. S. Pratt, A. W. Leonard, E. W. Purdy, G. A. Peirce.

General Office, Seattle, Wash.

PUGET SOUND INTERNATIONAL RY. & POWER CO.

(Controlled by Pacific Northwest Traction Company)

History—Incorporated June 3, 1907, in Me., to own, operate and develop electric railways, lighting, gas and water power properties in the Puget Sound district. This company operates the transportation business in Everett, all the other business having been sold to Puget Sound Power & Light Co. Miles of equivalent single track, 4.0. No. of revenue type cars, 16. No. of buses, 16.

CAPITAL STOCK

Authorized and issued, $200,000. All owned by Pacific Northwest Traction Co. Annual meeting, second Tuesday in February.

Officers: Frederick S. Pratt, Pres., Boston, Mass.; Alton W. Leonard, V-P.; Wm. H. McGrath, V-P., Seattle, Wash.; W. T. Crawford, Sec.; H. B. Sawyer, Treas.; Stone & Webster, Inc., Executive Mgrs., Boston, Mass.; George Newell, Mgr., Everett, Wash.

Directors: F. S. Pratt, H. G. Bradlee; A. W. Leonard, Russell Robb, H. B. Sawyer.

Office, Everett, Wash.

PUGET SOUND ELECTRIC RAILWAY

(Controlled by Puget Sound Power & Light Co.)

History—Incorporated December 5, 1902, in New Jersey, and acquired the Seattle-Tacoma Interurban Ry. Co. Operates a high speed interurban railway between the cities of Seattle and Tacoma, Wash. Franchises: Chiefly private right of way, partly on highway under franchises the most important of which expire in 1951. Principal franchises in Tacoma expire 1939. Owns the entire capital stock, all the notes and $264,000 of an outstanding issue of $1,500,000 first mtge. 5% gold bonds of Tacoma Ry. & Power Co., and all the capital stock of the Pacific Traction Co., said companies doing entire electric railway business of Tacoma, except for a few municipal lines operated by the city. Miles of equivalent single track, 161.1. Gauge, standard. Rails, 70 and 72 lb. T. Total rolling stock owned, 339. Purchases power from Puget Sound

Power & Light Co. Car barns and shops at Tacoma and Kent, Wash. Estimated population served, $541,300.

Interest Default—Company defaulted the Aug. 1, 1927 interest on its $2,427,000 outstanding First Consolidated Mortgage 5% Gold bonds.

Receiver Appointed—Upon hearing of the application of the Old Colony Trust Co., Boston, Mass., Judge E. E. Cushman of Federal court in March, 1928, appointed S. Z. Henderson, of Tacoma, as receiver of Company's properties in western Washington. Bond was fixed at $50,000 with the understanding that if an order is entered directing the property be sold the amount will be raised. The appointment of a receiver resulted from the filing of a complaint with the court by the Trust Company alleging that there was now due and payable to it as trustee under certain mortgages a total of $2,552,505 and that a receiver should be appointed for protection of bondholders.

Bondholders' Committee Formed—In Feb., 1928, it was announced that a Bondholders' Committee had been formed with W. Rodman Peabody as Chairman to protect the holders of the Company's securities.

CAPITAL STOCK

Authorized, $3,500,000 Com. and $1,125,000 6% non-cumulative Preferred; outstanding, $2,000,000 Com. and $1,116,700 Preferred; par, $100. All owned by Puget Sound Power & Light Co. Annual meeting, third Tuesday in April.

FUNDED DEBT

$2,427,000 PUGET SOUND ELECTRIC RAILWAY FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE FEBRUARY 2, 1932

Dated February 2, 1903.

Interest Payable February and August 1, at Old Colony Trust Co., Boston. The August 1, 1927 and February 1, 1928 coupons were defaulted.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $5,500,000; issued, $4,264,000 of which $1,837,000 cancelled by sinking fund. The $1,236,000 unissued bonds are reserved to retire a like amount of Tacoma Railway & Power Co. First 5s due April 1, 1929.

Callability—Subject to call as a whole on any interest date on two months' notice at 110 and interest.

Sinking Fund—1% per annum of bonds issued, plus 5% per annum on all bonds purchased for sinking fund, began Jan. 1, 1907, which is to be invested in these bonds at not exceeding 107 and interest; if not so purchasable, the trustee may invest the fund in these bonds at a higher price, or in First Mortgage bonds of street railway and electric lighting companies in the U. S.

Security—Secured by first lien on the interurban system, 65.3 miles, and by a lien on the property of the Tacoma Ry. & Power Co. and Pacific Traction Co., consisting of 128.7 miles, subject to $1,236,000 Tacoma Ry. & Power Co. First 5s due April 1, 1929. Further secured by pledge of the following securities: $264,000 First Mortgage bonds, $2,000,000 Capital stock, and all the notes outstanding of the Tacoma Ry. & Power Co., and $1,250,500 Common and $250,000 Pfd. stock and all the notes outstanding of the Pacific Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920	1919
High	92	92	91½	84	89	85	78½	78	85½
Low	15	89½	89½	80	84	81	78½	62½	85

There are also outstanding $4,895,000 Income bonds, all owned by Puget Sound Power & Light Co. In addition the Company owes the Puget Sound Power & Light Co. for advances on open account $1,188,510 up to June 30, 1927.

Officers: Frederick S. Pratt, Pres., Boston; Alton W. Leonard, V-P.; Wm. H. McGrath, V-P., Seattle, Wash.; W. T. Crawford, Sec.; H. B. Sawyer, Treas.; Stone & Webster, Inc., Executive Mgrs., Boston; Richard T. Sullivan, Mgr., Tacoma, Wash.

Directors: H. G. Bradlee, N. Penrose Hallowell, Josiah F. Hill, A. W. Leonard, F. S. Pratt, F. W. Remick, N. H. Stone.

General Office, Tacoma, Wash.

TACOMA RAILWAY AND POWER COMPANY

(Controlled by Puget Sound Electric Railway)

History—Incorporated February 7, 1899, in New Jersey; consolidation of City Park Ry. Co., Tacoma Ry. & Motor Co. and Tacoma Traction Co. Company does most of the electric railway business of Tacoma, Wash.

CAPITAL STOCK

Authorized and oustanding, $600,000; par, $100; all owned by Puget Sound Electric Ry. Annual meeting, first Tuesday in February.

FUNDED DEBT

$1,236,000 TACOMA RAILWAY & POWER CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1929

Dated April 1, 1899.

Default—Interest due April 1, 1928 is in default.

Interest Payable April and Oct. 1, at Old Colony Trust Co., Boston, Trustee and Registrar. Coupon, $1,000 principal may be registered. Authorized and issued, $1,500,000, of which Puget Sound Electric Ry. Co. owns $264,000, and $36,000 are held by Puget Sound Power & Light Co. A first lien on entire property. Company does not pay Normal Federal Income Tax.

Price Range—	*1927	1926	1925	1924
High	96	98½	98½	95
Low	80	96¼ bid		bid

*High and low bid price.

Bondholders' Committee—A bondholders' committee was formed in Feb., 1928, for the protection of the interests of the holders of the above bonds, the personnel of which is as follows: J. A. Barbey, Chairman; W. Rodman Peabody, Chas. F. Adams, Roger Amory, Howard R. Taylor and Carlyle Barton, with William T. Crawford, Sec., 49 Federal St., Boston. Depositary, Old Colony Trust Co., Boston; sub-depositary, Safe Deposit & Trust Co., Baltimore. Application will be made for the appointment of a receiver for the Company. The April 1, 1928 coupon was defaulted, but the Committee made arrangements whereby the coupons on the bonds deposited with them have been sold at face value, and proceeds remitted to depositors. The conditions of the mortgage provide that such coupons so sold and so detached from the bonds rank junior to the First Mortgage bonds and the purchasers of the coupons confirm this agreement in acquiring the coupons.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$1,347,861	$1,252,27
Oper. expense, maintenance and taxes	1,247,587	1,188,79
Net earnings	$99,274	$63,48
Bond interest	75,000	75,00
Balance	$24,275	*$11,52

*Deficit.

Officers: F. S. Pratt, Pres., Boston, Mass.; A. W. Leonard V-P.; Wm. H. McGrath, V-P., Seattle, Wash.; H. B. Sawyer Treas.; W. T. Crawford, Sec.; Stone & Webster, Inc., Executive Mgrs., Boston, Mass. Richard T. Sullivan, Mgr., Tacoma Wash.

Directors: H. G. Bradlee, A. W. Leonard, Chandler Hovey Donald C. Barnes, F. S. Pratt.

General Office, Tacoma, Wash.

SIERRA PACIFIC ELECTRIC COMPANY

History and Property—Incorporated July 27, 1909, in Me. This Company owns the capital stock of the Truckee River Power Co., which does the entire electric lighting and power business in the cities and towns of Reno, Sparks, Virginia City, Carson City and Yerington, Nev., and furnishes power in the surrounding mining districts of Western Nevada. That company and its subsidiary also do the entire gas business in Reno, Sparks and Carson City, and supply water for domestic purposes in Reno and Sparks. Franchises (subsidiary companies): Electric lighting and power franchise in Reno and Sparks expires in 1954, in Carson City in 1947, in Yerington in 1957; gas franchise in Sparks expires in 1955, and water franchise in 2004; other important franchises not limited in time. Estimated population served, Jan. 1, 1928: Electric light and power, 29,400; gas, 20,800 Power stations (5) located on the Truckee River, between Reno, Nev., and Floriston, Cal.; capacity 8,600 k.w. Purchased power capacity, 5,000 k.w. Power supplied to Mason Water, Light & Power Co. Verdi Lumber Co. and Reno Traction Co. Reservoir capacity, 2,360,992,000 gallons.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Gas Department—Miles of Mains	Gas Department—No. of Meters	Gas Department—Output Cubic Feet	Water Department—Miles of Mains	Water Department—No. of Customers
1922		42.1	2,641	70,483,400	68.6	4,3
1923		46.2	2,520	65,306,800	70.4	4,5
1924		47.75	2,566	64,680,000	71.2	4,6
1925		49.54	2,618	69,968,700	72.7	4,8
1926	8,006	50.71	2,674	68,074,900	74.64	5,1
1927	8,296	52.9	2,811	75,410,100	76.46	5,4

CAPITAL STOCK

Authorized and outstanding, $8,000,000 Comm and $3,500,000 6% cumulative Pfd.; par, $100. Pf stock is redeemable at 115, and is preferred as to dividends and in case of liquidation. Transfer Agen

Stone & Webster, Inc., Boston, and The Bank of California, National Association, San Francisco. Registrars: Old Colony Trust Co., Boston, and Wells Fargo Bank & Union Trust Co., San Francisco. Pfd. stock listed on San Francisco Stock Exchange. Annual meeting, third Monday in January.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High ...	94	89½	84	84	80	77	62½	50
Low	85½	80½	79	77	70	70	48½	40
Common—								
High ...	31⅛	29½	29⅞	20	12	8	1¾	1⅛
Low	24	23	15	7	11	1	1	1⅛

Dividends—Dividends of 6% on Pfd. paid 1910 to 1914, incl., 5% in 1915; 4% in 1916; 1917 to date, 6% per annum; payments F, M, A & N 1. In addition a payment of 3% ($3 a share) was paid April 26, 1923, covering all deferred dividends on Pfd. stock amounting to $105,000. Initial dividend of 50 cents a share was paid on Common stock May 1, 1926, which quarterly rate maintained to date; payments F, M, A & N 1.

FUNDED DEBT

$400,000 3-YEAR 5% GOLD COUPON NOTES, DUE JULY 1, 1929

Dated July 1, 1926.

Interest Payable January and July 1, at State Street Trust Co., Boston; Chicago Trust Co., Chicago, and International Acceptance Security & Trust Co., New York.

Denomination—Coupon $1,000; principal may be registered.

Trustee and Registrar—State Street Trust Co., Boston, Mass.

Provisions of Issue—Authorized and outstanding, $400,000.

Callability—Subject to call as a whole on 30 days' notice at 101½ to and including July 1, 1927; thereafter to and including Jan. 1, 1928 at 101; thereafter to and including July 1, 1928 at 100½; thereafter prior to maturity at 100, plus accrued interest in each case.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt, Boston.

Original Offering—First publicly offered ($400,000) in August, 1926, by Stone & Webster, Inc., Boston, New York, etc.

Price Range—

	1927	1926
High	100	99¾
Low	99½	99½

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,240,946	$1,260,541	$1,136,857	$1,094,187	$1,023,648	$910,378
Oper. exp., maintenance & taxes	‡666,207	751,826	653,157	651,661	535,828	487,800
Net earnings	$574,739	$508,715	$483,700	$442,526	$487,820	$422,578
Interest & amortization	51,967	44,987	54,418	72,833	63,355	65,370
Balance	$522.772	$463,728	$429,282	$369,693	$424,465	$357,208
Preferred dividends	210,000	210,000	210,000	210,000	†210,000	210,000
Common dividends	160,000	120,000	.....	.....	.....	.....
*Surplus for year	$152,772	$133,728	$219,282	$159,693	$214,465	$147,208
*Times Fixed Charges Earned	11.06	11.31	8.88	6.07	7.46	6.46
*Earnings Per Share—						
Preferred	$14.93	$13.27	$12.27	$10.56	$12.13	$10.21
Common	3.91	3.17	2.74	2.00	2.68	1.84

*Before Reserves and Retirements. †Does not include 3% paid April 26, 1923, covering all deferred dividends amounting to $105,500. ‡Includes operation, $418,738; maintenance, $77,466, and taxes, $170,002.

Maintenance—During the last 18 years the Company has expended for maintenance, which is included in operating expenses, a total of 8.55% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 13.44% of these gross earnings.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant, etc.	$15,312,676	$15,014,762	$14,875,024	$14,711,691	$14,523,473	$14,223,673
Materials and supplies	72,213	58,222	59,230	49,135	45,245	57,042
Advance payments	5,353	26,625	50,340	46,566	58,717	2,327
Notes receivable	.....	.....	.....	.....	.....	1
Accounts receivable	163,454	139,454	129,052	123,193	123,584	127,023
Investment securities	†18,807	35,869	7,704	503	.....	.....
Sinking fund investments	*280,082	279,648	292,774	265,363	239,042	224,990
Unadjusted debits	4,328	5,029	6,326	12,123	48,742	86,585
Cash	89,479	53,436	71,444	97,024	147,704	66,461
Unamortized debt discount and exp.	5,064	8,440	.....	3,989	.....	.....
Total	$15,951,456	$15,621,485	$15,491,894	$15,309,588	$15,186,507	$14,788,102
Liabilities—						
Common stock	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000
Preferred stock	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Funded debt	610,000	637,000	678,000	678,000	678,000	687,000
Coupon notes	400,000	400,000	.....	700,000	.....	.....
Notes payable	565,000	365,000	690,000	.....	745,000	500,000
Accounts payable	52,106	26,564	26,708	49,655	15,698	13,995
Accounts not yet due	125,220	123,800	56,578	49,270	195,496	107,402
Unadjusted credits	90,493	89,783	141,946	145,884	53,496	89,005
Contributions for extensions	27,514	25,412	5,838	.....	.....	.....
Operating reserves	.....	.....	.....	.....	.....	19,521
Retirement reserve	1,048,798	993,519	917,169	850,616	784,733	715,026
Reserves and surplus	1,532,325	1,460,407	1,475,655	1,336,162	1,214,084	1,156,152
Total	$15,951,456	$15,621,485	$15,491,894	$15,309,588	$15,186,507	$14,788,102

*Includes $115,000 bonds of Nevada Power, Light & Water Co., and $155,000 bonds of Reno Power, Light & Water Co., held in sinking fund, uncancelled. †Includes securities of Sierra Pacific Electric Co., owned and held for sale by Truckee River Power Co.

Officers: Alex. F. Crichton, Pres.; E. Ennalls Berl, V-P.; E. M. Harrigan, V-P.; H. T. Graham, Sec. & Treas., Wilmington, Del.; Stone & Webster, Inc., Executive Mgrs., Boston; G. A. Campbell, Mgr. Operating Cos., Reno, Nev.

Directors: Roger W. Babson, B. Loring Young, John C. Rice, Henry B. Sawyer, Everett Morss, Henry G. Bradlee, Wendell P. Hammon, Amor F. Keene, Frederick S. Pratt, Donald C. Barnes, Alexander F. Crichton.

Office, Reno, Nev.

TRUCKEE RIVER POWER COMPANY

(Controlled by Sierra Pacific Electric Company)

History and Property—Incorp. in Maine, March 13, 1912, as Truckee River General Electric Co.; present title adopted in Jan. 1923. Company does the entire electric lighting and power business in the cities and towns of Reno, Sparks, Virginia City, Carson City and Silver City, Nevada, and furnishes power in the surrounding mining districts of western Nevada. The company and its subsidiary Carson City Coal Gas Company (all of the $50,000 capital stock of which is owned by the Truckee Company), also do the entire gas business in Reno, Sparks and Carson City, and supply water for domestic purposes in Reno and Sparks.

Franchises—Electric, lighting and power franchises in Reno and Sparks expire in 1954; in Carson City, in 1947. Gas franchise in Sparks expires in 1955, and water franchise in 2004. Other important franchises not limited in time.

CAPITAL STOCK

Outstanding, 80,000 Common shares of no par value, and $3,675,000 6% cumulative Pfd., par, $100. Entire capital stock owned by Sierra Pacific Electric Co. Annual meeting second Tuesday in May.

FUNDED DEBT

$45,000 Nevada Power, Light & Water Co. First Mtge. 6% Gold Bonds; dated April 1, 1902; due April 1, 1932; int. April and Oct. 1, at American Trust Co., San Francisco, Trustee. Authorized, $300,000, of which $115,000 held in the sinking fund not cancelled, and $140,000 cancelled by sinking fund, leaving $45,000 outstanding in the hands of the public. Mortgage closed. Subject to call as a whole or in part (also in part for sinking funds) at 104½ and interest, decreasing to 100¾ prior to maturity. Sinking fund, 3% per annum, of bonds issued (excluding called or cancelled bonds), payable April 1. Assumed by Truckee River Power Co. A first lien on the property of former Nevada Power, Light & Water Co. Company does not pay Normal Federal Income Tax.

$295,000 Reno Power, Light & Water Co. First Consolidated Gold 6s; dated July 1, 1904; due July 1, 1944; int. Jan. and July 1, at American Trust Co., San Francisco, Trustee. Subject to call as a whole or in part (also in part for sinking funds) at 109 and interest decreasing to 100½ prior to maturity. Authorized, $750,000, of which $155,000 held alive in the sinking fund, $40,000 reserved to retire bonds of Nevada Power, Light & Water Co. and $260,000 unissued. Mortgage closed. Sinking fund, 1.4% per annum of bonds issued (excluding called or cancelled) through 1933 and 1.7% thereafter, payable April 1. Assumed by Truckee River Power Co. A lien on property of former Reno Power, Light & Water Co., subject to the lien of the Nevada Power, Light & Water Co. First 6s. Company does not pay Normal Federal Income Tax.

Officers: F. S. Pratt, Pres.; Donald C. Barnes, V-P.; Henry B. Sawyer, Treas.; W. T. Crawford, Sec.; George A. Campbell, Local Mgr. Executive Managers, Stone & Webster, Inc., Boston.

Directors: H. G. Bradlee, Everett Morse, Wendell P. Hammon, J. C. Rice, F. S. Pratt, H. B. Sawyer, D. C. Barnes, A. F. Keene, B. Loring Young, Roger W. Babson, T. T. Whitney, Jr.

Offices, Reno, Nevada, and 430 California St., San Francisco, Cal.

TAMPA ELECTRIC COMPANY

History and Property—Incorporated Oct. 31, 1899, in Fla. Absorbed the Consumers' Electric Light & St. Ry. Co. and the Tampa Suburban St. Ry. Co. On April 7, 1913, purchased property of Tampa & Sulphur Springs Traction Co. This Company does the entire electric lighting and power business in Tampa Shores and Mulberry.

It owns the stock of **Plant City Public Service Co.,** which does the entire electric lighting and power business and a portion of the ice business in Plant City; of **Winter Haven Water, Ice & Light Co.,** which does the entire electric lighting and power and water business and part of the ice business in Winter Haven; and of **Dade City Utilities Company,** which does the entire electric lighting and power and ice business in Dade City. Estimated population served, Jan. 1, 1928: Light and power, 193,300; transportation, 126,200. No. of electric customers, 37,160. Length of track, 55.87 miles. Gauge, standard. Revenue type cars, 145; other cars, 13—total, 158. No. of buses, 31. Power stations located at Tampa, Winter Haven, Plant City, and Dade City, Fla.; capacity—steam, 37,075 k.w.; hydro-electric, 600 k.w.—total, 39,675 k.w. Car barns and shops at Tampa.

Franchise—The franchise of Tampa Electric Co. expires 999 years from 1899. In Port Tampa street railway and electric light and power franchise expires in 1954. In Winter Haven, water and electric light and power franchises expire in 1941. In Plant City electric light, heat and power franchise expires 1946. In Dade City electric light and power franchise expires in 1953, Pasco County in 2023, Polk County, Hillsboro County and Oldsmar territory in Pinellas County, unlimited.

CAPITAL STOCK

Authorized, 600,000 shares Common of no par value and $1,000,000 7% cumulative Pfd., Series "A" par, $100; outstanding Dec. 31, 1927, 484,656.7 shares Common and $985,400 Pfd. In addition the remaining $14,600 Pfd. has been subscribed for or offered for subscription.

Capital Stock Changes—Stockholders at special meeting April 6, 1926, voted to change the capital stock from $100 par value to no par value, the then outstanding 62,107 shares to be exchanged for 310,535 shares of no par value on the basis of five shares of the latter for one of the former. Stockholders also voted to increase the 310,535 shares of no par value to 465,802, the 155,267 additional shares being offered to stockholders at $20 a share in the ratio of one new share for each two shares held. There was also authorized an issue of Pfd. stock to be outstanding in series and an issue of $1,000,000 Series "A" 7% cumulative Pfd. with voting rights was created, this stock being offered for sale in the territory of Company. Stockholders on Feb. 24, 1927, authorized an increase in the no par value Common shares from 465,802 to 600,000 to permit the distribution of dividends in Common stock.

Pfd. Stock Provisions—Preferred as to dividends and in case of liquidation and redeemable at 105.

Transfer Agent—Stone & Webster, Inc., Boston.

Registrar—Old Colony Trust Co., Boston.

Annual Meeting—Monday following the first Sunday in January.

Listed—New York Curb Market.

Price Range—

Common—	1927	*1926	1925	1924	1923	1922	1921	1920
High	64½	68	292½	173	148	138	122	113
Low	48¾	46	172½	140	134	122	110	105

*New no par stock; the $100 par stock sold in 1926: High, 330; low, 250½.

Dividends—Initial dividend of 1¾% on Series "A" Pfd. paid Aug. 16, 1926 and at same quarterly rate since to date. On Capital stock (now Common) dividends prior to 1907, 10% per annum; 1907, 1908 and 1909, 7% each; 1910, 8%; 1911, 8% regular and 2% extra; 1912 to Feb. 15, 1926, 10% per annum. On May 15, 1926, initial cash dividend of 50 cts. a share on no par value Common was paid; Aug. 16, and Nov. 15, 1926, 62½ cts. a share each; Feb. 15, 1927 to date, 50 cts. a share; payments, F, M, A & N 15. In addition the following stock dividends have been paid in Common stock to holders of Common shares: March 10, 1927 and May 16, 1927, 1/100th share each; Aug. 15, 1927 and Feb. 15, 1928, 1/50th share each.

FUNDED DEBT

(1)

$881,000 TAMPA ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1933

Dated June 1, 1908.

Interest Payable June and December 1, at American Trust Co., Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee and Registrar—American Trust Co., Boston.

Provisions of Issue—Authorized, $2,000,000; issued, $1,230,000, of which $175,500 cancelled by sinking fund

and $173,500 were held in treasury. The $770,000 unissued bonds are reserved for extensions, improvements, etc., at 80% of cost, but only when the net earnings for preceding twelve months are double interest charges on bonds outstanding and those to be issued.

Callability—Subject to call as a whole (or in part for sinking fund) at 105 and interest at any time.

Sinking Fund—Sinking fund, 1% per annum of bonds outstanding, payable Aug. 1, to be invested in these bonds at not exceeding 105 and interest; bonds so bought to be cancelled.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($600,000) in June, 1908, at 93¼ and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104⅞	102½	100½	100	97½	95½	86	89
Low	102	100	98½	96	94	92½	83	85

(2)

$99,000 PLANT CITY PUBLIC SERVICE CO. FIRST MORTGAGE GOLD BONDS; DUE $1,000 EACH MONTH TO JUNE 1, 1932 AND $55,000 JANUARY 1, 1942

Dated June 1, 1922.

Interest paid in advance through the issue of bonds. Exchange National Bank, Tampa, Fla., Trustee and Registrar. Authorized and issued, $180,000, of which $71,000 retired and cancelled to Dec. 31, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	†1923	1922
Gross earnings	$4,714,686	$4,871,773	$3,326,891	$2,350,675	$2,146,820	$1,809,252
Oper. exps., maintenance and taxes	§2,715,748	3,003,969	1,916,930	1,347,171	1,222,996	1,065,471
Retirement accruals	509,759	351,960	.....	.....	.....	.....
Net earnings	$1,489,179	$1,515,844	$1,409,961	$1,003,504	$923,824	$743,781
Interest and amortization charges	57,395	77,981	57,399	55,285	65,862	52,575
Balance	$1,431,784	$1,437,863	$1,352,562	$948,219	$857,962	$691,206
Preferred dividends	55,631	5,631	.....	.....	.....	.....
Common dividends, cash	947,414	883,924	496,860	455,410	374,960	315,325
Common dividends, stock	377,094	..	..	..	.....	.....
Balance for reserves	$51,645	$548,308	$855,702	$492,809	$483,002	$375,881
*Times Interest, Etc., Earned	25.94	19.44	24.56	18.15	14.02	14.15
*Earnings Per Share—						
Preferred	$145.29	$431.66	.....	.....	.....	.....
Common	2.84	3.07	‡$21.79	‡$19.08	‡$24.83	‡$20.07

*Before reserves in all years and before reserves and retirements, 1922 to 1925, inclusive. †Includes results from operation of properties in adjacent territory acquired as of Jan. 1, 1923. §Includes operation, $2,037,106; maintenance, $349,232, and taxes, $329,409. ‡One class of stock outstanding.

NOTE—In accordance with the order of the Florida Railroad Commission, provision for retirements must be made through operating expenses, and net earnings beginning with 1927 are after these charges, which for 1927 amounted to $509,759.39 For comparative purposes only the 1926 retirements are also given.

Maintenance—During the 28 years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expenses, a total of 9.40% of the entire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 16.53% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	*1923	1922
Property, plant, etc.	$15,436,364	$13,567,326	$9,905,566	$7,739,835	$6,872,168	$5,987,612
Materials and supplies	334,099	397,233	335,371	210,282	194,807	181,693
Advance payments	102,269	129,925	193,063	63,276	22,674	76,727
Notes receivable	31,327	34,972	29,586	23,701	18,658	405
Accounts receivable	513,856	650,346	362,425	209,272	156,202	111,514
Sinking fund investments	1,068	1,151	1,393	1,402	4,282	398
Treasury bonds	173,500	173,500	173,500	173,500	173,500	173,500
Treasury stock	.....	.....	.....	.....	118,250	.....
Unadjusted debits	26,242	59,621	73,492	3,533	25,360	30,138
Cash	222,065	408,014	325,688	612,040	408,975	273,120
Subscribers to capital stock	2,183	53,160	.....	900	.....	.....
Capital stock held for re-sale	.....	.....	.....	23,282	.....	.....
Miscellaneous investments	1,102	1,102	1,102	1,102	.....	.....
Unamortized debt discount and expense	27,996	30,987	34,583	38,781	44,277	1,074
Funds in escrow	.....	.....	.....	.....	.....	20,000
Total	$16,872,071	$15,507,337	$11,435,769	$9,100,906	$8,039,153	$6,856,182
Liabilities—						
Capital stock	†.....	†.....	$6,206,700	$4,968,600	$4,140,500	$3,454,800
Preferred stock	$985,400	$333,100	.....	.....	.....	.....
Preferred stock subscribed	7,900	93,700	.....	.....	.....	.....
Common stock subscribed	.....	141,800	.....	.....	.....	.....
Premium on stock	.....	.....	2,240	1,790	.....	.....
Funded debt	1,163,500	1,184,000	1,205,000	1,226,000	1,250,000	1,099,500
Car trust certificates	.....	.....	.....	.....	14,694	23,353
Accounts payable	60,152	201,876	231,781	69,418	48,433	34,562
Accounts not yet due	399,336	393,782	120,270	79,678	98,012	92,124
Unadjusted credits	105,436	106,773	77,255	11,871	1,790	1,804
Operating reserves	45,503	56,378	55,016	58,108	46,048	140,026
Contributions for extensions	34,524	26,416	17,953	6,866	.....	.....
Retirement reserve	1,653,316	1,037,710	1,149,777	935,043	992,801	1,025,333
Reserves and surplus	†12,417,004	†11,931,802	2,369,777	1,743,532	1,446,875	984,680
Total	$16,872,071	$15,507,337	$11,435,769	$9,100,906	$8,039,153	$6,856,182

*Includes results from operation of properties in adjacent territory acquired in interest of company as of Jan. 1, 1923. †Represented Dec. 31, 1926, by 458,712 shares Common stock, no par value, including an earned surplus of $2,754,906, and at Dec. 31, 1927, by 484,656.7 shares and $2,721,214, respectively.

Officers: Peter O. Knight, Pres., Tampa, Fla.; Donald C. Barnes, V-P.; William T. Crawford, Sec.; Henry B. Sawyer, Treas., Stone & Webster, Inc., Executive Mgrs., Boston; Thos. J. Hanlon, Jr., Mgr., Tampa, Fla.

Directors: Donald C. Barnes, Henry G. Bradlee, F. Higginson Cabot, Jr., Robert H. Gardiner, Harry H. Hunt, Charles Jackson, Peter O. Knight, Arthur Lyman, Robert T. Paine, 2nd., Henry B. Sawyer, Charles A. Stone, Edwin S. Webster, George Wigglesworth.

General Office, Tampa, Fla.

ENGINEERS PUBLIC SERVICE COMPANY

History—Incorporated June 23, 1925, in Delaware by Stone & Webster, Inc. and Associates to acquire public utility properties directly or through subsidiaries, and has acquired 99.50% of the Common stock of Virginia Electric and Power Company, all the Common stock of The Key West Electric Company, 97.68% of the Common stock and 93.22% of the 5½% Convertible notes of Eastern Texas Electric Company (Delaware), 94.48% of the Common stock of El Paso Electric Company (Delaware), 99.83% of the Common stock of Savannah, Electric and Power Company, 97.56% of the Common stock of Baton Rouge Electric Company, and 96.13% of the Common stock of Ponce Electric Company (see appended statements).

The Engineers Public Service Co. through its subsidiaries furnishes electric light and power service to a population of 1,314,200, transportation service to a population of 926,300, and gas service to a population of 243,400, in Virginia, North Carolina, Florida, Texas, Louisiana, Colorado, Wyoming, Nebraska, Missouri, New Mexico, Georgia, Porto Rico and the Republic of Mexico. In addition to these services, the subsidiaries do an ice and refrigerating business, furnish water and steam heating service and operate toll bridges. The combined generating capacity is 298,976 k.w., of which 29,105 k.w. is hydro-electric, 262,667 k.w. is steam, and 7,204 k.w. is internal combustion. Combined daily gas capacity, 10,415,000 cu. ft. Miles of transmission line (6,600 volts and over), 2,269.5; miles of gas main, 343.51. Miles of equivalent single track, 388; miles of trackage, 7.47.

Supervision—The operating subsidiary companies of Engineers Public Service Company, subject to the direction and control of their respective Boards of Directors, are operated under the supervision of Stone & Webster, Inc

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925	1924	1923	1922
No. of electric customers	200,732	176,719	163,632	131,361	119,389	104,531
Electrical output (k.w.h.)	‡746,521,859	637,473,693	513,845,175	476,453,007	447,854,469	377,727,390
No. of gas customers	25,187	23,700	†19,548	.....	.....	.....
Gas output (cu. ft.)	1,155,559,330	1,061,173,030	950,300,867	891,884,035	§826,782,900	§811,730,800
Revenue passengers carried	122,042,709	122,911,942	107,586,989	111,247,793	118,075,615	110,910,084
Transfer & free passengers carried (including bus)	*	*	26,431,255	26,875,023	27,542,800	25,925,208

*Not available. †Excludes Baton Rouge Electric Co. ‡Includes 8,627,237 k.w.h. purchased. §Excludes Eastern Texas Electric Co. (Delaware).

CAPITAL STOCK

Authorized, 3,000,000 shares of Common and 400,000 shares Pfd.; both of no par value; outstanding, 897,240 shares of Common and 320,000 shares $5 dividend cumulative convertible Pfd. During April 1928, authorized capital stock was changed and increased from 1,500,000 shares of Common and 400,000 shares $7 Dividend Pfd., both of no par value. The outstanding $7 Dividend Pfd. was to be redeemed July 2, 1928 at 110 and accrued dividends.

Common Stock Option Warrants—The purchasers of 400,000 shares of Common stock received Option Warrants for purchase of 200,000 additional shares of Common stock on or before Jan. 2, 1928 at $25 per share, thereafter on or before July 1, 1930 at $27.50 per share, and thereafter on or before Jan. 2, 1933 at $30 per share. As of April 1, 1928, option Warrants were outstanding for 200,000 shares of Common stock.

Preferred Stock Provisions—The $5 dividend convertible Pfd. stock has preference as to assets and cumulative dividends and in liquidation is entitled to $100 and dividends plus, in event such liquidation be voluntary, a premium of $10 per share on or before June 30, 1928 and thereafter of $5 per share. The holders of Pfd. stock shall not be entitled to vote except in statutory proceedings, and except in case at any time Company shall fail to pay any quarterly dividend and shall fail to declare and pay said dividend and all subsequently accrued dividends on or before the eighth succeeding quarterly dividend payment date, then holders of Pfd. stock voting as a class shall have the right to elect one less than a majority of directors. The $5 dividend convertible Pfd. is subject to call as a whole or in part at any time on 30 days' notice at $110 and dividends up to and including June 30, 1938 and at $105 and dividends thereafter. The balance of authorized Pfd. stock may be issued in one or more series varying in respect of designation, dividend rates, redemption and liquidation premium and convertibility.

Conversion Privilege—The $5 dividend convertible Pfd. stock is convertible as to each block of ten shares thereof before July 1, 1938 into shares of Common stock of Company on following basis: First 40,000 shares surrendered for conversion, for each 10 shares thereof 21 shares of Common stock; the second 40,000 shares surrendered, for each 10 shares thereof 19 shares of Common stock; the third 40,000 shares surrendered, for each 10 shares thereof 17 shares of Common stock; the fourth 40,000 shares surrendered, for each 10 shares thereof 16 shares of Common stock; and the last 160,000 shares surrendered, for each 10 shares thereof 15 shares of Common stock.

Purpose of Issue—Proceeds of sale of $5 dividend convertible Pfd. were applied, with other funds, toward retirement of outstanding $7 dividend Pfd.

Transfer Agents—The Chase National Bank, New York and Stone & Webster, Inc., Boston.

Registrars—The Hanover National Bank, New York and National Shawmut Bank, Boston.

Legal Opinion—Rushmore, Bisbee & Stern, New York.

Original Offering—First publicly offered (320,000 shares $5 dividend cumulative convertible Pfd. of no par value) in March 1928, at $100 per share, by Stone & Webster and Blodget, Inc., Blair & Co., Inc., Chase Securities Corp. and Brown Brothers & Co., New York During March 1928, Company arranged to sell 100,000 shares of Common stock of no par value to bankers at not less than $38 a share on or before April 2, 1928.

Annual Meeting—Third Monday in May.

Listed (Common)—New York and Boston Stock Exchanges.

Price Range—

	1927	1926	1925
$7 Preferred—			
High	108⅜	96½	101
Low	93¾	84	98⅛
Common—			
High	39⅝	29½	29
Low	21¾	19¼	19¾

Dividends—On $7 dividend Pfd. stock formerly outstanding regular quarterly payments were made from

Securities of these Companies dealt in by
STONE & WEBSTER AND BLODGET
INCORPORATED
NEW YORK 120 BROADWAY
BOSTON 49 FEDERAL STREET
CHICAGO 38 SO. DEARBORN STREET
PHILADELPHIA PACKARD BUILDING

Oct. 1, 1925 to date of redemption in 1928. On $5 dividend Pfd. stock payments quarterly J, A, J & O 1. No dividends on Common.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Engineers Public Service Co.—Holding Company)

	1927	1926
Dividend revenue	$2,674,828	$1,930,565
Interest revenue	200,617	196,356
Miscellaneous revenue	329	152
Total earnings	$2,875,774	$2,127,073
Operating expenses	147,107	141,542
Taxes	9,846	1,831
Net earnings	$2,718,821	$1,983,700
Interest	.....	36,479
Net income	$2,718,821	$1,947,221
Dividends on Pfd. stock	2,157,244	1,917,463
Balance	$561,577	$29,758
Earnings Per Share—		
Preferred	$8.75	*$6.38
Common	0.70	.....

*Based on 305,018 shares outstanding at Dec. 31, 1926.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Engineers Public Service Co. and Subsidiary Companies)
(Including Virginia Electric & Power Co. and subsidiaries, The Key West Electric Co., Eastern Texas Electric Co. and subsidiaries, El Paso Electric Co. and subsidiaries, Savannah Electric & Power Co., Baton Rouge Electric Co. and *Ponce Electric Co.)

Earnings—	1927	1926
Light and power	$17,811,262	$15,129,414
Transportation	8,681,805	8,358,545
Gas	1,319,013	1,299,450
Other	1,674,051	1,840,278
Total earnings	$29,486,131	$26,627,687
Expenses—		
Operation	$13,332,430	$12,223,703
Maintenance	2,399,640	2,400,507
Taxes	2,375,189	1,891,157
Total expenses	$18,107,259	$16,515,367
Net earnings	11,378,872	10,112,320
Interest, amortization & rentals	3,457,049	3,186,448
Balance	$7,921,823	$6,925,872
Dividends on Pfd. stock sub. cos.	1,609,548	1,391,118
Balance	$6,312,275	$5,534,754
Proportion of above balance applicable to Common stock of subsidiaries in hands of public	104,296	215,749
Balance applicable to reserves and to Engineers Public Service Co.	$6,207,979	$5,319,005
Dividend requirements on Pfd. stock of Engineers Public Service Co.	2,173,276	2,135,126
Balance applicable to reserves and Common stock of Engineers Public Service Co.	$4,034,703	$3,183,879

*Ponce Electric Co. acquired in March, 1927; the results of operations of this Company are included in the 1927 statement for 9 months only.

CONSOLIDATED BALANCE SHEET
(Engineers Public Service Co. and Subsidiaries)

Assets—	Dec. 31, 1927	Dec. 31, 1926	Feb. 28, 1926
Property, plant, etc.	$151,020,197	$132,708,757	$115,348,694
Agreement to underwrite Allot. Ctfs. for Pfd. & Common stock	.....	262,250	3,384,000
Cash	2,782,254	6,145,022	4,902,501
Notes receivable	160,129	61,617	42,902
Accounts receivable	3,027,667	2,492,074	1,762,208
Materials and supplies	2,190,366	1,788,555	1,608,726
Prepayments	700,837	834,360	407,109
Subscribers to stock	114,563	293,271	.....
Miscel. investments	60,524	126,612	517,995
Sinking funds	†4,937,806	3,254,166	2,871,597
Special deposits	‡526,527	2,848,871	44,191
Unamort. debt disc. & exp.	3,243,908	3,279,102	2,205,246
Unadjusted debits	516,329	579,318	719,777
Total	$169,281,107	$154,673,975	$133,814,946
Liabilities—			
Pfd. stock of subsidiaries	$25,053,338	$22,121,200	$19,576,700
Stock subscribed for (subsidiaries)	330,837	344,586	.....
Premium on Pfd. stock	.....	.....	24,378
Bonds of subsidiaries	66,009,500	57,166,500	44,104,500
Coupon notes of subs.	5,936,400	5,953,000	4,267,500
Unpaid balance on Allotment Ctfs.	.....	262,250	3,384,000
Notes pay. (subsidiaries)	3,248,672	2,165,566	1,576,741
Accounts payable	806,267	848,842	861,719
Accounts not yet due	2,262,031	1,999,094	1,980,178
Dividends declared	48,662	46,789	.....
Retirement reserve	12,930,284	11,184,413	8,938,465
Operating reserves	258,315	270,416	248,397
Unadjusted credits	646,500	1,050,500	639,594
Balance of assets for Com. stock of subsidiaries in hands of public	560,052	1,250,126	1,328,265
Capital stock & surplus	*51,190,249	*50,010,693	46,884,509
Total	$169,281,107	$154,673,975	$133,814,946

†Includes $4,754,500 bonds of subsidiaries held in sinking funds, uncancelled. *Balance of assets showing book value for 310,468 Pfd. shares (1926—305,018) and 797,240 Common shares (1926—778,938) both of no par value, including earned surplus of $7,917,630 (1926 earned surplus $7,441,365). ‡Includes $98,000 bonds of subsidiaries held in escrow.

NOTE—The assets and liabilities of Norfolk Ry. & Light Co., the property of which was leased by Virginia Electric & Power Co. for 99 years from 1906 until merged with that Company Feb. 28, 1927, are not included in the Balance Sheet for Feb. 28, 1926.

Officers: Charles A. Stone, Chairman of Board; Charles W. Kellogg, Pres.; Samuel B. Tuell, V-P.; Howard F. Neill, Treas.; Frederick T. Pratt, Sec., New York.

Directors: Charles A. Stone, Frank L. Babbott, Murray W. Dodge, P. A. S. Franklin, Joseph P. Grace, C. W. Kellogg, George N. Lindsay, Ray Morris, G. O. Muhlfeld, Arthur W. Page, Bayard F. Pope, Henry S. Pritchett, Samuel B. Tuell, Beekman Winthrop, New York; Homer L. Ferguson, Newport News, Va.; Andrew Fletcher, Jr., Hoboken, N. J.; Arthur T. Hadley, New Haven, Conn.; Eppa Hunton, Jr., Richmond, Va.; Edwin S. Webster, Boston, Mass.

Office, 7 West 10th St., Wilmington, Del. **President's Office,** 120 Broadway, New York.

BATON ROUGE ELECTRIC COMPANY

(Controlled by Engineers Public Service Company)

History and Property—Incorporated in Aug., 1907, in La.; successor to the Baton Rouge Electric & Gas Co. Does the entire electric railway, electric lighting, power, gas and bus business in Baton Rouge, La., and the electric lighting and power business in Port Allen, La., and six other communities north of Baton Rouge. Estimated population served, Jan. 1, 1928: Transportation, 46,000; electric light and power, 53,900; gas, 39,500.

Power station located at Baton Rouge, La., has a capacity of 6,500 k.w. Miles of transmission line (6,600 volts and over), 41. Company operates 9.61 miles of track of standard gauge and owns 18 passenger motor cars, 3 miscellaneous cars and 3 buses.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Electrical Output k. w. h.	Gas Department— Gas Customers	Miles of Mains	No. of Meters	Output Cubic Feet	†Passengers Carried
1921	3,904	5,081,000	*	25.7	2,097	66,596,700	3,229,790
1922	4,506	5,784,000	*	26.7	2,236	73,100,800	3,172,116
1923	5,160	6,507,000	*	28.6	2,455	87,692,900	3,057,574
1924	5,637	7,372,000	*	35.5	2,606	102,980,000	3,172,866
1925	6,470	9,256,000	*	37.2	2,843	109,994,400	3,590,631
1926	7,573	12,701,364	2,947	38.1	3,054	119,087,580	3,903,384
1927	7,949	14,189,848	3,234	50.6	3,401	164,143,230	3,698,101

*Not available. †Excluding transfers.

CAPITAL STOCK

Authorized, 65,000 shares Common of no par value and $425,000 7% cumulative Pfd., Series "A," par $100; outstanding, 41,041 shares Common and $419,500 Pfd. In addition, $5,500 Pfd. stock has been subscribed for. The Engineers Public Service Co. at Feb. 16, 1928, owned 97.56% of the Common stock.

Capital Stock Changed—On May 29, 1925, stockholders authorized a change in authorized Common stock from 8,000 shares, par $100, to 32,000 shares without par value and an increase in Common shares from 32,000 shares to 65,000 shares of no par value, four shares of new stock being issued in exchange for each share of old stock outstanding. Stockholders also voted to eliminate the then authorized $250,000 6% cumulative Pfd. stock (the $200,000 outstanding amount being called for redemption on May 1, 1925 at 110 and accrued dividend), and to provide in lieu thereof for the issue of Pfd. stock in series, designated as Series "A," Series "B," etc.

Subscription Privilege—Common stockholders of record May 29, 1925, were given the right, until June 24, 1925, to subscribe to 17,589 shares of new Common stock, no par, at $25 per share, on the basis of three shares of no par stock for each share of $100 par value stock held.

Preferred Stock Provisions—Pfd. stock Series "A" is entitled to cumulative dividends at the rate of 7% per annum; is subject to call, as a whole or in part, on any dividend date at 115 and dividends; and in liquidation is entitled to par ($100).

Transfer Agent—Stone & Webster, Inc., Boston.

Registrar—Beacon Trust Co., Boston.

Annual Meeting—Third Thursday in February.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	104	103	90	90	86	86	80	72
Low	100	100	90	85	85	80	70	67
Common—								
High	75	68	*62	145	128½	122½	..	..
Low	bid	47½	*40	122¾	121½	111	..	..

*No par value shares; prior years par, $100, 1925 high, 145 and low, 142 for par, $100 shares.

Dividends—Dividends on old 6% Pfd. stock regularly paid from Dec. 1, 1911, to date of redemption. Dividends on present 7% Pfd., Series "A" regularly paid M, J, S & D 1. Initial dividend of 2% paid on Common (par, $100), Dec. 1, 1915; June 1, 1916, 3%; Dec. 1, 1916, 4%; 1917, 1918, 1919 and 1920, 8% each; 1921, 9%; 1922 to June 1, 1925, at rate of 10% per annum (June and Dec. 1). Initial quarterly dividend of 62½ cents per share on no par Common stock paid Sept. 1, 1925, which rate maintained to date; payments, M, J, S & D 1.

FUNDED DEBT

$990,000 FIRST GOLD 5½s, SERIES "A"; DUE JUNE 1, 1954

Dated June 2, 1924.

Interest Payable June and December 1, at Old Colony Trust Co., Boston, and Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $15,000,000. Issued, $1,000,000 Series "A" 5½s (of which $10,000 cancelled by sinking fund to Dec. 31, 1927). Proceeds were used to retire the existing debt of Company including outstanding First Mortgage bonds called for payment Aug. 1, 1924 at 105 and interest, and to provide additional funds for construction purposes. Additional bonds, except for refunding bonds of another series under this mortgage, may be issued only when net earnings are at least twice interest charges on all outstanding bonds, including bonds to be issued, and only to the extent of 80% of the cost or value, whichever is less, of addition to the property except that $500,000 of bonds may be issued against present property.

Callability—Subject to call as a whole (or in part for the sinking fund) on thirty days' notice at 105 and interest prior to June 1, 1944, reducing ½ of 1% for each year thereafter to 100 and interest on and after June 1, 1953.

Sinking Fund—1% per annum of Series "A" bonds outstanding, payable Jan. 1, to be applied to the purchase of bonds of this series if obtainable at not exceeding 100 and interest; otherwise as provided in the mortgage.

Security—Secured by a first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,000,000 Series "A" 5½s) in June, 1924, at 93 and int., to yield over 6% by Stone & Webster, Inc., and Blodget & Co., New York, Boston, etc.

Price Range—

	1927	1926	1925	1924
High	104	102½	100½	97
Low	102	100	97	82½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,017,109	$960,479	$799,614	$707,106	$634,003	$585,10
Operating expenses, maintenance & taxes	†644,893	597,601	527,984	456,641	420,924	378,20
Net earnings	$372,216	$362,878	$271,630	$250,465	$213,079	$206,90
Interest and amortization	70,364	69,493	71,712	51,808	30,055	43,97
Balance for dividends	$301,852	$293,385	$199,918	$198,657	$183,024	$162,93
Dividends paid	130,572	124,941	86,108	70,630	70,630	56,81
Balance for reserves and retirements	$171,280	$168,444	$113,810	$128,027	$112,394	$106,11
*Times Fixed Charges Earned	5.29	5.22	3.79	4.83	7.09	4.7
*Earnings Per Share—						
Preferred	$71.95	$78.28	$81.04	$99.33	$91.51	$81.4
Common	6.67	6.60	4.74	31.84	29.17	26.9

*Before deducting Reserves and Retirements. †Includes operation, $463,789; maintenance, $71,282, and taxes, $109,822.

Maintenance—During the 21 years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expenses, a total of 8.14% of the extire gross earnings over this period, and in addition during this period has set aside for reserves or retained as surplus a total of 16.48% of these gross earnings.

Surplus Account, Dec. 31, 1927—Earned surplus Jan. 1, 1927, $526,598; net income for 1927, $301,852—total, $828,450. Retirement reserve, $110,000; balance $718,450; net direct credits, $7,322; balance, $725,77 Deduct: Pfd. dividends, $27,969; Common dividend $102,603. Earned surplus, Dec. 31, 1927, $595,200.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant, etc.	$3,621,659	$3,302,748	$2,947,015	$2,391,813	$1,927,369	$1,817,077
Materials and supplies	72,211	61,647	64,734	40,605	51,978	61,351
Advance payments	6,831	3,176	21,284	26,206	29,173	3,986
Notes receivable	.....	250	2,750	250	.....	.....
Accounts receivable	124,758	98,033	126,111	52,980	54,468	45,885
Treasury bonds	.....	.....	.....	.....	225,000	225,000
Unadjusted debits	12,353	17,630	13,013	5,133	7,890	373
Sinking fund	9,900	9,900	9,918	10,000	230	88
Cash	58,890	69,748	243,972	38,124	51,120	33,454
Unamortized debt discount and expense	109,283	113,420	117,558	122,410	662	976
Total	$4,015,886	$3,676,552	$3,546,355	$2,687,521	$2,347,891	$2,188,190
Liabilities—						
Preferred stock	$419,500	$374,800	$246,700	$200,000	$200,000	$200,000
Common stock	*	*	*	586,300	586,300	559,700
Preferred stock subscribed	5,500	16,000	75,900	.....	.....	.....
Funded debt	990,000	990,000	990,000	1,000,000	695,500	700,500
Notes payable	275,000	160,000	295,000	100,000	125,000	60,000
Car trust certificates	.....	.....	.....	.....	10,800	18,000
Mortgage note assumed	.....	7,833	7,833	7,833	7,833	7,833
Accounts payable	45,313	34,670	23,969	5,659	6,467	10,564
Accounts not yet due	85,242	80,053	42,585	35,476	55,082	44,811
Suspense	.....	.....	.....	.....	.....	6
Contributions for extensions	20,139	11,813	9,637	1,039	.....	.....
Unadjusted credits	60,159	61,408	42,504	31,545	.....	.....
Operating reserves	23,111	21,035	19,493	18,333	17,643	35,288
Retirement reserve	469,165	366,205	279,702	230,293	214,916	198,991
Common stock (no par)	*1,027,557	*1,026,137	.....	.....	.....	.....
Earned surplus	595,200	526,598	†1,513,032	471,043	428,350	352,497
Total	$4,015,886	$3,676,552	$3,546,355	$2,687,521	$2,347,891	$2,188,190

*Represented by 41,041 shares Common stock of no par value. †Represented by 41,041 shares Common stock of no par value and earned surplus.

Officers: George H. Clifford, Pres., Boston; Charles W. Kellogg, V-P., New York; Harvey E. Luce, V-P., Boston; V. D. Vickery, Sec.; H. B. Sawyer, Treas.; Stone & Webster, Inc., Executive Mgrs., Boston; Montelle C. Smith, Mgr., Baton Rouge, La.

Directors: Harry A. Arthur, George H. Clifford, Charles W. Kellogg, Sigourney B. Olney, Arthur W. Page, Thomas Price, Thomas W. Streeter.

Office, Baton Rouge, La.

EASTERN TEXAS ELECTRIC COMPANY (DELAWARE)

(Controlled by Engineers Public Service Company)

History—Incorporated in April, 1924, in Delaware, and has acquired and now owns more than 99% of the outstanding Common and Pfd. stocks of Eastern Texas Electric Co. (Texas); the entire capital stock of Gulf States Utilities Co., Louisiana Electric Co., Inc., and Nebraska Electric Power Co.; and more than 98% of the Common stock (this class only votes) and more than 29% of Second Pfd. stock of Western Public Service Co.

These companies do the entire electric lighting and power business in Beaumont and Port Arthur, Tex., and vicinity, the entire electric lighting and power, ice and water business in Orange, Tex.; the electric lighting and power, ice, and/or gas and water business in Lake Charles and Jennings, La.; and serves a large agricultural area by transmission lines in Southern Louisiana. It also does an ice, water, steam heating and/or electric lighting and power business in more than 130 other towns and cities located in Texas, Louisiana, Wyoming, Colorado, Nebraska and Missouri. It does the majority of the ice business in Port Arthur; street railway and bus transportation in Beaumont, Tex., and Lake Charles, La., and operates an interurban railway between Beaumont and Port Arthur, Tex.

Estimated population served Jan. 1, 1928: Light and power, 303,000; transportation, 128,000; gas, 16,000.

Property—There are six principal power stations, located at Neches, Beaumont, Orange and Port Arthur, Tex., and Lake Charles and Jennings, La. The combined capacity of all stations is 59,638 k.w., of which 54,703 k.w. is steam, 95 k.w. hydro-electric, and 4,840 k.w. internal combustion. This includes a new steam turbine power plant, erected on the Neches River near Beaumont, Tex., to serve the requirement of the Gulf Coast Region, designed for an ultimate capacity of 300,000 k.w., of which 21,000 k.w. has been installed. An additional 35,000 k.w. generator is being added. Miles of transmission line (6,600 volts and over), 1,311.50. Power is supplied to Port Arthur Traction Co.

Railway Department: Miles of equivalent single track, 37.0 Trackage, 1.7 miles. Gauge, standard. Car barns and shops at Beaumont, Tex., and Lake Charles, Louisiana. No. of revenue type cars, 65; other cars, 5—total, 70. No. of buses, 18.

Control—In accordance with an offer made to Common stockholders in January, 1926, whereby they could exchange their stock on the basis of ¾ of 1 share of $7 Pfd. stock and 1½ shares of Common stock of Engineers Public Service Co. for each share of Common stock held, the latter Company now owns over 97.68% of Common stock and Convertible Notes of Eastern Texas Electric Co. (Delaware).

OPERATING STATISTICS, DECEMBER 31

			Gas Department				
	No. of Electric Customers	Electrical Output (k.w.h.)	No. of Customers	Miles of Mains	No. of Meters	Output Cubic Feet	†Passengers Carried
1921	10,012	50,324,000	....	...	....	.....	7,720,437
1922	11,709	56,658,000	....	...	....	.....	7,305,495
1923	14,052	69,115,000	....	...	....	.....	7,270,550
1924	17,949	72,776,000	....	...	1,439	*20,155,035	7,274,945
1925	39,712	74,735,000	1,591	22.9	1,525	65,327,517	7,116,673
1926	42,439	118,542,056	1,567	23.0	1,620	76,196,500	7,574,070
1927	51,604	182,151,674	1,690	23.37	1,708	74,375,000	8,205,814

*Output for 5 months to Dec. 31, 1924. †Excluding transfers.

CAPITAL STOCK

Authorized, 125,000 (increased from 78,000 Dec. 14, 1925) shares Common of no par value and $2,500,000 7% cumulative Pfd., Series "A" (designated Series "A" Dec. 14, 1925), par, $100; outstanding, Dec. 31, 1927, 88,476 shares Common and $2,423,100 Pfd. Over 97.4% of the Common stock is owned by Engineers Public Service Co. In addition 34,816 Com. shares were reserved to exchange for 5½% Convertible notes, due Dec. 1, 1930, and 1,708 shares Common are unissued. The outstanding Pfd. stock was issued in exchange, share for share, for outstanding Pfd. stock of Eastern Texas Electric Co. (Texas); the outstanding Common stock was issued in exchange for outstanding Common stock and Coupon Notes of Eastern Texas Electric Co. (Texas) on basis of two shares for each one share of stock and two shares of stock for each $100 notes.

Subscription Privilege—Common stockholders of record Dec. 1, 1924, received the right to subscribe to 13,640 shares of Common stock at $50 a share on the basis of one new share for each four shares held. Common stockholders were also offered the right in Dec., 1925, to subscribe to 17,650 shares of Common stock.

Preferred Stock Provisions—Has preference as to assets and 7% cumulative dividends, and is subject to redemption at 110.

Transfer Agent (Both Classes)—Stone & Webster, Inc., Boston.

Registrar (Both Classes)—State Street Trust Company, Boston.

Annual Meeting—Third Monday in May.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	109	110	103	102	84	85	82	78
Low	107	102½	100	82	81	82	68	63
Common—								
High	110	109½	94	*76	110	94	80	71
Low	90	86	71	*61	92	81	72	62

*No par value shares; prior years, par $100. 1924: High, 122; low, 111½ for $100 par shares.

Dividends—Initial Pfd. dividend of 3½% paid July 1, 1924; Jan. 2, 1925, 3½%; July 1, 1925, 3½%; Oct. 1, 1925, 1¾%, which quarterly rate maintained to date; payments J, A, J & O 1. On Common initial dividend of $1.25 per share paid July 1, 1924, which quarterly rate maintained to date; payments J, A, J & O 1.

FUNDED DEBT

(1)

$4,000,000 THREE-YEAR 5% GOLD NOTES; DUE AUGUST 1, 1928

Dated August 1, 1925.

Interest Payable February and August 1, at The First National Bank of Boston, New York Trust Co., New York, and First Trust & Savings Bank, Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The First National Bank of Boston.

Provisions of Issue—Authorized and issued, $4,000,000. Proceeds were used to provide a portion of the funds required for 1925 construction, which includes a new steam generating station with an initial capacity of 20,000 k.w., and for the proposed purchase of properties in Orange, Texas, and the recent purchase in Jennings, La.

Callability—Subject to call as a whole at any time on or after Feb. 1, 1928, at 100 and accrued interest.

Security—A direct obligation of Company but not secured by a mortgage. Company covenants that it will not place any lien or incumbrance on its holdings now owned or hereafter acquired, unless these Notes are equally secured thereby.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Tyler, Tucker, Eames & Wright, Boston.

Original Offering—First publicly offered ($4,000,000) in July, 1925, by Stone & Webster, Inc., New York, etc., at 98¾ and interest, yielding 5.45%.

Price Range—

	1927	1926	1925
High	100½	100½	99½
Low	99¾	98⅝	98½

(2)

$3,481,600 FIVE-YEAR 5½% CONVERTIBLE GOLD COUPON NOTES; DUE DECEMBER 1, 1930

Dated December 1, 1925.

Interest Payable June and December 1, at The New England Trust Co., Boston, Farmers' Loan and Trust Co., New York, and Northern Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The New England Trust Co., Boston.

Provisions of Issue—Authorized and issued, $3,500,000, of which $18,400 have been converted into Common stock. Over 96% of these notes is owned by Engineers Public Service Co. Proceeds from the sale of these notes and from 17,650 shares of Common stock offered for subscription through rights, will provide funds for construction work including a 20,000 k.w., steam generating station now under construction, and transmission lines to interconnect with existing plants at Beaumont, Port Arthur and Orange, Tex., and Lake Charles and Jennings, La.

Callability—Subject to call on 30 days' notice, as a whole at any time or in part on any interest date, at 102½ prior to June 1, 1928, reducing ½% on June 1, 1928 and thereafter at six months' interval to 100 on and after June 1, 1930, plus accrued interest in each case.

Convertibility—Convertible on or before the tenth day prior to maturity or any redemption payment date into Common stock without par value at $95 per share, that is, on the basis of one share of Common stock plus $5 in cash for each $100 principal amount of notes, with adjustment of accrued divds. on stock and interest on notes. As often as Company issues any of its Common stock (other than for property or in conversion of these notes) in addition to 88,302 shares to be outstanding, at a price less than the established conversion price which initially is $95 per share, the conversion price will be reduced and the corresponding cash payment increased, depending upon the number of additional shares of Common stock issued and the issue price thereof, all as more fully provided in the indenture.

Security—A direct obligation of company.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Tyler, Tucker, Eames & Wright.

Original Offering—Stone & Webster, Inc., Boston, etc., offered in Jan., 1926, the unsubscribed portion of these notes, which were offered to stockholders at par on the basis of $100 of notes for each two shares held.

Consolidated Surplus Account, Dec. 31, 1927—Earned surplus, Jan. 1, 1927, $1,335,647; net income for 1927, $1,195,977—total, $2,531,624; retirement reserve, $576,000; balance, $1,955,624; net direct charges, $81,609—balance, $1,874,015. Deduct: Pfd. dividends, $167,898; Common dividends, $441,805. Earned surplus, Dec. 31, 1927, $1,264,312.

Maintenance—The Company and its predecessor companies have expended for maintenance, which is included in operating expenses, a total of 8.18% of the entire gross earnings and in addition have set aside for reserves or retained as surplus 12.71% of these gross earnings. This applies to the major portion of the property for the last 16 years and on new properties since their acquisition.

INCOME ACCOUNT (COMBINED COMPANIES), YEARS ENDED DECEMBER 31

	1927	§1926	§1925	‡1924	†1923	†1922
Gross earnings	$7,214,132	$5,657,494	$3,459,367	$2,361,301	$2,067,154	$1,789,685
Operating expenses and taxes	**4,601,025	3,734,698	2,373,188	1,495,470	1,288,168	1,156,390
Net earnings	$2,613,107	$1,922,796	$1,086,179	$865,831	$778,986	$633,295
Other income	23,913	246,496	12,380	600	22,400	22,400
Total income	$2,637,020	$2,169,292	$1,098,559	$866,431	$801,386	$655,695
Interest, amortization dividends on securities of underlying cos. held by the public	1,441,044	1,162,762	418,377	224,663	221,280	223,381
*Balance	$1,195,976	$1,006,530	$680,182	$641,768	$580,106	$432,314
Preferred dividends	167,898	152,248	131,274	102,869	84,000	84,000
Common dividends	441,805	419,150	351,975	210,392	125,020	112,000
Balance for reserves & retirements	$586,273	$435,132	$196,933	$328,507	$371,086	$236,314
*Times Fixed Charges Earned	1.83	1.87	2.63	3.86	3.62	2.94
*Earnings Per Share—						
Preferred	$49.35	$43.25	$35.25	$42.19	$41.44	$30.88
Common	11.62	9.67	7.78	9.83	31.93	24.88

*Before Reserves and Retirements. †Eastern Texas Electric Co. (Texas) and subsidiaries. ‡Eastern Texas Electric Co. (Delaware) and subsidiaries. Earnings of Port Arthur Ice & Refrigerating Co., prior to June 1, 1924, are reflected only to extent of interest and dividends received and are included in other income. Operations of Port Arthur Ice & Refrigerating Co. since June 1, 1924, and of the Lake Charles Electric Co., Inc. since Aug. 1, 1924, are included in combined figures for 1924. §Eastern Texas Electric Co. (Delaware) and subsidiaries; results of operation of Western Public Service Co. and Gulf States Utilities Co. included from Sept. 1, 1925 and Nebraska Electric Power Co. since Jan. 1, 1927. **Includes operation, $3,705,384; maintenance, $417,967, and taxes, $477,674.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	†1927	†1926	†1925	†1924	*1923	*1922
Property, plant, etc.	$32,354,481	$27,989,072	$21,314,777	$9,393,560	$7,242,241	$6,904,850
Special deposits	25,625	.....	250	.....	.....	.....
Treasury bonds	41,000	41,000	2,555,000	.....	.....	.....
Coupon 5½% Notes	.....	.....	3,468,600	.....	.....	.....
West. Pub. Serv. Co. stocks	757,000	758,400	902,500	.....	.....	.....
Materials and supplies	695,247	497,257	457,393	176,192	127,985	112,416
Miscellaneous investments	11,422	12,576	5,279	1,003	8,503	7,502
Advance payments	313,287	108,178	271,142	24,071	65,048	1,443
Notes receivable	6,536	12,566	10,397	296	.....	.....
Accounts receivable	958,408	671,401	535,679	429,640	170,833	134,083
Sinking fund	.....	337	342	1,407	16	190
Unadjusted debits	263,019	246,370	1,512,225	16,572	18,369	2,289
Cash	801,879	3,199,670	455,471	437,689	76,531	151,297
Unamortized debt discount and expense	1,345,360	1,410,376	743,171	124,600	44,094	77,165
Total	$37,573,264	$34,947,203	$32,232,227	$10,605,030	$7,753,620	$7,391,235
Liabilities—						
Preferred stock	$2,423,100	$2,327,600	$1,929,500	$1,521,200	.....	.....
‡Eastern Texas Elec. Co. (Texas) Pfd. stock	.....	.....	65,500	102,700	$1,450,000	$1,450,000
Eastern Tex. Elec. Co. (Texas) Com. stock	.....	.....	2,000	12,900	1,553,700	1,400,000
Western Pub. Serv. Co. Com. stock	130,200	130,300	272,200	.....	.....	.....
Western Pub. Serv. Co. Pfd. stock	1,874,000	1,929,000	1,968,400	.....	.....	.....
Western Pub. Serv. Co. First Pfd. subscribed	.....	2,000	.....	.....	.....	.....
Gulf States Utilities Co. Pfd. stock	314,157	.....	.....	.....	.....	.....
Funded debt	15,322,000	14,616,000	10,737,000	2,826,000	1,595,500	1,611,500
Coupon notes	7,481,600	7,497,600	7,500,000	146,100	1,346,300	1,500,000
Notes payable	1,275,000	.....	1,660,078	600,000	.....	.....
Accounts payable	295,765	294,624	371,632	127,509	144,945	31,070
Accounts not yet due	765,501	650,135	528,672	127,971	116,974	103,032
Unadjusted credits	47,322	46,159	875,942	416,602	6,148	.....
Contributions for extensions	76,052	52,613	25,137	677	.....	.....
Operating reserves	41,674	39,882	67,249	50,401	49,204	50,584
Retirement reserve	1,763,182	1,545,678	1,276,902	676,896	555,037	537,420
Appropriated reserve for retirements	833	.....	.....	.....	.....	.....
Reserves and surplus	§5,762,878	§5,815,612	§4,952,015	§3,996,074	935,810	707,629
Total	$37,573,264	$34,947,203	$32,232,227	$10,605,030	$7,753,620	$7,391,235

*Eastern Texas Electric Co. (Texas). †Eastern Texas Electric Co. (Delaware). ‡Of which $50,000 held in trust for the benefit of company. §Balance of assets represented by 54,820 in 1924, 70,602 in 1925, 88,316 in 1926 and 88,476 in 1927 shares Common of no par value; including earned surplus of $1,335,647 in 1926 and $1,264,312 in 1927.

Officers: Alexander F. Crichton, Pres.; E. M. Harrigan, V-P., Wilmington, Del.; Chas. W. Kellogg, V-P., New York; William T. Crawford, Sec., Boston; Henry T. Graham, Treas., Wilmington, Del.; Stone & Webster, Inc., Executive Managers of Underlying Operating Companies, Boston.

Directors: Harry A. Arthur, Alexander F. Crichton, Murray W. Dodge, Andrew Fletcher, Jr., Chas. W. Kellogg, George N. Lindsay, Ray Morris, Sigourney B. Olney, Arthur W. Page, Thomas Price, Thomas W. Streeter.

General Office, Du Pont Bldg., Wilmington, Del.

EASTERN TEXAS ELECTRIC CO. (TEXAS)

(Controlled by Eastern Texas Electric Co., Delaware)

History and Property—Company was incorporated August 3, 1912 in Texas, as the Jefferson County Traction Co.; present title adopted July 17, 1918. Purchased and consolidated the properties formerly owned by the Beaumont Electric and Power Co., Port Arthur Light & Power Co. and Beaumont Traction Co., companies previously controlled through stock ownership by Eastern Texas Electric Co., a Maine Corporation (see 1918 Public Utility Manual, page 581, or apply to our information Department). Company does the entire electric railway and bus business in Beaumont, and operates an interurban electric railway and bus line between Beaumont and Port Arthur, a distance of 20 miles. Total miles of equivalent single track, 32.1; trackage, 1.74 miles. Gauge, standard. Revenue type cars, 65; other, 5—total 70.

As of July 1, 1926 the electric light and power business was sold to Gulf States Utilities Co. of Beaumont, Tex.

CAPITAL STOCK

Authorized, $1,850,400; outstanding, $1,300,000; par, $100. All owned by Eastern Texas Electric Co. (Delaware). Annual meeting, third Tuesday in January.

FUNDED DEBT

$200,000 BEAUMONT TRACTION CO. FIRST GOLD 5s; DUE APRIL 1, 1943

Dated April 1, 1903.

Interest Payable April and Oct. 1, at Interstate Trust & Banking Co., New Orleans, La., Trustee and Registrar. Au-

thorized and issued, $600,000, of which $400,000 held by the Eastern Texas Electric Co. (Texas). Subject to call as a whole or in part at 105 and interest on any interest date. A first lien on property of former Beaumont Traction Co. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Geo. H. Clifford, Pres.; H. W. Welch, V-P.; William T. Crawford, Sec.; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Exec. Mgrs., Boston; J. G. Holtzclaw, Mgr., Beaumont, Tex.

Directors: H. A. Arthur, Geo. H. Clifford, Andrew Fletcher, Jr., Charles W. Kellogg, S. B. Olney, Thomas W. Streeter, Samuel B. Tuell.

General Office, Beaumont, Tex.

GULF STATES UTILITIES COMPANY

(Controlled by Eastern Texas Electric Co., Delaware)

History—Incorporated Aug. 25, 1925, in Texas. As of Sept. 1, 1925, acquired the Texas properties of the Orange Ice, Light & Water Co., Orange, Texas, the Louisiana properties of that company being acquired by Louisiana Electric Co., Inc. As of July 1, 1926, acquired the electric light and power properties of Eastern Texas Electric Co. (Tex.), and the electric light, power, gas, water and ice properties of Louisiana Electric Co., Inc. Co. does the entire electric lighting and power business in Beaumont and Port Arthur, Texas and vicinity, the majority of the ice business in Port Arthur, the entire electric lighting and power, ice and water business in Orange, Texas; the electric lighting and power, ice, gas and water business in Lake Charles, Louisiana and vicinity and the electric lighting and power, and ice business in Jennings, Louisiana. It also serves by transmission lines a large agricultural area and a number of small towns in Southern Louisiana and Southeastern Texas. The total population served is estimated to be over 180,000.

Property—The electric generating plants of the Company have a combined installed capacity of 62,000 h.p. and an additional 47,000 h.p. will be available from the extension to the Neches Station now under construction. Interconnection facilities between this Company's system and that of the Houston Lighting and Power Company are now under construction which will upon completion make it possible to interchange power with the Houston Company. The gas plant at Lake Charles has a daily capacity of 840,000 cubic feet. The Company's ice and refrigeration plants in Port Arthur, Orange, Silsbee, Lake Charles, Jennings, Lake Arthur and Elton are of 401 tons total daily capacity and the water works in Orange, Silsbee and Lake Charles have a daily pumping capacity of about 14,000,000 gallons.

Management—Company is under the executive management of Stone & Webster, Inc.

CAPITAL STOCK

Authorized, 300,000 shares Common stock of no par value, and 50,000 shares $6 dividend Pfd. stock of no par value; outstanding, 280,000 shares Common and 30,000 shares Pfd. The unissued Pfd. shares may be issued from time to time in one or more series, which series may differ from one another as to dividend rate and price of redemption. All the Common shares are owned by Eastern Texas Electric Co., Delaware.

Preferred Stock Provisions—Preferred both as to assets and cumulative dividends. Redeemable in whole or in part at the option of the Company at any time at $110 and accrued dividend. Preferred over Common stock as to dividends and, in case of liquidation, entitled to $100 per share and accrued dividend plus a premium of $10 per share if such liquidation be voluntary. Shares are without par value and voting rights except in case of dividend defaults, in matters pertaining to additional Preferred stock and otherwise, all as provided in charter.

Transfer Agent—Stone & Webster, Inc., Boston, Mass.

Registrar (Pfd. stock)—State Street Trust Co., Boston, Mass.

Legal Opinion (Pfd. stock)—Tyler, Eames, Wright & Hooper, Boston, Mass.

Annual Meeting—Second Monday in June.

Dividends—Pfd. dividends are paid quarterly, M, J, S & D 15.

Original Offering—30,000 shares Pfd. stock were publicly offered in January, 1928, at 100 and dividend, by Stone & Webster and Blodget, Inc., Chase Securities Corp., Blair & Co., Inc., and Brown Brothers & Co.

FUNDED DEBT

$9,000,000 FIRST MORTGAGE & REFUNDING GOLD BONDS, SERIES "A," 5%; DUE SEPTEMBER 1, 1956

Dated September 1, 1926.

Interest Payable March and September 1, at The Chase National Bank, New York, The First National Bank of Boston, and Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Chase National Bank, New York.

Provisions of Issue—Authorized $200,000,000; issued $9,000,000 Series "A" 5%. Under provisions of Indenture additional bonds may be issued in series on substantially the following basis: (a) To the extent of 70% of the cost or value, whichever is less, of additional property as defined in the Indenture, charged to fixed property accounts after Aug. 31, 1926, wheresoever situated, less the amount of any refundable debt constituting a lien thereon; provided, however, that the net earnings of Company as defined in Indenture for 12 consecutive calendar months within 15 calendar months preceding the application therefor, are at least equal to twice annual interest charges on all bonds issued or about to be issued under Indenture, plus any outstanding refundable or other prior lien debt; (b) to refund, par for par, bonds of any series issued under the Indenture; (c) to refund, par for par, bonds, notes or other evidences of indebtedness described as refundable debt in the Indenture secured by mortgage or other lien upon additional property at the time of its acquisition, provided that such debt does not exceed 70% of cost or value, whichever is less, of the additional property subject thereto; (d) for an equal amount of cash deposited with Trustee withdrawable by Company in lieu of issue of bonds only under provisions of Indenture.

Purpose of Issue—Proceeds from sale of this issue of bonds were applied toward retirement of debt incurred for purchase of properties and construction of Neches power station and transmission lines, and to other corporate purposes.

Callability—Subject to call as a whole at any time or in part on any interest date on 30 days' notice at 105 prior to Sept. 1, 1936; at 104 on Sept. 1, 1936 and thereafter prior to Sept. 1, 1941; at 103 on Sept. 1, 1941 and thereafter prior to Sept. 1, 1946; at 102 on Sept. 1, 1946 and thereafter prior to Sept. 1, 1951; at 101½ on Sept. 1, 1951 and thereafter prior to Sept. 1, 1952; at 101 on Sept. 1, 1952 and thereafter prior to Sept. 1, 1953; at 100½ on Sept. 1, 1953 and thereafter prior to Sept. 1, 1954; at 100 on Sept. 1, 1954 and thereafter to maturity, plus accrued interest in each case.

Security—Secured by a direct first mortgage on all of fixed property together with franchises, rights and permits in connection therewith, now owned by Company, and by a direct lien on all fixed public utility property hereafter acquired, as defined in the mortgage Indenture, subject only to such liens as may exist on after acquired property at the time of acquisition.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania personal property tax up to 4 mills, refunded.

Legal Opinion—Tyler, Eames, Wright & Hooper, Boston, (for the Company), and Rushmore, Bisbee & Stern, New York, (for the bankers).

Original Offering—First publicly offered ($9,000,000) in October, 1926, at 96 and interest, to yield over 5¼%, by Stone & Webster, Inc., Blodget & Co., Boston, etc.; Blair & Co., Inc., and Brown Brothers & Co., New York, etc.

Listed—New York Curb Market.

Price Range—

	1927	1926
High	100	96
Low	95	94¾

Income Account, year ended Dec. 31, 1927—Gross earnings, $4,029,820; operating expenses and taxes (including Federal Income tax), $2,395,368; net earnings, $1,634,452; interest and amortization charges, $658,808; balance for reserves, retirements and dividends, $975,644.

OFFICERS AND DIRECTORS

Officers: George H. Clifford, Pres., Boston, Mass.; Chas. W. Kellogg, V-P., New York; Jack G. Holtzclaw, V-P. & Local Mgr., Texas Division, Beaumont, Tex.; Joseph Bowes, Local Mgr., Louisiana Division, Lake Charles, La.; William T. Crawford, Sec.; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Executive Managers, Boston, Mass.

Directors: Harry A. Arthur, Andrew Fletcher, Jr., S. B. Olney, Samuel B. Tuell, Geo. H. Clifford, Charles W. Kellogg, Thomas W. Streeter.

Offices, Beaumont, Tex., and Lake Charles, La.

LOUISIANA ELECTRIC COMPANY, INC.

(Controlled by Eastern Texas Electric Company (Delaware)

History and Properties—Incorp. June 24, 1924 in Louisiana as the Lake Charles Electric Co., Inc., and acquired the properties formerly operated by Lake Charles Railway, Light & Water Works Company and Lake Charles Gas Co., Inc. (see 1924 Manual, page 1992, or apply to our Information Department; name changed to present one by charter amendment effective June 2, 1925. Company does the street railway business in Lake Charles, La. As of July 1, 1926, all property with the exception of the street railway lines were sold to the Gulf States Utilities Co. of Beaumont, Tex.

CAPITAL STOCK

Outstanding, $50,000; par, $50. All owned by Eastern Texas Electric Co. (Delaware). Annual meeting, third Monday in February.

FUNDED DEBT—None.

OFFICERS AND DIRECTORS

Officers: George H. Clifford, Pres.; J. G. Holtzclaw, V-P.; H. B. Sawyer, Treas.; W. T. Crawford, Sec., Boston; Joseph Bowes, Local Mgr., Lake Charles, La.; Stone & Webster, Inc., Boston, Executive Managers.

Directors: Harry A. Arthur, Geo. H. Clifford, Andrew Fletcher, Jr., Charles W. Kellogg, S. B. Olney, Thomas W. Streeter, S. B. Tuell.

Operating Office, Lake Charles, La.

NEBRASKA ELECTRIC POWER COMPANY

(Controlled by Eastern Texas Electric Co. (Del.)

History and Property—Incorporated Jan. 2, 1925, in Delaware. Acquired the United Electric Co., Loup City, Neb. Company owns and operates steam and Diesel engine plants at Lexington and Broken Bow, and new Diesel engine plants at Loup City, Arapahoe and Cozad, furnishing electricity to 26 towns in Nebraska as follows: Lexington, Cozad, Eddyville, Elm Creek, Miller, Overton, Smithfield, Sumner, Broken Bow, Anselmo, Berwyn, Merna, Loup City, Ashton, Arcadia, Comstock, Hazard, Litchfield, North Loup, Rushville, Clinton, Gordon, Hay Springs, Edison, Oconto, Ericson, Ogallala and Araphahoe. Estimated population served, 20,949.

Control of this company was acquired from Central States Power & Light Corp. in Jan., 1927, by the Eastern Texas Electric Co. (Delaware) and the property is now operated under the executive management of Stone & Webster, Inc., Boston.

CAPITAL STOCK

Authorized, $200,000 Common and $200,000 7% cumulative Pfd.; outstanding, $158,450 Common and $100,000 Pfd.; par, $100. All owned by Eastern Texas Electric Co. (Delaware). Pfd. stock is subject to call as a whole or in part on any dividend date on 30 days' notice at 101 and accrued dividends. Annual meeting, last Tuesday in January at Wilmington, Del. No dividends paid.

FUNDED DEBT

(1)

$63,500 CITY OF GORDON, NEB., 5% MUNICIPAL SERIAL AND REFUNDING BONDS; DUE JULY 1 AS FOLLOWS: 1935 TO 1939, $2,000 PER ANNUM; 1940 TO 1944, $8,000 PER ANNUM; 1945, $13,500

Dated July 1, 1925.

Interest Payable January and July 1. Denominations, $500 and $1,000. Assumed by Nebraska Electric Power Co. Sept. 27, 1926.

(2)

$10,000 VILLAGE OF MERNA, NEB., 6% MUNICIPAL BONDS; DUE JANUARY 15, 1932

Dated January 15, 1922.

Interest Payable January and July 15, by County Treasurer of Custer County, Broken Bow, Neb. Denomination, $500. All owned by State Department. Not subject to call. Assumed by Nebraska Electric Power Co. in July, 1925. Company does not pay Normal Federal Income Tax.

(3)

$869,500 NEBRASKA ELECTRIC POWER CO. FIRST MORTGAGE FIVE-YEAR GOLD 6s, SERIES "A"; DUE FEBRUARY 1, 1930

Dated February 1, 1925.

Interest Payable February and August 1, at American Trust Co., Davenport, Iowa, and The Northern Trust Co., Chicago, Ill.

Denomination—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—American Trust Co., Davenport, Iowa, and Frank A. Johnson, Davenport, Iowa.

Provisions of Issue—Authorized amount unlimited; issued, Series "A," $669,500. Proceeds were used to pay off existing indebtedness, to consolidate the properties, etc. These bonds are issued under a self-refunding type of mortgage, permitting different series of bonds of various maturities, interest dates, optional features, etc., provided, however, that the security for any bonds outstanding shall never be impaired. Company may issue additional bonds under this mortgage only under the carefully drawn restrictions of the mortgage for 80% of the cost or fair value, whichever is less, of further permanent extensions and additions to Company's property, provided net earnings for the preceding 12 months shall have been at least equal to twice the annual interest requirements on all bonds outstanding, including those then proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice, at 103½, on or after Feb. 1, 1928; at 103 on or after Feb. 1, 1929; at 102½ on or after Feb. 1, 1930, and at 102 on or after Feb. 1, 1931.

Maintenance Fund—The Trust Deed provides for this series of bonds an annual maintenance fund under which an amount equal to at least 12½% of annual gross earnings shall be set aside in a maintenance fund. The amount remaining in the fund after withdrawal of actual maintenance expenditures may be utilized for retirement of bonds of this issue, for permanent extensions and additions, which shall not be made the basis for the issuance of bonds or shall be set aside for depreciation.

Security—Secured by a direct first mortgage on all the properties, franchises and contracts of Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($350,000) in April, 1925, at par and interest, by Priester, Quail & Cundy, Inc., Davenport, Iowa, and Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$311,720	$217,738
Operating expenses and taxes	206,339	119,430
Depreciation	*	41,444
Net earnings	$105,381	$64,864
Other income	.....	1,687
Total income	$105,381	$66,551
Bond interest	47,039	42,052
Other interest	46,078	6,831
Amort. of debt discount and expense	14,694	14,839
Deficit for year	$2,430	†$2,829

*Appropriations from profit and loss for retirement, $3,000.
†Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property, equipment, etc.	$1,636,887	$1,279,761
Liberty bonds	25,625	25,625
Materials and supplies	72,809	72,143
Cash	83,281	14,851
Notes and accts. receivable	78,303	50,554
Other current assets	1,616	5,244
Unadjusted debits	50,917	41,126
Unamortized debt discount and expense	27,332	53,688
Deficit	6,178	.....
Total	$1,982,948	$1,542,992

Liabilities—	1927	1926
Common stock	$158,450	$158,450
Preferred stock	100,000	100,000
Funded debt	743,000	743,000
Coupon notes	.....	150,000
Equipment obligations	.....	28,000
Notes payable	845,487	160,310
Contracts payable	.....	34,549
Accounts payable	3,839	132
Interest accrued	17,255	22,532
Other current liabilities	8,660	3,595
Reserve for bad debts	.....	1,308
Reserve for depreciation	106,257	126,967
Deferred & unadjusted credits	.....	6,465
Profit and loss	.....	7,684
Total	$1,982,948	$1,542,992

Officers: George H. Clifford, Pres.; H. W. Welch, V-P.; W. T. Crawford, Sec.; H. B. Sawyer, Treas., Boston, Mass.; Samuel T. MacFadden, Local Mgr., Scottsbluff, Neb.; Stone & Webster, Inc., Executive Mgrs., Boston, Mass.

Directors: Harry A. Arthur, Andrew Fletcher, Jr., Charles W. Kellogg, Sigourney B. Olney, Thomas W. Streeter, Samuel B. Tuell, New York; George H. Clifford, Boston, Mass.

General Office. Scottsbluff, Neb.

WESTERN PUBLIC SERVICE COMPANY

(Controlled by Eastern Texas Electric Company, Delaware)

History and Properties—Incorporated June 20, 1912, in Colo., as The Intermountain Railway, Light and Power Co.; name changed to present title in 1922. (see 1922 Public Utility Manual, page 772).

Company owns all the outstanding securities of Tarkio Electric and Water Co. and The Mound City Electric Light and Ice Co. the former incorporated in Missouri in 1889 and the latter in Missouri in 1909.

These companies operate public service properties in over 75 cities and towns in the states of Colorado, Wyoming, Nebraska, Missouri and Texas, serving about 20,000 electric and water customers in territory having an aggregate population of 114,000. The properties include 27 small but modern central station power plants, together with electric distribution systems and over 595 miles of transmission lines; also 21 ice plants and 8 water plants.

Owns electric light plants in Las Animas, Colo.; Laramie, Wyo.; Chadron, Crawford, Scottsbluff, Holdrege, Auburn, Bridgeport, Broadwater and Dalton, Neb.; Tarkio and Mound City, Mo.; Navasota, Somervill, Hempstead, Calvert, Alvin, Conroe, Cleveland, Bedias, Corrigan, Caldwell, Madisonville, Huntsville, Trinity and Groveland, Texas.

Steam heating plants in Laramie, Wyo.; Chadron, Crawford and Scottsbluff, Neb., and Tarkio, Mo.

Ice plants at Las Animas and La Junta, Colo.; Chadron, Holdrege, Scottsbluff and Bridgeport, Neb.; Navasota, Sour Lake, Bryan, Hearne, Calvert, Caldwel, Alvin, Conroe, Liberty, Dayton, Huntsville, Groveton & Trinity, Tex.; Tarkio & Mound City, Mo. Furnishes water in Tarkio, Mo.; Navasota, Somerville, Calvert, Alvin, Cleveland, Dayton and Franklin, Tex.

Company does all street lighting in practically all these communities.

Operates transmission lines serving Fort Lyon, Lyons and Marlman, Colo.; Hildreth, Funk, Wilcox, Axtell, Bayard, Minatare, Melbeta, Bridgeport, Northport, Broadwater, Johnson, Nemaha, Gurley, Haig, Rulo, Sacramento, Whitney, Howe and Brownville, Neb.; Anderson, Greyburg, Lyons, Caldwell, Franklin, Batson, Dayton, Liberty, Saratoga, Sour Lake, Willis, Kosse and Bremond, Texas; Northboro, Iowa; Bigelow, Corning, Craig, Fairfax, Fortescue, Graham, Langdon, Maitland, Phelps City, Quitman, Rockport, Skidmore, New Point, Stanberry, Linden, Watson and Westboro, Mo.

CAPITAL STOCK

Authorized, $1,000,000 Common, $5,000,000 7% cumulative First Pfd. and $1,000,000 7% cumulative Second Pfd.; outstanding, Dec. 31, 1927, $880,000 Common, $796,500 First Pfd., and $655,200 Second Pfd.; par, $100. The Eastern Texas Electric Co. (Delaware) owns $869,800 of the Common, $20,000 of the First Pfd., and $196,900 of the Second Pfd. stock. In addition, $294,400 First Pfd. and $342,600 Second Pfd. is held in treasury, and $2,200 Second Pfd. is reserved for exchange for stock of The Intermountain Railway Light and Power Co.

First Preferred Stock Provisions—Has preference for assets and dividends over Second Pfd. and Common, and in the event of voluntary or involuntary dissolution is entitled to 107½ and accrued dividend. No additional First Pfd. stock may be issued unless consolidated net earnings for any twelve consecutive months of the immediately preceding fifteen months, after deducting all charges (but not depreciation), shall have been not less than 2½ times annual dividend requirements on all First Pfd. outstanding including that proposed to be issued. In the event of default in two quarterly dividend payments, holders shall be entitled to vote share for share with the holders of all other classes of stock.

Public Offering—$500,000 First Pfd. stock was publicly offered in Aug. 1925, at 96 and dividends to yield about 7.29%, by G. E. Barrett & Co., Inc., W. A. Harriman & Co., Inc., Howe, Snow & Bertles, Inc., and R. E. Wilsey & Co., Inc., New York, Chicago, etc.

Purpose of Issue—The proceeds of the $500,000 First Pfd. stock, $4,200,000 First Mortgage Series "A" 6s and $1,000,000 Debenture Series "A" 6½s, were used to retire the outstanding funded obligation of Company and for other corporate purposes.

Legal Opinion—Pam & Hurd, Chicago (for the Company) and Davis, Polk, Wardwell, Gardiner & Reed, New York (for the Bankers).

Transfer Agents—First Pfd.: Central Union Trust Co. of New York, and Stone & Webster, Inc., Boston. Second Pfd. and Common: Stone & Webster, Inc., Boston.

Registrars—First Pfd.: Guaranty Trust Co. of New York and The First National Bank of Boston. Second Pfd.: The First National Bank of Boston.

WESTERN PUBLIC SERVICE CO., SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit

San Francisco Minneapolis Philadelphia

Annual Meeting—Second Tuesday in February.

Price Range—

	1927	1926
First Preferred—		
High	97	90
Low	90½	90
Second Preferred—		
High	90	85
Low	80	75

Dividends—First Pfd. dividends paid at the rate of 7% per annum quarterly, M, J, S & D 1. Dividends on Second Pfd. stock were paid in 6% scrip from 1918 to the first quarter in 1921; cash dividends resumed March 15, 1923 and regularly paid quarterly to date, M, J, S & D 1, at rate of 7% per annum.

FUNDED DEBT

(1)

$4,331,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE APRIL 1, 1950

Dated April 1, 1925.

Interest Payable April and October 1, at The International Trust Co., Denver, Colo., Central Union Trust Co. of New York, and Continental National Bank & Trust Co., Chicago.

Denominations—Coupon (principal may be registered) $500 and $1,000; interchangeable.

Trustees—The International Trust Co., Denver, Colo. and Albert W. Jones, Jr., Denver.

Registrars of Bonds—The International Trust Co., Denver, Colo.; Central Union Trust Co. of New York, and Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Issued, $4,399,000 Series "A" 6s of which $19,000 held in treasury and $49,000 cancelled to Dec. 31, 1927. The proceeds of the Series "A" bonds, $1,044,000 Debenture Gold bonds, Series "A" 6½%, and $500,000 par amount of First Pfd. 7% cumulative stock, were used to retire the outstanding funded obligations and for other corporate purposes.

Additional First Mortgage bonds of Series "A" or of subsequent series (with such rates of interest and maturing on such dates and with such other provisions as directors may determine) may be issued in principal amounts not greater than 75% of the cost or fair value (whichever is less) of additions, extensions, improvements, betterments, and new acquisitions made or acquired subsequent to Dec. 31, 1924 (exclusive of certain properties recently acquired or in process of acquisition by funds provided through this financing) and subjected to the lien of this Mortgage, either directly or through pledge of securities, and of permanent improvements, betterments and additions to property thus subjected to the lien thereof; provided that earnings applicable to bond interest for any twelve consecutive months of the immediately preceding fifteen months shall have been not less than twice the aggregate annual interest requirements of prior lien obligations (if any) and First Mortgage bonds then outstanding, including those proposed to be issued. The mortgage further provides that Series "A" bonds or bonds of subsequent series may be issued to refund underlying obligations in respect of after-acquired property, and to refund bonds previously issued under this mortgage.

Callability—Subject to call as a whole at any time, or in part on any interest date upon 60 days' notice, at 107½ and interest if redeemed on or before April 1, 1929; thereafter on or before April 1, 1934, at 105 and interest, thereafter on or before April 1, 1939, at 103 and interest thereafter on or before April 1, 1944, at 102 and interest; thereafter on or before April 1, 1949, at 101 and interest; and thereafter at par and interest.

Improvement Fund—The mortgage includes provision for the establishment of an "Improvement Fund" payable annually to the Trustees in an amount equal to the balance remaining after deducting actual maintenance expenditures from 12½% of consolidated gross operating revenues of company and subsidiaries. Moneys in the Improvement Fund may be used from time to time by company for (a) additions, improvements, extensions, betterments and acquisition of additional property, against any of which no First Mortgage bonds may be issued; (b) for the retirement of prior lien obligations and First Mortgage bonds of any series, or (c) for maintenance expenditures made in any year when expenditures for such purpose amount to more than 12½% of consolidated gross operating revenues; (d) for expenditures (other than for maintenance) made subsequent to Dec. 31, 1924, for replacements and renewals properly chargeable to depreciation reserve.

Security—Secured by first mortgage lien on all fixed properties now owned or hereafter acquired by Company, subject only to prior liens on after-acquired property, and by deposit with the Trustees of the entire issues of capital stock of subsidiaries and of notes covering indebtedness to Company for which Company covenants to exchange the entire issues of first mortgage obligations of Tarkio Electric and Water Co. and The Mound City Electric Light and Ice Co. when authorized and issued.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and will refund upon proper application the following taxes: Pennsylvania four mills tax, Connecticut Personl Property Tax not exceeding four mills per annum. Maryland Security Tax not exceeding 4½ mills per annum, Massachusetts Income Tax on the interest not exceeding 6% per annum, and California Personal Property Tax not exceeding four mills per annum.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York, (for the bankers); Pam & Hurd, Chicago (for the Company).

Original Offering—First publicly offered ($4,200,000) in May, 1925, at 98 and interest to yield 6.15%, by W. A. Harriman & Co., Inc., and Howe, Snow & Bertles, Inc., New York, R. E. Wilsey & Co., Inc., Chicago, and International Trust Co., Denver.

Price Range—

	1927	1926	1925
High	104½	101	99½
Low	102	98¼	96

(2)

$1,007,000 DEBENTURE GOLD BONDS, SERIES "A" 6½%; DUE APRIL 1, 1935

Dated April 1, 1925.

Interest Payable April and October 1, at The International Trust Company, Denver, Colo., Central Union Trust Co. of New York, and Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee and Registrar—The International Trust Company, Denver, Colo.

Provisions of Issue—Authorized amount, unlimited. Issued, $1,066,000 Series "A" 6½s, of which $22,000 held in treasury Dec. 31, 1927, and $37,000 owned by Eastern Texas Electric Co. (Del.)

The proceeds from the sale of these bonds, the $4,331,000 First Mortgage 6% Gold bonds, Series "A," and $500,000 First Preferred 7% cumulative stock, were used to retire the outstanding funded obligations and for other corporate purposes.

The indenture permits the issuance of additional bonds in Series at such rates of interest, with such maturity dates (not, however, prior to the maturity date of Series "A" Debenture bonds, so long as any Series "A" Debenture bonds are outstanding) and with such other provisions as the Board of Directors may from time to time determine. The Indenture provides that except as to $5,200,000 of present financing the net capital debt of Company, as defined in the Indenture shall never exceed its net capital expenditures subsequent to Dec. 31, 1924, and that no additional Debenture bonds (except to refund Debenture bonds previously issued and retired) may be issued unless the consolidated net earnings of Company

and subsidiaries for any twelve consecutive months of the immediately preceding fifteen months, after deducting actual maintenance expenditures (but not depreciation) and all taxes except Federal income and excess profits taxes, and after deducting annual interest charges on then outstanding prior obligations including First Mortgage bonds, shall have been not less than three times the annual interest requirements of Debenture bonds then outstanding, including those proposed to be issued.

Callability—Subject to call as a whole at any time, or in part on any interest date, upon 60 days' notice at 103 if redeemed on or before April 1, 1928; thereafter, on or before April 1, 1931, at 102; thereafter on or before April 1, 1934, at 101 and thereafter at 100 plus accrued interest in each case.

Sinking Fund—Indenture provides for a sinking fund payable to the trustee annually commencing April 1, 1928. The payments from April 1, 1928 to April 1, 1931, both inclusive, are to be in amounts sufficient to retire annually not less than 2% of the greatest principal amount of Series "A" Debenture bonds theretofore outstanding. Thereafter the payments are to be in amounts sufficient to retire annually not less than 2½% of the greatest principal amount of Series "A" Debenture bonds theretofore outstanding.

Convertibility—Convertible into 7% cumulative First Pfd. stock of company on the basis of $100 per share, with adjustment of accrued interest on the bonds and dividends accrued on the stock from the next preceding regular dividend payment date. The holders will be entitled to exercise the conversion privilege up to the date 15 days prior to the date on which the bonds are to be redeemed. Bonds converted shall be cancelled and may not be reissued.

Security—A direct obligation of Company, but not secured by mortgage.

The Indenture provides that so long as any Series "A" Debenture Bonds are outstanding (a) no subsequent Series may be made convertible into First Preferred 7% cumulative stock on a basis of less than $100 per share of such stock, (b) no subsequent series may be issued with sinking fund provisions which would operate to retire the subsequent series at a greater proportionate rate than the Sinking Fund of Series "A" Debenture bonds, and (c) it will not issue any funded obligations other than Debenture bonds under this Indenture and/or bonds under the First Mortgage dated April 1, 1925.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The company agrees to refund upon proper application the following taxes: Pennsylvania Four-Mills Tax, Connecticut Personal Property Tax not exceeding Four Mills per annum, Maryland Security Tax, not exceeding Four and One-Half Mills per annum, Massachusetts Income Tax on the interest not exceeding 6% per annum, and California Personal Property Tax not exceeding Four Mills per annum.

Legal Opinion—Pam & Hurd, Chicago, for the company and Davis, Polk, Wardwell, Gardiner & Reed, New York, for the bankers.

Price Range—

	1927	1926	1925
High	101¼	100	98
Low	100	98	94

Officers: George H. Clifford, Pres.; J. G. Holtzclaw, V-P. & Local Mgr. Southern Division; H. B. Sawyer, Treas.; P. R. Williams, Sec. & Compt.; Stone & Webster, Inc., Executive Mgrs., Boston; S. P. McFadden, Local Mgr. of Northern Division, Scottsbluff, Neb.

Directors: George H. Clifford, W. Alvis Parish, J. L. Alexander, Palmer Hutcheson, Clarence R. Wharton, Walter H. Burke, Harry T. Edgar, R. E. Wilsey.

Offices, Scottsbluff, Neb., and Beaumont, Tex.

EL PASO ELECTRIC COMPANY (DELAWARE)

(Controlled by Engineers Public Service Company)

History—Incorporated June 14, 1924, in Del., and controls through stock ownership of the El Paso Electric Company (Texas), El Paso and Juarez Traction Company, Rio Grande Valley Traction Company of El Paso, Texas, and Mesilla Valley Electric Company of Las Cruces, New Mexico.

The El Paso Electric Co. (New Jersey) (see 1926 Public Utility Manual, page 1003), which formerly controlled the first three named companies has been dissolved; its outstanding capital stock, not owned by the Delaware Corporation, is exchangeable for stock of that company on the basis mentioned under "Capital Stock" paragraph.

Mesilla Valley Electric Co.—Incorporated June 7, 1924 in New Mexico, and owns the electric lighting and power and ice business in Las Cruces, N. M. Capital stock consists of 6,000 shares of no par value authorized and 3,000 shares outstanding, all of which is owned by El Paso Electric Co. (Delaware.)

El Paso and Juarez Traction Co.—Incorporated April 9, 1900 in Texas. This company and the El Paso Electric Co. (Texas) own and operate two toll bridges across the Rio Grande, between El Paso, Tex., and Juarez, Mex. It also does the entire electric railway and electric lighting and power business in Juarez, Mex., purchasing its power from the Texas Corporation. Capital stock—Authorized, 20,000 shares of no par value; outstanding, 14,600 shares, all of which are owned by El Paso Electric Co. (Delaware).

Rio Grande Valley Traction Co.—Incorporated July 19, 1912 in Texas, and does a bus business between El Paso and Fabens, Tex. Capital stock—Authorized and outstanding, $500,000, all of which is owned by El Paso Electric Co. (Delaware).

El Paso Electric Co. (Texas)—See appended statement.

Business and Property—These companies do the entire electric lighting and power business in El Paso, Texas, and Juarez, Mexico, and along the Rio Grande Valley, a distance of approximately 175 miles, extending south from Las Cruces, New Mexico; the entire electric railway and bus business in El Paso, Texas, and Juarez, Mexico; and operate a bus line between El Paso and Fabens, Texas. Also operate two toll bridges across the Rio Grande at El Paso, Texas, and does the ice business in Las Cruces, New Mexico. Estimated population served Jan. 1, 1928: Light and power, 150,400; transportation, 136,200; both of which figures include 3,000 soldiers.

Power stations located at El Paso, Tex., Van Horn, Tex., and Las Cruces, N. M., have a capacity of 31,878 k.w. Miles of transmission line (6,600 volts and over) 157.2. Miles of equivalent single track, 42.5. Gauge standard. Car barns at El Paso, Tex. No. of revenue type cars, 80; other cars, 6—total cars, 86. No. of buses, 11.

Control.—In accordance with an offer made to Common stockholders in Feb., 1926, whereby they could exchange their stock on the basis of ¾ of a share of $7 Pfd. stock and 1 share of Common stock of Engineers Public Service Co. for each share of Common stock held, together with a dividend adjustment of 22 cents a share, the latter Company has acquired, or controls through deposit, 94.48% of the Common stock of El Paso Electric Co. (Delaware).

Management—The subsidiary companies are under the executive management of Stone & Webster, Inc.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Electrical output (k.w.h.)	*Railway and Bus Passengers
1921	14,732	36,628,000	16,853,084
1922	15,459	39,936,000	15,307,878
1923	16,404	45,338,000	15,400,907
1924	18,046	48,620,000	14,273,249
1925	19,307	54,195,000	14,070,512
1926	20,519	64,467,390	14,412,910
1927	21,609	74,356,002	14,029,954

*Excluding transfers.

CAPITAL STOCK

Authorized, 58,282 shares Common of no par value, $3,000,000 7% cumulative Pfd. Series "A," par $100, and $349,400 6% non-cumulative Pfd. Series "B," par, $100; outstanding, 58,050 shares Common, $2,765,600 Pfd. Series "A," and $17,600 Pfd. Series "B." In addition to outstanding amounts, 232 shares Common, $5,000 Pfd. stock, Series "A," and $5,000 Pfd. stock Series "B" are reserved to be exchanged for El Paso Electric Co. (N. J.) outstanding capital stock on the basis of share per share for Pfd. stock and two shares Common (Delaware corporation) for one share of New Jersey corporation. $152,600 Pfd. "B" stock has been exchanged share for share into Pfd. "A" stock.

Preferred Stock Provisions—Series "A" Pfd. stock has preference for dividends and for assets in case of liquidation and is redeemable at 115. Series "B" Pfd. stock has preference for dividends and for assets in case of liquidation, subject to Series "A" Pfd. stock, is redeemable at 110, and was convertible at any time prior to July 1, 1927, into Series "A" Pfd. stock, share for share.

Transfer Agent—Stone & Webster, Inc., Boston.

Registrar—State Street Trust Co., Boston.

Public Offering—$1,500,000 7% Pfd. Series "A" publicly offered in January, 1925 at 103 and accrued dividend to yield 6.80% by Stone & Webster, Inc., New York, Boston and Chicago.

Legal Opinion—Tyler, Tucker, Eames & Wright, Boston.

Annual Meeting—Third Monday in May.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Pfd. A—								
High	112	107	104	94	90	88	80	75
Low	106	102½	102	85¼	86⅛	80½	75	72
Preferred B—								
High	93	105	80	104	..	..	..	..
Low	87	bid	bid	98	..	..	..	..
Common—								
High	135	94	80	72	..	..	..	..
Low	120	85	71	65	..	..	..	..

Dividends—Initial semi-annual dividend of 3½% on Series "A" Pfd. stock paid July 15, 1924; Oct. 15, 1924 a quarterly dividend of 1¾% was paid, which rate maintained to date; payments J, A, J & O 15. Initial semi-annual dividend of 3% on Series "B" Pfd. stock, paid July 15, 1924; Oct. 15, 1924 a quarterly dividend of 1½% was paid, which rate maintained to date; payments J, A, J & O 15. Initial dividend of $1.25 per share on Common stock was paid Sept. 15, 1924, which quarterly rate maintained to Sept. 15, 1926; Dec. 15, 1926, $1.50 a share; March 15, 1927, to date, $1.75 a share; payments M, J, S & D 15.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	‡1927	‡1926	‡1925	‡1924	†1923	†1922
Gross earnings	$2,998,271	$2,836,915	$2,552,617	$2,434,371	$2,407,468	$2,290,841
Oper. exp., maintenance & taxes	§1,863,404	1,767,491	1,643,706	1,582,492	1,520,278	1,439,009
Net earnings	$1,134,867	$1,069,424	$908,911	$851,879	$887,190	$851,832
Other income	8,623	.....	9,415	19,287	.....	.....
Total income	$1,143,490	$1,069,424	$918,326	$871,166	$887,190	$851,832
Interest and amortization	182,232	165,394	199,736	234,058	204,971	209,108
*Balance	$961,258	$904,030	$718,590	$637,108	$682,219	$642,724
Preferred dividends	193,399	181,876	161,884	75,663	47,022	47,022
Common dividends	406,333	304,721	293,962	291,410	291,410	291,410
Balance for reserves & retirements	$361,526	$417,433	$262,744	$270,035	$343,787	$304,292
***Times Fixed Charges Earned**	6.27	6.47	4.60	3.72	4.33	4.07
***Earnings Per Share—**						
7% Preferred "A"	$34.76	$34.72	$30.18	$112.01	$68.22	$64.27
Common	13.22	12.44	9.60	9.93	21.80	20.44

*Before Reserves and Retirements. †El Paso Electric Co. (New Jersey) and subsidiaries. ‡El Paso Electric Co. (Delaware) and subsidiaries. §Includes operation, $1,428,985; maintenance, $182,774 and taxes, $251,645.

Consolidated Surplus Account, Dec. 31, 1927—Earned surplus, Jan. 1, 1927, $769,000; net income for 1927, $961,258—total, $1,730,258 Retirement reserve, $350,000; net direct charges, $46,109—total, $396,109. Balance, $1,334,149. Deduct: Pfd. dividends, $193,399; Common dividends, $406,333. Earned surplus, Dec. 31, 1927, $734,417.

Maintenance—During the last 26 years, the Company and its predecessor companies have expended for maintenance, which is included in operating expenses, a total of 7.55% of the entire gross earnings over this period, and in addition during this period have set aside for reserves or retained as surplus a total of 10.09% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	†1927	†1926	†1925	†1924	*1923	*1922
Property, plant, etc	$11,088,594	$9,897,402	$9,263,346	$8,513,158	$7,581,427	$7,455,431
Miscellaneous investments	15,328	15,328	15,027	10,027	.....	.....
Special deposits	.....	.....	.....	849	.....	.....
Materials and supplies	248,857	252,118	270,907	186,306	151,547	153,544
Advance payments	93,475	32,998	34,134	173,602	24,150	36,849
Accounts receivable	281,397	273,604	235,827	169,795	132,923	178,701
Treasury Preferred stock	.....	.....	.....	.....	216,300	216,300
Cash	310,022	214,286	350,694	110,327	170,763	125,138
Notes receivable	1,963	920	801	969	447	.....
Unadjusted debits	18,000	33,486	84,247	54,769	6,963	669
Unamort. debt discount and expense	239,023	237,294	243,177	22,869	56,372	93,845
Total	$12,296,659	$10,957,436	$10,498,160	$9,242,671	$8,340,892	$8,260,477

GENERAL BALANCE SHEET DECEMBER 31 (Continued):

	†1927	†1926	†1925	†1924	*1923	*1922
Liabilities—						
Preferred stock Series "A" 7%	$2,765,600	$2,603,900	$2,380,600	$568,800	.....	.....
Preferred stock Series "B" 6%	17,600	103,400	115,100	164,100	.....	.....
El Paso Electric Co. (N. J.) Com. stock	.....	12,100	15,000	87,400	$2,914,100	$2,914,100
El Paso Electric Co. (N. J.) Pfd. stock	.....	6,700	8,700	50,800	1,000,000	1,000,000
Funded debt	4,000,000	3,000,000	3,000,000	1,000,000	1,000,000	1,000,000
Coupon notes	.....	.....	.....	2,350,000	1,550,000	1,550,000
Notes payable	.....	.....	1,500	325,000	30,000	.....
Car trust certificates	.....	.....	.....	.....	18,762	29,818
Accounts payable	51,143	37,469	81,773	25,863	21,227	19,966
Accounts not yet due	256,959	243,705	153,650	140,491	139,130	130,741
Dividends declared	48,662	46,789	43,518	13,181	.....	.....
Contribution for extensions	13,917	12,647	12,557	11,707	.....	.....
Unadjusted credits	5,515	4,780	15,456	3,446	1	14,878
Operating reserves	59,772	68,697	67,150	77,871	76,671	98,349
Retirement reserve	1,390,793	1,101,249	819,896	637,562	641,287	665,375
Appropriated reserve for retirements	1,305	.....	.....	.....	.....	.....
Reserves and surplus	‡3,685,393	3,716,000	3,783,260	3,786,450	949,714	837,250
Total	$12,296,659	$10,957,436	$10,498,160	$9,242,671	$8,340,892	$8,260,477

*El Paso Electric Co. (New Jersey). †El Paso Electric Co. (Delaware) and subsidiaries. ‡Balance of assets showing book value for 58,050 shares Common of no par value, including an earned surplus of $734,417.

Officers: A. F. Crichton, Pres.; E. E. Berl, V-P.; E. M. Harrigan, V-P., Wilmington, Del.; C. W. Kellogg, V-P., New York; W. T. Crawford, Sec., Boston; H. T. Graham, Treas., Wilmington, Del.; Stone & Webster, Inc., Exec. Mgrs. of operating subsidiary companies, Boston; Joseph Bowes, Local Mgr. operating companies, El Paso, Tex.

Directors: Harry A. Arthur, Alexander F. Crichton, Murray W. Dodge, Andrew Fletcher, Jr., Charles W. Kellogg, George N. Lindsay, Ray Morris, Sigourney B. Olney, Arthur W. Page, Thomas Price, Thomas W. Streeter.

Office, Wilmington, Del.

EL PASO ELECTRIC COMPANY (TEXAS)

(Controlled by El Paso Electric Company, Delaware)

History—Incorporated Aug. 30, 1901, in Texas as El Paso Electric Ry. Co.; name changed to present title in June, 1925. Does the entire electric light and power business and furnishes without competition the railway and auxiliary bus service in El Paso, Texas; owns and operates the American half of each of two international toll bridges across the Rio Grande River at El Paso; and supplies the entire electric light and power service for a number of small towns in the Rio Grande Valley between the southern boundary of New Mexico and McNary, Texas, a distance of about 75 miles along the Rio Grande and in addition the towns of Sierra Blanca and Van Horn. Population served is in excess of 113,400. The properties include a modern steam generating station of 42,000 H. P. capacity, over 400 miles of electric transmission and distribution lines, 43 miles of railway track, 78 revenue type cars, 6 buses and the American half of the two toll bridges.

CAPITAL STOCK

Outstanding, 150,000 shares of no par value. All owned by El Paso Electric Co. (Delaware). Annual meeting, second Monday in January.

FUNDED DEBT

$4,000,000 FIRST MORTGAGE GOLD 5s, SERIES "A"; DUE JUNE 1, 1950

Dated June 1, 1925.

Interest Payable June and December 1, at State Street Trust Co., Boston, Guaranty Trust Co. of New York, and Northern Trust Company, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee and Registrar—State Street Trust Company, Boston.

Provisions of Issue—Issued, $4,000,000 Series "A" 5s. The proceeds from this issue were used to refund the previously outstanding funded debt of company.

Additional bonds may be issued from time to time, in series varying as to interest rates, maturity dates, etc., (a) par for par for the refunding of bonds previously outstanding under the Mortgage, and (b) for not more than 75% of the cost or fair value, whichever is less, of net property additions made or acquired subsequent to May 31, 1925, provided in the last two cases that net earnings, as defined in the Mortgage, are not less than 1¾ times annual interest charges on all First Mortgage Bonds then outstanding and proposed to be issued.

Callability—Subject to call as a whole at any time, and in part on any interest date, upon 30 days' notice, at 105% and accrued interest on or before Dec. 1, 1930, thereafter at 104% on or before Dec. 1, 1934, thereafter 103% on or before Dec. 1, 1938, thereafter at 102% on or before Dec. 1, 1942, thereafter at 101% on or before Dec. 1, 1946, thereafter at 100¾% on or before Dec. 1, 1947, thereafter at 100½% on or before Dec. 1, 1948, thereafter at 100¼% on or before Dec. 1, 1949, and thereafter at par.

Sinking Fund—No sinking fund provided.

Security—Secured by a first mortgage on all the fixed property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill Tax refundable upon demand made within 60 days after payment.

Legal Opinion—Tyler, Tucker, Eames & Wright, Boston. Goggin, Hunter & Brown, El Paso, Tex.

Original Offering—First publicly offered ($3,000,000) in June, 1925, at 95⅞ and accrued interest, to yield 5.30% by Guaranty Company of New York and Stone & Webster, Inc., New York, etc.; $1,000,000 additional offered in Dec., 1927, at 101 and interest, by Stone & Webster and Blodget, Inc., Chase Securities Corp., Blair & Co., Inc., and Brown Brothers & Co. New York, etc.

Price Range—

	1927	1926	1925
High	101⅝	99¾	96½
Low	98¾	95½	94½

EARNINGS, YEARS ENDED DECEMBER 31
(El Paso Electric Co., Texas)

	1927	1926
Gross earnings	$2,730,583	$2,564,86
Operating expenses and taxes, including Federal income taxes	1,714,518	1,610,42
Net earnings	$1,016,070	$954,44

Officers: George H. Clifford, Pres.; H. W. Welch, V-P.; H. B. Sawyer, Treas.; William T. Crawford, Sec.; Stone & Webster, Inc., Executive Mgrs., Boston.

Directors: Harry A. Arthur, George H. Clifford, Andrew Fletcher, Jr., Charles W. Kellogg, Sigourney B. Olney, Thomas W. Streeter, Samuel B. Tuell.

General Office, El Paso, Tex.

THE KEY WEST ELECTRIC COMPANY

(Controlled by Engineers Public Service Company)

History and Property—Incorporated May 16, 1898, in N. J. Does the entire electric lighting and power and transportation business in Key West, Fla. Franchises extend for 99 years from Nov. 17, 1898. Estimated population served, Jan. 1, 1928, 12,000. Power station located at Key West; capacity, 1,530 k.w. Bus service has been substituted for trolley service. Number of buses, 10.

Control—In accordance with an offer made to Common stockholders in Dec., 1925, whereby they could exchange their stock on the basis of 1/3 of 1 share of $7 Pfd. stock and 1 share of Common stock of Engineers Public Service Co. for each share of Common stock held, the latter Company acquired and now owns all the outstanding Common stock of The Key West Electric Co.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Electrical Output (k. w. h.)	*Passengers Carried
1921	2,544	2,038,567	1,710,686
1922	2,558	2,094,271	1,472,803
1923	2,547	2,248,831	1,348,454
1924	2,706	2,323,504	1,270,203
1925	3,042	2,427,024	1,399,581
1926	3,154	2,325,672	1,279,324
1927	3,066	2,100,309	853,994

*Excluding transfers.

CAPITAL STOCK

Authorized and outstanding, 5,000 Common shares of no par value and $350,000 7% (changed from 6% Dec. 13, 1923) cumulative Pfd., Series "A", par, $100. All the Common stock is owned by Engineers Public Service Co. Pfd. stock is redeemable at 110 on any dividend date and has preference for dividends and in case of liquidation. Transfer Agent: Stone & Webster, Inc., Boston. Registrar: State Street Trust Co., Boston. Annual meeting, last Monday in November.

Dividends—Pfd. dividends paid: In 1913 and 1914, 6% each; 1915, 1½%; 1916 to 1918, none; 1919, 4½%; 1920 to 1923, 6% per annum; March 1, 1924 to date, 7% per annum; payments, M, J, S & D 1. Accumulated Pfd. dividends deferred quarterly from June 1, 1915, to March 1, 1919, incl., aggregating $24 per share, were paid in Pfd. stock on June 2, 1919. Initial dividend of $1.25 a share on Common paid March 1, 1926 and at same rate to date; payments semi-annually, March and Sept. 1.

FUNDED DEBT

$548,000 First Mortgage 5% Gold bonds; dated Aug. 1, 1906; due Aug. 1, 1956; int. Feb. and Aug. 1, at State Street Trust Co., Boston, Trustee and Registrar. Subject to call as a whole (or in part for sinking fund) at 105 and int. at any time. Sinking fund, 1% of outstanding bonds, annually, began Dec. 1, 1912. Authorized, $1,000,000; issued, $653,000, of which $105,000 retired by sinking fund to Dec. 31, 1927. The $347,000 unissued bonds are reserved for future purposes. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	90½	88	88¾	85	83¾	83	74
Low	bid	88	87	80½	80½	74	74

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$260,048	$287,355	$267,857	$241,747	$245,125	$248,696
Oper. exp., maintenance & taxes	†162,299	185,100	165,428	146,328	149,987	158,353
Net earnings	$97,749	$102,255	$102,429	$95,419	$95,138	$90,343
Interest and amortization	30,141	31,295	30,315	30,009	30,625	31,116
Net income	$67,608	$70,960	$72,115	$65,410	$64,513	$59,227
Preferred dividends paid	24,500	24,500	24,500	24,500	21,000	21,000
Common dividends paid	12,500	12,500	.....	.....	.....	.....
Balance for reserves and retirements	$30,608	$33,960	$47,615	$40,910	$43,513	$38,227
*Times Fixed Charges Earned	3.24	3.27	3.38	3.18	3.10	2.90
*Earnings Per Share—						
Preferred	$19.31	$20.27	$20.60	$18.69	$18.43	$16.92
Common	8.62	9.29	9.52	8.18	8.70	7.65

*Before reserves and retirements. †Includes operation, $122,067; maintenance, $25,030, and taxes, $15,202.

Maintenance—During the 21 years under Stone & Webster executive management, the Company has expended for maintenance, which is included in operating expenses, a total of 9.33% of the entire gross earnings over this period and in addition during this period has set aside for reserves or retained as surplus a total of 11.39% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant account	$1,544,413	$1,547,466	$1,759,695	$1,734,935	$1,732,872	$1,734,973
Miscellaneous investments	.....	10,001	.....	.....	.....	.....
Materials and supplies	31,990	31,342	25,774	24,833	25,518	27,990
Advance payments	2,119	701	2,343	1,834	236	1,600
Accounts receivable	61,664	52,043	58,874	45,470	39,688	33,441
Sinking fund	803	325	421	171	516	496
Cash	24,156	43,391	63,395	49,499	30,580	19,556
Suspense	.....	.....	1	1	1	2
Unamortized debt discount & expense	32,950	34,500	36,125	37,318	38,925	40,589
Total	$1,698,095	$1,719,769	$1,946,627	$1,894,061	$1,868,336	$1,858,648
Liabilities—						
Common stock	*	*	*	*	$500,000	$500,000
Preferred stock	$350,000	$350,000	$350,000	$350,000	350,000	350,000
Funded debt	548,000	553,000	559,000	565,000	572,000	579,000
Equipment notes	7,052	16,671	26,537	.....	.....	.....
Notes payable	.....	25,000	.....	.....	.....	15,000
Accounts payable	5,229	4,907	12,769	944	8,689	6,859
Accounts not yet due	21,723	22,017	21,062	19,687	19,731	20,062
Contributions for extensions	466	466	.....	.....	.....	.....
Operating reserves	8,218	7,998	8,606	7,274	7,112	8,216
Retirement reserve	83,930	80,379	170,324	155,609	121,575	110,134
Appropriated reserve for retirements	18,772	.....	.....	.....	.....	.....
Reserves and surplus	*654,705	*659,331	*798,329	*795,547	289,229	269,377
Total	$1,698,095	$1,719,769	$1,946,627	$1,894,061	$1,868,336	$1,858,648

*Balance of assets showing book value for 5,000 shares Common stock of no par value ($500,000), including earned surplus of $159,331 for 1926 and $154,705 for 1927.

Officers: Donald C. Barnes, Pres., Boston, Mass.; Chas. W. Kellogg, V-P., New York; W. T. Crawford, Sec.; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Exec. Mgrs., Boston; B. L. Grooms, Mgr.; Key West, Fla.

Directors: Harry A. Arthur, Donald C. Barnes, Chas. W. Kellogg, Sigourney B. Olney, Arthur W. Page, Thomas Price, Thomas W. Streeter.

General Office, Key West, Fla.

SAVANNAH ELECTRIC AND POWER COMPANY

(Controlled by Engineers Public Service Company)

History and Property—Incorporated Aug. 5, 1921, in Ga.; effective Nov. 1, 1921, took over the properties formerly owned and operated by Savannah Electric Co., Savannah Power Co. and Chatham County Traction Co. (see 1921 Public Utility Manual, page 222, or apply to our Information Department) under a plan of reorganization, pursuant to a decree of Judge Evans in the U. S. District Court at Savannah, Ga. As of June 29, 1923, acquired the property formerly operated by Savannah Lighting Co. (see 1923 Manual). Does the entire electric lighting, power, electric railway and bus business in Savannah, Ga. Franchises, not limited in time. Estimated population served Jan. 1, 1928: Light and power, 100,200; transportation, 101,100. Owns and operates 62.1 miles of track in Savannah and vicinity. Gauge, 5 ft. Revenue type passenger cars, 113; other cars, 6—total, 119. No. of buses, 5. Power stations located at Savannah, Ga., have a combined capacity of 33,800 k.w. Miles of transmission line (6,600 volts and over), 44.1.

Control—In accordance with an offer made to Common stockholders in March, 1926, whereby they could exchange their stock on the basis of 3 shares of Common stock of the Engineers Public Service Co. for each share of Common stock held, the latter Company now owns 99.83% of Common stock of Savannah Electric & Power Co.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Electrical Output (k.w.h.)	*Passengers Carried
1921	7,853	41,243,000	13,400,679
1922	8,053	39,006,000	12,376,403
1923	12,647	46,906,000	11,445,775
1924	12,813	50,112,000	10,293,573
1925	13,242	56,238,000	9,845,762
1926	14,270	61,775,037	11,861,659
1927	14,886	58,766,460	10,816,663

*Excluding transfers.

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value, $2,300,000 ($1,300,000 8% Series "A," $500,000 7½% Series "B," and $500,000 7% Series "C") cumulative Debenture stock, and $1,000,000 6% cumulative (since Oct. 1, 1926) Pfd.; par of both Debenture and Pfd. stock $100; outstanding, Dec. 31, 1927, 133,334 shares Common, $1,779,300 ($1,300,000 8% Series "A," $248,000 7½% Series "B," and $231,300 7% Series "C") Debenture stock, and $1,000,000 Pfd. In addition, $2,000 7½% Series "B" Debenture stock and $18,700 Series "C" Debenture stock has been offered for subscription.

Capital Stock Changes—Stockholders at special meeting Oct. 7, 1926, and the Georgia Public Service Commission on Nov. 16, 1926, approved the proposition to change the 25,000 shares Common stock, par $100, into 100,000 shares of no par value, the new no par shares to be exchanged for the $100 par shares on the basis of 4 to 1; to increase the authorized 100,000 shares of no par value to 200,000 shares of no par value; to increase the Debenture stock from $1,800,000 to $2,300,000, the $500,000 new stock being designated Series "C" 7% cumulative Debenture stock. At same time in order to preserve relative voting powers of existing issues as a whole, voting rights were changed so that each share of Series "A" Debenture, Series "B" Debenture, and Pfd. stocks is given four votes in place of one; each share of Common stock to one vote, and the new Series "C" Debenture stock one vote per share.

Debenture and Preferred Stock Provisions—Series "A," Series "B" and Series "C" Debenture stock has preference for dividends and assets in case of liquidation and is subject to redemption, Series "A" at 125 and Series "B" and "C" at 110. Debenture stock may be issued from time to time in series which may bear different dividend rates and redemption price and carry a sinking fund, but will be entitled to the same preferences and priorities. Pfd. stock is redeemable at 120 and is preferred as to dividends and in case of liquidation, subject to the rights of the Debenture stock. For voting rights see under "Capital Stock Changes" above.

Transfer Agent—Stone & Webster, Inc., Boston.

Registrar—American Trust Co., Boston.

Annual Meeting—Second Tuesday in June.

Dividends—Dividends on Series "A" Debenture stock regularly paid since issuance; payments, J, A, J & O 1. Initial quarterly dividend of 1⅞% was paid on Series "B" Debenture stock Jan. 1, 1925, which quarterly rate regularly paid to date; payments J, A, J & O 1. Initial quarterly dividend of 1¾% was paid on Series "C" Debenture stock July 1, 1927, and at same rate since; payments J, A, J & O 1. Initial dividend of 3% on Pfd. stock paid April 1, 1922, which semi-annual rate regularly paid to date; payments April and Oct. 1. Initial dividend of 20 cents per share paid on Common stock Oct. 1, 1927; April 2, 1928, 20 cents per share. Directors meet for dividend action on first Tuesday in month preceding payment.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Debenture—							
High	121	115	107½	107½	105	102	....
Low	113	107	102½	102	99	98	....
Preferred—							
High	91	85	78	74	72½	100	55
Low	83	77	73	67	67	50	45

FUNDED DEBT

(1)

$1,000,000 THE SAVANNAH, THUNDERBOLT & ISLE OF HOPE RY. OF SAVANNAH, GA., FIRST MORTGAGE GOLD 4s; DUE JULY 1, 1947

Dated September 16, 1897.

Interest Payable J, A, J & O 1, at Central Union Trust Co., New York, Trustee and Registrar. Coupon, $1,000; principal may be registered. Authorized and issued, $1,250,000, of which $250,000 have been retired. A first lien on property formerly owned by The Savannah Thunderbolt & Isle of Hope Ry. Co. Assumed by Savannah Electric & Power Co. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925
High	79	75	72½
Low	bid	bid	72½

(2)

$2,037,500 SAVANNAH ELECTRIC CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE JANUARY 1, 1952

Dated January 1, 1902.

Interest Payable January and July 1, at American Trust Co., Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., Boston.

Registrars—American Trust Co., Boston, and Chatham Bank & Trust Co., Savannah, Ga.

Provisions of Issue—Authorized $3,500,000; cancelled, $1,353,000; held in sinking fund of Savannah Electric & Power Co. First Mortgage bonds, $109,500 outstanding, Dec. 31, 1927, $2,037,500.

Callability—Subject to call as a whole (or in part for sinking fund) at 110 and interest on any interest date.

Improvement Fund—Company obligates itself to apply at least $20,000 each year, beginning 1906, towards improvements or extensions r in the purchase of bonds at not over 110 and interest; if bonds cannot be purchased at or under this price they may be drawn by lot for payment by the sinking fund at 110.

Security—Secured by a lien on the property of the former Savannah Electric Co., subject to $1,000,000 prior lien bonds described above on portion of the property.

Assumed—Assumed by Savannah Electric & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Boston and Louisville Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100½	99	95	90	85	88	80⅜	58
Low	97¼	95	89¾	82	83	79¼	58½	40

(3)

$1,717,500 SAVANNAH ELECTRIC & POWER CO. FIRST AND REFUNDING MORTGAGE 7½% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1941

$1,172,000 SAVANNAH ELECTRIC & POWER CO. FIRST AND REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE APRIL 1, 1945

Dated, Series "A," October 1, 1921; Series "B," April 1, 1925.

Interest Payable April and October 1, at The Atlantic National Bank, Boston, and at Lee, Higginson & Co., Boston, New York and Chicago.

Denominations—Bonds of Series "A" are issued in exchangeable denominations and forms: In coupon form in $100, $500 and $1,000 denominations, registerable as to principal only; in registered form in $1,000 denominations and such multiples of $1,000 as determined by the directors. Bonds of Series "B" are issued in coupon form in exchangeable denominations of $500 and $1,000; registerable as to principal only.

Trustee and Registrar—The Atlantic National Bank, Boston.

Provisions of Issue—Authorized issue, not limited in amount. Series "A" bonds limited to $2,500,000, of which $1,750,000 issued to retire floating debt, $32,500 thereof having been cancelled by sinking fund, and the balance ($750,000) reserved for future additions and betterments at not exceeding the cost or fair value, whichever is less. $1,200,000 Series "B" were issued, of which $28,000 cancelled by sinking fund to Dec. 31, 1927.

Bonds may be issued at any time to refund, par for par, underlying bonds or any series of First & Refunding bonds. Bonds of other series other than Series "A" may be issued from time to time to an amount equal to 75% of the cost or fair value, whichever is less, of future additions or improvements to property, but only when earnings for 12 months within 15 months immediately preceding shall have been at least 1¾ times the total annual interest requirements on all mortgage debt of the Company, including underlying bonds and First and Refunding bonds outstanding, plus those sought to be issued. Provisions of future series as to maturity (not later than January 1, 2000), interest, redemption, sinking fund, etc., shall be determined by Board of Directors at time of issue.

Callability—Series "A" subject to call as a whole or in part on any interest date after Oct. 1, 1931; during 1932 at 105; thereafter decreasing one-half of 1% in each year to 101 in 1940 and 100 in 1941; plus accrued interest in each case.

Series "B" bonds are subject to call as a whole or in part on any interest date, at 105 and accrued interest through April 1, 1929; thereafter at 104 and accrued interest through April 1, 1933; thereafter at 103 and accrued interest through April 1, 1937; thereafter at 102 and accrued interest through April 1, 1941; thereafter at 101 and accrued interest through April 1, 1944; and thereafter at par to maturity.

Sinking Fund—Sinking fund for Series "A" bonds calls for an annual cash payment (first payment Nov. 1, 1923) equal to 2% of total amount of Series "A" bonds issued to be used to purchase bonds of this issue at not exceeding 105 and interest prior to and including Oct. 1, 1932, and thereafter at not exceeding their redemption prices, if any.

Sinking fund for Series "B" bonds calls for an annual cash payment (first payment April 1, 1926) equal to 1¼% of total amount of Series "B" bonds issued. to be used to purchase Series "B" or underlying bonds at or below redemption prices, if any, or at not in excess of their face value, if bonds are not so purchasable.

If bonds are not so purchasable, the balance is to be used to reimburse Company for 75% of cost or fair value, whichever is less, of additional property acquired, against which no bonds have been issued. Bonds acquired by the sinking fund are to be cancelled.

Security—Secured by a first mortgage on the main power plant of 17,400 h.p. capacity and on a portion of the electric light and power system; also a mortgage on all other property and franchises of the company, subject to underlying bonds aggregating $3,037,500.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt, Boston, and Lawrence & Abrahams, Savannah.

Original Offering—First publicly offered ($1,750,000 Series "A" 7½s) in Oct. 1921, at 97½ and interest, by Lee, Higginson & Co., and Stone & Webster, Inc., New York, Boston and Chicago, $1,200,000 Series "B" 6s were publicly offered in May, 1925, by the same bankers.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Series "A" 7½s—							
High	109	109	108½	107	105	107¼	103
Low	108½	100	106	105	104	101	97¼
Series "B" 6s—							
High	105	102½	100	..	..	..	..
Low	104½	100	97¾	..	..	..	..

(4)

$1,700,000 SAVANNAH ELECTRIC & POWER CO. 3-YEAR 5% GOLD COUPON NOTES; DUE JUNE 1, 1928

Dated June 1, 1926.

Interest Payable June and December 1, at The Chase National Bank, New York, The First National Bank, Boston, and Northern Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized and outstanding, $1,700,000.

Callability—Subject to call as a whole or in part at any time on thirty days' notice, prior to June 1, 1928 at 100½ and interest, and on June 1, 1928 and thereafter prior to maturity at 100 and interest.

Security—Notes are a direct obligation of Company, which covenants, subject to exceptions set forth in Indenture providing for this issue, that if it places any new mortgage upon its property it will secure these notes equally with obligations secured thereby.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt, Boston, (for the Company), and Rushmore, Bisbee & Stern, New York, (for the bankers.)

Original Offering—First publicly offered ($1,700,000) in June 1926, at 99¼ and interest, to yield over 5¼%, by Stone & Webster, Inc., Brown Brothers & Co., Blair & Co., Inc., Blodget & Co., and Chase Securities Corp., New York.

Price Range—

	1927	1926
High	99¾	99½
Low	99¼	98¾

MAINTENANCE

During the twenty-six years under Stone & Webster executive management, the company and its predecessor companies have expended for maintenance, which is included in operating expenses, a total of 9.18% of the entire gross earnings over this period, and in addition during this period have set aside for reserves or retained as surplus a total of 6.27% of these gross earnings.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	‡1923	1922
Gross earnings	$2,227,380	$2,233,703	$1,959,671	$1,904,044	$1,774,881	$1,603,092
Oper. exp., maintenance & taxes	†1,310,033	1,402,680	1,250,881	1,182,373	1,151,180	1,022,983
Net earnings	$917,347	$831,023	$708,790	$721,671	$623,701	$580,109
Interest and amortization	443,046	362,093	369,596	373,770	330,725	284,066
Balance	$474,301	$468,930	$339,194	$347,901	$292,976	$296,043
Dividends—						
Debenture stock Series "A"	104,000	104,000	104,000	104,000	104,000	104,000
Debenture stock Series "B"	17,730	11,797	4,392	623	.....	.....
Debenture stock Series "C"	11,673	.....	.....	.....	.....	.....
Preferred dividends	60,000	60,000	60,000	60,000	60,000	60,000
Common dividends	26,667	.....	.....	.....	.....	.....
Balance for reserves of retirements	$254,231	$293,133	$170,802	$183,278	$128,976	$132,043
*Times Fixed Charges Earned	2.07	2.29	1.92	1.93	1.89	2.04
*Earnings Per Share—						
Debenture stock	$26.66	$31.33	$24.66	$26.08	$22.54	$22.77
Preferred stock	34.09	35.31	23.08	24.33	18.90	19.20
Common stock	2.10	¶2.2	6.83	7.33	5.16	5.28

*Before Reserves and Retirements. ‡Includes results from operations since July 1, 1923, of property formerly owned by Savannah Lighting Co. †Includes operation, $975,685; maintenance, $149,869, and taxes, $184,479. ¶Based on 133,334 shares of no par value; in prior years on shares of $100 par value.

Surplus Statement, Dec. 31, 1927—Earned surplus, Dec. 31, 1926, $140,093; net income for 1927, $474,300—total, $614,393. Retirement reserve, $250,000—balance, $364,393. Add: Net direct credits, $1,606—total, $365,999. Deduct dividends on Debenture stock, $133,402; on Pfd. stock, $60,000; on Common stock, $26,667. Balance, earned surplus, Dec. 31, 1927, $145,930.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property, plant, etc.	$14,435,799	$13,897,922	$11,698,133	$11,394,401	$11,096,144	$10,007,537
Securities held for resale	.....	1,500	500	.....	.....	.....
Special deposits	1,400	.....	36,300	.....	.....	300
Materials and supplies	197,489	163,633	116,833	116,079	118,646	124,563
Advance payments	27,545	203,685	19,195	6,633	14,459	3,039
Notes receivable	15,028	20,000	592	671	1,050	600
Accounts receivable	243,862	233,279	177,502	193,149	162,886	130,723
Sinking fund investments	*145,729	111,467	75,083	35,350	19,116	.....
Unadjusted debits	10,901	24,939	2,792	1,439	1,701	350
Unamortized debt discount and expense	106,882	129,981	94,861	21,002	42,084	14,420
Cash	112,683	115,231	89,883	88,476	124,545	248,837
Subscribers to stock	8,032	19,678	7,726	63,018	.....	.....
Total	$15,305,350	$14,921,315	$12,319,400	$11,920,218	$11,580,631	$10,530,369
Liabilities—						
Common stock	†.....	†.....	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Preferred stock	$1,000,000	$1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Debenture stock	1,779,300	1,496,900	1,375,400	1,334,000	1,300,000	1,300,000
Debenture stock subscribed	20,741	38,448	22,000	73,600	.....	.....
Funded debt	6,036,500	6,051,500	6,064,500	4,864,500	4,882,000	4,897,000
Coupon notes	1,700,000	1,700,000	.....	1,000,000	1,000,000	.....
Car trust certificates	.....	13,825	41,475	98,861	135,837	124,420
Notes payable	175,000	200,000	260,000	185,000	.....	.....
Accounts payable	56,332	83,197	66,849	49,579	57,066	34,460
Accounts not yet due	140,840	118,190	68,717	45,687	43,065	45,240
Dividends declared	.....	.....	21	.....	.....	.....
Operating reserves	19,473	11,095	3,955	2,075	9,258	22,660
Retirement reserve	1,039,195	881,241	781,632	646,281	568,727	549,680
Appropriated reserve for retirements	75,170	77,299	.....	.....	.....	.....
Contributions for extensions	11,487	7,897	3,625	2,345	.....	.....
Unadjusted credits	4,368	1,180	915	1,600	.....	.....
Common stock (no par)	†3,101,014	†3,100,450	.....	.....	.....	.....
Earned surplus	145,930	140,093	130,311	116,690	84,677	56,880
Total	$15,305,350	$14,921,315	$12,319,400	$11,920,218	$11,580,631	$10,530,369

*Includes $109,500 Savannah Electric Co. 5% bonds held in sinking fund uncancelled. †Represented by 133,334 shares of no par value.

Officers: Howard C. Foss, Pres. & Mgr., Savannah, Ga.; Chas. W. Kellogg, V-P., New York; Donald C. Barnes, V-P., Boston; H. V. Faber, Sec., Savannah, Ga.; William T. Crawford, Asst. Sec.; H. B. Sawyer, Treas.; Stone & Webster, Inc., Executive Mgrs., Boston, Mass.

Directors: J. Randolph Anderson, George H. Baldwin, Beirne Gordon, John A. G. Carson, Fred A. Davis, Howard C. Foss, William Kehoe, Chas. W. Kellogg, Alex. A. Lawrence.

General Office, Savannah, Ga.

PONCE ELECTRIC COMPANY

(Controlled by Engineers Public Service Company)

History and Property—Incorporated Dec. 12, 1919, under the laws of Porto Rico, with a charter of perpetual duration and acquired on its organization the properties of Ponce Railway and Light Company, a New Jersey corporation, which had been in existence for over 17 years. Company does the entire lighting and power business in Ponce and the Playa (Port) and interchanges electric power with the Irrigatio

Service of Porto Rico. The railway department was discontinued in Dec., 1927. Power station, located at Ponce, has a capacity of 3,400 k.w. Power purchased capacity is 500 k.w. No. of electric customers, 4,637. Estimated population served, Jan. 1, 1928: Light and power, 49,700. Lighting franchise expires in 1963.

CAPITAL STOCK

Authorized, $1,000,000 Common and $1,000,000 7% cumulative Preferred; outstanding, $765,000 Common and $392,000 Preferred; par, $100. $8,000 Pfd. has been reacquired and cancelled. Transfer Agents: Stone & Webster, Inc., Boston, and Americal Colonial Bank of Porto Rico, Ponce, P. R. Registrars: Boston Safe Deposit & Trust Co., Boston, Mass., and The Royal Bank of Canada, Ponce, P. R. Annual meeting, second Monday in June.

Preferred Stock Provisions—Has preference as to dividends and in case of liquidation and is redeemable at 103. Before a Common dividend is paid in any year, provision must be made for the retirement of 1% of Pfd. stock outstanding on Jan. 1 of such year.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1. On Common initial dividend of 1¾% paid April 1, 1926; July 1, 1926, to date, 1¾% each quarter; payments, J 3, A, J & O 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$341,308	$334,925	$331,843	$309,270	$287,335	$280,881
Oper. exp., maintenance & taxes	$239,700	237,601	216,227	203,418	188,879	200,811
Net earnings	$101,608	$97,324	$115,616	$105,852	$98,456	$80,070
Interest charges	1,181	771	983	2,804	6,238	5,110
Balance	$100,427	$96,553	$114,633	$103,048	$92,218	$74,960
Preferred dividends	27,510	27,790	28,000	28,000	28,000	28,000
Common dividends	51,506	47,380	.....	.....	.....	.....
Balance for reserves and retirements	$21,411	$21,383	$86,633	$75,048	$64,218	$46,960
Earnings Per Share—						
Preferred	$25.62	$24.38	$28.66	$25.76	$23.05	$18.74
Common	9.53	8.99	17.32	15.01	12.84	9.39

*Before Reserves and Retirements. §Includes operation, $179,295; maintenance, $27,437 and taxes, $32,968.

Maintenance—During the 26 years under Stone & Webster executive management the Company and its predecessor companies have expended for maintenance, which is included in operating expenses, a total of 8.28% of the entire gross earnings over this period, and in addition during this period have set aside for reserves or retained as surplus a total of 8.77% of these gross earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Plant	$1,386,351	$1,343,478	Common stock	$765,000	$765,000
Cash	24,772	24,783	Preferred stock	392,000	396,000
Accounts receivable	78,666	69,105	Notes payable	35,000	.....
Materials and supplies	24,660	32,851	Accounts payable	5,739	6,141
Prepayments	2,543	3,531	Accounts not yet due	27,381	25,601
Unadjusted debits	2,041	.....	Retirement reserve	104,171	71,060
			Operating reserves	4,344	5,649
			Appropriated reserve for retirements	10	.....
			Unadjusted credits	3,530	4,318
			Reserves & surplus	181,858	199,979
Total	$1,519,033	$1,473,748	Total	$1,519,033	$1,473,748

Officers: Charles W. Kellogg, New York; Marcy L. Sperry, V-P.; William T. Crawford, Sec.; Henry B. Sawyer, Treas.; Stone & Webster, Inc., Executive Mgrs., Boston; William H. Ferguson, Local Mgr., Ponce P. R.

Directors: Harry A. Arthur, William H. Ferguson, Chas. Hartzell, Chas. W. Kellogg, Sigourney B. Olney, Arthur W. Page, Thomas W. Streeter.

Office, Ponce, Porto Rico.

VIRGINIA ELECTRIC AND POWER COMPANY

(Controlled by Engineers Public Service Company)

Stock Issues, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	†Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	*Earnings per Share
7% Cumulative Pfd. (par, $100)	M, J, S & D 20	$10,487,000	$10,289,200	Yes	$2,149,451	{$7 / $6}	$893,179	$14.69
6% Cumulative Pfd. (par, $100)	M, J, S & D 20	4,513,000	4,340,000	Yes				
Common (no par)	M, J, S & D 15	480,000 shs.	478,020 shs.	...	‡1,196,272	3.50	1,673,056	‡2.50

*After retirement reserve of $2,100,000 and direct charges to surplus (net), of $469,857. †Includes $13,400 7% Pfd. stock and $2,900 6% Pfd. stock of Virginia Electric & Power Co. reserved to exchange for 6% Pfd. stock of Virginia Railway & Power Co., and for capital stock of The Norfolk Railway & Light Co., respectively. ‡After allowing for 8% dividends on City Gas Co. of Norfolk Pfd. stock.

VIRGINIA ELECTRIC & POWER CO.
LIVINGSTON & CO.
Members New York Stock Exchange
111 Broadway New York
SPECIALISTS IN VIRGINIA SECURITIES

Bond Issues, At December 31, 1927, Summarized
(Including Subsidiaries)

Title of Issue	Maturity	Interest Dates	Authorized	Out-standing	Con-vertible	Subject to Call	U. S. Inc. Tax
Nor. & Atlantic Term. Co. First 5s	Mar. 1, 1929	M & S 1	$500,000	$478,000	No	Yes	Pd. by Co.
Nor. & Ports. Tract. Co. First 5s	Jun. 1, 1936	J & D 1	8,000,000	7,059,000	No	Yes	Pd. by Co.
The Nor. Ry. & Lt. Co. First 5s	Nov. 1, 1949	M & N 1	*4,000,000	2,012,000	No	No	Pd. by Co.
Nor. St. RR. Co. First 5s	Jan. 1, 1944	J & J 1	†1,500,000	663,000	No	No	Pd. by Co.
Old Dom. Iron & Nail Wks. Co. 1st 6s	Apr. 1, 1932	A & O 1	†500,000	194,000	No	No	Pd. by Co.
Virginia El. & Pwr. Co. 1st & Ref. 5s, A	Oct. 1, 1955	A & O 1	‡Unlimited	12,000,000	No	Yes	Pd. by Co.
Virginia El. Co. First 5s	Apr. 1, 1928	A & O 1	†500,000	10,000	No	No	Not pd. by Co.
Virginia Ry. & Pwr. Co. 1st & Ref. 5s	Jul. 1, 1934	J & J 1	†15,000,000	11,994,000	No	Yes	Pd. by Co.
Prince George Elec. Lt. & Pr. Co. 1st 6s	Feb. 15, 1937	.....	100,000	1,000	.....	.....	.....

Total Funded Debt, at Dec. 31, 1927, $34,411,000.
Fixed Charges in 1927, $1,563,300.
§**Amount Available for Fixed Charges** in 1927, $4,182,608.
Times Fixed Charges Earned in 1927, 2.67.
*Morgtage closed except for refunding. †Mortgage closed. ‡Additional bonds may be issued under indenture restrictions. §After retirement reserve.

History—Incorporated June 29, 1909 in Virginia as Virginia Railway and Power Company (see 1925 Manual, p. 851); name changed to above upon merger with Spottsylvania Power Company (see 1925 Manual p. 1573), which became effective Nov. 1, 1925. Under the plan of merger, one share of 6% Pfd. stock of Virginia Railway and Power Company received one share of 7% Pfd. stock of Virginia Electric and Power Company; one share (par $100) of Common stock of Virginia Railway and Power Company received four shares (of no par value) of Common stock of Virginia Electric and Power Company; and $1,728,333 face amount of 6% notes of Virginia Electric and Power Co. was issued in exchange for the outstanding Capital stock of the Spottsylvania Power Co.

On Sept 15, 1925 acquired control of, and in 1926 acquired the physical properties of the Richmond Rapid Transit Corp. During 1925 and 1926 acquired all of the bus properties in Norfolk and Portsmouth.

The Spottsylvania Power Co. owned and operated the electric light and power properties in Fredericksburg and Ashland, Va., with extensive riparian rights on the Rappahannock River, and prior to the merger acquired by deed the electric generating stations and distribution system in Roanoke Rapids, N. C. (formerly owned by Roanoke Rapids Power Company), and suitable sites for water power development on the Roanoke River, and also the electric light and power plant and distribution system at Williamsburg, Va.

Effective Feb. 28, 1927, the Virginia Electric and Power Co. merged with The Norfolk Railway and Light Co. Under the terms of the Merger one share of 6% cumulative Pfd. stock of Virginia Electric and Power Co. was issuable and $9 in cash deliverable for each three shares of capital stock of The Norfolk Railway and Light Company, $33 in cash being payable for each share less than three. On April 11, 1927, the Company acquired the physical property of Prince George Electric Light & Power Company, which did a portion of the electric light and power business in and around Hopewell, Va.

Subsidiaries—The Virginia Electric and Power Co. controls through stock ownership eight subsidiary companies which, except for City Gas Co. of Norfolk, are small and comparatively unimportant.

OTHER SUBSIDIARIES ARE AS FOLLOWS:

Virginia-Carolina Power Company—Organized Mar. 9, 1907 in North Carolina. Owns considerable land in Roanoke Rapids, Rosemary, and Weldon, N. C., and vicinity, and lands and undeveloped riparian rights on the Roanoke River in North Carolina. Its Capital stock, consisting of $250,000 authorized and $150,000 outstanding, par $100, is all owned by Virginia Electric and Power Co.

Richmond Viaduct Co.—Incorporated May 5, 1927, in Virginia, with a charter of unlimited duration, and with 500 shares of capital stock (par $100) authorized and 420 shares (all of which are owned by Virginia Electric and Power Co.) issued and outstanding. The Richmond Viaduct Co. acquired all the properties of the North Side Viaduct Co. and Brookland Ry. & Improvement Co., and these two latter companies were liquidated.

Highland Park Co.—Incorporated June 19, 1890, in Virginia, and owns certain real estate in Richmond, Va., as well as a small piece of street railway track in Richmond, Va., which is leased to Virginia Electric and Power Co. Capital stock authorized $500,000; outstanding $250,000; par $10. Virginia Electric and Power Co. owns $215,340 of the capital stock.

The Atlantic Coast Terminal Co., Inc.—Incorporated June 30, 1905, in Virginia, and owns certain real estate in Norfolk and Portsmouth, Va. Virginia Electric and Power Co. owns the entire outstanding $57,500 of the $100,000 authorized capital stock, par $100.

Upper Appomattox Co.—Incorporated Dec. 21, 1795, in Virginia, and owns various lands and riparian rights on the Appomattox River near Petersburg, Va., its properties being leased to the Virginia Electric and Power Co. for 99 years from June 23, 1899, renewable for a like period. Capital stock authorized and outstanding $181,100, par $100, of which $150,800 owned by Virginia Electric and Power Co.

Commonwealth Ice Co., Inc.—Incorporated March 27, 1918, in Virginia, as the York Laundry and Ice Manufacturing Co., Inc.; present name adopted March 1, 1926, when the Peninsula Grain Products Corp. was merged. Company does an artificial ice business in Williamsburg and Smithfield, Va. Capital stock authorized $50,000; outstanding $5,500; par $100, all of which is owned by Virginia Electric and Power Co.

Sabine Collieries Corp.—Incorporated April 30, 1917, in Virginia, and owns coal properties in West Virginia. Virginia Electric and Power Co. owns $485,733 of the $600,000 authorized and outstanding Capital stock, par $3.00. Dividends (as reported) of 8% in 1922, 3% in 1923, and 5% in 1924 were paid; none since.

During 1926 the Roanoke Rapids Power Co. and Roanoke River Development Co were liquidated.

Territory and Business—The Virginia Electric and Power Company, through ownership or control, serves practically all of Tidewater Virginia and northeastern North Carolina with electric energy for both lighting and power, including the cities of Richmond, Norfolk, Petersburg, Portsmouth, Suffolk, Fredericksburg, Ashland, Williamsburg and Hopewell, Va., and Roanoke Rapids, Weldon and Rosemary, N. C., and contiguous territory. The Company owns or controls hydro-electric plants and water powers amply capable of development to meet the growing power requirements of the district. The Company also furnishes coordinated street railway and bus service in Richmond Norfolk, Portsmouth and Petersburg. In addition to the above it does the entire gas business in Norfolk Estimated population served Jan. 1, 1928: Electric light and power, 645,000; transportation, 503,000; gas 187,900.

Properties—The properties include steam, oil and hydro-electric power plants with an aggregate generating capacity of 162,230 k.w., of which 29,010 k.w. is hydro-electric. In addition the purchased power capacity is 17,725 k.w. There are 35 substations. Fourteen of the generating stations are interconnected by high tension transmission lines in operation or under construction serving an area of approximately 10,000 square miles. Miles of transmission line, (6,600 volt or over), 715.7. Land and rights for the development of a large amount of additional hydro-electric power are owned on the Roanoke, Appomattox and Rappahannock Rivers. The gas plant at Norfolk has storage capacity of 2,400,000 cubic feet, a manufacturing capacity of 8,500,000 cubic feet, and 269.5 miles of mains. Miles of equivalent single track, 232.7 trackage, 5 miles. Revenue type cars, 552; other cars 33; buses, 254. Car barns and shops at Richmond Norfolk and Petersburg. Also operates two 10-ton capacity ice plants.

Franchises—In Richmond, light and power franchises are undetermined as to duration except certain franchises (not essential to continuing operation) which expire in 1927, 1928 and 1931. Railway franchise expires in 1956. In Norfolk and Petersburg light and power franchises are perpetual; and in Hopewell the Company operates under certain easements and private rights. Railway operations in Norfolk are carried on mainly under certain franchises which expire in 1944, 1940 and 1930. Part of the railway operations in Norfolk is carried on under ordinances granting permits undetermined as to duration. In Petersburg the main railway franchises are perpetual. The franchise covering interurban operation between Richmond and Petersburg expires in 1941, with right of renewal for a forty-year period. In Portsmouth the light and power franchise expires in 1940, and the railway franchise expires in 1956. In Suffolk the light and power franchise expires in 1945. In Fredericksburg the light and power franchise expires in 1939; and in Williamsburg in 1946. In the following Virginia towns, light and power franchises expire: In Ashland, 1935; in Tappahannock, 1956; in Smithfield, 1946; in Boykins, 1955; in Holland, 1955; in Franklin, 1930; in Yorktown, 1946; and in Bowling Green, 1956. In the following North Carolina towns, light and power franchises expire: In Weldon and Roanoke Rapids, 1933; in Halifax, 1955; in Seaboard, 1955; in Jackson, 1955; in Hertford, 1956; in Edenton, 1986; in Severn, Conway, Woodland, Rich Square and Aulander, 1956; in Kelford, Lewiston, Roxobel and Woodville, 1956. The franchise covering gas service in Norfolk is perpetual.

Valuation—A valuation of the entire properties of Virginia Ry. and Power Co. was made by Stone & Webster, Inc., of Boston, Mass., to facilitate the several municipal councils and the State Corporation Commission in arriving at a proper valuation for rate-making purposes. The inventory and appraisal made as of Jan. 1, 1920 shows a total of $59,746,670. Stone & Webster, Inc., also ascertained the "historic value," that is to say the actual amount of money put into the enterprise from its inception, allowing 8% thereon and deducting whatever return has been paid. This showed a total of $59,870,100, exclusive of the City Gas Co. of Norfolk.

The Company also employed Forestall & Robison, of New York, to make an inventory and appraisal of the properties of the City Gas Co. of Norfolk as of Jan. 1, 1920, which showed $2,631,885. An "historic appraisal" was also made by Mr. A. Merritt Taylor, of Philadelphia, who was employed by the Norfolk Public Utilities Commission under the authority of the City Council of Norfolk, which showed a total value as of Jan. 1, 1920, of $2,383,908, and by the recommendation of the Norfolk Public Utilities Commission and with the approval of the City Council of Norfolk, the rates and charges of the City Gas Co. were revised by the State Corporation Commission in accordance therewith.

COMBINED OPERATING STATISTICS, DECEMBER 31

	Electrical Department			Gas Department			
	No. of Electric Customers	Output (k.w.h.)	—Passengers Carried— Revenue	Free and Transfer	No. of Customers	Miles of Mains	No. of Meters	Output Cubic Feet
1922	62,246	234,249,119	71,950,905	17,102,151	15,802	191.36	16,091	738,630,000
1923	68,579	277,739,638	80,147,327	19,104,992	16,487	210.62	16,643	739,090,000
1924	74,210	295,249,503	75,580,482	18,848,202	17,268	227.15	17,292	768,749,000
1925	81,867	304,400,743	72,120,802	18,357,130	17,819	246.72	*18,000	774,663,600
1926	88,764	377,662,174	83,331,878	18,856,334	19,186	259.75	19,206	865,978,950
1927	96,981	409,680,096	83,586,788	.....	20,263	269.52	20,263	917,041,100

*Approximate.

CAPITAL STOCK

Authorized, 480,000 shares Common of no par value, $10,487,000 7% cumulative Pfd., and $9,513,000 6% cumulative Pfd.; par of Pfd. $100; outstanding Dec. 31, 1927, 477,988 shares Common, $10,275,800 7% Pfd. and $4,337,100 6% Pfd. In addition 32 Common shares and $13,400 7% Pfd. are reserved to be exchanged for the Common and Pfd. stocks respectively of Virginia Railway & Power Co.; also $197,800 7% Pfd. and $173,000 6% Pfd. has been subscribed for. Engineers Public Service Co. owns 99.50% of the Common stock. Stockholders at special meeting Nov. 23, 1926, voted to reclassify the unissued 7% stock into 6% cumulative Pfd. stock, to be authorized thereafter in the amounts above stated.

Increase in Capitalization Approved—At annual meeting, April 18, 1928, stockholders approved increase in the authorized 6% Pfd. stock from $4,513,000 to $9,513,000, and also authorized the issuance of $8,000,000 additional First & Refunding Mortgage Gold bonds.

Preferred Stock Provisions—Both Pfd. stocks are identical and have preference for assets and dividends over Common and in liquidation is entitled to $100 per share and accrued dividends, plus a premium of $10 per share if such liquidation be voluntary. They are subject to redemption in whole or in part at any time after three years from date of issue at $110 and accrued dividend. Without the consent of at least two thirds of outstanding Pfd. stock, Company may not create any stock or class of stock having priority over present Pfd. as to earnings and assets, or amend the provisions relating to Pfd. stock so as to affect adversely any of the preferences or other rights given to Pfd. stock, and without the consent of at least a majority of outstanding Pfd. and Common stock voting together as one class increase the maximum amount of Pfd. stock. Pfd. stock has no voting rights unless Company shall fail to pay any quarterly dividend and shall not on or before the eighth succeeding quarterly dividend date pay in full said dividend and all subsequently accrued dividends. Until said dividends are paid in full the Pfd. stockholders voting as a class shall have the right to elect one less than a majority of the Board of Directors.

Transfer Agents—Preferred Stock: The Chase National Bank of New York, Stone & Webster, Inc., Boston; Richmond Trust Co., Richmond, Va.; and The Fidelity Trust Co., Baltimore, Md. Common: Stone & Webster, Inc., Boston, and Richmond Trust Co., Richmond, Va.

Registrars—Preferred Stock: The Equitable Trust Co. of New York, The National Shawmut Bank of Boston, The Baltimore Trust Co., Baltimore, Md., and Virginia Trust Co., Richmond, Va. Common: Virginia Trust Co., Richmond, Va., and The National Shawmut Bank of Boston.

Legal Opinion—Rushmore, Bisbee & Stern, New York and Tyler, Tucker, Eames & Wright, Boston.

Original Offering—Pfd. stock, Original Series ($5,000,000) first publicly offered in Nov. 1925 at 102.50 and dividends by Stone & Webster, Inc., Blair & Co., Inc., Brown Brothers & Co., and Blodget & Co., New York.

Annual Meeting—Third Wednesday in April.

Listed (Both Classes of Pfd.)—New York Stock Exchange.

Price Range—

7% Preferred—	1927	1926	1925
High	110	107½	102½
Low	106½	101	101

Dividends—Initial dividend of 1½% on Pfd. stock of Virginia Railway & Power Co. paid July 1, 1910; 1911 to 1913, inclusive, 5% per annum; Jan., 1914, 2½%; July 1914 to July, 1919, 6% per annum; none thereafter until Jan. 20, 1921, when 6% was paid in Pfd. stock at par to holders of record Dec. 31, 1920, for the period from Jan. 1, 1920, to Dec. 31, 1920; on

Feb. 1, 1922, a second dividend of 6% was paid in Pfd. stock, at par, to holders of record Jan. 10, 1922, for the year ended Dec. 31, 1921; for 1922, 6% cash dividend was declared payable to stockholders of record, Dec. 31, 1922, 3% on Jan. 20, 1923 and 3% on July 30, 1923; on Jan. 21, 1924, a quarterly cash dividend of 1½% was paid which rate was maintained to organization of Virginia Electric and Power Co.

Initial dividend of $1.17 a share on 7% Pfd. stock of Virginia Electric and Power Co. was paid Dec. 31, 1925; March 20, 1926, 1¾%, which quarterly rate maintained to date; payments M, J, S & D 20.

Initial dividend of 1½% on 6% Pfd. paid March 21, 1927; payments quarterly M, J, S & D 20.

On Common stock of Virginia Railway & Power Co. an initial dividend of 1% was paid Oct. 20, 1911; 1912, 2%; April 20, 1913 to Oct. 20, 1917; 3% per annum; no cash dividends thereafter until Sept. 29, 1925, when 3% was paid; Dec. 15, 1925, 3%. On Oct. 21, 1918, a special dividend of 3% was paid on Common stock in stock of the Old Dominion Iron & Steel Corp.. at the rate of one share of stock of the Old Dominion of the par value of $3 each for each share of Common of Virginia Ry. & Power Co.

Initial dividend of 62½ cts. a share was paid on Common stock (no par value) of Virginia Electric and Power Co. March 15, 1926; June and Sept. 15, 1926, 62½ cts. a share each; Dec. 15, 1926, 75 cts. a share; March 15, June 15 and Sept. 15, 1927, $1 a share; Dec. 15, 1927, 50 cts. a share.

FUNDED DEBT

(1)

$478,000 NORFOLK AND ATLANTIC TERMINAL CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1929

Dated March 1, 1899.

Interest Payable March and Sept. 1, at office of Alex. Brown & Sons, Baltimore. Maryland Trust Co., Baltimore, Trustee and Registrar. Authorized and issued, $500,000, of which $22,000 cancelled to Dec. 31, 1927. Subject to call as a whole or in part on any interest date on 60 days' notice at 110 and accrued interest. A first lien on the terminal properties. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	*1927	1926	1925	1924
High	99½	99½	99½	98
Low	98¼	99½	99¼ bid	

*High and low bid price.

(2)

$7,059,000 NORFOLK & PORTSMOUTH TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1936

Dated May 10, 1906.

Interest Payable June and December 1, at Bank of North America and Trust Co., Philadelphia, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Bank of North America and Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $8,000,000 of which $769,000 held alive in sinking fund and $172,000 held in treasury, leaving $7,059,000 in hands of public Dec. 31, 1927.

Callability—Subject to call as a whole, or in part for sinking fund at 110 and interest on any interest date on 60 days' notice.

Sinking Fund—Under the provisions of the sinking fund, which became operative in 1916, a sum equal to ½ of 1% of the outstanding bonds, including those in the sinking fund, must be paid each year to the Trustee in semi-annual installments on May and Nov. 1. This fund must be used by the Trustee in the purchase of bonds in the open market, or in drawing them by lot at 110 and int. if they cannot be purchased in the open market at a lower price. The bonds so purchased are kept alive in the sinking fund and the interest added to the fund.

Security—A direct first mortgage upon electric light and power property in the Norfolk District appraised at approximately $9,000,000. They are also secured by a direct first mortgage on traction properties in the same territory appraised at $5,000,000 and by a direct mortgage on additional traction properties appraised at approximately $1,600,000 subject to $478,000 underlying liens. The electric light and power properties covered by this first mortgage include the Company's 42,500 k.w. steam plant on tidewater in Norfolk and substantially all the transmission and distribution lines in that district. In addition to the properties which are covered by this mortgage, the Company's operations in the Norfolk District include the operation of the property formerly owned by The Norfolk Railway and Light Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—E. Randolph Williams, Richmond, Va.

Legal for Savings Banks in New Hampshire, Vermont and Rhode Island.

Listed—Philadelphia, Baltimore, Boston and Pittsburgh Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99⅜	98¾	97¼	93	89½	91	67½	64
Low	98½	96¼	91½	88	88	71	64	63

(3)

$194,000 OLD DOMINION IRON AND NAIL WORKS CO. FIRST MORTGAGE 6% GOLD BONDS; DUE APRIL 1 1932

Dated April 1, 1902.

Interest Payable April and October 1, at Richmond Trust Co., Richmond, Va., Trustee and Registrar, and at office of John L. Williams & Sons, Richmond, Va. Coupon, $1,000; principal may be registered. Authorized, $500,000; outstanding, Dec. 31, 1927, $194,000; cancelled, $295,000; in escrow, $11,000. A first lien on entire property formerly owned. Assumed by Virginia Electric and Power Co. Company pays Normal Federal Income Tax up to 2%.

(4)

$11,994,000 VIRGINIA RAILWAY AND POWER COMPANY FIRST AND REFUNDING SINKING FUND GOLD 5s; DUE JULY 1, 1934

Dated July 1, 1909.

Interest Payable January and July 1, at The Equitable Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized and issued, $15,000,000, of which $2,648,000 held alive in sinking fund and $358,000 held in treasury, leaving $11,994,000 in hands of public Dec. 31, 1927.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date on 60 days' notice.

Sinking Fund—A sum equal to 1% of these bonds issued, including those in the sinking fund, must be paid each year to the Trustee in semi-annual installments, and used for the purchase of bonds of this issue in the open market at not over 105 and interest, or in drawing them by lot at 105 and interest if they cannot be purchased in the open market at a lower price. Bonds so purchased are kept alive in the sinking fund and the interest on them used for the purchase of additional bonds.

Security—A lien on all real estate, leaseholds, shares of stock and bonds of other corporations and on present and future property and franchises belonging to the company, except any stocks, bonds or securities of any other corporation which may hereafter be acquired with the funds or money of the Railway Company not derived from bonds or the proceeds of these bonds, unless said securities shall have been delivered to the Trustee hereunder; and any property, real or personal, rights, privileges, franchises and immunities which may be hereafter acquired by the Railway Com

pany, located outside of the cities of Richmond, Manchester or Petersburg or in the Counties of Henrico, Chesterfield, Dinwiddie, Prince George, Powhatan, Amelia, Cumberland, Prince Edward, Buckingham, or Appomattox, or any town located in any one of said counties, which may be acquired with funds or money of the Railway Company not derived from bonds or the proceeds of bonds, issued under or secured by this Indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Byrne & Cutcheon, New York.

Original Offering—First publicly offered in 1911, at 97½ and interest.

Listed—New York, Philadelphia and Baltimore Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102⅝	101⅝	99	95½	89	88½	79	70
Low	98⅜	97⅜	93¼	88	84	72	60	62½

(5)

$663,000 NORFOLK STREET R. R. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1944

Dated January 1, 1898.

Interest Payable January and July 1, at Mercantile Trust & Deposit Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Mercantile Trust & Deposit Co., Baltimore.

Provisions of Issue—Authorized, $1,500,000; issued, $1,040,000, of which $339,000 held alive in sinking fund Dec. 31, 1927, and $38,000 purchased and deposited with Trustee from proceeds of sale of property.

Callability—Subject to call in part for sinking fund at 110 and accrued interest.

Sinking Fund—Amount not less than sufficient to purchase at not exceeding 110 and interest, 1% of bonds outstanding, payable January 1.

Security—Secured by a first mortgage on about 22 miles of railway in Norfolk.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103	98	99⅝	98	97	95½	90	92¼
Low	bid	98	97½	95¾	94⅜	87	84¼	80

(6)

$10,000 VIRGINIA ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1928

Dated April 1, 1898.

Interest Payable April and Oct. 1, at U. S. Mortgage & Trust Co., New York, Trustee and Registrar. Coupon, $1,000; principal may be registered. Authorized, $500,000; outstanding, Dec. 31, 1927, $10,000; cancelled, $440,000; unissued, $50,000. Sinking fund 1% of bonds outstanding payable Jan. 1. Assumed by The Norfolk Railway and Light Co. Secured by a first lien on property formerly of Virginia Electric Co. Company does not pay Normal Federal Income Tax.

(7)

$2,012,000 NORFOLK RAILWAY AND LIGHT CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1949

Dated November 2, 1899.

Interest Payable May and November 1, at The Baltimore Trust Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The Baltimore Trust Co., Baltimore.

Provisions of Issue—Authorized, $4,000,000; issued, $2,950,000, of which $889,000 held alive in sinking fund Dec. 31, 1927, and $49,000 purchased and deposited with Trustee from proceeds of sale of property. Balance of unissued bonds reserved to retire prior liens.

Callability—Not subject to call except for sinking fund.

Sinking Fund—Sinking fund commenced Nov. 1, 1909 provides for the purchase of 1% of outstanding bonds each year at 110 and interest or less, payable Nov. 1.

Security—Secured by a first lien on electric light and power properties in Norfolk and Berkeley, a second lien on the street railway lines in Norfolk. Subject to $663,000 Norfolk Street RR. First Consolidated 5s, and a second lien on the property of the former Virginia Electric Co., subject to $10,000 bonds of that Company which matured April 1, 1928.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100¼	99½	96	92½	87½	88	71	75
Low	99¼	94	93	bid	bid	bid	70½	bid

(8)

$1,000 PRINCE GEORGE ELECTRIC LIGHT & POWER CO. FIRST MORTGAGE 6s; DUE FEBRUARY 15, 1937

Authorized, $100,000; issued, $25,000, of which $24,000 held in treasury Dec. 31, 1927. No further details available.

(9)

$12,000,000 VIRGINIA ELECTRIC & POWER CO. FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE OCTOBER 1, 1955

Dated October 1, 1925.

Interest Payable April and October 1, at The Chase National Bank of New York, Illinois Merchants Trust Co., Chicago, and The First National Bank of Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Chase National Bank of the City of New York.

Provisions of Issue—The $12,000,000 Series "A", 5% Gold bonds were issued under the Virginia Electric & Power Co. indenture dated November 2, 1925, supplemental to the First & Refunding Mortgage Indenture of Spottsylvania Power Co., dated October 1, 1925. Additional bonds may be issued under said indentures in one or more series, with varying interest rates and maturities, in unlimited amounts, except as their issuance is limited to amount authorized by vote of stockholders and except that they shall be issued only in accordance with terms of said indentures. Additional bonds may be issued for substantially the following purposes: (1) To reimburse Company to the extent of 75% of the cost or fair value (whichever is less) of additional property as defined in said indentures, less the amount of refundable underlying liens thereon, if any, when such properties are acquired—provided combined net earnings (after deducting operating expenses, maintenance, taxes and rentals) for 12 consecutive calendar months within the 15 calendar months immediately preceding shall have been at least twice the annual interest charges on all bonds issued or about to be issued under said indentures, plus all outstanding divisional and controlled company bonds (exclusive of sinking fund and pledged bonds). In case said additional property belongs to a controlled company, at least an equal amount of bonds of such controlled company are required to be pledged under said indentures. (2) To refund a like amount of bonds of a previous series issued under said indentures, or to refund divisional bonds or bonds of controlled companies, as defined in and subject to the conservative terms of said indentures, including the divisional mortgage bonds.

Callability—Series "A" bonds are subject to call as a whole at any time or in part on any interest date on 30 days' notice at following rates and interest: Up to and including Oct. 1, 1935 at 105; thereafter up to and including October 1, 1940, at 104; thereafter up to and including October 1, 1945 at 103; thereafter up to and including October 1, 1950 at 102; thereafter up

to and including October 1, 1953 at 101; thereafter up to and including October 1, 1954 at 100½; thereafter prior to maturity at 100¼.

Security—Series "A" bonds are the direct obligations of Virginia Electric & Power Co. by virtue of its indenture dated November 2, 1925 supplemental to the First & Refunding Mortgage Indenture of Spottsylvania Power Co. dated October 1, 1925, and are secured under said indentures, by a direct first mortgage or, subject to the lien of divisional mortgage bonds now outstanding, by a direct first lien on all fixed physical properties and franchises now owned by the Company; by a lien on the entire Common stock of the City Gas Co. of Norfolk; and by a first lien by pledge on all the capital stock (except directors' qualifying shares) of Virginia-Carolina Power Co. which owns valuable rights for further hydro-electric developments. The after-acquired property clauses in said indentures cover all fixed physical public utility properties and franchises as defined in said indentures; together with the Company's holdings of stocks and bonds of companies established as controlled companies and of other companies hereafter specifically pledged.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund Pennsylvania, Massachusetts or Maryland resident property or income tax upon written demand within 60 days of payment, not exceeding the following rates per $1,000 principal amount of bonds, $4 for Pennsylvania tax, $3 for Massachusetts tax, and $4.50 for Maryland tax.

Legal Opinion—Rushmore, Bisbee & Stern, New York, Tyler, Tucker, Eames & Wright, Boston, and T. Justin Moore, Richmond, Va.

Original Offering—First publicly offered ($3,000,000 Series "A," 5%) in November, 1925, at 92½ and interest, to yield 5.50% by Stone & Webster, Inc., Brown Brothers & Co., Blair & Co., Inc., and Blodget & Co., New York, etc. $6,000,000 additional Series "A" 5s were publicly offered in Dec., 1926, at 96½ and interest, to yield 5.23% by the same bankers. $3,000,000 additional Series "A" 5s were offered in May, 1927, at 98¼ and interest to yield over 5.10%, by Stone & Webster and Blodget, Inc., Blair & Co., Inc., and Brown Brothers & Co., New York, etc.

Price Range—

	1927	1926	1925
High	102½	98½	92½
Low	96½	92	91½

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31

Earnings—	1927	1926	1925
Electric department	$8,161,324	$7,461,200	$6,171,242
Gas department	1,052,558	1,024,409	961,722
Transportation dept.	6,151,290	5,786,833	4,821,493
Ice department	29,929	27,281	.....
Bridge	4,781	.....	.....
Non-operating	71,688	78,477	190,222
Total earnings	$15,471,570	$14,378,200	$12,144,679
Expenses—operation	6,354,755	6,043,017	4,627,602
Maintenance	1,532,638	1,572,984	1,402,467
Taxes	1,301,569	1,068,422	981,170
Total oper. exp & taxes	$9,188,962	$8,684,423	$7,012,239
Net earnings	6,282,608	5,693,777	5,132,440
Interest, amort. charges and rentals	1,563,300	1,620,113	1,514,325
Net income	$4,719,308	$4,073,664	$3,618,115
Earned surplus, Jan. 1	4,611,537	4,609,173	*
	$9,330,845	$8,682,837	*
Retirement reserve	2,100,000	1,990,057	1,756,63
Net direct charges	469,857	50,933	*
Balance	$6,760,988	$6,641,847	*
Preferred dividends	893,179	715,523	658,87
City Gas Co. of Norfolk Pfd. stock	60,000	60,000	60,00
Common dividends	1,673,056	1,254,787	717,01
Earned surplus, Dec. 31	$4,134,753	$4,611,537	$4,609,17
†Times Fixed Chrgs. Earned	2.67	2.28	2.2
‡Earnings Per Share—			
Preferred	$14.69	$16.44	.....
Common	§2.50	§2.63	.....

*Figures not available. †After retirement reserve. ‡After retirement reserve and direct charges to surplus. §After allowing for 8% dividends on City Gas Co. of Norfolk Pfd. stock.

Maintenance—During the past 18 years the Company has expended for maintenance, which is included in operating expenses, a total of 11.94% of the entire gross earnings over this period, and in addition during this same period has set aside for reserves or retained as surplus a total of 13.23% of these gross earnings.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924
Property, plant, etc.	*$71,217,856	*$61,387,661	*$55,962,202	*$48,892,27
Cash	1,377,592	2,075,347	1,891,251	1,416,7
Notes receivable	136,601	27,881	21,912	17,7
Accounts receivable	1,119,376	997,909	674,524	749,4
Materials and supplies	919,911	782,559	626,613	597,41
Prepayments	255,037	485,622	34,784	51,1
Subscribers to 6% Pfd. stock	103,861	265,745	112,345	.....
Miscellaneous investments	33,766	88,701	496,568	680,3
Sinking funds	4,781,373	3,132,137	2,794,858	2,468,5
Special deposits	499,502	2,848,871	12,856	429,0
Unamortized debt discount and expense	1,410,410	1,353,530	1,007,748	665,1
Unadjusted debits	210,018	406,898	370,419	9
Treasury securities	554,000	686,000	679,000	2,0
Total	$82,619,303	$74,538,861	$64,684,880	$55,970,8
Liabilities—				
Preferred stock—				
V. E. & P. Co. (6% Cum.)	$4,337,100	$2,097,600	.....	.....
V. E. & P. Co. (7% Cum.)	10,285,200	10,266,100	$9,758,300	.....
V. R. & P. Co. (6%)	4,000	23,100	408,900	$8,987,0
C. G. Co. of N. (8% Cum.)	750,000	750,000	750,000	725,9
Common stock, C .G Co. of N.	.....	401,100	401,100	401,1
Funded debt	39,708,000	32,683,000	26,978,000	22,902,6
Equipment notes	113,620	154,985	.....	.....
Pfd. stock subscribed for	154,678	288,138	140,760	.....
Notes payable	1,368,000	1,887,252	1,297,947	130,2
Accounts payable	330,801	393,977	678,851	403,7
Accounts not yet due	969,413	901,752	675,972	1,129,3
Retirement reserve	7,665,445	6,613,750	6,500,494	4,772,7
Contributions for extensions	13,950	372	.....	.....
Operating reserves	101,723	121,708	97,046	113,2
Appropriated for reserve for retirements	318,314	518,612	.....	.....
Sinking fund reserve	.....	.....	.....	2,468,6
Unadjusted credits	387,537	849,110	387,964	36,7
Common stock (no par)	11,976,769	11,976,769	11,974,104	13,899,4
Earned surplus	4,134,753	4,611,537	4,635,442	
Total	$82,619,303	$74,538,861	$64,684,880	$55,970,8

*Does not include $5,355,827, the book value of the physical property of The Norfolk Railway & Light Company at the ception of the lease.

Officers: H. H. Hunt, Chairman of Board, Boston, Mass.; William E. Wood, Pres. & Mgr., Richmond, Va.; C. W. Kellogg, V-P., New York; George H. Clifford, V-P., Boston, Mass.; J. F. McLaughlin, V-P.; T. Justin Moore, V-P. & Gen. Counsel, Richmond, Va.; Tom P. Walker, V-P., Norfolk, Va.; Stone & Webster, Inc., Executive Mgrs.

Directors: H. H. Hunt (Chairman); H. W. Jackson, T. Justin Moore, Thos. S. Wheelwright, E. Randolph Williams, G. B. Williams, John T. Wilson, Charles G. Wilson, Richmond, Va.; Murray W. Dodge, Charles W. Kellogg, George N. Lindsay, Ray Morris, Bayard F. Pope, New York; Hugh C. Davis, Norfolk, Va.; William E. Wood, Richmond, Va.; Walter M. Wells, Trenton, N. J.; G. C. Wright, Petersburg, Va.

Main Office, Richmond, Va. **Boston Office of Executive Mgrs.,** 49 Federal Street.

CITY GAS COMPANY OF NORFOLK

(Controlled by Virginia Electric and Power Company)

History and Property—Incorporated June 18, 1896, in Virginia and subsequently merged City Gas Light Co. and Norfolk Gas and Electric Co., Feb. 1, 1898. Its predecessor company dates back to 1851. Does the entire gas business in Norfolk, Va., which has a population of about 184,000. Its franchise is perpetual and its property includes a water gas plant with a capacity of 8,500,000 cu. ft. It also owns an office building in the heart of the city and about eight acres of real estate. Number of customers Dec. 31, 1927, 20,263; miles of mains, 269.52; output during 1927, 917,041,100 cu. ft., compared with 865,978,950 cu. ft. in 1926, and 774,663,600 cu. ft. in 1925.

Valuation—See statement of Virginia Electric and Power Co. on a previous page.

CAPITAL STOCK

Authorized, $1,000,000 Common and $2,000,000 8% cumulative Pfd.; outstanding, $1,000,000 Common and $750,000 Pfd.; par, $100. Capital stock was changed from $500,000 Common and $500,000 Pfd. to present amounts in 1924, the Common stock being issued to stockholders as a stock dividend and the Pfd. stock being sold to customers at $105 per share. The Virginia Electric and Power Company owns the entire Common stock. Annual meeting, second Tuesday in March.

Proposed Change in Common Stock—Special meeting of stockholders was called for April 28, 1928, to vote on changing the Common stock from 10,000 shares, par $100, to 100,000 shares of no par value, and then increasing the authorized amount to 200,000 shares of no par value.

Preferred Stock Provisions—Has preference for assets and dividends and is redeemable at 105.

Dividends—Dividends on Pfd. stock regularly paid quarterly, J, A, J & O 1, to stock of record, D, M, J & S 15.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Earnings:	1927	1926	1925
Gas	$1,056,095	$1,027,973	$961,722
Non-operating	2,450	7,697	17,543
Total earnings	$1,058,545	$1,035,670	$979,265
Operating expenses	487,724	459,803	423,492
Maintenance	70,697	69,138	66,779
Taxes	102,974	93,930	93,693
Net earnings	$397,150	$412,799	$395,301
Interest charges	16,787	22,446	32,401
Balance for dividends	$380,363	$390,353	$362,900
Preferred dividends	60,000	60,000	59,382
Common dividends	200,000	200,000	200,000
Surplus for year	$12,363	$130,353	$103,518

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property, plant, etc.	$2,968,399	$2,847,663	$2,748,530
Cash	41,099	81,866	298,651
Accounts receivable	97,941	89,692	40,425
Materials & supplies	74,276	67,460	44,803
Prepayments	4,516	2,069	4,357
Unadjusted debits	888	8,184	.....
Total	$3,187,119	$3,096,934	$3,136,766

Liabilities—	1927	1926	1925
Common stock	$1,000,000	$1,000,000	$1,000,000
Preferred stock	750,000	750,000	750,000
Funded debt	.....	.....	498,000
Notes payable affil. cos.	300,000	300,000	.....
Accounts payable	34,043	59,637	18,722
Accounts not yet due	96,787	98,805	108,354
Retirement reserve	647,417	576,771	500,727
Appropriated reserve for retirements	2,816	.....	.....
Contributions for extensions	3,302	.....	.....
Unadjusted credits	19,232	12,912	.....
Surplus	333,522	298,809	260,963
Total	$3,187,119	$3,096,934	$3,136,766

Officers: William E. Wood, Pres.; J. F. McLaughlin, V-P.; T. Justin Moore, V-P. & Gen. Counsel; H. B. Sawyer, Treas.; G. B. Williams, Sec. & Compt.; Stone & Webster, Inc., Exec. Mgrs.; T. Norman Jones, Local Mgr.

Directors: Hugh C. Davis, T. Norman Jones, Jr., T. Justin Moore, J. F. McLaughlin, G. B. Williams, William E. Wood, Tom P. Walker.

Office, Norfolk, Va.

PUBLIC ELECTRIC LIGHT COMPANY

History and Properties—Incorporated in Mass., Nov. 1, 1915, as successor to the Vermont Power & Manufacturing Co., which latter company was incorporated June 27, 1902, in N. J. (see 1915 Manual, page 869). Serves with electric light and power, a territory in Northern Vermont, with a population of about 20,000, including St. Albans, St. Albans Bay, Milton, Fairfax, Fairfax Falls, Cambridge, Cambridge Junction, Westford, Colchester, Mallett's Bay, Jeffersonville, Fairfield, Fletcher, Bakersfield, Underhill and Jericho. The Company also sells electric current at wholesale under a long term contract to the Municipal

For complete information regarding the securities of the foregoing Public Service Corporations under the executive management of Stone & Webster Inc., apply to

STONE & WEBSTER AND BLODGET
INCORPORATED

NEW YORK 120 BROADWAY | BOSTON 49 FEDERAL STREET | CHICAGO 38 SO. DEARBORN STREET | PHILADELPHIA PACKARD BUILDING

Electric Light Plant of the City of Burlington, this current being used for street lighting and for retail distribution throughout the city.

The property includes a modern hydro-electric generating plant on the Lamoille River at Fairfax Falls, Vt., operating under a head of 85 feet and with an installed capacity of 4,500 h. p.; 69 miles of high tension transmission lines, built largely on private right of way, and substations and distributing systems.

The Company has purchased a water power plant on the Lamoille River at Milton, Vt., which will be equipped at small expense to provide a generating capacity of 4,000 h. p., operating under a head of 95 feet. Also owns three undeveloped powers on the Lamoille River which can be developed to produce over 5,000 h. p. The Company operates under a long term franchise and is subject to the jurisdiction of the Vermont Public Service Commission. Its contract with the Burlington Municipal Electric Plant provides that the Company may call upon the City's steam plant for power, but the necessity rarely occurs. No. of customers, about 3,700.

CAPITAL STOCK

Authorized, $900,000 Common and $900,000 6% Pfd.; outstanding, Dec. 31, 1927, $800,000 Common and $900,000 Pfd.; par, $100. Annual meeting, first Thursday in February, at Boston, Mass.

Dividends—6% annually paid on Pfd.; payments quarterly, M, J, S & D. On Common: 1916 to 1920, incl., 4%; 1921, 4½%; 1922 to 1924, 5%; 1925, 5½%; 1926, 6%; 1927, 4% (last dividend paid July 15, 1927); payments were made quarterly J, A, J & O 15.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE AND REFUNDING 5½% 30-YEAR GOLD BONDS (SERIES "A"); DUE OCTOBER 1, 1956

Dated October 1, 1926.

Interest Payable April and October 1, at American Trust Co., Boston.

Denomination—Coupon $1,000; principal may be registered.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized amount, unlimited; issued (Series "A"), $1,000,000. Additional bonds may be issued in one or more series, with interest rates, maturity dates, and other terms and conditions as may be determined by the Company, against the deposit of an equal amount of cash, or for 75% of the cash cost or fair value, whichever is less, of additional property, betterments, improvements or additions (bonds issued for property subject to divisional liens shall not exceed at time of issue 8% of the total outstanding bonds), and provided net earnings, as defined in the mortgage, for 12 consecutive months out of the preceding fifteen months shall have been not less than two times the annual interest charges on all bonds outstanding and to be issued, and on divisional bonds as so defined. The Company may also issue additional bonds to refund, or in exchange for, bonds of any other series issued under this mortgage, par for par. Subject to the above restrictions, bonds will be issuable under the mortgage without other limitations as to principal amount.

Purpose of Issue—Proceeds were used to pay for the power properties at Milton, Vt., and to provide for the retirement of an issue of $250,000 Vermont Power & Manufacturing Co. First 5s, due May 1, 1928, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 107½ and interest for the first two years and reducing ½% for each two years thereafter.

Maintenance and Renewal Fund—Mortgage provides for the expenditure annually of a sum equal to 12½% of gross revenues of the preceding fiscal year, for repairs, maintenance, renewals and replacements, for the retirement of bonds issued under the mortgage and for improvements, betterments or additions to the plants or property which shall not be made the basis for the issuance of additional bonds.

Security—Secured by a direct first mortgage on all the electric power and light properties of the Company now owned or hereafter acquired upon discharge of the underlying bonds to be retired on or before May 1, 1928, funds for which purpose have been deposited with the trustee of the underlying mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut 4 Mills Tax, any Massachusetts, Vermont, or Maryland Income Tax not exceeding 6% of the annual interest thereon, and any New Hampshire income tax not exceeding the equivalent of five mills per annum for each dollar of the principal amount, refunded to resident holders upon request within 60 days after payment.

Legal Opinion—Storey, Thorndike, Palmer & Dodge (for the Bankers), and Blodgett, Jones, Burnham & Bingham (for the Company).

Original Offering—First publicly offered ($1,000,000) in Dec., 1926, at par and interest, by E. H. Rollins & Sons, Pearson, Erhard & Co., and Geo. A. Fernald Co., Boston, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$250,678	$233,231	$224,693
Oper. exp., taxes, etc.	†91,504	104,005	86,817
Depreciation	28,620	27,120	25,717
Net earnings	$130,554	$102,106	$112,159
Interest charges, etc.	‡92,957	16,412	12,500
Net income	$37,597	$85,694	$99,659
Preferred dividends	54,000	54,000	53,880
Common dividends	32,000	47,956	43,515
Surplus for year	*$48,403	*$16,262	$2,263
Times Interest Earned	‡1.40	6.22	8.97
Earnings Per Share—			
Preferred	$4.18	$9.52	$11.07
Common	Nil	3.96	5.74

*Deficit. †Does not include taxes. ‡Includes taxes.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant account	$2,955,283	$2,824,122	$2,155,884
Franchise	1	.....	.....
Other investments	.....	.....	851
Materials and supplies	21,299	15,806	24,341
Cash	24,587	63,156	7,273
Notes receivable	53,984	1,400	.....
Accounts receivable		46,020	41,345
Bond discount	51,607	53,850	.....
Prepayments	14,512	15,257	.....
Unamortized flood damage	28,271	.....	.....
Deferred debit items	.....	.....	647
Total	$3,149,544	$3,019,612	$2,230,340
Liabilities—			
Common stock	$800,000	$800,000	$797,300
Preferred stock	900,000	900,000	899,900
Funded debt	1,000,000	1,000,000	250,000
Subscriptions to stock	.....	.....	1,037
Notes payable	169,488	62,500	34,000
Accounts payable	51,933	12,242	10,679
Int. and dividends accrued	.....	4,500	.....
Other current liabilities	.....	300	2,028
Deferred accounts	.....	.....	6,184
Reserve for depreciation	228,123	207,682	229,213
Surplus		32,388	
Total	$3,149,544	$3,019,612	$2,230,340

Officers: David V. Carruth, Pres., Clinton, Mass. Laurence M. Lombard, Sec.; Clinton W. Tylee, Treas. Boston, Mass.; A. W. Peterson, Supt. & Pur. Agt., St Albans, Vt.

Directors: Harry L. Ayer, Geo. A. Fernald, Clinton W. Tylee, Boston, Mass.; David V. Carruth, Clinton Mass.; A. W. Peterson, St. Albans, Vt.

General Office, 161 Devonshire St., Boston, Mass **Operating Office,** St. Albans, Vt.

ALASKA PUBLIC UTILITIES

History—Incorporated July 27, 1917. Furnishes telephone service, electricity and water to Cordova Alaska and outlying districts. Miles of transmission lines, 6; distribution lines, 100; water mains, 15 Franchise expires May 15, 1966. Population served approximately, 1,500. No. of meters, 425. Sales o electricity in 1926, 547,690 k. w. h., compared with

656,040 k. w. h. in 1925, and 549,669 k. w. h. in 1924. Prices—light, 11c to 4c per k. w. h.; power, 8c to 3¼c; according to consumption.

CAPITAL STOCK

Authorized and outstanding, $250,000 Common and $50,000 8% cumulative Pfd.; par $1. Annual meeting, second Monday in January.

Dividends—Preferred dividends of 8% paid in 1920; 4% in 1921; none since; payments were made March and Sept. 1. No dividends paid on Common.

FUNDED DEBT

$75,000 First Mortgage 6% Gold bonds; dated July 1, 1918; due July 1, 1938; int. Jan. and July 1, at National Bank of Tacoma, Wash. Coupon, $500; principal may be registered. Authorized and issued, $100,000, of which $25,000 redeemed to Dec. 31, 1927. Subject to call at 102 and int. These bonds were issued to purchase properties of Cordova Power Co. and those of A. J. McConnell. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$60,426	$62,428	$62,282
Operating expenses & taxes	37,122	36,952	40,450
Depreciation	21,953	20,539	20,536
Net earnings	$1,351	$4,937	$1,296
Other income	.....	.....	908
Total income	$1,351	$4,937	$2,204
Interest charges	$5,063	$5,343	$5,581
Amortization	.....	2,102	660
Deficit for year	$3,712	$2,508	$4,037

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$307,215	$320,882	$318,216
Real estate	.....	.....	11,515
Stocks owned	.....	37,000	28,900
Material and supplies	1,742	1,627	1,291
Cash	472	310	319
Accounts receivable	3,699	3,627	4,077
Other current assets	40,200	.....	.....
Unadjusted debits	.....	156	76
Deferred debit items	1,991	.....	2,656
Corporate deficit	29,400	25,688	23,180
Total	$384,720	$388,290	$390,230
Liabilities—			
Common stock	$250,000	$250,000	$250,000
Preferred stock	50,000	50,000	50,000
Funded debt	75,000	80,000	85,000
Notes payable	5,700	4,200	1,250
Meter deposits	4,020	4,090	3,980
Total	$384,720	$388,290	$390,230

Officers: A. J. McConnell, Pres.; A. T. Hay, V-P.; Dalton L. Barr, Sec. & Treas., Cordova, Alaska.

Directors: A. J. McConnell, A. T. Hay, Dalton L. Barr, Cordova, Alaska.

General Office, Cordova, Alaska.

HELENA GAS AND ELECTRIC COMPANY

History and Property—Incorporated June 16, 1927 in Delaware, as successor to the Helena Light & Railway Co. under reorganization plan outlined in the 1927 Public Utility Manual, page 1207. Company owns all the properties of the old company, not exclusively devoted to street railway business. Also owns all stock of the **Helena Electric Railway Co.** Electric and gas franchises are perpetual. Present company commenced operations on Sept. 15, 1927.

The business comprises all the electric and gas properties in the city and environs of Helena, Montana. The Company purchases its electric power. The gas department makes water gas, has 28.52 miles of 3" equivalent pipe and a holder of 140,000 cu. ft. capacity.

CAPITAL STOCK

Authorized, 6,000 shares Common of no par value and 4,0000 shares $7 cumulative Preferred of no par value; outstanding, 6,000 shares Common and 2,805 shares Preferred.

Preferred Stock Provisions—Preferred stock has preference as to assets as well as dividends.

Transfer Agent—The Chemical National Bank of New York.

Annual Meeting—Second Tuesday in April at 37 Wall St., New York.

Dividends—None paid.

FUNDED DEBT

$750,000 FIRST MORTGAGE GOLD BONDS, 6% SERIES, DUE JANUARY 1, 1952

Dated January 1, 1927.

Interest Payable January and July 1 at Hanover National Bank of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Hanover National Bank of New York.

Provisions of Issue—The Plan of Reorganization under which the present company was organized provided that the initial issue of these bonds would be $750,000 and that additional bonds may be authenticated under the mortgage to a principal amount not exceeding 80% of the cost of additional property, extensions and/or betterments but only upon the filing with the Trustee of certificates showing net earnings (before Federal income taxes and depreciation) of this Company equal to twice the interest upon the bonds then outstanding and the bonds then to be authenticated.

Callability—Subject to call at 105 before Jan. 1, 1947; at 104 before Jan. 1, 1948; at 103 before Jan. 1, 1949; at 102 before Jan. 1, 1950; at 101 before Jan. 1, 1951.

Security—A first lien on the property and assets of the Company.

Tax Provisions—Company agrees to refund to holders of these bonds upon proper application within 60 days after payment of taxes, not exceeding 4 mills per annum in Pennsylvania, Conn. and District of Columbia; 4½ mills per annum in Maryland; 6% per annum on income derived from these bonds in Massachusetts.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross operating revenue	$396,076	$375,501
Operating expenses & taxes	253,553	252,926
Renewals and replacements	29,302	33,975
Net earnings	$113,221	$88,600
Interest on bonds	44,346	43,900
Debt discount and expense	109	.....
Net income	$68,766	$44,700

Officers: J. T. Pardee, Pres.; J. K. Choate, V-P.; T. W. Moffat, Sec. & Treas.

General Office, 33 Liberty St., New York.

TEMISKAMING TELEPHONE COMPANY, LIMITED

History and Property—Incorporated April 5, 1905, in Can. Serves 55 municipalities in Ontario, including local exchanges at New Liskeard, Englehart, Pearson, Haileybury, Cobalt, Kirkland Lake, Earlton, Elk Lake, Gowganda, Larder Lake, Boston Creek, Kapuskasing, Clerisy, and Rouyn, Que. Total number of telephones in use on Dec. 31, 1927, 2,849, as compared with 2,447 at the close of 1926. Miles of poles, 435; miles of single wire, 3,810. The Kirkland Lake and Swastika System was purchased early in 1922, and in May, 1922, the system of the Armstrong Independent Telephone Co. was acquired. The Elk Lake-Gowganda lines and exchange were purchased in 1925. In 1928, purchased from the Northern Canada Power Co. the Timmins, Schumacher and South Porcupine system, which will add over 1,000 telephones to Company's system.

CAPITAL STOCK

Authorized, $200,000; subscribed, $110,844, treasury stock, $89,156. Annual meeting, last Monday in February.

Dividends—Payments have been made as follows: 5% May, 1907; quarterly at rate of 8% per annum from June, 1911 to 1919, incl.; during 1920, only 2% was paid; 1921 to 1927, 8% per annum.

FUNDED DEBT

$40,000 First Mortgage 10-year 7% Gold bonds; dated March 1, 1923; due March 1, 1933; int. March and Sept. 1. Coupon, $500. National Trust Co., Toronto, Ont., Trustee. A first lien on entire property.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$109,993	$98,239	$74,454
Oper. exp., taxes, etc.	71,537	66,931	49,796
Net earnings	$38,456	$31,308	$24,658
Interest	3,739	3,536	3,372
Depreciation	18,864	16,519	13,644
Bad debts	1,209	705	605
Total charges	$23,812	$20,760	$17,621
Net income	$14,644	$10,548	$7,037
Dividends paid	8,567	7,486	6,565
Surplus for year	$6,077	$3,062	$472

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$404,015	$332,386	$294,358
Stock on hand	6,841	6,068	7,333
Accounts receivable	14,172	12,056	8,988
Unearned insurance	914	650	833
Cash	232	414	1,646
Profit and loss deficit	.....	.....	2,415
Total	$426,174	$351,574	$315,574
Liabilities—			
Capital stock	$110,844	$98,741	$83,779
Bonds	40,000	40,000	40,000
Depreciation reserve	192,028	173,163	156,644
Notes & bills payable	27,000	9,000	10,500
Accounts payable	24,925	9,323	7,057
Interest on bonds accrued	933	933	933
Unclaimed dividends	421	421	421
Unearned rentals	18,818	15,852	13,412
Wages and salaries due	2,264	1,517	1,151
Divds. accrued & unpaid	2,217	1,977	1,676
Surplus	6,724	647	.....
Total	$426,174	$351,574	$315,574

Officers: T. McCamus, Pres.; F. L. Hutchinson, V-P.; P. R. Craven, Sec.-Treas.; H. D. Stewart, Aud., New Liskeard, Ont.

Directors: T. McCamus, F. L. Hutchinson, R. R. Woods, W. A. Taylor, S. C. McDonald, New Liskeard, Ont.

Office, New Liskeard, Ont.

STANDARD TELEPHONE COMPANY

(Delaware)

History—Incorporated July 21, 1927, in Del. Owns all the Preferred and Common stocks of the Standard Telephone Company of Illinois, the Standard Telephone Company of Texas (see appended statements), the **Odell Telephone Company** and over 99.4% of the Common stock of the **Missouri Union Telephone Company.**

The properties of subsidiaries supply without competition local and long distance telephone service to 64 central Illinois communities, in 15 important counties, serving an aggregate population of approximately 120,400; to 12 communities in the northeast panhandle of Texas and 16 communities across the state line in Oklahoma, having an aggregate population of 35,500 and to 6 communities in Henry County, Missouri, serving a population of approximately 20,000. The total number of owned stations of the operating companies is 25,560. The total number of switched stations is approximately 1,750. Total aggregate population served is estimated to be 175,900.

Engineering supervision will be furnished by J. G. Wray & Co., telephone engineers, Chicago, Ill.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $100,000 7% cumulative Preferred of $100 par value; outstanding, 10,000 shares Common and $94,000 Preferred.

Preferred Stock Provisions—Has preference as to assets as well as dividends and is subject to redemption upon 30 days' notice.

Transfer Agent and Registrar—Company itself, 100 W. Monroe St., Chicago, Ill.

Annual Meeting—Third Wednesday in March.

Dividends—Preferred dividends paid quarterly; initial dividend paid in last quarter of 1927.

FUNDED DEBT

(1)

$750,000 ONE-YEAR 5% GOLD NOTES: DUE AUGUST 1, 1928

Dated August 1, 1927.

Interest Payable February and August 1 at National Bank of the Republic, Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable.

Trustee—National Bank of the Republic, Chicago.

Provisions of Issue—Authorized and issued, $750,000.

Purpose of Issue—Proceeds were used to pay off securities outstanding on subsidiaries, for additions to properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date prior to maturity on 15 days' notice at 100 and interest.

Security—Notes are the direct obligation of the Company, but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund upon due application to holders who are residents of any jurisdiction under the sovereignty of the United States, any property taxes assessed not exceeding five mills per annum, including the present Michigan 5 mills taxes and Pennsylvania and Connecticut 4 mills taxes, and to residents of Massachusetts all income taxes not in excess of 6% of the interest paid in any year.

Legal Opinion—Dickinson & Smith, Chicago.

Original Offering—First publicly offered ($750,000) in Sept., 1927 at 99 and interest to yield over 6% by Paul C. Dodge & Co., Inc., Nichols, Terry & Co., Inc., and Dowling, Swain & Shea, Inc., Boston, etc.

(2)

$550,000 ONE-YEAR 5% GOLD NOTES, DUE DECEMBER 1, 1928

Dated December 1, 1927.

Interest Payable June and December 1 at National Bank of the Republic, Chicago.

Denominations—Coupon, $500 and $1,000; interchangeable.

Trustee—National Bank of the Republic, Chicago.

Provisions of Issue—Authorized and issued, $550,000.

Purpose of Issue—Proceeds of these notes were to be used to pay off securities outstanding on subsidiaries, for additions to property and other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date prior to maturity on 15 days' notice at par and interest.

Security—A direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and agrees to refund upon due application as provided in the indenture to holders who are residents of any jurisdiction under the sovereignty of the U. S. A., any property taxes assessed not exceeding 5 mills per annum, including the present Michigan 5 mills and Pennsylvania and Connecticut 4 mills taxes, and to residents of Massachusetts all income taxes not in excess of 6% of the interest paid in any year.

Legal Opinion—Dickinson & Smith, Chicago.

Original Offering—First publicly offered ($550,000) about January, 1928, at 99 and interest to yield over 6%.

EARNINGS

(Consolidated earnings of Company and subsidiaries upon completion of new financing, for 12 months ended Sept. 30, 1927 for the Illinois subsidiary, and Oct. 31, 1927 for the Texas and Missouri subsidiaries after eliminating certain non-recurring items)

Gross earnings	$660,388
Operating expenses & taxes	452,789
Net earnings before depreciation	$207,599
Annual interest charges on notes	65,000
Balance for depreciation, Federal income taxes, dividends, etc.	$142,599

Officers: W. E. Vogelback, Pres.; E. R. Abrams, V-P.; L. A. Ellner, Sec. & Treas.

Directors: W. E. Vogelback, Evanston, Ill.; J. G. Wray, Glen Ellyn, Ill.; P. C. Dodge, E. R. Abrams, L. A. Ellner, Chicago, Ill.

General Office, 100 W. Monroe St., Chicago, Ill.

STANDARD TELEPHONE COMPANY OF ILLINOIS

(Controlled by Standard Telephone Company of Del.)

History and Business—Incorporated July 18, 1927, in Illinois. Owns and operates telephone properties supplying without competition local and long distance telephone service to 63 Illinois towns and contiguous rural districts located in 14 counties of the State: Champaign, Douglas, Edgar, Ford, Iroquois, Jasper, Livingston, Macon, Marshall, McLean, Moultrie, Piatt, Putnam and Woodford. Population served, 120,000. No. of exchanges 64. No. of 'phones in use March 1, 1928, 17,556.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $100,000 7% cumulative First Preferred of $100 par value; issued, 8,275 shares Common and $100,000 Pfd. All owned by Standard Telephone Co. of Delaware.

Preferred Stock Provisions—Preferred stock has preference as to assets as well as dividends and is subject to redemption at 105 upon 30 days' notice.

Annual Meeting—Third Tuesday in March.

Dividends—Pfd. dividends paid quarterly, J, A, J & O 1, since Oct. 1, 1927.

FUNDED DEBT

(1)

$575,000 First Mortgage Series "A" 6% Gold Bonds; Due August 1, 1947

Dated August 1, 1927.

Interest Payable February and August 1, at National Bank of the Republic, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—National Bank of the Republic, Chicago.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $575,000. The Indenture provides for the issuance of bonds from time to time hereunder in series, having such rates of interest, dates, maturities, redemption provisions and other distinguishing features and provisions as may be determined by the Board of Directors of the Company, all subject, however, to the following restrictive provisions: Bonds in addition to the initial issue of series "A" bonds may be issued only for not exceeding 75% of the cost or fair value at the time of acquisition, whichever is less, of property additions; or for refunding bonds issued under this Indenture and underlying bonds, if any. Additional bonds may not be issued unless the net earnings of the Company, as defined in the Indenture, for 12 consecutive calendar months within the preceding 15 calendar months are not less than 2½ times before depreciation, the annual interest on all bonds outstanding and proposed to be issued.

Purpose of Issue—Proceeds were used to retire indebtedness and/or securities of the separate corporations which have been consolidated and for additions to property and other corporate purposes.

Callability—Subject to call on any interest payment date on 30 days' notice at 105 and accrued interest, less ¼ of 1% for each year of expired life subsequent to Aug. 1, 1928, but at not less than 101 and interest.

Sinking Fund—None provided.

Security—Bonds are the direct obligation of the Company and are secured by a first mortgage on all the property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund upon due application as provided in the Mortgage to the holders who are residents of any jurisdiction under the sovereignty of the United States, any property taxes assessed not exceeding 5 mills, per annum, including the present Michigan 5 mills tax and Pennsylvania and Connecticut 4 mills taxes and to residents of Massachusetts all income taxes not in excess of 6% of the interest paid in any year.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($575,000) in Aug., 1927, at par and interest by Paul C. Dodge & Co., Inc. and Nichols, Terry & Co., Inc., Chicago.

(2)

$600,000 5% GOLD NOTES; DUE JULY 1, 1928

Dated January 1, 1928.

Interest Payable July 1, 1928, at the National Bank of the Republic, Chicago.

Denomination—Coupon, $1,000.

Trustee—National Bank of the Republic, Chicago.

Callability—Subject to call on 30 days' notice at par and accrued interest.

Security—Notes are the direct obligation of the Company, and the Trust Agreement under which they are issued, provides, among other things, that no additional First Mortgage bonds can be issued in excess of the $575,000 outstanding, unless the notes of this issue have been redeemed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund upon due application, as provided in the Trust agreement to holders who are residents of any jurisdiction under the sovereignty of the United States, any property taxes assessed not exceeding five mills per annum, including the present Michigan five mills tax and Pennsylvania and Connecticut four mills taxes, and to residents of Massachusetts all income taxes not in excess of 6% of the interest paid in any year.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($600,000) in Jan., 1928, at 99¾ and interest to yield 5½% by Arthur Perry & Co., Boston, and Paul C. Dodge & Co., Chicago.

EARNINGS AND EXPENSES, 12 MONTHS ENDED SEPTEMBER 30, 1927

(After eliminating certain non-recurring items)

Gross income	$417,154
Operating expenses, taxes & maintenance	231,889
Net income	$185,265
Annual interest charges	64,500
Bal. for deprec., Fed. inc. taxes, amort. & divds.	$120,765

GENERAL BALANCE SHEET, NOVEMBER 30, 1927

Assets—	
Land, right of way, plant and equipment	*$877,974
Cash	7,359
Bills & accts. receivable, etc.	52,710
Material & supplies	894
Deferred assets	2,726
Total	$941,663
Liabilities—	
Preferred stock	$100,000
Common stock	227,563
Funded debt	575,000
Accounts payable	12,396
Interest & taxes accrued	12,333
Reserve for depreciation	7,060
Surplus	7,311
Total	$941,663

*Including only 25 exchanges purchased; 39 exchanges purchased as of Feb. 1, 1928 not included.

Officers: W. E. Vogelback, Pres.; P. C. Dodge, Treas.; L. A. Ellner, Sec., Chicago, Ill.; B. E. Converse, Decatur, Ill.

Directors: W. E. Vogelback, Evanston, Ill.; P. C. Dodge, E. R. Abrams, Chicago, Ill.; B. E. Converse, Decatur, Ill.

General Office, 100 West Monroe St., Chicago, Ill.

STANDARD TELEPHONE COMPANY OF TEXAS

(Controlled by Standard Telephone Company of Delaware)

History and Properties—Incorporated September 12, 1927 in Texas. Supplies without competition, local and long distance telephone service to a district comprising 21 communities in 8 adjacent counties in northeastern Texas and western Oklahoma, having an aggregate population of approximately 80,000. The population actually served is approximately 50,000. No. of exchanges, March 1, 1928, 27; No. of 'phones in use, 3,640.

CAPITAL STOCK

Authorized and issued, 2,000 shares Common of no par value and $100,000 7% cumulative Preferred of $100 par value. All of the capital stock is owned by Standard Telephone Company of Delaware.

Preferred Stock Provisions—Preferred stock has preference as to assets as well as dividends and is subject to redemption at 105 upon 30 days' notice.

Annual Meeting—Second Tuesday in September.

FUNDED DEBT

$250,000 FIRST MORTGAGE TEN YEAR 6% SINKING FUND GOLD BONDS, SERIES "A"; DUE SEPTEMBER 1, 1937

Dated September 1, 1927.

Interest Payable March and September 1 at The National Bank of the Republic, Chicago.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—The National Bank of the Republic, Chicago.

Provisions of Issue—Authorized amount, not limited; issued, Series "A", $250,000. Bonds in addition to the initial issue of Series "A" bonds may be issued at such rates of interest and of such maturities (not maturing sooner than bonds of Series "A") as the directors may determine from time to time, but only subject to the following conditions: (a) The principal amount of bonds may not exceed 70% of the cost or fair value, whichever may be less, of permanent improvements or additions to fixed property or additional telephone properties, upon which bonds issued under this indenture would constitute a first mortgage. (b) Additional bonds may not be issued unless net earnings, after deducting all charges and expenses, including adequate maintenance but not including depreciation, have been equal during a period of 12 consecutive months out of the preceding 15 months to not less than 2½ times interest on bonds then outstanding plus those proposed to be issued. Bonds may also be issued in accordance with the terms of the Indenture for the refunding of bonds issued under this Indenture as well as underlying bonds, if any.

Callability—Subject to call on 30 days' notice at 106 and interest, up to and including Sept. 1, 1930; thereafter at 1/4% less for each subsequent year, but at not less than 102 and interest.

Sinking Fund—A sinking fund of 1% of the amount of bonds outstanding of this series, is provided during the first five years, and 2% thereafter, such sinking fund to be applied either to the purchase or redemption of bonds.

Maintenance and Depreciation Reserve—Mortgage provides that the Company must set up a maintenance and depreciation reserve amounting to not less than 25% of gross earnings.

Security—Secured by a first mortgage on all of the plants and property of the Company, now owned or hereafter acquired, subject to liens, if any, existing on property at date of acquisition.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The personal property tax of any State under any present law not exceeding 5 mills in any case, and the tax on interest assessed by the States of New York and Massachusetts, not exceeding 6% of such interest per annum, refunded upon timely application.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($250,000) in Nov., 1927, at par and interest by P. W. Brooks & Co., Inc., New York, etc.

EARNINGS AND EXPENSES, YEAR ENDED OCTOBER 31, 1927

Gross earnings	$143,568
Operating expenses	94,588
Net earnings	$48,980

GENERAL BALANCE SHEET, NOVEMBER 30, 1927

Assets—	
Plant and equipment	*$377,126
Cash & special deposits	2,435
Accounts receivable	30,952
Materials and supplies	301
Deferred assets	931
Total	$411,745
Liabilities—	
Preferred stock	$100,000
Common stock	25,000
Funded debt	250,000
Accounts payable	4,628
Interest & taxes accrued	4,327
Reserve for depreciation	2,185
Surplus	25,605
Total	$411,745

*Does not include six exchange properties purchased as of Jan. 30, 1928.

Officers: W. E. Vogelback, Pres.; P. C. Dodge, Treas.; L. A. Ellner, Sec., Chicago, Ill.; G. H. Hill, Gen. Mgr., Amarillo, Tex.

Directors: W. E. Vogelback, Evanston, Ill.; P. C. Dodge, Chicago, Ill.; H. L. Nichols, River Forest, Ill.

General Office, Amarillo, Texas.

NEW YORK & RICHMOND GAS COMPANY

History and Property—Incorporated July 9, 1901, in N. Y.; consolidation of Consumers' Gas Light Co., and Richmond County Gas Light Co. Franchise perpetual. Supplies four wards of the Borough of Richmond, Staten Island, New York, N. Y. Population of district supplied, 95,000. Owns water gas plant unit with an average daily working capacity of 3,500,000 cu. ft. at Clifton, Staten Island, N. Y. Also owns 5 gas holders having a capacity of 2,480,000 cu. ft. Rates: First 500 cu. ft. of gas or less per meter per month, $1.10 gross and $1.00 net; next 4,500 cu. ft., gross, $1.50 and net, $1.00; next 5,000 cu. ft., gross, $1.45, and net, $1.35; next 15,000 cu. ft., gross, $1.35 and net, $1.25; next 25,000 cu. ft., gross, $1.20 and net, $1.10; next, 50,000 cu. ft., gross, $1.10 and net, $1.00; over 100,000 cu. ft., gross, $1.00 and net, 90 cts.

OPERATING STATISTICS DEC. 31

	Miles of Mains	No. of Meters	Output in Cu. Ft.
1923	149	21,789	694,527,200
1924	181	22,648	712,667,800
1925	199	24,252	727,974,700
1926	205	26,577	825,251,600
1927	216	28,056	823,609,000

CAPITAL STOCK

Authorized, $1,500,000 Common and $1,500,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $1,500,-

000 Common and $1,208,000 Pfd.; par, $100. In addition to the Pfd. stock outstanding an amount of $15,300 had been subscribed for.

Preferred Stock Provisions—Pfd. stock has preference as to assets and dividends and is redeemable at option of company at $105 per share and accrued dividends, upon 60 days' notice.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—Central Union Trust Co. of New York.

Annual Meeting—First Monday in March.

Preferred Stock Offered—In Nov., 1923, Company offered 7,000 shares of its 7% cumulative Pfd. stock to its customers and local investors, at par, payable in monthly installments of either $5 or $10 per month per share.

Dividends—Common dividends have been paid as follows: 1% in Feb., 1904; 2% per annum from 1905 to 1909, inclusive; 3% each in 1910 and 1911; 4% in 1912; 1% in 1913; none in 1914; 1% in 1915; 3% in 1916; 4% in 1917; none thereafter until July, 1922, when 1½% was paid; Oct. and Dec. 31, 1922, 1½% each; 1923 to April 1, 1925, 6% per annum; July 1, 1925 to Oct. 1, 1927, at rate of 8% per annum; Jan. 3 and April 2, 1928, 3% each; payments, J, A, J & O 1. Dividends on Pfd. stock regularly paid quarterly, J, A, J & O 1.

FUNDED DEBT

$2,125,000 FIRST REFUNDING GOLD 6s; SERIES "A"; DUE MAY 1, 1951

Dated May 1, 1921.

Interest Payable May and November 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; $1,000 denomination interchangeable with fully registered bonds in amounts of $1,000 or multiples.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Issued and outstanding, $2,125,000 Series "A" 6s.

Additional bonds are issuable, when approved by the Public Service Commission of the State of New York, for not exceeding 75% of the actual cost or reasonable value, whichever may be less, of such property or extensions, betterments, improvements, or additions and under the same earning restrictions.

Bonds may be issued in series, bearing the same or different rates of interest, dates, maturities (but not later than Jan. 1, 2019), tax provisions, conversion privileges, redemption provisions, sinking fund provisions and such other distinguishing features with respect to each particular series as may be determined by the directors, at the time of the creation of each series.

Callability—Subject to call as a whole or in part on any interest date, after May 1, 1936, to and including Nov. 1, 1950, at 105 and accrued interest, on 60 days' published notice.

Sinking Fund—None.

Security—Secured by a direct first mortgage on all of the property now owned by the company and will also cover all property hereafter acquired. These bonds are issued under and pursuant to a mortgage dated May 1, 1921, modified by a supplemental indenture, dated July 15, 1922, and deposited with the trustee under the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four mills taxes and Massachusetts income tax on interest not exceeding 6% per annum refunded.

Original Offering—First publicly offered ($2,000,000) in July, 1922 at 97½ and interest, yielding about 6.20%, by Halsey, Stuart & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	109	103⅜	102½	101	91
Low	102	100¾	99½	89	83

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,251,131	$1,215,832	$1,071,093	$1,048,374	$1,025,163	$982,310
Operating expenses and taxes	847,613	838,525	745,324	712,110	747,436	722,947
Net earnings	$403,518	$377,308	$325,769	$336,264	$277,727	$259,363
Other income	.....	.....	1,549	.....	.....	.....
Total income	$403,518	$377,308	$327,318	$336,264	$277,727	$259,363
Bond interest, etc.	152,542	152,352	149,066	166,625	142,432	201,061
Net income	$250,976	$224,946	$178,252	$169,639	$135,295	$58,302
Preferred dividends	82,230	63,515	42,354	22,580	2,084	.....
Common dividends	135,000	120,000	120,000	90,000	90,000	67,500
Surplus for year	$33,746	$41,431	$15,898	$57,059	$43,211	†$9,198
Times Fixed Charges Earned	2.64	2.47	2.18	2.02	1.95	1.29
Earnings Per Share—						
Preferred	$20.78	$23.29	$26.10	$36.78	$111.91	.....
Common	11.25	10.76	9.06	9.80	8.88	3.89

†Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$5,365,003	$5,075,538	$4,628,454	$4,375,764	$3,949,282	$3,673,353
Cash	87,857	77,389	58,705	85,454	70,982	132,932
Accounts receivable	135,356	120,253	115,245	106,313	101,116	95,243
Subscribers to Preferred stock	6,394	32,045	19,815	109,416	109,366	.....
Materials and supplies	84,624	113,550	99,645	90,518	97,535	85,052
Prepaid accounts	23,333	8,314	8,224	.....	.....	.....
Deferred charges and suspense accounts	233,812	259,121	271,790	274,600	249,681	261,389
Total	$5,936,379	$5,686,211	$5,201,876	$5,042,065	$4,577,962	$4,247,969
Liabilities—						
Common stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Preferred stock	1,208,000	965,800	682,900	461,200	120,900	.....
Preferred stock subscribed	15,300	71,400	45,000	190,300	131,900	.....
Funded debt	2,125,000	2,125,000	2,125,000	2,150,000	2,125,000	2,125,000
Mortgages	44,250	44,250	25,000	.....	.....	.....
Current and accrued liabilities	312,158	298,990	268,904	190,238	191,973	147,462
Consumers' deposits and accrued interest	279,542	252,734	221,361	184,739	156,599	124,700
Reserves	77,144	95,836	106,937	92,369	121,862	165,674
Surplus	374,985	332,201	286,773	273,219	226,728	185,133
Total	$5,936,379	$5,686,211	$5,201,876	$5,042,065	$4,577,962	$4,247,969

Officers: William J. Welsh, Pres.; Joseph H. Maloy, V-P.; John Kohout, Sec. & Treas.

Directors: Stuart M. Crocker, Rufus C. Dawes, J. H. Goetz, Arthur T. Leonard, J. C. Markley, Rawleigh Warner, C. J. Young, A. B. Hatcher, Joseph H. Maloy, E. Stewart Taxter, Wm. J. Welch.

Office, 691 Bay St., Stapleton, Richmond Borough, N. Y.

TERRE HAUTE, INDIANAPOLIS & EASTERN TRACTION COMPANY

History—Incorporated March 1, 1907, in Ind.; consolidation of Indianapolis Coal Traction Co., the Richmond St. & Interurban R. R. Co., the Indianapolis & Eastern Ry. Co. and the Indianapolis & Western Ry. Co. Leases the Terre Haute Traction & Light Co. for 999 years from March 25, 1907; the Indianapolis & Northwestern Traction Co. and the Indianapolis & Martinsville Rapid Transit Co. for 999 years from April 1, 1907; the Indianapolis, Crawfordsville & Danville Electric Ry. Co. for 999 years from May 1, 1912. Owns the entire capital stock of the Indianapolis & Martinsville Rapid Transit Co., the entire Common stock of Indianapolis & Northwestern Traction Co., Terre Haute Traction & Light Co., Indianapolis, Crawfordsville & Danville Electric Ry., Indianapolis Street Ry. Co. and the entire Pfd. and Common stock of Terre Haute & Western Ry.

On May 1, 1918, the Company purchased the Common and Pfd. stock of the West Indiana Utilities Co. for $121,000 in cash. This company operates lighting plants in West Terre Haute and Brazil, Ind. Also owns one-half interest in The United Tractions Coal Co., and controls the Indiana Motor Transit Co., operating a bus line between Indianapolis and Lafayette.

Franchises Surrendered—Late in 1921, Company filed notice with the Indiana Public Service Commission of the surrender of all its franchises in Indiana. There were some 30 franchises in all that were to be exchanged for the indeterminate permit of the Commission.

Mileage Operated—From Richmond, Ind., where connection is made with tracks of the Dayton & Western Traction Co., west via Dublin, Milton, Cambridge City, Greenfield, Knightstown, Indianapolis, Greencastle, Brazil, and Terre Haute, Ind., to Paris, Ill.; also a line from Indianapolis southwest to Martinsville; a line from Indianapolis west to Danville; a line from Indianapolis northwest to Crawfordsville; a line northwest to Lebanon, Frankfort and Lafayette, with a branch line from Lebanon to Crawfordsville; the city lines in Terre Haute, with branch lines from Terre Haute north to Clinton and south to Sullivan. Length of line operated: City lines, (Crawfordsville, 1.85 miles; Terre Haute, 31.75 miles; Richmond, 13.68 miles), 47.28 miles; interurban lines, 383.59 miles—total track, 430.87 miles. Gauge, standard. Equipment: interurban cars, 86; city cars, 110; freight cars, 69; service cars, 70—total, 335.

Proposed Merger—In June, 1926, plan was announced for the consolidation of Terre Haute, Indianapolis & Eastern Traction Company and certain subsidiaries and Central Indiana Power Co., and its subsidiaries into the Indiana Electric Corp. The consummation of the plan had not been effected to May, 1928, and terms of the plan have been so altered, it was announced in April, 1928, that much time may elapse before the plan will be presented for approval of the Indiana Public Service Commission.

Bondholders' Committee—The committee named below was formed in 1926 to represent holders of First & Refunding Mortgage 5% Sinking Fund 35-Year Gold bonds in the proposed merger. Committee: Wm. P. Gest, C. S. W. Packard, H. G. Brengle and Thomas S. Gates, with M. S. Altemose, 325 Chestnut St., Philadelphia, as Secretary, and Fidelity-Philadelphia Trust Co., Philadelphia, depositary. Up to March, 1928, over 88% of the bonds had been deposited with the Committee.

Preferred Stockholders' Committee—J. C. Neff, J. P. Frenzel, C. S. Smyth with T. H. Atherton, Secretary. The Fidelity-Philadelphia Trust Co., Philadelphia, is Depositary of the Committee.

CAPITAL STOCK

Authorized, $12,500,000 Common and $12,500,000 5% cumulative Pfd.; outstanding, $9,100,000 Common and $9,100,000 Pfd.; par, $100. After 6% shall have been paid on Common within any year, Pfd. stock shares equally in any further distribution.

Transfer Agents (Both Classes)—Fidelity-Philadelphia Trust Co., Philadelphia, and company's office, Indianapolis.

Registrars (Both Classes)—Girard Trust Co., Philadelphia, and Indiana Trust Co., Indianapolis.

Annual Meeting—Second Wednesday in June.

Listed—New York Curb Market.

Price Range—

	1927	1926	1925	1924
Preferred—				
High	30	36	40¼	24¾
Low	20	20	20¼	20
Common—				
High	3	7	5	5
Low	1	1	3	3⅝

Dividends—Pfd. dividends were regularly paid, quarterly, Jan. 1, from Oct. 1, 1910, to Jan. 1, 1914; none since. None paid on Common.

FUNDED DEBT

(1)

$5,103,000 TERRE HAUTE, INDIANAPOLIS & EASTERN TRACTION CO. FIRST AND REFUNDING MORTGAGE SINKING FUND GOLD 5s; DUE APRIL 1, 1945

Dated April 1, 1910.

Interest Payable April and October 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized, $8,000,000; issued, $6,500,000 of which $1,397,000 held in sinking fund Dec. 31, 1927. The unissued bonds may be issued for not exceeding the actual cost of additions and improvements to the properties directly owned and covered by this mortgage, but only when the net earnings (after liberal deductions for maintenance and depreciation) of the properties directly owned and subject to this mortgage are, for the twelve months just preceding 1½ times the total interest charges on said properties, including bonds then sought to be issued, and after five years only when such net earnings are at least double such interest charges. Furthermore, no part of these $1,500,000 reserve bonds can be issued unless the net earnings of the entire system operated or controlled for the 12 months immediately preceding are at least 1½ times the total interest and rental charges of the system, including interest on the bonds sought to be issued.

Callability—Subject to call as a whole at 105 and interest.

Sinking Fund—Sinking fund consists of $55,000 per annum for the first five years and $106,675 per annum thereafter, to be invested in these bonds at or below 102½. **Bonds acquired to be held alive by** Trustee and interest added to sinking fund. First publicly offered in 1910, at 95 and interest. Mortgage contains tax free covenant.

Security—Secured by direct lien on 162.30 miles of railway, including the lines between Indianapolis and Brazil, Indianapolis and Richmond and Indianapolis and Danville, and on the Richmond City lines, together with the equipment and power plants therefor. Additionally secured by pledge of $1,000,000 of the $6,000,000 capital stock of the Indianapolis Street Railway Co., and by the entire outstanding Common stock (except directors' shares) of the Terre Haute Traction & Light Co., Indianapolis & Northwestern Traction Co., Indianapolis & Martinsville Rapid Transit Co. and Indianapolis, Crawfordsville & Danville Electric Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State tax refunded.

Original Offering—First publicly offered in 1910 at 95 and interest.

Price Range —

	1927	1926	1925	1924
High	*91½	*83	71	68
Low	78	75¼	bid	bid

*High bid price.

(2)

$425,000 (ENTIRE ISSUE) TERRE HAUTE, INDIANAPOLIS & EASTERN TRACTION CO. 6½% COLLATERAL GOLD NOTES; DUE SEPTEMBER 1, 1929

Dated September 1, 1924.

Interest Payable March and September 1, at Fletcher American National Bank, Indianapolis, Ind.

Denominations—Coupon, $500 and $1,000, with full registration privileges.

Trustee—Fletcher American National Bank, Indianapolis Ind.

Callability—Subject to call at 102 and interest on any interest date.

Security—$700,000 par value 4% notes of Indianapolis Traction & Terminal Co. due 1933 are pledged as collateral for this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Terre Haute, Indianapolis and Eastern Traction Co. only)

	1927	1926	1925	1924	1923	1922
Gross earnings	$5,674,386	$5,668,554	$5,058,804	$5,197,922	$5,499,428	$5,404,575
Operating expenses and taxes	4,629,231	4,618,040	4,000,623	4,040,502	4,178,203	4,047,183
Net earnings	$1,045,155	$1,050,514	$1,058,181	$1,157,420	$1,321,225	$1,357,392
Rentals and other deductions, sub. cos.	$643,273	$637,073	$626,234	614,951	628,279	641,329
Sinking funds, subsidiary companies	50,704	49,558	48,263	47,049	45,970	45,272
Balance	$351,178	$363,883	$383,684	$495,420	$646,976	$670,791
Interest on T. H., I. & E. bonds	255,648	259,177	263,316	267,599	217,490	274,580
Sinking fund on T. H., I. & E. bonds	176,026	172,498	168,359	164,076	160,174	157,095
Deficit for year	$80,496	$67,792	$47,991	*$63,745	*$215,312	*$239,116
Times Interest Earned	1.37	1.40	1.46	1.85	2.34	2.44
Earnings Per Share—						
Preferred	Nil	Nil	Nil	$0.70	$2.37	$2.63
Common	Nil	Nil	Nil	Nil	Nil	Nil

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant, property and equipment	$16,004,265	$15,962,950	$15,954,777	$15,954,819	$15,789,260	$15,897,324
Sinking fund	35,618	14,126	14,798	19,867	20,152	24,510
Stocks of affiliated cos	10,869,066	10,861,599	10,848,482	10,849,638	10,835,545	10,849,959
Advances to affiliated cos	3,496,895	3,648,914	3,325,296	3,153,331	2,778,654	2,292,853
Cash	25,694	35,746	99,317	78,201	106,851	179,751
Special deposits (for interest coupons)	15,229	16,304	29,979	17,154	32,354	17,604
Accounts and notes receivable	1,286,064	1,323,836	1,211,979	1,125,636	1,092,629	1,050,645
Materials and supplies	501,025	492,104	476,618	397,268	487,295	418,676
Int., dividends and rents receivable, etc.	35,970	35,843	36,807	35,122	35,122	35,122
Rents and insurance premium paid in advance	47,106	53,361	26,395	25,315	20,927	19,970
Other unadjusted debits	.....	.....	35,451	11,738	130,845	29,628
Other currents assets	6,700	7,000	15,000	15,000	15,000	15,000
Total	$32,323,632	$32,451,783	$32,074,899	$31,683,089	$31,344,634	$30,831,042
Liabilities—						
Common stock	$9,100,000	$9,100,000	$9,100,000	$9,100,000	$9,100,000	$9,100,000
Preferred stock	9,100,000	9,100,000	9,100,000	9,100,000	9,100,000	9,100,000
Funded debt	5,528,000	5,580,000	5,662,000	5,754,000	5,412,000	5,488,000
Equipment account	27,750	143,500	195,000	.....	.....	.....
Contract to pur. new cars (balance)	.....	.....	.....	252,500	311,000	324,750
Non-negotiable debt to affiliated companies	.....	.....	.....	.....	18,798	156,698
Donations to aid construction	.....	.....	.....	.....	6,981	.....
Notes payable	837,726	874,240	776,354	407,724	448,676	607,127
Aud. accts. and wages payable	781,255	926,622	723,942	628,726	731,287	501,475
Matured bond interest unpaid	15,173	16,198	29,873	17,048	32,248	17,498
Accrued interest dividends and rents payable	208,581	210,398	211,998	206,509	203,816	205,260
Other liabilities	116,879	100,270	90,787	81,601	42,406	42,729
Accrued taxes	295,960	180,107	377,631	466,008	531,137	538,338
Operating reserves	255,888	248,756	267,402	318,904	392,795	310,500
Accrued depreciation—road and equipment	249,067	206,217	161,800	1,211,299	822,606	462,606
Other unadjusted credits	21,475	29,405	14,831	16,718	11,184	17,049
Miscellaneous fund reserve	1,603,835	1,430,721	1,231,941	.....	.....	.....
Funded debt retired through surplus	471,311	471,311	461,000	450,000	439,000	426,000
Sinking fund reserve	3,384,963	3,158,771	2,919,598	2,676,609	2,439,048	2,215,362
Profit and loss	325,769	675,267	750,742	995,443	1,301,652	1,317,650
Total	$32,323,632	$32,451,783	$32,074,899	$31,683,089	$31,344,634	$30,831,042

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$25,694	$35,746	$99,317	$78,201	$106,851	$179,752
Special deposits	15,229	16,304	29,979	17,154	32,354	17,604
Accounts and notes receivable	1,286,064	1,323,836	1,211,979	1,125,636	1,092,629	1,050,645
Materials and supplies	501,025	492,104	476,618	397,268	487,295	418,676
Interest, dividends and rents receivable	35,970	35,843	36,807	35,122	35,122	35,122
Other current assets	6,700	7,000	15,000	15,000	15,000	15,000
Total	$1,870,682	$1,910,833	$1,869,700	$1,668,381	$1,769,251	$1,716,799
Current Liabilities—						
Notes payable	$837,726	$874,240	$776,354	$407,724	$448,676	$607,127
Accounts and wages payable	781,255	926,622	723,942	628,726	731,287	501,475
Matured bond interest unpaid	15,173	16,198	29,873	17,048	32,248	17,498
Accrued interest, dividends and rents payable	208,581	210,398	211,998	206,509	203,816	205,260
Tax liability	295,960	180,107	377,631	489,799	531,137	538,338
Total	$2,138,695	$2,207,565	$2,119,798	$1,749,806	$1,947,164	$1,869,698
Net Working Capital (Debit)	$268,013	$296,732	$250,098	$81,425	$177,913	$152,899

Officers: R. I. Todd, Pres.; J. J. Appel, V-P.; Jos. A. McGowan, Sec. & Treas.; W. F. Milholland and S. L. Hibberd, Asst. Secs. & Asst. Treas's.; L. T. Hixson, Aud.; E. A. Murphy, Pur. Agt., Indianapolis, Ind.

Directors: R. I. Todd, J. J. Appel, L. T. Hixson, J. F. Wild, J. A. McGowan, Indianapolis; Marshall S. Morgan, Philadelphia.

Office, Traction Terminal Bldg., Indianapolis, Ind.

INDIANAPOLIS AND MARTINSVILLE RAPID TRANSIT CO.

(Leased to Terre Haute, Indianapolis & Eastern Traction Company)

History—Incorporated April 24, 1901, in Indiana. Owns an electric road on private right of way extending from Indianapolis to Martinsville, Ind., 28.77 miles. Leased on April 1, 1907, to the Terre Haute, Indianapolis & Eastern Traction Co., for 999 years, the lessee paying the interest on the bonds; also $500 per year for organization expenses. Rails, 70 lb. Passenger cars, 4; freight cars, 2; service cars, 2. An extension from Martinsville to Bloomington is contemplated.

Proposed Merger—See statement of Terre Haute, Indianapolis & Eastern Traction Co. on a preceding page.

Bondholders' Committee—Holders of a large amount of First Mortgage 5% 30-Year Gold bonds of Company requested the committee named below to represent interests of holders of the bonds in connection with the proposed merger by consolidation or sale of Terre Haute, Indianapolis & Eastern Traction Co. and certain of its subsidiaries with Central Indiana Power Co. and subsidiaries into the Indiana Electric Corp. Holders of these bonds were requested to deposit them with the depositary under Agreement dated May 1, 1926.

Committee: R. C. Adams, H. W. Todd, R. H. Wallace, with W. C. Kassebaum, 111 North Pennsylvania St., Indianapolis, as Secretary; Ferdinand Winter, counsel, and Security Trust Co., Indianapolis, Ind., depositary.

CAPITAL STOCK

Authorized and outstanding, $750,000; par, $100. All owned by Terre Haute, Indianapolis & Eastern Traction Co., except directors' shares. Annual meeting, third Tuesday in April.

FUNDED DEBT

$750,000 (entire issue) First Mtge. 5% Gold bonds; dated Jan. 1, 1902; due Jan. 1, 1932; interest Jan. and July 1, at Security Trust Co., Indianapolis. Coupon, $1,000; principal may be registered. Union Trust Co. and Security Trust Co., Indianapolis, Trustees. Interest guaranteed by Terre Haute, Indianapolis & Eastern Traction Co. Subject to call at 105 and interest. Company does not pay Normal Federal Income Tax.

*Price Range—

1927	1926	1925	1924	1923
81½	63	40	48	58

*Bid prices.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$157,419	$162,929	$158,208	$195,680	$222,080	$234,261
Operating expenses and taxes	176,071	173,171	163,048	153,745	182,206	180,196
Net earnings	*$18,652	*$10,242	*$4,840	$41,935	$39,874	$54,065
Bond interest	38,000	38,000	38,000	38,000	38,000	38,000
Deficit for year	$56,652	$48,242	$42,840	†$3,935	†$1,874	†$16,065

*Deficit. †Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Road and equipment	$1,665,152	$1,665,366	$1,665,365	$1,665,576	$1,657,288	$1,656,558
Cash	3,391	3,083	2,743	2,413	2,092	1,801
Accrued rental	125	125	125	125	125	125
Total	$1,668,668	$1,668,574	$1,668,234	$1,668,114	$1,659,505	$1,658,484
Liabilities—						
Capital stock	$750,000	$750,000	$750,000	$750,000	$750,000	$750,000
Funded debt	750,000	750,000	750,000	750,000	750,000	750,000
Advances by T. H., I. & E. Tr. Co., lessee	105,655	105,869	105,869	106,079	97,791	97,062
Miscellaneous fund reserve	168,073	150,921	133,768	116,609	.....	.....
Deficit	105,060	88,216	71,403	54,574	*61,714	*61,422
Total	$1,668,668	$1,668,574	$1,668,234	$1,668,114	$1,659,505	$1,658,484

*Surplus.

Officers: R. I. Todd, Pres.; Geo. C. Forrey, Jr., Gavin L. Payne, J. J. Appel, V-Ps.; J. A. McGowan, Sec. & Treas., L. T. Hixson, Asst. Sec.

Directors: J. A. McGowan, R. I. Todd, H. S. New, J. J. Appel, J. F. Wild, Geo. C. Forrey, Jr., Gavin L. Payne, Indianapolis.

Office, Traction Terminal Bldg., Indianapolis, Ind.

INDIANAPOLIS AND NORTHWESTERN TRACTION CO.

(Leased to Terre Haute, Indianapolis & Eastern Traction Company)

History and Property—Incorporated Feb. 14, 1902, in Ind., as Indianapolis, Lebanon & Frankfort Traction Co.; present title adopted in Dec., 1902. Owns 87.01 miles of track between Indianapolis, Lebanon, Frankfort and Lafayette, with branch from Lebanon to Crawfordsville. Original franchises were for 31 to 50 years and permit the company to carry mail, express and freight as well as passengers. Original franchises surrendered to Public Service Commissions of Indiana as provided by law and company in 1921 received indeterminate permits in lieu of same. Gauge, standard. Rails, 70 lb. T. Passenger cars, 20; freight cars, 5; service cars, 5; power station, 1.

Leased to the Terre Haute, Indianapolis & Eastern Traction Co., which owns the entire Common stock, for 999 years from April 1, 1907, lessee paying interest on bonds, dividends of 5% on Pfd. stock and $500 per year for organization expenses.

Proposed Merger—See statement of Terre Haute, Indianapolis & Eastern Traction Co. on a preceding page.

Bondholders' Committee—The committee named below, was formed to represent holders of First Mortgage 5% 20-Year Gold bonds of Company, in connection with proposed merger of Terre Haute, Indianapolis & Eastern Traction Co. and certain of its subsidiaries with Central Indiana Power Co. and subsidiaries into Indiana Electric Corp. The committee requested deposit of these bonds with the American Exchange Irving Trust Co., New York, or with one of its agents, the First National Bank of Boston, or Fletcher American National Bank of Indianapolis.

Committee: D. P. Abercrombie, B. L. Allen, C. F. Mills, E. W. Stout, George W. Treat, with Oscar W. Hausermann, 1 Federal St., Boston, as Secretary.

Preferred Stockholders' Committee—George B. Elliott, Thos. D. Sheerin, Theodore Stempfel, with Fred A. Likely, Sec., Ferdinand Winter, Counsel, both of Indianapolis, and Fletcher Savings & Trust Co., Indianapolis, Depositary.

CAPITAL STOCK

Authorized, $2,550,000 Common and $1,000,000 5% cumulative Pfd.; outstanding, $2,550,000 Common and $450,000 Pfd.; par, $100. Entire Common stock, except directors' shares, is owned by the Terre Haute, Indianapolis & Eastern Traction Co. Annual meeting, third Wednesday in January. Dividends of 5% per annum are paid on Pfd. stock under lease; payments, J, A, J & O 1.

FUNDED DEBT

$2,470,000 FIRST MORTGAGE 5% GOLD BONDS; DUE MARCH 1, 1923; EXTENDED TO MARCH 1, 1933

Dated March 2, 1903.

Interest Payable March and September 1 at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $3,000,000; unissued bonds reserved for improvements at 50% of cost and for additions at 75% of cost.

Callability—Subject to call as a whole only at 105 and interest, on any interest date, on 60 days' notice, on and after March 1, 1925.

Security—Secured by a first mortgage on 87.01 miles of interurban line extending from Indianapolis to Lafayette, Ind., including a branch line from Lebanon to Crawfordsville, Ind.

Guaranty—Guaranteed as to interest under terms of lease by Terre Haute, Indianapolis & Eastern Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,000,000) in June, 1905, at 98 and interest.

Legal Opinion—Storey, Thorndike, Palmer & Thayer, Boston.

Price Range—

	1927	1926	1925
High	83	75	61
Low	68	60	41

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$475,353	$510,732	$480,493	$601,778	$660,273	$649,460
Operating expenses and taxes	489,363	484,240	451,768	483,155	502,580	477,894
Net earnings	*$14,010	$26,492	$28,725	$118,623	$157,693	$171,566
Interest, etc.	124,000	124,000	124,000	124,000	124,000	124,000
Deficit for year	$138,010	$97,508	$95,275	$5,377	†$33,693	†$47,566

*Deficit. †Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$5,858,634	$5,842,575	$5,841,658	$5,840,201	$5,837,627	$5,832,343
Cash	116	189	456	420	196	20
Accrued rental	41,292	41,292	41,292	41,292	41,292	41,291
Total	$5,900,042	$5,884,056	$5,883,405	$5,881,913	$5,879,115	$5,873,654
Liabilities—						
Common stock	$2,550,000	$2,550,000	$2,550,000	$2,550,000	$2,550,000	$2,550,000
Preferred stock	450,000	450,000	450,000	450,000	450,000	450,000
Funded debt	2,470,000	2,470,000	2,470,000	2,470,000	2,470,000	2,470,000
Bond interest accrued	41,167	41,167	41,167	41,167	41,167	41,167
Advances by T. H., I. & E. Tr. Co.	280,927	264,869	263,951	262,494	259,921	254,636
Accrued depreciation	86,720	77,635	68,479	430,305	.....	.....
Miscellaneous fund reserve	534,933	480,223	425,583	.....	.....	.....
Surplus	*$513,705	*$449,838	*$385,774	*$322,053	108,027	107,851
Total	$5,900,042	$5,884,056	$5,883,405	$5,881,913	$5,879,115	$5,873,654

*Deficit.

Officers: R. I. Todd, Pres.; John J. Appel, V-P.; Guy . Jeffries, V-P.; J. A. McGowan, Sec. & Treas.; R. R. eery, Asst. Sec.

Directors: J. A. McGowan, R. I. Todd, H. S. New, John J. Appel, J. F. Wild, Geo. C. Forrey, Jr., Indianapolis; Marshall S. Morgan, Philadelphia.

Office, Traction Terminal Bldg., Indianapolis Ind.

INDIANAPOLIS, CRAWFORDSVILLE AND DANVILLE ELECTRIC RAILWAY COMPANY

(Leased to Terre Haute, Indianapolis & Eastern Traction Company)

History and Property.—Incorporated April 20, 1912, Ind.; successor to the Indianapolis, Crawfordsville Western Traction Co., sold at masters' sale on April 1912 (see Manual for 1912, page 1820, or apply to ir Information Department). An electric line exnding from Indianapolis to Crawfordsville, Ind., a stance of 48.23 miles. Power station located at awfordsville. Passenger cars: 8 motor and 4 trails; freight cars: 2 motor and 2 trailer. Service cars, Road is entirely on private right of way; franises in cities and towns, 50 years. Enters Indianolis over tracks of Indianapolis St. Ry.

On May 1, 1912, leased to Terre Haute, Indianapolis Eastern Traction Co. for 999 years. Under the lease e latter company guarantees principal and interest the bonds, 5% dividends on Pfd. stock and mi-annual dividends on Common stock, as follows: of 1% on Nov. 30, 1912, May 31, 1913, Nov. 30, 13, and May 31, 1914; 1% on Nov. 30, 1914, May 31, 1915, Nov. 30, 1915, and May 31, 1916; 1½% on Nov. 30, 1916, May 31, 1917, Nov. 30, 1917, and May 31, 1918, and thereafter, during the continuance of the lease on Nov. 30 and May 31 in each year, 2%, also $500 per year for organization expenses.

Proposed Merger—See statement of Terre Haute, Indianapolis & Eastern Traction Co. on a preceding page.

Bondholders' Committee—Holders of a large amount of the First Mortgage 5% Sinking Fund 40-Year Gold bonds of Company requested the committee named below to represent interests of holders of the bonds in connection with the proposed merger of Terre Haute, Indianapolis & Eastern Traction Co. and certain of its subsidiaries with Central Indiana Power Co. and subsidiaries into the Indiana Electric Corp. Holders of the bonds were requested to deposit them with the depositary under agreement dated May 1, 1926. Committee: A. V. Morton, Chairman A. A. Jackson and

A. E. Newbold, Jr., with J. Malcolm Johnston, Sec., Philadelphia and Girard Trust Co., Philadelphia, Depositary.

Preferred Stockholders' Committee—Theodore Stempfel, Dick Miller, Thomas D. Sheerin, with E. J. Wuensch, Sec., 47 No. Pennsylvania St., Indianapolis, and Ferdinand Winter, Counsel, Indianapolis, with Fletcher American National Bank, Indianapolis, as Depositary.

CAPITAL STOCK

Authorized, $400,000 Common and $400,000 5% Pfd. stock; outstanding, $400,000 Common and $200,000 Pfd.; par, $100. All of the Common stock is owned by the Terre Haute, Indianapolis & Eastern Traction Co. Annual meeting, second Tuesday in June.

Dividends—Pfd. dividends payable semi-annually June and Dec. 1; initial dividend paid Dec. 1, 1912. Common dividends, payable semi-annually, May 31, and Nov. 30 (see terms of lease above).

FUNDED DEBT

$715,000 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1952

Dated May 1, 1912.

Interest Payable May and November 1, at Girard Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized, $2,500,000; issued, $1,000,000 of which $285,000 held in sinking fund Dec. 31, 1927. Of the unissued bonds $1,000,000 are reserved for the acquisition, construction, equipment and completion of extension of the line from Crawfordsville to western boundary line of the State of Indiana, east of the city of Danville, Ill.; the remaining $500,000 are reserved to be issued only under terms of mortgage.

Callability—Subject to call as a whole but not in part on any interest date at 102½ and interest, and at same rate for sinking fund on any May 1. All bonds so called to be kept alive and to draw interest for the benefit of sinking fund.

Sinking Fund—Sinking fund commenced March 1, 1913, amounts to $9,000 per annum, payable March 1, on present $1,000,000 when additional bonds are issued, the present annual payment of $9,000 shall be increased by such an amount as will retire two-thirds of such bonds as shall then be issued. On Dec. 31, 1927, $285,000 par value of bonds was held in sinking fund.

Security—A first lien on entire property.

Guaranty—Guaranteed as to interest under terms of lease by Terre Haute, Indianapolis & Eastern Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$300,742	$318,268	$317,925	$361,989	$406,188	$388,470
Operating expenses and taxes	294,518	304,330	303,984	304,952	346,559	340,592
Net earnings	$6,224	$13,938	$13,941	$57,037	$59,629	$47,878
Deduct—						
Interest, etc.	$36,942	$38,382	$39,980	$41,518	$42,943	$43,985
Sinking fund	22,558	21,118	19,520	17,982	16,557	15,515
Total charges	$59,500	$59,500	$59,500	$59,500	$59,500	$59,500
Deficit for year	$53,276	$45,562	$45,559	$2,463	*$129	$11,622

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$1,684,289	$1,681,346	$1,681,368	$1,570,651	$1,570,651	$1,698,129
Cash	348	424	467	488	463	541
Accrued rental	12,917	12,675	12,433	10,542	10,542	10,542
Sinking fund	214	521	447	192,967	166,096	142,671
Profit and loss	369,607	332,564	295,553	258,611	3,399	3,321
Total	$2,067,375	$2,027,530	$1,990,268	$2,033,259	$1,751,151	$1,855,205
Liabilities—						
Capital stock	$600,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	715,000	744,000	773,000	1,000,000	1,000,000	1,000,000
T. H. I. & E. Tr. Co., lessee	306,690	281,189	260,094	129,857	111,875	222,796
Accrued bond interest, etc.	10,500	10,500	10,500	8,333	8,333	8,333
Dividends accrued	.....	.....	.....	2,167	2,167	2,167
Sinking fund reserve	69,092	62,715	54,517	37,665	28,776	21,908
Miscellaneous fund reserve	331,016	297,614	264,207	.....	.....	.....
Accrued depreciation	35,077	31,512	27,950	255,237	.....	.....
Total	$2,067,375	$2,027,530	$1,990,268	$2,033,259	$1,751,151	$1,855,205

Officers: J. J. Appel, Pres.; Robt. I. Todd, V-P. & Gen. Mgr.; J. A. McGowan, Sec. & Treas.; L. J. E. Foley, Asst. Sec.; L. T. Hixson, Aud.; G. K. Jeffries. Supt.; Indianapolis, Ind.

Directors: Robert I. Todd, J. J. Appel, Jos. A. McGowan, J. F. Wild, Indianapolis, Ind.; C. E. Elliott, New York, N. Y.

Office, Indianapolis, Ind.

TERRE HAUTE TRACTION AND LIGHT COMPANY

(Leased to Terre Haute, Indianapolis & Eastern Traction Company)

History—Incorporated June 1, 1903, in Indiana; consolidation of Terre Haute Electric Co. and Terre Haute Electric Traction Co. Leases the Terre Haute & Western Ry. (see appended statement). Franchise surrendered to Public Service Commission of Indiana as provided by law, and company in 1921 received in lieu thereof Indeterminate Permits.

Owns electric lighting and steam heating plants in Terre Haute, and lighting plant in Brazil, Ind.; the street railway lines in Terre Haute, West Terre Haute and Brazil, and four interurban lines operating between Terre Haute and Brazil, Terre Haute and Clinton, Terre Haute and Paris, Ill., and Terre Haute and Sullivan, Ind. Length of track 93.83 miles. Gauge, standard. Rails, 60, 70 and 80 lbs. Motor passenger cars, 141; trail cars, 12; freight cars, 6; service cars. 20. Power stations (3) are located at Terre Haute and Brazil, Ind.; capacity, railway and lights, 22,500 k. w., normal rating. Car barn and shops at Terre Haute. Estimated population served, railway, 118,000; lighting, 80,000.

Leased March 25, 1907, to Terre Haute, Indianapolis & Eastern Traction Co., for 999 years, the lessee guaranteeing dividends of 6% on Pfd. stock. Dividends on Com. are to be 2% for first 1½ years, 3% the next year, 4% the next year and 5% thereafter

These dividends have been regularly paid since the date of the lease.

Proposed Merger—See statement of Terre Haute, Indianapolis & Eastern Traction Co. on a preceding page.

Bondholders' Committee—At the request of holders of Company's First Consolidated Mortgage 5% Gold Bonds, the committee named below was organized to represent the interests of holders of such bonds in the proposed merger of Company, the Terre Haute, Indianapolis & Eastern Traction Co., Central Indiana Power Co. and its subsidiaries, into the Indiana Electric Corp. Bondholders were requested to deposit their bonds with Boston Safe Deposit & Trust Co., Boston, Mass., Depositary. Committee: Frank B. Bemis, Allan Forbes, C. E. Rogerson, with Eben F. Dewing, P. O. Box 1, Boston, Sec.; John T. Beasley, Terre Haute, Counsel.

Preferred Stockholders' Committee: J. F. Wild, John T. Beasley, John E. Reed, with F. C. Bopp, Sec. and Union Trust Co., Indianapolis, Depositary.

CAPITAL STOCK

Authorized, $2,000,000 Common and $1,000,000 6% cumulative Preferred; outstanding, $2,000,000 Common and $1,000,000 Preferred; par, $100. The Terre Haute, Indianapolis & Eastern Traction Co. owns all the Common stock except directors' shares. Preferred stock has preference for dividends and in case of liquidation, and is subject to redemption at 120. Transfer Agent: J. A. McGowan, Indianapolis, Ind. Registrar: Fletcher Savings & Trust Co., Indianapolis, Ind. Annual meeting, second Tuesday in June.

Dividends—Dividends of 6% on Pfd. have been regularly paid, semi-annually, M & S 1; on Common, 5% is being paid, semi-annually, A & O 1.

FUNDED DEBT

(1)

$1,500,000 TERRE HAUTE ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1929

Dated 1899.

Interest Payable January and July 1, at Boston Safe Deposit & Trust Co.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Union Trust Co. of Indianapolis, and Boston Safe Deposit & Trust Co.

Security—A first lien on properties of the former Terre Haute Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925
High	*100	*100½	98¼
Low	99	99	98¼

*Bid price.

(2)

$2,805,000 TERRE HAUTE TRACTION & LIGHT CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE MAY 1, 1944

Dated May 1, 1904.

Interest Payable May and November 1, at State Street Trust Co., Boston.

Denomination—$1,000.

Registrar—State Street Trust Co., Boston.

Trustees—United States Trust Co., Terre Haute, Ind., and State Street Trust Co., Boston.

Provisions of Issue—Authorized, $5,000,000; issued, $3,500,000 of which $695,000 held by sinking fund Dec. 31, 1927. The $1,500,000 unissued bonds are reserved to retire the above described prior lien.

Callability—Subject to call as a whole or for sinking fund at 110 and interest on any interest date.

Sinking Fund—Sinking fund of 1% of outstanding bonds began May 1, 1906.

Security—Secured on entire properties, subject only to the above described prior lien.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925
High	99½	96½	92
Low	94	92½	bid

(3)

$17,000 CAR TRUST EQUIPMENT CO. 6% PREFERRED STOCK; DUE $8,500 SEMI-ANNUALLY JAN. 1, 1928 TO JULY 1, 1928, INCL.

Dated July 1, 1918.

Dividends payable quarterly, J, A, J & O 1. Par, $100. Original issue, $170,000, of which $153,000 retired to Dec. 31, 1927. Subject to call as a whole at 102 and accrued dividend on any dividend date on 30 days' notice.

This stock was sold to provide funds to pay for 30 new cars purchased at a cost of $195,000, of which $25,000 was paid in cash. This stock operates as a first charge against the equipment purchased, the title to which remains with the Car Trust Equipment Co. until all the Pfd. stock has been retired. Registrar: J. F. Wild & Co., Indianapolis, Ind.

(4)

$22,000 CAR TRUST EQUIPMENT CO. 6% PREFERRED STOCK; DUE $5,500 SEMI-ANNUALLY APRIL 1, 1928 TO OCT. 1, 1929, INCLUSIVE

Dated October 1, 1919.

Dividends payable quarterly, J, A, J & O 1. Par, $100. Original issue, $110,000 of which $88,000 retired to Dec. 31, 1927. Subject to call at 102 and accrued dividend on any dividend date.

This stock was issued to provide funds for completing the purchase of 25 "safety" type street cars purchased at a cost of $150,000, of which $40,000 was paid in cash. Full title to, in fee simple, and ownership of these cars is vested in the Car Trust Equipment Co. and remains in the name of that Company until all the Pfd. stock has been retired. Registrar: J. F. Wild & Co., Indianapolis, Ind.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
*Gross earnings	$2,863,408	$2,847,537	$2,774,007	$2,647,847	$2,680,722	$2,483,253
Operating expenses and taxes	2,025,359	2,066,872	1,975,479	1,896,562	1,893,686	1,817,669
Net earnings	$838,049	$780,665	$798,528	$751,285	$787,035	$665,584
Interest and rentals	$262,704	$267,601	$272,811	$278,278	$282,719	$286,385
Sinking fund	28,146	28,440	28,744	29,067	29,413	29,757
Total charges	$290,850	$296,041	$301,555	$307,345	$312,132	$316,142
Surplus for dividends	$547,199	$484,624	$496,973	$443,940	$474,903	$349,442
Times Fixed Charges Earned	2.88	2.63	2.64	2.44	2.52	2.10
Earnings Per Share—						
Preferred	$54.72	$48.46	$49.69	$44.39	$47.49	$34.94

*Includes other income, $1,000 each year.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$10,748,868	$10,663,823	$10,390,857	$10,270,186	$9,933,344	$9,501,724
Cash	2,882	2,707	2,512	2,153	1,775	1,432
Interest, dividends and rents receivable	68,625	68,866	69,117	69,375	69,667	69,950
Sinking fund with trustee	84	861	766	278	834	246
Special deposits	.....	.. ....	41,100	.....	.....	.....
Total	$10,820,459	$10,736,257	$10,504,352	$10,341,992	$10,005,620	$9,573,352

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Preferred stock	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funded debt	4,305,000	4,334,000	4,364,000	4,395,000	4,430,000	4,464,000
Notes payable	306,750	.....	.....	.....	.....	.....
Accrd. int. & dividends	68,375	68,617	68,867	69,125	69,417	69,700
Matured int., divds., & rents unpaid	.....	.....	41,100	.....	.....	.....
Miscellaneous fund reserve	1,352,519	1,181,021	993,660	.....	.....	.....
T. H., I. & E. Tr. Co., lessee	2,803,623	2,996,988	2,695,382	2,545,760	2,179,618	1,718,359
Sinking fund reserve	63,534	63,651	62,196	59,658	54,514	49,566
Accrued depreciation	167,894	148,453	126,760	964,892	.....	.....
Deficit	1,247,236	1,056,473	847,612	692,443	*272,071	*271,727
Total	$10,820,459	$10,736,257	$10,504,352	$10,341,992	$10,005,620	$9,573,352

*Surplus.

Officers: R. N. Filbeck, Pres.; R. I. Todd, V-P.; J. A. McGowan, Sec. & Treas.; W. F. Milholland, Asst. Sec.
Directors: R. I. Todd, J. J. Appel, Indianapolis; D. W. Henry, J. T. Beasley, R. N. Filbeck, W. N. Cox, G. O. Nicolai, Terre Haute, Ind.
Office, Terre Haute, Ind.

TERRE HAUTE AND WESTERN RAILWAY COMPANY

(Leased to Terre Haute Traction and Light Company)

History and Property—Incorporated in Jan. 1907, in Ill. Owns an electric road, extending from Indiana State Line at or near Sanford, Ind., to Paris, Ill., 10.73 miles. Gauge, standard. Rails, 70 lb. Power obtained from Terre Haute Traction & Light Co. Franchises surrendered to Public Service Commission of Indiana in accordance with law and company received in 1921, in lieu of same, Indeterminate Permits. Began operations Oct. 25, 1907. Leased for 999 years from Nov., 1907, to the Terre Haute Traction & Light Co., which owns the entire common and preferred stocks.

Proposed Merger—See statement of Terre Haute, Indianapolis & Eastern Traction Co. on a preceding page.

CAPITAL STOCK

Authorized and outstanding, $200,000 Common and $150,000 Pfd.; all except directors' shares owned by Terre Haute Traction & Light Co. Annual meeting, second Wednesday in January.

FUNDED DEBT

$250,000 (entire issue) First Mortgage 5% Gold bonds; dated Nov. 1, 1907; due Nov. 1, 1937; int. M & N 1, at New England Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Guaranteed, principal and interest, by Terre Haute Traction & Light Co. Secured by first lien on all property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$73,215	$37,680	$40,409
Oper. exp. & taxes	73,118	42,507	42,929
Net earnings	$97	*$4,827	*$2,520
Interest	12,500	12,500	12,500
Deficit for year	$12,403	$17,327	$15,020

*Loss.

General Balance Sheet, Dec. 31, 1926—Assets: Road and equipment, $599,500; cash, $1,858; deficit, $61,860—total, $663,219. Liabilities: Common stock, $200,000; Preferred stock, $150,000; funded debt, $250,000; miscellaneous fund reserves, $63,219—total, $663,219.

Officers: F. T. O'Hair, Pres.; G. O. Nicolai, V-P.; J. T. Beasley, Sec.; Joseph A. McGowan, Treas.
Directors: F. T. O'Hair, Claude A. Stewart, Fred Baber, Paris, Ill.; G. O. Nicolai, J. T. Beasley, Terre Haute, Ind
Office, Paris, Ill.

INDIANAPOLIS STREET RAILWAY COMPANY

(Controlled by Terre Haute, Indianapolis & Eastern Traction Company)

History—Incorporated June 30, 1919, in Indiana, as a consolidation of the old Indianapolis Street Ry. Co. and the Indianapolis Traction & Terminal Co. (see 1919 Public Utility Manual pages 1548 and 1549 or apply to our Information Department). The consolidation was effected as per the plan to enable the two companies to meet the then existing conditions and demands of the Indiana Public Service Commission. On Aug. 29, 1919, the Federal Court approved this consolidation and dismissed the suit brought by certain minority stockholders against same.

Operates 176.51 miles of track. Other property consists of the following: 390 double-truck, 106 single-truck passenger and 126 service cars; electrical and steam equipment of 7,000 k.w. capacity, and nine-story office and terminal building, and train sheds. In addition company owns 75% of the stock of the Broad Ripple Traction Co. and guarantees its bonds (see appended statement). Also owns the entire 5,000 shares of capital stock of **Peoples Motor Coach Co.,** operating 39 buses. The terminal property of Indianapolis Street Ry. Co. is used by all interurban roads (13 in number) entering Indianapolis.

Under agreement dated July 16, 1923, with the interurban companies entering Indianapolis, the Indianapolis Street Ry. Co. is not required to furnish freight depots, and the real estate on which the present three freight depots are located will be used for passenger and other purposes. Large freight terminals costing about $900,000 have been constructed by the Terminal Realty Corp. and are owned jointly by the four interurban companies entering Indianapolis.

The franchises of the Indianapolis St. Ry. and the Indianapolis Traction & Terminal Co. were surrendered on June 7, 1921, to the Public Service Commission of Indiana according to law and there was received in lieu of same an Indeterminate Permit from the Public Service Commission of Indiana.

CAPITAL STOCK

Authorized, $2,5000,000 Common and $5,000,000 6% cumulative Preferred;. outstanding,. $1,000,000 Common and $5,000,000 Preferred, par $100. The Terre Haute, Indianapolis & Eastern Traction Co. owns the entire Common stock. Both classes of stock have equal voting power, provided, however, if the Company shall fail in any one year to pay dividends aggregating 6% on the Pfd. stock, then and as long as any such default shall continue the exclusive voting rights shall be in the Pfd. stock. Pfd. stock has preference as to assets and dividends. Transfer Agent: Treasurer of Company, Indianapolis, Ind. Registrar: Indiana Trust Co., Indianapolis, Ind. Annual meeting, second Wednesday in June.

Price Range—

Preferred—	1927	1926	1925	1924	1923
Bid	37¾	38	50	52	48¾

Dividends—Dividends on Pfd. stock were declared the second Tuesdays of F, M, A & N, and paid M, J, S & D 1; payments made to and including June 1, 1925; none since.

FUNDED DEBT

(1)

$4,000,000 CITIZENS' STREET R. R. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1933

Dated May 1, 1893.

Interest Payable May and November 1, at Bank of Philadelphia, Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Security—A first lien on the property of the former Citizens' St. R. R. Co.

Tax Provisions.—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

Price Range—	1927	1926	1925	1924	1923
High	*87½	*87½	*77	*85¼	*79
Low	83½	82	..	..	..

*Bid.

(2)

$4,428,000 INDIANAPOLIS STREET RY. GENERAL MORTGAGE GOLD 4s; DUE JANUARY 1, 1933

Dated May 3, 1899.

Interest Payable—January and July 1 at Guarantee Trust & Safe Deposit Co., Philadelphia.

Note—Interest due Jan. 1, 1919 was paid July 1, 1919; interest due July 1, 1919 was paid Nov. 20, 1919; Jan. 1, 1920 and subsequent interest was paid when due.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Guarantee Trust & Safe Deposit Co., Philadelphia.

Provisions of Issue—Authorized and issued, $6,000,000, of which $1,572,000 cancelled to Dec. 31, 1927, under the consolidated agreement and order of the Public Service Commission of Indiana.

Sinking Fund—Sinking fund provided which will retire the greater part of the issue by maturity.

Security—A first lien on entire property of the former Indianapolis Street Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	*68	..	*54	*62½	64½
Low	62½	..	..	..	64½

*Bid.

(3)

$3,509,000 INDIANAPOLIS TRACTION & TERMINAL CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1933

Dated January 1, 1903.

Interest Payable—April and October 1 at Guarantee Trust & Safe Deposit Co., Philadelphia.

Note—Interest due April 1, 1919 was paid Sept. 22, 1919; Oct. 1, 1919 and subsequent interest was paid when due.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Guarantee Trust & Safe Deposit Co., Philadelphia.

Provisions of Issue—Authorized and issued, $5,000,000 of which $1,491,000 cancelled by sinking fund to Dec. 31, 1927 under the consolidated agreement and order of the Public Service Commission of Indiana.

Callability—Subject to call at 102½ and interest on any interest date.

Sinking Fund—Sinking fund amounts to 1.20% annually of bonds outstanding for purchase or call at not to exceed 102½ and interest.

Security—A first lien on the entire property of the former Indianapolis Traction & Terminal Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($3,000,000) in May, 1903, at 101 and interest.

Price Range—

	1927	1926	1925	1924	1923
High	95¾	95	*89	*91	*84
Low	94½	91¾	..	..	..

*Bid.

NEW MORTGAGE AUTHORIZED

The consolidated company is authorized to execute mortgage which may be a lien upon all of its property and franchises, subject, however, to the lien on the respective properties covered thereby of the mortgage of the constituent Indianapolis Street Ry. Co., the constituent Indianapolis Traction & Terminal Co. and the Citizens Street R. R. Company. The new bonds are limited to an authorized issue of $15,000,000 up to April 7, 1933, after which the authorized amount may be increased to $25,000,000 including the divisional bonds, if any, then outstanding, and such excess of $10,000,000 bonds may bear such rate of interest, not exceeding 6% per annum, and be used for any proper corporate objects and purposes of the consolidated company. The $15,000,000 now authorized will bear interest at not exceeding 6% per annum, which bonds or the proceeds thereof shall be issued and used for the purposes only of additions and betterments to, extensions and replacements of, and the construction, purchase, or acquisition in other manner, of lines of street railroad and other property, real and personal, to be added to and become a part of the street railroad and interurban passenger and freight system of the consolidated company in the City of Indianapolis and its vicinity, and for the purpose of making other permanent improvements and betterments thereto. Bonds shall only be issued to the amount of par value of bonds of the three divisional issues which have been or shall be taken up and canceled by sinking fund payments, so that at no time while any of divisional bonds are outstanding (unless their present dates of maturity shall be extended) shall the aggregate amount of bonds secured by mortgage, of the property of the consolidated company exceed $15,000,000, but notwithstanding the foregoing, provision may be made in the mortgage for the issuance of bonds to refund the existing mortgage indebtedness, or any part thereof. All bonds issued for refunding shall be subject to be taken up and canceled by the sinking fund provisions which were applicable to the refunded bonds in their original form, and when so taken up and canceled, original bonds may be issued in substitution therefor, which or the proceeds thereof, shall be used only for permanent improvements and betterments. Provision may be made in the mortgage that the maturity of any outstanding bonds which become due on or before April 7, 1933, may be extended to such date as may be determined by the Board of Directors at not exceeding 6% interest if permitted by law.

The lien of the several underlying mortgages is confined to the property and interests upon which each was a lien prior to consolidation and does not extend to any other property of the consolidated company, except as general debts of consolidated company in proportion to their amount and without preference or priority, after satisfying the mortgage liens thereon.

(4)

$40,000 INDIANAPOLIS CAR EQUIPMENT COMPANY 6% FIRST PREFERRED STOCK; DUE $10,000 SEMI-ANNUALLY APRIL 15, 1928 TO OCT. 15, 1929 INCLUSIVE

Dated October 15, 1919.

Dividends payable quarterly, J, A, J & O 15. Par, $100. Original issue, $200,000, of which $160,000 retired to Dec. 31, 1927. Subject to call at 102 at any dividend paying time. The Indianapolis Car Equipment Co. was organized to provide 25 standard double-truck "Pay as You Enter" cars for the Indianapolis Street Ry. Co., purchased at a cost of $250,000. The amount in excess of the funds received from the proceeds of the sale of this Pfd. stock was provided by the Indianapolis Street Ry. Co. through the purchase of the Com. stock of the Equipment Company, which latter company retains full title to the cars until the purchase price is paid in full. The contract provides that the Indianapolis Street Ry. Co. is to pay $20,000 per year for ten years, plus 6% interest and other charges. First publicly offered ($200,000) in Oct., 1919, at par and accrued dividend, yielding 6%.

(5)

$252,000 SUB-STATIONS FIRST AND GENERAL LIEN EQUIPMENT TRUST NOTES, CLASS "A" 6%; DUE $18,000 QUARTERLY, FROM JUNE 1, 1928, TO SEPTEMBER 1, 1931, INCLUSIVE

Dated September 1, 1926.

Interest Payable quarterly, M, J, S & D 1, at The Indiana Trust Co., Indianapolis, Ind.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—The Indiana Trust Co., Indianapolis, Ind.

Callability—Class "A" subject to call at 101% and accrued interest three years from date, and at par and accrued interest after four years, upon any interest paying date.

Sinking Fund—None provided.

Security—Secured by lien on three substations and equipment and real estate on which they are located.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(6)

On Nov. 9, 1927, the Indianapolis Street Ry. Co. issued its note for $500,000 payable at the Indiana Trust Co., Indianapolis, Ind., for the purchase of 5,000 shares of Peoples Motor Coach Co. capital stock. This note is payable on or before ten years from date, and bears interest at 8% per annum. The Peoples Motor Coach Co. operates 39 buses.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$5,414,671	$5,518,795	$5,536,370	$5,588,177	$5,527,131	$5,545,164
Operating expenses	4,177,977	4,343,347	4,032,821	4,083,749	4,034,360	4,471,716
Taxes	295,924	294,872	386,624	384,355	419,868	
Net earnings	$940,770	$880,576	$1,116,925	$1,120,073	$1,072,903	$1,073,448
Fixed charges	639,914	630,940	629,183	635,108	638,787	647,343
Surplus for year	$300,856	$249,636	$487,742	$484,965	$434,116	$426,105
*Times Fixed Charges Earned	1.47	1.39	1.77	1.76	1.68	1.66
*Earnings Per Share—						
Preferred	$6.01	$5.00	$9.75	$9.70	$8.68	$8.52

*Exclusive of accrued depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property, plant & equipment	$24,389,320	$24,047,635	$23,456,250	$23,053,965	$22,961,196	$23,143,435
Trust equipment investment	25,500	34,000	55,500	76,000	38,000	11,000
Stock investments	544,378	44,378	44,379	44,378	44,378	44,378
Cash	18,811	57,829	97,980	80,863	63,341	18,653
Accounts and notes receivable	206,474	202,090	208,882	194,958	347,955	133,726
Material and supplies	323,828	278,500	300,656	338,780	285,535	292,153
Other current assets	11,634	11,842	7,100	7,100	9,700	9,700
Deferred assets, etc.	18,654	23,665	143,441	27,891	23,179	16,576
Sinking funds	110,878	87,925	70,536	61,186	61,595	61,136
Deposits in lieu of property sold	11,337	203,500	203,000	203,000	.....	.....
Reserves	*371,071	*339,380	*33,601	*2,580	.....	.....
Depreciation fund	.....	88,551	13,604	.....	.....	.....
Total	$26,031,885	$25,419,295	$24,634,929	$24,090,701	$23,834,879	$23,730,757
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Common stock held in trust	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Preferred stock	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funded and bonded debt	13,662,942	13,497,517	13,276,716	13,265,043	13,395,501	13,594,140
Equipment contract	40,000	60,000	80,000	100,000	120,000	140,000
Notes and accounts payable	841,931	775,917	672,031	511,173	341,209	229,092
Accrued interest and wages	102,844	130,200	112,861	109,946	100,186	97,977
Deferred charges	334,979	305,192	416,473	476,770	459,805	459,036
Reserves	.....	.....	.....	.....	21,785	375,251
Surplus	3,549,189	3,150,469	2,576,848	2,127,769	1,896,393	1,335,261
Total	$26,031,885	$25,419,295	$24,634,929	$24,090,701	$23,834,879	$23,730,757

*Deficit.

Officers: Robert I. Todd, Pres.; Henry C. Thompson, V-P.; John J. Appel, V-P.; Joseph A. McGowan, Sec. & Treas.; W. F. Milholland, Asst. Sec. & Asst. Treas., Indianapolis, Ind.

Directors: Robert I. Todd, Henry C. Thompson, John J. Appel, Henry H. Hornbrook, Walter J. Ball, Winfield T. Durbin, J. P. Frenzel, Alva L. Kitselman, Joseph A. McGowan.

Office, Indianapolis, Ind.

BROAD RIPPLE TRACTION CO.

(Controlled by Indianapolis Street Ry.)

History and Property—Incorp. July 17, 1899, in Ind.; successor to Indianapolis & Broad Ripple Rapid Transit Co., sold under foreclosure. Road runs from Indianapolis to Broad Ripple Park, 7½ miles. Gauge, standard. Rails, 60 lb. T. Motor cars, 10; trail cars, 10. Operated by Indianapolis Street Ry. Co.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. The Indianapolis St. Ry. Co. owns about 75% of the stock.

FUNDED DEBT

$400,000 First Mtge. Gold 5s; dated 1899; due January 1, 1933; int. Jan. and July 1, at Guarantee Trust & Safe Deposit Co., Philadelphia, Trustee. Coupon, $1,000; principal may b registered. Guaranteed, principal and interest, by Indianapoli St. Ry. Co. The Indiana Union Traction Co. also guarantee the principal and interest of $200,000 of the $400,000 bond Company does not pay Normal Federal Income Tax.

Officers: Robt. I. Todd, Pres.; John J. Appel, V-P.; Jos eph A. McGowan, Sec. & Treas., Indianapolis, Ind.

Directors: Robert I. Todd, John T. Burnett, J. J. Appe John W. Twitty, J. A. McGowan, Indianapolis, Ind.

Office, Indianapolis, Ind.

TIDEWATER SOUTHERN RAILWAY COMPANY

History—Incorporated March 11, 1912, in Cal.; successor to Tidewater & Southern R. R. (incorporated March 4, 1910) and Tidewater & Southern Transit Ry. (incorporated Feb. 16, 1912). Line completed and in operation, Stockton to Hilmar, 52.1 miles; also branch line Manteca Junction to Manteca, 6.6 miles and Hatch to Turlock, 6.5 miles. Franchises cover a period of over 40 years in Modesto, Turlock and Stockton. Motor cars: Passenger, 3; locomotive, 1 electric motors, 2; flat, 1.

CAPITAL STOCK

Authorized, $4,750,000 Common and $250,000 6% non-cumulative Preferred; outstanding, Dec. 31 1927, $1,176,782 Common; par, $1. No Pfd. stoc outstanding. The Pfd. stock is subject to redemptio at 105. No dividends paid.

Annual Meeting—Third Thursday in March.

FUNDED DEBT

$231,000 First Mortgage 5% Gold bonds; dated April 15, 1912; due April 15, 1942; int. Apr. and Oct. 15, at Stockton, Cal. Coupon, $500 and $1,000 principal may be registered. Wells Fargo Bank and Union Trust Co., San Francisco, Trustee. Authorized, $4,000,000; outstanding, Dec. 31, 1927, $231,000.

Callability—Subject to call at 103 on any interest date upon 30 days' notice.

Sinking Fund—Sinking fund 2% per annum of outstanding bonds, from Oct. 15, 1916 to Oct. 15, 1921, and 3% from Oct. 15, 1921 to Oct. 15, 1941. Bonds purchased for sinking fund not cancelled but held in fund.

Security—A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in California.

Legal Opinion—Hellar, Powers & Ehrman, San Francisco, Cal.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$332,229	$316,030	$290,959
Operat. expenses & taxes	259,535	222,679	213,187
Net earnings	$72,694	$93,351	$77,772
Other income	6,505	5,407	6,513
Total income	$79,199	$98,758	$84,285
Bond interest	12,711	14,024	15,485
Other interest, rentals, etc.	6,641	5,729	6,688
Total charges	$19,352	$19,753	$22,173
Surplus for year	$59,847	$79,005	$62,112

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$2,780,422	$2,593,118	$2,519,170
Materials and supplies	20,840	35,565	32,427
Cash	286,867	222,908	191,793
Notes & accounts receivable	7,136	6,950	6,874
Unadjusted debits	28,254	33,296	34,239
Total	$3,123,519	$2,891,837	$2,784,503
Liabilities—			
Common stock	$1,176,782	$1,176,782	$1,176,482
Funded debt	231,000	259,500	286,000
Loans and notes payable	430,906	232,549	188,012
Accrued accounts	37,328	33,772	25,319
Other liabilities	498,238	498,238	498,045
Unadjusted credits	1,697	3,145	1,914
Deferred items	*195	449	617
Appropriated surplus	236,019	211,606	184,819
Profit and loss—surplus	511,744	475,796	423,295
Total	$3,123,519	$2,891,837	$2,784,503

*Debit

Officers: Chas. Elsey, Pres. & Treas.; San Francisco, Cal.; Carl Taylor, V-P., New York; W. G. Bruen, Sec.; D. C. De Graff, Aud.; San Francisco, Cal.; E. L. Gamble, Mgr., Stockton, Cal.

Directors: Chas. Elsey, J. W. Williams, E. W. Mason, J. G. Hooper, J. W. McClymonds, San Francisco, Cal.; K. C. Brueck, G. A. Ditz, E. L. Gamble, J. H. Mettler, Rex Kearney, Stockton, Cal.; E. Powers, Manteca, Cal.; F. W. Kiessel, Sacramento, Cal.; Carl Taylor, New York.

Offices, 101 East Weber Avenue, Stockton, Cal., and Mills Bldg., San Francisco, Cal.

PUBLIC SERVICE COMPANY OF NORTHERN ILLINOIS

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
% Cumulative Pfd.; par $100	F, M, A & N 1	$15,000,000	$10,000,000	Yes	$5,186,013	6%	$1,039,666	$31.70
% Cumulative Pfd.; par $100	F, M, A & N 1	17,500,000	6,357,600	Yes		7%		
ommon stock; par $100	F, M, A & N 1	15,000,000	12,075,000	...	4,146,347	8%	2,404,248	13.72
ommon shares; no par value	F, M, A & N 1	200,000 shs.	181,321 shs.	...		$8.00		

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
hicago Heights Gas Co. 1st 5s	June 1, 1934	J & D 1	$200,000	$146,500	No	Yes	Paid by Co.
icero Gas Co. Ref. & Genl. 5s	July 1, 1932	J & J 1	5,000,000	2,991,000	No	No	Paid by Co.
itizens Gas Co. (Kankakee) 1st 5s	Feb. 1, 1932	F & A 1	250,000	95,500	No	Yes	Not pd. by Co.
conomy Lt. & Power Co. 1st 5s	Dec. 1, 1956	J & D 1	3,000,000	1,149,000	No	No	Paid by Co.
ankakee Gas & Elec. Co. 1st & Ref. 5s	Sept. 1, 1930	M & S 1	2,000,000	131,500	No	Yes	Paid by Co.
orth Shore Elec. Co. 1st & Ref. 5s	Apr. 1, 1940	A & O 1	25,000,000	1,644,500	No	Yes	Paid by Co.
orthwestern Gas Lt. & Coke Co. 5s	Dec. 1, 1928	M, J, S & D 1	2,000,000	1,729,500	No	Yes	Not pd. by Co.
ebenture 5s, Series of 1926	Sept. 1, 1931	M & S 1	10,000,000	10,000,000	No	Yes	Paid by Co.
ebenture 5s, Series of 1927	Aug. 1, 1932	F & A 1	10,000,000	10,000,000	No	Yes	Paid by Co.
rst and Refunding Gold 5s	Oct. 1, 1956	A & O 1	Unlimited	18,926,000	No	Yes	Paid by Co.
rst Lien & Ref. 5½s, Series "A"	June 1, 1962	J & D 1	Unlimited	22,250,000	No	Yes	Paid by Co.
rst Lien & Ref. 5½s, Series "B"	July 1, 1964	J & J		5,000,000	No	Yes	Paid by Co.
rst Lien & Ref. 5s, Series "C"	May 1, 1966	M & N 1		8,250,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $82,313,500.
Amount Available for Interest in 1927, $9,110,639.
Interest Accrued in 1927, $3,924,626.
Times Interest Earned in 1927, 2.33.

History—Incorporated Aug. 31, 1911, in Illinois. t its organization the company acquired the proper- es formerly belonging to the North Shore Electric). (see Manual for 1911, page 2139), the Chicago iburban Light & Power Co. (see Manual for 1911, ge 1588), the Economy Light & Power Co. and the inois Valley Gas & Electric Co. (see Manual for 11, page 1863), and began operations on Nov. 1, 1911. nce that time it has acquired the property of Kankee Gas & Electric Co. (see Manual for 1911, page 11) and several other smaller properties. The terriry previously served by these various companies s been connected into three general operating sysms. On March 1, 1913 acquired the property and franchises of the Pontiac (Ill.) Light & Water Co. (see Manual for 1913, page 2156). Also in 1913 acquired by consolidation the properties of the Northwestern Gas Light & Coke Co. (see Manual for 1913, page 3473), which comprised three gas generating plants, situated at Oak Park, Niles and Blue Island, of a combined daily capacity of 20,600,000 cu. ft.; holder stations at Oak Park, Niles and Blue Island of a total capacity of 6,600,000 cu. ft. Information on these acquired companies may be had on application to our Information Department.

In 1923 Company acquired the assets of Momence Utilities Co., furnishing electric light and power at Momence, Grant Park and Beecher, and the assets of

Representing Public Service Co. of Northern Illinois
UTILITY SECURITIES COMPANY
New York CHICAGO St. Louis
Louisville Indianapolis Milwaukee Minneapolis Richmond

the Interurban Public Service Corp. operating in the small towns of Roselle, Itasca, Bartlett, Cloverdale and Bloomingdale, west of Chicago in Du Page and Cook Counties. In Aug., 1923, the Company took over the entire electric light and power business in the City of Berwyn, a city of 15,000 people which it had partially served for a number of years. In Sept., 1923, the company began serving electric light and power to the important City of Blue Island, south of Chicago, with a population of 12,500, which it already was supplying with gas.

In 1924 purchased the Wenona Light and Power Company, supplying electricity in the City of Wenona, Marshall County, and in the Village of East Wenona, La Salle County, and the Reddick Electric Light Company, supplying electricity in the Village of Reddick, Livingston County. In addition to the above mentioned communities, the following were added to the company's system during the year: Cabery, Campus, Evergreen Park, Kempton, North Riverside, Orland Park, Saunemin, Specialville, Herscher, Oak Lawn, South Holland, Stickney, Buckingham and Dolton. The distribution systems of the six communities last named were municipally owned. In May, 1924, company sold its water business in City of Harvey, Ill., to that city for $200,000.

During 1925 the Company purchased the electric light and power properties in the villages of Peotone and Irwin and extended its lines to Essex, Forest View, Long Lake, Oak Forest, East Chicago Heights, Westchester, Russell and Berkeley. All these villages are now being supplied with electricity by the Company. The Company extended its gas service to the villages of Volo, Elmwood Park, Berkeley, Hillside, Westchester, Wheeling and Broadview.

In Oct., 1926, Company acquired the property of Chicago Heights Gas Co. (see 1926 Public Utility Volume, page 611), the capital stock of which was acquired in 1923. The $200,000 outstanding First Mortgage bonds of the merged company were assumed principal and interest by Public Service Co. of Northern Illinois. By this merger the communities of Chicago Heights, South Chicago Heights, Steger and Crete were added to the gas system. The gas mains of the Company were extended during 1926 to North Riverside, Fox Lake, Ingleside, Matteson, Fairview and Long Lake. During 1926 the Company also purchased the Chicago Suburban Power & Light Co (see 1926 Public Utility Volume, (page 197) and as a result is supplying electric service to the cities of West Chicago, St. Charles, Geneva, Batavia and the west portion of Elmhurst, and to the villages of Villa Park, Winfield, Lombard, and Westmore (now a part of Lombard), and to the towns of Wayne and High Lake. Service to the cities of Batavia, Geneva and St. Charles is furnished to the respective municipal corporations. The Company's electric service was also extended during 1926 to Gilberts, Markham, Lisbon, Ingalton, Sugar Grove, Helmar, Schaumberg, Goodenow, Greenwood, Bristol Station, Plattville, Lowell, Troy, Sollitt, Wadsworth, Long Grove, Kaneville, Volo, and Pingree Grove. In Nov., 1926, the municipally-owned electric distribution and street lighting system of the Village of Lombard was acquired.

The electric distribution system of the Chicago and Joliet Electric Railway Company, used in supplying electric service in and between the municipalities of Summit, Justice and Spring Forest, in Cook County, Illinois, was purchased by the Company in December, 1927, under an authorization of the Illinois Commerce Commission.

During 1927 distribution centers were installed at Grays Lake, Carpentersville, Crete, Lansing, Tinley Park and Odell. The Company's electric service was extended during the year to Alsip, Richton Park, Acacia Park, Addison Heights, Belmont Heights, Olympia Fields, Ridgefield, Plato Center and Elk Grove. Company's gas service was extended during the year to Midlothian, Markham, Oak Forest, Tinley Park, Frankfort, Mokena, Round Lake, Pistakee Lake, Justice, Spring Forest, Tessville, East Hazelcrest, Acacia Park, Olympia Fields, Addison Heights and Belmont Heights.

Properties—Company operates 16 electric generating stations, located as follows: Waukegan (two), Evanston, Maywood, Blue Island, Oak Park, Kankakee (hydro and steam), Joliet (two—1 steam and 1 hydro-electric), Wilmington (hydro), Streator, Pontiac, Plaines, Lacon, Wyoming and Momence. Also 39 electric substations. The Company has eight gas manufacturing plants, as follows: Streator, Ottawa, Chicago Heights, Kankakee, Pontiac, Blue Island, Niles and Oak Park; also four heating stations, as follows: Streator, Evanston, Oak Park and Pontiac.

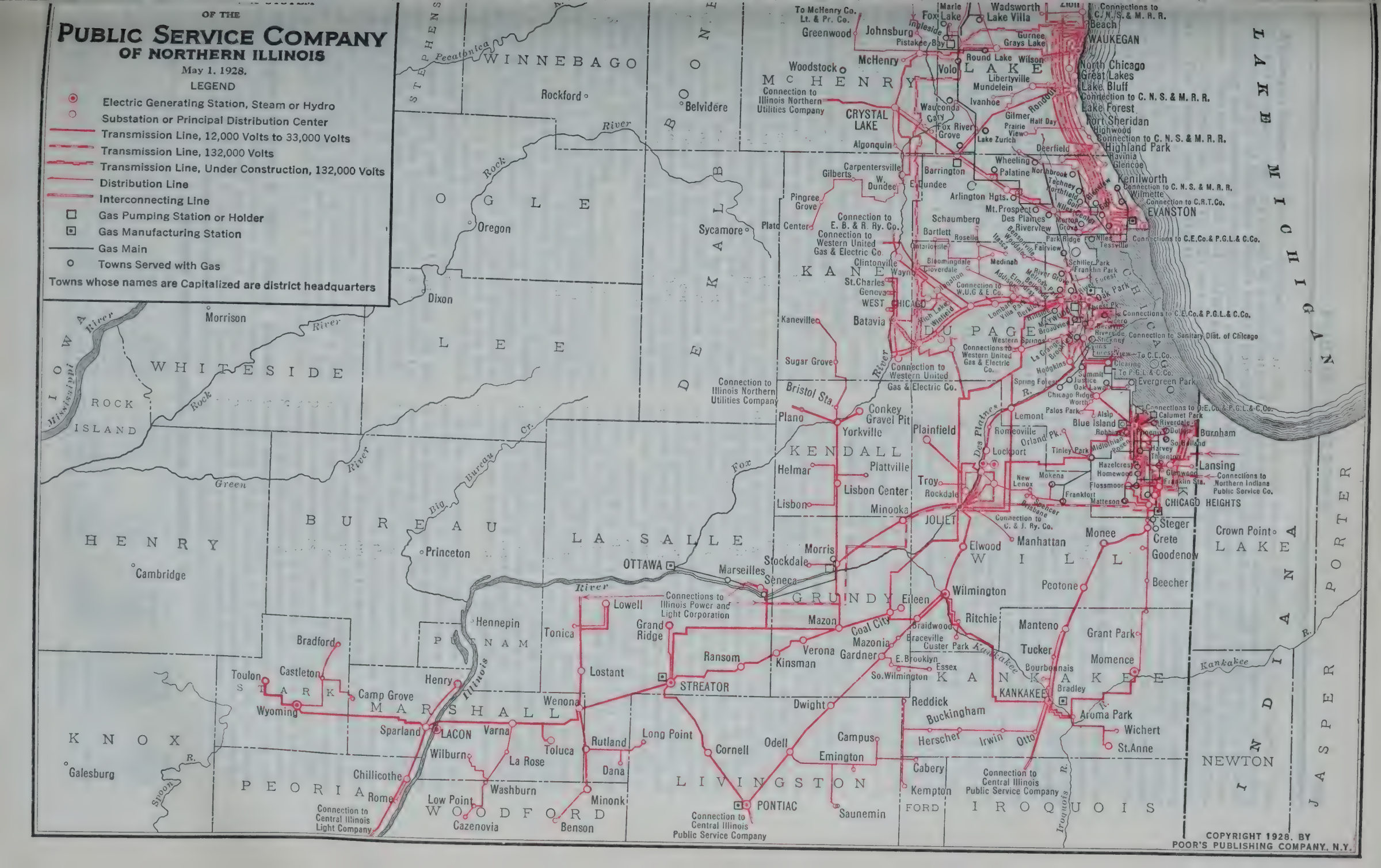
During 1927 the erection of five new gas holders was undertaken. The largest of these now under construction near Maywood is of the waterless type and will have a capacity of 10,000,000 cubic feet. Two are already built at Long Lake and Morris, respectively, and two will be located at Chicago Heights.

Contract—Public Service Company of Northern Illinois entered into an interchange energy contract, effective Feb. 1, 1925, with the Commonwealth Edison Company and the Northern Indiana Public Service Company under the terms of which the electrical generating capacities and transmission line capacities of the three companies are pooled, so that the reserve capacity of each company supplements the requirements of the other two.

Territory—The Company now serves 293 communities located in a compact area of Illinois, containing some 6,000 square miles and located in sixteen counties, having a combined population, according to the 1920 census, of 1,070,849, excluding the City of Chicago. Electric service is rendered in 290, gas in 91 water in five and heat in four. Territory includes all communities in the fine residential section known as the "North Shore," with such large suburban centers as Waukegan, Lake Forest, Highland Park and Evanston, reaching to the limits of the City of Chicago. It also includes the manufacturing and residential towns of Oak Park, River Forest, La Grange and towns in the vicinity; the manufacturing and commercial towns of Blue Island, Harvey, Chicago Heights and Kankakee, with their growing population, and large manufacturing interests, and Joliet, Lockport, Streator and other communities in the Illinois Valley, with present southwestern limits at Chillicothe.

Inter-connections—The Company's electric transmission system is now interconnected with the transmission systems of the Commonwealth Edison Company, the Northern Indiana Public Service Company, the Central Illinois Public Service Company the Illinois Northern Utilities Company and the Central Illinois Light Company. On account of the large power resources of these companies the Company's system thus becomes an integral part of the greatest "pool of power" in the world and forms with further inter-connections a part of a vast super-power system extending from the Upper Peninsula of Michigan throughout Wisconsin, Illinois, Indiana, Kentucky and into Virginia. Inter-connected lines are now in service between Twin Falls, Michigan, and Pocket, Virginia, a total distance of more than 800 miles.

Coal Lands—On July 1, 1917, the Company joined with Commonwealth Edison Co. and Middle West Utilities Co. in acquiring certain operating coal mines in Williamson County, Ill., and Sullivan County, Ind., under an arrangement whereby it secured the right permanently to the greater part of the coal produced from these mines. During 1923 Company acquired a one-sixth interest in the **Industrial Coal Co.**, owning 7,327 acres of coal producing land in Franklin County, Ill. The Company now controls sufficient coal deposits to supply its needs for a long period of years to come.


OF THE
PUBLIC SERVICE COMPANY
OF NORTHERN ILLINOIS
May 1. 1928.
LEGEND
Electric Generating Station, Steam or Hydro
Substation or Principal Distribution Center
Transmission Line, 12,000 Volts to 33,000 Volts
Transmission Line, 132,000 Volts
Transmission Line, Under Construction, 132,000 Volts
Distribution Line
Interconnecting Line
Gas Pumping Station or Holder
Gas Manufacturing Station
Gas Main
Towns Served with Gas
Towns whose names are Capitalized are district headquarters
WINNEBAGO
BOONE
MCHENRY
LAKE
DEKALB
OGLE
KANE
DUPAGE
COOK
LEE
WHITESIDE
ROCK ISLAND
KENDALL
GRUNDY
LA SALLE
BUREAU
HENRY
PUTNAM
MARSHALL
STARK
KNOX
PEORIA
WOODFORD
LIVINGSTON
FORD
IROQUOIS
KANKAKEE
NEWTON
JASPER
PORTER
LAKE
LAKE MICHIGAN
INDIANA
Rockford
Belvidere
Oregon
Sycamore
Dixon
Morrison
Princeton
Cambridge
Galesburg
OTTAWA
STREATOR
PONTIAC
JOLIET
EVANSTON
WAUKEGAN
CRYSTAL LAKE
WEST CHICAGO
CHICAGO HEIGHTS
Greenwood
Johnsburg
Woodstock
McHenry
Volo
Libertyville
Mundelein
Ivanhoe
Wauconda
Fox River Grove
Algonquin
Lake Zurich
Barrington
Palatine
Wheeling
Deerfield
Arlington Hgts.
Mt. Prospect
Des Plaines
Schaumburg
Bartlett
Roselle
Itasca
Elgin
Carpentersville
Gilberts
W. Dundee
E. Dundee
Pingree Grove
Plato Center
Clintonville
St. Charles
Geneva
Batavia
Kaneville
Sugar Grove
Plano
Yorkville
Conkey Gravel Pit
Bristol Sta.
Plainfield
Lemont
Romeoville
Lockport
Orland Pk.
Tinley Park
Blue Island
Palos Park
Oak Lawn
Evergreen Park
Oak Park
River Forest
Riverside
Hinsdale
Lombard
Villa Park
Elmhurst
Addison
Bensenville
Wood Dale
Park Ridge
Niles
Skokie
Glenview
Northbrook
Highland Park
Lake Forest
Fort Sheridan
North Chicago
Great Lakes
Lake Bluff
Gurnee
Grays Lake
Wadsworth
Lake Villa
Zion
Beach
Round Lake
Wilson
Pistakee Bay
Ingleside
Fox Lake
Marie Lake
Helmar
Lisbon
Plattville
Lisbon Center
Troy
Rockdale
Minooka
Morris
Stockdale
Marseilles
Seneca
Lowell
Tonica
Grand Ridge
Mazon
Coal City
Mazonia
Gardner
Verona
Kinsman
Ransom
Lostant
Eileen
Wilmington
Braidwood
Braceville
Custer Park
Ritchie
Elwood
Manhattan
Monee
Peotone
Beecher
Crete
Goodenow
Steger
Crown Point
Manteno
Tucker
Bourbonnais
Momence
Grant Park
Kankakee
Bradley
Aroma Park
Wichert
St. Anne
Reddick
Buckingham
Herscher
Irwin
Otto
Dwight
Odell
Cornell
Long Point
Campus
Emington
Saunemin
Cabery
Kempton
Rutland
Dana
Toluca
La Rose
Varna
Sparland
LACON
Wilburn
Chillicothe
Rome
Washburn
Low Point
Cazenovia
Minonk
Benson
Wenona
Henry
Hennepin
Bradford
Toulon
Castleton
Wyoming
Camp Grove
Lansing
Hazelcrest
Homewood
Flossmoor
Glenwood
Franklin Sta.
Matteson
Burnham
Calumet Park
Riverdale
Dolton
Phoenix
Harvey
Thornton
South Holland
Midlothian
Robbins
Alsip
Worth
Chicago Ridge
Hodgkins
Western Springs
La Grange
Brookfield
Riverview
Forest Pk.
Clearing
Summit
Justice
Spring Forest
Melrose Park
Maywood
Broadview
Bellwood
Hillside
Berkeley
Elmwood Park
Melrose Park
Franklin Park
Schiller Park
Rosemont
Des Plaines River
Illinois River
Fox River
Rock River
Green River
Big Bureau Cr.
Mississippi River
Kankakee River
Iroquois River
Spoon R.
Connection to Illinois Northern Utilities Company
Connection to Western United Gas & Electric Co.
Connection to W.U.G & E. Co.
Connection to E. B. & R. Ry. Co.
Connection to C. & J. Ry. Co.
Connections to Illinois Power and Light Corporation
Connection to Central Illinois Light Company
Connection to Central Illinois Public Service Company
Connections to C.E.Co.& P.G.L.& C.Co.
Connections to Northern Indiana Public Service Co.
Connection to Sanitary Dist. of Chicago
Connections to C.N.S.& M.R.R.
Connection to C.R.T.Co.
Connection to C.L.Co.
Connection to P.G.L.& C.Co.
To McHenry Co. Lt. & Pr. Co.
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PUBLIC SERVICE COMPANY
Evanston
Chicago Heights
Kankakee
Joliet
Aurora
Elgin
Waukegan
Des Plaines
Cicero
Berwyn
Oak Park
Hinsdale
Downers Grove
Naperville
Wheaton
Glen Ellyn
Lombard
Elmhurst
Addison
Bensenville
Park Ridge
Niles
Skokie
Glenview
Northbrook
Highland Park
Lake Forest
Waukegan
Libertyville
Mundelein
Barrington
Crystal Lake
Woodstock
Harvard
Belvidere
Rockford
Freeport
Dixon
Sterling
Rock Falls
Morrison
Fulton
Clinton
DeKalb
Sycamore
Genoa
Kirkland
Hinckley
Plano
Yorkville
Oswego
Aurora
Batavia
St. Charles
Geneva
Wheaton
Glen Ellyn
Lombard
Elmhurst
Addison
Bensenville
Park Ridge
Niles
Skokie
Evanston
Chicago
Cicero
Berwyn
Oak Park
Hinsdale
Downers Grove
Naperville
Joliet
Lockport
Romeoville
Plainfield
Shorewood
Minooka
Channahon
Morris
Seneca
Ottawa
LaSalle
Peru
Oglesby
Utica
Starved Rock
Marseilles
Ottawa
Streator
Mendota
Sandwich
Somonauk
Sheridan
Serena
Earlville
Leland
Sheridan
Mendota
Ottawa
Streator
Marseilles
Seneca
Morris
Minooka
Channahon
Shorewood
Joliet
Lockport
Romeoville
Plainfield
Aurora
Batavia
Geneva
St. Charles

Waukegan Generating Co.—Under date of Nov. 23, 1921, this company was organized as a subsidiary of Public Service Co. of Northern Illinois for the purpose of building and operating a steam turbine generating station. This station, the first unit (25,000 k.w. capacity) was completed on Oct. 11, 1923, and placed in service. The second unit of 35,000 k.w. capacity was installed and placed in service during 1925. The third unit of 50,000 k.w. capacity was placed in operation in June, 1927, bringing the total capacity of this station to 110,000 kilowatts. It is planned ultimately to develop this station to a capacity of 1,000,000 kilowatts. This generating station located on the shore of Lake Michigan will, when completed, rank with the large modern electrical generating stations of the country. The rapid industrial development at Waukegan and North Chicago will absorb much of the output of the station, and the remainder will be transmitted to other cities and towns as needed. The output of this station will be taken by Public Service Company of Northern Illinois. $8,706,000 of the First Mortgage Bonds of the Waukegan Generating Co. were purchased by Public Service Co. of Northern Illinois and pledged under its First Lien and Refunding Mortgage. The capital stock (24,350 shares) of the Waukegan Generating Co. (with the exception of directors' qualifying shares) is entirely owned by Public Service Co. of Northern Illinois and is pledged under its First Lien and Refunding Mortgage.

Western Public Service Company—The Company has acquired jointly with the Western United Gas & Electric Company, the entire capital stock of the Western Public Service Company, which was organized during 1924 to furnish electric service in the territory adjacent to the Chicago, Burlington and Quincy R. R., extending west from near the west limits of Cook County to the west limits of the City of Naperville. The new company took over portions of the electric systems of each of the owning companies and now operates in the municipalities of Downers Grove, Westmont and Clarendon Hills and in adjacent unincorporated territory, and also supplies electricity to the City of Naperville.

State Line Generating Co.—This company, controlled jointly by the Commonwealth Edison Co., The Public Service Co. of Northern Illinois (through its Subsidiary Corporation), Northern Indiana Public Service Co., and the Interstate Public Service Co., is constructing an electric generating station located on a 90-acre tract of ground on Lake Michigan just east of the Illinois-Indiana line. A turbo-generator of 200,000 k.w. capacity is under construction as the first unit of the station, and it is expected that the above four companies will absorb its total output.

The Illinois Light and Traction Company—In the latter part of 1924 The Illinois Light & Traction Co. (of which this Company owns all the capital stock), with the approval of the Illinois Commerce Commission, discontinued its street railway service in the city of Streator and vicinity. Only three cars were operated by this company and the establishment of a bus line in Streator made the service unnecessary. The Illinois Light & Traction Co. as a corporation is now dissolved.

Bloomington, Pontiac & Joliet Electric Railway Company—This Railway Company (see 1925 Manual, page 427, or apply to our Information Department), the capital stock of which is owned by Public Service Co. of Northern Illinois, operated a small railway system in and between Pontiac, Odell and Dwight. The recent building of a state concrete highway, paralleling the railway, obviated the need, at least for the present, of the railway service. In Nov., 1925, the Illinois Commerce Commission, upon petition of the Railway Company, entered an order authorizing it to suspend service until such time as economic and operating conditions shall warrant the Commission in ordering a resumption of service. Pursuant to the provisions of this order the railway service was suspended on Nov. 28, 1925.

Public Service Subsidiary Corporation—In order to simplify the handling of its miscellaneous investments, Public Service Co. of Northern Illinois organized the Corporation, and in payment for 74,552 shares (par, $100) transferred to said corporation miscellaneous securities and accounts which at the time were being carried on its books at $7,455,200. Including directors qualifying shares, the Subsidiary Corporation has outstanding 74,565 shares, which will continue to be owned by Public Service Co. of Northern Illinois. The Board of Directors of the Subsidiary Corporation is identical in personnel with the Board of Directors of the Company and all officers of the Subsidiary Corporation are also officers of the Company. The assets transferred have no direct connection with the utility business.

Valuation and Rates—On July 24, 1923, the Illinois Commerce Commission entered its final order in the company's rate proceeding in which it found that for rate making purposes the present fair value of the property used and useful in the public utility functions of the company, inclusive of working capital, materials and supplies and going value, and making due allowance for existing depreciation was as of Jan. 1, 1923, $60,759,000. This valuation excluded the Hickory Creek, Jackson Creek and Marseilles water power sites owned or controlled by the Company, securities owned, property represented by expenditures made up to that time on the new Waukegan generating plant, sinking funds, insurance fund, properties leased to other companies and investment in affiliated companies, including the coal property, all of which are valued by the Company at $8,088,255. The order directed the Company to put into effect two successive reductions (one effective Aug. 1, 1923, and the other Jan. 1, 1924) each of 1 cent per k.w.h. in the initial or high rate portion in the charge for electricity for general lighting service; and also a reduction effective Aug. 1, 1923, of 5 cents per 1,000 cu. ft. in the initial or high rate portion in the charge for general gas service.

With the consent of the Illinois Commerce Commission, on April 1, 1925, the rates which apply mainly to large users of electric power for industrial purposes were reduced about 7%, and on Oct. 1, 1925, made a further reduction in such rates of approximately 5%.

On May 1, 1926, the Company, with the consent of the Illinois Commerce Commission, voluntarily put into effect substantial reductions in its electric rates under its standard general lighting and its regular power rate schedules. The net lighting rate per kilowatt-hour as reduced is 9 cents for the initial portion, 8 cents for the second portion, and 6 cents for all additional energy consumed. The regular power rate per kilowatt-hour as reduced is 9 cents, net, for the initial portion, 6 cents for the second portion and 4 cents for all additional energy, subject to certain discounts, as before, for quantity consumption.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

No. of customers—	1927	1926	1925	1924	1923	1922	1921
Electricity	250,834	232,029	205,214	182,521	158,604	133,600	118,304
Gas	131,729	121,783	105,877	95,695	87,197	79,618	74,056
Water	4,709	4,768	4,564	4,307	6,053	5,823	5,735
Heat	1,064	1,092	1,103	1,106	1,127	1,119	1,127
Total	388,336	359,672	316,758	283,629	252,981	220,160	199,222
Electricity sold (k.w.h.)	739,718,878	597,061,783	4,102,846,900	372,221,963	344,504,838	.....	.....
Gas sold (cu. ft.)	5,522,316,500	4,772,876,000	3,698,125,600	3,226,944,582	.....	487,228,680	.....

CAPITAL STOCK

Authorized, $15,000,000 Common (par $100) 200,000 (increased from 150,000 shares May 11, 1925) Common shares of no par value, $15,000,000 6% cumulative Preferred (par $100) and $17,500,000 (increased from $10,000,000 March 26, 1926) 7% cumulative Preferred (par $100) (created Feb. 25, 1924); outstanding Dec. 31, 1927, $12,075,000 Common (par $100), 181,321 Common shares of no par value; $10,000,000 6% Preferred and $6,357,600 7% Pfd. The Common shares of no par value are on a parity in all respects with the Common stock having a par value of $100 a share.

Subscription Privileges—Common and Pfd. stockholders of record July 25, 1922, received the right to subscribe to 44,150 shares Common stock without par value, to the extent of 20% of their holdings at $93 a share. Common and Pfd. stockholders of record Aug. 21, 1923, received the right to subscribe to 52,980 shares Common without par value, to the extent of 20% of their holdings, at $94 a share. Common and Pfd. stockholders of record July 3, 1924 received the right until Aug. 2, 1924 to subscribe to 63,576 shares of 7% Pfd. (par $100) at par in the ratio of one share of 7% Pfd. stock for each five shares held.

Common and Pfd. stockholders of record July 3, 1925, received the right until Aug. 1, 1925, to subscribe, at $100 a share, to 76,491 shares Common stock of no par value to the extent of 20% of their holdings; payment was due in full on Aug. 1, 1925, or in quarterly instalments of 25% each by May 1, 1926, or in monthly instalments of 10% each by May 1, 1926.

Preferred Stock Provisions—The 7% Pfd. stock is on the same equality with 6% Pfd. stock up to 6%, the extra 1% being only payable out of earnings after a 6% return is provided for on both the 6% Pfd. stock and the 7% Pfd. stock. In all respects excepting as to the payment of this extra 1% the 7% Pfd. stock is identical with the existing 6% Pfd. stock, both classes being subject to redemption at $120 per share.

Transfer Agent (All Classes)—Company's office, 72 West Adams St., Chicago, Ill.

Registrar (All Classes)—Central Trust Co. of Illinois, Chicago, Ill.

Annual Meeting—Last Monday in February.

Listed (All Classes)—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
6% Pfd.—								
High	113⅛	106	101	94¾	99	100¼	83½	98⅛
Low	101	99½	92	90	89¼	81	79	81
7% Pfd.—								
High	120½	116⅝	112	108	..	..	..	..
Low	112	111	102	104½	..	..	..	..
Common ($100 par)—								
High	161½	140	132	..	..	108	82½	80
Low	130	128	107½	..	..	80	65	62
Common (no par)—								
High	161½	140	133	112	104	104½	..	..
Low	130⅛	127	107	99	96	102¾	..	..

Dividends—Initial quarterly dividend of 1½% on 6% Pfd. paid Feb. 1, 1912, which rate has been paid to date. Initial quarterly dividend of 1¾% on 7% Pfd. paid Nov. 1, 1924, which quarterly rate has been maintained to date. Initial quarterly dividend of 1% on Common stock ($100 par) paid Feb. 1, 1912, which rate was paid to Aug. 1, 1913; Nov. 1, 1913, 1¼%, which rate was paid to Aug. 1, 1915; Nov. 1, 1915, 1½%, which rate was paid to Aug. 1, 1916; Nov. 1, 1916, 1¾%, which rate was paid to May 1, 1925; Aug. 1, 1925, 2%, which quarterly rate has been maintained to date. Initial dividend of $1.75 per share on no par value Common shares paid Nov. 1, 1922, which rate was paid to May 1, 1925; Aug. 1, 1925, $2.00 per share which quarterly rate has been maintained to date. Payments on all classes quarterly, F, M, A & N 1.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1) Chicago Height Gas Co. First 5s.....Due June 1, 1934
(2) Cicero Gas Co. Refunding and General Gold 5s .....Due July 1, 1932
(3) Citizens Gas Co. of Kankakee First Gold 5s .....Due Feb. 1, 193
(4) Economy Light & Power Co. First Gold 5s .....Due Dec. 1, 195
(5) North Shore Electric Co. First and Refunding Gold 5s .....Due Apr. 1, 194
(6) Northwestern Gas Light & Coke Co. Gold 5s .....Due Dec. 1, 192
(7) Kankakee Gas & Electric Co. 1st & Ref. Sinking Fund Gold 5s .....Due Sep. 1, 193
(8) Public Service Co. of No. Ill. First & Ref. Gold 5s .....Due Oct. 1, 19
(9) Public Service Co. of No. Ill. First Lien & Ref. Gold 5½s, "A" .....Due June 1, 19
(9) Public Service Co. of No. Ill. First Lien & Ref. Gold 5½s, "B".....Due July 1, 19
(9) Public Service Co. of No. Ill. First Lien & Ref. Gold 5s "C" .....Due May 1, 19
(10) Public Service Co. of No. Ill. Debenture 5s, Series of 1926 .....Due Sept. 1, 19
(11) Public Service Co. of No. Ill. Debenture 5s, Series of 1927 .....Due Aug. 1, 19

(1)

$146,500 CHICAGO HEIGHTS GAS CO. FIRST MORTGAG 5% GOLD BONDS; DUE JUNE 1, 1934

Dated June 1, 1904.

Interest Payable June and Dec. 1, at Central Tru Co. of Illinois, Chicago, Trustee. Coupon, $500; pri cipal may be registered. Authorized, $200,000; issue $200,000, of which $53,500 are pledged under the Pul lic Service Co. of Northern Illinois First & Refundir 5s. Subject to call at 105 and interest. A first lien the entire property, formerly owned by Chica Heights Gas Co. Assumed by Public Service Co. Northern Illinois in 1926. Company pays Norm Federal Income Tax up to 2%.

(2)

$2,991,000 CICERO GAS CO. REFUNDING AND GENERA GOLD 5s; DUE JULY 1, 1932

Dated July 1, 1902.

Interest Payable Jan. and July 1, at Central Tru Co. of Illinois, Chicago, Trustee. Coupon, $1,00 principal may be registered. Authorized issue, $ 000,000; issued, $3,370,000 of which $379,000 a pledged under the Public Service Co. of Northe Illinois First & Refunding 5s. Not subject to ca No sinking fund provided. Assumed by Public Servi Co. of Northern Illinois. Legal for Maine savings ban Quoted on unlisted department of Chicago Stock E change. Company pays Normal Federal Income T up to 2%.

Price Range—

	1927	19
High	100¾	10
Low	99½	9

(3)

$95,000 CITIZENS GAS CO. OF KANKAKEE FIRST MORTGA GOLD 5s; DUE FEBRUARY 1, 1932

Dated February 1, 1902.

Interest Payable Feb. and Aug. 1 at Farmers' Lo & Trust Co., New York, Trustee. Coupon, $500 a $1,000. Authorized, $250,000; issued, $247,000, which $95,500 are pledged under the Public Serv Co. of No. Illinois First and Refunding 5s, and $56,0 have been retired. Subject to call at 105 and int. cured by first lien on property of the former Ci zens Gas Co. of Kankakee. Assumed by Public Se ice Co. of Northern Illinois. Legal for Maine savi banks. Company does not pay Normal Federal come Tax.

(4)

$1,149,000 ECONOMY LIGHT & POWER CO. FIRST GOLD DUE DECEMBER 1, 1956

Dated December 1, 1906.

Interest Payable June and December 1, at Centu Trust Co. of Illinois, Chicago.

Denomination—Coupon, $1,000; principal may registered.

Trustee—Central Trust Co. of Illinois, Chicago

Provisions of Issue—Authorized issue, $3,000,0 issued, $1,889,000, of which $513,000 are deposi

under the Public Service Co. of Northern Ill. First and Refunding 5s, and $227,000 have been retired by sinking fund to Dec. 31, 1927.

Callability—Not subject to call.

Sinking Fund—Sinking fund of 1% per annum of bonds outstanding, began in 1916, to be invested in the bonds at not to exceed 110 and int., or in securities legal for investment for New York savings banks.

Security—A first lien on all the property of the former Economy Light & Power Co., including light and power plants at Joliet, Ill., water power properties on the Des Plaines River, etc.

Assumed—Assumed by Public Service Co. of Northern Illinois.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925	1924	1923
High	102¾	101½	99½	98	96
Low	100½	99	96	93½	90

(5)

$1,644,500 NORTH SHORE ELECTRIC CO. FIRST AND REFUNDING GOLD 5s; DUE APRIL 1, 1940

Dated, April 1, 1910.

Interest Payable April and October 1, at Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized issue, $25,000,000; issued, $3,791,000, of which $2,146,500 have been pledged under Public Service Company of Northern Illinois First and Refunding 5s. The unissued bonds were reserved to retire First 5s of 1922, and balance for 75% of cost of additional properties, but they will not be issued, as Public Service Co. of Northern Illinois First and Refunding Mortgage provides for such purposes.

Callability—Subject to call at 107½ and interest, on any interest date since April 1, 1920 upon 60 days' notice.

Depreciation Reserve Fund—A Depreciation Reserve Fund is provided, whereby a sum equal to not less than 2% of the par value of all bonds which have been outstanding for a period of not less than six months is set aside each year. This sum is to be in addition to expenditures which have been made by the company for repairs and renewals in that year.

Security—A first lien on all the property of the former North Shore Electric Co.

Assumed—Assumed by Public Service Co. of Northern Illinois.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($500,000) in April, 1910, at 98 and interest.

Price Range—

	1927	1926
High	101	101
Low	100¼	98½

(6)

$1,729,500 NORTHWESTERN GAS LIGHT & COKE CO. GOLD 5s; DUE DECEMBER 1, 1928

Dated December 1, 1898.

Interest Payable quarterly March, June, Sept. and Dec. 1, at Central Trust Co. of Illinois, Chicago, trustee. Coupon, $500. Authorized, $2,000,000; issued 1,750,000, of which $20,500 are pledged under Public Service Co. of Northern Illinois First & Refunding 5s. Subject to call at 105 and interest on any interest date. No sinking fund provided. Assumed by Public Service Co. of Northern Illinois. Legal for Maine savings banks. Quoted on unlisted department of Chicago Stock Exchange. Company does not pay Normal Federal Income Tax.

(7)

$131,500 KANKAKEE GAS & ELECTRIC CO. FIRST AND REFUNDING SINKING FUND GOLD 5s; DUE SEPTEMBER 1, 1930

Dated September 1, 1910.

Interest Payable March and September 1, at P. W. Brooks & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $2,000,000; issued, $700,000, of which $406,500 are pledged under Public Service Co. of Northern Illinois First and Refunding 5s, and $162,000 had been retired by the sinking fund to Dec. 31, 1927. The unissued bonds were reserved to retire the Citizens Gas Co. of Kankakee First 5s, described in following paragraph, and the remainder were issuable only to the extent of 80% of the actual cash cost of betterments and enlargements, providing net earnings, after all allowances for operating and other prior charges, were at the rate of at least twice the fixed charges on the outstanding First and Refunding bonds, including those then to be issued. These bonds will not be issued, as Public Service Co. of Northern Illinois First and Refunding Mortgage provides for such purposes.

Callability—Subject to call as a whole or in part at 107½ and interest, on any interest date.

Sinking Fund—Sinking fund amounts to 1½% of outstanding bonds from 1913 to 1920, inclusive, and 2% per annum thereafter.

Security—Secured by first lien on the property of the Kankakee Gas & Electric Co., subject only to the $95,500 Citizens Gas Co. bonds, described above.

Assumed—Assumed by Public Service Co. of Northern Illinois.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($450,000) in Sept. 1910, at 95 and interest.

(8)

$18,926,000 PUBLIC SERVICE CO. OF NORTHERN ILLINOIS FIRST AND REFUNDING MORTGAGE GOLD 5% BONDS; DUE OCTOBER 1, 1956

Dated October 1, 1911.

Interest Payable April and October 1, at Illinois Merchants Trust Co., Chicago, and Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized issue, unlimited. Issued (Dec. 31, 1927) $49,965,000, of which $31,039,000 are deposited under the company's First Lien and Refunding Mortgage. Additional bonds (issuable at a rate not exceeding 5%) may be issued under the mortgage as follows: To retire the underlying liens described in preceding paragraphs, or bonds may be issued to the par amount of 75% of the cost of property hereafter acquired, and if mortgage liens exist thereon at the time of acquisition, bonds may also be issued to the par amount of such liens for the purpose of refunding the same, and when issued must be pledged under the First Lien and Refunding Mortgage.

Callability—Subject to call as a whole or in part at 110 and interest on any interest date since Oct. 1, 1921, upon 60 days' notice.

Sinking Fund—None.

Depreciation Reserve Fund—Beginning with Dec. 31, 1917, and annually thereafter, a Depreciation Reserve Fund is to be established out of earnings amounting to 2% of all bonds outstanding for the previous six months which are not issued to refund underlying bonds protected by sinking fund or depreciation reserve provisions in the mortgage securing the same.

Security—A direct lien on all fixed property now owned or hereafter acquired, being a first lien on all the property formerly belonging to the Illinois Valley Gas & Electric Co. and the Chicago Suburban Light & Power Co. The bonds are additionally secured by pledge with the Trustee of $2,146,500 North Shore Electric Co. First and Refunding 5s; $513,000 Economy Light & Power Co. First 5s; $406,500 Kankakee Gas & Electric Co. First and Refunding 5s; $95,500 Citizens Gas Co. First 5s; $20,500 Northwestern Gas Light & Coke Co. 5s; $379,000 Cicero Gas Co. First 5s and $53,500 Chicago Heights Gas Co. 5s. This issue underlies the First Lien & Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($4,500,000) in Dec., 1911, at 97½ and interest; $2,500,000 additional offered in Dec., 1918, at 87½ and interest, yielding about 5.85%.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103¼	99⅞	98	92	90	92¾	82	76½
Low	99⅜	95	91	85¼	84½	85	74½	64

(9)

$22,250,000 PUBLIC SERVICE CO. OF NORTHERN ILLINOIS FIRST LIEN AND REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1962

$5,000,000 PUBLIC SERVICE CO. OF NORTHERN ILLINOIS FIRST LIEN AND REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "B"; DUE JULY 1, 1964

$8,250,000 PUBLIC SERVICE CO. OF NORTHERN ILLINOIS FIRST LIEN AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "C"; DUE MAY 1, 1966

Dated Series "A" 5½s, June 1, 1922, Series "B" 5½s, July 1, 1924 and Series "C" 5s, Feb. 1, 1926.

Interest Payable on Series "A" 5½s, June and December 1, on Series "B" 5½s, January and July 1, and on Series "C" 5s, May and November 1, at Continental National Bank & Trust Co., Chicago, and Bankers Trust Co., New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000, registerable as to principal only, and fully registered bonds in denominations of $1,000 and multiples thereof. Coupon and registered bonds interchangeable.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized amount unlimited; issued and outstanding, $22,250,000 Series "A" 5½s $5,000,000 Series "B" 5½s and $8,250,000 Series "C" 5s.

Additional bonds of these series (or other series bearing such rates of interest, maturing at such times and having such other provisions as the Board of Directors at the time of issuance may determine) may be issued against the deposit par for par of First and Refunding Mortgage bonds, or cash, or United States obligations; and may be issued to refund First and Refunding Mortgage bonds and also First Lien and Refunding Mortgage bonds of another series. After the First and Refunding Mortgage shall have been discharged, or in case prior thereto the company shall be unable to continue to issue bonds under that mortgage and to pledge the same under the First Lien and Refunding Mortgage, the company may also issue First Lien and Refunding Mortgage bonds, (a) against the pledge, par for par, or for the refundment of divisional bonds, and (b) to the extent of 75% of the cost of additions, betterments and new property coming under the First Lien and Refunding Mortgage. Bonds may also be issued to the extent of 75% of the cost or value (whichever is less) of the stock (not less than 95%) of a subsidiary acquired and pledged under the First Lien and Refunding Mortgage, provided that the amount of such bonds, plus the funded debt of the subsidiary at the time of the pledge, shall not exceed 75% of the then value of the latter's property; and after such acquisition and pledge bonds may also be issued to the extent of 75% of additions and betterments to the Subsidiary's property and par for par for refunding its funded debt.

Callability—Series "A" bonds are subject to call in whole or in part at any time upon 30 days' notice at 110 and accrued interest on or before June 1, 194[illegible] thereafter and on or before June 1, 1952, at 107½ and accrued interest, thereafter and on or before Dec. 1961, at 105 and accrued interest and thereafter at 10[illegible] and accrued interest.

Series "B" bonds are subject to call as a whole or in part at any time upon 30 days' published notice at 110 and accrued interest on or before July 1, 194[illegible] thereafter and on or before July 1, 1954, at 107½ and accrued interest; after July 1, 1954, and on or before January 1, 1964 at 105 and accrued interest, and after Jan. 1, 1964 at 100 and accrued interest.

Series "C" bonds are subject to call as a whole or in part at any time on 30 days' notice at the following prices and accrued interest: On or before May 1, 1936, at 105; after May 1, 1936, and on or before May 1, 1946, at 104; after May 1, 1946, and on or before May 1, 1951, at 103; after May 1, 1951, and on or before May 1, 1956, at 102; after May 1, 1956, and on or before May 1, 1961, at 101; after May 1, 1961, and on or before May 1, 1965, at 100½; and after May 1, 196[illegible] to maturity at 100.

Sinking Fund—None.

Depreciation Reserve—Beginning Dec. 31, 1925, and annually thereafter, a depreciation reserve to be maintained out of earnings will be established, amounting to 2% of the Company's First Lien and Refunding Mortgage bonds outstanding for the previous six months, except such bonds as are issued against bonds deposited hereunder, and protected by sinking fund or depreciation reserve provisions in the mortgages securing them.

Security—Secured by: (a) A first mortgage collateral lien on the power plant of the Waukegan Generating Company, through pledge of all of the latter's [illegible],350 shares of capital stock (except directors' qualifying shares) and all its outstanding $8,706,000 First Mortgage Gold Bonds; (b) by pledge of $[illegible],039,000 Company's First and Refunding Mortgage Gold bonds, and (c) by a direct mortgage lien on [illegible] of the Company's physical property now owned or hereafter acquired subject only to prior lien bonds at any time outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to reimburse holders of Series "A," Series "B" and Series "C" bonds if requested within 60 days after payment for the Pennsylvania four mill tax and for the Connecticut personal property tax not exceeding 4 mills per dollar per annum, and for the Massachusetts income tax on interest not exceeding 6% of such interest per annum.

Legal for Savings Banks in Maine.

Listed—Chicago Stock Exchange.

Original Offering—First publicly offered ($7,000,000 Series "A") in June 1922 at 92½ and interest, to yield about 6%, by Halsey, Stuart & Co., Inc., New York, Chicago, etc.; an additional $5,000,000 Series "A" bonds were offered in March, 1923, at 94¼ and interest yielding about 5⅞%, by the same bankers; further $10,000,000 Series "A" bonds were publicly offered in Dec., 1923, at 92 and interest, yielding about 6.05% by the same bankers; $5,000,000 Series "B" bonds were publicly offered in Oct. 1924, at 96 and interest, yielding over 5¾%, by the same bankers; $7,500,000 Series "C" 5s were publicly offered in Feb. 1926, at 98½ and interest, to yield 5.08%, by the same bankers.

Price Range—

	1927	1926	1925	1924
½s, Series "A"—				
High	107½	105⅝	..	..
Low	105¼	103½	..	..
½s, Series "B"—				
High	105¾	106	102¾	95
Low	105½	103½	96¼	86
s, Series "C"—				
High	102¼	99¼	..	..
Low	101½	99¼	..	..

(10)

10,000,000 PUBLIC SERVICE CO. OF NORTHERN ILLINOIS 5% DEBENTURES, SERIES OF 1926; DUE SEPTEMBER 1, 1931

Dated December 1, 1926.

Interest Payable March and September 1, at Illinois Merchants Trust Co., Chicago, and Bankers Trust Co., New York.

Denomination—Coupon, $1,000.

Purpose of Issue—Proceeds were used in connection with the furnishing of power requirements of Chicago, Aurora & Elgin RR. Co., for extensions and additions to the Company's transmission system; for new substations and for important additions to the Company's gas generating equipment.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at the following prices and accrued interest: On or before Sept. 1, 1928 at 101; thereafter and on or before Sept. 1, 1929 at 100½; thereafter to maturity at 100.

Security—Debentures are the direct obligation of Company, but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($10,000,000) in Nov., 1926 at 99½ and interest to yield 5.10%, by Halsey, Stuart & Co., Inc., New York, etc.

Price Range—1927: High, 100¼; low, 100¼.

(11)

$10,000,000 PUBLIC SERVICE CO. OF NORTHERN ILLINOIS 5% DEBENTURES, SERIES OF 1927; DUE AUGUST 1, 1932

Dated August 1, 1927.

Interest Payable February and August 1, at the Chicago and New York offices of Halsey, Stuart & Co., Inc.

Denomination—Coupon, $1,000.

Purpose of Issue—Proceeds from the sale of these debentures were to be used towards reimbursing the Company for expenditures made for extensions and additions to the Company's system, including additional properties acquired, and towards expenditures to be made for the expansion of its general gas and electric service to provide for the rapid growth of the territory served.

Callability—Subject to call as a whole or in part at any time upon 30 days' notice at the following prices and accrued interest: On or before August 1, 1929, at 101; thereafter and on or before August 1, 1930, at 100½; and thereafter to maturity at 100.

Security—A direct obligation of Company, but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($10,000,000) in July, 1927, at 99 and interest, to yield over 5.20%, by Halsey, Stuart & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
perating revenues (not including merchandise sales)	$26,070,067	$23,311,198	$20,646,820	$18,003,904	$16,014,342	$13,712,095
perating expenses	13,904,576	12,747,719	11,010,152	10,318,858	9,586,834	8,218,491
epreciation	1,725,000	1,500,000	1,200,000	803,553	730,660	670,660
Net operating revenues	$10,440,491	$9,063,479	$8,436,668	$6,881,493	$5,696,848	$4,822,944
Other Charges—						
ncollectible operating revenue	$78,022	$53,373	$35,404	$26,271	$36,174	$31,831
axes assignable to operations	1,845,000	1,620,000	1,575,000	1,420,000	1,080,000	900,000
Net operating income	$8,517,469	$7,390,106	$6,826,264	$5,435,222	$4,580,673	$3,891,113
ther income	977,086	1,340,027	800,620	1,005,229	726,367	513,021
Gross income	$9,494,555	$8,730,133	$7,626,884	$6,440,451	$5,307,040	$4,404,134
eductions from gross income	383,916	626,467	616,955	578,977	798,962	551,298
Balance	$9,110,639	$8,103,666	$7,009,929	$5,861,474	$4,508,078	$3,852,836
nterest on funded debt	3,924,626	3,210,286	2,863,379	2,655,513	2,073,683	2,017,366
Net income	$5,186,013	$4,893,380	$4,146,550	$3,205,961	$2,434,394	$1,835,470
Dividends Paid—						
referred stock	$1,039,666	$1,040,139	$1,004,412	$671,191	$595,271	$589,132
ommon stock	2,404,248	2,252,238	1,710,289	1,452,336	1,075,926	799,965
Balance to surplus	$1,742,099	$1,601,003	$1,431,849	$1,082,434	$763,197	$446,373
mes Interest Earned	2.33	2.52	2.45	2.21	2.17	1.91
rnings Per Share—						
Preferred	$31.70	$29.92	$25.35	$20.88	$24.34	$18.35
Common	13.72	12.90	11.90	11.63	8.96	8.12

SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance, Jan. 1, 1927, $6,209,928; surplus for ar 1927 (before dividends), $5,186,013—total, $11,-5,941. Deduct: Preferred dividends, $1,039,666; Common dividends, $2,404,248; miscellaneous debits and credits (net), $17,889—total, $3,461,803. Credit balance, Dec. 31, 1927, $7,934,138.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
ed capital	$108,709,396	$98,429,202	$85,441,163	$78,639,850	$70,059,540
sh	7,309,578	10,330,218	6,493,531	5,379,273	4,408,108
tes receivable	125,929	115,729	156,093	122,927	343,442
counts receivable	3,044,806	3,313,228	3,163,162	3,056,825	2,877,045
& divids. receivable	11,344	11,445	12,079	13,720	11,542
rketable securities	.....	.....	1,177	3,498	169,936
terials and supplies	1,064,356	1,030,364	885,975	757,649	1,019,913
el (coal, oil, etc., in storage)	617,355	522,174	507,837	501,542	653,560
epayments	64,685	57,819	41,619	48,791	20,661
bscriptions to capital stock	.....	.....	1,540,801	426,657	538,762
sc. current assets	17,186	22,025	25,057	11,935	26,619

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923
Miscellaneous assets—					
Investments in affiliated cos	*$21,152,228	$16,198,679	$7,930,197	$6,469,148	$5,395,965
Miscellaneous investments	874,747	658,355	4,040,163	3,556,202	1,066,446
Sinking funds	293,602	305,237	324,026	383,593	263,874
Misc. special funds	804,415	647,843	463,580	399,203	337,619
Special deposits	19,461	19,455	19,056	150,167	107,962
Unamortized debt discount and expense	5,550,010	5,376,684	4,702,571	4,828,999	4,457,851
Jobbing accounts	259,262	530,928	484,530	321,309	255,347
Clearing or apportionment accounts	.....	.....	.....	.....	379,848
Misc. deferred debits	1,246,200	971,351	830,103	1,533,816	1,623,944
Treasury securities	100,500	33,900	99,600	500	118,075
Total	$151,265,060	$138,574,636	$117,162,320	$106,605,604	$94,136,059
Liabilities—					
Com. stock (par $100)	$12,075,000	$12,075,000	$12,075,000	$12,075,000	$12,075,000
Com. stock (no par value)	17,505,100	17,155,100	13,698,600	9,111,000	7,916,542
Preferred stock (6%)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Preferred stock (7%)	6,357,600	6,357,600	6,357,600	5,355,900	.....
Preferred stock (7%) subscribed	.....	.....	.....	1,001,700	.....
Common stock (subscribed no par)	.....	.....	3,214,500	.....	1,194,458
Funded debt	82,313,500	72,200,900	54,539,300	54,580,600	49,634,200
Unmatured liability under purchase contract	.....	422,570	1,102,918	1,192,918	1,275,418
Notes payable	.....	146,000	262,500	365,340	705,155
Accounts payable	1,056,209	1,582,935	703,271	626,323	959,945
Consumers' deposits	1,039,399	948,427	798,993	622,039	509,420
Misc. current liabilities	172,820	.....	.....	.....	218,298
Taxes accrued	1,943,123	1,690,179	1,510,188	846,871	424,914
Interest accrued	1,028,641	828,337	599,622	600,133	489,891
Advances from affiliated companies	.....	.....	719,723	548,354	340,630
Retirement reserve	8,574,254	7,562,339	6,115,824	4,967,077	4,328,010
Miscellaneous reserves	873,875	678,260	496,060	425,165	382,758
Misc. unadjusted credits	391,401	717,061	387,428	348,745	788,001
Surplus	7,934,138	6,209,928	4,580,793	3,938,439	2,893,419
Total	$151,265,060	$138,574,636	$117,162,320	$106,605,604	$94,136,059

*Includes $7,455,200 investment in Public Service Subsidiary Corp. and $13,697,028 investment in Waukegan Generating Co

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash	$7,309,578	$10,330,218	$6,493,531	$5,379,273	$4,408,108	$1,321,739
Special deposits	.....	.....	.....	.....	.....	107,474
Loans and notes receivable	125,929	115,729	156,093	122,927	343,442	681,631
Accounts receivable	3,044,806	3,313,228	3,163,162	3,056,825	2,877,045	2,723,119
Interest, dividends and rents receivable	11,344	11,445	12,079	13,720	11,542	13,879
Marketable securities	.....	.....	1,177	3,498	169,936	.....
Materials and supplies	1,064,356	1,030,364	885,975	757,649	1,019,913	764,956
Fuel (coal, oil, etc., in storage)	617,355	522,174	507,837	501,542	653,560	573,674
Employes' working funds	.....	.....	.....	.....	.....	16,634
Prepayments	64,685	57,819	41,619	48,791	20,661	.....
Capital stock subscriptions	.....	.....	1,540,801	426,657	538,762	.....
Miscellaneous current assets	17,186	22,025	25,057	11,935	26,619	.....
Total	$12,255,239	$15,403,002	$12,827,331	$10,322,817	$10,069,589	$6,203,107
Current Liabilities—						
Loans and notes payable	.....	$146,000	$262,500	$365,340	$705,155	$1,003,077
Accounts payable	$1,056,209	1,582,935	703,271	626,323	959,945	556,074
Customers' deposits	1,039,399	948,427	798,993	622,039	509,420	700,824
Interest accrued	1,028,641	828,337	599,622	600,133	489,891	464,234
Taxes accrued	1,943,123	1,690,179	1,510,188	846,871	424,914	254,134
Miscellaneous current liabilities	172,820	.....	.....	.....	218,298	.....
Total	$5,240,192	$5,195,878	$3,874,574	$3,060,706	$3,307,624	$2,978,347
Net Working Capital	$7,015,047	$10,207,124	$8,952,757	$7,262,111	$6,761,965	$3,224,759

Officers: Samuel Insull, Chairman of Board; Britton I. Budd, President; John H. Gulick, Julius L. Hecht, John G. Learned, Chas. W. Bradley, V-Ps.; Geo. R. Jones, V-P. & Treas.; Joseph W. Kehoe, Sec. & Asst. Treas.; R. S. Holden, Compt.; H. D. Hammond, Aud.; W. J. White, Asst. Sec. & Asst. Treas.; H. E. Ingram, Asst. Sec. & Asst. Treas.; J. M. Nelson, Asst. Sec. & Asst. Treas.; H. W. Wyman, Asst. Aud.; S. L. Albee, Asst. Aud., Chicago.

Executive Committee: Britton I. Budd, John H. Gulick, Samuel Insull, Martin J. Insull, Edward F. Russell.

Directors: Samuel Insull (Chairman); Henry A. Blair, Britton I. Budd, Walter S. Brewster, Wm. A. Fox, L. A. Ferguson, Edward P. Russell, John H. Gulick, Frank G. Logan, Martin J. Insull, John F. Gilchrist, Solomon A. Smith, Samuel Insull, Jr.

General Office, 72 W. Adams St., Chicago, Ill.

TORRINGTON WATER CO.

History—Incorporated July 11, 1873, in Conn. Franchise, perpetual. Miles of mains, 49. No. of customers, 2,592. Meters, 285. Population served, 23,000. Storage capacity, 1,099,000,000 gals. in 7 reservoirs.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $500,000; par, $25. Transfer office, Torrington, Conn. Annual meeting, fourth Monday in March.

Dividends—Dividends have been paid as follows: 1917, 8%; 1918 to 1925, incl., 10% per annum; 1926, 11%; 1927, 10%; dividends are declared M, J, S & D 15, and are paid M, J, S & D 31.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$107,075	$103,752	$101,91
Oper. exp. & taxes	56,494	58,107	51,39
Net earnings	$50,581	$45,645	$50,51
Other income	756	2,464	1,29
Total income	$51,337	$48,109	$51,81
Interest charges	1,227	1,041	1,08
Balance for dividends	$50,110	$47,068	$50,7
Dividends paid	50,000	55,000	50,0
Surplus for year	$110	*$7,932	$7
Earnings Per Share	$2.51	$2.35	$2

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$684,618	$675,943	$663,354
Other investments	800	800	.....
Cash	655	837	909
Accounts receivable	103	208	88
Due from U. S. Govt.	.....	.....	4,337
Total	$686,176	$677,788	$668,688
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Notes payable	45,000	45,000	42,000
Accounts payable	540	1,865	457
Depreciation reserve	106,182	118,849	83,953
Profit and loss	34,455	12,074	42,278
Total	$686,176	$677,788	$668,688

Officers: F. M. Travis, Pres.; C. L. McNeil, Sec. & Treas.; Wm. E. French, Supt., Torrington, Conn.

Directors: J. N. Brooks, C. L. McNeil, E. H. Hotchkiss, F. M. Travis, N. A. Tuttle, C. E. Smith, F. R. Appelt, Thos. W. Bryant, Torrington, Conn.; G. B. Alvord, Hartford, Conn.

Office, 69 Water St., Torrington, Conn.

THE MARSEILLES LAND & WATER POWER COMPANY

History and Property—Incorporated March 9, 1867, under special charter of Ill. Operates a hydraulic plant at Marseilles, Ill., with a capacity of 10,000 h.p. Operated from Illinois River, supplemented by water from Chicago Drainage Canal. The water is leased to three tenants, comprising three paper mills and one hydro-electric plant, which generate their own power.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Annual meeting, second Tuesday in May.

Dividends—A dividend of 5% was paid in 1925; 1926, 2%; 1927, 10%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$94,560	$92,600	$103,318
Operating expenses	13,805	22,697	41,517
Taxes	11,205	9,448	9,775
Depreciation	22,479	21,915	21,667
Net earnings	$47,071	$38,540	$30,359
Bond interest	.....	938	2,186
Other interest, etc.	3,000	3,159	3,583
Total charges	$3,000	$4,097	$5,769
Net income	$44,071	$34,443	$24,590
Dividends	50,000	10,000	25,000
Surplus for year	*$5,929	$24,443	*$410

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,094,664	$1,097,274	$1,094,354
Investments	15,000	.....	2,000
Bonds owned	500	500	500
Cash	11,443	4,561	93
Other current assets	200,000	200,000	200,000
Accounts receivable	1,500	1,000	.....
Deferred debit items	.....	.....	183
Total	$1,323,107	$1,303,335	$1,297,130
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	.....	.....	25,000
Notes payable	50,000	50,000	57,998
Accounts payable	3,523	622	8,315
Reserve for depreciation	317,613	295,134	273,606
Profit and loss surplus	451,971	457,579	432,211
Total	$1,323,107	$1,303,335	$1,297,130

Officers: W. D. Boyce, Pres.; M. J. Boyce, V-P.; W. S. Richmond, Sec., Treas. & Gen. Mgr., Ottawa, Ill.

Directors: W. D. Boyce, M. J. Boyce, J. H. Armstrong, W. S. Richmond, Ottawa, Ill.; F. G. Reynolds, Chicago, Ill.

General Office, 407 Central Life Bldg., Ottawa, Ill.

LACONIA WATER COMPANY

History—Incorporated Sept. 7, 1883, in N. H. Population served, 13,000. Capacity, 3,000,000 gallons. Price, by meter, 18½c per 100 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $142,000; par, $50. Transfer office, Laconia, N. H. Annual meeting, third Monday in February.

Dividends—6% per annum, Feb. and Aug. 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$41,575	$41,459	$42,185
Oper. exp. and taxes	25,404	24,500	28,893
Depreciation	9,000	8,000	8,000
Net earnings	$7,171	$8,959	$5,292
Dividends paid	8,520	8,520	8,520
Surplus for year	*$1,349	$439	*$3,228
Earnings Per Share	$2.52	$3.15	$1.87

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$307,430	$302,137	$280,653
Materials and supplies	9,807	9,501	9,268
Cash	1,895	1,311	960
Accounts receivable	8,034	8,133	9,709
Other current assets	95	100	100
Total	$327,261	$321,182	$300,690
Liabilities—			
Capital stock	$142,000	$142,000	$142,000
Notes payable	27,000	27,500	9,500
Accounts payable	203	371	346
Dividends accrued	4,260	4,260	4,260
Reserve for taxes	2,165	2,165	2,165
Depreciation reserve	151,569	142,569	134,569
Profit and loss	64	2,316	7,850
Total	$327,261	$321,182	$300,690

Officers: Stanton Owen, Pres.; Arthur C. Kinsman, Sec. & Treas., N. Joy Harriman, Asst. Treas., Laconia, N. H.; F. P. Webster, Supt., Lakeport, N. H.

Directors: C. L. Pulsifer, F. P. Webster, Stanton Owen, C. H. Perkins, A. W. Head, N. Joy Harriman, Arthur C. Kinsman.

Office, Laconia, N. H.

OHIO CENTRAL TELEPHONE COMPANY

History—Incorporated Sept. 3, 1926, in Delaware. Owns all of the Common stock of the Ohio Central Telephone Corporation, except directors' qualifying shares.

CAPITAL STOCK

Authorized, 10,000 shares, Common stock of no par value, outstanding, 1,000 shares.

FUNDED DEBT

None.

Officers: John F. Kent, Pres.; B. A. Ogden, V-P.; George Martin, Sec.; Joseph A. Johnston, Treas.

Directors: John F. Kent, B. A. Ogden, George Martin, Timothy J. Grace, Thomas L. Grace.

General Office, 134 South La Salle St., Chicago, Ill.

OHIO CENTRAL TELEPHONE CORPORATION

(Controlled by Ohio Central Telephone Company.)

History and Properties—Incorporated Dec. 11, 1926 in Ohio. Acquired all of the properties of the Mt. Sterling Telephone Company, Caledonia Telephone Company, Morrow Telephone Company, Licking Telephone Company, Millersburg, Wooster & Orville Telephone Company, and the Valley Telephone Company. Owns and operates telephone properties in central and southern Ohio furnishing telephone service without competition. The population of the territory

served is approximately 120,000 and the company operates 38 exchanges, over 16,800 stations and more than 2,677 miles of pole lines, and an extensive toll system. The lines interconnect with the Bell and Independent companies serving in adjacent territories.

CAPITAL STOCK

Authorized, 7,500 shares Common stock of no par and $500,000 7% cumulative Pfd., par, $100; outstanding 5,675 shares Common and $500,000 Pfd. All the outstanding Common stock, except directors' qualifying shares, is owned by Ohio Central Telephone Company.

Annual Meeting—Third Monday in February.

Dividends—Pfd. dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

$1,600,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JULY 1, 1947

Dated July 1, 1927.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Central National Bank, Cleveland, Ohio.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $1,600,000. Additional bonds or subsequent series of bonds may be issued for permanent improvements, extensions or additions, but not to exceed 75% of the cost of same, or if issued for the acquisition of any telephone property, as an entirety, then not to exceed 75% of the fair depreciated value, only when net earnings as defined in the indenture for any 12 consecutive months embraced within the 15 months prior to the issuance of the new bonds shall not have been less than two times the annual interest charges on the bonds then outstanding and those proposed to be issued. Additional bonds may also be issued for the refunding of an equal principal amount of bonds previously issued under the trust indenture.

Purpose of Issue—Issued to partially provide for the acquisition of properties.

Callability—Subject to call as a whole or in part on any interest date on 30 days' published notice, to and including July 1, 1932 at 105 and accrued interest; thereafter to and including July 1, 1937, at 104 and accrued interest; thereafter to and including July 1, 1942, at 103 and accrued interest; thereafter, to and including July 1, 1945, at 102 and accrued interest; thereafter and prior to July 1, 1947, at 101 and accrued interest.

Sinking Fund—None provided.

Maintenance, Renewal, Replacement and Depreciation Reserve—Indenture provides that the Company set up annually and credit to its depreciation and maintenance fund, a sum not less than 25% of the gross revenue derived from the operation of its properties and it further provides that expenditures for maintenance and renewals shall be charged to these reserves and that any portion of the reserves not exhausted by such charges shall be expended for additions and improvements against which no new First Mortgage bonds may be issued, or for the retirement of bonds at not to exceed the call price.

Security—Secured by a direct first mortgage on all the real and physical property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California 4 mills tax, Maryland 4½ mills tax, Iowa 6 mills tax and Massachusetts income tax, not exceeding 6%, refunded upon proper and timely application.

Legal Opinion—Brundage & Gorman, Chicago.

Original Offering—First publicly offered ($1,600,000) in Aug., 1927, at par and interest by Thompson, Kent & Grace, Inc., Emery, Peck & Rockwood Co., Chicago, and Paine, Webber & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED MARCH 31

	1927	1926
Earnings from operation	$426,379	$420,878
Oper. exp., maintenance & taxes	203,154	207,215
Net earnings	$223,225	$213,663
Other income	2,016	1,419
Total income	$225,241	$215,082
Rebates	3,503	3,296
Net income	$221,738	$211,786
Bond interest requirements	96,000	.....
Pfd. dividend requirements	35,000	.....
Balance	$90,738	.....

GENERAL BALANCE SHEET, MARCH 31, 1927

Assets—	
Fixed capital installed (depreciated sound value)	$2,192,94
Cash	23,89
Notes receivable	2,10
Materials and supplies	58,63
Accounts receivable	20,67
Deferred charges	16,38
Total	$2,314,63
Liabilities—	
Common stock (no par)	$332,56
Preferred stock	350,00
Funded debt	1,600,00
Accounts payable	6,34
Accrued taxes & sundry other liabilities	22,79
Deferred credit items	2,93
Total	$2,314,63

Officers: John F. Kent, Pres.; B. A. Ogden, V-P George Martin, Sec.; H. B. Battles, Treas.

Directors: John F. Kent, B. A. Ogden, George Martin, Timothy J. Grace, Joseph A. Johnston.

General Office, Wooster, Ohio.

CHICAGO AURORA AND ELGIN CORPORATION

History—Incorporated June 12, 1922, in Del. as a holding company. Owns the entire capital stock (except directors' qualifying shares) of Chicago Aurora and Elgin Railroad Company. Effective Feb. 28, 1926, Company disposed of its ownership of the Chicago Suburban Power and Light Company to Public Service Company of Northern Illinois.

CAPITAL STOCK

Authorized and outstanding, 27,500 shares without par value. Annual meeting, third Wednesday in April. No dividends paid.

Price Range—

	1927	1926
Bid	8	10

FUNDED DEBT

$6,000,000 6% DEBENTURE 50-YEAR GOLD BONDS; DUE APRIL 1, 1972

Dated April 1, 1922.

Interest Payable January and July 1, at Girard Trust Co., Philadelphia. Coupons maturing on or before July 1, 1924, payable only if and when the payment is declared by the Board of Directors of company in the exercise of its discretion and if not ordered paid on or before July 1, 1924, said coupon shall, upon that date, become null and void. On the first day of January and the first day of July in the year 1925 and each year thereafter the Company shall and will pay such interest on the bonds not to exceed the rate of 6% per annum as the Board of Directors of the Company shall in their discretion determine and declare. Interest on the bonds from April 1, 192 at the rate of 6% per annum shall be cumulated and the company agrees whenever the principal of the bonds shall become due to pay all arrearages of interest from April 1, 1924, to such due date whether theretofore declared payable or not. The Reorganization Plan contemplated that no interest should be paid on these debenture bonds until two years after the acquisition of the Third Rail Division of The Aurora, Elg

& Chicago Railroad Company by Chicago Aurora & Elgin Railroad Company, which occurred on June 30, 1922.

NOTE—No interest has been paid on these bonds up to April 1, 1928.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized and outstanding, $6,000,000. Issued together with Common stock of company to the holders of certificates of deposit of the First & Refunding Mortgage Bonds and the Three-Year Collateral Trust Notes of The Aurora, Elgin & Chicago Railroad Company who paid their pro-rata share of expenses and subscribed to their pro-rata share of the Refunding & Improvement Bonds of the Chicago Aurora & Elgin Railroad Company, all as provided for in a plan of reorganization dated Feb. 11, 1922.

Callability—Subject to call on any interest date at 102½ plus all unpaid cumulative interest to the date of redemption.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924
Bid	47	50	51	20

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Interest received on bank deposits	$544	$2,051	$485
Int. on securities owned	26,259	10,961	.....
Total income	$26,803	$13,012	$485
Miscellaneous expenses	18,601	10,219	4,938
Net earnings	$8,202	$2,793	*$4,453
Accrd. int. on Debenture bonds	360,000	360,000	360,000
Deficit for year	$351,798	$357,207	$364,453

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
94,991 shares of Common stock of Chicago Aurora & Elgin RR. Co.	$9,499,100	$9,499,100
Miscellaneous investments	85,996	187,376
Cash	19,814	28,993
Notes receivable	943,750	125,000
Interest receivable	4,430	3,386
Deficit	1,246,968	895,170
Total	$11,800,058	$10,739,025

Liabilities—	1927	1926
Capital stock	$3,749,025	$3,749,025
Funded debt	6,000,000	6,000,000
Notes payable	700,000	.....
Accrued interest on notes payable	1,033	.....
Accrued interest on debenture bonds	1,350,000	990,000
Total	$11,800,058	$10,739,025

Officers: Samuel Insull, Chairman; Britton I. Budd, Pres.; R. Floyd Clinch, V-P.; John H. Gulick, V-P.; George R. Jones, V-P.; Joseph W. Kehoe, Sec. & Asst. Treas.; William J. White, Treas. & Asst. Sec.

Directors: Samuel Insull, Britton I. Budd, R. Floyd Clinch, John H. Gulick, George R. Jones, Bernard J. Fallon, Roger E. Williams, Dr. Thomas Conway, Jr., Edward J. Doyle.

General Office, 3018 Du Pont Bldg., Wilmington, Del.

CHICAGO AURORA AND ELGIN RAILROAD COMPANY

(Controlled by Chicago Aurora and Elgin Corporation)

History and Properties—Incorporated in 1926 in Illinois, as successor by consolidation (approved Feb. 10, 1926), of a company of the same name, incorporated March 23, 1922 (See Manual, page 328, or apply to our Information Department) and the Chicago Westchester and Western Railroad. The latter company constructed and completed for operation in February, 1926, a 1.1 miles double track extension from the Aurora Company's main line at Bellwood, south to Roosevelt Road.

Company owns 103.37 miles of line, measured as single track, electrically operated and serving and connecting Chicago, Maywood, Bellwood, Ardmore, Villa Park, Elmhurst, West Elmhurst, Lombard, Glen Ellyn, Wheaton, Aurora, Elgin, Batavia, West Chicago, Geneva and St. Charles, Ill.; and 1.1 miles from Bellwood, south to Westchester. Population of territory served (exclusive of Chicago), 200,000.

The company's terminal station in Chicago is situated on the Union Loop of the Chicago Rapid Transit Co. on Wells Street, near Jackson Boulevard, and its trains arrive and depart over the tracks of that Company, operating under a contract covering the period of the "rights, grants and privileges given to the Metropolitan West Side Elevated Ry. Co. and its predecessors by the City Council of the City of Chicago." Under this contract the Chicago Rapid Transit Co. is given the right to operate over certain trackage owned by the Railroad Company, which trackage constitutes an important part of the elevated system.

The entire track mileage is located on private right-of-way, owned in fee, with the exception of approximately 5 miles of trackage used in entering or passing through the cities of Aurora, Elgin, Geneva, St. Charles and West Chicago.

The company operates 71 passenger coaches, 47 freight cars and 23 miscellaneous types of cars, 2 electric locomotives and 2 buffet parlor cars, of which 20 coaches and 1 electric locomotive are leased under the "Philadelphia Plan" and the balance are owned outright by the company.

Company's modern steam generating station with 16,000 k. w. installed capacity situated at Batavia together with its principal transmission equipment is leased to the public Service Company of Northern Illinois under a contract giving the Company an ample power supply under favorable terms.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Revenue Passengers Carried	Car Miles Operated	Total Tons Freight Handled
1922	5,141,271	4,035,311	141,831
1923	5,665,978	4,344,500	346,570
1924	6,148,302	4,556,105	395,573
1925	6,638,054	4,558,176	580,821
1926	6,997,793	4,869,947	638,249
1927	5,989,048	5,645,099	630,169

CAPITAL STOCK

Authorized, $9,500,000 Common and $10,000,000 7% Prior Preference; outstanding, $9,500,000 Common and $500,000 Prior Preference; par $100. All the Common stock (except directors' qualifying shares) is owned by Chicago Aurora & Elgin Corporation.

Annual Meeting—Third Friday in February, at Chicago, Ill.

Dividends—Payments are regularly made on the 7% Prior Preference stock.

FUNDED DEBT

(1)

$170,000 AURORA, ELGIN & CHICAGO RAILWAY FIRST MORTGAGE 5% GOLD BONDS, DUE APRIL 15, 1941

Dated April 15, 1901.

Interest Payable April and Oct. 15, at Continental National Bank & Trust Co., Chicago, Trustee, and First National Bank, New York. Denomination, $1,000. Sinking fund of $50,000 per annum began April 15, 1911. Authorized and issued, $3,000,000, of which $911,000 retired through sinking fund, $1,869,000 pledged as part security for First and Refunding Mortgage bonds (described below) and $170,000 in hands of public as of March 1, 1928. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	100½	100½	99	76	77
Low	99½	98	80	76	77

(2)

$4,950,000 CHICAGO AURORA AND ELGIN RR. CO. FIRST AND REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1951

Dated January 2, 1926.

Interest Payable January and July 1, at Halsey, Stuart & Co., Inc., Chicago and New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Sinking Fund Agent—Halsey, Stuart & Co., Inc., Chicago and New York.

Provisions of Issue—Authorized amount, unlimited; issued, $5,000,000; outstanding Dec. 31, 1927, $4,950,000, after completing sinking fund payments. The proceeds from the sale of Series "A" bonds were used to refund the 2-year 6½% Secured Gold notes, due Dec. 1, 1926, the Refunding & Improvement Mortgage 7% Gold bonds, due April 1, 1947, the acquisition of certain of the First Mortgage 5% Gold bonds, due April 15, 1941, and for other corporate purposes.

Additional bonds of any series, with such provisions as authorized at time of issuance may at any time be issued (a) in equal amount against deposit of cash or U. S. obligations, or pledge or refundment of underlying bonds or bonds of a subsidiary, as defined in mortgage, and to pay or refund other series issued under mortgage, and (b) to the extent of 75% of cost of additions, betterments and new properties, coming under lien of mortgage or of mortgage of a subsidiary, or of cost of stock of a subsidiary pledged under mortgage, provided that mortgage bonds of such subsidiary be pledged in an amount equal to not less than principal amount of bonds issued in respect of any such subsidiary and that the amount of such bonds of each subsidiary pledged plus its then mortgage indebtedness outstanding shall not exceed 75% of value of such subsidiary's property.

Additional bonds issuable on account of expenditures made for additions or betterments on purchased property of Company or of subsidiary or on account of acquisition of stock of any subsidiary, may not be issued unless net earnings, as defined in mortgage, of Company and its subsidiaries during 12 consecutive calendar months ending within 60 days next preceding date of issuance shall have been at least twice interest charges on all bonds outstanding and those then proposed to be issued, and on all bonds then outstanding of any of its subsidiaries or, prior to lien on any part of property of Company. Additional bonds in principal amount of $800,000 may be issued at any time for corporate purposes, if Company has complied with foregoing earnings requirement.

Callability—Subject to call as a whole or in part at any time upon 60 days' notice at the following prices and accrued interest: Prior to Jan. 1, 1931, at 105.; on and from Jan. 1, 1931, to Jan. 1, 1936, at 104; on and from Jan. 1, 1936, to Jan. 1, 1941, at 103; on and from Jan. 1, 1941, to Jan. 1, 1946, at 102½; thereafter less ½ of 1% during each succeeding year to Jan. 1, 1950; and on and subsequent to Jan. 1, 1950, at 100.

Sinking and Improvement Fund—The mortgage provides that Company may annually withdraw at 100 for cash not exceeding $50,000 principal amount of First Mortgage bonds pledged as part security under the Mortgage. Cash to the extent of $25,000 arising from such withdrawals or which may be deposited by the Company, shall be used to retire Series "A" bonds to be purchased at not exceeding the then redemption price and the balance may be used against capital expenditures against which no bonds may be issued. Upon release of the First Mortgage, the Company will deposit $25,000 annually thereafter to be applied to the retirement of Series "A" bonds purchased at not exceeding the then redemption price. If Series "A" bonds cannot be so purchased, the balance of such cash may be used against capital expenditures against which no bonds may be issued.

Maintenance of Property—Commencing with the calendar year 1926, and annually thereafter a reserve will be established amounting to not less than 16% of operating revenue derived from Company's operation of physical properties subjected to the lien of the mortgage, to be expended for maintenance, renewals, replacements, betterments or improvements which shall not be made the basis for the certification of additional bonds, or for the retirement of bonds issued under the mortgage. The above percentage is subject to periodical redetermination.

Security—Bonds are secured (a) by a direct first mortgage on the 1.1 miles extension on Company's main line from Bellwood south to Roosevelt Road; (b) by the pledge of $1,869,000 Aurora, Elgin & Chicago Railway First 5s, due April 15, 1941, being over 90% of such bonds outstanding, and (c) by direct mortgage lien on all the physical property presently owned or hereafter acquired, subject only to prior lien bonds from time to time outstanding.

Tax Provisions—Company pays Federal Income Taxes up to 2%, and agrees to reimburse holders of Series "A" bonds, if requested within 60 days after payment, for Pennsylvania and Connecticut 4 Mills and Maryland 4½ Mills Taxes, for District of Columbia Personal Property taxes not exceeding 5 mills per dollar per annum, and for Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($5,000,000 Series "A") in January, 1926, at 96 and interest yielding over 6.30%, by Halsey, Stuart & Co., Inc. New York and Chicago.

Price Range—

	1927	1926
High	96¼	96½
Low	95½	94

(3)

$212,000 CHICAGO AURORA AND ELGIN RR. 6% CAR TRUST CERTIFICATES, SERIES OF 1922; DUE $23,000 EACH MARCH 1, AND $24,000 EACH SEPT. 1 TO SEPT. 1, 193

Dated September 1, 1922.

Dividends Payable March and Sept. 1, at Girard Trust Co., Philadelphia, Trustee. Authorized and issued, $470,000, of which $258,000 retired to March 1928. Issued under the Philadelphia Plan in part payment for 20 all steel passenger coaches including electrical equipment, and one electric locomotive, costing in excess of $650,000, of which over 25% paid in cash. The title to the equipment is vested in the trustee under lease to Chicago Aurora and Elgin Railroad Co. at a rental sufficient to pay these certificates and the dividend warrants and other charges as they come due.

(4)

$460,000 CHICAGO AURORA AND ELGIN RR. CO. EQUIPMENT TRUST GOLD CERTIFICATES, SERIES "B"; OF WHICH $92,000 ARE 4½s, DUE $46,000 EACH APRIL 1, 1928 AND 1929 $138,000 ARE 5s, DUE $46,000 EACH APRIL 1, 1930 TO 1932 INCLUSIVE; AND $230,000 ARE 5½s, DUE $46,000 EACH APRIL 1, 1933 TO 1936, INCLUSIVE

Dated April 1, 1927.

Dividends Payable April and October 1, either at the office of the Trustee in Chicago or at office of Halsey Stuart & Co., New York.

Denominations—$1,000 except 1932 and 1937 maturities which are in denominations of $100, $500 and $1,000.

Provisions of Issue—Issued under the Philadelphia Plan.

Callability—Subject to call as a whole or in part on 30 days' notice at 100 and accumulated dividends plus a premium of 2% for all Certificates maturing more than five years, and a premium of 1½% for Certificates maturing 5 years or less from date of redemption.

Security—Certificates are issued by the Trustee and represent approximately 80% of the actual cost of the

double truck interurban passenger motor cars. Full title to the equipment is vested in the Trustee for the benefit of the certificate holders. Equipment is leased to the Chicago Aurora & Elgin RR. Co. and lease is assigned to the Trustee. Lease provides rentals sufficient to pay certificates and dividend warrants as they become due. Under the terms of the lease the Chicago Aurora & Elgin RR. Co. covenants to maintain, keep the equipment in good order and repair, to replace, any of said equipment that may be worn out, lost or destroyed, and to insure the equipment against loss or damage by fire to an amount of not less than the balance of these Certificates unpaid and outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refundable if requested within 60 days after payment.

Original Offering—First publicly offered ($460,000) in April, 1927, at prices ranging from 99.76 to 98.12 to yield from 4.75% to 5.75% according to maturity, by Halsey, Stuart & Co., New York, Chicago, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,801,796	$2,807,574	$2,707,617	$2,318,570	$2,502,325	$2,252,996
*Operating expenses, depreciation & taxes	2,549,063	2,530,517	2,061,442	1,791,199	1,935,365	1,804,542
Net earnings	$252,733	$277,057	$646,175	$527,371	$566,960	$448,454
Other income	170,520	179,322	30,445	16,820	8,704	281
Total income	$423,253	$456,379	$676,620	$544,191	$575,664	$448,735
Funded debt interest, incl. int. on Car Trust Ctfs.	$325,568	$327,340	$191,653	$209,917	$173,050	$122,790
Other deductions	54,936	35,916	.....	17,672	3,174	3,841
Total charges	$380,504	$363,256	$191,653	$227,589	$176,214	$126,631
Net income	$42,749	$93,123	$484,967	$316,602	$399,440	$322,104
Dividends paid on Prior Lien Pfd. stock	35,000	30,525	.....	.....	.....	.....
Surplus after dividends	$7,749	$62,598	$484,966	$316,602	$399,440	$322,104
Times Interest Earned	1.11	1.28	3.53	2.51	3.31	3.62

NOTE—First six months of 1922 represent operations of Receiver of The Aurora, Elgin & Chicago Railroad Company.
*Excluding Federal Income taxes.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$16,965,771	$15,898,233	$14,850,119	$14,648,793	$14,386,748	$13,287,527
Advances to affiliated interests and others	656,020	.....	.....	.....	.....	.....
Franchises and leaseholds	.....	17,265	.....	.....	.....	.....
Investments in affiliated companies	.....	145,800	.....	.....	.....	.....
Materials and supplies	267,065	220,915	312,194	200,166	217,965	242,754
Cash	112,993	396,752	174,310	82,520	173,756	321,478
Cash in hands of trustee under car trust agreement of 1922	.....	.....	.....	.....	.....	625,000
Accounts receivable	314,248	205,694	131,334	59,703	233,097	115,368
Demand loans	.....	.....	432,028	.....	.....	.....
Working funds	12,415	20,595	.....	.....	.....	.....
Loans and notes receivable	3,718	3,216	.....	.....	.....	.....
Interest receivable	235	38	.....	.....	.....	.....
Other current assets	.....	.....	.....	16,325	16,325	15,275
Prepaid rents & insurance premiums	6,888	7,207				
Discount & expense on funded debt	507,243	516,501	153,857	147,416	151,953	142,264
Unadjusted debits	51,778	27,926				
Securities unpledged	.....	.....	260,000	.....	.....	.....
Securities pledged	.....	.....	1,000,000	260,000	260,000	.....
Total	$18,898,374	$17,460,142	$17,313,842	$15,414,923	$15,439,844	$14,749,666
Liabilities—						
Common stock	$9,500,000	$9,500,000	$9,500,000	$9,500,000	$9,500,000	$9,500,000
Prior Lien 7% Cum. Preferred stock	500,000	500,000	.....	.....	.....	.....
Funded debt	5,120,000	†5,161,000	*5,199,000	3,509,000	3,573,000	3,376,000
Equipment obligations	695,000	282,000	329,000	376,000	423,000	470,000
Mortgage note payable, due June 30, 1929	88,225	7,000	.....	.....	.....	.....
Notes payable	943,750	125,000	12,100	220,600	208,500	8,500
Accounts payable	439,533	332,853	299,886	192,500	162,493	229,466
Interest & taxes accrued	97,959	102,994	58,745	49,268	51,305	52,302
Other current liabilities	1,479	839	.....	5,476	3,616	693
Reserve for taxes	.....	.....	82,982	75,850	33,529	14,284
Unadjusted credits	.....	9,731	55,584	49,170	42,943	37,059
Deferred credit items	7,941	10,209	.....	4,919	6,506	6,744
Retirement & other reserves	529,352	477,642	905,172	879,435	946,458	791,056
Profit and loss surplus	975,135	950,874	871,373	552,705	488,494	263,562
Total	$18,898,374	$17,460,142	$17,313,842	$15,414,923	$15,439,844	$14,749,666

*Includes $260,000 held unpledged and $1,000,000 pledged as collateral—see contra. †Does not include $1,903,000 bonds pledged as collateral.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$267,065	$220,915	$312,194	$200,166	$217,965	$242,754
Accounts receivable	314,248	205,694	131,334	59,703	233,097	115,368
Cash & working funds	125,408	417,346	174,310	82,520	173,756	321,478
Demand loans	.....	.....	432,028	.....	.....	.....
Other current assets	3,953	3,254	.....	16,325	16,325	15,275
Total	$710,674	$847,209	$1,049,866	$358,714	$641,143	$694,875
Current Liabilities—						
Notes payable	†$943,750	$125,000	$12,100	$220,600	$208,500	$8,500
Accounts payable	439,533	332,853	299,886	192,500	162,492	229,466
Accrued interest and taxes	97,959	102,994	58,745	49,268	51,305	52,302
Other current liabilities	1,479	838	.....	5,476	3,616	693
Reserve for taxes	.....	.....	82,982	75,850	33,529	14,284
Total	$1,482,721	$561,685	$453,713	$543,694	$459,442	$305,245
Net Working Capital	*$772,047	$285,524	$596,153	*184,980	$181,701	$389,630

*Debit. †Proceeds of these notes were used for capital, additions to property and for advances to affiliated interests and others.

Officers: Samuel Insull, Chairman; Britton I. Budd, Pres.; R. Floyd Clinch, V-P.; Bernard J. Fallon, V-P.; Samuel Insull, Jr., V-P.; Charles E. Thompson, V-P.; Hal M Lytle, V-P.; Edwin C. Faber, V-P.; George R. Jones, V-P.; Edward J. Blair, Gen. Mgr.; Clement A. Whonsetler, Sec. & Treas.; J. H. M. Clinch, Asst. Sec.; W. W. Lawrence, Asst. Treas.; Ralph R. Bradley, Gen. Counsel; B. P. Alschuler, Gen. Attorney.

Directors: Samuel Insull, Edwin C. Faber, Britton I. Budd, R. Floyd Clinch, George E. Hunter, Frank W. Renwick, Bernard J. Fallon, John H. Gulick, Roger E. Williams.

General Office, 72 W. Adams St., Chicago, Ill.

ST. LAWRENCE VALLEY POWER CORPORATION

History and Property—Incorporated July 1, 1924, in New York, as a consolidation of the Hannawa Falls Water Power Co. and St. Lawrence Valley Power Corporation (prior to Feb. 1, 1924 the St. Lawrence Transmission Co.). The property of the company consists in part of the power developments formerly belonging to the St. Lawrence Transmission Co. and the Hannawa Falls Water Power Co. Additional property has been since acquired. Company generates electricity but does not distribute it. A new power plant on the St. Regis River, near Potsdam, N. Y. was completed in 1927.

CAPITAL STOCK

Authorized, $10,000,000 Common; outstanding, $7,784,900 Common; par, $100. Annual meeting, in February.

Dividends—Dividends of 4% each were paid in 1924, 1925, 1926 and 1927.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$7,582,464	$6,377,451	$6,135,201
Cash	993,505	49,530	80,671
Accounts & int. receivable	36,973	40,780	43,746
St. Lawrence Securities Co. (affiliated)	3,760,404	4,275,893	1,423,841
Materials and supplies	80,176	50,148	39,655
Marketable securities	.....	122,967	736,534
Suspense	13,681	9,482	.....
Prepayments	2,715	4,035	1,244
Total	$12,469,918	$10,930,287	$8,460,892

Liabilities—	1927	1926	1925
Capital stock	$7,784,900	$6,784,900	$4,848,800
Accounts payable	105,488	21,891	64,195
Reserve for Federal Income taxes	95,948	108,975	.....
Interest accrued	.....	13,500	18,000
Retirement reserve	1,744,662	733,123	1,489,110
Res. for amort. of war facil.	.....	875,148	
Corporate surplus	2,738,920	2,392,750	2,040,781
Total	$12,469,918	$10,930,287	$8,460,892

Bank Reference—Peoples Bank, Potsdam, N. Y.

Officers: F. A. Stoughton, Pres.; A. W. Andrews, V-P.; Paul B. Murphy, Sec. & Treas.; C. P. Scheller, Oper. Mgr.; W. B. Carr, Hydraulic Engr., Potsdam, N. Y.

Directors: F. A. Stoughton, Paul B. Murphy, A W. Andrews, C. P. Scheller, W. B. Carr.

General Office, Potsdam, N. Y.

THE CAPITAL TRACTION COMPANY

(Washington, D. C.)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earning per Shar
Capital Stock (par, $100)	J, A, J & O 1	$12,000,000	$12,000,000	$707,454	7%	$840,000	$5.8

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Mortgage Gold 5s	June 1, 1947	J & D 1	$6,000,000	$5,606,000	No	No	Pd. by Co

Total Funded Debt, at Dec. 31, 1927, $5,606,000.
Amount Available for Interest in 1927, $1,039,937.
Interest Accrued in 1927, $332,483.
Times Interest Earned in 1927, 3.13.

History and Property—Organized under Act of Congress, approved June 23, 1888, as Rock Creek Ry. Co. Under authority of Act of Congress, approved March 1, 1895, purchased Washington & Georgetown R. R. Co., and changed its name to The Capital Traction Co. Owns city lines in Washington, D. C and suburban line to Chevy Chase, Md. Mileage operated: Main line owned 57.241 miles; leased 7.156 miles; operated under agreement, 2.114 miles; sidings, turnouts, etc., 6.928 miles. Total operated, 73.439 miles. Gauge, standard. Rails, 80 to 140 lb. T and girder.

Equipment—Double truck prepayment type, 317; double truck non-prepayment type, 20; obsolete passenger cars, 185; service cars, 40—total all cars, 562; motor buses, 31.

Purchase of Washington & Maryland Ry. Co.—As of July 1, 1927 the Company purchased all outstanding stock and bonds of Washington & Maryland Ry. Co. and a new lease was entered into between the companies for continued service.

Operation of Kensington Railway—Negotiations which began in May, 1922, were finally ended by the execution of an agreement among The Capital Traction Co., the Kensington Ry. Co. and Sandy Spring Ry. Co., providing for the operation of the line of the last two named companies from Chevy Chase Lake to Kensington, Md., by The Capital Traction Co. Operation of the line was undertaken on Aug. 1, 1923, operating under the previously existing schedule until Nov. 11, 1923, when the necessary repairs to track had been completed, at which time through service was established between Kensington and Potomac Park.

Proposed Merger—See General Index for statement of Washington Railway and Electric Company.

Valuation—Justice Hoehling of the Supreme Court of the District of Columbia on June 26, 1925, handed down a decision voiding the valuation placed upon Company's property in Sept., 1919, by the Public Utilities Commission of the District of Columbia. The Court found the fair value of all the property of Company used and useful for its street railway operation in the District of Columbia as of Jan. 1, 1925, to be $30,906,880. Appeal from this finding was made by the Public Utilities Commission. The Court of Appeals sustained the first court in all particulars, with the exception of the cost of intangible elements of value purchased with the Washington & Georgetown RR. Co. in 1895. The Court of Appeals disallowed this cost, amounting to $5,150,000, as an item to be considered in fixing fair value for rate-making purposes, and fixed the value for rate-making purposes as of Jan. 1, 1925, at $25,765,880.

Fares—From Jan. 1 until Aug. 31, 1921, the rate of fare was 8 cents cash, 4 tickets for 30 cents, free intra-company transfers with 1 cent charge for inter-company transfers. The same rate had been in effect since May 1, 1920, except that the inter-company trans-

fer charge was 2 cents before Jan. 1, 1921. From Sept. 1 to Dec. 31, 1921, inclusive, the rate of fare was 8 cents cash, 5 tickets for 35 cents, with no change in transfer regulations. Since March 1, 1922, rate of fare has been 8 cents cash, 6 tickets for 40 cents, with no change in transfer regulations.

OPERATING STATISTICS, DECEMBER 31

Railway passengers—	1927	1926	1925	1924	1923	1922
No. of passengers carried at 5 cents	758,666	830,780	833,352	791,476	923,001	972,779
No. of passengers carried at 7 cents	.....	.....	.....	.....	.....	9,263,546
No. of passengers carried at 6 2/3 cents	40,376,123	43,128,140	45,066,128	46,846,110	50,791,651	45,025,583
No. of passengers carried at 8 cents	17,543,570	17,719,054	16,995,347	16,427,541	16,562,845	15,303,295
No. of passengers car. on commutation tickets	369,397	383,007	345,131	338,017	304,206	321,724
No. of cash passengers carried on Kensington line	104,221	110,896	119,757	119,317	27,555	.....
No. of ticket passengers carried on Kensington line	41,004	46,130	52,547	58,092	43,612	.....
Total railway revenue passengers	59,192,981	62,218,007	63,412,262	64,580,553	68,652,870	70,886,927
Bus passengers—						
No. of passengers carried at 25 cents	428,111	343,899	71,466	.....	.....	.....
No. of passengers carried at 10 cents	65,015	64,814	1,160	.....	.....	.....
No. of passengers carried at 8 cents	342,866	310,085	252,588	196,068	.....	.....
No. of passengers carried at 6 2/3 cents	562,025	528,022	466,617	374,078	.....	.....
No. of passengers carried at 5 cents	206,301	60,511	640	.....	.....	.....
Total bus revenue passengers	1,604,318	1,307,331	792,471	570,146	.....	.....
Total revenue passengers, bus and railway	60,797,299	63,525,338	64,204,733	65,150,699	68,652,870	70,886,927
Pay transfer passengers	2,888,278	2,814,693	2,759,208	2,794,895	2,803,125	2,636,136
Pay bus transfer passengers	675,693	556,225	344,011	275,692	126,295	1,009
Pay car transfer passengers	417,735	374,550	310,712	240,160	94,814	.....
Pay Eastern H. S. tickets	459	8	4	1,378	3,057	.....
Free transfer passengers	16,301,104	16,982,373	17,111,342	17,105,848	17,548,036	18,182,507
Employees and others carried free	*742,882	*761,905	*784,608	*856,321	*921,118	*966,331
Total passengers	81,823,350	85,015,092	85,514,618	86,424,993	90,149,315	92,672,910
Car and Bus Miles—						
City lines	7,409,753	7,630,890	7,723,259	7,898,096	8,455,967	8,585,066
Chevy Chase line	1,012,382	992,109	983,687	954,828	943,590	813,119
Washington & Maryland line	175,898	193,965	189,998	183,098	158,072	153,177
Kensington line	69,961	69,951	69,842	69,671	24,428	.....
Bus miles	1,084,992	968,454	601,102	383,382	144,899	.....
Total all lines	9,752,986	9,855,369	9,567,888	9,489,075	9,726,956	9,551,362
	Cents	Cents	Cents	Cents	Cents	Cents
Pass. revenue per car mile	45.54	46.61	47.70	48.41	49.55	52.00
Other revenue per car mile	.83	.55	.59	.56	.59	.65
Gross revenue per car mile	46.37	47.16	48.29	48.97	50.14	52.65
Operating expenses per car mile	31.78	31.46	32.51	32.39	32.16	33.16
Taxes per car mile	3.80	4.05	4.04	4.14	4.20	4.56
Interest per car mile	3.54	3.51	3.50	3.42	3.31	3.36
Net income per car mile	7.25	8.14	8.24	9.02	10.47	11.57
Revenue per passenger	7.31	7.23	7.11	7.05	7.02	7.01
Other revenue per passenger	.13	.08	.09	.08	.08	.08
Gross revenue per passenger	7.44	7.31	7.20	7.13	7.10	7.09
Operating expenses per passenger	5.10	4.88	4.85	4.72	4.56	4.47
Taxes per passenger	.61	.63	.60	.60	.59	.61
Interest per passenger	.57	.54	.52	.50	.47	.45
Net income per passenger	1.16	1.26	1.23	1.31	1.48	1.56

*Exclusive of policemen and firemen riding free while in uniform.

CAPITAL STOCK

Authorized and outstanding, $12,000,000; par, $100.

Transfer Agent—American Security & Trust Co., Washington, D. C.

Registrar—Union Trust Co., Washington, D. C.

Annual Meeting—Second Thursday in January.

Listed—Washington Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	112	118	104½	97	104	105½	96	89⅞
Low	103¼	103	90⅝	90⅞	95	94¼	82½	81⅝

Dividends—Dividends have been paid as follows: 1898, 1½%; in 1899, 3%; in 1900, 3¾%; in 1901, 4%; in 1902, 4%, and 4% extra from proceeds of sale of old power house; in 1903, 4¾%; in 1904, 5%; in 1905, 5¾%; 1906 to 1913, inclusive, at rate of 6% per annum; 1914, 5½%; 1915, 5%; 1916, 5%; 1917, 5% regular and 1¼% extra in Dec.; 1918, 1919, 1920, 5% each; Jan. 1, 1921, 1½%; April 1, 1921, to date, 1¾% quarterly. Dividends are paid quarterly J, A, J & O 1 by check. Directors meet for dividend action on the second Thursday in March, June, Sept. and Dec.

FUNDED DEBT

$5,606,000 FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1947

Dated June 1, 1907.

Interest Payable June and December 1, at Union Trust Co., Washington, D. C.

Denomination—Coupon, $500.

Trustee—Union Trust Co., Washington, D. C.

Provisions of Issue—Authorized and issued, $6,000,000, of which $194,000 reacquired through purchase for benefit of Insurance Reserve Fund and $200,000 held in treasury unpledged. Permission to sell the $200,000 treasury bonds has been granted by the Public Utilities Commission. Under regulation of the Public Utilities Commission of the District of Columbia the Company is not permitted to pay interest on bonds reacquired for Insurance Reserve Fund.

Security—Secured by a first lien on entire property in the District of Columbia and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Washington Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104½	101½	100¼	99	98	100⅞	95⅜	93½
Low	100½	98½	97	94¼	92½	94	86¼	80

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,479,099	$4,616,986	$4,587,056	$4,614,338	$4,842,619	$4,994,044
Operating expenses, taxes & depreciation	3,469,863	3,499,800	3,496,330	3,466,233	3,537,218	3,603,305
Net earnings	$1,009,236	$1,117,186	$1,090,726	$1,148,105	$1,305,401	$1,390,739
Other income	43,032	31,086	33,132	32,391	34,725	34,906
Total income	$1,052,268	$1,148,272	$1,123,858	$1,180,496	$1,340,126	$1,425,645
Interest charges	332,483	327,399	319,356	309,542	303,251	302,731
Other deductions	12,331	18,010	16,036	15,171	18,523	17,923
Total charges	$344,814	$345,409	$335,392	$324,713	$321,774	$320,654
Net income	$707,454	$802,863	$788,466	$855,783	$1,018,352	$1,104,991
Dividends paid	840,000	840,000	840,000	840,000	840,000	840,000
Deficit for year	$132,546	$37,137	$51,534	*$15,783	*$178,352	*$264,991
Times Interest Charges Earned	3.13	3.45	3.48	3.76	4.42	4.71
Earnings Per Share	$5.89	$6.69	$6.57	$7.12	$8.48	$9.21

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Total capital assets	$20,569,359	$20,266,465	$20,226,813	$19,998,238	$19,857,829	$19,464,449
U. S. Securities	99,406	239,406	239,406	239,406	440,000	450,000
Federal Farm Loan bonds	139,834	199,763	199,763	199,763	.....	.....
Investment in other corporate securities	114,399	2,500	2,500	2,500	2,500	.....
Cash on hand	389,934	653,622	552,315	567,511	344,167	425,358
Miscellaneous accounts receivable	12,015	6,138	5,841	8,134	27,887	7,332
Materials and supplies	104,508	97,817	123,420	125,688	136,915	128,788
Insurance reserve fund (see note)	150	150	150	150	150	150
Depreciation reserve fund:						
Invested in U. S. Securities	1,003,210	899,420	824,068	823,672	806,000	690,000
Accrued interest on securities purchased	800	.....	.....	.....	.....	.....
Investment in other securities	148,722	99,072	99,072	49,753	.....	.....
Cash deposited in bank	36,148	91,526	76,737	44,799	48,571	8,543
Unadjusted debits	46,145	25,213	38,434	11,919	23,513	35,583
Total	$22,664,630	$22,581,092	$22,388,520	$22,071,534	$21,687,532	$21,288,09
Liabilities—						
Capital stock	$12,000,000	$12,000,000	$12,000,000	$12,000,000	$12,000,000	$12,000,00
Funded debt	5,606,000	5,606,000	5,606,000	5,606,000	5,606,000	5,606,00
Accounts and wages payable	1,386	1,388	1,360	1,279	1,227	1,14
Miscellaneous accounts payable	1,464	6,082	8,995	9,161	4,878	8,51
Matured interest and dividends unpaid	238,884	245,831	241,523	241,658	241,287	243,70
Accrued interest not due	23,358	23,358	23,358	23,358	23,358	23,35
Tickets	39,081	52,406	59,244	59,573	67,385	64,66
Other current liabilities	6,905	6,012	14,915	13,998	11,121	8,07
Tax liability	286,255	311,933	292,625	310,809	340,510	359,66
Fire insurance reserve	194,150	194,150	194,150	194,150	194,150	194,15
Accrued depreciation	3,019,086	2,716,657	2,458,455	2,075,155	1,665,474	1,419,65
Other unadjusted credits	20,757	6,633	9,647	7,908	7,903	4,58
Profit and loss	1,227,304	1,410,642	1,478,246	1,528,484	1,524,239	1,354,56
Total	$22,664,630	$22,581,092	$22,388,520	$22,071,534	$21,687,532	$21,288,09

NOTE.—The Insurance Reserve Fund consists of $194.000 of the Company's 5% bonds, purchased and paid for out of said fund, and in addition $150 cash deposited in bank.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash on hand	$389,934	$653,622	$552,315	$567,511	$344,167	$425,35
Miscellaneous accounts receivable	12,015	6,138	5,841	8,134	27,887	7,33
Materials and supplies	104,508	97,817	123,420	125,688	136,915	128,78
United States securities	99,406	239,406	239,406	239,406	440,000	450,00
Federal Farm Loan bonds	139,834	199,763	199,763	199,763	.....	.....
Other marketable securities	114,399	2,500	2,500	2,500	2,500	.....
Total	$860,096	$1,199,246	$1,123,345	$1,143,003	$951,469	$1,011,47
Current Liabilities—						
Tax liability	$286,255	$311,933	$292,625	$310,809	$340,510	$359,66
Tickets outstanding	39,081	52,406	59,244	59,573	67,385	64,66
Accounts and wages payable	1,386	1,388	1,360	1,279	1,227	1,14
Miscellaneous accounts payable	1,464	6,082	8,995	9,161	4,878	8,5
Matured interest and dividends unpaid	238,884	245,831	241,523	241,658	241,287	243,7
Interest accrued, not due	23,358	23,358	23,358	23,358	23,358	23,3
Other current liabilities	6,905	6,012	14,915	13,998	11,121	8,0
Total	$597,333	$647,010	$642,021	$659,837	$689,766	$709,1
Net Working Capital	$262,763	$552,236	$481,224	$483,166	$261,703	$302,3

Officers: Geo. E. Hamilton, Chairman Executive Board; J. H. Hanna, Pres.; D. S. Carll, V-P.; H. D. Crampton, V-P., Sec. & Treas.; J. E. Heberle Asst. to Pres.; C. B. Koontz, Asst. Treas.; John Fleming, Pur. Agt. & Asst. Sec.; R. H. Dalgleish, Chief Engr.; G. W. Shockey, Supt. of Trans.; Elon von Culin, Supt. of Traffic, Washington, D. C.

Directors: David S. Carll, George E. Hamilto John S. Larcombe, E. J. Stellwagen, Chas. C. Glove Jr., John H. Hanna, Washington; J. M. Perry, Ne York.

Office, 36th and M Sts., N. W., Washington, D.

KENSINGTON RAILWAY COMPANY

(Leased to The Capital Traction Company)

History and Property—Incorporated in 1902, in Md.; successor, after foreclosure, to Chevy Chase Lake & Kensington Railway Co. Line of road: Chevy Chase Lake to Kensington 2½ miles. Standard steam railroad track and special work. Private right of wa Rail, 50 lb. T. Equipment: 3 motor cars, 1 freig car and 1 service car. The Kensington Ry. and its e tension from Kensington northward (the Sand Sprir

Ry.), are operated as one line, practically same ownership and officers. Fares established under authority of Public Service Commission of Maryland.

Lease—Company has leased its trackage and as much of right-of-way as is necessary for its maintenance and operation, to the Capital Traction Co. of Washington, D. C., for a term of ten years from May 24, 1923. Net earnings up to $2,000 per annum are to go to the lessors, after which the Capital Traction Co. is to receive one-quarter of excess of net earnings. In consideration of this apportionment of earnings Capital Traction Co. agrees to furnish all equipment and pay all contingent expenses, in addition to taxes. All accident liabilities are to be pro-rated.

CAPITAL STOCK

Authorized and issued, $25,000; par, $100. Annual meeting, fourth Tuesday in June.

FUNDED DEBT

$15,000 Kensington Ry. First Mortgage 5% Gold Bonds; dated Aug. 15, 1902; due Aug. 15, 1923 (extended from Aug. 15, 1922, and further extended until new mortgage is arranged or Consolidated bonds accepted by holders in lieu thereof). Coupon, $500; principal may be registered. Subject to call at par on any interest date. A first lien on property. Company pays Normal Federal Income Tax up to 2%.

$20,000 Kensington Ry. Consolidated Gold 5s; dated Oct. 15, 1909; due Oct. 15, 1934; int. quarterly, Jan. 15, etc., at Company's office. Coupon, $500; principal may be registered. Subject to call at par on any interest date. Authorized issue, $35,000, of which $15,000 held by Trustee for retirement of First Mortgage 5s. Company pays Normal Federal Income Tax up to 2%.

$13,500 Kensington Ry. Co. and Sandy Spring Ry. Co. Joint Non-Cumulative Income Bonds; dated July 1, 1923; due July 1, 1933, with option to extend to July 1, 1943. Interest payable only if earned and after providing for interest on prior lien obligations of both companies, amounting to $80,000. Issued and sold to provide funds for the lessee for improvements to way and structures.

OFFICERS AND DIRECTORS

Officers: C. F. Brooke, Pres., Allan Farquhar, V-P., Sandy Spring, Md.; R. H. Phillips, Sec. & Treas., Kensington, Md.

Directors: C. F. Brooke, Allan Farquhar, Sandy Spring, Md.; R. H. Phillips, Kensington, Md.

Office, Kensington, Md.

SANDY SPRING RAILWAY COMPANY

(Operated as Extension of Kensington Railway)

History—Incorporated in 1902 and 1906 by Acts of General Assembly in Maryland. Franchise perpetual. Company is authorized to transport freight and passengers, and to furnish electric light and power. Projected from Kensington to Ellicott City, 28 miles, of which 1¼ miles in operation. Standard steam railroad track and special work, crossing the Baltimore & Ohio R. R. by new overhead steel bridge and extending beyond limits of town. Cars of Kensington Ry. began to operate on Sandy Spring Ry. trackage July 1, 1908. Second section, including bridge over Baltimore & Ohio R. R. put in operation Feb. 22, 1915. Third section operated to Norris Station April 8, 1916. Located on private right of way, except part of trackage in Town of Kensington, constructed and operated on part of street, in accordance with specific contract between the town and Railway Co.

CAPITAL STOCK

Authorized, $500,000; issued, $10,000; par, $50. No current obligations or floating debt except part of interest accrued overdue and unpaid. Annual meeting, fourth Tuesday in June.

FUNDED DEBT

$27,000 Sandy Spring Ry. First Mortgage 5% Gold Bonds; dated April 1, 1909; due April 1, 1934; int. April and Oct. 1, at Munsey Trust Co., Washington, D. C., Trustee. Coupon, $500; principal may be registered. Authorized, $50,000, of which $23,000 held to pay for future extensions. After total is expended charter authorizes creation and issue of mortgage bonds sufficient to complete entire line. Subject to call at par and interest, on any interest date. Secured by first lien on property and franchise.

$13,500 Kensington Ry. Co. and Sandy Springs Ry. Co. Joint Non-Cumulative Income Bonds; dated July 1, 1923; due July 1, 1933, with option to extend to July 1, 1943. Interest payable only if earned and after providing for interest on prior lien obligations of both companies, amounting to $80,000. Issued to provide funds for Lessee of Kensington Ry. and Sandy Spring Ry. trackage, for improvements of way and structures.

OFFICERS AND DIRECTORS

Officers: C. F. Brooke, Pres.; Allan Farquhar, V-P. & Treas.; R. H. Phillips, Sec. & Gen. Mgr., Sandy Spring, Md.

Directors: C. F. Brooke, Allan Farquhar, Sandy Spring, Md.; R. H. Phillips, Alfred Geiger, Kensington, Md., Robert Peter, Jr., Rockville, Md.

Office, West Kensington, Md.

WASHINGTON & MARYLAND RAILWAY COMPANY

(Controlled by and leased to The Capital Traction Co.)

History—Inc. in 1913, in Md., as Baltimore & Ocean City Ry. Co., name subsequently changed as above. The former company succeeded to the properties of the Baltimore & Washington Transit Co. of Maryland, sold under foreclosure. Operates 3.45 miles of track from 14th and Kennedy Sts., N. W., Washington, to the Sanitarium near Takoma, Md. Rail T, 60 and 100 lbs. Gauge, standard. Cars, 4. Power purchased from Washington Ry. & Electric Co. Operated under lease by The Capital Traction Co. since May 2, 1918. Lease expires early in 1927 and negotiations for the purchase of Company's property by The Capital Traction Co. were under way at the beginning of the year.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $10,300; par, $100. All owned by The Capital Traction Co.

FUNDED DEBT

$66,000 General Mortgage 6s; dated 1917; due 1947; int. Jan. and July 1, at 231 Woodward Bldg., Washington, D. C. Fidelity Trust Co., Baltimore, Trustee. All owned by The Capital Traction Co. Company does not pay Normal Federal Income Tax.

Officers: Chas. Selden, Jr., Pres., Washington, D. C.; H. W. Williams, V-P., Baltimore, Md.; Norton M. Little, Sec. & Treas.; John E. Taylor, Aud., Washington, D. C.

Office, 231 Woodward Bldg., Washington, D. C.

FRUITVALE MUTUAL WATER COMPANY

History and Property—Incorporated Aug. 18, 1920, in Cal.; successor to Citizens Water Company of San Jacinto. Company furnishes water at cost to its stockholders for domestic and irrigation purposes, serving approximately 4,200 acres of productive farm lands in the San Jacinto Valley adjacent to the cities of San Jacinto and Hemet. Distribution of water to stockholders is made in proportion to their holdings of stock and charges are regulated to meet actual expenses of operation and maintenance, including bond interest and principal requirements and to provide for reasonable depreciation. Miles of water mains, 30. Population served, approximately 600. Annual sales, 2,500,000,000 gallons.

CAPITAL STOCK

Authorized, $600,000; outstanding, $465,330; par, $100. This being a mutual company no dividends are paid.

Annual Meeting—Third Tuesday in December.

FUNDED DEBT

$300,000 FIRST MORTGAGE 6% SERIAL GOLD BONDS; DUE SERIALLY EACH OCTOBER 1 AS FOLLOWS: 1933-34, $6,000; 1935-36, $7,000; 1937-38, $8,000; 1939-40, $9,000; 1941-42, $10,000; 1943-44, $11,000; 1945-46, $12,000; 1947, $13,000; 1948, $14,000; 1949, $15,000; 1950-51, $16,000; 1952, $100,000

Dated October 1, 1927.

Interest Payable April and October 1 at Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized, $350,000; issued, $300,000. The $50,000 unissued bonds are reserved to provide funds for future improvements.

Purpose of Issue—Bonds were issued to retire the outstanding bonds of a previous issue and to provide funds for additions and betterments to the system.

Callability—Subject to call as a whole or in part, on any interest date, on 30 days' notice at 102 and accrued interest.

Sinking Fund—None provided.

Security—Secured by a first mortgage on the property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from California Personal Property taxes.

Legal Opinion—Ray W. Bruce (for the Company), and O'Melveny, Millikin & Tuller (for the Bankers).

Original Offering—First publicly offered ($300,000) in Dec., 1927, at par and interest by Wm. R. Staats Co. and Drake, Riley & Thomas, Los Angeles, etc.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

	1927	1926	1925
Water sales	$21,635	$27,632	$36,491
Other income	4,342	1,810	3,323
Total income	$25,977	$29,442	$39,814
Oper. exp. & taxes	20,107	25,138	30,219
Interest paid	841	917	1,435
Depreciation charged off	7,140	7,043	6,946
Net deficit	$2,111	$3,656	*$1,214

*Surplus.

GENERAL BALANCE SHEET, OCTOBER 31

Assets—	1927	1926	1925
Fixed assets	$1,072,750	$1,030,583	$1,033,757
Cash	30,550	625	3,327
Accounts receivable	5,275	6,715	4,021
Accrued interest receivable	213	377	618
Unsold crops on hand, etc.	.....	695	53
Notes receiv. for capital stk.	10,693	14,104	18,514
Bond discount amortized	20,615	21,565	22,230
Other deferred charges	6,359	3,920	3,924
Total	$1,146,455	$1,078,584	$1,086,444
Liabilities—			
Capital stock (net worth)	$876,627	$837,473	$832,067
Funded debt	217,000	227,000	234,000
Mortgages payable	8,355	8,645	8,919
Accounts payable	1,406	1,044	.....
Notes payable	8,000	.....	7,350
Accrued interest	2,773	2,837	3,003
Accrued taxes	1,294	1,085	1,105
Reserve for construction contracts payable	31,000	.....	.....
Deferred credits	.....	500	.....
Total	$1,146,455	$1,078,584	$1,086,444

Officers: Roger W. Bruce, Pres.; C. H. Mansur, V-P.; W. H. Pawson, Jr., Sec., Treas. & Gen. Mgr.; E. L. Coe, Supt., Hemet, Cal.

Directors: Roger W. Bruce, David Brockie, Chas. W. Howard, Edwin Myers, C. H. Mansur, Hemet, Cal.; W. W. Perry, Orange, Cal.; Sidney J. Kass, Los Angeles, Cal.

General Office, Kumler Ranch, San Jacinto, Cal.

WINONA RAILROAD COMPANY

History—Incorporated May 27, 1924, in Ind. as Winona Service Co., to acquire the property of The Winona Interurban Ry. Co., sold at receiver's sale to James P. Goodrich for $309,369 (see 1924 Public Utility Manual, page 2548). Name changed to present title in 1926. The Company operates 70 miles of interurban railway between Goshen and Peru, Ind. The lease of the Winona & Warsaw Ry. formerly held by The Winona Interurban Ry. Co. was not taken over by the Winona Service Co.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares of no par value. Annual meeting, second Monday in February. No dividends paid.

FUNDED DEBT

$422,000 WINONA SERVICE COMPANY FIRST MORTGAGE 6s, DUE SERIALLY, $18,000 PER ANNUM, 1928-1956, INCL., AND THE BALANCE ($24,000) DUE IN 1957

Dated July 1, 1924.

Interest Payable January and July 1, at The Aetna Trust and Savings Co., Indianapolis, Ind., Trustee

Denominations—$100, $500 and $1,000.

Provisions of Issue—Authorized and issued, $600,000 of which $422,000 are outstanding, $2,600 held alive in treasury, $121,400 pledged as collateral for the below mentioned notes, and $54,000 have been paid off.

Callability—Subject to call on any interest date at 110 and interest.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax.

$63,000 7% NOTES

Secured by pledge of $121,400 First Mortgage 6s. No further details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$255,335	$242,696	$251,17
Operat. exp., maint. & taxes	239,612	212,610	208,18
Depreciation	3,750	3,750	5,47
Net earnings	$11,973	$26,336	$37,51
Other income	7,991	7,423	2,09
Total income	$19,964	$33,759	$39,60
Bond interest	33,320	30,605	31,23
Other interest	11,025	11,646	2,12
Other charges	1,639	1,456	6,42
Total fixed charges	$45,984	$43,707	$39,78
Deficit for year	$26,020	$9,948	$17

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	192
Property account	$1,795,480	$1,705,573	$1,609,1
Materials and supplies	17,803	18,172	15,4
Cash	8,138	710	12,1
Accounts receivable	1,792	10,776	12,4
Unadjusted debits	13,669	14,216	28,7
Deferred debit items	13,339	19,700	4,2
Interest in affil. cos.	.....	5,000	.....
Total	$1,850,221	$1,774,147	$1,682,1
Liabilities—			
Common stock	$1,000,000	$1,000,000	$1,000,0
Funded debt	614,000	494,000	503,0
Equipment obligations	42,000	48,000	54,0
Notes payable	112,343	156,646	91,7
Accounts payable	44,040	31,450	20,9
Interest accrued	18,251	4,074	2,1
Unadjusted credits	2,237	786	7
Reserve for depreciation	16,455	12,705	8,9
Surplus	895	26,486	5
Total	$1,850,221	$1,774,147	$1,682,1

Officers: Harry Reid, Pres., New York City; E. V Arsdale, V-P.; I. L. Oppenheimer, V-P., Indianapoli Ind.; T. C. Frazer, V-P., Warsaw, Ind.; W. Marsha Dale, Sec. & Treas.; A. D. Jones, Aud.; L. M. Brow Gen. Mgr., Indianapolis, Ind.

Directors: L. M. Brown, W. Marshall Dale, A. Jones, I. L. Oppenheimer, E. Van Arsdale, India apolis, Ind.; T. C. Frazer, Warsaw, Ind.; Harry Rei New York City.

Offices, Warsaw, Ind., and Indianapolis, Ind.

MADISON RAILWAYS COMPANY

History—This company is the successor by change of name early in 1916 to the Southern Wisconsin Ry. Co., which was incorporated June 25, 1907, as successor to the Madison & Interurban Traction Co., which had itself previously succeeded the Madison Traction Co. Company operates under indeterminate permit granted by State of Wisconsin. Population served, over 50,000. Line of road: Madison to Fair Oaks, Elmside, Lake Park Cemetery and South Madison, 20 miles. Gauge, standard. Rail, 73 lbs. Motor cars, 52; coaches, 10; other cars, 7. Power purchased from Madison Gas & Electric Co.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 7% cumulative Pfd.; outstanding, $350,000 Common and $205,287.50 Pfd.; par of both issues, $100.

Annual Meeting—Second Wednesday in January.

Dividends—7% per annum paid on Pfd.; payments quarterly, J, A, J & O 1. None paid on Common.

FUNDED DEBT

(1)

$1,052,500 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1936

Dated May 1, 1916.

Interest Payable May and Nov. 1, at First Wisconsin Trust Co., Milwaukee, Wis., and in Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized, $1,500,000; issued, $1,142,500 of which $90,000 held in treasury. The outstanding bonds were issued for the purposes of consolidating and refunding the entire funded and floating debt of the Southern Wisconsin Ry. Co. and to provide for capital requirements. Additional bonds may be issued for 80% of the cost or fair valuation, whichever is less, of permanent extensions, enlargements and additions to the property, but only when net earnings for the preceding twelve months shall have been at least twice the interest charges on the outstanding bonds and those proposed to be issued. It is provided that no bonds may be issued in accordance with the above, unless in determining the net earnings, there shall have been included in operating expenses, for maintenance, renewals and depreciation, an amount equal to at least 10½% of the gross earnings for any twelve months' period ending on or before June 30, 1919, and 12½% of the gross earnings for any such period after that date. It is also provided that these same percentages shall be included in the operating expenses, before the Company may pay dividends.

Callability—Subject to call as a whole or in part, at 102½ and interest, on any interest date, on 60 days' notice.

Improvement Fund—Beginning May 1, 1919, and each year thereafter until maturity or final payment of all the bonds the Company covenants to deposit in a special fund known as the Improvement Fund, an amount equal to 1¼% of the principal amount of the bonds of this issue at the time outstanding. The Improvement Fund may be applied as follows: (1) To the purchase for account of the Improvement Fund of any first mortgage bonds outstanding, at not exceeding 102½ and int.; (2) to the redemption of First Mortgage bonds, at 102½ and int.; (3) to reimburse Company for cost or fair valuation, whichever is less, of permanent extensions, enlargements and additions to the properties, under the terms of the mortgage.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$55,682.51 Equipment Notes; due $2,000 monthly. No further details available.

(3)

$25,000 Madison Rys. Co. Debentures; due $10,000 semi-annually. No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$441,100	$452,712	$429,529
Oper. exp. and taxes	299,315	309,085	307,992
Net revenue	$141,785	$143,627	$121,537
Interest on bonds	$56,125	$57,125	$53,917
Interest on notes	.....	.....	6,300
Other int. and dividends	.....	30,179	13,988
Surplus for year	$85,660	$56,323	$47,332

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and rights	$1,809,016	$1,806,561	$1,849,849
Materials and supplies	22,437	24,778	29,594
Treasury bonds	90,000	113,000	169,000
Cash	13,307	9,739	18,761
Bills and accts. receivable	8,167	1,873	997
Prepaid insurance	3,512	.....	3,009
Prepaid interest	5,861	9,335	12,809
Unamortized discounts	114,459	117,506	80,080
Def. charges to operation		1,156	7,409
Total	$2,066,759	$2,083,948	$2,171,508
Liabilities—			
Common stock	$350,000	$350,000	$350,000
Preferred stock	205,288	197,458	186,265
Funded debt	*1,142,500	*1,142,500	*1,107,500
Debentures	35,000	55,000	75,000
Equipment notes	66,543	114,202	155,964
Bills and accounts payable and pay roll	85,798	60,799	61,472
Tickets outstanding	11,377	10,447	9,855
Due City of Madison	.....	3,942	.....
Due stockholders	.....	.....	18,346
Reserve accts. & surplus	170,253	149,601	207,106
Total	$2,066,759	$2,083,948	$2,171,508

*Includes $90,000 treasury bonds in 1927; $113,000 in 1926 and $169,000 in 1925.

Officers: F. Warren Montgomery, Pres.; Warren Montgomery, V-P. & Treas.; Dudley Montgomery, V-P. & Gen. Mgr.; A. N. Montgomery, Sec.; George Holcomb, Supt., Madison, Wis.

Directors: F. W. Montgomery, Dudley Montgomery, Warren Montgomery, A. N. Montgomery, E. J. B. Schubring, T. R. Hefty, S. T. Crowley, Madison, Wis.

General Office, Madison, Wis.

FEDERAL UTILITIES (INCORPORATED)

History—Incorporated April 28, 1911, in Va. and on June 15, 1911, received authority to do business in New York State. Formed for the purpose of acquiring, selling and dealing in bonds, stocks and other securities and properties of electric power, electric lighting, gas and other public service companies or other enterprises with established earnings.

CAPITAL STOCK

Authorized, $3,000,000 Common and $3,000,000 6% cumulative Pfd.; outstanding, $2,000,000 Common and $1,000,000 Pfd.; par, $100. Pfd. stock has preference as to assets as well as dividends.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—American Exchange Irving Trust Co., New York.

Annual Meeting—First Wednesday in May.

Dividends—Dividends at the full rate on Preferred paid from Aug. 1, 1911, to Feb. 1914; none thereafter until May 1918, when dividends at regular rate of 6% per annum were resumed. Dividends have been paid in full to and including March 1, 1924, by payment on Dec. 1, 1927 of 1½%; payments quarterly, M, J, S & D 1, to holders of record F, M, A & N 15. No dividends paid on Common.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Securities at book value	$1,491,253	$1,491,101	$1,490,921	$1,406,744	$1,901,373	$1,784,586
Notes and accounts receivable	1,760,012	.....	.....	.....	.....	.....
Call loans	50,000	.....	.....	.....	.....	15,461
Dividends receivable	.....	.....	.....	.....	.....	.....
Syndicate participations	.....	.....	.....	75,000	.....	.....
Cash	99,487	24,874	47,379	135,054	30,316	19,045
Prepaid, accrued accounts & deferred charges	2,610	2,610	4,362	6,262	809	970
Total	$3,403,362	$1,518,585	$1,542,662	$1,623,060	$1,932,498	$1,820,062
Liabilities—						
*Capital (paid in cash)	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Notes, accounts payable and accrued accounts	2,221,307	328,154	325,657	376,257	682,563	651,681
Surplus	182,055	190,431	217,005	246,803	249,935	168,381
Total	$3,403,362	$1,518,585	$1,542,662	$1,623,060	$1,932,498	$1,820,062

*As authorized by Virginia laws, the outstanding stock of the corporation was issued full paid for $1,000,000 cash which constitutes the cash of the company.

Officers: L. E. Kilmarx, Pres. & Treas.; R. E. Glass, 1st V-P. & Sec.; C. W. Schroeder, 2nd V-P.; W. C. Ross, Asst. Sec. & Asst. Treas.

Directors: F. L. Dame, J. F. Fogarty, R. E. Glass, W. C. Ross, Edwin Gruhl, C. W. Schroeder, L. E. Kilmarx.

General Office, 60 Broadway, New York. **Corporate Office,** Richmond, Va.

AMERICAN TELEPHONE AND TELEGRAPH COMPANY

(See Accompanying Diagram)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Capital Stock (par, $100)	J, A, J & O 15	$1,500,000,000	*$1,142,289,200	$128,614,910	9%	$97,379,934	†$11.76

*Includes $38,873,600 capital stock installments. †Based on average number of shares (10,932,420) of capital stock outstanding during year; does not include special and non-recurring dividend from Western Electric Co., Inc.

Bond Issues, At December 31, 1927, Summarized

Key No.	Title of Issue	Maturity	Interest Dates	Authorized	†Outstanding	Convertible	Subject to Call	U.S. Inc. Tax
(1)	Amer. Tel. & Tel. Collateral Trust 4s	July 1, 1929	J & J 1	$88,700,000	$77,863,000	No	No	Not pd. by Co.
(2)	Amer. Tel. & Tel. Collateral Trust 5s	Dec. 1, 1946	J & D 1	80,000,000	70,914,400	No	Yes	Not pd. by Co.
(4)	Amer. Tel. & Tel. Convertible 4s	Mar. 1, 1936	M & S 1	150,000,000	2,581,000	*Yes	Yes	Pd. by Co.
(5)	Amer. Tel. & Tel. Convertible 4½s	Mar. 1, 1933	M & S 1	67,000,000	1,899,400	*Yes	Yes	Not pd. by Co.
(6)	Amer. Tel. & Tel. Sink. Fund Deb. 5½s	Nov. 1, 1943	M & N 1	100,000,000	97,772,700	No	Yes	Not pd. by Co.
(7)	Amer. Tel. & Tel. Sink. Fund Deb. 5s	Jan. 1, 1960	J & J 1	125,000,000	122,744,400	No	Yes	Not pd. by Co.
(3)	West. Tel. & Tel. Collateral Trust 5s	Jan. 1, 1932	J & J 1	10,000,000	9,969,000	No	No	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $383,743,900.
Amount Available for Interest in 1927, $150,383,895.
Interest Accrued in 1927, $21,768,985.
Times Interest Earned in 1927, 6.91.

*Conversion privilege expired. †Outstanding in hands of public.

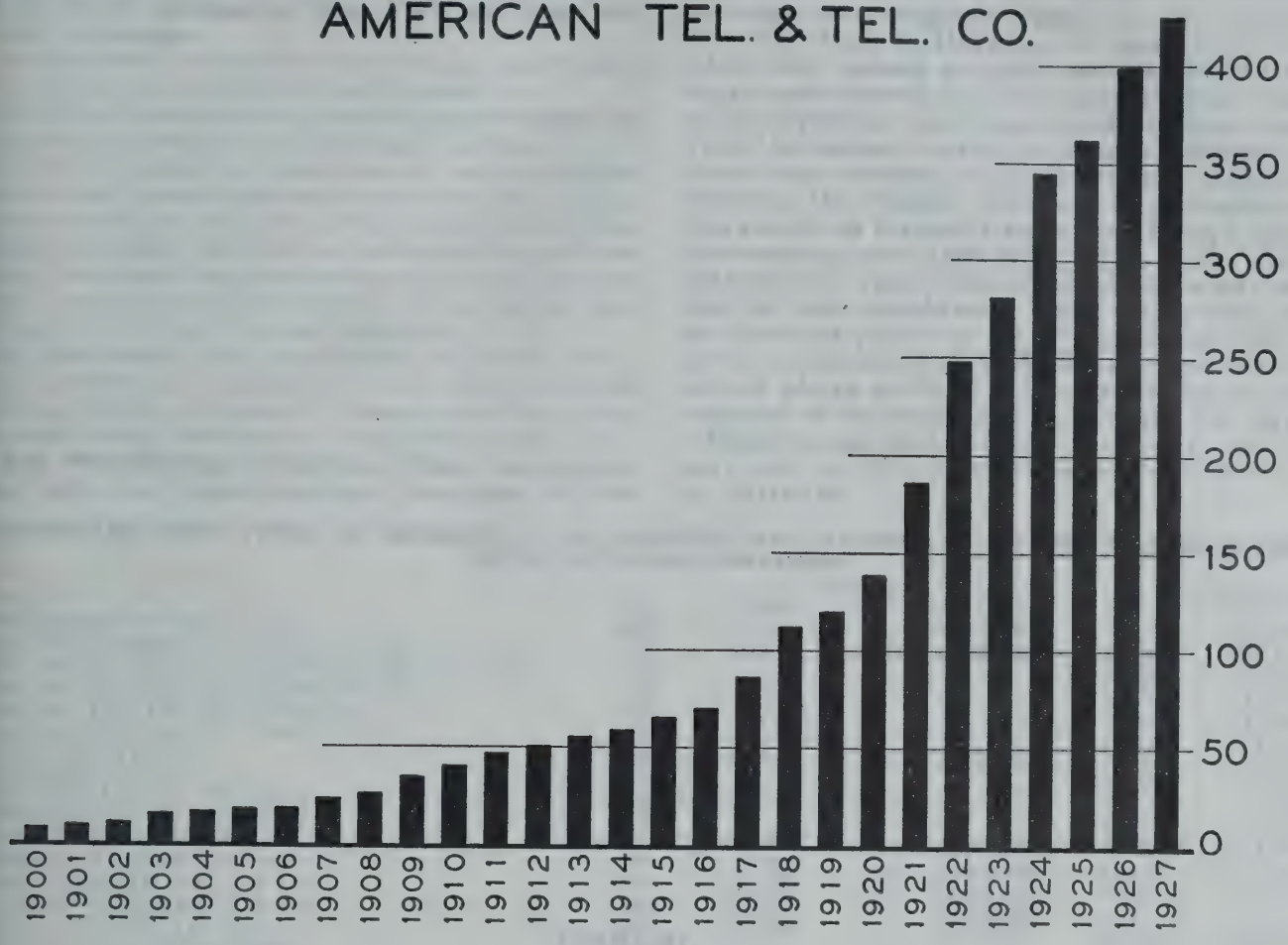
History—Incorporated under New York laws, March 3, 1885 for the purpose of establishing a long distance telephone system throughout the country. In March, 1900 acquired all the stock of the American Bell Telephone Company by an exchange of stock on the basis of two shares of American Telephone and Telegraph Company for each share of American Bell Telephone Company. For details of exchange see 1900 Manual, page 834, or apply to our Information Department.

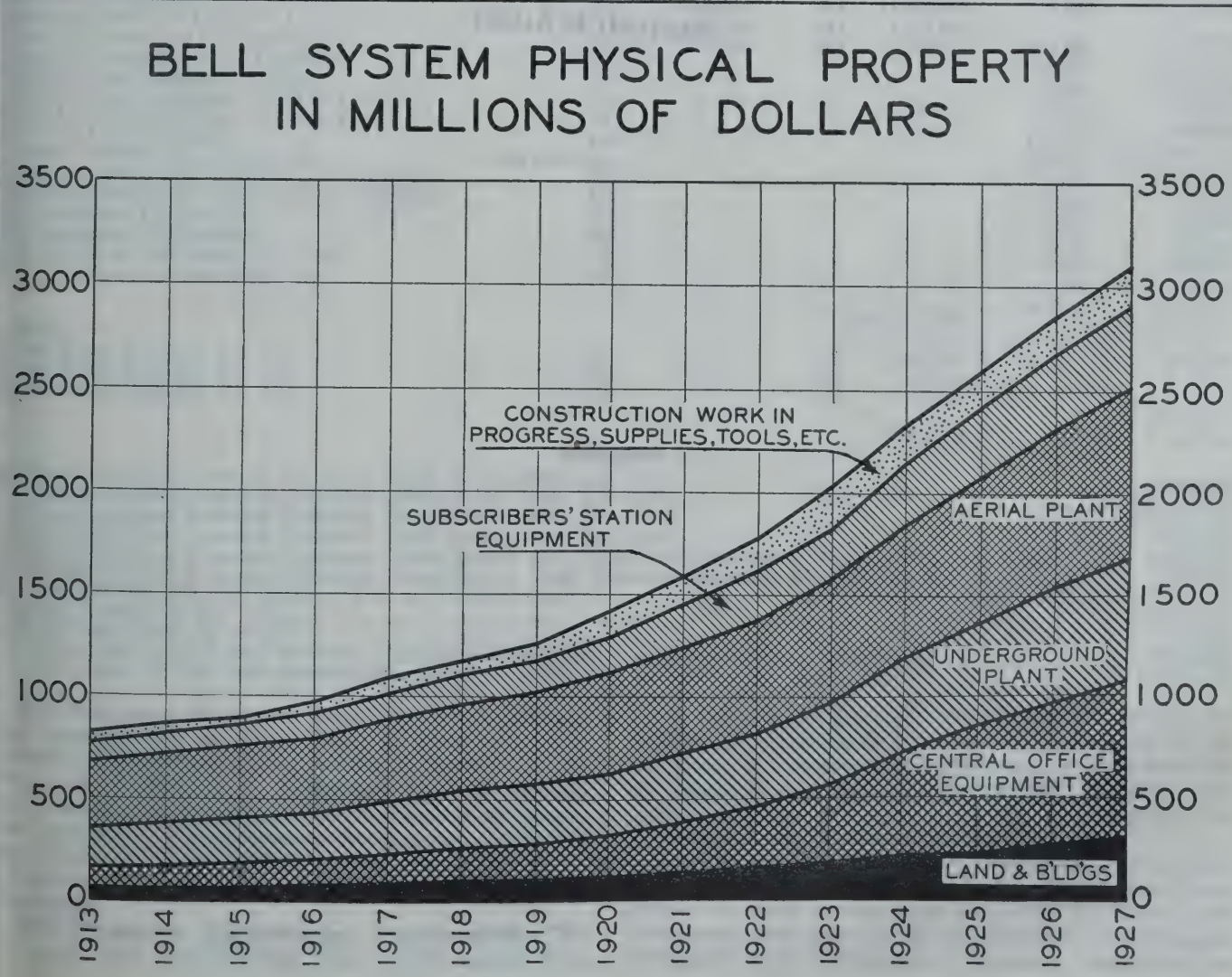
The American Telephone and Telegraph Company with its 24 Associated Operating Companies forms the Bell Telephone System, which furnishes telephone service throughout the United States and connects with telephone systems in Canada and Cuba. It owns and operates the long distance telephone plant which joins together the properties of its Associated Companies. It is the principal stockholder in the Associated Companies, owning directly or indirectly the whole or a majority of the Common stock of 22 companies and a minority in 2 companies. Under contract with its Associated Companies, it is charged with the performance of services for them which have grown in effect into the development of a single policy and program for the Bell System. These services include providing interconnection between regional operating companies by long distance lines, temporary financing and aid in permanent financing, development of the telephone art, patent protection, etc.

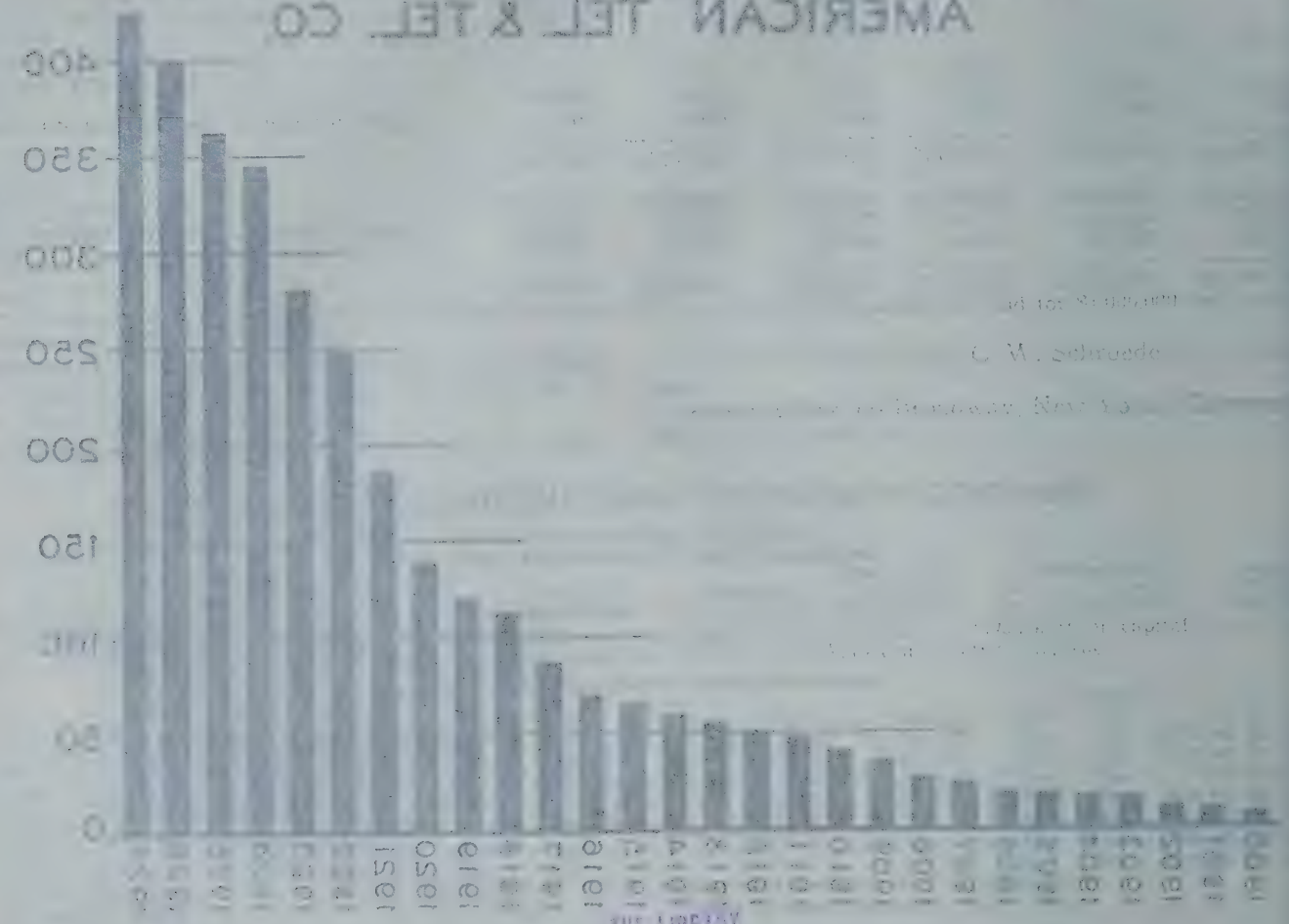
It owns over 98% of the Common stock of the Western Electric Company, Incorporated, which is the manufacturing, supply and warehousing organization of the Bell System. It is a minority stockholder (31.23%) in The Bell Telephone Company of Canada and owns 50% of the stock of the Cuban-American Telephone and Telegraph Company, which owns and operates the telephone cables between Florida and the Island of Cuba.

Chronology—The first words were transmitted by telephone in 1876 and in the same year the first conversation was had by overhead line between Boston and Cambridge, a distance of two miles; in 1880 an overhead line between Boston and Providence, 45 miles was established; in 1881 conversation was had by underground cable for a distance of one-quarter mile; in 1884 an overhead line between Boston and New York, 235 miles was established and in 1886 an overhead line between New York and Philadelphia, 90 miles; in 1892 an overhead line was established between New York and Chicago, 900 miles; in 1902 first conversation was had by long distance underground cable between New York and Newark, 10 miles, and in 1906 between New York and Philadelphia, 90 miles; in 1911 an overhead line between New York and Denver, 2,100 miles and in 1913 between New York and Salt Lake City, 2,600 miles was established; conversation by underground cable between Boston and Washington, D. C. 455 miles was also established in 1913.

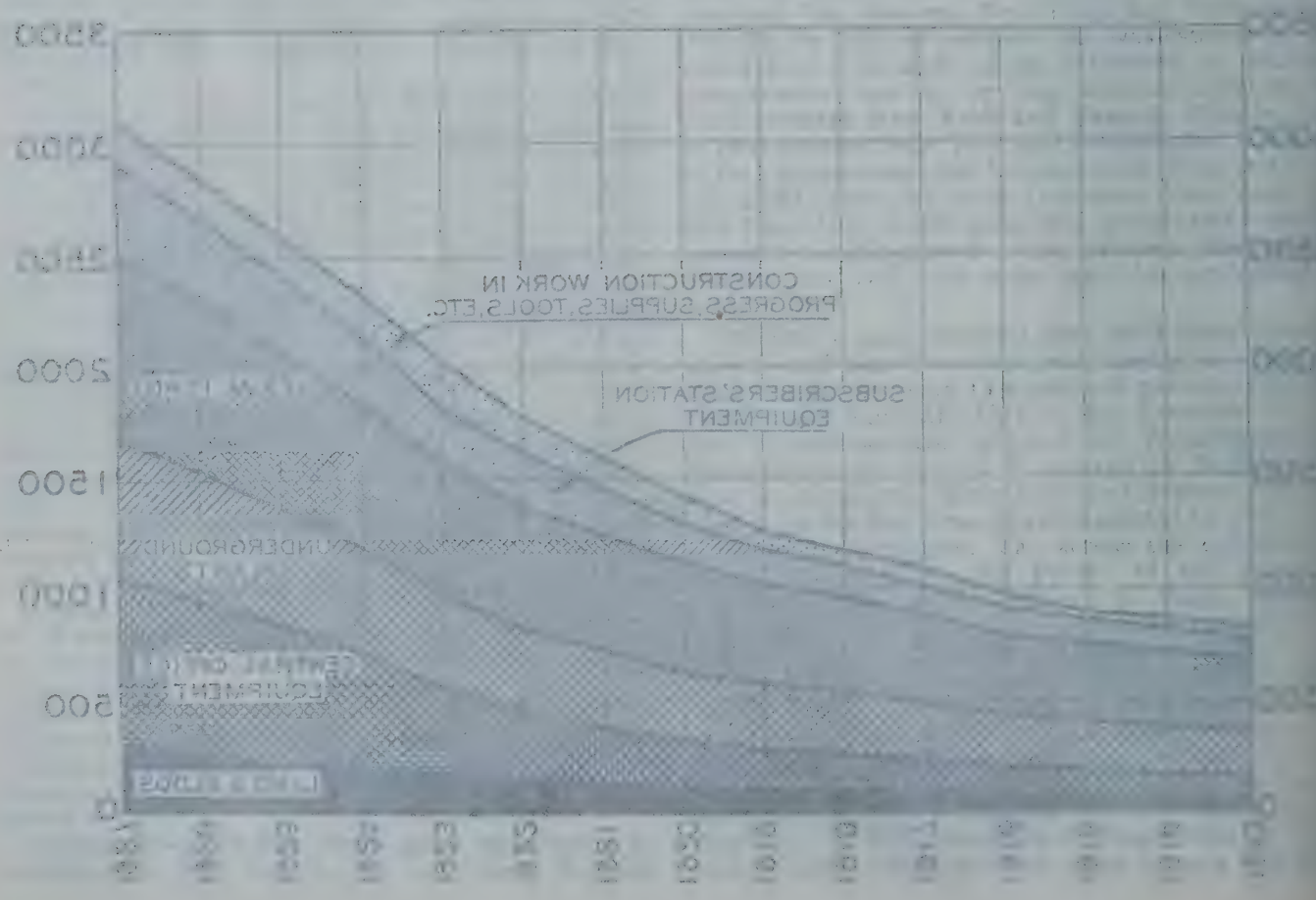
The first transcontinental line, 3,650 miles between Boston and San Francisco was opened on Jan. 25, 1915, the line crossing 13 states and passing, Chicago, Denver and Salt Lake City to San Francisco; in the east connections are obtained for Washington and Philadelphia by way of Pittsburgh or Buffalo with final connections in New York and Boston. In 1915 speech for the first time was transmitted by radio telephone from Arlington, Va., across the continent to San Francisco, over the Pacific to the Hawaiian Islands, and across the Atlantic to Paris. In 1921 conversation was had by deep sea cable, 115 miles, between Key West, Florida and Havana, Cuba; in the same year first conversation between Havana, Cuba and Catalina Island by submarine cable, overhead and underground lines and radio telephone, a distance of 5,500 miles. In 1922 ship-to-shore conversation by wire and wireless between Bell telephones in homes and offices and S. S. America, 400 miles at sea in the Atlantic. In 1923 successful demonstration of transoceanic radio telephony was made from a Bell tele-


THOUSANDS OF STOCKHOLDERS
AMERICAN TEL. & TEL. CO.
400
350
300
250
200
150
100
50
0
1900
1901
1902
1903
1904
1905
1906
1907
1908
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1911
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1914
1915
1916
1917
1918
1919
1920
1921
1922
1923
1924
1925
1926
1927


BELL SYSTEM PHYSICAL PROPERTY
IN MILLIONS OF DOLLARS
3500
3000
2500
2000
1500
1000
500
0
CONSTRUCTION WORK IN PROGRESS, SUPPLIES, TOOLS, ETC.
SUBSCRIBERS' STATION EQUIPMENT
AERIAL PLANT
UNDERGROUND PLANT
CENTRAL OFFICE EQUIPMENT
LAND & B'LD'GS
1913
1914
1915
1916
1917
1918
1919
1920
1921
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1925
1926
1927



UNIVERSITY OF ILLINOIS



phone station in New York City to New Southgate, England. In 1924 pictures were sent by telephone circuit from Cleveland to New York and from New York to Chicago.

In 1925 the first telephone cable from New York to Chicago was put into service on October 1.

In 1926 two-way radio telephone conversation was inaugurated between New York and London.

In 1927 commercial trans-oceanic radio telephone service was opened between New York and London; later extended to all points in the United States, Great Britain, Germany and Belgium; also to Cuba and Canada. Television was demonstrated by wire between New York City and Washington, D. C., and by radio between New York City and Whippany, N. J.

In September, 1927, commercial telephone service was commenced between the United States and the principal cities of Mexico. Subsequently this Mexican service was extended to Cuba and Canada.

Key West-Havana Telephone Cables—In co-operation with the Cuban-American Telephone & Telegraph Co., the telephone service of the United States across the Florida straits by means of three submarine telephone and telegraph cables has been extended from Key West to Havana. On April 11, 1921, the cables were opened to public service. By means of the transcontinental line the connection was extended to San Francisco and thence south to Los Angeles, where, by means of a radio telephone connection, the circuit was extended to Catalina Island, thirty miles distant in the Pacific. Satisfactory conversation was thus carried on between Catalina and Cuba, a distance of something over 5,500 miles. This is the greatest distance over which commercial telephone service has thus far been established. These cables bring all of the principal places in the United States into telephonic communication with Havana and other important places in Cuba and constitute an important extension of the telephone service of the Bell System.

Broadcasting Station Sold—On Nov. 1, 1926 Company sold its radio broadcasting station "W E A F" for $1,000,000.

STOCKS AND BONDS OWNED ON DECEMBER 31, 1927, SHOWING THOSE PLEDGED TO SECURE COLLATERAL TRUST BONDS, AND THOSE UNPLEDGED

		Pledged			Not Pledged	
Stocks:	Par	Shares		Par Value	Shares	Par Value
New England Tel. and Tel. Co.	$100	136,200	(c)	$13,620,000	549,693	$54,969,300
New York Telephone Company—Common	100	431,000	(c)	43,100,000	2,375,000	237,500,000
Ches. and Pot. Tel. Co. of Baltimore City—Common	100	.....		.....	268,243	26,824,300
Ches. and Pot. Tel. Co. of West Virginia	100	.....		.....	162,000	16,200,000
Ches. and Pot. Tel. Co. of Virginia	100	.....		.....	132,000	13,200,000
Ches. and Pot. Tel. Co. (New York)	100	.....		.....	130,000	13,000,000
Illinois Bell Tel. Co.	100	310,130	(b)	31,013,000	779,852	77,985,200
Indiana Bell Tel. Co.	100	.....		.....	299,991	29,999,100
Ohio Bell Tel. Co.—Common	100	.....		.....	749,988	74,998,800
Ohio Bell Tel. Co.—Preferred	100	.....		.....	154,798	15,479,800
Michigan Bell Tel. Co.	100	400,000	(b)	40,000,000	449,886	44,988,607
Wisconsin Tel Co.—Common	100	80,706	(e)	8,070,600	139,294	13,929,400
Southern Bell Tel. and Tel. Co.	100	250,000	(b)	25,000,000	599,781	59,978,100
Southern Bell Tel. and Tel. Co.	100	150,200	(c)	15,020,000	.....	.....
Northwestern Bell Tel. Co.	100	182,200	(c)	18,220,000	467,800	46,780,000
Bell Tel. Co. of Pennsylvania	100	.....		.....	800,000	80,000,000
Southwestern Bell Tel. Co.—Common	100	.....		.....	1,200,000	120,000,000
Mountain States Tel. and Tel. Co.	100	258,000	(b)	25,800,000	4,900	490,000
Mountain States Tel. and Tel. Co.	100	17,000	(e)	1,700,000	.....	.....
Pacific Tel. and Tel. Co.—Preferred	100	215,901	(c)	21,590,100	424,526	42,452,600
Pacific Tel. and Tel. Co.—Common	100	.....		.....	790,457	79,045,700
Southern New England Tel. Co.	100	.....		.....	93,361	9,336,100
Cincinnati and Suburban Bell Tel. Co.	50	78,000	(e)	3,900,000	30,916	1,545,800
Central Union Telephone Company	100	.....		.....	29,998	2,999,800
Bell Tel. Co. of Canada	100	.....		.....	156,248	(g) 16,406,050
Western Electric Co., Inc.—Com.	No par value	.....		.....	3,687,605	No par value
Cuban-American Tel. and Tel. Co.—Preferred	100	.....		.....	4,000	400,000
Cuban-American Tel. and Tel. Co.—Common	100	.....		.....	5,400	540,000
195 Broadway Corporation	100	.....		.....	2,100	2,100,000
205 Broadway Corporation	100	.....		.....	2,500	2,500,000
Bell Telephone Securities Co., Inc.	100	.....		.....	10,000	1,000,000
Bell Telephone Laboratories, Inc.	100	.....		.....	500	50,000
				$247,033,700		$1,084,698,657
Bonds:						
Home Long Distance Tel. Co.	100		(a)	$100,000		$941,000
Home Long Distance Tel. Co.	100		(d)	100,000		.....
Home Long Distance Tel. Co.	100		(f)	200,000		.....
				$400,000		$941,000

SUMMARY

(a) Bonds pledged to secure Collateral Trust Bonds, 1929, par value	*$100,000
(b) Stocks pledged to secure Collateral Trust Bonds, 1929, par value	*121,813,000
(c) Stocks pledged to secure Collateral Trust Bonds, 1946, par value	†111,550,100
(d) Bonds pledged to secure Collateral Trust Bonds, 1946, par value	†100,000
(e) Stocks pledged to secure Collateral Trust Bonds, 1932, Western Telephone & Telegraph Co., par value	13,670,600
(f) Bonds pledged to secure Collateral Trust Bonds, 1932, Western Telephone & Telegraph Co., par value	200,000
(g) Includes $781,250 installment of 25% on 31,250 shares	
Stocks unpledged, par value	1,084,698,657
Bonds unpledged, par value	941,000
*The value of this trust property ascertained in accordance with the terms of the indenture is	118,328,052
†The value of this trust property ascertained in accordance with the terms of the indenture is	102,139,681

Bell Telephone Securities Co., Inc.—This company was incorporated in Sept., 1921, in Delaware, with capital of $1,000,000, all of which is owned by the American Telephone & Telegraph Co. It has the usual broad charter rights of an investment or securities company. The purpose of the company is to disseminate facts about Bell securities among investors, especially Bell telephone users. Arthur W. Page is President.

Bell Telephone Laboratories, Incorporated—This company was chartered in Dec., 1924, under New York laws with $100,000 capital, owned jointly by American Telephone & Telegraph Company and Western Electric Company, Incorporated, to take over all the research and developing functions hitherto performed for the Bell system in the Engineering Department of the Western Electric Co., Inc.

New Jersey Bell Telephone Company—For a number of years prior to 1927, Bell System telephone service in New Jersey was provided by New York Telephone Company and by the Delaware and Atlantic Telegraph and Telephone Company, operating re-

spectively in the northern and southern parts of the State. It was decided that public interest would best be served by the consolidation of the telephone properties in New Jersey and their operation by a separate state-wide company. The Delaware and Atlantic Telegraph and Telephone Company, the entire capital stock of which was owned by the New York Telephone Company, acquired all of the property of the latter Company in the northern part of the State of New Jersey in consideration of the issuance of additional shares of its stock to New York Telephone Company, and changed its name to the New Jersey Bell Telephone Company. The conveyance was made on September 30, 1927, and on October 1, 1927, the New Jersey Bell Telephone Company began operations as an associate company of the Bell System.

As of Dec. 30, 1927 the New Jersey Public Utility Commission approved change of control of New Jersey Bell Telephone Company from New York Telephone Company to American Telephone & Telegraph Company through a book transfer to the latter company of a majority of outstanding stock of the New Jersey Bell Telephone Company.

License Contract—The American Telephone and Telegraph Company at the end of the year 1927 sold to its Associated Companies the telephone instruments which had previously been furnished and maintained by it for those companies, and at the same time reduced the charge to its Associated Companies under its contract for services from 4% to 2% of the gross telephone revenues of those companies.

Bell Telephone System in the United States—The Bell System, as a whole, is made up of the American Telephone & Telegraph Co. and associated companies. The associated, or Bell companies, are Bell companies by virtue of contract or license arrangements and financial relations. Connecting companies are independent companies whose telephone systems cover territory dependent upon them for service, connecting with the telephone system of the Bell companies.

There are in the United States about 9,000 separate telephone companies. Of these 24 are associated companies of the Bell System and 8,892 independent companies whose telephone systems are connected with the Bell System. There are also a large number of rural lines and associations operated mainly on a mutual or co-operative basis and not rated as companies. Of these lines and associations, 30,416 connect with the Bell System.

At Dec. 31, 1927, the number of telephone stations which constitute the Bell System in the United States was 18,365,486, of which 13,726,056 were owned by Associated Companies of the Bell System and 4,639,430 by local, co-operative and rural independent companies or associations having sublicense or connection contracts, the so-called connecting companies. There is now one Bell telephone station to each 6 of the total population in the United States, as compared with one station to each 10 of the population ten years ago, and one to each 90 of the population in 1900.

The following statistics show the development of the Bell Telephone System:

BELL SYSTEM STATISTICS, DECEMBER 31

	1927	1926	1925	1920	1915	1910
Number of telephones:						
Bell companies	13,726,056	12,816,252	12,035,224	8,333,979	5,968,110	3,933,056
Bell connecting companies and lines	4,639,430	4,758,000	4,685,000	4,267,956	3,204,385	1,949,663
Total	18,365,486	17,574,252	16,720,224	12,601,935	9,172,495	5,882,719
Number of central offices	6,115	5,998	6,017	5,702	5,300	4,933
Number of connecting companies	8,892	9,162	9,227	9,231	8,735	7,396
Number of connecting rural lines	30,416	29,595	28,861	26,032	19,579	10,449
Miles of pole lines	392,514	385,882	386,064	358,091	330,602	282,877
Miles of Exchange Wire:						
Wire in underground cable	35,161,956	31,845,228	28,425,392	14,384,135	9,947,359	5,630,851
Wire in aerial cable	12,121,584	10,785,029	9,462,213	5,586,531	4,503,124	2,800,000
Open wire	1,995,839	1,933,977	1,953,235	1,633,802	1,601,579	1,247,367
Total	49,279,379	44,564,234	39,840,840	21,604,468	16,052,062	9,678,218
Miles of Toll Wire:						
Wire in underground cable	2,725,045	2,323,368	2,057,196	1,363,398	625,792	386,089
Wire in aerial cable	2,321,857	1,543,358	1,209,332	299,385	98,804	70,008
Open wire	2,496,614	2,430,190	2,366,172	2,110,153	1,728,887	1,507,906
Total	7,543,516	6,296,916	5,632,700	3,772,936	2,453,483	1,963,994
Total Miles of Wire	56,822,895	50,861,150	45,473,540	25,377,404	18,505,545	11,642,212

EXCHANGES OF THE BELL COMPANIES IN THE UNITED STATES, DECEMBER 31

Years	Number of Central Offices	Total Miles of Wire.	Total Stations.	Number of Employees.	Exchange Connections Daily.	Toll Connection Daily.
1895	1,613	675,415	309,502	14,517	2,351,420	51,12
1900	2,775	1,961,801	855,911	37,067	5,668,986	148,52
1905	4,532	5,779,918	2,528,715	89,661	13,543,468	368,08
1910	4,933	11,642,212	5,882,719	120,310	21,681,471	602,53
1915	5,300	18,505,545	9,151,221	156,294	25,183,799	819,03
1916	5,397	19,850,315	9,847,192	179,032	28,530,073	889,86
1917	5,676	22,610,487	10,475,678	192,364	30,845,153	1,009,20
1918	5,742	23,281,150	10,992,325	*199,914	*31,263,611	*1,045,90
1919	.....	24,162,999	11,795,747	209,860	29,561,000	1,239,00
1920	5,702	25,377,404	12,601,935	231,316	31,835,000	1,327,00
1921	.....	27,819,821	13,380,219	224,288	33,671,000	1,356,00
1922	.....	30,616,522	14,050,565	243,053	36,831,000	1,523,00
1923	.....	34,523,842	15,000,101	271,987	41,109,000	1,683,00
1924	5,978	39,893,619	15,906,550	279,659	43,981,000	1,835,00
1925	6,017	45,473,540	16,720,224	293,095	46,702,307	2,098,16
1926	5,998	50,861,150	17,574,252	300,628	49,979,855	2,374,97
1927	6,115	56,822,895	18,365,486	†308,911	52,581,234	2,614,44

*July 31, 1918. †Excludes employes of Western Electric Co., Inc., numbering about 41,000 on Dec. 31, 1927.

Plant Additions—The net amount added to plant and real estate by all the companies, excluding connecting companies, constituting the system in the United States during the year 1927 was $230,962,061 or $27,155,408 less than in 1926.

The amounts added for the last 16 years have been as follows:

1912	$75,626,900	1918	$77,605,400	1923	$249,728,00
1913	54,871,900	1919	73,446,000	1924	287,976,00
1914	50,045,300	1920	147,882,100	1925	257,982,10
1915	32,863,700	1921	180,039,200	1926	258,117,40
1916	66,224,700	1922	185,354,000	1927	230,962,06
1917	118,599,500				

SECURITY ISSUES OF BELL SYSTEM COMPANIES OUTSTANDING IN HANDS OF PUBLIC, DECEMBER 31, 1927

Common Stock (Including Installments)	Par Value
American Telephone and Telegraph Co.	$1,142,289,200
New England Telephone and Telegraph Co.	42,058,100
Southern New England Telephone Co.	18,663,900
Cincinnati and Suburban Bell Telephone Co.	12,882,100
Mountain States Telephone and Telegraph Co.	10,449,700
Pacific Telephone and Telegraph Co.	13,954,309
Illinois Bell Telephone Co.	1,001,806
Other associated companies	14,893
Total Common stock	$1,241,313,993

Preferred Stock (Including Installments)	Par Value
New York Telephone Co. 6½%	$25,000,000
Bell Telephone Co. of Pennsylvania 6½%	20,000,000
Diamond State Telephone Co. 6½%	500,000
Chesapeake and Potomac Telephone Co. of Baltimore City 7%	3,000,000
Ohio Bell Telephone Co. 7%	12,745,847
Wisconsin Telephone Co. 7%	4,947,000
Northwestern Bell Telephone Co. 6½%	4,690,200
Southwestern Bell Telephone Co. 7%	21,785,500
Pacific Telephone and Telegraph Co. 6%	17,957,300
Total Preferred stock	$110,625,847
Total capital stock	$1,351,939,840

Funded Debt (a)	Face Value
American Telephone and Telegraph Co.:	
Collateral Trust 4s, 1929	$77,863,000
Collat. Tr. 5s, 1932 of Western Tel. & Tel. Co.	9,969,000
Collateral Trust 5s, 1946	70,914,400
Debenture 5s, 1960	122,744,400
Debenture 5½s, 1943	97,772,700
Convertible 4s, 1936 (b)	2,581,000
Convertible 4½s, 1933 (b)	1,899,400
New England Telephone and Telegraph Co.:	
Debenture 5s, 1932 (c)	9,991,000
First Mortgage Series A 5s, 1952	35,000,000
First Mortgage Series B 4½s, 1961	39,967,000
New York Telephone Co.:	
First and General Mortgage 4½s, 1939	61,817,470
Refunding Mortgage Series A 6s, 1941	49,659,000
Debenture 6s, 1949 (c)	21,386,700
Bell Telephone Co. of Pennsylvania:	
First Mtge. 5s, 1943, of The Central District Telephone Co.	9,332,500
First and Refunding Mortgage 5s, 1948	35,000,000
First and Refunding Mortgage 5s, 1960	50,000,000
Southern Bell Telephone and Telegraph Co.:	
First & Gen. Mtge. 5s, 1937, of Cumberland Telephone and Telegraph Co.	14,969,000
First Mortgage 5s, 1941	15,561,500
Ohio Bell Telephone Co.:	
Consolid. 5s, 1944, of The Ohio State Tel. Co.	5,342,000
Illinois Bell Telephone Co.:	
First and Refunding Mortgage 5s, 1956	48,976,200
Southwestern Bell Telephone Co.:	
First and Refunding Mortgage 5s, 1954	49,238,600
Pacific Telephone and Telegraph Co.:	
First Mortgage and Collateral Trust 5s, 1937	29,492,000
First & Ref. Mtge. 5s, 1947, of So. California Telephone Co.	6,012,000
Refunding Mortgage 5s, 1952	24,044,000
Minor bond issues (29 in a number) of associated companies	27,961,030
Real estate mortgages, of associated companies	2,295,800
Total funded debt	$919,789,700
Total Capital Stock and Funded Debt	$2,271,729,540

(a) Includes issues assumed or guaranteed by Bell System Companies.
(b) Conversion privilege expired.
(c) Now secured by mortgage.

CHANGES DURING 1927 IN CAPITAL STOCK (INCLUDING INSTALLMENTS) AND FUNDED DEBT OUTSTANDING IN HANDS OF PUBLIC

	Amount Dec. 31, 1927	Increase During 1926
Common stock, American Telephone and Telegraph Co.	$1,142,289,200	$29,492,521
Common stock, Assoc. Companies	99,024,793	9,309,500
Pfd. stock, Associated Companies	110,625,847	256,635
Funded debt, Amer. Tel. and Tel. Co.	383,743,900	*1,206,500
Funded debt, Assoc. Companies	536,045,800	*526,800

*Decrease.

The principal items of financing during 1927 were as follows:

In respect to American Telephone and Telegraph Co. the $1,103,415,600 outstanding capital stock at Dec. 31, 1927, showed an increase during the year of $39,087,800; the capital stock installments of $38,873,600 showed a decrease during the year of $9,595,279. This is accounted for as follows: Issued for cash in accordance with the terms of the offer of May 19, 1926, $17,641,400; sale to public of portion of unsubscribed stock remaining in treasury from offers to stockholders of record Sept. 8, 1922 and June 10, 1924, $1,291,900; issued to employees of the Bell System upon completion of installment payments under Employees' stock plan, $20,154,500; capital stock installments amounting to $38,873,600 were received from employees. During 1927, $751,500 5% Collateral Trust Bonds due 1946 and $341,000 5% Debentures, due 1960 were retired through operation of sinking funds.

Common stock of The Pacific Telephone and Telegraph Company outstanding in the hands of the public increased $9,093,100, due to an offer of additional stock to shareholders at par. Other changes in outstanding stocks and funded debt of Associated Companies were minor in amount, reflecting mainly installment payments on Preferred stock, operation of bond sinking funds and assumption of real estate mortgages in connection with property purchased.

CAPITAL STOCK

The authorized capital stock as of Dec. 31, 1927, was $1,500,000,000; increased from $100,000,000 to $150,000,000 on June 4, 1901; to $250,000,000 on April 4, 1903; to $300,000,000 in Jan. 1909, to provide for the conversion of the undernoted Convertible 4% bonds; to $500,000,000 on March 30, 1910; to $750,000,000 on April 1, 1920, to $1,000,000,000 March 28, 1923 and to $1,500,000,000 on April 1, 1925. Outstanding, as of Dec. 31, 1927, $1,103,415,600 (not including $38,873,600 capital stock installments); par, $100.

For details of capital stock issues and capital stock installments during 1927, see above under "Changes in Capitalization."

Stockholders of record June 10, 1924, received right until Aug. 1, 1924, to subscribe to $151,157,500 new stock at par in the proportion of one new share for each five shares held; payments were due in three installments, $20 per share on Aug. 1, and $40 per share on Dec. 1, 1924, and $38.40 per share on April 1, 1925, the latter installment including $1.60 interest allowed by company on the first and second installments. Full payment was permitted on Aug. 1, 1924, at $102.75 per share, and anticipation of final payment of installment subscriptions was permitted on Dec. 1, 1924, upon payment of $82.10 per share, the $2.75 and $2.10 additional amounts over par being added in order that the net rate paid on the money by the company until April 1, 1925, would be 6% per annum.

Stockholders of record June 8, 1926 received the right to subscribe until Aug. 2, 1926, to $154,127,500 new stock at par in the ratio of one new share for each six shares held. Payments for the new stock could be spread over eight months, the first installment of $20 being due Aug. 2, 1926, the second of $40 on Dec. 1, 1926, and the third of $40 on April 1, 1927. Interest at the rate of 6% was allowed on installment payments and was credited on the final payment, which thus was reduced to $38.40. Stock bought under the installment offer was issued as of April 1, 1927. Subscribers had the option of paying in full on Aug. 2, 1926, or, if they made the first payment when due, could pay the two remaining installments on Dec. 1, 1926.

Transfer Offices—125 Milk St., Boston, 195 Broadway, New York, and Illinois Merchants Trust Co., Chicago.

Registrars—Bankers Trust Co., New York, Old Colony Trust Co., Boston, and Northern Trust Co., Chicago.

Annual Meeting—Last Tuesday in March in New York.

Listed—New York, Boston, Chicago, Philadelphia, Washington and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	185½	151	145	134¾	128¾	128¼	119½	100¾
Low	149¼	139⅝	130⅝	121⅛	119⅛	114½	95¾	92⅛

Dividends—Dividends at the rate of 7½% per annum were paid from July, 1900 to July, 1906, inclusive; Oct., 1906, to April 15, 1921, at rate of 8% per annum; July 15, 1921, to April 16, 1928, at rate of 9% per annum. Dividends are usually declared about F, M, A & N 19, and are paid J, A, J & O 15 by check, to holders of record, M, J, S & D 20.

FUNDED DEBT

(1)

$77,863,000 AMERICAN TELEPHONE AND TELEGRAPH CO. COLLATERAL TRUST GOLD 4s; DUE JULY 1, 1929

Dated July 1, 1899.

Interest Payable January and July 1, at Treasurer's office, New York, or Boston, Mass., Baring Bros. & Co., Ltd., London, Eng., and Hope & Co., Amsterdam, Holland.

Denomination—Coupon, $1,000, principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Issued and outstanding Dec. 31, 1927, $78,000,000, of which $77,863,000 were in hands of public. Additional bonds may be issued to amount of 75% of estimated value of any additional collateral but total at no time to exceed Company's capital stock. The limit of issue under the present collateral is $88,700,000.

Callability—Not subject to call.

Sinking Fund—No sinking fund provided.

Security—Secured at Dec. 31, 1927, by pledge with the Trustee of capital stock and bonds of the following companies:

Stocks—	Par value
Michigan Bell Tel. Co.	$40,000,000
Mountain States Tel. & Tel. Co.	25,800,000
Illinois Bell Tel. Co.	31,013,000
Southern Bell Tel. & Tel. Co.	25,000,000
Bonds—	
Home Long Distance Tel. Co. 5% bonds	100,000
Total par value	$121,913,000

There is no other lien on the collateral securing this issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine, Massachusetts, New Hampshire, Ohio, Rhode Island and Vermont.

Original Offering—First publicly offered ($10,000,000) in 1900 at 100 and interest.

Listed—New York, Boston and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100	98⅞	98	98½	93⅛	93¾	89¾	80⅛
Low	98⅜	96⅞	96⅛	92⅜	91	86¼	73⅛	71⅞

(2)

$70,914,400 AMERICAN TELEPHONE AND TELEGRAPH CO. COLLATERAL TRUST GOLD 5s; DUE DECEMBER 1, 1946

Dated December 1, 1916.

Interest Payable June and December 1 at Treasurer's office, New York, or Boston, Mass.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000, and registered $1,000 and multiples.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized and issued, $80,000,000, of which $9,085,600 retired by sinking fund to Dec. 31, 1927, leaving $70,914,400 in hands of public.

Callability—Subject to call at 105 and interest on any interest date on 60 days' notice.

Sinking Fund—Sinking fund, on Sept. 1, 1917, and each Sept. 1, thereafter until 1945, 1% annually of bonds issued to be applied to purchase of said bonds at not over 105 and interest.

Security—Secured at Dec. 31, 1927 by pledge with the Trustee of capital stock (and bonds of the Home Long Distance Telephone Co.) of the following companies (par value):

Northwestern Bell Tel. Co.	$18,220,000
New England Tel. & Tel. Co.	13,620,000
New York Telephone Co., Com.	43,100,000
Pacific Tel. & Tel. Co. (Pfd.)	21,590,100
Southern Bell Tel. & Tel. Co.	15,020,000
Home Long Distance Tel. Co. 5% bonds	100,000
Total par value	$111,650,100

Value of Trust Property to be 133⅓% of the par value of the bonds outstanding. There is no other lien on the collateral securing this issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine, Massachusetts, New Hampshire, Ohio, Rhode Island and Vermont.

Original Offering—First publicly offered ($80,000,000) in Nov., 1916, at 98 and interest, yielding over 5⅛%, by J. P. Morgan & Co., Kidder, Peabody & Co., Kuhn, Loeb & Co., National City Co., First National Bank, Harris, Forbes & Co., and Lee, Higginson & Co., New York.

Listed—New York, Boston, Philadelphia, Chicago, and Washington Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106	103½	102¼	102⅝	99¼	100⅜	92½	83⅝
Low	102¾	100⅞	100	97⅛	95	91½	77½	72⅝

(3)

$9,969,000 WESTERN TELEPHONE & TELEGRAPH CO. COLLATERAL TRUST GOLD 5s; DUE JANUARY 1, 1932

Dated January 25, 1902.

Interest Payable January and July 1, at Treasurer's office, New York, or Boston, Mass.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized issue, $10,000,000

Callability—Not subject to call.

Sinking Fund—No sinking fund provided.

Security—Secured on Dec. 31, 1927, by deposit of following stocks (par value): $3,900,000 Cincinnati & Suburban Bell Telephone Co. (par, $50), $8,070,600 Wisconsin Tel. Co. Common, $1,700,000 Mountain States Tel. & Tel. Co., and $200,000 bonds of the Home Long Distance Telephone Co.—total, $13,870,600.

Assumed—Assumed by American Telephone and Telegraph Company in 1912, when Western Telephone & Telegraph Co. was liquidated.

Legal for Savings Banks in New Hampshire, Ohio and Vermont.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	102⅝	101⅞	100¾	100½	98	97¾	92	84
Low	100	99½	99½	95½	94	90	78¼	76½

(4)

$2,581,000 AMERICAN TELEPHONE AND TELEGRAPH CO. CONVERTIBLE GOLD 4s; DUE MARCH 1, 1936

Dated March 1, 1906.

Interest Payable March and September 1, at Treasurer's office, New York, or Boston, Mass., and Hope & Co., Amsterdam, Holland.

Denominations—Coupon (principal may be registered), $1,000, and registered, $1,000, $5,000 and multiples of $5,000; interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized and issued, $150,000,000, of which $147,411,000 had been converted to March 1, 1918, when conversion privilege expired, leaving $2,589,000 outstanding, of which $2,581,000 are in hands of public.

Callability—Subject to call as a whole or in part at 105 and interest on any M, J, S or D 1, upon 1 weeks' notice.

Sinking Fund—No sinking fund provided.

Convertibility—Conversion privilege expired March 1, 1918.

Security—These bonds are a direct obligation of company, but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in New Hampshire, Ohio and Vermont.

Listed—New York, Boston, Chicago, Washington and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99¼	95⅝	97¼	93	90¼	92½	83¼	69
Low	93¼	92	89⅞	87	86	80¼	63	62¾

(5)

$1,899,400 AMERICAN TELEPHONE AND TELEGRAPH CO. CONVERTIBLE GOLD 4½s; DUE MARCH 1, 1933

Dated March 1, 1913.

Interest Payable March and September 1, at Treasurer's office, New York, or Boston, Mass., and Hope & Co., Amsterdam, Holland.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Original issue, $67,000,000 of which $65,100,600 converted into stock to March 1, 1925, when conversion privilege expired leaving $1,899,400 outstanding in hands of public.

Callability—Subject to call at par and interest on Sept. 1, 1925, or on any interest date thereafter, on 12 weeks' notice.

Sinking Fund—No sinking fund provided.

Security—A direct obligation of company, but not secured by mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in New Hampshire, Ohio and Vermont.

Original Offering—First offered to stockholders of record Jan. 30, 1913, at par, in proportion of 20% of their holdings of stock.

Listed—New York, Boston, Chicago, Philadelphia, Washington, London and Amsterdam Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102½	101½	115	111⅜	105	104½	97½	85
Low	98½	97¼	94⅜	100⅝	100	95	80	77⅛

(6)

$97,772,700 AMERICAN TELEPHONE AND TELEGRAPH CO. 20-YEAR SINKING FUND 5½% GOLD DEBENTURE BONDS, DUE NOVEMBER 1, 1943

Dated November 1, 1923.

Interest Payable May and November 1, at Treasurer's office, New York, or Boston, Mass.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000 and registered $1,000, $5,000 and $10,000; interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $100,000,000, of which $2,136,300 retired by sinking fund to Dec. 31, 1927, leaving $97,863,700 outstanding of which $97,772,700 are in hands of public. Issued to retire $40,000,000 5-Year 6% Notes, due Feb. 1, 1924, and to provide the Bell Telephone System with funds for additions and betterments and for other capital expenditures.

Callability—Subject to call, in whole or in part, at 110 and interest, on any interest date on or prior to May 1, 1941; thereafter at 100 and interest.

Sinking Fund—The Indenture provides for sinking fund payments at the rate of $1,000,000 annually, payable semi-annually beginning May 1, 1924, to be used in purchasing these debentures if obtainable at not exceeding 105% and interest; otherwise to be used for capital expenditures.

Security—Direct obligation of Company, but not secured by mortgage or pledge. Under the terms of the Indenture, company covenants not to mortgage any of its telephone lines or plant unless it shall secure these debentures by pledge with the Trustee of stocks or bonds of its telephone operating companies, and that it will not pledge (with certain exceptions and limitations set forth in the Indenture with respect to its outstanding Collateral Trust Bonds) any stocks or bonds of its telephone operating companies unless it shall either secure these debentures by pledge with the Trustee, or secure them ratably with the other obligations secured by such pledge. In either case, the company shall keep so pledged stocks or bonds of a value which shall be equal at all times to 133 1/3% of the principal of the debt secured thereby. Any such collateral required so to be pledged shall be similar in character to that required for the security of the company's 30-Year Collateral Trust 5s of 1946. The provisions for valuation and substitution of stocks and bonds so pledged shall be similar to the corresponding provisions in respect of the collateral securing the company's above-mentioned 5% bonds.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in New Hampshire, Ohio and Vermont.

Original Offering—First publicly offered ($100,000,000) in November, 1923, at 98½ and interest, to yield 5⅝%, by J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, National City Co., Bankers Trust Co., Guaranty Trust Co. of New York, Harris, Forbes & Co., and Lee, Higginson & Co., New York.

Listed—New York and Boston Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	109½	106½	105	103¼	98¾
Low	105¾	103	101	98¼	98

(7)

$122,744,400 AMERICAN TELEPHONE AND TELEGRAPH CO. THIRTY-FIVE YEAR SINKING FUND 5% GOLD DEBENTURES, DUE JANUARY 1, 1960

Dated January 1, 1925.

Interest Payable January and July 1, at Treasurer's office, New York or Boston, Mass.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000, and fully registered, $1,000, $5,000 and $10,000; interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized and issued, $125,000,000 of which $2,213,600 retired by sinking fund to Dec. 31, 1927, leaving $122,786,400 outstanding, of which $122,744,400 are in hands of public. The proceeds of these debentures were used to provide the Bell Telephone System with funds for additions and betterments and for other capital expenditures, it being the intention of the American Telephone & Telegraph Company to utilize the greater part of these proceeds in making loans to its Associated Companies or in acquiring their securities.

Callability—Subject to call as a whole or in part at 110 and interest on any interest date up to July 1, 1956, and thereafter at par and interest.

Sinking Fund—A sinking fund of $1,250,000 annually is to be set aside in equal semi-annual instalments beginning July 1, 1925, such fund to be used in purchasing debentures of this issue if obtainable at not exceeding 102½% and interest; otherwise, to be used for capital expenditures, against which no debt obligations may be issued.

Security—Direct obligation of Company but not secured by mortgage or pledge. Under terms of indenture company covenants not to mortgage any of its telephone lines or plants unless it shall secure these debentures by stocks or bonds of its telephone operating companies, and that it will not pledge (with cer-

tain exceptions and limitations with respect to its outstanding Collateral Trust bonds) any stocks or bonds of its telephone operating companies unless it shall either secure these debentures as above stated, or ratably with any other obligations secured by such pledge. In either case, Co. shall keep so pledged stocks or bonds of a value which shall be equal at all times to 133⅓% of the principal of the debt secured thereby. Any such collateral so to be pledged shall be similar in character to that required for the security of Co.'s 30-year Collateral Trust 5% bonds of 1946. The provisions for valuation and substitution of stocks and bonds so pledged shall be similar to the corresponding provisions in respect of the collateral securing the above-mentioned 5% bonds of 1946.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in New Hampshire, Ohio and Vermont.

Original Offering—First publicly offered ($125,000,000) in Jan. 1925, at 95 and interest, to yield over 5.30% by J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, Bankers Trust Co., Harris, Forbes & Co., the National City Co., Guaranty Co. of New York and Lee, Higginson & Co., New York.

Listed—New York and Boston Stock Exchanges.

Price Range—

	1927	1926	1925
High	107	101½	98
Low	101	97⅝	94½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(American Telephone and Telegraph Company, Proper)

	1927	1926	1925	1924	1923	1922
Receipts—						
Dividends	$99,956,734	$91,963,935	$75,395,527	$63,559,326	$54,078,663	$44,972,929
Int. and other revenue	16,701,299	14,623,106	18,528,762	15,010,404	13,371,563	12,509,901
Telephone operating revenue	99,866,791	91,323,925	86,534,624	75,513,106	71,840,735	65,324,890
Total gross	$216,524,824	$197,910,966	$180,458,913	$154,082,836	$139,290,961	$122,807,720
Expenses	66,140,930	58,979,579	51,422,579	46,463,473	43,901,043	41,139,280
Net earnings	$150,383,894	$138,931,387	$129,036,334	$107,619,363	$95,389,918	$81,668,440
Deduct—Interest	21,768,984	21,940,986	21,631,288	16,573,042	13,697,737	15,498,012
Dividends paid	97,379,934	86,496,346	81,044,426	70,918,227	63,274,388	52,971,252
Reserve funds	.....	4,000,000	6,000,000	3,000,000	3,000,000	5,000,000
Total	$119,148,918	$112,437,332	$108,675,714	$90,491,269	$79,972,125	$73,469,264
Balance	$31,234,976	$26,494,055	$20,360,620	$17,128,094	$15,417,793	$8,199,176
Special dividend from Western Electric Co., Inc.	†47,938,865	.....	.....	.....	.....	.....
Total carried to surplus	$79,173,841	$26,494,055	$20,360,620	$17,128,094	$15,417,793	$8,199,176
Times Interest Earned	6.91	6.33	5.97	6.49	6.96	5.27
***Earnings Per Share**	$11.76	$11.95	$11.79	$11.31	$11.35	$11.14

*Based on average outstanding capital stock (10,932,420 shares in 1927, 9,790,262 shares in 1926 and 9,111,814 shares in 1925).

†Non-recurring dividend paid during year representing profits accumulated over a period of years in activities apart from its business with Bell System telephone companies.

GENERAL BALANCE SHEET, DECEMBER 31
(American Telephone and Telegraph Company, Proper)

	1927	1926	1925	1924	1923	1922
Assets—						
Stocks of associated companies	$1,347,823,006	$1,173,871,374	$1,027,448,629	$896,499,181	$756,463,932	$662,529,359
Bonds, notes of and net advances to associated companies	202,449,712	217,684,078	234,460,329	211,837,871	178,147,274	115,671,083
Stocks of other companies	80,342,690	79,900,323	80,428,846	95,334,922	102,211,723	105,427,224
Bonds and notes of and advances to other cos.	9,075,000	9,695,800	21,576,166			
Telephones	.....	44,985,331	41,229,476	37,122,592	33,275,286	29,666,204
Real estate	.....	.....	2,762	12,124,465	12,096,745	11,665,549
Long lines plant and equipment	215,248,144	183,447,053	154,431,112	140,557,942	125,671,229	108,757,168
Temporary cash investments	58,463,853	91,949,961	45,618,878	46,748,297	62,218,589	93,162,767
Cash and deposits	20,814,034	24,789,173	26,866,043	23,531,892	25,217,740	26,517,547
Current accounts receivable	14,270,713	13,736,633	12,462,582	13,295,581	10,443,626	9,831,000
Office furniture and fixtures	1,202,905	1,042,363	1,040,550	1,094,478	956,088	703,935
Total	$1,949,690,057	$1,841,102,088	$1,645,565,374	$1,478,147,221	$1,306,702,232	$1,163,931,842
Liabilities—						
Capital stock	$1,103,415,600	$1,064,327,800	$921,597,500	$888,478,100	$735,519,200	$699,347,400
Capital stock installments	38,873,600	48,468,879	27,572,850	28,866,272	17,982,307	15,736,450
Funded debt	384,097,900	385,190,400	387,692,600	271,622,000	279,357,100	186,604,800
Coupon notes	.....	.....	.....	.....	30,468,400	40,000,000
Divd. payable Jan. 16	24,826,784	23,947,360	20,735,933	19,988,734	16,539,125	15,719,750
Interest and taxes accrued	13,236,526	12,166,978	11,128,828	8,664,665	8,168,929	7,630,580
Bills payable	624,269	.....	.....	.....	.....	.....
Accounts payable	5,719,145	8,905,732	19,426,764	24,307,660	7,754,816	6,465,450
Depreciation and contingent reserve	99,558,221	102,099,037	91,261,335	81,975,455	75,985,329	68,514,830
Reserve employees' benefit fund	6,902,030	7,000,000	7,000,000	7,000,000	6,000,000	5,000,000
Surplus approp. for dividends payable	.....	.....	.....	19,990,757	.....	31,471,950
Surplus	272,435,982	188,995,902	159,149,564	127,253,578	128,927,026	87,440,600
Total	$1,949,690,057	$1,841,102,088	$1,645,565,374	$1,478,147,221	$1,306,702,232	$1,163,931,842

STATEMENT OF WORKING CAPITAL, DECEMBER 31
(American Telephone and Telegraph Company, Proper)

	1927	1926	1925	1924	1923	1922
Current Assets—						
Current accounts receivable	$14,270,713	$13,736,633	$12,462,582	$13,295,581	$10,443,626	$9,831,000
Cash and deposits	20,814,034	24,789,173	26,866,043	23,531,892	25,217,740	26,517,547
Temporary cash investments	58,463,854	91,949,961	45,618,878	46,748,297	62,218,589	93,162,767
Total	$93,548,601	$130,475,767	$84,947,503	$83,575,770	$97,879,955	$129,511,320
Current Liabilities—						
Dividend payable	$24,826,784	$23,947,360	$20,735,933	$19,988,734	$16,539,125	$15,719,750
Int. and taxes accrued, not due	13,236,526	12,166,978	11,128,828	8,664,665	8,168,929	7,630,580
Current accounts payable	5,719,145	8,905,732	19,426,764	24,307,660	7,754,816	6,465,450
Bills payable	624,269	.....	.....	.....	.....	.....
Total	$44,406,724	$45,020,070	$51,291,525	$52,961,059	$32,462,870	$29,815,790
Net Working Capital	$49,141,876	$85,455,697	$33,655,978	$30,614,711	$65,417,085	$99,695,529

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Bell Telephone System in United States)
(Duplications Eliminated)

	1927	1926	1925	1924	1923	1922
Exchange revenues	$604,266,112	$557,489,795	$506,026,224	$454,326,217	$412,009,426	$374,718,580
Toll revenues	271,174,270	248,086,768	219,913,020	190,317,904	178,427,051	163,097,837
Miscellaneous revenues	19,258,791	17,640,172	15,360,465	12,944,728	11,153,311	9,012,656
Total operating revenues	$894,699,173	$823,216,735	$741,299,709	$657,588,849	$601,589,788	$546,829,073
Depreciation	141,758,926	127,605,695	115,471,470	99,693,110	87,484,693	80,081,280
Current maintenance	139,456,582	125,798,424	111,442,827	101,596,928	91,154,988	79,817,856
Traffic expenses	203,049,940	197,653,650	185,928,193	177,898,385	170,993,441	152,948,539
Commercial expenses	79,412,964	71,362,726	64,130,638	58,852,751	53,406,861	49,650,397
General and miscellaneous expenses	43,017,342	32,419,840	30,602,197	28,573,101	26,036,076	25,853,826
Total operating expenses	$606,695,754	$554,840,335	$507,575,325	$466,614,275	$429,076,059	$388,351,898
Net operating revenues	$288,003,419	$268,376,400	$233,724,384	$190,974,574	$172,513,729	$158,477,175
Uncollectible revenues	5,711,964	5,289,008	4,651,579	4,129,904	3,436,422	3,081,821
Taxes	76,012,254	69,688,202	58,186,816	50,497,688	45,648,727	41,215,441
Operating income	$206,279,201	$193,399,190	$170,885,989	$136,346,982	$123,428,580	$114,179,913
Non-operating revenues—net	21,887,749	21,329,492	19,919,667	20,319,964	21,526,309	17,209,311
Total gross income	$228,166,950	$214,728,682	$190,805,656	$156,660,946	$144,954,889	$131,389,224
Rent and miscellaneous deductions	11,596,350	9,858,333	8,362,061	7,884,327	7,578,970	6,897,106
Interest deductions	50,511,448	49,809,330	45,940,664	41,531,071	37,751,447	37,869,366
Total deductions	$62,107,798	$59,667,663	$54,302,725	$49,415,398	$45,330,417	$44,766,472
Balance net income	$166,059,152	155,061,019	136,502,931	107,245,548	99,624,472	86,622,752
Deduct dividends	112,401,125	100,614,437	93,242,657	82,602,906	72,428,617	60,305,204
Balance	$53,658,027	$54,446,582	$43,260,274	$24,642,642	$27,195,855	$26,317,548

COMBINED BALANCE SHEET, DECEMBER 31
(Bell Telephone System in United States)
(Duplications Eliminated)

	1927	1926	1925	1924	1923	1922
Assets—						
Telephone plant	$3,013,985,120	$2,783,023,059	$2,524,905,590	$2,266,923,466	$1,978,947,543	$1,729,219,520
Gen'l. equip., tools & supplies	76,395,240	73,841,666	69,334,607	63,448,453	59,761,345	50,744,200
Receivables	94,537,207	91,150,292	84,220,909	86,092,323	87,000,576	87,681,728
Cash	44,140,967	46,688,540	48,537,040	45,108,738	58,317,313	47,503,842
Temporary cash investments	58,463,854	93,224,121	47,277,423	46,911,404	65,961,698	100,539,281
Investments	169,944,923	168,708,432	163,728,250	155,710,162	150,059,850	146,834,400
Total	$3,457,467,311	$3,256,636,110	$2,938,003,819	$2,664,194,546	$2,400,048,325	$2,162,522,971
Liabilities—						
Capital stock	$1,351,939,840	$1,312,881,184	$1,144,618,690	$1,093,572,862	$891,534,567	$837,007,344
Mortgage bonds	535,631,470	536,158,270	502,219,065	480,534,197	442,514,459	360,072,390
Collateral trust bonds	159,160,730	159,950,230	160,747,230	161,548,400	161,925,500	162,750,500
Convertible bonds and notes	.....	.....	.....	11,505,400	17,629,600	49,031,400
Debentures and notes—Associated Cos.	.....	.....	146,000	146,000	147,575	34,178,875
Debenture bonds & Notes—A. T. & T. Co.	224,997,500	225,414,500	227,224,700	98,998,600	130,443,400	40,000,000
Bills payable	7,046,158	863,075	672,000	365,318	248,294	426,164
Accounts payable	63,597,120	57,043,236	48,310,063	48,768,560	50,890,971	38,116,351
Accrued liabilities not due	91,115,456	88,823,683	75,374,497	65,604,527	62,307,904	58,702,050
Employees' benefit funds	35,103,647	35,519,438	30,441,438	24,313,090	20,552,875	18,655,184
Surplus and reserves	988,875,390	839,982,494	748,250,136	678,837,592	621,853,180	563,582,713
Total	$3,457,467,311	$3,256,636,110	$2,938,003,819	$2,664,194,546	$2,400,048,325	$2,162,522,971

*Including installments.

Officers: H. B. Thayer, Chairman; W. S. Gifford, Pres.; N. T. Guernsey, V-P.; C. M. Bracelen, Vice-Pres. & General Counsel, Bancroft Gherardi, Vice-Pres. & Chief Engineer; John J. Carty, V-P.; E. K. Hall, V-P.; E. S. Wilson, V-P.; C. P. Cooper, V-P.; F. B. Jewett, V-P.; Robert W. Devonshire, V-P.; Thomas D. Bowen, V-P.; A. W. Page, V-P.; A. A. Carsters, Sec.; H. Blair-Smith, Treas.; C. A. Heiss, Asst.; T. G. Miller, Gen. Mgr., Long Lines Dept.

Directors: Charles Francis Adams, James S. Alexander, George F. Baker, George F. Baker, Jr., Charles P. Cooper, W. Cameron Forbes, George P. Gardner, Walter S. Gifford, Edwin Farnum Greene, David F. Houston, Henry S. Howe, Charles E. Hubbard, E. E. Loomis, Arthur Lyman, Philip Stockton, Eugene V. R. Thayer, H. B. Thayer, John I. Waterbury, Daniel Willard.

Principal Offices, 195 Broadway, New York, and 125 Milk St., Boston, Mass.

CENTRAL UNION TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

History—Incorporated in June, 1883, in Ill. Central Union Telephone Co. is no longer an operating company having sold its plant to other Bell operating companies, as follows: The Company's property in Indiana was sold in March, 1920, to the Indiana Bell Telephone Co., the Illinois property was sold as of Dec. 31, 1920, to the Illinois Bell Telephone Co., and the Ohio property to The Ohio Bell Telephone Co., as of Dec. 31, 1920. The Central Union Telephone Co. by these transactions sold all of its telephone property. It continues to own assets which consist mainly of securities of other companies.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par, $100. The American Telephone and Telegraph Company on Dec. 31, 1927, owned $2,999,800 of the stock. Transfer office, Chicago. Registrar: Corn Exchange National Bank, Chicago. Annual meeting, third Wednesday in March in Chicago.

In Dec., 1923, Company decreased its outstanding capital stock from $5,450,927 to $3,000,000.

Office, 212 West Washington St., Chicago, Ill.

THE BELL TELEPHONE COMPANY OF CANADA

(Affiliated with American Telephone & Telegraph Company)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Capital Stock; par $100	J, A, J & O 15	$75,000,000	$50,027,700	$4,812,545	8%	$3,972,677	*$9.6

*Based on average amount outstanding during year.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Mortgage 5s, Series "A"	Mar. 1, 1955	M & S 1	$30,000,000	$30,000,000	No	Yes	Not pd. by C
First Mortgage 5s, Series "B"	June 1, 1957	J & D 1	30,000,000	10,000,000	No	Yes	Not pd. by C

Total Funded Debt, at Dec. 31, 1927, $40,000,000.
Amount Available for Bond Interest in 1927, $6,597,314.
Bond Interest Accrued in 1927, $1,784,769.
Times Bond Interest Earned in 1927, 3.70.

History and Properties—Incorporated in 1880, under special Act of Dominion of Canada; consolidation of several small corporations. Owns and operates toll lines and all Bell telephone exchanges in the Provinces of Quebec and Ontario, serving a territory of 831,837 square miles with 5,500,000 population, including Montreal and Toronto, the largest cities in Canada. Company has from time to time found it expedient to sell its properties in different provinces, notably Manitoba, Alberta, Saskatchewan, New Brunswick, Nova Scotia and Prince Edward Island. In most instances the company received payment, partly in cash and partly in fully paid stock, in the local companies. The cash so received has been reinvested in the plant of the company without any addition to the capital. In the North West Provinces the Local Government proposed to inaugurate local, provincially owned and operated systems, and this company sold its plant in Manitoba to the Provincial Government in Jan., 1908, for $3,400,000, payment being made in 40-year 4% bonds of the Province; the plant in Saskatchewan was sold to that Province in May, 1909.

In July, 1921, a four hundred pair submarine cable, the largest international cable in the world, was laid between Windsor and Detroit, in conjunction with the Michigan State Telephone Co., making the fourth jointly owned cable between these points, and provi ing together 528 pairs of conductors.

Average daily connections (1927): Exchange, 4,47 339; long distance, 58,801. The company has arrang ments for an interchange of business with 840 ind pendent local telephone organizations, serving 133,5 subscribers' stations.

Radio Contract—An agreement to run for ten yea has been concluded between The Bell Telephone C of Canada, the Canadian General Electric Co., t Northern Electric Co., the Canadian Westinghou Standard Radio Mfg. Corp., Ltd., De Forest Rad Corp., Ltd., Canadian Marconi Co. and the Weste Electric Co., covering the use by all for radio purpos of the respective patents of each concern. Under t terms of the agreement, each of the companies agre to the use of its patents by the others within te natural field of such other company, the Marconi Co pany to use all the patents for wireless telegraph pu poses; the Bell Company for the purposes of pub telephone communication; and the manufacturi companies, including the Marconi Company, for t purpose of manufacture and sale. The agreement cludes a traffic arrangement between the Marc Company and the Bell Company for the interchan of part wire and part wireless messages.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	192
No. of central offices	385	379	381	379	380	
No. of company stations	668,383	630,161	589,321	536,848	486,241	434,2
No. of connecting and misc. stations	133,581	132,786	129,221	126,409	122,122	119,2
Total number of stations	801,964	762,947	718,542	663,257	608,363	554,4
Miles of wire	2,131,342	1,894,648	1,690,544	1,465,823	1,306,481	1,150,9

CAPITAL STOCK

Authorized, $75,000,000 outstanding, Dec. 31, 1927, $50,027,700; par, $100. The American Telephone and Telegraph Co. owns 31.23% ($15,624,800) of the outstanding stock.

Proposed Stock Increase—President Sise said on Feb. 8, 1928, that application was being made to the Canadian Parliament for authority to increase authorized capital stock from $75,000,000 to $150,000,000.

Subscription Privileges—Stockholders of record on Nov. 30, 1922 were given the right to subscribe to one share of new stock at par for each five shares of stock then held; payments were due in full, or in quarterly payments of $25 per share.

Stockholders of record Jan. 31, 1924, were given the right until April 1, 1924, to subscribe to $8,003,900 new stock on the basis of one share for each five shares held; payments were to be made in four equal instalments with interest at the rate of 6% per annum, amounting to $2.25 per share, allowed on the first three instalments, to Dec. 31, 1924, when paid by crediting the amount on final instalment payment. This interest allowance of $2.25 per share was subject to income tax. The payments became due as follows: April 1, July 2 and Oct. 1, 1924, $25 per share each, and Jan. 2, 1925, $22.75 per share. Dividends on new stock accrued from Jan. 15, 1925.

Stockholders of record Sept. 2, 1927 received the right to subscribe for approximately $10,000,000 additional stock at par, $100 a share, in the proportion of one share for each five shares held. Privilege expired Nov. 1, 1927 and payment was due in four instalments of $25 each per share. Interest at rate of 6% per annum amounting to $2.13 per share was allowed on the first three instalment payments, payments being d as follows: $25 each on Nov. 1, 1927, Jan. 3, 1928 a April 2, 1928 and $22.87 ($25 less $2.13) on July 1928. Stock as paid for will be issued as of July 3, 1 and will participate in dividends payable after Jl 16, 1928.

Stock Increase—An Act increasing the authori share capital from $30,000,000 to $75,000,000 recei the Royal Assent on June 16, 1920. The Act provi that, instead of the power to issue bonds being l ited to the amount of 75% of the actual paid-up cap stock, the directors, when authorized by a By-l passed and approved by the votes of not less t two-thirds in value of the subscribed stock of t Company represented at a Special General Mee called for the purpose, may issue bonds, debentu or debenture stock for such amounts as may be proved by the shareholders, and secure the same one or more Deeds of Trust creating such mortga charges or encumbrances upon the whole or any of the property of the Company, present and futu as may be described therein.

Transfer Agent—Royal Trust Co., Montreal Toronto, Canada.

Registrar—Montreal Trust Co., Montreal and ronto, Canada.

Annual Meeting—Last Thursday in February.

Listed—Montreal and Toronto Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	159⅜	142½	142	139¾	128¼	120¼	112
Low	137	131	132¾	125¾	112	103½	99¼

Dividends—Dividends at rate of 8% per an have been paid continuously since Jan. 1, 1891;

dends are declared the fourth Wednesdays of F, M, A & N and are paid J, A, J & O 15 at Montreal.

FUNDED DEBT

$30,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1955

$30,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE JUNE 1, 1957

Dated Series "A", March 1, 1925, and Series "B", une 1, 1927.

Interest Payable on Series "A" bonds March and September 1, and on Series "B" bonds June 1 and December 1 in U. S. gold coin at Agency of Bank of Montreal in New York or in Canadian gold coin at Bank of Montreal, Montreal or Toronto.

Denominations—Coupon, $500, $1,000; principal may be registered, and fully registered bonds in denominations of $1,000, $5,000 and $10,000; interchangeable.

Trustee—Royal Trust Co., Montreal.

Provisions of Issue—Authorized, $30,000,000 each of Series "A" and "B"; issued, $30,000,000 Series "A" nd $10,000,000 Series "B". The amount of bonds issuble under this mortgage will be limited so that the mount thereof at any one time outstanding shall never xceed twice the par value of the Company's then outtanding fully paid capital stock. Subject to the bove limitation in amount they will be issuable for he acquisition of additional property, and for betternents, necessary or useful in connection with the Company's business (including a limited amount of tocks, bonds and securities of other corporations). But if at any time the amount of bonds secured by his mortgage, together with prior funded debt (if ny), shall exceed the amount of then outstanding apital stock, additional bonds will be issuable for not xceeding 75% of the cost of such additional property r betterments. Not more than one-third of the seurity under the mortgage shall consist of stocks, onds and/or securities of other corporations. The rst mortgage bonds will also be issuable to refund ny series of bonds of this issue or any underlying ebt that may exist on any properties hereafter acuired. Except in the case of bonds issuable for refundg purposes, no bonds in addition to the $40,000,000 utstanding Series "A" and "B" bonds shall be issued nless the average annual net income of the Company pplicable to interest charges for three years preceding the date of the proposed issue shall have been at least 1¾ times the sum of annual interest charges on the then outstanding first mortgage bonds and those proposed to be issued and on underlying debt, if any.

Subsequent series may be of such denominations, bear such interest rates, have such dates of maturity and callable prices and be payable at such place or places and in such currency or currencies, and may have such tax provisions, sinking fund provisions, convertible privileges or other provisions, not inconsistent with the terms of this mortgage, as may be determined by the Board of Directors at the time of issue.

Callability—Series "A" bonds are subject to call on any interest date, on 60 days' notice at 105 and interest between 1940 and 1951, and at par and interest between 1952 and 1954. Series "B" bonds are callable prior to 1947. Bonds of this issue may be called in amounts of not less than $10,000,000 on any interest date, on 60 days' notice, at 105 and accrued interest, on June 1, 1947, and up to and including Dec. 1, 1953; and at par and accrued interest thereafter.

Sinking Fund—No sinking fund provided for Series "A" or "B" bonds.

Security—A first lien on all real estate, buildings, and telephone plant now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal U. S. Income Tax.

Legal Opinion—P. Beullac (for the Company) and Brown, Montgomery & McMichael, of Montreal, (for the bankers).

Original Offering—Series "A" bonds first publicly offered ($25,000,000) in January, 1925, by Lee, Higginson & Co., and Harris, Forbes & Co., both of New York, etc., and Royal Securities Corp., Montreal, at 98 and interest, to yield over 5.13%, and $5,000,000 in October, 1925, by Lee, Higginson & Co., and Harris, Forbes & Co., New York, and Royal Securities Corp. of Montreal at 99 and interest, to yield over 5.05%. Series "B" bonds first publicly offered ($10,000,000) in May, 1927, at 102½ and interest, yielding about 4.85%, by Lee, Higginson & Co., Boston, and Bank of Montreal, Montreal.

Price Range—

	1927	1926	1925
Series "A"—			
High	104⅝	101⅝	100
Low	101	99¼	97½
Series "B"—			
High	104½		
Low	101¼		

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
elephone revenues	$33,210,645	$28,460,923	$26,168,977	$24,208,411	$22,225,714	$20,245,823
elephone expenses	25,180,512	23,486,143	20,271,031	18,671,614	16,886,632	15,526,666
Net telephone revenues	$8,030,133	$4,974,780	$5,897,946	$5,536,797	$5,339,082	$4,719,157
ncollectible revenues	133,079	143,075	114,686	108,657	89,485	51,690
axes assignable to operations	1,377,300	1,084,000	1,091,056	1,032,482	982,320	821,357
Operating income	$6,519,754	$3,747,705	$4,692,204	$4,395,658	$4,267,277	$3,846,110
et non-operating revenues	671,004	633,878	787,904	719,482	695,876	208,472
Gross income	$7,190,758	$4,381,583	$5,480,108	$5,115,140	$4,963,153	$4,054,582
Deductions—						
ents and miscellaneous	$158,871	$123,737	$114,089	$95,189	$86,018	$85,270
ond interest	1,784,769	1,500,000	1,313,069	947,500	947,500	947,500
ther interest	434,573	291,970	172,496	305,354	119,676	88,144
Total	$2,378,213	$1,915,707	$1,599,654	$1,348,043	$1,153,194	$1,120,914
et income	$4,812,545	$2,465,876	$3,880,454	$3,767,097	$3,809,959	$2,933,668
ividends	3,972,677	3,906,803	3,889,166	3,215,040	3,135,921	2,457,740
Balance	$839,868	‡$1,440,927	‡$8,712	$552,057	$674,038	$475,928
ppropriation for Employees Benefit Fund	250,000	.....	.....	.....	200,000	.....
Balance to surplus	$589,868	‡$1,440,927	‡$8,712	$552,057	$474,038	$475,928
imes Interest Earned	3.17	2.38	3.61	4.01	4.57	3.83
Earnings Per Share	$9.69	$5.05	$7.98	$9.37	$9.72	$9.55

†Based on average amount of stock outstanding. ‡Deficit.

Bell Telephone Co. of Canada, 1st Mtge. 5% Bonds

Uptown Montreal Branch: Mount Royal Hotel Building

Greenshields & Co

Members of the Montreal Stock Exchange

Montreal: 17 St. John Street

Out-of-town Branch Offices: Toronto Ottawa Quebec

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Intangible capital	$76,811	$76,811	$76,811	$76,811	$76,811	$76,81
Land and buildings	11,080,127	9,812,353	9,233,936	7,952,881	6,582,531	5,453,42
Telephone plant and equipment	113,029,164	102,989,525	92,351,178	80,448,087	69,731,775	61,480,53
General equipment	2,086,371	1,927,780	1,631,236	1,485,320	1,129,046	904,9(
Total fixed capital	$126,272,473	$114,806,469	$103,293,160	$89,963,099	$77,520,163	$67,915,6
Investment securities	3,263,258	2,879,627	2,836,997	2,817,197	2,797,718	2,817,2
Total permanent & long-term investments	$129,535,731	$117,686,096	$106,130,157	$92,780,296	$80,317,881	$70,732,9
Cash and deposits	1,038,927	414,295	458,827	543,374	654,036	1,208,2
Marketable securities (Dom. Govt. bonds)	624,419	1,152,191	1,679,963	417,267	3,088,821	1,550,6
Bills receivable	15,852	19,851	1,523,560	30,650	1,043,300	41,9
Accounts receivable	1,418,636	1,125,525	1,110,579	1,020,863	1,110,501	1,212,1
Material and supplies	762,650	746,631	1,364,571	1,656,327	1,884,799	1,506,7(
Accrued income not due	40,043	42,651	25,517	15,095	30,276	15,4
Prepayments	228,382	168,979	161,257	112,893	129,425	118,9
Unamortized debt discount and expense	1,342,122	1,371,490	1,419,969	17,834	89,169	160,5(
Plant inventory (unapportioned)	207,417	276,557	346,468	252,139	.....	.....
Other deferred debit items	30,612	37,429	67,900	34,960	19,122	.....
Total assets	$135,244,791	$123,041,694	$114,288,770	$96,881,698	$88,367,331	$76,547,6(
Liabilities—						
Common stock	$50,027,700	$49,080,400	$48,694,600	$40,290,600	$39,229,400	$32,049,0(
Capital stock instalments	2,467,550	.....	.....	6,393,694	.....	.....
Premiums on capital stock	1,995,023	1,879,173	1,840,548	1,836,378	1,805,095	1,536,3
Funded debt	40,000,000	30,000,000	30,000,000	†16,758,491	16,750,000	16,750,0
Due to bank	.....	6,000,000	.....	.....	.....	.....
Accounts payable	3,010,659	2,529,840	1,807,174	1,611,741	2,336,580	957,2
Accrued liabilities not due	1,960,988	1,716,412	1,710,774	1,525,922	1,352,294	1,254,2
Employees Stock Plan—stock installments	1,248,344	1,423,179	1,089,217	863,310	497,344	228,7
Liability for Employees' Benefit Fund	1,260,258	911,778	847,229	798,256	722,752	500,0
Insurance and casualty reserves	.....	.....	.....	.....	.....	137,2
Advance payments—stock subscriptions	763,422	.....	.....	.....	.....	569,2
Other deferred credit items	29,337	29,570	4,144	3,108	1,000	.....
Reserve for accrued depreciation	28,176,270	25,883,116	23,295,999	21,872,255	20,614,892	18,851,2
Reserve for amortization of intangible capital	45,047	38,358	32,720	.....	.....	.....
Corporate surplus	4,260,193	3,549,868	4,966,365	4,927,943	4,357,974	3,714,2
Total liabilities	$135,244,791	$123,041,694	$114,288,770	$96,881,698	$88,367,331	$76,547,6

†Includes real estate mortgages, $8,491.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash	$1,038,927	$414,295	$458,827	$543,374	$654,036	$1,208,2
Supplies	762,650	746,631	1,364,571	1,656,327	1,884,799	1,506,7
Bills receivable	15,852	19,852	1,523,561	30,650	1,043,300	41,9
Accounts receivable	1,418,636	1,125,525	1,110,579	1,020,863	1,110,501	1,212,1
Marketable securities (Dom. Govt. bonds)	624,419	1,152,191	1,679,963	417,267	3,088,821	1,550,6
Total current assets	$3,860,484	$3,458,493	$6,137,501	$3,668,482	$7,781,457	$5,519,8
Current Liabilities—						
Accounts payable	$3,010,659	$2,529,840	$1,807,174	$1,611,741	$2,336,580	$957,2
Total current liabilities	$3,010,659	$2,529,840	$1,807,174	$1,611,741	$2,336,580	$957,2
Net Working Capital	$849,825	$928,653	$4,330,327	$2,056,741	$5,444,877	$4,562,5

Officers: L. B. McFarlane, Chairman of Board; C. F. Sise, Pres.; J. E. Macpherson, V-P., Montreal; K. J. Dunstan, V-P., Toronto; P. A. McFarlane, Gen. Mgr.; W. H. Black, Sec.-Treas.; E. Palm, Compt., Montreal, Can.

Executive Committee: L. B. McFarlane, C. F. Sise, K. J. Dunstan, Hon. Thos. Ahearn, Ottawa, Wm. F. Angus, George Caverhill, F. W. Molson, John W. Ross and Arthur B. Purvis, Montreal, Can.

Directors: Hon. Thos. Ahearn, Ottawa, Ont.; W. F. Angus, George Caverhill, Montreal, Que.; Hue Cronyn, London, Ont.; K. J. Dunstan, Toronto, On; Sir George Garneau, Quebec, Que.; W. S. Giffo New York; L. B. McFarlane, Montreal; Hon. S. Mewburn, K. C., Hamilton, Ont.; F. W. Molson, Mo real, Que.; Glyn Osler, K. C., Toronto; Arthur Purvis, John W. Ross, C. F. Sise, Montreal; H. Thayer, New York.

Office, Montreal, Canada.

THE BELL TELEPHONE COMPANY OF PENNSYLVANIA

(Controlled by American Telephone and Telegraph Company)

History and Property—Incorporated Sept. 18, 1879, in Pa., as Bell Telephone Co. of Philadelphia; present title adopted Dec. 21, 1907. Company was incorporated with power to do a general telephone and telegraph business in the States of Pennsylvania, Delaware and New Jersey. The duration of its charter is 100 years from Sept. 18, 1879. As one of the units of the Bell System it owns and operates a comprehensive system of exchange and toll lines located in Pennsylvania, reaching every part of the State and connecting directly or indirectly for the interchange of traffic with all the other companies of the Bell System throughout this country and in Canada. Owns all the capital stock of The Diamond State Telephone Co. (see appended statement) and all the capital stock of Lehigh Telephone Co. (see appended statement); also guarantees principal and interest of the bonds of the latter company. On Sept. 30, 1918, The Bell Telephone Co. of Pennsylvania acquired the property and business of The Central District Telephone Co., and assumed its funded debt outstanding.

On April 14, 1923, the Bell Telephone Company of Pennsylvania purchased the physical plant of the Pittsburgh & Allegheny Telephone Company (see 1923 Manual, page 1493) and the Chartiers Telephone Co. and guaranteed the principal and interest of the Pittsburgh & Allegheny Co. bond issue then outstanding.

Recent Acquisition—In Oct., 1927, the Interstate Commerce Commission authorized the Summerville Telephone Co. to transfer its properties to The Bell Telephone Co. of Pa. On Nov. 14, 1927, stockholders of the Montgomery Subway Co. authorized the sale of all the physical and tangible property of The Bell

Telephone Co. of Pa. The Huntingdon & Clearfield Telephone Co. also sold its properties to The Bell Telephone Co. of Pa.

Extent of System—The Bell Telephone Co. of Pennsylvania operates in Pennsylvania. Total number of stations, Dec. 31, 1927, including local connecting companies, 1,301,624. Including its Associated Company which operates in Delaware, total number of stations, Dec. 31, 1927, was 1,330,585.

Net Additions to Plant—During the year 1927 the net additions to plant amounted to $15,158,637, under the following general classifications: Land and buildings, $275,848; central office equipment, $3,319,123; outside plant, $5,966,591; instruments and other construction, $5,597,075.

Purchase of Telephone Instruments—As of Dec. 31, 1927, Company purchased from the American Telephone and Telegraph Company the telephone instruments used on its system. At the same time, the payment made by Company to the American Telephone and Telegraph Company for the use of these instruments and for valuable research, engineering, financial and other services, was reduced from 4% to 2% of the gross revenues of the Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	362	345	372	398	428	399
Company stations	1,061,571	998,330	944,393	899,949	851,085	766,457
Connecting & miscellaneous stations	240,053	230,713	179,458	181,571	171,591	163,858
Total stations	1,301,624	1,229,043	1,123,851	1,081,520	1,022,676	930,315
Total miles of wire	4,321,688	3,955,362	3,674,584	3,372,226	2,826,029	2,359,064

CAPITAL STOCK

Authorized, $90,000,000 Common and $20,000,000 6% cumulative Pfd. (created Nov. 12, 1923); outstanding, Dec. 31, 1927, $80,000,000 Common and $20,000,000 Pfd.; par, $100. The American Telephone & Telegraph Co. owns all the Common stock.

Preferred Stock Provisions—Has preference for assets and dividends and in liquidation or dissolution is entitled to par and accrued dividends. It is subject to call, as a whole or in part, at 110 and accrued dividends, on any dividend date on 60 days' notice.

Transfer Office (Pfd.)—Company's office, 1835 Arch St., Philadelphia.

Registrar (Pfd.)—Bank of North America and Trust Co., Philadelphia.

Public Offering (Pfd.)—Pfd. stock was offered to employees and consumers at par ($100) early in 1924.

Annual Meeting—Third Tuesday in February.

Market (Pfd.)—Traded in on the Philadelphia Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924
High	117½	113⅜	112½	109¼
Low	112½	109½	107¾	106

Dividends—Dividends on Pfd. stock regularly paid quarterly, J, A, J & O 15, initial dividend of 1⅝% having been paid April 15, 1924. Common dividends at rate of 6% per annum were paid from 1904 to 1920 inclusive, and at rate of 8% per annum from 1921 to date; paid quarterly, M, J, S & D 31.

FUNDED DEBT

(1)

$32,500 CENTRAL DISTRICT TELEPHONE CO. FIRST MORTGAGE SINKING FUND GOLD 5s; DUE DECEMBER 1, 1943

Dated December 1, 1913.

Interest Payable June and December 1, at Fidelity Title & Trust Co., Pittsburgh, and National Bank of Commerce, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity Title & Trust Co., Pittsburgh.

Registrars—Union Trust Co., Pittsburgh, and New York Telephone Co., 15 Dey St., New York.

Provisions of Issue—Mortgage closed. Issued, $10,000 of which $667,500 retired by sinking fund to Dec. 31, 1927.

Callability—Subject to call as a whole but not in part at 105 and interest on any interest date since Dec. 1, 1918, on 3 months' notice.

Sinking Fund—Sinking fund, commenced June 1, 1924, provides for the payment semi-annually of a sum equal to ½% per annum of bonds issued.

Security—A first lien on all the property of the former Central District Telephone Co. in the State of Pennsylvania.

Assumed—Assumed by The Bell Telephone Company of Pennsylvania.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, New Hampshire, Vermont, Rhode Island, Connecticut, Ohio, New Jersey and Oregon.

Listed—New York, Pittsburgh and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105	103¾	102½	101	100	100¼	86¼	96
Low	102¼	101½	100¼	97¾	97	97½	86	81¼

(2)

$1,400,000 PITTSBURGH & ALLEGHENY TELEPHONE CO. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1949

Dated December 1, 1899.

Interest Payable June and Dec. 1, at Maryland Trust Co., Baltimore, Md., Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,500,000. Subject to call at 105 and interest on any interest date on 3 months' notice. Principal and interest guaranteed by The Bell Telephone Company of Pennsylvania. Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, New Hampshire, Vermont, New Jersey, Ohio and Rhode Island.

(3 and 4)

$35,000,000 THE BELL TELEPHONE CO. OF PA. 25-YEAR FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "B"; DUE JANUARY 1, 1948

Dated January 1, 1923.

$50,000,000 THE BELL TELEPHONE CO. OF PA. 35-YEAR FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "C"; DUE OCTOBER 1, 1960

Dated October 1, 1925.

Interest Payable—On Series "B" January and July 1; on Series "C", April and October 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Registered, $1,000, $5,000 and $10,000. Coupon bonds and registered bonds, and the several denominations, interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Series "B" bonds are limited to the principal amount of $35,000,000 and Series "C" to the principal amount of $50,000,000. Under the terms of the Mortgage, additional bonds may be issued for betterments and other new property acquired in connection with the Company's business subsequently to Oct. 1, 1920, but for a principal amount not in excess of 75% of the actual cash cost of such property; provided that no additional bonds shall be issued under said Mortgage, which will make the total bonded debt (as defined in the Mortgage) of the Company then outstanding exceed the then amount of fully-paid capital stock outstanding, plus the unappropriated surplus; and provided, further, that the net earnings of the Company, after taxes, available for interest charges during twelve consecutive months within fourteen months preceding such proposed issue, shall have been not less than 1¾ times the interest during such

period on the Company's bonded debt outstanding, including interest charges on the bonds proposed to be issued, but excluding interest charges on bonds in any sinking fund. Such additional bonds as may be issued in the future will be in different series, and with such interest rates, maturity dates (not earlier than 1945 nor later than 2020), and other provisions, as the directors may from time to time determine.

Purpose of Issue—The proceeds from the sale of Series "B" bonds were used to provide for the redemption of all the 25-year First & Refunding 7% Gold bonds, Series "A", and in reimbursing the Company in part for money expended for additions to or extensions of or betterments and improvements of, the telephone plant and system of the Company made subsequent to Oct. 1, 1920.

The proceeds from sale of Series "C" bonds, to the extent of about $18,000,000 were used to reimburse the Company for money expended for the extension and improvement of the Company's telephone system. The balance was used to repay advances previously made for similar purposes by the American Telephone & Telegraph Co., owner of all the Company's outstanding Common stock.

Callability—Subject to call, as a whole but not in part, upon 60 days' notice at 100 and accrued interest, Series "B" on Jan. 1, 1944 or on any interest date thereafter and Series "C" on October 1, 1957 or on any interest date thereafter.

Sinking Fund—No sinking fund provided.

Security—Secured by a first lien on the entire physical property in the Commonwealth of Pennsylvania, with the exception of the property serving Pittsburgh and certain adjacent counties, on which property the mortgage is subject to closed mortgages securing $9,332,500 Central District Telephone Co. First Mortgage bonds and $1,400,000 Pittsburgh and Allegheny Telephone Co. First Mortgage bonds.

Company covenants that it will not increase th outstanding issue of bonds under any underlying mort gage then or thereafter constituting a lien upon th mortgaged premises or any part thereof; that it wi not extend or consent to the extension of the time c payment of the principal of any bonds secured by an such underlying mortgage, and before or at the ma turity thereof will pay or cause to be paid the princ pal of or will acquire and pledge under the mortgag all such bonds, and until paid or discharged at matu ity or otherwise it will, except as otherwise provide in respect of underlying bonds deposited with th Trustee, pay the interest thereon or cause it to be pai at the times and at the place or places therein or in th coupons attached thereto set forth.

Tax Provisions—Company does not pay Norm Federal Income Tax. Tax exempt in Pennsylvani

Legal for Savings Banks (Series "B" and Series "C" in Maine, New Hampshire, Vermont, Ohio, Rhod Island, Massachusetts, New Jersey and Connecticut.

Original Offering—First publicly offered ($35,000 000 Series "B" 5s), in Jan., 1923, at 98½ and interes yielding about 5.10% by, J. P. Morgan & Co., Kuh Loeb & Co., Kidder, Peabody & Co., First Nation Bank, National City Co., Bankers Trust Co., Guaran Co. of New York, Harris, Forbes & Co., and Lee, Hi ginson & Co., New York, etc. $50,000,000 Series "C 5s were first publicly offered in October, 1925, at 1 and interest, by the same bankers.

Listed (Both Series)—New York and Philadelph Stock Exchanges.

Price Range—

	1927	1926	1925	1924	19
Series "B"—					
High	107	105	103	101⅜	9
Low	102¾	100⅝	100¼	97½	9
Series "C"—					
High	110⅞	104⅞	101¼	..	
Low	102⅞	100⅜	100	..	

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Bell Telephone Company of Pennsylvania)

	1927	1926	1925	1924	1923	1922
Operating revenues	$60,357,442	$56,340,023	$50,630,200	$46,531,024	$41,145,358	$37,223,8
Operating expenses	42,351,124	39,729,151	36,563,078	35,437,311	32,352,776	27,764,7
Net operating revenue	$18,006,318	$16,610,872	$14,067,122	$11,093,713	$8,792,582	$9,459,1
Deductions—						
Uncollectible operating revenue	$292,200	$285,400	$232,900	$196,700	$210,300	$192,0
Taxes assignable to operations	2,685,236	2,488,654	2,216,350	1,445,787	1,214,107	1,567,6
Total operating income	$15,028,882	$13,836,818	$11,617,872	$9,451,226	$7,368,175	$7,699,5
Non-operating revenue—net	1,410,910	1,941,324	1,987,504	1,671,991	1,609,892	1,272,7
Total gross income	$16,439,792	$15,778,142	$13,605,376	$11,123,217	$8,978,067	$8,972,2
Deductions—						
Rent and miscellaneous deductions	$1,454,586	$1,403,266	$1,208,966	$1,334,842	$762,327	$599,7
Interest	5,000,593	4,990,291	4,109,451	3,267,260	2,942,069	2,296,4
Balance net income	$9,984,613	$9,384,586	$8,286,959	$6,521,115	$5,273,671	$6,075,8
Pfd. dividends	1,300,000	1,300,813	1,282,341	1,035,948	.....	.....
Common dividends	6,400,000	6,400,000	6,400,000	5,200,000	4,800,000	4,800,0
Transferred to employees benefit reserve	.....	350,000	.....	.....	.....	.....
Undivided profits	$2,284,613	$1,333,773	$604,618	$285,167	$473,671	$1,275,8
Times All Interest Earned	3.00	2.88	3.02	3.00	2.79	
Earnings Per Share—						
Preferred	$49.92	$46.92	$41.43	$33.54	*	

*No Pfd. outstanding.

GENERAL BALANCE SHEET, DECEMBER 31
(Bell Telephone Company of Pennsylvania)

	1927	1926	1925	1924	1923	192
Assets—						
Telephone plant and equipment	‡$236,838,157	$221,641,214	$207,365,488	$191,403,337	$155,913,280	$125,218
Investment securities	7,696,633	7,493,844	7,059,944	2,101,311	2,455,312	2,403
Advances to system corporations	1,272,470	10,755,000	11,745,000	10,770,000	6,575,000	3,290
Miscellaneous investments	272,020	402,145	352,530	234,514	36,411	
Total permanent & long-term investments	$246,079,280	$240,292,203	$226,522,962	$204,509,162	$164,980,003	$130,912
Cash and deposits	2,603,950	3,031,299	2,743,610	2,615,459	5,522,594	1,274
Bills receivable	8,312	7,592	28,000	83,581	25,000	2
Marketable securities	63,461	.....	.....	14,700	.....	3,185
Accounts receivable	5,179,880	5,217,530	†15,718,630	4,077,891	3,696,749	3,460
Materials and supplies	930,815	709,885	1,206,794	2,042,381	2,341,191	1,719
Accrued income, not due	1,130	920	444	3,164	5,799	40
Sinking fund assets	1,061,128	918,187	734,421	551,817	436,387	617
Prepayments	1,033,014	1,018,529	730,907	662,939	636,932	551
Unamortized debt discount and expense	3,005,804	3,129,935	3,191,517	1,751,437	1,832,176	2,458
Other deferred debit items	175,659	211,818	145,497	235,105	100,135	98
Total	$260,142,433	$254,537,898	$251,022,782	$216,547,636	$179,576,966	$144,344

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$80,000,000	$80,000,000	$80,000,000	$80,000,000	$60,000,000	$60,000,000
Preferred stock	20,000,000	20,000,000	20,000,000	19,445,100	.....	.....
Premiums on capital stock	95,237	95,237	.....	.....	.....	.....
Funded debt	95,732,500	95,739,500	95,704,500	45,684,500	45,765,250	33,775,950
Advances from system corporations	.....	.....	.....	15,100,000	16,200,000	.....
Bills payable	602,327	.....	.....	.....	.....	.....
Accounts payable	3,851,261	3,496,650	3,982,781	7,258,466	5,103,391	3,699,710
Accrued liabilities, not due	5,059,684	5,259,283	4,654,239	3,452,965	2,320,255	2,253,384
Employees' benefit reserve	2,460,160	2,500,000	2,150,000	1,400,000	1,400,000	1,400,000
Other deferred credit items	131,209	212,510	89,037	363,047	5,845,292	7,945
Reserve for accrued depreciation	37,577,360	34,720,217	33,164,920	32,873,840	32,198,712	28,798,613
Reserve for amortization of intangible capital	320,736	325,648	365,451	380,835	369,181	348,985
Corporate surplus unappropriated	14,311,959	12,188,853	10,911,854	10,588,883	10,374,885	14,059,476
Total	$260,142,433	$254,537,898	$251,022,782	$216,547,636	$179,576,966	$144,344,063

†Includes $11,000,000 temporarily invested, representing the unused portion of the proceeds of the First and Refunding Series "C" Bond issue. ‡Consists of $27,940,689 land and buildings, $204,716,215 telephone plant and equipment, and $4,181,253 general equipment.

NOTE—Company guarantees principal and interest of Lehigh Telephone Co's. First and Refunding Mortgage 5% Gold Bonds, Series "A", due July 1, 1949. There were $2,564,900 of the bonds outstanding Dec. 31, 1927.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash and deposits	$2,603,950	$3,031,299	$2,743,610	$2,615,459	$5,522,594	$1,274,954
Bills receivable	8,312	7,592	28,000	83,581	25,000	25,000
Marketable securities	63,461	.....	.....	14,700	.....	3,185,000
Accounts receivable	5,179,880	5,217,530	†15,718,630	4,077,891	3,696,749	3,460,672
Materials and supplies	930,815	709,885	1,206,794	2,042,381	2,341,191	1,719,600
Total	$8,786,418	$8,966,306	$19,697,034	$8,834,012	$11,585,534	$9,665,226
Current Liabilities—						
Accounts payable	$3,851,261	$3,496,650	$3,982,781	$7,258,466	$5,103,391	$3,699,710
Bills payable	602,327	.....	.....	.....	.....	.....
Accrued liabilities, not due	5,059,684	5,259,283	4,654,239	3,452,965	2,320,255	2,253,384
Total	$9,513,272	$8,755,933	$8,637,020	$10,711,431	$7,423,646	$5,953,094
Net Working Capital	*$726,854	$210,373	$11,060,014	*$1,877,419	$4,161,888	$3,712,132

*Debit. †Includes $11,000,000 temporarily invested, representing the unused portion of the proceeds of the First and Refunding Series "C" Bond issue.

Officers: L. H. Kinnard, Pres.; P. C. Staples, V-P.; J. C. Young, V-P.; C. L. Ritchie, Treas.; F. I. Daly, Asst. Treas.; J. H. Crosman, Jr., Sec.; C. W. Hazard, Gen. Aud.; R. V. Marye, Gen. Counsel; E. M. Prisk, V-P. & Gen. Mgr. Eastern Area; H. L. Badger, V-P. & Gen. Mgr. Philadelphia Area, Philadelphia, Pa.; T. Harris, V-P. & Gen. Mgr. Central Area, Harrisburg, Pa.; F. J. Chesterman, V-P. & Gen. Mgr. Western Area, Pittsburgh, Pa.

Executive Committee: L. H. Kinnard, P. C. Staples, Nathan Haywood, R. V. Marye, H. A. Richardson.

Directors: J. H. Cummings, Nathan Hayward, L. H. Kinnard, Edwin S. Stuart, P. C. Staples, O. J. Roberts, R. V. Marye, Samuel Rea, Philadelphia; Addison Candor, Williamsport, Pa.; C. W. Brown, W. B. Schiller, Pittsburgh, Pa.; H. A. Richardson, Dover, Del.; W. S. Gifford, Chas. P. Cooper, New York; Henderson Gilbert, Harrisburg, Pa.

Office, 1835 Arch St., Philadelphia, Pa.

THE DIAMOND STATE TELEPHONE COMPANY

(Controlled by The Bell Telephone Co. of Pa.)

History—Incorporated March 31, 1897, in Delaware. Operates in the State of Delaware. No. of telephones Dec. 31, 1927, 28,266, compared with 26,901 in 1926, and 25,679 in 1925.

CAPITAL STOCK

Authorized and outstanding, $2,500,000 Common and $500,000 Preferred; par of Common, $25; par of Pfd., $100. Common stock is all owned by The Bell Telephone Company of Pennsylvania.

Preferred Stock Provisions—Preferred stock has preference for assets as well as dividends and in liquidation or dissolution is entitled to par and accrued dividends.

Transfer Office (Preferred)—Company's office, 1835 Arch St., Philadelphia.

Registrar (Preferred)—Bank of North America and Trust Co., Philadelphia.

Original Offering—Preferred stock was offered to employees and consumers at par ($100) in July, 1925.

Annual Meeting, third Tuesday in February.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 15; initial payment of $1.62½ per share made Oct. 15, 1925.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$1,505,123	$1,457,240	$1,346,592	$1,280,356	$1,223,882	$1,162,024
Operating expenses	1,005,879	944,666	897,394	847,770	836,988	794,870
Net revenues	$499,244	$512,574	$449,198	$432,586	$386,894	$367,154
Uncollectible operating revenues	5,400	8,700	4,200	1,600	12,100	11,300
Taxes assignable to operations	118,740	129,181	108,679	100,171	91,081	81,153
Operating income	$375,104	$374,693	$336,319	$330,815	$283,713	$274,701
Plus non-operating revenues	14,375	14,703	4,941	2,876	2,006	1,699
Total gross income	$389,479	$389,396	$341,260	$333,691	$285,719	$276,400
Deductions:						
Rent and miscellaneous	34,678	27,572	27,653	22,136	19,670	14,142
Interest	1,426	1,672	18,833	50,668	46,528	49,693
Balance net income	$353,375	$360,152	$294,774	$260,887	$219,521	$212,565
Preferred dividends	32,492	29,946	12,229	.....	.....	.....
Common dividends	200,000	200,000	190,000	160,000	160,000	160,000
Miscellaneous appropriations	.....	25,000	5,000	.....	.....	.....
Balance for Corporate surplus	$120,883	$105,206	$87,545	$100,887	$59,521	$52,565

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Telephone plant and equipment	$5,078,217	$4,705,981	$4,527,784	$4,373,073	$4,235,980	$3,934,17
Investment securities	.....	20,350	27,250	27,250	.....	.....
Miscellaneous investments	.....	.....	.....	1,000	8,000	.....
Cash and deposits	57,911	47,282	26,749	31,668	35,756	23,37
Bills receivable	1,505	.....	.....	.....	.....	.....
Accounts receivable	241,546	362,269	276,364	68,833	71,390	85,82
Materials and supplies	22,801	37,494	38,335	40,761	25,828	22,63
Accrued income not due	.....	.....	.....	13	.....	.....
Prepayments	20,081	10,067	5,933	9,360	5,090	5,94
Other deferred debits	499	801	146	858	46	3,37
Total	$5,422,560	$5,184,244	$4,902,561	$4,552,816	$4,382,090	$4,075,33
Liabilities—						
Common stock	$2,500,000	$2,500,000	$2,500,000	$2,000,000	$2,000,000	$2,000,00
Preferred stock	500,000	494,500	388,100	.....	.....	.....
Premiums on stock capital	1,764	1,734	.....	.....	.....	.....
Advances from system corporations	.....	.....	.....	865,000	865,000	735,00
Accounts payable	191,929	155,120	160,538	53,260	78,003	58,99
Bills payable	33,974	.....	.....	.....	.....	.....
Accrued liabilities not due	70,173	82,942	62,796	47,681	48,800	48,91
Liability for employees' benefit reserve	73,632	75,000	50,000	45,000	45,000	45,00
Other deferred credits	.....	4,775	50,031	.....	.....	.....
Reserve for accrued depreciation	1,319,918	1,266,295	1,189,078	1,123,954	1,024,566	922,24
Reserve for amortization of intangible capital	20,180	20,878	20,463	20,296	20,082	20,13
Corporate surplus	710,990	583,000	481,555	397,625	300,639	245,04
Total	$5,422,560	$5,184,244	$4,902,561	$4,552,816	$4,382,090	$4,075,33

Officers: L. H. Kinnard, Pres.; P. C. Staples, V-P.; H. C. Young, V-P.; E. M. Prisk, V-P. & Gen. Mgr.; C. L. Ritchie, Treas.; F. I. Daly, Asst. Treas.; R. V. Marye, Gen. Counsel; J. H. Crosman, Jr., Sec.; C. W. Hazard, Gen. Aud., Philadelphia, Pa.

Directors: Chas. P. Cooper, W. S. Gifford, New York; N. Hayward, L. H. Kinnard, E. S. Stuart, R. V. Marye, O. J. Roberts, P. C. Staples, Philadelphia; F. A. Richardson, Dover, Del.

General Office, 1835 Arch St., Philadelphia, Pa.

LEHIGH TELEPHONE COMPANY

(Controlled by The Bell Telephone Co. of Pa.)

History—Incorporated Feb. 5, 1924, in Pa., and purchased from the Consolidated Telephone Company (see 1924 Public Utility Manual, page 110) and The Bell Telephone Company of Pennsylvania all of the physical property, rights, franchises and privileges of both companies within the territory served by telephone exchanges located at Allentown, Bethlehem, Catasauqua, Easton, Freeland, Hazleton, Lehighton, McAdoo, Mauch Chunk, Northampton, Slatington, Weatherly and White Haven, Pa. The telephone systems of both companies, which were in competition before the purchase, have been unified and the communities as stated are now being served through a single system. The company is associated with the Bell system and therefore offers to its patrons nation wide service. No. of company owned stations Dec. 31, 1927, 49,370, compared with 44,590 in 1926.

Approval of the sale of the properties of Consolidated Telephone Co., Honesdale Telephone Co. and the Easton Telephone Co. to the Lehigh Telephone Co. was announced on July 15, 1924, by the Pennsylvania Public Service Commission.

Company purchased on Nov. 1, 1927, the physical property, furniture, fixtures and motor vehicles of the Slate Belt Telephone & Telegraph Company, whose principal office was located at Nazareth, Pa. (For last published statement see 1927 Public Utility Manual, p. 2309). The property was purchased free and clear of all liens and encumbrances for a cash consideration of $65,000. At the time of purchase the Company had in operation two exchanges located at Nazareth and Bath, and a station development totaling 915 telephones.

CAPITAL STOCK

Authorized and outstanding, $5,000,000; par, $100. All owned by The Bell Telephone Co. of Pa.

Dividends—Dividends amounting to $243,420 were paid in 1925; 1926 and 1927, 8% each; payments quarterly, M, J, S & D 31.

FUNDED DEBT

$2,564,900 FIRST AND REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE JULY 1, 1949

Dated July 1, 1924.

Interest Payable January and July 1, at Banker Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered.

Trustee—Markle Banking & Trust Co., Hazleton Pa.

Provisions of Issue—Authorized and issued, $2 750,000 Series "A," of which $185,100 retired to De 31, 1927. It is specifically provided that the fully pa and outstanding capital stock of the Company sha equal or exceed the sum of $3,250,000 before any add tional bonds may be issued.

Callability—Subject to call on any interest da upon 60 days' notice at 105 and interest.

Sinking Fund—Semi-annual payment by the Con pany to the Trustee of $37,500.

Guaranty—Guaranteed both as to principal and in terest by The Bell Telephone Company of Pennsy vania.

Security—Secured by a first lien on entire propert

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

Legal for Savings Banks in Rhode Island and Ohi

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$2,237,399	$2,046,953	$1,749,9
Operating expenses & taxes	1,537,727	1,427,895	1,213,3
Net earnings	$699,672	$619,058	$536,5
Other income	8,724	11,899	25,4
Total income	$708,396	$630,956	$562,0
Rent and miscel. deductions	51,417	52,061	42,3
Bond interest	129,775	133,293	132,2
Other interest	6,110	3,226	12,3
Total charges	$187,302	$188,580	$186,8
Balance for dividends	$521,094	$442,377	$375,1
Common dividends paid	394,678	350,559	243,4
Employees' benefit reserve	.....	10,000	.....
Surplus for year	$126,416	$81,818	$131,7
Times Bond Interest Earned	5.01	4.31	3.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$8,830,882	$8,030,448	$7,236,454
Cash and deposits	222,562	201,970	135,238
Accounts receivable	141,275	126,562	142,267
Materials and supplies	96,051	172,387	180,462
Prepayments	12,200	14,536	13,208
Sinking fund assets	.....	65	.....
Other deferred debits	9,157	16,253	3,708
Total	$9,312,127	$8,562,219	$7,711,336

Liabilities—	1927	1926	1925
Common stock	$5,000,000	$4,733,900	$4,315,000
Funded debt	2,564,900	2,638,700	2,695,900
Bills & accts. payable	127,747	118,842	221,711
Accrued liabilities, not due	239,190	216,100	140,028
Advans. from System Corp.	450,000	250,000	.....
Subscribers' deposits, etc.	7,788	.....	.....
Other deferred credits	276	.....	.....
Employes' benefit reserve	40,000	40,000	30,000
Reserve for accrued deprec.	611,666	398,831	205,429
Reserve for amortization of intangible capital	2,381	866	2,662
Corporate surplus	268,179	164,980	100,607
Total	$9,312,127	$8,562,219	$7,711,336

Officers: Alvan Markle, Pres.; P. C. Staples, V-P.; E. M. Prisk, V-P. & Gen. Mgr.; A. C. Hohman, Sec. & Treas.; J. R. Lynch, V-P. & Gen. Aud., Hazleton, Pa.

Directors: Alvan Markle, Hazleton, Pa.; Harry C. Trexler, E. M. Young, Allentown, Pa.; J. E. Mathews, Bethlehem, Pa.; Chester Snyder, Easton, Pa.; L. H. Kinnard, C. W. Hazard, P. C. Staples, E. M. Prisk, Philadelphia, Pa.

General Office, Markle Bank Bldg., Hazleton, Pa.

THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

History and Property—Incorporated July 2, 1883, in New York. The territory operated comprises the District of Columbia, serving a population of about 460,000.

License Contract—See American Telephone and Telegraph Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	12	10	10	9	9	9
Company stations	143,585	135,780	126,501	115,767	108,846	101,179
Connecting and miscellaneous stations	1,662	1,547	1,476	1,438	1,402	1,370
Total stations	145,247	137,327	127,977	117,205	110,248	102,549
Total miles of wire	535,175	511,104	432,339	383,280	352,566	311,350

CAPITAL STOCK

Authorized $15,000,000; outstanding, $13,000,000; par, $100. All owned by American Telephone and Telegraph Company. Annual meeting, Monday preceding third Tuesday in February at New York.

Dividends—Dividends have been paid as follows: 1909 and 1910, 6% each; 1911 to 1914, inclusive, 8%; 1915, 1916, 1917 and 1918, 6%; 1919, 3%; 1920, 1½%; 1921, 6%; 1922, 7¾%; 1923 to 1927 inclusive, 8% per annum.

FUNDED DEBT

$13,120,000 CHESAPEAKE & POTOMAC TELEPHONE CO. CONSOLIDATED MORTGAGE GOLD 5s; DUE JULY 1, 1929

Dated July 1, 1899.

Interest Payable Jan. and July 1, at American Security & Trust Co., Washington, D. C.

Denomination—Coupon, $1,000; principal may be registered at Treasurer's office, Washington, D. C.

Trustee—American Security & Trust Co., Washington, D. C.

Provisions of Issue—Authorized and issued, $1,500,000 of which $380,000 retired to Dec. 31, 1927.

Callability—Subject to call at 103 and interest on 3 weeks' notice.

Sinking Fund—Annual sinking fund of 2% of bonds outstanding began Jan. 15, 1901, payable Jan. & July 15, to be applied to the purchase of bonds, or may be invested in such securities or property as shall be satisfactory to the company.

Security—First lien on entire property of Company.

Legal for Savings Banks in Maine, Ohio, Oregon, Rhode Island, New Jersey and Vermont.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Washington (D. C.) Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101⅛	101	100¼	100¼	98½	98½	92	97
Low	100¼	100	97	95	95½	90	89	85

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$7,247,802	$7,052,894	$6,420,863	$5,885,524	$5,566,164	$5,275,990
Operating expenses	5,268,824	4,771,200	4,435,663	4,117,401	3,899,081	3,757,042
Net operating revenues	$1,978,978	$2,281,694	$1,985,200	$1,768,123	$1,667,083	$1,518,948
Deductions—						
Uncollectible operating revenues	$15,492	$32,562	$15,267	$4,384	$19,750	$28,875
Taxes assignable to operations	536,583	572,841	489,272	436,221	405,283	369,257
Total operating income	$1,426,903	$1,676,291	$1,480,661	$1,327,518	$1,242,050	$1,120,816
Non-operating income (net)	44,671	43,269	60,288	132,785	166,411	185,848
Total gross income	$1,471,574	$1,719,560	$1,540,949	$1,460,303	$1,408,461	$1,306,664
Deductions—						
Rents and miscellaneous	$35,965	$27,393	$27,314	$36,493	$39,910	$46,633
Interest	225,623	100,802	69,029	96,485	82,233	82,134
Balance net income	$1,209,986	$1,591,365	$1,444,606	$1,327,325	$1,286,318	$1,177,897
Deduct dividends	1,040,000	1,040,000	1,040,000	1,040,000	1,040,000	1,007,500
Other appropriations	.....	100,000	150,000	107,049	.....	.....
Balance for corporate surplus	$169,986	$451,365	$254,606	$180,276	$246,318	$170,397
Times All Interest Earned	6.36	16.79	21.93	14.76	16.64	15.34

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Telephone plant	$24,965,766	$22,746,699	$20,022,837	$18,088,934	$16,729,676	$15,183,6
General equipment	705,024	636,292	636,477	696,784	565,165	367,4
Miscellaneous investments	.....	10,000	10,000	766,159	766,159	766,1
Materials and supplies	195,808	173,275	196,095	388,759	243,197	226,9
Bills and accounts receivable	854,635	975,893	962,026	1,639,988	2,690,960	3,329,3
Cash and deposits	171,565	191,141	97,712	131,986	140,116	295,9
Marketable securities	2,503	2,500	2,500	2,500	2,500	.....
Deferred debit items	674,373	575,299	564,771	537,836	525,817	451,4
Total	$27,569,674	$25,311,099	$22,492,418	$22,252,946	$21,663,590	$20,621,0
Liabilities—						
Capital stock (Common)	$13,000,000	$13,000,000	$13,000,000	$13,000,000	$13,000,000	$13,000,0
Funded debt	1,120,000	1,196,000	1,211,000	1,697,000	1,721,000	1,517,0
Advances from system corporations	3,647,651	2,025,000	150,000	.....	.....	.....
Bills and accounts payable	704,755	485,713	569,423	524,154	513,976	473,3
Accrued liabilities not due, etc.	294,126	530,849	443,847	738,265	691,197	635,4
Reserve for employees' benefit fund	545,797	550,000	450,000	300,000	192,951	192,9
Reserve for depreciation and amortization	5,864,332	5,300,616	4,896,704	4,488,222	4,225,554	3,730,2
Appropriated surplus	.....	133,699	44,939	.....	.....	.....
Surplus (unappropriated)	2,393,013	2,089,222	1,726,505	1,505,305	1,318,912	1,072,0
Total	$27,569,674	$25,311,099	$22,492,418	$22,252,946	$21,663,590	$20,621,0

Officers: A. E. Berry, Pres.; Burdett Stryker, V-P. P. O. Coffin, V-P. & Gen. Aud.; J. C. Koons, V-P.; D. S. Porter, Sec.; T. B. Clarkson, Treas.; D. A. De Vane, Gen. Counsel; M. D. Sedam, Gen. Mgr., Washington, D. C.

Directors: A. E. Berry, Montgomery County, Md.; C. J. Bell, E. C. Graham, John Poole, B. F. Saul, Washington, D. C.; W. S. Gifford, E. S. Wilson, New York.

General Office, 725 13th St., N. W., Washington, D. C. **New York Office,** 195 Broadway.

THE CHESAPEAKE AND POTOMAC TELEPHONE CO. OF BALTIMORE CITY

(Controlled by American Telephone and Telegraph Company)

History and Property—Incorporated March 8, 1884, in Md. Operates throughout the State of Maryland, serving a population of about 1,529,000.

License Contract—See American Telephone and Telegraph Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	128	127	123	123	124	3
Company stations	191,871	186,122	175,335	168,870	159,204	149,(4
Connecting and miscellaneous stations	5,244	5,242	5,221	5,245	5,089	4,'4
Total stations	197,115	191,364	180,556	174,115	164,293	153,'8
Total miles of wire	863,640	701,479	612,994	545,878	500,236	455,.4

CAPITAL STOCK

Authorized, $27,000,000 (increased from $17,500,000 in Oct., 1926) Common and $12,500,000 7% cumulative Pfd. stock, Series "A"; outstanding, December 31, 1927, $26,824,300 Common and $3,000,000 Pfd.; par, $100. All the Common stock is owned by American Telephone and Telegraph Company. In May, 1922, $3,000,000 7% cumulative Pfd. stock, Series "A," was publicly offered by company at $100 per share, either for cash or in monthly installments of $5 per share or multiple thereof, with adjustment of dividends.

Preferred Stock Provisions—Has preference for assets and dividends over Common stock and is subject to redemption in whole or in part on any dividend date on 60 days' notice at 110 and accrued dividends.

Transfer Agent—The Maryland Trust Co., Baltimore, Md.

Registrar—The Mercantile Trust & Deposit C., Baltimore, Md.

Annual Meeting—First Wednesday after third Tuesday in February, at Baltimore.

Listed (Pfd.)—Baltimore Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	19
High	118¼	116	114½	112	110¾	11
Low	115	110½	110⅛	109⅛	108¼	10

Dividends—Dividends have been paid as follow: On Common—1921, 1922, 1923, 1924, 6% each; 19 1926 and 1927, 8% each. On Pfd.—1922, 5¼%; 19 to 1927 inclusive, 7% per annum. Pfd. dividends declared the last Tuesday of M, J, S & D and p quarterly, J, A, J & O 15.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	192
Operating revenues	$11,903,402	$11,277,233	$10,512,747	$9,086,827	$8,505,513	$7,883,8
Operating expenses	7,989,049	7,413,594	7,262,826	6,998,424	6,220,318	5,867,3
Net operating revenues	$3,914,353	$3,863,639	$3,249,921	$2,088,403	$2,285,195	$2,015,5
Deductions:						
Uncollectible operating revenues	$62,307	$40,664	$85,400	$30,469	$36,616	$43,5
Taxes assignable to operations	1,308,496	1,191,222	1,034,444	898,086	809,752	729,3
Total operating income	$2,543,550	$2,631,753	$2,130,077	$1,159,848	$1,438,827	$1,242,5
Non-operating revenues (net)	23,405	58,413	63,000	34,792	123,585	114,3
Total gross income	$2,566,955	$2,690,166	$2,193,077	$1,194,640	$1,562,412	$1,357,0
Deductions—						
Rents and miscellaneous	180,336	$160,627	$144,256	$127,395	$116,972	$927
Interest	28,558	496,671	332,461	111,478	13,688	975
Balance net income	$2,358,061	$2,032,868	$1,716,360	$955,767	$1,431,752	$1,166,3
Deduct dividends:						
Preferred	210,000	210,000	210,000	210,009	187,774	1021
Common	2,145,944	1,373,944	1,373,944	1,030,458	1,026,662	919,7
Other appropriations from net income	.....	100,000	67,839	.....	.....	.....
Balance for corporate surplus	$2,117	$348,924	$64,577	*$284,700	$217,316	$145,7
Earnings Per Share—						
Preferred	$78.60	$67.76	$57.21	$31.86	$47.77	$46

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Intangible capital	$31,730	$31,724	$29,083	$31,505	$33,927	$36,348
Telephone plant	40,784,957	37,953,137	34,657,141	31,162,299	27,423,173	24,584,462
General equipment	764,513	743,422	716,263	622,699	546,379	496,514
Miscellaneous investments	.....	7,222	.....	.....	.....	.....
Materials and supplies	298,056	150,654	254,252	262,493	275,446	261,845
Bills and accounts receivable	836,712	854,330	789,438	664,321	646,892	2,385,749
Cash and deposits	106,698	147,498	169,741	86,258	52,998	149,061
Marketable securities	600	650	550	550	550	550
Deferred debit items	212,345	175,381	137,583	258,311	98,649	65,903
Total	$43,035,611	$40,064,018	$36,754,051	$33,088,436	$29,078,014	$27,980,432
Liabilities—						
Capital stock—						
Common	$26,824,300	$26,824,300	$17,174,300	$17,174,300	$17,174,300	$16,921,200
Preferred	3,000,000	3,000,000	3,000,000	3,000,000	2,997,100	2,503,700
Advances from System Corporations	1,972,773	.....	7,200,000	4,275,000	125,000	.....
Bills and accounts payable	944,190	749,021	775,820	797,075	571,455	949,932
Accrued liabilities not due, etc.	687,478	787,815	882,382	450,591	528,235	693,464
Reserve for employees' benefit fund	336,603	350,000	250,000	182,161	182,161	182,161
Reserve for depreciation and amortization	7,988,715	7,184,004	6,636,669	6,436,240	6,439,796	5,887,220
Surplus	1,281,552	1,168,878	834,879	773,069	1,059,967	842,755
Total	$43,035,611	$40,064,018	$36,754,051	$33,088,436	$29,078,014	$27,980,432

Officers: A. E. Berry, Pres., Baltimore, Md.; Burlett Stryker, V-P.; J. C. Koons, V-P., Washington, D. C.; W. A. Condit, V-P.; P. O. Coffin, V-P. & Gen. Aud.; D. S. Porter, Sec.; T. B. Clarkson, Treas.; D. A. DeVane, Gen. Counsel, Baltimore, Md.; M. D. Bedam, Gen. Mgr., Washington, D. C.

Directors: A. E. Berry, Montgomery County, Md.; C. J. Bell, Washington, D. C.; E. S. Wilson, W. S Gifford, New York; C. H. Carter, P. L. Goldsborough, H. M. Warfield, Baltimore, Md.

General Office, 108 E. Lexington St., Baltimore, Md. **Washington Office**, 725 13th, St., N. W.

THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANY OF VIRGINIA

(Controlled by American Telephone and Telegraph Company)

History and Property—Incorporated Feb. 11, 1905, in Va., as the Southern Bell Telephone & Telegraph Co. of Va.; present title adopted Oct. 8, 1912. Company operates in the State of Virginia, serving a population of about 2,401,000.

License Contract—See American Telephone and Telegraph Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	66	66	66	66	67	68
Company stations	122,200	117,717	114,041	108,662	103,157	97,389
Connecting and miscellaneous stations	57,664	58,213	53,623	49,719	49,523	48,946
Total stations	179,864	175,930	167,664	158,381	152,680	146,335
Total miles of wire	462,324	404,137	368,013	367,877	321,244	304,845

CAPITAL STOCK

Authorized, $14,000,000 (increased from $10,000,000 in 1926); outstanding, $13,200,000; par, $100. All owned by American Telephone and Telegraph Company. Annual meeting, Wednesday after last Tuesday in February, at Richmond, Va.

Dividends—Dividends paid as follows: 1910 and 1911, 6% each; 1912, 1913 and 1914, 5% each; 1915, 1916, 1917 and 1918, 4% each; 1919, 2%; 1920 and 1921, none; 1922, 4½%; 1923 and 1924, 7½% each; 1925, 1926 and 1927, 6% each.

FUNDED DEBT

$4,485,300 FIRST GOLD 5s; DUE MAY 1, 1943

Dated May 1, 1913.

Interest Payable May and November 1, at State-Planters Bank & Trust Co., Richmond, Va.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—State-Planters Bank & Trust Co., Richmond, Va.

Provisions of Issue—Authorized and issued, $5,000,000, of which $514,700 retired to Dec. 31, 1927.

Callability—Subject to call as a whole at 103 and interest on any interest date upon 60 days' notice.

Sinking Fund—1% per annum of the issued bonds began May 1, 1914 (payable May and Nov. 1), to be applied to purchase of bonds of this issue or may be invested in such securities as shall be satisfactory to the Company.

Security—First lien on entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Braxton & Eggleston, Richmond, Va.

Legal for Savings Banks in Maine, Ohio, Oregon, Rhode Island, New Jersey and Vermont.

Listed—Baltimore and Washington (D. C.) Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	102¼	102	97¾	97½	94
Low	101	99½	96½	93	92

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$6,550,757	$6,063,074	$5,537,752	$5,165,514	$4,962,931	$4,636,953
Operating expenses	4,393,326	4,139,530	4,083,352	3,587,327	3,397,101	3,288,728
Net operating revenue	$2,157,431	$1,923,544	$1,454,400	$1,578,187	$1,565,830	$1,348,225
Deductions—						
Uncollectible operating revenue	$25,315	$19,194	$11,192	$14,285	$20,843	$25,965
Taxes assignable to operations	658,736	573,636	476,931	476,455	435,160	368,030
Total operating income	$1,473,380	$1,330,714	$966,277	$1,087,447	$1,109,827	$954,230
Non-operating revenues (net)	28,607	25,800	30,033	30,154	18,500	32,869
Total gross income	$1,501,987	$1,356,514	$996,310	$1,117,601	$1,128,327	$987,099

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Deductions—						
Rents and miscellaneous deductions	$172,167	$147,500	$151,216	$129,003	$116,182	$94,75
Interest	252,912	457,403	401,020	319,824	325,582	540,43
Balance net income	$1,076,908	$751,611	$444,074	$668,774	$686,563	$351,9
Deduct dividends	792,000	540,000	540,000	675,000	591,822	191,1
Balance for corporate surplus	$284,908	$211,611	*$95,926	*$6,226	$94,741	$160,7
Times Interest Earned	5.26	2.64	2.11	3.09	3.11	1.

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Intangible capital	$26,943	$25,754	$25,470	$27,700	$19,476	$20,8
Telephone plant	22,131,784	20,433,556	19,262,789	18,011,267	16,450,693	15,546,3
General equipment	476,783	430,180	386,965	348,958	286,905	269,6
Investment securities	202,520	193,520	180,120	130,620	130,620	130,6
Materials and supplies	235,976	223,981	261,843	200,688	185,404	149,3
Bills and accounts receivable	490,874	477,926	335,979	333,670	296,888	292,4
Cash and deposits	98,403	95,632	104,273	193,989	162,538	166,5
Deferred debit items	352,706	285,256	280,955	321,350	352,528	274,0
Total	$24,015,989	$22,165,805	$20,838,394	$19,568,242	$17,885,052	$16,849,7
Liabilities—						
Capital stock	$13,200,000	$13,200,000	$9,000,000	$9,000,000	$9,000,000	$4,247,0
Funded debt	4,485,300	4,486,300	4,510,800	4,578,967	4,647,334	4,667,7
Advances from System Corporations	974,724	.....	3,467,798	2,342,798	617,798	4,920,7
Bills and accounts payable	513,644	369,856	487,081	445,298	478,300	389,4
Accrued liabilities not due, etc.	274,882	247,620	169,060	190,268	204,317	149,2
Reserve for employees' benefit fund	97,150	101,117	101,117	101,117	101,117	101,1
Reserve for depreciation and amortization	3,749,128	3,324,287	2,881,447	2,592,017	2,510,181	2,138,8
Surplus	721,161	436,625	221,091	317,777	326,005	235,5
Total	$24,015,989	$22,165,805	$20,838,394	$19,568,242	$17,885,052	$16,849,7

Officers: A. E. Berry, Pres.; Burdett Stryker, V-P. P. O. Coffin, V-P. & Gen. Aud.; J. C. Koons, V-P., Washington, D. C.; C. H. Weber, V-P., Richmond, Va.; D. S. Porter, Sec.; T. B. Clarkson, Treas.; D. A. De Vane, Gen. Counsel; M. D. Sedam, Gen. Mgr., Washington, D. C.

Directors: A. E. Berry, Montgomery Co., Md.; C. Bell, Washington, D. C.; J. S. Eggleston, Richmon Va.; Goldsborough Serpell, Norfolk, Va.; W. Gifford, E. S. Wilson, New York; Homer L. Ferguso Newport News, Va.

General Office, Richmond Trust Bldg., Richmor Va.; **Washington Office** 725 13th St., N. W.

THE CHESAPEAKE AND POTOMAC TELEPHONE CO. OF WEST VIRGINIA

(Controlled by American Telephone and Telegraph Company)

History and Property—Incorporated May 11, 1916, in W. Va. The territory operated comprises the State of West Virginia, serving a population of 1,557,000.

In August, 1927, Company purchased the property of the Limestone Telephone Company, a connecting company operating in Greenbrier and Monroe Counties, W. Va. This purchase added a considerable are embracing five central offices. Total purchase pri was approximately $58,000.

License Contract—See American Telephone an Telegraph Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	81	74	73	73	72	0
Company stations	103,250	97,465	93,475	90,114	84,932	76,6
Connecting and miscellaneous stations	32,110	31,944	34,266	33,224	38,262	36,2
Total stations	135,360	129,409	127,741	123,338	123,194	113,8
Total miles of wire	295,175	266,638	248,584	210,355	204,300	186,0

CAPITAL STOCK

Authorized, $17,000,000 (increased from $7,500,000 to $12,000,000 March 20, 1923, and to present amount in 1926); outstanding, Dec. 31, 1927, $16,200,000. All owned by American Telephone and Telegraph Company. Annual meeting, Friday following last Tuesd in February.

Dividends—Dividends paid in 1923, 7%; 1924, 3 1925, 1926 and 1927, 6% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$5,327,817	$5,071,196	$4,727,933	$4,180,635	$4,063,510	$3,672,4
Operating expenses	3,672,778	3,458,078	3,402,701	3,265,395	2,940,466	2,611,2
Net operating revenues	$1,655,039	$1,613,118	$1,325,232	$915,240	$1,123,044	$1,060,2
Deductions—						
Uncollectible operating revenues	$21,190	$21,122	$20,573	$14,824	$8,317	$34,1
Taxes assignable to operations	472,298	419,467	367,732	304,294	309,049	254,3
Net operating income	$1,161,551	$1,172,529	$936,927	$596,122	$805,678	$771,6
Non-operating revenues (net)	9,227	12,857	52,463	19,387	6,865	10,7
Total gross income	$1,170,778	$1,185,386	$989,390	$615,509	$812,543	$781,7
Deductions—						
Rents and miscellaneous deductions	$154,080	$144,545	$147,538	$122,611	$123,817	$106,1
Interest	28,226	243,898	229,479	124,460	92,314	212,4
Balance net income	$988,472	$796,943	$612,373	$368,438	$596,412	$463,2
Deduct dividends	972,000	715,500	630,000	315,000	670,694	....
Balance for corporate surplus	$16,472	$81,443	*$17,627	$53,438	*$74,282	$463,2

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
ntangible capital	$1,048,852	$1,035,261	$1,032,301	$1,032,301	$1,032,277	$1,027,904
elephone plant	18,633,225	17,064,153	16,188,865	14,222,658	12,693,664	11,388,206
eneral equipment	484,426	455,117	402,201	373,222	323,426	226,877
iscellaneous investments	28,622	31,316	.....	.....	.....	.....
aterials and supplies	272,303	204,814	171,043	201,533	180,592	246,522
ills and accounts receivable	428,447	413,951	378,722	322,094	320,039	334,758
ash and deposits	96,239	184,551	102,507	73,006	80,927	56,632
eferred debit items	93,400	81,681	126,569	55,685	82,589	60,612
Total	$21,085,514	$19,470,844	$18,402,208	$16,280,499	$14,713,514	$13,341,511
Liabilities—						
apital stock	$16,200,000	$16,200,000	$10,500,000	$10,500,000	$10,500,000	$6,825,400
dvances from System Corporations	1,059,366	.....	4,955,472	2,755,472	1,255,472	3,755,072
ills and accounts payable	542,879	407,891	416,882	349,638	435,514	416,137
ccrued liabilities not due, etc.	464,368	443,484	392,004	320,890	360,324	298,371
eserve for employees' benefit fund	86,704	88,321	88,321	88,321	88,321	88,321
eserve for depreciation and amortization	2,375,883	1,991,019	1,830,577	2,029,989	1,891,314	1,700,028
urplus	356,314	340,129	218,952	236,189	182,569	258,182
Total	$21,085,514	$19,470,844	$18,402,208	$16,280,499	$14,713,514	$13,341,511

Officers: A. E. Berry, Pres.; Burdett Stryker, V-P. . O. Coffin, V-P. & Gen. Aud.; J. C. Koons, V-P.; Vashington, D. C.; W. T. Williamson, V-P. & Sec., harleston, W. Va.; T. B. Clarkson, Treas.; D. A. De ane, Gen. Counsel, M. D. Sedam, Gen. Mgr., Washgton, D. C.

Directors: A. E. Berry, Montgomery County, Md.; C. J. Bell, D. S. Porter, Washington, D. C.; E. S. Wilson, W. S. Gifford, New York; W. T. Williamson, T. S. Clark, Charleston, W. Va.; D. A. Burt, Wheeling, W. Va.; C. M. Gohen, Huntington, W. Va.

General Office, 815 Quarrier St., Charleston, W. Va.
Washington Office, 725 13th St., N. W.

THE CINCINNATI AND SUBURBAN BELL TELEPHONE COMPANY

(Associated with American Telephone and Telegraph Company)

History and Property—Incorporated in Ohio, as the ity & Suburban Telegraph Association; present tle adopted in Nov., 1903. On Feb. 11, 1919, company led application with the Ohio Public Utility Comission for authority to purchase the property of ethel Home Telephone Co. With the approval of e Public Utilities Commission and the U. S. Departent of Justice, the property of the Hamilton Home elephone Co. was purchased on Dec. 1, 1919, and has nce been operated by this Company. (See 1919 Pub: Utility Manual, page 1491, or apply to our Infor ation Department). The acquisition of this property arked the end of competition in the Company's terri ry. Operates under Bell telephone patents in Cinnnati and Hamilton, Ohio; Covington and Newport, y., and in neighboring towns.

License Contract—See American Telephone and elegraph Company.

SUBSCRIBERS' STATIONS, AT DECEMBER 31

19	114,023	1924	156,123
20	125,145	1925	166,528
21	131,361	1926	170,537
22	133,372	1927	179,993
23	147,392		

CAPITAL STOCK

Authorized, $30,000,000 (increased from $20,000,000 Feb. 15, 1928); outstanding, Dec. 31, 1927, $18,327,-0; par, $50. The American Telephone and Telegraph mpany at Dec. 31, 1927, owned $5,445,800 of the ck.

Subscription Privileges—Late in 1922 stockholders received the right to subscribe at par, $50 a share, for 24,298 shares of capital stock, in the ratio of one new share for each ten shares held. On May 1, 1924 stockholders received the right to subscribe at par, $50 a share, for 38,183 shares of capital stock, in the ratio of one new share for each seven shares held. Stockholders of record August 22, 1925, received the right to subscribe at par, $50, for 61,093 additional shares of stock in ratio of one new share for each five shares held.

Transfer Office—Company's office, Cincinnati, O.
Registrar—The Central Trust Co., Cincinnati, O.
Annual Meeting—Third Wednesday in February.
Listed—Cincinnati Stock Exchange.
Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	117½	93	94	83	75	75	70½	70
Low	90¼	81	76¼	71	67½	62½	59½	55½

Dividends—Dividends at rate of 6% per annum were paid to Oct., 1906; increased to 8% per annum, beginning Jan. 1, 1907; increased to 10% per annum beginning April 1, 1912; from April 1, 1918, to Jan. 3, 1927, dividends at rate of 8% per annum were regularly paid quarterly, J, A, J & O 1; on April 1, 1927, dividend was increased to 9% per annum. In order to avoid fractional amounts dividends are paid alternately $1.13 one quarter and $1.12 the next quarter. An extra dividend of $6.25 was paid Jan. 15, 1918.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
lephone operating revenue	$8,931,081	$8,112,876	$7,153,551	$6,594,852	$6,113,853	$5,682,350
lephone operating expenses	5,689,461	5,293,910	4,862,315	4,352,432	4,155,564	3,790,644
Total operating revenues	$3,241,620	$2,818,966	$2,291,236	$2,242,420	$1,958,289	$1,891,706
Deduct—						
collectible operating revenues	$48,300	$67,896	$32,416	$25,100	$22,800	$21,600
xes assignable to operations	985,612	829,218	751,273	673,160	620,622	571,720
Operating income	$2,207,708	$1,921,852	$1,507,547	$1,544,160	$1,314,867	$1,298,386
n-operating revenues (net)	35,036	60,750	64,861	90,551	47,912	56,276
Total gross income	$2,242,744	$1,982,602	$1,572,408	$1,634,711	$1,362,779	$1,354,662
nt and miscellaneous deductions	49,889	47,649	38,162	15,058	13,159	12,150
erest deductions	6,027	5,603	9,421	4,024	.....	415
Balance net income	$2,186,828	$1,929,350	$1,524,825	$1,615,629	$1,349,620	$1,342,097
propriation to employees' benefit fund	.....	50,000	.....	150,000	.....	100,000
duct dividends	1,649,511	1,466,232	1,282,953	1,145,494	1,069,128	969,899
Surplus earnings	$537,317	$413,118	$241,872	$320,135	$280,492	$272,198
rnings Per Share	$5.96	$5.12	$4.16	$4.78	$5.13	$5.11

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant:						
Land and buildings	$3,337,511	$3,022,160	$2,987,793	$2,832,742	$2,317,484	$1,827,59
Other telephone plant	25,639,211	23,703,624	22,434,172	20,416,140	17,668,999	16,240,57
General equipment	452,247	406,856	361,399	343,748	290,542	260,97
Investment securities	340	340	340	340	340	50
Total permanent and long term invest.	$29,429,309	$27,132,980	$25,783,704	$23,592,970	$20,277,365	$18,329,64
Cash and deposits	102,376	169,701	325,800	46,344	170,569	190,82
Bills receivable	.....	570	.....	.....	300	1,30
Accounts receivable	831,195	545,594	540,254	338,123	315,705	290,65
Materials and supplies	341,383	259,606	179,491	270,089	234,314	162,17
Marketable securities, etc.	.....	1,274,160	1,500,000	.....	.....	.....
Accrued income, not due	.....	2,000	2,163	.....	.....	.....
Prepayments	19,949	21,372	22,064	28,704	38,474	39,69
Other deferred debit items	11,655	33,415	11,908	30,224	6,171	4,34
Total	$30,735,867	$29,439,398	$28,365,384	$24,306,454	$21,042,898	$19,018,64
Liabilities—						
Capital stock	$18,327,900	$18,327,900	$18,327,900	$15,273,250	$13,364,100	$12,149,20
Premium on capital stock	60,712	60,713	60,712	56,549	48,669	43,47
Bills payable	102,134	.....	.....	200,000	.....	.....
Accounts payable	560,272	691,816	619,759	416,130	415,907	587,93
Accrued liabilities, not due	698,872	610,422	563,838	453,021	407,897	402,15
Employees' benefit fund	364,579	375,000	325,000	325,000	175,000	175,00
Other deferred credit items	19,548	5,107	14,701	1,087	5,749	23
Reserve for accrued depreciation	7,747,771	7,127,439	6,633,889	6,014,420	5,379,541	4,699,16
Reserve for amortization intangible capital	59,678	54,304	49,251	44,543	40,065	35,8
Appropriated surplus	.....	.....	25,000	.....	.....	.....
Corporate surplus unappropriated	2,794,401	2,186,697	1,745,334	1,522,454	1,205,970	925,6
Total	$30,735,867	$29,439,398	$28,365,384	$24,306,454	$21,042,898	$19,018,6

Officers: B. L. Kilgour, Pres. & Gen. Mgr.; B. T. McBurney, V-P. & Asst. Gen. Mgr.; R. C. Hall, Sec. & Treas.; J. J. Becker, Aud., Cincinnati.

Directors: Walter S. Gifford, New York; Charles P. Taft, George W. Lewis, Charles J. Livingoo Bayard L. Kilgour, Ransom C. Hall, Benjamin McBurney, Charles W. Dupuis, Cincinnati, Ohio.

Main Office, Cincinnati, Ohio.

ILLINOIS BELL TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

History and Property—Incorporated Jan. 14, 1881, in Ill., as Chicago Telephone Co. (see 1920 Public Utility Manual, page 1365, or apply to our Information Department). Present title adopted in Dec., 1920, it having purchased all the property of the Central Union Telephone Co. in the State of Illinois on Nov. 30, 1920. It owns and operates telephone exchanges, in Alton, Aurora, Champaign, Chicago, Decatur, Elgin, Evanston, Gary, Hammond, Joliet, Moline, Peoria, Quincy, Rockford, Rock Island, Springfield, Waukegan and a number of other places. New franchise in Chicago granted in 1907, expires Jan. 8, 1929, and provides for 3% of gross receipts to be paid to city semi-annually. No. of central offices, Dec. 31, 1927, 269. No. of connecting and miscellaneous stations, 395,162.

Recent Acquisitions—On May 1, 1924, Company purchased from the Commercial Telephone and Telegraph Company certain toll property and ten exchanges. Duplication of toll operation within a considerable territory was eliminated by this transaction. Purchased on Sept. 30, 1924, the property of the Gibson Home Telephone Company and the United Telephone Company of Ottawa, Ill. For these three properties, operating 6,733 company stations and 301 miles of toll lines and serving 531 service stations, the company paid $597,756, which amount includes $137,500 of 6% bonds of the United Company maturing in June, 1929, which were assumed by the Illinois Bell Company. On April 1, 1926, the company purchased all of the properties of the Home Telephone Co. of Cairo, Ill., for approximately $114,344 and the assumption of $37,500 bonds of the Home Company.

On May 1, 1927 the Company purchased property the Winnebago County Telephone Company includi 1,433 company stations in the vicinity of Rockford, Il on Nov. 1, 1927 property of the Effingham Telepho Co., Effingham, Ill., including 1,114 company statio and on Dec. 31, 1927 the property of the Watseka Te phone Company, Watseka, Ill., including 1061 Co pany stations at a total cost of $171,911. The acq sition of all the above properties was approved by t Illinois Commerce Commission.

Rates—On Aug. 16, 1923, the Illinois Commer Commission entered an order reducing the rates in t City of Chicago, which, if operative, would have r duced the company's revenue approximately $1,70 000 per annum. The present Chicago rates were fix upon a minimum valuation made by the former Co mission. This order being, in the opinion of the co pany, confiscatory of the company's property, appli tion was made to the United States District Court Chicago for an injunction against the Commissio order. A temporary injunction was issued by th Federal Judges on Dec. 21, 1923, and the City of C cago appealed from this order to the U. S. Supre Court, which affirmed the injunction on October 1925. The case is now pending before the U. S. D trict Court in Chicago for final hearing.

License Contract—See American Telephone a Telegraph Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	192
Number of central offices	269	267	258	255	240	
Owned stations	1,296,421	1,215,458	1,130,164	1,058,964	981,668	903,2
Connecting and miscellaneous stations	395,162	390,541	378,607	371,158	367,391	356,6
Total stations	1,691,583	1,605,999	1,508,771	1,430,122	1,349,059	1,259,8
Total miles of wire	5,017,361	4,388,140	3,732,848	3,209,141	2,844,200	2,591,6

CAPITAL STOCK

Authorized and outstanding, $110,000,000; par $100. Authorized capital stock was increased from $80,000,000 to $110,000,000 on Aug. 10, 1926. On Dec. 31, 1927 the American Telephone and Telegraph Company owned $108,998,200 of the outstanding stock, $31,01 000 thereof being pledged under its Collateral Tr bonds of 1929.

Subscription Privileges—Stockholders of rec June 29, 1925, were offered the right to subscribe

)ar to $10,000,000 additional stock; payment was due :nd stock was issued as of Dec. 31, 1925. Stockholders)f record Dec. 10, 1926, received the right to subscribe :t par to $30,000,000 additional stock to be paid for in hree instalments, due Jan. 15, June 30 and Sept. 30, 927, as of which latter date the stock was issued.

Transfer Agent—Stock transferred at office of :ompany.

Registrar—Northern Trust Co., Chicago.

Annual Meeting—Fourth Wednesday in February.

Dividends—Dividends are declared in Feb., May, .ug. and Nov. and are paid M, J, S & D 31; dividends t the rate of at least 10% per annum were paid to ept. 30, 1908, and from Oct. 1, 1908, to date, at rate f 8% per annum.

FUNDED DEBT

(1)

25,700 UNITED TELEPHONE COMPANY OF OTTAWA, ILLINOIS FIRST MORTGAGE 6% GOLD BONDS; DUE JUNE 1, 1929

Dated June 1, 1909.

Interest Payable June and Dec. 1, at Ottawa Bank- g and Trust Co., Ottawa, Ill., Trustee. Coupon, $25,)0, $100, $500 and $1,000; principal may be registered. ıbject to call on any interest date. No sinking fund ·ovided. Secured by a first lien on entire property rmerly owned by United Telephone Company of ttawa, Ill. Assumed by Illinois Bell Telephone Com- :ny, which guarantees payment of principal and in- rest. Company does not pay Normal Federal In- me Tax.

(2)

3,976,200 ILLINOIS BELL TELEPHONE COMPANY FIRST : REFUNDING 5% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1956

Dated June 1, 1923.

Interest Payable June and December 1, at First ·ust & Savings Bank, Chicago, and First National :nk, New York.

Denominations—Coupon, $100, $500 and $1,000; :ncipal may be registered. Registered bonds in $1,-), $5,000 and $10,000. Coupon and registered bonds ·erchangeable.

Trustee—First Trust & Savings Bank, Chicago.

Provisions of Issue—Issued $50,000,000, of which 023,800 retired by sinking fund to Dec. 31, 1927, leav- ; $48,976,200 outstanding.

The authorized amount of bonds is limited that the amount thereof at any time out- nding (when added to the outstanding amount of r obligations which may hereafter become underly- bonds, under the terms of the mortgage, through purchase of properties subject to debt) shall not :eed twice the amount of the then outstanding cap- stock. Subject to the above limitations in amount, ıds will be issuable for the acquisition of additional perty necessary or useful in connection with the ·iness of the company (including stocks, bonds and urities of other corporations) and for betterments; if at any time the amount of outstanding bonds ured by this mortgage, when added to the prior ded debt (if any) of the company, shall exceed the)unt of the then outstanding capital stock, addition-)nds will be issuable for not exceeding 75% of the enditures for such additional property and better- its. The issue of bonds in respect of stock and other securities will be limited so that not more than one-third of the security under the mortgage shall consist of stock and unsecured obligations of other corporations.

The mortgage further provides that so long as the Series "A" bonds are outstanding, no bonds will be issuable, except for refunding, unless the net earnings of the company available for interest charges during any twelve consecutive months out of fifteen months immediately preceding the proposed issue, shall have been not less than 1¾ times the interest during such period on the company's outstanding funded debt, as defined in the mortgage, plus the amount of interest for twelve months on the bonds proposed to be issued. The bonds issuable under the mortgage may be of several series and may vary as to interest rates, maturity dates, sinking fund and other provisions as may be determined by the company from time to time.

Purpose of Issue—Proceeds from the sale of $50,- 000,000 Series "A" bonds were used in part to retire $15,530,179 3-year 5% Unsecured Notes and $19,004,- 000 First 5s, due Dec. 1, 1923, of the Chicago Telephone Co., and the balance for additions and betterments.

Callability—Subject to call, in whole but not in part, on 60 days' notice, on June 1, 1929 or any interest date thereafter, with accrued interest, at 105 if on or prior to Dec. 1, 1952; thereafter at par.

Sinking Fund—A sinking fund amounting to $250,- 000 semi-annually began Dec. 1, 1923 to be used in purchasing Series "A" bonds, if obtainable at not exceeding par and accrued interest. If not so purchasable, any moneys held for six months in the sinking fund in excess of $250,000 may be withdrawn for capital expenditures. If bonds are purchased for the full amount of the sinking fund payments, not less than $16,000,000 principal amount of the Series "A" bonds will be retired by maturity while the portion of the sinking funds not used in the purchase of such bonds will be invested in property against which no bonds under this mortgage will be issuable as long as any Series "A" bonds are outstanding.

Security—A first lien on all real estate, buildings and telephone plant of the company in the State of Illinois, now owned or hereafter acquired, with the exception of certain property, formerly constituting a part of the Kinloch Telephone System, recently acquired from the Southwestern Bell Telephone Co. at a cost of approximately $843,000.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine, Massachusetts, New Hampshire, Ohio, Oregon, Rhode Island, New Jersey and Vermont.

Original Offering—First publicly offered ($50,000,- 000) in June, 1923 by a syndicate composed of J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, National City Co., Bankers Trust Co., Guaranty Co., Harris, Forbes & Co., Lee, Higginson & Co., all of New York, etc., Harris Trust & Savings Bank, Chicago, at 95¼ and interest, to yield over 5.30%.

Listed—New York and Chicago Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	106	104	101⅞	98¼	95
Low	102¾	100¾	97	93½	93

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
rating revenues	$72,792,845	$67,190,937	$60,944,656	$55,798,975	$51,635,444	$47,667,284
rating expenses	51,818,279	48,147,821	43,809,669	41,054,438	38,723,598	35,401,645
Net operating revenue	$20,974,566	$19,043,116	$17,134,987	$14,744,537	$12,911,846	$12,265,639
ollectible operating revenue	434,916	324,025	458,681	325,093	204,058	171,825
es assignable to operations	7,346,988	6,536,205	5,564,398	4,809,222	4,362,394	3,967,434
Operating income	$13,192,662	$12,182,885	$11,111,908	$9,610,222	$8,345,394	$8,126,380
non-operating income	574,481	369,530	491,573	724,267	1,005,379	502,513
Total gross income	$13,767,143	$12,552,415	$11,603,481	$10,334,489	$9,350,773	$8,628,893

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Deductions—						
Rent, etc.	$889,306	$632,523	$428,215	322,265	248,845	203,29
Bond interest	$2,458,142	2,459,533	2,597,569	2,614,127	2,179,584	*961,32
Other interest	1,089,136	466,477	341,271	160,402	609,818	1,110,74
Debt discount and expense	123,666	123,201	.....	.....	.....	.....
Balance net income	$9,206,893	$8,870,681	$8,236,426	$7,237,694	$6,312,526	$6,353,68
Dividends	7,000,000	6,400,000	5,600,000	5,401,752	4,803,408	4,000,00
Other appropriations from net income	.....	600,000	900,000	1,788,585	460,298	.....
Balance for corporate surplus	$2,206,893	$1,870,681	$1,736,426	$47,357	$1,048,820	$2,353,68
Times All Interest Earned	3.51	3.91	3.80	3.61	3.26	4

*Interest on mortgage debt.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Intangible capital	$3,978	$3,978	$3,978	$3,978	$42,639	$42,0
Plant—						
Land and buildings	18,544,227	16,685,808	15,759,981	14,691,731	13,196,970	12,418,1
Telephone plant	207,181,133	183,041,552	164,285,369	144,827,337	130,305,120	118,136,1
General equipment	3,708,295	3,300,559	3,049,169	2,734,527	2,481,994	2,222,1
Other permanent and long term investments	1,020,472	971,729	979,303	936,093	398,149	339,7
Total permanent and long term invests.	$230,458,105	$204,003,626	$184,077,800	$163,193,666	$146,424,872	$133,159,3
Cash and deposits	1,276,301	1,224,623	1,677,589	1,257,694	1,987,693	1,509,7
Marketable securities	15,457	23,036	35,904	13,362	11,004,229	4,5
Bills receivable	53,349	818	27,827	4,127	52,848	32
Accounts receivable	7,514,369	6,686,557	5,815,050	8,223,107	5,603,390	5,157,5
Materials and supplies	822,067	954,627	943,022	833,704	933,320	793
Accrued income not due	10,299	7,059	10,277	8,133	146,183	4
Deferred debits	4,657,923	4,962,909	4,884,799	4,914,915	4,825,030	4586
Total	$244,807,870	$217,863,255	$197,472,269	$178,448,708	$170,977,565	$141,120
Liabilities—						
Capital stock	$110,000,000	$80,000,000	$80,000,000	$70,000,000	$68,017,520	$60,000
Premiums on capital stock	4,168	3,433	3,433	2,911	2,911	2
Funded debt	49,139,400	49,137,400	49,252,900	49,590,200	49,992,700	34,884
Advances from system corps.	.....	13,800,000	3,000,000	.....	.....	...
Accounts payable	8,170,687	5,099,959	3,609,511	4,242,308	3,655,064	2,754
Accrued liabilities not due	6,998,870	6,426,827	5,555,081	4,833,478	4,670,118	4,114
Unextinguished premium on debt	.....	.....	.....	.....	.....	433
Insurance and casualty reserves	.....	.....	.....	.....	1,400,000	1,400
Employees' benefit reserve	3,465,847	3,500,000	2,900,000	2,000,000	63,920	45
Other deferred credit items	66,795	53,775	32,422	58,398	37,575,005	33,522
Fixed capital reserves	53,982,291	49,391,422	44,562,998	40,911,442	460,298	...
Appropriated surplus	7,480,867	5,686,949	4,149,537	2,215,874	5,140,029	3,961
Corporate surplus unappropriated	5,498,945	4,763,490	4,406,386	4,594,097		
Total	$244,807,870	$217,863,255	$197,472,269	$178,448,708	$170,977,565	$141,120

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	192
Current Assets—						
Cash and deposits	$1,276,301	$1,224,623	$1,677,589	$1,257,694	$1,987,693	$1,509
Marketable securities	15,457	23,036	35,904	13,362	11,004,229	4
Bills receivable	53,349	819	27,827	4,127	52,848	32
Accounts receivable	7,514,369	6,686,557	5,815,050	8,223,107	5,603,390	5,157
Materials and supplies	822,067	954,627	943,022	833,704	933,320	793
Total	$9,681,543	$8,889,662	$8,499,392	$10,331,994	$19,581,480	$7,499
Current Liabilities—						
Accounts payable	$7,425,300	$5,099,959	$3,609,511	$4,242,308	$3,655,064	$2,752
Accrued liabilities, not due	6,998,870	6,426,827	5,555,081	4,833,478	4,670,118	4,116
Total	$14,424,170	$11,526,786	$9,164,592	$9,075,786	$8,325,182	$6,869
Net Working Capital	†$4,742,627	†2,637,124	†$665,200	*$1,256,208	*$11,256,298	*$620

*Credit. †Debit.

Officers: W. R. Abbott, Pres.; F. O. Hale, V-P.; B. S. Garvey, V-P.; H. W. Bang, V-P.; A. R. Bone, Sec.; W. J. Boyd, Treas. & Asst. Sec.; W. D. Bangs, Gen. Counsel; U. F. Cleveland, Gen. Aud.; A. H. Mellinger, Gen. Mgr., Chicago Area; W. O. Kurtz, Gen. Mgr., State Area, Chicago, Ill.

Directors: Bernard E. Sunny, Chairman, W Abbott, D. Mark Cummings, David R. Forgan, J Hale, Chauncey Keep, Wm. H. Miner, Robert P mont, Theodore W. Robinson, Chicago; Cha Cooper, W. S. Gifford, New York.

Offices, Bell Telephone Building, 212 West W ington St., Chicago, Ill.

INDIANA BELL TELEPHONE CO.

(Controlled by American Telephone and Telegraph Company)

History—Incorp. Feb. 6, 1920, in Indiana. Organized to own and operate the telephone exchanges and local toll lines of the Bell Telephone System in Indiana. Acquired the Indiana properties of Central Union Telephone Co., including properties of Indianapolis Telephone Co. The latter property was acquired at a cost of $4,250,000, of which amount $1,250,000 was paid in cash and the remainder ($3,000,000) covered by 7% Serial Notes of the Central Union Telephone Co., which notes were endorsed and assumed by the Indiana Bell Telephone Co. On July 1, 1920, the pro of the United Telephone Co., Bluffton, Ind., the zens Telephone Co. of Kokomo, Ind., Union Tele & Telegraph Co. and Southern Telephone Co. diana was merged.

Operating Statistics, Dec. 31, 1927—No. of c offices, 81. Company stations, 196,787; servic private line stations, 2,951; connecting compan tions, 303,660—total stations, 503,398. Miles o line, 7,839. Miles of wire, 735,610.

CAPITAL STOCK

Authorized and outstanding, $30,000,000; par, $100. All owned by American Telephone & Telegraph Co., except directors' qualifying shares.

Annual Meeting—Thursday after fourth Wednesday in April.

Dividends—1926, 4%; 1927, 6½%.

FUNDED DEBT

$338,500 The South Bend Home Telephone Co. First Gold 6s; dated July 15, 1902; due July 15, 1932; int. Jan. and July 15, at Citizens' Loan, Trust & Savings Co., South Bend, Ind., Trustee. Coupon, $500 and $1,000. Secured on real estate and all exchanges and toll line properties. Authorized, $400,000 Sinking fund 2½% annually began July 1, 1908. Subject to call at 105 and interest. Assumed by Indiana Bell Telephone Co. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Telephone oper. revenues..	$11,369,234	$10,820,506	$9,902,494
Telephone oper. expenses.	7,054,256	7,140,562	7,153,496
Net telephone oper. rev.	$4,314,978	$3,679,944	$2,748,998
Uncollectible oper. revenue	41,981	58,285	34,054
Taxes assignable to opera.	1,297,125	1,129,089	923,220
Operating income	$2,975,872	$2,492,570	$1,791,724
Net non-operating income.	283,561	271,313	131,093
Total gross income	$3,259,433	$2,709,883	$1,922,817
Rent & miscel. deductions .	151,322	163,425	159,466
Interest	405,337	409,012	1,000,903
Balance net income	$2,702,774	$2,137,446	$762,448
Dividends	1,755,000	1,080,000	.....
Misc. approp. of income ...	.....	200,000	118,841
Bal. for corporate surplus	$947,774	$857,446	$643,607

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Intangible capital	$185,786	$212,612	$248,478
Land and buildings	2,160,024	1,837,370	1,739,728
Telephone plant & equip...	35,308,857	33,303,286	33,015,254
General equipment	643,250	601,957	632,619
Total fixed capital & construction work in progress	$38,297,917	$35,955,225	$35,636,059
Investment securities	1,961,096	1,825,858	1,596,437
Advs. to system corps.....	59,000	62,000	63,000
Miscellaneous investments.	41,685	291,255	278,390
Total perm. & long-term investments	$40,359,698	$38,134,339	$37,573,886
Cash	238,794	236,078	213,868
Bills receivable	33,216	32,719	32,281
Accounts receivable	2,128,213	2,294,271	1,224,709
Materials and supplies	260,507	228,736	224,226
Accrued income not due .	20,768	23,148	10,441
Sinking fund assets	.....	12,006	203
Prepayments	92,235	100,971	100,365
Other deferred debits	13,718	12,572	6,864
Total	$43,147,149	$41,074,840	$39,386,843

*Deficit.

Liabilities—	1927	1926	1925
Capital stock	$30,000,000	$27,000,000	$27,000,000
Funded debt	339,500	360,649	372,100
Adv. from system corps. ...	3,500,000	6,500,000	6,622,139
Accounts payable	1,142,067	698,049	602,502
Bills payable	67,000	.....	.....
Accrued liabs. not due	1,339,703	1,171,406	977,466
Insurance & casualty res. ..	.....	.....	29,835
Liab. for employees' benefit fund	492,481	500,000	300,000
Other deferred credits	12,930	10,369	6,489
Res. for accrd. depreciation.	4,058,633	3,568,791	3,033,785
Res. for amort. intangible capital	46,158	35,979	27,287
Corporate surplus	2,148,677	1,229,597	415,240
Total	$43,147,149	$41,074,840	$39,386,843

Officers: C. H. Rottger, Pres.; F. A. Montrose, V-P. Gen. Mgr.; A. R. Henry, Sec. & Treas.; B. E. Loomis, Asst. Sec. & Asst. Treas.; W. E. Hansen, Asst. Treas.; W. J. McWilliams, Gen. Aud., Indianapolis, Ind.

Directors: C. P. Cooper, New York; C. H. Rottger, E. W. Stout, F. C. Gardner, F. D. Stalnaker, F. A. Montrose, Indianapolis, Ind.; H. B. Thayer, E. S. Wilson, W. S. Gifford, New York.

General Office, Bell Telephone Bldg., Indianapolis, Ind.

MICHIGAN BELL TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

History and Properties—Incorporated Jan. 30, 1904, in Mich., as the Michigan State Telephone Co.; present title adopted Jan. 1, 1924. Operates under State Law (no franchises required) throughout the State of Michigan.

During 1912, the Company acquired the properties of the Home Telephone Co. (Detroit, Mich.) and four associate companies (Inter-State Long Distance Telep. Co. of Mich.; Macomb County Telep. Co. of Mt. Clemens; Detroit River Telep. Co. of Wyandotte and Trenton and Wayne County Telep. Co. of Northville and Plymouth) operating in the neighborhood of Detroit. The bonds of the Home Company were paid off and cancelled (see Manual for 1912, page 1795). In Sept. 1912, acquired the property of the Washtenaw Home Telephone Co.—see Manual for 1912, page 2483.

Effective May 1, 1922, Company purchased the property of the Valley Home Telephone Co. (see 1923 Manual, page 1375), assuming $196,300 5% bonds of that company, $92,200 of which had been retired to Dec. 1, 1927, and the remainder ($104,100) mature Nov. 1, 1932 (see below); on Sept. 1, 1923, acquired the property and assets of the Citizens Telephone Co., Grand Rapids, Mich. (see 1923 Manual, page 1377), assuming $1,453,800 First Mortgage 5% bonds, due Dec. 1, 1936, of which $300,000 carry coupons bearing 2% additional interest, $42,100 5% retired through sinking fund, leaving $1,411,700 outstanding as of Dec. 31, 1927; on Nov. 1, 1923, acquired the property of the Citizens Telephone Co. of Battle Creek, Mich. (formerly controlled by Citizens Telephone Co., Grand Rapids, Mich.), assuming $10,500 par value 6% bonds, which matured and were paid off May 1, 1924; on Dec. 1, 1923, acquired the property of Citizens Telephone Co., Jackson, Mich. (see 1923 Manual, page 1378). This latter company had $236,500 First Mortgage 5% bonds, due Feb. 1, 1923, payment of which was defaulted; $230,500 of these bonds had been acquired or were in sinking fund leaving $6,000 in hands of public. Upon the acquisition of the property by the Michigan Company, the bonds were retired.

The consolidation program following the purchase of the Citizens Telephone Company property in western Michigan in September, 1923, was completed in 1926. All of the exchange service was consolidated during 1923, that is, within four months after acquiring the property, except at Jackson, where the consolidation was completed in 1924, at Lansing, where the work was completed in 1925, and at Grand Rapids, where the consolidation was completed in May, 1926.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	259	251	256	256	259	215
Exchange and toll stations	585,735	547,850	501,283	455,567	422,103	338,236
Connecting stations	125,040	127,810	127,035	127,339	124,710	173,112
Total stations	710,775	675,660	628,318	582,906	546,813	511,348
Miles toll pole lines	6,860	6,927	7,284	7,582	6,283	7,071
Miles toll wire	287,599	202,090	152,484	117,715	93,826	85,033
Total miles of wire	2,733,923	2,116,763	1,691,083	1,376,679	1,110,369	1,082,652

CAPITAL STOCK

Authorized and outstanding, $85,000,000 Common (increased from $6,000,000 to $25,000,000 April 12, 1923, to $35,000,000 April 1, 1924, to $50,000,000 Dec. 31, 1924, and to $85,000,000 Dec. 31, 1927, the new stock being sold at par to the American Telephone and Telegraph Co. in payment of a like amount of demand notes); par, $100. The American Telephone and Telegraph Company owns $84,989,000 of the stock, $40,000,000 thereof being pledged under its Collateral Trust bonds of 1929. Secretary of Company acts as Transfer Agent. Registrar: Union Trust Co., Detroit. Annual meeting, first Thursday in March.

Dividends—Dividends on Com. stock paid as follows: 4% in 1908; at rate of 6% per annum from Mar. 1909 to Mar. 1910, incl.; April 1910, to Mar. 1912, incl., at rate of 7% per annum; April 1912 to Sept. 1914, incl., at rate of 6% per annum; none thereafter until 1923, when 6½% was paid; 1924 to date, 8% per annum.

The $4,000,000 6% Pfd. stock previously outstanding was called for redemption Feb. 1, 1923. This stock was cumulative and dividends had been paid regularly from the organization of the Company to and including Sept. 30, 1919. After that date it was necessary to temporarily discontinue the payment of dividends on Pfd. stock. During the year 1922, all of the past due dividends to and including Dec. 30, 1922, amounting in total to $780,000 were paid. An additional $20,000 covering the dividend on this stock for the month of Jan., 1923, was paid with the retirement of the stock on Feb. 1, 1923.

FUNDED DEBT

(1)

$1,411,700 CITIZENS TELEPHONE CO., GRAND RAPIDS, MICH., FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1936

Dated December 1, 1916.

Interest Payable June and December 1, at The Michigan Trust Co., and Grand Rapids Trust Co., Grand Rapids, Mich.

Denominations—Coupon, $100, $500, $1,000; principal may be registered.

Trustees—Grand Rapids Trust Co., and The Michigan Trust Co., Grand Rapids, Mich.

Provisions of Issue—Authorized, $3,000,000; issued and outstanding, $1,411,700. Of the outstanding bonds, $300,000 are issued with 2% additional interest coupons, being the Company's promise to pay 1% additional semi-annual interest during the life of the bonds with which issued.

Callability—Subject to call on any interest date or 60 days' notice at 102 and interest.

Sinking Fund—1% per annum of bonds outstanding

Depreciation Fund—The mortgage provides for a depreciation charge of at least 4% annually on the physical value of the property.

Security—First lien on entire property formerly owned by Citizens Telephone Co., Grand Rapids Mich.

Assumed by Michigan State Telephone Co. (now Michigan Bell Telephone Company).

Legal for Savings Banks in New Hampshire, Ohio Vermont and Rhode Island.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($650,000 in Nov. 1916, at 100 and interest.

(2)

$9,800 DETROIT RIVER TELEPHONE CO. FIRST MORTGAGE 6s; DUE SEPTEMBER 1, 1930

Interest Payable March and Sept. 1, at Detroit Trust Co., Detroit, Mich., Trustee. Secured by a first lien on the entire property formerly owned by Detroit River Telephone Co. Assumed by Michigan State Telephone Co. (now Michigan Bell Telephone Company). Company does not pay Normal Federal Income Tax.

(3)

$104,100 VALLEY HOME TELEPHONE CO. REFUNDING (NOW FIRST) MORTGAGE 5s; DUE NOVEMBER 1 1932

Dated August 1, 1912.

Interest Payable May and Nov. 1, at Detroit Trust Co., Detroit, Mich., Trustee. Secured by a first lien on property formerly owned by Valley Home Telephone Co. Assumed by Michigan State Telephone Co. (now Michigan Bell Telephone Company). Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Income Accounts for years prior to 1924 are from Michigan State Telephone Co. Reports.)

	1927	1926	1925	1924	1923	1922
Operating revenues	$33,178,013	$30,060,438	$26,883,524	$24,444,567	$21,128,906	$18,113,27
Operating expenses	22,513,580	21,120,469	18,896,203	17,042,566	14,890,797	12,638,79
Net operating revenues	$10,664,433	$8,939,969	$7,987,321	$7,402,001	$6,238,109	$5,474,48
Uncollectible operating revenues	229,409	184,079	187,143	114,337	119,044	174,71
Taxes assignable to operations	3,181,416	2,764,306	2,270,085	2,135,335	1,555,968	1,341,19
Operating income	$7,253,608	$5,991,584	$5,530,093	$5,152,329	$4,563,097	$3,958,57
Net non-operating income	391,437	168,520	234,036	126,478	107,207	143,45
Total gross income	$7,645,045	$6,160,104	$5,764,129	$5,278,807	$4,670,304	$4,102,02
Deductions—						
Rent, etc.	$312,802	$261,583	$241,189	$210,429	$199,669	$186,87
Bond interest	82,418	82,453	83,785	125,430	520,880	494,10
Other interest	2,376,963	1,527,751	744,825	1,197,438	1,099,562	1,467,16
Balance net income	$4,872,862	$4,288,317	$4,694,330	$3,745,510	$2,850,193	$1,953,88
Dividends	4,000,000	4,000,000	4,000,000	2,625,000	1,322,000	780,00
Other appropriations from net income		100,000	400,000		1,337,220	629,33
Balance for corporate surplus	$872,862	$188,317	$294,330	$1,120,510	$190,973	$544,55
Times All Interest Earned	2.98	3.66	6.67	3.83	2.76	1.9

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Land and buildings	$12,656,335	$9,748,876	$90,400,688	$76,787,209	$67,202,580	$57,014,601
Telephone plant and equipment	111,132,193	94,747,898				
General equipment	2,082,236	1,713,202	1,402,932	1,135,132	1,045,265	912,864
Investment securities	431,918	327,267	444,719	428,834	335,084	
Advances to system corporations	16,000	16,000	16,000	16,000	16,000	349,368
Miscellaneous investments	165,338	159,254	51,590	19,822	22,891	
Cash and deposits	440,927	432,821	552,785	612,566	397,552	491,975
Marketable securities	8,862	9,234	3,927	3,845	4,128	4,706
Bills receivable	42,789	27,362	28,589	30,553	24,750	20,330
Accounts receivable	3,389,730	3,076,546	2,653,829	2,301,781	1,833,532	1,602,430
Materials and supplies	993,244	1,243,733	1,235,406	771,161	849,240	675,668
Accrued income not due	8,572	7,640	7,319	6,608	923	5,219
Sinking fund assets	29,026					
Deferred debits	372,644	331,656	270,901	320,176	449,226	500,665
Total	$131,769,814	$111,841,489	$97,068,685	$82,433,687	$72,181,171	$61,577,826
Liabilities—						
Capital stock	$85,000,000	$50,000,000	$50,000,000	$50,000,000	$25,000,000	$10,000,000
Funded debt	1,525,600	1,526,900	1,527,300	1,556,600	11,330,700	9,881,500
Advances from system corp.	15,127,386	32,940,000	20,090,000	7,015,000	16,820,465	25,985,465
Accounts payable	3,379,132					
Subscribers deposits and service billed in adv.	1,173,296	3,422,229	3,173,476	3,607,233	1,850,073	1,386,092
Bills payable	148,423					
Accrued liabilities, not due	3,314,279	2,931,106	2,565,918	2,266,908	2,144,754	1,660,328
Sundry reserves	36,996		18,740	13,504	7,582	2,829
Employees' benefit fund	988,551	1,000,000	900,000	500,000	215,000	215,000
Other deferred credits	29,355	46,170	21,560	33,698	20,406	420,644
Reserve for accrued depreciation, etc.	15,720,230	15,462,834	14,544,966	13,510,932	11,650,572	10,581,104
Appropriated surplus					1,847,368	629,329
Corporate surplus unappropriated	5,326,566	4,512,250	4,226,725	3,929,812	1,294,251	815,535
Total	$131,769,814	$111,841,489	$97,068,685	$82,433,687	$72,181,171	$61,577,826

Officers: Burch Foraker, Pres., Detroit, Mich.; D. E. Waters, V-P., Grand Rapids, Mich.; G. M. Welch, V-P. & Gen. Mgr.; W. I. Mizner, Sec. & Treas.; H. J. Booth, Gen. Aud., Detroit, Mich.

Executive Committee: Frank W. Blair, Burch Foraker, Bancroft Gherardi, Dudley E. Waters, G. M. Welch.

Directors: Burch Foraker, Frank W. Blair, Emory W. Clark, Frank L. Curtis, G. M. Welch, Walter I. Mizner, Fred J. Fisher, Detroit, Mich.; W. S. Gifford, Bancroft Gherardi, New York; Dudley E. Waters, Grand Rapids, Mich.; Gerrit J. Diekema, Holland, Mich.

General Office, 1365 Cass Ave., Detroit, Mich.

THE MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY

(Controlled by American Telephone and Telegraph Company)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid— Rate	Dividends Paid— Amount	Earnings per Share
Capital Stock; par, $100	J, A, J & O 15	$50,000,000	$38,439,700	$3,888,732	8%	$3,075,176	$10.12

History and Property—Incorporated July 17, 1911, in Colorado; consolidation of the Rocky Mountain Bell Telephone Co. (see Manual for 1911, page 1425, or apply to our Information Department), and the Colorado Telephone Co. and its subsidiary the Tri-State Telephone & Telegraph Co. (see Manual for 1911, page 1413). The Colorado Telephone Co. operated in Colorado and New Mexico, except in the southernmost counties; The Rocky Mountain Bell Telephone Co. in Utah, Idaho, Montana and Wyoming; the Tri-State Telephone & Telegraph Co. in Cochise County, Ariz., southern New Mexico and El Paso, County, Tex. The merger was effected by the acquisition by the new company of the stock of each of the constituent companies, and with the transfer to of all the physical properties, franchises, etc., of the former companies.

The stockholders of the Colorado Telephone Co. received for their holdings stock in the Mountain States Telephone & Telegraph Co. in the ratio of 112 to $100. Stockholders of the Tri-State Telephone & Telegraph Co. received for their holdings stock in the Mountain States Telephone & Telegraph Co., share for share. Stockholders of Rocky Mountain Bell Telephone Co. received shares of the Mountain States Telephone & Telegraph Co. in the ratio of $60 to $100.

The Mountain States Telephone & Telegraph Co. owns and controls the telephone properties of seven states, and crosses the border of one other, operating throughout the states of Colorado, Utah, Montana, Wyoming, New Mexico and Arizona, and in all of Idaho except that portion north of the Salmon River and in West Texas, with toll lines extending into the surrounding territory. On Sept. 1, 1920, The Mountain States Tel. & Tel. Co., having been authorized to transact business in Texas, purchased the property of The Tri-State Telephone Co., and is now operating in that state. The Mountain States Telephone & Telegraph Co. occupies a region from Canada on the north to Mexico on the south—an aggregate territory of approximately 777,705 square miles. The area served by the company showed an increase in population from 1910 to 1920 of about 30% in comparison with a 15% increase for the United States as a whole. The company acquired all the Bell properties in Arizona during 1912.

Recent Acquisitions—During 1927 Company acquired the properties of the Clayton-Texline Company, Clayton, N. Mex.; Green River Telephone Company, Green River, Utah; Cheyenne County Telephone Company, Cheyenne Wells, Colo.; Gallup Telephone Company, Gallup, N. Mex.; The Naturita Valley Rural Telephone Company, Norwood, Colo.; Meridian Independent Telephone Company, Meridian, Idaho.

License Contract—See American Telephone and Telegraph Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	448	439	442	437	437	435
Subscribers' stations	408,598	393,978	379,577	364,541	351,613	340,471
Connecting stations	29,394	30,006	30,272	30,458	36,268	36,349
Total stations	437,992	423,984	409,849	394,999	387,881	376,820
Total miles of wire	1,101,469	1,060,703	1,002,274	943,289	916,419	867,600

CAPITAL STOCK

Authorized, $50,000,000; outstanding, $38,439,700 (increased from $34,168,600 in 1918); par, $100. On Dec. 31, 1927, the American Telephone & Telegraph Co. owned $27,990,000 of the stock, $25,800,000 thereof being pledged under its Collateral Trust bonds of 1929, and $1,700,000 being pledged under Western Telephone and Telegraph Company Collateral Trust bonds of 1932.

Transfer Office—Company's office, Denver, Colo.

Registrar—International Trust Co., Denver, Colo.

Annual Meeting—Second Tuesday in February.

Dividends—Dividends are declared the second Tuesdays in M, J, S & D and are paid quarterly, J, A, J & O 15, at Denver. Paid 7% per annum from Oct. 15, 1911, to Oct. 15, 1926; Jan. 15, 1927 to April 16, 1928, inclusive, 2% each quarter.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Telephone operating revenue	$19,076,370	$17,845,882	$16,870,928	$16,021,250	$15,659,958	$15,353,143
Telephone operating expenses	12,786,328	11,431,467	11,149,404	10,556,451	10,486,786	10,435,581
Total net operating revenue	$6,290,042	$6,414,415	$5,721,524	$5,464,799	$5,173,172	$4,917,562
Deduct:						
Uncollectible operating revenue	102,600	80,155	65,233	64,300	80,400	81,600
Taxes assignable to operations	2,042,557	1,901,165	1,711,104	1,642,277	1,593,536	1,515,515
Operating income	$4,144,885	$4,433,095	$3,945,187	$3,758,222	$3,499,236	$3,320,447
Non-operating revenues	100,788	77,135	79,865	125,739	91,517	101,535
Total gross income	$4,245,673	$4,510,230	$4,025,052	$3,883,961	$3,590,753	$3,421,982
Rent and miscellaneous deductions	233,701	223,547	194,168	237,706	210,086	194,984
Interest deductions	123,240	103,490	81,589	90,278	167,619	238,375
Balance net income	$3,888,732	$4,183,194	$3,749,295	$3,555,977	$3,213,048	$2,988,623
Deduct:						
Appropriated for sinking and other reserve funds	.....	200,000	100,000	.....	.....	.....
Dividends	3,075,176	2,786,878	2,690,779	2,690,779	2,690,779	2,690,779
Surplus earnings	$813,557	$1,196,315	$958,516	$865,198	$522,269	$297,844
Earnings Per Share	$10.12	$10.88	$9.75	$9.25	$8.36	$7.77

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Intangible capital	$694,344	$599,987	$587,170	$1,091,365	$1,079,881	$1,079,881
Land and buildings	5,641,045	4,702,570	4,483,791	4,231,293	3,895,749	3,626,759
Telephone plant and equipment	59,615,997	55,424,929	52,642,717	49,655,662	47,568,600	47,139,590
General equipment	1,225,357	1,147,392	1,026,404	971,251	903,366	856,240
Other permanent investments	196,971	228,663	247,540	264,295	339,697	339,715
Total permanent & long term investments	$67,373,714	$62,103,541	$58,987,622	$56,213,866	$53,787,293	$53,042,185
Cash and deposits	569,286	460,379	499,322	881,320	970,371	850,275
Bills receivable	84,060	49,943	78,328	66,012	70,323	79,673
Accounts receivable	1,081,456	1,022,254	965,956	803,818	1,255,964	1,335,426
Materials and supplies	440,252	465,008	432,362	335,806	385,502	483,967
Marketable securities	50,106	53,878	49,973	50,389	49,161	50,016
Accrued income not due	9,207	9,277	8,535	7,522	6,747	6,810
Prepayments	172,739	219,204	46,568	44,868	44,046	81,167
Other deferred debits	78,011	48,289	53,079	70,736	63,826	61,796
Total	$69,858,831	$64,431,773	$61,118,745	$58,474,337	$56,633,233	$55,991,316
Liabilities—						
Capital stock	$38,439,700	$38,439,700	$38,439,700	$38,439,700	$38,439,700	$38,439,700
Premium on capital stock	47,973	47,973	47,973	47,973	47,973	47,973
Real estate mortgage	.....	.....	.....	.....	.....	100,000
Advances from system corporations	3,307,886	846,000	1,000,000	1,000,000	1,524,302	4,200,000
Bills payable	183,088	32,000	26,000	.....	.....	.....
Accounts payable	902,711	640,562	730,821	548,633	539,776	645,454
Accrued liabilities not due	2,317,271	2,264,941	1,988,759	1,962,579	1,996,287	1,890,329
Employees' benefit fund	979,509	1,000,000	800,000	700,000	450,000	182,000
Other deferred credit items	25,269	33,341	36,782	25,120	117,523	47,795
Depreciation reserve	17,500,118	15,793,565	14,212,496	12,570,112	10,936,791	9,621,140
Amortization reserve	164,290	121,267	82,239	320,732	254,387	192,523
Corporate surplus unappropriated	5,991,016	5,212,425	3,753,975	2,859,488	2,326,494	624,402
Total	$69,858,831	$64,431,773	$61,118,745	$58,474,337	$56,633,233	$55,991,316

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash and deposits	$569,286	$460,379	$499,322	$881,320	$970,371	$850,275
Bills receivable	84,060	49,943	78,328	66,012	70,323	79,673
Accounts receivable	1,081,456	1,022,254	965,956	803,818	1,255,964	1,335,426
Materials and supplies	440,252	465,008	432,362	335,806	385,502	483,967
Marketable securities, etc.	50,106	53,878	49,973	50,389	49,161	50,016
Total	$2,225,160	$2,051,462	$2,025,941	$2,137,345	$2,731,321	$2,799,357
Current Liabilities—						
Bills payable	$183,088	$32,000	$26,000	.....	.....	.....
Accounts payable	902,711	640,562	730,821	$548,633	$539,776	$645,454
Accrued liabilities not due	2,317,271	2,264,941	1,988,759	1,962,579	1,996,287	1,890,328
Total	$3,403,070	$2,937,503	$2,745,580	$2,511,212	$2,536,063	$2,535,782
Net Working Capital	*$1,177,910	*$886,041	*$719,639	*$373,867	†$195,258	†$263,275

*Debit. †Credit.

Officers: Frederick H. Reid, Pres.; Milton Smith, V-P. and Gen. Counsel; H. E. McAfee, V-P.; J. E. Macdonald, Sec. & Treas.; Roderick Reid, V-P. & Gen. Aud., Denver, Colo.

Directors: William A. Hover, E. S. Kassler, H. E. McAfee, L. C. Phipps, Jr., Frederick H. Reid, Henry M. Porter, Milton Smith, Roderick Reid, Denver Colo.; C. W. Nibley, Salt Lake City, Utah; H. B. Thayer, W. S. Gifford, New York.

General Office, 800 14th St., Denver, Colo.

NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY

(Controlled by the American Telephone & Telegraph Co.)

Stock Issues, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Capital Stock; par $100	M, J, S & D 31	$150,000,000	$110,647,400	$9,704,095	8%	$8,851,748	$8.77

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
4% Debenture Bonds	Jan. 1, 1930	J & J 1	$1,000,000	$1,000,000	No	No	Not pd. by Co.
5% Debenture Bonds	Oct. 1, 1932	A & O 1	10,000,000	10,000,000	No	No	Not pd. by Co.
First 5s, Series "A"	June 1, 1952	J & D 1	*	35,000,000	No	Yes	Not pd. by Co.
First 4½s, Series "B"	May 1, 1961	M & N 1	*	40,000,000	No	Yes	Not pd. by Co.
Note Secured by Underlying R. E. Mortgage	Dec. 31, 1933	.....	.....	820,000	No	No	.....

Total Funded Debt, at Dec. 31, 1927, $86,820,000.
Amount Available for Interest in 1927, $14,076,329.
Interest Accrued in 1927, $4,372,234.
Times Interest Earned in 1927, 3.22.

*Not to exceed twice the amount of stock outstanding.

History and Properties—Incorporated Oct. 19, 1883, in New York. By vote of stockholders the charter of the Company has been extended for a period of 999 years from 1933. Operates under license from the American Telephone & Telegraph Co. in the States of Maine, New Hampshire, Vermont, Massachusetts and Rhode Island. Population served, 6,500,000. Conducts business, including plant formerly operated by The Southern Massachusetts Telephone Co. and The New England Telephone & Telegraph Co. of Mass. On July 1, 1921, the Providence Telephone Co. and Providence Telephone Co. of Massachusetts (see 1921 Public Utility Manual, page 1177) and in Oct., 1923, the Automatic Telephone Co. of New Bedford, Mass. (see 1923 Manual, page 14, or apply to our Information Department), were merged with the New England Telephone & Telegraph Co.

Company owns 4,760 shares Common and 22,307 shares Pfd. of Aroostook Telephone & Telegraph Co.; 11,110 shares Common of Coos Telephone Co.; 678 shares Common of Granville Telephone Co. (the New York Telephone Company owning 878 shares); 1,456 shares of the Heath Telephone Co.; 6,002 shares of Westerly Automatic Telephone Co.; and 4,483 shares Common (including directors' qualifying shares) and 74 shares Pfd. of White Mountain Telephone & Telegraph Co.

Rate Increases became effective Aug. 1, 1925 in Massachusetts and Rhode Island on October 1, 1925, in Vermont, and on December 1, 1925, in Maine and New Hampshire.

License Contract—Effective at the end of 1927 the Company purchased from the American Telephone & Telegraph Co. the telephone receivers, transmitters and induction coils used in connection with its business, but heretofore owned and maintained by the American Company under the provisions of the License Contract, which has existed since the Company began business. Concurrently with the purchase of these instruments a reduction from 4% to 2% of gross telephone revenues was made in the charge of the latter company for research, engineering, financial and other services furnished to the New England Telephone and Telegraph Co.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	481	481	479	475	474	470
Owned stations	1,162,866	1,129,793	1,085,649	1,069,359	1,003,399	928,915
Connecting and miscellaneous stations	94,234	92,341	88,746	87,396	84,663	84,368
Total stations	1,257,100	1,222,139	1,174,395	1,156,755	1,088,062	1,013,283
Total miles of wire	4,037,463	3,877,266	3,652,759	3,104,519	2,753,106	2,400,629

CAPITAL STOCK

Authorized, $150,000,000 (increased from $100,000,000 November 19, 1925); outstanding, $110,647,400; par, $100. The American Telephone & Telegraph Co. at Dec. 31, 1927, owned $68,589,300 of the stock, of which $13,620,000 pledged under its Collateral Trust bonds of 1946.

Transfer Office—Company's office, 50 Oliver St., Boston.

Registrar—State Street Trust Co., Boston.

Annual Meeting—Third Tuesday in February.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	140	118¾	122½	115½	122	125	112¾	101
Low	115½	110½	99	98	110	108⅛	95½	84

Dividends—Dividends are declared the third Tuesdays of F, M, A & N and are paid M, J, S & D 31 at First National Bank, Boston. Dividends have been paid in recent years as follows: 1887 to 1893, 3½% per annum; 1894, 4%; 1895, 4½%; 1896, 5%; 1897, 5½%; 1898 to 1910, at rate of 6% per annum; 1911, 6¾%; 1912 to 1919, at rate of 7% per annum; 1920, 7½%; 1921 to 1924, 8% per annum; 1925, 6%; 1926 to date, 8% per annum.

FUNDED DEBT

(1)

$1,000,000 DEBENTURE 4s, 9TH SERIES; DUE JANUARY 1, 1930

Dated January 1, 1900.

Interest Payable Jan. and July 1, at The Merchants National Bank, Boston. Coupon, $1,000; principal may be registered. American Trust Co., Boston, Trustee. Not subject to call. No sinking fund provided. Secured equally with the $10,000,000 Debenture Gold 5s, dated Oct. 1, 1912, by company's First Mortgage dated June 1, 1922 (see below).

Legal for Savings Banks in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, New Jersey and Ohio.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924
High	97⅝	96¾	94¼	95½
Low	96½	96½	bid	95½

(2)

$10,000,000 (ENTIRE ISSUE) DEBENTURE GOLD 5s; DUE OCTOBER 1, 1932

Dated October 1, 1912.

Interest Payable April and October 1, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized and outstanding, $10,000,000.

Callability—Not subject to call.

Sinking Fund—No sinking fund provided.

Security—Under the provisions of the indenture, these debentures are now secured equally with the $1,000,000 Debenture 4s, 9th Series by the company's First Mortgage, dated June 1, 1922 (see below).

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, Ohio, Rhode Island and Vermont.

Original Offering—First publicly offered ($10,000,000) in Oct., 1912, at par and interest.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103	102	101½	101½	99½	99	95	85
Low	100⅛	100¼	99¼	97	96½	93	79½	77

(3)

$35,000,000 FIRST GOLD 5s, SERIES "A"; DUE JUNE 1, 1952

Dated June 1, 1922.

Interest Payable June and December 1, at First National Bank, Boston, or at New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Registered $1,000, $5,000 and $10,000. Coupon bonds and registered bonds, and the several denominations, interchangeable.

Trustee—First National Bank, Boston.

Provisions of Issue—Authorized amount of bonds is limited so that the amount thereof at any time outstanding, when added to the outstanding amount of the 4% Debentures of 1900 and the 5% bonds of 1912 and any underlying funded debt as defined in the mortgage, shall not exceed twice the amount of the then outstanding capital stock. Bonds are issuable under the mortgage to refund the 4% Debentures of 1900 and the 5% bonds of 1912 and any underlying debt. Subject to the above limitations in amount, bonds are also issuable for the acquisition of additional property (including stocks, bonds and securities of other corporations) and betterments; but if at any time the amount of outstanding bonds secured by this mortgage, when added to the prior funded debt of the Company, shall exceed the then amount of the outstanding capital stock, additional bonds will be issuable for not exceeding 75% of the expenditures for such additional property and betterments, the issue of bonds in respect of stock and other securities being limited so that not more than one-third of the security under the mortgage shall consist of stock and unsecured obligations of other corporations. The mortgage further provides that so long as the Series "A" Bonds are outstanding, no bonds are issuable, except for refunding, unless the net earnings of the Company available for interest charges during any 12 consecutive months out of 15 months next preceding the proposed issue, shall have been not less than 1½ times the interest during such period on the Company's outstanding funded debt, as defined in the mortgage, plus the amount of interest for 12 months on the bonds proposed to be issued. The bonds issuable under the mortgage may be of several series, and may vary as to interest rates, maturity dates, sinking fund and other provisions as may be determined by the Company from time to time.

Callability—Subject to call, as a whole but not in part, on June 1, 1949, or any interest date thereafter, on 60 days' notice, at par and accrued interest.

Sinking Fund—No sinking fund provided.

Security—The bonds are secured, ratably with the $40,000,000 First Mortgage 4½% bonds, Series "B," described below and ratably with the outstanding $11,000,000 debentures, by a first mortgage covering all the real estate and other property, other than securities, now owned or hereafter acquired by the Company in the States of Maine, New Hampshire, Massachusetts and Rhode Island, subject only to a mortgage of $820,000 on a specific parcel of real estate; also secured on all shares of stocks of The New England Telephone & Telegraph Co. of Massachusetts, Providence Telephone Co. of Massachusetts, Southern Massachusetts Telephone Co. and The Massachusetts Telephone & Telegraph Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, Ohio, Rhode Island and Vermont.

Original Offering—First publicly offered ($35,000,000) in May, 1922, by a syndicate composed of J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, National City Co., Bankers Trust Co., Guaranty Co., Harris, Forbes & Co., Lee Higginson & Co., all of New York, etc., at 97½ and interest, to yield over 5.15%.

Listed—New York and Boston Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922
High	107⅜	103¾	102½	101¾	100	100½
Low	103	100⅞	95	97⅛	95⅝	97

(4)

$40,000,000 FIRST MORTGAGE 4½% GOLD BONDS, SERIES "B," DUE MAY 1, 1961.

Dated May 1, 1926.

Interest Payable May and November 1, at First National Bank, Boston, or at New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Registered in denominations of $1,000, $5,000 and $10,000; coupon bonds and registered bonds, and the several denominations, interchangeable.

Trustee—First National Bank, Boston.

Provisions of Issue—See under Series "A" bonds above.

Purpose of Issue.—Series "B" bonds are limited to the principal amount of $40,000,000, all issued. Proceeds of Series "B" bonds, to the extent of about $27,000,000, will be used to repay advances obtained from American Telephone & Telegraph Co. for extensions and improvements of Company's telephone system, the remainder of proceeds will be used for further extension and improvement of Company's telephone system.

Callability.—Subject to call as a whole but not in part, on 60 days' notice, on May 1, 1958, or on any interest date thereafter, at par and interest.

Security.—See under Series "A" bonds above.

Legal Investment for Savings Banks in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, Ohio, Rhode Island and Vermont.

Original Offering.—First publicly offered ($40,000,000) in May, 1926, at 94½ and interest to yield over 4.80% by J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, National City Co., Bankers Trust Co., Guaranty Co. of New York, Harris, Forbes & Co. and Lee, Higginson & Co., New York, etc.; Harris Forbes & Co., Inc., Boston; Harris Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

Listed—New York Stock Exchange.

Price Range—

	1927	1926
High	102½	95
Low	95⅝	93

(5)

$820,000 NOTE SECURED BY UNDERLYING REAL ESTATE MORTGAGE; DUE DECEMBER 31, 1933

Dated December 31, 1923.

The underlying mortgage is secured on real estate at Boston, Mass. The property was purchased Dec. 31, 1923, subject to said mortgage.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total revenues	$65,709,870	$63,321,078	$55,064,421	$48,418,279	$45,027,835	$42,320,747
Expenses—						
Operating expenses	23,493,301	23,557,091	23,596,148	22,299,863	22,636,963	18,826,640
Current maintenance	11,311,080	10,511,659	9,593,056	7,538,895	6,551,656	5,531,208
Depreciation	10,511,924	9,988,896	9,365,879	7,960,925	6,854,340	6,313,278
Total operating expenses	$45,316,305	$44,057,646	$42,555,083	$37,799,683	$36,042,959	$30,671,126
Uncollectibles	533,755	627,523	408,979	346,217	220,334	225,376
Taxes	5,209,748	4,732,675	2,920,334	2,569,982	2,502,191	2,884,898
Rents and miscellaneous expenses	573,732	552,602	502,817	461,721	420,854	386,730
Total expenses	$51,633,540	$49,970,446	$46,387,213	$41,177,603	$39,186,338	$34,168,130
Net earnings	14,076,330	13,350,632	8,677,208	7,240,676	5,841,497	8,152,617
Interest	4,372,234	4,176,331	4,755,988	3,508,373	2,647,294	1,959,449
Balance net income	$9,704,096	$9,174,301	$3,921,220	$3,732,303	$3,194,203	$6,193,168
Dividends	8,851,748	8,838,903	4,981,524	6,311,048	5,318,096	5,317,886
Balance	$852,348	$335,398	*$1,060,304	*$2,578,745	*$2,123,893	$875,282
Times Interest Earned	3.22	3.20	1.82	2.06	2.21	4.16
Earnings Per Share	$8.77	$8.30	$3.56	$4.50	$4.81	$9.32

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Telephone plant	$237,844,717	$229,440,241	$214,468,376	$192,145,173	$165,825,911	$141,980,432
General equipment	4,209,434	4,542,685	3,982,926	3,454,245	2,811,767	2,381,404
Investment securities	1,714,123	1,662,766	1,662,408	1,743,048	1,617,998	1,616,848
Advances to system corporations	501,503	610,238	570,306	657,589	673,362	515,449
Miscellaneous investments	56,295	52,975	52,050	30,000	.....	.....
Materials and supplies	1,048,501	1,142,939	1,613,159	1,824,154	2,344,901	1,982,208
Bills and accounts receivable	7,768,939	7,832,617	7,688,296	6,364,547	6,033,219	5,445,474
Cash and deposits	1,333,027	1,270,650	2,411,523	1,460,893	673,774	915,101
Marketable securities	17,977	17,435	15,158	16,965	14,698	3,914,686
Deferred debit items	6,587,527	7,566,180	3,610,426	3,002,231	2,269,146	2,338,427
Total	$261,082,043	$254,138,726	$236,074,628	$210,698,845	$182,264,776	$161,090,029
Liabilities—						
Capital stock (Common)	$110,647,400	$110,646,300	$110,279,100	$83,025,400	$66,476,200	$66,476,200
Capital stock installments	.....	.....	183,350	.....	.....	.....
Funded debt	86,820,000	86,820,000	46,820,000	46,820,000	46,820,000	46,000,000
Advances from system corporations	5,032,800	.....	24,850,000	31,219,200	19,249,000	.....
Bills and accounts payable	3,287,628	3,182,352	3,635,027	2,603,952	2,082,229	2,391,902
Accrued liabilities not due, etc.	2,284,366	2,630,160	1,356,902	1,229,599	1,295,269	1,640,450
Reserve for employees' benefit fund	1,970,627	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Reserves for depreciation and amortization	48,926,773	47,559,193	45,968,305	41,719,047	39,682,174	35,800,761
Surplus	2,112,449	1,300,721	981,944	2,081,647	4,659,904	6,780,716
Total	$261,082,043	$254,138,726	$236,074,628	$210,698,845	$182,264,776	$161,090,029

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash and deposits	$1,333,027	$1,270,650	$2,411,523	$1,460,893	$673,774	$915,101
Marketable securities	17,977	17,435	15,158	16,965	14,698	3,914,686
Bills and accounts receivable	7,768,939	7,832,617	7,688,296	6,364,548	6,033,220	5,445,474
Materials and supplies	1,048,501	1,142,939	1,613,159	1,824,154	2,344,901	1,982,208
Total	$10,168,444	$10,263,641	$11,728,136	$9,666,560	$9,066,593	$12,257,469
Current Liabilities—						
Bills and accounts payable	$3,287,628	$3,182,352	$3,635,027	$2,603,952	$2,082,229	$2,391,902
Accrued liabilities	2,225,681	2,594,434	1,356,902	1,229,599	1,295,270	1,640,450
Total	$5,513,309	$5,776,786	$4,991,929	$3,833,551	$3,377,499	$4,032,352
Net Working Capital	$4,655,135	$4,486,855	$6,736,207	$5,833,009	$5,689,094	$8,225,117

Officers: Matt B. Jones, Pres.; Edmund W. Longley, V-P.; George H. Dresser, V-P.; Robert F. Estabrook, Gen. Mgr.; Chas. S. Pierce, V-P. & Gen. Counsel, Boston, Mass.; John Balch, Treas.; C. F. A. Siedhof, Sec.; Frederic E. Moore, Gen. Aud., Boston, Mass.

Directors: Chas. F. Ayer, Victor M. Cutter, W. Cameron Forbes, Philip L. Spalding, B. W. Trafford, Boston, Mass.; Francis H. Dewey, Worcester, Mass.; Henry W. Keyes, No. Haverhill, N. H.; Joseph A. Skinner, Holyoke, Mass.; Matt B. Jones, Newton, Mass.; Oliver Prescott, New Bedford, Mass.; Chas. P. Smith, Burlington, Vt.; Edward B. Winslow, Portland, Me.; Henry D. Sharpe, Providence, R. I.; Walter S. Gifford, H. B. Thayer, Edward K. Hall, New York; E. H. Rathbun, Woonsocket, R. I.

Office, 50 Oliver St., Boston, Mass.

AROOSTOOK TELEPHONE AND TELEGRAPH COMPANY

(Controlled by New England Telephone and Telegraph Company)

History and Property—Incorporated March 3, 1885, in Me., as the White Mountain Telephone Co.; present title adopted Feb. 6, 1906. **Franchises,** perpetual. No. of exchanges, 15. Owned stations, 9,233, connecting, 523—total, 9,756. Miles of wire: Pole, 11,479 underground, 1,183.

CAPITAL STOCK

Authorized, $50,000 Common and $300,000, 6% cumulative Pfd.; outstanding, $50,000 Common and $229,740 Pfd.; par of both issues, $10. New England Telephone and Telegraph Company owns $47,600 Common and $223,070 Pfd. Treasurer of Company acts as Transfer Agent. Annual meeting, second Tuesday in June at Houlton, Me.

Dividends—Dividends on both classes of stock have been paid in recent years as follows: 1914 to 1919, incl., 7%; 1920, 7¾%; 1921 to 1927, incl. 8% each; payments quarterly, M, J, S & D 31, at Boston, Mass.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$305,297	$284,485	$250,866	$243,918	$250,299	$258,720
Operating expenses, depreciation and taxes	235,849	221,020	206,578	206,106	208,448	214,690
Net earnings	$69,448	$63,465	$44,288	$37,812	$41,851	$44,030
Other income	769	259	265	197	240	240
Gross income	$70,217	$63,724	$44,553	$38,009	$42,091	$44,270
Interest charges	8,959	8,515	7,899	7,558	7,284	7,356
Rent, etc.	7,087	6,759	6,555	6,566	12,403	11,760
Net income	$54,171	$48,450	$30,099	$23,885	$22,404	$25,154
Dividends	22,379	22,379	22,379	22,379	22,379	22,379
Surplus for year	$31,792	$26,071	$7,720	$1,506	$25	$2,775

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Telephone plant and equipment	$896,127	$841,784	$784.328	$754,554	$717,757	$697,64
Materials and supplies	48,830	24,121	24,825	25,257	37,227	33,14
Cash and deposits	4,458	8,645	1,036	766	88	1,59
Accounts receivable	48,628	40,522	42,429	40,536	38,873	41,78
Prepayments, etc.	4 421	3,386	422	687	1,793	53
Total	$1,002,464	$918,458	$853,040	$821,800	$796,538	$774,70
Liabilities—						
Capital stock	$279,740	$279,740	$279,740	$279,740	$279,740	$279,74
Advances from system corporations	143,045	124,879	111,879	111,879	97,479	104,47
Bills payable	20,500	20,500	20,500	20,500	20,500	20,50
Accounts payable	20,003	12,686	14,357	8,789	16,246	8,26
Accrued liabilities	11 426	12,865	8,462	6,040	8,717	8,30
Depreciation reserve	399,960	377,790	354,179	338,650	319,160	298,73
Surplus	121,790	89,998	63,923	56,202	54,696	54,67
Total	$1,002,464	$918,458	$853,040	$821,800	$796,538	$774,70

Officers: Fred W. Story, Pres., Boston, Mass.; Clarence A. Powers, V-P., Fort Fairfield, Me.; Jas. C. Madigan, Clerk, Houlton, Me.; John Balch, Treas.; Frederic E. Moore, Aud.; C. F. A. Siedhof, Asst. Clerk, Boston, Mass.; Leith S. Black, Gen. Mgr., Houlton, Me.

Directors: Geo. H. Dresser, Robert F. Estabrook, Chas. S. Pierce, Edmund W. Longley, Fred W. Story, Lambert N. Whitney, Boston, Mass.; Leith S. Black Simon Friedman, Geo. A. Gorham, Leland O. Ludwig Houlton, Me.; Tom E. Hacker, Clarence A. Powers Fort Fairfield, Me.; Fred F. Spear, Limestone Me. John B. Roberts, Caribou, Me.; Ralph H. Sprague Presque Isle, Me.

General Office, 50 Oliver St., Boston, Mass. **Operating Office,** Houlton, Me.

CENTRAL NEW HAMPSHIRE TELEPHONE COMPANY

(Affiliated with New England Telephone and Telegraph Company)

History and Business—Incorporated April 30, 1919, in New Hampshire through merger of Winnepesaukee Telephone Co. and Citizens Telephone Co. Furnishes telephone service to Laconia, Gilmington, Bristol, Franklin, Tilton, Meredith, Belmont and a number of other communities in New Hampshire. Operates 5,245 stations and serves a total population estimated normally to be in excess of 30,000, but which is substantially increased during the summer months.

CAPITAL STOCK

Authorized and outstanding, $200,000 Common and $100,000 non-cumulative Pfd., par, $25.

Annual Meeting—Third Wednesday in June.

Dividends—Payments in recent years, made on both classes of stock, have been as follows: 1921, 4%; 1922, 6¼%; 1923 to 1927, inclusive, 7% each; payments on both classes quarterly last days of M, J, S & D.

FUNDED DEBT

$175,000 TWENTY-YEAR 5½% GOLD DEBENTURE BONDS; DUE JULY 1, 1947

Dated July 1, 1927.

Interest Payable January and July 1, at Laconia National Bank, Laconia, N. H.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Laconia National Bank, Laconia, N. H.

Provisions of Issue—Authorized and outstanding, $175,000.

Purpose of Issue—Proceeds from sale of these 5½% Debenture bonds were to be used to pay off $172,00 liabilities due the New England Telephone and Telegraph Co.

Callability—Subject to call as a whole only on an interest date after July 1, 1930, at 102, upon 60 day notice.

Security—A direct obligation of Company, whic has no funded debt. If the Company at any time pri to July 1, 1947, should create any mortgage upon a or part of its properties, these bonds will be secure thereby, and any such mortgage shall expressly s provide.

Original Offering—First publicly offered ($175,00 in August, 1927, at 102 and interest, to yield abou 5.33% by Bond & Goodwin, Inc., Boston, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$183,653	$181,97
Operating expenses, taxes & depre.	147,746	151,23
Net earnings	$35,907	$30,74
Other income	1,495	1,17
Total income	$37,402	$31,91
Interest charges	10,202	10,10
Surplus after charges	$27,200	$21,75
Dividends	21,000	21,00
Surplus for year	$6,200	$7

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Telephone plant	$640,321	$603,034
Advances	632	.....
Supplies and general equipment	31,459	47,045
Cash and deposits	1,756	1,304
Current receivables	27,358	27,300
Investments	500	500
Prepaid expenses	6,515	5,841
Total	$708,541	$685,024

	1927	1926
Liabilities—		
Capital stock	$300,000	$300,00
Funded debt	175,000	.....
Bills payable	.....	164,87
Current accounts payable	8,531	28,95
Accrued liabilities	7,753	.....
Reserves	157,220	136,76
Surplus and undivided profits	60,037	54,43
Total	$708,541	$685,02

Officers: Fred W. Story, Pres., Boston, Mass ; Wm. F. Knight, V-P.; Harry C. Sanborn, Treas.; Frank P. Tilton, Clerk; H. T. Turner, Gen. Mgr., Laconia, N. H.; F. E. Moore, Aud., Boston, Mass.

Directors: Bradbury R. Dearborn, Meredith, N. H.; Alfred C. Wyatt, Harry C. Sanborn, Charles L. Simpson, Wm. F. Knight, Frank P. Tilton, Frank Hill, Tilton, N. H.; Victor E. Haserick, Lakeport, N. H.; Rev. W. P. Odell, Chester, N. H.; G. H. Dresser, Fred W. Story, Boston, Mass.; Dr. C. W. Adams, Franklin, N. Y.; Frank Hill, Tilton, N. H.; Dr. Geo. H. Calley, Bristol, N. H.

Principal Office, 50 Oliver St., Boston, Mass. **Local Office,** Laconia, N. H.

COOS TELEPHONE COMPANY

(Controlled by New England Telephone and Telegraph Company)

History and Property—Incorporated May 22, 1907, n N. H. Population served, about 43,000. Number of subscribers: Owned stations, Dec. 31, 1927, 6,720; connecting stations, 903. Number of exchanges, 15.

CAPITAL STOCK

Authorized and outstanding, $278,000; par, $25. New England Telephone and Telegraph Company owns $277,750 of the stock. Annual meeting, first Tuesday in June at Lancaster, N. H.

Dividends—Dividends have been paid as follows: 1911, 6½%; 1912 to 1916, 7%; 1917, 1¾%; 1920 3½%; 1921 to 1924 inclusive 7% per annum; 1925, 7% regular and 1% extra; 1926 and 1927, 8% each; payments quarterly, M, J, S & D, at Boston.

FUNDED DEBT

$124,500 TWENTY-YEAR 6% DEBENTURE BONDS; DUE DECEMBER 1, 1943

Dated December 1, 1923.

Interest Payable June and December 1.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$224,998	$213,792	$202,697	$190,600	$189,530	$181,597
Oper. exp., taxes and depreciation	170,090	164,592	153,424	148,636	138,811	133,923
Net earnings	$54,908	$49,200	$49,273	$41,964	$50,719	$47,674
Other income	482	468	545	1,420	761	1,277
Total income	$55,390	$49,668	$49,818	$43,384	$51,480	$48,951
Interest charges	10,492	10,491	10,068	16,471	15,109	13,698
Rentals, etc.	12,068	12,215	10,122	5,878	15,388	19,862
Net income	$32,830	$26,962	$29,628	$21,035	$20,983	$15,391
Dividends	22,240	22,240	22,240	10,710	10,710	10,710
Balance to surplus	$10,590	$4,722	$7,388	$10,325	$10,273	$4,681

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Telephone plant and equipment	$663,303	$629,228	$599,908	$568,889	$530,923	$493,439
Materials and supplies	24,531	26,323	27,628	20,395	22,419	30,371
Cash and deposits	1,730	1,412	1,819	4,006	1,071	664
Accounts receivable	27,845	28,502	28,392	33,868	24,427	25,237
Prepayments, etc.	5,464	5,516	7,243	7,742	6,821	6,615
Total	$723,373	$690,981	$664,990	$634,900	$585,661	$556,326
Liabilities—						
Capital stock	$278,000	$278,000	$278,000	$278,000	$153,000	$153,000
Funded debt	*124,648	*124,071	*120,758	*64,738	.....	.....
Advances from system corporations	46,168	46,168	50,268	94,698	249,531	235,031
Accounts payable	10,759	13,614	9,199	14,237	17,538	24,974
Accrued liabilities not due	8,150	8,532	8,288	5,996	6,605	6,248
Reserve for accrued depreciation	183,566	159,103	140,829	126,979	119,062	107,421
Corporate surplus unappropriated	72,082	61,493	57,648	50,252	39,925	29,652
Total	$723,373	$690,981	$664,990	$634,900	$585,661	$556,326

*Includes installments $3,638 in 1924; $2,058 in 1925; $571 in 1926 and $148 in 1927.

Officers: Fred W. Story, Pres., Boston, Mass.; John . Hutchins, V-P., North Stratford, N. H.; John Balch, Treas., Boston, Mass.; Merrill Shurtleff, Clerk, Lancaster, N. H.; Carl F. A. Siedhof, Asst. Clerk; F. E. Moore, Aud., Boston, Mass.; Wm. A. Lewis, Gen. Mgr., Lancaster, N. H.

Directors: John T. Amey, Lancaster, N. H.; Geo. H. Dresser, Brookline, Mass.; John D. Annis, Colebrook, N. H.; Charles S. Pierce, Milton, Mass.; John C. Hutchins, North Stratford, N. H.; Robert F. Estabrook, L. N. Whitney, Newton, Mass.; John B. Noyes, Berlin, N. H.; Fred W. Story, Laconia, N. H.; John G. M. Glessner, Bethlehem, N. H.

General Office, 50 Oliver St., Boston, Mass.

EASTERN TELEPHONE AND TELEGRAPH COMPANY

(Affiliated in Interest with New England Telephone and Telegraph Co.)

History and Properties—Incorporated in 1911, in Maine, and in March, 1922, acquired from the New England Telephone and Telegraph Company that portion of its property comprising all of its lines in Washington County east of Cherryfield, including the past cities and towns the more important of which are Calais, Eastport, Lubec, Machias, Woodland, Cherryfield, Harrington and Millbridge. Population served, approximately 40,000. At Calais, the lines of the company connect with the New Brunswick Telephone Co. and connection is made with the New England Telephone and Telegraph Co. at Millbridge. Total owned stations, 3,650; connecting stations, 606.

CAPITAL STOCK

Outstanding, $132,000; par $25, of which approximately 48% is owned by New England Telephone and Telegraph Co. Annual meeting, first Tuesday in October. Dividends, 8% per annum.

FUNDED DEBT

$128,500 Debenture 5s; dated March 1, 1922; due March 1, 1947; int. March and Sept. 1, at Internation-

al Trust and Banking Co., Calais, Me., Trustee. Coupon, $500; principal may be registered. No sinking fund and bonds cannot be called. Authorized and issued, $128,500. Not secured by mortgage and indenture provides that no mortgage may be placed upon the property without equally securing this issue. The outstanding debentures were issued originally to the New England Telephone & Telegraph Co., in payment for property purchased from that Company. Company does not pay Normal Federal Income Tax. Legal for Maine savings banks.

Original Offering—First publicly offered ($128,500) in Jan., 1925, at 96.75 and interest, yielding 5.25%, by Fidelity Trust Co., Portland, Me.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross operating revenue ..	$130,085	$126,880	$124,20
Oper. exp., taxes & depre.	96,720	93,937	87,32
Net earnings	$33,365	$32,943	$34,88
Other income	474	1,447	27
Total income	$33,839	$34,390	$35,16
Bond interest	6,425	6,425	6,42
Rent, etc.	9,670	9,335	10,62
Balance after charges ..	$17,744	$18,630	$18,10
Dividends paid	10,560	10,560	10,56
Surplus for year	$7,184	$8,070	$7,54
Times Interest Earned ...	2.76	3.90	3.8
Earnings Per Share	$3.36	$3.53	$3.4

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$392,006	$374,872	$347,054
Materials & supplies	10,939	18,974	16,886
Cash and current assets..	25,753	22,871	22,800
Prepaid expenses	1,257	697	209
Total	$429,955	$417,414	$386,949

Liabilities—	1927	1926	1925
Capital stock	$132,000	$132,000	$132,00
Funded debt	128,500	128,500	128,50
Advances from system Cos.	37,288	29,288	29,28
Accrued liabilities not due	5,954	6,869	6,26
Current accounts payable .	4,831	12,510	2,92
Reserve for depreciation..	80,283	74,330	62,13
Surp. and undivided profits	41,099	33,917	25,84
Total	$429,955	$417,414	$386,94

Officers: George Downes, Pres., Calais, Me.; Fred W. Story, V-P., Boston, Mass.; H. A. Peterson, Treas.; Herbert J. Dudley, Clerk, Herbert F. Martin Gen. Mgr., Calais, Me.; F. E. Moore, Aud.; C. F. A. **Siedhof, Asst. Clerk, Boston, Mass.**

Directors: Geo. Downes, J. C. McFaul, Judge Geo. R. Gardner, Harold H. Murchie, Dr. W. H. Bunker, Herbert J. Dudley, Henry A. Peterson, Calais, Me.; **M. Dyer Higgins, Dennysville, Me.; Fred W. Story** Boston, Mass.; J. F. Hall, Brookline, Mass.; H. H Gray, Millbridge, Me.; Robert J. Peacock, Lubec, Me. Frank H. Stewart, Cherryfield, Me.; Charles W. Gil lespie, Meddybemps, Me.; Oscar H. Brown, Eastpor Me.

General Office, Calais, Me.

GRANVILLE TELEPHONE COMPANY

(Controlled by New England Telephone and Telegraph Company and New York Telephone Company)

History and Property—Incorporated July 31, 1899, in N. Y. Acquired the properties of the Cooperant Telephone Co. on Aug. 1, 1912, and the New York & Vermont Home Telephone Co. on Aug. 28, 1912. No. of stations, Dec. 31, 1927: Owned, 4,129; connecting, 166—total 4,295.

CAPITAL STOCK

Authorized, $250,000; outstanding, $198,700, par, $100. New England Telephone and Telegraph Company owns $67,800, and New York Telephone Company owns $87,800 of the stock. Annual meeting, fourth Tuesday in May.

Dividends—Dividends have been paid as follows 1921, 6%; 1922, 1923 and 1924, 8% per annum; 192 1926, and 1927, 8% regular and 1% extra each.

FUNDED DEBT

$14,500 New York & Vermont Home Telephone C First 5s; dated Nov. 1, 1909; due Nov. 1, 1939; interes May and Nov. 1. A lien on property of N. Y. Vermont Home Telephone Co. in Granville, N. Y Company pays Normal Federal Income Tax up to 2%

$100,000 Twenty-five Year 6% Debenture Bonds dated Aug. 1, 1923; due Aug. 1, 1948; interest Fe and Aug. 1.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$172,698	$162,887	$158,173	$148,004	$138,960	$129,40
Operating expenses, taxes, depreciation, etc..	136,907	133,522	122,987	116,767	108,625	102,07
Operating income	$35,791	$29,365	$35,186	$31,237	$30,335	$27,33
Non-operating income	632	1,636	724	599	656	36
Gross income	$36,423	$31,001	$35,910	$31,836	$30,991	$27,69
Interest charges	10,034	8,503	6,868	10,261	8,840	8,29
Rents, etc	4,269	4,132	3,733	.....	.....	.....
Net income	$22,120	$18,366	$25,309	$21,575	$22,151	$19,39
Dividends	17,883	16,788	16,263	14,456	14,456	14,45
Balance to surplus	$4,237	$1,578	$9,046	$7,119	$7,695	$4,94

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$499,458	$471,252	$422,370	$389,717	$365,093	$338,1
Cash and deposits	1,258	6,046	3,230	2,056	1,572	3
Accounts receivable	24,994	25,005	24,522	23,380	20,130	19,1
Materials and supplies	17,918	21,831	18,904	15,108	12,965	13,2
Investments	500	500	500	.....	.....	.....
Deferred debit items	12,546	6,763	6,062	5,857	6,185	5,2
Total	$556,674	$531,397	$475,588	$436,118	$405,945	$376,0
Liabilities—						
Capital stock	$198,700	$198,200	$180,700	$180,700	$180,700	$180,7
Funded debt	114,500	116,000	102,600	81,700	20,300	20,5
Advances from system corporation	30,500	26,500	28,200	28,200	37,000	31,0
Bills and accounts payable	40,902	25,409	7,664	6,242	54,891	45,5
Accrued liabilities not due	8,353	8,766	8,625	6,932	.....	.....
Reserve for accrued depreciation	96,011	93,011	85,363	78,954	66,784	59,7
Corporate surplus unappropriated	67,708	63,511	62,436	53,390	46,270	38,5
Total	$556,674	$531,397	$475,588	$436,118	$405,945	$376,0

Officers: M. W. Hicks, Pres., Granville, N. Y.; F. W. Story, 1st V-P., Boston, Mass.; W. A. Tenney, 2d V-P., Granville, N. Y.; S. E. Everts, Sec., Granville, N. Y.; C. F. A. Siedhof, Asst. Sec.; John Balch, Treas., Boston, Mass.; Miss J. A. Tooley, Asst. Treas., Granville, N. Y.; F. E. Moore, Aud., Boston, Mass.; M. W. Hicks, Gen. Mgr., Granville, N. Y.

Directors: J. H. Collins, M. W. Hicks, D. D. Woodard, W. A. Tenney, Granville, N. Y.; John O'Neil, R. G. Hays, Whitehall, N. Y.; Chas. S. Pierce, Milton, Mass.; Geo. H. Dresser, Brookline, Mass.; E. D. Raymond, Fair Haven, Vt.; F. W. Story, Laconia, N. H.; Wm. B. Woodbury, New York, N. Y.; Simeon M. Rising, Granville, N. Y.; V. E. Cooley, J. W. Hubbell, E. H. Greenleaf, Albany, N. Y.

General Office, 50 Oliver St., Boston, Mass.

HEATH TELEPHONE COMPANY

(Company in which the New England Telephone and Telegraph Co. has a substantial interest)

History and Property—Incorporated Feb. 14, 1898, in Mass. Franchise, not limited to time. Population served, 14,000. No. of exchanges, Dec. 31, 1927, 8; number of stations owned, 2,165; connecting stations, 79—total, 2,244. Miles of wire: Aerial, 3,132; underground, 157.

CAPITAL STOCK

Authorized, $111,000; outstanding, $108,570; par, $30. New England Telephone and Telegraph Company owns $43,680 of the stock. Annual meeting, fourth Thursday in May.

Dividends—Dividends have been paid as follows: 1910, 4%; 1911, 5%; 1912 to 1925, incl., 6%; 1926, 8½% (due to change from annual to quarterly basis in March, 1926; regular dividend of 6% maintained); 1927, 6%; payments quarterly, M, J, S & D 31, at Shelburne Falls, Mass.

FUNDED DEBT

$20,300 Funded Debt was outstanding Dec. 31, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$73,303	$69,791	$66,835	$65,278	$63,757	$62,765
Operating expenses, taxes and depreciation	56,836	54,413	50,253	50,328	51,866	49,881
Net earnings	$16,467	$15,378	$16,582	$14,950	$11,891	$12,884
Interest charges	4,729	3,667	2,761	2,065	1,583	1,267
Rentals, etc.	2,539	2,412	2,579	2,965	1,486	1,543
Net income	$9,199	$9,299	$11,242	$9,920	$8,822	$10,074
Dividends	6,514	9,228	6,515	6,514	6,514	6,514
Balance to surplus	$2,685	$71	$4,727	$3,406	$2,308	$3,560

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Telephone plant and equipment	$262,262	$247,538	$227,130	$207,544	$192,066	$180,957
Cash and deposits	504	429	2,241	849	910	1,941
Accounts receivable	8,645	7,975	7,469	6,923	7,382	9,844
Materials and supplies	10,152	8,974	6,979	7,516	7,723	9,401
Deferred debit items, etc.	470	572	2,065	819	679	395
Total	$282,033	$265,488	$245,884	$223,651	$208,760	$202,538
Liabilities—						
Capital stock	$108,570	$108,570	$108,570	$108,570	$108,570	$108,570
Funded debt	20,300	20,300	*19,033	.....	.....	.....
Advances from System Corp.	52,134	41,618	24,700	24,700	3,000	.....
Bills and accounts payable	17,685	13,853	12,378	17,200	30,096	29,187
Accrued liabilities not due	1,809	2,259	2,197	1,706	.....	.....
Reserve for accrued depreciation	31,552	31,586	31,207	28,464	27,489	27,494
Corporate surplus unappropriated	49,983	47,302	47,799	43,011	39,605	37,287
Total	$282,033	$265,488	$245,884	$223,651	$208,760	$202,538

*Includes installments $433.

Officers: C. L. Donelson, Pres., Shelburne Falls, Mass.; Fred W. Story, V-P.; Boston, Mass.; Norma . Behr, Clerk & Treas.; Guy W. Hutchins, Gen. Mgr., helburne Falls, Mass.; F. E. Moore, Aud.; C. F. A. iedhof, Asst. Clerk, Boston, Mass.

Directors: Chas. L. Donelson, Merton Z. Woodward, harles K. Pierce, T. C. Cronan, Austin L. Peck, Shelburne Falls, Mass.; Geo. H. Dresser, Chas. S. Pierce, Fred. W. Story, Lambert N. Whitney, Boston, Mass.; William A. Barber, Alexander J. Patterson, Greenfield, Mass.

General Office, 50 Oliver St., Boston, Mass. **Operating Office,** Shelburne Falls, Mass.

WESTERLY AUTOMATIC TELEPHONE COMPANY

(Controlled by New England Telephone and Telegraph Company)

History and Property—Incorporated April 21, 1902 R. I. Operates in Westerly, R. I. and adjacent wns in Rhode Island and Connecticut. Total owned ations, 2,764.

CAPITAL STOCK

Authorized, $400,000; outstanding, $300,000; par, 5. New England Telephone and Telegraph Company owns $150,050 of the stock. Annual meeting, ird Monday in April.

Subscription Privilege—Stockholders of record Dec. 1926, received the right to subscribe on or before n. 6, 1927, for 4,000 additional shares of capital stock at par ($25 per share) on the basis of one new share for every two shares held. The proceeds are to be used to pay for improvements already made and those contemplated.

Dividends—Dividends have been paid as follows: 1909, 1910 and 1911, 6% each; 1912, 7%; 1913 to 1927, inclusive, 8% per annum; payments, M, J, S & D. In Dec., 1923, 1924, 1925, 1926 and 1927, extra dividends of 2% each were paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$131,629	$124,474	$114,477	$106,642	$101,831	$91,432
Operating expenses, taxes, depreciation, etc.	99,148	84,561	78,520	73,168	69,807	65,139
Net earnings	$32,481	$39,913	$35,957	$33,474	$32,024	$26,293
Other income	511	190	266	144	183	96
Gross income	$32,992	$40,103	$36,223	$33,618	$32,207	$26,389
Interest	1,304	1,265	695	560	773	768
Rent, etc.	657	4,190	4,123	3,800	3,410	3,420
Net income	$31,031	$34,648	$31,405	$29,258	$28,024	$22,201
Dividends	30,000	20,000	20,000	20,000	20,000	16,000
Surplus	$1,031	$14,648	$11,405	$9,258	$8,024	$6,201

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant and equipment	$526,582	$424,903	$368,466	$347,064	$325,801	$307,131
Cash and deposits	2,978	1,457	1,549	2,573	3,645	6,318
Accounts receivable	10,998	11,613	6,616	14,283	13,526	13,899
Materials and supplies	23,928	13,333	13,591	15,757	11,243	9,93
Prepayments etc.	1,257	508	172	222	321	9
Other deferred debits	.....	6,410	.....	.....	.....	1,54
Total	$565,743	$458,224	$390,394	$379,899	$354,536	$338,92
Liabilities—						
Capital stock	$300,000	$200,000	$200,000	$200,000	$200,000	$200,00
Premium on capital stock	85	.....	.....	.....	.....	.....
Advances from system corporations	.....	9,240	9,240	9,239	9,239	9,24
Bills and accounts payable	57,591	45,071	3,305	9,469	6,689	9,50
Accrued liabilities not due	6,890	8,088	6,555	5,888	6,392	8,77
Service billed in advance	.....	.....	.....	6,208	5,505	5,13
Reserve for accrued depreciation	119,795	115,474	105,609	94,814	81,692	67,73
Corporate surplus unappropriated	81,382	80,351	65,685	54,281	45,019	38,53
Total	$565,743	$458,224	$390,394	$379,899	$354,536	$338,92

Officers: John Champlin, Pres. & Gen. Mgr.; Samuel H. Davis, V-P., Westerly, R. I.; Fred W. Story, V-P., Boston; W. A. Sheffield, Sec., Westerly, R. I.; C. F. A. Siedhof, Asst. Sec., Boston, Mass.; C. E. Sherman Treas., Westerly, R. I.; F. E. Moore, Aud., Boston, Mass.

Directors: J. H. Macomber, Robert Drysdale, T. J. Bannon, G. L. Stillman, C. E. Sherman, John Champlin, John Champlin, Jr., G. B. Langworthy, Samuel H. Davis, Westerly, R. I.; H. C. Knight, F. P. Lewis, New Haven, Conn.; Geo. H. Dresser, F. W. Story, Charles S. Pierce, Boston, Mass.; Chas. T. Howard, Providence, R. I.

Office, 42 Main St., Westerly, R. I.

WHITE MOUNTAIN TELEPHONE AND TELEGRAPH COMPANY

(Controlled by New England Telephone and Telegraph Company)

History and Property—Incorporated April 5, 1907 in New Hampshire. No. of exchanges, 9. No. of stations, Dec. 31, 1927: Owned, 2,901; connecting, 70.

CAPITAL STOCK

Authorized, $184,500 Common and $17,625 5% cumulative Pfd.; outstanding, $184,500 Common and $17,625 Pfd.; par, $25. The outstanding Pfd. stock may be retired as a whole at any time by a majority vote at a stockholders' meeting called for the purpose and by paying and tendering to the holders thereof in cash any arrears of dividends then unpaid, and $27.50 per share. The New England Telephone and Telegraph Company owns $112,075 of the Common and $1,850 of the Pfd. Annual meeting, first Tuesday in May.

Dividends—Pfd. dividends of 7½% were paid in 1913; 5% from 1914 to 1927, inclusive. A dividend of 1% was paid on Common stock in 1916; 4% in 1917, 4½% in 1918; 5% in 1919; 6% in 1920; 8% from 1921 to 1927, inclusive. Dividends are paid quarterly, M, J, S & D.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$105,174	$101,056	$97,349	$92,127	$91,179	$87,52
Operating expenses, taxes, depreciation, etc.	80,669	75,793	74,153	70,530	67,330	65,47
Net earnings	$24,505	$25,263	$23,196	$21,597	$23,849	$22,04
Other income	116	792	171	14	284	4
Gross income	$24,621	$26,055	$23,367	$21,611	$24,133	$22,09
Interest	.....	29	2,251	1,980	1,612	1,23
Rents, etc.	4,198	4,150	4,194	4,249	4,691	3,49
Net income	$20,423	$21,876	$16,922	$15,382	$17,830	$17,3
Dividends	15,642	15,642	11,841	10,722	10,721	10,7
Surplus	$4,781	$6,234	$5,081	$4,660	$7.109	$6,6

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant and equipment	$310,694	$302,795	$282,401	$265,843	$249,791	$233,4
Accounts receivable	17,562	14,997	21,095	15,135	13,888	15,0
Materials and supplies	13,491	14,684	13,585	10,345	10,866	10,0
Cash and deposits	2,156	2,479	.....	.....	..	.....
Prepayments	1,572	1,372	473	401	269	2
Total	$345,475	$336,327	$317,554	$291,724	$274,814	$259,6
Liabilities—						
Capital stock	$202,125	$202,125	$196,550	$140,625	$140,625	$140,6
Advances from system companies	.....	.....	.....	29,594	17,794	16,4
Bills and accounts payable	7,169	3,238	4,272	15,131	16,757	13,8
Accrued liabilities not due	5,467	5,311	4,601	3,869	4,838	4,1
Depreciation reserve	64,177	63,897	56,610	52,063	49,017	45,2
Surplus unappropriated	66,537	61,756	55,521	50,442	45,783	38,3
Total	$345,475	$336,327	$317,554	$291,724	$274,814	$259,3

Officers: Allen Hollis, Pres., Concord, N. H.; F. W. Story, V-P., Boston, Mass.; Alvin F. Wentworth, Treas.; Edna D. Gadd, Asst. Treas.; Walter M. Flint, Clerk, Plymouth, N. H.; F. E. Moore, Aud., Boston, Mass.; John Gadd, Gen. Mgr., Plymouth, N. H.

Directors: F. W. Story, Laconia, N. H.; Allen Hollis, Concord, N. H.; Percy M. Ayer, Plymouth, N. H.; Nelson Bailey, Wells River, Vt.; Ora A. Brown, Ashland, N. H.; Fred C. Gleason, Warren, N. H.; Henry W. Herbert, Rumney, N. H.; Robert F. Estabrook, Chas S. Pierce, Milton, Mass.; Lambert N. Whitney, Newton, Mass.; George H. Dresser, Brookline, Mass.; Secretary of Directors, Carl F. A. Siedhof, Boston, Mass.

Offices, 50 Oliver St., Boston, Mass., and Plymouth, N. H.

NEW JERSEY BELL TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

History and Property—Incorporated August 12, 1904, in New Jersey as The Delaware and Atlantic Telegraph and Telephone Company. Name changed to New Jersey Bell Telephone Company Sept. 26, 1927. On Oct. 1, 1927, purchased from the New York Telephone Company its property, franchises, privileges and rights within the State of New Jersey. The operations of the Company to Sept. 30, 1927, are included in those of the Bell Telephone Company of Pennsylvania and Associated Companies. At the close of 1927 the Company served a total of 580,956 telephones. Miles of wire in use, 2,846,154.

CAPITAL STOCK

Authorized, $125,000,000; outstanding, $80,395,200; par, $100. All owned by the American Telephone and Telegraph Company.

Dividends—Dividends of 8% per annum are paid quarterly, M, J, S & D.

FUNDED DEBT

None.

***INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927**

Telephone operating revenues	$15,743,475
Telephone operating expenses	10,931,396
Net telephone operating revenue	$4,812,079
Uncollectible operating revenues	84,500
Taxes assignable to operations	1,535,361
Operating income	$3,192,218
Net non-operating income	59,128
Total gross income	$3,251,346
Interest charges	1,124,582
Rent & miscellaneous deductions	380,146
Net income	$1,746,618
Common dividends	1,891,614
Deficit charged to corporate surplus	$144,996

*Company began operations on Oct. 1, 1927. Prior to that date, the figures covering the operations of the predecessor company, The Delaware & Atlantic Telegraph & Telephone Co., are included in the reports of The Bell Telephone Co. of Pennsylvania and Associated Companies.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Land and buildings	$14,984,725
Telephone plant & equipment	121,560,424
General equipment	2,582,211
Total fixed capital	$139,127,360
Investment securities	225,299
Miscellaneous investments	108,500
Cash and deposits	2,238,576
Bills receivable	511
Accounts receivable	3,325,405
Materials and supplies	601,258
Accrued income not due	13,524
Prepaid rents, insurance, etc.	377,317
Other deferred debit items	257,393
Total	$146,275,143

Liabilities—	
Common stock	$80,395,200
Advances from System Corporations	23,647,103
Bills payable	374,917
Accounts payable	2,818,912
Accrued interest, taxes & rents	428,634
Employees' benefit reserve	1,050,448
Other deferred credits	8,174
Fixed capital reserves	28,543,464
Corporate surplus unappropriated	9,008,291
Total	$146,275,143

Officers: Chester I. Barnard, Pres.; G. W. McRae, V-P. & Gen. Mgr.; C. Franklin Brisbin, V-P., Personnel and Public Relations; Frankland Briggs, V-P. & Gen. Counsel; S. C. Ormsbee, Sec. & Treas.; Harland A. Trax, Gen. Aud., Newark, N. J.

Directors: Chester I. Barnard, Frankland Briggs, Edward H. Duffield, John R. Hardin, George W. McRae, Newark, N. J.; Charles P. Cooper, Walter S. Gifford, J. S. McCulloh, New York; Thomas G. Haight, Jersey City, N. J.; William E. Green, Trenton, N. J.; Walter J. Buzby, Atlantic City, N. J.

General Office, Broad St., Newark, N. J.

NEW YORK TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Per Share	Dividends Paid—Amount	Earnings per Share
6½% Cumulative Pfd. (par, $100)	J, A, J & O 15	$75,000,000	$25,000,000	Yes	$28,312,788	6½%	$1,625,000	$113.25
Common (par, $100)	M, J, S & D 31	375,000,000	280,600,000	...	26,687,788	8%	22,448,000	9.51

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
1) N. Y. & Penn. Tel & Tel. Co. Gen. 4s	Nov. 1, 1929	M & N 1	$1,000,000	$413,000	No	No	Not pd. by Co.
2) New York Tel. Co. First & Gen. 4½s	Nov. 1, 1939	M & N 1	75,000,000	61,817,470	No	Yes	Pd. by Co.
3) New York Tel. Co. Debenture 6s	Feb. 1, 1949	F & A 1	25,000,000	21,386,700	No	Yes	Not pd. by Co.
4) New York Tel. Co. Ref. 6s, Series "A"	Oct. 1, 1941	A & O 1	*	49,659,000	No	Yes	Not pd. by Co.

†**Total Funded Debt,** at Dec. 31, 1927, $133,276,170. **Bond Interest Accrued** in 1927, $7,108,746.
Amount Available for Bond Interest in 1927, $35,421,534. **Times Interest Earned** in 1927, 4.98.
*Not to exceed twice the amount of capital stock outstanding. †Excludes $259,800 Real Estate Mortgages.

History—Incorporated June 18, 1896 in N. Y. and succeeded to the property and business of the Metropolitan Telephone & Telegraph Co. and the Westchester Telephone Co. Charter runs for 99 years. Operates throughout the entire State of New York and small area in Connecticut.

The company controls through stock ownership the Empire City Subway Co., Ltd., the Otsego & Delaware Telephone Co., and the Friendship Telephone Co. (see statements appended).

Acquisitions from 1920 to 1926: During 1920—State Line Telephone Co., Peekskill, N. Y., and Columbia Telephone Co., Hudson, N. Y. During 1922—Farmers Telephone Co., Cookstown, N. J. During 1923—South Bethlehem Telephone Co., South Bethlehem, N. Y. During 1925—Erie-Wyoming Telephone Co.,

Chaffee, N. Y. During 1926 Danby Telephone Co., Danby, N. Y. For acquisitions previous to 1920, see former issues of the Manual.

Net Additions to Plant (New York Telephone Co. proper) during 1927 totalled $51,901,548, of which $5,769,014 was expended for real estate, $26,283,577 for equipment and $19,848,957 for lines.

New Jersey Bell Telephone Company—For a number of years prior to 1927, Bell System telephone service in New Jersey was provided by New York Telephone Company and by the Delaware and Atlantic Telegraph and Telephone Company, operating respectively in the northern and southern parts of the State. It was decided that public interest would best be served by the consolidation of the telephone properties in New Jersey and their operation by a separate state-wide company. The Delaware and Atlantic Telegraph and Telephone Company, the entire capital stock of which was owned by the New York Telephone Company, acquired all of the property of the latter Company in the northern part of the State of New Jersey in consideration of the issuance of additional shares of its stock to New York Telephone Company, and changed its name to the New Jersey Bell Telephone Company. The Conveyance was made on September 30, 1927, and on October 1, 1927, the New Jersey Bell Telephone Company began operations as an associate company of the Bell System.

As of December 30, 1927 the New Jersey Public Utility Commission approved change of control of New Jersey Bell Telephone Company from New York Telephone Company to American Telephone and Telegraph Company through a book transfer to the latter company of a majority of outstanding stock of the New Jersey Bell Telephone Company.

The transfer of personnel and property of New York Telephone Company to New Jersey Bell Telephone Company involved 10,494 employees and approximately 451,900 telephones. The present field of operations for the New York company, with connecting companies, consists of the entire State of New York and a small part of Connecticut.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	436	533	526	516	487	464
Owned stations	2,312,295	2,616,371	2,442,348	2,266,657	2,056,519	1,853,713
Connecting stations	285,788	257,746	245,770	238,595	226,750	216,458
Total stations	2,598,083	2,874,117	2,688,118	2,505,252	2,283,269	2,070,171
Total miles of wire	10,854,395	12,190,340	10,926,230	9,774,600	8,177,160	6,894,494

Purchase of Telephone Instruments—Effective at the end of 1927 the American Telephone and Telegraph Company offered to sell and New York Telephone Company bought the telephone instruments in use on its lines heretofore owned and maintained by the American Telephone and Telegraph Company. At the same time a reduction from 4% to 2% of gross telephone revenues has been made in the charges of the parent company to the New York Company for research, engineering, financial and other services which will be furnished as heretofore.

CAPITAL STOCK

Authorized, $375,000,000 Common and $75,000,000 6½% cumulative Pfd. (increased from $50,000,000 to $100,000,000 Sept. 22, 1909, to $125,000,000 on May 2, 1910, to $150,000,000 on June 22, 1914, to $200,000,000 July 25, 1917, to $250,000,000 on May 11, 1921, to $325,000,000 on June 8, 1922, and to $450,000,000 on Nov. 11, 1925); by the creation of the Pfd. stock; outstanding, Dec. 31, 1927, $280,600,000 Common and $25,000,000 Pfd.; par, $100. All of Common stock owned by American Telephone & Telegraph Co. which has pledged $43,100,000 thereof under its Collateral Trust bonds of 1946.

Preferred Stock Provisions—Has preference for assets and dividends and in liquidation or dissolution is entitled to par and accrued dividends. It is subject to call as a whole or in part at 110 and accrued dividends on any dividend date on 60 days' notice. Has voting power on certain questions and in the event of default in payment of dividends for 12 consecutive months will have equal voting power with Common, share for share alike.

Transfer Office (Pfd.)—Company's office, 140 West St., New York.

Registrar—Chatham Phenix National Bank and Trust Co., New York.

Annual Meeting—Third Tuesday in March.

Listed (Pfd.)—New York Curb Market.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922
High	115⅝	116½	114	112¾	112	112¾
Low	112¾	110¾	110½	109	107½	106

Dividends—Dividends are declared the Wednesdays following the fourth Tuesdays of F, M, A & N for Pfd. and M, J, S & D for Common, at rate of 8% per annum on Common, and 6½% per annum on Pfd. Payments quarterly, J, A, J & O 15.

FUNDED DEBT

(1)

$413,000 NEW YORK & PENNSYLVANIA TELEPHONE & TELEGRAPH CO. GENERAL MORTGAGE GOLD 4s; DUE NOVEMBER 1, 1929

Dated November 1, 1899.

Interest Payable May and Nov. 1, at Empire Trust Co., New York, **Trustee. Coupon, $1,000. Authorized** issue, $1,000,000; issued, $700,000, of which $7,000 are held in sinking fund and $280,000 have been cancelled by resolution. The $300,000 unissued bonds were reserved to retire the First 5s due Feb. 1, 1926 which have been paid. The bonds have an annual sinking fund of 1% of amount outstanding, payable Nov. 1 each year, to be invested in bonds at not exceeding 105 and interest. Legal for Maine savings banks. Company does not pay Normal Federal Income Tax.

(2)

$61,817,470 NEW YORK TELEPHONE COMPANY FIRST AND GENERAL GOLD 4½s; DUE NOVEMBER 1, 1939

Dated October 1, 1909.

Interest Payable May and November 1, at Company's office, 140 West St., New York and Old Colony Trust Co., Boston, Mass.; also in sterling at Baring Bros. & Co., Ltd., London, Eng., and Hope & Co., Amsterdam, Holland.

Denominations—Coupon (principal may be registered), $500 and $1,000; and registered, $1,000, $5,000 and multiples of $5,000; interchangeable. Of the outstanding bonds, £900,200 are sterling bonds in denominations of £100 and £200, exchangeable for dollar bonds, and $57,451,500 are dollar bonds.

Trustees—Farmers' Loan & Trust Co., New York and A. V. Heeley, Plainfield, N. J.

Registrar—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $75,000,000, of which $13,046,150 retired by the sinking fund to Dec. 31, 1927. Considering the rate of exchange for bonds sold abroad, amount outstanding Dec. 31, 1927, was $61,817,470.

Callability—Subject to call as a whole, but not in part, at 110 and interest on any interest date upon three months' notice.

Sinking Fund—An annual sinking fund of 1% of bonds issued commenced Nov. 1, 1910, to be applied to the purchase and cancellation of bonds of this issue at not exceeding par and interest, any unexpended balance of the fund to form part of the fund for the succeeding year.

Security—A first lien on the property now owned or hereafter acquired, subject to $413,000 above described prior lien bonds which must be paid at maturity. As of Dec. 31, 1927, additionally secured by deposit with Trustees of $10,212,500 stock and $10,215,000 bonds of the Empire City Subway Co., Ltd.: $2,250,000 bonds of the Consolidated Telegraph & Electrical Subway Co.; $999,300 stock of the Friendship Telephone Co.; $372,300 stock, $250,000 bonds and $75,900 demand notes of the Jamestown Telephone Corporation; $609,300 stock of the Northern New York Telephone Co.; $405,750 stock of the Wayne Telephone Co.; $257,730 stock of the Rochester Telephone Co.; $80,392,700 stock of New Jersey Bell Telephone Co.; $4,814,000 Pfd. stock of the Rochester Telephone Corporation; $1,992,000 stock of Holmes Electric Protective Co.; $149,000 stock of the Manhattan Telegraph Co.; $500,000 stock of the Otsego & Delaware Telephone Co., and $1,520 miscellaneous securities.

Company also agrees to deliver to trustees certificates with irrevocable power of attorney, authorizing the transfer to the same of all shares of stock now owned or hereafter acquired whenever such shares of stock of any one corporation shall be estimated and appraised by the then Treasurer of the company to exceed in actual value the sum of $100,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Connecticut, Massachusetts, New Hampshire, Ohio, Oregon, Rhode Island, New Jersey and Vermont.

Original Offerings—First offered privately ($12,000,000 dollar bonds and £2,500,000 sterling bonds) in Oct., 1909, at 95½ and int. First publicly offered $10,000,000 dollar bonds and £3,000,000 sterling bonds) in Mar., 1910, at 97½ and int. Subsequent offerings in May, 1912, at 98¾ and interest ($10,000,000 dollar bonds and £2,000,000 sterling bonds) and in Sept., 1912, $5,000,000 dollar bonds.

Listed—New York, Boston and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102¾	99¾	99	97½	95	97	89	81½
Low	98⅝	97	95	93⅜	90¾	88¼	75	72

(3)

$1,386,700 NEW YORK TELEPHONE COMPANY 30-YEAR SINKING FUND 6% GOLD DEBENTURE BONDS; DUE FEBRUARY 1, 1949

Dated February 1, 1919.

Interest Payable February and August 1 at Treasurer's office, 140 West St., New York.

Denominations—Coupon, (principal may be registered), $100, $500 and $1,000, and registered, $1,000, $5,000 and $10,000. Coupon and registered bonds interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $25,000,000 of which $3,585,500 ($27,800 called but not delivered) reacquired and held in sinking fund, Dec. 31, 1927.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 110 and accrued interest.

Sinking Fund—Company covenants to pay $375,000 annually to be applied to the acquisition of debentures at not exceeding the redemption price of 110 and interest. The debentures so acquired for the sinking fund will continue to draw interest. This cumulative sinking fund will be more than sufficient to redeem the entire issue of $25,000,000 debentures before maturity.

Security—Company covenants that if at any time after the issue of these debentures it shall create any mortgage or charge upon all or any part of its real estate or telephone plant, or securities of subsidiary companies held by it, the debentures shall be secured by such mortgage or charge ratably with any other indebtedness secured thereby. Since Oct. 1, 1921, equally secured with Refunding Mortgage bonds described below.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine, New Hampshire, Ohio, New Jersey and Rhode Island.

Original Offering—First publicly offered ($25,000,000) in Jan., 1919, at 101 and interest yielding about 5.93%, by J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, National City Co., Harris, Forbes & Co., and Lee, Higginson & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	112	111¼	110¾	109	108⅜	108⅞	104	96¾
Low	110	109⅞	107⅞	105⅞	103½	101¾	87¾	82

(4)

$49,659,000 NEW YORK TELEPHONE COMPANY REFUNDING 20-YEAR GOLD 6s, SERIES "A"; DUE OCTOBER 1, 1941

Dated October 1, 1921.

Interest Payable April and October 1, at Company's office, 140 West St., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Registered bonds in denominations of $1,000, $5,000 and $10,000. Coupon bonds and registered bonds and the several denominations interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Issued, $50,000,000 Series "A" bonds of which $341,000 retired by sinking fund to Dec. 31, 1927.

The authorized amount is limited so that the amount thereof at any time outstanding, when added to the outstanding amount of the First & General Mortgage 4½% bonds and 6% debentures and any other underlying bonded debt as defined in the mortgage, shall never exceed twice the amount of the then outstanding full paid capital stock of the Company. Bonds are issuable under the mortgage to refund the 4½% bonds, the 6% debentures and any such other underlying debt. Subject to the above limitation in amount, bonds may also be issued for new property necessary or useful in connection with the business of the Company, including stocks, bonds and securities of other corporations; but if at any time the amount of outstanding bonds secured by this mortgage, when added to the prior bonded debt of the Company, shall exceed the then amount of the outstanding full paid capital stock of the Company, additional bonds may be issued for not exceeding 75% of the actual cost of such additional property, and at no time shall the amount of bonds issued in respect of shares of stock or unsecured obligations of other corporations exceed one-third of the amount of outstanding bonds issued under the mortgage. The mortgage further provides that so long as the Series "A" bonds are outstanding, no bonds will be issuable, except for refunding, unless the net earnings of the Company available for interest charges during 12 consecutive months out of 15 months next preceding the proposed issue, shall have been not less than 1¾ times the interest during such period on the Company's outstanding bonded debt, including all debentures, plus the amount of interest for 12 months on the bonds proposed to be issued. The bonds issuable under the mortgage may be of several series, and may vary as to interest rates, maturity dates, sinking fund and other provisions as may be determined by the Company from time to time.

Callability—Subject to call in whole, but not in part, on Oct. 1, 1931, or on any interest date thereafter, upon 60 days' notice, at 105 and accrued interest.

Sinking Fund—Payments to the Trustee at the rate of $250,000 quarterly began Jan. 1, 1922, to be applied to the purchase and cancellation of Series "A" bonds at not exceeding 102½ and accrued interest. Any unexpended balance of the fund to form part of the fund for the succeeding quarter.

Security—Secured on all the real estate and tele-

phone plant and appurtenances of the Company in the State of New York now owned or hereafter acquired, and also securities of a book value of $32,951,705 as well as all stocks, bonds and other securities of other corporations (except those operating telephone properties in the States of New Jersey and Connecticut) now owned or hereafter acquired by the Company, subject to indebtedness aggregating, at Dec. 31, 1927, $62,490,270 of which $61,817,470 constitute the Company's First and General Mortgage 4½% bond issue, due in 1939, which is being steadily reduced by sinking fund payments. The Refunding Mortgage secures ratably with the bonds issuable thereunder (including the Series "A" bonds), the outstanding 30-Year Sinking Fund 6% Debenture bonds due in 1949.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine New Hampshire, Ohio, New Jersey and Rhode Island

Original Offering—First publicly offered ($50,000,000) in Nov., 1921, at 97 and interest, to yield over 6.25%, by J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, National City Co., Bankers Trust Co., Guaranty Co., Harris Forbes & Co., and Lee, Higginson & Co., New York etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	110⅛	109½	108½	107½	107¼	108¼	102⅞
Low	107⅞	107½	106⅛	104	102¼	101⅞	98

REAL ESTATE MORTGAGES

There were also outstanding, Dec. 31, 1927, $259,800 Real Estate Mortgages.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(New York Telephone Co. Only)

	1927	1926	1925	1924	1923	1922
Telephone operating revenues	$186,495,378	$178,205,668	$157,128,099	$136,375,001	$120,540,555	$105,786,90
Telephone operating expenses	133,066,057	127,427,964	115,064,459	105,465,417	91,314,502	81,081,63
Net telephone oper. revenues	$53,429,321	$50,777,704	$42,063,640	$30,909,584	$29,226,053	$24,705,26
Uncollectible oper. revenues	986,149	984,259	990,938	793,257	694,966	438,50
Taxes assignable to operations	14,189,548	13,591,589	10,572,362	8,634,023	8,344,462	6,849,36
Total operating income	$38,253,624	$36,201,856	$30,500,340	$21,482,304	$20,186,625	$17,417,39
Net non-operating revenues	5,059,127	3,646,040	3,816,859	6,913,218	9,637,234	11,276,84
Total gross income	$43,312,751	$39,847,896	$34,317,199	$28,395,522	$29,823,859	$28,694,24
Deductions:						
Rent and miscellaneous	$4,665,193	$4,463,838	$4,164,551	$3,790,388	$3,424,506	$3,081,23
Funded debt interest	7,108,746	7,163,597	7,198,290	7,260,323	7,327,830	7,396,08
Other interest	3,013,250	1,305,550	3,716,155	2,200,214	848,652	1,030,98
Debt discount and expense	212,774	213,209	213,470	213,885	214,368	216,09
Balance net income	$28,312,788	$26,701,702	$19,024,733	$14,930,712	$17,990,503	$16,969,83
Preferred dividends	1,625,000	1,625,699	1,625,766	1,593,521	1,198,581	440,73
Common dividends	22,448,000	22,448,000	16,375,360	16,375,360	16,375,360	16,375,36
Misc. appropriations of income	.....	998,000	.....	.....	.....	.....
Balance for corporate surplus	$4,239,788	$1,630,003	$1,023,607	*$3,038,169	$416,562	$153,74
Times Bond Interest Earned	4.98	4.72	3.64	3.05	3.45	3.2
Earnings Per Share—						
Preferred	$113.25	$106.80	$76.09	$59.72	$82.20	$102.8
Common	9.51	8.90	8.50	6.52	8.20	8.0

*Deficit.

SURPLUS ACCOUNT, AT DECEMBER 31

	1927	1926	1925	1924
Net income (as per Income Account above)	$28,312,788	$26,701,702	$19,024,733	$14,930,71
Less surcharge New York City & rate increase in New Jersey, subject to possible refund	.....	3,532,403	8,255,546	3,875,36
Appropriation to Employees' Benefit Reserve	.....	998,000	.....	.....
Balance available for dividends	$28,312,788	$22,171,299	$10,769,187	$11,055,35
Unappropriated surplus, January 1	21,852,422	22,746,596	28,333,703	29,504,54
Plus additions and deductions (net)	3,011,961	1,008,226	1,644,832	5,742,68
Total	$53,177,171	$45,926,121	$40,747,722	$46,302,58
Deduct Dividends:				
Preferred stock	$1,625,000	$1,625,699	$1,625,766	$1,593,52
Common stock	22,448,000	22,448,000	16,375,360	16,375,36
Unappropriated Surplus, Dec. 31 (as per Balance Sheet)	$29,104,171	$21,852,422	$22,746,596	$28,333,70

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Real estate	$84,213,473	$90,360,580	$66,918,918	$61,720,218	$51,783,617	$41,350,22
Telephone plant	478,657,005	526,365,647	494,336,246	442,725,454	376,477,988	314,034,41
General equipment, materials & supplies	11,449,314	14,724,952	13,766,763	11,737,321	10,362,929	8,883,8
Investment securities	127,098,447	38,223,899	38,841,199	36,639,281	87,719,480	119,364,7
Advances to system corporations	.....	.....	4,692,465	5,112,240	5,062,240	8,075,0
Cash and deposits	6,147,609	7,189,095	6,449,655	6,245,853	5,608,186	7,383,8
Bills & accts. receivable	16,803,379	18,097,103	17,432,704	15,702,261	14,789,367	10,346,2
Accrued income not due	1,344,662	1,252,154	1,216,389	1,099,991	901,569	736,2
Sinking funds	1,333,454	568,800	265,404	261,025	258,752	255,7
Prepaid expenses	1,843,702	2,139,872	2,008,325	1,651,908	1,022,414	1,235,7
Unamortized debt disc. & exp.	3,067,626	3,290,339	3,508,682	3,732,564	3,956,906	4,188,9
Other deferred debits	852,102	807,348	832,689	1,286,705	523,496	289,7
Total	$732,810,773	$703,019,789	$650,269,439	$587,914,821	$558,466,944	$516,144,8
Liabilities—						
Common stock	$280,600,000	$280,600,000	$204,692,000	$204,692,000	$204,692,000	$204,692,0
Preferred stock	25,000,000	25,000,000	25,000,000	25,000,000	21,885,600	16,501,4
Premiums on capital stock	171,244	171,244	171,244	164,217	140,869	.....
Funded debt	133,535,970	134,739,620	135,129,065	136,338,930	137,607,575	138,996,8
Advances from system Corps.	71,661,239	38,263,315	85,488,554	43,831,554	30,711,554	7,611,5
Bills & accts. payable	16,079,939	15,260,252	12,951,155	11,867,419	11,875,585	10,145,4
Accrued liabilities not due	7,083,590	8,220,723	6,362,187	4,940,270	8,017,340	6,786,2
Employees' benefit fund	4,559,737	5,500,000	4,502,000	4,500,000	4,500,000	4,500,0
Other deferred credits	240,696	197,564	65,296	81,835	157,297	309,8
Reserves for depreciation	149,364,736	157,805,198	139,512,293	122,771,390	107,856,437	94,675,8
Surplus	44,513,622	37,261,873	36,395,645	33,727,206	31,022,687	31,925,5
Total	$732,810,773	$703,019,789	$650,269,439	$587,914,821	$558,466,944	$516,144,8

Officers: James S. McCulloh, Pres.; Ford Huntington, V-P.; James L. Kilpatrick, V-P.; Tage P. Sylvan, V-P.; Charles T. Russell, V-P. & Gen. Counsel; Jacob S. Wiley, V-P. & Gen. Aud.; Henry C. Carpenter, V-P.; Marshall B. Downing, V-P. & Gen. Mgr.; John P. Downs, V-P. & Gen. Mgr.; James W. Hubbell, V-P. & Gen. Mgr.; John J. Robinson, V-P. & Gen. Mgr.; Walter M. Murphy, V-P.; Eugene A. Gurnee, Treas.; George S. Weedon, Sec.

Directors: William L. De Bost, W. S. Gifford, New York; D. F. Houston, Ford Huntington, New York; Edwin P. Maynard, Brooklyn, N. Y.; John F. Maynard, Utica, N. Y.; James S. McCulloch, Rye, N. Y.; Thomas T. Ramsdell, Buffalo, N. Y.; Charles T. Russell, New York; Henry M. Sage, Albany, N. Y.; H. B. Thayer, New Canaan, Conn.; T. P. Sylvan, Montclair, N. J.; William L. Hinds, Syracuse, N. Y.

General Office, 140 West St., New York.

COMMERCIAL UNION TELEPHONE CO.

History—Incorporated Nov. 19, 1902, in New York. The physical properties of this company were sold to New York Telephone Co. in 1914, subject to funded debt shown below.

FUNDED DEBT

$20,000 Commercial Union Telephone Co. Consolidated First Gold 5s; dated April 30, 1904; due July 1, 1954; int. Jan. and July 1, at Troy Trust Co., Troy, Trustee. Authorized, $1,000,000. Company pays Normal Federal Income Tax up 2%.

ALLEGANY COUNTY TELEPHONE COMPANY

(Controlled by New York Telephone Company)

History and Property—Incorporated Aug. 18, 1910, in N. Y.; consolidation of Angelica Telep. Co., Belmont Citizens Telep. Co., Belfast Telephone Co., Bolivar Telep. Co. and Cuba Telep. Co., all located in Allegany Co., N. Y.; also took over property formerly owned by New York Telep. Co. in Allegany County. Franchises perpetual, or run during existence of Co. Station statement, Dec. 31, 1927: Operated by Allegany County Tel. Co., 3,493; operated by connecting companies, 1,588—total stations, 5,081.

CAPITAL STOCK

Authorized, $200,000; outstanding, $100,000; par, $100. The New York Telephone Company owns $93,800 of the stock. Secretary of Co. acts as Transfer Agent. Annual meeting, Tuesday preceding fourth Wednesday in February.

Dividends—A dividend of 6% was paid in 1924; 7½% in 1925; 8% in 1926, 10% in 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$166,038	$159,340	$152,879	$144,341	$138,647	$131,898
Operating expenses, taxes and depreciation	127,676	124,883	124,071	118,423	116,392	115,297
Total net earnings	$38,362	$34,457	$28,808	$25,918	$22,255	$16,601
Interest charges	13,058	13,780	13,851	12,960	12,960	12,960
Net income	$25,304	$20,677	$14,957	$12,958	$9,295	$3,641
Dividends	10,000	8,000	7,500	6,000	.....	.....
Surplus for year	$15,304	$12,677	$7,457	$6,958	$9,295	$3,641

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital and construction work in progress	$408,851	$399,491	$393,447	$358,089	$314,426	$315,932
Materials and supplies	15,187	16,244	20,461	19,291	15,691	16,131
Bills and accounts receivable	15,020	9,407	10,909	6,924	7,339	7,489
Cash and deposits	15,315	7,206	5,486	5,578	22,992	13,573
Marketable securities	.....	.....	.....	.....	5,000	.....
Deferred debits	8,472	8,333	6,434	6,439	5,692	11,430
Total	$462,845	$440,681	$436,737	$396,321	$371,140	$364,555
Liabilities—						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Bills and accounts payable	227,430	235,982	250,496	228,435	227,195	229,677
Fixed capital reserves	82,618	65,549	57,467	46,152	28,075	26,140
Other reserves	21,624	15,515	14,640	7,749	5,960	5,209
Surplus	31,173	23,635	14,134	13,985	9,910	3,529
Total	$462,845	$440,681	$436,737	$396,321	$371,140	$364,555

Officers: F. C. Saunders, Pres., Cuba, N. Y.; W. B. Woodbury, V-P., New York; H. E. Keller, V-P., Cuba, N. Y.; G. B. Rooth, Jr., Treas.; H. Joyce, Aud.; Wellsville, N. Y.; P. R. Persons, Sec.; R. H. Clark, Asst. Sec., New York.

Directors: Clarence Ricker, Warren, Pa.; D. P. Snyder; F. C. Saunders, H. E. Keller, Cuba, N. Y.; W. B. Woodbury, New York; P. O. Jacobs, W. B. Manley, Belfast, N. Y.; Geo. B. Rooth, Jr., Wellsville, N. Y.; D. C. Cox, Syracuse, N. Y.; N. Wigton, J. T. Cartier, Buffalo, N. Y.

General Office, Wellsville, N. Y.

CATTARAUGUS UNION TELEPHONE COMPANY

(Controlled by New York Telephone Company)

History and Property—Incorporated Oct. 27, 1909, in New York. Operates in Cattaraugus, Delevan, East Otto, Otto, Ellicottville, Little Valley, Franklinville, Hinsdale and Machias, New York. No. of company stations, Dec. 31, 1927, 1,895; connecting stations, 33—total, 1,928.

CAPITAL STOCK

Authorized, $74,000; outstanding, $55,000; par, $100. Majority owned by New York Telephone Co. Annual meeting, second Tuesday in February. No dividends paid.

FUNDED DEBT

$33,100 First Gold 6s; dated Dec. 1, 1909; due Jan. 1, 1930; int. June and Dec. 1, at Salamanca (N. Y.) Trust Co., Trustee. Coupon, $100 and $500; principal may be registered. Authorized issue, $50,000. Sinking fund, 2% annually of outstanding bonds. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$67,807	$68,321	$67,660	$66,535	$64,594	$62,676
Operating expenses and taxes	55,728	57,312	56,416	56,536	54,105	55,867
Net earnings	$12,079	$11,009	$11,244	$9,999	$10,489	$6,809
Interest, etc.	9,022	9,573	9,959	10,089	10,089	10,089
Surplus for year	$3,057	$1,436	$1,285	*$90	$400	*$3,280

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Total fixed capital and construction work in progress	$201,941	$199,915	$200,181	$194,935	$190,150	$185,889
Materials and supplies	7,228	8,087	7,644	5,598	5,070	4,742
Bills and accounts receivable	4,026	4,028	5,908	6,019	4,705	4,202
Cash and deposits	8,923	5,593	3,723	4,786	12,920	9,741
Deferred debits	12,644	11,428	12,433	12,862	3,747	4,897
Deficit	44,476	47,252	48,063	48,722	48,111	47,990
Total	$279,238	$276,303	$277,952	$272,922	$264,703	$257,461
Labilities—						
Capital stock	$55,000	$55,000	$55,000	$55,000	$55,000	$55,000
Funded debt	33,100	33,100	33,100	33,100	33,100	33,100
Interest and taxes accrued	3,088	3,500	3,651	.....	.....	.....
Accounts payable	4,090	1,641	2,309	5,798	6,069	6,928
Fixed capital reserves	66,220	60,627	52,357	43,245	35,484	27,383
Other reserves	2,740	2,435	1,535	729	.....	.....
Advances from system corporations	115,000	120,000	130,000	135,050	135,050	135,050
Total	$279,238	$276,303	$277,952	$272,922	$264,703	$257,461

Officers: F. C. Saunders, Pres., Syracuse, N. Y.; W. B. Woodbury, V-P.; N. Wigton, V-P., P. R. Persons, Sec. & Treas.; R. H. Clark, Aud., New York.

Directors: F. C. Saunders, Cuba, N. Y.; W. B. Woodbury, P. R. Persons, New York; P. O. Jacobs, N. Wigton, G. T. Cartier, Buffalo, N. Y.; C. J. Rich, Cattaraugus, N. Y.; B. C. Wolverton, D. C. Cox, Syrause, N. Y.

Office, Little Valley, N. Y.

EMPIRE CITY SUBWAY COMPANY, LIMITED

(Controlled by New York Telephone Company)

History and Property—Incorporated July 12, 1890, in N. Y. Company is engaged in the construction and leasing of underground ducts or conduits wherein are placed the telephone and telegraph conductors of companies operating in the boroughs of Manhattan and the Bronx and the conductors of electric light and power companies engaged in the production and sale of electric current for light and power delivered over or by low-tension conductors. The ducts in these subways are leased to various companies, among the more important being the New York Telephone Co., the New York Edison Co., the Western Union Telegraph Co., The Postal Telegraph-Cable Co. and the Holmes Electric Protective Co.

CAPITAL STOCK

Authorized, $15,000,000 (increased from $10,000,000 in 1925); outstanding, $10,734,000, a majority of which is owned by the New York Telephone Co. Annual meeting, Thursday following third Tuesday in March.

Dividends—Dividends have been paid as follows (on Jan. 1): 1909, 5¾%; 1910 and 1911, 6%; 1912 and 1913, 5½%; 1914 to 1922, incl., 6%; 1923, 7%; 1924 to 1927, inclusive, 8% per annum.

FUNDED DEBT

(1)

$1,250,000 (entire issue) Consolidated Telegraph & Electrical Subway Co. First 6s; dated June 1, 1890; due June 1, 1940; int. June and Dec. 1. Assumed by Empire City Subway Co., Ltd. The New York Telephone Co. owns $1,125,000 of the issue. Company does not pay Normal Federal Income Tax.

(2)

$10,652,000 Empire City Subway Co., Ltd., First 6s; dated July 1, 1892; due July 1, 1942; int. Jan. and July 1. The New York Telephone Co. owns $10,133,000 of the issue. Company does not pay Normal Federal Income Tax.

(3)

$1,250,000 (entire issue) Consolidated Telegraph & Electrical Subway Co. Second 6s; dated June 1, 1890; due June 1, 1940; int. June and Dec. 1. Assumed by Empire City Subway Co., Ltd. The New York Telephone Co. owns $1,125,000 of the issue. Company does not pay Normal Federal Income Tax.

(4)

$82,000 (entire issue) Empire City Subway Co., Ltd., Second 6s; dated July 1, 1892; due July 1, 1942; int. Jan. and July 1. All owned by New York Telephone Co. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total earnings	$3,190,745	$3,063,728	$3,099,973	$2,874,592	$2,586,817	$2,350,011
Operating expenses, taxes and depreciation	1,497,571	1,385,014	1,321,659	1,282,822	1,211,372	1,090,639
Net earnings	$1,693,174	$1,678,714	$1,778,314	$1,591,770	$1,375,445	$1,259,372
Interest	794,047	763,260	751,740	705,180	658,860	615,780
Balance	$899,127	$915,454	$1,026,574	$886,590	$716,585	$643,592
Surplus Jan. 1	929,003	826,754	602,500	433,938	311,498	206,121
Miscellaneous additions (net)	85,124	4,475	.....	22,212	5	691
Miscellaneous deductions (net)	5,000	.....	.....	.....	480	65,385
Dividends	858,720	817,680	802,320	740,240	593,670	473,520
Surplus, Dec. 31	$1,049,534	$929,003	$826,754	$602,500	$433,938	$311,499

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$25,451,442	$23,461,435	$22,472,912	$22,136,767	$20,701,023	$19,278,363
Furniture, fixtures and tools	181,479	177,602	156,616	154,706	137,019	127,582
Materials and supplies	62,403	72,852	52,886	76,730	55,785	43,721
Accounts receivable and other assets	4,497,493	4,968,486	5,139,574	3,234,975	2,563,988	2,173,295
Cash	594,606	462,540	453,781	482,983	437,451	523,908
Total	$30,787,423	$29,142,915	$28,275,769	$26,086,161	$23,895,266	$22,146,869
Liabilities—						
Capital stock	$10,734,000	$10,221,000	$10,029,000	$9,253,000	$8,481,000	$7,892,000
Funded debt	13,234,000	12,721,000	12,529,000	11,753,000	10,981,000	10,392,000
Accounts payable	187,035	100,643	68,936	77,804	102,253	328,773
Accrued liabilities	1,351,123	1,295,227	1,273,908	1,174,641	966,369	578,283
Replacement reserves	4,141,731	3,786,042	3,458,17	3,135,216	2,840,706	2,554,314
Other reserves	90,000	90,000	90,000	90,000	90,000	90,000
Surplus	1,049,534	929,003	826,754	602,500	433,938	311,499
Total	$30,787,423	$29,142,915	$28,275,769	$26,086,161	$23,895,266	$22,146,869

Officers: J. S. McCulloh, Pres.; Ford Huntington, V-P.; C. T. Russell, V-P. & Gen. Counsel; J. S. Wiley, V-P. & Gen. Aud.; G. S. Weedon, Sec.; E. A. Gurnee, Treas., New York.

Directors: H. C. Carpenter, Ford Huntington, John W. Lieb, J. S. McCulloh, C. T. Russell.

General Office, 140 West St., New York.

FRIENDSHIP TELEPHONE COMPANY

(Controlled by New York Telephone Company)

History and Property—Incorporated March 19, 1902, in N. Y. Operates in Friendship, Allegany County, N. Y.

CAPITAL STOCK

Authorized and outstanding, $1,000,000. All owned by New York Telephone Co. Annual meeting, Wednesday before second Thursday in February.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$12,619	$12,758	$12,279	$11,623	$11,242	$10,403
Operating expenses and taxes	10,086	11,511	11,089	10,206	11,767	10,778
Net earnings	$2,533	$1,247	$1,190	$1,417	*$525	*$375
Other income	20,784	19,728	20,508	11,421	11,705	10,625
Total income	$23,317	$20,975	$21,698	$12,838	$11,180	$10,250
Interest charges, etc.	4,151	2,150	7,861	5,100	2,292	150
Surplus for year	$19,166	$18,825	$13,837	$7,738	$8,888	$10,100

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Total fixed capital and construction work in progress	$41,959	$43,417	$42,319	$42,411	$42,665	$42,919
Bonds owned	303,067	378,207	396,941	469,400	425,423	426,423
Stocks owned	218,684	162,909	212,216	176,989	192,456	101,677
Materials and supplies	23	847	705	2,692	2,754	3,158
Cash	21,726	15,559	10,353	10,399	11,515	7,363
Bills and notes receivable	630,848	624,873	546,809	504,339	480,964	493,212
Accounts receivable	9,111	7,578	13,310	11,669	14,460	7,943
Unmatured interest, dividends and rents	7,568	16,223	15,056	10,953	10,175	9,358
Deferred debit items	191	503	412	500	2,674	871
Total	$1,233,177	$1,250,116	$1,238,121	$1,229,352	$1,183,086	$1,092,924
Liabilities—						
Capital stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Real estate mortgage	.....	5,000	5,000	5,000	5,000	5,000
Bills and accounts payable	17,225	40,000	54,726	80,000	80,000	.....
Accrued liabilities not due	2,688	13,844	11,308	7,752	3,956	4,337
Deferred credit items	17,603	17,527	16,928	5,544	4,585	4,000
Reserves	8,033	6,970	6,640	5,159	3,544	1,918
Surplus	187,628	166,775	143,519	125,897	86,001	77,669
Total	$1,233,177	$1,250,116	$1,238,121	$1,229,352	$1,183,086	$1,092,924

Officers: W. B. Woodbury, Pres.; J. S. McCulloh, V-P.; C. T. Russell, V-P. & Gen. Counsel, New York; D. C. Cox, V-P., Syracuse, N. Y.; P. R. Persons, Sec. & Treas.; R. H. Clark, Gen. Aud., New York.

Directors: J. S. McCulloh, H. F. Stevens, Ford Huntington, T. P. Sylvan, W. B. Woodbury, C. T. Russell, J. S. Wiley, New York.

General Office, 140 West St., New York.

HOLMES ELECTRIC PROTECTIVE COMPANY

(Controlled by New York Telephone Company)

History and Business—Incorporated Jan. 28, 1883, in N. Y. Operates an electric protection system and supplies patrolmen for banks, business houses and residences through a central office connection.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $2,000,000; par, $100. Annual meeting, first Friday in February.

Dividends—Dividends of 10% per annum are paid quarterly, J, A, J & O 15.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,969,296	$2,683,681	$2,430,383	$2,177,800	$2,063,015	$2,040,285
Operating expenses	2,295,476	2,117,853	1,904,638	1,942,789	1,804,546	1,786,007
Net earnings	$673,820	$565,828	$525,745	$235,011	$258,469	$254,278
Other income	83,477	138,762	89,516	74,330	70,101	61,421
Total income	$757,297	$704,590	$615,261	$309,341	$328,570	$315,699

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Interest, taxes, etc.	$73,531	$70,912	$84,307	$83,325	$80,772	$174,098
Depreciation	274,406	245,605	308,130	107,000	75,000	86,400
Total charges	$347,937	$316,517	$392,437	$190,325	$155,772	$260,498
Balance for dividends	409,360	$388,073	$222,824	$119,016	$172,798	$55,201
Dividends paid	200,000	200,000	†139,000	100,000	100,000	100,000
Surplus for year	$209,360	$188,073	$83,824	$19,016	$72,798	*$44,799

*Deficit. †Excluding stock dividend of $440,000.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant and equipment	$1,818,334	$1,558,777	$1,392,889	$1,257,839	$1,215,520	$1,229,749
Intangible capital	495,370	495,370	495,370	495,370	495,370	495,370
Stocks owned	196,554	150,900	156,000	156,000	156,000	103,500
Bonds owned	214,410	200,011	200,011	46,564	95,439	95,439
Materials and supplies	172,407	182,579	120,989	155,143	144,394	187,359
Cash	249,930	167,740	71,262	70,423	118,993	65,516
Notes receivable	3,646	2,390	3,872	3,419	4,710	24,073
Accounts receivable	213,916	224,002	193,945	169,614	133,583	323,974
Other current assets	5,869	4,745	4,589	266	641	641
Deferred debit items	9,264	13,190	8,797	55,843	143,383	66,153
Total	$3,379,700	$3,008,704	$2,647,724	$2,410,481	$2,508,033	$2,591,774
Liabilities—						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$1,000,000	$1,000,000	$1,000,000
Stock subscriptions	.....	.....	.....	560,000	560,000	560,000
Notes payable	.....	.....	.....	.....	.....	11,546
Accounts payable	92,960	92,007	55,717	35,220	60,601	95,809
Dividends accrued	50,000	50,000	50,000	25,000	25,000	25,000
Other current liabilities	10,421	40,112	31,105	51,467	41,015	28,803
Reserve for taxes	65,367	62,078	39,671	12,551	16,588	19,086
Reserve for accrued depreciation	462,471	257,736	152,846	51,861	159,069	280,190
Deferred credit items	17,719	35,368	35,055	34,876	22,469	23,648
Liability for benefit fund	200,000	200,000	200,000	200,000	200,000	200,000
Profit and loss	480,762	271,403	83,330	439,506	420,490	347,692
Total	$3,379,700	$3,008,704	$2,647,724	$2,410,481	$2,508,033	$2,591,774

Officers: A. W. Allen, Pres., Orange, N. J.; C. T. Russell, V-P., New York City; Wm. J. Farquhar, Sec. & Treas., Garden City, N. Y.; W. A. Giblin, Aud., Bloomfield, N. J.

Directors: C. T. Russell, Ford Huntington, R. A. C. Smith, L. H. Kinnard, J. S. McCulloh, A. H. Wiggin, Wm. Giblin, New York; H. C. Ward, Brooklyn, N. Y.; A. W. Allen, Orange, N. J.

General Office, 370 Seventh Ave., New York.

NORTHERN NEW YORK TELEPHONE CORPORATION

(Controlled by New York Telephone Co.)

History—Incorporated Sept. 15, 1906, in New York, as Mountain Home Telephone Co., name changed to present title, effective Jan. 1, 1923. Operates in Clinton, Essex, Franklin, Jefferson, Lewis, St. Lawrence, Warren and Washington Counties, N. Y. In 1913 the Adirondack Home Telephone Co., Clinton Telephone Co. and New York Telephone Co. properties in above counties were consolidated with this company. Number of company stations, 24,293; connecting stations, 5,758; exchanges, 40; connecting exchanges, 27.

On Dec. 31, 1924, the Northern New York Telephone Corporation of Plattsburg, N. Y., and the Northwestern Telephone Corporation of Carthage, N. Y., were merged, the Northwestern Telephone Corporation operating nine exchanges and 2,057 telephones in the Counties of Jefferson and Lewis in New York State. (For latest published statement of latter Company, see 1924 Public Utility Manual, page 2171).

CAPITAL STOCK

Authorized, $1,000,000 Common and $2,000,000 6½% cumulative Pfd.; (increased from $1,000,000 in Jan. 1923); outstanding, $905,600 Common and $704,600 Pfd.; par, $100. The New York Telephone Co. owns a substantial interest in the Common stock. Stock transferred and registered by Company.

Preferred Stock Provisions—Pfd. stock has preference for assets and 6½% cumulative dividends, and is redeemable as a whole or in part after Dec. 31, 1928 at 105 and dividends.

Annual Meeting—First Friday after third Monday in May at Plattsburgh, N. Y.

Dividends—Pfd. dividends regularly paid, quarterly, J, A, J & O 15. Initial Common dividend of 2% paid Dec. 24, 1923; 1924, 6%; 1925, 8½%; 1926, 8%; 1927, 8% regular and 1% special; payments, J, A, J & O 15.

FUNDED DEBT

$1,622,600 MOUNTAIN HOME TELEPHONE CO. GENERAL MORTGAGE GOLD 5s; DUE JANUARY 1, 1938

Dated January 1, 1913.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; issued $1,731,200 of which $108,600 retired through sinking fund, leaving $1,622,600 outstanding.

Callability—Subject to call as a whole but not in part on any interest date at 100 and accrued interest upon three months' notice.

Sinking Fund—1% of outstanding bonds from January 1, 1918.

Security—Secured by a direct first mortgage on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	*1924	1923	1922
Assets—						
Plant and equipment	$4,297,767	$4,024,059	$3,883,257	$3,614,959	$2,712,424	$2,468,918
Other investments	2,576	11,976	250	500	17,546	10,600
Materials and supplies	78,506	103,998	111,721	154,640	104,619	76,92
Cash	266,484	149,337	115,997	113,136	90,231	83,62
Notes receivable	.....	.....	1,912	6,738	4,895	20,05
Current accounts	165,292	107,322	98,231	106,471	167,743	69,58
Prepayments, etc.	13,277	73,272	97,154	64,869	66,763	56,20
Deferred debit items	6,769	7,477	4,956	4,956	5,842	12,00
Total	$4,830,671	$4,477,441	$4,313,478	$4,066,269	$3,170,063	$2,797,90

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	*1924	1923	1922
Common stock	$905,600	$679,200	$679,200	$679,200	$679,200	$679,200
Preferred stock	704,600	698,700	458,300	272,400	136,200	.....
Funded debt	1,622,600	1,644,000	1,660,600	1,641,400	1,348,600	1,270,300
Real estate mortgage not due	.....	12,500	12,500	.....	.....	.....
Notes payable	.....	.....	150,300	184,685	33,000	35,000
Current liabilities	100,442	90,116	79,036	172,510	90,280	93,614
Accrued liabilities, not due	108,853	94,070	127,182	38,650	63,456	50,700
Depreciation reserve	1,012,399	980,242	912,573	890,448	688,180	628,854
Employees benefit fund	45,000	35,000	35,000	27,210	25,209	22,200
Insurance reserve	7,800	5,400	3,039	.....	.....	.....
Surplus	323,377	238,213	195,748	159,766	105,938	18,037
Total	$4,830,671	$4,477,441	$4,313,478	$4,066,269	$3,170,063	$2,797,905

*Including Northwestern Telephone Corp., merged Dec. 31, 1924.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	*1924	1923	1922
Gross earnings	$1,164,730	$1,074,813	$1,025,951	$886,660	$818,037	$709,762
Operating expenses and depreciation	748,052	744,335	708,427	614,696	561,085	512,191
Taxes	90,000	72,000	63,000	63,000	54,000	52,000
Net earnings	$326,678	$258,478	$254,524	$208,964	$202,952	$145,571
Other income	5,137	2,030	2,132	3,011	3,118	10,996
Total income	$331,815	$260,508	$256,656	$211,975	$206,070	$156,567
Interest and rentals	120,281	122,092	132,464	108,936	96,959	94,434
Balance for dividends	$211,534	$138,416	$124,192	$103,039	$109,111	$62,133
Preferred dividends	45,675	37,339	23,434	13,446	5,412	.....
Common dividends	72,448	54,336	57,732	40,752	13,584	.....
Surplus for year	$93,411	$46,741	$43,026	$48,841	$90,115	$62,133

*Not including Northwestern Telephone Corp., merged Dec. 31, 1924.

Officers: I. H. Griswold, Pres., Plattsburg, N. Y.; W. B. Woodbury, V-P., New York; B. H. Brooks, V-P. & Gen. Mgr.; Lawrence E. Croake, Sec. & Treas.; L. C. Desso, Aud., Plattsburg, N. Y.

Directors: G. W. Ball, Massena, N. Y.; John Bird, Canton, N. Y.; Victor E. Cooley, James W. Hubbell, Albany, N. Y.; Mortimer Y. Ferris, Ticonderoga, N. Y.; Joseph G. Gokey, N. Monroe Marshall, Malone, N. Y.; Irving H. Griswold, David Merkel, Albert Sharron, Plattsburg, N. Y.; Wm. C. Leonard, Saranac Lake, N. Y.; Chas. E. Norris, Carthage, N. Y.; Fred S. Rodenhurst, Clayton, N. Y.; Frank L. Seaker, Gouverneur, N. Y.; Thomas Spratt, Ogdensburg, N. Y.; John R. Weston, Potsdam, N. Y.; Wm. B. Woodbury, New York, N. Y.

General Office, Plattsburg, N. Y.

OTSEGO & DELAWARE TELEPHONE COMPANY

(Controlled by New York Telephone Company)

History and Property—Incorporated Aug. 18, 1910, in N. Y. Purchased property of the Otsego Home Telephone Co., formerly operating in Otsego County, the property of the New York Telephone Co. located in Otsego and Delaware counties, and absorbed the East Springfield Telephone Co. formerly operating in Otsego, Herkimer and Montgomery counties. Total stations, Dec. 31, 1927, 10,502, of which 3,053 operated by connecting companies.

CAPITAL STOCK

Authorized, $550,000 Common and $200,000 6½% Pfd.; issued, $510,000 Common (of which $440,000 paid in), and $123,900 Pfd.; par, $100. Stock control held by New York Telephone Co. Annual meeting, Friday before fourth Saturday in February.

Dividends—Dividends on Common stock have been paid as follows: 1919, 2%; 1920, 5½%; 1921 to 1925, 8% each; 1926 and 1927, 8% and 2% extra each. Dividends on Pfd. stock at rate of 6½% in 1926 and 1927; payments quarterly on both classes.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$340,778	$310,521	$276,051	$259,180	$248,007	$228,510
Operating expenses and taxes	265,366	238,335	222,558	206,276	199,456	184,236
Net earnings	$75,412	$72,186	$53,493	$52,904	$48,551	$44,274
Interest charges	1,067	1,719	1,200	1,785	994	83
Balance for dividends	$74,345	$70,467	$52,293	$51,119	$47,557	$44,191
Preferred dividends paid	7,958	2,815	.....	.....	.....	.....
Common dividends paid	44,000	44,000	35,200	33,800	31,200	31,200
Surplus for year	$22,387	$23,652	$17,093	$17,319	$16,357	$12,991

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital and construction work in progress	$929,412	$877,516	$714,869	$673,629	$605,096	$536,573
Materials and supplies	36,167	36,365	26,751	25,844	21,988	21,208
Bills and accounts receivable	21,427	20,500	15,963	16,695	19,788	32,722
Due on Common stock subscription	70,000	70,000	70,000	70,000	120,000	120,000
Cash and deposits	7,474	23,656	14,901	16,904	9,123	9,425
Marketable securities	.....	.....	.....	.....	4,978	.....
Sinking and other reserve fund assets	3,448	4,978	4,978	8,029	6,733	.....
Deferred debits	23,793	24,947	5,170	3,516	1,968	13,020
Total	$1,091,721	$1,057,962	$852,632	$814,617	$789,674	$732,948

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$510,000	$510,000	$510,000	$510,000	$510,000	$510,000
Preferred stock	123,900	106,400	.....	.....	.....	.....
Bills and accounts payable	20,121	42,043	26,156	34,807	49,175	40,32
Accrued liabilities not due	35,624	41,329	21,331	23,990	22,246	.....
Deferred credits	61,636	57,235	55,062	29,140	26,921	.....
Reserve for depreciation	207,327	189,529	170,841	140,804	120,787	114,40
Other reserves	.....	.....	.....	.....	.....	13,50
Surplus	133,113	111,426	69,242	75,876	60,545	54,71
Total	$1,091,721	$1,057,962	$852,632	$814,617	$789,674	$732,94

Officers: H. W. Fluhrer, Pres.; De Forest F. Keyes, V-P., Oneonta, N. Y.; W. B. Woodbury, V-P.; P. R. Persons, Sec., New York; C. J. Ernest, Treas.; G. M. Davidson, Aud., Oneonta, N. Y.

Directors: G. H. White, Cooperstown, N. Y.; De Forest F. Keyes, H. W. Fluhrer, D. F. Wilber, O. C. Becker, Oneonta, N. Y.; W. B. Woodbury, New York; D. C. Cox, Syracuse, N. Y.; E. H. Greenleaf, V. E Cooley, Albany, N. Y.; J. A. Losee, Richfield Springs N. Y.; D. C. Dow, Cobleskill, N. Y.

Office, Oneonta, N. Y.

ROCHESTER TELEPHONE CORPORATION

(Affiliated with New York Telephone Co.)

History and Properties—Organized Feb. 17, 1920, in New York, and on Aug. 1, 1921, acquired by purchase all the properties of the Rochester Telephone Co. (Independent) and the properties of the New York Telephone Co. (Bell) in Rochester City, Monroe and Livingston Counties, and parts of Ontario, Steuben, Wyoming and Genesee Counties. Estimated population served, over 500,000. The Rochester Telephone Company discontinued operating and in due time will be liquidated. No. of telephones installed, Dec. 31: 1922, 58,712; 1923, 64,623; 1924, 71,623; 1925, 77,911; 1926, 84,330; 1927, 90,360.

Franchise—The main franchise, which is to furnish telephone service to the city of Rochester, is perpetual and unlimited.

CAPITAL STOCK

Authorized, $100,000 Common, $5,000,000 First cumulative 6% or 6½% Pfd. and $6,900,000 Second cumulative 5% Pfd. (changed from $100,000 Common and $6,900,000 Pfd. March 26, 1926); outstanding, $100,000 Common, $2,010,000 First Pfd. and $4,814,000 Second Pfd.; par, $100. The New York Telephone Co. owns $33,500 of the Common stock and all of the Second Pfd. stock.

First Preferred Stock Provisions—First Pfd. stock has preference both as to its par value and dividends over all other stocks of the Corporation. It is subject to redemption in whole or in part on any dividend date on 60 days' notice at $110 per share and accrued dividends. Amended certificate provides that First Pfd. may bear either a 6% or 6½% dividend rate at the discretion of the Board of Directors at time of issue.

Purpose of Issue—Proceeds from the sale of First Pfd. stock were used to defray the cost of extensions, additions and improvements to Company's plant heretofore made, and to be made in the immediate future.

Transfer Agent (First Pfd. Stock)—Lincoln-Alliance Bank, Rochester. N. Y.

Registrar (First Pfd. Stock)—Rochester Trust & Safe Deposit Co., Rochester, N. Y.

Legal Opinion—Hubbell, Taylor, Goodwin & Moser, Rochester, N. Y.

Original Offering—First publicly offered ($2,000,000 First 6½% Pfd. stock) in May, 1926 at 101½ and dividends, by Rochester Trust & Safe Deposit Co., Sage, Wolcott & Steele, and Converse, Hough & Co., Rochester, N. Y.

Annual Meeting—Third Wednesday in February.

Price Range (First Preferred)—1927: High, 109; low, 103.

Dividends—Dividend on First Pfd. stock regularly paid quarterly J, A, J & O 1, initial dividend being paid July 1, 1926. Dividends on Second Pfd. (formerly Pfd.) have been paid as follows: 1924, 3%; 1925, 4%, 1926 and 1927, 5% each; payments quarterly. Common dividends of 5% each paid in 1926 and 1927.

FUNDED DEBT

(1)

$803,200 ROCHESTER TELEPHONE COMPANY GENERAL MORTGAGE 5s; DUE OCTOBER 1, 1933

Dated October 1, 1903.

Interest Payable April and October 1, at Rochester Trust & Safe Deposit Co., Rochester, N. Y.

Denominations—Coupon $100, $500 and $1,000 principal may be registered.

Trustee—Rochester Trust & Safe Deposit Co Rochester, N. Y.

Provisions of Issue—Authorization for further issu cancelled. Exchangeable par for par for First an Refunding 5s, Series "B" of the corporation.

Security—Assumed by Rochester Telephone Corporation. A first lien on property formerly owned b the Rochester Telephone Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Rochester Stock Exchange.

(2)

$794,300 ROCHESTER TELEPHONE CORPORATION FIRST AND REFUNDING MORTGAGE, SERIES "B" 5% GOLD BONDS; DUE APRIL 1, 1946

Dated April 1, 1921.

Interest Payable April and October 1, at Union Trust Co., Rochester, N. Y., or at Bankers Trust Co New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered.

Trustee—Union Trust Co., Rochester, N. Y.

Provisions of Issue—First and Refunding bonds are limited to an aggregate amount outstanding at any time of $10,000,000. Issued, $9,294,300 ($3,500,000 Series "A" 6s, called for redemption on April 1, 1928, $794,300 Series "B" 5s, this issue, and $5,000,000 Series "C" 4½s). In addition, $803,200 Series "B" 5s are issuable, par for par, for a like amount of Rochester Telephone Co. General Mortgage 5s.

Bonds other than those of Series "A," "B" and "C" may be issued only for (1) retirement of underlying bonds; (2) retirement of bonds of another series; (3) 75% of actual cash cost to the Company for permanent extensions and improvements to the plant and property, provided that net earnings after taxes available for interest purposes during the period of twelve consecutive calendar months, ending not more than 6 days prior to the application for issuance of bonds shall have been not less than two times the annual interest on the bonded indebtedness, including the additional bonds for which application is made.

Callability—Series "B" bonds are subject to call on any interest date at 105 and accrued interest upon 60 days' notice.

Sinking Fund—Sinking fund, annually on July 1, until maturity, a sum equal to 2½% of the face value of the bonds of the Series "A" then outstanding, the money to be applied to the purchase of bonds at the lowest price obtainable and not exceeding par. If bonds are not offered to the sinking fund in amounts sufficient to exhaust such fund the balance shall be retained by the Trustee to the credit of the sinking fund account, until the first day of July next ensuing.

Security—Secured by a direct first mortgage on entire property now owned or hereafter acquired, subject only to a closed mortgage securing $803,200 General 5s, due Oct. 1, 1933, secured on the property formerly owned by the Rochester Telephone Company and now constituting but a minor proportion of the property of the Rochester Telephone Corporation. The First and Refunding Mortgage provides for the issuance of Series "B" bonds to retire this issue by exchange at par.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Masten & Nichols, New York (for the bankers) and Hubbell, Taylor, Goodwin & Moser, Rochester, N. Y. (for the Corporation).

Original Offering—First publicly offered ($1,000,000) in Nov. 1923, at 99 and interest to yield 6.10%, by R. F. DeVoe & Co., New York City and Albany, N. Y. and Converse, Hough & Co., Inc., Rochester, N. Y.; $1,512,400 additional offered to the public in June, 1924, at 103 and interest, by the above bankers.

(3)

$5,000,000 ROCHESTER TELEPHONE CORPORATION FIRST AND REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES "C," DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1, at Bankers Trust Co., New York, or at Union Trust Co., Rochester, N. Y.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Union Trust Company of Rochester, New York.

Provisions of Issue—Series "C" bonds are limited to the amount of $5,000,000. For further details see under Series "B" bonds above.

Purpose of Issue—Proceeds of Series "C" bonds were used for the following purposes: To redeem and pay, on April 1, 1928, all of the outstanding issue of $3,500,000 6% Series "A" bonds of the Corporation, due April 1, 1946, and to reimburse the Treasury of the Corporation for monies expended for additions to, extensions, betterments and improvements of the telephone plants and system of the Corporation and other proper corporate purposes.

Callability—Subject to call on any interest date subsequent to Jan. 1, 1933, at 100 and interest on 60 days' notice.

Sinking Fund—None provided.

Security—Equally secured with the $794,300 First Refunding Series "B" 5s by a first mortgage on the entire property of the Corporation now owned or hereafter acquired, subject only to a closed mortgage securing $803,200 Rochester Telephone Co. General 5s, due Oct. 1, 1933.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Hubbell, Taylor, Goodwin & Mosher, Rochester, N. Y. (for the Company), and White & Case, New York, N. Y. (for the Bankers).

Original Offering—First publicly offered ($5,000,000) in January, 1928, at 98½ and interest, by Guardian-Detroit Co., New York, and Harper & Turner, Philadelphia, Pa.

FUNDED DEBT REDEMPTIONS

The entire issue of Rochester Telephone Corporation First and Refunding Mortgage Series "A" 6% Gold bonds, due April 1, 1946, of which $3,500,000 were outstanding (described on page 993 of the Public Utility Volume for 1927), was called for redemption at 105 and interest on April 1, 1928.

$60,000 5½% Real Estate Bond and Mortgage and $40,000 5½% Real Estate Bond and Mortgage (described on page 993 of the Public Utility Volume for 1927), were satisfied in full on January 31, 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,473,809	$4,168,000	$3,794,225	$3,399,245	$3,231,907	$2,996,856
Operating expenses, depreciation, taxes, etc.	3,543,241	3,254,155	3,048,177	2,755,943	2,738,732	2,623,821
Net earnings	$930,568	$913,845	$746,048	$643,302	$493,175	$373,035
Other income	35,569	68,218	39,688	36,817	24,641	10,107
Total income	$966,137	$982,063	$785,736	$680,119	$517,816	$383,142
Bond interest	302,722	304,941	296,860	229,433	105,966	90,375
Other interest	22,942	12,514	16,420	45,694	99,714	83,532
Rentals, etc.	123,840	119,933	121,599	118,028	109,842	110,474
Total charges	$449,504	$437,388	$434,879	$393,155	$315,522	$284,381
Balance for dividends	$516,633	$544,675	$350,857	$286,964	$202,294	$98,761
Preferred dividends paid	*371,028	*321,590	192,560	140,810	.....	.....
Common dividends	5,000	5,000	.....	.....	.....	.....
Surplus for year	$140,605	$218,085	$158,297	$146,154	$202,294	$98,761
Times Bond Interest Earned	2.70	2.78	2.64	2.25	2.99	2.09

*Amount paid on First and Second Pfd. stocks.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$14,663,928	$13,586,065	$11,303,987	$10,045,633	$8,987,673	$7,970,943
Stocks owned	30,001	10,000	10,000	10,000	10,120	10,000
Other investments	256,342	154,651	251,151	219,500	174,000	79,000
Materials and supplies	389,381	379,743	231,367	303,442	251,297	205,768
Cash	237,367	193,598	175,985	365,802	763,936	161,884
Notes receivable	1,416	1,212	905	50,778	6,666	7,377
Accounts receivable	454,501	420,599	352,964	312,450	314,934	338,075
Other current assets	3,722	3,724	3,709	521	4,717	167
Deferred debit items	465,534	559,786	581,332	545,812	338,322	263,939
Profit and loss deficit	.....	.....	.....	.....	.....	21,050
Total	$16,502,192	$15,309,378	$12,911,400	$11,853,938	$10,851,665	$9,058,203

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
First Preferred stock	2,010,000	2,000,000	.....	.....	.....	.....
Second Preferred stock	4,814,000	*4,814,000	4,814,000	4,814,000	4,814,000	4,814,000
Funded debt	5,197,500	5,217,500	5,237,500	5,187,500	3,186,700	1,747,500
Notes payable	650,000	.....	450,000	2,500	1,383,636	1,463,636
Accounts payable	370,656	454,213	275,423	178,981	273,248	241,213
Interest accrued	75,660	75,660	75,648	73,340	46,732	22,994
Other current liabilities	225,090	100,461	24,263	48,709	14,791	161,898
Reserve for taxes	99,952	87,198	60,373	53,310	39,688	13,431
Deferred credit items	132,053	119,903	103,942	12,192	12,186	7,053
Reserve for accrued depreciation	2,081,936	1,740,925	1,367,254	1,063,581	799,199	486,478
Profit and loss surplus	745,345	599,518	402,997	319,825	181,485	.....
Total	$16,502,192	$15,309,378	$12,911,400	$11,853,938	$10,851,665	$9,058,203

*Changed to Second Pfd. in 1926.

Officers: Fred C. Goodwin, Chrm. of Board; John P. Boylan, Pres. & Gen. Mgr., Rochester, N. Y.; W. B. Woodbury, V-P., New York, N. Y.; F. J. Brookman, V-P.; W. J. O'Hea, Sec.; Chas M. Beattie, Treas.; S. G. Bowie, Aud., Rochester, N. Y.

Directors: Fred C. Goodwin, John P. Boylan, W. Roy McCanne, J. Foster Warner, John Craig Powers, Carl F. Lomb, Thomas E. Lannin, T. Carl Nixon, Rochester, N. Y.; Tage P. Sylvan, Montclair, N. J.; J. W. Hubbell, Paul R. Johnson, Victor E. Cooley, Albany, N. Y.; W. B. Woodbury, New York, N. Y.; Heber E. Wheeler, Canandaigua, N. Y.; Wolcott J. Humphrey, Warsaw, N. Y.

General Office, 335 Main St. East, Rochester, N. Y

WAYNE TELEPHONE COMPANY

(Controlled by New York Telephone Company)

History and Property—Incorporated May 24, 1910, in N. Y. Consolidation of Wayne-Monroe Telephone Co., Wayne County Telephone Co. and Newark Telephone Exchange. No. of exchanges, 12. No. of stations, Dec. 31, 1927: Operated by Co., 6,717; operated by connecting companies, 471—total, 7,188. Population served, 52,000.

CAPITAL STOCK

Authorized, $500,000 Common and $100,000 6½% Pfd.; outstanding, Dec. 31, 1927, $445,850 Common and $33,650 Pfd.; par, $50. Capital stock was increased from $250,000 to present authorized amounts in Nov. 1916. The New York Telephone Co. owns $405,750 of the stock. Annual meeting, in February.

Dividends—Dividends have been paid as follows: 1% in 1912; 2% in 1913; 4% in 1914; 4% in 1915, 1916, 1917, 1918 and 1919; 5½% in 1920; 3% in 1921; 6% in 1922, 1923 and 1924; 1925, 7½%; 1926 and 1927, 8% regular and 2% extra; payments quarterly.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$284,008	$278,688	$267,099	$251,028	$234,696	$223,368
Operating expenses, maintenance, taxes and depreciation	218,133	216,759	210,043	206,666	191,441	183,540
Net earnings	$65,875	$61,929	$57,056	$44,362	$43,255	$39,828
Interest, etc.	67	54	517	529	.....	54
Balance for dividends	$65,808	$61,875	$56,539	$43,833	$43,255	$39,28
Dividends paid	46,550	46,125	34,532	26,751	26,751	26,75
Surplus for year	$19,258	$15,750	$22,007	$17,082	$16,504	$12,53

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$845,588	$818,568	$769,251	$747,660	$682,068	$642,00
Investments securities	4,978	4,978	4,978	4,978	9,956	9,95
Materials and supplies	30,154	30,182	30,101	32,183	31,425	28,28
Bills and accounts receivable	10,372	12,538	12,384	10,791	10,760	9,77
Cash	56,555	34,375	19,829	11,796	19,216	25,15
Accrued income—not due	906	122	38	71	71	7
Prepaid expenses	5,662	3,389	3,625	3,034	1,568	1,89
Deferred debit items	8,233	4,099	4,828	4,868	4,388	7,00
Total	$962,448	$908,251	$845,035	$815,381	$759,452	$724,13
Liabilities—						
Common stock	$445,850	$445,850	$445,850	$445,850	$445,850	$445,85
Preferred stock	33,650	28,450	20,800	.....	.....	.....
Funded debt	.....	.....	.....	15,000	.....	.....
Bills payable	.....	.....	.....	10,000	.....	.....
Accounts payable	6,652	5,118	5,453	16,442	4,373	6,91
Accrued liabilities—not due	28,219	36,223	24,259	17,747	20,266	23,18
Liability for employees' benefit fund	37,451	37,452	35,000	10,012	10,012	3,60
Insurance and casualty reserves	27,381	26,181	25,000	14,496	13,562	12,36
Reserve for depreciation, etc.	266,056	231,923	208,031	195,183	186,792	164,26
Reserve for amortization	5,759	4,882	4,013	.....	.....	.....
Other deferred credits	.....	.....	206	1,036	1,131	59
Appropriated surplus	.....	.....	1,014	.....	.....	.....
Surplus unappropriated	111,430	92,172	75,408	89,615	77,466	67,36
Total	$962,448	$908,251	$845,035	$815,381	$759,452	$724,13

Officers: H. P. McDonough, Pres. & Gen. Mgr., Newark, N. Y.; W. B. Woodbury, V-P., New York; D. C. Cox, V-P., Syracuse, N. Y.; F. A. Burger, V-P. & Gen. Aud., Newark, N. Y.; P. R. Persons, Sec., New York; W. T. Peirson, Treas, Newark, N. Y.

Directors: D. C. Cox, W. K. Collins, Syracuse N. Y.; H. P. McDonough, Gordon G. Harris, H. F Rogers, W. T. Peirson, Newark, N. Y.; W. B. Woodbury, New York; Geo. F. Waters, Williamson, N. Y. Geo. S. Tinklepaugh, Palmyra, N. Y.

General Office, Newark, N. Y.

NORTHWESTERN BELL TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

History and Properties—Incorporated Aug. 28, 1896, in Iowa, as the Iowa Telephone Co.; present title adopted Dec 10, 1920. The new company purchased, as of Dec. 31, 1920, all of the properties of the Nebraska Telephone Co. and the Northwestern Telephone Exchange Co., paying therefor with the proceeds of an issue for cash at par of its capital stock and by the assumption of all outstanding obligations of said companies (for statements of the predecessor companies, see 1920 Public Utility Manual, pages 1369, 1372 and 1386, or apply to our Information Department). As of Jan. 1, 1927, took over and began operations of the properties of the former Sioux City Telephone Co. (see 1926 Public Utility Manual, p. 1388).

Company operates a comprehensive net work of lines in the States of Iowa, Nebraska, Minnesota, North and South Dakota. As a part of the general Bell Telephone System, the Northwestern Bell Telephone Co. has the benefits afforded by connection with the system's companies operating throughout the United States and in Canada. The cities served include Davenport, Sioux City and Des Moines, Iowa, Omaha, Neb., and Minneapolis and Duluth, Minn.

License Contract—See American Telephone and Telegraph Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	492	488	494	509	478	486
Owned stations	586,290	562,169	552,473	547,388	512,612	493,772
Connecting stations	922,938	932,264	921,165	949,133	955,222	921,489
Total stations	1,509,228	1,494,433	1,473,638	1,496,521	1,467,834	1,415,261
Total miles of wire	1,882,118	1,761,404	1,671,255	1,596,820	1,486,400	1,425,873

CAPITAL STOCK

Authorized, $65,000,000 (increased from $60,000,000 in January, 1925) Common and $5,000,000 6½% cumulative Pfd. (authorized Jan. 27, 1926); outstanding, Jan. 31, 1928, $65,000,000 Common and $4,667,300 Pfd.; par, $100. In addition there had been paid in on Pfd. stock as of Jan. 31, 1928, $22,900. All the Common stock is owned by American Telephone and Telegraph Company, $17,500,000 thereof being pledged under its Collateral Trust bonds of 1946.

Preferred Stock Provisions—Has preference for dividends and in liquidation, voluntary or involuntary, for assets up to par and accrued dividends. Subject to call on any dividend date at 105 on 60 days' notice.

Transfer Agent—Stock is transferred by Company itself.

Registrar—United States Trust Co., Omaha, Neb.

Annual Meeting—Second Thursday in March.

Dividends—Initial quarterly dividend of $1.62½ a share was paid on Pfd. stock July 15, 1926, which rate since maintained to date; payments J, A, J & O 15. On Common, for the year 1920, dividends paid averaged 5½% on the amount of outstanding stock; 1921, 4%; 1922, 5%; 1923, 6%; 1924 to 1927 inclusive, 8% per annum.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total revenues	$29,521,955	$28,215,785	$26,864,668	$25,152,047	$24,176,176	$22,730,522
Expenses:						
Operation expenses	10,151,851	9,689,546	9,411,119	8,931,041	8,588,103	8,467,955
Current maintenance	4,902,367	4,455,016	4,346,971	3,924,051	3,798,723	3,622,495
Depreciation	4,527,806	4,348,287	4,230,350	4,073,824	3,882,199	3,670,251
Total operating expense	$19,582,024	$18,492,849	$17,988,440	$16,928,916	$16,269,025	$15,760,701
Uncollectibles	147,410	146,535	101,055	115,583	135,166	180,948
Taxes	2,372,011	2,231,127	1,489,936	1,553,967	1,522,818	1,354,487
Rents and miscellaneous expenses	426,240	423,532	349,552	329,477	309,603	323,849
Total expense	$22,527,685	$21,294,043	$19,928,983	$18,927,943	$18,236,612	$17,619,985
Net earnings	6,994,270	6,921,742	6,935,685	6,224,104	5,939,564	5,110,537
Interest	20,275	118,750	648,510	2,187,307	2,191,916	2,503,646
Balance net income	$6,973,995	$6,802,991	$6,287,175	$4,036,797	$3,747,648	$2,606,891
Miscellaneous deductions from income	.....	300,000	625,900	.....	.....	.....
Balance	$6,973,995	$6,502,991	$5,661,275	$4,036,797	$3,747,648	$2,606,891
Dividends	5,497,873	5,369,761	4,743,000	3,372,000	2,529,000	2,107,500
Balance	$1,476,122	$1,133,230	$918,275	$664,797	$1,218,648	$499,391
Earnings Per Share—						
Preferred	$149.42	$174.33	*	*	*	*
Common	10.27	9.74	$8.71	$9.58	$8.89	$6.18

*Pfd. stock issued in January, 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Intangible capital	$313,208	$298,146	$296,875	$283,345	$277,549	$276,533
Telephone plant	97,345,611	89,707,910	86,089,959	83,717,311	78,886,205	76,433,567
General equipment	1,640,509	1,462,860	1,356,012	1,233,947	1,148,695	1,101,995
Investment securities	5,402,624	6,514,668	6,980,887	8,521,921	9,629,716	9,373,944
Miscellaneous investments	305,830	235,911	210,394	197,341	188,470	198,998
Advances to system corporations	609,000	703,400	794,100	879,000	1,053,000	1,214,000
Materials and supplies	557,884	506,051	421,351	484,947	355,635	400,433
Bills and accounts receivable	1,942,010	2,221,356	1,776,734	1,557,500	1,454,106	1,704,548
Cash and deposits	580,366	645,162	579,937	565,890	752,721	1,172,042
Marketable securities	33,246	44,911	54,703	60,621	2,558,230	133,793
Deferred debit items	309,836	1,290,419	305,691	1,812,217	2,061,772	2,083,091
Total	$109,040,124	$103,630,794	$98,866,643	$99,314,040	$98,366,099	$94,092,944

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$65,000,000	$65,000,000	$65,000,000	$42,150,000	$42,150,000	$42,150,000
Preferred stock	4,667,300	3,730,200	.....	.....	.....	.....
Preferred stock subscriptions	22,900	709,365	.....	.....	.....	.....
Funded debt	.....	.....	.....	27,623,300	30,000,000	30,000,000
Advances from system corporations	2,045,139	.....	4,750,000	.....	.....	.....
Bills and accounts payable	2,040,455	2,397,663	1,674,505	1,284,386	1,268,091	869,76
Accrued liabilities not due, etc.	2,267,564	2,260,144	1,352,775	2,325,668	2,311,115	2,136,08
Reserve for employees benefit fund	1,504,939	1,530,000	1,200,000	574,100	550,000	315,00
Reserve for depreciation and amortization	26,631,856	24,992,789	23,187,616	21,296,201	18,529,115	15,917,67
Surplus	4,859,971	3,010,633	1,701,747	4,060,385	3,557,778	2,704,41
Total	$109,040,124	$103,630,794	$98,866,643	$99,314,040	$98,366,099	$94,092,94

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash and deposits	$580,366	$645,162	$579,937	$565,890	$752,721	$1,172,04
Bills receivable	43,643	38,106	246,793	58,303	25,182	46,96
Accounts receivable	1,898,367	2,183,249	1,529,941	1,499,198	1,428,924	1,657,57
Materials and supplies	557,884	506,051	421,351	484,947	355,635	400,43
Marketable securities	33,246	44,911	54,703	60,621	2,558,230	133,79
Accrued income not due	23,226	47,272	57,015	85,019	109,846	72,46
Total	$3,136,732	$3,464,751	$2,889,740	$2,753,978	$5,230,538	$3,483,27
Current Liabilities—						
Bills payable	$227,020	$15,500	$16,000	$15,500	$50,500	$24,50
Accounts payable	1,813,435	2,382,163	1,658,505	1,268,886	1,217,591	845,26
Accrued liabilities not due	2,191,486	2,190,287	1,288,118	2,261,429	2,263,624	2,101,18
Total	$4,231,941	$4,587,950	$2,962,623	$3,545,815	$3,531,715	$2,970,94
Net Working Capital	*$1,095,209	*$1,123,199	*$72,883	*$791,837	†$1,698,823	†$512,32

*Debit. †Credit.

Officers: W. B. T. Belt, Pres.; A. A. Lowman, V-P. and Gen. Mgr.; Guy H. Pratt, V-P; F. E. Randall, V-P; C. E. Hall, Sec.; R. B. Johnson, Treas.; R. P. Baird, Gen. Aud., Omaha, Neb.

Directors: W. B. T. Belt, A. A. Lowman, Guy H. Pratt, F. E. Randall, Omaha, Neb.; H. G. Conger, B. I Kaufman, H. A. Miller, P. J. Mills, J. L. Parrish, De Moines, Ia.; E. S. Wilson, W. S. Gifford, New Yor E. A. Prendergast, Minneapolis, Minn.

General Office, Omaha, Neb.

THE OHIO BELL TELEPHONE COMPANY

(Cleveland, Ohio)

(Controlled by American Telephone and Telegraph Company)

History and Properties—Incorporated Sept. 20, 1921, in Ohio. Formed by the consolidation of The Ohio Bell Telephone Company (incorporated Jan. 30, 1880, in Ohio as The Cleveland Telephone Company; name changed to The Ohio Bell Telephone Co. on Oct. 6, 1920) and The Ohio State Telephone Co. (incorporated July 23, 1914 in Ohio, and formed by consolidation of fifteen independent telephone companies in Ohio), the new corporation taking over all assets and assuming all liabilities of both of the merging companies. On Dec. 31, 1921, the Company purchased all of the property of The Chesapeake & Potomac Telephone Co. of West Virginia within the State of Ohio for a cash consideration of $3,284,262.52.

The territory of The Ohio Bell Telephone Company comprises all of the State of Ohio with the exception of Cincinnati and territory immediately adjacent thereto, which is served by The Cincinnati & Suburban Bell Telephone Co. As of Dec. 31, 1927, the Company owned and operated a total of 192 central offices in the State of Ohio, including the cities of Cleveland, Columbus, Toledo, Akron, Youngstown and Dayton, with a total of 605,021 telephones and an extensive system of toll lines extending throughout practically th entire State of Ohio and connecting with 435 loc companies, operating 775 central offices and 370,2 telephones, making a total of 975,300 telephones co nected with the System in the State of Ohio. At th close of the year the Company had 17,278 miles of po lines, 3,792 miles of underground duct and 2,291,5 miles of wire.

License Contract—At the end of 1927 the Compa purchased from the American Telephone and Tel graph Co. the telephone instruments used by it b heretofore owned and maintained by the Americ Company under the contract between the two co panies. At the same time the payment to the Ame can Company was reduced from 4% to 2% of the gro revenues. For the 2% payment the Company will co tinue to receive the use of all patents pertaining to t telephone business which are owned or controlled the American company, and all of the benefits of t research and development work carried on by t American Company in financial, accounting, legal, e gineering and operating matters.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	19
Number of central offices	192	189	199	201	215	2
Owned stations	605,021	561,924	535,493	511,496	499,278	492,(
Connecting stations	370,279	374,287	370,604	369,907	365,713	356,(
Total stations	975,300	936,211	906,097	881,403	864,991	849,(
Total miles of wire	2,291,596	2,136,982	1,957,005	1,765,512	1,613,371	1,512,(

MEMBERS:
New York Stock Ex.
Cincinnati Stock Ex.
Detroit Stock Ex.
New York Cotton Ex.
Chicago Board of Trade
New York Curb Market

We specialize in the securities of
The Ohio Bell Telephone Co.
W. E. HUTTON & COMPANY
ESTABLISHED 1886

OFFICES:
60 Broadway, New York
1st Nat'l Bk. Bldg., Cinn.
Penobscot Bldg., Detroit
Mutual Home Building, Dayton, O.
Phoenix Hotel, Lexington, Ky.

CAPITAL STOCK

Authorized, $100,000,000 Common and $50,000,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $75,000,000 Common and $28,219,700 Pfd.; par, $100. Preferred stock liability for conversion—$5,947, covering securities of The Ohio State Telephone Co. and constituent companies not yet presented for conversion. All the Common stock, except directors' qualifying shares, is owned by American Telephone and Telegraph Company.

Capital Stock Increases—The initial issue of capital stock of the new corporation was $25,000,000 (par value) of Common stock and $10,225,600 (par value) of 7% cumulative Pfd. stock. In order to provide funds for the retirement of short time obligations and for additions to its property, the company, on authority of The Public Utilities Commission of Ohio, issued and sold Dec. 16, 1921, for cash, $18,000,000 par value of 7% cumulative Pfd. stock; on Dec. 31, 1921, $3,500,000 par value of Common stock; on July 1, 1925, $1,500,000 par value of Common stock; on September 30, 1925, $15,000,000 par value of Common stock; on June 30, 1926, $5,000,000 par value of Common stock, and on Dec. 31, 1927, $25,000,000 par value of Common stock.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to redemption in whole or in part on any dividend date on 30 days' notice at 105, and accumulated dividends; in event of voluntary dissolution, it is entitled to 105 and accumulated dividends; is non-voting except in the default of four quarterly dividends, when the Pfd. stockholders assume full voting control. No stock ranking ahead of Pfd. stock may be issued, and principal amount of secured debt may never exceed 50% of value of property.

Transfer Agents (Pfd.)—Bankers Trust Co., New York, and Company's office, 4300 Euclid Ave., Cleveland.

Registrars (Pfd.)—Seaboard National Bank, New York, and The Union Trust Co., Cleveland.

Annual Meeting—Tuesday next preceding fourth Wednesday in February.

Listed (Pfd.)—Cleveland, Cincinnati, Columbus and Toledo Stock Exchanges, and on New York Curb Market.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921
High	114	115	110¾	108¼	105½	105½	94
Low	106½	108	106	102	100⅝	95½	88

Dividends—Pfd. dividends regularly paid quarterly A, J & O 1 to date. A dividend of 2% was paid on the Common stock of the 250,000 shares of The Ohio Bell Telephone Co. (old corporation), in June, 1921, and 2% each was paid on 250,000 shares of the outstanding Common stock of The Ohio Bell Telephone Co. (new corporation), in Sept. and Dec., 1921; 1922, none; 1923, 1%; 1924, 3%; 1925, 1926 and 1927, 6% each.

FUNDED DEBT

$674,000 THE OHIO STATE TELEPHONE CO. CONSOLIDATED AND REFUNDING (NOW FIRST) MORTGAGE SINKING FUND GOLD 5s; SERIES "A"; DUE JULY 1, 1944

$4,737,000 THE OHIO STATE TELEPHONE CO. CONSOLIDATED AND REFUNDING (NOW FIRST) MORTGAGE SINKING FUND GOLD 5s, SERIES "B"; DUE JULY 1, 1944

Dated (Both Series), July 1, 1914.

Interest Payable January and July 1, at company's office, 750 Huron Road, Cleveland, and at J. P. Morgan & Co., New York.

Denominations—Coupon, $100 and $1,000, principal may be registered; and registered, $1,000 and multiples. Registered bonds are exchangeable for coupon bonds in denominations of $1,000.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized Series "A", $15,000,000 of which $674,000 outstanding Dec. 31, 1927. Authorized Series "B," $5,000,000 of which $4,737,000 outstanding Dec. 31, 1927. Sufficient Series "A" bonds are reserved for paying, redeeming or refunding underlying bonds, and the balance are reserved for not exceeding 60% of the principal of the purchase price of properties of other telephone companies. None of the reserve bonds may be issued for additions and improvements to the present properties.

Callability—Subject to call on any interest date as a whole or in lots of not less than $500,000 at 105 and interest, also redeemable at 102 and interest if monies from sale of released property are applied, and at 100 and interest for sinking fund purposes.

Sinking Fund—Sinking fund, semi-annually beginning May 1, 1919, ¼ of 1% of the aggregate principal amount of all bonds issued under the mortgage to be used for the purchase and redemption of these bonds at not over 100 and interest.

Security—A first lien on entire property formerly owned by The Ohio State Telephone Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

Legal for Savings Banks in New Hampshire, Ohio, Rhode Island and Vermont.

Price Range—

	1927	1926	1925	1924	1923
High	101¾	101¾	100	100	94
Low	101	99	98½	91½	90

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Telephone operating revenue	$35,395,374	$32,927,525	$29,967,001	$26,773,788	$24,685,134	$22,956,375
Telephone operating expense	24,038,662	22,331,714	20,592,054	19,592,735	18,425,914	16,721,485
Net telephone operating revenue	$11,356,712	$10,595,811	$9,374,947	$7,181,053	$6,259,220	$6,234,890
Deductions:						
Uncollectible operating revenue	158,708	163,410	88,155	222,000	201,561	251,973
Taxes assignable to operations	3,348,025	2,985,097	2,590,970	2,219,515	2,177,886	2,129,590
Operating income	$7,849,979	$7,447,304	$6,695,822	$4,739,538	$3,879,773	$3,853,327
Net non-operating income	605,890	497,859	346,221	286,893	371,241	216,404
Total gross income	$8,455,869	$7,945,163	$7,042,043	$5,026,431	$4,251,014	$4,069,731
Deductions:						
Rent and miscellaneous	577,832	660,518	632,765	497,191	428,684	355,720
Interest on bonds	271,633	443,051	612,782	631,087	638,853	773,883
Other interest	1,303,919	701,066	871,293	830,105	657,645	429,523
Debt discount & expense	2,896	9,144	.....	.....	.....	.....
Balance net income	$6,299,589	$6,131,384	$4,925,203	$3,068,048	$2,525,832	$2,510,605
Appropriations of net income:						
For sinking or other reserve funds	.....	.....	.....	.....	22,705	155,197
Dividends on Preferred stock	1,975,794	1,975,790	1,975,772	1,975,786	1,975,772	1,975,771
Dividends on Common stock	3,000,000	2,850,000	1,980,000	855,000	285,000	.....
Employees' benefit fund reserve	.....	.....	.....	.....	.....	142,212
Other appropriations from net income	.....	500,000	500,000	.....	.....	.....
Balance for corporate surplus	$1,323,795	$805,594	$469,431	$237,262	$242,355	$237,425
Times All Interest Earned	5.00	6.35	4.31	3.10	2.95	3.09
Earnings Per Share—						
Preferred	$22.32	$21.72	$17.46	$10.87	$8.87	$8.35

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Intangible capital	$526,169	$526,169	$526,169	$526,169	$526,167	
Land and buildings	16,973,476	14,880,697	10,943,392	9,098,960	8,611,524	$87,828,153
Telephone plant & equipment	110,364,012	103,368,279	94,302,147	86,027,930	80,526,403	
General equipment	2,318,739	1,963,472	1,932,297	1,626,852	1,461,906	
Investment securities	130,841	159,951	181,951	208,901	278,813	406,802
Miscellaneous investments	526,997	278,574	145,808	179,501	82,382	
Cash and deposits	614,318	803,677	663,458	573,607	502,683	619,825
Bills receivable	7,171	9,297	9,591	21,827	45,909	
Accounts receivable	3,115,258	2,791,638	2,192,901	1,819,272	2,680,775	2,075,423
Materials and supplies	1,400,125	1,047,788	1,403,783	1,032,937	1,315,872	1,013,492
Marketable securities	.....	155,898	153,650	154,650	4,900	5,340
Accrued income—not due	8,957	12,334	12,305	11,988	14,549	9,256
Sinking fund assets	203,175	10,381	3,480	13,221	6,323	
Prepayments	258,457	288,201	287,710	250,510	262,800	2,091,465
Unamortized debt discount & expense & other deferred debits	1,550,820	1,606,680	1,836,877	1,812,309	1,822,408	
Total	$137,998,515	$127,903,236	$114,595,520	$103,358,633	$98,143,414	$94,049,756
Liabilities—						
Common stock	$75,000,000	$50,000,000	$45,000,000	$28,500,000	$28,500,000	$28,500,000
Preferred stock	28,219,700	28,219,700	28,216,400	28,216,000	28,213,600	28,208,300
Stock liability for conversion	5,947	5,947	9,247	9,646	12,047	17,347
Total capital stock	$103,225,647	$78,225,647	$73,225,647	$56,725,646	$56,725,647	$56,725,647
Funded debt	5,411,000	5,461,000	10,312,000	10,918,800	11,236,300	13,980,300
Advances from system corporations	3,496,292	18,946,608	7,715,608	16,315,608	11,415,608	6,205,000
Accounts payable	2,501,956	2,856,704	1,578,093	1,246,021	1,987,093	1,686,417
Accrued liabilities—not due	3,412,785	3,223,247	2,887,323	2,490,135	2,613,097	2,583,352
Insurance & casualty reserves	18,900	20,000	15,628	14,628	.....	
Employees' benefit reserves	1,338,439	1,350,000	850,000	350,000	350,000	391,074
Other deferred credits	463,174	1,546,077	1,403,548	59,980	11,603	
Reserve for accrued depreciation	12,461,654	11,933,530	12,729,276	11,826,059	10,658,312	9,798,062
Reserve for amort. of intangible capital	270,625	259,277	243,258	223,566	196,634	
Appropriated surplus	3,500,000	2,385,566	1,235,619	865,068	49,429	310,946
Corporate surplus unappropriated	1,898,043	1,695,580	2,399,520	2,323,122	2,899,691	2,368,953
Total	$137,998,515	$127,903,236	$114,595,520	$103,358,633	$98,143,414	$94,049,756

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash and deposits	$614,318	$803,677	$663,458	$573,607	$502,683	$619,825
Bills and accounts receivable	3,122,429	2,800,935	2,202,492	1,841,099	2,726,684	2,075,423
Materials and supplies	1,400,125	1,047,788	1,403,783	1,032,937	1,315,873	1,013,492
Marketable securities	.....	155,898	153,650	154,650	4,900	5,340
Accrued income—not due	8,957	12,333	12,305	11,988	14,549	9,256
Total	$5,145,829	$4,820,631	$4,435,688	$3,614,281	$4,564,689	$3,723,336
Current Liabilities—						
Accounts payable	$2,501,956	$2,856,704	$1,578,093	$1,246,021	$1,987,093	$1,686,417
Accrued liabilities—not due	$3,412,785	3,223,247	2,887,323	2,490,135	2,613,097	2,583,352
Total	$5,914,741	$6,079,951	$4,465,416	$3,736,156	$4,600,190	$4,269,769
Net Working Capital (Debit)	$768,912	$1,259,320	$29,727	$121,875	$35,501	$546,43

Officers (as of Dec. 31, 1927): E. F. Carter, Pres.; Randolph Eide, V-P.; John Uprichard, V-P. & Gen. Aud.; C. S. Maltby, Sec. & Treas.; Karl E. Burr, Gen. Counsel.

Executive Committee: Karl E. Burr, E. F. Carter, C. P. Cooper, W. S. Gifford, C. Y. McVey.

Directors (as of Dec. 31, 1927): Karl E. Burr, E. F Carter, C. P. Cooper, H. G. Dalton, Frank A. Davis Randolph Eide, W. S. Gifford, C. Y. McVey, Fran A. Scott, John Sherwin, Allard Smith, H. B. Thaye

Office, 750 Huron Road, Cleveland, Ohio.

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY

(Controlled by American Telephone and Telegraph Company)

History and Properties—Incorporated Dec. 31, 1906, in Cal. Owns and operates toll lines and all Bell telephone exchanges in the States of California, Oregon, Washington and northern Idaho, except in the cities of Los Angeles, Cal., and Spokane, Wash.; it controls through stock ownership The Southern California Telephone Co., and The Home Telephone & Telegraph Co. of Spokane, which owns and operates all Bell Telephone exchanges in Los Angeles, Cal., and Spokane, Wash., respectively. The Pacific Telephone and Telegraph Co. also controls through stock ownership the Bell Telephone Co. of Nevada, which owns and operates toll lines and all Bell telephone exchanges in the State of Nevada.

In Dec. 1926 the California Railroad Commission authorized Company to purchase on or before Feb. 1, 1927, for the sum of $100,000 cash the outstanding $30,000 Common stock of Turlock Home Telephon & Telegraph Co. and at the same time authorize company to consolidate the properties of that com pany. On Feb. 1, 1927, the Sacramento Valley Tele phone Co., a subsidiary of The Pacific Telephone an Telegraph Co., took over operation of the telephon properties of California Telephone & Light Co. (se General Index), the purchase having been made a a price of $400,000.

Extent of System—The exchange and toll lines o the system and those of connecting companies now ex tend into substantially all the centers of populatio large and small, within the States of California, Ore gon, Washington, Nevada and western Idaho, effectin means of communication with far distant as well a local points. Population served, 7,830,000.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
No. of central offices	.....	731	728	717	711	69
Owned stations	1,376,345	1,294,290	1,195,463	1,109,728	1,008,686	917,43
Connecting stations	338,292	265,571	241,774	227,434	213,130	201,42
Service and private line		57,164	53,255	50,395	47,523	46,16
Total	1,714,637	1,617,025	1,490,492	1,387,557	1,269,339	1,165,02
Total miles of wire	5,323,472	4,949,147	4,446,924	3,678,257	3,094,246	2,741,70

CAPITAL STOCK

Authorized, $103,000,000 Common (increased from $53,000,000 on Feb. 24, 1927) and $82,000,000 6% cumulative Pfd.; outstanding, Dec. 31, 1927, $93,000,000 Common and $82,000,000 Pfd.; par, $100. The American Telephone and Telegraph Company on Dec. 31, 1927, owned $79,045,700 (85%) of the Common and $64,042,700 (78.10%) of the Pfd., $21,590,100 of the latter being pledged under its Collateral Trust bonds of 1946.

Subscription Privileges—Preferred and Common stockholders of record April 15, 1924 received the right until May 15, 1924 to subscribe to $25,000,000 6% Pfd. stock at $87.50 per share, plus 75 cents per share dividend adjustment, on the basis of one new share for each three shares of Pfd. or Common stock held. Preferred and Common stockholders of record Feb. 20, 1925 received the right until March 24, 1925 to subscribe at par, to $35,000,000 Common stock in the ratio of one new share for each 2-6/7 shares of Pfd. or Common stock held; payment was due in full on March 24, 1925.

Pfd. and Common stockholders of record March 7, 1927 received the right until March 31, 1927 to subscribe to $50,000,000 additional Common stock at par ($100), on the basis of one new share for each 2½ shares of Pfd. or Common stock held. Payment could be made in full or in two or three instalments as follows: Either $30 March 31, 1927 and $70 less 45 cents interest, June 30, 1927; or $30 March 31, 1927, $30 June 30, 1927 and $40 less $1.35 interest on Sept. 30, 1927.

Preferred Stock Provisions—Has equal voting rights with Common, and is not subject to redemption.

Transfer Agents (Both Classes)—Company's office, San Francisco, Cal. and Bankers Trust Co., New York.

Registrars (Both Classes)—American Trust Co. San Francisco, Cal. and Guaranty Trust Co., New York.

Annual Meeting—First Wednesday in March.

Listed (Both Classes)—New York and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	116	107¼	103½	93¾	95	92½	..	..
Low	103½	99⅞	92¼	88	91	86⅝	..	..
Common—								
High	162	136	118	95½	95	68	58	46⅓
Low	124	115	94	85	67	55	38¼	37

Dividends—On Pfd. stock at the rate of 6% per annum are declared the first Wednesdays of M, J, S & D, and are paid, J, A, J & O 15. Initial dividend of 1¼% was paid on Common May 29, 1925; June 30, 1925, 1¼%; Sept. 30, 1925, 1¾%, which quarterly rate maintained to date; payments M, J, S & D 31. Dividends are usually declared the third Thursday of M, J, S & D.

FUNDED DEBT

(1)

$1,589,000 HOME LONG DISTANCE TELEPHONE CO. OF SAN FRANCISCO FIRST MORTGAGE GOLD 5s; DUE JANUARY 2, 1932

Dated March 15, 1912.

Interest Payable January and July 2 at Anglo-California Trust Co., San Francisco, Cal., and National City Bank, New York.

Denomination—Coupon (principal may be registered) and registered, $1,000.

Trustee—Anglo-California Trust Co., San Francisco.

Provisions of Issue—Authorized and issued, $7,080,000 of which $1,491,000 held alive in sinking fund Dec. 31, 1927.

Callability—Subject to call as a whole, but not in part, at 105 and interest, on any interest date upon 30 days' notice.

Sinking Fund—Specified sums ranging from $50,000 in 1916, to $150,000 in 1924, and each succeeding year, such cash to be applied to the purchase of bonds at not over 105 and interest, or at such higher price as company may agree to. Company has option to deliver bonds at face value in lieu of cash. Bonds purchased are held in sinking fund uncancelled, and continue to draw interest.

Security—A first lien on property of former independent telephone systems in San Francisco, Berkeley and Oakland, which were purchased by The Pacific Telephone and Telegraph Company in 1912.

Guaranty—Guaranteed principal and interest by The Pacific Telephone and Telegraph Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, New Hampshire, Ohio, Rhode Island and Vermont.

Price Range—

	1927	1926	1925	1924	1923
Bid	100¼	100¼	99½	98	96

(2)

$994,000 (CLOSED MORTGAGE) HOME TELEPHONE & TELEGRAPH CO. FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JANUARY 1, 1933

Dated December 31, 1902.

Interest Payable January and July 1 at Guaranty Trust Co., New York, and Title Insurance & Trust Co., Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Title Insurance & Trust Co., Los Angeles, Cal.

Provisions of Issue—Original issue, $2,500,000.

Callability—Not subject to call.

Sinking Fund—Sinking fund is 2% of outstanding bonds, to be used to redeem bonds at not exceeding 105 and interest, or at such higher price as company may agree to.

Security—A first mortgage on property formerly owned by Company and purchased by Southern California Tel. & Tel. Co. in 1917.

Guaranty—Guaranteed by Southern California Telephone Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Market—Traded in on Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
Bid	102	100	99¼	97½	93

(3)

$2,999,900 HOME TELEPHONE & TELEGRAPH CO. OF SPOKANE FIRST SINKING FUND GOLD 5s; DUE MAY 15, 1936

Dated May 15, 1906.

Interest Payable May and November 15 at Fidelity National Bank, Spokane, Wash., and at Seaboard National Bank, New York.

Denominations—Coupon, $100, $500, $1,000; principal may be registered at office of Company, San Francisco, Cal.

Trustee—Title Insurance & Trust Co., Los Angeles, Cal.

Provisions of Issue—Authorized and issued, $3,000,000 of which The Pacific Tel. & Tel. Co. owns $100.

Callability—Subject to call, in whole or in part, on any interest date, at 105 and interest.

Security—A first lien on part of the property of the Company, and a second lien on the remainder, the latter being the portion formerly owned by The Pacific Telephone and Telegraph Company.

Sinking Fund—Sinking fund provides for an annual amount of not less than 10% of net earnings to be used for the purchase or redemption of bonds of this issue at not exceeding the redemption price.

Guaranty—Guaranteed principal and interest by endorsement (but not assumed) by The Pacific Telephone and Telegraph Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99½	100½	99	97½	93¼	94¼	88	75
Low	86	98½	96½	92	90	88	77	70

(4)

$29,492,000 THE PACIFIC TELEPHONE AND TELEGRAPH CO. FIRST AND COLLATERAL TRUST GOLD 5s; DUE JANUARY 2, 1937

Dated January 2, 1907.

Interest Payable January and July 2 at American Trust Co., San Francisco, Cal. and U. S. Mortgage & Trust Co., New York.

Denominations—Coupon, $1,000; principal or both principal and interest may be registered; registered, $1,000, $10,000 and $50,000; interchangeable.

Trustee—American Trust Co., San Francisco, Cal.

Provisions of Issue—Authorized and issued, $35,000,000.

Callability—Subject to call as a whole or in part at 110 and interest on any interest date since Jan. 2, 1922, on 8 weeks' notice.

Sinking Fund—Provides that after Jan. 2, 1912, an amount equal to ⅝ of 1% of the bonds outstanding must be invested in these bonds annually, if they can be bought in the open market at not exceeding 110, or in other high grade bonds. Bonds purchased are to be kept alive in sinking fund, and accrued interest thereon added to the fund.

Security—Secured by first mortgage on properties of company in California, Oregon, Washington and Idaho, except as to certain property purchased from other companies. Also secured by pledge of stock of Southern California Telephone Co. These bonds are subject to those described in No. 1.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Connecticut, Maine, New Hampshire, Ohio, Oregon, Rhode Island, New Jersey and Vermont.

Legal Opinion—L. C. Krauthoff, New York.

Original Offering—First publicly offered ($3,000,000) in Jan., 1907, at 102½ and interest, $16,500,000 were offered in March, 1909, at 95½ and interest, and $3,000,000 in Jan., 1914, at 98½ and interest.

Listed—New York, Boston, Los Angeles and San Francisco Stock Exchanges, and traded in on the unlisted department of the Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106	102⅝	102	99½	99½	100	94	88⅝
Low	101¼	100¾	99⅛	96	94¾	91⅞	80	76⅛

(5)

$316,000 (CLOSED MORTGAGE) HOME TELEPHONE & TELEGRAPH CO., LOS ANGELES, FIRST AND REFUNDING 5s; DUE JULY 1, 1945

Dated July 1, 1905.

Interest Payable January and July 1 at Guaranty Trust Co., New York, and Title Insurance & Trust Co., Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Title Insurance & Trust Co., Los Angeles, Cal.

Provisions of Issue—Authorized, $5,000,000; mortgage closed.

Callability—Subject to call as a whole or in part, at 105 and interest on any interest date, on three months' notice.

Sinking Fund—A sinking fund amounts to 2% of bonds outstanding for the acquisition of these bonds at not exceeding 105 and interest or at such higher price as Company may agree to.

Security—A second mortgage (subject to bonds described in No. 2) on property formerly owned by Company and purchased by Southern California Tel. & Tel. Co. in 1917.

Guaranty—Guaranteed by the Southern California Tel. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Market—Traded in on Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
Bid	102	100½	97¾	97½	92

(6)

$6,130,000 SOUTHERN CALIFORNIA TELEPHONE CO., FIRST & REFUNDING GOLD 5s; DUE MAY 1, 1947

Dated May 1, 1917.

Interest Payable May and November 1 at Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal., and Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized issue, $12,000,000, of which $6,130,000 are outstanding, including $17,000 owned by The Pacific Telephone and Telegraph Company. The remainder may be issued only for 75% of future capital expenditures, and only when net earnings for the previous twelve months have been equal to at least 1½ times the interest on all the outstanding mortgage indebtedness of company, including underlying issues, and on all bonds then proposed to be issued, and if guaranteed by The Pacific Telephone and Telegraph Company.

Callability—Subject to call on any interest day at 105 and accrued interest upon eight weeks' published notice.

Sinking Fund—Sinking fund, 2% per annum of bonds issued and outstanding, including bonds acquired with funds and bonds reserved to retire bonds of Home Telephone & Telegraph Co., with certain deductions on account of sinking fund payments in respect of underlying bonds. Fund to be applied to acquisition of bonds at not exceeding 105 and interest. If not obtainable at that price, they are to be called at 105.

Security—A first morgage on part of the property of company and junior mortgage on the remainder, the latter being chiefly the portion formerly owned by the Home Tel. & Tel. Co. (Los Angeles), on which are secured bonds described in Nos. 2 and 5.

Guaranty—Guaranteed, principal and interest by endorsement, by The Pacific Telephone & Telegraph Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered in January 1919, at 91 and interest to yield 5⅝%.

Market—Traded in on Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	192
High	102¼	101	98⅞	96
Low	101¼	98⅜	94½	91

(7)

$24,069,000 THE PACIFIC TELEPHONE AND TELEGRAPH CO REFUNDING MORTGAGE 30-YEAR 5% GOLD BONDS SERIES "A"; DUE MAY 1, 1952

Dated May 1, 1922.

Interest Payable May and November 1 at Banker Trust Co., New York, and the Bank of California, N. A., San Francisco.

Denominations—Coupon, $100, $500, $1,000; principal may be registered. Registered bonds in denominations of $1,000, $5,000 and $10,000. Coupon and registered. All interchangeable.

Trustee—Bank of California, N. A., San Francisco, Cal.

Provisions of Issue—The authorized amount is limited so that the amount thereof at any time outstanding, when added to the outstanding amount of the First Mortgage and Collateral Trust 5% bonds, and any other underlying funded debt as defined in the mortgage, may not exceed twice the amount of the then outstanding capital stock. Bonds are issuable under the mortgage to refund the First Mortgage and Collateral Trust 5% bonds and any such other under

lying debt, and bonds of one series will be issuable to refund bonds of another series issued under the mortgage. Subject to the above limitation in amount, bonds are also to be issuable for the acquisition of additional property (including stocks, bonds and securities of other corporations) and betterments, at not to exceed 75% of the actual cost of such additional property and betterments, the issue of bonds in respect of stock and other securities being limited so that not more than one-third of the security under the mortgage shall consist of stock and unsecured obligations of other corporations. The mortgage further provides that so long as the Series "A" bonds are outstanding, no bonds are issuable, except for refunding, unless the net earnings of the Company available for interest charges during any 12 consecutive months out of 15 months next preceding the proposed issue, shall have been not less than 1¾ times the interest during such period on the Company's outstanding funded debt as defined in the mortgage, plus the amount of interest for 12 months on the bonds proposed to be issued. The bonds issuable under the Mortgage may be of several series, and may vary as to interest rates, maturity dates, sinking fund and other provisions as may be determined by the Company from time to time.

Callability—Subject to call as a whole but not in part, upon 60 days' notice, on May 1, 1932, or on any interest date thereafter, at the following prices with interest: If on or prior to May 1, 1942, at 107½, if subsequent to May 1, 1942, and on or prior to May 1, 1949, at 105, and if subsequent to May 1, 1949, at 100.

Sinking Fund—The mortgage provides for sinking fund payments to a trustee at the rate of $125,000 semi-annually beginning Nov. 1, 1922, such payments to be used in purchasing Series "A" bonds, if obtainable at not exceeding 100 and accrued interest. Any portion of any semi-annual installment which cannot be so used is to be credited on the next ensuing installment in reduction of the amount then payable.

Security—Secured by mortgage (subject to lien of First and Collateral 5s of 1937) and as to part of property only, lien of the Home Long Distance Telephone Co. (San Francisco 1st 5s of 1932) on all securities, and all property in California, Oregon, Washington and Idaho.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine, New Hampshire, Ohio, New Jersey and Rhode Island.

Original Offering—First publicly offered ($25,000,000) in May, 1922, by a syndicate composed of J. P. Morgan & Co., Kidder, Peabody, & Co., Kuhn, Loeb & Co., First National Bank, Bankers Trust Co., Harris, Forbes & Co., National City Co., Guaranty Co., Lee, Higginson & Co., all of New York, at 94 and interest, to yield over 5.40%.

Listed—New York and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922
High	106¾	102½	100½	93⅞	94½	94⅞
Low	101½	98⅞	92½	90⅝	88	90

(8)

There were also outstanding at Dec. 31, 1927, $966,000 real estate mortgage and notes.

CONDENSED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Pacific Tel. & Tel. Co., Southern California Tel. Co., The Home Tel. & Tel. Co. of Spokane and Bell Tel. Co. of Nevada)

	1927	1926	1925	1924	1923	1922
perating revenues	$82,689,337	$75,187,364	$67,681,759	$57,860,649	$51,755,565	$46,577,858
perating expenses	57,190,112	50,779,841	47,446,094	43,204,552	40,184,831	35,827,108
et operating revenues	$25,499,225	$24,407,523	$20,235,665	$14,656,097	$11,570,734	$10,750,750
ncollectible revenues	694,225	615,200	466,500	451,000	209,000	205,900
axes to operations	7,273,137	6,621,159	5,266,247	4,144,190	3,573,367	3,121,912
perating income	$17,541,862	$17,171,164	$14,502,919	$10,060,907	$7,788,367	$7,422,938
et non-operating income	818,583	760,176	955,654	940,120	1,094,917	1,036,591
ross income	$18,360,445	$17,931,340	$15,458,574	$11,001,027	$8,883,284	$8,459,529
nts and miscellaneous deductions	932,155	861,534	653,348	606,900	549,217	490,982
nd interest	3,511,230	3,531,741	3,576,407	3,625,414	3,672,501	3,259,892
her interest	2,340,665	3,433,836	2,426,470	2,267,846	1,121,992	908,503
alance net income	$11,576,395	$10,104,230	$8,802,350	$4,500,866	$3,539,574	$3,800,152
eferred dividends	4,920,000	4,920,000	4,920,000	4,357,500	3,420,000	2,670,000
mmon dividends	5,610,952	3,010,000	2,580,000	.....	.....	.....
her appropriations from net income	.....	500,000	500,000	.....	.....	.....
alance for corporate surplus	$1,045,443	$1,674,230	$802,350	$143,366	$119,574	$1,130,152
mes Fixed Charges Earned	2.70	2.29	2.32	1.76	1.66	1.81
rnings Per Share—						
Preferred	$14.11	$12.32	$10.73	$7.90	$6.21	$6.67
Common	7.15	12.06	9.02	0.80	0.66	6.28

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Including The Pacific Tel. & Tel. Co., Bell Telephone Co. of Nevada, Southern California Telephone Co. and The Home Tel. & Tel. Co. of Spokane)
(Duplications excluded)

Assets—	1927	1926	1925	1924	1923	1922
angible capital	$2,628,328	$2,603,637	$2,150,405	$12,151,167	$12,151,167	$12,150,842
nd and buildings	34,280,301	31,250,360	29,217,118	23,050,257	16,022,429	12,637,730
lephone plant and equipment	266,370,135	246,293,631	227,890,559	198,757,264	169,628,710	141,625,704
neral equipment	6,251,645	5,771,145	5,201,205	4,635,334	4,155,379	3,259,119
nstruction work in progress	3,256,309	3,783,582	.....	.....	.....	.....
vestment securities	7,381,350	7,644,879	7,706,071	7,668,690	4,897,745	4,956,379
vances to system corporations	7,527,123	4,707,971	3,253,746	2,204,246	3,175,246	2,444,746
scellaneous investments	825,478	517,031	1,705,346	1,384,764	1,269,278	1,303,394
rketable securities	.....	.....	.....	.....	2,228	.....
terials and supplies	2,501,044	2,354,991	3,055,350	3,311,665	3,515,102	3,391,177
king fund assets	704,062	673,154	512,937	357,353	335,051	316,950
ls and accounts receivable	7,320,210	6,412,950	5,090,055	4,184,935	3,844,221	3,289,695
crued income not due	287,039	187,005	154,893	107,117	140,981	118,618
sh and deposits	1,217,771	1,026,800	812,118	935,812	869,033	776,827
epaid expenses	1,080,848	996,347	1,080,030	814,232	706,093	608,597
amortized debt discount and expense	3,024,281	3,228,804	3,430,857	3,660,763	3,894,232	4,139,019
her deferred debits	6,940,545	6,959,527	6,998,664	7,006,623	3,779,727	3,763,834
otal	$351,605,469	$324,411,806	$298,259,354	$270,230,222	$228,386,622	$194,782,631

CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Liabilities—						
Common stock	$93,000,000	$43,000,000	$43,000,000	$18,000,000	$18,000,000	$18,000,000
Preferred stock	82,000,000	82,000,000	82,000,000	82,000,000	57,000,000	57,000,000
Funded debt	70,505,900	70,449,900	71,143,800	71,993,900	72,948,100	73,963,400
Accrued liabilities not due	5,775,239	5,214,429	4,277,754	3,456,218	3,045,598	2,991,934
Advances from system corporations	35,351,880	65,687,500	45,187,500	45,287,500	31,400,000	300,000
Bills and accounts payable	6,450,153	5,212,237	5,208,024	6,812,661	5,383,689	4,303,417
Reserve for accrued depreciation, etc.	51,287,456	47,059,116	43,514,668	40,025,617	38,029,653	35,794,996
Employees' benefit fund	1,480,239	1,500,000	1,000,000	500,000	500,000	500,000
Other deferred credit items	730,934	374,938	300,129	336,875	375,704	365,046
Appropriated surplus	5,023,668	177,750	1,930,000	550,000	.....	.....
Corporate surplus unappropriated		3,735,936	697,479	1,267,451	1,703,878	1,563,838
Total	$351,605,469	$324,411,806	$298,259,354	$270,230,222	$228,386,622	$194,782,631

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

(Duplications excluded.)

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash and deposits	$1,217,771	$1,026,800	$812,118	$935,812	$869,033	$776,827
Marketable securities	.....	.....	.....	.....	2,228	.....
Bills and accounts receivable	7,329,210	6,412,950	5,090,055	4,184,935	3,844,221	3,289,695
Materials and supplies	2,501,044	2,354,991	3,055,350	3,311,665	3,515,102	3,391,177
Total	$11,048,025	$9,794,742	$8,957,523	$8,432,412	$8,230,584	$7,457,699
Current Liabilities—						
Bills and accounts payable	$6,450,153	$5,212,237	$5,208,024	$6,812,661	$5,383,689	$4,303,417
Accrued liabilities, not due	5,775,239	5,214,429	4,277,754	3,456,218	3,045,598	2,991,934
Total	$12,225,392	$10,426,666	$9,485,778	$10,268,879	$8,429,287	$7,295,351
Net Working Capital	*$1,177,367	*$631,924	*$528,255	*$1,836,467	*$198,703	†$162,348

*Debit. †Credit.

Officers: H. D. Pillsbury, President; A. H. Griswold, V-P.; B. C. Carroll, V-P.; James T. Shaw, V-P.; D. P. Fullerton, V-P.; Geo. J. Petty, V-P. & Treas.; Omar C. Spencer, V-P.; T. V. Halsey, Sec.; E. S. Pillsbury, Chief Counsel; Alfred Sutro, Gen. Attorney, C. S. Casassa, Gen. Aud.; R. A. Gantt, Gen Mgr., Northern California and Nevada Area, San Francisco; N. R. Powley, Gen. Mgr., Southern California Area, Los Angeles; C. E. Hickman, Gen. Mgr., Washington, Oregon and Idaho Area, Seattle, Wash.

Executive Committee: Allen L. Chickering, Wm. H. Crocker, A. H. Griswold, Timothy Hopkins, Samuel Hubbard, Frank B. King, H. D. Pillsbury.

Directors: Allen L. Chickering, Ralph J. Cebrian, Wm. H. Crocker, Geo. D. Greenwood, Timothy Hopkins, Frank B. King, W. S. Martin, Geo. A. Newhall, Atholl McBean, H. D. Pillsbury, A. H. Griswold, Henry D. Nichols, San Francisco; J. C. Ainsworth, Portland, Ore.; Samuel Hubbard, Oakland, Cal.; W. S. Gifford, H. B. Thayer, New York; O. J. Woodward, Fresno, Cal.

Main Office, San Francisco, Cal.

HOME TELEPHONE & TELEGRAPH COMPANY

(Pasadena, Cal.)

(Controlled by Pacific Telephone & Telegraph Co.)

History—Incorporated June 29, 1903, in Cal. Operates a local telephone exchange in Pasadena, Cal.

CAPITAL STOCK

Authorized, $5,000,000; outstanding, $3,519,000; par, $100. Stock control held by Pacific Telephone & Telegraph Co. Annual meeting, first Monday in May. No dividends paid.

FUNDED DEBT

$471,500 First Gold 5s; dated Oct. 1, 1903; due Oct. 1, 1933; int. April and Oct. 1, at Chase National Bank, New York and at First National Bank, Pasadena, Cal. Coupon, $500 and $1,000; principal may be registered. Title Insurance & Trust Co. Los Angeles, Cal., Trustee. Authorized issue, $500,000. Subject to call at 105 and interest at any time. Sinking fund began Sept. 1, 1913, 10% annually of net earnings. A first lien on entire property. Listed on Los Angeles Stock Exchange. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$1,043,910	$918,654	$805,73
Oper. exp., taxes, etc.	930,945	755,327	638,83
Depreciation	627,922	206,030	162,70
Net earnings	*$514,956	* $42,704	$4,19
Interest charges	166,452	103,187	159,40
Rentals, etc.	29,845	14,879	8,63
Total charges	$196,297	$118,066	$168,03
Deficit for year	$711,253	$160,770	$163,84

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31, 1926

(Latest Available)

Assets—		Liabilities—	
Cost of properties	$7,458,050	Common stock	$3,519,00
Other investments	5,764	Funded debt	471,50
Materials and supplies	145,480	Advances from affil. companies	2,924,47
Cash	41,934	Notes payable	128,00
Accounts receivable	49,834	Accounts payable	1,343,6
Other current assets	2,826	Other current liabilities	242,1
Unadjusted debits	5,083	Deferred credit items	42,3
Deferred debit items	308,667	Reserve for depreciation	918,5
Deficit	1,571,940		
Total	$9,589,578	Total	$9,589,5

Officers: H. D. Pillsbury, Pres.; Theo. V. Halsey, Sec.; Geo. J. Petty, Treas. & Asst. Sec., San Francisco, Cal.

Directors: H. D. Pillsbury, Theo. V. Halsey, Geo. Petty, San Francisco, Cal.

Offices, Pasadena, Cal., and 140 New Montgomer St., San Francisco, Cal.

NORTHWESTERN LONG DISTANCE TELEPHONE COMPANY

(Operated Under Lease by The Pacific Telephone and Telegraph Company)

History—Incorporated April 16, 1916, in Oregon; successor Northwestern Long Distance Telephone Co. of California. mpany operates toll lines from Albany, Ore., through Portd and Seattle to Everett and Port Angeles, Wash.

Lease—Merger Planned.—This Company and Pacific Teleone & Telegraph Co. applied Feb. 7, 1922, to the Interstate mmerce Commission for permission to consolidate their es in Oregon, Washington and Idaho. The agreement beeen the two companies provides for the lease of the plant the Northwestern Co. to the Pacific Co. for 15 years at an nual rental of $34,750. If, during the time of the lease. her company desires to complete the consolidation, the Paic Co. agrees to pay $250,000 to the Northwestern Co. and cancel an indebtedness of $295,000 which the Pacific Co. lds against the Northwestern Co.

CAPITAL STOCK

Authorized and outstanding $400,500; par, $100. Secretary Company acts as Transfer Agent. Annual meeting, ay 15.

Dividends—Monthly dividends of 42 cents are paid on the tenth day of each month.

FUNDED DEBT

$300,000 First Gold 5s; dated May 1, 1916; due May 1, 1946; int. May and Nov. 1, at Lumberman's Trust Co., Portland, Ore., Trustee. Coupon, $100 and $1,000; principal may be registered. Authorized issue, $750,000. Subject to call on six months' notice at 101 and interest. A first mortgage upon entire property.

Officers: F. H. Crosby, Pres., Treas. & Gen. Mgr., San Francisco; T. J. Mahoney, V-P.; Jay Bowerman, Sec.; H. J. Roake, Supt. & Aud., Portland, Ore.

Directors: F. H. Crosby, San Francisco, Cal.; T. J. Mahoney, Jay Bowerman, Fred M. De Neff, H. J. Roake, Portland, Ore.; Jno. H. Ballinger, Seattle, Wash.

General Office, Portland, Ore.

SANTA BARBARA TELEPHONE COMPANY

(Affiliated with The Pacific Telephone & Telegraph Co.)

History and Property—Incorporated April 14, 1916, Cal., for the purpose of furnishing exchange and ng distance telephone service in Santa Barbara unty, California. Santa Barbara Telephone Co. is e successor by purchase of the combined telephone operties in Santa Barbara County (with the exceptn of the through toll lines of the Pacific Telephone Telegraph Co. and of the U. S. Long Distance Co.) The Pacific Telephone & Telegraph Co., Home elephone & Telegraph Co. of Santa Barbara and ome Telephone & Telegraph Co. of Santa Barbara unty. Franchises expire in 1968. Population served, ,000. No. of exchanges, 9. No. of telephones, 14,000.

CAPITAL STOCK

Authorized, $200,000 Common and $500,000 6% nonmulative Pfd.; outstanding, $200,000 Common and 00,000 Pfd.; par, $100. All the Pfd. and Common ock is owned by The Santa Barbara Telephone Co., Oregon corporation, in which corporation a correonding amount of Preferred stock, or $400,000, is ned by Pacific Telephone & Telegraph Co. Authored capital stock was changed from $100,000 Common d $600,000 6% non-cumulative Pfd. to amounts ted above, in 1927. Pfd. stock has preference for sets and dividends. Annual meeting, second Tuesy in April. Dividends of 6% on Pfd. and 7% on mmon paid quarterly.

FUNDED DEBT

(1)

$417,200 First Gold 5s; dated July 1, 1916; due July 1946; int. Jan. and July 1, at Los Angeles-First tional Trust & Savings Bank, Los Angeles, Trustee, nkers Trust Co., New York, or at Company's office, nta Barbara, Cal., at option of holder. Coupon, $50, 00, $500 and $1,000 (interchangeable); principal y be registered.

Provisions of Issue—Authorized and issued, $700,-0 of which $243,500 are pledged under the General d Refunding Mortgage and $39,300 retired by operan of sinking fund, leaving $417,200 in the hands of blic.

Callability—Subject to call at 102 and interest on y interest date upon four weeks' notice.

Sinking Fund—Began July 1, 1920, 1% per annum the highest amount of bonds outstanding at any ne during the life of the issue.

Security—A first lien on all property in Santa Barbara County, Cal.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$275,000 General and Refunding Mortgage 20-Year 5½% Bonds, Series "A"; dated Jan. 1, 1926; due Jan. 1, 1946; interest Jan. and July 1, at Crocker First National Bank of San Francisco, Trustee, and Santa Barbara Branch of Los Angeles-First National Trust & Savings Bank. Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized, $2,100,000; outstanding, $275,000 Series "A" 5½s. The proceeds of these bonds were used to retire the $100,000 10-year 6½% Notes previously issued and to pay off expenditures incurred for new construction in the City of Santa Barbara.

Additional bonds may be issued for only 75% of expenditures incurred for additions, extensions and permanent improvements, provided net earnings for a period of 12 months ending not more than 60 days prior to the application for issuance have been at least equal to 1¾ times the annual interest charges on all bonds outstanding, including those proposed to be issued; or for retiring a like amount of underlying bonds. Bonds may be issued in various series with such maturities, rates of interest and other details as may be determined from time to time.

Callability—Subject to call on any interest date on 60 days' notice at 101 and interest.

Security—Secured by a direct mortgage on all of the property of Company now owned or hereafter acquired, subject only to the lien of the First Mortgage 5s, for the retirement of which bonds of this issue are reserved. Further secured by pledge of $243,500 First Mortgage 5s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from personal property taxes in California.

Legal Opinion—Chickering & Gregory, San Francisco.

Original Offering—First publicly offered ($275,000 Series "A" 5½s) in Jan., 1926, at 96 and interest, to yield over 5.84%, by First Securities Co. and Toole-Tietzen & Co., Los Angeles, and Riley, Brock & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
oss earnings	$469,210	$434,067	$408,790	$380,184	$361,292	$334,575
erating expenses and taxes	285,210	268,495	264,922	239,276	230,338	216,488
Net earnings	$184,000	$165,572	$143,868	$140,908	$130,954	$118,087
terest	36,029	35,939	28,556	26,117	28,512	24,422
prec. and amort. of debt disc. and exp.	88,189	81,681	71,685	65,617	57,792	52,435
nefit fund	674	1,536	1,389	1,159	487	1,125
Total charges	$124,892	$119,156	$101,630	$92,893	$86,791	$77,982
rplus for year	$59,108	$46,416	$42,238	$48,015	$44,163	$40,105

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$1,752,430	$1,528,637	$1,413,933	$1,204,611	$1,151,068	$1,032,04
Less reserve for accrued depreciation	238,308	215,312	192,339	145,762	131,992	110,43
Net investment	$1,514,122	$1,313,325	$1,221,594	$1,058,849	$1,019,076	$921,61
Cash and deposits	33,004	27,508	15,346	61,281	21,092	66,37
Working assets	78,861	62,848	78,499	58,312	61,543	61,65
Deferred debit items	37,081	38,436	15,578	20,703	16,749	26,41
Total	$1,663,068	$1,442,117	$1,331,016	$1,199,145	$1,118,460	$1,076,05
Liabilities—						
Capital stock	$600,000	$430,500	$430,500	$430,500	$430,500	$430,50
Funded debt	692,200	693,650	416,450	521,450	466,950	472,45
Working liabilities	134,691	109,955	*289,000	38,631	44,370	41,45
Deferred credit items	5,500	5,500	5,500	5,500	5,500	5,50
Corporate surplus unappropriated	230,677	202,512	189,566	203,065	171,140	126,15
Total	$1,663,068	$1,442,117	$1,331,016	$1,199,145	$1,118,460	$1,076,05

*Consists principally of notes and trade acceptances covering materials not yet carried into capital accounts, which were pai in January out of proceeds of new bond issue.

Officers: R. E. Easton, Pres. & Treas., Santa Barbara, Cal.; A. L. Chickering, V-P., San Francisco, Cal.; D. A. Sattler, V-P., Sec. & Gen. Mgr., Santa Barbara, Cal.

Directors: George S. Edwards, Robert Main, W. G Griffith, Santa Barbara, Cal.; R. E. Easton, Sant Barbara, Cal.; Allen L. Chickering, San Francisco, Ca

General Office, Santa Barbara, Cal.

SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY, INCORPORATEI

(Controlled by American Telephone and Telegraph Company)

History and Properties—Incorporated Dec. 11, 1879, in New York for 50 years, but extended March 1, 1920, for 999 years. During 1912 acquired from the American Telephone & Telegraph Co. over 98% of the capital stock of the Cumberland Telephone and Telegraph Co., Inc., the properties of the latter and of this company being now operated under one management. In the early part of 1926, Company sold to American Telephone and Telegraph Co. the $12,100,500 capital stock owned by it in Cumberland Telephone & Telegraph Co., Inc. and used the proceeds in payment of notes due the American Company. As of midnight June 30, 1926, the Southern Bell Telephone and Telegraph Co., having duly qualified to do business in the four Cumberland States, acquired the properties of the Cumberland Company, subject to all the debts and liabilities of the latter, paying for such properties with its own capital stock in the exact amount of the issued and outstanding stock of the Cumberland Company. Shortly thereafter the corporation of the Cumberland Telephone & Telegraph Co., Inc., was duly dissolved and its assets distributed. For latest published statement of the latter company, see 1926 Public Utility Manual, page 1371.

Previous to 1912, company operated in portions of West Virginia and Kentucky and, through ownership of entire stock issue of Southern Bell Telep. & Teleg. Co. of Va., throughout Virginia, but during 1912 the properties in this territory were sold to the Chesapeake & Potomac Telephone Co. Stocks of the Cumberland Telephone & Telegraph Co. were substituted under the mortgage for securities covering properties in Virginia which were released. Proceeds of sale of properties in West Virginia were paid over to the Trustees under the mortgage to be used for additiona construction.

During 1927 Peoples Telephone & Telegraph Co of Knoxville, Tenn., was purchased and its properties merged with those of Southern Bell Telephone an Telegraph Company, Inc. The First Mortgage 6½% bonds, due May 1, 1946, of the Peoples Telephone & Telegraph Co. were called for payment May 1, 192

As of Dec. 31, 1927, owned the following stocks $149,100 (total issued, $218,600) Common of th Gainesboro Tel. & Tel. Co. (Carrollton, Ga.); an also $200,350 (total issued, $207,400) Common an $627,925 (total issued, $750,000) Preferred stock o Christian-Todd Telephone Co. (acquired through th acquisition of the assets of Cumberland Telephone Telegraph Co., Inc.)

Company provides telephone service over its ow lines and those of its connecting companies throughout the States of Alabama, Georgia, Florida, Kentucky, Louisiana, Mississippi, North Carolina, Sout Carolina and Tennessee, and at Dec. 31, 1927 had 900 441 telephones, owned in these states and operate through 891 central offices. The toll and long di tance lines of company are connected with 1,283 co necting companies, serving 340,688 telephones throug 1,682 exchanges. The company also furnishes servic to 39,711 service and private line stations, makin the total number of stations, 1,280,840. There a 38,476 miles of pole lines and 3,324,052 (1,806,3 aerial and 1,517,657 underground) miles of wire. Com pany owns a large amount of valuable real estate an rights of way over private property in the differe states, as well as franchises in all of the cities an towns in which it operates.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	*1925	1925	1924	1923
Number of central offices	891	885	890	323	310	3
Owned stations	900,441	843,172	772,979	370,978	322,747	292,2
Service and connected stations	380,399	386,953	362,367	219,191	204,061	206,5
Total stations	1,280,840	1,230,125	1,135,346	590,169	526,808	498,7
Total miles of wire	3,324,052	3,013,707	2,600,845	1,183,736	1,010,127	825,8

*1925 figures revised to include Cumberland Telephone & Telegraph Co., Inc.

CAPITAL STOCK

Authorized, $100,000,000 (increased from $30,000,000 to $50,000,000 June 19, 1923, and to present amount June 4, 1926); outstanding, Dec. 31, 1927, $99,999,500 (increased from $79,999,900 March 31, 1927), par, $100; $34,999,900 capital stock was issued in exchange for the capital stock of Cumberland Telephone & Telegraph Co., Inc., upon the acquisition of the properties of the latter as of July 1, 1926. All owned by American Telephone and Telegraph Company $25,000,000 being pledged under its Collateral Trust bonds of 1929 and $15,020,000 under its Collateral Trust bonds of 1946.

Annual Meeting—Fourth Thursday in February i New York.

Dividends—Dividends at rate of 6% per annum pai from 1890 to 1893; 1894 and 1895, 5% each; from 190 to 1922 inclusive, at rate of 6% per annum; 1923 (firs

quarter, 1¾%; second, third and fourth quarters, 2% each), 7¾%; 1924, 1925, 1926 and 1927, 8% each; payments quarterly.

FUNDED DEBT

(1)

$414,330 LOUISVILLE HOME TELEPHONE COMPANY COLLATERAL TRUST 5s; DUE JANUARY 1, 1933

Dated January 1, 1910.

Interest Payable J, A, J & O 1, at United States Trust Co., Louisville, Ky., Trustee. Coupon, $70, $350 and $700. Subject to call since Jan. 1, 1911, at par. Authorized, $414,400. Issued in exchange for $592,000 First Mortgage bonds of Independent Long Distance Telephone & Telegraph Co. These bonds were a contingent liability only of the Louisville Home Telephone Co. **The primary obligation** both as to principal and interest was assumed by the Independent Long Distance Telephone & Telegraph Co. Upon purchase of the properties by Cumberland Telephone & Telegraph Company, Incorporated, that company assumed these bonds on Sept. 1, 1924. Subsequently assumed by Southern Bell Telephone and Telegraph Co. upon acquisition of the properties of Cumberland Telephone & Telegraph Co., Inc., as of July 1, 1926. Company does not pay Normal Federal Income Tax.

(2)

$21,000 MEMPHIS LONG DISTANCE TELEPHONE CO. GOLD 5s; DUE JANUARY 1, 1934

Dated January 1, 1904.

Assumed by Southern Bell Telephone and Telegraph Co. upon the acquisition of the properties of Cumberland Telephone & Telegraph Co., Inc., as of July 1, 1926. Union & Planters Bank & Trust Co., Memphis, Tenn. Subject to call at par and interest on any interest date on six months' written notice.

(3)

$351,100 MEMPHIS TELEPHONE CO. FIRST GOLD 5s; DUE JULY 1, 1936

Dated June 5, 1906.

Interest Payable Jan. and July 1, at Union & Planters Bank & Trust Co., Memphis, Tenn., Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized, $3,000,000; unissued bonds reserved for extensions, etc. Subject to call at par and interest on any interest date on six months' written notice. Secured by a first lien on property of former Memphis Telephone Co. Guaranteed as to interest by Southern Bell Telephone and Telegraph Co., Inc., formerly by Cumberland Telephone & Telegraph Company, Incorporated. Assumed by Southern Bell Telephone and Telegraph Company upon acquisition of the properties of Cumberland Telephone & Telegraph Co., Inc., as of July 1, 1926. Company pays Normal Federal Income Tax up to 2%.

(4)

$14,969,000 CUMBERLAND TELEPHONE & TELEGRAPH COMPANY, INC. FIRST AND GENERAL GOLD 5s; DUE JANUARY 1, 1937

Dated January 1, 1912.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—American Exchange Irving Trust Co., New York, and Philip V. R. Van Wyck, Summit, N. J. successor).

Provisions of Issue—Authorized, $15,000,000. The greater part of this issue of bonds was acquired by the American Telephone & Telegraph Co. and by it exchanged for stock of the Cumberland Telephone & Telegraph Co., which stock has been cancelled. Issued to retire Pfd. stock and for improvements.

Callability—If the Company has acquired and delivered for cancellation to the Trustees, bonds of this issue to such an amount that the total outstanding bonds shall be less than $3,000,000, the company has the option to redeem all, but not any part, of the bonds still outstanding, on any interest date after Jan. 1, 1917, at 105 and accrued interest upon eight weeks' notice.

Sinking Fund—No sinking fund provided.

Security—Secured on entire property, subject only to the above described prior liens, being an absolute first lien on all of the company's properties in the cities of Louisville, Knoxville, Chattanooga, Meridian, Jackson, Vicksburg, Shreveport and New Orleans, and throughout the territory above described.

Assumed by Southern Bell Telephone and Telegraph Co. upon acquisition of the properties of Cumberland Telephone and Telegraph Co., Inc., as of July 1, 1926.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Alexander P. Humphrey, Louisville, Ky., and William L. Granberry, Nashville, Tenn.

Legal for Savings Banks in Ohio, Oregon, Rhode Island, New Hampshire, Vermont and New Jersey.

Original Offering—First publicly offered ($1,000,000) in Jan., 1912, at par and interest.

Listed—New York, Boston and Louisville Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103⅜	102⅝	101½	98⅛	94⅞	96	91½	85¼
Low	100½	100¼	97	94⅛	91	88½	78	70

(5)

$15,571,500 SOUTHERN BELL TELEPHONE AND TELEGRAPH CO. FIRST SINKING FUND GOLD 5s; DUE JANUARY 1, 1941

Dated January 2, 1911.

Interest Payable January and July 1 at Bankers Trust Co., New York, Registrar.

Denominations—Coupon (principal may be registered), $500 and $1,000; and registered, $500, $1,000, $5,000 and multiples of $5,000; interchangeable.

Trustees—Bankers Trust Co., New York, and Henry F. Wilson, Jr., Upper Montclair, N. J.

Provisions of Issue—Authorized $50,000,000; issued $18,000,000, of which $2,428,500 had been retired by sinking fund to Dec. 31, 1927; balance reserved for extensions, additions, etc.; issuable in excess of the $21,400,000 capital stock outstanding at time of issue, only to an amount not exceeding at par the amount of cash received for further issues of stock, provided net earnings for previous year shall have equalled twice the interest charges on all bonds outstanding. Additional bonds may bear a lower rate of interest as determined by the company, and may also be issued in pounds sterling in denominations of £100 and £200, exchangeable for dollar bonds.

The proceeds of the issue were used for extensions and additions and in the purchase of securities of the Cumberland Telephone and Telegraph Company, Incorporated and other telephone companies.

Callability—Subject to call as a whole but not in part, at 105 and interest on Jan. 1, 1917, or any interest date thereafter, upon 8 weeks' notice.

Sinking Fund—Annual sinking fund of 1% of bonds issued to date began Dec. 1, 1911, for purchase and cancellation of this issue in any year in which sufficient bonds to absorb such amount may be acquired at or under par and interest; any amount not so used to be credited to the following year's installment.

Security—A first lien on entire property and franchises of the company now owned or hereafter acquired, subject to the above described prior liens. Also secured by deposit of securities to the value of $1,342,017.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Connecticut, New Hampshire, Ohio, Rhode Island, Vermont and New Jersey.

Original Offering—First publicly offered ($10,000,000) in Dec., 1910 at 96 and interest.

Listed—New York and Boston Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105⅝	103½	102¼	100	97	99¾	94⅛	85½
Low	102½	101⅛	99	94	87½	93	80¼	78¼

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926	1925	1924	1923	1922
Operating revenues	$51,848,094	$48,075,101	$21,018,899	$18,098,388	$16,660,252	$15,476,008
Operating expenses	35,152,230	33,299,574	13,914,808	11,814,223	11,007,087	10,684,069
Net operating revenue	$16,695,864	$14,775,527	$7,104,091	$6,284,165	$5,653,165	$4,791,939
Deductions—						
Uncollectible operating revenue	$339,500	$322,000	$119,500	$109,000	$88,000	$98,500
Taxes assignable to operations	5,090,444	4,423,940	1,903,911	1,672,198	1,447,192	1,152,918
Total operating income	$11,265,919	$10,029,587	$5,080,680	$4,502,967	$4,117,973	$3,540,520
Non-operating revenues—net	297,103	453,383	1,124,605	1,499,172	1,335,223	633,497
Total gross income	$11,563,022	$10,482,970	$6,205,285	$6,002,139	$5,453,196	$4,174,017
Deductions—						
Rents and miscellaneous deductions	$1,121,504	$1,102,625	$525,994	$452,270	$435,141	$446,507
Interest and amortization	2,538,310	2,487,985	983,585	964,162	1,269,248	1,643,447
Total deductions	$3,659,814	$3,590,610	$1,509,489	$1,416,432	$1,704,389	$2,089,954
Balance net income	$7,903,208	$6,892,360	$4,695,796	$4,585,707	$3,748,807	$2,084,063
Miscellaneous appropriations of net income	.....	150,000	388,000	.....	238,919	167,203
Deduct dividends	7,599,968	6,044,322	3,600,000	3,600,000	2,925,000	1,800,000
Undivided profits	$303,240	$698,038	$707,796	$985,707	$584,888	$116,860
Direct charges to corp. surplus (net)	.....	.....	.....	.....	2,016	25,031
Net additions to corp. surplus	$303,240	$698,038	$707,796	$985,707	$586,904	$141,891
Times All Interest Earned	4.04	3.82	5.77	5.76	3.95	2.27

*Includes operations for Cumberland Telephone & Telegraph Co., Inc., for six months ended June 30, 1926, after elimination of inter-company items.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Intangible capital	$2,002,677	$1,969,228	$711,601	$606,312	$603,750	$525,793
Land and buildings	14,900,211	13,095,293	5,294,219	3,922,302	3,841,224	4,094,457
Telephone plant & equipment	161,722,452	148,759,183	62,193,114	53,011,005	46,977,945	42,267,258
General equipment	3,406,196	3,021,385	1,490,659	1,225,781	1,151,607	1,113,922
Investment securities	2,255,829	2,831,328	14,483,756	20,185,686	20,891,959	21,225,893
Advances of system cos.	60,000	83,000	78,000	1,102,700	679,700	476,700
Miscellaneous investments	217,825	185,713	190,431	87,328	92,757	127,647
Cash and deposits	1,705,945	1,598,667	920,094	821,822	850,275	851,016
Bills receivable	52,085	59,295	22,393	19,408	24,782	30,314
Accounts receivable	3,649,215	3,777,594	1,724,232	1,373,542	1,426,037	1,436,092
Materials and supplies	1,791,503	2,281,620	1,588,621	520,195	553,993	503,949
Marketable securities and other current assets	105,662	111,327	121,886	665,249	677,475	602,401
Accrued income not due	43,635	28,100	22,323	34,621	29,131	25,339
Sinking fund assets		183,901	180,247	13,102	422	5(
Prepayments	1,412,011	425,878	203,566	138,585	165,028	193,230
Unamortized debt disc. & exp.		551,616	542,589	579,226	621,607	776,024
Other deferred debits		363,966	173,574	70,361	26,907	
Total	$193,325,246	$179,327,094	$89,941,311	$84,377,139	$78,614,599	$74,250,090
Liabilities—						
Capital stock	$99,999,500	$79,999,900	$45,000,000	$45,000,000	$45,000,000	$30,000,000
Funded debt	31,326,930	31,330,130	15,571,500	15,584,000	15,749,075	15,934,675
Advances from system corporations	20,283,142	25,772,856	7,191,825	5,285,000	1,640,000	14,546,238
Bills payable	581,456	170,000	30,000	30,000	45,000	31,000
Accounts payable	2,687,477	3,081,320	1,867,775	860,144	845,376	695,141
Accrued liabilities not due	2,665,851	2,371,238	1,097,916	977,487	989,218	824,389
Liability for employes' benefit fund	1,581,343	1,600,000	800,000	.....	.....	.....
Other deferred credit items	174,689	260,768	74,756	456,104	293,672	259,200
Reserve for accrued depreciation	26,903,004	28,182,655	14,549,911	13,217,959	11,888,835	10,622,023
Reserve for amortization intangible capital	300,106	239,560	158,235	134,267	53,779	53,603
Appropriated surplus	.....	.....	.....	658,734	406,122	167,203
Corporate surplus unappropriated	6,821,748	6,318,667	3,599,393	2,173,444	1,703,522	1,116,618
Total	$193,325,246	$179,327,094	$89,941,311	$84,377,139	$78,614,599	$74,250,090

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash and deposits	$1,705,945	$1,598,667	$920,094	$821,822	$850,275	$851,016
Bills receivable	52,085	59,295	22,393	19,408	24,782	30,314
Accounts receivable	3,649,215	3,777,594	1,724,232	1,373,542	1,426,037	1,436,092
Materials and supplies	1,791,503	2,281,620	1,588,621	520,195	553,992	503,949
Marketable securities and other current assets	105,662	111,327	121,886	665,249	677,475	602,401
Total	$7,304,410	$7,828,503	$4,377,226	$3,400,216	$3,532,561	$3,423,772
Current Liabilities—						
Bills payable	$581,456	$170,000	$30,000	$30,000	$45,000	$31,000
Accounts payable	2,687,477	3,081,320	1,867,775	860,144	845,376	695,141
Accrued liabilities not due	2,665,851	2,371,238	1,097,916	977,487	989,218	824,389
Total	$5,934,784	$5,622,558	$2,995,691	$1,867,631	$1,879,594	$1,550,530
Net Working Capital	$1,369,626	$2,205,945	$1,381,535	$1,532,585	$1,652,967	$1,873,242

Officers: Ben S. Read, Pres.; Hunt Chipley, V-P.; C. O. Bickelhaupt, V-P., Atlanta, Ga.; Leland Hume, V-P., Nashville, Tenn.; Geo. J. Yundt, Sec. & Treas ; A. A. Marsters, James Robb, Asst. Sec's.; P. W. Greene, James W. Gibson, Albert E. Mix, Asst. Sec's. & Asst. Treas's.; Charles J. Holditch, Gen. Aud., Atlanta, Ga.

Executive Committee: Ben S. Read, Chairman, C. O. Bickelhaupt, W. S. Gifford, M. R. Wilkinson, Hunt Chipley.

Directors: James E. Caldwell (Chairman), Leland Hume, Nashville, Tenn.; C. O. Bickelhaupt, Hunt Chipley, R. F. Maddox, J. K. Ottley, Ben S. Read, E. D. Smith, Mell R. Wilkinson, George J Yundt. Atlanta, Ga.; B. E. Geer, Greenville, S. C.; W. S. Gifford, H. B. Thayer, New York; James B. Brown, Whitefoord R. Cole, Louisville, Ky.

Offices, Atlanta, Ga., and 195 Broadway, New York.

CHRISTIAN-TODD TELEPHONE COMPANY

(Controlled by Southern Bell Telephone and Telegraph Company, Incorporated)

History and Property—Incorporated June 25, 1912, in Ky., and purchased properties in Christian and Todd Counties, Ky., of the Cumberland Telephone & Telegraph Co., the Hopkinsville Home Telephone Co., the Pembroke Home Telephone Co. and the Todd County Telephone Co. Franchises expire at various dates up to 1932. As of Dec. 31, 1927, 20 exchanges in operation. Population served, 90,000. No. of telephones in use, 5,046. Miles of pole line, 725; aerial cable, 8,014.

CAPITAL STOCK

Authorized, $250,000 Common and $750,000 Pfd.; outstanding, $207,400 Common and $750,000 Pfd.; par, $25. Controlled by Southern Bell Telephone and Telegraph Co., Inc., through ownership of $200,350 Common and $627,925 Pfd. Annual meeting, Friday after second Thursday in March.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$203,166	$201,419	$198,165	$189,007	$187,379	$182,867
Operating expenses	160,901	159,198	169,132	141,745	144,694	135,923
Net operating revenue	$42,265	$42,221	$29,033	$47,262	$42,685	$46,944
Uncollectible revenues	465	764	703	580	314	300
Taxes	16,769	19,200	16,939	19,877	16,753	12,740
Net earnings	$25,031	$22,257	$11,391	$26,805	$25,618	$33,904
Other income	12,137	8,741	6,882	6,417	4,541	3,811
Gross income	$37,168	$30,998	$18,273	$33,222	$30,159	$37,715
Rent, interest & miscellaneous deductions	2,317	3,014	2,995	3,388	3,603	8,502
Net income	$34,851	$27,984	$15,278	$29,834	$26,556	$29,213
Dividends	15,000	.....	.....	15,000	.....	15,000
Other charges against surplus	6,000	6,000	6,000	6,000	6,000	6,000
Undivided profits	$13,851	$21,984	$9,278	$8,834	$20,556	$8,213

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Intangible capital	$81,342	$87,932	$93,932	$99,932	$146,932	$146,932
Plant	868,310	875,994	875,448	883,496	882,379	878,014
General equipment	14,389	13,831	14,028	13,940	13,354	13,508
Investment securities	2,450	200	200	200	200	200
Cash and deposits	7,412	9,385	11,053	1,331	15,022	24,143
Bills receivable	210,212	170,000	130,000	100,100	108,238	55,000
Accounts receivable	24,856	26,562	23,692	23,170	.....	22,617
Materials and supplies	11,729	13,074	15,340	16,047	15,143	22,352
Deferred debit items	11,830	13,996	16,427	12,036	12,305	13,001
Total	$1,232,530	$1,210,974	$1,180,119	$1,150,252	$1,193,574	$1,175,767
Liabilities—						
Capital stock	$957,400	$957,400	$957,400	$957,400	$957,400	$957,400
Accounts payable	4,658	5,160	9,690	3,688	7,176	17,301
Accrued liabilities, not due	9,761	10,153	7,357	4,456	8,007	6,668
Insurance and casualty reserves	.....	.....	.....	10,709	8,184	7,626
Liability for employees' benefit fund	5,000	5,000	5,000	5,000	5,000	5,000
Other accrued liabilities	.....	.....	.....	.....	919	352
Reserve for accrued depreciation	135,863	126,571	112,746	89,271	94,806	95,530
Reserve for amortization of intangible capital	.....	.....	.....	.....	41,000	35,000
Corporate surplus unappropriated	119,847	106,690	87,926	79,728	71,082	50,890
Total	$1,232,530	$1,210,974	$1,180,119	$1,150,252	$1,193,574	$1,175,767

Officers: R. E. Cooper, Pres., Hopkinsville, Ky.; Leland Hume, V-P., Nashville, Tenn.; Geo J. Yundt, Sec. & Treas.; P. W. Greene, Asst. Treas., Atlanta, Ga.; C. E. Woodruff, Gen. Mgr. & Asst. Treas.; F. W. Fink, Aud. & Asst. Sec., Hopkinsville, Ky.; J. W. Gibson, Asst. Sec., Atlanta, Ga.

Directors: R. E. Cooper, Hunter Wood, Hopkinsville, Ky.; B. B. Petrie, Elkton, Ky.; Ben. S. Read, Atlanta, Ga.; Leland Hume, D. F. Turnbull, Nashville, Tenn.; L. K. Webb, Louisville, Ky.

General Office, Hopkinsville, Ky.

THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY

(Associated with American Telephone and Telegraph Company)

History and Property—Incorporated Oct. 2, 1882, in Conn. Holds license for use of all telephone instruments and apparatus owned or controlled by the American Telephone & Telegraph Co., in Connecticut, except in the town of Greenwich, and operates in the following cities: Bridgeport, Danbury, Hartford, New Britain, New Haven, Middletown, Meriden, Derby, Waterbury, Norwich, New London, Norwalk, Stamford and all other towns in Connecticut.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	84	83	83	83	80	80
Owned stations	282,838	267,845	250,003	233,623	216,340	198,903
Connecting stations	1,674	1,719	1,618	1,584	1,835	1,734
Total miles of wire	1,160,192	1,043,168	950,896	833,649	730,915	657,452

CAPITAL STOCK

Authorized by General Assembly, and by stock holders (in Feb. 1927 from $30,000,000), $40,000,000; outstanding Dec. 31, 1927, $28,000,000 (increased from $24,000,000, Oct. 1, 1926); par, $100. The American Telephone & Telegraph Co. owns $9,336,100 of the stock. Stock transferred at company's office, 157 Church St., New Haven, Conn. Registrar: The Union & New Haven Trust Co., New Haven. Annual meeting, first Tuesday in February.

Subscription Privileges—Stockholders of record May 18, 1925, were given the right until July 1, 1925 to subscribe to $3,000,000 additional capital stock at par on the basis of one new share for each seven shares held; payment was due in full on or before July 1, 1925. Stockholders of record Aug. 10, 1926, were given the privilege until Oct. 1, 1926, when payment was due in full, of subscribing to $4,000,000 additional stock at par on the basis of one new share for each six shares held.

Price Range—

	1927	1926	1925	1924
High	173	158	148	141
Low	151	144	139	127

Dividends—Dividends paid from Jan., 1883, to Oct., 1888, averaged 6% per annum; July 15, 1891, to Jan. 15, 1912, at rate of 6% per annum; April 15, 1912, to July 15, 1920, at the rate of 7% per annum; increased to 8% per annum with dividend of Oct. 15, 1920, which rate has been maintained to date; payments quarterly, J, A, J & O 15, by mail.

FUNDED DEBT

$1,000,000 (entire issue) First Gold 5s; dated Dec. 1, 1898; due Dec. 1, 1948; interest June and Dec. 1, at Merchants National Bank, New Haven, Conn. Coupon, $500 and $1,000. The Union & New Haven Trust Co., New Haven, Trustee and Registrar. No sinking fund nor provision for redemption prior to maturity. Not listed. A first and only lien on the company's plant. Legal for savings banks in Connecticut, Maine, Ohio, Oregon, Rhode Island, New Jersey and Vermont. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924
High	107	107½	107½	107½
High	105	105	105	105

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Telephone operating revenues	$13,505,975	$12,349,498	$11,101,679	$9,993,443	$9,183,323	$8,344,060
Telephone operating expenses	9,780,684	8,706,529	7,796,507	7,046,619	6,579,964	6,058,018
Net operating revenues	$3,725,291	$3,642,969	$3,305,172	$2,946,824	$2,603,359	$2,286,042
Uncollectible operating revenues	50,314	38,629	32,687	31,400	18,439	28,500
Taxes	881,660	855,501	744,797	687,931	620,241	560,420
Operating income	$2,793,317	$2,748,839	$2,527,687	$2,227,493	$1,964,679	$1,697,117
Non-operating revenue (net)	85,430	36,208	53,467	46,907	27,991	39,925
Gross income	$2,878,747	$2,785,047	$2,581,154	$2,274,400	$1,992,670	$1,737,042
Deductions—						
Rents	$147,961	$116,152	$96,543	$119,168	$99,470	$100,800
Interest	276,417	260,383	257,773	161,171	186,177	189,796
Other deductions	18,473	17,786	17,225	13,744	17,063	16,794
Total deductions	$442,851	$394,321	$371,541	$294,083	$302,710	$307,390
Balance net income	$2,435,896	$2,390,726	$2,209,613	1,980,317	1,689,960	1,429,652
Approp. for Employees Benefit Fund	.....	50,000	100,000	100,000	100,000	.....
Dividends paid	2,240,000	2,000,000	1,800,000	1,678,000	1,440,000	1,316,704
Balance for corporate surplus	$195,896	$340,726	$309,613	$202,317	$149,960	$112,948
*Earnings Per Share	$8.70	$9.64	$9.86	$9.49	$9.39	$8.75

*On average amount outstanding during the year.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Land and buildings	$4,940,962	$4,278,582	$3,899,071	$3,349,526	$2,858,523	$2,727,744
Other telephone plant	45,874,690	40,615,087	36,725,719	33,231,437	29,530,151	26,759,246
General equipment	1,016,380	932,741	867,882	778,653	681,250	592,184
Investment securities	43,531	35,375	35,375	35,325	35,325	35,325
Miscellaneous investments	43,682	43,523	43,188	26,435	25,018	25,018
Total perm. and long term investments	$51,919,245	$45,905,308	$41,571,235	$37,421,376	$33,130,267	$30,139,517
Cash and deposits	199,607	155,767	178,069	169,840	145,798	352,358
Accounts receivable	1,655,524	1,443,455	1,354,766	1,174,907	989,855	944,843
Materials and supplies	400,374	437,022	521,501	757,467	601,122	492,509
Accrued income not due	.....	.....	.....	.....	.....	237
Prepayments	167,566	99,426	148,297	85,555	50,108	57,098
Deferred debit items	11,515	11,746	3,219	4,699	3,368	5,476
Total	$54,353,831	$48,052,724	$43,777,087	$39,613,844	$34,920,518	$31,992,038
Liabilities—						
Capital stock	$28,000,000	$28,000,000	$24,000,000	$21,000,000	$18,000,000	$18,000,000
Capital stock installments	.....	.....	.....	.....	616,100	.....
Premiums on capital stock	17,794	17,794	14,531	11,570	8,778	8,778
Funded debt	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Advances from System Corporations	5,996,172	1,250,000	3,000,000	3,200,000	2,700,000	1,300,000
Bills payable	135,465	.....	.....	49,817	50,347	50,060
Accounts payable	2,037,728	1,879,130	1,444,242	1,385,008	842,495	1,150,436
Accrued liabilities not due	1,050,719	1,154,093	979,129	887,579	764,574	702,378
Deferred credit items	598,207	608,237	571,086	471,590	356,916	228,463
Reserve for accrued depreciation	13,153,542	11,990,630	10,963,009	10,126,427	9,324,287	8,453,478
Res. for amortiz. of intangible capital	167,519	152,685	144,145	130,804	119,103	106,272
Corporate surplus unappropriated	2,196,685	2,000,155	1,660,945	1,351,049	1,137,918	992,173
Total	$54,353,831	$48,052,724	$43,777,087	$39,613,844	$34,920,518	$31,992,038

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash and deposits	$199,607	$155,767	$178,069	$169,840	$145,798	$352,358
Accounts receivable	1,655,524	1,443,455	1,354,766	1,174,907	989,855	944,843
Materials and supplies	400,374	437,022	521,500	757,467	601,122	492,509
Total	$2,255,505	$2,036,244	$2,054,335	$2,102,214	$1,736,775	$1,789,710

STATEMENT OF WORKING CAPITAL, DECEMBER 31, (Continued):

Current Liabilities—	1927	1926	1925	1924	1923	1922
ccounts payable	$2,037,728	$1,879,130	$1,444,242	$1,385,008	$842,495	$1,150,436
ccrued liabilities not due	1,050,719	1,154,093	979,129	887,579	764,574	702,378
Total	$3,088,447	$3,033,223	$2,423,371	$2,272,587	$1,607,069	$1,852,814
et Working Capital	*$832,942	*$996,979	*$369,036	*$170,373	†$129,706	*$63,104

*Debit. †Credit.

Officers: James T. Moran, Pres.; Harry C. Knight, -P. & Gen. Mgr.; Chas. B. Doolittle, Sec. & Treas.; . J. Benjamin, Asst. Sec. & Asst. Treas., New Haven, onn.

Executive Committee: Victor M. Tyler, Dennis A. lakeslee, Harry B. Thayer, John J. McKeon, the esident and vice-president, ex-officio.

Directors: V. M. Tyler, J. T. Moran, Jas. English, H. C. Knight, Dennis A. Blakeslee, John J. McKeon, Victor Roth, New Haven, Conn.; A. H. Bullard, Bridgeport, Conn.; Harry B. Thayer, New Canaan, Conn.; Walter S. Gifford, New York.

Office, 157 Church St., New Haven, Conn.

SOUTHWESTERN BELL TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

History and Properties—Incorporated Aug. 24, 1882, Mo., as The Missouri & Kansas Telephone Co.; esent title adopted Jan. 1, 1917. On April 1, 1920, ie Southwestern Bell Telephone Co., a Missouri Corpration, operating in the States of Missouri, Kansas id Arkansas, purchased the physical properties of he Southwestern Telegraph & Telephone Co., erating in the State of Texas, and of the Southestern Bell Telephone Co., operating in the State Oklahoma (see 1920 Public Utility Manual, pages 99 and 1400). These transactions combined the enre property in the five States under a single ownerip and management, with the American Telephone & elegraph Co. owning the entire outstanding capital ock of the Missouri Company. In connection with ie consolidation the authorized capital stock of the outhwestern Bell Telephone Co. (Missouri) was ineased from $50,000,000 Common stock to a total of 00,000,000, consisting of $100,000,000 Common stock id $100,000,000 Pfd. stock. In Dec., 1920, the Southestern Bell Telephone Co. acquired the property of ie East St. Louis & Tri-Cities Telephone Co. The operty of the Peoples Home Telephone Co., Leavenorth, Kan., was also acquired in 1920 (see 1920 ublic Utility Manual, page 1226). Population of tertory served, approximately 16,000,000.

A number of telephone companies which operate in ie above territories are controlled and the Company nnects with other systems which it does not own.

Purchase of Kinloch Telephone System—The propty of the Kinloch Long Distance Telephone Co. of issouri was purchased on Feb. 28, 1923, its funded ebt being assumed by the Southwestern Bell Telehone Co. The stockholders of the Kinloch Company ected to take 7% Pfd. stock of the Southwestern ell Telephone Co. for their holdings. In addition the Kinloch Long Distance Telephone Co. of issouri, the properties acquired included Kinloch elephone Co., Sedalia Home Telephone Co., Suburan Telephone Co. and the Kinloch Building Co. (see 21 Public Utility Manual, page 1788, or inquire at ir Information Department).

Other Acquisitions—The properties of the Boonville Telephone Co., Boonville, Mo., Buffum Telephone Co., Louisiana, Mo., and the Missouri Central Telephone Co., Fulton, Mo., were acquired by the Southwestern Bell Telephone Co. on June 1, 1924.

On Nov. 1, 1925, Company merged the property of The Dallas Telephone Company and assumed its funded debt (see 1925 Public Utility Manual, page 1006). The property of the Home Telephone Co., Joplin, Missouri, and its adjacent exchanges were purchased on Oct. 1, 1925 (see 1925 Public Utility Manual, page 194). The Kansas Telephone Co., The Cherryvale Telephone Co. and the Independence, Kansas, exchange of the Kansas City Telephone Co. were acquired in 1925. The two small exchanges of Sand Springs and Vern, Oklahoma, industrial suburbs of Tulsa, were purchased from the Sand Springs Telephone Co. On June 1, 1926, the properties of the Liberty Telephone Co., Liberty, Mo., and the Norborne, Excelsior Springs and Richmond, Mo., exchanges of the Kansas City Telephone Co., were acquired.

During Jan., 1927 the properties of the Kansas City Telephone Co., Kansas City, Mo. (see 1926, Public Utility Manual, page 1403), operating in Kansas City, Mo., and vicinity, were merged into the Southwestern Bell Telephone Co.

On March 1, 1927 the property of the Olathe Citizens Telephone Company, Olathe, Kansas, and on May 1, 1927 the property of the Seminole Telephone Company, Seminole, Oklahoma, were acquired. On December 31, 1927 the properties of The Texas Telephone Company were purchased.

Service Contract—Effective at the end of 1927, the Company purchased from the American Telephone and Telegraph Co. the telephone instruments in use on its lines, heretofore owned and maintained by the latter Company. At the same time a reduction from 4% to 2% of gross revenues was made in the charge for research, engineering, financial and other services furnished the Southwestern Bell Telephone Co. by the American Company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
umber of central offices	766	718	710	687	692	679
ıbscribers' stations	1,233,540	1,020,284	948,855	804,975	764,165	673,202
onnecting stations	839,432	983,897	966,258	1,070,944	1,052,843	1,041,317
Total stations	2,073,072	2,004,181	1,915,113	1,875,919	1,817,008	1,714,519
otal miles of wire	4,881,256	3,748,139	3,299,569	2,736,709	2,491,294	2,124,264

CAPITAL STOCK

Authorized, $200,000,000 Common and $100,000,000 % cumulative Pfd.; outstanding, Dec. 31, 1927, $120,000,000 Common and $21,785,500 Pfd.; par, $100. Authorized Common stock was increased from $100,000,000 to $200,000,000 in 1927. Entire Common stock

We deal actively in all securities of
THE SOUTHWESTERN BELL TELEPHONE CO.
G. H. WALKER & CO.
MEMBERS NEW YORK, CHICAGO AND ST. LOUIS STOCK EXCHANGES
503 Locust Street St. Louis, Mo.

owned by American Telephone and Telegraph Co. Of the Pfd. stock, $45,000,000 has been authorized by the Public Service Commission having jurisdiction. Of this amount $25,000,000 was reserved for the conversion of a like amount of outstanding Five-Year 7% Convertible Gold Notes of the Company, of which $5,795,000 were converted. These notes were called for payment on April 1, 1923, and the conversion privilege expired on that date. Of the remaining stock authorized, $11,773,200 was sold for cash to Dec. 31, 1927, and $4,217,300 issued for the acquisition of telephone property.

Preferred Stock Provisions—Has preference as to assets and dividends, and is subject to redemption, in whole or in part at any time to and including April 1, 1930, at 110 and accrued dividend, and thereafter at 115 and accrued dividend. This stock is non-voting, except in the event the company shall be in arrears on its dividends for any twelve months' period, when the holders of the majority of the Pfd. stock shall be entitled at the next annual meeting of the company to elect one-third of the Board of Directors. No additional stock shall be authorized having any right to dividends or in distribution prior or equal to the rights of the present authorized Pfd. stock. Ownership of this Pfd. stock shall not carry with it the right to subscribe to any new or additional issue of stock, either Pfd. or Common, or to any issue of bonds, or notes convertible into stock.

Transfer Agents—Guaranty Trust Co., New York and Southwestern Bell Telephone Co., St. Louis, Mo.

Registrars—St. Louis (Mo.) Union Trust Co. and Central Union Trust Co., New York.

Annual Meeting—Fourth Tuesday in March.

Listed (Preferred)—St. Louis Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923
High	119¼	116½	115½	108¾	106½
Low	114½	111¾	107½	103	101

Dividends—Common dividends were paid at the rate of 6% per annum up to 1906; 5% paid in 1917, 1918, and 1919; 6% in 1920; 7¼% in 1921; 8% per annum, 1922 to date. Pfd. dividends at rate of 7% per annum paid since issuance, quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$950,000 HOUSTON HOME TELEPHONE CO FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1935

Dated March 1, 1910.

Interest Payable—March and September 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued $1,000,000 of which $50,000 have been retired.

Callability—Subject to call, as a whole or in part, at 105 and interest, on any interest date on 4 weeks' notice.

Sinking Fund—An annual sinking fund is provided of not less than 1% nor more than 4% of the outstanding bonds to be set aside out of net earnings.

Assumed—The Southwestern Bell Telephone Co. has assumed the principal and interest of these bonds.

Security—Secured by a first lien on property formerly owned by Houston Home Telephone Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine, New Hampshire, Vermont, New Jersey, Ohio and Rhode Island.

Original Offering—First publicly offered ($500,000) in January, 1917, at 100 and interest.

Price Range—

	1927	1926	1925	1924
Bid	99	100½	98½	98

(2)

$2,000,000 KINLOCH TELEPHONE COMPANY FIRST MORTGAGE GOLD 6s; DUE AUGUST 1, 1928

Dated August 1, 1898.

Interest Payable February and August 1, at Mississippi Valley Trust Co., St. Louis, Mo.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mississippi Valley Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized and issued, $2,000,000.

Callability—Not subject to call.

Sinking Fund—No sinking fund provided.

Security—A first lien on all property formerly owned by the company.

Assumed—Principal and interest assumed by the Southwestern Bell Telephone Co. upon acquisition of the properties of Kinloch Long Distance Telephone Co., Feb. 28, 1923.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, New Hampshire, Vermont, New Jersey, Ohio and Rhode Island.

Listed—St. Louis Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	19
High	101¼	102¼	103½	103	100¾	100⅝	90	9
Low	100¾	101¼	102⅝	101¼	100¼	96½	89½	8

(3)

$226,000 THE MISSOURI & KANSAS TELEPHONE CO. FIRST MORTGAGE SINKING FUND GOLD 5s; DUE OCTOBER 1, 1929

Dated October 2, 1899.

Interest Payable April and Oct. 1, at Old Colony Trust Co., Boston, Trustee. Coupon, $1,000. Authorized issue, $1,250,000; issued, $515,000, of which $289,000 have been retired. A first lien on entire property formerly owned by The Missouri & Kansas Telephone Co. Company does not pay Normal Federal Income Tax.

(4)

$139,000 THE SUBURBAN TELEPHONE CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1936

Dated May 1, 1906.

Interest Payable May and Nov. 1, at Mississippi Valley Trust Co., St. Louis, Mo., Trustee. Coupon $100, $500 and $1,000. The Southwestern Bell Telephone Co. assumed the principal and interest of these bonds through the acquisition of the properties of Kinloch Long Distance Telephone Co., Feb. 28, 1923. Authorized, $600,000; issued, $225,000, of which $86,000 have been reacquired. A first lien on all property formerly owned by the company. Company pays Normal Federal Income Tax up to 2%.

(5)

$2,549,000 KINLOCH LONG DISTANCE TELEPHONE COMPANY OF MISSOURI FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1929

Dated January 2, 1904.

Interest Payable January and July 1 at Mississippi Valley Trust Co., St. Louis, Mo.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Continental National Bank & Trust Co. Chicago, Ill., and G. W. Galbreath, St. Louis, Mo.

Provisions of Issue—Authorized, $5,000,000; issued $3,988,000, of which $1,439,000 have been reacquired.

Callability—Not subject to call.

Sinking Fund—No sinking fund provided.

Security—Secured on all property formerly owned by the company.

Assumed—The Southwestern Bell Telephone Co. assumed the principal and interest of these bonds, Feb. 28, 1923.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, New Hampshire, Vermont, New Jersey, Ohio and Rhode Island.

Original Offering—First publicly offered in 1906, at 5½ and interest.

Listed—St. Louis Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
igh	100½	100½	100½	99¾	97⅝	96½
ow	100	98⅞	100	96¼	94	85¼

(6)

$9,238,600 SOUTHWESTERN BELL TELEPHONE COMPANY FIRST AND REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE FEBRUARY 1, 1954

Dated February 1, 1924.

Interest Payable February and August 1, at Guaranty Trust Co., New York, or Treasurer's office, St. Louis, Mo.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000 and registered $1,000, ,000 and $10,000; coupon bonds and registered bonds d the several denominations interchangeable.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—The amount of bonds authored to be issued under this mortgage is limited so that e amount thereof at any time outstanding, plus the en outstanding prior funded debt as defined in the ortgage, shall not exceed twice the amount of the en outstanding capital stock. Bonds are issuable under the mortgage to refund the existing underlying obations and any bonds or other obligations which may reafter become underlying debt through the purchase property subject to debt. Subject to the above limition in amount, bonds are also issuable for the acquision of additional property necessary or useful in conction with the business of the Company (including ocks, bonds and securities of other corporations) and betterments; but if at any time the amount of outnding bonds secured by this mortgage, when added the prior bonded debt (if any) of the Company, all exceed the amount of the then outstanding capit stock, additional bonds will be issuable for not exeding 75% of the expenditures for such additional operty and betterments.

After $25,000,000 of bonds have been issued on acunt of the acquisition of stock or unsecured obligans of other corporations, or in respect of additions their property, where not secured by First Mortge bonds, bonds may not be issued for such purposes excess of one-third of the amount of bonds issued on ount of additional property and then outstanding. Authorized and issued Series A, $50,000,000 of which 51,400 have been retired.

The mortgage further provides that so long as the ries "A" Bonds are outstanding, no bonds will be uable, except for refunding, unless the net earnings the Company available for interest charges during twelve consecutive months out of fifteen months mediately preceding the proposed issue, shall have en not less than one and three-fourths times the erest on the outstanding bonded debt, plus the nds proposed to be issued. The bonds issuable der the mortgage may be of several series and may y as to interest rates, maturity dates, sinking fund l other provisions as may be determined by the mpany from time to time.

Approximately $24,000,000 of the proceeds of the ies "A" bonds was used to pay for the acquisition property and for the extension and improvement the Company's telephone plant and system, and balance was applied to the repayment of advances viously made for similar purposes by the American lephone and Telegraph Co.

Callability—Series "A" bonds are subject to call, in ole but not in part, on sixty days' notice on Feb. 1934, or on any interest date thereafter at the foling prices, plus accrued interest: If on or before g. 1, 1950, at 105, and if subsequent to Aug. 1, 1950, par.

Sinking Fund—Sinking fund payable semi-annually inning Aug. 1, 1924, amounts to $500,000 a year, h payments to be used in purchasing Series "A" bonds, if obtainable at not exceeding par and interest, otherwise to be used for capital expenditures with respect to property covered by the mortgage, against which expenditures no bonds under this mortgage may be issued so long as any Series "A" bonds are outstanding. If bonds are purchased for the full amount of the sinking fund payments, not less than $14,000,000 principal amount of the Series "A" Bonds will be retired by maturity.

Security—The First and Refunding Mortgage covers all the real estate, buildings and telephone plant now owned or hereafter acquired by the Company in the States of Missouri, Arkansas, Oklahoma and Texas, subject only to $8,055,900 closed mortgages which obligations, as to principal and interest, have been assumed or guaranteed by Southwestern Bell Telephone Co. The Company covenants that it will not mortgage its property in the State of Kansas, except that it may subject such property to the lien of the First & Refunding Mortgage, in which event (although no bonds under this mortgage may be issued against property in the State of Kansas in existence at the date of the mortgage) bonds may be issued against additions, betterments and improvements to such property made or acquired subsequent to the date of the mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Connecticut, Maine, New Hampshire, Ohio, Rhode Island, New Jersey and Vermont.

Original Offering—First publicly offered ($50,000,000 Series "A" 5s) in January, 1924, by a syndicate composed of J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, Bankers Trust Co., Harris, Forbes & Co., National City Co., Guaranty Co. and Lee, Higginson & Co., all of New York, etc., at 93½ and interest, to yield about 5.45%.

Listed—New York and St. Louis Stock Exchanges

Price Range—

	1927	1926	1925	1924
High	106⅝	103¾	101½	97¼
Low	102¾	100⅜	96⅛	93

(7)

$937,900 THE DALLAS TELEPHONE COMPANY FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1933

Dated October 1, 1918.

Interest Payable April and October 1, at St. Louis Union Trust Co., St. Louis, Mo.

Denominations—Coupon, $100, $500, and $1,000; principal may be registered.

Trustee—St. Louis Union Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized and issued, $3,000,000, of which $2,062,100 have been reacquired.

Callability—Subject to call, as a whole or in part, at 102 and interest, on any interest date on 3 weeks' notice.

Sinking Fund—No sinking fund provided.

Security—A first lien on all property formerly owned by The Dallas Telephone Co.

Assumed—The Southwestern Bell Telephone Company assumed the principal and interest of these bonds, November 1, 1925.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine, New Hampshire, Vermont, Rhode Island, New Jersey and Ohio.

Price Range—

	1927	1926	1925	1924
Bid	101	99½	93	93

(8)

$1,254,000 THE TEXAS TELEPHONE COMPANY TWENTY-YEAR CONSOLIDATED MORTGAGE GOLD 6s; DUE OCTOBER 1, 1934.

Dated October 1, 1914.

Interest Payable April and October 1, at Commerce Trust Company, Kansas City, Mo.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Commerce Trust Co., Kansas City, Mo.

Provisions of Issue—Authorized, $5,000,000; issued, $1,593,000, of which $339,000 have been reacquired.

Callability—Not subject to call.

Sinking Fund—No sinking fund provided.

Security—A first lien on all property formerly owned by The Texas Telephone Company.

Assumed—The Southwestern Bell Telephone Company assumed the principal and interest of these bonds December 31, 1927.

Tax Provisions—Company does not pay Normal Federal Income Tax.

BOND REDEMPTION

The outstanding Kansas Telephone Co. First Gold 6s, due April 1, 1935 were called for payment on Oct 1, 1927, at 101 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Telephone operating revenue	$69,707,258	$58,863,170	$49,854,941	$44,618,858	$42,021,954	$37,952,76
Telephone operating expenses	45,680,780	37,006,031	31,907,250	29,616,034	27,578,695	25,089,23
Net telephone operating revenues	$24,026,478	$21,857,139	$17,947,691	$15,002,824	$14,443,259	$12,863,52
Uncollectible operating revenues	$580,015	$455,363	$426,290	$408,318	$328,953	$291,52
Taxes assignable to operations	6,402,669	5,785,567	4,724,375	4,283,479	3,937,647	3,283,56
Operating income	$17,043,794	$15,616,209	$12,797,026	$10,311,027	$10,176,659	$9,288,44
Net non-operating revenues	872,552	1,866,974	2,187,318	2,540,771	1,865,858	2,062,72
Total gross income	$17,916,346	$17,483,183	$14,984,344	$12,851,798	$12,042,517	$11,351,16
Rents and miscellaneous deductions	$1,242,707	$1,027,707	$978,852	$882,812	$820,727	$714,43
Interest deductions	3,617,791	3,209,712	2,987,364	2,859,390	1,922,111	3,618,06
Balance net income	$13,055,848	$13,245,764	$11,018,128	$9,109,596	$9,299,679	$7,018,66
Appropriation to sinking or other res. funds	.....	.....	.....	.....	127,699	335,87
Appropriation for dividends	9,524,961	8,424,918	7,524,607	7,516,258	7,311,045	5,636,16
Appropriation to employees' benefit fund res.	.....	700,000	1,020,000	593,550	292,500	400,00
Balance for corporate surplus	$3,530,887	$4,120,846	$2,473,521	$999,788	$1,568,435	$646,62
Times Interest Earned	4.61	5.13	4.69	4.18	5.84	2.9

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Telephone plant and equipment	$250,845,810	$194,977,350	$171,986,466	$141,186,888	$130,670,348	$115,079,6
Investment securities	4,306,137	26,419,891	11,799,228	16,500,633	13,555,413	26,597,3
Advances to system corporations	994,933	5,170,318	4,674,545	10,100,453	11,931,078	10,564,5
Miscellaneous investments	451,929	281,134	281,134	270,039	270,016	2
Cash and deposits	2,439,680	2,275,086	1,445,408	2,627,147	1,963,982	1,929,6
Bills receivable	457,946	771,460	838,467	428,661	431,365	393,1
Accounts receivable	6,953,358	5,350,386	*8,023,807	*20,495,661	4,066,295	7,093,0
Materials and supplies	2,340,757	2,198,796	1,829,012	1,736,023	1,295,534	1,006,8
Marketable securities	1,359,505	38,855	36,552	27,752	34,224	31,1
Accrued income not due	115,182	431,385	280,864	566,268	102,207	411,1
Sinking fund assets	298,262	347,033	93,873	26,942	26,223	19,2
Prepayments	355,027	415,792	329,929	264,785	293,099	171,6
Unamortized debt discount and expense	4,406,347	4,575,281	4,744,214	4,963,348	.....	754,7
Other deferred debits	123,983	60,388	135,022	139,676	68,108	94,8
Total	$275,448,856	$243,313,155	$206,498,521	$199,334,276	$164,707,893	$164,147,1
Liabilities—						
Common stock	$120,000,000	$100,000,000	$75,000,000	$75,000,000	$75,000,000	$75,000,0
Preferred stock	21,785,500	21,785,000	21,783,500	21,775,100	21,360,600	10,212,0
Funded debt	57,294,500	56,630,000	56,676,100	55,715,300	5,990,600	26,034,7
Premiums on capital stock	916	.....	.....	.....	.....	.....
Unearned revenue and subscribers deposits	1,048,540	.....	.....	.....	.....	.....
Advances from system corporations	3,892,089	4,274,560	.....	.....	20,874,761	16,274,7
Bills payable	326,806	.....	.....	.....	.....	7,5
Accounts payable	6,535,472	4,209,042	2,883,907	2,067,774	2,102,994	1,461,0
Accrued liabilities not due	6,199,398	6,220,641	5,541,484	4,743,306	3,666,677	3,689,1
Insurance and casualty reserves	.....	.....	.....	273,933	237,233	186,0
Liability for employees' benefit fund	3,544,162	3,500,000	2,800,000	1,750,000	1,152,000	859,5
Other deferred credits	35,957	33,998	133,400	5,966	6,575	8
Reserve for accrued depreciation	36,189,663	34,012,742	33,187,847	31,204,316	28,541,850	25,245,8
Reserve for amortization, intangible capital	224,279	157,000	126,664	90,935	56,301	81,5
Appropriated surplus	.....	.....	.....	.....	365,435	862,5
Corporate surplus unappropriated	18,371,573	12,490,172	8,365,619	6,707,646	5,352,867	4,230,8
Total	$275,448,856	$243,313,155	$206,498,521	$199,334,276	$164,707,893	$164,147,1

*Represents (a) unused portion of proceeds of issue of this company's First & Refunding Mortgage Bonds, Series "A" amounting to $15,966,327 as of December 31, 1924 and $3,004,019 as of December 31, 1925, temporarily invested at interest until required by the company, and (b) accounts of a current nature due from subscribers and others.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash and deposits	$2,439,680	$2,275,085	$1,445,408	$2,627,147	$1,963,982	$1,929,6
Bills receivable	457,946	771,460	838,467	428,661	431,365	393,1
Accounts receivable	6,953,358	5,350,386	8,023,807	20,495,661	4,066,295	7,093,0
Materials and supplies	2,340,757	2,198,796	1,829,012	1,736,023	1,295,534	1,006,8
Marketable securities	1,359,505	38,855	36,552	27,752	34,224	31,1
Total	$13,551,246	$10,634,582	$12,173,246	$25,315,244	$7,791,400	$10,453,7
Current Liabilities—						
Bills payable	$326,806	.....	.....	.....	.....	$7,5
Accounts payable	6,535,472	$4,209,042	$2,883,907	$2,067,774	$2,102,994	1,461,0
Unearned revenue and subscriber's deposits	1,048,540	.....	.....	.....	.....	.....
Accrued liabilities not due	6,199,398	6,220,641	5,541,484	4,743,306	3,666,677	3,689,1
Total	$14,110,216	$10,429,683	$8,425,391	$6,811,080	$5,769,671	$5,157,7
Net Working Capital	*$558,970	$204,899	$3,747,855	$18,504,164	$2,021,729	$5,296,0

*Debit.

Officers: E. D. Nims, Pres.; A. B. Elias, 1st V-P., St. Louis, Mo.; T. D. Bowen, V-P., New York, N. Y.; Jas. F. Noble, V-P.; J. K. Wass, V-P.; R. A. Nickerson, Treas.; J. P. Crowley, Sec., St. Louis, Mo.; W. J. Stout, Asst. Sec., New York, N. Y.; J. W. Jamison, Gen. Counsel; Edw. W. Meyer, Gen. Aud., St. Louis, Mo.

Directors: H. J. Pettengill, Frank H. Hamilton, Robert McK. Jones, E. D. Nims, Guido Pantaleoni, A. B. Elias, F. O. Watts, M. E. Singleton, St. Louis, Mo.; A. C. Jobes, Kansas City, Mo.; E. S. Wilson, W. S. Gifford, New York.

General Office, Telephone Bldg., 1010 Pine St., St. Louis, Mo.

KANSAS CITY LONG DISTANCE TELEPHONE COMPANY

(Affiliated with Southwestern Bell Telephone Company)

History and Property—Incorporated Jan. 7, 1903, in Mo., as Western Independent Telephone Co.; present title adopted Jan. 10, 1905. Organized to construct long distance toll lines in Kansas, Oklahoma and western Missouri.

CAPITAL STOCK

Authorized, $1,500,000; outstanding, $500,000; par, $100. Annual meeting, third Thursday in January. No dividends paid in 1925; 1926, 10%; 1927, none.

FUNDED DEBT

$773,000 FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1925, BUT EXTENDED TO LATER DATE

Dated January 1, 1905.

Interest Payable January and July 1 at Commerce Trust Co., Kansas City, Mo.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Provisions of Issue—Original issue, $1,426,500; outstanding December 31, 1927, $773,000.

Callability—Subject to call on any interest date at 105.

Sinking Fund of 1½% per annum is provided.

Security—A first lien on Company's property. Guaranteed, principal and interest by Kansas City Telephone Co.

Tax Provision—Mortgage does not contain tax free covenant.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross receipts	$287,024	$320,287	$349,834	$427,193	$358,733	$476,853
Operating expenses and taxes	196,368	208,249	208,803	214,522	236,451	310,486
Net earnings	$90,656	$112,038	$141,031	$212,671	$122,282	$166,367
Interest	45,054	49,077	53,717	57,037	66,458	79,815
Surplus for dividends	$45,602	$62,961	$87,314	$155,634	$55,824	$86,552
Times Interest Earned	2.01	2.28	2.63	3.73	1.84	2.08
Earnings Per Share	$9.12	$12.59	$17.46	$31.12	$11.16	$17.31

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property investment	$1,362,381	$1,361,198	$1,364,949
Construc. work in progress	6,160	6,609	1,140
Bills receivable	247	.....	.....
Cash in bank & special deposits	35,308	15,323	77,908
Accounts receivable	509,545	530,295	542,970
Materials and supplies	4,756	7,231	5,394
Prepayments	1,883	1,698	1,630
Sinking fund invest. acct.	149,047	230,154	217,164
Total	$2,069,327	$2,152,508	$2,211,155

Liabilities—	1927	1926	1925
Capital stock	$500,000	$500,000	$500,000
Funed debt	773,000	918,000	993,000
Working liabilities	5,799	11,310	9,064
Accrd. liabil., taxes & misc.	34,690	42,458	46,796
Depreciation	203,295	173,799	168,316
Other reserves	15,000	15,000	15,000
Surplus	537,543	491,941	478,979
Total	$2,069,327	$2,152,508	$2,211,155

Officers: A. F. Adams, Chairman of Board; H. L. Gary, Pres.; J. G. Crane, V-P. & Gen. Mgr., W. J. Cavanagh, Sec. & Gen. Aud.; C. A. Bennett, Treas., Kansas City, Mo.

Directors: A. F. Adams, E. C. Blomeyer, H. L. Gary, J. G. Crane, C. A. Bennett, Kansas City, Mo.

Office, Telephone Bldg., Kansas City, Mo.

THE UNITED TELEPHONE COMPANY

(Controlled by Southwestern Bell Telephone Company)

History and Property—Incorporated Jan. 31, 1914, Kansas, as a consolidation of The United Telephone Co. of Abilene, Kan. (see Manual for 1915, page 860 apply to our Information Department) and The Salina Telephone Co., Salina, Kan. Population served, 50,000. Number of subscribers, 46,638. Number of exchanges, 58. Miles of wire, 76,851; miles of poles, 1,414. Business commenced Jan. 1, 1914.

In 1924 under authority granted by Interstate Commerce Commission, properties of the Consolidated Telephone Co. aggregating $755,398 with 13,115 telephone stations were acquired.

CAPITAL STOCK

Authorized, $2,500,000 Common and $2,500,000 7% Pfd.; outstanding, $1,602,600 Common and $2,489,700 Pfd.; par, $100. Secretary of Company acts as Registrar and Transfer Agent. The Southwestern Bell Telephone Co. (Missouri) owns 64.27% of the Common stock. Annual meeting, fourth Friday in January.

Dividends—Dividends on both classes of stock are declared the fourth Friday of M, J, S & D, and are payable, J, A, J & O 15, on Pfd. at rate of 7% per annum and on Common at rate of 8% per annum.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,152,480	$1,588,336	$1,474,489	$1,205,422	$1,030,077	$1,004,242
Operating and maintenance	841,987	819,823	790,014	615,696	577,720 }	669,795
Taxes	165,360	152,850	140,665	122,700	111,027 }	
Depreciation	244,982	224,472	202,688	172,704	148,900	150,000
Net earnings	$400,151	$391,191	$341,122	$294,322	$192,430	$184,447
Other income	11,112	16,114	16,515	27,702	41,440	48,811
Total income	$411,263	$407,305	$357,637	$322,024	$233,870	$233,258
Rents, interest, etc.	29,270	27,779	20,627	17,229	26,275	18,457
Net income	$381,993	$379,526	$337,010	$304,795	$207,595	$214,801
Preferred dividends	168,893	157,224	147,748	139,266	129,659	97,082
Common dividends	128,208	128,208	128,208	128,208	121,143	118,876
Surplus for year	$84,892	$94,094	$61,054	$37,321	*$43,207	*$1,157

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant account	$5,512,616	$5,265,212	$4,785,563	$4,396,485	$3,496,839	$3,277,997
Other investments	15,370	6,303	9,977	9,646	10,380	11,322
Materials and supplies	109,875	162,028	135,441	140,812	145,640	151,519
Cash	48,153	30,909	21,278	94,350	7,963	12,417
Bills and notes receivable	2,380	4,579	7,153	4,355	469,326	460,311
Accounts receivable	106,657	102,346	194,175	182,213	470,061	327,031
Deferred debit items	13,574	12,281	11,181	16,826	12,283	12,363
Total	$5,808,625	$5,583,658	$5,164,768	$4,844,687	$4,612,492	$4,252,960
Liabilities—						
Common stock	$1,602,600	$1,602,600	$1,602,600	$1,602,600	$1,602,600	$1,485,900
Preferred stock	2,489,700	2,321,300	2,165,700	2,029,000	1,954,300	1,627,500
Capital stock installments	83,210	68,714	73,487	41,774	33,815	36,253
Notes payable	20,000	93,500	20,000	.....	32,800	82,200
Accounts payable	181,707	200,951	104,872	85,624	104,401	194,934
Interest accrued	.....	17	.....	.....	859	2,765
Reserve for taxes	112,940	106,050	91,993	88,018	64,133	45,480
Other current liabilities	.....	.....	.....	.....	3,492	3,441
Dividends accrued	75,394	72,423	69,830	67,429	66,053	57,345
Deferred credit items	89,111	26,411	21,111	29,607	23,251	20,618
Depreciation reserve	768,237	719,602	733,782	677,296	607,423	533,952
Surplus unappropriated	385,726	372,090	281,393	223,339	119,365	162,572
Total	$5,808,625	$5,583,658	$5,164,768	$4,844,687	$4,612,492	$4,252,960

Officers: J. O. Wilson, Chairman, Salina, Kan.; C. L. Brown, Pres. & Gen. Mgr., Abilene, Kan.; H. P. Wareham, V-P., Manhattan, Kan.; C. A. Ulffers, V-P., Kansas City, Mo.; Fred Coulson, Sec.; H. W. Rohrer, Treas.; M. C. Beamer, Comptroller; Will Green, Supt.; D. M. Jones, Pur. Agt.; Howard Seip, Aud., Abilene, Kan.

Directors: C. L. Brown, Abilene, Kan.; J. O. Wilson, Salina, Kan.; C. A. Ulffers, Kansas City, Mo.; A. B. Elias, E. D. Nims, J. F. Noble, St. Louis, Mo.; H. P. Wareham, Manhattan, Kan.

Office, Abilene, Kansas.

WISCONSIN TELEPHONE COMPANY

(Controlled by American Telephone and Telegraph Company)

History and Property—Incorporated July 7, 1882, in Wis. Operates throughout the State of Wisconsin and owns buildings, lines and apparatus at various points. On Dec. 1, 1921, purchased the property of the Rock County Telephone Co. and on Oct. 31, 1922, the property of the Chippewa County Telephone Co. was purchased. In 1924, Company acquired control of the Lafayette County Telephone Co. On Feb. 1, 1926 the Ozaukee-Washington Telephone Company was purchased.

License Contract—Effective at the end of 1927 Company purchased from American Telephone and Telegraph Co. the telephone instruments in use on this Company's lines and at the same time a reduction from 4% to 2% of gross revenues was made in the charge for research, engineering, financial and other services furnished by the parent company.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of central offices	110	110	106	102	96	9
Owned stations	320,774	305,319	287,301	269,215	243,227	224,88
Connecting stations	197,563	193,999	192,009	194,902	200,552	197,40
Total stations	518,337	499,318	479,310	464,117	443,779	422,29
Total miles of wire	1,088,006	986,453	870,528	792,753	647,030	585,75

CAPITAL STOCK

Authorized, $25,000,000 (increased from $11,000,000, March 22, 1923) Common and $11,000,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $22,000,000 Common and $4,947,000 Pfd., Series "A"; par, $100. The American Telephone and Telegraph Company owned all the Common, $8,070,600 thereof being pledged under Western Telephone and Telegraph Company Collateral Trust bonds of 1932.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and upon notice is redeemable at $110 per share on any dividend date.

Annual Meeting—Tuesday preceding fourth Wednesday in March.

Price Range (Preferred)—High, 113½; low, 109½.

Dividends—Dividends on Common stock have been paid at the rate of 8% per annum since 1911; payments quarterly, M, J, S & D 31. Pfd. dividends are paid quarterly, J, A, J & O 30.

FUNDED DEBT

$56,200 Citizens Telephone Co. of Racine, Wis Assumed by Wisconsin Telephone Co. Company does not pay Normal Federal Income Tax.

$250,000 Land Contract—Last installment due Oct 1, 1932.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$15,095,457	$13,894,820	$12,641,687	$11,509,889	$10,664,261	$9,622,43
Operating expenses, taxes, etc.	11,601,989	10,863,431	10,036,695	9,170,897	8,452,963	7,646,55
Operating income	$3,493,468	$3,031,389	$2,604,992	$2,338,992	$2,211,298	$1,975,87
Non-operating revenues (net)	94,488	61,838	86,339	107,986	84,128	71,57
Total income	$3,587,956	$3,093,227	$2,691,331	$2,446,978	$2,295,426	$2,047,44
Interest, rentals, etc.	143,519	†189,425	†219,793	†315,378	281,847	†594,73
Net income	$3,444,437	$2,903,802	$2,471,538	$2,131,600	$2,013,579	$1,452,71
Dividends	2,101,290	2,056,290	1,910,287	1,621,688	1,198,979	1,103,07
Balance for corporate surplus	$1,343,147	$847,512	$561,251	$509,912	$814,600	$349,63
Earnings Per Share—						
Preferred	$69.62	$60.21	$51.98	$46.91	$40.83	$41.4
Common	14.08	12.10	10.60	10.56	11.15	13.9

†Includes appropriation from net income of $300,000 in 1922, $189,070 in 1924, $100,000 in 1925 and $75,000 in 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property accounts	$50,763,489	$45,325,203	$42,204,280	$38,574,962	$33,055,690	$29,426,509
Bonds and stocks owned	16,315	7,875	8,475	44,442	382,904	405,444
Other investments	88,255	345,199	343,490	305,336	2,651	24,086
Materials and supplies	112,266	174,328	280,975	221,646	708,313	677,213
Cash on hand	226,703	223,378	327,268	143,204	181,986	206,378
Bills and notes receivable	23,867	8,361	21,749	4,559	2,921	20,362
Current accounts	1,307,254	963,289	839,414	868,088	906,241	843,205
Deferred debit items	211,007	145,724	171,029	151,384	119,982	194,128
Total	$52,749,156	$47,193,357	$44,196,680	$40,313,621	$35,360,688	$31,797,325
Liabilities—						
Capital stock	$26,947,000	$26,697,000	$25,947,000	$23,646,900	$20,131,600	$15,226,200
Premium on capital stock	588	588	588	588	466	232
Funded debt	306,200	356,200	552,200	202,200	202,200	209,500
Loans and notes payable	125,096	23,000	.....	.....	17,447	.....
Current liabilities	1,529,443	1,398,126	1,010,073	1,080,667	1,304,788	1,615,164
Taxes accrued	1,326,138	1,199,194	1,011,142	909,992	822,325	742,915
Deferred credit items	13,644,383	12,508,110	11,409,758	10,780,209	9,538,973	8,594,702
Profit and loss	6,356,461	5,011,139	4,265,919	3,693,065	3,342,889	2,682,468
Other long term debts	2,513,847	.....	.....	.....	.....	2,726,144
Total	$52,749,156	$47,193,357	$44,196,680	$40,313,621	$35,360,688	$31,797,325

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$112,266	$174,328	$280,975	$221,646	$708,313	$677,213
Cash	226,703	223,378	327,268	143,204	181,986	206,378
Bills and notes receivable	23,867	8,361	21,749	4,559	2,921	20,362
Current accounts	1,307,254	963,289	839,414	868,088	906,241	843,205
Total	$1,670,090	$1,369,356	$1,469,406	$1,237,497	$1,799,461	$1,747,158
Current Liabilities—						
Loans and notes payable	$125,096	$23,000	.....	.....	$17,447	.....
Current liabilities	1,529,443	1,398,126	$1,010,073	$1,080,667	1,304,788	$1,615,164
Taxes accrued	1,326,138	1,199,194	1,011,142	909,992	822,325	742,915
Total	$2,980,677	$2,620,320	$2,021,215	$1,990,659	$2,144,560	$2,358,079
Net Working Capital (Debit)	$1,310,587	$1,250,964	$551,809	$753,162	$345,099	$610,921

Officers: B. E. Sunny, Chairman of the Board, Chicago, Ill.; W. R. McGovern, Pres.; W. D. Hobbins, V-P. & Gen. Mgr.; John O'Day, V-P. & Sec.; W. W. Hiller, Treas.; E. D. Blume, Gen. Aud., Milwaukee, Wis.

Directors: Julius O. Frank, Oliver C. Fuller, W. R. McGovern, Harry S. Johnston, Otto H. Falk, John O'Day, William D. Hobbins, Milwaukee, Wis.; B. E. Sunny, Chicago, Ill.; Eugene S. Wilson, W. S. Gifford, New York; E. R. Bowler, Sheboygan, Wis.

Offices, 418 Broadway, Milwaukee, Wis.

WESTERN ELECTRIC COMPANY, INCORPORATED

(Controlled by American Telephone and Telegraph Company)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Common (no par)	M. J. S & D 31	4,000,000 shs	3,750,000 shs	$17,356,417	*	†$7,500,000	$4.63

*$2.50 per share on 750,000 shares for first quarter and 50 cents per share on 3,750,000 shares for second, third and fourth quarters. †Excluding special dividend of $48,750,000 or $13 per share paid Dec. 31, 1927, covering a similar amount received from Electrical Research Products, Inc.

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Twenty-Year Debenture 5s	April 1, 1944	A & O 1	$35,000,000	$35,000,000	No	Yes	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $35,000,000.
Amount Available for Interest in 1927, $19,339,174.
Interest Accrued and Paid in 1927, $1,982,757.
Times Interest Earned in 1927, 9.75.

History and Properties—Incorporated Nov. 17, 1915, in New York, and purchased the going business of Western Electric Co. (incorporated Nov. 26, 1881, in Ill.). The latter company was successor to the business of the Western Electric Mfg. Co.

The incorporation of this company under the laws of the State of New York, together with the purchase of the going business of Western Electric Company an Illinois corporation) and the assumption of the latter company's obligations was in effect a reorganization and change of domicile of the latter company. The statistics following cover the operations of the two companies, thus giving the results of the continuing business without attempting to segregate that part which pertains only to the operations of the Western Electric Co., Inc.

The Company manufactures telephone apparatus, cable and switchboards used by the Bell telephone companies; also does a telephone supply business. It is the largest manufacturer of telephone apparatus in the world. Its subsidiary, Graybar Electric Company, Inc., is the largest distributor of electrical supplies in the United States.

The principal manufacturing of the Company is carried on at the Hawthorne Works, near Chicago, which covers about 200 acres. The Hawthorne Works were begun in 1903 and now comprise more than 100 buildings containing 3,797,000 square feet of floor space.

The Kearny Works which covers about 60 acres located between Jersey City and Newark, New Jersey, were begun in 1923 and the cable factory there was completed and began operations during 1925. The buildings now include 1,342,000 sq. ft. of floor area.

The Company also owns real estate used for warehouses at Pittsburgh, Atlanta, Salt Lake City and San Francisco and fixtures for warehouses in these, and 29 other cities. During 1927 new warehouse buildings were occupied at Washington, D. C., Kansas City, Mo. and Jacksonville, Fla. At the end of the year new warehouses at Chicago, Ill. and Cleveland, O. were nearing completion and plans were under way for a new warehouse at New Haven, Conn. The shops maintained at the distributing warehouses to manufacture certain special equipments and to repair materials removed from service, during 1927 handled materials valued at $34,000,000, as compared with $17,000,000 five years previous to that.

At the end of 1927 employees of Company numbered 40,565 as compared with 45,110 on the pay roll at the beginning of the year.

Bell Telephone Laboratories Incorporated—Incorporated December 27, 1924 in New York, with perpetual charter. Company was organized to take over the scientific and research work in the art of communication formerly performed by the Western Electric Company, Incorporated. To carry on this work the company purchased the Western Electric Company Laboratories at 463 West Street, New York, N. Y. Its $100,000 capital stock is owned jointly by Western Electric Company, Incorporated, and by the American Telephone and Telegraph Company.

Other Controlled Companies—Western Electric Co., Inc., owns stock in the following constituent, subsidiary, owned or controlled companies:

Manufacturers' Junction Ry. Co.—Incorporated Jan. 28, 1903, in Ill. Duration of charter, 50 years. Operates an industrial railroad in and about the Hawthorne (Illinois) plant of Western Electric Co., Inc., and handles all of the inbound and outbound rail freight of that Company, and also serves other industries in the vicinity. The road has rail connection with all the railroad systems entering Chicago. Of its $500,000 capital stock, $499,100 is owned by Western Electric Co., Inc. (For complete statement, see Steam Railroad Volume).

Graybar Electric Co., Inc.—Incorporated Dec. 11, 1925, in New York, with perpetual charter. Capital stock authorized and issued, $15,000,000—150,000 shares par value $100 per share. Its entire capital stock is owned by the Western Electric Co., Inc. This company was formed for the purpose of taking over and did, on Dec. 31, 1925, take over the Supply Department of Western Electric Company, Incorporated. This department has carried on for many years the merchandising of electric supplies of every kind throughout the United States. It operates for this purpose 60 distributing houses in the principal cities with a headquarters organization in New York.

Electrical Research Products, Inc.—Organized under the laws of Delaware Dec. 20, 1926, with perpetual charter. Capital stock authorized and issued, 750,000 shares of no par value. Its entire capital stock is owned by the Western Electric Co., Inc. This corporation was formed to take over at Jan. 1, 1927 that portion of the business and assets of the Western Electric Co., Inc., which is not related to the manufacture and distribution of telephone apparatus and supplies.

Western Electric Co., Ltd. of Canada—Organized under the Companies Act of Canada, Nov. 20, 1913, as Electrical Properties Limited, name changed to Western Electric Co., Ltd., Oct. 31, 1924. Capital stock authorized and issued, $10,000, shares $100 each. Its entire capital stock is owned by the Western Electric Co., Inc.

395 Hudson Street Corp.—Incorporated Dec. 11, 1919, in New York, with perpetual charter. Company was organized as a realty holding corporation for the purpose of taking title to property in the Borough of Manhattan and erecting thereon warehouse and garage buildings for the occupancy of Western Electric Co., Inc., and New York Telephone Co. The corporation owns in fee a block of land having an area of about 86,000 square feet upon which a ten-story concrete warehouse building and a five-story garage are situated and leased to the Western Electric Co., Inc., and to the New York Telephone Co. for a term of years. Of its $600,000 capital stock issued, $495,000 is owned by Western Electric Co., Inc . The corporation has issued a $2,000,000 5% First Mortgage, dated May 5, 1926, due May 5, 1931, secured by the property described above.

Electrical Discount Corporation—Organized under the Laws of the State of New York, Aug. 15, 1922, with perpetual charter to buy, sell, transfer and otherwise deal in accounts, leases, conditional sales contracts, mortgages, bonds, promissory notes, commercial business paper and other evidences of indebtedness, goods, wares and merchandise. Its entire $50,000 capital stock was owned by Western Electric Co., Inc., and sold, with other assets of its supply department, to the Graybar Electric Co., Inc., at Dec. 31, 1925.

COMPARATIVE STATEMENT OF SALES, YEARS ENDED DECEMBER 31

1919	$135,722,489
1920	206,111,680
1921	189,764,814
1922	210,941,004
1923	255,177,122
1924	298,281,000
1925	297,729,420
†1925	239,531,000
†1926	263,105,000
†1927	*253,724,000

*Made up as follows: To Bell Telephone Cos., $241,062,000; to other domestic customers, $9,336,000; to export customers, $3,326,000—total, $253,724,000. †Excluding sales by Company's Supply Department, the business of which since Jan. 1, 1926, has been carried on by the Graybar Electric Co., Inc.

CAPITAL STOCK

Authorized, 4,000,000 shares of no par value (increased from 1,000,000 shares May 25, 1927); outstanding, Dec. 31, 1927, 3,750,000 shares. On May 25, 1927 the previously authorized and outstanding 750,000 shares of stock of no par value were changed into 3,750,000 shares on the basis of five shares for one. At Dec. 31, 1927, American Telephone and Telegraph Company owned 3,687,605 shares (over 98%) of the outstanding stock. The entire outstanding Pfd. stock ($24,679,600) created March 12, 1920, was called for payment Sept. 15, 1925, at 110 and accrued dividends and paid from funds secured through the sale of the International Western Electric Co., Inc.

Subscription Privileges—Common stockholders of record Feb. 19, 1920 received the right to subscribe to 200,000 new Common stock at $180 a share, in the ratio of 1-1/3 shares of new stock for each share held. Common stockholders of record Nov. 28, 1922 received the right to subscribe to their pro rata portion of 150,000 shares of Common stock at $100 per share, payable in cash on or before Dec. 30, 1922.

Transfer Office—Company's office, 195 Broadway, New York.

Registrar—Bankers Trust Co., New York.

Annual Meeting—Second Tuesday in April.

Dividends—On Dec. 31, 1915 $4 per share was paid on Common; 1916 and 1917, $8 per share each; 1918 to 1926, inclusive, $10 per share per annum; on March 31, 1927, $2.50 per share on 750,000 shares; June 30, 1927, 50 cents a share on 3,750,000 shares (after exchange of five shares for one); 50 cents per share regularly paid quarterly since. In addition a special dividend of $13 per share ($48,750,000) was paid to stockholders on Dec. 31, 1927, covering distribution of a dividend in the same amount received from Electric Research Products, Inc., a wholly owned subsidiary. In addition a Common stock dividend of 50% was paid September 30, 1925. Dividends are usually declared the first Tuesdays of M, J, S & D, and are paid M, J, S & D 31.

FUNDED DEBT

$35,000,000 TWENTY-YEAR GOLD DEBENTURE 5s; DUE APRIL 1, 1944

Dated April 1, 1924.

Interest Payable April and October 1, at J. P. Morgan & Co., New York.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000 and registered $1,000, $5,000 and $10,000; coupon and registered and the several denominations interchangeable.

Trustee—Seaboard National Bank, New York.

Provisions of Issue—Authorized and outstanding $35,000,000. Issued to provide funds for the construction of a new factory for the manufacture of telephone apparatus and lead covered cable at Kearny, N. J., and to provide additional working capital.

Callability—Subject to call in whole but not in part on sixty days' notice on April 1, 1934, or on any in-

erest date thereafter at the following prices plus accrued interest: If on and before Oct. 1, 1940, at 105 nd if on or subsequent to April 1, 1941, at par.

Sinking Fund—No sinking fund provided.

Security—This company has no mortgage debt nd the indenture securing these debentures provides hat, except in the case of purchase money mortgages nd except in the case of pledges in the usual course of usiness as security for temporary loans or indemnity or terms not exceeding one year, the company will ot hereafter mortgage or pledge any of its property vithout equally and ratably securing the principal nd interest of these debentures by any such mortgage r pledge.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($35,000,000) in March, 1924 by a syndicate composed of J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, National City Co., Bankers Trust Co., Guaranty Co., Harris, Forbes & Co., Lee, Higginson & Co., all of New York, etc., Harris Trust & Savings Bank, Chicago, at 96½ and interest, to yield over 5.25%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	104¾	103½	101⅞	99½
Low	101⅛	100⅛	98	96½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Figures prior to 1926 include results of the Company's supply department, the business of which, since Jan. 1, 1926, has been carried on by the Graybar Electric Co., Inc.)

Receipts—	1927	1926	1925	1924	1923	1922
ales	$253,724,013	$263,105,194	$297,729,420	$298,281,138	$255,177,122	$210,941,004
)ther income	2,088,014	4,628,690	2,174,554	1,212,004	1,302,874	2,690,836
Total	$255,812,027	$267,733,884	$299,903,974	$299,493,142	$256,479,996	$213,631,840
Deductions—						
ost of merchandise		($228,584,815	$251,915,705	$258,147,923	$225,751,351	$189,418,973
xpenses	$236,472,853	13,863,548	20,217,638	19,331,724	18,239,356	12,716,973
axes		5,207,017	4,628,891	3,945,099	2,409,818	1,860,004
ppropriated for:						
Add. depreciation on plant	.....	.....	2,167,759	1,562,539	.....	.....
Reserve for employee's benefit and pension fund	.....	3,646,571	4,900,000	2,000,000	.....	400,000
Int. paid and amortization of bond discount..	1,982,757	1,857,895	1,790,679	4,378,927	1,159,958	3,904,097
Total	$238,455,610	$253,159,846	$285,620,672	$289,366,212	$247,560,483	$208,300,047
vailable for dividends	17,356,417	14,574,038	14,283,302	$10,126,930	$8,919,513	$5,331,793
)ividends paid	§7,500,000	7,500,000	¶6,858,980	6,727,572	6,727,572	4,186,857
Carried to surplus	$9,856,417	$7,074,038	§§7,424,322	$3,399,358	$2,191,941	$1,144,936
arnings Per Share—						
Preferred	.....	.....	.....	$41.03	$36.14	$21.60
Common	‡$4.63	†$19.43	†$17.40	†16.80	†14.38	†13.27

†Figured on average number of shares outstanding during respective years.

‡Figured on 3,750,000 shares of stock outstanding at end of year.

¶Dividends on 7% Preferred stock to date of its retirement, September 15, 1925, $1,233,980; dividends of $10 per share on ommon, $5,625,000.

§Does not include $48,750,000 dividends received from Electrical Research Products Inc., which amount was distributed as a ecial dividend of $13 per share on Dec. 31, 1927, to stockholders of Western Electric Co., Inc.

GENERAL BALANCE SHEET, DECEMBER 31

Figures prior to 1926 include results of the Company's supply department, the business of which, since Jan. 1, 1926, has been carried on by the Graybar Electric Co., Inc.)

Assets—	1927	1926	1925	1924	1923	1922
and, buildings and permanent fixtures at cost .	$38,809,592	$35,173,957	$32,965,487	$30,387,700	$23,449,884	$20,257,973
lachinery, tools and other equipment at cost ...	47,928,965	43,034,163	40,278,066	41,409,532	33,915,918	28,947,552
lerchandise, materials and supplies at cost or market, whichever is lower	52,680,988	61,455,789	55,990,232	67,952,558	69,349,002	52,701,893
ash	5,186,077	7,454,343	21,418,305	9,920,018	12,053,342	11,008,869
rade acceptances	.....	.....	.....	616,051	738,135	649,282
ills and accounts receivable	38,734,274	40,665,639	37,613,759	45,980,821	44,640,552	36,970,697
repaid charges	149,704	122,318	172,092	213,090	462,556	205,802
larketable securities	30,242,055	47,385,475	($10,142,000	138,000	108,000	166,040
undry investments			$17,624,506	2,280,546	2,238,820	2,150,392
ternational Western Electric Co., Inc.	.....	.....	.....	13,523,097	14,476,865	15,135,561
Total	$213,731,655	$235,291,684	$216,204,447	$212,421,413	$201,433,074	$168,194,061
Liabilities—						
referred stock	.....	.....	.....	$24,679,600	$24,679,600	$24,679,600
apital	$75,000,000	$108,508,621	$101,434,583	$80,523,125	$77,123,767	$74,931,826
rplus	12,987,786					
unded debt	35,000,000	35,000,000	35,000,000	35,000,000	.....	.....
ills payable	4,967,000	.....	.....	.....	35,000,000	12,000,000
rade acceptances and bills receivable discounted	.....	.....	.....	595,533	705,659	618,563
ccounts payable	15,458,625	17,775,078	16,330,720	17,501,759	20,056,533	16,820,749
terest, taxes and other accruals not due	4,249,968	5,199,522	5,148,841	4,771,420	2,655,755	1,793,945
es. for accrued deprec. on plant and equipment	51,319,208	46,516,764	41,767,842	40,490,901	34,404,141	30,431,368
eserve for employees' benefit fund	12,431,151	12,500,000	7,500,000	4,000,000	2,000,000	2,000,000
eserve for pension funds under agreements with other companies†	2,204,704	2,821,738	2,708,886	.....	.....	.....
eserve for contingencies	113,213	6,969,961	6,313,575	4,859,075	4,807,619	4,918,010
Total	$213,731,655	$235,291,684	$216,204,447	$212,421,413	$201,433,074	$168,194,061

†International Standard Electric Corp. and Graybar Electric Co., Inc.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Figures prior to 1926 include results of the Company's supply department, the business of which, since Jan. 1, 1926, has been carried on by the Graybar Electric Co., Inc.)

Current Assets—	1927	1926	1925	1924	1923	1922
erchandise	$52,680,988	$61,455,789	$55,990,232	$67,952,558	$69,349,002	$52,701,893
ash	5,186,077	7,454,343	21,418,305	9,920,018	12,053,342	11,008,869
rade acceptances	.....	.....	.....	616,051	738,135	649,282
ills and accounts receivable	38,734,274	40,665,639	37,613,759	45,980,821	44,640,552	36,970,697
repaid charges	149,704	122,318	172,092	213,090	462,556	205,802
arketable securities	.....	.....	10,142,000	138,000	108,000	166,040
Total	$96,751,043	$109,698,089	$125,336,388	$124,820,538	$127,351,587	$101,702,583

STATEMENT OF WORKING CAPITAL, DECEMBER 31 (Continued):

Current Liabilities—	1927	1926	1925	1924	1923	1922
Bills payable	$4,967,000	.....	.....	.....	$35,000,000	$12,000,000
Trade acceptances & bills receiv. discounted	.....	.....	.....	$595,533	705,659	618,563
Accounts payable	15,458,625	$17,775,078	$16,330,720	17,501,759	20,056,533	16,820,749
Interest, taxes and other accruals not due	4,249,968	5,199,522	5,148,841	4,771,420	2,655,755	1,793,943
Total	$24,675,593	$22,974,600	$21,479,561	$22,868,712	$58,417,947	$31,233,253
Net Working Capital	$72,075,450	$86,723,489	$103,856,827	$101,951,826	$68,933,640	$70,469,326

Officers: Edgar S. Bloom, Pres.; William P. Sidley, V-P.; H. A. Halligan, V-P., Operating Dept.; C. G. Stoll, V-P., Operating Dept.; W. T. Teague, V-P., Installation and Sales; J. W. Bancker, V-P., Purchasing & Traffic; W. F. Hosford, V-P., Mfg. Dept.; C. G. Pratt, V-P. & Gen. Counsel; R. H. Gregory, Compt.; F. L. Gilman, Treas.; H. G. Gilmore, Sec.; P. L. Thomson, Publicity Mgr.; F. W. Willard, Personnel Director; J. D. Kennedy, Gen. Telephone Sales Mgr.; F. B Gleason, Gen. Commercial Mgr.; T. K. Stevenson Compt. of Manufacture.

Directors: Edgar S. Bloom, James W. Bancker Richard H. Gregory, Howard A. Halligan, William F Hosford, George C. Pratt, William P. Sidley, Clarence G. Stoll, William T. Teague.

Principal Office, 195 Broadway, New York.

CENTRAL STATES ELECTRIC CORPORATION

History—Incorporated May 28, 1912, in Va., with power, among other things, to acquire and own stocks and other securities and the properties of electric power, electric lighting, gas and other public service companies.

On April 20, 1922, the Central States Electric Corporation sold its holdings of Common stock of The Cleveland Electric Illuminating Co. for 60,000 shares of North American Company, Pfd., stock and cash more than sufficient to pay off the $5,963,784 Ten-Year 5% Secured Gold Notes, due June 1, 1922.

Corporation owned as of Dec. 31, 1926 shares Common stock of The North American Co., and 9,100 shares Common stock of Pacific Gas & Electric Company. In addition, Corporation owns stocks of the following: American Power & Light Co., Consolidated Gas Co. of New York, Detroit Edison Co., Electric Investors, Inc., Middle West Utilities Co., National Power & Light Co., Northern States Power Co. (Minn.), Public Service Corp. of New Jersey, Southeastern Power & Light Co. and Washington Water Power Co.

CAPITAL STOCK

Authorized, 1,500,000 shares Common of no par value (increased from 100,000 shares of $100 par, to 150,000 shares of no par, on Jan. 29, 1924, and to 1,500,000 shares on Dec. 23, 1925); $7,543,300 7% cumulative Preferred, par, $100, and $75,000,000 6% cumulative Pfd., par $100; outstanding, Mar. 31, 1928, 1,090,380 shares Common; $7,543,300 7% Pfd. (increased from $4,543,300 in August, 1925) and $10,026,000 6% Pfd.

Subscription Privileges—Stockholders in Jan., 1924, were given the right to subscribe to 54,519 shares of Common of no par value at $20 per share on the basis of one new share for each share held. 7% Pfd. and Common stockholders of record Aug. 8, 1925, received the right until Aug. 20, 1925, to subscribe at $98 a share for 30,000 shares of 7% Pfd. stock, par, $100, on the basis of one share of 7% Pfd. for each five shares of Common and/or 7% Pfd. stock held.

7% Preferred Stock Provisions—Has preference for cumulative dividends at the rate of 7% per annum, and upon liquidation is entitled to par and accrued dividends. There is no provision for distribution in merger. Not subject to call. 7% Pfd. and Common stocks have equal voting privileges.

Purpose of Issue—The proceeds from the sale of the $3,000,000 7% Pfd. stock were used to refund in part existing obligations and for other corporate purposes.

7% Preferred Stock Offering—A. B. Leach & Co., Inc., New York, in Aug., 1925, offered the unsubscribed portion of the $3,000,000 7% cumulative Pfd. stock at $98 per share to yield about 7.22%.

6% Preferred Stock Provisions—Subject to the prior preferences of the 7% Pfd. stock of which $7,543,300 is outstanding (and of which no additional amounts are to be issued) the 6% Pfd. has preference over Common as to cumulative dividends to the extent of 6% per annum and as to assets to the extent of $110 and dividends. Except as required by statute the 6% Pfd. stock shall have no voting rights and shall have no rights to subscribe for any additional stock or convertible securities. It is subject to call as a whole or in part, on 30 days' notice at 110 and accrued dividends. So long as any 6% Pfd. stock is outstanding (a) Corporation shall not pay any cash or scrip dividend on Common stock unless after such payment net tangible assets shall be at least 150% of aggregate par value of all 6% Pfd. stock and other stock with equal or prior rank then outstanding; (b) no 6% Pfd. stock or other stock with equal or prior rank (except 6% Pfd. stock or other stock with equal rank issued upon the exercise of any conversion privilege contained in debentures issued under Indenture dated Jan. 1, 1928, or in any warrants issued upon redemption of the debentures) shall be issued unless, after giving effect to such issue, net tangible assets shall be at least 150% of the aggregate par value of all 6% Pfd. stock and other stock with equal or prior rank, then outstanding, but no stock ranking prior to 6% Pfd. stock may be issued if holders of 25% of 6% cum. Pfd. stock then outstanding shall not approve; (c) no amendment adversely affecting preferences of the 6% Pfd. stock shall be made without consent of holders of at least 80% of such stock then outstanding, but the Certificate of Incorporation may be amended to provide, with consent of the holders of only a majority of 6% Pfd. stock then outstanding, that authorized amount of 6% Pfd. stock shall be changed into stock issuable in series, with provision for variations as to dividend rates, etc., of which one series shall include the 6% Cum. Pfd. stock then outstanding and reserved for conversion of debentures.

Common Stock Purchase Warrants—Each 6% Pfd. stock certificate (offered in April, 1928), will carry a stock purchase warrant (non-detachable prior to Nov. 1, 1928) entitling holder thereof, subject to provisions of resolutions to be adopted by directors authorizing issue of such warrants, to purchase from Corporation on or before May 1, 1933, one share no par Common stock of The North American Company for each share of Pfd. stock represented by such certificate at prices determined by the order in which the warrants are exercised; the holders thereof paying $72 a share for the first 33,333 shares so purchased, $77 a share for the second 33,333 shares so purchased, and $82 a share for the remaining 33,334 shares so purchased.

Purpose of Issue—The proceeds from the sale of this issue of $10,000,000 par value of 6% Pfd. stock were used to acquire additional investments, to liquidate current indebtedness and for other corporate purposes.

Original Offering of 6% Pfd.—First publicly offered ($10,000,000 6% cumulative Pfd., par $100, with Common stock purchase warrants) in April, 1928, at 101 and accrued dividend, to yield 5.94% by Dillon, Read & Co., Stone & Webster and Blodget, Inc., E. H. Rollins & Sons, Dominick & Dominick and Shields & Co. Inc., New York.

7% Preferred Stock Exchange Offer—In Feb., 1928, Corporation offered holders of the 7% Pfd. stock opportunity to exchange for new 6% cumulative Pfd. stock on the basis of 1 3-40 shares of 6% Pfd. for each share of 7% Pfd. and in addition thereto rights to purchase on or before April 1, 1933, Common stock of North American Co. at rate of 1 3-40 shares of North American Common for each share of 7% Pfd. stock, at $65 a share for rights first exercised up to an aggregate of one-third of the total number of shares purchasable; $70 a share for the next one-third, and $75 a share for the final one-third. Offer expires March 30, 1928 and is conditioned upon its acceptance by not less than 60% of the total 7% Pfd., which is outstanding in amount of $7,543,300. If offer becomes effective exchange will be made as of April 1 and the regular quarterly dividend of $1.75, payable March 31, 1928 on the 7% Pfd. stock will be paid on March 10, 1928 while dividends on the 6% Pfd. will cumulate from April and will be payable quarterly beginning June 1, 1928. As no fractional shares of 6% Pfd. stock or warrants for purchase of fractions of shares of North American Co. Common will be issued, Corp. made arrangements with Empire Corp., 60 Broadway, New York, whereby that company will sell fractional scrip Ctfs. on the basis of $2.65 a unit of 1-40 of a share or buy at $2.60 a unit of 1-40 a share.

Transfer Agents—7% Preferred: Guaranty Trust Co. of New York and Old Colony Trust Co., Boston. 6% Preferred: Bankers Trust Co., New York. Common: Guaranty Trust Co. of New York.

Registrars—7% Preferred: American Exchange Irving Trust Co., New York, and American Trust Co., Boston. 6% Preferred: Central Union Trust Co. of New York. Common: American Exchange Irving Trust Co., New York.

Annual Meeting—First Tuesday in March, at Richmond, Va.

Listed (7% Preferred)—Boston Stock Exchange.

Dividends—Dividends on 7% Pfd. stock regularly paid quarterly since organization; payments, last days of M, J, S & D. On 6% Pfd., dividends payable J, A, J & O 1. On Common, 3% in 1914; ½% in Feb., 1915; no cash dividends thereafter until April 1, 1926, when 25 cents a share was paid, which quarterly rate maintained to date; payments last days of M, J, S & D. A stock dividend in Common stock of 900% was paid on Common stock Feb. 8, 1926, to stock of record Jan. 30, 1926.

Price Range—

	1927	1926	1925	1924	1923	1922
7% Preferred—						
High	104⅛	90	98	94½	74	75½
Low	92⅞	90	98	74	65	67
Common—						
High	30⅝	*34⅞	250	76	19½	16
Low	17¾	*20	70	20	10¼	6½

*No par stock; previous years, par $100.

FUNDED DEBT

$19,974,000 5% CONVERTIBLE DEBENTURES; DUE JANUARY 1, 1948

Dated January 1, 1928.

Interest Payable January and July 1, at Dillon, Read & Co., New York City.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $50,000,000 at any one time outstanding; issued, $20,000,000 5% Convertible Debentures Series, due 1948, of which $26,000 had been converted into an equal par amount of 6% Preferred stock to March 31, 1928. Additional issues of debentures may be 5% Convertible Debentures and/or debentures of one or more other series and any series may differ from any other series as to maturity dates, interest rates, interest payment dates, redemption provisions (if any), sinking fund, purchase fund or analogous provisions (if any), conversion provisions (if any) and in such other respects as may be permitted by the indenture. For restrictions in regards to future issues see Section 2 of "Security Paragraph" below.

Purpose of Issue—The proceeds from the sale of the $20,000,000 5% Convertible Series due 1948 were used (a) to liquidate indebtedness incurred in connection with acquisition of stocks (b) to acquire additional investments and (c) to redeem the Secured 6% Sinking Fund Gold Debentures, due Nov. 1, 1945, which were called for payment on March 24, 1928, at 105 and interest.

Callability—Subject to call as a whole or in part by lot, on 30 days' notice to and including Dec. 31, 1942, at 105 and interest, the premium thereafter decreasing 1% per annum.

Convertibility—The $20,000,000 5% Convertible Debentures are convertible on or before Jan. 1, 1938, into 6% cumulative Preferred stock, at the rate of 10 shares for each $1,000 Debentures, subject to cash adjustment for interest and dividends. In the event of redemption of these debentures before Jan. 1, 1938, warrants are to be issued to holders of debentures redeemed entitling such holders to purchase at par and accrued dividends 10 shares of such Preferred stock during a period of 5 years after such redemption, but in no event after Jan. 1, 1928; warrants so issuable, however, are subject to call on 30 days' notice (at any time on or after the date when issuable) at the rate of $10 for each share of stock purchasable under such warrants.

Purchase Fund—Indenture provides for a purchase fund of $200,000 per annum for the issue of $20,000,000 5% Convertible Debentures, available semi-annually, and to be used in the purchase of debentures of this issue if obtainable at or below 100 and interest; unexpended balances to revert periodically to Corp.

Security—A direct obligation of corporation but not secured by mortgage. The indenture provides, among other things, as more fully to be defined and stated therein, that (1) Corporation shall not create any lien (except to secure bank loans or purchase money obligations) without securing the debentures equally and ratably with any other debt secured thereby; (2) Corporation shall not issue any debentures additional to these $20,000,000 of debentures and shall not create any other debt (except (a) unsecured bank loans (b) limited amounts of unsecured short term debt and (c) for extensions, renewals and refundings) unless after such action assets shall be at least 1¾ times all outstanding debt; (3) Corporation shall be subject to restrictions (among others) against payment of cash dividends on its Common stock if after such payment assets shall be less than 1¾ times all outstanding debt, unless such dividends be replaced by capital.

The restrictions outlined in (1), (2) and (3) above (as well as the conversion of, and/or the purchase fund for, and other provisions relating to, the 5% Convertible Debentures) may be provided for in a supplemental indenture and may be limited so as to be in effect only so long as any of the 5% Convertible Debentures shall be outstanding. The Indenture or such supplemental indenture may be modified, on consent of the holders of 80% of the debentures or 80% of the 5% Convertible Debentures, respectively, then outstanding, as to certain terms and provisions thereof.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%. Pennsylvania Personal Property Tax up to 4 mills, and Massachusetts Income Tax up to 6% refundable.

Original Offering—First publicly offered ($20,000,000 5% Convertible Series, due 1948) in Dec., 1927, at 96½ and interest to yield 5.28%, by Dillon, Read & Co., New York, etc.

BOND REDEMPTION

All the outstanding Secured 6% Sinking Fund Gold Debentures, due Nov. 1, 1945, described in the 1927 Public Utility Manual, page 358, were called for redemption on March 24, 1928, at 105 and interest.

STATEMENT OF EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Income:						
Stock dividends	$4,078,551	$3,648,542	$3,563,950	$1,712,953	$670,268	.....
Cash dividends	71,656	73,410	66,174	.....	218,106	$418,822
Profit on securities	678,606	93,312	297,213	622,215	278,797	324,027
Syndicate profits	110,974	9,703	.....	13,017	66,391	14,071
Miscellaneous interest	91,311	120,956	49,039	5,999	14,010	26,509
Other income	.....	12,350		8,706	5,565	.....
	$5,031,098	$3,958,273	$3,976,376	$2,362,890	$1,253,137	$783,428
Deductions from income:						
Interest on gold notes	$582,951	$590,850	$482,633	$376,307	$150,867	$119,721
Discount on gold notes	43,203	51,413	34,666	30,000	.....	4,699
Other interest paid	*	1,736	.....	33,933	88,070	67,575
Administration and general expenses	52,956	64,503	94,739	126,667	90,350	53,645
Taxes		17,352		12,651	10,518	4,125
	$679,110	$725,854	$612,038	$579,558	$339,805	$249,766
Net income for year	$4,351,988	$3,232,419	$3,364,337	$1,783,332	$913,333	$533,663
Add:						
Surplus beginning of year	$5,309,685	$4,786,057	$2,320,305	$1,244,556	$779,717	$549,746
Credit to surplus	3,215	.....	.....	.....	.....	.....
	$9,664,888	$8,018,476	$5,684,642	$3,027,888	$1,693,050	$1,083,409
Deduct:						
Preferred dividends	$528,031	$528,031	$423,031	$303,378	$298,494	$303,692
Common dividends	1,090,380	1,090,380	.....	.....	.....	.....
Discount on gold notes	.....	.....	175,555	120,000	150,000	.....
Adjustment due to recapitalization	.....	1,090,380	.....	284,204	.....	.....
Discounts, etc., on additional Pfd. stock issued	.....	.....	300,000	.....	.....	.....
Total deductions	$1,618,411	$2,708,791	$898,586	$707,582	$448,494	$303,692
Surplus at end of year	$8,046,477	$5,309,685	$4,786,056	$2,320,305	$1,244,556	$779,717

*Included in interest on gold notes.

GENERAL BALANCE SHEET

	Dec. 31, 1927	Dec. 31 1926	Dec. 31, 1925	July 21, 1925	Dec. 31, 1924	March 31, 1924
Assets—						
Investments	*$31,388,603	*$21,476,568	$18,670,883	$14,984,030	$13,185,814	$10,508,500
Syndicate participation	.....	.....	257,500	75,000	.....	.....
Special deposits	.....	.....	100,258	90,048	216,034	†1,350,177
Cash	492,931	1,653,243	2,717,840	348,138	1,260,171	555,416
Current assets	48,557	15,678	31,929			
Deferred charges	266	266	12,895	2,138	155,519	4,422
Discount on funded debt	549,966	593,169	644,583	129,000	.....	177,000
Total	$32,480,323	$23,738,924	$22,435,889	$15,628,354	$14,817,538	$12,595,515
Liabilities—						
Capital stock	$8,633,680	$8,633,680	$7,543,300	$4,543,300	$4,543,300	$4,543,300
Funded debt	9,489,000	9,691,000	10,000,000	6,961,000	6,961,000	6,820,000
Current liabilities	6,200,366	.....	.....	264,046	992,932	.....
Accrued liabilities	110,800	104,559	106,533	182,765	.....	94,990
Surplus	8,046,477	5,309,685	4,786,056	3,677,243	2,320,306	1,137,225
Total	$32,480,323	$23,738,924	$22,435,889	$15,628,354	$14,817,538	$12,595,515

*Investments, at average cost including valuation placed upon stock dividends by the Board of Directors, include 764,345 shares The North American Company Common stock, etc. †Includes deposit for redemption of $900,000 par 2-year notes called for payment May 3, 1924.

Officers: L. E. Kilmarx, Pres. & Treas.; R. E. Glass, V-P, & Sec.; C. W. Schroeder, V-P.; W. C. Ross, Asst. Sec. & Asst. Treas., New York.
Directors: E. S. Coleman, F. L. Dame, C. W. Schroeder, R. E. Glass, Edwin Gruhl, J. F. Fogarty, L. E. Kilmarx, A. d'Almeida, W. C. Ross.
Corporate Office, Richmond, Va. **President's Office** 60 Broadway, New York.

THE EAST OHIO GAS COMPANY

History and Property—Incorporated Feb. 24, 1910, in Ohio; consolidation of the East Ohio Gas Co. (natural), the Cleveland Gas Light & Coke Co. (established, 1846) and the People's Gas Light & Coke Co. (established 1861), the two latter companies supplying artificial gas to the City of Cleveland. Late in 1912, the company purchased the properties and franchises of the Mohican Oil & Gas Co. (see Manual for 1912, page 1988), and of the Akron Gas Co., and in Jan. 1913, acquired the properties of the Ohio Union Oil & Gas Co. Supplies gas to 50 communities with franchises expiring at various intervals.

Cities and towns supplied: Cleveland, East Cleveland, Cleveland Heights, Lakewood, Newburgh Heights, Bratenahl, Brooklyn Heights, Akron, Cuyahoga Falls, Canton, Massillon, Dover, New Philadelphia, Wadsworth, Uhrichsville, Dennison, Kent, Ravenna, Struthers, Lowelville, Danville, Youngstown, Warren, Niles, Girard, East Palestine, Hubbard, Barberton, Wooster, Shreve, Orrville, Loudonville, Doylestown, Cuyahoga Heights, Campbell, Fairview, Gann, Garfield Heights, Kenmore, Maple Heights, North Canton, New Middleton, North Olmsted, Petersburg, Poland, Rocky River and Shaker Heights, having a total population of over 2,000,000.

Aside from valuable real estate in Cleveland and Akron, the company owns trunk pipe lines and distributing system of approximately 3,000 miles. No. of customers, about 420,000.

Schedule of Rates—The ordinance rates effective Dec. 11, 1925, and ending April 30, 1928: For the first 5,000 cu. ft. 55 cents per 1,000 cu. ft.; for the next 10,000 cu. ft., 60 cents; for the next 10,000 cu. ft. 65 cents; for the next 25,000 cu. ft. 80 cents; for all over 50,000 cu. ft., $1.05.

All above rates are subject to a discount of 5 cts. per 1,000 cu. ft. if paid within ten days. In addition monthly charge of 50 cts.

CAPITAL STOCK

Authorized, $35,000,000 Common and $10,000,000 7% cumulative Preferred; outstanding, $28,500,000 Common and $10,000,000 Preferred; par, $10. The Standard Oil Co. (of N. J.) owns over 99% of the capital stock. Transfer Agent: Cleveland (Ohio) Trust Co. Annual meeting, first Wednesday after fourth Tuesday in May.

Dividends—Pfd. dividends regularly paid quarterly, April, July & Oct. 1, and Dec. 31. Common dividends in 1912, 1913, 1914, 1915, 1916 and 1917, 10% per annum; 1918, 8%; 1919, 10%; 1920, 10%; 1921, 2½%; 1922, 2½%; 1923, 25%; 1924, 1925, 1926 and 1927, 10% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Earnings from operation	$26,617,351	$27,122,044	$23,354,983	$22,525,818	$21,632,209	$19,835,776
Operating expenses	18,634,192	18,890,038	16,510,852	15,806,392	15,423,579	13,812,964
Taxes	1,710,851	1,869,865	1,566,938	1,465,552	1,429,045	1,452,767
Depreciation	1,997,570	1,943,948	1,856,947	1,821,121	1,767,618	1,741,415
Net earnings from operation	$4,274,738	$4,418,193	$3,420,246	$3,432,753	$3,011,967	$2,828,630
Other income	1,972,427	1,602,690	1,826,974	1,704,294	1,813,969	2,351,253
Total income	$6,247,165	$6,020,883	$5,247,220	$5,137,047	$4,825,936	$5,179,883
Rentals, etc.	46,063	47,801	46,801	46,727	46,815	46,632
Depreciation	140,836	130,142	136,912	141,083	149,280	786,527
Other charges	1,297,987	1,157,567	1,235,583	1,327,097	1,112,148	597,759
Total charges	$1,484,886	$1,335,510	$1,419,296	$1,514,907	$1,308,243	$1,430,918
Surplus after charges	4,762,279	4,685,373	3,827,924	3,622,140	3,517,692	3,748,965
Preferred dividends	700,000	700,000	700,000	700,000	700,000	700,000
Common dividends	2,850,000	2,850,000	2,850,000	2,850,000	†7,125,000	712,500
Surplus for year	$1,212,279	$1,135,373	$277,924	$72,140	*$4,307,308	$2,336,465
Earnings Per Share—						
Preferred	$47.62	$46.85	$38.28	$36.22	$35.18	$37.49
Common	14.25	13.98	10.97	10.25	9.89	10.69

*Deficit. †$2,850,000 (10%) paid from income and $4,275,000 (15%) paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$58,826,160	$56,396,380	$54,929,082	$53,441,008	$46,752,816	$45,059,306
U. S. treasury bonds	2,075,669	2,076,151	2,052,673	2,057,980	4,093,317	4,134,410
Other investments	332,329	332,188	385,604	375,783	5,419,291	5,403,050
Materials and supplies	799,429	907,249	992,946	881,065	756,792	796,867
Cash	72,622	138,112	118,169	257,279	274,768	279,193
Notes receivable	3,500	6,000	7,000	33,000	58,000	83,846
Accounts receivable	1,975,973	1,736,502	1,544,411	1,438,800	1,288,698	1,599,240
Other current assets	6,544,397	5,933,354	3,706,880	2,816,394	555,001	4,110,063
Valuation of natural gas deposits	.....	5,969,228	5,698,227	5,314,519	4,849,930	4,211,063
Total	$70,630,079	$73,495,164	$69,434,992	$66,615,827	$64,048,613	$65,677,038
Liabilities—						
Common stock	$28,500,000	$28,500,000	$28,500,000	$28,500,000	$28,500,000	$28,500,000
Preferred stock	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Accounts payable	3,876,749	4,119,668	3,460,235	2,269,195	2,321,557	2,232,062
Interest accrued	307,736	283,649	259,743	235,300	209,985	182,468
Taxes accrued	.....	.....	.....	990,104	967,941	1,035,748
Other current liabilities	1,108	972	1,036	486	571	469
Reserves	22,748,083	25,218,488	22,923,614	20,591,263	18,163,003	15,721,024
Deferred credit items	.....	11,006	11,005	11,005	11,055	.....
Surplus from valuation of natural gas deposits	.....	1,357,257	1,395,606	1,397,647	1,325,814	1,149,273
Profit and loss	5,196,403	4,004,124	2,883,751	2,620,827	2,548,687	6,855,994
Total	$70,630,079	$73,495,164	$69,434,992	$66,615,827	$64,048,613	$65,677,038

Officers: R. W. Gallagher, Pres. & Gen. Mgr.; Cleveland, Ohio.; Christy Payne, V-P., New York; R. W. Brink, Sec. & Treas.; C. E. Gallagher, Asst. Gen. Mgr.; W. H. Holtz, Asst. Sec. & Asst. Treas., Cleveland, O.

Directors: R. W. Gallagher, R. W. Brink, J. J. McMahon, C. E. Gallagher, W. H. Holtz, Cleveland, O.; Christy Payne, New York; J. G. Hanks.

General Office, East Ohio Gas Bldg., 1405 East Sixth St., Cleveland, O.

THE AMHERST WATER COMPANY

History—Incorporated in 1880, in Mass. Supplies Amherst and Pelham, serving a population of about 7,200. Estimated annual consumption, 259,850,000 gals. No. of meters, 1,257; hydrants, 127. Miles of mains, 28.

CAPITAL STOCK

Authorized and outstanding, $150,000 (increased from $100,000 to $125,000 in 1910, and to present amount in 1911); par, $100.

Annual Meeting—First Tuesday in February.

Dividends—6% per annum to 1920; 7% in 1921, 8% annually, 1922 to date. Dividends are declared the first Tuesdays of May and Nov. and are paid June and Dec. 1, at First National Bank, Amherst, Mass.; books close ten days in advance.

FUNDED DEBT

$50,000 First Mortgage 5% Gold bonds; dated August 1, 1925; due August 1, 1955; interest payable Feb. and Aug. 1, at First National Bank of Amherst, Trustee. Issued in coupon form, registerable as to principal; interchangeable. Subject to call on 30 days' notice on any interest date, as follows: Jan. 1, 1930 to Jan. 1, 1935, at 105; Jan. 1, 1935 to Jan. 1, 1940, at 104; Jan. 1, 1940 to Jan. 1, 1945, at 103; Jan. 1, 1945 to Jan. 1, 1950, at 102; Jan. 1, 1950 to Jan. 1, 1955, at 101. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$34,611	$35,205	$34,684
Oper. exp. & taxes	13,231	12,761	14,145
Net earnings	$21,380	$22,444	$20,539
Other income	152	330	461
Total income	$21,532	$22,774	$21,000
Interest	2,723	2,542	2,804
Depreciation	5,487	5,487	5,463
Other charges	.....	.....	2,687
Total charges	$8,210	$8,028	$10,954
Balance for dividends	$13,322	$14,746	$10,046
Dividends paid	12,000	12,000	12,000
Surplus for year	$1,322	$2,746	*$1,954
Earnings Per Share	$8.88	$9.83	$6.69

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Property account	$303,976	$293,125	$287,865
Materials and supplies	2,094	1,809	976
Cash	313	423	404
Accounts receivable	8,128	9,829	11,103
Total	$314,511	$305,185	$300,348
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Premium on capital stock	5,000	5,000	5,000
Funded debt	50,000	50,000	50,000
Accrued interest	1,041	1,061	1,068
Notes payable	9,500	5,000	6,000
Reserve for taxes	1,515	1,698	1,090
Depreciation reserve	72,448	67,128	62,651
Surplus	25,007	25,298	24,539
Total	$314,511	$305,185	$300,348

Officers: E. M. Whitcomb, Pres.; F. A. Cadwell, V-P.; E. W. Elwell, Sec. & Treas.; C. R. Elder, Supt., Amherst, Mass.

Directors: George S. Kendrick, E. M. Whitcomb, George Cutler, F. A. Cadwell, E. W. Elwell, J. J. O'Connell, C. R. Elder, Amherst, Mass.

Office, Amherst, Mass.

ILLINOIS CONSOLIDATED TELEPHONE COMPANY

History and Property—Incorporated April 10, 1924, in Illinois. Owns and operates the telephone properties formerly owned by the Christian County Telephone Co., the Montgomery County Telephone & Telegraph Co., and Litchfield Telephone Co. The territory served lies in the south central part of the State of Illinois, just east and south of Springfield, and covers Christian and Montgomery Counties. The more important communities served include Taylorville, Pana, Nokomis, Morrisonville, Litchfield and Hillsboro. Connected stations, 9,341. Long distance business is handled in connection with the lines of the Illinois **Bell Telephone Co.** and the American Telephone & Telegraph Co. through a joint operating agreement.

No. of central offices, 13; private branch exchanges, 4; company stations, 9,341. Miles of pole lines, 1,039; miles of wire 9,959.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $400,000; par, $100. Annual meeting, in February. No dividends paid.

FUNDED DEBT

$499,000 FIRST MORTGAGE GOLD 6½s; DUE MARCH 1, 1944

Dated March 1, 1924.

Interest Payable March and September 1, in Chicago or New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Authorized issue, $2,000,000. Additional bonds may be issued to a par amount not exceeding 75% of the cost or fair value (whichever is less) of additional physical properties, extensions and improvements, and then only when net earnings of the Company including those of the properties to be acquired, after deducting depreciation computed as required by the Illinois Commerce Commission, shall have been at least 1¾ times the interest charges on all said bonds, including those proposed to be issued.

Callability—Subject to call as a whole on any interest date prior to maturity at 105 and accrued interest.

Sinking Fund—The company covenants in the mortgage to provide each year by way of sinking fund, beginning March 1, 1925, either an amount equal to 5% of the net earnings for the previous year, figured before depreciation, or an amount sufficient to retire outstanding bonds, equal to 1% of the highest aggregate principal amount of bonds at any time outstanding, whichever is the greater. In the alternative, the company may surrender to the Trustee for cancellation outstanding bonds in such principal amount, or may expend during the year a sum equal to such amount for permanent additions to or extensions of the mortgaged premises against which no bonds may be issued.

Security—Secured by a first mortgage on all the real estate, buildings and telephone properties of the Company now owned or hereafter acquired, including its rights and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund, when paid and claimed by holders, the Pennsylvania, Maryland and Connecticut personal property taxes not to exceed those now in effect, and the Massachusetts State Income Tax not to exceed 6%.

Legal Opinion—Fisher, Boyden, Kales & Bell Chicago, Ill.

Original Offering—First publicly offered ($400,000) in April, 1924, at 100 and interest, to yield 6.50%, by Chicago Trust Co.; Curtis, Stephenson & Co., Inc. Boston, and Morris F. Fox & Co., Milwaukee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$267,309	$266,791	$218,53
Operating exp. and taxes	157,920	152,135	139,32
Depreciation	53,794	53,161	52,57
Net earnings	$55,595	$61,495	$26,64
Other income	.....	151	54
Total income	$55,595	$61,646	$26,98
Bond and other interest	33,299	35,228	35,65
Rentals	3,166	2,703	3,14
Amort. debt disct. & exp.	2,149	2,150	2,08
Other charges	.....	286	37
Total charges	$38,614	$40,367	$41,26
Surplus for year	$16,981	$21,279	*$14,08
Earnings Per Share	$4.25	$5.32	N

*Deficit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Plant and equipment	$1,225,556	$1,200,577	$1,179,68
Miscell. investments	350	350	.....
Cash & deposits	10,915	15,464	13,54
Employees' working funds	6,245	7,045	8
Notes receivable	.....	.....	1
Accounts receivable	12,769	14,961	13,82
Materials and supplies	19,526	12,329	14,72
Prepayments	251	1,308	3
Unamortized discount, etc.	35,100	37,249	39,3
Deficit	.....	.....	1,9
Total	$1,310,712	$1,289,283	$1,264,3
Liabilities—			
Capital stock	$400,000	$400,000	$400,0
Funded debt	499,000	499,000	499,0
Bills payable	10,000	20,923	54,0
Accounts payable	18,457	22,164	18,5
Service paid in advance	11	1,551	.....
Accrued taxes	14,469	12,201	9,7
Interest, etc., accrued	13,213	11,670	16,4
Reserve for depreciation	319,175	302,368	266,6
Corporate surplus unappropriated	36,387	19,406	.....
Total	$1,310,712	$1,289,283	$1,264,3

Officers: R. A. Lumpkin, Pres. & Treas.; E. A. Purcell, V-P. & Gen. Mgr.; Besse A. Lumpkin, Sec., Mattoon, Ill.

Directors: R. A. Lumpkin, Besse A. Lumpkin, C. W. Thompson, Mattoon, Ill.; E. A. Purcell, Troy L. Long, Taylorville, Ill.; J. W. Marshall, Chicago, Ill.; John M. Finley, Hillsboro, Ill.

General Office, Taylorville, Ill.

HOLTON INTER-URBAN RAILWAY

History—Incorporated Dec. 31, 1903, in Cal. Line of road owned: Holtville to El Centro, Cal., 10.4 miles. Gauge, standard. Owns no rolling stock.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $10 All owned by Southern Pacific Co. (acquired in Ja 1926). Annual meeting, third Wednesday in Februar No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$83,431	$73,228	$66,587
Operating expenses, etc.	93,704	72,782	75,337
Loss from operation	$10,273	$446	$8,750
Interest charges	231	438	8,040
Rentals	3,389	72	.....
Deficit for year	$13,893	$64	*$17,329

*After adding debit adjustments of $539.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$322,279	$414,978	$412,396
Current assets, including inventories	42,583	17,260	20,761
Prepaid & suspended debit items	1,429	2,650	166
Deficit	149,720	135,910	136,792
Total	$516,011	$570,798	$570,115
Liabilities—			
Capital stock	$200,000	$200,000	$200,000
Assessment on capital stock	300,000	300,000	300,000
Current liabilities	5,795	19,852	27,619
Deferred credits	2,382	3,250	276
Unadjusted credits	7,834	3,669	486
Depreciation reserve	.....	44,027	41,734
Total	$516,011	$570,798	$570,115

Officers: A. B. West, Pres., Riverside, Cal.; B. A. McAllaster, V-P.; G. L. King, Sec.; C. M. Scott, Treas., San Francisco, Cal.; F. B. DeGarmo, Gen. Mgr., Los Angeles, Cal.; Peter Hughes, Aud., San Francisco; E. S. Blake, Supt., Holtville, Cal.

Directors: A. B. West, Riverside, Cal.; G. L. King, B. A. McAllaster, J. W. Dayan, D. W. Horsburgh, San Francisco.

General Office, 65 Market St., San Francisco. **Operating Office,** Pacific Electric Bldg., Los Angeles.

ERIE COUNTY TRACTION CORPORATION

History and Property—Incorporated Nov. 24, 1919, in New York, and on Jan. 1, 1920 took over the property of the Buffalo Southern Ry., foreclosed (see 1920, Public Utility Manual, page 998, or apply to our Information Department). Franchises perpetual. Line of road: City line, Buffalo to Lien's Park, 4.5 miles; City line, Buffalo to Hamburg, N. Y., 11 miles; Orchard Park Junc. to Orchard Park, 4 miles; Buffalo to East Seneca, 5 miles—total, 24.5 miles; total track, 25.38 miles. Extension to East Aurora, N. Y., 13 miles, principally over private right of way, under construction, of which 5½ miles have been completed. Gauge, standard. Rail, 60 and 70 lb. T and 84 lb. girder Equipment—motor: passenger cars, 14; freight cars, 3; snow plows, 2; sweeper, 1. Non-motor: Passenger, 1; freight, 3; service, 1. Power stations, 2; engines to generate power, 4.

CAPITAL STOCK

Authorized and outstanding, $450,000; par, $25. Annual meeting, second Wednesday in January. No dividends paid.

FUNDED DEBT

$85,000 First Mortgage Gold 6% Bonds, Series "A"; dated Jan. 1, 1920; **due Jan. 1, 1970; int. Jan. and July** at Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y., Trustee. Coupon, $500; principal may be registered. **Subject to call on any interest date at par** and accrued interest on 60 days' notice. A first lien on entire property now owned or hereafter acquired. Company does not pay Normal Federal Income Tax. **$150,000 Income Mortgage Gold Bonds, Series "C";** dated Jan. 1, 1920; due Jan. 1, 1945; int. payable (when earned) at Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y., at rate not to exceed 6% per annum from Jan. 1, 1920, non-cumulative, payable semi-annually Jan. and July 1, or as soon thereafter as the amount of interest so payable shall have been ascertained and determined. Registered, $20, $100, and $1,000. Subject to call on any interest date on six weeks' notice at par and any and all unpaid interest which may then have been determined and appropriated by the Board of Directors. A lien on entire property subject to the $85,000 First Mortgage bonds, Series "A." Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$101,222	$108,440	$111,768
Oper. exp. & taxes	103,078	101,276	106,279
Depreciation	18,585	18,585	19,888
Loss from operation	$20,441	$11,421	$14,399
Other income	751	180	140
Total income—deficit	$19,690	$11,241	$14,259
Bond interest	$5,100	$5,100	$5,100
Other charges	157	286	344
Total charges	$5,257	$5,386	$5,444
Deficit for year	$24,947	$16,627	$19,703

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$693,210	$693,210	$692,103
Other investments	3,000	3,000	3,000
Cash	794	794	540
Accounts receivable	525	525	515
Materials and supplies	2,624	2,624	3,374
Unadjusted debits	8,363	8,363	8,598
Profit and loss deficit	99,450	99,449	69,350
Total	$807,966	$807,965	$777,480
Liabilities—			
Capital stock	$450,000	$450,000	$450,000
Funded debt	235,000	243,821	235,000
Notes payable	.....	.....	600
Accounts payable	25,726	25,725	21,522
Deferred liabilities	8,821	.....	552
Unadjusted credits	11,127	11,127	11,099
Accrued depreciation	77,292	77,292	58,707
Total	$807,966	$807,965	$777,480

Officers: Richard S. Persons, Pres., East Aurora, N. Y.; H. R. Stratemeier, V-P., Hamburg, N. Y.; Jno. W. Ryan, Sec.; N. A. Bundy, Treas. & Mgr., Buffalo, N. Y.

Directors: N. A. Bundy, Jno. W. Ryan, Buffalo, N. Y.; H. R. Stratemeier, Hamburg, N. Y.; H. V. Hoyt, E. L. Frost, James Macbeth, Jamaica, N. Y.; R. S. Persons, D. N. Rumsey, Wing H. Wright, East Aurora, N. Y.

General Office, 2455 Seneca St., Buffalo, N. Y.

MIDDLE STATES UTILITIES COMPANY

History and Properties—Incorporated in Delaware. Supplies telephone service through its subsidiaries, without competition, to 54 towns in Southern Iowa and Northern Missouri. Total population of the towns served is in excess of 38,000, while the counties in which operations are conducted have a population of about 301,000. The system includes over 16,600 stations. Long distance service is furnished through interconnection with the properties of the American Telephone and Telegraph Company. The towns in the system include the following—In Iowa: Davis City, Decatur, Lamoni, Leon, Clio, Garden Grove, Le Roy, Lineville, Weldon, Pleasanton, Sidney, Tabor, Randolph, Riverton, Thurman, Milton, Osceola, Cantril and Cincinnati. In Missouri: Bethany, Brimson, Edinburg, Princeton, Cainsville, Goshen, Modena, Mill Grove, Mount Moriah, Saline, Blythedale, Cleopatra, Mercer, Unionville, Memphis, Kahoka, Plattsburg, Converse, Trimble, Gower, Easton, Hemple, Agency, Turney, Lathrop, Hamilton, Kingston, Jamesport, Lawson, Ridgeway, Gilman, Nettleton, Hartford, Wayland and Cameron. Company began operations June 1, 1926.

CAPITAL STOCK

Authorized, 20,000 shares Common of no par value (increased from 10,000 shares in March, 1928) and $2,000,000 7% Preferred, par $100; outstanding, Dec. 31, 1927, 7,500 shares Common and $182,800 Preferred. In

addition $5,000 Preferred stock had been subscribed on installment contracts as of Dec. 31, 1927.

Annual Meeting—First Monday in May.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$579,000 FIRST LIEN 6% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1951

Dated April 1, 1926.

Interest Payable April and October 1 at Ames, Emerich & Co., Chicago and New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Foreman Trust and Savings Bank, Chicago, Ill.

Provisions of Issue—Authorized amount unlimited; issued, $579,000. Proceeds of this issue will be used to reimburse Company for part of its expenditures in connection with the acquisition, improvement and interconnection of its various properties.

First Lien Gold bonds in aggregate principal amount not exceeding the sum of $125,000 are issuable, provided the net earnings, after expenditures and charges for replacements, as defined in the Trust Agreement, are 1¾ times the interest charges on all bonds outstanding, including those the issuance of which is applied for, provided further the principal amount of First Mortgage bonds of subsidiaries pledged equals or exceeds the principal amount of all bonds outstanding under the Trust Agreement, including those then to be issued.

Additional First Lien Gold Bonds may be issued in accordance with the terms of the said Agreement (a) to refund bonds of this issue then outstanding, par for par; (b) for extensions and improvements to the properties of any subsidiary corporation, (c) for the acquisition of either the property or substantially all of the voting stock of certain subsidiaries, further defined in the said Agreement as first class subsidiaries, or for the purchase of stock and securities of certain other subsidiaries, defined in the said Agreement as second class subsidiaries, provided, however, in all cases, except where bonds are issued to refund bonds of this issue, that:

(1) First Mortgage Bonds of subsidiaries equal to or exceeding the amount of First Lien Gold Bonds issued under the said Agreement must be on deposit thereunder.

(2) No bonds may be issued in excess of 80% of the cash cost or fair value of bonds or stocks pledged, whichever may be the smaller, or in the case of additions and improvements to the properties of a subsidiary in excess of 80% of the cash cost to the subsidiary or of the fair depreciated value of the physical property acquired, whichever may be the smaller, and in determining the amount of bonds issuable on account of such property acquisitions which are subject to liens, the amount of such liens must be subtracted from the principal amount of bonds otherwise issuable.

(3) Net earnings, after deducting expenditures and charges for replacements, as defined in the said Agreement must be equal to at least 1¾ times interest charges on all bonds outstanding, including those then to be issued.

(4) Bonds issued on account of the deposit of securities of second class subsidiaries, except first mortgage bonds of such subsidiaries, must not exceed 25% of the total bonds outstanding under the Agreement and are subject to certain other limitations set forth in the said Agreement.

Callability—Subject to call on any interest date upon 30 days' notice at 105 and interest on or before April 1, 1931; thereafter at 104 up to and including April 1, 1936; thereafter at 103 up to and including April 1, 1941; thereafter at 102 up to and including April 1, 1946; thereafter at 101 up to and including April 1, 1950; thereafter at 100.

Security—Secured by deposit of all the First Mortgage bonds and all the capital stock, except directors' qualifying shares, of the principal subsidiary corporations. Company owns or controls physical properties which have a reproduction value as appraised by J. G. Wray & Co., independent engineers, without any allowance for going value or working capital, of more than twice total bonded debt outstanding. The depreciated reproduction value of the physical properties, as appraised, is in excess of 160% of the bonds issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago, Ill.

Original Offering—First publicly offered ($450,000) in June, 1926, at 99 and interest to yield over 6.05%, by Ames, Emerich & Co., New York, etc.

(2)

$80,000 6% SECURED GOLD NOTES

No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	†1927	*1926
Gross earnings	$289,692	$235,697
Oper. exp., maint. & taxes	201,626	153,190
Depreciation	23,678	16,821
Net earnings	$64,388	$65,686
Other income	1,331	1,822
Total income	$65,719	$67,508
Bond interest	29,823	16,040
Other interest	5,450	1,252
Rentals	3,865	1,244
Total fixed charges	$39,138	$18,536
Net income	26,581	48,972
Preferred dividends	8,811	5,250
Surplus after dividends	$17,770	$43,722
Earnings Per Share—		
Preferred	$14.54	$48.97
Common	2.37	5.83

*Includes income and expenses from Jan. to May 31, 1926, of companies taken over June 1, 1926. †Includes income and expenses from Jan. 1, 1927, to date of purchase of companies taken over during year.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Property account	$1,327,735	$960,579
Organization expenses	.....	3,096
Stocks owned	89,902	400
Materials and supplies	22,681	16,697
Cash	20,175	4,885
Notes receivable	4,516	3,179
Accounts receivable	29,347	28,708
Deferred debit items	56,211	45,723
Total	$1,550,567	$1,063,267
Liabilities—		
Common stock	$359,945	$359,945
Preferred stock	182,800	100,000
Pfd. stock subscriptions	5,000	.....
Funded debt	579,000	512,700
6% Secured Gold Notes	80,000	.....
Advances from affiliated cos.	269,596	.....
Equipment obligations	.....	19,029
Accounts payable	16,139	36,184
Interest accrued	9,885	7,545
Other current liabilities	5,946	82
Reserve for taxes	4,037	3,123
Reserve for depreciation	13,869	5,865
Reserve for bad debts	1,414	1,322
Profit and loss surplus	22,936	17,472
Total	$1,550,567	$1,063,267

Officers: John A. Reed, Pres.; S. G. Armstrong, V-P.; C. E. Richman, Sec.; E. R. Moore, Treas., Cedar Rapids, Iowa.

Directors: John A. Reed, S. G. Armstrong, E. R. Moore, Cedar Rapids, Iowa.

General Office, Cedar Rapids, Iowa.

THE CRYSTAL WATER COMPANY

History—Incorporated in May, 1885, in Conn. Supplies water in Danielson, Conn., and vicinity. Miles of mains, 16. Population served, between 4,000 and 5,000.

CAPITAL STOCK

Authorized and outstanding, $105,000 Common and $20,000 Pfd.; par, $100. Company acts as transfer agent and registrar. Annual meeting, first Monday in May.

Dividends—8% on Pfd. and 6% on Common stock are being paid; payments semi-annually March and Sept.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$33,841	$32,682	$31,896
Oper. exp. & taxes	25,516	23,856	23,822
Net earnings	$8,325	$8,825	$8,074
Other income	1,309	1,230	1,494
Total income	$9,634	$10,056	$9,568
Sundry charges	76	3	3
Net income	$9,558	$10,053	$9,565
Preferred dividends	1,600	1,600	1,600
Common dividends	6,300	6,300	6,300
Surplus for year	$1,658	$2,153	$1,665

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$245,579	$224,681	$217,540
Materials and supplies	2,930	3,203	4,576
Cash	10,406	10,377	10,050
Accounts receivable	1,647	1,681	3,183
Misc. investments	.....	10,121	10,121
Total	$260,562	$250,062	$245,475
Liabilities—			
Common stock	$105,000	$105,000	$105,000
Preferred stock	20,000	20,000	20,000
Notes payable	5,000	.....	.....
Accounts payable	311	.....	.....
Depreciation reserve	69,400	65,865	62,931
Profit and loss surplus	60,851	59,197	57,544
Total	$260,562	$250,062	$245,475

Officers: E. C. Hopkins, Pres., Worcester, Mass.; Mrs. E. H. Atwood, V-P., Wauregan, Conn.; Geo. B. Guild, Sec., Treas. & Supt., Danielson, Conn.

Directors: E. C. Hopkins, Worcester, Mass.; Mrs. Elsie H. Atwood, Wauregan, Conn.; Dr. F. P. Todd, S. S. Russell, Geo. B. Guild, Danielson, Conn.

General Office, Danielson, Conn.

BERLIN STREET RAILWAY

History and Properties—Incorporated April 22, 1898, in N. H. Line of road, Berlin to Gorham, 7.5 miles; total track, 7.75 miles. Gauge, standard. Rail, 60 lb. T. Motor passenger cars, 13; snow plow, 1. Power rented. Owns park of 40 acres, 2½ miles from Berlin.

CAPITAL STOCK

Authorized and outstanding, $80,000 Common and $30,000 6% Pfd.; par, $100. Stock transferred at Treasurer's office. Annual meeting, in October.

Dividends—All Pfd. dividends paid to date. On Common, 6% in 1918; none thereafter until 1922 when 6% was paid; 1923, 6%; 1924, 3%; 1925 and 1926, 6% each; 1927, 5%.

FUNDED DEBT

$105,000 First Extended Gold 7s (originally 5s); dated Feb. 1, 1902; due Feb. 1, 1922; extended to Feb. 1, 1925 with interest at 7½%; again extended to Feb. 1, 1930 with interest at 7%; int. Feb. and Aug. 1, at Union Safe Deposit & Trust Company, Portland, Me., Trustee. Coupon, $500 and $1,000. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$66,547	$75,356	$76,153
Oper. exp. & taxes	68,379	58,618	56,337
Depreciation	8,195	8,148	8,148
Net earnings	*$10,027	$8,590	$11,668
Other income	2,801	2,454	2,831
Total income	*$7,226	$11,044	$14,499
Bond interest	6,405	7,344	7,393
Surplus for year	*$13,631	$3,700	$7,106

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$248,209	$232,800	$232,800
Cash	1,769	.....	777
Accounts receivable	998	373	352
Sinking fund	15,600	15,600	15,600
Reserve for depreciation	10,000	43,401	38,737
Deferred debit items	650	650	650
Deficit	7,093	.....	.....
Total	$284,319	$292,824	$288,916
Liabilities—			
Capital stock	$110,000	$110,000	$110,000
Funded debt	105,000	105,000	105,000
Sinking fund reserve	15,600	15,600	15,600
Depreciation reserve	46,324	45,970	38,737
Accounts payable	4,333	853	1,278
Interest accrued	3,062	3,062	3,062
Profit and loss	.....	12,338	15,239
Total	$284,319	$292,824	$288,916

Officers: F. L. Castner, Pres., Allston, Mass.; Anna M. Gross, Treas. & Pur. Agt.; Harry W. Noyes, Mgr., Berlin, N. H.; H. G. Noyes, Clerk, Gorham, N. H.

Directors: F. L. Castner, Allston, Mass.; H. W. Noyes, Anna M. Gross, Berlin, N. H.; J. F. Libby, H. G. Noyes, Gorham, N. H.; E. O. McAllister, Auburn, Me.; Alice W. Hitchcock, New Haven, Conn.

Office, Berlin, N. H.

OREGON-WASHINGTON TELEPHONE COMPANY

History and Property—Incorporated July 18, 1907, in Ore., as the Home Telephone Co.; name changed to present title in 1913. Operating exchanges are located in Hood River, Odell and Parkdale, Oregon; Goldendale, Lyle, Trout Lake and White Salmon in Klickitat County, Washington; Granger, Mabton, Sunnyside, Toppenish, Wapato, White Swan and Zillah in Yakima County, Wash. Company serves a total population of 50,000. Operates under agreements with the Pacific Telephone & Telegraph Co. for the interchange of toll business. No. of exchanges 14. Main stations, 4,679; P. B. X. stations, 113; extension sets, 279; service stations not owned, 232—total, 5,303. Prices, $1.75 to $4 per month.

CAPITAL STOCK

Authorized, $75,000 Common and $75,000 7% cumulative Pfd.; outstanding, $75,000 Common and $74,800 Pfd. Secretary of Company acts as Transfer Agent and Registrar. The Bell Telephone Co. of Nevada, owns $29,000 of the Pfd. Annual meeting, second Monday in January.

Dividends—Pfd. dividends of 14% each were paid in 1924 and 1925; 13.30% in 1926; 7% in 1927. None paid on Common to 1926, when 7% was paid; 1927, 7%.

Cumulative dividends from Aug. 31, 1913, to Dec. 31, 1919, were waived by the owners of Pfd. stock, except on shares with an aggregate par value of $680. The contingent liability for unpaid dividends on these shares amounts to $301. Cumulative dividends since Dec. 31, 1919, on all outstanding Pfd. stock had been paid at Dec. 31, 1927.

FUNDED DEBT

$335,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS; $235,000 DUE JULY 1, 1945, AND $100,000 ON JULY 1, 1950.

Dated July 1, 1925.

Interest Payable January and July 1, at Title & Trust Co., Portland, Ore.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Title & Trust Co., Portland, Ore.

Provisions of Issue—Authorized, $500,000; outstanding, $310,000; issued to refund outstanding indebtedness, to acquire additional properties and for extensions and betterments. Additional bonds may be issued upon the approval of the bankers to an amount not exceeding 70% of additions, betterments, or newly

acquired property. Of the $335,000 bonds outstanding, $100,000 are owned by Pacific Telephone & Telegraph Co. These $100,000 bonds mature July 1, 1950, and may not be paid from sinking fund or otherwise, until the $235,000 bonds outstanding with the public have been entirely redeemed.

Callability—Subject to call by lot on any interest date on 60 days' notice at 101 and accrued interest.

Sinking Fund—Beginning July 1, 1928, a sinking fund of 3% of the amount of outstanding bonds will be paid annually to the Trustee for the redemption of bonds by purchase in the market up to 101, or by call by lot at 101 and accrued interest.

Security—Secured by a first mortgage on all properties of the Company. As of Dec. 31, 1924, properties of Company had an appraised replacement value of $745,009, and a present depreciated value of $576,142.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—W. Lair Thompson, Portland, Ore. Ore.

Original Offering—First publicly offered ($210,000) in July, 1925, at 99 and accrued interest, yielding 6.06%, by Ralph Schneeloch Company, Portland, Ore.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$172,183	$172,885	$121,449
Oper. exp., taxes & dep.	127,584	123,501	87,922
Net earnings	$44,599	$49,384	$33,527
Bond interest	18,604	18,600	13,135
Other interest	.....	.....	101
Rents, etc.	4,411	4,898	3,105
Total charges	$23,015	$23,498	$16,341
Net income	21,584	25,886	17,186
Preferred dividends	5,215	9,915	6,335
Common dividends	5,250	5,250	.....
Surplus for year	$11,119	$10,721	$10,851

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital installed	$550,836	$529,709	$455,118
Investment securities	500	500	500
Cash and deposits	33,052	13,757	8,023
Current accounts	14,139	7,901	8,685
Materials and supplies	7,263	7,188	12,539
Prepayments	1,561	917	626
Discount on Common stock	.....	.....	42,000
Unamortized debt discount and expense	21,420	21,252	22,522
Other suspense	.....	407	601
Total	$628,771	$581,632	$550,614
Liabilities—			
Common stock	$75,000	$75,000	$75,000
Preferred stock	74,800	74,501	74,501
Funded debt	335,000	310,000	310,000
Vouchers & wages	11,614	5,178	4,550
Other current liabilities	875	1,013	141
Taxes accrued	14,368	13,777	9,540
Other accrued liabilities	9,300	9,617	540
Reserve for depreciation	82,308	78,160	72,676
Corporate surplus	25,506	14,387	3,666
Total	$628,771	$581,632	$550,614

Officers: J. E. Smithson, Pres. & Gen. Mgr.; W. H. Dean, V-P.; E. O. Blanchar, Sec. & Treas., Hood River, Ore.

Directors: J. E. Smithson, E. O. Blanchar, W. H. Dean, W. L. Marshall, C. E. Copple, Hood River, Ore.

General Office, Hood River, Ore.

ROOT RIVER POWER AND LIGHT COMPANY

History and Property—Incorporated Aug. 16, 1912, in Minn. Franchises expire 1925. Supplies Preston, Minn., and surrounding territory with power and light, serving population of about 10,000. Property consists of one hydro-electric plant, two auxiliary plants, 75 miles of line, sub-stations, etc. No. of meters, about 1,200.

CAPITAL STOCK

Authorized, $300,000; outstanding, $250,000; par, $100. Annual meeting, second Monday in January.

Dividends—Dividends of 3½% each in 1915 and 1916; 4½% in 1917; 3½% in 1918; 6% in 1919; 6% in 1920; 8% in 1921; 7% in 1922; 8%, 1923 to 1925; 1926 two dividend payments of 10% and 8% were made 1927, 10%.

FUNDED DEBT

$100,000 First Gold 6s; dated Oct. 1, 1926; due Oct. 1, 1941; int. payable Oct. 1, at Farmers & Merchants State Bank, Preston, Minn., Coupon, $100. E. A. Highum, Preston, Minn., Trustee. Authorized and issued, $100,000. Bonds are subject to call. First lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Furnished)

	1925	1924	1923
Gross earnings	$71,851	$67,990	$67,074
Oper. exp. & taxes	*36,634	29,823	30,767
Depreciation	5,000	7,000	5,000
Net earnings	$30,217	$31,167	$31,307
Interest charges, etc.	*	6,097	5,400
Total charges	*	$13,097	$10,400
Net income	$30,217	$25,070	$25,907
Dividends paid	20,000	20,000	20,000
Surplus for year	$10,217	$5,070	$5,907
Earnings Per Share	$12.09	$10.03	$10.36

*Fixed charges included with operating expenses and taxes.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Furnished)

Assets—	1925	1924	1923
Property account	$270,223	$269,066	$268,037
Goodwill, franchises, etc.	125,000	125,000	125,000
Materials and supplies	1,549	1,328	1,226
Cash	17,274	11,270	11,694
Reserve fund (cash)	32,000	25,000	20,000
Accounts receivable	11,068	11,821	10,932
Telephone shares	.....	.....	30
Total	$457,114	$443,485	$436,919
Liabilities—			
Capital stock	$250,000	$250,000	$250,000
Funded debt	100,000	100,000	90,000
Notes payable	5,835	2,000	17,500
Interest accrued		1,350	1,910
Taxes accrued		4,074	3,518
Depreciation	72,904	67,904	60,904
Undivided profits	28,375	18,157	13,087
Total	$457,114	$443,485	$436,919

Officers: A. D. Gray, Pres.; John W. Hopp, V-P., Preston, Minn.; N. H. Nelson, V-P., Mabel, Minn.; A. H. Langum, Sec. & Treas.; A. H. Hanning, Gen. Mgr., Preston, Minn.

Directors: J. W. Broadwater, A. H. Langum, A. H. Hanning, Carl Hanning, C. P. Lewis, A. D. Gray, John W. Hopp, John Leister, Preston Minn.; T. Sanderson, Jr., K. D. Olson, Harmony, Minn.; Herb Wickelt, Canton, Minn.; N. H. Nelson, Mabel, Minn.; O. B. Nelson, Spring Grove, Minn.; J. P. Bouquet, Caledonia, Minn.

General Office, Preston, Minn.

STRAFFORD-YORK GAS CO.

History—Incorporated May 8, 1911, in N. H. Purchased physical properties of Rochester Gas Light Co. and Great Falls Light Co. Furnishes gas in Rochester, East Rochester, Gonic and Somersworth, N. H. and Berwick, Me. Miles of mains, 36. No. of meters, 1,069. Annual output, 19,500,000 cu. ft. Price, minimum $1.25 first 200 cu. ft. and a sliding scale from 46c. per 100 cu. ft. to 25½c. per 100 cu. ft. according to consumption. Prepayment rate, $2.70. Holder capacity, 164,000 cu. ft. Population served, 19,500.

CAPITAL STOCK

Authorized and outstanding, $180,000 Common and $150,000 5% cumulative Pfd.; par, $100. Preferred stock has preference for assets and dividends. Stock transferred at company's office. Annual meeting, in May, at Rochester, N. H.

Dividends—Pfd. dividends are payable quarterly, F. M, A & N 1; at Dec. 31, 1927, accumulated Pfd. dividends aggregated $68,000. In March, 1923, $2.00 per share was paid on account of accumulated dividends on Pfd. stock; March, 1925, 2%; 1926, 3%; March, 1927, 3%. No dividends paid on Common.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$42,718	$46,392	$47,400
Oper. exp. and taxes	40,084	40,331	40,121
Depreciation	2,700	2,550	2,500
Net earnings	*$66	$3,512	$4,779
Other income	1,196	1,349	1,397
Total income	$1,130	$4,861	$6,176
Sundry charges	9	670	1,308
Balance for dividends	$1,121	$4,191	$4,868
Pfd. dividends accrued	7,500	7,500	7,500
Deficit for year	$6,379	$3,309	$2,632

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant investment	$358,524	$356,398	$354,817
Cash	7,022	10,640	12,581
Materials and supplies	6,574	6,036	4,882
Accounts receivable	4,062	3,968	5,354
Other current assets	2,775	392	2,669
Prepaid items	388	2,854	398
Other suspense	197	197	197
Corporate deficit	52,893	46,514	43,206
Total	$432,435	$427,000	$424,104
Liabilities—			
Capital stock	$330,000	$330,000	$330,000
Accounts payable	447	374	3,507
Consumers' deposits	795	635	570
Accrued liabilities	40	538	124
Accum. divds. on Pfd. stock	68,000	65,000	62,000
Depreciation reserve	33,153	30,453	27,903
Total	$432,435	$427,000	$424,104

Officers: Lyman T. Dyer, Pres., New York; Harden L. Crawford, V-P., Rumson, N. J.; Henry C. Meyer, Treas., No. Tarrytown, N. Y.; Chas. S. Morgan, Gen. Mgr.; Samuel D. Felker, Clerk, Rochester, N. H.

Directors: L. T. Dyer, H. L. Crawford, Henry C. Meyer, New York.

General Office, Rochester, N. H. **New York Office,** 50 Broad Street.

CHAMBERSBURG & SHIPPENSBURG RAILWAY COMPANY

History—Incorporated Jan. 27, 1913, in Pa. Line extends from Chambersburg to Shippensburg, 10.5 miles, of which 2 miles leased. Operations discontinued on 8 miles from Red Bridge Park to Shippensburg in 1927. First portion of road, 10.5 miles, was put in operation on June 23, 1914. Gauge, 5 ft. 2½ inches. Rail, 70 lbs. Operated by overhead trolley. Of the total mileage, 8 miles are on private right of way. Motor passenger cars, 10; other cars, 1.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $50. Annual meeting, second Tuesday in January. No dividends paid.

FUNDED DEBT

$228,380 First Mtge. 5% bonds; dated April 1, 1913; due April 1, 1943; int. April and Oct. 1, at Chambersburg (Pa.) Trust Co., Trustee. Coupon, $100 and $500. Authorized issue, $250,000. No sinking fund. Company does not pay Normal Federal Income Tax.

Interest Default—The April 1, 1918, interest was passed owing to the high costs in maintaining operations through the winter; interest was also passed Oct. 1, 1918, April 1, 1919, Oct. 1, 1919, April 1, 1920, Oct. 1, 1920 and April 1, 1921. On Oct. 1, 1921, April 1 and Oct. 1, 1922, and April 1, and Oct. 1, 1923, and April 1 and Oct. 1, 1924, interest was paid on one-half the bonds. No interest paid since Oct. 1, 1924. All the bonds are pooled in hands of the trustee under agreement.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$10,415	$13,134	$23,900
Oper. exp. & taxes	6,610	10,128	21,252
Net earnings	$3,805	$3,006	$2,648
Interest charges	12,020	11,920	11,920
Other charges	1,600	1,600	1,867
Total charges	$13,620	$13,520	$13,787
Deficit for year	$9,815	$10,514	$11,139

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$221,309	$240,387	$240,387
Cash	18,145	8,882	7,576
Deferred debit items	246,696	246,696	246,696
Profit and loss deficit	106,015	94,200	83,586
Total	$592,165	$590,165	$578,245
Liabilities—			
Capital stock	$250,000	$250,000	$250,000
Funded debt	228,380	238,400	238,400
Accounts payable	1,250	1,250	1,250
Interest accrued	109,555	97,535	86,157
Deferred credit items	2,980	2,980	2,438
Total	$592,165	$590,165	$578,245

Officers: J. A. Strite, Pres.; C. P. Miller, Treas.; F. H. Stouffer, Sec.; John P. Glass, Mgr.

Directors: C. P. Miller, Dr. J. M. Gelwix, Wm. Alexander, F. H. Stouffer, F. B. Lesher, F. A. Zimmerman, Harry Sierer, B. B. Hollar, Walter K. Sharpe, Albert Strite, W. H. Fisher, M. D. Lemaster, H. B. McNulty, W. H. Shank, J. A. Strite, Ralph S. Pomeroy, J. Nevin Pomeroy, F. P. McKibben, John P. Glass, W. Britton Kell, Edwin D. Strite, Chambersburg, Pa.; J. W. Warehime, Waynesboro, Pa.; Dr. J. B. McCreary, J. S. Omwake, Shippensburg, Pa.

General Office, Chambersburg, Pa.

CHENANGO & UNADILLA TELEPHONE CORPORATION

History—Incorporated Feb. 18, 1922 in New York; a consolidation of Marquis Telephone & Telegraph Co., Waterville Telephone Co., New Berlin Telephone Co., Union Telephone Co., Bainbridge Telephone Co. Paris Hill Telephone Co., Sherburne Telephone Co., and Madison Mutual Telephone Co. Company does all of the telephone business in Norwich, Waterville, New Berlin, Sidney, Bainbridge, Unadilla, Mt. Upton, Sherburne, Solsville, and Bouckville, New York, and owns a comprehensive system of toll lines. It has contracts with the New York Telephone Co. for interchange of toll facilities. No. of exchanges, 8. No. of 'phones in use, 5,410. Miles of wire, 2,934.

CAPITAL STOCK

Authorized, $250,000 Common and $250,000 7%, 6½% and 6% cumulative Pfd.; outstanding, $131,400 Common; $50,000 Original Series 7% Pfd., $110,000 Series "A" 6½% Pfd., and $9,400 Series "B" 6% Pfd.; par, $100. Pfd. stock has preference as to assets as well as dividends and is subject to redemption at 110. Stock transferred at Company's office. Annual meeting first Friday in May at Company's office.

Dividends—Dividends on the 7% Pfd. regularly paid since 1922. The 6½% Pfd. was issued in 1926, and dividends of 6½% were paid in 1926, and regularly thereafter. The 6% Pfd. was issued in 1927, and dividends of 6% were paid in 1927; payments quarterly, J, A, J & O 15.

FUNDED DEBT

$130,400 FIRST MORTGAGE THIRTY-YEAR 6% GOLD BONDS; DUE JULY 1, 1952

Dated July 1, 1922.

Interest Payable January and July 1, at Citizens Trust Co. of Utica, N. Y.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Citizens Trust Company of Utica, N. Y.

Provisions of Issue—Authorized, $1,500,000. Unissued bonds can only be issued to pay underlying liens or for the payment of the purchase price of additional property and additions to plant, when and as authorized by the Public Service Commission of the Second District of New York.

Callability—Subject to call as a whole, or in part, on any interest date upon three months' notice, at 105 and accrued interest.

Security—Secured by a lien on all the property of Company, subject to $50,000 Union Telephone Co. 5s, due 1965, and $60,100 Marquis Telephone & Telegraph Co. 6s, due 1950.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Principal and interest are payable without deduction for any other tax or taxes which may be imposed by the United States or any State, County or Municipality.

Legal Opinion—Dunmore, Ferris & Dewey, Utica, N. Y.

Original Offering—First publicly offered ($45,000 Series "A") in 1923 at par and interest by Mohawk Valley Investment Corporation, Utica, N. Y.

In addition the following underlying issues were outstanding Dec. 31, 1927; $50,000 Union Telephone Co. 5s, due 1965, and $60,100 Marquis Telephone & Telegraph Co. 6s, due 1950.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$178,243	$148,529	$127,177
Operating exp. & taxes	102,257	87,269	74,393
Depreciation	25,890	20,205	13,753
Net earnings	$50,096	$41,055	$39,031
Interest charges	16,421	17,820	17,907
Rentals	2,994	2,969	3,253
Amortization	4,997	4,837	4,627
Total charges	$24,412	$25,626	$25,788
Surplus after charges	25,684	15,429	13,243
Preferred dividends	10,065	4,022	2,352
Surplus for year	$15,619	$11,407	$10,891

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$664,882	$579,877	$549,921
Bonds owned	1,000	1,000	.....
Materials and supplies	15,328	10,616	13,836
Cash	10,259	11,889	5,056
Accounts receivable	23,842	18,774	17,683
Deferred debit items	37,870	39,634	39,938
Prepayments	2,764	1,546	20,816
Total	$755,945	$663,336	$647,250
Liabilities—			
Common stock	$131,400	$131,400	$131,400
Preferred stock	169,400	130,000	50,000
Funded debt	240,500	238,400	238,500
Notes payable	55,642	21,858	94,452
Accounts payable	11,137	12,736	9,295
Interest accrued	6,693	3,928	5,550
Reserve for taxes	*67	2,200	.....
Deferred credit items	706	.....	2,101
Reserve for depreciation	96,889	89,560	92,856
Profit and loss	43,645	33,254	23,096
Total	$755,945	$663,336	$647,250

*Debit.

Officers: Irving H. Griswold, Pres., Plattsburgh, N. Y.; Homer H. Higley, V-P., Norwich, N. Y.; Frank L. White, V-P., Sidney, N. Y.; T. Harvey Ferris, Treas., Utica, N. Y.; Otis A. Thompson, Sec., Norwich, N. Y.; Leonard W. Ferris, Asst. Treas., Utica, N. Y.; William A. Seely, Gen. Mgr. & Pur. Agt.; Leon L. Carter, Aud., Norwich, N. Y.

Directors: Irving H. Griswold, Plattsburgh, N. Y.; T. Harvey Ferris, Leonard W. Ferris, Thayer Burgess, W. F. Newton, Utica, N. Y.; Otis A. Thompson, Homer H. Higley, Norwich, N. Y.; Frank L. White, Sidney, N. Y.; William B. Woodbury, New York; C. H. Clarke, Bainbridge, N. Y.

General Office, Norwich, N. Y.

SOUTHEAST NEBRASKA TELEPHONE CO.

History—Incorporated May 1, 1906, in Neb., as a reorganization of the Falls City Telephone Co. Operates toll lines and four exchanges at Falls City, Salem, Verdon and Barada, Neb. Population served by long distance lines, 25,000. Miles of wire, 1,617; feet of cable, 26,020. Number of 'phones 2,747. Prices: $12 to $36.

CAPITAL STOCK

Authorized, $100,000; outstanding, $68,666; par, $1. Secretary of company acts as Transfer Agent and Registrar. Annual meeting, first Wednesday in January.

Dividends—6% per annum were paid from organization to 1909; 3% in 1910, none since.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$45,888	$45,832	$43,053
Oper. exp., taxes, etc.	36,017	34,868	33,800
Depreciation	6,426	6,477	6,764
Net earnings	$3,445	$4,487	$2,489
Interest charges	$17	$7	.....
Rentals	1,010	1,010	$1,009
Total charges	$1,027	$1,017	$1,009
Surplus for year	$2,418	$3,470	$1,480

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$172,094	$168,892	$163,640
Stocks owned	2,189	1,625	1,625
Materials and supplies	7,361	5,319	5,088
Cash	3,814	776	2,458
Accounts receivable	13,233	15,718	12,752
Total	$198,691	$192,330	$185,563
Liabilities—			
Capital stock	$68,666	$68,666	$68,666
Accounts payable	4,822	6,507	8,256
Other current liabilities	1,551	.....	.....
Depreciation reserve	72,302	66,797	61,548
Surplus reserve appropriations	48,931	45,461	43,981
Profit and loss surplus	2,419	3,470	1,480
Total	$198,691	$192,330	$185,56

Officers: Presidency, Vacant; T. J. Gist, V-P.; E. H. Towle, Sec. & Gen. Mgr.; G. W. Duerfeldt, Treas. H. E. Stouffer, Supt., Falls City, Neb.

Directors: E. S. Towle, G. F. Duerfeldt, E. H. Towle J. H. Miles, A. J. Weaver, T. J. Gist.

Office, Falls City, Neb.

HILO ELECTRIC LIGHT COMPANY, LTD.

History and Property—Incorporated Nov. 10, 1894 under the laws of the Territory of Hawaii, for the purpose of doing an electric light, power, ice and cold storage business. Property consists of real estate, buildings, electric, ice and cold storage machinery, dams and pipe lines, distribution system etc. Franchise expires Oct. 16, 1945. Population served, 13,500. No. of electric meters, 4,544. Annual output, electricity, 5,730,260 k.w.h. in 1917, compared with 5,515,345 k.w.h. in 1926. Average prices: 1 cts., light; 4 cts., power.

Company owns practically the entire capital stock of Interurban Electric Co., Ltd. (see appended statement).

CAPITAL STOCK

Authorized and outstanding, $600,000; par, $2 Treasurer of Company acts as Transfer Agent. Annual meeting, in January.

Dividends—Dividends at rate of 7% per annum paid up to and including 1922; 1923, 3% (1¾% March and 1¼% in June); 1924, 6%; 1925 and 1926 7% each; 1927, 8%; payments, M, J, S & D 15.

FUNDED DEBT

$3,500 First Refunding Gold 6½s, Series "A" dated Nov. 1, 1923; due Nov. 1, 1938; int. May and Nov. 1, at First Trust Co. of Hilo, Ltd., Hilo, Hawa

Coupon, $500 and $1,000. Subject to call after 5 years at 101; thereafter at par. After Nov. 1, 1928, the Company has the right, however, to redeem 1/25 of the face amount of Series "A" bonds at par. Of the $250,000 formerly outstanding, $246,500 were exchanged for 6% bonds or redeemed during 1926 and 1927.

$428,600 First Refunding Mortgage Gold 6s, Series "B"; dated May 1, 1926; due May 1, 1941. Interest payable May and Nov. 1, at The First Trust Co. of Hilo, Ltd., Hilo, Hawaii. Subject to call prior to maturity on May 1, 1931, or on any interest date thereafter up to May 1, 1936 at 101% of the face amount thereof, and on May 1, 1936 or on any interest date thereafter up to May 1, 1941, at par, together with accrued interest to date of redemption in all cases; subject to the following proviso: Beginning May 1, 1931, the Hilo Electric Light Co., Ltd. may redeem for sinking fund purposes, annually, up to 1/25 of the face amount of the bonds issued at par value, together with accrued interest to date of redemption.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$505,006	$461,049	$420,316
Oper. exp. & taxes	335,048	311,776	259,299
Depreciation	61,748	57,761	55,266
Net earnings	$108,210	$91,512	$105,751
Other income	12,379	7,348	1,856
Total income	$120,589	$98,860	$107,607
Interest charges	26,282	30,178	33,771
Rentals, etc.	7,938	4,513	5,280
Total charges	$34,220	$34,691	$39,051
Net income	86,369	64,169	68,556
Dividends paid	48,000	42,000	42,000
Surplus for year	$38,369	$22,169	$26,556
Earn. Per Share (par $20)	$2.88	$2.14	$2.29

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,400,331	$1,378,242	$1,318,208
Investment in Interburban Electric Co.	99,780	99,780	99,780
Marketable securities	32,530	11,985	40,203
Materials and supplies	59,854	49,254	47,489
Cash	32,047	12,638	44,500
Notes & accts. receiv.	79,041	71,490	70,116
Deferred debit items	30,643	31,168	21,856
Sinking fund	31,086	20,188	19,270
Sundry assets	5,913	4,475	3,885
Total	$1,771,225	$1,679,220	$1,665,307
Liabilities—			
Capital stock	$600,000	$600,000	$600,000
Funded debt	432,100	436,800	500,000
Accounts payable	17,179	12,348	5,334
Depreciation reserve	516,717	463,943	415,195
Sinking fund reserve	31,086	20,188	19,270
Consumers' meter deposits	5,463	5,431	7,525
Reserves	4,943	5,004	5,195
Profit and loss	163,737	135,506	112,788
Total	$1,771,225	$1,679,220	$1,665,307

Officers: John T. Moir, Pres., Papaikou, Hawaii; John M. Ross, V-P., Hakalau, Hawaii; George Lowson, Sec.; H. V. Patten, Treas.; Marshall & Henderson, Auditors; James Henderson, Gen. Mgr., Hilo, Hawaii.

Directors: James Henderson, L. C. Lyman, Wm. Pullar, H. C. Shipman, Alex. Fraser, W. H. Smith, N. C. Willfong, Hilo, Hawaii.

General Office, Hilo, Hawaii.

INTERURBAN ELECTRIC CO., LTD.

(Controlled by Hilo Electric Light Co., Ltd.)

History—Incorporated May 13, 1922, in the territory of Hawaii. Franchise expires May 13, 1972. Supplies electricity to ten communities including Olaa, Honomea, Pepeekeo, Honomu, Wailea and Hakalau, serving a population of about 10,000. Miles of transmission lines, 30; miles of distribution lines, 50; no. of meters, 2,720; annual sales, 432,334 k.w.h. Prices, general lighting, 12c k.w.h. for first 40 k.w.; 10c for next 60 k.w. and 8c for over 100 k.w., with minimum monthly bill of $1.00 per meter.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $20. All except directors' qualifying shares owned by Hilo Electric Light Co., Ltd. Annual meeting, in January. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Earnings from operation	$51,424	$50,853	$42,960
Rentals	1,040	1,004	985
Total	$52,464	$51,857	$43,945
Operating expenses, etc.	35,846	35,498	30,070
Taxes	2,150	1,739	1,331
Depreciation reserve	7,502	7,141	6,433
Other charges	1,233	1,550	1,407
Total	$46,731	$45,928	$39,242
Surplus for year	$5,733	$5,929	$4,703

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of equipment	$152,104	$145,918	$131,849
Materials and supplies	5	197	93
Accounts receivable	5,426	4,451	4,268
Unadjusted debits	3,150	4,239	5,237
Total	$160,685	$154,805	$141,446
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Accounts payable	10,370	17,495	16,873
Deferred credit items	1,459	1,409	1,436
Reserve for depreciation	27,631	20,298	13,645
Profit and loss surplus	21,225	15,603	9,492
Total	$160,685	$154,805	$141,446

Officers: John M. Ross, Chrm. of Board & Pres., Hakalau, T. H.; Wm. Pullar, V-P., Honomu, T. H.; James Henderson, Sec. & Gen. Mgr.; H. V. Patten, Treas.; Marshall & Henderson, Auditors, Hilo, T. H.

Directors: H. C. Shipman, Alex Fraser, W. H. Smith, L. C. Lyman, N. C. Willfong, Hilo, T. H.; John T. Moir, Papaikou, T. H.

General Office, Hilo, T. H.

BETHLEHEM ELECTRIC COMPANY

History—Incorp. March 24, 1897, in N. H., as Bethlehem Electric Light Co. Name changed to present title in 1917. Supplies electric light and power in towns of Bethlehem, Carroll, Jefferson and Whitefield, N. H. Population served, winter, 5,000; summer, 12,000.

Receivership, Etc.—On April 1, 1919, principal and interest on $50,000 notes payable, defaulted. On July 3, 1919, property was placed in the hands of J. G. M. Glessner as receiver, and has since been operated by him. $95,000 was borrowed on receiver's certificates with which above mentioned notes and all floating indebtedness paid off. Of these receiver's certificates $76,250 were outstanding Dec. 31, 1927.

CAPITAL STOCK

Authorized, $100,000; outstanding, $85,200; par, $100. Annual meeting in October. No dividends paid.

FUNDED DEBT

None, but at Dec. 31, 1927, there were outstanding $76,250 receiver's certificates, a mortgage note for $5,000, and $241,500 in notes payable.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$66,772	$59,053	$63,131
Oper. exp. & taxes	35,564	28,132	.....
Depreciation	14,054	11,135	10,890
Net earnings	$17,154	$19,786	$20,213
Non-operating revenue	4,460	3,271	.....
Gross income	$21,614	$23,057	$20,213
Interest charges	19,129	16,443	12,143
Net income	$2,485	$6,614	$8,170

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Plant investment	$502,862	$462,227	$413,764
Investments	16,950	16,950	16,950
Cash	11,401	4,655	15,464
Materials and supplies	11,357	5,947	9,678
Accounts receivable	10,038	9,327	7,295
Prepaid accounts	2,136	1,675	1,381
Deferred debits	10,000	15,000	.....
Total	$564,744	$515,781	$464,532
Liabilities—			
Capital stock	$85,200	$85,200	$85,200
Receivers' certificates	76,250	95,000	90,000
Mortgage note	5,000	5,000	5,000
Notes payable	241,500	204,000	179,000
Accounts payable	73,329	51,345	36,213
Depreciation reserve	19,360	13,162	12,789
Bad debts reserve	387	213	
Surplus	63,718	61,861	56,330
Total	$564,744	$515,781	$464,532

Officers: J. G. M. Glessner, Receiver & Treas.; Bethlehem, N. H.; A. W. Fuller, Pres., Gorham, N. H.; W. W. Oliver, V-P., Lisbon, N. H.; Jas. A. Turner, Sec. & Supt., Bethlehem, N. H.

Directors: Alfred W. Fuller, C. C. Libby, Gorham, N. H.; J. G. M. Glessner, J. A. Turner, Bethlehem, N. H.; Edgar M. Bowker, Whitefield, N. H.; Wm. Wallace Oliver, Lisbon, N. H.; B. W. Couch, Concord, N. H.

General Office, Bethlehem, N. H.

UTILITIES SECURITIES CORPORATION

History—Incorporated Dec. 16, 1912, in Va., to acquire, hold and deal in securities of public utility and other corporations, and of municipalities and governments.

CAPITAL STOCK

Authorized, $500,000 Common, and $1,000,000 7% cumulative (additional 3% non-cumulative) Preferred; outstanding, $250,000 Common and $250,000 Pfd.; par, $100. Transfer Agent: Guaranty Trust Co. New York. Registrar: American Exchange Irving Trust Co., New York. Annual meeting, first Monday in March, at Richmond, Va.

Dividends—Dividends on Pfd. regularly paid quarterly, M, J, S & D 27. No dividends paid on Common

FUNDED DEBT

None.

Officers: L. E. Kilmarx, Pres. & Treas.; R. E. Glas V-P. & Sec.; C. W. Schroeder, V-P.; W. C. Ross, Ass Treas. & Asst. Sec.

Directors: F. L. Dame, Edwin Gruhl, C. W. Schroder, L. E. Kilmarx, J. F. Fogarty, New York.

General Office, 60 Broadway, New York. **Corpora Office,** Richmond, Va.

BETHLEHEM TRANSIT COMPANY

History—Incorporated May 31, 1921, in Pa., successor to the property of South Bethlehem and Saucon Street Ry. (see 1922 Public Utility Manual, page 1811). Line of road: South Bethlehem to Seidersville, Wydnor, Colesville, Friendensville and Centre Valley, 7 miles. Gauge, standard. Enters Philadelphia over tracks of Lehigh Valley Transit Co., from which company power is purchased. Motor cars, 8; other, 2; snowplow, 1.

CAPITAL STOCK

$100,000; par, $100. Annual meeting, second Monday in January. No dividends paid.

FUNDED DEBT

$50,000 First Mortgage 6s; dated Oct. 15, 1921; due Oct. 15, 1941; int. April and Oct. 15, at Allentown National Bank, Allentown, Pa., Trustee. Company does not pay Normal Federal Income Tax.

$100,000 Income Mortgage 6s; dated Nov. 1, 192 due Nov. 1, 1941. Allentown National Bank, Allentown, Pa., Trustee. Company does not pay Norm Federal Income Tax.

There is also a mortgage for $7,500, which was sumed on property purchased.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	19
Gross earnings	$23,431	$25,053	$29,
Oper. exp. & taxes	22,743	23,093	26,
Net earnings	$688	$1,960	$2,
Interest charges	975	1,099	1,
Surplus for year	*$287	$861	$1,

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Cost of road	$184,680	$219,104	$179,680
Cost of equipment	24,424		39,424
Investment in car barn	10,000	.....	.....
Treasury stock	2,000	2,000	2,000
Treasury bonds	52,000	52,000	52,000
Cash	902	1,959	3,523
Materials and supplies	1,069	798	1,373
Total	$275,075	$275,862	$278,000

	1927	1926	192
Liabilities—			
Capital stock	$100,000	$100,000	$100
Funded debt	157,500	157,500	157
Notes payable	9,000	9,500	12
Profit and loss	8,575	8,862	8
Total	$275,075	$275,862	$278

Officers: C. P. Hoffman, Pres., Bethlehem, Pa.; J. D. Heistand, Sec., Germantown, Pa.; V. R. Kichline, Treas.; R. J. Seigfried, Supt, Bethlehem, Pa.

Directors: C. P. Hoffman, V. R. Kichline, Bethlehem, Pa.; J. D. Heistand, Germantown, Pa.; Chas Rebre, F. W. Vogle, Philadelphia, Pa.

General Office, Bethlehem, Pa.

PIEDMONT AND NORTHERN RAILWAY COMPANY

History and Property—Incorporated Feb. 24, 1911, in South Carolina, and on or about July 1, 1914, took over the properties of the Piedmont Traction Company and the Greenville, Spartanburg & Anderson Ry. Co. Miles of road operated: Greenwood to Spartanburg, S. C., 89.90 miles; Belton to Anderson, S. 11.30 miles; Charlotte to Gastonia, N. C., 23.50 mi Belmont Junction to Belmont, N. C., 3.19 m (opened March 1, 1916); total mileage of tracks o ated, including spurs and sidings, and 13.87 miles

PIEDMONT & NORTHERN RAILWAY CO.

Paine, Webber & Co

ESTABLISHED 1880

NEW YORK BOSTON CHICAGO

Members New York, Boston, Chicago, Detroit and Hartford Stock Exchanges

erated under contract, is 210.71 miles. The system will ultimately extend from Durham, N. C., to Greenwood, S. C., 320 miles. Power purchased from the Southern Power Co., which is controlled by the same interests. Gauge, standard. Cars: Passenger, 32; freight, 282; express, 2; work, 15; caboose, 10; ballast, 25; miscellaneous, 5; electric locomotives, 17. The Company also owns terminal and warehouse facilities in the principal cities served.

CAPITAL STOCK

Authorized, $15,000,000; issued, $10,000,000; outstanding $8,584,600; in treasury, $1,415,400; par, $100.

Transfer Agent—National City Bank, New York.

Annual Meeting—Fourth Tuesday in March.

Dividends—Dividends at rate of 4% per annum, were paid quarterly up to and including June 15, 1925; none paid since. Dividends were inaugurated in Feb., 1924.

FUNDED DEBT

$6,279,400 FIRST MORTGAGE GOLD 5s, SERIES "A"; DUE JULY 1, 1954

Dated July 1, 1914.

Interest Payable January and July 1, at Farmers' Loan & Trust Co., New York.

Denomination—Coupon, $1,000, principal may be registered.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized issue, $50,000,000; actually issued, $10,000,000.

Callability—Subject to call in whole or in part on any interest date at 105 and interest.

Sinking Fund—None provided.

Security—An absolute first mortgage on all property and equipment of company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922	1921
Gross earnings	$2,658,010	$2,621,717	$2,504,129	$2,250,298	$2,446,118	$1,989,818	$1,792,766
Oper. exp., taxes, etc.	1,778,711	1,777,142	1,722,811	1,608,238	1,619,105	1,343,643	1,373,051
Net earnings	$879,299	$844,575	$781,318	$642,060	$827,013	$646,175	$419,715
Other income	134,503	111,277	104,524	104,067	96,274	70,876	53,421
Total income	$1,013,802	$955,852	$885,842	$746,127	$923,287	$717,051	$473,136
Bond interest & other deductions.	317,178	293,242	330,382	329,456	327,225	331,205	336,283
Net income	$696,624	$662,610	$555,460	$416,671	$596,062	$385,846	$136,853
Dividends paid	.....	.....	171,692	343,384	.....	.....	.....
Balance to surplus	$696,624	$662,610	$383,768	$73,287	$596,062	$385,846	$136,853

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922	1921
Road and equipment	$16,260,992	$16,197,912	$16,129,699	$15,703,626	$15,581,220	$15,591,325	$15,516,072
Stocks owned	5,000	5,000	11,500	11,500	123,500	123,500	11,500
Bonds owned	.....	.....	.....	.....	.....	500	.....
Ga. & N. Ry. Co.—Extension account	415,138	.....	.....	.....	.....	.....	.....
Other investments	307,941	.....	.....	.....	.....	.....	.....
Deposits in lieu of mtged. prop. sold.	9,431	4,587	4,087	10,787	55,572	1,650	554
Cash	1,226,282	378,219	438,132	311,778	581,968	624,735	297,099
Loans and notes receivable	475,385	1,218,324	782,914	807,710	655,000	155,242	5,742
Materials and supplies	384,850	436,071	458,648	415,914	415,475	294,780	292,526
Deferred assets	3,585	2,658	1,756	1,256	1,265	287	13,773
Accts. receiv. & other current assets.	77,430	78,168	206,078	217,568	217,483	229,254	256,204
Special deposits	160,120	160,210	160,420	160,170	161,618		
Unadjusted debits	251,631	251,562	75,246	123,104	128,226	60,569	92,005
U. S. Govt. deferred assets	.....	.....	.....	.....	.....	.....	1,332,143
Total	$19,577,786	$18,732,712	$18,268,480	$17,763,412	$17,921,327	$17,081,842	$17,817,618
Liabilities—							
Capital stock	$8,584,600	$8,584,600	$8,584,600	$8,584,600	$8,584,600	$8,584,600	$8,584,600
Funded debt	6,279,400	6,279,400	6,277,700	6,276,900	6,271,600	6,244,200	6,241,200
Loans and notes payable	5,000	5,000	110,672	110,673	110,673	110,673	121,431
Current liabilities	617,353	564,351	707,400	607,797	812,607	603,551	477,897
Accrued interest	3,150	2,850	11,487	11,187	10,887	38,700	41,700
Tax liability	146,358	122,490	89,156	65,200	92,191	.....	.....
Accrued depreciation	307,137	267,659	228,269	200,031	206,293	192,943	120,166
Other unadjusted credits	36,204	25,935	32,651	24,245	21,513	34,318	41,699
Deferred liabilities	10,923	4,857	2,795	6,079	3,872	2,993	817
U. S. Govt. deferred liabilities	.....	.....	.....	.....	.....	.....	1,401,519
Profit and loss	3,587,661	2,875,570	2,223,750	1,876,700	1,807,091	1,269,864	786,589
Total	$19,577,786	$18,732,712	$18,268,480	$17,763,412	$17,921,327	$17,081,842	$17,817,618

Officers: W. S. Lee, Pres., Charlotte, N. C.; G. G. Allen, V-P., New York; E. Thomason, V-P. & Gen. Mgr. N. A. Cocke, V-P. & Treas.; J. C. McGowan, Sec.; E. B. Hardin, Aud., Charlotte, N. C.; W. C. Parker, Asst. Sec., New York, N. Y.

Directors: G. G. Allen, New York, E. Thomason, W. Cramer, W. S. Lee, B. B. Gossett, Charlotte, N. C.; W. S. Montgomery, V. M. Montgomery, John D. Law, Spartanburg, S. C.; A. W. Smith, A. F. McKissick, Greenville, S. C.; J. C. Self, Greenwood, S. C.; E. A. Smythe, W. E. Beattie, J. T. Woodside, J. W. Arrington, B. E. Greer, Greenville, S. C.; C. E. Hutchinson, Mt. Holly, N. C.; R. E. Ligon, Anderson, S. C.; J. P. Gossett, Williamston, S. C.; L. D. Blake, Belton, S. C.; J. H. Separk, C. C. Armstrong, Gastonia, N. C.; E. F. Greene, Boston, Mass.; Charles A. Cannon, Concord, N. C.; John T. Collins, Jr., Philadelphia, Pa.

General Office, Charlotte, N. C.

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THE KANSAS CITY, LEAVENWORTH & WESTERN RAILWAY COMPANY

History and Property—Incorporated June 3, 1920, in Kans.; successor to the Kansas City Western Ry. Co. (see 1920 Public Utility Manual, page 1188, or apply to our Information Department), sold under foreclosure in Feb., 1920. Owns and operates an electric railway between Leavenworth, Kan. and Kansas City, Kan. Length of line, 35.12 miles; second track, 6.24 miles; sidings, etc., 2.39 miles; total track, 43.75 miles. Gauge, standard. Rails, 70 lbs. T. Cars, 53. The Company's cars enter Kansas City, Mo., over the Inter City viaduct, and also over the tracks of the Kansas City Rys. Co.

Company formerly operated an electric railway in the city of Leavenworth, Kan., but has substituted buses for electric cars. Buses are operated under the name of **Leavenworth Transportation Co.**

CAPITAL STOCK

Authorized $625,000 Common and $625,000 Pfd.; outstanding, $468,800 Common and $547,000 Pfd.; par, $25. Pfd. stock has exclusive voting power so long as any of the First Refunding 5s dated July 1, 1920, are outstanding; thereafter Common and Pfd. have equal voting power. No dividends paid. Annual meeting, second Monday in January.

FUNDED DEBT

$912,600 FIRST REFUNDING GOLD 5s; DUE JULY 1, 1940

Dated July 1, 1920.

Interest Payable January and July 1, at Cleveland Trust Co., Cleveland, Ohio.

Denominations—Coupon and registered, $100, $500 and $1,000. Coupon bonds may be registered as to principal or exchanged for registered bonds; registered bonds may be exchanged for coupon bonds.

Trustee—Cleveland Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized, $1,250,000; issued, $964,800, of which $27,200 held in treasury and $25,000 retired. Unissued bonds are available for acquisitions, extensions and improvements.

Callability—Subject to call at 102½ and interest.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$254,573	$275,055	$273,682	$358,284	$416,082	$448,515
Operating expenses, taxes and depreciation	223,013	229,293	240,701	314,876	330,318	361,207
Net earnings	$31,560	$45,762	$32,981	$43,408	$85,764	$87,308
Other income	5,258	3,730	3,201	2,877	1,763	.....
Total income	$36,818	$49,492	$36,182	$46,285	$87,527	$87,308
Bond interest, etc.	46,990	$47,355	46,751	45,955	46,580	47,308
Sinking fund reserve	.....	.....	.....	82	.....	.....
Other deductions	132	.....	.....	.....	.....	.....
Net income	†$10,304	$2,137	†$10,569	$248	$40,947	$40,000
Times Fixed Charges Earned	0.78	1.04	0.77	1.01	1.87	1.85

†Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Cost of property	$1,945,322	$1,912,491	$1,907,950	$1,922,950	$1,922,600	$1,922,200
Securities owned	19,200	19,200	14,500	.....	.....	.....
Sinking fund	625	625	442	.....	.....	.....
Cash	10,372	29,631	45,324	138,085	77,106	80,310
Accounts receivable	17,237	18,993	10,671	5,482	7,871	3,811
Materials and supplies	7,459	7,739	5,850	7,816	7,043	10,184
Other current assets	5,642	.....	.....	.....	4,796	25,122
Deferred debits	4,155	6,343	6,774	3,333	2,947	3,653
Bond interest account	24,928	24,008	23,320	.....	.....	.....
Pay roll deposit account	8,474	8,998	5,000	.....	.....	.....
Reserve funds	50,435	60,978	66,475	.....	69,633	.....
Total	$2,093,849	$2,089,005	$2,086,305	$2,082,166	$2,091,996	$2,045,280
Liabilities—						
Common stock	$468,800	$468,800	$468,800	$468,800	$468,800	$468,800
Preferred stock	547,000	547,000	547,000	547,000	547,000	547,000
Funded debt	912,600	912,600	912,600	912,600	925,600	937,600
Current accounts	24,534	9,683	15,202	14,626	13,735	11,27
Unpaid matured bond interest	1,432	23,328	23,320	.....	.....	.....
Accruals	36,533	12,542	7,857	.....	.....	.....
Reserve for taxes	.....	.....	9,436	12,956	15,547	9,38
Other reserves	.....	7,367	442	.....	35,251	.....
Funded debt retired through surplus	25,000	25,000	25,000	25,000	12,000	.....
Deferred credit items	.....	.....	.....	22,974	.....	31,293
Depreciation reserve	71,330	46,390	21,450	17,550	13,650	.....
Suspense	1,823	.....	.....	.....	.....	.....
Profit and loss	4,796	36,295	55,198	60,660	60,413	39,92
Total	$2,093,849	$2,089,005	$2,086,305	$2,082,166	$2,091,996	$2,045,28

Officers: C. F. Holmes, Pres. & Gen. Mgr.; W. H. Holmes, V-P., Kansas City, Mo.; McCabe Moore, Treas.; C. Goelitzer, Sec. & Aud.; W. E. Barnhart, Asst. Gen. Mgr. & Pur. Agt., Kansas City, Kan.

Directors: P. T. White, Cleveland, Ohio; C. F. Holmes, W. H. Holmes, H. M. Langworthy, Kansas City, Mo.; McCabe Moore, P. W. Goebel, Kansas City, Kan.; E. D. Lysle, Leavenworth, Kan.

Office, Kansas City, Kan.

INTERNATIONAL RAILWAY COMPANY

History—Incorporated Feb. 20, 1902, in N. Y.; consolidation of a number of smaller companies (see Manual for 1910, page 1778). In 1912 the Electric City Ry. was merged and in 1913 the Crosstown Street Ry. was also merged with the International Ry. Co. (see Manual for 1912, page 1841). A plan of reorganization was adopted by Protective Committee for International Traction Co. Collateral Trust 4% bonds —see details in 1923 Public Utility Manual, page 705.

Franchises—The majority of the franchises under which the roads operate in Buffalo are practically perpetual, and none in Buffalo or other cities and towns have an unexpired term of less than 40 years (from 1906) with the exception of the Fillmore Avenue franchise for an extension of 6½ miles on the east side in the city of Buffalo and parts of certain other streets, which is limited to 25 years.

Mileage—The company owns a complete system of urban and interurban electric railways comprising about 408 miles of single track operating in and between the cities of Buffalo, Niagara Falls, Lockport, North Tonawanda and Tonawanda, and connecting the village of Depew and Lancaster with Buffalo. Of this mileage 234 miles are in the City of Buffalo. It also owns the **Park and River Electric Ry.** (Canada), which traverses the entire length of the Queen Victoria Niagara Falls Park and is connected with the American trolley system by tracks over the steel Arch Bridge at Niagara Falls and the Suspension Bridge between Queenston, Ontario, and Lewiston, N. Y. Through a traffic agreement with the Niagara Gorge R. R., cars of the International Ry. operate over its eight miles. Company operates a high-speed interurban line, located entirely on private right-of-way, for express service between Buffalo and Niagara Falls, a distance of approximately 16 miles.

Company's subsidiary, the International Bus Corp. operates bus lines in the City of Buffalo, also between Buffalo and Niagara Falls, N. Y. and from Tonawanda to the Buffalo city line and between Kenmore and Tonawanda.

Equipment—Passenger cars, 885; service cars, 168; electric locomotives, 3—total, all cars, 1,056. Car stations, 6. Sub-stations, 12. Power furnished by the Niagara Falls Power Co., Buffalo, General Electric Co., and Tonawanda Power Co.

Fare Increase—Company was granted permission June 8, 1927, by the New York Public Service Commission to increase its fare from 8 cents to 10 cents, with three tokens for 25 cents, effective July 1, 1927.

CAPITAL STOCK

Authorized, 175,000 shares Common of no par value (changed from $100 par value Feb. 23, 1928) and $2,000,000 7% cumulative Pfd., par $100; outstanding, March 1, 1928, 167,075 shares Common.

Subscription Privilege—Common stockholders of record February 29, 1928 received the right to subscribe to $2,000,000 7% Pfd. stock at $100 per share in the ratio of 1 share of Pfd. for each 8 35/100 shares of Common held. Right to subscribe expired March 1, 1928.

Preferred Stock Provisions—Pfd. stock has preference for cumulative dividends and in the event of liquidation, either voluntary or involuntary, to assets to the extent of par and accrued dividends. It is subject to call as a whole or in part on 30 days' notice at par and accrued dividends. Without the consent of holders of the Pfd. stock, the Company cannot create any class of stock having priority over this Pfd. stock except for the purpose of acquiring or retiring securities having prior claim upon the earnings of the company. Pfd. stock has no voting rights except in the event of default in two semi-annual dividend payments, in which event the rights shall continue until all dividends have been paid in full.

Voting Trust—The capital stock of the Company is held in a voting trust expiring January 15, 1936. Voting Trustees; Nelson Robinson, New York City; Carl J. Weber, Buffalo, N. Y., and Coleman J. Joyce, Philadelphia.

Annual Meeting—Last Tuesday in March.

Price Range—

Voting Trust Certificates—	1927	1926	1925	1924
High	31⅞	32	25½	19½
Low	24½	28½ bid		bid

Dividends—None paid.

FUNDED DEBT

(1)

$566,000 BUFFALO RAILWAY COMPANY FIRST CONSOLIDATED GOLD 5s; DUE FEBRUARY 1, 1931

Dated February 1, 1891.

Interest Payable February and August 1, at Company's office, Buffalo, at office of E. W. Clark & Co., Philadelphia, and at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered, and registered, $1,000.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $5,000,000 of which $434,000 acquired by sinking fund under International Ry. Refunding & Improvement 5% Mortgage, leaving $4,566,000 in hands of the public.

Security—Assumed by International Ry. Co. Secured by first (closed) mortgage on all the trackage which was owned and operated by The Buffalo Street R. R. Co., The Buffalo East Side Street Ry. Co., The West Side Street Railway Co., and sundry other streets in Buffalo, N. Y. This issue covers approximately 39.44 miles of road, an equivalent of 75.97 miles of track and is a direct lien upon the tracks in the following streets (or parts thereof) the most important of which are as follows: Main, Niagara, Genesee, Broadway, Clinton, Exchange, Forest, West Ferry, and others, also covers the sub-station and power house on Niagara Street near School. Additionally secured by pledge of $350,000 Crosstown Street Railway First Mortgage Gold 5s of 1932. Underlies $15,472,200 International Ry. Co. Refunding & Improvement 5s of 1962, under which bonds are reserved to retire this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	87	86	84½	82½	88
Low	82½	82	80	79½	78½

(2)

$2,398,000 CROSSTOWN STREET RAILWAY CO. OF BUFFALO FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1932

Dated May 2, 1892.

Interest Payable May and November 1, at Chatham Phenix National Bank & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized, closed. Issued, $2,974,000, of which $226,000 have been acquired by sinking fund under International Ry. Refunding & Improvement 5s of 1962, and $350,000 are owned by International Ry. and pledged by it under Buffalo Ry. Co. First Consolidated 5s of 1932, leaving $2,398,000 in hands of the public.

Security—Assumed by International Ry. Co. Secured by a first (closed) mortgage on approximately 52.28 miles of road, an equivalent of about 110.83 miles of track, in Buffalo, N. Y. This mortgage covers tracks in the streets, (or parts thereof) the most important of which are as follows: Seneca, Elk, Abbott, William, Sycamore, Main Hertel, Tonawanda, Military, Grant, Normal, Michigan, Masten, Kensington and others. Underlies the International Ry. Co. Refunding & Improvement 5s of 1962, sufficient of which are reserved to retire this issue.

Tax Provisons—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	*84	84½	80	81¼	88
Low	*80	82	bid	bid	76

*High and low bid prices.

(3)

$60,000 TONAWANDA STREET RY. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1912, BUT EXTENDED TO JULY 1, 1922, AND AGAIN TO JANUARY 1, 1926; NOW HELD ON CALL

Dated July 1, 1892.

Interest Payable January and July 1, at Company's office, Buffalo, N. Y.

Denomination—$1,000.

Trustee—Guaranty Trust Co., New York.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$488,000 NIAGARA FALLS & SUSPENSION BRIDGE RY. FIRST MORTGAGE 6s; DUE JULY 1, 1903, BUT EXTENDED TO JULY 1, 1913, THEN TO JULY 1, 1923, AND AGAIN TO JANUARY 1, 1926; NOW HELD ON CALL

Dated July 1, 1893.

Interest Payable January and July 1, at Company's office, Buffalo, N. Y.

Trustee—Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(5)

$12,000 NIAGARA FALLS, WHIRLPOOL & NORTHERN RY. (ENTIRE ISSUE) FIRST MORTGAGE 6s; DUE JULY 1, 1903, BUT EXTENDED TO JULY 1, 1913, THEN TO JULY 1, 1923, AND AGAIN TO JANUARY 1, 1926; NOW HELD ON CALL

Dated July 24, 1894.

Interest Payable January and July 1, at Company's office, Buffalo, N. Y.

Denomination—$1,000.

Trustee—Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y.

(6)

$40,000 TONAWANDA ELECTRIC R. R. (ENTIRE ISSUE) FIRST MORTGAGE 4s (NOW 6s); DUE APRIL 1, 1917, BUT EXTENDED AS 6s TO APRIL 1, 1927; NOW HELD ON CALL

Dated April 1, 1895.

Interest Payable April and October 1, at Company's office, Buffalo, N. Y.

Trustee—H. G. Tulley, Philadelphia, Pa.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(7)

$418,000 BUFFALO & NIAGARA FALLS ELECTRIC RY. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1935

Dated June 15, 1895.

Interest Payable January and July 1, at Bankers Trust Co., New York, Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $750,000, of which $328,000 reacquired and cancelled, and $4,000 acquired by sinking fund under International Ry. Refunding and Improvement 5% Mortgage, leaving $418,000 in hands of the public.

Security—A first lien on 7.93 miles of single track formerly owned by Company. Assumed by International Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	80	78	82¾	83	88
Low	ask	70	79	72	72

(8)

$50,000 NIAGARA FALLS SUSPENSION BRIDGE & CLIFTON SUSPENSION BRIDGE CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; PAID OFF AT MATURITY, JANUARY 1, 1928

(9)

$492,000 BUFFALO & LOCKPORT RY. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1938

Dated May 26, 1898.

Interest Payable January and July 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized and issued, $500,000 of which $8,000 deposited in lieu of mortgaged property sold.

Security—A first lien on about 41.70 miles of track. Assumed by International Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923
High	64	71½	70½	70	81
Low	bid	68	65	60	65

(10)

$65,000 LEWISTON CONNECTING BRIDGE CO. & QUEENSTON HEIGHTS BRIDGE CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1928

Dated August 1, 1898.

Interest Payable April and October 1, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Toronto General Trusts Co., Toronto, Ont.

Provisions of Issue—Authorized and issued, $125,000 of which $60,000 acquired by sinking fund under International Railway Co. Refunding and Improvement 5% Mortgage, leaving $65,000 in hands of the public.

Security—A first lien on bridge over Niagara River from Lewiston, N. Y., to Queenston, Ontario. Assumed by International Ry. Co. Underlies International Ry. Co. Refunding & Improvement 5s of 1962, sufficient of which are reserved to retire this issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(11)

$673,000 BUFFALO TRACTION CO. (ENTIRE ISSUE) FIRST MORTGAGE 5s; DUE DECEMBER 1, 1948

Dated December 1, 1898.

Interest Payable June and December 1, at Chatham Phenix National Bank and Trust Co., New York, Trustee.

Denomination—Coupon, $1,000.

Security—A first lien on property of former Buffalo Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	65	73	75½	74	83
Low	bid	65	70	68	67

(12)

$15,472,200 INTERNATIONAL RAILWAY CO. REFUNDING & IMPROVEMENT MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1962

Dated November 1, 1912.

Interest Payable May and November 1, at Bankers Trust Co., New York.

Denominations—Coupon (principal may be registered), $100 and $1,000; and registered, $1,000 and multiples; interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $60,000,000; issued, $18,275,000, of which $2,764,800 acquired by sinking fund under International Ry. Refunding & Improvement 5% Mortgage and $38,000 held in treasury of International Railway Co., leaving $15,472,200 outstanding in hands of public.

Of the $41,725,000 unissued bonds sufficient are reserved to retire prior liens, and the remaining bonds may be issued only for additions, improvements and car trust payments, with the consent of the Public Service Commission and then only when the net earnings of the property for a period of twelve consecutive months within the preceding fourteen months, after making liberal allowance for maintenance and depreciation, have been at least one and one-half times the annual interest charge on all bonds outstanding, including those proposed to be issued.

Callability—Subject to call as a whole or in part a 110 and interest on any interest date upon at least 6 weeks' notice.

Sinking Fund—The indenture provides for payments to the sinking fund, as follows: On Dec. 31 1912, $25,000; from Dec. 31, 1913, to 1917, inclusive, $100,000 annually; from Dec. 31, 1918, to 1927 inclusive, $150,000 annually; from Dec. 31, 1928, to 1948, inclusive, $200,000 annually. These sums of money shall constitute a sinking fund for the payment of prior lien bonds and for the payment of an amount of bonds issued under this indenture equal to the amount thereof that may be issued to pay or to retire the said prior lien bonds. Money in the sinking fund shall be applied to the purchase of prior lien bonds and bonds of this issue at not exceeding par and interest. If not so purchasable the sinking fund shall be invested by the trustee in bonds legal for savings banks in New York, New Jersey or Connecticut. All bonds purchased for the sinking fund shall be held alive and shall continue to bear interest for the benefit of the fund.

Security—Secured by a mortgage on 402 miles of single track of which 234 miles are in Buffalo, and by a mortgage upon the remainder of the Company's property, subject to the divisional bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Philbin, Beekman, Menken & Griscom, New York.

Original Offering—First publicly offered ($3,832,000) in Jan., 1913, at 97½ and interest, by Bertron, Griscom & Co., New York; and Perry, Coffin & Burr, Boston.

Price Range—

	1927	1926	1925	1924	1923
High	65¼	72	66¼	61	58¼
Low	59	61½	58	49	49

(13)

REAL ESTATE MORTGAGES

There were outstanding at Dec. 31, 1927, $33,082 6% Real Estate Mortgages.

DETAILED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	†1922
Passenger revenue	$10,006,591	$10,284,382	$10,357,800	$9,933,923	$9,468,124	$7,011,087
Other revenue	355,773	365,990	337,895	342,407	327,062	296,123
Operating revenue	$10,362,364	$10,650,372	$10,695,695	$10,276,330	$9,795,186	$7,307,210
Way and structures, equipment and power:						
Maintenance	1,545,790	1,571,709	1,505,072	1,647,992	1,144,071	1,500,000
*Depreciation and renewals	1,016,000	1,016,000	1,016,000	1,016,000	1,016,000	1,016,000
Total	$2,561,790	$2,587,709	$2,521,072	$2,663,992	$2,160,071	$2,516,000
Power operation	618,574	648,086	634,891	646,057	613,972	590,828
Conducting transportation	2,778,973	2,999,942	3,235,793	3,421,455	3,664,682	3,813,750
General and miscellaneous	2,212,214	2,216,135	2,303,642	2,079,198	2,178,696	2,539,687
Taxes	741,919	741,405	712,704	698,643	676,485	584,389
Operating expenses and taxes	$8,913,470	$9,193,277	$9,408,102	$9,509,345	$9,293,906	$10,044,654
Operating income	$1,448,894	$1,457,095	$1,287,593	$766,985	$501,280	‡$2,737,444
Non-operating income	73,247	49,799	48,094	46,226	44,721	91,557
Gross income	$1,522,141	$1,506,894	$1,335,687	$813,210	$546,001	‡$2,645,887
Deductions:						
Interest	$1,326,709	$1,363,017	$1,434,944	$1,362,781	$1,448,766	$1,406,911
Rentals, etc.	46,223	46,131	61,962	52,466	56,221	50,038
Amortization of discount	49,063	49,136	49,136	64,477	68,252	69,010
Total deductions	$1,421,995	$1,458,284	$1,546,042	$1,479,724	$1,573,239	$1,525,959
Deficit for year	§$100,146	§$48,610	$210,355	$666,513	$1,027,238	$4,171,846

*The formula for depreciation and renewals adopted by the Public Service Commission, when granting the 7 ct. cash fare, tickets for 25 cts., for the City of Buffalo, represents an annual charge of $1,016,000. †The strike loss was $4,107,515 for the six months to Dec. 31, 1922. ‡Deficit. §Surplus.

CONDENSED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$10,435,612	10,700,171	$10,743,789	$10,322,556	$9,839,907	$7,398,767
Operating expenses and taxes	8,913,471	9,193,277	9,408,102	9,509,345	9,293,906	10,044,654
Net earnings	$1,522,141	$1,506,894	$1,335,687	$813,211	$546,001	‡$2,645,887
Fixed charges	1,421,995	1,458,284	1,546,042	1,479,724	1,573,239	1,525,959
Deficit after charges	†$100,146	†$48,610	$210,355	$666,513	$1,027,238	$4,171,846
Times Fixed Charges Earned	1.07	1.03	0.86	0.54	0.35	Nil
Earnings Per Share	$0.59	$0.29	Nil	Nil	Nil	Nil

*Including other income. †Surplus. ‡Debit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment and investments	$41,490,720	$41,869,867	$42,191,749	$42,774,576	$43,533,088	$43,867,190
Cash	906,655	523,960	535,880	157,663	512,683	754,578
Material and supplies, accounts receivable, etc.	1,013,718	841,389	734,412	657,709	673,537	1,143,945
Unamortized discount, etc. on bonds sold	1,420,108	1,469,026	.....	.....	.....	.....
Prepayments and unadjusted debits	255,867	282,392	7,764,952	7,632,747	7,128,787	6,148,142
Unamortized strike suspense	6,011,621	6,011,621	.....	.....	.....	.....
Total	$51,098,689	$50,998,256	$51,226,993	$51,222,695	$51,848,095	$51,913,855
Liabilities—						
Capital stock	$16,707,500	$16,707,500	$16,707,500	$16,707,500	$16,707,500	$16,707,500
Funded debt	28,902,082	29,367,082	29,367,082	29,603,582	29,633,582	29,671,582
Less reacquired by sinking funds, etc.	4,134,800	3,974,300	3,738,800	3,768,800	3,036,800	2,829,800
Balance	$24,767,282	$25,392,782	$25,628,282	$25,834,782	$26,596,782	$26,841,782
Notes payable	750,000	750,000	1,000,000	2,534,500	2,534,500	2,672,000
Accounts payable, accrued interest and other current liabilities	858,399	776,385	927,636	1,092,499	1,139,166	1,136,954
Reserve for depreciation and renewals	4,814,889	4,279,360	3,736,166	3,004,583	2,544,602	1,773,179
Reserve for accidents and damages	900,954	921,737	970,976	1,011,109	1,000,484	881,859
Accrued taxes, unadjusted credits, etc.	452,008	432,637	425,256	551,581	644,556	1,033,955
Surplus	1,847,657	1,737,855	1,831,177	486,141	680,505	866,625
Total	$51,098,689	$50,998,256	$51,226,993	$51,222,695	$51,848,095	$51,913,855

Officers: B. J. Yungbluth, Pres. & Gen. Mgr.; N. F. Brown, V-P.; L. Spraggon, Asst. to Pres.; C. A. Weber, Sec. & Treas.; C. A. Chavel, Aud.; Frank M. Storm, Asst. Aud.; E. W. Holmes, Asst. Sec. & Asst. Treas., Buffalo, N. Y.

Executive Committee: J. A. Queeney, Chairman; B. J. Yungbluth, A. A. Mitten.

Directors: A. A. Mitten, Chairman; J. A. Queeney, V-Chrm.; C. J. Joyce, A. A. Mitten, Nelson Robinson, H. G. Tulley, B. J. Yungbluth, H. P. Lesswing, W. E. Murphy.

General Office, 210 Pearl Street, Buffalo, N. Y.

THE STAR TELEPHONE CO.

History—Incorporated in 1925 and on July 31, 1926, purchased the property and assets of The Star Telephone Co. incorporated Dec. 31, 1898 in Ohio. The latter company was a consolidation of The Peoples Telephone Co. and The Wadsworth General Electric Co. Franchises, mostly perpetual. No. of exchanges, 12. No. of telephone, 8,500. Prices, $5.00 to $2.00 per month.

CAPITAL STOCK

Outstanding, $900,000 Common; no further details available. Annual meeting, third Tuesday in February.

Dividends—Dividends paid on stock of predecessor company as follows: 1908 to 1912, 6%; 1913, 1914, 1915 and 1916, 5%; 1917 to 1921, 6%; 1922, 6½%; 1923, 7%; 1924 and 1925, 8% each; 1926, 3½%. None paid on stock of present Company.

FUNDED DEBT

$9,000 First 6s; due $2,000 annually; int. April and Oct. 1, at Farmers' Bank, Ashland, Ohio. Authorized issue, $50,000. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, STATED PERIODS

	†12 Mos. to Dec. 31, 1927	†Aug. 1, to Dec. 31, 1926	*Jan. 1, to July 31, 1926
Gross earnings	§$76,837	$85,823	$126,080
Oper. exp., taxes & depre..	¶21,560	90,180	97,312
Net earnings	$55,277	‡$4,357	$28,768
Other income	1,510	414	580
Total income	$56,787	‡$3,943	$29,348
Interest charges	4,430	1,767	3,163
Other deductions	2,065	797	656
Total charges	$6,495	$2,564	$3,819
Balance for dividends	50,292	‡6,507	25,529
Dividends paid	.....	.....	10,580
Surplus for year	$50,292	‡$6,507	$14,949

*Predecessor Company. †Present Company. ‡Deficit.
§Net operating revenue. ¶Taxes and depreciation only.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	*1925
Fixed capital	$1,046,500	$1,000,463	$666,134
Materials and supplies	27,569	25,358	2,218
Cash	5,876	3,851	13,888
Other current assets	18,112	19,010	528
Deferred debits	1,412	3,116	650
Unadjusted debits	.....	700	.....
Profit and loss deficit	.....	5,507	.....
Total	$1,099,469	$1,058,005	$683,418
Liabilities—			
Capital stock	$900,000	$900,000	$300,000
Funded debt	9,000	11,000	13,000
Premium on capital stock	1,000	.....	.....
Notes and accounts payable	85,670	64,925	57,570
Current liabilities	2,556	50,413	13,601
Reserve for taxes	19,375	13,055	13,107
Deferred credits	1,211	4,691	.....
Reserve for depreciation	36,872	13,921	130,487
Profit and loss	43,785	.....	155,653
Total	$1,099,469	$1,058,005	$683,418

*Predecessor company.

Officers: S. H. Grabill, Pres. and Chrm. of Board; C. R. Freer, V-P.; Chas. W. Good, Sec. & Gen. Mgr., Geo. R. Freer, Treas., Ashland, O.

Directors: H. W. Guth, C. R. Freer, S. H. Grabill, C. W. Landis, E. E. Brown, Ashland, O.; J. H. Rickard, Wadsworth, O.; Chas. Rowland, Lodi, O.

General Office, Ashland, O.

CUMBERLAND COUNTY GAS COMPANY

History and Property—Incorporated Jan. 1, 1917, in N. J.; consolidation of Millville Gas Light Co., Citizens Gas Co. of Vineland, Citizens Gas Co. of Landis Township, Pittsgrove Gas Co., Lawrence Gas Co., Deerfield Gas Co., Fairfield Gas Co., Maurice River Gas Co., Commercial Gas Co. and Downe Township Gas Co. Property consists of gas plant in Millville, N. J., and distribution mains in all of Cumberland County and part of Salem and Atlantic Counties. Population served, 65,000. Franchises expire 1960. Miles of mains, 214.98. No. of meters, 10,000. Annual output about 250,000,000 cu. ft. gas. Gas sold during 1927, 192,700,000 cu. ft., compared with 189,000,000 cu. ft. in 1926.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. Annual meeting, first Monday in April.

Dividends—Dividends of 4% per annum declare in 1915, 1916, 1917 and 1918; none paid since.

FUNDED DEBT

$286,500 Millville Gas Light Co. First Gold 5s dated Feb. 1, 1910; due Feb. 1, 1930; int. Feb. an Aug. 1. Authorized, $500,000; issued, $433,300, which $146,800 have been reacquired by Compan leaving $286,500 outstanding at Dec. 31, 1924. A firs lien on entire property.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross earnings	$380,618	$374,677	$364,8
Oper. exp., taxes., depr., etc.	311,948	309,895	289,7
Net earnings	$68,670	$64,782	$75,0
Other income	937	1,106	5
Total income	$69,607	$65,888	$75,5
Interest charges	42,517	42,188	46,0
Rent of gas holders	20,700	18,000	16,5
Surplus for year	$6,390	$5,700	$13,0

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,290,625	$1,260,019	$1,229,4
Construc. work in progress	2,772	2,909	3,1
Miscellaneous investment	1,600	1,600	1,6
Materials and supplies	26,253	15,743	13,5
Cash	4,889	15,264	10,6
Consumers' accts. receiv.	10,330	7,532	8,8
Other accounts receivable	2	2	
Prepayments	15,511	20,776	24,6
Reacquired securities	146,800	146,800	146,8
Profit and loss deficit	.....	883	6,5
Total	$1,498,782	$1,471,528	$1,445,3
Liabilities—			
Capital stock	$200,000	$200,000	$200,0
Funded debt	433,300	433,300	433,3
Loans & notes payable	430,318	401,385	370,8
Consumers' deposits	802	457	3
Accounts payable	35,434	65,545	85,5
Interest accrued	36,318	34,050	31,5
Unpaid divds. declared	46,712	47,384	47,4
Accrued amort. of capital	263,068	247,128	238,3
Other reserves	47,323	42,279	37,9
Profit and loss surplus	5,507	.....	
Total	$1,498,782	$1,471,528	$1,445,3

Officers: W. R. Goodwin, Pres.; Wm. C. Bue Gen. Mgr., Millville, N. J.; Walter Wood, Trea Philadelphia, Pa.; Chas. M. Nixon, Sec., Millvil N. J.

Directors: Walter Wood, S. P. Hazard, E. J. Lan Philadelphia, Pa.; Wm. C. Buell, Walter Owen, R. Goodwin, Millville, N. J.

General Office, Millville, N. J.

CRESTON GAS & ELECTRIC CO.

History—Incorporated in Oct., 1892, in Iowa. A sorbed Creston Gas & Electric Light Co. and Peopl Elec. Light & Power Co. Franchise expires in 19 Population served about 8,200. Miles of mains, Output of gas in 1927, 27,250,000 cu. ft., compar with 25,500,000 cu. ft. in 1926 and 22,000,000 cu. ft. 1925. Price, light and fuel, gross, $2.00; net, $1. Special industrial rates for large consumption. No. meters, 1,150. No. of gas stoves, 1,100; heaters, 1 water heaters, 300.

CAPITAL STOCK

Outstanding, $100,000 Common and $15,600 7 Pfd.; par, $100. Annual meeting, second Wednesd in Oct., at Creston, Ia. Pfd. dividends are pa quarterly J, A, J & O 1. On Common 6% each pa in 1926 and 1927.

FUNDED DEBT

$124,000 First Gold 6s; dated Dec. 1, 1916; d Dec. 1, 1931; int. June and Dec. 1, at Central Tru Co. of Illinois, Trustee. Coupon, $500; principal m be registered. Authorized, $150,000. Subject to c on any interest date at 103 and interest. Sinki fund, began Dec. 1, 1919, 3% of gross earnings. first lien on entire property. Company pays Norm Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$61,206	$54,682	$52,732
Operating exp. and taxes	37,650	37,041	37,605
Depreciation	10,336	6,671	1,500
Net earnings	$13,220	$10,970	$13,628
Bond interest	7,589	7,589	7,589
Other interest	493	434	535
Rentals	520	543	480
Total charges	$8,602	$8,566	$8,604
Balance for dividends	$4,618	$2,403	$5,024
Pfd. dividends paid	1,092	814	939
Common dividends paid	6,000	.....	.....
Surplus for year	*$2,474	$1,589	$4,085

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Property account	$256,173	$253,873	$250,850
Stocks owned	200	200	200
Materials and supplies	4,381	2,460	2,639
Cash	7,933	1,814	497
Accounts receivable	3,351	3,186	5,784
Other current assets	.....	3,470	3,820
Deferred debit items	9,150	9,150	6,433
Total	$281,188	$274,153	$270,224
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Preferred stock	15,600	15,500	12,650
Partial paymt. on Pfd. stock	48	.....	.....
Funded debt	122,418	122,418	124,000
Notes payable	2,500	4,500	4,450
Accounts payable	2,292	2,025	9,696
Interest etc. accrued	1,572	1,221	1,443
Unadjusted credits	.....	148	670
Reserve for depreciation	23,185	13,038	6,366
Appropriated surplus	9,527	12,899	6,220
Profit and loss surplus	4,046	2,403	4,728
Total	$281,188	$274,153	$270,224

Officers: George L. Miller, Pres.; O. T. Conrad, Vice-P., Carroll, Ia.; C. V. Englund, Sec., Treas., Gen. Mgr., Supt. & Pur. Agt., Creston, Ia.

Directors: George L. Miller, Carroll, Ia.; C. V. Englund, Creston, Ia.; O. T. Conrad, Carroll, Ia.

General Office, Creston, Ia.

OSLO GAS AND ELECTRICITY WORKS

(Oslo Gas og Elektricitetsverker)

History and Business—Organized October 14, 1920, by resolution of the Municipal Council of the City of Oslo, approved by the Royal Norwegian Government, for the purpose of combining under one management the gas and electric producing and distributing systems formerly operated by the Municipal government. The Works has a governmental monopoly of the gas and electric business in the City of Oslo, serving a population estimated at 260,000.

The electric generating plants operated by the Works have an aggregate installed capacity of approximately 101,000 horse-power, of which approximately 90% is hydro-electric. Such plants are as follows: Solbergfos Hydro-Electric Station, 80,000 h.p.; Hammeranlegget Hydro-Electric Station, 7,000 h.p.; Oslo Steam Generating Station, 14,000 h.p.—total 101,000 h.p.

The City of Oslo owns outright the Hammeranlegget hydro-electric and the Oslo steam generating stations, and controls the Solbergfos Station, owned jointly by the City and the Norwegian Government in the proportion of two-thirds to the City and one-third to the Government. In addition, the City owns outright four well located water-power sites which have been estimated as being capable of development to an ultimate capacity of 272,000 horse-power. The Works now obtains a part of its supply of electric energy from four other hydro-electric plants under favorable contracts which provide for the purchase of up to 54,000 kw. The plants operated by the Works, being municipally owned, are not subject to the Norway Concession Law, and are therefore not liable for payment of royalties to, nor to ultimate recapture by the Norwegian Government.

The electric distribution system includes eight principal sub-stations, and transmission and distributing lines having a total circuit length of 2,220 miles. The gas properties operated by the Works comprise plants having a total generating capacity of 2,450,000 cubic feet per day, gas-holders having an aggregate capacity of 2,540,000 cubic feet and 133 miles of street mains (service pipe not included).

Sales of electricity have increased from 170,650,000 k.w.h. in 1922 to 379,185,000 k.w.h. in 1927 and the maximum load from 41,650 k.w. to 76,000 k.w. in the same period. Electric energy is sold for domestic and industrial purposes, and for operation of street railways in the City. Such latter sales, however, represent less than 5% of the total electrical output of the Works.

Surplus earnings are disposed of by the City, after deduction of all operating expenses, taxes, interest, depreciation and amortization and after one-fifth of such surplus earnings has been set aside as a reserve fund until such reserve fund is equal to 20% of the book value of the properties operated. Generally surplus earnings are transferred to Works' regulation fund after deduction of amount corresponding to ordinary city income tax.

Rates for the sale of gas and electricity are regulated by Municipal authority to the end that the revenues of the Works shall be at least adequate to cover all operating expenses, interest and amortization of loans, depreciation and other proper charges.

CAPITAL STOCK

There is no share capital.

FUNDED DEBT

(1)

$6,000,000 5% EXTERNAL SINKING FUND GOLD BONDS; DUE MARCH 1, 1963

Dated March 1, 1928.

Interest Payable March and September 1 at New York office of White, Weld & Co., Fiscal Agent, in U. S. gold coin.

Denomination—Coupon, $1,000; principal may be registered.

Fiscal Agent—White, Weld & Co., New York.

Provisions of Issue—Authorized and outstanding, $6,000,000.

Purpose of Issue—The proceeds of this issue were to be used primarily to retire approximately $5,500,000 (Kr. 20,513,000) of outstanding 6% krone bonds of the Works.

Callability—Subject to call as a whole or in part by lot at par and interest on March 1, 1938, or any interest date thereafter, upon 60 days' notice.

Sinking Fund—The Agreement under which these bonds are issued provides for payment by the Works as and for a sinking fund for the redemption of bonds at the redemption price of 100 and accrued interest semi-annually on each March 1 and September 1, beginning March 1, 1929, of an amount sufficient to redeem $87,000 principal amount of bonds, with the right in the works to deliver to the Fiscal Agent for cancellation bonds of this issue at the principal amount thereof in lieu of cash. The sinking fund is calculated to retire all of the bonds by maturity.

Security—These bonds are the direct obligation of Oslo Gas and Electricity Works.

Guaranty—Unconditionally guaranteed,, principal, interest and sinking fund, by the City of Oslo, Norway.

Tax Provision—Interest is payable without deduction for any Norwegian taxes, present or future.

Legal Opinion—Cotton & Franklin, New York: also Norwegian counsel.

Original Offering—First publicly offered ($6,000,000) in February, 1928, at 95¼ and interest, to yield 5.30% by White, Weld & Co., Lee, Higginson & Co. and Old Colony Corp., New York, etc.

(2)

Total funded debt of the Works, as of December 31, 1927, but after giving effect to new financing, was equivalent to $14,122,967, comprising the above issue of $6,000,000 of dollar bonds, $3,469,892 of krone bonds, and $4,653,075 part in the City of Oslo dollar issues of 1925 and 1926. In addition, Works' book debt to City Treasury, redeemable over 25 years, amounts to $11,199,664. All of the funded debt has been contracted for additions and betterments to properties operated by the Works, or to refund obligations issued for such purposes.

EARNINGS

For the five years ended December 31, 1926, net earnings available for interest, depreciation and taxes converted at then current annual average rates of exchange indicated below, have been as follows:

Year	Average Exchange Rate	Gross Revenues	Net Available
1922	$.1750	$3,625,292	$1,267,997
1923	.1667	3,607,228	1,443,530
1924	.1394	2,992,399	1,081,639
1925	.1788	3,890,528	1,671,298
1926	.2233	4,942,585	2,346,340

MANAGEMENT

Operated through a board of directors, a council, a director general and two department managers, all appointed by the City of Oslo. H. Horn, Director General, Oslo, Norway.

General Office, Oslo, Norway.

OSCAR C. WRIGHT CO., INC.

History and Business—Incorporated Oct. 20, 1927, in Kentucky; successor to Oscar C. Wright Co., a partnership. Controls through majority stock ownership, the Kentucky Electric Delevopment Co., Inc., and E. Hayes Redmon Co., Inc.

CAPITAL STOCK

Authorized, 1,250 shares Common of no par value, and $20,000 7% cumulative Preferred of $100 par value; outstanding, 1,155 shares Common and $13,900 Preferred. Preferred stock is subject to redemption at 110 at any time. No dividends declared to March, 1928.

FUNDED DEBT—None.

GENERAL BALANCE SHEET, JANUARY 31, 1928

Assets—	
Projects under development, furniture and fixtures	$1,014
Stocks owned	8,175
Good will	5,000
Cash, notes and accounts receivable	6,488
Other assets	1,059
Total	$21,736
Liabilities—	
Common stock	$3,085
Preferred stock	13,900
Accounts payable	3,515
Surplus	1,236
Total	$21,736

Officers: Oscar C. Wright, Pres.; S. I. M. Major, V-P.; D. W. Fowler, Sec. & Treas., Louisville, Ky.

Directors: Oscar C. Wright, S. I. M. Major, D. W. Fowler, H. Peet, Jr., Louisville, Ky.

General Office, 722 M. E. Taylor Bldg., Louisville, Ky.

KENTUCKY ELECTRIC DEVELOPMENT COMPANY, INC.

(Controlled by Oscar C. Wright Co., Inc.)

History and Property—Incorporated Jan. 21, 1927, in Ky. Furnishes Berry, Boyd, Morgan, Poindexter, Kelat, Robinson, and Bagdad, Ky., with electric light and power. Population served, approximately 1,400. No. of meters, 175. Franchises expire in 1947. Price, 15 cts. per k.w.h. Miles of transmission lines, 25; miles of distribution lines, 12.

CAPITAL STOCK

Authorized, 1,500 shares Common stock of no pa value, and $150,000 6% cumulative Pfd., par, $100; ou standing, 558 shares Common and $35,800 Pfd.

Preferred Stock Provisons—Fully paid and nor assessable. Preferred as to assets and dividends ove Common stock and is callable at 110 and accrued div dends. Exempt from State, County and Municip taxes when held by residents of Kentucky.

Transfer Agent and Registrar—Fidelity & Colun bia Trust Co., Louisville, Ky.

Annual Meeting—In January.

Dividends—Pfd. dividends payable quarterly, J, A J & O 15. No dividends paid on Common.

FUNDED DEBT

None.

INCOME ACCOUNT, TWO MONTHS ENDED DEC. 31, 1927

Gross earnings	$6(
Operating expenses	4
Net earnings	$1(
Other income	1
Total income	$3
Discount allowed	
Net income for period	$3
Discount on Pfd. stock	2,6
Deficit for period	$2,3

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property and equipment	$39,1
Cash	6,5
Notes receivable	3,5
Accounts receivable	32,9
Organization expense	7,3
Deferred debit items	4
Deficit	2,3
Total	$92,3
Liabilities—	
Common stock issued	$14,4
Common stock subscribed	16,1
Preferred stock issued	35,8
Preferred stock subscribed	17,9
Notes payable	4,1
Accounts payable	3,9
Total	$92,3

Officers: Oscar C. Wright, Chairman; Harry Peet, Jr., V-P.; D. W. Fowler, Sec. & Treas., Lou ville, Ky.

Directors: Oscar C. Wright, Harry D. Peet, Jr., W. Fowler, S. I. M. Major, William C. Krauth, Lou ville, Ky.

General Office, 317-20 Breslin Bldg., Louisville, K

SOUTHERN GAS COMPANY

(Controlled by Houston Gas Securities Co.)

History and Properties—Incorporated in Oct., 19 in Del., as Southern Natural Gas Co.; name chang to present title in 1925. Under the Texas statut Southern Gas Company is a gas utility and as su operates by authority and under the protection of t Railroad Commission of Texas. Under a continui contract running 12 years from May 3, 1922, a thereafter until cancelled, the Company has since No 1922, been furnishing natural gas to the San Anto (Texas) Public Service Company which latter is o of the largest subsidiaries of the American Light a Traction Company. The Company furnishes to t San Antonio Public Service Company for its distril tion, gas for domestic, commercial and industrial p poses for San Antonio and adjacent territory and g for the boilers in the electric power plant in San A tonio.

Under a contract with the United States Gove ment, the Company also supplies all gas used by Ke Fields No. 1 and No. 2, by the Air Intermediate De and by Camp Normoyle, all located about two mi from San Antonio.

The Company's physical assets consist of about 2 miles of main trunk lines, exclusive of gathering li

onnecting the gas wells to main trunk lines. The ompany also owns a gas compressor station located n the Gas Ridge Field in Bexar County, Texas, has ights of way easements for the operation of main runk and gathering lines, and also owns land on which ompressor and meter stations are located. The Cole nd Carolina-Tex gas fields, which this line reaches ave since been greatly enlarged, and the Company's ipe lines in that area alone are now actually connected o about 1,500,000,000 cubic feet daily open flow, with robably an additional 500,000,000 cubic feet under ontract or available to its pipe lines in those and other elds.

The development in Medina County (35 miles west f San Antonio) of what apparently is a large gas eld, the bulk of which is controlled by the **Southern as Utilities, Inc.**, a subsidiary, places the Southern as Company in an advantageous position as regards upply.

CAPITAL STOCK

Authorized, 70,000 shares Common of no par value nd $2,000,000 7% cumulative Pfd., par $100; outstanding, 59,137 shares Common and $749,500 Pfd.; 10,863 hares Common are reserved for stock purchase warants.

Dividends—Payments have been made quarterly on fd. stock since April 1, 1926, J, A, J & O 1. None aid on Common to April, 1928.

Annual Meeting—First Tuesday after 15th of January.

FUNDED DEBT

(1)

,623,000 FIRST MORTGAGE SINKING FUND GOLD 6½s; DUE NOVEMBER 1, 1935

Dated November 1, 1925.

Interest Payable May and November 1 at First ational Bank, Kansas City, Mo., at Guaranty Trust o., New York, and at Continental National Bank Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal ay be registered.

Trustee—First National Bank, Kansas City, Mo.

Provisions of Issue—Authorized and issued, $3,000,-0, of which $377,000 retired to Jan. 1, 1928. Proeds were used to defray the cost of construction of w pipe line to Webb County, to retire outstanding % bonds, to liquidate loans incurred in connection ith capital expenditures and for additional working pital.

Callability—Subject to call on any interest date at 5 and interest to November 1, 1930; thereafter to aturity at 102½ and interest.

Sinking Fund—The mortgage provides for sinking nd payments as follows: (a) Beginning Nov. 1, 1925, Nov. 1, 1926, a sum equal to 25% of the net earnings ter payment of interest and preferred stock dividends ch sinking fund payments to be deposited monthly ith the Trustee. (b) Beginning Nov. 1, 1926, and ereafter until all of the bonds have been retired 25,000 per annum payable semi-annually, plus a sum ual to 20% of the net earnings after payment of terest and preferred stock dividends, such latter nking fund payments to be deposited monthly with e Trustee. The sinking fund money is to be used r purchasing and cancelling bonds at prices tendered the Trustee at or below the redemption price or r calling semi-annually by lot on any interest date 1 60 days' published notice at the redemption price ntil the sinking fund monies are exhausted.

Security—These bonds are secured by a first mortge upon the following and by a first mortgage on l property heerafter acquired: Over 220 miles of ain trunk lines, approximately 55 miles of connectg lines; gas compressor station; rights of way; land n which compressor and meter stations are located; is rights on approximately 100,000 acres; rights of ompany under a contract for operation of a 38 mile trunk line; sales contracts with San Antonio Public Service Co. and the United States Government.

Stock Purchase Warrants—Each bond carries a detachable Stock Purchase Warrant entitling the holder thereof to purchase one-half share of Southern Gas Com. stock for each $100 par value or equivalent thereof, at $25 per share from November 1, 1925, to October 31, 1926; at $30 per share thereafter to and including November 1, 1927; at $35 per share thereafter to and including November 1, 1928; at $40 per share thereafter to and including November 1, 1929; and at $45 per share thereafter to and including November 1, 1930.

Tax Provisions—Company pays Normal Federal Income Tax and agrees to refund upon application within 60 days after payment, the Pennsylvania and Connecticut Personal Property Taxes, not exceeding 4 mills annually; and the Massachusetts Income Tax not exceeding 6% per annum on income derived from the bonds.

Legal Opinion—Kennon & Kennon, San Antonio, Texas (for the Company) and Chapman, Cutler & Parker, Chicago, Ill. (for the Bankers).

Original Offering—First publicly offered ($3,000,000 with detachable stock purchase warrants) in November, 1925, at 98½ and interest, to yield 6.70%, by G. E. Barrett Co., Inc., and Frederick Peirce & Co., New York and R. E. Wilsey & Co., Inc., Chicago.

Price Range—

	1927	1926	1925
High	112	103½	100
Low	101¾	95	98½

(2)

$1,179,000 10-YEAR 6½% SINKING FUND GOLD DEBENTURE BONDS, SERIES "A"; DUE OCTOBER 1, 1936.

Dated October 1, 1926.

Interest Payable April and October 1, at The First National Bank of Kansas City (Mo.), Guaranty Trust Company of New York and Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—First National Bank of Kansas City (Mo.).

Provisions of Issue—Authorized issue not limited to any specific principal amount; issued, $1,290,000 Series "A" 6½s, of which $111,000 retired by sinking fund to Jan. 1, 1928. Additional series of debenture bonds can be issued only under restrictions for the purpose of refunding First Mortgage bonds of Company, or bonds issued under this Agreement, par for par, or on account of capital expenditures, as defined, not to exceed 75% of amount of such expenditures and then only when net earnings, available for interest on Debenture bonds, after deducting: (a) Annual interest requirements on the then outstanding First Mortgage bonds; (b) annual fixed sinking fund of $225,000 to retire First Mortgage bonds, shall be at least 3 times annual interest requirements on the then outstanding Debenture bonds, including those to be issued.

Purpose of Issue—Proceeds used for capital expenditures, including extension of the system and for other corporate purposes.

Callability—Subject to call on any interest date at 105 and interest to Oct. 1, 1931; thereafter to maturity at 102½ and accrued interest.

Sinking Fund—Company agrees to deposit with Trustee on the 20th day of each month beginning Jan. 20, 1927, the sum of $10,000, to be used for purchasing and cancelling Debenture bonds of this Series "A" issue at prices tendered to the Trustee at or below redemption price, or for calling semi-annually by lot on any interest date on 60 days' published notice at the redemption price until sinking fund monies are exhausted.

Security—These Debenture bonds are a direct obligation of the Company and are subject only to the outstanding First Mortgage bonds. The Trust Agreement provided that the Company may not create any

new mortgage liens (excepting purchase money liens on properties acquired) without equally securing these Debenture bonds.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania and Connecticut Personal Property taxes not exceeding four mills annually and Massachusetts Income tax not exceeding 6% per annum on the interest, refundable.

Legal Opinion—Chapman, Cutler & Parker, Chicago (for the Bankers) and Kennon & Kennon, San Antonio, Texas (for the Company).

Original Offering—First publicly offered ($1,200,000, Series "A") in October, 1926, at 97½ and interest, to yield about 6.85%, by G. E. Barrett & Co., Inc., New York, etc.; R. E. Wilsey & Co., Inc., Chicago and Frederick Peirce & Co., Philadelphia, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$1,154,801	$1,052,380	$701,130
Cost of gas purchased	355,558	262,014	207,472
Gross profit	$799,243	$790,366	$493,658
Operating expenses & taxes	195,223	129,697	97,618
Operating profit	$604,020	$660,669	$396,042
Other income	28,092	7,639	137
Gross income	$632,112	$668,308	$396,179
Interest on bonds	249,652	191,175	119,286
Other interest	29,768	26,903	45,236
Miscellaneous charges	29,114	2,166	.....
Total income deductions	$308,534	$220,244	$164,522
Net income	$323,578	$448,064	$231,657
Preferred dividends	52,500	.....	.....
Surplus before depr. & amort.	$271,078	$448,064	$231,657

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Pipe lines, rights, easements, contracts, etc.	$5,415,775	$5,685,419	$5,005,301
Materials & supplies	20,738	13,287	4,735
Sundry investment	200	.....	.....
Investment in capital stock of affil. co.	585,526	.....	.....
Cash in escrow	372,948	145,169	.....
Cash	227,924	139,278	42,000
Accounts receivable	171,107	113,588	163,318
Notes receivable	.....	46,000	
Sinking fund—cash & sec's.	68,409	138,103	.....
Deferred debit items	750,995	918,798	684,781
Total	$7,613,622	$7,199,642	$5,900,134
Liabilities—			
Common stock & surplus	*$795,473	$1,113,568	$1,083,326
Preferred stock	749,500	750,000	750,000
First Mortgage bonds	2,623,000	2,900,000	3,000,000
Debenture bonds	1,179,000	1,200,000	.....
Gold notes	400,000	.....	.....
Purchase money obligations	.....	.....	313,026
Due to Southern Gas Utilities, Inc.	63,625	.....	.....
Dividends payable	13,125	.....	.....
Notes & accts. payable	282,788	69,311	
Interest accrued	56,468	146,280	99,448
Taxes accrued	.....	4,219	
Res. for depr., amort., etc.	1,450,643	1,016,264	654,334
Total	$7,613,622	$7,199,642	$5,900,134

*Applicable to 59,137 shares no par value outstanding.

Officers: Frank J. Stoltz, Pres., New York; Geo. W. Olmsted, V-P., Ludlow, Pa.; H. A. Pagenkoff, Sec.; C. H. Dickey, Treas.; R. A. Reeder, Pur. Agt., San Antonio, Tex.; John A. McKenna, Asst. Treas., New York.

Directors: Ellis L. Phillips, Frank J. Stoltz, Russell F. Van Doorn, Henry R. Frost, Edward G. Connette, Elmer B. Sanford, John A. McKenna, G. E. Barrett, New York; O. R. Seagraves, Houston, Tex.; Geo. W. Olmsted, Ludlow, Pa.; Wm. F. Morgan, Marshall Eskridge, San Antonio, Tex.; N. P. Zech, Chicago, Ill.

General Office, Milam Bldg., San Antonio, Texas. **New York Office,** 50 Church St.

SOUTHERN GAS UTILITIES, INC.

(Controlled by Southern Gas Company)

History and Property—Incorporated July 21, 192 in Delaware, and acquired natural gas production an natural gas rights on about 55,000 acres in Webb Duval, Zapata, Jim Hogg, Bexar and Medina Countie Texas, and the wells thereon; the natural gas co tracts, rights of way easements and leases of Consun ers Natural Gas & Power Co. and its trunk line co necting certain Gas Ridge producing wells and acreag with San Antonio. Also acquired an 8-inch line e tending from the Medina County field to the con pressor station owned and operated by Southern Ga Co. near San Antonio and a 4-inch pipe line co necting certain controlled Medina County acreag to the towns of Hondo and D'Hanis, together wit the distribution systems in these two communitie Has also constructed an 8-inch trunk line to Ne Braunfels and Seguin. Producing gas wells or g rights owned or controlled by the Company have a estimated aggregate daily open flow capacity in exce of two billion cu. ft. of gas with proven reserves est mated at 97 billion cu. ft. and contingent rights reserves of 19½ billion cu. ft.

The company supplies natural gas from its Web Duval, Zapata and Jim Hogg County fields to Soutl ern Gas Co. at wholesale, which in turn transpor the gas through its 12-inch pipeline northward to Sa Antonio and sells at wholesale to San Antonio Publ Service Co. for retail distribution. Also suppli natural gas from its wells in Medina County, Texa through 8-inch line to Southern Gas Company at Sa Antonio, and also supplies gas to consumers at Ne Braunfels and Seguin, Texas, through 8-inch lin from San Antonio and distribution system in ea town. The company also supplies gas to Rio Gran Valley Gas Co. at wholesale, which through th company's 12-inch trunk line southward, gas is di tributed for domestic and industrial purposes in cities and towns in the lower Rio Grande Valley fro Mission to and including Brownsville, Texas. Th gas production constitutes principal source of supp for San Antonio and the Rio Grande Valley Gas C

Total population of cities served by Company, eith wholesale or retail, is estimated to be in excess 350,000.

CAPITAL STOCK

Authorized, 100,000 shares Common and 15,0 shares $7 dividend Pfd., both of no par value; ou standing, 88,750 shares Common and 5,750 shares P Stock control is held by Southern Gas Co. Of t Common shares authorized, 11,250 shares are held treasury, reserved for Warrant Rights of First Mo gage 6½% Bonds, Series "A."

Annual Meeting—First Tuesday after January

Dividends—None paid.

FUNDED DEBT

$2,250,000 FIRST MORTGAGE 6½% SINKING FUND GO BONDS, SERIES "A"; DUE SEPTEMBER 1, 1939

Dated September 1, 1927.

Interest Payable March and September 1, at T First National Bank of Kansas City, Mo., Guarar Trust Co. of New York and at Continental Natio Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; princi may be registered.

Trustee—The First National Bank of Kansas Ci Mo.

Provisions of Issue—Open mortgage; issued, Ser "A," $2,250,000. Additional bonds may be issued account of additions and extensions, not to exce 70% of the amount of the expenditures made there or the fair value thereof and then only when the earnings available for interest shall be at least thr times the annual interest requirements on the th outstanding bonds, including those to be issued. Ad tional bonds may also be issued from time to time

the purpose of acquiring an equal principal amount of First (Closed) Mortgage 6½% Sinking Fund Gold Bonds of Southern Gas Co. dated Nov. 1, 1925, or for refunding par for par bonds of prior series outstanding.

Purpose of Issue—Proceeds were used in part for the acquisition of properties, extension of pipe lines, for working capital and for other corporate purposes.

Stock Purchase Warrants—Detachable warrants with each $1,000 bond (other denominations in proportion) entitle the holder thereof to purchase 5 shares of the Company's Common stock, without par value, up to and including Sept. 1, 1930, at $12.50 per share; thereafter to and including Sept. 1, 1933, at $17.50 per share; and thereafter to and including Sept. 1, 1937, at $25.00 per share, irrespective of previous redemption of bonds.

Callability—Subject to call on any interest date at 105 and accrued interest to Aug. 31, 1929; thereafter ½% less each year to maturity.

Sinking Fund—Company agrees to deposit monthly with the Trustee, beginning Oct. 20, 1928, 20% of its net earnings for the preceding month available after deducting operating expenses (not including depletion or depreciation) and interest charges, which money is to be used for purchasing and cancelling bonds outstanding tendered to the Trustee at or below the redemption price or for calling for redemption bonds selected by lot from all bonds outstanding at the redemption price and in addition thereto to deposit with the Trustee, beginning March 1, 1930, and on the first day of March and September thereafter, a fixed sum of $62,500 (which sum is proportionately increased with the issue of additional Series "A" bonds), which money is to be used for purchasing and cancelling Series "A" Bonds tendered to the Trustee at or below the redemption price or for calling for redemption Series "A" Bonds selected by lot from all such bonds outstanding.

Security—Secured by a first mortgage on all of the fixed physical property of the Company including about 80 miles of main trunk lines, distribution systems, gathering lines, etc., and by the pledge or mortgage of gas production, wells, sales contracts, leases and agreements.

Guaranty—Guaranteed as to principal and interest by endorsement by Southern Gas Co. (subject only to its outstanding First Mortgage and Debenture bonds).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, California and Connecticut personal property taxes not exceeding 4 mills annually, the Maryland Securities tax not exceeding 4½ mills per annum, the Kentucky 5 mills tax; and the Massachusetts Income tax not exceeding 6% per annum on income, refunded upon application within 60 days after payment.

Legal Opinion—Chapman & Cutler, Chicago (for the Bankers) and Kennon & Kennon, San Antonio (for the Company).

Original Offering—First publicly offered ($2,250,000) in Sept., 1927, at 99 and interest to yield over 6.60% by G. E. Barrett & Co., Inc., New York, etc. and R. E. Wilsey & Co., Inc., Chicago, etc.

Listed—Chicago Stock Exchange.

PURCHASE MONEY NOTES

There were also outstanding at Dec. 31, 1927, $270,000 Purchase Money Notes, payable out of production at a minimum of $5,000 monthly.

INCOME ACCOUNT, EIGHT MONTHS ENDED DEC. 31, 1927

Gas sales	$254,316
Gas purchases and royalties	88,598
Net gas revenue	$165,718
Operating expenses and taxes	25,986
Operating profit	$139,732
Other income	2,014
Gross income	$141,746
Interest on bonds	37,781
Interest on notes, etc.	21,453
Lease rentals	2,052
Miscellaneous charges	935
Total charges	$62,221
Net income before deprec., deple. & amort.	$79,525

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property—Pipe lines, gas well, leaseholds, sales contracts, etc.	$2,678,490
Due from Southern Gas Co.	63,625
Cash in escrow for construction of pipe lines	55,086
Cash and certificates of deposit	126,885
Notes receivable	50,000
Accounts receivable	27,663
Accrued interest receivable	575
Material and supplies	62,738
Deferred debit items	319,636
Total	$3,384,698
Liabilities—	
Preferred stock (5,750 shares) / Common stock (88,750 shares)	$520,000
Funded debt	2,250,000
Contract of purchase	270,000
Accounts payable	108,946
Accrued interest on bonds	48,750
Accrued interest on property purchase contract	13,616
Reserve for depreciation	36,458
Deferred credit	65,526
Profit and loss surplus	71,402
Total	$3,384,698

Officers: Frank J. Stoltz, Pres., New York; George W. Olmsted, V-P., Ludlow, Pa.; H. A. Pagenkopf, Sec.; C. H. Dickey, Treas., San Antonio, Tex.; John A. McKenna, Asst. Treas., New York; Wm. F. Morgan, Gen. Mgr., San Antonio, Texas.

Directors: Wm. F. Morgan, Marshall Eskridge, San Antonio, Texas; N. P. Zech, Chicago; G. E. Barrett, Edward G. Connette, John A. McKenna, Elmer B. Sanford, Ellis L. Phillips, Henry R. Frost, Russell F. Van Doorn, Frank J. Stoltz, New York, N. Y.; O. R. Seagraves, Houston, Texas; George W. Olmsted, Ludlow, Pa.

General Office, Milam Bldg., San Antonio, Texas. **New York Office,** 50 Church St.

OKLAHOMA GAS UTILITIES COMPANY

History and Business—Incorporated in September, 1927, in Delaware to acquire the business and properties previously owned and operated by John B. Nichlos since 1922, and to acquire a controlling interest in **Little Nick Oil Company of Oklahoma.**

Company owns or controls natural gas production and future gas and oil rights on over 3,400 acres located in what is known as the Chickasha Gas Field in Grady County, Oklahoma. On this acreage there are 36 producing gas wells with a daily open flow capacity in excess of 300,000,000 cubic feet. It supplies gas at wholesale to Oklahoma Natural Gas Company, Midwest Gas Company, Anderson & Pritchard Oil Company and Rush Springs Gas Company. Through its subsidiary, Little Nick Oil Company, it supplies at wholesale to Southwestern Light & Power Company, Oklahoma Natural Gas Company and Meridian Gas Company, the latter being a subsidiary of Lone Star Gas Company. All of the foregoing companies, except Oklahoma Natural Gas Company and Meridian Gas Company, will purchase gas exclusively from Oklahoma Gas Utilities Company and its subsidiary for distribution in the territory served. The aggregate population of the cities using the Company's gas supply and that of its subsidiary exclusively, is estimated to be in excess of 53,000. Company operates under the authority and protection of the Corporation Commission of Oklahoma.

CAPITAL STOCK

Authorized, 100,000 shares of no par value; outstanding, 92,000 shares. The remaining 8,000 shares were held in the treasury of Company as of January 31, 1928.

FUNDED DEBT

$800,000 FIRST LIEN SEVEN-YEAR 6½% SINKING FUND GOLD BONDS, SERIES A; DUE SEPTEMBER 1, 1934

Dated September 1, 1927.

Interest Payable March and September 1 at the Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized, $1,500,000; issued, $800,000. The additional bonds may be issued only under conservative restrictions on account of additions and extensions, for not to exceed 60% of the amount of the expenditures made therefore or the fair value thereof and then only when the annual net earnings available for interest, as defined in the Trust Indenture after deducting fixed annual sinking fund requirements, as defined, shall be at least three times the annual interest requirements on the then outstanding bonds, including those to be issued. Additional bonds may also be issued for refunding par for par bonds of a prior series.

Purpose of Issue—Proceeds were used in the acquisition of properties, for capital additions and extensions, and for working capital.

Stock Purchase Warrants—A detachable warrant with each $1,000 bond (other denominations in proportion) entitles the holder thereof to purchase five shares of the Company's now authorized Common stock, without par value, up to and including Sept. 1, 1929, at $15 per share; thereafter to and including Sept. 1, 1931, at $20 per share, irrespective of previous redemption of the bonds. If the authorized Common stock is changed the proportionate interest purchasable and th price payable for such interest, remains unchanged.

Callability—Subject to call on any interest date a 105 and accrued interest on or before March 1, 193 and thereafter less 1% for each full year elapsed subse quent to Aug. 31, 1929.

Sinking Fund—Company agrees to deposit as sinking fund with the Trustee on the first day of eac month beginning Feb. 1, 1928, the sum of $10,00 (which amount is proportionately increased if addi tional Series "A" bonds are issued) which mone shall be used for purchasing and cancelling bonds o Series "A" at prices tendered to the Trustee at o below the redemption price, or for calling for redemp tion, bonds of said series selected by lot.

Security—Secured by a first mortgage on all fixe physical property of the Company and by a pledge o mortgage of gas and oil production rights.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%. Pennsylvania, Connecticut an California personal property taxes not exceeding mills annually, Maryland securities tax not exceedin 4½ mills per annum, Kentucky 5 mills tax, and th Massachusetts Income Tax not exceeding 6% per an num on income derived from the bonds, refunded upo application within 60 days after payment.

Legal Opinion—Chapman & Cutler, Chicago (fo the Bankers) and Bond, Hatcher & Bond, Chickash Okla. (for the Company).

Original Offering—First publicly offered ($800,000 in October, 1927, at par and interest, by R. E. Wilsey & Co., Chicago.

EARNINGS, YEAR ENDED JANUARY 31, 1928

Net earnings, after deducting operating expenses, royalties and taxes (other than Federal income taxes) available for interest, depreciation and depletion	$156,72
Maximum annual interest requirements on Series "A" 6½% bonds	52,0
Balance	$104,72

GENERAL BALANCE SHEET, JANUARY 31, 1928

Assets—		Liabilities—	
Producing gas wells, gas and oil leases, etc., as appraised by Dunn & Lewis, Engineers, as of June 30, 1927, plus subsequent additions at cost	$1,717,347	Common stock equity, represented by 92,000 shares of no par value	$1,309,0
Stock of Little Nick Oil Co.	171,527	Funded debt	800,0
Cash	166,537	Accounts payable	86,1
Notes and accounts receivable	48,080	Accrued int. and taxes	22,1
Prepaid int., deferred charges and bond disc. and expense	113,878		
Total	$2,217,369	Total	$2,217,3

Officers: John B. Nichlos, Pres. & Treas., Chickasha, Okla.; W. W. Turner, V-P., Chicago, Ill.; Jim Hatcher, Sec., Chickasha, Okla.

Directors: John B. Nichlos, Jim Hatcher, Reford Bond, Chickasha, Okla.; N. P. Zech, W. W. Turne Chicago, Ill.

Address, First National Bank Bldg., Chickash Okla.

THE TAMPA GAS COMPANY

History—Incorporated April 29, 1895, in Fla. Company controls entire gas business of Tampa and West Tampa and controls through stock ownership the West Tampa Gas Co. Population served, 125,000. Franchise, 99 years. Daily capacity, 11,000,000 cu. ft. No. of meters, 18,227. Miles of mains, 313.

GAS SALES, YEARS ENDED DECEMBER 31
(cubic feet)

1918	201,293,200	1923	232,537,000
1919	222,426,600	1924	293,974,200
1920	227,817,400	1925	402,536,700
1921	237,744,200	1926	636,900,500
1922	227,852,000	1927	600,004,200

CAPITAL STOCK

Authorized, 40,000 shares Common of no par value and $2,000,000 Preferred, par $100; outstanding, 40,000 shares Common; $500,000 8% cumulative Pfd., and $689,800 7% cumulative Pfd. Common stock was changed from 10,000 shares of $100 par value to 40,000 shares of no par value in 1926. Pfd. stock, created in 1922, has preference for assets and dividends, and is subject to call as a whole or in part, the 8% Pfd. a 110 and the 7% Pfd. at 105. Transfer office, Tamp Fla. Annual meeting, first Monday after January 1.

Dividends—Dividends on Pfd. stocks paid quarterl M, J, S & D 1. On Common, 2% paid in 1919; 2% 1920; 4% in 1921; 5% in 1922; 4% in 1923; 5% in 192 6% in 1925, $2.60 a share on shares of no par value 1926; $3 a share in 1927.

FUNDED DEBT

$3,074,000 FIRST MORTGAGE GOLD BONDS, 5½% SINKIN FUND SERIES OF 1926; DUE APRIL 1, 1956

Dated April 1, 1926.

Interest Payable April and October 1, at the Rea Estate-Land Title & Trust Co, Philadelphia, or Amer ican Exchange Irving Trust Co., New York.

Denomination—Coupon $1,000; principal may b registered.

Trustees—Real Estate-Land Title & Trust Co Philadelphia, and Robert D. Ghrinskey.

Provisions of Issue—Authorized amount is unlimited; issued $3,074,000. Directors may, from time to time, authorize issuance of additional bonds under terms of mortgage in one or more series and in such amounts and bearing such rates of interest and having such maturity dates, redemption provisions, sinking funds and other provisions as are permitted by the mortgage. Additional bonds may be issued in accordance with terms of mortgage for a principal amount not in excess of 80% of cost or fair value, whichever is less, of gas and/or electrical plants and property to be acquired by Company, and of permanent extensions, additions, betterments and improvements and other capital expenditures, made subsequent to April 1, 1926, provided that net earnings of Company for twelve consecutive months out of the fifteen preceding months shall have been at least one and three-quarter times annual interest charges on all First Mortgage bonds and prior lien bonds (if any), then outstanding, together with those proposed to be issued. Not more than 25% of total amount of bonds at any time outstanding under mortgage shall have been issued with respect to any plant or property or betterments thereto, as to which the mortgage is not at the time a first mortgage.

Purpose of Issue—Proceeds of these bonds will be used to provide in part for redemption of $1,000,000 of 5% First Mortgage Gold bonds dated May 1, 1907, and called for payment on May 1, 1926, and to reimburse Company for expenditures already made and to be made, including cost of new units and equipment at gas plant, gas main extensions, and other improvements, and for general corporate purposes necessary.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' notice, to and including April 1, 1936, at 106 and interest; thereafter to and including April 1, 1946, at 105 and interest, and thereafter, commencing Oct. 1, 1946, at ½ of 1% less for each year to maturity.

Sinking Fund—Mortgage provides a semi-annual cash sinking fund beginning Jan. 1, 1927, equal to ½ of 1% of the principal amount of bonds of this series outstanding at the time of such payments.

Security—Bonds are secured by a first mortgage on the entire mortgageable property of Company (except securities) now owned and, subject to prior liens (if any), on property hereafter acquired. Not more than 25% of the total amount of bonds at any time outstanding under the mortgage shall have been issued with respect to any plant or property or betterments thereto, as to which the mortgage is not at the time a first mortgage. Valuation of mortgaged property is over $4,600,000 as of Oct. 1, 1921 with net additions at present prices to Jan. 1, 1926, and those to be constructed from the proceeds of this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut taxes not exceeding $4 per annum per bond and Massachusetts income tax, not exceeding $3.30 annually per bond, refunded.

Legal Opinion—Dickson, Beitler & McCouch, Philadelphia (for the bankers) and Peter O. Knight, Tampa and Henry C. Place, Philadelphia (for the Company).

Original Offering—First publicly offered ($2,500,000) in April, 1926, at 98 and interest to yield over 5⅝% by Robert Glendinning & Co., W. H. Newbold's Son & Co., Philadelphia, and Coffin & Burr, Inc., Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,016,502	$1,060,614	$745,294	$552,095	$466,927	$444,981
Operating exp. & taxes	550,308	676,198}	452,093	340,813	293,188	292,337
Depreciation	38,353	37,802}				
Net earnings	$427,841	$346,614	$293,201	$211,282	$173,739	$152,644
Other income	8,753	20,058	.....	.....	.....	.....
Total income	$436,594	$366,672	$293,201	$211,282	$173,739	$152,644
Interest charges	168,982	98,498	*142,428	*110,889	*95,730	*82,037
Surplus after charges	$267,612	$268,174	$150,773	$100,393	$78,009	$70,607
Preferred dividends	86,982	69,966	*.....	*.....	*.....	*.....
Common dividends	120,000	104,000	52,500	42,500	34,000	43,500
Surplus for year	$60,630	$94,208	$98,273	$57,893	$44,009	$27,107
Times Interest Earned	2.58	3.72	†	†	†	†
Earnings Per Share—						
Preferred	$22.49	$26.82	.....	.....	.....	.....
Common	4.52	4.96	$15.08	$11.81	$9.17	$8.31

*Preferred dividends included with interest charges in 1925 and preceding years. †Not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$5,707,279	$5,390,874	$3,631,590	$2,882,663	$2,655,172	$2,421,612
Securities owned	54,000	66,500	159,178	251,178	263,178	278,178
Prepaid accounts and deferred charges	199,322	197,195	35,983	19,228	23,136	15,868
Materials and supplies	117,021	141,392	173,896	64,744	73,609	62,857
Accounts receivable	110,577	196,467	191,724	106,362	57,541	47,738
Cash	178,066	115,774	187,608	45,928	66,180	47,678
Sinking fund	16,066	12,500	.....	.....	.....	12,538
Trustee fund	.....	3,927	.....	.....	.....	.....
Total	$6,382,331	$6,124,629	$4,379,979	$3,370,103	$3,138,816	$2,886,469
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$850,000	$850,000	$850,000
Preferred stock	1,189,800	1,000,000	552,200	500,000	364,800	170,000
Funded debt	3,074,000	2,500,000	1,000,000	1,000,000	1,091,600	1,105,600
Notes payable	.....	440,000	700,000	195,100	150,000	188,500
Accounts payable	905	92,871	49,155	20,155	31,434	59,990
Customers' deposits	233,108	245,322	203,326	85,690	65,542	.....
Accrued liabilities	102,418	102,799	40,988	30,865	19,264	16,463
Reserve accounts	168,541	461,774	304,222	251,478	187,254	160,803
Surplus and contingency reserve	613,559	281,863	530,088	436,815	378,922	334,913
Total	$6,382,331	$6,124,629	$4,379,979	$3,370,103	$3,138,816	$2,886,469

Officers: John Gribbel, Pres.; D. J. Collins, V-P. & Treas., Philadelphia; Rosco Nettles, Sec. & Gen. Mgr.; C. M. Arrowsmith, Asst. Sec.; Harold P. Anderson, Asst. Treas., Tampa, Fla.

Directors: John Gribbel, D. J. Collins, Philadelphia; P. O. Knight, Tampa, Fla.

Offices, Tampa, Fla., and 1513 Race St., Philadelphia, Pa.

MILLVILLE WATER COMPANY

History—Incorporated Nov. 11, 1878, in N. J.; operations commenced in 1880. Serves Millville, N. J. Miles of mains, 36.82. No. of consumers, 2,887. Population served, 16,900.

CAPITAL STOCK

Authorized, $150,000 Common and $150,000 Pfd.; outstanding, $25,000 Common and $150,000 Pfd.; par, $100. The remaining $125,000 Common has been reacquired by Company. Annual meeting, first Monday in April. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$18,589	$18,671	$17,300
Oper. exp., taxes & deprec.	34,178	37,852	46,749
Loss from operations	$15,589	$19,181	$29,449
Other income	4	911	55
Net loss	$15,585	$18,270	$29,394
Interest charges, etc.	45,548	41,127	33,075
Deficit for year	$61,133	$59,397	$62,469

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$380,615	$364,137	$344,322
Work in progress	.....	.....	3,155
Cash	4,586	3,488	353
Notes & accts. receivable	7,383	136,089	130,986
Material and supplies	10,144	.....	.....
Reacquired Common stock	125,000	.....	.....
Prepaid accounts	5,188	6,554	7,862
Suspense	150,603	150,574	150,520
Profit and loss deficit	604,286	543,153	483,755
Total	$1,287,805	$1,203,995	$1,120,953

Liabilities—	1927	1926	1925
Common stock	$150,000	$150,000	$150,000
Preferred stock	150,000	150,000	150,000
Notes payable	785,192	740,119	594,035
Accounts payable	24,929	5,520	81,409
Unearned revenue	7,440	6,332	6,235
Sinking fund & other res.	39,000	39,000	39,000
Optional reserves	3,863	3,265	3,227
Depreciation reserve	127,363	109,743	97,020
Other current liabilities	18	16	27
Total	$1,287,805	$1,203,995	$1,120,953

Officers: Walter Owen, Pres.; Wm. C. Buell, Gen Mgr.; Chas. M. Nixon, Sec., Millville, N. J.; Walter Wood, Vice-Pres. & Treas.; Philadelphia, Pa.

Directors: Walter Wood, Wm. C. Buell, Walter Owen; E. J. Lame, T. L. Morton.

Office, Millville, N. J.

THE HOME TELEPHONE & TELEGRAPH COMPANY

(Fort Wayne, Ind.)

History and Property—Incorporated in 1896, in Ind., and is now operating under an indeterminate permit granted by the Public Service Commission of Indiana. It was in competition with the Bell Telephone Co. in Fort Wayne, Ind., and surrounding territory until 1917, when it purchased the property of the Bell Telephone Co. in Fort Wayne and entered into an agreement with that company, by the terms of which the long distance lines of the Indiana Bell Telephone Co. and the American Telephone & Telegraph Co. were connected with the local switchboards of The Home Telephone & Telegraph Co. By virtue of this arrangement the long distance service of the independent and the Bell long distance lines is now offered to all of its subscribers.

Owns the telephone exchanges in Fort Wayne, Harlan, Leo, Huntertown, Churubusco, Roanoke and New Haven, Ind., and long distance lines radiating from Fort Wayne in all directions for a distance of 25 to 50 miles, which lines in turn are connected with other independent lines. No. of telephones in use, Feb. 29, 1928, 32,738, compared with 29,496 on Dec. 31, 1926. Population served, in excess of 147,000. Prices: Business, $72 and $60; residence, $33 and $21 per annum.

Valuation—The value of the Company's property for rate making purposes was fixed by the Public Service Commission of Indiana as of May 1, 1923, at $2,440,000 and subsequently approximately $2,353,166 has been expended for extensions and improvements making a total to Dec. 31, 1927, of approximately $5,068,997.

CAPITAL STOCK

Authorized, $1,000,000 Common and $2,000,000 cumulative Pfd., (changed from $750,000 Common and $1,500,000 Pfd. in 1925); outstanding, $1,000,000 Common and $1,750,000 7% cumulative Pfd.; par, $50.

Preferred Stock Provisions—The shares are fully paid and non-assessable. They are preferred as to cumulative dividends over the Common stock, and in case of liquidation or dissolution are entitled to payment of $50 per share and all accumulated or accrued or unpaid dividends before any distribution of assets is made to the Common stock. In case the sale, liquidation or dissolution be voluntary, a premium of $2 per share in addition shall be paid to holders of Pfd. stock. The Pfd. stock is callable as a whole or in part Jan. 1, 1933, at 105% and accrued dividend, and at 105% and accrued dividends less ½ of 1% of the par value on any dividend date for each year thereafter until July 1, 1943, and thereafter at par and accrued dividends upon thirty days' written notice.

Transfer Agent and Registrar—First National Bank, Fort Wayne, Ind.

Annual Meeting—First Monday in April.

Tax Provisions—Exempt in Indiana from all State County and Municipal taxes and from the Normal Federal Income Tax.

Legal Opinion (Pfd. stock)—Smith, Remster Hornbrook & Smith, and Mote & Goodrich of Indianapolis.

Original Offering—First publicly offered ($400,000 Pfd.) in Nov., 1924, at par and accumulated dividend yielding 7%, by Fletcher American Company, Indianapolis, Ind., etc.

Dividends—Dividends on Pfd., 7% per annum, payable semi-annually Jan. and July 2; on Common, 1902 4%; 1903, 5%; 1904 to 1908, 6%; 1909, 7%; 1910, 8% 1911, 10%; 1912, 10% and 2% extra; 1913, 10% and 2% extra; 1914, 12% and 2% extra; 1915, 12% and 2% extra; 1916, 12% and 2% extra; 1917, 12% and 2% extra; 1918, 12%; 1919, 9%; 1920, 5¼% 1921, 3½% 1922, 4¾%; 1923, 5¼%; 1924 to 1927, 7% each; payments quarterly, J 2, A, J & O 1.

FUNDED DEBT

$500,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A" DUE JULY 2, 1943

$1,000,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "B" DUE APRIL 1, 1955

Dated Series "A," July 2, 1923; Series "B," April 1, 1925.

Interest Payable on Series "A", January and July and on Series "B" April and October 1, at First National Bank, Fort Wayne, Ind., and Chicago Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First National Bank of Fort Wayne, Ind.

Provisions of Issue—Authorized amount of mortgage, unlimited. Issued, $1,500,000 of which $500,000 are Series "A" 6s and $1,000,000 Series "B" 5½s.

Additional series under this mortgage may be certified only at par for not exceeding 80% of the cost of permanent extensions and additions to the property and then only when net earnings of the Company for the twelve months preceding are at least 1¾ times interest charges on all bonds outstanding and to be certified. The aggregate principal amount of bonds outstanding may not exceed the aggregate amount of the paid in capital stock and accrued surplus of the Company.

Callability—Series "A" bonds are subject to call as a whole or in part on 60 days' notice on or after July 1, 1933, at 103 and interest.

Series "B" bonds are subject to call on and after April 1, 1935, as a whole or in part on 60 days' notice at 103 and interest.

Depreciation Reserve—The indenture provides that Company will maintain a depreciation reserve and will appropriate thereto from earnings in each year not less than 4% of the cost of its properties as disclosed by its books. Company is now appropriating 6% per annum on its depreciable property.

Security—Secured by a first mortgage on all the Company's property, real and personal as well as its permits and franchises now owned and used by it or which it may hereafter acquire.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Series "A": Smith, Remster, Hornbrook & Smith, and Mote & Goodrich of Indianapolis. Series "B": Mote & Goodrich, Indianapolis, and Barrett, Barrett, Peters & McNagny, Fort Wayne (for the Company), and Fisher, Boyden, Kales & Bell, Chicago (for the Bankers).

Original Offering—First publicly offered ($500,000) in Nov., 1924, at par and interest yielding 6%, by Fletcher American Company, Indianapolis, Ind., etc.; $1,000,000 Series "B" 5½s were offered in April, 1925, at 100 and interest, to yield 5½%, by Chicago Trust Co., and Ames, Emerich & Co., Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$1,093,034	$1,032,957	$952,787	$872,140	$792,837	$715,259
Deduct:						
Operating expenses	$384,038	$366,092	$412,942	$492,819	$500,976	$466,050
Depreciation	263,278	251,543	202,879	142,365	110,772	90,720
Taxes	92,541	79,314	64,958	59,792	44,350	35,166
Uncollectible revenues	2,554	10.431	2,214	1,900	*	1,400
Total expenses	$742,411	$707,380	$682,993	$696,876	$656,098	$593,336
Operating income	350,623	325,577	269,794	175,264	136,738	121,923
Other income	2,926	1,550	23,162	680	4,290	4,567
Gross income	$353,549	$327,127	$292,956	$175,944	$141,028	$126,490
Rents	7,246	7,238	10,364	11,020	*	331
Debt discount & expense	3,264	3,264	2,835	2,451	*	2,801
Interest charges	85,246	90,671	84,132	10,048	17,500	37,367
Total deductions	$95,756	$101,173	$97,331	$23,519	$17,500	$40,481
Net income	257,793	225,954	195,625	152,425	123,528	86,009
Preferred dividends	122,500	118,407	104,339	74,312	35,400	18,705
Common dividends	70,000	61,250	52,500	52,500	39,375	35,625
Surplus for year	$65,293	$46,297	$38,786	$25,613	$48,753	$31,679
Times Interest Earned	4.02	3.49	3.33	.....	.....	.....
Earnings Per Share—						
Preferred	$7.36	$6.62	$6.56	$6.16	$10.21	$13.81
Common	6.76	5.61	6.08	5.21	5.88	4.88

*Included in operating expenses.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital investment	$4,855,431	$4,569,829	$4,264,662	$2,841,602	$2,575,629	$2,221,668
Construction work in progress	130,608	.....	.....	683,131	.....	.....
Cash and deposits	17,276	42,727	53,633	172,989	28,841	29,048
Employes' working funds	1,515	1,060	1,060	770	770	767
Due from subscribers and agents	7,902	10,520	53,411	43,954	42,861	33,423
Miscellaneous accounts receivable	1,435	11,570	11,374	9,594	5,802	6,366
Materials and supplies	177,429	187,202	191,054	333,832	106,961	92,219
Other current assets	.....	.....	496	414	370	324
Unmatured interest receivable	.....	.....	.....	.....	827	827
Prepayments	47,496	42,096	22,748	29,725	27,726	39,288
Other reserve fund assets	.....	.....	.....	.....	100,000	100,000
Unextinguished discount on capital stock	51,872	62,246	60,620	67,970	33,814	.....
Unamortized debt discount and expense	69,255	72,519	75,783	27,750	.....	.....
Total	$5,360,219	$4,999,769	$4,734,841	$4,211,731	$2,923,601	$2,523,930
Liabilities—						
Common stock	$1,000,000	$1,000,000	$750,000	$750,000	$750,000	$750,000
Preferred stock	1,750,000	1,750,000	1,494,150	1,488,850	845,350	311,750
Funded debt	1,500,000	1,500,000	1,500,000	500,000	.....	500,000
Bills payable	50,000	.....	429,084	400,000	495,000	283,522
Trade acceptances	.....	.....	.....	108,916	45,638	.....
Audited vouchers	66,413	56,287	48,452	103,818	58,019	47,732
Miscellaneous accounts payable	22,454	19,282	13,537	11,693	8,377	7,238
Matured interest unpaid	.....	.....	.....	.....	.....	489
Other current liabilities	4,225	1,740	.....	10	161	144
Taxes accrued	50,110	40,761	50,701	45,076	39,101	33,935
Other accrued liabilities, not due	13,996	13,750	15,717	.....	.....	9,353
Reserve for accrued depreciation	509,646	318,858	177,165	567,105	502,268	450,331
Other deferred credit items	3,245	4,998	4,145	15,659	1,832	1,471
Corporate surplus unappropriated	390,130	294,093	251,890	220,604	177,855	127,965
Total	$5,360,219	$4,999,769	$4,734,841	$4,211,731	$2,923,601	$2,523,930

Officers: C. M. Niezer, Chrm. of Board; Frank E. Bohn, Pres. & Gen. Mgr.; August E. C. Becker, E. C. Blomeyer, L. H. Moore, V-P.'s; O. Marahrens, Sec.; Max B. Fisher, Treas.; F. J. Tellman, Aud.; H. E. Gray, Gen. Plant Supt.; R. B. Gallup, Pur. Agt.

Directors: August E. C. Becker, E. C. Blomeyer, Frank E. Bohn, W. A. Bohn, J. G. Crane, Max B. Fisher, Garland B. Foscue, Jr., G. Max Hofmann, O. Marahrens, E. C. Miller, Wm. L. Moellering, L. H. Moore, B. Paul Mossman, C. M. Niezer, and Edward M. Wilson.

Office, Fort Wayne, Ind.

CLAREMONT DOMESTIC WATER COMPANY

History—Incorporated Dec. 23, 1912, in Cal.; successor to Citizens Light & Water Co. Furnishes water to Claremont, Cal., serving population of about 3,000. It operates 114,623 ft. of pipe. No. of meters, 837.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $10.

Annual Meeting—Second Monday in January.

Dividends—1915 and 1916, 6% each; 1917 to 1919, incl., 7%; 1920, 3½%; 1921 to 1927, incl., 8% each; payments quarterly, J, A, J & O 15.

FUNDED DEBT

$65,000 First Mortgage 6% Gold Bonds; dated March 1, 1924; due March 1, 1954; interest March and September 1, at First National Bank, Claremont, Cal. Coupon, $500; principal may be registered. Title Insurance & Trust Co., Los Angeles, Cal., Trustee. Authorized issue, $75,000. Subject to call on 60 days' notice on any interest date at par and accrued interest plus a premium of ¼ of 1% for each year or fraction thereof of its unexpired term. A first lien on all land, water lines, pipe lines and franchises. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross	$32,144	$32,749	$30,570
Operating expenses & taxes	13,053	15,765	13,691
Depreciation	5,141	4,840	3,953
Net income	$13,950	$12,144	$12,926
Other income	240	223	.....
Total income	$14,190	$12,368	$12,926
Interest and rentals	4,471	4,595	3,963
Surplus after charges	$9,719	$7,773	$8,963
Dividends	8,000	8,000	8,000
Surplus for year	$1,719	*$227	$963

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$206,713	$195,983	$189,645
Materials and supplies	1,931	2,149	2,455
Accounts receivable	7,847	2,622	3,521
Cash	1,396	7,626	7,035
Total	$217,887	$208,380	$202,656
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	65,000	55,000	55,000
Notes payable	.....	3,000	6,000
Accounts payable	3,261	6,573	852
Dividends accrued	8,000	8,000	8,000
Reserve for taxes & interest	1,874	1,146	1,501
Reserve for depreciation	22,975	19,612	16,286
Surplus	16,777	15,048	15,017
Total	$217,887	$208,380	$202,656

Officers: L. T. Gillett, Pres.; Geo. S. Sumner, V-P; J. D. Johnson, Sec.; W. L. Smith, Treas.; George Jencks, Aud.; W. White, Gen. Mgr., Claremont, Cal.

Directors: L. T. Gillett, Geo. S. Sumner, W. L. Smith, J. D. Johnson, Geo. Jencks, Claremont, Cal.

General Office, Claremont, Cal.

MIDDLE WESTERN TELEPHONE COMPANY

History and Properties—Incorporated in Delaware, and controls through the ownership of Common stock the following operating companies: Middle States Telephone Co. of Illinois, La Crosse Telephone Corp., The Eastern Iowa Telephone & Telegraph Co., and The Warren Ohio Telephone Co. (see statements appended). These subsidiaries serve widely diversified territories, having a total population in excess of 220,000. They own and operate 24 telephone exchanges serving over 33,000 stations in more than 30 communities, and over 1,300 miles of toll lines. The Wi consin properties serve the city of La Crosse a surrounding territory. In Illinois, service is provid for the suburban district bordering on the northwe limits of the city of Chicago, including the towns Park Ridge and Des Plaines, and Pekin, Havar Lacon, Green Valley and Manito in central Illino The Ohio properties serve Warren, Newton Falls a adjacent territory. The Iowa properties serve Ma chester, Delhi and Hopkinton.

CAPITAL STOCK

Authorized and outstanding, 1,000 shares of no p value.

Annual Meeting—Third Tuesday in February, Chicago, Ill.

FUNDED DEBT

$700,000 MIDDLE WESTERN TELEPHONE COMPANY FI TEEN-YEAR 6% COLLATERAL GOLD BONDS, SERI "A"; DUE JANUARY 1, 1943

Dated January 1, 1928.

Interest Payable January and July 1, at Con nental National Bank & Trust Co., Chicago, Trust

Denominations—Coupon, $100, $500 and $1,0 principal may be registered.

Trustee—Continental National Bank & Trust C Chicago.

Provisions of Issue—Open mortgage; issued, $70 of Series "A" 6s. The issuance of additional bon of Series "A" and/or of other series, created pursu to the terms thereof, is subject to certain restrictio among which are the following: (a) The combin net earnings of Company (before depreciation) as fined in the indenture and of its subsidiary compan during the 12 months ending not more than nine days prior to the date of authentication of such ad tional bonds, shall not be less than 1¾ times the terest on interest bearing obligations and dividen on Pfd. stock of the subsidiary companies, plus t interest on all bonds issued by the Company, incl ing those then to be issued; (b) The aggreg amount of outstanding bonds and the aggreg amount of Pfd. stock of Company and its subsidi companies, shall not exceed five times the gross op ating revenues of the company and its subsidi companies.

Purpose of Issue—Proceeds of this issue were be used to reimburse Company for expenditures ma in connection with acquiring new properties and other corporate purposes.

Callability—Subject to call at any time in whole in part on 30 days' notice at 103 to and including J 1, 1933; thereafter to and including Jan. 1, 1938 at 1 and thereafter and prior to maturity date at 101, p accrued interest to date of redemption in all cases

Security—A direct obligation of Company, secur by deposit of all the Common stock (excepting rectors' qualifying shares) of the Middle States Te phone Co. of Illinois, LaCrosse Telephone Corp. a Warren Ohio Telephone Co. The replacement va of the subsidiary companies' properties (less deprec tion) is stated to be substantially in excess of the to outstanding funded debt and Pfd. stock of the subs iary companies and of this issue of bonds.

Tax Provisions—Company pays Normal Federal come tax and agrees to reimburse holders of the bonds if requested within 60 days after payment, the Pennsylvania, Connecticut and California 4 m taxes, the Maryland 4½ mills tax, the Iowa 6 m tax and the Massachusetts income tax on the inco derived from the interest on these bonds not exce ing 6% of such interest.

Original Offering—First publicly offered ($700,0 in January, 1928, at par and interest, by Thompso Kent & Grace, Inc., Emery, Peck & Rockwood C Lane, Roloson & Co., Inc., and Bartlett & Gord Inc., Chicago.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED OCTOBER 31
(Middle Western Telephone Co. and Subsidiaries)

	1927	1926
Operating revenues	$942,945	$845,350
Operating expenses and taxes	533,374	485,034
Net earnings	$409,571	$360,316
Interest charges	149,500	149,500
Preferred dividends	53,500	53,500
Balance	$206,571	$157,316

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Middle Western Telephone Co. and Subsidiaries)

Assets—	
Plant and equipment, less reserve for depreciation	$4,512,023
Cash	81,740
Accounts receivable	57,362
Materials and supplies	51,275
Prepaid items and deferred charges to future oper.	71,883
Total	$4,774,283
Liabilities—	
7% cumulative Pfd. stock	$550,000
6% cumulative Pfd. stock	250,000
First Mortgage 5½% bonds	700,000
First Mortgage 6% bonds	1,850,000
Collateral gold 6% bonds	700,000
Accounts payable and accrued liabilities	152,706
Unearned income—service billed in advance	18,900
Common stock and surplus	552,677
Total	$4,774,283

GENERAL BALANCE SHEET, OCTOBER 31, 1927
(Middle Western Telephone Co. proper)

Assets—	
Cash	$21,900
Accounts receivable—system cos.	15,620
Pfd. stock of subsidiaries owned	125,000
Common stock of subsidiaries owned	1,291,157
Total	$1,453,677
Liabilities—	
Collateral Gold 6% bonds	$700,000
Accounts payable—system companies	201,000
Common stock and surplus	552,677
Total	$1,453,677

Officers: John F. Kent, Pres.; R. H. Coyne, V-P., Chicago, Ill.; W. S. Green, Sec., Pekin, Ill.; J. A. Johnston, Treas., Chicago, Ill.

Directors: John F. Kent, R. H. Coyne, T. L. Grace, J. Grace, Chicago, Ill.; W. S. Green, Pekin, Ill.

General Office, 134 South La Salle St., Chicago, Ill.

EASTERN IOWA TELEPHONE AND TELEGRAPH COMPANY

(Controlled by Middle Western Telephone Co.)

History and Property—Incorporated in Iowa, and supplies, without competition, telephone service to Manchester, Delhi, Dundee, Greely, Hopkinton, Lamont, Masonville and Ryan, all located in Eastern Iowa. The total population served is in excess of 20,000 and the Company operates over 3,100 telephones connections. Company has agreements with the Northwestern Bell Telephone Co. and the American Telephone and Telegraph Co., which permit of long distance telephone service throughout the country to the territory served by them.

CAPITAL STOCK

Authorized and outstanding, $300,000 Common. All owned by Middle Western Telephone Co., except directors' qualifying shares.

Annual Meeting—First Monday in February.

FUNDED DEBT

$5,000 EASTERN IOWA TELEPHONE & TELEGRAPH COMPANY FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1941

Dated January 1, 1926.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—Continental National Bank & Trust Co., Chicago, Ill.

Provisions of Issue—Authorized, $200,000; issued, $75,000 Series "A" 6s. Additional bonds may be issued for a principal amount, not exceeding 75% of the cost or fair value (whichever is the lesser) of additional properties and/or permanent additions or improvements to the mortgaged property, made or acquired subsequent to July 1, 1926 when earnings applicable to the bond interest for the 12 months' period within the 14 months preceding application for additional bonds is made, are equivalent to twice the interest charges on all the First Mortgage bonds then outstanding and those proposed to be issued.

Callability—Subject to call in whole or in part on 60 days' notice on or before Jan. 1, 1931, at 105 and interest; thereafter on or before July 1, 1936 at 104 and interest; thereafter on or before maturity at 102 and interest.

Maintenance, Depreciation and Sinking Fund—Company covenants that it will set aside annually beginning January 1, 1927, an amount equivalent to 15% of the gross earnings to be used for (1) maintenance and replacements; (2) additions and extensions to the plants and properties of the Company against which no additional bonds may be issued; (3) for the retirement of bonds at or below redemption price.

Security—Secured by a first mortgage on all Company's property, permits, franchises, now owned or hereafter acquired. The value of Company's property based on appraisal made as of Jan. 1, 1926, showed a reproduction value in excess of $597,900 and a depreciated sound value of $449,002.

Tax Provision—Company pays Normal Federal Income tax up to 2%.

Legal Opinion—Brundage & Gorman, Chicago.

Original Offering—First publicly offered ($175,000, Series "A") in March, 1926, at 98 and interest, to yield over 6.20%, by Thompson, Kent & Grace, Inc., Chicago.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

	1927	1926
Operating revenue	$71,667	$69,505
Operating expenses & taxes	38,227	40,557
Net earnings	$33,440	$28,948
Interest	10,500	10,500
Balance	$22,940	$18,448

GENERAL BALANCE SHEET, OCTOBER 31, 1927

Assets—	
Plant & equipment, less reserve for depreciation	$438,313
Cash	2,242
Accounts receivable	7,593
Material & supplies	1,291
Prepaid items, etc.	1,034
Total	$450,473
Liabilities—	
Funded debt	$175,000
Accounts payable & accrued liabilities	3,689
Common stock & surplus	271,784
Total	$450,473

Officers: E. L. Farwell, Pres., Manchester, Iowa; W. S. Green, V-P., Pekin, Ill.; R. H. Coyne, Sec.; J. A. Johnston, Treas., Chicago, Ill.

Directors: John F. Kent, R. H. Coyne, T. J. Grace, Chicago, Ill.; W. S. Green, Pekin, Ill.; E. L. Farwell, Manchester, Iowa.

General Office, Manchester, Iowa. **Executive Office,** 134 South La Salle St., Chicago, Ill.

LA CROSSE TELEPHONE CORPORATION

(Controlled by Middle Western Telephone Co.)

History—Incorporated in 1927, in Wisconsin. Acquired and is now operating the combined properties of the La Crosse Telephone Company (see 1927 Public Utility Manual, page 203), and the La Crosse Interurban Telephone Company. These latter companies have disposed of all their assets and are now in process of liquidation. Owns and operates a telephone system with more than 11,000 stations, serving without competition the city of La Crosse, Wis., together with the surrounding territory. The city of La Crosse has a population of over 37,000 and the total population of the territory served is in excess of 75,000. Also

operates exchanges in Viola, Onalaska, West Salem, Barre, Readstown and DeSoto, with toll lines of over 500 miles in length. By arrangement with the Bell Telephone Company, subscribers have the benefits of the international long distance telephone service of the Bell system. The Corporation is subject to the jurisdiction of the Railroad Commission of Wisconsin.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 6% cumulative Pfd.; outstanding, $320,800 Common (par, $50) and $250,000 Pfd. (par, $100). All the Common stock except directors' qualifying shares, is owned by Middle Western Telephone Co. Annual meeting, third Monday in January.

FUNDED DEBT

$700,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1948

Dated January 1, 1928.

Interest Payable January and July 1, at Continental National Bank and Trust Co., Chicago.

Denomination—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank and Trust Co., Chicago, Ill.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $700,000. The Indenture provides that additional bonds may be issued under the following terms and restrictions: For permanent improvements, extensions and additions, to an amount not in excess of 75% of the cost or fair value (whichever is lower) of such property to be acquired, provided, however, that the net earnings of the Company as defined in the Indenture for the twelve months' period ending not more than 90 days prior to the issuance of such additional bonds shall be equal to at least twice the interest charges on all bonds outstanding under said mortgage, together with those to be issued.

Purpose of Issue—Proceeds were used to provide partially for the acquisition of properties.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice to and including Jan. 1, 1933 at 103 and accrued interest, thereafter to and including Jan. 1, 1938 at 102 and accrued interest, and thereafter and prior to January 1, 1948 at 101 and accrued interest.

Maintenance, Fund Etc.—The Corporation shall set aside annually, beginning Jan. 1, 1928, an amount equivalent to 25% of its gross operating revenue, such money set aside to be used for maintenance, additions, extensions and betterments (against which no new bonds may be issued), and/or redemption of its first mortgage bonds.

Security—Bonds are the direct obligation of the Company, secured by a first mortgage on all the physical property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California 4 mills taxes, the Maryland 4½ mills tax, the Iowa 6 mills tax and Massachusetts income tax on the income derived from the interest on these bonds not exceeding 6% per annum refunded upon request within 60 days after payment.

Legal Opinion—Murphy, Lanier & Quinn, Chicago.

Original Offering—First publicly offered ($700,000) in Jan., 1928, at par and interest by Thompson, Kent & Grace, Inc., Emery, Peck & Rockwood Co., Lane, Roloson & Co., Inc., and Bartlett & Gordon, Inc., Chicago.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

	1927	1926
Operating revenues	$275,614	$268,412
Operating expenses and taxes	167,644	160,281
Net earnings	$107,970	$108,131
Interest charges	38,500	38,500
Preferred dividends	15,000	15,000
Surplus	$54,470	$54,631

GENERAL BALANCE SHEET, OCTOBER 31, 1927

Assets—	
Plant & equipment, less reserve for depreciation	$1,366,8
Cash	44,9
Accounts receivable	5,0
Material and supplies	18,6
Prepaid items & deferred charges to future operations	43,2
Total	$1,478,7
Liabilities—	
Preferred stock	$250,0
Funded debt	700,0
Accounts payable & accrued liabilities	36,7
Common stock & surplus	491,9
Total	$1,478,7

Officers: John F. Kent, Pres.; R. H. Coyne, V- Chicago, Ill.; W. S. Green, 2nd V-P., Pekin, Ill.; W. Goodrich, Sec. & Treas., La Crosse, Wis.; R. Stivers, Asst. Sec. & Asst. Treas., Chicago, Ill.

Directors: George H. Gordon, W. F. Goodrich, Crosse, Wis.; John F. Kent, T. L. Grace, J. A. Jol ston, R. H. Coyne, Chicago, Ill.; W. S. Green, Pek Ill.

General Office, La Crosse, Wis. **Executive Offi** 134 South La Salle St., Chicago, Ill.

MIDDLE STATES TELEPHONE COMPANY OF ILLINOIS

(Controlled by Middle Western Telephone Co.)

History—Incorporated Dec. 31, 1926 in Illino consolidation of Citizens Telephone Co., Pekin, I and Des Plaines Telephone Co., Des Plaines, Owns and operates telephone properties in Co County and in Central Illinois. The principal cit served are Park Ridge and Des Plaines in Co County, Pekin, Havana, Green Valley, South Pek Lacon and Manito in Central Illinois. Compa operates 7 exchanges; in excess of 4,200 miles of te phone lines and over 10,000 telephones, serving a po lation of approximately 75,000. Company is connect with the Bell System for long distance service.

CAPITAL STOCK

Authorized, 5,000 shares Common of no par val 100,000 shares Common of $10 par value, and $800,(7% cumulative Pfd. of $100 par value; outstandi 3,000 shares Common of no par value, 2,500 sha Common of $10 par value and $275,000 Pfd. All Common stock, except directors' qualifying sha is owned by Middle Western Telephone Co.

Preferred Stock Provisions—Preferred stock preference for assets and dividends, being entitled case of dissolution or liquidation, to receive $10 per share and accrued dividends, before any paym shall be made to holders of Common stock. It subject to redemption as a whole or in part upon days' notice at 107½ and accrued dividends.

Transfer Agent—Stock transferred at Compar office, Pekin, Ill.

Original Offering—Pfd. stock first publicly offe ($200,000) in January, 1927 at par and accrued d dend by Thompson, Kent & Grace, Inc., Chicago.

Annual Meeting—Second Tuesday in February.

Dividends—Pfd. dividends are payable quarterly A, J & O 1.

FUNDED DEBT

$800,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES DUE JANUARY 1, 1947

Dated January 1, 1927.

Interest Payable January and July 1, at Contine National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,(principal may be registered.

Trustee—Continental National Bank & Trust Chicago.

Provisions of Issue—Issued, $800,000 Series "A" Additional bonds may be issued for permanent provements, extensions and additions, to an amo not in excess of 75% of the cost of such property t acquired, providing however, that the net earn

of the Company as defined in the indenture for the twelve months' period ending not more than 60 days prior to the issuance of such additional bonds shall be equal to at least twice the interest charges on all bonds outstanding under said mortgage together with those to be issued.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' notice, to and including Jan. 1, 1932, at 105 and interest; thereafter to and including Jan. 1, 1937 at 104 and interest; thereafter to and including Jan. 1, 1942, at 103 and interest; thereafter to and including Jan. 1, 1945 at 102 and interest, and thereafter to maturity at 101 and interest.

Maintenance and Redemption Fund—Company shall set aside annually beginning at April 1, 1928, an amount equivalent to 15% of its gross revenue from subscribers, such money set aside to be used for maintenance, additions, extensions and betterments and/or redemption of its First Mortgage bonds.

Security—Bonds are a direct obligation of Company, and are secured by a first mortgage on all real and physical property of Company, now owned or hereafter acquired, having a depreciated value of $1,291,350.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund Pennsylvania, Connecticut and California 4 mills taxes, Maryland 4½ mills tax and Massachusetts Income tax up to 6%.

Legal Opinion—Brundage & Gorman, Chicago.

Original Offering—First publicly offered ($800,000) in January, 1927, at par and interest, by Thompson, Kent & Grace, Inc., Chicago.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

	1927	1926
Operating revenues	$267,506	$241,590
Operating expenses & taxes	156,955	146,373
Net earnings	$110,551	$95,217
Interest charges	52,500	52,500
Preferred dividends	19,250	19,250
Surplus	$38,801	$23,467

GENERAL BALANCE SHEET, OCTOBER 31, 1927

Assets—	
Plant & equipment, less reserve for deprec.	$1,358,048
Materials and supplies	11,799
Cash	12,354
Accounts receivable	22,260
Accounts receivable—system cos.	20,000
Prepaid items & deferred charges	26,555
Total	$1,451,016
Liabilities—	
Common stock & surplus	$239,312
Preferred stock	275,000
Funded debt	875,000
Accounts payable & accrued liabilities	46,084
Accounts payable—system cos.	15,620
Total	$1,451,016

Officers: John F. Kent, Pres.; R. H. Coyne, V-P., Chicago; W. S. Green, Sec. & Gen. Mgr., Pekin, Ill.; Jos. A. Johnston, Treas., Chicago.

Directors: John F. Kent, R. H. Coyne, Thomas L. Grace, T. J. Grace, Chicago; W. S. Green, Pekin, Ill.

General Office, Pekin, Ill. **Executive Office,** 134 So. La Salle St.

THE WARREN OHIO TELEPHONE COMPANY

(Controlled by Middle Western Telephone Co.)

History—Incorporated in Delaware and through its subsidiary, **The Warren and Niles Telephone Co.**, all the Common stock of which it owns, furnishes telephone service to Warren, Newton Falls and Phalanx, Ohio, without competition. The total population served is estimated at 45,000. Company operates over 8,500 stations. The telephone lines of the subsidiary company inter-connect with the Bell System, thereby affording a means of nation-wide telephone service to all its subscribers.

CAPITAL STOCK

Authorized and outstanding, Oct. 31, 1927, 5,000 shares Common stock of no par value and $400,000 7% cumulative Preferred; par, $100. The Middle Western Telephone Co. owns all the Common stock, except directors' qualifying shares.

Annual Meeting—Third Monday in January.

FUNDED DEBT

$800,000 COLLATERAL GOLD 6s, SERIES "A"; DUE MAY 1, 1942

Dated May 1, 1927.

Interest Payable May and November 1, at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized amount, unlimited; issued, $800,000 Series "A" 6s. Additional bonds or subsequent series of bonds, may be issued under the restrictions of the Indenture only when consolidated net earnings before depreciation for the preceding 12 months exclusive of the proportion applicable to the minority Common stocks, shall have been not less than two times the aggregate interest charges on all outstanding bonds of subsidiaries, the annual interest charges on bonds outstanding and those proposed to be issued. Additional bonds may be issued for (1) permanent improvements and additions to properties of subsidiaries not to exceed 75% of the cost or fair value thereof, whichever is lower, and (2) the acquisition of outstanding underlying securities of subsidiaries and for refunding bonds issued hereunder.

The indenture further provides that the operating companies must respectively set up a maintenance, renewal, replacement and depreciation reserve and credit yearly thereto at least 20% of the gross revenue derived from the operation of their physical properties. It will further provide that expenditures for maintenance and renewal of property of each company shall be charged to these reserves, and that any portion of the reserves not exhausted by such charges shall be expended for additions and improvements to its property against which no first mortgage bonds or evidence of indebtedness may be issued, or for the retirement of bonds not to exceed the call price.

Purpose of Issue—The proceeds provided in part for the acquisition of properties, for improvements and other corporate purposes.

Callability—Subject to call in whole or in part on any interest date upon 30 days' notice, to and including May 1, 1930 at 105; thereafter to and including May 1, 1935 at 104; thereafter to and including May 1, 1938, at 103; thereafter to and including May 1, 1940, at 102; thereafter and prior to May 1, 1942, at 101; in all cases plus accrued interest.

Security—A direct obligation of the company and secured by deposit with the Trustee of 99½% of all the capital stock of the Warren and Niles Telephone Co. Application has been made to the Public Utilities Commission of Ohio for the authorization and issuance of First Mortgage bonds on the property, all of which First Mortgage bonds must be deposited as additional security for these Collateral bonds, making them in effect a first lien on the property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and will reimburse the holders, if requested, within 60 days after payment for the Pennsylvania, Connecticut and California four mills tax, Maryland four and one-half mills tax, Iowa six mills tax and Massachusetts Income Tax not exceeding 6%.

Legal Opinion—Brundage & Gorman, for the Company, and Mayer, Meyer, Austrian & Platt, for the Bankers, Chicago.

Original Offering—First publicly offered ($800,000) in May, 1927, at par and interest, to yield 6%, by Hoagland, Allum & Co., Inc., and Thompson, Kent & Grace, Inc., Chicago.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

	1927	1926
Operating revenues	$289,479	$265,842
Operating expenses and taxes	160,219	137,822
Net earnings	$129,260	$128,020
Interest charges	48,000	48,000
Preferred dividends	28,000	28,000
Balance	$53,260	$52,020

GENERAL BALANCE SHEET, OCTOBER 31, 1927

(Accounts Audited by Murphy, Lanier & Quinn)

Assets—	
Plant and equipment	$1,348,805
Cash	335
Accounts receivable	22,485
Materials and supplies	19,510
Preferred stock of subsidiaries owned	180,000
Prepaid and deferred items	1,008
Total	$1,572,143
Liabilities—	
Preferred stock	$400,000
Funded debt	800,000
Accounts payable and accrued liabilities	66,135
Service billed in advance	18,900
Common stock and surplus	287,108
Total	$1,572,143

Officers: John H. Kent, Pres.; R. H. Coyne, V-P., Chicago, Ill.; W. S. Green, Sec., Pekin, Ill.; J. A. Johnston, Treas., Chicago, Ill.

Directors: John F. Kent, R. H. Coyne, Thomas L. Grace, J. A. Johnston, Chicago, Ill.; W. S. Green, Pekin, Ill.

General Office, Warren, Ohio. **Executive Office,** 134 South La Salle St., Chicago, Ill.

MERIDIONALE ELECTRIC COMPANY

(Societa Meridionale di Elettricita)

History and Business—Company was organized in Italy in 1899. Together with its subsidiaries, it is the largest producer and distributor of electric energy in southern Italy and owns the most important concessions of developed and undeveloped hydro-electric power sites. The territory in which these companies operate, or have rights to operate, comprises fourteen provinces having a total area of over 25,000 square miles, or nearly one-quarter of the total area of Italy, including 1,545 separate communities and a total population in excess of 9,000,000. Service is extended to over 375,000 consumers in 518 separate communities having an aggregate population of approximately 5,000,000, including the City of Naples which with its environs has a population of more than 1,000,000. Of the total communities served, 140, with a combined population in excess of 800,000, are supplied at wholesale and they are treated as individual power users in the above number of consumers, regardless of the customers connected in each of these places.

The properties of the Company and its subsidiaries comprise generating plants of 275,000 h.p. capacity, of which approximately 190,000 h.p. is hydro-electric, 26 principal sub-stations and 2,400 miles of transmission lines, of which 593 miles are 60,000 and 150,000 volt construction, connecting the various plants with the distribution centers. Practically all of the main plants contain electric installations of modern design and construction. In addition there are under construction and proposed new hydro-electric plants having a total capacity of 160,000 h.p., sub-stations and 200 miles of high tension tranmsission lines.

The properties of the Meridionale Electric Co. proper consist of the Lete, Matese and Tusciano hydro-electric developments whose respective generating capacities are 10,000, 25,600 and 12,800 h.p., new steam turbo-generators in Naples of 40,000 h.p. capacity with an additional 20,000 h.p. unit now (April, 1927) being installed, twelve principal sub-stations and 650 miles of transmission lines ranging from 30,000 to 150,000 volts, connecting the various plants with the distribution centers. Distribution is effected almost wholly through subsidiary distributing companies which serve their own respective territories. The steam power unit at Naples was placed in operation in March, 1926, and serves as an auxiliary to the hydro-electric plants. The Meridionale Electric Co. owns on an average over 90% of the capital stock of the electric producing and distributing companies.

Subsidiaries—Subsidiary companies, the property of which is subject to the below described First Mortgage, may be summarized as follows:

Societa Forze Idroelettriche Meridionali, (Sfim) owning two important hydro-electric plants of Aventino and Tanagro having respective capacities of 12,800 h.p. and 15,500 h.p. which are operated by the parent company.

Societa Generale per la Illuminazione owning a reserve steam generating station in Naples of 6,000 h.p. capacity and a local distribution system supplying principally lighting service to over 46,000 customers. The company has the concession for street lighting in the City of Naples.

Societa Napoletana per Imprese Elettriche Anonima, one of the most important of the operating subsidiaries, distributes power and light in the City of Naples and its suburbs to more than 114,100 customers. Company also owns a steam turbine generating station of 16,000 h.p. capacity used for reserve purposes, and 182 miles of high tension transmission lines. Together with the Societa Generale per la Illuminazione it serves a population of more than 1,000,000.

Societa Elettrica della Campania distributes electricity in the Province of Caserta serving 39,130 customers in a total population of more than 830,000. Company also owns four small generating plants totaling 1,250 h.p. capacity and 265 miles of high tension transmission lines.

Societa per Applicaziani di Energia Electtrica and its Subsidiary, Societa Sorrentina per Imprese Elettriche, distributes light and power in the southern part of the Province of Naples serving 34,000 customers in a total population in excess of 300,000. The companies own hydro and oil engine plants totaling 2,710 h.p., 40 miles of 12,000 volt transmission lines and local distribution and street lighting systems.

Societa Elettrica del Sannio and its subsidiaries Societa Elettrica Sannitica Irpina-Anonima ed Anche Sesia, Societa Elettrica Irpina and Societa Idroelettrica del Medio Calore supply electric light and power in Benevento and Avellino Provinces serving over 24,300 customers in a total population in excess of 350,000 and have the right to serve 68 additional communities in Campobasso Province, having a total of 192,000 inhabitants. The property comprises hydro and oil engine plants totaling 2,200 h.p., and 273 miles of high transmisison lines together with distribution and street lighting systems.

Societa Generale Pugliese di Elettricita, which distributes electricity in the four Provinces of Puglia, is still in the process of development and is now engaged in the construction of new lines and in the absorption of small local electric companies, the plants of which will ultimately be supplanted with power from the Meridionale Electric Co.'s hydro-electric plants. The Pugliese Company owns 420 miles of high tension transmission lines and in addition owns or has contracted for the acquisition of distribution and street lighting systems supplying over 16,400 customers in 11 communities, having a population of about 250,000. Pending the perfection of title to that part of the distribution systems held under contract and the mortgaging thereof, as required by the Indenture, an amount of cash equivalent to their appraised value will be held by the Trustee.

Societa Elettrica delle Calabrie, and its subsidiaries Societa Idrotermoelettrica Calabria and Societa Elettrica Rinascenza (Seri) will eventually be merged and will distribute electricity generally throughout the Calabria Provinces. The property of the companies comprises two hydro-electric plants and oil engine plants totaling 3,370 h.p. capacity, 253 miles of high tension transmission lines and distribution and street lighting systems. It serves over 18,440 customers in 52 separate communities having a combined population in excess of 320,000.

Additional Properties—The Meridionale Electric Company, in addition to the eight subsidiaries mentioned above, owns or controls, among others, the following additional subsidiary companies:

Societa Forze Idrauliche Della Sila owns the concession for water power in the mountainous region of southern Calabria. The natural conditions make possible the construction of large reservoirs at minimum expense, thus insuring an abundant supply of water power, the flow of which may be easily regulated. The Sila Company plans to construct five hydro-electric plants having an installed capacity of approximately 268,000 h.p. and production capacity of about 800,000,000 k.w.h. per annum, of which about one-half will be available to Meridionale. The construction of the first plant, which will have an ultimate capacity of 140,000 h.p., is well under way and 70,000 h.p. was expected to be put into operation during 1927.

The Meridionale Electric Co. owns 70% of the capital stock, and (the remaining 30% being owned by the "Montecatini,") covenants to maintain ownership of the voting control of the Sila Company and not to permit the sale or other disposition or mortgage or other encumbrance except as permitted under the

terms of the indenture of any substantial part of the property of the Sila Company, except that the Meridionale Company may sell said control or pemit such disposition or encumbrance provided it delivers evidence to the Trustee accompanied by certificates of engineers, approved by the Trustee, that it has made adequate advantageous power contracts with the Sila Company or other source of supply.

Societa Italiana di Elettrochimica (65% owned) owns three hydro-electric plants totaling 68,600 h.p. capacity and electro-chemical factories for the production of sodium, cellulose, aluminum, etc. Practically the entire output of one of the hydro-electric plants of the Elettrochimica Company having a capacity of 45,000 h.p. is purchased by the Meridionale Electric Co. under the terms of a contract which is effective until 1977 at prices slightly in excess of the actual cost to produce.

Compagnia Napoletana d'Illuminazione e Scaldamento Col Gas (approximately 90% owned) owns and operates artificial gas plants and distribution systems in the cities of Naples, Castellammare and Salerno, which have a combined population of approximately 730,000, exclusive, of the outlying districts.

Societa Strade Ferrate Secondarie Meridionale (approximately 55% owned) operates a high speed electric railway between Naples, Vesuvius and Pompeii.

Societa Mediterranea di Elettricita (32% owned) ultimately to be 48% owned) has hydro-electric developments totaling 8,000 h.p. in operation and one of 20,000 h.p. under construction. The Meridionale Electric Co. expects to contract for the purchase at cost of one-half of the energy production of the Mediterranea Company plants.

GROWTH OF BUSINESS

Year	k.w.h. Sold	No. of Consumers
1918	148,300,000	105,906
1919	141,100,000	121,285
1920	147,700,000	135,210
1921	160,700,000	155,155
1922	177,800,000	167,930
1923	198,600,000	181,783
1924	217,800,000	199,773
1925	258,352,000	294,000
1926	286,794,000	340,153
1927	282,950,000	374,591

CAPITAL STOCK

Outstanding, 1,586,872 shares of Lire 250 each equivalent to $20,946,710).

The Capital stock is listed on the Naples, Milan and Geneva Bourses.

Dividends—Dividends have been paid continuously since 1911, such dividends for the years 1923 to 1927, inclusive, having been at the rate of 9%.

FUNDED DEBT

$1,553,000 THIRTY-YEAR FIRST MORTGAGE SINKING FUND 7% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1957

Dated April 1, 1927.

Interest Payable April and October 1 at the principal office of International Acceptance Securities & Trust Co., New York, in United States gold coin of the present standard of weight and fineness, at Union Financiere de Geneve, Geneva, Switzerland, in Swiss Gold Francs at the fixed rate of exchange of 5.18 Swiss Gold Francs for one dollar, or at Helbert, Wagg & Co., Ltd., London, England, in Pounds Sterling at the fixed rate of exchange of $4.86 2-3 for one Pound Sterling.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized, $25,000,000; outstanding, $11,553,000.

Additional bonds may be issued to the extent of $13,000,000, principal amount, and shall be equally and ratably secured by the properties mortgaged, but subquent series may vary as to rate of interest, maturity, sinking fund, redemption prices, etc. Such additional bonds may be issued only: (a) After a proper increase of the outstanding capital stock of the Company in accordance with Italian law, and only (b) to the extent of 50% of the fair value of new properties and/or additions, betterments and improvements to the presently mortgaged properties, and which new properties and/or additions, betterments and improvements shall be placed under the mortgage and which fair value shall be appraised by engineers satisfactory to the Trustee, and only (c) if consolidated net earnings, as defined in the indenture, available for interest during any period of twelve consecutive months within the fifteen calendar months immediately preceding issuance thereof are equal to at least 3 times the annual interest charges on the then outstanding Series "A" bonds presently issued and the additional $1,250,000 Series "A" bonds reserved as aforesaid plus 2½ times the annual interest charges on all other bonds issued under the Indenture, then outstanding and on the bonds then to be issued.

Purpose of Issue—Proceeds from the sale of $10,750,000 Series "A" 7s were used for new and recently made improvements, extensions and additions to the properties, and for other corporate purposes.

Callability—Subject to call for the sinking fund on April 1, 1928, and on any interest date thereafter at 100 and accrued interest. Subject to call as a whole or in part, other than for the sinking fund, on any interest date on 60 days' notice, on or before April 1, 1932, at 103; thereafter and on or before April 1, 1937, at 102½, and thereafter and on or before April 1, 1942, at 101¾; thereafter and on or before April 1, 1947, at 101¼; thereafter and on or before April 1, 1952, at 100½; thereafter at 100, plus accrued interest in each case.

Sinking Fund—Indenture provides that beginning Oct. 1, 1927, and semi-annually thereafter, Company will pay to the Trustee an amount for the payment of interest and sinking fund on these bonds, which it is calculated will be sufficient to retire all of these Series "A" bonds on or before maturity. The Company shall have the right to make sinking fund payments in bonds at par, in lieu of cash. To the extent that sinking fund payments shall not be paid in bonds, available moneys are to be applied to the purchase of bonds at not exceeding 100 and accrued interest, or, if not so obtainable, to the redemption of bonds to be called by lot at 100 and accrued interest.

Security—Secured by a direct first mortgage (after the satisfaction of certain existing liens, as hereinafter provided for) on the entire mortgageable properties of the Meridionale Electric Co. proper and also, to the extent of the present appraised valuation thereof, of certain of the subsidiaries above mentioned which include five principal hydro-electric plants and steam plants and other equipment having a total generating capacity of over 148,000 h.p. and an additional 20,000 h.p. steam unit under installation, the entire system of 1,995 miles of high tension transmission lines, twelve principal sub-stations and distribution systems and all other fixed property appurtenant thereto. These properties have recently been given a depreciated reproduction value of over $25,000,000 by Day & Zimmermann, Inc., Engineers.

The Indenture provides for the release, upon the retirement of bonds otherwise than through the sinking fund, of mortgaged property valued at not exceeding twice the amount of bonds, so retired, provided that the then appraised value of the remaining mortgaged property shall be at least twice the amount of bonds then outstanding, and provided that the substantial integrity of the property remaining subject to the mortgage as complete operating units will be maintained after such release.

The Corporation had certain obligations (directly and as guarantor) to Italian Banks amounting to approximately $3,580,000 guaranteed by the Italian Government, which, until discharged, constituted a first lien on certain of the mortgaged properties. These $3,580,000 obligations had all been discharged as of Dec. 31, 1927. There are also outstanding on certain properties subjected to the mortgage, mortgage bonds to the extent of approximately $247,000.

The Corporation covenants that, except as to the Sila Company, it will not permit any subsidiary corporation, as defined in the Indenture, to incur any indebtedness, except to the Company, other than in-

debtedness maturing within one year incurred in connection with the usual requirements of the current business of such subsidiary corporation and except any outstanding indebtedness of any subsidiary corporation acquired subsequently to the date of the Indenture.

Tax Provisions—Free from any taxes now or at any time hereafter levied by or within the Kindom of Italy.

Legal Opinion—Hornblower, Miller & Garrison, New York and Paris, and Giuseppe Marchesano, Rome (for the Bankers) and Camillo Giussani, Milan and Eduardo Marino, Naples (for the Company).

Original Offering—First publicly offered ($5,350,000) in April, 1927, at 95½ and interest to yield over 7.35%, by Marshall Field, Glore, Ward & Co., Blair & Co., Inc., Blyth, Witter & Co., and Banca Commerciale Italiana Trust Co., New York, etc. $3,500,000 bonds of this issue were withdrawn for public issue in Switzerland by the Union Financiere de Geneve, and approximately $1,900,000 were withdrawn for private sale in England and other European countries.

Listed—New York and Boston Stock Exchanges.

Price Range—1927: High, 95¾; low, 91.

INCOME ACCOUNT, YEARS ENDED MARCH 31
(Meridionale Electric Co. at Naples and certain of its Subsidiaries)

	1927	1926	1925
Gross electric revenue	$4,838,633	$4,032,371	$3,382,213
Operating expenses	2,520,493	1,887,266	1,710,430
Taxes		143,545	118,170
Net earnings	$2,318,140	$2,001,560	$1,553,613
Other income	629,652	344,845	144,828
Gross income	$2,947,792	$2,346,405	$1,698,441
Fixed charges—			
Int. on Government loan	.....	$52,298	$57,344
Interest requirements on $11,926,500 Series "A" bonds outstanding	834,855	.....	.....
Interest on bonds of Sta Generale per la Illuminaz.	.....	13,475	14,803
Interest on other bonds of sub. cos.	.....	4,019	4,349
Interest on floating debt	.....	426,114	254,693
Loss on exchange	.....	98,394	98,852
Total	$834,855	$594,300	$430,041
Balance applicable to depreciation, directors fees and dividends	$2,112,937	$1,752,105	$1,268,400

NOTE—The above statement is given in American Dollars based on rates in effect during these periods, viz: 3.93 cents per lira during 12 mos. to March 31, 1927, 4 cents per lira during 12 mos. to March 31, 1926, and 4.3 cents per lira during 12 mos. to March 31, 1925.

CONSOLIDATED BALANCE SHEET, MARCH 31, 1927
(Including subsidiaries whose properties are under the mortgage)

Assets—	
Property account	$16,715,861
Inventories	766,003
Cash	89,861
Investments	5,146,308
Consumers	1,330,228
Notes and accounts receivable	6,093,212
Total	$30,141,473
Liabilities—	
Capital stock	$11,964,730
Funded debt	347,353
Italian Government loan	839,899
Accounts payable	11,686,339
Consumers' deposits	316,017
Reserve for depreciation	2,886,732
Earned surplus	2,100,403
Total	$30,141,473

Officers: Edmond Aubert, Honorary Pres.; Charles de Haller, V-P.; Alberto Lodolo, V-P.; Giuseppi Cenzato, Director General.

Directors: Edmond Aubert, Pietro Fenoglio, Charles de Haller, Alberto Lodolo, Giacomo Merizzi, Lorenzo Allievi, Auguste Boissonnas, Count Charles Mozzoni Cicogna, Orso-Mario Corgino, Guido Donegani, Frederic Funk, Aslan Granafei, Gustave Hentsch, Agostino Nizzola, Prince Leone Strozzi, Stefano Antonio Benni.

Principal Office, Naples, Italy.

SOUTHWEST HARBOR WATER CO.

History—Incorporated March 2, 1893, in Maine with perpetual franchise, to supply town of Southwes Harbor, Me., with water.

CAPITAL STOCK

Authorized, $50,000; outstanding, $40,000; par, $10(Annual meeting, second Tuesday in January. N dividends paid.

FUNDED DEBT

$36,000 First 5s; dated May 1, 1922; due May 1942; int. May and Nov. 1, at Bar Harbor Bankin & Trust Co., Bar Harbor, Me., Trustee. Coupo $500. Authorized issue, $40,000. No sinking fund an bonds cannot be called. A first lien on entire pro erty now owned or hereafter acquired. Compan does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross earnings	$6,083	$5,815	$5,7
Operating expenses & taxes	3,858	3,545	3,6
Net earnings	$2,225	$2,270	$2,1
Bond interest	1,842	1,800	1,8
Other deductions	381	437	2
Total charges	$2,223	$2,237	$2,1
Surplus for year	$2	$33	

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property and equipment	$75,1
Cash	5,(
Suspense account	
Total	$80,1
Liabilities—	
Capital stock	$40,(
Funded debt	36,(
Current liabilities	
Profit and loss	4,(
Total	$80,

Officers: Jos. D. Phillips, Pres.; Geo. R. Full Sec. & Treas.; Jesse Carpenter, Supt., Southw Harbor, Me.

Directors: Jos. D. Phillips, A. H. Freeman, G R. Fuller, Southwest Harbor, Me.

General Office, Southwest Harbor, Me.

THE DAYTON & WESTERN TRACTIC COMPANY

History and Property—Incorporated June 26, 18 in Ohio. Owns a line from Dayton, Ohio, to Ri mond, Ind., 39.64 miles. This road was operated the Dayton & Richmond Division of The Ohio El tric Ry. Co., for a period of 14 years to April 25, 19 when it was surrendered to its owners, through n payment of lease rental due for the first quarter of year 1920. Has track connection with the Cincin Northern RR. at West Alexandria, Ohio, by means which steam-car load shipments of coal and gaso are handled. Also spur track to gravel plant of Greenville Gravel Corp. Power purchased from Dayton Power & Light Co., Dayton, Ohio. Ha automatic and 1 manual substation.

CAPITAL STOCK

Authorized, $900,000 Common and $850,000 cumulative Pfd.; outstanding, $672,500 Common $850,000 Pfd.; par, $100. Annual meeting, sec Wednesday in January.

Dividends—Dividends of 5% were formerly paid Pfd. and 3% on Common; payments quarterly, Ja etc., at Winters National Bank, Dayton, O. No dends on either class of stock paid since 1919.

FUNDED DEBT

(1)

$312,500 FIRST MORTGAGE 5s; DUE OCTOBER 1, 1951

Dated October 1, 1926.

Interest Payable April and October 1.

Trustee—Winters National Bank & Trust Co., ton, Ohio.

Sinking Fund—Sinking fund for retirement starts 1929.

(2)

$50,000 6% Car Trust Certificates; dated April 2, 1923; due $10,000 annually to and including April 1, 1933; int. April and Oct. 1, at The Central Trust Co., Cincinnati, Ohio, Trustee. Coupon, $1,000; principal may be registered. The equipment is leased by The Central Trust Co., Cincinnati, Ohio, at an annual rental sufficient in amount to retire $10,000 annually and to pay the semi-annual dividend on all outstanding certificates. Guaranteed unconditionally (principal and interest) by endorsement by The Dayton & Western Traction Co. First publicly offered ($100,000) in June, 1923, at 100 and accrued interest, to yield 6%.

Legal Opinion—Frost & Jacobs, Cincinnati, O.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$312,538	$328,262	$294,977
Oper. exp. & deprec.	281,805	268,711	234,791
Taxes	13,594	15,958	16,462
Net earnings	$17,139	$43,593	$43,724
Other income	456	541	128
Total income	$17,595	$44,134	$43,852
Interest charges	19,461	27,010	32,066
Other charges	1,698	1,481	1,481
Total charges	$21,159	$28,491	$33,547
Surplus for year	*$3,564	$15,643	$10,305

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,372,530	$1,370,484	$1,450,088
Other investments	2,130	2,130	4,649
Materials and supplies	11,258	10,468	5,082
Cash	8,600	11,034	4,756
Accounts receivable	13,227	13,597	11,173
Other current assets	1,933	2,296	1,484
Deferred debit items	2,251	12,506	15,644
Unadjusted debits	20,044	11,854	280
Special deposits	.....	.....	8,055
Profit and loss deficit	669,452	665,876	662,682
Total	$2,101,425	$2,100,245	$2,163,893
Liabilities—			
Common stock	$672,500	$672,500	$672,500
Preferred stock	850,000	850,000	850,000
Funded debt	372,500	382,500	155,000
Loans & notes payable	.....	.....	346,005
Accounts payable	21,502	20,491	1,911
Interest accrued	4,841	5,211	.....
Reserve for taxes	13,178	14,049	14,503
Unadjusted credits	14,708	8,844	4,743
Deferred credit items	2,742	18,111	7,653
Depreciation reserve	149,454	127,978	111,578
Operating reserves	.....	561	.....
Total	$2,101,425	$2,100,245	$2,163,893

Officers: Valentine Winters, Pres. & Treas.; Henry Gebhart, V-P. & Gen. Mgr.; J. H. Winters, Sec.; P. A. Hommel, Asst. Sec. & Aud., Dayton, O.; W. A. Coleman, Supt., West Alexandria, O.

Directors: Valentine Winters, Henry Gebhart, J. H Winters, Louella W. Thomas, Clara Winters, Dayton, O.

Office, 1441 Third National Bldg., Dayton, O.

CHICAGO NORTH SHORE AND MILWAUKEE RAILROAD COMPANY

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	—Dividends Paid— Rate	Amount	Earnings per Share
7% Cum. Prior Lien (par, $100)	J, A, J & O 1	$10,000,000	$7,000,000	No	$496,044	$7.00	$484,083	$7.09
6% Non-Cum. Pfd. (par, $100)	J, A, J & O 1	5,000,000	5,000,000	No	11,961	6.00	300,000	0.24
Common (par, $100)	.....	5,000,000	5,000,000	....	Nil	None		Nil

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Mtge. 5s	July 1, 1936	J & J 1	*$10,000,000	{$4,000,000} {†3,420,000}	No	No	Paid by Co.
First Mtge. 6s	July 1, 1936	J & J 1					
First & Ref. Mtge. 6s, "A"	Jan. 1, 1955	J & J 1	§Unlimited	{ 9,649,500} { 2,657,700}	No	Yes	Paid by Co.
First & Ref. Mtge. 5½s, "B"	Apr. 1, 1956	A & O 1					
Unsecured non-int. Notes	July 1, 1928	.....	2,700,000	2,648,208	‡	...	.....
Three-Year 5½% Gold Notes	Feb. 1, 1930	F & A 1	2,500,000	2,500,000	No	Yes	Paid by Co.
6% Equip. Notes	Aug. 1, 1929	F & A 1	550,000	110,000	No	Yes	Paid by Co.
6% Equip. Ctfs., Series C-1	July 1, 1932	J & J 1	500,000	250,000	No	Yes	Paid by Co.
6% Equip. Ctfs., Series D-1	Apr. 1, 1933	A & O 1	557,000	{ 278,400	No	Yes	Paid by Co.
6% Equip. Ctfs., Series D-2	Apr. 1, 1933	A & O 1		{ 15,900	No	Yes	Paid by Co.
4½%, 5% and 6% Equip. Notes, Series E-1	Dec. 31, 1935	J & J 1	650,000	520,000	No	Yes	Paid by Co.
5½% Equip. Notes, Series E-2	Dec. 31, 1931	J & J 1	80,000	41,200	No	Yes	Paid by Co.
5½% Equip. Ctfs., Series F-1	Dec. 1, 1942	M & N 30	720,000	720,000	No	Yes	Paid by Co.
5½% Equip. Ctfs. Series F-2	Dec. 1, 1942	M & N 30	84,000	84,000	No	Yes	Paid by Co.
Real Estate Mortgage	.....	.....	.....	683,900	...	...	.....

Total Funded Debt, at Dec. 31, 1927, $24,194,808.
Amount Available for Interest in 1927, $1,794,405.
Interest Accrued in 1927, $1,158,922.
Times Interest Earned in 1927, 1.55.

*Mortgage closed. †In treasury pledged. §For issuance of additional bonds, see description. ‡Exchangeable at maturity at Company's option for Five-year 5% Notes, or 6% non-cumulative Pfd. stock.

History—The Chicago North Shore and Milwaukee Railroad Company was incorporated in Illinois, July 1, 1923, as a reorganization of the Chicago North Shore and Milwaukee Railroad, which latter company was incorporated in Illinois on June 12, 1916 to acquire all the property, rights and franchises formerly belonging to both the Illinois and Wisconsin corporations known as the Chicago & Milwaukee Electric R.R. Co., sold at foreclosure May 1, 1916 (see Manual for 1916, page 4426, or apply to our Information Department). There is pledged in the interest of company, as additional security for its First Mortgage bonds, the entire capital stock of the **Chicago & Milwaukee Electric Ry. Co. of Wisconsin**, which owns the terminal facilities in the city of Milwaukee used by the Chicago North Shore & Milwaukee R. R. Co.

Reorganization Plan—Stockholders on Feb. 27, 1923, ratified a plan for the financial reorganization of the Company, which plan went into effect, July 1, 1923. A new corporation was formed under the name of the Chicago North Shore & Milwaukee Railroad Company

CHICAGO NORTH SHORE & MILWAUKEE RAILROAD CO.
ALL SECURITIES
Bought Sold Quoted
EDWIN L. LOBDELL & COMPANY, Inc.
INVESTMENT SECURITIES
209 SO. LA SALLE ST. CHICAGO

with an authorized capital stock distributed as follows: $10,000,000 Prior Lien 7% cumulative stock, $5,000,000 6% non-cumulative Pfd. stock and $5,000,000 Common stock. All of the 6% Pfd. and Common stock, together with $2,684,208.07 of 5-year non-interest bearing Promissory Notes were delivered to the Participation Shareholders in exchange for their shares in the proportion provided for in the Trust Agreement under which the Participation Shares were issued.

Chicago North Shore and Northern Railroad—Formed in 1923 with a nominal capital of $50,000 to build a line of railroad from a connection with the tracks of the Chicago Rapid Transit Company (Elevated Lines), just north of Howard St., the city limits between Chicago and Evanston, running west for a distance of 4.96 miles and then northerly and northeasterly through the Skokie Valley for a distance of 21.34 miles, to a connection with the "Shore" line at North Chicago Junction. All the capital stock was owned by the Chicago North Shore and Milwaukee R. R. Co. The Northern Railroad issued its First and Refunding Mortgage, dated Oct. 1, 1924, which was later adopted by the North Shore Company as its own First and Refunding Mortgage. At meeting of stockholders of both companies, held Oct. 6, 1924, a consolidation of the two companies was effected under the name of Chicago North Shore and Milwaukee Railroad Company. The construction of the above mentioned line was completed and opened for operation from Howard St., Evanston, to Dempster St., Niles Center, on March 28, 1925, and from Niles Center to a connection with the "Shore" line at North Chicago Junction on June 5, 1926.

Property Owned and Operated—Owns and operates high-speed electrically operated railroad linking the heart of Chicago, Illinois, with the heart of Milwaukee, Wisconsin, with branch line extending from Lake Bluff, Illinois, to Mundelein, Illinois, (formerly known as Area, Illinois), and line in the Skokie Valley extending from Howard Street, Evanston, via Niles Center, to connection with the "Shore" line division at North Chicago Junction, embracing 112.88 miles of road and 257.61 miles single track equivalent.

MILEAGE OWNED AND OPERATED DECEMBER 31, 1927

	Road Mileage	Single Track Equivalent
Mileage Owned:		
Shore Line—Evanston, Ill., to Milwaukee, Wis.	77.74	175.03
Lake Bluff, Ill., to Mundelein, Ill.	8.84	20.74
Skokie Valley Line *Evanston to Niles Center	4.96	12.37
Niles Center to North Chicago Junct.	21.34	49.47
Owned	112.88	257.61
†Trackage Rights:		
Evanston to Union Loop Dist., Chicago	16.07	32.14
Union Loop District to 63rd and Dorchester, Chicago	8.73	17.46
Trackage rights	24.80	49.60
Owned and Operated	137.68	307.21

†Jointly with the Chicago Rapid Transit Co. *Chicago Rapid Transit Co., which owns and operates all the elevated railway lines in Chicago, operates over the Company's line to Dempster Street in Niles Center through lease and traffic arrangement, paying a rental sufficient to cover its proportionate share of fixed charges.

Rolling Stock—Rolling stock on Dec. 31, 1927, consisted of 189 passenger cars, 57 merchandise despatch cars, including 14 special flat cars, 5 refrigerator cars, 221 freight cars, 5 electric locomotives, 19 work cars, and 46 motor coaches, and a large number of motor trucks, trailers, etc.

Territory Served—By Railroad: The principal communities served are Evanston, Wilmette, Winnetka, Glencoe, Highland Park, Lake Forest, Lake Bluff, North Chicago Junction, Waukegan, Zion, Niles Center, Libertyville and Mundelein, Illinois; Racine, Kenosha, South Milwaukee and Milwaukee, Wisconsin. Through lease and traffic agreements, the company operates into the "Loop District" of Chicago, Ill., and south to 63d Street, in the South Division of Chicago, rendering a complete service to its patrons.

By Motor Coaches: On Aug. 12, 1922, Company commenced operation of motor buses, the initial route being between Kenosha and Lake Geneva, Wis. Subsequently other routes were added, so that on Dec. 31, 1927 Company was operating between the following municipalities: Kenosha and Lake Geneva, Wis.; Waukegan, Ill., and Kenosha, Wis.; Waukegan and McHenry, Ill.; Highland Park and Wilmette, Ill.; Waukegan and Antioch, Ill.; Glencoe and Wheeling, Ill.; Wheeling, Fox Lake, Libertyville and Antioch, Ill.; Evanston and Niles Center, Ill., and Niles Center, Wauconda, and Volo, Ill.

Operating Statistics—In 1927, Company carried a total of 19,161,925 passengers on its rail and motor coach lines, a decrease of 299,501 under 1926. Of that number 10,865,823 passengers were carried on the main line, an increase of 151,365 over 1926. The Milwaukee City line carried 2,907,647, a decrease of 105,129 under 1926, and the Waukegan City lines, including the auxiliary motor coach service, supplied in that city, carried 4,701,301 passengers, a decrease of 143,983 under 1926. Including the Waukegan City service the motor coach lines carried 1,757,109 passengers during 1927.

The merchandise despatch and freight business of the company for 1927 amounted to 843,000 tons, an increase of 186,000 tons over the business of 1926.

Franchises—The Company owns its own right of way in the State of Wisconsin until it reaches the city limits of Milwaukee, and is therefore independent of municipal franchises to that extent. The franchise of the Milwaukee city line expires Dec. 31, 1934. The right of way in Illinois outside of corporate limits is owned by the Company. Within corporate limits the Company also owns its right of way to a considerable extent, and the remainder is covered by various municipal franchises.

Passenger Rates—At the beginning of the year 1927 passenger rates were on the basis of 3 cents a mile. After application to, and the filing of tariffs with the Interstate Commerce Commission, authority was granted to increase interstate rates to 3.6 cents a mile in March, 1927. The intrastate rates remained at 3 cents a mile, but on a further application to the Interstate Commerce Commission an order was issued Dec. 12, 1927, directing the Company to increase its intrastate rates to 3.6 cents a mile to end the discrimination against the interstate passenger. This order was made effective Jan. 15, 1928.

CAPITAL STOCK

Authorized, $5,000,000 Common, $10,000,000 7% cumulative Prior Lien and $5,000,000 6% non-cumulative Pfd.; outstanding, Dec. 31, 1927, $5,000,000 Common, $7,000,000 7% Prior Lien and $5,000,000 6% Pfd.; par $100. Prior Lien stock is preferred over the junior issues both as to assets and dividends.

Transfer Office (All Classes)—Company's office 72 W. Adams St., Chicago.

Registrar (All Classes)—Central Trust Co. of Illinois, Chicago.

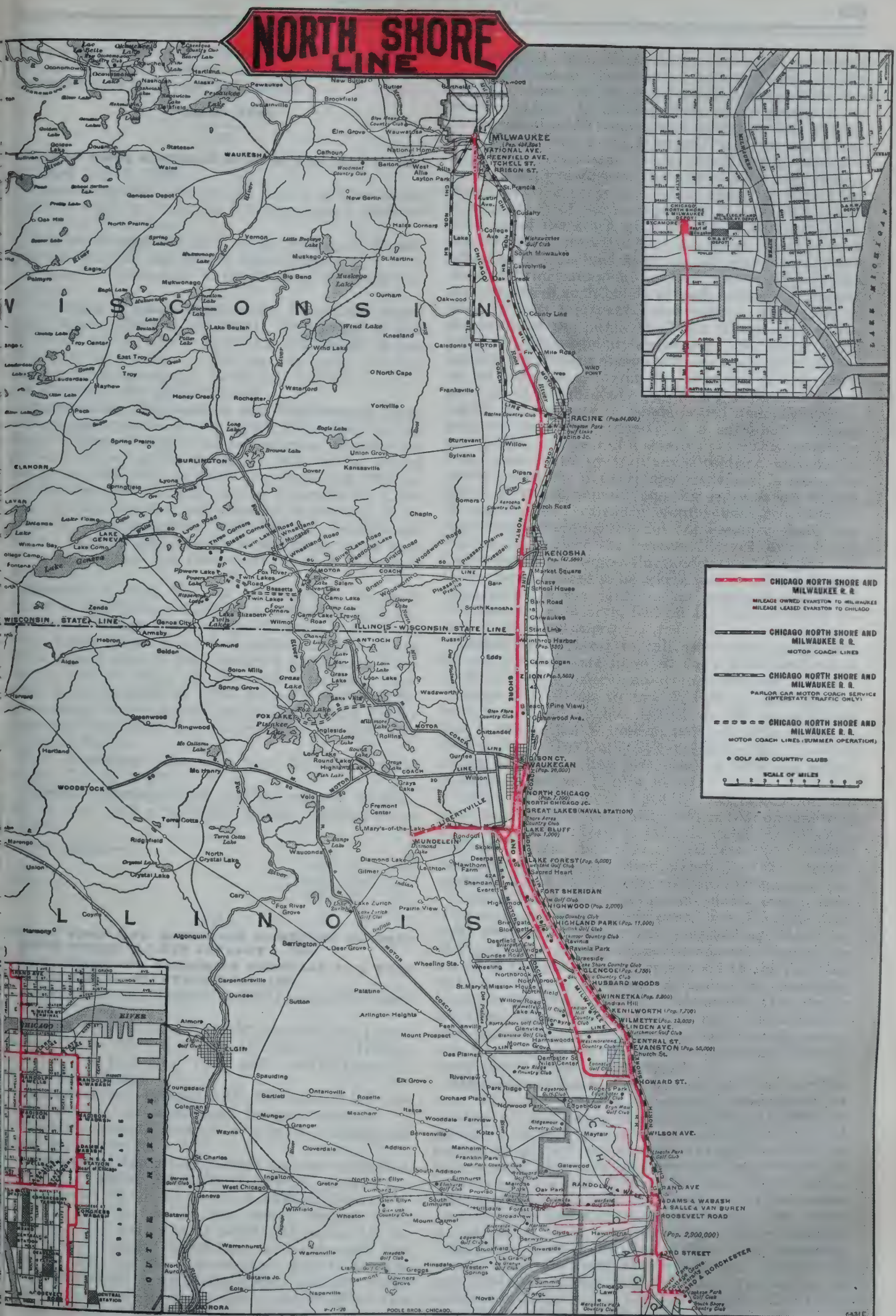
Annual Meeting—First Monday in March.

Listed (All Classes)—Chicago Stock Exchange.

Price Range—

	1927	1926	1925
Prior Lien—			
High	102½	101¾	100
Low	98⅛	98¼	99½
Preferred—			
High	72	83	83
Low	63	70	73½
Common—			
High	36	64	52½
Low	24	37	36½

Dividends—A quarterly dividend of 1½% on the Pfd. stock was paid Oct. 25, 1923, which rate has since been continued. Initial quarterly dividend of 1¾% on the Prior Lien stock was paid Jan. 2, 1924, and a


NORTH SHORE LINE
WISCONSIN
ILLINOIS
MILWAUKEE
(Pop. 458,000)
NATIONAL AVE.
GREENFIELD AVE.
MITCHELL ST.
RAISON ST.
WAUKESHA
RACINE (Pop. 64,000)
KENOSHA (Pop. 47,000)
WISCONSIN STATE LINE
ILLINOIS-WISCONSIN STATE LINE
ANTIOCH
ZION (Pop. 5,000)
WAUKEGAN (Pop. 26,000)
NORTH CHICAGO (Pop. 7,700)
NORTH CHICAGO JC.
GREAT LAKES (NAVAL STATION)
LAKE BLUFF (Pop. 1,000)
LAKE FOREST (Pop. 5,000)
FORT SHERIDAN
HIGHWOOD (Pop. 2,000)
HIGHLAND PARK (Pop. 11,000)
LAKE BLUFF
SLENCOE (Pop. 4,750)
HUBBARD WOODS
WINNETKA (Pop. 8,000)
KENILWORTH (Pop. 1,700)
WILMETTE (Pop. 13,000)
LINDEN AVE.
CENTRAL ST.
EVANSTON (Pop. 50,000)
Church St.
HOWARD ST.
WILSON AVE.
RANDOLPH & WELLS
GRAND AVE
ADAMS & WABASH
LA SALLE & VAN BUREN
ROOSEVELT ROAD
(Pop. 2,900,000)
63RD STREET
WOODLAWN & DORCHESTER
ELGIN
AURORA
CHICAGO
RIVER
OUTER HARBOR
LAKE MICHIGAN
CHICAGO NORTH SHORE AND MILWAUKEE R. R.
MILEAGE OWNED EVANSTON TO MILWAUKEE
MILEAGE LEASED EVANSTON TO CHICAGO
CHICAGO NORTH SHORE AND MILWAUKEE R. R.
MOTOR COACH LINES
CHICAGO NORTH SHORE AND MILWAUKEE R. R.
PARLOR CAR MOTOR COACH SERVICE
(INTERSTATE TRAFFIC ONLY)
CHICAGO NORTH SHORE AND MILWAUKEE R. R.
MOTOR COACH LINES (SUMMER OPERATION)
GOLF AND COUNTRY CLUBS
SCALE OF MILES
POOLE BROS. CHICAGO.
6431E

same rate quarterly since. Payments on Pfd. and Prior Lien stocks are made quarterly, J, A, J & O 1. No dividends have been paid on Common.

FUNDED DEBT

(1)

$4,000,000 FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1936

Dated July 1, 1916.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago, and at National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized, $10,000,000; mortgage closed. Issued, $9,500,000 ($6,080,000 5s and $3,420,000 6s) of which $5,500,000 ($2,080,000 5s and $3,420,000 6s) pledged as part security under the first and refunding mortgage, dated Jan. 2, 1925.

Callability—Not subject to call.

Maintenance, Depreciation and Replacement Fund—Mortgage provides for this fund, amounting for the first five years, to 12% of the annual gross income from property subject to the mortgage, 14% for the second five years, 16% for the third five years and 18% for the last five years which may be expended by Company for maintenance, replacement or renewal of its property, improvements, additions or betterments thereto (against which no First Mortgage bonds may be issued) or for the retirement of First Mortgage bonds.

Security—A first lien on all property formerly owned by the Chicago & Milwaukee Electric R. R. Co. of Ill., and Chicago & Milwaukee Electric R. R. Co. of Wis. There is also pledged as additional security the entire capital stock of the Chicago & Milwaukee Electric Ry. Co. of Wis., the Milwaukee terminal company, above referred to. The property of the terminal company is now free of liens and the Stock Pledge Agreement provides that no mortgage or lien may be placed thereon.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($3,620,000) in Sept. 1916 at 92½ and interest yielding about 5-5/8%.

Price Range—

	1927	1926	1925
High	98½	98½	96
Low	97½	95	91

(2)

$9,649,500 FIRST AND REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "A," DUE JANUARY 1, 1955

$2,657,700 FIRST AND REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "B"; DUE APRIL 1, 1956

Dated Series "A," January 2, 1925; Series "B," April 1, 1956.

Interest Payable on Series "A" January and July 1, and on Series "B" April and October 1, at Halsey, Stuart & Co., Inc., New York, and Central Trust Co. of Illinois, Chicago.

Denominations—Coupon $100, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago and Aksel K. Bodholdt.

Provisions of Issue—Authorized amount unlimited. Issued, $12,700,000 ($9,950,000 Series "A" 6s and $2,750,000 Series "B" 5½s), of which $300,500 Series "A" 6s and $92,300 Series "B" 5½s retired through sinking fund. The proceeds of $7,000,000 Series "A" 6s were used to refund $3,500,000 one year notes due June 15, 1925, for the retirement of $2,721,700 additional amount of funded obligations, and for other corporate purposes and proceeds of $2,950,000 Series "A" 6s and $2,750,000 Series "B" 5½s applied on construction of line from Niles Center to point on main line near Lake Bluff, Ill., and other corporate purposes.

Additional bonds of any series, with such provisions as authorized at the time of issuance, may at any time be issued (a) in equal amount against the deposit of cash or U. S. obligations, or the pledge or refundment of underlying bonds, or bonds of a subsidiary, as defined in the Mortgage, and to pay or refund other series issued under the Mortgage, and (b) to the extent of 75% of the cost of additions, betterments and new property, coming under the lien of the Mortgage, or of the mortgage of a subsidiary, or of the cost of the stock of a subsidiary pledged under the Mortgage, provided that mortgage bonds of such subsidiary be pledged in an amount equal to not less than the principal amount of bonds so issued, and that the amount of such bonds of each subsidiary pledged plus its then mortgage indebtedness outstanding in the hands of the public shall not exceed 75% of the value of such subsidiary's property. Additional bonds issuable on account of expenditures made for additions or betterments or purchased property of the Company or of a subsidiary or for the refundment at a higher interest rate of bonds issued under the Mortgage or upon the property of a subsidiary (except at or within one year of maturity) or on account of the acquisition of the stock of any subsidiary, may not be issued unless the net earnings, as defined in the mortgage, of the Company and its subsidiaries during 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least twice the interest charges on all bonds then issued and outstanding under the Mortgage and those then proposed to be issued, and on all bonds then outstanding in the hands of the public of any of its subsidiaries or, prior in lien on any part of the property of the Company.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' published notice at the following prices and accrued interest:

Series "A"—Prior to Jan. 1, 1935, at 105; on and from Jan. 1, 1935 to Jan. 1, 1940, at 104; on and from Jan. 1, 1940 to Jan. 1, 1945, at 103; on and from Jan. 1, 1945 to Jan. 1, 1950, at 102½; thereafter less ½ of 1% during each succeeding year to Jan. 1, 1954, and on and subsequent to Jan. 1, 1954, at 100.

Series "B"—Prior to April 1, 1936 at 105; on and from April 1, 1936 to April 1, 1946 at 103; on and from April 1, 1946 to April 1, 1951 at 102½; on April 1, 1951 at 102 and thereafter at 102 less ½ of 1% for each full year elapsed after March 31, 1951. Subsequent to March 31, 1955 they will be redeemable at par.

Sinking Fund—Sinking fund beginning Dec. 1, 1925, with semi-annual payments equal to ½% of the principal amount of bonds then outstanding under the Mortgage and underlying bonds at such times in the hands of the public, is to be applied to the purchase and retirement of First and Refunding or underlying bonds in the order named, if obtainable at or below the then redemption price, or, if not so purchasable, used against capital expenditures which might otherwise have been made the basis for the issuance of additional bonds under the Mortgage.

Maintenance Fund—Commencing with the calendar year 1925, and annually thereafter a reserve will be established amounting to not less than 16% of total operating revenue derived from operation of physical properties subject to Mortgage, to be expended for maintenance, renewals, replacements, betterments or improvements which shall not be made the basis for the certification of additional bonds, or for the retirement of bonds issued under the Mortgage. The above percentage is subject to periodical redetermination.

Security—Secured, (a) by a direct first mortgage on the extension from Howard Street, Chicago, to main line near Lake Bluff, Ill., the first section of which is in operation, (b) by the pledge of $5,500,000 First 5s, due July 1, 1936, being approximately 58% of such bonds outstanding, and (c) by a direct mortgage lien on all of the Company's physical prop-

erty now owned or hereafter acquired, subject only to prior lien bonds from time to time outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut Four Mills and Maryland 4½ Mills Taxes; District of Columbia Personal Property Taxes not exceeding 5 mills per dollar per annum, and Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum, refunded on request if made within 60 days of payment.

Original Offering—First publicly offered ($7,000,000 Series "A" 6s) in Dec., 1924, at 98 and interest, yielding about 6.15%, by Halsey, Stuart & Co., Inc., and The National City Co., New York, etc. $2,950,000 additional Series "A" 6s offered in June, 1925 at 99½ and interest, yielding over 6% by the same companies. $1,250,000 Series "B" 5½s offered in May, 1926 at 96½ and interest, to yield about 5¾%, and $1,500,000 additional Series "B" 5½s offered in Sept. 1926, at 98½ and interest, to yield about 5.60% by the same bankers.

Price Range—

Series "A" 6s—	1927	1926	1925
High	101	101½	100
Low	98	99	97½

(3)

$2,684,208 FIVE-YEAR UNSECURED NON-INTEREST BEARING NOTES; DUE JULY 1, 1928

Authorized, $2,700,000. Exchangeable at maturity at company's option for Five-Year 5% Notes or 6% Non-cumulative Pfd. stock.

(4)

$2,500,000 THREE-YEAR 5½% GOLD NOTES; DUE FEBRUARY 1, 1930

Dated February 1, 1927.

Interest Payable February and August 1 at Central Trust Co. of Illinois, Chicago, and Halsey, Stuart & Co., Inc., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized and issued $2,500,000. Proceeds used to retire floating debt and for capital expenditures for additions and betterments to Company's property.

Callability—Subject to call as a whole or in part at any time upon 30 days' notice at the following prices and interest: Prior to Feb. 1, 1928 at 101; on Feb. 1, 1928 and thereafter to maturity at 100.

Security—These notes are a direct obligation of Company and are issued under an Indenture to provide among other things that so long as any of these notes remain outstanding no additional mortgage may be placed against the property of the Company without giving these notes the same lien thereunder as any bonds to be issued under such additional mortgage.

Tax Provisions—Company pays Normal Federal Income Tax not exceeding 2% and agrees to reimburse holders of these notes, if requested within 60 days after payment, for the Pennsylvania 4 mills Tax and any personal property or exemption tax in Connecticut, not exceeding 4/10% of the principal in any year, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($2,500,000) in February, 1927 at 99½ and interest to yield over 5.65% by Halsey, Stuart & Co., Inc. and National City Co., New York, etc.

(5)

$110,000 6% EQUIPMENT GOLD NOTES; DUE $27,500 SEMI-ANNUALLY FEB. 1, 1928, TO AUG. 1, 1929

Dated August 1, 1919.

Interest Payable Feb. and Aug. 1, at First National Bank, New York, and Northern Trust Co., Chicago, Ill., Trustee. Denominations $500 and $1,000. Authorized and issued, $550,000, of which $440,000 retired to Dec 31, 1927. Subject to call as a whole or in part at any time upon 30 days' notice at 101 and int. for all notes having more than five years to run from date of redemption, and at 100½ and int. for notes having five years or less to run. These notes are a direct obligation of the Company and are secured by a first lien on 15 steel interurban motor passenger cars, 15 steel interurban control trailer passenger cars, 12 parcel dispatch motor cars and 10 one-man safety cars. The total cost of the equipment is at the rate of $100 of equipment for not in excess of each $70 of notes issued. First publicly offered ($500,000) in Aug., 1919, at prices ranging from 99.50 and int. to 94.61 and int., to yield from 6.50% to 6.75%, according to maturites by Halsey, Stuart & Co., Inc., and National City Co., New York, Chicago, etc. Company pays Normal Federal Income Tax up to 2%.

(6)

$250,000 EQUIPMENT 6% GOLD CERTIFICATES, SERIES "C-1;" DUE $50,000 ANNUALLY JULY 1, 1928 TO 1932, INCLUSIVE

Dated July 1, 1922.

Dividends Payable Jan. and July 1, at The Northern Trust Co., Chicago, Ill., Trustee, and at First National Bank, New York. Denominations, $1,000, except the last two maturities which are in denominations of $100, $500 and $1,000. Authorized and issued, $500,000, of which $250,000 retired to Dec 31, 1927. Subject to call in whole or in part on 30 days' notice at 101 and accumulated dividends for certificates having more than five years to run from date of redemption, and at 100½ and accumulated dividends for certificates having five years or less to run.

The certificates represent about 75% of the cost of new cars, as follows, including their electrical and other equipment: 15 merchandise dispatch motor cars, 12 single truck motor safety cars, 7 interurban passenger motor cars, 2 observation parlor cars, 2 light weight passenger motor cars, 1 interurban dining motor car, and 1 line motor car. Full title to the foregoing equipment is vested in the trustee for the benefit of the certificate holders, and the lease is assigned to the trustee providing for rentals sufficient to pay these certificates and the dividend warrants as they come due. Under the terms of the lease the Railroad Company covenants to maintain and keep the equipment in good order and repair, to replace any of said equipment that may be worn out, lost or destroyed, and to insure the equipment against loss or damage by fire to an amount not less than the balance of these certificates unpaid and outstanding. First publicly offered ($500,000) in July, 1922, at prices to yield from 5¾% to 6¾%, according to maturity by Halsey, Stuart & Co., Inc., and National City Co., New York, etc. Pennsylvania four mills tax refundable. Company pays Normal Federal Income Tax up to 2%.

(7)

$278,400 6% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES "D-1"; DUE $46,400 ANNUALLY APRIL 1, 1928 TO 1933, INCLUSIVE

$15,900 6% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES "D-2"; DUE IN 1928

Dated April 2, 1923.

Dividends Payable April and Oct. 1, at The Northern Trust Co., Chicago, Ill., Trustee, and at First National Bank, New York. Denominations, $100, $500 and $1,000; principal may be registered. Authorized issue, $557,000, of which $278,400 Series "D-1" and $15,900 Series "D-2" are outstanding. Subject to call on any dividend date at 101 and accrued dividends upon all certificates having more than five years to run from the date of redemption, and at 101½ upon all certificates having five years or less to run from the date of redemption. Secured on 56 cars and one freight locomotive costing $619,000, of which $62,000 paid in cash. The Series "D-2" Certificates are a second lien on this equipment. Pennsylvania four mills tax refunded upon application within 60 days after payment. Company pays Normal Federal Income Tax up to 2%.

(8)

$520,000 EQUIPMENT 4½%, 5% AND 5½% GOLD NOTES SERIES E-1; DUE $65,000 EACH DEC. 31 TO 1935

Dated January 2, 1926.

Dividend Warrants at rate of 4½% on certificates maturing during the two-year period ended Jan. 1, 1928; 5% from Jan. 1, 1928 to Jan. 1, 1931; and 5½% from Jan. 1, 1931 to Jan. 1, 1936. Dividends are payable January and July 1, at Central Trust Co. of Illinois, Trustee, or at Halsey, Stuart & Co., Inc., New York. Denomination, $100, $500 and $1,000. Original issue, $650,000, of which $130,000 retired to Dec. 31, 1927. Subject to call in whole or in part on 30 days' notice at 102 and accrued dividends for certificates having more than 5 years to run from date of redemption and at 101½ and accrued dividends for certificates having less than 5 years to run. Secured by a first lien on 28 cars and 5 sets of equipment as follows: 20 interurban passenger motor cars; 5 control trailer refrigerator cars; 3 interurban dining cars and 5 sets of Westinghouse motors and control equipment costing approximately $803,936. Pennsylvania State tax not exceeding 4 mills refunded. Company pays Normal Federal Income Tax up to 2%.

(9)

$41,200 EQUIPMENT 5½% GOLD NOTES, SERIES E-2; DUE EACH DEC. 31 TO 1931

Dated January 2, 1926.

Dividends Payable January and July 1, at Central Trust Co. of Illinois, Chicago, Trustee, or at Halsey, Stuart & Co., Inc., New York.

Denominations—Coupon, $100, $500 and $1,000. Original issue, $80,000 of which $38,800 retired to Dec. 31, 1927. Subject to call as a whole or in part on 30 days' notice at 101½ and accrued dividends. Secured on the same equipment as the Series E-1, but subject thereto. Pennsylvania State tax not exceeding 4 mills refunded. Company pays Normal Federal Income Tax up to 2%.

(10)

$720,000 EQUIPMENT TRUST 5½% GOLD CERTIFICATES, SERIES "F-1"; DUE $72,000 EACH DECEMBER 1, 1933 TO 1942, INCLUSIVE

Dated December 1, 1927.

Dividends Payable May 31 and November 30, at office of Halsey, Stuart & Co., Inc., New York, or Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $1,000 except for the Dec. 1, 1937 and 1942 maturities which are in denominations of $100, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Callability—Subject to call as a whole or in part on any dividend date on 30 days' notice at 100 and dividends, plus a premium of 2% for all certificates maturing more than 5 years and a premium of 1½% for all certificates maturing 5 years or less from date of redemption.

Security—Issued under the Philadelphia Plan. The amount of the certificates represents approximately 80% of the cost of 15 double truck interurban passenger motor cars, 2 double truck interurban dining cars, 1 double truck interurban conservation parlor car, 10 double truck city motor cars and 2 65-ton double truck electric locomotives, costing $894,151 of which $90,151 paid in cash. Title to the equipment is vested in the Trustee and the equipment is leased to the Chicago North Shore and Milwaukee RR. Co. at a rental sufficient to pay these certificates and dividend warrants as they come due. The Company covenants that it will maintain and keep the equipment in good order and repair, replace any of said equipment that may be worn out or destroyed, and insure the equipment against loss or damage by fire to an amount not less than the balance of these certificates unpaid and outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2. Pennsylvania 4 mills tax refunded upon request within 60 days after payment.

Guaranty—Guaranteed by the Chicago North Shore & Milwaukee Railroad Co.

Original Offering—First publicly offered ($720,000) in Dec., 1927, by Halsey, Stuart & Co., Chicago, at prices to yield from 5.25% to 5.50% according to maturity.

(11)

$84,000 EQUIPMENT TRUST 5½% GOLD CERTIFICATES, SERIES "F-2"; DUE $8,400 EACH DECEMBER 1, 1933 TO 1942, INCLUSIVE

Dated December 1, 1927.

Dividends Payable May 31 and Nov. 30, at office of Halsey, Stuart & Co., Inc., New York, or Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—Central Trust Co. of Illinois, Chicago.

Callability—Subject to call as a whole or in part on any dividend date at 102 and dividends for all certificates having more than 5 years to run from the date of redemption, and at 101½ and dividends for those having 5 years or less to run from the date of redemption.

Security—Secured on the same equipment as Series "F-1" and subject thereto in all respects.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including the Chicago & Milwaukee Electric Ry. Co.)

	1927	1926	1925	1924	1923	1922
Operating revenue	$7,829,592	$7,568,362	$6,850,165	$6,198,987	$5,945,272	$5,007,951
Operating expenses	5,740,868	5,644,846	5,066,956	4,650,030	4,464,421	3,777,591
Net revenue—Ry. operations	$2,088,724	$1,923,516	$1,783,209	$1,548,957	$1,480,851	$1,230,360
Net auxiliary operating revenue	68,478	99,808	86,994	800	11,444	8,730
Net revenue from operation	$2,157,202	$2,023,324	$1,870,203	$1,549,757	$1,492,295	$1,239,090
Taxes	420,085	400,838	408,254	298,608	279,448	248,937
Operating income	$1,737,117	$1,622,486	$1,461,949	$1,251,149	$1,212,847	$990,153
Miscellaneous income	57,288	191,805	151,673	60,154	26,626	14,560
Gross income	$1,794,405	$1,814,291	$1,613,622	$1,311,303	$1,239,473	$1,004,713
Fixed charges	1,298,360	1,082,864	832,992	610,583	552,608	486,784
Net income	$496,044	$731,427	$780,630	$700,720	$686,865	$517,929
Dividends on Preferred stocks	784,083	729,741	525,360	393,301	158,267	90,000
Surplus	*$288,039	$1,686	$255,270	$307,419	$528,598	$427,929
Times Interest Earned	1.55	1.68	1.94	2.15	2.24	2.06
Earnings Per Share—						
Prior Lien Preferred	†$7.09	$10.99	$17.09	$41.64	.....	.....
6% Preferred	†0.24	6.03	11.11	12.15	.....	.....
Common	†Nil	0.03	5.11	6.15	.....	.....

*Deficit. †Before $333,598 received on sale of real estate.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance, Jan. 1, 1927, $919,507; surplus for year 1927 (before dividends), $496,044; profit on sale of real estate, $333,598; net sundry adjustments (credit), $163,044—total $1,912,193. Deduct: Dividends paid on Prior Lien and Pfd. stock, $784,083. Credit balance, Dec. 31, 1927, $1,128,110.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Chicago North Shore & Milwaukee RR. Co. and Chicago & Milwaukee Electric Ry.)

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$42,186,751	$40,566,704	$34,341,371	$28,457,156	$23,743,257	$17,669,233
Discount and expense on funded debt, subject to amortization	977,604	974,084	797,318	368,386	297,664	380,481
Sinking funds	1,713	83,149	69,750	53,449	.....	.....
Uncompleted contracts	.....	.....	50,101	52,939	472,821	348,867
Miscellaneous physical property	71,883	84,439	173,901	206,810	96,246	.....
Funds in hands of trustees, etc.	.....	.....	*774,716	8,703	8,932	10,266
Materials and supplies	383,981	470,856	659,570	433,605	313,063	242,878
Accounts receivable	616,241	344,803	266,223	217,897	263,375	100,837
Loans and notes receivable	236,131	357,395	173,605	51,677	32,902	4,000
Miscellaneous investments	375,298	90,640	81,035	.....	.....	.....
Miscellaneous bonds in treasury	8,500	9,000	9,000	900	500	500
Cash	467,072	657,195	186,296	228,816	166,451	162,149
Subscribers to capital stock	.....	156,390	.....	.....	.....	.....
Special deposits	46,061	43,580	42,498	10,200	10,200	.....
Unadjusted accounts	46,256	262,603	64,573	353,263	115,876	88,714
Special advances	750,060	570,389	457,818	149,500	657,751	670,920
Prepaid accounts	41,991	32,960	69,589	74,162	46,060	55,299
Total	$46,209,542	$44,704,187	$38,217,364	$30,667,463	$26,225,098	$19,734,144
Liabilities—						
Common stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	.....
6% non-cumulative Preferred stock	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	.....
Prior lien 7% stock	7,000,000	†6,927,900	4,567,600	1,682,800	571,700	.....
Chicago No. shore & Mil. RR	.....	.....	.....	.....	.....	$100,000
Chicago & Milwaukee Elec. Ry.	.....	.....	.....	.....	.....	100,000
Equity of Participation shareholders in road and equipment	.....	.....	.....	.....	.....	7,454,539
First & Refunding Mortgage bonds	12,307,200	12,555,900	9,950,000	.....	.....	.....
First Mortgage 5% bonds	4,000,000	4,000,000	4,000,000	4,060,000	4,060,000	4,520,000
Three-Yr. 5½% gold notes	2,500,000	.....	.....	.....	.....	.....
Equipment 6% gold notes	110,000	165,000	226,600	309,000	389,500	461,500
Serial 6% gold notes	.....	.....	.....	3,500,000	.....	.....
7% Secured Sinking Fund gold notes	.....	.....	.....	1,720,400	1,754,900	1,826,300
Equip. trust ctfs., Series "C," "D," "E" & "F"	1,909,500	1,315,900	817,000	937,600	994,000	600,000
3-yr. 6½% secured notes, Series "C"	.....	.....	.....	941,300	960,500	.....
5-yr. non-int. bearing notes	2,684,208	2,684,208	2,684,208	2,684,208	2,684,208	.....
Real estate mortgages	683,900	617,470	628,700	471,075	405,950	.....
Partial pay. on Prior Lien stock sub	.....	.....	174,857	71,330	70,754	.....
Contract liabilities	33,655	30,069	25,412	49,064	36,576	.....
Loans and notes payable	400,000	1,078,269	836,944	535,908	671,771	599,27
Accounts payable	1,203,992	1,796,433	1,011,472	618,770	704,939	774,70
Accrued interest and taxes	404,601	268,678	182,412	188,187	249,873	310,12
Dividends payable	.....	.....	.....	.....	83,255	.....
Depreciation reserves	1,657,709	2,141,579	2,119,560	1,964,617	1,908,971	596,88
Other reserves	186,667	203,274	259,004	292,987	327,963	
Surplus	1,128,110	919,507	733,595	640,216	350,237	2,390,81
Total	$46,209,542	$44,704,187	$38,217,364	$30,667,463	$26,225,098	$19,734,14

*Valley Line Financing Account on deposit with Trustee. †Includes $275,100 subscribed.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Chicago North Shore & Milwaukee RR. Co. and Chicago & Milwaukee Electric Ry.)

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$383,981	$470,856	$659,570	$433,605	$313,063	$242,87
Accounts receivable	616,241	344,803	266,223	217,897	263,375	100,83
Cash	467,073	657,195	186,296	228,816	166,451	162,14
†Valley Line financing account	.....	.....	774,716	.....	.....	.....
Loans and notes receivable	236,131	357,395	173,605	51,677	32,902	4,00
Subscribers to capital stock	.....	156,390	.....	.....	.....	.....
Total	$1,703,426	$1,986,639	$2,060,410	$931,995	$775,791	$509,86
Current Liabilities—						
Loans and notes payable	$400,000	$1,078,269	$836,944	$535,908	$671,771	$599,27
Accounts payable	1,203,992	1,796,433	1,011,472	618,770	704,939	774,70
Accrued interest and taxes	404,601	268,678	182,411	188,187	249,873	310,12
Dividends payable	.....	.....	.....	.....	83,255	.....
Total	$2,008,593	$3,143,380	$2,030,827	$1,342,865	$1,709,838	$1,684,11
Net Working Capital (Debit)	$305,167	$1,156,741	*$29,583	$410,870	$934,047	$1,174,24

†Proceeds of $2,500,000 First & Refunding Mortgage bonds issued for construction of Skokie Valley Line, on deposit wit Trustee. *Credit.

Officers: Samuel Insull, Chairman Board of Directors; Britton I. Budd, Pres.; R. Floyd Clinch, V-P.; B. J. Fallon, V-P.; C. E. Thompson, V-P.; W. V. Griffin, V-P.; H. M. Lytle, V-P.; Lincoln C. Torrey, Sec. & Treas.; F. M. O'Donnell, Asst. Sec. & Asst. Treas.; John W. Evers, Jr., Asst. Sec.; Arthur E. Kullas, Asst. Sec.; George R. Apfel, Asst. Treas.; John R. Blackhall, Gen. Mgr.; C. R. Mahan, Compt.; W. W. O'Toole, Gen. Aud.; J. W. Simons, Supt.; C. J. Swift, Pur. Agt Ralph R. Bradley, Gen. Counsel, Chicago, Ill.

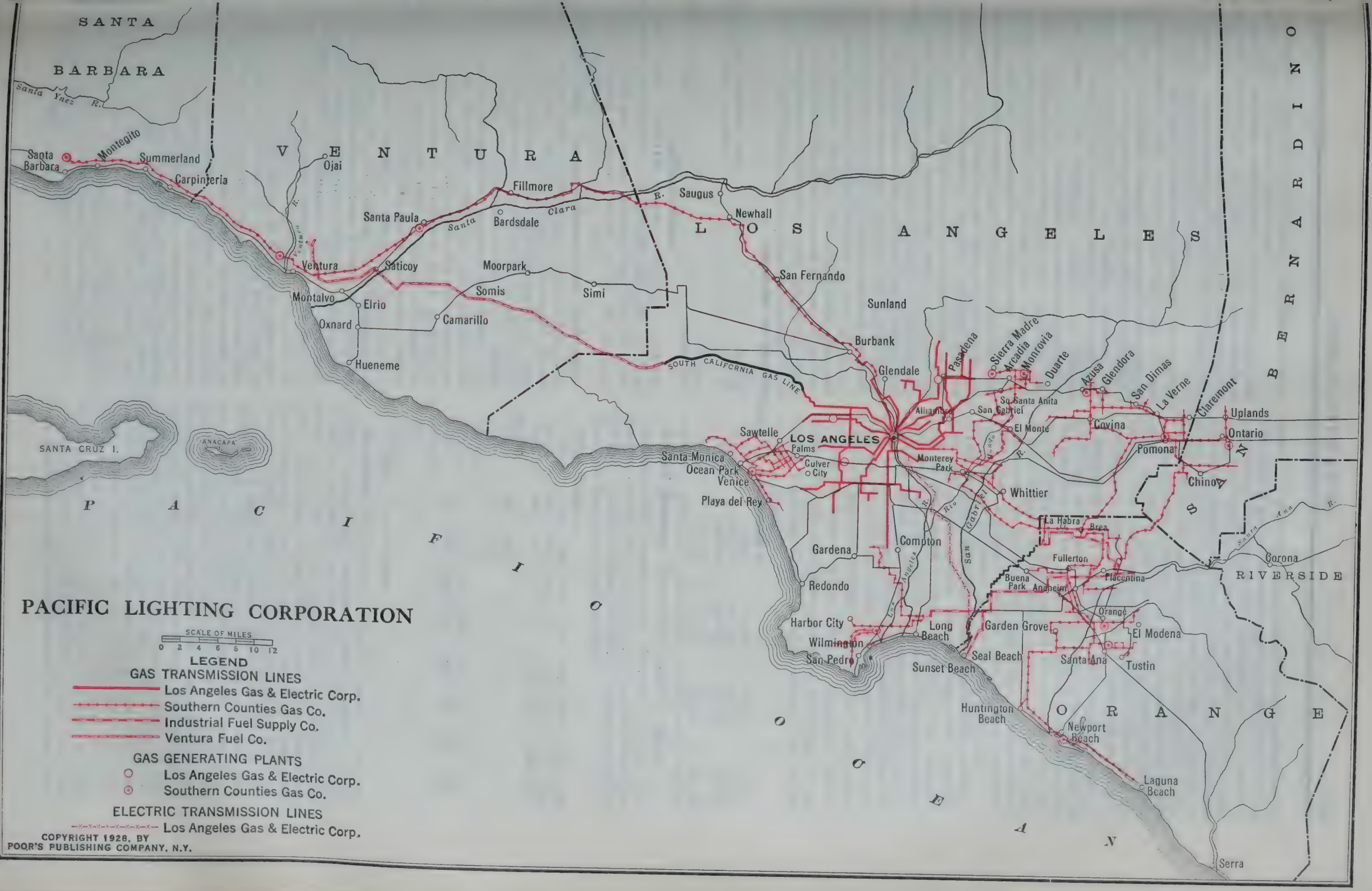
Executive Committee: Samuel Insull, R. Floy Clinch, John R. Thompson, Jr.

Directors: Samuel Insull (Chairman), Britton Budd, R. Floyd Clinch, John R. Thompson, Jr., Charle C. Shedd, Jos. E. Otis, Chicago, Ill.; H. S. Osle Toronto, Can.

General Office, 72 W. Adams St., Chicago, Ill.

PACIFIC LIGHTING CORPORATION

History—Incorporated May 21, 1907, in Cal.; successor to the Pacific Lighting Co.; (see Manual for 1907, page 1646). Owns all of the issued Common stock of the Los Angeles Gas & Electric Corporation, all the Common stock of Southern Counties Gas Co. of California, and Industrial Fuel Supply Co., contro of which gives the Pacific Lighting Corporation a interest in the gas business extending from the Ocea on the west to beyond Pomona on the east, centraliz ing the gas service to over 459,958 meters and give



PACIFIC LIGHTING CORPORATION

SCALE OF MILES
0 2 4 6 8 10 12

LEGEND

GAS TRANSMISSION LINES
- Los Angeles Gas & Electric Corp.
- Southern Counties Gas Co.
- Industrial Fuel Supply Co.
- Ventura Fuel Co.

GAS GENERATING PLANTS
- Los Angeles Gas & Electric Corp.
- Southern Counties Gas Co.

ELECTRIC TRANSMISSION LINES
- Los Angeles Gas & Electric Corp.

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Los Angeles Gas & Electric Corp.
ELECTRIC TRANSMISSION LINES
Southern Counties Gas Co.
Los Angeles Gas & Electric Corp.
GAS GENERATING PLANTS
Ventura Fuel Co.
Industrial Fuel Supply Co.
Southern Counties Gas Co.
Los Angeles Gas & Electric Corp.
GAS TRANSMISSION LINES
Whittier
Chino
Glendale
Burbank
Sunland
Saugus
Newhall
Oxnard
Camarillo
Moorpark
Simi
Santa Paula
Ventura
Port Hueneme

the Pacific Lighting Corporation, including electric meters, 593,140 meters in service.

In 1925 acquired outstanding stock of Madera Gas Co. and Turlock Gas Co. Owns jointly, with interests controlling Midway Gas Company, the Ventura Fuel Company. Also owns large interest in Common stock of Pacific Gas & Electric Company.

Pacific Lighting Corporation, through Los Angeles Gas & Electric Corp., Southern Counties Gas Co. and its other subsidiaries, supplies gas and electricity in the City of Los Angeles, and gas in 68 other municipalities, 45 of which are in Los Angeles County, 9 in Orange County, 8 in Ventura County, 4 in Santa Barbara County, 1 in Stanislaus County, 1 in Madera County, and many consumers in unincorporated territory. When the Los Angeles gas business was first acquired in 1889, artificial gas only was supplied. Pacific Lighting Corporation's companies now own pipe lines bringing natural gas from more than ten distinct fields to Los Angeles and adjacent territory. In addition, the Corporation, through subsidiaries, has acquired underlying contracts for the purchase of gas on large acreages in important proven gas and oil fields in order to insure a reliable supply of natural gas.

At the present time, both artificial and natural gas are served by the companies' systems, the former being manufactured by plants which have a present generating capacity of over 100,000,000 cubic feet per 24 hours, while the latter is obtained from the prolific gas and oil fields, to which reference is made above. The Corporation operates the largest oil gas generating plant in the world and the gas works properties occupy 27½ acres. It also has in the heart of Los Angeles one of the largest gas compressor plants in the world, with a capacity of 210,000,000 cubic feet per day. The gas distributing facilities include 16 modern holders, with a combined capacity of 74,878,000 cubic feet, the largest of which is the "waterless" type, having a capacity of 15,000,000 cu. ft. and is largest of its kind in the world.

There are in service 4,576 miles of pipe of which 439 miles are high pressure gathering and distributing mains. The total combined compressor capacity of the systems is in excess of 400,000,000 cubic feet per day.

Industrial Fuel Supply Co.—This Company owns a gathering and transmission system in and adjacent to the territory served by the Southern Counties Gas Co. of California and is engaged in the purchase and sale of natural gas. All its 20,000 shares of Common stock are owned by Pacific Lighting Corp., which received them upon liquidation of the Los Angeles Suburban Gas Corp. in the latter part of 1926 (see below).

Los Angeles Suburban Gas Corp.—This company (see 1926 Public Utility Manual, page 498) formerly held all the issued Common stock of the Southern Counties Gas Co. of California and all the outstanding Common stock and bonds of Industrial Fuel Supply Co. Its outstanding First Lien Collateral Trust 7% Sinking Fund Gold bonds, due March 1, 1938, were called for payment on Sept. 1, 1926 at 105 and interest at Central Trust Co. of Illinois, Chicago. Subsequently in 1926 all of its assets were distributed to the Pacific Lighting Corp., as sole owner of its 54,000 Common shares.

GROWTH OF BUSINESS, AS OF DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gas meters in service (net)	459,958	433,899	433,313	406,502	388,176	322,500
Electric meters in service	133,182	123,626	123,416	111.075	89,643	68,572
Total	593,140	557,525	556,729	517,577	477,819	391,072
Gross earnings	$28,052,546	$24,390,865	$21,948,161	$21,452,713	$18,522,309	$17,359,902

CAPITAL STOCK

Authorized, 7,000,000 shares Common, 2,500,000 shares $6 dividend Pfd. and 500,000 shares $5 dividend Pfd., all of no par value; outstanding, Feb. 29, 1928, 1,127,459 shares Common, 99,001 shares $6 dividend Pfd. and 999 shares $5 dividend Pfd.

Capital Stock Changes—Subscription Privilege—Stockholders on Aug. 10, 1927 approved a change in the capital stock from 700,000 shares Common, 50,000 shares 5% cumulative Pfd. and 250,000 shares 6% cum. Pfd., all of $100 par value to the amounts stated above. On Nov. 15, 1927, the Common stock was, in effect, split ten for one, through the payment of a 900% stock dividend, and about the same time each stockholder of record Nov. 1, 1927, was given the opportunity of purchasing one share of Common stock at $50 per share for each ten shares held. This offer brought in a sum in excess of $5,000,000, the larger part of which was used on Feb. 1, 1928, to redeem the total issue of Pacific Lighting Corp. 6% Secured Gold bonds, which left the corporation free from funded and floating debt on that date, except to its affiliated corporations.

Preferred Stock Provisions—Dividends on both classes of Pfd. shares are cumulative. The $6 dividend Pfd. stock is subject to redemption in whole or in part on any dividend date at $105 per share and accrued dividends, and the $5 dividend Pfd. stock at $100 per share and accrued dividends, upon not less than 60 days' notice in each case. In the event of voluntary or involuntary dissolution or liquidation holders of both classes of Pfd. stock shall be entitled to $100 per share and dividends. Except as to dividend rate and rate of redemption, no distinction exists between the $6 Pfd. stock and the $5 Pfd. stock. Every share of stock, whether Pfd. or Common, has the same voting power.

Transfer Office—Stock transferred at Company's office, 433 California Street, San Francisco, Calif.

Registrar—Wells Fargo Bank & Union Trust Co., San Francisco, Calif.

Annual Meeting—Third Wednesday in March.

Listed (All Classes)—San Francisco Stock Exchange; the 6% Pfd. stock on Los Angeles Stock Exchange. Common shares and $6 Pfd. shares are traded in on the New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
5% Pfd.—								
High	91	86	85½	82	82½	82	75	83¼
Low	86	84	79	75	77½	71½	64¾	70
6% Pfd.—								
High	105	99	....	....	....	....	....	....
Low	99	94⅞	....	....	....	....	....	....
*Common—								
High	750	325	300	230	210	193	150	165
Low	320	301	237½	222	180⅝	150	138	130
†Common—								
High	79¼	....	....	....	....	....	....	....
Low	54	....	....	....	....	....	....	....

*$100 par. †No par shares.

Dividends—Dividends on 5% Pfd. and 6% Pfd. formerly outstanding, regularly paid quarterly. Dividends on the $6 Pfd. stock of no par value paid quarterly, J, A, J & O 15; initial dividend paid Oct. 16, 1927. Dividends on the $5 Pfd. stock of no par value paid quarterly, F, M, A & N 15; initial dividend paid Feb. 15, 1928. Dividends on Common of $100 par value were paid as follows: 1909, ¾%; 1910, 3¼%; 1911, 4½%; 1912, 5¾%; 1913, 1914 and 1915, 8% each; 1916, 6%; during 1917, the first three quarterly dividends were at rate of $2.50 per share, and the last quarter at rate of $3 per share; 1918, 12%; 1919, 12%; 1920, 13% (the first two dividends were each at rate of $3 and the last two dividends at rate of $3.50 per share); 1921, 14%; 1922, 14%; 1923, 14½%; 1924, 16%; 1925, 10%; 1926 and 1927, 16% each. Initial quarterly dividend of 75 cents per share on Common stock of no par value paid Feb. 15, 1928; payments, F, M, A & N 15. On Dec. 4, 1922, a stock dividend of 10% ($480,000) upon the Common stock was paid; in December, 1924, a stock divi-

dend of 80% ($4,224,000) was paid.. On Nov. 15, 1927, a stock dividend of 900% was paid.

FUNDED DEBT

None.

The $3,903,500 6% Secured Gold bonds, due Feb. 1 1940, were called for redemption on Feb. 1, 1928, a 103½ and interest at American Trust Co., San Francisco, Trustee.

CONDENSED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Operating Companies)

	1927	1926	1925	1924	1923	1922
Gross income	$28,052,546	$24,390,865	$21,948,161	$16,204,334	$12,849,632	$12,037,72
Operating expenses, taxes, interest, depreciation, Pfd. dividends paid by the Los Angeles Company and other items	19,495,705	18,946,785	19,022,926	13,567,740	10,977,217	10,398,40
Depreciation	3,552,449	3,010,537		.....	.....	.....
Net profit	$5,004,392	$2,433,543	$2,925,234	$2,636,594	$1,872,415	$1,639,31
Preferred dividends	599,353	523,293	208,100	208,100	208,100	208,10
Common dividends	1,640,000	1,639,856	949,997	844,800	765,479	672,00
Surplus for year	$2,765,039	$270,394	$1,767,139	$1,583,694	$898,836	$759,21
Earnings Per Share—						
Preferred	$50.04	$24.33	$70.28	$63.35	$44.99	$39.2
Common	†3.90	18.63	28.15	*45.99	31.52	29.8

*Based on $5,280,000 Common stock; $4,224,000 additional issued in Dec., 1924. †Based on no par shares; in previou year $100 par basis.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant properties and franchises	$116,857,140	$108,943,483
Investments	4,655,528	1,541,346
Cash	5,066,633	1,964,319
Accounts and notes receivable	5,135,507	3,276,874
Materials and supplies	1,688,255	1,549,406
Unamort. discount and expense on sec.	4,956,137	4,575,613
Insurance, rents and miscellaneous	41,525	41,946
Total	$138,400,725	$121,892,987

Liabilities—	1927	1926
Capital stock, Pacific Lighting Corp.—		
Common	$16,291,950	$10,250,0(
Preferred	10,000,000	10,000,0(
Preferred capital stock of sub. cos.	21,805,300	21,553,9(
Paid on subscriptions to Pfd. stock of subsidiaries	50,033	175,67
Funded debt—		
Los Angeles Gas & Electric Corp.	47,247,500	43,238,0(
Southern Counties Gas Co.	10,901,200	10,943,4(
Madera Gas Co.	39,000	40,5(
Pacific Lighting Corp.	3,903,500	4,000,0(
Less sinking fund cash and investments	*277,117	*1,437,5
Notes and accounts payable	1,780,895	2,908,5(
Dividends payable	191,959	145,3
Accrued bond interest	944,200	821,2
Accrued taxes	1,935,596	1,275,2
Depreciation reserves	16,133,751	13,475,6
Miscellaneous reserves	243,236	351,7(
Consumers' advances for construction	2,591,635	2,086,2
Surplus	4,618,087	2,065,0
Total	$138,400,725	$121,892,9

*Deduction.

CONSOLIDATED STATEMENT OF WORKING CAPITAL DECEMBER 31

Current Assets—	1927	1926
Cash	$5,066,633	$1,964,319
Accounts and notes receivable	5,135,507	3,276,874
Materials and supplies	1,688,255	1,549,406
Total	$11,890,395	$6,790,599

Current Liabilities—	1927	1926
Notes and accounts payable	$1,780,895	$2,908,5
Dividends payable	191,959	145,3
Accrued bond interest	944,200	821,2
Accrued taxes	1,935,596	1,275,2
Total	$4,852,650	$5,150,4
Net Working Capital	$7,037,745	$1,640,1

DETAILED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(Pacific Lighting Corp. and Subsidiary Cos.)

Gross revenue	$28,052,546
Operating expenses & taxes	14,492,604
Net profit before bond int., deprec. & amort.	$13,559,942
Bond interest	3,368,054
Depreciation	3,552,449
Amortization of bond disc. & exp.	311,149
Net profit	$6,328,290
Dividends on Pfd. stocks of sub. cos.	1,323,8
Dividends on Pfd. stock of Pacific Lighting Corp.	599,3
Cash dividends on Common stock of Pacific Lighting Corp.	1,640,0
Balance to surplus	$2,765,0
Earnings Per Share—	
Preferred	$50.
Common	3.

Officers: C. O. G. Miller, Pres.; A. Schilling, F. W. Van Sicklen, Bernard W. Ford, V-Ps.; R. W. Miller, V-P., Treas. & Asst. Sec.; A. T. Wilson, Sec., San Francisco, Calif.

Directors: C. O. G. Miller, A. Schilling, F. W. V Sicklen, C. F. Michaels, Bernard W. Ford, R. W. M ler, D. G. Volkmann, Rudolph Schilling, Geo. F. Vol mann, R. K. Ham, C. H. Dickey.

Office, 433 California St., San Francisco, Calif.

LOS ANGELES GAS AND ELECTRIC CORPORATION

(Controlled by Pacific Lighting Corporation)

History—Incorporated June 22, 1909, in Cal.; consolidation of Pasadena Consolidated Gas Co. and Los Angeles Gas and Electric Co., which latter, in 1904, succeeded Los Angeles Lighting Co. and T Los Angeles Electric Co. Supplies about 75% of t domestic and commercial gas business in Los Angel

LOS ANGELES GAS & ELECTRIC CORPORATION

E. H. Rollins & Sons

Founded 1876

Boston New York Philadelphia Chicago
Denver San Francisco Los Angeles London

and has the entire gas business in Pasadena, South Pasadena, Monterey Park, Alhambra, Huntington Park, Hawthorne, San Gabriel, and San Marino, together with a portion of Vernon, Bell, Inglewood, Culver City, Maywood, and other suburban districts. Has electric generating plants in Los Angeles and Seal Beach, with distributing system of underground conduits and pole lines in the city of Los Angeles. Population of territory served, about 1,735,000.

Gas Department—Annual output, 20,271,529,000 cubic feet. Daily rated capacity, 95,000,000 cubic feet. Miles of mains, 2,817. No. of meters, 357,179. Price of gas from Feb. 9, 1927 (straight natural gas basis from this date): City of Los Angeles, gross 92 cts., block system; discounts 7 cts. to 20 cts. Cities of Pasadena, South Pasadena, Alhambra, Huntington Park, gross 98 cts., block system; discounts 13 cts. to 26 cts. Other districts, gross $1.12, block system; discounts 14 cts. to 40 cts.

Electric Department—System operated, lighting A. C.; power A. C. single and 3-phase, 60-cycles, and D. C. Output (k.w.h.), 247,191,413. No. of meters, 142,843. Station capacity, 145,687 h.p. A. C. (Westinghouse and General Electric). Street lighting, 1,160 arcs (D. C. magnetite type, 4-amp. at 75 to 80 V.), 1,962 (type C-600 C. P.) incandescents on arc system; contract price per year $28.80 for use of pole and wire system only; inc. 123-330-watt, 4-200-watt, 30-155-watt, 1,844-100-watt, 818-60-watt, 36-40-watt tungstens. No. hours street lamps lighted per year, arcs, 3,854; incandescents, midnight, 2,016, arc schedule, 3,854 and special schedule, 3,945. Commercial and domestic lighting, incandescent lamps and equivalents, 5,645,068. Commercial price per k.w.h., 5 cents, block system; discounts, 2 cents to 3 cents; domestic price per k.w.h., 5 cents, block system; discounts, 2.5 cents to 3 cents.

OPERATING STATISTICS, DECEMBER 31

Gas—	1927	1926	1925
Miles of mains	2,817	2,737	2,653
No. of meters	357,179	339,736	326,018
Output (thousand cu. ft.)	20,271,529	19,188,811	17,733,104
Electricity—			
No. of meters	142,843	135,155	123,416
Output (k.w.h.)	247,191,413	213,459,806	184,683,171

CAPITAL STOCK

Authorized, $30,000,000 Common and $30,000,000 5% cumulative Pfd., outstanding, $20,000,000 Common and $19,305,300 Pfd.; par, $100. All the outstanding Common stock is owned by Pacific Lighting Corp.

Preferred Stock Provisions—Has preference for assets and dividends over Common stock, and is entitled to $100 per share and accrued dividends in the event of liquidation. Has equal voting powers, share for share, with the Common stock.

Transfer Agents—Pacific Coast Trust Co., New York, Pacific Lighting Corp., San Francisco, or at Company's office, Los Angeles, Cal.

Registrars—American Exchange Irving Trust Co., New York, The Bank of California, N. A., San Francisco, and Security Trust & Savings Bank, Los Angeles.

Annual Meeting—First Wednesday in March.

Listed (Pfd.)—San Francisco and Los Angeles Stock Exchanges.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921
High	104⅝	100⅜	97¼	92	92½	91¼	85
Low	98⅜	95½	89¾	87½	86	84	84

Public Offering—$5,000,000 Pfd. stock was publicly offered in July, 1924, at 90 and accrued dividends to yield 6.67%, by E. H. Rollins & Sons, New York, etc., and Bond & Goodwin & Tucker, Inc., San Francisco; other issues sold by Corporation at prices ranging up to 108 at present time.

Legal Opinion (Pfd. Stock)—Paul Overton, Los Angeles, and Heller, Ehrman, White & McAuliffe, San Francisco.

Dividends—Directors meet for dividend action on Com., fourth Wednesday in each month; on Pfd., fourth Wednesday in J, A, J & O; payments on Pfd., quarterly, F, M, A & N 15. Common dividends of $720,000 each paid in 1917 and 1918; $740,000 in 1919; $840,000 each in 1920, 1921 and 1922; $870,000 in 1923; $966,250 in 1924; $1,125,000 in 1925; $1,263,750 in 1926, and $1,925,000 in 1927. In addition a $3,000,000 dividend in Common stock was paid on Common stock in 1927. Pfd. dividends amounting to $27,379 were paid in 1921; $192,059 in 1922; $370,361 in 1923; $451,613 in 1924; $975,057 in 1925; $1,126,168 in 1926, and $1,148,897 in 1927.

FUNDED DEBT

(1)

$1,993,000 (CLOSED MORTGAGE) LOS ANGELES GAS AND ELECTRIC CO. GENERAL GOLD 5s; DUE JULY 1, 1934

Dated July 1, 1904.

Interest Payable January and July 1, at Wells Fargo Bank and Union Trust Co., San Francisco.

Denomination—Coupon, $1,000.

Trustee—Wells Fargo Bank and Union Trust Co., San Francisco.

Sinking Fund—Sinking fund began July 1, 1907, $35,000 per annum, bonds being kept alive. Sinking fund reserve, Jan. 1, 1928, $1,304,725.67.

Security—Secured by entire property of company, except Pasadena gas property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% required to be withheld at the source.

Legal for Savings Banks in Maine, Massachusetts and California.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105	101½	101½	100	96¼	100	98	90
Low	101½	100	99¾	97¾	96¼	93½	84	90

(2)

$6,257,000 (CLOSED MORTGAGE) LOS ANGELES GAS AND ELECTRIC CORP. FIRST & REFUNDING GOLD 5s (INCLUDING $1,211,000 HELD IN TREASURY FOR SINKING FUND PURPOSES); DUE SEPTEMBER 1, 1939

Dated September 1, 1909.

Interest Payable March and September 1, at Wells Fargo Bank and Union Trust Co., San Francisco, and Harris Trust & Savings Bank, Chicago, and National Bank of Commerce, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Wells Fargo Bank and Union Trust Co., San Francisco, and Harris Trust & Savings Bank, Chicago.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—2% of outstanding amount of First & Refunding and underlying bonds, less additions during preceding year to sinking funds of underlying mortgages, began July 1, 1910, by means of which $1,800,000 of bonds have been cancelled.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% required to be withheld at the source.

Legal for Savings Banks in Maine, Massachusetts and California.

Legal Opinion—W. W. Gurley, Chicago, Ill.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103½	101¾	101	99¾	98	100	93¾	92
Low	101⅝	99½	98½	95¾	95½	91⅞	83½	79¾

(3)

$31,243,000 LOS ANGELES GAS AND ELECTRIC CORP. GENERAL AND REFUNDING MORTGAGE GOLD BONDS, (CLOSED MORTGAGE) ISSUED:

Series "D", 20-Year 6s; dated March 1, 1922; due March 1, 1942; int. M & S 1. Authorized and issued, $2,000,000; cancelled by sinking fund, $62,500; outstanding	$1,937,500
Series "E", 25-Year 5½s; dated June 1, 1922; due June 1, 1947; int. J & D 1. Authorized and issued, $5,000,000; cancelled by sinking fund, $500; outstanding	4,999,500
Series "F", 20-Year 5½s; dated March 1, 1923; due March 1, 1943; int. M & S 1. Authorized and issued, $4,000,000; cancelled by sinking fund, $191,000; outstanding	3,809,000
Series "G", 18½-Year 6s; dated Sept. 1, 1923; due March 1, 1942; int. M & S 1. Authorized and outstanding	4,000,000
Series "H", 18 1/6-Year 6s; dated Jan. 1, 1924; due March 1, 1942; int. M & S 1. Authorized and issued, $8,000,000; cancelled by sinking fund, $455,000; outstanding	7,545,000
Series "I", 25-Year 5½s; dated Oct. 1, 1924; due Oct. 1, 1949; int. A & O 1. Authorized and issued, $12,000,000; cancelled by sinking fund, $1,152,500; cancelled by redemption, $1,895,500; outstanding	8,952,000
Total outstanding	$31,243,000

Interest Payable (as above noted) at American Trust Co., San Francisco, Security Trust & Savings Bank, Los Angeles, and United States Mortgage & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—American Trust Co., San Francisco, and Security Trust & Savings Bank, Los Angeles.

Provisions of Issue—Los Angeles Gas and Electric Corp. First and General Mortgage (see below), dated Sept. 1, 1926, closes the foregoing General and Refunding Mortgage except as to the issuance of bonds for sinking fund purposes.

Callability—Series "D," "G" and H" bonds are subject to call after Mar. 1, 1932, on 90 days' notice at 110 and interest less 1% each year thereafter. Series "E" bonds are callable after June 1, 1932, as a whole or in part on 90 days' notice at 107½ and accrued interest, less ½% each year thereafter. Series "F" callable to and including Mar. 1, 1928, on 90 days' notice at 107½ and accrued interest, less ½% each year thereafter. Series "I" callable to and including Oct. 1, 1939, on 90 days' notice at 105 and accrued interest less ½% each year thereafter.

Sinking Fund—The General and Refunding Mortgage (closed) provides for an annual sinking fund payment of 1¾% on the aggregate bonded indebtedness, less additions during preceding year to sinking funds of underlying mortgages.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Tax in California.

Legal Opinion—Heller, Ehrman, White & McAuliffe, San Francisco, and Paul Overton, Los Angeles, Cal.

Legal for Savings Banks in California, Maine and Massachusetts.

Original Offerings—The $2,000,000 Series "D" 6% bonds were publicly offered in March, 1922, at par and interest, by Bond & Goodwin & Tucker, Inc., and Mercantile Securities Co., San Francisco; $5,000,000 Series "E" 5½s in June, 1922, at 96½ and interest, by Bond & Goodwin & Tucker, Inc., Mercantile Securities Co., Cyrus Peirce & Co., San Francisco, etc., and Harris Trust & Savings Bank, Chicago; $4,000,000 Series "F" 5½s in March, 1923, at 96½ and interest, yielding about 5.70%, by Bond & Goodwin & Tucker, Inc., and Mercantile Securities Co. of California, Los Angeles and San Francisco, E. H. Rollins & Sons, Bond & Goodwin, Inc., Harris, Forbes & Co., and Blyth, Witter & Co., New York, etc., and Harris Trust & Savings Bank, Chicago; $4,000,000 Series "G" 6s, in August, 1923, at 99½ and interest, yielding over 6%; $8,000,000 Series "H" 6s in January, 1924, at 99 and interest, yielding over 6.05%; Series "I" 5½s, $6,000,000 in Oct., 1924, at 96½ and interest, yielding over 5.75% and $2,952,000 in June, 1925, at par and interest, the four last named issues by Bond & Goodwin & Tucker, Inc., and Mercantile Securities Co. of California, San Francisco and Los Angeles, E. H. Rollins & Sons, Harris, Forbes & Co., and Blyth, Witter & Co., New York, etc., and Harris Trust & Savings Bank, Chicago.

Listed—All issues listed on San Francisco Stock Exchange and Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
Series "D" 6s—					
High	109½	109¾	104½	101½	..
Low	107¾	103¾	101	100¼	..
Series "E" 5½s—					
High	106½	106¾	99⅞	96¾	..
Low	104½	99	96⅞	95	..
Series "F" 5½s—					
High	104¼	105	100⅛	96⅞	93⅝
Low	104	99½	96⅛	96	91¼
Series "G" 6s—					
High	109½	109¼	104½	101¾	..
Low	108	103¾	101	100¼	..
Series "H" 6s—					
High	109½	109¼	104½	101½	..
Low	108	103¾	101	100¼	..
Series "I" 5½s—					
High	105	104¾	99⅞	..	..
Low	103¾	98⅞	96¼	..	..

Bonds Redeemed—Series "B" and "C" 7s were called for redemption on June 1, 1927 at a premium of 4½%.

(4)

$10,000,000 LOS ANGELES GAS AND ELECTRIC CORP. FIRST AND GENERAL MORTGAGE GOLD BONDS, SERIES OF 5s DUE 1961; DUE SEPTEMBER 1, 1961

Dated September 1, 1926.

Interest Payable March and September 1, at American Trust Co., San Francisco, Security Trust and Savings Bank, Los Angeles, and The Pacific Coast Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—American Trust Co., San Francisco, and Security Trust and Savings Bank, Los Angeles.

Provisions of Issue—First and General Mortgage bonds may be issued up to a present authorized amount of $150,000,000, including bonds reserved for the retirement of underlying bonds, in various series, with such maturities, rates of interest, redemption and other features as may be determined from time to time. Bonds may be issued par for par for the redemption of bonds of any other series under this mortgage. Outstanding $10,000,000 Series 5s, due 1961, the proceeds of which were used to redeem all the outstanding Series "B" 7s and Series "C" 7s General and Refunding Mortgage bonds which were called for payment June 1, 1927 at 104½ and interest; to retire $1,895,500 Series "I" 5½% General and Refunding Mortgage bonds; and for extensions, additions and improvements to the plants and system. Bonds additional to this series may be issued for 75% of actual expenditures for permanent extensions, enlargements and additions to the properties of the Corporation, or any subsidiary, provided net earnings for a period of 12 months ending not more than 60 days prior to application for issuance of the additional bonds have been equal to at least 1¾ times annual interest charges on total aggregate funded indebtedness, including the bonds proposed to be issued. Bonds may be issued for 80% of such expenditures provided net earnings equalled at least twice interest charges. The Trust Indenture contains provisions permitting its modification, except in certain important particulars, with the consent of the holders of 4/5 of the aggregate principal amount of the bonds outstanding thereunder.

Callability—Series 5s due 1961 are subject to call, as a whole or in part, on any interest date on 60 days' no

tice, at 105 and interest until and including 1941, the premium decreasing thereafter ¼ of 1% for each year.

Sinking Fund—The Indenture provides for the payment of an annual amount to the sinking fund, beginning Sept. 1, 1927, equivalent to ½ of 1% of the par value of the largest amount of bonds at any time outstanding, including all underlying and additional bonds. Corporation may credit its sinking fund with any payment made under the terms of the sinking fund of any underlying mortgage.

Security—The First and General Mortgage bonds are secured by a direct first mortgage on real estate holdings in the County of Los Angeles, appraised in excess of $1,200,000, which have been acquired for the purpose of establishing its principal gas manufacturing plant; and by a direct mortgage on all properties of Corporation, now owned or hereafter acquired, subject only to the prior liens of underlying mortgages. So long as any of these bonds remain outstanding and unpaid, no debt, lien or other obligation which would be a prior charge, may be created. The Trust Indenture also provides that no additional bonds may be issued under any of the underlying mortgages, except for sinking fund purposes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% required to be withheld at the source. Exempt from California Personal Property Tax.

Legal for Savings Banks in California.

Original Offering—First publicly offered ($10,000,000 Series 5s, due 1961) in Feb., 1927, at 98½ and interest, yielding over 5.09%, by Bond & Goodwin & Tucker, Inc., Los Angeles, etc.; E. H. Rollins & Sons and Blyth, Witter & Co., Los Angeles, New York, etc.; Mercantile Securities Co. of Cal., San Francisco; Harris, Forbes & Co., New York; Harris, Forbes & Co. Inc., Boston; Harris Trust & Savings Bank, Chicago; and Harris, Forbes & Co., Ltd., Montreal.

Price Range—1927: High, 102½; low, 100⅞.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$21,633,281	$17,611,710	$17,049,593	$16,056,722	$12,717,442	$11,915,365
Operating expenses and taxes	11,757,019	10,070,791	9,848,989	9,446,604	7,888,135	8,065,436
Net earnings	$9,876,262	$7,540,919	$7,200,604	$6,610,118	$4,829,307	$3,849,929
Interest charged to operation	2,533,664	2,445,039	2,549,146	2,157,713	1,579,478	1,170,637
Balance for depreciation, amortization, dividends & surplus	$7,342,598	$5,095,880	$4,651,458	$4,452,405	$3,249,829	$2,679,292
Times Bond Interest Earned	3.73	2.93	2.82	3.06	3.06	3.29

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property assets	$93,517,300	$88,006,647	$82,484,342
Materials and supplies	1,254,540	1,114,931	1,694,117
Cash and deposits	510,492	866,034	848,096
Notes & accts. receivable	6,888,411	2,469,858	4,028,297
Sinking funds	1,305,617	1,436,572	1,344,678
Treasury bonds	1,211,000	1,283,000	1,361,000
Subscribers to capital stock	42,273	90,583	318,493
Other assets (incl. unamort. disc. & exp. on securities)	4,222,804	3,779,892	3,839,517
Total	$108,952,437	$99,047,517	$95,918,540

Liabilities—	1927	1926	1925
Common stock	$20,000,000	$14,000,000	$12,500,000
Preferred stock (incl. part payment on stock not issued)	19,355,333	19,229,578	18,906,194
Capital stock subscrip.	42,273	90,583	318,493
Funded debt	49,493,000	46,460,500	47,626,000
Notes & accts. payable	1,089,976	1,729,148	928,690
Sundry deposits	1,233,007	1,173,333	1,174,522
Accrued liab. not due	2,316,773	1,766,591	1,733,626
Reserves	13,018,732	10,726,127	9,317,208
Surplus	2,403,343	3,871,657	3,423,807
Total	$108,952,437	$99,047,517	$95,918,540

Officers: W. B. Cline, Chairman of the Board; Addison P. Day, Pres.; A. B. Day, Exec. V-P. & Gen. Mgr.; H. L. Masser, V-P. & Exec. Mgr.; C. S. Vance, V-P.; W. E. Houghton, V-P. & Treas.; T. P. McCrea, Sec.; F. E. Seaver, Asst. Sec.; H. L. Phelps, Asst. Treas., Los Angeles, Cal.

Directors: W. B. Cline, Wm. Baurhyte, A. B. Day, C. S. Vance, T. P. McCrea, W. E. Houghton, Paul Overton, H. L. Masser, F. E. Seaver, Los Angeles; C. O. G. Miller, A. Schilling, San Francisco.

Corporate and Main Office, 810 South Flower Street, Los Angeles, Cal.

SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA

(Controlled by Pacific Lighting Corporation)

History and Property—Incorporated Feb. 27, 1911, in Cal., to combine under one management several contiguous gas properties in Los Angeles and Orange Counties.

Company acquired and now owns the entire properties of Piedmont Gas Co.; Covina Gas Co., and Orange County Gas Co., and the gas plants and distributing systems of the Southern California Edison Co. at Santa Ana and Whittier. In 1916 acquired the property of the Long Beach Consolidated Gas Co. and the gas properties of the Southern California Edison Co. located in the Santa Monica Bay district, also the Pomona district. In 1919 acquired the properties of the Ontario-Upland Gas Co. and the gas properties of the Southern California Edison Co., located in Santa Barbara and Montecito, and the gas properties located in Ventura County. In 1922 acquired the Municipal Gas Distributing System of the City of Newport Beach and now supplies 67 cities and towns in Los Angeles, Orange, San Bernardino, Santa Barbara and Ventura Counties. The business field of the company comprises practically all of the suburban territory adjacent to Los Angeles, with the exception of Pasadena and Redondo. Of the above mentioned properties company sold in 1924, to the City of Long Beach all of the gas distributing system, holders, equipment and real estate within the city limits of Long Beach, and are now wholesaling to the city large quantities of gas which this municipality distributes. Estimated population served 605,000.

The entire system is served with natural gas from the natural gas fields in this district, and carries a calorfic value of 1100 B. T. U. Its distributing system includes 28 compressor units with a combined capacity of 27,000,000 cu. ft. of gas per day; a holder capacity of 8,157,000 cu. ft., and 12,670,967 feet of mains.

Company serves 21 communities in Orange County, 3 in San Bernardino County, as well as wholesaling to other Companies serving 6; 31 in Los Angeles County as well as wholesaling to City of Long Beach for distribution by that municipality, and to other companies serving Los Angeles, Pasadena and other cities on system of Los Angeles Gas & Electric Corp.; 11 in Ventura County, and 4 in Santa Barbara County, making the total communities served, 76. Through contractual arrangements, and by connecting pipe line

systems, Southern Counties Gas Co. can, in any emergency, draw upon the facilities of Los Angeles Gas & Electric Corp., which operates the largest gas generating plant on the Pacific Coast.

Franchises—The Company operates for the most part under perpetual rights arising under the constitution of California, the balance of the properties being operated under favorable long-term franchises.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gas sold (cu. ft.)	12,129,230,000	10,931,598,600	10,320,907,500	11,417,641,700	13,406,834,300	12,225,362,200
Meters in service	121,890	111,945	107,228	100,184	119,545	99,605
Average consumption per domestic meter	44,002	38,021	40,313	41,779	38,950	38,492
Number of services	115,629	104,595	96,588	87,619	94,891	77,851
Number of regulators	94,646	84,078	76,295	64,972	70,395	55,523
*Storage capacity (cu. ft.)	8,157,000	5,608,000	5,738,000	3,480,000	5,980,000	6,130,000
Transmission mains (ft.)	2,357,764	2,205,730	2,225,230	1,652,382	1,593,735	1,271,405
Distribution mains (ft.)	10,313,203	9,380,822	8,635,383	7,810,710	7,874,154	6,447,374

*Not including line pack.

CAPITAL STOCK

Authorized, $12,500,000 Common, $2,500,000 7% cumulative Pfd., and $10,000,000 6% cumulative Pfd.; (increased from $2,500,000 Common and $2,250,000 8% Pfd. in 1925); outstanding, Dec. 31, 1927, $3,000,000 Common and $2,500,000 7% Pfd.; par, $100, (see following paragraph). All the Common stock is owned by Pacific Lighting Corp.

Preferred Stock Redemption—Exchange offer—All the outstanding $2,500,000 7% Pfd. stock was called for redemption on April 1, 1928 at $107.50 and dividends. The Company offered to issue to such holders of 7% Pfd. stock as desired to make such exchange, one share of 6% Pfd. stock, plus $7.50 in cash, for each share of 7% Pfd. stock so exchanged, or it would issue to such holders of 7% Pfd. stock its 6% Pfd. stock on the basis of $100 per share, in exchange for 7% Pfd. stock on the basis of $107.50 per share. Exchange privilege expired May 1, 1928.

Transfer Agent and Registrar—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Annual Meeting—Second Wednesday in January.

Dividends—Dividends on the 7% and 8% Pfd. stocks formerly outstanding regularly paid to date of their redemption. Dividends on the 6% Pfd. stock are payable J, A, J & O 15. On Common, as follows: 1918, 3%; 1919, 4½%; 1920, 8%; 1921, none; 1922, 9%; 1923, 1924, 1925 and 1926, 14% each; 1927, 9% on the increased stock.

FUNDED DEBT

$12,000,000 FIRST MORTGAGE 4½% GOLD BONDS, SERIES 1968; DUE MAY 1, 1968

Dated May 1, 1928.

Interest Payable May and November 1, at American Trust Co., San Francisco; Los Angeles-First National Trust & Savings Bank, Los Angeles, and in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—American Trust Co., San Francisco, and Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized, $100,000,000; issued, Series 1968, $12,000,000. Additional bonds may be issued with such maturities, rates of interest, redemption and other features as may from time to time be determined. Bonds may be issued par for par for the redemption of bonds of any other series. Bonds may be issued for 75% of the actual expenditures for permanent extensions, enlargements and additions to properties of the Company, provided net earnings for a period of twelve months ending not more than sixty days prior to the application for issuance of the additional bonds, have been equal to at least 1¾ times the annual interest charges on the total aggregate bonded indebtedness of the company, including the bonds proposed to be issued. Bonds may be issued for 80% of such expenditures provided net earnings equal at least twice interest charges.

Purpose of Issue—Proceeds were used for the purpose of redeeming on May 1, 1928, all the outstanding First Mortgage 5½% bonds, due May 1, 1936, and for the retirement of $2,500,000 General and Refunding Mortgage bonds, due Nov. 1, 1945.

Callability—Subject to call on any interest date on 60 days' notice to and including May 1, 1933, at a premium of 2%, and on any interest date of any year thereafter until maturity at a premium computed at the rate of ¼ of 1% for each five years or fraction thereof, of the then unexpired term.

Sinking Fund—Indenture provides for annual sinking fund payments to be made to the trustee equivalent to ½ of 1% of the total outstanding bonded indebtedness as of the preceding March 1, less any payment made to the sinking fund of any underlying mortgage (in the event the Company should hereafter acquire properties of any other company subject to an outstanding bond issue). In lieu of depositing cash or bonds in the sinking fund the Company may be given credit for an equivalent amount expended during the preceding twelve months for additions, enlargements and betterments against which no bonds have been issued, or deposited cash paid out.

Security—Secured by a first mortgage on all of the Company's properties, including real estate, plants, pipe lines, gas mains, distributing facilities and storage equipment, now owned or hereafter acquired. These Series 1968 bonds are issued under the Trust Indenture securing an authorized issue of $100,000,000 General and Refunding Mortgage Gold Bonds, which provides: Whenever this Indenture shall have become a first lien, subject only to liens for taxes and local assessments, upon substantially all the property, real and personal, of the Company, the Company, at its option and upon complying with the terms hereof may thereafter designate all bonds of each and every series issued hereunder as its "First Mortgage Gold Bonds."

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property tax in California.

Legal Opinion—LeRoy M. Edwards, Los Angeles and Heller, Ehrman, White & McAuliffe, San Francisco.

Original Offering—First publicly offered ($12,000,000) in Feb., 1928, at 94¾ and interest to yield about 4.80% by Bond & Goodwin & Tucker, Inc., Blyth Witter & Co., American National Co., Peirce, Fair & Co. and E. H. Rollins & Sons.

BONDS CALLED

All of the outstanding First Mortgage 5½% Gold Bonds, due May 1, 1936, were called for redemption on May 1, 1928, at 102½ and interest at Central Trust Co. of Illinois, Chicago, or at Los Angeles-First National Trust & Savings Bank, Los Angeles.

All of the outstanding General and Refunding Mortgage 6% Gold Bonds, Series of 1945, due November 1, 1945, were called for redemption on May 1, 1928 at 105 and interest at American Trust Co., San Francisco, or Los Angeles-First National Trust & Savings Bank, Los Angeles.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross income	$6,975,018	$5,985,415	$5,403,201	$5,263,519	$5,804,867	$5,444,537
Operating expenses	3,740,170	3,431,552	3,272,707	3,084,969	3,888,020	
Taxes	626,784	600,700	473,510	536,409	520,457	4,229,939
Depreciation	622,874	666,426	481,202	380,170	350,610	
Net earnings	$1,985,190	$1,286,737	$1,175,782	$1,261,971	$1,045,780	$1,214,598
Interest charges	678,452	677,295	491,829	$517,125	$478,221	
Other deductions	72,649	99,930	68,270	80,207	70,216	$480,382
Total charges	$751,101	$777,225	$560,099	$597,332	$548,437	$480,382
Balance for dividends	$1,234,088	$509,511	$615,683	$664,639	$497,343	$734,216
Preferred dividends	175,000	171,261	153,165	100,000	99,182	65,720
Common dividends	327,000	210,000	210,000	210,000	210,000	135,000
Surplus for year	$732,088	$128,250	$252,518	$354,639	$188,161	$533,496
Times Interest Earned	2.82	1.75	2.25	2.26	2.01	2.53
Earnings Per Share—						
Preferred	$49.36	$20.38	$25.13	$53.17	$39.79	$59.64

DETAILED BALANCE SHEET, DECEMBER 31

(Accounts Audited by Price, Waterhouse & Co.)

Assets—	1927	1926	1925	1924	1923
Rights, franchises and intangibles			$1,007,232	$980,746	$986,805
Properties	$20,258,111	$18,124,293	15,722,236	12,478,089	13,071,586
Special fund	.....	.....	432,810	377,703	333,935
Sinking fund	.....	.....	386	75,815	77,723
Investments	43,500	39,000	5,000	5,000	2,500
Materials and supplies	427,863	429,899	309,350	290,026	395,201
Working assets	.....	.....	3,450	6,273	5,222
Salable merchandise	.....	.....	88,567	98,081	97,213
Accounts receivable	698,422	735,357	443,362	491,498	506,555
Cash on hand and in banks	1,777,725	919,120	283,500	438,704	397,375
Bond discount and expense	660,352	729,405	706,141	714,804	782,621
Prepaid items	.....	.....	24,137	25,677	28,492
Property appraisal expense	.....	.....	12,000	18,000	34,368
Total	$23,865,973	$20,977,074	$19,038,171	$16,000,416	$16,719,596
Liabilities—					
Common stock	$3,000,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Preferred stock	2,500,000	2,500,000	2,450,900	1,250,000	1,250,000
Instalments received on 491 shares of 7% Pfd. stock	.....	.....	31,353	.....	.....
Funded debt	10,901,200	10,943,400	8,745,200	8,866,500	9,436,700
P. G. & E. C. adv. acct.	.....	.....	1,077,642	.....	.....
Notes payable	.....	.....	.....	.....	559,584
Accounts payable	841,773	777,084	714,915	665,174	772,376
Consumers' deposits	1,357,079	1,223,962	1,087,499	896,030	660,477
Accrued interest	102,011	102,398	79,879	79,872	83,892
Divd. payable on Pfd. stock	.....	.....	45,839	25,000	25,000
Reserve for income taxes & contingencies	230,639	147,552	130,964	160,042	152,944
Reserve for insurance	16,506	.....	.....	.....	.....
Depreciation reserve	2,375,956	1,973,958	1,534,125	1,170,463	1,066,221
Surplus	2,540,809	1,808,720	1,639,854	1,387,335	1,212,402
Total	$23,865,973	$20,977,074	$19,038,171	$16,000,416	$16,719,596

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923
Materials and supplies	$427,863	$429,899	$309,350	$290,026	$395,201
Working assets	.....	.....	3,450	6,273	5,222
Salable merchandise	.....	.....	88,567	98,081	97,213
Accounts receivable	698,422	735,357	443,362	491,498	506,555
Cash	1,777,726	919,120	285,500	438,704	397,375
Total	$2,904,011	$2,084,376	$1,130,229	$1,524,582	$1,401,566
Current Liabilities—					
Notes payable	.....	.....	.....	.....	$559,584
Accounts payable	$841,772	$777,084	$714,915	$665,174	772,376
Consumers' deposits	1,357,079	1,223,962	1,087,499	896,030	660,477
Accrued interest	102,011	102,398	79,879	79,872	83,892
Pfd. dividend payable	.....	.....	45,839	25,000	25,000
Reserve for income taxes and contingencies	230,639	147,552	130,964	160,042	152,944
Total	$2,531,501	$2,250,996	$2,059,096	$1,826,118	$2,254,273
Net Working Capital	$372,510	*$166,620	*$928,867	*$301,536	*$852,707
Debit.					

Officers: Franklin S. Wade, Pres. & Gen. Mgr.; A. S. Bradford, V-P., Los Angeles, Cal.; A. Schilling, V-P.; Chas. H. Dickey, V-P., San Francisco; F. S. Wade, V-P. & Mgr.; Walter S. McFarland, Sec. & Asst. Sec.; F. E. Kester, Asst. Sec.; T. H. Dudley, Treas.; J. R. Thompson, Chief Engineer; A. F. Bridge, Exec. Engineer; Le Roy M. Edwards, Counsel, Los Angeles, Cal.

Directors: Ferdinand R. Bain, F. S. Wade, Le Roy M. Edwards, Los Angeles, Cal.; A. S. Bradford, Placentia, Cal.; John H. Bartle, Monrovia, Cal.; T. H. Dudley, Santa Monica, Cal.; W. B. Williams, Santa Ana, Cal.; Chas. H. Dickey, C. O. G. Miller, A. Schilling, San Francisco; Geo. A. McCrea, Ontario, Cal.

General Office, 810 South Flower St., Los Angeles, Cal.

MADERA GAS COMPANY

(Controlled by Pacific Lighting Corporation)

History and Properties—Incorporated in 1913 in California. Serves Madera, California with gas. Miles gas mains, 14.1. Number of meters, 674. Sales in 1926, 17,979,000 cu. ft.

CAPITAL STOCK

Authorized, $75,000; outstanding, $29,030; par $1. All owned by Pacific Lighting Corporation.

FUNDED DEBT

$39,000 FIRST MORTGAGE 6% BONDS; DUE OCTOBER, 1943

Dated October, 1913.

Interest Payable April and October.

Provisions of Issue—Authorized, $50,000; outstanding, $39,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$37,523	$36,290	$38,660
Expenses, taxes & deprec...	31,718	30,552	35,486
Net earnings	$5,805	$5,738	$3,174
Other credits	94	.....	.....
Total income	$5,899	$5,738	$3,174
Income charges	3,606	3,232	2,665
Net income	$2,293	$2,506	$509
Dividends on Com. (15%).	.....	.....	2,554
Surplus for year	$2,293	$2,506	*$2,045

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties & equip..	$117,495	$102,435	$100,25
Cash	1,058	3,241	1,07
Notes & accts. receivable ..	7,708	4,833	5,86
Other current assets	3,239	4,756	58,81
Deferred debit items	4,360	64,169	4,86
Total	$133,860	$179,434	$170,87
Liabilities—			
Capital stock	$29,030	$75,000	$75,00
Funded debt	39,000	43,500	43,50
Int. & taxes accrued	10,412	2,734	2,80
Other current liabilities		3,263	1,62
Reserve for depreciation	35,984	37,706	33,22
Profit and loss surplus	19,434	17,231	14,72
Total	$133,860	$179,434	$170,87

Officers: R. W. Miller, Pres., San Francisco, Cal. Franklin H. Bivens, V-P., Los Angeles, Cal.; A. T Wilson, Sec & Treas., San Francisco, Cal.

Directors: C. O. G. Miller, R. W. Miller, San Fran cisco, Cal.; A. A. Caldwell, Turlock, Cal.

General Office, 433 California St., San Francisc Cal. **Operating Office,** Madera, Cal.

TURLOCK GAS COMPANY

(Controlled by Pacific Lighting Corporation)

History and Property—Incorporated Jan. 16, 1912, in California. Serves Turlock, Cal., with gas. Miles of gas mains, 17.96. Number of meters, 910. Sales in 1926, 24,427,000 cu. ft. Franchise expires, 1962.

CAPITAL STOCK

Authorized, $75,000; outstanding, $50,000; par, $10. All owned by Pacific Lighting Corporation.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$46,216	$47,260	$50,861
Expenses, taxes & depr.	38,884	40,936	41,713
Net earnings	$7,332	$6,324	$9,148
Other credits	166	.....	.....
Total income	$7,498	$6,324	$9,148
Income charges	1,109	414	1,051
Net income	$6,389	$5,910	$8,097
Dividends	5,000	.....	.....
Surplus for year	$1,389	$5,910	$8,097

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	192
Cost of properties	$143,357	$141,741	$135,8
Materials and supplies	2,229	.....	2,4
Cash & special deposits	2,189	4,554	2,3
Accounts receivable	7,705	6,202	7,9
Other current assets	.....	25,000	25,0
Deferred debit items	209	2,613	4,2
Total	$155,689	$180,110	$177,8
Liabilities—			
Capital stock	$50,000	$75,000	$75,0
Notes payable	.....	.....	9,0
Meter deposits	821	706	5
Reserve for taxes	3,261	3,306	3,5
Reserve for depreciation	48,199	49,079	43,4
Surplus	53,408	52,019	46,1
Total	$155,689	$180,110	$177,8

Officers: A. A. Caldwell, Pres., Turlock, Ca R. W. Miller, V-P., Los Angeles, Cal.; A. T. Wilso Sec. & Treas., San Francisco, Cal.

Directors: C. O. G. Miller, R. W. Miller, A. Wilson, San Francisco, Cal., Franklin H. Bivens, L Angeles, Cal.; A. A. Caldwell, Turlock, Cal.

General Office, 433 California St., San Francisc Cal. **Operating Office,** Turlock, Cal.

RHINE-RUHR WATER SERVICE UNION

(Wasserwirtschaft im Rheinisch-Westfaelischen Industriegebiet (Ruhrkohlenbezirk) G.m.b.H.)

History and Business—Organized to promote the mutual interests and to provide means of facilitating financing of the five individual Associations which comprise the Union. These Associations are obligated to pay to the Union their proportionate share of the amounts necessary to meet the interest, sinking fund and principal of these Debentures.

The Associations comprising the Union are all corporate bodies of a public character having exclusive and perpetual franchises and were created by special Prussian Laws to meet the problems of water-supply, purification and drainage in the Rhine-Westphalia region of Germany, which is one of the most important industrial sections of Continental Europe.

All charges for interest, amortization and operation of the several Associations are assessed upon each Association's members, which include counties, municipalities and industries in the respective territories served. These assessments are enforceable by administrative proceedings, as in the case of taxes, and each member is liable not only for its proportionate amount, but also to further assessments to meet any unpaid assessments on other members of the same Association. This liability of each member is limited only by the extent of the total indebtedness of the individual Association. The Associations are not liable for a payments under the Dawes Plan and the Union on nominally so liable.

Members of the Respective Associations inclu Governmental bodies, counties, municipalities, wat works companies, electric power companies, and t larger industrial enterprises located throughout t Rhine-Westphalia region, the more important which are enumerated below:

Ruhrtalsperrenverein—Organized in 1898. To members—185, with 249 waterworks, belonging part to corporations and partly to cities. Among these a the waterworks of Essen, Duisburg, Bochum a Hamm; the largest waterworks in Germany kno as the waterworks for the North Westphalian C District; and the waterworks of the German Railro Company, Friedrich Krupp and United Steel Worl The total output of these waterworks is approximate 600,000,000 cubic meters annually.

Emschergenossenschaft—Organized in 1904. To members—230, including the German Railroad Co pany; Provinces of Rhineland and Westphalia, counties; 68 communities, including municipalities Bochum, Essen, Dortmund, and Gelsenkirchen; 1 coal mines, including mines of Friedrich Krupp, Thy

sen, Hoesch, Nordstern, and Mathias Stinnes; 26 iron and steel works, including Friedrich Krupp, Goodhope Steel Works, United Steel Works, August Thyssen, Bochumer Verein, Dortmunder Union, and Mannesmann Tubeworks; 14 other large industrial works, including Tarutalization Company, Ruetgerswerke, Goldschmidt Chemical Works, Rhine-Westphalia Electric Power Co., and Westphalian United Electric Power Corp.; also 9 waterworks, including those of the largest cities.

Ruhrverband—Organized in 1913. Total members—239, including the Ruhrtalsperrenverein, which represents 249 waterworks; the German Railroad Company, the Province of Rhineland; the cities of Duisburg, Oberhausen, Muehlheim-Ruhr, Essen, Bochum, and Hagen; the United Steel Works; the Lothringen Mining Company, the Goodhope Coal Mines, and the Mansfelder Coal Mines.

Linksniederrheinische Entwaesserungsgenossenschaft—Organized in 1913. Total members—104, including communities in parts of counties of Moers, Geldfrn, Cleve, Kempen and Krefeld-land; mines, and larger industrial enterprises, including Haniel Mines, German Solvay Works, United Steel Works, Friedrich Krupp Gewerkschaft, Diergart Mines, and Friedrich Heinrich, A. G., etc.

Lippeverband—Organized in 1926. Total members —70, including the German Reich as the owner of navigable canals receiving water from the Lippe River, Prussian State; counties, communities; mines, industrial enterprises, electric works and waterworks, including, among others, Gelsenkirchen Mines, Harpener Mines, Hoesch Steel Works, Kloeckner, A. G., Phoenix, A. G., and Buderus Iron Works.

The plants and works of the Associations comprise dams, reservoirs, hydro-electric plants, purification plants and pumping stations, including the largest sewerage pumping station on the Continent. In addition the Associations own an extensive system of streams and river beds which have been formed into canals having a total length of approximately 250 miles.

CAPITAL STOCK

None.

FUNDED DEBT

$10,000,000 TWENTY-FIVE YEAR SINKING FUND 6% EXTERNAL GOLD DEBENTURES; DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1, in U. S. gold coin at International Acceptance Trust Co., New York, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—International Acceptance Trust Co., New York, N. Y.

Provisions of Issue—Authorized and issued, $10,000,000. Issued under an Agreement in which, among other things, the Union and respective Associations comprising the Union covenant that as long as any of these Debentures are outstanding: (a) The Union and the Associations will not create nor suffer to be created any mortgage, lien or encumbrance against any of their respective properties or franchises; (b) each Association will at all times include in all of its budgets long with its other obligations and expenses the annual service charges and any and all other amounts due on or in respect to its certificates, being its pro ata share of the annual service of this loan and other mounts due in respect of this loan under the terms f the Debentures and the Agreement.

Purpose of Issue—Proceeds from the sale of these Debentures will provide funds to the respective Associations for futher extensions, betterments and improvements to their plants and water systems, and or other corporate purposes.

Callability—Subject to call as a whole or in multiples of $250,000 on 60 days' notice on and after Jan. 1, 1933, but prior to Jan. 1, 1934, at 102½, and on any interest date thereafter at a premium decreasing ½ of 1% during each 12 months' period prior to Jan. 1, 1938, on and after which date the redemption price will be 100, plus accrued interest in each case. Also redeemable for the sinking fund on 30 days' notice on any interest date at 100 and accrued interest.

Sinking Fund—A cumulative sinking fund is provided beginning July 1, 1928 calculated to be sufficient to retire the entire issue by maturity through the redemption of Debentures by lot at 100 and accrued interest. In lieu of cash the Union may make sinking fund payments in Debentures, at the principal amount thereof.

Security—These Debentures are direct obligations of the Union, constitute its only funded debt, and are secured by assignment to the Trustee of $10,000,000 principal amount of Certificates of Indebtedness of the several Associations. Each Association will issue its own Certificate of Indebtedness for a principal amount corresponding to its respective interest in the proceeds of this financing. These Certificates of Indebtedness upon assignment will be payable to the Trustee in New York City in United States Gold coin, and will be the direct unconditional obligation of the respective Associations, bearing interest at the rate of 6% per annum, and will contain provisions for payment of principal, interest and amortization and for redemption in conformity with the terms and conditions of this issue of Debentures.

In accordance with the liability for assessment as outlined above, the respective members of each Association are liable for the full amount of the Certificates of Indebtedness of such Association, the obligation for the payment of which ranks equally with Federal and State tax assessments and has priority over all secured and unsecured debts of each such member.

The principal amounts of the Certificates of Indebtedness issued by each Association, representing its proportionate interest in the proceeds of this issue of Debentures, are as follows: Ruhrtalsperrenverein $2,500,000, Emschergenossenschaft $2,500,000, Ruhrverband $2,500,000, Lippeverband $2,000,000, Linksniederrheinische Entwaesserungsgenossenschaft $500,000.

Tax Provisions—Interest is payable without deduction for any past, present or future taxes or duties levied by or within the German Reich.

Legal Opinion—Hornblower, Miller & Garrison, New York, and Dr. Wilhelm Beutner, Berlin.

Listed—Boston Stock Exchange.

Original Offering—First publicly offered ($7,500,000) in February, 1928, at 93 and interest, to yield over 6.55% by Field, Glore & Co., International Acceptance Bank, Inc., Otis & Co. and Continental National Co., New York. In addition $2,500,000 were held for distribution in Europe by M. M. Warburgh & Co., Hamburg, of which amount $1,500,000 were to be publicly offered in Holland by Nederlandsche Handel-Maatschappij and Mendelssohn & Co.

STATEMENT OF ASSETS AND LIABILITIES

The asset position of the individual Associations, after giving effect in the books of the respective Associations to the issuance of the certificates of indebtedness securing the above Debentures, will be as follows:

	Assets	Liabilities	Net Assets
Ruhrtalsperrenverein	$19,456,870	$3,854,716	$15,602,154
Emschergenossenschaft	39,873,161	7,611,561	32,261,600
Ruhrverband	8,084,477	7,789,910	294,567
Linksniederrheinische Entwaesserungsgenossenschaft	1,437,045	1,245,781	191,264
Lippeverband	3,317,519	2,950,510	367,009

Conversions into United States dollars at par of exchange (23.8 cents per Reichsmark).

General Office, Essen, Germany.

KINGSTON CONSOLIDATED RAILROAD

History—Incorporated Dec. 11, 1901, in New York; consolidation of the Kingston City R. R. Co. and the Colonial City Traction Co. Length of line, 4.12 miles; total track, 4.46 miles. Rails, 70, 80 and 90 lb. T and girder. Gauge, standard. Motor cars, 29. Snowplows, 2. Work car, 1. Franchises perpetual.

CAPITAL STOCK

Authorized and outstanding, 2,000 shares Common of no par value, and 2,000 shares 4% cumulative Pfd., par, $50. Capital stock was changed from $200,000 Common and $200,000 Pfd. authorized and outstanding to present amounts on Jan. 1, 1926. Preferred stock shares equally with Common after latter has received 4%. Annual meeting, in September.

Dividends—Pfd. dividends of 4% paid yearly from consolidation to 1908, when 2% was paid Aug. 1; none to Jan. 1, 1911, when 4% was paid; Sept. 1, 1914, 3%; April, 1915, 3%; Aug., 1915, 6%; Aug., 1916, 3%; April, 1917, 3%; Aug., 1917, 3%; none thereafter until Nov., 1921, when 3% was paid; April, 1922, 3%; Oct., 1922, 3%; none since. No dividends paid on Common.

FUNDED DEBT

$532,000 First Consolidated Mortgage Gold 5s; dated Oct. 9, 1901; due Jan. 1, 1952; int. Jan. and July 1, at Bankers Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $700,000, of which $113,000 are being used as collateral on $38,000 notes which were issued to retire Kingston City R. R. Co. bonds, and $12,000 are held in treasury. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$121,943	$131,112	$193,168	$204,619	$221,530	$228,920
Operating expenses and depreciation	92,790	94,632	149,621	163,035	167,785	165,051
Net earnings	$29,153	$36,480	$43,547	$41,584	$53,745	$63,869
Interest and taxes	38,880	42,235	43,713	46,752	46,331	46,393
Other deductions			8,453	8,384	8,585	22,343
Total charges	$38,880	$42,235	$52,166	$55,136	$54,916	$68,736
Deficit after charges	$9,727	$5,755	$8,619	$13,552	$1,171	$4,867
Dividends paid	.....	.....	.....	.....	.....	12,000
Deficit for year	$9,727	$5,755	$8,619	$13,552	$1,171	$16,867
Times Fixed Charges Earned	0.75	0.78	0.83	0.75	0.98	0.90

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Road and equipment	$528,219	$531,035	$955,238	$1,005,613	$1,010,033	$1,003,461
Other investments	18,000	18,000	.....	.....	.....	.....
Materials and supplies	4,845	5,589	13,757	6,495	6,038	6,409
Cash on hand	14,061	18,286	12,820	14,462	14,051	14,074
Current accounts	13,733	3,356	5,619	6,263	5,998	7,666
Other current assets	20,019	18,899	33,842	13,845	7,369	6,825
Notes receivable	25,300	30,300	40,000	55,000	55,000	65,000
Unadjusted debits	122,968	127,025	54,675	56,962	59,230	61,877
Total	$747,145	$757,490	$1,115,951	$1,158,640	$1,157,719	$1,165,312
Liabilities—						
Capital stock	$102,000	$102,000	$400,000	$400,000	$400,000	$400,000
Funded debt	532,000	532,000	532,000	532,000	532,000	634,000
Current liabilities	3,480	2,992	8,388	8,993	9,029	7,660
Accrued liabilities	.....	.....	*1,514	*1,067	*930	1,700
Notes payable	37,350	44,050	40,000	74,551	80,000	.....
Other current liabilities	.....	.....	122,446	120,921	100,817	83,984
Reserves	46,986	41,477	.....	.....	.....	*10
Unadjusted credits	621	685	.....	.....	.....	.....
Profit and loss	24,708	34,286	14,631	23,251	36,803	37,97
Total	$747,145	$757,490	$1,115,951	$1,158,640	$1,157,719	$1,165,31

*Credit.

Officers: F. T. Ley, Pres., New York, N. Y.; H. C. Page, V-P., Worcester, Mass.; Geo. Whittaker, Treas.; G. B. te Bow, Sec. & Gen. Mgr., Kingston, N. Y.

Directors: Geo. Whittaker, G. B. te Bow, Kingston, N. Y.; F. T. Ley, New York; H. A. Ley, L. L. Ley H. H. Bowman, Springfield, Mass.; H. C. Page, Worcester, Mass.; P. W. Ripple, New Haven, Conn.

General Office, 320 Broadway, Kingston, N. Y.

THE AVALON TELEPHONE COMPANY, LTD.

History and Property—Incorporated in 1919, in Newfoundland, for the purpose of reconstructing and extending the telephone system of St. John's and vicinity (Avalon Peninsula). The company was granted an exclusive franchise subject to the rights of the Anglo-American Telegraph Co., Ltd., whose system it immediately acquired. Property consists of telephone exchange at St. John's and trunk lines to thirteen exchanges within a radius of 100 miles. Population served, 100,000. No. of telephones in use, 5,300. An increase in rates, effective Jan. 1, 1927, has been granted. These rates are as follows: Business, $54; residence—1-party, $39; 2-party, $30; 4-party, $24.

Franchises—By franchise agreement made under authority of an Act of the Legislature of Newfoundland the Company was granted the exclusive right for thirty years, dating from Sept. 2, 1919, to operate a telephone service in the electoral districts of Ferryland, St. John's East and West (except Bell Island), Harbor Main, Port de Grave, Harbor Grace, Carbonear and Bay de Verde, and, by subsequent Act, the right for thirty years from Sept. 2, 1919, to install telephone service in the districts of Bell Island, South Side of Trinity Bay from Old Perlican to Chapel Arm Whitbourne, Placentia Junction, towns of Placentia and Argentia and St. Mary's Bay; subject to the right of the Government, upon one year's notice, to purchase the Company's plant at any time after the expiration of fifteen years from the date of the franchise, at the fair value of the property for the purpose of its use.

CAPITAL STOCK

Authorized, $300,000 Common and $400,000 7% Participating non-cumulative Pfd.; outstanding, $236,350 Common and $400,000 Pfd.; par, $25. Annual meeting, in March.

Dividends—Dividends have been regularly paid on Pfd. semi-annually Jan. and July 1. On Common % was paid in 1922; 4% in 1923; none since.

FUNDED DEBT

394,000 6% FIRST MORTGAGE 20-YEAR SINKING FUND GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1946

Dated December 1, 1926.

Interest Payable June and December 1 in Canadian old coin or its equivalent at Canadian Bank of Commerce, St. John's, Newfoundland, Halifax, St. John, N. B., Charlottetown, Montreal, Toronto, Winnipeg and Vancouver.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Company, Montreal.

Provisions of Issue—Authorized and issued, Series "A," $400,000 of which $6,000 redeemed to Dec. 31, 1927. Additional bonds in addition to the Series "A" bonds and ranking pari passu therewith, may be issued only to the extent of 66 2/3% of the cost or fair value (whichever is less) of extensions and additions made subsequent to Jan. 1, 1928, after due allowance for depreciation, as more particularly provided for in the Trust Deed, and then only when net earnings for 12 consecutive months out of the preceding 15 months shall have been equal to not less than twice the annual interest charges on all bonds outstanding and those about to be issued.

Purpose of Issue—Proceeds from the Series "A" bonds were used to refund $141,000 First Mortgage bonds, Series "A," and $73,500 6% First Mortgage bonds, Series "B," together with premiums and accrued interest payable thereon, and to fund expenditures made or to be made for construction of toll line extensions and plant additions, and for the general purposes of the Company.

Callability—Subject to call as a whole or in part at any time before maturity on 60 days' notice at 105 and interest.

Sinking Fund—As an annual cumulative sinking fund, Company shall pay to the Trustee on the first day of December, 1927, and annually thereafter, a sum equal to 1½% of the aggregate principal amount of bonds of Series "A" previously issued, together with a sum equal to the interest on all Series "A" bonds previously redeemed through the sinking fund or otherwise. This sinking fund is to be used by the Trustee for the purchase of Series "A" bonds. Should sufficient bonds not be so acquired, the Trustee shall employ the sinking fund moneys in the redemption of bonds as provided in the Trust Deed.

Security—Secured by a specific mortgage and charge on all properties, equipment and other fixed assets and franchises of the Company now owned or hereafter acquired and by a floating charge as to all other assets.

Legal Opinion—Higgins, Hunt & Emerson, St. John's, Newfoundland, (for the Company) and McLennan, Mitchell, Casgrain, McDougall & Stairs, Montreal (for the Bankers).

Original Offering—First publicly offered ($400,000) Dec., 1926, at 100 and interest, to yield 6% by Royal Securities Corp., Ltd., Montreal, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$172,842	$132,127	$117,561
Op. exp., maint. & taxes	78,434	72,953	65,722
Net earnings	$94,408	$59,174	$51,839
Bond interest	23,372	13,511	10,496
Other interest	.....	812	2,668
Depreciation	34,278	.....	.....
Rentals & sinking funds	6,500	5,614	5,404
Total charges	$64,150	$19,937	$18,568
Net income	$30,258	$39,237	$33,271
Preferred dividends	28,000	42,049	13,772
Surplus for year	$2,258	*$2,812	$19,499
*Deficit.			

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$954,474	$877,817	$832,335
Materials and supplies	13,324	12,405	11,173
Cash	*47,795	9,572	12,886
Accounts receivable	16,383	10,579	14,540
Deferred debit items	78,423	52,859	49,432
Unadjusted debits	4,832	4,275	.....
Total	$1,115,232	$967,507	$920,366
Liabilities—			
Common stock	$236,350	$236,500	$236,350
Preferred stock	400,000	400,000	400,000
Funded debt	394,000	214,100	219,000
Notes payable	.....	51,335	9,500
Accounts payable	6,585	13,071	13,013
Interest accrued, not due	2,000	3,409	3,563
Dividends accrued	13,991	14,000	.....
Reserve for taxes	3,340	.....	2,786
Reserve for depreciation	47,966	22,100	22,100
Reserve for sinking funds	6,500	10,890	.....
Appropriated surplus	.....	.....	6,000
Profit and loss	4,500	2,242	8,054
Total	$1,115,232	$967,507	$920,366

*Includes investments.

Officers: Hon. J. J. Murphy, Pres.; R. J. Murphy, V-P. & Mng. Dir.; J. D. Cameron, Sec. & Treas., St. John's, Newfoundland.

Directors: Hon. J. J. Murphy, R. J. Murphy, J. D. Cameron, G. Brownrigg, M. E. Martin, A. E. Hickman, St. John's, Newfoundland; J. H. Winfield, Halifax, N. S.

General Office, Telephone Bldg., St. John's Newfoundland.

MEADVILLE TELEPHONE COMPANY

(Affiliated with Peoples Telephone Corp.)

History—Incorporated in Pa., and on July 1, 1924 by means of a merger proceeding The Meadville Telephone Co. was consolidated with the Crawford Mutual Telephone Co., the Eastern Crawford Telephone Co. (see 1924 Public Utility Manual, page 2553) and The Western Crawford Telephone Co. to form Meadville Telephone Co. In July, 1925, purchased all the local property of the Bell Telephone Co. of Pa., located in Crawford County, Pa. Owns entire capital stock of **Cochranton Telephone Co.** Company operates in Crawford, Erie, Warren, Mercer and Venango Counties. No. of exchanges, 8. Telephones in use, 4,350. Miles of wire, over 7,886.

CAPITAL STOCK

Authorized, $600,000 Common and $600,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $150,000 Common and $275,075 Pfd.; par, $25. The Bell Telephone Co. of Pa. owns a substantial interest in the Common and Pfd. stocks. Annual meeting, third Tuesday in February.

Dividends—Pfd. dividends regularly paid semi-annually, May and Nov. 1. Dividends on Common at rate of 8% per annum from July 1, 1924 to Dec. 31, 1927; payments quarterly, F, M, A & N 15.

FUNDED DEBT

$350,000 25-YEAR FIRST MORTGAGE 6s; DUE AUGUST 1, 1949

Dated August 1, 1924.

Interest Payable February and August 1, at Crawford County Trust Co., Meadville, Pa., Trustee.

Denominations—$100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized issue, $600,000. Additional bonds may only be issued for 75% of the cost of additions and extensions or acquired property and only when the interest charge during the previous year shall have been earned at least twice on all bonded indebtedness, including bonds to be issued.

Callability—Subject to call as a whole only on any interest date upon 30 days' notice at 102½ and accrued interest.

Sinking Fund—2% of the total amount of bonds outstanding to be deposited with the Trustee to purchase bonds at par or less. If bonds are not available at this price, the Company is required to pay annually

to the sinking fund only such amount as is required to maintain the fund at 2% of the bonds issued.

Security—A first lien on entire property of Company, and a collateral trust covering $77,000, or all, of the capital stock of the Cochranton Telephone Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania Four Mill tax.

Legal Opinion—Thomas & Thomas, Meadville, Pa.

Original Offering—First publicly offered ($300,000) in Dec., 1924, at 100 and interest to yield 6%, by Crawford County Trust Co., Meadville, Pa.; Lawrence Savings & Trust Co., New Castle, Pa., First National Bank, Sharon, Pa. and Colonial Trust Co., Farrell, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$180,378	$181,763	$142,232
Oper. exp. and taxes	104,765	103,547	90,611
Depreciation	27,353	26,760	17,371
Net earnings	$48,260	$51,456	$34,250
Other income	8,572	7,521	7,205
Total income	$56,832	$58,977	$41,455
Interest charges	23,457	23,503	15,747
Rentals, etc	3,415	2,346	1,684
Total charges	$26,872	$25,849	$17,431
Net income	$29,960	$33,128	$24,024
Preferred dividends	19,250	17,803	9,215
Common dividends	12,000	11,914	9,564
Surplus for year	*$1,290	$3,411	$5,245
Times Interest Earned	2.42	2.41	2.78
Earnings Per Share—			
Preferred	$2.72	$3.01	$2.71
Common	1.78	2.55	2.53

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$860,897	$877,045	$879,166
Stocks owned	5,370	5,190	1,220
Materials and supplies	17,133	29,320	29,312
Cash	14,563	31,240	14,353
Bills & notes receivable	80,361	80,165	79,050
Accounts receivable	21,204	17,154	17,926
Unadjusted debits	1,257	1,118	1,443
Deferred debit items	36,103	37,905	31,162
Total	$1,036,888	$1,079,137	$1,053,632
Liabilities—			
Common stock	$150,000	$150,000	$146,400
Preferred stock	275,075	274,750	221,525
Stock installments	.....	.....	2,961
Stock liab. for conv. of sec.	610	663	867
Funded debt	350,000	350,000	349,700
Notes payable	26,550	26,950	30,950
Accounts payable	21,476	32,597	64,045
Accrued liabilities	17,599	17,195	11,676
Deferred credit items	932	.....	.....
Reserve for depreciation	20,994	51,907	56,429
Surplus & undivided profits	173,652	175,075	169,079
Total	$1,036,888	$1,079,137	$1,053,632

Officers: W. J. Maddox, Pres.; John H. Wright, V-P. & Gen. Mgr., Jamestown, N. Y.; H. M. Dickson, Treas., Meadville, Pa.; Lloyd C. Wright, Sec.; J. Edw. Wilson, Aud., Jamestown, N. Y.

Directors: H. M. Dickson, C. C. Johnston, E. W. McGill, L. E. Whiting, Meadville, Pa.; Lloyd C. Wright, W. J. Maddox, John H. Wright, Jamestown, N. Y.; C. Montague, Pittsburgh, Pa.; Hugh Moore, Cochranton, Pa.

Office, Meadville, Pa.

KINGSTON, PORTSMOUTH & CATARAQUI ELECTRIC RAILWAY COMPANY

History—Incorporated Feb. 10, 1876, in Ont. Length of line, 8 miles. Gauge, standard. Rail, 50 lb. T. Cars, 24. Owns Lake Ontario Park. Power rented from the City electric light plant.

CAPITAL STOCK

Authorized, $40,000 Common and $50,000 non-cumulative Pfd.; outstanding, $40,000 Common and $43,100 Pfd.; par, $100. No dividends paid.

FUNDED DEBT

$96,750 First Gold 4s; dated 1893; due July 5, 193 int. Jan. and July 5, at Company's office. Coupo $1,000. Company does not pay or assume U. S. No mal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross earnings	$52,593	$53,271	$54,0
Oper. exp. & taxes	50,002	48,443	53,8
Net earnings	$2,591	$4,828	$2
Other income	1,403	1,174	1,1
Total income	$3,994	$6,002	$1,3
Interest, reserves, etc.	7,417	7,557	6,4
Deficit for year	$3,423	$1,555	$5,0

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	192
Property account	$198,651	$198,641	$198,6
Stocks owned	6,983	5,484	5,4
Bonds owned	23,234	15,288	15,2
Other investments	9,935	1,075	
Cash	621	3,314	5
Accounts receivable, etc.	1,807	757	3
Total	$241,231	$224,569	$220,4
Liabilities—			
Common stock	$40,000	$40,000	$40,0
Preferred stock	43,100	43,100	43,1
Funded debt	96,750	96,750	97,0
Int. accru. & coupons unpaid	2,240	2,220	2,2
Accounts payable	2,636	6,826	.....
Reserve for damages	25,510	23,052	.....
Reserve for depreciation	.....	.....	21,0
Rents paid in advance	25	25	
Overdraft	.....	.....	2,2
Profit and loss	30,970	12,596	14,1
Total	$241,231	$224,569	$220,4

Officers: W. F. Nickle, Pres.; T. Ashmore Kidd, S & Treas.; H. C. Nickle, Gen. Supt. & Pur. Ag Kingston, Ont.

Directors: H. C. Nickle, W. F. Nickle, W. Nickle, H. F. Richardson, Dr. Etherington, T. A. M Ginnis, T. Ashmore Kidd, Kingston, Ont.

Office, Kingston, Ont.

CINCINNATI, HAMILTON AND DAYTON CORPORATION

History—Incorporated in Delaware May 6, 1926 a holding company and acquired all the capital sto (except directors' qualifying shares) of Cincinn Hamilton and Dayton Ry. Co. (see appended sta ment).

CAPITAL STOCK

Issued and outstanding, Dec. 31, 1927, 20,500 shar Common stock of no par value. This stock, togeth with the below described Prior Debenture 6% bon and Adjustment Income 6s, was distributed to holde of certificates of deposit of Southern Ohio Tracti First Consolidated 5s and Cincinnati & Hamilt Electric Street Ry. Co. First Mortgage 6s and to an u derwriting syndicate, which participated in the organization of the railway property of old Cincinn & Dayton Traction Co.

FUNDED DEBT

(1)

$2,125,000 PRIOR DEBENTURE GOLD 6s; DUE JANUARY 1976

Interest Payable January and July 1. No inter shall accrue prior to January 1, 1930. If net income corporation in any year shall not be sufficient to p interest at rate of 6% per annum, such interest rema ing unpaid in whole or in part, shall accrue, and crued deficiency shall be payable before any current terest installments shall be paid upon the Income bon or any dividends shall be paid or set apart for Co mon stock. Failure to pay interest on debentur shall not constitute a default under the indenture.

Purpose of Issue—Issued, together with Adjustment Income 6s and Common stock, to holders of certificates of deposit of Southern Ohio Traction Co. First Consolidated 5s and Cincinnati & Hamilton Electric Street Ry. Co. First 6s and to an underwriting syndicate, which participated in reorganization of railway properties of the old Cincinnati & Dayton Traction Co.

Provisions of Indenture—The Indenture provides that: (1) In event of liquidation the principal and all interest on bonds shall be paid out of assets of Corporation before any payment is made therefrom on the Adjustment Income bonds: (2) so long as any Debentures are outstanding Corporation shall not sell the Common stock of the Cincinnati, Hamilton & Dayton Ry. Co. owned by it nor mortgage nor pledge said Common stock to secure any obligation or obligations in excess of $250,000 except with the consent of owners of 75% of par value of said bonds then outstanding, provided, however, that the Corporation shall be authorized to issue purchase money mortgages or collateral trust bonds secured solely by the pledge of any property which it may hereafter lawfully acquire.

Callability—Subject to call as a whole or in part at any time at 105 and interest upon 30 days' notice.

(2)

$75,000 ADJUSTMENT INCOME 6s; DUE JANUARY 1, 1976

Interest Payable when and as declared by directors only out of accumulated net profits. It is non-cumulative and has preference over Common dividends.

Purpose of Issue—Issued, together with Prior Debenture bonds and Common stock to holders of certificates of deposit of Southern Ohio Traction Co. First Consolidated 5s and Cincinnati & Hamilton Electric Street Ry. Co. First 6s and to an underwriting syndicate which participated in reorganization of railway property of the old Cincinnati & Dayton Traction Co.

Provisions of Indenture—The Indenture provides that: (a) In event of liquidation principal shall be paid out of assets of Corporation before any payment is made therefrom on the Common stock: (b) so long as any Income bonds are outstanding, Corporation shall not sell the Common stock of Cincinnati, Hamilton & Dayton Ry. Co. owned by it nor mortgage nor pledge said Common stock to secure any obligation or obligations in excess of $250,000, except with the consent of owners of 75% of bonds then outstanding, provided, however, that the Corporation shall be authorized to issue purchase money mortgages or collateral trust bonds secured solely by pledge of any property which may hereafter lawfully acquire.

Callability—Subject to call as a whole or in part at any time at 105 and interest upon 30 days' notice.

OFFICERS AND DIRECTORS

Officers: Thomas Conway, Jr., Pres.; W. L. Butler, V. P.; William D. Gordon, Sec. & Treas.

Directors: Thomas Conway, Jr., Alba B. Johnson, Livingston E. Jones, J. Harris Warthman, William C. M Rutter, A. E. Pfahler, Philadelphia, Pa.; Warren S. Hayden, Cleveland, Ohio.

General Office, 7 West 10th St., Wilmington, Del.

CINCINNATI, HAMILTON AND DAYTON RAILWAY COMPANY

(Controlled by Cincinnati, Hamilton and Dayton Corp.)

History—Incorporated March 24, 1926, in Ohio, and acquired the railway property of Cincinnati & Dayton Traction Co. sold at foreclosure sale on March 8, 1926, pursuant to Reorganization Plan dated Oct. 1, 1925 (for details of Plan, etc., see 1926 Manual, pages 1913 et seq., or apply to our Information Department).

Properties—Owns and operates (a) an interurban line 86 miles of electrically operated railroad, running from the center of the city of Dayton to the outskirts of the city of Cincinnati and passing en route through the cities, towns and villages of Hamilton, Middletown, Trenton, Franklin, Miamisburg, West Carrollton, Mt. Healthy and College Hill; (b) a branch line from College Hill to Mt. Healthy, 3 miles in length, over which only freight service is now rendered; (c) local street railway lines serving the city of Hamilton; and (d) two local railway lines (operating in large part over the above described interurban trackage) furnishing street railway service to a rapidly growing section of Dayton, O. The total population of the territory served, including the cities of Dayton and Cincinnati, was 733,030 in 1920.

Franchises—About 63 miles of suburban lines are on private right of way, and the balance of the system is covered by franchises with a life of from 25 to 50 years.

Company purchases power wholesale and distributes it over its 33,000-volt high tension transmission line connecting the power plant with the various substations.

Equipment: Passenger coaches, 61; motor freight cars, 5; freight box cars, 49; freight flat cars, 5; miscellaneous cars, 9; electric locomotive, 1.

Contracts—On Nov. 5, 1926, Company executed a contract with the Hamilton Service Company (a part of the Union Gas and Electric System of Cincinnati, Ohio) for supplying power requirements for a period of 10 years on advantageous terms.

CAPITAL STOCK

Issued and outstanding, Dec. 31, 1927, 60,000 shares of no par value. All owned by Cincinnati, Hamilton and Dayton Corporation, except directors' qualifying shares.

FUNDED DEBT

(1)

$250,000 DAYTON TRACTION CO. FIRST MORTGAGE 6s; DUE JANUARY 1, 1931

(These bonds were originally 5s, due July 1, 1916 but extended to May 1, 1920. Under the Plan of Reorganization they were extended to Jan. 1, 1931 at 6%.)

Dated 1896.

Interest Payable January and July 1, at Girard Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia, Pa.

Callability—Subject to call at any time upon 30 days' notice at par and interest.

(2)

$200,000 HAMILTON CITY LINES FIRST MORTGAGE 6s; DUE JANUARY 1, 1931

Dated January 2, 1926.

Interest Payable January and July 1, at Girard Trust Co., Philadelphia, Pa.

Denominations—Coupon, $25, $50, $100, $500 and $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia, Pa.

Callability—Subject to call at any time upon 30 days' notice at par and interest.

Security—Secured by a first mortgage on the Hamilton City Lines of the Cincinnati, Hamilton and Dayton Ry. Co.

(3)

$850,000 CINCINNATI, HAMILTON AND DAYTON RY. CO. FIRST MORTGAGE 6s, SERIES "A"; DUE JANUARY 1, 1941

Dated January 2, 1926.

Interest Payable January and July 1 at Union Trust Co., Cleveland, Ohio.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized amount unlimited. Issued to Dec. 31, 1927, $850,000 Series "A" 6s. Additional bonds may be issued from time to time in one or more series and bearing such interest rates and having such dates of maturity and other provisions as

may be determined by the board of directors. Bonds may be issued for refunding Dayton Traction Company First Mortgage 6s and the Hamilton City Lines First Mortgage bonds and for 75% of permanent improvements, additions, etc., when net earnings for twelve consecutive months during the preceding fourteen calendar months shall have been at least twice interest on all bonds outstanding, including those proposed to be issued.

Callability—Series "A" bonds are subject to call as a whole or in part at any time upon 30 days' notice at par and interest.

Security—Secured by a first mortgage on the entire property of the Company, subject to the prior liens of the Dayton Traction Co. First 6s and the Hamilton City Lines First 6s.

(4)

$67,500 CINCINNATI, HAMILTON & DAYTON RY. CO. 5% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES A; DUE $22,500 EACH APRIL AND OCTOBER 1 FROM APRIL 1, 1928 TO APRIL 1, 1929

$135,000 CINCINNATI, HAMILTON & DAYTON RY. CO. 5½% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES A; DUE $22,000 EACH APRIL AND OCTOBER 1 FROM OCTOBER 1, 1929 TO APRIL 1, 1932

$225,000 CINCINNATI, HAMILTON & DAYTON RY. CO. 6% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES A; DUE $22,500 EACH APRIL AND OCTOBER 1 FROM OCTOBER 1, 1932 TO APRIL 1, 1937

Dated April 1, 1927.

Dividends Payable April and October 1 at Wilmington Trust Co., Wilmington, Del., or at Halsey, Stuart & Co., New York.

Denominations—$100 (April 1, 1932 and 1937 maturities only); $500 and $1,000.

Trustee—Wilmington Trust Co., Wilmington, Del.

Callability—Subject to call as a whole or in part on any dividend date on 30 days' notice at 100 and accumulated dividends plus a premium of 1% for all Certificates maturing more than 5 years and a premium of ½% for all certificates maturing 5 years or less from the date of redemption.

Security—Issued under the Philadelphia Plan and secured by 10 steel passenger interurban motor cars, 10 double truck city motor passenger cars, 40 standard freight trail cars, 1 50-ton all steel electric locomotive and 6 single truck motor cars. Title to the equipment is vested in the Trustee and equipment is leased to the Cincinnati, Hamilton and Dayton Ry. Co. at a rental sufficient to pay these certificates and dividend warrants as they become due.

Guaranty—Principal and dividends guaranteed by endorsement by Cincinnati, Hamilton and Dayton Railway Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut and Pennsylvania 4 mills taxes, District of Columbia 5 mills tax, Maryland 4½ mills tax and Massachusetts 6% income tax refundable if requested within 60 days after payment

Original Offering—First publicly offered ($450,000 5s, 5½s and 6s) in July, 1927, at prices ranging from 98.40 to 100 to yield from 5.875% to 6% by Halsey, Stuart & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$1,065,056	$1,015,3
Operating exp., maintenance & taxes	915,473	885,6
Depreciation	45,600	37,0
Net earnings	$103,983	$92,6
Other income	2,271	2,3
Total income	$106,254	$95,0
Deductions:		
Bond interest	$63,847	$62,1
Other interest	14,626	1,6
Rentals	2,294	
Miscellaneous deductions	1,966	
Total	$82,733	$63,7
Net income	$23,521	$31,3

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Road and properties	$6,345,837	$5,073,4
Other investments	63,018	18,7
Materials and supplies	69,283	75,6
Cash	35,593	
Accounts receivable	21,605	13,0
Notes receivable		17,5
Other current assets	3,480	2,5
Deferred debit items	44,788	7,7
Total	$6,583,604	$5,208,6
Liabilities—		
Capital stock	*$3,926,138	*$3,926,
Funded debt	1,300,000	800,0
Purchase money mortgages	145,000	
Equipment obligations	427,500	56,
Notes payable	105,500	56,
Accounts payable	121,567	56,0
Interest accrued	11,842	
Other current liabilities	13,161	14,
Reserve for taxes	34,629	21,
Unadjusted credits	48,048	14,6
Deferred credit items	11,089	11,6
Reserve for depreciation	192,864	203,8
Surplus	246,266	49,
Total	$6,583,604	$5,208,6

*Represented by 60,000 shares of no par value.

Officers: Thomas Conway, Jr., Pres.; J. H. M Clure, V-P. & Gen. Mgr.; William L. Butler, V-Richard Breckinridge, V-P.; William D. Gord Treas.; A. E. Pfahler, Sec.

General Office, Dayton, Ohio.

COPENHAGEN TELEPHONE COMPANY

(Kjobenhavns Telefon Aktieselskab)

History and Property—Established in 1882 in Denmark and operates under an exclusive 20-year concession granted by the Danish Government in July, 1919, under the terms of which the Company provides telephone service without competition on the Islands of Amager and Zealand which include the city of Copenhagen. The territory served has a population estimated at 1,320,000 and the subscribers on Jan. 1, 1926 numbered 140,495 of which, 105,380 are in the city of Copenhagen and surroundings; instruments in service, 168,862. Under the terms of the concession the operations of the company are closely supervised by the Government of the Kingdom of Denmark. An increase in rates amounting to 7½% per annum, beginning July 1, 1925, was granted in 1924. Any issuance of loans or stock by the company must have the approval of the Government, and total funded debt may not exceed the amount of capital stock.

CAPITAL STOCK

Authorized and issued, Kr. 50,000,000; par, Kr., 500. The Government of the Kingdom of Denmark owns Kr., 9,000,000 and has the right to purchase half of any future stock issued.

Upon the expiration of the present concession 1939, the Government has the right to buy, on year's notice at the rate of Kr. 125 for each Kr. share, all or part of the stock of the company then o standing. If only part of such stock is to be purcha the shares are to be drawn by lot. In case the Gove ment does not purchase all of the stock by 1939, concession will automatically be extended for f years more, at the end of which period the Governm again has the right to purchase the stock as abo this process to be repeated until all of the stock been purchased.

Annual Meeting—In April.

Dividends—The shares have warrants attached c ing for payment on February and August 1 of e year of an "on account dividend" up to 2½% se annually, as well as warrants for final dividend any year which may be declared at general meet of stockholders, but may not be declared until annual statement of accounts has been approved by Minister of Public Works and may not bring to dividend for the fiscal year to more than 8% wi out the Minister's consent. Dividends have been p

as follows: 1887, 8%; 1888-1890, 6% per annum; 1891 to 1899, 7% per annum; 1900 to 1914, 6% per annum; 1915 to 1917, 7% per annum; 1918 to 1926 8% per annum.

FUNDED DEBT

(1)

$2,000,000 25-YEAR SINKING FUND EXTERNAL GOLD 6s, DUE APRIL 15, 1950

Dated April 15, 1925.

Interest Payable April and October 15, at Guaranty Trust Company of New York, in United States gold coin of or equal to the present standard of weight and fineness.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized $2,000,000; issued to provide funds for the extension of Company's plant and equipment and for other corporate purposes.

Callability—Subject to call as a whole or in part at par and accrued interest on any interest date on 60 days' notice.

Sinking Fund—Commencing in 1930, $100,000 per annum, sufficient to retire entire issue by maturity; to operate by purchase at not exceeding 100% or annual redemption by lot at 100%, first redemption to take place April 15, 1931.

Security—These bonds are direct obligations of the company and rank equally with the company's outstanding Kronor Bonds, equivalent to about $3,000,000, bearing 4½% and 5% coupons, none of which is secured by a mortgage. The company agrees that if in future it shall give a lien on any of its assets or revenues in favor of any obligation (except obligations for not greater amounts given in renewal of existing real estate mortgages (Kr. 2,132,644), current indebtedness maturing not later than one year incurred in the general conduct of its business which may be secured by pledge of accounts receivable or other liquid assets, and indebtedness secured by purchase money mortgages created by the Company, or existing, on real estate hereafter acquired) these bonds shall be equally and ratably secured on such assets or revenues.

Guaranty—The Minister of Public Works officially agrees that if the Government should purchase all, or substantially all of the stock or assets of the company, the Government will thereupon redeem, or guarantee the payment of the principal and interest of, all of these bonds outstanding.

Tax Provisions—Principal and interest payable without deduction for any tax or taxes now or hereafter imposed by the Kingdom of Denmark or by any taxing authority thereof or therein.

Legal Opinion—Gunnar Sally, Copenhagen, Denmark, and Davis, Polk, Wardwell, Gardiner and Reed, New York.

Original Offering—First publicly offered ($2,000,000) May 1, 1925, at 99¾ and interest by Guaranty Company of New York, and Dillon, Read & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	102½	101	101
Low	99½	99	99

(2)

Kr. 2,800,000 5% Loan of 1909. Original amount of loan, Kr. 6,000,000; amount retired, Kr. 3,200,000. Loan is being retired through drawing of Kr. 200,000 each Oct. 1, for payment at 102 on following Jan. 2. Since Oct. 1, 1919, Company may increase amortization, or may redeem entire issue on any Jan. 2 at 102 on 3 months' notice.

(3)

Kr. 3,000,000 5% Loan of 1914. Original amount of loan, Kr. 5,000,000. Amount retired, Kr. 2,000,000. Loan is being retired by drawing of 1/30 (Kr. 166,666.67) each Oct. 1 for payment at 102 on following Jan. 2. Since Oct. 1, 1918, Company may increase amortization or may redeem entire issue on any Jan. 2 at 102 on 3 months' notice.

(4)

Kr. 8,500,000 5% Loan of 1922. Original amount Kr. 10,000,000; amount retired, Kr. 1,500,000. Loan is being retired by drawing of Kr. 500,000 each year for payment on Dec. 1 beginning Dec. 1, 1924.

The Company also has outstanding various real estate mortgages aggregating Kr. 2,132,644.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Mint parity of Danish Kroner is 26.80 cents. Cable rate of exchange on Denmark in New York, August 31, 1925, 20.5 cents).

	Gross Revenue	Net Revenue	Depreciation	Interest and Commissions	Income Taxes	Net Income
	Kr.	Kr.	Kr.	Kr.	Kr.	Kr.
1920	20,989,923	7,657,437	1,951,625	196,450	150,677	5,358,685
1921	24,080,492	9,442,036	**2,649,948**	**484,308**	**470,543**	**5,837,238**
1922	23,449,464	8,407,132	2,439,836	666,980	462,290	4,838,027
1923	24,424,902	9,429,124	3,228,293	669,061	202,331	5,329,440
1924	25,638,963	11,956,571	4,132,382	768,568	263,288	6,792,333
1925	27,398,590	12,651,035	4,637,002	853,306	530,072	6,630,655
1926	27,905,354	12,179,651	4,717,538	856,545	495,436	6,110,132

INCOME AND PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925
	Kroner	Kroner
Gross revenue	27,905,354	27,398,591
Salaries	8,693,841	8,935,070
General expenses, rent, etc.	1,514,995	1,717,113
Maintenance	3,888,345	4,045,654
Fee to City of Copenhagen & loss on real estate	50,499	49,719
Depreciation	4,717,538	4,637,002
Income tax—state & municipal	495,436	530,072
Reserve for reduction of subscription charges	1,578,023	.....
Total expenses and taxes	20,938,677	19,914,630
Net earnings	6,966,677	7,483,961
Interest and commissions	856,545	853,306
Net income	6,110,132	6,630,655
Balance brought forward	39,868	59,213
Reserve for taxes credited back	650,000	650,000
Total	6,800,000	7,339,868
Reserve fund	500,000	1,000,000
Director's fees	50,000	50,000
Pension fund	1,000,000	1,000,000
Reserve for taxes	650,000	650,000
Reserve for renewals	600,000	600,000
Dividends on capital stock (8%)	4,000,000	4,000,000
Profit and loss surplus	.....	39,868

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
	Kr.	Kr.	Kr.
Value of plant	111,755,469	102,930,862	95,481,666
Real estate	10,396,800	9,234,600	8,882,100
Part of state plant taken over	.....	.....	101,274
Materials and supplies	4,622,354	4,996,525	4,786,259
Investments in bonds	218,828	218,828	218,608
Cash on hand & in banks	5,946,629	7,920,955	72,101
Accounts receivable	3,979,204	3,574,273	3,649,798
Total	136,919,284	128,876,043	113,191,806
Liabilities—			
Capital stock	50,000,000	50,000,000	50,000,000
Funded debt	24,405,139	25,471,806	16,433,333
Real estate mortgages	2,132,644	2,054,202	2,044,986
Accounts payable	2,710,591	2,256,178	2,092,223
Bank loans	.....	.....	893,214
Dividends declared	2,750,000	2,750,000	2,750,000
Reserve for taxes	650,000	650,000	650,000
Director's fees	50,000	50,000	50,000
Pension fund	8,679,581	7,458,222	6,310,030
Reserve for depreciation	30,754,624	26,037,086	21,400,084
Reserve fund	11,000,000	10,500,000	9,500,000
Reserve for renewals	1,700,000	1,100,000	500,000
Reserve for discount & expense on stock & bond issues	460,548	460,548	460,548
Res. for bonus to subscribers	1,626,157	48,133	48,176
Profit and loss surplus	.....	39,868	59,212
Total	136,919,284	128,876,043	113,191,806

Officer: Frederik Johannsen, Managing Director, Copenhagen, Denmark.

Directors: C. C. Clausen, Chairman; Frederik Johannsen; Otto Benzon, K. Teisen, I. Windfeld-Hansen, Julie Arenholt, E. B. Petersen, G. C. Wassmann, J. Jensen, M. N. Slebsager, Copenhagen.

Office, Copenhagen, Denmark.

YORK TELEPHONE & TELEGRAPH COMPANY

History—Incorporated April 29, 1907, in Pa., with perpetual charter, as successor to York Telephone Co. Operates in York and York County, Pa. Owns a majority of the capital stock of the York Eastern Telephone Co. In 1910, acquired nearly all the stock of the Union Telephone Co. of Maryland. In Aug., 1925, purchased the properties, equipment, etc., of the Bell Telephone Co. of Pa. in York County, Pa., and is now unifying same with its own system. Has contracts with 35 rural lines. Franchise perpetual. Population served, 125,000. Exchanges, 16. Telephones 14,675. Prices, $24 to $87.

CAPITAL STOCK

Authorized, $500,000; outstanding, $200,000; par, $10. Transfer Agent: Guardian Trust Co., York, Pa. Annual meeting, second Monday in January.

Dividends—In 1909, 4%; 1910 to 1916, 3%; 1917 5%; 1918 to 1927, incl., 6%; payments quarterly, J, A J & O 1.

FUNDED DEBT

$180,000 York Telephone Co. First Mortgage 5s dated 1829; due May 1, 1930; int. May and Nov. 1, a Guardian Trust Co., York, Pa. Coupon and registered $500. Authorized and issued, $200,000, of which $20,00 reacquired and cancelled.

$864,500 York Telephone & Telegraph Co. Firs Gold 5s; dated May 1, 1907; due May 1, 1937; int. Ma and Nov. 1, at Guardian Trust Co., York, Pa Trustee. Coupon, $500 and $1,000; principal may b registered. Subject to call at 105 and interest. Author ized, $2,000,000, of which sufficient reserved to retir York Telephone Co. 5s described above.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$529,284	$500,992	$363,681	$332,009	$304,824	$284,12
Operating expenses and taxes	257,286	260,795	210,767	196,013	190,860	161,61
Depreciation	95,394	84,357	65,078	60,380	54,978	48,69
Net earnings	$176,604	$155,840	$87,836	$75,615	$58,986	$73,81
Other income	4,205	2,734	2,055	4,389	2,897	83
Total income	$180,809	$158,574	$89,891	$80,004	$61,883	$74,64
Long-term debt interest	52,267	47,826	36,964	36,050	36,375	36,37
Other charges	4,591	12,000	8,066	5,908	4,316	4,27
Total charges	$56,858	$59,826	$45,030	$41,958	$40,691	$40,64
Balance for dividends	$123,951	$98,748	$44,862	$38,046	$21,192	$34,00
Dividends paid	12,000	12,000	12,000	12,000	12,000	12,00
Surplus for year	$111,951	$86,748	$32,862	$26,046	$9,192	$22,00
Times Bond Interest Earned	3.37	3.32	2.22	2.22	1.70	1.9
Earnings Per Share	$6.20	$4.94	$2.24	$1.90	$1.06	$1.7

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,772,561	$1,685,402	$1,422,500	$1,079,540	$1,002,490	$948,94
Stocks owned	35,350	.....	35,350	35,350	35,250	35,25
Marketable securities	.....	2,500	.....	.....	.....	.....
Cash and deposits	52,243	27,839	38,907	30,349	35,272	40,56
Notes receivable	.....	.....	.....	.....	1,589	1,58
Current accounts	3,048	2,658	3,380	4,245	3,247	3,64
Sinking fund	115,899	82,046	58,559	56,808	43,234	22,04
Unamortized debt discount and expense	43,939	47,820	47,197	48,634	52,687	56,57
Other intangible capital	.....	.....	103,343	.....	.....	.....
Total	$2,023,040	$1,848,265	$1,709,237	$1,254,927	$1,173,769	$1,108,60
Liabilities—						
Capital stock	$200,000	$200,000	$200,000	$200,000	$200,000	$200,00
Long-term debt	1,044,500	1,048,500	834,500	721,000	725,000	725,00
Notes payable	5,000	10,000	240,000	.....	.....	.....
Interest etc., accrued	8,704	9,821	11,408	6,361	10,437	9,50
Taxes	23,834	26,515	13,970	12,851	10,155	9,41
Reserve for accrued depreciation	415,260	341,709	284,377	222,585	162,205	105,33
Unextinguished Prem. debt	83	92	102	111	.....	.....
Undivided profits	325,659	211,628	124,880	92,018	65,972	59,35
Total	$2,023,040	$1,848,265	$1,709,237	$1,254,927	$1,173,769	$1,108,60

Officers: Geo. B. Rudy, Sr., Pres., Gen. Mgr. & Pur. Agt.; W. S. Eisenhart, V-P.; Dr. H. H. Weber, Sec. & Treas.; M. M. O'Donnell, Asst. Treas.; H. L. McNeal, Supt., York, Pa.

Directors: Stewart Lafean, Dr. H. H. Weber, Geo B. Rudy, Sr., Geo. E. Neff, W. S. Eisenhart, Geo. I Rudy, Jr., Geo. W. Williams, Jr., York, Pa.

Office, 31 South Beaver St., York, Pa.

NEW HAVEN GAS LIGHT COMPANY

History—Incorporated in 1847, in Conn. Supplies New Haven, East Haven, North Haven, West Haven, Woodmont, Hamden, Woodbridge, Milford and Branford, Conn., having an aggregate population of 211,222. Franchise perpetual. Daily capacity, 5,000,000 cu. ft. Rates: The first 100 cu. ft. or less per meter each month, 51 cts. gross. Additional hundreds to 40,000 cu. ft. 11 cts. gross; the next 60,000 cu. ft. 10½ cts. gross per 100 cu. ft.; the next 100,000 cu. ft., 10 cts. gross per 100 cu. ft.; the next 200,000 cu. ft., 9½ cts. gross per 100 cu. ft.; the next 200,000 cu. ft. 9 cts. gross per 100 cu. ft.; the next 200,000 cu. ft., 8½ cts. gross per 100 cu. ft.; the next 200,000 cu. ft., 8 cts. gross per 100 cu. ft.; the next 1,000,000 cu. ft., 7½ cts. gross per 10 cu. ft.; all over 2,000,000 cu. ft., 7 cts. gross per 100 cu ft. Discount 1 cent per 100 cu. ft., provided the bi is paid on or before the date specified on the bi rendered and all previous bills are paid.

Offer for Stock—In Sept. 1926 The Koppers Co Pittsburgh, Pa. offered for each share of capital stoc of the New Haven Gas Light Company one share o 12% Pfd. stock and one-half Common share o **Connecticut Gas & Coke Securities Co.,** which holdin company was incorporated in Conn., Oct. 11, 192 to acquire New Haven Gas Light Co., and an interes in Hartford City Gas Light Co. The offer was con

ditioned upon deposit of 100,000 shares New Haven Gas Light stock on or before Sept. 30, 1926 (extended to Oct. 31, 1926). The above mentioned holding company issued 200,000 $3 dividend (quarterly, J, A, J & O) no par cumulative Pfd. shares (callable at $65 and dividends and entitled to $60 and accrued dividends in case of liquidation in priority to the Common stock), and 300,000 no par Common shares. 200,000 of these Common shares were issued to Koppers Co. in exchange for 20,000 shares of stock of New Haven Gas Light Co. and 14,000 shares of Hartford City Gas Light Co., for which the Koppers Co. had paid cash. Koppers Co. guaranteed the $3 dividend on the Pfd. stock on Connecticut Gas & Coke Securities Co. for 25 years with the provision that it may substitute the guaranty of the coke company when that company is ready to supply gas to the New Haven Gas Light Company. During 90 days from and after the time when this supply begins, Koppers Co. agrees to purchase such Common stock in the holding company as may be offered at $25 per share. In October, 1927, The United Gas Improvement Company of Philadelphia purchased the interests of The Koppers Company in The Connecticut Gas & Coke Securities Company.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gas sales (m. cubic feet)	2,170,788	2,135,638	2,011,652	1,996,295	2,023,564	1,881,213
Number of meters	65,042	63,371	60,954	60,245	58,213	57,376
Miles of mains	434	423	411	402	395	390

CAPITAL STOCK

Authorized, $10,000,000; outstanding, $5,500,000; par, $25.

Transfer Office—Stock transferred by Company itself.

Registrar—Union & New Haven Trust Co., New Haven, Conn.

Annual Meeting—Second Monday in February.

Dividends—Payments at rate of $2.50 per share per annum made to March 31, 1903; $2 per annum thereafter to and including Sept. 30, 1924; Dec. 31, 1924, 75 cts.; 1925, $2 regular and 25 cts. extra; 1926, $2.50; 1927, $2.50 regular and 25 cts. extra (Dec. 31, 1927); payments quarterly M 31, J 30, S 30 & D 31.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Income from gas	$2,682,879	$2,657,625	$2,505,982	$2,345,799	$2,364,094	$2,253,905
Income from residuals	515,419	563,982	557,858	533,824	566,909	545,537
Gross income from operations	$3,198,298	$3,221,608	$3,063,840	$2,879,624	$2,931,003	$2,799,442
Operating expenses	2,561,759	2,564,080	2,486,266	2,249,789	2,391,081	2,219,759
Net earnings	$636,539	$657,527	$577,574	$629,834	$539,922	$579,683
Other income	48,738	52,534	33,814	21,862	18,327	6,106
Total income	$685,277	$710,062	$611,388	$651,696	$558,249	$585,789
New bus. dept. exp	.....	.....	.....	33,501	28,516	29,369
Balance for dividends	$685,277	$710,062	$611,388	$618,195	$529,733	$556,420
Dividends paid	605,000	550,000	495,000	482,444	400,000	400,000
Surplus for year	$80,277	$160,062	$116,388	$135,751	$129,733	$156,420
Earnings Per Share	$3.11	$3.22	$2.78	$2.81	$2.65	$2.78

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$7,639,787	$7,517,952	$6,767,066	$6,623,446	$6,510,997	$6,397,826
Insurance investments	598,710	585,190	582,257	564,233	550,683	534,083
Investments	811,901	730,269	554,445	575,702	411,103	405,848
Accounts receivable	274,165	254,819	240,659	229,914	187,700	190,154
Bills receivable	.....	.....	297	374	724	.....
Materials and supplies	349,600	353,851	376,212	447,197	477,948	427,021
Cash	138,201	173,671	222,372	99,206	43,934	97,096
Construction and operating exp. authorizations	10,545	1,380	545,269	457,474	153,233	17,026
Total	$9,822,909	$9,617,132	$9,287,578	$8,997,546	$8,336,322	$8,069,054
Liabilities—						
Capital stock	$5,500,000	$5,500,000	$5,500,000	$5,500,000	$5,000,000	$5,000,000
Bills payable	.....	.....	.....	.....	125,000	.....
Accounts payable	59,758	82,285	66,448	90,407	67,861	100,653
Reserve for taxes	126,116	126,115	126,116	126,116	126,116	126,116
Consumers' deposits and interest	56,624	51,537	47,028	38,919	33,772	22,206
Insurance reserve	598,103	583,905	581,563	564,958	546,494	535,677
Depreciation, etc., reserves	1,848,259	1,786,167	1,714,305	1,552,347	1,452,176	1,432,408
Surplus	1,634,049	1,487,123	1,252,118	1,124,799	984,903	851,994
Total	$9,822,909	$9,617,132	$9,287,578	$8,997,546	$8,336,322	$8,069,054

Officers: Clarence Blakeslee, Pres.; G. D. Watrous, V-P.; J. Arnold Norcross, V-P. & Gen. Mgr.; Theo. R. Sucher, Sec. & Treas.; C. G. Wuestefeld, Asst. Sec.; C. V. Dimock, Aud.; Robert E. Wyant, Engineer, New Haven, Conn.

Directors: G. D. Watrous, F. F. Brewster, J. T. Moran, Clarence Blakeslee, Gourdin Y. Gaillard, Geo. J. Bassett, H. S. Hotchkiss, J. Arnold Norcross, New Haven, Conn.; Alfred E. Hammer, Branford, Conn.; J. T. Hutchings, F. J. Rutledge, Philadelphia, Pa

Office. 80 Crown St., New Haven, Conn.

SHAMOKIN AND EDGEWOOD ELECTRIC RAILWAY

History—Incorporated May, 26 1900, in Pa.; successor to Shamokin St. Ry. Co.; road entirely rebuilt Length of track, 6 miles; sidings, etc., 1 mile. Gauge, standard. Rail (T and girder), 60 and 84½ lbs. Cars, 26. Controls Edgewood Park. Power and light furnished by Pennsylvania Lighting Co. The Shamokin

Extension Electric Ry., formerly leased by Company, was dismantled in 1927.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $50. Annual meeting, second Monday in January. No dividends paid.

FUNDED DEBT

$186,000 First Mortgage Gold 5s; dated May 15, 1906; due May 15, 1936; int. May and Nov. 15, at Real Estate Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000. Authorized issue, $250,000. Bonds are not subject to call. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$93,767	$112,016	$134,704
Oper. exp., taxes, etc.	123,167	154,179	133,048
Net earnings	*$29,400	*$42,163	$1,656
Bond interest	8,800	8,300	8,300
Rentals, etc.	256	3,454	2,800
Total charges	$9,056	$11,754	$11,100
Deficit for year	*$38,456	$53,917	$9,444

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$372,061	$373,861	$423,860
Bus line stock	10,000	10,000	.....
Other investments	250,227	250,232	250,193
Cash	7,285	5,074	9,893
Deferred debit items	1,000	8,700	6,623
Total	$640,573	$647,867	$690,569
Liabilities—			
Capital stock	$250,000	$250,000	$250,000
Funded debt	186,000	166,000	166,000
Reserve for depreciation	163,600	152,438	141,223
Reserve for bond interest	1,042	1,042	1,042
Profit and loss	39,931	78,387	*132,304
Total	$640,573	$647,867	$690,569

*Shows an adjustment of $84,000 unsold bonds and $10,500 coupons on unsold bonds, which through an error have been considered as a liability when in fact they were never sold and as a result surplus was affected from the time they were considered a liability.

Officers: Sarah W. Kulp, Pres.; Wm. C. McConnell, V-P.; William McDonough, Sec. & Treas.; D. T. Campbell, Aud.; John Murphy, Supt., Shamokin, Pa.

Directors: Sarah W. Kulp, Mrs. Harriett J. Barr, W. C. McConnell, Edward Brennan, G. Gilbert Kulp, F. B. Moser, William McDonough, Shamokin, Pa.

Office, Shamokin, Pa.

LAURENTIDE POWER COMPANY, LTD.

(Controlled by Laurentide Co., Ltd.)

History, Property, Etc.—Incorporated Oct. 15, 1915, in Canada, to take over from the Laurentide Co., Ltd., all of its property and plant necessary for the develop- of water power of Grand Mere Falls on the St. Maurice River at Grand' Mere, Que. The Company owns a modern hydro-electric plant with an installed capacity of 165,000 horse-power at Grand' Mere on the St. Maurice River, Province of Quebec. Power is developed under a normal head of over 76 feet, and the Company has the advantage of extraordinary natural conditions favorable to its operation. The plant was put in operation in the Spring of 1916. The ownership in fee of the lands and water rights on both banks of the river, and for eight miles or more above the site of the power plant, has made possible a great storage of water immediately available at the power site. The La Loutre Storage Dam, which had been under construction during the previous two years under supervision by the Provincial Government, was completed in Dec., 1917, and is operating satisfactorily.

Management—The actual operation of the plant has been assumed by the Shawinigan Water & Power Co., thus giving to the Laurentide Power Co., Ltd., the advantage of a management and organization of wide experience at nominal cost.

Market for Power—The Laurentide Co., Ltd., operating paper mills at Grand' Mere immediately adjoining the power plant, is now purchasing from the Power Company under a 50-year contract, 37,500 h.p. The Shawinigan Water & Power Co. entered into a 50-year contract for the purchase of 50,000 h. p. This contract also gave to the Shawinigan Water & Power Co. an option to July 1, 1918, on an additional 37,500 h. p., and further option on 12,500 h. p. under option to the Laurentide Co., Ltd. if not exercised by them. Both options have been exercised by the Laurentide Co., Ltd. and Shawinigan Water & Power Co.

The power purchased under this contract is taken by the Shawinigan Water & Power Co., Ltd., at the Laurentide Power Co.'s station at Grand' Mere, and distributed over their transmission lines, thus entirely relieving the Laurentide Power Co., Ltd., of the capital expenditure and operating expenses of transmission system.

The Shawinigan Company's system embraces over 700 miles of lines, covering a radius of 100 miles east, west and south from Shawinigan Falls, including Montreal, Quebec, Three Rivers, Thetford Mines and thirty other smaller cities or towns in the Province of Quebec. By this arrangement the power furnished by the Laurentide Power Co., Ltd., reaches the largest industrial centers in the Province of Quebec, from which there is a constantly increasing and unusually diversified demand for electric power.

CAPITAL STOCK

Authorized and outstanding, $10,500,000; par, $100. The Laurentide Co., Ltd., owns $7,200,000 of the stock. Annual meeting, third Tuesday in February.

Dividends—Initial quarterly dividend of 1% was paid April 15, 1919, which rate was regularly paid thereafter until April 15, 1922, on which date the rate was increased to 1¼% and has been paid regularly since; payments, J, A, J & O 15.

FUNDED DEBT

(1)

$6,663,500 FIRST MORTGAGE 30-YEAR SINKING FUND GOLD 5s; DUE JANUARY 1, 1946

Dated January 1, 1916.

Interest Payable January and July 1, at Bankers Trust Co., New York, Bank of Montreal, Montreal, Que., Can., and Bank of Montreal, London, Eng.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Royal Trust Co., Montreal, Que., Can.

Provisions of Issue—Authorized and issued, $7,500,000, of which $836,500 redeemed or held in sinking fund.

Callability—Subject to call as a whole at 105 and interest on any interest date after Jan. 1, 1920, upon

LAURENTIDE POWER CO., LTD. SECURITIES

ALDRED & CO.

40 Wall Street NEW YORK

Sinking Fund—Annual sinking fund commenced, Jan. 1, 1920, amounts to 1% of all bonds issued and in addition, a sum equal to the annual interest upon all bonds purchased or redeemed by the sinking fund. The sinking fund is to be applied to the purchase of bonds at or under 105% and accrued interest, or to the redemption of bonds by drawings at 105 and accrued interest, and will redeem approximately one-half the entire issue of bonds before maturity.

Security—Secured by a first lien on entire property of company. A supplementary deed has been executed with the Trustee, by which the contracts for the sale of power to the Laurentide and Shawinigan Companies are hypothecated to the Trustee, and this deed provides that the Trustee may only consent to the modification of any of the terms of either of the said contracts, if in its opinion the interest of the bondholders shall not be prejudiced thereby.

Tax Provisions—Interest is payable without deduction for taxes of any nature imposed by any taxing authority in Canada.

Original Offering—First publicly offered in 1916, at 90 and interest, to yield about 5.70%; additional offering made in March, 1917, at 92 and interest, to yield about 5.55%.

(2)

$1,494,000 GENERAL MORTGAGE 5½% SINKING FUND GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1946

Dated February 1, 1925.

Interest Payable January and July 1, at Bank of Montreal, Montreal, Toronto, Ottawa, and Quebec, Can.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Royal Trust Co., Montreal, Que., Can.

Provisions of Issue—Authorized, $2,000,000. The proceeds from the sale of $1,525,000 Series "A" bonds were used in part to retire the $1,434,000 outstanding General Mortgage 7% Sinking Fund bonds, dated May 1, 1921; due May 1, 1941. Bonds in addition to the $1,525,000 Series "A" may be issued to the extent of not more than 80% of new capital expenditures, provided that net earnings are not less than twice combined bond interest and sinking fund charges on all outstanding bond issues, including the General Mortgage bonds proposed to be issued. Of the $1,525,000 Series "A" bonds, $31,000 redeemed or held in sinking fund at Dec. 31, 1927.

Callability—Subject to call as a whole or in part for sinking fund purposes, on any interest date on three months' notice at 101 and interest.

Sinking Fund—Cumulative annual sinking fund commencing Jan. 1, 1926, amounts to 1% of bonds issued, plus interest on bonds redeemed through operation of this sinking fund.

Security—Secured by a mortgage on entire property now owned or hereafter acquired subject to the $6,663,500 prior lien described above.

Guaranty—Guaranteed unconditionally principal and interest by Laurentide Co., Ltd.

Original Offering—First publicly offered ($1,525,000 Series "A" 5½s) in Jan., 1925, at 99 and interest, yielding about 5.60%, by Hanson Bros. and Aldred & Co., Ltd., Montreal, Toronto, etc.

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

Earnings—	1927	1926	1925	1924	1923	1922
Gross revenue from power	$1,491,327	$1,476,766	$1,496,522	$1,478,087	$1,411,180	$1,333,643
Miscellaneous income	14,596	6,980	3,890	2,775	6,643	15,387
Total	$1,505,923	$1,483,747	$1,500,412	$1,480,862	$1,417,823	$1,349,030
Operating expenses, taxes, etc.	258,519	262,835	248,249	242,585	247,538	199,367
Net earnings	$1,247,404	$1,220,912	$1,252,163	$1,238,277	$1,170,285	$1,149,663
Deduct—						
Interest on bonds	$458,875	$458,875	$467,854	$475,380	$474,857	$474,400
Exchange on bond interest	.....	.....	69	3,994	8,394	4,457
Bond conversion expense	7,860	7,860	7,860	.....	.....	.....
Net profit for year	$780,669	$754,177	$776,380	$758,903	$687,034	$670,806
Surplus from previous year (adjusted)	15,095	26,168	30,038	10,475	1,780	12,632
Total	$795,764	$780,345	$806,418	$769,378	$688,814	$683,438
Whereof—						
Sinking fund for redemption of bonds	$90,250	$90,250	$90,250	$89,340	$89,340	$89,200
Dividends declared	525,000	525,000	525,000	525,000	525,000	525,000
Reserve for income tax	42,000	50,000	65,000	65,000	64,000	.....
Contingent fund	.....	.....	.....	60,000	.....	.....
Depreciation reserve	100,000	100,000	100,000	.....	.....	.....
Total	$757,250	$765,250	$780,250	$739,340	$678,340	$614,200
Surplus carried forward	$38,514	$15,095	$26,168	$30,038	$10,474	$69,238
Times Bond Interest Earned	2.70	2.66	2.68	2.64	2.48	2.42
Earnings Per Share	$5.22	$4.89	$4.96	$5.76	$5.08	$5.66

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, hydro-electric development	$20,053,832	$20,076,524	$20,076,085	$19,984,464	$19,920,861	$19,878,035
Operating stores and equipment	90,609	90,376	86,238	78,810	73,272	70,385
Cash in banks	266,559	317,176	251,008	198,595	196,430	186,122
Accounts receivable	297,964	128,998	125,511	126,295	115,600	116,541
Bills receivable—Laurentide Co., Ltd.	.....	.....	.....	.....	.....	61,000
Prepaid charges	12,067	8,709	23,944	8,913	8,361	3,947
Sinking fund investment	30,751	752,288	629,881	558,488	447,529	338,610
Total	$20,751,782	$21,374,070	$21,192,667	$20,955,565	$20,762,053	$20,654,640
Liabilities—						
Capital stock	$10,500,000	$10,500,000	$10,500,000	$10,500,000	$10,500,000	$10,500,000
Funded debt	8,157,500	9,025,000	9,025,000	8,934,000	8,934,000	8,920,000
Bills and accounts payable	20,892	24,197	49,934	96,872	64,401	31,958
Accrued taxes & water rentals	93,492	104,145	106,952	107,880	139,175	61,079
Accrued bond interest	210,110	213,225	216,200	193,392	195,692	198,663
Depreciation reserve	600,000	500,000	400,000	869,553	755,617	648,610
Sinking fund reserve	877,338	752,288	629,880			
Contingent and insurance funds	90,000	90,000	90,000	90,000	30,000	90,000
Unclaimed coupons and dividends	2,248	2,735	2,133	1,625	1,088	1,075
Dividend payable	131,250	131,250	131,250	131,530	131,531	131,342
Sinking fund installment payable Jan. 2	30,438	16,135	15,250	675	75	2,675
Profit and loss	38,514	15,095	26,168	30,038	10,474	69,238
Total	$20,751,782	$21,374,070	$21,192,667	$20,955,565	$20,762,053	$20,654,640

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Accounts receivable	$297,964	$128,998	$125,511	$126,295	$115,600	$116,54
Bills receivable	.....	.....	.....	.....	.....	61,00
Cash	266,559	317,176	251,008	198,595	196,430	186,12
Total	$564,523	$446,174	$376,519	$324,890	$312,030	$363,66
Current Liabilities—						
Bills and accounts payable	$20,892	$24,197	$49,834	$96,872	$203,576	$93,03
Accrued taxes and water rentals	93,492	104,145	106,952	107,880	139,175	61,07
Interest accrued, etc.	210,110	213,225	216,200	193,392	195,692	198,66
Dividends payable	131,250	131,250	131,250	131,530	131,531	131,34
Unclaimed coupons and dividends	2,248	2,734	2,133	1,625	1,088	1,07
Sinking fund instalment	30,438	16,135	15,250	675	75	2,67
Total	$488,430	$491,687	$521,619	$531,974	$671,137	$487,87
Net Working Capital	$76,093	*$45,513	*$145,100	*$207,084	*$359,107	*$124,20

*Debit.

Officers: F. A. Sabbaton, Pres.; Julian C. Smith, V-P.; Wm. F. Robinson, Sec.; Louis Armstrong, Treas.; F. E. McNally, Asst. Sec.

Directors: Howard Murray, Edwin Hanson, Julian C. Smith, Capt. J. H. A. Acer, Montreal, Que.; Geo. Chahoon, Jr., F. A. Sabbaton, Grand Mere, Que.; J. E Aldred, A. A. Tilney, New York; George H. Montgomery, K. C.

Offices, 1021 Canada Cement Bldg., Montreal, Que. and at Grand' Mere, Que.

MIDLAND UTILITIES COMPANY

(See Accompanying Map)

History—Incorporated under laws of Delaware and began business in June, 1923. The company was originally organized as the Public Service Investment Company, but the name was changed to the Midland Utilities Company in August, 1924. The Midland Utilities Company is an investment company engaged in acquiring and holding securities of public utility companies. It controls by stock ownership the utilities in which it is interested which are located, principally in northern Indiana and western Ohio.

The principal public utility subsidiaries of the Midland Utilities Company are:

Northern Indiana Public Service Company
Indiana Service Corporation
Chicago South Shore and South Bend Railroad
Kokomo Gas and Fuel Company
Public Service Pipe Line Company
West Ohio Gas Company
Gary Railways Company
East Chicago Gas Company
Berrien Gas & Electric Company
The Rockford Light & Power Company

In addition to the above public utility companies, Midland Utilities Company controls Indiana By-Product Gas Company, which operates a 10,000,000 cubic foot gas holder in East Chicago, in which is stored surplus gas purchased form the steel mills in the territory.

Other subsidiaries are as follows: Indiana Industrial Land Co., Farina's Bus Line & Transportation Co., Midland Cooperative Investment Co., Midland Stock Transfer Co., Midland Utilities Co. of Indiana, South Bend Masonic Temple Association, and Red Line Co.

Except in the case of one subsidiary and of directors' qualifying shares, Midland Utilities Company owns or controls the entire outstanding Common stock of all of its subsidiaries. Of this subsidiary over 98% of the stock is owned or controlled.

The operating subsidiaries render service in 232 communities in Indiana, Ohio, Michigan, and Illinois including the densely developed industrial district of northern Indiana which has been called "The Workshop of America." These subsidiaries furnish public services in such important manufacturing centers as Hammond, East Chicago, Fort Wayne, Whiting, Michigan City, South Bend, Elkhart, Kokomo and Logansport, Indiana and Lima, Ohio. Electric light and power is furnished to 162 communities, gas service to 39, street railway or local motor coach service to 7 and interurban railway or interuban motor coach service to 82. The population served is approximately 1,024,000.

Properties—The subsidiary companies own 7 steam electric generating stations with a total capacity of 76,625 k.w. and 5 hydro stations with a total capacity of 540 k.w., a combined generating capacity of 77,165 k.w. The two largest steam plants are located at Fort Wayne and East Chicago, Ind. In addition there is available through connections with associated and connecting companies 147,500 k.w., making the total supply available 224,665 k.w. The electric systems are interconnected through a 132,000 volt steel tower transmission line with the systems of the Commonwealth Edison Company of Chicago, Public Service Company of Northern Illinois, Indiana & Michigan Electric Co., Northern Indiana Power Co., Wabash Valley Electric Co., and Indiana Hydro Electric Co.

The 14 gas generating plants have a total daily capacity of 29,980,000 cu. ft. The principal plants are located at Fort Wayne, South Bend, Hammond, Peru and Kokoma, Ind., and Lima, Ohio. The gas transmission and distribution systems are connected through four pipe lines with the gas system of The Peoples Gas Light and Coke Company of Chicago. Miles of gas mains, 1,960.8.

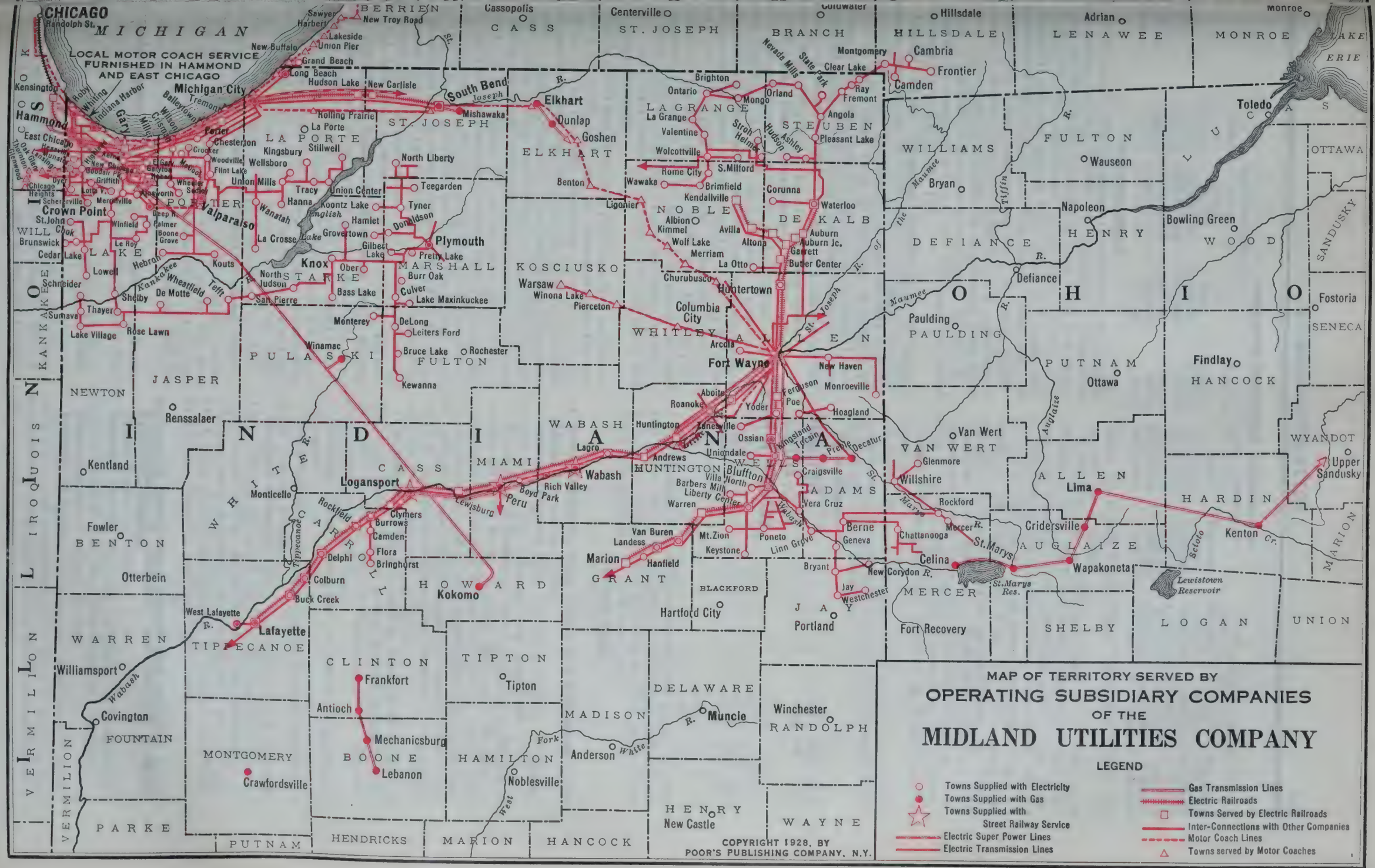
The railway system consists of 390.71 miles of first main track, 63.84 miles of second main track and 46.46 miles of sidings, a total of 501.01 miles. Equipment: Motor cars (passenger, 310; freight, 14; service, 30), 354; non-motor cars (passenger, 39; freight 120; service, 34), 193; locomotives, 6—total, 553.

Customers served with electricity numbered 94,163 and those furnished with gas service totaled 154,189 on Dec. 31, 1927. During the year 5,652 new electric users and 5,704 new gas customers were added to the subsidiary companies' lines and mains, an increase over the preceding year of 6.39% and 3.84% respectively.

Sales of electricity in 1927 amounted to 284,573,805 kilowatt hours, a gain of 4.74% over 1926. In addition, 59,655,452 kilowatt hours were supplied to electric railways operated by subsidiaries of the Midland Company. During the same period, approximately, 9,247,541,724 cubic feet of gas were sold, an increase of 7.20% over the sales in 1926.

Revenue passengers carried in 1927 totaled 49,918,797 compared with 42,371,129 in 1926, an increase for the year of 17.81%. Passenger car miles operated were 21,733,085, which was an increase of 66.59% over the 13,045,658 operated in 1926.

Control—The Class "B" Pfd. and Common stocks of the Midland Utilities Company are mainly held by The United Gas Improvement Company, the Commonwealth Edison Company, The Peoples Gas Light and Coke Company, the Public Service Company of Northern Illinois, and the Middle West Utilities Company.


LOCAL MOTOR COACH SERVICE FURNISHED IN HAMMOND AND EAST CHICAGO
MAP OF TERRITORY SERVED BY
OPERATING SUBSIDIARY COMPANIES
OF THE
MIDLAND UTILITIES COMPANY
LEGEND
Towns Supplied with Electricity
Towns Supplied with Gas
Towns Supplied with Street Railway Service
Electric Super Power Lines
Electric Transmission Lines
Gas Transmission Lines
Electric Railroads
Towns Served by Electric Railroads
Inter-Connections with Other Companies
Motor Coach Lines
Towns served by Motor Coaches
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LEGEND
Towns Supplied with Gas
Towns Supplied with Electricity
Towns Served by Electric Railroads
Gas Transmission Lines
MAP OF TERRITORY SERVED BY
OPERATING SUBSIDIARY COMPANIES
Lapeer
Clarkston
Oxford
Pontiac
Flint
Saginaw
Bay City
Midland
Alma
Mount Pleasant
Big Rapids
Ludington
Muskegon
Grand Rapids
Holland
Kalamazoo
Battle Creek
Jackson
Ann Arbor
Adrian
Coldwater
Hillsdale
Monroe
Detroit
Port Huron
Sarnia
Windsor
Leamington
Chatham
Wallaceburg
Sarnia
Port Huron
Detroit
Windsor
Monroe
Toledo
Fostoria
Findlay
Bowling Green
Fremont
Sandusky
Norwalk
Mansfield
Ashland
Wooster
Akron
Canton
Massillon
Alliance
Youngstown
Warren
Sharon
Farrell
Sharpsville
Hermitage
New Castle
Erie
Meadville
Titusville
Oil City
Franklin
Warren
Jamestown
Dunkirk
Fredonia
Buffalo
Niagara Falls
Lockport
Batavia
Rochester
Geneva
Canandaigua
Auburn
Syracuse
Oswego
Fulton
Watertown
Ogdensburg
Massena
Cornwall
Brockville
Prescott
Gananoque
Kingston
Belleville
Trenton
Cobourg
Peterborough
Lindsay
Port Hope
Oshawa
Whitby
Toronto
Hamilton
St. Catharines
Niagara Falls
Welland
Port Colborne
Dunnville
Simcoe
Tillsonburg
Woodstock
Ingersoll
London
Strathroy
Sarnia
Petrolia
Wyoming
Forest
Watford
Alvinston
Wallaceburg
Chatham
Blenheim
Leamington
Kingsville
Amherstburg
Windsor
Tecumseh
Lakeshore
Belle River
Wallaceburg
Chatham
Ridgetown
Dresden
Wheatley

OPERATING STATISTICS, DECEMBER 31

	——Gas Department——			——Electric Department——			——Transportation Department——		
	Number of Customers	Gas Sales Cu. Ft.	Gas Sales	Number of Customers	Electricity Sales (k.w.h.)	Electricity Sales	Revenue Passengers Carried	Passenger Car Miles	Passenger Receipts
1923	117,152	5,872,815,000	$5,848,865	35,320	126,847,994	$3,559,209	10,815,305	2,309,775	$1,088,027
1924	132,131	6,249,360,800	6,431,878	51,496	132,523,036	4,146,912	11,796,939	2,479,379	1,175,169
1925	140,667	7,516,182,600	6,915,644	81,747	231,717,159	6,387,948	40,778,118	11,086,827	4,085,716
1926	148,485	8,626,687,271	7,400,674	88,511	271,703,785	7,197,244	42,371,129	13,045,658	4,928,937
1927	154,189	9,247,541,724	7,797,965	94,163	284,573,805	7,763,173	49,918,797	21,733,085	7,619,457

CAPITAL STOCK

Authorized, 400,000 shares of Common stock of no par value, and $15,250,000 7% cumulative Prior Lien stock, $9,750,000 6% cumulative Prior Lien Pfd. stock, $15,400,000 7% cumulative Pfd. stock, Class "A," $4,600,000 6% cumulative Pfd. Class "A" stock, and $10,000,000 7% cumulative Pfd. stock, Class "B," all of $100 par value; outstanding Dec. 31, 1927, 242,000 shares Common stock, $12,450,000 7% cumulative Prior Lien stock, $7,750,000 6% cumulative Prior Lien stock, $12,400,000 7% cumulative Class "A" Pfd., $4,600,000 6% cumulative Class "A" Pfd., and $2,118,244 7% cumulative Class "B" Pfd.

Capital Stock Changes—Stockholders at annual meeting on March 10, 1927 voted to increase the Prior Lien stock from $20,000,000 to $25,000,000 and the Class A Pfd. stock from $15,000,000 to $20,000,000. Company was also authorized to issue additional Prior Lien and Class A Pfd. stocks carrying a higher or lower rate of dividend than 7%, but not exceeding 8%, the callable price not to exceed $120 per share.

Prior Lien Stock Provisions—The 7% Prior Lien stock has preference for assets and dividends over the other classes of stock of the Company, except the 6% Prior Lien stock with which it is on a parity, and is callable at any time after June 22, 1928, at $120 per share and all unpaid dividends. The 6% Prior Lien stock is on a parity in all respects with the 7% Prior Lien stock except as to the annual dividend rate and the callable price. The 6% Prior Lien stock is callable at any time after June 22, 1928 at $110 per share and all unpaid dividends.

Certificate of incorporation provides that additional Prior Lien stock may not be issued, unless the net earnings of the company including earnings of other corporations applicable to stock of such corporations owned or being acquired by company for a 12 months' period ending within the 60 days immediately preceding the issuance of additional stock, shall have been equal to at least twice 7% of the par value of Prior Lien stock at the time outstanding and the additional stock to be issued. It has voting power in the following cases: (1) On questions involving the selling, leasing or exchanging of all or substantially all of the properties and assets of the company. (2) On amending the certificate of Incorporation. (3) When payment of dividends has been in default for a 12 months' period.

7% Cumulative Class "A" Preferred Stock Provisions—This stock is preferred as to dividends over the Class "B" Pfd. and preferred as to assets over the second issue of Class "B" Pfd. and Common stocks of Company, but subject to the preferential rights as to assets and dividends of the Prior Lien stock. Subject to call at any time after June 22, 1928, at $110 per share and all unpaid dividends.

6% Cumulative Class "A" Preferred Stock Provisions—This stock is on a parity in all respects with the 7% Pfd., Class "A" stock except as to the annual dividend rate and the callable price. The 6% Pfd. stock is callable after June 22, 1928 at $107.50 per share and all unpaid dividends.

Transfer Agents—Chase National Bank, New York, and Midland Stock Transfer Company, Peoples Gas Bldg., Chicago.

Registrars—Illinois Merchants Trust Co., Chicago, and Bankers Trust Co., New York.

Original Offerings—$12,000,000 7% cumulative Prior Lien stock publicly offered in March, 1925, at $103.50 and accrued dividends per share, by Central States Securities Corp., New York, and Utility Securities Co., Chicago.

$2,500,000 7% cumulative Class "A" Pfd. stock offered in Aug. 1925, by Utility Securities Co., Chicago and Central States Securities Corp., New York. $1,500,000 6% cumulative Prior Lien stock offered in April, 1927, by Central States Securities Corp. A block of 6% cumulative Class "A" Pfd. stock was offered in Oct., 1927, price on application, by Utility Securities Co., Chicago. $2,500,000 additional 6% cumulative Prior Lien stock was offered in Nov., 1927, at 95 to yield 6.31%, by Utility Securities Co., Chicago.

Legal Opinion—Cooke, Sullivan & Ricks (for the Company).

Listed—6% and 7% cumulative Prior Lien stocks and 6% and 7% cumulative Class "A" Pfd. stock listed on Chicago Stock Exchange.

Price Range—

	1927	1926	1925
7% Prior Lien—			
High	107½	102¾	101¼
Low	97¾	98	98¼
6% Prior Lien—			
High	96½	..	..
Low	92	..	..
7% Class "A" Pfd.—			
High	103½	99½	97¼
Low	96¾	95½	92
6% Class "A" Pfd.—			
High	93	..	..
Low	90	..	..

Dividends—Payments on Prior Lien, Class "A" Pfd. and Class "B" Pfd. regularly made quarterly, J, A, J & O 6. On Common $219,048 in 1925, $494,504 in 1926, and $720,014 in 1927 was paid.

FUNDED DEBT

(1)

$1,500,000 SERIAL 5% GOLD NOTES; DUE NOVEMBER 1, 1928

Dated November 2, 1925.

Interest Payable May and November 1, at Halsey, Stuart & Co., Inc., Chicago and New York.

Provisions of Issue—Originally issued, $3,000,000 of which $500,000 4½% matured and paid off Nov. 1, 1926 and $1,000,000 5% paid off Nov. 1, 1927. Proceeds from the sale of the $3,000,000 notes were used to partially reimburse Company's treasury for funds used in the development of its subsidiary companies, and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time upon 30 days' notice, to and including Oct. 31, 1927, at 100½, and thereafter at 100¼, plus accrued interest in each case.

Security—These notes are the direct obligation of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered $500,000 4½%, due November 1, 1926, at 99¾ and interest, to yield about 4.75%; $1,000,000 5%, due November 1, 1927, at par and interest; $1,500,000 5%, due November 1, 1928, at 99¾ and interest, to yield about 5.10%, by Halsey, Stuart & Co., Inc., New York, etc.

(2)

$5,000,000 5% SERIAL GOLD NOTES; DUE SERIALLY EACH NOVEMBER 1, AS FOLLOWS: 1929 AND 1930, $1,500,000 EACH; 1931, $2,000,000

Dated August 1, 1926.

Interest Payable May and November 1, at offices of Halsey, Stuart & Co., Inc., New York and Chicago.

Denomination—Coupon, $1,000.

Purpose of Issue—The proceeds from sale of these notes were used to reimburse Company's treasury for funds used in development of its subsidiary companies, and for other corporate purposes.

Callability—Subject to call as a whole or in part, prior to Nov. 1, 1927 at 100½ and interest, thereafter to and including Oct. 31, 1928 at 100¼ and interest, and thereafter at par and interest.

Security—These notes are a direct obligation of Company and with the $1,500,000 5% Serial Gold Notes in hands of public (see above) constitute the only funded debt of Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2%.

Original Offering—First publicly offered ($5,000,000) in August, 1926, at prices to yield from 5.17% to 5.30%, by Halsey, Stuart & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Midland Utilities Company, Proper)

	1927	1926	1925
Int. received and accrued on bonds, debens., notes receiv., etc., of subs. cos.	$551,648	$309,409	$205,292
Int. on bank balances and other sundry int., etc.	156,621	49,822	23,539
Divds. on stock of subs. cos.	2,513,452	2,765,168	1,847,263
Divds. on stock of other cos.	219,237	62,350	108,951
	$3,440,958	$3,186,749	$2,185,045
Net profit from sale of secs. to subs. cos. & others	1,351,298	627,169	310,230
Profit arising from revaluation of securities	.....	.....	288,395
Fees for engineering and other services to subs. cos.	241,093	251,515	135,354
Miscellaneous income	25,000	31,066	16,758
Total income	$5,058,349	$4,096,499	$2,985,782
Expenses:			
Administration expense	$431,508	$347,493	$313,906
Miscellaneous charges	487,211	160,507	19,874
Balance	$4,139,631	$3,588,499	$2,652,002
Int. on collateral loans, etc.	77,746	73,563	197,291
Int. on serial gold notes	366,667	236,806	16,799
Balance	$3,695,218	$3,278,130	$2,437,912
Approp. as res. for contins.	150,000	150,000	150,000
†Net income for year	$3,545,218	$3,128,130	$2,287,912
Prior Lien stock dividends	1,076,217	964,716	787,958
Class "A" Pfd. stock divds.	979,778	784,319	592,714
Class "B" Pfd. stock divds.	148,277	148,277	148,277
Common stock dividends	720,014	494,594	219,048
Balance after dividends	$620,931	$736,224	$539,914
***Times Interest Earned**	9.31	11.56	12.39
***Earnings Per Share—**			
Prior Lien	$18.29	$23.09	$17.17
Class "A" Preferred	15.40	19.28	16.5
Class "B" Preferred	77.38	72.19	49.91
Common	6.16	5.78	4.15

*Before reserves for contingencies.

†Properties of sub. cos. undistributed surplus accruing to Midland Utilities Co. not included.

GENERAL BALANCE SHEET, DECEMBER 31
(Midland Utilities Company, Proper)

Assets—	1927	1926	1925
Securities, contracts, goodwill, etc. (at book value)	$41,268,561	$35,949,934	$28,903,330
Cash in banks and on hand	1,133,613	577,319	464,715
Notes & accts. receiv. (being advs. to subs. cos. for construction, etc.)	9,161,859	5,658,849	2,371,140
Sundry accts. receivable	201,018	173,288	31,330
Int. accrued, but not due	75,520	18,365	17,957
Subscription accts. receiv.	592,335	222,307	448,518
Deferred charges	128,928	186,195	71,366
Treasury securities	829,322	771,765	146,821
Total	$53,391,156	$43,558,022	$32,455,177
Liabilities—			
7% Prior Lien stock	$12,450,000	$14,200,000	$14,200,000
6% Prior Lien stock	7,750,000	.....	.....
7% Class "A" Pfd. stock	12,400,000	12,000,000	10,000,000
6% Class "A" Pfd. stock	4,600,000	.....	.....
7% Class "B" Pfd. stock	2,118,244	2,118,244	2,118,244
*Common stock	2,220,000	2,039,280	863,920
Common stock, subscribed	.....	180,720	36,080
Serial gold notes	6,500,000	7,500,000	3,000,000
Accounts payable	68,071	79,617	188,371
Deferred payments on purchase contracts	1,440,750	2,385,287	122,481
Dividends payable	624,563	480,001	447,250
Accrd. chgs. for taxes & int.	59,831	173,293	36,825
Deferred credits	.....	.....	26,399
Reserve for contingencies	600,000	450,000	300,000
Surplus	2,559,697	1,951,580	1,115,607
Total	$53,391,156	$43,558,022	$32,455,177

*Stated value—represented by 242,000 shares in 1927, 238,988 shares in 1926 and 219,098 in 1925.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Midland Utilities Company and Subsidiaries)

	1927	1926
Operating revenue	$23,337,719	$19,587,250
Operating expenses	14,068,991	11,147,512
Charge for retirement	1,270,518	1,058,743
Uncollectible operating revenue	62,725	68,077
Taxes	1,941,937	1,562,676
Net operating income	$5,993,549	$5,750,242
Other income	657,061	603,810
Profits on sale of securities to subsid. and others	1,351,298	627,169
Total income	$8,001,909	$6,981,221
Interest on funded debt	2,780,979	2,484,838
Other interest and amortization charges	317,730	218,516
Contingency reserve appropriation	150,000	150,000
Net income	$4,753,199	$4,127,867
Less dividends and earnings accruing to minority shareholders—		
Subsidiaries:		
Preferred stock	$1,128,147	$835,631
Common stock	10,768	10,038
Net income avail. for Midland Utilities Co. divds.	$3,614,283	$3,282,198
Less divds. declared payable to outside holders of Midland Utilities Co. stock:		
Prior lien stock	$1,075,350	$964,32
Preferred stock	1,123,174	931,96
Common stock	720,014	494,59
Balance for Midland Utilities Co.	$695,746	$891,31
***Times Interest, Etc., Earned**	2.58	2.5

*Before contingency reserve.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Midland Utilities Company and Subsidiaries)

Assets—	1927	1926
Fixed assets, goodwill, etc.	$107,476,698	$97,091,66
Investment in outside companies	8,558,988	5,087,83
Treasury securities	829,322	771,76
Sinking and retirement funds	23,798	77,54
Cash	2,873,595	2,067,68
Notes receivable	93,793	160,22
Customers' accounts receivable	1,740,493	1,771,85
Other accounts receivable	458,135	521,55
Subscriptions to capital stock	762,281	543,43
Inventories of fuel, mchdse & supplies	2,222,611	1,956,93
Sundry advances and deposits	3,619	2,15
Unamortized debt discount & expense	2,738,846	2,804,00
Deferred charges	1,204,304	997,82
Total	$128,986,483	$113,854,49
Liabilities—		
*Common stock (M. U. Co.)	$2,220,000	$2,039,28
Common stock subscribed (M. U. Co.)	.....	180,72
Prior Lien stock (M. U. Co.)	20,183,000	14,039,80
Preferred stock (M. U. Co.)	19,033,744	13,954,44
Minority stockholders equity in capital and surplus of subsidiaries:		
Preferred stock	$18,911,500	$14,285,40
Preferred stock subscribed	322,700	506,20
Common	153,617	163,51
Surplus	17,313	15,62
Serial Notes (M. U. Co.)	6,500,000	7,500,00
General mtge., underlying bonds and equipment notes of subsidiaries	45,906,194	45,076,29
Deferred payments on purchase obligations and pavement assessments	2,099,494	2,990,53
Notes payable	261,216	981,00
Accounts payable	1,412,695	1,675,51
Dividends declared	852,742	665,62
Customers and other deposits	698,553	724,24
Accrued taxes	1,873,967	1,561,95
Accrued interest	519,057	635,77
Retirement and other reserves	4,938,891	4,476,80
Deferred income	.....	39,20
Suspense credits	10,503	15,80
Contributions for extensions	261,118	.....
Surplus (M. U. Co.)	2,810,179	2,326,68
Total	$128,986,483	$113,854,49

*Stated value—represented by 238,988 shares.

Officers: Samuel Insull, Chrm.; Samuel Insull, Jr. Pres.; J. H. Gulick, V-P.; Geo. F. Mitchell, V-P. & Treas.; W. A. Sauer, V-P. & Compt.; G. Corson Ellis, Asst. to Pres.; B. P. Shearon, Sec.; W. S. Gorman, Asst. Sec. & Asst. Treas.; B. R. Nightingale, Asst. Sec.; E. J. Booth, Asst. Compt., A. E. Jost, Aud.

Executive Committee: Britton I. Budd, J. H. Gulick, Martin J. Insull, W. W. Bodine, Samuel Insull.

Directors: Britton I. Budd, G. W. Curran, Edward J. Doyle, J. H. Gulick, Martin J. Insull, Samuel Insull, Jr., W. W. Bodine, Samuel Insull, J. B. Klumpp.

Offices, Peoples Gas Building, 122 S. Michigan Ave., Chicago, Ill., and 7 West Tenth St., Wilmington, Del.

GARY RAILWAYS COMPANY

(Controlled by Midland Utilities Company)

History—Incorporated Sept. 26, 1917, under the laws of Indiana as the Gary Street Railway Company. On Aug. 15, 1925, it acquired all the physical assets of Gary and Valparaiso Railway Company, Gary Connecting Railroad, and Gary & Hobart Traction Co. (for latest statement, see 1925 Public Utility Manual). Coincidentally, the name of the Company was changed from Gary Street Railway Company to Gary Railways Company.

Business—Gary Railways Company owns and operates the street railway in Gary and portions of the street railway systems in East Chicago and Hammond, Indiana. In addition it owns and operates interurban lines furnishing service to Gary, Valparaiso and Hobart, Indiana.

Miles of single track operated by the Company total 73.19, of which 61.24 miles are first main track, 10.66 miles second main track, and 1.29 miles sidings, etc.; 22 miles of road is constructed on privately owned right-of-way. Equipment consists of 87 motor passenger cars, 13 trailer passenger cars and 6 non-motor service cars, a total of 106 cars. No. of motor coaches, 5. Passengers carried: 1927, 17,235,744.

Company owns a half interest in Shore Line Motor Coach Co. of Indiana (52,228 shares Common stock outstanding), Shore Line Motor Coach Co. of Illinois (200 shares Common stock outstanding), and Shore Line Motor Coach Co. of Michigan (40,000 shares Common stock outstanding), the other half interest being owned by Chicago South Shore & South Bend Railroad.

CAPITAL STOCK

Authorized, 275,000 shares Common, no par value, $1,275,000 Pfd. Class "A" cumulative 7.2% stock, and $475,000 Pfd. Class "B" cumulative 7.2% stock, both $100 par; outstanding, 264,232 shares Common, $835,500 Pfd. Class "A," and $271,500 Pfd. Class "B." In addition $7,600 Class "A" Pfd. has been subscribed for. All of the Common stock and Class "B" Pfd. stock is owned by Midland Utilities Co.

Class "A" Preferred Stock Provisions—The authorized amount of Class "A" Pfd. stock is $1,275,000 with additional provision for conversion of Class "B" Pfd. stock to the amount of $475,000 into Class "A" Pfd. stock making a total of $1,750,000. It is subject to call in whole or in part at any time at 110 plus accrued cumulative dividends, and has preference over Common stock and Class "B" Pfd. stock both as to assets and dividends. The Class "B" Pfd. stock is subject to call as a whole at any time or in part from time to time at $110 plus unpaid cumulative dividends.

Transfer Agent—Midland Stock Transfer Co., Chicago, Ill.

Registrar—Illinois Merchants Trust Co., Chicago, Ill.

Dividends—Dividends on Class "A" Pfd. stock are now paid quarterly at the rate of $1.80 per share on M, J, S & D 1 to stock of record the 20th day of the preceding month. Monthly dividends of 60 cents per share were formerly paid. Dividends on Class "B" Pfd. stock are payable monthly, quarterly, or semi-annually as the Board of Directors may from time to time determine.

Annual Meeting—Third Tuesday in March.

FUNDED DEBT

(1)

$527,475 GARY STREET RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1937

Dated October 1, 1917.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Central Trust Co. of Illinois, Chicago, and Aksel K. Bodholdt.

Provisions of Issue—Authorized, $2,500,000; issued, $1,086,500, of which outstanding, Dec. 31, 1927, $527,475; pledged under First Lien & Refunding Mortgage, $550,000.

Additional bonds may be issued for 85% of cost of additions, extensions and improvements to the property and for equipment, and for 90% of the cost of the renewal of the track and pavement on Broadway, in Gary, Ind., caused by any public authority ordering the rebuilding or repavement of that street. The mortgage also contains the provision that 14% of total gross earnings shall be expended each year for maintenance, replacement and to offset depreciation.

Callability—Subject to call on any interest date at 105 and interest on 60 days' notice.

Security—A direct first lien on street railway property in the City of Gary, Ind.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$550,000 GARY RAILWAYS COMPANY FIRST LIEN & REFUNDING MORTGAGE 6½% GOLD BONDS, SERIES "A"; DUE AUGUST 15, 1945

Dated August 15, 1925.

Interest Payable February and August 15, at Halsey, Stuart & Co., Inc., Chicago and New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Issued, $550,000 Series "A" bonds and proceeds used towards the acquisition of additional properties, to reimburse Company for capital expenditures heretofore made, and for other corporate purposes. Additional bonds of any series bearing such rates of interest, maturing at such times, and having such other provisions as the Board of Directors at the time of issuance may determine, may be issued (a) par for par against the deposit of cash or United States obligations or against the pledge or discharge of First Mortgage bonds (of which $1,413,500 are issuable to 85% of the cost of additional property acquired, if net earnings equal at least 8% of the principal amount of such bonds and any divisional prior lien bonds to be outstanding) and of underlying bonds, if any, or to refund, pay or cancel bonds of other series issued under the mortgage, (b) after said $1,413,500 First Mortgage bonds shall have been issued and pledged under the mortgage, then to the extent of 75% of expenditures for additions and betterments, and to the extent of 75% of the cost or value (whichever is less) of purchased property, and (c) provided bonds secured by mortgage upon the property of a subsidiary, as defined in the mortgage, shall be pledged in an amount equal to all expenditures made or indebtedness discharged and also provided that the total amount of bonds issued under the mortgage in respect of any subsidiary, together with the principal amount of all mortgage indebtedness upon such subsidiary outstanding in the hands of the public, shall not exceed 75% of the value of the property of such subsidiary additional bonds may also be issued to 75% of expenditures made for stock of such subsidiary, and for additions and betterments to its property and purchased property acquired by the subsidiary; and to refund par for par its indebtedness. Bonds issued on account of additions or betterments or purchased property of the Company or of any sub-

sidiary or the stock of any subsidiary, or the indebtedness of a subsidiary, may not be issued unless the net earnings, as defined in the mortgage, of the Company and its subsidiaries, during 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least twice the interest charges on all bonds then issued and outstanding under the mortgage and those then proposed to be issued, and on all bonds, if any, then outstanding in the hands of the public prior in lien on any part of the property of the Company or any of its subsidiaries.

Callability—Series "A" bonds are subject to call as a whole or in part at any time upon 30 days' notice, at the following prices and interest: Prior to August 15, 1930, at 107½, on and after August 15, 1930 to August 14, 1935 at 105, on and after August 15, 1935 to August 15, 1944, at 105 less ½% for each full year or fraction thereof elapsed after August 14, 1935, and on and after August 15, 1944, at 100.

Maintenance, Etc. Fund—Commencing with the calendar year 1926, and annually thereafter, a maintenance and depreciation reserve account will be established amounting to not less 16% of total operating revenue derived from operation of physical properties subject to mortgage, to cover expenditures for maintenance, renewals, replacements, betterments or improvements which shall not be made the basis for the certification of additional bonds, or for the retirement of bonds issued under the mortgage or underlying bonds. The above percentage is subject to periodical redetermination.

Security—A direct lien on all property now owned or hereafter acquired subject only to $1,086,500 First Mortgage bonds now issued and outstanding, $550,000 of which First Mortgage bonds are now pledged under said First Lien & Refunding Mortgage. Additional First Mortgage bonds may be issued only if pledged under the First Lien & Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Agrees to reimburse holdholders of Series "A" bonds, if requested within 60 days after payment, for the Pennsylvania and Connecticut 4 Mills and Maryland 4½ Mills Taxes, for the District of Columbia Personal Property Taxes not exceeding 5 mills per dollar of principal per annum, and the Massachusetts Income Tax on interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($550,000 Series "A") in August, 1925, at 96 and interest to yield 6.75%, by Halsey, Stuart & Co., Inc., New York, Chicago, etc.

(3)

$161,000 GARY RAILWAYS COMPANY 5½% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES "A"; DUE ANNUALLY ON DECEMBER 1, AS FOLLOWS: $95,000 IN 1928; $33,000 EACH, 1929 AND 1930

Dated December 1, 1925.

Interest Payable June and December 1, at Illinois Merchants Trust Co., Chicago.

Denomination, $1,000.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Original issue, $350,000, representing about 80% of depreciated cost of 11 double truck passenger motor cars, 10 single truck passenger motor cars, 5 center entrance passenger trailer cars, and 31 motor coaches. Issued under the Philadelphia Plan. Full title to the equipment is vested in the Trustee for the benefit of the certificate holders. The lease is assigned to the Trustee and provides for rentals to pay these certificates and dividend warrants as they come due. Under the terms of the lease, the Gary Rys. Co. covenants to maintain the equipment in good order.

Callability—Subject to call as a whole or in part upon 30 days' notice at 101 and interest plus an additional premium of ½ of 1% for each full year of unexpired life of the certificates to be redeemed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills tax refundable if requested within 60 days after payment.

Original Offering—First publicly offered ($350,000) in January, 1926 at prices ranging from par, to yield 5½%, to 97.87 to yield 6%, according to maturity, by Halsey, Stuart & Co., New York, etc.

(4)

$150,000 GARY RAILWAYS COMPANY EQUIPMENT 5% TRUST CERTIFICATES, SERIES "B"; DUE ANNUALLY $30,000 EACH JUNE 1, 1928 TO 1932, INCLUSIVE
$150,000 GARY RAILWAYS COMPANY EQUIPMENT 5½% TRUST CERTIFICATES, SERIES "B"; DUE $30,000 EACH JUNE 1, 1933 TO 1937, INCLUSIVE

Dated June 1, 1927.

Dividends Payable June and December 1, at Illinois Merchants Trust Company, Chicago, Ill.

Denominations—$100, $500 and $1,000.

Trustee—Illinois Merchants Trust Company, Chicago, Ill.

Provisions of Issue—Original issue, $300,000, representing a direct lien on 22 street railway passenger cars valued at time of issuance at $377,297.

Callability—Subject to call as a whole or in part on 30 days' notice at 101 and accumulated dividends plus an additional premium of ¼ of 1% for each full year of unexpired life.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded if requested within 60 days after payment.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$1,275,769	$1,349,331	$1,204,729
Operating expenses	946,229	1,009,785	874,459
Charge for retirement	64,335	64,335	53,234
Taxes	55,840	49,849	56,449
Operating income	$209,365	$225,362	$220,587
Deductions from total inc.	28,366	16,290	31,727
Interest on funded debt	84,282	72,182	73,796
Net income	$96,717	$136,890	$115,064
Pfd. dividends declared:			
Class "A"	39,561	23,321	2,005
Class "B"	30,348	33,948	5,658
Common dividends declared	23,812	59,530	84,969
Surplus for year	$2,996	$20,091	$22,432

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and plant / Investments	$6,127,052	{$5,365,228} {136,440}	$4,673,871
Sinking funds	.....	17,547	20,369
Deferred charges, etc.	276,916	290,803	230,578
Prepayments	32,451	.....	.....
Material & supplies on hand	61,551	54,398	53,240
Notes & accounts receivable	101,945	174,692	43,409
Subscrip. to capital stock	3,661	5,880	182,166
Cash	42,532	46,823	94,530
Total	$6,646,108	$6,091,811	$5,298,163
Liabilities—			
Common stock	$2,642,320	$2,381,220	$2,381,220
Preferred, Class "A"	835,500	448,100	178,900
Preferred, Class "B" issued	271,500	471,500	471,500
Pfd. Class "A" subscrib. for	7,600	8,300	246,800
Funded debt	1,077,475	1,077,475	1,076,500
Equip. trust certificates	461,000	458,056	350,000
Advances from affil. cos.	592,000	175,000	.....
Notes payable	.....		15,668
Accounts payable	75,858	138,044	90,202
Accrued payroll	.....		35,960
Employees deposits	750		1,070
Taxes accrued	55,935	50,055	57,737
Bond and note int. accrued	21,705	20,712	21,627
Pfd. capital stock called not redeemed	.....	.....	5,600
Retirement and other res.	393,745	625,975	156,299
Surplus	210,720	237,374	209,071
Total	$6,646,108	$6,091,811	$5,298,163

Officers: Samuel Insull, Chairman; Chas. W. Chase, Pres.; Samuel Insull, Jr., V-P.; George F. Mitchell, V-P.; T. G. Hamilton, V-P. & Gen. Mgr.; G. Corson Ellis, Asst. to V-P.; B. P. Shearon, Sec.; F. M. Kemp, Treas.; W. S. Gorman, R. M. Scheidt, Asst. Sec.'s &

Asst. Treas's; B. R. Nightingale, Asst. Sec.; W. A. Sauer, Compt.; D. H. Mitchell, Aud.

Directors: Samuel Insull, Britton I. Budd, C. W. Chase, T. G. Hamilton, Samuel Insull, Jr., F. M. Kemp, and J. A. Norman.

General Office, Public Service Bldg., Gary, Ind.

EAST CHICAGO GAS COMPANY

(Controlled by Midland Utilities Company)

History—Incorporated June 18, 1923, in Indiana. Operates gas distribution system, serving industrial consumers, in East Chicago, Ind. Estimated population served, 57,500. Gas sold in 1927, 447,634,700 cu. ft. No. of customers, 12. Miles of street mains, 10.23.

CAPITAL STOCK

Authorized and outstanding, 15,000 shares of no par value. Stock control held by Midland Utilities Company. Annual meeting, second Tuesday in March.

Officers: Samuel Insull, Chairman; Samuel Insull, Jr., Pres.; Morse DellPlain, V-P.; G. Corson Ellis, Asst. to Pres.; B. P. Shearon, Sec.; George F. Mitchell, Treas.; W. A. Sauer, Compt.

Directors: Samuel Insull, Samuel Insull, Jr., Chas. W. Chase, S. E. Mulholland, Morse DellPlain.

Principal Office, East Chicago, Ind.

INDIANA BY-PRODUCT GAS COMPANY

(Controlled by Midland Utilities Company)

History—Incorporated May 19, 1920, in Indiana. Owns a gas purification plant and a gas holder with a capacity of 10,000,000 cu. ft. in East Chicago, Ind. Surplus gas is purchased from steel plants in this territory and is piped to this plant where it is put through various purifying processes and prepared for sale to public utility companies.

CAPITALIZATION

Authorized and outstanding, 27,300 shares of no par value. Control is held by Midland Utilities Company. Annual meeting, February 10.

FUNDED DEBT

$1,096,000 FIRST MORTGAGE GOLD BONDS, 6% SERIES. JULY, 1923; DUE JULY 2, 1933

Dated July 2, 1923

Interest Payable January and July 2, at First Calumet Trust & Savings Bank, East Chicago, Ind.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—First Calumet Trust & Savings Bank, East Chicago, Ind.

Provisions of Issue—First Series, $2,000,000, 100% of cost; outstanding, $1,096,000. Additional bonds to the $2,000,000 First Series authorized may be issued for 75% of actual cost of after acquired plants on property and additions and betterments, and then only when net earnings shall equal at least 1½ times the combined annual interest on all bonds outstanding.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at $103.

Sinking Fund—None provided.

Security—A direct first lien on gas property in East Chicago, Ind.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Samuel Insull, Chairman; Samuel Insull, Jr., Pres.; Morse Dell Plain, V-P.; G. Corson Ellis Asst. to Pres. & Asst. Treas.; B. P. Shearon, Sec.; A. E. Jost, Asst. Sec. & Asst. Treas.; W. S. Gorman, Asst. Sec.; Geo. F. Mitchell, Treas. W. A. Sauer, Compt.

Directors: Samuel Insull, Geo. F. Mitchell, W. A. Sauer, Chas. W. Chase, Samuel Insull, Jr.

Principal Office, East Chicago, Ind.

CHICAGO SOUTH SHORE & SOUTH BEND RAILROAD

(Controlled by Midland Utilities Company)

History—Incorporated June 23, 1925 under the laws of Indiana. Purchased the properties of the Chicago Lake Shore & South Bend Railway Company from the receiver at a foreclosure sale. The Company operates an electrically operated railroad running from Chicago to South Bend. This railroad serves Hammond, East Chicago, Gary, Michigan City and South Bend, and runs through the famous Indiana dunes country. Estimated population served, Jan. 1, 1928, 69,748. This railroad handles standard steam railroad freight equipment. The Chicago terminus of the railroad is at Kensington, but fast limited passenger trains run to downtown Chicago through an operating agreement with the Illinois Central Railroad. Freight is also handled from the South Water St. freight station of the Illinois Central Railroad.

Company owns a half interest in Shore Line Motor Coach Co. of Indiana (52,228 shares Common stock outstanding), Shore Line Motor Coach Co. of Illinois (200 shares Common stock outstanding) and Shore Line Motor Coach Co. of Michigan (40,000 shares common stock outstanding), the other half interest being owned by Gary Railways Company.

Property—The Company operates 89.79 miles of first main track, 33.61 miles of second main track, and 10.49 miles of sidings, etc. Equipment: Motor cars (passenger, 35; service, 3), 38; non-motor cars (passenger, 24; freight, 51; service, 13), 88; locomotives, 6—total, 132.

CAPITAL STOCK

Outstanding, 150,000 shares Common of no par value. All owned by Midland Utilities Co.

FUNDED DEBT

(1)

$2,000,000 FIRST & REFUNDING MORTGAGE 6½% MORTGAGE GOLD BONDS; DUE JULY 15, 1955

All held by Midland Utilities Co.

(2)

$250,000 SECOND MORTGAGE 6% GOLD BONDS; DUE JULY 15, 1975

All owned by Midland Utilities Co.

(3)

$1,750,000 FIFTY-YEAR ADJUSTMENT MORTGAGE GOLD BONDS; DUE JULY 15, 1975

These bonds bear no interest for first two years, 2% during third year, 4% during fourth year and 6% annually thereafter. All owned by Midland Utilities Co.

(4)

$106,000 4½% CAR TRUST EQUIPMENT NOTES, SERIES "A"; DUE JULY 1, 1928

$318,000 5% CAR TRUST EQUIPMENT NOTES, SERIES "A"; DUE $106,000 EACH JULY 1, 1929 TO 1931, INCLUSIVE

$530,000 5½% CAR TRUST EQUIPMENT NOTES, SERIES "A"; DUE $106,000 EACH JULY 1, 1932 TO 1936, INCLUSIVE

Dated July 1, 1926.

Dividends Payable January and July 1, at the office of Trustee in Chicago, or at the office of Halsey, Stuart & Co., in New York.

Denominations—$1,000, except those due July 1, 1931 and 1936, which are in denominations of $100, $500 and $1,000.

Provisions of Issue—Originally issued, $1,060,000, of which $212,000 have dividend rate of 4½%, $318,000 have dividend rate of 5%, and $530,000 have dividend

rate of 5½%. Issued under the Philadelphia Plan. $106,000 4½% Notes were retired July 1, 1927.

Callability—Subject to call as a whole or in part on 30 days' notice at 100 and dividends plus a premium of 2% for all Certificates maturing more than 5 years, and a premium of 1½% for Certificates maturing 5 years or less from the date of redemption.

Security—Secured by title to the following new equipment: 10 three-compartment baggage, smoker and passenger motor cars, 15 two compartment smoker and passenger motor cars, 4 eighty-ton electric locomotives, 2 dining cars and 2 parlor observation cars. Certificates represent about 80% of the actual cost of the new equipment. Title is vested in the Trustee for the benefit of the certificate holders and equipment is leased to the Company at a rental sufficient to pay these certificates and dividends warrants as they become due.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refundable if requested within 60 days after payment.

Original Offering—First publicly offered ($1,060,000) in July, 1926, at prices to yield from 4¾% to 5¾% by Halsey, Stuart & Co., Inc., Chicago, New York, etc.

(5)

$144,000 4½% EQUIPMENT TRUST CERTIFICATES, SERIES "B"; DUE $72,000 EACH JULY 1, 1928 AND 1929
$216,000 5% EQUIPMENT TRUST CERTIFICATES, SERIES "B"; DUE $72,000 EACH JULY 1, 1930, 1931 AND 1932
$350,000 5½% EQUIPMENT TRUST CERTIFICATES, SERIES "B"; DUE $70,000 EACH JULY 1, 1933 TO 1937, INCLUSIVE

Dated July 1, 1927.

Dividends Payable January and July 1 at First Trust & Savings Bank, Chicago, Ill. or at option of holder at office of Halsey, Stuart & Co., Inc., New York.

Denominations—Coupon, $100, $500 and $1,000.

Provisions of Issue—Originally issued, $710,000, of which $144,000 have dividend rate of 4½%, $216,000 have dividend rate of 5%, and $350,000 have dividend rate of 5½%.

Callability—Subject to call as a whole or in part on 40 days' published notice, at 102 for certificates maturing in more than five years and 101½ for certificates maturing in five years or less from such redemption date.

Security—A direct first lien on 10 motor cars, 1 trailer cars, 2 locomotives, 6 flat cars, 3 tractors and 18 semi-trailers, valued at time of issuance of certificates at $890,779.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$2,286,738	$1,056,85
Operating expenses	2,092,605	1,001,23
Taxes	43,832	32,46
Retirement expense	38,937	16,61
Net operating income	$111,364	$6,54
Other income	44,699	35,95
Total income	$156,063	$42,50
Deductions from income	263,690	85,58
Balance (deficit)	$107,627	$43,08
Interest on funded debt	120,469	33,19
Deficit for year	$228,096	$76,27

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property	$11,638,562	$9,799,078
Investments	528,318	139,910
Cash	95,614	30,557
Accounts receivable	92,047	126,282
Inventories	204,839	159,101
Prepayments, deferred charges, etc.	99,706	89,152
Total	$12,659,086	$10,344,080

Liabilities—	1927	1926
Common stock	$1,500,000	$1,500,00
Funded debt	3,664,000	3,060,00
Deferred payments	20,631	12,21
Advances from affil. cos.	5,010,040	3,304,90
Notes & accounts payable	476,925	306,44
Accrued taxes	42,974	42,21
Accrued interest	22,917	6,87
Unadjusted credits		5,32
Reserves	98,063	36,91
Surplus	1,823,536	2,069,19
Total	$12,659,086	$10,344,08

Officers: Samuel Insull, Chrm. of Board; Britton I. Budd, Pres.; Samuel Insull, Jr., Bernard J. Fallon, Charles W. Chase, Charles E. Thompson, Hal M. Lytle, V-Ps.; G. Corson Ellis, Asst. to V-P. & Asst. Treas.; George F. Mitchell, Treas.; B. P. Shearon, Sec.; W. A. Sauer, Compt.; W. S. Gorman, Asst. Sec.; R. M. Scheidt, Asst. Sec. & Asst. Treas.; E. H. Utley, Aud.; B. R. Nightingale, Asst. Sec.; Charles H. Jones, Gen. Mgr.; T. G. Hamilton, Asst. Gen. Mgr.

Directors: Samuel Insull, Bernard J. Fallon, Britton I. Budd, Charles E. Thompson, Robert M. Feuster, Morse Dell Plain, Charles W. Chase, B. P. Shearon, T. G. Hamilton.

Office, Michigan City, Indiana.

INDIANA SERVICE CORPORATION

(Controlled by Midland Utilities Company)

History—Incorporated January 15, 1920. Acquired all of the property of the Fort Wayne and Northern Indiana Traction Company and the Wabash Valley Utilities Company with the exception of the Lafayette Street Railway property. On October 1, 1924, the company acquired the property of the Fort Wayne and Northwestern Railway Company operating the line from Fort Wayne to Kendallville and Waterloo. Control was acquired by Midland Utilities Company, the property being acquired as of Jan. 1, 1925.

On August 1, 1926, the Company purchased the electric light and power properties of the Bryan Electric Co., Berne Electric Light Co. (see 1926 Manual, page 1027) and Wells County Electric Co. and the electric and transportation systems of the Marion and Bluffton Traction Co. (see 1926 Public Utility Manual page 1026). These properties are physically interconnected and occupy territory contiguous to district previously served by the Corporation.

INDIANA SERVICE CORP.
Paine, Webber & Co
ESTABLISHED 1880
NEW YORK BOSTON CHICAGO
Members New York, Boston, Chicago, Detroit and Hartford Stock Exchanges

This Company furnishes electric light and power service in the City of Fort Wayne and 42 other communities located chiefly in the Wabash Valley between Fort Wayne and Lafayette.

Street railways are operated in Fort Wayne, Logansport, Wabash, and Peru. Three electric interurban railways are operated terminating in Fort Wayne and running to the north, southwest, and south of that city. These roads furnish efficient electric transportation to 37 communities. One of these lines runs from Fort Wayne to Lafayette, by way of Huntington, Wabash, Peru and Logansport; another runs south to Bluffton and west to Marion; and the third runs north to Kendallville and Waterloo. Through an operating agreement with other electric lines the company maintains a fast limited train service between Fort Wayne and Indianapolis. In addition to the interurban rail lines, bus transportation service is furnished over three routes radiating from Fort Wayne. Estimated population served by electric light and power or railway transportation Jan. 1, 1928, was 278,000.

Property—The Company owns and operates a 31,000 k. w. steam power plant located in Fort Wayne at the junction of the St. Joe and Maumee Rivers. It owns 353 miles of 33,000-volt high tension transmission lines and 818 miles of lower voltage transmission and distribution lines. The railroad property includes 240 miles of first main track, 19.28 miles of second main track, and 24.84 miles of sidings, etc. The Company operates 188 motor passenger cars and 35 freight and miscellaneous motor cars, 2 passenger non-motor cars, 90 freight and miscellaneous non-motor cars. The Company also operates 20 motor coaches.

OPERATING STATISTICS, DECEMBER 31

	Number of Customers	Kilowatt Hours Sold	Passengers Carried
1921	14,739	26,112,754	18,403,811
1922	15,373	32,682,534	20,805,562
1923	16,623	45,171,628	24,575,686
1924	18,275	53,932,738	25,327,227
1925	19,684	65,003,142	25,648,155
1926	22,666	85,725,919	25,667,845
1927	23,187	93,385,262	24,397,818

CAPITAL STOCK

Authorized, 850,000 shares Common stock of no par value, $3,450,000 7% cumulative Pfd., par, $100, and $3,550,000 6% cumulative Pfd., par, $100; outstanding, Dec. 31, 1927, 524,745 shares Common, $1,740,000 7% Pfd. and $2,003,500 (including stock subscribed for) 6% Pfd. Stock control held by Midland Utilities Co. through ownership of 515,255 shares of Common stock.

Preferred Stock Provisions—Both classes of Pfd. stock rank equally, having preference over the Common stock both as to dividends and assets, and are callable, the 7% Pfd., at $110 per share and dividends and the 6% Pfd., at 107½ and dividends.

Transfer Agents—United States Mortgage & Trust Co., New York, and Midland Stock Transfer Co., Chicago.

Registrars—Central Union Trust Co. of New York, and Illinois Merchants Trust Co., Chicago.

Original Offering (6% Pfd.)—First publicly offered ($700,000) in Aug., 1926, at $92.50 per share by Utilities Securities Co., Chicago, etc. Payments could be made in cash, or $10 down and balance $10 monthly with interest at 6%.

Annual Meeting—First Wednesday after first Tuesday in March.

Dividends—Initial dividend of $1.75 a share on 7% Pfd. paid Dec. 1, 1925, which quarterly rate since maintained to date; payments M, J, S & D 1. Initial quarterly dividend of $1.50 a share on 6% Pfd. paid Dec. 1, 1926, which rate since maintained to date; payments M, J, S & D 1. Initial dividend paid on Common Nov. 21, 1925; dividends also paid in 1926 and 1927 (rate not stated), but amount paid in 1925 was $150,466; in 1926, $242,069, and in 1927, $118,668.

FUNDED DEBT

(1)

$145,000 FORT WAYNE, BLUFFTON & MARION TRACTION COMPANY FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1935

Dated July 1, 1905.

Interest Payable January and July 1, at Guarantee Trust & Safe Deposit Co., Philadelphia, Trustee. Coupon, $1,000. Authorized and issued, $400,000 of which $255,000 owned by Indiana Service Corporation. Not subject to call. These bonds are not assumed by Indiana Service Corp. but provision is made for their refunding in the Indenture securing the First & Refunding Mortgage bonds. A first lien on interurban lines from Fort Wayne to Bluffton, Ind.

Tax Provisions—Federal tax on bondholders' interest payable by Company except inheritance and succession taxes and Federal Income tax in excess of 2% per annum.

(2)

$7,550,486.37 INDIANA SERVICE CORPORATION FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE JANUARY 1, 1950

Dated January 1, 1920.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Open mortgage. Additional First & Refunding Mortgage Bonds may be issued subject to the approval of the Public Service Comm. of Indiana for the following purposes: (1) for refunding, par for par the Divisional Bonds outstanding with the public or held in the treasury awaiting such refunding; (2) to reimburse the corporation for 80% of the certified cost, which may not exceed the fair value of the property to the corporation, of future expenditures for betterments, additions and improvements, providing that net earnings for twelve consecutive months ending not more than 60 days' prior to the application for certification of such additional bonds, or at least 1½ times the interest charge on all outstanding First & Refunding Mortgage Bonds (including those applied for) and all outstanding underlying bonds. In addition to the First & Refunding Mortgage Series "A" 5s outstanding, $5,000,000 are pledged as security for the First Lien & Refunding Mortgage 5s and $145,000 are reserved for the exchange of an equal amount of Fort Wayne, Bluffton & Marion Traction Co. First Mortgage 5s, Additional First & Refunding Mortgage bonds, when issued, must be pledged under the mortgage securing the First Lien & Refunding Mortgage bonds.

Callability—Subject to call as a whole or in part on at least 60 days' notice on any interest date at 102½ and interest.

Security—A direct lien on all of the property of the Company subject to the Fort Wayne, Bluffton & Marion Traction Company bonds, Fort Wayne Power Company bonds (all owned by Indiana Service Corporation), and Car Trust Certificates.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Rathbone, Larkin & Perry, New York, and Barrett, Peters & McNagny, Fort Wayne, Ind.

Legal for Savings Banks in Maine, Rhode Island and Vermont.

Original Offering—$4,532,600 "A" 5s were issued under reorganization plan; $750,000 offered in Feb., 1923 at 88¼ and interest, by Paine, Webber & Co., Boston; $500,000 in Nov., 1923, at 86¾ and interest, by Paine, Webber & Co., and Arthur Perry & Co., Boston; $1,293,000 in Sept., 1924, at 88¾ and interest to yield 5.85%, by Arthur Perry & Co., Boston, etc.,

Paine, Webber & Co., and Halsey, Stuart & Co., New York, etc.

(3)

$4,795,533 INDIANA SERVICE CORPORATION ADJUSTMENT MORTGAGE NON-CUMULATIVE INCOME GOLD BONDS; DUE JANUARY 1, 2020, BUT CALLED FOR PAYMENT ON APRIL 1, 1928 AT PAR AND INTEREST AT BANK OF NORTH AMERICA & TRUST CO., PHILADELPHIA

(4)

$5,000,000 INDIANA SERVICE CORPORATION FIRST LIEN AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES A; DUE FEBRUARY 1, 1963

Dated February 1, 1928.

Interest Payable February and August 1, at Halsey, Stuart & Co., Inc., Chicago and New York.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Provisions of Issue—Issued, Series "A," $5,000,000. Additional bonds of any Series may be issued against the pledge of an equal principal amount of First and Refunding Mortgage bonds or underlying bonds or bonds of a subsidiary (all as defined in the Mortgage), against the deposit of cash and to refund, pay or cancel First and Refunding Mortgage bonds, underlying bonds or First Lien and Refunding Mortgage bonds of another series, and the Company may also issue First Lien and Refunding bonds to the extent of 75% of the lower of cost or value of permanent property subjected directly or indirectly to the lien of the Mortgage (if First and Refunding Mortgage bonds cannot be issued therefor), provided the aggregate net earnings of the Company and its subsidiaries, if any, shall have been at least 1¾ times the annual interest charges on all bonds issued under the mortgage and unpledged bonds prior in lien of the Company and of its subsidiaries.

Purpose of Issue—Proceeds were used toward reimbursing the Company's treasury for capital expenditures heretofore made and for addiitons to and improvement of its property.

Callability—Bonds of Series "A" may be redeemed or purchased by the Company, in whole or in part, upon 30 days' notice at the following prices and accrued interest: prior to Feb. 1, 1938 at 105; on and from Feb. 1, 1938 to Feb. 1, 1948 at 104; on and from Feb. 1, 1948 to Feb. 1, 1953 at 103; on and from Feb. 1, 1953 to Feb. 1, 1958 at 102; on and from Feb. 1, 1958 to Feb. 1, 1962 at 101; on Feb. 1, 1962 and thereafter to maturity at 100.

Sinking Fund—None provided.

Maintenance and Renewal Fund—The Mortgage requires the expenditure of an average of 12½% per annum, subject to redetermination in five-year periods of the aggregate gross earnings of the Company and its subsidiaries, if any, for maintenance, extensions, cancellation of these bonds, or for the acquisition and pledge of prior lien bonds of the Company and of its subsidiaries. No additional First Lien and Refunding Mortgage bonds may be issued on account of any expenditures made in compliance with this provision of the Mortgage.

Security—Secured by a direct mortgage on all of the Company's fixed property rights, and franchises now owned, subject only to $145,000 Fort Wayne, Bluffton & Marion Traction Co. bonds and $12,566,500 First and Refunding Mortgage bonds, of which $5,000,000 are pledged as additional security for these bonds, and a direct mortgage on property hereafter acquired subject only to prior lien bonds at any time outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, District of Columbia 5 mills tax and Massachusetts Income Tax on the interest, not exceeding 6% of such interest per annum, refunded upon request within 60 days after payment.

Original Offering—First publicly offered ($5,000,000) in Feb., 1928, at 99½ and interest by Halsey, Stuart & Co., Inc., New York, etc.

(5)

$5,000 6% EQUIPMENT TRUST CERTIFICATES, SERIES "A"; DUE SERIALLY TO MARCH 1, 1928

Dated December 1, 1919.

(6)

$37,500 6% EQUIPMENT TRUST CERTIFICATES, SERIES "B"; DUE SERIALLY TO JUNE 1, 1929

Dated June 1, 1922.

Interest Payable June and December 1, at First National Bank, Fort Wayne, Ind., Trustee.

Denominations—Coupon, $500 and $1,000.

Provisions of Issue—Authorized and issued, $175,000; outstanding, Dec. 31, 1927, $37,500.

Callability—No provision.

Security—A direct first lien on certain machinery and power plant equipment valued at the time of issuance of certificates at $222,878.

(7)

$125,000 6% EQUIPMENT TRUST CERTIFICATES, SERIES "C"; DUE SERIALLY TO AUGUST 1, 1932

Dated August 1, 1924.

Interest Payable February and August 1, at Lincoln National Bank, Fort Wayne, Ind., Trustee.

Denominations—Coupon, $500 and $1,000.

Provisions of Issue—Authorized and issued, $200,000; outstanding, Dec. 31 ,1927, $125,000.

Callability—No provision.

Security—A direct first lien on certain city and interurban cars valued at time of issuance of certificates at $256,700.

(8)

$112,000 6% EQUIPMENT TRUST CERTIFICATES, SERIES "D"; DUE SERIALLY TO NOVEMBER 1, 1935

Dated November 1, 1925.

Interest Payable May and November 1, at Lincoln National Bank, Fort Wayne, Ind., Trustee.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized and issued, $140,000, of which $112,000 outstanding Dec. 31, 1927.

Callability—No provision.

Security—A direct lien on 15 one man city cars valued at $187,500.

(9)

$136,000 6% EQUIPMENT TRUST CERTIFICATES, SERIES "E"; DUE SERIALLY TO JULY 1, 1936

Dated July 1, 1926.

Interest Payable January and July 1, at First National Bank, Fort Wayne, Ind., Trustee.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized and issued, $160,000, of which $136,000 outstanding Dec. 31, 1927.

Callability—No provision.

Security—A direct lien on two interurban parlor cars and five interurban passenger baggage cars valued at $223,599.55.

(10)

$19,200 MARION AND BLUFFTON TRACTION CO. 7% EQUIPMENT GOLD NOTES; DUE SERIALLY TO APRIL 1, 1930

Dated April 1, 1925.

Interest Payable April and October 1, at Illinois Merchants Trust Co., Chicago, Ill.

Denomination—$6,400.

Trustee—George F. Mitchell.

Provisions of Issue—Authorized and issued, $32,000, of which $19,200 outstanding Dec. 31, 1927.

Callability—No provision.

Security—A direct first lien on two 45-foot smoker and passenger cars valued at an amount at least equal to the $32,000 notes originally issued.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$4,459,215	$4,345,946	$3,855,889	$3,639,424	$3,528,713	$3,099,214
Operating expenses	2,711,960	2,620,216	2,290,818	2,096,197	*2,152,070	*1,926,412
Charge for retirement	238,038	273,407	247,144	481,800	480,000	420,000
Uncollectible operating revenue	7,100	6,000	6,000	.....	.....	.....
Taxes	272,385	236,240	236,953	187,926	*	*
Net operating income	$1,229,732	$1,210,083	$1,074,974	$873,501	$896,643	$752,803
Other income	8,563	9,367	13,844	.....	.....	.....
Total income	$1,238,295	$1,219,450	$1,088,818	$873,501	$896,643	$752,803
Deductions from income	118,720	58,816	20,634	57,733	7,677	62,392
	$1,119,575	$1,160,634	$1,068,184	$815,768	$888,966	$690,411
Interest on funded debt	685,745	739,671	719,800	661,069	556,469	469,554
Net income	$433,830	$420,963	$348,384	$154,699	$332,497	$220,857
Preferred dividends declared and paid	197,078	119,076	8,978	.....	.....	.....
Common dividends declared and paid	118,668	242,069	159,466	.....	.....	.....
Surplus for year	$118,084	$59,818	$179,940	$154,699	$332,497	$220,857
Times Interest Earned	1.63	1.57	1.48	1.23	1.61	1.60

*Taxes included in operating expenses.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Investment	$24,535,527	$23,410,193	$20,155,937
Def. charges & prepayments	448,909	434,035	429,132
Sinking & replace. funds	14,774	87,467	.....
Fuel on hand	60,557	43,810	61,359
Material and supplies	448,947	519,901	326,344
Customers' accts. receivable	147,982	144,942	118,672
Sundry accts. receiv.	79,402	131,118	97,818
Subscribers to capital stock	68,559	170,541	300,689
Cash	250,300	243,948	247,390
Total	$26,054,956	$25,185,955	$21,737,341

Liabilities—	1927	1926	1925
Common stock, no par value	$5,247,454	$4,747,454	$3,987,113
7% Preferred stock	1,740,000	1,863,600	836,000
7% Preferred stock subscribed	.....	24,200	393,100
6% Preferred stock	1,911,600	654,300	.....
6% Preferred subscribed	91,900	235,700	.....
Advances from affil. cos.	595,000	350,000	.....
Funded debt	12,925,719	13,536,019	12,938,419
Public improvement assess.	604,585	553,968	473,567
Pfd. stock called not redeemed	7,618	8,618	10,717
Notes payable	3,151	397,074	715,740
Accounts payable	164,386	314,780	260,429
Customers & other deposits	4,042	3,661	4,314
Taxes accrued	268,548	236,334	234,317
Bond and note int. accrd.	151,918	157,977	156,880
Deferred credits	3,017	10,408	9,264
Retirement & other reserves	1,328,430	1,254,228	1,026,582
Contributions for line and tensions	116,311	84,651	.....
Surplus	891,277	753,583	690,898
Total	$26,054,956	$25,185,955	$21,737,341

Officers: Samuel Insull, Chairman; Robert M. Feustel, Pres.; W. A. Sauer, V-P.; Harry E. Vordermark, V-P. & Treas.; Fred H. Schmidt, Sec.; B. P. Shearon, and W. S. Gorman, Asst. Sec's. & Asst. Treas's; B. R. Nightingale, Asst. Sec.; Geo. Corson Ellis, Asst. Treas.; E. T. Carmichael, Aud.

Directors: Samuel Insull, Samuel Insull, Jr., Chicago; Chas. W. Chase, Gary, Ind.; Henry C. Paul, Harry E. Vordermark, Robert M. Feustel, James M. Barrett, Jr., Fort Wayne, Ind.

General Office, Fort Wayne, Ind.

NORTHERN INDIANA PUBLIC SERVICE COMPANY

(Controlled by Midland Utilities Company)

History—Incorporated in 1912 in Indiana as the Calumet Electric Company; assumed name of Calumet Gas and Electric Company in 1924. Name changed to Northern Indiana Public Service Company, Jan. 28, 1926. In 1923 control of the Company was acquired by the Midland Utilities Company.

In Sept., 1924, the properties of the 14 following Indiana public utility companies were purchased by the Calumet Gas and Electric Company:

Elkhart Gas and Fuel Co.
Gary Electric Light and Power Co.
Monterey Light and Power Co.
North Judson Electric Co.
Plymouth Electric Light and Power Co.
Porter County Light and Power Co.
Valparaiso Lighting Co.
Consumers Electric Co.
La Motte Utilities Co.
Peru Light and Power Co.
Winnekakee Valley Electric Co.
Wingsbury Light and Power Co.
Union Electric Co.
Winnamatah-La Crosse Electric Co.

In June, 1925, the properties of the following public utility companies were purchased: C. F. Cain Power & Light Co., Hawks Brothers Company, Orland Light & Power Co., Bass Lake Electric Light and Power Co., Nevada Mills Electric Co., and the Indiana properties of the Indiana Electric Utilities Company.

In July, 1925, this company purchased the property of the Calumet Power Company. Through the acquisition of this property the company became the owner of the 132,000 volt superpower line extending from the Illinois-Indiana state line to Aetna, east of Gary. This line has been extended east to New Carlisle, Ind., where it connects with similar system extending eastward into seven states.

On June 3, 1926, the Company absorbed by merger the Northern Indiana Gas and Electric Co. (see 1926 Public Utility Manual, page 1018). The merger agreement provided for the conversion of the shares of the Class "A" Pfd. and Common stock of Northern Indiana

CANADIAN
Orders executed in
NORTHERN INDIANA PUBLIC SERVICE CO.
JENKS, GWYNNE & CO.
Telephone 7474 Hanover
Members New York Stock and Cotton Exchanges and New York Curb Market
Private Wires to Boston, Chicago, Dallas, Hartford, Montreal, Quebec, Toronto & Tulsa
30 Broad St. New York City
Standard Oil, Tobacco, and Unlisted Securities
SECURITIES

Gas and Electric Co. into shares of the Pfd. and Common stock of this company, share for share.

In March, 1927, the Company purchased the property of the Peru Gas Company and the Indiana Gas Transportation Company (see 1927 Public Utility Manual, pages 684 and 690). The Peru Gas Company formerly served the city of Peru. The Indiana Gas Transportation Company owned 84 miles of gas transmission lines connecting the cities of Decatur and Bluffton, with Fort Wayne, Lebanon with Frankfort and interconnected the cities of Wabash, Peru and Logansport.

Territory Served—The company now furnishes gas or electric service to 130 communities in northern Indiana, supplying an estimated population of 644,500.

The principal cities served with both gas and electric service are Hammond, Whiting, East Chicago, Lafayette, Michigan City, Valparaiso and Plymouth. Gas service is furnished in South Bend, Fort Wayne, Elkhart, Decatur, Bluffton, Peru, Logansport, Wabash, Crawfordsville, Frankfort, and Lebanon. Electric service is furnished in Angola, Waterloo, Crown Point, Culver, Knox and La Grange.

Electric Utility Statistics—Electric service is supplied in 108 communities. The estimated population served is 263,000. Customers served number 69,340. Sales during the year 1927 amounted to 228,004,310 k.w.h. compared with 212,519,608 k.w.h. in 1926, an increase of 7.3%.

The company has available 158,100 kilowatts of electrical capacity of which 46,100 are in stations operated.

Gas Utility Statistics—Gas service is supplied in 32 communities having an estimated population of 591,000. Customers served number 131,749. Sales during the year 1927 totaled 4,743,147,324 cu. ft., an increase of 7.6% over sales in 1926. The Company now has 12 gas plants with a total capacity of 24,680,000 cu. ft.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
No. of elec. customers..	69,340	64,300	58,431
No. of gas customers..	131,749	122,556	115,891
Total.....	201,089	186,856	174,322
Electricity sales (k.w.h.)	228,004,310	212,519,608	182,751,062
Gas sales (cu ft.)	4,743,147,324	4,409,129,311	4,061,102,800
Miles of mains	1.432	1.213	1.151

CAPITAL STOCK

Authorized, 1,800,000 shares Common of no par value, $11,000,000 7% cumulative Pfd. and $7,000,000 6% cumulative Pfd.; outstanding Dec. 31, 1927, 1,416,870 shares Common, $7,950,000 7% Pfd. and $6,113,700 6% Pfd., par of Pfd., $100. Stock control held by Midland Utilities Company.

Preferred Stock Provisions—Both Classes of Pfd. stock rank equally, except as to the annual dividend rate and the callable price, and have preference for assets and dividends over Common, and are subject to call in whole or in part at any time, the 6% Pfd. at 107½ and dividends and the 7% Pfd. at 115 and dividends.

Transfer Agents (Pfd.)—The Chase National Bank, N. Y., and Midland Stock Transfer Co., Chicago, Ill.

Registrars (Pfd.)—Bankers Trust Co., New York, and Illinois Merchants Trust Co., Chicago, Ill.

Original Offering (6% Pfd.)—First publicly offered in June, 1926, at 92½ and dividends by Utility Securities Co., Chicago, and Central States Securities Corp., New York. An additional $1,750,000 was offered in Jan., 1927, at 93½ and dividend and a block of the same stock was offered at par in Jan. 1928, by Utility Securities Co.

Dividends—Initial dividend of 1¾% on 7% Pfd. paid Dec. 17, 1924 and initial dividend of 1½% on 6% Pfd. paid Oct. 14, 1926; regular quarterly payments thereafter on both classes on J, A, J & O 14 to stock of record the last day of preceding month.

Annual Meeting—First Thursday in March.

FUNDED DEBT

(1)

$270,000 MICHIGAN CITY & NORTHERN INDIANA GAS CO FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1933

Dated June 10, 1903.

Interest Payable April and October 1, at Centra Trust Co. of Illinois, Chicago.

Denomination—Coupon, $500; principal may b registered.

Trustees—Central Trust Co. of Illinois, Chicag and Lawrence O. Murray.

Callability—Subject to call on any interest date a 105 and interest.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%.

(2)

$75,000 CRAWFORDSVILLE WATER & GAS CO. FIRST GOL 5s; DUE JUNE 1, 1928

Dated June 1, 1908.

Interest Payable June and December 1, at Indiar Trust Co., Indianapolis, and Bankers Trust Co., Ne York.

Denomination—Coupon, $1,000.

Trustee—Indiana Trust Co., Indianapolis, Ind.

Provisions of Issue—Authorized, $150,000; ou standing, $75,000.

Callability—Subject to call on any interest date 105 and interest.

Sinking Fund—$3,000 per annum, began June 1912.

Security—A first lien on property of former Cra fordsville Water & Gas Co.

Tax Provisions—Federal Tax on bondholders' i terest payable by bondholder.

(3)

$2,985,000 INDIANA LIGHTING CO. FIRST MORTGAGE GO 4s; DUE AUGUST 1, 1958

Dated August 1, 1908.

Interest Payable February and August 1, at Centi Union Trust Co. of New York.

Denomination—Coupon, $1,000; principal may registered.

Trustee—Central Union Trust Co. of New Yo

Provisions of Issue—Authorized, $5,000,000; o standing, $2,985,000.

Callability—Subject to call on any interest da after Aug. 1, 1913, at 102 and interest.

Sinking Fund—2% of net earnings after deducti fixed charges.

Security—Secured by first lien on entire proper plants, lines, franchises, etc., of former Indiana Lig ing Co.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Legal for Savings Banks in Maine.

(4)

$2,455,000 NORTHERN INDIANA GAS & ELECTRIC CO. FIR REFUNDING MORTGAGE GOLD 5s; DUE APRIL 1, 1929

Dated March 2, 1909.

Interest Payable April and October 1, at Cent Trust Co. of Illinois, Chicago, or First National Ba New York.

Denominations—Coupon, $100, $500 and $1,0 principal may be registered.

Trustees—Central Trust Co. of Illinois, Chica and Aksel K. Bodholdt.

Provisions of Issue—Authorized, $10,000,000, which $9,652,000 have been issued. A total of $7,19 000 is pledged under the First Lien & Refunding Mo gage, and the remaining $348,000 reserved to ret underlying bonds must, when issued, also be pledg under the First Lien & Refunding Mortgage.

Callability—Subject to call on any interest d since April 1, 1912, at 103 and interest.

Sinking Fund—Sinking fund of 1% per annum of outstanding bonds began Feb. 15, 1919.

Security—Secured by a mortgage upon entire property of Company subject to the prior liens described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(5)

$7,000,000 NORTHERN INDIANA GAS & ELECTRIC CO. FIRST LIEN & REFUNDING MORTGAGE GOLD 6s; DUE MAY 1, 1952

Dated May 1, 1922.

Interest Payable May and November 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—The mortgage securing this issue provides that additional bonds may be issued thereunder in one or more series, in such amounts and bearing such interest rates and having maturity dates and such other provisions as the Board of Directors may from time to time determine. Additional series of bonds may be issued in accordance with the terms of the mortgage: (a) Upon pledge of a like amount of additional First Refunding Mortgage 5% bonds of the Company; (b) after the exhaustion of all First Refunding Mortgage 5% bonds of the Company reserved for additions and betterments, or after their maturity, but not to exceed 75% of the cost of acquisitions, extensions and additions to the Company's property, provided that net earnings of Company for twelve consecutive months out of the fourteen preceding months shall have been at least 1¾ times the interest charges on all bonds outstanding, together with those proposed to be issued; (c) to refund, par for par, at or before maturity: First Refunding Mortgage 5% bonds of the Company in the hands of the public, under prior bonds secured by liens on portions of the property of the Company and bonds of this or other series issued under this mortgage.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, commencing May 1, 1932, at 105 and interest to and including May 1, 1942; thereafter at 102½ and interest prior to maturity.

Sinking Fund—Company agrees to pay to the Trustee semi-annually in each year beginning March 1, 1932, a sum equal to ½ of 1% of the total amount of bonds of this series outstanding. Moneys in the sinking fund are to be applied to the purchase and cancellation of bonds of this series at or below the redemption price, or if not so purchasable to their call at the then redemption price.

Security—Secured by general mortgage upon the entire property of the former Northern Indiana Gas & Electric Co. prior to its merger into Northern Indiana Public Service Company. Through pledge of $7,097,000 First Refunding Mortgage 5% bonds of the company due April 1, 1929, they share, ratably with $5,055,000 additional of such bonds now outstanding in the public in a first mortgage upon certain property, which includes the steam power station of 28,000 kw. installed capacity in East Chicago. The bonds secured by this mortgage also share through this pledge in a mortgage upon the remainder of the Company's property, subject to only $3,330,000 (at Dec. 31, 1927) underlying bonds on various portions thereof.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State taxes.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($7,000,000) in May, 1922, at 95 and interest, yielding about 6%, by Drexel & Co., Philadelphia, and Halsey, Stuart & Co., Inc., New York, etc.

(6)

$2,700,000 NORTHERN INDIANA PUBLIC SERVICE CO. (FORMERLY CALLED CALUMET GAS AND ELECTRIC CO.) FIRST AND REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "B"; DUE JULY 1, 1960

$11,500,000 NORTHERN INDIANA PUBLIC SERVICE CO. FIRST AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "C"; DUE NOVEMBER 1, 1966

Dated, Series "B," July 1, 1925; Series "C," November 1, 1926.

Interest Payable on Series "B" January and July 1, and on Series "C," May and November 1, at Halsey, Stuart & Co., Inc., Chicago, and in New York.

Denominations—Coupon form interchangeable denominations of $100, $500 and $1,000, registerable as to principal only.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Additional bonds of any series bearing such rates of interest, maturing at such times, and having such other provisions as the Board of Directors at the time of issuance may determine, may be issued (a) par for par against the deposit of cash or United States obligations or against the deposit or discharge of underlying bonds, if any, or to refund, pay or cancel bonds of other series issued under the Mortgage, (b) to the extent of 75% of expenditures for additions and betterments, and to the extent of 75% of the cost or value (whichever is less) of purchased property, and (c) provided bonds secured by mortgage upon the property of a subsidiary, as defined in the Mortgage, shall be pledged in an amount equal to all expenditures made or indebtedness discharged and also provided that the total amount of bonds issued under the Mortgage in respect of any subsidiary, together with the principal amount of all mortgage indebtedness upon such subsidiary outstanding in the hands of the public, shall not exceed 75% of the value of the property of such subsidiary, additional bonds may also be issued to 75% of expenditures made for stock of such subsidiary, and for additions and betterments to its property and purchased property acquired by the subsidiary; and to refund par for par its indebtedness. Bonds issued on account of additions or betterments or purchased property of the Company or of any subsidiary or the stock of any subsidiary, or to refund bonds of other series issued under this Mortgage bearing a lower rate of interest, or the indebtedness of a subsidiary, may not be issued unless the net earnings, as defined in the Mortgage, of the Company and its subsidiaries, during 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the interest charges on all bonds then issued and outstanding under the Mortgage and those then proposed to be issued, and on all bonds, if any, then outstanding in the hands of the public prior in lien on any part of the property of the Company or any of its subsidiaries.

Callability—Subject to call as a whole or in part upon 30 days' published notice at the following prices and accrued interest: Series "B," prior to July 1, 1935 at 105; on and after July 1, 1935, at 104 less 1% for each full five-year period elapsed after June 30, 1935; and on and subsequent to July 1, 1955, at 100.

Series "C," prior to Nov. 1, 1941 at 105; on and thereafter up to Nov. 1, 1951, at 104; on and thereafter up to Nov. 1, 1961 at 103; on Nov. 1, 1961 at 102½, less ½ of 1% for each full year elapsed after Oct. 31, 1961 to Nov. 1, 1965; on Nov. 1, 1965 and thereafter to maturity at 100.

Maintenance and Depreciation—The Mortgage provides that the Company shall expend during the year 1927 and annually thereafter an amount equal to not less than 12½% of the gross operating revenues derived from the operation of the mortgaged properties for repairs, renewals and replacements or for additions, improvements or acquisitions, which shall not be made the basis for the certification of additional bonds, or for the retirement of bonds issued under the Mortgage.

The above percentage is subject to periodical redetermination.

Security—The mortgage under which these bonds are issued covers all fixed property now owned or hereafter acquired by the company, subject to the outstanding divisional bonds, if any, on properties at the time of their acquisition and those thereafter issued for pledge under the mortgage. The mortgage is a direct first lien on all physical property owned by Company previous to its acquisition of the Northern Indiana Gas and Electric Co., and in addition will share to the extent pledged, in the lien of underlying divisional bonds on other important fixed property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders, if requested within 60 days after payment, for the Pennsylvania and Connecticut four mills, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum. In addition holders of the Series "B" bonds will be reimbursed for the Maryland 4½ mills tax and the District of Columbia 5 mills Personal Property Tax.

Original Offering—First publicly offered ($2,500,000 Series "A" 6s) in October, 1924, at 97 and interest, yielding over 6.20%, by Halsey, Stuart and Company, Inc., New York, Chicago, etc. $2,700,000 Series "B" 5½s were offered in July, 1925 at 98½ and interest, yielding about 5.60%, and $11,500,000 Series "C" were offered in Oct., 1926 at 98½ and interest, by the same bankers.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$11,845,850	$10,986,6
Operating expenses	5,839,492	5,507,2
Charge for retirement	619,539	583,2
Net operating revenue	$5,386,818	$4,896,2
Uncollectible operating revenue	48,829	54,2
Taxes	1,363,028	1,016,0
Net operating income	$3,974,961	$3,825,9
Other income	335,684	205,8
Total income	$4,310,645	$4,031,7
Deductions from total income	122,492	95,1
	$4,188,153	$3,936,6
Interest on funded debt	1,403,252	1,252,7
Net income	$2,784,902	$2,683,9
Preferred dividends declared	867,235	668,3
Common dividends declared	1,826,938	1,948,2
Balance to surplus	$90,728	$67,3
Funded Debt Interest Earned	2.98	3
Earnings Per Share—		
Preferred	$19.80	$24
Common	1.35	1

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Investment	$55,360,353	$51,556,091
Sinking funds	7,224	45,819
Material and supplies	807,082	692,235
Fuel on hand	384,809	287,388
Subscription to capital stock	101,387	144,711
Loans & notes receivable	3,154	37,319
Customers' & other accounts receivable	1,524,161	1,451,101
Cash	1,160,463	1,000,381
Unamortized debt discount & expense	1,860,012	1,896,020
Prepayments	48,551	50,151
Deferred charges	314,488	182,024
Total	$61,571,684	$57,343,240

Liabilities—	1927	1926
*Common stock	$14,168,700	$13,529,0
7% Preferred stock	7,950,000	8,350,0
6% Preferred sock	6,113,700	2,831,0
6% Preferred subscribed	223,200	238,0
Funded debt	26,985,000	27,000,0
Notes payable	136,670	166,0
Accounts payable	604,658	659,0
Customers' & other deposits	635,989	614,0
Taxes accrued	1,356,109	1,018,8
Dividends declared	227,328	185,0
Bond & note int. accrued	250,158	250,3
Retirement & other reserves	1,776,326	1,387,1
Contribution for line extension	141,197	103,3
Surplus	1,002,649	1,008,1
Total	$61,571,684	$57,343,8

*Represented by 1,416,870 shares of no par value in 1927 and 1,352,900 shares of no par value in 1926.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926
Fuel on hand	$384,809	$287,388
Material and supplies on hand	807,082	692,235
Customers accts. receivable	1,352,234	1,236,359
Sundry accts. receivable	171,927	214,742
Notes receivable	3,154	37,319
Subscriptions capital stcok	101,387	144,711
Cash	1,160,463	1,000,381
Total	$3,981,056	$3,613,135

Current Liabilities—	1927	19
Notes payable	$136,670	$166
Accounts payable	604,658	659
Dividends declared	227,328	185
Customers' & other deposits	635,989	614
Taxes accrued	1,356,109	1,018
Bond interest accrued	250,158	250
Total	$3,210,912	$2,895
Net Working Capital	$770,144	$717

Officers: Samuel Insull, Chrm. of Bd.; Samuel Insull, Jr., Pres.; S. E. Mulholland, V-P.; Morse Dell Plain, V-P.; Chas. W. Chase, V-P.; E. W. Lloyd, V-P.; W. A. Sauer, V-P.; G. Corson Ellis, Asst. to Pres. & Asst. Treas.; B. P. Shearon, Sec. & Asst. Treas.; Geo. F. Mitchell, Treas.; D. H. Mitchell, Compt.; W. S. Gorman, Asst. Sec. & Asst. Treas.; H. W. Duncan, Asst. Sec. & Asst. Treas.; H. H. Adams, Asst. Sec. & Asst. Treas.; B. R. Nightingale, A Sec.

Directors: Samuel Insull, Chas. W. Chase, Mo Dell Plain, J. H. Gulick, T. G. Hamilton, Samuel sull, Jr., E. W. Lloyd, S. E. Mulholland, B. P. Shear

Main Office, Public Service Building, Gary, India

General Office, 649 Hohman St., Hammond, India

KOKOMO GAS AND FUEL COMPANY

(Controlled by Midland Utilities Company)

History and Property—Incorporated July 9, 1917, in Ind. Supplies gas to Kokomo, Ind., serving a population of 36,800. Operates carburetted water gas plant having a capacity of 1,800,000 cu. ft. per day. Miles of mains, 98.97. No. of meters, 4,999. Gas produced in 1927, 410,679,000 cu. ft.; gas sold, 379,918,000 cu. ft. Maximum day's send out, 1,381,000 cu. ft.

CAPITAL STOCK

Outstanding, $306,000; par, $100. Stock control held by Midland Utilities Company. Annual meeting, first Wednesday in March, at Kokomo, Ind.

FUNDED DEBT

$242,000 GENERAL AND REFUNDING MORTGAGE 5% GOLD BONDS; DUE SEPT. 1, 1957

Dated Sept. 1, 1917.

Interest Payable March and September 1, at Peoples Trust and Savings Bank, Chicago, Ill.

Denomination—Coupon, $1,000.

Trustee—The Peoples Trust and Savings Ba Chicago, Ill.

Provisions of Issue—Authorized, $1,000,000; standing Dec. 31, 1927, $242,000.

Callability—Subject to call as a whole or in part any interest date at 105 and accrued interest.

Security—A direct lien on gas property in the of Kokomo, Ind.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Officers: S. E. Mulholland, Pres.; Samuel Insull, Jr., V-P.; M. P. Royal, V-P.; W. S. Gorman, Sec.; B. P. Shearon, Asst. Sec.; George F. Mitchell, Treas.

Directors: Samuel Insull, Jr., S. E. Mulholland, M. P. Royal, B. P. Shearon, W. S. Gorman.

General Office, Kokomo, Ind.

WEST OHIO GAS COMPANY

(Controlled by Midland Utilities Company)

History—Incorporated in Nov. 1924, in Ohio, and in Dec. 1924, purchased all of the property of The Lima Gas Light Company, The Lima Natural Gas Company, The St. Mary's Gas Company, The Wapakoneta Natural Gas Company, and The Celina Gas Company (for latest published statements of these several companies, see 1924 Public Utility Manual, page 2636). The gas property at Kenton, Ohio, was purchased during the year 1925.

Principal city served, Lima, Ohio; other communities served: St. Mary's, Wapakoneta, Celina, Cridersville and Kenton. Estimated population of territory supplied, 81,400. Gas produced in 1927, 228,339,000 cu. ft.; gas purchased, 417,222,379 cu. ft.; gas sold, 641,123,200 cu. ft. Customers served, 15,454. Miles of gas distribution mains, 212.07.

CAPITAL STOCK

Authorized, 75,000 shares Common of no par value, $800,000 7% cumulative Pfd., Class "A," and $450,000 7% cumulative Pfd., Class "B"; outstanding, 75,000 shares Common, $300,000 Pfd., Class "A" and $450,000 Pfd., Class "B"; par of Pfd., $100. All the Common stock, except directors' shares, is held by Midland Utilities Company, which also owns the Class "B" Pfd. stock.

Preferred Stock Provisions—Pfd. Class "A" stock has preference over Class "B" Pfd. and Common stocks both as to dividends and assets. It is subject to call in whole or in part from time to time at $110 and all unpaid accrued dividends. The Pfd. Class "B" stock is preferred over Common stock both as to dividends and assets, and is subject to call in whole or in part at any time at $110 and all unpaid accrued dividends.

Transfer Agents (Pfd. "A")—Midland Stock Transfer Co., Chicago, Ill., and Chase National Bank of New York.

Registrars (Pfd. "A")—Illinois Merchants Trust Co., Chicago., Ill., and Bankers Trust Co., New York.

Annual Meeting—Second Tuesday in March.

Dividends—Quarterly dividends on Class "A" and Class "B" Pfd. regularly paid; payments, M, J, S & D 1, to stockholders of record the 15th day of the preceding month.

FUNDED DEBT

$1,000,000 FIRST & REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE DECEMBER 1, 1954

Dated December 1, 1924.

Interest Payable June and December 1, at office of Halsey, Stuart & Co., Inc. of Chicago and New York.

Denominations—Coupon (principal may be registered) in interchangeable denominations of $100, $500 and $1,000.

Provisions of Issue—Outstanding, $1,000,000 Series "A" 6s. Additional bonds of any series bearing such rates of interest, maturing at such times, and having such other provisions as the Board of Directors at the time of issuance may determine, may be issued (a) for par against the deposit of cash or United States obligations or against the deposit or discharge of underlying bonds, if any, or to refund, pay or cancel bonds of other series issued under the Mortgage, (b) to the extent of 75% of expenditures for additions and betterments, and to the extent of 75% of the cost or value (whichever is less) of purchased property, and (c) provided bonds secured by mortgage upon the property of a subsidiary, as defined in the mortgage, shall be pledged in an amount equal to all expenditures made or indebtedness discharged and also provided that the total amount of bonds issued under the mortgage in respect of any subsidiary, together with the principal amount of all mortgage indebtedness upon such subsidiary outstanding in the hands of the public, shall not exceed 75% of the value of the property of such subsidiary, additional bonds may also be issued to 75% of expenditures made for stock of such subsidiary, and for additions and betterments to its property and purchased property acquired by the subsidiary; and to refund par for par its indebtedness. Bonds issued on account of additions or betterments or purchased property of the Company or of any subsidiary or the stock of any subsidiary, or to refund bonds of other series issued under this mortgage bearing a lower rate of interest, or the indebtedness of a subsidiary, may not be issued unless the net earnings, as defined in the mortgage, of the Company and its subsidiaries, during 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the interest charges on all bonds then issued and outstanding under the mortgage and those then proposed to be issued, and on all bonds, if any, then outstanding in the hands of the public prior in lien on any part of the property of the Company or any of its subsidiaries.

Callability—Subject to call as a whole or in part at any time on 30 days' published notice, to Dec. 1, 1953 at 107½ and accrued interest less ¼% for each full year elapsed after Nov. 30, 1924, and subsequent to Nov. 30, 1953, they will be redeemable at 100 and accrued interest.

Maintenance and Depreciation—The mortgage provides that the Company shall expend during the year 1925 and annually thereafter an amount equal to not less than a certain percentage of the gross operating revenues derived from the operation of the mortgaged properties for repairs, renewals and replacements or for additions, improvements or acquisitions, which shall not be made the basis for the certification of additional bonds, or for the retirement of bonds issued under the mortgage. The percentage figure will be 12½% for the first five year period and thereafter will be subject to periodical redetermination.

Security—The mortgage under which these bonds are issued covers all fixed property now owned or hereafter acquired by the Company, subject to the outstanding divisional bonds, if any, on properties at the time of their acquisition and those thereafter issued for pledge under the mortgage. The mortgage is a direct first lien on all physical property now owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Company agrees to reimburse the holders of Series "A" Bonds, if requested within 60 days after payment, for the Pennsylvania and Connecticut 4 mills and Maryland 4½ mills taxes, and for the District of Columbia Personal Property Taxes not exceeding 5 mills per dollar per annum, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$725,802	$708,180	$672,165
Operating expenses	449,404	448,062	447,934
Retirement expense	65,347	65,347	34,846
Taxes	56,647	49,020	42,358
Operating income	$154,404	$145,751	$147,027
Deductions from income	22,219	25,487	23,376
Interest on funded debt	60,000	60,000	60,000
Net income	$72,185	$60,264	$63,651
Pfd. dividends—Class "A"	20,335	20,550	21,000
Pfd. dividends—Class "B"	31,500	31,500	31,500
Balance to surplus	$20,350	$8,214	$11,151
Times Interest Earned	2.20	2.00	2.06
Earnings Per Share—			
Preferred "A"	$24.06	$20.88	$21.21
Preferred "B"	11.52	8.82	9.48
Common	0.27	0.11	0.15

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant & property & invest.	$3,618,411	$3,602,890	$3,579,568
Materials and supplies	44,127	60,633	52,010
Notes and accts. receivable	112,889	121,475	140,420
Cash	24,216	23,328	25,306
Unamort. debt disc. & exp.	105,348	109,002	112,619
Other deferred charges	21,270	18,665	8,006
Total	$3,926,261	$3,935,993	$3,917,929

Liabilities—	1927	1926	1925
Com. shares, no par value	$1,626,381	$1,626,381	$1,626,38
Pfd. Class "A"	300,000	300,000	300,00
Pfd. Class "B"	450,000	450,000	450,00
Funded debt	1,000,000	1,000,000	1,000,00
Land purchase contract—deferred payments	33,529	39,058	40,00
Adv. from affiliated cos.	176,500	178,000	211,50
Notes and accts. payable	39,210	116,283	142,11
Customers & other deposits	43,966	44,995	42,08
Special assess.—deferred installments			4,35
Accrued interest and taxes	47,395	43,409	44,15
Contributions for extensions	200	200	
Retirement & other reserves	165,597	112,268	48,42
Surplus	43,483	25,399	8,91
Total	$3,926,261	$3,935,993	$3,917,92

Officers: Samuel Insull, Chairman; E. R. Curtin, Pres.; Samuel Insull, Jr., V-P.; E. R. Curtin, Jr., Asst. to Pres.; G. Corson Ellis, Asst. to V-P.; George F. Mitchell, Treas.; B. P. Shearon, Sec.; F. L. Pringle, Asst. Sec. & Asst. Treas.; W. S. Gorman, Asst. Treas. and Asst. Sec.; B. R. Nightingale, Asst. Sec.; W. A Sauer, Compt.

Directors: Samuel Insull, Harry Bentley, E. R Curtin, E. R. Curtin, Jr., Samuel Insull, Jr., S. E. Mul holland, F. L. Pringle.

Principal Office, Lima, Ohio.

LOUISVILLE RAILWAY COMPANY

History and Property—Incorporated Jan. 22, 1867, in Ky., originally for 30 years, extended indefinitely on April 16, 1890. Owns and operates all the electric street railway lines in Louisville, comprising 184.63 miles of track, located on 87.7 miles of street, with 5.01 miles outside city limits. Owns the entire capital stock of Louisville & Interurban R. R. which operates 104.42 miles of track in Jefferson County, with extensions to La Grange and to Shelbyville. Gauge, 5 ft. Rail (C. B. and girder), 58½ to 109 lb. Equipment: Louisville Ry. Co.—451 passenger cars; 87 service cars. Louisville & Interurban R. R. Co.: Passenger and express cars, 61; service cars, 9. Power stations, 2. Engines to generate power, 11. The Interstate Public Service Co. enters Louisville over this company's tracks. In Oct. 1926, the Company accepted the provisions of a new franchise ordinance which stipulates that the fare be continued at the rate of 7 cents for a single trip, with general transfer privileges. The Ordinance also provides that, upon the completion of an appraisal and the determination of the value of the property of the railway Company used and useful by it in the public service, the General Council shall determine what is a fair return thereon and fix such a rate of fare as will enable the Company to earn a fair return on its property used and useful in the public service.

Bus Franchise—During April, 1928, Company was granted a blanket franchise to operate busses in Louisville, Ky., for 20 years.

CAPITAL STOCK

Authorized $8,500,000 Common and $3,500,000 5% cumulative Pfd.; outstanding, $8,323,600 Common and $3,500,000 Pfd.; par, $100.

Transfer Agent—Louisville Trust Co.

Listed—Louisville Stock Exchange.

Annual Meeting—Third Wednesday in February.

Dividends—Pfd. dividends regularly paid to Oct. 1, 1918; none thereafter until April 2, 1923, when 2½% was paid; July, Oct. and Dec., 1923, 2½% each; Feb., 1924, 5%; April, 1924, 2½%; July, 1924, 2½%; Oct., 1924, 5%; Feb., 1925, 5%, paying all accrued dividends to that date; regular semi-annual dividends of 2½% each paid thereafter, April and Oct. 1. On Common, dividends of 10% (equivalent to 6% on present capitalization) were paid until time of exchange of Louisville Traction Co. stock. A dividend of 1½% was paid on the increased Common stock in Jan., April and July, 1918; none thereafter until Oc. 1, 1926, on which date 2% was paid; 1927, 4%; Jan. 3, 1928, 1%.

FUNDED DEBT

(1)

$6,000,000 CONSOLIDATED MORTGAGE GOLD 5s; DUE JULY 1, 1930

Dated July 1, 1890.

Interest Payable Jan. and July 1, at Fidelity & Columbia Trust Co., Louisville, Trustee, and Nationa Bank of Commerce, New York. Coupon, $1,000 principal may be registered. Authorized, $6,000,00 A first lien on property. Listed on New York an Louisville Stock Exchanges. Company pays Norma Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	192
High	99	96	93½	91	8
Low	94	89½	89½	bid	bi

(2)

$2,000,000 SECOND MORTGAGE GOLD 4½s; DUE MARCH 1940

Dated March 1, 1900.

Interest Payable March and Sept. 1, at Fidelity Columbia Trust Co., Louisville, Trustee. Coupo $1,000; principal may be registered. Authorized, $2 000,000. A second lien on the property of the com pany. Listed on Louisville Stock Exchange. Compan pays Normal Federal Income Tax up to 2%.

(3)

$4,035,000 GENERAL MORTGAGE GOLD 5s; DUE FEBRUAR 1, 1950

Dated February 1, 1910.

Interest Payable Feb. and Aug. 1, at Fidelity & C lumbia Trust Co., Louisville, Trustee, or in New Yor Coupon, $1,000; principal may be registered. Autho ized, $20,000,000, of which $8,000,000 are reserved t retire an equal amount of prior liens. Secured by lien on all the property of the company subject to th foregoing prior liens, being in effect a first lien o the Louisville & Interurban lines. Listed on Loui ville Stock Exchange. Company pays Normal Feder Income Tax up to 2%.

(4)

$1,000,000 6% COLLATERAL NOTES; DUE JUNE 1, 1928

No further details available.

(5)

$165,000 EQUIPMENT TRUST 6% CERTIFICATES, SERIE "A"; DUE $33,000 EACH FEBRUARY 1, TO 1933, INCLUSIVI

Dated Jan. 15, 1923.

Interest Payable Feb. and Aug. 1, at Fidelity & C lumbia Trust Co., Louisville, Ky., Trustee. Origin issue, $330,000 of which $165,000 retired to Feb. 1928. Company pays Normal Federal Income Tax u to 2%.

(6)

$138,000 CAR TRUST 6% GOLD CERTIFICATES, SERIES "B DUE $12,000 EACH JAN. 1 AND $11,000 EACH JULY 1, PRO JULY 1, 1928, TO JAN. 1, 1934, INCLUSIVE

Dated Jan. 1, 1924.

Interest Payable Jan. and July 1, at Fidelity & C lumbia Trust Co., Louisville, Ky., Trustee. Coupo $1,000. Original issue $230,000 of which $92,000 r

tired to Jan. 1, 1928. Certificates not redeemable before their respective maturities. The Louisville Ry. Co. unconditionally guarantees payment of principal and dividend warrants by endorsement on each certificate. Title to the equipment is vested in the Trustee for the benefit of the certificate holders until all certificates are retired. First publicly offered ($230,000) in Jan. 1924, at 100 and interest, to yield 6%, by Henning, Chambers & Co., Almstedt Bros., and Fidelity & Columbia Trust Co., Louisville, Ky.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,812,196	$4,863,306	$4,429,116	$4,449,678	$4,445,867	$4,542,818
Operating expenses and taxes	3,546,564	3,561,787	3,218,513	3,221,972	3,299,523	3,403,233
Depreciation	175,000	175,000	175,000	175,000	175,000	175,000
Net earnings	$1,090,632	$1,126,519	$1,035,603	$1,052,706	$971,344	$964,585
Other income	*2,459	61,565	99,070	138,531	165,073	163,795
Total income	$1,088,173	$1,188,084	$1,134,673	$1,191,237	$1,136,417	$1,128,380
Interest charges	$651,750	$651,750	$651,750	$651,750	$645,820	$620,180
Discount on notes, etc.	4,929	2,026	2,366	4,093	1,055	3,221
Net income	$431,494	$534,308	$480,557	$535,394	$489,542	$504,979
Preferred dividends	175,000	175,000	175,000	525,000	350,000	.....
Common dividends	249,708	249,708	.....	.....	.....	.....
Surplus for year	$6,786	$109,600	$305,557	$10,394	$139,542	$504,979
Times Interest Earned	1.67	1.82	1.74	1.83	1.76	1.82
Earnings Per Share—						
Preferred	$12.33	$15.27	$13.73	$15.30	$13.99	$14.43
Common	3.08	4.32	3.67	4.33	3.78	3.96

*Debit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$22,083,684	$21,919,006	$21,867,340	$21,773,011	$21,348,814	$20,677,712
Investments in affiliated companies	4,256,785	4,159,008	4,156,354	4,120,278	4,209,240	4,051,001
Other investments	130,524	127,841	127,841	226,899	682,180	682,180
Cash	650,736	914,252	712,366	438,431	261,221	560,053
Loans and notes receivable	13,736	13,236	236	19,606	18,990	23,373
Miscellaneous accounts receivable	96,507	97,482	56,680	53,936	49,782	66,786
Materials and supplies	308,157	337,348	336,145	334,520	310,337	193,743
Interest, dividends and rents receivable	570,152	495,577	411,425	400,001	277,451	150,243
Insurance fund	157,000	157,000	157,000	157,000	157,000	157,000
Rents and insurance prem. paid in advance	95,715	146,294	135,737	170,598	136,340	48,212
Property abandoned chargeable to oper. exp.	187,486	199,626	211,766	469,250	299,750	.....
Discount on funded debt	.....	.....	.....	.....	.....	3,146
Other unadjusted debits	170,939	114,935	121,720	103,839	161,957	18,384
Corporate deficit	.....	.....	.....	.....	.....	89,740
Total	$28,721,419	$28,681,605	$28,294,610	$28,267,368	$27,913,062	$26,721,573
Liabilities—						
Preferred stock	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000
Common stock	8,323,600	8,323,600	8,323,600	8,323,600	8,323,600	8,323,600
Funded debt	12,035,000	12,035,000	12,035,000	12,035,000	12,035,000	12,035,000
Collateral notes	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	250,000
Equipment trust notes	415,140	494,030	576,280	661,890	429,000	.....
Other loans payable	.....	.....	.....	.....	.....	434,000
Audited accounts and wages payable	139,382	176,653	137,096	112,302	162,869	167,746
Matured interest, dividends and rents unpaid	259,726	256,966	176,118	350,866	695,576	727,110
Accrued interest, dividends and rents payable	162,812	162,812	162,812	162,812	162,812	309,063
Other current liabilities	.....	.....	.....	.....	.....	47,629
Other deferred liabilities	2,585	2,498	2,419	2,345	2,380	2,299
Tax liability	180,418	202,350	168,065	176,544	190,063	204,637
Insurance reserve	208,558	204,651	196,839	189,027	181,214	173,402
Reserves for injuries and damages	7,292	15,917	*19,223	*41,431	*28,722	13,058
Reserves for renewals and replacements	1,365,047	1,190,047	1,015,297	875,000	700,000	525,000
Other unadjusted credits	328,425	330,151	342,977	336,900	337,151	9,029
Surplus	793,434	786,930	677,330	582,513	222,119	.....
Total	$28,721,419	$28,681,605	$28,294,610	$28,267,368	$27,913,062	$26,721,573

*Debit.

Officers: T. J. Minary, Chairman of Board of Directors; James P. Barnes, Pres.; Samuel Riddle, V-P. & Sec., F. H. Miller, V-P. & Gen. Mgr.; Anna L. Humphrey, Treas.; F. E. Belleville, Gen. Aud.; Churchill Humphrey, Gen. Counsel, Louisville, Ky.

Executive Committee: W. S. Speed, Chairman; Churchill Humphrey, J. W. Barr, Jr., W. H. Kaye, O. H. Wathen, J. P. Barnes.

Directors: Henry Almstedt, J. M. Atherton, James P. Barnes, J. W. Barr, Jr., W. S. Campbell, S. T. Culver, Oscar Fenley, Ralph Gifford, Earl S. Gwin, Churchill Humphrey, W. H. Kaye, C. C. Mengel, T. J. Minary, W. S. Speed, J. D. Stewart, John Stites, O. H. Wathen.

Office, 314 West Jefferson St., Louisville, Ky.

LOUISVILLE & INTERURBAN RR.

(Controlled by The Louisville Ry. Co.)

History and Property—Incorporated in 1903, in Ky., to construct interurban electric lines in and around Louisville, Ky., in the interest of the Louisville Traction Co. In Jan. 1911, purchased at foreclosure sale the property of the Louisville & Eastern R. R. Co., practically all of whose stock, bonds, receiver's certificates and construction notes it owned. Operates 104.42 miles of track in Jefferson County, Ky., with extensions to La Grange and Shelbyville. Equipment: Passenger and express cars, 61; service cars, 9.

CAPITAL STOCK

Authorized and outstanding, $4,000,000; par, $100. All owned by Louisville Ry. Co. Annual meeting, third Wednesday in February.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$548,306	$559,066	$580,235	$634,199	$668,811	$675,532
Operating expenses	450,481	442,207	455,852	472,201	504,989	490,576
Taxes	24,000	34,000	36,000	36,000	36,900	39,200
Net earnings	$73,825	$82,859	$88,383	$125,998	$126,922	$145,756
Other income	85	44	254	367	334	241
Total income	$73,910	$82,903	$88,637	$126,365	$127,256	$145,997
Dividends paid	$73,910	$82,903	$88,637	$126,365	$127,256	$145,997

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Road and equipment	$4,484,860	$4,459,467	$4,461,332	$4,455,463	$4,441,295	$4,198,316
Cash	245,423	189,876	77,357	71,775	67,954	90,871
Loans and notes receivable	.....	1,000	700	10,698	4,577	2,000
Accounts receivable	6,677	16,091	10,221	8,749	5,352	32,376
Prepaid insurance, etc.	2,977	8,445	1,221	2,370	7,373	8,918
Total	$4,739,937	$4,674,879	$4,550,831	$4,549,055	$4,526,551	$4,332,481
Liabilities—						
Capital stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000
Accounts payable	60,870	42,985	41,029	40,072	131,856	75,076
Matured interest, dividends, and rents unpaid	568,041	411,227	322,590	399,618	145,997	145,997
Accrued interest, dividends and rents payable	25	82,903	88,638	.....	127,256	.....
Tax liability	63,850	64,445	55,951	56,457	48,957	36,114
Reserve for depreciation	10,163	10,163	10,163	10,163	10,163	10,163
Accident reserve	*16,254	*18,029	*19,879	*3,093	11,657	15,845
Insurance reserve	1,374	1,374	1,374	1,374	1,374	1,374
Madison Street repairs	34,873	62,285	33,431	26,651	31,469	30,106
Badge deposit	163	158	160	160	168	153
Surplus	16,832	17,368	17,368	17,653	17,653	17,653
Total	$4,739,937	$4,674,879	$4,550,831	$4,549,055	$4,526,551	$4,332,481

*Debit.

Officers: T. J. Minary, Chairman of Board, James P. Barnes, Pres.; Samuel Riddle, Sec.; R. H. Wyatt, Acting Mgr.; Anna L. Humphrey, Treas. F. E. Belleville, Gen. Aud.; Churchill Humphrey, Gen. Counsel, Louisville, Ky.

Directors: J. P. Barnes, J. W. Barr, Jr., W. S. Campbell, Oscar Fenley, Churchill Humphrey, W. H. Kaye, T. J. Minary, W. S. Speed, John Stites, O. H. Wathen.

General Office, Louisville, Ky.

WESTERN UNITED CORPORATION

(Operated Under Supervision of Samuel Insull and Associates)

History and Properties—Incorporated in 1913 in Illinois as Illinois Commercial & Mining Company; took over Western United Gas & Coal Company of West Va., known as Rex Mine, in 1917. This mine consists of 1,050 acres of high volatile coal used for manufacture of gas. The estimated available tonnage is 7,500,000.

In 1920, Illinois Commercial & Mining Company purchased 2 Pocahontas coal mines, namely, Black Wolf Coal & Coke Company and Eclipse Pocahontas Coal Company, both located in West Va., and 1 bituminous coal mine in Illinois, formerly the Gus Blair Big Muddy Coal Company. Name of the latter company was changed to Western United Gas Coal Company of Illinois. Practically all of the coal produced by the mining company was sold to Western United Gas and Electric Company, Coal Products Manufacturing Company, and Southern Illinois district (formerly Southern Illinois Gas Co.) of Western United Gas and Electric Company. On July 23, 1926, and Aug. 23, 1926, respectively, the Company disposed of the Eclipse Pocahontas Coal Fuel Company mine in West Virginia, and Western United Gas Coal Co. of Illinois.

In April, 1918, the Mid Egypt Gas and Oil Company was organized. This company owns and operates gas and oil wells in Jackson County, Illinois. The output of the gas wells is sold to the southern division of the Western United Gas and Electric Co. and the output of the oil at present is sold to the Coal Products Manufacturing Co. All capital stock is owned by the Western United Corporation.

In June, 1921, the name of the Illinois Commercial & Mining Company was changed to Western United Corporation, and Company acquired all of the Common stock of Western United Gas and Electric Company, and all of the capital stock of Coal Products Manufacturing Company, Mid Egypt Gas and Oil Company and Southern Illinois Gas Co., the latter being now a part of the present Western United Gas & Electric Co.

In January, 1923, Mid-Egypt Pipe Line Company was organized to build, own, and operate an oil pipe line from the natural gas and oil fields of Mid-Egypt Gas and Oil Company to Ava, Ill. All the capital stock is owned by Western United Corporation.

In November, 1923, Fox River Electric Company was incorporated to build, own, and operate a high tension transmission line from the power station of the Western United Gas and Electric Company, located in Aurora, Ill., to sub-stations of Aurora, Elgin and Fox River Electric Company at Elgin and intermediate points.

As of Jan. 1, 1924, Aurora, Elgin and Fox River Electric Company acquired by purchase all of the property of the Fox River division of the Aurora, Elgin and Chicago Railroad Company.

In November, 1924, Pier Process Corporation was incorporated to acquire the patents on and to develop and license the use of "Pier Process" for manufacture of water gas.

In January, 1926, Western United Corporation was reorganized and property of Southern Illinois Gas Company, Fox River Electric Company, and the lighting department of Aurora, Elgin and Fox River Electric Company were consolidated with Western United Gas and Electric Company. The latter company also acquired control of the Aurora, Elgin and Fox River Electric Co., which operates railway business in Aurora and Elgin, Ill., and an interurban railway business connecting these cities and intermediate points together with co-ordinated bus service.

Operating Management—Samuel Insull and Associates, Edison Bldg., 72 West Adams St., Chicago, Ill.

CAPITAL STOCK

Authorized, 60,000 shares Class "A" Common, no par value, 131,250 shares Class "B" Common, no par value and $15,000,000 6½% cumulative Pfd., par $100;

outstanding, 54,023 shares Class "A" 131,250 shares Class "B" and $6,500,000 6½% cumulative Pfd.

Transfer Agent—Western United Corp., Aurora, Ill.

Registrar (Pfd.)—First Trust & Savings Bank, Chicago, Ill.

Annual Meeting—Last Thursday in February.

Dividends—Not reported.

FUNDED DEBT

$2,946,000 THIRTY-YEAR 6½% SINKING FUND COLLATERAL TRUST GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1955

Dated December 1, 1925.

Interest Payable June and December 1, at The Bank of America, New York.

Denominations—Coupon $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Bank of America, New York.

Provisions of Issue—Authorized amount, unlimited. Issued, $3,000,000 Series "A" 6½s; outstanding, Dec. 31, 1927, $2,946,000. Proceeds were used in part for the acquisition of Western United Gas & Electric Co. and for other corporate purposes.

Additional bonds of Series "A" or any other series, bearing such interest and otherwise of such tenor as directors may from time to time determine may be issued against the acquistion of additional securities and for cash when consolidated net earnings for a period of 12 consecutive calendar months within 15 calendar months immediately preceding shall have been equal to not less than 3 times annual interest charges on all bonds outstanding and those proposed to be issued. Bonds may also be issued, without earnings restrictions, against retirement of previously issued bonds, unless retired through sinking fund. Indenture also provides that with respect to additional Series "A" bonds, or bonds of any other series (issued while any Series "A" bonds are outstanding) maturing more than 5 years from date of issue, provision shall be made for retirement (on par basis) at or before maturity by sinking fund or otherwise.

Callability—Subject to call as a whole or in part on the first day of any month, on 30 days' notice, to and including Dec. 1, 1936, at 105 and interest and thereafter at par and interest, plus a premium of ¼ of 1% for each year or fraction thereof of unexpired term.

Sinking Fund—Indenture provides for semi-annual sinking fund payment to the Trustee beginning Dec. 1, 1926, to be applied to the retirement of Series "A" bonds by purchase in the open market or by call. It is estimated that this fund will retire all outstanding Series "A" bonds by maturity.

Security—These bonds constitute the only funded debt of Corporation and are secured by deposit with the trustee of (a) 200,000 shares, being all the Common stock of Western United Gas & Electric Co. of Illinois and (b) 1,750 shares of Common stock of Western Public Service Co. (of Illinois).

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders if requested within 60 days after payment, for the California, Connecticut and Pennsylvania personal property tax not exceeding 4 mills, the Maryland personal property tax not exceeding 4½ mills, the District of Columbia personal property tax not exceeding 5 mills per annum and for the Massachusetts Income tax on the interest, not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($3,000,000) in February, 1926 at 99½ and interest to yield over 6.50%, by E. H. Rollins & Sons and Spencer Trask & Co., New York.

Price Range—

	1927	1926
High	103	100¼
Low	100	97

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$6,848,690	$6,501,693	$5,872,542	$5,293,291	$3,795,686	$3,516,751
Operating expenses	3,755,589	3,783,895	3,563,708	3,506,668	2,609,082	2,413,717
Net earnings from operation	$3,093,101	$2,717,798	$2,308,834	$1,786,623	$1,186,604	$1,103,034
Non-operating revenue	85,436	366,369	174,901	228,654	88,736	57,819
Total earnings	$3,178,537	$3,084,167	$2,483,735	$2,015,277	$1,275,340	$1,160,853
Int. on long term debt	1,545,751	1,428,838	785,957	768,230	573,536	543,807
Int. on unfunded debt	62,340	51,878	45,533	51,069	44,800	12,680
Balance	$1,570,446	$1,603,451	$1,652,245	$1,195,977	$657,004	$604,366
Retirement accruals	464,397	448,682	413,280	220,816	223,078	193,235
Amortization of debt discount and expense	95,902	87,384	65,922	68,731	43,139	39,359
Storm damage	.....	.....	40,400	.....	.....	.....
Miscellaneous deductions	13,527	12,255	.....	.....	.....	.....
Surplus for year (before Federal income taxes)	$996,620	$1,055,130	$1,132,643	$906,430	$390,787	$371,773
Times All Interest Earned	1.98	2.08	2.98	2.46	2.06	2.08

*Before retirement accruals, amortization, etc.

CONSOLIDATED BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	Jan. 31, 1926
Plant, property invest., etc.	$44,253,174	$42,304,301	$39,495,140
Investments	309,976	278,820	.....
Special cash deposits	25,142	48,270	589,457
Cash	1,342,503	1,395,387	1,792,787
Accounts & notes receivable	1,103,926	1,250,637	540,489
Materials and supplies	757,978	920,608	733,481
Deferred items	3,338,590	3,255,967	2,631,847
Total	$51,131,289	$49,453,999	$45,783,201

Liabilities—	Dec. 31, 1927	Dec. 31, 1926	Jan. 31, 1926
Common stock, Class "A"	*$270,115	*$270,115	*$275,430
Common stock, Class "B"	*656,250	*656,250	*656,250
Preferred stock	6,500,000	6,444,400	6,000,000
Preferred stock, subsid. cos.	8,627,000	6,988,700	6,500,000
Common stock, subsid. cos.	2,000	2,000	2,000
Funded debt	2,956,000	3,000,000	3,000,000
Bonds of subsid. cos.	25,800,000	24,300,000	22,500,000
Capital subscribed	198,600	99,136	.....
Notes and accounts payable	421,987	1,821,576	858,572
Accru. int., taxes, divds., etc.	869,855	917,380	687,691
Consumers' deposits, etc.	158,085	144,574	133,749
Reserves	2,774,381	2,962,269	3,123,180
Surplus	1,906,416	1,847,599	2,046,330
Total	$51,131,289	$49,453,999	$45,783,201

*Represented by 55,086 shares Class "A" and 131,250 shares Class "B" no par value, Jan. 31, 1926, and 54,023 shares Class A" and 131,250 shares Class "B" Dec. 31, 1926 and 1927.

Officers: Samuel Insull, Pres.; George R. Jones, Asst. to the Pres.; B. P. Alschuler, V-P. & Gen. Counsel; John F. Egolf, Operating V-P.; John H. Gulick, Sec.; Roy N. Dreiman, Treas.

Executive Committee: Samuel Insull, Britton I. Budd, John H. Gulick.

Directors: Samuel Insull, B. P. Alschuler, John H. Gulick, Britton I. Budd, Samuel Insull, Jr., E. W. Lloyd, E. J. Doyle.

General Office, Aurora, Ill. **Chicago Office,** Edison Bldg., 72 West Adams St.

WESTERN UNITED GAS AND ELECTRIC COMPANY

(Controlled by Western United Corporation)

History—Incorporated in Jan., 1905, in Ill.; consolidation of the Fox River Light, Heat & Power Co. of Aurora, Joliet Gas Light Co., LaGrange Gas Co., and Elgin-American Gas Co. In January, 1926, Company merged the Southern Illinois Gas Co. (see 1925 Manual, page 1095, or apply to our Information Department) and the lighting department of the Aurora, Elgin and Fox River Electric Co., and acquired control of Coal Products Manufacturing Co. and of Aurora Elgin & Fox River Electric Co. Company owns a water gas plant at Lockport, Ill., with a daily capacity of 17,500,000 cu. ft., a plant at Aurora, Ill., with a daily capacity of 2,000,000 cu. ft., plants at Du Quoin and Murphysboro, Ill., capacity 3,000,000 cu. ft. —total capacity of all plants, 22,500,000 cu. ft. The plant at Lockport, Ill., is leased to and operated by the Coal Products Manufacturing Co., the latter company selling its entire output to the Western Gas & Electric Co. under a long term contract.

Western United Gas and Electric Co. supplies gas to the following communities: Aurora District—Aurora, North Aurora, Montgomery; Kendall District—Naperville, Lisle, Oswego, Yorkville, Bristol, Plano, Sandwich; Elgin District—Elgin, South Elgin; Will District—Plainfield, Lockport, Lemont, New Lenox; Fox River District—Batavia, Geneva, St. Charles; McHenry District—East Dundee, West Dundee, Carpentersville, Marengo, Huntley, Union, Wayne, Hampshire, Gilberts, Bartlett, Algonquin, Woodstock, Cary, Crystal Lake, Ridgefield, Harvard, McHenry, Fox River Grove, Ontarioville, Johnsburg, Genoa; Joliet District—Joliet, Rockdale; Burlington District—LaGrange, LaGrange Park, Brookfield, Western Springs, Fullersburg, Hinsdale, Clarendon Hills, Downers Grove, Westmont, Hodgkins, Belmont; Northwestern District—Wheaton, West Chicago, Winfield, Glen Ellyn, Lombard, Villa Park, Elmhurst, Addison, Bensenville, Itsca, Warrenville, Roselle, Bloomingdale; Southern District—Murphysboro, Marion, Carbondale, Carterville, Johnston City, West Frankfort, Herrin, Du Quoin, Ava, Benton, West City, Campbell Hill, Christopher, Crainville, Buckner, Energy.

Company also sells electricity in Aurora, Elgin, North Aurora, Montgomery, Oswego, Warrenville, Wheaton, Glen Ellyn, and Murphysboro, steam heat in Aurora, and water in Murphysboro. Total electric generating capacity 41,745 k.w.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gas Department:			
Miles of distribution gas mains	1,436	1,292	1,136
Miles of transmission gas mains	466	455	450
Gas services—no. laid	94,935	88,731	81,753
Gas meters—in use	89,191	84,094	77,834
Gas services—miles	1,289	1,193	1,099
Gas sales—cu. ft.	3,144,912,000	2,945,254,000	2,692,204,700
Electric Department:			
Electric lines—miles	2,699	2,273	2,045
Electric meters—in use	31,634	29,703	27,073
Electric sales—to consumers, kw.	41,279,131	36,072,486	29,481,251
Railway Department:			
City lines—miles	30	30	30
Interurban lines—miles	37	37	37
Passengers carried—ry.	11,571,133	11,757,566	11,602,521
Passengers carried—bus	60,527	143,731	104,310

OPERATING STATISTICS (Continued):

	1927	1926	1925
Water Department:			
Water meters—in use	1,707	1,740	1,697
Water sales—gallons	153,888,000	197,619,000	202,471,000
Steam Heat Dept:			
Meters in use	276	282	304
Miles of mains	3	3	3

CAPITAL STOCK

Authorized 200,000 shares Common, no par value and $15,000,000 Pfd. $8,000,000 of Pfd. provides for dividends of 6½% and $7,000,000 at 6%. Outstanding, 200.000 shares Common, $7,973,500 6½% Pfd., and $654,100 6% Pfd.; par of Pfd., $100. Entire Common stock is owned by Western United Corporation.

Preferred Stock Provisions—Has preference for cumulative dividends, and in the event of voluntary liquidation for assets up to $106.50 per share for 6½% and $106 per share for 6%, and cumulative dividends, and in the event of involuntary liquidation up to $100 per share and cumulative dividends. Subject to call as a whole or in part on any dividend date, 6½% at $106.50 and 6% at 106 per share and cumulative dividends. Shares have voting power.

Transfer Agent (Pfd.)—Western United Corp., Aurora, Ill.

Registrar (Pfd.)—Illinois Merchants Trust Co., Chicago.

Original Offering—First publicly offered ($2,100,000 6½% Pfd.) in March, 1926, at 98 and dividend, yielding over 6.63%, by E. H. Rollins & Sons, New York, Chicago, etc.

Annual Meeting—Last Thursday in February

Dividends—Pfd. dividends regularly paid quarterly from dates of issue. On Common, dividends have been paid as follows: 1912, 2%; 1913, 3%; 1914 and 1915, 4% each; 1916, 5%; 1917, to 1920, inclusive, 6% each; 1921, 3%; 1922, none; 1923, 8 1/3%; 1924, none; 1925, 20%; 1926, $3 per share; 1927, $3.50 per share.

FUNDED DEBT

$24,300,000 FIRST MORTGAGE 30-YEAR 5½% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1955

$1,500,000 FIRST MORTGAGE 30-YEAR 5% GOLD BONDS, SERIES "B"; DUE MARCH 1, 1957

Dated—Series "A," December 1, 1925; Series "B," March 1, 1927.

Interest Payable—On Series "A," June and December 1; on Series "B" March and September 1, at Illinois Merchants Trust Co., Chicago, and in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Interchangeable with respect to denominations.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized amount unlimited. Issued $22,500,000 Series "A," to provide in part for the cost of acquiring properties and for the retirement of all funded indebtedness heretofore outstanding with the public. $1,800,000 Series "A" and $1,500,000 Series "B" issued for additions and betterments. Additional bonds of these or any other series bearing such rates of interest and otherwise of such tenor as Directors may determine, may only be issued (a) for not exceeding 75% of cash cost or fair value, whichever is less, of improvements, extensions, additions, or new and additional plants and

WESTERN UNITED GAS & ELECTRIC CO.

E. H. Rollins & Sons

Founded 1876

Boston New York Philadelphia Chicago
Denver San Francisco Los Angeles London

roperty constructed or acquired subsequent to Sept. , 1925; or (b) par for par the refunding, acquisition or etirement of bonds of present or future subsidiaries, r for the refunding of bonds of other series, or bonds ecured by a prior lien. All bonds of whatever series vill be equally and ratably secured by the mortgage, xcept that sinking funds may be established for the xclusive benefit of one or more particular series. No dditional bonds may be issued except under (b) nless earnings applicable to bond interest as defined n the mortgage for 12 consecutive months of the 15 nmediately preceding request for issuance, shall have een not less than 10% of the principal amount, or wice the annual interest requirements, whichever is ss, of all first mortgage bonds outstanding and those roposed to be issued, obligations having a prior lien, nd obligations of subsidiaries secured by lien and not ledged under the proposed first mortgage.

Callability—Subject to call in whole or in part on) days' notice at 105 and interest up to Dec. 1, 1936, nd thereafter at par and interest, plus a premium of ½% for each year or portion of a year of unexpired rm.

Improvement Fund—Mortgage provides for the xpenditures of a sum equal to 12½% of gross operatg revenues derived from the operation of utility roperties during the preceding calendar year, for aintenance, renewals and replacements, for the reement of bonds issued under the mortgage and of obligations, if any, secured by prior liens, and/or for improvements, extensions, additions, to plants or property which shall not be made the basis for the certification of additional bonds.

Security—Secured by direct first mortgage on all properties owned by Company in fee, and by pledge and deposit of all outstanding capital stock and funded debt of Coal Products Mfg. Co. and of Aurora, Elgin and Fox River Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company also agrees to reimburse holders, if requested within 60 days after payment, for California, Connecticut and Pennsylvania tax, not exceeding 4 mills, Maryland tax not exceeding 4½ mills, District of Columbia tax not exceeding 5 mills per annum and for Massachusetts Income Tax on the interest, not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($22,500,000, Series "A" 5½% Bonds) in January, 1926, at 99 and interest, to yield 5.55%, by E. H. Rollins & Sons, Blair & Co., Inc., Harris, Forbes & Co., Halsey, Stuart & Co., Inc., Marshall Field, Glore, Ward & Co., and Spencer Trask & Co., New York, etc., and Illinois Merchants Trust Co. and First Trust & Savings Bank, Chicago. $1,800,000 were publicly offered in July, 1926 at 101 and interest by E. H. Rollins & Sons, Inc., San Francisco, etc. $1,500,000 Series "B" 5% bonds publicly offered in Oct., 1927 at 99½.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
perating revenues	$6,813,009	$6,470,940	$5,872,140	$5,279,048	$3,591,376	$3,263,452
perating expenses	3,752,254	3,745,379	3,539,296	3,435,917	2,415,670	2,372,131
Net earnings from operations	$3,060,755	$2,725,561	$2,332,844	$1,843,131	$1,175,706	$891,321
n-operating revenues	55,683	287,947	171,913	218,100	75,878	122,837
Total earnings	$3,116,438	$3,013,508	$2,504,757	$2,061,232	$1,251,584	$1,014,158
erest on funded debt	1,352,750	1,252,391	854,554	772,972	576,972	538,051
erest on unfunded debt	164,122	98,901	95,243	64,002	55,463	32,684
Balance	$1,599,566	$1,662,217	$1,554,959	$1,224,257	$619,149	$443,422
tirement accruals	411,960	391,853	354,161	152,366	100,810	103,275
nortized debt discount and expense	94,679	90,885	38,199	37,451	27,289	22,244
rm damage	.....	.....	40,000	.....	.....	.....
scellaneous deductions	13,528	12,238	207	.....	.....	.....
urplus for year (before Federal Income taxes)	$1,079,399	$1,167,242	$1,121,992	$1,034,440	$491,050	$317,903
nes Bond Interest Earned	2.30	2.40	2.35	2.34	1.85	1.59
rnings Per Share—						
Preferred	$12.54	$16.70	$56.09	$51.72	$24.55	$15.89

CONSOLIDATED BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	Jan. 31, 1926
nt, property, equip., etc.	$41,748,840	$39,730,257	$36,600,555
cellaneous investments	14,776	14,320	13,275
cial cash deposits	16,546	23,863	16,346
h	860,265	899,945	1,185,712
ounts and notes receiv.	890,381	1,151,149	523,977
terials and supplies	753,249	918,373	726,195
payments	21,496	10,004	.....
amortized debt discount nd expense	2,399,219	2,419,574	2,377,299
erred assets	8,730	2,563	25,221
otal	$46,713,502	$45,080,048	$41,468,579

Liabilities—	Dec. 31, 1927	Dec. 31, 1926	Jan. 31, 1926
Common stock	$1,000,000	$1,000,000	*$7,123,299
Preferred stock, 6½%	7,973,500	6,988,700	6,500,000
Preferred stock, 6%	654,100	.....	.....
Funded debt	25,800,000	24,300,000	22,500,000
Notes payable	.....	1,050,000	592,719
Accounts payable	219,676	833,039	
Accrued interest, taxes, dividends, etc.	698,530	642,443	650,850
Consumers' deposits	158,085	153,924	133,749
Advances to affiliated cos.	2,248,084	1,951,474	1,871,552
Reserve for depreciation	1,552,314	1,791,872	1,465,032
Other reserves	529,533	453,704	631,380
Surplus	5,879,680	5,914,892	.....
Total	$46,713,502	$45,080,048	$41,468,579

*Represented by 200,000 shares, no par value.

Officers: Samuel Insull, Pres.; George R. Jones, st. to Pres.; B. P. Alschuler, V-P. & Gen. Counsel; n F. Egolf, Oper. V-P.; John H. Gulick, Sec.; H. Dreiman, Treas.

Directors: Samuel Insull, Britton I. Budd, E. J. Doyle, J. H. Gulick, B. P. Alschuler.

Business Office, Aurora, Ill. **Chicago Office,** Edison Bldg., 72 West Adams St.

25 BROAD STREET
NEW YORK

Branch Offices
Albany Boston
Chicago Providence
Philadelphia

WESTERN UNITED GAS & ELECTRIC CO.
Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange

COAL PRODUCTS MANUFACTURING COMPANY

(Controlled by Western United Gas and Electric Co.)

History and Property—Incorporated Jan. 17, 1911, in Ill. Produces coke, gas, tar and sulphate. The site of Company's plant is at Joliet, Ill., on a tract of land of about 100 acres, of which 45 acres are owned in fee and the balance leased for 99 years. The property has a frontage of over 1,000 feet on the Chicago Lakes to Gulf Deep Water Way.

The plant consists of 53 modern coke ovens; each oven is 35 feet long, 9 feet 10 inches high, and has a capacity of 13½ tons of coal every 18 hours. The plant has a daily coal capacity of 1,000 tons producing over 5,000,000 cu. ft. of gas and 650 tons of coke. The ovens are charged and drawn by electrically operated machines. Electric coal and coke handling machinery and traveling bridge facilitate operations and in connection with the business 3½ miles of railroad track and two locomotives are required. The power house contains engines and generators of 750 kilowatt capacity, furnishing electric energy for the operation.

The Company is at the present time operating under contract the 5-11 ft. water gas sets (capacity 17,500,000 cu. ft.) owned by the Western United Gas & Electric Co. located on land leased from this Company adjacent to its own plant.

The Company sells its entire output of gas to the Western United Gas & Electric Co. for distribution by the latter company, and the coke is marketed by the latter company.

Management—Samuel Insull and Associates, Edison Bldg., 72 West Adams St., Chicago, Ill.

CAPITAL STOCK

Authorized and outstanding, $700,000; par, $100. All owned by Western United Gas and Electric Co. Annual meeting, fourth Wednesday in March.

Dividends paid for each year ended Jan. 31, a follows: 1916, 5%; 1917 to 1920, inclusive, 6% each 1921, 3%; 1923, 10%. A stock dividend of $100,00 was paid in 1921. In May, 1925, a special dividend c $250,000 was paid. In Dec., 1926, paid $55 per share June 30, 1927, $30 per share; Dec. 31, 1927, $30 pe share.

FUNDED DEBT

$1,500,000 6% GOLD DEBENTURES; DUE JUNE 1, 1930

Dated June 1, 1925.

Interest Payable June and December 1, at Firs Trust & Savings Bank, Chicago.

Trustee—First Trust & Savings Bank, Chicago.

Callability—Subject to call as a whole or in part o 30 days' notice on any interest date at $100.50.

Security—Debentures are a direct obligation c Company, and are a lien on the gross proceeds, resul ing from a contract between Company and Wester United Gas and Electric Co. Contract provide among other things, that Western United Gas an Electric Co. will purchase, and Coal Products Manu facturing Company will sell, gas or other products of value at least as great as the maximum amount r quired to pay principal and interest on these debe tures. In case of default Trustee is empowered to co lect direct from Western United Gas and Electric C sufficient funds to pay interest and maturing principa

Guaranty—Guaranteed principal and interest, b endorsement by Western United Gas and Electric C

Tax Provision—Company pays Normal Federal I come Tax up to 2%.

Ownership—The above described debenture owned by the Western United Gas and Electric Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	192
Operating revenue	$1,448,323	$1,382,015	$1,406,829	$1,141,876	$975,783	$827,9
Operating expenses	1,009,727	1,009,659	931,902	984,419	1,007,333	1,038,1
Net operating earnings	$438,596	$372,356	$474,927	$157,457	*$31,550	*$210,1
Non-operating revenue	256,920	220,490	251,350	217,481	203,772	296,5
Total earnings	$694,616	$592,846	$726,277	$374,938	$172,222	$86,3
Deduct:						
Interest on funded debt	$90,000	$90,000	$81,004	$74,979	$82,599	$90,1
Other interest	.....	.....	288	210	981	2,7
Retirement accruals	60,000	60,000	57,000	24,000	24,000	24,0
Amortization of debt discount & expense	9,666	9,666	7,811	5,896	3,600	7,0
Surplus earned	$534,950	$433,180	$580,174	$269,853	$61,042	*$37,57

*Deficit.

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	Jan. 31, 1926
Plant, property & equip.	$3,214,223	$3,194,590	$3,163,012
Cash	5,323	6,363	34,039
Accts. & notes receivable	143,298	133,414	5,286
Materials and supplies	260,965	313,460	308,032
Special deposit	15	15	.....
Advances to affiliated cos.	1,416,393	1,335,637	1,383,507
Prepaid accounts	1,998	444	7,796
Unamort. debt disc. & exp.	23,361	33,027	41,888
Suspense	.....	945	.....
Total	$5,065,576	$5,017,895	$4,943,559

Liabilities—	Dec. 31, 1927	Dec. 31, 1926	Jan. 3 1926
Capital stock	$700,000	$700,000	$700,0
Funded debt	1,500,000	1,500,000	1,500,0
Accrued int. and taxes	19,913	86,862	96,2
Notes & accts. payable	23,146	77,432	25,2
Advances from affil. cos.	.....	.....	30,8
Sundry credits	.....	.....	2,3
Reserve for depreciation	542,112	505,218	452,1
Other reserves	57,887	51,250	41,8
Surplus	2,222,568	2,097,133	2,094,8
Total	$5,065,576	$5,017,895	$4,943,5

Officers: Ira C. Copley, Pres.; B. P. Alschuler, V-P.; John F. Egolf, Oper. V-P.; C. H. Bliss, Sec.; Roy N. Dreiman, Treas.

Directors: B. P. Alschuler, Ira C. Copley, R. Putnam.

Business Office, Auroro, Ill., **Chicago Office,** Edis Bldg., 72 West Adams St.

AURORA, ELGIN AND FOX RIVER ELECTRIC COMPANY

(Controlled by Western United Gas and Electric Co.)

History and Property—Incorporated Dec. 12, 1921; acquired, Jan. 1, 1924, the electric traction and electric light and power properties, formerly known as the Fox River Division of the Aurora, Elgin and Chicago Railroad Company. In Jan., 1926, the light department was consolidated with the Western United Gas and Electric Co. The Company furnishes street railway service in the cities of Aurora and Elgin a interurban electric railway service, beginning at A rora, extending north to North Aurora, Mooseheat Batavia, Geneva, St. Charles, Five Islands, Colema South Elgin, Elgin, Dundee and Carpentersvil Company also operates bus line service on both t East and West Fox River Roads between Auro

nd Elgin, acting as a feeder for the interurban nes, thus reaching the territory not in the interurban eld. Passengers carried in 1927—Railway, 11,571,133, us, 60,527, compared with railway 11,757,566, bus, 43,731 in 1926. Miles of city lines, 30; miles of interrban lines, 37.

CAPITAL STOCK

Authorized and issued, $2,500,000 Common and $1,-10,000 7% cumulative Pfd. All owned by Western nited Gas and Electric Co.

FUNDED DEBT

$1,600,000 (entire issue) First Mortgage Gold 7s, Series "A"; dated Oct. 1, 1924; due Oct. 1, 1949; interest April and Oct. 1, at First Trust & Savings Bank, Chicago, Trustee. Roy C. Osgood, Chicago, Co-Trustee. Entire issue owned by Western United Gas and Electric Co., and pledged as collateral security under Indenture for the issuance of the First Mortgage Gold Bonds of Western United Gas & Electric Co.; said Indenture dated Dec. 1, 1925. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
perating revenue	$927,468	$967,418	$955,870	$911,770
perating expenses	759,409	773,787	780,777	777,418
Net earnings from oper.	$168,059	$193,631	$175,093	$134,352
on-operating revenue	7,837	7,205	15,147	20,494
Total earnings	$175,896	$200,836	$190,240	$154,846
Deduct:				
terest on funded debt	$112,000	$112,941	$112,866	$61,491
her interest	11,077	7,772	7,499	3,372
tirement reserves	60,000	60,000	58,046	36,550
iscellaneous	.....	.....	1,856	.....
nort. of disc. and expense	3,830	3,830	3,063	.....
Surplus earned	*$11,011	$16,293	$6,910	$53,434
*Deficit.				

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	Jan. 31, 1926
nt and property	$5,866,461	$5,747,719	$6,020,617
sh	78,489	43,866	74,548
counts receivable	20,235	29,137	5,266
terial and supplies	50,156	47,291	61,987
epayments	2,409	2,565	2,114
vances to affiliated cos.	.....	.....	208,714
amort. debt disc. & exp.	83,301	87,131	90,641
scellaneous suspense	475	.....	889
Total	$6,101,526	$5,957,709	$6,464,775

Liabilities—	Dec. 31, 1927	Dec. 31, 1926	Jan. 31, 1926
Common stock	$2,500,000	$2,500,000	$2,500,000
Preferred stock	1,310,000	1,310,000	1,310,000
Funded debt	1,600,000	1,600,000	1,800,000
Accounts payable	24,526	31,092	35,468
Paving assessments	92,302	111,712	121,193
Other current liabilities	9,460	9,350	11,426
Taxes accrued	22,214	45,205	51,129
Interest accrued	29,156	30,274	43,599
Advances from affiliated cos.	194,764	25,550	20,933
Miscel. suspense	6,186	.....	10,106
Reserve for depreciation	68,709	114,851	60,343
Other reserves	68,044	64,592	50,838
Surplus	176,165	115,083	449,740
Total	$6,101,526	$5,957,709	$6,464,775

Officers: Ira C. Copley, Pres.; B. P. Alschuler, V-P. Gen. Counsel; John F. Egolf, Operating V-P.; arles H. Bliss, Sec.; Roy N. Dreiman, Treas.

Directors: B. P. Alschuler, Ira C. Copley, R. C. Putnam.

Business Office, Aurora, Ill. **Chicago Office,** Edison Bldg., 72 West Adams St.

BLACK WOLF COAL AND COKE COMPANY

(Controlled by Western United Corporation)

History—Incorporated in October, 1906, under the s of West Virginia. Owns leasehold in Mc-vell County, W. Va. on 800 acres of coal. Mines a in each of two veins. Independent engineers e estimated that there are 3,500,000 tons of Poca-tas coal available. Mine has not been in operation ing the past year.

CAPITAL STOCK

Authorized and issued, $150,000 Common and $75,-Pfd.

FUNDED DEBT

None.

Officers: Ira C. Copley, Pres.; B. P. Alschuler, V-P. & Gen. Counsel; Charles H. Bliss, Sec.; Roy N. Dreiman, Treas.

Directors: B. P. Alschuler, Ira C. Copley, R. C Putnam.

Business Office, Aurora, Ill. **Chicago Office,** Edison Bldg., 72 West Adams St.

MID EGYPT GAS AND OIL COMPANY

(Controlled by Western United Corporation)

History—Organized in April, 1918. Owns and op-tes gas and oil wells in Jackson County, Illi-s. The output of the gas wells is sold to the South-District (formerly Southern Illinois Gas Co.) of Western United Gas and Electric Co., an affiliated ipany. The oil is at present sold to the Coal Prod-s Manufacturing Co., an affiliated company.

CAPITAL STOCK

ssued and outstanding, $5,000; par, $100. All ned by Western United Corp.

FUNDED DEBT

None.

Officers: Ira C. Copley, Pres.; B. P. Alschuler, V-P. & Gen. Counsel; Charles H. Bliss, Sec.; Roy N. Dreiman, Treas.

Directors: B. P. Alschuler, Ira C. Copley, R. C. Putnam.

Business Office, Aurora, Ill. **Chicago Office,** Edison Bldg., 72 West Adams St.

MID EGYPT PIPE LINE COMPANY

(Controlled by Western United Corporation)

History—Organized in January, 1923. Owns and rates an oil pipe line from the natural gas and oil fields of Mid Egypt Gas and Oil Company to Ava, Jackson County, Ill.

CAPITAL STOCK

Issued and outstanding, $5,000,000; par, $100. All owned by Western United Corporation.

FUNDED DEBT

None.

Officers: I. C. Copley, Pres.; B. P. Alschuler, V-P & Gen. Counsel; Charles H. Bliss, Sec.; Roy N. Drei man, Treas.

Directors: I. C. Copley, B. P. Alschuler, R. C. Put nam.

Business Office, Aurora, Ill. **Chicago Office,** Edison Bldg., 72 West Adams St.

PIER PROCESS CORPORATION

(Controlled by Western United Corporation)

History—Incorporated in Nov., 1924, to acquire patent rights on and to develop and license the use of the "Pier Process" of water gas manufacture. The Company licenses the use of its patents.

CAPITAL STOCK

Authorized and issued, $5,000; par $100. Western United Corporation owns $3,000; minority stockholders, $2,000.

FUNDED DEBT

None.

Officers: I. C. Copley, Pres.; B. P. Alschuler, V-P & Gen. Counsel; Charles H. Bliss, Sec.; Roy N. Drei man, Treas.; E. E. Lungren, Mgr.; W. J. Murdoch Engr.

Directors: I. C. Copley, B. P. Alschuler, R. C. Put nam, E. E. Lungren, W. J. Murdock.

Business Office, Aurora, Ill. **Chicago Office,** Edison Bldg., 72 West Adams. St.

NORTH BOSTON LIGHTING PROPERTIES

History—A voluntary association formed under Mass. laws, created by trust agreement dated Feb. 6, 1911, for purpose of acquiring stocks, shares, bonds, notes, obligations and securities of electric companies of any kind, gas companies and corporations or associations that may be engaged in whole or in part in manufacturing and supplying gas and electricity, or either of them, whether for heat, light, power or other purposes, or of corporations or associations engaged in business of similar character.

Owns a majority of the stocks of the following companies: Malden & Melrose Gas Light Co., Malden Electric Co., Suburban Gas & Electric Co., Salem Electric Lighting Co., Eastern Massachusetts Electric Co., Salem Gas Light Co. and Beverly Gas & Electric Co. (see statements appended). The said companies serve Malden, Melrose, Medford, Everett, Stoneham, Revere, Winthrop, Reading, Wenham, Topsfield, Danvers, Beverly, Hamilton, Peabody and Salem, Mass. Total population of cities served, 330,100.

Management—The controlled properties are under the executive management of Charles H. Tenney & Company, 200 Devonshire St., Boston, Mass.

HOLDINGS IN CONTROLLED COMPANIES, DECEMBER 31, 1927

Company	Total Shares	Held by North Boston Lighting Properties No. of Shares	%
Beverly Gas & Electric Co.	44,000	27,893	63.39
Eastern Massachusetts Electric Co.	18,050	18,050	100.00
Malden Electric Co.	105,732	95,134	89.98
Malden & Melrose Gas Light Co.	169,991	162,979	95.88
Salem Electric Lighting Co.	51,661	51,271	99.25
Salem Gas Light Co.	45,353	40,043	88.29
Suburban Gas & Electric Co.	62,585	59,973	95.83

HOLDINGS IN OTHER THAN UNDERLYING COMPANIES

	Shares Held
Haverhill Electric Co.	25,670
The Edison Electric Illuminating Co. of Boston	600
Lawrence Gas & Electric Co.	990

COMBINED OPERATING STATISTICS, DECEMBER 31

	Number of Customers	Gas Sales (cu. ft.)	Electricity Sales (k.w.h.)	Gross Earnings
*1919	74,427	1,049,554,103	50,709,214	$2,807,646
*1920	78,346	1,412,473,316	85,911,971	3,274,447
*1921	83,405	1,449,903,870	100,777,797	4,078,787
1922	91,636	1,555,527,088	122,875,198	4,420,424
1923	109,492	1,842,685,000	143,994,873	5,381,892
1924	122,308	1,821,555,828	162,590,321	5,617,902
1925	133,951	1,887,194,916	183,465,528	6,103,851
‡1926	137,578	2,028,307,000	199,576,428	6,767,168
1927	†159,978	2,513,184,000	234,734,309	7,801,260

*June 30. †Gas, 81,436; electric, 78,542. ‡Does not include Salem Gas Light Co. figures, control of which was acquired after Dec. 31, 1926.

SHARE CAPITAL

Authorized and outstanding, 373,224⅛ shares Com mon of no par value and 228,080¼ shares 6% cumula tive Pfd. of $50 par value. The amounts outstandin include scrip of the equivalent of 2⅛ shares Commo and 2¼ shares Pfd. The Common stock was in creased from 78,378-1/16 shares to 126,482-1/16 share on Feb. 2, 1926, and to 186,612-1/16 shares Jan. 2 1927. On Oct. 19, 1927, the Common stock was agai increased to 373,224⅛ shares through the issuance two new shares for each Common share held. Th par value of the Pfd. stock was changed from $100 $50 on Oct. 19, 1927, and two new shares were issue in exchange for each old share of $100 par.

Capital Stock Changes—Subscription Privileges—Stockholders at special meeting Jan. 25, 1927 vote to issue 60,130 additional shares of Common stoc and to apply the proceeds toward the retirement the $1,500,000 Three-Year 4½% Gold notes, due Fe 1, 1929, to purchase additional shares of stock of th following underlying companies: 8,571 shares Malden Electric Co. at $55 per share; 16,298 shar of Malden & Melrose Gas Light Co. at $25 per shar and 11,944 shares of Suburban Gas & Electric Co. $37½ per share; and for other corporate purpose All stockholders of record Jan. 25, 1927 ha the right until Feb. 19, 1927 to subscribe to these 60 130 shares at $90 a share on the basis of one new sha for each four shares held, whether Com. or Pfd. Pa ments were to be made in full on March 1, 1927, in three payments of $30 each on March 1, June and Sept. 1, 1927.

All Preferred and Common stockholders of recor Feb. 2, 1926, received the right to subscribe to 48,14 additional shares Common stock at $80 per share the basis of one new share for each four shares he Subscriptions were payable in four instalments $20 each, due Apr. 20, July 20, Oct. 20, 1926, a Jan. 20, 1927. The new stock provided for subscr tions by Company for 20,345 shares of Salem Electr Lighting Co., and 6,973 shares of Beverly Gas Electric Co., and also provided in part for paying loans made for purposes of retiring $705,000 of 5½ notes which matured and were paid Jan. 15, 1926.

Share Trust Agreement—In 1927 a Share Trus Agreement was formed dating from March 15, 19 until March 15, 1932 or March 15, 1937, unless soon terminated, as provided in the Agreement. Unde this Agreement the Trustees, Albert B. Tenney, E ward M. Bradley, D. Willard Leavitt, Samuel York, and Bernon E. Helme are authorized to s not less than all of the deposited Pfd. shares at n less than $67.50 per share and to sell not less th all of the deposited Common shares at not less th

$137.50 per share. The American Trust Company was appointed agent for the Trustees, and authorized by them to issue and deliver Trust Certificates in exchange for the deposited Share Certificates.

Transfer Agent—E. A. Bradley, Treas., 200 Devonshire St., Boston.

Registrar—American Trust Co., Boston.

Annual Meeting—Fourth Wednesday in January.

Dividends—Dividends on Pfd. shares of $100 par value regularly paid at rate of $6 per share per annum to October 15, 1927, inclusive; Jan. 16, 1928, initial quarterly dividend of 75 cents a share on $50 par value shares; payments, quarterly, J, A, J & O 15. Dividends on Common shares as follows: 1917, $1 per share; 1918, 1919, 1920 and 1921, none; 1922 and 1923 $2 per share each; 1924, $3.50 per share; 1925, $4.13 per share; 1926, $4.50 per share; 1927 $5.00 per share, including 50 cents extra paid July 15, 1927; Jan. 16, 1928, 56 cents a share on increased stock; April 16, 1928, 56 cents; payments quarterly, J, A, J & O 15.

FUNDED DEBT

None.

Notes Called—All of the Three-Year 4½% Gold Notes, due Feb. 1, 1929, were called for payment Aug. 1, 1927, at par and interest at American Trust Co., Boston, Mass., Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(North Boston Lighting Properties)

	1927	1926	1925	1924	1923	1922
Dividends from stock owned	$1,498,592	$1,264,085	$1,033,725	$885,209	$759,156	$673,022
Interest revenues, etc.	174,137	6,691	16,979	3,491	2,249	2,734
Total income	$1,672,729	$1,270,776	$1,050,704	$888,700	$761,405	$675,756
Expenses and taxes	31,443	24,520	23,731	21,028	19,168	†56,803
Balance	$1,641,286	$1,246,256	$1,026,973	$867,672	$742,237	$618,953
Interest, etc.	53,316	94,902	57,273	63,889	98,192	†
Net income	$1,587,970	$1,151,354	$969,700	$803,783	$644,045	$618,953
Pfd. dividends	684,234	684,234	683,352	661,980	567,525	481,350
Common dividends	819,828	439,370	279,655	106,320	60,754	60,752
Balance to reserves	$83,908	$27,750	$6,693	$35,483	$15,766	$76,851
Times Interest, Etc., Earned	30.78	13.13	17 93	13.58	7.56	†
Earnings Per Share—						
Preferred	*$6.96	$10.09	$8.50	$7.07	$6.11	$6.68
Common	2.42	3.85	3.65	2.90	2.52	4.53

*On stock of $50 par value. †Interest, etc., included in "Expenses and Taxes."

RESERVE FOR SHAREHOLDERS, DECEMBER 31, 1927

Reserve for Pfd. shares, Jan. 1, 1927, $11,404,012. Reserve for Common shareholders: Balance, Jan. 1, 1927, $7,874,185; net income for year, $1,587,970; proceeds from sale of 60,130 shares at $90, $5,411,700—total, $14,873,854. Deduct: Preferred dividends paid, $684,234; Common dividends, $819,828; adjustments, $330,673—total, $1,834,735. Reserve at Dec. 31, 1927, $13,039,119.

GENERAL BALANCE SHEET, DECEMBER 31

(North Boston Lighting Properties)

Assets—	1927	1926	1925	1924	1923	1922
Stock owned	$24,186,263	$20,476,850	$16,687,347	$13,981,027	$12,892,527	$10,032,550
Investments—U. S. bonds	.....	.....	.....	.....	5,000	5,000
Subscriptions to underlying stocks	.....	1,326,755	1,268,530	254,925	.....	.....
Cash	256,869	120,969	155,794	389,911	140,139	42,247
Subscriptions to Preferred shares	.....	.....	.....	7,766	661,743	248,251
Subscriptions to Common shares	.....	106,220	.....	1,440,969	.....	.....
Interest receivable	.....	.....	.....	.....	27	239
Prepayments—interest and taxes	.....	.....	13,733	4,145	4,302	6,834
Sundry suspense	.....	27,283	1,420	21,324	19,000	.....
Total	$24,443,132	$22,058,077	$18,126,824	$16,100,067	$13,722,737	$10,335,121
Liabilities—						
Bond notes	.....	$1,500,000	$705,000	$905,000	$1,333,000	.....
Notes payable	.....	.....	850,000	.....	125,000	$275,000
Accounts payable—vouchers and accounts	.....	.....	2,348	2,629	300	11,747
Accruals—interest	.....	28,125	17,772	22,814	33,603	.....
Subscriptions to underlying stocks	.....	1,251,755	1,268,530	254,925	.....	.....
Reserve for shareholders	*$24,443,132	19,278,197	15.283,174	14,914,699	12,230,834	10,048,374
Total	$24,443,132	$22,058,077	$18,126,824	$16,100,067	$13,722,737	$10,335,121

*Includes $11,404,012 for 228,080¼ shares Pfd. stock and $13,039,119 for 373,224⅛ shares Common stock.

COMBINED INCOME ACCOUNT, OPERATING COMPANIES, YEARS ENDED DECEMBER 31

(Inter-company Items Eliminated)

	1927	1926	1925	1924	1923	1922
Operating revenues	$7,801,260	$6,767,168	$6,103,851	$5,617,902	$5,381,892	$4,420,424
Expenses—						
Operation	$3,604,980	$2,908,949	$2,676,099	$2,600,351	$2,704,348	
Maintenance	677,298	473,826	501,131	480,344	461,859	
Depreciation	683,248	672,429	555,639	454,020	428,454	$3,355,114
Taxes	948,630	883,516	800,919	644.018	571,818	
Total	$5,914,156	$4,938,720	$4,532,888	$4,178,733	$4,166,479	$3,355,114
Operating income	$1,887,104	1,828,448	1,570.963	1,439,169	1,215,413	1,065,310
Other income	75,375	61,567	61,647	30,917	36,454	26,555
Total income	$1,962,479	$1,890,015	$1,632,610	$1,470,086	$1,251,867	$1,091,865
Interest, etc.	135,227	162,851	193.768	210,636	187,969	219,492
Net income	$1,827,252	$1,727,164	$1,438.842	$1,259,450	$1,063,898	$872,373
Times Interest, Etc., Earned	14.51	11.61	8.42	6.98	6.66	4.98

Officers: Charles H. Tenney, Pres., Springfield, Mass.; Albert B. Tenney, First V-P. & Asst. Sec., Lexington, Mass.; D. Edgar Manson, 2nd V-P., Brookline, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; Rockwell C. Tenney, Asst. Treas., Lexington, Mass.; Hazel E. Hagar, Sec., Cambridge, Mass.; Isaac S. Hall, Compt., West Medford, Mass.

Trustees: Charles H. Tenney, Edward A. McClintock, Springfield, Mass.; Allen Hollis, Concord, N. H. D. Willard Leavitt, Parsonsfield, Me.; Samuel A York, Edward M. Bradley, New Haven, Conn.; Bernor E. Helme, Kingston, R. I.; I. Peace Hazard, Peace Dale, R. I.; Charles B. Price, Swampscott, Mass.

Office, 200 Devonshire St., Boston, Mass.

BEVERLY GAS AND ELECTRIC COMPANY

(Controlled by North Boston Lighting Properties)

History and Properties—Incorporated June 15, 1859, in Mass. Absorbed the Danvers Gas Light Co. in Oct., 1911. Supplies gas in Beverly and Danvers and electricity in Beverly, Hamilton, Wenham and Topsfield. Population served (1925 census), 38,561. Capacity of gas works, 875,000 cu. ft.; miles of mains, 90.63. Capacity of electric station, 1,875 k.v.a.; peak load, 2,660 k.w.; miles of overhead wire, 713.28.

OPERATING STATISTICS, DECEMBER 31

	No. of Gas Customers	Gas Sales (Cu. ft.)	No. of Electric Customers	Electricity Sales (k.w.h.)
1922	.....	150,643,700	.....	4,200,968
1923	.....	163,556,000	.....	4,541,710
1924	.....	160,043,000	.....	4,808,160
1925	.....	167,515,000	.....	6,001,708
1926	8,052	178,709,000	8,052	6,259,919
1927	8,268	181,176,000	8,470	6,429,267

Rates—Gas: $1.50 net, for all purposes; 90 cts. net for house heating under guarantee for certain annual use of gas. Electricity: General, 11 cents per k.w.h. for first 3 k.w.h. per room; 9 cents per k.w.h. for next 5 k.w.h. per room, and 4 cents per k.w.h. over 8 k.w.h per room.

Management—Company is under the executive management of Charles H. Tenney & Co., Boston Mass.

CAPITAL STOCK

Authorized and outstanding, $1,100,000 (increased from $825,000 in 1926); par, $25 (changed from $10(in 1923). North Boston Lighting Properties own 63.39% (27,893 shares) of the stock. Stock transferred at Company's office, 200 Devonshire St., Boston Registrar: The First National Bank of Boston., Boston. Annual meeting, fourth Wednesday in January

Dividends—Dividends have been paid as follows On stock of $100 par value, 1917, 1918 and 1919, $! per share per annum; 1920 and 1921, $13 each; 192 $17.75. On stock of $25 par value, 1923 to 1927, in clusive, $4.50 per share per annum; payments quarterly, no fixed date.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings (including other income)	$765,387	$732,673	$682,580	*$652,361	$650,197	$623,57
Operating expenses, maintenance & taxes	537,250	501,906	469,017	436,866	473,499	478,27
Depreciation	16,752	29,985	29,410	37,777		
Net earnings	$211,385	$200,782	$184,153	$177,719	$176,697	$145,3(
Interest, etc.	10,969	12,861	27,438	13,115	2,624	61
Net income	$200,416	$187,921	$156,715	$164,604	$174,073	$144,6(
Dividends	198,000	183,343	148,500	148,500	148,500	146,4
Surplus for year	$2,416	$4,578	$8,215	‡$16,104	$25,573	§$1,7
Earnings Per Share	†$4.55	†$4.27	†$4.75	†$4.99	†$5.27	†$17.(

*Includes $7,636 other income. †Par $25 in 1923, 1924, 1925 and 1926, and par $100 in 1922. ‡After deducting profit a loss adjustment, $2,302 in 1924. §Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant and equipment	$2,407,345	$2,272,492	$2,143,184	$1,960,535	$1,644,119	$1,511,5
Investments	110,250	110,250	105,500	25,500	48,900	34,4(
Materials & supplies	90,442	82,219	100,770	89,513	62,801	44,6
Cash	121,484	108,939	206,122	286,453	162,308	138,3
Accts., etc., receivable	110,714	119,934				
Prepaid accts.	8,903	6,903				
Total	$2,849,138	$2,700,738	$2,555,577	$2,362,005	$1,928,128	$1,728,9(
Liabilities—						
Capital stock	$1,100,000	$1,100,000	$825,000	$825,000	$825,000	$825,0(
Premium account	788,375	788,375	403,375	403,375	403,375	403,3
Deposits	7,347	8,924	9,090	8,327	1,018,136	7,1
Depreciation fund	129,611	135,006	137,660	132,584	108,136	71,1
Notes payable	355,000	205,000	715,000	530,000	155,000	
Accounts payable	43,854	36,572	75,837	81,319	61,171	44,6
Accruals	28,344	32,669				30,9
Dividends declared						346,6
Profit and loss	396,607	394,191	389,614	381,398	367,596	
Total	$2,849,138	$2,700,738	$2,555,577	$2,362,005	$1,928,128	$1,728,9

Officers: Charles H. Tenney, Chrm. of Board; Springfield, Mass.; D. Edgar Manson, Pres., Brookline, Mass.; Rockwell C. Tenney, 1st V-P.; Albert B. Tenney, 2nd V-P.; Lexington, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; Charles B. Hodgson, Asst. Treas., Beverly, Mass.; Hazel E. Hagar, Clerk, Cambridge, Mass.; Edward F. Kord, Aud., Arlington, Mass.; John L. Tudbury, Gen. Mgr., Salem, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; D. Edgar Manson, Brookline, Mass.; Albert B. Tenney, Rockwell C. Tenney, Lexington, Mass.; Edwa M. Bradley, New Haven, Conn.; D. Willard Leavi Parsonsfield, Maine; Samuel A. York, New Have Conn.; I. Peace Hazard, Peace Dale, R. I.; Berno E. Helme, Kingston, R. I.; John West, Boston, Mass Charles B. Price, Swampscott, Mass.

Local Office, Beverly, Mass. **Executive Office,** 2 Devonshire St., Boston, Mass.

EASTERN MASSACHUSETTS ELECTRIC COMPANY

(Controlled by North Boston Lighting Properties)

History and Properties—Incorporated August 30, 1915, in the state of Massachusetts for purpose of purchasing, transmitting and selling electric current. Company has a transmission line from Salem to Revere via Melrose, Malden and Everett, with branch overhead line to West Peabody and Da vers. The main line consists of two circuits of unde ground cables from the plant of the Salem Electr

Lighting Co. in Salem to the Company's terminal house on Highland Avenue, Salem; a 23,000 volt two circuit overhead transmission line (length 9½ miles) on steel towers from this point through Peabody, Lynn, Lynnfield, Wakefield, Saugus and Melrose to the Company's terminal house near corner of Damon and Heywood Avenues in Melrose; two circuits of underground cables from this point through Melrose to power house of Malden Electric Co. in Malden; three circuits of underground cables from Malden Electric Co. at Malden through Malden, Everett and Revere to the plant of the Suburban Gas & Electric Co. at Revere. One circuit of underground and submarine cable, 13,200 volts, and 2 circuits underground and submarine cable, 23,000 volts, from this point to connect with Boston Edison Co. in Chelsea. Two circuits underground and submarine cable, 23,000 volts, from plant of Salem Electric Lighting Co. in Salem to plant of Beverly Gas & Electric Co. in Beverly. Serves Malden Electric Co., Surburban Gas & Electric Co., Beverly Gas & Electric Co., City of Peabody and Town of Danvers.

Transmission lines: Overhead, 15.72 miles; underground, 26.883 miles; submarine, 0.676 mile—total, 43.279 miles.

Sales of electricity in 1927, 69,389,140 k.w.h., compared with 61,440,036 k.w.h. in 1926.

Management—Company is under the executive management of Charles H. Tenney & Co., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding, $451,250 (increased from $150,000 to $250,000 in 1923, and to present amount in 1926); par, $25 (changed from $100 in Oct., 1923). North Boston Lighting Properties own all the outstanding stock. E. A. Bradley, Treas. of Company, acts as Transfer Agent. Registrar: American Trust Co., Boston. Annual meeting, fourth Wednesday in January.

Dividends—Dividends have been paid as follows: On stock of $100 par value—1917, $8.75; 1918, $8.50; 1919 to 1922, inclusive, $10 each; on stock of $25 par value—1923 to 1927, inclusive, $2.50 per share. Dividends payable quarterly, J, A, J & O.

FUNDED DEBT

$300,000 First Mtge. 6% Gold bonds, including $135,000 Series "A", dated Jan. 1, 1919; $75,000 Series "B" dated Jan. 1, 1924 and $90,000 Series "C" dated Jan. 1, 1927; all series, due July 1, 1933; int. Jan. and July 1, at American Trust Co., Boston, Trustee. Coupon (principal may be registered) or fully registered bonds, $500 and $1,000. Authorized and issued, $300,000. Bonds of Series "A" are subject to call in whole or in part at 110 and interest on any interest date on 60 days' notice. Bonds of Series "B" and Series "C" are subject to call at 105 and interest. A first lien on entire property now owned or hereafter acquired. Legal for Mass. savings banks. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Johnson, Clapp, Ives & Knight, Boston, Mass.

Original Offering—Series "C" bonds first publicly offered ($90,000) in January, 1927, at 105.86, by F. S. Moseley & Co., Boston, Mass.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ross earnings	$1,153,902	$995,689	$880,391	$818,266	$712,144	$585,512
per. exp., maint. & taxes	1,029,888	878,263	787,594	746,352)	665,024	542,387
epreciation	46,895	39,546	30,194	27,016)		
Net earnings	$77,119	$77,880	$62,603	$44,898	$47,120	$43,125
ther income	2,202	1,161	942	1,504	785	833
Total income	$79,321	$79,041	$63,545	$46,402	$47,905	$43,958
iterest charges, etc.	24,984	21,720	15,346	12,699	12,362	13,157
Net income	$54,337	$57,321	$48,199	$33,703	$35,543	$30,800
ividends	45,125	25,000	25,000	25,000	17,500	15,000
Surplus for year	$9,212	$32,321	$23,199	$8,703	$18,043	$15,800
mes Interest, Etc., Earned	3.17	3.64	4.14	3.65	3.88	3.34

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
ant and equipment	$1,338,877	$1,122,213	$787,573	$567,522	$556,045	$481,261
vestments	3,015	3,015	3,015	16,030	10,000	10,000
counts receivable	121,814	136,269	104,558	80,128	74,128	74,589
sh	24,436	43,286	3,521	76,872	24,651	13,457
terest receivable	.....	.....	.....	.....	88	88
epayments	3,390	1,973	2,941	513	871	1,790
aterials and supplies	60,830	54,038	44,952	22,201	17,539	14,877
king fund	2,190	1,867	1,533	1,214	906	589
spense	1,508	4,005	4,621	5,237	8,519	9,415
Total	$1,556,060	$1,366,666	$952,715	$769,717	$692,748	$606,070
Liabilities—						
pital stock	$451,250	$451,250	$250,000	$250,000	$250,000	$150,000
nded debt	300,000	210,000	210,000	210,000	135,000	135,000
counts payable	100,638	114,219	84,770	68,391	77,669	67,155
tes payable	250,000	190,000	110,000	.....	25,000	100,000
terest and taxes accrued	9,741	10,343	7,967	5,299	5,655	4,334
emium on capital stock	50,250	50,250	10,000	10,000	10,000	.....
serves	248,471	204,106	175,801	145,050	117,054	95,253
rplus	145,710	136,498	104,177	80,977	72,370	54,327
Total	$1,556,060	$1,366,666	$952,715	$769,717	$692,748	$606,070

Officers: Charles H. Tenney, Chrm. of Board, ringfield, Mass.; Albert B. Tenney, Pres., Lexing-n, Mass.; D. Edgar Manson, 1st V-P., Brookline, ass.; Elihu A. Bradley, Treas., Boston, Mass.; ugustus T. Throop, Mgr., Salem, Mass.; Rock-ll C. Tenney, Asst. Treas., Lexington, Mass.; Hazel Hagar, Clerk, Cambridge, Mass.; Edward F. Kord, d., Arlington, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; Albert B. Tenney, Lexington, Mass.; D. Edgar Manson, Brookline, Mass.; D. Willard Leavitt, Parsonsfield, Maine; Edward M. Bradley, Samuel A. York, New Haven, Conn.; Bernon E. Helme, Kingston, R. I.; I. Peace Hazard, Peace Dale, R. I.; Charles B. Price, Swampscott, Mass.

General Office, 200 Devonshire St., Boston, Mass. **Local Office**, Salem, Mass.

MALDEN & MELROSE GAS LIGHT COMPANY

(Controlled by North Boston Lighting Properties)

History and Properties—Incorporated Feb. 27, 1854, in Mass. On July 1, 1912, consolidated the Peoples Gas & Electric Co. of Stoneham. Franchise perpetual. Supplies Malden, Melrose, Medford, Everett, Stoneham and Reading. Population served, 179,430. Daily capacity of plant, 10,700,000 cu. ft.; storage holder capacity, 3,400,000 cu. ft.; maximum daily output in 1927, 6,272,000 cu. ft.

Rates—Lighting, fuel and power: 15 cents net per 100 cu. ft. for first 1,400 cu. ft., and 12½ cents for all over 1,400 cu. ft.; house heating: 9 cents per 100 cu. ft. under guarantee of certain minimum use per year; industrial, 15 cents per 100 cu. ft. for first 1,400 cu. ft. per month with sliding scale till all over 580,000 cu. ft. per month at 9 cents per 100 cu. ft.

OPERATING STATISTICS, DECEMBER 31

	Miles of Mains	Number of Customers	Gas Sales cu. ft.
1922	259.00	37,642	1,248,448,802
1923	279.00	38,306	1,354,343,843
1924	290.00	40,400	1,340,692,923
1925	304.34	42,223	1,395,650,923
1926	319.09	43,944	1,512,850,000
1927	338.17	46,103	1,639,575,000

Management—Company is under the executive management of Charles H. Tenney & Co., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding, $4,249,775; par, $25 (changed from $100 in Oct., 1923). The North Boston Lighting Properties own 95.88% (162,979 shares) of the stock. Transfer Office, 200 Devonshire St., Boston. Registrar: Old Colony Trust Co., Boston. Annual meeting, fourth Wednesday in January.

Dividends—Dividends at rate of 7% per annum were paid from 1907 to 1912, incl.; 1913, 1914, 1915, 1916 and 1917, 8%; 1918 to 1921, incl., 7%; 1922, 9%; 1923 to 1927, 8% each.

FUNDED DEBT

$725,000 THREE YEAR 4¾% GOLD NOTES; DUE FEBRUARY 1, 1930

Dated February 1, 1927.

Interest Payable February and August 1, at American Trust Co., Boston, Mass.

Denomination—Coupon, $1,000.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized and issued, $725,000. Issued to retire a similar amount of 5% notes maturing Feb. 15, 1927.

Callability—Not subject to call.

Security—There is no mortgage or other lien upon the Company's property and none can be created without equally securing these notes. The Company also agrees that during the life of these notes its total debt shall not at any time exceed the par value of its outstanding capital stock.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,947,005	$1,817,741	$1,723,639	$1,656,762	$1,698,985	$1,597,3
Operating expenses and taxes	1,333,538	1,167,359	1,139,217	1,126,383	1,379,119	1,304,6
Maintenance	154,090	135,772	138,672	149,739		
Depreciation	80,477	83,177	68,834	49,265		
Net earnings	$378,900	$431,433	$376,916	$331,375	$319,866	$292,7
Other income	10,741	10,951	11,594	4,551	5,643	6,4
Total income	$389,641	$442,384	$388,510	$335,926	$325,509	$299,1
Interest, etc.	60,505	63,932	59,090	68,032	64,896	79,5
Balance for dividends	$329,136	$378,452	$329,420	$267,894	$260,613	$219,6
Dividends paid	331,462	305,984	276,985	218,560	218,426	198,8
Surplus for year	*$2,326	$72,468	$52,435	$49,334	$42,187	$20,8
Times Interest, Etc., Earned	6.43	6.92	6.57	4.94	5.02	3
Earnings Per Share	†$1.94	†$2.47	†$2.34	†$2.45	†$2.38	$10.

*Deficit. †Par $25.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant and equipment	$6,246,702	$5,697,228	$5,341,382	$5,026,611	$4,376,580	$3,859,9
Other investments	331,352	222,826	226,777	173,852	145,934	78,2
Cash	197,485	134,983	211,864	162,663	149,960	204,1
Materials and supplies	313,346	276,078	224,489	173,077	221,728	185,4
Current accounts	219,129	195,455	203,981	138,068	182,367	187,1
Other assets	28,084	16,400	19,584	31,220	20,104	14,7
Subscriptions to capital stock	.....	419,575	.....	.....	.....	....
Total	$7,336,098	$6,962,546	$6,228,077	$5,705,491	$5,096,673	$4,530,
Liabilities—						
Capital stock	$4,249,775	$3,824,800	$3,824,800	$2,732,000	$2,732,000	$2,725,9
Capital stock, premium	450,238	450,237	450,237	450,237	450,237	450,2
Capital stock subscribed	.....	424,975	.....	.....	.....	....
Coupon notes	725,000	725,000	725,000	725,000	725,000	725,0
Notes payable	850,000	555,000	415,000	1,140,000	535,000	155,0
Other current liabilities	155,248	128,901	117,351	108,159	175,147	111,3
Accrued liabilities	86,182	90,551	73,140	56,906	59,328	54,2
Reserves	444,931	388,981	320,917	249,154	224,510	151,2
Profit and loss	374,724	374,100	301,632	244,035	195,451	156,3
Total	$7,336,098	$6,962,546	$6,228,077	$5,705,491	$5,096,673	$4,530,

Officers: Charles H. Tenney, Chrm. of Board, Springfield, Mass.; Albert B. Tenney, Pres., Lexington, Mass.; D. Edgar Manson, 1st V-P., Brookline, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; Rockwell C. Tenney, Asst. Treas., Lexington, Mass.; Hazel E. Hagar, Clerk, Cambridge, Mass.; Perley M. Scott, Aud., Wollaston, Mass.; Joshua T. Day, Mgr., Malden, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; Albert B. Tenney, Lexington, Mass.; D. Edgar Manson, Brookline, Mass.; D. Willard Leavitt, Parsonfield, Maine.; Samuel A. York, Edward M. Bradley, New Haven, Conn.; Bernon E. Helme, Kingston, R. I.; I. Peace Hazard, Peace Dale, R. I.; Charles Price, Swampscott, Mass.

Local Office, Malden, Mass. **Executive Office,** Devonshire St., Boston, Mass.

MALDEN ELECTRIC COMPANY

(Controlled by North Boston Lighting Properties)

History and Properties—Incorporated March 12, 1888, in Mass., to supply electric light, heat and power. Franchise perpetual. Supplies Malden, Melrose, Medford and Everett. Population served, 161,653. Peak load, 15,800 k.w. Generating capacity, 3,000 k.v.a. Purchased current available through Eastern Massachusetts Electric Co. high tension line at 23,000 volts. Miles of overhead wire, 2,043.63. No. of luminous arcs, 393.

Rates—Household: First 3½ k.w.h. per room per month at 10.5 cents net per k.w.h.; next 5 k.w.h. per room per month, 8 cents net; over 8½ k.w.h. per room per month, 4 cents net per k.w.h.; minimum charge 50 cents per month. General lighting: First 15 k.w.h. per month at 10 cents net per k.w.h.; all over 15 k.w.h. per month at 8 cents net.

Management—Company is under the executive management of Charles H. Tenney & Co., 200 Devonshire St., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding $2,643,300 (authorized amount increased from $1,602,000 to $2,403,000 Nov. 17, 1924 and to present amount in 1926); par, $25 (changed from $100 in October, 1923). The North Boston Lighting Properties own 89.98% (95,134 shares) of the stock. Treasurer of company acts as Transfer Agent. Registrar: Old Colony Trust Co., Boston. Annual meeting, fourth Wednesday in January.

Dividends—Dividends paid as follows: 10% each in 1910 and 1911; 15% in 1912; 12% each in 1913, 1914, 1915, 1916 and 1917; 14% in 1918; 12% in 1919, 1920 and 1921; 14% in 1922; 12% in 1923; 16% in 1924, 1925 1926 and 1927; payments quarterly, J, A, J & O.

FUNDED DEBT

None.

OPERATING STATISTICS, DECEMBER 31

	Number of Customers	Electricity Sales (k.w.h.)
1922	25,270	22,341,726
1923	29,966	25,712,084
1924	34,670	27,235,627
1925	39,011	32,893,116
1926	42,766	37,035,683
1927	46,067	42,445,029

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,553,561	$2,259,675	$1,987,267	$1,716,566	$1,546,360	$1,404,501
Operating expenses and taxes	1,729,494	1,440,921	1,300,879	1,148,285	1,133,789	1,018,310
Net earnings	$824,067	$818,754	$686,388	$568,281	$412,571	$386,191
Other income	15,455	12,884	14,048	9,057	8,573	11,812
Total income	$839,522	$831,638	$700,436	$577,338	$421,144	$398,003
Interest charges	$19,249	$30,352	$14,622	$53,792	$51,282	$53,175
Depreciation	252,305	267,502	206,001	161,917	115,406	83,622
Total charges	$271,554	$297,854	$220,623	$215,709	$166,688	$136,797
Balance for dividends	567,968	533,783	479,813	361,629	254,456	261,206
Dividends paid	413,250	384,480	375,940	256,320	192,240	206,265
Surplus for year	$154,718	$149,303	$103,873	$105,309	$62,216	$54,941
Times Interest Earned	30.50	18.58	33.81	5.01	5.96	5.91
Earnings Per Share	$5.37	$5.55	$4.99	$4.11	$3.97	$16.30

*After depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$6,222,043	$5,397,957	$4,737,731	$4,070,333	$3,641,516	$3,357,642
Investments	298,500	200,667	190,000	75,000	105,861	.....
Materials and supplies	216,937	196,664	191,127	172,949	155,734	109,765
Cash on hand	326,416	234,758	159,444	427,612	166,257	200,168
Current assets	355,109	280,145	279,275	310,685	243,143	235,566
Other assets	20,567	13,644	16,109	10,994	15,491	18,154
Subscriptions to capital stock	.....	517,440	.....	305,738	.....	.....
Total	$7,439,572	$6,841,274	$5,573,685	$5,373,312	$4,328,002	$3,921,295
Liabilities—						
Capital stock	$2,643,300	$2,403,000	$2,403,000	$2,199,175	$1,602,000	$1,602,000
Capital stock premium	1,211,210	922,850	922,850	820,938	522,350	522,350
Capital stock subscribed	.....	240,300	.....	203,825	.....	.....
Premium on capital stock subscribed	.....	288,360	.....	101,913	.....	.....
Coupon notes	.....	.....	.....	.....	600,000	600,000
Notes payable	1,003,000	830,000	500,000	575,000	380,000	100,000
Accrued liabilities	96,493	100,759	84,310	66,276	60,015	62,542
Current liabilities	253,415	187,180	160,525	155,219	140,646	183,432
Reserves	1,314,846	1,111,190	894,668	746,531	633,081	523,277
Profit and loss	917,308	757,636	608,332	504,435	389,910	327,694
Total	$7,439,572	$6,841,274	$5,573,685	$5,373,312	$4,328,002	$3,921,295

Officers: Charles B. Tenney, Chairman of the Board, Springfield, Mass.; Albert B. Tenney, Pres., Lexington, Mass.; D. Edgar Manson, 1st V-P., Brookline, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; Rockwell C. Tenney, Asst. Treas., Lexington, Mass.; Hazel E. Hagar, Clerk, Cambridge, Mass.; Perley M. Pratt, Aud., Wollaston, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; Albert B. Tenney, Lexington, Mass.; D. Edgar Manson, Brookline, Mass.; D. Willard Leavitt, Parsonsfield, Me.; Samuel A. York, Edward M. Bradley, New Haven, Conn.; Bernon E. Helme, Kingston, R. I.; I. Peace Hazard, Peace Dale, R. I.; Charles B. Price, Swampscott, Mass.

Executive Office, 200 Devonshire St., Boston, Mass. **Local Office**, 139 Pleasant St., Malden, Mass.

SALEM ELECTRIC LIGHTING COMPANY

(Controlled by North Boston Lighting Properties)

History and Properties—Incorporated Jan. 30, 1882, Mass., to supply electric light and power to Salem. Franchise perpetual. Population served, 42,800. Company also sells current to Eastern Massachusetts Electric Co. for distribution in Malden, Beverly and Revere. Generating capacity, 34,375 k.v.a.; maximum load, 27,000 k.w.

Rates—Household: First 3 k.w.h. per room per month, 10c. per k.w.h.; next 5 k.w.h. per room per month, 7½c. per k.w.h.; over 8 k.w.h. per room per month, 4c. per k.w.h.; minimum charge adjusted to $9 per year. Commercial lighting: 10c. net per k.w.h. General power: Three part—demand plus energy plus fuel charge. Demand: 1.50c. per k.w. of maximum demand. Energy: 4.3c. per k.w.h. for first 100 k.w.h. per month with a sliding scale down to 1.3c. per k.w.h.

for excess of 15,000 k.w.h. per month. Fuel: Increase in energy charge based upon cost of coal. Street lighting contract is based upon the minimum number of lamps. For additional incandescent lamps beyond the number specified in the contract, rates vary from $19 to $110 per year per lamp, according to number and size of lamps.

Management—Company is under the executive management of Charles H. Tenney & Co., Boston, Mass.

OPERATING STATISTICS, DECEMBER 31

	Number of Customers	Electricity Sales (k.w.h.)
1922	7,263	65,751,100
1923	7,922	72,118,461
1924	8,831	83,552,168
1925	9,750	90,912,801
1926	10,460	94,840,790
1927	11,055	108,700,873

CAPITAL STOCK

Authorized and outstanding, $2,583,050; par, $5(The North Boston Lighting Properties own 99.25% (51,271 shares) of the stock. Stock transferred a Company's office. Registrar: American Trust Co Boston. Annual meeting, fourth Wednesday in Jan uary.

Dividends—Dividends paid as follows: 1908 to 191 inclusive, 8% per annum; 1913 to 1920, inclusive, 10% per annum: 1921, 11½%; 1922 to 1927, inclusive, 12% each; payments quarterly, J, A, J & O. In Oct., 190 and fiscal year 1911-12, 10% each extra cash dividend were paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,819,290	$1,667,860	$1,484,991	$1,408,832	$1,308,061	$1,186,1
Operating expenses and taxes	1,246,270	1,128,526	1,024,259	958,396	939,294	879,0
Depreciation	214,871	201,332	160,374	135,347	*	*
Net earnings	$358,149	$338,001	$300,358	$315,089	$368,767	$307,1
Other income	29,459	23,018	18,342	5,206	4,334	4,4
Total income	$387,608	$361,020	$318,700	$320,295	$373,101	$311,5
Interest	1,009	11,258	60,602	51,966	*150,513	*86,7
Balance for dividends	$386,599	$349,762	$258,098	$268,329	$222,588	$224,8
Dividends paid	309,966	279,526	186,966	186,966	186,966	218,1
Surplus for year	$76,633	$70,236	$71,132	$81,363	$35,622	$6,6
Earnings Per Share	$7.48	$6.77	$8.28	$8.61	$7.14	$7.

*Depreciation included with interest in years 1922 and 1923.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant and equipment	$3,910,092	$3,770,399	$3,669,791	$3,570,031	$3,197,221	$2,925,0
Investments	615,000	575,000	435,000	25,000	30,300	5,3
Materials and supplies	178,620	137,660	139,136	147,674	164,589	162,2
Cash on hand	337,603	271,399	144,986	183,233	140,630	120,8
Current accounts	191,453	193,380	191,468	333,764	161,339	130,0
Other assets	.....	.....	729	1,725	3,795	5,8
Prepayments	5,333	10,331	17,399	14,121	11,179	9,0
Subscriptions to capital stock	.....	.....	850,360	.....	.....	.....
Total	$5,238,101	$4,958,169	$5,448,869	$4,275,550	$3,709,053	$3,358,5
Liabilities—						
Capital stock issued	$2,583,050	$2,583,050	$1,975,650	$1,558,050	$1,558,050	$1,558,0
Capital stock subscribed	.....	.....	607,400	.....	.....	.....
Premium on capital stock	929,262	929,263	†929,263	519,262	519,262	519,2
Coupon notes	.....	.....	.....	500,000	500,000	500,0
Notes payable	50,000	50,000	810,000	845,000	420,000	200,0
Current liabilities	98,194	89,335	87,891	43,870	83,565	63,9
Accrued liabilities	68,655	66,476	50,201	51,086	47,111	39,6
Reserves	977,776	785,515	605,462	447,636	344,580	276,7
Profit and loss	531,164	454,531	383,002	310,646	236,484	200,8
Total	$5,238,101	$4,958,169	$5,448,869	$4,275,550	$3,709,053	$3,358,5

†Includes $242,960 premium on capital stock subscribed.

Officers: Charles H. Tenney, Chrm. of Board, Springfield, Mass.; D. Edgar Manson, Pres., Brookline, Mass.; Albert B. Tenney, 1st V-P., Lexington, Mass.; S. Fred Smith, V-P., Swampscott, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; John L. Tudbury, Mgr., Salem, Mass.; Rockwell C. Tenney, Asst. Treas., Lexington, Mass.; Hazel E. Hagar, Clerk, Cambridge, Mass.; Edward F. Kord, Aud., Arlington, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; Albert B. Tenney, Lexington, Mass.; D. Edgar Manson, Brookline, Mass.; D. Willard Leavitt, Parsonfield, Me.; Isaac S. Hall, W. Medford, Mass.; Samu A. York, Edward M. Bradley, New Haven, Conn Charles B. Price, Swampscott, Mass.; Bernon Helme, Kingston, R. I.; I. Peace Hazard, Peace Da R. I.

Local Office, Salem, Mass. **Executive Office**, 2 Devonshire St., Boston, Mass.

SALEM GAS LIGHT COMPANY

(Controlled by North Boston Lighting Properties)

History—Incorporated in March, 1847, in Mass. Serves Salem and Peabody, Mass. Population served (1925 census), 62,691. Daily capacity of plant, 3,800,000 cu. ft.; storage holder capacity, 700,000 cu. ft.

Rates—Lighting, fuel and power: $1.70 per M cu. ft., sliding scale discount for prompt payment within 10 days; minimum charge $7 per year adjusted annually. House heating: 90c per M cu. ft. under a guarantee of a minimum yearly use.

Management—Company is under the executive management of Charles H. Tenney & Co., Boston, Mass.

OPERATING STATISTICS, DECEMBER 31

	Miles of Mains	No. of Meters	Gas Sale Cubic Fe
1924	88.0	15,132	296,000,0
1925	96.8	15,432	300,000,0
1926	98.9	15,339	315,208,0
1927	99.5	14,545	353,230,0

CAPITAL STOCK

Authorized and outstanding, $1,133,825 (increas from $809,600 in June, 1927); par, $25 (changed fro $100 in April, 1925). The North Boston Lightin Properties own 88.29% (40,043 shares) of the ou

tanding stock. Treasurer of Company acts as Trans-r Agent. Registrar: American Trust Co., Boston. nnual meeting, fourth Wednesday in January.

Subscription Privilege—Stockholders of record June 7, 1927, received the right to subscribe for 12,953 hares additional stock, par $25, at $31.25 a share to ie extent of one new share for every 2½ shares held. rivilege expired July 22, 1927, and payment in full as due on or before Oct. 22, 1927.

Dividends—Payments have been made as follows: 8% each from 1906 to 1911; 9% in 1912; 10% in 1913 and 1914; 8% each year from 1915 to 1922, inclusive; 1923, 9%; 1924, 10%; 1925, 10% regular and 2% extra; 1926 and 1927, 10% each; payments J, A, J & O.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ross earnings	$514,294	$497,672	$477,902	$455,785	$491,157	$466,782
perating expenses and taxes	406,789	340,653	307,037	329,099	366,562	352,116
epreciation	8,935	45,117	44,938	§	§	§
Net earnings	$98,570	$111,902	$125,927	$126,686	$124,595	$114,666
ther income	5,384	8,210	3,705	20,530	21,693	18,051
Total income	$103,954	$120,112	$129,632	$147,216	$146,288	$132,717
nterest, depreciation, etc.	¶13,656	¶13,732	¶9,962	54,112	50,915	64,963
Balance for dividends	$90,298	$106,380	$119,671	$93,103	$95,373	$67,754
ividends paid	88,934	80,960	97,152	80,960	72,864	53,584
Surplus for year	$1,364	$25,420	$22,518	$12,143	$22,509	$14,170
arnings Per Share	$1.99	‡$3.29	‡$3.69	$11.49	$11.78	$8.37

‡Based on $25 par; other years on $100 par. §Depreciation included with interest, etc. ¶Excludes depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
roperty account	$1,587,403	$1,373,027	$1,328,056	$1,295,328	$1,226,598	$1,214,165
aterials and supplies	88,008	60,881	61,241	52,532	66,308	66,771
ash	103,648	38,578	35,875	17,903	28,781	17,760
ccounts receivable	61,928	54,340	57,404	50,645	43,925	34,503
vestments	33,045	108,244	72,767	28,045	22,545	.....
ther current assets	75	2,400	751	23,823	18,244	.....
nadjusted debits	.....	.....	.....	.....	8,836	.....
eferred debit items	8,866	8,038	6,853	.....	.....	.....
ther assets	.....	.....	.....	2,764	.....	2,592
Total	$1,882,974	$1,645,508	$1,562,947	$1,471,040	$1,415,237	$1,335,791
Liabilities—						
pital stock	$1,133,825	$809,600	$809,600	$809,600	$809,600	$809,600
tes payable	180,000	324,000	264,000	230,000	190,000	225,000
ck premium	192,987	111,060	111,060	111,060	111,060	111,060
ccounts payable	27,192	12,566	28,365	9,022	37,747	8,252
nsumers' deposits	30,285	29,861	28,295	25,945	.....	.....
erest accrued	14,536	14,310	569	1,042	918	.....
serve for taxes			16,253	13,170	16,253	.....
her current liabilities	.....	.....	.....	2,172	23,809	21,769
adjusted credits	246	.....	.....	.....	.....	.....
preciation reserve	94,720	133,012	118,163	104,905	73,870	37,918
ofit and loss	209,583	211,099	186,642	164,123	151,980	122,192
Total	$1,882,974	$1,645,508	$1,562,947	$1,471,040	$1,415,237	$1,335,791

Officers: Charles H. Tenney, Chairman of Board, ringfield, Mass.; D. Edgar Manson, Pres., Brook-e, Mass.; Albert B. Tenney, First V-P., Lexington, ss.; Francis L. Ball, 2nd V-P., Cambridge, Mass.; hu A. Bradley, Treas., Boston, Mass.; Rockwell C. nney, Asst. Treas., Lexington, Mass.; Hazel E. gar, Clerk, Cambridge, Mass.; Edward F. Kord, d., Arlington, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; Albert B. Tenney, Lexington, Mass.; D. Edgar Manson, Brookline, Mass.; J. Willard Leavitt, Parsonsfield, Me.; Francis L. Ball, Cambridge, Mass.; Edward M. Bradley, Samuel A. York, New Haven, Conn.; Bernon E. Helme, Kingston, R. I.; I. Peace Hazard, Peace Dale, R. I.; Charles B. Price, Swampscott, Mass.

Offices, 200 Devonshire St., Boston, and 247 Essex St., Salem.

SUBURBAN GAS & ELECTRIC COMPANY

(Controlled by North Boston Lighting Properties)

History and Properties—Incorporated Feb 13, 1895, Mass., to supply Revere and Winthrop, Mass. Fran-se perpetual. The Company purchases its gas from lden & Melrose Gas Light Company. Population ved, 49,500. Company purchases electricity from stern Massachusetts Electric Co. Storage capacity holder, 2,300,000 cu. ft. Miles of gas mains, 95.05 . of services, 9,668. Electric generating capacity, 00 k.v.a. Miles of overhead wire. 850.6. No. of s, 108.

Rates—Gas, lighting, fuel and power: First 1,400 cu. per month at 15 cts. net per 100 cu. ft.; all over 1,400 ft. per month at 12½ cts. per 100 cu. ft. House ting: 9 cts. net per 100 cu. ft. under a guarantee of annual use. Industrial: Composite rate of demand rge and commodity charge. Electric—Household: st 3½ k.w.h. per room per month at 10½ cts. net k.w.h.; next 5 k.w.h. per room per month, at 8 cts. net per k.w.h.; over 8½ k.w.h. per room per month at 4 cts. net per k.w.h.; minimum charge, 50 cts. per month. General lighting: First 15 k.w.h. per month at 10½ cts. net per k.w.h.; all over 15 k.w.h. per month at 8 cts. net per k.w.h.; minimum charge, 50 cts. per month. Long hour lighting and general power: Composite rates —demand charge and energy charge. City lighting contract is based upon number of lamps in service.

OPERATING STATISTICS, DECEMBER 31

	Number of Customers		Gas Sales	Electric
	Gas	Electric	(Cu. Ft.)	Sales (k.w.h.)
1922	——	20,866	320,198,300	5,657,301
1923	——	21,955	324,784,499	5,255,179
1924	——	25,460	320,819,905	5,543,130
1925	——	23,861	324,028,993	6,216,634
1926	12,006	12,291	336,748,000	7,065,789
1927	12,520	12,950	339,203,000	7,770,000

Management—Company is under executive management of Charles H. Tenney & Co., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding, $1,564,625; par, $25 (changed from $100 in Oct., 1923). The North Boston Lighting Properties own 95.83% (59,973 shares) of the stock. Transfer Office, 200 Devonshire St., Boston. Registrar: Old Colony Trust Co., Boston. Annual meeting, fourth Wednesday in January.

Dividends—Dividends have been paid as follows 1902, 8%; 1903 to 1906, inclusive, 7%; 1907, 8%; 190 to 1912, inclusive, 9%; 1913 to 1923, inclusive, 10% 1924, to 1927 inclusive, 12% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,105,899	$1,048,667	$971,016	$923,122	$876,944	$833,90
Operating expenses & taxes	846,908	760,016	732,291	751,762	745,981	680,03
Depreciation	63,014	50,886	60,826			
Net earnings	$195,977	$237,765	$177,899	$171,360	$130,963	$153,87
Other income	7,375	4,888	5,366	2,962	3,238	4,27
Total income	$203,352	$242,653	$183,265	$174,322	$134,201	$158,14
Interest, etc.	4,855	22,727	16,670	11,031	19,165	22,46
Balance for dividends	$198,497	$219,926	$166,595	$163,291	$115,036	$135,67
Dividends paid	178,354	150,204	150,204	150,168	86,365	83,45
Surplus for year	$20,143	$69,722	$16,391	$13,123	$28,671	$52,22
Earnings Per Share	$3.17	$4.39	$3.33	$3.26	$2.29	*$16.2

*Par, $100.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant & equipment	$2,545,742	$2,393,323	$2,197,013	$2,028,814	$1,915,183	$1,745,22
Investments	132,734	132,734	105,000	25,000	57,050	80,98
Notes receivable	.....	1,452	.....	45,300	.....	.....
Cash	137,025	103,095	120,565	74,957	126,702	85,34
Current assets	136,921	131,955	128,372	138,162	123,453	103,22
Materials and supplies	73,186	80,174	88,343	56,442	38,235	36,09
Other assets	6,211	7,877	6,968	4,900	7,484	6,60
Subscriptions to capital stock	.....	391,500	.....	.....	.....	.....
Total	$3,031,819	$3,242,110	$2,646,263	$2,373,577	$2,268,107	$2,057,47
Liabilities—						
Capital stock	$1,564,625	$1,251,700	$1,251,700	$1,251,700	$1,251,700	$834,50
Premium on capital stock	396,802	396,802	240,340	240,340	240,340	156,90
Capital stock subscribed	.....	312,925	.....	.....	.....	.....
Notes payable	175,000	478,000	445,000	225,000	155,000	470,00
Current liabilities	119,394	86,264	80,074	74,716	88,374	101,24
Accrued liabilities	34,156	40,688	31,626	29,942	20,564	23,84
Other unadjusted credits	.....	.....	.....	1,020	.....	.....
Reserves	393,187	351,183	342,696	307,714	283,826	271,35
Surplus	348,655	324,548	254,825	243,143	228,303	199,63
Total	$3,031,819	$3,242,110	$2,646,263	$2,373,577	$2,268,107	$2,057,47

Officers: Charles H. Tenney, Chrm. of Bd., Springfield, Mass.; Albert B. Tenney, Pres., Lexington, Mass.; D. Edgar Manson, 1st V-P., Brookline, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; Rockwell C. Tenney, Asst. Treas., Lexington, Mass.; Hazel E. Hagar, Clerk, Cambridge, Mass.; Edward F. Kord, Aud., Arlington, Mass.; Colin F. Chisholm, Mgr., Revere, Mass.

Directors: Charles H. Tenney, Springfield, Mass; Albert B. Tenney, Lexington, Mass.; D. Edgar Mar son, Brookline, Mass.; D. Willard Leavitt, Parsons field, Maine; Samuel A. York, Edward M. Bradley New Haven, Conn.; Bernon E. Helme, Kingston, R. I. I. Peace Hazard, Peace Dale, R. I.; Charles B. Price Swampscott, Mass.

Executive Office, 200 Devonshire St., Boston, Mass **Local Office**, 150 Beach St., Revere, Mass.

SECURITIES CORPORATION GENERAL

History—Incorporated Feb. 21, 1912, in Va. with broad powers as a holding company, investing and banking concern. It conducts the business of a finance and investment company; buying and selling and dealing in securities (chiefly of public service and food products corporations), participating in security underwritings and financing public service propositions.

CAPITAL STOCK

Authorized, 50,000 Common shares of no par value, and 50,000 first Pfd. shares of no par value; outstanding, Dec. 31, 1927, 27,250 Common shares and 19,676.5 First Pfd. shares. Of the Pfd. stock, 10,732.35 shares held by company for treasury account.

The First Pfd. stock is entitled to $100 per share in involuntary liquidation and is redeemable at $115 per share; and to dividends at the rate of $7 per share.

Transfer Agents—Bank of North America & Trust Co., Philadelphia, and Guaranty Trust Co., New York.

Registrars—Real Estate-Land Title & Trust Co., Philadelphia and Bankers Trust Co., New York.

Annual Meeting—Second Wednesday in April.

Listed—Common and First Pfd. shares listed o New York Curb Market.

Price Range—

	1927	1926	1925	192
Preferred—				
High	101	96	85	75
Low	95	83	70	72
Common—				
High	138	95	88	42
Low	85	88	55	42

Dividends—Initial dividend of $1.50 per share wa paid on First Pfd. stock February 1, 1923, and a same rate quarterly to November 1, 1924, inclusive Feb. 1, 1925, $1.75 per share, which quarterly rat since maintained to date. Initial dividend of $1.00 pe share paid on Common stock Feb. 1, 1917; none there after until May 1, 1926, when $1 a share was paid which rate paid quarterly since to date. Payments o both classes, F, M, A & N 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	*1927	*1926	*1925	†1924	1924	1923
Gross income	$476,652	$529,122	$1,551,237	$640,268	$195,197	$258,873
Expenses, taxes and interest charges	84,830	106,558	79,069	45,423	58,993	45,097
Net income	$391,822	$422,564	$1,472,168	$594,845	$136,204	$213,776
Federal income tax—estimated	18,356	22,713	161,500	63,000	.....	.....
Balance	$373,466	$399,850	$1,310,668	$531,845	$136,204	$213,776
First Pfd. dividends	62,723	63,371	74,345	55,704	116,569	55,947
Common dividends	109,000	81,750	.....	.....	.....	.....
Surplus for year	$201,743	$254,750	$1,236,323	$476,141	$19,635	$157,829

*Years ended Dec. 31. †6 mos. to Dec. 31.

SURPLUS ACCOUNT, DECEMBER 31

	1927	1926	1925	1924
Credit balance, Jan. 1	$2,351,395	$2,110,788	$911,752	$449,478
Surplus for period (before dividends)	373,465	399,850	1,310,668	531,845
Excess of res. for Fed. inc. tax tax over amount paid—year 1924	.....	.....	27,726	.....
Interest and misc. adj. applicable to prior years	33	8,361	.....	.....
Total	$2,724,893	$2,518,999	$2,250,146	$981,323
Deduct:				
Underwriting privileges written off	.....	.....	$62,500	$12,500
Issue value of First Pfd. stock of no par value issued in lieu of accrued divds. on 6% Pfd. stock exchange	.....	.....	2,160	270
Adjustment of int. & taxes applicable to prior periods	$11,726	$22,504	353	1,097
First Pfd. dividends	62,723	63,350	74,345	55,704
Common dividends	109,000	81,750	.....	.....
Total	$183,449	$167,604	$139,358	$69,571
Surplus at end of period	$2,541,444	$2,351,395	$2,110,788	$911,752

GENERAL BALANCE SHEET, JUNE 30

Assets—	†1927	†1926	†1925	1924	1923	1922
Bonds and stocks at cost	$3,832,714	$3,901,702	$4,285,184	$2,507,822	$1,923,688	$1,825,973
Less reserve	.....	.....	.....	.....	181	61,186
	$3,832,714	$3,901,702	$4,285,184	$2,507,822	$1,923,507	$1,764,787
Time and demand loans	69,617	434,801	620,768	340,994	636,363	453,180
Cash	195,807	186,477	197,667	167,277	108,370	44,865
Accounts receivable	2,178	4,000	1,082	8,054	89	3,402
Dividend reserve	.....	.....	.....	1,913	3,503	.....
Accrued interest & dividends	3,833	2,178	9,866	13,219	14,715	9,897
Amounts due on securities sold and undelivered per contra	.....	124,627	122,018	.....	.....	.....
Underwriting rights and privileges	.....	.....	.....	75,000	100,000	125,000
Indicate participations	.....	.....	9,000	.....	.....	46,109
Treasury stock at cost	842,220	839,553	811,518	59,003	54,679	319,246
Prepaid interest and taxes	766	766	1,345	1,485	563	562
Total	$4,947,135	$5,494,104	$6,058,448	$3,174,767	$2,841,789	$2,767,048
Liabilities—						
Capital stock	*$1,864,277	*$1,864,277	*$1,864,277	$1,861,847	$1,893,253	$2,255,000
Accounts payable and accruals	745	1,765	93,359	18,600	19,307	24,597
Securities sold short per contra	.....	.....	122,018	.....	.....	.....
Securities purchased but undelivered	37,187	.....	.....	.....	.....	.....
Federal income tax estimated	30,082	22,713	161,500	.....	.....	.....
Loans payable on collateral	473,400	1,253,953	1,706,506	842,929	365,000	90,000
Reserve for dividends	.....	.....	.....	1,913	.....	.....
Surplus	2,541,444	2,351,395	2,110,788	449,478	564,229	397,451
Total	$4,947,135	$5,494,104	$6,058,448	$3,174,767	$2,841,789	$2,767,048

*Capital stock consists of 19,676.5 shares First Pfd. of no par value, issued value, $1,864,277, and 27,250 shares Common of no par value. †December 31.

Officers: P. M. Chandler, Pres.; F. W. Bacon, V-P.; E. H. Wands, V-P.; H. Williams, Jr., Treas.; H. I. Brown, Jr., Sec. & Asst. Treas.; T. L. Russell, Asst. Sec.; E. D. Richmond, Asst. Sec.

Directors: P. W. Herrick, Howard A. Loeb, S. Z. Mitchell, S. A. Mitchell, P. M. Chandler, F. W. Bacon, Geo. de B. Keim, E. H. Wands.

Offices, 1500 Walnut St., Philadelphia, and 120 Broadway, New York.

CALGARY POWER COMPANY, LIMITED

History and Properties—Incorporated Oct. 20, 1909, under the laws of the Dominion of Canada. The Company holds under lease from the Dominion Government for four consecutive periods of 21 years each all the water power of the Bow River at Horseshoe Falls and Kananaskis Falls, Province of Alberta, at a nominal rental of $101 annually, and has the right, under similar terms, to store and regulate the discharge of water in Lake Minnewanka. The Company also holds under perpetual lease from the Dominion Government and the Stony Indians adjacent lands at a rental of $300 annually. Hydraulic developments comprise two concrete dams, one 45 feet high and 300 feet long and the other 40 feet high and 400 feet long, each making a sufficient pond for 12 hours storage with a head at the power house of 72 feet. Six generating units are installed with a total capacity of 31,500 horse power. For about 4 or 5 months of the year, the available output is reduced to an average of about 15,000 horse power. Power is transmitted 50 miles to Calgary over three 55,000 volt transmission lines on separate pole lines and eight miles to Exshaw over 12,000 volt triplicate lines. The Company has a contract with the City of Calgary for the supply of up to 60,000,000 k.w.h. per annum, or such further amount as the City may require and the Company is willing to supply; and the City agrees to purchase and take delivery of at least 90% of its electric energy requirements during such time as the Company can supply it. This power is used by the City for the operation of its municipally owned street railway, electric light and power departments. The balance of the power is sold by the Company for industrial purposes. The contract with the City of Calgary is dated Aug. 6, 1923, and is for a period of five years, to be extended for a further period of two years in the event of failure to reach agreement regarding a new contract before Aug. 6, 1928.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $1,900,000; par, $100.

Transfer Agent—Montreal Trust Co., Montreal.

Registrar—Canadian Trust Co., Montreal.

Annual Meeting—In 1927 on July 21.

Listed—Montreal and London Stock Exchanges.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	†50½	†52½	*46	52	11½	7½	6¾	22½
Low	50	51	bid	15½	4	5	1	15

*New York quotation. †Montreal price.

Dividends—Initial quarterly dividend of 1¼% paid Dec. 31, 1927, to stock of record Dec. 23, 1927; April 2, 1928, 1¼%.

FUNDED DEBT

$2,728,740 (£560,700) FIRST SINKING FUND GOLD 5s; DUE JANUARY 1, 1940

Dated January 1, 1910.

Interest Payable January and July 1, at Bank of Montreal, Montreal, New York and London. Principal and interest payable in Sterling at the Bank of Montreal, in London or in Canadian Gold coin at the fixed rate of $4.86 2-3 to the £, at the Bank of Montreal in Montreal, or at its agency in New York.

Denomination—Coupon, £100; principal may be registered.

Trustee—Royal Trust Co., Montreal.

Provisions of Issue—Bonds may be issued payable in French or Belgian francs, at the fixed rate of exchange of 25.16 French or Belgian francs to the £ Sterling, and also in denominations of $500 and such other denominations as the Board may in its discretion provide. Issued $2,999,813 (£616,400), of which $271,073.33 (£55,700) redeemed to Dec. 31, 1927. It is provided that further issues beyond the first $3,000,000 may be issued ranking pari passu therewith, provided that such additional bonds are required to meet capital expenditures made or contracted for or indebtedness incurred on capital account, aggregating in amount not less than the par value of such further issue or issues, providing that the company's net earnings for the preceding financial year are at least 1½ times the amount of the annual interest charges on the principal amount of the whole of the bonds then outstanding plus the amount of the proposed further issue.

Callability—Subject to call as a whole or in part at 105 and interest at any time upon 3 months' notice.

Sinking Fund—A cumulative sinking fund of 1% per annum began July 1, 1920, to be applied in purchasing bonds at not exceeding 105 or in redeeming bonds at same rate; £5,900 redeemed during 1920, £6,200 during 1921; £6,400 during 1922; £6,800 during 1923; £7,000 during 1924; £7,500 during 1925, £7,700 during 1926, and £8,200 during 1927.

Security—Secured by trust deed constituting a fixed and specific mortgage upon all the immovable property of the company, present and future, and upon any stocks or securities of other companies now or hereafter owned and a floating charge upon the rest of the company's assets, present and future.

Original Offering—First publicly offered (£256,800) in London in May, 1910, at 92.

Listed—Montreal and London Stock Exchanges.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96½	93½	92½	93¾	81	83½	77	72
Low	89½	89	87½	81	75	73½	64	65

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
Gross earnings from operations	$430,689	$398,837	$357,787	$317,727	$295,676	.....
Other earnings	20,273	10,956	14,169	15,687	11,132	.....
Total earnings	$450,962	$409,793	$371,956	$333,414	$306,808	$303,72
Operating expenses	126,007	93,833	69,257	67,338	61,978	64,68
Net earnings	$324,955	$315,960	$302,700	$266,077	$244,830	$239,04
Deductions:						
*Interest charges	$139,508	$141,547	$144,357	$146,471	$150,052	$164,68
Provision for depreciation	50,000	50,000	50,000	†70,000	†50,000	†50,00
Reserve for Federal taxes	10,020	11,077	11,520	3,390	12,318	1,61
Total deductions	$199,528	$202,624	$205,877	$219,861	$212,370	$216,30
Balance	$125,427	$113,336	$96,823	$46,216	$32,460	$22,73
Times Interest Earned	1.89	1.80	1.67	1.31	1.21	1.1
Earnings Per Share	$6.60	$5.96	$5.09	$2.43	$1.71	$1.1

*Includes exchange premium on interest payments. †Includes bond discount.

GENERAL BALANCE SHEET, DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
Assets—						
Property account	$5,550,800	$5,320,185	$5,193,981	$4,934,250	$4,929,335	$4,947,74
Investments	107,614	164,746	175,386	294,511	209,784	171,32
Cash	54,618	20,765	21,047	43,105	88,337	62,32
Stores on hand	25,296	26,106	24,577	19,623	19,839	19,70
Accounts receivable	49,243	38,589	35,943	31,516	25,376	26,92
Deferred charges	2,157	1,831	3,301	2,705	3,611	1,13
Interest accrued on investments	2,714	3,446	2,911	3,458	2,518	5,95
Total	$5,792,442	$5,575,669	$5,457,145	$5,329,169	$5,278,801	$5,235,10
Liabilities—						
Capital stock	$1,900,000	$1,900,000	$1,900,000	$1,900,000	$1,900,000	$1,900,00
Funded debt	2,768,646	2,806,120	2,842,620	2,876,687	2,909,780	2,940,92
Accounts payable	13,305	12,630	23,420	5,528	11,567	8,01
Reserves	456,315	398,297	327,633	283,748	225,039	186,20
Accrued charges, etc.	70,126	.....	.....	.....	.....	.....
Corporate surplus	584,050	458,623	363,472	263,206	232,415	199,95
Total	$5,792,442	$5,575,669	$5,457,145	$5,329,169	$5,278,801	$5,235,10

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1926	1925	1924	1923	1922	1921
Current Assets—						
Cash on hand, etc.	$54,618	$20,765	$21,047	$43,105	$88,337	$62,32
Investments	107,614	164,746	175,386	294,511	209,784	171,32
Stores on hand	25,296	26,106	24,577	19,623	19,839	19,70
Accounts receivable	49,243	38,589	35,943	31,516	25,376	26,92
Interest accrued	2,714	3,446	2,911	3,458	2,518	5,95
Total	$239,485	$253,652	$259,865	$392,213	$345,854	$286,22
Current Liabilities—						
Accounts payable	$13,305	$12,630	$23,420	$5,528	$11,567	$8,01
Accrued charges, etc.	70,126	.....	.....	.....	.....	.....
Total	$83,431	$12,630	$23,420	$5,528	$11,567	$8,01
Net Working Capital	$156,054	$241,022	$236,445	$386,685	$334,287	$278,21

Officers: I. W. Killam, Pres.; G. A. Gaherty, Man. Dir.; S. B. Hammond, Treas.; Fred. C. Clarke, Sec.; L. G. Proctor, Asst. Sec.

Directors: I. W. Killam, A. E. Cross, W. C. Pitfield, G. A. Gaherty, S. B. Hammond.

Main Office, 164 St. James St., Montreal, Que. **Operating Office, Seebe, Alta.**

THE COLUMBUS, DELAWARE AND MARION ELECTRIC COMPANY

History and Business—Incorporated June 12, 1917, in Ohio, to take over the properties of The Columbus, Delaware and Marion Railway Company. During 1926 Company acquired The Richwood Light, Heat & Power Co., and The Caledonian Electric Light Co.

Owns and operates without competition all of the property incident to the central station electric light and power business in Marion, Bellepoint, Caledonia, Essex, Lewis Center, Flint, Powell, Warrensburg, Richwood and Magnetic Springs, Ohio. Owns and operates the interurban railroad between the cities of Columbus, Delaware and Marion, Ohio, and also the street railway in the city of Marion. Also owns the majority of the Common stock of **The Mt. Gilead Water, Light, Heat and Power Company** and **The Morrow Public Service Company,** which companies buy electrical energy from it and retail same to Mt. Gilead, Cardington, Edison and Ashley, Ohio. The Mt. Gilead company also furnishes water to Mt. Gilead. The earnings applicable to these Common stocks are not included in the company's earnings statement. It also wholesales electrical energy to the city of Delaware, Ohio, and the villages of Stratford, Kirkpatrick, Green Camp, Owens, Meeker, Agosta, Waldo, LaRue, Morral, Marseilles, Fulton, Marengo, Radnor, Norton, Prospect and Sparta. Total population served by the railroad department, including terminal cities, is in excess of 350,000; population served by electric light and power department is in excess of 50,000.

Company has a complete electric distribution system in the City of Marion, Ohio. The steam power station, which is situated 7½ miles south of Marion, Ohio, at Scioto Station, has a capacity of 34,666 h.p.

The street and interurban railway system aggregates 54.97 miles of single track equivalent, all of which is owned by the company. The interurban runs from the center of Columbus over the tracks of the Columbus Ry., Power & Light Co., to the intersection of Indianola Avenue and the Company's private right-of-way, and thence through North Columbus, Worthington, Delaware and Prospect into Marion. Over 89% of its own interurban track is on private right of way. The interurban connects at Columbus with electric lines for Indianapolis, Cincinnati, Dayton, Springfield, Fort Wayne, Toledo, Chillicothe, Lancaster, Zanesville and Newark; at Marion with electric lines for Bucyrus, Mansfield, Galion and intervening points to Cleveland. The company furnishes local street car service in Marion.

Equipment—The rolling stock includes 19 city passenger cars, 9 interurban passenger cars, 3 parlor cars, freight and express cars, 11 freight box car trailers, 20 flat dump and work cars, and 2 motor snow plows. Also a complete railway high tension transmission and feeder system with the necessary substations. The maximum rate for electrical energy is 8 cents with a 5% penalty if not paid within 10 days, and the railway rates are approximately 2½ cents per mile.

CAPITAL STOCK

Authorized, 150,000 shares Common, and 30,000 shares $7 dividend cumulative Pfd., both of no par value; outstanding, Dec. 31, 1927, 60,420 shares Common and 15,000 shares Pfd. Common stock was changed from $3,000,000 (par, $100) authorized and 1,200,000 (par $100) outstanding to present amounts in 1925, five shares of new no par stock being issued in exchange for one share of $100 par stock. Pfd. stock was changed from shares of $100 par value to shares of no par value in 1927.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is redeemable as a whole or in part at $115 and accumulated dividends. The present authorized issue of 30,000 shares Pfd. stock cannot be increased except with the consent of the majority of the Pfd. stock, and no stock having priority over it can be authorized except with the consent of 75% of the Pfd. stock. The holders of the preferred stock have no right to subscribe to any issues of Pfd. or Common stock and have no voting power for the election of directors unless there is a default in the payment of four quarterly dividends, in which case the Pfd. stock has exclusive voting power for the election of directors so long as there are any unpaid accrued dividends.

Transfer Agent and Registrar—First National Bank, Boston.

Dividends—Pfd. dividends have been regularly paid quarterly, J, A, J & O 1. None paid on Common.

FUNDED DEBT

(1)

$1,580,000 FIRST AND REFUNDING (NOW FIRST) MORTGAGE GOLD 5s; DUE JULY 1, 1937
$2,000,000 FIRST AND REFUNDING (NOW FIRST) MORTGAGE GOLD 6s; DUE JULY 1, 1937

Dated July 2, 1917.

Interest Payable January and July 1, at The Cleveland Trust Co., Cleveland, O., or at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Cleveland Trust Co., Cleveland, O.

Provisions of Issue—Authorized, $7,500,000; issued, $3,900,000 ($1,900,000 5s and $2,000,000 6s), of which $320,000 5s redeemed to Jan., 1928. The $3,600,000 unissued bonds may be issued as 5% bonds for 80% of the cost or fair value, whichever is less, of new properties and of additions and extensions, provided the net earnings are twice the interest on the bonds outstanding and to be issued.

Callability—The 5% bonds are subject to call as a whole or in part on any interest date at 102 on 30 days' notice.

The 6% bonds are subject to call at 105 less ½ of 1% for each full year of expired life after July 1, 1927.

Sinking Fund—1% annually of authenticated bonds began Jan. 1, 1920.

Security—The First and Refunding bonds are now a first mortgage on all of the property of the company now owned or hereafter acquired. The additional 1% interest on the 6% bonds is to be secured by any general mortgage hereafter executed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund Pennsylvania four mill tax upon application within 60 days.

Legal Opinion—Hawkins, Delafield & Longfellow, New York.

(2)

$1,243,000 10-YEAR CONVERTIBLE DEBENTURE GOLD 6s, SERIES "A"; DUE APRIL 1, 1935

Dated April 1, 1925.

Interest Payable April and October 1, at The First National Bank of Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee—First National Bank, Boston.

Provisions of Issue—Series "A" is limited to $1,250,000 and the issuance of additional Debentures is subject to the restrictions of the Trust Agreement. Issued, $1,250,000, of which $7,000 had been converted into Common stock up to Dec. 31, 1927.

Callability—Subject to call as a whole or in part on any interest date on or before April 1, 1933, upon 30 days' public notice at 103 and thereafter at 100, plus accrued interest in each case.

Conversion—Series "A" Debenture bonds are convertible at any time before April 1, 1935, into the Common capital stock of the company, at the option of the bondholder on the following basis: The first $250,000 principal amount of Debenture bonds to be presented for conversion will be converted on the basis of 6 shares of stock for each $100 of bonds, and the next $500,000 on the basis of 5 shares for each $100 of bonds and the next $500,000 on the basis of 4 shares for each $100 of bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will reimburse the holder of these bonds, if requested, within 60 day after payment, for the amount of any personal prop erty tax thereon paid in Pennsylvania or Connecticut by residents thereof, not exceeding four mills pe annum.

Legal Opinion—E. H. Turner (for the Company) and Hawkins, Delafield & Longfellow (for th Bankers).

Original Offering—First publicly offered ($1,250, 000), in April, 1925, at 96 and interest, to yield ove 6½%, by Bodell & Company, New York, Boston an Providence.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	*1926	*1925	*1924	*1923	*1922
Gross earnings	$1,344,528	$1,264,626	$1,231,215	$1,202,788	$1,194,102	$1,081,89
Operating expenses and taxes	829,457	813,524	819,318	805,743	813,784	711,27
Net earnings	$515,071	$451,102	$411,897	$397,045	$380,318	$370,62
Interest and discount	328,156	321,080	303,037	$290,258	$264,182	$246,89
Depreciation	68,330	34,528	26,714	25,607	25,075	29,83
Total charges	$396,486	$355,608	$329,751	$315,865	$289,257	$276,72
Balance for dividends	$118,585	$95,494	$82,146	$81,180	$91,061	$93,89
Pfd. dividends paid	71,538	69,888	69,882	69,895	69,895	69,96
Surplus for year	‡$47,047	‡$25,606	$12,264	$11,285	$21,166	$23,92
Times Interest Earned	1.36	1.3	1.27	1.28	1.34	1.3
Earnings Per Share—						
Preferred	†$7.90	$9.57	$8.23	$8.13	$10.11	$9.4
Common	†0.78	†0.43	†0.20	0.94	2.60	1.9

*Over 70% in 1922, 78% in 1923, 89.5% in 1924, 88.8% in 1925, 91.7% in 1926 and 90% in 1927, of the net earnings for the re spective years were derived from the sale of electric light and power †No par ‡Before profit and loss adjustments of $16,35 (credit) in 1926 and $22,862 (debit) in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property account	$7,077,380	$7,063,979	$6,878,305	$6,602,946	$6,424,563	$5,986,69
Sinking fund	39,237	40,357	40,507	37,626	37,764	55,59
Investments	134,477	152,276	31,467	26,655	23,155	23,15
Cash	38,003	30,047	39,642	2,461	2,197	48,76
Special deposits	115,672	116,887	120,887	106,445	106,352	190,45
Accounts receivable	119,867	71,951	53,149	67,542	60,709	58,33
Materials and supplies	221,559	199,848	165,718	161,280	188,268	190,39
Other current assets	28,300	.....	.....	.....	.....	12,74
Unadjusted debits	132,129	151,768	193,010	479,714	520,421	502,83
Total	$7,906,624	$7,827,113	$7,522,685	$7,484,669	$7,363,429	$7,068,97
Liabilities—						
Common stock	†$726,330	*$720,000	*$720,000	$1,200,000	$1,200,000	$1,200,00
Preferred stock	†1,468,300	998,400	998,300	998,100	1,000,000	998,10
Funded debt	4,867,250	4,939,250	4,960,000	3,491,000	3,537,000	3,369,00
Current liabilities	392,879	728,320	419,236	1,361,148	1,199,736	1,144,33
Accrued liabilities	106,545	80,505	40,545	62,415	80,014	44,7
Deferred liabilities	10,864	12,479	14,162	15,664	17,140	19,83
Reserves	227,730	215,142	212,278	198,792	179,456	150,18
Capital surplus	.....	50,476	117,585}	157,250	150,083	142,77
Profit and loss credit balance	106,726	82,541	40,579}			
Total	$7,906,624	$7,827,113	$7,522,685	$7,484,669	$7,363,429	$7,068,97

*Represented by 60,000 shares of no par value. †Represented by 60,420 shares Common and 15,000 shares Pfd., both of no p value.

Officers: A. F. van Deinse, Pres. & Gen. Mgr.; H. J. Grigsby, Sec., Treas. & Aud., Marion, Ohio.

Directors: Earl H. Turner, Dayton, Ohio; J. J. Bodell, L. C. Gerry, Providence, R. I.; A. F. van Deins W. P. Moloney, Marion, Ohio.

General Office, Marion, Ohio.

ORANGE & ROCKLAND ELECTRIC COMPANY

History—Incorporated March 5, 1905, in New York. The Warwick Valley Light & Power Co., formerly controlled, was merged in Jan., 1919, the Goshen Light & Power Co. on Nov. 1, 1919, and the Tuxedo Electric Light Co. on Nov. 30, 1927. Supplies Monroe, Chester, Blooming Grove, Washingtonville, Woodbury Falls, Greycourt, Oxford Depot, Harriman, Highland Mills, Florida, Central Valley, Tuxedo Park, Tuxedo Village, Highland Falls, Bear Mountain Park, Goshen, Warwick and Greenwood Lake, N. Y. Company supplies Rockland Light and Power Co. for both Middletown and Nyack, N. Y.; Phillipstown Electric Corporation, Garrison, N. Y.; W. A. Harriman, Orange & Rockland Electric Co. of N. J., and Atlas Portland Cement Co., over high tension transmission lines. Transmission lines connect the Company with the Rockland Light & Power Co. at Nyack and Middletown and with the Central Hudson Gas & Electric Co. at Newburgh and Garrison, providing facilities for the interchange of electric current.

Electrical energy is distributed over 87 miles of high tension transmission lines to more than 6,000 consur ers through more than 300 miles of local distributin lines. Central station, located at Monroe, N. Y., h an installed capacity of 6,000 h.p.

CAPITAL STOCK

Authorized, $1,000,000 Common, $2,000,000 7 cumulative Pfd. and $3,000,000 6% cumulative Pfd outstanding Dec. 31, 1927, $200,000 Common and $1 000,000 7% cumulative Pfd.; par, $100. None of th 6% Pfd. stock had been issued to March, 1928. Tran fer Agent: A. J. Crane, Sec., Monroe, N. Y. Annu meeting, first Wednesday in February.

Dividends—Pfd. dividends regularly paid to dat on Common 5% per annum paid from 1905 to 191 1912, 5¾%; 1913 to 1915, 6%; 1916, 7%; 1917, 8% 1918, 8%; 1919, 8%; 1920, 10%; 1921, 10%; 1922, 10% 1923 to 1927, 8% each. Pfd. dividends are declared t first Wednesdays of M, J, S & D and are paid, J, J & O 1; Common dividends are declared the fir Wednesdays of J, A, J & O and are paid F, M, A & N

FUNDED DEBT

$1,250,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES DUE 1958; DUE FEBRUARY 1, 1958

Dated February 1, 1928.

Interest Payable February and August 1, at Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable. Fully registered bonds in denominations of $1,000 and $5,000. Coupon bonds in denominations of $1,000 and fully registered bonds interchangeable.

Trustee—Bankers Trust Company, New York.

Provisions of Issue—Authorized amount, not limited; issued, 5% Series due 1958, $1,250,000. Additional bonds may be issued in one or more series, bearing such rates of interest, such maturity dates and such other provisions within the limitations of the Mortgage as the Board of Directors may from time to time determine. The Mortgage provides that additional bonds of the 5% Series due 1958 or other series may be issued in accordance with the restrictions provided in the Mortgage, as follows: (a) $250,000 against the properties of the Company as they existed on Dec. 31, 1927. (b) To refund, in whole or in part, an equal principal amount of bonds of any series issued under the Mortgage. (c) To not exceeding 75% of the cost or fair value to the Company, whichever is less, of property additions as defined in the Mortgage, to the properties of the Company made or acquired after Dec. 31, 1927. (d) For cash. Additional bonds may not be issued, except for refunding purposes, unless net earnings, as defined in the Mortgage, for twelve consecutive months within the fifteen calendar months immediately preceding the month in which the application for issue is made, shall have been at least equal to twice the annual interest requirements on all bonds issued and outstanding under the Mortgage, including those proposed to be issued, and on all prior lien bonds, as defined in the Mortgage. The $250,000 principal amount of bonds referred to in (a) above may not be issued unless such net earnings shall have been at least equal to three times the amount of such annual interest requirements. Not more than 15% of such net earnings shall consist in the aggregate of (a) Net non-operating income; and (b) net income directly derived from the operation of properties not subject to the lien of the Mortgage.

No bonds issued under this Mortgage may be issued against property additions subject to prior liens. The Mortgage contains a clause subjecting fixed property acquired after the date of the Mortgage to the lien thereof subject to liens existing on said property at the time of acquisition and subject to the provision that when property is acquired by the Corporation subject to a lien prior to the lien of this Mortgage and because of the restrictions of this Mortgage said property cannot be used as a basis for the issue of bonds thereunder, then and in that case the Corporation shall have the right to place a mortgage or mortgages on said property and additions thereto which shall have priority to the lien of this Mortgage.

Purpose of Issue—Proceeds from the sale of these bonds were used to retire all present outstanding bonds and notes, to reimburse the Company for expenditures incurred for construction, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest payment date, upon 30 days' notice at 105 during the first fifteen years, at ½% less each suceeding year up to and including Feb. 1, 1952, and thereafter at 100, in each case with accrued interest.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on all present fixed assets of the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refundable upon proper application, within 60 days after payment.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York.

Original Offering—First publicly offered ($1,250,000) in March, 1928, at 99½ and interest to yield over 5% by Bonbright & Co., Inc., and W. C. Langley & Co., New York, etc.

FUNDED DEBT RETIREMENT

All outstanding First & Refunding Gold bonds due May 1, 1931, were retired May 1, 1928. There have also been retired since March 20, 1928, $7,800 real estate mortgages and $175,000 long-term notes.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$633,448	$584,117	$466,300	$344,190	$329,833	$317,141
Operating exp., taxes, etc.	434,187	422,717	321,990	243,772	264,087	226,352
Depreciation	57,674	44,182	38,722	28,075	23,403	20,841
Net earnings	$141,587	$117,218	$105,588	$72,343	$42,343	$69,948
Other income	26,553	33,647	4,042	5,002	1,828	2,474
Total income	$168,140	$150,865	$109,630	$77,345	$44,171	$72,422
Bond interest	9,025	9,657	9,585	9,225	9,329	11,080
Other interest, etc.	19,182	20,760	7,351	8,725	4,425	3,270
Total charges	$28,207	$30,417	$16,936	$17,950	$13,754	$14,350
Balance for dividends	$139,933	$120,448	$92,694	$59,395	$30,417	$58,072
Preferred dividends	108,843	107,064	70,200	51,679	41,682	32,338
Common dividends	16,000	16,000	16,000	16,000	14,500	10,000
Surplus for year	$15,090	*$2,616	$6,494	*$8,284	*$25,765	$15,734
Times Bond Interest Earned	16.50	13.47	10.67	7.44	4.26	6.24
Earnings Per Share—						
Preferred	$8.99	$7.87	$8.42	$7.49	$4.62	$11.34
Common	15.54	6.69	15.25	3.86	Nil	22.23

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$2,752,220	$2,053,089	$1,798,672	$1,292,642	$1,065,510	$841,587
Stocks owned	300	466,835	200	200	200	2,604
Bonds owned	9,500	9,500	9,500	9,500	9,500	.....
Other investments	121,807	166,740	113,386	138,828	95,601	43,290
Materials and supplies	86,848	104,625	92,216	115,040	106,139	96,106
Cash	60,014	62,304	145,453	15,531	29,744	12,064
Notes receivable	.....	5,736	9,970	12,400	28,000	28,557
Accounts receivable	103,435	65,659	77,537	47,885	77,241	66,063
Other current assets	334	3,726	413	6,741	3,860	633
Unadjusted debits	6,704	5,124	9,289	6,587	1,840	5,600
Deferred debit items	5,119	4,452	2,694	.....	7,747	2,796
Construction in progress	.....	.....	.....	.....	55,083	.....
Total	$3,146,281	$2,947,790	$2,259,330	$1,645,354	$1,480,465	$1,099,300

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$200,000	$200,000	$200,000	$200,000	$200,000	$100,0
Preferred stock	1,554,900	1,530,700	1,101,100	792,300	659,000	512,0
Funded debt	351,300	417,300	190,500	190,500	190,500	216,4
Capital stock subscribed	.....	1,300	100	1,100	.....	.....
Premium on stocks	1,184	1,184	1,184	1,184	.....	.....
Notes payable	25,000	53,135	45,400	45,400	45,400	12,4
Accounts payable	59,963	48,057	82,171	103,176	101,560	36,1
Interest accrued	4,198	7,442	1,928	1,928	1,928	1,7
Dividends accrued	27,211	26,793	8,453	13,088	6,604	21,3
Other current liabilities	26,567	10,649				
Reserve for taxes	45,709	30,895	19,965	13,358	13,177	15,7
Unadjusted credits	.....	.....	7,253	3,351	160	.....
Deferred credit items	35,111	27,778	34,445	41,111	47,778	.....
Reserve for depreciation	224,779	189,244	169,366	140,027	95,663	.....
Other reserves	69,555	50,733	40,462	29,387	24,444	.....
Appropriated surplus	.....	.....	.....	.....	.....	96,6
Profit and loss surplus	520,804	352,580	357,003	69,444	94,251	86,8
Total	$3,146,281	$2,947,790	$2,259,330	$1,645,354	$1,480,465	$1,099,3

Officers: R. W. Smith, Pres., Gen. Mgr. & Pur. Agt.; A. J. Crane, V-P. & Sec., Monroe, N. Y.; Frank Durland, Treas., Chester, N. Y.; E. F. Eichenberg, Asst. Sec. & Asst. Treas., Monroe, N. Y.

Directors: R. W. Smith, A. J. Crane, Jesse Bu Monroe, N. Y.; H. R. D. Keller, Montclair, N. J Frank Durland, Chester, N. Y.

General Office, Monroe, N. Y.

MARITIME TELEGRAPH & TELEPHONE CO. LTD.

History and Property—Incorporated April 22, 1910, in N. S.; consolidation of the Nova Scotia, Eastern, Valley, Yarmouth, Yarmouth Amalgamated, Queens, Antigonish, Sherbrooke and Cumberland telephone companies. Owns majority stock of the **Eastern Telephone & Telegraph Co.,** which company operates the telephone system of Prince Edward Island. The telephone system covers practically all the Province, serving a population of over 500,000. Leases for 99 years the submarine copper wire cable connecting Prince Edward Island and Nova Scotia. In Nova Scotia there are in use over 3,397 miles of pole lines, over 69,057 miles of wire and 34,870 telephones.

By an Act in 1917, the company "after making all just allowances according to the rules and regulations of the Nova Scotia Board of Commissioners of Public Utilities" is entitled to earn a sum equal to at least 8% of the fair value of its property, assets and undertakings.

CAPITAL STOCK

Authorized, $1,500,000 Common, $1,000,000 6% cumulative Pfd., Series "A", and $1,500,000 7% cumulative Pfd., Series "B"; outstanding, $1,313,990 Common, $543,150 6% Pfd. and $1,500,000 7% Pfd.; par of all classes, $10. Pfd. stock has preference for assets and dividends, Series "A" Pfd. shares are subject to call at any time at $11 per share, and are exchangeable for an equal amount of Common shares at par at any time by the holder, there being no time limit established for said conversion. Since the increase in the dividend on the Common stock from 6% to 7% (July 1, 1926) and to 8% (July 1, 1927), 54,315 shares of 6% Pfd. stock have been exchanged for an equal number of Common shares. The 7% Pfd. stock ranks equally with the 6% Pfd. Transfer Agent and Registrar: Eastern Trust Co., Halifax, N. S. Annual meeting, in February.

Dividends—Dividends on Pfd. "A" and "B" have been regularly paid, quarterly, Jan. 1, etc. Initial quarterly Common dividend of 1% (4% basis) was paid for quarter ended June 30, 1912, which rate was continued to July 1, 1913, when dividends were increased to 1½% quarterly (6% basis), the first dividend at the latter rate being paid on Sept. 30, 1913; rate further increased to a 7% basis, by payment on Sept. 30, 1926, of a quarterly dividend of 1¾%. Rate was increased to 8% by payment of a quarterly dividend of 2% Sept. 30, 1927; payments quarterly, M 31, J 30, S 30 & D 31. Common dividends have been paid regularly since June 30, 1912.

FUNDED DEBT

(1)

$1,500,000 FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1941

Dated July 1, 1911.

Interest Payable January and July 1, at Eastern Trust Co., Halifax and Montreal, and at Canadia Bank of Commerce, London.

Denominations—Coupon, $100 and $500; princip may be registered.

Trustee, Transfer Agent and Registrar—Easte Trust Co., Halifax and Montreal.

Provisions of Issue—Authorized and issued, $1 500,000.

Callability—Subject to call at 110 on any intere date.

Security—A first lien on entire property.

Original Offering—First publicly offered in Sep 1911, at 101 and interest, by F. B. McCurdy & C Halifax and Montreal.

(2)

$1,000,000 REFUNDING & GENERAL MORTGAGE GOLD SERIES "A"; DUE JANUARY 1, 1956

Dated January 1, 1926.

Interest Payable January and July 1, in gold Halifax, Montreal or Toronto.

Denominations—Coupon, $500 and $1,000; wi privilege of registration as to principal only or in ful

Trustee—The Eastern Trust Co., Halifax, N. S.

Provisions of Issue—Authorized amount of Seri "A" bonds, $1,500,000; issued, $1,000,000 to refund a equal amount of Refunding Mortgage Gold 7s, Seri "A," called for redemption at 106 and interest on De 1, 1925. Bonds in addition to Series "A" m be issued to refund bonds of any series ou standing under this mortgage or to retire unde lying bonds, but otherwise, additional series may issued under this mortgage only to the exte of 75% of the fair value or actual cash cost, whichev is less, of future additions or extensions to Company property of a permanent nature, and then only wh net earnings of Company for 12 consecutive mont within the next preceding 14 months shall have be not less than 1¾ times the annual interest charg on all bonds outstanding, including those proposed be issued, and in no event may bonds under this mo gage be outstanding to an amount exceeding twi the amount of the paid up capital stock of Compan

Callability—Subject to call as a whole, but not part, on 60 days' notice, on any interest date in a year to and including 1930 at 105 and interest, ther after to and including 1940 at 104 and interes thereafter to and including 1945 at 103 and interes thereafter to and including 1950 at 102 and interes thereafter to and including 1954 at 101 and intere and thereafter at 100 and interest.

Security—These bonds are the direct obligation Company, secured by a mortgage on the property Company, real and personal, including lands a buildings, plant, leases, rights, patents and franchis now owned or hereafter acquired, subject to the Fir

Mortgage 6s, due in 1941, the mortgage securing which is closed.

Legal Opinion—Covert, Pearson & Rutledge, Halifax, N. S., and McGibbon, Mitchell, Casgrain, McDougall & Stairs, Montreal, Que.

Original Offering—First publicly offered ($1,000,000) in December, 1925, at 95½ and interest, yielding about 5.30%, by Royal Securities Corp, Ltd., Montreal, Toronto, etc., and Harris, Forbes & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,577,759	$1,534,021	$1,496,417	$1,448,058	$1,512,048	$1,474,332
Operating expenses	539,835	505,477	480,425	502,253	516,575	520,205
Maintenance and depreciation	529,074	516,371	511,370	492,547	531,843	510,619
Taxes	84,459	83,797	83,000	82,209	80,169	76,178
Uncollectible revenues	2,368	4,398	4,056	.....	.....	.....
Net earnings	$422,023	$423,978	$417,566	$371,049	$383,461	$367,330
Other income	48,360	34,903	32,893	28,968	19,422	13,380
Gross income	$470,383	$458,881	$450,459	$400,017	$402,883	$380,710
Interest charges	140,000	137,247	154,167	156,000	152,931	139,567
Other charges	8,540	13,424	10,628	697	.....	.....
Net income	$321,843	$311,207	$285,664	$243,320	$249,952	$241,143
Dividends	232,558	220,360	216,000	216,000	216,000	216,000
Income tax, etc.	34,694	34,445	34,421	32,636	31,162	30,740
Surplus for year	$54,591	$56,402	$35,243	*$5,317	$2,790	*$5,597

*Deficit.

Surplus Account, Dec. 31, 1927—Balance surplus, at beginning of year, $104,307; net income for 1927, $321,843—total, $426,150. Contra: Provision for 1927 Federal Income tax, $24,344; amortization of discount on securities, $10,350, dividends paid and payable, $232,558—total, $267,253. Balance, surplus, Dec. 31, 1927, $158,897.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and property	$7,202,355	$6,983,102	$6,846,893	$6,736,904	$6,497,366	$6,354,472
Investments	336,025	336,025	336,025	297,425	297,425	235,125
Supplies	125,000	125,000	125,000		248,797	252,087
Accounts receivable	168,695	163,164	158,788	524,221	264,533	216,871
Cash and deposits	416,792	357,449	12,464		148,353	241,281
Unamortized discount on securities	193,847	204,212	119,389		133,738	140,744
Other deferred debits	12,850	15,990	15,311	128,321	.....	.....
Total	$8,455,564	$8,184,942	$7,613,870	$7,686,871	$7,590,212	$7,440,580
Liabilities—						
Common stock	$1,313,990	$893,330	$850,000	$850,000	$850,000	$850,000
7% Pfd. stock	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
6% Pfd. stock	543,150	956,670	1,000,000	1,000,000	1,000,000	1,000,000
Funded debt	2,500,000	2,500,000	1,500,000	2,500,000	2,500,000	2,500,000
Dividends payable January 1	60,627	56,233	54,000	54,000	54,000	54,000
Bond interest accrued	70,000	70,000	45,000	82,785	50,833	50,833
Other accruals	33,022	29,919	33,338		.....	.....
Accounts payable	73,738	72,109	782,588	32,156	95,824	108,196
Reserves for replacements and contingencies	2,202,140	2,002,374	1,801,039	1,655,269	1,521,577	1,362,365
Surplus	158,897	104,307	47,905	12,661	17,977	15,186
Total	$8,455,564	$8,184,942	$7,613,870	$7,686,871	$7,590,212	$7,440,580

Officers: O. E. Smith, Pres.; Geo. E. Faulkner, V-P.; T. N. Goudge, Sec & Treas.; C. A. B. Bullock, Compt.; W. S. Lee, Aud.; J. H. Winfield, Managing Director; W. H. Hayes, Gen. Mgr., Halifax, N. S.

Directors: O. E. Smith, Geo. E. Faulkner, J. H. Winfield, Andrew MacKinlay, E. L. MacDonald, G. F. Pearson, Chas. H. Mitchell, Halifax, N. S.; C. F. Sise, J. E. MacPherson, Montreal.

Office, Halifax, N. S.

SOUTHWESTERN HOME TELEPHONE CO.

(Redlands, Cal.)

History—Incorporated in Feb., 1905, in Cal. It serves without competition and under suitable franchises, the cities of Redlands, Elsinore, Hemet, San Jacinto, Banning, Beaumont, Perris and the towns of Palm Springs, Murrieta and Temecula and adjacent territory. The territory served comprises a district in San Bernardino and Riverside Counties of approximately 2,700 square miles. Number of exchanges, 8; telephone stations, 4,874. Connects for long distance service with both Bell and independent lines (Pacific and U. S. Long Distance Co.). Controls the Redlands Home Telephone & Telegraph Co. through ownership of entire $100,000 capital stock.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $84,234.50; par, $1. Annual meeting, second Wednesday in February, at Redlands, Cal.

Dividends—Initial dividend of 3% paid in 1910; 5% each 1911 and 1912; 3% in 1913; none since.

FUNDED DEBT

(1)

$41,000 Southwestern Home Telephone Company First Gold 5s; dated Oct. 1, 1907; due Oct. 1, 1937; int. April and Oct. 1. Oct. interest payable at Los Angeles-First National Trust & Savings Bank, Redlands, Cal. April interest deferred ten years, beginning 1918. Deferred interest certificates outstanding Dec. 31, 1927, $10,250, bearing 5% interest. Coupon, $500 and $1,000; principal may be registered. Sinking fund, 2% annually after 1927. Secured by a first mortgage on telephone plants in Riverside and San Bernardino Counties, Cal. Company pays Normal Federal Income Tax up to 2%.

(2)

$357,000 SOUTHWESTERN HOME TELEPHONE COMPANY FIRST AND UNIFIED MORTGAGE 30-YEAR 6% GOLD BONDS, SERIES A; DUE OCT. 1, 1954

Dated October 1, 1924.

Interest Payable April and October 1, at the Security Trust & Savings Bank, Los Angeles, Cal.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Security Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized, $1,000,000; outstanding, $357,000. Additional bonds may be issued in this Series upon authority of the Railroad Commission, and not in excess of 80% of the actual cost or

fair value of additions, extensions and permanent improvements to the property of the Company, provided however, that net earnings for a period of twelve consecutive calendar months in the fourteen months immediately preceding the application for issuance of additional bonds shall have been at least 1½ times the annual interest charges on all bonds outstanding and those proposed to be issued.

Purpose of Issue—The outstanding bonds were issued for the purpose of retiring all outstanding indebtedness of the Redlands Home Telephone & Telegraph Co., which is wholly owned by the Southwestern Home Telephone Co., to retire the outstanding 5% bonds of the Southwestern Home Telephone Co. and for other corporate purposes.

Callability—Subject to call as a whole or in part on 60 days' notice on any interest date from Oct. 1, 1928 to Oct. 1, 1934 inclusive, at 105 and accrued interest. Thereafter at ¼ of 1% less each year until maturity.

Sinking Fund—Commencing Sept. 1, 1928, and annually thereafter, the Company will deposit with the Trustee an amount equal to 1½% of all Series A bonds outstanding for the purchase of bonds in the open market at not to exceed 105 and interest, or if none are procurable at that price, the Trustee shall call bonds at the then call price.

Security—Secured by a direct mortgage on all the property of the Company now owned or hereafter acquired, subject only to the lien of a closed mortgage securing an issue of First Mortgage 5% bonds, due 1937, of which $41,000 are outstanding and for the retirement of which First and Unified Mortgage bonds have been reserved.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property taxes in California.

Legal Opinion—Flint & McKay (for the Bankers) and Charles F. Potter (for the Corp.)

Additional Offering—Publicly offered ($275,000) in Nov., 1926, at 98 and interest to yield 6.15%, and $43,500 additional in May, 1927, at 99 and interest, by Toole-Tietzen & Co., Los Angeles, etc.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$191,150	$172,767	$159,437
Oper. expenses & taxes	123,043	110,130	105,174
Depreciation	16,507	15,728	15,522
Net earnings	$51,600	$46,909	$38,741
Other income	978	2,535	929
Total income	$52,578	$49,444	$39,670
Bond interest	22,442	19,635	18,542
Other interest	1,061	4,075	4,103
Rentals	3,033	2,878	2,780
Total charges	$26,536	$26,588	$25,425
Net income	$26,042	$22,856	$14,245

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Property account	$702,587	$638,509	$608,383
Bonds owned	.....	.....	20,060
Materials and supplies	16,798	9,971	18,629
Cash	11,916	7,619	4,076
Notes receivable	.....	3,500	3,500
Accounts receivable	4,137	7,843	6,224
Prepayments	2,514	2,480	1,143
Deferred debit items	10,376	9,468	9,351
Unamort. debt disc. & exp.	113,750	103,548	94,591
Total	$862,078	$782,938	$765,957
Liabilities—			
Capital stock	$84,234	$84,234	$84,234
Funded debt	398,000	346,900	326,600
Deferred interest	10,250	11,025	12,200
Notes payable	.....	27,308	75,000
Accounts payable	34,522	24,230	17,186
Interest accrued	8,996	8,362	9,057
Reserve for taxes	10,913	9,395	8,062
Bond exchange account	149,074	144,559	138,215
Reserve for depreciation	108,497	95,376	86,710
Profit and loss surplus	57,592	31,549	8,693
Total	$862,078	$782,938	$765,957

Officers: Charles A. Rolfe, Pres. & Gen. Mgr.; J. H. Logie, V-P.; C. D. Rolfe, Sec.; J. J. Prendergast, Treas., Redlands, Cal.

Directors: C. A. Rolfe, Carl D. Rolfe, R. E. Rolfe, J. J. Prendergast, S. A. Grover, J. H. Logie, F. E. Rolfe, Redlands, Cal.

General Office, Redlands, Cal.

LOS ANGELES RAILWAY CORPORATION

History and Property—Incorporated Nov. 7, 1910, in Cal.; successor to the Los Angeles Ry. Co., (see Manual for 1910, page 1856). Has acquired all the city narrow-gauge lines owned by the Pacific Electric Ry. Co., and the Los Angeles Interurban Ry. Co., and those portions of the Los Angeles & Redondo Ry., and California-Pacific Ry., lying north of an east and west line running through Hawthorne and Athens, thus comprising all the street railway business of Los Angeles, Cal. Over 25% of trackage is on private right of way and 90% of routes are double tracked. All main line and practically all down-town line franchises extend beyond 1940. Miles of track operated 406.71. Gauge, 3 ft. 6 in. Rail, 60, 72, 87 lb. T and 116 lb. girder. Operated by overhead trolley. Cars, owned and operated—motor, 1,290; non-motor, 75. Sub-stations, 16. Street railway service is supplemented by bus service. Owns the entire $5,000,000 capital stock of City Ry. Co. of Los Angeles.

Increased Fare Denied—Holding the 5-cent fare of Corporation to be "not unreasonable" the California RR. Comm. in a decision made public on March 26, 1928, unanimously denied Corporation's application for an increase from the present 5-cent fare to a 7-cent fare or four rides for 26 cents. Application for the increase was made to the Commission on Nov. 17, 1926. A valuation of the properties made by the Commission was declared to amount to $42,000,000. This was used as a rate base. The figure includes undepreciated cost of properties with land at present values; also an allowance of $750,000 for materials and supplies on hand and of $250,000 for work in progress. On April 14, 1928 the Corporation filed a petition for a rehearing and claiming that a continuation of the 5-cent fare amounted to a confiscation of its property.

CAPITAL STOCK

Authorized and outstanding, $20,000,000; par, $100. Entire stock, except directors' qualifying shares, owned by Henry E. Huntington. No dividends paid since 1913.

Annual Meeting—Second Wednesday in November.

FUNDED DEBT

(1)

$4,722,000 LOS ANGELES RAILWAY COMPANY FIRST CONSOLIDATED GOLD 5s; DUE OCTOBER 1, 1938.

Dated October 1, 1898.

Interest Payable April and October 1, at Wells Fargo Bank & Union Trust Co., San Francisco, and National City Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank & Union Trust Co., San Francisco, Cal.

Provisions of Issue—Authorized and issued, $5,000,000, of which $546,000 held uncancelled in sinking fund, and $278,000 reacquired and cancelled. Mortgage closed.

Sinking Fund—An annual sinking fund is provided which requires the payment of the following minimum amounts: $35,000 annually to 1927, inclusive; $40,000, 1928 to 1932, inclusive; $45,000, 1933 to 1937, inclusive; proceeds to be applied to the purchase or redemption of bonds at not exceeding 105 and interest, bonds so acquired to be cancelled. If bonds cannot

be obtained at this price or less, fund may be invested in suitable securities.

Security—A first lien on property formerly owned by Los Angeles Ry. Co., approximately 204 miles of track in Los Angeles.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Los Angeles and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	95⅞	98¼	96¾	96	90¾	90¾	93¾	73¾
Low	94½	94½	93¾	89¾	88⅛	82½	69	64

(2)

$250,000 LOS ANGELES TRACTION COMPANY FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE DECEMBER 31, 1938.

Dated December 31, 1898.

Interest Payable June and December 1, at Chase National Bank, New York.

Denomination—Coupon, $1,000.

Trustee—St. Louis Union Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized issue, $500,000; mortgage closed.

Callability—Not subject to call.

Security—A first lien on property of former Los Angeles Traction Co., on approximately 66 miles of track.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$12,157,000 LOS ANGELES RAILWAY CORPORATION FIRST & REFUNDING GOLD 5s; DUE DECEMBER 1, 1940.

Dated December 1, 1910.

Interest Payable June and December 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles, and at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized, $20,000,000, of which $4,972,000 are reserved to retire the Los Angeles Ry. Co. 5s of 1938, and the Los Angeles Traction Co. 5s of 1938. Of the $14,880,000 bonds outstanding, $2,723,000 were held alive in sinking fund as of Dec. 31, 1927, leaving $12,157,000 in hands of public. Of the bonds issued, $4,000,000 are pledged as part security for Huntington Land & Improvement Co. Collateral Trust 6% bonds.

Callability—Not subject to call.

Sinking Fund—$10,000 per month (including sinking fund on underlying bonds), to be invested in first and refunding bonds at 105 and int., or less, or in approved securities; first and refunding bonds purchased for sinking fund to be kept alive.

Security—Secured by direct mortgage on entire property, equipment, etc., including an absolute first mortgage on 85 miles; direct mortgage (subject to $250,000 Los Angeles Traction Co. bonds) on 66 miles; direct mortgage (subject to Los Angeles Ry. Co. First 5s) on 204 miles.

Tax Provisions—Company does not pay Normal Federal Income Tax. California State Tax refunded.

Legal Opinion—Gibson, Dunn & Crutcher and O'Melveny, Stevens & Millikin, Los Angeles, Cal.

Legal for Savings Banks in California.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	86	86½	89	84½	89	83	73½	62
Low	84	83	83¼	75¼	72¾	73½	58⅞	59

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Railway earnings	$12,120,976	$12,118,459	$12,224,577	$12,719,449
Operating expenses	8,463,858	8,530,274	8,500,486	8,227,814
Taxes	747,633	763,829	796,000	855,000
Depreciation	1,260,386	1,282,350	1,270,303	1,159,524
Net earnings	$1,649,099	$1,542,006	$1,657,788	$2,477,111
Bus operations (loss)	238,494	261,071	134,028	102,661
Operating income	$1,410,605	$1,280,935	$1,523,760	$2,374,450
Other income	144,499	148,999	129,957	126,499
Total income	$1,555,104	$1,429,934	$1,653,717	$2,500,949
Deduct:				
Bond interest	$992,600	$992,600	$992,600	$992,600
Other interest	236,542	222,704	273,348	159,422
Rentals	359,918	350,000	350,000	356,429
Total	$1,589,060	$1,565,304	$1,515,948	$1,508,451
Surplus for year	*$33,956	*$135,370	37,769	992,498
Times Bond Interest Earned	0.96	0.86	1.04	2.00
Earnings Per Share	Nil	Nil	$0.19	$4.96

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$50,379,410	$49,748,909	$49,355,894	$49,161,970	$47,976,098	$47,640,400
Less depreciation	8,013,726	7,252,604	6,244,143	5,342,225	4,461,395	4,219,681
Balance	$42,365,684	$42,496,305	$43,111,751	$43,819,745	$43,514,703	$43,420,719
Investments	111,000	6,000	6,000	124,000	103,000	919,000
Sinking funds	79,605	17,149	60,801	60,349	54,687	32,284
Notes and loans receivable	9,665,487	9,185,542	8,469,816	8,036,440	4,919,375	1,909,150
Miscellaneous accounts receivable	96,798	119,313	91,128	60,445	99,360	119,818
Cash and deposits	47,650	47,784	48,843	48,285	73,908	82,850
Other working assets	957,929	870,670	887,190	1,033,871	973,738	795,062
Prepaid expenses	.....	.....	.....	3,240	283	296
Miscellaneous	116,103	108,027	106,254	95,673	102,741	29,674
Corporate deficit	.....	.....	.....	.....	.....	13,017
Total	$53,440,256	$52,850,790	$52,781,784	$53,282,048	$49,841,795	$47,321,870
Liabilities—						
Capital stock	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Funded debt	17,129,000	17,296,000	17,573,000	17,786,000	17,989,000	18,165,000
Notes and loans payable	5,797,903	5,568,945	5,462,998	5,893,699	3,115,423	2,463,208
Miscellaneous accounts payable	619,219	498,373	466,145	590,328	849,487	797,507
Interest and taxes accrued	2,892,635	2,754,994	2,514,745	2,620,556	2,429,252	2,141,530
Miscellaneous	2,086,035	1,936,416	1,734,444	1,530,224	1,606,074	1,431,846
Funded debt retired through surplus	278,000	278,000	278,000	148,000	148,000	148,000
Reserves	3,411,376	3,119,519	2,826,772	2,667,945	2,424,283	2,174,779
Surplus	1,226,088	1,398,543	1,925,680	2,045,296	1,280,276	.....
Total	$53,440,256	$52,850,790	$52,781,784	$53,282,048	$49,841,795	$47,321,870

Officers: G. J. Kuhrts, Pres. & Gen. Mgr.; A. Crutcher, V-P.; C. A. Henderson, Sec., Treas. & Pur. Agt.; R. O. Crowe, Aud., Los Angeles, Cal.

Directors: C. A. Henderson, Albert Crutcher, G. J. Kuhrts, C. E. Culver, C. H. Holladay, E. B. Holladay, A. G. Walker, Los Angeles, Cal.

Office, Los Angeles, Cal.

CITY RAILWAY CO. OF LOS ANGELES

(Controlled by Los Angeles Railway Corporation)

History—Incorporated Dec. 5, 1910, in Cal., to furnish new equipment and to construct new lines in the interest of the Los Angeles Ry. Corp.

CAPITAL STOCK

Authorized and issued, $5,000,000; par, $100. All owned by Los Angeles Ry. Corp. Annual meeting, first Tuesday in December.

FUNDED DEBT

$5,000,000 FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1941

Dated February 1, 1911.

Interest Payable February and August 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles, and at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized and issued, $5,000,000, of which $1,434,000 bonds held in sinking fund, leaving $3,566,000 in hands of public Dec. 31, 1927.

Sinking Fund—2% per annum of bonds outstanding, began January 1, 1916.

Security—A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Income from lease of road	$350,000	$350,000
Other income, sinking fund	69,855	61,793
Total income	$419,855	$411,793
Bond interest	250,000	250,000
Net income	$169,855	$161,793

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$19,649,673	$19,183,105
Other investments	1,464,009	1,294,154
Total	$21,113,682	$20,477,259
Liabilities—		
Common stock	$5,000,000	$5,000,000
Funded debt	5,000,000	5,000,000
Due Los Angeles Ry. Corp.	9,649,673	9,183,105
Surplus	1,464,009	1,294,154
Total	$21,113,682	$20,477,259

Officers: G. J. Kuhrts, Pres. & Gen. Mgr.; A. Crutcher, V-P.; C. A. Henderson, Sec. & Treas.; R. O. Crowe, Aud., Los Angeles, Cal.

Directors: C. A. Henderson, G. J. Kuhrts, Albert Crutcher, A. G. Walker, C. E. Culver, E. B. Holladay, C. H. Holladay, Los Angeles, Cal.

General Office, Los Angeles, Cal.

BERLIN ELECTRIC ELEVATED AND UNDERGROUND RAILWAYS CO.

(Gesellschaft fuer Elektrische Hoch- und Untergrundbahnen in Berlin)

History and Properties—Organized in 1897 as a private corporation to construct and operate electric elevated and underground lines in the City of Berlin and its suburbs, and began operation in 1902. Owns about 28.7 miles of elevated and underground lines and operates a total, including connecting lines, of about 33.1 miles. These lines constitute the entire electric rapid transit system now in operation in the City of Berlin, the third largest city of the world, with about 4,000,000 inhabitants.

The rapid transit system owned includes 6 miles of elevated and 22.7 miles of underground lines with a total of about 71.5 miles of track. These lines are of standard gauge and are equipped with automatic signals. Furthermore, the Company owns a surface railway extension about two miles in length. The Company owns its power plant with a capacity of 32,500 K.W., which generates most of the electric current required, the remainder being supplied chiefly by the Berlin City Electric Company, all the capital stock of which is owned by the City. The equipment includes about 800 cars. Plant and equipment are modern and have been maintained at a high standard of operating efficiency. The cost of the existing properties was over $60,000,000 and the cost of reproduction is estimated at over $100,000,000.

In addition to its own lines the Company operates about 4.4 miles of connecting lines under favorable contracts.

Franchises—None of the franchises expire before 1975. While the City has the right to acquire certain lines of the Company in 1937 and at intervals of ten years thereafter, such purchase can only be made subject to the mortgage securing Company's First Mortgage bonds. The franchises are free from burdensome restrictions.

TRAFFIC STATISTICS

The traffic of the entire rapid transit system operated by the Company has been as follows:

Year	Length of Lines (miles)	Number of Passengers
1903	7.0	29,628,463
1913	17.2	71,525,370
1921	23.5	95,928,574
1922	23.5	121,186,650
1923	28.0	167,547,008
1924	29.0	183,070,192
1925	29.0	172,531,558
1926	29.0	163,180,978

Control by City of Berlin—The City of Berlin, directly or through a corporation wholly owned by the City, owns more than a majority of the capital stock of the Company, viz., 97,000,000 Reichsmarks ($23,095,238) par value, including 62,000,000 Reichsmarks ($14,761,905) par value on which 50% has been paid, the balance being subject to call. Furthermore, over 69,000,000 Reichsmarks ($16,428,571) par value, or about seven-eighths of the remaining stock outstanding, has been deposited under an Agreement which provides that the City has the right to acquire all of the deposited stock on or after April 1, 1931 and is obligated to buy any part thereof on or after April 1, 1936, on the demand of the owner. For granting this right to the City, the depositing stockholders are to receive warrants for an amount equal to 20% of the par value of the deposited stock (such warrants to be redeemed by the City in five annual instalments beginning in 1927) and, upon acquisition of the stock, the City will pay the par value thereof, the total payments by the City thus aggregating 120%. Until acquired, the City will pay interest on the par value of the deposited stock at the rate of 7% per annum.

CAPITAL STOCK

Authorized and issued, 175,244,000 Reichsmarks ($41,724,762) including 62,000,000 Reichsmarks ($14,761,905) par value, capital stock, 50% paid, the balance being subject to call. There are also outstanding 1,250 profit sharing certificates (no par value), the holders of which are entitled to one-quarter of the net profits after payment of dividends at rate of 8% on the stock of Company.

Listed—Berlin Stock Exchange.

Dividends—Annual dividends have been paid since 1903 (the first complete year of operation), with the exception of 1923; the dividend rate was 5% for 1924, 7% for 1925 and 5% for 1926.

FUNDED DEBT

(1)

$15,000,000 THIRTY-YEAR FIRST MORTGAGE 6½% SINKING FUND GOLD BONDS; DUE OCTOBER 1, 1956

Dated October 1, 1926.

Interest Payable April and October 1 in New York City in United States gold coin of, or equal to the standard of weight and fineness existing Oct. 1, 1926 at office of Speyer & Co. Interest also collectible at option of holders, in Holland at the offices of Hope & Co., Teixeira de Mattos Brothers and Deutsche Bank Filiaal, Amsterdam, at the equivalent in Dutch Guilders, at the rate of exchange as fixed from time to time by such houses.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Deutsche Truehand-Gesellschaft, Berlin, Germany. The Equitable Trust Co. of New York, Co-Trustee.

Fiscal Agent and Registrar—Speyer & Co., New York.

Provisions of Issue—Authorized, $25,000,000 (or equivalent in Reichsmarks); issued, $15,000,000. The remaining bonds may be issued for additions, betterments, extensions, etc. under restrictions set forth in the Indenture, for an amount not to exceed 60% of the cost or fair value (whichever is less), but only if for a period of twelve consecutive months (within the fifteen months preceding application for such issue) net earnings as defined in the Indenture shall have equalled at least one and one-half times the annual interest and sinking fund requirements on all Bonds issued under the Indenture and on the Bonds then to be issued.

Purpose of Issue—Proceeds will be used for betterments, additions and equipment, for the payment of floating debt incurred in the construction of lines acquired from the City and of extensions recently placed in operation, for the redemption of 13,463,700 Reichmarks ($3,205,261) par value of the Company's outstanding Bonds and other obligations, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date upon three months' notice at 102½ and interest, up to and including Oct. 1, 1931, and thereafter at par and interest.

Sinking Fund—As provision for payment of interest and as a sinking fund for retirement of the bonds at or prior to maturity, Company on March and Sept. 15, in each year commencing with 1927, so long as any of the bonds are outstanding, agrees to pay to Speyer & Co., as Fiscal Agent, in gold coin of the United States of America, sums calculated to be sufficient to provide for payment of interest and for retirement through sinking fund, at or prior to maturity, of all of the bonds. Payments are to be applied by the Fiscal Agent to payment of interest on the bonds and the balance to purchase and/or redemption of bonds in the open market or at private sales, at or below par and int. If on Aug. 1 of any year there shall remain in the sinking fund account, an amount sufficient to redeem $10,000 or more of the bonds, the Fiscal Agent shall select by lot between Aug. 1 and 15, a sufficient number of bonds for redemption at principal amount thereof on Oct. 1 to exhaust the sinking fund moneys as nearly as possible. Notice of redemption of bonds selected is to be published not less than 30 days prior to redemption date.

Security—Secured by a direct first mortgage on all the elevated and underground railway properties of the Company, including equipment and power plant, subject only to the charges under the laws enacted to give effect to the Dawes Plan, payments in respect of which (on the basis of present assessments) are conservatively estimated at not exceeding $225,000 in any year. It is estimated that the principal amount on which charges are computed will not exceed $3,750,000. Company covenants to extend the lien of this mortgage to all property hereafter acquired with the proceeds of bonds issued thereunder. The City of Berlin which directly or through corporation wholly owned by the City, owns a majority of the capital stock of the Company, has entered into an agreement with the Company providing that fares will be maintained adequate to ensure earnings which will cover operating expenses, interest and sinking fund on all loans and proper provision for depreciation and other necessary reserves, and that if, for any reason, the fares should not be maintained at rates adequate to ensure sufficient earnings available for such purposes, the City will provide the funds necessary therefor.

Tax Provisions—Free from any present or future German taxes.

Legal Opinion—Sullivan & Cromwell, New York, and Albert & Westrick, Berlin.

Original Offering—First publicly offered ($15,000,000) in Nov., 1926, at 94½ and interest to yield about 6.95% by Speyer & Co., The Equitable Trust Co. and Blyth, Witter & Co., New York, etc. $3,000,000 bonds of this issue were withdrawn for sale in Holland by Hope & Co., Teixeira de Mattos Brothers and Deutsche Bank, Amsterdam.

Listed—New York and Boston Stock Exchanges.

Price Range—

	1927	1926
High	99½	96½
Low	92½	94¾

(2)

14,763,700 Reichsmarks ($3,515,167) Unsecured Loan from City of Berlin, repayable with interest at 6½% through cumulative annual sinking fund by April 1, 1950, was outstanding as of Dec. 31, 1926.

(3)

424,000 Reichsmarks ($101,174) Mortgages on real estate not used for railway operation were also outstanding as of Dec. 31, 1926.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Operating earnings:	1926	1925	1924
Elevated and underground railway	$6,413,842	$4,968,906	$4,201,185
Street railway	71,108	81,923	59,420
Miscellaneous	687,023	679,413	428,760
Total revenues	$7,171,973	$5,730,242	$4,689,366
Operating exp. incl. taxes	$4,031,297	$3,024,430	$2,180.328
Payments to City of Berlin	86,190	142,857	130,952
Net profits	$3,054,486	*$2,562,955	$2,378,086
Interest on 10% bonds of 1925	$170,660	.....	.....
Interest on debt of Nordsudbahn to City taken over	361,741	.....	.....
Interest on American Loan of 1926	73,125	.....	.....
Other interest	.....	14,443	.....
Reserve for amortization of railway investment, for renewals & depreciation	705,361	526,727	446,997
Special reserves	.....	.....	476,191
Total deductions	$1,310,887	$541,170	$923,188
Surplus after charges	$1,743,599	$2,021,785	$1,454,898

*The inclusion of the net profits of the Nordsudbahn and the Schenneberger Bahn, both of which were taken over in 1926 by the Company would increase this figure approximately $708,800, that is, to an approximate total of $3,271,000.

NOTE—Conversions from German to United States currency have been made at 4.20 Reichsmarks to the Dollar.

Depreciation Policy—The rate of depreciation for the railway system, the power plant and operating equipment and the surface line are based upon the number of car kilometers run, or what is known as the car kilometer. The reserves are placed in a special account designated "renewal reserves" and all expenses for renewals are charged to it. The renewals and other special sums written off for the railway, the power plant, operating stations and equipment of the surface line are calculated at approximately 7½ pfennigs per car kilometer.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Railway, land and construc.	$44,671,559	$26,057,556	$25,754,405
Railway extensions, land & construction	929,411	6,174,903	5,657,994
Electric power stations, etc.	6,687,468	4,575,230	3,665,189
Equipment	5,255,666	2,340,140	1,926,963
Real est. & buildings	1,748,083	707,534	650,928
Securities and investments	660,930	831,616	386,730
Unpaid balance of 50% on RM 62,000,000 ($14,761,-904.78) shares	7,380,952	.....	.....
Cash in banks and on hand	6,177,772	1,267,261	623,346
Accounts receivable	668,633	524,302	335,629
Inventories	564,374	613,201	438,058
American Loan of 1926 disc. & expense	1,805,953	.....	.....
Total	$76,550,801	$43,091,743	$39,439,242
Liabilities—			
Capital stock	$41,724,762	$26,974,762	$26,974,762
10% bonds—issue of 1925	2,848,095	2,857,143	.....
6½% American Loan of 1926	15,000,000	.....	.....
Debt of Nordsudbahn to City of Berlin taker over	3,515,167	.....	.....
Mortgages	101,174	103,519	103,473
Accounts payable, etc.	1,893,370	1,490,012	1,011,281
Accrued interest	314,952	.....	.....
Bonds called but not yet presented	3,457	.....	.....
Unpaid divd. and interest	27,348	.....	.....
Reserves:			
For taxes on bonds & revaluation of bonds & Pfd. stock called for redemption	870,366	1,287,878	1,796,114
For amortization of investment in railways	1,451,833	1,324,214	1,245,643
Legal reserve	4,774,635	4,762,730	4,762,730
Renewals	1,200,726	785,714	357,143
Deferred maintenance	679,105	1,169,702	1,495,104
Extraordinary operating expenses	238,095	238,095	238,095
†Surplus	1,907,716	2,097,973	1,454,898
Total	$76,550,801	$43,091,743	$39,439,242

†Subject to dividends and adjustments.

Managing Directors: Dr. Paul Wittig, Emil Pavel, Dr. Johannes Bousset, Heinrich Dettmar.

Directors (Jan. 1, 1927): Max Steinthal, Hans von Raumer, Dr. Carl F. von Siemens, Adolf Deter, Wilhelm Ullrich; representing the City of Berlin: Oscar Wassermann (resigned in April, 1927), Justus Breul, Dr. Hermann Dorz, Dr. Fritz Hartmann, Dr. Max Haaselau, Dr. Alfred v. der Leyen, Dr. Eduard Stieger, Dr. Leonhard Adler, Dr. Ernest Karding (resigned in April, 1927).

General Office, Berlin, Germany.

EVANSVILLE & OHIO VALLEY RAILWAY COMPANY

History—Incorporated in Dec., 1918, in Indiana, and on Feb. 20, 1919, acquired the properties of the Evansville Railways Co. (see 1918 Public Utility Manual, page 184), in accordance with the Plan of Reorganization dated Jan. 24, 1917, with the exception that the plan as revised by the Public Service Commission of Indiana provided for the issuance of only $300,000 Common stock and $200,000 Pfd. stock, instead of $1,000,000 Common and $500,000 Pfd. stock as originally planned. Company also acquired in fee all the properties of the Evansville, Henderson & Owensboro Ry. Co. (see 1918 Public Utility Manual, page 187). Controls by stock ownership the properties of the Owensboro City R.R. Co. (see statement appended) and Crescent Navigation Co. This latter company owns three passenger boats and two large terminal wharf boats at Owensboro, Ky., and Rockport, Ind.

Mileage—Operates between Mt. Vernon, Evansville, Henderson, Richland, Newburg and Grandview, Ind. Total mileage operated, 70.68, of which 56 miles are owned in fee, 7.22 miles are leased, and 7.46 miles are operated under trackage rights. Sidings, etc., 4.32 miles; total mileage, 75 miles. Gauge, standard. Rail, 70 lb. T. Passenger cars, 14; freight cars, 121; service cars, 2; motor freight cars, 3; electric locomotive, 1—total, 141. Also operates bus lines.

Receivership—W. A. Carson was appointed Receiver Oct. 25, 1927.

Sub-Company Receivership—On Sept. 29, 1923, W. A. Carson was by mutual agreement, appointed Receiver of the Owensboro City R.R. Co. (for further details see statement of Owensboro City R.R. Co.).

Henderson Traction Co.—This Company ceased operations on July 17, 1923, and on Oct. 27, 1923, its property was sold by Court order to W. H. McCurdy, Evansville, Ind., for $6,800.

CAPITAL STOCK

Authorized, $1,000,000 Common and $500,000 6% non-cumulative Pfd.; outstanding, $287,875 Common and $224,110 Pfd.; par, $100. Annual meeting, first Monday in March. No dividends paid.

FUNDED DEBT

(1)

$179,000 First Gold 6s; dated Jan. 1, 1919; due Jan. 1, 1949; int. Jan. and July 1, at Continental National Bank & Trust Co., Chicago, Trustee. Authorized issue, $200,000. Sinking fund of $2,500 per annum starts in 1929 and continues for ten years, thereafter the sinking fund will be $5,000 per annum. Subject to call at 103 during the first ten-year period, 102 during the second ten-year period, and 101 during the third ten-year period. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,034,200 First and Refunding 5s; dated Jan. 1, 1919; due Jan. 1, 1949; int. Jan. and July 1, at American Trust & Savings Bank, Evansville, Ind., Trustee, or the Hanover National Bank, New York. Authorized issue, $1,200,000.

Default—The interest due Jan. 1, 1928, was not paid on these bonds.

Sinking fund same as above if none of the First Mortgage bonds are issued. If they are issued sinking fund applies only to the First Mortgage bonds. Subject to call as a whole or in part on any interest date at 102½ and interest. Of the bonds outstanding, $747,800 were issued under the Plan, as follows: $660,-100 (50%) to holders of the old First Mortgage bonds, $7,500 (50%) to holders of Mount Vernon interest coupon notes, and $76,000 (50%) to old First Mortgage bondholders for defaulted interest in 1917 and 1918, two years at 5%. In addition, $59,900 were issued as collateral security for 10-year notes and $226,500 for Evansville, Henderson & Owensboro Ry. Co. Pfd. stock. Additional bonds may be issued for improvements, betterments and other property at not exceeding 80% of the actual cost of same, providing, however, that no bonds shall be issued for this purpose unless net earnings for the preceding 12 months are sufficient to cover interest charges on all bonds then outstanding and the additional bonds proposed to be issued. These bonds are a first lien on about 56 miles of main line and 5 miles of sidings, subject only to the First Mortgage (closed) bonds outstanding. Company pays Normal Federal Income Tax up to 2%.

(3)

$747,400 General Mortgage Non-Cumulative Income Bonds; dated Jan. 1, 1919; due Jan. 1, 1949. These bonds are registered and contain no coupons, and do not draw interest unless earned and then not to exceed 5% per annum. Mercantile-Commercial Bank, Evansville, Ind., Trustee. Authorized, $750,000. Of the $747,400 bonds outstanding, $747,400 were issued under the plan as follows: $663,900 (50%) to holders of old First Mortgage bonds, $7,500 (50%) to holders of Mt. Vernon interest coupon notes, and $76,000 (50%) to old First Mortgage bondholders for defaulted interest in 1917 and 1918, two years at 5%.

It is agreed that the net earnings of the Company after the payment of interest on First Mortgage

Bonds, if any are issued, First and Refunding Bonds and Ten-Year Notes sold and outstanding to the amount of $92,900, shall be applied one-half to the payment of interest on the General Mortgage Income Bonds, and the remaining one-half toward the payment of interest and principal of the Bills Payable secured by Ten-Year Collateral Notes. Adjustment to be made semi-annually and that portion which applies on the payment of interest of the General Mortgage Income Bonds shall be deposited with the Trustee and distributed by it to the said bondholders as and when the Board of Directors direct, but in any event the distribution to the said bondholders shall be made when the amount so deposited is equivalent to 1% of the General Mortgage Income Bonds outstanding. Company pays Normal Federal Income Tax up to 2%.

(4)

$2,600 6% Collateral Trust Coupon Notes; dated Dec. 1, 1918; due Dec. 1, 1928; int. M & N 1. Mercantile Commercial Bank, Evansville, Ind., Trustee. Authorized, $300,000; issued, $150,000, of which $2,600 are outstanding in hands of the public, and the balance held in Company's treasury. Of the notes originally outstanding $92,900 were issued to holders of an equal amount of old 5-year notes. Of this latter amount $90,300 were taken up and First and Refunding bonds and Pfd. stock issued in lieu thereof. Company pays Normal Federal Income Tax up to 2%.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31
"Crescent System"
(Evansville & Ohio Valley Ry. Co. and Subsidiaries)

	1927	1926	1925
Gross revenue	$492,435	$457,652	$461,429
Oper. exp., maint. & taxes	479,651	424,469	430,384
Net earnings	$12,784	$33,183	$31,045
Deductions:			
Int. on 1st Mtge. bonds	$10,740	$10,603	$8,318
Int. on 1st & Ref. bonds	39,375	37,110	37,385
Dividend on E. H. & O. Pfd. stock	.....	5,436	16,669
Illinois Ceneral rental	7,303	7,297	7,256
Interest on notes payable	2,274	3,719	1,555
Interest on 10-yr. notes	.....	2,258	5,574
Int. on Equip. obligations	5,153	.....	.....
Other deductions	.....	475	612
Total	$64,845	$66,899	$77,370
Deficit for year	$52,061	$33,715	$46,325

GENERAL BALANCE SHEET, DECEMBER 31
(Evansville & Ohio Valley Ry. Co. Proper)

Assets—	1927	1926
Road and equipment	$2,576,523	$2,618,857
Securities in treasury	8,000	68,100
Sinking fund	2,685	2,685
Invested in affiliated cos.	107,476	101,826
Discount on funded debt	17,171	17,172
Cash	5,465	3,454
Accounts receivable	17,988	25,730
Other current assets	.....	16,357
Insurance paid in advance	301	1,271
Deficit	126,219	84,946
Total	$2,861,828	$2,940,398
Liabilities—		
Common stock	$287,875	$287,875
Preferred stock	224,110	193,710
Funded debt	1,971,800	2,027,800
Non-negotiable note to affil. cos.	.....	63,200
Accounts payable	29,627	39,739
Car trust notes payable	27,083	37,566
Notes payable	5,000	24,720
Accrued interest & rents payable	13,748	.....
Accrued depreciation	302,585	265,788
Total	$2,861,828	$2,940,398

Officers: W. A. Carson, Receiver & V-P.; A. F. Karges, Chairman; W. H. McCurdy, Pres.; W. A. Koch, V-P.; C. H. Battin, Sec. & Treas.; G. R. Millican, Gen. Mgr.; W. R. Vote, Aud., Evansville, Ind.
Directors: A. F. Karges (Chairman), C. H. Battin, Christ Kanzler, M. S. Sonntag, W. A. Koch, W. A. Carson, W. H. McCurdy, Evansville, Ind.; D. E. Cadick, Grandview, Ind.; Wesley Wilson, Newburg, Ind.; Chas. C. Tennis, Pittsburgh, Pa.
Office, Evansville, Ind.

OWENSBORO CITY RR.

(Controlled by Evansville & Ohio Valley Ry. Co.)

History and Property—Incorporated in 1884, in Kentucky. Owns and operates 12 miles of track in Owensboro, Ky., and suburbs. Gauge, standard. Rail, 56 and 70 lb T. Cars, 62. Power house has capacity of 600 k. w. Franchise extends to 1936 and is exclusive.

Receivership—On Sept. 29, 1923, W. A. Carson, Vice-Pres. of the Evansville & Ohio Ry. Co. was by mutual agreement appointed Receiver of the Owensboro City R.R. Co. for the purpose of rearranging the General Mortgage bond issue on which the Company had not paid any interest since May, 1917, under an agreement with the bondholders. It was deemed advisable to either reduce or change the form of the obligation and it was believed that a Receivership was the most satisfactory way in which to accomplish this result. There was no interruption in the operation of the property due to the Receivership.

CAPITAL STOCK

Authorized and issued, $75,000; par, $50. All owned by Evansville & Ohio Valley Ry. Co.

FUNDED DEBT

(1)

$200,000 (Entire Issue) First Gold 5s; dated Jan. 1, 1902; due Jan. 1, 1932; int. Jan. and July 1, at Louisville Trust Co., Trustee. Coupon and registered, $1,000. A first lien on property. Company does not pay Normal Federal Income Tax.

(2)

$200,000 (Entire Issue) General 6s; dated May 1, 1910; due Sept. 1, 1932; int. May and Nov. 1, at American Trust & Savings Co., Evansville, Ind., Trustee. Coupon, $500. Company pays Normal Federal Income Tax up to 2%.

Officers: W. A. Carson, Receiver; W. A. Koch, Pres.; A. W. Funkhouser, V-P.; C. H. Battin, Sec.; G. R. Millican, Gen. Mgr.; W. R. Vote, Aud., Evansville, Ind.

FONTANA UNION WATER COMPANY

History and Business—Incorporated in May, 1912 in California, as a mutual water company. In 1927 acquired all of the property of Fontana Water Company, consolidating and operating the properties of the two companies as one system. Properties of Company consist chiefly of valuable water rights; more than 3,885 acres of land on which its 24 pumping plants are located; 67,544 feet (about 12.8 miles) concrete pipe transmission mains, ranging from 10 inches to 30 inches in diameter; 610,482 feet (about 115.6 miles) concrete pipe distribution mains, ranging from 8 inches to 30 inches in diameter; 11,686 feet concrete lined canal; 4,600 feet concrete lined tunnel; and all the necessary concrete diversion boxes, weir boxes, and boxes, meters, buildings for its pumping plants, wells and well equipment. Company owns all of the outstanding capital stock except directors' qualifying shares of Fontana Power Company (see appended statement). The Southern California Edison Company has agreed to operate the plant of Fontana Power Company at the flat rate of 5 mills per k.w.h. and to sell to Fontana Union Water Company, at favorable rate, all power required by the latter company for pumping purposes. Company obtains its water supply by diversion from the gravity flow of Lytle Creek, supplemented when necessary by pumping from its pumping plants located in the delta cone of Lytle Creek and in the agricultural area.

Annual sales, 9,260,000 inch hours or 5,000,000,000 gallons, the equivalent of 666,000,000 cu. ft. Prices—1c per inch hour of 1.4c per 100 cu. ft.; $1.86 per 1,000 gallons.

CAPITAL STOCK

Authorized and outstanding, $1,500,000. A mutual irrigation company. Furnishes water at cost. No dividends paid.

Annual Meeting—First Thursday in February.

FUNDED DEBT

$1,400,000 FIRST MORTGAGE 6% SERIAL GOLD BONDS; DUE IN VARYING AMOUNTS EACH JANUARY 1, 1929 TO 1953, INCLUSIVE

Dated January 1, 1928.

Interest Payable January and July 1 at Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal. or at main office of Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized and issued, $1,400,000.

Purpose of Issue—Proceeds were used to redeem $105,000 bonds of Fontana Water Co., $737,000 bonds of Fontana Union Water Co., to liquidate indebtedness and for other corporate purposes.

Callability—Subject to call as a whole or in part, on any interest date upon 40 days' notice, at 100 and accrued interest, plus a premium of ½ of 1% for each unexpired year, or fraction thereof, of the respective maturities, but not exceeding in any case a premium of 5%.

Sinking Fund—None provided.

Security—Secured by a direct closed mortgage on all of the property of the Company now owned or hereafter acquired, including valuable water rights, pumping plants and plant sites, transmission mains, distribution mains, lands, building and equipment; and also by pledge of all outstanding capital stock except directors' qualifying shares of Fontana Power Co. A Bondholder's Policy of Title Insurance in the amount of $1,400,000 is issued by Security Title Insurance and Guarantee Co., Los Angeles, certifying that these bonds are a first lien on the real property pledged, subject only to the lien of current taxes.

Tax Provisions—Compay pays Normal Federal Income Tax up to 2%. Exempt from California Personal Property Tax.

Legal Opinion—Farrand & Slosson, Los Angeles (for the Bankers) and Surr & Hellyer, San Bernardino (for the Company).

Original Offering—First publicly offered ($1,400,000) in January, 1928, at par and interest by First Securities Co., E. H. Rollins & Sons, William R. Staats Co., California Co., and Drake, Riley & Thomas, Los Angeles, Cal.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$134,383
Expenses and taxes	48,773
Depreciation reserve	16,397
Net earnings	$69,213
Interest on bonds and notes	62,158
Consolidation expense	7,055
Total charges	$69,213

GENERAL BALANCE SHEET, FEBRUARY 29, 1928

Assets—	
Cost of property and equipment	$4,824,449
Other investments	300,000
Cash	13,897
Accounts receivable	23,832
Total	$5,162,178
Liabilities—	
Common stock	$1,500,000
Funded debt	1,400,000
Accounts payable	1,702
Interest accrued	14,000
Profit and loss	2,246,476
Total	$5,162,178

Officers: A. B. Miller, Pres.; J. D. McGregor, Sec.; W. J. Smith, Aud.; R. E. Boyle, Supt., Fontana, Cal.

Directors: A. B. Miller, J. D. McGregor, M. J. Micallef, W. J. Smith, R. E. Boyle, Fontana, Cal.

General Office, Fontana, Cal.

FONTANA POWER CO.

(Controlled by Fontana Union Water Co.)

(Operated under Lease by Southern California Edison Co.).

History and Property—Incorporated April 3, 1916, in Cal., to construct and operate hydro-electric works at the mouth of the Lytle Creek in San Bernardino County, to furnish power for irrigation, etc., selling the surplus for lighting and heating. The Company owns power rights in the waters of Lytle Creek and headworks, pressure pipe and a complete power plant, finished during 1917, and has concluded with the Southern California Edison Co. a 30-year lease contract expiring July 1, 1947, whereby that Company will lease and operate the plant, pay all operating expenses and buy at stated rates all the power output, distributing it to the agricultural customers of the Fontana Power Co. and to its own light and power customers.

CAPITAL STOCK

Authorized, $350,000 outstanding, $10,500; par, $100. Only nominal amount of stock issued pending fixing of value of properties. All the outstanding stock except directors' qualifying shares owned by Fontana Union Water Co. and pledged under its First Mortgage Gold 6s. Annual meeting, third Thursday in November.

Dividends at rate of 8% per annum regularly paid 1918 to 1923 inclusive, 1924 and 1925, none; 1926 and 1927, 8% each.

FUNDED DEBT

$312,000 First Serial Gold 6s; dated Feb. 1, 1917; due serially Feb. 1, 1928 to 1947; int. Feb. and Aug. 1, at Los Angeles (Cal.) Trust & Savings Bank, Trustee, or Bankers Trust Co., New York. Coupon, $1,000; principal may be registered. Additional bonds are issuable up to 75% of cost of construction, etc. Subject to call, in whole or in part, at 104 and interest on any interest date. A first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Total earnings	$76,622	$87,673	$70,400
Oper. expenses, taxes, etc.	57,017	66,049	57,286
Net earnings	$19,605	$21,624	$13,115
Interest on bonds	18,755	19,175	19,595
Other interest	10	1,609	1,418
Total charges	$18,765	$20,784	$21,013
Surplus for year	$840	$840	*$7,898

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$404,151	$403,031	$393,690
Other investments	8,602	.....	10,162
Cash	3,856	1,274	344
Accounts receivable	.....	4,360	12,276
Other current assets	.....	11,867	23,546
Deferred debit items	23,546	23,546	.....
Profit and loss—deficit	.....	16,021	13,935
Total	$440,155	$460,099	$453,953
Liabilities—			
Capital stock	$10,500	$10,500	$10,500
Funded debt	312,000	319,000	326,000
Notes payable	.....	17,500	17,500
Accounts payable	3,985	958	3,976
Interest accrued	7,800	7,975	8,150
Dividends declared	.....	.....	1,680
Other current liabilities	.....	9,215	.....
Reserve for taxes	.....	.....	5,434
Reserve for depreciation	104,190	92,431	80,713
Appropriated surplus	1,680	2,520	.....
Total	$440,155	$460,099	$453,953

Officers: A. B. Miller, Pres.; J. D. McGregor, Sec.; M. J. Micallef, Asst. Sec., Fontana, Cal.

Directors: A. B. Miller, J. D. McGregor, R. E. Boyle, M. J. Micallef, W. J. Smith, Fontana, Cal.

Office, Fontana, Cal.

THE ANDROSCOGGIN AND KENNEBEC RAILWAY COMPANY

History—Incorporated in Maine Sept. 30, 1919, to exercise all the powers, rights, privileges and franchises of the Lewiston, Augusta & Waterville Street Ry. (excepting the franchises and privileges appertaining to the Turner line, so called) which properties were purchased at foreclosure sale made under a decree of the Supreme Judicial Court of the State of Maine.

Business—The Company owns and operates city and interurban electric railways extending from Waterville through Augusta (at which point lines branch to Winthrop and Togus), Gardiner, Sabattus and Lewiston. A branch line runs west from Lewiston through Auburn to Mechanics Falls. From Lewiston the line continues through Lisbon Falls and Topsham to Brunswick, at which point lines extend to Bath on the east and on the west to Yarmouth, where connection is made with the Portland Railroad Company. Population served, 150,000.

Franchises—Franchises covering the main part of the system are of long duration, or unlimited as to time, and contain no burdensome restrictions.

Mileage, Equipment, Etc.—Miles of track (single track basis), 157.138. Gauge, standard. Cars—Motor passenger (closed, 58; open, 14), 72; express and freight, 54; snow plows, 13; miscellaneous cars, 14—total 153. Owns one steam generating plant with installed capacity of 500 k.w. All power is purchased from outside companies. No. of sub-stations, 10.

TRAFFIC STATISTICS

	1927	1926	1925
Revenue passengers carried	7,863,810	8,626,132	8,637,821
Transfer passengers carried	475,459	519,713	509,165
Non revenue pass. carried.	295,043	347,958	352,085
Total	8,634,312	9,493,803	9,499,071
Receipts per rev. pas. in cts.	9.69	9.70	9.71
Receipts per total pas. in cts.	8.83	8.81	8.82
Expense per pass. in cts.	9.47	8.92	8.96
Exp. per rev. pass. in cts.	8.62	8.11	8.15
Pass. motor car miles run.	2,126,125	2,152,139	2,177,613

CAPITAL STOCK

Authorized, $1,354,500 Common, $1,468,500 First Pfd. 6% cumulative from Jan. 1, 1923, and $1,708,200 Second Pfd. 5% non-cumulative; outstanding, $1,468,500 First Pfd. and $1,708,200 Second Pfd.; par, of all issues, $100. All the outstanding Pfd. stock is held in a Voting Trust. None of the Common stock has been issued, all the authorized amount being held to redeem prior mortgages.

Transfer Agents and Registrars—Fidelity Trust Co., Portland, Me., and Fidelity-Philadelphia Trust Co., Philadelphia.

Annual Meeting—First Tuesday in April or within 60 days thereafter, at Lewiston, Me.

Dividends—On the First Pfd. stock 6% per annum has been paid semi-annually June and Dec. 1, since June 1, 1921. On the Second Pfd. a 2½% semi-annual dividend was paid Sept. 1, 1922, and 5% was paid during 1923 and 1924; none thereafter until Dec. 1, 1926 when 1% was paid; none since.

FUNDED DEBT

(1)

$784,000 THE ANDROSCOGGIN & KENNEBEC RY. CO. FIRST DIVISIONAL MORTGAGE GOLD 6s; DUE MARCH 1, 1940

Dated March 1, 1920.

Interest Payable March and September 1, at Bath Trust Co., Bath, Me.

Denominations—Coupon, $500 and $1,000.

Trustee—Bath Trust Co., Bath, Me.

Provisions of Issue—Authorized and issued, $845,000, of which $61,000 held in treasury. These bonds were exchanged, bond for bond, for an equal amount of Lewiston, Brunswick & Bath St. Ry. First Mortgage 5% bonds, due (as extended) March 1, 1920.

Callability—Subject to call at par and accrued interest upon four weeks' published notice.

Security—A first lien on entire property of former Lewiston, Brunswick & Bath St. Ry., comprising electric railway lines operated in and between Lewiston, Auburn, Sabattus, Lisbon, Lisbon Falls, Brunswick and Bath.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$150,000 AUGUSTA, WINTHROP & GARDINER RY. CONVERTIBLE FIRST MORTGAGE GOLD 4s; DUE JULY 1, 1952

Dated July 1, 1902.

Interest Payable January and July 1, at Augusta Trust Co., Augusta, Me.

Denominations—Coupon, $500 and $1,000.

Trustee—Augusta Trust Co., Augusta, Me.

Provisions of Issue—Authorized and issued, $150,000. Of the $150,000 outstanding $53,000 are bonds and $97,000 stock. The stock has a due date and matures at the same time as the bonds, and has the same standing as a bond.

Callability—Subject to call at 104 and interest on any interest date.

Security—Secured by a first mortgage on line from Augusta to Winthrop, and covers all franchises, rights and property except franchises west of the Maine Central Railroad in Winthrop, Monmouth, Wales and Webster; also secured by a second mortgage on the property of the Augusta., Hallowell & Gardiner R. R. General 4s. At the time of the construction of the line from Augusta to Winthrop, the Augusta, Winthrop & Gardiner Ry. purchased the property of the Augusta, Hallowell & Gardiner R. R. Co., subject to their mortgage. Both stock and bonds are equally secured.

Convertibility—The $53,000 bonds are convertible at par for 4% Preferred stock of the same company (which has the same security as the bonds and matures at the same time), and the conversion may be made at any time during the life of the mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$250,000 AUGUSTA, HALLOWELL & GARDINER R. R. CONVERTIBLE GENERAL MORTGAGE GOLD 4s; DUE JULY 1, 1951

Dated July 1, 1901.

Interest Payable January and July 1, at Augusta Trust Co., Augusta, Me.

Denominations—Coupon, $500 and $1,000.

Trustee—Augusta Trust Co., Augusta, Me.

Provisions of Issue—Authorized and outstanding, $250,000, of which $55,000 are bonds and $195,000 stock. The stock has a due date and matures at the same time as the bonds, and has the same standing as a bond.

Callability—Subject to call at 104 on any interest date.

Security—A general mortgage on entire property of the former Augusta, Hallowell & Gardiner R. R. Co., consisting of lines operated from Augusta to Gardiner and Augusta to Togus and all real estate located in Augusta, Hallowell, Farmingdale, Gardiner and elsewhere, and all equipment and personal property. Both stock and bonds are equally secured.

Convertibility—These bonds are convertible at par for 4% Pfd. stock of the same company (which has the same security as the bonds and matures at the same time), and the conversion may be made at any time during the life of the mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$100,000 AUGUSTA, WINTHROP & GARDINER RY. GENERAL MORTGAGE GOLD 5s; DUE JAN. 1, 1935

Dated March 1, 1905.

Interest Payable January and July 1, at Augusta Trust Co., Augusta, Me.

Denominations—Coupon, $500 and $1,000.

Trustee—Augusta Trust Co., Augusta, Me.

Provisions of Issue—Authorized, $125,000, but mortgage closed at $100,000.

Callability—Subject to call at par, on any interest date upon 60 days' notice.

Security—A general mortgage on entire property of former Augusta, Winthrop & Gardiner Ry., subject to $250,000 Augusta, Hallowell & Gardiner R. R. Convertible 4% bonds and stock and $150,000 Augusta Winthrop & Gardiner Ry. Convertible 4% bonds and stock.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$921,941	$1,004,546	$998,152	$1,055,633	$1,165,131	$1,236,02
Operating expenses	666,580	682,120	686,131	739,088	826,043	814,57
Taxes	37,684	45,380	43,663	48,306	54,964	63,79
Gross income	$217,677	$277,046	$268,358	$268,239	$284,124	$357,65
Interest	68,832	69,911	72,295	72,236	72,259	86,55
Net income	$148,845	$207,135	$196,063	$196,003	$211,865	$271,10
Dividends on Stock:						
First Preferred	$88,110	$88,110	$88,110	$88,110	$88,110	$88,11
Second Preferred	.....	17,082	.....	85,410	85,410	42,70
Balance	$60,735	$101,943	$107,953	$22,483	$38,345	$140,28
Depreciation	78,000	87,500	88,000	88,000	88,000	88,00
Surplus	†$17,265	$14,443	$19,953	†$65,517	†$49,655	$52,28
*Times Interest Earned	2.03	2.71	2.49	2.49	2.71	3.11
*Earnings Per Share—						
1st Preferred	$4.82	$8.14	$7.35	$7.35	$8.43	$12.47
2nd Preferred	Nil	1.84	1.16	1.16	2.43	5.56

*After depreciation. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant, properties and franchises	$4,833,158	$4,851,943	$4,836,354	$4,865,908	$4,840,710	$4,829,956
Deposits in lieu of mortgaged property sold	27,500	.....	.....	.....	.....	.....
Investments	20,651	201	201	201	201	201
Bonds in treasury	61,500	61,000	10,500	10,500	10,500	10,500
Accounts receivable	8,470	9,891	9,446	9,891	7,467	10,250
Notes receivable	9,000	.....	.....	.....	.....	.....
Supplies	61,813	58,302	65,375	71,146	73,387	94,854
Prepaid accounts	8,998	14,012	18,880	10,764	18,764	19,354
Cash	217,344	212,037	149,509	63,531	79,000	129,601
Total	$5,248,434	$5,207,386	$5,090,265	$5,031,940	$5,030,029	$5,094,716
Liabilities—						
First Preferred stock	$1,468,500	$1,468,500	$1,468,500	$1,468,500	$1,468,500	$1,468,500
Second Preferred stock	1,708,200	1,708,200	1,708,200	1,708,200	1,708,200	1,708,200
Funded debt	1,345,000	1,345,000	1,345,000	1,345,000	1,345,000	1,345,000
Accounts payable	30,890	36,573	25,694	36,951	31,993	42,814
Accrued interest	15,670	15,680	17,090	17,015	17,010	17,025
Accrued taxes	10,321	16,352	12,936	12,515	15,119	23,983
Operating reserves	24,804	24,804	21,292	21,871	19,736	16,451
Accrued depreciation	470,984	406,579	335,702	285,787	223,008	226,400
Unadjusted credits	8,446	11,828	11,546	11,712	11,759	7,210
Surplus	165,619	173,870	144,305	124,390	189,704	239,132
Total	$5,248,434	$5,207,386	$5,090,265	$5,031,940	$5,030,029	$5,094,716

Officers: Wm. B. Skelton, Pres.; Wm. H. Newell, V-P.; G. E. Fitz, Treas.; Alfred Sweeney, Gen. Mgr. & Clerk, Lewiston, Me.

Directors: Wm. B. Skelton, Wm. H. Newell, Alfred Sweeney, Lewiston, Me.; Frank Silliman, Jr., New York; C. Stevenson Newhall, Philadelphia, Pa.; Rupert H. Baxter, Bath, Me.; Henry W. Cushman, Bangor, Me.; Frank D. True, Portland, Me.

Office, Lewiston, Me.

DIVERSIFIED INVESTMENTS INCORPORATED

History—Incorporated Sept. 18, 1925 in Del., and acquired a number of long-established telephone companies and has since acquired other properties, all of which it controls directly or through subsidiary companies. The telephone properties owned or controlled by it, and under the supervision and management of Diversified Investments Incorporated are located chiefly in the states of Illinois, Iowa, Indiana, Missouri, Oklahoma and Texas. These companies serve without competition more than fifty cities and towns having an aggregate population estimated to be in excess of 600,000.

CAPITAL STOCK

Authorized, 40,000 shares $4.00 dividend Participating Class "A," 20,000 shares Class "B" and 40,000 shares Class "C," all of no par value, and $7,000,000 7% cumulative First Pfd., par $100; outstanding, 20,000 shares Class "A," 14,000 shares Class "B," 7,000 shares Class "C" and $2,000,000 First Pfd. Class "B" stock has voting rights.

First Preferred Stock Provisions—First Pfd. stock has preference for assets and dividends and is subject to redemption at $115 per share on any dividend date on 30 days' notice. The amount of Pfd. stock outstanding at no time shall exceed the aggregate of other classes outstanding. Pfd. stock has no voting power.

Class "A" Stock Provisions—Class "A" stock has preference for assets and dividends over Class "C" and "B." Class "A" receives cumulative dividends at the rate of $4.00 per annum and is entitled to participate up to $5.00 per share in any one year. Class "A" stock is subject to redemption at $75 per share on any dividend date on 30 days' notice. Class "A" stock has no voting power.

Class "C" Stock Provisions—Class "C" stock has preference for assets and dividends over the Class "B" stock and is subject to redemption at $60 per share on any dividend date on 30 days' notice. Dividend rate $4.00 per annum. Class "C" stock has no voting power.

Transfer Agent and Registrar (First Pfd. and Class "A" and "C" stocks)—Theodore Gary & Co., Kansas City, Mo.

Dividends—First Pfd. dividends regularly paid J, A, J & O 15. Dividends on the Class "A" and Class "C" stocks at the rate of $4.00 per annum regularly paid since issuance of stock; payments, J, A, J & O 15.

An extra dividend of 50 cents a share was paid on Class "A" stock on Oct. 15, 1927. Class "B" stock dividends regularly paid since issuance. On Class "C" stock initial dividend of 33 1/3 cents per share paid Jan. 14, 1928, covering period from Dec. 15, 1927, to Jan. 15, 1928; April 14, 1928, $1 per share.

FUNDED DEBT

None.

COMBINED BALANCE SHEET
(Operating Companies)

Assets—	Aug. 31, 1927	Dec. 31, 1926
Telephone plants	$15,460,072	$10,015,827
Construction work in progress		43,683
Real estate		39,444
Total fixed assets	$15,460,072	$10,098,954
Miscellaneous investments	40,639	.....
Cash and marketable securities	559,093	451,733
Accounts receivable	356,120	246,619
Material and supplies	471,193	242,179
Prepaid direct'y exps. taxes, insur., etc.	430,010	231,225
Total	$17,317,127	$11,270,710

Liabilities—	Aug. 31, 1927	Dec. 31, 1926
Common stock	$4,056,283	$3,025,675
Preferred stock	3,988,825	1,715,825
Funded debt	4,277,000	2,601,716
Premium on stocks	206,484	.....
Bills and accounts payable	513,280	369,473
Service billed in advance	.....	21,394
Accrued interest and taxes, etc.	386,925	289,024
Reserve for depreciation	2,730,753	2,075,471
Surplus	1,157,577	1,172,132
Total	$17,317,127	$11,270,710

Officers: J. G. Crane, Pres.; W. C. Polk, V-P.; V. E. Chaney, Sec. & Treas., Kansas City, Mo.

Directors: E. C. Blomeyer, Chairman; Theodore Gary, A. F. Adams, H. L. Gary, C. A. Bennett, J. G. Crane, J. W. Wopat.

General Office, 406 W. 34th St., Kansas City, Mo.

WABASH TELEPHONE SECURITIES COMPANY

(Controlled by Diversified Investments Incorporated)

History and Business—Incorporated Nov. 28, 1925, in Delaware, as a holding company. Controls Citizens Independent Telephone Co., Terre Haute, Ind.; Kinloch-Bloomington Telephone Co., Bloomington, Ill.; and Wabash Valley Telephone Co., Paris, Ill., through majority stock ownership.

CAPITAL STOCK

Authorized, $750,000 Common and $1,250,000 7% cumulative Pfd.; outstanding, $579,400 Common and $1,057,900 Pfd.; par, $100. Pfd. stock has preference for assets and is subject to redemption on any dividend date at $110 per share. The voting stock is owned by Diversified Investments Incorporated.

Transfer Agent and Registrar—Mississippi Valley Trust Co., St. Louis, Mo.

Annual Meeting—First Monday in October at Kansas City, Mo.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1. Common dividends have been paid as follows: 1926, 6%; 1927, 8%; payments made January 1.

FUNDED DEBT

None.

Officers: E. C. Blomeyer, Chairman; J. G. Crane, Pres.; W. C. Polk, V-P.; Hart F. Farwell, V-P.; V. E. Chaney, Sec. & Treas., Kansas City, Mo.

Directors: Theodore Gary, H. L. Gary, A. F. Adams, E. C. Blomeyer, C. A. Bennett, J. W. Wopat, J. G. Crane, Kansas City, Mo.; Hart F. Farwell, A. L. Stadermann, Terre Haute, Ind.

General Office, 406 W. 34th St., Kansas City, Mo.

CITIZENS INDEPENDENT TELEPHONE COMPANY

(Terre Haute, Ind.)

(Controlled by Wabash Telephone Securities Company)

History and Property—Incorporated Dec. 21, 1905, in Ind.; reorganization of Citizens' Telephone Co. of Terre Haute. Has an unrestricted franchise. Population served, 75,000. Operates one exchange and 15,580 telephones. Prices: Business, $75, $63 and $36; residence, $36, $30, $27 and $24.

On April 15, 1920, the Company received from the Indiana Public Service Commission authority to acquire the plant of the Central Union (Bell) Telephone Co. in Terre Haute. The deal provided that Citizens' Company deliver to the Central Union Co. $192,700 of its Common stock and $379,400 of its First Mtge. 5% bonds, and $179,900 of its Refunding & Extension Mortgage 6% bonds. This purchase was consummated May 1, 1920.

CAPITAL STOCK

Authorized, $1,000,000 Common and $2,000,000 7% cumulative Pfd.; outstanding, $481,700 Common and $500,000 Pfd.; par, $100. Stock control held by Wabash Telephone Securities Company.

Preferred Stock Provisions—Has no voting power. Shares in assets of Company subsequent to rights of creditors and prior and senior to rights of Common stock and is redeemable at 105 and accrued dividends on any semi-annual dividend date.

Annual Meeting—Second Wednesday after first Monday in February.

Listed—St. Louis Stock Exchange.

Dividends—Pfd. dividends have been paid since date of issue on Oct. 1, 1924 at 7% per annum; payments semi-annually, Jan. and July 1 to July 1, 1926; thereafter quarterly, J, A, J & O 1. Dividends on Common at rate of 6% per annum paid from 1913 to 1921, inclusive; 1922, 7%; 1923 to 1927, 8% per annum; payments quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$43,000 FIRST MORTGAGE 5% GOLD BONDS; DUE JANUARY 1, 1936

Dated January 1, 1906.

Interest Payable January and July 1, at Mississippi Valley Trust Co., St. Louis, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Secured on all franchises, real estate and other property now owned or hereafter acquired. Authorized and issued $1,000,000, of which $957,000 converted into 6% Refunding & Extension bonds. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,383,900 REFUNDING & EXTENSION MORTGAGE GOLD 6s; DUE MAY 1, 1950

Dated May 1, 1920.

Interest Payable May and November 1, at Mississippi Valley Trust Co., St. Louis, Mo.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Mississippi Valley Trust Co., St. Louis, Mo. and the Terre Haute (Ind.) Trust Co.

Provisions of Issue—Authorized, $2,000,000; issued and outstanding, $1,383,900.

Callability—Subject to call on any interest date at 102 and accrued interest upon 60 days' notice.

Security—Secured by a first and purchase-money lien upon all the property, rights and privileges acquired from the Central Union Telephone Co.; a first and purchase-money lien upon all property, etc., which may hereafter be acquired with any part of the proceeds of these bonds, and a lien upon the balance of the property of the Company, subject to the First 5s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$632,420	$622,102	$597,343	$578,158	$551,674	$505,968
Operating expenses and taxes	437,410	377,060	373,131	352,309	325,226	300,405
Depreciation	97,788	93,936	88,599	85,412	81,428	79,059
Net earnings	$97,222	$151,106	$135,613	$140,437	$145,020	$126,504
Other income	33,787	7,558	6,925	2,060	2,957	3,439
Total income	$131,009	$158,664	$142,538	$142,497	$147,977	$129,943
Fixed charges	91,515	86,499	88,210	77,897	77,238	76,041
Balance for dividends	$39,494	$72,165	$54,328	$64,600	$70,739	$53,902
Preferred dividends paid	28,531	10,990	10,920	.....	.....	.....
Common dividends paid	38,536	38,536	38,536	41,249	37,733	31,712
Surplus	*$27,573	$22,639	$4,872	$23,351	$33,006	$22,190
Times Fixed Charges Earned	1.43	1.83	1.61	1.83	1.92	1.71
Earnings Per Share—						
Preferred	$7.90	$45.97	$34.60	.....	.....	.....
Common	2.27	12.70	9.01	$13.41	$14.69	$11.19

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property account	$2,675,476	$2,150,791	$2,105,753	$2,072,405	$2,024,799	$1,959,721
Investments	32,177	32,177	32,016	32,270	14,262	510
Materials and supplies	65,155	48,049	50,919	41,477	38,642	43,129
Cash	128,852	110,162	18,401	51,072	39,486	20,455
Bills and accounts receivable	51,241	30,426	24,532	22,402	19,741	27,397
Marketable securities	2,560	156,463	149,697	.....	.....	.....
Other assets	.....	3,650	2,964	161,249	30,675	59,158
Deferred debit items	125,191	84,046	90,418	173,848	164,526	152,189
Total	$3,080,652	$2,615,764	$2,474,700	$2,554,723	$2,332,131	$2,262,559
Liabilities—						
Common stock	$481,700	$481,700	$481,700	$481,700	$481,700	$481,700
Preferred stock	500,000	157,000	157,000	155,000	.....	.....
Funded debt	1,426,900	1,250,800	1,253,800	1,247,100	1,249,900	1,259,900
Bills and accounts payable	267,672	22,510	15,488	15,877	18,771	19,537
Other current liabilities	8,992	2,857	10,260	7,486	6,256	3,562
Accrued liabilities	107,672	86,914	21,632	29,983	28,708	21,033
Reserves	121,632	422,230	340,615	487,305	428,689	382,379
Capital stock premium	.....	.....	.....	59,375	68,675	68,675
Surplus	166,084	191,753	194,205	70,897	49,432	25,773
Total	$3,080,652	$2,615,764	$2,474,700	$2,554,723	$2,332,131	$2,262,559

Officers: Hart F. Farwell, Pres. & Gen. Mgr., Terre Haute, Ind.; J. G. Crane, V-P., Kansas City, Mo.; Paul N. Bogart, V-P., Terre Haute, Ind.; E. C. Blomeyer, V-P., Kansas City, Mo.; A. L. Stadermann, Sec. & Treas.; S. T. Vancleave, Asst. Sec. & Asst. Treas., Terre Haute, Ind.; V. E. Chaney, Asst. Sec. & Asst. Treas., Kansas City, Mo.

Directors: Hart F. Farwell, Paul N. Bogart, A. L. Stadermann, Terre Haute, Ind.; J. G. Crane, E. C. Blomeyer, V. E. Chaney, Kansas City, Mo.; C. H. Rottger, D. H. Whitham, F. A. Montrose, Indianapolis, Ind.

General Office, Terre Haute, Ind.

KINLOCH-BLOOMINGTON TELEPHONE COMPANY

(Controlled by Wabash Telephone Securities Company)

History and Property—Incorporated July 1, 1905, in Ill.; successor to Home Telephone Co., of Bloomington, Ill. Operates in Bloomington, Normal and McLean County. Franchise expires in 1931. Population served, 35,000. Exchanges, 2. No. of telephones, 10,500. Prices: Business, $60, $48 and $30; residence, $30, $27 and $24.

CAPITAL STOCK

Authorized, $500,000 Common and $250,000 7% cumulative Preferred (created in 1923); outstanding, $250,000 Common and $250,000 Preferred; par $100. Preferred stock has equal voting power with Common stock. Stock control held by Wabash Telephone Securities Company. Both classes listed on St. Louis Stock Exchange. Annual meeting, second Tuesday after first Monday in February, at Bloomington, Ill.

Dividends—Dividends on Preferred stock regularly paid. Payments were made semi-annually up to July 15, 1926, since which date payments have been made quarterly, J, A, J & O 1. On Common 7% per annum paid from 1911 to Jan. 15, 1923, inclusive, and at the rate of 8% since April 5, 1923; payments quarterly, J, A, J & O 1. In addition a 20% ($39,040) stock dividend was paid during 1923.

FUNDED DEBT

$250,000 Refunding and Improvement Mortgage 6% Gold bonds; dated Jan. 15, 1923; due Jan. 15, 1948; int. Jan. and July 15 at Mississippi Valley Trust Co., St. Louis, Mo. Coupon, $100, $500 and $1,000. Continental National Bank Co. & Trust Co., Chicago, Ill., Trustee. Authorized $500,000. Issued together with $250,000 Pfd. stock exchanged for the outstanding First 5s, due July 15, 1925 and miscellaneous debts, as of Jan. 15, 1923, totaling $500,000 on the basis of 50% Pfd. stock and 50% bonds. The unissued bonds may be issued for not over 80% of the value of permanent additions and betterments, only when net earnings are at least 1½ times annual interest charges on bonds outstanding and those to be issued. Subject to call at 105 and interest on thirty days' notice. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$333,516	$305,042	$286,874	$281,129	$272,315	$268,980
Operating expenses, taxes, etc.	214,609	190,387	168,842	163,937	157,830	158,522
Depreciation	46,437	57,660	54,056	52,186	49,622	50,220
Net earnings	$72,470	$56,995	$63 976	$65,006	$64,863	$60,239
Other income	15	46	377	72	33	*719
Gross income	$72,485	$57,041	$64,353	$65,078	$64,896	$59,520
Fixed charges	19,524	18,943	20,542	17,542	18,153	30,396
Balance for dividends	$52,961	$38,098	$43,811	$47,536	$46,743	$29,124
Preferred dividends	17,500	17,500	17,500	17,500	16,771	.....
Common dividends	20,000	20,000	20,000	20,000	19,736	13,664
Surplus for year	$15,461	$598	$6,311	$10,036	$10,236	$15,459

*Debit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,117,314	$1,090,978	$1,067,237	$1,022,175	$983,845	$954,202
Other investments	210	210	210	210	210	210
Cash	28,961	18,617	22,401	28,022	32,831	15,072
Materials and supplies	27,685	15,624	18,450	27,436	15,139	15,410
Current assets	18,303	18,289	14,546	14,959	17,415	24,348
Deferred debits	42,327	35,479	26,958	52,316	51,492	58,493
Total	$1,234,800	$1,179,197	$1,149,802	$1,145,118	$1,100,932	$1,067,735
Liabilities—						
Common stock	$250,000	$250,000	$250,000	$250,000	$250,000	$195,200
Preferred stock	250,000	250,000	250,000	250,000	250,000	.....
Funded debt	250,000	250,000	250,000	250,000	250,000	494,000
Premium on stock	.....	.....	.....	16,840	16,840	16,840
Notes payable	.....	.....	25,000	.....	.....	.....
Current liabilities	16,700	22,462	10,402	8,624	10,571	36,095
Accrued liabilities	47,659	36,614	28,882	28,714	27,380	18,083
Other liabilities	.....	.....	.....	.....	.....	27,127
Reserves	357,893	239,524	194,973	283,287	248,533	215,377
Surplus	62,548	130,597	140,545	57,683	47,608	85,013
Total	$1,234,800	$1,179,197	$1,149,802	$1,145,118	$1,100,932	$1,067,735

Officers: H. F. Farwell, Pres. & Gen. Mgr., Terre Haute, Ind.; J. G. Crane, V-P.; E. C. Blomeyer, V-P., Kansas City, Mo.; A. L. Stadermann, Sec. & Treas.; S. T. Vancleave, Asst. Sec. & Asst. Treas., Terre, Haute, Ind.; V. E. Chaney, Asst. Sec. & Asst. Treas., Kansas City, Mo.

Directors: Hart F. Farwell, A. L. Stadermann, Terre Haute, Ind.; J. G. Crane, E. C. Blomeyer, W. C. Polk, V. E. Chaney, Kansas City, Mo.; E. R. Cogswell, Chicago, Ill.

Offices, Bloomington and Normal, Ill. **Executive Office,** 711 Poplar St., Terre Haute, Ind.

WABASH VALLEY TELEPHONE COMPANY

(Controlled by Wabash Telephone Securities Company)

History and Property—Incorporated Jan. 8, 1902, in Illinois. Operates in Paris, Marshall, Chrisman, Horace, Metcalf, Elbridge, Vermilion, Redmon and West Union, Ill. Franchises expire in 1935. Number of exchanges, 9. Number of 'phones in use, 4,551. Population served, 22,000. Miles of wire: pole, 4,245.5; underground, 915.2—total, 8,160.7. Rates, $21 to $42.

CAPITAL STOCK

Authorized, $400,000; outstanding, $257,300; par $100. Stock control held by Wabash Telephone Securities Company.

Transfer Agent and Registrar—Mississippi Valley Trust Co., St. Louis, Mo.

Annual Meeting—Second Wednesday after first Monday in February at Paris, Ill.

Dividends—Dividends have been paid in recent years as follows: 1921 and 1922, 6% each; 1923, 6¼%; 1924 to 1927, inclusive, 7% each; payments quarterly J, A, J & O 1.

FUNDED DEBT

$147,400 REFUNDING MORTGAGE AND IMPROVEMENT 6% GOLD BONDS; DUE JUNE 1, 1950

Dated June 1, 1925.

Interest Payable June and December 1 at Mississippi Valley Trust Co., St. Louis, Mo.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Mississippi Valley Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized, $400,000; issued, $267,500, of which $46,200 had been authenticated, and $73,900 have been reacquired, leaving $147,400 outstanding.

Purpose of Issue—Issued to retire an issue of 5% bonds formerly outstanding.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—None provided.

Security—A first lien on entire plant of the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$141,592	$140,456
Operating expenses, maint. & taxes	83,922	75,107
Depreciation	29,897	29,634
Net earnings	$27,773	$35,715
Other income	315	86
Total income	$28,088	$35,801
Deductions:		
Bond interest	$8,844	$8,844
Rentals	2,708	2,353
Other fixed charges	1,207	2,164
Total	$12,759	$13,361
Balance for dividends	$15,329	$22,440
Dividends	18,011	18,011
Surplus for year	*$2,682	$4,429

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of plant and equipment	$624,487	$625,591
Stocks owned	120	120
Materials and supplies	28,425	33,090
Cash	39,244	22,102
Accounts receivable	6,134	5,128
Deferred items	19,259	15,380
Total	$717,669	$701,411
Liabilities—		
Capital stock	$257,300	$257,300
Funded debt	147,400	147,400
Accounts payable	3,481	5,120
Interest accrued	737	737
Dividends accrued	4,503	4,503
Reserve for taxes	11,463	5,655
Deferred credit items	1,234	906
Reserve for depreciation	170,891	157,151
Surplus	120,660	122,639
Total	$717,669	$701,411

Officers: Hart F. Farwell, Pres. & Gen. Mgr., Terre Haute, Ind.; J. G. Crane, V-P.; E. C. Blomeyer, V-P., Kansas City, Mo.; A. L. Stadermann, Sec. & Treas.; S. T. Vancleave, Aud., Terre Haute, Ind.

Directors: Hart Farwell, A. L. Stadermann, Terre Haute, Ind.; J. G. Crane, E. C. Blomeyer, V. E. Chaney, W. C. Polk, Kansas City, Mo.; R. E. Cogswell, Chicago, Ill.

General Office, Terre Haute, Ind. **Operating Office,** Paris, Ill.

CITIZENS LAND & WATER COMPANY OF BLOOMINGTON

(California)

History and Property—Incorporated in March, 1907, in California, for the purpose of acquiring the water properties of the Citizens Water Company, organized in 1890, and to continue the distribution of water for agricultural and domestic use at cost to its stockholders who are owners of the land upon which the water is used. This is a mutual water company. The territory served comprises a district of 5,200 acres in San Bernardino County, five miles west of the City of San Bernardino. The Company has an assured water supply of 1,000 miners' inches or over, which is sufficient for the proper irrigation of the territory it serves. All needed revenue is provided by service charges and assessments, and no dividends or profits accrue to stockholders.

CAPITAL STOCK

Authorized, $260,000; outstanding, $259,100; par, $50. A mutual company; stock all held by land owners.

FUNDED DEBT

$342,500 FIRST MORTGAGE 6% SERIAL GOLD BONDS, DUE ANNUALLY ON JANUARY 1, AS FOLLOWS: 1929, $7,500; 1930 TO 1933 INCLUSIVE, $10,000 PER ANNUM; 1934 TO 1938, $15,000 PER ANNUM; 1939 TO 1944, $20,000 PER ANNUM AND 1945 TO 1948 INCLUSIVE, $25,000 PER ANNUM.

Dated January 1, 1927.

Interest Payable January and July 1, at main office of Merchants National Trust & Savings Bank, Los Angeles.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Merchants National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized, $500,000; issued, $350,000, of which $7,500 matured and paid off Jan. 1, 1928. The remaining bonds may be issued only up to 60% of the cost of additions and improvements. The trust indenture contains provisions covering property maintenance, operation, insurance, release of property, etc.

Purpose of Issue—Proceeds from the $350,000 outstanding bonds were used to pay all outstanding indebtedness of the Company and provide $75,000 for improvements.

Callability—Subject to call as a whole or in part on any interest payment date on 40 days' notice, at par and accrued interest to date of redemption plus a premium of ½ of 1% of the principal for each year of life, or fraction thereof, from redemption date to maturity, said premium, however, not to exceed 3% of the principal of each bond so called.

Security—Secured by a first mortgage on all properties of the Company, including lands, water, water rights, pumping plants, distributing systems, etc., which, with improvements to be made with $75,000 of the proceeds of this issue, have been appraised at $651,492.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from California Personal Property Taxes.

Legal Opinion—Leonard, Surr & Hellyer (for the Company) and O'Melveny, Millikin & Tuller (for the Bankers).

Original Offering—First publicly offered ($350,000) in December, 1926, at par and interest, by the California Company, Drake, Riley & Thomas and Stevens, Page & Sterling, Los Angeles.

INCOME ACCOUNT, YEAR ENDED OCTOBER 31, 1927

Water sales	$45,722
Other income	2,068
Total earnings	$47,790
Operating expenses	75,946
Depreciation	20,968
Operating loss	$49,084
Surplus from previous year	57,484
Add assessment No. 29	15,546
Balance Oct. 31, 1927, invested in assets	$23,946

GENERAL BALANCE SHEET, OCTOBER 31, 1927

Assets—	
Fixed assets	$1,598,863
Cash	5,190
Current accounts	5,990
Unamortized bond issue expense	24,000
Total	$1,634,043
Liabilities—	
Capital stock (net worth)	$259,811
Funded debt	350,000
Assessments control, invested in assets	23,946
Reserve for betterments	1,000,000
Reserve for contingencies	286
Total	$1,634,043

Officers: J. C. Boyd, Pres.; G. A. Otis, V-P.; T. T. Workman, Sec.; F. G. Creason, Supt., Bloomington, Cal.

Directors: J. C. Boyd, Denver Chaffee, B. A. Long, G. A. Otis, G. L. Stensgaard, J. F. Sweetman, W. A. Wilhite.

General Office, Cedar Ave., Bloomington, Cal.

THE ROCKVILLE WATER & AQUEDUCT COMPANY

History—Incorporated April 3, 1893, in Conn. Property consists of Shenipsit Lake and distributing mains at Rockville. Franchises perpetual. Population served, 9,000. Miles of mains, about 24.

CAPITAL STOCK

Authorized and outstanding, $125,000; par, $25. Annual meeting, third Monday in January.

Dividends—Dividends of 2% paid in 1912-13; 5% in 1913-14; 5% in 1914-15; 3% in 1916; none in 1917 or 1918; 5% in 1919; 2½% in 1920; 1921 and 1922, 5% each; 1923, 1924 and 1925, 5½% each; 1926, 6%; 1927, 7%.

FUNDED DEBT

$125,000 First Mtge. Gold 6% bonds; dated May 1, 1923; due May 1, 1953; int. May and Nov. 1, at Rockville (Conn.) National Bank, Trustee. Coupon, $1,000. Authorized, $150,000. Subject to call at 110 and interest on any interest date on 30 days' notice. Sinking fund, beginning May 1, 1925, $2,500 per annum. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$38,935	$38,135	$36,784
Oper. exp., taxes & deprec.	22,387	17,602	19,610
Net earnings	$16,548	$20,533	$17,174
Bond interest	7,500	7,500	7,500
Net income	$9,048	$13,033	$9,674
Dividends paid	8,750	7,500	6,875
Surplus for year	$298	$5,533	$2,799
Times Interest Earned	2.20	2.73	2.29
Earnings Per Share	$1.81	$2.60	$1.93

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$340,401	$338,289	$331,331
Cash	9,008	8,610	9,541
Accounts receivable	298	201	196
Sinking fund	7,500	5,000	2,500
Total	$357,207	$352,100	$343,568
Liabilities—			
Capital stock	$125,000	$125,000	$125,000
Funded debt	125,000	125,000	125,000
Reserve for depreciation	45,894	41,086	38,086
Surplus	61,313	61,015	55,482
Total	$357,207	$352,100	$343,568

Officers: David A. Sykes, Pres.; G. B. Hammond, Sec. & Treas.; P. B. Leonard, Aud.; R. C. Thompson, Supt., Rockville, Conn.

Directors: David A. Sykes, F. N. Belding, Chas. S. Bottomley, Frederick Swindells, H. J. Regan, E. W. Burke, William Maxwell, F. T. Maxwell, G. B. Hammond, L. M. Dillon, Rockville, Conn.

Office, 9 Elm St., Rockville, Conn.

SANTA MONICA BAY TELEPHONE COMPANY

History and Property—The Santa Monica Bay Telephone Co., on Jan. 1, 1925, acquired the property and business of the Santa Monica Bay Home Telephone Co., which latter company was incorporated in 1907 in Cal. (see 1924 Public Utility Manual, page 2655). The company operates in the cities of Santa Monica, Ocean Park, Venice, Sawtelle, Westwood, Brentwood, West Los Angeles, Ocean Park Heights, Playa Del Rey, Cal., and contiguous territory, serving without competition an estimated population of 100,000 with an area of about 75 square miles. Long distance service through connection with systems of The Pacific Tel. & Tel. Co., and United States Long Distance Tel. & Tel. Co. No. of central offices, 4. No. of telephones, 13,516.

CAPITAL STOCK

Authorized, $1,000,000 Common and $1,000,000 7% cumulative Pfd.; outstanding, Jan. 1, 1928, $650,600 Common and $625,000 Pfd.; par of both issues, $100. Stock transferred by company at 155-159 Marine St. Ocean Park, Cal.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends over the Common stock and in the event of liquidation or dissolution, will be paid in full at par, plus accumulated dividends unpaid, before any payment is made upon the Common stock. Redeemable as a whole or in part on any dividend date at $105 plus accumulated dividends unpaid at the date of redemption. Preferred shares have equal voting powers with other stock of the company.

Original Offering (Preferred Stock)—First publicly offered ($125,000) in March, 1925, at 100 and accrued dividend to yield 7% by the Citizens National Company, Los Angeles, Cal. $350,000 additional Pfd. stock offered in Nov., 1926, at $103 per share and dividend, to yield 6.80% by Citizens National Co. and M. H. Lewis & Co., Los Angeles.

Annual Meeting—Second Tuesday in February, at Los Angeles.

Dividends—Preferred dividends are payable quarterly on the third Monday of January, April, July and October of each year. Dividends on Common stock of predecessor Company paid at rate of 8% per annum from 1921 to 1924; on present stock: Feb. 15, 1925, 85 cts.; May 15, 1925 to and including Oct. 15, 1926, $1.62 quarterly; 1927, $2 quarterly; payments, J, A, J & O 15.

FUNDED DEBT

$1,319,000 SANTA MONICA BAY TELEPHONE CO. FIRST & REFUNDING MORTGAGE GOLD 6s; DUE SEPT. 1, 1944

Dated September 1, 1924.

Interest Payable March and September 1, at Citizens Trust & Savings Bank, Los Angeles, or at New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Citizens Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized, $10,000,000; approved by California Railroad Commission for present issue, $1,319,000; outstanding, Jan. 1, 1928, $1,319,000. Additional bonds may be issued only up to 75% of the property values, and then only when net earnings are at least 1¾ times bond interest plus interest on proposed issue.

Callability—Subject to call as a whole or in part on any interest date up to and including Sept. 1, 1934, upon 30 days' notice at 105 and interest, the callable price being reduced ½ of 1% for each year thereafter.

Sinking Fund—The company will provide a sinking fund for the purchase and retirement of 2% of the bonds of this issue outstanding each year beginning Jan. 1, 1927, the trustees stipulating that 2% of the then outstanding issue shall be retired by the purchase of bonds in the open market up to the then redemption prices.

Security—Secured by a direct first mortgage on all property owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from California Personal Property taxes.

Legal Opinion—Mott & Vallee, Los Angeles, (for the Company) and Hunsaker, Britt & Cosgrove, Los Angeles (for the bankers).

Original Offering—First publicly offered ($909,000) in Jan., 1925, at par and interest, by M. H. Lewis & Co. and The Citizens National Co., Los Angeles; $320,000 offered in Jan., 1926, at 101 and interest to yield 5.93% by The Citizens National Co., Los Angeles.

Price Range—

	1927	1926
High	104	100¼
Low	103	100¼

BOND REDEMPTION

All the Santa Monica Bay Home Telephone Company First Mortgage Gold 5s, due Oct. 15, 1937, were called for redemption on Oct. 15, 1927, at 105 and interest, at Title Insurance & Trust Co., Los Angeles, Cal.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$515,249	$446,133	$348,280
Oper. exp. & taxes	229,700	204,848	163,369
Depreciation	93,968	82,018	53,950
Net earnings	$191,581	$159,267	$130,961
Other income	4,403	4,975	23,952
Total income	$195,984	$164,242	$154,913
Bond interest	79,203	77,712	58,487
Other interest, etc.	4,789	1,294	3,789
Total charges	$83,992	$79,006	$62,276
Net income	111,992	85,236	92,637
Pfd. dividends paid	42,611	10,665	3,845
Common dividends paid	52,048	42,159	37,049
Sinking funds	25,200	19,570	.....
Miscell. deductions	5,170	245	.....
Surplus for year	*$13,037	$12,597	$51,743

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital (less deprec.)	$2,787,720	$2,341,224	$1,895,908
Cash	48,713	202,989	8,922
Notes & accts. receivable	55,065	47,527	29,748
Materials and supplies	120,591	98,462	57,987
Prepaid expense	10,669	10,926	11,190
Capital stock discount	82,867	77,146	67,249
Bond discount & expense	34,829	36,651	22,312
Total	$3,140,454	$2,814,925	$2,093,316
Liabilities—			
Common stock	$650,600	$650,600	$650,600
Preferred stock	625,000	514,700	125,000
Funded debt	1,319,000	1,342,000	1,047,500
Notes payable	100,000	.....	66,975
Accounts payable	73,936	99,904	56,508
Deposits & advs. for extens.	51,382	34,974	39,705
Accrued liabilities not due	74,348	56,028	44,353
Surp. invested in fixed cap.	187,132	61,181	36,818
Surplus invested in sinking funds	44,770	19,570	.....
Surplus unappropriated	14,286	35,968	25,857
Total	$3,140,454	$2,814,925	$2,093,316

Officers: John G. Mott, Chrm. of Board; S. L. Odegard, Pres., Los Angeles, Cal.; C. F. Mason, V-P. & Gen. Mgr., Santa Monica, Cal.; Eliot H. Cheadle, Sec., Treas. & Aud., Ocean Park, Cal.

Directors: S. L. Odegard, John G. Mott, Los Angeles, Cal.; C. F. Mason, Santa Monica, Cal.; A. L. Hart, Samuel F. Heffley, Long Beach, Cal.

General Office, 155-159 Marine St., Ocean Park, Cal.

REDONDO HOME TELEPHONE COMPANY

(Affiliated with Santa Monica Bay Telephone Co.)

History and Properties—Company operates in the cities of Redondo, Hermosa and Manhattan Beach, and Palos Verdes Estates, California, serving without competition the rapidly growing territory embracing that section from Rosecranz Street, Manhattan Beach, to Palos Verdes Estates, extending back from the Ocean Front about three miles to a line running north and south from El Segundo to Palos Verdes Estates. Company's lines connect with the long distance lines of the Pacific Telephone and Telegraph Co., and the United States Long Distance Telephone Co., giving long distance service throughout the United States.

Management—Company is under the same ownership and management as Santa Monica Bay Telephone Co.

CAPITAL STOCK

Authorized, $1,000,000 Common and $500,000 Pfd.; outstanding, $119,400 Common; no Pfd. outstanding.

Dividends—On Common, dividends at rate of 8% per annum paid in 1926 and 1927; payments quarterly, F, M, A & N 15.

FUNDED DEBT

$200,000 FIRST MORTGAGE 6% GOLD BONDS; DUE SEPTEMBER 1, 1946

Dated September 1, 1926.

Interest Payable March and September 1, at Citizens Trust & Savings Bank, Los Angeles.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Citizens Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized, $5,000,000; issued, $200,000. Issuance of these bonds has been authorized by California RR. Commission. Additional bonds may be issued not to exceed 75% of cost of new construction, and then providing net earnings available for interest are 1¾ times interest on bonds outstanding, plus interest on those to be issued. The Pacific Telephone & Telegraph Co. owns a substantial amount of these bonds.

Purpose of Issue—Proceeds from sale of these bonds were to be used to retire present indebtedness of Company and to pay for cost of betterments and extensions which have recently been installed.

Callability—Subject to call on any interest date, on 30 days' notice, to and including Sept. 1, 1936, at 105 and interest, premium being reduced ½ of 1% for each year to maturity.

Sinking Fund—A sinking fund is provided for purchase and retirement of 2% of bonds of this issue outstanding each year, beginning Jan. 1, 1929, Trust Deed stipulating that 2% of the then outstanding issue shall be retired by purchase of bonds in open market up to the then redemption price.

Security—Secured by a direct first mortgage on all property now owned or hereafter acquired by Company, having an appaised value of $305,000.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Exempt from personal property tax in California.

Legal Opinion—Mott, Vallee & Grant, (for the Company), and Hunsaker, Britt & Cosgrove, (for the bankers.)

Original Offering—First publicly offered ($200,000) in January, 1927, by Citizens National Co., Los Angeles, Cal.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$89,692	$76,839	$64,351
Oper. exp., maint. & taxes	50,042	46,152	42,359
Net earnings	$39,650	$30,687	$21,992
Bond and other interest	13,472	9,425	5,758
Balance for depr. & divds.	$26,178	$21,262	$16,234

Officers: S. L. Odegard, Pres.; C. F. Mason, V-P. & Gen. Mgr.; Eliot H. Cheadle, Sec.-Treas.

Directors: John G. Mott, S. L. Odegard, C. F. Mason, A. L. Hart, Samuel F. Heffley.

General Office, 155 Marine St., Ocean Park, Cal.

KAYDEROSS RAILROAD CORPORATION

History—Incorporated Aug. 1, 1918, in New York. Purchased properties of the Eastern New York Railroad Co. at foreclosure sale in Aug., 1918 (see 1918 Public Utility Manual, page 1241). Road extends from Ballston, N. Y., to Middle Grove, 12 miles, of which 4.76 miles on private right of way. Gauge, 4 ft. 8½ in. Rail, T, 60 and 70 lbs. Passenger cars, 2; freight motor car, 1; service cars, 3. Power station, 1. Operated by overhead trolley.

CAPITAL STOCK

Authorized, $100,000; outstanding, $60,000; par, $100. Annual meeting, first Monday in January. A dividend of 6% was paid in Jan., 1921; none since.

FUNDED DEBT

None.

EARNINGS AND EXPENSES, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	*$25,324	*$25,251	$29,694
Oper. exp. and taxes	26,827	26,787	31,354
Loss from operation	$1,503	$1,536	$1,660

*Includes other income.

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Road and equipment	$58,064	$58,064	$58,064
Cash	2,154	916	1,028
Open accounts	468	1,829	388
Profit and loss deficit	26,829	25,334	23,789
Total	$87,515	$86,143	$83,269
Liabilities—			
Capital stock	$60,000	$60,000	$60,000
Accounts payable	354	1,030	301
Other liabilities	89	.....	.....
Res. for retire., amort., etc.	27,072	25,113	22,968
Total	$87,515	$86,143	$83,269

Officers: Thomas Kerley, Pres.; Ralph H. Davison, V-P.; M. E. Welsh, Sec. & Treas., Ballston Spa, N. Y.

Directors: Egbert F. Clute, Ralph H. Davison, Joseph B. Humphrey, T. S. Haight, Thomas Kerley, J. T. Sweetman, Floyd J. Shutts, Morgan E. Welsh, Fred J. Wheeler, Ballston Spa, N. Y.

General Office, Ballston Spa, N. Y.

EASTERN OREGON LIGHT & POWER COMPANY

(Controlled by Columbia Construction Co.)

History and Property—Incorporated April 28, 1909, in Ore.; consolidation of Elkhorn Light & Power Co. (Baker Gas & Electric Co., Rock Creek Power & Transmission Co., Baker Light & Power Co.), the Fremont Power Co. and the Grande Ronde Electric Co. in November, 1912. The Elgin Electric Co. was acquired by purchase. Owns all the available water power in the vicinity of Baker and La Grande, in Baker and Union Counties, Oregon, and furnishes electric light and power to those cities and to the neighboring towns of Haines, North Powder, Union, Hot Lake, Cove, Bourne, Rock Creek, Island City, Alicel, Imbler, Telocaset, Elgin, Summerville and vicinity. Owns four water power plants with a present installed capacity of 3,457 k.w.; also has steam plant at Baker with a capacity of 1,943 k.w. A 66,000 volt transmission line connection with Idaho Power Co. makes 10,000 h. p. available for the needs of Company. The Company owns 195 miles of transmission lines and a reservoir system which includes Olive Lake, at natural reservoir in the Blue Mountains, 2,500 feet higher than Baker, situated in the National Forest Reserve—the present storage capacity of which is 5,270 acre feet or 229,561,200 cubic feet. Population served, 35,000. Electric consumers, 7,436. Municipal lighting: 394 incandescents in La Granda and smaller communities.

The Company also owns and operates without competition a gas plant at Baker, Ore., having a capacity of 9,100,000 cubic feet per annum. Miles of mains, 9.9. Number of gas consumers, 477. Price, $2.00.

CAPITAL STOCK

Authorized, $1,500,000 Common and $343,500 noncumulative 7% Preferred; outstanding, $1,499,000 Common and $342,900 Preferred; par, $100. Of the stock $1,000 Common and $600 Preferred is held in treasury. A majority of the stock is owned by the Columbia Construction Co. Secretary of Company acts as Transfer Agent and Registrar. Annual meeting, third Tuesday in January. No dividends paid.

FUNDED DEBT

(1)

$256,500 FIRST MORTGAGE 6% GOLD BONDS; DUE OCTOBER 1, 1929

Dated October 1, 1909.

Interest Payable April and October 1, at First Wisconsin Trust Co., Milwaukee, Wis.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized issue, $2,750,000, but mortgage closed at $1,425,000. In addition to the $256,500 bonds outstanding, $1,168,500 have been reacquired by Company, and pledged as security under the Refunding and First Collateral Mortgage. Balance to be issued for future extensions, and improvements at not exceeding 80% of the actual cost, only when net earnings for twelve months next preceding issuance have been twice the interest charges on bonds outstanding and those to be issued.

Security—Secured by an absolute first lien on all of the property rights and franchises now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($750,000) at par and interest.

(2)

$1,168,500 REFUNDING AND FIRST COLLATERAL MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE SEPTEMBER 1, 1951

Dated September 1, 1926.

Interest Payable March and September 1, at First Wisconsin Trust Co., Milwaukee, and in New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee.

Provisions of Issue—Authorized (Series "A" 5½s), $1,425,000; outstanding, $1,168,500. The remaining $256,500 of the Series "A" 5½s can only be issued in exchange for a like amount of First Mortgage 6s, which must be deposited under this mortgage as they are exchanged. Under provisions of mortgage additional bonds can be issued only for 75% of actual cost of improvements, betterments and additions to plant and then only when net earnings for 12 consecutive months within the 15 calendar months immediately preceding are double interest charges on bonds outstanding, including those proposed to be issued.

Callability—Subject to call as a whole or in part by lot, on 60 days' notice, to and including Sept. 1, 1941, at 105 and interest, thereafter at ½ of 1% less for each year, or fraction thereof, to maturity.

Security—Series "A" and "B" bonds are secured by a mortgage on all property subject to First Mortgage 6s, due 1929, but there will be deposited with Trustee under this mortgage one of the First Mortgage 6s for each of the new bonds outstanding.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and agrees, if requested, to refund Pennsylvania property tax up to 4 mills.

Original Offering—First publicly offered ($225,000) in September, 1926, at par and interest, by Edgar, Ricker & Co., Milwaukee.

(3)

$155,000 REFUNDING AND FIRST COLLATERAL MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE JANUARY 1, 1953

Dated January 2, 1928.

Interest Payable January and July 1 at First Wisconsin Trust Co., Milwaukee, and in New York.

Trustee—First Wisconsin Trust Co., Milwaukee.

Provisions of Issue—Authorized Series "B", $1,000,000; issued, $155,000.

Purpose of Issue—Issued for the purpose of reimbursing the Company for extensions and improvements made to property.

Callability—Subject to call as a whole or in part on 60 days' notice to and including January 1, 1943 at 105 and interest, the premium thereafter decreasing ½ of 1% for each year or fraction thereof before maturity.

Security—The bonds have the same security as Series "A" bonds described above.

Original Offering—First publicly offered ($155,000) in March, 1928, at 95¼ and interest to yield about 5.35% by Edgar, Ricker & Co., Milwaukee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue	$430,020	$409,988	$379,833	$374,718	$368,221	$353,258
Operating expenses	168,181	181,565	159,037	169,120	173,929	153,503
Taxes	62,466	53,469	50,353	44,023	38,348	36,360
Net earnings	$199,373	$174,954	$170,443	$161,575	$155,944	$163,395
Bond interest	78,553	72,763	72,000	77,873	70,307	70,544
Miscellaneous deductions	3,859	6,890	3,990			
Balance for depreciation and surplus	$116,960	$95,301	$94,454	$83,702	$85,637	$92,851
*Times Fixed Charges Earned	2.42	2.19	2.24	2.07	2.22	2.31

*Before deducting depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property and plant	$3,747,200	$3,671,569	$3,381,144	$3,501,197	$3,448,638	$3,298,537
Treasury securities and investments	141,557	1,603	1,603	1,602	1,602	1,602
Cash	15,552	14,164	9,533	12,362	9,566	16,314
Accounts and bills receivable	96,005	89,472	83,504	65,373	60,626	95,958
Materials and supplies	72,393	65,830	61,662	47,239	37,917	28,153
Bond interest deposits	40,377	36,360	36,435	36,720	37,590	37,290
Prepayments	4,872	3,330	5,733	7,715	3,368	1,305
Open accounts	13,288	11,965	12,654	16,745	2,437	.....
Unamortized debt discount and expense	60,756	39,225	.....	.....	.....	.....
Total	$4,192,000	$3,933,516	$3,792,268	$3,688,953	$3,601,744	$3,479,159
Liabilities—						
Capital stock	$1,843,500	$1,843,500	$1,843,500	$1,843,500	$1,843,500	$1,843,500
Funded debt	1,425,000	1,340,000	1,200,000	1,200,000	1,200,000	1,200,000
Interest and taxes accrued	85,870	74,126	65,274	59,994	55,110	50,866
Accounts and bills payable	98,998	31,184	101,720	72,308	67,351	18,373
Consumers' deposits	21,297	19,927	19,271	16,471	25,306	21,408
Reserves	284,188	270,658	255,259	219,338	178,579	134,047
Bond interest coupons	40,377	36,360	36,435	36,720	37,590	37,290
Open accounts	11,050	12,548	12,075	24,866	15,753	16,858
Surplus	381,720	305,213	258,734	215,756	178,555	156,816
Total	$4,192,000	$3,933,516	$3,792,268	$3,688,953	$3,601,744	$3,479,159

Officers: J. P. Pulliam, Pres ; J. P. Lottridge, V-P.; A. A. Smith, Sec.; J. H. Deinlein, Treas.; T. F. Kaap, Asst. Sec.; E. L. Crockett, Asst. Sec.; C. E. Kohlhepp, Asst. Treas.

Directors: J. P. Pulliam, J. P. Lottridge, A. A. Smith, D. W. French, John P. Schmitz, A. S. Shockley, J. H. Deinlein.

Principal Office, Baker (formerly Baker City), Ore.

SAN FRANCISCO-SACRAMENTO RAILROAD COMPANY

History—Incorporated Jan. 2, 1920, in Cal., and effective Jan. 26, 1920, purchased the properties of the Oakland, Antioch & Eastern Ry., Oakland & Antioch Ry., and the San Ramon Valley R. R., under the modified plan for the reorganization of properties, dated Dec. 19, 1919 (see 1921 Public Utility Manual, page 1374, or apply to our Information Department).

Properties—Owns and operates an electric freight and passenger railroad connecting San Francisco, Oakland and Sacramento, together with branch extending from West Pittsburg to Pittsburg, comprising 87.54 miles of main and branch lines, practically all on private right of way. In addition, there are 11.89 miles of second track, sidings, turn-outs, etc. San Francisco passengers are conveyed to and from 40th Street and Shafter Ave., Oakland, in Company's own cars over the Key Route tracks, direct to the San Francisco bay ferry under a satisfactory contract. The Company owns a steel ferry steamer, the "Ramon," with a capacity of six passenger cars, for ferrying trains across the Suisun Bay. Estimated population served, over 1,000,000.

Equipment—Passenger coaches (of which 20 motor equipped), 38; freight locomotives, 6; freight cars, 74; cabooses, 3; construction and work cars, 14. Substations, 6. Power is furnished to the Company by the Great Western Power Co.

Franchises—Practically the entire mileage is located on private right of way. Where franchises are required they contain no burdensome restrictions, and without exception extend beyond the 1940 maturity of the bonds. The life of the franchises varies from 1946 to 1964, and the shortest, covering only about 5 miles, expires in 1941.

Refinancing Arrangement—It was announced in Jan., 1926, that Company, in order to protect its traffic contract with Western Pacific RR. and to finance extensions to care for Columbia Steel Co. at Pittsburgh, Cal., and enter the Holland land area, had arranged refinancing which will retire outstanding 6% bonds, replacing them with 6½s. Total authorized issue will be cut from $3,000,000 to $2,000,000. Bondholders will receive 2% premium for assent to exchange and banking syndicate handling exchange 2½% commission. Bankers include Harris Trust & Savings Bank, E. H. Rollins & Sons and Blyth, Witter & Co. Estimated extensions to be financed will double net freight revenue of Company.

New Holding Company—Feb. 1, 1927, the **Sacramento Company** was incorporated in Delaware with 10,000 shares of capital stock of no par value to take over the 40,000 shares of Common stock of San Francisco-Sacramento R.R. Co. purchased recently by Arthur Curtis James and Western Pacific RR. interests.

CAPITAL STOCK

Authorized, $6,550,000 Common and $1,500,000 7% cumulative Pfd.; to be issued for reorganization purposes (not to exceed), $6,550.000 Common and $1,330,000 Pfd.; outstanding, Dec. 31, 1927, $6,242,954.95 Common and $1,242,710.66 Pfd.; par, $100. Preferred stock is non-assessable, has preference for assets and dividends, and is callable at any time at 110. The remaining Pfd. stock ($170,000) may be used only for the purpose of financing the costs of or reimbursing the treasury for the cost of additions and betterments, or for the acquisition of new properties. The Common stock is non-assessable.

Annual Meeting—Second Monday in March.

Listed—San Francisco Stock Exchange.

Dividends—Paid dividends on Pfd. of 7% each in 1920, 1921 and 1922; 1923, 3½%; none paid since; payments were made quarterly, J, A, J & O 15. None paid on Common.

FUNDED DEBT

$746,000 FIRST MORTGAGE SERIAL GOLD 6s; DUE IN EQUAL INSTALLMENTS ON JANUARY 1 OF EACH OF THE YEARS 1928 TO 1940, INCLUSIVE

Dated January 1, 1920.

Interest Payable January and July 1, at Wells Fargo Bank and Union Trust Co., San Francisco, and at Harris Trust & Savings Bank, Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank and Union Trust Co., San Francisco.

Provisions of Issue—Authorized, $3,000,000; issued, $1,040,000; retired, $294,000, leaving $746,000 outstanding at Dec. 31, 1927.

The $1,960,000 escrow bonds can only be issued to reimburse the Company for not to exceed 75% of the cost of permanent extensions and additions to the property, and then only when net earnings for the preceding 12 months after deducting the amount necessary to retire the next serial maturity have been at least twice the annual interest charges on all bonds outstanding, including those to be issued. It is further provided that if any of these escrow bonds are issued, the bonds so issued shall mature not later than Jan. 1, 1940, and not earlier than the last maturity of the then outstanding serial issue (present issue). The Company is required immediately to expend

$300,000 upon improvements to the property and for new equipment, against half of which expenditure no bonds can be issued.

Security—Secured by a first and only mortgage on all the property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chickering & Gregory, San Francisco.

Original Offering—First publicly offered ($840,000) in Jan., 1920, at prices ranging from 99.76 to 91.83, yielding from 6¼% to 6¾%, according to maturities; $200,000 additional offered in Sept., 1922, at 99½ and interest, yielding about 6.05%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	‡1924	1923	1922
Gross earnings	$908,936	$990,312	$975,388	$990,549	$1,032,952	$1,103,877
Oper. exp., taxes and depreciation	964,975	962,926	921,343	897,431	949,230	952,575
Net earnings	†$56,039	$27,386	$54,045	$93,118	$83,722	$151,302
Other income	1,442	1,146	3,149	5,627	8,193	9,327
Total income	†$54,597	$28,531	$57,194	$98,745	$91,915	$160,629
Bond interest	48,690	51,380	50,490	52,320	54,840	48,000
Other interest	16,903	10,026	3,582	1,111	101	261
Rentals, etc.	2,603	1,569	2,939	2,556	759	816
Total charges	$68,196	$62,974	$57,011	$55,987	$55,700	$49,077
Balance for dividends	†$122,793	†$34,443	$183	$42,758	$36,215	$111,552
Dividends paid	.....	.....	.....	.....	43,495	86,990
Surplus for year	†$122,793	†$34,443	$183	$42,758	†$7,280	$24,562
Times Bond Interest Earned	Nil	0.33	1.00	1.82	1.66	3.32
Earnings Per Share—						
Preferred	Nil	Nil	$0.01	$3.44	$2.91	$8.97
Common	Nil	Nil	Nil	Nil	Nil	.39

†Deficit. ‡On March 1, 1924, operation of 11 miles of branch line was discontinued. In comparing 1924 earnings and expenses with 1923 this fact should be noted.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$8,624,824	$8,572,186	$8,504,020	$8,317,664	$8,397,493	$8,279,547
Stocks owned	1,500	1,500	1,500	1,500	1,500	1,500
U. S. securities	.....	.....	.....	49,263	70,000	90,000
Other investments	1,750	.....	.....	400	5,400	5,500
Special deposits	.....	.....	.....	.....	18,725	18,725
Materials and supplies	81,225	85,034	92,001	98,714	127,323	116,538
Cash on hand	123,894	54,909	112,772	99,688	99,459	213,426
Bills and notes receivable	5,427	5,462	10,962	9,975	7,725	7,200
Other current assets	340	235	662	189	308	479
Ins. premium paid in adv.	8,989	6,044	4,818	10,893	8,517	10,557
Accounts receivable	67,632	84,925	76,863	53,716	76,820	45,979
Unadjusted debits	8,732	9,302	12,172	5,158	10,290	3,189
Discount on funded debt	.....	19,322	39,322	45,570	54,532	72,539
Profit and loss deficit	585,651	406,771	307,432	260,724	97,586	30,299
Total	$9,509,964	$9,245,689	$9,162,524	$8,953,454	$8,975,679	$8,895,478
Liabilities—						
Common stock	$6,242,955	$6,242,955	$6,242,955	$6,242,955	$6,242,955	$6,242,955
Preferred stock	1,242,711	1,242,711	1,242,711	1,242,711	1,242,711	1,242,711
Grants in aid of construction	2,093	2,093	2,093	2,093	2,093	.....
Funded debt	809,264	854,101	898,937	872,000	914,000	955,000
Notes payable	520,810	260,199	120,000	.....	.....	.....
Current liabilities	37,379	42,515	117,043	109,232	132,386	46,063
Interest accrued	24,614	23,920	24,900	26,160	27,420	28,650
Tax liability	3,620	11,155	11,706	14,309	20,212	37,288
Ins. and casualty reserve	*936	1,655	504	3,241	1,431	6,081
Unadjusted credits	4,094	3,426	1,128	1,548	11,479	2,615
Accrued depreciation	283,610	263,209	243,642	224,153	207,767	179,868
Dividends accrued	.....	.....	1,155	1,302	1,375	22,867
Deferred credit items	3,750	3,750	3,750	3,750	4,750	6,280
Sinking fund reserve	42,000	42,000	42,000	42,000	42,000	41,000
Appropriated surplus	294,000	252,000	210,000	168,000	126,000	85,000
Total	$9,509,964	$9,245,689	$9,162,524	$8,953,454	$8,975,679	$8,895,478

*Debit.

Officers: Vacancy, Pres.; H. A. Mitchell, V-P. & Gen. Mgr.; Charles Elsey, Treas.; W. G. Bruen, Sec.; D. C. De Graff, Aud., San Francisco, Cal.

Directors: H. A. Mitchell, C. W. Dooling, H. M. Ardley, Geo. S. Scruggs, C. W. Hotchkiss, C. L. Droit, W. J. Shotwell, San Francisco, Cal.; Chas. E. Virden, Sacramento, Cal.; J. P. Quigley, Oakland, Cal.

General Office, Oakland, Cal. **Corporate Office**, 306 Hobart Bldg., San Francisco, Cal.

INTERNATIONAL POWER COMPANY, LIMITED

History—Incorporated in Feb., 1926, under laws of the Dominion of Canada, as a public utility holding and operating company. Controls public utility properties which have been in successful operation for many years, in Bolivia, British Guiana, Newfoundland, Porto Rico, Salvador and Venezuela. The combined population served by its properties is approximately 1,000,000, and the number of light and power customers is in excess of 70,000.

The company has acquired all the securities of the **Venezuela Power Company, Ltd.**, and a majority of the stock of **The Porto Rico Railways Co., Ltd., The San Salvador Electric Light Company, The Newfoundland Light & Power Company, Ltd., The Bolivian Power Co., Ltd.**, the **Oruro Light & Power Co.**, and 81% of the outstanding 5% First Mortgage bonds and 90% of the Common stock of the **Demerara Electric Company, Ltd.** Their field embraces public and private lighting, power, tramway and telephone services in fifty-nine communities, all served without competition.

The San Salvador Electric Light Company was incorporated under the laws of the Republic of Salvador, and operates the electric lighting and power services in the City of San Salvador and sixteen adjoining municipalities. San Salvador is the capital and principal commercial and financial center of the Republic. The total population served, including adjoining muni-

cipalities, is about 130,000. Customers served approximate 7,200. The Company owns two hydro-electric developments with a combined capacity of 3,300 horsepower, and a complete electrical distribution system, for the most part of steel pole construction. It also owns and operates a well equipped ice plant of 20 tons daily capacity, and possesses extensive repair shops, as well as office and stores buildings. The property has been in successful operation for over 20 years.

The Venezuela Power Company, Limited was incorporated under the laws of the Dominion of Canada, and, with its predecessors, has operated for many years the light and power businesses of Maracaibo and Barquisimeto, Venezuela, under favorable concessions extending until 1976 and 1963 respectively—subject, in the case of Barquisimeto, to the right of the municipality to purchase the property in 1938 at a value to be fixed by arbitration.

Maracaibo is the largest port and second largest city of Venezuela, and is also the chief financial and distributing center of one of the world's most important oil producing districts. The normal growth of the City during recent years has been greatly accelerated by the extensive development, largely by British and American companies, of the Lake Maracaibo oil field. The combined population served by the Company is approximately 150,000 and the number of its customers about 7,900.

CAPITAL STOCK

Authorized, 150,000 shares Common stock of no par value, $8,000,000 7% cumulative First Pfd. and $2,000,000 6% Convertible Second Pfd. (par of Pfd. stocks, $100); issued, April 15, 1928, 115,610 shares Common, $7,061,000 7% First Pfd. and $2,000,000 6% Second Pfd.

First Pfd. Stock Provisions—Fully paid and non-assessable. Preferred as to dividends up to $7 per annum. Preferred as to assets up to 105 per share. Callable as a whole or in part upon any dividend date on 60 days' notice at 105 and accrued dividends.

Second Preferred Stock Provisions—The Second Pfd. stock is entitled to a dividend of $6 per share per annum, cumulative from March 1, 1927. No dividends may be paid on the Second Pfd. or Common stocks should First Pfd. dividend be in arrears. Second Pfd. stock may be exchanged for Common stock at the option of the holder on the basis of four shares of no par value Common stock for each share of Second Pfd. stock.

Transfer Agents—Guaranty Trust Co., New York, and Montreal Trust Co., Montreal and Toronto.

Registrars—Chatham Phenix National Bank & Trust Co., New York, and Royal Trust Co., Montreal and Toronto.

Original Offering—First publicly offered ($4,000,000 First Pfd. stock) in Feb. 1926, at 98½ and accrued dividend from March 1, 1926 to yield about 7.11%, by G. E. Barrett & Co., Inc., New York, and Royal Securities Corp., Ltd., Montreal, Toronto, etc. One share of Common stock accompanied each share of Pfd. stock. $1,500,000 additional First Pfd. stock was offered in April, 1928, at par by Royal Securities Corp., Ltd., Greenshields & Co., Hanson Brothers, Inc. and R. A. Daly & Co., Montreal.

Dividends—Initial First Pfd. dividend of $2.33-1/3 covering the four months ended June 30, 1926, was paid July 2, 1926; Oct. 1, 1926, 1¾%; and at same rate quarterly since; payments, J, A, J & O 1. Dividends payable in United States gold coin at the office of the Company's Paying Agents in New York City or at the option of the holder, at the office of the Company, Montreal. No dividends on Second Pfd. or Common.

FUNDED DEBT

$3,000,000 6½% 30-YEAR GOLD DEBENTURES; DUE MARCH 1, 1957

Dated March 1, 1927.

Interest Payable March and September 1, in Canadian gold coin or its equivalent at The Royal Bank of Canada, Montreal, Toronto, Winnipeg, Vancouver, Halifax or Saint John, N. B., or, at the option of the holder, in United States gold coin or its equivalent at the Agency of The Royal Bank of Canada, New York, or in English sterling at The Royal Bank of Canada, London, Eng., at the rate of $4.86 2/3 to £1.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Royal Trust Co., Montreal.

Provisions of Issue—Issued, $3,000,000. The indenture provides that debentures in excess of the amount of First Pfd. stock at any time outstanding may be issued only under certain restrictive conditions as more particularly set forth in the indenture.

Purpose of Issue—These debentures were issued for the purpose of providing for the construction of extensions and improvements to the properties controlled by the Company, and for the acquisition of shares of The Porto Rico Rys. Co., Ltd.

Callability—Subject to call as a whole or in part on 30 days' notice, at 105 and interest.

Security—Debentures are direct obligation of Co.

Legal Opinion—McGibbon, Mitchell, Casgrain, McDougall & Stairs, Montreal.

Original Offering—First publicly offered ($3,000,000) in March, 1927, at 100 and interest, yielding 6½% by G. E. Barrett & Co., Inc., New York, etc and Royal Securities Corp., Montreal, etc.

COMBINED EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	*$4,233,065	$3,803,697	$3,349,485	$3,132,414	$2,962,252
Operating and maintenance charges	2,396,194	2,254,621	1,958,833	1,771,188	1,758,273
Net earnings	$1,836,871	$1,549,076	$1,390,652	$1,361,226	$1,203,979
Charges on underlying securities	531,839	.....	.....	.....	.....
Balance	$1,305,032	.....	.....	.....	.....
Earnings applicable to minority interest	†155,329	.....	.....	.....	.....
Balance, available for reserves & Debenture interest	$1,149,703	.....	.....	.....	.....
Annual Debenture interest	195,000	.....	.....	.....	.....
First Pfd. dividends	‡494,270	.....	.....	.....	.....
Balance	$460,433	.....	.....	.....	.....

*Partly subject to audit. †Representing proportion of earnings applicable to 18,171 shares of Common stock of subsidiaries held by minority interests as at April 12, 1928. ‡Dividend requirement of First Pfd. stock, including $1,500,000 issued in April, 1928.

GENERAL BALANCE SHEET, DECEMBER 31, 1926

(Latest Available)

Assets—		Liabilities—	
Invest. in bonds and stocks of controlled cos. at cost	$5,795,649	Common stock	$1,500,000
Advances to controlled companies	2,092,045	First Preferred stock	4,000,000
Accounts receivable	36,494	Second Preferred stock	2,000,000
Cash	120,939	Bank loans	373,435
		Accounts payable	44,093
		Dividend payable	70,000
		Surplus	57,599
Total	$8,045,127	Total	$8,045,127

Officers: I. W. Killam, Pres.; Fred C. Clarke, Sec. & Treas.; L. G. Proctor, Asst. Sec.

Directors: I. W. Killam, Russell D. Bell, Victor E. Mitchell, W. C. Pitfield, Fred C. Clarke, Montreal, Que.; John H. Price, Quebec, Que.; G. MacGregor Mitchell, O. E. Smith, Halifax, N. S.; W. D. Ross, L. M. Wood, Toronto, Ont.; Fred R. Taylor, Saint John, N. B.; W. H. Chase, Wolfville, N. S.

General Office, 164 St. James St., Montreal, Que.

THE BOLIVIAN POWER COMPANY, LIMITED

(Controlled by International Power Co., Ltd.)

History and Property—Incorporated in 1925 under the Nova Scotia Companies' Act to acquire from the Bolivian General Enterprise, Limited (incorporated in 1903 under the laws of Great Britain) the light, power, tramway and telephone undertakings in La Paz, the principal city of Bolivia, serving a population of about 120,000. No. of light, power and telephone customers in 1926 exceeded 9,700. Passengers carried in 1926, approximately 2,950,000.

The property includes a modern hydro-electric plant with a complete system for the distribution of electric light and power, including main generating and sub-station equipment and aerial and underground cables; tramway system with 10 route miles of single track with 29 cars and trailers, and 6 motor buses; telephone system with aerial and underground cables and office building, car barns and repair shops fully equipped.

The properties are operated under concessions from the Municipality of La Paz extending until 1950, which include the contract for the supply of the entire public lighting of the City of La Paz on favorable terms which are fixed until 1950. Rates for private lighting are restricted to a charge of not more than 60 centavos per k.w.h. (equivalent to approximately 20c. per k.w.h. at current rate of exchange), with the provision that they may be increased to offset beyond a reasonable point any depreciation, if any, in Bolivian currency.

CAPITAL STOCK

Issued, $3,000,000 Common. A majority of the stock is owned by International Power Co., Ltd.

Dividends—Initial dividend of 2% on Common stock paid Dec. 30, 1926; Dec. 15, 1927, 3%.

FUNDED DEBT

$1,600,000 FIRST MORTGAGE SINKING FUND GOLD 8s, SERIES "A"; DUE APRIL 1, 1945.

Dated April 1, 1925.

Interest Payable April and Ocotber 1, at the Royal Bank of Canada, Montreal, New York or London.

Denominations—Coupon, $500 and $1,000. Principal may be registered.

Trustee—Montreal Trust Company, Montreal, Canada.

Provisions of Issue—In addition to the present issue of $1,600,000, bonds in the amount of $400,000 may be issued to the extent of 80% of capital expenditures for additions and improvements to property and plant. Further bonds of any series may be issued ranking equally with Series "A" bonds, bearing such rates of interest and redeemable under such conditions as the Company may determine, but only to the extent of 80% of capital expenditures, additions or improvements to property and plant, and then only provided net earnings for the preceding fiscal year shall have been at the rate of at least one and one-half times interest on bonds outstanding and those to be issued.

Callability—Bonds are subject to call as a whole or in part at the Company's option, on 60 days' notice at 107 and accrued interest until December 1, 1930; at 105 and accrued interest thereafter until December 1, 1935; at 103 and accrued interest thereafter until maturity.

Sinking Fund—A sinking fund is provided amounting to 1% of issued bonds, to commence December 1, 1928, to be applied to redemption of Series "A" bonds by purchase in the open market or by call at not exceeding redemption prices mentioned above.

Legal Opinion—McGibbon, Mitchell, Casgrain, McDougall & Stairs of Montreal, and Carlos Calvo of La Paz, Bolivia.

Original Offering—First publicly offered ($1,600,000) in May, 1925 at 100 and interest to yield 8% by Royal Securities Corp. Ltd. Montreal etc.

GROSS EARNINGS, YEARS ENDED DECEMBER 31

1925	468,789
1926	552,739

NOTE—Figures are converted from bolivianos at the exchange rate of approximately 33.3c. current as at May 27, 1925.

Officers: I. W. Killam, Pres.; Fred. C. Clarke, Sec. & Treas.; L. G. Proctor, Asst. Sec.

Directors: I. W. Killam, W. C. Pitfield, S. B. Hammond, Montreal, Que., Horacio Ferreccio, A. Dumaine, Paris, France; Fred. C. Clarke.

Executive Office, 164 St. James St., Montreal, Que. **Operating Office,** La Paz, Bolivia.

THE DEMERARA ELECTRIC CO. LTD.

(Controlled by International Power Co., Ltd.)

History—Incorporated June 14, 1899, by ordinance of Governor of British Guiana; successor to British Guiana Lighting & Power Co. and the Georgetown Tramway Co. Does all electric lighting, power and tramway business in City of Georgetown, Demerara, under licenses granted on Jan. 19, 1900. Electric lighting license is perpetual, but may be revoked at any time with the consent of the company, in which case the plant can be purchased by the municipality within whose jurisdiction it lies. Tramway license is for 30 years with power to the Governor-in-Council to extend it for 20 years. Should the Governor refuse an extension, the plant may be purchased by the Government as its option, and until the completion of such purchase, the licensees shall possess and exercise all their rights and privileges under the license. Customers served, about 3,700. Population served, approximately 60,000.

CAPITAL STOCK

Authorized and outstanding, $425,000; par, $100. Stock control is held by International Power Co., Ltd. Annual meeting in May. Transfer Agent and Registrar: Montreal Trust Co., Halifax, N. S.

Dividends—Dividends in 1910, 5%; 1911, 5%; 1912, 5%; 1913, 4¼%; 1914, 4%; 1915, 2%; none since.

FUNDED DEBT

$500,000 (entire issue) First 5s; dated Nov. 1, 1899; due Nov. 1, 1929; int. Jan. and July 1, at National Trust Co., Toronto, Trustee. Coupon, $500. The International Power Co., Ltd. owns 81% of the outstanding bonds. Secured on entire property, franchise, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925
Gross earnings	$281,288	$284,094
Operating expenses	227,259	218,144
Net earnings	$54,029	$65,950
Interest	25,000	25,000
Surplus for dividends	$29,029	$40,950

Officers: Hon. W. B. Ross, Pres.; S. B. Hammond, Sec.; I. W. Killam, Managing Dir.

Directors: Hon. W. B. Ross, H. R. Silver, H. E. Mahon, Halifax, N. S.; I. W. Killam, W. C. Pitfield, N. S. Brooke, G. A. Gaherty, Montreal, Que.

Head Office, 164 St. James St., Montreal, Canada.

THE NEWFOUNDLAND LIGHT & POWER COMPANY, LTD.

(Controlled by International Power Co., Ltd.)

History and Properties—Incorporated under laws of Dominion of Newfoundland to acquire the undertaking of St. John's Light & Power Co., Ltd., as a go-

ing concern (see 1923 Public Utility Manual, page 1218), and to carry on business as a light, power and street railway company. Power is derived from the Company's own water-power development, situated about eight miles from St. John's and by purchase from the United Towns Electric Co., Ltd., and distributed throughout the city. Present power development, 7,000 h.p. installed capacity. Additional water powers owned by the Company are capable of providing additional capacity as required for many years to come. Population served, about 38,000. Terms of the franchise provides for perpetual operation of the business, subject only to the right of the City of St. John's to purchase the undertaking as a going concern after 1946. No. of light and power customers over 6,300 at Dec. 31, 1927.

CAPITAL STOCK

Issued, $1,500,000 Common. Stock control is held by International Power Co., Ltd.

Dividends—Initial Common dividend of 2% paid Dec. 30, 1926; Dec. 31, 1927, 3%.

FUNDED DEBT

(1)

$1,386,000 FIRST GOLD 6½s, SERIES "A"; DUE JAN. 1, 1949

Dated January 1, 1924.

Interest Payable January and July 1, in Canadian gold in Montreal, Toronto, St. John, Halifax and St. John's, Newfoundland.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—An additional $100,000 Series "A" bonds, held in the treasury, may be issued as required for the general purposes of the Company. Further bonds of any series may be issued ranking equally with Series "A" bonds, bearing such rates of interest and redeemable under such conditions as the Company may determine, but only to the extent of 75% of capital expenditures for additions and improvements to property and plant, and then only provided net earnings for the preceding fiscal year shall have been at the rate of at least 1½ times annual interest on bonds outstanding and those to be issued.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice, at 107½ and accrued interest until Jan. 1, 1929; at 105 and accrued interest thereafter until Jan. 1, 1939; at 102½ and accrued interest thereafter until maturity.

Sinking Fund—Annual sinking fund amounting to 1% of issued bonds, commencing in 1927, will be applied to redemption of Series "A" bonds by purchase in the open market or by call at not exceeding redemption prices mentioned above.

Security—Secured by first mortgage on the properties, plant, equipment, franchises, etc., of Company, constituting the electric lighting, power and tramway business in the City of St. John's, and its water-power developments and water-powers.

Original Offering—First publicly offered ($1,000,000) in Feb., 1924, at 98½ and interest, yielding over 6.60%, by Royal Securities Corp., Ltd., Montreal.

(2)

$500,000 MORTGAGE DEBENTURE 7s; DUE JANUARY 1, 1949

Dated January 1, 1924.

Interest Payable in Montreal, Toronto, St. John, Halifax and St. John's, Newfoundland.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized and issued, $1,000,000, of which $500,000 are held in the treasury.

Callability—Subject to call on any interest date on 30 days' notice at 105 and interest.

Sinking Fund—Annual sinking fund is provided beginning in 1929, equal to 1% of the issued debentures, to be applied to the purchase or redemption at not over 105 and interest.

Security—Secured by mortgage and charge on the property of the Company.

Tax Provisions—Company does not pay U. S. Normal Income Tax.

Original Offering—First publicly offered ($500,000) in March, 1924, by Royal Securities Corp., Ltd., Montreal, Que.

GROSS EARNINGS, YEARS ENDED JUNE 30

1922	$328,044
1923	323,430
1924	353,329
1925	364,851
1926	414,513

Officers: I. W. Killam, Pres.; Fred. C. Clarke, Sec.; J. W. Kent, Asst. Sec.

Directors: I. W. Killam, W. C. Pitfield, Montreal, Que.; Sir Marmaduke Winter, C. A. C. Bruce, Major Leonard C. Outerbridge, Charles E. Hunt, St. John's, Newfoundland.

Offices, St. John's, Newfoundland, and 164 St. James St., Montreal, Can.

THE PORTO RICO RAILWAYS COMPANY, LIMITED

(Controlled by International Power Co., Ltd.)

History and Properties—Incorporated Aug. 29, 1906, in Canada. Owns and operates the Porto Rico Ry., Light & Power Co. and the **Porto Rico Construction Co.** The former company is a consolidation of the San Juan Light & Transit Co., Porto Rico Power & Light Co., and Cagus Tramway Co. The Company owns and operates electric lighting and power distribution systems in San Juan, the capital and largest city of Porto Rico, and the principal municipalities in the eastern section of the island, including San Turce, Rio Piedras, Fajardo, Caguas, Humacao, Bayamon, Vega Baja, Comerio and Manati. The combined population served is approximately 468,000. The Company also operates the entire tramway system in San Juan and suburbs, together with a steam railway connecting the terminus of this tramway at Rio Piedras with Caguas, 18 miles distant. The total number of its light and power customers exceeds 35,000.

The Company owns hydro-electric plants having a combined installed capacity of approximately 10,600 horsepower, together with an auxiliary steam plant having a capacity of 4,000 horsepower.

Light and power franchises in San Juan, San Turce and Rio Piedras are perpetual. Water power, steam railway and other electric light franchises extend for 99 years from 1906.

In March, 1911, a complete reorganization of the subsidiary companies was effected. Instead of three companies as heretofore, one new company, the Porto Rico Ry., Light & Power Co., was incorporated under the laws of the Island taking over all the assets of the old companies, thus simplifying operations. The Insular Government, desiring that the operating company as a public service corporation, should confine itself strictly to public service, the **Porto Rico Construction Co.** was incorporated to carry on the work of construction, etc., for the operating company, with power to carry on business as contractors and engineers. All the capital stock of the construction company is held by The Porto Rico Railways Company, Ltd.

New Control—Holders of Common stock of Company received an offer to exchange their holdings for stock of Internatonal Power Co., Ltd., on the basis of two shares of 7% First Pfd. of $100 par value and two shares of no par Common for every three shares of The Porto Rico Railways Co., Ltd. Common, or alternatively, a cash offer of $70 for each share of Porto Rico Common.

STATISTICAL STATEMENT, AT DECEMBER 31

(Latest Available)

	1925	1924	1923	1922	1921	1920
Expenses per cent of earnings	64.83	60.54	67.27	61.15	65.04	59.85
Expenses per cent of earng's (taxes eliminated)	59.62	55.64	61.50	55.15	59.99	55.95
Municipal lamps connected (50 watt equivalent)	5,961	5,961	5,550	5,495	5,495	5,168
Commercial lamps connected (50 watt equiv.)	180,781	168,482	153,652	144,434	139,809	131,088
Appliances	19,641	19,046	18,491	13,745	12,559	12,134
Commercial motors H.P.	8,829	8,326	7,853	7,081	6,370	5,754
Fans	2,389	2,371	2,258	2,242	2,186	2,153
Total load (50 watt equivalent)	168,063	471,973	440,992	410,100	379,564	352,728
Freight carried (tons)	504,069	111,756	105,524	156,122	161,110	211,175
Passengers carried	2,611,748	3,935,713	5,103,186	6,069,237	7,143,810	8,855,412
Passenger car miles	891,708	1,092,260	1,164,838	1,183,693	1,147,861	1,186,445
Passenger earnings per car mile	.1447	.1796	.2192	.2668	.3163	.3831

CAPITAL STOCK

Authorized and outstanding, $3,000,000 Common and $1,000,000 (increased from $500,000 as of Nov. 23, 1910) 7% cumulative Pfd.; par, $100. At March 31, 1928, the International Power Co., Ltd., owned over 93% of the Common stock.

Transfer Agents—Montreal Trust Co., Montreal, Que., and Toronto, Ont.

Registrars—Canadian Trust Co., Montreal, Que., and the Imperial Trust Co., Ltd., Toronto, Ont.

Annual Meeting—Not later than March 31.

Listed—Common stock is listed on Montreal and Toronto Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	100	94⅛	91¼	87	81	82	81	79
Low	90	85½	84	66	67	70	64	63
Common—								
High	96	56	46⅜	38½	30	30	46	50
Low	59	40	35¼	17	15	25	35	28½

Dividends—Dividends on Pfd. have been paid quarterly at rate of 7% per annum since Jan. 2, 1910. Common dividends were paid quarterly at rate of 4% per annum from Oct. 2, 1911, to 1913; 1914, 2%; none thereafter until July, 1920, when dividends of 1% quarterly were resumed, and were paid up to and including Jan. 3, 1922; none thereafter until Jan. 15, 1927, when 1% was paid; Oct. 1, 1927, 2%; Dec. 31, 1927, 1%.

FUNDED DEBT

(1)

$2,072,000 First Mortgage Gold 5s; dated Nov. 1, 1906; due Nov. 1, 1936; int. May and Nov. 1, at Montreal Trust Co., Trustee, Montreal, Toronto and Halifax, and Bank of Nova Scotia, Toronto, Ont. Coupon, $500; principal may be registered. Subject to call at 105. Sinking fund of 1% of bonds issued, plus one year's interest on cancelled bonds, began Nov. 1, 1908. Original issue, $3,000,000 of which $928,000 cancelled to Dec. 31, 1927. Listed on Montreal and Toronto Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	93¾	89¾	88¼	85	84½	83	73	75
Low	90	89	86⅝	83	84½	73½	70	72

(2)

£265,000 ($1,289,666.67) Refunding General 5s; dated May 1, 1912; due May 1, 1962; int. M & N 1, in London, Montreal and Toronto, at $4.86⅔ to £1. Coupon, £100; principal may be registered. Montreal Trust Co., Trustee. Authorized, £1,500,000; issued, £1,041,200, of which £425,800 reserved to retire the $2,072,000 First Mortgage 5s, and £350,400 in treasury, leaving £265,000 outstanding. Balance issuable for future requirements, provided net earnings are twice the total interest charge, including bonds proposed to be issued. Subject to call as a whole, or for cumulative sinking fund equal to 1% of outstanding bonds (beginning in 1937), at 105 and int. Secured on entire property, subject to prior lien. First publicly offered (£200,000) in June, 1912, at 99½.

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	79	75	75	72¾	63	68½	53¼	65½
Low	bid	bid	bid	69¼	bid	51⅞	50½	59¼

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	*	*	*	*	$1,324,798	$1,330,446
Operating expenses	*	*	*	*	891,444	813,607
Net earnings	†$407,685	†$426,026	†$371,710	†$404,388	$433,354	$516,839
Other income	.....	9,938	12,251	16,484	13,967	13,905
Total income	$407,685	$435,965	$383,961	$420,872	$447,321	$530,744
Interest charges	171,121	174,329	177,529	180,600	183,504	186,275
Surplus after charges	$236,564	$261,635	$206,432	$240,272	$263,817	$344,469
Contingent reserve	.....	.....	.....	75,000	.....	.....
Comerio reservoir reserve	.....	.....	.....	28,000	.....	.....
Office site reserve	.....	.....	25,000	.....	.....	.....
Income tax reserve	50,000	20,000	8,000	27,000	.....	.....
Balance for dividends	$186,564	$241,635	$173,432	$110,272	$263,817	$344,469
Preferred dividends paid	70,000	70,000	70,000	70,000	70,000	70,000
Common dividends paid	90,000	30,000	.....	.....	.....	.....
‡Surplus for year	$26,564	$141,635	$103,432	$40,272	$193,816	$274,469
§Times Bond Interest Earned	2.38	2.50	2.16	2.33	2.44	2.84
§Earnings Per Share—						
Preferred	$18.65	$24.16	$17.34	$11.03	$26.38	$34.45
Common	3.88	5.72	3.44	1.34	6.46	9.15

*Not reported. †After providing for depreciation ‡Previous to 1924, the following amounts were appropriated for depreciation and deducted from surplus: 1923, $100,000; 1922, $150,000. §In 1924, 1925, 1926 and 1927 after charging depreciation; in previous years before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	*$8,266,339	*$8,182,932	*$8,174,887	*$8,184,447	$8,155,684	$8,170,533
Stocks of other companies	1,245	1,245	1,245	1,245	1,245	1,245
Accounts receivable	446,461	449,783	384,170	260,317	200,871	182,431
Materials and supplies	234,416	224,750	188,517	171,166	204,626	235,254
Cash	50,984	25,518	92,350	114,727	40,397	83,064
Items in suspense	6,858	72,362	23,219	19,234	7,733	2,332
Insurance prepaid, etc.	2,524	4,418	9,791	2,485	4,349	6,617
Future sinking fund	.....	41,871	14,042	18,812	413	10,209
Total	$9,008,827	$9,002,879	$8,888,221	$8,772,433	$8,615,318	$8,691,686

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Preferred stock	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funded debt	3,361,667	3,431,167	3,497,667	3,561,167	3,622,167	3,679,667
Accounts and bills payable	196,878	155,302	120,742	101,000	69,267	201,269
Employees' and consumers' deposits	191,273	193,024	150,153	130,389	111,793	94,455
Accrued interest	53,290	28,593	46,637	44,294	42,035	40,305
Dividends payable	17,500	47,500	17,500	17,500	17,500	17,500
Contingent fund	125,000	125,000	125,000	125,000	50,000	50,000
Dividends unclaimed	3,844	1,721	1,586	1,771	1,589	2,096
Other reserves	207,238	95,000	134,010	99,818	49,746	48,988
Surplus	852,137	925,572	794,926	691,494	651,221	557,405
Total	$9,008,827	$9,002,879	$8,888,221	$8,772,433	$8,615,318	$8,691,686

*After deducting reserve for depreciation, $1,929,635 in 1927; $1,750,852 in 1926; $1,667,697 in 1925, and $1,538,552 in 1924.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash in banks and on hand	$50,984	$25,518	$92,350	$114,727	$40,397	$83,064
Accounts receivable	446,460	449,783	384,170	260,317	200,871	182,431
Materials and supplies	234,415	224,750	188,517	171,166	204,626	235,254
Total	$731,859	$700,051	$665,037	$546,210	$445,894	$500,749
Current Liabilities—						
Employees' and consumers' deposits	$191,273	$193,024	$150,153	$130,389	$111,793	$94,455
Accounts and bills payable	196,878	155,302	120,743	101,000	69,267	201,269
Accrued interest	53,290	28,593	46,637	44,294	42,035	40,305
Dividends unclaimed	3,844	1,721	1,586	1,771	1,589	2,096
Dividends payable	17,500	47,500	17,500	17,500	17,500	17,500
Total	$462,785	$426,140	$336,619	$294,954	$242,184	$355,625
Net Working Capital	$269,074	$273,911	$328,418	$251,256	$203,710	$145,124

Officers: W. D. Ross, Chairman of the Board; I. W. Killam, Pres.; Fred. C. Clarke, Sec. & Treas., Toronto; L. G. Proctor, Asst. Sec.

Office, 164 St. James St., Montreal, Can.

PORTO RICO RY., LIGHT & POWER COMPANY

(Controlled by The Porto Rico Railways Company, Limited)

History—Incorporated March 14, 1911, under laws of Island of Porto Rico. to construct, own, maintain and operate railroads, street railways and electric light and power plants. Company is a consolidation of the San Juan Light & Transit Co., Porto Rico Power & Light Co. and Caguas Tramway Co. For description of property, franchises, etc., see statement of The Porto Rico Railways Co., Ltd.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $1,450,000; par, $100. All owned by The Porto Rico Railways Co., Ltd.

FUNDED DEBT

$2,500,000 First Registered 8s; dated July 1, 1916; due July 1, 1956; int. quarterly, J, A, J & O 1. Authorized issue, $5,000,000. Secured by mortgage on entire property. These bonds are held by the Montreal Trust Co. as security for the First Mortgage and Refunding Mortgage bonds of the Porto Rico Railways Co., Ltd.

Officers: I. W. Killam, Pres., Montreal; F. Krug, V-P.; G. Brewer, Sec.

Directors: J. H. Brown, G. Brewer, H. L. Talbot, F. Krug, San Juan, P. R.; I. W. Killam, Montreal.

General Office, San Juan, P. R.

VISALIA ELECTRIC R. R. CO.

(Controlled by Southern Pacific Company)

History—Incorporated April 22, 1904, in Cal. Connects Visalia, Exeter, Redbanks and Lemon Cove, etc. Miles of road operated, 59.45; sidings, spurs and other tracks, 12.84 miles. Gauge, standard. Freight cars, 3; service car, 1; locomotives, 3.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, Dec. 31, 1927, $70,000. All owned by Southern Pacific Co. Annual meeting, first Wednesday in May.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$181,999	$188,941	$179,436
Oper. exp., taxes & dep.	122,275	110,451	117,763
Net earnings	$59,724	$78,490	$61,673
Other income	955	1,401	4,697
Total income	$60,679	$79,891	$66,370
Interest, etc.	796	293	317
Rentals	341	403	362
Net income	$59,542	$79,195	$65,691

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,510,535	$1,507,743	$1,533,714
Investments	61,782	59,955	59,047
Current assets	85,113	134,188	188,353
Def. and unadjusted debits	85,178	59,615	57,820
Total	$1,742,608	$1,761,501	$1,838,934
Liabilities—			
Capital stock	$70,000	$70,000	$70,000
Current liabilities	6,646	27,038	15,340
Open acct. with affil. cos.	1,338,507	1,405,975	1,490,599
Deprec. & other reserves	80,500	71,165	67,132
Other def. & unadjust. items	5,596	5,948	51,593
Corporate surplus	241,359	181,375	144,270
Total	$1,742,608	$1,761,501	$1,838,934

Officers: Paul Shoup, Pres.; F. W. Webster, V-P. & Gen. Mgr.; G. L. King, Sec., San Francisco, Cal.; M. S. Wade, Treas.; L. A. Lovell, Asst. Sec. & Aud., Los Angeles, Cal.; D. P. Ewing, Asst. Sec., San Francisco, Cal.

Directors: A. C. McLaughlin, Paul Shoup, W. V. Hill, T. A. Graham, San Francisco, Cal.

Office, San Francisco, Cal.

PACIFIC ELECTRIC RAILWAY COMPANY (1911)

(Controlled by Southern Pacific Company)

History and Property—Incorporated Sept. 1, 1911, in Cal.; consolidation of the Pacific Electric Railway Co., incorporated Nov. 14, 1901 (see Manual for 1911, page 2187); the Los Angeles Inter Urban Ry. and The Riverside & Arlington Ry. Cos. (see Manual for 1911, page 2128); the Los Angeles & Redondo Ry. (see Manual for 1911, page 1963); The San Bernardino Valley Traction Co. (see Manual for 1911, page 2311);

the San Bernardino Inter Urban Ry. Co. (see Manual for 1911, page 2311); the Los Angeles Pacific Co., and the Redlands Central Ry. Co. The effect of the consolidation was to unify the operation of the several systems controlled by the Southern Pacific Co. During 1912, company purchased the right of way, also all rail lines and equipment of the Pacific Electric Land Co., and also took over the property of the Ontario & San Antonio Heights R. R. Co., but the corporate existence of the latter company is still maintained (see Manual for 1912, page 1918).

Operates an interurban electric railway system centering at Los Angeles, extending into the Counties of Los Angeles, San Bernardino, Riverside and Orange, and serves the cities of Pasadena, San Bernardino, Riverside, Colton, Redlands, Pomono, Ontario, Santa Ana, Long Beach, Corona, Venice, Ocean Park, Santa Monica, Redondo, San Fernando, Owensmouth and Lankershim. Also operates under agreement over the Riverside, Rialto & Pacific R. R. for passenger service only. Total miles operated, 577.241, of which 282.117 miles with one main track, 282.513 with two main tracks, 0.460 mile three main tracks and 12.151 miles four main tracks. Sidings, spurs and other tracks, 254.545 miles. Gauge, standard. Power purchased from Southern California Edison Co. Operated by overhead single trolley.

Equipment Operated, Dec. 31, 1927—With electric motors: Passenger cars—closed (owned, 79; leased, 322), 401; open (owned), 4; combination (owned, 359; leased, 5), 364; mail and mail & express (owned), 4; express (owned), 28; work (owned), 29; locomotives, gas, electric and steam (owned, 45; leased, 18), 63. Without motors: Passenger cars—closed (owned, 2; leased, 10), 12; open (owned), 3; combination (owned), 11; freight (owned); 608; leased, 2,159), 2,767; work (owned), 44; locomotives (owned), 2; motor coaches, 163 (including 43 coaches operated by Los Angeles Motor Coach Co.) Total, all equipment: Owned, 1,381; leased, 2,514.

The Los Angeles Motor Coach Co. was organized by the Pacific Electric Ry. Co. and the Los Angeles Ry. Corp. to install a bus service for the transportation of passengers within the City of Los Angeles.

CAPITAL STOCK

Authorized, $100,000,000; outstanding, $34,000,000; par, $100. All owned by Southern Pacific Co., except directors' qualifying shares. Annual meeting, first Tuesday in April, at Los Angeles, Cal. No dividends paid.

FUNDED DEBT

(Alphabetically Arranged)

(1)

$478,000 CALIFORNIA PACIFIC RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1941

Dated July 1, 1901.

Interest Payable January and July 1, at Chase National Bank, New York.

Denomination—Coupon, $1,000.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized, $20,000 for each mile of road constructed. In addition to the $478,000 bonds outstanding, $2,000 are held in treasury. No sinking fund and bonds cannot be called.

Guaranty—Guaranteed by Los Angeles Traction Co., both principal and interest.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$628,000 LOS ANGELES & PASADENA ELECTRIC RY. CO. FIRST MORTGAGE GOLD 5s; MATURED AND PAID OFF JANUARY 1, 1928

(3)

$10,000 LOS ANGELES PACIFIC R. R. CO. FIRST MORTGAGE GOLD 5s; MATURED AND PAID OFF JUNE 10, 1923

(4)

$1,462,000 LOS ANGELES PACIFIC R. R. CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE APRIL 1, 1931

Dated April 1, 1901.

Interest Payable April and October 1, at Crocker First National Bank of San Francisco, Cal.

Denomination—Coupon, $1,000.

Trustee—Citizens Trust & Savings Bank, Los Angeles, successor to Broadway Bank & Trust Co., Los Angeles.

Provisions of Issue—Authorized, $1,500,000; outstanding, $1,462,000; in treasury, $3,000. Provision is made for redemption of underlying bonds. No provision for call or registration.

Sinking Fund—From April 1, 1911, and annually thereafter to and including April 1, 1929, $10,500 per annum shall be set aside out of net earnings.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Los Angeles and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96½	96	96	94¼	90⅛	91½	84	77
Low	96¼	90¾	94⅛	87½	87½	80	76¼	75

(5)

$74,000 LOS ANGELES, HERMOSA BEACH & REDONDO RY. CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1942

Dated May 1, 1902.

Interest Payable May and November 1 at Crocker First National Bank of San Francisco, Cal.

Denomination—Coupon, $1,000.

Trustee—Illinois Merchants Trust Co., Chicago.

Sinking Fund—From May 1, 1913, to and including May 1, 1942, $10,500 per annum to be set aside out of net earnings.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(6)

$1,883,000 LOS ANGELES PACIFIC RR. CO. OF CALIFORNIA FIRST AND REFUNDING MORTGAGE 5s; DUE SEPTEMBER 1, 1943

Dated September 1, 1903.

Interest Payable March and September 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles, and United States Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000.

Trustees—Los Angeles-First National Trust & Savings Bank, Los Angeles. United States Mortgage & Trust Co., Co-Trustee.

Provisions of Issue—Outstanding, Dec. 31, 1927, $1,883,000; in treasury, $50,000. Of the bonds issued, $426,000 were exchanged for a like amount of Los Angeles, Hermosa Beach & Redondo Ry. Company First Mortgage 5s.

Callability—Not subject to call.

Sinking Fund—A sinking fund of $50,000 per annum began in 1908 for 5 years; $60,000 per annum the next 5 years; $70,000 the following 5 years; $80,000 the next 5 years; $90,000 the following 5 years; $100,000 the next 5 years, and $150,000 yearly thereafter.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	92	91	86¼	84⅛	80½	82½	79	67½
Low	91	85¾	84⅛	78½	79	73½	62¼	61

(7)

$761,000 LOS ANGELES PACIFIC COMPANY GENERAL CONSOLIDATED MORTGAGE GOLD 5s; DUE JANUARY 2, 1946

Dated March 12, 1906.

Interest Payable January and July 2, at Wells Fargo Bank and Union Trust Co., San Francisco, Cal.

Denomination—Coupon $1,000; principal may be registered.

Trustee—Wells Fargo Bank and Union Trust Company, San Francisco, Cal.

Callability—Not subject to call.

Sinking Fund—Sinking fund as follows: 1917 to 1920, $15,000 per annum; 1921 to 1925, $40,000 yearly; 1926 to 1930, $75,000 per annum; 1931 to 1944, $80,000 annually, and in 1945 and 1946, $90,000 per year.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(8)

$8,298,000 LOS ANGELES PACIFIC COMPANY FIRST REFUNDING MORTGAGE GOLD 4s; DUE JANUARY 1, 1950

Dated January 3, 1910.

Interest Payable January and July 1 at office of Southern Pacific Company, New York.

Denomination—Coupon $1,000; principal may be registered.

Trustee—Wells Fargo Bank and Union Trust Company, San Francisco, Cal.

Callability—Subject to call as a whole or in part on any interest date at 105 and interest on 3 months' notice.

Sinking Fund—$5,000 per annum to be set aside out of net earnings beginning 1910 until all bonds (principal and interest) are paid.

Security—Secured by a direct mortgage, subject to prior liens, on 123.27 route miles of electric interurban railway forming an important part of Pacific Electric Railway Company system. Followed (as to the property on which they are a lien) by $32,080,000 Pacific Electric Railway Company Refunding Mortgage 5s of 1911.

Guaranty—The entire $8,298,000 bonds outstanding are guaranteed, both principal and interest, by the Southern Pacific Company, which owns $2,487,000 of the bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%

Listed—Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	85	85¾	82¼	84⅛
Low	84¾	80¼	78½	78½

(9)

$391,000 LOS ANGELES & REDONDO RY. CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 15, 1932

Dated January 15, 1902.

Interest Payable January and July 15 at Wells Fargo Bank and Union Trust Company, San Francisco, Cal.

Denomination—Coupon $1,000; principal may be registered.

Trustee—Wells Fargo Bank and Union Trust Company, San Francisco, Cal.

Provisions of Issue—Authorized, $500,000; outstanding, $391,000; in treasury, $39,000.

Callability—Not subject to call.

Sinking Fund—From Jan. 15, 1907, $10,000 per annum to be set aside out of net earnings until bonds are paid.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(10)

$155,000 ONTARIO & SAN ANTONIO HEIGHTS RR. CO. FIRST MORTGAGE GOLD 6s; DUE FEBRUARY 1, 1935

Dated February 1, 1910.

Interest Payable February and August 1, at Security Trust & Savings Bank, Los Angeles.

Denomination—Coupon $1,000.

Trustee—Security Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized, $1,000,000; outstanding Dec. 31, 1927, $155,000; held alive in sinking fund, $81,000; in treasury, $4,000. Of the bonds outstanding the Southern Pacific Company owns $110,000.

Callability—Subject to call at 101 and interest on any interest date.

Sinking Fund—1914 to 1918, 1% of outstanding bonds, 2% thereafter.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(11)

$8,151,000 PACIFIC ELECTRIC RY. CO. (OF 1902) FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1942

Dated March 12, 1902.

Interest Payable January and July 1, at Wells Fargo Bank and Union Trust Co., San Francisco, Cal.

Denomination—Coupon, $1,000.

Trustee—Wells Fargo Bank and Union Trust Co., San Francisco, Cal.

Provisions of Issue—No provision for registration or redemption. In addition to the $8,151,000 outstanding, $27,000 are held in treasury.

Sinking Fund—$15,000 per annum, Jan. 1, 1918, to Jan. 1, 1922; $20,000 per annum to Jan. 1, 1927; $25,000 per annum to Jan. 1, 1932; $30,000 per annum to Jan. 1, 1937, and $35,000 annually thereafter; said sinking fund to be used in the purchase of bonds, but fund may be invested in other securities if bonds cannot be obtained at par. No provision for registration or redemption.

Security—Secured by a first mortgage on the following lines: Pasadena Short Line, Long Beach, San Pedro, Monrovia, Alhambra and a portion of the Pasadena and Long Beach city lines, the Alamitos Bay extension from Long Beach, San Marino, Lamanda Park and various other lines of lesser importance, including the private rights of way over which the lines are operated. In addition to the above mentioned lines, these bonds are secured by a first mortgage on numerous parcels of real estate.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102⅜	100¼	92⅛	89	88⅜	97	81¾	74
Low	93¾	91¾	88¼	82¾	80¼	80	66	64

(12)

$32,080,000 PACIFIC ELECTRIC RY. CO. (OF 1911) REFUNDING MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1961

Dated September 1, 1911.

Interest Payable March and September 1, at office of Southern Pacific Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $100,000,000, of which sufficient are reserved to refund all outstanding obligations, and the balance are reserved for new connections, improvements, extensions, etc. Outstanding, Dec. 31, 1927, $32,080,000; in treasury, $327,000. The Southern Pacific Co. owns $23,757,000 of the outstanding bonds.

Callability—Subject to call on any interest date at 110 and interest.

Sinking Fund—$10,000 per year to be set aside out of net income.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Los Angeles Stock Exchange.

(13)

$480,000 PASADENA & MOUNT LOWE RY. CO. FIRST MORTGAGE GOLD 4s; DUE JUNE 1, 1930

Dated August 15, 1900.

Interest Payable June and December 1, at Wells Fargo Bank and Union Trust Company, San Francisco, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank and Union Trust Company, San Francisco, Cal.

Provisions of Issue—Authorized and issued, $500,000, of which $480,000 outstanding with public and $20,000 in treasury.

Callability—Subject to call on any interest date at 104 and interest on 4 weeks' notice.

Sinking Fund—There shall be set aside out of net earnings, commencing August 15, 1910, and following 4 years, $5,000 per year; next 5 years, $7,500 per year; next 5 years, $10,000 per year, and $12,500 per year for following 5 years.

Guaranty—Guaranteed by Los Angeles Ry. Co. and Los Angeles and Pasadena Electric Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(14)

$33,000 REDLANDS CENTRAL RY. CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1937

Dated July 1, 1907.

Interest Payable January and July 1 at Los Angeles-First National Trust and Savings Bank, Los Angeles.

Denomination—Coupon, $1,000.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized issue, $500,000; outstanding, Dec. 31, 1927, $33,000; in treasury, $43,000.

Callability—Not subject to call.

Sinking Fund—July 1, 1917 to 1921 $2,000 annually; 1922 to 1926, $3,000 annually; 1927 to 1931, $4,000 annually; 1932 to 1936, $5,000 annually.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(15)

$27,000 REDLANDS STREET RY. CO. FIRST MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1931

Dated September 1, 1901.

Interest Payable March and September 1 at Redlands Branch of Los Angeles-First National Trust & Savings Bank, Redlands, Cal.

Denominations—Coupon, $500 and $1,000.

Trustee—Title Insurance & Trust Co., Los Angeles, Cal.

Provisions of Issue—Authorized issue, $150,000; outstanding. Dec, 31, 1927, $27,000. No sinking fund and bonds cannot be called.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(16)

$44,000 THE SAN BERNARDINO VALLEY TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1931

Dated October 1, 1901.

Interest Payable April and October 1, at Redlands Branch of Los Angeles-First National Trust & Savings Bank, Redlands, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Title Insurance & Trust Co., Los Angeles, Cal.

Provisions of Issue—Authorized, $250,000; outstanding Dec. 31, 1927, $44,000. No sinking fund.

Callability—Subject to call at 105 and interest.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(17)

$505,000 THE SAN BERNARDINO VALLEY TRACTION CO. FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1933

Dated September 1, 1903.

Interest Payable March and September 1, at Los Angeles-First National Trust & Savings Bank, San Francisco, Cal.

Denomination—Coupon $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized, $1,000,000; outstanding, December 31, 1927, $505,000; in treasury, $40,000.

Callability—Subject to call at 105 and interest.

Sinking Fund—Sinking fund (for the retirement of bonds at 105); 1917, 14 bonds; 1918 to 1927 inclusive, 25 bonds each year; 1928 to 1930 inclusive, 37 bonds each year; 1931 and 1932, 38 bonds each year.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$19,614,541	$19,111,164	$19,514,325	$20,729,483	$21,641,553	$18,307,733
Operating expenses, taxes and depreciation	17,465,120	17,548,003	17,157,743	17,015,132	17,177,801	14,765,526
Net earnings	$2,149,421	$1,563,161	$2,356,582	$3,714,351	$4,463,752	$3,542,207
Other income	244,422	381,788	539,356	292,163	216,292	98,215
Total income	$2,393,843	$1,944,949	$2,895,938	$4,006,514	$4,680,044	$3,640,422
Interest charges	2,692,975	2,705,672	2,536,517	4,145,114	3,994,268	3,912,135
Rentals, etc.	296,947	335,310	401,858	451,585	354,861	304,276
Total charges	$2,989,922	$3,040,982	$2,938,375	$4,596,700	$4,349,129	$4,216,411
Deficit for year	$596,079	$1,096,033	$42,437	$592,185	*$330,915	$575,989

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$98,143,915	$95,335,145	$95,184,571	$92,013,584	$88,050,583	$86,273,991
Other investments	3,506,589	4,848,756	4,651,558	10,128,160	10,722,970	8,927,903
Materials and supplies					2,998,115	2,762,518
Cash on hand, etc.	3,829,310	3,344,947	3,627,572	4,801,744	793,613	709,736
Current accounts					1,244,000	1,078,487
Deferred and unadjusted items	9,184,798	9,266,219	9,386,559	9,363,495	9,541,308	9,281,768
Corporate deficit	1,402,878	1,035,637	.....	14,055,586	13,608,887	14,691,377
Total	$116,067,490	$113,830,704	$112,850,260	$130,362,569	$126,968,476	$123,725,780
Liabilities—						
Capital stock	$34,000,000	$34,000,000	$34,000,000	$34,000,000	$34,000,000	$34,000,000
Funded debt	55,460,000	55,726,000	55,883,000	56,007,000	56,561,000	57,070,000
Non-negotiable debt to affiliated companies	16,500,675	14,639,191	13,137,542	17,574,334	15,546,073	13,692,655
Current liabilities	2,297,457	2,304,093	2,275,236	11,650,220	10,709,072	8,962,693
Depreciation and other reserves	7,070,781	6,559,367	6,118,365	5,510,998	4,981,641	5,417,586
Other deferred & unadjusted items	738,577	602,053	566,725	5,620,018	5,063,157	4,516,202
Additions to property through surplus	.....	.....	.....	.....	107,533	66,644
Corporate surplus	.....	.....	869,392	.....	.....	.....
Total	$116,067,490	$113,830,704	$112,850,260	$130,362,569	$126,968,476	$123,725,780

Officers: Paul Shoup, Pres., San Francisco; D. W. Pontius, 1st V-P.; Frank Karr, 2nd V-P.; L. A. Lovell, Sec. & Aud.; E. L. Young, Asst. Sec.; M. S. Wade, Treas., Los Angeles, Cal.

Directors: Paul Shoup, San Francisco; M. H. Sherman, R. C. Gillis, D. W. Pontius, Frank Karr, Isidore B. Dockweiler, Los Angeles; H. B. Titcomb, Tucson, Ariz.

General Office, Pacific Electric Bldg., Los Angeles, Cal.

PENINSULAR RAILWAY COMPANY

(Controlled by Southern Pacific Company)

History and Property—Incorporated June 30, 1909, in Cal.; consolidation of the Peninsular R. R. Co. Santa Clara Inter Urban R. R. and San Jose-Los Gatos Inter Urban Ry. Operates 51.70 miles single main track, 9.30 miles of two main tracks and 5.16 miles of sidings, spurs and other tracks, a total of 66.16 miles of road operated. Lines connect San Jose, Saratoga, Los Gatos, Campbell, Cupertino, Monta Vista and Palo Alto, in Santa Clara County. Gauge, standard. Rail, 60 and 70 lbs. T. Motor passenger cars (owned 23, leased 8), 31; non-motor passenger cars, 2; service cars, 6; freight cars—motor, 1; non-motor, 9; auto coaches (leased), 4; auto trucks and trailers, 4. Total, all cars, 57.

CAPITAL STOCK

Authorized and outstanding, $12,000,000; par, $100. All owned by Southern Pacific Co., except directors' qualifying shares. Annual meeting, second Wednesday in July.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$242,723	$248,616	$253,89
Oper. exp., taxes & dep.	432,234	339,569	322,00
Loss from operation	$189,511	$90,953	$68,11
Other income	40,614	43,370	41,91
Total income (loss)	$148,897	$47,583	$26,20
Interest charges	34	2	
Rents, etc.	3,739	5,132	5,30
Total charges	$3,773	$5,134	$5,30
Deficit for year	$152,670	$52,717	$27,50

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$15,349,839	$15,302,412	$15,319,741
Other investments	93,801	99,522	99,534
Current assets	146,286	221,764	271,643
Def. & unadjusted items	873	410	1,877
Corporate deficit	452,053	292,286	221,915
Total	$16,042,852	$15,916,394	$15,914,710

Liabilities—	1927	1926	1925
Capital stock	$12,000,000	$12,000,000	$12,000,00
Open acct. with affil. cos.	3,845,528	3,706,232	3,713,78
Current liabilities	28,770	47,143	32,79
Depreciation and other res.	167,945	161,212	160,07
Other def. & unadj. credits	609	1,807	8,05
Total	$16,042,852	$15,916,394	$15,914,71

Officers: Paul Shoup, Pres.; F. W. Webster, V-P. & Gen. Mgr.; G. L. King, Sec., San Francisco; L. A. Lovell, Asst. Sec. & Aud.; M. S. Wade, Treas., Los Angeles, Cal.; D. P. Ewing, Asst. Sec., San Francisco.

Directors: Gerald Fitzgerald, Los Angeles, Cal. F. W. Webster, T. O. Edwards, Paul Shoup, San Francisco, Cal.

Principal Office, San Francisco, Cal.

SAN JOSE RAILROADS

(Controlled by Southern Pacific Company)

History and Property—Incorporated Dec. 23, 1909, in Cal., and on March 15, 1912, purchased property of San Jose & Santa Clara County R. R. Co. and assumed its funded debt. Operates 29.44 miles of track (of which, 13.40 miles is double track), serving the cities of San Jose and Santa Clara and country adjacent thereto. Sidings, etc., 2.38 miles. Controlled by Southern Pacific Co., through stock ownership. Equipment: Passenger motor cars (including 21 leased), 44; non-motor passenger cars, 3; service car, 1; automobiles and buses, 10—total, 58.

CAPITAL STOCK

Authorized and outstanding, $5,000,000; par, $100. All owned by Southern Pacific Co. Annual meeting, second Wednesday in January.

FUNDED DEBT

(1)

$863,000 San Jose & Santa Clara County R. R. First & Refunding Gold 4½s; dated April 2, 1906; due April 1, 1946; int. April and Oct. 1, at Wells Fargo Bank & Union Trust Co., San Francisco, Trustee. Coupon, $1,000; principal may be registered. Sinking fund of 1% of outstanding bonds began April 1, 1911; bonds so called to be kept alive in fund. Subject to call at 110 and interest. Authorized and issued, $1,500,000, of which $863,000 outstanding, $419,000 held alive in sinking fund, and $218,000 in treasury. Listed on San Francisco Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,220,000 San Jose Railroads First Sinking Fund Gold 5s; dated Jan. 1, 1910; due Jan. 1, 1955; int. Jan. and July 1, at American Trust Co., San Francisco, Trustee. Authorized issue, $1,500,000; unissued bonds reserved for reconstruction. Sinking fund, $10,000 per year to Jan. 1, 1939; Jan. 1, 1940 to 1944, $20,000 per year; Jan. 1, 1945 to 1949, $30,000 per year; Jan. 1, 1950 to 1954, $40,000 per year, of these bonds, or equivalent in these bonds may for purchase be put up in lieu thereof; bonds purchased by sinking fund to be kept alive. The Southern Pacific Co. owns entire issue of these bonds. In addition to the bonds outstanding, $181,000 are held alive in sinking fund and $99,000 in treasury. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$366,881	$385,546	$389,55
Oper. exp., taxes & deprec.	331,557	373,300	368,46
Net earnings	$35,324	$12,246	$21,09
Other income	1,466	1,508	1,83
Total income	$36,790	$13,754	$22,92
Int., sinking fund, etc.	104,199	105,158	107,20
Deficit for year	$67,409	$91,404	$84,28

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$8,015,076	$8,024,927	$8,004,7
Other investments	1,660	1,018	9
Cash and current assets	10,332	14,432	15,1
Deferred and unadj. items	71,667	72,377	78,2
Corporate deficit	162,166	96,122	
Total	$8,260,901	$8,208,876	$8,099,1
Liabilities—			
Capital stock	$5,000,000	$5,000,000	$5,000,0
Funded debt	2,083,000	2,102,000	2,120,0
Open acct. with affil. cos.	1,067,186	937,841	804,4
Current liabilities	54,520	111,262	84,1
Deprec. & other res.	53,619	54,996	64,2
Other def. & unadj. items	2,576	2,777	5,8
Corporate surplus			20,3
Total	$8,260,901	$8,208,876	$8,099,1

Officers: Vacancy, Pres.; Paul Shoup, 1st V-P F. W. Webster, V-P. & Gen. Mgr.; G. L. King, Sec D. P. Ewing, Asst. Sec., San Francisco; L. A. Lovel Asst. Sec. & Aud.; M. S. Wade, Treas., Los Angele

Directors: Paul Shoup, T. O. Edwards, F. W. Webster, San Francisco; Gerald Fitzgerald, Los Angele Cal.

Principal Office, San Francisco, Cal.

STOCKTON ELECTRIC RAILROAD COMPANY

(Controlled by Southern Pacific Company)

History and Property—Incorporated Dec. 29, 1891, in Cal. Total miles of road operated, 14.39. Sidings, etc., 0.62 mile. Gauge, standard. Rail, 40 lb. Motor passenger cars (including 13 leased) 24; combination motor cars, 19; service cars, 2.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by Southern Pacific Co. except directors' qualifying shares. Annual meeting, first Wednesday in April.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$306,443	$314,190	$311,762
Oper. exp., taxes & depre.	273,658	284,100	288,655
Net earnings	$32,785	$30,090	$23,107
Other income	2,049	1,848	3,003
Total income	$34,834	$31,938	$26,110
Rentals, etc.	6,979	8,139	7,960
Net income	$27,855	$23,799	$18,150

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,092,978	$1,004,082	$994,306
Other investments	120,957	48,327	36,912
Current assets	82,415	93,862	100,032
Deferred & unadjus. items	100	163	163
Total	$1,296,450	$1,146,434	$1,131,413
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Long term debt	34,588	.....	11,445
Current liabilities	26,762	24,102	17,874
Depreciation & other res.	55,681	56,053	58,705
Other deferred & unadjusted items	94,392	12,037	8,745
Corporate surplus	585,027	554,242	534,644
Total	$1,296,450	$1,146,434	$1,131,413

Officers: Paul Shoup, Pres.; F. W. Webster, V-P. & Gen. Mgr.; G. L. King, Sec.; D. P. Ewing, Asst. Sec., San Francisco, Cal.; L. A. Lovell, Asst. Sec. & Aud.; M. S. Wade, Treas., Los Angeles, Cal.

Directors: T. O. Edwards, Paul Shoup, F. W. Webster, San Francisco, Cal.; G. Fitzgerald, Los Angeles, Cal.

Principal Office, San Francisco, Cal.

NIAGARA FALLS SUSPENSION BRIDGE COMPANY

History and Properties—Incorporated under Special Act of the Canadian Parliament. Owns and operates jointly with the Niagara Falls International Bridge Co. the Niagara Railway Lower Arch Bridge—an international bridge across the Niagara River at Niagara Falls, forming part of the railway system of the Canadian National Railway.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $100. Secretary of Company acts as Transfer Agent.

Annual Meeting—In 1928 on May 7.

Dividends—In 1925, 12%; in 1926, 12% and a bonus of 3%; 1927, 12% and a bonus of 6%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
One-half share of net profits of bridge	$63,922	$70,112	$61,514
Other income	13,479	12,044	10,064
Total income	$77,401	$82,156	$71,578
Salaries, and other expenses	5,535	4,720	4,058
Net profit	$71,866	$77,436	$67,520
Dividends	45,000	37,500	30,000
Surplus for year	$26,866	$39,936	$37,520

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Invest. in Niagara Railway Arch Bridge	$227,578	$247,231	$234,302
Cash in bank	3,787	1,722	1,709
Bonds and debentures	288,370	243,215	211,427
Accrued interest	2,978	2,481	2,077
Total	$522,713	$494,649	$449,515
Liabilities—			
Capital stock	$250,000	$250,000	$250,000
Unclaimed dividends	723	450	297
Res. for loss, Mich. Cent. Ry. bridge	13,629	13,630	13,630
Surplus	258,361	230,569	185,588
Total	$522,713	$494,649	$449,515

Officers: J. H. Ingersoll, K. C., Pres.; H. J. Taylor, V-P.; A. Courtney Kingstone, K. C., Sec. & Treas., St. Catharines, Ont.

Directors: J. H. Ingersoll, K. C., H. J. Taylor, A. Courtney Kingstone, K. C., Harry Southcott, St. Catharines, Ont.; Charles Riordon, Carl Riordon, Montreal, Que.; Peleg Howland, Toronto, Ont.

General Office, 24 James St., St. Catharines, Ont.

TRINIDAD CONSOLIDATED TELEPHONES, LTD.

History—Incorporated in 1909, in Trinidad and acquired the property of the Commercial Telephone Co. Population served, 300,000.

CAPITAL STOCK

Authorized $600,000 outstanding, $420,000; par, $100.

Registrar and Transfer Agent—Eastern Trust Co., Halifax, N. S.

Annual Meeting—First Wednesday in September.

Dividends—Initial divdend of 3% was paid Sept. 15, 1915, for the fiscal year ended June 30, 1915; 1916, 3%; 1917, 3%; 1918, 4%; 1919, 6%; 1920 to 1923, 9%; 1924, 8%; 1925, 8% and 2% bonus; 1926, 8% and 2% bonus; 1927, 10% regular; payments March and Sept. 15. Dividends payable in Trinidad funds.

FUNDED DEBT

$300,000 First 6s; dated Jan. 1, 1909; due Jan. 1, 1939; int. Jan. and July 1, at Eastern Trust Co., Halifax, N. S., Trustee. Coupon, $100 and $500. Principal may be registered. Authorized issue, $300,000. Subject to call at 110 on any interest date. A first lien on entire property.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$130,795	$118,651	$110,632
Oper. exps., int., etc.	87,609	85,440	81,927
Net earnings	$43,186	$33,211	$28,705

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
Exchanges and plant	$758,647	$707,412	$673,742
Inventories	32,975	27,018	22,351
Stocks and bonds	25,298	9,686	5,903
Accounts receivable	19,802	28,975	22,940
Cash and call loans	50,280	48,733	34,713
Total	$887,002	$821,824	$759,649
Liabilities—			
Capital stock	$420,000	$350,000	$300,000
Funded debt	300,000	300,000	300,000
Accrued liabilities	13,062	12,850	13,139
Accounts payable	26,949	17,207	15,632
Replacement reserves	97,817	88,161	80,416
Surplus	29,174	53,606	50,461
Total	$887,002	$821,824	$759,649

Officers: Hon. F. B. McCurdy, Pres.; O. E. Smith, V-P.; J. H. Winfield, Mng. Director; T. N. Goudge, Sec. & Treas., Halifax, N. S.; Geo. de Nobriga, Gen. Mgr. & Pur. Agt., Port of Spain, Trinidad.

Directors: Hon. F. B. McCurdy, O. E. Smith, J. H. Winfield, W. H. Covert, James Moorman, Halifax, N. S.; T. G. Grant, Port of Spain, Trinidad.

Offices, Port of Spain, Trinidad, and Halifax, N. S.

THE WESTERN UNION TELEGRAPH COMPANY

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	—Dividends Paid— Per Share	Amount	Earnings per Share
Capital Stock (par $100)	J, A, J & O 15	$105,000,000	$99,787,707	$15,030,453	$8.00	$7,980,786	$15.06

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Collateral Trust 5s	Jan. 1, 1938	J & J 1	$8,745,000	$8,745,000	No	No	Not pd. by Co.
Fifteen-Year 6½% Gold Bonds	Aug. 1, 1936	F & A 1	15,000,000	15,000,000	No	No	Not pd. by Co.
Twenty-five-Year 5% Gold Bonds	Dec. 1, 1951	J & D 1	25,000,000	25,000,000	No	Yes	Not pd. by Co.
Funding & Real Estate Mtge. 50-Year 4½s	May 1, 1950	M & N 1	20,000,000	20,000,000	No	No	Not pd. by Co.
Mutual Union Telegraph Co. First 5s	May 1, 1941	M & N 1	5,000,000	1,857,000	No	No	Not pd. by Co.
Northwestern Telegraph Co. First Gold 4½s	Jan. 1, 1934	J & J 1	1,500,000	1,500,000	No	No	Paid by Co.
Real Estate Mortgages				370,000			

Total Funded Debt, at Dec. 31, 1927, $72,472,000.
Amount Available for Interest in 1927, $18,614,784.
Interest Accrued in 1927, $3,584,331.
Times Interest Earned in 1927, 5.19.

History—Incorporated April 1, 1851, in New York, as the New York & Mississippi Valley Printing Telegraph Co.; name changed to present title in 1856.

Since incorporation to the present date the company has acquired and controls by purchase, lease or stock ownership, some 536 telegraph corporations and properties, of which about 58 corporations maintain their corporate identities and organizations. In the published balance sheet of the Western Union system, practically all the properties of acquired corporations are merged and comprehended in the General Property Account stated and the stocks and bonds of these merged companies outstanding in the hands of the public are shown at par as capital liabilities; in cases where the properties of controlled companies are not so merged, the stocks, etc., owned are stated as assets at appraised values, and the outstanding capital securities of such companies are not set up as capital liabilities of the Western Union system.

The Interstate Commerce Commission has placed a tentative valuation of $84,744,565 on the total owned and $84,995,384 on the total used telegraph property of Company in the United States as of June 30, 1919. The valuation does not include the cable property of Company. Cost of reproduction new of total owned property was fixed at $109,978,826, and of total used property at $110,406,220; while cost of reproduction, less depreciation, of the total owned was placed at $72,859,100, and of total used at $73,099,462. This tentative valuation covers only the physical property within the United States as of June, 1919, thus omitting plant additions of nine years and the entire property without the United States. Final values will only be reached after judicial determination of the basic principles underlying values.

Under an arrangement with the La Compagnia Italiana dei Cavi Telegrafici Sottomarini (The Italian Submarine Cable Co.), the Western Union completed the laying of a cable from New York to Horta, in the Azores, the Italian Company providing a cable from the Azores to Spain and Italy, thus establishing for the first time direct cable connection between the United States and these two important countries. This line is one of the longest and highest capacity direct cable across the Atlantic. The speed of operation has been established at something more than 1,500 letters per minute, for which the cable was designed. It is operated in five printing telegraph channels, the equivalent of five singly worked wires. This cable was completed during 1924, and began operating on Jan. 18, 1925. It connects for direct operation, with the German Atlantic Cable Company's permalloy cable (connecting Horta with Emden, Germany), which was laid during 1926 and formally opened for business on March 4, 1927.

The successful tests of the permalloy loaded cable between New York and Horta decided the laying of a cable of the same type from New York to Penzance, England, via Bay Roberts, Newfoundland. This new cable, with a speed of about 2,400 letters per minute, was placed in operation Sept. 21, 1926.

Western Telegraph Co., Ltd.—In July, 1919, a contract was entered into with the Western Telegraph Co., Ltd., which operates a comprehensive telegraph and cable system in South America. This contract provided for a connection at Barbados, thus establishing a direct route between the United States, Brazil, Uruguay and Argentina, and to points on the west coast, as far north as Lima, Peru. The cable laid from Miami, Fla., connecting at Barbados, was opened for service on Aug. 29, 1922. Concessions were granted by the Chilean and Peruvian Governments for the landing of ocean cables, which opened the way for a complete and direct route from the United States to all points on the west coast of South America.

Mexican Telegraph Co.—In Dec., 1926, The Western Union Telegraph Co. acquired a controlling interest in this company, which owns and operates three submarine gulf cables between the United States and Mexico and connecting landlines into Mexico City and other important Mexican cities.

Other Foreign Affairs—The Company's office in the Stock Exchange at Amsterdam, Holland, has been opened, thus establishing direct service between Amsterdam and New York. This was the first office opened and operated by a private cable company on the Continent of Europe. Pursuant to an arrangement with the Belgian Government, the Company has established its own cable offices in Brussels and Antwerp, where it now deals directly with the public. A Western Union public cable office has also been opened at Belfast, Ireland.

Through an arrangement made during 1924 with the Commercial Cable Co. (and other companies concerned) The Western Union Telegraph Co. participates for the first time in far eastern cable traffic.

A direct Western Union cable connection has been established for the first time between New York, Havre and Paris; the new route was opened in December, 1927. An agreement was made with the French Cable Company for the acceptance, at Western Union offices in the United States, of cable messages routed by their senders via the French Company's cable, and for the transfer by the French Company to Western Union lines at New York City of a reciprocal volume of west bound cable business.

The growth of cable traffic with Italy, Spain, Germany and the Far East requires additional cable facilities. The Company has arranged to lay a high-speed permalloy cable between Bay Roberts, Newfoundland, and Horta, Azores Islands, which will supplement the present high-speed permalloy New York-Azores cable laid in 1924.

American District Telegraph Co. of New Jersey—The Western Union Telegraph Co. owns a substantial share in the American District Telegraph Co. of New Jersey and its controlled companies, doing a general fire alarm, burglar alarm and sprinkler supervisory business throughout the United States. During 1924, the system of over 100,000 messenger call boxes and other equipment owned by this company was purchased by The Western Union Telegraph Co.

Rate Reductions—Effective Aug. 1, 1927, substantial reductions of approximately 16% were made in cable rates between United States and South American points. The cable rate on press cables between New York and Great Britain was reduced, effective Feb. 15,

Agreement With Radio Corp. of America—The

Company and Radio Corporation of America reached an agreement effective January 1, 1928, whereby the two Companies will jointly handle all radio messages between ships at sea and the United States.

COMPARATIVE STATEMENT OF BUSINESS, YEARS ENDED DECEMBER 31

	Miles Poles & Cables	Miles Wire	No. of Offices	Gross Receipts	Net Profits
1916	237,664	1,627,342	25,234	$63,621,601	$14,893,679
1917	228,766	1,626,963	25,466	78,480,223	15,697,216
1918	247,303	1,382,547	25,452	59,001,652	12,396,726
1919	245,560	1,433,978	25,159	62,099,461	13,638,595
1920	246,214	1,449,709	24,881	121,473,686	14,634,972
1921	246,063	1,521,085	24,632	105,228,075	11,268,992
1922	242,729	1,534,009	24,580	107,116,305	15,465,030
1923	244,001	1,557,399	24,678	113,628,470	15,915,756
1924	246,742	1,593,963	24,478	115,235,563	15,654,007
1925	246,307	1,635,236	24,428	129,151,617	18,522,775
1926	245,512	1,632,954	24,688	134,464,886	17,631,194
1927	247,310	1,747,453	24,765	134,460,817	18,614,784

CAPITAL STOCK

Authorized, $105,000,000 (increased from $100,000,000 on April 14, 1926); issued, $99,818,400, of which $30,693 held in treasury at Dec. 31, 1927; par, $100.

Transfer Agent—Stock is transferred at company's office, New York.

Registrar—Bankers Trust Co., New York.

Annual Meeting—Second Wednesday in April.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	176	157⅞	144⅞	118¾	119½	121¼	94	92⅜
Low	144½	134½	116½	105	101⅛	89	76	80⅛

Dividends—Cash dividends of 5% per annum were paid in 1888 and 1889; 1890, 5¾%; 1891 and 1892, 5% each; 1893 to 1907, 5%; 1908, 1%; 1909 to 1913, 3%; 1914, 3¾%; 1915, 4¼%; 1916, 5½%; 1917, 6¾%; 1918, 7¾%; 1919 to 1925, 7%; Jan. 15, 1926 to date at rate of 8% per annum. In addition scrip dividends of 10% in 1892 and 2½% in 1908 were paid. Payments are made quarterly, J, A, J & O 15, in New York. Directors meet for dividend action on the second Tuesday in March, June, September and December.

FUNDED DEBT

(1)

$8,745,000 COLLATERAL TRUST 5s; DUE JANUARY 1, 1938

Dated January 1, 1888.

Interest Payable January and July 1, at Treasurer's office, 195 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount limited to such an amount as will be necessary to acquire the securities of leased companies. Outstanding as of Dec. 31, 1927, $8,745,000.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—Secured by deposit with the Bankers Trust Co., New York, Trustee, of $1,111,800 stock of the Gold & Stock Telegraph Co., $1,961,500 stock of International Ocean Telegraph Co., $2,387,700 stock of New York Mutual Telegraph Co., $111,000 stock of Maine Telegraph Co., $30,000 stock of Washington & New Orleans Telegraph Co., and $3,143,000 bonds of the Mutual Union Telegraph Co., all bearing the guarantee of The Western Union Telegraph Co., of 6% dividends in the case of the stocks and 5% interest in the case of the bond issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106⅛	103½	102½	101⅝	100	101	95⅝	86½
Low	95	101	99⅛	96⅞	96	90¾	83	75

(2)

$20,000,000 FUNDING AND REAL ESTATE GOLD 4½s; DUE May 1, 1950

Dated May 1, 1900.

Interest Payable May and November 1, at 195 Broadway, New York.

Denomination—Coupon (principal may be registered), and registered, $1,000 and $5,000; interchangeable.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized and outstanding, $20,000,000.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—Secured by a first mortgage on all real estate then owned by the company in New York and Chicago, for which security there has since been substituted the deposit in cash of the appraised value of the land at the corner of Broadway and Dey Street, New York, sold in 1915 to the 195 Broadway Corp., and by the deposit of the proceeds of the sale of the land and buildings at Jackson Boulevard and La Salle Street, Chicago, sold in 1922 to F. C. Austin.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($10,000,000) in April, 1900, by Kuhn, Loeb & Co., New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101⅞	100	97¾	95¼	94	95	90	81½
Low	95	96¼	92⅝	90⅜	89	88½	77⅜	70

(3)

$15,000,000 FIFTEEN-YEAR 6½% GOLD BONDS; DUE AUGUST 1, 1936

Dated August 1, 1921.

Interest Payable February and August 1, at office of the Company, 195 Broadway, New York.

Denominations—Coupon, $500 and $1,000 (principal may be registered); exchangeable for bonds registered as to both principal and interest, which latter are re-exchangeable for coupon bonds under conditions provided in the indenture

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized, $15,000,000; issued to reimburse company for expenditures made and to provide for extensions and betterments.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—Indenture provides that so long as any of these bonds are outstanding, or until the company shall deposit with the Trustee for the payment at maturity of the bonds and coupons then outstanding, the entire amount due or to become due thereon for principal and interest, the company shall not create any new mortgage (other than purchase-money mortgages) or charge upon all or any part of its real property or telegraph plants, or upon the securities (including in said term shares of stock) of subsidiary companies held by it, unless such mortgage or charge shall expressly provide that the bonds at any time and from time to time issued and outstanding under this indenture shall, ratably with any other indebtedness which such mortgage or charge may be given to secure, be entitled to the security afforded by, and be secured by, such mortgage or charge.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($15,000,000) in August, 1921, at 99 and interest, to yield over 6.60%, by Kuhn, Loeb & Co., New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	114	117⅛	112¼	112	111⅞	114	103
Low	111¼	110⅜	109½	108⅝	106	106½	99

(4)

$25,000,000 25-YEAR 5% GOLD BONDS; DUE DEC. 1, 1951

Dated December 1, 1926.

Interest Payable June and December 1, at Treasurer's office, 195 Broadway, New York.

Denominations—Coupon, $500 and $1,000, registerable as to principal and exchangeable for fully registered bonds, which latter are re-exchangeable under conditions provided in the indenture.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized and outstanding, $25,000,000. Issued to reimburse the treasury of Company for expenditures made on account of extensions, additions and improvements to its plant and equipment (outside of the State of New York) and to provide funds for further extensions, additions and improvements (outside of that State).

Callability—Subject to call as a whole, but not in part, on not less than 60 days' notice, on Dec. 1, 1936, or on any subsequent interest date up to and including Dec. 1, 1946 at 105% and interest, and thereafter at 100% and interest plus a premium equal to ½% for each six months between the redemption date and date of maturity.

Security—Issued under an indenture, which provides, among other things, that while any of these bonds are outstanding, Company shall not create any new mortgage (other than purchase money mortgages) or charge upon all or any part of its real estate or telegraph plant, or upon the securities of subsidiary companies held by it, unless the bonds of this issue shall be secured by such mortgage or charge ratably with any other indebtedness secured thereby, and that any such mortgage or charge shall expressly so provide.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($25,000,000) in October, 1926, at par and interest, by Kuhn, Loeb & Co., New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926
High	100½	101¾
Low	100⅜	100⅜

(5)

REAL ESTATE MORTGAGES

Real estate mortgages outstanding December 31, 1927, amounted to $370,000.

BONDS ASSUMED OR GUARANTEED BY THE WESTERN UNION TELEGRAPH COMPANY

(6)

$5,000,000 MUTUAL UNION TELEGRAPH COMPANY FIRST MORTGAGE 5s; DUE MAY 1, 1911, BUT EXTENDED (INTEREST BEING REDUCED FROM 6%) TO MAY 1, 1941

Dated May 2, 1881.

Interest Payable May and November 1, at Treasurer's office, 195 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000, of which $3,143,000 is held in Treasury of The Western Union Telegraph Company.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—Secured by first mortgage on the important main trunk lines out of New York City.

Guaranty—Guaranteed, principal and interest, by Western Union Telegraph Co., which owns $3,143,000 of the issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered in 1911, by Blodget & Co., New York and Boston, at 104 and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	103	102¼	102	94	95⅛
Low	101¾	100	99	93⅞	95⅛

(7)

$1,500,000 NORTHWESTERN TELEGRAPH COMPANY FIRST MORTGAGE GOLD 4½s; DUE JANUARY 1, 1934

Dated January 1, 1904.

Interest Payable January and July 1, at Treasurer's office, 195 Broadway, New York.

Denomination—Coupon, $500; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $1,500,000.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—Secured by first mortgage on approximately 10,000 miles of telegraph and telephone lines and appurtenances owned, and property which may be acquired.

Guaranty—Guaranteed, principal and interest, by endorsement by Western Union Telegraph Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	98½	98	95½	92½	94⅝	87	68
Low	98	96½	94⅜	92	91⅜	94⅝	bid	bid

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross operating revenues	$131,771,003	$134,464,886	$127,078,023	$112,861,555	$111,733,560	$105,447,748
*Operating expense deductions	115,846,032	118,774,832	110,628,842	99,581,556	97,712,714	91,651,275
Net earnings	$15,924,971	$15,690,055	$16,449,181	$13,279,999	$14,020,846	$13,796,473
Income from dividends & interest	2,689,813	1,941,139	2,073,594	2,374,008	1,894,910	1,668,557
Total income	$18,614,784	$17,631,194	$18,522,775	$15,654,007	$15,915,756	$15,465,030
Bond interest	3,584,331	2,426,145	$2,336,516	$2,317,325	$2,306,850	$2,306,850
Appropriation for development of ocean cables	.....	.....	1,000,000	1,000,000	2,000,000	2,000,000
Balance for dividends	$15,030,453	$15,205,049	$15,186,259	$12,336,682	$11,608,906	$11,158,180
Dividends paid	7,980,786	7,980,700	7,232,457	6,982,929	6,982,797	6,982,694
Surplus for year	$7,049,667	$7,224,349	$7,953,802	$5,353,753	$4,626,109	$4,175,486
Times Bond Interest Earned	5.19	7.27	7.93	6.76	6.90	6.70
Earnings Per Share	$15.06	$15.24	$15.22	$12.36	$11.63	$11.18

*Consisting of operating expenses, including repairs, reserved for depreciation, rent for lease of plants, taxes, employees' income participation, etc.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Surplus, Dec. 31, 1926, $71,404,042; surplus for year 1927 (before dividends), $15,030,454; adjustments of surplus (net), $74,872—total, $86,509,368. Deduct: Dividends paid and declared, $7,980,786. Surplus, Dec. 31, 1927, $78,528,582.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant, equipment & real estate, incl. properties controlled by stock ownership or held under perpetual leases and merged in the Western Union System	$272,162,358	$262,483,670	$244,753,009	$230,334,005	$213,586,722	$200,170,315
Amount recoverable on expiration of long term lease in respect of obligations assumed thereunder	1,180,000	1,180,000	1,180,000	1,180,000	1,180,000	1,180,000
Total property account	$273,342,358	$263,663,670	$245,933,009	$231,514,005	$214,766,722	$201,350,315
Stocks of telegraph, cable and other allied companies operated under term leases (not incl. securities held as lessee)	5,416,512	5,518,656	5,620,801	5,762,324	5,845,471	5,882,338
Stocks of telegraph, cable and other companies	3,646,170	2,899,767	2,902,420	5,653,068	5,969,429	5,969,399
Marketable securities & time loans	23,398,169	20,107,105	7,717,912	1,019,688	11,913,349	17,896,480
Materials and supplies	6,412,855	6,987,247	6,545,368	6,810,202	6,933,725	5,685,980
Accounts receivable, including managers' and superintendents' balances, etc. (less reserve for doubtful accounts)	15,651,073	16,924,294	15,923,950	13,877,942	15,040,006	14,951,804
Treasurers' balances, including cash at banks and in transit	6,821,081	9,039,224	6,333,071	5,762,470	4,409,145	5,544,982
Sinking and insurance funds (cash and securities)	1,010,131	939,488	861,682	758,505	697,754	609,542
Deferred charges to operations	1,614,167	1,281,513	1,155,334	1,199,561	1,189,974	1,401,499
Total	$337,312,516	$327,360,963	$292,993,546	$272,357,765	$266,765,575	$259,292,340
Liabilities—						
Capital stock	$99,787,707*	$99,786,530	$99,786,630	$99,786,727	$99,786,727	$99,786,727
Capital stock of subsidiary companies not owned by Western Union Tel. Co. (par value):						
Companies controlled by perpetual leases	1,340,050	1,341,600	1,341,750	1,341,875	1,341,875	1,341,925
Companies controlled by stock ownership	429,450	429,800	429,800	429,800	429,800	429,800
Funded debt (Western Union Tel. Co.)	68,745,000	68,745,000	43,745,000	43,637,000	43,637,000	43,637,000
Funded debt (subsidiary companies)	3,357,000	3,357,000	3,357,000	3,357,000	3,357,000	3,357,000
Real estate mortgages	370,000	549,020	457,500	467,500	87,500	.....
Audited vouchers and miscellaneous accounts payable	7,917,009	9,144,656	8,860,823	7,961,232	11,058,562	10,575,048
Accrued taxes (estimated)	11,520,750	11,477,617	11,444,709	10,044,795	9,745,588	11,297,675
Interest and guaranteed dividends on bonds and stocks	743,110	744,518	640,957	640,808	631,661	631,661
Unpaid divds. (incl. divds. pay. in Jan.)	2,020,982	2,017,053	2,015,209	1,763,676	1,764,199	1,763,860
Installment payments under Employees' stock plan	2,218,456	710,602	.....	.....	.....	.....
Employees' income participation	1,080,624	1,585,305	2,688,818	1,274,147	841,456	1,777,126
*Deferred non-interest bearing liabilities	13,118,532	13,135,332	13,135,314	12,987,952	12,987,941	12,987,929
Reserves:						
For maintenance of cables	10,759,043	9,929,355	9,200,305	8,813,720	8,796,289	8,510,344
For development of ocean cables	9,999,482	10,049,474	10,049,474	4,771,453	3,716,784	2,000,000
For depreciation of land lines	21,350,238	19,080,987	17,295,787	15,388,223	13,811,469	11,707,145
For employees' benefit fund	1,348,965	1,331,362	1,316,037	1,297,001	1,274,075	1,290,146
For depreciation of securities	.....	.....	39,854	169,025	555,348	693,674
Other	2,677,536	2,541,709	2,220,468	1,245,803	1,127,595	650,742
Surplus	78,528,582	71,404,042	64,968,111	56,980,028	51,814,706	46,854,538
Total	$337,312,516	$327,360,963	$292,993,546	$272,357,765	$266,765,575	$259,292,340

*Deferred non-interest bearing liabilities, in respect of proceeds of sales of securities and other properties held under leases for terms expiring in 1981 and 2010 from companies in which The Western Union Telegraph Co. has, for the most part, a controlling interest, payable on the termination of the leases.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Accounts receivable	$15,651,073	$16,924,294	$15,923,950	$13,877,942	$15,040,006	$14,951,804
Cash on hand, etc.	6,821,081	9,039,224	6,333,071	5,762,470	4,409,145	5,544,982
Materials and supplies	6,412,855	6,987,247	6,545,368	6,810,202	6,933,725	5,685,979
Marketable securities & time loans	23,398,169	20,107,105	7,717,912	1,019,688	11,913,349	17,896,480
Total	$52,283,178	$53,057,870	$36,520,301	$27,470,302	$38,296,225	$44,079,245
Current Liabilities—						
Audited vouchers and accounts payable	$7,917,008	$9,144,656	$8,860,823	$7,961,232	$11,058,562	$10,575,048
Accrued taxes (estimated)	11,520,750	11,477,617	11,444,709	10,044,795	9,745,588	11,297,674
Interest and guaranteed dividends on bonds and stocks	743,110	744,518	640,957	640,808	631,661	631,661
Unpaid dividends	2,020,982	2,017,053	2,015,209	1,763,676	1,764,199	1,763,860
Installment payments under Employees' stock plan	2,218,456	710,602	.....	.....	.....	.....
Employees' income participation	1,080,624	1,585,305	2,688,818	1,274,147	841,456	1,777,126
Total	$25,500,930	$25,679,751	$25,650,516	$21,684,658	$24,041,466	$26,045,369
Net Working Capital	$26,782,248	$27,378,119	$10,869,785	$5,785,644	$14,254,759	$18,033,876

Officers: Newcomb Carlton, Pres.; J. C. Willever, 1st V-P. (in charge of Commercial Dept.); G. W. E. Atkins, V-P.; G. M. Yorke, V-P. (in Charge of Engineering); E. Y. Gallaher, V-P. & Compt.; J. J. Welch, V-P. (in charge of Traffic); W. C. Titley, V-P. (in charge of Plant), New York; Stanley J. Goddard, V-P. London, Eng.; Andrew F. Burleigh, V-P. & Sec.; E. K. Huntington, Treas.; H. W. Ladd, Gen. Aud.; F. R. Stark, Gen. Solicitor; R. H. Overbaugh, Gen. Atty., New York.

Executive Committee: Albert H. Wiggin, Chairman, Henry A. Bishop, Newcomb Carlton, Henry W. deForest, Donald G. Geddes, Robert S. Lovett, Mortimer L. Schiff, William H. Truesdale.

Directors: Vincent Astor, Newcomb Carlton, Howard Elliot, Henry W. deForest, Chauncey M.

Depew, Wm. Fahnestock, Chas. B. Seger, Edwin G. Merrill, Percy A. Rockefeller, Paul M. Warburg, Mortimer L. Schiff, William H. Truesdale, Albert H. Wiggin, Donald G. Geddes, Wm. K. Vanderbilt, Robt. S. Lovett, George W. Davison, New York; Oliver Ames, Boston; Henry A. Bishop, Bridgeport, Conn Chauncey Keep, Chicago, Ill.; Henry Tatnall, Phila delphia, Pa.

Office, 195 Broadway, New York.

AMERICAN DISTRICT TELEGRAPH COMPANY (NEW JERSEY)

(Affiliated with The Western Union Telegraph Co.)

History—Incorporated Nov. 1, 1901, in New Jersey. Controls a number of district telegraph companies operating in all cities and towns of importance throughout the United States, doing a general fire alarm, night watchman supervision, burglar alarm and sprinkler supervisory business. Services are now rendered to upwards of 24,000 subscribers in 235 municipalities, 60 of which are cities of 100,000 in population and over.

CAPITAL STOCK

Authorized, 200,000 shares Common stock of no par value and $10,000,000 7% convertible cumulative Pfd. stock, par, $100; outstanding, as of Dec. 31, 1927, 99,653 Common shares and $9,713,451 Pfd. In addition $251,900 Pfd. stock had been purchased and was held for redemption Dec. 31, 1927. Of the 200,000 shares of Common stock authorized, 100,000 shares are reserved for conversion of Pfd. stock. Over 75% of the Common stock is owned by The Western Union Telegraph Company.

Changes in Capital—The Company's Certificate of Incorporation was altered by action of the stockholders, effective July 15, 1925, whereby the former capital stock, consisting of 100,000 Common shares of $100 par value each, was changed to consist of 100,000 shares of 7% Convertible Pfd. stock, par value $100 each, and 200,000 shares of Common stock, of no par value. Stockholders received one share of new Pfd. stock and one share of new Common stock for each share of the old capital stock, and 100,000 shares of the new Common stock were reserved for the conversion of Preferred stock.

Preferred Stock Provisions—Preferred as to assets to the extent of $100 per share and accrued dividends in involuntary liquidation, plus a premium of $10 per share in consolidation or voluntary liquidation. Callable after three years from date of issue, as a whole or in part, at the option of the Directors on any dividend date on 60 days' notice, at $110 per share and accrued dividends. Annual sinking fund of at least 2½% of the largest amount of Pfd. stock theretofore outstanding, for purchase of Pfd. stock; to extent not so used, for the redemption thereof at $110 per share and accrued dividends. The Preferred stock is not entitled to vote except in the event that four quarterly dividends thereon are due and unpaid at any one time, in which case the Preferred stockholders, until the default is remedied, are entitled to vote for a majority of the directors. Holders of Preferred stock shall hav no right to subscribe to new shares of any class.

Convertibility—The Pfd. stock is convertible at an time into Common stock, share for share, up to days prior to date set for redemption.

Transfer Agent—Commercial Trust Co., Jerse City, N. J.

Registrar—Corporation Trust Co., 15 Exchang Place, Jersey City, N. J.

Annual Meeting—Second Tuesday in February, 15 Exchange Place, Jersey City, N. J.

Price Range—

Preferred—	1927	1926	192
High	115¼	110	106
Low	108¼	105½	101

Dividends—Dividends on old Common sto (which was exchanged for one share of no par Co and one share of Pfd. for each share of $100 par Com were paid as follows: 5% per annum up to Jan., 190 when the rate was reduced to 4% annually (quarter April 29, etc.), which rate was continued to and i cluding the July, 1918, payment; none thereafter un Oct. 29, 1919, when ¾% was paid; 1920, 3¼%; 192 4%; 1922, 6%; 1923, 7%; 1924, 7¼%; Jan. 29, 192 2%; April 29, 1925, 2%. Final dividend of 2 33/100 on old stock paid July 29, 1925 out of profits accru to July 14, 1925. Extra dividends of 1% each on c Common were also declared out of surpluses accu ulated at Dec. 31, 1915, 1916, 1917 and 1921, payal on or about the Jan. 29, succeeding, respectively. Di dends on new Common stock at rate of $3 per sha per annum regularly paid quarterly from Oct. 15, 19 to July 29, 1927, inclusive; Oct. 31, 1927 and Jan. and April 14, 1928, $1 per share each; payments n J, A, J & O 15, to holders of record the 15th of prece ing month. Dividends at rate of $7 per annum on P stock are regularly paid quarterly, J, A, J & O 15, holders of record the 15th of preceding month; init dividend paid Oct. 15, 1925. Directors meet for di dend action on the second Tuesday in Dec., Mar June and Sept.

GUARANTEED BONDS

$60,000 New York Fire Protection Co. First Sinki Fund Gold 4s; dated 1905; due Sept. 1, 1954; int. & S 1, at Equitable Trust Co., New York, Trust Denomination, $1,000. Authorized and issued, $10 000, of which $40,000 retired to Dec. 31, 1927. Su ject to call at par. Interest and sinking fund guara teed by American District Telegraph Co. of N. J.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Amer. District Telegraph Co. (N. J.) and Controlled Cos.)

	1927	1926	1925	1924	1923	1922
Gross earnings (incl. other income)	$7,754,939	$7,347,413	$6,974,415	$6,635,762	$6,256,825	$5,982,
*Operating expenses	5,910,199	5,765,486	5,427,146	5,185,022	4,786,683	4,494,
Net profits	$1,844,740	$1,581,927	$1,547,269	$1,450,740	$1,470,142	$1,487,
Dividends paid	$1,014,477	$977,989	$884,526	$722,419	$697,506	$597,
Adjustment of surplus	‡33,859	§10,495	‡38,645	§31,704	‡32,665	‡39,
Appropriated for redemption of Pfd. stock	272,640	249,134	114,186	.....	.....	.....
Preferred stock purchased for redemption	§251,900	.....	.....	.....	.....	.....
Surplus for year	$775,664	$365,299	$509,912	$760,025	$739,971	$850,

*Includes depreciation, taxes, lease of plants, miscellaneous interest, etc. ‡Debit. §Credit.

American District Telegraph Co. of N. J. Preferred & Common Stock
BOUGHT — SOLD — QUOTED
5 NASSAU ST. NEW YORK
A. M. Kidder & Co
Members New York Stock Exchange
Established 1867
TELEPHONE RECTOR 2131

SURPLUS ACCOUNT, DECEMBER 31, 1927

Surplus at beginning of year, $6,084,610; surplus for year as above, $523,764; Pfd. stock purchased for redemption, $251,900—total surplus as per balance sheet, $6,860,274.

GENERAL BALANCE SHEET, DECEMBER 31
(Amer. District Telegraph Co. (N. J.) and Controlled Cos.)

Assets—	1927	1926	1925	1924	1923	1922
Property account	$17,349,793	$16,920,257	$16,284,700	$15,894,140	$16,104,929	$15,431,086
Marketable securities	2,762,632	2,512,739	2,330,807	2,130,757	1,743,258	1,290,947
Cash	674,258	533,889	450,733	409,731	299,645	370,861
Bills and accounts receivable	418,438	380,282	372,231	386,722	370,452	319,010
Materials and supplies	413,484	395,431	387,101	398,053	365,787	333,666
Stock of A. D. T. Co. (N. J.) purchased for sale to employees	.....	251,271	251,271	.....	.....	.....
Deferred charges	118,793	124,066	125,868	92,250	88,155	94,917
Total	$21,737,398	$21,117,935	$20,202,711	$19,311,653	$18,972,226	$17,840,487
Liabilities—						
Preferred stock	‡$9,713,451	$9,965,351	$9,965,351	.....	.....	.....
Capital stock (old stock)	.....	.....	.....	$9,965,351	$9,965,351	$9,965,351
Capital stock of controlled companies	15,229	15,229	15,229	15,229	15,229	15,229
Funded debt	.....	.....	57,000	77,000	389,000	391,500
†Purchase money mortgages	66,459	68,959	71,459	78,959	106,459	115,626
Accounts payable	252,990	220,588	232,505	188,132	186,520	104,297
Accrued and matured interest, dividends and taxes	685,521	656,284	613,481	538,249	595,546	556,225
Employees stock subscription installments	.....	120,545	18,742	.....	.....	.....
Employees' benefit fund	100,000	100,000	100,000	100,000	100,000	100,000
Depreciation reserve	1,195,916	1,234,047	1,147,699	1,198,290	1,321,217	1,170,112
Accrued facility rentals	19,891	16,264	13,994	17,353	25,621	21,414
Service billed in advance	2,467,113	2,272,738	2,133,754	1,923,692	1,817,910	1,691,330
Surplus—approp. for redemption of Pfd. stock	*360,554	363,320	114,186	.....	.....	.....
Surplus—unappropriated	*6,860,274	6,084,610	5,719,311	5,209,398	4,449,373	3,709,403
Total	$21,737,398	$21,117,935	$20,202,711	$19,311,653	$18,972,226	$17,840,487

*Represented by 99,653 shares Common stock of no par value. †After deducting amount guaranteed by affiliated company. ‡After deducting $251,900 stock purchased and held for redemption.

Officers: Newcomb Carlton, Chairman of Board; Edw. Everett, Pres.; C. C. Johnson, V-P.; Joseph Maxwell, V-P.; J. L. Husman, V-P.; E. A. Ward, Sec.-Aud.; G. K. Huntington, Treas.

Directors: H. A. Bishop, F. R. Stark, Howard Bayne, E. Y. Gallaher, G. M. Yorke, Newcomb Carlton, J. C. Willever, Edward Everett.

Corporate Office, Jersey City, N. J.

AMERICAN TELEGRAPH & CABLE COMPANY

(Leased to The Western Union Telegraph Co.)

History—Incorporated January 18, 1881 under laws of New York, to operate ocean cables. Owns two cables extending from Sennen Cove, England, to Dover Bay, Novia Scotia. By contract with the English Postal Department the company operates special wires in England connecting its cables with London and Liverpool. In the United States, under contract with the Western Union Telegraph Company, and through that company's contract with the Great Northwestern Telegraph Co., connection is made over the whole of the United States and Canada. This company's two cables and equipments are leased to the Western Union Telegraph Co. for 50 years from May, 1882, at rental of 5% on the $14,000,000 outstanding stock, the lessee to maintain, operate and renew the cables and equipment. Stockholders at a meeting Dec. 7, 1923, accepted offer of Western Union Tel. Co. to advance funds to pay Federal Corporation income taxes commencing Dec. 15, 1923, and continuing during unexpired term of lease, to be repaid at expiration of term with interest at 6% compounded semi-annually.

Stockholders' Committee—In Feb., 1928, the Committee named below requested stockholders to deposit their stock under the terms of a Deposit Agreement dated Jan. 26, 1928 with the U. S. Mortgage & Trust Co., New York, Depositary, the depositary to issue transferable receipts therefor. The Committee stated that the properties of Company are leased to the Western Union Telegraph Co. under lease which expires in May, 1932, and which provides, in substance, for the payment of a rental equal to 5% on the outstanding $14,000,000 par value stock of the American Telegraph & Cable Co. There is no provision in the lease for renewal and the charter of Company will expire on Jan. 16, 1930. There should be united action by stockholders and it would be unwise to await the date of expiration of the charter or the expiration of the lease, if the charter should be extended, before commencing negotiations in an attempt to devise some plan for the protection of the interest of stockholders.

The personnel of the Committee is as follows: Henry R. Ickelheimer, Chairman; Frank B. Hiscock, James B. Mabon and Robert F. Brown, 55 Cedar St., New York, Secretary. White & Case, New York, Counsel.

CAPITAL STOCK

Authorized and outstanding, $14,000,000; par, $100.

Transfer Agent—Stock transferred at Company's office, New York.

Annual Meeting—Fourth Wednesday in May.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	34⅞	41⅛	47	43½	58½	70	56	54
Low	26	25½	37¾	38¼	40	54	48	46¾

Dividends—5% per annum, payable quarterly, M, J, S & D 1.

FUNDED DEBT

None.

SPECIALISTS SINCE 1855 IN GUARANTEED STOCKS

The Western Union Telegraph Co.
GUARANTEED STOCKS
Joseph Walker & Sons
Members N.Y. Stock Exchange
61 Broadway New York

Officers: Newcomb Carlton, Pres.; G. W. E. Atkins, J. C. Willever, V-Ps.; G. K. Huntington, Treas.; Andrew F. Burleigh, Sec.

Directors: G. W. E. Atkins, Newcomb Carlton, E. Y. Gallaher, G. K. Huntington, J. C. Willever, Andrew F. Burleigh, G. M. Yorke, New York.

Office, 195 Broadway, New York.

THE ANGLO-AMERICAN TELEGRAPH COMPANY, LTD.

(Leased to The Western Union Telegraph Co.)

History—Inc. Mar. 3, 1866, in Great Britain. In 1873 absorbed the French-Atlantic and Newfoundland Telegraph companies. In 1911, company purchased from the Western Union Telegraph Co. the Bay Roberts cable, from Sennen Cove, Cornwall, to Bay Roberts, Newfoundland, and to Coney Island, New York, together with its equipment, at actual cost, viz., £691,243. The purchase price was paid from the Anglo Co.'s Renewal Fund, which, at March 31, 1914, stood at £130,612. Length of cables, 12,765 miles, connecting Valentia Island, Ireland, with Heart's Content, Newfoundland, France, St. Pierre and Massachusetts.

Leased to Western Union Telegraph Co. for 99 years from April 1, 1911, at annual rental of £262,500 equivalent to guaranty of dividends on the £7,000,000 capital stock, as follows, viz.: 6% on the Pfd. stock, 1½% on the Deferred, and 3¾% on the Ordinary stock.

CAPITAL STOCK

Authorized and issued, £7,000,000, consisting of £296,500 Ordinary, £3,351,710 6% Pfd. Ordinary and £3,351,710 Deferred Ordinary stock; par, £100.

Preferred and Deferred stocks are transferable in amounts and multiples of £10, and Ordinary stock in any amount not less than £5 and not involving fractions of £1.

Exchange Privilege—Ordinary stock may, at holder's option, be exchanged for equal portions of Preferred Ordinary and Deferred Ordinary, at any time between Jan. 1, and March 31 in each year.

Annual Meeting—In May.

Listed—London Stock Exchange.

Price Range—(London).

	1927	1926	1925	1924	1923	1922	1921	1920
Ordinary—								
High	61½	62½	64	64	62	67	48	55
Low	57	59½	61	60	58	49½	40	40¼
Pfd. Ordinary—								
High	104¾	105	105½	106	106¾	104⅞	87¼	93
Low	92½	100	101½	101	99	84	73¾	74
Def. Ordinary—								
High	25⅛	25⅛	25	24⅝	24⅛	25	18 9/16	22½
Low	23 7/16	23⅜	22¾	20¼	22¼	18½	14 11/16	14 15/16

Dividends—Dividends have been paid in recent years as follows: Pfd. Ordinary stock, 6% per annum from 1905 to 1927 inclusive; Deferred Ordinary stock 1905, ½%; 1906, 1¾%; 1907, 1%; 1908, 2/5%; 1909, 1¼%; 1910 to 1927, 1½% each; Ordinary stock, 1905, 3¼%; 1906, 3⅞%; 1907, 3½%; 1908, 3 1/5%; 1909, 3⅝%; 1910 to 1927, 3¾% each. In addition a bonus of 1s 9d% upon the Ordinary stock and 3s 6d% upon the Dfd. stock was paid Feb. 1, 1916; the same bonuses were paid on Feb. 1, 1919; also 2s 3d% upon the Ordinary stock and 4s 6d% upon the Deferred stock were paid on Feb. 1, 1922. Dividends payable under lease: 6% on Pfd.; 1½% on Dfd. and 3¾% on Ordinary shares.

FUNDED DEBT

None.

PROFIT AND LOSS ACCOUNT, YEARS ENDED MARCH 31

	1927	1926	1925
Balance, April 1	£70,854	£68,945	£67,595
Rent received from Western Un. Tel. Co. under lease	262,500	262,500	262,500
Interest received, less tax..	2,122	1,909	1,350
Total	£335,976	£333,354	£331,445
Deductions:			
Deferred stock dividends ..	£40,199	£39,823	£38,772
Pfd. stock dividends	160,796	159,294	155,088
Ordinary dividends	9,005	9,242	9,579
Income tax	52,500	54,140	59,063
Total deductions	£262,500	£262,500	£262,500
Balance, March 31	£72,976	£70,854	£68,945

GENERAL BALANCE SHEET, MARCH 31

Assets—	1927	1926	1925
Capital expenditures, being amount standing for cost of cable, buildings, etc., to which has been added the 1910 cable and freehold property, Old Broad St., London	£7,000,000	£7,000,000	£7,000,000
Excess of liquid assets over liabilities assumed by Western Union Tel. Co. at March 31, 1911, payable by lessees to this co., on termination of lease..	122,461	122,461	122,461
Investments in respect of Anglo-American Teleg. Co.'s contingency fund ..	11,245	11,243	11,256
Investments in respect of Anglo Co.'s pensions fund in joint names of Western Union and Anglo cos.	120,423	115,961	110,624
Cash at bankers	66,072	63,679	63,390
Debit balances	14,490	14,560	16,140
Total	£7,334,691	£7,327,905	£7,323,871
Liabilities—			
Ordinary stock	£ 296,580	£300,180	£310,480
6% Preferred stock	3,351,710	3,349,910	3,344,760
Deferred stock	3,351,710	3,349,910	3,344,760
Credit balances	566	567	3,665
Unclaimed divd. acct.	7,019	6,817	6,920
Anglo Co.'s conting. fund..	11,245	11,243	11,256
Anglo Co.'s pensions fund.	120,423	115,961	110,624
Liquid assets leased to W. U. Co. as per contra	122,461	122,461	122,461
Revenue account	72,976	70,854	68,945
Total	£7,334,691	£7,327,905	£7,323,871

Officers and Directors: Robert H. Benson, Chairman; Lord Cochrane of Cults, William Miles, Mgr. & Sec.

London Office, Winchester House, Old Broad St., E. C.

CHICAGO & ST. PAUL TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated June 28, 1905, in Wis., to build, lease and maintain telegraph and telephone lines located between Chicago and St. Paul. Successor, after foreclosure, to Chicago & Northwest Teleg. Co. Leased in Sept. 1905, to the Western Union Telegraph Co. for 99 years at an annual rental of 3% on the stock.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, second Tuesday in July.

Dividends—3% per annum, March and September 1, at Co.'s office, where stock is transferred.

FUNDED DEBT

None.

Guaranteed Stocks
WESTERN UNION TEL. SYSTEM
Adams & Peck
20 Exchange Place New York City
This system comprises
Amer. Dist. Tel. of N. J.
Gold & Stock Telegraph
International Ocean Tel.
Northwestern Telegraph
Pacific & Atlantic Tel.
Southern & Atlantic Tel.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Andrew F. Burleigh, Sec.; G. K. Huntington, Treas.

Directors: Newcomb Carlton, G. W. E. Atkins, Andrew F. Burleigh, J. C. Willever, New York; A. C. Cronkhite, Chicago, Ill.

Office, 195 Broadway, New York.

CLEVELAND & CINCINNATI TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated Jan. 16, 1851, in Ohio. Leased to Western Union Telegraph Co. on June 15, 1854, at rate of 4% annually on outstanding stock.

CAPITAL STOCK

Authorized and outstanding, $89,100; par, $50. Annual meeting, fourth Wednesday in January.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Andrew F. Burleigh, Sec.; G. K. Huntington, Treas., New York.

Directors: Newcomb Carlton, Andrew F. Burleigh, G. M. Yorke, J. C. Willever, F. R. Stark, E. Y. Gallaher, New York; A. C. Cronkhite, Chicago, Ill.; B. J. Ross, Cleveland, O.

Office, 195 Broadway, New York.

CONTINENTAL TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated Oct. 9, 1877, in N. Y. Leased and operated by Western Union Telegraph Co.

CAPITAL STOCK

Authorized and outstanding, $131,700; par, $25. Annual meeting, last Wednesday in November.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Andrew F. Burleigh, Sec.; G. K. Huntington, Treas., New York.

Directors: Newcomb Carlton, E. Y. Gallaher, G. W. E. Atkins, J. C. Willever, G. M. Yorke, New York.

General Office, 195 Broadway, New York.

DELAWARE RIVER TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated March 23, 1865, in Pa. Leased and operated by Western Union Telegraph Co.

CAPITAL STOCK

Authorized and outstanding, $40,000; par, $25. Annual meeting, third Tuesday in May, at Philadelphia.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Andrew F. Burleigh, Sec.; G. K. Huntington, Treas.; E. Y. Gallaher, Aud., New York.

Directors: G. W. E. Atkins, Newcomb Carlton, J. C. Willever, Andrew F. Burleigh, F. R. Veale, T. W. Carroll, F. R. Stark.

General Office, 195 Broadway, New York.

DOMINION TELEGRAPH SECURITIES, LIMITED

(Affiliated With The Western Union Telegraph Co.)

History—Inc. in Canada, in 1924 and purchased entire assets of Dominion Telegraph Co. The latter company was incorporated in Canada in 1868 and, on June 12, 1879, leased its entire telegraph system as of July 1, 1879, for a period of 99 years to the American Union Telegraph Company at an annual rental of $50,000. In 1881 this rental was, by the terms of the original lease, increased to $62,500 annually, and this sum will continue to be paid until June 30, 1978.

In 1881 the American Union Telegraph Company assigned its lease to the Western Union Telegraph Company, which in turn assigned the lease to the Great North Western Telegraph Company, in so far as that portion of the system lying west of the province of New Brunswick is concerned. The Great North Western Telegraph Company is now a part of the Canadian National Telegraphs, which in turn is part of the Canadian National Railway system, and the latter has acknowledged and reaffirmed the assignment of the lease and the payment of the annual rental of $62,500 during the currency of the lease. The Great North Western Telegraph Company, one of the lessees, has paid to the Dominion Telegraph Company a sum of money in full discharge of any and all claims which Dominion Telegraph Company might make in 1978 in respect to the return of the said company's property under the terms of the lease.

CAPITAL STOCK

Authorized, $40,000; outstanding, $500; par, $100.

FUNDED DEBT

$1,000,000 FIFTY-THREE YEAR 5½% SINKING FUND MORTGAGE BONDS (SERIES "A" AND "B"); DUE FEBRUARY 2, 1978

Dated February 2, 1925.

Interest Payable February and August 2, at the Bank of Montreal, Toronto, Canada.

Denominations—Coupon, $100, $500, and $1,000 (Series "A"); $500, and $1,000 (Series "B"); both Series registerable as to principal only.

Trustee and Registrar—The Royal Trust Company, Toronto.

Provisions of Issue—Authorized, $1,000,000; issued for the purpose of retiring entire outstanding capital stock of Dominion Telegraph Company amounting to $1,000,000.

Callability—Bonds of Series "A" are callable at par and accrued interest on any interest date on thirty days' notice. Bonds of Series "B" are callable at par and accrued interest on any interest date after February 2, 1955 on thirty days' notice.

Sinking Fund—The Company has deposited with Royal Trust Company, Toronto, $56,500 par value of Dominion Telegraph Securities, Ltd., 5½% Sinking Fund Mortgage Bonds, and the income derived from these is sufficient, together with the interest on bonds from time to time called for the Sinking Fund, to retire the outstanding issue of Series "A" and Series "B" bonds at or before maturity.

Security—Secured by deposit with the Trustee of sufficient bonds of this issue, which with interest earnings thereon, will retire the entire issue at or before maturity. Due to the callable features of Series "A" and subsequently Series "B" bonds the Sinking Fund is assured earnings at the rate of 5½% per annum.

Legal Opinion—Arthur W. Holmsted, of Messrs. Holmsted & Sutton (for the Company); Kilmer, Irving & Davis (for the bankers).

Original Offering—First publicly offered ($1,000,000) in March, 1925, at 104 and interest for bonds of Series "B," yielding about 5.25%, by Cochran, Hay & Co., Ltd., Toronto, Ont.

OFFICERS AND DIRECTORS

Officers: Sir Henry M. Pellatt, Pres.; Aemilius Jarvis, V-P.; H. H. Macrae, Sec. & Treas., Toronto, Ont.

Directors: Sir Henry M. Pellatt, Aemilius Jarvis, H. H. Macrae, Sir John Gibson, Dr. F. Le M. Grasett, Toronto, Ont.

Office, Toronto, Ont.

EMPIRE & BAY STATE TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated April 5, 1866, in New York. Leased to Western Union Telegraph Co. until March 1, 1989, at rental of 4% per annum on the stock. Company's property consists principally of telegraph lines

from Boston to New York City and from North Attleboro, Mass., to Providence, R. I.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Annual meeting, first Thursday in August.

Dividends—4% per annum payable quarterly, March 1, at office of Treasurer of Western Union Telegraph Co. (195 Broadway, New York), who also acts as Transfer Agent. Dividends guaranteed by endorsement on each certificate by the Western Union Telegraph Co.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Andrew F. Burleigh, Sec.; G. K. Huntington, Treas., New York.

Directors: Newcomb Carlton, G. W. E. Atkins, J. C. Willever, G. M. Yorke, New York.

Office, 195 Broadway, New York.

FRANKLIN TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated March 29, 1865, in Mass. Leased until 1975 by Western Union Teleg. Co. at rental of 2½% per annum on stock.

CAPITAL STOCK

Authorized, $1,000,000; issued, $996,100; par, $100. Annual meeting, first Wednesday in June.

Dividends—2½% per annum; payable May and Nov. 1, at office of Treasurer of Western Union Teleg. Co. (195 Broadway, New York), who also acts as Transfer Agent.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; G. K. Huntington, Treas., New York; C. F. Ames, Clerk, Boston; Andrew F. Burleigh, Asst. Clerk; E. Y. Gallaher, Aud., New York.

Directors: Newcomb Carlton, J. C. Willever, G. W. E. Atkins, Andrew F. Burleigh, G. M. Yorke, T. W. Carroll, E. Y. Gallaher, New York; C. F. Ames, Boston.

Office, 195 Broadway, New York.

GOLD & STOCK TELEGRAPH COMPANY

(Leased to The Western Union Telegraph Co.)

History—Incorporated Aug. 10, 1867, in New York, to operate a ticker market and quotation service. Leased to The Western Union Telegraph Co. until 1981, at rental of interest on bonds and 6% on stock.

CAPITAL STOCK

Authorized and outstanding, $5,000,000; par, $100. Annual meeting, last Tuesday in September.

Dividends—6% per annum, payable quarterly, J, A, J & O 1, at Company's office; guaranteed by The Western Union Telegraph Co.

Registrar—Bankers Trust Co., New York.

Listed—New York Stock Exchange.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; E. Y. Gallaher, V-P. & Aud.; G. K. Huntington, Treas.; Andrew F. Burleigh, Sec., New York.

Directors: Newcomb Carlton, Edwin Langdon, G. W. E. Atkins, J. C. Willever, G. M. Yorke, E. Y. Gallaher, Andrew F. Burleigh, G. K. Huntington, F. R. Stark, New York.

Office, 195 Broadway, New York.

INTERNATIONAL OCEAN TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated Dec. 12, 1865, in New York. Leased until Jan. 1981, to the Western Union Teleg. Co., at rental of 6% per annum on stock. Property consists of cables between Florida and Cuba and a considerable mileage of land lines in Florida.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par, $100. Annual meeting, first Tuesday in December.

Dividends—6% per annum, guaranteed by Western Union Telegraph Co., payable quarterly, J, A, J & O 1, at office of Treasurer of Western Union Telegraph Co., who also acts as Transfer Agent.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; G. W. Atkins, V-P.; Andrew F. Burleigh, V-P. & Sec.; G. K. Huntington, Treas.; E. Y. Gallaher, Aud., New York.

Directors: E. Y. Gallaher, J. C. Willever, G. W. E. Atkins, Newcomb Carlton, New York; A. F. Burleigh, G. K. Huntington, W. C. Titley, J. J. Welch, G. M. Yorke.

Office, 195 Broadway, New York.

INTERNATIONAL TELEGRAPH COMPANY OF MAINE

(Leased to The Western Union Telegraph Co.)

History—Company leased its property to The Western Union Telegraph Co. in 1872 for 99 years, under the terms of which lease, The Western Union Telegraph Co. pays direct to the stockholders of the lessor, the annual rental of $10,000, equal to $2.68 per share of stock, less deductions made for Federal Income taxes and office expenses, which at the present time amount to 32 cents per share, making the annual dividend to the stockholders, $2.34 per share.

The Company's property consists of telegraph lines in Maine and New Hampshire.

CAPITAL STOCK

Authorized and outstanding, $375,000; par, $100.

Transfer Office, 26 Exchange Place, Portland, Me.

Dividends—2.34% per annum; payments Jan. and July 1. Dividends guaranteed under lease by The Western Union Telegraph Co.

FUNDED DEBT

None.

Offices, 26 Exchange St., Portland, Me., and 195 Broadway, New York.

LYNCHBURG & ABINGDON TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated March 15, 1851, in Va. Leased to and controlled by The Western Union Telegraph Co.

CAPITAL STOCK

Authorized and outstanding, $34,700; par, $100. Annual meeting, first Tuesday in July, at Lynchburg, Va.

Dividends—6% per annum; payments Jan. and July, at 195 Broadway, New York.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Andrew F. Burleigh, Sec.; G. K. Huntington, Treas.; New York.

Directors: H. C. Worthen, Atlanta, Ga.; Newcomb Carlton, J. C. Willever, G. W. E. Atkins, New York; W. G. Sale, Richmond, Va.

Office, 195 Broadway, New York.

THE MONTREAL TELEGRAPH CO.

(Associated with The Western Union Telegraph Co.)

History—Incorporated in 1847, in Canada; franchise perpetual. Operated and maintained by Great North Western Telegraph Co. of Canada (controlled by the Government of the Dominion of Canada, and operated under the name of "Canadian National Telegraphs"); operation and maintenance also guaranteed under a

97 years' agreement, from July 1, 1881, by Western Union Telegraph Co., which also guarantees payment of dividends. Territory served, chiefly Provinces of Ontario and Quebec, and parts of Nova Scotia, New Brunswick, Northern New York, Vermont, Maine, New Hampshire and Michigan. Miles of wire 22,000.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $40. Regular dividends, 8% per annum (less Canadian Govt. Income Tax); quarterly, J, A, J & O 15; guaranteed by Western Union Telegraph Co. Stock transferred at office of The Royal Trust Co., Montreal. Listed on Montreal and Toronto Stock Exchanges. Out of the revenue from the investment of the Co.'s contingent fund nineteen annual bonuses of ¼ of 1% were paid to and including Oct. 15, 1920. The bonus payments have been discontinued.

Transfer Agent—Royal Trust Co., Montreal.

Annual Meeting—Second Thursday in January.

Listed—Montreal and Toronto Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	53½	51	*53	*53	*53	*55	*57	124
Low	49½	47¾	*45½	*48	*49	*45	*43	110

*Now quoted at par ($40) per share; in all other years % gures are given.

Dividends—Regular dividends, 8% per annum, quarterly, J, A, J & O 15; guaranteed by The Western Union Telegraph Co.

Bonus Payments—Out of the revenue from the investment of the Company's contingent fund nineteen annual bonuses of ¼ of 1% were paid to and including Oct. 15, 1920; none since.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Tel. lines in Can. & U. S.	$1,625,890	$1,625,890	$1,625,890
Teleg. cables in Can. & U. S.	33,487	33,487	33,487
Teleg. offices and equip. in Can. & U. S.	212,500	212,500	212,500
Real est. in Montreal, Ottawa, Quebec & Toronto	279,946	279,946	279,946
Cash, accts. receiv., bonds & other securities	94,874	89,794	83,337
Total	$2,246,697	$2,241,617	$2,235,160
Liabilities—			
Shareholders' capital	$2,000,000	$2,000,000	$2,000,000
Excess in value of prop. oper. by G. N. W. Tel. Co. over shareholders' cap.	151,824	151,824	151,824
Divd. payable Jan. 15	40,000	40,000	40,000
Unclaimed dividends, etc.	1,882	1,557	1,908
Contingent fund	38,591	33,308	28,829
Reserve for Income Tax	14,400	14,928	12,600
Total	$2,246,697	$2,241,617	$2,235,160

Officers: William McMaster, Pres.; William R. Miller, V-P.; M. P. Domville, Sec. & Treas., Montreal.

Directors: Henry E. Rawlings, Wm. McMaster, Wm. R. Miller, F. W. Molson, James B. Paterson, Montreal.

Office, 6 St. Sacrament St., Montreal, Can.

NEW YORK MUTUAL TELEGRAPH CO.

(Controlled by and Leased to The Western Union Telegraph Co.)

History—Incorporated Oct. 5, 1880, in New York, as Mutual Union Telegraph Co.; name changed to above in 1886. Owns trunk lines extending from New York and serving practically all the important cities in the eastern and middle western States. Miles of pole lines, about 5,130; miles of wire, about 30,690. Leased to Western Union Telegraph Co. for 99 years from Feb. 15, 1883, with privilege of renewal for terms aggregating 999 years, at rental of 6% on stock.

CAPITAL STOCK

Authorized and outstanding, $2,500,000; par, $25. Annual meeting, last Tuesday in May.

Dividends—Dividends of 6% per annum have been paid continuously since 1883, semi-annually, Jan. and July 1.

Transfer Office—195 Broadway, New York.

Registrar—Central Union Trust Co., New York.

FUNDED DEBT

$5,000,000 MUTUAL UNION TELEGRAPH CO. FIRST 5s

For description, see Western Union Telegraph Co. statement.

Officers: Newcomb Carlton, Pres.; G. W. E. Atkins, J. C. Willever, V-Ps.; Andrew F. Burleigh, Sec.; G. K. Huntington, Treas.

Directors: E. Y. Gallaher, J. C. Willever, G. W. E. Atkins, G. M. Yorke, E. R. Chapman, Newcomb Carlton, Andrew F. Burleigh, T. W. Carroll, G. K. Huntington, Francis R. Stark, W. C. Titley, New York.

Office, 195 Broadway, New York.

THE NORTHWESTERN TELEGRAPH COMPANY

(Leased to The Western Union Telegraph Co.)

History—Incorporated in Wis. Leased to the Western Union Telegraph Co. for 99 years from July 1, 1881, at rental of 6% on stock and interest on bonds. Owns 10,000 miles of wire in Iowa, Manitoba, Michigan, Minnesota, Montana, North and South Dakotas and Wisconsin.

CAPITAL STOCK

Authorized and outstanding, $2,500,000; par, $50. Dividends, 6% per annum, payable January and July 1. Guaranteed by The Western Union Telegraph Co. Annual meeting in May.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	56	49¾	36	42
Low	47¾	43	bid	35

FUNDED DEBT

$1,500,000 First Gold 4½s. For descriptions, see Western Union Telegraph Co. statement.

Officers: L. E. Zacher, Pres. & Treas.; Gladden W. Baker, Sec., Hartford, Conn.

Directors: L. E. Zacher, A. L. Shipman, R. W. Huntington, Jr., Thos. C. Temple, Hartford, Conn.

Transfer Office, 195 Broadway, New York.

OHIO & MISSISSIPPI TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated Feb. 14, 1848, in Ind. Leased and operated by Western Union Telegraph Co.

CAPITAL STOCK

Authorized and issued, $90,000; outstanding, $89,750; par, $50. Annual meeting, first Monday in June.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Andrew F. Burleigh, V-P. & Sec.; G. K. Huntington, Treas.

Directors: G. W. E. Atkins, Andrew F. Burleigh, Newcomb Carlton, E. Y. Gallaher, G. K. Huntington, J. C. Willever, G. M. Yorke, F. R. Stark, New York; A. C. Cronkhite, Chicago.

General Office, 195 Broadway, New York.

PACIFIC & ATLANTIC TELEGRAPH CO. OF THE UNITED STATES

(Leased to The Western Union Telegraph Co.)

History—Incorporated Mar. 14, 1865, in Pa., as Monongahela Valley Telegraph Co. Property located throughout the Middle and Middle Western, also the Middle Southern States. Leased to Western Union Telegraph Co. for 999 years from Jan. 1, 1874, at rental of 4% on the stock.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $25. Annual meeting, third Tuesday in May.

Dividends—4% per annum, payable Jan. and July 1, at office of Treasurer of Western Union Telegraph Co., who also acts as Transfer Agent.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; G. W. E. Atkins, V-P.; Andrew F. Burleigh, V-P. & Sec.; G. K. Huntington, Treas., New York.

Directors: Newcomb Carlton, G. W. E. Atkins, J. C. Willever, E. Y. Gallaher, G. M. Yorke, F. R. Stark, New York; F. R. Veale, Philadelphia.

Office, 195 Broadway, New York.

SOUTHERN & ATLANTIC TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated July 29, 1869, in N. Y. Has poles, wires, instruments, batteries, rights-of-way, etc., extending from Washington, D. C., through the Southern and Gulf States. Leased to the Western Union Telegraph Co. for 999 years from Oct. 1, 1876, annual rental being 5% per annum on stock.

CAPITAL STOCK

Authorized and outstanding, $949,050; par, $25. Annual meeting, first Thurs. in Dec.

Dividends—5% per annum, payable Apr. and Oct. 1, at the office of Treasurer of Western Union Telegraph Co., who also acts as Transfer Agent.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; G. W. E. Atkins, V-P.; J. C. Willever, V-P.; Andrew F. Burleigh, V-P. & Sec.; G. K. Huntington, Treas., New York.

Directors: G. W. E. Atkins, E. Y. Gallaher, Newcomb Carlton, J. C. Willever, Andrew F. Burleigh, G. K. Huntington, G. M. Yorke, W. C. Titley, F. R. Stark, New York.

Office, 195 Broadway, New York.

STOCK QUOTATION TELEGRAPH CO.

(Controlled by The Western Union Telegraph Co.)

History—Incorporated Nov. 18, 1882, in N. Y. Furnishes general and financial news by printing telegraph instruments.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $1,000,000; par, $100. The Western Union Telegraph Co. owns a majority of outstanding stock. Control was acquired in April, 1928. Annual meeting, second Wednesday in March.

Dividends—Dividends of 10% per annum are paid quarterly.

FUNDED DEBT

None.

Officers: H. M. Heffener, Pres.; G. W. E. Atkins, V-P.; J. J. Walsh, Treas.; Kenneth O'Brien, Sec.; E. Y. Gallaher, Aud.; G. S. Hiltz, Supt., New York.

Directors: J. C. Willever, G. W. E. Atkins, F. R. Stark, E. Y. Gallaher, W. H. Hurst, G. J. Hurst, M. J. O'Brien, Jr., John J. Walsh, New York.

General Offices, 3-5 Front and 24 Moore St., New York.

VERMONT & BOSTON TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated Nov. 11, 1848, in Vt. Leased to Western Union Telegraph Co.

CAPITAL STOCK

Authorized and outstanding, $130,400; par, $50. Annual meeting, fourth Friday in July, at White River Junction, Vt.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Alfred E. Johnson, Clerk; Andrew F. Burleigh, Asst. Clerk; G. K. Huntington, Treas., New York.

Directors: C. F. Ames, Boston; H. C. Bailey, Hartford, Vt.; G. W. E. Atkins, A. F. Burleigh, Newcomb Carlton, T. W. Carroll, G. K. Huntington, J. C. Willever, G. M. Yorke, New York.

New York Office, 195 Broadway.

WASHINGTON & NEW ORLEANS TELEGRAPH CO.

(Leased to The Western Union Telegraph Co.)

History—Incorporated March 20, 1847, in Va. Leased to Western Union Teleg. Co. at an annual rental of 6% on stock.

CAPITAL STOCK

Authorized and outstanding, $571,650; par, $50 Annual meeting, first Wed. in March.

Dividends—6% per annum, payable Jan. and July 1, at office of Treasurer of Western Union Telegraph Co (195 Broadway, New York), who also acts as Transfer Agent.

FUNDED DEBT

None.

Officers: Newcomb Carlton, Pres.; J. C. Willever, V-P.; Andrew F. Burleigh, V-P. & Sec.; G. K. Huntington, Treas., New York.

Directors: E. Y. Gallaher, J. C. Willever, G. W. E. Atkins, Newcomb Carlton, G. M. Yorke, Andrew F. Burleigh, G. K. Huntington, F. R. Stark, New York; W. G. Sale, Richmond, Va.

Office, 195 Broadway, New York.

HONOLULU GAS COMPANY, LTD.

History and Property—Incorporated Aug. 1, 1904 under laws of the T. of H. Supplies gas to City of Honolulu and vicinity. Plant situated at Iwilei, Honolulu, T. H.

Rates—$2.15 per 1,000 for first 2,000 cu. ft. decreasing to $1.30 per 1,000 for all over 250,100 cu. ft.; discount 25 cts. per 1,000 cu. ft. per month; minimum charge; gross $1.25; net, $1.00.

OPERATING STATISTICS, DECEMBER 31

	Number of Consumers	Gas Manufactured Cubic Feet	Gas Sold Cubic Feet
1923	9,230	342,708,300	270,906,900
1924	9,942	373,071,100	294,130,100
1925	10,824	403,842,400	319,914,700
1926	11,445	408,748,400	318,775,200
1927	12,168	442,060,700	343,334,000

CAPITAL STOCK

Outstanding, $800,000; par $20 (reduced from $100 par in August, 1919). The outstanding stock was increased from $600,000 in 1924. Annual meeting, in February.

Dividends—Dividends have been paid as follows: 6% in 1914; 7% in 1915; 7½% in 1916; 6½% in 1917; 7% in 1918; 7% in 1919; 8% in 1920; 8% in 1921; 10% each, 1922 to 1927 (including extras); regular dividend is 8% and is payable ½% first month, ½% second month and 1% the third month of each quarter. The extra dividend of 2% is paid in December.

FUNDED DEBT

$300,500 First Gold 5s; dated July 1, 1912; due July 1, 1942; interest Jan. and July 1, at Bank of Honolulu and American Trust Co., San Francisco. Coupon, $500 and $1,000, Trustees: Henry Waterhouse Trust Co., Ltd. and Edward I. Spalding. Subject to call as a whole or in part at 105 and interest on and after July 1, 1922; at 104 and interest on and after July 1, 1927; at 103 and interest on and after July 1, 1932; at 102 and interest on and after July 1, 1937. Authorized, $1,000,000; issued $420,500, of which $93,500 purchased and cancelled and $26,500 reacquired and held in treasury at Dec. 31, 1927. Sinking fund.

rom July 1, 1917, 2% per annum of the outstanding onds. A first lien on entire property, now owned or ereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$628,170	$585,609	$609,762
Oper. exp., taxes, etc.	470,791	466,202	456,109
Net earnings	$157,379	$119,407	$153,653
Fixed charges	17,061	17,604	18,142
Net income	$140,318	$101,803	$135,511
Income taxes	25,110	19,323	24,079
Sundry debit (net)	292	2,602	.....
Balance for dividends	$114,916	$79,878	$111,432
Dividends paid	76,500	75,000	75,000
Surplus for year	$38,416	$4,878	$36,432
Earnings Per Share	$2.87	$1.99	$2.97

*Includes other income of $7,047 in 1927, $5,564 in 1926, $4,354 in 1925.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed assets	$1,659,739	$1,528,375	$1,528,225
Less depreciation	560,645	495,733	465,839
Net book value	$1,099,094	$1,032,642	$1,062,386
Company's bonds in treas.	.....	.....	23,000
Cash on hand and in bank	7,949	1,489	2,465
Special deps. for divds. and bond int.	836	619	836
Henry Waterhouse Trust Co., Ltd., deposit account	74,764	51,093	65,827
Accts. receiv. on open acct.	81,316	76,128	66,172
Interest receivable	431	348	710
Special fund investment	76,519	63,647	26,450
Materials & supplies	73,383	74,269	68,802
Unamortized debt expense —bond expense	5,173	5,756	9,545
Property abandoned—cost less dep.	.....	.....	13,117
Salaries advanced	.....	.....	650
Prepayments	775	448	1,178
New business account	11,136	18,561	22,273
Total	$1,431,376	$1,325,000	$1,363,411
Liabilities—			
Capital stock	$800,000	$750,000	$750,000
Funded debt	300,500	310,500	345,000
Accts. payable on open acct.	21,047	15,349	20,877
Consumers' deposits	41,950	39,105	36,350
Bond int. and divds. unpaid	8,348	8,382	9,461
Accrued liabilities	43,042	33,901	39,710
Deferred credits	19,685	9,375	6,504
Reserves	.....	.....	2,000
Unappropriated surplus	196,804	158,388	153,510
Total	$1,431,376	$1,325,000	$1,363,411

Officers: W. R. Castle, Pres.; J. K. Clarke, V-P.; L. Castle, Sec.; A. N. Campbell, Treas.; F. Q. nnon, Gen. Mgr. & Pur. Agt.; E. S. Jones, Engr., nolulu T. H.

Directors: W. R. Castle, J. K. Clarke, A. L. Castle, N. Campbell, Edward Towse, Chas. S. Davis. Honlu, T. H.

Office, Honolulu, T. H.

WAVERLY, SAYRE & ATHENS TRACTION CO.

History—Incorporated Jan. 23, 1893, in Pa. Abbed the Susquehanna Valley Electric Traction Co. Dec., 1894. The Sayre Ry. Co. was consolidated th the Waverly, Sayre & Athens Traction Co., rch 6, 1916. Length of line, 9 miles; total track, miles. Gauge, standard. Rail, 60 and 75 lb. T. rs, 22.

CAPITAL STOCK

Authorized, $200,000; outstanding, $50,000; par, 00. Annual meeting, second Monday in January. dividends paid.

FUNDED DEBT

$150,000 (entire issue) First Gold 6s; dated Jan. 1, 5; due Jan. 1, 1925, but extended to Jan. 1, 1945, same rate of interest; int. payable Jan. and July 1, at Guaranty Trust Co. of New York, Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%.

$300,000 First Consolidated Gold 5s; dated Jan. 1, 1905; due Jan. 1, 1955; int. Jan. and July 1, at American Exchange Irving Trust Co., New York, Trustee. Coupon, $1,000. Authorized issue, $350,000. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$72,907	$77,234	$77,622
Oper. exp. taxes & deprec.	78,899	81,369	80,881
Loss from operation	$5,992	$4,135	$3,259
Interest charges, etc.	25,150	25,177	25,375
Deficit for year	$31,142	$29,312	$28,634

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$611,054	$610,801	$606,523
Materials and supplies	2,102	2,473	3,294
Cash	615	605	907
Other current assets (dr.)	.....	.....	347
Corporate deficit	206,531	175,388	146,077
Total	$820,302	$789,267	$756,454
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
Funded debt	450,000	450,000	450,000
Notes payable	22,409	23,200	21,138
Accounts payable	98,688	98,087	99,273
Interest accrued & matured	85,202	70,668	.....
Reserve for taxes	8,364	7,646	7,199
Accrued depreciation	103,979	88,709	73,545
Other current liabilities	1,660	957	55,299
Total	$820,302	$789,267	$756,454

Officers: G. T. Rogers, Pres., Binghamton, N. Y.; J. H. Murray, V-P.; W. E. Case, Sec.-Treas. & Supt., Waverly, N. Y.

Directors: G. T. Rogers, Binghamton, N. Y.; G. F. Carling, Sayre, Pa.; D. A. Keefe, Athens, Pa.; Benj. Kuykendall, Towanda, Pa.; J. H. Murray, F. L. Howard, W. E. Case, Waverly, N. Y.

Office, Sayre, Pa.

NATIONAL TELEPHONE & TELEGRAPH CORPORATION

History and Property—Incorporated Dec. 7, 1926, in Delaware, as British Columbia Telephone and Telegraph Company; name changed to present title in August, 1927. Owns 99.5% of the Ordinary (Common, Voting) stock of the **British Columbia Telephone Company.** This latter Company operates without competition 47 exchanges and over 100,000 telephones in the Province of British Columbia, including the metropolitan areas of the City of Vancouver and the capitol city of Victoria. Population served, approximately 750,000. The Company also owns and operates an extensive long-distance system, including three submarine cables from the mainland to Vancouver Island, a distance of more than 30 miles, connecting with the city of Victoria and other important points on the Island. The Company's system is connected with the long-distance lines of the Bell Telephone System in the United States, and thereby with the other sections of Canada. British Columbia Telephone Company operates under a charter from the Dominion of Canada giving it the right to operate in perpetuity telephone service throughout the Province of British Columbia. Rates: Business, $6.60; residence, $3.30.

CAPITAL STOCK

Authorized, 100,000 shares Common stock of no par value, $5,000,000 7% cumulative First Pfd. stock of $100 par, and 100,000 shares Class "A" cumulative Participating stock of no par value; outstanding, 100,000 shares Common, $2,500,000 7% Pfd., and 30,000 shares Class "A."

First Preferred Stock Provisions—Preferred both as to assets and cumulative dividends. Redeemable

on any dividend date upon 30 days' prior notice at $110 a share and accrued dividends. Dividends exempt from present Normal Federal Income Tax.

This stock is the senior security of the Corporation, having first call on the Corporation's net earnings available for dividends, and first call on the Corporation's assets in the event of either voluntary or involuntary liquidation of the Corporation. In the event of voluntary liquidation, holders of this Pfd. stock are entitled to $110 a share and any accumulated dividends before holders of any of the other stocks of the Corporation are entitled to any part of the assets of the Corporation. In the event of involuntary liquidation, holders are entitled to $100 a share and any accumulated dividends before the holders of any of the other stocks of the Corporation are entitled to any part of the assets of the Corporation. The amount of this stock that can be issued is restricted by the Corporation's charter to an amount not to exceed the aggregate issue price of all the other outstanding stocks of the Corporation subordinate to this Pfd. stock. The aggregate amount of this 7% cumulative First Pfd. stock outstanding at any time cannot, therefore, exceed one-half the total amount at issue price, of all the outstanding capital stock of the Corporation. This stock is entitled to one vote a share on the question of amending the charter of the Corporation so as to change the priority or preference of this stock, or to change the authorized amount of this stock, and to one vote a share in the event of and during default of payment of five quarterly dividends.

The State of Delaware does not assess an estate or inheritance tax upon stock held in a Delaware Corporation by either a resident or a non-resident of Delaware, therefore this stock is free of any inheritance tax by the State of Delaware.

Class "A" Stock Provisions—The Class "A" stock is entitled after payment of dividends on 7% First Pfd. stock to quarterly cumulative dividends at the rate of $3.50 per share a year (7% on $50 a share) before any dividends may be paid upon the Common stock. This stock is also entitled to additional participating dividends up to an additional $1 a share a year (9% total on $50 a share), participating with the Common stock of the Corporation as follows: If and when dividends are paid amounting to 70c a share on the Common stock (issue price $10 a share) additional dividends cannot be paid on the Common stock in the same calendar year until an additional 1% (50c a share) shall have been paid upon the Class "A" Participating stock, and when thereafter an additional 70c a share shall be paid upon the Common stock, no further dividends may be paid thereon in the same calendar year unless and until an additional 1% (50c a share) shall be paid upon this Class "A" Participating stock. This Class "A" Participating stock is redeemable on any interest date after 30 days' prior notice at the price of $60 a share, and accrued dividends, and in the event of liquidation, it is entitled to receive from the Corporation's assets $60 a share and accrued dividends if the liquidation be voluntary and $50 a share and accrued dividends if the liquidation be involuntary before any distribution be made to the Common stock. This stock is entitled to one vote a share on the question of amending the charter of the Corporation so as to change the priority or preference of this stock, or to change the authorized amount of this stock, and to one vote a share in the event of and during default of payment of five quarterly dividends.

Original Offering—$1,250,000 7% First Pfd. stock was publicly offered in Sept., 1927, at $100 per share and accrued dividends to yield 7%, by Theodore Gary & Co., Kansas City, Mo. and Telephone Bond and Share Co., Chicago. This offering was accompanied with stock Purchase Rights entitling the holder of one share of 7% First Pfd. stock to purchase one share of Class "A" Participating stock at $50 per share and accrued dividends.

Transfer Agent—Harris Trust & Savings Bank, Chicago, Ill.

Registrar—First Trust & Savings Bank, Chicago, Ill.

Annual Meeting—Second Monday in January.

Dividends—Payments on Pfd. stock and Class "A" stock are regularly made quarterly, F, M, A & N 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenues	$398,480
Expenses	51,191
Net earnings	$347,289
Fixed charges	148,763
Dividends paid and accrued	171,563
Surplus for year	$26,963

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Investment securities	$5,372,280
Cash	28,860
Accounts receivable	9,902
Unmatured dividends receivable	67,196
Prepaid interest	5,000
Total	$5,483,238
Liabilities—	
First Preferred stock	$2,500,000
Class "A" stock	1,500,000
Common stock	*800,000
Notes payable	300,000
Accounts payable	146,685
Dividends accrued	46,667
Surplus	189,886
Total	$5,483,238

*Representing 100,000 shares of no par value.

Officers: J. W. Perry, Pres.; J. G. Crane, V-P.; E. C. Blomeyer, V-P.; Sir Alexander Roger, V-P.; W. J. Kavanagh, Sec. & Treas.; V. E. Chaney, Asst. Sec. & Asst. Treas.

Directors: J. W. Perry, H. L. Gary, J. G. Crane, Morton Jones, W. H. Loomis, Jr., E. C. Blomeyer, A. F. Adams, C. A. Bennett, Kansas City, Mo.; H L. Harris, Chicago, Ill.; Thomas C. Woods, Lincoln, Neb.; Gordon Farrel, Vancouver, B. C.; Dr. H. R Wright, Eric Taylor, Sir Alexander Roger, D. Sinclair London, Eng.

General Office, 100 West Monroe St., Chicago, Ill **Kansas City (Mo.) Office,** Telephone Bldg.

BRITISH COLUMBIA TELEPHONE COMPANY

(Controlled by National Telephone & Telegraph Corp.)

History and Property—Incorporated March 17 1916, by Special Act of Canada, as the Western Canada Telephone Co., name changed Nov. 29, 1919. The undertaking and assets of the British Columbia Telephone Co., Ltd. (a provincial company, incorporated as the Vernon & Nelson Telephone Co.), were acquired in 1923. The Company owns the right in perpetuity to operate a telephone service throughou British Columbia and now operates a service in practically the whole of Southern British Columbia. Telephones in service, June 30, 1927, 97,305.

CAPITAL STOCK

Authorized and outstanding, $4,500,000 Ordinary and $5,500,000 6% Pfd. and Preference stocks; par o shares, $100. The National Telephone & Telegraph Corp. owns 99.5% of the Ordinary stock. The Preference shares are entitled to a cumulative dividend of 6% (payable J, A, J & O 1), and to priority for capital without further participation; they are redeemable at 110% on any dividend date on three months notice.

DEBENTURE STOCK

$2,085,853.38 4½% FIRST MORTGAGE DEBENTURE STOCK DUE MAY 1, 1960

Interest Payable May and November 1, at office o Brown, Shipley & Co., London, Eng., Registrars.

Provisions of Issue—Authorized, £1,000,000; outstanding, $2,085,853.38.

Callability—Subject to call at 105 on any interest date on six months' notice.

Sinking Fund—Provision is made for a cumulative sinking fund sufficient to redeem the stock at maturity, which will be either applied in purchasing stock under 105 or invested.

Security—The liability in respect of this stock was assumed in 1923 when the undertaking and assets of the British Columbia Telephone Co., Ltd. (by which the stock was issued) were acquired. Secured by trust deeds dated June 28, 1912, July 2, 1912, March 24, 1914, Dec. 1, 1915, Nov. 15, 1917 and Dec. 11, 1922 (to the Royal Exchange Assurance), as a specific charge on the freehold land and buildings formerly held by the British Columbia Telephone Co., Ltd., and a floating charge on all other property, undertaking and assets.

Listed—London Stock Exchange.

EARNINGS AND EXPENSES, YEARS ENDED MARCH 31

	1927	1926	1925
Gross income	$3,969,391	$3,727,693	$3,464,084
Operating expenses & taxes	2,420,871	2,293,747	2,126,374
Balance for reserves, interest, dividends & surplus	$1,575,520	$1,433,946	$1,337,710

General Office, Vancouver, B. C.

NATOMAS WATER CO.

History—Incorporated March 18, 1912, in Cal. Franchise expires in 1962. Supplies Folsom and Natoma, Sacramento, Co., Cal., with water; also water for irrigation and dredge mining. Population served, 5,000.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned by Natomas Company of Cal. Annual meeting, last Monday in March.

FUNDED DEBT

None.

Note Issue Authorized—In March, 1927, Company has granted authority by the California Railroad Commission to issue its promissory notes in the sum of $2,000, payable on or before four years from date, with interest not to exceed 6% per annum, for the purpose of refunding an outstanding note of like amount.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$34,079	$31,282	$31,773
Oper. expenses & taxes	18,779	18,231	19,544
Net earnings	$15,300	$13,051	$12,229
Other income	22	22	22
Total income	$15,322	$13,073	$12,251
Fixed charges	6,728	6,931	6,826
Net income	$8,594	$6,142	$5,425
Common dividends	8,594	6,142	5,425

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total fixed capital	$1,113,958	$1,113,958	$1,113,958
Cash and deposits	709	1,017	1,608
Accounts receivable	3,177	3,837	3,530
Total	$1,117,844	$1,118,812	$1,119,096
Liabilities—			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Accounts receivable	3,786	4,204	4,549
Notes payable	105,000	108,000	108,000
Other current liabilities	.....	.....	1,122
Casualty & ins. reserves	464	464	.....
Profit and loss—surplus	8,594	6,143	5,425
Total	$1,117,844	$1,118,812	$1,119,096

Officers: Louis Sloss, Pres.; Louis C. Greene, V-P.; F. C. Knapp, Sec. & Treas.; H. S. Wilson, Asst. Sec.; Emery Oliver, Gen. Mgr.; L. S. Jones, Pur. Agt., San Francisco, Cal.; R. G. Smith, Supt., Folsom, Cal.

Directors: Louis Sloss, John D. McKee, Louis C. Greene, Frank W. Griffin, P. C. Knapp, San Francisco, Cal.

General Office, 310 Sansome St., San Francisco, Cal.

SHAMOKIN & MT. CARMEL TRANSIT COMPANY

History—Incorporated in July, 1906, in Pa.; consolidation of the Shamokin & Mt. Carmel Electric Ry. Co. and the Ashland & Centralia Electric Ry. Co. Owns and operates 20.25 miles of track from Shamokin to Mt. Carmel, Centralia and Ashland, Pa. Motor cars, 55; work cars, 6; snow plow, 1; snow sweeper, 1. Non-motor: Closed car, 1; work car, 1.

CAPITAL STOCK

Authorized, $530,000 Common and $280,000 6% non-cumulative Pfd.; outstanding, $529,750 Common and $261,850 Pfd.; par, $50. Annual meeting, third Monday in January.

Dividends—Dividends on Pfd. regularly paid at 6% up to 1925, when but 4½% was paid; 1926, 7½%; 1927, 6%. Dividends on Common in years ended June 30: 1913-14, 6%; 1914-15, 3%; 1915-16, 4½%; and in calendar years: 1917, 4%; 1918, 5%; 1919 and 1920, 4% each; 1921, 6%; 1922, 4½%; 1923, 6%; 1924, 4½%; 1925, 4%; 1926, 1%; 1927, 1%. Payments on both classes of stock are paid M, J, S & D 1.

FUNDED DEBT

$415,000 First 5s; dated June 1, 1906; due June 1, 1936; int. June and Dec. 1, at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee. Coupon, $500 and $1,000. Authorized issue, $600,000. Bonds cannot be called. No sinking fund. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross receipts	$240,403	$257,100	$246,781
Oper. exp. & taxes	187,833	206,860	205,883
Net earnings	$52,570	$50,240	$40,898
Interest charges, etc.	21,645	20,750	21,358
Net income	$30,925	$29,490	$19,540
Dividends paid	21,009	24,936	32,973
Surplus for year	$9,916	$4,554	*$13,433

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,376,219	$1,376,219	$1,376,219
Cash	968	.....	1,499
Dividends	.....	24,936	.....
Profit and loss	208,864	102,026	131,516
Total	$1,586,051	$1,503,182	$1,509,234
Liabilities—			
Common stock	$529,750	$529,750	$529,750
Preferred stock	261,850	261,850	261,850
Funded debt	415,000	415,000	415,000
Notes payable	.....	5,029	15,000
Interest accrued	29	.....	.....
Reserve for taxes	2,977	.....	.....
Cash (overdraft)	.....	3,919	.....
Depreciation reserve	356,445	287,634	287,634
Total	$1,586,051	$1,503,182	$1,509,234

Officers: William Kiefer, Pres. & Gen. Mgr.; F. W. Magrady, V-P., Mt. Carmel, Pa.; J. D. McConnell, Sec. & Aud., Ashland, Pa.; Fred Kiefer, Treas.; J. Edgar Reed, Supt. Transportation; Claude E. Womer, Supt. Motive Power, Mt. Carmel, Pa.

Directors: William Kiefer, B. H. Wilson, F. W. Magrady, Thos. J. Kiefer, C. E. Womer, J. Edgar Reed, Fred Kiefer, Mt. Carmel, Pa.; J. D. McConnell, Ashland, Pa.

Office, Mt. Carmel, Pa.

JAMAICA CENTRAL RAILWAYS, INC.

History and Property—Incorporated in March, 1926, in New York. The franchises and other property of the Long Island Electric Railway Company were sold at auction on Feb. 26, 1926, by direction of the Supreme Court of the State of New York as a result of foreclosure proceedings brought by the Chase National

Bank, Trustee under the First Mortgage. The property was purchased for $115,000 by the American Community Corporation, which in turn transferred the property and franchises to a new company, the Jamaica Central Railways, Inc. The Receiver for the Long Island Electric Railway Company operated the property until April 5, 1926, when the Jamaica Central Railways, Inc. commenced operation. Owns and operates electric lines from Liberty Ave. and 100th St., Ozone Park, to Belmont Park, and from Jamaica to Far Rockaway. Length of line, 15.14 miles; total track, 24.59 miles. Passenger cars operated, 38.

CAPITAL STOCK

Authorized and outstanding, 2,000 shares of no par value. No dividends paid.

FUNDED DEBT

$140,000 6% Bond; due April 5, 1931. Secured by a mortgage on the railroad property, to the Realty Associates. The proceeds of this issue were used for the following purposes: Acquisition of railroad property, $115,000; acquisition of 6 open bench cars, $7,500; and provision for working capital, $17,500.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926
Gross earnings	$612,124	$434,062
Operating expenses	466,195	354,434
Depreciation	43,300	24,131
Taxes	27,063	15,752
Net earnings	$75,566	$39,745
Other income	4,765	1,334
Total income	$80,331	$41,079
Bond interest	8,400	6,183
Other interest	439	757
Rentals	9,686	8,474
Total charges	$18,525	$15,414
Net income	$61,806	$25,665

*Nine months only.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Cost of road	$26,197	$21,870
Cost of equipment	188,052	152,616
Other investments	140,000	35,000
Materials & supplies	22,571	17,289
Cash	26,197	27,641
Accounts receivable	1,592	3,913
Interest receivable	2,414	.....
Deferred debit items	699	5,144
Organization exps., less amort.	22,163	26,119
Total	$429,886	$289,592
Liabilities—		
Capital stock	$20,000	$20,000
Funded debt	140,000	140,000
Notes payable	1,258	11,875
Accounts payable	21,782	16,932
Interest accrued	2,156	2,100
Salaries & wages accrued	4,281	3,577
Reserve for taxes	15,838	9,666
Deferred credit items	2,035	1,348
Reserve for depreciation	67,431	24,131
Casualties & insurance reserve	54,729	21,454
Reserve for paving	22,902	12,844
Profit and loss surplus	87,472	25,665
Total	$429,886	$289,592

Officers: H. Pushae Williams, Pres., Long Island City, N. Y.; R. M. Catharine, V-P., Jamaica, N. Y.; Harry L. Dayton, Sec., Long Island City, N. Y.; P. A. Rowley, Treas.; New York; John Browne, Aud.; W. E. Ross, Gen. Mgr. & Pur. Agt., Jamaica, N. Y.

Directors: H. Pushae Williams, Harry L. Dayton, Joseph F. Fay, Jr., Gordon S. Braislin, Alexander Johnston, Eugene J. Noyes, Long Island City, N. Y.; P. A. Rowley, New York; R. M. Catharine, L. E. Rowley, Jamaica, N. Y.

General Office, 107-16 New York Avenue, Jamaica, N. Y.

OREGON ELECTRIC RAILWAY COMPANY

(Controlled by Spokane, Portland & Seattle Ry. Co.)

History and Property—Incorporated May 15, 1906 in Ore. Exclusively an interurban road; located principally on private right of way. Has contract for power (extending to 1938, with privilege of renewal for 25 years) with Portland Electric Power Co. In operation, June 30, 1914; Portland to Salem, 50.99 miles; Salem to Eugene, 71.34 miles; Garden Home to Forest Grove, 19.45 miles; West Woodburn to Woodburn, 2.31 miles; Gray to Corvallis, 5.20 miles; Orenco to Bowers Junction, 5.05 miles; trackage rights in Portland (United Rys. Co.), 1.70 miles—total operated, 156.04 miles. Gauge, standard. Equipment: Locomotives, 10. Cars (closed) passenger, 43; combination, 23; freight, 33; express, 11; work, 4; miscellaneous, 25; cabooses, 7—total, 146.

CAPITAL STOCK

Authorized, $5,000,000 Common, $5,000,000 6% cumulative Pfd. and $400,000 Deferred; outstanding $1,950,000 Common, $200,000 Pfd. and $380,000 Deferred; par, $100. Stock control held by Spokane, Portland & Seattle Ry. Co.

Annual Meeting—Third Thursday in February, at Portland, Oregon.

Dividends—6% paid on Pfd., 1911 to 1914; none since.

FUNDED DEBT

$2,000,000 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1933

Dated May 1, 1908.

Interest Payable May and November 1, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $10,000,000, of which $8,000,000 reserved for permanent extensions and improvements at 80% of cost.

Security—A first lien on entire property and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($2,000,000) in Oct., 1909, at 96½ and interest, by N. W. Harris & Co., New York and Perry, Coffin & Burr, Boston.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	68½	65	64	62½	50	39	50	30
Low	bid	bid	bid	bid	bid	bid	bid	bid

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$883,362	$956,981	$1,027,990	$1,056,259	$1,089,696	$1,139,285
Operating expenses and taxes	1,209,419	1,228,804	1,252,104	1,288,879	1,273,988	1,279,810
Loss from operation	$326,057	$271,823	$224,114	$232,620	$184,292	$140,525
Other income	7,208	8,611	9,955	8,850	8,199	8,725
Total income	*$318,849	*$263,212	*$214,159	*$223,770	*$176,093	*$131,800
Interest	655,026	636,805	611,638	592,760	572,235	572,182
Miscellaneous	11,739	9,319	9,658	7,286	6,186	
Total deductions	$666,765	$646,124	$621,296	$600,046	$578,421	$572,182
Deficit for year	$985,614	$909,336	$835,455	$823,816	$754,514	$703,982

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of road	$13,227,149	$13,207,365	$12,070,779	$12,012,808	$11,622,740	$12,019,620
Cost of equipment			1,210,133	1,250,972	1,667,745	1,291,314
Other investments	101,088	101,088	19,638	18,023	19,695	*
Materials and supplies	81,073	80,215	82,069	56,413	82,099	74,554
Cash	66,717	128,116	151,436	183,914	160,032	188,742
Other current assets	18,120	40,419	52,921	38,227	30,831	41,554
Unadjusted debits	140,433	138,675	137,334	189,767	153,172	147,803
Profit and loss deficit	7,945,870	6,954,989	6,046,328	5,205,557	4,367,521	3,600,496
Total	$21,580,450	$20,650,867	$19,770,638	$18,955,680	$18,103,835	$17,364,084
Liabilities—						
Common stock	$1,950,000	$1,950,000	$1,950,000	$1,950,000	$1,950,000	$1,950,000
Preferred stock	200,000	200,000	200,000	200,000	200,000	200,000
Deferred stock	380,000	380,000	380,000	380,000	380,000	380,000
Funded debt	2,003,229	2,003,729	2,004,232	2,004,605	2,000,000	2,000,000
Loans and notes payable	7,537,712		7,537,712	7,537,712	7,537,712	7,840,287
Accounts payable	2,024,288	15,117,494	1,358,178	313,553	899,962	357,861
Interest accrued	6,486,165		5,394,978	5,808,741	4,407,835	3,936,020
Other current liabilities	152,742	188,896	168,728	.....	.....	405
Unadjusted credits	834,558	798,269	765,772	751,761	717,562	691,569
Deferred credit items	.....	.....	.....	.....	2,800	1,200
Appropriated surplus	11,756	12,479	11,038	9,308	7,964	6,742
Total	$21,580,450	$20,650,867	$19,770,638	$18,955,680	$18,103,835	$17,364,084

*Included in cost of road.

Officers: W. F. Turner, Pres.; Robt. Crosbie, Compt. & Sec.; J. E. Mang, Treas.; A. J. Davidson, Gen. Mgr.; G. E. Votaw, Supt.; E. Edwards, Pur. Agt., Portland, Ore.

Directors: W. F. Turner, Edward Cookingham, Russell Hawkins, John H. Burgard, Chas. A. Hart, Phil Metschan, W. L. Thompson, Portland, Ore.
Office, Chamber of Commerce Bldg., Portland, Ore.

SOUTHERN CALIFORNIA EDISON COMPANY

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	—Dividends Paid— Per Cent	Amount	†Earnings per Share
Cum. & Partic. Original Pfd. (par, $25)	J, A, J & O 15	$4,000,000	$4,000,000	$11,059,693	8	$320,000	$69.12
7% Pfd. Series "A" (par, $25)	M, J, S & D 15	30,000,000	25,562,500		7	1,787,052	
7% Pfd. Series "B" (par, $25)	M, J, S & D 15	50,000,000	47,660,650	10,739,693			
6½% Pfd. Series "C" (par, $25)	.....	20,000,000	10,718,175		6	2,546,636	3.20
5½% Pfd. Series "D" (par, $25)	.....	21,000,000	None	.....	5½	106,861	
Common (par, $25)	F, M, A & N 15	125,000,000	*49,235,172	6,299,144	8	3,944,294	3.20

NOTE—There is also $2,080,025 Common and $4,342,450 Pfd. Series "A," "B" and "C" subscribed.

*Not including $10,836,628 Common stock controlled through ownership of stock of the Pacific Light & Power Corporation. †Original Pfd. participates equally with Pfd. stock in dividends paid in excess of 5% and with Common stock in dividends above 7%.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Ventone Power Co. First Gold 5s	Dec. 1, 1931	J & D 1	$300,000	$37,000	No	...	Not pd. by Co.
Mt. Whitney Power & Electric Co. First Sinking Fund Gold 6s	Oct. 1, 1939	A & O 1	5,000,000	3,196,000	No	Yes	Paid by Co.
Pacific Light & Power Co. First Mtge. Sinking Fund Gold 5s	July 1, 1942	J & J 1	10,000,000	5,759,000	No	No	Paid by Co.
Santa Barbara Gas & Electric Co. First Serial & Sinking Fund Gold 5s, serially to	July 1, 1941	J & J 1	3,500,000	690,700	No	Yes	Paid by Co.
Pacific Light & Power Corp. First & Refunding Gold 5s	Sept. 1, 1951	M & S 1	35,000,000	5,721,000	No	Yes	Paid by Co.
Southern California Edison Co. General Mortgage Gold 5s	Nov. 1, 1939	J & J 1	30,000,000	13,360,000	No	Yes	Paid by Co.
Southern California Edison Co. Gen. & Ref. Gold Bonds "Series of 1919"— 5% Bonds, 5½% Bonds	Feb. 1, 1944	F & A 1	136,000,000	10,000,000 / 10,225,000	No	Yes	Paid by Co.
Southern California Edison Co. 7% Gold Debentures	Jan. 15, 1928	J & J 15	8,000,000	974,000	No	Yes	Paid by Co
Southern California Edison Co. Refunding Mtge. Bonds— Series of 5s, due 1951	July 1 1951	M & S 1	250,000,000	55,000,000	No	Yes	Paid by Co
Series of 5s, due 1952	Sept. 1, 1952	J & J 1		30,000,000			

Total Funded Debt, at Dec. 31, 1927, $134,971,700. **Interest and Amortization Accrued** in 1927, $5,824,907.
Amount Available for Interest and Amortization in 1927, $20,615,686. **Times Interest and Amortization Earned** in 1927, 3.54.
*Before depreciation. †Includes $9,000 of old issues, funds for the retirement of which have been deposited with Trustees.

History—Incorporated July 1, 1909, in California as successor to The Edison Electric Company, Los Angeles; incorporated originally in 1896 as a California corporation, and in 1902 as a Wyoming corporation. On May 26, 1917, the company purchased the physical properties of the Pacific Light & Power Corp. (see Manual for 1917, page 916, or apply to our Information Department) together with the controlling interests in other smaller companies. Controls through stock ownership the San Joaquin & Eastern R. R. Co.

SOUTHERN CALIFORNIA EDISON CO.
E. H. Rollins & Sons
Founded 1876
Boston New York Philadelphia Chicago
Denver San Francisco Los Angeles London

and Santa Barbara & Suburban Ry. Co. (see statements appended). In December, 1917, purchased the physical properties of Ventura County Power Co. (see Manual for 1917, page 646). The properties of the Pacific Light & Power Corp. were acquired subject to its outstanding funded debt. The Southern California Edison Co. acquired all of the stock of the Pacific Light & Power Corp., except: $382,500 First Pfd., $314,800 Second Pfd. and $91,000 Common. Also owns all the capital stock of **The Shaver Lake Lumber Co.** ($400,500); Edison Securities Co. ($500); Santa Barbara & Suburban Ry. Co. ($500,000), and San Joaquin & Eastern RR. Co. ($1,000,000). The latter company owns all the $25,000 capital stock of Huntington Lake Hotel Co.

In June, 1920, took over as part of the Edison system the properties of Mount Whitney Power & Electric Co., which had theretofore been operated as a subsidiary. In connection with the taking over of these properties, the Southern California Edison Co. assumed the payment of the Mt. Whitney outstanding First Sinking Fund Gold 6s, due Oct. 1, 1939. The Mt. Whitney Power & Electric Co. therefore, while its corporate existence is still maintained, is an inactive company, owning no property and having no earnings, its corporate existence being maintained only to facilitate the release of property from the Mt. Whitney mortgage when the Mt. Whitney bond issues have been paid. On Nov. 1, 1921, the company took over all the assets and assumed all the liabilities of the Santa Barbara Electric Co., which had been operated as a subsidiary prior to that time. (see 1921 Public Utility Manual, page 1273, or apply to our Information Department.) In the early part of 1919 the Company sold its Santa Barbara and Ventura gas properties to the Southern Counties Gas Co., and the proceeds were used in the purchase of Santa Barbara Gas & Electric Co. bonds, and to pay for additions to property.

Franchises—The franchise rights of the company, in municipal corporations, are unlimited as to time on streets occupied on Oct. 10, 1911, and are conferred by Section 19, Article XI, of the California Constitution, as it existed prior to its amendment, Oct. 10, 1911.

As to rights-of-way for transmission lines not upon public highways, the Company either has perpetual easements or owns the property in fee. As to substantially all lines on public highways outside the limits of municipal corporations, the Company holds satisfactory franchises which expire between 1930 and 1976.

During 1914 the United States Supreme Court rendered a decision, with reference to the rights of holders of constitutional franchises, under which this company secures in perpetuity a blanket franchise in all the incorporated cities in which it was operating prior to Oct. 10, 1911.

Territory Served—The Southern California Edison Co. and its controlled companies operate electric properties throughout Southern California and in the San Joaquin Valley. This territory, with a population of over 2,900,000, includes ten counties with a combined area greater than that of New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey and Delaware.

The Company serves 360 cities and towns with electricity for power, light and heat, either directly or at wholesale, the most important being Los Angeles, Pasadena, Riverside, Santa Ana, San Bernardino, Santa Barbara, Long Beach, Santa Monica, Redlands, Oxnard, Ventura, and in the San Joaquin Valley the cities of Visalia, Tulare and Porterville. Los Angeles, the principal city served, is one of the largest and most important cities on the Pacific Coast, with a present population of over 1,325,000.

Property—Capacity of the Company's generating plants totals 816,100 h.p., of which 465,700 h.p. is located in 20 water power plants and 350,400 h.p. in 4 steam plants. These several plants are interconnected by high voltage transmission lines into one unified system, susceptible of maximum flexibility and economy in operation. There are 2,200 miles of transmission lines and 10,800 miles of distribution lines.

Big Creek-San Joaquin River Development—During 1927 the sum of $9,829,307 was expended on the development work on this project. It further included scheduled work on the Shaver Lake project consisting of the completion of the following:

1. Mono and Bear Creek (tributaries of the South Fork of San Joaquin River) diversion into Florence Lake Tunnel.
2. Huntington Lake-Shaver Lake Tunnel and Conduit.
3. Shaver Lake Reservoir.
4. Construction work on Big Creek No. 2-A.

All of this construction is scheduled for completion in time for the 1928 spring runoff. The diversion of water from Mono Creek and Bear Creek will make approximately 50% more water available for storage and ultimate use through the chain of power plants below Huntington Lake and Shaver Lake reservoirs. Shaver Lake dam, 183 feet in height, 2,222 feet at crest and 123 feet in width at base, containing 285,000 cubic yards of concrete, has been completed, and increased the storage capacity of Shaver Lake to 135,190 acre feet compared with 88,834 acre feet at Huntington Lake reservoir and 64,406 acre feet at Florence Lake reservoir. Water from Shaver Lake will be utilized in Power Houses Nos. 2-A, 8 and 3. Power House No. 2-A, the fifth Big Creek power house, is a new plant located adjacent to Power House No. 2 and will be ready for operation about July 1, 1928 with a total rated capacity of 107,200 horsepower in two generating units. These units operating under a total head of 2,419 feet will be the largest impulse hydraulic units in the world. The addition of this plant to the system will give the Company 572,900 h.p. of water power capacity.

Long Beach Steam Plant Development—The installation of the third steam turbine generator of 80,000 h.p. in Long Beach Plant No. 2, was completed on schedule and put into operation in July, 1926. Work on the new plant designated Long Beach Plant No. 3 is well advanced and the first unit of 125,000 h. p. will be ready for operation about July 1, 1928. The total operating capacity of the Long Beach development is now 288,000 h.p. The output has averaged 358.04 k.w.h. per barrel of fuel oil or gas equivalent as compared with 240 k.w.h. per barrel of fuel in the original Long Beach Steam Plant No. 1, installed only a few years ago and now operating as standby.

The Company has initiated a comprehensive steam power development project adjacent to its present Long Beach development. It is planned to install eight turbine units in this plant, from time to time as the territory grows, with an ultimate capacity in excess of 1,000,000 h.p. at a cost including transmission to load centers of $100,000,000. This new plant is designed to burn as fuel either oil, natural gas or eventually coal. An extensive land site has been acquired together with requisite rights of way, and the first step of this development is in progress. It will consist of the installation of two units of 125,000 h.p. each to be housed in a structure 184 feet long, 240 feet wide and 105 feet high, at an estimated cost of $15,000,000. The first unit is expected to be in operation by midsummer of 1928 and the second possibly the following year, contingent upon load requirements. The main generators of the units now on order are individually the largest in the world both in capacity and physical dimensions. Turbines operate under steam pressure of 400 pounds and steam temperature of 725° fahrenheit. Three complete boilers and furnaces are to be installed for the first unit. Each boiler will have a heating surface of 34,000 square feet, the boiler and furnace together standing 69 feet high, 34 feet wide and 26 feet deep.



SYSTEM MAP SHOWING PRINCIPAL POWER LINES OF SOUTHERN CALIFORNIA EDISON COMPANY LOS ANGELES, CALIFORNIA

STATISTICS

6,690 employees December 31, 1927; over 95% of permanent employees are stockholders.

$14,492,859 wages paid in 1927.

114,150 stockholders December 31, 1927, 90% of whom live in the territory served.

55,000 square miles of territory served in ten counties, including 360 cities and towns in Central and Southern California, with a population of approximately 2,900,000. This territory is equal to the combined area of the States of New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New Jersey and Delaware.

279,468 consumers supplied directly with electric light and power and 300,000 indirectly through wholesale delivery to several municipalities.

816,100 Horsepower present generating capacity in 24 hydro electric and steam generating plants. 1,877,204,517 Kilowatt hours sold in 1927 with a maximum simultaneous demand of 601,743 Horsepower.

1,668,715 Horsepower connected load December 31, 1927, of which 233,044 Horsepower is for agricultural purposes, 906,083 Horsepower for railway and industrial uses, 132,301 Horsepower for electric cooking and heating, 397,287 Horsepower for lighting.

POOR'S PUBLISHING COMPANY, N.Y.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Number of meters and connected business:	1927	1926	1925	1924	1923	*1922
Electric meters	379,468	355,165	327,070	294,557	247,953	196,154
Incandescent lamps—50 watt equivalent	5,927,528	5,396,873	4,756,508	4,097,054	3,253,420	2,574,304
Total connected load (h.p.)	1,668,715	1,450,298	1,237,598	1,003,485	899,950	706,308
Water consumers	.....	.....	76	76	†74	1,724
Output—						
Water power plants (k.w.h.)	2,168,339,108	1,661,000,296	1,605,469,778	730,382,885	1,136,354,963	1,058,703,776
Steam plants (k.w.h.)	241,530,190	559,502,576	386,112,133	735,652,784	327,900,784	72,718,357
Purchased power (k.w.h.)	11,487,800	7,376,900	7,275,016	221,852,537	84,640,373	67,504,236
Total	2,421,357,098	2,227,879,772	1,998,856,927	1,687,888,206	1,548,896,120	1,198,926,369
Sales to metered consumers	1,877,204,517	1,764,634,608	1,558,260,579	1,353,933,547	1,180,142,192	901,874,091

*Note—Decreases in 1922 as compared with 1921 due to change in method of computing connected load in the City of Los Angeles on account of the sale of the Los Angeles distributing system to the city. The figures for 1922 are on wholesale basis. †Decrease in number of water meters due to sale to City of Ventura of the greater part of the water system located in that territory. Balance of system sold to Mound Water Co. in 1926.

CAPITAL STOCK

Authorized $250,000,000, consisting of $100,000,000 common, $4,000,000 cumulative and Participating Original Pfd., $30,000,000 Pfd., Series "A" 7%, $50,000,000 Pfd., Series "B" 6%, $45,000,000 Pfd., Series "C" 5½%, and $21,000,000 Pfd., Series "D" 5%; outstanding, Dec. 31, 1927, $60,071,800 (including $10,836,428 controlled through stock ownership) Common, $4,000,000 Original Pfd., $25,562,000 Pfd., Series "A" 7%; $47,660,650 Pfd., Series "B" 6%; $10,718,175 Pfd., Series "C" 5½%; par, $25 (changed from $100 March 9, 1926). In addition, $2,080,025 Common, $17,000 Pfd., Series "A," $2,112,225 Pfd., Series "B," and $2,213,225 Pfd., Series "C" subscribed. None of the Series "D" Pfd. stock had been issued to Dec. 31, 1927. The authorized capital stock was increased from $100,000,000 to $250,000,000 at the meeting of stockholders on Sept. 7, 1923.

Capital Stock Reclassified—Stockholders at annual meeting held March 19, 1926, voted to amend the company's articles of incorporation so as to change the par value of all classes of stock from $100 per share to $25 per share and to reclassify the authorized capital stock as follows:

	*New Classification	†Old classification
Original Pfd.	$4,000,000	$4,000,000
Pfd., Series "A," 7%	30,000,000	60,000,000
Pfd., Series "B," 6%	50,000,000	40,000,000
Pfd., Series "C," 5½%	20,000,000	.....
Pfd., Series "C," 5%	.....	21,000,000
Pfd., Series "D," 5%	21,000,000	.....
Common	125,000,000	125,000,000
Total	$250,000,000	$250,000,000

*Shares of $25 par value. †Shares of $100 par value.

Capital Stock Changes—Stockholders at annual meeting held March 16, 1928, voted to reduce the authorized amount of Common stock from $125,000,000 to $100,000,000 and increase the authorized amount of Series "C" 5½% Pfd. from $20,000,000 to $45,000,000. The stockholders also authorized the issuance of $5,000,000 additional Common which was offered to holders of Original Pfd. and Common as stated below.

Subscription Privileges—Preferred and Common stockholders of record July 31, 1923, were given the right to subscribe on or before Aug. 15, 1923, at par ($100) to 50,000 shares of Pfd. 7%, in the ratio of one new share for each ten shares held. Pfd. and Common stockholders of record April 25, 1924, were given the privilege of subscribing to 100,000 shares 6% Pfd. Stock Series "B" at $90 per share.

Preferred and Common stockholders of record Dec. 15, 1924 were given the right to subscribe for as many shares of the 100,000 shares 7% cum. Pfd. Series "A" authorized by the California Railroad Commission in December, 1924, as they desired, subject to the right of the corporation to issue to each stockholder his pro rata share. Price fixed was $102 a share payable in full or $103 a share in installments as follows: $35 a share with subscription, $34 a share on or before three months and $34 a share on or before six months from date of subscription. Any stock not subscribed for by stockholders prior to Jan. 15, 1925 was to be publicly offered.

Preferred and Common stockholders of record May 15, 1925, were given the right to subscribe for Pfd. 6%, at $92 per share in the ratio of one new share for each eight shares held.

Preferred and Common stockholders of record Dec. 15, 1925, were given the right until Jan. 15, 1926, to subscribe to 100,000 shares, Series "B," 6% Pfd. stock at $96 per share in the ratio of one new share for each ten shares held. No fractional shares were issued, but any stockholders entitled to a fractional share could subscribe to a full share for each such fractional share.

Preferred and Common stockholders of record Oct. 20, 1926, had the right until Nov. 30, 1926, to subscribe to 400,000 shares of 6% Pfd. stock, Series "B," par $25, at a price of $24.25 per share on the basis of one share of Pfd. "B" stock for each 12 shares held. No fractional shares were issued and to purchase one share, a stockholder was required to have one full right.

Holders of Original Pfd. and Common stock (but not other classes) of record April 9, 1927, were offered the right to subscribe for 170,732 shares of Common stock at par, $25 per share, on the basis of one additional share for every twelve shares of Common and/or Original Pfd. stock held. Subscriptions were payable in full between April 25, 1927, and June 1, 1927, inclusive.

Holders of Original Pfd. and Common stock of record March 30, 1928, were given the right to subscribe for 219,314 shares of Common stock in the ratio of one new share for each 10 shares held, at par, $25 per share. Subscriptions were payable in full between April 21, 1928, and May 15, 1928.

Stock Sales Authorized—In March, 1928, the California Railroad Commission authorized Company to issue and sell on or before Dec. 31, 1928, at not less than $25 per share, $5,482,850 Common stock, the proceeds to be used to finance additions and betterments. The stock was offered to Original Pfd. and Common stockholders under the terms given in the preceding paragraph. Authority for Company to issue and sell Pfd. stock to amount of $10,000,000 was granted by the Commission April 3, 1928.

Preferred Stock Provisions—Original Pfd. has preference as to dividends (cumulative) at the rate of 5% per annum over the Pfd. and Common stocks. The four issues of Pfd. stock rank equally and have a preference over the Common as to dividends (cumulative) at the rate of 7% for the Pfd. Series "A", 6% for the Pfd. Series "B," 5½% for the Pfd. Series "C" and 5% for the Pfd. Series "D," and are subject to redemption as a whole or in part at $28.75 per share and accrued dividends. The Original Pfd. stock participates ratably in dividends paid on Pfd. stock in excess of 5%. It also participates ratably with the Common stock in all dividends paid on the latter in excess of 7% and is now receiving 8%. Original Pfd. and Pfd. stocks in their respective order have preference for assets up to the par value and cumulative dividends over the Common stock, the Original Pfd. sharing ratably with the Common in any remaining assets in excess of the par value of Common stock outstanding. All stocks have equal voting power.

Transfer Agents (All Classes)—Bankers Trust Co., New York. Stock also transferred at Company's office, Los Angeles, Cal.

Registrars (All Classes)—United States Mortgage & Trust Co., New York, and Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Original Offering (Preferred Stock Series "B")—First publicly offered ($10,000,000) in May, 1924, by E. H. Rollins & Sons, New York, etc. at $90 a share and dividends to yield 6.67%.

Annual Meeting—Third Friday in March.

Listed—Common stock only is listed on New York Stock Exchange. All classes of stock are listed on Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Original Pfd.—							
*High	..	125	142	120	123	121	106
*Low	..	125	117	112	110	108½	91¼
†High	47	35	..	..	..	..	..
†Low	35	32½	..	..	..	..	..
Common—							
*High	..	142	149¾	104⅜	106	109	98
*Low	..	114½	102	95	101	95½	86
†High	46½	35⅛	..	..	..	..	..
†Low	31½	28¾	..	..	..	..	..
Pfd. (7%)—							
*High	..	112	112½	107	105	..	..
*Low	..	109¾	104¾	102½	101	..	..
†High	29½	28½	..	..	..	..	..
†Low	27½	27¼	..	..	..	..	..
Pfd. (6%)—							
*High	..	99⅛	99	91	..	..	..
*Low	..	97	88½	87	..	..	..
†High	30	25⅜	..	..	..	..	..
†Low	24½	24¼	..	..	..	..	..
Pfd. (5½%)—							
†High	24¼	..	..	..	..	..	..
†Low	23¾	..	..	..	..	..	..

*Par $100. †Par $25.

Dividends are declared on Original Pfd., M, J, S & D 20; on Pfd. (Series "A" 7% and Series "B" 6%), F, M, A & N 20; on 5½% Series "C," M, J, S & D 20; and on Common J, A, J & O 20; dividends are paid on Original Pfd., quarterly, J, A, J & O 15; on Pfd. (6% and 7%) quarterly, M, J, S & D 15; on Pfd. (5½% Series "C"), J, A, J & O 15; on Common, quarterly, F, M, A & N 15. All dividends are payable to stockholders of record on the 20th day of the month preceding dividend payment. Dividends have been paid as follows:

	Common	Original Pfd.	7% Pfd. Series A	6% Pfd. Series B	5½% Pfd. Series C
1909	....	5%	....	....	....
1910	*5%	5%	....	....	....
1911	5%	5%	....	....	....
1912	5%	5%	....	....	....
1913	*5%	5%	....	....	....
1914	‖6%	‖6%	....	....	....
1915	6%	6%	....	....	....
1916	†6¼%	†6¼%	....	....	....
1917	7%	7%	....	....	....
1918	7%	7%	....	....	....
1919	7%	7%	....	....	....
1920	7%	7%	....	....	....
1921	‡8%	‡8%	....	....	....
1922	8%	8%	¶2 1/3%	....	....
1923	8%	8%	7%	....	....
1924	8%	8%	7%	§3.557%	....
1925	8%	8%	7%	6%	....
1926	8%	8%	7%	6%	....
1927	8%	8%	7%	6%	**1.16%

*Initial cash dividend on Common stock paid May, 1910. In Nov. 1913, back dividends from Sept. 1, 1909 to Feb. 1, 1910, amounting to $150,000 was paid in the form of 5% interest bearing scrip, placing Common stock on the same footing as First Pfd. stock . †Dividends on Original Pfd. and Common stocks increased from 6% to 7% in Oct. and Nov. respectively. ‡Dividends on Original Pfd. and Common stocks increased to 8% in April and Feb. respectively. §Dividends paid at rate of 6% per annum. ¶Dividends paid at rate of 7% per annum. ‖Dividends on Original Pfd. and Common increased to 6% in April and Feb., respectively. **Dividends paid at the rate of 5½% per annum.

¶NOTE—Dividends on Second Pfd. stock, which was retired Aug. 1, 1922, were regularly paid at rate of 5% per annum from issuance in 1917 to date of redemption.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1)	Mentone Power Co. First Gold 5s	Due Dec. 1, 1931
(2)	Mt. Whitney Power & Electric Co. First Sinking Fund Gold 6s	" Oct. 1, 1939
(3)	Pacific Light & Power Co. First Mortgage Gold 5s	" July 1, 1942
(4)	Santa Barbara Gas & Electric Co. First Serial & Sinking Fund Gold 5s	" July 1, 1941
(5)	Pacific Light & Power Corp. First & Refunding Gold 5s	" Sept. 1, 1951
(6)	Southern California Edison Co. General Mortgage Gold 5s	" Nov. 1, 1939
(7)	Southern California Edison Co. General & Refunding 5s and 5½s Series of 1919	" Feb. 1, 1944
(8)	Southern California Edison Co. 7% Gold Debentures, Series of Jan. 15, 1928	" Jan. 15, 1928
(9)	Southern California Edison Co. Refunding Gold 5s, Series of July 1, 1951	" July 1, 1951
(9)	Southern California Edison Co. Refunding Gold 5s, Series of Sept. 1, 1952	" Sept. 1, 1952

(1)

$37,000 MENTONE POWER CO. FIRST GOLD 5s; DUE DECEMBER 1, 1931

Dated December 1, 1901.

Interest Payable June and Dec. 1, at Company's office and at Wells Fargo Bank and Union Trust Co., San Francisco, Trustee. Denomination, $1,000. Total issue, $300,000, of which $263,000 in sinking fund. Company does not pay Normal Federal Income Tax. Legal for savings banks in California, Maine and Massachusetts.

(2)

$3,196,000 MT. WHITNEY POWER & ELECTRIC CO. FIRST SINKING FUND GOLD 6s; DUE OCTOBER 1, 1939

Dated October 1, 1909.

Interest Payable April and October 1 at Bankers Trust Co., New York, and Wells Fargo Bank & Union Trust Co., San Francisco.

Denomination—Coupon (principal may be registered) and registered, $1,000. Coupon or registered bonds are interchangeable.

Trustee—Wells Fargo Bank & Union Trust Co. San Francisco.

Provisions of Issue—Authorized, $5,000,000, of which $3,196,000 are outstanding, and $416,000 have been cancelled by the Sinking Fund.

Callability—Subject to call as a whole at 110 and interest on any interest date until April, 1930, after which date price reduced 1% per annum until due.

Sinking Fund of 1% per annum of outstanding amount began Oct. 1, 1914, to retire bonds at not over 110 and interest.

Improvement Fund, Etc.—Commencing Oct. 1 1919, an improvement fund equal to 1% of bonds outstanding to be applied to increase the value of the mortgaged property. Maintenance and depreciation 15% of annual gross earnings.

Security—A first lien on entire property formerly owned by Mt. Whitney Power & Electric Co.

Assumed—Principal and interest assumed by Southern California Edison Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in California, Maine and Massachusetts.

Listed—Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	109½	109	107	105½
Low	109	105½	106	104½

(3)

$5,759,000 PACIFIC LIGHT & POWER CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1942

Dated July 1, 1902.

Interest Payable January and July 1 at National Bank of Commerce, New York, and Wells Fargo Bank & Union Trust Co., San Francisco.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank & Union Trust Co. San Francisco.

Provisions of Issue—Authorized issue, $10,000,000, of which $4,241,000 have been retired by sinking fund.

Sinking Fund—Jan. 1. 1905, to Jan. 1, 1909, inclusive, 2% of bonds outstanding; 1910 to 1942, 2½%. Said fund is to be invested in the bonds at not exceeding 110; otherwise in other securities.

Security—A first lien on the property formerly belonging to the Pacific Light & Power Co.

Guaranty—Bonds to the amount of $2,350,000 are guaranteed by the Los Angeles Ry. Corp. by endorsement.

Assumed by Southern California Edison Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in 1902 by N. W. Halsey & Co., New York, San Francisco and Chicago. A block offered in Feb., 1916, by Parkinson & Burr, Boston and New York, at 99 and interest.

Legal for Savings Banks in California, Maine and Massachusetts.

Listed—Los Angeles Stock Exchange. Also traded in on unlisted department of San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103¼	103½	101½	99	97¾	98¾	90	87¾
Low	102¾	100½	98	96¼	94	91½	83	80½

(4)

$690,700 SANTA BARBARA GAS & ELECTRIC CO. FIRST (CLOSED) MORTGAGE SERIAL AND SINKING FUND GOLD 5s; DUE $10,000 EACH JULY 1 TO 1940 AND $560,700 JULY 1, 1941

Dated July 1, 1916.

Interest Payable January and July 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal., and at offices of E. H. Rollins & Sons, in San Francisco or New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized, $3,500,000. Issued $1,000,000, of which $309,300 have been retired. Mortgage closed.

Callability—Subject to call on any interest date at 103 and accrued interest.

Sinking Fund—Annual cash sinking fund began July 1, 1917, of 1% of bonds outstanding in excess of $1,000,000. This sinking fund is to be used in purchasing or calling by lot at 103, plus accrued interest, bonds of this issue maturing in 1941.

Security—A first lien on entire property of former Santa Barbara Electric Co.

Assumed by Southern California Edison Co., Oct. 31, 1921.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in California, Maine and Massachusetts.

Original Offering—First publicly offered ($1,000,000) in April, 1916, at 96 and interest, yielding from 5% to about 5.30%, by E. H. Rollins & Sons, New York, etc.

Market—Traded on Unlisted Department of San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	96¾	96½	98¾	85	90⅛	....	78½
Low	bid	96¼	bid	92	bid	90⅛	....	78½

(5)

$5,721,000 PACIFIC LIGHT & POWER CORP. FIRST & REFUNDING SINKING FUND GOLD 5s; DUE SEPTEMBER 1, 1951

Dated September 1, 1911.

Interest Payable March and September 1 at United States Mortgage & Trust Co., New York and at Company's office Los Angeles. Principal and interest payable also in London, at $4.86 per £ sterling; in France and Switzerland, fs., 5.18; Germany, mks., 4.20; Holland, florins, 2.48.

Denomination—Coupon (principal may be registered) and registered, $1,000; interchangeable.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized issue, $35,000,000, of which $10,000,000 were issuable for the new development at Big Creek. In addition to the $5,721,000 of these bonds outstanding, $7,770,000 are held alive in the sinking fund and $2,528,000 are deposited under Southern California Edison Co. General Mortgage of 1909.

Callability—Subject to call as a whole or in part for sinking fund at 105 and interest on any interest date on 60 days' notice.

Sinking Fund—Provides for annual payments, from Sept. 1, 1914, equal to 1% of the maximum amount of First and Refunding bonds issued (whether or not outstanding) as well as bonds reserved for refunding.

Security—Secured by a first mortgage on all of the developments constructed by the Pacific Light & Power Corporation. This includes principally the Big Creek plants, the high tension transmission lines from Big Creek to Eagle Rock, the Eagle Rock sub-station, the high tension lines running from San Fernando westward through Ventura County, the distributing loop around the City of Los Angeles and the turbine portion of the steam plant at Redondo. Also a lien, subject to the prior liens, on the other power plants and distributing systems formerly owned by Pacific Light & Power Corporation.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in California, Maine and Massachusetts.

Original Offering—First publicly offered ($10,000,000) in Jan., 1912, at 92 and interest, by Wm. Salomon & Co., New York, Estabrook & Co., and Parkinson & Burr, Boston and New York.

Listed—Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	105½	103¼	100¾	99¾	95¼
Low	103½	100¼	98¾	96	95¼

(6)

$13,360,000 SOUTHERN CALIFORNIA EDISON COMPANY GENERAL (CLOSED) MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1939

Dated November 1, 1909.

Interest Payable January and July 1 at Harris Trust & Savings Bank, Chicago, Pacific-Southwest Trust & Savings Bank, Los Angeles, Cal., and Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago, and Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized, 30,000,000; $5,296,000 reserved to retire prior liens; mortgage closed.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—Sinking fund beginning in 1910, cash equal to 2% of outstanding bonds under this and prior mortgages to be deposited with Harris Trust & Savings Bank, Trustee, may be applied to sinking fund of prior mortgages, permanent improvements, or retiring bonds issued under this mortgage.

Security—Bonds are a lien on the entire property.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in California, Maine and Massachusetts.

Listed—Los Angeles Stock Exchange. Also traded in on Unlisted Department of San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104½	101⅞	101	100	98¾	98¼	92	79
Low	102½	100	98½	96	89	94	91⅝	79

(7)

$10,000,000 5% AND $10,225,000 5½% SOUTHERN CALIFORNIA EDISON COMPANY GENERAL AND REFUNDING MORTGAGE 25-YEAR GOLD BONDS, "SERIES OF 1919"; DUE FEBRUARY 1, 1944

Dated July 1, 1917 (bearing interest from Feb. 1, 1919).

Interest Payable February and August 1 at Harris Trust & Savings Bank, Chicago; Harris Forbes & Co., New York and Boston; Bankers Trust Co., New York and Los Angeles-First National Trust & Savings Bank, Los Angeles.

Denominations—Coupon, $100, $500 and $1,000 (principal may be registered) and registered bonds without coupons, $1,000, $5,000 and $10,000.

Trustees—Harris Trust & Savings Bank, Chicago and Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—The mortgage provides for a total authorized issue of $136,000,000. Bonds of different series may be issued, but only upon the retirement of bonds of the preceding series. No additional underlying bonds can be issued unless pledged as additional security for the General and Refunding Mtge. bonds. Escrow bonds may be issued for only 75% of expenditures for acquisitions and additions to the Company's properties, provided net earnings for the preceding twelve months have been at least 1¾ times the annual interest charges on all mortgage bonds outstanding, including interest on bonds application for which is made. Escrow bonds may also be issued, dollar for dollar, for the retirement of underlying bonds.

The previously outstanding 6% bonds were called for payment on Aug. 1, 1926, at 105 and interest.

Callability—The 5% bonds are callable at 103.75 on any interest date during 1928, premium reducing ¼% for each year thereafter, and 5½% bonds are callable at par and interest plus 5% to and including 1933, and at a premium thereafter decreasing ½% per annum, the bonds being redeemable in 1943 at 100 and interest.

Special Trust Fund to be deposited with the Trustee on the first day of March and on the first day of Sept. each year; cash equal in each case to 1% of the aggregate par value of outstanding bonds of the company, including the bonds of this issue and all underlying bonds outstanding in the hands of the public, after providing for sinking fund payments made to Trustees of underlying mortgages. This money may be withdrawn for the cost of acquisitions, extensions, and additions against which no General and Refunding Bonds shall be issued, or at the option of the Company may be used for the retirement of General and Refunding Bonds, or for the purchase of underlying bonds.

Security—Secured by a direct mortgage on all property, rights and franchises of the Company, subject to the underlying bonds still outstanding.

Tax Provision—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property taxes in California.

Legal Opinion—W. W. Gurley and Arthur Dyrenforth, Chicago, Ill.

Legal for Savings Banks in California, Maine, and Massachusetts.

Original Offering—First publicly offered ($8,000,000) in Jan. 1919, at 98 and interest, yielding about 6.15%, by National City Co., Harris Forbes & Co. and E. H. Rollins & Sons, New York, etc.; $7,500,000 in Jan., 1920, at 96 and interest, yielding about 6.30%, by Harris, Forbes & Co., E. H. Rollins & Sons, National City Co. and Coffin & Burr, Inc., New York, etc.; $5,000,000 in May, 1920, at 88½ and interest, yielding 7%, by the same firms; $5,000,000 in Feb., 1921, at 87½ and interest, yielding over 7.10%, by the same firms; $6,000,000 in Aug., 1921, at 88 and interest, yielding over 7.07%, by the same firms; $10,000,000 5s in Oct., 1922, at 95 and interest, yielding 5.40%, by the same firms and $10,000,000 5½s in March, 1923, at 97½ and interest, yielding about 5.70%, by the same firms.

Listed—Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
5% Bonds—								
High	103¾	101⅛	97	93½	93	95		
Low	99½	96½	92⅝	89½	87	92		
5½% Bonds—								
High	105¼	104½	104¼	100¾				
Low	105	101¾	100⅝	98½				

(8)

$974,000 SOUTHERN CALIFORNIA EDISON CO. 7% GOLD DEBENTURE BONDS; DUE JANUARY 15, 1928; PAID AT MATURITY

(9)

$55,000,000 SOUTHERN CALIFORNIA EDISON CO. REFUNDING MORTGAGE GOLD BONDS, SERIES OF 5s; DUE JULY 1, 1951

$30,000,000 SOUTHERN CALIFORNIA EDISON CO. REFUNDING MORTGAGE GOLD BONDS, SERIES OF 5s; DUE SEPTEMBER 1, 1952

Dated—Series of 5s, due 1951, July 1, 1926; Series of 5s, due 1952, September 1, 1952.

Interest Payable January and July 1 on Series of 5s, due 1951, and March and September 1 on Series of 5s, due 1952, at Bankers Trust Co., New York, Harris Trust & Savings Bank, Chicago, or Los Angeles-First National Trust & Savings Bank, Los Angeles.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Fully registered bonds, $1,000, $5,000 and $10,000. Coupons and fully registered bonds interchangeable.

Trustees—Harris Trust & Savings Bank, Chicago, and Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—The mortgage provides that bonds may be issued up to the total authorized funded indebtedness of the Company, which as of the date of the Indenture was $250,000,000. Bonds may be issued in one or more series, each series to be dated as of such date, bear such rate of interest, mature at such time or times, bear such designation and contain such other specifications and provisions as provided or permitted in the Trust Indenture. Out of the total amount of bonds at any time issuable, an amount of bonds equal to the amount of underlying bonds are reserved for the retirement of such underlying bonds and may be issued dollar for dollar for this purpose. Additional bonds may be issued for only 75% of expenditures for additions and extensions to the Company's properties, provided net earnings for the preceding twelve months have been at least 1¾ times the annual interest charge on all Refunding Mortgage Bonds, including those proposed to be issued, and on all bonds for the retirement of which Refunding Mortgage bonds are reserved.

Outstanding, Dec. 31, 1927, $55,000,000 Series of 5s due 1951, and $30,000,000 Series of 5s, due 1952. Of the Series of 5s, due 1951, proceeds of $40,000,000 (issued in June, 1926) were used to retire $33,919,000 of General and Refunding Mortgage 6% bonds, which were called for payment Aug. 1, 1926, at 105 and interest, to reimburse Company for expenditures made in connection with the payment of $2,317,400 additional mortgage bonds and for extensions and additions to the property; and proceeds of $15,000,000 (issued in Jan. 1927) were used for extensions to the properties of the Company and for retirement of $991,000 of 7% Debentures which were equally secured with the Refunding Mortgage bonds. The proceeds from the $30,000,000 Series of 5s, due 1952, were used to retire $26,500,000 of the Company's Refunding Mortgage 6% bonds and for extensions to the properties of the Company.

Callability—Series of 5s, due 1951, are subject to call n any interest payment date at 105 and interest until nd including 1941, the premium thereafter decreasing ½% per annum, the bonds being redeemable Jan. 1, 951, at 100 and interest.

The Series of 5s, due 1952, are subject to call on any iterest payment date at 105 and interest until and in- luding 1942, the premium thereafter decreasing 1/2% er annum, the bonds being redeemable Jan. 1, 1951 t 100 and interest.

Special Trust Fund—Semi-annually May 1 and Nov. , commencing in 1924, cash equal in each case to 1% f all bonds at the time outstanding including bonds f this issue, Debentures of 1919 and all underlying onds, deducting from such amount the amount of ash paid during the six months next preceding into inking funds or other similar funds under underlying nortgages. This fund may be withdrawn for cost of xtensions and additions, against which no Refunding Mortgage bonds shall be issued or renewals and re- lacements, or at the option of the Company for the etirement of Refunding Mortgage or underlying onds.

Security—Secured by a direct mortgage on the en- ire California property of the Company, subject only o the lien of mortgages securing the underlying onds, for the retirement of which bonds of this issue re reserved.

Tax Provisions—Exempt from Personal Property axes in California. Company pays Normal Federal ncome Tax up to 2%.

Legal Opinion—Butler, Lamb, Foster & Pope and Howard M. Carter, Chicago.

Legal for Savings Banks in California and Maine.

Listed—Los Angeles and San Francisco Stock Exchanges.

Original Offering—First publicly offered ($40,000,000 Series of 5s, due 1951) in June, 1926 at 98½ and interest, yielding 5.10% by Harris, Forbes & Co., E. H. Rollins & Sons and Coffin & Burr, Inc., New York, etc., and Harris Trust & Savings Bank, Chicago. $15,000,000 additional Series of 5s, due 1951, were offered in Jan., 1927 at the same price and by the same bankers. $30,000,000 Series of 5s, due 1952, were publicly offered in Sept., 1927 at par and interest by Harris, Forbes & Co., E. H Rollins & Sons, Coffin & Burr, Inc., New York; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.

Price Range—

	1927	1926
Series 5s, due 1951—		
High	103⅛	99½
Low	97¾	97½
Series 5s, due 1952—		
High	103⅓	..
Low	100⅓	..

BONDS CALLED

All of the Southern California Edison Co. Refunding Mortgage Gold Bonds, Series of 6s, due October 1, 1943, were called for redemption on Oct. 1, 1927 at 105 and interest at Bankers Trust Co., New York, or Harris Trust & Savings Bank, Chicago.

INCOME AND PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$30,297,697	$27,375,053	$24,322,680	$20,973,563	$19,824,959	$15,839,577
Non-operating revenue	302,939	471,465	509,722	415,936	386,201	1,142,648
Gross earnings	$30,600,636	$27,846,518	$24,832,402	$21,389,500	$20,211,160	$16,982,226
Operating expenses, taxes, etc.	9,984,950	9,784,709	8,271,704	12,993,780	8,886,471	6,663,369
Balance	$20,615,686	$18,061,809	$16,560,698	$8,395,720	$11,324,689	$10,318,857
Contingency reserve	.....	.....	.....	*1,581,191	810,000	287,000
Balance for fixed charges	$20,615,686	$18,061,809	$16,560,698	$9,976,912	$10,514,689	$10,031,857
Fixed charges	5,824,907	5,872,378	5,819,813	4,957,671	3,355,415	3,716,089
Net income before depreciation	$14,790,779	$12,189,431	$10,740,885	$5,019,241	$7,159,274	$6,315,767
Summary of Surplus Account—						
Surplus Jan. 1	$3,500,923	$2,371,601	$1,465,913	$3,393,009	$2,786,891	$1,224,777
Net income current year	14,790,779	12,189,431	10,740,885	5,019,241	7,159,274	6,315,767
Sundry surplus items, net credit	.....	.....	45,405	107,757	.....	803,116
Total	$18,291,702	$14,561,032	$12,252,204	$8,520,007	$9,946,165	$8,343,660
Deductions:						
Depreciation	$3,731,086	$3,329,969	†$3,400,756	$2,000,000	$2,005,635	$1,850,190
Sundry surplus items, net debit	508,521	270,964	70,200	.....	247,685	.....
Balance for dividends	$14,052,095	$10,960,099	$8,781,248	$6,520,007	$7,692,845	$6,493,470
Dividends:						
Original Preferred	$320,000	$320,000	$320,000	$320,000	$320,000	$320,000
Preferred Series "A" 7%	1,787,052	1,765,551	1,545,633	772,516	510,715	112,975
Preferred Series "B" 6%	2,546,637	1,576,767	782,642	299,627	.....	.....
Preferred Series "C" 5½%	106,861	.....	.....	.....	.....	.....
2nd Preferred 5% (retired)	.....	.....	.....	.....	.....	300,747
Common	3,944,294	3,796,858	3,761,372	3,661,950	3,469,121	2,972,857
Total dividends	$8,704,843	$7,459,176	$6,409,646	$5,054,093	$4,299,836	$3,706,579
Surplus at end of year	$5,347,251	$3,500,923	$2,371,601	$1,465,913	$3,393,009	$2,786,891
‡Times Fixed Charges Earned	3.54	3.08	2.85	2.01	3.13	2.70
Earnings Per Share (Based on par $25 shs.)—						
Original Pfd	$69.12	$55.37	$45.88	$18.87	$32.21	$27.91
Preferred Series "A"	3.94	4.16	5.00	3.47	16.56	6.14
Preferred Series "B"	3.94	4.16	5.00	3.47	§	§
Preferred Series "C"	3.94	§	§	§	§	§
2nd Preferred (retired Aug. 1, 1922)	§	§	§	§	§	6.14
Common	3.20	2.75	2.50	0.89	2.49	2.51

*Credit. †Includes $457,483 additional for year 1924. ‡Before depreciation. §None outstanding.

Note—The Contingency Reserve shown in the above statement is a reserve set up in accordance with rate orders of the Railroad Commission of California. Rates as fixed by the Commission are based on average water supply for the hydro-electric plants of the company, and in those years where the supply is more than average, savings in operation due to the use of a lesser amount of steam power are required to be set aside in this reserve. In years when the water supply is less than average, the reserve is drawn upon to cover the excess cost of more than average amount of steam power. In 1924, owing to the abnormally low precipitation and the consequent shortage of water for hydro-electric energy, the Company was not only obliged to use its steam plants to full capacity but also had to purchase power from other companies. This increased operating expenses for 1924, abnormally and due to the fact that the contingency reserve had been operating for only two or three years, the amount in reserve was only sufficient to partially offset this excessive cost. The Company is permitted to recoup the deficiency in the contingency reserve of future years.

GENERAL BALANCE SHEET, DECEMBER 31
(Southern California Edison Co.)

	1927	1926	1925	1924	1923	1922
Assets—						
Plant	$269,673,941	$235,173,197	$208,727,519	$191,914,522	$163,196,182	$133,177,604
Sinking and other special funds	231,920	236,004	259,227	425,047	220,416	631,531
Invest. in system corporation	6,265,779	5,666,480	3,301,643	3,173,250	3,070,246	2,527,139
Securities of other corps	4,369	14,408	14,461	14,545	14,630	4,752
Total capital assets	$276,176,009	$241,090,089	$212,302,850	$195,527,364	$166,501,474	$136,341,026
Stock subscriptions	3,952,192	4,299,786	5,468,281	4,227,326	5,049,842	5,467,654
Cash	3,273,599	2,106,409	3,237,970	3,900,748	1,427,302	4,414,321
Special deposits	176,071	214,676	14,475	166,542	78,996	4,660
Cash securities	1,750,000	.....	.....	.....	.....	.....
Due from consumers and agents	2,410,779	2,277,852	2,096,287	1,734,018	1,791,822	1,600,458
Miscellaneous accounts receivable	193,721	216,504	1,328,490	256,268	199,168	258,989
Notes receivable	19,223	14,493	1,415,125	28,313	63,429	43,153
Interest and dividends receivable	.....	.....	.....	.....	.....	416
Materials and supplies	4,925,856	4,730,240	5,400,253	6,110,430	6,216,949	4,535,902
Unamortized dis. on secur. and exp	14,501,517	11,181,655	7,433,850	7,644,917	6,420,836	5,586,976
Other deferred charges	2,526,672	2,143,590	1,749,755	1,562,029	1,290,894	1,455,172
Total	$309,905,639	$268,275,294	$240,447,336	$221,157,955	$189,040,712	$159,708,727
Liabilities—						
Original Pfd. stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000
7% Pfd. stock	25,562,500	25,462,000	24,962,900	13,489,400	9,602,300	5,456,900
6% Pfd. stock	47,660,650	32,766,800	20,520,300	9,999,600	.....	.....
5½% Pfd. stock	10,718,175	.....	.....	.....	.....	.....
Common stock	†49,235,172	44,150,797	43,271,072	41,833,472	40,478,072	38,123,172
Subscribed stock	*6,422,475	*7,137,375	8,165,300	6,774,700	7,544,300	8,044,600
Total capital stock	$143,598,972	$113,516,972	$100,919,572	$76,097,172	$61,624,672	$55,624,672
Funded debt	134,962,700	117,876,700	113,060,000	114,579,100	101,761,700	80,542,600
Bonds against retirement of which funds have been deposited	9,000	20,000	20,000	21,000	25,000	28,000
Vouch. and wages unpaid	2,917,836	2,022,352	1,846,149	4,055,899	2,327,260	2,283,160
Dividends payable	180,126	.....	.....	.....	.....	.....
Miscellaneous accounts payable	779,664	782,837	643,438	590,835	1,528,642	2,098,958
Notes payable	.....	11,750,000	5,000,000	9,473,000	2,172,000	2,050,000
Service deposits	374,398	324,114	286,662	247,344	222,534	163,548
Consumers advances for construction	1,409,931	1,371,330	1,346,725	1,067,251	880,360	608,351
Donations in aid of construction	.....	.....	.....	.....	.....	4,567
Interest accrued	1,135,741	1,153,469	1,983,506	2,019,864	1,830,999	1,473,792
Taxes accrued	3,494,529	2,500,737	1,357,566	1,129,768	1,363,624	1,411,492
Bond guar. Shaver Lake Lum. Co	.....	.....	.....	121,000	371,000	621,000
Contingency reserve	.....	.....	.....	.....	1,522,605	701,216
Reserve for injuries, etc	46,710	287,265	190,327	116,653	136,452	81,266
Reserve for depreciation	14,684,891	12,425,729	10,789,309	9,541,068	9,266,573	8,418,591
Res. for uncollect. bills	67,652	67,652	67,652	65,174	65,174	89,071
Appropriated surplus	896,238	675,214	564,829	566,914	549,108	721,552
Surplus	5,347,251	3,500,923	2,371,601	1,465,913	3,393,009	2,786,891
Total	$309,905,639	$268,275,294	$240,447,336	$221,157,955	$189,040,712	$159,708,727

*Consists of $3,306,275 Common and $3,831,100 Preferred in 1926, and $2,080,025 Common, and $4,342,450 Pfd. in 1927
†Common stock, $60,071,800, less $10,836,628 controlled by Company through stock ownership, $49,235,172.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash	$3,273,599	$2,106,409	$3,237,970	$3,900,748	$1,427,302	$4,414,321
Cash securities	1,750,000	.....	.....	.....	.....	.....
Special deposits	176,071	214,676	14,475	166,542	78,996	4,660
Due from consumers and agents	2,410,779	2,277,852	2,096,287	1,734,018	1,791,822	1,600,458
Miscellaneous accounts receivable	193,721	216,504	1,328,490	256,268	199,168	258,989
Notes receivable	19,223	14,493	1,415,125	28,313	63,429	43,153
Interest and dividends receivable	.....	.....	.....	.....	.....	416
Materials and supplies	4,925,856	4,730,240	5,400,253	6,110,430	6,216,949	4,535,902
Total	$12,749,249	$9,560,174	$13,492,600	$12,196,319	$9,777,666	$10,857,899
Current Liabilities—						
Vouch. and wages unpaid	$2,917,836	$2,022,352	$1,846,149	$4,055,899	$2,327,260	$2,283,160
Miscellaneous accounts payable	779,664	782,837	643,438	590,835	1,528,642	2,098,958
Notes payable	.....	11,750,000	5,000,000	9,473,000	2,172,000	2,050,000
Dividends payable	180,126	.....	.....	.....	.....	.....
Service deposits	374,398	324,114	286,662	247,344	222,534	163,548
Consumers advances for construction	1,409,931	1,371,330	1,346,725	1,067,251	880,360	608,351
Donations in aid of construction	.....	.....	.....	.....	.....	4,567
Interest accrued	1,135,741	1,153,469	1,983,506	2,019,864	1,830,999	1,473,792
Taxes accrued	3,494,529	2,500,737	1,357,566	1,129,768	1,363,624	1,411,492
Total	$10,292,225	$19,904,839	$12,464,046	$18,583,967	$10,325,419	$10,093,862
Net Working Capital (Debit)	*$2,457,024	$10,344,665	*$1,028,554	$6,387,642	$547,753	*$764,037

*Credit.

Officers: John B. Miller, Chairman; R. H. Ballard, Pres.; G. C. Ward, Exec. V-P.; Wm. A. Brackenridge, Sr. V-P.; W. L. Percey, V-P. in Charge of Documents and Contracts; Roy V. Reppy, V-P. & Gen. Counsel; Clifton Peters, Sec.; Edgar G. Miller, Treas.; D. M. Trott, Compt.

Directors: R. H. Ballard, Geo. I. Cochran, Harry J. Bauer, John H. Fisher, Los Angeles, Cal.; Wm. A. Brackenridge, G. C. Ward, South Pasadena, Cal. Henry M. Robinson, Arthur H. Fleming, John B Miller, William R. Staats, Pasadena, Cal.; Albert W Harris, Chicago, Ill.; A. N. Kemp, Santa Monica, Cal. E. W. Rollins, Dover, N. H.

General Offices, Edison Building, Los Angeles Cal.

SAN JOAQUIN AND EASTERN RAILROAD COMPANY

(Controlled by Southern California Edison Company)

History—Incorporated March 16, 1912, in California for 50 years; road opened for operation Aug. 1, 1912. Owns the $25,000 outstanding capital stock of th Huntington Lake Hotel Company.

Mileage and Equipment, Dec. 31, 1927—El Prado, al., to Cascada, Cal., 55.91 miles. Sidings, etc., 5.67 iles. Gauge, 4 ft. 8½ in. Rail, 50, 54, 60, 70 and) lbs. Locomotives, 12. Cars—passenger, 11; freight nd other, 20—total, 31.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. ll owned by Southern California Edison Co. Anual meeting, first Thursday in February.

FUNDED DEBT

$1,000,000 FIRST GOLD 5s; DUE MARCH 1, 1952

Dated March 1, 1912.

Interest Payable March and September 1, at Security Trust & Savings Bank, Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be egistered.

Trustee—Security Trust & Savings Bank, Los Aneles, Cal.

Provisions of Issue—Authorized, $1,000,000. The ntire issue is owned by the Southern California Edion Co.

Callability—Subject to call as a whole (or in part y lot for sinking fund) at par and interest on any nterest date upon 60 days' notice.

Sinking Fund—Began March, 1917, 1% of the outtanding bonds; may be used to retire bonds of his issue at not exceeding par and accrued interest.

Security—A first lien on entire property of Comany.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$634,677	$375,842	$376,621
Oper. expenses & taxes	499,042	348,818	350,536
Operating revenue	$135,635	$27,024	$26,085
Other income	7,216	8,223	7,532
Total revenue	$142,851	$35,247	$33,617
Interest, rents, etc.	76,014	70,650	70,438
Deficit for year	$66,837	$35,403	$36,821

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,709,164	$1,696,767	$1,685,792
Stocks owned	24,500	24,500	24,500
Materials and supplies	53,782	87,028	100,142
Cash	16,060	18,839	16,064
Current accounts	225,798	227,445	199,940
Other assets	1,206,399	1,230,460	1,243,323
Profit and loss	435,976	503,022	467,720
Total	$3,671,679	$3,788,061	$3,737,481
Liabilities—			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,000,000	1,000,000	1,000,000
Loans and notes payable	1,517,264	1,631,131	1,613,098
Current liabilities	44,840	51,109	30,566
Interest accrued	16,667	16,667	16,667
Other liabilities	92,908	89,154	77,150
Total	$3,671,679	$3,788,061	$3,737,481

Officers: J. B. Miller, Pres.; W. A. Brackenridge, V-P.; G. C. Ward, V-P.; E. G. Miller, Treas.; O. V. Showers, Sec.; D. M. Trott, Compt., Los Angeles, Cal.

Directors: G. C. Ward, W. A. Brackenridge, South Pasadena, Cal.; John B. Miller, Pasadena, Cal.; R. H. Ballard, Los Angeles, Cal.

General Office, Edison Bldg., Los Angeles, Cal.

SANTA BARBARA AND SUBURBAN RAILWAY COMPANY

(Controlled by Southern California Edison Company)

History—Inc. Feb. 21, 1912, in Cal. Franchise extends 45 years. Operates 8.99 miles of track in Santa Barbara, Cal. Gauge, 4 ft. 8½ in. Rail, 60 lbs. Cars, 17; freight cars, 3; locomotive, 1; motor buses, 9. Power purchased from Southern California Edison Co.

CAPITAL STOCK

Authorized, $750,000; outstanding, $500,000; par, $100. All owned by Southern California Edison Co. Annual meeting, last Friday in February.

FUNDED DEBT

(1)

$236,000 FIRST GOLD 6s; DUE MARCH 15, 1937

Dated March 15, 1912.

Interest Payable March and September 15, at Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized issue, $500,000; issued, $250,000, of which $14,000 have been retired by sinking fund, leaving $236,000 outstanding Dec. 31, 1927. Additional bonds from the $250,000 authorized but not issued may be issued to reimburse the Company for cost of permanent extensions and additions to its plants and property, provided the net earnings for the preceding twelve months shall have been at least one and five-eighths times the annual interest charge on all bonds outstanding and to be issued.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—Sinking fund, beginning 1915, cash equal to 2% of the aggregate par value of outstanding bonds to be deposited with Los Angeles-First National Trust & Savings Bank, Trustee, may be used to retire bonds of this issue at not exceeding 105 and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$163,000 SECOND GOLD 5s; DUE MARCH 15, 1942

Dated March 15, 1912.

Interest Payable March and September 15, at Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal., and Bankers Trust Co., New York.

Denomination — Coupon, $500; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized issue, $163,000.

Callability—Subject to call on any interest date at 105 and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$124,659	$124,691	$123,532
Oper. exp. and taxes	132,282	127,750	112,232
Net earnings	*$7,623	*$3,059	$11,300
Other income (dr.)	105	112	106
Total income	*$7,728	*$3,171	$11,194
Bond interest	22,310	22,310	22,310
Deficit for year	$30,038	$25,481	$11,116

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$947,692	$954,520	$947,484
Construc. work in progress	450	153	725
Sinking funds	720	720	720
Materials and supplies	9,627	13,809	21,278
Cash	12,013	11,282	11,236
Accounts receivable	1,039	690	1,243
Other current assets	500	1,100	1,100
Unadjusted debits	589	486	709
Profit and loss deficit	161,865	125,598	108,278
Total	$1,134,495	$1,108,358	$1,092,773
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	399,000	399,000	399,000
Accounts payable	28,646	27,594	15,382
Interest accrued	99,207	99,207	99,207
Other current liabilities	64,500	35,000	18,000
Reserve for taxes	4,991	5,064	7,462
Reserve for depreciation	38,151	42,493	46,878
Other reserves	.....	.....	6,844
Total	$1,134,495	$1,108,358	$1,092,773

Officers: W. A. Brackenridge, Pres., South Pasadena, Cal.; C. A. Edwards, V-P., Santa Barbara, Cal.; F. B. Lewis, V-P., Los Angeles, Cal.; L. J. Lee, Sec.; E. G. Miller, Treas.; D. M. Trott, Compt., Los Angeles, Cal.; W. E. Erwin, Supt., Santa Barbara, Cal.

Directors: G. A. Batchelder, C. A. Edwards, Santa Barbara, Cal.; W. A. Brackenridge, South Pasadena Cal.; Geo. I. Cochran, Los Angeles, Cal.

Office, Santa Barbara, Cal.

THE DULUTH-SUPERIOR TRACTION COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
4% Cumulative Pfd. (par, $100)	J, A, J & O 1	$1,500,000	1,500,000	...	$79,853	4%	$60,000	$5.3
Common (par, $100)	J, A, J & O 1	3,500,000	3,500,000	...	19,853	1%	35,000	0.5

Bond Issues, At December 31, 1927, Summarized

	Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
(1)	Duluth St. Ry. First 5s	May 1, 1930	M & N 1	$2,500,000	$2,500,000	No	No	Not pd. by C
(2)	Duluth St. Ry. General 5s	May 1, 1930	M & N 1	2,500,000	858,000	No	Yes	Not pd. by C

Total Funded Debt, at Dec. 31, 1927, $3,358,000.
Amount Available for Interest in 1927, $277,112.
Interest Accrued in 1927, $168,175.
Times Interest Earned in 1927, 1.65.

History—Incorporated in Conn. by resolution of General Assembly in Jan., 1897. On Aug. 12, 1900, acquired control, through stock ownership of The Duluth Street Ry. Co., the Lakeside Street Ry. Co., and the Superior Rapid Transit Co. In Oct. 1901, the property and franchise of the Woodland Co. were purchased. In 1903 a contract was made with the Great Northern Power Co. to supply sufficient power for the operation of the railway systems in Duluth and Superior, and delivery was begun in 1908. The Duluth-Superior Bridge between Duluth, Minn., and Superior, Wis., is used under traffic agreement by the railway. On September 1, 1917, the company purchased the rights and property of the Park Point Traction Co., consisting of 3.5 miles of track, cars and power plant, which has since been operated as a part of the system. On Dec. 3, 1924, the Duluth Coach Company (name changed to Duluth-Superior Coach Company and capital stock increased to $100,000 in 1925) was organized and on December 18, 1924, put in operation an automobile coach as a feeder to a street car line. All of the outstanding $78,600 capital stock of this Company, except directors' qualifying shares, is held by the Duluth-Superior Traction Co. On April 11, 1925, Duluth-Superior Traction Company purchased the business and motor vehicle buses of the Superior White Co. which had been operating in competition with Company's interstate line between Duluth and Superior. In July, 1926, Company's subsidiary, The Duluth Street Railway Company, purchased the local jitney bus business in Superior, thus eliminating all remaining bus competition in both Duluth and Superior.

Franchises in Duluth have been surrendered, under provision of Chapter 278, Laws of Minnesota for 1921, and in lieu thereof the company has accepted an indeterminate permit under that statute. In Superior, Wis., the company also operates under an indeterminate permit from the State of Wisconsin.

Track Mileage, Dec. 31, 1927—Total miles, all track reduced to single, 112.62. Total miles of street and right-of-way occupied by tracks, 61.76. Total miles of motor bus routes, 28.77. Cars: Passenger, 149; other 21. Power supplied by the Great Northern Power Co.

Fare Situation—Valuation—On October 4, 1926, the Railroad and Warehouse Commission of Minnesota filed its order fixing the value of Company's property in the City of Duluth as of Dec. 31, 1925, at $5,291,710, and the rate of return which Company is entitled to receive on such valuation was fixed at 7½%. The rate of fare which was authorized in the City of Duluth was fixed at 8 cents cash, five tickets or tokens to be sold for 35 cents. The new rates of fare became effective October 15, 1926.

On Dec. 3, 1927, the Railroad Commission of Wisconsin filed its order fixing a rate of fare to be charged in the City of Superior of 8 cents cash, five tickets or tokens to be sold for 35 cents, this rate to become effective Jan. 1, 1928. This order fixes the same rate of fare in the City of Superior as the Company is authorized to collect in the City of Duluth.

Litigation—On April 11, 1927, the United States Supreme Court handed down its decision completely affirming the decree of the U. S. District Court, District of Minnesota, upholding the Company's right to go into the Federal Court to protect its property from confiscation.

CAPITAL STOCK

Authorized and outstanding, $3,500,000 Common and $1,500,000 4% cumulative Pfd.; par, $100.

Preferred Stock Provisions—Preferred stock has preference over Common as to both dividends and assets, and it is provided that amount of Pfd. shall not exceed one-half of the amount of Common stock outstanding. The Preferred stock is limited to dividend of 8% per annum; the rate is fixed at 4% by resolution of two-thirds of the stockholders at special meeting held March 23, 1900, and the rate cannot be increased except by vote of all the Common stock.

Transfer Agent—Farmers' Loan & Trust Co., New York.

Registrar—Central Union Trust Co., New York.

Annual Meeting—First Wednesday after fourth Tuesday in February, at New Haven, Conn.

Listed—Common stock is listed on New York, Montreal and Toronto Stock Exchanges and Pfd. stock on New York Stock Exchange.

Price Range (Toronto)—

Common—	1927	1926	1925	1924	1923	1922	1921	192
High	30⅞	33¼	42	35	44	30	26	28
Low	20	25	28	16	28½	16	12¾	12

Dividends—Preferred dividends (quarterly, Jan., April, July and Oct. 1), paid regularly at rate of 4% per annum from Jan. 1, 1901, to March 31, 1921, incl. on Oct. 2, 1922, two dividends of 1% each were paid for the quarters ended June 30, 1921, and Sept. 30, 192; on Jan. 3, 1923, three dividends of 1% each were paid for the quarters ended Dec. 31, 1921, and March 3 and June 30, 1922, and on April 2, 1923, two dividends of 1% each were paid for the quarters ended Sept. 3 and Dec. 31, 1922, and 1% each quarter was regularly paid thereafter to and including April 2, 1928. C Common, 4% per annum from October 1, 1909, to July 1, 1910; from October 1, 1910, to April 1, 1913, at rate of 5% per annum; from April 1, 1913, to and including Jan. 1, 1915, at rate of 4% per annum, payable quarterly, Jan., April, July and Oct. 1. April, 191 dividend omitted and none paid thereafter until Oct. 1, 1917, when 1% was paid; Jan. 2, 1918, 1%; April 1, 1918, 1%; Oct. 1, 1918, 1%; none thereafter until Jan. 2, 1924, when 1% was paid; none thereafter until July 1, 1927 when 1% was paid. None since to April 1, 192

FUNDED DEBT

(1)

$2,500,000 DULUTH STREET RY. CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1930

Dated May 1, 1900.

Interest Payable May and November 1, at Central Union Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Security—Secured by first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	97½	97½	97½	93	89¾	88½	76	70
Low	93	95½ bid		89 bid		bid	bid	bid

(2)

$858,000 DULUTH STREET RY. CO. GENERAL MORTGAGE GOLD 5s; DUE MAY 1, 1930

Dated May 1, 1910.

Interest Payable May and November 1, at Central Union Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized, $2,500,000; issued, $1,441,000, of which $402,000 had been retired by sinking fund to Dec. 31, 1927, and $181,000 were held in the treasury at that date. The $1,500,000 unissued bonds are reserved for extensions, improvements, etc., at five-sixths of actual cost thereof, but only when earnings for twelve of the preceding thirteen months have been at least twice the interest on all outstanding bonds of the company, including those proposed to be issued The proceeds of $300,000 of the outstanding bonds were used to establish a Reserve Fund, as provided for in the Deed of Trust.

Callability—Subject to call as a whole at 105 and interest on any interest date on thirty days' notice, or in part (by drawings), on sixty days' notice.

Sinking Fund—2½% per annum of all bonds issued, began May 1, 1913, to purchase bonds at not exceeding 105 and int.

Security—Secured, subject to the first 5s, on all property now owned or hereafter acquired.

Guaranty—Guaranteed, principal and interest by indorsement by The Duluth-Superior Traction Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered in July, 1910, at 95 and interest.

Price Range—

	1927	1926	1925	1924	1923
High	90	90¾	91	91	82½
Low	bid	bid	bid	bid	bid

OPERATING STATISTICS, YEARS ENDED DEC. 31

Years	Revenue Passengers	Transfers Redeemed	Oper. exp., Incl. Taxes	Gross Earnings per mile of Rd
1918	33,088,747	5,728,778	82.37%	$29,035
1919	38,475,440	6,408,086	85.68%	33,761
1920	38,137,565	6,277,916	87.19%	33,469
1921	34,596,264	5,809,271	88.69%	30,790
1922	32,036,900	5,366,154	85.03%	29,952
1923	31,343,815	5,354,875	84.62%	32,530
1924	29,204,274	5,104,670	86.55%	30,216
1925	30,638,092	5,309,085	85.58%	30,985
1926	29,254,508	5,031,592	86.73%	30,362
1927	.....	.....	.....	*13,780

*Revenue from transportation, per mile single track including miles of motor bus routes.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$1,965,489	$1,951,143	$1,943,493	$1,789,402	$1,904,606	$1,784,774
Operating expenses & taxes	1,727,100	1,756,106	1,717,307	1,599,372	1,635,979	1,521,855
Net earnings	$238,389	$195,037	$226,186	$190,030	$268,627	$262,919
Other income	38,724	38,870	32,071	25,360	28,730	26,973
Total income	$277,112	$233,907	$258,257	$215,390	$297,357	$289,892
Bond interest	168,175	169,664	171,055	172,651	174,247	175,278
Other charges	1,291	3,445	3,330	734		
Balance for dividends	$107,646	$60,797	$83,861	$42,005	$123,110	$114,614
Pfd. dividends paid—Duluth St. Ry.	27,793	24,987	14,038	.....	.....	.....
Pfd. dividends paid—Dul.-Sup. Trac. Co.	60,000	60,000	75,000	45,000	90,000	75,000
Common dividends paid	35,000	.....	.....	.....	35,000	.....
Deficit after dividends	$15,147	$24,190	$5,177	$2,995	$1,889	*$39,615
Times Bond Interest Earned	1.65	1.37	1.50	1.24	1.71	1.65
Earnings Per Share—						
Preferred	$5.32	$2.38	$4.65	$2.80	$8.21	$7.64
Common	0.57	Nil	0.28	Nil	1.80	1.56

*Surplus.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$10,636,003	$10,554,900	$10,438,098	$10,221,861	$10,112,564	$10,010,099
Other investments (at cost)	436,029	492,395	453,974	157,421	196,685	165,787
General Mortgage trust funds	273,493	273,493	273,493	273,493	273,493	273,493
Accounts receivable	9,134	9,613	26,781	20,656	8,772	7,670
Materials and supplies	142,084	147,167	153,258	144,547	129,235	124,107
Cash	54,333	96,389	93,481	77,647	127,974	89,596
Interest, dividends and rents receivable	6,854	7,520	7,434	4,746	6,042	5,430
Preferred stock subscriptions	.....	1,453	109,240	.....	.....	.....
Advance payments	9,067	11,280	5,994	9,050	10,933	4,668
Valuation expense	12,181	7,441	16,400	30,515	44,630	46,914
Injuries and damages reserve funds	.....	.....	.....	.....	.....	41,428
Other unadjusted debits	†	10,596	10,553	15,591	.....	.....
Total	$11,579,178	$11,612,247	$11,588,706	$10,955,527	$10,910,328	$10,769,192
Liabilities—						
Common stock	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000
Preferred stock	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
7% Pfd. stock of Duluth Street Ry. Co.	385,500	413,700	500,000	.....	.....	.....
Funded debt	3,358,000	3,384,000	3,412,000	3,440,000	3,469,000	3,490,000
Loans and notes payable	20,000	.....	.....	.....	.....	.....
Approved vouchers	100,314	99,181	87,157	90,886	121,996	101,252
Tax liability	135,430	117,298	121,805	98,586	116,960	94,149
Depreciation reserve	1,900,935	1,869,871	1,723,513	1,584,073	1,463,429	1,338,489
Accrued interest, dividends and rents payable (not due)	28,147	28,706	29,531	28,993	29,067	29,404
Injuries and damages reserve	28,401	31,022	33,866	42,039	43,775	41,428
Other reserves	.....	.....	.....	.....	.....	10,511
Unadjusted credit items	29,348	25,929	15,022	13,117	11,399	34,292
Corporate surplus	593,103	*642,540	665,812	657,833	654,702	629,666
Total	$11,579,178	$11,612,247	$11,588,706	$10,955,527	$10,910,328	$10,769,192

*Corporate surplus appropriated as follows: Additions to property through surplus $171,470, funded debt retired through surplus, $356,449, sinking fund reserve, $16,099—total, $544,018, unappropriated, $49,084—total $593,103. †Included in Valuation Expense.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash	$54,332	$96,389	$93,481	$77,647	$127,974	$89,59
Miscellaneous accounts receivable	9,134	9,613	26,781	20,656	8,772	7,67
Materials and supplies	142,083	147,167	153,258	144,547	129,235	124,10
Interest, dividends and rents receivable	6,854	7,520	7,434	4,746	6,042	5,43
Total	$212,403	$260,689	$280,954	$247,596	$272,023	$226,80
Current Liabilities—						
Audited accounts and wages payable	$100,314	$99,180	$87,157	$90,886	$121,996	$101,25
Loans and notes payable	20,000	.....	.....	.....	.....	.....
Tax liability	135,430	117,298	121,805	98,586	116,960	94,14
Accrued interest, dividends and rents payable (not due)	28,147	28,706	29,531	28,993	29,067	29,40
Total	$283,891	$245,184	$238,493	$218,465	$268,023	$224,80
Net Working Capital	*$71,488	$15,505	$42,461	$29,131	$4,000	$1,99

*Debit.

Officers: A. M. Robertson, Pres., Minneapolis, Minn. Herbert Warren, V-P. & Gen. Mgr.; S. L. Reichert, Sec. & Treas.; W. P. Dwyer, Aud.; Otis Birdsall, Pur. Agt., Duluth, Minn.; Louis B. Zacher, Asst. Sec., New Haven, Conn.

Directors: A. E. Ames, Chairman of the Boar Toronto, Ont.; A. M. Robertson, Horace Lowry, Mir neapolis; Louis B. Zacher, New Haven, Conn.; Luthe Mendenhall, Henry F. Salyards, Duluth, Minn.; C. F Fridley, Superior, Wis.; F. H. Deacon, Toronto, On

Offices, Duluth, Minn., and Superior, Wis.

THE DULUTH STREET RAILWAY COMPANY

(Controlled by The Duluth-Superior Traction Company)

History—Incorporated Oct. 25, 1881, in Minn., for 50 years. In Aug., 1900, absorbed the Lakeside St. Ry. and the Superior Rapid Transit Co. In July, 1925, purchased the local jitney bus business in Superior. Operates under indeterminate permits from the States of Minnesota and Wisconsin. The corporate existence of the Duluth Street Ry. is maintained, all of its Common stock being held by the Duluth-Superior Traction Co.

CAPITAL STOCK

Authorized, $2,000,000 Common and $1,500,000 7% Preferred (authorized Jan. 23, 1924); outstanding, $1,800,000 Common and $500,000 Preferred; par, $100. All the Common stock and $114,500 of the Preferred stock is owned by The Duluth-Superior Traction Co. Annual meeting, second Wednesday in January. Dividends paid on capital stock (now Common stock) in fiscal years: 1913, 11¼%; 1914, 11½%; 1915, 6%; 1916, 3½%; 1917, 7½%; 1918, 9¾%; 1919, 4.11% 1924, 4.11%; 1925, 8.33%; 1926, 3.83%. Pfd. dividend are being regularly paid.

Original Offering—Preferred stock was offered fo sale through Company's employes on March 16, 192 at 96 to employes and 98 to local public.

FUNDED DEBT

$3,358,000. For description, see The Duluth-Supe rior Traction Co. statement.

Officers: A. E. Ames, Chairman of Board, Toronto A. M. Robertson, Pres., Minneapolis; Herbert Warre V-P. & Gen. Mgr.; S. L. Reichert, Sec. & Treas William P. Dwyer, Aud., Duluth.

Directors: Henry F. Salyards, S. L. Reichert, He bert Warren, Duluth; A. M. Robertson, Horace Lowr Minneapolis; A. E. Ames, F. H. Deacon, Toronto.

Office, Duluth, Minn.

BRIDGEPORT HYDRAULIC COMPANY

History and Properties—Incorporated June 26, 1857, in Conn., with a perpetual charter to supply water. Serves Bridgeport, Stratford, Fairfield, Southport, Westport, Shelton and Trumbull in Connecticut, under a franchise that is both perpetual and exclusive. On Aug. 16, 1927 consolidated with Westport Water Co. and Shelton Water Co., formerly controlled by stock ownership. Owns 17 reservoirs with a storage capacity of 14,000,000,000 gallons; has 2 pumping stations, about 12,643 acres of land, 400 miles of pipe and about 25,000 customers. Population served, about 200,000.

Valuation—The property of the Company was valued as of July 28, 1926, by the Public Service Commission of Connecticut, for the purpose of rate making, in excess of $14,000,000.

CAPITAL STOCK

Authorized, $10,000,000; outstanding, Dec. 31, 1927, $6,000,000 (increased from $5,000,000 in 1924) par, $100.

Stock Increase—Subscription Privilege—Stockholders of record Nov. 15, 1927 received the right to subscribe for $500,000 additional stock at $100 per share in the ratio of one share of new stock for each twelve shares held. The right to subscribe expired and payment was due on Jan. 3, 1928. The outstanding stock was increased to $6,500,000.

Annual Meeting—Third Tuesday in May.

Price Range—

	1927	1926	1925	1924
High	238	180	145	141
Low	172	137	139	127

Dividends—Since 1900, at rate of 8% per annum; payments quarterly, J, A, J & O 15. Directors meet for dividend action third Tuesday in Feb., May, Sept. and Nov. Transfer office, Bridgeport, Conn.

FUNDED DEBT

$5,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A DUE JUNE 1, 1944

$800,000 FIRST MORTGAGE 4½% GOLD BONDS, SERIES "B DUE DECEMBER 1, 1945

Dated, Series "A," June 1, 1924; Series "B," Decen ber 1, 1925.

Interest Payable June and December 1, at Bridg port Trust Co., Bridgeport, Conn., and New Yor Trust Co., New York.

Denominations—Coupon, $500 (in Series "A" only and $1,000; principal may be registered; and full registered bonds of $1,000 or authorized multiple thereof; interchangeable.

Trustee—The Bridgeport Trust Co., Bridgepor Conn.

Provisions of Issue—Issued $5,000,000 Series "A and $800,000 Series "B." Proceeds of Series "B" bond were to be used for new construction. Series "A" a closed series. Bonds of other series can be issue against property owned on April 1, 1924, and add tional bonds can be issued only for not exceedin 66 2/3% of the cost or fair value (whichever is less of additional property or improvements, on which th mortgage is a first mortgage. No bonds (except i substitution for bonds previously outstanding) can b issued unless net earnings for three consecutive yea ending within ninety days prior to the request fo additional bonds have averaged at least 1¾ times in terest on the total outstanding bonds including thos proposed to be issued.

Improvement Fund—The mortgage provides tha as long as any Series "A" bonds remain outstanding

he company shall expend during each calendar year beginning with 1925 (in addition to all sums necessary o take care of maintenance and depreciation) $50,000 or extensions, additions or improvements to the mortgaged property, or to purchase or call bonds of Series 'A." In addition to the improvement fund for Series 'A" bonds, an amount of at least 1% of Series "B" bonds certified is to be expended annually for additions or improvements to the mortgaged property or o retire Series "B" bonds.

Callability—Subject to call as a whole at any time, or in part on any interest date, on thirty days' notice, at 105 and interest up to and including June 1, 1934 (for Series "A") and Dec. 1, 1935 (for Series "B"), hereafter decreasing ½% annually to 101 after June 1, 1941 (for Series "A") and Dec. 1, 1942 (for Series 'B").

Security—Secured by a first mortgage on the land, flowage rights, reservoirs, buildings, underground pipes and machinery of the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Connecticut State Tax.

Legal Opinion—Ropes, Gray, Boyden & Perkins (for the bankers) and Marsh, Stoddard & Day (for the Company).

Legal for Savings Banks in Connecticut and mortgage provides that no additional bonds shall be issued at any time if the issue thereof would make bonds previously issued illegal for investment for savings banks in Connecticut.

Original Offering—Series "A" bonds first publicly offered ($5,000,000) in April, 1924, at 100 and accrued interest, to yield 5%, by Lee, Higginson & Co., and Estabrook & Co., New York, etc.; Hincks Bros. & Co. and The Bridgeport Trust Co., Bridgeport, Conn.; T. L. Watson & Co., New York and Bridgeport; Putnam & Co., Hartford, Conn., and Chas. W. Scranton & Co., New Haven, Conn. Series "B" bonds first publicly offered ($800,000) in December, 1925 at 100½ and interest, to yield over 4.45%, by the same bankers.

Price Range—

	1927	1926	1925	1924
Series "A" 5s—				
High	105	106	104½	103½
Low	102½	102½	102½	100
Series "B" 4½s—				
High	99¼	98	102½	..
Low	bid	bid	99½	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,543,501	$1,290,663	$1,025,560	$1,011,889	$979,401	$755,888
Operating expenses, taxes and depreciation	665,724	558,348	476,578	438,513	396,018	335,423
Net earnings	$877,777	$732,315	$548,982	$573,376	$583,383	$420,465
Other income	103,701	119,236	113,343	108,786	90,047	90,883
Total income	$981,478	$851,551	$662,325	$682,162	$673,430	$511,298
Interest and amortization	304,227	296,821	263,669	235,876	228,181	299,972
Balance for dividends	$677,251	$554,730	$398,656	$446,286	$445,249	$211,326
Dividends paid	480,000	480,000	480,000	480,000	400,000	400,000
Surplus for year	$197,251	$74,730	*$81,344	*$33,714	$45,248	*$188,674
Times Interest Earned	3.22	2.87	2.51	2.89	2.95	1.70
Earnings Per Share	$11.28	$9.24	$6.64	$7.44	$8.90	$4.22

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$20,370,996	$12,072,419	$11,434,034	$10,535,812	$9,957,777	$9,702,845
Subsidiary companies' stocks owned	101,925	453,600	503,100	528,100	527,800	552,800
Materials and supplies	173,874	127,043	172,536	141,757	138,488	136,061
Cash	55,897	81,868	754,700	812,924	28,024	205,032
Bills receivable	14,525	345,000	148,575	215,825	187,997	160,647
Accounts receivable	428,049	429,606	282,103	275,390	271,183	227,020
Suspense accounts	187,693	198,125	204,288	196,287	3,082	206,799
Other current assets	4,361	5,641	5,807	3,717	.....	.....
Total	$21,337,320	$13,713,302	$13,505,142	$12,709,812	$11,114,351	$11,191,204
Liabilities—						
Capital stock	$6,000,000	$6,000,000	$6,000,000	$6,000,000	$5,000,000	$5,000,000
Funded debt	5,800,000	5,800,000	5,800,000	5,000,000	.....	.....
Construction notes	.....	.....	.....	.....	4,000,000	4,500,000
Bills payable	436,250	36,250	71,350	68,350	547,250	43,250
Accounts payable	30,078	31,878	11,609	13,291	6,717	4,107
Consumers' deposits	438	.....	.....	.....	.....	.....
Accrued interest	26,489	24,587	24,645	21,514	34,325	36,201
Unpaid dividends	120,000	120,000	120,000	120,000	100,000	100,000
Reserve for taxes	72,299	57,588	49,274	27,723	.....	.....
Depreciation reserve	4,244,547	594,578	498,284	425,517	355,291	280,950
Surplus	4,607,219	1,048,421	929,980	1,033,417	1,070,768	1,226,696
Total	$21,337,320	$13,713,302	$13,505,142	$12,709,812	$11,114,351	$11,191,204

Officers: De Ver H. Warner, Chairman of Board; Samuel P. Senior, Pres.; Albert E. Lavery, V-P.; De Ver C. Warner, Treas.; Frank C. Brotherton, Sec., Bridgeport, Conn.

Directors: P. W. Wren, L. T. Warner, De Ver H. Warner, C. G. Sanford, Waldo C. Bryant, S. P. Senior, Arthur M. Marsh, B. D. Pierce, C. B. Seeley, Albert E. Lavery, De Ver Warner, D. H. Hall, D. C. Wheeler, D. E. Brinsmade, George S. Hawley, Bridgeport, Conn.; Frederick B. Hubbell, Westport, Conn.; Chas. Curie, New York.

Office, Bridgeport, Conn.

TRENTON AND MERCER COUNTY TRACTION CORPORATION

History—Incorporated Oct. 5, 1910, in N. J. On Oct. 15, 1910, leased for 990 years the Trenton St. Ry., the Mercer County Traction Co., the Trenton, Hamilton & Ewing Traction Co. and the Trenton, Pennington & Hopewell St. Ry., the lessee assuming all operating expenses, taxes and interest charges of every nature, and in addition a total rental of $80,000 for first year, $82,500 for second year, $85,000 for third year; increasing $5,000 per annum to a maximum of $150,000 in 16th and succeeding years.

In Jan., 1918, Company failed to pay rental on the Trenton Street Ry. properties, but was granted an extension of time until April 1, 1918, and then to July 1, 1918, in which to make payment. Company re-

sumed payments of current rentals on July 1, 1923. The rentals due from Feb., 1918 to Dec. 31, 1923 still unpaid at Dec. 31, 1927, and amount to $733,792.

Company controls the **Central Transportation Co.**, which Company was authorized by the New Jersey Public Utility Commission to issue Equipment Trust Notes, to be used in the purchase of buses. There were issued originally $240,000 of notes (in three series "A," "B" and "C"). Series "A" has been retired and there were outstanding at Feb. 1, 1928, $45,000 Series "B" and $85,000 Series "C."

Valuation—The value of property and business of Company has been determined by Ford, Bacon & Davis, New York, as being $5,000,000. Reproduction cost new of the property as a going concern based on Dec. 1, 1920, prices for labor and material, is estimated to be $9,391,228. Historical cost built up from the Co.'s records show a value of **$5,335,674.**

CAPITAL STOCK

Authorized, $200,000 Common and $200,000 Pfd.; outstanding, $150,000 Common and $150,000 Pfd.; par, $100.

Annual Meeting—Third Tuesday in January.

Dividends—None paid on either class of stock.

CAR TRUST NOTES OUTSTANDING FEBRUARY 1, 1928

$6,000 Car Trust Notes, Series "C," of an issue of $66,000, dated Oct. 1, 1917, to Edward C. Stokes, Trustee. Secured on 10 new double truck one-man cars.

$6,000 Car Trust Notes, Series "E," dated Jan. 10, 1923. Mechanics Bank, Trustee. Secured on 4 snow sweepers and 2 plows.

$198,710.92 J. G. Brill Co. Notes, dated Jan. 2, 1925; due one note each month to Jan. 2, 1935, inclusive. Original issue, $305,044. Secured on 20 new double truck one-man cars.

$2,775.75 National Pneumatic Co. Notes, secured on 100 sets of treadle devices.

$18,000 Equipment Gold Notes, Series "F," dated May 28, 1927; due $4,500 on May 28 each year. Mechanics National Bank, Trenton, N. J., Trustee. A first mortgage on 3 new snow sweepers and a second mortgage on 10 double truck cars.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,477,266	$1,551,208	$1,551,623	$1,624,845	$1,701,034	$1,689,896
Operating expenses & taxes	1,063,056	1,081,148	1,079,039	1,336,538	1,348,735	1,378,306
Depreciation	60,218	196,598	206,933			
Net earnings	$353,992	$273,462	$265,651	$288,307	$352,299	$311,590
Other income	24,224	16,596	13,646	10,954	8,056	4,593
Total income	$378,216	$290,058	$279,297	$299,261	$360,355	$316,183
Interest charges	$269,185	$269,240	$271,041	$256,197	$260,659	$253,629
Rentals, etc.	155,578	154,837	151,292	147,395	143,933	138,927
Total charges	$424,763	$424,077	$422,333	$403,592	$404,592	$392,556
Deficit for year	$46,547	$134,019	$143,036	$104,331	$44,237	$76,373

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$1,457,732	$1,416,188	$1,383,130	Preferred stock	$150,000	$150,000	$150,000
Stocks owned	10,970	10,970	10,970	Common stock	150,000	150,000	150,000
Bonds owned	143,896	137,090	109,450	Funded debt	218,375	178,139	*153,61
Other investments	6,741	19,233	15,010	Equipment obligations	240,830	274,030	340,80
Materials and supplies	68,046	78,120	83,798	Notes payable	118,293	120,890	96,54
Cash	82,564	66,944	65,458	Accounts payable	119,489	133,629	145,54
Accounts receivable	258,182	179,135	110,195	Interest accrued	43,768	30,364	40,31
Deferred debit items & unadjusted debits	89,118	82,961	102,456	Rentals accrued & unpaid	733,792	733,792	733,79
Profit and loss deficit	1,147,375	1,100,871	956,129	Reserve for taxes	299,013	216,908	127,73
				Unadjusted credits	57,651	42,811	39,06
				Reserve for depreciation	941,443	883,937	693,83
				Res. for injuries & damages	148,970	149,013	151,35
				Sinking fund reserve	43,000	28,000	14,00
Total	$3,264,624	$3,091,512	$2,836,596	Total	$3,264,624	$3,091,512	$2,836,59

*Includes $126,310 for paving done by the City of Trenton and $27,302 for material furnished by the State Highway Department, charged to Company, but payment of which has been deferred.

Officers: Rankin Johnson, Pres.; Richard Stockton 3rd, Sec., Princeton, N. J.; Frank E. Matthews, Treas. & Aud.; Edward J. Peartree, Gen. Mgr.; M. Gildea, Pur. Agt., Trenton, N. J.

Directors: Rankin Johnson, Richard Stockton 3rd Princeton, N. J.; Edward J. Peartree, Trenton, N. J.

General Office, 143 E. State Street, Trenton, N. J.

TRENTON STREET RAILWAY COMPANY

(Leased to Trenton and Mercer County Traction Corporation)

History—Incorporated June 28, 1898, in N. J.; consolidation of Trenton Passenger Ry., Mulberry St. Passenger Ry., Ewing Pass. Ry. Co. and the Pennington Avenue Pass. Ry. Co. Leased to Trenton & Mercer County Traction Corporation on Oct. 15, 1910 (on terms shown in the foregoing statement). Total track, 42.40 miles. Gauge, 5 ft. 2 in. Rails, 70 to 103 lbs. T and girder. Power station, 1; engines to generate power, 4.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $1,000,000; par, $50. All but thirty shares owned by The United Power & Transportation Co.

Annual Meeting—Third Tuesday in January.

FUNDED DEBT

(1)

$840,000 Trenton Passenger Ry. First Mortgage Gold 6s; dated Oct. 1, 1891; due $20,000 per annum, 1926 to 1930, and the remaining $650,000 on Oct. 1, 1931; interest April and October 1, at Mechanics' National Bank, Trenton, N. J. Coupon, $1,000; principal may be registered. Original issue, $1,000,000, remainder having been retired. The bonds due Oct. 1, 1920, to Oct. 1, 1927 were taken up from original holders, but were not cancelled. They are being continued temporarily by holders at 6% interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,159,000 Consol. Gold 5s; dated July 1, 1898; due July 1, 1938; int. Jan. and July 1, at Mechanics' National Bank, Trenton. Coupon, $1,000; principal may be registered. Girard Trust Co., Philadelphia, Trustee. Authorized, $2,000,000, of which sufficient reserved to retire the above described Trenton Passenger Ry. 6s. Secured on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

(3)

$500,000 General Gold 6s; dated June 1, 1911; due June 1, 1941; int. June and Dec. 1, at Mechanics' National Bank, Trenton, N. J. Coupon, $1,000; principal may be registered. Subject to call at 105 and int. on any interest date. Authorized issue, $500,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in New Jersey.

Legal Opinion—Sullivan & Cromwell, New York.

OFFICERS AND DIRECTORS

Officers: Walter A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Camden, N. J.

Directors: T. W. Grookett, Jr., Adaline S. Hitchner, Camden, N. J.; Walter A. Rigg, William McIlvain, Reading, Pa.; John W. Goodwin, Wilmington, Del.; Daniel Houseman, Philadelphia, Pa.; Samuel B. Rigg, Jersey City, N. J.

Offices, Trenton, N. J., and 1005 Wilson Bldg., Camden, N. J.

MERCER COUNTY TRACTION COMPANY

(Leased to Trenton and Mercer County Traction Corporation)

History—Incorporated June 19, 1899 in N. J. Leased to the Trenton Street Ry. Co. for 990 years from Aug. 1, 1904; on Oct. 15, 1910, lease with Trenton St. Ry. Co. suspended and new lease made with Trenton & Mercer County Traction Corp. for 990 years. Connects Trenton, Lawrenceville and Princeton. Length of line, 10.74 miles. Gauge, 5 ft. 2 in.

CAPITAL STOCK

Authorized and outstanding, $100,000. All but 25 shares owned by The United Power & Transportation Co.

FUNDED DEBT

$292,000 First Gold 5s; dated July 1, 1904; due July 1, 1944; interest January and July 1, at Mechanics National Bank, Trenton, N. J. Coupon, $1,000; principal may be registered. Real Estate Title Ins. & Trust Co., Philadelphia, Trustee. Guaranteed, principal and interest, by the Trenton St. Ry. Co., by endorsement. A first lien on 10.77 miles of track.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in New Jersey.

Legal Opinion—Frank Bergen.

Officers: Walter A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Camden, N. J.

Offices, Trenton, N. J., and 1005 Wilson Bldg., Camden, N. J.

TRENTON-HAMILTON & EWING TRACTION CO.

(Leased to Trenton and Mercer County Traction Corporation)

History—Incorporated Aug. 11, 1905, in N. J. Leased to Trenton St. Ry. Co. for 999 years from May 1, 1906. On Oct. 5, 1910, lease with Trenton St. Ry. Co. suspended and new lease made with Trenton & Mercer County Traction Corp. for 990 years. Length of line, 8.98 miles.

CAPITAL STOCK

Authorized and outstanding, $200,000; all but 25 shares owned by The United Power & Transportation Co.

FUNDED DEBT

$500,000 First Mortgage Gold 5% Bonds; dated Nov. 1, 1905 due Nov. 1, 1955; int. May and Nov. 1, at Mechanics National Bank, Trenton, N. J. Coupon, $1,000; principal may be registered. Authorized, $500,000. A first lien on property owned, and guaranteed, principal and interest, by the Trenton St. Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Officers: Walter A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Camden, N. J.

Offices, Trenton, N. J., and 1005 Wilson Bldg., Camden, N. J.

TRENTON, PENNINGTON & HOPEWELL ST. RY. CO.

(Leased to Trenton and Mercer County Traction Corporation)

History—Incorporated Sept. 22, 1902, in N. J. Leased to Trenton St. Ry. Co. On Oct. 15, 1910, lease with Trenton St. Ry. Co. suspended and new lease made with Trenton & Mercer County Traction Corp. for 990 years. Line of road, Trenton to Pennington, N. J., 7.15 miles.

CAPITAL STOCK

Authorized and outstanding, $250,000. All but seven shares owned by The United Power & Transportation Co.

FUNDED DEBT

$349,000 First Gold 5s; dated June 1, 1903; due June 1, 1943 int. June and Dec. 1, at Mechanics National Bank, Trenton, N. J. Guaranteed, principal and interest, by the Trenton St., Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Officers: Walter A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Camden, N. J.

Offices, Trenton, N. J., and 1005 Wilson Bldg., Camden, N. J.

CONSOLIDATED HYDRO-ELECTRIC WORKS OF UPPER WUERTTEMBERG

(Bezirksverband Oberschwaebische Electrizitaetswerke)

History and Properties—The Company is a public corporation organized on Dec. 20, 1909, by virtue of the district ordinance of the Republic of Wuerttemberg of July 28, 1906, and its duration is perpetual. The Company was organized by certain counties of Wuerttemberg, Germany, for the purpose of furnishing the territory of such counties with electric current. Began business in 1914. Owns and operates two large hydro-electric plants (completed in 1923 and 1924) on the Iller River, a tributary of the Danube, a steam plant at Ulm and several smaller plants in the Danube Valley and elsewhere. Combined capacity of present properties is approximately 53,000 H. P. which, upon completion of two additional hydro-electric plants to be built with proceeds of the bonds described below, will be increased to over 69,500 h. p. Owns an extensive distribution system, comprising seven sub-stations, approximately 736 transformer stations, over 1400 miles of high tension lines and a network of local lines. Serves a territory composed of the greater part of 15 Wuerttemberg counties and three adjacent Prussian counties, together with several nearby municipalities, including the City of Ulm. In this territory which has an area of over 2,500 square miles and a population of approximately 500,000, Company supplies 700 communities and has about 55,000 customers. Through several contracts surplus current is sold and interchanged elsewhere in Wuerttemberg (including the City of Stuttgart). Over 99% of the gross operating revenue of the Company is derived from the sale of electric light and power.

OUTPUT OF ELECTRIC ENERGY

Year	K.W.H.	Year	K.W.H.
1915	4,000,000	1921	32,500,000
1916	7,000,000	1922	34,500,000
1917	10,000,000	1923	37,000,000
1918	17,500,000	1924	56,000,000
1919	18,000,000	1925	79,000,000
1920	25,000,000	1926	83,400,000

CAPITAL STOCK

Owing to the nature of the organization of the Company as a public enterprise, all of the members of which are political sub-divisions of the States of Germany, the Company has no privately owned stock. It does not distribute dividends, all of its earnings being regularly reinvested in its property.

FUNDED DEBT

$3,936,500 FIRST MORTGAGE 7% THIRTY-YEAR SINKING FUND GOLD BONDS; DUE JANUARY 15, 1956

Dated January 15, 1926.

Interest Payable January and July 15 at W. A. Harriman & Co., Inc., New York City, fiscal agent, in U. S. Gold coin of standard of weight and fineness existing on Jan. 15, 1926.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee and Registrar—American Trust Co., New York City.

Provisions of Issue—Authorized, $5,000,000; issued, $4,000,000; outstanding, $3,936,500. Authority to issue the $1,000,000 additional bonds was cancelled in Jan., 1927. The proceeds of the $4,000,000 issued bonds were to be used for the construction of 2 new hydro-electric plants, several new sub-stations, the enlargement of existing plants, the extension of Company's distribution system and for the retirement of floating debt incurred for the aforesaid purposes.

Callability—Subject to call, except for sinking fund, on any interest date beginning January 15, 1931, as a whole or in part, upon 30 days' notice, as follows: At 102 on or after Jan. 15, 1931; at 101 on or after January 15, 1936; at 100 on or after Jan. 15, 1941.

Sinking Fund—The Indenture provides for semi-annual, cumulative sinking fund payments, beginning July 15, 1926, sufficient to retire the entire issue by maturity. In lieu of such payments Company may deliver, at their face value, outstanding bonds of this issue. Sinking fund monies are to be used for the redemption of bonds by semi-annual drawings at 100

and interest. Notice of drawn bonds will be published in New York City 30 days prior to redemption date.

Security—These bonds are secured by a first mortgage on all of Company's hydro-electric plants including two new plants to be built, and other additional properties. In addition, 15 counties in Wuerttemberg; namely, Balingen, Biberach, Blaubeuren, Ehingen, Laupheim, Leutkirch, Munsingen, Ravensburg, Reutlingen, Riedlingen, Saulgau, Tettnang, Urach, Waldsee and Wangen, will be jointly and severally liable for the payment of the principal and interest of this loan. Bonds will constitute a primary obligation of the above counties, payable directly from taxation in the event that revenues of Company should ever be inadequate. In the indenture securing these bonds, Company agrees that as long as any of the bonds are outstanding, it will not initiate or permit the establishment of rates which will be insufficient to produce annual net earnings equal to at least 1½ times interest and sinking fund charges on all of its outstanding funded debt. With the exception of their liability in respect to these bonds, 14 of the counties mentioned above have no funded debt, while that of the remaining county as of March 31, 1925, amounts to less than $1,500. For the year ended March 31, 1925, revenues of these counties balanced expenditures.

Relation To Dawes Plan—On account of its public ownership the Company is not subject to the lien under the "Dawes Plan." According to the laws of the German Reich, especially that of Nov. 16, 1925, the Company, however, is obligated to make annual payments estimated at not over $25,000. These payments are analogous to the annual charges for interest and amortization of principal of the Dawes Industrial Debentures imposed on privately owned companies.

Tax Provisions—Principal and interest payable without deduction for any past, present or future taxes levied by or within the German Reich.

Legal Opinion—Hornblower, Miller & Garrison, New York and Dr. Wilhelm Buetner, Berlin.

Original Offering—First publicly offered ($4,000,000) at 93 and interest to yield about 7.60% by W. A. Harriman & Co., Inc., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926
High	101	100½
Low	95⅝	100

Depreciation—In accordance with the German custom, depreciation is not charged against income from operations but is a direct appropriation of surplus; all maintenance and renewals, however, are charged against earnings and included in operating expenses. As the Company is a public enterprise and does not distribute dividends, all of its earnings are regularly reinvested in the property. This has not only provided for depreciation but has further increased net assets and production capacity.

EARNINGS, YEARS ENDED DEC. 31

	1926	1925	1924
Gross operating revenues	$1,470,663	$1,345,710	$1,121,07
Oper. exp. incl. maintenance	747,582	555,720	417,44
Net earnings (before deprec.), available for int..	$723,081	$789,990	$703,63

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—	
Fixed assets	R. M. 22,206,62
Work in preparation	54,00
Vehicles	30,00
Fixtures and tools	40,00
Supplies	1,442,75
Participations	714,00
Securities and foreign exchange	1,140,55
Cash and postal accounts	24,77
Cash in banks	330,92
Loans	4,549,48
Accounts receivable	1,851,33
Advance payments	835,61
Total	R. M. 33,220,05
Liabilities—	
Funded debt—	
7% American Dollar Loan	R. M. 16,692,90
Debentures	8,957,80
Acceptances	626,20
Accounts payable and accrued interest	1,396,59
Employment welfare fund	500,00
Depreciation reserve	5,002,44
Net profit	44,11
Total	R. M. 33,220,05

Officers: Franz Schenk Freiherr von Stauffenberg Pres., Ristissen; Herr Stiefenhofer, V-P., Ravensburg

Board of Managing Directors: Adolf Pirrung Adolph Mayer, Biberach a. d. Riss.

Committee of the Board of Administration: Fran Schenk Freiherr v. Stauffenberg (Pres.), Ristissen Stiefenhofer (Vice-Pres.), Ravensburg; Adorno, Tet nang; Kommerell, Reutlingen; Kolle, Gomadingen Risch, Biberach a. d. Riss; Schiele, Wurzach; Schupp Dietenheim; Spohn, Blaubeuren; Sommer, Beizkofe Weishan, Sigmaringen.

General Office, Biberach a. d. Riss, Germany.

CONSOLIDATED GAS COMPANY OF NEW YORK

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnin per Sh
$5 Cum. Pfd.; no par value	F, M, A & N 1	3,000,000 shs.	1,200,000 shs.	Yes	$42,219,193	$5	$3,723,095	$35.
Common; no par value	M, J, S & D 15	4,320,000 shs.	4,320,000 shs.	...	37,971,038	5	20,689,462	8.

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
20-Year 5½% Gold Debentures	Feb. 1, 1945	F & A 1	$50,000,000	$50,000,000	No	Yes	Not pd. by C

Total Funded Debt, at Dec. 31, 1927, $50,000,000. **All Interest Accrued** in 1927, $11,761,370.
Amount Available for Interest in 1927, $54,035,149. **Times All Interest Earned** in 1927, 4.59.

History—Incorp. Nov. 10, 1884, in New York; consolidation of Harlem Gas Light Co.; Knickerbocker Gas Co.; Manhattan Gas Light Co.; Metropolitan Gas Light Co.; Municipal Gas Light Co., and New York Gas Light Co. In Dec., 1898, acquired a controlling interest in the stock of the New York Mutual Gas Light Co. and in 1899 control of the United Electric Light & Power Co. was acquired. In March, 1900, acquired practically the entire capital stock of the New York Gas & Electric Light, Heat & Power Co. (now the New York Edison Co.) In Sept., 1900, a controlling interest in the stocks of the Standard Gas Light Co. and New Amsterdam Gas Co. was acquired. Als owns the entire capital stock of the Astoria Ligh Heat & Power Co. of Astoria, Long Island. The Co solidated Gas Co. now controls the entire gas an electric lighting interests of the Borough of Manha tan, New York City. On July 11, 1904, the New Yor & Westchester Lighting Co.was organized and a quired from the United Gas Improvement Co. contr of the Westchester Lighting Co. In 1913, acquired a the stocks of the New York & Queens Gas Co. and als a majority of the Preferred and Common stocks of th New York & Queens Electric Light & Power C

Early in 1921 it acquired control of the Bronx Gas & Electric Co. (see statements appended). On Aug. 31, 1922, it acquired by purchase the entire assets of the New York Mutual Gas Light Co. In Nov., 1923, purchased from the New York Edison Co. and from The United Electric Light & Power Co., at $50 a share, 7,090 shares of Pfd. and 456,700 shares Common stock, both without par value, of the Consolidated Telegraph & Electrical Subway Co.

The Consolidated Gas Company of New York directly and through its subsidiaries does practically the entire gas and electric light and power business in the Boroughs of Manhattan, New York City, the Bronx, Queens and in Westchester County, serving a present estimated population of 4,000,000.

Plant and Equipment—The company owns 3 water gas plants as follows: 11th St. and East River, capacity 24,000,000 cu. ft.; 21st St. and East River, capacity 38,000,000 cu. ft.; and 99th St. and East River, 5,500,000 cu. ft.; and by-product coke oven coal gas plant at Hunts Point, with a capacity of 20,000,000 cu. ft. Number of holders (inclusive of 4 relief holders), 29, capacity, 91,350,000 cu. ft.

The Company takes a large part of the output of the Astoria Light, Heat & Power Co., of which it owns all the capital stock. The plant of the latter company is equipped with coal and water gas apparatus of the most modern type, having a capacity of 86,000,000 cu. ft. per day. This property is located on the waterfront in the Borough of Queens, the gas being pumped through a large tunnel under the East River to Manhattan Island. The other subsidiary companies also own and operate extensive coal and water gas plants, thus making the combined capacity, including the plants in Westchester County, approximately 260,180,000 cu. ft. per day. The total holder capacity, exclusive of relief holders, is in excess of 156,800,000 cu. ft. and the distribution system includes about 3,150 miles of mains.

The New York Edison Co., all the stock of which is owned by the Consolidated Gas Company, is one of the largest electric companies in the country. Its electric power stations, Waterside No. 1 and 2, have a combined capacity of 368,700 k.w., comprising one of the largest steam generating installations in the world. The aggregate capacity of all the stations operated by the New York Edison Co. is 536,300 k.w.; and 791,492 electric consumers are served. The United Electric Light & Power Co. owns two stations having a combined generating capacity in service Dec. 31, 1927 of 436,000 k.w., and the New York & Queens Electric Light & Power Co., Westchester Lighting Co., and its subsidiaries also owns electric power stations, making the total steam generating capacity of the System 988,150 k.w. The transmission and distribution system are nearly 12,600 miles in length, of which over half is located in underground conduits. All of the gas and electric properties are so inter-connected as to render continuity of service much above the average.

Operating Data—The sales of the Consolidated Gas Company and its affiliated gas companies for the year 1927, amounted to 42,503,203,800 cubic feet, and increase over 1925 of 730,962,700 cubic feet, or 1.75%, but a decrease as compared with 1926, of 2,484,732,600 cu. ft. or 5.52%. This decrease was due primarily, to conditions occasioned by the coal miners' strike in the early months of 1926, which resulted in an abnormal increase in sales for that year over the quantity which would have been sold if conditions had been normal. The affiliated electric companies sold 2,320,531,525 kilowatt hours of electric current, an increase over 1926 of 256,242,532 kilowatt hours, or 12.41%. The Bronx Gas and Electric Company obtained the greatest percentage of increased gas sales, or 17.37 over 1926. The same Company also obtained the greatest percentage of increased electric sales, which was 29.85 over 1926.

The total number of gas-meters of the Consolidated Gas Company and its affiliated companies in use at the end of 1927, was 1,087,999. The total number of electric-meters of the affiliated companies in use at the end of 1927, was 1,352,865.

The municipal street lamps on the lines of the Consolidated Gas Company and its affiliated gas and electric companies, on Dec. 31, 1927, consisted of 299 incandescent gas-lamps, 49 electric arc-lamps and 99,518 electric incandescent-lamps, a total of 99,866 lamps.

Gas Rate Litigation—The Consolidated Gas Company and all its affiliated gas companies within the City of New York commenced suits in the United States District Court immediately after the passage by the Legislature, on June 2, 1923, of the statute reducing the rate from $1.15 (which had been fixed by the Public Service Commission after an extended investigation and hearing) to $1.00 per thousand cubic feet.

After extended hearings, final decrees were obtained in the suits brought by the New York and Queens Gas Company, The Bronx Gas and Electric Company and the Consolidated Gas Company, adjudging the statute unconstitutional and void as to those companies. Appeals were taken to the Supreme Court of the United States by the Attorney General of the State of New York, but the Public Service Commission did not appeal in any of the cases.

The appeals in the cases of the New York and Queens Gas Company and The Bronx Gas and Electric Company were dismissed by the Supreme Court, upon the Attorney General's failure to prosecute. The appeal in the Consolidated Gas Company case was argued before the United States Supreme Court on Oct. 18 and 19, 1926, and the decision of the Court, unanimously affirming the decree of the District Court, was announced on November 29, 1926, an unusually short interval elapsing between the oral argument and the rendering of the decision.

By a stipulation entered into between the parties to the litigation, the suits brought by the other subsidiary gas companies were also terminated on Jan. 31, 1927, by the entries of final decrees, identical in form and substance with the decree in the Consolidated Gas Company case.

COMBINED OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Gas Meters in Use.	Electric Meters in Use.	Gas Appliances Installed.	Sales of Gas. (1,000 cu. ft.)	Sales Electric Current. (1,000 k.w.h.)
1917	964,098	353,660	137,664	30,778,671	*749,827
1918	964,055	370,567	107,414	32,988,377	*756,649
1919	976,727	408,227	148,690	33,674,972	*865,388
1920	997,251	462,061	147,240	37,876,872	*1,009,476
1921	1,007,279	524,677	137,601	36,282,751	*1,186,346
1922	1,018,388	617,382	163,045	37,434,824	*1,343,977
1923	1,042,024	735,190	176,312	41,448,992	*1,543,733
1924	1,056,008	882,471	94,401	41,612,084	*1,661,106
1925	1,064,281	1,044,377	260,746	41,772,241	*1,828,793
1926	1,065,159	1,213,503	277,975	44,987,936	*2,064,289
1927	1,087,999	1,352,865	298,430	42,503,203	*2,320,531

*Includes sales to the Third Avenue R.R. Co., Brooklyn-Manhattan Transit Co., New York, New Haven & Hartford R.R. Co., and the Hudson & Manhattan R. R. Co.

MISCELLANEOUS OPERATING STATISTICS, DECEMBER 31, 1927

(Consolidated Gas Co. Proper)

Coal used in generators during year (gr. tons)	1,272	Gas on hand Jan. 1, 1927 (M. cu. ft.)	53,915
Coal used under boilers (gr. tons)	5,450	Gas made-oven gas (M. cu. ft.)	6,927,211
Coke used (net tons)	186,796	Water gas (M. cu. ft.)	5,282,130
Gas oil used (gals.)	16,855,391	Gas received from other cos. (M. cu. ft.)	11,493,590
Water gas tar used (gals.)	4,124,591	Gas sold to consumers (M. cu. ft.)	22,798,233
Water gas tar produced (gals.)	4,023,784	Gas used by Company (M. cu. ft.)	79,200
Drip oil produced (gals.)	84,271	Gas on hand Dec. 31, 1926 (M. cu. ft.)	74,039
Mains in ground (miles)	963.37	Gas unaccounted for (M. cu. ft.)	805,354
Services in ground	69,165	Gas appliances rented	10,104
Meters on district	572,782	Gas appliances sold during year	154,350
Active meters on district	493,416	Number of employees	5,187

Rates Charged for Gas (Private consumers): 1st 100,000 cu. ft. per meter per month, $1.15 per M. cu. ft.; next 200,000 cu. ft., $1.10; next 300,000 cu. ft., $1.05; next 400,000 cu. ft., $1.00; all over 1,000,000 cu. ft., 95 cents; the City of New York, 75 cents.

Wholesale service: For first 2,000 cu. ft. of maximum 24-hour use of gas at any time within the months of November to April, both inclusive, $2.50 per month during such period, for each 100 cu. ft. of such maximum use; for the next 18,000 cu. ft. $2 per month for each 100 cu. ft.; for all over 20,000 cu. ft., $1.60 per month for each 100 cu. ft.; in addition in each case to 6c. per 100 cu. ft. of gas metered; provided that for a customer making no use of gas under this service classification at any time within the months of November to April, inclusive, the rate for the gas furnished under this service classification during the months of May to October, both inclusive, shall be $1.20 for the first 200 cu. ft. (or less) of gas per meter per month, and 6c. per 100 cu. ft. for all additional quantities of gas metered. Heating service: The rate for gas for buildings heated by steam: (1) For the first 1,000 sq. ft. of equivalent cast iron steam radiation, 24c. per square foot of radiation surface per year; for the next 1,000 sq. ft., 22c.; for the next 1,000 sq. ft., 20c.; for the next 1,000 sq. ft., 18c.; for the next 1,000 sq. ft., 16c.; for the next 5,000 sq. ft., 14c.; for all equivalent cast iron steam radiation over 10,000 sq. ft., 12c.; (2) in addition to 7½c. per 100 cu. ft. of gas metered, payable monthly as indexed and billed. For buildings heated by hot water system, the rate (1) and (2) shown above shall be in all respects applicable, except that the charge under (1) shall be determined by the equivalent amount of cast iron steam radiation required.

STOCKS OF CONTROLLED COMPANIES OWNED, DECEMBER 31, 1927

(By Consolidated Gas Co. and Subsidiaries)

			Authorized	Outstanding	Owned
Owned by Consolidated Gas Co. of N. Y.					
Astoria Light, Heat & Power Co.	Common	*	520,000 shares	520,000 shares	520,000 shares
New Amsterdam Gas Co.	Common	†	130,000 shares	121,618 shares	121,618 shares
New Amsterdam Gas Co.	Preferred	†	100,000 shares	89,975 shares	89,975 shares
Northern Union Gas Co.	Common	*	75,000 shares	75,000 shares	45,000 shares
Standard Gas Light Co.	Common	†	50,000 shares	49,557 shares	47,998 shares
Standard Gas Light Co.	Preferred	†	50,000 shares	42,936 shares	41,021 shares
New York and Queens Gas Co.	Common	*	70,800 shares	70,800 shares	70,800 shares
New York Edison Co.	Common	*	4,308,080 shares	4,300,000 shares	4,300,000 shares
Consolidated Telegraph and Electrical Subway Co.	Common	*	1,104,500 shares	1,104,500 shares	1,078,700 shares
Consolidated Telegraph and Electrical Subway Co.	Preferred	*	37,500 shares	37,500 shares	7,090 shares
New York & Queens Electric Light and Power Co.	Common	*	300,000 shares	300,000 shares	293,937 shares
New York & Queens Electric Light and Power Co.	Preferred	†	12,500 shares	12,500 shares	9,460 shares
Westchester Lighting Company	Common	*	700,000 shares	700,000 shares	700,000 shares
Bronx Gas and Electric Company	Common	*	75,000 shares	75,000 shares	75,000 shares
National Coke & Coal Co.	Common	†	500 shares	500 shares	500 shares
Municipal Lighting Company, Inc.	Common	†	50 shares	50 shares	34 shares
Tarrytown Terminal Corp.	Common	†	10,000 shares	10,000 shares	10,000 shares
Owned by New Amsterdam Gas Co.					
Central Union Gas Co.	Common	†	35,000 shares	35,000 shares	35,000 shares
Northern Union Gas Co.	Common	*	75,000 shares	75,000 shares	14,800 shares
Municipal Lighting Co.	Common	†	50 shares	50 shares	6 shares
Owned by Central Union Gas Co.					
Northern Union Gas Co.	Common	*	75,000 shares	75,000 shares	15,200 shares
Municipal Lighting Co.	Common	†	50 shares	50 shares	3 shares
Owned by Northern Union Gas Co.					
Municipal Lighting Co.	Common	†	50 shares	50 shares	2 shares
Owned by Standard Gas Light Co.					
Municipal Lighting Co.	Common	†	50 shares	50 shares	5 shares
Owned by New York Edison Co.					
Yonkers Electric Light and Power Co.	Common	*	83,514 shares	83,514 shares	83,514 shares
Consolidated Telegraph and Electrical Subway Co.	Common	*	1,104,500 shares	1,104,500 shares	25,800 shares
Consolidated Telegraph and Electrical Subway Co.	Preferred	*	37,500 shares	37,500 shares	30,410 shares
United Electric Light and Power Co.	Common	*	873,942 shares	866,015 shares	865,918 shares
Edison Light and Power Installation Co.	Common	†	..... shares	12,164 shares	12,164 shares
Owned by United Electric Light and Power Co.					
Brush Electric Illuminating Co.	Capital stock	†	10,000 shares	9,990 shares	9,990 shares
Owned by the Westchester Lighting Co.					
Northern Westchester Lighting Co.	Common	†	10,000 shares	8,040 shares	8,040 shares
Peekskill Lighting and Railroad Co.	Common	†	5,000 shares	5,000 shares	5,000 shares
Peekskill Lighting and Railroad Co.	Preferred	†	1,500 shares	800 shares	750 shares

*Shares having no par value. †Shares of the par value of $100 each.

CAPITAL STOCK

Authorized, 4,320,000 shares Common and 3,000,000 shares $5 cumulative Pfd., both of no par value, outstanding Dec. 31, 1927, 4,320,000 shares Common and 1,200,000 shares Pfd.

Changes in Capitalization—At annual meeting on Feb. 21, 1927, the stockholders authorized the redemption of the 6% cumulative Participating Pfd. shares, to take effect on May 1, 1927, at $56.25 a share, in accordance with the provisions under which the issue was created. The stockholders also authorized, on Feb. 21, 1927, the issuance of 720,000 additional shares of no par Common stock (making a total authorized of 4,320,000 shares), which were offered to stockholders of record at the close of business, Feb. 25, 1927, for subscription at $75 a share, and the creation of an issue of 3,000,000 shares of $5 cumulative Pfd. stock, without par value, of which 1,200,000 shares were issued and offered to stockholders of record on Feb. 25, 1927, for subscription on or before March 17, 1927, at $91 a share.

The rights of Common stockholders to subscribe for the new stock were as follows: One share of new Common for every five shares then held, and one share of the new Pfd. for every three shares of Common then held. Issue authorized by the Public Service Commission, March 3, 1927.

Other Subscription Privileges—Stockholders of record Dec. 9, 1922, received the right to subscribe to 500,000 additional shares of Com. stock of no par value at the price of $50 a share in the proportion of one such additional share of stock of no par value for every five shares of stock of no par value held. Said rights expired Dec. 30, 1922 and payments were to be made in cash either in full at the time of subscription, or 40% thereof at such time and the balance in two installments of 30% each, payable Mar. 15 and June 15, 1923.

Common stockholders of record Dec. 8, 1923, were offered the right to subscribe to 600,000 shares additional Common stock at $50 a share in the ratio of one new share for each five shares owned. Payments were to be made in three installments, as follows: 40% Dec. 28, 1923; 30% March 15, 1924, and 30% June 14, 1924, with the privilege of anticipating any of the payments.

Preferred Stock Provisions—$5 cumulative Pfd. stock has preference for assets and dividends over Common, is entitled to $100 a share and accumulated dividends in case of liquidation or distribution of capital assets, and is redeemable on 30 days' notice, in whole or in part, at $105 and accumulated dividends. No stock ranking prior to the $5 cumulative Pfd. can be created. Pfd. stock has full voting rights with Common.

After the issue of the first 1,200,000 shares of $5 cumulative Pfd. stock, the Company shall not at any time issue any additional shares of the said stock or any shares of any Preferred stock of any class ranking equally with the $5 cumulative Pfd. stock with respect to priority either in the payment of dividends or in the distribution of capital assets (hereinafter referred to as "co-ordinate stock"), unless, after the payment of all interest charges, the consolidated net earnings of the Company and its affiliated companies for the fiscal year ending next prior to the date of issue of such additional shares, or, as the case may be, of any shares of co-ordinate stock, shall have been at least equal to three times the annual dividend requirements on the aggregate number of shares of $5 cumulative Pfd. stock and of any and all shares of co-ordinate stock which shall be outstanding immediately after such issue of additional shares of $5 cumulative Pfd. stock, or shares of co-ordinate stock.

Transfer Agent (All Classes)—Treasurer of Company, 130 East 15th St., New York.

Registrars—Common stock: Farmers' Loan & Trust Co., New York. $5 Pfd. stock: The National City Bank of New York.

Annual Meeting—Monday preceding last Thursday in February.

Listed (Common and ($5) cumulative Pfd.)—New York Stock Exchange.

Price Range—

$5 Pfd.—	1927	1926	1925	1924	1923	1922	1921	1920
High	103	..	..	..	..	..	..	..
Low	93	..	..	..	..	..	..	..
Common—								
High	125¾	115⅜	97	79⅞	*69⅝	145¾	95	93⅞
Low	94	87	74⅛	60⅞	*56¾	85	72½	71¾

*New stock.

Dividends—Payments on Common have been as follows: 1893 to 1898, 8% per annum; 1889, 5½%; 1900, March, 1½%; June, 1%; Sept., 1%; Dec., 2%; 1901 to 1903, inclusive, 8% per annum; 1904 and 1905, 8½% each; 1906, 5%; 1907 to Sept. 15, 1910, inclusive, at rate of 4% per annum; on Dec. 15, 1910, increased to 6%, which rate was paid regularly to March 15, 1915; June 15 and Sept. 15, 1915, 1½% regular and ¼ of 1% extra. Dec. 15, 1¾% regular; 1916 to 1921, incl., 7% per annum; Mar. and June 15, 1922, 1¾% each; Sept. and Dec. 15, 1922, 2% each. Initial dividend of $1.25 a share on new no par value Com. was paid March 15, 1923, and at same rate quarterly since. Initial dividend of 1½% regular and ¼% participating (total 1¾%) was paid May 1, 1923 on 6% Pfd. stock, and at same rate quarterly since to date of redemption May 1, 1927. On $5 Pfd. stock, initial dividend of 61 cents a share was paid May 1, 1927, covering period from March 17, 1927 to May 1, 1927; regular quarterly payments since. Dividends on Common stock are declared the last Thursdays of J, A, J & O and are paid M, J, S & D 15; payments at company's office.

FUNDED DEBT

$50,000,000 20-YEAR 5½% GOLD DEBENTURES; DUE FEBRUARY 1, 1945

Dated February 2, 1925.

Interest Payable February and August 1, at The National City Bank of New York.

Denominations—Coupon, $500 and $1,000; principal and interest may be registered; interchangeable bonds in denominations of $1,000, $5,000 and $10,000.

Trustee—The National City Bank of New York, New York.

Provisions of Issue—Authorized and issued, $50,000,000. Issued to reimburse the Company in part for expenditures, for additions and extensions to the gas and electric properties of the Consolidated Gas System.

Callability—Subject to call in whole or in part at any time upon 30 days' prior notice at 106 to and including February 1, 1930; at 105 thereafter to and including February, 1, 1935; at 103½ thereafter to and including February 1, 1940; and thereafter prior to maturity at 101½, plus accrued interest in each case.

Security—A direct obligation of the Company, but not secured by a mortgage.

Legal Opinion—Shearman & Sterling, New York.

Original Offering—First publicly offered ($50,000,000) in February, 1925, by The National City Co. of New York.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	107⅜	106½	105
Low	105½	104¼	101¼

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Consolidated Gas Co. of New York Proper)

The undernoted figures, for the years 1922 to 1925, showing the complete Income Account, are taken from the report filed with the Public Service Commission of New York State.

	1927	1926	1925	1924	1923	1922
Gross operating revenue	‡$26,854,350	‡$29,984,567	$25,621,093	§$26,241,717	§$28,247,571	$27,463,179
Rev. deductions—						
Operating expenses	$19,596,351	$23,353,953	$21,909,039	$21,783,875	$22,004,430	$20,902,122
Uncollectible bills	153,337	274,424	111,762	90,649	110,735	71,030
Taxes	1,664,388	1,228,743	1,267,085	1,578,650	2,241,900	1,895,860
Joint facility rents, etc.	.....	.....	526,408	516,740	574,461	692,860
Total	$21,414,076	$24,857,120	$23,814,294	$23,969,914	$24,931,526	$23,561,871
Operating income	$5,440,274	$5,127,447	$1,806,799	$2,271,803	$3,316,045	$3,901,307
Other income	28,021,998	21,144,560	20,916,240	17,419,279	15,070,172	11,857,987
Total income	$33,462,272	$26,272,007	$22,723,039	$19,691,082	$18,386,217	$15,759,294
Interest on funded debt, etc.	3,379,204	3,498,471	2,806,929	730,573	658,207	3,095,350
Net income	$30,083,068	$22,773,536	$19,916,110	$18,960,509	$17,728,010	$12,663,944
Preferred dividends	4,248,152	1,050,241	1,050,267	1,001,970	508,153	.....
Common dividends	20,689,462	18,000,000	18,000,000	17,933,443	14,883,785	8,525,595
Balance	$5,145,454	$3,723,295	$865,843	$25,096	$2,336,072	$4,138,349

‡Includes gross earnings from sales of gas, $28,426,298; miscellaneous operating revenue, $1,558,269 in 1926, and $25,862,11 gross earnings from sales of gas and $992,240 miscellaneous operating revenue in 1927. §Excludes revenue from gas sold a rates in excess of $1.00 per M cu. ft.

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Consolidated Gas Co. and Affiliated Gas and Electric Cos.)

	1927	1926	1925	1924	1923	1922
Gross earnings, incl. misc. oper and non-oper. revs.	$163,282,866	$153,799,528	$139,737,632	$126,459,961	$123,741,998	$113,086,37
Oper. & non-oper. exps., incl. retirement expenses and taxes	109,247,717	105,938,645	97,983,009	90,963,272	87,933,228	81,258,74
Net earnings	$54,035,149	$47,860,883	$41,754,623	$35,496,689	$35,808,770	$31,827,62
Interest charges	11,761,370	12,193,990	10,855,717	7,521,772	7,555,520	9,954,83
Surplus earnings	$42,273,779	$35,666,893	$30,898,906	$27,974,917	$28,253,250	$21,872,79
Dividends paid:						
Consol. Gas Co.'s Pfd. stock	$4,248,153	$1,050,241	$1,050,267	$1,001,970	$508,153	.....
Common stock	20,689,462	18,000,000	18,000,000	17,933,443	14,883,785	$8,525,59
Affiliated Co.'s stock	54,586	44,315	50,653	40,681	47,813	37,00
Total dividends paid	$24,992,201	$19,094,556	$19,100,920	$18,976,094	$15,439,751	$8,562,60
Balance to surplus account	$17,281,578	$16,572,337	$11,797,986	$8,998,823	$12,813,499	$13,310,19
Earnings Per Share—						
Pfd. (par $50)	*	$118.74	$102.82	$93.11	$95.97	.....
Pfd. (no par value)	$35.18	.....	.....	.....	.....	.....
Common (no par value)	8.79	9.60	8.27	7.51	7.77	$8.0

*Retired in 1927.

NOTE—The Dollar Gas Law having been decided by the United States Supreme Court on Nov. 29, 1926, to be confi catory, in the case of the Consolidated Gas Company of New York, and including, by stipulation, its affiliated Gas Compani in the Boroughs of Manhattan and The Bronx and in Long Island City, the figures shown above for the year 1925, have be amended from those previously reported for that year, to include the Net Revenue from sales of gas by those compani during the year 1925, at rates in excess of $1.00 per thousand cubic feet, which had been temporarily carried in "Suspense A count," amounting to $4,702,772.80.

COMBINED SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance, Dec. 31, 1926, $151,089,340; earnings for year ended December 31, 1927 in excess of dividends paid, $17,281,578; excess of award for land at 44th Street over book cost, $355,744; interest from Aug. 1, 1913 to April 25, 1927 on total amount of award for all property at 44th Street taken by the City of New York, $1,868,102; interest during constructio capitalized, $1,134,971; miscellaneous items, n credit, $688,020—total, $172,417,755. Deduct: Pr mium paid on redemption of 6% cumulative Part cipating Pfd. stock, $1,875,000—Balance, Decemb 31, 1927, $170,542,755.

GENERAL BALANCE SHEET, DECEMBER 31

(Consolidated Gas Co. Proper)

(Figures previous to 1926 taken from reports filed with Public Service Commission of New York State)

Assets—	1927	1926	1925	1924	1923	1922
Total fixed capital	$98,852,072	$88,276,140	$71,865,422	$69,464,087	$67,147,088	$65,675,8
Stocks & bonds of affiliated cos.	368,014,245	241,014,295	251,865,795	215,839,159	175,988,784	152,808,5
Advances to associated companies	19,807,000	17,135,000			26,695,000	6,680,0
Miscellaneous investments	20,585,780	1,292,388	1,481,260	1,319,591	.....	.....
Cash	2,990,637	2,380,997	2,220,434	2,338,789	2,080,987	8,915,4
Notes receivable	15,500	15,500	15,500	15,500	15,500	15,5
Accounts receivable (City of New York)					63,439	114,7
Consumers' accounts receivable	3,250,260	3,470,737	3,297,910	2,812,424	1,357,541	1,433,7
Accounts receivable from associated cos.					894,368	867,0
Other accounts receivable					1,341,982	758,4
Interest and dividends receivable	888,068	325,893	388,773	1,770,884	1,325,774	415,7
Special deposits	663,721	580,341	585,676	553,034	553,034	273,0
Materials and supplies	3,449,446	2,583,059	1,802,843	1,918,208	1,673,773	1,576,5
Unamortized debt discount and expense	1,795,678	1,900,791	2,005,904	.....	514,322	.....
Property abandoned	576,960	804,942	1,053,946	.....	.....	.....
Other suspense	353,038	331,907	1,752,290	301,469	.....	343,7
Subscriptions to Common stock	.....	.....	.....	.....	1,416,962	.....
Subscriptions to Preferred stock	.....	.....	.....	.....	172,962	.....
Retirement reserve	.....	.....	.....	157,382	.....	.....
Total	$521,242,405	$360,111,990	$338,335,753	$296,490,527	$281,241,516	$239,878,5

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$271,999,236	$217,999,236	$217,999,236	$217,999,236	$194,509,628	$135,372,120
Preferred stock	109,200,000	15,000,000	15,000,000	15,000,000	.....	.....
Premium on capital stock	.....	.....	.....	.....	37,798,061	37,798,061
Funded debt	50,000,000	50,000,000	50,000,000	.....	.....	.....
One-year notes	.....	.....	.....	.....	.....	.....
Real estate mortgages	35,000	.....	.....	.....	.....	.....
Notes payable National City Bank	.....	10,000,000	.....	11,500,000	.....	9,700,000
Loans payable to associated companies	6,200,000	7,500,000	.....	.....	.....	18,300,000
Taxes accrued	3,513,326	3,309,334	3,266,574	3,249,773	3,135,929	2,394,350
Consumers' deposits	3,137,368	2,895,064	2,631,543	2,499,508	2,186,957	1,914,859
Miscellaneous current liabilities	20,015,690	1,580,232	655,232	4,035,882	.....	.....
Accounts due associated companies	.....	.....	.....	.....	1,103,022	1,378,874
Accounts payable	2,813,880	3,883,027	2,827,305	1,367,195	5,112,066	1,362,399
Miscellaneous accruals	13,289	12,182	15,717	4,534	.....	.....
Interest accrued	3,114,118	2,461,812	2,218,266	1,125,010	799,204	771,339
Matured interest unpaid	23,815	27,308	32,643	.....	.....	.....
Other unfunded debt	.....	.....	.....	.....	697,436	606,396
Contingency reserve	9,301,659	9,301,659	11,801,659	11,801,659	11,801,659	11,801,660
Casualty and insurance reserve	682,272	650,548	618,795	588,080	668,931	668,931
Retirement reserve	195,551	548,639	290,848	.....	.....	173,402
Gas sales suspense	.....	.....	7,248,651	4,311,293	1,328,379	.....
Contributions for extensions	1,726	1,694	.....	.....	.....	.....
Corporate surplus	40,995,475	34,941,255	23,729,284	23,008,357	22,100,244	17,636,132
Total	$521,242,405	$360,111,990	$338,335,753	$296,490,527	$281,241,516	$239,878,523

COMBINED BALANCE SHEET, DECEMBER 31
(Consolidated Gas Co. and Affiliated Gas and Electric Cos.)

Assets—	1927	1926	1925	1924	1923	1922
Land, plant and equipment	$748,057,614	$678,416,014	$601,388,798	$555,907,849	$503,109,906	$460,342,881
Investments	6,754,587	6,898,151	6,608,318	5,988,783	6,446,237	6,505,753
Temporary loans and investments	25,700,000	.....	.....	.....	.....	.....
Cash	13,439,768	10,499,927	10,504,935	10,637,173	8,739,041	13,816,274
Accounts receivable	25,672,208	21,551,372	19,288,183	17,449,798	17,561,369	18,877,921
Deferred charges	4,233,507	4,492,619	5,621,089	.....	.....	.....
Materials and supplies	19,042,777	18,369,056	17,632,296	17,169,472	17,338,033	13,249,440
Total	$842,900,461	$740,227 138	$661,043,619	$607,153,075	$553,194,586	$512,792,269
Liabilities—						
Consolidated Gas Co.'s Common stock, no pa	†$271,999,236	†$217,999,236	†$217,999,236	†$217,999,236	$178,224,966	$135,372,120
Preferred stock, $50 par	.....	15,000,000	15,000,000	15,000,000	14,694,738	.....
Pfd. stock (no par value)	‡109,200,000	.....	.....	.....	.....	.....
Affiliated cos.' stock	964,421	969,421	1,013,521	964,350	998,350	998,350
Funded debt	195,644,790	200,394,790	200,497,790	120,497,790	120,491,790	120,492,433
Consumers' deposits	8,512,108	7,797,370	7,246,720	6,686,490	13,140,643	46,489,877
Disputed taxes	2,870,297	2,870,176	2,870,054	2,869,317		
Other unfunded debt	304,500	59,678,800	179,600	40,751,400	.....	.....
Accounts payable & accrued charges	22,667,227	23,773,381	19,680,198	18,676,658	15,322,419	14,866,793
Reserve for insurance	3,772,833	3,563,664	3,330,614	3,097,702	10,836,121	11,931,576
Reserve for retirements	5,179,344	5,848,010	5,384,992	4,399,446		
Stock and bond premiums	.....	.....	.....	.....	38,072,236	38,085,397
Reserve for contingencies	51,242,950	51,242,950	55,016,202	55,016,202	55,016,202	55,016,202
Gas sales suspense	.....	.....	11,457,952	7,333,164	2,257,337	.....
Surplus	170,542,755	151,089,340	121,366,740	113,861,320	104,139,784	89,539,521
Total	$842,900,461	$740,227,138	$661,043,619	$607,153,075	$553,194,586	$512,792,269

*Revenues from gas sales within the City of New York, by the Consolidated Gas Company and its affiliated companies, in excess of the statutory rate of $1.00 per thousand cu. ft. of gas sold. Under the authorization of the United States District Court, the rates fixed by the Public Service Commission on Aug. 30, 1922, remain in force. Pending the final determination of the proceedings in Court, these collections in excess of the statutory rate are not included as earnings of the companies. Because the United States Supreme Court has dismissed the appeal taken to that Court by the defendant Attorney-General of the State of New York, from the decree adjudging the $1.00 rate confiscatory as to the New York and Queens Gas Company, and because a likewise final result has been reached as to The Bronx Gas and Electric Company, the collections of those two companies, in excess of one dollar per thousand cu ft. of gas sold from June 1, 1923, to Dec. 31, 1924, incl., have been transferred from "Suspense" account to "Surplus," while the full revenues collected during the year 1925 have been included in the earnings of that year. This was transferred to Surplus Account in accordance with the decision of the United States Supreme Court on Nov. 29, 1926. †3,600,000 shares in 1926 and 4,320,000 shares in 1927. ‡1,200,000 shares.

NOTE—The figures shown above as of December 31, 1924, vary from those shown for that date, in our 1925 annual report, to the minor extent that in the figures shown on the previous page there have been allocated and included, in the various accounts, the assets and liabilities of two small non-operating companies. In previous statements the cost of acquiring their entire outstanding capital stock had appeared only in the "Investment" account.

COMBINED SUMMARY OF FINANCIAL TRANSACTIONS FOR THE CALENDAR YEAR 1927

Resources—		Appropriation of Resources—	
Cash balance, Dec. 31, 1926	$10,499,927	Net investment in land, plant and equipment	$69,641,599
Balance of earnings carried to surplus account	17,281,578	Pfd. stock of Peekskill Lighting & RR. Co. Re-acquired	5,000
Reserved for insurance	209,168	Temporary loans and investments	25,700,000
Capital stock issued by Cons. Gas Co.	148,200,000	Central Union Gas Co. First Mtge. 5s retired	3,500,000
Decrease in misc. investments	143,563	Northern Union Gas Co. First Mtge. 5s retired	1,250,000
Miscellaneous items in Profit and Loss Account (Net Credit)	2,171,837	Loans repaid to banks and Fire and Liability Insurance Trustees, less increase in other unfunded debt	58,659,440
		Excess of retirements over the amount reserved therefor during the year 1927	668,666
		Variation in current assets and liabilities	5,641,600
Total	$178,506,073	Total	$165,066,305
		Cash balance, Dec. 31, 1927	$13,439,768

Officers: G. B. Cortelyou, Pres.; W. R. Addicks, Senior V-P.; H. M. Brundage, V-P.; O. H. Fogg, V-P.; Benjamin Whiteley, V-P. & Treas.; W. C. Morris, V-P. & Chief Engr.; H. C. Davidson, Sec.; Frank R. Barnitz, F. H. Nickerson and C. M. Carbonell, Asst. Secs.; J. R. Fenniman, W. C. Phelps, M. M. Graham, Asst. Treas'rs.; F. J. Bischoff, Jr., Controller: Frank L. Lambrecht, Aud. of Disbursements; W. R. Schonfisch, Asst. Aud. of Disbursements, New York.

Trustees: P. A. Rockefeller, Samuel Sloan, Moses Taylor, G. F. Baker, W. R. Addicks, John A. Garver, G. B. Cortelyou, L. M. Greer, D. G. Geddes, N. F. Brady, James N. Jarvie, L. B. Gawtry, John D. Ryan New York.

Office, 130 East 15th St., New York.

THE ASTORIA LIGHT, HEAT & POWER COMPANY

(Controlled by Consolidated Gas Co. of New York)

History and Property—Incorporated Jan. 19, 1899, n N. Y., and on May 11, 1905, absorbed the Citizens' Mutual Gas Light Co. Owns coal gas plant located at Astoria, L. I., with total daily capacity of 20,000,000 cu. ft., equipped with 184 furnaces and 1,045 retorts; also water gas plant, with total daily capacity of 66,000,000 cu. ft.; water gas sets, 24. Holders, (including two relief holders capacity, 1,000,000 cu. ft. each) 4; capacity 30,000,000 cu. ft. Length of mains, 0.698 mile. Services in ground, 3. Meters, 4. Practically entire output of company is taken by the Consolidated Gas Co. of N. Y., Northern Union Gas Co., Central Union Gas Co., Standard Gas Light Co., and New Amsterdam Gas Co. Supplies First Ward, Borough of Queens, New York City.

By-Products Produced, year ended Dec. 31, 1927—Coke, 395,347.44 net tons; coal tar, 5,620,468 gals; cyanogen, 905,134 lbs.; ammonia, 840,023 lbs.; ammonia sulphate, 7,683,566 lbs.; carbon, 72,000 lbs.; water gas tar, 9,254,763 gals.; drip oil, 77,384 gals.

CAPITAL STOCK

Authorized and outstanding, 520,000 shares of no par value. Increased from 480,000 shares to 520,000 shares in March, 1927. All owned by Consolidated Gas Co. of New York.

Annual Meeting—Monday preceding last Thursda in January.

GAS OUTPUT (CUBIC FEET) YEARS ENDED DECEMBER

	1927	1926	1925
Gas on hand Jan. 1	20,471,000	14,052,000	19,984,0
Made during year—			
Coal	5,852,876,000	6,403,522,000	6,250,125,0
Water	15,704,582,000	14,515,126,000	13,185,117,0
Total	21,557,458,000	20,932,700,000	19,455,226,0
Transferred to other cos.	21,568,181,700	20,897,576,500	19,427,869,1
Sold to public	249,300	277,800	255,3
Used by Company	*	14,374,700	13,049,6
Total	21,568,431,000	20,912,229,000	19,441,174,0
On hand Dec. 31	9,498,000	20,471,000	14,052,0

*As this Company is a manufacturing company only, the g used, amounting to 21,175,600 cu. ft., is included with amou transferred to other companies.

Dividends—A dividend of 4½% was paid in 191 1915 to 1921, inclusive, 6% per annum; 1922, 7%; 1923 to 1927, inclusive, $5 per share each. Shar changed to no par on basis of two no par value shar for each share of the par value of $100 in 1922.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,893,965	$3,870,809	$3,878,647	$3,731,645	$3,213,627	$3,215,8
Operating expenses and taxes	1,309,386	1,408,622	1,355,081	1,270,980	1,197,355	973,6
Net earnings	$2,584,579	$2,462,187	$2,523,566	$2,460,665	$2,016,272	$2,242,2
Other income	435,015	350,198	304,056	304,369	303,466	366,2
Total income	$3,019,594	$2,812,385	$2,827,622	$2,765,034	$2,319,738	$2,608,4
Interest, etc.	128,978	48,341	85,107	124,253	41,678	650,5
Net income	$2,890,616	$2,764,044	$2,742,515	$2,640,781	$2,278,060	$2,958,9
*Dividends	2,545,556	2,400,000	2,400,000	2,250,000	2,250,000	850,0
Surplus after dividends	$345,060	$364,044	$342,515	$390,781	$28,060	$1,108,9

*Dividends charged to surplus.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$29,962,191	$29,294,400	$28,881,270	$28,625,668	$27,814,058	$26,385,7
Miscellaneous investments	381,332	360,697	337,108	315,481	297,218	297,8
Cash	1,124,025	747,350	659,576	1,239,398	826,095	149,9
Accounts receivable	1,108,601	1,560,439	25	25	16	20
Other current assets (excluding assoc. cos.)	3,057	32,120	136,145	122,127	91,556	369,24
Materials and supplies	2,952,649	2,418,823	2,299,319	2,427,919	2,827,431	2,108,36
Investments in affil. cos.	5,607,350	12,150,000	6,222,464	5,993,183	6,009,951	13,666,11
Suspense	28,186	27,793	15,213	15,240	186	35,28
Total	$41,167,391	$46,591,622	$38,551,120	$38,739,041	$37,866,511	$43,010,33
Liabilities—						
Capital stock	$26,000,000	$24,000,000	$24,000,000	$22,500,000	$22,500,000	$22,500,00
Advances from associated companies	500,000	*8,000,000	700,000	1,400,000	28,983	175,2
Taxes accrued	513,289	548,096	509,473	456,672	432,032	326,6
Contingency reserve	2,906,167	2,906,167	2,906,167	2,906,167	2,906,167	2,906,6
Accounts payable, etc.	617,739	919,845	612,327	2,028,263	2,988,239	8,172,3
Retirement & miscellaneous reserves	714,939	607,652	521,178	477,470	435,794	375,7
Profit & loss	9,915,257	9,609,862	9,301,975	8,970,469	8,575,296	8,555,6
Total	$41,167,391	$46,591,622	$38,551,120	$38,739,041	$37,866,511	$43,010,3

*Notes payable.

Officers: W. Cullen Morris, Pres.; H. M. Brundage, Sec.; C. M. Carbonell, Asst. Sec.; H. C. Davidson, Asst. Sec.; F. H. Nickerson, Asst. Sec.; Benjamin Whiteley, Treas.; J. R. Feniman, Asst. Treas.; W. C. Phelps, Asst. Treas.; M. M. Graham, Asst. Treas.; F. L. Lambrecht, Aud. of Disbursements; W. F. Schonfisch, Asst. Aud. of Disbursements; F. J. choff, Jr., Controller, New York.

Directors: George F. Baker, Nicholas F. Bra Geo. B. Cortelyou, Donald G. Geddes, John A. Gar W. Cullen Morris.

Offices, Astoria, N. Y., and 130 East 15th St., N York.

THE BRONX GAS & ELECTRIC COMPANY

(Controlled by Consolidated Gas Co. of New York)

History and Property—Incorporated Sept. 5, 1893, in N. Y., to do gas and electric lighting, etc., in Westchester and vicinity. Supplies with gas and electricity all that section of Bronx County lying east of th Bronx River formerly the town of Westchester ex clusive of the incorporated village of Williamsbri

Franchises, perpetual and exclusive east of Bronx River. Owns water gas manufacturing plant, located at Zerega Ave., Unionport, Bronx, N. Y., with a rated capacity of 2,000,000 cu. ft., and one gas holder with a storage capacity of 5,000,000 cu. ft. Also a substation of 10,000 k.w. capacity. Company purchases its power. Miles of overheal wire, 1,115.80; underground cables, 48.40 miles; transmission cables, 9.05 miles.

Rate Schedule—Rate now charged for gas under schedule prescribed by the Public Service Commission: Maximum, $1.45 per M. cu. ft.; minimum, $1.25 per M. cu. ft.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Miles of gas mains	141.17	124.07	106.28
No. of active gas meters	29,316	20,816	17,498
Gas sold to public (cu. ft.)	657,305,200	560,050,000	450,252,500
No. of electric meters	33,269	23,926	18,980
Sales of electricity (k.w.h.)	18,688,203	14,392,561	11,034,186
Municipal street lamps	5,120	4,571	4,190

CAPITAL STOCK

Authorized and outstanding 75,000 shares of no par value. The Consolidated Gas Co. of New York owns all the outstanding stock.

Annual Meeting—Friday preceding third Tuesday in January.

Dividends—Dividends have been paid as follows: 1901, 15%; 1902, 16%; 1903, 5%; 1904, 9%; 1906 to 1913, 5% per annum; 1914 to 1917, 6%; none thereafter until 1923, when 6% was paid; 1924, none; 1925, 16%, including a deficiency in prior years; 1926, 4% on par value stock and $3.75 on no par stock; 1927, $5 per share.

FUNDED DEBT

(1)

$6,000 FIRST MORTGAGE 5% GOLD BONDS; DUE JANUARY 2, 1951

Dated January 2, 1901.

Interest Payable January and July 1 at New York Trust Co., New York, Trustee. Authorized $500,000; outstanding, Dec. 31, 1927, $6,000. This issue has been recalled.

(2)

$1,105,000 FIRST & REFUNDING MORTGAGE GOLD 5s; DUE JULY 1, 1960

Dated July 1, 1910.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $1,500,000; outstanding, $1,105,000, $493,000 of which were issued in exchange for old First Mortgage bonds.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—A sinking fund was provided sufficient to amortize discount on bonds in 10 years from date of issue.

Security—A first lien on entire property, subject to $6,000 outstanding First Mortgage 5% bonds.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered in June, 1910, at 95 and interest, by Chas. D. Barney & Co., New York and Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	*$2,444,214	*$1,987,466	$1,570,974	$1,083,160	*$959,679	*$831,742
Operating expenses and taxes	1,611,987	1,342,955	1,107,476	897,086	805,044	638,219
Net earnings	$832,227	$644,511	$463,498	$186,074	$154,635	$193,523
Interest charges	129,884	129,529	240,704	162,257	111,446	85,950
Dividends	375,000	263,210	‡77,840	.....	29,190	.....
Surplus for year	$327,343	$251,772	$144,954	$23,817	$13,999	$107,573
Times Interest Earned	6.40	4.98	1.92	1.15	1.39	2.25

*Includes other income of $1,347 in 1922, $1,753 in 1923, $278 in 1926 and $340 in 1927. ‡Includes deficiency in prior years.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$7,566,033	$6,149,135	$5,019,599	$3,928,860	$3,052,784	$2,250,439
Cash	265,813	118,628	120,885	209,834	149,214	56,189
Accounts receivable, City of New York	366,163	379,813	537,592	451,552	301,849	184,657
Consumers' accounts, receivable					83,646	79,205
Other accounts receivable					45,753	22,724
Investments in affil. cos.	1,700	.....	.....	.....	.....	.....
Miscellaneous investments	11,318	6,884	2,389	.....	.....	.....
Prepayments	.....	.....	.....	.....	1,578	2,885
Special deposits	28,175	28,200	28,000	28,250	28,075	28,175
Materials and supplies	241,676	249,299	244,187	245,026	183,325	137,315
Total	$8,480,878	$6,931,959	$5,952,652	$4,863,522	$3,846,224	$2,761,589
Liabilities—						
Capital stock	$3,750,000	$3,750,000	$486,500	$486,500	$486,500	$486,500
Funded debt	1,111,000	1,111,000	1,111,000	1,111,000	1,110,000	1,110,000
Taxes accrued	110,572	104,481	81,092	43,628	18,028	49,782
Bills payable	*1,595,000	*395,000	3,100,000	2,300,000	.....	500,000
Accounts payable	145,295	165,965	105,949	91,553	.....	.....
Consumers' deposits	290,741	208,582	185,137	141,443	106,712	80,801
Other current liabilities	36,199	30,732	237,869	218,575	1,799,271	267,955
Unadjusted credits	.....	76,866	.....	.....	.....	.....
Sundry reserves	299,429	278,694	107,484	303,981	185,461	122,980
Profit and loss	1,142,642	810,639	537,621	166,842	140,252	143,571
Total	$8,480,878	$6,931,959	$5,952,652	$4,863,522	$3,846,224	$2,761,589

*Advances from affiliated companies.

Officers: Eugene H. Rosenquest, Pres. & Gen. Mgr.; J. R. Fenniman, Sec. & Asst. Treas.; W. A. Root, Treas.; W. L. Diehl, Asst. Sec.; F. L. Hallock, Asst. Sec.

Directors: W. R. Addicks, N. F. Brady, Geo. B Cortelyou, John A. Garver, T. E. Murray, P. A. Rockefeller, O. H. Fogg, New York.

General Office, 43 Westchester Square, New York.

NEW AMSTERDAM GAS COMPANY

(Controlled by Consolidated Gas Co. of New York)

History and Property—Incorporated Nov. 1, 1897, in N. Y.; consolidation of company of same name with the New York & East River Gas Co. and Equitable Gas Light Co. Owns entire $7,000,000 stock of the **New York Carbide & Aceteylene Co.**; $1,000,000 stock and $1,000,000 bonds of **East River Gas Co., of Long Island City**; $3,500,000 stock of Central Union Gas Co. of New York, and $740,000 stock of Northern

Union Gas Co. Guarantees, principal and interest of $3,250,000 bonds of Central Union Gas Co.

Supplies gas to Borough of Manhattan from Canal St. to 137th St., North River to East River, and through East River Gas Co. of Long Island City, the first Ward of Borough of Queens. Owns a water gas plant at Ravenswood, Long Island City; no. of sets, 16; capacity 36,000,000 cu. ft. per day. No. of gas holders, 5; capacity, 17,900,000 cu. ft.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Miles of mains	384.4	372.33	371.73
No. of active meters	111,493	108,877	108,516
Gas sales (cu. ft.)	4,559,156,000	4,931,957,700	4,565,097,100

Gas Output, year ended Dec. 31, 1927—Gas on hand Jan. 1, 1927, 13,941,000 cu. ft.; gas made, 1,384,587,000 cu. ft.; gas received from other cos., 4,728,310.000 cu. ft.—total, 6,126,838,000 cu. ft. Gas transferred to other companies, 1,385,600,000 cu. ft.; sold to consumers, 4,559,156,000 cu. ft.: used by company, 9,644,000 cu. ft.—total, 5,954,400,000 cu. ft. Gas on hand Dec. 31 1927, 12,928,000 cu. ft. Gas unaccounted for, 159,510,000 cu. ft.

By-Products produced in 1927: 923,673 gals. of water gas tar and 162,565 gals. of drip oil.

Prices—General consumers service: First 100,000 cu. ft. per meter per month, $1.15 per M cu. ft.; next 200,000 cu. ft., $1.10 per M. cu. ft.; next 300,000 cu. ft., $1.05 per M. cu. ft.: next 400,000 cu. ft., $1.00 per M. cu. ft.; all over 1,000,000 cu. ft. per meter per month, 95c. per M. cu. ft. Municipal service: At 75c. per 1,000 cu. ft. metered. Prepayment meter service: East 1,000 cu. ft. metered $1.15 per M. cu. ft. Wholesale service: First 2,000 cu. ft. $2.50 per month for each 100 cu. ft.; for next 18,000 cu. ft. $2.00 per month; for all over 20,000 cu. ft., $1.60 per month. These prices for wholesale service apply to maximum 24-hour use of gas at any time within the months of November to April, inclusive, and are in addition to 6c. per hundred cu. ft. of gas metered. For a customer making no use of gas under the wholesale service classification at any time within the months of November to April, inclusive, the rate for the gas furnished under this service classification during the months of May to October, inclusive shall be $1.20 for the first 200 cu. ft. (or less) of gas per meter per month, and 6c. per 100 cu. ft. for all additional quantities of gas metered. Heating service: (a) For buildings heated by steam—first 1,000 sq. ft. of equivalent cast iron steam radiation, 24c.: for next 1,000 sq. ft., 22c.; for next 1,000 sq. ft., 20c.; for next 1,000 sq. ft., 18c.; for next 1,000 sq. ft., 16c.; for next 5,000 sq. ft., 14c.; for all equivalent cast iron steam radiation over 10,000 sq. ft., 12c. These prices for buildings heated by steam are in addition to 7½c. per 100 cu. ft. of gas metered; (b) for buildings heated by hot water or hot air systems—the charge in addition to 7½c. per 100 cu. ft. of gas metered shall be determined by obtaining the equivalent amount of cast iron steam radiation required.

CAPITAL STOCK

Authorized, $13,000,000 Common and $10,000,000 5% cumulative Pfd.; outstanding, $12,161,800 Common and $8,997,500 Pfd.; par, $100. The Consolidated Gas Co. owns the entire outstanding Pfd. and Common stock, having exchanged its 6% debentures for this stock, at rate of $50 and $26 per share, respectively.

Annual Meeting—First Thursday in March.

Dividends—None paid.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1)

$3,500,000 EQUITABLE GAS LIGHT COMPANY CONSOLIDATED (NOW FIRST) GOLD 5s; DUE MARCH 1, 1932

Dated March 1, 1892.

Interest Payable March and September 1, at Central Union Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized, $4,000,000.

Security—A first lien on property of old Equitable Gas Light Co. Assumed by New Amsterdam Gas Co. Prior in lien to $10,635,000 New Amsterdam Gas Co. First Consolidated 5s which provide for retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	102	100¾	100½	100	95	94⅝
Low	99¾	99½	99½	93¾	93	92

(2)

$3,500,000 NEW YORK & EAST RIVER GAS COMPANY (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1944

Dated February 15, 1894.

Interest Payable January and July 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Security—A first lien on entire property of former New York & East River Gas Co., covering 12 acres in Ravenswood, L. I., with gas holders, mains, etc., supplying gas in Queens and Manhattan borough. Assumed by New Amsterdam Gas Co. Prior in lien to $1,500,000 New York & East River Gas Co. First Consol. 5s and $10,635,000 New Amsterdam Gas Co. First Consolidated 5s.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	*102¼	*100	98½	96½	93	93	75
Low	*99¼	*96	bid	bid	bid	bid	bid

*High and low bid prices.

(3)

$1,500,000 NEW YORK & EAST RIVER GAS COMPANY FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE JANUARY 1, 1945

Dated January 1, 1895

Interest Payable January and July 1, at National City Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Originally authorized $5,000,000 of which $3,500,000 are reserved to retire the $3,500,000 New York & East River Gas Co. First Gold 5s.

Security—A second lien on property of former New York & East River Gas Co. Prior in lien to $10,635,000 New Amsterdam Gas Co. First Consol. 5s, which provide for retirement. Assumed by New Amsterdam Gas Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$10,635,000 NEW AMSTERDAM GAS COMPANY FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE JANUARY 1, 19

Dated January 1, 1898.

Interest Payable January and July 1, at National City Bank, New York.

Denomination—Coupon, $1,000; principal may be registered; exchangeable for fully registered bonds.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized, $20,000,000, of which $9,000,000 are reserved for retirement of prior liens and $365,000 for extensions and improvements.

Security—A direct lien on all property of company, subject to the underlying mortgages described above, for the retirement of which bonds of this issue are reserved.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	192
High	101¾	98½	95	91½	85
Low	98	94½	88	86	80

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including East River Gas Co. of Long Island City)

	1927	1926	1925	1924	1923	1922
Gross earnings	$5,848,029	$6,872,950	$5,918,830	$5,890,983	$6,148,112	$6,292,193
Operating expenses, taxes, etc.	4,342,895	5,028,894	4,829,991	4,642,270	4,583,219	4,410,939
Net earnings	$1,505,134	$1,844,056	$1,088,839	$1,248,713	$1,564,893	$1,881,254
Other income	98,018	83,410	46,077	25,127	30,464	31,104
Total income	$1,603,152	$1,927,466	$1,134,916	$1,273,840	$1,595,357	$1,912,358
Bond interest, etc.	1,861,995	1,801,583	1,811,745	1,741,685	1,760,757	1,763,160
Deficit for year	$258,843	*$125,883	$676,829	†$467,845	$165,400	*$149,198
Times Interest Earned	0.86	1.07	0.62	0.73	0.91	1.08

*Surplus. †Excludes gas sales suspense.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$49,608,914	$49,059,762	$49,629,822	$49,324,501	$48,295,168	$48,106,225
Investments in associated companies	5,300	600	557,612	357,612	357,612	357,612
Other miscellaneous investments	1,460,944	1,901,251	242,816	170,589	192,017	192,017
Cash	478,703	675,274	714,529	456,206	533,302	423,573
Accounts receivable City of New York	.....		30,420	33,421	25,730	35,749
Consumers' accounts receivable	536,430	655,492	358,337	343,100	299,583	343,225
Other current assets	26,608		211,309	169,659	143,249	88,069
Materials and supplies	740,880	653,800	769,786	725,808	938,294	730,635
Associated companies	.....	.....	.....	200,000	39,084	276,310
Suspense	.....	340	.....	5,568	133,217	23,743
Prepayments	352	686	.....	.....	.....	.....
Special deposits	423,079	33,080	26,079	26,079	.....	.....
Profit and loss	6,424,055	6,153,069	7,846,949	7,218,435	7,083,369	6,911,028
Total	$59,705,265	$59,133,354	$60,387,659	$59,030,978	$58,040,625	$57,488,186
Liabilities—						
Capital stock	$21,159,300	$21,159,300	$21,159,300	$21,159,300	$21,165,000	$21,165,000
Funded debt	19,135,000	19,135,000	19,135,000	19,135,000	19,135,000	19,135,000
Construction advances from assoc. cos.	.....	.....	.....	5,000,000	5,000,000	5,000,000
Other advances from associated companies	13,450,000	12,050,000	12,600,000	5,600,000	6,302,778	4,872,744
Bills payable	.....	800,000	.....	1,000,000	.....	1,150,000
Taxes accrued	895,566	904,769	901,268	894,141	1,080,267	935,093
Consumers' deposits	539,168	485,229	436,892	389,409	350,668	335,456
Other unfunded debt	1,039,581	1,041,592	898,160	1,095,351	684,365	833,289
Casualties, insurance and other reserves	225,206	190,209	192,807	176,852	190,043	190,043
Contingency and retirement reserves	3,260,771	3,349,257	3,573,028	3,750,324	3,879,224	3,871,561
Contributions for extensions	.....	17,998	.....	.....	.....	.....
Gas sales suspense	.....	.....	1,459,723	830,601	253,280	.....
Miscellaneous suspense	673	.....	31,481	.....	.....	.....
Total	$59,705,265	$59,133,354	$60,387,659	$59,030,978	$58,040,625	$57,488,186

Officers: G. W. Doane, Pres.; G. H. Church, V-P.; Geo. W. Parkhurst, V-P. & Sec.; Louis H. Werner, V-P.; Geo. Lange, Treas. & Asst. Sec.

Directors: G. B. Cortelyou, N. F. Brady, L. B. Gawtry, W. A. Simonson, G. H. Church, G. W. Doane, Edgar Palmer, John A. Garver.

Offices, 130 E. 15th St., New York.

CENTRAL UNION GAS COMPANY

(Controlled by Consolidated Gas Co. of New York, through New Amsterdam Gas Co.)

History and Property—Incorporated July 13, 1897, in N. Y. Owns $760,000 of the $3,750,000 stock of the Northern Union Gas Co., the remainder being owned by the Consolidated Gas Co. of N. Y. and New Amsterdam Gas Co. Operates in the 23d Ward, Borough of the Bronx. Plant is located at 138th St., Locust Ave. and East River, The Bronx. Water gas sets, 5; total daily capacity, 8,506,000 cu. ft. Coal gas plant: No. of retorts, 171; total daily capacity, 3,800,000 cu. ft. Holders, 4; total capacity, 8,506,000 cu. ft., including relief holder of 300,000 cu. ft.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Miles of gas mains	174.51	173.37	169.9
No. of active meters	131,229	127,812	124,605
Gas sales (M. cu. ft.)	3,490,350.2	3,639,823.1	3,312,365.7

By Products produced during 1926—Tons of coke, 57,103; gals. of coal tar, 944,458; lbs. of cyanogen, 122,407; lbs. of ammonia, 142,233; lbs. of ammonia sulphate, 983,474; gals. of water gas tar, 1,103,469; gals. of drip oil, 30,220.

Prices—General service: First 100,000 cu. ft. of gas per meter per month, $1.15 per M cu. ft.; next 200,000 cu. ft., $1.10 per M cu. ft.; next 300,000 cu. ft., $1.05 per M cu. ft.; next 400,000 cu. ft., $1 per M cu. ft.; all over 1,000,000 cu. ft. of gas per meter per month, 95c. per M cu. ft. Prepayment meter service: Each 1,000 cu. ft. of gas per month, $1.15 per M cu. ft. Wholesale service: For first 2,000 cu. ft., $2.50 per month for each 100 cu. ft.; for next 18,000 cu. ft., $2 per month for each 100 cu. ft.; for all over 20,000 cu. ft., $1.60 per month for each 100 cu. ft. The wholesale service rate applies to maximum 24-hour use of gas at any time within the months of November to April, inclusive, and is in addition to 6c. per 100 cu. ft. of gas metered. If a customer makes no use of gas under the wholesale service classification at any time within the months of November to April inclusive, the rate for the gas furnished under this classification during the months of May to October inclusive shall be $1.20 for the first 200 cu. ft. (or less) of gas per meter per month, and 6c. per 100 cu. ft. for all additional quantities of gas metered. Heating service: (a) For buildings heated by steam—for the first 1,000 sq. ft. of equivalent cast iron steam radiation, 24c.; for the next 1,000 sq. ft., 22c.; for the next 1,000 sq. ft., 20%; for the next 1,000 sq. ft., 18c.; for the next 1,000 sq. ft., 16c.; for the next 5,000 sq. ft., 14c.; for all equivalent cast iron steam radiation over 10,000 sq. ft., 12c. These rates for buildings heated by steam are in addition to 7½c. per 100 cu. ft. of gas metered; (b) for buildings heated by hot water or hot air systems, charges in addition to 7½c. per 100 cu. ft. of gas metered shall be determined by obtaining the equivalent amount of cast iron steam radiation required.

CAPITAL STOCK

Authorized and outstanding, $3,500,000; par, $100. All owned by New Amsterdam Gas Co.

Annual Meeting—Monday preceding third Tuesday in January.

Dividends—None paid since 1905.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,090,128	$4,310,526	$3,596,540	$3,688,928	$4,008,485	$4,044,917
†Operating expenses, taxes, etc.	3,639,229	3,601,503	3,317,644	3,220,384	3,302,914	3,239,960
Net earnings	$450,899	$709,023	$278,896	$468,544	$705,571	$804,957
Other income	278,531	341,565	284,546	244,822	259,360	250,213
Total income	$729,430	$1,050,588	$563,442	$713,366	$964,931	$1,055,170
Fixed charges	129,966	211,214	210,313	212,719	227,324	267,729
Surplus for year	$599,464	$839,374	$353,129	$500,647	$737,607	$787,440
Times Fixed Charges Earned	5.61	4.97	2.68	3.35	4.24	3.94

†Includes rentals.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$11,704,098	$11,421,719	$11,327,789	$11,598,749	$11,416,484	$11,158,49
Stocks of associated companies	254,200	250,300	250,300	250,300	250,300	250,30
Other invest. securities	114,553	109,058	102,510	97,007	102,935	102,93
Cash	461,436	346,359	412,403	396,700	507,651	310,13
Accounts receivable	460,976	390,707	399,450	316,618	276,055	426,77
Interest and dividends receivable	7	4,924	3,958	7	7	
Special deposits for coupons and other charges	450	1,850	1,775	800	2,650	1,55
Materials and supplies	233,656	213,235	454,710	368,792	386,145	316,91
Temporary advances to assoc. cos.	3,750,000	7,050,000	5,900,000	5,100,000	4,400,000	4,100,00
Other suspense	3,991	4,391	6,881	3,996	3,530	17,21
Total	$16,983,367	$19,787,626	$18,855,825	$18,132,969	$17,345,757	$16,684,32
Liabilities—						
Capital stock	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,000	$3,500,00
Funded debt	.....	3,500,000	3,500,000	3,500,000	3,500,000	3,500,00
Other unfunded debt	.....	.....	.....	3,489	2,762	1,78
Taxes accrued	498,317	524,803	430,493	429,306	440,879	366,94
Bills payable	.....	.....	.....	.....	.....	250,00
Consumers' deposits	405,263	378,572	343,271	305,042	261,164	239,30
Accts. payable to assoc. cos.	.....	70,000	301,679	210,029	287,384	461,89
Miscellaneous accounts payable	382,291	284,219			166,278	168,54
Matured interest unpaid	450	1,850	1,775	.....	.....	.....
Miscellaneous accrued liabilities	7,678	4,924	3,958	.....	.....	.....
Interest accrued	193,134	173,630	152,378	131,932	113,891	93,03
Contingency reserve	1,841,180	1,841,180	1,841,180	1,841,180	1,841,180	1,841,18
Retirement reserve	175,950	116,932	232,854	439,480	425,979	385,92
Miscellaneous reserves	119,435	112,299	102,010	96,506	102,435	102,43
Contribution for extensions	.....	.....	1,525	.....	.....	.....
Gas sales suspense	.....	.....	1,022,037	605,945	193,493	.....
Corporate surplus	9,859,669	9,279,217	7,422,065	7,070,060	6,510,312	5,773,25
Total	$16,983,367	$19,787,626	$18,855,825	$18,132,969	$17,345,757	$16,684,32

Officers: Geo. W. Doane, Pres.; Geo. W. Parkhurst, V-P. & Sec.; Arthur H. Hall, V-P.; C. G. Duffy, Treas.; Peter Ebert, Asst. Sec.; Geo. Lange, Asst. Treas.; Wm. J. MacDaniels, Asst. Treas., New York.

Directors: Walter R. Addicks, N. F. Brady, John A Garver, G. B. Cortelyou, G. W. Doane, P. A. Rockefeller, Geo. E. Woods.

Office, 529 Courtlandt Ave., New York.

NORTHERN UNION GAS COMPANY

(Controlled Jointly by Consolidated Gas Co. of N. Y., New Amsterdam Gas Co. and Central Union Gas Co

History and Property—Incorporated Sept. 30, 1897, in N. Y. Company has one holder with capacity of 750,000 cu. ft. All the gas used by company is purchased from its affiliated companies, the amount purchased in 1927 having been 3,760,528,500 cu. ft. Operates in 24th Ward, Borough of the Bronx, N. Y., and in section known as Riverdale.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Miles of mains	274.54	268.41	258.03
No. of active meters	143,834	129,689	117,070
Gas sales (cu. ft.)	3,610,421,900	3,477,151,600	3,022,550,200

Rates—General service: First 100,000 cu. ft. of gas per meter per month, $1.15 per M c. ft.; next 200,000 cu. ft., $1.10 per M cu. ft.; next 300,000 cu. ft., $1.05 per M cu. ft.; next 400,000 cu. ft., $1 per M cu. ft.; all over 1,000,000 cu. ft., 95c. per M cu. ft. Prepayment meter service: Each 1,000 cu. ft. of gas per month, $1.15 per M cu. ft. Wholesale service: For first 2,000 cu. ft. of maximum 24-hour use of gas at any time within the months of November to April, both inclusive, $2.50 per month during such period, for each 100 cu. ft. of such maximum use; for the next 18,000 cu. ft., $2 per month for each 100 cu. ft.; for all over 20,000 cu. ft., $1.60 per month for each 100 cu. ft.; in addition in each case to 6c. per 100 cu. ft. of gas metered; provided that for a customer making no use of gas under this service classification at any time within the months of November to April, inclusive, the rate for the gas furnished under this service classification during the months of May to October both inclusive shall be $1.20 for the first 200 cu. ft. (or less) of gas per meter per month, and 6c. per 100 cu. ft. for all additional quantities of gas metered. Heating service: (a) For buildings heated by steam—for the first 1,000 sq. ft. of equivalent cast iron steam radiation, 24c.; for next 1,000 sq. ft., 22c.; for next 1,000 sq. ft., 20c.; for next 1,000 sq. ft., 18c.; for next 1,000 sq. ft., 16c.; for next 5,000 sq. ft., 14c.; for all equivalent cast iron steam radiation over 10,000 sq. ft., 12c.; in addition to 7½c. per 100 cu. ft. of gas metered; (b) for buildings heated by hot water or hot air systems, charges in addition to 7½c. per 100 cu. ft. of gas metered shall be determined by obtaining the equivalent amount of cast iron steam radiation required.

CAPITAL STOCK

Authorized and outstanding, 75,000 shares of no par value (changed from $1,500,000, par $100, in 1925 of which 45,000 shares are owned by Consolidated Gas Co. of New York, 14,800 shares by New Amsterdam Gas Co. and 15,200 shares by Central Union Gas Co. Annual meeting, second Tuesday in October.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,228,726	$4,170,171	$3,342,246	$3,228,602	$3,254,539	$2,978,382
Operating expenses and taxes	4,109,925	3,952,884	3,442,197	3,110,186	2,954,679	2,653,538
Net earnings	$118,801	$217,287	*$99,951	$118,416	$299,860	$324,844
Other income	727	667	1,289	8,097	2,669	5,058
Total income	$119,528	$217,954	*$98,662	$126,513	$302,529	$329,902
Interest, etc.	139,352	125,446	146,482	$200,314	$184,569	$126,505
Surplus for year	*$19,824	$92,508	*$245,144	*$73,801	$117,959	$203,397
Times Interest Earned	0.86	1.74	0.67	0.63	1.64	2.61

*Loss or deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Total fixed capital	$7,959,637	$7,553,186	$7,482,203	$7,071,629	$6,260,484	$5,740,539
Investments in assoc. cos.	4,250	200	200	200	200	200
Other misc. investments	24,230	22,232	20,410	19,233	21,949	21,949
Cash	318,252	408,747	404,367	249,328	208,062	222,622
Accounts receivable	432,205	438,483	425,847	281,417	193,914	172,250
Other current assets	618				68,797	51,616
Materials and supplies	167,702	224,782	343,580	240,317	179,181	89,022
Associated companies	.....	.....	.....	.....	4,549	77,505
Unspense	9,402	9,101	80,827	.....	24,866	16,330
Total	$8,916,296	$8,656,731	$8,757,434	$7,862,124	$6,962,002	$6,392,033
Liabilities—						
Capital stock	*$3,750,000	*$3,750,000	$3,750,000	$1,500,000	$1,500,000	$1,500,000
Funded debt	.....	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Advances from associated companies	.....	.....	800,000	2,070,000	1,964,150	1,640,144
Taxes accrued	341,459	455,795	363,061	310,793	308,778	236,907
Consumers' deposits	481,913	389,003	313,808	270,501	215,314	177,567
Accounts payable	250,855					
Matured int. unpaid	134,658	1,278,805	405,503	571,584	166,446	337,357
Interest accrued	10,229					
Misc. accrued liabilities	2,175,000					
Contributions for extensions	.....	.....	29,746	.....	.....	.....
Miscellaneous reserves	95,286	22,232	20,410	19,233	21,949	21,949
Contingency reserve	394,997	394,997	794,997	794,997	794,997	794,997
Gas sales suspense	.....	.....	911,869	517,276	157,134	.....
Retirement reserve	83,277	34,544	10,234	182,208	194,823	152,829
Corporate surplus	1,198,622	1,081,355	107,806	375,532	388,411	280,283
Total	$8,916,296	$8,656,731	$8,757,434	$7,862,124	$6,962,002	$6,392,033

*Represented by 75,000 shares of no par value.

Officers: G. W. Doane, Pres.; Arthur H. Hall, V-P.; G. W. Parkhurst, V-P. & Sec.; W. J. MacDaniels, Treas.; George McCormick, Asst. Sec. & Aud.

Directors: G. W. Doane, Percy Rockefeller, John A. Garver, G. B. Cortelyou, N. F. Brady, W. R. Addicks, G. E. Woods.

Office, 310 East Kingsbridge Road, New York.

NEW YORK & QUEENS ELECTRIC LIGHT & POWER CO.

(Controlled by Consolidated Gas Co. of New York)

History and Property—Incorporated July 23, 1900, in N. Y., to manufacture and distribute electricity for light, heat and power. Absorbed New York & Queens Gas & Elec. Co., Jamaica Elec. Light Co., Electric Illuminating & Power Co. of L. I. City, and Long Island Illuminating Co. Does practically entire electric lighting business in Borough of Queens, supplying Wards 1, 2, 3 and 4. Franchises practically all unlimited as to time.

Company owns one generating station of 5,000 k.w. capacity and eight substations with transformer capacity of 205,475 k.v.a. These are equipped with seven steam engines of 7,103.5 h.p. capacity and two turbo-units of 6,700 h.p. capacity. Total connected load Dec. 31, 1927, 289,623 k.w. Miles of overhead single wire, 11,015.01; miles of underground single wire, 2,-66.36. Municipal street incandescent lamps, 31,676.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Meters owned	287,111	256,709	208,704
No. of active meters	254,176	227,325	192,601
Electricity sales (k.w.h.)	249,579,683	212,403,155	176,215,513

Electric Output (k.w.h.), year ended Dec. 31, 1927—Generated, 530,050; purchased, 298,339,225—total, 98,869,275. Sold to consumers (75,158,788 high tension and 155,300,984 low tension), 230,459,772; sold to railroad companies, 3,263,090; sold to other electric companies, 1,600; sold to municipalities, 15,855,221—total sales, 249,579,683. Franchise requirements, 9,309; used by company, 3,155,417; unaccounted for, 6,034,866.

CAPITAL STOCK

Authorized and outstanding, 300,000 shares Common of no par value (changed from $8,350,000, par value $100, in 1925), and 12,500 shares $5.00 non-cumulative Pfd. of $100 par value. As of December 31, 1927, the Consolidated Gas Co. of N. Y. owned 293,937 shares of the Common and 9,460 shares of the Pfd.

Transfer Agent—Central Union Trust Co., New York.

Registrar—The Hanover National Bank, New York.

Annual Meeting—Second Friday in July.

Price Range (Pfd.)—

	1927	1926
High	100	95
Low	91	89

Dividends—Pfd. dividends regularly paid at rate of $5 per annum from December 1, 1904 to March 1, 1911; semi-annually thereafter to March 1, 1910; thereafter quarterly. On June 1, 1911, Pfd. rate was reduced to $4 per annum; increased to $5 per annum March 1, 1921, which rate is now being paid; payments quarterly M, J, S & D 1. On Common a quarterly dividend of 1¾% was paid Dec. 10, 1922; 1923, 7%; 1924, 7%; March 14, 1925, 1¾% on $100 par value stock or an initial dividend of 87½c per share on the no par value Common; which quarterly rate maintained to date; payments M, J, S & D 15.

FUNDED DEBT

(1)

$2,350,000 FIRST CONSOLIDATED MORTGAGE (NOW FIRST MORTGAGE) GOLD 5s; DUE AUGUST 1, 1930

Dated August 1, 1900.

Interest Payable February and August 1, at Central Union Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized, $2,500,000, of which $150,000 are in treasury.

Security—A first lien on all property and franchises now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102¼	103¾	101	101	99¼	95½	89¾	81
Low	100⅜	100¼	99½	98	96	bid	89⅝	78½

(2)

$10,000,000 TEN-YEAR 6% DEBENTURE GOLD BONDS; DUE MARCH 1, 1937

Dated March 1, 1927.

Interest Payable March and September 1.

Provisions of Issue—Authorized and issued, $10,000,000. All owned by Consolidated Gas Co. of New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue (including other income)	$14,291,268	$12,364,423	$10,100,573	$8,498,465	$6,971,390	$5,536,85
Operating expenses and taxes	9,560,753	8,285,883	6,298,427	5,194,053	4,339,068	3,720,92
Retirement expense			440,539	347,809	297,484	244,47
Net earnings	$4,730,515	$4,078,540	$3,361,607	$2,956,603	$2,334,838	$1,571,45
Fixed charges	739,700	262,301	159,683	382,268	272,145	499,53
Net income	$3,990,815	$3,816,239	$3,201,924	$2,574,335	$2,062,693	$1,071,92
Dividends paid	1,112,500	1,112,500	1,111,439	647,000	647,000	230,50
Surplus for year	$2,878,315	$2,703,739	$2,090,485	$1,927,335	$1,415,693	$841,42
Times Fixed Charges Earned	6.39	15.55	21.05	7.73	8.58	3.1

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$36,971,966	$31,549,484	$26,498,315	$22,993,595	$20,110,533	$16,571,64
Treasury bonds	.....	.....	150,000	150,000	150,000	150,00
Investments in affil. cos.	9,050	.....	.....	.....	.....	.....
Miscellaneous investments	6,000,283	91,355	.....	.....	.....	.....
Advances	.....	5,400,000	.....	.....	.....	.....
Marketable securities	21,250	21,250	.....	.....	.....	.....
Materials and supplies	1,087,086	1,135,782	858,970	644,463	691,574	485,94
Cash	826,178	693,970	626,529	688,514	522,217	304,58
Current accounts	2,138,381	2,377,878	2,386,353	1,451,845	1,271,900	3,834,65
Unamortized debt disc. & expense	240,588	.....	.....	.....	.....	.....
Other assets	65,042	67,446	218,285	104,182	132,548	75,73
Total	$47,359,824	$41,337,165	$30,738,452	$26,032,599	$22,878,772	$21,422,55
Liabilities—						
Common stock	$15,000,022	$15,000,022	$15,000,022	$8,350,000	$8,350,000	$8,350,00
Preferred stock	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,00
Funded debt	12,350,000	2,350,000	2,500,000	2,749,000	2,749,000	2,764,50
Advances from affiliated cos.	.....	200,000	.....	.....	.....	.....
Notes payable	.....	7,300,000	.....	.....	.....	.....
Accounts payable	633,887	590,061				
Consumers' deposits	640,252	641,159	1,617,058	5,651,970	4,683,739	4,293,42
Taxes accrued	672,351	697,899				
Miscellaneous accruals	15,400	11,416				
Interest accrued	364,955	173,446	132,711	142,092	111,880	107,53
Retirement reserve	997,227	810,529	621,584	381,289	279,257	236,64
Other reserves	248,667	91,355	79,216	163,997	59,135	62,2
Contingency reserve	811,491	811,491	811,491	811,491	811,491	811,4
Contributions for extensions	.....	128,227	.....	.....	.....	.....
Profit and loss	14,375,572	11,281,560	8,726,370	6,532,760	4,584,270	3,546,70
Total	$47,359,824	$41,337,165	$30,738,452	$26,032,599	$22,878,772	$21,422,5

Officers: Presidency, Vacant; H. L. Snyder, Senior V-P. & Gen. Mgr.; L. A. Coleman, V-P.; J. R. Malone, Sec.; D. Brown, Asst. Sec.; F. C. Gordon, Treas.; G. J. Schulz, Asst. Treas., Long Island City, N. Y.

Directors: Frank W. Smith, Chairman; Harry L. Snyder, Long Island City, N. Y.; Geo. F. Baker, N. F. Brady, Geo. B. Cortelyou, D. G. Geddes, John W. Lie T. E. Murray, Edgar Palmer, John A. Garver, Jam B. Ford, P. A. Rockefeller, Walter R. Addicks, Ne York, N. Y.

Office, 299 Bridge Plaza North, Long Island Cit N. Y.

NEW YORK & QUEENS GAS COMPANY

(Controlled by Consolidated Gas Co. of New York)

History and Property—Incorporated July 12, 1904, in N. Y. Absorbed the Newtown & Flushing Gas Co., supplying Flushing, College Point, Douglaston, Whitestone, Little Neck and Bayside, serving population of 96,000. Franchises perpetual, except in Whitestone and portion of Flushing, where they expire in 1947.

Plant located at Flushing, N. Y. Water gas sets, 4; total: 24-hour capacity, 6,000,000 cu. ft. Holders, 3; total capacity, 4,100,000 cu. ft.

Rates—City of New York, lighting municipal buildings, 75 cts. per M cu. ft.; other than City of New York—**First 100,000 cu. ft. per month, $1.38 per M cu.** ft.; next 200,000 cu. ft., $1.33; next 300,000 cu. ft., $1.28; next 400,000 cu. ft., $1.23; all over 1,000,000 cu. f $1.18. Special rates for house heating and wholesale.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	192
Miles of mains	254.64	230.1	202
No. of services	22,466	19,430	16,2
No. of active meters	25,207	21,899	18,8
Gas sales (cu. ft.)	925,409,000	884,092,200	734,800,0

Gas Output (cubic feet), year ended Dec. 31, 1927 Gas on hand Jan. 1, 1927, 3,832,000; gas made, 1,04 745,000; received from others companies, 1,298,000 total, 1,050,875,000; sold to consumers, 925,409,00 used by company, 1,660,000—927,069,000. On han Dec. 31, 1927, 3,663,000; unaccounted for, 120,143,00

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, 70,800 shares of no par value. All owned by Consolidated Gas Co. of New York.

Capital Stock Changes—On March 1, 1927, Company filed notice of change in capital from 6,000 shares (par $100) to 70,800 shares of no par value. Of the new no par stock 12,000 shares were exchanged for 6,000 $100 par shares on the basis of two for one, the remaining 58,800 new shares being sold at $50 a share. These changes actually took place on March 24, 1927.

Annual Meeting—Second Friday in July.

Dividends—Dividends amounting to $133,330 were paid on no par shares in 1927; present rate 75 cts. per quarter.

FUNDED DEBT

$816,000 FIRST & GENERAL MORTGAGE GOLD 5s; DUE AUGUST 1, 1934

Dated August 1, 1904.

Interest Payable February and August 1, at The Chase National Bank of the City of New York.

Denomination—Coupon, $1,000.

Trustee and Transfer Agent—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized, $1,000,000, of which $184,000 held in treasury.

Callability—Subject to call at 110 and interest on any interest date.

Security—A first lien on all property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross receipts	$1,309,547	$1,252,718	$1,054,769	$688,150	$738,368	$720,439
Operating expenses and taxes	986,234	901,157	780,459	718,646	685,618	565,343
Net earnings	$323,313	$351,561	$274,310	*$30,496	$52,750	$155,096
Interest paid	131,672	217,358	220,368	149,913	122,244	108,487
Net income	$191,641	$134,203	$53,942	*$180,409	*$69,494	$46,609
Dividends paid	133,330	.....	.....	.....	.....	.....
Surplus for year	$58,311	$134,203	$53,942	*$180,409	*$69,494	$46,609
Times Interest Earned	2.45	1.61	1.24	Nil	0.43	1.43

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$6,060,789	$5,099,965	$4,509,464	$3,964,068	$2,963,314	$2,406,480
Investments in affil. cos.	800	.....	.....	.....	.....	.....
Miscellaneous investments	11,564	10,072	.....	.....	.....	.....
Materials and supplies	104,173	90,631	86,465	82,413	74,813	59,357
Cash	225,929	87,710	106,837	122,782	108,535	26,079
Notes & accounts receivable	145,309	119,554	104,648	89,446	87,486	80,523
Other assets	14,199	19,649	55,470	31,627	6,283	6,282
Profit and loss deficit	.....	.....	.....	387,277	207,290	137,680
Total	$6,562,763	$5,427,581	$4,862,884	$4,677,613	$3,447,721	$2,716,401
Liabilities—						
Capital stock	$3,540,000	$600,000	$600,000	$600,000	$600,000	$600,000
Funded debt	816,000	816,000	816,000	816,000	816,000	816,000
Advances from affil. cos.	1,380,000	210,000	.....	.....	.....	.....
Notes payable	.....	3,000,000	.....	.....	.....	.....
Interest, taxes, etc. accrued	67,321	69,667	63,457	66,807	32,712	40,405
Reserves	60,683	80,393	282,348	541,999	202,672	124,851
Contributions for extensions	262,137	223,115	.....	.....	.....	.....
Consumers' deposits	59,100	54,861	49,320	40,730	34,184	30,702
Accounts payable	181,853	223,852	3,032,623	2,612,077	1,762,153	1,104,443
Profit and loss surplus	195,669	149,693	19,136	.....	.....	.....
Total	$6,562,763	$5,427,581	$4,862,884	$4,677,613	$3,447,721	$2,716,401

Officers: Moses Taylor, Pres., New York; M. H. Spear, V-P. & Gen. Mgr.; H. S. Romaine, Sec.; W. A. Leonard, Asst. Sec.; T. L. Goodwin, Jr., Treas., Flushing, N. Y.

Directors: Moses Taylor, G. B. Cortelyou, John A. Garver, Donald G. Geddes, N. F. Brady, W. R. Addicks, New York; M. H. Spear, Flushing, N. Y.

General Office, 112 Amity St., Flushing, N. Y.

THE NEW YORK EDISON COMPANY

(Controlled by Consolidated Gas Co. of New York)

History and Property—Incorporated May 1, 1901, in N. Y.; consolidation of New York Gas & Electric Light, Heat & Power Co., and Edison Electric Illuminating Co., of N. Y. Owns and operates practically the entire electric lighting plants in Manhattan borough, including the plants formerly of Mt. Morris Elec. Light Co.; North River Electric Light & Power Co.; N. Y. Heat, Light & Power Co.; Borough of Manhattan Electric Co.; Block Lighting & Power Co., No. 1; Manhattan Lighting Co., Yonkers Elec. Light & Power Co., Edison Electric Illuminating Co.; Manhattan Electric Light Co., and Harlem Lighting Co. Company also operates in Bronx Borough. Franchises claimed to be perpetual.

Owns entire 83,514 shares of capital stock of the Yonkers Electric Light & Power Co., all the $1,216,400 capital stock of the Edison Light & Power Inst. Co., 73,082 shares of no par value Common stock and $1,641,800 Pfd. stock (par $100) of United Electric Light & Power Co., and 25,800 shares of no par value Common stock and 30,410 shares of no par value Preferred stock of Consolidated Telegraph & Electrical Subway Co.

During 1912, Company entered a 21-year contract with the Third Avenue R. R. (now Third Avenue Ry.) under which it undertakes to supply the entire requirements of the railway system. This service involves a station capacity of 30,000 k.w., or an annual consumption of over 100,000,000 k.w. hrs.

In 1914, in conjunction with the United Electric Light & Power Co. a contract was made by The New York Edison Co. with the New York, New Haven & Hartford R. R. Co. to supply the latter with power for the westerly end of its main line and also for the New York, Westchester & Boston Ry. Co. This contract involved the installation of additional generating capacity and the construction of a new sub-station at West Farms. About 50,000,000 k.w. hrs. per annum required under this contract.

A contract has been entered into between The New York Edison Co. and the Hudson & Manhattan R. R. Co., effective Nov. 15, 1920, under which the operation

of the steam generating plant of the Railroad Company in Jersey City, with a capacity of 28,000 kilowatts, has been taken over under lease. Except during the period of maximum winter demand, the major part of the current for the operation of the railway will be supplied over high tension feeders from the Waterside Station.

It was announced in October, 1927 that Company has signed contract with New York Central RR. to supply all light and power for Grand Central Terminal Building, New York City, and some 25 other large buildings in the vicinity, all of which had formerly been supplied with electric current from New York Central generating stations at Port Morris and Yonkers, N. Y. Agreement represents total installation of about 30,000 k. w. and yearly consumption of more than 50,000,000 k.w.h.

A franchise for a high-tension transmission line from Kensico to Croton Lake on the Catskill Aqueduct was obtained in the name of The New York Edison Co., The United Electric Light & Power Co., The Yonkers Electric Light & Power Co. and the Westchester Lighting Co. From this line current is supplied for the operation by the City of the Aqueduct service at various points and for general commercial purposes by the companies named. The transmission line consists of substantial steel towers, with the main line operating at 45,000 volts and a primary distributing circuit at 13,000 volts. For these various purposes current is being transmitted a distance of about 25 miles beyond the City limits.

On Nov. 23, 1926 the first 60,000 k.w. steam-turbine unit at the new East River generating station of Company, located at 14th Street, was placed in operation; in the first half of 1927 the second 60,000 k.w. unit went into service, giving this station a 120,000 k.w. installed capacity. The station, the largest of its kind in the world, has been designed for an ultimate capacity of 700,000 k.w.—1,000,000 h. p. The new station is connected to the Waterside stations by four 11,000 volt, 25 cycle ties, to the Hell Gate station by three 26,400 volt, 60 cycle ties, and to the Brooklyn Edison Company's system by three 26,400 volt, 60 cycle ties.

There has been purchased for installation in the Hell Gate station a turbo-generator unit having a capacity of 160,000 k.w. This unit is more than twice as large as any turbo-generator unit now in existence, and will have a capacity of 9,000 k.w. more than the total of the Sherman Creek generating station. It is expected to be in operation during July, 1928, increasing the capacity of the Hell Gate station to 445,000 k.w. This station has maintained its record as one of the outstanding electrical plants of the world, having generated during 1926 over a billion k.w. h., an amount never before equalled by any steam generating plant during a twelve months' period.

The Company owns 6 generating stations and 46 substations with a combined capacity of 536,300 k.w. and 689,590 k.w. respectively. The total connected load as of Dec. 31, 1927, was 1,755,164 k.w., compared with 1,584,234 k.w. in 1926. There are 2,045.91 cable miles of overhead cable and 7,031.28 cable miles of underground cable, which excludes service cable of 349.42 miles overhead and 2,595.71 miles underground. There were connected Dec. 31, 1927, 791,492 active meters, compared with 713,998 in 1926, an increase for the year of 77,494. No. of municipal street incandescent lamps, 28,465.

CAPITAL STOCK

Authorized, 4,308,080 shares of no par value (increased from 2,022,906 shares to 2,508,080 shares on Feb. 12, 1925, and to present amount March 1, 1927); outstanding Dec. 31, 1927, 4,300,000 shares (increased from 2,500,000 shares as of March 24, 1927). All owned by the Consolidated Gas Co. of New York. The proceeds of 485,174 shares, issued in 1925, were used to acquire 360,000 shares of the United Electric Light & Power Co., amounting to $18,000,000 and for other capital purposes, including reimbursements t company's treasury for additions and betterments t its property from Dec. 31, 1919 to Dec. 31, 1923. I addition, $29,371, par $100 Common stock of The Ed son Electric Illuminating Co. of New York, held fc conversion.

Annual Meeting—Second Tuesday in February.

Dividends—Dividends at the rate of 7% per annu have been paid from June 14, 1915 to June, 1922, whe the rate was changed to 8% per annum; previous rat 6% per annum; payments quarterly. In addition t the regular quarterly dividend an extra dividend wa paid March 14, 1922, making a total of 9½% for th year 1922; 1923, to 1926, inclusive, $5 per share eacl 1927, $4.62½ per share.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1)

$2,188,000 EDISON ELECTRIC ILLUMINATING CO. OF NE YORK FIRST CONSOLIDATED GOLD 5s; DUE JULY 1, 19

Dated July 1, 1895.

Interest Payable January and July 1, at Guarant Trust Co., New York.

Denomination—Coupon $1,000; principal may l registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized $15,000,000 which $4,312,000 were reserved to retire the First (since redeemed through the issuance of new stock New York Edison Co.) and $8,500,000 for new pro erty or construction, but not more than $1,000,0(may be issued in any one year. The total amount this and previous issues shall not exceed the amou of capital stock outstanding.

Callability—Mortgage contains no redemption fe ture.

Security—A first lien on entire property of form Edison Electric Illuminating Co. consisting of power stations in Manhattan Borough and further s cured by deposit of entire capital stock and bonds the Manhattan Electric Light Co. and the Harle Lighting Co. Prior in lien to the $20,866,000 New Yo Gas & Electric Light, Heat & Power Co. Purcha money 4s, $15,000,000 New York Gas, Elec. Lt., H & Pr. Co. First 5s and $60,000,000 the New York Ec son Co. First Lien & Refunding Mortgage Series "A and Series "B". Assumed by New York Edison C.

Tax Provisions—Company pays Normal Federl Income Tax up to 2%.

Legal for Savings Banks in Maine.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	19
High	113	108⅝	103	101½	103	102⅝	90	8
Low	106⅞	103	99½	98½	99	97⅛	85	8

(2)

$15,000,000 NEW YORK GAS & ELECTRIC LIGHT, HEAT POWER CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD DUE DECEMBER 1, 1948

Dated December 1, 1898.

Interest Payable June and December 1, at Guara ty Trust Co., New York.

Denomination—Coupon, $1,000; principal may registered.

Trustee—Guaranty Trust Co., New York.

Callability—Mortgage contains no redemption fe ture.

Security—A first lien on entire property; also s cured by deposit of entire $1,500,000 stock of the M Morris Elec. Lt. Co., the entire $400,000 stock a $104,000 of the bonds of the North River Elec. Lt. Power Co., the entire $375,000 stock and $170,000 the bonds of the N. Y. Heat, Light & Power Co., t entire $100,000 stock of the Borough of Manhatt Electric Co., the entire $250,000 stock and $250,000 the bonds of the Manhattan Lighting Co., the ent $98,000 stock of the Block Ltg. & Power Co. No. and $1,500,000 of the $1,875,000 stock and $4,225,0

of the bonds of the Consol. Teleg. & Electrical Subway Co.; all stock or bonds of those companies hereafter acquired is also to be deposited. Underlies, on part of property only, the $20,866,000 New York Gas & Elect. Lt., Ht. & Pr. Co. Purchase Money 4s of 1949 and The New York Edison Co. First & Refunding Mortgage Series "A" and "B".

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	110	106½	104½	102½	100	101⅝	93⅛	85½
Low	106	104	100½	102½	95½	92⅝	81	74¾

(3)

$20,888,000 NEW YORK GAS & ELECTRIC LIGHT, HEAT & POWER CO. PURCHASE MONEY GOLD 4s; DUE FEBRUARY 1, 1949

Dated February 1, 1889.

Interest Payable February and August 1, at Central Union Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized, $21,000,000. Issued in exchange for $9,200,000 capital stock of Edison Illuminating Co. of New York.

Callability—Mortgage contains no redemption feature.

Security—A second mortgage on the property covered by the first lien of the Edison Electric Illuminating Co. First Consol. 5s of 1995 and by a second lien upon the property covered by the first lien of the New York Gas & Elec. Lt., Ht. & Pr. Co. First 5s of 1948. Additionally secured by a $4,000,000 cash guaranty fund deposited with the Central Union Trust Co. of New York for investment in approved First Mortgage bonds. It is provided that this guaranty fund may be invested in extensions of the Edison property. Subject to $2,188,000 Edison Electric Illuminating Co. First 5s of 1995 and $15,000,000 New York Gas & Electric Light, Heat & Power Co. First 5s of 1948. Underlies New York Edison Co. First & Refunding Mortgage Series "A" and "B".

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	92¾	90¾	86⅞	83¼	85¼	78⅛	71¾
Low	92¼	89⅛	86	82⅛	79⅛	76	64¾	58½

(4)

$30,000,000 THE NEW YORK EDISON CO. FIRST LIEN AND REFUNDING MORTGAGE 6½% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1941

$30,000,000 THE NEW YORK EDISON CO. FIRST LIEN AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE OCTOBER 1, 1944

Dated Series "A," October 1, 1921; Series "B," October 1, 1924.

Interest Payable April and October 1, at The National City Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Interchangeable with fully registered bonds in denominations of $1,000, $5,000 and $10,000.

Trustee—The National City Bank, New York.

Provisions of Issue—Issued and outstanding, $60,000,000 ($30,000,000 Series "A" 6½s and $30,000,000 Series "B" 5s) of which $30,000,000 Series "A" 6½s issued to acquire the $30,000,000 The United Electric Light & Power Co. First Mortgage Gold bonds, and the $30,000,000 Series "B" to repay temporary obligations and reimburse Company and The United Electric Light & Power Co. in part for large capital expenditures for permanent extensions and additions.

The First Lien & Refunding mortgage authorizes an unlimited issue of bonds, in series, with the same or different interest rates, dates, maturities and such other distinguishing features as may be determined by the Board of Directors at the time of the original issue of each series, subject always to the restrictive provisions of the mortgage. Bonds of any series may be issued from time to time in the future in principal amounts equal to and for the acquisition or retirement of underlying bonds now outstanding with the public or bonds of another series issued under the first lien and refunding mortgage. Additional bonds may also be issued for not exceeding 75% of actual and reasonable expenditures for permanent extensions and additions to the plants and properties of the system made subsequently to Oct. 1, 1921, and, to the extent of not exceeding $10,000,000 principal amount of bonds, for similar expenditures made prior to that date. Except for retiring underlying bonds or for the acquisition of bonds of another series bearing a higher interest rate or for refunding at maturity bonds of another series, no First Lien & Refunding bonds may be issued unless the consolidated net earnings for twelve consecutive calendar months ending not more than sixty days prior to the date of issue shall have been at least twice the annual interest charges on all underlying bonds outstanding in the hands of the public and all First Lien & Refunding bonds outstanding and then to be issued.

The First Lien & Refunding mortgage contains certain provisions permitting the modification or alteration thereof, or of any supplemental indenture, in any particular, with the assent of the holders of 75% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided that nothing shall permit the extension of the maturity of any bond or the reduction in the rate of interest thereon or any other modification in the terms of payment of such interest, without the consent of the holder thereof, nor the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of the First Lien & Refunding mortgage.

Callability—Series "A" bonds are subject to call upon sixty days' notice on Oct. 1, 1936, and any subsequent interest payment date prior to maturity at 105%. Redeemed bonds are cancelled.

Series "B" bonds are subject to call upon 60 days' notice on any interest date at 105 to and including Oct. 1, 1934; at 104 thereafter to and including Oct. 1, 1936; at 103 thereafter to and including Oct. 1, 1939; at 102 thereafter to and including Oct. 1, 1941; and thereafter prior to maturity at 101.

Security—Secured by pledge with the Trustee of $30,000,000 First Mortgage bonds, dated Oct. 1, 1921, of The United Electric Light & Power Co. (comprising the entire funded debt) and over 99% of the stock of the same Company. Also secured by a direct mortgage, subject to the prior liens of underlying mortgages (described above), on the entire property of The New York Edison Co. now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Shearman & Sterling, New York.

Legal for Savings Banks in Maine.

Original Offering—First publilcly offered ($30,000,000 Series "A" 6½s) in Nov. 1921, at 104½ and int. yielding 6.10%, by The National City Co., New York, etc. $30,000,000 Series "B" 5s were publicly offered in Feb., 1925, at par and interest by the same bankers.

Listed—New York Stock Exchange.

Price Range—

Series "A" 6½s—	1927	1926	1925	1924	1923	1922	1921
High	117½	118	115½	114¼	112½	112¾	106⅞
Low	115	115	112	109⅞	106⅝	105¾	105¼
Series "B" 5s—							
High	105¾	104¾	102	..	..	..	..
Low	102⅝	102	99⅝	..	..	..	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$71,447,554	$64,390,861	$57,857,195	$53,536,225	$50,496,493	$44,842,30
Operating expenses	45,530,157	41,378,132	32,357,419	28,799,448	26,600,778	25,528,59
Uncollectible revenue	352,870	249,744	162,497	112,068	112,652	106,88
Tax accruals	5,435,122	5,025,584	4,368,737	4,127,458	4,404,889	4,327,34
Total	$51,318,149	$46,653,460	$36,888,653	$33,038,974	$31,118,319	$29,962,82
Operating income applicable to corporation and leased property	$20,129,405	17,737,401	20,968,542	20,497,251	19,378,174	14,879,48
Rent reductions	.....	.....	7,588,009	6,668,676	5,330,966	4,903,65
Operating income applicable to corp. property	$20,129,405	$17,737,401	$13,380,533	$13,828,575	$14,047,208	$9,975,82
Non-operating income	7,141,021	4,664,244	4,690,861	3,755,258	4,640,068	4,022,72
Total income	$27,270,426	$22,401,645	$18,071,394	$17,583,833	$18,687,276	$13,998,54
Interest charges	5,873,688	6,390,516	5,140,595	4,766,468	4,125,675	4,269,99
Dividends	17,457,500	12,500,000	12,500,000	10,074,130	10,074,130	8,520,42
Surplus for year	$3,939,238	$3,511,129	$430,799	$2,743,235	$4,487,471	$1,208,13
Times Interest Earned	4.64	3.51	3.51	3.69	4.53	3.2

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

(Electric Energy, Generated and Distributed)

	1927 (kw. hrs.)	1926 (kw.hrs.)	1925 (kw.hrs.)	1924 (kw. hrs.)	1923 (kw. hrs.)	1922 (kw. hrs
Current generated	1,277,771,035	1,080,680,718	975,638,501	944,485,786	942,745,190	909,944,3
Used at generating stations	.....	.....	8,424,547	10,525,564	10,572,192	10,425,0
Net output	1,277,771,035	1,080,680,718	967,213,954	933,960,222	932,172,998	899,519,2
Current bought, high-tension	685,644,657	684,216,869	612,274,384	512,819,607	402,970,932	293,688,5
Current bought, low-tension	42,307	35,076	23,997	2,427	57,279	55,0
Total available	1,963,457,999	1,764,932,663	1,579,512,335	1,446,782,256	1,335,201,209	1,193,262,8
Used by company	23,413,095	19,114,364	8,049,235	11,414,805	9,570,527	8,494,5
Lost in transmission, distribution, etc.	373,222,562	342,547,585	314,913,464	279,272,476	256,058,971	228,568,2
Franchise requirements	79,699	77,157	77,707	76,955	77,389	76,8
Transferred to other companies	26,072,000	17,958,200	18,491,138	21,174,392	28,875,718	27,626,8
High-tension sales	247,545,430	232,559,489	226,667,595	224,757,283	214,452,821	194,850,4
Municipal	4,624,800	4,785,400	2,268,800	957,700	3,174,300	1,288,9
Railroads	178,369,877	173,650,633	172,323,453	174,342,349	167,420,090	165,824,2
Other consumers	57,443,046	48,790,328	47,701,642	48,087,934	43,209,277	26,665,0
Electrical companies	7,107,707	5,333,128	4,373,700	1,369,300	649,154	1,072,1
Low-tension sales	1,293,125,213	1,152,675,868	1,011,313,196	910,086,344	826,165,784	733,645,9
Municipal	45,157,130	39,963,345	45,293,072	42,383,786	39,825,913	37,676,0
Commercial	1,227,670,691	1,094,126,472	948,452,189	851,848,987	774,615,592	686,033,8
Electrical companies	20,297,392	18,586,051	17,567,935	15,853,571	11,724,279	9,936,0
Total sales	1,540,670,643	1,385,235,357	1,237,980,791	1,134,843,627	1,040,618,605	928,496,3
Generating capacity (k.w.)	536,300	476,300	416,300	416,300	376,300	371,0
Substation capacity (k.w.)	689,590	666,490	607,990	563,020	498,520	433,2
Connected load (k.w.)	1,755,164	1,584,234	1,448,298	1,272,814	1,174,050	1,074,2
No. of active meters	791,492	713,998	612,528	517,809	434,950	372,1

Coal Consumed—Coal used for steam in 1927, 971,373 gross tons; coal used per k.w. generated, 1.703 lbs.; cost of coal used per k.w. generated, 0.423 cents.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$287,612,189	$264,152,928	$229,673,394	$209,003,210	$187,179,122	$170,266,4
Cash	2,574,713	1,814,444	2,048,805	2,088,355	1,502,477	1,401,7
Notes receivable	93,363	15,452	.....	.....	.....	.....
Accounts receivable	8,942,607	9,280,794	7,938,376	7,254,992	5,869,260	6,551,7
Int. & divds. receivable	1,124,697	662,755	774,176	826,811	3,673,156	3,716,1
Materials and supplies	4,928,931	5,452,948	5,941,084	6,033,023	6,012,985	4,615,4
Prepayments	111,801	.....	.....	.....	.....	.....
Stocks & bonds of affil. Cos.	78,492,118	65,288,020	66,122,062	48,935,120	46,689,410	65,796,1
Advances to affil. Cos.	4,909,042	1,934,042	1,300,000	6,950,000	11,594,000	9,900,0
Miscellaneous investments	20,339,236	2,388,563	2,319,236	.....	2,235,824	2,236,1
Special deposits	3,440,934	196,513	169,675	533,790	155,232	1,078,4
Unamortized debt disc. & exp.	1,102,702	1,171,120	1,947,870	951,641	366,470	348,4
Miscellaneous suspense	1,469,879	1,117,549				
Total	$415,142,212	$353,475,128	$318,234,678	$282,576,942	$265,277,938	$265,910,8
Liabilities—						
Capital stock	$215,000,000	$125,000,000	$125,000,000	$100,741,300	$100,770,671	$100,770,0
Funded debt	98,076,000	98,076,000	98,076,000	68,076,000	68,076,000	68,076,0
Real est. mortgages	1,402,012	1,308,812	.....	.....	.....	.....
Advances from affil. Cos.	.....	23,300,000	4,350,000	15,700,000	7,618,143	3,786,0
Notes payable	.....	10,000,000	.....	8,500,000	.....	7,600,0
Accounts payable	2,937,496	2,739,727	451,612	5,673,494	3,653,853	4,154,0
Consumers' deposits	1,859,577	1,751,857	4,830,419		1,346,168	1,166,1
Matured int. unpaid	85,664	136,901	.....	.....	.....	.....
Misc. current liabilities	.....	4,084				
Taxes accrued	2,903,819	2,651,662	3,837,834	3,472,740	2,232,518	1,933,8
Interest accrued	1,293,859	1,476,728				
Misc. accrued liabilities	286,645	493,206				
Retirement reserve	2,086,788	2,196,610			30,105,801	31,319,5
Contingency reserve	23,805,570	23,805,570	27,812,420	26,931,270	.....	.....
Miscellaneous reserves	1,890,672	1,814,554			148,489	148,3
Special surplus	9,500	9,500	.....	.....	.....	.....
Profit and loss	63,504,610	58,709,917	53,876,393	53,482,138	51,326,295	46,895,5
Total	$415,142,212	$353,475,128	$318,234,678	$282,576,942	$265,277,938	$265,910,8

Officers: N. F. Brady, Pres.; T. E. Murray, Senior Vice-Pres.; J. W. Lieb, V-P. & Gen. Mgr.; Arthur Williams, V-P., Commercial Relations; Philip Torchio, V-P. Electrical Engineering; H. M. Edwards, V-P., Accounting; Frederick Smith, Treas.; David Darlington, Asst. Treas.; F. W. Jesser, Sec.; J. A. McKeon, Asst. Sec.; A. L. Holme, Aud.; W. W. Erwin, Pur. Agt., New York.

Directors: N. F. Brady, D. G. Geddes, Lewis Gawtry, T. E. Murray, G. B. Cortelyou, G. F. Baker, Percy Rockefeller, J. A. Garver, Edgar Palmer, J. W. Lieb, Arthur Williams, New York.

Office, 130 East 15th St., New York.

CONSOLIDATED TELEGRAPH & ELECTRICAL SUBWAY COMPANY

(Controlled by The New York Edison Co.)

History and Property—Incorporated Dec. 26, 1885, in New York, for the purpose of constructing, operating and maintaining subways for the reception of electrical conductors of duly authorized electrical companies doing business in the City of New York. The Company owns all the subways located in the Boroughs of Manhattan and Bronx used for high tension electric light and power purposes. Miles of duct, 6,280, of which 1,947 miles are unoccupied.

The New York Gas & Electric Light, Heat & Power Co. in 1898 acquired a majority of the capital stock of this company at the same time that it acquired a majority of the capital stock of the Edison Electric Illuminating Co., and when the New York Edison Co. was formed in 1901 by the consolidation of the New York Gas & Electric Light, Heat & Power Co. and the Edison Electric Illuminating Co. of New York it inherited control of the Consolidated Telegraph & Electrical Subway Co. The Consolidated Gas Co. of New York acquired during 1923 a majority of the Common and a part of the Preferred stock from the New York Edison Co. Through the ownership of a majority of the Preferred stocks, control is retained by the New York Edison Co.

CAPITAL STOCK

Authorized and outstanding, 1,104,500 (increased from 854,500 shares in 1927) shares Common of no par value and 37,500 shares Pfd. of no par value. As of Dec. 31, 1927 the Consolidated Gas Co. of New York owned 1,078,700 shares Common and 7,090 shares Pfd. The New York Edison Co. owned 25,800 shares Common and 30,410 shares Pfd.

Annual Meeting—Last Tuesday in February.

Dividends—Dividends of $5 per share per annum paid on both Pfd. and Common stocks paid to 1925; 1926, $5 on Pfd. and $4 on Common; 1927, $5 on Pfd. and $3.50 on Common.

FUNDED DEBT

(1)

$1,549,000 FIRST MORTGAGE 50-YEAR 6% BONDS; DUE JUNE 1, 1940

Dated May 20, 1890.

Interest Payable June and December 1, at Guaranty Trust Company, New York.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and outstanding, $1,549,000. All of these bonds are held by an affiliated Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$1,386,000 SECOND MORTGAGE 50-YEAR 6% BONDS; DUE JUNE 1, 1940

Dated May 20, 1890.

Interest Payable June and December 1, at Guaranty Trust Company, New York.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and outstanding, $1,386,000. All of these bonds are held by an affiliated Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$6,508,845	$6,051,269	$5,648,948	$5,361,425	$4,846,336	$4,417,408
Operating expenses, taxes, etc.	2,476,587	2,234,040	1,998,665	1,924,584	1,400,281	1,150,789
Net earnings	$4,032,258	$3,817,229	$3,650 283	$3,436,841	$3,446,055	$3,266,619
Other income	2,671	2,550	2,550	2,551	9,444	10,547
Total income	$4,034,929	$3,819,779	$3,652,833	$3,439,392	$3,455,499	$3,277,266
Interest charges	549,004	$387,941	$370,368	$291,244	$254,930	$1,593,954
Dividends paid	3,469,250	3,385,500	3,410,000	2,905,000	.....	.....
Surplus for year	$16,675	$46,338	*$127,535	$243,148	$3,200,569	$1,683,212
Times Interest Charges Earned	7.35	9.85	9.86	11.81	13.55	2.06

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Total fixed capital	$72,128,186	$61,278,898	$51,631,144	$44,672,698	$38,438,047	$33,744,924
Miscellaneous investments	60,613	60,613	60.613	60,613	60,613	45,516
Cash	623,507	395,313	484,969	425,208	411,767	240,936
Other current assets	458,684	320,274	12,993	10,263	9,451	7,973
Special deposits	222,000	202,000	2,000	2,000	2,000	2,000
Materials and supplies	143,355	162,977	176,058	176,365	168,355	118,958
Associated companies	.....	.....	295.943	379,126	313,710	283,199
Miscellaneous suspense	.....	9,798	.....	.....	.....	.....
Total	$73,636,345	$62,429,873	$52,663 720	$45,726,273	$39,403,943	$34,443,506
Liabilities—						
Capital stock	$57,100,000	$44,600,000	$37,100,000	$32,100,000	$26,000,000	$1,875,000
Funded debt	2,935,000	2,935,000	2,935,000	2,935,000	2,935,000	2,935,000
Due to associated companies	8,694,717	9,843,313	7,766,477	4,060,308	4,276,578	24,769,000
Taxes accrued	480,000	510,000	460 000	450,000	240,000	463,753
Accrued interest rents and dividends	60.834	105,687	95.808	1,637,790	1,389,350	760,520
Other current liabilities	402,251	452,678	371,912	344,146	424,261	187,739
Reserves	1,001,572	1,001,572	1,001,571	1,001,571	1,001,571	1,001,572
Corporate surplus	2,961,971	2,981,623	2,932,952	3,197,458	3,137,183	2,450,922
Total	$73,636,345	$62,429,873	$52,663.720	$45,726,273	$39,403,943	$34,443,506

Officers: Arthur W. Middleton, Pres.; Edward S. Callahan, V-P. & Gen. Mgr.; J. B. Buckley, Sec.; Jos. A. Shea, Treas.; Chas. J. Bradley, Asst. Treas.; Chas. F. Fuessel, Aud.; N. De Seve, Asst. Sec.

Directors: Arthur W. Middleton, Nicholas F. Brady, Lewis B. Gawtry, Thomas E. Murray, Geo. B. Cortelyou, Samuel A. Beardsley, John W. Lieb.

General Office, 54 Lafayette St., New York.

THE UNITED ELECTRIC LIGHT & POWER COMPANY

(Controlled by The New York Edison Co.)

History and Property—Incorporated Feb. 3, 1887, in N. Y., as the Safety Electric Light & Power Co., name changed to present title Nov. 8, 1889. Absorbed the United States Illuminating Co. Owns $999,000 of the $1,000,000 stock of Brush Electric Illuminating Co., and $129,500 stock of the Ball Electrical Illuminating Co.

Company owns 2 generating stations and 7 substations, with combined generating capacity of 436,000 k.w. and 142,600 k.w. respectively. Total connected load Dec. 31, 1927, 342,912. Wire: Overhead, 9.48 cable miles; underground, 3,002.5 cable miles.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
No. of meters	†125,535	†119,714	121,076
*Electricity sales (k.w.h.)	366,094,816	331,310,154	289,688,455

*To public. †Active meters.

Electric Output (in k.w.h.) year ended Dec. 31, 1927: Generated, 1,597,940,600; purchased, 46,666,925—total available, 1,644,607,525. Transferred to other cos., 1,197,272,838; sales to public, 366,094,816; franchise requirements, 31,135; used by company, 787,571; exchange account, 20,282,270—total, 1,584,468,630. Unaccounted for, 60,138,895.

CAPITAL STOCK

Authorized, 873,942 shares (increased from 573,942 shares Feb. 4, 1926) Common of no par value (changed from $100 par in 1922); outstanding, Dec. 31, 1927 866,015 shares Common. As of Dec. 31, 1927, the New York Edison Co. owned 865,918 shares Common.

Capital Stock Changes—Stockholders at special meeting Feb. 4, 1926, voted to increase the authorized 573,942 shares of Common stock to 873,942 shares and to retire the present 20,000 shares (par, $100) of Pfd stock, by exchanging two shares of Common for each share of Pfd. The New York Public Service Commission in March, 1927, authorized company to issue 260,000 shares Common of no par value, to be sold at no less than $50 a share.

Transfer Agent—Secretary of Company.

Annual Meeting—First Friday in February.

Dividends—On Pfd.: $49,254 in 1922; $98,508 in 1923, 1924, 1925 and 1926 (retired in 1927). On Common, $250,505.50 in 1922; $745,920 in 1923 and 1924, $2,006,021.52 each ($3.50 per share) in 1925 and 1926, $3,976,141 ($5 per share) in 1927.

FUNDED DEBT

$30,000,000 FIRST MORTGAGE GOLD 6½s; DUE OCTOBER 1 1996

Dated October 1, 1921.

Interest April and Oct. 1 at The National City Bank, New York, Trustee. All owned by The New York Edison Co. and pledged under its First & Refunding Mortgage.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Total fixed capital	$82,144,776	$77,287,287	$73,940,918	$68,903,643	$61,163,640	$52,720,76
Cash	1,217,417	905,568	849,179	809,601	662,910	573,21
Accounts receivable	3,104,973	2,647,662	2,217,693	2,064,092	2,148,804	2,375,4
Notes receivable	.....	.....	.....	14	27	.....
Interest and dividends receivable	107,503	31,445	20	6	89	35,1
Prepayments	6,773	1,917	1,417	1,417	1,417	.....
Material and supplies	2,489,956	2,704,173	2,668,783	2,478,914	2,474,222	1,505,9
Stocks of associated companies	1,014,964	998,264	1,198,264	998,265	998,265	1,048,2
Bonds of associated companies			.....	.....	4,856	4,8
Advances to associated companies	6,350,000	7,675,000	.....	.....	.....	7,000,0
Other investment securities	1,782,702	257,066	229,121	186,809	168,763	168,7
Unamortized debt disc. and expense	153,046	155,272	157,496	159,724	161,950	164,1
Miscellaneous suspense	51,754	6,641	9,583	6,013	8,693	.....
Total	$98,423,864	$92,670,295	$81,272,474	$75,608,497	$67,793,636	$65,596,5
Liabilities—						
Common stock	*$43,300,750	$28,657,500	$28,657,500	$10,656,100	$10,656,100	$10,656,1
Preferred stock	.....	1,641,850	1,641,850	1,641,850	1,641,850	1,641,8
Funded debt	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,0
Taxes accrued	953,302	835,339	686,897	464,902	455,608	374,8
Notes payable	.....	9,500,000	.....	8,500,000	.....	7,200,0
Consumers' deposits	494,857	449,890	421,677	399,064	350,005	338,9
Accounts payable	1,794,056	1,671,987	1,372,266	1,701,665	2,070,915	1,855,8
Bond interest accrued	487,500	532,569	496,344	588,233	487,500	487,5
Other interest accrued					44,379	44,5
Preferred dividends accrued	.....	.....	.....	.....	.....	2,647,2
Construction adv. owing associated companies	.....	.....	1,300,000	7,000,000	9,400,000	2,000,0
Contingency reserve	2,733,166	2,733,165	2,733,166	2,733,166	2,733,165	2,733,1
Retirement reserve	435,221	750,755	897,906	881,161	1,000,713	886,0
Miscellaneous reserves	277,482	251,846	223,901	183,667	163,141	163,1
Contributions for extensions	27,601	10,647	9,662	9,793	1,605	.....
Miscellaneous unadjusted credits	49,480	39,667	32,967	30,137	24,281	.....
Special surplus	18,750	2,666,021	2,666,021	2,666,021	2,666,021	18,7
Corporate surplus	17,851,699	12,929,059	10,132,317	8,152,739	6,098,353	4,548,5
Total	$98,423,864	$92,670,295	$81,272,474	$75,608,497	$67,793,636	$65,596,5

*Represented by 866,013 shares of no par value.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Operating revenue	$17,923,667	$16,152,011	$14,492,592	$13,410,825	$12,285,4
Operating expenses	7,395,682	6,883,688	6,195,952	6,239,211	6,231,3
Uncollectible bills	70,704	45,415	35,107	25,634	27,2
Taxes	2,473,413	2,291,781	1,963,215	1,563,283	1,404,8
Total revenue deductions	$9,939,799	$9,220,884	$8,194,274	$7,828,128	$7,662,2
Operating income	$7,983,868	$6,931,127	$6,298,318	$5,582,697	$4,622,6
Other income	277,499	59,153	8,390	7,554	6,5
Gross corporate income	$8,261,367	$6,990,280	$6,306,708	$5,590,251	$4,628,9

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923
nt. on long term debt	$2,022,480	$2,093,016	$1,950,000	$1,950,000	$1,950,000
Miscellaneous interest deductions			222,897	796,599	341,939
mort. of debt disc. and exp.			2,226	2,226	2,226
Total deductions	$2,022,480	$2,093,016	$2,175,123	$2,748,825	$2,294,165
Net income	$6,238,887	$4,897,264	$4,131,585	$2,841,425	$2,334,684
ommon dividends	3,976,141	2,006,022	2,006,022	745,920	745,920
referred dividends	.....	98,508	98,508	98,508	98,508
Bal. transferred to surplus	$2,262,746	$2,792,734	$2,027,055	$1,996,997	$1,490,256
rp. forward (after adjustment)	15,588,953	10,136,325	8,105,262	6,155,741	4,608,096
Total surplus	$17,851,699	$12,929,059	$10,132,317	$8,152,738	$6,098,352

Officers: N. F. Brady, Pres.; T. E. Murray, V-P.; . W. Smith, V-P. & Gen. Mgr.; Benj. Whiteley, -P.; W. J. Meyers, Sec.; Geo. M. Moore, Treas.; obt. B. Grove, Asst. Sec.; John C. Carroll, Asst. Sec.; ould A. Stebbins, Asst. Treas.

Directors: N. F. Brady, (Chairman); W. R. Addicks, Lewis Gawtry, J. W. Lieb, T. E. Murray, F. W. Smith, G. F. Baker, P. A. Rockefeller, Donald G. Geddes, John A. Garver, Edgar Palmer, Geo. B. Cortelyou, New York; Lawrence A. Coleman, Long Island City, N. Y.

Office, 130 East 15th St., New York.

THE BRUSH ELECTRIC ILLUMINATING CO. OF NEW YORK

(Controlled by The United Electric Light & Power Co.)

History—Incorporated in February, 1881, in New York. upplies electricity in the Borough of Manhattan, New York, nder perpetual franchise. Franchise allows operations in the orough of the Bronx.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $999,000; par $100. All vned by The United Electric Light & Power Co. Annual eeting, second Monday in March.

Dividends—None paid.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$42,985	$43,048	$43,601
Operating expenses	7,179	7,284	7,466
Taxes	8,731	10,339	10,969
Operating income	$27,075	$25,425	$25,166
Other income	109	200	2,396
Gross income	$27,184	$25,625	$27,562
Int. on matured funded debt	10,110	11,092	14,254
Int. on unfunded debt			1,677
Surplus for year	$17,074	$14,533	$11,631

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
otal fixed capital	$1,310,922	$1,314,980	$1,314,793
ash	12,981	20,905	30,929
ther investment sec.	4,153	3,969	3,763
orporate deficit	.....	.....	53,474
Total	$1,328,056	$1,339,854	$1,402,959

Liabilities—	1927	1926	1925
Capital stock	$999,000	$999,000	$999,000
Taxes accrued	2,073	2,517	1,869
Consumers' deposits	75	75	75
Accts. payable, assoc. cos.	150,000	175,000	200,000
Casualty and ins. reserve	4,153	3,969	3,763
Contingency	.....	.....	198,252
Surplus	172,755	159,293	.....
Total	$1,328,056	$1,339,854	$1,402,959

Officers: T. E. Murray, Pres.; F. W. Smith, V-P.; Benj. hiteley, Treas.; L. A. Coleman, Sec., New York, N. Y.

Directors: W. R. Addicks, N. F. Brady, T. E. Murray, G. B. Cortelyou, L. B. Gawtry, F. W. Smith, John W. Lieb, New York, N. Y.

Office, 130 East 15th St., New York.

THE STANDARD GAS LIGHT COMPANY

(Controlled by Consolidated Gas Co. of New York)

History and Property—Incorporated Feb. 8, 1886, N. Y. Operates in that portion of Manhattan above hirteenth St., having extensive works on East River ont at foot of 115th St. Owns 7 water gas sets ith a total 24-hour capacity of 10,500,000 cu. ft.; also gas holders with a capacity of 10,420,000 cu. ft. iles of mains, 199.78; active meters, 49,854.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
iles of mains	199.78	200.21	201.57
o. of active meters	49,854	51,575	59,303
as sales to consumers (M cu. ft.	2,445,315.9	2,711,065.4	2,607,593.8

Gas Output (Cubic Feet), year ended Dec. 31, 1927. as on hand, Jan. 1, 1927, 9,558,000; gas made, 340,-9,000; received from other companies, 2,190,701,900 total, 2,540,898,900. Gas sold to consumers, 2,445,-5,900; used by company, 5,083,700—total, 2,450,399,-0. On hand, Dec. 31, 1927, 9,610,000. Unaccounted r, 80,889,300.

Rate Charges—To private consumers (per M cu. per meter per month): First 100,000 cu. ft., $1.15; ext 200,000 cu. ft., $1.10; next 300,000 cu. ft., $1.05; ext 400,000 cu. ft., $1.00; all over 1,000,000 cu. ft., 95. To City of New York, $0.75 per M cu. ft

Wholesale Service—For first 2,000 cu. ft. of maxi-um 24-hour use of gas at any time within the months November to April, both inclusive, $2.50 per month during such period, for each 100 cu. ft. of such maximum use; for the next 18,000 cu. ft. $2 per month for each 100 cu. ft.; for all over 20,000 cu. ft., $1.60 per month for each 100 cu. ft.; in addition in each case to 6c. per 100 cu. ft. of gas metered; provided that for a customer making no use of gas under this service classification at any time within the months of November to April, inclusive, the rate for the gas furnished under this service classification during the months of May to October, both inclusive, shall be $1.20 for the first 200 cu. ft. (or less) of gas per meter per month and 6c. per 100 cu. ft. for all additional quantities of gas metered. Heating service: the rate for gas for buildings heated by steam—(1) For the first 1,000 sq. ft. of equivalent cast-iron steam radiation, 24c. per sq. ft. of radiation surface per year; for the next 1,000 sq. ft., 22c.; for the next 1,000 sq. ft., 20c.; for the next 1,000 sq. ft., 18c.; for the next 1,000 sq. ft., 16c.; for the next 5,000 sq. ft., 14c.; for all equivalent cast iron steam radiation over 10,000 sq. ft., 12c.; (2) in addition to 7½c. per 100 cu. ft. of gas metered, payable monthly as indexed and billed. For buildings heated by hot-water system, the rate shown under (1) and (2) above shall be in all respects applicable, except that the charge under (1) shall be determined by obtaining the equivalent amount of cast iron steam radiation required.

CAPITAL STOCK

Authorized, $5,000,000 Common and $5,000,000 6% non-cumulative Pfd.; outstanding, $4,955,700 Common and $4,293,600 Pfd.; par, $100. The Consolidated Gas Co. of New York owns $4,799,800 of the Common stock and $4,102,100 of Pfd.

Transfer Agent—Farmers' Loan & Trust Co., New York.

Annual Meeting—Second Wednesday in May.

Dividends—Dividends of 6% per annum were regularly paid on Pfd. semi-annually June 30 and Dec. 31, until June 30, 1917; none thereafter until Jan. 2, 1923, when 3% was paid; 1924, 1925 and 1926, 4% each; 1927, 6%. Dividends were paid on Common at rate of 6% per annum from 1902 to 1905; 1906, 1½%; 1907 to 1909, none; Dec., 1910, to Dec., 1911, incl., 2% semi-annually; 1912 to 1916, 3%; June, 1917, ¾%; none thereafter until Jan. 2, 1923, when 3% was paid; none thereafter to June 30, 1927 when 2% was paid; Dec. 31, 1927, 2%.

FUNDED DEBT

$1,195,000 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1930

Dated 1890.

Interest Payable May and November 1, at Bankers Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $1,500,000.

Security—A first lien on entire property.

Tax Provisions—Company does not pay Norma Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,012,712	$3,433,357	$3,006,304	$3,102,778	$3,347,591	$3,440,25
Operating expenses and taxes	2,461,978	2,775,970	2,696,778	2,886,550	2,878,312	2,796,31
Net earnings	$550,734	$657,387	$309,526	$216,228	$469,278	$643,93
Other income	68,057	62,654	.....	.....	13,640	18,83
Total income	$618,791	$720,041	$309,526	$216,228	$482,918	$662,76
Fixed charges	72,588	73,636	75,309	68,519	71,391	104,43
Balance for dividends	$546,203	$646,404	$234,217	$147,708	$411,527	$558,33
Dividends paid	455,844	171,744	171,744	171,744	363,351	.....
Surplus for year	$90,359	$474,660	$62,473	*$24,036	$48,176	$558,33
Times Fixed Charges Earned	8.52	9.78	4.11	3.16	6.76	6.3

*Loss or deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$13,357,031	$13,561,103	$13,750,196	$13,764,198	$13,652,718	$13,721,85
Other investments	256,268	207,370	567,055	224,409	200,689	200,68
Advances	1,200,000	1,350,000	.....	.....	.....	.....
Temporary investments	300,000	.....	.....	.....	.....	.....
Cash	353,769	416,884	451,021	531,023	311,114	446,05
Accounts receivable	223,909	289,263	645,080	563,594	492,893	558,22
Other current assets	21,273	7,461	.....	.....	1,780	57
Materials and supplies	241,521	237,248	188,274	247,793	316,197	225,34
Other miscellaneous assets	2,325	2,017	6,658	6,361	19,154	3,12
Total	$15,956,096	$16,071,346	$15,608,284	$15,337,378	$14,994,545	$15,155,85
Liabilities—						
Common stock	$4,955,700	$4,955,700	$4,955,700	$4,955,700	$4,955,700	$4,955,70
Preferred stock	4,293,600	4,293,600	4,293,600	4,293,600	4,293,600	4,293,60
Funded debt	1,195,000	1,195,000	1,195,000	1,195,000	1,195,000	1,195,00
Real estate mortgages	17,500	.....	.....	.....	.....	.....
Current liabilities	529,328	560,132	545,446	613,731	614,548	984,85
Accrued liabilities	195,291	246,834	176,953	123,240	93,057	100,25
Reserve for contingencies and renewals and replacements	2,621,339	2,772,324	2,996,468	3,054,052	2,958,805	2,988,77
Other reserves	119,984	115,236	.....	490,024	109,680	109,68
Gas sales suspense	.....	.....	814,998	.....	152,102	.....
Other miscellaneous liabilities	.....	6,705	5,214	.....	.....	.....
Special surplus	23,000	23,000	23,000	23,000	23,000	23,00
Corporate surplus	2,005,354	1,902,815	601,905	589,031	599,053	504,90
Total	$15,956,096	$16,071,346	$15,608,284	$15,337,378	$14,994,545	$15,155,8

Officers: W. Greeley Hoyt, Pres.; Benjamin Whiteley, V-P.; J. E. Sanborn, Sec.; Robt. N. Seymour, Asst. Sec. W. F. O'Brien, Treas.; Malcolm M. Graham, Asst. Treas., New York City.

Directors: W. P. Hardenbergh, W. G. Hoyt, Jol A. Garver, Alex. S. Webb, Geo. B. Cortelyou, Augustu V. Heeley, Benjamin Whiteley, Percy A. Rockefelle J. McAlpin Pyle, New York City.

Office, 130 East 15th Street, New York.

WESTCHESTER LIGHTING COMPANY

(Controlled by Consolidated Gas Co. of New York)

History and Property—Incorporated Nov. 5, 1900, in New York; consolidation of the following companies; Eastchester Electric Co.; Larchmont Electric Light Co.; Pelham Electric Light & Power Co.; Port Chester Electric Lighting Co.; Westchester Gas & Coke Co.; New York Suburban Gas Co.; Westchester Gas Light Co.; Yonkers Gas Light Co.; Municipal Gas Co. of Yonkers; Mount Kisco Lighting Co.; Huguenot Electric Light Co.; White Plains Lighting Co., Hudson River Gas & Electric Co., New York & Westchester Lighting Co. and Pelham Bay Electric Light, Power & Storage Co.

This Company was formerly controlled by the United Gas Improvement Co. of Philadelphia. In July, 1904, the New York & Westchester Lighting Co. was formed, with nominal capital of $250,000, to acqui control of the Westchester Lighting Co., issuing bonds in exchange for an equal amount of capi stock of that company. The properties were tra ferred back to the Westchester Lighting Co. in O of the same year, and subsequently control thereof w acquired, through the Westchester Lighting Co. the Consolidated Gas Co. of New York.

On June 22, 1909, the company purchased from F. Stratton all of the $804,000 stock and $90,000 Fi Consol. bonds of the Northern Westchester Lighti Co. and the entire $500,000 Common and $75,000 of t Pfd. stock of the Peekskill Lighting & R.R. Co.

Territory Served—Company supplies gas to t cities of Yonkers, Mount Vernon, New Rochelle, a

hite Plains, the towns of Eastchester, Greenburgh, arrison, Mamaroneck, Rye and North Castle, and the llages of Bronxville, Dobbs Ferry, Elmsford, Ards-y, Hastings, Irvington, Larchmont, North Pelham, orth Tarrytown, Pelham, Pelham Manor, Port Ches-r, Rye, Scarsdale, Tarrytown, Tuckahoe, and Mam-oneck. Electricity is supplied to the cities of New ork, Mount Vernon, New Rochelle, and White ains, the towns of Bedford, Eastchester, Greenburgh, arrison, Mamaroneck, Mount Pleasant, New Castle, orth Castle and Rye, and the villages of Ardsley, onxville, Dobbs Ferry, Elmsford, Hastings, Irving-n, Larchmont, Mamaroneck, Mount Kisco, North lham, North Tarrytown, Pelham, Pelham Manor, rt Chester, Rye, Scarsdale, Tarrytown, and Tucka-e.

Property—Company's gas property consists of 15 ater gas sets with a rated capacity of 19,396,000 cu. ; it has 11 gas holders, with a storage capacity of ,811,000 cu. ft., which is exclusive of 4 relief holders 650,000 cu. ft. capacity. There is 1 electric generat-g station and 14 substations, the combined capacity ing 8,600 k.w. and 127,870 k.w. respectively. The tal connected load at Dec. 31, 1927 was 2,886 k.w. iles of overhead single wire, 6,161; miles of overhead ble wire, 429; miles of underground cable wire, 51. umber of municipal street incandescent lamps, 20,655.

Operating Statistics, Dec. 31, 1927—Gas Depart-ent: Miles of mains, 804; number of services, 60,365; mber of active meters, 95,916; sales to consumers, 805,972 cu. ft. Electric Department: Number of tive meters, 100,677; sales to consumers, etc., 91,066,-7 k.w.h.

Gas Output (cubic feet) year ended Dec. 31, 1927—as on hand Jan. 1, 1927, 13,160,000; gas made 3,713,-1; gas received from other companies, 543,840,000 total $4,270,951. Sold to consumers, 3,805,972; used company, 37,202,000—total 3,843,174. On hand Dec. , 1927, 12,838,000. Unaccounted for 414,939,000.

Electric Output (k.w.h.) year ended Dec. 31, 1927—rrent generated, 527,900; current purchased, 148,-3,374—total, 149,181,274. Current transferred to her companies, 26,026,262; sales to consumers, etc. igh tension, 27,623,053; low tension, 63,443,174), 91,-6,227; current used by company, 1,781,089—total 8,873,578. Current unaccounted for, 30,307,696.

Rates—Rates for gas per meter per month: In onkers and Mount Vernon: $0.72 per 100 for first 0 cu. ft.; $1.20 per 1,000 for next 100,000 cu. ft.; $1.15 r 1,000 for next 200,000 cu. ft.; $1.10 per 1,000 for xt 300,000 cu. ft.; $1.05 per 1,000 for next 400,000 cu. ; and $1.00 per 1,000 for all over 1,000,100 cu. ft. In ew Rochelle: $0.73 per 100 for first 100 cu. ft.; $1.30 r 1,000 for next 100,000 cu. ft.; $1.25 per 1,000 for next 0,000 cu. ft.; and $1.20 per 1,000 for next 300,000 cu. ; $1.15 per 1,000 for next 400,000 cu. ft.; and $1.10 r 1,000 for all over 1,000,100 cu. ft. In Port Chester, hite Plains and Tarrytown: $0.74 per 100 for first 0 cu. ft.; $1.45 per 1,000 for next 100,000 cu. ft.; $1.40 r 1,000 for next 200,000 cu. ft.; $1.35 per 1,000 for xt 300,000 cu. ft.; $1.30 per 1,000 for next 400,000 cu. ; and $1.25 per 1,000 for all over 1,000,100 cu. ft.

Electric rates in all districts were reduced 1 cent a lowatt hour to 11 cents, effective Mar. 1, 1926.

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, 700,000 ares of no par value. All owned by Consolidated as Co. of New York.

Capital Stock Changes—In Feb., 1927, the capital ock, was changed to shares of no par value, all one ass, which was authorized to the amount of 700,000 ares. The 295,400 shares of First Pfd. stock of no ar value were exchanged for new shares of no par alue on a share for share basis; the 25,000 shares of econd Pfd. of $100 par value were exchanged for new ares of no par value, on a two for one basis; and the 0,000 shares Common of $100 par value were exchanged for new shares of no par value on a two for one basis, making the total amount of the new no par shares outstanding 509,400. In March, 1927, the New York Public Service Committee authorized company to issue 190,600 shares of no par value to be sold for not less than $50 per share, making total outstanding 700,000 shares.

Annual Meeting—March 1st.

Dividends—$907,900 paid on First Pfd. stock in 1925 and in 1926. On Common of no par value $3.00 per share was paid in 1927.

FUNDED DEBT

(Arranged According to Mortgage Priority)

(1)

$250,000 HUDSON RIVER GAS & ELECTRIC CO FIRST MORTGAGE 5s; DUE MAY 1, 1929

Dated May 1, 1899.

Interest Payable May and November 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Security—A first lien on plants formerly belonging to Hudson River Gas & Electric Co., supplying gas and electricity to Tarrytown, Irvington, Ardsley, Hastings and vicinity. Prior in lien to $10,000,000 New York & Westchester Lighting Co. General Gold 4s of 2004, and $8,547,000 Westchester Lighting Co. First Gold 5s. Assumed by Westchester Lighting Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$193,000 NEW YORK SUBURBAN GAS CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1949

Dated March 31, 1899.

Interest Payable March and September 1, at Girard Trust Co., Philadelphia.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Callability—Subject to call at 105 and interest.

Security—A first lien on entire property of New York Suburban Gas Co. Underlies $10,000,000 New York and Westchester Lighting Co. General 4s of 2004 and $8,547,000 Westchester Lighting Co. First Gold 5s, of 1950, which latter issue provides for retirement.

Guaranty—Guaranteed, principal and interest, by the American Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

(3)

$335,000 WHITE PLAINS LIGHTING COMPANY FIRST MORTGAGE 5s; DUE JUNE 1, 1938

Dated June 1, 1908.

Interest Payable June and December 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Guaranty Trust Co., New York.

Security—A first lien on property of the former White Plains Lighting Co. Underlies $10,000,000 New York & Westchester Lighting Co. General 4s, of 2004 and $8,547,000 Westchester Lighting Co. First 5s of 1950. Assumed by Westchester Lighting Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$8,547,000 WESTCHESTER LIGHTING CO. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1950

Dated December 1, 1900.

Interest Payable June and December 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $10,000,000, of which $193,000 reserved to retire the New York Suburban Gas Co. First 5s, described above.

Security—A direct lien on franchises and entire property of Company, subject to the three underlying liens described above. Underlie $10,000,000 New York & Westchester Lighting Co. General 4s of 2004.

Guaranty—Assumed and guaranteed, principal and interest, by endorsement, by Consolidated Gas Co. of N. Y.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	107	103⅜	102¾	100½	97¼	100½	77	68
Low	102⅜	101½	98	96⅜	93½	96½	77	bid

(5)

$10,000,000 NEW YORK & WESTCHESTER LIGHTING CO. GENERAL MORTGAGE GOLD 4s; DUE JULY 1, 2004

Interest Payable January and July 1, at Central Union Trust Co., New York. Interest rate began with ½% and increased to 4% July 1, 1914, which rate will remain to maturity. About $2,500,000 have additional coupons attached, issued by the Equitable Trust Co., New York, making them straight 4% bonds.

Dated July 12, 1904.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Callability—Subject to call on any interest date at par and interest.

Security—A direct lien on entire property of Company, subject to $250,000 Hudson River Gas & Electric First 5s, $193,000 New York Suburban Gas C. First 5s, $335,000 White Plains Lighting Co. First 5 and $8,547,000 Westchester Lighting Co. First 5s 1950.

Guaranty—Principal and interest guaranteed Consolidated Gas Co. of N. Y. by endorsement.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%.

Price Range—

	1927	1926	1925	1924	19
High	88	82½	81	78	
Low	82½	79½	76	73	

(6)

$2,500,000 NEW YORK & WESTCHESTER LIGHTING C. GOLD DEBENTURE 5s; DUE JULY 1, 1954

Dated July 1, 1904.

Interest Payable January and July 1, at Centr Union Trust Co., New York.

Denomination—Coupon, $1,000; principal may registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Issued in exchange for P. stock of Westchester Lighting Co.

Callability—Subject to call at 110 and interest any interest date upon 8 weeks' notice.

Security—A direct obligation of Company, but n secured by a mortgage.

Guaranty—Principal and interest guaranteed Consolidated Gas Co. of N. Y.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1
High	101	100½	98½	94	
Low	100	97½	93	87	

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	192
Gross earnings	$13,033,614	$11,716,429	$10,341,192	$9,262,340	$8,620,412	$7,689,
Oper. exp. and taxes	9,108,128	8,681,848	7,099,358	6,149,548	5,861,197	5,412,
Net earnings	$3,925,486	$3,034,581	$3,241,834	$3,112,792	$2,759,215	$2,277,
Other income	250,443	236,405	165,878	134,610	138,363	113,
Total income	$4,175,929	$3,270,986	$3,407,712	$3,247,402	$2,897,578	$2,390,
Fixed charges	1,226,102	1,253,868	1,181,547	1,676,857	1,545,897	1,490,
Net income	$2,949,827	$2,017,118	$2,226,165	$1,570,545	$1,351,681	$900,
First Pfd. dividends paid	226,975	.....	907,900	.....	.....	.....
Common dividends	1,583,049	.....	.....	.....	.....	.....
Surplus for year	$1,139,803	$2,017,118	$1,318,265	$1,570,545	$1,351,681	$900,
Times Fixed Charges Earned	3.40	2.61	2.88	1.94	1.87	

GENERAL BALANCE SHEET, DECEMBER 31

Assets	1927	1926	1925	1924	1923	192
Fixed capital	$67,206,403	$59,499,017	$53,843,118	$50,902,365	$46,051,582	$43,115,
Bonds owned	.....	.....	796,248	664,248	664,248	664,
Investments in affiliated cos. securities	869,948	7,565,048	.....	.....	.....	.....
Advances to affiliated companies	3,269,800	.....	.....	.....	.....	.....
Misc. investments	346,867	329,473	.....	.....	.....	.....
Insurance certificates	.....	.....	179,863	167,597	162,213	162,
Materials and supplies	1,819,269	1,842,476	1,508,156	1,234,999	1,122,133	1,087,
Cash	1,284,787	1,189,162	994,620	735,382	583,162	573,
Bills and notes receivable	.....	.....	2,579,800	2,169,800	1,859,800	1,564,
Current accounts	1,672,771	1,558,754	1,516,035	1,285,827	1,170,576	1,784,
Suspense	.....	5,879	.....	1,017	1,186	31,
Total	$76,469,845	$71,989,808	$61,417,840	$57,161,235	$51,614,900	$48,983,
Liabilities—						
Common stock	$35,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,
Preferred stock	.....	15,470,000	15,470,000	2,500,000	2,500,000	2,500,
Funded debt	21,932,000	21,932,000	21,890,000	25,280,000	25,215,000	25,241,
Matured long term debt	.....	20,000	.....	.....	.....	.....
Consumers' deposits	267,557	242,701	260,145	277,219	251,684	217,
Current liabilities	2,256,280	2,178,804	3,332,545	8,755,827	6,907,797	4,868,
Notes & bills payable	.....	10,000,000	.....	1,700,000	.....	1,000,
Advances from affil. cos.	3,400,000	350,000	.....	.....	.....	.....
Accrued liabilities	464,176	472,095	390,267	323,599	266,651	191,
Miscellaneous suspense	12,275	.....	.....	.....	.....	.....
Reserves	3,936,187	3,575,769	3,432,452	3,199,078	2,927,292	2,816,
Profit and loss	9,201,370	7,748,439	6,642,431	5,125,512	3,546,476	2,149,
Total	$76,469,845	$71,989,808	$61,417,840	$57,161,235	$51,614,900	$48,983,

Officers: F. A. Stratton, Chairman of Board; E. H. Rosenquest, Pres.; B. W. Stilwell, 1st. V-P.; W. J. Clark V-P.; E. P. Prezzano, V-P.; H. A. Doering, Sec.; J. W. Green, Asst. Sec., Mount Vernon, N. Y.; H. M. Brundage, Asst. Sec., New York City; F. M. Milan, Asst. Sec.; E. S. Bellows, Treas.; R. S. Pruyn, Asst. Treas.; A. L. Spears, Asst. Treas.; A. A. Halley, Aud.; J. P. McLaughlin, Asst. Gen. Aud., Mount Vernon, N. Y.

Directors: G. B. Cortelyou, W. R. Addicks, N. F. Brady, T. E. Murray, John A. Garver, P. A. Rockefeller, L. B. Gawtry, New York; F. A. Stratton, B. W. Stilwell, Mt. Vernon, N. Y.

Offices, Yonkers, N. Y., and 130 East 15th St., New York.

NORTHERN WESTCHESTER LIGHTING COMPANY

(Controlled by Westchester Lighting Co.)

History—Incorporated on May 5, 1905, in N. Y.; consolidation of the Northern Westchester Light & Power Co., Ossining Heat, Light & Power Co. and Briarcliff Manor Light & Power Co. Owns the franchises and privileges of the Sing Sing Electric Lighting Co., Sing Sing Gas Manufacturing Co. and the Croton Electric Light & Power Co. Supplies Ossining, Croton, Cortlandt, Mt. Pleasant, Briarcliff Manor, Pleasantville, New Castle and Yorktown, all in Westchester Co., N. Y.

The gas plant has 3 water gas sets with 1,650,000 cu. ft. capacity; gas holder has a storage capacity of 500,000 cu. ft. Miles of mains, 53.05. No. of services, 3,730. No. of active meters, 4,505. Gas sales in 1927, 125,918,000 cu. ft.

Gas output in 1927 (cu. ft.): Gas on hand Jan. 1, 1927, 15,000; gas made, 140,720,000—total, 141,235,000. Sold to consumers, 125,918,000, used by company, 844,000—total, 26,762,000. Gas on hand Dec. 31, 1927, 497,000. Unaccounted for, 13,976,000.

Gas Rates—$0.75 per 100 for first 100 cu. ft.; $2.00 per 1,000 for next 100,000 cu. ft.; $1.95 per 1,000 for next 200,000 cu. ft.; and $1.90 per 1,000 for next 300,000 cu. ft.

Electric generating station has a capacity of 1,725 k.w. Total connected load, 11,558. Miles of overhead single wire, 1,197.77; miles of overhead cable, 16.79; miles of underground cable, 1.54. No. of active meters, 8,177. Municipal street lamps (incandescent), 2,052. Sales of electricity in 1927, 11,647,608 k.w.h.

Electric output in 1927 (k.w.h.): Current generated, 221,700; current purchased, 19,138,367—total, 19,360,067. Transferred to other cos., 3,804,071; sold to consumers, 11,647,608; franchise requirements, 16,283; used by company, 75,575—total, 15,543,-037. Unaccounted for, 3,816,530.

Electric Rates—In Feb., 1926, electric rates were reduced from 15 cents to 14 cents in the villages of Ossining, Pleasantville and Briarcliff Manor and the towns of Ossining, Mount Pleasant, Cortlandt, New Castle and Yorktown, N. Y.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $804,000; par, $100. All owned by Westchester Lighting Co.

Annual Meeting—First Monday in May.

FUNDED DEBT

$814,000 Northern Westchester Lighting Co. First Consolidated Gold 5s; dated June 1, 1905; due June 1, 1955; int. J. & D. 1, at American Exchange Irving Trust Co., New York, Trustee. Subject to call at 105 and int. Authorized, $1,000,-000; issued, $902,000, of which $88,000 held in treasury, leaving $814,000 in the hands of public. Secured by a first lien on entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926	1925
Gross earnings	$1,009,606	$893,391	$792,339
Oper. exp. and taxes	780,650	703,508	618,147
Net earnings	$228,956	$189,883	$174,192
Other income	1,668	1,571	6,046
Total income	$230,624	$191,454	$180,238
Bond interest, etc.	148,601	133,138	127,203
Surplus for year	$82,023	$58,316	$53,035
Times Interest Earned	1.55	1.44	1.42

*Excludes railroad operations which were discontinued as of June 30, 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$3,968,295	$3,495,963	$3,253,383
Securities owned	25,012	21,986	19,801
Materials and supplies	139,603	123,500	118,215
Cash	115,829	89,391	123,565
Interest receivable	.....	1,049	1,050
Notes receivable	.....	8,619	8,620
Current accounts	130,490	123,342	148,419
Suspense	595	4,510	1,782
Prepayments	.....	.....	26
Retirement reserve	9,181	.....	.....
Unamortized debt discount and expense	7,042	7,299	7,324
Total	$4,396,046	$3,875,659	$3,682,185

Liabilities—	1927	1926	1925
Capital stock	$804,000	$804,000	$804,000
Funded debt	814,000	618,000	643,000
Interest & taxes accrued	14,945	14,505	14,402
Current liabilities	101,097	101,613	101,692
Adv. from affiliated cos.	2,031,000	1,797,000	1,634,000
Consumers' deposits	15,775	13,034	14,680
Contributions for extensions	.....	.....	64,637
Misc. unadjusted credits	81,008	59,016	46,685
Reserves	228,683	215,671	164,047
Profit and loss	305,538	252,820	195,042
Total	$4,396,046	$3,875,659	$3,682,185

Officers: E. H. Rosenquest, Pres.; B. W. Stilwell, V-P. & Sec., Mount Vernon, N. Y.; O. G. Bennett, Treas., Ossining, N. Y.; E. P. Prezzano, Asst. Sec., Mount Vernon, N. Y.; I. D. Swain, Asst. Treas.; I. M. Beatty, Gen. Mgr., Ossining, N. Y.

Directors: G. B. Cortelyou, John A. Garver, P. A. Rockefeller, W. R. Addicks, T. E. Murray, L. B. Gawtry, N. F. Brady, New York, N. Y.; B. W. Stilwell, F. A. Stratton, Mount Vernon, N. Y.

Office, Ossining, N. Y.

PEEKSKILL LIGHTING & RAILROAD CO.

(Controlled by Westchester Lighting Co.)

History and Property—Incorporated July 12, 1900, in New York, as the Peekskill Lighting Co. Subsequently purchased all the property rights, privileges and franchises of the Peekskill Electric Light & Power Co., the Peekskill Gas Light Co., and the Peekskill Traction Co.; name changed to present title on Aug. 31, 1900. The Putnam & Westchester Traction Co. (see 1925 Manual, page 1176) formerly operated under contract, ceased operations Aug. 29, 1925, and has been dissolved. In 1926 Company sold its street railway and motor-bus franchises and properties with the Village of Peekskill (see 1926 Public Utility Manual, page 782) to the Peekskill Motor Bus Corporation, and as a result has not engaged in any transportation enterprise since June 30, 1926.

Gas and electric franchises are all in perpetuity except the gas for the Village of Peekskill which is operative until July 5, 1955.

Company's gas plant has 2 water gas sets of 675,000 cu. ft. capacity. Three gas holders have a storage capacity of 330,000 cu. ft. Miles of mains, 26.29. No. of services, 2,762. Active meters, 3,299. Gas sales in 1927, 84,873,000 cu. ft.

Gas output in 1927 (cu. ft.)—On hand Jan. 1, 1927, 319,000; made, 98,295,000—total, 98,614,000. Sold to consumers, 84,873,-000; used by company, 1,020,000—total, 85,893,000. On hand Dec. 31, 1927, 293,000. Unaccounted for, 12,428,000.

Gas rates—$0.75 per 100 for first 100 cu. ft.; $1.80 per 1,000 for next 100,000 cu. ft.; $1.75 per 1,000 for next 200,000 cu. ft.; $1.70 per 1,000 for next 300,000 cu. ft.

Electric generating station has a capacity of 525 k.w.; total connected load, 6,277 k.w. Miles of overhead single wire, 550.53; miles of overhead cable, 10.84; miles of underground cable, 0.08. Number of active meters, 5,184. Municipal street incandescent lamps, 676. Sales of electricity in 1927, 3,447,660 k.w. Electric output in 1927 (k.w.h.)—Current generated, 62,970; current purchased, 11,925,953—total, 11,988,923. Sales to consumers, 3,447,660; transferred to other cos., 5,754,480 franchise requirements, 6,064; used by company, 67,600—total, 9,275,804. Unaccounted for, 2,713,119.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common and $150,000 6% cumulative Pfd. (of which $70,000 has been reacquired); par, $100. Entire Common and $75,000 Pfd. stock is owned by Westchester Lighting Co. Registrar, National City Bank of New York. Annual meeting, second Tuesday in February.

Dividends—Dividends at rate of 6% per annum were paid on the Pfd. up to Dec. 1, 1917; none since.

FUNDED DEBT

$646,000 First Gold 5s; dated Oct. 1, 1900; due Oct. 1, 1930; int. April and Oct, at New York Trust Co., Trustee. Coupon, $1,000; principal may be registered. The entire issue (but no fractional part) is subject to call on any interest day at 110 and interest. Sinking fund is $10.80 per bond outstanding, to be invested in bonds if same can be secured at a rate to yield 4% or better. Authorized, $750,000; issued, $660,000 of which $14,000 held in treasury. Remainder can only be issued for additions, extensions, etc., at the rate of 75% of the actual cost and only when the net earnings for the previous 12 months are equal to or at least twice the interest on the outstanding bonds and of the contemplated issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$559,237	$509,586	$532,48
Operating expenses & taxes	402,372	374,984	440,50
Net earnings	$156,865	$134,602	$91,97
Other income	804	625	4,43
Total income	$157,669	$135,227	$96,40
Interest, etc.	103,509	79,801	85,51
Surplus	$54,160	$55,426	$10,89

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$1,809,294	$1,708,779	$2,109,144
Other investments	27,258	24,529	22,435
Materials and supplies	93,808	88,432	89,049
Cash on hand, etc.	106,288	71,151	77,899
Current accounts	98,740	101,298	66,768
Other assets	64,985	64,985	68,025
Unamort. debt disc. & exp.	834	.....	.....
Retirement reserve	27,252	.....	.....
Prepayments	.....	1,137	26
Sinking fund	335,066	311,873	289,590
Suspense	513,307	514,861	.....
Total	$3,076,832	$2,887,044	$2,722,927

Liabilities—	1927	1926	1925
Capital stock	$580,000	$586,400	$630,50
Funded debt	646,000	646,000	646,00
Interest & taxes accrued	17,668	14,912	15,43
Current liabilities	41,205	64,636	41,69
Consumers' deposits	11,078	9,235	8,21
Adv. from affiliated cos.	1,238,800	1,103,800	945,80
Unadjusted credits	18,280	15,880	14,61
Reserves	103,101	97,858	109,64
Special surplus account	70,000	63,600	19,50
Profit and loss	350,700	284,722	291,52
Total	$3,076,832	$2,887,044	$2,722,92

Officers: E. H. Rosenquest, Pres.; B. W. Stilwell, V-P. & Sec., E. P. Prezzano, Asst. Sec.; Mount Vernon, N. Y.; H. D. Swain, Treas.; O. G. Bennett, Asst. Treas.; I. M. Beatty, Asst. Gen. Mgr., Ossining, N. Y.

Directors: F. A. Stratton, E. H. Rosenquest, Mt. Vernon, N. Y.; G. B. Cortelyou, W. R. Addicks, John A. Garver, T. F. Murray, L. B. Gawtry, N. F. Brady, P. A. Rockefeller, New York.

Office, Peekskill, N. Y.

THE TORONTO HYDRO-ELECTRIC SYSTEM

(Owned by the City of Toronto and Operated by the Toronto Electric Commissioners)

History—Organized in 1910 to furnish electric power and light service to the city of Toronto. In December, 1920, purchased the local distribution plant of the Toronto and Niagara Power Co. for $6,376,295 from the Hydro-Electric Power Commission of Ontario, the latter having acquired it from The Toronto Railway Company. The System purchases its supply of power from the Hydro-Electric Power Commission of the Province of Ontario.

COMPARATIVE STATISTICS, YEARS ENDED DECEMBER 31

	Meters in Use	Street Lights in Use	Kilowatt hrs. sold	Connected Load h.p.	Peak Load h.p.	Total Assets	Total Liabilities	Reserves & Surplus	Annual Revenue
1912	13,858	33,824	35,176,548	46,296	17,198	$4,369,158	$4,283,994	$85,165	$726,76
1913	24,999	38,944	65,052,951	68,461	22,520	6,492,065	6,245,417	246,648	1,159,34
1914	33,976	40,596	82,927,015	90,162	28,753	7,321,975	6,865,758	456,217	1,501,29
1915	39,284	43,411	109,501,981	111,413	40,180	7,816,811	6,718,779	1,098,032	1,620,18
1916	44,013	45,212	139,003,756	125,840	47,165	8,882,172	7,474,594	1,407,577	1,706,17
1917	50,461	45,841	171,691,213	169,818	56,662	10,317,531	8,537,088	1,780,442	2,049,38
1918	53,598	29,527	230,413,561	184,930	60,154	10,628,233	8,296,321	2,331,912	2,353,44
1919	63,762	45,091	180,609,938	176,351	59,618	11,591,794	8,528,929	3,062,866	2,504,75
1920	71,447	45,472	214,908,545	194,800	62,339	13,041,249	8,958,150	4,083,099	3,150,86
1921	81,923	46,126	221,384,558	227,600	76,378	15,186,387	10,140,229	5,046,157	3,622,66
*1922	93,065	47,479	265,583,040	265,398	103,878	17,802,702	11,541,549	6,261,153	4,404,75
†1922	122,872	47,479	338,103,673	374,803	140,393	.....	.....	.....	.....
1923	132,125	48,672	392,367,546	451,898	155,741	28,523,758	18,767,590	9,756,168	7,353,22
‡1924	141,459	49,855	485,708,476	542,074	191,803	32,975,271	20,739,923	12,235,349	8,476,66
‡1925	143,648	50,890	512,784,492	584,182	194,512	34,071,883	20,632,179	13,439,704	8,827,33
‡1926	150,584	51,701	550,270,972	640,237	220,676	36,287,506	21,326,198	14,961,308	9,670,40
*1927	159,180	52,674	603,626,754	711,744	238,849	40,677,586	23,457,819	17,219,767	10,380,90

*Toronto Hydro-Electric System alone. †Toronto Hydro-Electric System, plus Toronto and Niagara Power Co's System (approximate) as at the beginning of 1923. ‡Includes Toronto Transportation Commission bulk supply.

FUNDED DEBT OF TORONTO HYDRO-ELECTRIC SYSTEM DECEMBER 31, 1927

By-Law Number	Date of Issue	Date of Maturity	Rate	Interest Payable	Amount Authorized	‡Amount Redeemed	Amount Outstanding	§Sinking Fund Available	Net Debt
*5036	1908	July 1, 1948	4%	J & J 1	$2,750,000	$44,133	$2,705,867	$965,613	$1,740,25
*5918	1912	July 1, 1948	4%	J & J 1	2,200,000	5,620	2,194,380	710,552	1,483,82
*6674	1913	July 1, 1953	4½%	J & J 1	700,000	2,000	698,000	170,386	527,61
*7176	1915	Jan. 1, 1955	4½%	J & J 1	1,000,000	.....	1,000,000	213,537	786,46
*9302	1920	Dec. 1, 1940	6%	J & D 1	6,376,000	.....	6,376,000	1,842,463	4,533,53
					$13,026,000	$51,753	$12,974,247	$3,902,551	$9,071,69
*Total					$1,248,000	$4,000	$1,244,000	$321,858	$922,14
†7642	1916	July 1, 1928-1944	5%	J & J 1	736,000	.....	736,000	290,000	446,00
†7875	1917	July 1, 1928-1937	5½%	J & J 1	650,000	.....	650,000	226,000	424,00
†8052	1918	July 1, 1928-1938	5½%	J & J 1	491,000	.....	491,000	137,000	354,00
†8294	1920	Jan. 1, 1928-1940	5½%	J & J 1	491,000	.....	491,000	126,500	364,50
†8295	1920	July 1, 1928-1944	5½%	J & J 1	784,000	10,000	774,000	154,000	620,00
†8784	1921	July 1, 1928-1941	6%	J & J 1	2,617,000	150,000	2,467,000	487,500	1,979,50
†9191	1922	July 1, 1928-1942	5%	J & J 1	2,031,000	.....	2,031,000	265,000	1,766,00
†9880	1924	Jan. 1, 1928-1944	5%	M & N 1	3,119,000	.....	3,119,000	331,000	2,788,00
†10177	1924	Nov 1, 1928-1944	5%	A & O 1	1,046,000	.....	1,046,000	24,750	1,021,25
†11040	1927	Apr. 1, 1928-1947	4½%	A & O 1	2,092,000	.....	2,092,000	50,250	2,041,75
†11109	1927	Apr. 1, 1928-1947	4½%	A & O 1					
†Total					$15,305,000	$164,000	$15,141,000	$2,413,858	$12,727,14
Total funded debt					$28,331,000	$215,753	$28,115,247	$6,316,409	$21,798,83

*Sinking Fund Debentures. †Serial Debentures. ‡Redeemed before maturity out of surplus earnings of sinking fund. §Sinking fund and redemption fund (including accruals) provided at Dec. 31, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Operating Revenues—	1927	1926	1925
Lighting	$4,892,753	$4,548,216	$4,191,056
Power	4,192,542	3,974,999	3,845,693
Street lighting	476,037	471,143	459,217
Exhibition	47,733	39,171	34,958
Other municipalities	42,438	43,634	34,706
Total	$9,651,503	$9,077,163	$8,565,630
Other income	327,205	181,831	261,743
Total income	$9,978,708	$9,258,994	$8,827,373
Operating expenses	7,177,675	6,719,553	6,305,984
Reserve for possible profit	66,000	66,000	66,000
Balance for fixed charges	$2,735,033	$2,473,441	$2,455,389
Interest	$1,289,853	$1,163,996	$1,140,234
Depreciation	557,595	515,957	476,371
Taxes	25,110	29,906	20,646
Sinking funds	329,861	329,861	330,561
Redemption funds	520,011	422,312	406,194
Total deductions	$2,722,430	$2,462,033	$2,374,006
Net income carried to reserve for stabilization of rates	$12,603	$11,408	$81,383

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Land, bldgs., systems, etc.	$25,372,134	$22,810,950	$21,202,309
Purch. price of T. & N. Power Co. after adjustments	5,928,186	6,148,160	6,104,151
Leasehold premises & improvements	83,748	83,748	83,537
Debenture disc. & exps. (less debenture premium)	1,000,320	950,810	880,969
Stores & supplies on hand, less res for contingencies	739,111	733,119	920,419
Accts. receiv. less reserve for doubtful accts.	1,391,314	1,182,617	1,175,111
Capital funds on hand	1,730,944	504,687	504,687
Cash on hand and in bank	135,988	450,309	128,455
Prepaid charges	66,785	35,748	28,769
Sink. fund equity in Hydro-Elec. Pwr. Comm. accts	.....	.....	3,043,476
Share of capital investment of Hydro-Electric Power Comm. of Ontario in respect of Toronto Hydro-Electric System	47,004,724	44,777,247	.....
Total	$83,453,254	$77,677,395	$34,071,883
Liabilities—			
Sinking fund deben. (net)	$9,114,043	$9,579,871	$10,029,363
Serial debentures (net)	12,948,416	10,243,224	8,649,374
Bank loan	.....	.....	650,000
Accts. pay. & accrd. charges	1,043,505	1,272,632	1,089,456
Corp. of the City of Toronto: Sinking fund instalments accrued	42,345	42,652	42,652
Serial instalments accrued	221,274	134,070	131,908
Interest accrued	88,235	53,750	39,425
Reserve for depreciation of general assets	4,846,470	4,396,372	4,136,295
Reserve for depreciation of leaseholds	75,356	60,482	40,923
Other operating reserves	663,138	593,020	532,706
Share of capital cost of Provincial System on which interest & fixed charges are payable, less sinking fund equity	47,004,724	44,777,247	.....
Res. for sink. fund equity in Hydro-Elec. Pwr. Comm.	.....	.....	3,043,476
Reserve for sinking fund	3,911,957	3,446,129	2,996,637
Reserve for redemption of Serial Debentures	2,356,584	1,923,776	1,503,626
Reserve for stabilization of rates	1,137,207	1,154,170	1,186,042
Total	$83,453,254	$77,677,395	$34,071,883

Board of Commissioners: P. W. Ellis, Chairman; Samuel McBride, Mayor; Geo. Wright, Commissioner, Toronto. E. M. Ashworth, Gen. Mgr., Toronto.

Office, Toronto, Ont.

WILLOW RIVER POWER COMPANY

History—Incorporated June 30, 1922, in Wis., and acquired the public utility business of the Burkhardt Milling & Electric Power Co. (see Public Utility Manual for 1922, page 925). Furnishes electric heat, light and power to the following districts: Hudson, North Hudson, Northline, Town of Hudson,, Burkhardt, Roberts, Town of Warren, Hammond, Town of Hammond, Baldwin, Woodville, Town of Baldwin, Wilson, Hersey, Town of Springfield, and Knapp, Wis. Also furnishes central station heat to Hudson, Wis. No. of electric meters, 2,218.

OUTPUT OF ELECTRICITY, YEARS ENDED DECEMBER 31

	K.w.h.		K.w.h.
1924	2,324,500	1926	2,665,500
1925	2,561,300	1927	2,673,300

CAPITAL STOCK

Authorized and outstanding, $500,000 Common and $250,000 7% cumulative Preferred. Annual meeting, fourth Thursday in January.

Dividends—7% paid on Pfd. in 1926 and 1927. On Common: 1923, 7% cash; 1924, 4¼% cash; 1925, 4% cash and 2% in stock; 1926, 4% cash and 2% stock; 1927, 6% cash. Payments quarterly, on both classes, J, A, J & O 1.

FUNDED DEBT

$75,000 5½% GOLD NOTES; DUE JUNE 1, 1931

Dated June 1, 1926.

Interest Payable June and December 1, at The Minnesota Loan & Trust Co., Minneapolis, Minn.

Denomination—Coupon, $1,000.

Trustee—The Minnesota Loan & Trust Co., Minneapolis, Minn.

Purpose of Issue—Proceeds from these notes will be used in part to provide an additional generating unit for the Company's central steam station at Hudson and in part for other additions and extensions and other corporate purposes.

Callability—Subject to call as a whole or in part after 30 days' notice on any interest date at 101 and interest.

Security—These notes are a direct obligation of Company, issued under a trust indenture which provides that: (1) Company will not create a mortgage on any of its properties so long as any of these notes are outstanding; (2) additional notes maturing more than one year from date may be issued only to reimburse Company for extensions and additions to its properties, but only when net earnings are at least three times interest charges on all notes outstanding and those to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($75,000) in June, 1926, at par and interest by The Minnesota Loan & Trust Co., Minneapolis, Minn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross receipts	$134,625	$146,501	$119,960
Oper. exp. & taxes	79,949	78,546	75,202
Depreciation	3,540	13,343	10,670
Net earnings	$51,146	$54,612	$31,088
Interest charges, etc.	7,118	4,775	3,221
Net income	$44,028	$49,837	$30,867
Preferred dividends	16,592	14,637	.....
Common dividends	30,000	30,000	30,000
Surplus for year	*$2,564	$5,200	$867

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$913,822	$820,085	$773,704
Materials and supplies	11,324	13,198	14,228
Cash	1,933	894	1,363
Accounts receivable	22,949	82,198	22,920
Work in progress	.....	51,051	.....
Other current assets	1,031	936	1,275
Unamort. debt disc. & exp.	1,589	2,054	.....
Total	$982,858	$970,416	$813,490
Liabilities—			
Common stock	$500,000	$500,000	$500,000
Preferred stock	250,000	232,700	209,100
5½% Gold notes	75,000	75,000	.....
Notes payable	19,000	37,186	.....
Accounts payable	21,919	16,478	11,937
Interest accrued	558	794	.....
Dividends accrued	10,000	8,659	5,500
Reserve for taxes	14,470	8,151	9,002
Consumers' deposits	199	160	178
Contributions for extensions	12,487	11,509	10,858
Depreciation reserve	75,020	73,010	65,346
Profit and loss surplus	4,205	6,769	1,567
Total	$982,858	$970,416	$813,490

Officers: Alfred R. Schultz, Pres., Gen. Mgr. & Pur. Agt., Hudson, Wis.; Franz P. Burkhardt, V-P.; Bertha A. Burkhardt, Sec. & Treas., Burkhardt, Wis.; Lyle Udell, Supt., Hudson, Wis.

Directors: Christian Burkhardt, Franz P. Burkhardt, Bertha A. Burkhardt, Lina B. Burkhardt, Burkhardt, Wis.; Alfred R. Schultz, Louise C. Lewerer, Hudson, Wis.

General Office, Hudson, Wis.

CHICAGO SURFACE LINES

An operating consolidation of surface street railways in Chicago, effective Feb. 1, 1914, under an ordinance passed by the City Council on Nov. 13, 1913. Comprises the Chicago Rys. Co., the Chicago City Ry. Co., the Calumet & South Chicago Ry. Co., and the Southern Street Ry. Co., although these companies still retain their corporate existence.

Unified Operation—Effective Feb. 1, 1914, the properties of the Chicago Railways Co., Chicago City Ry. Co., Calumet & South Chicago Ry. Co., and The Southern Street Ry. Co. are operated as a unified system by a joint agency known as the Board of Operation of the Chicago Surface Lines, by virtue of an ordinance passed by the City Council of the City of Chicago, Nov. 13, 1913, and accepted by the companies Dec. 22, 1913, and an operating agreement in the form prescribed by said ordinance and executed by the aforesaid companies with the approval of the stockholders of the various companies at respective meetings held Dec. 22, 1913.

All ordinances of the above mentioned companies expired by limitation on Feb. 1, 1927. However, on January 26, 1927, the City Council of the City of Chicago passed an ordinance "granting a day-to-day permit for the unified operation of street railways in the City of Chicago," until July 31, 1927; provided, that said permission may be discontinued and withdrawn by said City of Chicago or discontinued and surrendered by said companies or by the receivers of the Chicago Railways Company upon 30 days' written notice.

Before the expiration of this 6 months' permit, another ordinance granting a day-to-day permit was passed by City Council, expiring Nov. 30, 1927, upon same terms and conditions. Successive ordinances containing same terms and conditions have been enacted which fixed the expiring date of these successive permits as the last day of each month, since November, 1927.

In anticipation of maturity of all its mortgage obligations on Feb. 1, 1927, John J. Mitchell, Henry A. Blair and Frederick H. Rawson were appointed Receivers of Chicago Railways Company on Dec. 15, 1926. John J. Mitchell died on Oct. 29, 1927, and the Court ordered the two remaining Receivers to continue to act.

Comprehensive Traction Plan—A plan for the solution of the local transportation problem of Chicago was submitted to the Mayor and City Council on January 8, 1927. It proposes the development of a complete rapid transit system utilizing elevated and subway structures; the unification of the surface lines, rapid transit lines and feeder buses on the new basis of one fare with transfers from one class of service to the other, and the development of this unified system with a view to the future needs of Chicago. The plan, which is worked out in elaborate detail, calls for a total investment in local transportation of $1,000,000,000 by 1950.

Protective Committees—During the year 1926, protective committees were formed in the interests of holders of all issues of bonds and practically all stock issues of the respective companies comprising the Chicago Surface Lines. On some of the Committees are Arthur Reynolds, of the Continental National Bank & Trust Co., F. O. Wetmore of the First National Bank, A. W. Harris, of Harris Trust & Savings Bank, B. E. Sunny and others known in financial and business enterprises. Time saving is one of the purposes of the Committees which will deal with securities valued at approximately $163,000,000. The Committees hope to control, through deposit agreements at least 90% of the outstanding securities and will seek 100% cooperation from the bondholders. The personnel of the Committees representing the different securities is given under the description of the securities on subsequent pages.

OPERATING STATISTICS, YEARS ENDED JANUARY 31

	1928	1927	1926
Rev. pass. carried	882,458,647	876,249,663	842,201,45
Total rides	1,585,441,127	1,574,969,902	1,517,510,66
Ave. fare per rev. pass.	6.90c	6.90c	6.90
Average far per ride	3.84c	3.84c	3.84
Gross earnings	$61,624,752	$61,173,601	$58,785,88

CAPITAL EXPENDITURES BY COMPANIES, YEARS ENDE JANUARY 31

	1928	1927
Purchase price at Feb. 1	$163,745,856	$163,508,22
Capital expenditures during year	175,720	444,1(
15% on same	26,358	66,61
Increase in fluctuating assets	*28,732	*260,0
5% on same	*1,437	*13,0(
Purchase price at Feb. 1	$163,917,765	$163,745,8

*Decrease.

TRACK MILEAGE, JANUARY 31, 1928 (All Companies)

	Total Mile Single Trac
Chicago Railways Co.	597.(
Chicago City Railway Co.	339.(
Calumet & So. Chicago Ry. Co.	128.(
The Southern Street Ry. Co.	17.
Total	1,081.(

EQUIPMENT OWNED BY THE SEVERAL COMPANIES, JA 31, 1928

Passenger Cars:	
Double truck (motor)	*3,5
Single truck (one-man)	
Double truck (trailer)	
	3,6
Snow Equipment:	
Snow plows	
Sweepers	1
	1
Other cars:	
Mail cars	
Work cars	1
Sprinklers	
Miscellaneous	1
Locomotives	
	3
Motor buses	
Total	4,1

*Includes an articulated unit counted as two cars.

Specialists in Securities of
The Several Companies Composing the
CHICAGO SURFACE LINES
EDWIN L. LOBDELL & COMPANY, Inc.
INVESTMENT SECURITIES
209 SO. LA SALLE ST. CHICAGO

RNINGS, EXPENSES AND DISTRIBUTION OF RESIDUE RECEIPTS, YEARS ENDED JANUARY 31

Earnings—	1928	1927	1926	1925	1924	1923
ssenger cars (including mail carriers)	$60,892,995	$60,436,706	$58,076,487	$57,284,602	$56,986,688	$55,495,311
artered cars	4,837	5,347	6,337	7,177	7,943	9,594
vertising	290,263	281,838	274,481	267,774	260,805	253,678
nt of buildings, etc.	174,754	160,886	165,151	133,084	141,344	100,240
e of power	98,042	108,211	104,098	234,452	95,994	89,340
erest on deposits	134,438	132,367	120,682	114,949	126,864	119,033
other earnings	29,423	48,246	38,645	39,641	35,532	35,866
oss earnings	$61,624,752	$61,173,601	$58,785,881	$58,081,678	$57,655,170	$56,103,062
Expenses—						
intenance	$7,641,643	$7,559,204	$7,209,906	$7,384,215	$6,902,887	$6,661,248
newals	4,929,980	4,893,888	4,702,870	4,646,534	4,612,414	4,488,245
wer—operation	3,683,540	3,638,283	3,465,460	3,466,857	3,321,683	3,175,391
nducting transportation	25,035,714	24,699,782	23,913,629	24,068,327	22,671,304	22,575,417
neral and miscellaneous	4,040,618	3,680,332	4,276,342	4,094,027	4,161,465	4,257,769
xes	2,900,000	3,400,000	3,060,000	2,915,000	3,170,000	3,258,000
Total expense of operation	$48,231,495	$47,871,489	$46,628,207	$46,574,960	$44,839,753	$44,416,070
sidue receipts	$13,393,257	$13,302,112	$12,157,674	$11,506,718	$12,815,417	$11,686,992
Divided:						
icago Rys. Co., 60%	$8,035,954	$7,981,267	$7,294,604	$6,904,031	$7,689,250	$7,012,195
uth Side Lines, 40%	5,357,303	5,320,845	4,863,070	4,602,687	5,126,167	4,674,797

Officers: Henry A. Blair, Pres.; G. A. Richardson, P. & Gen. Mgr.; F. L. Hupp, Asst. to Pres. & Sec.; V. Sullivan and J. E. Wilkie, Assts. to V-P.; C. H. len, Compt.; M. B. Orde, Treas.; F. D. Hoffmann, sst. Sec. & Asst. Treas.; W. H. Kennedy, Aud.; R. Guilliams, Gen. Counsel; H. B. Fleming, Chief gineer; C. H. Evenson, Supt., Transpt.; F. M. amilton, Supervisor of Purchases, Supplies & Insurance.

Executive Committee: Henry A. Blair, Leonard A. Busby, Frederick H. Rawson.

Board of Operation: Representing Chicago Rys. Co.—Henry A. Blair (Chairman); Chauncey B. Borland, Frederick H. Rawson and H. H. Hettler. Representing Chicago City Ry. Co.—Frank O. Wetmore, B. E. Sunny, and Leonard A. Busby.

Office, Illinois-Merchants Bank Bldg., Chicago, Ill.

CHICAGO CITY & CONNECTING RAILWAYS COLLATERAL TRUST

A collateral trust, organized in Feb. 1910, to control e Calumet & South Chicago Ry., Chicago & Western ., Chicago City Ry., Hammond, Whiting & East icago Ry., and the Southern St. Ry. under the terms a Trust agreement dated Jan. 1, 1910, and without e organization of a new company. The stock of the ilways named, to a total par value of $30,443,900, mprising *94.29% of the share capital of the Chicago ty Ry. Co. and all of the outstanding capital stocks the other companies, together with bonds to a total $1,000,000 have been deposited in a trust under the le above shown, the former trustees being: E. H. ary, Albert J. Earling and Samuel M. Felton. The icago Title & Trust Co. was appointed as successor the individual trustees July 1, 1914. Against the ocks and bonds so deposited have been issued Collatal Trust bonds hereinafter described, and two series "Participation Shares having no par value."

*In addition, the Trust owns 1,282 shares of the Chicago ty Ry. Co. stock or a total of over 95% of capital outstanding.

PARTICIPATION SHARES—NO PAR VALUE

Preferred Participation Shares (250,000 outstanding) e entitled to preferential cumulative dividends (J & aggregating $4.50 per annum for each share and so, after the common participation shares shall have ceived $4 each in any year ($600,000 in all), the reaining surplus, not exceeding in any year $1,000,000, all be paid ratably five-eighths to preferred and ree-eighths to common, but in no case will the Pfd. rtificates be entitled to more than $7 each per annum. id. participation shares have preference upon distrition of trust fund to the amount of $100 cash and cumulated dividends.

Protective Committee—In Feb. 1926 a committee, id been formed to protect the holders of Preferred articipation Shares in the negotiations with the City Chicago regarding the franchise situation. The mmittee consists of Edwin L. Lobdell, Chairman; hiletus W. Gates, George W. Blossom, Lewis E. Mys, Charles S. Castle, with John B. Zweers, Sec., Room 0 The Rookery Building, Chicago, Ill., with Defrees, uckingham & Eaton, Counsel, Chicago, and Chicago itle & Trust Co., Chicago, Ill. Deposit of the Prerred Participation Shares was urged in November, 926.

Common Participation Shares (150,000 outstanding) e entitled to dividends of $4 per share per annum after $4.50 has been paid on the Pfd. shares and to share ratably in three-eighths of the remaining surplus, not exceeding $1,000,000 in any year. Thereafter any dividends (in excess of $7 on Pfd. and $6.50 on Common) to be paid to Common only.

Dividends—$2.25 per share on Pfd. were paid semi-annually, J & J 1, from July 1, 1910, to July 1, 1914; on Jan. 1 and July 1, 1915, $1.25 per share; on Jan. 1, 1916, 75c.; on July 1, 1916, $1; on Jan. 1, 1917, $2.25; on July 1, 1917, $1.50, and on Jan. 1, 1918, $1.50 per share was paid, none thereafter until Feb. 25, 1925, when $1.00 per share was paid; none since. Dividends of $1 per share on Common were paid semi-annually July 1, 1910, to July 1, 1912; none since.

Listed—Preferred and Common shares listed on Chicago Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	23¼	7	9⅜	4⅝	10	9½	8	11½
Low	8½	2¾	3½	1¼	3⅛	3⅞	3½	3½
Common—								
High	2¾	¾	1⅛	2¼	1½	2⅛	1	1¼
Low	¼	⅛	¼	⅛	¼	⅜	¼	¼

FUNDED DEBT

$20,616,000 COLLATERAL TRUST SINKING FUND GOLD 5s; DUE JANUARY 1, 1927

Note—Principal due Jan. 1, 1927 not paid; interest due that date was paid; none since.

Dated January 1, 1910.

Interest Payable April and October 1, at office of J. P. Morgan & Co., New York, and First Trust & Savings Bank, Chicago.

Denominations—Coupon (principal may be registered), $1,000; and registered, $1,000 and multiples thereof; interchangeable.

Trustee—First Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized and issued, $22,000,000, of which $1,384,000 retired by sinking fund payments to December 31, 1927.

Callability—Subject to call as an entire issue at 105 and interest. All coupon bonds must be redeemed before registered bonds are redeemable. In the event of the purchase by the City of Chicago of the property of the Chicago City Ry. Co., or the termination of a certain trust agreement dated Jan. 1, 1910, then bonds become redeemable at par and interest.

Sinking Fund—Provides for the redemption, beginning March, 1915, of $105,000 of the bonds per annum, at 105 and interest.

Security—Secured by pledge of the following securities:

Chicago City Ry. Co.—$16,971,900 (total issue, $18,000,000) capital stock.
Calumet & South Chicago Ry.—$10,000,000 (entire issue) capital stock.
Chicago & Western Ry.—$72,000 (entire issue) capital stock.
Hammond, Whiting & East Chicago Ry.—$1,000,000 (entire issue) capital stock.
Hammond, Whiting & East Chicago Ry.—$1,000,000 first gold 5% bonds.
Southern Street Ry.—$2,400,000 (entire issue) capital stock.

The securities deposited are issues of corporations owning approximately 522 miles of street railway in the southern division of Chicago and vicinity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($22,000,000) in March, 1910, at 95 and interest.

Listed—New York and Chicago Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	73¾	56	63	56⅞	65¼	53¼	41½	45½
Low	52½	44¼	45½	47	47	35½	31	29½

Default—Company defaulted Jan. 3, 1927 on the payment of principal of its Collateral Trust Sinking Fund Gold 5s, due Jan. 1, 1927.

Protective Committee—In January, 1926, a committee was formed to protect holders of the above described bonds in the negotiations with the City of Chicago regarding the franchise situation. The committee consists of B. E. Sunny, Chairman; Rufus C. Dawes, Charles Day, S. M. Felton and H. H. Porter, with Roger A. Baldwin, Sec., 480 First National Bank Building, Chicago, and Harry P. Weber, Counsel. Holders of the bonds were urged in April, 1926 to deposit their bonds with one of the following depositaries: J. P. Morgan & Co., New York, or Illinois Merchants Trust Co., Chicago. About 77% of the bonds had been deposited up to April 1, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Dividends received	.....	$1,239,514	$1,190,514	$1,129,514	$1,139,514	$1,215,51
Interest received	$2,781	31,495	32,370	39,966	64,913	42,32
Other income	1,941	60,716	41,834	50,046	47,833	34,51
Gross income	$4,722	$1,331,724	$1,264,718	$1,219,526	$1,252,261	$1,292,35
Deductions—						
General expense	$31,151	$51,405	$64,570	$23,642	$41,217	$23,69
Taxes	20,616	20,616	20,712	20,826	15,451	18,65
Interest on bonds, etc.	1,030,800	1,030,800	1,036,050	1,041,300	1,046,550	1,051,80
Bond redemption	.....	105,000	105,000	105,000	105,000	105,00
Total	$1,082,567	$1,207,821	$1,226,332	$1,190,768	$1,208,218	$1,199,15
Surplus income	*$1,077,844	$123,904	$38,386	$28,758	$44,043	$93,20
Times Interest Earned	Nil	1.22	1.14	1.13	1.14	1.1
Earnings Per Share—						
Preferred	Nil	$0.49	$0.15	$0.11	$0.18	$0.3

*Net loss.

Financial Statement, December 31, 1927—Assets: (1) Fixed capital—securities pledged with Trustee under indenture securing $22,000,000 (reduced by sinking fund to $20,616,000) Sinking Fund 5% Gold bonds, beneficial interest in which is represented by Pfd and Common Participation shares; (2) capital stocks: $16,971,900 Chicago City Railway Co.; $10,000,000 Calumet & South Chicago Ry. Co.; $2,400,000 Southern Street Ry. Co.; $1,000,000 Hammond, Whiting & East Chicago Ry. Co.; $72,000 Chicago & Western Ry. Co. (3) bonds: $1,000,000 Hammond, Whiting & East Chicago Ry. Co.; (4) excess current liabilities over current assets (as below), $381,554. Liabilities: $20,616,000 Sinking Fund 5% Gold bonds; 250,000 Pfd Participation shares (no par value); 150,000 Common Participation shares (no par value).

STATEMENT OF CURRENT ASSETS AND LIABILITIES, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$61,449	$250,729	$416,408	$597,697	$540,604	$486,76
Bills receivable	575,000	424,000	360,000	317,000	317,000	317,00
Other investments	129,800	21,330	89 776	163,329	192,577	203,70
Accrued interest receivable	.....	18,020	3,155	4,266	4,691	4,70
Accounts receivable	249	249	249	249	249	24
Excess current liabilities over current assets	381,554	.....	.....	.....	.....	.....
Total	$1,148,052	$714,328	$869,588	$1,082,540	$1,055,121	$1,012,41
Current Liabilities—						
Accrued interest payable	$1,031,419	.....	$259,013	$260,325	$261,638	$262,95
Bills payable	96,000	.....	.....	.....	.....	.....
Reserves	20,633	$18	5,198	5,224	5,250	5,27
Excess current assets over current liabilities	.....	714,310	605,377	816,991	788,233	744,19
Total	$1,148,052	$714,328	$869,588	$1,082,540	$1,055,121	$1,012,41

Officers of Committee: B. E. Sunny, Chairman; S. M. Felton, Vice-Chairman; H. J. Tansley, Sec. & Treas., Chicago, Ill.

Committee: Thos. E. Wilson, B. E. Sunny, Edw. N. Hurley, Samuel M. Felton, Leonard A. Busby, Frank O. Wetmore, Melvin A. Traylor.

General Office, 69 W. Washington St., Chicago, Ill.

CALUMET & SOUTH CHICAGO RAILWAY COMPANY

(Controlled by Chicago City & Connecting Railways)

History—Incorporated May 12, 1908, in Ill.; consolidation of the Calumet Electric Street Ry. Co. and the South Chicago City Ry. Co. The consolidated company was granted a franchise by the City of Chicago, expiring Feb. 1, 1927, under the terms of which the city is to receive 55% of the net receipts after operating expenses, taxes and depreciation, and may also purchase the property for municipal operation upon six months' notice for the present value, which is fixed at $5,000,000, plus the amount expended for improvement and a 15% bonus. The Chicago City Ry. Co. may also purchase the property at an advance of 12% over the price paid by the city. Any other company may purchase at an advance of 20% over the price to be paid by the city. The franchise ordinance also provides for the complete rehabilitation of the property and for the reconstruction of 40 miles of new track one year after date of acceptance of the ordinance. Since Feb. 1, 1927, Company has operated under month to month extensions of the 1908 ordinance.

Unified Operation—Effective Feb. 1, 1914, the properties of the Chicago Railways Co., the Chicago City

Ry. Co., Calumet & South Chicago Ry. Co. and the Southern St. Ry. Co. are operated as a unified system by a joint agency known as the Board of Operation of the Chicago Surface Lines by virtue of an ordinance passed by the City Council of the City of Chicago Nov. 3, 1913, and accepted by the companies Dec. 22, 1913, and an operating agreement in the form prescribed by said ordinance and executed by the aforesaid companies with the approval of the stockholders of the various companies at respective meetings held Dec. 22, 1913.

Mileage Owned, approximately 128 miles of track, extending from 64th St., Chicago, to South Chicago, Auburn Park, Deering, Manhattan Beach, Burnside, Pullman, West Pullman and Hegewisch. Cars—passenger, 58; snow equipment, 13; other cars, 9. Gauge, standard.

CAPITAL STOCK

Authorized and outstanding, $10,000,000; par, $100. All owned by Chicago City & Connecting Rys. and deposited under its Collateral Trust Mortgage.

Annual Meeting—First week day after March 15.

Dividends—Payments have been made as follows: years ended Jan. 31), 1915, 1¼%; 1916, 2¼%; 1917, 2½%; 1918, 2¾%; 1919, 2%; 1920, 2½%; 1921, 2¼%; 922, 1¾%; 1923, 1%; 1924, none; 1925, ½ of 1%; 926, ¾ of 1%; 1927, 1%; 1928, none.

FUNDED DEBT

$5,532,000 REHABILITATION FIRST GOLD 5s; DUE FEBRUARY 1, 1927

Note—Principal due Feb. 1, 1927 not paid; interest due that ate and subsequently has been paid.

Dated February 1, 1908.

Interest Payable February and August 1, at First Trust & Savings Bank, Chicago.

Denominations—Coupon (principal may be registered), $1,000; and registered, $1,000 and multiples hereof; interchangeable.

Trustee—First Trust & Savings Bank, Chicago.

Provisions of Issue—In addition to the $5,532,000 onds outstanding, $866,000 are held in treasury. Additional bonds may be issued for extensions and improvements. The issue of these bonds is indeterminate, amount to be limited to amount of new work done on property.

Callability—In event of purchase of property by City of Chicago only, bonds may be called at par and interest on any interest date.

Security—A first lien on all property and franchises now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($500,000) in July, 1908, at par and interest by First National Bank, Chicago; $1,250,000 offered in Dec. 1910, at par and interest by White, Weld & Co., New York, etc.; $500,000 in 1913 at 96 and interest by First Trust & Savings Bank, Chicago; a block in 1914 at 95 and interest by Illinois Merchants Trust Co., Chicago.

Listed—Chicago Stock Exchange. Certificates of Deposit are also listed on Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	87	76	62	70
Low	74	68	62	70

Protective Committee—In January, 1926, a committee was formed to protect the interests of the holders of the above described bonds in the negotiations with the City of Chicago in the franchise situation. This committee also represents the holders of Chicago City Railway Co. First Mortgage bonds, which are deposited under a separate agreement. Committee: F. O. Wetmore, Chairman, M. A. Traylor, Acting Chairman, Stanley Field, David R. Forgan, Charles H. Thorne, John W. Esmond and John V. Farwell, with Robert L. Grinnell, Sec., 76 West Monroe St., Chicago. First Trust & Savings Bank, Chicago, depositary; The Mercantile Trust & Deposit Co. of Baltimore and Bankers Trust Co. of New York, sub-depositaries. Up to April 1, 1927, 63% had been deposited.

INCOME ACCOUNT, YEARS ENDED JANUARY 31

	1928	1927	1926	1925	1924	1923
Interest on capital	$587,243	$582,242	$581,344	$575,288	$572,579	$571,558
Other income (net)	†15,612	8,317	†13,967	16,721	196	†2,042
Total income	$571,631	$590,559	$567,377	$592,009	$572,775	$569,516
Bond and other interest	276,600	274,296	280,936	288,392	302,120	307,409
Balance for dividends	$295,031	$316,263	$286,441	$303,618	$270,655	$262,107
Dividends paid	.....	100,000	75,000	50,000	.....	100,000
Surplus for year	$295,031	$216,263	$211,441	$253,618	$270,655	$162,107
Times All Interest Earned	2.06	2.15	2.01	2.05	1.89	1.85
Earnings Per Share	$2.95	$3.16	$2.86	$3.04	$2.70	$2.62

*Company's proportion of 40% of Chicago Surface Lines residue receipts, pursuant to Unification Ordinance and Operating Agreement, representing interest on capital as certified by Board of Supervising Engineers. †Deficit.

GENERAL BALANCE SHEET, JANUARY 31

Assets—	1928	1927	1926	1925	1924	1923
Purchase price of prop. in terms of ordinance	$11,767,216	$11,729,148	$11,628,885	$11,626,801	$11,467,542	$11,442,443
Franchises	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Cash on hand	514,404	321,802	149,014	158,205	172,039	182,070
Accounts receivable	49,954	14,488	.....	.....	.....	.....
Total	$17,331,574	$17,065,438	$16,777,899	$16,785,007	$16,639,581	$16,624,513
Liabilities—						
Capital stock	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Funded debt	5,532,000	5,532,000	5,458,000	5,458,000	5,393,000	5,393,000
Bond interest and accounts payable	146,170	175,065	141,017	151,566	141,758	139,345
Notes payable	.....	.....	33,072	241,072	424,071	682,072
Surplus	1,653,404	1,358,373	1,145,810	934,369	680,752	410,096
Total	$17,331,574	$17,065,438	$16,777,899	$16,785,007	$16,639,581	$16,624,513

Officers: Leonard A. Busby, Pres.; H. B. Fleming, V.-P.; F. D. Hoffmann, Sec. & Treas.; J. J. Duck, Aud., Chicago.

Directors: Leonard A. Busby, Samuel M. Felton, H. B. Fleming, Edw. N. Hurley, Frank W. Thomas, B. E. Sunny, F. O. Wetmore.

Office, Illinois-Merchants Bank Bldg., Chicago, Ill.

HAMMOND, WHITING & EAST CHICAGO RAILWAY

(Controlled by Chicago City & Connecting Railways)

History—Incorp. Feb. 4, 1910, in Ind.; successor to Hammond, Whiting & East Chicago Electric Ry. Franchise expires in 1954. Owns and operates a trolley line from the State line to Whiting, East Chicago and Hammond, Ind., 34.20 miles. Gauge, standard. Rails, 80 lb. T. Motor double truck passenger

cars, 25. Power furnished by Calumet & South Chicago Ry.

Fare Increase—The Indiana Public Service Commission in 1920 granted an increase in fare to 8 cts., which fare is now in effect.

CAPITAL STOCK

Authorized and issued, $1,000,000; par, $100. All owned by Chicago City & Connecting Rys. Annual meeting, first week day after March 15.

FUNDED DEBT

$1,000,000 First Gold 5s; due Feb. 1, 1930. Authorized issue, $5,000,000. All owned by Chicago City & Connecting Rys.

Officers: Leonard A. Busby, Pres.; Charles E. Lawrence, V-P. & Gen. Mgr.; F. D. Hoffmann, Sec. & Treas., Chicago; C. W. Harris, Aud., Hammond, Ind.

Directors: Leonard A. Busby, Frank W. Thomas, H. B. Fleming, S. M. Felton, B. E. Sunny, E. N. Hurley, F. O. Wetmore.

Office, Illinois-Merchants Bank Bldg., Chicago, Ill.

SOUTHERN STREET RAILWAY COMPANY

(Controlled by Chicago City & Connecting Railways)

History—Incorporated Jan. 28, 1902, in Ill., as successor to the Chicago General Ry., sold under foreclosure Sept. 30, 1907. Operated by Chicago City Ry.; the income from operation being divided between the City of Chicago and the companies, in accordance with the plan shown in Manual for 1911, page 1581. Total miles of single track, 17.45. Passenger cars, 29; sweepers, 2.

Unified Operation—Effective Feb. 1, 1914, the properties of the Chicago Rys. Co., Chicago City Ry. Co., Calumet & South Chicago Ry. Co., and the Southern Street Ry. Co. are operated as a unified system by a joint agency known as the Board of Operation of the Chicago Surface Lines, by virtue of an ordinance passed by the City Council of the City of Chicago Nov. 13, 1913, and accepted by the companies Dec. 22, 1913, and an operating agreement in the form prescribed by said ordinance and executed by the aforesaid companies with the approval of the stockholders of the various companies at respective meetings held Dec. 22, 1913. Company is now operating under month to month extensions of the 1909 ordinance.

CAPITAL STOCK

Authorized and outstanding, $2,400,000; par, $100. All owned by Chicago City & Connecting Rys. Annual meeting, first week day after March 15.

Dividends—Dividends of 4% in 1925 and 5% in 1926 were paid; 1927, none.

INCOME ACCOUNT, YEARS ENDED JANUARY 31

	1928	1927	1926
5% int. on City purch. price	$90,116	$90,054	$89,861
Co's propor. of the 45% divisible net receipts of South Side lines	41,176	43,954	32,910
Other income	2,167	584	1,907
Total income	$133,459	$134,592	$124,678
Expenses	16,202	6,600	10,169
Net income	$117,257	$127,992	$114,509
Surplus forward	232,395	224,403	205,894
Surplus	$349,652	$352,395	$320,403
Dividends paid		120,000	96,000
Surplus as per bal. sheet	$349,652	$232,395	$224,403
Percentage of net inc. to capital stock at par	4.89%	5.33%	4.77%

GENERAL BALANCE SHEET, JANUARY 31

Assets—	1928	1927	1926
City purchase price of prop.	$1,802,563	$1,801,278	$1,800,900
Franchises	800,000	800,000	800,000
Cash on hand	45,653	33,775	24,074
Accounts receivable	107,653	3,953	5,275
Total	$2,755,869	$2,639,006	$2,630,249

Liabilities—	1928	1927	1926
Capital stock	$2,400,000	$2,400,000	$2,400,000
Accounts payable	6,217	6,611	5,846
Surplus	349,652	232,395	224,403
Total	$2,755,869	$2,639,006	$2,630,249

Officers: Leonard A. Busby, Pres.; H. B. Fleming, V-P.; F. D. Hoffmann, Sec. & Treas.; J. J. Duck, Aud., Chicago, Ill.

Directors: Leonard A. Busby, Frank W. Thomas, H. B. Fleming, S. M. Felton, E. N. Hurley, B. E. Sunny, F. O. Wetmore.

Office, Illinois-Merchants Bank Bldg., Chicago, Ill.

CHICAGO CITY RAILWAY COMPANY

History—Incorporated February 14, 1859, in Illinois, and in March, 1896, leased the Southwest Chicago Rapid Transit Co. Has extensive surface road privileges in the southern division of Chicago. On Feb. 11, 1907, company was granted a new franchise extending to Feb. 1, 1927; the city to have the right to purchase the property at an agreed valuation and to receive annually 55% of surplus earnings. Rate of fare fixed at 5 cents, with universal transfers. Since Feb. 1, 1927, Company has operated under month to month extensions of the 1907 ordinance. The value of the property as fixed by the franchise ordinance was, on June 30, 1906, $21,000,000; as of Jan. 31, 1928, $55,800,725.77. Has a contract with the Commonwealth Edison Co. for its supply of power.

Unified Operation—Effective Feb. 1, 1914, the properties of the Chicago Railways Co., the Chicago City Ry. Co., Calumet & South Chicago Ry. Co. and the Southern St. Ry. Co. are operated as a unified system by a joint agency known as the Board of Operation of the Chicago Surface Lines, by virtue of an ordinance passed by the City Council of the City of Chicago, Nov. 13, 1913, and accepted by the companies Dec. 22, 1913, and an operating agreement in the form prescribed by said ordinance and executed by the aforesaid companies with the approval of the stockholders of the various companies at respective meetings held Dec. 22, 1913. The Chicago City Ry. Co. appointed B. E. Sunny, Frank O. Wetmore and Leonard A. Busby as its respective representatives on the Board of Operation.

7-Cent Fare Order Effective June 15, 1922—The 8-cent fare, established by order of the Commerce Commission Nov. 5, 1920, was ordered reduced to a 5c fare by the Commission on Nov. 23, 1921. Before this order became effective, its enforcement was restrained by a temporary restraining order of the United States District Court. This restraining order was followed by a temporary injunction, issued Jan. 17, 1922.

On April 8, 1922, the Commerce Commission rescinded its former 5-cent fare order, and entered a 6-cent fare order, effective May 1, 1922. On April 28, 1922, the United States District Court entered an order restraining the enforcement of the 6-cent fare, and on June 9, 1922, a temporary injunction was issued, restraining the enforcement of the 6-cent fare on condition that, effective June 15, 1922, the Companies would charge not to exceed a 7-cent cash fare and sell three tickets for 20c on all cars. On Aug. 17, 1922, the provision directing the sale of tickets on cars was eliminated, and in lieu thereof, the Company was required to sell tickets at its offices, car barns and other places which would reasonably accommodate the traveling public.

The 7-cent fare, in effect as a temporary compromise since June, 1922, was approved by C. B. Morrison, Federal Master of Chancery, March 18, 1926.

Property Valuation—Fare Increase, Etc.—At the beginning of the year 1920, the Company had pending before the Public Utilities Commission a petition for the valuation of its properties and fixing a permanent rate of fare. It had already submitted to the Commission a complete inventory and valuation of its properties, made by Stone & Webster and A. L. Drum & Co., and had closed its evidence on Jan. 31, 1920. The City consumed several months in submitting its evidence, so that the case was not closed and taken under advisement by the Commission until June 16, 1920.

In the meantime, a new wage agreement, effective June 1, 1920, was made, increasing the wages of trainmen from 65 cents to 80 cents per hour, and a proportionate increase was given other employes. This marked an increase in trainmen's wages from 32 cents per hour in 1915 to 80 cents per hour in 1920, an increase of 150% in five years. These facts were submitted to the Utilities Commission, which entered a supplemental order on June 19, 1920, increasing fares from 6c to 8c, effective July 1, 1920, such increased rate to remain in effect until the entry of the final order in the case then pending.

On Nov. 5, 1920, the Commission entered its final order, making permanent the 8c fare fixed by the order of June 19, 1920, and fixing the value of the Surface Lines' properties as of April 30, 1920, at the sum of $159,113,114.56, which was the full amount of the City purchase price on that date. The City purchase price of the City Railway property on that date was $54,649,677.09; on Jan. 31, 1928, the City Purchase Price was $55,800,725.77.

The 7½% return to the Companies, fixed by the Commission, is the net return after the payment of operating expenses, taxes and renewals, and the 55% to the City under the 1907 ordinance.

New Valuation—In the negotiations resulting in the Traction Ordinance, passed by the City Council Feb. 7, 1925, but defeated by referendum vote April 7, 1925, it was agreed that the present fair value of the Surface Lines' properties should be determined by three appraisers, R. F. Kelker, Jr., selected by the city, William J. Hagenah, selected by the Bankers Committee and William Barclay Parsons, selected by the former two. These appraisers submitted their report, dated Jan. 26, 1925, and unanimously agreed that the present fair value of the Surface Lines' properties was in excess of the purchase price of $162,843,584, as of Oct. 31, 1924. The majority of the Board found the original cost of the properties to be $167,180,727; the reproduction cost, in excess of $245,000,000 and the reproduction cost, less depreciation, in excess of $200,000,000. The appraisers were also unanimous in stating that the amounts set aside for renewal and depreciation reserves have been so much in excess of renewal expenditures to Jan. 26, 1925 that an accumulation of approximately $19,000,000 against accruing wear to track, equipment,, etc., is provided for.

Cash Renewal Reserve—Under the terms of the 1907 ordinance the Company is required to set aside, in cash, on or before the 5th day of each month, a sum equal to 8% of the gross receipts for the preceding month. This sum constitutes the Renewal Fund, and is kept in a separate bank account, distinct from the Company's general funds. Out of this fund, on certificates issued by the Board of Supervising Engineers, the Company pays the cost of current renewals and replacements. There has been paid into this fund since April 15, 1910, including interest and proceeds from sale of unnecessary property, a total of $13,234,078.84, and there has been paid out of this fund for renewals and replacements, a total of $7,744,475.08, leaving in the fund the sum of $5,489,603.76 on Jan. 31, 1928.

Since July 1, 1920, however, the 8% of the gross receipts, including interest, amounting to $12,974,632.21 has been paid into a "Special Renewal and Equipment Fund," under an order of the Public Utilities Commission entered July 31, 1920. There has been paid out of this Special Fund for current renewals the sum of $9,101,609.75 and for the purchase of new cars the sum $2,592,745.86, for track extensions the sum of $592,097.71 and for track reconstruction the sum of $394,293.29, leaving a balance of $293,885.60 in the fund.

Since July 1, 1920, no funds have been withdrawn from the Renewal Fund, created by the Company's Ordinance. These two funds amounted, on Jan. 31, 1928 to $5,783,849.36 in cash in addition to the sum of $3,579,136.86 withdrawn for new cars, new extensions, and track reconstruction—no part of which was charged to capital account, or an amount in cash and property equivalent to $9,362,626.22.

Mileage and Equipment, Jan. 31, 1928 (including Southern St. Ry.), single track. 356.46 miles, of which 339.01 miles owned by Company. System covers the South Side of Chicago, extending from the center of the business district south to 79th Street and between the South Branch of the Chicago River and the Lake. Equipment consists of 1,329 double truck (motor) cars, 4 single truck (one man) cars, 40 double truck (trailer) cars, and 212 snow equipment, work and miscellaneous cars, a total of 1,585 cars.

CAPITAL STOCK

Authorized, $19,000,000; outstanding, $18,000,000; par, $100. Registrar: First Trust & Savings Bank, Chicago. The Chicago City & Connecting Rys. owns $16,971,900 of the stock.

Minority Stockholders' Protective Committee—In Jan., 1926, a committee, consisting of Frank W. Thomas, Chairman, Joseph E. Otis, Sewell L. Avery, J. Harold Selz and W. A. Wieboldt, was formed to protect holders of about 10,000 shares of stock not owned by Chicago City & Connecting Rys., in the negotiations with the City of Chicago regarding the franchise situation.

Annual Meeting—First week day after March 15.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100	52½	55	50	65	50	46	60⅛
Low	75	50½	51	50	50	bid	41	45

Dividends—Dividends were begun in 1870; none in recent years; payments have been made as follows: 1893, 24%; 1894 to 1900. inclusive, 12%; 1901, 10½%; 1902 to 1906, 9%; 1907, 6¾%; 1908, 8¼%; 1909, 9%; in 1910, 10%, and 6% extra; in 1911, 10% and 1½% extra; 1912, 10% and 1% extra in Dec.; 1913, 10% and ½% extra in Dec.; March, June and Sept., 1914, 2½% each; Dec., 1914, 1½%; 1915, 8%; 1916, 8% regular, and 1¼% extra on Dec. 30, 1916; 1917, 8% regular, and ¾% extra paid Dec. 29, 1917; 1918, 5%; 1919, 5%; 1920 to Dec. 31, 1926, inclusive, 6% per annum; none since; payments were made quarterly M, J, S & D 30. Subject to the rights of the First Mortgage bondholders the Company has set aside in a special fund, applicable to the payment of dividends when so determined by the Board of Directors, an amount equal to 6% on the Company's capital stock, or $1,080,000.

FUNDED DEBT

$33,926,000 FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1927

NOTE—Principal due Feb. 1, 1927 not paid; interest due that date and subsequently has been paid.

Dated July 1, 1907.

Interest Payable February and August 1, at First Trust & Savings Bank, Chicago.

Denomination—Coupon (principal may be registered), and registered, $1,000; interchangeable.

Provisions of Issue—Additional bonds may be issued under this mortgage, but the total amount to be issued is limited "so that never at any time shall there be outstanding, bonds exceeding the aggregate amount by which the price at which the property may be purchased by the city shall have been increased over the agreed valuation of $21,000,000, by reason of any con-

struction, equipment, re-equipment, extensions and additions to the plant and property." If the city purchases the property (under the Chicago City Ordinance), it has the right to redeem the bonds on any interest date before maturity at par and interest. In addition to the $33,926,000 bonds outstanding, $2,821,000 are held in treasury.

Security—Secured by a first lien on all property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($6,000,000) in July, 1907, at 98 and interest; $1,000,000 additional offered in Jan., 1917, at 99½ and interest.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	89½	81¾	85	84	83½	84	71½	72½
Low	76	67	75	74	73	68½	60	56¾

Default—Principal of the above First Mortgage Gold 5s, due February 1, 1927, was defaulted.

Foreclosure Proceedings—On Jan. 19, 1928, Federal Judge James H. Wilkerson instructed counsel for all sides to be prepared to go to trial on the foreclosure proceedings by June, 1928.

Protective Committee—In January, 1926, a Committee had been formed to protect the interests of the above described bonds in the negotiations with the City of Chicago regarding the franchise situation. This committee also represents the holders of Calumet & South Chicago Ry. First Mortgage bonds which will be deposited under a separate agreement. Committee: F. O. Wetmore, Chairman; M. A. Traylor, Acting Chairman; Stanley Field, David R. Forgan, Charles H. Thorne, John W. Esmond and John V. Farwell, with Robert L. Grinnell, Sec., 76 West Monroe St., Chicago; First Trust and Savings Bank, Chicago, depositary; The Mercantile Trust & Deposit Co. of Baltimore, and Bankers Trust Co. of New York, sub-depositaries. About 70% of the bonds have been deposited.

INCOME ACCOUNT, YEARS ENDED JANUARY 31

	1928	1927	1926	1925	1924	1923
40% of the residue receipts of Chicago Surface Lines	$5,357,303	$5,320,844	$4,863,070	$4,602,687	$5,126,166	$4,674,796
Deduct: Joint account expenses, interest on capital investment of the Chicago City Ry. Co., Calumet & South Chicago Ry. Co., and Southern St. Ry. Co.	3,656,508	3,525,319	3,521,159	3,668,029	3,852,916	3,668,400
Net earnings of South Side Lines	$1,700,794	$1,795,525	$1,341,911	$934,658	$1,273,250	$1,006,396
City proportion, 55%, as per ordinances	935,437	987,539	738,051	514,062	700,288	553,518
South Side Lines, 45%, as per ordinances	$765,357	$807,986	$603,860	$420,596	$572,963	$452,878
Less: Southern St. Ry. Co.'s proportion as per ordinances	41,176	43,954	32,910	23,133	31,513	24,908
Company's proportion	$724,181	$764,032	$570,950	$397,464	$541,450	$427,970
Add: Interest on capital investment	2,789,150	2,788,024	2,790,302	2,780,379	2,764,337	2,750,965
Income from operation	$3,513,331	$3,552,056	$3,361,252	$3,177,842	$3,305,786	$3,178,935
Other income, net	*59,967	*7,474	*41,820	17,526	83,198	54,397
Total income	$3,453,364	$3,544,582	$3,316,432	$3,195,369	$3,388,984	$3,233,332
Interest on bonds and notes outstanding	1,696,300	1,717,951	1,737,425	1,751,180	1,761,519	1,775,085
Net income	$1,757,064	$1,826,631	$1,579,007	$1,444,189	$1,627,465	$1,458,247
Add: Surplus forward	4,074,987	3,328,356	2,829,349	2,465,161	1,917,733	1,539,611
Surplus	$5,832,051	$5,154,987	$4,408,356	$3,909,349	$3,545,198	$2,997,858
Dividends	.....	(6%) 1,080,000	(6%) 1,080,000	(6%) 1,080,000	(6%) 1,080,000	(6%) 1,080,000
Miscellaneous charges	.....	.....	.....	.....	38	125
Surplus at close of year	$5,832,051	$4,074,987	$3,328,356	$2,829,349	$2,465,160	$1,917,733
Times All Interest Earned	2.03	2.06	1.91	1.82	1.92	1.83
Earnings Per Share	$9.76	$10.15	$8.77	$8.02	$9.04	$8.10

*Deficit.

GENERAL BALANCE SHEET, JANUARY 31

	1928	1927	1926	1925	1924	1923
Assets—						
Pur. price of prop. in terms of ordinance	$55,800,726	$55,776,789	$55,819,970	$55,753,222	$55,485,101	$55,084,94
Real estate	15,789	15,789	15,789	14,409	14,323	14,00
Cash on hand	2,496,564	985,468	941,589	957,706	968,718	954,87
Accounts receivable	326,349	87,384	133,869	4,754	4,833	3,75
Total	$58,639,428	$56,865,430	$56,911,217	$56,730,090	$56,472,975	$56,057,57
Liabilities—						
Capital stock	$18,000,000	$18,000,000	$18,000,000	$18,000,000	$18,000,000	$18,000,00
Funded debt	33,926,000	33,926,000	33,926,000	33,926,000	33,926,000	33,926,00
Notes payable	.....	.....	786,745	1,072,745	1,208,745	1,344,74
Bond interest and accounts payable	881,377	864,443	870,116	901,997	873,069	869,09
Surplus	5,832,051	4,074,987	3,328,356	2,829,349	2,465,161	1,917,73
Total	$58,639,428	$56,865,430	$56,911,217	$56,730,090	$56,472,975	$56,057,57

Officers: Leonard A. Busby, Pres.; H. B. Fleming, V-P.; F. D. Hoffmann, Sec. & Treas.; John J. Duck, Auditor, Chicago.

Directors: Leonard A. Busby, Chairman; B. E Sunny, F. O. Wetmore, H. B. Fleming, S. M. Felton E. N. Hurley, Frank W. Thomas, Chicago.

Office, Illinois-Merchants Bank Bldg., Chicago, Il

CHICAGO RAILWAYS COMPANY

History—Incorporated Oct. 30, 1903, in Ill., and on Jan. 25, 1908, purchased at foreclosure sale property of the Chicago Union Traction Co. and its operated lines, the North Chicago Street R. R., North Chicago City Ry., West Chicago Street R. R., Chicago Passenger Ry., Chicago West Division Ry. and West Chicago St. R. R. Tunnel. For plan of reorganization and basis of exchange of old securities, see Manual for 1908, pag 1158.

New Franchise—After a long period of contentio over the company's franchise (see Manual for 1907 page 1123, or apply to our Information Department) the Chicago City Council on Feb. 11, 1907, passed a ordinance granting the company a new franchise

which was approved by referendum vote April 2, 1907. The ordinance grants under which the properties were being operated at the time of the appointment of the Receivers expired by their terms on Feb. 1, 1927; and, on Jan. 26, 1927, the City Council of Chicago passed an ordinance entitled: "An Ordinance granting a day-to-day permit for the unified operation of street railways in the City of Chicago," under which permission and authority were granted by the City to continue unified operation until July 31, 1927, upon the same terms and conditions as were provided by the ordinances expiring on Feb. 1, 1927. Before the expiration of this six months' permit, another ordinance granting a day-to-day permit was passed by the City Council which granted permission and authority to continue such unified operation until Nov. 30, 1927, upon the same terms and conditions. Successive ordinances containing the same terms and conditions have been enacted which fixed the expiring date of these successive permits as the last day of each month, since November, 1927.

The City has the option to purchase all of the property of the Company for municipal ownership and operation at any time during the life of the franchise. Under the terms of the ordinance, the valuation of the property of the company as of Feb. 1, 1907, was fixed at $30,779,875. In case the city desires to purchase the property, it must pay this price, plus any additional expenditures for reconstruction and extensions that may have been made, including any amounts advanced to the city for the construction of subways in the downtown business district.

If the city had given notice according to the ordinance and had made the purchase of the Company's property on Jan. 31, 1928, it would have been obligated to pay therefor the aggregate of the following four items:

a) The value of the property fixed by the ordinance as originally taken over by the company as of the date of June 30, 1906	$29,000,000.00
b) The value of additions to property between June 30, 1906, and Feb. 1, 1907, as determined by the Board of Supervising Engineers	1,779,874.94
c) The cost of construction and reconstruction, with percentages added as determined by the Board of Supervising Engineers between Feb. 1, 1907, and Feb. 1, 1908	1,809,172.08
d) The cost of construction, reconstruction, equipment, extensions and additions to plant and property, with percentages added, as determined by the Board of Supervising Engineers, between Feb. 1, 1908, and Jan. 31, 1928	61,958,213.41
	$95,547,260.43

Receivership—On creditor's suit brought by Westinghouse Electric & Manufacturing Company, John J. Mitchell, Henry A. Blair and Frederick H. Rawson were appointed Receivers of the property of Chicago Railways Company on Dec. 15, 1926, by the United States District Court at Chicago. This action was taken in view of maturity on February 1, 1927, of all the Company's bonded debt. The Court ordered the Receivers to preserve unified operation of all surface street railways in Chicago by utilizing Chicago Surface Lines Board of Operation as their operating agency, until further order of court.

On Feb. 2, 1927, Harris Trust & Savings Bank, as Trustee under the First Mortgage Deed of Trust of Chicago Railways Company, filed in the United States District Court its bill to foreclose the First Mortgage Deed of Trust and its petition for the appointment of Receivers. Upon this petition Henry A. Blair and Frederick H. Rawson were appointed Receivers and the foreclosure proceedings were consolidated with the original proceedings into one cause.

Foreclosure Proceedings—On March 2, 1927, Central Trust Company of Illinois, as Trustee under Adjustment Mortgage of Chicago Railways Company, filed its counter-claim seeking foreclosure of such Adjustment Mortgage.

On May 5, 1927, Illinois Merchants Trust Company, in its capacity as successor to the Merchants Loan and Trust Company, Trustee under the Mortgage securing Consolidated Mortgage Twenty-Year Gold Bonds, filed its counter-claim seeking foreclosure of such Mortgage Deed of Trust.

On May 5, 1927, Illinois Merchants Trust Company, in its capacity as successor to Illinois Trust and Savings Bank, as Trustee under the Deed of Trust securing Purchase Money Mortgage Gold Bonds of Chicago Railways Company, filed its counter-claim seeking foreclosure of said Deed of Trust.

Fare Increases, Etc.—Unparalleled increases during and after the War in wages and cost of materials made it absolutely essential that there be an increase in the rate of fare if the Chicago Surface Lines companies were to continue to exist. After the City Council had tabled a request for consideration of the fare situation appeal to State Public Utilities Commission was filed Nov. 21, 1918. On April 25, 1919, the petition was refused. On Aug. 2, 1919, following new wage agreement, entailing largely increased expense, second petition for increase in fares was filed with the Utilities Commission and on Aug. 6, 1919, temporary increase to 7 cts. was allowed. On Nov. 25, 1919, the Commission fixed the fare at 7 cts., 50 tickets for $3 and 10 for 65 cts., effective Dec. 1, 1919. On Dec. 23, 1919, the Commission abolished tickets and reduced the fare to 6 cts. Following another heavy increase in wages, effective June 1, 1920, the Commission fixed the fare temporarily at 8 cts., effective July 1, 1920. Effective June 15, 1922, fares were reduced as follows: Adults, 7 cts., or 3 tickets for 20 cts.; children under 12 years of age, 3cts.

The 7-cent fare, in effect as a temporary compromise since June, 1922, was approved by C. B. Morrison, Federal Master of Chancery, March 18, 1926. In May, 1926 Company was granted a permanent injunction by U. S. District Court in Chicago, restraining the City, the Illinois Commerce Commission and the Attorney-General from interfering with the 7-cent fare.

Valuation—For the purpose of establishing a valuation for rate-making purposes, the Chicago Surface Lines management caused a valuation of its properties to be made by Messrs. Stone & Webster and A. L. Drum & Co. The report was presented to and hearings were begun by the Public Utilities Commission in the Fall of 1919. A final order was entered by the Commission Nov. 5, 1920, finding the present value of the properties as of April 30, 1920, to be at least $159,113,114.56, which figure was practically the same as the agreed purchase price under the City Ordinances as of the same date. The cost new, as of 1919, was found to be $200,371,689. The Commission also found that petitioners under existing conditions were entitled to earn an amount sufficient to pay 7½% on the present value of the properties and made permanent the 8-ct. fare which had been put into effect temporarily on July 1, 1920.

Unification of Surface Lines—Unified operation of the surface street railways of the City of Chicago became effective Feb. 1, 1914, pursuant to the Unification Ordinance and Operating Agreement approved by the holders of Participation Certificates of the company at a special meeting held Dec. 22, 1913.

While under the terms of this ordinance and the agreement the ownership of the properties remains entirely separate and distinct, the combined earnings are to be divided upon an agreed basis. For the two years ending Jan. 31, 1916, the Chicago Rys. Co. received as its share 59% of the income remaining after the payment of all operating expenses including taxes and maintenance; and beginning with Feb. 1, 1916,

and until the expiration of its franchise in 1927, the Chicago Rys. Co. will receive 60% of the so-called "residue receipts." The provisions of the franchise ordinances, dated 1907, which give the City of Chicago a percentage of the earnings, remain in force, and the City is still in the position of partner in these enterprises.

Management—The trust agreement under which Participation Certificates are issued provides that the stock of the Company shall be held by the depositaries who at the present time are: Harrison B. Riley, Holman D. Pettibone, Abel Davis, Frank G. Gardner, Henry J. Tansley. It is also provided that during the life of the First Mortgage bonds, a finance committee composed of H. A. Blair, B. A. Eckhart, and Frederick H. Rawson, will have direct supervision of the finances of the company and vacancies in this committee are to be filled only upon the written approval of the Harris Trust & Savings Bank of Chicago, the trustee for the first Mortgage bonds.

Acquisition of Chicago Consolidated Traction Co.—At the Chancery sale on Nov. 30, 1910, the properties of this company and its eight underlying companies were bid in by A. W. Cooke, Chairman of the reorganization committee, for $1,425,000. On Dec. 17, 1910, Judge Grosscup confirmed this sale and also the sale by A. W. Cooke of all properties within the city limits to the Chicago Railways Co., pursuant to an ordinance passed Oct. 10, 1910 (placing valuation at $3,968,539), like in tenor, amendatory and supplemental to ordinance of Feb. 11, 1907. The lines outside the city were acquired by the Chicago & West Towns Ry. Co., and run through the towns of Evanston, Oak Park, Cicero, Berwyn, Lyons, Forest Park, River Forest and Maywood, in all about 5.9 miles. (For statement of the latter Co. see General Index.) The Chicago Railways Co. has no connection, either corporate or operating (except a temporary transfer arrangement) with the Chicago & West Towns Ry. Co.

By the terms of above ordinance (which runs for seventeen years, and expires simultaneously with the Chicago Railways Co. franchise of 1907) the city is to receive 55% of the net income. All rights of the city with respect to the purchase of the Chicago Railways Co. system as provided in the ordinance of 1908 apply to the new ordinance.

Protective Committee For Participating Certificates—In March, 1923, it was announced that a protective committee had been formed representing over 12,000 parts out of 30,800 parts of the Participating Certificates Series "1" of Company to secure payment of $1,478,400 accumulated dividends deferred since 1917. The Committee claimed that Company had more than enough money to pay the accumulations but because of inability to sell its bonds at a high enough rate it has been using the accumulations to pay improvement costs.

Property—The company owns 597.09 miles of single track (including 128 miles of the former Chicago Consolidated Traction Co.'s lines), serving the downtown as well as the north and west sides of the city; operated by overhead trolley system. Gauge, standard.

Equipment—Company has 2,180 passenger cars in operation and 258 service cars. No power houses belonging to the Company are now operated, all electric power being purchased. Sub-stations, 10, with a capacity of 80,000 k.w.

Motor Buses—The first Chicago Surface Lines motor bus route was inaugurated on Aug. 11, 1927, on Diversey Avenue, from Crawford Avenue to Laramie Avenue. For this service five twin-motor buses of a new type were adopted.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. The capital stock was used as the basis for the issue to the stockholders of the constituent companies of four series of participating certificates, representing in all, 265,100 equal parts. A trust indenture covering these certificates has been made, dated Aug. 1, 1907, between the company and a committee consisting of A. C. Bartlett, Chauncey Keep, C. H. Hulburd, A. A. Sprague and C. G. Dawes, with the Central Trust Co. of New York, as custodian. The 265,100 participation certificates are divided into four classes or series as follows: Series 1 consists of 30,800 parts; Series 2 of 124,300 parts; Series 3 of 60,000 parts and Series 4 of 50,000 parts.

Harrison B. Riley, Abel Davis, H. D. Pettibone, F. G. Gardner and H. J. Fansley, successor Trustees under above mentioned agreement.

Certificate Provisions—Series 1, 2 and 3 are entitled to cumulative dividends of $8 for each part, in the order of priority named, beginning with the year ending Aug. 1, 1908, and are also entitled to $100 for each part in any distribution of capital. Series 4 is entitled to any remaining profits or capital which may be distributed. The Series 2 certificates are entitled to unpaid accumulations on account of its $8 per certificate, but only if earned and after payment of all accumulations of dividends on Series 1 certificates.

Annual Meeting—Fourth Thursday in October.

Listed (All Series)—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Series 1—								
High	22	12	10	15	24½	21	12½	20
Low	4½	5	4½	5	10	9½	5	8
Series 2—								
High	6	1½	2	1½	3½	6	3½	6
Low	¼	¼	⅜	½	¾	1¼	1	1¾
Series 3—								
High	1⅛	1	1	1	½	1½	⅞	1½
Low	⅛	⅛	⅛	⅛	¼	¼	¼	½
Series 4—								
High	⅜	½	⅜	¼	¼	1½	½	½
Low	⅛	⅛	⅛	⅛	¼	¼	¼	¼

Dividends—An initial dividend of $4 on the Series 1 certificates (for the half-year ended Aug. 31, 1908) was paid Nov. 1908; one of $8, covering year 1909, on Sept. 1, 1909; none to Oct. 1912, when $6 was paid; on Feb. 1, 1913, $6; May, 1913, $6; July, 1913, $6; Aug. 1913, $4; Feb. 1914, $4; Aug. 1914, $8, being full payment of all arrears to that date. The Feb. 1915, dividend of $4 was paid June 5, 1915; the Aug. 1915, dividend of $4 was paid Sept. 1, 1915, thus paying in full the dividends on Series 1 certificates for the dividend year ended Aug. 1, 1915. The Feb. 1916, dividend was deferred. On July 5, 1916, a dividend was declared, equivalent to $8 per part on Series 1 certificates, which was paid on Aug. 1, 1916; on Aug. 1, 1917, $8 per part was paid. In Feb. 1914, initial dividend of $2 per share was paid on Series 2 shares; $2 per share was paid June 5, 1915, and $2 per share Feb. 1, 1917; none since.

FUNDED DEBT

Interest Payments—Hearings were held before the Court in July and October, 1927, and in January, 1928, upon applications by the Trustees of the mortgages for payment of interest upon the bonds secured by said mortgages. Upon such hearings the Court ordered the Receivers to pay to Harris Trust and Savings Bank, Trustee, in the Trust Deed which secures the First Mortgage Bonds, the interest which accrued for the period from Feb. 1, 1927, to Aug. 1, 1927, and also for the period from Aug. 1, 1927, to Feb. 1, 1928. As to all bonds of Chicago Railways Company, other than the First Mortgage Bonds, the order of the Court provided for the reservation in the hands of the Receivers, until the further order of the Court, of an amount equal to the interest which has accrued on these junior bonds from Feb. 1, 1927, to Feb. 1, 1928.

(1)

$55,655,000 FIRST MORTGAGE 5s; DUE FEBRUARY 1, 1927

NOTE—Principal due Feb. 1, 1927, not paid; interest regularly paid to date.

Dated February 1, 1907.

Interest Payable February and August 1, at Harris Trust & Savings Bank, Chicago, and at Harris, Forbes & Co., New York.

Denomination—Coupon (principal may be registered) and registered, $1,000; interchangeable.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Total amount issued (including $626,000 issued during 1926), $63,411,000, of which

$7,756,000 (including amount issued during 1926) held n treasury. Issued to reimburse the company for ex-penditures in the construction, re-equipment and ex-ension of the property, The authorized amount of ›onds is limited to the aggregate of the amounts ap-›roved from time to time by the Board of Supervising Engineers, and each bond is endorsed by the City Comptroller with a certificate identifying the bond as ›eing entitled to the first lien upon all property and ights granted to the company by the ordinance. By he terms of the trust deed, all of the proceeds of the First Mortgage bonds must be applied to extension nd improvements of the Company's lines and prop-rty under the direct control of a Board of Supervising Engineers, consisting of three members, one represent-ng the Company, one representing the city, and the hird representing the Company and the city jointly. Since 1907, over 91% of the company's present mile-ge has been either rehabilitated or newly constructed. The valuation of the property, as fixed under the terms f the franchise ordinance, was $94,547,260.43, as at an. 31, 1928.

Security—Secured by a first lien on all the com-any's property, comprising 597.09 miles of track and quipment.

Tax Provisions—Company pays Normal Federal In-ome Tax up to 2%.

Original Offering—First publicly offered ($2,500,-00) in February, 1908, at 95½ and interest; an addi-onal $1,500,000 were offered in January, 1916, at 97½ nd interest.

Listed—New York and Chicago Stock Exchanges. Harris Trust & Savings Bank Certificates of Deposit epresenting these bonds are listed on Chicago Stock xchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
igh	89	81⅞	88	86	83½	84½	72	72
ow	74¾	67	73½	74¼	72½	67	61	54

Protective Committee—In January 1926, a Com-ittee consisting of Albert W. Harris, Chairman, hicago, C. W. Beall, New York, B. A. Eckhart, Chi-ago, Henry W. George, New York, and John J. Nelli-an, Baltimore, with Chester Corey, Sec., 115 West Monroe St., Chicago, as Secretary, has been formed to rotect the interests of the holders of the above-de-cribed First Mortgage bonds in the negotiations with he City of Chicago regarding the franchise situation. n March, 1926, holders of the above-described bonds ere requested to deposit their bonds with Harris rust & Savings Bank, Chicago, Depositary, or Na-onal Bank of Commerce, New York, The First Na-onal Bank, Boston, and Girard Trust Co., Philadel-hia, Sub-depositaries. Safe Deposit & Trust Co. of altimore was later appointed a Sub-depositary.

(2)

$5,696,600 CONSOLIDATED MORTGAGE 5s, SERIES "A"; DUE FEBRUARY 1, 1927

$6,934,405 CONSOLIDATED MORTGAGE 5s, SERIES "B"; DUE FEBRUARY 1, 1927

NOTE—Principal due Feb. 1, 1927 not paid; interest due eb. 1, 1927 was paid and receivers ordered to retain an nount sufficient to pay interest from Feb. 1, 1927 to Feb. 1, 28.

Dated February 1, 1907.

Interest Payable—Series A: April and October 1; eries "B": June and Dec. 1; at Illinois Merchants rust Co., Chicago, or National Bank of Commerce, ew York. The bonds received 4% interest until eb. 1, 1912; present rate, 5%.

Denomination—Coupon (principal may be regis-ered) and registered, $1,000; interchangeable.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized: Series "A", $18,-00,000; Series "B", $17,194,000. Issued: Series "A", 18,599,800, of which $1,007,200 held in treasury and 1,896,000 cancelled, leaving $15,696,600 outstanding; eries "B", $17,164,475, of which $230,070 held in easury, leaving $16,934,405 outstanding. In addi-tion there was authorized $4,000,000 Series "C", of which $3,662,011.22 were issued, but the entire issue has been redeemed.

Callability—Subject to call at par and interest on any interest date.

Sinking Fund—All Series "C" bonds have been re-tired through a sinking fund; also $700,000 par value Series "A" bonds, to which sinking fund was applic-able. Sinking fund provisions now fully complied with.

Security—On the principal trunk lines and those covering the down-town district and on all other property of the company, except 128 miles of track in the outlying districts acquired, the lien of the mortgage securing the Consolidated Mortgage bonds is subject only to that of the First Mortgage, due Feb. 1, 1927. As to the 128 miles of track mentioned, the lien securing the Consolidated Mortgage is also sub-ject to that of the mortgage securing the $4,073,000 4-5% Purchase Money and $2,500,000 4% Adjustment Income bonds. Series "A" bonds are prior in lien to Series "B" as to principal and interest.

Tax Provisions—Company pays Normal Federal In-come Tax up to 2%.

Original Offering—A block of $6,000,000 Series "A" bonds was offered on Dec. 18, 1911 at 96½ and inter-est.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Series "A"—								
High	71	56¾	69¼	66	70	76	50	49¼
Low	52	45	51¾	57¼	41	46	39	36
Series "B"—								
High	51½	46	46½	45	56¾	52⅜	35	40
Low	35	29	35	35	41	32½	28	28

Protective Committee for Series "A" Bonds—In Jan-uary, 1926, a committee, consisting of John E. Blunt, Chairman, Chicago, John R. Macomber, Boston, Wal-ter Brewster, Albert H. Wetten, and L. E. Zacher, Hartford, Conn., with Fred A. Parker, Sec., c/o Illinois Merchants Trust Co., Chicago, had been formed to pro-tect the interests of the holders of the above described Series A bonds, in the negotiations with the City of Chicago regarding the franchise situation. Depositary: Illinois Merchants Trust Co., Chicago. Sub-depositar-ies: Chase National Bank, New York, and Boston Safe Deposit & Trust Co., Boston.

Protective Committee for Series "B" Bonds—The following-named have agreed to act as a Protective Committee for the holders of the Consolidated Mort-gage 5% Gold bonds, Series "B": Arthur Reynolds, Chairman; H. G. Brengle, C. G. Burnham, Arthur Lehman and C. H. Worcester, with Richard Wagner, Sec., 208 S. LaSalle St., Chicago, and Mayer, Meyer, Austrian & Platt, counsel, Chicago. Depositary: Continental National Bank & Trust Co., Chicago; Sub-depositaries: Chatham Phenix National Bank & Trust Co., New York; Fidelity-Philadelphia Trust Co., Phila-delphia.

(3)

$3,969,155 PURCHASE MONEY GOLD 5s: DUE FEBRUARY 1, 1927

NOTE—Principal due Feb. 1, 1927 not paid; interest due Feb. 1, 1927 was paid and receivers ordered to retain an amount sufficient to pay interest from Feb. 1, 1927 to Feb. 1, 1928.

Dated January 1, 1911.

Interest Payable January and July 1, at Illinois Merchants Trust Co., Chicago, or Chase National Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized, $6,000,000; issued, $4,073,000, of which $103,845 held in treasury, leaving, $3,969,155 outstanding. The unissued $1,927,000 are issuable from time to time for the purpose of acquir-ing additional corporate property, or to satisfy claims incidental to the acquisition of the property of Chi-cago Consolidated Traction Co., or to discharge any

claims or judgments against the latter Company or the receivers, or other corporate purposes.

Callability—Subject to call at par and interest on any interest date.

Security—Secured by a second lien on the 128 miles of track in the outlying districts of Chicago acquired from the Chicago Consolidated Traction Co. in 1910, being subject to the First Mortgage 5s, due Feb. 1, 1927. They are also a third lien on the remaining property, being also subject to the Consolidated 5s (Series A and B) due Feb. 1, 1927. This mortgage is specifically subject to all the privileges of the City of Chicago, set forth in the ordinance of the Chicago Rys. Co., of Feb. 11, 1907.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	51¾	50½	46	47½	66	62	30	20
Low	23	25	35	35	52	33½	30	20

Protective Committee for Purchase Money Bonds—In January, 1927, Bondholders' Protective Committee for the above described Purchase Money Gold 5s, sent letter to holders of these bonds asking deposit of the bonds to facilitate representation of their interests. Committee: Marshall Forest, Chairman, Charles Piez, Chicago; A. V. Morton, Philadelphia; with Walter E. Lang, Sec., 105 So. La Salle St., Chicago. National Bank of Republic, Chicago, Depositary.

(4)

$2,379,136.66 ADJUSTMENT INCOME NON-CUMULATIVE (CUMULATIVE SINCE FEB. 1, 1927) GOLD 4s; DUE FEBRUARY 1, 1927

Dated January 1, 1911.

Interest Payable annually, when earned, on May 1, at Central Trust Co. of Illinois, Chicago, or National City Bank, New York.

Interest Payments—On May 1, 1912, an initial payment of $103,080 was made for 13 months ending Jan. 31, 1912; on May 1, 1913, a similar amount was paid; on May 1, 1914, interest amounting to $95,172 (net) was paid for the year ended Jan. 31, 1914; on May 1, 1915, $100,000 was paid for the year ended Jan. 31, 1915; on May 1, 1916, $100,000 was paid for the year ended Jan. 31, 1916; on May 1, 1917, $100,000 was paid for the year ended Jan. 31, 1917; on May 1, 1918 $100,000 was paid for the year ended Jan. 31, 1918 none thereafter until May 1, 1921, when $100,000 wa paid for year ended Jan. 31, 1921; on May 1, 1922 and May 1, 1923, $100,000 each year paid for the year ended Jan. 31, 1922 and 1923, respectively; on May 1 1924, $100,000 for year ended Jan 5, 1924; on May 1 1925, $100,000 for year ended Jan. 31, 1925; on May 1 1926, $100,000 for year ended Jan. 31, 1926; on Feb. 1 1927, $100,000 for year ended Jan. 31, 1927. Receiver have been ordered to retain an amount sufficient t pay interest from Feb. 1, 1927 to Feb. 1, 1928.

Denominations—Coupon, $100 and $500; principa may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized and issued, $2,500 000, of which $120,863.34 are held in treasury, leavin $2,379,136.66 outstanding.

Callability—Subject to call at par and interest o any May 1, upon 30 days' notice.

Security—Secured by a third lien on the 128 mile of track in the outlying districts of Chicago, acquire in 1910 from the Chicago Consolidated Traction Co being subject to the First Mortgage 5s due Feb. 1 1927 and the Purchase Money 4-5s due Feb. 1, 192 They are also a fourth lien on the remaining property being subject also to the Consolidated Mortgage 5 (Series A and B) due Feb. 1, 1927. This mortgag is specifically subject to all the privileges of the Cit of Chicago, set forth in the ordinance to the Chicag Rys. Co. of Feb. 11, 1907.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	30	18	25	24	26½	32	19½	15
Low	14½	11	15½	15	21	17	10	10

Protective Committee for Adjustment Incom Bonds—In December, 1926, the committee named b low called for deposit of Adjustment Income bond under a deposit agreement dated Nov. 1, 1926. Com mittee: Louis H. Schroeder, Chairman; Cyrus H Adams and Oscar M. Wolff, with B. A. Mattingl (c/o Central Trust Co. of Illinois), Sec., 125 We Monroe St., Chicago. Central Trust Co. of Illinoi Chicago, Depositary.

JOINT ACCOUNT WITH CITY, YEARS ENDED JANUARY 31

	1928	1927	1926	1925	1924	1923
Company's share (60%) of residue receipts of Chicago surface lines	$8,035,954	$7,981,267	$7,294,604	$6,904,030	$7,689,250	$7,012,1
Deduct: Joint account expenses and adjustments applicable to previous year	467,039	298,935	70,646	225,000	455,000	360,0
	$7,568,915	$7,682,332	$7,223,958	$6,679,030	$7,234,250	$6,652,1
Deduct: Interest at 5% on capital valuation	4,723,846	4,713,629	4,707,592	4,684,130	4,653,654	4,630,9
Net income (45% of which falls to the Chicago Rys. Co.) (see below)	$2,845,069	$2,968,703	$2,516,366	$1,994,900	$2,580,596	$2,021,2

INCOME STATEMENT (Non-Partnership Account), YEARS ENDED JANUARY 31

Income—	1928	1927	1926	1925	1924	1923
Co.'s proportion of income from joint operation (45%)	$1,280,281	$1,335,916	$1,132,365	$897,705	$1,161,268	$909,5
5% interest allowance on capital valuation of property	4,723,846	4,713,629	4,707,592	4,684,130	4,653,654	4,630,9
Interest on bank balances	196,613	162,514	124,549	109,254	185,747	171,5
Interest on treasury securities	78,609	73,778	73,791	79,058	81,491	78,4
Miscellaneous income	.....	100	.....	.....	.....	.....
Gross income	$6,279,349	$6,285,937	$6,038,297	$5,770,147	$6,082,160	$5,790,4
Deductions—						
Interest on mortgage bonds	$4,478,028	$4,478,030	$4,478,030	$4,495,922	$4,513,030	$4,513,0
Interest on Purchase Money bonds	203,661	203,650	203,650	203,650	203,650	203,6
Interest on Adjustment Income bonds	*100,000	.....	.....	.....	.....	.....
Interest on loans	.....	43,261	46,846	52,621	74,219	94,7
Sinking fund reserve accrued	.....	.....	.....	.....	174,036	250,0
Federal income tax on interest coupons	66,000	65,017	66,000	67,500	107,000	42,0
Corporate expenses and adjustments	166,152	203,304	182,223	173,280	140,794	131,7
Total deductions	$5,013,841	$4,993,262	$4,976,749	$4,992,973	$5,212,729	$5,235,1
Net income	$1,265,508	$1,292,675	$1,061,548	$777,174	$869,431	$555,2

*Paid from surplus in prior years, as follows: May 1, 1922, May 1, 1923, May 1, 1924, May 1, 1925, May 1, 1926, a Feb. 1, 1927, $100,000 each.

GENERAL BALANCE SHEET (Non-Partnership Account), JANUARY 31

Assets—	1928	1927	1926	1925	1924	1923
Road, equipment and franchise	*$101,132,995	$101,035,875	$100,761,858	$100,503,319	$100,985,134	$100,226,194
Treasury securities	9,218,366	9,218,366	6,342,291	6,342,293	3,055,749	3,000,795
Collateral bonds	.....	.....	2,250,000	2,250,000	2,812,000	2,812,000
General acct. & cash items	†4,949,615	2,913,399	2,492,047	1,954,876	2,346,871	2,376,892
Cash in renewal & depreciation fund	9,940,897	9,567,527	9,091,725	8,606,438	8,211,584	7,601,677
Cash in special renewal & equipment fund	187,675	11,397	436,463	‡270,364	‡646,696	‡1,615,639
Accounts receivable	679,574	263,959	330,088	125,274	191,305	241,101
Inc. from treasury securities accrued	.....	20,104	20,104	20,096	32,379	22,471
Securities in hands of trustees	1,980	1,980	1,980	1,980	1,980	1,980
Sinking fund	.....	.....	.....	.....	467	12,503
Items in suspense	23,182	148,615	61,528	.....	.....	.....
Total	$126,134,284	$123,181,222	$121,788,083	$120,074,640	$118,284,165	$117,851,252
Liabilities—						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	103,854,255	103,854,255	103,228,255	103,228,255	101,069,255	101,081,591
Current liabilities	1,643,877	1,838,738	2,347,111	2,114,605	2,569,824	2,967,846
Interest, taxes and sinking fund accrued	3,605,615	2,200,958	2,118,911	2,256,793	2,992,817	2,571,015
Reserve for renewals—depreciation, damages, etc.	10,235,336	9,757,578	9,656,788	8,999,517	8,853,972	9,201,935
Surplus	6,695,201	5,429,693	4,337,018	3,375,470	2,698,297	1,928,865
Total	$126,134,284	$123,181,222	$121,788,083	$120,074,640	$118,284,165	$117,851,252

*Certified valuation or City purchase price, $94,547,260. †Applied Feb. 1, 1928 to the payment of semi-annual interest on First Mortgage bonds, amounting to $1,391,375. Also applicable to the payment on or before April 10, 1928, of the City's 5% of Divisible Net Receipts, $1,564,787.91; and to the reservation in the hands of the Receivers of the interest on the Junior bonds from Feb. 1, 1927 to Feb. 1, 1928, amounting to $1,925,151.75, by orders of the District Court of the United States for the Northern District of Illinois, Eastern Division, entered July 21, 1927, and Jan. 26, 1928. ‡Includes cash in Fire Loss Fund, as follows: 1923, $826,003; 1924, $2,070; 1925, $30,255.

STATEMENT OF WORKING CAPITAL, JANUARY 31

Current Assets—	1928	1927	1926	1925	1924	1923
Cash and cash items	$15,078,188	$12,492,323	$12,020,235	$10,831,678	$11,205,151	$11,534,208
Accounts receivable	679,574	263,959	330,088	125,274	191,305	241,100
Income from treasury securities accrued	.....	20,104	20,104	20,096	32,379	22,471
Total	$15,757,762	$12,776,386	$12,370,427	$10,978,048	$11,428,835	$11,797,779
Current Liabilities—						
Current liabilities	$1,643,877	$1,838,738	$2,347,111	$2,114,605	$2,569,824	$2,967,846
Interest, taxes and sinking fund accrued	3,605,615	2,200,958	2,118,912	2,256,793	2,992,817	2,571,015
Total	$5,249,492	$4,039,696	$4,466,023	$4,371,398	$5,562,641	$5,538,861
Net Working Capital	$10,508,270	$8,736,690	$7,904,404	$6,606,650	$5,866,194	$6,258,918

Renewal and Depreciation Reserve Fund, Jan., 31, 1928—The condition of the fund at Jan. 31, 1928, was as follows: Amount in Reserve Fund, Jan. 31, 1927, $9,568,221, additions to fund during year, $375,946—total, $9,944,167.

Special Renewal and Equipment Fund, Jan. 31, 1928—The condition of the fund at Jan. 31, 1928, was as follows: Amount in reserve at Jan. 31, 1927, $113,270; 2% of gross earnings, $2,958,308; interest on fund, etc., $9,480—total $3,081,058. Expended during the year: for renewals, $2,448,500; for equipment, $202,699; for track extensions, $213,376—total $2,864,573. Balance in Special Reserve at Jan. 31, 1928, $216,483.

Receivers: Henry A. Blair and Frederick H. Rawson.

Officers: Henry A. Blair, Chairman of Board & Pres.; Herman H. Hettler, V-P.; John E. Wilkie, V-P.; Frank L. Hupp, Sec.; Markham B. Orde, Treas. Chicago.

Directors: Henry A. Blair, John A. Chapman, Herman H. Hettler, Chauncey B. Borland, Charles V. Weston, Stanley Field, John W. O'Leary, C. J. Whipple, John E. Wilkie.

General Office, 231 South La Salle St., Chicago.

THE NEVADA-CALIFORNIA ELECTRIC CORPORATION

(See Accompanying Map)

History and Properties—Incorporated Dec. 12, 1914, Del. The Company owns all of the capital stocks, except directors' qualifying shares, and all of the bonds of the following companies: The Nevada-California Power Co., The Southern Sierras Power Co., Interstate Telegraph Co., Hillside Water Co., Cain Irrigation Co., The Imperial Ice & Development Co., Deseret Water, Oil & Irrigation Co., Yuma Utilities Co., Silver Lake Power & Irrigation Co. and The Sierras Construction Co.

On June 1, 1917, the Pacific Power Corp. was merged into The Nevada-California Power Co., at which time the latter company acquired the assets of the Pacific Power Corp. and assumed its liabilities (including its bonded debt). Pacific Power Corp. was legally dissolved in 1927. In Dec., 1920, the authorized capital stock of The Nevada-California Power Co. was increased from $5,000,000 to $10,000,000 and $1,500,000 was issued in payment of a stock dividend.

On Jan. 1, 1918, the Corona Gas & Electric Light Co., Bishop Light & Power Co., Coachella Valley Ice & Electric Co., and Rialto Light, Power & Water Co. were merged into The Southern Sierras Power Co., at which time the latter Company acquired the assets and assumed the liabilities (including bonded debt) of the four former companies. Since that date those four companies have been legally dissolved.

The territory served by the underlying companies includes Central Western and Southwestern Nevada and Southern and Eastern California, extending from Mono Lake near the Central and Eastern portion of California south through Mono, Inyo, Kern, San Bernardino, Riverside and Imperial Counties, through the Imperial Valley to Yuma, Ariz., a distance of

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approximately 500 miles. All of this territory, with the exception of a small portion in San Bernardino, Riverside and Inyo Counties in Southern California, is exclusively served by these companies.

The maximum generating capacity of the underlying companies totals 105,020 h.p., 93,420 h.p. of which is hydro power and 11,600 h.p. is steam power. The transmission and distribution systems consist of approximately 1,727 miles of high tension transmission lines, 238 miles of which consist of double circuit, three-phase steel tower line with towers spaced eight to the mile, which line is designed for the transmission of power at 140,000 volts. In addition to above there are 819 miles of wooden pole distribution lines of 6,600 volts and under.

During 1922, a contract was entered into with the San Gorgonio Power Co., under the terms of which the entire output of the San Gorgonio Power Co's hydro-plants will be delivered to The Southern Sierras Power Co. Connection was made in December, 1923, with these two plants, which will supply approximately 10,000,000 kilowatt hours annually to meet system demands.

The Southern Sierras Power Co.—Incorporated under the laws of the State of Wyoming, June 15, 1911. Owns and operates five hydro-electric power plants with aggregate capacity of 23,300 h.p., a steam turbine generating plant at San Bernardino, Cal., of 10,600 h.p. capacity, and a steam plant of 500 h.p. capacity at El Centro, Cal., as well as a 500 h.p. Diesel Engine plant at Blythe, Cal. Also leases six hydro plants owned by The Nevada-California Power Co., with capacity of 70,120 h.p. Has completed and in operation a high tension steel tower double transmission line from Bishop to San Bernardino, Cal.

The electric properties of the Holton Power Co. (see 1923 Public Utility Manual page 1532) were merged with those of The Southern Sierras Power Co. as of Dec. 31, 1923. The Holton Power Co. was dissolved in 1927.

Serves the towns of Corona, Banning, Rialto, Bishop, Big Pine, Keeler, Inyokern, Randsburg, Johannesburg, Osdick, Blythe, Barstow, Yermo, Oro Grande, Victorville, San Bernardino, Redlands, Riverside, Perris, Hemet, San Jacinto, Elsinore, Murietta, Temecula, Palm Springs, Coachella, Indio, Thermal, Mecca, Cal., and the Imperial Valley with its 500,000 acres of irrigated land, including such towns as Brawley, Imperial, El Centro, Holtville Westmoreland, Calipatria and Calexico and varied industries, with distributing lines radiating from and connecting those various points, with the exception of Blythe, which city is served by a separate system. At Bishop the high tension lines of the company connect with those of The Nevada-California Power Co. Surplus power is interchanged with the Southern California Edison Co., through physical connections at Colton and San Bernardino, Cal. Capital stock, Preferred, $5,000,000 authorized, $2,000,000 outstanding, Common, $5,000,000 authorized and outstanding.

Franchises—Counties of Inyo, San Bernardino, Riverside and Kern, each 50 years, expiring 1966. Cities of San Bernardino, 50 years, expires 1961; Hemet, 50 years, expires 1962; San Jacinto, 50 years, expires 1962; Perris, 50 years, expires 1961; Elsinore, 50 years, expires 1963; Corona, 50 years, expires 1962; Rialto, 50 years, expires 1964; Blythe, 50 years, expires 1967; Bishop, 50 years, expires 1952; Victorville, 50 years, expires 1964; Imperial County, 50 years, expires 1966.

Hillside Water Co.—Incorporated under the laws of the State of Nevada, Sept. 17, 1887. Capital stock, authorized and issued, $500,000.

Cain Irrigation Co.—Incorporated under the laws of the State of Delaware, March 15, 1915. Capital stock, authorized, $3,000,000; issued, $2,986,900.

The Nevada-California Power Co.—Incorporated under Wyoming laws, Jan. 5, 1907. Acquired the property of The Nevada Power, Mining & Milling Co. and Pacific Power Corp. Furnishes electric light and power to Tonopah, Goldfield, Manhattan, Divide, Millers, Tybo, Round Mountain and Silver Peak, Nev. The Company has power plants on Bishop, Rush, Leevining and Mill Creeks, with total maximum capacity of 70,120 h.p. The two transmission lines extend from near Bishop, Cal., to Tonopah and Goldfield, Nev. Also transmission lines extending from its hydro plants on Rush and Mill Creeks, Mono County, Cal., to Bishop Creek, Cal. All power plants are leased to The Southern Sierras Power Co., which serves a large and populous growing district in Southern California. Capital stock, authorized, $10,000,000; issued, $6,500,000.

Franchises—At the time the property was purchased from The Nevada Power, Mining & Milling Co. all franchises belonging to that company were acquired, which includes a franchise from the State of Nevada and the County of Inyo, Cal. The Company serves unincorporated towns and cities in Southern Nevada, where municipal franchises are not required.

Deseret Water, Oil & Irrigation Co.—Incorporated under the laws of the State of Nevada, June 2, 1911. Capital stock, authorized, $100,000, of which $1,500 has been issued.

The Sierras Construction Co.—Incorporated under the laws of the State of Wyoming, June 15, 1911. Capital stock, authorized, $500,000, of which $18,200 has been issued.

Interstate Telegraph Co.—Incorporated under the laws of the State of Nevada, Oct. 5, 1910. Telegraph and telephone lines paralleling the transmission lines of The Nevada-California Power Co. and The Southern Sierras Power Co. Exchanges at Barstow, Bishop, Big Pine, Keeler, Randsburg, Independence, Lone Pine and Victorville, Cal. No. of telephones Dec. 31, 1927, 964, compared with 930 in 1926. Capital stock, authorized and issued, $500,000.

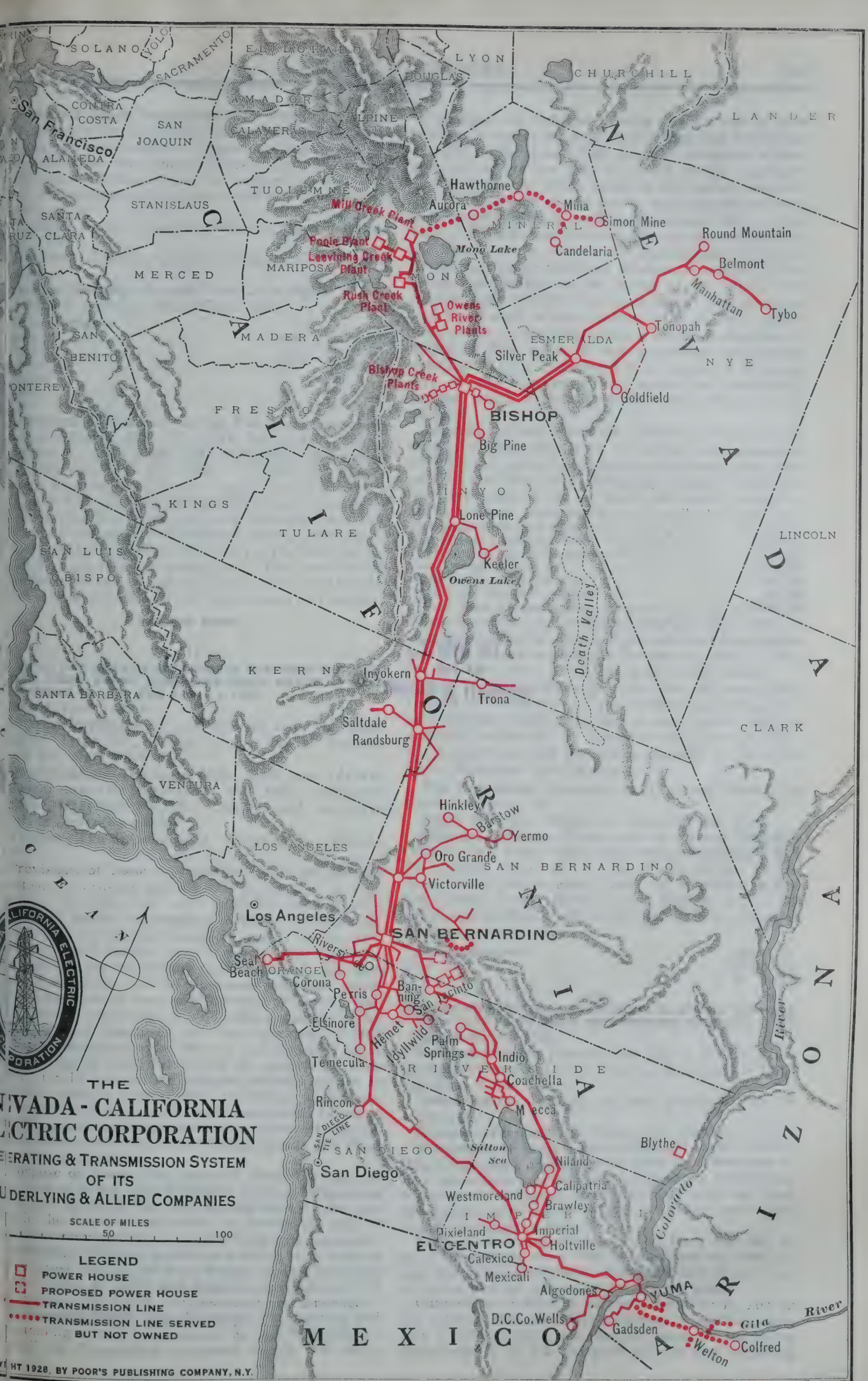
The Imperial Ice & Development Co.—Incorporated under the laws of the State of Delaware, June 21, 1916. Owns and operates ice plants located at Coachella, Brawley, El Centro, Calexico, Holtville and Calipatria, Cal., and storehouses and refrigerating stations at Holtville, Calexico, Imperial, Indio, Westmoreland, Calipatria and Brawley, Cal. Daily production of all ice plants is 805 tons and combined storage capacity 93,900 tons. Capital stock, authorized and issued, $1,000,000.

Silver Lake Power & Irrigation Co.—Incorporated March 9, 1907, under the laws of the State of Nevada. Capital stock, authorized, $5,000,000, of which $100,300 has been issued.

Yuma Utilities Company—As of Oct. 1, 1926, all outstanding stock of the Yuma Utilities Company, except directors' qualifying shares, was acquired by one of the subsidiary companies. Company was incorporated Jan. 7, 1924, in Arizona. The Yuma Utilities Company takes electric current from The Southern Sierras Power Company on the California side of the Colorado River near Yuma, Arizona, and distributes power and light in the territory adjacent to the City of Yuma. This district includes a large acreage of very fine tillable land mainly devoted to raising cotton, alfalfa, citrus fruits, vegetables and nuts. A considerable portion of this land is irrigated with water pumped by electric power. Capital stock, authorized, $500,000 Pfd. and 5,000 shares Common of no par value; outstanding, $125,000 Pfd. and 500 shares Common.

CAPITAL STOCK

Authorized, $25,000,000 Common and $25,000,000 Pfd.; issued, $8,588,300 Common and $9,638,600 Pfd. par, $100. Of the issued stock $56,800 Common and $26,100 Pfd. is owned by Corporation and subsidiaries, leaving $8,531,500 Common and $9,612,500 Pfd. outstanding in hands of the public at Dec. 31, 1927. Authorized capital stock was increased from $20,000,000 Common and $10,000,000 Pfd. to present amount on April 13, 1926.



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Preferred Stock Provisions—Pfd. stock is entitled) cumulative dividends at the rate of 6% for 1917 and % per annum thereafter. In event of liquidation has reference over the Common stock to par and accrued ividends. Common stock is entitled to dividends ter full payments have been made on Pfd. stock as own above.

Transfer Agent—The International Trust Co., Den-r, Colo.

Registrar—The Corporation Security Co., Denver, olo.

Annual Meeting—Second Tuesday in April.

Listed (Common)—New York Curb.

Price Range—

ommon—	1927	1926	1925
High	37	44½	58
Low	27	18⅛	29
eferred—			
High	103	94	..
Low	98	bid	..

Dividends—Payments on the Pfd. stock have been ade as follows: 1915, 2%; 1916, 3¾%; 1917, 5¾%; 18, 6¾%; 1919, 1920, 1921 and 1922, none; 1923, %; 1924, 7%; 1925, 7%; 1926, 7%; 1927, 7%; and all rrent dividends at 7% per annum for 1928 paid in ll. On Dec. 31, 1923, $2,034,744.25 was transferred m Surplus to Capital Account and additional Pfd. ck was issued and distributed among Pfd. stock-lders, which was required to be paid to same on ac-unt of their rights of preference. The stock so dis-buted paid up all rights of the Pfd. stockholders eviously unsatisfied. No dividends paid on Common.

FUNDED DEBT

(1)

,823,000 THE NEVADA-CALIFORNIA ELECTRIC CORPORA-TION FIRST TRUST MORTGAGE GOLD BONDS, 30-YEAR % SERIES OF 1956; DUE APRIL 1, 1956

Dated April 1, 1926.

Interest Payable April and October 1, at The Inter-tional Trust Co., Denver, Colo., and at Bankers ust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; incipal may be registered; and fully registered, 000, $5,000 and $10,000. Coupon and registered nds are interchangeable.

Trustee—The International Trust Co., Denver, lo.

Provisions of Issue—Authorized issue, $50,000,000; tified by Trustee, $25,962,700; in treasury of Cor-ration available for sale, $133,700; owned by a bsidiary, $6,000; outstanding in hands of the public, 5,823,000. Additional bonds in excess of the $25,-2,700 of said bonds now certified may be issued par for par to refund this issue; (2) for pur-se of financing cost to Corporation or its under-ng companies of new or additional properties, bet-ments and extensions, or/and other property, rights, vileges and franchises, but only to extent of 80% actual cost or fair value thereof and then only when earnings of Corporation and its underlying com-nies for 12 consecutive calendar months within 14 endar months immediately preceding application issuance of such additional bonds shall be equal t least one and three-fourths times interest require-nts for one year on all outstanding bonds and those posed to be issued.

Purpose of Issue—The proceeds from the sale of s issue of bonds, and $3,000,000 15-year Debentures re used to retire the total bonded debt of the sys-n in the hands of the public, to defray the cost of v construction and for general corporate purposes.

Callability—Subject to call as a whole or in part on interest date, on 60 days' notice, to and including ril 1, 1954, at 102½ and interest, thereafter at 100 interest. All bonds so redeemed to be cancelled.

Redemption Fund—For the purpose of creating and intaining a fund to be known as the "Redemption nd," the Corporation covenants that it will cause to be deposited with the Trustee to the credit of such fund on or before the first days of May and November of each of the years 1927 to 1931 inclusive, a sum equal to or greater than ½ of 1% of the aggregate principal amount of the bonds of this series outstanding in the hands of the public two months prior to said respective dates and on or before May 1 and Nov. 1 in each year thereafter up to the maturity of the bonds, a sum equal to or greater than ¾ of 1% of the aggregate principal amount of bonds of this series outstanding in the hands of the public two months prior to such respective dates. The Redemption Fund shall be used at the option of the Corporation, either (a) for the purchase and/or redemption of bonds of this series at not exceeding the callable price, or (b) for investment in or payment for property of the Corporation or underlying companies, against which no bonds of the Corporation may be certified.

Security—These bonds are secured by deposit of all the outstanding bonds of all underlying companies with Trustee under Indentures of the Corporation, thus making the First Trust Mortgage bonds, in effect, a first mortgage on all the fixed properties comprised in the System. Said bonds are described as follows:

The Southern Sierras Power Co. First 6s	$12,305,000
The Nevada-California Power Co. First 6s	7,239,000
The Imperial Ice & Development Co. First 6s	2,530,000
Cain Company First 6s	1,591,000
Hillside Water Co. First 6s	695,000
Interstate Telegraph Co. First 6s	380,000
Total First Mortgage bonds deposited	$24,740,000

In addition, a total of $18,455,800 par value (99% or over) of the capital stocks of the subsidiary companies has been deposited with the Trustee as further security for these First Trust Mortgage Gold bonds.

The Trust Indenture provides that no bonds shall be sold or disposed of by any underlying company for any purpose whatsoever, unless such bonds shall be acquired forthwith by The Nevada-California Electric Corporation and pledged as security for its First Trust Mortgage Gold bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Masten & Nichols, New York.

Original Offering—First publicly offered ($23,000,-000) in June, 1926, at 95½ and interest, yielding 5.30% by Spencer, Trask & Co., and Blyth, Witter & Co., New York; International Trust Co., Boettcher & Co., and United States National Co., Denver, Colo. An additional $2,750,000 offered in Oct., 1927, by the same bankers at the same price.

Price Range—

	1927	1926
High	96½	95⅝
Low	94	92½

(2)

$3,000,000 THE NEVADA- CALIFORNIA ELECTRIC CORPORATION 15-YEAR 6% GOLD DEBENTURES; DUE JULY 1, 1941

Dated July 1, 1926.

Interest Payable January and July 1, at The International Trust Co., Denver, Colo. and at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—International Trust Co., Denver, Colo.

Provisions of Issue—Authorized and issued $3,000,-000. Corporation agrees not to make any mortgage or lien, other than provided for in indentures authorizing First Trust Mortgage bonds, without securing these debentures equally and ratably with any such additional mortgage or lien.

Purpose of Issue—The proceeds from the sale of these debentures were used to purchase or retire, in part, outstanding bonds, to defray the cost of new construction and for general corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, on 60 days' notice, to and including July 1, 1934 at 102½ and interest, premium thereafter decreasing ½ of 1% for each year to and including

July 1, 1938, and thereafter at par and interest. All debentures so redeemed are to be cancelled.

Security—Debentures are a direct obligation of Corporation.

Tax Provision—Company does not pay Normal Federal Income Tax.

Legal Opinion—Masten & Nichols, New York.

Original Offering—First publicly offered ($3,000,000) in August, 1926, at 99 and interest, to yield over 6.10%, by International Trust Co., Boettcher & Co., U. S. National Co., Denver, Colo.; Spencer Trask & Co. and Blyth, Witter & Co., New York, etc.

COMBINED STATEMENT OF INCOME AND PROFIT AND LOSS, YEARS ENDED DECEMBER 31
(Inter-Company Transactions Eliminated)

	1927	1926	1925	1924	1923	1922
Earnings, all sources	$5,189,446	$5,264,353	$4,931,376	$4,555,183	$4,163,894	$3,491,81
Expenses	2,311,181	2,271,424	2,393,290	2,392,084	2,035,459	1,606,72
Total income	$2,878,265	$2,992,929	$2,538,086	$2,163,099	$2,128,435	$1,885,09
Interest charges	1,374,394	1,511,939	1,276,793	1,149,730	1,014,601	938,58
Balance before depreciation	$1,503,871	$1,480,990	$1,261,293	$1,013,369	$1,113,834	$946,51
Depreciation	563,196	546,268	490,530	444,191	288,175	271,56
Balance after depreciation	$940,675	$934,722	$770,763	$569,178	$825,659	$674,94
Amortization of discount and expenses on securities sold	92,498	121,062	103,323	98,573	88,886	70,93
Miscellaneous debits to profit and loss	69,349	56,667	23,268	14,957	50,376	14,86
Miscellaneous credits to profit and loss	94,125	85,860	32,957	94,192	80,477	62,83
Surplus earned	$872,953	$842,853	$677,129	$549,840	$766,874	$651,98
Surplus at beginning of year	1,170,300	2,484,639	2,522,664	2,721,416	4,468,595	3,944,17
Deficit of Holton Inter-Urban Railway Company at beginning of year, inserted for reconciling purposes	.....	.....	.....	97,542	.....	.....
Total	$2,043,253	$3,327,492	$3,199,793	$3,173,714	$5,235,469	$4,596,16
Preferred dividends	667,465	656,554	653,469	651,051	512,937	127,56
Surplus transferred to Capital Account	.....	.....	.....	.....	2,001,116	.....
Other charges against surplus	235,288	1,500,638	61,685	.....	.....	.....
Surplus December 31	$1,140,500	$1,170,300	$2,484,639	$2,522,663	$2,721,416	$4,468,59
Times Interest Earned	2.09	1.98	1.99	1.88	2.10	2.0
***Earnings Per Share—**						
Preferred	$9.08	$8.97	$7.26	$5.93	†$8.28	$8.9
Common	2.41	2.19	0.28	Nil	3.02	1.7

*After depreciation and adjustments. †On Pfd. stock outstanding Dec. 31, 1923, which includes surplus transferred t capital account on that date.

NOTE—The Corporation has an interest in profits of other companies not included in above statements. Its intere in those profits for 1927 not included above amounted to $16,439, as compared with $39,707 in 1926.

CONDENSED CONSOLIDATED BALANCE SHEET, DECEMBER 31
(The Nevada-California Electric Corp. & Subsidiary Companies)

	1927	1926	1925	1924	1923	1922
Assets—						
Permanent property, etc.	$40,685,707	$39,198,381	$37,084,705	$36,228,119	$32,825,725	$29,238,5
Invest. in, and construc. advances to, controlled companies, etc.	463,211	76,472	136,020	153,698	685,987	1,789,9
Sinking funds for redemption of bonds	2,998	160,930	23,489	2,935	2,499	53,7
Current assets and inventories	4,014,802	2,843,342	2,732,134	3,071,558	2,804,109	2,555,5
Prepaid insurance, expenses, etc.	50,132	74,200	52,528	70,122	42,424	42,9
Prem. paid on securities purchased and unamortized discount and expense	7,346,436	7,229,065	5,697,129	5,510,631	5,239,644	5,114,3
Total	$52,563,286	$49,582,390	$45,726,005	$45,037,063	$41,600,388	$38,795,1
Liabilities—						
Capital stock of Nev.-Cal. Elec. Corp.	$18,144,000	$17,913,700	$17,878,200	$17,766,400	$17,677,000	$15,665,6
Of sub. cos. not held by The Nev.-Cal. Elec. Corp.	4,961	4,961	4,956	5,456	4,956	4,9
Total stock in hands of public	$18,148,961	$17,918,661	$17,883,156	$17,771,856	$17,681,956	$15,670,5
Bonds in hands of public:						
Nev.-Cal. Elec. Corp.	25,823,000	23,073,000	18,145,800	17,639,800	14,293,700	11,170,2
Nev.-Cal. Power Co.	.....	.....	1,298,000	1,357,000	1,417,000	1,496,0
So. Sierras Power Co.	.....	.....	1,774,500	1,782,500	1,789,500	1,819,5
Debentures of the Nev.-Cal. Elec. Corp.	3,000,000	3,000,000	314,800	321,800	336,800	336,8
10-yr. Secured notes of Nev.-Cal. Elec. Corp.	.....	.....	.....	.....	.....	1,266,5
Current liabilities	844,312	888,560	1,082,382	1,121,035	1,104,357	945,6
Suspended credit items	164,733	159,350	142,044	145,969	140,336	130,4
Reserves for depreciation	3,212,023	3,166,204	2,400,489	2,201,878	1,937,571	1,352,7
Reserves for fire losses, etc.	229,757	206,315	200,195	172,562	177,752	138,0
Surplus	*1,140,500	†1,170,300	2,484,639	2,522,663	2,721,416	4,468,5
Total	$52,563,286	$49,582,390	$45,726,005	$45,037,063	$41,600,388	$38,795,1

*In 1927 there was a special deduction from surplus of $235,288 for unamortized discount applicable to First Lien Seri "A" bonds of Nevada-California Electric Corp. and First Mortgage bonds of Southern Sierras Power Co. called for redem tion as of Jan. 1, 1927, which explains the decrease in surplus in 1927.

†NOTE: During 1926 the Directors authorized a transfer of $380,945 from accumulated surplus to the credit of reserve f depreciation as additional provision for depreciation applicable to the years 1920 and 1921. Accumulated surplus was furth reduced in 1926 by $1,119,692 unamortized discount and expenses on First Lien Series "A" and "B" 6% bonds of Nevad California Electric Corporation and First Mortgage 6% bonds of Southern Sierras Power Company (these issues having be called for redemption) applicable to bonds actually redeemed in 1926. These two items explain the big decrease in surplus 1926 as shown by above Comparative Balance Sheet.

Officers: E. S. Kassler, Pres., Denver, Colo.; A. B. West, V-P., Riverside, Cal.; Lawrence C. Phipps, Jr., V-P. & Treas.; W. Sherman Fisher, Sec.; W. C. Simmons, Compt., Denver, Colo.; Chas. F. Potter, Counsel, Pasadena, Cal.; Dudley W. Strickland, Attorney, Denver, Colo.

Directors: Delos A. Chappell, D. H. Coover, George E. Cranmer, E. S. Kassler, S. N. Hicks, Lawrence Phipps, Jr., W. E. Porter, Denver, Colo.; Mahlon Thatcher, Pueblo, Colo.; Arthur B. West, Riversic Cal.

General Office, 613 Symes Bldg., Denver, Col

Operating Office, Riverside, Cal.

THE MONTANA POWER COMPANY

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Common (par $100)	J, A, J & O 1	$75,000,000	$49,633,300	$3,270,242	5%	$2,481,665	$6.59

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Butte Electric & Power Co. First 5s	June 1, 1951	J & D 1	Closed	$3,466,000	No	No	Pd. by Co.
Great Falls Power Co. First 5s	May 1, 1940	M & N 1	$15,000,000	2,621,000	No	Yes	Pd. by Co.
Madison River Power Co. First 5s	Feb. 1, 1935	F & A 1	Closed	1,695,000	No	Yes	Pd. by Co.
Montana Power Co. 1st & ref. 5s	July 1, 1943	J & J 1	75,000,000	26,213,000	No	Yes	Not pd. by Co.
Montana Power Co. 5% Gold Deb., Ser. "A"	June 1, 1962	J & D 1	Unlimited	12,500,000	No	Yes	Pd. by Co.
Montana Power Trans. Co. First 5s	Aug. 1, 1933	F & A 1	Closed	426,000	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $46,921,000.
***Amount Available for Interest** in 1927, $5,781,090.
*After deducting depreciation.
Interest Accrued in 1927 (net) $2,168,387.
Times Interest Earned in 1927, 2.66.

History—Incorporated Dec. 12, 1912, in New Jersey a holding and operating company. By merger owns the properties formerly belonging to the Butte Electric & Power Co., Madison River Power Co., Billings & Eastern Montana Power Co., (former) The Montana Power Co., and Missouri River Electric & Power Co. (and its predecessor companies). It also owns the entire capital stock (except shares held by the directors) of Great Falls Power Co., Thompson Falls Power Co., Montana Reservoir & Irrigation Co., Great Falls Water Power & Townsite Co., and Deer Lodge Electric Co.

PROPERTIES

Completed Hydro-Electric Plants—	Installed Capacity K. W.	H. P.
"Great Falls of the Missouri River," completed in 1916	60,000	80,000
Rainbow Falls (on Missouri River, near Great Falls), completed in 1910; enlarged in 1917	35,000	46,700
Hauser Lake (on Missouri River, N. W. of Helena) completed in 1911	18,000	24,000
Canyon Ferry (on Missouri River, N. E. of Helena) completed 1898, enlarged 1901	7,500	10,000
Madison No. 2 (on Madison River, 60 miles S. E. of Butte), completed in 1906	9,000	12,000
Thompson's Falls (on Clark's Fork of the Columbia River), completed in 1917	35,000	47,000
Holter (on Missouri River, near Helena), completed in 1918	50,000	67,000
Rustic Lake	12,500	16,700
Black Eagle Falls (on Missouri River, near Great Falls)	18,000	24,000
Total	245,000	327,400

Hydro-Electric Power Sites Undeveloped—	Capacity K. W.	H. P.
Site "C" at Great Falls, on Missouri River between Rainbow and Great Falls	28,500	38,000
Sheep Creek, below Great Falls on the Missouri River	28,500	38,000
On Missoula River, about 30 miles N. W. of Missoula	13,500	18,000
Canyon Ferry—Reconstruction	14,000	18,700
Lake River Falls on Henry's Fork of the Snake River	22,500	30,000
Total	107,000	142,700

Recapitulation—	Capacity K. W.	H. P.
Completed Hydro-electric plants	245,000	327,400
Hydro-electric Power Sites Undeveloped	107,000	142,700
Total	352,000	470,100

Transmission Lines in Service, Dec. 31	1927 Miles	1926 Miles
Steel tower lines, 100,000 volts	341	341
Wire lines, pin type, 6,600 to 60,000 volts	1,129	1,032
Wire lines, suspension insulator type, 60,000 to 100,000 volts	533	551
Wire lines, bridge suspension insulator type, 100,000 volts	430	430
Total	2,433	2,354

Substations in Operation and Towns Served—The Company has 104 substations with aggregate installed capacity of about 376,590 k.w., and serves 90 cities and towns with electric light or power, or both, including: Anaconda, Butte (3 stations), Belgrade, Big Timber, Billings, Bozeman, Boulder, Hot Springs, Belt, Columbus, Clancy, Cambra, Carter, Cascade, Conrad, Deer Lodge, East Helena, Fort Benton, Fromberg, Great Falls, Gregson, Geyser, Harlowton, Helena, Hunters Hot Springs, Havre, Joliet, Judith Gap, Keating, Laurel, Lewistown, Livingston, Laurin, Alder, Moore, Moccasin, Hobson, Manhattan, Park City, Radersburg, Ruby, Sheridan, Sand Coulee, Stockett, Trident, Three Forks, Townsend, Twin Bridges, Whitehall-Parrot, Sun River No. 1, Sun River No. 2, Sun River No. 3, Plains, Thompson Falls, Iron Mountain, Corbin, Divide Pump Station, Philipsburg, Prickly Pear, Big Sandy, Stanford, Spokane Ranch, Rocker, Warm Springs, Watters Tunnel, Guthrie, Marysville, Choteau, Box Elder, Roundup, Carpenter Creek, Musselshell, Lavina, Ryegate, Broadview, Willow Creek, Glasgow, Saco, Hinsdale, Morris, Benchland, Monarch and Hughesville.

Available Capacity of Storage Reservoirs in Service—	Area Acres	Area Feet
Hebgen Reservoir, on Madison River	13,400	345,000
Madison Reservoir, on Madison River	4,030	40,000
Canyon Ferry Reservoir, on Missouri River	4,570	38,500
Hauser Lake Reservoir, on Missouri River	5,470	59,000
Big Hole Reservoir, on Big Hole River	210	1,280
Rainbow Reservoir, on Missouri River	120	1,050
Great Falls Reservoir, on Missouri River	170	2,600
Thompson Falls, on Clark's Fork of the Columbia River	500	14,000
Holter Reservoir, on Missouri River	5,100	75,000
Total	33,570	576,430

Reservoirs Undeveloped—	Area Acres	Area Feet
Great Falls Site "C" on Missouri River (estimated)	450	5,500
Madison No. 3, on Madison River (estimated)	340	10,000
Sheep Creek, on Missouri River (estimated)	170	3,000
Total	960	18,500

Uses of Power—The Company furnishes electric light, heat and power for municipal, industrial and domestic purposes, having lighting systems and franchises in 90 cities and towns.

In the City of Butte, the Company owns and operates a gas generating plant and system of mains and service; a plant for the manufacture of tar paper, pitch and paint from coal tar products of the gas plant, and a central steam heating plant with system of service pipes installed underground in concrete lined tunnels.

It also owns and operates the Great Falls Street Ry.; furnishes power for the street railways of Butte and Helena and furnishes power for operations in the principal mining districts throughout the western two-thirds of the State.

The Great Falls Power Co. and the Thompson Falls Power Co. have entered into contracts with the Chicago, Milwaukee & St. Paul Ry. for electric power to operate 437 miles of its main transcontinental lines from Harlowton, Mont., to Avery, Idaho. Under these contracts, which cover a period of 99 years the power companies agree to furnish 20,000 k. w. (26,600 h. p.) and the railway company is bound to pay for various amounts increasing from time to time, the present minimum being 16,000 k.w. on each division or a total of 32,000 k.w. Electrical operation of trains over the division between Deer Lodge and Three Forks (112 miles) was begun on Dec. 2, 1915, and operation over the division between Three Forks and Harlowton (114 miles) on April 10, 1916. The western division between Deer Lodge and Alberton on Nov. 1, 1916, and

the entire line from Harlowton, Mont., to Avery, Idaho (437 miles), was in operation on March 1, 1917.

Territory Served—The territory served extends from the western line of the State to Colstrip, a distance of 552 miles and from Yellowstone Park on the south line of the State, to Havre, on the Great Northern Ry., within a few miles of the Canadian border. This territory embraces the principal agricultural, timber and mining sections of the State and includes practically all of its large cities and towns.

New Control—As of April 6, 1928 announcement was made that Company would be sold to American Power & Light Company. A proposed exchange offer of 2 shares of a new issue of $5 Pfd. stock, Series "A" of American Power & Light Company for each share of Montana Power Company Common stock will be considered at a special meeting of stockholders of American Power & Light Company to be held on or about April 24, 1928.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total rated generated capacity (k.w.)	245,000	234,850	234,850	212,340	212,340	212,34
Total kilowatt hours generated	1,366,997,834	1,379,194,095	1,234,052,127	1,121,245,976	1,122,750,450	963,662,66
Maximum demand (k.w.)	191,100	188,400	172,600	159,150	156,500	135,60
Connected load at end of year (k.w.)	425,819	449,087	412,620	406,400	401,106	395,53
*No. of customers	49,844	47,624	46,109	44,919	43,360	42,26

*Exclusive of the larger mines, smelters, refineries and railroads.

CAPITAL STOCK

Authorized, $75,000,000 Common and $15,215,400 7% cumulative Pfd.; outstanding, $49,633,300 Common; par, $100. As of July 1, 1927, all the outstanding Pfd. stock amounting to 97,846 shares, was retired at $120 a share and accrued dividends.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—United States Mortgage & Trust Co., New York.

Annual Meeting—First Monday in April, at Newark, N. J.

Listed—New York Stock Exchange.

Price Range—

Common—	1927	1926	1925	1924	1923	1922	1921	1920
High	109½	86½	99¼	74¾	75	76⅜	64⅝	69½
Low	81½	69⅜	64	61¼	54½	63	43	47½

Dividends—Initial quarterly dividend of 1¾% was paid on Pfd. Stock Jan. 2, 1913, which rate regularly paid to date of its redemption July 1, 1927.

Initial quarterly Common dividend of ½ of 1% paid Jan. 2, 1913, which rate was maintained to Oct. 1, 1915; rate was increased to ¾ of 1% on Jan. 3, 1916, to 1% on July 1, 1916, and to 1¼% on July 2, 1917, which rate was maintained up to and including July 1, 1919; Oct. 1, 1919, ¾%; to and including April 1, 1923, ¾%; July 1, 1923 to Jan. 1, 1926, 1% quarterly; April 1, 1926, to date, 1¼% quarterly; payments J, A, J & O 1.

FUNDED DEBT

(Arranged In Order of Mortgage Priority)

(1)	Butte Electric & Power Co. (closed) First Gold 5s	Due June 1, 1951
(2)	Great Falls Power Co. First Gold 5s	" May 1, 1940
(3)	Madison River Power Co. (closed) First Gold 5s	" Feb. 1, 1935
(4)	Montana Power Transmission Co. (closed) First Gold 5s	" Aug. 1, 1933
(5)	Montana Power Co. First & Refunding Gold 5s	" July 1, 1943
(6)	Montana Power Co. 5% Gold Debentures, Series "A"	" June 1, 1962

(1)

$3,466,000 BUTTE ELECTRIC & POWER CO. (CLOSED MORTGAGE) FIRST GOLD 5s; DUE $25,000 ANNUALLY TO JUNE 1, 1930; $221,000 ON JUNE 1, 1931, AND REMAINDER ON JUNE 1, 1951

Dated June 1, 1901.

Interest Payable June and December 1, at United States Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Mortgage closed. Issued, $4,625,000 of which $1,159,000 retired by annual retirements and by sinking fund, leaving $3,466,000 outstanding Dec. 31, 1927.

Callability—Not subject to call.

Sinking Fund—Sinking fund beginning in 1916 provides for the payment of one-half of the bonds that mature in 1931. A second sinking fund, now operative, provides for redemption of one-fourth of all bonds that mature June 1, 1951.

Security—Secured on all property and franchise and additionally by pledge of $375,000 capital stock of Great Falls Water Power & Townsite Co., $5,000,000 Common stock of Great Falls Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	104	101¾	100½	99¼	98	98	88	72
Low	100¾	100	99	96½	96	bid	bid	71

(2)

$2,621,000 GREAT FALLS POWER CO. FIRST GOLD 5s; DUE MAY 1, 1940

Dated May 1, 1911.

Interest Payable May and November 1 at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $15,000,000; issued $12,051,000 of which $2,379,000 held in sinking fund, $7,051,000 deposited under the Montana Power Co. First and Refunding Mortgage and $2,621,000 in the hands of public Dec. 31, 1927. Of the $12,051,000 issued bonds, $5,000,000 were issued in payment for plant and property, for completion of development work in progress, to pay floating debt, and for other corporate purposes, and $7,051,000 were issued for 85% of the cost of improvements, etc., and a new dam and power plant at "Great Falls of the Missouri River," and deposited. The remaining $2,949,000 are reserved for not exceeding 85% of the cost of future improvements, extensions and additions, when annual net earnings are one and one-half times the total interest charge, including bonds to be issued. It is provided, however, that if earnings are less than the required amount, not exceeding $3,000,000 of the bonds may be issued in respect of 70% of the cost of proposed dam and power plant at Great Falls, but in this case, the remaining 15% can be issued only when net earnings reach the minimum before stated. All future issues must be deposited under the Montana Power Co. First and Refunding Mortgage.

Callability—Subject to call on any interest date on six weeks' notice at 107½ and interest.

Sinking Fund—Sinking fund begun in 1912 provides for a sum in cash equal to 1% of all bonds certified to be used to purchase bonds at not exceeding 107½; all bonds so purchased to be kept alive in the sinking fund.

Security—Secured by a first lien on all the property rights, licenses, franchises, etc., of the Great Falls Power Co., except securities of other corporations owned.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106½	104⅞	103¾	102⅝	100	100	97	89
Low	102¾	100	99⅞	98	97	94½	82	82

(3)

1,695,000 MADISON RIVER POWER CO. (CLOSED MORTGAGE) FIRST GOLD 5s; DUE FEBRUARY 1, 1935

Dated August 1, 1905.

Interest Payable February and August 1, at United States Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000; mortage closed. Issued, $2,547,000, of which $852,000 ancelled by sinking fund to Dec. 31, 1927.

Callability—Subject to call on any interest date at 05 and interest.

Sinking Fund—Sinking fund, 1¾% of bonds outtanding 1915 to 1919; 2%, 1920 to 1924; 2¼%, 1925 to 929; 2½%, 1930 to 1934.

Security—First lien on water rights, power plant nd transmission lines.

Guaranty—Guaranteed, principal and interest by utte Electric & Power Co.

Tax Provisions—Company pays Normal Federal Inome Tax up to 2%.

Listed—Amsterdam Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
igh	102½	102½	101	100	100	97	97	80
ow	101½	100	99½	96	96	bid	bid	bid

(4)

26,000 MONTANA POWER TRANSMISSION CO. (CLOSED MORTGAGE) FIRST GOLD 5s; DUE AUGUST 1, 1933

Dated August 1, 1903.

Interest Payable February and August 1, at United tates Mortgage & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal ay be registered.

Trustee—United States Mortgage & Trust Co., New ork.

Provisions of Issue—Authorized, $750,000; mortge closed. Issued $634,000 of which $208,000 re-ed by sinking fund to Dec. 31, 1927.

Callability—Subject to call at 105 and interest.

Sinking Fund—A graduated sinking fund of 1½% bonds outstanding began July 31, 1908; increasing % each five years to the maximum of 2½%.

Security—A first lien on the power plant on the ig Hole River, 21 miles from Butte.

Guaranty—Guaranteed, principal and interest, by utte Electric & Power Co.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

(5)

3,213,000 MONTANA POWER CO. FIRST AND REFUNDING GOLD 5s; DUE JULY 1, 1943

Dated July 1, 1913.

Interest Payable January and July 1 at Guaranty ust Co. of New York.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000, and registered $1,000, ,000 and $10,000 and multiple denominations. Coupon bonds in denominations of $100 or $500 are exangeable for coupon bonds in the denomination of ,000. Coupon bonds of $1,000 or multiples thereof e interchangeable with fully registered bonds.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized, $75,000,000. Is-ed, $29,002,000, of which $1,017,000 held in Treasury, ,772,000 held in sinking fund and $26,213,000 outnding in hands of public, Dec. 31, 1927. Of the unis-ed bonds, sufficient are reserved to retire underng bonds, par for par, and the remainder only when t earnings are at least one and three-quarters times erest charge of entire system, including interest on bonds to be issued, and then only at 80% of the cash cost of such extensions or additions as may be made after Oct. 1, 1913, or for 80% of the cash cost of securities of subsidiary companies, when The Montana Power Co. has pledged under this mortgage at least a controlling stock interest.

Callability—Subject to call on any interest date since July 1, 1918, as a whole or in part, at 105 and interest.

Sinking Fund—The mortgage provides a cumulative sinking fund of an amount equal to ½ of 1% annually Jan 1, 1918 to 1922, inclusive, and 1¼% annually Jan. 1, 1923 to 1943, inclusive, of bonds outstanding including those of subsidiary companies and underlying bonds, for the purchase of bonds at not to exceed 105 and interest, bonds not so purchasable to be drawn and all bonds to remain alive in sinking fund. The company is to be allowed credit, toward the above sinking fund, for any payments of sinking funds on "underlying bonds" and Great Falls Power Co. bonds, and bonds of any other "subsidiary companies."

Security—The bonds are a direct lien on all real estate, plants, equipment, rights and franchises now owned or hereafter acquired by The Montana Power Co., together with certain stocks and bonds of other companies. They are:

A first lien on all properties formerly owned by Missouri River Electric & Power Co.

A first lien on the entire $5,000,000 capital stock (less directors' qualifying shares) and on $3,409,000 first mortgage bonds (entire issue) of the Thompson Falls Power Co., and on all stocks, bonds or other securities hereafter issued by said company.

A first lien on $7,051,000 First Mortgage 5% bonds and $771,000 Pfd. stock (entire issue) and a lien on the entire $10,000,000 Common stock (less directors' qualifying shares) of Great Falls Power Co., viz., a first mortgage on one-half of said stock, and a second mortgage, subject only to the first mortgage of the Butte Electric & Power Co., on the remaining half.

The Great Falls Power Co. has an authorized issue of $15,000,000 First Mortgage 5% bonds, of which $2,621,000 are outstanding in the hands of the public, $7,051,000 are pledged under the Montana Power Co. First and Refunding mortgage, and $2,379,000 are held in Sinking Funds. For further additions to the Great Falls Power Co.'s properties, that company will issue its first mortgage reserved bonds, all of which will be pledged under the Montana Power Co. mortgage. The Montana Power Co. bonds are thus, in effect, a first lien on the Great Falls Power Co.'s properties to the extent of the first mortgage bonds thus pledged, as well as being a lien as above stated, on all the Capital Stock of the Great Falls Power Co. and on all stocks, bonds or other securities hereafter issued by said Company.

A lien on the properties formerly of the Butte Electric & Power Co., Madison River Power Co., Billings & Eastern Montana Power Co. and Montana Power Transmission Co., subject only to $5,587,000 closed mortgages specified above.

A first lien on the entire $1,425,900 capital stock (less directors' qualifying shares) of the Montana Reservoir & Irrigation Co. (which has no mortgage or funded indebtedness), and on all stocks, bonds or other securities hereafter issued by said company (subject to withdrawal as a whole upon deposit with the trustee of cash equal to cost or sale price whichever is greater).

In brief, the mortgage now covers, either directly or through collateral trust as above, 9 hydro-electric power plants, having 327,400 developed electrical h.p. 2,433 miles of transmission lines, complete distribution systems in Butte, Great Falls, etc., and, in addition, undeveloped water powers capable of generating 142,700 h.p. This mortgage is now a first lien on about 81% in capacity of the present developed power plants, 65% of the present transmission lines and 85% of the undeveloped water powers of the system.

Tax Provisions—Company does not pay Normal Federal Income Tax but the mortgage provides that, whenever it may be lawful so to do, the company may issue bonds that shall be free from the payment of the Federal Income Tax (which shall be so recited therein) and may provide for the exchange of all existing bonds for such new bonds.

Original Offering—First publicly offered ($10,000,000) in Jan. 1914, at 94 and interest, yielding 5.40%; additional $6,000,000 offered in March, 1915, at 91½ and interest, yielding about 5.60%; additional $1,000,-

000 sold in Jan. 1917; a further $5,300,000 were offered in 1918, at 89 and interest, yielding over 5.80%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105	105	100¾	99	98¾	99⅞	94¼	86
Low	101½	99⅞	97½	95	93	93	82	76¾

(6)

$12,500,000 5% GOLD DEBENTURES, SERIES "A"; DUE JUNE 1, 1962

Dated June 1, 1927.

Interest Payable June and December 1, at offices of Lee, Higginson & Co., in New York, Boston and Chicago, and at Guaranty Trust Co. of New York and J. & W. Seligman & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee and Registrar—Guaranty Trust Co. of New York, New York.

Provisions of Issue—Authorized issue, unlimited: issued, $12,500,000 Series "A" 5s. Additional Debentures of Series "A" or other series may be issued from time to time. Those of other series may bear interest at such rate or rates, may be of such denomination or denominations, may mature at such date or dates and may have such provisions as to callability or non-callability, sinking fund and privileges of conversion, as to payment of taxes, and as to payment in such currencies and at such places, and having such protective covenants, as may be determined by the Board of Directors at the time of creation of each series.

The Indenture provides that so long as any Series "A" Debentures are outstanding: No present subsidiary shall issue any funded debt except to the Company, and, without equally securing all Series "A" Debentures then outstanding, the Company shall not issue any additional mortgage or other secured funded debt, except additional bonds issuable under Company's existing First and Refunding Mortgage and bonds issued to refund (a) such First and Refunding Mortgage bonds (b) underlying, divisional and subsidiary bonds of issues now outstanding and (c) bonds of subsidiaries outstanding at the time such subsidiaries may be hereafter acquired or bonds secured by previously existing mortgages on property hereafter acquired by the Company or its subsidiaries.

No additional Debentures or other funded debt, except additional First and Refunding Mortgage bonds and bonds issued for the refunding purposes above specified, shall be issued, unless consolidated net earnings for twelve consecutive months out of the fifteen months next preceding, after deducting depreciation charges, available for interest, shall be at least 1¾ times annual interest requirements on total funded debt, including the additional debt then to be issued, all as defined in the Indenture.

Purpose of Issue—Proceeds of Series "A" 5s were applied to retirement of Company's entire outstanding issue of 7% cumulative Preferred stock, called for redemption at 120 and accrued dividend on July 1, 1927.

Callability—Series "A" debentures are subject to call on 30 days' notice, as a whole at any time, or in part on any interest date, at 105 and interest during the first five years, prior to June 1, 1932, at 104 and interest during the next five years, at 103 and interest during the next 5 years, at 102 and interest during the next five years, at 101 and interest during the next 10 years, and at 100½ and interest during the last 5 years prior to maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins Boston (for the Bankers), and Sullivan & Cromwell New York (for the Company).

Original Offering—First publicly offered ($12,500,000 Series "A" 5s) in May, 1927 at 97¼ and interest yielding over 5.15% by Lee, Higginson & Co., Guaranty Company of New York and J. & W. Seligman & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—1927: High, 100½; low, 96½.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$9,370,599	$9,140,205	$8,438,726	$7,939,479	$8,056,200	$7,298,15
Oper. exps. & taxes (except Fed. Inc. taxes)	3,001,107	2,684,886	2,697,543	2,735,190	2,666,961	2,830,86
Net earnings	$6,369,492	$6,455,319	$5,741,183	$5,204,289	$5,389,239	$4,467,29
Other income	148,129	198,984	133,515	92,721	113,010	58,08
Net income	$6,517,621	$6,654,303	$5,874,698	$5,297,010	$5,502,249	$4,525,37
Deductions—						
Bond interest	$2,070,544	$1,693,035	$1,726,132	$1,733,074	$1,633,730	$1,645,01
Bond discount	137,268	127,554	130,142	131,850	124,138	125,11
Interest on floating debt	5,775	16,775	.....	.....	264	2,91
Less charged to construction	45,200	10,754	28,012	68,917	16,245	4,40
Total deductions	$2,168,387	$1,826,610	$1,828,262	$1,796,007	$1,741,887	$1,768,64
Balance	4,349,234	4,827,693	4,046,435	3,501,003	3,760,362	2,756,73
Depreciation	300,000	350,000	275,000	265,000	265,000	200,00
Federal income taxes	436,531	523,665	408,055	324,770	427,609	.....
Investment in Oil and Gas Syndicate No. 1 written off	.....	.....	.....	.....	.....	119,86
Surplus income	$3,612,703	$3,954,028	$3,363,380	$2,911,233	$3,067,753	$2,436,86
Preferred dividends	342,461	684,922	684,922	684,922	684,922	677,68
Common dividends	2,481,665	2,481,665	1,985,332	1,985,332	1,861,249	1,488,99
Surplus for year	$788,577	$787,441	$693,126	$240,979	$521,582	$270,18
Surplus forward	6,469,303	5,698,456	4,843,970	4,538,311	3,989,139	3,718,95
Premium on redemption of Pfd. stock	1,956,920	.....	.....	.....	.....	.....
Provision for extraordinary casualties	200,000	.....	.....	.....	.....	.....
Adjustments	†77,166	‡16,594	†161,360	†64,680	†27,590	.....
Total undivided profits	$5,178,126	$6,469,303	$5,698,456	$4,843,970	$4,538,311	$3,989,13
*Times Interest Earned	2.66	3.45	3.24	2.80	3.00	2.4
Earnings Per Share—						
Preferred	.....	$40.41	$34.37	$29.75	$31.36	$25.2
Common	$6.59	6.59	5.40	4.49	4.80	3.5

*After depreciation. †Credit. ‡Debit.

Depreciation Policy—A credit to depreciation reserve is determined and set up on the books at the close of each year and against such accumulated credits there are charged from time to time expenditures covering replacements, reconstruction and ob solescence which are not chargeable to repairs an maintenance included in operating expenses.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$97,965,353	$96,537,868	$95,024,772	$94,937,636	$94,047,532	$94,164,176
Securities of other companies	1,158,803	1,178,854	1,284,568	1,311,831	1,237,420	
Materials and supplies at cost	494,665	448,293	414,517	433,756	457,667	448,426
Accounts receivable	1,150,808	985,363	1,000,021	1,207,919	1,054,249	1,101,370
Bills receivable	158,935	158,074	14,581	14,600	10,027	
City, county and state warrants	132,156	127,246	135,858	146,035	146,833	.....
Cash	2,169,011	2,456,879	2,654,784	2,200,843	2,059,976	1,935,325
Common stock purchased for sale to employees and customers, less cash received on subscriptions	678,120	2,031,595	450,798	977,096	802,535	137,433
Sinking fund deposits	5,343	10,485	5,240	8,619	11,324	5,830
Discount on bonds sold	2,691,209	2,045,962	2,216,000	2,385,593	2,466,984	2,515,849
Local taxes paid under protest and contested	.....	.....	.....	.....	411,142	.....
Miscellaneous deferred charges	120,293	94,363	142,853	179,610	208,816	125,181
Total	$106,724,696	$106,074,982	$103,343,992	$103,803,538	$102,914,506	$100,433,590
Liabilities—						
Preferred stock	.....	$9,784,600	$9,784,600	$9,784,600	$9,784,600	$9,784,600
Common stock	$49,633,300	49,633,300	49,633,300	49,633,300	49,633,300	49,633,300
Funded debt	46,921,000	33,621,300	34,230,500	34,949,700	34,059,400	32,991,100
Accounts payable	1,109,724	1,082,344	936,705	955,285	1,109,960	594,006
Bills payable	400,000	2,000,000	.....	.....	.....	.....
Dividends payable in January	620,416	791,647	667,563	667,563	667,563	542,164
Accrued interest	787,879	710,735	722,942	734,586	707,999	676,813
Depreciation reserves	1,724,023	1,757,420	1,526,358	2,093,292	2,274,628	2,096,415
Accident reserve	104,025	100,515	103,830	105,031	104,082	126,053
Miscellaneous reserves	246,202	123,819	39,738	36,211	34,663	
Surplus	5,178,126	6,469,302	5,698,456	4,843,970	4,538,311	3,989,139
Total	$106,724,696	$106,074,982	$103,343,992	$103,803,538	$102,914,506	$100,433,590

*Being the value of the rights franchises, real estate, buildings, plant and equipment.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Bills receivable	$158,935	$158,074	$14,581	$14,600	$10,027	$1,101,370
Accounts receivable	1,150,808	985,363	1,000,021	1,207,919	1,054,249	
City, county and state warrants	132,156	127,246	135,857	146,035	146,833	.....
Cash	2,169,011	2,456,879	2,654,784	2,200,843	2,059,976	1,935,325
Materials and supplies	494,665	448,293	414,517	433,756	457,667	448,426
Total	$4,105,575	$4,175,855	$4,219,760	$4,003,153	$3,728,752	$3,485,121
Current Liabilities—						
Accounts payable	$1,109,724	$1,082,344	$936,705	$955,285	$1,109,960	$594,006
Bills payable	400,000	2,000,000	.....	.....	.....	.....
Accrued interest	787,879	710,735	722,942	734,586	707,999	676,813
Dividends payable	620,416	791,647	667,563	667,563	667,563	542,164
Total	$2,918,019	$4,584,726	$2,327,210	$2,357,434	$2,485,522	$1,812,983
Net Working Capital	$1,187,556	*$408,871	$1,892,550	$1,645,719	$1,243,230	$1,672,138

*Debit.

Officers: John D. Ryan, Pres., New York; Frank M. Kerr, V-P., Butte, Mont.; Frederick Strauss, V-P.; J. S. Denison, Sec. & Treas.; J. A. Briggs, Asst. Sec. and Asst. Treas., New York; Stephen P. Hogan, Asst. Sec., and J. R. Thomas, Asst. Treas., in Montana.

Executive Committee: John D. Ryan, Sidney Z. Mitchell, Charles H. Sabin, Frederick Strauss, W. D. Thornton, Frederic W. Allen.

Directors: J. D. Ryan, Charles H. Sabin, A. H. Wiggin, Frederick Strauss, S. Z. Mitchell, Charles Martin Clark, George F. Canfield, William E. Corey, Frederic W. Allen, W. D. Thornton, Henry Seligman, C. J. Schmidlapp, Nicholas F. Brady, John C. Ryan, New York; W. S. Brayton, Montclair, N. J.; N. Penrose Hallowell, Boston; Marcus Daly, F. M. Kerr, Butte, Mont.

General Office, 25 Broadway, New York.

GREAT FALLS POWER COMPANY OF MONTANA

(Controlled by The Montana Power Company)

History and Property—Incorporated May 25, 1910, under the laws of Montana. Duration of charter is 99 years. The Company is engaged, in accordance with the terms of its charter, in the appropriation, distribution and sale of water and water power, and in production and sale of electricity for light, heat and power purposes. Acquired the water power properties of the Great Falls Water Power & Townsite Co., which, in July, 1910, completed a hydro-electric plant of 36,000 h. p. rated capacity, at the Rainbow Falls, on the Missouri River. The Rainbow dam is 1,146 ft., long, 29 ft. high, with a base of 116 ft., founded on solid rock throughout its entire length. The power plant operates at 105 ft. head. The company owns also the Black Eagle Falls dam and power house recently reconstructed which has a capacity of 24,000 h.p.

Early in 1916 the new development at the "Great Falls of the Missouri River" was completed. The Falls have a natural drop of about 78 feet and on the first is constructed a concrete dam 1,250 feet long and 72 feet high, which develops a working head of 87 feet. A concrete and brick power house is located immediately below the dam, the equipment of which is of the most modern type and consists of six vertical-type single-runner water-wheel and generator units of 10,000 k.w. capacity each.

CAPACITY OF PLANTS

	Hydraulic	Electric
Rainbow Falls, present capacity	47,000 h.p.	35,000 k.w.
"Great Falls of the Missouri River"	80,000 h.p.	60,000 k.w.
Black Eagle Falls	24,000 h.p.	18,000 k.w.
Total	151,000 h.p.	113,000 k.w.

Company supplies electricity to Great Falls and vicinity; population served, approximately 75,000. A large portion of the power generated is used by the Anaconda Copper Mining Co., Boston & Montana smelter, the Royal Milling Co., Butte, Anaconda & Pacific Ry., Chicago, Milwaukee & St. Paul Ry. and electric light and street railway properties. A double steel tower high-transmission line, 135 miles in length, conveys power to the City of Butte, serving the mines and smelters, and from Butte to Anaconda, a distance of 21 miles, a single steel tower line furnishes power to the Washoe smelter, 330 miles of 88,000 volt transmission line serves the cities of Havre, Lewistown and

intermediate smaller towns, including a total of 27 sub-stations. The Company's transmission lines aggregate about 930 miles. The Sun River Irrigation Project of the U. S. Reclamation Service receives all its power from these lines.

In addition, Company owns other water powers on the Missouri River, near the City of Great Falls, undeveloped, capable of generating 76,000 h.p.

CAPITAL STOCK

Authorized, $10,000,000 Common and $5,000,000 6% cumulative Pfd.; outstanding, $10,000,000 Common and $771,000 Pfd.; par $100. All owned by The Montana Power Co., except directors' qualifying shares of Common stock. Annual meeting, second Tuesday in October.

Dividends—Regular quarterly dividends of 1½% each paid on Pfd. stock. Initial dividend on Common of 1½% paid Nov., 1911, then 3% per annum to Mar. 1913, when 1¾% was declared for the quarter ended Mar. 31, 1913, which rate was maintained to Dec. 31 1915, when it was increased to 2½%, which quarterly rate has been maintained to date. In addition, two extra dividends of 4% each paid on Common in 1919 an extra dividend of 3% in 1920, one of 2½% in 192 and one of 5% in 1926.

FUNDED DEBT

$12,051,000 First Gold 5s, of which The Montana Power Co. owns $7,051,000, $2,379,000 are in sinking fund uncancelled, and $2,621,000 in the hands of public. For details see statement of Montana Power Co on a previous page.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,625,183	$4,565,149	$4,051,465	$3,761,656	$3,686,543	$3,121,69
Operating expenses and taxes	2,591,872	2,526,940	2,205,018	1,971,284	1,995,971	1,581,89
Retirement reserve	100,000	100,000	75,000	75,000	75,000	50,00
Net earnings	$1,933,311	$1,938,209	$1,771,447	$1,715,372	$1,615,572	$1,489,80
Other income	7,881	86,229	46,679	39,697	56,275	45,74
Total income	$1,941,192	$2,024,438	$1,818,126	$1,755,069	$1,671,847	$1,535,55
Bond and other interest	496,757	493,564	449,407	458,684	467,707	476,33
Bond discount	11,008	13,425	14,157	14,861	15,547	16,20
Less charged to construction	39,237	8,820	.....	.....	.....	.....
Net income	$1,472,664	$1,526,270	$1,354,562	$1,281,524	$1,188,593	$1,043,01
Preferred dividends	46,260	46,260	46,260	46,260	46,260	46,26
Common dividends	1,000,000	1,500,000	1,250,000	1,000,000	1,000,000	1,000,00
Surplus for year	$426,404	*$19,990	$58,302	$235,264	$142,333	*$3,24
Times Interest Earned	4.14	4.10	4.06	3.86	3.46	3.1

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property account	$23,746,715	$22,895,634	$21,843,804	$21,682,796	$21,613,872	$21,385,38
Investments in securities of other companies	5,000	5,000	12,500	25,000	25,000	25,00
Materials and supplies	30,140	28,620	15,804	14,888	16,322	15,01
Accounts receivable	456,379	427,212	357,269	412,091	346,551	1,069,57
Accounts receiv. affiliated companies	.....	469,470	384,622	705,203	766,550	360,8
Cash	209,048	215,718	263,862	125,060	81,471	99,9
Sinking fund deposit	2,217	1,293	429	5,671	663	1,3
Deferred charges	139,772	181,250	221,100	290,797	518,098	281,3
Total	$24,589,271	$24,224,197	$23,099,390	$23,261,506	$23,368,527	$23,238,4
Liabilities—						
Capital stock	$10,771,000	$10,771,000	$10,771,000	$10,771,000	$10,771,000	$10,771,0
Funded debt	9,672,000	9,886,000	8,827,000	9,022,000	9,200,000	9,372,0
Bills payable	.....	.....	16,000	64,000	110,000	110,0
Accounts payable	381,509	359,780	287,314	294,557	305,441	175,4
Accounts payable, affil. cos.	385,231	.....	.....	.....	.....	.....
Accrued interest	100,425	100,425	89,850	89,850	89,850	89,8
Depreciation and other reserves	494,501	565,871	540,402	532,681	597,164	560,4
Surplus	2,784,605	2,541,121	2,567,824	2,487,418	2,295,072	2,152,7
Total	$24,589,271	$24,224,197	$23,099,390	$23,261,506	$23,368,527	$23,238,4

Officers: John D. Ryan, Pres.; Frederick Strauss, V-P.; W. D. Thornton, V-P., New York; Frank M. Kerr, V-P. & Gen. Mgr., Butte, Mont.; J. F. Denison, Sec. & Treas., New York; Stephen P. Hogan, Asst. Sec., and J. R. Thomas, Asst. Treas. in Montana.

Directors: John D. Ryan, W. D. Thornton, Charl H. Sabin, Frederick Strauss, S. Z. Mitchell, Albert Wiggin, Frederic W. Allen, New York.

General Office, Great Falls, Mont. **New Yo Office,** 25 Broadway.

GREAT FALLS WATER POWER & TOWNSITE CO.

(Controlled by The Montana Power Company)

History—The property of this company includes two-thirds of the capital stock of the Great Falls Townsite Co., which company in turn owns valuable lands and lots in and about the city of Great Falls, and the Rainbow Hotel, built in 1911, at a cost of over $400,000.

CAPITAL STOCK

Authorized and outstanding, $750,000 (reduced from $5,000,000 in 1914); par, $100. All owned by Montana Power Co.

FUNDED DEBT

None.

Officers: F. M. Kerr, Pres. & Gen. Mgr.; M. E. Buc V-P.; S P. Hogan, Sec.; J. F. Denison, Treas.; J. Thomas, Asst. Sec. & Asst. Treas., Butte, Mont.

Directors: F. M. Kerr, S. P. Hogan, J. F. Denis M. E. Buck, H. H. Cochrane, Butte, Mont.

Office, Butte, Mont.

ATLANTIC CITY GAS COMPANY

History and Property—Incorporated Jan. 22, 1910, in N. J.; consolidation of Atlantic City Gas & Water Co. and the Consumer's Gas & Fuel Co. In 1926 acquired the Pleasantville Gas Co. In May, 1927, t Enterprise Gas Co. was acquired and merged. Contro the entire gas business of Atlantic City, Chelsea, Ver

or, Margate City, Longport, Pleasantville, Absecon, Northfield, Linwood, Somers Point, Egg Harbor and Mays Landing, N. J. Franchises perpetual in the territory served. Price, $1.50 net. Properties are operated under supervision of the C. H. Geist Company.

Valuation—The value of the Company's property as fixed in Jan., 1923, for ratemaking purposes at ,000,000 by the Board of Public Utility Commissions of New Jersey. Expenditures for additions and extensions since that date aggregate more than $2,825,-00, making a total of $7,825,000.

GROWTH OF BUSINESS, AS OF DECEMBER 31

	1927	1926	1925	1924
nual sales (M cu. t.)	1,201,835	1,143,630	956,199.4	926,808.2
er. daily send out (cu. ft.)	3,292,700	3,113,200	2,962,000	2,875,000
les of mains	272	220	155	150
mber of meters	30,537	29,017	24,804	23,124

CAPITAL STOCK

Outstanding 50,000 shares Common of no par value, d $882,000 7% cumulative Pfd., par, $100. Annual eeting, fourth Tuesday in March, at Atlantic City, J.

Dividends—Common dividends in 1912, 7%; 1913, ½%; 1914, 3%; none thereafter until 1926, when 2% s paid; 1927, none. Pfd. dividends regularly paid.

FUNDED DEBT

(1)

$262,500 FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JANUARY 1, 1960

Dated January 1, 1910.

Interest Payable January and July 1, at Girard Trust ., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal y be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized issue, $6,000,000; issued bonds reserved to be certified only to the ex- t of 85% of the actual cost of betterments, exten- ns, etc., only when net earnings are 50% in excess interest charges on outstanding bonds, including additional bonds to be issued; when the first $4,- ,000 have been authorized and issued, the remain- reserved bonds may be issued only when net earn- s are 75% in excess of interest charges. In addi- n to the $4,262,500 bonds outstanding, $264,500 have n cancelled by sinking fund. $1,180,000 of these ds have been pledged under and subject to the lien First Lien & Refunding Mortgage dated July 1, 7, for delivery of like amount of First Lien & unding Mortgage Gold bonds, 5% Series due 1957.

allability—Subject to call on any interest date at and interest.

inking Fund—$25,000 per annum, beginning Nov. 1919, to purchase bonds at not exceeding 105 and erest.

ecurity—Secured by first lien on franchises, real ate and all other property of the company now ned or hereafter acquired.

ax Provisions—Company pays Normal Federal In- e Tax up to 2%. Tax exempt in Pennsylvania New Jersey.

egal Opinion—John G. Johnson and Joseph A. ttery, Philadelphia, Pa.

ublic Offering—$500,000 of these bonds were red in July, 1926, at 98 and interest, by Drexel & , and Edw. B. Smith & Co., Philadelphia, etc.

isted—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	99½	97¾	93	80
Low	97½	93	84¼	76¾

(2)

$829,000 FIRST LIEN AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1957; DUE JULY 1, 1957

Dated July 1, 1927.

Interest Payable January and July 1.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Authorized amount, not limited; issued, 5% Series due 1957, $1,180,000 of which $351,000 are held in the treasury. Bonds may be issued in one or more series without limitation as to aggregate principal amount of any or all series, either as coupon bonds or as registered bonds without coupons, upon delivery to the Trustee, to be held in pledge, subject to the lien of this Indenture as a first lien, any of its First Mortgage bonds, delivery to be made to company in principal amount equal to principal amount of bonds so pledged, until all of First Mortgage bonds are authenticated and delivered and pledged with Trustee under this Indenture, after which bonds are to be authenticated and delivered in principal amount not exceeding 80% of net amount of permanent additions to the property of the company, provided net for 12 consecutive months out of 15 preceding months shall have been at least 1¾ times annual interest charges upon all First Mortgage bonds in hands of public and all outstanding First Lien and Refunding Mortgage bonds, together with those proposed to be issued. Also when company has paid, retired and cancelled First Mortgage bonds not pledged with Trustee hereunder or deposited cash sufficient to retire all of said bonds not pledged hereunder, bonds in like principal amount as bonds so cancelled or cash deposited may be issued. The company may also upon deposit of cash required including principal, interest and premiums, or upon deposit of bonds so to be refunded or redeemed (except bonds acquired by operation of Sinking Fund or by use of money derived from insurance on or release of property subject to lien of this mortgage) refund and/or redeem at or before maturity any bonds issued hereunder, and have authenticated and delivered to it by Trustee additional bonds secured thereunder in equal principal amount to bonds refunded or redeemed.

Purpose of Issue—Proceeds were used to reimburse the Company for expenditures made for permanent additions, extensions and betterments to the Company's property.

Callability—Subject to call on any interest date at 105% on or before July 1, 1937; thereafter at 102½% on or before July 1, 1947; thereafter at 101% until maturity, in each case with accrued interest.

Sinking Fund—None provided.

Security—Secured by a direct mortgage upon the entire property of the Company now owned or hereafter acquired, subject to the First Sinking Fund Gold 5s, due Jan. 1, 1960, of which $4,287,000 are outstanding with the public. Bonds are further secured by deposit with the Trustee of $1,180,000 First Mortgage bonds, the First Lien and Refunding Mortgage bonds theretofore sharing in the security of the First Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax not exceeding 4 mills annually refundable as provided in the Mortgage.

Legal Opinion—Dickson, Beitler & McCouch.

Original Offering—First publicly offered ($800,000) in July, 1927 at 98 and interest to yield over 5.13% by Drexel & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,766,584	$1,708,279	$1,443,718	$1,387,823	$1,379,112	$1,356,70
Operating expenses and taxes	1,120,548	1,065,011	963,038	940,068	991,780	978,53
Net earnings	$646,036	$643,268	$480,680	$447,754	$387,332	$378,17
Bond interest	230,694	198,471	168,731	168,700	168,700	168,70
Other interest, etc. (net)	22,166	26,640	20,550	22,981	11,228	55
Total charges	$252,860	$225,111	$189,281	$191,681	$179,928	$169,25
Net income	$393,176	$418,157	$291,399	$256,074	$207,403	$208,92
*Times Bond Interest Earned	2.79	3.10	2.73	2.51	2.24	2.2
*Earnings Per Share—						
Preferred	$44.57	$47.41	.....	.....	.....	.....
Common	6.65	7.13	$5.83	$5.12	$20.74	$20.9

*Before deducting depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$7,529,182	$6,741,029	$5,745,038	$5,271,361	$5,430,193	$5,152,78
Investments	49,050	53,000	6,000	6,000	.....	.....
Reacquired securities	.....	.....	.....	15,000	18,813	.....
Cash	132,389	144,137	489,006	164,525	56,620	206,82
Accounts receivable	150,279	162,423	102,064	95,496	109,601	119,22
Notes receivable	255,025	102,645	6,060	103,300	5,953	72
Miscellaneous special deposits	.....	.....	.....	.....	.....	1,68
Materials and supplies	209,915	206,274	186,821	151,426	194,023	143,79
Undistributed debits	495,711	478,080	399,872	404,338	233,562	23,89
Total	$8,821,551	$7,887,588	$6,934,861	$6,211,447	$6,048,765	$5,648,9
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,0
Preferred stock	882,000	882,000	.....	.....	.....	.....
Funded debt	5,091,500	4,287,000	3,705,000	3,374,000	3,374,000	3,374,0
Accrued liabilities	93,765	86,703	71,635	63,196	54,795	31,2
Consumers' deposits	170,373	167,640	92,485	83,405	76,036	64,2
Notes and loans payable	.....	.....	.....	.....	2,035	.....
Other current liabilities	35,548	278,992	147,753	45,463	51,215	46,0
Reserves	489,898	453,550	439,337	367,543	409,340	251,8
Miscellaneous unadjusted credits	15,679	13,760	10,424	14,122	4,822	.....
Corporate surplus	1,042,788	717,943	1,468,227	1,263,718	1,076,522	881,4
Total	$8,821,551	$7,887,588	$6,934,861	$6,211,447	$6,048,765	$5,648,9

Officers: C. H. Geist, Pres.; H. S. Schutt, V-P.; C. H. Weak, Sec.; H. A. Lang, Treas., Philadelphia; Chester Grey, Mgr., Atlantic City, N. J.; H. S. Schutt, Gen. Mgr., Philadelphia.

Directors: C. H. Geist, T. C. Sheaffer, H. A. Lan C. H. Weak, H. S. Schutt, Philadelphia; Chester Gre T. W. Warrington, Atlantic City, N. J.

Offices, Atlantic City, N. J., and 1622 Packard Bldg Philadelphia, Pa.

PEOPLES GAS COMPANY

(New Jersey)

History and Property—Incorporated July 8, 1922, in N. J.; consolidation and merger of New Jersey Gas Corporation and Peoples Gas Co. of New Jersey, approved by Board of Public Utility Commissioners July 28, 1922. New Jersey Gas Corporation was incorporated, May 8, 1922, and Peoples Gas Co. of New Jersey, June 9, 1922. The new company began selling gas Aug. 1, 1922. The New Jersey Gas Corporation acquired the property of the New Jersey Gas Co. at receivers' sale (see 1922 Public Utility Manual, page 2113). In May, 1927, acquired the Hammonton & Amatol Gas Co.

Company owns and operates a modern gas plant and a high pressure distributing system supplying artificial gas service to a large number of cities and towns south of Camden, N. J., and Philadelphia, Pa. The main plant is located at Glassboro, N. J., and gas holding stations are located at Vineland, Swedesboro and Penns Grove, N. J. The largest city in the territory served is Vineland with a population of 15,000, while the total population served is estimated at 100,000. Also operates under lease the plant of the Vineland Light & Power Co. (see statement appended).

Properties are operated under the management of The C. H. Geist Company, Philadelphia, Pa.

GROWTH OF BUSINESS, DECEMBER 31

	1927	1926	1925
Gas sales (cu. ft.)	324,097,000	281,155,000	246,651,000
Regular meters	6,466	4,506	4,206
Prepayment meters	7,852	8,643	8,456
Oil tar produced (gallons)	246,903	235,145	183,058

CAPITAL STOCK

Authorized, 25,000 Common shares of no par vali and $1,500,000 6% cumulative Pfd.; outstanding, 2 000 Common shares and $599,200 Pfd. Par of Pf $100. Annual meeting, first Monday in August.

Dividends—Pfd. dividends have been paid as fo lows: Jan. 1, 1926, $2.50 plus; July 1, 1926 to date, per share per annum; payments semi-annually, Ja and July 1. None paid on Common.

FUNDED DEBT

$1,300,000 FIRST MORTGAGE GOLD BONDS 6% SERIES; DU DECEMBER 1, 1954, BUT CALLED FOR PAYMENT JUNE 1928 AT 105 AND INTEREST

$660,000 FIRST MORTGAGE GOLD BONDS 5½% SERIES; DU DECEMBER 1, 1960

Dated December 1, 1924.

Interest Payable June and December 1, at T Pennsylvania Company for Insurances on Lives a Granting Annuities, Philadelphia, and Chase Natior Bank, New York.

Denominations—Coupon, $500 and $1,000; princip may be registered.

Trustee—The Pennsylvania Company for Insu ances on Lives and Granting Annuities, Philadelph

Provisions of Issue—Additional First Mortga bonds may be issued for not more than 85% of t actual cost or fair value (whichever shall be less) permanent extensions, betterments and improvemen provided, however, net earnings for twelve consecuti months within the immediately preceding fifte months shall have been not less than 1½ times inter charges on all bonds outstanding and bonds to issued.

Callability—The 6% Series are subject to call as a hole or in part, on any interest date, after 30 days' otice, until Dec. 1, 1944, at 105 and accrued interest id thereafter at 105 and accrued interest less ½ of % for each year, or part thereof, that the bonds shall : outstanding after Dec. 1, 1944. The 5½% Series e subject to call as a whole or in part Dec. 1, 1935, any interest date thereafter, after 30 days' notice, itil Dec. 1, 1950, at 105 and accrued interest; there- ter at 105 and accrued interest less ½ of 1% for each ar or part thereof that the bonds shall be outstand- g after Dec. 1, 1950.

Sinking Fund—The mortgage provides for an an- al sinking fund, beginning with the twelve months' riod ending Sept. 1, 1935, at the rate of ½ of 1% per num of the aggregate amount of First Mortgage nds issued and outstanding, to be used, at the Com- ny's option, for permanent additions and improve- ents, which could otherwise be made the basis for e issuance of additional bonds under this mortgage, for the retirement of First Mortgage bonds.

Purpose of Issue—The proceeds derived from the e of these bonds were used to retire an issue of 005,000 Peoples Gas Company First Mortgage 7% nds due 1942, and to reimburse the treasury of the mpany, in part, for capital expenditures already de.

Security—Secured by a direct first mortgage on all the properties of the Company now owned or here- er acquired. According to independent engineers, t present reproduction value of the physical proper- ts of the Company is in excess of $2,800,000 and the sent sound depreciated value is in excess of $2,400,- 0).

Tax Provisions—Company pays Normal Federal In- ne Tax up to 2%. Pennsylvania Four Mills Tax re- dable.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$638,936	$567,632	$512,308
Operating expenses & taxes	415,868	377,457	356,732
Net earnings	$223,068	$190,176	$155,576
Bond interest	$103,039	$86,458	$77,783
Other interest (net)	1,237	364	*869
Amort. of debt disc. & exp.	3,811	3,248	2,820
Other deductions	924	965	1,100
Total deductions	$109,011	$91,035	$80,834
Net income	$114,057	$99,141	$74,742

*Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$3,023,782	$2,593,493	$2,361,762
Cash	139,892	35,607	21,357
Notes receivable	30	.....	.....
Accounts receivable	54,290	48,126	40,595
Materials and supplies	71,449	66,483	43,914
Reacquired securities	58,000	53,000	51,000
Undistributed debits	128,732	117,093	102,197
Total	$3,476,175	$2,913,801	$2,620,825
Liabilities—			
Common stock	$500,000	$500,000	$500,000
Preferred stock	599,200	480,700	445,787
Funded debt	1,960,000	1,460,000	1,300,000
Notes and loans payable	42,569	30,000	10,000
Consumers' deposits	31,659	69,510	34,462
Other current liabilities	30,942	32,263	50,299
Accrued liabilities	37,482	45,633	13,890
Reserves	68,428	56,153	43,446
Miscel. unadjusted credits	14,366	10,231	42,162
Corporate surplus	191,529	229,312	180,779
Total	$3,476,175	$2,913,801	$2,620,825

Officers: C. H. Geist, Pres.; H. S. Schutt, V-P.; C. H. Weak, Sec.; H. A. Lang, Treas., Philadelphia, Pa.

Directors: C. H. Geist, H. S. Schutt, Jos A. Slattery, H. A. Lang, C. H. Weak, T. C. Sheaffer, Philadelphia, Pa.; E. J. Menerey, Glassboro, N. J.

General Office, 1622 Packard Bldg., Philadelphia, Pa.

VINELAND LIGHT & POWER COMPANY

(Leased to Peoples Gas Company)

History and Property—Incorporated March 1, 1900, in New ey. On June 25, 1908, plant was leased to the Vineland Gas for a period of 99 years. On June 30, 1910, the latter com- y was merged with the New Jersey Gas Co. by whom the lit has since been operated. Franchise perpetual. Popula- served, 15,000. Miles of mains, 20. No. of meters, 2,000. ajority of the stock and bonds are held by or in behalf of Peoples Gas Co.

CAPITAL STOCK

Authorized and outstanding, $60,000; par, $100. Annual meeting, in April. No dividends paid.

FUNDED DEBT

$60,000 First 5s; due April 1, 1920; int. April and Oct. 1, at Vineland (N. J.) National Bank. These bonds are still outstanding. Company pays Normal Federal Income Tax up to 2%.

Operating Office, Vineland, N. J. **Executive Office**, 1622 Packard Bldg., Philadelphia, Pa.

COAST COUNTIES GAS & ELECTRIC COMPANY

History and Property—Incorporated March 20, 1912, Cal., and acquired the properties of the Coast nties Light & Power Co., which was the successor the Big Creek Light & Power Co., and the San uito Light & Power Co. The gas plants which are rated are located in the cities of Santa Cruz, Wat- sonville, Hollister, Gilroy and Pittsburg, California. e Pittsburg Gas Plant also serves the towns of rtinez, Crockett, Antioch, Concord, Rodeo and ole, Cal. The Company supplies electric current in towns of Santa Cruz, Watsonville, Hollister, Gil- San Juan, Morgan Hill and surrounding territory. addition to current generated at company's plant, er is also purchased from the Pacific Gas & Elec- Company. On May 8, 1923, the Contra Costa Gas was absorbed by exchange of First Preferred stock he Coast Counties Gas & Electric Co. for stock of Contra Costa Gas Co. share for share.

s of Jan. 3, 1927, the Coast Counties Gas & Elec- Co. disposed of all of its interest in the Union ction Company of Santa Cruz. The busses and chises have been sold and the Company has been olved.

Franchises—The right of way for the transmission s is now owned in fee and county franchises which are necessary for these lines all extend beyond the maturity of the bonds. Franchise of the Contra Costa Gas Co. expires in 1964.

At the close of 1927 company had 15,875 electric customers and 11,178 gas customers, being an increase of approximately 5% over the previous year.

CAPITAL STOCK

Authorized, $1,000,000 Common, $1,000,000 Original Pfd. (now Second) and $5,000,000 (increased from $2,000,000 March 25, 1926) 6% cumulative First Pfd.; outstanding, $1,000,000 Common, $1,000,000 Original Pfd. (now Second) and $3,263,500 First Pfd.; par, $100.

Annual Meeting—Third Thursday in February.

Listed (First Preferred)—San Francisco Stock Exchange.

Dividends—Dividends on First Pfd. regularly paid quarterly, M, J, S & D 25. Dividends on Original (now Second) Pfd. have been paid as follows: 1912 to 1916 inclusive, 6% per annum; 1917, 5½%; 1918, 2%; none thereafter until 1921 when 2% was paid; 1922, 3%; 1923, 3%; 1924 and 1925, 4% each; March, 1926, to date at rate of 6% per annum; payments, M, J, S & D 25. None paid on Common.

FUNDED DEBT

(1)

$233,000 BIG CREEK LIGHT & POWER CO. FIRST MORTGAGE GOLD 4s; DUE MAY 1, 1947

Dated May 1, 1907.

Interest Payable May and Nov. 1, at American Trust Co., San Francisco, Trustee. Original issue, $339,000, of which $106,000 held alive in sinking fund, together with $3,735 cash. Mortgage is now closed. Sinking fund, $3,600 per annum, began March 30, 1908. Subject to call at par on any interest date. A first lien on property of former Big Creek Light & Power Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$220,000 CONTRA COSTA GAS CO. FIRST MORTGAGE 6s; DUE OCT. 1, 1954

Dated October 1, 1914.

Interest Payable April and Oct. 1, at American Trust Co., San Francisco, Trustee. Denomination, $100 and $1,000. Authorized, $500,000; issued $249,000; mortgage closed. $29,000 held alive in sinking fund, together with $723 cash. Subject to call at any time at 102½. Sinking fund after five years, 1% of bonds outstanding. Assumed by Coast Counties Gas & Electric Co. Company pays Normal Federal Income Tax up to 2%.

(3)

$126,000 SAN BENITO LIGHT & POWER CO. FIRST MORTGAGE GOLD 6s; DUE SEPTEMBER 1, 1950

Dated September 1, 1910.

Interest Payable March and Sept. 1, at Anglo-California Trust Co., San Francisco, Trustee. Authorized, $200,000; issued, $150,000, of which $24,000 held alive in sinking fund, together with $1,028 cash. The mortgage is now closed. Sinking fund, 1% per annum of outstanding bonds, began June 30, 1915. Subject to call at 110 and interest. A first lien on property of former San Benito Light & Power Co. Company pays Normal Federal Income Tax up to 2%.

(4)

$723,000 COAST COUNTIES LIGHT & POWER CO. FIRST MORTGAGE GOLD 5s; DUE AUGUST 1, 1946

Dated August 1, 1906.

Interest Payable February and August 1, at American Trust Co., San Francisco.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized and issued, $1,000,000, of which $277,000 cancelled by sinking fund which held $6,690 cash on Dec. 31, 1927.

Callability—Subject to call at 107½ and interest.

Security—A first lien on the property originally belonging to the Coast Counties Light & Power Co., and a lien subject to underlying liens on the properties of the Big Creek Light & Power Co. and the San Benito Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101½	100	96	90	90	87¼	81¼	80
Low	100	96	91⅝	86½	87¾	81	70	74

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,836,597	$1,663,620	$1,389,897	$1,217,405	$1,034,188	$841,8
Operating expenses and taxes	1,208,170	1,089,112	921,964	846,270	655,726	556,5
Depreciation	202,293	170,010	143,369	126,160	104,379	63,2
Net earnings	$426,134	$404,498	$324,564	$244,975	$274,083	$221,9
Bond and other interest	87,500	87,500	88,982	$89,410	$91,561	$82,9
Other charges	744	744	744	744	1,613	1,1
Total charges	$88,244	$88,244	$89,726	$90,154	$93,174	$84,1
Balance	$337,890	316,254	234,838	$154,820	$180,909	$137,8
First Pfd. dividends	186,079	132,690	97,263	61,944	†	†
Second Pfd. dividends	60,000	60,000	40,000	40,000	40,000	30,0
Balance	*$91,811	*$123,564	*$97,574	*$52,876	$140,909	$107,8

*Balance reinvested in extensions and betterments. †Amounts not available.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plants and properties	$6,948,033	$6,121,848	$5,224,748	$4,709,742	$4,226,845	$3,590,5
Discount and expenses on bonds and stocks	950,607	906,802	902,824	978,950	912,645	.....
Due on subscriptions to capital stock	47,869	.....	.....	.....	.....	.....
Investments	33,102	127,869	39,205	96,059	89,639	784,8
Cash	117,429	75,515	74,897	36,522	67,524	55,9
Special deposits	.....	.....	6,902	.....	.....	.....
Notes and accounts receivable	267,680	239,917	163,781	105,836	90,756	72,3
Materials and supplies	110,496	137,664	112,666	105,963	54,819	50,2
Other assets	6,860	27,330	14,660	4,796	11,901	68,7
Sinking fund (cash)	12,175	11,958	374,297	9,434	7,821	.....
Total	$8,494,251	$7,648,902	$6,913,980	$6,047,302	$5,461,949	$4,622,6
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,0
First Preferred stock	3,263,500	2,539,100	1,733,900	1,243,200	855,950	386,6
Second Preferred stock	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,0
Capital stock subscriptions	99,872	.....	15,302	.....	.....	.....
Funded debt	1,302,000	1,339,500	*1,722,641	1,408,600	1,480,600	1,384,0
Notes and accounts payable, etc.	71,989	112,021	73,261	178,859	284,928	125,0
Meter and line deposits	37,366	37,466	9,346	27,442	.....	.....
Interest, etc., accrued	30,479	29,828	47,860	29,828	.....	.....
Taxes accrued	120,477	76,987	101,768	137,255	.....	.....
Other liabilities	14,538	85,938	22,619	23,976	15,739	120,1
Depreciation reserve	996,848	919,892	787,574	76,147	652,297	360,1
Other reserves	118,397	101,039	82,903	665,560	172,435	246,7
Surplus unappropriated	438,785	407,132	316,806	256,434	.....	.....
Total	$8,494,251	$7,648,902	$6,913,980	$6,047,302	$5,461,949	$4,622,6

*Includes $354,800 bonds held in treasury.

Officers: S. Waldo Coleman, Pres.; J. D. Grant, V-P., San Francisco, Cal.; Wm. T. Jeter, V-P., Santa Cruz, Cal.; W. W. Kamm, V-P., Sec. & Treas.; P. C. Mahncke, Asst. Sec. & Asst. Treas.; W. R. Van Bokkelen, Asst. Sec. & Asst. Treas., San Francisco, Cal.

Directors: S. Waldo Coleman, J. D. Grant, Walk W. Kamm, C. K. McIntosh, Chas. C. Moore, Bru Cornwall, San Francisco, Cal.; W. T. Jeter, R. Cardiff, Santa Cruz, Cal.

General Office, 2500 Russ Bldg., San Francisco.

WILMINGTON GAS COMPANY

History and Property—Incorporated Aug. 24, 1909, n Del.; consolidation of Wilmington Gas & Fuel Co. nd Wilmington Gas & Electric Co. Supplies gas in Vilmington under perpetual franchises; also to New astle, Elsmere, Oak Grove, Richardson Park, Ash- y, Glynrich, Brack Ex, Roselle, Claymont and For- t Park, Del. Population served, over 135,000. Daily pacity, 4,250,000 cu. ft.; holder capacity, 1,800,000 . ft. Miles of mains, 227. No. of meters, 26,998; nges, 24,135. Prices: Gross, $1.40; net, $1.30.

Properties are operated under the supervision of The . H. Geist Company, Philadelphia, Pa.

Valuation—The value of the Company's property of February, 1921, was placed by Sanderson & Porter $4,994,858. Expenditures for additions since that te aggregate about $1,365,000, making a total of ap- oximately $6,360,000.

GAS SALES, YEARS ENDED DECEMBER 31

21	823,911,000 cu. ft.	1925	857,000,000 cu. ft.
22	829,000,000 cu. ft.	1926	918,327,100 cu. ft.
23	900,984,600 cu. ft.	1927	965,735,000 cu. ft.
24	890,661,900 cu. ft.		

CAPITAL STOCK

Authorized, 30,000 Common shares of no par value, d $1,500,000 6% cumulative Pfd., par, $100; out- anding, 30,000 shares Common and $1,240,800 Pfd.

Preferred Stock Provisions—Pfd. stock is subject to ll on any dividend date on 30 days' notice at 105 d accrued dividends. Holders of Pfd. stock have no ting power unless and until cumulative unpaid divi- nds thereon shall at any time aggregate 18%, when d. stock has equal voting rights with Common.

Transfer Agent—The C. H. Geist Co., Philadelphia.

Registrar—Girard Trust Co., Philadelphia.

Annual Meeting—Second Tuesday in September, at ilmington, Del.

Listed—Pfd. stock listed on Philadelphia Stock Ex- ange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
B price	96	89	87	82	70	69	55	51

Dividends—Dividends on Pfd. have been regularly d semi-annually since March 1, 1910; payments rch & Sept. 1. No dividends have been paid on mmon.

FUNDED DEBT

(1)

61,000 FIRST & REFUNDING (NOW FIRST) MORTGAGE OLD 5s, 6s AND 7s; DUE SEPTEMBER 1, 1949

Dated September 1, 1909.

Interest Payable March and September 1, at Girard ust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be istered.

Additional Coupons—$349,000 of these bonds have itional coupons attached bearing 2% interest, mak- interest rate thereon 7%, and $300,000 have addi- nal coupons attached bearing 1% interest, making rest rate thereon 6%. The additional interest is ured by Supplemental Indenture dated Dec. 1, 3.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized, $5,000,000; certi- d. $4,163,000, of which $152,000 have been cancelled, 61,000 are outstanding, and $750,000 have been lged under and subject to the lien of First Lien and unding Mortgage dated July 1, 1927, for delivery ike amount of First Lien & Refunding Mortgage d Bonds 5% Series due 1957. The balance may be ed when earnings equal 1¾ times interest on bonds tanding and applied for.

allability and Sinking Fund—Subject to call at and interest on any interest date, as an entire e, or on Sept. 1, 1924, or any interest date there- r for an annual sinking fund of $25,000, beginning e 1, 1924. To this sinking fund will be added the interest on bonds retired thereby; $112,000 have been cancelled through sinking fund.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia, Pa. (for the bankers), Joseph A. Slattery, Philadelphia (for the company).

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
5% Bonds—								
High	101	98	95½	86	83	84	77	70
Low	97	94	90	bid	bid	bid	bid	bid
6% Bonds—								
Bid	103	99	100½	97½				
7% Bonds—								
Bid	105	104	103½	101				

(2)

$418,000 FIRST LIEN AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1957; DUE JULY 1, 1957

Dated July 1, 1927.

Interest Payable January and July 1.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Issued, $750,000, of which $418,000 outstanding and $332,000 held in Company's Treasury. Bonds may be issued in one or more series without limitation as to aggregate principal amount of any or all series, either as coupon bonds or as registered bonds without coupons, upon delivery to the Trustee, to be held in pledge, subject to the lien of this Indenture as a first lien, any of its First Mortgage bonds, delivery to be made to company in principal amount equal to principal amount of bonds so pledged, until all of First Mortgage bonds are authenticated and delivered and pledged with Trustee under this Indenture, after which bonds are to be authenticated and delivered in principal amount not exceeding 80% of net amount of permanent additions to the property of the company, provided net for 12 consecutive months out of 15 preceding months shall have been at least 1¾ times annual interest charges upon all First Mortgage bonds in hands of public and all outstanding First Lien and Refunding Mortgage bonds, together with those proposed to be issued. Also when company has paid, retired and cancelled First Mortgage bonds not pledged with Trustee hereunder or deposited cash sufficient to retire all of said bonds not pledged hereunder, bonds in like principal amount as bonds so cancelled or cash deposited may be issued. The company may also upon deposit of cash required, including principal, interest and premiums, or upon deposit of bonds so to be refunded or redeemed (except bonds acquired by operation of Sinking Fund or by use of money derived from insurance on or release of property subject to lien of this mortgage) refund and/or redeem at or before maturity any bonds issued hereunder, and have authenticated and delivered to it by Trustee additional bonds secured thereunder in equal principal amount to bonds refunded or redeemed.

Callability—Subject to call on any interest date at 105% on or before July 1, 1937; thereafter at 102½% on or before July 1, 1947; thereafter at 101% until maturity; in each case with accrued interest.

Sinking Fund—None provided.

Security—Secured by a direct mortgage on the entire property of the Company now owned or hereafter acquired, subject to the First and Refunding (now first) mortgage bonds, of which $3,261,000 are outstanding with the public. Through deposit with the Trustee of $750,000 First & Refunding Mortgage bonds, the First Lien and Refunding bonds will share in the security of the First Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania state tax not exceeding 4 mills annually refundable as provided in the mortgage.

Legal Opinion—Morgan, Lewis & Bockius.

Original Offering—First publicly offered ($400,000) in July, 1927, at 98 and interest to yield over 5.13% by Drexel & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,266,768	$1,218,069	$1,142,787	$1,180,631	$1,181,716	$1,067,724
Operating expenses	807,341	764,954	734,219	791,781	712,631	719,649
Taxes					73,442	56,825
Net earnings	$459,427	$453,115	$408,568	$388,850	$395,643	$291,250
Bond interest	181,274	172,894	172,588	171,384	154,980	154,980
Other interest	†724	†734	†1,298	*2,216	3,116	2,621
Amortization of debt discount and exp., etc.	18,033	18,025	15,230	11,728	10,682	.....
Total charges	$200,031	$191,653	$189,116	$180,896	$168,778	$157,601
Net income	$259,396	$261,462	$219,452	$207,954	$226,865	$133,649
Times Bond Interest Earned	2.43	2.51	2.27	2.21	2.46	1.86
Earnings Per Share—						
Preferred	$20.90	$21.07	$17.69	$16.64	$18.28	$10.73
Common	6.16	6.23	4.83	4.45	5.11	1.97

*Credit. †After crediting $1,673 interest during construction in 1925, $2,491 in 1926, and $3,379 in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital	$6,045,825	$5,632,585	$5,329,233	$5,161,799	$4,850,755	$4,812,346
Treasury stock	.....	9,200	9,200	9,200	9,200	9,200
Cash	340,401	192,127	183,411	132,009	131,789	150,825
Accounts receivable	153,980	142,545	122,858	126,776	122,328	90,345
Notes receivable	40	160	80,210	95,013	727	1,395
Materials and supplies	132,362	116,266	122,124	102,205	130,286	88,855
Investments	111,083	102,697	94,479	86,520	81,565	74,135
Undistributed debits	236,445	211,002	199,684	215,724	190,693	74,735
Total	$7,020,136	$6,406,582	$6,141,199	$5,929,247	$5,517,343	$5,301,835
Liabilities—						
Common stock	$300,000	$300,000	$300,000	$300,000	$300,000	$300,000
Preferred stock	1,240,800	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Funded debt	3,679,000	3,261,000	3,251,000	3,253,000	2,960,000	2,960,000
Accrued liabilities	119,148	126,966	106,468	102,469	113,241	88,655
Loans payable	8,845	11,056	13,268	15,479	17,690	50,685
Consumers' deposits	77,233	72,324	51,989	48,393	43,283	34,105
Other current liabilities	44,738	34,123	49,337	64,539	133,120	59,195
Reserves	475,156	461,752	416,736	373,708	310,015	268,255
Miscellaneous unadjusted credits	8,882	6,362	3,409	3,213	2,690	.....
Corporate surplus	1,066,334	882,999	698,992	518,446	387,303	290,935
Total	$7,020,136	$6,406,582	$6,141,199	$5,929,247	$5,517,343	$5,301,835

Officers: C. H. Geist, Pres., Philadelphia; Edmund Mitchell, V-P., Wilmington, Del.; H. A. Lang, Treas.; C. H. Weak, Sec.; H. S. Schutt, Gen. Mgr., Philadelphia.

Directors: C. H. Geist, C. H. Weak, H. S. Schutt, H. A. Lang, Philadelphia; Edmund Mitchell, Wilmington, Del.

Offices, 1622 Packard Bldg., Philadelphia, Pa., and Wilmington, Del.

THE SCIOTO VALLEY RAILWAY & POWER COMPANY

History and Properties—Incorporated in 1899, in Ohio, as The Scioto Valley Traction Co., name changed to present title June 8, 1923 (see 1923 Public Utility Manual, page 1850). Road opened Aug. 1, 1904. Owns and operates a third rail electric line on private right of way, extending from Columbus, Ohio, to Lancaster, and from Columbus to Circleville and Chillicothe, 69.84 miles; sidings, etc., 4.76 miles. In Columbus, O., operates over tracks of Columbus Ry., Power & Lt. Co., by traffic agreement. Gauge, standard. Rails, 70 lb. T. Passenger cars, 18; freight, 9; express, 3; work, 10; other, 8. On March 1, 1928 Company shut down its power house and now purchases power from Columbus Railway, Power & Light Co. Company owns 7 substations. In Jan., 1917, the Company leased from the State of Ohio for 25 years at an annual rental of $6,000 the bed of the old canal feeder from the Lockbourne Road to Main St., about 11 miles, for a new entrance into Columbus; in 1925 this lease was transferred to Columbus Railway, Power & Light Company. The property of the Ohio Southern Interurban & Terminal Depot Co. is leased for 99 years from Sept. 29, 1921, to the Scioto Valley Traction Co.

Near the close of the year 1925 Company entered into a 99-year contract with Columbus Railway, Power & Light Co., whereby it has leased from the Columbus Company 3 miles of track leading from that company's main line to its new power house in the northern part of Pickaway County, and has agreed to purchase from the Columbus Company all the electrical energy required in the operation of its railway and in furnishing electrical energy to its customers. Under its contract the Scioto Company grants to the Columbus Company an easement for the purpose of building transmission lines on the right of way of the Scioto Company for the consideration of $100,00

Columbus Depot Co.—Inc. in 1912, in Ohio, in interest of Scioto Valley Traction Co., to construct terminal station in the City of Columbus.

OPERATING DATA, YEARS ENDED DEC. 31

Passengers carried: 1927, 850,648; 1926, 864,59 1925, 875,169. Tons of freight carried: 1927, 253,74 1926, 72,902; 1925, 40,497.

CAPITAL STOCK

Authorized, $1,800,000 Common, $500,000 5% cumulative First Pfd., and $1,200,000 5% cumulative Pf outstanding, $1,800,000 Common, $489,300 First Pf and $1,200,000 Pfd.; par, $100.

Registrar: The Huntington National Bank, Colu bus, O.

Transfer Agent—Secretary of Company.

Listed—Columbus and Cincinnati Stock Exchang

Annual Meeting—Fourth Thursday in March.

Dividends—Dividends on the 5% First Pfd. at ra of 5% per annum have been regularly paid, quarter J, A, J & O 1, since July 1, 1906; on the 5% Pfd. re ularly at rate of 5% per annum up to July, 1924; no paid since; payments J, A, J & O 1. A divide

f 1% on Common stock was paid April 15, 1919, payents of $50 and multiples thereof being made in ourth Liberty Loan Bonds, the balance in cash; one since.

FUNDED DEBT

1,288,000 FIRST MORTGAGE SINKING FUND GOLD 6s; DUE JUNE 1, 1943

Dated June 1, 1923.

Interest Payable June and December 1, at The Huntington National Bank, Columbus, Ohio or The irst National Bank of New York.

Denominations—Coupon, $500 and $1,000; princial may be registered.

Trustee—The Huntington National Bank, Columus, O.

Provisions of Issue—Authorized, $2,500,000; issued, 1,400,000 to retire $1,426,000 First Mortgage 5% onds of The Scioto Valley Traction Co., due Sept. 1923; retired by sinking fund to Dec. 31, 1927, $112,-00. Additional bonds may be issued for 75% of the ctual cash cost of additions and capital improvements, rovided that net earnings for twelve consecutive out f thirteen immediately preceding months are not less an twice interest charges on bonds outstanding and ose proposed to be issued.

Callability—Subject to call as a whole or in part at 105 on any interest date upon 30 days' notice except for sinking fund purposes as outlined below.

Sinking Fund—Commencing Nov. 15, 1925, an annual sinking fund payable to the trustee sufficient to retire the following par amount of bonds: 1925 to 1928, incl., $12,000 per annum; 1929 to 1932, incl., $18,000 per annum; 1933 to 1937, incl., $25,000 per annum; 1939 to 1942, incl., $31,000 per annum. This sinking fund will be used by the trustee to buy bonds in the market up to and including 102. If unobtainable at this figure bonds will be called by lot at 102. A sinking fund of 1½% will be applied towards any additional bonds issued in accordance with provisions of the mortgage.

Security—Secured by a first mortgage on all property now owned or hereafter acquired by The Scioto Valley Railway & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four mills taxes refunded upon application within 60 days.

Original Offering—First publicly offered ($1,400,-000) in June, 1923, at 97.50 and interest, to yield over 6.20%, by The Huntington National Bank and Ohio National Bank, both of Columbus, Ohio.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ross earnings	$763,140	$678,683	$640,841	$674,026	$723,922	$716,262
perating expenses, taxes and depreciation	608,669	543,046	508,633	513,003	533,958	536,455
Net earnings	$154,471	$135,637	$132,208	$161,023	$189,964	$179,807
ond interest, etc.	85,598	85,253	92,278	106,019	89,663	77,550
Net income	$68,873	$50,384	$39,930	$55,004	$100,301	$102,257
ividends paid	24,465	24,465	24,465	54,465	84,465	84,465
Surplus for year	$44,408	$25,919	$15,465	$539	$15,836	$17,792
imes Interest, Etc., Earned	1.80	1.59	1.43	1.52	2.12	2.32
arnings Per Share—						
Preferred	$4.07	$2.98	$2.31	$3.25	$5.93	$6.05
Common	Nil	Nil	Nil	Nil	0.88	.98

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
oad and equipment	$5,981,727	$5,628,536	$5,577,165	$5,524,874	$5,497,169	$5,456,960
ocks owned, affiliated companies	189,300	189,300	189,300	189,300	189,300	189,300
otes owned, affiliated companies	.....	.....	218,000	271,000	331,000	.....
aterials and supplies	102,212	93,195	72,512	89,034	72,864	72,333
ash on hand	2,060	2,220	5,736	6,967	6,357	9,952
lls and notes receivable	3,000	5,500	.....	.....	.....	15.000
ccounts receivable	32,371	27,120	14,048	12,121	18,408	120,814
eferred debit items	.....	.....	.....	.....	.....	95,000
nadjusted debits	110,835	123,730	127,691	140,388	149,510	5,443
Total	$6,421,505	$6,069,601	$6,204,452	$6,233,684	$6,264,608	$5,964,802
Liabilities—						
rst Preferred stock	$489,300	$489,300	$489,300	$489,300	$489,300	$489,300
eferred stock	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
ommon stock	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
nded debt	1,288,000	1,288,000	1,388,000	1,400,000	1,400,000	1,426,000
oans and notes payable	255,000	10,000	80,000	145,000	145,000	115,000
urrent liabilities	76,624	40,531	27,397	33,451	48,947	48,206
eserve for taxes	33,809	35,256	24,440	28,406	35,880	19,039
eferred credit items	187,041	188,367	330,084	298,993	331,305	95,000
ccrued depreciation	318,548	294,989	274,628	255,419	238,208	216,501
ther liabilities	226,403	220,786	31,069	130,034	26,253	25,309
perating reserves	.....	.....	83,080	.....	89,263	85,831
emium on funded debt	.....	.....	.....	.....	7,908	7,908
urplus	546,780	502,372	476,454	453,082	452,543	436,708
Total	$6,421,505	$6,069,602	$6,204,452	$6,233,684	$6,264,608	$5,964,802

Officers: F. A. Davis, Pres.; E. R. Sharp, V-P. & reas.; F. K. Young, Sec. & Aud.; R. T. Johnson, en. Mgr. & Pur. Agt.; P. F. Thompson, Supt., olumbus, O.

Directors: F. A. Davis, E. R. Sharp, Geo. T. Johnson, R. T. Johnson, Geo. S. Peters, H. E. Vance, Gilbert L. Fuller, H. H. Price, Columbus, Ohio; H. B. Peters, Lancaster, Ohio.

Office, Columbus, Ohio.

SYRACUSE NORTHERN ELECTRIC RAILWAY, INC.

History and Property—Incorporated May 12, 1917, New York, as successor to the Syracuse & South ay Electric R. R. and the Syracuse, Watertown & St. awrence River R. R. (see Manual for 1916, pages 821 id 1654, or apply to our Information Department). wns and operates between Syracuse and South Bay id between Syracuse and Brewerton, passing through the towns of North Syracuse and Cicero. Total length of all tracks owned, 24.30 miles. Total length of tracks used under rental privileges, 5.20 miles. Equipment owned: Closed passenger cars, 6; trail passenger cars, 4; express cars, 2; flat cars, 4; rotary snow plow, 1; Russell snow plow, 1. Power is purchased from the Niagara, Lockport & Ontario Power Co.

CAPITAL STOCK

Authorized, $150,000 Common, $500,000 6% non-cumulative First Preferred and $500,000 6% non-cumulative Second Preferred; outstanding, $150,000 Common, $480,000 First Pfd. and $420,000 Second Pfd.; par, $100. All classes of stock have equal voting power. The First Pfd. stock has preference as to assets and dividends; the Second Pfd. stock is preferred over common stock as to assets and dividends. Annual meeting, second Tuesday in March.

Dividends—Initial dividend of 1% on First Pfd. stock paid Feb. 15, 1923; 1% Aug. 15, 1923; 1% Aug. 30, 1924; none since. No dividends have been paid on other classes of stock.

FUNDED DEBT

$68,150 First Mtge. 5% Gold bonds; dated May 1 1917; due May 1, 1946; int. May and Nov. 1, at First Trust & Deposit Co., Syracuse, N. Y., Trustee. Coupon, $25, $100, and $1,000. Interest on $25 bonds payable May 1, only. Authorized $600,000; issued, $153,750, of which $85,600 redeemed in 1927. The issued bonds were issued in exchange for bonds of the old Co.; remainder issuable at not less than 90 for 80% of cost of additions and betterments. Subject to call in whole or in part on and after Nov. 1 1917, at 110 and interest. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$104,950	$119,567	$125,957	$136,849	$138,750	$134,10
Operating expenses and taxes	103,602	110,171	117,518	120,015	122,742	111,50
Depreciation	3,148	4,783	3,779	4,105	4,163	5,36
Net earnings	*$1,800	$4,613	$4,660	$12,729	$11,846	$17,23
Other income	6,155	5,182	5,024	9,494	4,510	3,78
Total income	$4,355	$9,795	$9,684	$22,223	$16,355	$21,02
Bond interest	7,567	7,687	7,688	7,687	7,687	7,68
Other charges	.....	.....	18	24	.....	.....
Balance for dividends	*$3,212	$2,108	$1,978	$14,512	$8,668	$13,33
Preferred dividends paid	.....	.....	.....	4,772	9,529	.....
Surplus for year	*$3,212	$2,108	$1,978	$9,740	*$861	$13,33
Times Interest Earned	0.57	1.27	1.26	2.88	2.12	2.7
Earnings Per Share—						
First Preferred	Nil	$0.44	$0.41	$3.02	$1.80	$2.7
Second Preferred	Nil	Nil	Nil	Nil	Nil	N
Common	Nil	Nil	Nil	Nil	Nil	N

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Road and equipment	$1,167,484	$1,167,484	$1,167,284	$1,165,511	$1,171,046	$1,169,60
U. S. Government bonds	10,000	86,828	86,828	86,828	84,543	84,53
Other investments	13,000	13,000	8,000	.....	.....	.....
Materials and supplies	437	437	1,648	437	5,340	4,63
Cash	17,590	14,668	11,160	20,606	7,161	8,20
Accounts receivable	1,824	2,262	2,374	1,107	1,482	6,22
Prepaid insurance	3,006	4,539	1,340	2,534	2,999	91
Construction work	.....	.....	.....	11	5,951	20
Funds on deposit to cover mtgd. property sold	.....	15,645	15,645	15,645	.....	.....
Unadjusted debits	8,446	.....	.....	.....	.....	.....
Total	$1,221,787	$1,304,863	$1,294,279	$1,292,679	$1,278,522	$1,274,32
Liabilities—						
Common stock	$150,000	$150,000	$150,000	$150,000	$150,000	$150,00
Preferred stock	900,000	900,000	900,000	900,000	900,000	900,00
Funded debt	68,150	153,750	153,750	153,750	153,750	153,75
Accounts payable	7,306	8,445	8,099	10,175	10,843	7,79
Interest accrued	627	1,370	1,370	1,370	1,370	1,37
Accrued depreciation	35,769	32,620	27,838	24,816	20,854	17,53
Reserve for taxes	†2,452	†3,577	†3,767	†2,442	†3,384	†1,97
Unadjusted credits	506	891	891	891	710	60
Casualty reserve	9,791	6,062	2,903	2,903	2,903	2,90
Profit and loss surplus	52,090	55,302	53,195	51,216	41,476	42,33
Total	$1,221,787	$1,304,863	$1,294,279	$1,292,679	$1,278,522	$1,274,32

†Debit.

Officers: T. C. Cherry, Pres. & Gen. Mgr.; W. K. Zinsmeister, V-P. & Treas.; H. C. Beatty, Sec.

Directors: T. C. Cherry, A. H. Cowie, H C. Beatty, Edwin Nottingham, H. J. Clark, W. K. Zinsmeister, Syracuse, N. Y.; Arthur W. Loasby, W. O. Morgan New York City; Ferdinand W. Roebling, Jr., Trenton N. J.

General Office, Syracuse, N. Y.

GETTYSBURG GAS CO.

History—Incorporated Jan. 24, 1860, in Pa. Franchise perpetual. Supplies Gettysburg and vicinity. Output in 1926, 17,000,000 cu. ft. No. of meters, 1,235.

CAPITAL STOCK

Authorized and outstanding, $30,000; par, $50. Annual meeting, first Monday in March.

Dividends—6% paid in 1907; none in 1908, 1909, 1910; 1911 to 1913, incl., 6%; 1914, 9%; 1915 and 1916, 6%; 1917 to 1920, none; 1921, 12%; 1922, 15%; 1923, 9%; 1924 and 1925, 12% each; 1926, 15%; 1927, 12%.

FUNDED DEBT

$15,000 (entire issue) First Mortgage 5½% Gold bonds; dated Jan. 1, 1918; due Jan. 1, 1938; int. Jan. and July 1, at York, (Pa.) Trust Co., Trustee. Coupon, $500; principal may be registered. No sinking fund. Subject to call on any interest date at 102. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$41,544	$39,523	$38,61
Oper. exp., taxes & deprec.	30,863	30,030	31,46
Net earnings	$10,681	$9,490	$7,14
Bond interest	825	825	82
Other interest	15	9	
Net income	$9,841	$8,656	$6,31
Dividends paid	3,600	4,500	3,60
Surplus for year	$6,241	$4,156	$2,71
Earnings Per Share	$16.40	$14.42	$10.6

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
operty account	$127,173	$113,059	$108,775
aterial and supplies	8,693	7,386	5,789
sh	469	247	436
counts receivable	5,108	5,454	4,386
epaid insurance	347	291	278
Total	$141,790	$126,437	$119,664

Liabilities—	1927	1926	1925
Capital stock	$30,000	$30,000	$30,000
Funded debt	15,000	15,000	15,000
Notes payable	7,000	.....	.....
Consumers' deposits	95	125	5
Reserve for taxes	1,179	1,137	740
Depreciation reserve	21,000	18,900	16,800
Profit and loss surplus	67,516	61,275	57,119
Total	$141,790	$126,437	$119,664

Officers: William D. Himes, Pres., New Oxford, .; Andrew R. Taylor, V-P., Hanover, Pa.; Ellis S. ewis, Sec. & Treas., York, Pa.; H. Harold Miller, n. Mgr. & Pur. Agt., Gettysburg, Pa.

Directors: Ellis S. Lewis, Carl S. Wittmer, Chas. H. Moore, York, Pa.; Andrew R. Taylor, Hanover, Pa.; William D. Himes, New Oxford, Pa.; John D. Keith, Gettysburg, Pa.; Robert H. Walker, Baltimore, Md.

General Office, Gettysburg, Pa.

BROOKLYN-MANHATTAN TRANSIT CORPORATION

Stock Issues, At June 30, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
ferred (no par)	J, A, J & O 15	350,000 shs	249,468 shs	Yes	$6,348,445	$6	$1,496,808	$25.45
mmon (no par)	.....	850,000 shs	769,911 shs	...	4,851,637	4	3,079,644	6.30

Bond Issues, At June 30, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
lantic Ave. RR. Gen. Cons. 5s	Apr. 1, 1931	A & O 1	$2,241,000	$2,241,000	No	*	Not pd. by Co.
lantic Ave. RR. Imp. Gold 5s	Jan. 1, 1934	J & J 1	Closed	215,000	No	No	Paid by Co.
ooklyn, Bath & West End RR. General Gold 5s	Oct. 1, 1933	A & O 1	121,000	‡118,000	No	No	Paid by Co.
ooklyn City & Newtown Cons. 5s	July 1, 1939	J & J 1	2,000,000	1,988,000	No	No	Not pd. by Co.
ooklyn, Queens County & Suburban RR. First 5s	July 1, 1941	J & J 1	3,500,000	1,427,000	No	No	Not pd. by Co.
ooklyn, Queens County & Suburban RR. Cons. 5s	July 1, 1941	M & N 1	4,500,000	2,803,000	No	No	Not pd. by Co.
ooklyn Union El. RR. First 5s	Feb. 1, 1950	F & A 1	16,000,000	15,956,000	No	No	Paid by Co.
ooklyn-Manhattan Transit Corp. Rapid Transit Security Sinking Fund Gold 6s, Series "A"	July 1, 1968	J & J 1	250,000,000	88,739,500	No	Yes	Not pd. by Co.
ney Island & Brooklyn First Cons. 4s	July 1, 1948	J & J 1	2,000,000	1,920,000	No	No	Not pd. by Co.
ney Island & Brooklyn RR. Cons. 4s	Jan. 1, 1955	J & J 1	10,000,000	1,500,000	No	No	Paid by Co.
gs County El. RR. First 4s	Aug. 1, 1949	F & A 1	7,000,000	6,980,000	No	No	Not pd. by Co.
ssau Electric RR. First 5s	Apr. 1, 1944	A & O 1	660,000	660,000	No	No	Paid by Co.
ssau Electric RR. First Cons. 4s	Jan. 1, 1951	J & J 1	15,000,000	10,337,000	No	No	Paid by Co.
w York Rapid Transit Corp. Refunding inking Fund 5s	July 1, 1968	J & J 1	350,000,000	†44,915	No	Yes	Not pd. by Co.

Total Funded Debt, at June 30, 1927, $134,929,415. **Interest Accrued** in 1927, $7,521,033.
Amount Available for Interest in 1927, $13,869,478. **Times Interest Earned** in 1927, 1.84.

*Originally callable at par, but a portion of issue stamped not callable. †In addition $90,701,000 are owned by Brooklyn-nhattan Transit Corp. and deposited as security for its Rapid Transit Security 6s due 1968 and $111,585 are owned by B.-M. and subsidiaries. ‡Does not include $927.50 non-interest bearing scrip outstanding.

History and Property—The Corporation was organ-d May 24, 1923, under the laws of the State of w York, as the successor to, and upon the reor-ization of, Brooklyn Rapid Transit Co. under tions 9 and 10 of the Stock Corporation Law of State of New York, pursuant to a Plan and Agree-nt dated March 15, 1923, for the reorganization of ooklyn Rapid Transit Co. and its subsidiary com-ies (see 1923 Public Utility Manual, page 2632, or ly to our Information Department). In the Plan Reorganization, Albert H. Wiggin, Charles A. dy, Gerhard M. Dahl, Frederick H. Ecker, Charles rden, Seward Prosser and Frederick Strauss were stituted as a committee to endeavor to consum-e the reorganization and the readjustment and statements of securities in the Plan provided for. transit system which the company acquired on reorganization and now owns is, from the stand-t of both operation and financial structure, divided three parts, viz: street surface lines; subway and ated rapid transit lines; and power plants and r common facilities.

he Brooklyn-Manhattan Transit Corp. is essen-y a holding company, as was its predecessor, con-ling a number of subsidiary operating companies ugh stock ownership, to wit: New York Rapid Transit Corp., The Nassau Electric R.R. Co., Brooklyn, Queens County & Suburban R.R. Co., The Coney Island & Brooklyn R.R. Co., South Brooklyn Ry. Co., Coney Island & Gravesend Ry. Co., and Williamsburgh Power Plant Corp. Under the Plan of Reorganization, the identity of these subsidiary companies (with the exception of the last named, a new company) was not destroyed and they continue as individual operating companies.

The Brooklyn Rapid Transit Co. was organized in Jan. 1896, and acquired on reorganization or from time to time thereafter, either directly or through its subsidiary companies, a majority of the capital stock and also bonds and other indebtedness of the following railroad companies operating rapid transit or street surface railroads principally in the Borough of Brooklyn, New York, namely:

Street Surface Lines:
The Nassau Electric Railroad Company.
The Coney Island & Brooklyn R.R. Co.
Brooklyn, Queens County & Suburban R.R. Co.
South Brooklyn Ry. Co.
Coney Island & Gravesend Ry. Co.
The Brooklyn Heights R.R. Co.
Rapid Transit Lines:
New York Consolidated R.R. Co.
New York Municipal Ry. Corp.

Orders executed in the securities of
BROOKLYN-MANHATTAN TRANSIT CORP.
Our Statistical Department will furnish complete information on application
25 BROAD STREET NEW YORK **HAYDEN, STONE & CO.** 87 MILK STREET BOSTON
Members New York and Boston Stock Exchanges

The transit system operated by these subsidiary companies at the time of the appointment of the receiver consisted of approximately 532 single track miles of street surface lines and 228 miles of rapid transit subway and elevated tracks. These railroad properties were controlled by the Brooklyn Rapid Transit Co. through stock ownership, directly or indirectly, up to the appointment of the Receiver.

Street Surface Lines—Upon its organization in 1896, the Brooklyn Rapid Transit Co. acquired (a) all of the capital stock of The Brooklyn Heights R.R. Co. which owned and operated a comparatively short street surface railroad in the borough of Brooklyn, and which operated under lease the system of street surface lines owned by The Brooklyn City R.R. Co., and (b) all the capital stock of Brooklyn, Queens County & Suburban R.R. Co., which owned and operated at that time 45.5 miles of single track street surface railroads located in the borough of Brooklyn and adjacent territory. From time to time thereafter the B. R. T. Co. acquired through stock ownership or otherwise, control of numerous additional street surface lines. When the Receivership began, the B. R. T. System of street surface lines comprised a total of 532 miles of single track (exclusive of trackage rights across the East River), of which approximately 301 miles were owned and operated by the street surface subsidiary companies mentioned above.

The remaining 231 miles of track were operated by The Brooklyn Heights R.R.Co. under a lease from The Brooklyn City R.R. Co., which extended for 999 years from 1893 and which provided by way of rental for payment of interest on the bonds of The Brooklyn City R.R. Co. and a dividend of 10% per annum on its outstanding capital stock of $12,000,000. In Oct. 1919, on the demand of The Brooklyn City R.R. Co., the Court ordered the Receiver to return its properties to that Company. Since that date the street surface lines covered by this lease have been operated independently by The Brooklyn City R.R. Co.

Subway and Elevated Rapid Transit Lines—In 1901, the B. R. T. acquired more than a majority of the outstanding stock of Brooklyn Elevated R.R. Co., Union Elevated R.R. Co. and Seaside & Brooklyn Bridge Elevated R.R. Co. Brooklyn Union Elevated R.R. Co. acquired the outstanding stock of Kings County Elevated R.R. Co., and the latter company was merged into Brooklyn Union Elevated R.R. Co. in 1900. In Nov., 1912, Brooklyn Union Elevated RR. Co., Sea Beach Ry. Co. and Canarsie R.R. Co. were consolidated, forming New York Consolidated R.R. Co. which thereby succeeded to the ownership of all of the elevated lines embraced in the B. R. T. System. Substantially all of the capital stock of New York Consolidated R.R. Co. (approximately 95% of the Pfd. and 96% of the Common stock) was owned by the B. R. T. at the time of the appointment of the Receiver.

In 1912, New York Municipal Ry. Corp. was organized under the Rapid Transit Act and the Railroad Law of the State of New York, in connection with the negotiations then under way with the City of New York for the extension of the rapid transit system by the construction of certain new subways by the City and the operation thereof in conjunction with the elevated lines owned by New York Consolidated RR. Co. All of the capital stock of New York Municipal Ry. Corp. was owned by New York Consolidated RR. Co. and the two companies were subsequently merged on June 4, 1923.

Contract with City—In March, 1913, New York Municipal Ry. Corp. entered into a contract with the city of New York under which New York Municipal Ry. Corp., then having the right by contract to operate the elevated lines of New York Consolidated RR. Co., agreed to contribute certain funds toward the construction of new subway and elevated lines to be built and owned by the City, to equip tho lines, to reconstruct and extend the existing elevat lines owned by New York Consolidated R.R. C and to operate (for 49 years from the effective da of the lease provisions of the contract) as a sing system all of said existing elevated lines and t new subway and elevated lines to be construct by the City. On the same date, New York Muni pal Ry. Corp., by two certificates granted by t Public Service Commission under the Rapid Tran Act, acquired the right to construct certain additior tracks upon an extension to the elevated lines th owned by New York Consolidated R.R. Co. The arrangements with the City authorities are referr to as "Contract No. 4," and constitute the participati of the B. R. T. System through its subsidiaries what is commonly referred to as the Dual Subw System. New York Consolidated R.R. Co. subs quently leased all the railroads, properties, righ privileges and franchises of New York Municipal F Corp. for the balance of the term of Contract No. thus succeeding to the operating rights and oblig tions of New York Municipal Ry. Corp. under arrangements with the City.

To finance the obligations of its subsidiary unc Contract No. 4, the B. R. T. Co. issued $60,000,(of its Six-Year Notes maturing in July, 1918, w the proceeds of which and other funds it acquirec like amount of long term first Mtge. Bonds of N York Municipal Ry. Corp. guaranteed by New Yo Consolidated R.R. Co., the bonds so acquired hav been pledged together with $10,000,000 of its own Fi Refunding Mtge. Bonds as security for its Six-Y Notes. Holders of $2,265,000 of these notes sub quently exchanged their notes for a like amount the pledged long term bonds of the rapid transit s sidiaries. The Six-Year Notes matured in July, 19 but all except $475,000 thereof (of which $10,(were held within the System) were refunded by issue of the 3-Year 7% Notes of the B. R. T., mat ing in July, 1921, approximately 30% of which w acquired by the War Finance Corporation. Th Three-Year Notes were secured by the same collate which secured the Six-Year Notes. as descril above, and in addition by the pledge of approximat $29,000,000 of B. R. T. Consolidated and Refund Mtge. Bonds.

Power Plants and Other Common Facilities—T power plants and certain of the repair shops, barns, etc., common to the use of both the surf and the subway and elevated lines, were opera by the B. R. T. Co. itself and the principal po plants were also owned by the B. R. T. Co. So of the common facilities were owned by the ra transit companies, and some by the surface co panies. By contract approved by the Public Serv Commission, **Transit Development Co.** (a sub iary merged in 1918 into Brooklyn Rapid Tra Co.) in order to suspend the obligation under C tract No. 4 to construct a power plant in accorda with the provisions of the City Contracts, agreed furnish power for the use of the rapid transit li in Brooklyn and Queens for a period of ten years. power for the operation of the rapid transit li of the B. R. T. System in Manhattan was provi for by a similar contract with the Interborough R id Transit Co. The power plants existing at time of the receivership were inadequate for the ne of the system and work on the extension and largement of the principal plant (the Williamsbu Plant) had been commenced prior to receivers This work was carried to completion during the ceivership at an aggregate cost of approximately 765,000. The rated generator capacity of Williamsburgh Power Station and of the Cen Power Station (both now owned by the Willia burgh Power Plant Corp., see appended stateme is 182,500 k.w. and 21,600 k.w. respectively.

esent peak load of the System is between 135,000 d 140,000 k.w. In addition there are 25 sub-stations. l the generating stations and sub-stations are of con-ete, brick, and steel construction. As a result of the nstruction completed during the receivership, the rganized system now possesses a modern and effi-nt power production system able to meet all the mediate requirements of both the rapid transit and rface lines, including those of The Brooklyn City R. Co. with which the Receiver, shortly before the urn of the leased lines made a contract for the pply of power in connection with the acquisition certain properties of The Brooklyn City R.R. Co. eded for the proposed power plant enlargement.

Termination of Lease of The Brooklyn City R.R. —In the summer of 1919, the Receiver reported t he would be unable to meet the installment of idend rental due Oct. 1, 1919, under the lease of street surface railroad properties of The Brook-City R.R. Co. to The Brooklyn Heights R.R. Co. w in liquidation). This resulted in a demand being de for the return of its properties to The Brooklyn y R.R. Co. and on Oct. 18, 1919, on demand of e Brooklyn City R.R. Co., United States District urt for the Southern District of New York ordered properties returned to that company. Since that e the street surface lines formerly operated by Brooklyn Heights R.R. Co. under lease as part of B. M. T. System have been operated independently The Brooklyn City RR. Co. under the terms of the se. The Brooklyn City RR. Co. obligated itself n termination of the lease to pay the Lessee the ount of certain improvements, additions and bet-ments to its lines, the amount so payable according the books of the B. R. T. System being approxi-tely $10,000,000, exclusive of interest and of the t of a large number of cars used on the lines of The ooklyn City R.R. Co. The amount of this liability s disputed by The Brooklyn City R.R. Co., and a t was commenced by the Receiver to determine the ount due. This suit is still pending. As a result the termination of said lease, a controversy arose to the status of the Guaranty Fund provided for ler the lease. This controversy was adjusted in nection with the consummation of the reorganiza-n by an agreement of settlement dated Nov. 19, 1923, proved by the United States District Court for the uthern District of New York, under which the ooklyn-Manhattan Transit Corp. acquired $2,000,-000 principal amount of Brooklyn, Queens County & Suburban R.R. Co. First Mortgage Gold 5s and $2,000,000 par value of the stock of said company, for which it agreed to procure for The Brooklyn City R. R. Co. a credit of $2,000,000 against any amount finally established to be due from The Brooklyn City R.R. Co. for the improvements referred to in said lease.

Receiver's Certificates—During the early part of 1919, it was apparent that a large amount must be raised to complete the company's part of Contract No. 4 and the ancillary power agreement. To that end, Judge Mayer authorized an issue of $20,000,000 B. R. T. Receiver's Certificates, secured (through the pledge of certificates issued by the Receiver of the Rapid Transit Companies) by a lien upon the subway and elevated lines prior to the lien of New York Municipal Ry. Corp. First Mtge. 5s and secured also by a lien on all the property of the B. R. T. Co. in custody of the Court or subject to its administration. Of the Receiver's Certificates so authorized $18,000,000 were issued and marketed in August, 1919. Subsequently the Receiver was able to pay or repurchase $6,500,000 thereof, so that at the termination of the receivership there were outstanding in the hands of the public only $11,500,000 of these certificates. The certificates as extended matured on Aug. 1, 1923, and were paid off from moneys provided on reorganization. As a result of this financing, the Receiver was able to fulfill all the obligations of the company as they accrued under the contract with the city, and to put in operation many miles of additional rapid transit facilities. During the receivership there was actually expended by the Receiver from the proceeds of Receiver's Certificates and from other funds the sum of $28,860,161 in connection with the construction and equipping of the city and company owned rapid transit lines under Contract No. 4 and, in addition, the sum of $3,765,375 in connection with the completion of the Williamsburgh Power Plant Annex and other work incidental to the enlargement of the power house facilities.

Constructions and Additions—The City has started work on the construction of the Nassau-Broad Street Line. This line will materially increase the capacity and efficiency of the rapid transit lines under Contract No. 4.

The extension of the Fourth Avenue Subway from 86th Street to 95th Street, Brooklyn, was placed in operation on Oct. 31, 1925.

STOCKS OWNED OR CONTROLLED BY BROOKLYN-MANHATTAN TRANSIT CORP., DECEMBER 31, 1927

Stocks—	Class	Par Value	Shares Authorized	Issued	Owned or Controlled by B. M. T. Corp.
Y. Rapid Transit Corp.	Common	None	282,760	*282,760	*282,760
liamsburgh Power Plant Corp.	Common	None	10,000	10,000	†10,000
Nassau Electric RR. Co.	Preferred	$100	65,000	65,000	63,968¾
Nassau Electric RR. Co.	Common	100	85,000	85,000	85,000
oklyn, Queens County & Suburban RR. Co.	Common	100	150,000	20,000	20,000
Coney Island & Brooklyn RR. Co.	Common	100	30,000	29,839	‡29,256
th Brooklyn Ry. Co.	Common	100	5,000	5,000	5,000
ney Island & Gravesend Ry. Co.	Common	100	3,500	3,500	3,500
ney Island & Brooklyn Terminal Co.	Common	100	150	25	25
Brooklyn Heights RR.	Common	100	2,000	2,000	2,000
oklyn Bus Corp.	Common	None	500	500	500

*281,898 shares pledged as security for Brooklyn-Manhattan Transit Corp. Rapid Transit Security Sinking Fund Gold ds. †All pledged as aforesaid ‡Beneficially owned by Brooklyn-Manhattan Transit Corp. as pledgee, 26,370 shares.

BONDS OWNED OR CONTROLLED BY BROOKLYN-MANHATTAN TRANSIT CORP., DECEMBER 31, 1927

Bonds (Feb. 29, 1928)—	Total Outstanding	Owned by B. M. T. Corp.
Y. Rapid Transit Corp. Refunding Sinking Fund Gold 5s, due July 1, 1968	$91,164,500	*$90,097,885
Y. Rapid Transit Corp. Refunding Sinking Fund Gold 6s, due July 1, 1968	10,000,000	10,000,000
liamsburgh Power Plant Corp. Gen. Mtge. Sinking Fund Gold 5s, Series "A" due July 1, 1968	17,825,600	†17,698,600
oklyn, Queens County & Suburban R. R. Co. First Mtge. 5s due July 1, 1941	3,086,000	1,580,000
Coney Island & Brooklyn R. R. Co. Consolidated Mtge. Gold 4s, due Jan. 1, 1955	2,125,000	625,000
Brooklyn Heights R. R. Co. First Mtge. Gold 5s, due April 1, 1941	250,000	250,000

*Of which, $90,053,000 pledged as security for the Brooklyn-Manhattan Transit Corp. Rapid Transit Security Sinking d Gold Bonds. †All pledged as aforesaid.

n addition, the company owns demand obligations ts subsidiaries aggregating over $18,000,000. The pany also owns $525,000 of the Refunding Mtge. 4% Bonds of The Brooklyn City R.R. Co., out of a total outstanding issue of $925,000. The company also owns a claim against The Brooklyn City R.R.

Co., now in litigation, for approximately $10,000,000 (less the $2,000,000 credit agreed to be given in connection with the Guaranty Fund Settlement, as above stated) for improvements on the lines of that company made during the lease which was terminated as explained above and also a claim for the cost (approximately $3,170,000) of 469 surface passenger cars provided for operation on the lines of The Brooklyn City R.R. Co. under the lease above mentioned. The company through its Rapid Transit subsidiary also has a claim against the City of New York for approximately $30,000,000, now in litigation, for damages for the failure and delay of the City of New York to complete the subway lines which it contracted to build under Contract No. 4. The company also owns substantial real estate holdings, consisting chiefly of vacant land in the Borough of Brooklyn, New York.

MILEAGE OF TRACK IN B.-M. T. SYSTEM DECEMBER 31, 1927

Rapid Transit Lines:	
New York Rapid Transit Corp:	
Owned	165.618
Leased (including trackage rights)	132.708
	298.326
*Surface Lines:	
The Nassau Electric RR. Co.	143.222
Brooklyn, Queens County & Suburban RR. Co.	64.712
The Coney Island & Brooklyn RR. Co.	52.032
South Brooklyn Ry. Co.	24.298
Coney Island & Gravesend Ry. Co.	8.093
	292.357
Total miles of track	590.683

*Not including tracks over Brooklyn Bridge.

Equipment Owned by B.-M. T. System, Feb. 29, 1928—Surface passenger cars, 1,824; elevated passenger cars, 849 (including 27 type "C" 3-car units); subway passenger cars, 1,092 (including 71 type "D" 3-car units), service and miscellaneous cars, 330—total, 4,095.

RAPID TRANSIT EXPANSION—AGREEMENT WITH THE CITY

(New York Rapid Transit Corp.)

(Successor to N. Y. Municipal Ry. Corp. and N. Y. Consolidated R.R. Co.)

Negotiations with the City were finally consummated in the contract of March 19, 1913, between the City of New York and New York Municipal Ry. Corp., which was incorporated on Sept. 27, 1912, for the purpose of carrying out the Brooklyn Rapid Transit Co.'s part in the so-called dual system.

The lines already constructed or under construction by the City are under the terms of Contract No. 4, leased to the Company for a period of 49 years (with provision for recapture by the City after ten years), and are to be operated in connection with the system of railroads of the New York Consolidated R.R. Co. (as enlarged and extended) as one system and for a single fare. The extensions of and additional tracks to the system of railroads of the New York Consolidated R.R. Co. already constructed or under construction by the company, are under the term of the certificates for said extensions and additional tracks to be maintained and operated for and during the franchise periods of 85 years from the time when parts of the extensions and additional tracks, respectively, are placed in operation (with provision for recapture by the city after ten years). The reconstruction and enlargement of the existing railroads and equipment of the New York Consolidated RR. Co., to adapt them for operation in conjunction with the city lines, as provided for in Contract No. 4, are to be maintained and operated as part of said system and are not subject to recapture by the city.

There will be approximately 284.66 miles of track in the enlarged system (including trackage rights over the Astoria and Corona lines in the Borough of Queens, enjoyed mutually with the Interborough Rapid Transit Co.), of which approximately 133 miles will be owned by the city.

The contract with the city provides as to these jointly operated lines that after deducting operating expenses, taxes and provision for depreciation the net revenue is to be applied as follows:

1. To the Lessee $3,500,000 as representing the net earnings of the existing railroads which are to form part of the new Rapid Transit System. Out of this reservation the Lessee is to pay interest charges on capital investments prior to March 19, 1913, in the existing railroads.

2. To the Lessee 6% on its new investment in construction and equipment prior to the beginning of permanent operation, and thereafter interest and 1% sinking fund.

3. To the City interest and 1% sinking fund on its investment in cost of construction.

Any surplus remaining, after making provision for a moderate Contingent Reserve Fund, is to be divided equally between the Lessee and the City.

The deficit in the company's preferentials is cumulative and is to be made good from future net income before payment of the city's interest and sinking fund charges, but under the provisions of the contract the deficits in the city's charges during temporary operations is to be added to the cost of construction of the city-owned lines, thereby swelling the amount upon which interest will hereafter have to be earned.

The details of results from this operation are as follows:

Results of Operations of New York Rapid Transit Corp., Lessee, under the Provisions of Contract No. 4, Dated March 19, 1913, between the Corporation (formerly the N. Y. Municipal Ry. Corp.) and the City of New York for The Year Ended June 30, 1926, and also for the fourteen-year period from the Commencement of operation under the Contract, namely, Aug. 4, 1913, to June 30, 1927.

	Year Ended June 30, 1927	Period Aug. 1913 June 30, 1927
Revenue	$34,155,938	$281,004,1
Operat. deductions and Corporation's First Preferential	26,557,032	250,935,8
Balance available for return on new money invested under Contract	7,598,906	30,068,2
Corporation's Second Preferential representing interest and sinking fund on Corporations' contribution to construction and equipment under Contract	5,470,624	45,585,1
Balance above Corporation's Second Preferential	2,128,282	.....
Deficit representing amount by which Revenue failed to equal interest and sinking fund on Corporation's contribution to construction end equipment under Contract	.....	15,516,8

PASSENGERS CARRIED (B.-M. T. SYSTEM), YEARS ENDED JUNE 30

	Surface	Rapid Transit	Total
1918	255,569,584	265,400,020	520,969,6
1919	251,893,227	313,933,642	565,826,8
1920	278,832,742	380,190,890	659,023,6
1921	223,006,425	406,695,310	629,701,7
1922	250,412,364	446,384,508	696,796,8
1923	262,992,795	482,584,090	745,576,8
1924	266,421,409	539,069,076	805,490,4
1925	271,800,914	593,368,990	865,169,9
1926	269,233,866	623,099,695	892,333,5
1927	269,928,710	658,271,663	928,200,3

CAPITAL STOCK

Authorized, 350,000 shares Pfd. of no par value (of which 250,000 shares are classified as Series "A" and 850,000 shares Common of no par value; outstanding, 249,468 shares Pfd. Series "A" and 76[illegible] 911 shares Common. Pfd. and Common Stocks are entitled to full voting rights, one vote for each share held, and shall not be entitled to subscribe as a matter of right to any additional or unissued stock, whether Pfd. or Common, or to securities convertible into stock.

Preferred Stock Provisions—Of the authorized Pfd. ock (350,000 shares), 250,000 shares shall be classi- ed as Series "A" and shall carry dividends at the ıte of $6 per share per annum, but no more, cumu- tive from and after July 1, 1926. Redeemable in hole or in part at $100 per share and all arrears in ımulative dividends. The balance of the author- ed Pfd. stock may be classified as Series "A" or ay be classified in one or more additional series, e shares of each such additional series to carry divi- ends at such rate, not exceeding $8. per share per num, cumulative not earlier than July 1, 1936, d redeemable at such price, not exceeding $110 r share and all arrears in cumulative dividends, l as may be determined by the Board of Directors the time of the issuance of such shares. Dividends the Pfd. stock shall be payable out of surplus net profits, as and when declared by the Board of irectors, and may be paid annually, semi-annually quarterly as the Board of Directors may determine. he rates of any dividend declared on the Pfd. stock different series, carrying different maximum rates dividends shall in all cases bear to each other the me proportions as the respective maximum dividend tes on the respective series bear to each other. o dividends on the Common stock shall be paid any year unless all cumulative dividends on the d. stock accrued prior to such year shall have been id or declared and set aside for payment in such ar, and the full dividends on the Pfd. stock for such ar shall have been declared for payment in such ar. The Common stock is entitled to all further vidends. In the event of any liquidation or disso- tion of the corporation, whether voluntary or in- luntary, holders of the Pfd. stock shall be entitled be paid in full out of the assets of the Corpora- n $100 per share and an amount equal to all arrears cumulative dividends before any amount shall be id or distributed to the Common stockholders who all then be entitled to all remaining assets.

In case at any time less than all of the Pfd. stock any series is to be redeemed the shares of such ock to be redeemed shall be selected by lot or by ch method and in such manner as the Board of rectors may determine. Sixty days' notice of any ch redemption shall be given and all dividends stock called for redemption shall cease to accrue n and after the date fixed for redemption and holders thereof shall cease to have any rights stockholders.

The authorized amount of Pfd. stock shall not be reased without the affirmative vote or consent of holders of at least a majority of the shares of d. stock at the time outstanding, voting or con- nting as a class.

Transfer Agent—Central Union Trust Co., New rk.

Registrar—The Chase National Bank, New York.

Annual Meeting—Third Monday in September.

Voting Trust Agreement—Under an agreement ted July 2, 1923, the Pfd. and Common stocks are sted in a Voting Trust which shall continue in ce until July 1, 1928, and which may be renewed m time to time as to all or any part of the shares stock but not beyond July 1, 1953, subject how- er, to prior termination as provided in the Agree- nt. No certificate of stock shall be due or deliver- le thereunder before the expiration or termination the Voting Trust in respect of the shares of stock presented thereby. Prior to the termination of the ting Trust the registered holders of the Voting ust Certificates are entitled to receive payments ual to the dividends, if any, received by the Voting rustees upon a like number of shares standing in eir names. Such dividends if received in stock of company, however, are to be payable in Voting ust Certificates for such stock. Until after the actual delivery of such stock certificates the Voting Trustees shall possess and shall be entitled in their discretion to exercise all rights and powers of absolute owners of such stock, including the right to vote for every purpose and to consent to any corporate act of the company. The Voting Trustees are: Albert H. Wiggin, Gerhard M. Dahl and Frederick Strauss.

Listed (Pfd. A and Common V. T. C.)—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
Preferred—					
High	88	89¾	83¾	75¾	49⅞
Low	78½	78	72⅞	48¾	31⅜
Common—					
High	70⅞	77⅞	64	41⅞	18¾
Low	53	54⅛	35⅛	13½	9¼

Dividends—An initial quarterly dividend of $1.50 per share on the Pfd. stock was paid May 15, 1924. On July 15, 1924, $1.50 per share was paid and the quarterly payment dates were established as J, A, J & O 15; Oct. 15, 1924, and quarterly since to date, $1.50 per share. On Jan. 20, 1926, initial dividend of $3 a share was paid on Common, of which $2 was paid for the period from the reorganization of the Company to Sept. 30, 1925, and $1 for the current quarter; April 15, 1926, $1 a share, which quarterly rate paid to date; payments, J, A, J & O.

FUNDED DEBT

$88,959,000 RAPID TRANSIT SECURITY SINKING FUND GOLD 6s, SERIES "A"; DUE JULY 1, 1963

Dated July 2, 1923.

Interest Payable January and July 1, at The Chase National Bank of the City of New York.

Denominations—Coupon, (principal may be registered) $100, $500 and $1,000 and fully registered bonds in denominations of $1,000, $5,000 or $10,000, or any multiple of $10,000. Coupon bonds of denomination of $1,000 are interchangeable with fully registered bonds.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized, $250,000,000; issued Series "A," $92,698,000, of which $88,959,000 were outstanding Jan. 31, 1928, $3,543,000 had been acquired by sinking fund and $196,000 were held for sinking fund. Bonds may be issued in series to be distinctively designated in such amounts, with such maturities, rates of interest, sinking fund, redemption conversion and other provisions as shall be determined by the Board of Directors at the time of the creation of any such series. Additional bonds may be issued for the purpose of acquiring additional Rapid Transit Refunding Mtge. Bonds of the New York Rapid Transit Corp. or General Mortgage bonds of the Williamsburgh Power Plant Corp., the bonds so acquired to be pledged under this Indenture at the rate of $6,000 face amount of such bonds acquired and pledged for each $5,000 principal amount of bonds issued.

Callability—Subject to call in whole or in part on any interest date at 105 and interest.

Sinking Fund—A cumulative sinking fund of ⅔ of 1% per annum on the maximum amount of bonds at any time outstanding, payable, semi-annually Jan. and July, the first payment to be made Jan. 1, 1927, is to be applied to the purchase or redemption of these bonds at not over 105 and interest. Company has the right to tender bonds for purchase by the sinking fund at current market prices. If any dividend is paid on the Pfd. or Common stock of the company prior to Jan. 1, 1927, Sinking Fund payments shall start not later than Jan. 1 or July 1 next preceding the date of the payment of such dividend. As a result of payment of a dividend on Pfd. stock May 15, 1924, Sinking Fund became operative from Jan. 1, 1924.

Security—A direct obligation of the company secured by the deposit of $90,053,000 New York Rapid Transit Corp. Refunding Sinking Fund Gold 5s, Series "A," due July 1, 1968; $17,698,600 Williamsburgh Power Plant Corp. General Sinking Fund 5s, Series "A," due July 1, 1968; 281,898 shares of no par value capital stock of New York Rapid Transit Corp. and 10,000 shares of no par value capital stock of Williamsburgh Power Plant Corp. These bonds are subject to the liens of the Kings County Elevated RR. Co. First Mtge. 4s and the Brooklyn Union Elevated RR. First Mtge. 5s.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	101⅞	99⅜	92¾	84⅝	74⅜
Low	95½	92¼	82¼	71¼	65⅛

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924
Revenue from Transportation—				
Passenger revenue	$44,633,439	$42,803,048	$41,383,764	$38,376,581
Freight revenue	588,057	672,689	675,183	650,173
Miscellaneous	2,540	71,548	14,689	1,390
Total	$45,224,036	$43,547,285	$42,073,636	$39,028,144
Other Street Railway Operating Revenues—				
Advertising	$570,645	$656,000	$656,000	$534,390
Other car and station privileges	677,598	387,925	381,941	297,476
Miscellaneous	238,314	249,757	200,840	212,316
Total	$1,486,557	$1,293,683	$1,238,781	$1,044,182
Total Revenues	$46,710,593	$44,840,968	$43,312,417	$40,072,326
Operating Expenses—				
*Maintenance of way and structure	$4,582,743	$4,721,412	$4,474,266	$3,742,677
*Maintenance of equipment	7,053,983	6,071,133	6,087,560	5,671,802
Operation of power plant	3,384,736	3,263,338	3,240,270	3,428,726
Operation of Cars—				
Trainmen's wages	7,156,692	6,952,159	6,872,091	6,514,423
Other expenses	4,508,312	4,310,479	4,193,724	3,908,714
Damages	1,471,289	1,616,237	1,416,702	1,277,772
Legal expenses	241,102	218,626	198,979	174,478
General law expenses	79,064	106,048	134,986	105,334
General expenses	1,546,152	1,492,075	1,309,152	1,156,119
Freight expenses	364,101	469,333	493,660	519,363
Total operating expenses	$30,388,174	$29,220,840	$28,426,391	$26,499,409
Net revenue from operation	$16,322,419	$15,620,128	$14,886,027	$13,572,918
Taxes	3,250,897	3,260,385	3,068,462	2,738,947
Operating income	$13,071,522	$12,359,743	$11,817,565	$10,833,971
Non-operating Revenue—				
Miscellaneous rent revenues	$114,425	$156,535	$287,276	$297,376
Interest	748,343	783,731	544,337	428,865
Rents accrued from lease of roads	63,570	62,703	60,571	61,468
Miscellaneous (net)	145,446	177,523	192,398	162,746
Total non-operating revenue	$1,071,784	$1,180,493	$1,084,581	$950,455
Gross income	$14,143,306	$13,540,236	$12,902,146	$11,784,426
Deductions:				
Interest	$7,521,033	$7,462,323	$7,475,760	$7,431,050
Rent for lease of other road and equipment	25,000	25,000	25,000	25,000
Other rent deductions	239,210	286,771	309,678	302,527
Sinking fund accruals and amortization	3,783	3,783	3,783	3,783
Total deductions	$7,789,026	$7,777,877	$7,814,221	$7,762,360
Balance	$6,354,280	$5,762,359	$5,087,925	$4,022,065
Less accruing to minority interest	5,835	14,171	14,390	36,006
Net income	$6,348,445	$5,748,188	$5,073,535	$3,986,059
Preferred dividends	1,496,808	1,496,808	1,496,808	748,404
Common dividends	3,079,644	3,079,644	.....	.....
Surplus for year	$1,771,993	$1,171,736	$3,576,727	$3,237,655
Times Interest Earned	1.84	1.77	1.68	1.54
Earnings Per Share—				
Preferred	$25.45	$23.04	$20.35	$15.98
Common	6.30	5.52	4.65	†3.23

*Includes depreciation. †After deducting a full year's dividends on Preferred.

CONSOLIDATED BALANCE SHEET, JUNE 30
(Brooklyn-Manhattan Transit System)

Assets—	1927	1926	1925	1924
Properties owned	$140,459,048	$141,578,773	$139,899,610	$139,316,659
Construction expenditures under Contract No. 4 and related certificates	96,155,374	90,240,015	88,620,888	88,116,270
Cash	5,454,272	4,845,540	6,480,855	4,964,540
Materials and supplies	2,584,344	2,216,922	2,601,230	2,388,888
Investments	3,758,854	5,497,660	7,057,526	6,122,67-
Accounts receivable	1,243,352	1,248,383	626,547	523,112
Interest receivable	132,965	160,406	137,480	179,994
Cash for construction and equipment	.....	.....	78,988	2,890,178
Special deposits of securities and cash	6,296,926	5,374,632	5,386,007	5,143,600
Sinking fund bonds	3,095,000	1,967,000	1,197,000	389,000
Accounts in litigation, etc.	872,669	515,344	343,907	432,57-
Prepaid accounts	211,768	241,709	272,016	328,358
Bonds and deposits held in escrow	.....	.....	28,062	22,078
General claims account Brooklyn City RR.	*7,789,988	*7,789,988	*7,789,988	*7,789,988
Claims in respect of cars, etc.	*3,173,635	*3,173,635	*3,173,635	*3,173,63-
Items in suspense pending consummation of reorganization plan	.....	.....	629,666	527,42-
Total	$271,228,195	$264,850,006	$264,323,406	$262,308,977

CONSOLIDATED BALANCE SHEET, JUNE 30 (Continued):

Liabilities—	1927	1926	1925	1924
ommon stock	$31,331,833	$31,331,833	$31,331,833	$31,331,833
referred stock	24,946,800	24,946,800	24,946,800	24,946,800
onstituent Companies' shares not owned	184,625	294,025	299,725	420,150
unded debt	138,025,343	138,748,343	138,951,342	139,277,228
eal estate mortgages	383,950	386,100	381,200	381,200
ccounts payable	2,690,334	2,204,653	2,321,482	2,466,520
ills payable	3,800,000	.....	.....	.....
ax accruals	2,465,631	1,961,693	1,497,474	875,769
nterest accrued on funded debt	4,019,046	4,043,241	3,973,721	3,967,031
ther interest	58,932	21,246	21,161	4,839
ort claims, including judgments	68,150	63,679	42,841	195,541
ividend declared, payable July 15	1,144,113	1,144,113	374,202	374,202
ems in suspense pending consummation of reorganization plan	.....	.....	.....	201,172
-M. T. Corp. Pfd. stock held for delivery to employes	729,570	175,760	691,405	.....
ems payable from bond proceeds	.....	.....	233,979	568,207
roceeds from sale of real estate and condemnation awards	.....	.....	70,691	36,163
eserve—Employer's liability	379,182	383,038	331,360	297,408
eserve for undetermined assets, etc.	33,107,420	33,598,602	35,425,960	37,919,763
eserve for amortization of capital and other reserves	6,320,635	5,012,539	4,734,242	4,037,840
eserve for taxes in litigation and contingent	2,719,665	2,710,677	2,733,250	2,712,114
nadjusted credits	53,668	8,711	.....	.....
easeholds and other deposits	.....	.....	28,062	22,077
nearned rentals	.....	.....	4,373	4,905
rplus	18,799,298	17,814,954	15,928,298	12,268,215
Total	$271,228,195	$264,850,006	$264,323,406	$262,308,977

*Claims in connection with construction of Brooklyn City Lines, arising out of lease of February 14, 1893.

Officers: Gerhard M. Dahl, Chairman of Board; lbert H. Wiggin, Chairman of Finance Committee; Villiam S. Menden, Pres.; Geo. D. Yeomans, V-P. Gen. Counsel; Travis H. Whitney, V-P.; Fred C. arston, Sec. & Treas.; James Addison, Compt.

Executive Committee: Gerhard M. Dahl, Chairan; Matthew C. Brush, William S. Menden, Charles Sargent, Jr., Arthur S. Somers, Albert Strauss, harles Hayden, Albert H. Wiggin, Chairman of inance Committee.

Directors: Gerhard M. Dahl, Chairman; William M. Greve, Matthew C. Brush, J. Sherlock Davis, William H. English, George S. Franklin, Charles Hayden, William H. Johns, Alfred E. Marling, William S. Menden, Benjamin H. Namm, James H. Post, Charles S. Sargent, Jr., Robert Alfred Shaw, Arthur S. Somers, Albert Strauss, Travis H. Whitney, Albert H. Wiggin, New York.

Office, 85 Clinton Street, Brooklyn, N. Y.

BROOKLYN HEIGHTS RR. CO.

(Controlled by Brooklyn-Manhattan Transit Corp.)

History—Incorporated April 1, 1887, in New York.

Receivership, Etc.—Lindley M. Garrison was appointed Receiver on July 14, 1919. At that time, the rooklyn Heights R.R. Co. was, as Lessee under a ase dated Feb. 19, 1893, operating the property wned by the Brooklyn City R.R. Co. lessor. On ct. 18, 1919, however, not having been able to pay e installment of rent due on Oct. 1, 1919, the Reiver, under the order of the U. S. District Court for e Southern District of New York surrendered to The ooklyn City R.R. Co. the possession of the leased operty.

The receivership of this company has not been rminated as it is in process of liquidation. William Menden was appointed receiver on May 27, 1924, succeeed Lindley M. Garrison.

Mileage—Length of line (owned), 2.413 miles; cond track, 1.335 miles; total track owned, 3.748 les. On April 3, 1925 Company filed with the ansit Commission declaration of abandonment of ucks on Montague St. and Court St. to present minus near Wall Street Ferry. Not in operation ce May 18, 1924.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. Annual meeting, first Thursday in February.

FUNDED DEBT

$250,000 (entire issue) First 5s; dated April 1, 1891; due April 1, 1941; int. April and Oct. 1, at Peoples Trust Co., Brooklyn, Trustee. Coupon $1,000. A first lien on entire property. All owned by the Brooklyn-Manhattan Transit Corp. Company pays Normal Federal Income Tax up to 2%. Oct. 1, 1919, and subsequent interest in default. Under the plan of reorganization of Brooklyn Rapid Transit Co., holders of these bonds received 6% Pfd. stock of the B.-M. T. Corp. in the ratio of $1,200 for every $1,000 bond, and B.-M. T. Corp. thus acquired the entire issue.

Officers: William S. Menden, Pres. & Receiver; Geo. D. Yeomans, V-P. & Gen. Counsel; F. C. Marston, Treas. for Receiver; James Addison, Compt. for Receiver; J. H. Bennington, Sec., Brooklyn, N. Y.

Directors: J. H. Hallock, New York; W. S. Menden, D. A. Marsh, O. J. Covell, G. D. Yeomans, J. A. Frederickson, W. S. Benedict, J. H. Bennington, Brooklyn, N. Y.; two vacancies.

Office, 85 Clinton St., Brooklyn, N. Y.

BROOKLYN, QUEENS COUNTY & SUBURBAN RR.

(Controlled by Brooklyn-Manhattan Transit Corp.)

History—Incorporated November 23, 1893, and on n. 16, 1894, absorbed the Broadway R.R. Co., the oadway Ferry & Metropolitan Ave. R.R. Co., and e Jamaica & Brooklyn Road Co. Electrical operon began in 1896. Leased to The Brooklyn Heights R., July 1, 1898, for three one-year periods, but erated independently since July 1, 1901.

Mileage—Length of track operated, 64.712 miles uge, standard. Rail, 70 to 122 lb. girder; 60 lb. T.

Controversy Between the Brooklyn-Manhattan ansit Corp and The Brooklyn City R.R. Co.,—As a ult of the termination of the lease of The Brooklyn City R.R. properties to The Brooklyn Heights R.R. Co., a controversy arose as to the status of the Guaranty Fund provided for under the lease. In this fund were deposited by the B. R. T. Co. together with other securities, certain bonds of Brooklyn, Queens County & Suburban RR. Co. in order to guarantee the carrying out of terms of The Brooklyn Heights RR. Co.'s lease of The Brooklyn City R.R. Co. Pending the settlement of the controversies between the two companies there was a question as to whether the Brooklyn, Queens County & Suburban R.R. would continue as a subsidiary of the Brooklyn-Manhattan Transit

Co. under the reorganization, or pass to the control of The Brooklyn City R.R. Co., and the adjustment offered to the bondholders of the Brooklyn, Queens County & Suburban R.R. Co. was made contingent and subject to the settlement of the controversy. This controversy was accordingly adjusted in connection with the consummation of the Reorganization Plan by an Agreement of Settlement dated Nov. 19, 1923, approved by the United States District Court for the Southern District of New York, under which the Brooklyn-Manhattan Transit Corp. acquired $2,000,000 principal amount of Brooklyn, Queens County and Suburban R.R. Co. First Mortgage Gold 5s and $2,000,000 par value of the capital stock of said company, for which it agreed to procure for the Brooklyn City R.R. Co. a credit of $2,000,000 against any amount finally established to be due from The Brooklyn City R. R. Co. for the improvements referred to in the aforementioned lease. Consequently, the Brooklyn, Queens County & Suburban R.R. Co. continues under the new arrangement as a subsidiary of the Brooklyn-Manhattan Transit Corp. and its bonds have been reinstated under their existing mortgages with adjustment of unpaid interest.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Transfers Collected	Revenue Passengers Carried	Revenue Car Miles	Revenue Per Car Miles (Cts.)
1924	2,547,250	50,013,516	5,468,850	46.55
1925	2,831,830	51,000,850	5,846,554	44.37
1926	2,785,178	51,307,467	5,990,254	43.45
1927	3,282,090	54,251,875	6,192,467	42.54

CAPITAL STOCK

Authorized, $15,000,000; outstanding, $2,000,000; par, $100. All owned by the Brooklyn-Manhattan Transit Corp. Annual meeting, first Thursday in Feb.

FUNDED DEBT

(1)

$1,422,000 (MORTGAGE CLOSED) BROOKLYN, QUEENS COUNTY & SUBURBAN R. R. FIRST GOLD 5s; DUE JULY 1, 1941

Dated January 16, 1894.

Interest Payable January and July 1, at Chase National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $3,086,000; issued $3,002,000, of which $1,577,000 are owned by the Brooklyn-Manhattan Transit Corp. and $3,000 held by The Brooklyn Heights RR., leaving $1,422,000 in hands of public, Dec. 31, 1927.

Security—A first lien on lines (about 48 miles) owned at date of mortgage.

Tax Provision—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	85	79	71	80⅞	92	79½	..	24
Low	70	72	61¼	80	88	61	..	24

NOTE—July 1, 1919, and subsequent interest in default to July 1, 1923, was paid in cash and the bonds reinstated under the existing mortgage in accordance with the B. R. T. Reorganization Plan.

(2)

$2,803,000 BROOKLYN, QUEENS COUNTY & SUBURBAN R. R. FIRST CONSOLIDATED GOLD 5s; DUE JULY 1, 1941

Dated January 16, 1894.

Interest Payable May and November 1, at Chase National Bank, New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Brooklyn Trust Co., Brooklyn, N. Y.

Provisions of Issue—Authorized, $4,500,000, of which $1,616,000 are reserved for extensions and betterments. Issued, $2,884,000 of which $81,000 owned by Brooklyn Heights RR. leaving $2,803,000 in hands of public.

Security—A first lien on about 14 miles of single track constructed since date of mortgage and a lien on the remaining property, subject to the First 5s.

Guaranty—Of the $2,884,000 issued, $2,783,000 are endorsed with the guaranty of the Brooklyn Heights RR. Co. as to principal and interest; remainder may be guaranteed upon payment of $10 per bond.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	66	65¾	81	70½	66	51
Low	56	60	73½	63¾	58	51

NOTE—Under the B. R. T. Co. Reorganization these bonds were reinstated under existing mortgage with adjustment of unpaid interest from Nov. 1, 1919, to July 1, 1923. For each $1,000 bond deposited, holder received $150 in 6% Pfd. stock of Brooklyn-Manhattan Transit Corp. and $50 in cash.

NOTE—In addition to the above there is outstanding a real estate mortgage for $11,750.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,706,650	$2,602,604	$2,594,005	$2,545,562	$2,592,636	$2,548,11
Operating expenses	2,291,741	2,145,574	2,138,758	1,775,213	2,024,964	1,854,42
Net earnings	$414,909	$457,030	$455,247	$770,349	$567,672	$693,69
Other income	15,793	17,939	11,852	30,860	59,793	74,29
Total income	$430,702	$474,969	$467,099	$801,209	$627,465	$767,98
Interest, taxes and rentals	868,291	828,835	782,071	763,076	758,558	736,66
Deficit for year	$437,589	$353,866	$314,972	*$38,133	$131,093	*$31,32

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	*1924
Fixed capital	$11,848,871	$11,861,651	$11,749,571	$11,744,66
Less accrued amortization of capital	301,672	316,827	306,372	282,69
	$11,547,199	$11,544,824	$11,443,199	$11,461,97
Miscellaneous investments	61,993	58,860	58,860	54,64
Cash	128,048	139,048	131,186	154,46
Sinking fund & other special deposits	15,920	16,365	118,702	21,20
Bills and accounts receivable	7,335	54,479	48,455	47,41
Interest and dividends receivable	110	13,429	9,675	1,11
Prepayments	11,784	11,860	11,747	10,94
Receivers' ctfs. purchased (contra)	.....	.....	.....	34,35
Purchase of car lease warrants (contra)	.....	.....	.....	40,86
Other temporary debit items	396	37,868	15,302	3,25
B.-M. T. Corp. bond int. adjustment account	3,325	420,450	420,450	420,45
Comm. acting under Plan of Reorganization	.....	506,372	506,472	533,61
B.-M. T. Corp. Trustee joint stock purchase account	38,095	72,045	75,662	75,00
Profit and loss deficit	2,504,343	2,119,817	2,153,210	1,765,43
Total	$14,318,548	$14,995,417	$14,992,920	$14,624,74

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	*1924
apital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000
ortgage bonds	5,886,000	5,970,000	6,354,000	6,616,000
rtificates of indebtedness	2,732,244	2,732,244	2,602,860	2,222,029
al estate mortgage	11,750	.....	.....	.....
eceiver's certificates (contra)	.....	.....	.....	34,354
xes accrued	653,460	606,360	574,119	535,432
rt creditors	4,605	.....	4,980	13,273
dgments unpaid	300	12,870	83,861	102,838
mounts due associated cos.	1,051,550	962,788	1,133,252	880,436
r leases warrants (contra)	.....	.....	.....	40,869
her bills & accts. payable	1,348,064	697,108	259,564	121,198
terest accrued on funded debt	129,786	1,476,036	1,409,358	1,495,858
terest accrued on unfunded debt	338,660	338,660	390,578	401,661
her unfunded debt	15,654	37,064	12,217	11,931
serves, incl. suspense credit balances	146,475	102,287	168,131	148,868
Total	$14,318,548	$14,995,417	$14,992,920	$14,624,747

*June 30, 1924.

Officers: W. S. Menden, Pres.; Geo. D. Yeomans, V-P. & Gen. Counsel; T. H. Whitney, V-P.; F. C. Larston, Sec. & Treas.; James Addison, Compt., Brooklyn, N. Y.

Directors: Gerhard M. Dahl, A. H. Wiggin, Albert Strauss, Charles S. Sargent, Jr., M. C. Brush, A. S. Somers, W. S. Menden, G. D. Yeomans; Chas. Hayden.

Office. 85 Clinton St., Brooklyn, N. Y.

CONEY ISLAND & GRAVESEND RY.

(Controlled by Brooklyn-Manhattan Transit Corp.)

History—Inc. Mar. 22, 1893, in N. Y. Up to July 1, 00, operated by The Nassau Electric R.R. Co., under se, but since that date has been operated independetly. In Dec. 1913, the company purchased $2,637,-0 of the $2,983,900 outstanding stock of The Coney sland & Brooklyn R.R. Co. Length of line, 4.069 les; second track, 3.790 miles; sidings, etc., 0.234 le—total track. 8.093 miles. Gauge, standard. Rail, to 122 lbs.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Transfers Collected	Revenue Passengers Carried	Revenue Car Miles	Revenue Per Car Mile (Cents)
4	140,693	2,576,416	277,231	46.97
5	154,282	2,661,987	276,235	48.30
6	142,555	2,672,606	293,285	45.53
7	127,589	2,863,347	361,979	37.94

CAPITAL STOCK

Authorized and outstanding, $350,000; par, $100. All owned by Brooklyn-Manhattan Transit Corp. Annual meeting, first Thursday in February.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$139,887	$133,520	$133,420
Oper. expenses	142,204	129,125	123,266
Net earnings	*$2,317	$4,395	$10,154
Other income	8,034	10,254	7,118
Total income	$5,717	$14,649	$17,272
Interest, rents & taxes ...	170,596	168,969	168,913
Deficit for year	$164,879	$154,320	$151,641

*Net loss.

GENERAL BALANCE SHEET, DECEMBER 31

ssets—	1927	1926	1925
ed capital (after amort.)	$187,405	$184,602	$184,039
estments	2,650,755	2,650,528	2,650,528
h	2,382	5,578	7,940
counts receivable	1,158	1,717	2,266
erest receivable	71	71	71
porary debit items	499	4,786	599
payments	719	705	688
icit	1,082,096	909,651	751,656
otal	$3,925,085	$3,757,638	$3,597,787

Liabilities—	1927	1926	1925
Capital stock	$350,000	$350,000	$350,000
Certificates of Indebtedness	2,637,000	2,637,000	2,637,000
Taxes	6,740	859	922
Accounts payable	438,728	403,919	6,575
Interest payable	482,157	357,573	594,933
Reserves, etc.	10,460	8,287	8,357
Total	$3,925,085	$3,757,638	$3,597,787

Officers: W. S. Menden, Pres.; G. D. Yeomans, V-P. & Gen. Counsel; T. H. Whitney, V-P.; F. C. Larston, Sec. & Treas.; James Addison, Compt., Brooklyn, N. Y.

Directors: G. M. Dahl, A. H. Wiggin, Albert Strauss, C. S. Sargent, Jr., M. C. Brush, A. S. Somers, W. S. Menden, G. D. Yeomans, Chas. Hayden.

Office, 85 Clinton St., Brooklyn, N. Y.

THE CONEY ISLAND & BROOKLYN RR.

(Controlled by Coney Island & Gravesend Ry.)

History—Inc. Dec. 10, 1860, in N. Y., for 99 years; d opened May 1, 1862. In April, 1891, absorbed Prospect Park & Flatbush R.R. On Dec. 4, 1897, ed, for 999 years, the property of the Brooklyn & Newtown R.R. and on March 19, 1910, legally orbed its property and assumed the bonds. In ., 1900, acquired entire capital stock of the De-b Ave. & North Beach R.R. The lines of the sys-e extend from Coney Island to Brooklyn, with vari-branches; also up DeKalb Ave. to Ridgewood.

Control—The New York Public Service Comm. on . 26, 1913, authorized the Coney Island & Graves-Ry. to purchase $2,637,000 of the stock of the pany at par.

Receivership Terminated—The receivership of company was terminated by a decree entered in the United States District Court for the Southern District of New York on March 31, 1924, which directed that the properties be returned to the company. Included in the decree was a provision for deposit with U. S. Mtge. & Trust Co., New York of accrued and unpaid interest on the Consolidated Mtge. 4s. All of said bonds outstanding in the hands of the public amounting to $1,500,000, are beneficially held by The Equitable Life Assurance Society of the United States, which has declined to adjust its bonds in accordance with the provisions of the Reorganization Plan (which provides for the payment in cash of all interest in

arrears), except upon receiving special concessions, which the Reorganization Committee has declined to concede. As a result, the holder of said bonds is endeavoring to bring about the acceleration of the principal of the bonds, but its right to do so is now being contested in a proceeding pending in the United States District Court. As a condition of the termination of the receivership, the Brooklyn-Manhattan Transit Corp. has agreed that in case it shall finally be determined that the principal of the Consolidated 4s has been properly accelerated and is now payable, it will guarantee the payment of any judgment that may be entered in such connection. For details of Reorganization Plan see Manual for 1923, page 2639.

Mileage—Length of track operated, 52.032 miles Rail, T, 60 and 85 lbs.; girder, 90 to 128 lbs.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Transfers Collected	Revenue Passengers Carried	Revenue Car Miles	Revenue Per Car Mile (cents)
1924	5,828,185	55,830,187	5,878,757	49.32
1925	5,780,880	56,409,260	5,795,526	50.15
1926	5,412,273	54,821,491	5,459,217	52.45
1927	5,325,220	58,656,523	5,329,105	51.48

CAPITAL STOCK

Authorized, $3,500,000; outstanding, $2,983,900 (increased from $2,750,000 in 1908); par, $100. $2,637,000 owned by Coney Island & Gravesend Ry. and $288,600 owned by Brooklyn-Manhattan Transit Corp. Annual meeting, first Thursday in February.

Dividends—Dividends of 10% were paid in 1899-1900; in 1901, 13½%; 1902, 16%; 1903, 16%; 1904, 16%; 1905, 10%; 1906, 6%; Feb. 1907, 2%; 1908 to 1913, inclusive, none; Jan., 1914, 6%, paid before the property was turned over to the Brooklyn Rapid Transit Co.; 1915, 10½%; 1916, 6%; 1917, 6%; 1918, 3%; none since.

FUNDED DEBT

(1)

$1,988,000 Brooklyn City & Newtown RR. Consolidated First Gold 5s.; dated July 1, 1889; due July 1, 1939; int. J & J 1, at Central Union Trust Co., New York. Bankers Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $2,000,000, of which $7,000 r acquired and held alive and $5,000 owned by Th Brooklyn Heights RR. Co., leaving $1,988,000 in han of public June 30, 1927. Secured by first lien on t mileage and equipment of the former Brooklyn City Newtown R.R., including 5.60 miles of double-tra line. Assumed by The Coney Island & Brooklyn R. Co. July 1, 1919, and subsequent interest was d faulted, but on April 15, 1922, was paid by the Receiv and since then regular payments have been made. T bonds were not disturbed in the B. R. T. Reorganiz tion. Company does not pay Normal Federal Incor Tax.

(2)

$1,912,000 Coney Island & Brooklyn RR. Fir Consolidated Gold 4s; dated May 20, 1898; due July 1948; int. Jan. and July 1, at Central Union Trust C New York. Bankers Trust Co., New York, Truste Coupon, $1,000; principal may be registered. A thorized and issued, $2,000,000, of which $87,000 r acquired and held alive and $1,000 owned by Broo lyn Heights RR. Co., leaving $1,912,000 in hands public. A first lien on the mileage and equipme owend at the date of the mortgage. July 1, 1919, a subsequent interest was defaulted but was paid April 15, 1922, since which time regular paymen have been made. These bonds were not disturbed the B. R. T. Reorganization. Company does not p Normal Federal Income Tax.

(3)

$1,500,000 Coney Island & Brooklyn RR. Co solidated Gold 4s; dated Dec. 15, 1904; due Jan. 1955; int. Jan. and July 1, at Bankers Trust Co., Ne York, Trustee (see comment above as to prese status of these bonds and unpaid interest. Coupo $1,000; principal may be registered. Authorized, $1 000,000, of which $4,000,000 are reserved to retire pri lien bonds and $3,768,000 are for extensions and be terments. Of the $2,232,000 issued, $107,000 are he in treasury and $625,000 owned by Brooklyn-Ma hattan Transit Corp., leaving $1,500,000 in hands public. Company pays Normal Federal Income T up to 2%.

In addition to the above there are outstandi $242,950 Real Estate mortgages.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	*192
Assets—				
Fixed capital (after amort.)	$10,132,736	$9,900,824	$9,746,484	$9,711,8
Construction in process	.....	875,452	.....	.....
Securities of assoc. cos.	30,115	55,124	55,124	55,1
Miscellaneous investments	805,973	711,732	798,408	940,9
Cash	165,042	186,716	362,095	284,9
Sinking funds and special deposits	5,790	4,539	9,460	50,4
Bills and accounts receivable	283,172	255,651	156,459	164,9
Interest receivable	10,409	30,038	27,711	14,0
Materials and supplies	.....	.....	98	9
Temporary advances to associated cos.	.....	.....	130,500	.....
Prepayments	13,738	17,112	18,505	17,3
Unamortized debt discount and expense	84,375	87,500	90,625	95,3
Purchase of car lease warrants (contra)	.....	.....	56,194	56,1
Other temporary debit items	153,352	7,181	336,888	1,2
B.-M. T. Corp. Tr. Joint Stock Purchase Account	63,365	120,005	126,037	125,0
Total	$11,748,067	$12,251,874	$11,914,588	$11,518,0
Liabilities—				
Capital stock	$2,983,900	$2,983,900	$2,983,900	$2,983,9
Mortgage bonds	6,031,000	6,039,000	6,046,000	6,105,0
Taxes accrued	262,523	237,914	228,298	229,2
Tort creditors	6,533	.....	8,258	35,6
Judgments unpaid	100	1,329	1,329	9,2
Amounts due associated cos.	100,306	.....	.....	69,2
Real estate mortgages	242,950	231,200	231,200	231,2
Car lease warrants	.....	.....	56,194	56,1
Other accounts payable	32,331	122,759	186,562	68,9
Int. accrued on funded debt	859,085	773,720	599,895	561,6
Int. accrd. on unfunded debt	2,576	2,576	3,028	3,0
Other unfunded debt	6,185	31,925	13,358	13,0
Reserves, incl. suspense credit balances	107,749	107,945	77,867	41,1
Surplus	1,112,829	1,719,606	1,428,699	1,110,4
Total	$11,748,067	$12,251,874	$11,914,588	$11,518,0

*June 30, 1924.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	1922
·oss earnings	$2,898,047	$2,863,334	$2,906,537	$2,899,499	$2,927,694	$2,859,109
perating expenses	2,194,485	2,163,143	2,245,123	2,150,630	2,017,692	1,929,489
Net earnings	$703,562	$700,191	$661,414	$748,869	$910,002	$929,620
her income	55,798	59,325	67,734	56,678	43,821	50,837
Total income	$759,360	$759,516	$729,148	$805,547	$953,823	$980,457
terest, taxes, etc.	545,742	536,053	508,000	511,240	482,841	481,114
Surplus for year	$213,618	$223,463	$221,148	$294,307	$470,982	$499,343

Officers, W. S. Menden, Pres.; G. D. Yeomans, V-P. Gen. Counsel; T. H. Whitney, V-P.; F. C. Marston, c. & Treas.; James Addison, Compt., Brooklyn, N. Y.

Directors: G. M. Dahl, A. H. Wiggin, Albert Strauss, C. S. Sargent, Jr., M. C. Brush, A. S. Somers, W. S. Menden, G. D. Yeomans, Chas. Hayden.

General Office, 85 Clinton St., Brooklyn, N. Y.

THE NASSAU ELECTRIC RR.

(Controlled by Brooklyn-Manhattan Transit Corp.)

History—Incorporated March 13, 1893, in New ork. On August 1, 1898, Company absorbed e Kings County Electric Ry. Co., the Coney Island, ort Hamilton & Brooklyn R.R. Co., and the Union R. Co. On Jan. 26, 1899, absorbed the Atlantic venue R.R. Co. and the United R.R. Co. Leased April 1, 1899, for one year, to The Brooklyn eights R.R.; subsequently a permanent lease was ade; this latter was cancelled, however, on June 30, 04, by mutual agreement between the parties, and e road has since been operated by its own organi-tion.

The Atlantic Avenue R.R. Co. owned the double ack steam road (since converted to electricity) from maica, L. I. to Flatbush Ave., Brooklyn, N. Y., a stance of 9½ miles, which is leased for 99 years om June 1, 1877, to Long Island R.R. Co., affording at company entrance into the city of Brooklyn. he rental was formerly a percentage of receipts ut in 1895 was changed to $60,000 per annum. This ase was transferred to The Nassau Electric R.R. Co. merger of Jan. 26, 1899.

The company began operating cars over the Brook-n Bridge on Feb. 16, 1898. The cost of construc-on over the bridge was borne by the railroad com-anies, and a toll of 5 cents per trip for each car run s paid to the Department of Plant and Structures, ity of New York.

In accordance with the B. R. T. Co. Reorganization is company was taken over by the Brooklyn-Man-attan Transit Corp. on July 14, 1923, as part of its ystem.

Mileage—Length of track operated, 143.222 miles. Gauge, standard. Rail, 56 to 70 lbs. T. 70 to 122 lbs. girder.

Receivership Terminated—The receivership of the ompany was terminated on July 14, 1923, and the onds of and claims against the company were read-usted in accordance with the provisions of the B. R. T. Co. Reorganization Plan, without the foreclosure of any of the mortgages securing the underlying bonds. The Plan provided for the reinstatement of all the underlying bonds of the company then in default, upon adjustment of the interest and arrears which was to be paid in full in cash in the case of all issues, except the First Consolidated Mtge. 4s, the interest in arrears on which was paid part in cash and part by the issue of Voting Trust Certificates representing Pfd. stock of Brooklyn-Manhattan Transit Corp. The Plan provided for the adjustment of tort claims and the general unsecured claims of the company on the same basis as was provided for similar claims of the B. R. T. Co. The offers to readjust the bonds and all claims against the company were approved by the Court and all persons holding bonds of or claims against the company were enjoined from enforcing the same except in accordance with the provisions of the offers contained in the Plan. For details of the Plan and Protective Committees of respective bond issues, see Manual for 1923, pages 2640, 2641 and 2658.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Transfers Collected	Revenue Passengers Carried	Revenue Car Miles	Revenue Per Car Mile (cts.)
1924	14,895,658	110,488,225	11,791,064	48.45
1925	14,032,167	116,097,696	12,540,367	47.63
1926	13,637,982	115,222,673	12,942,448	45.77
1927	12,561,317	121,385,536	12,945,137	44.90

CAPITAL STOCK

Authorized and outstanding, $8,500,000 Common and $6,500,000 4% cumulative Pfd.; par, $100. The Brooklyn-Manhattan Transit Corp. owns all the Common stock and $6,394,775 of the Pfd. Transfer Agent: Guaranty Trust Co., New York. Registrar: New York Trust Co., New York. Annual meeting, first Thursday in February.

Dividends—Pfd. dividends at 4% per annum were paid from 1900 to 1907, inclusive; 1908, 2%; 1909, 2%; 1910, 4%; 1911, 4%; 1912, 4% regular and in Nov., 1912, 4% was paid on account of arrears; in May, 1913, 2% was paid and in Nov., 1913, 4%; 1914 to 1917, inclusive, 4% each; none since. Payments were made semi-annually, May and Nov.

FUNDED DEBT

(1)

$660,000 (MORTGAGE CLOSED) NASSAU ELECTRIC R. R. FIRST MORTGAGE 5s; DUE APRIL 1, 1944

Dated April 16, 1894.

Interest Payable April and Oct. 1 at Chase National Bank, Trustee, New York. Coupon, $1,000; principal may be registered. Authorized issue, $6,000,000, but under the provisions of the Consol. Mtge., dated June 30, 1898, no more bonds can be issued. A first lien on the lines originally comprising the Nassau Electric system. Company pays Normal Federal Income Tax up to 2%.

NOTE—Under the B. R. T. Co. reorganization these bonds were reinstated and unpaid interest from Oct. 1, 1919 to July 1, 1923, amounting to $200 per bond, was paid in cash.

(2)

$2,241,000 (MORTGAGE CLOSED) ATLANTIC AVENUE R. R. GENERAL CONSOLIDATED GOLD 5s; DUE APRIL 1, 1931

Dated April 23, 1891.

Interest Payable April and Oct. 1, at Chase National Bank, New York. Coupon, $1,000; principal may be registered. Brooklyn Trust Co., Trustee. These bonds were originally subject to call on Oct. 1, 1909, but a number of them have been stamped releasing them from the liability to redemption before maturity. Authorized issue, $3,000,000, but under the Consol. Mtge. of the Nassau Electric, dated June 30, 1898, limited to the amount now outstanding. A first lien on the property formerly of the Atlantic Avenue R.R., including 39 miles of track. Assumed by Nassau Electric R.R., Jan. 26, 1899. Company does not pay Normal Federal Income Tax.

NOTE—Oct. 1, 1919, and subsequent interest being in default; all the matured coupons were purchased by the Receiver in April, 1922, thereby lifting default and interest was paid regularly thereafter. The bonds were undisturbed in the B. R. T. Reorganization.

(3)

$118,000 (MORTGAGE CLOSED) BROOKLYN, BATH & WEST END R. R. GENERAL MORTGAGE GOLD 5s; DUE OCTOBER 1, 1933

Dated October 2, 1893.

Interest Payable April and Oct. 1 at Chase National Bank, New York. Coupon, $1,000; principal may be registered. Bank of America, New York, Trustee. In addition to the amount shown as outstanding, The Brooklyn Heights RR. Co. owns $2,000 and $1,000 is represented by scrip. A first lien upon the property formerly of the Brooklyn, Bath & West End RR., including 6¾ miles of first track. Company pays Normal Federal Income Tax up to 2%.

NOTE—Under the B. R. T. Co. reorganization these bonds were reinstated under the existing mortgage and unpaid interest from Oct. 1, 1919 to July 1, 1923, amounting to $200 per $1,000 bond, was paid in cash.

(4)

$215,000 (MORTGAGE CLOSED) ATLANTIC AVENUE R. R. IMPROVEMENT GOLD 5s; DUE JANUARY 1, 1934

Dated January 1, 1894.

Interest Payable Jan. and July 1 at Chase National Bank, New York. Coupon, $1,000; principal may be registered. Brooklyn Trust Co., New York, Trustee. Authorized issue, $1,500,000. In addition to the amount shown as outstanding $5,000 are owned by The Brooklyn Heights RR. Co. Under the mtge. securing the Nassau Electric Consols., this issue is limited to the amount now outstanding. Company pays Normal Federal Income Tax up to 2%.

NOTE—Under the B. R. T. Co. reorganization these bonds were reinstated under existing mortgage and unpaid interest from Jan. 1, 1920 to July 1, 1923, was paid in cash on the basis of $200 per $1,000 bond.

(5)

$10,337,000 NASSAU ELECTRIC R. R. FIRST CONSOLIDATED MORTGAGE GOLD 4s; DUE JANUARY 1, 1951

Dated June 30, 1898.

Interest Payable January and July 1 at Chase National Bank, New York.

Denominations—Coupon (principal may be registered), $1,000; and registered, $5,000 and $10,000.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $15,000,000 of which $3,492,000 are reserved to retire prior liens. Of the $11,508,000 issued, $1,161,000 have been reacquired and $10,000 are owned by The Brooklyn Heights R. R. Co., leaving $10,337,000 in hands of public.

Security—Secured on entire property, subject to the above described underlying liens.

Guaranty—Guaranteed, principal and interest, by endorsement, by The Brooklyn Heights R.R. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	62½	64¾	65	64	67¾	65	29¾	28
Low	49	58⅛	57½	53¾	51	27	18	18

NOTE—Under the B. R. T. Co. reorganization these bonds were reinstated and unpaid interest from July 1, 1919, to July 1, 1923, amounting to $180 per bond, was paid on the basis of $140 in 6% Pfd. stock, Series "A," of the B.-M. T. Corp. and $40 in cash.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	1922
Gross earnings	$6,008,004	$5,923,350	$5,973,350	$5,713,235	$5,409,153	$4,989,371
Operating expenses	5,526,683	5,143,250	4,930,637	4,327,837	3,977,536	3,660,018
Net earnings	$481,321	$780,100	$1,042,713	$1,385,398	$1,431,617	$1,329,353
Other income	145,737	164,413	201,079	220,760	248,551	264,598
Total income	$627,058	$944,513	$1,243,792	$1,606,158	$1,680,168	$1,593,951
Interest, taxes and rentals	1,418,056	1,383,867	1,376,290	1,393,324	1,383,375	1,313,156
Deficit for year	$790,998	$439,354	$132,498	*$212,834	*$296,793	*$280,795

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	‡1924
Assets—				
Fixed capital (after amort.)	$36,171,697	$35,915,358	$35,751,301	$35,871,966
Securities of associated cos.	12,504	14,006	§1,073,505	*1,073,504
Miscellaneous investments	344,968	726,895	278,596	259,472
Cash	312,983	308,886	280,184	321,576
Sinking funds & other special deposits	51,280	106,851	78,917	74,853
Bills & accounts receivable	112,182	129,587	123,497	122,743
Int. & dividends receivable	1,085	36,734	24,726	3,523
Prepayments	31,758	31,284	31,952	33,832
Receiv.'s ctfs. pur. (contra)	.....	.....	600,774	600,774
Purchase of car lease warrants (contra)	.....	.....	372,926	372,926
Other temporary debit items	66,522	214,188	472,961	†453,571
B.-M. T. Corp. bond interest adjustment account	9,705	1,509,260	1,509,260	1,509,260
Comm. acting under Plan of Reorganization	.....	550,000	550,000	550,000
B.-M. T. Corp., Trustee, joint purchase account	101,214	191,749	201,399	200,000
Profit and loss deficit	3,187,574	2,397,418	1,931,836	1,624,343
Total	$40,403,472	$42,132,216	$43,281,834	$43,072,343
Liabilities—				
Capital stock	$15,000,000	$15,000,000	$15,000,000	$15,000,000
Mortgage bonds	13,588,928	13,588,928	13,588,928	13,588,927
Certificates of indebtedness	5,577,875	5,307,985	4,677,287	4,677,287
Real estate mortgage	11,750	.....	.....	.....
Taxes accrued	592,518	578,731	604,727	670,120
Receiver's ctfs. (contra)	.....	.....	600,774	600,774
Tort creditors	11,498	.....	12,733	29,113
Judgments unpaid	913	5,470	5,368	6,900
Amounts due associated cos.	1,586,028	2,614,041	2,788,681	*3,547,467
Car lease warrants (contra)	.....	.....	372,926	372,926
Other bills & accounts payable	2,414,383	901,588	418,778	391,491
Interest accrued on funded debt	284,175	2,331,265	2,774,407	2,773,323
Other interest	877,843	877,843	1,052,372	1,001,343
Other unfunded debt	24,042	83,015	14,672	13,699
Funded debt assoc. co's deliverable to Reorgan. Comm.	40,000	436,000	1,061,000	.....
Reserves, incl. suspense credit balance	393,519	407,350	309,181	398,968
Total	$40,403,472	$42,132,216	$43,281,834	$43,072,343

*"Securities of associated companies" on the assets side and "amounts due associated companies" on the liabilities side include in 1924, $1,061,000 B. R. T. 4s, deliverable to the Reorganization Committee in exchange for, among other things, $1,161,000 Nassau Electric 4s. †Includes $442,050 Atlantic Ave. Gen. Cons. Mtge. Bond Coupons purchased in 1924.

§Includes $436,000 bonds of the old B. R. T. Co., deliverable to Reorganization Committee in connection with Reorganization Plan. ‡June 30, 1924.

Officers: W. S. Menden, Pres.; G. D. Yeomans, V-P. & Gen. Counsel; T. H. Whitney, V-P.; F. C. Marston, Sec. & Treas.; James Addison, Compt.,

Directors: G. M. Dahl, Albert Strauss, M. C. Brush, W. S. Menden, A. H. Wiggin, C. S. Sargent, Jr., A. S. Somers, G. D. Yeomans, Chas. Hayden.

Office, 85 Clinton St., Brooklyn, N. Y.

NEW YORK RAPID TRANSIT CORPORATION

(Controlled by Brooklyn-Manhattan Transit Corp.)

History and Property—Incorporated June 7, 1923, in New York, under Sections 9 and 10 of the Stock Corporation Law, as successor, pursuant to the Reorganization Plan of the B. R. T. Co., to the consolidation of the New York Consolidated R.R. (see Manual for 1923, page 2661), and New York Municipal Ry. Corp. (see Manual for 1923, page 2664, or apply to our Information Department). The latter corporation was merged into the former on June 4, 1923, under a Supplemental Plan to effect the reorganization of the rapid transit lines under the Reorganization Plan of the B. R. T. Co. and subsidiaries. The constituent companies embrace the Brooklyn Union Elevated R.R. So., Sea Beach Ry. Co. and the Canarsie R.R. Co., which companies were consolidated into the former New York consolidated R.R. Co. For details of the Reorganization Plan and for reference to sale of properties, foreclosure proceedings, etc., of predecessor companies, see Manual for 1923, pages 2639, 2661 and 2664, respectively.

Company leases for 999 years from 1915 the Nassau Electric R.R. Co.'s terminal at Coney Island, the consideration being $226,000 upon delivery of lease and $100 per annum from Aug., 1915, which the former New York Municipal Ry. Corp. was authorized to charge against the cost of construction under the dual system contracts.

Mileage—Owns 165.618 miles of track; leased (including trackage rights), 132.708 miles.

Equipment, Feb. 29, 1928—Passenger motor (1,457, of which 27 are Type "C" 3-car units and 71 Type "D" 3-car units), 1,653; trailers, 362—total passenger cars, 2,015; electric locomotives, 4; wrecking cars, 2; work cars 43.

Division of Earnings with City—As the corporation now holds all the rights originally acquired by the New York Municipal Ry. Corp. in the latter's contracts with the city, all the earnings accrue to it. The division of earnings is on the following basis: (1) To the company, $3,500,000, as representing the net earnings of the existing railroads which form part of the new rapid transit system. Out of this reservation the Company pays interest charges on capital investments prior to March 19, 1913, in the existing railroads. (2) To the company, 6% on its new investment in construction and equipment prior to the beginning of permanent operation; thereafter interest and 1% sinking fund. (3) To the city, interest and 1% sinking fund on its investment in cost of construction. Any surplus remaining, after making provision for a moderate contingent reserve fund, is to be divided equally between the company and the city. The company's preferential payments are cumulative.

Suit Intervention Allowed—Federal Judge Mayer in a memorandum filed Jan. 3, 1924, at New York, granted the motion of Corporation to be allowed to intervene in a suit brought some time ago by Lindley M. Garrison, then Receiver of New York Municipal Ry. Corp. and of the New York Consolidated R.R. Co. against the City of New York, the New York Transit Commission and its members. The suit was brought by direction of the court to enforce specifically the provision of contract No. 4 between Corporation and the City of New York, for damages amounting to $30,000,000, caused by delay in performance of the contract. Corporation asked intervention because of the purchase by it of the New York Municipal Ry. Corp. and the New York Consolidated R.R. Co. The city, through the Corporation Counsel's office opposed the application for intervention, claiming that Mr. Garrison had been discharged as Receiver, and the suit had lapsed. It was held by the Corporation Counsel that the Federal District Court was without jurisdiction to continue the suit, but Judge Mayer ruled otherwise. Federal Judge Thacher on April 8, 1926, signed an order declaring that the above suit was properly before the court.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Transfers Collected	Revenue Passengers Carried	Revenue Car Miles	Revenue Per Car Mile (Cts.)
1924	619,872	537,194,829	75,001,252	36.87
1925	727,610	591,256,029	82,574,032	37.01
1926	427,944	621,251,881	87,097,318	36.83
1927	311,701	656,554,893	90,490,201	36.28

CAPITAL STOCK

Authorized and outstanding, 282,760 shares of no par value. At Dec. 31, 1927 the Brooklyn-Manhattan Transit Corp. owned 281,898 shares (and Coney Island & Brooklyn Terminal Co., a B.-M. T. subsidiary, owned 862 shares), which are pledged as security for its Rapid Transit Security Sinking Fund Gold 6s, Series "A." The authorized stock was increased from 189,000 to 282,760 shares in March and July 1926, the 93,760 additional shares being issuable in exchange for and upon cancellation of $2,344,000 of Refunding bonds at rate of four shares of stock for each $100 principal amount of bonds.

FUNDED DEBT

(1)

$15,956,000 (MORTGAGE CLOSED) BROOKLYN UNION ELEVATED R. R. FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1950

Dated February 1, 1899.

Interest Payable February and August 1, at Central Union Trust Co., New York. Interest was 4% until 1905; thereafter 5%.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized and issued, $16,000,000, of which $33,000 cancelled, and $11,000 held by The Brooklyn Heights R.R.

Security—Secured by a first lien on railroad property formerly belonging to the Brooklyn Union Elevated R.R., except that covered by the undernoted Kings County Elevated R.R. 4s.

Guaranty—Guaranteed principal and interest, by endorsement, by The Brooklyn Heights R.R. Co.

Assumed by New York Rapid Transit Corporation. Originally assumed by the New York Consolidated R.R. Co., Nov. 30, 1912.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	97½	90	85¼	85	93	76¼	66⅝
Low	88½	88½	81½	80½	76⅜	75	58	55
(Stamped)								
High	97⅛	95⅝	89¾	85½	85	93	75½	68
Low	89	88½	81½	81	76¾	75½	63	55

NOTE—Interest on these bonds has been regularly paid since date of issue. Under the B. R. T. Co. Plan of Reorganization these bonds were left undisturbed.

(2)

$6,980,000 (MORTGAGE CLOSED) KINGS COUNTY ELEVATED R. R. FIRST MORTGAGE GOLD 4s; DUE AUGUST 1, 1949

Dated July 25, 1899.

Interest Payable February and August 1, at Central Union Trust Co., New York.

Denomination—Coupon, 1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized and issued, $7,000,000, of which $20,000 held by The Brooklyn Heights R. R.

Security—Secured by an absolute first and "closed" mortgage on about 8½ miles of elevated structure and 8 miles of private right of way, the latter being 50 feet in width and mostly four-track; also on several parcels of valuable real estate.

Guaranty—Guaranteed, principal and interest, by endorsement by The Brooklyn Heights R.R. Co.

Assumed by New York Consolidated R.R. Co. Nov. 30, 1912 and subsequently assumed by New York Rapid Transit Corporation.

Tax Provision—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	86	83	79⅞	76	74	81	66⅛	60
Low	81	77¼	75	69¾	69½	64	53	50
(Stamped)								
High	86	89	80	76	76	82	66	56
Low	80½	77½	74	69	68	66	53	50¼

NOTE—Interest on these bonds has been regularly paid since date of issue. Under the B. R. T. Co. Plan of Reorganization these bonds were undisturbed.

(3)

$93,508,500 NEW YORK RAPID TRANSIT CORP. REFUNDING MORTGAGE SINKING FUND GOLD 5s, SERIES "A"; DUE JULY 1, 1968

Dated July 2, 1923.

Interest Payable January and July 1, at Chase National Bank, New York.

Trustee—The Chase National Bank, New York.

Provisions of Issue—Authorized, $350,000,000. Of the $93,508,500 Series "A" issued, $68,758,500 were issued in exchange for New York Municipal Ry. Corp. First 5s ($59,790,000 par value) at 115; $14,595,000 were issued for cash to holders of New York Consolidated RR. Co. Common stock ($13,900,000, par value, $100) on the basis of $105 of New York Rapid Transit Corp. bonds issued at par for each $100 of stock; $5,000,000 were issued for cash to holders of New York Consolidated R.R. Co. Pfd. stock ($5,000,000, par, $100); and $5,155,000 were sold at 97 to provide for additional cars and other capital requirements. Of the amount outstanding, Feb. 29, 1928, $90,053,000 were owned by Brooklyn-Manhattan Transit Corp. and pledged under its Rapid Transit Security Sinking Fund Gold 6s, Series "A," $44,885 held free by Brooklyn-Manhattan Transit Corp., and $66,700 were held by The Brooklyn Heights RR. Co., leaving $955,000 held by New York Rapid Transit Corp. in Sinking Fund, and $44,915 by public. In addition, $2,344,000 retired in exchange for issuance of additional capital stock, as above.

Callability—Subject to call at 107½ and interest.

Security—Secured under a mortgage which constitutes a lien on the rights existing under Contract No. 4 and allied certificates and on all the other properties of the New York Rapid Transit Corp., subject to the existing underlying elevated railroad bonds on certain of the property.

Tax Provision—Company does not pay Normal Federal Income Tax.

(4)

$10,000,000 NEW YORK RAPID TRANSIT CORP. REFUNDING MORTGAGE SINKING FUND GOLD 6s, SERIES "B"; DUE JULY 1, 1968

Dated—$9,000,000 dated July 1, 1927 and $1,000,000 dated January 1, 1928.

Interest Payable January and July 1, at Chase National Bank, New York.

Provisions of Issue—$17,000,000 authorized by order of Transit Commission Oct. 31, 1927; $10,000,000 sold to Brooklyn-Manhattan Transit Corporation at 94, to provide for additional cars; for equipment of the Coney Island Car Repair Shops and 14th Street Eastern Line, etc. and $7,000,000 unissued.

Callability—Subject to call at 105 and interest.

Security—Secured under a mortgage which constitutes a lien on the rights existing under Contract No. 4 and allied certificates and on all the other properties of the New York Rapid Transit Corporation, subject to the existing underlying elevated railroad bonds on certain of the property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(5)

$50,000,000 (AUTHORIZED—NONE ISSUED) NEW YORK RAPID TRANSIT CORP. FIRST & REFUNDING MORTGAGE

These bonds are to be issued only for the purpose of providing, after the exhaustion of the moneys ($5,000,000 Improvement Fund for future improvements already deposited) provided in the Reorganization for such purpose, for the cost of additional equipment and additions and betterments for the rapid transit lines or power house properties provided after July 1, 1923, under contract No. 4, and the allied certificates, and also for the purpose of refunding any bonds previously issued and outstanding under this mortgage, and any of the existing underlying elevated railroad bonds. None of these bonds were issued in Reorganization. Upon the consummation of the inclusion of the power plant properties under Contract No. 4 and (or) the allied certificates and the transfer of those properties accordingly, the reorganization committee authorized the creation of a Power Plant First Mortgage of substantially the same character as the New York Rapid Transit Corp. First & Refunding Mtge. described below. Secured by a lien prior to the Refunding Mtge. and subject only to the existing underlying elevated railroad bonds on certain of the properties, on the rights existing under contract No. 4 and allied certificates, and on all of the properties of the New York Rapid Transit Corp.

INCOME ACCOUNT, YEARS ENDED JUNE 30

[New York Rapid Transit Corp. (from June 15, 1923) and Predecessor Company]

	1927	1926	1925	1924	1923	1922
Gross earnings	$34,029,516	$32,078,965	$30,560,447	$27,652,431	$24,650,364	$22,987,46
Operating expenses	20,908,889	20,166,088	19,497,145	18,311,991	16,911,662	15,869,28
Net earnings	$13,120,627	$11,912,877	$11,063,302	$9,340,440	$7,738,702	$7,118,17
Other income	565,094	678,073	469,506	331,021	993,184	722,67
Total income	$13,685,721	$12,590,950	$11,532,808	$9,671,461	$8,731,886	$7,840,85
Interest, taxes, etc.	7,897,377	7,906,828	7,671,694	7,178,479	7,692,946	7,633,06
Surplus for year	$5,788,344	$4,684,122	$3,861,114	$2,492,982	$1,038,940	$207,79

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
ixed capital	‡$150,986,928	‡$144,764,021	§$146,301,071	*$144,670,045	*$142,790,762
ecurities of associated companies	5,032,293	4,198,784	263,896	263,896	281,866
ecurities of non-associated companies			1,444,248	764,815	1,274,835
eal estate & other investments			3,795,089	3,725,161	1,924,883
ash	2,896,542	2,207,058	4,691,159	†6,268,958	†8,468,858
nking fund & other special deposits	43,996	92,292	253,890	492,167	387,389
ills receivable	200,859	700,616	.....	.....	.....
ccounts receivable	423,220	693,825	360,870	476,176	249,721
iterest & divds. receivable	68,496	182,933	147,360	133,359	101,409
aterials and supplies	1,553,770	1,523,803	1,253,858	945,584	854,460
repayments	(a)2,678,248	(a)2,413,193	140,845	149,073	176,346
ther suspense	361,083	162,388	350,064	140,478	52,344
-M. T. Corp. Trustee joint stock pur. account	302,760	574,254	603,198	600,000	.....
eorganization Committee	.....	1,863,630	580,282	325,985	.....
eacquired bonds in sinking fund	625,000	.....	.....	.....	.....
eplacements Suspense Contract No. 4	343,768	.....	.....	.....	.....
rojects in Suspense Contract No. 4	317,384	.....	.....	.....	.....
Total	$165,834,347	$159,376,797	$160,185,830	$158,955,697	$156,562,873
Liabilities—					
apital stock	$23,683,516	$23,683,516	$21,339,516	$21,339,516	$21,339,516
nded debt	123,131,500	114,131,500	116,475,500	116,475,500	116,475,500
axes accrued	2,435,864	1,798,175	1,728,782	942,682	813,809
ue associated companies	76,526	952,907	152,603	229,132	258,766
ccounts payable	937,246		892,348	1,431,918	3,442,618
lls payable	.....	1,950,000	.....	.....	.....
ther unfunded debt	32,753	63,939	.....	.....	.....
terest accrued	3,015,705	2,758,775	2,816,380	2,815,600	480,948
ue for wages and salaries	64,401	38,312	22,161	20,096	19,496
ividends declared	1,696,560	565,520	387,755	.....	.....
epreciation reserve	‡	‡	2,823,311	2,276,757	1,773,576
eserves for retirements	‡	‡	269,183	248,641	72,843
asualties & ins. reserve	615,668	582,030	577,203	507,928	466,184
ther optional res. incl. suspense credit balance	5,365,839	7,498,076	7,381,643	9,884,265	10,150,565
orporate surplus	4,778,769	5,354,047	5,319,445	2,783,662	1,269,052
Total	$165,834,347	$159,376,797	$160,185,830	$158,955,697	$156,562,873

*Includes $86,562,238 Contract No. 4 expenditures in 1923, and $88,283,442 in 1924. †Includes $4,639,978 of the $5,000,350 oceeds of bonds sold to the Brooklyn-Manhattan Transit Corp. at 97 in 1923, and $2,737,337 in 1924. Discount of 3%, $154,-0, has been charged to Fixed Capital. ‡After deducting Depreciation Reserve and Retired Capital Reserve. §Includes funds ailable for construction and equipment under contract No. 4 and the related certificates, amounting to $2,538,683 of which ,200,000 is temporarily invested in U. S. securities. (a) Includes $2,279,113 bond interest due Jan. 1, 1927 in 1926, and $2,-3,487 bond interest due Jan. 1, 1928 in 1927.

NOTE—Accrued amortization of capital prior to Contract No. 4, $148,372, is included among reserves.

Officers: W. S. Menden, Pres.; Geo. D. Yeomans, -P. & Gen. Counsel; Travis H. Whitney, V-P.; C. Marston, Sec. & Treas.; F. B. Stewart, Asst. Sec. Treas.; F. S. Richards, Asst. Treas.; James Addi-n, Compt.; J. H. Bennington, Real Estate and Tax gent.

Directors: W. S. Menden, A. S. Somers, Albert H. Wiggin, Gerhard M. Dahl, Albert Strauss, Matthew C. Brush, Chas. S. Sargent, Jr., Geo. S. Franklin, J. S. Davis, J. H. Post, W. H. Johns, A. E. Marling, R. A. Shaw, W. H. English; Benjamin H. Namm, Chas. Hayden, Travis H. Whitney, William M. Greve.

Office, 85 Clinton St., Brooklyn, N. Y.

SOUTH BROOKLYN RY.

(Controlled by Brooklyn-Manhattan Transit Corp.)

History and Property—Incorporated Jan. 13, 1900 in ew York, and acquired at foreclosure sale the fran-ises and property of the South Brooklyn R.R. & rminal Co., which company was previously known the South Brooklyn & Flatbush R.R. Co. Leased July 1, 1903 to The Brooklyn Heights R. R., but ase cancelled Feb. 28, 1907, and road since operated its own organization. Lease of the Prospect Park Coney Island R.R. Co. to The Brooklyn Heights R. Co. was transferred to this company on Feb. 28, 07. The lease was made for 999 years from 1899, it automatically terminated as a result of merger ee following paragraph). Length of track operated, .298 miles.

Merger—In Sept., 1923, the N. Y. Transit Commis-on approved the application of the company for au-ority to purchase the outstanding capital stock of e Prospect Park & South Brooklyn R.R. Co. and e N. Y. & Coney Island R.R. Co. and to merge these mpanies and the Prospect Park & Coney Island R. Co., which leased the two former companies, into itself. This merger went into effect Sept. 30, 1923, and simplified the corporate structure by eliminating old time subsidiaries.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Transfers Collected	Revenue Passengers Carried	Revenue Car Miles	Revenue Per Car Mile (cts.)
1924	248,921	7,578,305	1,179,177	103.36
1925	228,348	8,352,596	1,291,460	98.51
1926	305,054	9,144,973	1,393,998	96.43
1927	294,518	9,580,193	1,363,993	78.23

CAPITAL STOCK

Outstanding, $500,000; par, $100. All owned by Brooklyn-Manhattan Transit Corp. Annual meeting, first Thursday in February.

FUNDED DEBT

Real Estate Mortgage outstanding, $150,000.

There are also outstanding $7,600 Prospect Park & Coney Island RR. Co. Income 6s, which matured May 1, 1920. These bonds have not been presented for payment, but cash is on deposit with the Bankers Trust Co. for their retirement.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	1922
oss earnings	$1,264,967	$1,344,173	$1,272,201	$1,218,797	$1,249,861	$1,090,268
perating expenses	792,866	777,621	756,031	743,171	677,086	538,347
Net earnings	$472,101	$566,552	$516,170	$475,626	$572,775	$551,921
her income	38,470	20,945	17,265	17,579	18,238	33,661
Total income	$510,571	$587,497	$533,435	$493,205	$591,013	$585,582
terest, taxes and rentals	422,046	463,347	440,154	456,028	513,106	478,813
Surplus for year	$88,525	$124,150	$93,281	$37,177	$77,907	$106,769

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Fixed capital (after amortization)	$3,761,495	$3,964,823	$3,971,647	$3,937,031	$3,768,246	$2,613,05
Cash	35,897	22,173	24,470	32,110	108,051	59,38
Special deposits	.....	1,000	1,000	2,150	2,150	1,00
Accounts and interest receivable	55,944	87,323	97,556	115,137	139,925	137,06
Investments	134,627	124,672	176,672	163,219	224,605	225,36
Advances to associated cos.	11,500	11,500	11,500	11,500	11,500	.....
Temporary debits	633	13,527	4,509	60,130	59,400	51,95
Stocks of assoc. cos.	.....	5,000	5,000	5,000	5,000	*652,46
Prepayments	9,715	10,470	11,017	9,981	10,719	9,65
B.-M. T. Corp., Trustee, joint stock purchase ac	12,678	23,590	24,748	24,000	.....	.....
Deficit	.....	.....	.....	.....	.....	673,59
Total	$4,022,489	$4,264,078	$4,328,119	$4,360,258	$4,329,596	$4,423,54
Liabilities—						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,00
Real estate mortgage	150,000	150,000	150,000	150,000	150,000	150,00
P. P. & C. I. RR. bonds	7,600	7,600	7,600	8,600	8,600	.....
Certificates of indebtedness	2,159,779	2,394,071	2,394,071	2,394,071	2,394,071	2,394,07
Taxes accrued	50,298	39,091	39,503	27,312	23,209	16,70
Due associated cos.	69,472	380,654	481,652	504,367	353,959	357,19
Miscellaneous accounts payable	39,266	162,622	61,691	85,550	93,526	87,72
Interest accrued	5,010	2,752	157,297	388,729	540,238	649,76
Dividends declared	10,000	.....	.....	.....	.....	.....
Other current liabilities	7,985	14,631	626	482	420	2,1
Reserves	129,066	116,102	132,853	122,040	113,559	265,96
Surplus	894,013	496,555	402,826	179,107	152,014	.....
Total	$4,022,489	$4,264,078	$4,328,119	$4,360,258	$4,329,596	$4,423,5

*Includes $500,374 cost of Prospect Park & Coney Island stock.

Officers: A. R. Piper, Pres.; G. D. Yoemans, V-P.; F. C. Marston, Sec. & Treas.; F. B. Stewart, Asst. Sec. & Asst. Treas.; F. S. Richards, Asst. Treas.

Directors: A. R. Piper, James Addison, Albert Brophy, William Siebert, J. A. Frederickson, D. Marsh, O. J. Covell, M. B. Hoffman, J. H. Benningto

Office, 85 Clinton St., Brooklyn, N. Y.

WILLIAMSBURGH POWER PLANT CORPORATION

(Controlled by Brooklyn-Manhattan Transit Corp.)

History—Incorp. May 24, 1923, in New York, in accordance with Plan and Agreement dated March 15, 1923, for the reorganization of Brooklyn Rapid Transit Co., to take over all of the power producing and distributing properties formerly belonging to the B. R. T. Co. and acquired by the Brooklyn-Manhattan Transit Corp. The properties were transferred and conveyed by Agreement dated June 14, 1923, to the company which, in consideration thereof and of the payment to it of $250,000 in cash, issued to the Brooklyn-Manhattan Transit Corp. $17,885,600 principal amount of its General Mortgage Sinking Fund Gold 5s, Series "A" and 10,000 shares of its capital stock of no par value. Company operates power facilities under perpetual franchise.

Current generated (k.w.h.), years ended June 30: 1924, 457,461,783; 1925, 492,110,263; 1926, 523,237,220; 1927, 544,081,653.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares of par value, all owned by the Brooklyn-Manhatt Transit Corp., and pledged as security for its Rap Transit Security Sinking Fund Gold bonds.

FUNDED DEBT

$17,825,600 General Mortgage Sinking Fund Go 5s, Series "A"; dated July 2, 1923; due July 1, 19 The Chase National Bank, New York, Trustee. F deemable at 107½ and interest. $17,698,600 owned the Brooklyn-Manhattan Transit Corp. and pledged security for its Rapid Transit Sinking Fund Go bonds, and in addition $127,000 held by Williamsbur Power Plant Corp. in sinking fund.

Office, 85 Clinton St., Brooklyn, N. Y.

LITTLE ROCK GAS & FUEL COMPANY

History—Incorporated Nov. 22, 1912, in Del.; successor to Pulaski Gas Light Co. Supplies Little Rock and North Little Rock, Ark., with natural gas; population served, 92,000. Miles of mains, Jan. 1, 1928, 243. No. of meters, 18,048. Prices: Domestic and industrial, 55 cts. to 25 cts., net, plus 50 cts. readiness to serve charge.

CAPITAL STOCK

Authorized, $1,000,000 Common and $600,000 6% non-cumulative Pfd.; outstanding, $1,000,000 Common and $428,100 Pfd.; par, $100. Stock transferred and registered at company's office, Chicago. Annual meeting, third Monday in January.

Dividends—Dividends on Pfd. have been paid as follows: 1915, 3%; 1916, 3%; 1917, 3%; 1918 to 1927, incl., 6% each. Common dividends have been paid as follows: 1920, 6%; 1921, 4%; 1922, 4%; 1923, none; 1924, 1925, 1926 and 1927, 2% each.

FUNDED DEBT

(1)

$1,716,000 REFUNDING MORTGAGE 6s; DUE NOVEMBER 1, 1937

Dated January 10, 1913.

Interest Payable May and November 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; princi may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized, $3,000,000; balan in escrow issuable only for 80% of actual and reaso able cost of permanent extensions, enlargements a additions under careful restrictions.

Callability—Subject to call at 101 and interest any interest date.

Sinking Fund—Sinking fund, began September 1913, $25,000 annually while natural gas is supplied consumers.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Original Offering—First publicly offered ($900,0 in 1913, at par and interest.

(2)

$238,000 DEBENTURE 6% NOTES; DUE JANUARY 1 19

Dated January 1, 1922.

Interest Payable January and July 1, at Cen Trust Co. of Illinois, Chicago, Trustee.

Provisions of Issue—Authorized issue, $400,00

Callability—Subject to call at 101 and interest any interest date.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross sales	$1,447,499	$1,767,787	$1,559,189	$1,539,015	$1,239,778	$1,187,499
Cost of production	1,045,117	1,362,099	1,155,855	1,134,672	849,446	818,089
Gross earnings	$402,382	$405,688	$403,334	$404,343	$390,332	$369,410
Operating expenses and taxes	214,524	219,788	226,109	235,002	215,413	208,615
Net earnings	$187,858	$185,900	$177,225	$169,341	$174,919	$160,794
Bond interest	116,084	110,311	106.342	101,723	99,293	98,812
Surplus for year	$71,774	$75,589	$70,883	$67,618	$75,626	*$57,959
Times Bond Interest Earned	1.61	1.68	1.66	1.66	1.76	1.63
Earnings Per Share—						
Preferred	$16.76	$17.65	$16.56	$15.79	$17.67	$14.48
Common	4.61	4.99	4.52	4.19	4.99	3.63

*After adjustment.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Plant and equipment	$4,106,329	$4,006,461	Common stock	$1,000,000	$1,000,000
Investments	1,500	.....	Preferred stock	428,100	428,100
Storeroom, stable, tools, etc.	61,312	43,722	Refunding Mtge. 6% bonds	1,716,000	1,655,500
Cash, bills and accts. receivable	189,727	164,996	Debenture 6% Bonds	238,000	238,000
Unexpired insurance	896	865	Consumers' deposits	103,416	50,829
Deferred expense	11,967	18,267	Bills and accts. payable	582,849	519,862
			Reserves	82,071	120,025
			Surplus	221,295	221,996
Total	$4,371,731	$4,234,312	Total	$4,371,731	$4,234,312

Officers: Walter F. Booth, Pres., Little Rock, Ark.; Rufus C. Dawes, V-P.; Arthur T. Leonard, V-P. & Treas.; Chas. R. Stevens, Sec.; Philip P. Page, Asst. Sec. & Asst. Treas., Chicago, Ill.

Directors: Jos. C. Markley, Rufus C. Dawes, Arthur T. Leonard, Stephen A. Day, Philip P. Page, Chicago, Ill.

Offices, 1615 Harris Trust Bldg., Chicago, and Little Rock, Ark.

METROPOLITAN GAS & ELECTRIC COMPANY

History—Incorporated Oct. 14, 1905, in Del., as a Holding Company. Company, through its subsidiaries Central Indiana Gas Company and Mobile Gas Company. Owns and operates gas plants in Anderson, Elwood, Marion, Muncie, Hartford City and Alexandria, Indiana, and in Mobile, Alabama. Company is also interested in gas plants in Independence, Mo., (through control of Jackson County Light, Heat & Power Company), Seattle, Wash., and Staten Island, N. Y.

CAPITAL STOCK

Authorized, $6,000,000 Common (par, $10) and 6,000,000 6% cumulative non-participating Pfd., (par, $100); outstanding (Jan. 1, 1928), $3,999,580 Common and $2,295,300 Pfd.

Preferred Stock Provisions—Has preference for assets and dividends, and is subject to call on any Jan. or July 1, at 105. In liquidation is entitled to par and dividends.

Transfer Agent and Registrar—Central Trust Co. of Illinois, Chicago.

Annual Meeting—Second Monday in January.

Dividends—Dividends on Pfd. paid at rate of 6% per annum. Common dividend of 4% paid during 1924, 1925, 1926 and 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$403,488
Expenses	108,036
Net earnings	$295,452

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926	1925	1924	1923
Stocks of gas and electric cos.	$4,304,670	$4,312,026	$3,992,122	$7,750,458	$8,031,425	$7,327,344
Bonds of gas and electric cos.	574,200	487,370	495,690	.....	4,850	31,250
Other stocks and bonds	17,827	17,827	368,531	273,817	401,622	371,633
Cash, bills and accounts receivable	1,559,173	1,857,188	1,650,919	835,588	354,333	814,746
Total	$6,455,870	$6,674,411	$6,507,262	$8,859,863	$8,792,230	$8,544,973
Liabilities—						
Common stock	$3,990,580	$3,999,580	$3,999,580	$3,999,580	$3,999,580	$3,999,580
Preferred stock	2,295,300	2,295,300	2,295,300	2,295,300	2,295,300	2,295,300
Bills & accounts payable	.....	216,292	174,559	1,501,325	1,344,979	1,147,970
Reserve	.....	.....	.....	268,644	345,174	921,653
Profit and loss	160,990	163,239	37,823	795,014	807,197	180,470
Total	$6,455,870	$6,674,411	$6,507,262	$8,859,863	$8,792,230	$8,544,973

Officers: Rufus C. Dawes, Pres.; Arthur T. Leonard, V-P. & Treas.; H. B. Hurd, Sec.; H. M. Soper, Asst. Sec. & Asst. Treas., Chicago.

Directors: Rufus C. Dawes, A. Volney Foster, Rawleigh Warner, E. J. Buffington, J. E. Otis, Henry M. Dawes, W. C. Fairbanks, H. B. Hurd, R. C. Wallace, J. C. Markley, A. T. Leonard, Chicago; W. W. Mills, Marietta, Ohio.

General Office, 1615 Harris Trust Bldg., Chicago, Ill.

CENTRAL INDIANA GAS COMPANY

(Controlled by Metropolitan Gas & Electric Company)

History—Incorporated Sept. 5, 1911, in Ind.; successor to Heat, Light & Power Co. of Muncie, Ind. (see Manual for 1911, page 1820.) All franchises under which the Company operates are either without time limit or extend beyond the life of the bonds. On Oct. 1, 1913, company began to furnish natural gas to Muncie, Marion, Hartford City, Alexandria, Fairmont, Gas City, Anderson and Elwood, Ind. Population served, about 131,000. The Company also purchases and sells natural gas from the West Virginia Fields to a number of large industrial consumers.

Property—The Company owns modern and substantial plants for the manufacture of artificial gas in Muncie, Marion and Anderson, with an aggregate generating capacity of 6,000,000 cubic feet per day and transmission lines connecting all the cities which it serves, thus being in a position to supply either artificial or natural gas. The Company is at present distrib-

uting both artificial and natural gas. Miles of mains, 451.4. No. of meters, 21,581.

Control—Company is controlled by Metropolitan Gas & Electric Co.

CAPITAL STOCK

Authorized, $5,000,000 Common (par $100), $100,000 cumulative 8% Pfd. (par $25), $588,700 cumulative 7% Pfd. and $1,311,300 cumulative 6½% Pfd. (par $100); outstanding, $5,000,000 Common, $100,000 8% Pfd., $588,700 7% Pfd. and $500,000 6½% Pfd.

Preferred Stock Provisions—In liquidation all classes of Pfd. stock are entitled to par and dividends. The 8% stock is callable on any dividend date on 30 days' notice at $27.50 per share and accrued dividends and the 7% and 6½% stock on any dividend date on 30 days' notice at $105 per share and accrued dividends. All classes of Pfd. stock have equal preference over Common as to assets and dividends. No additional Pfd. stock may be issued, unless the net earnings applicable to dividends for the 12 months next preceding have been at least two times the dividend requirements on the Pfd. stock then outstanding and to be issued.

Transfer Agent—Central Trust Co. of Illinois, Chicago.

Tax Provisions—Exempt from the present Personal Property Tax in Indiana. Dividends are exempt from present Normal Federal Income Tax.

Annual Meeting—In March.

Dividends—The 1912 Pfd. dividend was paid in April, 1916; the 1913 dividend in June, 1916; the 1914 dividend in Dec., 1916, and the 1915 dividend in Feb., 1917. During 1917 all back dividends on Pfd. were paid; 1918 to 1921, inclusive, 7%; 1922 and 1923, 8%; 1924, 1925, 1926 and 1927, 7% and 8% respectively on the 7% and 8% stock, and in 1927 (for fourth quarter) at rate of 6½% per annum on the 6½% stock. The following dividends have been paid on Common: 1917, 1%; 1918 and 1919, none; 1920, 2%; 1921, 1¾%; 1922 to 1927, inclusive, 2%. Payments quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$2,033,000 FIRST MORTGAGE (CLOSED ISSUE) GOLD 5s; DUE SEPTEMBER 1, 1931

Dated September 1, 1911.

Interest Payable March and September 1, at Continental National Bank & Trust Co., Chicago.

Denomination—Coupon, $1,000 principal may be registered.

Trustees—Continental National Bank & Trust Co., Chicago; Frank H. Jones, Co-Trustee.

Provisions of Issue—Authorized, $5,000,000; issued, $2,829,000; retired by sinking fund, $796,000. Mortgage now closed.

Callability—Subject to call on any interest date at 102 on 30 days' notice.

Sinking Fund—Sinking fund, 2% yearly on total bonds issued commenced Jan. 15, 1917, to be applied to the redemption of bonds at not exceeding 102.

Security—A first lien on franchises, mains, real estate, gas and oil wells, pumping stations, etc., and all other property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

Original Offering—First publicly offered ($2,100,000) in May, 1916, at 94¾ and interest, yielding over 5½%, by E. H. Rollins & Sons and A. B. Leach & Co. New York.

(2)

$800,000 REFUNDING AND IMPROVEMENT MORTGAGE GOLD 5s, SERIES "A"; DUE SEPTEMBER 1, 1957

Dated September 1, 1927.

Interest Payable March and September 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Central Trust Co. of Illinois, Chicago and Aksel K. Bodholdt.

Provisions of Issue—Open mortgage; issued, $800,000 Series "A." Additional bonds may be issued from time to time for not exceeding 80% of the actual cost of additions to property, etc., provided net earnings are twice the annual charge on bonds outstanding and to be issued, and 75% of such cost if earnings are 1¾ times such annual interest charges.

Callability—Subject to call on any interest date on 30 days' notice, at the following prices: prior to 1937, 105; 1938 to 1942, inclusive, 104; 1943 to 1947, inclusive, 103; 1948 to 1952, inclusive, 102; 1953 to 1956 inclusive, 101; thereafter at par.

Security—Secured on same property as the First Mortgage 5s, but subject thereto.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,621,694	$1,630,381	$1,355,658	$1,395,560	$1,464,794	$1,344,17
Operating expenses and taxes	1,235,405	1,257,218	1,017,745	1,027,945	1,109,096	1,009,82
Net earnings	$386,289	$373,163	$337,913	$367,615	$355,698	$334,3
Interest charges, etc.	187,254	113,183	139,679	147,314	149,827	151,3
Net income	$199,035	$259,980	$198,234	$220,301	$205,870	$182,9
Times Fixed Charges Earned	2.06	3.29	2.42	2.49	2.37	2.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant & equipment	$9,560,252	$9,353,213	$9,119,321	$8,903,676	$8,853,15
Materials and supplies	105,491	101,685	79,723	71,856	113,9
Cash and accounts receivable	172,936	182,754	191,404	111,827	138,81
Deferred expense	74,966	12,046	14,162	47,166	48,9
Unexpired insurance	1,529	1,572	1,323	748	7
Total	$9,915,174	$9,651,270	$9,405,933	$9,135,273	$9,155,51
Liabilities—					
Capital stock	$6,187,200	$5,546,500	$5,470,000	$5,423,500	$5,399,9
Pfd. stock installments	770	1,922	4,165		
Funded debt	2,790,000	2,246,000	2,302,000	2,833,000	2,893,0
Due holding company	37,464	978,080	845,394		
Current liabilities	66,819	97,987	81,277	305,810	348,1
Consumers' deposits	113,317	104,661	99,185		
Reserves	214,855	218,845	192,752	195,890	186,0
Surplus	504,749	457,275	411,161	377,073	328,3
Total	$9,915,174	$9,651,270	$9,405,933	$9,135,273	$9,155,5

Officers: J. H. Maxon, Pres.; H. R. Maxon, V-P., Muncie, Ind.; R. C. Dawes, V-P., Chicago, Ill.; F. B. Tracy, V-P. & Treas., Muncie, Ind.; A. T. Leonard, V-P. & Asst. Treas., Chicago, Ill.; Geo. W. Cromer, Sec., Muncie, Ind.; H. M. Soper, Chicago; A. J. Bartow, Marion, Ind., and H. W. Thornberg, Asst. Treasurers. Anderson, Ind.

Directors: Rufus C. Dawes, Arthur T. Leonard, J. Markley, Chicago, Ill.; J. H. Maxon, H. R. Maxon, Frederick B. Tracy, Geo. W. Cromer, Muncie, Ind.

General Office, 1615 Harris Trust Bldg., Chicago, I

JACKSON COUNTY LIGHT, HEAT & POWER COMPANY

(Controlled by Metropolitan Gas & Electric Company)

History—Incorporated Dec. 1, 1905, in Mo. Franchise expires Feb. 5, 1944. Supplies manufactured gas to Independence, Sugar Creek, Tidswell, Norwood, Ravenswood, etc., Mo. Population served, 20,000. Miles of mains, 101.35. No. of meters, 4,650; gas stoves, 3,379.

GAS SALES, YEARS ENDED DECEMBER 31

	Cu. Ft.		Cu. Ft.
1924	87,846,500	1926	114,037,300
1925	99,988,000	1927	118,351,500

CAPITAL STOCK

Authorized, 2,500 shares Common stock of no par value, $100,000 Pfd.; outstanding, 2,500 shares Common and $48,100 Pfd.; par $100. A majority of the stock is owned by the Metropolitan Gas & Electric Co. of Chicago. Annual meeting, third Monday in Sept.

Dividends—Pfd. dividends of 3% paid in 1923; none paid in 1924, 1925 or 1926; 1927, 6%. On Common, $5 per share was paid in 1927.

FUNDED DEBT

$450,000 FIRST MORTGAGE GOLD BONDS, SERIES "A" 6%; DUE DECEMBER 1, 1956

Dated December 1, 1926.

Interest Payable June and December 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000 principal may be registered.

Trustee—Central Trust Company of Illinois, Chicago.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A" 6%, $450,000. Mortgage provides for the issuance of bonds in series, bearing the same or different rates of interest, interest dates, maturities, redemption provisions and such other features and provisions as may be determined by the board of directors, subject, however, to the restrictive provisions of the mortgage. Additional bonds may be issued under the mortgage for (a) the purpose of retiring bonds of another series issued under this indenture and/or underlying liens, if any, on after acquired property, at the rate of par for par, and (b) not exceeding 80% of the cost, or fair value, whichever is lower, of permanent extensions, improvements, enlargements and additions, provided earnings applicable to bond interest as defined in the mortgage, for 12 consecutive months within 15 calendar months immediately preceding the month in which application is made for authentication of bonds, shall have been at least twice the annual interest charges on all bonds outstanding under the mortgage and those proposed to be issued, and on underlying liens, if any, or not exceeding 75% of such cost or fair value, provided such earnings are less than twice and more than one and one-half times such annual interest charges.

Purpose of Issue—Proceeds from the sale of the Series "A" 6% bonds were used to retire certain indebtedness of the Company, including all bonds then outstanding, and to reimburse the Company for expenditures for extensions, improvements and additions.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 105%, on or before Dec. 1, 1931; 102½% thereafter and on or before Dec. 1, 1946; 102% thereafter and on or before Dec. 1, 1955; 100% after Dec. 1, 1955.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on all the fixed property now owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Henry J. and Chas. Aaron (for the Bankers), and Pam & Hurd (for the Company).

Original Offering—First publicly offered ($450,000) in January, 1927, at 100 and interest to yield 6%, by Averill Tilden & Co., Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$197,814	$189,347	$167,147
Operating expenses & taxes	140,370	134,903	112,967
Net earnings	$57,444	$54,444	$54,181
Interest charges	41,840	13,663	13,813
Net income	$15,604	$40,781	$40,368

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$1,246,470	$849,375	$744,652
Materials and supplies	37,258	15,782	18,547
Cash, bills and accts. receiv.	31,998	21,070	20,931
Unamortized bond discount	35,056	.....	4,772
Unexpired insurance	461	393	174
Investments	5,000	.....	.....
Deferred expense	530	1,529	2,402
Total	$1,356,773	$888,149	$791,478

Liabilities—	1927	1926	1925
Common stock	$200,000	$200,000	$200,000
Preferred stock	48,100	48,100	48,100
Funded debt	450,000	272,000	275,000
Bills and accounts payable	149,863	16,150	4,041
Due holding company	315,334	164,880	103,890
Consumers' deposits	10,775	10,401	9,042
Reserves	31,871	26,027	19,905
Surplus	150,830	150,591	131,500
Total	$1,356,773	$888,149	$791,478

Officers: Jos. C. Markley, Pres., Chicago, Ill.; A. M. Ott, V-P.; Independence, Mo.; Rufus C. Dawes, V-P.; A. T. Leonard, Treas. & Asst. Sec., Chicago, Ill.; D. S. Milne, Sec. & Mgr., Independence, Mo.; Philip P. Page, Asst. Treas., Chicago, Ill.

Directors: Jos. C. Markley, R. C. Dawes, H. B. Hurd, Chicago, Ill.; D. S. Milne, Harlie F. Clark, Geo. W. Corey, A. M. Ott, Independence, Mo.

General Office, 1615 Harris Trust Bldg., Chicago, Ill. **Operating Office,** Independence, Mo.

MOBILE GAS COMPANY

(Controlled by Metropolitan Gas & Electric Company)

History—Incorporated Oct. 30, 1906, in Ala. Franchise perpetual. Acquired the plant of the Mobile Gas Light & Coke Co., formerly controlled by Electric Lighting Co. of Mobile, which was subsequently succeeded by the Mobile Electric Co. Population served, 65,000. Miles of mains, 126.75. No. of meters, 7,772. Output, year 1927, 372,235,000 cu. ft., compared with 360,399,000 cu. ft. in 1926. Price: $1.50 to $1.10 net; minimum bill $1.50.

CAPITAL STOCK

Authorized, 6,000 shares no par value Common and $1,000,000 8% cumulative Pfd.; outstanding, 6,000 shares Common, and $500,000 Pfd. Control of stock is held by Metropolitan Gas & Electric Company. Annual meeting, in January.

Dividends—Regular dividends paid on Pfd. stock during 1924; 5% paid in 1925; 11% in 1926; 4% in 1927; payments quarterly, J. A. J & O. (Pfd. stock was issued in Nov., 1923). No dividends paid on Common.

FUNDED DEBT

(1)

$1,419,400 FIRST MORTGAGE GOLD 7s, SERIES "A"; DUE DECEMBER 1, 1951

Dated December 1, 1921.

Interest Payable—June and December 1, at First National Bank, New York, or Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Mortgage provides for the issuance of bonds in series which may vary as to date of maturity, interest rate, income tax, sinking fund, and redemption provisions as the Company shall determine at the time of the issuance thereof. No bonds of any series will have preference as to security over bonds of any other series. The aggregate amount of bonds which may be outstanding at any one time under the Mortgage is limited to $5,000,000. Additional bonds may be issued for 80% of the actual and reasonable cost of permanent extensions, enlargements and additions provided earnings applicable to bond interest as defined in the mortgage are at least 1½ times the annual interest charges on all outstanding bonds, including bonds for which application is made.

Callability—Subject to call on 30 days' published notice at 110 and interest up to and including Dec. 1. 1926, and thereafter up to maturity at 105 and interest.

Security—A first lien, equally with the Series "B" bonds issued under the same mortgage, on all property, rights and franchises of company now owned o hereafter acquired.

Tax Provisions—Company pays Normal Federa Income Tax up to 2%.

(2)

$413,600 FIRST MORTGAGE GOLD 6s, SERIES "B"; DU OCTOBER 1, 1956

Dated October 1, 1926.

Interest Payable April and October 1, at First Na tional Bank, New York, or Central Trust Co. of Illi nois, Chicago.

Denominations—Coupon, $100, $500 and $1,000 (in terchangeable denominations); principal may b registered.

Trustee—Central Trust Co. of Illinois, Chicago.

NOTE—Neither the Series "A" nor the Series "B bonds have any preference one over the other, bot of them being issued under the same mortgage.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$517,629	$519,956	$464,073	$481,221	$468,480	$469,19
Operating expenses and taxes	352,318	325,927	303,394	313,035	301,372	333,34
Net earnings	$165,311	$194,029	$160,679	$168,186	$167,108	$135,84
Bond interest	124,831	112,685	101,695	100,730	104,496	97,51
Net income	$40,480	$81,344	$58,984	$67,456	$62,612	$38,33
Times Interest Earned	1.32	1.72	1.58	1.67	1.60	1.3

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Plant and equipment	$3,227,863	$2,869,953	Common stock	$386,067	$386,0
Cash, bills & accts. receivable	97,902	91,190	Preferred stock	500,000	500,0
Materials and supplies	80,740	84,874	Funded debt	1,833,000	1,833,0
Unexpired insurance	2,498	3,190	Bills and accounts payable	75,969	37,6
Investments	6,800	57,414	Customers' deposits	21,470	10,5
Deferred expense	24,967	18,495	Due Holding Company	596,655	306,1
Corporate deficit	18,196	.....	Reserves	45,805	47,5
			Surplus	.....	4,1
Total	$3,458,966	$3,125,116	Total	$3,458,966	$3,125,1

Officers: Jos. C. Markley, Pres.; Arthur T. Leonard, V-P. & Treas.; H. B. Hurd, Sec.; C. R. Stevens, Asst. Sec.; Philip P. Page, Asst. Treas., Chicago, Ill.

Directors: Rufus C. Dawes, H. B. Hurd, Jos. C. Markley, Arthur T. Leonard, Philip P. Page, Chicag Ill.

General Office, 1615 Harris Trust Bldg., Chicag Ill. **Operating Office**, Mobile, Ala.

UNION GAS & ELECTRIC COMPANY

(Delaware)

(Affiliated with Metropolitan Gas & Electric Co.)

History—Incorporated March 12, 1903, in Del., as a holding company for the Dawes Brothers' interests, its affiliated companies being: Central Indiana Gas Co., Muncie Ind. and Seattle Lighting Co., Seattle Wash.

CAPITAL STOCK

Authorized, $2,700,000 Common and $1,000,000 6% First Pfd., par, $100; outstanding, $2,627,920 Common and $1,000,000 6% First Pfd. On Jan. 1, 1926, the old $1,000,000 6% First Pfd. was called for payment at 105 and accrued dividends and the old $1,000,000 5% Second Pfd. became the present 6% First Pfd.

Transfer Agent and Registrar—Central Trust Co. of Illinois, Chicago.

Annual Meeting—Second Monday in January.

Dividends—Dividends on Pfd. stock are regularl paid quarterly, J, A, J & O 1. A dividend of 8% o Common was paid in 1924; 1925 and 1926, 10½% each; 1927, 10%.

FUNDED DEBT

None

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$430,9
Expenses	56,0
Net earnings	$374,8

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926	Liabilities—	1928	1927	1926
Stocks of gas & elec. cos..	$5,770,041	$5,952,666	$5,814,572	Common stock	$2,627,920	$2,627,920	$2,627,9
Bonds owned	9,000	9,000	35,700	Preferred stock	1,000,000	1,000,000	1,000,0
Cash, bills and accts. receiv.	1,219,851	1,057,405	1,247,587	Bills and accts. payable	.....	72,263	8,0
				Profit and loss	3,370,972	3,318,888	3,461,9
Total	$6,998,892	$7,019,071	$7,097,859	Total	$6,998,892	$7,019,071	$7,097,8

Officers: Rufus C. Dawes, Pres.; Jos. C. Markley, V-P.; H. B. Hurd, Sec.; A. T. Leonard, Treas.; Chas. R. Stevens, Asst. Sec. & Asst. Treas., Chicago, Ill.

Directors: Rufus C. Dawes, J. E. Otis, A. Volney Foster, H. B. Hurd, E. J. Buffington, Henry M. Dawes, Robt. C. Wallace, Rawleigh Warner, A. T Leonard, J. C. Markley, Warren C. Fairbanks, Ch cago, Ill.; W. W. Mills, Marietta, O.

General Office, 1615 Harris Trust Bldg., Chicago, Il

SEATTLE LIGHTING COMPANY

(Affiliated With Metropolitan Gas & Electric Co.)

History and Property—Incorporated in April, 1904, Wash.; consolidation of the Seattle Gas & Elec- ic Co., the Citizens' Light & Power Co. of N. J., and itizens' Light & Power Co. of State of Wash. Sup- ies gas for light, heat and fuel in Seattle, Ballard, remont, Brooklyn, Renton, and Green Lake. Fran- ise in Seattle perpetual; in Ballard, 50 years from ug., 1901. Population served, over 300,000. Capac- y of holders, 5,700,000 cu. ft. Generating capacity water and coal gas plant, over 3,000,000 cu. ft. of as per day; capacity of coke oven plant, 1,500,000 . ft. daily. Miles of mains, 822. Number of meters, ,898; number of ranges, 41,898; number of water aters, 21,924; number of hot plates, 14,407; number heaters, 9,283.

GAS SALES, YEARS ENDED DECEMBER 31

25	1,789,194,500 cu. ft.
26	1,842,909,000 cu. ft.
27	1,859,284,100 cu. ft.

CAPITAL STOCK

Authorized, $3,000,000 Common and $7,500,000 7% mulative Pfd.; outstanding, Dec. 31, 1927, $3,000,- 0 Common and $2,000,000 Pfd.; par, $100. The % Pfd. stock was issued early in 1926 to effect part the retirement of a portion of the then out- anding funded debt, and for exchange for $1,000,000 % Pfd. stock, and for additional working capital.

Preferred Stock Provisions—The 7% Pfd. stock is eferred as to both assets and dividends over the ommon stock, and is fully paid and non-assessable. is redeemable on any dividend date, in whole or in rt, at option of the Company, at 105 and accrued vidends, on 30 days' notice. In the event of liqui- tion or dissolution holders of Pfd. stock receive par d accrued dividends. The Pfd stock has no vot- g power or preemptive subscription rights, ex- pt that if dividends aggregating 7% are in arrears the Pfd. stock, each share of the Pfd. stock is titled, until all arrearages are paid, to vote upon the ection of directors.

Transfer Agent—Central Trust Co. of Illinois, hicago.

Registrar—First Trust & Savings Bank, Chicago.

Annual Meeting—Third Wednesday in May.

Legal Opinion—Pam & Hurd, Chicago and Poe, laknor, Flaknor & Emory, Seattle (for the Company) d Newman, Poppenhausen, Stern & Johnson, Chi- go (for the Bankers).

Original Offering—First publicly offered ($2,000,- 0 7% Pfd.) in Feb., 1926, at 98 and accrued dividend, yield about 7.14%, by A. B. Leach & Co., Inc., New ork, etc.

Price Range—

eferred—	1927	1926
High	95	105
Low	91½	95

Dividends—Dividends on old 6% Pfd. stock regu- rly paid to date of redemption, except in 1919 and 21, when only 3% was paid. Dividends on new 7% fd. stock regularly paid. Dividends of 2% each on ommon paid in 1911, 1912 and 1913; none there- ter until Jan. 15, 1924, when 1% was paid, which uarterly rate maintained to Jan. 15, 1927; April 15, 27 to April 15, 1928, inclusive, 1½% each quarter; ayments, J, A, J & O 15.

FUNDED DEBT

(1)

$358,000 FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1944

Dated March 1, 1904.

Interest Payable March and September 1, at Har- s, Forbes & Co., New York.

Denomination—Coupon, $1,000; principal may be egistered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Originally authorized $3,000,- 000, but under the terms of the refunding mortgage is now a closed mortgage. Issued, $2,266,000, of which $1,908,000 pledged as additional security to Refunding 5s, leaving $358,000 outstanding with pub- lic.

Callability—Subject to call at 110 and interest.

Security—A first lien on entire property rights and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(2)

$8,080,000 REFUNDING MORTGAGE GOLD 5s; DUE OCTOBER 1, 1949

NOTE—The $8,080,000 Refunding Gold 5s issued include $622,000 with 3% additional coupon attached. The additional interest is not covered by mortgage.

Dated October 1, 1909.

Interest Payable April and October 1, at Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., New York.

Denominations—Coupon, $500 and $1,000; princi- pal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized, $10,000,000; suffi- cient reserved to retire prior liens; balance may be issued to cover 80% of cost of permanent extensions and additions, provided that net earnings for the year preceding shall have been at least equal to one and three-quarters times the annual interest charge on all mortgage bonds outstanding, including bonds proposed to be issued.

Callability—Subject to call at 102½ and interest on any interest date.

Security—A first mortgage on all property of the Company subject to the First Mortgage 5% bonds, only $358,000 of which are outstanding in hands of the public. In addition $1,908,000 First 5s of 1944 are pledged as part security under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Pam & Hurd and Theodore Chap- man, Chicago, and Peters & Powell, Seattle, Wash.

Price Range—

	1927	1926	1925	1924	1923
High	96½	95½	93	86	85
Low	94½	90½	85½	80	80

(3)

$1,471,000 6% SINKING FUND GOLD DEBENTURE BONDS: DUE FEBRUARY 1, 1936.

Dated February 1, 1926.

Interest Payable February and August 1, in New York or Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized, $1,500,000; out- standing, $1,471,000. The proceeds, together with a part of the proceeds of the 7% Preferred stock, con- currently issued, were used to retire $2,099,500 General Mortgage Gold 7s, due July 1, 1929.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' notice at 102½ and interest.

Sinking Fund—An annual sinking fund of $30,000 each February 1, 1927 to 1935, inclusive, will be used to purchase and retire bonds at the market if obtainable at less than call price. If not so obtainable bonds shall be called by lot.

Security—A direct obligation of Company, which covenants in the Trust Agreement, that no additional mortgage other than purchase money mortgages or

mortgages on after-acquired property, existing at the time of such acquisition, shall be placed upon the property of Company without securing these bonds equally and ratably with all other bonds issued thereunder.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax, Connecticut and California Personal Property tax, not exceeding 4 mills, Kentucky five mill tax, Kansas 2½ mill tax, and Massachusetts Income Tax on interest, not exceeding 6% per annum refunded to resident holders upon request within 60 days after payment.

Legal Opinion—Pam & Hurd, Chicago, and Po Flaknor, Flaknor & Emory, Seattle (for the Company and Newman Poppenhusen, Stern & Johnson, Chicago (for the Bankers).

Original Offering—First publicly offered ($1,500,000) in February, 1926, at 98 and interest, yielding about 6¼%, by A. B. Leach & Co., Inc., New York etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,395,479	$2,402,978	$2,339,175	$2,258,231	$2,177,030	$2,142,6
Oper. exp., taxes, maintenance and renewals	1,415,348	1,443,448	1,418,734	1,386,378	1,365,957	1,368,1
Net earnings	$980,131	$959,530	$920,441	$871,853	$811,073	$774,5
Fixed charges	607,674	553,845	553,274	535,360	530,557	523,6
Net income	$372,457	$405,685	$367,167	$336,593	$280,516	$250,8
Preferred dividends paid	140,000	108,917	60,000	60,000	60,000	60,0
Common dividends paid	165,000	120,000	120,000	120,000	.....	.....
Surplus for year	$67,457	$176,768	$187,167	$156,593	$220,516	$190,8
Times Fixed Charges Earned	1.61	1.73	1.66	1.63	1.53	1
Earnings Per Share—						
Preferred	$18.63	$20.28	$36.72	$33.66	$28.05	$25
Common	11.63	8.85	10.24	9.22	7.35	6

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$15,818,237	$15,304,675	$14,878,920
Supplies on hand	245,311	304,938	291,985
Securities owned	2,500	2,500	2,500
Cash, bills & accts. receiv.	420,619	371,719	288,012
Deferred items	118,380	250,422	1,511
Total	$16,605,047	$16,234,254	$15,462,928

Liabilities—	1927	1926	192
Common stock	$3,000,000	$3,000,000	$3,000,0
Preferred stock	2,000,000	2,000,000	1,000,0
Funded debt	9,909,000	9,806,000	10,091,0
Bills and accounts payable	671,474	185,576	273,0
Consumers' deposits	94,469	118,563	92,9
Accrued & reserve items	592,817	879,795	704,8
Surplus after adjustments	337,287	244,320	301,6
Total	$16,605,047	$16,234,254	$15,462,9

Officers: J. D. Farrell, Pres.; C. K. Poe, V-P. & Asst. Sec.; S. R. Hutchinson, V-P. & Sec., Seattle, Wash.; R. C. Dawes, V-P.; A. T. Leonard, V-P., Asst. Sec., Asst. Treas. & Asst. Gen. Mgr., Chicago, Ill.; F. K. Lane, Treas. & Gen. Mgr., Seattle, Wash.; H. B. Hurd, C. R. Stevens, Asst. Secs.; Philip P. Page, Asst. Treas., Chicago, Ill.

Trustees: J. D. Farrell, F. T. Hunter, S. R. Hutchinson, C. K. Poe, Wm. D. Addy, J. A. Swalwell, Herbert Pickard, Maurice McMicken, F. K. Lane, A. F. Muller, Seattle, Wash.; Rufus C. Dawes, Chicago,

Office, Seattle, Wash.

SHINYETSU ELECTRIC POWER COMPANY, LIMITED

(Shinyetsu Denryoku Kabushiki Kaisha)

History and Property—Organized in 1919, in Japan. Owns and operates three hydro-electric plants with a total generating capacity of 57,860 kilowatts on the Nakatsu River in Japan. Practically all of the company's output is sold, under contracts, to Tokyo Electric Light Company, Limited, which owns through a subsidiary approximately 44% of the company's capital stock. Tokyo Electric Light Company, Limited, is the largest distributor of electricity in Japan. The latter company sells electric power and light in districts with a total area of approximately 10,000 square miles and a total estimated population of about 11,000,000. These districts include the cities of Tokyo and Yokohama and other populous and important industrial sections.

The company's hydro-electric generating plants consist of the following:

	Date of completion	Generating capacity
Nakatsugawa No. 1	Nov., 1924	39,000 k.w.
Nakatsugawa No. 2	May, 1923	18,000 k.w.
Nakatsugawa No. 3	May, 1921	860 k.w.

In addition to the above properties the company owns a small distribution system connected with Nakatsugawa No. 3 which furnishes power and light, at retail, in villages near the company's generating plants.

The company is commencing construction on the Shinano River of a hydro-electric plant of 166,300 kilowatts generating capacity. Such capacity is greater than that of any existing hydro-electric plant in Japan and there are only a few hydro-electric plants in the world of greater capacity. It is expected that this plant will be completed in 1933 and that its output will be sold to Tokyo Electric Light Company, Limited, in amounts reaching a maximum of 166,300 kilowatts in November, 1935.

Power Contracts—The company has sold, under contracts, to Tokyo Electric Light Company, Limited, of the power generated at the Nakatsugawa No. 1 and No. 2 plants since the company's operations were officially begun on October 1, 1924. These contracts which provide for the purchase by Tokyo Electric Light Company, Limited of all the power generated at such plants, extend to November 30, 1932, and the agreement between the two companies are to be extended to a date beyond the maturity of First Mortgage 6½% bonds at rates which, based on normal output, will assure at least the amounts required for interest and sinking fund on the bonds, as well as operating expenses, taxes and other charges applicable to such plants.

CAPITAL STOCK

Outstanding, 640,000 shares, 50-year par value, fully paid, equivalent to $14,720,000.

FUNDED DEBT

(1)

$7,650,000 FIRST MORTGAGE 6½% SINKING FUND BONDS (CLOSED ISSUE); DUE DECEMBER 1, 1952

Dated December 1, 1927.

Interest Payable June and December 1, in United States gold coin at office of Dillon, Read & Co., or in London in sterling, at par of exchange, at the office of J. Henry Schroder & Co.

Denominations—Coupon, $500 and $1,000. No provision for registration.
Trustee—The Mitsui Trust Co., Ltd., Tokyo.
Countersigning Agent—The National Park Bank of New York.
Provisions of Issue—Authorized and issued, $7,650,000; mortgage closed.
Purpose of Issue—Proceeds were used to reduce outstanding bank loans and for other corporate purposes.
Callability—Subject to call as a whole, or in part by lot, on any interest date, on 30 days' notice, at 100% and interest.
Sinking Fund—Sinking fund is provided, available semi-annually, sufficient to retire $150,000 principal amount of bonds per annum for the first two years, $300,000 principal amount of bonds per annum for the next eight years and $384,000 principal amount of bonds per annum thereafter, such retirement to be effected by the purchase of bonds, if obtainable at not exceeding 100% and accrued interest, and, to the extent not so obtainable, by the call of bonds by lot at that price.
Security—Bonds are the direct obligation of the company and are secured by a first mortgage lien, created under the laws of Japan, on all of the Company's completed mortgageable properties, consisting of Nakatsugawa No. 1, No. 2 and No. 3 generating plants. Bonds are further secured by assignment to the trustee under the indenture of all of the company's rights under its contracts with Tokyo Electric Light Co., Ltd. for the sale of power produced by the Nakatsugawa No. 1 and No. 2 plants. The Indenture provides that the Company will not create any mortgage on its property if the total mortgage debt would exceed two-thirds of the cost, less depreciation, or appraised value, whichever is lower, of its mortgageable property; and then only if net earnings (after provision for depreciation reserves) available for interest, for 12 consecutive months, have been at least twice annual interest requirements on total funded debt to be outstanding on the creation of such mortgage. Special provision will permit, in the event of mortgaging of the Company's Shinano River Development prior to its completion, the inclusion in such net earnings of the estimated net earnings of the Development for the first year of full operation, provided contracts for sale of its output have theretofore been made.
Tax Provisions—Free from any Japanese taxes when held by others than residents of Japan. Company does not pay U. S. Normal Income Tax.
Legal Opinion—Root, Clark, Buckner, Howland & Ballantine, New York, and McIvor, Kauffman, Smith & Yamanoto, Tokyo and New York.
Original Offering—First publicly offered ($7,650,000) in Dec., 1927 at 93¼ and interest to yield 7.07% by Dillon, Read & Co., New York, etc.
Listed—Boston Stock Exchange and New York Curb Market.
Price Range—1927: High, 97½; low, 93¼.

(2)

$6,900,000 (15,000,000 YEN) 7% DEBENTURES; DUE 1932

No details available.

INCOME ACCOUNT, YEARS ENDED MAY 31

	1927	1926
Gross operating revenues	$2,077,574	$2,095,879
Operating exps., maint. and all taxes	366,597	240,987
Net operating earnings	$1,710,977	$1,854,892
Other income	245,445	172,770
Net income before int. and deprec.	$1,956,422	$2,027,662

NOTE—Net income before interest and depreciation for the twelve months ended May 31, 1927, as shown above, was more than 3.9 times the maximum annual interest requirement of $497,250 on this issue of bonds.

Officer: Yaichi Yamiki, Managing Director, Tokyo, Japan.
General Office, Tokyo, Japan.

THE BUCYRUS TELEPHONE CO.

History—Incorporated in March, 1920, in Ohio. Franchises indefinite. No. of exchanges, 1. No. of telephones, 3,300. Prices: $18 to $54 per year Population served, 15,000.

CAPITAL STOCK

Authorized and outstanding, $315,000; par, $100. The Pfd. stock, previously outstanding, was retired in 1921. Annual meeting, third Monday in January.

Dividends—Dividends have been paid as follows: 1911, 1%; 1912, 3%; 1913, 4%; 1914, 5%; 1915 to 1919, inclusive, 6%; 1920, 8%; 1921, 8%; 1922, 8%; 1923, 4%; 1924 to 1927, 5% each; payments, June 30 and Dec. 31, at Bucyrus, Ohio.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$102,520	$93,823	$82,442
Oper. exp., taxes & deprec.	74,717	79,196	68,230
Net earnings	$27,803	$14,627	$14,212
Other income	5,872	3,291	2,854
Total income	$33,675	$17,918	$17,066
Dividends paid	15,750	15,750	15,750
Surplus for year	$17,925	$2,168	$1,316

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$413,184	$408,827	$400,544
Bonds owned	75,605	.....	.....
Unadjusted debits	51,309	69,826	69,826
Materials and supplies	10,139	5,807	5,445
Cash	12,426	12,927	14,653
Other current assets	50	18,234	439
Total	$526,713	$515,621	$490,907
Liabilities—			
Capital stock	$315,000	$315,000	$315,000
Premiums on capital stock	55,260	55,260	.....
Current liabilities	2,123	1,722	1,886
Depreciation reserve	121,851	109,199	96,482
Reserve for taxes	13,959	6,436	2,444
Appropriated surplus	13,500	13,500	13,500
Profit & loss surplus	41,020	14,504	67,595
Total	$562,713	$515,621	$490,907

Officers: W. H. Miller, Pres.; Benj. Shearer, V-P.; Jacob Colter, V-P.; A. G. Stoltz, Sec. & Treas.; E. B. Ruhl, Asst. Treas.; C. W. Heiskell, Supt., Bucyrus, Ohio.

Directors: W. H. Miller, Benj. Shearer, Jacob Colter, F. I. Ruhl, E. B. Ruhl, A. G. Stoltz, C. W. Heiskell, Bucyrus, Ohio.

General Office, Bucyrus, Ohio.

THE UTAH IDAHO CENTRAL RAILROAD COMPANY

History and Properties—Incorporated Oct. 18, 1926, in Delaware and on Nov. 20, 1926 took over the property of the former Utah Idaho Central R.R. Co. (see 1926 Public Utility Manual, page 873), which was sold at receiver's sale on Nov. 5, 1926. The receiver, P. H. Mulcahy, had been appointed in Aug., 1926. Connects by interurban lines with Ogden, Wellsville, Brigham, Lewiston, Willard, Hyde Park, Logan, Smithfield, Richmond, Hyrum, Millville, Providence, Utah and Preston, Ida. Harrisville to Warren, Utah, via Plain City, and Sugarton to Quinney, Utah. Connections made with the Union Pacific, Denver & Rio Grande, Oregon Short Line, Southern Pacific and Bamberger Electric R. R. at Ogden, Utah; with the Oregon Short Line at Dewey, Hyrum, Logan and Lewiston, Utah. Length of road owned, 117.11 miles; length of track owned, 145.35 miles. Gauge, standard. Rail, 70 lbs. Operated by overhead trolley, catenary construction. Motor cars, 29. Other cars, 197. Loco-

motives, 7. Substations, 4. Power purchased from Utah Power & Light Co. Bus service has been instituted in Logan, Utah, where the city tracks have been torn up.

On Jan. 1, 1920, all city traction lines in Ogden, Utah were sold to the **Utah Rapid Transit Co.** for 9,000 shares of Common stock of the Traction Company and the assumption by that company of $1,000,000 principal amount of outstanding funded debt.

CAPITAL STOCK

Outstanding, $2,771,850 (stated value). Shares have no par value. No dividends paid. Annual meeting (in 1927) April 4th.

FUNDED DEBT

$1,999,500 FIRST MORTGAGE 6% GOLD BONDS; DUE IN 1952

No details available.

EQUIPMENT OBLIGATIONS

At Dec. 31, 1927, there were outstanding $51,750 Equipment Obligations.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Operating revenues	$768,566
Operating expenses	546,827
Taxes	52,796
Operating income	$168,943
Other income	521
Total gross income	$169,464
Deductions:	
Interest on funded debt	$124,110
Misc. rents, interest, etc.	2,877
Total	$126,987
Surplus for year	$42,477

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Road and equipment	$5,592,272	$5,555,813
Bonds owned	8,050	8,050
Stocks owned	1,200	825
Bond coupons	7,259	7,259
Special deposits	2,747	3,086
Materials and supplies	100,157	108,653
Cash on hand	77,935	11,211
Loans and notes receivable	1,708	1,708
Accounts receivable	46,753	52,960
Unadjusted debits	46,715	42,265
Total	$5,884,796	$5,791,830
Liabilities—		
Capital stock of no par value	$2,771,850	$2,771,850
Funded debt	1,999,500	2,000,000
Equipment notes, etc.	51,750	92,138
Accounts payable	122,830	164,385
Accrued interest	61,969	1,756
Deferred liabilities	15,548	17,537
Accrued depreciation	38,258	3,725
Unadjusted credit items	19,174	5,520
Surplus not available for dividends	754,769	728,146
Profit and loss	49,148	6,773
Total	$5,884,796	$5,791,830

Officers: M. E. Singleton, Chrm. of Bd. & Pres., St. Louis, Mo.; A. B. Apperson, V-P., Denver, Colo.; E. C. Singleton, V-P., St. Louis, Mo.; Jos. Scrowcroft, V-P.; J. H. Singleton, Sec. & Treas.; E. L. Morris, Aud.; P. H. Mulcahy, Gen. Mgr.; A. L. Carpenter, Pur. Agt., Ogden, Utah.

Directors: M. E. Singleton, A. B. Apperson, Allen May, E. C. Singleton, St. Louis, Mo.; Jos. Scrowcroft, J. H. Singleton, P. H. Mulcahy, M. S. Eccles, M. A. Browning, G. L. Becker, Ogden, Utah; Robert Anderson, Logan, Utah.

General Office, 405-417 Eccles Bldg., Ogden, Utah.

UTAH RAPID TRANSIT COMPANY

(Controlled by The Utah Idaho Central Railroad Company)

History and Property—Incorporated September 29, 1919, in Delaware and as of January 1, 1920, acquired all city traction lines of the Utah Idaho Central R. R. Co. Operates the city lines in Ogden, Utah also a line running from Ogden to Huntsville, Uta Length of line: First track, 31 miles; second trac 5.25 miles; sidings, etc., 2.01 miles—total, 38.26 mile Gauge, 4 ft. 8½ inch. Rails, 45 to 70 lbs. Operate by overhead trolley. Franchise in Ogden expires 1950. Motor cars: Open passenger, 2; closed passe ger, 44; other cars, 5; non-motor closed passenger, 3 total cars, 54.

CAPITAL STOCK

Authorized, 10,000 shares no par value; outstandin 9,000 shares. All owned by The Utah Idaho Centr RR. Co. Annual meeting, October 6. No dividen paid.

FUNDED DEBT

$986,500 First Refunding Gold 6s; dated Jan. , 1920, due Jan. 2, 1940; int. Jan. and July 2, at Ogd Savings Bank, Ogden, Utah, Trustee. Coupon, $1($500 and $1,000; principal may be registered. Auth- ized and issued, $1,000,000 of which $986,500 outstar- ing Dec. 31, 1927. Subject to call at 105 prior 1935 and at 102½ thereafter. Sinking fund, 1% a- nually of bonds outstanding, 1925 to 1939. A first li on entire property. Company does not pay Norm Federal Income Tax.

There were also outstanding Dec. 31, 1926, $68,(Ogden City, Utah, special improvement warran bearing 6% interest; dated Feb. 2, 1921; 10% of au- orized amount due annually on Feb. 2. Interest pa- able annually, Feb. 2, at City Treasurer's office, C- den, Utah. Coupon, $1,000. Subject to call at pr and interest. Secured by paving tax assessments, ad issued against property in connection with city pavig improvements. Company does not pay Normal Fe- eral Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	1925	192
Gross earnings	$220,498	$252,132	$268,2
Oper. exp. & taxes	195,699	231,500	254,4
Net earnings	$24,799	$20,632	$13,1
Other income	944	1,576	1,0
Total income	$25,743	$22,208	$15,1
Int. on funded debt, etc.	62,339	64,543	66,1
Deficit for year	$36,596	$42,335	$50,1

*1926 figures not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	192
Road and equipment	$1,655,846	$1,651,800	$1,651,7
Miscellaneous invest.	15,309	20,412	251
Cash	908	5,843	2,2
Misc. accts. receivable	8,079	4,441	164
Int., divds. & rents receiv.	842	1,123	10
Unadjusted debits	688	826	3
Profit and loss deficit	305,606	267,875	231,0
Total	$1,987,278	$1,952,320	$1,929,2
Liabilities—			
Capital stock	$501,972	$501,972	$501,7
Funded debt	986,500	986,500	988,0
Notes payable	51,069	68,092	85,1
Accounts & wages payable	12,706	27,608	49,3
Mat. int., rents, etc., unpaid	359,139	299,949	240,5
Accrued int., etc., payable	2,809	3,745	4,8
Liab. for provident funds	1,664	1,804	1,5
Accrued depreciation	70,719	61,879	53,3
Other unadjusted credits	700	771	2
Total	$1,987,278	$1,952,320	$1,929,2

Officers: A. P. Bigelow, Pres.; M. A. Brown V-P.; E. O. Wattis, V-P.; C. H. Barton, Sec. & Tre P. H. Mulcahy, Gen. Mgr., Ogden, Utah.

Directors: A. P. Bigelow, M. A. Browning, E. Wattis, L. R. Eccles, Adam Patterson, Ogden, Uth S. S. Eccles, W. M. Howell, Logan, Utah.

General Office, 405-417 Eccles Bldg., Ogden, Ut

ILLUMINATING & POWER SECURITIES CORPORATION

History—Incorporated May 31, 1912, in Va., to buy, ell and deal in stocks, bonds and other securities and roperties of electric power, electric lighting, gas and ther public service companies or enterprises.

CAPITAL STOCK

Authorized, $2,500,000 Common and $1,500,000 7% umulative Pfd.; outstanding $2,500,000 Common nd $1,250,000 Pfd.; par of Com., $50; par of Pfd. $100. ommon stock was reduced from $5,000,000 author- ed and outstanding to $2,500,000 authorized and out- tanding by the reduction of par value from $100 to 50 in accordance with vote of stockholders on July , 1916. The authorized amount of Pfd. stock was lso reduced from $3,000,000 to $1,500,000, the out- tanding amount and the par value remaining the ame as formerly. Pfd. stock has preference as to as- ets and is subject to redemption in whole or in part, n any dividend date after three years from date of issue at 115 and accrued dividends. Common stock has exclusive voting power.

Transfer Agent—Old Colony Trust Co., Boston.

Annual Meeting—Second Monday in May, at Richmond, Va.

Dividends—Pfd. dividends paid in full quarterly, F. M, A & N 15, to date, initial payment having been made Nov. 15, 1912. On Common, an initial dividend of 75 cts. a share paid Nov. 15, 1922, 75 cts. a share May 15, 1923; regular 45 cts. a share paid Aug. 10, 1923, and at same rate quarterly (F, M, A & N 10) thereafter to date. In addition two special dividends, each of $6.25 per share, on Common stock, were paid Dec. 31, 1925, and June 15, 1926, respectively; on May 10, 1927 and June 9, 1928, $4 per share special each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED JULY 31

	1927	1926	1925	1924	1923	1922
ividends and interest received	$557,017	$519,653	$415,099	$304,844	$257,953	$203,321
et profits on securities sold	197,505	427,367	1,674,438	372,829	258,746	86,491
ross income	$754,522	$947,020	$2,089,537	$677,673	$516,699	$289,812
eneral expenses	12,530	14,518	15,529	9,750	9,561	8,105
iterest, taxes, etc.	66,884	72,339	211,822	78,067	28,865	15,686
Total charges	$79,414	$86,857	$227,351	$87,817	$38,426	$23,791
et income	$675,108	$860,163	$1,862,186	$589,856	$478,273	$266,021
referred dividends paid	87,500	87,500	87,500	87,500	87,500	87,500
ommon dividends paid	290,000	715,000	90,000	90,000	97,500	.....
Surplus for year	$297,608	$57,663	$1,684,686	$412,356	$293,273	$178,521
arnings Per Share—						
Preferred	$54.01	$68.81	$148.97	$47.19	$38.26	$21.28
Common	11.75	15.75	35.49	10.04	7.81	3.57

GENERAL BALANCE SHEET, JULY 31

Assets—	1927	1926	1925	1924	1923	1922
locks and bonds	$6,008,223	$5,962,999	$5,445,180	$3,546,184	$3,391,255	$2,994,644
otes receivable	.....	.....	.....	.....	3,850	3,855
ccounts receivable	.....	.....	.....	.....	18,000	.....
nderwritings	.....	.....	.....	.....	.....	25,000
ash	201,672	299,668	242,953	303,590	80,858	52,202
ccrued interest receivable	3,484	16,117	11,937	4,769	6,012	9,737
ibscription account	.....	.....	69,072	.....	.....	12,958
Total	$6,213,379	$6,278,784	$5,769,142	$3,854,543	$3,499,975	$3,085,438
Liabilities—						
apital stock	$3,750,000	$3,750,000	$3,750,000	$2,251,000	$2,251,000	$2,251,000
ccrued interest and taxes	63,297	76,310	155,259	59,020	19,569	7,505
otes payable	250,000	600,000	.....	.....	86,700	.....
nderwritings, subscription liability	.....	.....	69,072	.....	.....	.....
ividends payable	44,375	44,375	44,375	44,375	44,375	21,875
eserve account	*175,000	*175,000	*175,000	†400,000	†400,000	†400,000
rplus	1,930,707	1,633,099	1,575,436	1,100,148	698,331	405,058
Total	$6,213,379	$6,278,099	$5,769,142	$3,854,543	$3,499,975	$3,085,438

*In accordance with the Charter an amount equal to two years' dividends on outstanding Pfd. stock †To cover estimated rinkage in market value of securities owned.

Officers: Starling W. Childs, Chrm. of Bd.; Christie . Hamilton, Pres.; George C. Fetherston, Treas. & sst. Sec.; Charles F. Tannahill, Sec. & Asst. Treas.

Directors: Irving W. Bonbright, O. B. Wilcox, Englewood, N. J.; Ernest B. Tracy, C. N. Mason, New York City; Christie P. Hamilton, Plainfield, N. J.; Starling W. Childs, Norfolk, Conn.; Charles F. Tannahill, Lake Mahopac, N. Y.

Principal Office, Richmond, Va. **Jersey City Office**, Room 1110, 15 Exchange Place.

BANGOR HYDRO-ELECTRIC COMPANY

History—Incorporated Aug. 1, 1924, in Maine. It s a consolidated company owning the properties for- erly operated by Bangor Railway and Electric Com- any, Bangor Power Company, Bar Harbor and Union iver Power Company, and Lincoln Light and Power ompany (see 1924 Public Utility Manual, page 1153). Consolidation was approved by Public Utilities Commission Feb. 17, 1925. Company assumed operations March 1, 1925.

As of Jan. 1, 1927, this Company purchased the properties of the Millinocket and East Millinocket Light Company, Pennamaquan Power Co. and Cherry-

We specialize in the securities of and will be glad to give information concerning
BANGOR HYDRO-ELECTRIC CO.
Phone Lombard 4200
E. W. Clark & Co.
Private Phone to New York
Established 1837
Members New York and Philadelphia Stock Exchanges
321 Chestnut Street
Philadelphia

field Electric Light Co. under authority given by the Public Utilities Commission.

The Shore Line Electric Company—This company does business in Hancock County, Me. Capital stock—Authorized, $50,000 Common, par $50 and $50,000 6% cumulative Pfd., par, $100; outstanding, $14,900 Common and $46,700 Pfd. Bangor Hydro-Electric Co. owns $14,000 of the Common stock.

Business—This Company does the entire electric lighting and power business in sixty of the principal cities and towns in Penobscot, Hancock and Washington Counties in Maine, including such places as Bangor, Brewer, Old Town, Lincoln and Millinocket in Penobscot County, Ellsworth, Bar Harbor, Northeast Harbor, Seal Harbor and Southwest Harbor in Hancock County, and Milbridge, Cherryfield, Harrington, Jonesport, Machias and Eastport in Washington County, with the exception of the municipal lighting in Bangor. Estimated population served, 103,000.

It also owns and operates the electric railway system in Bangor and Brewer, and the lines connecting Bangor with Brewer, Hampden, Old Town, Charleston and intermediate towns. Total miles of track single track basis, 67.07. Standard gauge.

Property—The principal power plants, all hydro electric, are located at Milford and Veazie on th Penobscot River and at Ellsworth on the Union River Present capacity (Dec. 31, 1927) of the plants is a follows: Veazie, 4,700 k.w.; Milford, 4,200 k.w.; Ells worth, 8,190 k.w.; Machias, 240 k.w.; East Machias 1,200 k.w.; Stanford, 1,600 k.w.; Iron Works, 150 k.w and Little Falls, 120 k.w.—total, 20,400 k.w.

Owns 33 closed passenger motor cars, 4 freigh motor cars, 12 freight non-motor cars, and 17 mis cellaneous cars.

Franchises—The Company operates under fran chises unlimited as to time, with the exception of thos covering eight (8) miles of electric street railway i Bangor and two (2) miles in Brewer, which expire i 1937 and 1940 respectively.

GENERAL STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Number of revenue passengers carried	3,861,682	4,347,481	4,363,164	6,171,753	7,005,652	7,469,73
Number of non-revenue passengers carried	140,042	155,253	153,016	165,016	182,158	197,73
Number of transfer passengers carried	212,224	232,554	249,934	302,829	335,966	349,2(
Total	4,213,948	4,735,288	4,766,114	6,639,598	7,523,776	8,016,6
Receipts per revenue passenger carried	$0.0984	$0.0982	$0.0984	$0.0726	$0.0692	$0.06
Receipts per total passenger carried	0.0902	0.0901	0.09	0.0675	0.0644	0.06
Expenses per revenue passenger carried	0.0856	0.0794	0.0828	0.0668	0.062	0.06
Expenses per total passenger carried	0.0784	0.0729	0.0758	0.0621	0.0577	0.05
Car miles	1,202,586	1,224,967	1,240,007	1,308,725	1,346,030	1,330,9
Kilowatt hours sold	56,187,997	49,385,916	47,088,551	44,913,078	42,803,805	41,495,5
Number of light and power customers	22,993	21,505	18,278	17,100	15,622	14,2

CAPITAL STOCK

Authorized, $5,000,000 Common, $5,000,000 7% cumulative Pfd. (increased from $2,000,000 Common and $3,500,000 Pfd. in 1925) and $3,000,000 6% cumulative Pfd. (increased from $1,000,000 in 1927); outstanding Dec. 31, 1927, $3,372,100 Common, $2,497,500 7% Pfd., and $1,046,700 6% Pfd.; par, $100.

The Maine Public Utility Commission on Feb. 14, 1928, authorized Company to issue 3,000 shares Common stock, par $100, to be used solely for the exchange of Company's First Lien & Refunding Mortgage Convertible 5½% bonds, Series of 1949.

Subscription Privileges.—Pfd. and Com. stockholders of Company had the right to subscribe to $772,000 6% Pfd. stock up to September 1, 1926 at 96 and dividend. Common stockholders of record Jan. 17, 1927 had the right to subscribe pro rata to $500,000 additional Common stock at par to the extent of one share for each four shares held; payment was due Feb. 12, 1927.

Preferred Stock Provisions—7% Pfd. has preference as to assets as well as dividends over Common. It is not subject to redemption and has equal voting power with Common. The 6% Pfd. is equal in security to the 7% Pfd. and has the same full voting power. 6% Pfd. is subject to redemption as a whole or in part on any dividend date at $110 per share.

Transfer Agent—Eastern Trust & Banking Co., Bangor, Me.

Registrar—Merrill Trust Co., Bangor, Me.

Annual Meeting—Second Tuesday in February or within 60 days thereafter at Bangor, Me.

Original Offering—6% Pfd. stock first publicly offered (unsubscribed balance of $772,000) in August, 1926, at 96 and dividend to yield 6.25% by Beyer & Small, Portland, Maine, and Merrill Trust Co., Bangor, Maine.

Legal for Savings Banks (6% Pfd.)—Legal for savings banks in Maine.

Dividends—Dividends on Bangor Railway & Electric Co. stock at the rate of 5% per annum were paid on $1,500,000 capital stock from Oct. 1, 1905, to Oct. 1, 1909; 6% from that date to Jan. 1, 1911; 7% thereafter to Oct. 1, 1911, at which time the old $1,500,000 stoc was retired, and Pfd. and Common stock issued connection with the acquisition of the Bangor Pow Co. Since then 7% has been paid to date (quarterly, A, J & O 1) on Pfd. Quarterly dividends at rate 2% per annum were paid on Common stock from Ma 1, 1914, to Aug. 1, 1918, when they were discontinu until May 1, 1922, when they were resumed at the ra of 3% per annum; 4% from Feb. 1, 1923, to Feb. 1925; increased to 5% from May 1, 1925 to Nov. 1925; since Feb. 1, 1926, dividends declared have be at the rate of 6% per annum.

Initial dividend of 1¾% on the 7% Pfd. stock Bangor Hydro-Electric Co. was paid April 1, 192; regularly paid since J, A, J & O 1. Initial dividen of 1½% on 6% Pfd. stock of Bangor Hydro-Electr Co. was paid Oct. 1, 1926; regularly paid since, J, J & O 1. Initial dividend of 1¼% on Common sto of Bangor Hydro-Electric Co. was paid May 1, 192; Aug. 1, and Nov. 1, 1925, 1¼%; Feb. 1, 1926, 1½% which quarterly rate since maintained; payments, M. A & N 1.

FUNDED DEBT

(1)

$589,500 PUBLIC WORKS COMPANY FIRST MORTGAG GOLD 5s; DUE APRIL 1, 1929

Dated April 1, 1899.

Interest Payable April and October 1, at O Colony Trust Co., Boston.

Denominations—Coupon, $500 and $1,000; princip may be registered.

Trustee and Registrar—Old Colony Trust Co., Bo ton.

Provisions of Issue—Authorized, $600,000, of whi $1,000 retired and $9,500 held in treasury Dec. 31, 19 leaving $589,500 outstanding.

Security—A first lien on the rights, properties a franchises formerly of the Bangor Street Ry., Penob scot Water & Power Co., Bangor Electric Light Power Co. and by a collateral first lien on water di tribution properties formerly belonging to the Brew Water Co. Assumed by Bangor Ry. & Electric C (now Bangor Hydro-Electric Co.).

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$25,000 PENNAMAQUAN POWER COMPANY FIRST MORTGAGE 6% GOLD BONDS; DUE JUNE 1, 1929

Dated June 1, 1909.

Interest Payable June and December 1, at Rhode Island Hospital Trust Co., Providence, R. I.

Denominations—Coupon, $100 and $500.

Trustee—Rhode Island Hospital Trust Co., Providence, R. I.

Provisions of Issue—Authorized and outstanding, $25,000.

Callability—Subject to call at 105 and interest on any interest date on 3 weeks' notice.

Security—A first lien on the property and franchise formerly of the Pennamaquan Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$1,300,000 BANGOR RAILWAY & ELECTRIC COMPANY (ENTIRE ISSUE) FIRST CONSOLIDATED GOLD 5s; DUE JULY 1, 1935

Dated April 1, 1905.

Interest Payable January and July 1, at Guaranty Trust Co., New York, and Eastern Trust & Banking Co., Bangor, Me.

Denominations—Coupon, $500 and $1,000; principal may be registered at Company's office, Bangor, Me.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; outstanding, $1,300,000; $700,000 pledged with the Trustee of the Bangor Hydro-Electric Company first lien and refunding mortgage.

Callability—Subject to call at 107½ and interest on any interest date upon 60 days' notice.

Security—A first lien on the property and franchises of the Bangor, Hampden & Winterport Ry., Bangor, Orono & Old Town Ry., Old Town Electric Co. and the Bangor & Northern R. R. Co.; also a mortgage on all the other lines of electric railway and electric lighting system in Bangor, subject only to $589,500 Public Works Co. bonds described above. Additionally secured by deposit with the Trustee of all the stocks of the Bar Harbor & Union River Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($900,000) in July, 1905, at par and interest, by Richardson & Clark, Providence, R. I., and E. W. Clark & Co., Philadelphia; $500,000 offered in Oct. 1908, at 97½ and interest, by Spencer Trask & Co., New York, and Perry, Coffin & Burr, Boston.

(4)

$66,000 BANGOR RAILWAY & ELECTRIC CO. 8% CONVERTIBLE GOLD NOTES; DUE SEPTEMBER 1, 1930

Dated September 1, 1920.

Interest Payable March and September 1, at First National Bank, Bangor, Me., and First National Bank, Boston.

Denominations—Coupon, $500 and $1,000.

Trustee—First National Bank, Bangor, Me.

Provisions of Issue—Authorized, $300,000; outstanding, $66,000.

Security—Secured by deposit of $136,000 par value Bar Harbor & Union River Power Co. First & Refunding 5% gold bonds.

Convertibility—Convertible at any time prior to Sept. 1, 1928, into First and Refunding Mtge. 5% bonds of Bar Harbor & Union River Power Co., at a price to yield 7% with adjustment in cash equal to difference between above price and par.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$189,000 BAR HARBOR & UNION RIVER POWER COMPANY FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1935

Dated September 3, 1907.

Interest Payable March and September 1, at Bank of North America & Trust Co., Philadelphia, Pa., Merrill Trust Co., Bangor, Me., or J. & W Seligman & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Bank of North America & Trust Co., Philadelphia (successor Trustee).

Provisions of Issue—Authorized and issued, $2,000,000, of which $136,000 are pledged under the Bangor Ry. & Electric Co. 10-year notes, and $1,675,000 under Bangor Hydro-Electric Co. First Lien and Refunding Mortgage, leaving $189,000 in hands of the public.

Callability—Subject to call at 107½ and interest on any interest date upon 60 days' notice.

Security—A first lien on all rights, properties and franchises of the company, including transmission lines and a hydro-electric plant on the Union River at Ellsworth, Me.

Guaranty—Guaranteed, principal and interest, by Bangor Ry. & Electric Co.; assumed by Bangor Hydro-Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$189,000 BANGOR POWER COMPANY FIRST MORTGAGE GOLD BONDS, SERIES "A" 5s; DUE SEPTEMBER 1, 1931

$148,000 BANGOR POWER COMPANY FIRST MORTGAGE GOLD BONDS, SERIES "B" 5s; DUE SEPTEMBER 1, 1931

Dated September 1, 1911.

Interest Payable March and September 1, at Central Union Trust Co. of New York, and at Company's office, Bangor, Me.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Registrar—Bonds registered at Company's office, Bangor, Me.

Provisions of Issue—Authorized issue, $2,500,000, of which $750,000 Series "A" and $1,750,000 Series "B". The Series "A" limited to the $750,000 now outstanding, bore 4% interest from Sept. 1, 1911, to Sept. 1, 1916, 4½% from Sept. 1, 1916, to Sept. 1, 1921; 5% from Sept. 1, 1921, to maturity. Series "B" bonds bear 5% interest for the full term. Issued to Dec. 31, 1927, $725,000 Series "A" and $642,000 Series "B," of which $561,000 Series "A" and $494,000 Series "B" pledged under Bangor Hydro-Electric Co. First Lien and Refunding Mortgage. The $1,108,000 unissued Series "B" bonds can only be issued for 85% of actual cost of additions and improvements.

Callability—Subject to call at 105 and interest on any interest date upon 60 days' notice.

Security—A first mortgage on the entire properties of the Company, including the dam and power station at Milford, the dam at Veazie and water rights at Basin Mills, all on the Penobscot River.

Assumed—Assumed by Bangor Hydro-Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(7)

$570,000 BANGOR HYDRO-ELECTRIC COMPANY FIRST LIEN & REFUNDING MORTGAGE CONVERTIBLE 5% BONDS, SERIES OF 1925, DUE SEPTEMBER 1, 1955

$2,332,500 BANGOR HYDRO-ELECTRIC COMPANY FIRST LIEN & REFUNDING MORTGAGE CONVERTIBLE 5½% BONDS SERIES OF 1949, DUE SEPTEMBER 1, 1949

Dated—Series of 1955, dated September 1, 1925; Series of 1949, dated September 1, 1924.

Interest Payable March and September 1, at National City Bank, New York, or at the office or agency of Company in Bangor, Me.

Denominations—Coupon, $500 and $1,000 interchangeable; principal may be registered. Registered bonds issued in denominations of $1,000 and authorized mutliples. Coupon and registered bonds interchangeable.

Trustee—National City Bank, New York.

Provisions of Issue—Authorized amount of mortgage unlimited. Issued and outstanding, $2,902,500 ($2,332,500 5½% Series of 1949 and $570,000 5% Series of 1955).

The issue of $3,500,000 Bangor Hydro-Electric Company First and Refunding Mortgage Bonds, Series of 1949, has been created for the sole purpose of acquiring through exchange, an equal amount in the aggregate of Bangor Power Co. 1st 5s, 1931, Bar Harbor & Union River Power Co. 1st 5s, 1935, and Bangor Railway & Electric Co. 1st Cons. 5s, 1935, and all the bonds so acquired will be deposited as collateral security under the Bangor Hydro-Electric Co. 1st Lien & Refunding Mortgage.

Additional bonds can be issued for the purpose of retiring, refunding or acquiring existing bonds of the Company, and also in amounts not in excess of 75% of the cost or fair valuation of additional property purchased or acquired (and when this mortgage shall have become a first mortgage on substantially the entire property, then not in excess of 80%) when aggregate net earnings for twelve months within the fifteen preceding months are equal to at least one and three-quarters times the annual interest charges on all bonds outstanding and to be issued. The mortgage provides for a maintenance and depreciation fund of at least 12½% of the gross earnings, and this amount may be readjusted at the end of each five year period to meet the then existing conditions.

Callability—Series 1949, 5½% bonds are non-callable to March 1, 1935. Subject to call thereafter in whole or in part at 105 to Sept. 1, 1942, and thereafter at 102½ to maturity.

Series of 1955, 5% bonds are subject to call at 106 until Sept. 1, 1935; thereafter at 105 to Sept. 1, 1940; thereafter at 104 to Sept. 1, 1945; thereafter at 103 to Sept. 1, 1950 and thereafter at 102 to maturity.

Convertibility—Series 1949, 5½% bonds are convertible at option of the holder on or before March 1, 1935, into Bangor Hydro-Electric Co. Common stock at the rate of $110 principal amount of bonds for each $100 par value of said stock.

Series of 1955, 5% bonds are not convertible.

Exchange Offer—Bar Harbor & Union River Power 1st 5s and Bangor Railway & Electric 1st Cons. 5s will be exchanged for an equal par value of Bangor Hydro-Electric First Lien & Refunding Convertible 5½s, due 1949. On account of the earlier maturity holders of Bangor Power 1st 5s, due 1931, who exchange, will receive an equal par value Hydro-Electric First Lien & Refunding Convertible 5½s, due 1949 and $20 in cash, on each $1,000 bond exchanged.

Bangor Power bonds and Bar Harbor & Union River bonds presented and accepted for exchange before May 1, 1925, received bonds of the Bangor Hydro-Electric 5½% issue bearing the Sept., 1925, coupon without any interest adjustment. On all exchanges of Bangor Railway & Electric 5% bonds, and on exchanges of Bangor Power and Bar Harbor & Union River Power bonds made after May 1, 1925, there will be an adjustment of accrued interest.

Security—The Bangor Hydro-Electric Company 1st Lien and Refunding Mortgage bonds will be secured by direct mortgage on the entire property, now owned or hereafter acquired, sharing in the first liens of the Bangor Power 1st 5s, Bar Harbor & Union River Power 1st 5s, and Bangor Railway & Electric 1st Cons. 5s to the extent that such bonds are exchanged. These bonds will be secured by a direct first mortgage on the present properties after September 1, 1935.

All the Bangor Power, Bar Harbor & Union River Power and Bangor Railway & Electric bonds received in exchange for Bangor Hydro-Electric bonds will be deposited as collateral security under the Bangor Hydro-Electric First Lien & Refunding Mortgage. The security of the Bangor Power, Bar Harbor & Union River Power Co. First & Refunding 5s, and 5% bonds which remain outstanding will be in no way increased or reduced by the exchange of part of these issues for bonds of the Bangor Hydro-Electric new mortgage.

To Dec 31, 1927, $700,000 Bangor Railway & Electric Co. First Consolidated 5s, $1,675,000 Bar Harbor & Union River Power Co. First & Refunding 5s, and $561,000 Series "A" and $494,000 Series "B" Bangor Power Co. First Mortgage bonds had been deposited under this mortgage.

Upon completion of exchanges contemplated under this plan the Bangor Hydro-Electric Company First Lien and Refunding Mortgage bonds will have the same security now possessed by the Bangor Power, Bar Harbor & Union River Power, and Bangor Railway & Electric bonds which are to be exchanged. The mortgage now covers the entire property with its strongest security through its lien on the principal water powers.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Bangor Hydro-Electric Co., previous to 1924 for Bangor Ry. & Electric Co. and Controlled Companies)

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,867,760	$1,732,114	$1,589,500	$1,542,293	$1,535,212	$1,488,9
Operating expenses	678,999	622,121	615,903	605,143	632,714	631,8
Taxes	186,050	164,691	149,735	132,366	124,637	119,1
Gross income	$1,002,711	$945,302	$823,862	$804,784	$777,861	$737,9
Interest	320,304	340,665	316,659	306,651	285,727	284,7
Net income	$682,407	$604,637	$507,203	$498,133	$492,134	$453,1
Pfd. dividends	229,205	192,283	176,069	173,576	165,358	127,3
Balance	$453,202	$412,354	$331,134	$324,557	$326,776	$325,8
Depreciation	113,796	130,666	119,212	117,557	115,532	127,2
Balance	$339,406	$281,688	$211,922	$207,000	211,244	$198,5
Common dividends	171,267	120,000	98,333	79,999	79,999	58,3
Balance	$168,139	$161,688	$133,589	$127,001	$131,245	$140,2
***Times All Interest Earned**	2.77	2.39	2.23	2.24	2.32	2
***Earnings Per Share—**						
Preferred	$16.04	$14.81	$15.52	$15.18	$15.27	$15
Common	10.06	14.08	10.59	10.35	10.56	9

*After depreciation.

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	Mar. 1, 1925	Dec. 31, 1923	Dec 31, 1922
ant and property	$12,842,640	$12,333,907	$10,625,193	$10,430,429	$10,111,138	$9,580,044
her investments	196,203	180,775	255,611	295,733	292,674	266,100
sh	270,132	167,898	114,396	148,917	153,390	173,591
counts receivable	239,437	192,548	166,386	124,687	142,673	130,199
terials and supplies	223,134	217,643	169,560	146,441	165,637	144,229
epaid accounts	16,316	6,273	4,803	4,732	5,788	7,116
scount on capital stock	30,320	27,780	.....	.....	.....	.....
adjusted debits	516	15,443	96,268	13,425	123,825	2,118
nd discount	95,692	119,533	25,759	454	31,596	2,684
Total	$13,914,390	$13,261,800	$11,457,976	$11,164,818	$11,026,721	$10,306,081
Liabilities—						
pital stock	$6,916,300	$5,209,300	$4,500,000	$4,500,000	$4,465,900	$4,138,200
ck liability, Bangor Ry. & Elec. Co.	2,500	38,200	.....	.....	.....	.....
nded debt	5,409,000	6,074,000	5,741,000	5,741,000	5,607,500	5,296,500
emium on stock	76,764	.....	.....	.....	5,465	5,542
tes payable	.....	600,000	200,000	.....	40,000	4,780
counts payable	11,123	12,380	5,959	31,558	13,781	27,190
idends payable	59,355	53,899	43,750	.....	43,552	52,084
crued interest	70,283	82,896	77,657	30,293	60,518	42,892
crued taxes	.....	.....	.....	71,795	.....	.....
ferred liabilities	26,889	25,066	23,224	.....	18,655	16,477
adjusted credits	1,179	6,386	2,453	7,406	10,019	19,273
erating expense reserve	62,011	71,007	46,759	31,784	48,003	36,160
crued depreciation	672,164	620,312	490,147	449,570	347,932	316,609
fit and loss	606,822	468,354	327,027	301,412	365,216	350,374
Total	$13,914,390	$13,261,800	$11,457,976	$11,164,818	$11,026,721	$10,306,081

STATEMENT OF WORKING CAPITAL

Current Assets—	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	Mar. 1, 1925	Dec. 31, 1923	Dec 31, 1922
sh	$270,132	$167,898	$114,396	$148,917	$153,390	$173,591
counts receivable	239,437	192,548	166,386	124,687	142,673	130,199
terials and supplies	223,134	217,643	169,560	146,441	165,637	144,229
Total	$732,703	$578,089	$450,342	$420,045	$461,700	$448,019
Current Liabilities—						
tes payable	.....	$600,000	$200,000	.....	$40,000	$4,780
counts payable	$11,123	12,380	5,959	$31,558	13,781	27,190
idends payable	59,355	53,899	43,750	.....	43,552	52,084
crued interest	70,283	82,896	77,657	30,293	60,518	42,892
crued taxes	.....	.....	.....	71,795	.....	.....
Total	$140,761	$749,175	$327,366	$133,646	$157,851	$129,946
Working Capital	$591,942	*$171,086	$122,976	$286,399	$303,849	$321,073

*Debit.

Officers: Edward M. Graham, Pres. & Gen. Mgr., ngor, Me.; H. L. Clark, V-P., Philadelphia; Frank liman, 3rd V-P.; R. N. Haskell, V-P.; Eugene M. le, Treas. & Clerk, Bangor, Me.; C. A. Pearson, Jr. d., Philadelphia; P. L. Sprague, Asst. Treas. & st. Clerk, Bangor, Me.

Directors: Edward M. Graham, J. N. Towle, A. E. Bass, A. Langdon Freese, Harry A. Chapman, Garrett D. Speirs, Bangor, Me.

Office, Bangor, Me.

THE CENTRAL GAS COMPANY

(Woodsfield, Ohio)

History—Incorporated Jan. 4, 1894, in Ohio. Supes natural gas to Woodsfield, Beallsville, Jerusalem, laga, Graysville, Sycamore Valley and Ozark, Ohio. of wells, 25. Miles of pipe line, 70. No. of domestic sumers, 1,350. Prices, domestic, 65c net. Annual es, about 123,000,000 cu. ft.

CAPITAL STOCK

80,000; par, $25. All owned by Sylvania Produc- Co., Franklin, Pa. Annual meeting, second Mon- in January.

Dividends—Dividends amounting to $600 were paid 1918; none in 1919; 2.625% in 1920; 3% in 1921; % in 1922; 16% in 1923; 20% in 1924; 24% in 1925; ½% in 1926; 18¾% in 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$72,841	$75,857	$67,444
Oper. exp. & taxes	48,941	48,618	48,340
Net earnings	$23,900	$27,239	$19,104
Other income	.....	55	41
Total income	$23,900	$27,294	$19,145
Interest & rentals	1,122	1,577	1,279
Net income	$22,778	$25,717	$17,866
Dividends paid	15,000	18,000	19,000
Surplus for year	$7,778	$7,717	*$1,134

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

ssets—	1927	1926	1925
properties & gas rights	$258,390	$135,370	$135,370
h	5,106	4,788	4,076
ounts receivable	19,984	16,169	15,928
er current assets	97	94	98
otal	$283,577	$156,421	$155,472

Liabilities—	1927	1926	1925
Common stock	$80,000	$80,000	$80,000
Notes payable	12,000	17,000	19,072
Accounts payable	5,582	4,591	9,219
Other current liabilities	1,346	1,317	1,294
Reserve for taxes	1,369	1,030	1,121
Surplus	183,280	52,483	44,766
Total	$283,577	$156,421	$155,472

Officers: I. C. Grimm, Pres. & Gen. Mgr., Woodsd, O.; E. E. Grimm, V-P., Franklin, Pa.; Lucetta Steward, Sec. & Asst. Treas., Woodsfield, O.; T. J. ir, Treas., Pittsburgh, Pa.; O. B. Grimm, Supt., odsfield, O.

Directors: I. C. Grimm, M. R. Grimm, O. B. Grimm, Woodsfield, O.; E. E. Grimm, Franklin, Pa.; T. J. Blair, Pittsburgh, Pa.

Office, Woodsfield, Ohio.

POUGHKEEPSIE & WAPPINGERS FALLS RAILWAY COMPANY

History and Property—Incorporated March 22, 1894, in New York, as the Poughkeepsie City & Wappingers Falls Electric Ry., consolidation of the City R. R., South Avenue Surface R. R., and Poughkeepsie & Wappingers Falls Street Surface R. R. Co.; name changed to present title July 7, 1917. Line comprises 19.48 miles of track in Poughkeepsie, N. Y., and extends to Wappingers Falls. Gauge, standard. Rails, 60 to 103 lbs. Passenger cars, 26; miscellaneous cars, 5. Population served, 35,000.

Fare Increase—In March, 1921, Company was authorized by the New York Public Service Comm. to charge an 8 cent fare. A further increase to 10 cents was authorized May 14, 1925.

Management—Operated under the management of Hemphill & Wells, New York.

CAPITAL STOCK

Authorized, $750,000 Common and $250,000 Pfd.; par, $100; outstanding, $750,000 Common. No Pfd. has been issued. Annual meeting, third Tuesday in March, at Poughkeepsie, N. Y. No dividends paid.

FUNDED DEBT

$579,000 FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1958

Dated January 1, 1918.

Interest Payable January and July 1, at The Equitable Trust Co. of New York, Trustee.

Denominations—Coupon, $100, $500, and $1,000; principal may be registered.

Provisions of Issue—Authorized, $2,000,000; issued $726,000, of which $147,000 held in sinking fund or in treasury. Unissued bonds (to the amount of $1,273,000) are reserved for extensions, improvements, acquisitions, etc., at not exceeding 80% of cost thereof and then only when net earnings for any period of 12 consecutive months within the 14 calendar months immediately preceding any application, shall have been at least 75% more than the annual interest charges on all bonds outstanding.

Callability—Subject to call on any interest day at 105 and accrued interest upon six weeks' notice.

Sinking Fund—Sinking fund, annually on Jan. 1, 1% of outstanding bonds.

Security—Secured by first mortgage on entire property of company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	192
Gross income	$263,853	$269,384	$262,118	$262,570	$273,260	$2766
Operating expenses and taxes	171,528	191,555	188,120	186,666	214,722	1830
Operating income	$92,325	$77,829	$73,998	$75,904	$58,538	$926
Fixed charges	68,223	69,550	70,047	69,146	54,559	53
Net earnings available for deprec. & dividends	$24,102	$8,279	$3,951	$6,758	$3,979	$38
†Times Fixed Charges Earned	1.35	1.12	1.06	1.09	1.07	
†Earnings Per Share	$3.21	$1.10	$0.53	$0.90	$0.53	$1

†Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant	$1,691,233	$1,701,879	$1,741,311
Construction work	5,974	8,343	.....
Current assets	17,071	17,095	20,325
Trustee for sinking fund	.....	.....	7,074
Securities borrowed	.....	.....	250,000
Deferred assets	82,543	85,453	88,800
Profit and loss deficit	137,181	119,268	87,763
Total	$1,934,002	$1,932,038	$2,195,273

Liabilities—	1927	1926	19
Common stock	$750,000	$750,000	$750
Funded debt	579,000	586,000	580
Notes payable	312,825	313,760	34
Current liabilities	79,738	73,528	59
Securities borrowed — deposited as collateral	.....	.....	25
Accrued depreciation	14,288	.....	...
Deferred liabilities	188,449	192,041	205
Operating reserve	9,702	16,709	...
Total	$1,934,002	$1,932,038	$2,192

Officers: Mrs. J. W. Hinkley, Pres.; Mary M. Hinkley, V-P. & Treas.; A. W. Hemphill, Sec.; J. A. Nilan, Asst. Sec. & Mgr.

Directors: Mrs. J. W. Hinkley, Miss Mary Hinle John E. Mack, Dr. C. W. Pilgrim, James E. Sau Peter H. Troy, Albert W. Hemphill, John L. Hinle

Principal Office, 493 Main St., Poughkeepsie, N

COLUMBIA GAS & ELECTRIC CORPORATION

(See Accompanying Maps)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid— Per Cent	Dividends Paid— Amount	In pa $5
Cumulative 6% Pfd. (Par, $100)	F, M, A & N 15	$100,000,000	$91,254,200	Yes	$23,265,753	6	$5,467,537	
Common (no par value)	F, M, A & N 15	4,000,000shs	3,372,226shs	...	17,798,216	5	16,146,694	

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Ta
25-Yr. 5% Gold Debenture Bonds	May 1, 1952	M & N 1	$50,000,000	$45,000,000	No	Yes	.....

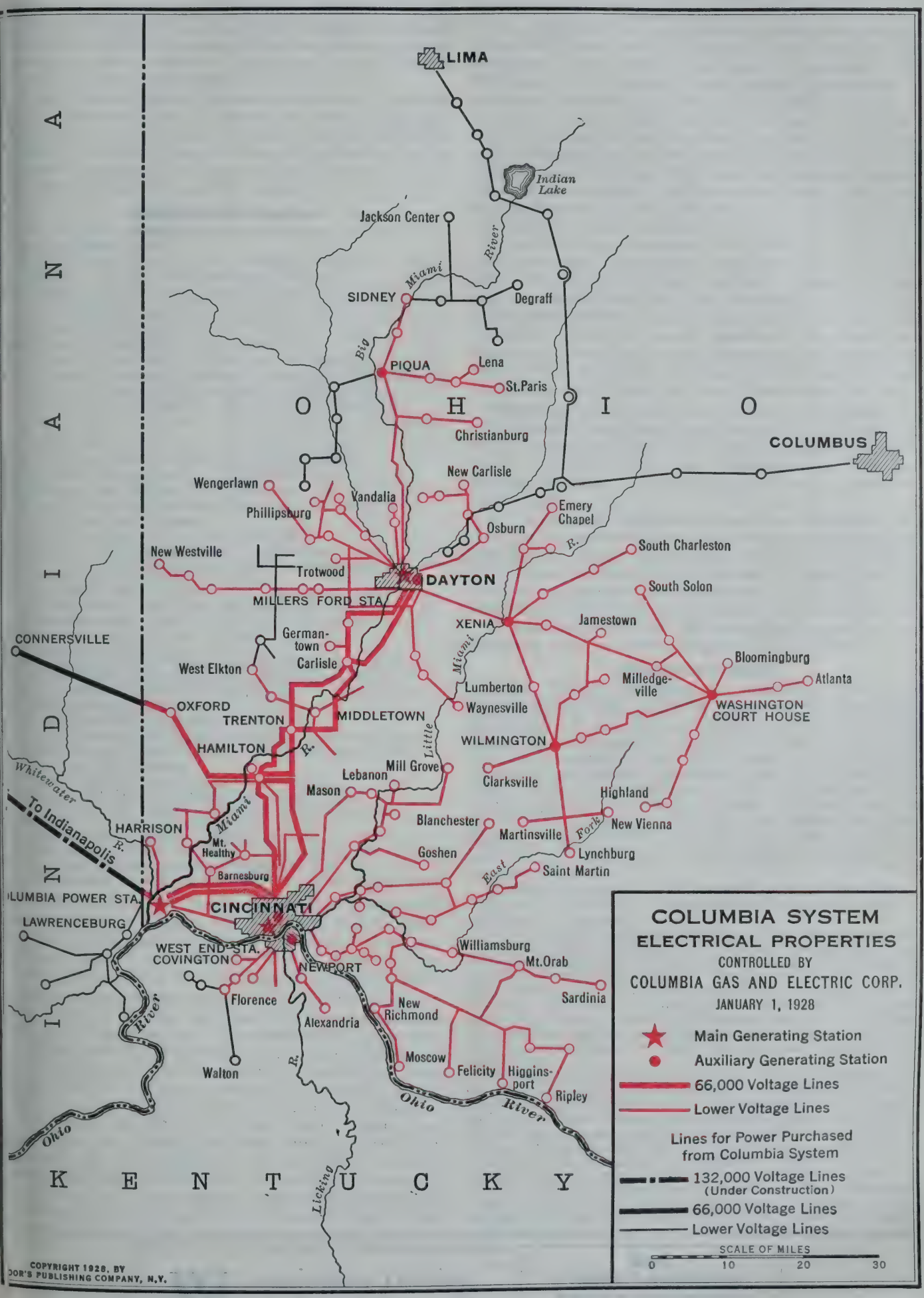
History—Incorporated September 30, 1926, under the laws of Delaware, with a perpetual charter, for the purpose of bringing under one control the Systems of Columbia Gas & Electric Company, West Virginia, and Ohio Fuel Corporation.

Under the terms of the Plan of union or merg Common stockholders of Columbia Gas & Elec Company received one share of the new Compa Common stock for each share of the old Company stockholders of Ohio Fuel Corporation receive

MEMBERS:
New York Stock Ex.
Cincinnati Stock Ex.
Detroit Stock Ex.
New York Cotton Ex.
Chicago Board of Trade
New York Curb Market

We specialize in the securities of
Columbia Gas & Electric Corp.
W. E. HUTTON & COMPANY
ESTABLISHED 1886

OFFICES:
52 Wall St., New York
1st Nat'l Bk. Bldg., Cinn.
Penobscot Bldg. Detroit
Mutual Home Building, Dayton, O.
Phoenix Hotel, Lexington, Ky.



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COLUMBIA SYSTEM
ELECTRICAL PROPERTIES
Main Generating Station
Auxiliary Generating Station
33,000 Volt Lines
Lower Voltage Lines
(Under construction)
135,000 Volt Lines
From Columbia System
Lines of Power Purchased
CINCINNATI
DAYTON
COLUMBUS
COURT HOUSE
Hilltop
Clarksville
New Vienna
Senior Martin
Lynchburg
South Charleston
SIDNEY
Jackson County
LIMA

each share of that Company's capital stock 0.35 share of Common stock plus 0.15635 share of Pfd. stock, Series "A" of the new Company. Preferred stockholders of Columbia Gas & Electric Company received 1 1/6 share of 6% Pfd. stock of the new Company in exchange for each share of Columbia Gas & Electric Company's 7% Pfd. stock.

Under these terms of exchange there was deposited with Guaranty Trust Company of New York over 99% of the capital stock of Ohio Fuel Corporation, over 99% of the Common stock of Columbia Gas & Electric Company, and over 89.6% of the Pfd. stock of Columbia Gas & Electric Company.

COMPANIES CONTROLLED

The following companies are controlled by over 99% Common stock ownership:

Ada Natural Gas & Fuel Company, Ada, Ohio
Bracken County Gas Company, Foster, Ky.
Cabin Creek Gas Company, Cabin Creek, W. Va.
Central Kentucky Natural Gas Co., Lexington, Ky.
Charleston-Dunbar Natural Gas Company, Dunbar, W. Va.
Cincinnati Gas & Electric Co., Cincinnati, Ohio.
Columbia Corporation, New York.
Columbia Gas Supply Company, Miamisburg, O.
Columbia Industrial Company, Columbia Park, Ohio
Columbus Gas & Fuel Company, Columbus, Ohio
Cumberland & Allegheny Gas Co., Cumberland, Md.
Cumberland & Allegheny Gas Appliance Co., Cumberland, Md.
Dayton Power & Light Co., Dayton, Ohio
Edgewater Gas & Light Co., Toledo, Ohio
Fayette County Gas Co., Uniontown, Pa.
Federal Gas & Fuel Co., Columbus, Ohio
Gas & Electric Appliance Company, Cincinnati, Ohio
Greenboro Gas Company
Hamilton Service Co., Hamilton, Ohio
Harrison Electric & Water Co., Harrison, Ohio
Huntington Development & Gas Co., Huntington, W. Va.
Logan Gas Co., Columbus, Ohio.
Loveland Light & Water Co., Loveland, Ohio.
Manufacturers Gas Company, Bradford, Pa.
Manufacturers Light & Heat Co., Pittsburgh, Pa.
The Mauntler Brothers & Co.
Maytown Natural Gas Company
Natural Gas Co. of West Virginia, Wheeling, W. Va.
Northwestern Ohio Natural Gas Co., Toledo, Ohio
Oak Harbor Natural Gas Company
Ohio Fuel Gas Company
Ohio Fuel Oil Company
Pennsylvania Fuel Supply Company, Pittsburgh, Pa.
Point Pleasant Natural Gas Co., Point Pleasant, W. Va.
Preston Oil Company
Southwestern Ohio Power Company
Springfield Gas Company, Springfield, Ohio
Union Gas & Electric Company, Cincinnati, Ohio
United Fuel Gas Co., Charleston, W. Va.
Venture Oil Company, Pittsburgh, Pa.
Virginian Gasoline & Oil Co., Charleston, W. Va.
Warfield Natural Gas Co., Warfield, Ky.
Wilmington Gas Light & Coke Co., Wilmington, Ohio.

In addition controls the Cincinnati Gas Transportation Company and leases the properties of Cincinnati, Newport & Covington Light & Traction Co., including the Union Light, Heat & Power Company and Cincinnati, Newport & Covington Railway Company.

Acquisitions During 1927—The following properties were acquired during the year 1927: Cumberland & Allegheny Gas Company, Cumberland & Allegheny Gas Appliance Co., Edgewater Gas & Light Company, The Muskingum Gas Producing Corporation, Ohio Valley Public Utilities Company, National Oil and Gas Company, Ohio Company, The Mauntler Brothers & Company, Oak Harbor Natural Gas Company, Batavia Light and Power Company, Sunday Creek Coal Company, Hope Construction & Refining Company. Of the companies mentioned above, The Muskingum Gas Producing Corporation, National Oil and Gas Company, Ohio Company and Batavia Light and Power Company were dissolved during 1927 and the properties sold to other subsidiaries of the Columbia Gas & Electric Corporation.

In addition to the acquisitions actually consummated in 1927, two other transactions were arranged for. Pursuant to an offer of one share of cumulative 6% Pfd. stock of Columbia Gas & Electric Corporation in exchange for each 2¼ shares of Common stock of Central Kentucky Natural Gas Company, more than 96% of the latter was deposited on Dec. 31, 1927, for such exchange, but as the actual issuance of Columbia Gas & Electric Corp. Pfd. stock in payment thereof was not accomplished until after the close of the year, this transaction is not reflected in the Balance Sheet or statistics contained below.

In addition an agreement was made to acquire the gas producing, transmission and distribution properties of the Cities Service Company interests in the State of Ohio, including the distribution system supplying manufactured gas in part of Toledo and distribution of natural gas in Sandusky, Mansfield, Alliance and other cities and towns in the north central part of the State. This acquisition has been approved by the Public Utilities Commission of Ohio.

Business—The operations of these Companies are both wholesale and retail, and embrace the production, transmission and distribution of natural gas and electricity; the production and wholesaling of oil and natural gasoline; and the operation of a street railway system.

The operating subsidiaries have been grouped into five major operating divisions with headquarters in Cincinnati, Dayton and Columbus, Ohio; Charleston, W. Va., and Pittsburgh, Pa. In each of these Districts there is a complete operating organization headed by a responsible chief operating official resident therein.

A brief description of the operating properties constituting the five operating groups is as follows:

CHARLESTON GROUP

United Fuel Gas Company is the principal gas company in the Charleston Group, producing and transporting natural gas and distributing it at retail in Huntington, Charleston and 63 other cities and towns in West Virginia and Ohio, and selling natural gas at wholesale to companies serving important sections of Pennsylvania, Ohio and Kentucky. Cumberland & Allegheny Gas Company produces natural gas in West Virginia, transports and distributes it in Cumberland and other towns in western Maryland and many cities and towns in eastern West Virginia. Central Kentucky Natural Gas Company produces, transports and distributes natural gas, serving Lexington, Winchester, Mt. Sterling and other communities in central Kentucky, and sells at wholesale to the company supplying Frankfort.

Virginian Gasoline & Oil Company produces oil in West Virginia and operates 13 gasoline extraction plants in West Virginia and Kentucky.

Other operating companies in this group which both produce and distribute natural gas are Warfield Natural Gas Company operating in the eastern part of Kentucky, Charleston-Dunbar Natural Gas Company, Huntington Development & Gas Company serving Huntington and adjacent towns in West Virginia. Ohio Fuel Oil Company and Cabin Creek Gas Company both produce natural gas, gasoline and oil. Big Marsh Oil Company and Maytown Natural Gas Company hold valuable leasehold rights in West Virginia and Kentucky, respectively.

Huntington Gas Company operating by lease the properties of The Cincinnati Gas Transportation Company, transports and sells natural gas at wholesale to the companies in the Cincinnati group. Point Pleasant Natural Gas Company and Bracken County Gas Company own and operate small local distribution plants in Point Pleasant, W. Va., and Foster, Ky., respectively. Cumberland & Allegheny Gas Appliance Company retails gas appliances in the territory tributary to Cumberland, Md.

The Charleston Group (not including Central Kentucky Natural Gas Company acquired as of Jan. 1, 1928) as a whole controls gas rights in 1,735,888 acres, oil rights in 1,521,377

We maintain trading markets in all active Public Utilities

Bank of NORTH AMERICA & TRUST COMPANY
Member Federal Reserve System
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acres, operates 1,959 producing gas wells, 1,235 oil wells, 23 gasoline extraction plants, and serves 92,664 gas customers in a territory extending from Cumberland, Md., through central and southern West Virginia into eastern Kentucky, and also sells large volumes of natural gas at wholesale. Wood Coal Company in which Columbia System has a 50% stock interest but which is operated independently, produces a high grade of steam coal available by contract to the electric generating and gas manufacturing plants of Columbia System.

CINCINNATI GROUP

Operations of the Cincinnati Group cover the southwestern portion of Ohio and adjacent communities in Kentucky, producing and distributing electricity, purchasing and distributing natural gas, and manufacturing gas for mixture with natural gas in part of the territory served. The principal communities supplied are: Cincinnati, Hamilton, Middletown, and about 150 other communities in Ohio, and Covington and Newport and about 25 other communities in Kentucky, with a total of 198,956 electric and 194,017 gas customers.

The Union Gas & Electric Company is the principal company in this group, operating by virtue of lease all the properties of The Cincinnati Gas & Electric Company, including electric generating stations, gas manufacturing plants and complete gas and electric distribution systems in Cincinnati, and also operating its own gas and electric distribution systems in neighboring communities.

The Union Light, Heat & Power Company, doing a gas and electric business in Covington and Newport, Kentucky and The Cincinnati, Newport & Covington Railway Company, operating the street railway in those communities and connecting them with Cincinnati, are owned by the Cincinnati, Newport & Covington Light & Traction Company and by the latter leased to Columbia System.

Other electric companies in the group are Columbia Power Company which recently constructed and is operating Columbia Power Station, one of the most efficient electric generating stations in the country, The Southwestern Ohio Power Company supplying electricity in the territory just east of Cincinnati, The Harrison Electric & Water Company, The Loveland Light & Water Company and The Hamilton Service Company operating respectively in Harrison, Loveland and Hamilton, Ohio, and adjacent communities. Columbia Gas Supply Company distributes natural gas at wholesale and retail in the Miami Rivery Valley. Columbia Industrial Company is developing approximately 1,400 acres of land adjacent to Columbia Power Station.

COLUMBUS GROUP

The Ohio Fuel Gas Company and The Logan Gas Company are the principal natural gas producing companies in this group, and with extensive transportation and distribution systems supply gas at retail in Newark, Zanesville, Marion, Lorain, Mt. Vernon, Elyria and 221 other cities and towns in Ohio, and at wholesale supply the companies serving Dayton, Columbus, Springfield, Toledo, Sandusky, and Delaware, Ohio, and Muncie, Indiana, and other cities in both states. Other natural gas distributing companies in the group are The Columbus Gas & Fuel Company and The Federal Gas & Fuel Company serving Columbus, The Northwestern Ohio Natural Gas Company serving Toledo and adjacents towns, The Springfield Gas Company serving Springfield, Ohio, and The Ada Natural Gas & Fuel Company supplying Ada, Ohio.

The Preston Oil Company holds valuable nautral gas and oil leaseholds, produces oil in Ohio and operates 8 gasoline extraction plants.

The Columbus Group holds the gas rights in 2,718,365 acres, oil rights in 2,709,146 acres, operates 3,314 producing gas wells, 815 oil wells, 8 gasoline extraction plants, and supplies natural gas to 354,268 customers in a territory largely covering the state of Ohio, except the northeast and southwest portions.

DAYTON GROUP

The principal operating company in the Dayton Group is The Dayton Power & Light Company, producing and distributing electricity in Dayton, Piqua, Washington Court House, and 103 other communities in Ohio, and purchasing and distributing natural gas in Dayton, Washington Court House and smaller communities. The Miami Development Company, a subsidiary, holds certain parcels of real estate.

This group serves 86,149 electric customers and 53,756 gas customers.

PITTSBURGH GROUP

The Manufacturers Light & Heat Company operates the principal properties in this group, producing natural gas in Pennsylvania, Ohio and West Virginia, in which three states it distributes natural gas in Pittsburgh, New Castle and Washington, Steubenville and East Liverpool, Wheeling and Moundsville, and 128 other cities and towns. It also produces oil and gasoline and supplies gas at wholesale to other distributing companies.

The Manufacturers Gas Compnay operating in the northern part of Pennsylvania, Pennsylvania Fuel Supply Company operating in western Pennsylvania, Fayette County Gas Company, and Greensboro Gas Company operating in the counties south and southeast of Pittsburgh, and Natural Gas Company of West Virginia operating in the panhandle of that state and adjacent portions of Ohio and Pennsylvania, all produce and distribute natural gas and hold valuable gas and oil rights. These companies, and Columbia Gas & Electric Corporation itself, also operate gasoline extraction plants.

The Pittsburgh Group holds gas rights in 679,649 acres, oil rights in 617,715 acres, operates 2,998 producing gas wells, 658 producing oil wells, 7 gasoline extraction plants and serves 235,606 gas customers.

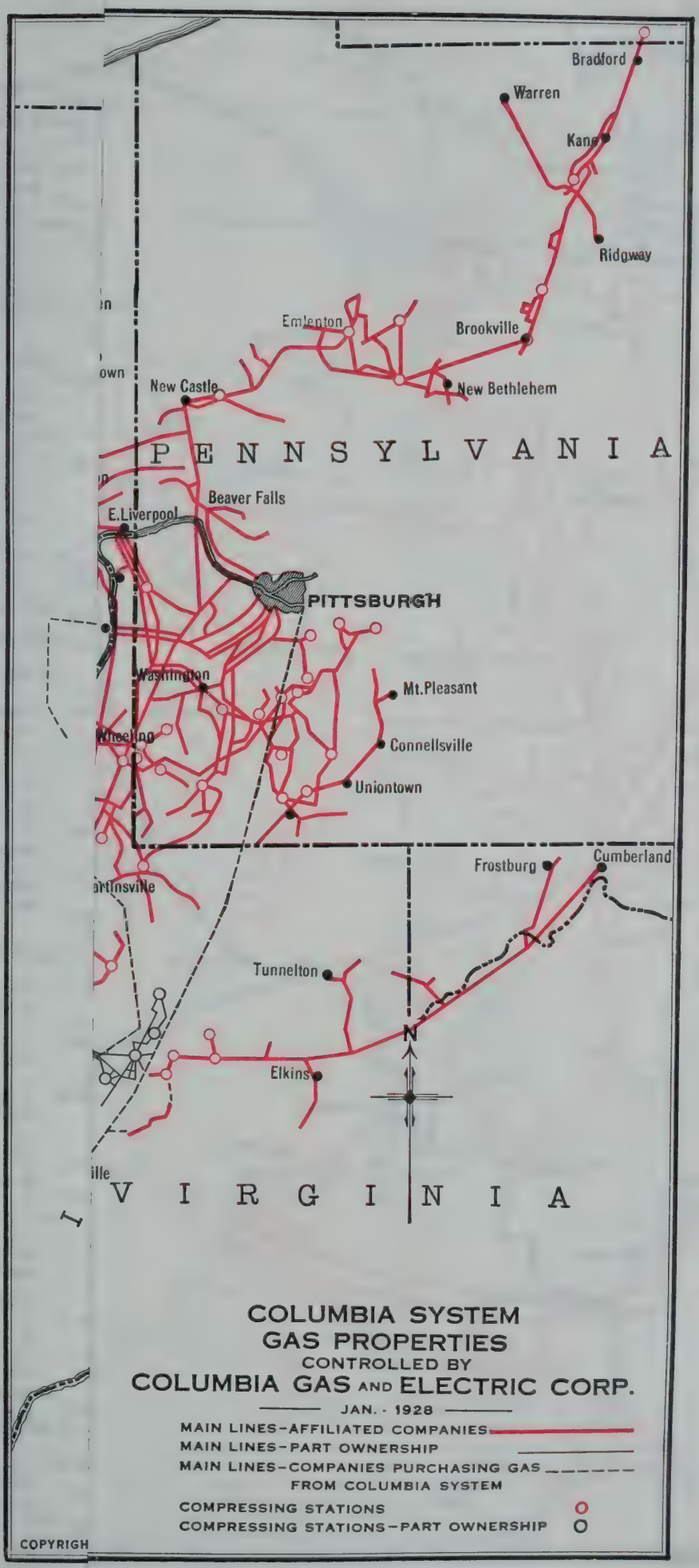
STATISTICS, DECEMBER 31, 1927

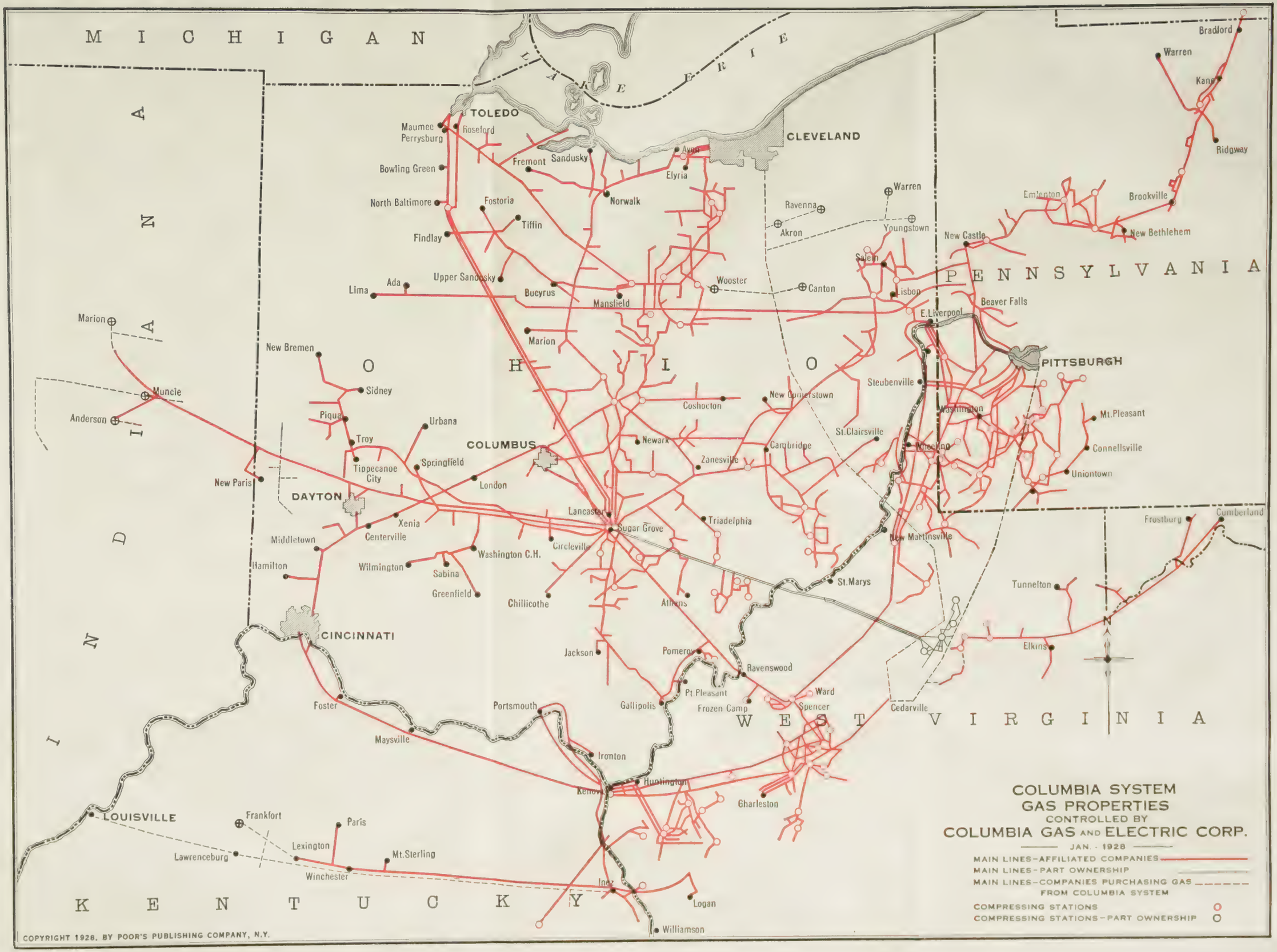
Gas, Gasoline and Oil Departments	
Gas rights (acres)	5,143,43(
Oil rights (acres)	4,848,23(
Gas (acres operated)	696,99
Oil (acres operated)	123,07
Gas (acres in reserve)	4,446,43
Oil (acres in reserve)	4,725,16
Gas producing wells	8,27
Oil producing wells	2,70(
Miles of pipe lines (gas)	23,38
Number of compressor stations	9
Capacity of compressor stations (h.p.)	169,89(
Daily capacity gas manufacturing plants (cu. ft.)	35,000,00(
Gas holders capacity (cu. ft.)	10,453,00(
Number of gasoline extraction plants	3
Electric Department	
Electric generating stations capacity (k.v.a.)	382,34
Substations	9
Capacity of substations (k.v.a.)	655,61
Miles of transmission lines	1,08
Miles of distribution lines	7,12
General	
Number of communities served	98
Population served (estimated)	5,000,00
Number of customers:	
Gas	930,31
Electric	285,10
Water	7,53
Heating	77
Total	1,223,72
Sales (Inter-company Business Eliminated)	
Gas (cu. ft.)	131,362,361,00
Electricity (k.w.h.)	798,637,12
Gasoline (gallons)	38,889,40
Oil (barrels)	1,316,83
Railway passengers carried	40,256,11

COLUMBIA GAS & ELECTRIC CORPORATION AND SUBSIDIARY AND LEASED COMPANIES STATEMENT OF SECURITIES OUTSTANDING AS OF DECEMBER 31, 1927

(Adjusted Correspondingly to Accompanying Adjusted Balance Sheet)

BONDS OF SUBSIDIARY COMPANIES:	Outstanding	Owned by Columbia Gas & Electric Corp. and subsidiary and leased companies	Outstanding in hands of public
Cumberland & Allegheny Gas Co.:			
First 7s	$1,800,000	$1,800,000	.....
The Columbus Gas & Fuel Co.:			
The Columbus Gas Co., First 5s (on artificial gas plant)	1,331,000	35,000	$1,296,00
The Dayton Power & Light Co.:			
The Dayton Gas Company, First 5s	1,257,000	26,000	1,231,00
The Dayton Lighting Co., First and Refunding 5s	2,447,000	c978,000	1,469,00
The Dayton Power & Light Company, First and Refunding 5s	9,505,000	.....	9,505,00
Greensboro Gas Corporation:			
Collateral Trust Serial Gold 6s	2,925,000	.....	2,925,00
The Fremont Gas, Electric Light & Power Co., First 5s	1,000	.....	1,00
The Marion Gas Co., First 6s	15,000	.....	15,00
The Wilmington Gas Light & Coke Co.:			
First Mortgage 6s	20,000	.....	20,00
Total bonds of sub. cos.	$19,301,000	$2,839,000	$16,462,00
Bonds of leasing companies:			
The Cincinnati Gas & Electric Co.:			
First (formerly First and Refunding) 5s	b$11,209,000	g$2,932,000	b$8,277,00
Prior Lien & Ref. Mortgage Bonds:			
Series B, 5½s	b5,720,000	.....	b5,720,00
Series C, 6s	b8,263,300	bef8,263,300	.....
The Cincinati, Newport & Covington Railway Co.:			
First Mortgage 6s (S. C. & C. St. Ry. Co.)	150,000	.....	150,00
First and Refunding Series A 6s	3,691,500	.....	3,691,50


Bradford
Warren
Kane
Ridgway
Emlenton
Brookville
New Castle
New Bethlehem
PENNSYLVANIA
Beaver Falls
E.Liverpool
PITTSBURGH
Washington
Mt.Pleasant
Connellsville
Uniontown
Frostburg
Cumberland
Tunnelton
N
Elkins
VIRGINIA
COLUMBIA SYSTEM
GAS PROPERTIES
CONTROLLED BY
COLUMBIA GAS AND ELECTRIC CORP.
JAN. - 1928
MAIN LINES-AFFILIATED COMPANIES
MAIN LINES-PART OWNERSHIP
MAIN LINES-COMPANIES PURCHASING GAS FROM COLUMBIA SYSTEM
COMPRESSING STATIONS
COMPRESSING STATIONS-PART OWNERSHIP
COPYRIGH



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SECURITIES OUTSTANDING AS OF DEC. 31, 1927 (Continued):

BONDS OF SUBSIDIARY COMPANIES:	Outstanding	Owned by Columbia Gas & Electric Corp. and subsidiary and leased companies	Outstanding in hands of public
he Licking River Bridge Co.:			
First Mortgage 5s	$116,600	.....	$116,600
he Union Light, Heat & Power Co.:			
First Series A, 6s	2,669,000	h$2,669,000	.....
Total bds. of leasing cos.	$31,819,400	$13,864,300	$17,955,100
Total bonds of sub. and leasing cos.	$51,120,400	$16,703,300	$34,417,100
Stocks of subsidiary companies:			
da Natural Gas & Fuel Co.	$20,000	$20,000	.....
ig Marsh Oil Company	89,400	61,500	27,900
racken County Gas Co.	1,000	1,000	.....
abin Creek Gas Company	130,000	130,000	.....
harleston-Dunbar Natural Gas Co.:			
Preferred (7%)	174,666	174,666	.....
Common	243,500	243,500	.....
olumbia Corporation (no par value)	11,500,000	11,500,000	.....
olumbia Engineering and Management Corporation (no par value)	350,000	350,000	.....
olumbia Gas Supply Co. (no par value)	1,500,000	1,500,000	.....
olumbia Industrial Co.	500	500	.....
olumbia Power Co.	500	500	.....
olumbia Securities Co. (no par value)	50,000	50,000	.....
he Columbus Gas & Fuel Co.:			
Common	3,000,000	3,000,000	.....
Preferred (5%)	6,000,000	5,999,100	900
umberland & Allegheny Gas Co.:			
Common (no par)	2,000,000	2,000,000	.....
umberland & Allegheny Gas App. Co.:			
Common (no par)	1,000	1,000	.....
he Dayton Power & Light Co.:			
Preferred (6%)	7,500,000	5,300	7,494,700
Common (no par value)	5,480,000	5,480,000	.....
dgewater Gas & Light Co.:			
Common (no par)	28,980	28,980	.....
ayette County Gas Co.	1,600,000	1,598,600	1,400
ne Fayette Gas Fuel Co. ($50 par)	50,000	50,000	.....
ne Federal Gas & Fuel Co. ($50 par)	1,071,000	‡1,071,000	.....
ne Gas & Electric Appliance Co.	150,000	150,000	.....
re nsboro Gas Company	9,900,000	9,900,000	.....
e nsboro Gas Corp. (no par)	5,830,000	5,830,000	.....
amilton Service Co.	76,400	76,400	.....
ne Harrison Electric & Water Co.:			
Preferred (6.6%)	30,000	30,000	.....
Common (no par value)	40,000	40,000	.....
untington Dev. & Gas Co.:			
Preferred (6%)	1,500,000	1,498,800	1,200
Common	4,000,000	3,980,000	20,000
untington Gas Co. (no par value)	525,500	525,500	.....
ne Logan Gas Company	20,000,000	20,000,000	.....
ne Loveland Lt. & Water Co.	30,000	30,000	.....
anufacturers Gas Company	1,650,000	1,650,000	.....
ne Manufacturers Light & Heat Co. ($50 par)	23,000,000	§22,970,100	29,900
ne Mauntler Brothers & Co.:			
Common	11,000	11,000	.....
aytown Natural Gas Co.	25,000	25,000	.....
ne Miami Development Co. (no par value)	10,000	10,000	.....
atural Gas Co. of West Virginia	2,997,200	2,997,200	.....
ew Cumberland Water & Gas Co. ($25 par)	25,000	25,000	.....
ne Northwestern Ohio Natural Gas Company ($50 par)	2,775,250	2,775,250	.....
ne Oak Harbor Natural Gas Co.:			
Common	16,000	16,000	.....
ne Ohio Fuel Gas Co.	25,000,000	25,000,000	.....
io Fuel Oil Company ($1 par)	320,000	319,213	787
nnsylvania Fuel Supply Co.: ($50 par)	978,000	978,000	.....
oint Pleasant Natural Gas Co.	20,000	20,000	.....
ne Preston Oil Company	2,000,000	2,000,000	.....
wickley Gas Company ($50 par)	37,100	37,100	.....
outhwestern Ohio Power Co.:			
Preferred (8%)	71,400	.....	71,400
Common (no par value)	8,359	8,359	.....

SECURITIES OUTSTANDING AS OF DEC. 31, 1927 (Continued):

BONDS OF SUBSIDIARY COMPANIES:	Outstanding	Owned by Columbia Gas & Electric Corp. and subsidiary and leased companies	Outstanding in hands of public
The Springfield Gas Co. ($25 par)	$610,000	$610,000	.....
The Union Gas & Electric Co.:			
Series A (6.6%)	8,117,400	140,700	a7,976,700
Series B (6%)	1,201,300	.....	a1,201,300
Common (no par value)	16,000,000	16,000,000	.....
United Fuel Gas Company	30,000,000	30,000,000	.....
Venture Oil Company ($50 par)	10,000	10,000	.....
Virginian Gasoline & Oil Co.	890,200	890,200	.....
Warfield Natural Gas Co.	547,000	547,000	.....
The Wilmington Gas Light & Coke Co.:			
Common	50,000	50,000	.....
Preferred (7%)	12,500	12,500	.....
Total stocks of sub. cos.	$199,255,155	$182,428,968	$16,826,187
Stocks of leasing companies: (On which dividend rates are fixed by Lease Agreements)			
The Cincinnati Gas & Electric Co.:			
Common (5%)	$34,248,400	.....	$34,248,400
Cincinnati Gas Transportation Co.:			
Preferred (5%)	3,000,000	$3,000,000	.....
Common (10%)	2,000,000	.....	2,000,000
Common, Class B (5%)	1,850,000	1,836,000	14,000
Cincinnati, Newport & Covington Light & Traction Co.:			
Preferred (4½%)	4,500,000	*89,300	4,410,700
Common (6%)	5,000,000	*4,300	4,995,700
The Cincinnati, Newport & Covington Railway Co.	500,000	†500,000	.....
The Licking River Bridge Co.	50,000	*50,000	.....
The Union Light, Heat & Power Co.	500,000	†500,000	.....
Total stocks of leas. cos.	$51,648,400	$5,979,600	$45,668,800
Total stocks of sub. and leasing cos.	$250,903,555	¶$188,408,568	$62,494,987
Columbia Gas & Electric Corp.:			
25-Yr. Gold Debentures	45,000,000	.....	45,000,000
Preferred	92,209,700	955,500	91,254,200
Common	122,407,533	.....	122,407,533
Grand total bonds and stocks of system	$561,641,189	$206,067,368	$355,573,820

*The Cincinnati, Newport & Covington Railway Co. (Kentucky, owns $4,300 of the Pfd. stock and the $4,300 Common stock of the Cincinnati, Newport & Covington Light & Traction Co., and the $50,000 stock of The Licking River Bridge Co., here shown. †All owned by the Cincinnati, Newport & Covington Light & Traction Co., and by it leased to Columbia Gas & Electric Corp. ‡Includes 1,420 shares in treasury of Federal Gas & Fuel Company. §Includes $469,600 reacquired stock of The Manufacturers Light & Heat Company owned by said company. ¶Including directors' shares. (a) Including par value of stock being paid for by installments: Series "A" $660; Series "B", $2,900. (b) These amounts are subject to change by acquisition of bonds for the sinking fund by application of cash in hands of the Trustee. (c) Held by American Exchange Irving Trust Co., Trustee, under Mortgage of The Dayton Power & Light Company's 5% bonds of 1941. (c) Includes $4,166,500 held in Guaranty Fund. (f) $7,202,000 additional Series "C" bonds and $528,500 6% Debentures, then represented by a note, have since been issued. (g) The Cincinnati Gas & Electric Co. owns the $2,932,000 First (formerly First and Refunding) Mortgage 5% bonds, pledged under its Prior Lien and Refunding Mortgage. (h) Includes $250,000 held in Guaranty Fund.

CAPITAL STOCK

Authorized, 4,000,000 shares Common stock of no par value, and $100,000,000 (1,000,000 shares) cumulative 6% Pfd., Series "A", par, $100; outstanding, Dec. 31, 1927, 3,372,226 shares Common and $91,254,200 (912,542 shares) Pfd.

Subscription Privilege—Common stockholders of record Jan. 20, 1927, were given the right to subscribe to 375,000 additional shares of Common stock at $60 per share in the ratio of one share for each eight shares then held.

Preferred Stock Provisions—The Pfd. stock may be issued from time to time, either in whole or in part as one or more other series, each series to be distinctively

designated by letter or descriptive words. The Pfd. stock of all series shall be identical in all respects except as to rate of dividends and redemption price. Pfd. stock has preference for assets and dividends over Common stock. Future issues of Pfd. stock (except Series "A" which is limited to 6%) shall be such rate not exceeding 7% as may be determined at the time of issue. The 6% Pfd. stock Series "A" is redeemable on 60 days' notice at $110 per share and accrued dividends. Pfd. stock of any series redeemed or purchased may be re-issued at any time or from time to time as stock of the same or of a different series or may be cancelled. Pfd. stock has no voting rights except that four quarterly dividend installments are in default on any of the Pfd. stock. The amount which shall be paid to the holders of the Pfd. stock upon any reduction of capital stock or dissolution, liquidation or winding up of the Corporation before any distribution to the holders of the Common stock shall as to each series be the redemption price thereof.

Transfer Agents (Both Classes)—Bankers Trust Co., New York, and The Union Trust Co. of Pittsburgh, Pa. Both Common and Pfd. certificates are interchangeable, transferable between New York and Pittsburgh.

Registrars—Guaranty Trust Co. of New York, and The Colonial Trust Co., Pittsburgh, Pa.

Annual Meeting—First Tuesday in April, at Wilmington, Del., or at such other time and place as may be appointed by the directors.

Listed—Both classes listed on New York and Pittsburgh Stock Exchanges.

Price Range—

	1927	1926
Preferred—		
High	101⅝	110⅛
Low	98⅞	99½
Common—		
High	91	98¾
Low	85⅝	82⅞

Dividends—Pfd. dividends regularly paid quarterly to date, initial dividend having been paid Feb. 15, 1927; payments F, M, A & N 15. On Common, initial quarterly dividend of $1.25 per share was paid Feb. 15, 1927, at which rate dividends have been regularly paid quarterly to date; payments F, M, A & N 15.

FUNDED DEBT

$45,000,000 TWENTY-FIVE YEAR 5% GOLD DEBENTURE BONDS; DUE MAY 1, 1952

Dated May 1, 1927.

Interest Payable May and November 1, at Guaranty Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered, and fully registered bonds in the denominations of $1,000, $5,000 and $50,000; coupon and registered bonds interchangeable.

Provisions of Issue—Authorized, $50,000,000; issued, $45,000,000.

Purpose of Issue—Over 90% of the proceeds of the first $40,000,000 were applied to retirement of several issues of obligations and underlying Pfd. stocks of Columbia system which were called for redemtpion in whole. The principal issues so redeemed are as follows: $2,493,500 Columbia Gas & Electric Co. (W. Va.) 7% Pfd. stock called for redemption May 15, 1927; $18,684,000 Columbia Gas & Electric Co. (W. Va.) Three-Year 5% Gold Notes, due May 1, 1928, called for redemption on June 6, 1927; $8,764,500 United Fuel Gas Co. First Mortgage 6% Bonds, due Jan. 1, 1936, called for redemption on July 1, 1927 and $5,000,000 Columbia Gas & Electric Corp. Short Term Notes. This refunding effected a substantial reduction in the fixed charges of the Columbia system. Proceeds from the sale of the $5,000,000 additional debentures were applied to the retirement of the following issues which were called for redemption on Oct. 1, 1927: $4,804,000 Cincinnati Gas & Electric Co. Prior Lien & Refunding Mortgage 40-Year Sinking Fund Gold bonds, Series "A" 7%, due Jan. 1, 1961, $165,000 Charleston-Dunbar Natural Gas Co. First Mortgage 6% Gold bonds, due serially to April 1, 1933.

Callability—Subject to call as a whole or in part at any time in 30 days' notice to and including May 1, 1932 at 105%; thereafter to and including May 1, 1937 at 104%; thereafter to and including May 1, 1942 at 103%; thereafter to and including May 1, 1947 at 102% and thereafter at 101%, accrued interest to be added in each case.

Sinking Fund—None provided.

Security—Bonds are the direct obligation of the Corporation and are issued under a Trust Agreement in which the Corporation covenants that it will not mortgage or pledge any shares of stocks of subsidiary companies (controlled by majority voting stock ownership) now owned or hereafter acquired or any fixed properties which may be hereafter acquired, unless these bonds are secured equally and ratably under such mortgage or pledge, but this covenant shall not in any way restrict the issuance of securities by subsidiaries and shall not apply to purchase-money liens or to acquisition of property subject to then existing liens.

Original Offering—First publicly offered ($40,000,000) in May, 1927, at par and interest by Guaranty Co. of New York, W. E. Hutton & Co., Marshall Field, Glore, Ward & Co., J. & W. Seligman & Co., Coggeshall & Hicks, New York and The Union Trust Co. of Pittsburgh; $5,000,000 additional debentures were offered in October, 1927, at 99 and interest, to yield over 5.07%, by Guaranty Co. of New York, J. & W. Seligman & Co., W. E. Hutton & Co., Coggeshall & Hicks, and Marshall Field, Glore, Ward & Co., New York, and Union Trust Co., Pittsburgh.

Price Range—

	1927
High	100⅛
Low	98

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31, 1927

(Columbia Gas & Electric Corporation and Subsidiary Companies Controlled by over 96% Common Stock Ownership or Lease)

Gross Earnings:	1927	1926
Gas	$60,654,855	$59,713,546
Electric	22,478,746	19,969,206
Railway	2,099,347	2,006,772
Gasoline, oil and other operations	11,523,531	10,430,091
Total gross earnings	$96,756,479	$92,119,615
Operating expenses (except taxes)	48,818,542	44,155,894
Provisions for renewals, replacements & depletion	8,470,547	8,130,092
Taxes	8,111,837	7,656,421
Total operating expenses	$65,400,926	$59,942,407
Net operating earnings	$31,355,553	$32,177,208
Other income	881,042	3,330,363
Total net earnings & other income	$32,236,595	$35,507,571
Lease Rentals:		
To The Cincinnati Gas & Elec. Co.	$3,280,928	$3,323,037
To Cincinnati Gas Transportation Co.	200,700	713,400
To Cinc., Newport & Covington Lt. & Trac. Co.	811,426	547,349
To The Hamilton Utilities Co.	7,552	15,105
Total lease rentals	$4,300,606	$4,598,891
Net income before fixed charges	$27,935,989	$30,908,680
Fixed Charges:		
Subsidiary Companies bond interest	$1,333,849	$1,953,185
Subsidiary Companies Pfd. dividends	1,142,223	1,040,344
Subsidiary Companies Debenture and other unsecured debt interest	458,059	1,444,244
Columbia Gas & Electric Corp. Debenture and other interest	1,736,105	
Total fixed charges	$4,670,236	$4,437,773
Net income	$23,265,753	$26,470,907
Preferred dividends	$5,467,537	*$5,711,088
Common dividends	$16,146,694	*$15,000,000
Earnings Per Share—		
Preferred	$25.49	†$27.81
Common	5.28	†6.92

*Annual dividend requirements. †Based on amounts issuable at Dec. 31, 1926.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Columbia Gas & Electric Corporation and Subsidiary Companies Controlled by over 96% Common Stock Ownership)

Assets—	1927	1926
Property account	$457,086,075	$439,259,858
Securities owned	6,191,590	3,946,389
Guaranty funds deposited with Trustee	4,000,000	4,000,000
Cash	7,627,525	9,822,660
Notes & accounts receivable	14,387,756	12,568,887
Materials and supplies	7,013,322	6,949,244
Securities owned	15,524,436	8,245,119
Cash impounded pending rate decisions	1,616,079	2,029,840
Preferred stock subscriptions	.....	60,016
Deferred assets	6,704,795	5,977,390
Total	$520,151,578	$492,859,403
Liabilities—		
Capital stocks:		
Undeposited Pfd. and Common stks. of Columbia Gas & Electric Co. (W. Va.) including proportion of surplus applicable thereto	.....	$6,212,311
Preferred and minority Common stocks of other subsidiaries including proportion of surplus applicable thereto	$16,828,892	17,547,351
Preferred 6% Series "A," less amount held in Treasury	91,254,200	90,448,717
No par Common outstanding, 2,949,339 shares	122,407,533	98,311,300
Funded debt (less sinking fund assets)	61,462,000	47,479,197
Notes payable	8,002,995	20,108,950
Accounts payable	4,465,228	4,760,970
Accrued taxes, interest, rentals, etc.	7,509,427	8,149,099
Dividends declared	165,033	422,642
Deferred liabilities	2,628,983	3,356,938
Reserve for impounded cash	2,848,916	2,029,840
Res. for renewals & replac., deple., etc.	126,796,862	120,784,263
Surplus	75,781,509	73,247,825
Total	$520,151,578	$492,859,403

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926
Cash	$7,627,525	$9,822,660
Notes and accounts receivable	14,387,756	12,568,887
Materials and supplies	7,013,322	6,949,244
Securities owned	15,524,436	8,245,119
Total	$44,553,039	$37,585,910
Current Liabilities—		
Notes payable	$8,002,995	$20,108,950
Accounts payable	4,465,228	4,760,970
Accrued taxes, int., rentals, etc.	7,509,427	8,149,099
Dividends declared	165,032	422,642
Total	$20,142,682	$33,441,661
Net Working Capital	$24,410,357	$4,144,249

Officers: George W. Crawford, Chairman of the Board; Philip G. Gossler, Pres.; Fred W. Crawford, W. Winans Freeman, Leslie B. Denning, Thomas B. Gregory, John G. Pew, V-P's; Edward Reynolds, Jr., Sec. & Treas.; David E. Mitchell, Asst. Sec.; George W. Ratcliffe, Asst. Treas.; Francis B. Flahive, Asst. Treas.; Ralph G. Irvine, Aud.

Executive Committee: George W. Crawford, Fred W. Crawford, Philip G. Gossler, Thomas B. Gregory, James M. Hutton, John G. Pew, Harold Stanley.

Directors: Clarence M. Brown, Philadelphia, Pa.; Murray H. Coggeshall, Marshall Field, Philip G. Gossler, Joseph W. Harriman, John G. Pew, William P. Philips, Harold Stanley, New York; Fred W. Crawford, Columbus, Ohio; Leslie B. Denning, Dallas, Texas; Thomas B. Gregory, H. C. McEldowney, Pittsburgh, Pa.; James M. Hutton, Cincinnati, Ohio; Samuel Y. Ramage, Oil City, Pa.

General Office, 7 West Tenth Street, Wilmington, Del. **New York Office,** 61 Broadway.

CINCINNATI GAS TRANSPORTATION COMPANY

(Controlled by Columbia Gas & Electric Corporation and leased to Huntington Gas Company)

History and Property—Incorporated June 11, 1908, in W. Virginia, to build pipe lines connecting the natural gas fields in West Virginia and Kentucky owned by the Columbia Gas & Electric Co. with Cincinnati. The company has about 188 miles of main pipe lines, capable of transporting 70,000,000 cubic feet of gas daily. The pipe lines run from the natural gas fields of the Columbia Gas & Electric Corp. in southwestern West Virginia, across the northern portion of Kentucky, connecting with the distributing mains of The Union Light, Heat & Power Co., operating in Covington, Newport, Ky., etc., and with The Union Gas & Electric Co., operating in Cincinnati and surrounding towns. The company owns a large pumping and 6,590 h.p. compressing station at Kenova, W. Va.; pressure and reducing station; telephone lines, etc., located on private right of way. The properties were leased to the Columbia Gas & Electric Co. for 30 years from July 1, 1908, with privilege of renewal, lessee agreeing to pay all operating expenses, maintenance and dividends on Common stock as follows: 3% in 1909; 5% in 1910; 7% in 1911, and 10% thereafter until the termination of the lease, also dividends of 5% on Pfd. stock and of 5% on Common, Class "B" stock. The Huntington Gas Co., a subsidiary of Columbia Gas & Electric Corp. now leases the property of this Company.

CAPITAL STOCK

Authorized and outstanding, $2,000,000 Common, $1,850,000 Class "B" Common and $3,000,000 5% Pfd.; par, $100. All the Pfd. stock and over 99% of the Common Class "B" stock are now owned by the Columbia Gas & Electric Corp. All classes of stock have equal voting power. Transfer Agent: Provident Savings Bank & Trust Co., Cincinnati. Annual meeting, first Tuesday in June. Common stock listed on Cincinnati Stock Exchange.

Price Range—

Common—	1927	1926	1925	1924	1923	1922	1921	1920
High	140	128	126½	110	111½	117	102½	105
Low	112½	112½	103	96	95½	90	88	89

Dividends—Dividends of 10% on Common and of 5% on Common Class "B" and Pfd. stocks are now being paid under the lease each January 1.

FUNDED DEBT

None.

Officers: P. G. Gossler, Chairman of the Board; W. W. Freeman, Pres.; Polk Laffoon, V-P.; Edward Reynolds, Jr., Treas. & Sec.

Directors: C. P. Taft, W. W. Freeman, Polk Laffoon, P. G. Gossler, Edward Reynolds, Jr.

Offices, Huntington, W. Va., and Cincinnati, Ohio.

CINCINNATI, NEWPORT & COVINGTON LIGHT & TRACTION COMPANY

(Leased to Columbia Gas & Electric Corporation)

History—Incorporated March 11, 1902, under the laws of New Jersey. Owns over 99% of capital stocks of Cincinnati, Newport & Covington Ry. and Union Light, Heat & Power Co. These properties were leased, April 1, 1907, to the Columbia Gas & Electric Co. for 45 years, with privilege of extension for another 45 years, the lessee guaranteeing interest on bonds of subsidiary companies, and dividends on stock of the Cincinnati, Newport & Covington Light & Traction Co. as follows: 4½% on Pfd. stock; 3% on Common stock the first year, increasing ½% each year until 6% is reached, which rate is being maintained (beginning April 1, 1913) for the remaining period of the lease. Lessee also pays $10,000 per annum for organization expenses. The lessee deposited $1,250,000 cash in Cincinnati banks as a guarantee of the performance of the terms of the lease, of which $1,000,000 has been spent for additions, extensions, etc. The balance of $250,000 has been invested in bonds which will remain in the guarantee fund during the period of the lease. The lease was assumed by Columbia Gas & Electric Corp. on April 1, 1927.

Franchise—A new 25-year franchise was granted in 1917 by the City of Cincinnati for the operation of the company's lines in the City of Cincinnati. This franchise provided for the operation of cars into the Dixie Terminal, and cars are now operating into the Dixie Terminal Building.

MEMBERS:
New York Stock Ex.
Cincinnati Stock Ex.
Detroit Stock Ex.
New York Cotton Ex.
Chicago Board of Trade
New York Curb Market

We specialize in the securities of
Cincinnati Gas Transportation Co.
W. E. HUTTON & COMPANY
ESTABLISHED 1886

OFFICES:
52 Wall St., New York
1st Nat'l Bk. Bldg., Cinn.
Penobscot Bldg. Detroit
Mutual Home Building, Dayton, O.
Phoenix Hotel, Lexington, Ky.

CAPITAL STOCK

Authorized, $5,000,000 Common and $5,000,000 4½% non-cumulative Pfd.; outstanding, $5,000,000 Common and $4,500,000 Pfd.; par, $100. Transfer office, First National Bank Bldg., Cincinnati, O. Pfd. stock has preference for assets as well as to dividends. Registrar: The Central Trust Co., Cincinnati. Annual meeting, second Wednesday in March. Listed on Cincinnati Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	78	73	67	63	69	67¾	59	57¼
Low	70	63	60	57	56	36¼	50	50½
Common—								
High	100	93	84	79	77¾	85	71	69¾
Low	89½	81½	75	71½	71½	67½	61	62

Dividends—Dividends, as guaranteed under the lease, on both classes of stock are being paid quarterly, J, A, J & O 15, at Liberty National Bank, Covington, Ky.

FUNDED DEBT

None.

Officers: J. M. Hutton, Pres.; L. J. Hauck, V-P., Cincinnati, O.; G. M. Abbott, Sec. & Treas.

Directors: T. S. Hamilton, Hugh P. Colville, Covington; L. J. Hauck, R. W. Neff, J. M. Hutton, Chas. Sholl, Wm. R. Strickland, Edgar Friedlander, George M. Abbott, Cincinnati, Ohio.

Office, Newark, N. J.

THE CINCINNATI, NEWPORT & COVINGTON RY. COMPANY

(Owned by Cinn., Newport & Covington Lt. & Trac. Co.)

History—Incorp. in 1876 in Kentucky, successor by change of name to the South Covington & Cincinnati Street Ry. Co. The new company has acquired and merged the properties of the Ohio corporation of the same name (see 1922 Public Utility Manual, page 1479, or apply to our Information Department) and of the Licking River Bridge Co., Cincinnati, Covington & Erlanger Ry. Co. and Cincinnati, Covington & Rosedale Ry. Co. All properties are now operated in behalf of Columbia Gas & Electric Corp., under lease of the Cincinnati, Newport & Covington Light & Traction Co. Lines of road connect Cincinnati, Newport, Covington, West Covington, Dayton, Bellevue, Ludlow, Clifton, Bromley, Rosedale, Southgate, Fort Mitchell and Fort Thomas, embracing 70.63 miles of track.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by Cincinnati, Newport & Covington Light & Traction Co., except directors' qualifying shares. Annual meeting, Wednesday following first Thursday in April.

FUNDED DEBT

(1)

$150,000 SOUTH COVINGTON & CINCINNATI ST. RY. CO. CONSOLIDATED 6s; DUE JANUARY 1, 1932

Dated January 1, 1892.

Interest Payable January and July 1, at National Bank of Commerce, New York, First National Bank, Cincinnati, and Liberty National Bank, Covington, Ky.

Denominations—Coupon, $500 and $1,000.

Trustee—Covington Savings Bank & Trust Co., Covington, Ky.

Provisions of Issue—Authorized, $500,000.

Security—A first lien on the property of the former South Covington & Cincinnati St. Ry. Additionally secured by pledge of entire capital stocks of Cincinnati, Covington & Erlanger St. Ry. and of Licking River Bridge Co. Assumed by Cincinnati, Newport & Covington Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Cincinnati Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102½	101	99	102	102	102½	97	92
Low	102½	bid	bid	bid	102	102½	97	92

(2)

$3,691,500 CINCINNATI, NEWPORT & COVINGTON RY. CO. FIRST & REFUNDING GOLD 6s, SERIES A; DUE JULY 1, 1947

Dated July 1, 1922.

Interest Payable January and July 1, at The Central Trust Co., Cincinnati.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Central Trust Co., Cincinnati.

Provisions of Issue—Authorized, $7,500,000; issued, $3,815,000, of which $123,500 have been redeemed. After $4,000,000 of these bonds have been issued, no additional bonds may be issued except at the rate of 85% of the cost of the new improvements.

Callability—Subject to call as follows: During first five years ending July, 1927, at 107½; during second five years ending July, 1932, at 106; during third five years ending July, 1937, at 104½; during fourth five years ending July, 1942, at 103; during fifth five years ending July, 1947, at 101½.

Sinking Fund—¼ of 1% of bonds issued payable in semi-annual instalments plus the equivalent of the interest on bonds acquired and cancelled by the sinking fund.

Security—Secured on entire property and franchises of Company, subject to the $150,000 South Covington & Cincinnati Street Ry. Co. Consolidated 6s, maturing Jan. 1, 1932, for the retirement of which bonds of this mortgage have been reserved.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ernst, Cassatt & Cottle, Cincinnati, and Cravath, Henderson & de Gersdorff, New York.

Original Offering—First publicly offered ($4,000,000) in July, 1922, at 100 and interest to yield 6%, by W. E. Hutton & Co., First National Bank, Central Trust Co., Richards, Parish & Lamson, Edgar Friedlander, Fifth-Third National Bank, Brighton Bank & Trust Co., L. R. Ballinger Co., all of Cincinnati, and Security Savings Bank, Covington, Ky.

Listed—Cincinnati Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	106	*101	104¼	101	98⅝	99
Low	102½	*100	100½	97¾	98	bid

*High and low bid price.

(3)

$116,600 LICKING RIVER BRIDGE CO. FIRST GOLD 5s; DUE NOVEMBER 1, 1939

Dated November 1, 1914.

Interest Payable May and November 1, at Central Savings Bank & Trust Co., Newport, Ky.

Denomination—Coupon, $1,000.

Trustee—Central Savings Bank & Trust Co., Newport, Ky.

Provisions of Issue—Authorized and issued, $185,000, of which $68,400 held alive in sinking fund, leaving $116,600 outstanding.

Sinking Fund—A sinking fund of $3,750 per annum is provided.

Security—Secured by first mortgage on property of company, consisting of a 1,325-ton steel bridge across Licking River between Covington and Newport, Ky.

Guaranty—Guaranteed by Columbia Gas & Electric Corp., The Cincinnati, Newport & Covington Ry. Co. and Union Light, Heat & Power Co., and South Covington & Cincinnati St. Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: H. C. Blackwell, Pres. & Gen. Mgr., Cincinnati, Ohio; Polk Laffoon, V-P. & Sec., Covington, Ky.; Edward Reynolds, Jr., Treas. & Asst. Sec., New York.

Directors: P. G. Gossler, W. W. Freeman, J. M. Hutton, H. C. Blackwell, Cincinnati, Ohio; Polk Laffoon, Covington, Ky.

Office, Covington Ky.

UNION LIGHT, HEAT & POWER COMPANY

(Stock Owned by Cincinnati, Newport & Covington Light & Traction Co.)

History and Property—Incorporated March 15, 1901, in Kentucky. Owns entire capital stocks of Suburban Electric Co. ($250,000) supplying electricity under perpetual franchise to Newport, Ky., and adjacent communities; Kentucky Electric Co., ($30,000), supplying electric current to Ludlow, Latonia and West Covington, and Municipal Light Co. ($25,000), a non-operating company, owning a valuable franchise for artificial gas in Newport, Ky. Also owns and operates under exclusive gas franchises in Covington, Newport, Bellevue, Dayton, Clifton, Ludlow and Ft. Thomas; electric franchises in Bellevue, Dayton, Covington, Ludlow, Clifton, Ft. Mitchell, Erlanger, Elsmere, Newport, Southgate and Ft. Thomas; water franchises in Bellevue, Dayton and Ft. Thomas. Co. has city

MEMBERS:
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We specialize in the securities of
Cinn., Newport & Covington Lt. & Tr. Co.
W. E. HUTTON & COMPANY
ESTABLISHED 1886

OFFICES:
52 Wall St., New York
1st Nat'l Bk. Bldg., Cinn.
Penobscot Bldg. Detroit
Mutual Home Building, Dayton, O.
Phoenix Hotel, Lexington, Ky.

water contracts in Covington and Newport and city electric contracts in Covington, Newport and other northern Kentucky cities. Natural gas purchased from Huntington Gas Co., a subsidiary of Columbia Gas & Electric Corp., which operates this company, pursuant to the lease of Cincinnati, Newport & Covington Light & Traction Co., the latter owning over 99% of this company's capital stock. Some of the Company's gas and electric franchises run from 10 to 20 years, and others are perpetual.

CAPITAL STOCK

Authorized and outstanding, $500,000 (reduced from $1,500,000 on May 29, 1907); over 99% owned by Cincinnati, Newport & Covington Light & Traction Co. Annual meeting, fourth Wednesday in March.

FUNDED DEBT

$2,669,000 TWENTY-FIVE YEAR FIRST MORTGAGE 6s; DUE AUGUST 15, 1949

Dated August 15, 1924.

Interest Payable February and August 15, at Fifth Third Union Trust Co., Cincinnati, or Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; registerable as to principal, or fully registered, and registered bonds may be exchanged for coupon bonds.

Trustee—Fifth Third Union Trust Co., Cincinnati, O.

Provisions of Issue—Authorized, $3,000,000, issued $2,725,000 of which $56,000 cancelled. The mortgage provides that bonds in addition to the $2,488,000 originally issued shall not be issued (a) to the extent of more than 85% of the cost of additions and improvements to the property, and then only when (b) net earnings for 12 months within the 15 months immediately preceding such issuance are at least twice interest charges on all bonds issued and to be issued. All owned by Columbia Gas & Electric Corp. and its subsidiaries.

Callability—Subject to call on any interest date in whole or in part, upon 30 days' notice, at 103 and interest to and including Aug. 15, 1939; at 102 to Aug. 15, 1944; and at 101 to Feb. 15, 1949.

Sinking Fund—6/10 of 1% of authorized issue payable annually plus the equivalent of the interest on bonds retired by sinking fund.

Security—A first mortgage on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Cincinnati Stock Exchange.

OFFICERS AND DIRECTORS

Officers: P. G. Gossler, Chairman of the Board; H. C. Blackwell, Pres.; Polk Laffoon, V-P. & Sec., Cincinnati, O; Edward Reynolds, Jr., Treas. & Asst. Sec.

Directors: Polk Laffoon, W. H. Harton, Covington, Ky.; P. G. Gossler, N. Y.; J. M. Hutton, W. W. Freeman, H. C. Blackwell, L. K. Langdon, Cincinnati, Ohio.

Office, Covington, Ky.

COLUMBIA CORPORATION

(Controlled by Columbia Gas & Electric Corporation)

History—Incorporated Feb. 19, 1924, in Delaware. Company financed the construction by **Columbia Power Company,** Ohio, of the new Columbia Power Station near Cincinnati with an initial installed capacity of 90,000 k.v.a. now in operation; also **Columbia Industrial Company**, Ohio, which owns approximately 1,400 acres of land surrounding Columbia Power Station, providing many advantageous factory and home sites. The Company owns over 99% of the Common stock of The Dayton Power and Light Company, and **The Southwestern Ohio Power Company**; also over 99% of the capital stock of Columbia Gas Supply Co., The Harrison Electric & Water Co., and Huntington Gas Co., which latter company owns over 99% of the Pfd. and Common stock of Huntington Development & Gas Co.

CAPITAL STOCK

Authorized and outstanding, 115,000 shares of no par value. Over 99% owned by the Columbia Gas & Electric Corp. Annual meeting, Friday following first Thursday in April.

Officers: P. G. Gossler, Pres.; W. W. Freeman, V-P.; John G. Pew, V-P.; E. Reynolds, Jr., Sec. & Treas.

Directors: M. H. Coggeshall, W. W. Freeman, P. G. Gossler, J. M. Hutton, W. P. Philips, Harold Stanley, G. W. Crawford.

Office, New York.

THE DAYTON POWER AND LIGHT COMPANY

(Controlled by Columbia Corporation)

History and Properties—Incorporated March 23, 1911, under railroad laws of Ohio, under the name of The Hills & Dales Ry Co., and the name was changed to The Dayton Power & Light Co. on May 5, 1911. Duration of charter is perpetual The principal franchises in Dayton, Piqua, Wilmington and Washington Court House are without time limit, and in Xenia run to 1930.

Purchased the properties of The Dayton Lighting Co. (see Manual for 1911, page 1696) the Dayton Citizens' Electric Co. (see Manual for 1911, page 1695) The Dayton Gas Co. (see 1925 Manual, page 771), The Washington Gas & Electric Co., The Wilmington Gas Light & Coke Co. and a number of other properties from time to time. Does the entire electric lighting and power business of Dayton, Xenia, Piqua, Wilmington, West Alexandria, Washington C. H., Ohio and 100 other towns and villages, and all the gas business at Dayton, Wilmington, Washington, C. H. and Bloomingburg, Ohio, serving a population of about 340,000. Operates an underground system in the business district of the City of Dayton and overhead system in the residence sections.

The Miller's Ford power station was placed in operation on March 22, 1918, with an initial capacity of 25,000 k.w. Provisions have been made in this station for the installation of additional boilers and turbines as the future growth of the business may require, until the local ultimate capacity of 150,000 h.p. is attained. During 1920 there were installed one 27,000 h.p. General Electric turbo generator and two additional boilers.. During 1923 there were installed three additional boilers and one 27,000 h.p. General Electric turbo generator. During 1924, three additional boilers and one 27,000 h.p. General Electric turbo generator were installed. Also owns generating stations located on Third Street in Dayton, Piqua, Washington and Wilmington, Ohio. The distribution system in the central part of the City of Dayton is underground, of which there are not less than 176 miles of cable, and the outlying districts are served by overhead wires, of which there are approximately 4,625 pole miles.

On Jan. 1, 1928, was supplying a total of 86,149 light and power customers, and 53,756 gas customers; also has city contracts to supply electricity for street lighting, boulevard lighting system, pumping stations, etc. Total current generated and purchased in 1927, 252,085,754 k.w.h., compared with 240,262,738 k.w.h. in 1926, and 275,098,306 k.w.h. in 1925. Steam supplied for heating purposes, 1,417,445,000 lbs. in 1927, compared with 1,392,330,000 lbs. in 1926, and 1,196,066,000 lbs. in 1925.

CAPITAL STOCK

Authorized, 320,000 shares Common of no par value and $12,000,000 6% cumulative Pfd.; outstanding, 317,500 shares Common and $7,500,000 Pfd.; par of Pfd., $100. The Columbia Corporation owns all the Common stock and $5,300 Pfd.

Preferred Stock Provisions—Pfd. stock has preference for assets as well as for dividends, and may be called for redemption at any dividend paying date in whole at 110 and accrued dividends.

Additional Pfd. Stock Authorized—The Ohio Public Utilities Commission June 3, 1927, authorized Company to issue $2,000,000 6% cumulative Pfd. stock, the proceeds to be used to reimburse Company's treasury for capital expenditures.

Transfer Agents—The Dayton Savings & Trust Co., Dayton, Ohio. American Exchange Irving Trust Co., New York. Certificates of stock are interchangeably transferable between New York and Dayton.

Registrars—The City Trust & Savings Bank, Dayton, Ohio, and New York Trust Co., New York.

Annual Meeting—Last Thursday in April, at Dayton, Ohio.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	109½	100	100	93	90	90	82½	84
Low	101	95	88	84	87	87	76½	78

Dividends—Initial dividend on Pfd. paid Oct. 15, 1911, payments quarterly J, A, J & O 1, to July 1, 1925; changed to monthly beginning Aug. 1, 1925, at rate of 6% per annum.

FUNDED DEBT

(Arranged in Order of Priority of Lien)

(1) The Dayton Lighting Co. 1st & Ref. Gold 5s ..... Due Mar. 1, 1937
(2) The Dayton Gas Co. 1st Mtge. Gold 5s. " Mar. 1, 1930
(3) The Dayton Power & Light Co. 1st & Ref. Gold 5s ..... " June 1, 1941

(1)

$1,469,000 THE DAYTON LIGHTING COMPANY FIRST & REFUNDING MORTGAGE GOLD 5s; DUE MARCH 1, 1937

Dated March 1, 1907.

Interest Payable March and September 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $3,500,000; issued, $2,618,000, of which $171,000 have been cancelled and $978,000 are held under The Dayton Power & Light Co. First and Refunding Mortgage. Under the terms of The Dayton Power & Light Co. First and Refunding mortgage, no more of the bonds can be issued.

Callability—Subject to call at 107½ and interest on any interest date on four weeks' notice.

Sinking Fund—None.

Security—Secured on entire property formerly of The Dayton Lighting Co. Assumed by The Dayton Power & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925	1924	1923
High	103½	102	100½	99	96¼
Low	102	100	98½	94½	93½

(2)

$1,231,000 THE DAYTON GAS COMPANY FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1930

Dated March 8, 1910.

Interest Payable March and September 1 at Harris, Forbes & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Union Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized and issued, $1,500,000, of which $243,000 retired by sinking fund and $26,000 owned by Columbia Gas & Electric Corp. and subsidiaries, leaving $1,231,000 in hands of public, Dec. 31, 1927.

Callability—Subject to call at 105 and interest on any interest date on six week's notice.

Sinking Fund—A sinking fund of $20,000 per annum is provided which began March, 1916.

Security—Secured on entire property formerly of The Dayton Gas Company. Assumed by The Dayton Power & Light Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924
Bid	100¼	100	99⅝	97

(3)

$9,505,000 THE DAYTON POWER & LIGHT COMPANY FIRST & REFUNDING MORTGAGE GOLD 5s; DUE JUNE 1, 1941

Dated June 1, 1911.

Interest Payable June and December 1, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized issue, $20,000,000; sufficient being reserved to retire all underlying liens; remainder issuable to acquire 51% of the capital stock of street railroad, gas and electric corporations and to acquire 51% of the first mortgage bonds of such corporations, providing at least 75% of the capital stock is already owned; may also be issued to cover 80% of the cost of additions, extensions and betterments, provided net earnings of this company and of corporations 51% of whose capital stock is owned, shall, for preceding 12 months, have equaled twice the interest charges on bonds of this issue, at such time outstanding, and those to be issued, and also on all outstanding underlying bonds and the bonds of corporations 51% of whose capital stock is owned; bonds owned and pledged as security for this mortgage, however, to be excluded. Should any default occur in the payment of interest on this issue, and continue for 90 days, the Trustees shall, upon request of a majority of the holders, declare the entire issue due and payable at once.

Callability—Subject to call upon four weeks' notice as a whole or for sinking fund only on any interest date up to and including Dec. 31, 1936, at 105 and interest; 1937, 104; 1938, 103; 1939, 102; 1940, 101.

Sinking and Improvement Fund—Under the terms of the mortgage a fund is provided to be used for improvements or to purchase bonds of this issue at not exceeding 105 and int. to Dec. 31, 1936; 104 and int. during 1937; 103 and int. during 1938; 102 and int. during 1939; 101 and int. during 1940 and 1941, at which prices bonds may be called on four weeks' notice, if not purchasable in the open market. This fund began to accrue Jan. 1, 1917, and from that date to 1924 shall equal 1%; 1925 to 1932, 1½%; 1933 to 1940, 2% of all bonds of this issue outstanding and all underlying bonds and bonds of corporations a majority of whose stock is owned.

Security—Secured by a direct first mortgage upon property of the Company (including the 114,000 h.p. Miller's Ford generating plant), representing an investment of over $32,800,000, subject to a prior lien of The Dayton Lighting Co. and The Dayton Gas Co. bonds as to part divisional. Also secured by pledge of all securities of other companies which may be acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Campbell, Harding & Pratt, New York.

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925	1924	1923
High	103	103	100½	97¾	93
Low	101¼	100	97	93	89

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$9,092,508	$8,407,534	$6,965,143	$5,756,407	$5,105,314	$4,535,304
Operating expenses, taxes and depreciation	6,149,444	5,782,118	4,695,512	3,564,090	3,297,199	3,057,640
Net earnings	$2,943,064	$2,625,416	$2,269,631	$2,192,317	$1,808,115	$1,477,664
Other income	70,896	68,777	52,343	14,099	61,215	41,244
Total income	$3,013,960	$2,694,193	$2,321,974	$2,206,416	$1,869,330	$1,518,908

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Interest charges	$615,160	$614,081	$584,713	$551,897	$554,641	$552,538
Sinking fund	.....	164,765	165,050	164,610	109,740	109,731
Other charges	38,473	38,473	185,450	533,771	460,307	289,464
Total charges	$653,633	$817,319	$935,213	$1,250,278	$1,124,688	$951,733
Balance for dividends	$2,360,327	$1,876,874	$1,386,761	$956,138	$744,642	$567,175
Pfd. dividends paid	450,000	445,860	394,781	334,377	267,455	245,168
Common dividends paid	.....	.....	137,260	122,120	122,120	122,120
Surplus for year	$1,910,327	$1,431,014	$854,720	$499,641	$355,067	$199,887
Times Interest Earned	4.89	4.38	3.97	3.99	3.37	2.75
Earnings Per Share—						
Preferred	$31.47	$24.92	$18.82	$14.71	$16.90	$12.87
Common	*6.01	*1.33	*3.12	†20.36	†15.63	†9.92

*On shares of no par value. †On shares of $100 par value.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property investments	$32,839,858	$31,982,563	$31,279,557	$24,127,232	$21,785,420	$18,507,565
Stocks and bonds owned	54,157	503,370	709,320	12,400	20,500	1,070,635
Materials and supplies	472,767	506,488	473,102	362,228	592,589	372,439
Cash	310,434	144,646	159,031	663,851	192,650	593,837
Notes receivable	194,519	120,528	20,704	49,008	35,000	127,503
Current accounts	944,537	837,339	889,428	731,819	923,754	570,315
Prepaid accounts	587,144	608,524	663,289	678,619	701,509	742,627
Nominal assets	279,986	280,011	316,938	369,035	317,960	219,742
Total	$35,683,402	$34,983,469	$34,511,369	$26,994,192	$24,569,382	$22,204,663
Liabilities—						
Capital stock	$12,980,000	$12,980,000	$12,846,300	$9,553,000	$8,053,000	$7,459,000
Funded debt	12,231,000	12,251,000	12,270,000	10,974,000	10,974,000	10,974,000
Construction advances	143,171	118,223	110,401	23,536	27,470	31,460
Current liabilities	545,238	718,048	591,823	340,684	740,534	221,219
Accrued interest	85,038	85,371	85,688	64,088	64,088	64,088
Accrued taxes	693,388	754,029	640,470	484,056	503,488	471,084
Other accrued accounts	85,294	96,695	89,307	40,065	54,349	73,106
Coupons and dividends matured	279,986	279,886	316,938	369,035	317,960	219,742
Reserves	4,607,550	4,477,487	5,268,694	3,630,925	2,718,290	1,929,828
Surplus	4,032,737	3,222,730	2,291,748	1,514,803	1,116,203	761,136
Total	$35,683,402	$34,983,469	$34,511,369	$26,994,192	$24,569,382	$22,204,663

Officers: P. G. Gossler, Chairman of Board, New York, N. Y.; F. M. Tait, Pres.; O. H. Hutchings, V-P. & Gen. Mgr.; E. P. Matthews, V-P., Dayton, O.; H. C. Blackwell, V-P., Cincinnati, O.; O. E. Howland, Sec. & Treas.; O. B. Reemelin, Mgr. Electric Division; George Light, Mgr. Gas Division, Dayton, O.

Directors: H. C. Blackwell, C. W. DeForest, Cincinnati, O.; J. P Breen, A. J. Conover, O. E. Howland, O. H. Hutchings, H. C. Kiefaber, Geo. Light, E. P. Matthews, F M. Tait, Dayton, O.; D. L. Caskill, Greenville, O.; W. W. Freeman, P. G. Gossler, E. Reynolds, Jr., New York, N. Y.

Office, Dayton, Ohio.

COLUMBIA GAS SUPPLY COMPANY

(Owned by Columbia Corporation)

History and Property—Incorporated April 18, 1924, in Ohio. Owns and operates a gas pipe line between Dayton and Cincinnati, O., and distributes gas at wholesale and retail in the Miami River Valley, between Dayton and Cincinnati, O.

CAPITAL STOCK

Authorized and outstanding, 15,000 shares of no par value. Over 99% owned by Columbia Corporation. Annual meeting, Wednesday following first Thursday in April.

Officers: P. G. Gossler, Chrm. of Board; H. C. Blackwell, Pres. & Gen. Mgr.; Polk Laffoon, V-P.; Edward Reynolds, Jr., Sec. & Treas.

Directors: P. G. Gossler, W. W. Freeman, H. C. Blackwell, Polk Laffoon, L. K. Langdon.

Office, Cincinnati, Ohio.

THE HARRISON ELECTRIC & WATER COMPANY

(Owned by Columbia Corporation)

History and Property—Incorporated July 26, 1907, in Ohio; successor to Harrison Light & Water Co. Distributes electricity and water in Harrison, O., and West Harrison, Ind. Has city contract for 34 arcs at $68.75 each per year.

CAPITAL STOCK

Authorized, 4,000 shares Common of no par value and $50,000 6.6% Pfd., par, $100; outstanding, 4,000 shares Common and $30,000 Pfd. More than 99% of both classes owned by Columbia Corporation. Annual meeting, Wednesday following first Thursday in April. Dividends of 6.6% paid on Pfd. stock in 1924, 1925 and 1926. Initial quarterly dividend of 16½ cents a share paid on Common in 1925; 1926, $4.62 per share.

FUNDED DEBT—None.

All the First Mortgage 6½% Gold bonds, due July 1, 1944; were called for redemption July 1, 1927, at 105 and interest at Fifth Third Union Trust Co., Cincinnati, Trustee.

Financial Statement—Income Account and Balance Sheet figures for the year 1927 are included in the consolidated statement of the Columbia Gas & Electric Corp. and subsidiary companies. For latest published statement see 1927 Public Utility Manual, page 1658.

Officers: P. G. Gossler, Chrm.; H. C. Blackwell, Pres. & Gen. Mgr.; Polk Laffoon, V-P., Cincinnati, Ohio; Edward Reynolds, Jr., Sec. & Treas., New York; G. F. Brenner, Asst. Treas.

Directors: W. W. Freeman, H. C. Blackwell, Polk Laffoon, Harry Scott, L. K. Langdon.

Office, Harrison, O.

THE HUNTINGTON GAS COMPANY

(Owned by Columbia Corporation)

History—Incorporated Aug. 16, 1924, in W. Va. Owns over 99% of the Pfd. and Common stocks of Huntington Development & Gas Co., which produces natural gas, oil and gasoline in West Virginia, and distributes natural gas in Huntington, W. Va. Leases property of Cincinnati Gas Transportation Co.

CAPITAL STOCK

Authorized, 20,000 shares of no par value; outstanding 5,255 shares. Over 99% owned by Columbia Corporation. Annual meeting, second Thursday in April.

FUNDED DEBT—None.

Officers: J. G. Pew, Chrm.; H. A. Wallace, Pres.; W. W. Freeman, V-P.; P. G. Gossler, V-P.; H. A. Wallace, V-P.; Edward Reynolds, Jr., Sec. & Treas.

Directors: P. G. Gossler, W. W. Freeman, H. A. Wallace, Edward Reynolds, Jr., J. G. Pew.

Office, Huntington, W. Va.

HUNTINGTON DEVELOPMENT & GAS COMPANY

(Owned by Huntington Gas Co.)

History—Incorporated in June, 1916, in Del.; and upon organization acquired properties and franchises formerly owned by: The Huntington Development & Gas Co., Interval Gas & Oil Co., Duval Oil Co., Four Mile Oil Co., Mingo Coal Co., Irvine Coal Co., Lincoln County Land Association, Guyandotte Land Association. and about 3,700 acres in Wayne County, W. Va., formerly owned by Virginia Investment Association.

Properties—Properties consist of coal, oil, natural gas and timber lands in Lincoln, Wayne, Cabell, Putnam, Logan and Mingo Counties, W. Va., aggregating approximately 330,000 acres, of which about one-half is owned in fee simple and one-half in mineral fee with full mining rights.

Franchises—The greater part of the Company's property is owned in fee and therefore not subject to franchise life. The franchises for the natural gas business mature as follows: Huntington, W. Va., 1962; Kenova, W. Va., 1963; Ceredo, W. Va., 1963; Ashland, Ky., 1933; Catlettsburg, Ky., 1933.

CAPITAL STOCK

Authorized and outstanding $4,000,000 Common and $1,500,000 6% cumulative Pfd.; par, $100. The Huntington Gas Company and Huntington Development & Gas Co. together own $3,980,000 Common and $1,498,800 Pfd., leaving outstanding in the hands of the public $20,000 Common and $1,200 Pfd. Transfer Agents: First Huntington National Bank, Huntington, W. Va., and E. W. Clark & Co., Philadelphia. Registrars: Fidelity-Philadelphia Trust Co., Philadelphia, and Huntington Banking & Trust Co., Huntington, W. Va.

Dividends—Dividends on Pfd. cumulative since Jan. 1, 1915, were regularly paid quarterly at the rate of 1½% from April 1, 1917, to July 1, 1923; none since; payments, J, A, J & O 1. On Common, none paid.

FUNDED DEBT

None.

All the outstanding First Sinking Fund Gold 6s, due June 1, 1936 were called for payment and redeemed on Dec. 1, 1927 at 102½ and interest.

Officers: John G. Pew, Chairman of Board; H. A. Wallace, Pres. & Gen. Mgr.; W. W. Freeman, V-P.; F. W. Crawford, V-P.; E. Reynolds, Jr., Treas. & Sec.

Directors: P. G. Gossler, John G. Pew, E. Reynolds, Jr., Harold Stanley, New York; G. W. Crawford, F. W. Crawford, T. B. Gregory, Pittsburgh; W. W. Freeman, Cincinnati, O.; H. A. Wallace, Charleston, W. Va.

Office, Huntington, W. Va.

FAYETTE COUNTY GAS COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Property—Incorporated Oct. 18, 1900, in West Virginia, its charter being for 50 years. Company is engaged in the production and distribution of natural gas in Fayette, and West Moreland Counties, Pa. In addition company owns all the capital stock of The Fayette Gas Fuel Co. now an inactive corporation, its property having been transferred to Fayette County Gas Co.

Control—The Ohio Fuel Corp. obtained control of this company under the terms of an offer, dated April 9, 1926, made to the stockholders of The Fayette County Gas Co., whereby holders of the stock of the latter company exchanged their shares for stock of Ohio Fuel Corp. on the basis of 4 shares of the latter for each share held. Upon consolidation of The Ohio Fuel Corp. with the Columbia Gas & Electric Corp., subsequent to Nov. 6, 1926, the latter company acquired control of The Fayette County Gas Co.

CAPITAL STOCK

Authorized and outstanding, $1,600,000; par, $100. Over 99% of the stock is owned by Columbia Gas & Electric Corp. Sec. of Co. acts as Transfer Agent. Registrar: Pittsburg (Pa.) Trust Co. Annual meeting, first Monday after first Thursday in April.

FUNDED DEBT

None.

Officers: T. B. Gregory, Chairman; G. W. Ratcliffe, Pres.; F. W. Crawford, V-P.; J. B. Wikoff, V-P.; D. E. Mitchell, Sec.; A. J. Newman, Treas.

Directors: G. W. Ratcliffe, F. W. Crawford, D. E. Mitchell, T. B. Gregory, J. G. Pew.

Offices, 2017 Farmers' Bank Bldg., Pittsburgh, Pa., Uniontown, Pa., and 61 Broadway, New York.

THE GAS & ELECTRIC APPLIANCE COMPANY

(Owned by Columbia Gas & Electric Corporation)

History—Incorporated in 1902, in Ohio. Operates The Electric Shop, with a chain of retail appliance stores in Cincinnati, Dayton and Middletown, Ohio; Covington, Kentucky and other cities and towns in the territory served by the Columbia system.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. All owned by Columbia Gas & Electric Corp. Annual meeting, Wednesday following first Thursday in April.

FUNDED DEBT

None.

Officers: H. C. Blackwell, Pres.; Polk Laffoon, V-P.; E. W. Hake, V-P.; Edward Reynolds, Jr., Sec. and Treas.

Directors: P. G. Gossler, W. W. Freeman, Polk Laffoon, H. C. Blackwell, L. K. Langdon.

General Office, S. W. Cor. 4th and Plum Sts., Cincinnati, Ohio.

GREENSBORO GAS CORPORATION

(Controlled by Columbia Gas & Electric Corp.)

History—Incorporated May 8, 1926, in Delaware with a perpetual charter. Company is a holding company, acquired all the capital stock of Greensboro Gas Co. (see appended statement).

CAPITAL STOCK

Authorized and outstanding, 11,000 shares of no par value (stated value, $5,830,000). All owned by Columbia Gas & Electric Corp.

FUNDED DEBT

$2,925,000 COLLATERAL TRUST 6% SERIAL GOLD BONDS; DUE $325,000 ANNUALLY FROM APRIL 1, 1928 TO 1936, INCLUSIVE

Dated April, 1, 1926.

Interest Payable April and October 1, at The Union Trust Company of Pittsburgh, Pa.

Denomination—Coupon, $1,000.

Trustee—The Union Trust Company of Pittsburgh, Pa.

Provisions of Issue—Authorized and issued, $3,250,000, of which $325,000 retired to Dec. 31, 1927.

Callability—Subject to call on 60 days' notice on April 1, 1928 at 108; on April 1, 1929 at 107; decreasing 1% each April 1.

Sinking Fund—None provided.

Guaranty—Guaranteed as to principal and interest by Ohio Fuel Corporation. Guarantee assigned to Columbia Gas & Electric Corporation as of Nov. 1, 1926.

Security—Secured by collateral trust lien on 99,000 shares (par value $100 each) of the capital stock of the Greensboro Gas Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania taxes.

Officers: T. G. Gregory, Chairman; G. W. Ratcliffe, Pres.; F. W. Crawford, V-P.; D. E. Mitchell, Sec.; A. J. Newman, Treas.

Directors: T. B. Gregory, F. W. Crawford, J. G. Pew, G. W. Ratcliffe, D. E. Mitchell, G. W. Crawford, P. G. Gossler.

Office, 2017 Farmers Bank Building, Pittsburgh, Pa.

GREENSBORO GAS COMPANY

(Controlled by Greensboro Gas Corporation)

History—Incorporated Nov. 12, 1904, in Pa.; consolidation of Greensboro Natural Gas Co. and Jeannette Gas Co. Company is engaged in the production of petroleum oil and the production and distribution of natural gas in Fayette, Green, Washington and West Moreland Counties, Pa.

CAPITAL STOCK

Authorized and outstanding, $9,900,000; par, $100. All owned by Greensboro Gas Corp. and pledged under its Collateral Trust bonds. Annual meeting, first Monday after first Thursday in April.

FUNDED DEBT

None.

Office, 248 Fourth Ave., Pittsburgh, Pa.

THE HAMILTON SERVICE COMPANY

(Owned by Columbia Gas & Electric Corp.)

History—Incorp. in 1919 in Ohio, and, effective Feb. 1, 1920. In 1927, company purchased the entire plant and equipment of Hamilton Utilities Company, which it formerly operated under lease. Company distributes electricity in Hamilton, O., and 15 adjoining communities. Control of this company, acquired by Columbia Gas & Electric Co. during 1923 by purchase of the entire outstanding capital stock, is now held by Columbia Gas & Electric Corp.

CAPITAL STOCK

Authorized and outstanding, $76,400; par, $100. Over 99% owned by Columbia Gas & Electric Corp. Annual meeting, Wednesday following first Thursday in April.

FUNDED DEBT

None.

Earnings—Included in Columbia Gas & Electric Corp. Consolidated Statement.

Officers: P. G. Gossler, Chairman of Board; H. C. Blackwell, Pres. & Gen. Mgr.; Polk Laffoon, V-P.; E. Reynolds, Jr., Treas. & Sec.

Directors: W. W. Freeman, H. C. Blackwell, Polk Laffoon, L. K. Langdon, Cincinnati, O.; P. G. Gossler, New York.

Office, Hamilton, Ohio.

THE LOGAN GAS COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Properties—Incorporated December 31, 1894, in Ohio, as The Buckeye Gas Company; name changed to present title on Dec. 22, 1922, on which date it acquired all the properties of The Athens Gas Light & Electric Company, The Bellevue Gas Company, The Citizens Gas & Electric Company, The Cititzens Light & Coke Company, The Fremont Gas, Electric Light & Power Company, The Logan Natural Gas & Fuel Company, The Marion Gas Company, and the Newark Natural Gas & Fuel Company, all of said companies being subsidiaries of the former Union Natural Gas Corporation.

Company is engaged in the production and distribution of natural gas in the eastern part of Ohio with a pipe line extending from Sugar Grove, Fairfield County, Ohio into the State of Indiana where the company sells gas to other companies for resale.

Control—All the capital stock of The Logan Gas Co. was formerly owned by Union Natural Gas Corp., which in Dec. 1924 was merged with Ohio Fuel Corp. The latter corporation was, subsequent to Nov. 6, 1926, merged with Columbia Gas & Electric Corp., which corporation now owns all the outstanding capital stock of The Logan Gas Co.

CAPITAL STOCK

Authorized and outstanding, $20,000,000; par, $100. All owned by Columbia Gas & Electric Corporation, except directors' qualifying shares. Annual meeting, first Tuesday after first Thursday in April.

Dividends—Dividends of 4% each paid in 1924 and 1925; 5% in 1926.

FUNDED DEBT

There were outstanding Dec. 31, 1927, $1,000 Fremont Gas, Electric Light & Power Co. First Mortgage 5% bonds; due Dec. 1, 1931, and $15,000 Marion Gas Co. First Mortgage 6% bonds; due Sept. 1, 1930. The Union Trust Co., Detroit, Mich., is Trustee for all issues.

Financial Statement—Income Account and Balance Sheet figures for the year 1927 are included in the consolidated statement of the Columbia Gas & Electric Corp. and subsidiary companies. For latest published statement see 1927 Public Utility Manual, page 1661.

Office, 99 North Front St., Columbus, Ohio.

LOVELAND LIGHT & WATER COMPANY

(Owned by Columbia Gas & Electric Corporation)

History and Property—Incorporated Aug. 17, 1914, in Ohio; successor to Loveland Citizens' Electric Co. (see Manual for 1914, page 2352, or apply to our Information Department). Owns and operates an electric light and water plant. Franchise expires in 1933.

CAPITAL STOCK

Authorized, $50,000; outstanding, $30,000; par, $100. Over 99% owned by Columbia Gas & Electric Corp. Annual meeting, Wednesday following first Thursday in April.

FUNDED DEBT

None.

Officers: P. G. Gossler, Chairman of Board; H. C. Blackwell, Pres. & Gen. Mgr.; Polk Laffoon, V-P.; Edward Reynolds, Jr., Sec. & Treas.

Directors: P. G. Gossler, W. W. Freeman, Polk Laffoon, H. C. Blackwell, L. K. Langdon.

Office, Loveland, Ohio.

MANUFACTURERS GAS COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Properties—Incorporated April 20, 1922, under the laws of Pennsylvania, being a merger of Manufacturers Gas Company, Bradford, Pa., (incorporated Dec. 20, 1894) and Warren & Chautauqua Gas Company (incorporated Jan. 30, 1893), both companies being subsidiaries of the Union Natural Gas Corporation. Company is engaged in the production and distribution of natural gas in northwestern Pennsylvania, and the distribution of natural gas in Limestone, N. Y.

Control—All the capital stock of Manufacturers Gas Co. was formerly owned by Union Natural Gas Corp., which in Dec., 1924, was merged with Ohio Fuel Corp. The latter corporation was, subsequent to Nov. 6, 1926, merged with Columbia Gas & Electric Corp., which corporation now owns all the capital stock of Manufacturers Gas Co.

CAPITAL STOCK

Authorized and outstanding, $1,650,000; par $100. All owned by Columbia Gas & Electric Corp. Annual meeting, first Monday after first Thursday in April.

FUNDED DEBT

None.

Office, 2017 Farmers Bank Bldg., Pittsburgh, Pa.

THE MANUFACTURERS LIGHT & HEAT COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History—Incorporated April 21, 1903, in Pa., as a consolidation of the following natural gas companies carrying on business in Allegheny, Washington, and Greene Counties, Pa.; Manufacturer's Light & Heat Co., Fort Pitt Gas Co., Waynesburg Natural Gas Co., Citizens' Natural Gas Co., Mutual Benefit Gas Co., Relief Gas Co. and Canonsburg Light & Fuel Co. The Manufacturers' Light & Heat Co. subsequently became the owner of the capital stock and assets of 25 previously existing corporations, all of which have been dissolved and charters surrendered, with the exception of the three following named:

Ventura Oil Co., the oil producing properties of which, in Pennsylvania and West Virginia, were trans-

ferred to The Manufacturers Light & Heat Co., now owns unoperated oil and gas leaseholds in Kentucky.

New Cumberland Water and Gas Co., the natural gas plant of which in New Cumberland was transferred to The Manufacturers Light & Heat Co., and the water plant of which company is under option of sale to the City of New Cumberland.

Sewickley Gas Co., the property of which has been transferred to The Manufacturers Light & Heat Co., is now an inactive corporation.

The company and its subsidiaries are engaged in the production and distribution of natural gas in western Pennsylvania, northern western Virginia, and eastern Ohio; production of petroleum oil in the states of Pennsylvania, West Virginia and Ohio; the operation of gasoline plants of the absorption process in the state of West Virginia; and hold oil and gas leaseholds in other states.

Control—As a result of consolidation of Ohio Fuel Corp. with Columbia Gas & Electric Corp. subsequent to Nov. 6, 1926, the latter corporation now owns $22,970,100 of the capital stock of The Manufacturers Light & Heat Co.

CAPITAL STOCK

Authorized, $25,000,000; outstanding, $23,000,000; par, $50. Columbia Gas & Electric Corporation owns $22,970,100 of the stock and $100 has been reacquired by company. Transfer Agent: J. B. Wikoff, Pittsburgh, Pa. Registrar: Peoples Savings & Trust Co., Pittsburgh, Pa. Annual meeting, first Monday after first Thursday in April.

Dividends—Dividends of 1½% quarterly, paid 1903 to Oct., 1906, both inclusive; none thereafter until Dec. 20, 1911, when ¾ of 1% was paid; 1912, 3%; 1913, 6½%; 1914, 7¾%; 1915 to April, 1928, 8% regular per annum; payments quarterly, J, A, J & O 15. In addition, extra dividends of 2% each, paid Feb. 27, 1917, 1920 and Jan. 15, 1923.

FUNDED DEBT

None.

Office, Farmers Bank Bldg., Pittsburgh, Pa.

NATURAL GAS COMPANY OF WEST VIRGINIA

(Controlled by Columbia Gas & Electric Corporation)

History and Property—Incorporated Feb. 9, 1885, in West Virginia. Company is engaged in the production and distribution of natural gas, and production of petroleum oil in northern West Virginia, western Pennsylvania and Eastern Ohio.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $2,997,200;; par, $100. All owned by Columbia Gas & Electric Corp.

FUNDED DEBT

None.

Office, 2017 Farmers Bank Bldg., Pittsburgh, Pa.

OHIO FUEL OIL COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History—Incorporated July 23, 1909, in W. Va. Company acquired the oil producing properties of The Ohio Fuel Supply Co., in West Virginia. It is engaged in the production of petroleum oil in the states of West Virginia, Kentucky and Kansas; the production of natural gas in West Virginia, Kansas, Kentucky, Oklahoma and Texas, the larger portion of which is sold at wholesale to other companies; and the production of natural gas gasoline in the State of West Virginia.

Control—In October, 1925, Ohio Fuel Corp. acquired control of this Company through an exchange of capital stock on the basis of 29-66 of one share of its $25 par stock for each share of Ohio Fuel Co. stock of $1 par. Subsequent to Nov. 6, 1926, Ohio Fuel Corp. was merged with Columbia Gas & Electric Corp., which company now owns over 99% of the capital stock of Ohio Fuel Oil Co.

CAPITAL STOCK

Authorized, $500,000; outstanding, $320,000; par, $1. Over 99% owned by Columbia Gas & Electric Corp. Transfer Agent: J. B. Wikoff, Pittsburgh, Pa. Registrar: Pittsburgh, (Pa.) Trust Co. Annual meeting, second Thursday in April.

FUNDED DEBT

None.

Office, Charleston, W. Va.

COLUMBUS GAS AND FUEL COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Properties—Incorporated Feb. 23, 1906, under the laws of Ohio, with perpetual charter as a consolidation of The Columbus Gas Company and The Central Ohio Natural Gas & Fuel Company. Franchise perpetual. Serves natural gas to consumers in Columbus, Ohio, and suburban towns. Has contract with The Ohio Fuel Gas Co. for the supply of natural gas.

CAPITAL STOCK

Authorized and outstanding, $3,000,000 Common and $6,000,000 5% Pfd.; par, $100. The Columbia Gas & Electric Corporation owns $5,999,100 Pfd. and all the Common.

Dividends—Dividends of 5% on Pfd. regularly paid. On Common 4% up to and including 1919; none thereafter until 1922, when 3% was paid; none in 1923; 1924, 10.35%. In 1916 fiscal year an extra dividend of 12% was paid on Common.

FUNDED DEBT

$1,296,000 COLUMBUS GAS CO. FIRST GOLD 5s; DUE JULY 1, 1932

Dated July 1, 1892.

Interest Payable January and July 1, at The Equitable Trust Co. of New York.

Denomination—Coupon, $1,000.

Trustee—Central Union Trust Co., of New York.

Provisions of Issue—Authorized and issued $1,500,000, of which $169,000 cancelled and $35,000 held by Columbia Gas & Electric Corp. and subsidiaries, leaving $1,296,000 in hands of public.

Security—A first lien on artificial gas plant.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Cincinnati and Columbus Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922
High	98½	100¾	99⅞	99	93⅜	96½
Low	96⅜	96¾	98½	93⅛	92	82¾

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$2,786,129	$2,384,194	$2,547,849
Oper. exp., maint. & taxes	2,527,401	2,105,985	2,453,281
Depreciation	100,000	129,503	129,503
Net earnings	$158,728	$148,706	†$34,935
Bond interest	66,550	66,550	66,550
Other interest	6,543	3,709	
Balance for dividends	$85,635	$78,447	†$101,485

†Deficit.

Financial Statement—Balance Sheet figures for 1927 are included in the consolidated statement of the Columbia Gas & Electric Corporation and subsidiary companies. For latest published statement see 1927 Public Utility Manual, page 1664.

Office, 99 North Front St., Columbus, Ohio.

THE FEDERAL GAS & FUEL COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History—Inc. Jan. 14, 1899, in Ohio, with perpetual charter. Serves natural gas to consumers of Columbus, O.

CAPITAL STOCK

Authorized and issued, $1,071,000; par, $50. The Columbia Gas & Electric Corporation owns all the stock.

Dividends—Dividends have been paid as follows: 7% in 1916 fiscal year; 8% in 1917 fiscal year; 9% in 1917 calendar year; 12½% in calendar year 1918; 7% in 1919; 1920, 4%; 1921, 10%; 1922, 12%; 1923, 7%; 1924, 45%; later dividends not reported.

FUNDED DEBT

None.

Financial Statement—Income Account and Balance Sheet figures for the year 1927 are included in the consolidated statement of the Columbia Gas & Electric Corp. and subsidiary companies. For latest published statement see 1927 Public Utility Manual, page 1664.

Office, 99 North Front St., Columbus, Ohio.

THE NORTHWESTERN OHIO NATURAL GAS COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History—Incorporated July 14, 1886, in Ohio. Supplies natural gas to Toledo, Perrysburg, Bowling Green, Maumee and North Baltimore, Ohio. Physical property consists of a production system, gas leaseholds, and a transmission system for supplying natural gas to its distributing systems.

CAPITAL STOCK

Authorized and outstanding, $2,775,250; reduced from $3,300,300 in Nov., 1904, by changing par value from $60 to $50. All owned by Columbia Gas & Electric Corporation, excepting one share owned by each of the directors.

Dividends—Dividends have been paid as follows: 1903 to 1907, 6%; 1908, 4½%; 1909, 6%; 1910, 4½%; 1911, none; 1912, 24%; 1913, none; 1914, 10%; 1915, 10%; 1916, none; 1917, 28%; 1918, none; 1919, 40%; 1920, 15%; 1921, 15%; 1922, none; 1923, 70%; 1924, none; 1925, 50%; later dividends not reported.

Financial Statement—Income Account and Balance Sheet figures for the year 1927 are included in the consolidated statement of the Columbia Gas & Electric Corporation and subsidiary companies. For latest published statement, see 1927 Public Utility Manual, page 1664.

Officers: F. W. Crawford, Chairman; Raymond Cross, Pres.; T. B. Gregory, J. M. Garard F. H. Crawford, J. G. Pew, J. W. McMahon, V-Ps.; D. E. Mitchell, Sec.; L. A. Seyffert, Treas.

Directors: Raymond Cross, F. W. Crawford, T. B. Gregory, J. M. Garard, L. B. Denning, J. W. McMahon, J. B. McMahon, F. H. Crawford, R. J Bunkhalter, J. G. Pew.

Office, Toledo, Ohio.

THE OHIO FUEL GAS COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Property—Incorporated September 15, 1922, in Ohio, and took over the property of The Ohio Fuel Supply Company used and useful in its natural gas business in Ohio, in exchange for its own entire capital stock. The property acquired consists of a production system, including gas leaseholds, a transmission system and a distribution system.

Natural gas is wholesaled by this company for distribution by other companies in Ohio, at Columbus, Cincinnati, Hamilton, Middletown, Springfield, Washington Courthouse, Tarlton and Williamsport.

Acquisition Approved—The Ohio Public Service Commission in Feb., 1928, approved the application of the Company to purchase the gas properties of Ohio Public Service Co. and those of Toledo Edison Co. except the artificial gas plant at Defiance. The Ohio Public Service Co. will receive nearly $6,500,000 for its properties and Toledo Edison Co. about $715,000.

CAPITAL STOCK

Authorized and outstanding, $25,000,000; par, $100. All owned by Columbia Gas & Electric Corporation, except directors' qualifying shares.

Dividends—Dividends of 8% each paid in 1923 and 1924; 12% in 1925; 8% in 1926; 1927, not reported.

FUNDED DEBT

None.

Financial Statement—Inome Account and Balance Sheet figures for the year 1927 are included in the consolidated statement of Columbia Gas & Electric Corporation and subsidiary companies. For latest published statement, see 1927 Public Utility Manual, page 1665.

Officers: F. W. Crawford, Chrm.; Raymond Cross, Pres.; T. B. Gregory, J. M. Garard, F. H. Crawford, D. M. Wilson, V-P.'s; D. E. Mitchell, Sec.; L. A. Seyffert, Treas.

Directors: G. W. Crawford, F. W. Crawford, J. M. Garard, P. G. Gossler, Donald Wilson, Raymond Cross, T. B. Gregory, John G. Pew, F. H. Crawford.

Office, 99 No. Front St., Columbus, Ohio.

POINT PLEASANT NATURAL GAS CO.

(Controlled by Columbia Gas & Electric Corporation)

History—Incorporated July 18, 1911, in W. Va. for 50 years.

CAPITAL STOCK

Authorized and outstanding, $20,000; par, $100. The Columbia Gas & Electric Corporation owns all of the stock.

FUNDED DEBT

None.

Offices, Point Pleasant, W. Va., and 2017 Farmers Bank Bldg., Pittsburgh, Pa.

THE SPRINGFIELD GAS COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Properties — Incorporated March 8, 1849, under the laws of Ohio, with perpetual charter. Serves natural gas to consumers in Springfield, O. The Springfield Gas, Coke & Pipe Line Co. was merged with The Springfield Gas Co. May 31, 1916

CAPITAL STOCK

Authorized and outstanding, $610,000; par, $25. The Columbia Gas & Electric Corporation owned all the stock.

Dividends—Dividends of 5% each on March 1, 1918, and Aug. 1, 1918; 10% in 1919; 1920, 5%; 1921, 15%; 1922, 45%; 1923, none; 1924, 57.9%; 1925, 10%; later dividends not reported.

FUNDED DEBT

None.

Financial Statement—Income Account and Balance Sheet figures for 1927 are included in the consolidated statement of Columbia Gas & Electric Corporation and subsidiary companies. For latest published statement, see 1927 Public Utility Manual, page 1665.

Office, 99 North Front St., Columbus, Ohio.

PENNSYLVANIA FUEL SUPPLY CO.

(Controlled by Columbia Gas & Electric Corporation)

History—Incorporated on June 16, 1903 (in Pa.) as a consolidation of The Fairmount & Oakridge Gas Co., The New Bethlehem Light & Heat Co., and The Red Bank Natural Gas Co (Pa.) On Jan 21, 1904, absorbed The Emlenton Gas Light & Fuel Co. and The Edenburg Gas Co. Company is engaged in the production and distribution of natural gas, and the production of petroleum oil in Armstrong, Butler, Clarion and Venango Counties, Pa.

Control—Control of this company was acquired by Columbia Gas & Electric Corp. upon merger with it of Ohio Fuel Corp. subsequent to Nov. 6, 1926.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $978,000; par, $50. Over 99% of the stock is owned by Columbia Gas & Electric Corp. Transfer Agent and Registrar: L. B. Denning, 2017 Farmers Bank Bldg., Pittsburgh, Pa. Dividends are declared and paid monthly (15th) at Pittsburgh, Pa., at rate of 6% per annum.

FUNDED DEBT

None.

Financial Statement—Income Account and Balance Sheet figures for 1927 are included in the consolidated statement of Columbia Gas & Electric Corporation and subsidiary companies. For latest published statement, see 1927 Public Utility Manual, page 1666.

Officers: T. B. Gregory, Chairman of Board, Pittsburgh, Pa.; H. J. Crawford, Pres.; Emlenton, Pa.; F. W. Crawford, Columbus, Ohio; David E. Mitchell, Sec.; A. J. Newman, Treas., Pittsburgh, Pa.

Directors: H. J. Crawford, H. B. Mitchell, Emlenton, Pa.; F. W. Crawford, Columbus, Ohio; John G. Pew, New York, N. Y.; T. B. Gregory, Geo. W. Rattcliffe, Pittsburgh, Pa.; Geo. R. Berlin, Knox, Pa.

Office, 2017 Farmers Bank Bldg., Pittsburgh, Pa.

THE PRESTON OIL COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Properties—Incorporated June 17, 1914, in Ohio with a perpetual charter. Company acquired the oil producing properties of The Logan Natural Gas & Fuel Co., and is engaged in the production of natural gas and petroleum oil, and the operation of gasoline plants of the absorption process in the State of Ohio; also holds oil and gas leaseholds in West Virginia, Kentucky, Arkansas, Oklahoma and Texas.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par $100. Over 99% of the stock is owned by Columbia Gas & Electric Corp. Annual meeting, first Tuesday after first Thursday in April.

FUNDED DEBT

None.

Office, 99 North Front St., Columbus, Ohio.

THE UNION GAS & ELECTRIC COMPANY

(Controlled by Columbia Gas & Electric Corp.)

History—Incorporated May 26, 1906, in Ohio, to furnish gas and electricity and operate interurban railways. On Sept. 1, 1906, leased The Cincinnati Gas & Electric Co. for 99 years.

Merger of The Ohio Gas & Electric Co.—As of Aug. 1, 1925, by exchange of securities, all the properties and business of The Ohio Gas & Electric Co. (see 1925 Manual, page 766) were combined with The Union Gas & Electric Co., which assumed that Company's outstanding First Mortgage 6% bonds and operates the properties as its Middletown Division.

Acquisition—During 1927, the Company purchased all of the assets of The Cincinnati Suburban Power Company (see 1927 Manual, page 1655). All of the Pfd. stock of this company formerly outstanding was called for redemption. The issue of First Mortgage 6½% Bonds, Series "A", due November 1, 1935, were also called for redemption on Nov. 1, 1927 at 103 and interest at Home Bank & Trust Co., Toledo, Ohio, Trustee.

Physical Properties Acquired—During April, 1928, announcement was made that all of the physical properties of the Company had been acquired by The Cincinnati Gas & Electric Company. These properties, or some of them may continue to be operated by the Union Gas & Electric Company under the lease dated Sept. 1, 1906, referred to above. The lease will be subordinated to the mortgage under which the First Mortgage Gold bonds, Series "A", due April 1, 1968, of The Cincinnati Gas & Electric Company were issued, and all net earnings of the leased properties paid to The Cincinnati Gas & Electric Company as rental.

CAPITAL STOCK

Authorized, 185,000 shares Common of no par value outstanding, Dec. 31, 1927, 185,000 shares Common. All of the Pfd. stock, Series "A" and Series "B" formerly outstanding was retired during 1928. Over 99% of the Common stock is controlled by Columbia Gas & Electric Corp. Annual meeting, Wednesday following first Thursday in April.

Dividends—Dividends of 55 cents per share were paid monthly on Pfd. Series "A", and dividends of 50 cents per share were paid monthly on Pfd., Series "B", until retirement in 1928.

FUNDED DEBT

None.

All the Ohio Gas & Electric Co. First Gold 6s, Series "A"; due May 1, 1946, were called for redemption on Nov. 1, 1927 at 107½ and interest at Central Union Trust Co. of New York, Trustee.

OFFICERS AND DIRECTORS

Officers: W. W. Freeman, Chairman of Board; H. C. Blackwell, Pres. & Gen. Mgr.; Polk Laffoon, V-P. & Sec., Cincinnati; C. W. De Forest, V-P.; Edward Reynolds, Jr., Treas., New York.

Directors: W. W. Freeman, H. C. Blackwell, August Herrmann, L. J. Hauck, J. M. Hutton, Chas. P. Taft, Samuel Assur, L. K. Langdon, A. C. Cassatt, Cincinnati; P. G. Gossler, Edward Reynolds, Jr., New York; Polk Laffoon, H. P. Colville, Covington, Ky.; F. M. Tait, Dayton, Ohio.

Office, Cincinnati, Ohio.

THE CINCINNATI GAS & ELECTRIC COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Property—Organized in 1928 as a Consolidation of a Company of the same name incorporated in 1837 in Ohio and Columbia Power Company, a subsidiary of Columbia Gas & Electric Corporation. Immediately following the consolidation the new Company acquired all of the physical properties of The Union Gas & Electric Company, also a subsidiary of Columbia Gas & Electric Corporation which operated under lease the properties of the former Cincinnati Gas & Electric Company. The operation of some of

MEMBERS:
New York Stock Ex.
Cincinnati Stock Ex.
Detroit Stock Ex.
New York Cotton Ex.
Chicago Board of Trade
New York Curb Market

We specialize in the securities of
The Cincinnati Gas & Electric Co.
W. E. HUTTON & COMPANY
ESTABLISHED 1886

OFFICES:
52 Wall St., New York
1st Nat'l Bk. Bldg., Cinn.
Penobscot Bldg. Detroit
Mutual Home Building, Dayton, O.
Phoenix Hotel, Lexington, Ky.

these properties may be continued by The Union Gas & Electric Company under the lease which has been subordinated to the mortgage securing the First Mortgage Gold Bonds, Series "A", due April 1, 1968, and all net earnings of the leased properties are to be paid to the consolidated Company. Under the terms of the Consolidation all of the previous funded debt of The Cincinnati Gas & Electric Company was retired, its Capital stock exchanged share for share for 5% Pfd. stock of the consolidated Company and the Pfd. stock of The Union Gas & Electric Company was retired. The business of the consolidated Company comprises principally the distribution of electric power and light and gas in Cincinnati and Middletown and either electric power and light or gas or both in more than seventy other cities and towns in southwestern Ohio The aggregate population of the communities directly served is approximately 600,000. The electric properties owned by the Company include two generating stations, the West End and the Columbia, which have installed capacities of 125,000 k.v.a. and 92,500 k.v.a., respectively. The Company also owns 48 substations, having an aggregate transformer capacity of 328,950 k.v.a., and 2,341 miles of electric transmission and distribution lines, of which 279 miles are underground. The gas properties include two artificial gas manufacturing plants having a total daily capacity of 35,000,000 cu. ft., and 997 miles of distribution mains. Franchises held by the Company for the distribution of electricity and artificial gas in Cincinnati are perpetual, subject to the right of the City to purchase the properties. The supplemenal franchise under which natural gas is now being supplied by The Union Gas & Electric Company expires in 1930.

CAPITAL STOCK

Outstanding 750,000 shares of Common of no par value and $40,000,000 5% cumulative Pfd. All of the Common stock is owned by Columbia Gas & Electric Corporation.

FUNDED DEBT

(1)

$35,000,000 FIRST MORTGAGE GOLD BONDS, SERIES "A" 4%; DUE APRIL 1, 1968

Dated April 1, 1928.

Interest Payable April & October 1 in New York.

Denominations—Coupon $1,000; principal may be registered, and fully registered bonds in interchangeable denominations of $1,000, $5,000, $25,000 and $100,000. Coupon and fully registered bonds are interchangeable.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized amount unlimited; issued, $35,000,000 Series "A" 4s. Mortgage provides that additional bonds, either of Series "A" or of other series having such interest rates, maturity dates and other provisions as may be established by directors, may be issued: (1) To extent of $15,000,000 without restriction; (2) par for par to refund bonds of any series previously issued under Mortgage, and (3) for a principal amount which, together with any prior liens outstanding on property additions, shall not exceed 75% of future property additions directly or indirectly subjected to Mortgage (and par for par to refund any such prior liens), provided, with respect to all bonds proposed to be issued under (3) other than for refunding prior liens, that consolidated net earnings before depreciation shall, for 12 consecutive months out of the preceding 15 have been not less than twice annual interest charges on, or 12% of principal amount of (whichever is less), all prior liens and all bonds outstanding and to be issued.

No bonds shall be issued on basis of property additions subject to prior liens if such prior liens exceed 50% of the cost or fair value of such property additions, or if the aggregate amount of all prior liens then outstanding on all property additions would exceed 20% of the amount of all bonds outstanding and applied for. At intervals of five years the mortgaged property is to be inspected by an engineer appointed by the Trustee and approved by the Company. If the property is found not to be in satisfactory condition for economic operation, and if within the succeeding two years Company does not (a) take the necessary steps to restore the property to satisfactory condition for economic operation, or (b) deposit in cash or bonds an amount equal to the estimated cost of rectifying the deficiencies. Company agrees that it will not thereafter pay any dividends on its Common stock (other than dividends payable in Common stock) until it has complied with the above conditions.

With consent of holders of 80% of outstanding bonds affected, Company may make changes in Mortgage provided such changes do not in any way modify terms of payment of principal or interest of any of bonds issued under Mortgage, or provide for creation of any lien ranking prior to or equal with Mortgage.

Purpose of Issue—The $35,000,000 Series "A" bonds were issued incident to the consolidation and acquisition in consummation of which all previous funded debt of Cincinnati Gas & Electric Company was retired, its Capital stock exchanged share for share for 5% Pfd. stock of the consolidated Company; the Pfd stock of Union Gas & Electric Company retired, and capital funds provided for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at par and interest.

Security—Secured by a direct first lien on all fixed properties owned by Company. This property is carried on the Company's books at substantially more than 2½ times the principal amount of these bonds.

Tax Provision—Company pays Normal Federal Income tax up to 2%.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York.

Original Offering—First publicly offered ($35,000,000 First Mortgage 4% Gold bonds, Series "A") in April, 1928, at 92½ and interest, to yield 4.40% by Guaranty Co. of New York, J. & W. Seligman & Co., W. E. Hutton & Co., Coggeshall & Hicks; Field, Glore & Co., New York, and Union Trust Co., Pittsburgh.

(2)

$8,277,000 FIRST & REFUNDING (NOW FIRST) 5s, SERIES "A"; DUE APRIL 1, 1956

Called for redemption on April 1, 1928, at 102 and interest at American Exchange Irving Trust Co., New York, Trustee.

(3)

$5,720,000 PRIOR LIEN & REFUNDING MORTGAGE 5½s, SERIES "B"; DUE JANUARY 1, 1961

Called for redemption on April 1, 1928, at 105 and interest at American Exchange Irving Trust Co., New York, Trustee.

(4)

$8,263,300 PRIOR LIEN & REFUNDING MORTGAGE 6s, SERIES "C"; DUE JANUARY 1, 1961

Called for redemption April 1, 1928.

BONDS CALLED

All of the Prior Lien & Refunding Mortgage, 40-Year Sinking Fund 7% Bonds, Series "A," due Jan. 1, 1961, were called for redemption on Oct. 1, 1927 at 110 and interest at New York Trust Co., New York, Trustee.

CONSOLIDATED INCOME ACCOUNT
(The Union Gas & Electric Co. and Columbia Power Co.)

	1927	1926	1925	1924	1923
Gross earnings	$21,967,888	$20,531,320	$17,763,729	$15,527,857	$14,595,033
Operating expenses, maintenance and taxes	13,474,886	12,590,647	11,751,555	9,278,204	9,127,831
Net earnings	$8,493,002	$7,940,673	$6,012,174	$6,249,653	$5,467,202
Other income	317,584	332,624	454,432	245,947	309,826
Total income	$8,810,586	$8,273,297	$6,466,606	$6,495,600	$5,777,028
Depreciation	1,406,138	1,007,489	630,227	564,593	545,936
Balance	$7,404,448	$7,265,808	$5,836,379	$5,931,007	$5,231,092

***INCOME ACCOUNT, YEARS ENDED DECEMBER 31**

	1927	1926	1925	1924	1923	1922
Rentals received	$1,714,562	$1,719,925	$1,725,385	$1,731,892	$1,737,665	$1,743,642
Interest	2,155	3,894	4,078	4,744	2,128	3,244
Maintenance	27,500	27,500	27,500	27,500	27,500	27,500
Total income	$1,744,217	$1,751,319	$1,756,963	$1,764,136	$1,767,293	$1,774,386
Expenses	28,579	27,337	27,903	27,124	29,522	27,324
Balance for dividends	$1,715,638	$1,723,982	$1,729,060	$1,737,012	$1,737,771	$1,747,062
Dividends paid	1,714,562	1,719,925	1,725,385	1,731,892	1,737,665	1,743,642
Surplus for year	$1,076	$4,057	$3,675	$5,120	$106	$3,420

*The Cincinnati Gas & Electric Company prior to consolidation.

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Giving effect to merger with Columbia Power Company, the issuance of new securities and retirement of previous funded debt and notes payable)

Assets—		Liabilities—	
Property account	$103,950,468	Common stock	$30,000,000
Investment securities owned	133,128	Preferred stock	40,000,000
Cash	7,665,626	Funded debt	35,000,000
Accounts receivable	1,078,406	Accounts payable	235,431
Materials and supplies	297,290	Accrued taxes	158,278
Deferred assets	3,762,446	Reserves for depreciation	4,279,211
		Surplus	7,214,444
Total	$116,887,364	Total	$116,887,364

¶GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Plant and property	$66,310,714	$63,464,808	$45,127,439	Capital stock	$34,248,400	$34,346,400	$35,395,000
Power house construction	.....	.....	15,309,507	Funded debt	34,539,400	31,406,500	31,959,000
Net assets leased Sept. 1, 1906	336,731	336,732	336,732	Notes pay.—not presented	.....	3,000	3,000
Securities owned	133,128	93,413	93,413	Accounts payable, etc.	21,327	.....	.....
Farm loan bonds	.....	39,995	39,995	Unpaid divds. & vouchers	.....	2,373	1,805
Treasury stock	.....	.....	338,700	Due to Brush Co.'s stockholders	.....	.....	548
Bonds held alive in sinking fund	1,602,600	†1,565,300	1,130,500	Bond interest	.....	.....	16,389
Pledged bonds	2,932,000	*2,976,000	3,000,000	Due Union Gas Co. for approved cap. expenditures	55,183	404.272	54,409
Cash in special funds	31,955	31,147	‡3,261,136	Due Union Gas Co.—acct. int. on cap. exp. fund	.....	17,650	
Cash	35,815	31,057	23,229	Reserves—			
				Bonds in sinking fund	1,602,600	1,541,300	1,130,500
				Cinn. G. & E. Co. stock purchased	807,900	709,900	.....
				Surplus	108,133	107,057	99,999
Total	$71,382,943	$68,538,452	$68,660,651	Total	$71,382,943	$68,538,452	$68,660,651

*First Mortgage bonds pledged with trustee, $3,000,000 less $24,000 held in sinking fund. †Consisting of $1,100,000 First Mortgage 5% bonds with American Exchange Irving Trust Co., and $222,000 Series "A," $190,000 Series "B" and $53,300 Series "C" Prior lien bonds with New York Trust Co. ‡Includes $1,019,000 in 1926 Prior Lien "C" bonds for capital expenditure account. ¶The Cincinnati Gas & Electric Company prior to consolidation.

Officers (prior to consolidation): Chas. D. Jones, Pres.; Alfred M. Cohen, 1st V-P.; Samuel Assur, 2d V-P.; E. H. Ernst, Sec. & Treas.; Theo. Clauss, Asst. Sec.; H. W. Lothmann, Asst. Treas., Cincinnati, O.
Directors (prior to consolidation): R. K. Le Blond, E. H. Ernst, C. F. Windisch, M. E. Moch, Samuel Assur, Chas. D. Jones, Alfred M. Cohen, G. W. Noyes, H. W. Lothmann, Chas. P. Taft, Stuart B. Sutphin, Cincinnati, O.
Office, Cincinnati, Ohio.

UNITED FUEL GAS COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Property—Incorporated Feb. 5, 1916, in W. Va., under name of Kermit Gas Co., the name being changed to United Fuel Gas Co. on March 14, 1916, by certificate filed with the Secretary of State of West Va. The Company's charter expires Feb. 1, 1966.

The Company acquired all of the property of, and is the successor to, a former corporation of West Virginia, also named United Fuel Gas Co., which was voluntarily reorganized pursuant to a plan and agreement of reorganization dated Jan. 1, 1916, $9,000,000 of stock of the new Company (the present United Fuel Gas Co.) being issued for the acquisition of the property of the old Company, being the same amount of stock as was outstanding in the old Company, and $6,950,000 of bonds of the new Company being issued to take up all of the outstanding bonds and practically all of the indebtedness of the old Company.

The United Fuel Gas Co. owns over 99% of the $130,000 capital stock of the **Cabin Creek Gas Co.**, producing natural gas, oil and gasoline in West Virginia; $61,500 (68%) of the $89,400 issued capital stock of the **Big Marsh Oil Co.**, producing natural gas in West Virginia, over 99% of $547,000 issued capital stock of **Warfield Natural Gas Co.**, producing natural gas in eastern Kentucky and distribtuing it in Ash-

land, Catlettsburg, and neighboring communities; and over 99% of the Capital stock of Charleston-Dunbar Natural Gas Co. (see appended statement).

On May 1, 1922, the **Virginian Gasoline & Oil Co.** (all of which company's $890,200 issued capital stock is owned by Columbia Gas & Electric Corporation except directors' shares) purchased from the United Fuel Gas Co. its acreage of oil rights.

Business—Company is engaged in producing, wholesaling and distributing natural gas.

CAPITAL STOCK

Authorized and outstanding, $30,000,000; par $100. Columbia Gas & Electric Corp. owns all of the stock except directors' shares.

Annual Meeting—Second Thursday in April, at Charleston, W. Va.

FUNDED DEBT

None.

Financial Statement—Income Account and Balance Sheet figures for 1927 are included in the consolidated statement of Columbia Gas & Electric Corp. and subsidiary companies and are no longer reported separately. For latest published statement see 1926 Public Utility Manual, page 1311

Officers: John G. Pew, Chrm.; H. A. Wallace, Pres. & Gen. Mgr., Charleston, W. Va.; P. G. Gossler, V-P.; Edward Reynolds, Jr., Treas. & Sec.

Directors: F. W. Crawford, Geo. W. Crawford, T. B. Gregory, Pittsburgh, Pa.; W. W. Freeman, P. G. Gossler, Harold Stanley, New York; H. A. Wallace, Charleston, W. Va.; John G. Pew, Chester, Pa.

Offices, Charleston, W. Va. and 61 Broadway, N. Y.

CHARLESTON-DUNBAR NATURAL GAS CO.

(Controlled by United Fuel Gas Co.)

History—Incorporated June 30, 1910, in W. Va., for the production and marketing of natural gas, oil and gasoline.

CAPITAL STOCK

Authorized, $400,000 Common and $250,000 cumulative Pfd.; outstanding, $243,500 Common and $174,666 Pfd.; par, $100. All of both issues owned by United Fuel Gas Co. Annual meeting, second Thursday in April.

FUNDED DEBT

None.

BONDS CALLED

All the First Gold 6s, due annually each April 1, to 1933 were called for redemption on Oct. 1, 1927, at par and interest at Equitable Trust Co., New York, Trustee.

OFFICERS AND DIRECTORS

Officers: John G. Pew, Chrm.; H. A. Wallace, Pres. & Gen. Mgr., Charleston, W. Va.; E. Reynolds, Jr., Sec. & Treas., New York; W. R. Kay, Asst. Sec. & Asst. Treas.; W. S. Hightower, Asst. Sec. & Asst. Treas.; A. G. Rice, Asst. Treas.

Directors: H. A. Wallace, Charleston, W. Va.; P. G. Gossler, E. Reynolds, Jr., John G. Pew, New York; F. W. Crawford, Pittsburgh, Pa.

General Office, Charleston, W. Va.

VIRGINIAN GASOLINE & OIL COMPANY

(Controlled by Columbia Gas & Electric Corporation)

History and Property—Incorporated April 12, 1922, in West Virginia. Manufacturers of gasoline and producers of oil. On May 1, 1922, Company purchased all of the producing oil property of the United Fuel Gas Co. together with all its gasoline plants and one carbon black plant. In the transfer of this property the United Fuel Gas Co. deeded to the Virginian company 5 gasoline plants of the absorption process and 3 of the compression process.

The United Fuel Gas Co. also assigned to the Virginian company the oil rights in all of the leasehold oil rights (as distinguished from gas rights) at that time owned by the United Fuel Gas Co.

CAPITAL STOCK

Authorized $1,000,000; outstanding, $890,200; par, $100; all except directors' shares owned by Columbia Gas & Electric Corporation. Annual meeting, second Tuesday in April.

FUNDED DEBT

None.

Financial Statement—Income Account and Balance Sheet figures for the year 1927 are included in the consolidated statement of the Columbia Gas & Electric Corp. and subsidiary companies. For latest published statement see 1926 Public Utility Manual, page 1312.

OFFICERS AND DIRECTORS

Officers: John G. Pew, Chrm.; H. A. Wallace, Pres. & Gen. Mgr.; P. G. Gossler, V-P.; Edw. Reynolds, Jr., Treas. & Sec.

Directors: F. W. Crawford, Columbus, O.; P. G. Gossler, Harold Stanley, W. W. Freeman, New York; H. A. Wallace, Charleston, W. Va.; T. B. Gregory, G. W. Crawford, Pittsburgh, Pa.; J. G. Pew, Chester, Pa.

General Office, Charleston, W. Va.

CENTRAL KENTUCKY NATURAL GAS COMPANY (INC.)

(Controlled by Columbia Gas & Electric Corporation)

History and Property—Incorporated Oct. 11, 1905, in Ky., to acquire natural gas franchises in several cities in Ky., and to construct, lay, operate and maintain a system of natural gas lines and to lease lands and acquire gas wells, etc.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $25. As of Jan. 1, 1928, practically all of the capital stock was acquired by Columbia Gas & Electric Corporation through exchange of securities, 1 share of Columbia Gas & Electric Corporation's 6% cumulative Pfd. stock being exchanged for each 2¼ shares of stock of Central Kentucky Natural Gas Co. Secretary of company acts as Transfer Agent. Annual meeting, second Tuesday in September.

Dividends—Dividends have been paid as follows: 5% in 1908; 2½% in 1909; 5% in 1910; 2½% in 1911; none thereafter until 1916, when 6% was paid; 1917 to 1927 incl., 6% each; payments quarterly, J, A, J & O 15.

FUNDED DEBT

None.

KENTUCKY ELECTRIC POWER CORPORATION

History and Property—Incorporated Jan. 20, 1926, in Delaware. Plant completed and operations were begun as a public utility Sept. 1, 1927. Furnishes electric light and power to the town of Nortonville and a number of other mining communities in Hopkins County, Kentucky; likewise furnishes power for the principal plant of the Norton Coal Mining Company located at Nortonville, Kentucky and to a number of plants and industries in the adjacent coal field of Western Kentucky. All of the firm power in excess of a reservation of 3,000 k.w. from the present units has been sold under a long term contract to the Kentucky Utilities Company, which distributes the power throughout Western Kentucky.

The Corporation owns an integrated group of properties, including a mine-mouth power plant, extensive coal deposits and water reserves. A new unit containing a 6,250 kva. Westinghouse turbine, with provision for extension to 62,500 kva., has been recently added to the power station at Nortonville, giving a total generating capacity of 9,350 kva. The plant is

situated at the mouth of the principal mine of the Norton Coal Mining Company, which under a thirty-year contract agrees to deliver coal directly to the power plant conveyors, eliminating rail transportation and handling charges, thereby insuring a very low fuel cost. Fuel requirements are further protected by the Corporation's direct ownership of large coal reserves.

CAPITAL STOCK

Authorized, 10,000 shares Common and 10,000 shares $7 Pfd.; outstanding, 10,000 shares Common and 857 shares Pfd., both of no par value. The Pfd. stock is entitled to preferred dividends, cumulative from July 1, 1927, at the rate of $7 per annum. In addition to the 857 shares Pfd. outstanding, 4,571 additional are held by the trustee for the conversion of the debentures.

Dividends—None paid to April, 1928.

FUNDED DEBT

(1)

$1,100,000 FIRST MORTGAGE GOLD BOND SERIES "A" 6%; DUE JANUARY 1, 1951

Dated January 1, 1926.

Interest Payable January and July 1, at The Baltimore Trust Co., Baltimore, Md., or in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Baltimore Trust Co., Baltimore, Md.

Provisions of Issue—Issued, $1,100,000 Series "A." Additional bonds of this or other series may be issued under restrictions of the indenture.

Purpose of Issue—Proceeds of Series "A" bonds used for betterments, extensions to Corporation's central power plant, including transmission system, reimbursing Corporation for expenditures made in connection therewith and for other corporate purposes.

Callability—Subject to call as a whole or in part by lot upon 30 days' notice, to and including Jan. 1, 1931, at 103½ and interest, the premium thereafter decreasing at the rate of ½ of 1% for each ensuing five-year period to a final call price of 101½ and accrued interest during the last five-year period preceding maturity.

Sinking Fund and Improvement Fund—A minimum royalty of five cents a ton on all coal mined from the mortgaged property is payable to the Trustee for the purchase or redemption of bonds. Commencing Jan. 1, 1928, the Corporation agrees to pay annually to the Trustee, a sum equal to 2% of the aggregate principal amount of Series "A" Bonds outstanding at the date of each such payment, said payments to constitute a Series "A" Improvement Fund. This fund may be used to reimburse Corporation for additions and betterments which may not serve as a basis for the issue of additional bonds.

Security—Secured by a first mortgage on the entire fixed assets of the Corporation now owned or hereafter acquired. This issue of Series "A" bonds represents less than 50% of the valuation of the mortgaged property as appraised by The J. G. White Engineering Corporation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—McClellan, Rice & Stone and John T. Edmunds (for the Company) and Piper, Carey & Hall (for the bankers).

Original Offering—First publicly offered ($1,100,000) in June, 1926, at 99 and interest, to yield approximately 6.05% by Hambleton & Co., New York; The Baltimore Trust Co., Baltimore, and Biddle & Henry Philadelphia.

(2)

$400,000 10-YEAR 6½% CONVERTIBLE GOLD DEBENTURES; DUE JUNE 1, 1936

Dated June 1, 1926.

Interest Payable June and December 1, at The Century Trust Company of Baltimore, or at office or agency of the Corporation in New York.

Denominations—Coupon, $500 and $1,000; principa may be registered.

Trustee—The Century Trust Company of Baltimore

Provisions of Issue—Authorized and issued, $400, 000.

Purpose of Issue—Proceeds used for betterments extensions to the Corporation's central power plant including the transmission system, reimbursing th corporation for expenditures made in connection there with and for other corporate purposes.

Callability—Subject to call on 30 days' notice i whole or in part by lot, at 102½ and accrued interest

Convertibility—Debentures are convertible into Pfc stock of Corporation, unless called for previous re demption, in which event conversion may be made a any time prior to 10 days before the redemption date In conversion, debentures shall be taken at their fac value and the value of Pfd. stock taken at $87.50 share, with adjustment of accrued interest and divi dends in each case.

Tax Provisions—Company pays Normal Federal In come tax up to 2%, and agrees to refund Persona Property taxes in Pennsylvania and Connecticut, nc exceeding 4 mills, in Maryland not exceeding 4½ mill in Kentucky and District of Columbia, not exceeding mills per dollar of taxable value per annum; and th Massachusetts Income tax not exceeding 6% per an num on the interest thereon.

Legal Opinion—McClellan, Rice & Stone (for th Company); Piper, Carey & Hall (for the bankers).

Original Offering—First publicly offered ($400,000 in October, 1926, at 99 and interest, to yield abou 6.62%, by Hambleton & Co., Baltimore, etc., Biddle Henry, and Brown & Co., Philadelphia.

OFFICERS AND DIRECTORS

Officers: Monro B. Lanier, Chairman of Board, Bi mingham, Ala.; Ezra B. Whitman, Pres., Baltimor Md.; S. S. Lanier, Jr., V-P., Nortonville, Ky.; J. T Edmunds, Sec. & Treas., Hopkinsville, Ky.

Directors: Eugene L. Norton, Ezra B. Whitman, C. M. Lucas, Baltimore, Md.; Monro B. Lanier, Bi mingham, Ala.; Edward N. Chilson, Charles E. Stuar New York; Sterling S. Lanier, Jr., Dr. J. S. Gaithe Nortonville, Ky.; J. B. Ramsey, Knoxville, Tenn.; A R. Cummings, Madisonville, Ky.

General Office, Nortonville, Ky.

ANDROSCOGGIN WATER POWER COMPANY

(Controlled by Pejepscot Paper Co.)

History and Property—Incorporated in 1925, i Maine to acquire all of the Androscoggin River wate power properties of the Pejepscot Paper Company These properties have been leased to the Pejepsco Paper Company at a rental sufficient to pay the inte est and sinking fund charges on the First Mortgag bonds, as well as all other charges and liabilities of th Androscoggin Water Power Company. The prope ties consist of real estate, water power rights, dam river improvements and water power plants in opera tion over a period of more than thirty years. There ar three independent developments, located at Lisbo Falls, Pejepscot Mills and Topsham, Me. These de velopments extend for a distance of about ten mile along the Androscoggin River and it is estimated tha they will provide a maximum of 15,000 h.p.

CAPITAL STOCK

Authorized and outstanding, $1,500,000. All owne by the Pejepscot Paper Co.

Annual Meeting—First Tuesday in February.

FUNDED DEBT

$1,350,000 FIRST MORTGAGE (CLOSED ISSUE) 20-YEA GOLD 6s; DUE AUGUST 1, 1945

Dated August 1, 1925.

Interest Payable February and August 1, at Th First National Bank, Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The First National Bank, Boston.

Provisions of Issue—Authorized and issued, $1,500,000 of which $150,000 retired to Aug. 1, 1927.

Callability—Subject to call as a whole or in part at any time upon 30 days' published notice, at 105 and interest, until and including Aug. 1, 1935, and thereafter to maturity at 100, plus a premium of ½ of 1% for each year or part thereof of the unexpired term of the bonds.

Sinking Fund—The mortgage provides for a sinking fund, sufficient to retire $75,000 of these bonds each year. Commencing Aug. 1, 1925, funds to provide for these payments will be deposited monthly, in advance, with the Trustee. The operation of the sinking fund will retire all the outstanding bonds at or prior to maturity.

Security—The security for these bonds includes the riparian rights of the company valued at $2,250,000 and the other real property owned by the company valued at $649,877. The foregoing and other property owned by the company have a combined appraised valuation of $3,004,213.

Guaranty—Guaranteed, principal, interest and sinking fund, by the Pejepscot Paper company. The Guarantor company covenants that no mortgage will be placed on its real property during the life of these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of these bonds, if requested within 60 days after payment, for the Massachusetts Income Tax on the interest, not exceeding 6% of such interest per annum and any similar taxes that may be imposed in R. I., Vt., or N. H., not in excess of 4/10 of 1% of the principal.

Legal Opinion—Shattuck, Bangs & Winant (for the Company) and Ropes, Gray, Boyden & Perkins, (for the bankers).

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,500,000) in July, 1925, at 99½ and interest, to yield over 6%, by Bond & Goodwin, Inc., New York, etc., Maynard S. Bird & Co., Inc., Portland, Me., and Lane, Piper & Jaffray, Inc., Minneapolis, Minn.

OFFICERS AND DIRECTORS

Officers: Edgar Rickard, Pres.; Rollin B. Burton, V-P. & Treas.; Howard M. Smith, Sec.

Directors: Rollin B. Burton, Edgar Rickard, Howard M. Smith.

Office, 42 Broadway, New York.

SEDALIA WATER COMPANY

History and Properties—Incorporated Nov. 20, 1926, in Missouri, and on Jan. 15, 1927, acquired the entire water works property formerly owned and operated by the City Water Company of Sedalia, which latter company was incorp. Nov. 23, 1906. The physical property consists of adequate artificial and natural storage reservoirs having a combined capacity of about 760,000,000 gallons, a 20-inch cast iron pipe line seven and one-half miles long, sedimentation basin, filtration plant, two pumping units of 13,000,000 gallons combined daily capacity and a distribution system covering the city. The company provides not only the domestic water supply but also takes care of large industrial requirements.

Franchises—The company, in the opinion of counsel, operates under a valid franchise granted by the city of Sedalia. This franchise is unlimited in time, except that under its terms the city has certain rights to purchase the property of the company at an appraised valuation. The company operates under the jurisdiction of the Public Service Commission of the State of Missouri.

CAPITAL STOCK

Authorized, 11,850 shares Common stock of no par value and $1,000,000 7% cumulative Pfd., par $100; outstanding, 11,850 shares Common and $290,000 Pfd.

Preferred Stock Provisions—Preferred as to assets as well as dividends. Subject to redemption as a whole or in part at such times as directors may direct at 105 and accrued dividends. Non-voting except in special cases.

Transfer Agent and Registrar—St. Louis Union Trust Co., St. Louis, Mo.

Public Offering—Preferred stock was publicly offerred ($250,000) about September, 1927, at par and dividend, by Putnam & Storer, Inc., Boston, and Bitting & Co., St. Louis.

Annual Meeting—Second Tuesday in February.

Dividends—Preferred dividends paid quarterly, J, A, J & O, initial payment having been made April 15, 1927.

FUNDED DEBT

$950,000 FIRST MORTGAGE 5½% GOLD BONDS; DUE FEBRUARY 1, 1947

Dated February 1, 1927.

Interest Payable February and August 1, at Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Inc., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago, Ill;

Co-Trustee—St. Louis Union Trust Co., St. Louis, Mo.

Provisions of Issue—Issued, $950,000. Additional bonds of this or other series with different rates of interest and redemption provisions, may be issued (a) for 66 2-3% of the cost of extensions and additions to the property made subsequent to February 1, 1927, provided that net earnings for twelve consecutive months ending not more than 90 days prior to the application for the issuance of additional bonds, are at least twice the annual interest requirements on all bonds outstanding under the mortgage including the additional bonds, and on all underlying bonds, if any, and (b) for the refunding or acquisition of underlying bonds, if any. The mortgage contains provisions permitting its modification except in certain important particulars (with the assent of the Trustees and the holders of 80%, in aggregate principal amount, of bonds outstanding thereunder.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 105 on or before February 1, 1937; thereafter at 103 up to and including February 1, 1942; 102 up to and including February 1, 1945; at 101 up to and including February 1, 1946 and thereafter at par until maturity, accrued interest to be added to all prices.

Special Fund—The mortgage requires that on March and September 1 of each year, beginning in 1928, the company shall deposit in cash or bonds with the Trustee in a Special Fund one-half of 1% of the aggregate amount of bonds outstanding 90 days prior to such dates, such fund to be used (a) to reimburse the company for the full cost or fair value of extensions and additions which have not previously been made the basis for the issue of bonds: (b) for the purchase or redemption of bonds issued under this mortgage, the bonds so purchased or redeemed to be held alive by the Trustee as a part of the Special Fund; interest accruing on bonds so held shall be added to said fund.

Security—Secured by a first mortgage on all physical property of company including land, water mains, pumping stations and other equipment now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Income taxes not exceeding 6% or Personal Property taxes to an amount not exceeding 4 mills will be refunded to holders resident in Massa-

chusetts, Connecticut, Pennsylvania and California upon proper application.

Legal Opinion—Fordyce, Holliday & White, St. Louis.

Original Offering—First publicly offered ($950,000) in February, 1927 at par and interest, by Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

	1927	*1926	1925
Gross revenue	$172,363	$138,024	$131,811
Oper. exp. and taxes	65,017	65,805	60,515
Net earnings	$107,346	$72,219	$71,296

*Predecessor Company.

INCOME ACCOUNT FOR PERIOD FROM JANUARY 16, 1927 TO DECEMBER 31, 1927

Gross revenue	$165,422
Operating expenses and taxes	62,213
Net earnings	$103,209
Other income	389
Total income	$103,598
Interest on bonds and notes	56,102
Depreciation	10,462
Amortization of debt discount and other expense	2,863
Surplus after charges	$34,171
Dividends declared	22,580
Surplus for period	$11,591

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Plant and property	$1,702,614	Preferred stock	$290,000
Service curb connections	3,546	Common stock	493,049
Fixed organization	7,814	Funded debt	950,000
Cash	20,156	Accounts payable	2,589
Accounts receivable	22,855	Accrued interest on bonds	21,771
Material and supplies	5,565	Dividends payable	7,192
Deferred charges	25,132	Reserves	10,874
		Surplus	12,207
Total	$1,787,682	Total	$1,787,682

Officers: L. P. Andrews, Pres. & Gen. Mgr., Sedalia, Mo.; T. Russell Robinson, V-P., Boston; Chas. C. Evans, Treas.; I. H. Reed, Sec., Sedalia, Mo.

Directors: Wm. C. Bitting, Jr., St. Louis; F. L. Putnam, T. Russell Robinson, Boston; L. P. Andrews, Chas. C. Evans, Sedalia, Mo.

General Office, Sedalia, Mo.

CONTINENTAL TELEPHONE COMPANY

History—Incorporated May 12, 1926, in Delaware, for the purpose of operating or/and holding properties of telephone companies. Owns all or the majority of the outstanding voting stock of the following companies:

COMPANIES OWNED OR CONTROLLED

Washington Telephone Company, Iowa.
Central Mutual Telephone Company, Iowa.
Monroe Independent Telephone Company, Neb.
Platte County Independent Telephone Company, Neb.
Kearney Telephone Company, Neb.
Madison Telephone Company, Neb.
Farmers Mutual Telephone Company—Ord, Neb.
Gainesboro Telephone Co., Tenn.
Battle Creek Telephone Co., Neb.
Central Telephone Co., Greeley, Neb.
Tucker Telephone Company, Ky.
Lebanon Home Telephone Company, Ky.
Republican Valley Telephone Company, Neb.
Monroe Telephone Company, Ga.
Laurens Telephone Company, S. C.
Abbeville Telephone Company, S. C.
Dawson Telephone Company, Ga.
Southern Telephone Company, Ga.
Washington Telephone Company, Ga.
Taylor County Telephone Company, Ky.
Story County Independent Telephone Company, Iowa.
St. Croix Valley Telephone Company, Wis.
Farmers & Merchants Telephone Company, Neb.
Bloomington Telephone Company, Neb.
Interstate Telephone Company, Neb.
Hildreth Telephone Company, Neb.
Beaver City Telephone Company, Neb.
Moore Telephone Company, Ky.
Buena Vista Telephone Company, Ga.
Sumter Telephone Company, S. C.
Bishopville Telephone Company, S. C.
Consolidated Telephone Company, S. C.
Palmer Telephone Company, Neb.
Colleton Telephone Company, S. C.
Weakley Telephone Company, Tenn.

The properties divide into four operating groups, as follows:

Wisconsin, Iowa and Nebraska—Principal towns served are St. Croix Falls, Wis.; Taylors Falls, Minn.; Washington, Rockwell City, Lake City, Story City and Nevada, Iowa; Columbus, Albion, Kearney, Madison, Neligh, Ord, Greeley, Franklin, Alma and Beaver City, Nebraska.

Tennessee and Kentucky—The principal subsidiary of the Kentucky and Tennessee groups serves 30 contiguous counties in southern Kentucky and northern Tennessee.

Georgia—Company serves nine counties in Georgia, including the principal cities of Monroe, Winder, Washington, Toccoa, Cuthbert and Dawson.

South Carolina—Principal cities and towns served are Sumter, Abbeville, Laurens, Manning, Walterboro, Bishopville and Kingstree, S. C.

The system includes 48 modern central office buildings, 41,633 owned telephone stations and about 7,699 service stations. The properties serve, without competition, 134 cities and towns and surrounding rural districts having a combined population estimated at 500,000. The telephone lines of these properties interconnect with the Bell System serving adjacent territories.

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value, $500,000 7% Participating Pfd. and $10,000,000 6½% Pfd., par of Pfd. stocks, $100; outstanding Dec. 31, 1927, 66,150 shares Common, $431,600 7% Pfd., and $579,100 6½% Pfd.

7% Participating Preferred Stock Provisions—The 7% Preferred is subject to call on any dividend date at 110 and participates up to 10% per annum after $3 per share is paid on Common. Both the 6½% and the 7% Pfd. stocks share alike up to par and accrued dividends in the event of liquidation or dissolution of the Company.

6½% Preferred Stock Provisions—The 6½% Pfd. stock ranks equally as to assets and dividends up to 6½% with the 7% Participating stock. It is entitled to cumulative dividends at the annual rate of 6½%, payable quarterly, J. A, J & O 1. The stock is redeemable at the option of the Company on 30 days' notice at 105 and accrued dividend. No dividends shall be declared or paid on the Common stock in any year until Pfd. stock dividends have been paid or set aside for that purpose.

Transfer Agent—Stock transferred at Company's office, Lincoln, Neb.

Annual Meeting—Third Tuesday in January, at Lincoln, Neb.

Original Offering—$500,000 6½% cumulative Pfd. stock publicly offered in May, 1927, at $100 per share and accrued dividends by Merchants Trust Co., St. Paul and Wells-Dickey Company, Minneapolis.

Dividends—Dividends on both classes of Pfd. stock have been paid since date of issue; payments quarterly J, A, J & O 1. On Common, dividends of 25 cents each per share were paid April 1, 1927 and Feb. 1, 1928.

FUNDED DEBT

$2,400,000 5% COLLATERAL TRUST GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1953

Dated February 1, 1928.

Interest Payable February and August 1 at the Merchants Trust Co., St. Paul, or at the Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Merchants Trust Co., St. Paul, Minn

Provisions of Issue—Authorized amount unlimited; issued, $2,400,000. Additional bonds may be issued under the restrictions of the Indenture for the following purposes: (1) For permanent improvements and additions to property of the company or subsidiaries, not to exceed 75% of the cost or fair value thereof, whichever is lower; (2) for the acquisition or reimbursement therefor, after Feb. 1, 1928 of the Common stock of any telephone corporation in which the Company has obtained not less than 70% of the voting control and which shares of stock shall be pledged under this agreement, provided the bonds so issued, including any outstanding underlying securities, do not exceed 75% of the cost or fair value, whichever is lower, of the acquired property; (3) for the acquisition or retirement of outstanding underlying securities of subsidiaries and for refunding bonds issued hereunder, bonds may be issued to the par value thereof. No additional bonds may be issued under the Indenture, except for the purpose of refunding bonds of the Company, unless consolidated net earnings, after adequate depreciation charges, for twelve consecutive calendar months within the fifteen calendar months immediately preceding application (exclusive of proportion applicable to minority common stocks) have been at least 1¾ times the annual interest and fixed dividend charges on all bonds and Pfd. stocks of subsidiaries held by the public, and on all bonds outstanding under this Indenture, including those to be issued.

Purpose of Issue—Proceeds were used to retire $800,000 Five Year 5½% Collateral Trust Gold Notes due March 1, 1932, underlying securities of subsidiaries amounting to $314,130 and other indebtedness created in the acquisition of properties.

Callability—Subject to call in whole or in part, on any interest date on 30 days' notice at 103 and accrued interest on or before Feb. 1, 1933; at 102 and accrued interest on or before Feb. 1, 1938; at 101 and accrued interest on or before Feb. 1, 1943; and thereafter at 100 and interest.

Sinking Fund—None provided.

Security—Secured by pledge with the Trustee of all of the Common stock of the subsidiary companies owned by the Continental Telephone Co. Company agrees that it will not permit any subsidiary company to mortgage or pledge its property, or create any indebtedness maturing later than one year from date, except however purchase money mortgages or indebtedness existing on the properties at the time of acquisition, and indebtedness to the Company and mortgages securing same.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—C. B. Randall (for the Company) and J. D. Armstrong (for the Bankers).

Original Offering—First publicly offered ($2,400,000) in Feb., 1928, at 97¼ and interest to yield about 5.20% by Merchants Trust Co., Kalman & Co., Northwestern Trust Co., Harold E. Wood & Co., St. Paul, Minn., and Peters Trust Co., Omaha, Neb.

NOTES CALLED

All outstanding Five-Year 5½% Collateral Trust Gold Notes, Series "A," due March 1, 1932 were called for redemption on March 1, 1928 at 101 and interest at Merchants Trust Co., St. Paul, Minn.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Continental Telephone Co. and Subsidiaries)

	1927	1926
Gross earnings from operation	$1,260,415	$890,547
Operating expenses and taxes	764,214	528,970
Depreciation	189,377	144,859
Net earnings	$306,824	$216,718
Other income	.....	2,582
Total income	$306,824	$219,300
Fixed charges	105,635	106,619
Net income	$201,189	$112,681
Pfd. dividends to minority stockholders	4,736	3,273
Com. dividends to minority stockholders	3,125	12,692
Net balance	$193,328	$96,716
Pfd. dividends—Continental Co.	58,630	32,419
Surplus avail. for Com. stock—Continental Co.	$134,698	$64,297

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	*1927	1926
Plant & equip. (including undistributed items pending appraisal)	$4,545,622	$3,363,974
Intangible capital	3,344	2,741
Investment securities	69,477	46,319
Miscellaneous investments	8,830	.....
Cash and deposits	305,726	75,826
Employees working fund	3,777	625
Bills or notes receivable	960	10,113
Due from subscribers and agents	59,104	44,050
Accounts receivable	43,144	28,113
Materials and supplies	56,587	56,670
Accrued income not due	283	7,380
Prepayments	18,485	7,218
Other deferred debits	282,785	54,432
Total	$5,398,124	$3,697,461
Liabilities—		
7% Preferred stock	$431,600	$451,800
6½% Preferred stock	579,100	12,200
Funded debt	.....	348,000
Gold notes 5½%, due 1932	.....	800,000
Gold notes 5%, due 1953	2,400,000	.....
Funded debt of Sub. Cos.	†121,750	.....
Subsidiary stock held by others	15,959	216,590
Bills or notes payable	2,190	392,109
Accounts payable	63,515	105,537
Accrued liabilities not due	48,522	39,979
Reserve for accrued depreciation	859,749	558,182
Other deferred credit items	7,841	11,345
Common stock equity represented by shares (no par value), subsidiary surplus at date of acquisition and earned surplus	867,898	761,719
Total	$5,398,124	$3,697,461

*After sale of $2,400,000 5% notes due 1953. †Since Dec. 31, 1927, $30,000 Sumter Telephone Co. and $10,000 Bishopville Telephone Co., bonds have been purchased, leaving $81,750 in hands of public.

Officers: G. W. Robinson, Chairman of Board, St. Paul, Minn.; Frank H. Woods, Pres., Lincoln, Neb.; W. G. Bickelhaupt, Senior V-P., Aberdeen, S. D.; J. H. Agee, V-P., Lincoln, Neb.; George K. Gann, V-P.; C. B. Randall, Treas., St. Paul, Minn.; Thos. C. Woods, Sec.; W. L. Lemon, Asst. Treas., Lincoln, Neb.; A. C. Cragg, Asst. Sec., St. Paul, Minn.

Directors: G. W. Robinson, C. B. Randall, George K. Gann, A. C. Cragg, St. Paul, Minn.; Frank H. Woods, Thomas C. Woods, J. H. Agee, W. L. Lemon, Lincoln, Neb.; W. G. Bickelhaupt, Aberdeen, S. D.

General Offices, Lincoln, Neb., and St. Paul, Minn.

PLATTE VALLEY TELEPHONE CORPORATION

History and Property—Incorporated May 3, 1927 in Delaware; successor to The Platte Valley Telephone Company (for last published statement see 1927 Public Utility Manual, page 1281). Owns and operates without competition, 260 miles of toll pole lines, 501 miles of rural and city pole lines, together with modern telephone exchanges and appurtenances in the following towns in Nebraska and Wyoming: General Office, Scottsbluff, Neb.; Bayard, Broadwater, Gering, Lewellen, Lisco, Lyman, Minatare, Mitchell, Morrill, Oshkosh, Guernsey, Lingle, Torrington, LaGrange and Yoder. This district comprises about 6,000 square miles, with a population approximating 40,000. No. of telephones, 4,952. Miles of wire, 7,966.2. No of exchanges, 16.

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value and $400,000 7% Preferred of $100 par value; outstanding, 50,000 shares Common and $65,350 Preferred. Secretary of Corporation acts as transfer agent.

Annual Meeting—First Tuesday in February

Dividends—Dividends on Preferred regularly paid quarterly since July 1, 1927, payments on last days of M, J, S & D. No dividends paid on Common.

FUNDED DEBT

$600,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JULY 1, 1947

Dated July 1, 1927.

Interest Payable January and July 1 at The Omaha Trust Co., Omaha, Neb.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—The Omaha Trust Co., Omaha, Neb.

Provisions of Issue—Authorized, $1,500,000; issued, $600,000. Issuance of additional bonds is restricted in accordance with terms of the Trust Deed.

Purpose of Issue—Proceeds of this issue were used for retiring an outstanding issue of Company's bonds and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at a premium of ¼ of 1% for each year or fraction thereof that bonds have to run between date of their call and their ultimate maturity.

Depreciation and Sinking Fund—Corporation agrees to set aside annually in a depreciaion reserve account, a minimum amount of 5% of the plant valuation, this sum being in addition to sufficient amount being expended to maintain the property in proper condition each year. Commencing in 1933 Company will deposit $10,000 with the Trustee, and a like amount each year for the next four years; for the next five years Company will deposit $15,000 per year and the next four years $20,000 each year. Said sum deposited to be used in retiring a like sum of bonds each year, providing bonds are tendered to the Trustee upon his notice of money being available at price not exceeding the call price. Providing no bonds are tendered the sum deposited shall be returned to the corporation to be used for betterments or improvements, or acquisition of additional property on satisfactory showing of the Trustee.

Security—Secured by direct first mortgage on all property of the company now owned or hereafter acquired. According to appraisal of the company's property as of June 1, 1927, made by Hagenah & Erickson, Chicago, the depreciated value of the property when these bonds were issued was $1,083,092.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Kennedy, Holland, DeLacy & McLaughlin (for the Company), and Stout, Rose, Wells & Martin (for the bankers).

Original Offering—First publicly offered ($600,000) in July, 1927, at par and interest, by Oliver J. Anderson & Co. and Taussig, Day, Fairbank & Co., Inc., St. Louis.

INCOME ACCOUNT, SIX MONTHS ENDED DECEMBER 31, 1927

Gross earnings	$98,293
Operating exp. & taxes	42,337
Depreciation	23,826
Net earnings	$32,130
Other income	6,947
Total income	$39,077
Interest on bonds	18,000
Other interest charges	12,802
Other charges	3,138
Total charges	$33,940
Surplus after charges	$5,137
Preferred dividend	2,038
Surplus for year	$3,099

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties and equipment	$1,289,314
Materials and supplies	18,762
Cash	4,251
Accounts receivable	10,133
Deferred debit items	41,576
Total	$1,364,036
Liabilities—	
Preferred stock	$65,350
Funded debt	600,000
Notes payable	327,382
Accounts payable	17,508
Interest accrued	2,936
Reserve for taxes	6,648
Reserve for depreciation	119,884
Reserve for insurance	3,927
Surplus unappropriated	217,302
Profit and loss surplus	3,099
Total	$1,364,036

Officers: John B. Cook, Pres., Treas. & Gen. Mgr., Scottsbluff, Neb.; D. W. Cook, V-P., Beatrice, Neb.; Zella Dunham, Sec.; J. C. Reynolds, Aud., Scottsbluff, Neb.

Directors: John B. Cook, E. C. Cook, Otto Fuerst, H. M. Carmean, Scottsbluff, Neb.; D. W. Cook, Beatrice, Neb.

General Office, Scottsbluff, Neb.

UNITED PUBLIC SERVICE COMPANY

History and Properties—Incorporated Feb. 23, 1927, in New Jersey. Owns all of the Common capital stocks (except directors' qualifying shares) of United Public Utilities Company, Southern United Ice Company, Southern United Gas Company, United Merchandising Company, and United Securities Company, and owns controlling interest in Kentucky Power Company, Inc.

These subsidiaries furnish (either directly or through operating companies, at least 95% of whose outstanding capital stocks are owned) the following service:

Electric light and power: Retail in 34, and wholesale in 14 centralized communities in the territory lying between Dayton, Ohio, and Winchester, Indiana; retail in a group of 73 centralized communities in North and South Dakota; and retail in 42 towns in northern and eastern Kentucky along the Ohio River. 31,680 retail consumers are served in 149 communities.

Gas service is furnished in 19 communities in the same territory in Indiana and Ohio; in Maysville, Kentucky; and in Fort Smith and Van Buren, Arkansas. 11,551 consumers are served, not including approximately 10,000 domestic consumers of the Fort Smith Light and Traction Company, an unaffiliated company, which obtains practically its entire supply of gas under a long term contract from a subsidiary of Southern United Gas Company.

The total combined population of the territory supplied with electric light and power and gas service is estimated to be in excess of 275,000.

Ice is supplied in 30 communities located principally in Tennessee, Mississippi, Louisiana and Alabama.

The properties of the operating companies include

electric power stations, having a combined generating capacity of 27,438 h.p.; 47 ice manufacturing plants (complete with ice storage houses), and 19 storage and distributing substations, having a daily ice making capacity of 3,256 tons, and a total ice storage capacity in excess of 52,000 tons; a gas plant of 395,000 cu. ft. daily capacity, supplemented by natural gas; 85 wells producing natural gas; leases covering approximately 9,000 acres of proven gas lands, together with a similar amount of undeveloped acreage; 160 miles of gas transmission lines; and 1,195 miles of electric transmission lines.

CAPITAL STOCK

Authorized, 500,000 shares of no par value Common, and 100,000 shares of no par value Preferred; outstanding, 300,000 shares of Common, 38,000 shares of $7 cumulative Pfd., and 983 shares of $6 cumulative Pfd.

In addition, 42,500 shares of Common stock are issuable on account of outstanding stock purchase warrants.

Preferred Stock Provisions—The Board of Directors is empowered to cause Preferred stock to be issued in series with variations as to the rates of dividends payable thereon (not less than 5% or more than 8% on liquidation value) said dividends to be cumulative, and as to the terms on which the same may be redeemed (at not less than 100 or more than 110% of the liquidation value of such shares plus accrued dividends), and as to the amount that shall be paid to the holders thereof in case of dissolution or any distribution of assets, and as to the terms or amount of sinking fund provided for purchase or redemption thereof, but each share of said Preferred stock shall in all respects be equal to and on a parity with every other share of Preferred stock of the same series.

No class of stock (additional to the 100,000 shares of the Pfd. stock initially authorized) senior to or on an equality with the present authorized Pfd. stock may be created or authorized without the affirmative vote or written consent of the holders of three-fourths in amount of the Pfd. stock of the Corporation at the time outstanding. Other than as above provided the Pfd. stockholders are not entitled to vote at stockholders' meetings except in case Corporation shall be in arrears in payment of fixed dividends upon all of its Pfd. stock then outstanding in an amount equal to the aggregate of the fixed dividends for a full year, in which case Pfd. stockholders are entitled to vote in respect of the election of directors of the Corporation, until all arrearages on the Pfd. shall have been made up.

The Board of Directors has created a $7 Series and a $6 Series of Pfd. stock, both series having a redemption price of $105, and a liquidation value of $100 per share. No shares of either series in addition to the shares initially provided for, may be issued unless the consolidated net earnings of the Company and its subsidiaries (or their predecessor properties) for twelve consecutive months out of the preceding fifteen months, after interest charges on all funded debt, shall equal 2½ times the annual preferred dividends on all Pfd. stock then outstanding and proposed to be issued.

Transfer Agents—Central Trust Co. of Illinois, Chicago, and Bankers Trust Co., New York, for the Common and the $7 Pfd. Central Trust Co. of Illinois for the $6 Pfd.

Registrars—National Bank of the Republic, Chicago, and The Seaboard National Bank of the City of New York, New York, for the Common and $7 Pfd. National Bank of the Republic for the $6 Pfd.

Annual Meeting—First Tuesday in April at Jersey City, N. J., or Chicago, Ill.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—12,000 shares $7 Pfd. stock offered in May, 1927, at $100 per share and accrued dividends (each two shares of Pfd. carrying one share of Common stock), by Thompson Ross & Co., Chicago. 5,000 shares $7 Pfd. stock were offered in July, 1927, by Thompson Ross & Co., and 10,000 shares in Nov., 1927 by Thompson, Ross & Co., Chicago, and Hale, Waters & Co., Boston, at the same price.

In April, 1928, Thompson Ross & Co. and Hale, Waters & Co. offered 6,000 shares of $7 Pfd. (each two Pfd. shares carrying one share of Common) at $101 per share and accrued dividends, to yield 6.93%.

Dividends—Quarterly dividends of $1.75 per share on the $7 Pfd. were paid July 1 and Oct. 1, 1927, and Jan. 1 and April 1, 1928. Quarterly dividends of $1.50 per share on the $6 Pfd. were paid on Oct. 1, 1927, and Jan. 1 and April 1, 1928. Payments, J, A, J & O 1.

FUNDED DEBT

(1)

$5,120,000 UNITED PUBLIC SERVICE COMPANY FIFTEEN-YEAR COLLATERAL TRUST 6% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1942

Dated April 1, 1927.

Interest Payable April and October 1, at The Chase National Bank, New York, or Central Trust Co. of Illinois, Chicago.

Denominations—Coupon bonds in interchangeable denominations of $500 and $1,000 (and in denomination of $100 at option of the Company); principal may be registered.

Trustee—Central Trust Company of Illinois, Chicago.

Provisions of Issue—Issued, $5,120,000 Series "A" 6s. Additional bonds, issuable in one or more series, may be issued for not exceeding 80% of the cost of additional securities of subsidiaries to be pledged with the Trustee, provided earnings applicable to interest on the bonds issued under the Indenture, on the basis of a consolidated statement, for a period of 12 months out of the next preceding 15 months, shall have been at least three times the annual interest charges on all bonds then outstanding and proposed to be issued and on prior liens, if any, upon the pledged securities; all as defined and stated in the Indenture. The Indenture also provides that the amount of any prior liens upon securities of subsidiaries pledged with the Trustee, as above stated, shall be included in such cost and out of the additional bonds issuable against such pledged securities on the basis of such cost, there shall be reserved an amount equal to the principal amount of such prior liens, to be issued as the amount of such prior liens is reduced.

Purpose of Issue—The original $2,000,000 Series "A" bonds, together with $1,550,000 Two-Year 6% Notes, 17,000 shares $7 cumulative Pfd. stock of no par value and 300,000 shares Common stock of no par value were issued in exchange for the capital stocks of the subsidiaries acquired by Company and pledged with the Trustee under the Indenture, and for working capital. Subsequent amounts were issued in connection with the acquisition by the Company of additional subsidiary securities.

Callability—Subject to call as a whole, or in part by lot, on any interest date on 30 days' notice at 105 and interest on or before April 1, 1932, this premium of 5% decreasing ½ of 1% of the principal on each Oct. 1, thereafter.

Security—These bonds are the direct obligation of Company, specifically secured by deposit and pledge with the Trustee under the Indenture of all of the capital stocks (except directors' qualifying shares and a minority interest of approximately 25% in the case of the Kentucky Power Company, Inc.) of the following subsidiaries: United Public Utilities Co., Southern United Ice Co., Southern United Gas Co., and Kentucky Power Co., Inc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund to holders of these bonds, upon proper and timely application, Connecticut, Pennsylvania and California Personal Property taxes not exceeding 4 mills per annum each, Maryland Securities Tax not exceeding 4½ mills per

annum, District of Columbia, Michigan and Kentucky Personal Property taxes not exceeding 5 mills per annum each, and Massachusetts Income Tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($2,000,000) in May, 1927, at 97½ and interest, to yield over 6.25%, by Thompson Ross & Co., Chicago, and Hambleton & Co., New York. Subsequent offerings by same bankers were: $400,000 in Aug. 1927, at same price; $2,400,000 in Jan., 1928, at 98 and interest, to yield over 6.20%.

Listed—Chicago Stock Exchange.

Price Range—1927: High, 99½; low, 97.

(2)

$1,550,000 TWO-YEAR 6% GOLD NOTES (CLOSED ISSUE); DUE APRIL 1, 1929

Dated April 1, 1927.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago, or at The Chase National Bank of the City of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized and issued, $1,550,000.

Purpose of Issue—These notes, together with the Fifteen-Year Collateral Trust 6% Gold Bonds and the capital stock of the Company were issued in exchange for the capital stock of subsidiaries acquired by the Company and for working capital.

Callability—Subject to call as a whole or in part by lot, on the first day of any month, on 30 days' notice at 101 and interest.

Security—Notes are the direct obligation of the Company and are subject to the Collateral Trust Gold Bonds outstanding. The Note Agreement provides that no additional secured or unsecured funded debt (other than Collateral Trust Gold Bonds) may be issued unless earnings (as defined in the Note Agreement) applicable to interest on funded debt, on the basis of a consolidated statement, for twelve consecutive months out of the preceding fifteen months shall exceed the annual interest charge on the Collateral Trust Gold Bonds by an amount equal to at least three times the annual interest charges on all such funded debt (other than Collateral Trust Gold Bonds) outstanding and to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund upon timely application, Connecticut, Pennsylvania and California Personal Property taxes not exceeding 4 mills per annum each, Maryland securities tax not exceeding 4½ mills per annum, District of Columbia, Michigan and Kentucky Personal Property taxes not exceeding 5 mills per annum each, and Massachusetts Income Tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($1,550,000) in May, 1927, at 99¾ and interest by Thompson Ross & Co., Chicago.

Listed—Chicago Stock Exchange.

NOTE—The foregoing capitalization does not include funded debt and Pfd. stock of subsidiaries in hands of public, with an aggregate principal amount of $24,848,400 nor 42,500 shares of Common stock of United Public Service Company issuable on account of outstanding stock purchase warrants.

Price Range—1927: High, 100; low, 98¾.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	†1927	†1926	†1925
Gross earnings	$6,888,078	$4,734,685	$4,390,155	$4,296,757
Oper. exps., mainten. & taxes (other than Federal taxes)	4,064,268	2,810,042	2,549,525	2,525,961
Net earnings	$2,823,810	$1,924,643	$1,840,630	$1,770,796
Annual int. & Pfd. divd. charges on all securities of subsidiaries	1,462,817	805,100	731,000	731,000
Balance	$1,360,993	$1,119,543	$1,109,630	$1,039,796
Annual int. charges on funded debt of United Public Service Co.	410,200	256,200	237,000	237,000
Balance	$950,793	$863,343	$872,630	$802,796
Annual Pfd. divd. charges of United Public Service Co.	271,898	229,898	154,000	154,000
Balance—Available for depletion and retirement reserves, Federal taxes & Common dividends	$678,895	$633,445	$718,630	$648,796
Times Interest Earned	3.31	.....	.....	.....
Earnings Per Share (Pfd.)	$24.39	.....	.....	.....

*Includes properties acquired between Jan. 1 and April 17, 1928. †After adjustment to eliminate non-recurring expenses incurred prior to acquisition by United Public Service Company and/or subsidiaries.

CONSOLIDATED BALANCE SHEET

Assets—	*Dec. 31, 1927	Dec. 31, 1927	June 30, 1927
Fixed capital	$39,673,885	$25,404,183	$23,113,912
Cash	2,198,028	674,761	567,063
Accounts receivable—Consumers	691,155	422,635	499,903
Sundry notes & accounts receivable	153,587	201,577	95,384
Merchandise, materials & supplies	388,155	303,399	294,816
Prepaid insurance, taxes, etc.	45,105	23,369	33,818
Investment in securities of affiliated cos.	231,832	829,424	236,356
Fund for acquisition of securities of subsidiaries	29,894	29,894	30,594
Miscellaneous deposits	4,590	4,590	2,171
Miscellaneous investments	60,461	54,423	51,624
Unamortized debt discount & expense	639,542	171,542	.....
Sundry deferred charges	64,224	63,724	18,881
Total	$44,180,458	$28,183,521	$24,944,522

Liabilities—	*Dec. 31, 1927	Dec. 31, 1927	June 30, 1927
Common stock—United Public Service Co.	$2,900,000	$2,900,000	$2,900,000
Preferred stock—Subsidiaries	4,363,400	.....	.....
United Public Service Co.	3,605,305	3,095,305	2,200,000
Funded debt—Subsidiaries.	20,485,000	13,635,000	12,400,000
United Public Service Co.	6,670,000	4,270,000	3,950,000
Property purchase obligation—due in 1929	501,250	.....	.....
Notes payable	298,408	505,000	.....
Accounts payable	561,135	345,855	428,878
Consumers' deposits	65,690	32,383	30,187
Accrued taxes (other than Federal Income)	148,640	105,073	78,258
Accrued interest on funded debt	349,462	265,325	242,000
Unadjusted credits	9,721	9,721	7,617
Reserves:			
Depletion	379,141	379,141	337,601
Retirements	3,404,019	2,225,464	2,148,401
Contributions for extens.	52,062	52,062	44,962
Uncollected accounts	17,778	14,272	11,938
Equity of minority stockholders in capital of subsidiaries	34,426	13,899	15,695
Surplus	335,021	335,021	148,985
Total	$44,180,458	$28,183,521	$24,944,522

*Projected balance sheet as of Dec. 31, 1927, giving effect as of that date to acquisition of properties acquired between Jan. 1 and April 17, 1928, and to the financing in connection therewith.

Officers: Ernst Jacobson, Pres.; T. J. Lucas, V-P.; Dwight N. Lewis, V-P.; Horace H. Clark, V-P.; John Watson Wilder, V-P.; Hallan Huffman, V-P.; C. J. Horn, Sec.; R. H. Morrison, Treas.

Directors: Ernst Jacobson, R. H. Morrison, Hallan Huffman, Livingston Ross, R. E. Brennan.

General Office, 100 West Monroe St., Chicago, Ill.

UNITED PUBLIC UTILITIES COMPANY

(Controlled by United Public Service Company)

History and Properties—Incorporated Feb. 23, 1927, in New Jersey. Owns all of the outstanding bonds, indebtedness (except current indebtedness not in excess of current assets) and at least 95% of the outstanding capital stock of the following companies:

	Services Rendered
Indiana and Ohio—	
The Greenville Electric Light & Power Co., Greenville, Ohio	Electric
The Buckeye Light & Power Co., Covington, Ohio	Electric
The Eaton Lighting Co., Eaton, Ohio	Electric
The Brookville & Lewisburg Lighting Co., Lewisburg, Ohio	Electric
The New Madison Lighting Co., New Madison, Ohio	Electric
Citizens Heat, Light & Power Co., Winchester, Ind.	Electric & Water
Western Ohio Public Service Co., Greenville, Ohio	Gas
Indiana-Ohio Public Service Co., Winchester, Ind.	Gas
Lynn Natural Gas Co., Lynn, Ind.	Gas
Peoples Service Co., Connersville, Ind.	Gas
North and South Dakota—	
Hughes Electric Co., Bismarck, N. D.	Electric & Heating
Northern Power & Lt. Co., Mobridge, S. D.	Electric & Heating
Knife River Coal Mining Co., Beulah, N. D.	Fuel
Louisiana and Alabama—	
Louisiana Ice & Coal Co., Inc., New Orleans, La.	Ice & Fuel
Alabama United Ice Co., Mobile, Ala.	Ice & Fuel

The Louisiana Ice & Coal Co., Inc., owns the indicated portions of the capital stock of the following ice companies:

Consumers Ice & Storage Co., Inc., Monroe, La.	50%
Bastrop Ice & Storage Co., Bastrop, La.	50%
Rayville Ice & Fuel Co., Rayville, La.	50%
Winnsboro Ice & Fuel Co., Winnsboro, La.	50%
Delhi Ice & Fuel Co., Delhi, La.	30%
Columbia Ice & Fuel Co., Inc., Columbia, La.	30%

Electric light and power is supplied retail in 34 and wholesale in 14 centralized communities in the territory lying between Dayton, Ohio, and Winchester, Indiana, and retail in a group of 73 centralized communities in North and South Dakota; 26,636 retail consumers are served in 107 communities. Gas is furnished to 9,358 consumers in 19 centralized communities in the same territory in Indiana and Ohio. The combined population of the territory supplied with electric light and power and gas service is estimated to be in excess of 200,000. Ice is furnished in Mobile, Alabama, and in 9 communities in Louisiana, including Monroe and New Orleans.

The properties of the operating subsidiaries include electric power stations having a combined generating capacity of 22,316 h.p.; ice plants having daily ice-making capacity of 1,164 tons; gas plants of 395,000 cubic feet daily capacity, supplemented by natural gas; 1,017 miles of electric transmission lines, and 165 miles of gas distribution mains.

In 1927 the power stations generated 33,132,000 k.w.h. (partially estimated). The gas sales in 1927 were 330,200,000 cu. ft., and the ice sales, 147,200 tons.

The electric properties in Indiana and Ohio are interconnected by transmission lines, recently completed. These properties serve the following communities: Winchester, Spartanburg, Saratoga, Ridgeville, Modoc, Lynn, Losantville, Fountain City and Farmland, Indiana; Greenville, Eaton, North Star, Brock, Dawn, New Madison, Coletown, Pikeville, Beansville, Palestine, Hollandsburg, Castine, Gordon, Lewisburg, Verona, West Sonora, Bloomer, Covington, Laura, Ludlow Falls, Painter Creek, Pleasant Hill, Potsdam, Webster and West Milton, Ohio. Electric service is also supplied wholesale in Union City, Indiana, and in Burkettsville, New Weston, Mariastein, Cranberry Prairie, Rossburg, Union City, Ansonia, Woodington, Bradford, Gettysburg, Pittsburgh, Savona, Eldorado and West Manchester, Ohio.

In Indiana and Ohio gas is supplied in Winchester, Portland, Connersville, Lynn and Union City, Indiana; Union City, Greenville, New Madison, Eaton, West Alexandria, Lewisburg, West Manchester, Eldorado, Castine, New Paris, Brookville, Osborn, Fairfield and Yellow Springs, Ohio. Water is supplied to 872 customers in Winchester, Indiana. In North and South Dakota electric service is supplied to the following communities:

North Dakota—Zeeland, Hague, Venturia, Wishek, Lehr, Fredonia, Kulm, Napoleon, Merricourt, Monango, Fullerton, Steele, Dawson, Hazelton, Ashley, Forbes, Mandan, Dickerson, Bismarck, Belfield, Beulah, Burt, Carson, Dodge, Dunn Center, Elgin, Gladstone, Glen Ullin, Golden Valley, Halliday, Hazen, Hebron, Heil, Killdeer, Leith, Mott, New Leipzig, New Salem, Richardton, South Heart, Taylor, Werner and Zap.

South Dakota—Eureka, Hillsview, Greenway, Artas, Herried, Frederick, Leola, McLaughlin, Blunt, Lemmon, Thunder Hawk, Keldron, Morristown, Watauga, McIntosh, Glenham, Selby, Akaska, Hosmer, Bowdle, Roscoe, Hoven, Tolstoy, Onaka, Ipswich, Gettysburg, Lebanon and Seneca.

Interconnection of all of the above communities in North and South Dakota will be effected presently upon completion of two short transmission lines connecting the Northern Power & Light Company and Hughes Electric Company systems.

Heating service is furnished to 313 customers in Mobridge, South Dakota, and Ellendale, Bismarck, Mandan and Dickinson, North Dakota.

CAPITAL STOCK

Authorized, 250,000 shares of no par Common, and 500,000 shares of no par Pfd.; outstanding, 180,300 shares of Common and 35,000 shares of $6 Pfd. All the Common shares (except directors' qualifying shares) owned by United Public Service Co.

Preferred Stock Provisions—The Board of Directors is empowered to cause Pfd. stock to be issued in series with variations as to the rates of dividends payable thereon (not less than 5% or more than 8% on liquidation value) said dividends to be cumulative, and as to the terms on which the same may be redeemed (at not less than 100 or more than 110 per centum of the liquidation value of such shares plus accrued dividends), and as to the amount that shall be paid to the holders thereof in case of dissolution or any distribution of assets, and as to the terms or amount of sinking fund provided for purchase or redemption thereof, but each share of said Pfd. stock shall in all respects be equal to and on a parity with every other share of Pfd. stock of the same series. The $6 Dividend Series Pfd. stock is entitled to $100 and accrued dividends per share in the event of dissolution or liquidation; redeemable at 105 and accrued dividends on any quarterly dividend date upon 30 days' notice. Preferred as to dividends and assets over the Common stock.

No class of stock (additional to the 500,000 shares of Pfd. stock initially authorized) senior to or on an equality with the present authorized Pfd. stock may be created or authorized without the affirmative vote or written consent of the holders of two-thirds in amount of the Pfd. stock of the Corporation at the time outstanding. Other than as above provided, the preferred stockholders are entitled to vote at stockholders' meetings only in case the corporation shall be in arrears in payment of fixed dividends for a full year, in which case preferred stockholders are entitled to vote in respect of the election of directors of the

Corporation until all arrearage in dividends upon the Pfd. stock shall have been made up.

The Company's amended Certificate of Incorporation provides that none of its Pfd. stock, of all series in the aggregate, may be issued in addition to the 35,000 shares of such Pfd. stock initially provided for unless the Company's earnings applicable to interest and dividends (as defined in the amended Certificate of Incorporation), on the basis of a consolidated statement, for twelve consecutive calendar months ending not more than three months prior to the date of the adoption of the resolution of the Board of Directors authorizing the issuance of such additional stock, shall exceed—by an amount at least equal to 2½ times the fixed dividends payable in one year on all of the Pfd. stock outstanding and then proposed to be issued—the annual interest charge on all funded debt of the Company and its subsidiaries outstanding or concurrently to be outstanding at the date of the issuance of said stock, including (as specified in the amended Certificate of Incorporation) unfunded indebtedness, if any, incurred in connection with the acquisition of capital assets; provided that, a limited number of shares may be issued from time to time for sale on the customer-ownership plan, subject to the earnings limitation applicable to such shares in said amended certificate contained. Said amended Certificate of Incorporation contains provisions designed to prevent (as long as any shares of the Pfd. stock, $6 Dividend Series, are outstanding) public financing by subsidiaries of United Public Utilities Company.

Transfer Agents—Central Trust Co. of Illinois, Chicago, and Bankers Trust Co., New York.

Registrars—National Bank of the Republic, Chicago, and The Seaboard National Bank of the City of New York, New York.

Legal Opinion—Pam & Hurd, Chicago.

Annual Meeting—First Tuesday in April at Jersey City, N. J., or Chicago, Ill.

Original Offering—First publicly offered (35,000 shares $6 Dividend Series Pfd.) in March, 1928, at 94½, yielding about 6.35%, by Thompson Ross & Co., Chicago; Hambleton & Co., New York, and Hale, Waters & Co., Boston.

Listed ($6 Dividend Pfd.)—Chicago Stock Exchange.

Dividends—Payments on Pfd. quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$6,785,000 FIRST LIEN 6% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1947

Dated April 1, 1927.

Interest Payable April and October 1, at The Chase National Bank of the City of New York, or at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000 (and in denominations of $100 at option of the Company); interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount, not limited; issued, Series "A", $6,785,000. Additional bonds issuable in one or more series, may be issued against the deposit of cash or for not exceeding 75% of the cash cost or fair value (whichever is lower) of acquiring new subsidiaries or of additions, improvements, betterments, extensions and additional properties acquired by subsidiaries provided that earnings applicable to bond interest for a period of twelve consecutive months out of the next preceding fifteen months shall have been at least 1¾ times the annual interest charges on all bonds then outstanding and proposed to be issued. Bonds may also be issued par for par for refunding purposes; all as stated in the Indenture.

Purpose of Issue—The original $5,550,000 of these bonds, together with the $1,850,000 Two-Year Notes and 175,000 shares of Common stock were issued in exchange for the bonds, notes and capital stock of the original operating subsidiaries acquired by the Company. Subsequent issues were used to reimburse the Company for property extensions, improvements and additions, and to provide in part funds for acquisition of new subsidiaries.

Callability—Subject to call as a whole, or in part by lot, on any interest date on 30 days' notice at 105 and interest on or before April 1, 1932, this premium of 5% decreasing ¼ of 1% of the principal on Oct. 1, 1932 and on each Oct. 1 thereafter.

Maintenance and Renewal Fund—Indenture provides that each calendar year, the Company shall expend or cause to be expended by its subsidiaries an amount not less than 12½% of the consolidated gross earnings for the preceding calendar year for (a) repairs, renewals and replacements; (b) extensions or acquisitions in respect of which the Company would otherwise be entitled to issue additional bonds; or (c) the redemption or purchase of bonds outstanding under the Indenture.

Security—Secured by a first lien on all outstanding bonds, indebtedness (except current indebtedness not in excess of current assets) and at least 95% of the capital stock of all classes of each subsidiary, as defined; the securities representing such outstanding bonds, indebtedness and capital stock to be deposited and pledged with the Trustee under the Indenture. The Indenture provides that these requirements in respect of each subsidiary must at all times be maintained. The Company may, however, in lieu of depositing any outstanding indebtedness of a subsidiary deposit cash sufficient to retire same. Unless 100% of the stock is pledged, the Indenture provides for an adequate deposit in cash against the non-pledged stock which cannot exceed 5% of the whole.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut, Pennsylvania and California Personal Property Taxes not exceeding 4 mills per annum each, Maryland Securities Tax not exceeding 4½ mills per annum, District of Columbia, Michigan and Kentucky Personal Property taxes not exceeding 5 mills per annum each, and Massachusetts Income Tax not exceeding 6% per annum on the interest refunded upon proper and timely application.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($5,550,000) in April, 1927, at 100 and interest to yield 6% by Thompson Ross & Co., Chicago, and Hambleton & Co., New York. $1,235,000 additional offered in Dec., 1927 at same price and by same bankers.

Listed—Chicago Stock Exchange.

Price Range—1927: High, 99½; low, 97.

(2)

$3,750,000 FIRST LIEN 5½% GOLD BONDS, SERIES "B"; DUE APRIL 1, 1947

Dated April 1, 1927.

Provisions of Issue—All provisions of Series "B" bonds are the same as Series "A", except as to rate of interest.

Purpose of Issue—To provide in part, funds for the acquisition of new subsidiaries.

Listed—Chicago Stock Exchange.

Original Offering—First publicly offered ($3,750,000) in March, 1928, at 97¾ and interest, to yield 5.70%, by Thompson Ross & Co., Chicago, Hambleton & Co., New York, and Hale, Waters & Co., Boston.

(3)

$1,850,000 TWO-YEAR 5½% GOLD NOTES (CLOSED ISSUE) DUE APRIL 1, 1929

Dated April 1, 1927.

Interest Payable April and October 1, at The Chase National Bank of the City of New York, or at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Purpose of Issue—These $1,850,000 of notes, together with Company's $5,550,000 of First Lien 6% Gold bonds, Series "A," and 175,000 shares of Common stock were issued in exchange for the bonds, notes and capital stocks of the operating subsidiaries acquired by the Company.

Callability—Subject to call, as a whole, or in part by lot, on the first day of any month, on 30 days' notice at 101 and accrued interest.

Indenture Provisions—These notes are the direct obligation of the Company, and are subject only to the First Lien Gold bonds of the Company outstanding. The Note Agreement provides that no additional secured or unsecured funded debt (other than First Lien Gold bonds) may be issued unless earnings applicable to interest on funded debt, on the basis of a consolidated statement, for twelve consecutive months out of the preceding fifteen months shall be at least 1½ times the annual interest charges on all funded debt outstanding and to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund upon application, Connecticut, Pennsylvania and California Personal Property Taxes not exceeding 4 mills per annum each, Maryland Securities Tax not exceeding 4½ mills per annum, District of Columbia, Michigan and Kentucky Personal Property Taxes not exceeding 5 mills per annum each, and Massachusetts Income Tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($1,850,000) in April, 1927, at 99¼ and interest, yielding about 5.90%, by Thompson Ross & Co., Chicago, and Hambleton & Co., Baltimore.

Listed—Chicago Stock Exchange.

Price Range—1927: High, 99¾; low, 96¾.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	†1927	†1926	†1925
Gross earnings	$3,331,174	$2,234,970	$1,791,696	$1,741,414
Operating expenses, maintenance and taxes (other than Federal taxes)	1,895,315	1,296,450	978,527	952,208
Net earnings	$1,435,859	$938,520	$813,169	$789,206
Annual interest charges on funded debt	715,100	508,850	434,750	434,750
Balance	$720,759	$429,670	$378,419	$354,456
Annual Preferred dividends	210,000	.....	.....	.....
Balance for retirement reserve, Federal taxes & Common dividends	$510,759	$429,670	$378,419	$354,456

*Includes properties acquired between Jan. 1, and April 17, 1928. †After adjustment to eliminate non-recurring expenses incurred prior to acquisition by United Public Utilities Co.

CONSOLIDATED BALANCE SHEET

Assets—	*Dec. 31, 1927	Dec. 31, 1927	June 30, 1927
Fixed capital	$22,567,018	$14,320,679	$12,618,293
Cash	544,701	212,665	264,019
Accts. receiv.—consumers.	483,116	275,541	303,085
Sundry notes & accts. rec.	60,878	47,629	42,540
Merchandise, materials & supplies	201,758	179,610	134,240
Prepaid insurance, taxes, etc.	9,176	3,830	9,617
Investment in securities of affiliated cos.	204,077	204,077	156,804
Fund for acquisition of securities of subsidiaries	17,394	17,394	18,094
Miscellaneous deposits	2,191	2,191	2,171
Miscellaneous investments	58,960	53,923	51,124
Unamortized debt discount & expense	101,223	101,223	.....
Sundry deferred charges	33,514	33,014	7,061
Total	$24,284,006	$15,451,776	$13,607,048

Liabilities—	*Dec. 31, 1927	Dec. 31, 1927	June 30, 1927
Common stock	$5,245,000	$4,825,000	$4,450,000
Preferred stock	3,500,000	.....	.....
Funded debt	12,385,000	8,635,000	7,400,000
Property purch. obligation, due in 1929	376,250	.....	.....
Accounts payable	311,802	252,246	254,899
Consumers' deposits	58,968	31,015	29,048
Accrued taxes (other than Federal taxes)	102,448	60,509	55,875
Accrued int. on funded debt	127,213	127,213	108,689
Unadjusted credits	2,114	2,114	2,843
Reserves:			
Retirements	1,764,555	1,108,523	1,091,426
Contributions for extens.	52,061	52,061	44,962
Uncollectible accounts	14,771	14,271	11,938
Equity of minority stockholders in capital of sub.	8,950	8,950	11,156
Surplus	334,874	334,874	146,212
Total	$24,284,006	$15,451,776	$13,607,048

*Projected balance sheet as of Dec. 31, 1927, giving effect as of that date to acquisition of properties acquired between Jan. 1, and April 17, 1928, and to the financing in connection therewith.

Officers: Ernst Jacobson, Pres.; Horace H. Clark, V-P.; T. J. Lucas, V-P.; C. J. Horn, Sec.; R. H. Morrison, Treas.

Directors: Ernst Jacobson, Livingston Ross, Hallan Huffman, R. H. Morrison, Thomas H. McKoy, Jr., Fred E. Ames, Clarence I. Worcester.

General Office, 100 West Monroe St., Chicago. Ill.

SOUTHERN UNITED ICE COMPANY

(Controlled by United Public Service Company)

History and Property—Incorporated April 19, 1927, in New Jersey. The Company owns ice manufacturing plants and storage facilities in Memphis, Tenn.; Houston, Texas; Shelbyville, Ill., and Hammond, La., and the following cities in Mississippi: Jackson, McComb, Clarksdale, Tutwiler, Greenwood Moorehead, Belzoni, Yazoo City, Durant, Canton, Crystal Springs, Meridian and Newton. The aggregate population of these communities is in excess of 525,000.

The properties of the Company consist of 26 ice manufacturing plants (complete with season ice storage houses) and 19 storage and distributing substations. The daily ice-making capacity is 2,010 tons, and the total ice storage capacity is in excess of 48,000 tons. The Company also owns a 59,000 cu. ft. capacity cold storage plant at Hammond, La. The ice sales for 1927 were 268,500 tons, and for 1926, 225,100 tons. The railway car icing facilities at McComb, Jackson and Crystal Springs give the Company practically all of the car icing business arising on the main line of the Illinois Central RR. between Memphis and New Orleans.

The Memphis group is composed of six manufacturing plants, having a daily ice-making capacity in excess of 800 tons, complete with season ice storage houses of approximately 19,000 tons capacity. The Company is the predominating factor in the ice business in Memphis, manufacturing and distributing, through an efficient delivery service (**Bluff City Delivery Company**, owned by Southern United Ice Company), substantially more than half the ice used in that city.

CAPITAL STOCK

Authorized, 50,000 shares of no par Common; issued, 45,000 shares. All of the capital stock (except directors' qualifying shares), is owned by United Public Service Company.

Annual Meeting—First Tuesday in April at Jersey City, N. J., or Chicago, Ill.

FUNDED DEBT

(1)

$2,000,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS, SERIES A; DUE APRIL 1, 1947 (WITH STOCK PURCHASE WARRANTS FOR UNITED PUBLIC SERVICE CO. COMMON STOCK)

Dated April 1, 1927.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago, Ill., or The Chase National Bank of the City of New York.

Denominations—Coupon, $500 and $1,000, interchangeable, and in denominations of $100 at the option of the Company; principal may be registered.

Trustees—Central Trust Company of Illinois, Chicago, Ill., and Aksel K. Bodholdt.

Provisions of Issue—Issued, $2,000,000. Additional bonds, issuable in one or more series, may from time to time be issued against the deposit of cash or for not exceeding 70% of the cost or fair value (whichever is lower) of additional property and of permanent extensions, enlargements, improvements and additions made or acquired by the Company, provided that earnings applicable to bond interest for a period of twelve consecutive months out of the next preceding fifteen months shall have been at least two and one-half times the annual interest charges on all bonds then outstanding and proposed to be issued.

Purpose of Issue—Bonds together with Common stock were issued in exchange for the properties now owned and subject to the lien of the mortgage.

Stock Purchase Warrants—Each bond carries a non-detachable warrant entitling the holder thereof to purchase, on or before April 1, 1932, at $15 per share, Common stock (without par value) of United Public Service Co., in the ratio of ten shares of Common stock for each $1,000 principal amount of bonds. Warrants attached to bonds called for redemption prior to April 1, 1932, may be exercised at any time on or before, but not after, the date fixed for redemption.

Callability—Subject to call as a whole, or in part by lot, on any interest date on 30 days' notice, at 105 and accrued interest on or before April 1, 1932, this premium of 5% decreasing ¼ of 1% of the principal on each Oct. 1 thereafter.

Sinking Fund—Indenture provides for an annual sinking fund (payable in cash and/or in bonds at current redemption price) calculated to be sufficient to retire 40% of the Series "A" bonds prior to maturity; cash payments to the sinking fund to be applied to the redemption of bonds. Bonds so retired will be cancelled.

Security—Secured by a direct first mortgage on all fixed property and equipment now owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund, upon proper and timely application, Connecticut, Pennsylvania and California 4 mills tax, Maryland 4½ mills tax, District of Columbia, Michigan and Kentucky 5 mills tax, and Massachusetts 6% income tax.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($2,000,000) in July, 1927, at 97½ and interest, yielding over 6.20%, by Thompson Ross & Co., Chicago, Ill., and Hambleton & Co., New York.

Listed—Chicago Stock Exchange.

(2)

$1,000,000 FIRST MORTGAGE 6½% SINKING FUND GOLD BONDS, SERIES "B"; DUE MARCH 1, 1938

Provisions are same as Series "A" bonds, except as follows:

Dated March 1, 1928.

Interest 6½%, payable March 1 and September 1.

Callability—Subject to call at the option of the Company, as a whole, or in part by lot, on any interest date on 30 days' notice, at 102½ and accrued interest on or before March 1, 1932, this premium decreasing ½ of 1% each September 1 thereafter until redemption price equals par.

Purpose of Issue—Proceeds from sale of these bonds were used to reimburse the Company for capital expenditures in connection with acquisition of new properties, and for additions and improvements already made.

Sinking Fund—On the first day of September in each year, beginning Sept. 1, 1929, the Company will pay to the Trustee as and for a sinking fund for the retirement of Series "B" Bonds, through purchase and/or redemption, an amount in cash equivalent to 2% of the amount of Series "B" Bonds outstanding on such Sept. 1, but the Company may deliver Series "B" Bonds in lieu of cash and have credit at the then current redemption price. Series "B" Bonds may be purchased with sinking fund moneys at not to exceed the then redemption price. Bonds so retired will be cancelled.

Stock Purchase Warrants—Do not carry Stock Purchase Warrants.

Original Offering—First publicly offered ($1,000,000) in March, 1928, at 100 and interest, yielding 6.50%, by Thompson Ross & Co., Chicago, and Hambleton & Co., New York.

Listed—Chicago Stock Exchange.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	†1927	†1926	†1925
Gross earnings	$2,481,116	$1,861,229	$1,904,950	$1,897,795
Oper. exps., mainten. & taxes (other than Fed. taxes)	1,671,412	1,295,725	1,348,324	1,302,668
Net earnings	$809,704	$565,504	$556,626	$595,127
Annual interest charges on funded debt	185,000	120,000	120,000	120,000
Balance for retirement reserve, Fed. taxes & Common divds.	$624,704	$445,504	$436,626	$475,127

*Includes properties acquired between Jan. 1 and April 17, 1928. †After adjustment to eliminate non-recurring expenses incurred prior to acquisition by Southern United Ice Co.

CONSOLIDATED BALANCE SHEET

Assets—	*Dec. 31, 1927	Dec. 31, 1927	June 30, 1927
Fixed capital	$7,574,824	$5,761,860	$5,512,562
Cash	740,607	87,944	139,287
Accounts receivable—consumers	76,049	76,049	180,331
Sundry notes & accts. receivable	17,184	23,360	11,486
Merchandise, materials & supplies	88,936	88,936	124,012
Prepayments	10,011	10,011	18,992
Notes receivable—United Public Service Co.	200,000	.....	.....
Miscellaneous investment	28,255	28,255	80,052
Unamortized debt discount & expense	10,348	13,483	.....
Sundry deferred charges	10,591	10,591	.....
Total	$8,849,940	$6,100,489	$6,066,722

Liabilities—	*Dec. 31, 1927	Dec. 31, 1927	June 30, 1927
Common stock—Southern United Ice Co.	$4,500,000	$2,900,000	$2,900,000
Funded debt	3,000,000	2,000,000	2,000,000
Accounts payable	92,872	99,047	198,665
Accrued taxes (other than Federal taxes)	20,867	20,867	18,950
Accrued interest on funded debt	30,000	30,000	30,000
Unadjusted credits	2,027	2,027	5,278
Reserve for retirements	1,031,684	876,058	833,106
Surplus	172,490	172,490	80,723
Total	$8,849,940	$6,100,489	$6,066,722

*Projected balance sheet as of Dec. 31, 1927, giving effect as of that date to acquisition of properties acquired between Jan. 1 and April 17, 1928, and to the financing in connection therewith.

Officers: Ernst Jacobson, Pres.; George E. Wells, V-P., T. J. Lucas, V-P.; C. J. Horn, Sec.; R. H. Morrison, Treas.

Directors: Ernst Jacobson, R. E. Brennan, R. H. Morrison, Livingston Ross, Hallan Huffman, Fred E. Adams, Thomas H. McKoy, Jr.

General Office, 100 West Monroe St., Chicago, Ill.

SOUTHERN UNITED GAS COMPANY

(Controlled by United Public Service Company)

History and Property—Incorporated Feb. 23, 1927, in New Jersey. Owns over 99% of the capital stock of Industrial Oil & Gas Company and all the capital stock (except directors' qualifying shares) of Twin City Pipe Line Company, both Arkansas Corporations. These two companies operating as a unit furnish natural gas to industrial consumers in Fort Smith and Van Buren, Ark., and furnish practically all of the gas distributed by the Fort Smith Light & Traction Company which supplies domestic consumers in Fort Smith and Van Buren. During the year 1927, 56.3% was sold to industrial users, 37.8% to Fort Smith Light & Traction Company for domestic use, and 5.9% direct to domestic consumers. The properties of the subsidiaries comprise 72 miles of transmission lines, 85 producing wells, about 9,000 proven acres of gas leaseholds, and approximately 9,000 undeveloped acres of leaseholds, located about ten miles northeast of Fort Smith.

CAPITAL STOCK

Outstanding, 100,000 shares Common stock without par value. All owned by United Public Service Co.

Annual Meeting—First Tuesday in April at Jersey City, N. J. or Chicago, Ill.

FUNDED DEBT

(1)

$2,250,000 FIRST LIEN 6% SINKING FUND GOLD BONDS, SERIES "A," DUE APRIL 1, 1937 WITH STOCK PURCHASE WARRANTS FOR UNITED PUBLIC SERVICE CO. COMMON STOCK

Dated April 1, 1927.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago, or at The Chase National Bank of the City of New York.

Denominations—Coupon bonds in interchangeable denominations of $500 and $1,000 and in denomination of $100 at the option of the company; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Issued, $2,250,000 Series "A" 6s. Additional bonds, issuable in one or more series, may be issued against the deposit of cash or for not exceeding 66 2-3% of the cost or fair value (whichever is lower) of acquiring new subsidiaries or of additions, improvements, betterments, extensions, and additional properties acquired by subsidiaries, provided that earnings applicable to bond interest for a period of 12 consecutive months out of the next preceding 15 months shall have been at least twice the annual interest charges on all bonds then outstanding and proposed to be issued.

Stock Purchase Warrants—Each bond carries a non-detachable Warrant entitling the holder thereof to purchase, on or before April 1, 1930, at $15 per share, Common stock (without par value) of United Public Service Company, in the ratio of ten shares of Common stock for each $1,000 principal amount of bonds. Warrants attached to bonds called for redemption prior to April 1, 1930, may be exercised at any time on or before, but not after, the date fixed for redemption.

Purpose of Issue—These $2,250,000 bonds together with Company's $750,000 Two-Year notes and 100,000 shares of Common stock were issued in exchange for the capital stocks of the operating subsidiaries acquired by the Company and cash deposited against outstanding stock of such subsidiaries not acquired by the Company.

Callability—Subject to call as a whole, or in part by lot, on any interest date on 30 days' notice at 105 and interest on or before April 1, 1932, this premium of 5% decreasing ½ of 1% of the principal on each October 1 and April 1 thereafter.

Sinking Fund—The Indenture provides for a semi-annual sinking fund (payable in cash and/or in bonds at the current redemption price), calculated to be sufficient to retire 66 2/3% of these bonds prior to maturity; cash payments to the sinking fund to be applied in redemption of bonds. The bonds so retired will be cancelled.

Security—Secured by a direct first lien on all indebtedness (except current indebtedness not in excess of current assets) and on over 99% of the capital stock (except directors' qualifying shares) of Industrial Oil & Gas Company and Twin City Pipe Line Company; the securities representing such indebtedness and stock are deposited and pledged with the Trustee under the Indenture. The bonds are therefore in effect a first charge upon the real properties and leaseholds of the operating subsidiaries, since not less than 99% of the stock of the subsidiaries is deposited and the subsidiaries will have no funded debt or Preferred stock outstanding and the Indenture provides that any securities (representing indebtedness other than current indebtedness not in excess of current assets) subsequently issued by them shall be pledged under the Indenture. The Indenture also provides for an adequate deposit in cash against the non-pledged stock (less than 1%) of Industrial Oil & Gas Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund to holders of these bonds, upon proper and timely application, Connecticut, Pennsylvania and California Personal Property taxes not exceeding 4 mills per annum each, Maryland Securities tax not exceeding 4½ mills per annum, District of Columbia, Michigan and Kentucky Personal Property Taxes not exceeding 5 mills per annum each, and Massachusetts Income Tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($2,250,000) in May, 1927, at 98 and interest, yielding over 6.25%, by Thompson Ross & Co., Chicago, and Hambleton & Co., New York.

Listed—Chicago Stock Exchange.

Price Range—1927: High, 99; low, 97¼.

(2)

$750,000 TWO-YEAR 5½% GOLD NOTES (CLOSED ISSUE): DUE APRIL 1, 1929.

Dated April 1, 1927.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago, or at The Chase National Bank of the City of New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago, Ill.

Provisions of Issue—Authorized and issued, $750,000.

Purpose of Issue—These notes, together with the First Lien Bonds and 100,000 shares of Common stock, were issued in exchange for the capital stocks of the operating subsidiaries acquired by the Company and cash deposited against outstanding stock of such subsidiaries not acquired by the Company.

Callability—Subject to call as a whole, or in part by lot, on the first day of any month, on 30 days' notice at 101 and interest.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the Company and are subject only to the First Lien Gold Bonds of the Company. Note Agreement provides that no ad-

ditional secured or unsecured funded debt (other than First Lien Gold Bonds) may be issued unless earnings (as defined in the Agreement) applicable to interest on funded debt, on the basis of a consolidated statement, for twelve consecutive months out of the preceding fifteen months shall be at least one and one-half times the annual interest charges on all funded debt outstanding and to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund to holders upon proper and timely application, Connecticut, Pennsylvania and California Personal Property taxes not exceeding 4 mills per annum each, Maryland Securities Tax not exceeding 4½ mills per annum, District of Columbia, Michigan and Kentucky Personal Property taxes not exceeding 5 mills per annum each, and Massachusetts Income Tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($750,000) in May, 1927, at 99½ and interest, yielding over 5.90% by Thompson Ross & Co., Chicago, and Hambleton & Co., New York.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	*1926	*1925
Gross earnings	$635,845	$693,508	$627,182
Operating expenses, maintenance and taxes (other than Federal taxes	226,772	222,674	240,719
Net earnings	$409,073	$470,834	$386,463
Annual int. on funded debt	176,250	176,250	176,250
Balance for depletion, retirement reserve, Fed. taxes & Common dividends	$232,823	$294,584	$210,213

*After adjustment to eliminate non-recurring expenses incurred prior to acquisition by Southern United Gas Co.

CONSOLIDATED BALANCE SHEET

	Dec. 31, 1927	June 30, 1927
Assets—		
Fixed capital	$4,985,588	$4,948,481
Cash	77,682	51,527
Accounts receivable—consumers	66,900	40,637
Sundry notes & accounts receivable	31,568	38,029
Merchandise, materials & supplies	34,853	36,565
Prepaid insurance, taxes, etc.	5,882	3,724
Fund for acquisition of secur. of subs.	12,500	12,500
Unamortized debt discount & expense	10,104	.....
Sundry deferred charges	1,000	1,000
Total	$5,226,077	$5,132,463
Liabilities—		
Capital stock—Southern United Gas Co.	$1,500,000	$1,500,000
Funded debt	3,000,000	3,000,000
Accounts payable	27,673	14,803
Consumers' deposits	1,368	1,139
Accrued taxes (other than Fed. Income)	23,697	3,432
Accrued interest on funded debt	44,063	44,063
Reserves:		
Depletion	379,141	337,601
Retirements	239,990	223,868
Equity of minority stockholders in capital of subsidiary	4,949	4,539
Surplus	5,196	3,018
Total	$5,226,077	$5,132,463

Officers: Ernst Jacobson, Pres.; Horace H. Clark, V-P.; T. J. Lucas, V-P.; Charles J. Horn, Sec.; R. H. Morrison, Treas.; A. G. Williams, Jr., Gen. Mgr. in Charge of Operations.

Directors: Ernst Jacobson, R. E. Brennan, R. H. Morrison, Livingston Ross, Hallan Huffman, Thomas H. McKoy, Jr., Fred E. Adams.

General Office, 100 Monroe St., Chicago, Ill.

KENTUCKY POWER COMPANY, INC.

(Controlled by United Public Service Company)

History—Incorporated in Delaware, May 7, 1923. It is now a holding company owning all of the outstanding Common stock (except directors' qualifying shares) of Kentucky Power & Light Company (formerly Maysville Public Service Corporation).

CAPITAL STOCK

Authorized, 22,000 shares of Class "A" no par Common, 9,000 shares of Class "B," non-voting, no par Common, 1,250 shares of 8% cumulative Pfd. of $100 each, 13,750 shares of 7% cumulative Pfd. of $100 each, and 4,000 shares of 6½% non-cumulative Pfd. of $100 each. Outstanding, 22,000 shares of Class "A" Common (88.7% owned by United Public Service Co.), 4,623 shares of Class "B" (51% owned by United Public Service Co.), 859 shares of 8% Pfd., 6.705 shares of 7% Pfd., and 100 shares of 6½% Pfd.

Annual Meeting—Third Thursday in January at Maysville, Ky.

Dividends—All dividends accrued on Pfd. stocks, up to and including April 1, 1928, have been paid.

FUNDED DEBT

None.

Officers: Ernst Jacobson, Pres.; T. J. Lucas, V-P.; Horace H. Clark, V-P.; Hallan Huffman, Sec.; R. H. Morrison, Treas.

Directors: Ernst Jacobson, Horace H. Clark, Livingston Ross, Hallan Huffman, R. H. Morrison.

General Office, 100 West Monroe St., Chicago, Ill.

KENTUCKY POWER & LIGHT COMPANY

(Controlled by Kentucky Power Company, Inc.)

History and Property—The Maysville Gas & Electric Company was organized in 1854 under special act of the Kentucky Legislature. On April 12, 1927, this Company and the Beechwood Park Company were consolidated into the Maysville Public Service Corporation. This latter company acquired the assets of the Maysville & Flemingsburg Light & Power Company and the Maysville Ice & Cold Storage Company as of April 12, 1927. The name was changed from Maysville Public Service Corporation to Kentucky Power & Light Company in March, 1928.

The Company furnishes, without competition, electric light and power to approximately 4,850 consumers in 42 communities in Kentucky as follows: Maysville, Augusta, Carrollton, Morehead, Flemingsburg, Brooksville, Germantown, Mt. Olivet, Sardis, Minerva, Dover, Washington, California, Butler, Lenoxburg, Johnsville, Chatham, Powersville, Worthville, Wheatley, New Liberty, Ghent, Sanders, Sparta, Glencoe, Prestonville, Milton, Bedford, Port Royal, Sulphur, English, Turners Station, Campbellsburg, Farmers, Salt Lick, Helena Station, Clearfield, Mays Lick, Foster, Newton, Elizaville and Ewing.

The communities served are in three groups, centralized around Maysville, Carrollton and Morehead. Plans are underway for the interconnection of the transmission systems of the Maysville and Morehead districts, and it is proposed, as soon as practicable, to interconnect the systems of the Maysville and Carrollton districts.

Natural gas purchased from Columbia Gas & Electric Company is supplied to approximately 2,000 consumers in Maysville. Water is furnished in Carrollton, and ice in Maysville, Augusta and Carrollton. The company also supplies, through its subsidiary, the **Maysville Street Railroad and Transfer Company,** street railway service to Maysville.

The population of the communities served is estimated at approximately 27,000, and the territory tributary to these communities is estimated in excess of 130,000 population.

The properties of the company include electric power stations having a combined generating capacity of 4,854 h.p., and 178 miles of electric transmission lines. In 1927 and 1926 these plants generated 7,160,000 k.w.h., and 5,600,000 k.w.h., respectively (both figures partially estimated).

CAPITAL STOCK

Authorized, 20,000 shares of no par Common, 10,000 shares of 7% cumulative Pfd. of $100 each, and 5,000

shares of 6½% cumulative Pfd. of $100 each. Outstanding, 15,000 shares of Common (all but directors' shares are owned by Kentucky Power Company, Inc.), 243 shares of 7% Pfd., and 560 shares of 6½% Pfd.

Annual Meeting—First Monday in January at Maysville, Ky.

Dividends—All dividends accrued on Pfd. stocks up to and including April 1, 1928, have been paid.

FUNDED DEBT

(1)

$900,000 MAYSVILLE PUBLIC SERVICE CORPORATION FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1942

Dated April 1, 1927.

Interest Payable April and October 1, at The Northern Trust Co., Chicago, Ill.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Trustees—The Northern Trust Co., Chicago, and A. B. Caswell.

Provisions of Issue—Issued, $900,000 Series "A" 5½s. The mortgage provides that additional bonds may be issued thereunder for refunding purposes and for not in excess of 75% of the actual cost or fair value determined as provided in the mortgage, whichever is lower, of additions, extensions and permanent improvements to the property of the Company, constituting the system as therein defined, made after April 1, 1927, provided, the consolidated earnings as therein defined for the 12 calendar months ended within 90 days immediately prior to the application for the new bonds shall have been equal to at least twice the annual bond interest charge of the Company, including interest on the bonds proposed to be issued.

Purpose of Issue—The proceeds from the sale of these bonds will be used for the retirement of all bonds on the Company's property and in the acquisition of new properties.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice, at the following prices and accrued interest: On or before Oct. 1, 1937, at 102½, after October 1, 1937, but on or before October 1, 1938 at 102; after October 1, 1938, but on or before Oct. 1, 1939, at 101½; after Oct. 1, 1939, but on or before Oct. 1, 1940, at 101; after Oct. 1, 1940, but on or before Oct. 1, 1941, at 100½, and thereafter at 100.

Maintenance and Renewal Fund—The mortgage provides that while any of these bonds are outstanding the Company will deposit with the Trustee in a special trust fund annually an amount equal to a certain per cent, hereinafter specified, of the gross consolidated earnings of the Company and the subsidiary, less the amount expended during the preceding year on unfunded improvements, maintenance, repairs, renewals, replacements, and the purchase of bonds outstanding hereunder deposited uncancelled with the Trustee to be held with said special trust fund. The moneys in the special trust fund may be used for the purchase or retirement of bonds outstanding under the mortgage, may be used for extensions, improvements and additions against which no additional bonds may be issued, or for maintenance, repairs, renewals and replacements. The certain per cent above referred to shall be 10% for each of the years 1927 to 1931, both inclusive; 11% for each of the years 1932 to 1936, both inclusive; and 12% for each year thereafter.

Security—Secured by a first mortgage on all the properties of the Kentucky Power & Light Co. (formerly Maysville Public Service Corp.), and further secured by the pledge of $165,000 First Mortgage 15-year 5½% Gold bonds, constituting all such bonds outstanding, and all the capital stock of the Maysville Street Railroad and Transfer Co. Any additional stock and first mortgage bonds of said Street Railway Company issued in the future must be pledged under the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman & Cutler, Chicago, Ill.

Original Offering—First publicly offered ($900,000) in April, 1927, at 97 and interest, to yield 5.80%, by The White-Phillips Co., Davenport, Iowa, etc.

(2)

$600,000 KENTUCKY POWER & LIGHT CO. FIRST MORTGAGE 5½% GOLD BONDS, SERIES "B"; DUE MARCH 1, 1948

Dated March 1, 1928.

Interest Payable March and September 1, at The Northern Trust Co., Chicago, or The Chase National Bank of the City of New York.

Denominations—Coupon bonds in interchangeable denominations of $500 and $1,000, and in denominations of $100 at the option of the Company; principal may be registered.

Trustees—The Northern Trust Co., Chicago, and A. B. Caswell.

Provisions of Issue—Issued, $600,000 Series "B." Provisions for issuance of further bonds are same as for Series "A," heretofore recited.

Purpose of Issue—Proceeds from sale of these bonds were used toward the discharge of obligations incurred in connection with the acquisition of new properties.

Callability—Subject to call as a whole, or in part by lot, on any interest date on 30 days' notice at 102½ and interest on or before March 1, 1937, this premium of 2½% decreasing one fourth of one per cent of the principal on Sept. 1, 1937, and on each Sept. 1 thereafter.

Maintenance and Renewal Fund—Provisions are same as for Series "A," heretofore recited.

Security—Same as for Series "A," heretofore recited.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund to holders of these bonds, upon proper and timely application, Connecticut, Pennsylvania and California personal property taxes, not exceeding 4 mills per annum each, Maryland securities tax not exceeding 4½ mills per annum, District of Columbia, Michigan and Kentucky personal property taxes not exceeding 5 mills per annum each and Massachusetts income tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($600,000) in March, 1928, at 99½ and interest, to yield 5.55%, by Thompson Ross & Co., Chicago.

(3)

$600,000 KENTUCKY POWER & LIGHT CO. TWO-YEAR 5½% GOLD NOTES, DUE APRIL 1, 1930

Dated April 1, 1928.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago, or at The Chase National Bank of the City of New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized and issued $600,000.

Purpose of Issue—Proceeds used toward discharge of obligations incurred in connection with acquisition of new properties.

Callability—Subject to call, as a whole, or in part by lot, on the first day of any month on 30 days' notice at 101 and accrued interest.

Security—These notes are the direct obligation of the Company, and are subject only to the outstanding First Mortgage Gold Bonds of the Company. The Note Agreement provides that no additional secured or unsecured funded debt (other than First Mortgage Gold Bonds) may be issued unless earnings (as defined in the Note Agreement) applicable to interest on funded debt, on the basis of a consolidated statement for 12 consecutive months out of the preceding 15 months shall be at least 1½ times the annual in-

terest charges on all funded debt outstanding and to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund to holders of these bonds, upon proper and timely application, Connecticut, Pennsylvania and California personal property taxes not exceeding 4 mills per annum each; Maryland securities tax, not exceeding 4½ mills per annum; District of Columbia, Michigan and Kentucky personal property taxes not exceeding 5 mills per annum each, and Massachusetts income tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($600,000) in March, 1928, at $100 and interest, to yield 5.50%, by Thompson Ross & Co., Chicago.

NOTES CALLED

All the outstanding General Mortgage 5% Gold Notes, Series "A," due April 1, 1929, of Maysville Public Service Corp. were called for redemption on June 1, 1928, at par and interest, at Northern Trust Co., Chicago, Trustee.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED FEBRUARY 28

	1928	1927
Gross earnings	$451,685	$408,087
Oper. exp., maintenance & taxes (other than Federal taxes)	278,561	280,803
Net earnings	$173,124	$127,284
Interest charges	80,979	22,859
Balance	$92,145	$104,425
Preferred dividends	6,112	.....
Balance for retirement reserve, Federal taxes & Common divds.	$86,033	$104.425

CONSOLIDATED BALANCE SHEET, FEBRUARY 28, 1928

Assets—	
Fixed capital	$3,735,982
Cash	49,996
Accounts receivable—Consumers	68,255
Sundry notes & accounts receivable	4,552
Merchandise, materials & supplies	67,868
Prepayments	16,260
Unamortized debt discount & expense	84,000
Sundry deferred charges	7,434
Total	$4,034,347
Liabilities—	
Common stock	$818,489
Preferred stock	80,300
Funded debt	2,100,000
Property purchase obligation	125,000
Due to United Public Service Co.	420,000
Notes & accounts payable	39,531
Consumers' deposits	5,535
Accrued interest	41,370
Accrued taxes (other than Federal taxes)	3,806
Reserves:	
Retirements	371,239
Uncollectible accounts	2,388
Public liability insurance	5,138
Surplus	21,551
Total	$4,034,347

Officers: Ernst Jacobson, Pres.; T. J. Lucas, V-P.; Horace H. Clark, V-P.; Hallan Huffman, Sec.; R. H. Morrison, Treas.

Directors: Ernst Jacobson, Horace H. Clark, Livingston Ross, Hallan Huffman, R. H. Morrison.

General Office, 100 West Monroe St., Chicago, Ill. **Local Office,** Maysville, Ky.

BLACK RIVER TRACTION CO.

History and Property—Incorporated Dec. 23, 1897, in N. Y.; successor to the Watertown & Brownville St. Ry. Co., sold under foreclosure. On Dec. 19, 1900, absorbed the Dexter & Brownville Ry. Co., formerly leased. Line of road: Watertown to Brownville and Dexter, N. Y., 10 miles; total track, 11.5 miles, of which 2.25 miles are on private right of way. Gauge, standard. Rail, 60 to 110 lb. T and girder. Closed motor cars, 13; service cars, 3; sweepers, 2.

CAPITAL STOCK

Authorized and outstanding, $285,000; par, $100 Annual meeting, second Monday in July.

Dividends—Dividends in years ended June 30: 1914 15%; 1915, 30%; 1916, 22%; 1917, 22%; none since.

FUNDED DEBT

$300,000 (entire issue) First Mortgage 6s; date Jan. 1, 1918; due Jan. 1, 1948; int. Jan. and July 1 William W. Waddingham, Watertown, N. Y., Trustee Company does not pay Normal Federal Income Tax

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$103,817	$107,288	$105,67
Operating expenses & taxes	92,585	93,324	100,34
Net earnings	$11,232	$13,964	$5,32
Other income	243	243	21
Total income	$11,475	$14,207	$5,54
Interest, etc.	18,704	18,540	18,54
Deficit for year	$7,229	$4,333	$12,99

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$659,135	$651,034	$648,70
Construction work	1,295	806	1,06
Materials and supplies	17,151	18,051	18,18
Cash	15,745	15,484	11,06
Profit and loss deficit	28,681	21,013	16,68
Total	$722,007	$706,388	$695,68
Liabilities—			
Capital stock	$285,000	$285,000	$285,00
Funded debt	300,000	300,000	300,00
Notes payable	9,000	9,000	9,00
Interest accrued	9,270	9,270	9,27
Depreciation accrued	114,430	102,299	91,54
Unadjusted credits	1,147	818	87
Deferred credit items	3,161	.....	.....
Total	$722,007	$706,338	$695,68

Officers: F. A. Lester, Pres.; C. I. Taylor, V-P. Newark, N. J.; D. M. Cosgrove, Sec., Watertown N. Y.; Richard Krementz, Treas., Newark, N. J.; L Schwerzmann, Gen. Mgr., Supt. & Pur. Agt., Watertown, N. Y.

Directors: F. A. Lester, C. I. Taylor, Walter Krementz, Richard Krementz, Frederick Keer, Newark N. J.; A. F. Wardwell, D. M. Cosgrove, L. Schwerzmann, Henry J. Kimball, Watertown, N. Y.

Office, Watertown, N. Y.

HANNIBAL RAILWAY AND ELECTRIC COMPANY

History and Property—Incorporated Oct. 15, 1900 in Mo., successor to Hannibal Traction Co. Franchise is for 35 years. Operates 6 miles of track in Hannibal, Mo. Gauge, standard. Rail, 45 and 56 lb T, and 72 and 90 lb. girder. Motor cars, 12; other car, 1. Purchases power from city at 1.50 cts. net per k.w.h.

Company Declared Bankrupt—The Company was declared bankrupt Oct. 10, 1927 in the Eastern District Court of the United States for the Northern Division of the Eastern District of Missouri. Frank T. Hodgdon, Cashier of the Farmers & Merchants Bank of Hannibal, Mo., was elected Trustee and is in charge of the property operating same under court order. Assets listed with the Bankrupt Court, $25,084; liabilities listed, $203,094.78, which includes all suits against the Company.

Bondholders' Protective Committee—The following named have agreed to act as a Protective Committee with respect to the 7% bonds of Company the interest due May 1, 1927, and Nov. 1, 1927, of which is in default. Holders were requested to deposit their bonds with the Farmers & Merchants Bank of Hannibal, Mo. **Depositary Committee:** John T. Holme, Chairman and Walter L. Weaver, Hannibal, Mo., and Frank W. Hixson, 208 S. La Salle St., Chicago, Ill., with Rendlen & White, Hannibal, Mo., Counsel.

CAPITAL STOCK

Authorized, $100,000 (stated value) Common stock of no par value, and $50,000 Pfd., par, $100; outstanding, $100,000 Common and $11,165 Pfd. No dividends paid.

FUNDED DEBT

$102,500 First Gold 7s; dated Nov. 1, 1922; due Nov. 1, 1932; int. May and Nov. 1 (in default), at State Bank of Chicago. Authorized, $150,000. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$52,562	$58,161
Operating expenses & taxes	47,793	57,733
Depreciation	6,418	6,602
Loss from operation	$1,649	$6,174
Bond interest	7,379	7,182
Other interest	4,302	4,432
Net income (deficit)	$13,330	$17,788
Preferred dividends	.....	391
Deficit for year	$13,330	$18,179
Deficit forward	85,204	67,025
Total deficit	$98,534	$85,204

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Road and equipment	$207,509	$421,156
Meters for cars	.....	354
Cash	120	555
Deficit	98,534	.....
Total	$306,163	$422,065
Liabilities—		
Common stock	$100,000	$100,000
Preferred stock	11,165	11,165
Funded debt	102,500	102,500
Notes payable	54,323	50,752
Accounts payable	27,101	27,953
Interest accrued	11,074	7,267
Book surplus	.....	122,428
Total	$306,163	$422,065

Officers: Frank T. Hodgdon, Trustee; H. J. Freiling, Mgr. for the Trustee, Hannibal, Mo.

Office, 418 South Third St., Hannibal, Mo.

RHINE-WESTPHALIA ELECTRIC POWER CORPORATION

(Rheinisch-Westfaelisches Elektrizitaetswerk Aktien-Gesellschaft)

History and Property—Incorporated June 24, 1898, under the laws of the German Reich and of the Free State of Prussia, for an unlimited duration. The Corporation with its subsidiary companies is said to comprise one of the largest electric light and power system in Europe with respect to property value earnings, capacity of power stations and number of customers served. The business of the Corporation is especially well integrated. Electric energy is generated in the Corporation's power stations from fuel obtained from the adjoining coal mines of subsidiary companies, and is supplied to over 400,000 industrial and residential customers through the Corporation's high tension transmission lines and distribution systems.

Territory—The territory served has an area of about 7,700 square miles, and includes a large part of the Rhineland, extending from the Netherlands frontier on the north and west, into the Province of Westphalia on the east, and south to the River Nahe. This area includes the Ruhr District, the most important industrial section of Germany, and also the so-called Siegerland, known for its iron ore deposits. The communities served directly by the system have a population of approximately 7,000,000 and include the cities of Essen, Muehlheim-Ruhr, Gelsenkirchen, Crefeld, Muenchen-Gladbach, Wesel, Osnabrueck, Remscheid, Solingen, Siegen, Bingen, Kreuznach and Neuss. In addition, the Corporation furnishes electric energy to large portions of the cities of Cologne, Duesseldorf, Duisburg, Coblenz and Oberhausen, and to the extensive plants of the largest inland harbor of Europe at Ruhrort.

Properties—The system includes nine electric generating stations with an aggregate capacity of 700,000 h.p. The principal station of the Corporation, the Goldenberg Plant, is one of the largest and most modern in the world, and has a capacity of 390,000 h.p. Its equipment includes four 67,000 h.p. steam-turbo units. The transmission and distribution systems comprise over 1,240 miles of 110,000 volt steel tower lines and 10,600 miles of medium and low voltage lines which supply approximately 450,000 electric meters.

The above figures for output and property cover only the interconnected electric system of the Corporation and its subsidiaries, which does not include the many affiliated electric companies of whose stocks substantial amounts are owned.

The fuel for the Corporation's power stations is obtained almost entirely from hard coal and lignite mines owned by subsidiary companies and located under or immediately adjoining the stations. The hard coal mines, estimated to contain 75,000,000 tons (of 2,000 pounds), are being mined at the rate of 1,400,000 tons a year. The lignite mines are estimated to contain 450,000,000 tons, and the power stations of the Corporation consume approximately 4,000,000 tons a year.

In 1925 the Corporation acquired a half interest in a company, located in the central part of Germany, which owns an electric distribution system and lignite mines having about 160,000,000 tons of fuel recoverable by the open pit method. It is proposed to connect the present system of the Corporation in the Rhine District with this property by means of high tension transmission lines, and either to enlarge the present power stations at the site, or to build new generating plants.

The Corporation has under construction or in contemplation a number of extensions to its transmission system, including a line 300 miles in length of which 140 miles are already being operated) to connect with hydro-electric power developments in southern Germany. These new high tension lines will be operated initially at 230,000 volts but are designed for an even higher pressure.

In addition to the electric and coal properties described above, the Corporation owns a modern coke oven plant which supplies gas at wholesale to the City of Essen, and a high pressure gas transmission system with 150 miles of pipe lines. The Corporation also owns the entire capital stock of two relatively small electric railway companies, and operates under lease several municipally owned lines. In respect to both revenue and property value, however, the electric and coal properties represent over 96% of all properties owned or controlled. The Corporation also holds as investments, smaller stock interests in many other public utility companies.

Production, year ended June 30, 1927—The electric output of 1,400,000,000 kilowatt-hours for the year was the greatest in the history of the Corporation; and of this amount, about 93% was generated in the Corporation's power stations. There were delivered through the Corporation's gas transmission system, during the year 2,850,000,000 cubic feet of gas obtained from neighboring coke oven plants.

Relation to Dawes Plan—Industrial Debentures—In connection with the payment of reparations, the Corporation and its constituent companies have issued and deposited with the Industrial Debentures Bank (Bank fuer Deutsche Industrie-Obligationen) in accordance with the so-called "Dawes Plan." Industrial Debentures in the face amount of $7,918,157 with respect to which the annual charges on account of interest and amortization will not exceed $475,089, in the aggregate. In the opinion of counsel, the liability of the Corporation and its constituent companies for the payment of these sums is secured by a first charge, in many respects analogous to a tax lien, upon their

fixed property. In accordance with a law which effects a further internal distribution in Germany of the burden of reparations, the annual payments on account of the Industrial Debentures will probably be considerably reduced, so that the estimated maximum annual payments, on account of the Industrial Debentures of the Corporation and its constituent companies, will not exceed $300,000.

CAPITAL STOCK

Authorized, 339,000 shares Bearer stock, par 400 Reichsmark each, and 220,000 shares Registered stock, par 20 Reichsmark each; outstanding June 30, 1927, 332,411 shares Bearer stock and 219,389 shares Registered stock. Registered shares are subject to redemption at 115% of nominal value.

Annual Meeting—In November or December.

Listed—Bearer shares listed on Berlin Stock Exchange.

Dividends—Payments have been made on Bearer shares as follows (fiscal years ended June 30): 1907-08 to 1919-20, inclusive, 8%; 1920-21, 10%; 1921-22, 20%; 1922-23, 1 Rentenmark per share; 1923-24, 4%; 1924-25, 8%; 1925-26, 8%; 1926-27, 9%. On Registered shares a dividend of 0.20 Rentenmark was paid in 1922-23 year; 1923-24, 4%; 1924-25, 12%; 1925-26, 12%; 1926-27, 15%.

FUNDED DEBT

(1)

$9,600,000 DIRECT MORTGAGE GOLD BONDS, 7% SERIES DUE 1950; DUE NOVEMBER 1, 1950

Dated November 2, 1925.

Interest Payable May and November 1, at head office of The National City Bank of New York in New York, in U. S. gold coin equal to the standard of weight and fineness existing Nov. 1, 1925, at the city office of The National City Bank of New York in London, England, in pounds sterling, or at the Rotterdamsche Bankvereeniging, in guilders, in each case at the then current buying rate of such bank for sight exchange on New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—The National City Bank of New York, Trustee, and Darmstaedter Und Nationalbank Kommanditgesellschaft Auf Aktien, Co-Trustee.

Provisions of Issue—Authorized, $40,000,000; issued $10,000,000 7% Series due 1950, and $15,000,000 6% Series due 1952. The proceeds of the 7% Series bonds are being used toward the construction of the Corporation's high tension transmission system between the Ruhr District and the Alps, and to expand further the generating, transmission and distribution properties of the Corporation and its constituent companies, and the proceeds from the sale of the 6% Series due 1952 were used to reimburse the Corporation in part for expenditures in connection with important property additions, to provide funds for further acquisitions and for other corporate purposes. The mortgage provides that the remaining $15,000,000 authorized bonds may be issued, from time to time in other series, having such rates of interest, maturities, sinking funds, and other provisions, and payable in such places and in such currencies as may be determined by the Corporation, when net earnings after operating expenses, maintenance and taxes for twelve consecutive calendar months shall have been not less than three times the sum of the annual interest charges on all bonds outstanding and those proposed to be issued and the maximum annual fixed charges on the Industrial Debentures then outstanding, for not more than 50% of the cost of property (as defined in the Indenture, and including under certain conditions, the cost of stocks of subsidiary companies) which shall be mortgaged or pledged in addition to the present operating properties now mortgaged.

Callability—Bonds of 7% Series due 1950 are subject to call as a whole but not in part at any time upon 60 days' notice at 105 and interest prior to November 1, 1935, and at 102 and interest on or after November 1, 1935, but prior to maturity.

Retirement Fund—The mortgage and trust indenture provide for a retirement fund sufficient to retire, at par and interest $400,000 bonds in each of the years 1926 and 1927; $200,000 annually, 1928 to 1931, inclusive; $300,000 annually, 1932 to 1935, inclusive; $400,000 annually, 1936 to 1942, inclusive; $500,000 annually, 1943 to 1946, inclusive, and $600,000 annually, 1947 to 1950, inclusive; payments into the fund to be made to the Trustee in semi-annual instalments on March 1 and September 1 each year, and either in cash or, at option of the Corporation, in bonds of the 7% Series due 1950, at face value. Any cash deposited with the Trustee shall be applied to purchase of bonds of this series if obtainable in the open market at or below par and interest; provided that any cash remaining unexpended after 6 months from date of deposit thereof, may be applied at option of the Corporation to purchase of bonds in the open market at prices above par and interest; and provided, further, the unexpended balance of money on deposit in this fund shall amount to $500,000 or more, any excess of that amount may be returned to the Corporation upon its written request therefor, and no further deposit made until such unexpended balance is reduced below $500,000 by purchase of bonds. All bonds purchased by or delivered to the Trustee will be permanently retired.

Security—Secured by a direct mortgage on the operating properties, including real estate, power stations, transmission lines, distribution systems and hard coal mines of the Corporation and its constituent companies, subject only to the charge securing the $7,918,157 Industrial Debentures referred to above.

Tax Provisions—Company does not pay Normal Federal Income Tax. Interest is payable without deduction for any past, present or future taxes or duties levied by or within the German Reich.

Legal Opinion—Shearman & Sterling, New York City, and Privy-Counsellor Maximilian Kempner, Berlin, Germany.

Original Offering—First publicly offered ($10,000,000 7% Series due 1950) in November, 1925, at 94 and interest, to yield over 7.53%, by The National City Co., New York.

Listed on Boston and New York Stock Exchanges.

Price Range—

	1927	1926	1925
High	105	102¾	94⅝
Low	98⅞	95	94

(2)

$15,000,000 DIRECT MORTGAGE GOLD BONDS, 6% SERIES DUE 1952; DUE MAY 1, 1952

Dated May 2, 1927.

Interest Payable May and November 1, at the Head Office of The National City Bank of New York in New York, in U. S. Gold coin of the present standard of weight and fineness. Also collectible, at the option of the holder, either at the City Office of the National City Bank of New York, in London, Eng., in pounds sterling, or at certain banks in Amsterdam, the Netherlands, in guilders or at the Stockholms Enskilda Bank, Stockholm, Sweden, in Swedish kroner, in each case at the then current buying rate of the respective banks for sight exchange on New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—The National City Bank of New York. Darmstaedter und Nationalbank Kommanditgesellschaft auf Aktien, Co-Trustee

Provisions and Purpose of Issue—See 7% Series due 1950.

Callability—Subject to call at the option of the Corporation as a whole but not in part at any time upon 60 days' notice at 102 and accrued interest to and including May 1, 1932; at 101 and accrued interest thereafter to and including May 1, 1942, and at 100

and accrued interest thereafter; or in part by operation of the sinking fund, on any interest date, upon 30 days' notice at 100 and accrued interest.

Sinking Fund—A cumulative sinking fund for the bonds of the 6% Series due 1952 operates semi-annually to retire the bonds of this series at not exceeding 100 and accrued interest, and provides for the retirement by maturity of over 56% of the bonds of this series.

Security—See 7% Series due 1950.

Tax Provisions—Company does not pay Normal Federal Income Tax. Interest is payable without deduction for any past, present or future taxes or duties levied by or within the German Reich.

Legal Opinon—Shearman & Sterling, New York, and Doctor Friedrich Kempner, Berlin, Germany.

Original Offering—First publicly offered in Aug., 1927, at 95½ and interest, yielding 6.36%, by The National City Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—1927: High, 96; low, 92.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$24,195,597	$21,440,043	$22,180,810
Oper. exps., maint. & taxes	16,992,084	15,165,562	16,563,957
Net earnings	$7,203,513	$6,274,481	$5,616,853
Other income	2,769,966	2,248,713	2,085,414
Total income	$9,973,479	$8,523,194	$7,702,267
Interest on bonds	672,440	468,213	
*Other int. & miscell. chgs.	793,480	157,063	
Balance	$8,507,559	$7,897,918	$7,702,267
Depreciation	4,439,910	3,999,884	3,862,574
Dividends	2,474,700	2,559,364	1,126,701
Directors' fees	153,221	153,051	16,428
Surplus for year	$1,439,728	$1,185,619	$2,696,564

*Includes assessment under Dawes Plan.

NOTE—Conversions into U. S. currency are at the rate of 4.2 marks to the dollar.

CONSOLIDATED BALANCE SHEET, JUNE 30, 1927

(Rhine-Westphalia Electric Power Corp. and *Constituent Electric Power and Coal Mining Companies)

Assets—	
Plant property	$96,743,725
Investments in subsid. companies not embraced in consolidation	12,653,098
Other investments	4,663,931
Securities deposited in connection with leased street railway	162,459
Sinking fund—Direct Mortgage bonds due 1950	208,146
Long term loans, etc.	1,723,701
Materials and supplies	1,108,160
Accounts receivable	2,430,045
Notes receivable	3,379
Cash	1,008,494
Deferred charges	662,490
Total	$121,367,628
Liabilities—	
Capital stock	$32,702,900
Reserves	55,497,211
Direct Mortgage Bonds, 7% Series due 1950	9,600,000
Unsecured debentures	104,668
Due to subsidiary & affiliated cos.	3,213,992
Deferred liabilities	3,453,069
Balance of purchase price of acquired properties payable in shares of R. W. E. Corp. at par	1,785,714
Current liabilities	7,548,864
Excess of the par value over the book value of capital stock of companies included in consolidation	4,372,898
Surplus	3,088,312
Total	$121,367,628

*Constituent in the sense defined in the underlying indenture of the Direct Mortgage Gold Bonds of the R. W. E. Corp., that is, owned at least 90% by that Company and whose property is mortgaged to secure these bonds.

NOTE—The balance sheets of the Corporation and its subsidiaries have been placed upon a gold Reichsmark basis, and in the above statement, conversions into United States currency have been made at the rate of 4.2 Reichsmark to the Dollar.

Board of Management (Vorstand): E. Henke, C. Hold, W. Kern, A. Koepchen, A. Thiel, O. Plassmann, Essen, Germany; G. Wegge, Koln, Germany; H. Schmitz, Essen, Germany (alternate).

Office, Essen, Germany.

THE HUTCHINSON INTER-URBAN RAILWAY COMPANY

History—Incorporated Jan. 17, 1906, in Kan. Acquired the property of the Hutchinson St. Ry. Owns and operates 13.38 miles of track in Hutchinson, Kan. Gauge, standard. Rail, 60 and 80 lbs. T. Cars, 18. Power house, 1. Power purchased from the Carey Salt Co. Company's property has been in the hands of C. E. Fair, as Trustee, for several years.

CAPITAL STOCK

Authorized, $100,000; outstanding, $99,375; par, $25. **Annual meeting, January 10.** No dividends paid.

FUNDED DEBT

$86,500 First Mortgage 6s and 6½s; dated June 1, 1916; due June 1, 1926 (still outstanding); interest June and Dec. 1, at Citizens' Bank, Hutchinson, Kan. Coupon, $500 and $1,000. C. M. Branch, Hutchinson, Kan., Trustee. Authorized issue, $90,000. Subject to call on any interest day on 30 days' notice. No sinking fund. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1922	1921
Gross earnings	*$114,700	$122,139
Oper. exp., taxes, deprec., etc.	105,754	117,624
Net earnings	$8,946	$4,515
Other income		6,866
Total income	$8,946	$11,382
Interest charges	$7,370	$7,748
Other deductions	200	2,850
Total charges	$7,570	$10,598
Surplus for year	$1,376	$784

*Includes other income.

Officers: C. E. Fair, Trustee; Emerson Carey, Pres.; Howard J. Carey, V-P.; James Lee Dick, Sec.; Chas. E. Carey, Treas.; J. L. Lunt, Mgr. for the Trustee.; J. F. Kelley, Supt., Hutchinson, Kan.

Directors: Emerson Carey, Chas. E. Carey, Howard J. Carey, **James Lee Dick, C. M. Williams, J. J.** Boehme, Hutchinson, Kan.

Office, Hutchinson, Kan.

NEW ENGLAND WATER, LIGHT AND POWER ASSOCIATES

History—A Massachusetts voluntary association. Owns all of the Common stock of the Central Connecticut Power & Light Co. (see appended statement), East Greenwich Water Supply Co., Pawtuxet Valley Water Company, and Warwick & Coventry Water Co. (except seven shares and directors' qualifying shares); over 80% of the Exeter Water Works and over 66 2-3% of the Cottage City Water Company.

Central Connecticut Power & Light Company supplies, without competition, electric light and power to over 7,000 customers in and around Buckingham, Glastonbury, East Glastonbury, South Glastonbury, Hopewell, Chatham, Middle Haddam, East Hampton, Westchester, Colchester, Moodus, Little Haddam, East Haddam, Haddam, Higganum, a portion of Hadlyme, Chester, Deep River, Saybrook, Essex, Ivoryton, Centerbrook, Old Saybrook, Westbrook, Old Lyme and Clinton, Connecticut. The property includes a complete transmission and distribution system, with a hydro electric plant located on the Salmon River in Leesville. Company also purchases current from the Hartford Electric Light Company, the Connecticut Power Co. and the Eastern Connecticut Power Co. Its high tension transmission lines consist of approximately 48 miles of pole lines and distribution system consists of approximately 218 miles of pole lines.

Through the other five operating subsidiaries, Association will supply water for industrial, domestic and municipal purposes to over 8,000 customers in Exeter, N. H.; Oak Bluffs, Mass., and Fiskeville, Hope, Arkwright, Phenix, Clyde, Lippitt, Riverpoint, Artic,

Crompton, Centreville, Quidnick, Anthony and Washington, Westcott, Apponaug, East Greenwich, Coventry and part of Warwick, R. I. The plant at Exeter, N. H., consists of a steam pumping station and a spring fed reservoir with a steel stand-pipe. The property at Oak Bluffs, Mass., comprises a steam pumping station and reservoir system, with two storage reservoirs practically wholly fed from springs. The property at East Greenwich, R. I., includes an electrically driven pumping system with steam plant in reserve and filtration plant located at Hunts River. The Pawtuxet Valley property at Fiskeville, R. I., incudes two reservoirs and is entirely a gravity system. The Warwick & Coventry property includes a spring fed reservoir known as Carr's Pond in West Greenwich, R. I., and is entirely a gravity system.

The combined population served by these properties is estimated in excess of 60,000.

CAPITAL STOCK

Outstanding, 3,000 shares Common Class "A" of no par value; 30,000 shares Common Class "B" of no par value, and $750,000 6% cumulative Preferred.

Preferred Stock Provisions—Preferred stock has preference as to assets and dividends over the Common shares Classes "A" and "B" of Association. In case of voluntary liquidation or dissolution Preferred shares shall be entitled to $105 per share and accrued dividends before any distribution shall be made to holders of the Common shares, Classes "A" and "B." It is subject to redemption as a whole or in part at option of Association, on 30 days' notice at 110 and accrued dividends. No shares having priority over Preferred shares already authorized, with respect to dividends or in liquidation, shall be authorized without consent of holders of at least three-quarters of the Preferred shares outstanding. Preferred shares having parity with the Preferred shares already authorized with respect to dividends, or in liquidation, may be authorized up to a total of $900,000 par value without consent of holders of the Preferred shares already authorized; and in excess of $900,000 total authorized amount only (a) with consent of holders of at least three-quarters of Preferred shares outstanding; or (b) if consolidated net income (as defined in the Agreement and Declaration of Trust) for a period of 12 consecutive calendar months ending not more than 60 days prior to the date of issue thereof shall have equalled at least twice the amount of the annual cumulative dividend requirements of the Preferred shares then outstanding, and additional Preferred shares to be issued. Except as above, the Preferred shares have voting rights only in case of default in payment of four successive quarterly Preferred dividends.

Transfer Agent (Preferred Stock)—The First National Bank of Boston.

Registrar (Preferred Stock)—State Street Trust Co., Boston, Mass.

Tax Provisions—Dividends on Preferred stock are exempt from present Normal Federal Income tax and Company will refund to resident holders of Preferred stock any Massachusetts Income tax on their dividends up to, but not exceeding 6%, upon written notice, in accordance with the terms provided in the Agreement and Declaration of Trust, within 60 days of payment of the tax.

Original Offering—First publicly offered ($750,000 6% Pfd.) in March, 1928, at 98½ and dividend, to yield 6.09% by E. H. Rollins & Sons, New York, etc., and Pearson, Erhard & Co., Boston.

Dividends—Preferred dividends paid quarterly, F, M, A & N 1, initial dividend of $1.50 having been paid May 1, 1928.

FUNDED DEBT

$1,450,000 COLLATERAL LIEN 5½% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1948

Dated March 1, 1928.

Interest Payable March and September 1 at The First National Bank of Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The First National Bank of Boston.

Provisions of Issue—Authorized issue unlimited; issued $1,450,000 Series "A" 5½s. The Indenture provides that additional bonds may be issued in one or more series (a) for the acquisition of securities issued by a subsidiary for improvements, extensions or new properties to an amount, which, combined with any of such securities so issued but not pledged under the Indenture, does not exceed 80% of the cash cost or fair value (whichever is lower) of such improvements, extensions or new properties; (b) for the acquisition of all the stock entitled to vote of a new subsidiary, with or without other securities of such subsidiary, to an amount which does not exceed 80% of the cost of the securities acquired and which, added to the par value of any Preferred stock and funded indebtedness of such subsidiary not deposited under the Indenture, does not exceed 80% of the fair value of the assets less the current indebtedness of such subsidiary; provided that if less than all but at least 51% of such voting stock is acquired the amount of bonds which may be issued for its acquisition shall be reduced proportionately, and additional bonds may thereafter be issued for the acquisition of the balance of such Common stock at the same rate; provided that consolidated net income, as defined in the Indenture, applicable to bond interest for a period of 12 months out of the next preceding 15 months, shall have been at least twice the annual interest charges on all bonds of this issue then outstanding and proposed to be issued; and further, provided that the consolidated net income shall be at least 1½ times such interest charges, plus interest charges and Preferred dividends on securities of subsidiary companies not pledged under this Indenture. Bonds may also be issued to refund an equal amount of underlying securities now or hereafter outstanding; to refund an equal amount of any series of this issue; or upon deposit of an equal amount of cash for any of the above purposes. Securities not to be pledged under the Indenture cannot be issued by subsidiaries inconsistently with these restrictions.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and accrued interest, up to and including March 1, 1929, and thereafter at a decreasing premium of ¼ of 1% each year to March 1, 1947, on and after which date, bonds may be redeemed at 100 and accrued interest.

Security—A direct obligation of New England Water, Light and Power Associates, secured by deposit with the Trustee of all the Common stock of the Central Connecticut Power & Light Company, East Greenwich Water Supply Company, Pawtuxet Valley Water Company, and Warwick & Coventry Water Co., (except 7 shares and directors' qualifying shares); over 80% of the Exeter Water Works; and over 66 2/3% of the Cottage City Water Company.

Valuation—Based upon recent appraisals by Jenks & Ballou, Consulting Engineers of Providence, R. I., combined reproduction cost of the properties is in excess of $4,180,000 and depreciated value is $3,690,000.

Tax Provisions—Association pays Normal Federal Income Tax up to 2% and agrees to reimburse resident holders of these bonds, if requested within 60 days after payment in the manner provided in the Trust Indenture, for any income tax upon the interest on Series "A" bonds up to 6% of such interest in any one year, or any tax upon the principal of any Series "A" bonds up to four mills on each dollar of the principal amount of such bonds in any one year, imposed under the laws of any state in the United States.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt, Boston, and Hinckley, Allen, Tillinghast & Phillips, Providence, R. I.

Original Offering—First publicly offered ($1,450,000) in February, 1928, at par and interest by E. H.

Rollins & Sons, New York, etc., and Pearson, Erhard & Co., Boston.

FUNDED DEBT OF CONTROLLED COMPANIES

There were outstanding in hands of the public as of March 1, 1928, the following bond issues of controlled companies:

$249,000 Central Connecticut Power & Light Company First Mortgage 5% Gold Bonds, due April 1, 1937 (see statement of that company below).

$75,000 Pawtuxet Valley Water Company First Mortgage 5½% Bonds.

$50,000 Exeter Water Works First Gold 5s; dated July 1, 1923; due July 1, 1948; interest Jan. and July 1, at The National Bank of Boston, Mass., Trustee. Coupon, $1,000. Subject to call on any interest date after July 1, 1933, on sixty days' notice, at par and accrued interest. A first lien on entire property. Company does not pay Normal Federal Income Tax.

$90,000 Cottage City Water Company First Mortgage 5% Bonds.

$93,000 Warwick & Coventry Water Company First Mortgage 4% Bonds.

EARNINGS, YEAR ENDED DECEMBER 31, 1927

(Consolidated earnings of operating subsidiaries adjusted to give effect to certain non-recurring charges and expenses amounting to $36,841. Based upon ownership by New England Water, Light & Power Associates of the entire Common stock of subsidiaries as funds have been provided for the acquisition of the small amount of stock which will be outstanding in hands of the public in case of the Exeter Water Works, Cottage City Water Co., East Greenwich Water Supply Co. and Warwick & Coventry Water Co.)

Gross revenues	$514,738
Operating exp., maintenance & local taxes	231,439
Net income	$283,299
Annual underlying bond interest & Pfd. divds.	64,225
Annual int. on Collateral Lien 5½% Gold bonds of N. E. Water, Light & Power Asso.	79,750
Balance for reserves, deprec., Fed. taxes & divds.	$139,324

Combined gross income of the properties for the past five calendar years as reported by operating subsidiaries was as follows: 1923, $442,052; 1924, $478,390; 1925, $470,935; 1926, $484,374; 1927, $514,738.

OFFICER

Arthur B. Lisle, Pres.

General Office, Providence R. I.

CENTRAL CONNECTICUT POWER & LIGHT COMPANY

(Controlled by New England Water, Light & Power Associates)

History and Property—Incorporated April 1, 1917, in Conn.; successor to East Haddam Electric Light Co. and Colchester Electric Light Co. As of July 31, 1925, merged the Essex Light and Power Co. (See 1925 Manual, p. 520 or apply to our Information Department), the $150,000 Capital stock of which had been purchased on July 1, 1923. Company furnishes power and light in Chester, Colchester, Essex, East Haddam, East Hampton, Glastonbury, Haddam, Hebron, Lyme, Marlboro, Moodus, Portland, Old Saybrook, Saybrook, Westbrook and Clinton, Conn., serving a population of 30,000. Franchises perpetual. Property consists of hydro-electric plant at Leesville, Conn., together with a complete transmission and distribution system. Company also purchases electrical energy. No. of meters, 7,000. Has street lighting contracts with 16 organized districts.

Change in Control—As of February 16, 1928, the entire Common stock of Company was purchased by New England Water, Light & Power Associates.

CAPITAL STOCK

Authorized and outstanding, 7,750 shares Common of no par value and 6,000 shares of $6 cumulative Pfd. of no par value. Capital stock was changed from $250,000 Common and $215,000 6% cumulative Pfd. (both of $100 par value), Dec. 31, 1925, the new no par Common shares being exchanged on the basis of five shares of no par Common for one share of par $100. Registrar: Industrial Trust Co., Providence, R. I. Annual meeting, last Saturday in March.

Preferred Stock Provisions—Has preference for assets and dividends and in liquidation is entitled to $100 per share and accrued dividends. It is subject to call as a whole or in part on any dividend date on 25 days notice at $110 per share and accrued dividend. Dividends are free from Normal Federal Income Tax.

Preferred Stock Offering—3,850 shares of no par value $6 cumulative Pfd. stock was publicly offered in Feb., 1926, at $92 and accrued dividends, to yield over 6½% by Bodell & Co., Providence, etc.

Dividends—Dividends on Pfd. stock of $100 par value, regularly paid from issuance in April, 1917 to Dec. 31, 1925; initial quarterly dividend of $1.50 a share on no par value shares paid March 31, 1926, which rate has since been paid. On Common stock dividends of 8% per annum were paid on $100 par shares from Oct. 1, 1920, to December 31, 1925; initial quarterly dividend on no par value shares of 40c per share paid March 31, 1926; 40c per share on June 30, 1926; 75c per share on Sept. 30, 1926, which rate has since been paid. Payments on both classes M, J, S & D 31.

FUNDED DEBT

$249,000 First Mortgage 5% Gold Bonds; dated Apr. 1, 1917; due April 1, 1937; int. April and Oct. 1, at Hartford (Conn.) Trust Co., Trustee. Coupon, $500 and $1,000. Sinking fund, 2½% annually. A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Connecticut.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	†1925
Gross earnings	$310,883	$289,827	$269,631
Miscellaneous receipts	1,832	3,382	.....
Total receipts	$312,715	$293,209	$269,631
Operating expenses	153,146	159,460	162,129
Depre., obsolescence, etc.	32,270	.....	.....
Taxes	19,019	.....	.....
Net income	$108,280	$133,749	$107,502
Bond & note interest	14,332	29,081	37,241
Balance for dividends	$93,948	$104,668	$70,261
Dividends paid	59,250	53,825	25,300
*Surplus for year	$34,698	$50,843	$44,961
‡Times All Interest Earned	9.80	4.59	2.89
‡Earnings Per Share—			
Preferred (no par)	$15.65	$17.44	.....
Common (no par)	7.47	8.86	.....

*Applicable to depreciation, obsolescence, etc. †1925 includes Essex Light and Power Co. operated separately for seven months ended July 31, 1925, and then merged. ‡Before depreciation, obsolescence, etc.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$1,185,502	$1,084,881	$1,115,755
Accounts receivable	29,777	36,080	26,938
Notes receivable	.....	140	281
Materials and supplies	6,029	24,203	32,522
Cash	24,307	16,407	3,923
Investments	11,103	.....	.....
Other assets	38,751	109,605	58,829
Total	$1,295,469	$1,271,316	$1,238,248
Liabilities—			
Capital stock	$701,100	$701,100	$370,000
Funded debt	249,000	255,000	494,000
Bills and accounts payable	25,836	23,063	52,524
Consumers' deposits	855	540	15
Interest & taxes accrued	13,004	3,310	2,425
Depreciation reserve, etc.	230,191	172,122	154,408
Other reserves	12,253	18,505	13,388
Other liabilities	.....	37,039	11,298
Capital surplus	.....	.....	66,098
Profit and loss	63,230	60,637	74,092
Total	$1,295,469	$1,271,316	$1,238,248

Officers: Arthur B. Lisle, Pres., Providence, R. I.; Franklin M. Fernald, V-P. & Treas., East Hampton, Conn.; Charles E. Goss, Sec., Essex, Conn.

Directors: Arthur R. Lisle, Roger T. Clapp, Providence, R. I.; Franklin M. Fernald, East Hampton, Conn.; Charles E. Goss, Essex, Conn.; Clarence H. Worcester, Boston, Mass.

General Office, East Hampton, Conn.

PORTLAND ELECTRIC POWER COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	†Income Available for Dividends	—Dividends Paid— Rate	Amount	Earnings per Share
7% cum. Prior Pref. (par, $100)	**J, A, J & O 1**	$10,000,000	$6,789,500	$1,627,304	$7.00	$475,274	$23.97
7.2% cum. First Pfd. (par, $100)	***F, M, A & N 1**	7,500,000	3,531,900		7.20	247,770	
6% cum. First Pfd. (par, $100)	**J, A, J & O 1**	6,250,000	6,250,000	1,152,030	6.00	356,592	§11.77
$6 cum. First Pfd. (no par)	M, J, S & D 1	200,000 shs	‡1,866,796		1.50	68,175	
6% Non-cum. Second Pfd. (par, $100)	**M, J, S & D 1**	6,000,000	5,000,000	479,493	6.00	300,000	¶9.59
Common (par, $100)		11,250,000	11,250,000	179,493		None	¶1.59
Common (no par)		250,000 shs.					

*A small number of holders receive their dividends monthly. †After depreciation. ‡Stated value. §Excluding $6 First Pfd. outstanding. ¶After deducting dividends on $6 First Pfd.

Bond and Note Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	*Outstanding	Convertible	Subject to Call		U. S. Inc. Tax
City & Suburban Ry. Co. Consol. 4s (now 1st)	June 1, 1930	J & D 1	Closed	$1,290,000	No	No		Pd. by Co.
Portland Gen. Elec. Co., First Gold 5s	July 1, 1935	J & J 1	Closed	7,010,000	No	Yes		Pd. by Co.
Portland Ry. 1st & Ref. Gold 5s	Nov. 1, 1930	M & N 1	Closed	6,080,000	No	Yes		Pd. by Co.
Portland Ry Lt & Pwr Co., 1st & Ref Gold 5s	Feb. 1, 1942	F & A 1	$75,000,000	10,320,900	Yes	Yes		Pd. by Co.
Willamette Valley South. Ry. 1st Gold 6s	Feb. 1, 1939	F & A 1	3,000,000	656,600	No	Yes	1%	Pd. by Co.
Port. Ry Lt & Pwr Co., 1st Lien & Ref 7½s "A"	May 1, 1946	M & N 1	Closed	4,045,000	No	Yes		Pd. by Co.
P. Ry Lt & Pw Co. 1st Ln & Ref. Gld 6s Sr "B"	May 1, 1947	M & N 1	Unlimited	11,383,700	No	Yes		Pd. by Co.
Port. Elec. Power 1st Lien & Ref 5½s "C"	May 1, 1951	M & N 1	Unlimited	4,755,400	No	Yes		Pd. by Co.

***Total Funded Debt,** at Dec. 31, 1927, $45,541,600.
†**Amount Available for Interest** in 1927, $4,211,105.
***In hands of public. †After depreciation.**

Interest Accrued in 1927, $2,583,801.
Times Interest Earned in 1927, 1.62.

History—Portland Electric Power Co. was incorporated June 29, 1906, in Ore., as the Portland Railway Light & Power Co., which purchased all the property and franchises of the Portland Ry. Co., Portland General Electric Co. and Oregon Water Power & Ry. Co. In March, 1912, acquired all the properties of the Mount Hood Ry. & Power Co. The change in name from Portland Railway, Light & Power Co. to Portland Electric Power Co. was effected April 26, 1924. Company's subsidiaries are: Willamette Valley Southern Ry. Co. and Yamhill Electric Co.

In January, 1926, the Company acquired the light and power properties in Hillsboro, Oregon, and vicinity. It also acquired in November, 1926, the complete electric distribution system in Oswego, Oregon and vicinity supplying about 1,100 customers. On March 1, 1927 Company purchased the Molalla Electric Company, serving the towns of and territory adjacent to Aurora, Hubbard, Donald, and Barlow, Oregon. The Company is a distributing company and serves about 572 customers in suburban and rural districts.

Business—With the exception of two interurban lines, the Portland Electric Power Co. operates all the electric railways in Portland and vicinity, including interurban lines to Oregon City, Cazadero and Bull Run, Ore., and over the new inter-state bridge to Vancouver, Wash. The Willamette Valley Southern Railway Co., serves a rich agricultural and timber country between Oregon City and Molalla. The Portland Electric Power Co. does most of the electric light and power business of Portland and vicinity and Vancouver, Wash.; also all of the electric light and power business in Salem, St. Helens, Hillsboro, Oregon City, Silverton, Woodburn, Ore., and many smaller communities. It operates the gas plant in Salem. Power is sold to the two interurban lines above mentioned, to the Southern Pacific Co. At Willamette Falls, Oregon City, where the water power is owned by the Company, direct power is furnished to several large pulp and paper mills. The Yamhill Electric Co. supplies electric light and power service to Newberg and other points in Yamhill County.

Company owns a nine-story fireproof building in the business center of Portland used for its offices; an amusement park near the city and considerable land on the east side of the Willamette River valuable for terminals. Estimated population served by the Company and controlled companies, 415,000.

Franchises—The principal street railway franchises, expiring in 1932, contain valuable preferential rights to the company to accept any new franchises which may be offered by the city. No time limit is specified in the principal light and power franchises. The company's plants, car barns, shops and other real estate, high tension transmission lines and a large part of its interurban railway are owned in fee and are not subject to franchise expirations.

Mileage, Dec. 31, 1927—Miles of track owend, on single track basis: Owned and operated, 304.3 miles; operated only, 11.6 miles; Willamette Valley Southern Ry. (controlled through stock ownership), 20.5 miles, Grand total owned, operated and controlled, 336.4 miles.

Equipment, Dec. 31, 1927—Passenger equipment: motor cars (closed, 514; open, 11; busses, 39), 564; trailers (closed, 15; open, 28; miscellaneous, 1), 44—total, 608; freight, 466; express, 4; work, 96—total, 566. Grand total, all cars, 1,174. Electric locomotives, 13; Willamette Valley Southern Ry.: Passenger (motor, 3; trail, 3), 6; electric locomotives, 1. Grand total owned and controlled, 1,194.

Power Plants, Etc.—Three steam stations (located at North Portland, Salem and East Portland) with capacity of 73,727 h.p. and six hydro-electric stations (located at Oregon City, Cazadero, Silverton, River Mill, Bull Run and Oak Grove) with capacity of 109,892 h.p., a total rated capacity of 183,619 h.p. No. of substations, 68. High tension transmission and distribution lines, 707 miles. The Willamette Valley Southern Ry. Co. has no power stations, all its power

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321 Chestnut Street
Philadelphia

being purchased from Portland Electric Power Co.; substations, 2. The Yamhill Electric Co. (including subsidiaries) has four substations and 65 miles of high tension transmission lines. This Company purchases about 95% of its power from Portland Electric Power Co.

Merger Proposal Defeated—A proposal to merge Company and Northwestern Electric Company was defeated by Portland Ore. voters according to results of special election held April 9, 1928.

Management—The properties are under the management of E. W. Clark & Co., Philadelphia, Pa.

GENERAL STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total passengers carried	86,707,955	89,603,533	89,080,026	89,964,541	93,136,494	93,900,714
Revenue	62,090,751	63,544,596	64,786,715	65,888,743	67,995,333	68,661,868
Transfer	22,300,844	23,573,401	21,931,413	21,669,435	22,565,980	22,762,174
Non-revenue	2,316,360	2,485,536	2,361,898	2,406,363	2,575,181	2,476,672
Receipts per total passengers carried	5.59c.	5.59c.	5.75c.	5.79c.	5.84c.	5.87c.
Receipts per revenue passengers carried	7.81c.	7.88c.	7.91c.	7.91c.	8.00c.	8.03c.
Expense per total passengers carried	4.46c.	4.75c.	4.40c.	4.52c.	4.49c.	4.50c.
Expense per revenue passengers carried	6.23c.	6.70c.	6.05c.	6.17c.	6.14c.	6.16c.
No. of motor car miles run	16,452,720	16,274,992	16,131,241	15,985,524	16,034,821	15,972,536
No. of light and power customers	95,800	91,450	82,536	77,032	70,215	62,754
No. of kilowatt hours sold	323,194,598	317,511,034	261,654,335	239,867,685	220,491,126	188,333,469
Cubic feet of gas sold	27,486,700	28,271,700	29,084,800	30,158,400	28,420,400	27,933,700
No. of gas customers	2,026	2,058	2,107	2,097	1,962	1,851

CAPITAL STOCK

Authorized, 250,000 shares Common stock of no par value; $11,250,000 Common, par, $100; $10,000,000 7% cumulative Prior Preference Pfd. Series "A," par $100; $7,500,000 7.2% cumulative First Pfd., par. $100; $6,250,000 6% cumulative First Pfd., par, $100; 200,000 shares $6 cumulative non-voting First Pfd. of no par value, and $6,000,000 6% non-cumulative Second Pfd., par, $100; outstanding, Dec. 31, 1927, $11,250,000 Common (par, $100) $6,789,500 7% Prior Preference Pfd., $3,531,900 7.2% First Pfd., $6,250,000 6% First Pfd., 20,816 (including 2,828 partially paid shares) shares $6 First Pfd., and $5,000,000 6% Second Pfd. Of the amounts shown as outstanding, $12,300 Common and $328,000 6% First Pfd. were held in treasury as of Dec. 31, 1927.

Stock Changes—Stockholders on March 24, 1926, authorized a decrease in the First Pfd. stock to $13,750,000; an increase in Second Pfd. stock to $6,000,000; the issuance of 200,000 shares $6 dividend cumulative First Pfd. non-voting stock of no par value; and the issuance of 250,000 shares Common of no par value, of which 112,500 shares are reserved to be issued from time to time upon the retirement and cancellation of a corresponding number of shares of Common stock of the par value of $100 per share. It was also proposed that Common stockholders should be given the first opportunity to subscribe to any additional Common stock which might be presently offered.

Prior Preference Stock Provisions—This stock has equal voting rights with all other classes of stock of the Company and is preferred both as to assets and dividends. No stock ranking prior to or on a parity with the Prior Preference stock may be created without the consent of the holders of a majority in amount thereof. The Series "A" Prior Preference stock is redeemable as a whole at option of the Company on any dividend date, on 60 days' notice, at $105 a share and accrued dividends. In the event of liquidation or dissolution of the Company, the holders of the Prior Preference stock shall be entitled to $100 a share and accumulated and accrued dividends.

Transfer Agents—Prior Preference stock: American Exchange Irving Trust Co., New York, and The United States National Bank, Portland, Ore. For 7.2% First Pfd. stock and $6 per share First Pfd.: The United States National Bank, Portland, Ore. For First (6%), Second Pfd. and Common stock: E. W. Clark & Co., Philadelphia, Pa. For Common stock only: Old Colony Trust Co., Boston, Mass.

Registrars—Of Prior Preference stock: Bankers Trust Co., New York, and Title & Trust Co., Portland, Ore. Of First 7.2% Pfd. and $6 per share First Pfd.: Title & Trust Co., Portland, Ore. Of First (6%) Second Pfd. and Common stock: The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Pa. Of Common stock only: First National Bank of Boston, Mass.

Annual Meeting—Second Wednesday in March or within 60 days thereafter, at Portland, Ore.

Legal Opinion (Prior Preference stock)—Shearman & Sterling, New York.

Listed—Common stock listed on Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Prior Preferred—							
High	102½	101	99	94½	93	96	..
Low	97½	97	95	bid	bid	bid	..
6% First Preferred—							
High	84	87	74	72½	68	70	48
Low	78	71	bid	bid	bid	bid	bid
Second Preferred—							
High	70	75	80	..	..	..	..
Low	55	71	70	..	..	..	..
Common—							
High	30	48½	53	49½	17	14	8
Low	10	30	40	bid	bid	bid	bid

Dividends—Dividends at rate of 5% per annum were company up to and including Jan. 1, 1911, and 4% paid on the old Preferred stock from organization of per annum on the old Common stock from Sept. 1, 1909 to and including Dec. 1, 1910. 4% was paid quarterly on the new capital stock from March 1, 1911, up to and including Sept. 1, 1912; 5% was paid from Dec., 1912, up to and including Sept. 1, 1913. On Dec. 1, 1913 and March 1 and June 1, 1914, the dividend was at the rate of 4% per annum. A dividend of 7½% was paid July 1, 1921, on $2,500,000 First Pfd. stock, Series "A"; on Oct. 1, 1921, the Company financed the dividends accumulated on its $5,000,000 outstanding First Pfd. stock through payment of 25% in First Pfd. stock and 2% in cash. At the same time the Prior Preference stock was created and Common stockholders exchanged their 75% paid stock for fully paid stock, receiving three shares of full-paid stock for each four shares of 75% paid stock, and being released from liability for further assessments on their Common stock. On Jan. 2, 1922 and quarterly thereafter cash dividends have been paid on $6,250,000 6% First Pfd. stock.

Dividends on 7% Prior Preference stock have been paid regularly, J, A, J & O 1, since date of issue, beginning April 1, 1922. Dividends at rate of 6% per annum were paid Dec. 1, 1923 on the Second Pfd. stock and quarterly (M, J, S & D 1) thereafter.

Dividends on 7.2% First Pfd. stock were paid Aug. 1, 1924 and quarterly thereafter (F, M, A & N 1), except to a small number of holders of this class of stock who elected to receive their dividends monthly.

Dividends an the 6% First Preferred stock regularly paid quarterly J, A, J & O 1 since Jan. 2, 1922.

Initial quarterly dividend on the $6 per share per annum, First Pfd. no par stock was paid on Dec. 1, 1926, and at same rate since; payments M, J, S & D 1, except to holders of this stock who desired payment of dividends monthly.

On 6% non-cumulative Second Preferred, a special dividend of $10 per share in Second Preferred stock and 80 cents per share in cash was paid April 2, 1928.

No dividends are being paid on Common stock.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1) City & Suburban Ry. Co. Consolidated 4s	Due	June	1, 1930
(2) Portland General Electric Co. First 5s	"	July	1, 1935
(3) Portland Railway Co. First & Refunding 5s	"	Nov.	1, 1930
(4) Portland Ry., Light & Power Co., First & Refunding 5s	"	Feb.	1, 1942
(5) Willamette Valley South Ry. Co. First 6s	"	Feb.	1, 1939
(6) Portland Ry., Light & Power Co. 7½% First Lien & Ref. "A"	"	May	1, 1946
(7) Portland Ry., Light & Power Co. 6% First Lien & Ref. "B"	"	May	1, 1947
(8) Portland Electric Power Co. 5½% First Lien & Ref. Mortgage Gold Bonds, Series "C"	"	May	1, 1951

(1)

$1,290,000 CITY & SUBURBAN RAILWAY COMPANY CONSOLIDATED (NOW FIRST) MORTGAGE 4% GOLD BONDS; DUE JUNE 1, 1930

Dated June 1, 1900.

Interest Payable June and December 1, at Security Savings & Trust Co., Portland, Ore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Security Savings & Trust Co., Portland, Ore.

Provisions of Issue—Authorized issue, $3,000,000, but closed at $1,290,000. Provided for at maturity by the Portland Electric Power Co., First and Refunding 5s of 1942.

Security—A first mortgage upon important electric railway lines serving the business and residential sections of Portland.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$7,010,000 PORTLAND GENERAL ELECTRIC COMPANY FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1935

Dated July 1, 1905.

Interest Payable January and July 1, at office of Harris, Forbes & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $10,000,000 (but closed at $8,000,000), of which $990,000 cancelled through operation of sinking fund to Dec. 31, 1927.

Callability—Subject to call as a whole on any interest date at 107½ and interest upon four weeks' notice.

Sinking Fund—A sinking fund began May 1, 1915, of 1% annually of amount of bonds outstanding, to be used in purchase of bonds at not exceeding 107½ and interest.

Security—A first lien on entire property of the former Portland General Electric Co., including electric light and power plants at Portland, Ore., and Vancouver, Wash., on hydro-electric power development at Willamette Falls, about 18 miles from Portland, and a reserve steam power station in the city of Portland, and on the street railway, gas and electric lighting systems of Salem, Ore. Assumed by Portland Electric Power Co. Provided for at maturity by the Portland Ry., Light & Power Co. First and Refunding 5s of 1942, which issue it underlies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($4,000,000) in June, 1905, at 103½ and interest, by N. W. Harris & Co., and Perry, Coffin & Burr, Inc., Boston, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	102⅛	102½	100⅞	99½	95½	93½	82½
Low	99⅞	99⅜	98⅜	95	91½	88½	82½

(3)

$6,080,000 PORTLAND RAILWAY COMPANY FIRST & REFUNDING MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1930

Dated November 1, 1905.

Interest Payable May and November 1, at office of Redmond & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The New York Trust Co., New York.

Registrar—Bank of North America & Trust Co., Philadelphia.

Provisions of Issue—Authorized, $10,000,000, but closed at $8,523,000, which amount has been issued, $2,443,000 thereof being held alive in sinking fund, leaving $6,080,000 outstanding in hands of public at Dec. 31, 1927.

Callability—Subject to call at 105 and accrued interest on any interest date upon 60 days' notice.

Sinking Fund—Sinking fund provides for the payment after Nov. 1, 1920, of $60,000 annually plus 1% of the face value of bonds outstanding in excess of $5,982,000. Funds to be invested in bonds of this issue if purchasable at or below 105 and interest; if not obtainable at that figure, bonds are to be drawn by lot at 105 and interest. Bonds so purchased or drawn to be kept alive in the sinking fund, and interest thereon added to the annual amount devoted to the retirement of the bonds.

Security—Secured by first mortgage on most of the electric railway lines formerly owned by Portland Ry. Co., subject only to the $1,290,000 City & Suburban bonds described above. Provided for at any maturity by the Portland Ry., Light & Power Co. First and Refunding 5s of 1942. It is provided in the mortgage that no underlying liens shall be issued under any of the mortgages covering underlying bonds. Assumed by Portland Electric Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($5,982,000) in Nov., 1905, at par and interest, by Redmond & Co., New York.

Listed—New York, Philadelphia and Louisville Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98⅞	96	96½	96	88⅞	91½	83⅝	68
Low	94½	92⅝	92½	86	84⅜	81	69	59

(4)

$10,320,900 PORTLAND RAILWAY, LIGHT & POWER CO. FIRST & REFUNDING MORTGAGE GOLD 5s; SERIES "A"; DUE FEBRUARY 1, 1942

Dated February 1, 1912.

Interest Payable at Fidelity-Philadelphia Trust Co., Philadelphia; Lee, Higginson & Co., Boston, and American Exchange Irving Trust Co., N. Y., or an equivalent amount in English currency at the rate of £1 sterling for every $4,8665, or in French currency at rate of 5.17½ francs for every $1, or in Dutch currency at rate of 2.48¼ guilders for every $1, at office of Higginson & Co., London.

Denominations—Coupon, $100, $500 and $1,000, and registered, $1,000, $5,000, $10,000 and $50,000, each interchangeable with $500 and $1,000 coupon bonds. The $100 coupon bonds are exchangeable for $1,000 coupon bonds; the $1,000 coupon bonds are not exchangeable for $100 coupon bonds.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Registrars—American Exchange Irving Trust Co., New York; Atlantic National Bank, Boston, Mass., and Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized issue, $75,000,000, of which $39,130,000 have been issued; $5,857,100 thereof being held in sinking fund, $10,320,900 are outstanding in hands of public; $22,831,000 are pledged as security for the Co.'s First Lien & Refunding mortgage bonds; $121,000 have been cancelled; $17,813,000 are reserved to retire an equal amount of underlying

bonds, the mortgages of which are all closed; the remaining $18,057,000 are reserved for not exceeding 80% of cost of additions and improvements under careful restrictions.

Convertibility—The outstanding Series "A" bonds are part of a series of $20,000,000, which are convertible at any time at option of the holder on ten days' notice into capital stock at a price equal to the amount paid in on such stock plus $10 per $100 share. Bonds of other series may be issued at a less rate of interest than 5%, or be convertible into stock on different terms, or be issued without such right of conversion, or may be payable in either U. S., English, French or Dutch currency, or different in any other respect, and each such lot of bonds shall be designated as a separate series.

Callability—Subject to call as a whole at 105 and accrued interest on Feb. 1, 1922, or any interest date thereafter upon 60 days' notice.

Sinking Fund—Cumulative sinking fund, on May 1, to and including May 1, 1926, an amount equal to 1% of the total amount of bonds outstanding including those in sinking fund; on May 1, 1927, and thereafter 1½%, to be used in the purchase of bonds at not exceeding 105 and interest.

Security—A first lien on rolling stock and 115 miles of electric railway formerly belonging to the Oregon Water Power & Ry. Co., modern steam station in Portland, two water power plants on the Clackamas River, and on valuable terminal lands of the company on the east bank of the Willamette River. Also a first mortgage on rolling stock and 23.50 miles of interurban electric railway; and a modern water power plant at Bull Run. In addition, is a mortgage on the remainder of the property subject to the $14,380,000 prior liens described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded.

Original Offering—First publicly offered ($16,000,000) in March, 1912, at 96 and interest, by Drexel & Co., Philadelphia, and Lee, Higginson & Co., New York, etc.; $1,064,000 offered by same firms in April 1914, at 93½ and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98⅝	94¾	92	87	86⅞	90	82	59
Low	91⅜	88¾	84¼	80⅜	80⅛	78½	56	59

(5)

$656,600 WILLAMETTE VALLEY SOUTHERN RAILWAY CO. FIRST MORTGAGE SINKING FUND GOLD 6s; DUE FEBRUARY 1, 1939

Dated February 2, 1914.

Interest Payable February and August 1, at Continental National Bank & Trust Co., Chicago, Ill., at office of Portland Electric Power Co., Portland, Ore., and at First National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized, $3,000,000; issued, $750,000; retired by sinking fund, $93,400. The remaining $2,250,000 bonds can only be issued for not to exceed 80% of the cost of further extensions and additions and then only when the net earnings for the preceding twelve months shall have been at least equal to 1½ times the interest charges on all bonds outstanding, including those proposed to be issued.

Callability—Subject to call at 103 and accrued interest on any interest date upon 60 days' notice.

Sinking Fund—Sinking Fund, 1917 to 1923, 1% of outstanding bonds, 1924 to 1931, 1½%; and 1932 to 1938, 2%, to be applied to redeem bonds by lot on the first day of the succeeding January at 103 and interest; $93,400 had been retired to Dec. 31, 1927. In lieu of cash payments the Co. may, if desired, deliver bonds of this issue which shall be received by the Trustee at their face value instead of cash. In addition to this sinking fund the company covenants to expend or to set aside annually a sum equal to at least 15% of the gross earnings for the preceding year, to be used for maintenance or additions and betterments to the property against which no bonds may be certified.

Security—A first lien on entire property of The Willamette Valley Southern Ry. Co., comprising about 32 miles of interurban railway between Oregon City and Mt. Angel, Ore.

Guaranty—Unconditionally guaranteed, principal and interest, by the Portland Electric Power Co.

Tax Provisions—Mortgage does not contain tax free covenant, but Company agrees to refund 1%.

Original Offering—First publicly offered ($700,000) in March, 1914, at par and interest, by E. H. Rollins & Sons, Boston, etc.

(6)

$4,045,000 PORTLAND RAILWAY, LIGHT & POWER CO. FIRST LIEN & REFUNDING MORTGAGE GOLD 7½s, SERIES "A"; DUE MAY 1, 1946

(7)

$11,383,700 PORTLAND RAILWAY, LIGHT & POWER CO. FIRST LIEN & REFUNDING MORTGAGE GOLD 6s, SERIES "B"; DUE MAY 1, 1947

(8)

$4,755,400 PORTLAND ELECTRIC POWER COMPANY 5½% FIRST LIEN AND REFUNDING MORTGAGE GOLD BONDS, SERIES "C"; DUE MAY 1, 1951

Dated Series "A," April 30, 1921; Series "B," May 1, 1922; Series "C," May 1, 1926.

Interest Payable May and November 1, at The National City Bank, New York.

Denominations—Coupon bonds in denominations of $100 (Series "A" and Series "C" only) $500 and $1,000 each, registerable as to principal only and interchangeable with fully registered bonds in denominations of $1,000, $5,000 and multiples of $5,000.

Trustee and Registrar—The National City Bank, New York.

Provisions of Issue—The First Lien & Refunding Mortgage provides for the issuance of bonds in series with the same or different rates of interest, dates, maturities and redemption provisions as may be determined by the Board of Directors of the Company, subject, however, to the restrictive provisions of the Mortgage. Bonds of any series may be issued from time to time in the future in principal amounts equal to and for the acquisition or retirement of all bonds secured by prior mortgages, outstanding with the public on May 1, 1921, or for the retirements of bonds of another series issued under the new mortgage. Bonds may also be issued from time to time for not exceeding 75% of actual and reasonable expenditures made subsequent to May 1, 1921, for permanent extensions, enlargements and additions of and to the plants, properties and equipment, provided net earnings for twelve consecutive calendar months ending not more than 60 days prior to the application for the issuance of bonds shall have been not less than 1¾ times the annual interest charges on all bonds secured by prior mortgages then outstanding in the hands of the public and all First Lien & Refunding Mortgage bonds outstanding and for the issuance of which application is made.

To Dec. 31, 1927, $27,503,900 ($6,410,000 Series "A," $15,259,500 Series "B" and $5,834,400 Series "C") had been issued, of which $2,800,300 ($1,720,000 Series "A" and $1,080,300 Series "B") retired by sinking fund; $3,440,500 ($645,000 Series "A" and $2,795,500 Series "B") cancelled and $1,079,000 (Series "C") held in treasury, leaving $20,184,100 ($4,045,000 Series "A" $11,383,700 Series "B" and $4,755,400 Series "C") in hands of public. In addition $24,700,900 bonds are reserved to retire the above described prior liens (does not include Willamette Valley Southern Ry. bonds).

The Directors, by resolution at meeting held July 24, 1924, authorized the issuance of First Lien & Refunding Mortgage Series "A" and "B" bonds in the name

of Portland Electric Power Company for exchange of bonds of the same issue and series outstanding in the name of Portland Railway, Light & Power Co.

Callability—Series "A" bonds are subject to call after May 1, 1931, as a whole or in part on any interest payment date upon 30 days' prior notice, at 105 and accrued interest for a period of ten years and after May 1, 1941, at 103 and accrued interest during the last five years prior to maturity.

Series "B" bonds are subject to call as a whole or in part on any interest date, upon 30 days' notice, at 105 and accrued interest up to and including May 1, 1942, and at 102½ thereafter, but prior to maturity.

Series "C" bonds are subject to call as a whole or in part on 30 days' notice, on or before May 1, 1936 at 105; on or before May 1, 1941 at 104; on or before May 1, 1946 at 103; on or before May 1, 1948 at 102; at 100 thereafter.

Sinking Fund—The mortgage provides for a sinking fund requiring cash payments on Sept. 1, 1921, and semi-annually thereafter, equal in each case to at least $225,000, but in no event less than one-half of 1% of the aggregate amount of the First Lien & General Mortgage bonds and bonds secured by prior mortgages outstanding in the hands of the public on the respective dates of payment. Such moneys shall be utilized, first, in the purchase of First Lien & Refunding Mortgage bonds of any series at or below the then existing redemption prices, or, if during a non-callable period with respect to any particular series, at or below certain specified prices; and second, in the redemption of the bonds of such series as are then subject to redemption. In the event that no bonds are then redeemable and the sinking fund moneys are not exhausted by the purchase of bonds, within the price limits specified, the balance of any such moneys remaining unexpended may be reimbursed to the Company for construction expenditures, against which no bonds may be issued. In the case of Series "A" bonds during the first ten years, the sinking fund moneys may be utilized in the purchase but not redemption of such bonds up to 107½ and accrued interest; thereafter at or below redemption prices.

General Reserve Fund—The mortgage provides for a General Reserve Fund requiring the Company to either expend in each calendar year beginning in 1921, or to deposit in cash with the Trustee, an aggregate amount equivalent to 4% of the total mortgage debt outstanding in the hands of the public on Dec. 31 of each year. This General Reserve Fund may only be utilized for maintenance, repairs, replacements and renewals, for the purchase of First Lien & Refunding Mortgage bonds (this issue), or for extensions, enlargements and additions of and to the plants and properties on account of which no bonds shall have been or may be issued.

Security—A direct mortgage on entire property of company, subject only to the prior liens of existing mortgages. Also share in a first lien on a very important part of the Company's generating capacity through pledge of $22,831,000 First and Refunding Mortgage bonds, of which issue only $10,320,900 bonds are outstanding in the hands of the public. Bonds of all series are equally secured.

Covenants—The Company covenants, so long as any of these bonds remain outstanding and unpaid: (a) Not to voluntarily create any lien or charge which would be prior to the lien of the Indenture securing these bonds upon the mortgaged properties; (b) not to declare or pay any cash dividends in excess of $400,000 on its capital stock except out of earnings subsequent to Jan. 1, 1922, after proper deductions shall have been made therefrom; (c) not to permit the amount of notes and accounts payable of any subsidiary company (other than accounts payable within 30 days, and notes and accounts payable to the Company) to exceed $300,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mills tax refunded if demand be made within four months after payment.

Original Offering—First publicly offered ($4,500,000 Series "A" 7½s) in May, 1921, at 96 and interest, to yield over 7.85%; $2,500,000 Series "B" 6s were publicly offered in Sept., 1922, at 96 and interest, yielding over 6.30%; $2,000,000 additional Series "B" 6s offered in April, 1923, and $3,500,000 Series "B" 6s in May, 1924, at 94 and interest, yielding over 6½%; $500,000 Series "B" 6s were offered in Sept., 1925, at 99 and interest, to yield 6.08%; all issues by the National City Co. and Halsey, Stuart & Co., New York. $3,750,000 Series "C" 5½s were offered in June, 1926, at 97 and interest to yield over 5.70% by National City Co. and Halsey, Stuart & Co., New York, etc.

Legal Opinion—Shearman & Sterling, New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Series "A" 7½s—							
High	108⅛	108⅝	108	107	107¼	108½	104
Low	106½	105¾	104⅝	103	103½	102	98
Series "B" 6s—							
High	104⅜	104	100⅛	98	86¼	..	..
Low	100⅛	99	96½	89¼	88⅞	..	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$12,154,452	$11,763,567	$11,045,063	$10,841,618	$10,825,380	$10,120,898
Operating expenses	5,788,690	5,821,686	5,504,578	5,434,454	5,538,954	‡5,439,499
Taxes	1,283,745	1,215,973	977,672	993,704	1,003,877	881,757
Gross income	$5,082,017	$4,725,908	$4,562,813	$4,413,459	$4,282,549	$3,799,642
Interest	2,583,801	2,486,726	2,485,985	2,247,598	2,066,824	2,126,892
Bridge rentals, etc.	120,247	117,115	103,943	103,477	108,176	‡
Net income	$2,377,969	$2,122,067	$1,972,885	$2,062,385	$2,107,549	$1,672,750
Dividends on stock:						
Prior Preference	475,274	475,599	444,361	325,875	205,001	32,543
First Preferred (7.2%)	247,770	189,169	47,190	5,531	.....	.....
First Preferred (6%)	356,592	368,223	375,000	375,000	375,000	375,000
First Preferred (no par)	68,175	2,602	.....	.....	.....	.....
Second Preferred	300,000	300,000	300,000	300,000	75,000	.....
Balance	$930,158	$786,474	$806,334	$1,055,979	$1,452,548	$1,265,207
Depreciation	750,665	738,486	717,386	717,386	717,386	717,386
Balance available for financial requirements and surplus	$179,493	$47,988	$88,948	$338,593	$735,162	$547,821
***Times Bond Interest Earned**	1.63	1.55	1.51	1.60	1.67	1.46
***Earnings Per Share—**						
Prior Pref.	$23.97	$20.37	$18.44	$25.70	$38.63	$86.70
First Pref. (7.2%) / First Pfd. (6%) / First Pfd. ($6)	§11.77	§9.18	10.69	15.50	18.96	14.76
2nd Pfd.	¶9.59	¶6.96	7.78	12.77	16.20	10.94
Common	¶1.59	¶0.43	0.79	3.01	4.53	2.19

*After depreciation charges. ‡Bridge rentals, etc., included in operating expenses. §Excluding First Pfd. ($6) outstanding. ¶After allowing for dividends on $6 First Pfd.

Depreciation Policy—It is the policy of Company to charge into operating expenses $717,386 annually for depreciation in accordance with order of the Oregon P. S. Commission dated May 31, 1916, fixing this amount as a proper annual charge.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant, property and equipment	$80,179,058	$79,459,404	$75,954,169	$73,183,190	$69,375,310	$62,505,197
Securities owned	1,332,185	810,982	411,414	409,845	393,709	388,293
Advances affiliated companies	746,310	687,237	362,049	170,651	141,737	.....
Materials & supplies	678,838	849,957	796,764	817,399	728,248	565,630
Deferred and suspense items	155,937	118,550	101,124	144,642	103,702	150,438
Cash	185,648	238,462	231,598	283,167	199,706	472,072
Sinking fund investment	8,444,449	7,363,893	6,513,522	5,716,065	4,946,638	4,282,735
Treasury bonds	1,079,000	755,400	1,440,500	641,700	1,464,100	*9,680,000
Bond and note discount being amortized	2,425,840	2,618,495	2,335,522	2,489,559	2,322,976	2,016,010
Bills and accounts receivable	1,012,637	1,031,811	908,222	873,617	902,799	710,635
Prepaid insurance, taxes, etc.	50,726	38,527	46,326	.....	.....	.....
Undistributed work orders	49,278	59,466	115,012	.....	.....	.....
Subscriptions to Pref. stock	223,816	182,688	115,049	39,997	96,997	99,476
Deposits with trustees under mortgages	13,638	5,280	8,297	2,030	15,320	5,614
Total	$96,577,360	$94,220,152	$89,339,568	$84,771,862	$80,691,242	$80,876,100
Liabilities—						
Common stock	$11,250,000	$11,250,000	$11,250,000	$11,250,000	$11,250,000	$11,250,000
Prior Preference Pfd. (7%)	6,789,500	6,790,200	6,807,700	5,233,400	3,598,600	1,101,900
First Pfd. (7.2%)	3,531,900	3,635,600	1,337,200	326,400	.....	.....
First Pfd. (6%)	6,250,000	6,250,000	6,250,000	6,250,000	6,250,000	6,249,375
First Pfd. ($6)	1,866,796	284,628	.....	.....	.....	.....
Second Pfd. (6%)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Funded debt	†54,265,100	†53,693,500	†51,589,200	50,262,400	48,103,265	51,592,480
Bills payable	456,500	186,668	300,000	7,750	196,387	16,108
Accounts payable	559,493	533,947	653,086	558,648	604,247	466,541
Paving assessments	280,705	276,823	275,018	308,542	284,512	268,577
Accrued accounts	1,901,041	1,830,533	1,394,430	1,394,642	1,449,609	1,394,346
Depreciation reserve	2,626,275	2,663,721	2,721,420	2,431,088	2,340,666	2,281,059
Operating reserves	52,676	100,502	74,128	115,042	159,769	.....
Suspense account	573,811	451,735	408,582	335,613	334,675	688,226
Surplus	1,173,563	1,272,296	1,278,804	1,298,337	1,119,512	567,488
Total	$96,577,360	$94,220,152	$89,339,568	$84,771,862	$80,691,242	$80,876,100

*Includes $300,000 U. S. Government Treasury Bonds. †Not including $18,826,000 pledged bonds in 1925, $21,681,400 in 1926 and $22,831,000 in 1927.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$678,838	$849,957	$796,764	$817,399	$728,248	$565,630
Bills and accounts receivable	1,012,637	1,031,811	908,222	873,617	902,799	710,635
Cash	185,648	238,462	231,598	283,167	199,706	472,072
U. S. Government bonds	.....	.....	.....	.....	.....	300,000
Total	$1,877,123	$2,120,230	$1,936,584	$1,974,183	$1,830,753	$2,048,337
Current Liabilities—						
Bills payable	$456,500	$186,668	$300,000	$7,750	$196,386	$16,107
Accounts payable	559,493	533,947	653,086	558,648	604,247	466,541
Accrued accounts	1,901,041	1,830,533	1,394,430	1,394,642	1,449,609	1,394,346
Total	$2,917,034	$2,551,148	$2,347,516	$1,961,040	$2,250,242	$1,876,994
Net Working Capital	*$1,039,911	*$430,918	*$410,932	$13,143	*$419,489	$171,343

*Debit.

Officers: Franklin T. Griffith, Pres., Portland, Ore.; E. W. Clark and H. L. Clark, V-Ps., Philadelphia; O. B. Coldwell, 2nd V-P.; W. H. Lines, V-P., Portland, Ore.; G. L. Estabrook, Sec. & Treas.; R. Jamison, Asst. Sec. & Asst. Treas., Philadelphia; R. W. Shepherd, Asst. Sec. & Asst. Treas.; Cassius R. Peck, Asst. Sec., Portland, Ore.

Executive Committee: C. M. Clark, Chairman; F. T. Griffith, Frederick Strauss, E. W. Clark, Ogden Mills.

Directors: C. N. Huggins, C. F. Swigert, F. V. Holman, J. C. Ainsworth, F. T. Griffith, O. B. Coldwell, W. H. Lines, E. B. MacNaughton, Portland, Ore.; Ogden Mills, Frederick Strauss, New York; C. M. Clark, E. W. Clark, H. L. Clark, Philadelphia.

Office, Portland, Ore.

WILLIAMETTE VALLEY SOUTHERN RAILWAY COMPANY

(Controlled by Portland Electric Power Company)

History—Inc. in 1908, in Ore. Has constructed 32 miles of line between Oregon City and Mt. Angel, Ore., which was put in operation in Feb., 1915. Total track, 35.17 miles. Gauge, standard. Rail, 78 lb. In Jan., 1914, the Portland Ry., Light & Power Co. (now Portland Electric Power Co.) acquired a majority of the $1,000,000 capital stock, and has connected the road at Oregon City with its own interurban line from Portland to that point. Road is mostly on private right of way. Power purchased from Portland Electric Power Co. Cars (combination passenger and freight), motor, 3; trail, 3; electric locomotive, 1.

CAPITAL STOCK

Authorized, $1,000,000 Common, $250,000 6% cumulative (from Jan. 1, 1916) First Pfd. and $250,000 6% non-cumulative Second Pfd. (unless net earnings shall permit); outstanding, $999,500 Common and $182,000 Pfd.; par, $100. Holders of the original Common stock received the right to exchange two shares of old Common stock for one of Second Pfd. stock. The Portland Electric Power Co. owns a majority of the Common stock.

FUNDED DEBT

$656,600 First Gold 6s; for details see statement of Portland Electric Power Co.

Officers: Grant B. Dimick, Pres.; Geo. A. Harding, V-P.; O. D. Eby, Sec.; W. A. Huntley, Treas.; C. M. Baker, Aud., Oregon City, Ore.

Directors: Grant B. Dimick, W. A. Huntley, Geo. A. Harding, Frank Busch, O. D. Eby, Oliver Robbing, Charles Abercrombie, Henry Berning, B. T. McBain.

Office, Oregon City, Ore.

PHILADELPHIA AND WEST CHESTER TRACTION COMPANY

History and Properties—Chartered April 24, 1895, under laws of Pa. in perpetuity; road first opened about May 1, 1896; completed Aug. 1, 1899. Municipal franchises all perpetual; franchise tax, $100 per annum in West Chester and $300 per annum in Newtown Township, Road extends from 69th & Market Sts., Upper Darby, Pa., to West Chester. The Ardmore & Llanerch St. Ry. Co. (see subjoined statement) was built by parties interested in this company as a feeder; the Philadelphia & West Chester Traction Co. leased the line at a rental equal to 5% on the capital stock outstanding, and a payment annually of such sum as may be necessary to maintain the organization of the lessor, not exceeding, however, $500 per annum. The Philadelphia & Garrettford St. Ry. Co. (see subjoined statement) was built by parties interested in this company as a feeder; the Philadelphia & West Chester Traction Co. leases the line at a rental equal to 5% of the funded indebtedness, and a payment annually of such sum as may be necessary to maintain the organization of the lessor, not exceeding, however, $500 per annum. Late in 1923 the Pennsylvania Public Service Commission authorized company to acquire the capital stock of **Aronimink Transportation Co.**, authorized to operate in Delaware, Chester and Montgomery Counties, Pa.

Length of Line: 1st main track (owned, 18.963 miles; leased, 14.962 miles), 33.925 miles; second main track (owned, 3.453 miles; leased, 8.137 miles), 11.590 miles; sidings, etc. (owned, 3.116 miles; leased, 2.988 miles), 6.104 miles; total track operated, 51.619 miles. Gauge, 5 ft. 2¼ in. Rail (T), 58, 60, 70 and 80 lbs. Motor cars (closed passenger, 53; work, 4), 57; snow plows, 3; sweepers, 4—total, 64. Substations, 2, of 3,000 k.w. and 1,000 k.w. each respectively.

Fare Increase—On July 20, 1927, Company increased its fares from 8c. to 10c. and abolished the 7½c. tickets formerly sold in strips of four for 30c. and six for 45c.

CAPITAL STOCK

Authorized, $1,400,000; outstanding, $1,303,700; par, $50.

Registrar—Girard Trust Co., Philadelphia.

Annual Meeting—Second Monday in February.

Dividends—4¼% paid in fiscal year 1909-10; in 1910-11, 4½%; in 1911-12, 5%; 1912-13, 5½%; 1913-14 to 1927, incl., 6% per annum; payments semi-annually, April and Oct. 15.

FUNDED DEBT

$534,000 GENERAL (NOW FIRST) MORTGAGE GOLD 4s; DUE JANUARY 1, 1954

$466,000 GENERAL (NOW FIRST) MORTGAGE GOLD 6s; DUE JANUARY 1, 1954

Dated January 1, 1904

Interest Payable January and July 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized and issued, $1,000,000, of which $534,000 bear 4% interest and $466,000 6%.

Callability—Subject to call at 105 and interest at any time on three weeks' notice.

Sinking Fund—None.

Security—Secured by first mortgage on railway owned by the Company, consisting of over 25½ miles of track; two sub-stations; all equipment owned by the Company; and on the following real estate. Approximately 10.81 acres of land at Llanerch, including car barn, shop, storage yard required for operation of entire system, and one of the aforesaid sub-stations which is erected thereon; and certain other real estate located on the Company's line between 69th and Market Streets, Philadelphia and West Chester.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State taxes.

Original Offering—$466,000 6s offered in Aug., 1924, by Harrison & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,231,959	$1,219,826	$1,212,162	$1,090,808	$983,363	$929,089
Operating expenses	969,571	967,068	926,308	748,846	654,798	598,685
Taxes	48,642	41,270	41,165	39,885	37,062	37,107
Net earnings	$213,746	$211,488	$244,689	$302,077	$291,503	$293,296
Other income	25,096	25,767	23,929	18,616	12,801	12,170
Total income	$238,842	$237,255	$268,618	$320,693	$304,304	$305,466
Interest and rentals	222,090	219,487	217,868	240,990	194,689	192,079
Balance for dividends	$16,752	$17,768	$50,750	$79,703	$109,615	$113,387
Dividends paid	57,737	57,737	78,222	78,222	78,222	78,222
Surplus after dividends	*$40,985	*$39,969	*$27,472	$1,481	$31,393	$35,165
Times Fixed Charges Earned	1.07	1.08	1.24	1.33	1.56	1.59
Earnings Per Share (par $50)	$0.64	$0.68	$1.95	$3.05	$4.20	$4.35

*Deficit after deducting $20,485 portion of Philadelphia & West Chester Traction Co. dividend returned by Philadelphia & Garrettford St., Ry. Co. under terms of lease.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$2,271,247	$2,248,572	$2,223,514	$2,093,472	$2,300,929	$2,314,140
Cash	200,705	170,737	73,929	218,422	113,192	104,949
Accounts receivable, etc.	112,784	149,162	174,814	109,846	129,985	92,713
Unadjusted debits	362,868	414,273	462,553	354,063	.....	.....
Total	$2,947,604	$2,982,744	$2,934,810	$2,775,803	$2,544,106	$2,511,802
Liabilities—						
Capital stock	$1,303,700	$1,303,700	$1,303,700	$1,303,700	$1,303,700	$1,303,700
Funded debt	1,000,000	1,000,000	1,000,000	1,000,000	534,000	534,000
Accrued liabilities	114,706	103,256	109,799	116,382	149,264	142,362
Bills payable	.....	.....	.....	.....	170,000	195,500
Accounts payable	49,685	111,047	127,242	111,365	153,903	152,450
Special reserves	233,899	157,954	67,608	.....	.....	.....
Profit and loss	245,614	306,787	*326,461	244,356	233,239	183,790
Total	$2,947,604	$2,982,744	$2,934,810	$2,775,803	$2,544,106	$2,511,802

*Profits of $89,093 on sale of surplus real estate during 1925 are not included in the income account above, but are reflected in surplus account.

Officers: A. Merritt Taylor, Pres.; H. H. Aikens, V-P.; M. H. Taylor, 2nd V-P.; C. L. Rihl, Treas., J. T. Brosius, Supt., Transp., Upper Darby, Pa.
Directors: A. Merritt Taylor, H. H. Aikens, Howard Sellers; William B. Whelen, H. C. Thompson, Jr., C. C.Taylor, Philadelphia; J. B. Hannum, Jr., Chester, Pa.; M. H. Taylor, Media, Pa.
Office, Upper Darby, Delaware Co., Pa.

ARDMORE & LLANERCH STREET RAILWAY

(Leased to Philadelphia & West Chester Traction Co.)

History—Inc. June 18, 1901, in Pa. Leased to Philadelphia & West Chester Traction Co. from Jan. 1902; annual rental being 5% on capital stock and $500 for organization expenses; lessee also pays the taxes. Line of road: Ardmore to Llanerch, Pa., 3.267 miles; second track, 2.901 miles. Rental year ended Dec. 31, 1927, $19,667, of which $19,167 was paid as dividends and $500 for other purposes.

CAPITAL STOCK

Authorized, $400,000 (increased from $300,000 in 1912) outstanding, $383,350; par, $50. Annual meeting, second Monday in February. Dividends, 5% per annum; payments semi-annually April and Oct. 15.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of road	$383,068	$381,233	$377,296
Cash	35,154	2,943	3,120
Miscel. investments	.....	.....	2,820
Accounts receivable	.....	33,291	41,409
Total	$418,222	$417,467	$424,645

Liabilities—	1927	1926	1925
Capital stock	$383,350	$383,350	$383,350
Miscellaneous liabilities	2,225	1,961	5,165
Profit and loss	32,647	32,156	36,130
Total	$418,222	$417,467	$424,645

Officers: A. Merritt Taylor, Pres.; H. H. Aikens, V-P.; M. H. Taylor, 2nd V-P; C. L. Rihl, Treas., Upper Darby, Pa.
Directors: A. Merritt Taylor, Howard Sellers, C. C. Taylor, H. H. Aikens, Wm. B. Whelen, H. C. Thompson, Jr., Philadelphia, Pa.; J. B. Hannum, Jr., Chester, Pa.; M. H. Taylor, Media, Pa.
Office, Upper Darby, Delaware Co., Pa.

PHILADEDPHIA & GARRETTFORD STREET RAILWAY

(Leased to Philadelphia & West Chester Traction Co.)

History—Inc. May 11, 1904, in Pa. Leased to Philadelphia & West Chester Traction Co. at an annual rental sufficient to pay interest on bonds and $500 for salaries and organization expenses; lessee also pays the taxes. Length of track, 11.695 miles, connecting Philadelphia, from 69th St. to Sharon Hill and Media; second track, 5.236 miles. Passenger cars, 20; freight car, 1; snow sweepers, 3; line car, 1.

CAPITAL STOCK

Authorized, $600,000, which is 90% paid amounting to $540,000; par, $50. Annual meeting, second Monday in February.

FUNDED DEBT

$3,000,000 (Closed Mortgage) First Gold 5s; dated Aug. 1, 1905; due Aug. 1, 1955; int. Feb. and Aug. 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000. Subject to call on 30 days' notice at 105 and interest on any interest date. Secured by an absolute first mortgage on the Co.'s terminal building at 69th and Market Sts., Upper Darby, Pa., upon the lines of Co. extending from the 69th St. terminal through private right-of-way to Drexel Hill, Garrettford, Clifton Heights, Aldan, Collingdale and Sharon Hill and from Drexel Hill to Media, over private right-of-way, two substation power plants of 2,750 and 500 k.w. capacity respectively, passenger stations, cars, equipment and real estate, bought in conjunction with the right-of-way; 8,194 shares of the capital stock of Philadelphia and West Chester Traction Co., and also upon $96,000 par value of Philadelphia & West Chester Traction Stock Trust Certificates. A block of these bonds was offered in January, 1918, at price yielding about 5.20%. Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State tax.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of road	$2,625,264	$2,651,955	$2,582,617
Other investments	505,700	553,465	553,465
Cash	521	1,135	3,445
Accounts receivable	155,316	85,208	63,889
Phila. & West Chester Trac. Co. stock	*1,433,200	*1,433,200	*1,433,200
Total	$4,720,001	$4,724,963	$4,636,616
Liabilities—			
Capital stock	$540,000	$540,000	$540,000
Funded debt	3,000,000	3,000,000	3,000,000
Miscel. liabilities	105,738	97,455	94,696
Phila. & West Chester Trac. Stock Trust Ctfs.	†894,000	†894,000	†894,000
Surplus	§180,263	‡193,508	107,920
Total	$4,720,001	$4,724,963	$4,636,616

*Philadelphia & West Chester Trac. Co. stock subject to the terms of the trust agreement between Eastern Securities Co. and West End Trust Co., dated Feb. 16, 1903.
†Philadelphia & West Chester Trac. Stock Trust Certificates, subject to the terms of the trust agreement between Eastern Securities Co. and the West End Trust Co., dated Feb. 16, 1903.
‡Surplus increased during 1926 by $85,588 due to sale of surplus real estate.
§Surplus adjustments during 1927, $13,245.

Officers: John D. McMullen, Pres.; P. D. Woolslager, Treas., Upper Darby, Delaware County, Pa.
Directors: A. H. Jones, B. Knox Macon, John D. McMullen, V. A. Hengst, P. D. Woolslager.
Office, Upper Darby, Delaware Co., Pa.

THE COMMUNITY TRACTION COMPANY

History and Property—Incorporated Aug. 22, 1919, in Ohio; existence perpetual. As of Feb. 1, 1921, took over the operation of the street car lines in Toledo of The Toledo Railways & Light Co. under the Milner service-at-cost 25-year franchise, which was approved by the voters Nov. 2, 1920. Miles of track, 108.82. Cars (motor): 288 passenger motor; 3 freight motor; 20 trailers; 18 motor service; 1 electric locomotive. Rail, type A—A.R.A., 100 lbs. Gauge, standard.

Summary of Provisions of Franchise Ordinance—The street railway lines in Toledo under the new franchise were divorced from The Toledo Railways & Light Co. and are controlled and operated by The Community Traction Co. The new Company has $10,000,000 Common stock, $1,096,940 8% Pfd. stock and $8,000,000 First Mortgage 6% 25-year Gold bonds. The $8,000,000 of first mortgage bonds were to be delivered to The Toledo Rys. & Light Co. in exchange for the street railway properties and the $1,096,940 of 8% Pfd. stock is to be issued and sold by the Company to provide $100,000 working capital, a $400,000 stabilizing fund, $1,000,000 to be used for rerouting and rearranging the street railway system and remainder for renewals and replacements on the property of the Company. Additional bonds and Pfd. stock may be issued for extensions and improvements, and the rate of return to which the Company will be entitled shall be an amount sufficient to pay 6% upon its bonds and 8% upon its Pfd. stock outstanding.

Control of service to more or less extent is vested in the City, and for the period of six months after the beginning of operation under the new franchise. The Community Traction Co. was required to test out a fare slightly less than that previously in effect, that is to say, the rate was reduced from 7 cts. plus 2 cts. for transfers, to 6 cts. with a 1 ct. charge for transfers. Company is now operating on a 10 ct. cash fare, with 6 tickets for 50 cts. and a 1 ct. charge for transfers. There is no maximum rate of fare provided in the

franchise, but a schedule of fares is set forth and the steps contained in the schedule upon increase or decrease of the fare are to be observed. The franchise continues for a period of 25 years and proper maintenance and repair funds and depreciation funds are created. The City reserves the right to purchase the property of the Company upon 6 months' notice on the payment of a sum equal to the capital value of the Company, plus any call premium upon bonds and Pfd. stock outstanding. The City also has the right to lease the property on six months' notice, and further provisions in regard to leasing and return of the property to the Company are provided. Sinking funds are provided for the redemption of the outstanding bonds either by call or purchase at not exceeding 104, and there are provisions for the redemption of the Pfd. stock at not exceeding 108.

The $10,000,000 of Common stock issued by The Community Traction Co. and delivered to the Commissioners of the Sinking Fund of the City of Toledo, and is held in trust by them; this stock to be voted by The Toledo Rys. & Light Co., while in trust.

If The Community Traction Co. should default upon any of its covenants under its mortgage, or upon its bonds, or be in arrears upon payments of its dividends to Pfd. stock or in default of the provisions of the Pfd. stock then the voting powers of Common stock shall cease and become vested in the Pfd. stock. Both the city and The Toledo Rys. & Light Co. waive all claim to any dividends upon Common stock.

CAPITAL STOCK

Outstanding, $10,000,000 Common and $1,096,940 8% Pfd.; par, $10. $8,446,000 of the Common stock is held in trust by the Commissioners of the sinking fund of the City of Toledo; this stock to be voted by The Toledo Rys. & Light Co. while in trust. The remaining $1,554,000 Common stock is owned by the City of Toledo. All of the Pfd. stock is owned by The Toledo Traction, Light & Power Co. Annual meeting, first Tuesday after first Monday in August.

Dividends—Preferred dividends are being paid quarterly, J, A, J & O 1.

FUNDED DEBT

$6,446,000 First Gold 6s; dated Jan. 31, 1921; due Jan. 31, 1946; int. Jan. and July 1, at Bankers Trust Co., New York, Trustee. Denominations, $100, $500 and $1,000 (coupon); $10, $100, $500, $1,000 and multiples (registered). Registered bonds and coupon bonds, registerable as to principal.

Authorized, $20,000,000; issued, $8,000,000, of which $1,554,000 have been retired by sinking fund leaving $6,446,000 outstanding, of which $6,375,000 are held as Collateral for Toledo Traction, Light & Power Co's notes, and $71,000 are owned by The Community Traction Co

Subject to call on any interest date at 104 and interest on 30 days' published notice. Sinking fund to be maintained as provided for in Franchise Ordinance of Nov. 2, 1920. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$3,408,387	$3,539,774	$3,610,935	$3,779,289	$3,882,952
Operating expenses and taxes	2,823,716	2,865,271	2,793,618	3,069,834	3,149,013
Depreciation	136,447	136,445	136,232	142,821	132,006
Net earnings	$448,224	$538,058	$681,085	$566,634	$601,933
Other income	16,027	14,940	14,557	15,201	15,906
Total income	$464,251	$552,998	$695,642	$581,835	$617,839
Bond interest	423,971	409,955	426,260	441,690	455,905
Other interest	31,307	12,832	10,238	1,398	5,264
Preferred dividends	87,716	87,704	86,562	84,846	43,143
Surplus for year	*$78,743	$42,507	$172,582	$53,901	$113,527

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Property account	$8,316,223	$8,174,671	$8,235,362	$8,188,287	$7,974,797
Stocks owned	1,554,000	1,261,000	984,000	722,000	476,000
Bonds owned	71,000	71,000	71,000	71,000	71,000
Commrs. sinking fund, City of Toledo	8,446,000	8,739,000	9,016,000	9,278,000	9,996,183
Other investments	171,192	250,792	280,089	284,034	
Materials and supplies	294,786	339,902	261,402	330,432	352,708
Cash	326,731	351,995	492,463	37,771	43,510
Notes receivable	.....	.....	.....	.....	13,850
Accounts receivable	46,641	45,071	86,012	172,768	106,353
Other current assets	274,112	289,056	149,857	330,701	172,753
Sinking funds	192,854	181,716	171,282	.....	.....
Unadjusted debits	58,936	27,335	6,149	19,120	22,907
Corporate deficit	1,272,370	910,544	656,592	549,501	339,714
Total	$21,024,845	$20,642,092	$20,410,209	$19,983,614	$19,539,775
Liabilities—					
Common stock	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
Preferred stock	1,096,940	1,096,320	1,096,240	1,071,050	1,043,140
Funded debt	6,446,000	6,739,000	7,016,000	7,278,000	7,524,000
Notes payable	615,237	353,833	181,950	37,020	.....
Accounts payable	143,377	148,514	154,530	143,724	153,730
Interest accrued	193,590	174,552	185,377	225,806	.....
Dividends accrued	304,824	217,108	129,404	.....	.....
Other current liabilities	58,937	36,439	32,470	26,819	96,803
Reserve for taxes	89,321	89,650	150,860	80,876	82,464
Unadjusted credits	.....	.....	.....	18,409	1,771
Deferred credits	.....	*5,241	10,844	.....	.....
Reserve for depreciation	114,563	96,872	91,857	.....	.....
Appropriated surplus	1,962,056	1,695,045	1,360,676	1,101,909	637,867
Total	$21,024,845	$20,642,092	$20,410,209	$19,983,614	$19,539,775

*Debit.

Officers: H. L. Doherty, Chrm. of Board & Pres., New York; J. Frank Johnson, V-P. & Gen. Mgr.; H. R. Roudebush, Sec., Treas. & Aud., Toledo, O.

Directors: H. L. Doherty, New York; J. Frank Johnson, H. R. Roudebush, Warren Griffith, Toledo, Ohio.

General Office, Richby Bldg., Toledo, Ohio. **New York Office,** 60 Wall Street.

EAST BAY WATER COMPANY

History and Properties—Incorporated Nov. 13, 1916, in Cal. On Oct. 2, 1916, a decree of foreclosure was entered against the Peoples Water Co. (see Manual for 1916, page 4486), following a friendly suit, and on Nov. 29, 1916, the properties were sold to the Reorganization Committee for $12,697,400 on behalf of the bondholders, and later conveyed to the new East Bay Water Co., the successor in interest to the old Peoples Water Co. (see Final Plan of Reorganization, 1917 Manual, Public Utility Section, page 1959). In Dec., 1920, the California Railroad Commission authorized the transfer of the properties of the Union Water Co. of California to the East Bay Water Co. The Commission fixed the value of the properties involved at $1,100,000. For last published statement of Union Water Co. of Cal., see 1921 Public Utility Manual, page 1661.

Serves Oakland, Berkeley, Alameda, Piedmont, Emeryville, Albany and San Leandro in Alameda County and Richmond and El Cerrito in Contra Costa County, Cal. These communities are located on the eastern shore of San Francisco Bay. Their combined population is estimated at 552,000. Owns over 44,000 acres of land; 3 storage reservoirs with combined capacity of 33 billions gallons; also 52 distributing reservoirs with combined capacity of 300 million gallons; 35 pumping plants with a total daily capacity of 93 million gallons.

OPERATING STATISTICS, DECEMBER 31

	Miles of Pipe	Total Service Connections	Average Daily Consumption
1921	1,104.71	82,170	21,093,000
1922	1,158.74	88,482	24,134,000
1923	1,241.48	96,149	26,447,000
1924	1,247.88	104,034	27,619,000
1925	1,330.72	113,179	29,495,000
1926	1,362.92	119,788	31,766,000
1927	1,391.60	123,731	32,658,000

CAPITAL STOCK

Authorized, $500,000 Common, $10,000,000 Class "A" 6% cumulative Pfd. and $5,000,000 Class "B" 6% non-cumulative Pfd.; outstanding Dec. 31, 1927, $100,000 Common; $10,000,000 Class "A" Pfd. and $2,987,200 Class "B" Pfd.; par, $100.

Class "A" Pfd. Stock Provisions—Additional Class "A" Pfd. stock can be issued only for improvements or extensions under authority of the California R. R. Commission. The Articles of Incorporation of the Company provide that this stock shall be Pfd. both as to assets and dividends over the other classes of stock; that it shall receive cumulative dividends at the rate of 6% per annum. In the event of any liquidation or dissolution of the corporation or upon any sale of all of its assets, the holders of class "A" Pfd. stock are entitled to be paid in full the par value of their shares, together with all accrued and unpaid dividends thereon. The Articles of Incorporation also provide that the Board of Directors is obligated to declare dividends on this stock, if the same shall be earned. Full dividends have been regularly paid on this stock.

Dividends—Initial dividend of 6% on Class "A" Pfd. stock was announced in Feb., 1917; payments now made quarterly, J, A, J & O 15. Initial dividend of 1¼% on Class "B" stock was paid July 15, 1922, and at same rate quarterly to Jan. 15, 1927; April 15, 1927, 1½% which quarterly rate has been paid to date; payments J, A, J & O 15. No dividends have been paid on Common stock. Dividends on both classes of Pfd. stock usually declared at meetings held the second Tuesday in March, June, Sept. & Dec.

Transfer Agent—American Trust Co., San Francisco.

Registrar—American Securities Co., San Francisco.

Annual Meeting—Third Tuesday in March.

Listed—Class "A" and Class "B" stocks listed on San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Class "A"—								
High	99	98⅛	96⅛	92½	88½	90½	81	81¼
Low	95⅛	93½	90	82	82½	79	72	69¾
Class "B"—								
High	111	112½	100	100	80	80	35	36
Low	104⅛	102	93¾	71	72	30	23	17
Common—								
High	1100	1100	..	..	..	..	..	..
Low	702½	1000	..	..	..	..	..	..

FUNDED DEBT

(1)

$8,826,200 FIRST MORTGAGE GOLD 5½s; DUE JANUARY 1, 1946

Dated January 1, 1916.

Interest Payable January and July 1, at Wells Fargo Bank and Union Trust Co., San Francisco.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank and Union Trust Co., San Francisco.

Provisions of Issue—Authorized and issued, $15,000,000; outstanding March 31, 1928, $13,758,300, of which $4,932,100 pledged as collateral and deposited under the Unifying & Refunding Mortgage. No more of the First Mortgage 5½% bonds may be sold to the public, and when and as available they must be deposited under the Unifying & Refunding Mortgage.

Purpose of Issue—The outstanding bonds were issued (1) for purpose of carrying into effect the plan of reorganization of Peoples Water Co. (2) for purpose of providing for 75% of the extension of the works of the company.

Callability—Subject to call within five years of date of mortgage at par and accrued interest, after five years at 105 and accrued interest.

Sinking Fund—Sinking fund 1% of outstanding bonds on Jan. 1, 1922, 1923, 1924 and 1925; thereafter 1¼% annually.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from California Personal Property Tax.

Legal for Savings Banks in California.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105⅜	105¼	103½	101¾	100⅛	100½	99¾	92
Low	103½	102½	100¼	97¾	98	94½	81	79½

(2)

$2,881,500 UNIFYING & REFUNDING MORTGAGE GOLD 6s, SERIES "B"; DUE MARCH 1, 1942

Dated March 1, 1922.

Interest Payable March and September 1, at American Trust Co., San Francisco.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized, $50,000,000; outstanding, March 31, 1928, $11,964,500 of which $2,881,500 Series "B" 6s, $1,986,000 Series "C" 6s, $2,917,000 Series "D" 6s and $4,180,000 Series "E" 5s. The previously outstanding Series "A" 7½s were called for payment on Sept. 1, 1926 at 105 and interest.

In addition to the above outstanding bonds, bonds may be issued at par for 75% of the cost of new construction, additions and betterments and then only when net earnings for 12 months out of the preceding 14 months shall have been sufficient to show 1½ times the total interest on all outstanding bonded debt and the interest on bonds of this mortgage for which certification may have been requested. The Unifying & Refunding Mortgage stipulates that when and as the remaining bonds of the First Mortgage can be issued, such bonds must be immediately deposited with the trustee of the Unifying & Refunding Mortgage. There have been already deposited under this mortgage $4,932,100 of First Mortgage 5½% bonds. The mortgage provides that bonds may be issued in the future

in series and that the maturity or maturities, interest rate, denomination and redemption price of each of such series may be determined by the Board of Directors at the time of issue.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 110 and accrued interest.

Sinking Fund—Jan. 1, 1923 to Jan. 1, 1926, inclusive. 1% on aggregate bonded indebtedness minus previous year sinking fund payment on First 5½s; thereafter, annually 1¼% of aggregate bonded indebtedness minus previous year sinking fund payment on First 5½s.

Security—These bonds are a direct lien upon all property of the Company now owned or hereafter acquired, equally with all other issues of Unifying & Refunding Mortgage bonds, subject only to $8,826,200 First Mortgage 5½% bonds, due Jan. 1, 1946.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from California Personal Property Tax.

Legal Opinion—Goodfellow, Eells, Moore, & Orrick, San Francisco.

Legal for Savings Banks in California.

Original Offering—First publicly offered ($3,000,000) in May, 1922, at 102 and interest, by Blyth, Witter & Co., and Cyrus Peirce & Co., Los Angeles, San Francisco, etc.

Price Range—

	1927	1926	1925
High	107	106¼	103
Low	105½	103	102¼

(3)

$1,986,000 UNIFYING & REFUNDING MORTGAGE GOLD 6s, SERIES "C"; DUE MARCH 1, 1944

Dated March 1, 1924.

Interest Payable March and September 1, at American Trust Co., San Francisco.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee, Provisions of Issue, Security, Etc.—See under Series "B" bonds above.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 105 and accrued interest.

Legal for Savings Banks in California.

Original Offering—First publicly offered ($2,000,000) in March, 1924, at 99½ and interest, yielding 6.07%, by Peirce, Fair & Co., San Francisco.

Price Range—

	1927	1926	1925
High	104¾	105	102¼
Low	104	101⅝	100¾

(4)

$2,917,000 UNIFYING & REFUNDING MORTGAGE GOLD 6s, SERIES "D"; DUE MARCH 1, 1955

Dated March 1, 1925.

Interest Payable March and September 1, at American Trust Co., San Francisco.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee, Provisions of Issue, Security, Etc.—See under Series "B" bonds above.

Callability—Subject to call on any interest date on 60 days' notice at 105 and accrued interest, provided, however, that in case of the sale to or other acquisition of the Company's properties by any public corporation, the Company may at its option and upon like notice redeem these bonds as a whole at 103 and accrued interest.

Legal Opinion—Jared How (for the Bankers), and McKee, Tasheira & Wahrhaftig (for the Company).

Legal for Savings Banks in California.

Original Offering—First publicly offered ($3,000,000) in Feb. 1925, at 101½ and interest, yielding over 5.85%, by Peirce, Fair & Co., San Francisco, etc.

Price Range—

	1927	1926	1925
High	104¼	103¾	101⅝
Low	102½	101	100¾

(5)

$4,180,000 UNIFYING AND REFUNDING MORTGAGE 30-YEAR 5% GOLD BONDS SERIES "E"; DUE MARCH 1, 1956

Dated March 1, 1926.

Interest Payable March and September 1, at American Trust Co., San Francisco.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee, Provisions of Issue, Security, etc.—See under Series "B" bonds above.

Purpose of Issue—Proceeds from sale of these Series "E" bonds and of $2,431,200 Class "A" Pfd. stock, were used for, refunding all outstanding Series "A" 7½% Unifying and Refunding Mtge. bonds due Sept. 1, 1936; for redemption of outstanding 5½% 3-yr. Gold notes, due Feb. 1, 1928; for the completion of the Upper San Leandro reservoir and dam, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 105 and accrued interest, provided, however, that in case of the sale to or other acquisition of the Company's properties by any public corporation, the Company may at its option and upon like notice redeem these bonds as a whole at 100 and accrued interest.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Exempt from California Personal Property Tax.

Legal Opinion—Jared How (for the bankers); McKee, Tasheira & Wahrhaftig (for the Company).

Original Offering—First publicly offered ($4,265,000) in July, 1926, at 97½ and interest, to yield over 5.15%, by Peirce, Fair & Co., Blyth, Witter & Co., and Mercantile Securities Co. of California, San Francisco, etc.

Price Range—

	1927	1926
High	*99⅝	96¼
Low	94	96¼

*Bid price.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross operating revenue	$4,324,001	$4,194,246	$3,694,375	$3,478,811	$3,202,441	$2,887,160
Oper. exp., taxes and depreciation	2,111,502	2,120,937	1,843,975	1,812,162	1,597,059	1,453,590
Net operating revenue	$2,212,499	$2,073,309	$1,850,400	$1,666,650	$1,605,382	$1,433,571
Non-operating revenue (net)	43,923	48,687	70,383	19,623	9,776	25,786
Net revenue	$2,256,422	$2,121,996	$1,920,783	$1,686,272	$1,615,153	$1,459,357
Interest charges	1,212,332	1,203,488	1,116,820	961,648	919,355	894,220
Balance for dividends, etc.	$1,044,090	$918,508	$803,963	$724,624	$695,803	$565,137
Class "A" Pfd. dividends paid	600,000	519,835	454,128	444,208	404,516	387,016
Class "B" Pfd. dividends paid	179,232	149,360	149,360	149,360	149,360	112,020
Federal Income Tax	‡112,500	52,636	53,568	60,349	52,184	50,033
Surplus for year	$152,358	$196,677	$146,907	$70,707	$89,743	$16,068
Times All Interest Earned	1.86	1.76	1.72	1.75	1.76	1.63
Earnings Per Share—						
Preferred "A"	$10.44	$9.19	$10.62	$9.57	$10.31	$8.44
†Preferred "B"	14.86	10.66	11.71	9.39	9.73	5.47

†After deducting 6% on full amount of Preferred "A" outstanding at close of fiscal year. ‡Estimated.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$31,649,842	$27,888,399	$26,480,733	$24,596,862	$23,070,118	$18,477,052
Upper San Leandro	.....	2,526,432	1,887,729	689,695	.....	.....
San Pablo project	.....	.....	.....	.....	.....	3,533,890
Construction work in progress	56,264	161,590	314,501	614,117	285,952	135,493
Cash on hand, etc.	475,482	409,427	453,197	235,378	617,118	161,708
Special funds	2,500	2,500	2,500	2,700	2,250	2,250
Funds in hands of trustees	66,375	115,713	4,625	1,460	7,687	23,955
Treasury securities	136,100	176,600	178,500	82,000	500	151,342
Accounts receivable	339,872	377,870	426,871	274,066	274,589	316,900
Interest and taxes receivable	22,136	29,970	21,002	12,054	8,490	10,480
Due under land sale agreements	354,575	396,141	281,577	338,121	179,456	196,914
Materials and supplies	401,991	373,469	451,211	356,069	227,847	387,302
*Amer. Trust Co. Proceeds of sale 6% bonds.	93,885	1,123,560	410,603	.....	.....	433,169
Prepaid expenses	437,632	307,126	284,316	268,452	262,946	247,546
Suspense	.....	.....	.....	106,749	42,232	22,804
Unamortized discount on securities	622,074	653,133	299,891	262,485	187,092	208,440
Stock discount & exp.	2,920,550	2,920,550	2,712,407	2,541,844	2,377,995	2,370,340
Total	$37,579,278	$37,462,480	$34,209,663	$30,382,051	$27,544,272	$26,679,585
Liabilities—						
Class "A" 6% cumulative Preferred	$10,000,000	$10,000,000	$7,568,800	$7,568,800	$6,750,800	$6,697,500
Class "B" 6% non-cumulative Preferred	2,987,200	2,987,200	2,987,200	2,987,200	2,987,200	2,987,200
Common stock	100,000	100,000	100,000	100,000	100,000	100,000
Unifying and Ref. Mtge. bonds	12,049,500	12,132,500	10,458,000	7,480,500	5,485,000	5,495,500
First Mortgage bonds	8,993,200	9,169,200	9,347,200	9,490,700	9,635,700	9,782,700
Gold Notes	.....	.....	1,000,000	.....	.....	.....
Accounts payable	81,647	156,065	227,690	317,490	147,595	73,009
Notes payable	.....	.....	.....	250,000	400,000	.....
Installments	.....	.....	.....	.....	163	7,376
Guarantee and extension deposits	481,565	403,885	348,082	178,669	166,249	155,016
Interest accrued	226,773	228,434	244,479	162,013	387,109	122,598
Dividends accrued	194,808	187,340	150,872	150,872	.....	.....
Taxes accrued	248,366	68,267	58,117	317	217	242
Deferred liabilities	13,052	9,566	9,645	10,855	13,112	16,954
Reserve for depreciation	1,104,113	1,016,616	878,320	915,708	734,205	567,926
Surplus	1,099,054	1,003,407	831,258	768,928	736,922	673,564
Total	$37,579,278	$37,462,480	$34,209,663	$30,382,051	$27,544,272	$26,679,585

*Available for future construction expenditures.

Officers: Edwin O. Edgerton, Pres.; G. H. Wilhelm, V-P. & Gen. Mgr.; J. Y. Eccleston, 1st V-P.; S. M. Marks, Sec. & Treas.; C. E. Thatcher, Asst. Sec

Directors: J. F. Carlston, Wm. Cavalier, John S. Drum, J. Y. Eccleston, Edwin O. Edgerton, Harry H. Fair, Stuart S. Hawley, John A. McGregor, T. A. Maas, C. O. G. Miller, W. T. Summers, Allen L. Chickering, Geo. H. Wilhelm.

General Office, Oakland, Cal.

CHARLESTON INTERURBAN RAILROAD COMPANY

History—Incorporated July 23, 1909, in West Virginia. Owns entire capital stock of Kanawha Valley Traction Co. and Charleston-Dunbar Traction Co. The Charleston Interurban R.R. Co. formerly leased the properties of these two companies, paying an annual rental of $26,000. On Aug. 14, 1923, the entire capital stock of the Kanawha Valley Traction Co. was purchased from the Ohio Valley Electric Ry. Co. and on Jan. 1, 1924, the entire capital stock of the Charleston-Dunbar Traction Co., which stock was owned by certain stockholders of Charleston Interurban R.R. Co., was acquired at cost from the owners. The Company is now working out a plan to cancel the stock of these two corporations and surrender their charters, throwing the ownership and operation together in one company, the Charleston Interurban Railroad Co.

The property consists of 50 miles of track, of which approximately 35 miles are on private rights-of-way. The city track is all in concrete and paved with brick. All recent construction includes Carnegie steel ties and 122 lb. grooved rail. Interurban track is laid with 70 lb. A. S. C. E. rail. Passenger cars, 70; freight cars, 3; work cars, 4.

Franchises—The franchise of the Kanawha Valley Traction Co. from the City of Charleston was granted in 1906 for a period of 50 years and the franchise of the Charleston-Dunbar Traction Co. from the City of Charleston was granted in 1912 for a period of 50 years. These two franchises cover all important streets in the city.

CAPITAL STOCK

Authorized, $1,500,000 Common and $1,500,000 6% cumulative participating Pfd.; outstanding, $1,500,000 Common and $413,200 Pfd. Par of both classes, $100.

Preferred Stock Provisions—The Company shall not, so long as any of this Pfd. stock shall be outstanding, either change the preference hereby given to this Pfd. stock or issue, any other shares of stock which shall have any preference or priority over, or any additional shares of stock which shall be on a parity with this Pfd. stock, except for the purpose of retiring bonds; or create or place any mortgage, deed of trust, or other such lien on its property, or any part thereof, to secure any bond issue in excess of the amount at present authorized, which is $2,500,000; or sell or otherwise dispose of its property and assets as, or substantially as, an entirety, except with the consent of the holders of ¾ of the Pfd. stock represented, in person or by proxy, at a meeting of the Pfd. stockholders called for such purpose, and provided that the Pfd. stockholders so consenting shall hold not less than a majority of the Pfd. stock issued and outstanding at the time.

Annual Meeting—First Thursday after January 20th.

Dividends—Dividends paid on Common: 2% each in 1920, 1921 and 1922; 3% in 1923; 3% in 1924; 2% in 1925; 3% in 1926; Jan. 1 and April 1, 1927, 1% each. Initial dividend on Pfd. stock paid April 1, 1924, and regularly to date.

FUNDED DEBT

(1)

$1,000,000 KANAWHA VALLEY TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1946

Dated January 1, 1906.

Interest Payable January and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $2,000,000, of which $1,000,000 are pledged to secure the 15-

year bonds described below, leaving $1,000,000 outstanding in hands of public at Dec. 31, 1927.

Security—Secured by first lien on all property of the Kanawha Valley Traction Co. The Charleston Interurban R.R. Co. has assumed the payment of the principal and interest of these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$286,000 CHARLESTON-DUNBAR TRACTION CO. FIRST MORTGAGE GOLD 6s; DUE JUNE 1, 1933

Dated June 1, 1913.

Interest Payable June and December 1, at Kanawha National Bank, Charleston, W. Va.

Denomination—Coupon, $500.

Trustee—Central Trust Co., Charleston, W. Va.

Provisions of Issue—Authorized issue, $500,000.

Sinking Fund—None.

Security—A first lien on property of Charleston-Dunbar Traction Co.

Guaranty—Interest guaranteed by Charleston Interurban R.R. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$600,000 CHARLESTON INTERURBAN RR. CO. 15-YEAR 7% FIRST MORTGAGE (CLOSED) COLLATERAL GOLD BONDS; DUE MARCH 1, 1937

Dated March 1, 1922.

Interest Payable March and September 1, at Safe Deposit and Trust Co., Baltimore, Md.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Safe Deposit & Trust Co., Baltimore, Md.

Provisions of Issue—Authorized and issued, $750,000 of which $137,500 retired to Dec. 31, 1927, and $12,500 purchased and retired by Trustee March 1, 1928, in accordance with mortgage as described below.

Callability—Subject to call during first ten years as a whole or in part at 107½ and accrued interest, on any interest date on 60 days' notice, after March 1, 1932, the redemption price is 105 and interest, the premium decreasing 1% per annum each year thereafter until maturity.

Sinking Fund—The Company covenants to deposit with the Trustee each year the sum of at least $25,000 payable in semi-annual installments of not less than $12,500, beginning Sept. 1, 1922, as a Purchase Fund to be applied to the purchase of these bonds up to 102 and accrued interest. If bonds are not obtainable at that figure within the period mentioned in the mortgage, the money is to revert to the Company for corporate purposes.

Security—These bonds are the direct obligation of the Charleston Interurban R.R. Co. and secured by deposit with the Trustee of $1,000,000 Kanawha Valley Traction Co. First Mortgage 5% bonds, dated Jan. 1, 1906, and due Jan. 1, 1946 (i.e., on the basis of $1,000 par value for each $750 of these 7% bonds). The Deed of Trust also constitutes a first lien on the property of the Charleston Interurban R.R. Co. now owned or hereafter acquired, including the 99-year lease of the Kanawha Valley Traction Co. property and also the lease of the property of the Charleston-Dunbar Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($750,000) in Feb., 1922, at 98½ and interest, yielding over 7.15%, by Robert Garrett & Sons, Baltimore.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue	$831,250	$826,955	$832,697	$923,627	$975,628	$952,352
Operating exp. & taxes, exclusive of deprec.	568,950	553,100	565,277	652,446	652,808	647,574
Net operating revenue	$262,300	$278,855	$267,420	$271,181	$322,820	$304,778
Interest on funded and unfunded debt	112,501	115,298	119,262	120,266	131,666	127,171
Depreciation	89,146	105,091	.....	.....	.....	.....
Balance for reserves, etc.	$60,653	$58,466	$148,158	$150,915	$191,153	$177,607
Preferred dividends	24,792	18,600	23,782	21,800	.....	.....
Common dividends	60,000	45,000	30,000	45,000	45,000	30,000
*Times All Interest Earned	2.33	2.41	2.24	2.25	2.45	2.39

*Before depreciation.

Bus Operation within City of Charleston for year ended Dec. 31, 1927: Gross revenue, $51,007; operating expenses, $37,474; net operating revenue, $13,533; depreciation, $7,711; net income, $5,822.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$4,918,476	$4,871,681	$4,872,759
Busses		34,452	20,470
Bridge right of way	41,593	39,634	39,069
Securities owned—Terminal Realty Co. stock	120,000	120,000	120,000
Other investments	1,000	1,000	1,000
Treasury stock	825	2,225	.....
Cash	51,692	70,739	54,180
Loans receivable	3,671	13,308	11,881
Subscription to Pfd. stock	.....	.....	125
Misc. accounts receivable	44,540	15,622	13,634
Materials & supplies	28,534	34,705	29,969
Unexpired insur. premiums	7,187	2,282	1,583
Unamortized discount on funded debt	44,141	48,807	53,473
Interest paid in advance	.....	210	.....
Other unadjusted debits	13,000	.....	2,060
Total	$5,274,660	$5,254,665	$5,220,203

Liabilities—	1927	1926	1925
Common stock	$1,500,000	$1,500,000	$1,500,000
Participating Pfd. stock	413,200	413,200	404,900
Funded debt	1,898,500	1,923,500	1,948,500
Due affiliated cos.	25,103	37,742	57,345
Notes payable	.....	24,140	65,000
Accts. & wages payable	37,339	41,696	86,540
Accrued interest	40,722	16,305	23,134
Operating reserve, etc.	90,802	81,404	78,551
Taxes	60,909	61,041	.....
Depreciation accrued	872,968	747,655	619,463
Unredeemed tickets	17,266	13,942	8,388
Surplus	317,851	394,040	428,382
Total	$5,274,660	$5,254,665	$5,220,203

Officers: W. A. MacCorkle, Pres.; A. M. Hill, V-P. & Gen. Mgr.; I. N. Smith, Sec. & Treas.; J. W. Cummins, Asst. Sec. & Asst. Treas., Charleston, W. Va.

Directors: W. A. MacCorkle, T. S. Clark, E. W. Staunton, I. N. Smith, A. M. Hill, Harrison B. Smith, Charleston, W. Va.

General Office, Charleston, W. Va.

CENTRAL CITIES TELEPHONE COMPANY

History and Business—Incorporated December 27, 1926, in Delaware, to carry on the general business of a telephone company; to acquire and hold, etc., stocks of companies furnishing telephone service. Furnishes telephone service, without competition, through its operating subsidiaries to the following cities and towns: Connersville, Ind.; Atlanta, McLean, Armington, Bellflower, Downs, Heyworth, Saybrook and LeRoy, Illinois; Newton, Fairfield, DeWitt, Delmar, Charlotte, Low Moor, Oxford Junction, Sabula, Belle-

vue, New Hampton, Sumner, Westgate, Ionia, Fredericksburg, Aplington, Wellsburg, Greene, Grundy Center. The telephone lines are interconnected with those of the Bell and Independent companies serving the adjacent territories. In all the system includes 27 exchanges operating 18,981 telephone stations or connections. Total population of the territory served exceeds 130,000.

CAPITAL STOCK

Authorized, $750,000 Common and $1,000,000 cumulative Preferred; outstanding August 1, 1927, $750,000 Common; par of both classes, $100.

FUNDED DEBT

(1)

$99,000 Fairfield Telephone Company First Mortgage bonds; due serially. These bonds underlie the below subscribed First Lien Collateral Gold bonds and are the only outstanding funded debt of Company's present subsidiaries not required to be pledged under the indenture securing said bonds.

(2)

$1,700,000 FIRST LIEN COLLATERAL SINKING FUND 6% GOLD BONDS, SERIES 1927; DUE AUGUST 1, 1942

Dated August 1, 1927.

Interest Payable February and August 1, at Central Trust Co. of Illinois, Chicago, or at the Chase National Bank of the City of New York, New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago, Ill.

Provisions of Issue—Authorized amount, not limited; issued, Series 1927, $1,700,000. Additional bonds may be issued, having such rates of interest, dates, maturities, redemption provisions and other distinguishing features and provisions as may be determined by the Board of Directors of the Company, for not exceeding 80% of the cash cost or fair value, whichever is the lesser, of acquiring new subsidiaries or of additions, improvements, betterments, extensions and additional properties acquired by subsidiaries; provided that earnings applicable to interest on bonds issued under the Indenture, on the basis of a consolidated statement, for a period of twelve consecutive months out of the preceding fifteen months shall have been at least twice the annual interest charges on all bonds then outstanding and proposed to be issued under the Indenture. Additional bonds may also be issued against the deposit of cash and at par for par for refunding purposes.

Purpose of Issue—Proceeds were used to retire the funded debt of the Company outstanding, to acquire additional properties, for extensions and improvements, for additional working capital and for other corporate purposes.

Callability—Subject to call as a whole, or in part by lot, on any interest date, on 30 days' notice, at 103 on or before August 1, 1932; at 102 thereafter and on or before August 1, 1937; at 101 thereafter and on or before August 1, 1941, and thereafter at 100, plus accrued interest in each case.

Sinking Fund—Company shall pay to the Trustee as a sinking fund for the Series 1927 bonds, on or before the first day of February in each year, beginning Feb. 1, 1929, to and including Feb. 1, 1936, an amount equal to 1% of the amount of Series 1927 bonds outstanding on the next preceding Dec. 31, and thereafter to and including Feb. 1, 1942, an amount equal to 1½% of the amount of Series 1927 bonds outstanding on the next preceding Dec. 31, to be applied in the purchase and/or redemption of Series 1927 bonds at not exceeding the then applicable redemption price. Payments to the sinking fund may be made in cash and/or in Series 1927 bonds to be taken at cost to the Company or at the then applicable redemption price, whichever is lower.

Maintenance and Renewal Fund—The Indenture provides that during each calendar year, the Company shall expend or cause to be expended by its subsidiaries an amount not less than 20% of the consolidated gross operating income for the preceding calendar year for (a) maintenance, renewals and replacements; (b) the acquisition of new subsidiaries and additions and improvement not made the basis for the issuance of additional bonds, or (c) the redemption or purchase of bonds outstanding under the Indenture and /or other refundable securities.

Security—Secured by a first lien upon all of the outstanding capital stock and upon all outstanding indebtedness, if any, and bonds (except current indebtedness not in excess of current assets and $99,000 principal amount of underlying first mortgage bonds of Fairfield Telephone Co.) of the Company's present subsidiaries; the securities representing such outstanding stock, indebtedness and bonds to be deposited and pledged with the Trustee under the Indenture. Indenture provides that no additional capital stock, bonds or other indebtedness (other than current indebtedness) may be issued by any of the Company's present subsidiaries unless such stock, bonds and indebtedness shall forthwith be pledged with the Trustee as additional security for the bonds.

Valuations—The operating properties, including working capital and going-concern values, have been recently appraised by Hagenah & Erickson, Engineers, Chicago, at a reproduction cost of $3,724,490 and at a sound depreciated value of $3,190,124.

Tax Provisions—Company pays Normal Federal Income Tax up 2%. Connecticut, Pennsylvania and California Personal Property taxes not exceeding 4 mills per annum each, Maryland Securities Tax not exceeding 4½ mills per annum, District of Columbia and Kentucky Personal Property taxes not exceeding 5 mills per annum each and Massachusetts Income Tax not exceeding 6% on the interest refunded upon proper and timely application.

Legal Opinion—Cotton & Franklin, New York (for the Bankers), and Chapman & Cutler, Chicago (for the Company).

Original Offering—First publicly offered ($1,700,000) in Aug., 1927, at 98½ and interest yielding over 6.12% by Hambleton & Co., Inc., New Lork, N. Y.

Listed—Baltimore Stock Exchange.

Price Range—1927: High, 100; low, 98½.

(3)

$700,000 TWO-YEAR 5½% GOLD NOTES; DUE AUGUST 1, 1929

Dated August 1, 1927.

Interest Payable February and August 1, at Standard Trust & Savings Bank, Chicago, or at The Chase National Bank of the City of New York, New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Standard Trust & Savings Bank, Chicago, Ill.

Provisions of Issue—Authorized and issued, $700,000.

Purpose of Issue—Proceeds were used to retire the outstanding indebtedness of the Company created in the acquisition of the property, for the acquisition of additional properties, to provide funds for extensions and improvements, for additional working capital and for other corporate purposes.

Callability—Subject to call as a whole, or in part at any time on not less than 30 days' notice at 101 on or before Feb 1, 1929, at 100 thereafter to maturity, plus accrued interest in each case.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut, Pennsylvania and California Personal Property taxes not exceeding 4 mills per annum each, Maryland Securities Tax not exceeding 4½ mills per annum, District of Columbia Personal Property tax not exceeding 5 mills per annum,

and Massachusetts Income Tax not exceeding 6% per annum on the interest refunded upon proper and timely application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($700,000) in Aug., 1927, at 99 and interest, yielding over 6% by Hayden, Van Atter & Schimberg, and Patterson, Copeland & Kendall, Inc., Chicago.

CONSOLIDATED EARNINGS OF OPERATING SUBSIDIADIES, YEARS ENDED MAY 31

	1927	1926
Gross revenues	$477,512	$463,083
Oper. exp., maintenance & taxes (other than Federal Income)	237,421	233,503
Net earnings	$240,091	$229,580
Interest on underlying bonds	6,000	6,000
Net inc. avail. for int., depr. & Fed. tax	$234,091	$223,580
Annual int. requirement on First Lien Coll. bonds	102,000	.....
Annual int. requirement on Two-Year 5½% Gold notes	38,500	.....

CONSOLIDATED BALANCE SHEET AS AT MAY 31, 1927 (Giving Effect to the Appraisal of Fixed Assets and to New Financing)

Assets—	
Fixed assets—reproduction cost new	$3,724,490
Less accrued depreciation	534,366
Balance	$3,190,124
Cash reserved for extension of properties	100,000
Cash on hand and in banks	68,861
Bills & accts. receivable	40,321
Materials and supplies	33,303
Prepaid ins., etc.	3,098
Total	$3,435,707
Liabilities—	
Common stock	$750,000
Underlying First Mtge. bonds—Fairfield Telephone Co.	99,000
15-Year 6% Coll. Gold bonds	1,700,000
2-Year 5½% Gold notes	700,000
Accounts payable	13,002
Accrued taxes, etc.	8,801
Service billed in advance	18,093
Surplus	146,811
Total	$3,435,707

Officers: S. H. Winston, Pres.; F. H. Pethybridge, V-P.; R. R. Goodrich, Sec. & Treas.; E. H. Patterson, Asst. Treas.

General Office, 231 South La Salle St., Chicago, Ill.

ILLINOIS SOUTHEASTERN TELEPHONE COMPANY

History and Property—Incorporated Nov. 25, 1925, in Illinois. Owns and operates the telephone properties formerly owned and operated by the Coles County Telephone and Telegraph Company and the Queen City and Shelby County Mutual Telephone Company. The territory served lies in the south central part of the State of Illinois and covers practically the entire counties of Coles and Shelby and a portion of Douglas County. Population served approximately 92,000. Company has 9,017 connected telephones, and handles an extensive toll business, through connections with Illinois Bell Telephone Co. and the American Telephone and Telegraph Company. Exchanges are located in Charleston, Mattoon, Ashmore, Humboldt, Oakland, Shelbyville and Tower Hill.

CAPITAL STOCK

Authorized, $500,000; outstanding, $400,000; par $100. No dividends paid.

Annual Meeting—Fourth Thursday in January.

FUNDED DEBT

$500,000 FIRST MORTGAGE 6% GOLD BONDS; DUE JANUARY 1, 1946

Dated January 1, 1926.

Interest Payable January and July 1 in Chicago or New York.

Denominations—$100, $500 and $1,000.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Authorized, $2,000,000; issued, $500,000. These bonds were issued in connection with the consolidation of the two acquired properties, to furnish a portion of the cost of acquisition and to retire an outstanding bond issue. Additional bonds may be issued up to 75% of the cost or fair value of the extensions and improvements to the property, but only when net earnings, after depreciation, shall have been at least one and three-quarters times interest charges on all bonds, including those to be issued.

Callability—Subject to call on any interest date upon 60 days' notice at 103 and interest.

Sinking Fund—Company covenants to pay annually to the Trustee as a sinking fund, either 1% of the highest aggregate amount of bonds outstanding, or 5% of the net earnings of Company for the last preceding calendar year, whichever is the greater. These funds shall either be used to purchase and retire bonds of this issue, at or below the call price, or to reimburse the Company for additions and extensions, against which no bonds may be issued.

Security—Secured by a first mortgage on all the land, buildings and telephone property of Company. The property has been appraised as of September 30, 1925, by W. F Sloan, Consulting Telephone Engineer, as having a net depreciated value of $1,235,870.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($500,000) in January, 1926, at par and interest, by Chicago Trust Co., Chicago, and Morris F. Fox & Co., Milwaukee, Wis.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Earnings from operations	$241,282	$241,786	$239,018
Operating exp. and taxes	135,447	131,096	130,952
Depreciation	58,288	57,650	56,474
Net earnings	$47,547	$53,039	$51,592
Deductions:			
Bond interest	$30,000	$28,417	$9,000
Other interest	1	622	5,106
Rentals & other deductions	6,433	.....	.....
Total deductions	$36,434	$29,039	$14,106
Net income	$11,113	$24,000	$37,486
Times Interest Earned	1.37	1.84	5.16
Earnings Per Share	$2.78	$6.00	$9.37

GENERAL BALANCE SHEET

	Dec. 31, 1927	Dec. 31, 1926	*Jan. 1, 1926
Assets—			
Plant and equipment	$947,075	$900,889	$1,378,740
Bonds owned	5,273	.....	.....
Cash and deposits	48,218	41,956	14,015
Bills receivable	10,208	292	466
Accounts receivable	18,993	17,999	6,247
Materials and supplies	24,089	18,413	7,394
Other current assets	.....	287	.....
Prepayments	8,590	8,266	1,167
Total	$1,062,446	$988,102	$1,408,029
Liabilities—			
Capital stock	$400,000	$400,000	$400,000
Funded debt	500,000	500,000	500,000
Accounts payable	20,037	13,099	5,872
Notes payable	175	.....	.....
Service billed in advance	.....	.....	8,115
Taxes accrued	9,074	7,803	9,836
Other accruals	2,688	.....	5,466
Reserve for depreciation	99,523	47,363	478,740
Surplus	30,949	19,836	.....
Total	$1,062,446	$988,102	$1,408,029

*After giving effect to new financing.

Officers: R. A. Lumpkin, Chrm., Pres. & Gen. Mgr.; E. A. Purcell, V-P.; B. A. Lumpkin, Sec.; I. A. Lumpkin, Treas.; A. J. Brumleve, Aud.; C. W. Thompson, Supt., Mattoon, Ill.

Directors: I. A. Lumpkin, W. H. Ownby, E. A. Purcell, C. W. Thompson, R. A. Lumpkin.

General Office, 113 S. 17th St., Mattoon, Ill.

UNITED TOWNS ELECTRIC COMPANY, LTD.

History—Incorporated in 1902 under special Act of Legislature, and is engaged in the manufacture and distribution of electric current for light and power service in the Conception Bay territory adjoining St. John's, Newfoundland. The Company serves over 40 towns and communities in Newfoundland adjacent to the City of St. John's, having over 3,500 customers and serving a population in excess of 40,000. It also furnishes under contract to the Newfoundland Light and Power Company power for distribution in St. John's and thus serves indirectly an additional population of 36,000. Operates under franchises, which are exclusive both as to light and power with the exception of three small communities where they are exclusive as to light. Company has two hydro-electric generating stations, one at Victoria Falls and one at Seal Cove.

CAPITAL STOCK

Authorized, $500,000 Ordinary, $50,000 8% Preference, $450,000 7% Preference and $2,000,000 6% Preference; issued, $50,800 Ordinary, $50,000 8% Preference and $450,000 7% Preference.

Dividends—Pfd. dividends regularly paid Jan. and July 1. On Ordinary 8% each was paid for 1924, 1925, 1926 and 1927.

FUNDED DEBT

$350,000 FIRST MORTGAGE 6% BONDS, SERIES "A"; DUE APRIL 1, 1945

Dated April 1, 1925.

Interest Payable April and October 1, at any of the principal offices of the Canadian Bank of Commerce, or its successor, in the cities of St. John's, Newfoundland, Halifax, Nova Scotia, Montreal, Toronto, Winnipeg or Vancouver, Canada; also in U. S. Gold Coin.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Company, Montreal.

Provisions of Issue—Issued under open-end mortgage. Authorized and outstanding, Series "A," $350,000. Further bonds of other series may be issued up to 75% of the cost or fair value, whichever is less, of additions and extensions and then only when net earnings available for interest charges have been, during the twelve months preceding such issuance, not less than 1¾ times the requirements of all bonds outstanding, including those to be issued.

Callability—Subject to call as a whole or in part, at option of Company on 30 days' notice at 105.

Sinking Fund—Commencing April 1, 1928, and annually thereafter, Company will pay to the Trustee for the sinking fund, a sum equal to 1½% of the greatest amount of bonds at any time outstanding, and also upon October 1, in each year thereafter, a sum equal to 6% on the aggregate principal amount of bonds previously redeemed.

Security—These bonds are secured by a direct first mortgage on all physical property rights and franchises now owned, or hereafter acquired.

Original Offering—First publicly offered ($250,000) in April, 1925, by J. A. W. Iglehart & Co., Baltimore, etc.

Legal Opinion—Janney, Ober, Slingluff & Williams, Baltimore (for the bankers), and McGibbon, Mitchell, Casgrain, McDougall & Stairs, Montreal (for the company).

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926
High	102¼	100¼
Low	100¼	99¾

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Total revenue	$101,423	$89,372	$82,116
Oper. exp., maint. & taxes	45,077	45,871	41,318
Net income	$56,346	$43,501	$40,798
Interest charges	‡24,804	18,537	13,742
Balance	$31,542	$24,964	$27,056
Pref. dividends	27,574	22,578	*
Ordinary divds.	4,064	4,064	*
Surplus for year	†$96	†$1,678	.....

*Not available. †Deficit. ‡Interest and sinking fund.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant, bldgs., equip., etc.	$817,050	$711,262
Investments	34,322	6,629
Materials and supplies	21,065	13,509
Cash	7,945	11,813
Accounts receivable, less reserve	45,600	45,743
Deposit on account new turbine (since installed)	.....	3,851
Deferred assets	28,515	24,485
Total	$954,498	$817,292
Liabilities—		
Ordinary stock	$50,800	$50,800
Preference stock	449,400	332,200
Funded debt	350,000	325,500
Bank loans	20,000	20,500
Accounts payable	7,866	20,343
Accrued bond interest, not due	5,250	4,882
Dividends due Jan. 1	16,595	.....
Depreciation reserve	40,564	38,822
Sinking fund reserve	13,937	20,000
Profit and loss	85	4,245
Total	$954,498	$817,292

Officers: J. J. Murphy, Pres.; R. J. Murphy, V-P. & Man. Director; J. D. Cameron, Sec. & Treas.

Directors: J. J. Murphy, R. J. Murphy, J. D. Cameron, H. A. Cameron, M. E. Martin, G. Brownrigg.

Office, St. John's, Newfoundland.

THE ARKANSAS VALLEY INTERURBAN RY.

History and Property—Incorporated June 19, 1909, in Kan. Owns and operates an interurban electric railroad extending from Wichita to Newton and Hutchinson, Kan., 60.5 miles, single track equivalent. Also operates under contract 2.6 miles in the city of Hutchinson. Gauge, standard. Rail, 70, 80 and 85 lbs. Cars—passenger, 12; express, 7; freight, 21; work, 1; total, 41. Population served, about 185,000. Road is constructed entirely on private right of way except within corporate limits, where long-term franchises are enjoyed, of which the most important extend beyond the year 2000. Company purchases power from the Kansas Gas & Electric Co. and United Power & Light Corp.

CAPITAL STOCK

Authorized, $2,100,000 Common and $1,500,000 6% cumulative Pfd.; outstanding, $1,500,000 Common and $499,900 Pfd.; par, $100. In addition $100,100 of the Pfd. stock had been redeemed by the sinking fund to Dec. 31, 1927.

Preferred Stock Provisions—Pfd. stock has preference for assets and 6% cumulative dividends, and is subject to call at $110 per share and accrued dividends at option of the Company upon 90 days' notice, in whole or in part, by lot. In the event of voluntary dissolution of the Company, the Pfd. stock is entitled to $110 per share and accumulated dividends before any distribution can be made on the Common stock; and in case of involuntary liquidation, Pfd. stock shall receive $100 per share and accrued dividends before any distribution is made to the Common stock. The Pfd. stock has no voting power, but will receive equal voting power with the Common stock in case Preferred quarterly dividends are passed for more than ninety days, or in case the Pfd. stock redemption fund requirement is in arrears for more than one year; and will receive full and exclusive voting power in event of default in four consecutive, quarterly dividend payments. After the first $600,000 of Pfd. stock has been issued, no additional Pfd. stock shall be issued unless sold for cash and limited in amount to 80% of the cost of additional property. It is provided, however, that

such stock shall not be issued unless the combined undivided profits (available for dividends) of the Company, and of the property proposed to be acquired, shall, for twelve out of fourteen consecutive months next preceding, equal twice dividend requirements on outstanding Pfd. stock and that proposed to be issued.

Sinking Fund—Beginning Feb. 1, 1918, and annually thereafter on Feb. 1 in each year, the Company is required to deposit with its transfer agent $10,000 out of surplus net income, for the retirement of outstanding Pfd. stock at not to exceed 110 and accrued dividends. If no stock is offered at less than 110, it is to be purchased by a lot at the callable price of 110 and accrued dividends. The obligation to purchase and redeem Pfd. stock is cumulative, so that if the amount required to be purchased and redeemed beginning Feb. 1, 1918 and annually thereafter is not purchased, the deficiency shall be made good out of surplus net income of the succeeding year or years before any dividends may be paid upon the Common stock. This sinking fund has not been earned in the past three years.

Transfer Agent and Registrar—First Trust Co., Wichita, Kansas.

Annual Meeting—Fourth Tuesday in January.

Dividends—Initial dividend of 1½% paid on Pfd. April 1, 1917, and at same rate quarterly to March 31, 1925; none since; payments, J, A, J & O 1; none paid on Common.

FUNDED DEBT

$574,700 FIRST MORTGAGE GOLD 5½s; DUE DECEMBER 1, 1936.

Dated December 1, 1916.

Interest Payable June and December 1, at Continental National Bank & Trust Co., Chicago, and in New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized issue, $3,000,000; issued, $900,000 of which $325,300 redeemed through sinking fund to Dec. 31, 1927. Additional bonds to the amount of $100,000 may be issued for not exceeding 50% of the cost of additions and betterments. The remaining $2,000,000 bonds may only be issued for not exceeding 75% of the cost of additions and betterments, provided net earnings for twelve months within 60 days preceding are not less than 1¾ times the annual interest on all bonds outstanding and proposed to be issued.

Callability—Subject to call at 103 and accrued interest on Dec. 1, 1919, or any interest date thereafter.

Sinking Fund—Sinking fund, beginning in 1919, sufficient to retire at not exceeding 103 and interest 2% of all bonds certified, this sum to be devoted to the acquisition of bonds by purchase or call; bonds so purchased to be kept alive.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Horace S. Oakley, of Wood & Oakley, Chicago.

Original Offering—First publicly offered ($900,000) in Jan., 1917, at 90½ and interest, yielding 6%, by E. H. Rollins & Sons, Boston, and Sweet, Causey, Foster & Co., Denver.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$360,122	$365,565	$362,251	$371,679	$449,738	$514,527
Operating expenses, taxes and depreciation	383,650	344,228	333,871	343,233	391,150	373,185
Net earnings	*$23,528	$21,337	$28,380	$28,446	$58,588	$141,342
Other income	8,655	7,486	2,337	3,967	4,894	1,440
Total income	*$14,873	$28,823	$30,716	$32,413	$63,482	$142,782
Interest charges	35,078	37,471	36,570	38,819	41,165	43,788
Other deductions	3,127	3,397	24,937	3,759	5,325	11,233
Total charges	$38,205	$40,868	$61,507	$42,578	$46,490	$55,021
Net income	*$53,078	*$12,045	*$30,791	*$10,165	$16,992	$87,761
Pfd. dividends paid	.....	.....	.....	7,498	31,984	32,538
Surplus for year	*$53,078	*$12,045	*$30,791	*$17,663	*$14,991	$55,224
Times Interest Earned	Nil	0.77	0.84	0.73	1.41	3.00

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$3,054,789	$3,101,256	$3,128,836	$3,121,994	$3,107,993	$3,097,818
Securities owned	130,872	145,083	129,526	116,835	113,561	59,651
Sinking fund	24	.....	70	119	.....	.....
Cash	1,937	16,938	49,442	33,344	38,253	62,405
Notes receivable	58,000	20,000	209	356	892	422
Accounts receivable	12,263	5,199	6,134	6,359	4,785	4,713
Materials and supplies	24,109	25,599	22,844	23,399	28,324	29,224
Other current assets	.....	1,765	1,000	2,858	.....	.....
Unadjusted debits	.....	.....	68,476	77,940	102,856	110,819
Deferred debit items	50,973	60,477	.....	.....	.....	.....
Miscellaneous assets	.....	.....	.....	.....	300	.....
Profit and loss deficit	211,910	141,954	89,419	62,155	.....	.....
Total	$3,544,877	$3,518,270	$3,495,957	$3,445,358	$3,396,964	$3,365,052
Liabilities—						
Common stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,500,000
Preferred stock	499,900	499,900	499,900	499,900	531,100	542,300
Funded debt	574,700	638,600	685,200	728,600	766,600	799,200
Accounts payable	28,638	15,860	28,549	30,587	15,965	14,876
Other current liabilities	.....	.....	.....	.....	19,338	.....
Reserve for taxes	11,854	.....	12,564	12,749	.....	24,717
Accrued interest	2,634	2,927	3,141	3,329	3,531	3,663
Unadjusted credits	6,602	662,056	6,669	41,599	6,613	6,741
Reserve for injuries	35,197	.....	35,197	.....	33,639	10,105
Reserve for depreciation	651,740	.....	556,577	488,846	419,769	351,591
Appropriated surplus	233,612	198,927	168,160	139,748	.....	.....
Corporate surplus	.....	.....	.....	.....	100,419	111,859
Total	$3,544,877	$3,518,270	$3,495,957	$3,445,358	$3,396,964	$3,365,052

Officers: R. B. Campbell, Pres. & Gen. Mgr.; Chas. H. Smyth, V-P.; W. E. Brown, V-P.; Chas. Basse, Treas., Gen. Aud. and Asst. Sec., Wichita, Kan.

Directors: H. L. Van Arsdale, Chester I. Long, C. Q. Chandler, J. W. Gillespie, Jr., C. H. Smyth, R. B. Campbell, W. E. Brown, Chas. Basse, Wichita, Kan.; Otto Theis, Dodge City, Kan.

Office, Wichita, Kan.

THE UNDERGROUND ELECTRIC RAILWAYS COMPANY OF LONDON, LTD.

History—Incorporated April 9, 1902, under Companies Acts of 1862 to 1900. Absorbed the Metropolitan District Electric Traction Co., Ltd., registered July, 1901, to carry out the electrification of the Metropolitan District Ry., the construction and equipment of the Baker St. & Waterloo Ry., the Great Northern, Piccadilly & Brompton Ry. and the Charing Cross, Euston & Hampstead Ry. (from July, 1910, these three latter railways were amalgamated, and are now known as the London Electric Ry.), and the construction and equipment of the power house at Lots Road, Chelsea.

The Company is largely interested in the Metropolitan District Ry., the London Electric Ry., City & South London Ry., Central London Ry., London General Omnibus Co., Ltd., Associated Equipment Co., Ltd., Union Construction Co., Ltd., the Union Surplus Lands Co., Ltd., the London United Tramways, Ltd., and the Watford & Edgware Ry. Co. The Company also has a large holding in the London & Suburban Traction Co., Ltd., which latter company is interested in the London United Tramways, Ltd., Metropolitan Electric Tramways, Ltd., and South Metropolitan Electric Tramways & Lighting Co., Ltd. Also owns £20,000 Consolidated Ordinary stock of Metropolitan Ry. Co., and £110,000 £1 Ordinary shares of the North Metropolitan Electric Power Supply Co.

Through its holdings in the Companies concerned, the Underground Electric Railways Co. is interested in the operation of the London Electric Ry. (tube), which owns or leases about 31 route miles; Metropolitan District Ry. (tunnel), which owns or leases about 28 route miles; Central London Ry. (tube), which owns or leases about 7 route miles; City & South London Ry. (tube), which owns or leases about 13 route miles, and also in a large number of omnibus and tramway routes in and around London.

In 1914 the company's articles were altered, so that it is now in law a share and securities holding company, and it is therefore in a position, like other holding companies, to distribute its available revenues by way of dividend without regard to the value of its capital assets.

London General Omnibus Co., Ltd.—The interests of the London General Omnibus Co., Ltd., and the Underground Electric Rys. Co. of London, were merged by an agreement Feb., 1912 (for terms of exchange, see Manual for 1915, page 819). In 1914, the London General Omnibus Co., Ltd., acquired all the holdings of the Underground Elec. Rys. Co. in the New Central Omnibus Co., Ltd., (see Manual for 1914, page 2727), and the affairs of the latter company were wound up. It also acquired all the assets of the Metropolitan Steam Omnibus Co., Ltd.; this Company's affairs likewise being wound up. In 1918 the assets of the Associated Omnibus Co., Ltd., were acquired and in 1922 the Gearless Motor Omnibus Co., Ltd., was acquired. Both of these companies have been wound up. The National Steam Car Co., Ltd., withdrew its fleet of omnibuses from the London streets in November, 1919, and the London General Omnibus Co., Ltd., took up the working of the routes formerly occupied by them. During 1926 and 1927 the Company acquired a controlling interest in a number of independent omnibus companies operating in London, the majority of which have been wound up and their vehicles incorporated in the fleet of the London General Company as from Jan. 1, 1928.

During 1921 the Ordinary capital was increased by the creation and issue of 60,000 Ordinary shares of £10 each. During 1922 the Company sold £500,000 of 4½% First Debenture stock; and issued £130,000 of 5% cumulative Income Debenture stock in exchange for £100,000 of 7% Preference shares of the Tramways M. E. T. Omnibus Co., Ltd. During 1923 the Company sold £620,000 of 5% cumulative Income Debenture stock. During 1924, £250,000 4½% First Debenture stock, £250,000 5% cumulative Income Debenture stock and 50,000 Ordinary shares of £10 each were issued. During 1926, £250,000 4½% First Debenture stock, £500,000 5% cumulative Income Debenture stock and 4,952 Ordinary shares of £10 each were issued. In March, 1928, the Company sold a further £750,000 4½% First Debenture stock, and £750,000 5% cumulative Income Debenture stock.

City & South London Ry. Co.—In Nov., 1912, the Underground Electric Rys. Co. of London invited holders of Ordinary stock of the City & South London Ry. Co. to exchange their holdings of such stock for London Electric Ry. 4% Preference stock and Ordinary £10 Shares (both fully paid) carrying dividend from Jan. 1, 1913, at the rate of £40 of the former and £25 of the latter for each £100 of City & South London stock and holders of 99% of such stock agreed to such exchange, which was completed after payment of the dividends for the second half of 1912 by the London Electric Ry. Co.

Central London Ry. Co.—In Dec., 1912, the Underground Electric Rys. Co. of London offered to holders of Ordinary, Preferred Ordinary and Deferred Ordinary stock of the Central London Ry. Co. in exchange for their stock, equal nominal amounts of new guaranteed stocks, constituted by trust deed dated Dec. 13, 1912 (with Glyn, Mills, Currie & Co. as trustee), carrying (a) a 4% dividend guaranteed by the Underground Electric Rys. of London, and (b) the right to 40% of the amount paid in dividend on the nominal amount of the deposited stocks in excess of 4% in any year after the dividend received by the trustees on the deposited stocks for three successive years shall have exceeded an average of 4% per annum. The guaranteed dividend ranks against the income of the Underground Electric Rys. of London immediately after the interest on the 4½% bonds of 1933, as from Jan. 1, 1913, and is payable at the expiration of two months after the end of each half year. The above offer was accepted by the requisite majority and became operative.

London & Suburban Traction Co., Ltd.,—In Nov., 1912, the directors of the London United Tramways, Ltd., the Metropolitan Electric Tramways, Ltd., and the Tramways (M. E. T.) Omnibus Co., Ltd., formulated a scheme for the consolidation of the interests of the shareholders of those companies. The scheme provided that the shareholders in the respective companies could exchange their holdings for fully paid shares in the London & Suburban Traction Co., Ltd., which was formed for the purpose of the scheme. The directors of the Underground Electric Rys. Co. of London, agreed to the scheme, and deposited the company's holdings of fully paid shares in the London United Tramways, Ltd., and received in exchange 5% cumulative preference and ordinary shares of the London & Suburban Traction Co., Ltd.

Inter-Company Agreement—On Dec. 21, 1915, an agreement was entered into between the City & South London Ry., the Central London Ry. Co., the London Electric Ry. Co., the Metropolitan District Ry. Co., and the London General Omnibus Co., Ltd. This agreement, which is perpetual, took effect from Jan. 1, 1915, and provides that the five companies are to afford each other all reasonable facilities for the

through booking and interchange of passengers without apportioning the through fares amongst the five companies. In lieu of the apportionment of through fares amongst the companies each of the five companies, after providing for its "Revenue Liabilities" which include working expenses, interest and dividends on prior stock and shares and reserve, pays the balance into a Common Fund. Should the gross revenue of any company be insufficient to meet its "Revenue Liabilities," the deficiency becomes a first charge on the Common Fund. The agreement therefore secures the payment of the working expenses, interest and dividends on all the Prior Stocks and Shares, and a sum for reserve for each of the companies out of the aggregate gross takings of the five companies. A supplemental Agreement was entered into on Dec. 8, 1921, between the above mentioned companies, which provides for certain alterations in minor points in the original Agreement, and for a variation of the percentages in which the Common Fund is divided as from July 1, 1921. From the same date the dividend on the Second Preference stock of the Metropolitan District Ry. Co. ranks as a "Revenue Liability" of that Company. These Agreements have been made pursuant to the London Electric Railway Companies' Facilities Act, 1915.

For 1927 the aggregate gross revenue of the five Companies parties to the Common Fund authorized by the above Act was £14,929,716, and the aggregate amount retained by them for "Revenue Liabilities," including Reserves, was £13,879,220, leaving £1,050,-496, which amount was credited to the Common Fund. This amount was apportioned amongst the five Companies as follows: City & South London Ry., £63,030; Central London Ry., £168,079; London Electric Ry., £430,703; Metropolitan District Ry., £126,060; and London General Omnibus Co., £262,624.

TOTAL PASSENGERS CARRIED BY THE FIVE COMPANIES

1922	1,171,927,766	1925	1,555,249,593
1923	1,345,477,538	1926	1,559,131,502
1924	1,456,767,460	1927	1,668,829,029

STATEMENT OF CAPITAL ISSUED BY COMPANIES ASSOCIATED WITH THE UNDERGROUND ELECTRIC RYS. CO. OF LONDON, LTD., SHOWING THE AMOUNT HELD BY THE PUBLIC AND BY ALLIED COMPANIES AS AT DECEMBER 31, 1927

(For Statement of Securities Owned by the Underground Electric Rys. Co. of London, Ltd., together with the income therefrom, see statement below.)

	Total Capital Issued and Outstanding.	Capital Held by Public.	Capital Held by Allied Companies.
Metropolitan District Ry. Co.	£14,937,824	£11,596,324	.....
London Electric Ry. Co.	23,403,610	13,989,620	.....
City & South London Ry. Co.	9,942,829	8,481,964	.....
Central London Ry. Co.	5,014,000	5,012,500	.....
London General Omnibus Co., Ltd.	6,930,105	4,180,105	.....
Total for Cos. participating in Common Fund	£60,228,368	£43,260,513	.....
Other allied Transportation Companies—			
Whitechapel & Bow Ry. Co.	£1,559,000	£959,000	£600,000
Watford & Edgware Ry. Co.	518	102	.....
London & Suburban Traction Co., Ltd.	3,767,468	2,769,878	101,280
Metropolitan Electric Tramways, Ltd.	1,520,604	596,989	923,615
London United Tramways, Ltd.	2,476,932	1,708,051	734,574
Tramways (M. E. T.) Omnibus Co., Ltd.	143,492	33,492	110,000
South Metropolitan Electric Tramways & Lighting Co., Ltd.	528,791	130,114	398,677
Other allied Companies—			
Associated Equipment Co., Ltd.	1,100,000	.....	.....
Union Surplus Lands Co., Ltd.	250,000	.....	.....
Union Construction Co., Ltd.	980	.....	.....
Grand Totals	£71,576,153	£49,458,139	£2,868,146
Per cent. of total capital issued and outstanding	.....	69.10%	4.01%

STATEMENT OF SECURITIES OWNED AND INCOME THEREFROM, YEAR ENDED DECEMBER 31, 1927

	Pledged.	Free Assets.	Total Owned.	Income for Year.
Associated Equipment Co., Ltd., Ord. shares	.....	£1,100,000	£1,100,000	£110,000
Central London Ry. Co. Ord. stock	.....	1,500	1,500	60
City & South London Ry. Co. ordinary stock	£1,460,360	505	1,460,865	58,435
London Elec. Ry. Co. 4% perpet. deb. stock	.....	427	427	17
4% Pref. stock	450,466	247	450,713	18,029
Ordinary stock	7,900,020	*1,062,830	8,962,850	358,514
London Gen. Omnibus Co., Ltd., Ord. shares	1,600,480	*1,149,520	2,750,000	240,625
London United Tramways, Ltd., 5% cumulative Pref. shares	.....	34,307	34,307	.....
London & Suburb. Trac. Co., Ltd., 5% cumulative Pref. shares	76,885	75,101	151,986	.....
Ordinary shares	420,734	323,590	744,324	.....
Metropolitan Dis. Ry. Co. Assented 1st Pf. stock	90,000	.....	90,000	3,150
5% Second Pref. stock	1,470,000	.....	1,470,000	73,500
Ordinary stock	1,781,500	.....	1,781,500	71,260
Metropolitan Ry. Co. Consol. Ord. stock	.....	20,000	20,000	600
North Metropolitan Electric Power Supply Co., Ord. shares	.....	*110,000	110,000	14,114
Union Constr. Co., Ltd., shares, fully paid	.....	740	740	.....
Shares, £2 paid	.....	240	240	.....
Union Surplus Lands Co., Ltd., 4% Debentures	.....	100,000	100,000	4,000
Ordinary shares	.....	150,000	150,000	6,000
Watford & Edgware Ry. Co. shares £2 paid	.....	416	416	.....
Total	£15,250,445	£4,129,423	£19,379,868	£958,303

*£1,062,830 London Electric Ry. Co. Ordinary stock, £600,000 London General Omnibus Co., Ltd. Ordinary shares and £110,000 North Metropolitan Electric Power Supply Co. Ordinary shares are lodged with the National Provincial Bank, Ltd., as collateral security against loan of £700,000.

CAPITAL STOCK

Authorized, 11,300,000 Ordinary shares of £1 each; outstanding, Dec. 31, 1927, 5,068,878 shares.

In July, 1926, a Scheme for the reorganization of the Capital of the Company was approved at meetings of the shareholders and Contingent Certificate holders, and sanctioned by the High Court of Justice (Chancery Division) on Oct. 13, 1926.

The proposals of the Scheme, briefly stated were to alter and increase (by the sum of £8,929) the issued Share Capital from £5,059,949 (i.e. 500,000 fully paid £10 Ordinary Shares and 1,198,980 fully-paid "A" 1s. Ordinary shares) to £5,068,878 in 5,068,878 fully-paid £1 Ordinary shares ranking pari passu in all respects both as regards Capital and Income, and each carrying one vote on a poll.

These 5,068,878 fully paid £1 Ordinary Shares were allocated as follows:

a. 3,550,000 shares to the holders of the £10 Ordinary Shares in lieu of the 500,000 £10 shares now held by them, being at the rate of 7 1/10 shares for each existing £10 share.

b. 1,318,878 shares to the holders of the "A" shares in lieu of the 1,198,980 1s. shares now held by them, being at the rate of eleven shares for each existing ten "A" shares.

c. 200,000 shares to the Central Union Trust Company of New York or its nominees for distribution amongst the holders of the 5,000,000 Contingent Certificates against the cancellation of such Certificates, being at the rate of one share for each 25 Contingent Certificates.

(1) In connection with the right of the Income Bondholders to exchange their bonds for Ordinary shares (see under Income Bonds) the Capital of the Company was increased in 1927 from 5,068,878 Ordinary shares of £1 each to 11,300,000 Ordinary shares of £1 each.

Annual Meeting—In March.

Dividends—Payments on shares up to Dec. 31, 1925, none; for year 1926, 1½%; for year 1927, 5%.

FUNDED DEBT

(1)

£1,832,400 4½% BONDS; DUE JANUARY 1, 1933

Dated July 30, 1908.

Interest Payable January and July 1. The rate of interest is such as to yield a clear 4½% per annum after payment of British Income Tax.

NOTE—Principal and interest payable in London in Sterling. and at bearer's option in New York at exchange of $4.86.66 per £, in Amsterdam at exchange of Fl. 12.12 per £, and in Frankfort-on-Main at M.20.40 per £.

Denominations—£20, £100 and £200.

Trustee—Westminster Bank, Ltd., London, Eng.

Provisions of Issue—Authorized £3,000,000; issued, £2.948,100, of which £1,115.700 have been redeemed. leaving £1,832,400 outstanding as of Dec. 31, 1927.

Redemption—Power reserved to company to redeem all or any of the 4½% bonds by drawings at par on six months' notice or by purchases in the market at or below par, and also, with the approval of the trustee, to sell the whole or any part of the stocks and shares deposited, the net proceeds being paid to the trustee and applied in or towards redemption of the bonds.

Security—Secured by pledge of collateral of the aggregate value of £13,649,965, as follows:

Metropolitan District Ry. Co. £1,781,500 Ordinary stock.
Metropolitan District Ry. Co. £90,000 Assented preference stock.
Metropolitan District Ry. Co. £1,470,000 Second preference stock.
London Electric Ry. Co. £450,466 4% preference stock.
London Electric Ry. Co. £7,900,020 Consolidated Ordinary stock.
London & Suburban Traction Co., Ltd. £76,885 Fully paid preference shares.
London & Suburban Traction Co., Ltd. £420,734 Fully paid ordinary shares.
City & South London Ry. Co. £1,460,360 Ordinary stock.

Listed—New York and London Stock Exchanges.

Price Range—(New York)

	1927	1926	1925	1924	1923	1922	1921	1920
High	102⅜	96	95	90	93¼	88	68	99¼
Low	94⅛	94	89	90	85	73	62½	82

(2)

£1,273,000 6% FIRST CUMULATIVE INCOME DEBENTURE STOCK; DUE JANUARY 1, 1945

Dated 1912.

Authorized issue, £1,400,000. National Provincial Bank, Ltd., London, Trustee. Subject to call at any time or on liquidation at 125. Secured by a first charge on the £1,600,480 London General Omnibus Co. Ordinary shares and ranks for interest after the 4½% bonds of 1933, and before the 6% Income bonds. The full 6% interest is being paid on this stock.

Price Range—(London)

	1927	1926	1925	1924	1923	1922	1921	1920
High	107⅞	103⅞	107¾	106	109	107	84½	91½
Low	99¾	96½	102	100	104	80½	71¼	69

(3)

£6,330,050 6% INCOME BONDS; DUE JANUARY 1, 1948

Dated July 30, 1908.

Principal and Interest Payable in London, in Sterling, in New York, at the exchange of $4.86.66 per £, in Amsterdam at 12.12 Florins per £, and in Frankfort-on-Main at M.20.40 per £.

NOTE—Important changes in the status of the Income Bonds were approved at a meeting of the Income Bondholders held in London in August, 1927, the principal variations being included in the following paragraphs:

(1) **Interest**—Interest for the half-year ended Dec. 31, 1927 and each subsequent half-year is payable subject to British Income Tax out of the profits (as defined in the Trust Deeds) of the half-year and ranks after the interest on the Cumulative Income Debenture Stock. Payable in London, New York, Frankfort-on-Main, or Amsterdam at the fixed exchanges shown above as soon as the profits of each half-year are ascertained.

(2) **Conversion Rights**—Convertible at any time before July 1, 1930 into Ordinary shares at the rate of one fully paid £1 Ordinary share for each £1. 1s. 0d principal amount of bonds. When any Income bonds are converted or otherwise redeemed further 4½% bonds or other securities can be issued or re-issued ranking in priority to the charge securing the Income bonds, provided the issue or re-issue does not exceed £1,832,400 plus a sum equal to 70% of any additional assets brought into charge for securing the 4½% bonds and/or new securities.

(3) **Redemption**—Redeemable (a) at par on Jan. 1, 1948, (b) at 103% at any time after June 30, 1930 and before July 1, 1937 and thereafter at par by drawings on six month's notice from the Company, or (c) by purchases at or under par.

(4) **Security**—Secured by Trust Deeds dated July 30, 1908, April 1, 1912, June 29, 1914, and Oct. 7, 1927 to the Westminster Bank Limited (a) as a specific charge on the same collaterals as the 4½% bonds of 1933 but subject thereto and (b) subject to the prior specific charge thereon securing the Income Debenture stock (see above) on £1,600,480 Ordinary shares of the London General Omnibus Company, Limited.

Interest Payments—Interest at rate of 4% per annum was paid in 1917 on the Income bonds; 2% for the half-year ended June 30, 1918, paid Sept. 1, 1918; 3% for the half-year ended Dec. 31, 1918, paid March 1, 1919; 3% for the half-year ended June 30, 1919, paid Sept. 1, 1919; 1% for the half-year ended Dec. 31, 1919, paid March 1, 1920; none for the half-year ended June 30, 1920; 2% for the half-year ended Dec. 31, 1920, paid March 1, 1921; 2% for the half-year ended June 30, 1921, paid Sept. 1, 1921; 2% for the half-year ended Dec. 31, 1921, paid March 1, 1922; 2% for the half-year ended June 30, 1922, paid Sept. 1, 1922 3% for the half-year ended Dec. 31, 1922, paid March 1, 1923; 3% for the half-year ended June 30, 1923, paid Sept. 1, 1923; 3% for the half-year ended Dec. 31, 1923, paid March 1, 1924; 3% for half-year ended June 30, 1924, paid Sept. 1, 1924; 3% for half year ended Dec. 31, 1924, paid March 1, 1925; 3% for half-year ended June 30, 1925, paid Sept. 1, 1925; 3% for half-year ended Dec. 31, 1925, paid March 1, 1926; 3% for half-year ended June 30, 1926, paid Sept. 1, 1926; 3% for half-year ended Dec. 31, 1926, paid March 1, 1927; 3% for half-year ended June 30, 1927, paid Sept. 1, 1927; free of British Income Tax in each case; 3% for half-year ended Dec. 31, 1927, paid March 1, 1928 (subject to British Income Tax).

Denominations—£20, £50, £100 and £200.

Trustee—Westminster Bank, Ltd., London.

Provisions of Issue—Authorized, £6,500,000.

Voting Rights—The bearers of the income bonds are to be entitled, as far as the law will permit, to attend and vote at all meetings of the company, but they are not to vote on any resolution for putting the company into liquidation. They are to have eleven votes for each £100 of principal of the said bonds.

Listed—New York and London Stock Exchanges.

Price Range—(New York).

	1927	1926	1925	1924	1923	1922	1921	1920
High	99¼	96	92	88½	89¼	74⅜	61	50
Low	94	90	86⅛	79⅞	78	60	51	50

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED DECEMBER 31
(Metropolitan District Ry., London Electric Ry., City & South London Ry., Central London Ry., and London General Omnibus Co., Ltd.)

	1927	1926	1925	1924	1923
Traffic receipts	£13,951,391	£13,197,627	£13,243,652	£12,770,201	£12,120,118
Expenditures	11,286,609	11,006,811	11,088,255	10,819,683	9,922,386
Net receipts	£2,664,782	£2,190,816	£2,155,397	£1,950,518	£2,197,732
Miscellaneous receipts (net)	978,325	927,110	834,144	800,051	793,913
Total net income	£3,643,107	£3,117,926	£2,989,541	£2,750,569	£2,991,645
Deductions—					
Interest, rentals, etc.	£1,693,134	£1,456,955	£1,320,545	£1,156,368	£947,686
Reserve for contingencies, etc.	530,000	480,000	455,000	405,000	590,000
Other appropriations	.....	.....	.....	.....	82,500
Dividends on guaranteed & Pfd. stocks	389,477	389,477	389,477	389,477	389,477
Balance	£1,030,496	£791,494	£824,519	£799,724	£981,982
Previous surplus	306,316	325,174	308,889	383,778	324,955
Total	£1,336,812	£1,116,668	£1,133,408	£1,183,502	£1,306,937
Dividends on ordinary stocks and shares	922,343	810,353	808,234	874,612	923,159
Surplus forward	£414,469	£306,315	£325,174	£308,890	£383,778

REVENUE ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross income from interest, etc.	£964,846	£810,088	£740,445	£793,808	£846,198	£887,626
Surplus forward	145,092	145,959	126,685	95,639	48,979	.....
Total	£1,109,938	£956,047	£867,130	£889,447	£895,177	£887,626
Deductions—						
Interest payments	£606,731	£654,206	£658,793	£672,845	£688,004	£654,081
Income tax, etc.	80,002	80,716	62,378	89,915	111,534	124,566
Dividend on Ordinary shares	253,444	76,033	.....	.....	.....	.....
Amount reserved	.....	.....	.....	.....	.....	60,000
Total	£940,177	£810,955	£721,171	£762,760	£799,538	£838,647
Surplus carried forward	169,761	145,092	145,959	126,685	96,639	48,979

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Stocks and shares	£15,401,731	£15,023,649	£14,933,649	£14,767,293	£14,269,890	£15,056,860
Loans and interest receivable	28,155	50,432	.....	21,918	35,124	344,956
Interest and dividends receivable	385,185	354,816	298,583	311,010	330,012	349,586
Commission & discount on issue of bonds, etc.	514,408	428,830	428,830	428,830	428,830	428,830
Sundry debtors and debit balances	42,856	26,395	20,896	111,897	115,224	149,259
Treasury bills	.....	14,886	44,619	54,881	518,493	134,673
Cash	13,848	10,363	15,463	6,871	7,364	9,309
Total	£16,386,183	£15,909,371	£15,742,334	£15,702,700	£15,704,937	£16,473,473
Liabilities—						
*Share capital, £1 each	£5,068,878	£5,068,878	.....	.....	.....	.....
Shares of £10 each	*	*	£5,000,000	£5,000,000	£5,000,000	£5,000,000
"A" ordinary shares	*	*	59,949	59,949	59,949	59,949
4½% bonds of 1933	1,832,400	1,832,400	1,832,400	1,832,400	1,832,400	1,832,400
6% notes of 1923	.....	.....	.....	.....	.....	507,000
6% First Cum. Inc. Deb. stock, due 1945	1,273,000	1,273,000	1,273,000	1,273,000	1,273,000	1,273,000
6% income bonds due 1948	6,330,050	6,330,050	6,330,050	6,330,050	6,330,050	6,330,050
Sundry creditors, etc.	533,829	61,094	77,946	41,055	71,636	56,895
Temporary loans	700,000	760,000	660,000	600,000	600,000	910,000
Int. payable on 4½% bonds	41,229	41,229	41,229	53,199	53,199	54,972
Int. payable on 6% 1st Cum. deb. stock	30,552	30,552	30,552	38,190	38,190	38,190
Int. payable on income bonds	151,921	189,901	189,901	245,034	245,034	253,202
Int. and dividends unclaimed	16,255	14,901	15,107	16,897	19,599	22,594
Special reserve for equalization of int. on 6% 1st cum. Income Deb. stock and 6% income bonds	86,241	86,241	86,241	86,241	86,241	86,242
Balance as per revenue account	321,828	221,125	145,959	126,685	95,639	48,979
Total	£16,386,183	£15,909,371	£15,742,334	£15,702,700	£15,704,937	£16,473,473

*Share capital has been reorganized—see details under "capital stock."

Officers: John C. Mitchell, Sec. & Treas.; E. Rawdon Smith, Asst. Sec.; C. S. Louch, Accountant

Directors: Rt. Hon. Lord Ashfield (Chairman); Henry Augustus Vernet (Deputy Chairman); Brig. Gen. The Hon. A. M. Asquith, Rt. Hon. The Earl of Bessborough, Sir Max J. Bonn, Rt. Hon. Lord Colwyn, Sir James Devonshire, Lord Farrer, Rt. Hon. Sir Robert Horne, Col. Sir Herbert Jekyll, S. B. Joel, Viscount Knutsford, Gordon Leith, Rt. Hon. Lord Newton, E. R. Peacock, C. J. Cater Scott, Rt. Hon. Lord Southborough, Major Gen. Sir Fredk. H. Sykes.

Office, 55 Broadway, Westminster, London, S. W. 1.

SPRING VALLEY WATER COMPANY

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	Earnings per Share
Capital Stock; par, $100	M, J, S & D 31	$28,000,000	$28,000,000	$2,195,600	6	$1,680,000	$7.84

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Mortgage Gold 5s	May 1, 1943	M & N 1	$40,000,000	$22,000,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $22,000,000. **Interest Accrued** in 1927, $1,199,660.
*Amount Available for Interest in 1927, $3,395,266. **Times Interest Earned** in 1927, 2.83.
*After depreciation, obsolescence, amortization, all taxes, etc., but before additional contribution to Amortization Fund.

History—Incorporated under Laws of California April 24, 1903, succeeding the Spring Valley Water Works which was organized in June, 1858. Franchise extends for fifty years and is renewable. The Company operates twenty-two pumping plants in San Francisco, San Mateo and Alameda Counties,

with a daily capacity of 187,000,000 gallons. The Company's four large catchment reservoirs in San Mateo County with a capacity of 32,000,000,000 gallons and the Calaveras Reservoir in Alameda County with a capacity of 32,800,000,000 gallons make the total storage capacity 64,800,000,000 gallons. The seven distributing reservoirs and fourteen tanks in San Francisco have an aggregate capacity of 129,605,000 gallons. The system consists of 852 miles of pipe lines and aqueducts and 104,475 active service connections. The Company owns 80,624 acres of land (and riparian rights on over 41,641 acres in San Francisco, San Mateo, Alameda and Santa Clara Counties). The system is at present developed to yield 66,000,000 gallons daily. The present consumption is about 48,443,000 gallons daily and serves a population of approximately 750,000 in the city and county of San Francisco.

The Calaveras Dam in Alameda County is completed to a height of 220 feet. The capacity of the reservoir is 32,800,000,000 gallons, having a daily productivity of 38,200,000 gallons.

Water rates were increased 20% by the Railroad Commission September 1921, and an agreement, which has been approved by the Railroad Commission, was entered into by the City and County of San Francisco and the Company. The term of this agreement is for twelve years and provides for the cooperation of the City and the Company in developing additional water supply of 24,000,000 gallons daily in accordance with the provisions stated in the agreement. This development has been completed. The agreement also provides that in the event the City shall purchase the property during the twelve year period the amount of the Amortization Fund shall become the property of the City. For further details of the agreement see below.

Decision on Valuation—Judge Frank C. Rudkin in the U. S. District Court at San Francisco in July, 1918, handed down a decision in the case of this Company against the Board of Supervisors, reducing the valuation of the properties for water supply purposes from $39,000,000 as fixed by Master-in-Chancery Wright to $34,000,000. The court also found that the water rates fixed by the City in ordinances passed yearly from 1907 to 1915 were confiscatory. The court ordered the ordinances declared void, and directed that $2,282,444 representing 15% excess over the ordinance rates and interest be given to the Company. On Sept. 3, 1918, the impounded funds were paid over to the Company.

Railroad Commission Order and Agreement with City of San Francisco—The property proposed to be acquired by the City and County of San Francisco, containing all structures, 62,534 acres of reservoir and watershed land, 33,343 acres riparian rights and other properties, was appraised by the Railroad Commission of California at $37,000,000 as of March 1, 1920. Capital expenditures have been added since the date of the appraisal.

The Railroad Commission of California in its order of August 12, 1921, and in its first supplemental order of April 12, 1922, authorized an increase in water rates of 20%, effective Sept. 1, 1921, subject to the following conditions, in brief:

(1) That if the City of San Francisco shall construct the Bay Division of the Hetch Hetchy conduit from Irvington to Crystal Springs Reservoir and is willing to enter into an agreement with the Company for its use, the Company shall increase the capacity of the Calaveras Dam and conduit facilities to Irvington, in order to develop an additional supply of 24,000,000 gallons of water daily.

(2) That the Company shall pay to the City, interest upon the construction cost of the Bay Division of the Hetch Hetchy aqueduct, during the period of construction (not to exceed three years); and thereafter, during the term of the agreement, shall pay the City annually for the use of said conduit.

(3) That the Company shall establish a fund (to be known as "Amortization Fund") from its surplus to amortize, in a period of twelve years, the capital expenditures on the Calaveras Dam and other structures and costs necessary for the delivery of the additional water supply of 24,000,000 gallons daily.

(4) After full provision has been made each year for the payment of operating expenses, taxes, use and operation of the City's conduit, depreciation, interest on bonds and notes, dividends of 5% per annum, and contribution to the "Amortization fund," the balance of the revenue shall be apportioned equally between the "Amortization Fund" and the Company's surplus.

(5) In accordance with the Commission's recommendation the Company has granted an option to the City to purchase the properties offered to the Electors in March, 1921, and at the same price, viz., $37,000,000 to which is to be added:

(a) Capital expenditures made between March 1, 1920 and July 1, 1921;

(b) Capital expenditures made, under the terms of the Commission's order, for the additional supply of water to be developed.

A tentative statement as of Dec. 31, 1927, subject to tax adjustments and credits for contributions of the amortization fund and for accruals of rentals for the use of the Bay Division of the Hetch Hetchy Aqueduct, follows:

Option price March 1, 1920		$37,000,000
Capital expenditures March 1, 1920, to June 30, 1921	$570,699	
Capital expenditures Sept. 1, 1921, to Dec. 31, 1927	5,797,226	
Net capital additions to Dec. 31, 1927		6,367,925
Total		$43,367,925
Deductions:		
Amortization fund including interest	$2,475,706	
Depreciation allowance	1,900,000	
Sale of lands and easements included in Option	7,651	
Total deductions		4,383,357
Total option price plus additions as of Dec. 31, 1927		$38,984,568
Less:		
First mortgage bonds	$22,000,000	
Current liabilities, etc.	1,163,723	
Total		23,163,723
Net amount for option properties as of Dec. 31, 1927		$15,820,845

NOTE—The city is further indebted to the Company for the balance of the $1,000,000 loan to the city for account of Hetch Hetchy capital expenditures, less accrued rental and less unearned account, as of Dec. 31, 1927, $581,864.

The Commission's order provides that in the event the City shall purchase the property during the twelve-year period covered by the agreement hereinafter referred to, the amount of the "Amortization Fund" shall become the property of the City. The option to purchase expires Dec. 31, 1933.

At a special election held June 14, 1927, the proposal to have City acquire the property of Company was rejected. The proposal will be submitted again to the voters on May 1, 1928.

Operating Statistics—The total draft of water from the sources of supply during 1927 was 17,703 million gallons, equivalent to an average daily use of 48,443,071 gallons. This is an increase of 2,222,069 gallons per day as compared to 1926. Storage March 1, 1928, amounted to 21,922,000,000 gallons and the rainy season was not yet finished.

CAPITAL STOCK

Authorized and outstanding, $28,000,000; par, $100.

Transfer Agent—Company's office, San Francisco, Cal.

Registrar—Bank of California, N. A., San Francisco, Cal.

Annual Meeting—Second Wednesday in April.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	110	108	103½	95	85	74	71¼	72
Low	101½	100	94¼	82½	72	65	55	58

Dividends—The first dividend of 21c. per share was paid on Oct. 12, 1903; dividends were suspended in April, 1906, but were resumed on Dec. 23, 1908, with payment of 1%; in 1909, 1910, 1911 and 1912, 2% each; 1913, 2.12½%; 1914, 2½%; 1915, 3%; 1916, 3½%; 1917, 3⅝%; 1918, 4%; 1919, 5%; 1920, 5%; 1921, 5%; 1922, 5%; 1923, 5¼%; 1924 to date, 6% per annum; payments quarterly, March 31, June 30, Sept. 30 and Dec. 31. Dividends usually declared M, J, S & D 15.

FUNDED DEBT

(1)

$22,000,000 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1943

Dated May 1, 1923.

Interest Payable May and November 1, at Wells Fargo Bank & Union Trust Co., San Francisco, and The Equitable **Trust Co. of New York.**

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Union Trust Co., San Francisco (now Wells Fargo Bank & Union Trust Co., San Francisco).

Provisions of Issue—Authorized issue, $40,000,000; outstanding, $22,000,000. In addition, $2,013,000 of bonds were held in the treasury Dec. 31, 1927, to be pledged as security for the 5% Collateral Trust Serial Gold Notes to be issued. Bonds in addition to the $22,000,000 outstanding bonds may be issued as follows: (a) First $8,000,000 par value in an aggregate principal amount not exceeding the actual cost of additions, betterments and/or extensions to the Company's properties; (b) remaining $10,000,000 par value in an aggregate principal amount not exceeding 83⅓% of the actual cost of addtions, betterments and/or extensions to the Company's properties; (c) but no such additional bonds shall be authenticated unless the net earnings of the Company from its business as a public utility water company for its fiscal year or twelve consecutive months in the fourteen months next preceding application for authentication shall have amounted to at least 1½ times the aggregate of the annual interest requirements on all bonded indebtedness then outstanding and the annual interest to accrue upon the additional bonds. Additional bonds cannot have maturity date before May 1, 1943.

Callability—Subject to call as a whole or in part on any interest date on not less than 40 and more than 60 days' notice, at 102½ and interest on or before May 1, 1933; thereafter at ½% less each year, but in no event at less than par. All bonds redeemed to be cancelled. In the event of the purchase of all or a substantial part (80% in value) of the company's operative properties by the City of San Francisco, the bonds may be called as a whole at par, provided the municipality does not desire to assume as a municipal obligation, the then outstanding bonds.

Sinking Fund—None provided.

Security—Secured by a direct and first lien upon the operating properties of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Taxes in the State of California.

Legal Opinion—McCutchen, Olney, Mannon & Green, San Francisco.

Legal for Savings Banks in California.

Original Offering—First publicly offered ($22,000,000) in Jan., 1923, at 98½ and accrued interest, to yield 5.12%.

Listed—New York and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924
High	102¼	100⅜	99⅞	100¼
Low	99½	97	94½	94½

(2)

An issue of $1,750,000 5% Collateral Trust Serial Gold Notes; due May 1, 1929 to 1932, inclusive, had been authorized, but had not been issued at Dec. 31, 1927. These notes have since been sold and are secured by deposit of $2,300,000 First Mortgage Gold 5% Bonds, due May 1, 1943.

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

Revenues:	1927	1926	1925	1924	1923	1922
Water sales	$6,287,876	$6,066,848	$5,664,337	$5,478,445	$5,229,175	$4,851,917
Rents	215,008	214,438	189,627	155,335	205,857	174,498
Interest	193,274	166,093	211,814	260,228	295,513	192,944
Discount	1,193	1,766	1,043	1,497	1,057	1,122
Miscellaneous	8,741	9,428	11,894	8,450	7,036	12,545
Total	$6,706,092	$6,458,573	$6,170,238	$5,903,955	$5,738,638	$5,233,026
Expenses:						
Operating expenses	$1,524,105	$1,556,176	$1,434,621	$1,443,689	$1,178,379	$1,146,437
Taxes	1,033,995	993,761	930,064	855,118	903,323	830,738
Interest on bonds	1,100,000	1,100,000	1,100,000	1,100,000	1,050,491	714,360
Int. on Collateral Trust notes, loans, etc. (less interest charges to construction)	99,666	78,214	142,445	120,566	124,482	252,270
Depreciation and obsolescence	300,000	300,000	300,000	300,000	300,000	300,000
Amortization	146,100	146,100	146,100	120,000	120,000	120,000
Amortization of discount and expense	42,276	42,276	42,276	42,276	42,276	11,010
Hetch Hetchy Aqueduct Rental	250,000	179,555	24,600	.....	.....	.....
Uncollectible water bills, etc	11,225	9,896	9,329	5,763	5,059	4,398
Miscellaneous	3,125	9,667	9,175	9,347	7,196	1,206
Total	$4,510,492	$4,415,646	$4,138,610	$3,996,759	$3,731,206	$3,380,419
Net revenue	$2,195,600	$2,042,927	$2,031,628	$1,907,196	$2,007,432	$1,852,607
Additional contribution to amortization fund	338,045	248,462	218,010	178,735	227,024	.....
Dividends paid	1,680,000	1,680,000	1,680,000	1,680,000	1,470,000	1,400,000
Balance, surplus	$177,555	$114,465	$133,618	$48,461	$310,408	$452,607
†Times All Interest Earned	2.83	2.73	2.63	2.84	2.71	2.91
‡Earnings Per Share	$7.84	$7.29	$7.25	$6.81	$7.16	$5.99

†After depreciation, obsolescence, amortization, all taxes, etc. ‡Before deducting additional contribution to amortization fund.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Real estate, water rights, rights of way, etc.	$71,026,866	$70,145,945	$69,859,968	$69,323,528	$67,797,874	$66,560,323
Treasury bonds	2,013,000	.....	.....	.....	.....	7,735,000
Bills and accounts receivable	194,585	194,214	98,101	117,351	109,444	74,652
Materials, supplies and equipment	405,074	433,924	456,703	362,190	342,243	314,512
Consumers' accounts	399,787	396,721	376,181	325,992	350,970	305,472
Cash on hand and in banks	127,573	68,968	158,618	127,633	445,698	449,951
Mortgages and contracts receivable, interest bearing, from real estate sales	908,932	1,271,767	1,181,334	1,058,974	1,088,123	1,222,863
5% Collateral Trust Serial Gold Notes unissued	1,750,000	.....	.....	.....	.....	.....
Deposit with Trustee	5,006	.....	.....	.....	.....	.....
Special deposits in banks	187,469	.....	.....	.....	.....	.....
Investment in Liberty bonds, etc.	2,783,601	2,424,142	1,916,731	1,916,731	1,829,546	1,829,546
City and County of San Francisco Loan account Bay Division Hetch Hetchy Aqueduct	625,000	875,000	1,000,000	.....	.....	.....
Unamortized discount on securities	654,168	676,444	718,720	760,996	803,272	.....
Total	$81,081,061	$76,487,125	$75,766,356	$73,993,395	$72,767,170	$78,492,319
Liabilities—						
Capital stock	$28,000,000	$28,000,000	$28,000,000	$28,000,000	$28,000,000	$28,000,000
Stock assessment	840,000	840,000	840,000	840,000	840,000	840,000
Funded debt	24,013,000	22,000,000	22,000,000	22,000,000	22,000,000	25,594,000
Collateral Trust notes	.....	.....	.....	.....	.....	2,500,000
5% Collateral Trust Serial Gold notes unissued	1,750,000	.....	.....	.....	.....	.....
Current liabilities	1,155,141	1,154,191	1,237,671	1,400,401	884,884	1,444,383
Amortization fund	2,475,706	1,892,203	1,422,325	1,002,026	659,610	293,001
Notes payable account loan City and County of San Francisco Hetch Hetchy Aqueduct	625,000	875,000	1,000,000	.....	.....	.....
Depreciation and obsolescence fund	5,995,174	5,707,256	5,437,193	5,145,122	4,914,595	4,673,826
Employees' insurance fund	130,750	123,888	118,519	115,131	104,389	93,089
Employees' pension fund	8,583	132,947	92,900	50,000	25,000	.....
Fire insurance fund	25,000	20,000	15,000	10,000	5,000	.....
Real estate, sales, suspense	508,248	491,368	494,574	326,873	313,194	253,531
*Capital surplus	11,948,697	11,822,855	11,794,568	11,931,315	11,937,783	12,005,283
Surplus, net revenue	3,605,762	3,427,417	3,313,606	3,172,525	3,082,715	2,795,206
Total	$81,081,061	$76,487,125	$75,766,356	$73,993,395	$72,767,170	$78,492,319

*Arising from revaluation of Capital Assets.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials, supplies and equipment	$405,074	$433,924	$456,703	$362,190	$342,243	$314,512
Bills and accounts receivable	194,585	194,213	1,279,435	1,176,324	109,444	74,652
Consumers' accounts	399,787	396,721	376,181	325,992	350,970	305,472
Cash	127,573	68,968	158,618	127,633	445,698	449,951
Special deposits in banks	187,469	.....	.....	.....	.....	.....
Investment in U. S. Liberty Loan bonds	2,783,601	1,916,731	1,916,731	1,916,731	1,829,546	1,829,546
Total	$4,098,089	$3,010,557	$4,187,668	$3,908,870	$3,077,901	$2,974,133
Current Liabilities—						
Notes payable	.....	$200,000	$350,000	$500,000		
Taxes accrued	$289,334	275,950	231,964	212,695	$884,884	$1,444,383
Miscellaneous accounts payable	865,806	678,241	655,707	687,706		
Total	$1,155,140	$1,154,191	$1,237,671	$1,400,401	$884,884	$1,444,383
Net Working Capital	$2,942,949	$1,856,366	$2,949,997	$2,508,469	$2,193,017	$1,529,750

Officers: W. B. Bourn, Chairman of the Board; S. P. Eastman, Pres.; A. H. Payson, V-P.; E. J. McCutchen, V-P.; G. A. Elliott, V-P.; John J. Sharon, Sec.; Benjamin Bangs, Treas.; San Francisco, Cal.

Directors: F. B. King, Robert G. Hooker, W. B. Bourn, Benjamin Bangs, S. P. Eastman, E. L. Eyre, Arthur R. Vincent, E. J. McCutchen, L. F. Monteagle, A. H. Payson, Warren Olney, Jr., Sidney M. Ehrman, C. K. McIntosh.

Office, 425 Mason St., San Francisco, Cal.

THE OMNIBUS CORPORATION

History—Incorporated April 17, 1923, in Delaware, under the name of Chicago Motor Coach Corporation; name changed to present title Aug. 7, 1924. Organized for the purpose of unifying, recapitalizing and reorganizing the Fifth Avenue Bus Securities Corporation, New York Transportation Company, and Chicago Motor Coach Corporation under plan (see Public Utility Manual for 1924, page 2704, or apply to our Information Department) declared operative August 5, 1924.

The Corporation is a holding company, owning all the capital stock of the Chicago Motor Coach Co., the Gray Line Motor Tours Co., of Chicago and Depot Motor Bus Lines, Inc., of Chicago. The Corporation also owned at Dec. 31, 1927, 550,113 shares of Fifth Avenue Bus Securities Corp., which latter company owned, as of the same date, 1920,293 shares of New York Transportation Co. The New York Transportation Co. owns all the capital stock of the Fifth Avenue Coach Co. operating coaches in the city of New York. This ownership gives the Omnibus Corp. approximately a 75½% interest in the outstanding stock of the New York Transportation Co. Corporation also owns 11,667 shares Class "A" stock and 5.834 shares Class "B" stock of the **St. Louis Motor Coach Corp.**, which in turn owns all the stock of **People's Motorbus Co. of St. Louis,** operating buses in that city.

CAPITAL STOCK

Authorized, $25,000,000 8% cumulative Pfd.; par $100, and 1,500,000 shares of Common of no par value; outstanding, $8,850,260 Pfd. and 625,293.67 shares of Common.

Preferred Stock Provisions—Of the authorized Pfd. stock, $8,850,260 is designated as Series "A" and the remaining $16,149,740 may also be issued in whole or in part as Series "A" or as one or more other series. The Pfd. stock of all series shall be of equal rank and shall be identical in all respects, except that (a) the maximum dividend rate on Series "A" shall be 8% per annum and the maximum dividend rate of each other series shall be such rate not exceeding 8% per annum; (b) upon any liquidation, dissolution or winding up or reduction of capital stock resulting in a distribution of assets, Series "A" shall be redeemable at 115, and other series at not less than 100 nor more than 115, in either case with all dividends accrued or in arrears. Series "A" is subject to redemption on any dividend date at 115 and accrued dividends.

Sub-shares of one-tenth of a share of 8% cumulative (convertible) Preferred stock, Series "A," have been issued with a par value of $10 each Such sub-shares have, proportionately, the same rights as said 8% Pfd. stock, except that, whenever said 8% Pfd. stock shall be entitled to vote for any purpose, 10 sub-shares shall be necessary for one vote; and the sub-shares are convertible into said 8% Preferred stock in amounts aggregating $100 par value or multiples thereof. Scrip for the 8% Preferred stock was also issued.

Conversion Privilege—Pfd. stock is convertible into Common at the rate of three shares of Common for each share of Pfd.

Transfer Agents (Preferred Stock)—Guaranty Trust Co. of New York, and Continental National Bank & Trust Co., Chicago, Ill.

Registrars (Preferred Stock)—Central Union Trust Co. of New York, and Illinois Merchants Trust Co., Chicago, Ill.

Voting Trust—All of the Common stock is held in a Voting Trust of which the Trustees are John Hertz, E. N. D'Ancona, H. E. Foreman, C. A. McCulloch, G. M.-P. Murphy, C. H. Sabin, Frederick Strauss.

Annual Meeting—Second Monday in May, at Wilmington, Del.

Listed (Both Classes)—Chicago and New York Stock Exchanges.

Price Range—

	1927	1926	1925	1924
Preferred—				
High	99½	98½	96	93
Low	81	88	88	85⅜
Common—				
High	17⅛	22¼	17¼	19
Low	11	12	9⅞	14½

Dividends—Pfd. dividends paid quarterly, J, A, J & O. 1. Initial dividend of $2 per share paid Oct. 1, 1924 and at same rate quarterly to date; payments J, A, J & O 1. No dividends on Common.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Dividends on invest. (Fifth Ave. Bus Secur. Corp. stock)	$352,018	$351,843	$351,618	$172,172
Interest received	15,471	11,210	13,747	4,296
Total income	$367,489	$363,053	$365,365	$176,468
Taxes	4,400	13,287	16,608	.....
Interest paid	.....	.....	.....	17,486
Corporate expenses	37,329	52,321	60,312	5,608
Net income (Omnibus Corp.)	$325,761	$297,445	$288,445	$153,374
Net profit (Chicago Motor Coach Co.)	630,981	506,362	518,379	400,764
Net profit (Detroit Motor Bus Lines, Inc.)	4,940	.....	.....	.....
Loss (Gray Line Motor Tours Co.)	12,768	†2,097	13,813	.....
Consolidated net profit	$948,914	$805,904	$793,011	$554,138
Dividends on Pfd. stock paid & accrued	707,952	707,725	707,448	466,450
Surplus for year	*$240,962	$98,179	$85,563	$87,688
Earnings Per Share—				
Preferred	$10.72	$9.11	$8.96	$6.28
Common	*0.38	0.15	0.14	.....

†Credit. *In considering the item of surplus profits of $240,962 for 1927 after Pfd. dividends, it should be noted that there is in addition the undistributed profits for the year accruing to the stock owned in the Fifth Avenue Bus Securities Corp. and St. Louis Motor Coach Corp. amounting to $519,845, making a total of $760,807, being at the rate of $1.21 per share on the Common stock of The Omnibus Corporation, compared with 90.69 cents per share in 1926.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Consolidating Chicago Motor Coach Co. and Gray Line Motor Tours Co.—100% Owned)

Assets—	1927	1926	1925	1924
Investments:				
Fifth Ave. Bus Securities Corp.	$7,296,444	$7,293,261	$7,289,763	$7,231,423
St. Louis Motor Coach Corp.	466,680	466,680	466,680	466,680
Land	203,901	203,901	203,901	213,727
Buildings	1,606,769	1,605,065	1,604,533	1,604,359
Motor coaches	4,296,139	3,853,253	3,728,522	3,679,362
Tools, fixtures, etc.	361,330	328,808	296,936	214,871
Equity in leased premises	63,586	50,138	41,708	.....
Organization, franchises, etc.	1,198,062	1,060,726	1,044,309	946,398
Unamortized bond discount	60,778	78,401	92,581	.....
Cash	1,184,409	790,361	490,257	712,501
Marketable securities (at cost)	.....	300,000	.....	.....
Accounts receivable	62,890	97,642	163,985	55,009
Due from employees	28,844	41,686	22,743	28,747
Accrued interest receivable	13,771	11,728	6,909	6,026
Dividends receivable	88,018	87,974	87,926	87,483
Inventories	163,617	198,798	227,795	244,911
Special deposits	80,174	80,250	80,250	75,250
Prepaid insurance and taxes	40,408	42,009	34,552	60,808
Total	$17,215,820	$16,590,681	$15,883,350	$15,627,556
Liabilities—				
Preferred stock	$8,850,260	$8,847,490	$8,844,410	$8,817,239
Common stock	3,502,937	3,502,524	3,202,107	3,190,158
Accounts payable	121,170	121,050	92,174	278,267
Dividends payable	177,005	176,950	176,888	176,358
Accrued wages & salaries	48,771	42,097	61,803	45,960
Accrued Federal taxes	150,177	116,021	94,833	80,595
Accrued compensation	73,660	69,013	66,860	68,578
Accrued interest, etc.	12,243	14,000	15,000	48,491
Outstanding fare tickets, etc.	2,102	.....	.....	.....
*6% equipment gold ctfs.	1,200,000	1,400,000	1,500,000	.....
Deferred coach payments	.....	.....	.....	1,053,751
Notes payable	.....	.....	7,000	597,049
Reserves:				
For depreciation of motor coaches	1,725,712	1,287,460	921,840	
For depreciation of other property	330,120	250,194	183,084	696,820
For injuries and damages	71,577	47,088	47,239	
For workmen's compensation	3,846	4,177	16,003	
Surplus	946,240	712,617	654,109	574,290
Total	$17,215,820	$16,590,681	$15,883,350	$15,627,556

*Chicago Motor Coach Equipment Trust.

Officers: John Hertz, Chairman of Board; John A. Ritchie, Pres.; Charles A. McCulloch, John C. Jay, Garrett T. Seely, V-Ps.; Edward N. D'Ancona, Sec. & Gen. Counsel; Leonard S. Florsheim, Treas.

Directors: W. Rufus Abbott, Edward N. D'Ancona, Leonard S. Florsheim, Harold E. Foreman, Otis A. Glazebrook, Jr., George A. Green, John Hertz, Otto W. Lehmann, Charles A. McCulloch, John A. Ritchie, William Wrigley, Jr., Chicago, Ill.; John C. Jay, Emanuel Lascaris, Grayson M-P. Murphy, Charles H. Sabin, Frederick Strauss, Edmond E. Wise, New York; Harvey T. Woodruff, Evanston, Ill.; Alfred Ettlinger, Stuyvesant Peabody, Garrett T. Seely.

General Office, Chicago, Ill.

CHICAGO MOTOR COACH COMPANY

(Controlled by The Omnibus Corporation)

History and Property—Incorporated December 8, 1913, in Illinois, under the name of Chicago Motor Bus Co.; name changed to present title March 30 1923. Owns and operates motor coaches under favorable franchises in Chicago and Cook County, Ill. Owns three garage properties and leases a fourth for a period of 20 years from June 1, 1925.

Passengers carried during year ended Dec. 31, 1927, 59,270,849, compared with 55,838,928 in 1926.

CAPITAL STOCK

Authorized, $3,750,000 7%, cumulative Preferred and $250,000 Common; outstanding, $3,350,000 Pfd. and $250,000 Common. Par of Preferred, $100, and of Common, $5. All owned by The Omnibus Corp.

EQUIPMENT TRUST

$1,200,000 6% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES "A"; DUE ANNUALLY ON NOV. 1, IN SERIAL INSTALMENTS, AS FOLLOWS: 1928, $300,000; 1929, $400,000; 1930, $500,000

Dated November 1, 1925.

Interest Payable May and November 1, at First Trust & Savings Bank, Chicago, or at J. & W. Seligman & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—First Trust and Savings Bank, Chicago.

Original Issue—$1,500,000 of which $300,000 redeemed to December 31, 1927. Issued under the Philadelphia Plan.

Callability—Subject to call on any interest date on 30 days' notice at 101 and interest.

Security—Secured by vesting the Trustee with title to 415 motor coaches, the total original cost of which new was in excess of $3,714,000. Ford, Bacon & Davis, Inc., Engineers, having completed an inspection and appraisal of this equipment, certified that in their opinion the depreciated value of these coaches at time these certificates were issued was in excess of $3,000,000.

Guaranty—Unconditionally guaranteed, principal and semi-annual dividends, by Chicago Motor Coach Co. by endorsement on each certificate.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded.

Original Offering—First publicly offered ($1,500,000) in October, 1925, at prices to yield from 5.25% for the November 1, 1926 maturity to 6% for the November 1, 1930 maturity, by G. M.-P. Murphy & Co., J. & W. Seligman & Co., and Freeman & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$5,981,087	$5,649,815	$5,853,268
Oper. exps. and deprec.	4,846,968	4,679,268	4,874,037
Taxes	323,921	302,708	312,166
Net earnings	$810,198	$667,839	$667,065
Other income	26,872	24,913	23,883
Total income	$837,070	$692,752	$690,948
Interest and disc. on debt	113,676	121,792	114,353
Miscellaneous charges	1,407	1,401	.....
Net income	$721,987	$569,559	$576,595
Federal Income Tax accrual	91,006	63,197	58,216
Surplus for year	$630,981	$506,362	$518,379

Office, 1124 Rosemont Ave., Chicago, Ill.

FIFTH AVENUE BUS SECURITIES CORPORATION

(Controlled by The Omnibus Corporation)

History—Incorporated Nov. 14, 1922, in Delaware, under the name of Fifth Avenue Bus Corporation. By an amended certificate of incorporation filed Dec. 13, 1922, the name of the Company was changed to Fifth Avenue Bus Securities Corporation. This is a holding company which on Dec. 31, 1927 held 190,293 shares of the 235,000 issued and outstanding shares of stock of the New York Transportation Co. which in turn owns all the capital stock of Fifth Avenue Coach Co.

Plan for Unification, Recapitalization and Reorganization—See Manual for 1924, page 2704 or apply to our Information Department.

CAPITAL STOCK

Authorized, 729,000 (increased from 400,000 shares in August, 1924) shares without nominal or par value; outstanding, Dec. 31, 1927, 590,129 494/1000 shares. Of the authorized shares 550,113 shares have been issued to The Omnibus Corp., and an additional 138,068 shares may be issued to that Corporation from time to time.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—The New York Trust Co., New York.

Annual Meeting—First Monday in May.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	14⅞	21⅝	17¾	13⅜	10⅜	10⅝
Low	10	14	12	9½	7¼	8¾

Dividends—Initial dividend of 16 cents a share paid Feb. 15, 1923, which amount was paid May, Aug. and Nov. 15, 1923; Jan. 17, 1924 to April 17, 1928 16 cents a share quarterly. Payments are now made J, A, J & O.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Divds., N Y. Trans. Co.	$380,586	$380,586	$380,586
Interest	127	85	35
Total	$380,713	$380,671	$380,621
General expenses	7,274	5,488	6,473
Less amount of exp. borne by The Omnibus Corp.	7,274	5,488	5,847
Net total	.....	.....	$626
Net income for year	$380,713	$380,671	379,995
Dividends	377,677	377,677	377,677
Surplus for year	$3,036	$2,994	$2,318

COMPARATIVE BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
N. Y. Transp. Co. stock	$5,838,035	$5,838,035	$5,838,035
Fifth Ave. Bus. Sec. Corp. Fractional shares	95	95	95
Cash	8,043	5,286	1,588
Accounts receivable	2,896	2,158	1,738
Dividends receivable	95,146	95,146	95,146
Total	$5,944,215	$5,940,720	$5,936,602
Liabilities—			
Capital stock	$5,838,035	$5,838,035	$5,838,035
Accounts payable	1,602	1,144	19
Reserve for dividends	94,419	94,419	94,419
Surplus	10,159	7,122	4,129
Total	$5,944,215	$5,940,720	$5,936,602

Officers: Grayson M.-P. Murphy, Pres.; Frederick Strauss, V-P.; A. I. Henderson, Sec.; John G. Pennypacker, Treas., New York.

Directors: Edward D'Ancona, Alfred Ettlinger, John Hertz, Chas. A. McCullough, Grayson M.-P. Murphy, John A. Ritchie, Chas. H. Sabin, Frederick Strauss, Stuyesant Peabody, New York.

Principal Office, 7 West 10th St., Wilmington, Del. **Office of Treasurer,** 52 Broadway, New York.

NEW YORK TRANSPORTATION COMPANY

(Controlled by Fifth Avenue Bus Securities Corporation)

History—Incorporated Feb. 21, 1899, in N. J., as the New York Electric Vehicle Transportation Co.; name changed to present title in Jan., 1902. Certificate of incorporation provides that the duration of the corporation shall be unlimited. Owns the entire outstanding capital stock of the Fifth Avenue Coach Co.

On Oct. 4, 1916, the New York Transportation Co. purchased the properties and assets of the Metropolitan Express Co., consisting principally of real estate in the cities of New York and Mt. Vernon, for the sum of $110,000, payable by the assumption of the existing debts, liabilities and obligations of that company of approximately the same amount. The corporate existence of the Metropolitan Express Co. is still maintained, its capital stock of $1,000 being held by the New York Transportation Co.

An important phase of the business of the New York Transportation Co. and Fifth Avenue Coach Co. is the manufacture of busses used by the latter, and in addition the manufacture and sale to transportation companies operating in other cities of busses of the same general type as those used by the Fifth Avenue Coach Co.

In April, 1912, company sold its taximeter cab and electric vehicle business, together with the plant and equipment connected therewith, to the Connecticut Cab Co.

Plan for Unification, Recapitalization and Reorganization—See Manual for 1924, page 2704, or apply to our Information Department.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $2,350,000; par, $10. The Fifth Avenue Bus Securities Corp. at Dec. 31, 1927, owned 190,293 of the outstanding shares.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—Hanover National Bank, New York.

Dividends—Initial dividend of 25 cents per share paid Sept. 1, 1916, and 25 cents quarterly until and including June 1, 1918; none thereafter until July 15, 1919, when 25 cents per share was paid, which rate was paid quarterly up to and including April 15, 1920; on July 15, 1920, 50 cents per share was paid, which rate is now being paid: payments J, A, J & O 15. Dividends declared second Tuesday in M, J, S & D.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(New York Transportation Co. and Subsidiary Cos.)

Gross Earnings:	†1927	†1926	1925	1924	1923	1922
Operation of stage lines	$7,101,680	$7,007,698	$7,065,470	$6,145,712	$5,550,139	$5,536,173
Private hire	37,019	14,358	10,188	9,579	11,492	11,798
Advertising	174,476	205,916	187,139	146,000	119,404	103,901
Miscellaneous	152,400	65,166	88,906	45,497	173,684	49,583
Total	$7,465,575	$7,293,138	$7,351,703	$6,346,788	$5,854,719	$5,701,455
Operating expenses	5,998,254	5,685,635	5,448,554	4,552,624	4,039,279	4,101,086
Taxes	511,680	647,721	733,303	674,161	636,171	556,096
Total deductions	$6,509,934	$6,333,356	$6,181,857	$5,226,785	$4,675,450	$4,657,182
Balance	$955,641	$959,782	$1,169,846	$1,120,003	$1,179,269	$1,044,273
Rents received	.....	.....	.....	16,878	4,335	6,894
Interest received	129,153	162,060	162,354	140,133	143,970	123,115
Other interest and discount	35,964	24,534	22,520	17,689	33,553	26,304
Other income	‡28,771	10,171	28,356	254,815	.....	9,208
Net income	$1,091,987	$1,156,547	$1,383,076	$1,549,518	$1,361,127	$1,209,793
Add profit & loss adjustments	26,468	.....	26,026	.....	.....	.....
Deduct:						
Profit & loss adjustments	.....	68,757	.....	.....	.....	.....
Loss on sale of assets	.....	.....	.....	11,317	75,203	{ 18,801
Charges applicable to prior periods (net)	.....	.....	.....			{ 49,933
Surplus profit for year	$1,118,455	$1,087,790	$1,409,102	$1,538,201	$1,285,924	$1,141,059
Add:						
Surplus at beginning of year	6,549,753	5,931,962	4,992,859	*3,924,658	*3,098,788	2,362,690
	$7,668,208	$7,019,752	$6,401,961	$5,462,859	$4,384,712	$3,503,749
Deduct—dividends	470,000	470,000	470,000	470,000	470,000	470,000
Surplus at end of period	$7,198,208	$6,549,752	$5,931,961	$4,992,859	$3,914,712	$3,033,749
Earnings Per Share	$4.65	$4.92	$5.89	$6.59	$5.47	$4.85

*After adding $65,039 adjustments affecting prior years in 1923 and $9,946 in 1924. †Excludes New York Railways Corp acquired Aug. 31, 1926, but includes G. L. M. T., Inc., from date of acquisition June 15, 1926. ‡Debit.

NOTE—The New York Railways Corp. reports that for the year ended Dec. 31, 1927, its net corporate income amounted to $128,785 before deducting accumulated and unpaid interest on $20,685,472 40-yr. 6% Cumulative Income Gold Bonds, which interest has not been declared due and payable, amounting to $1,241,128 for the year ended Dec. 31, 1927.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(New York Transportation Co. and Subsidiary Cos.)

Assets—	§1927	§1926	1925	1924	1923	1922
Land and buildings	$2,721,303	$2,717,197	$2,485,798	$2,083,485	$1,859,386	$1,794,294
Equipment	4,442,456	4,342,537	3,513,572	2,627,832	1,931,997	1,594,000
Franchises, rights, etc.	31,965	31,608	30,915	29,694	30,637	29,829
Improvements to leasehold property	43,422	39,253	31,865	.....	.....	.....
Shop tools, machinery, furniture and fixtures	228,223	219,212	205,995	197,447	176,980	141,260
	$7,467,369	$7,349,807	$6,268,145	$4,938,458	$3,999,000	$3,559,383
Less reserve for depreciation	2,785,593	2,371,616	2,094,840	1,532,363	1,345,381	1,094,180
Total fixed assets	$4,681,776	$4,978,191	$4,173,305	$3,406,095	$2,653,619	$2,465,203

CONSOLIDATED BALANCE SHEET DECEMBER 31 (Continued):

	§1927	§1926	1925	1924	1923	1922
*Marketable bonds and notes, at cost	$3,630,301	$3,046,725	$3,896,942	$3,242,220	$3,077,000	$2,854,362
Investment in 90,200 shs. Common stock of N. Y. Rys. Corp. at cost	937,146	907,146	.....	.....	.....	.....
Materials and supplies at cost	323,431	410,361	454,119	713,640	585,629	323,463
Work in progress, at cost	32,315	69,987	141,409	290,460	325,635	122,180
Accounts and notes receivable, less reserve	323,076	206,424	145,283	58,413	150,858	226,094
Cash at banks and on hand	446,751	196,475	259,192	506,401	325,081	308,845
Insurance unexpired, expenses prepaid, etc.	320,998	278,467	264,458	167,123	78,298	41,445
Total	$10,695,794	$10,093,776	$9,334,708	$8,384,352	$7,196,120	$6,341,592
Liabilities—						
Capital stock	$2,350,000	$2,350,000	$2,350,000	$2,350,000	$2,350,000	$2,350,000
Accts. pay., incl. accd. pay-roll & divds. payable	460,854	358,347	318,345	†401,068	†324,770	277,483
Taxes accrued	100,894	224,832	298,742	292,340	280,046	320,274
Deposit on order for coaches and on leases	.....	6,907	6,907	9,671	8,520	15,939
Reserve for claims, for injuries & damage, etc	348,783	378,308	365,794	281,792	270,023	305,387
Mortgages payable	154,000	155,000	.....	.....	.....	.....
Reserve for workmen's compensation insur.	74,098	70,630	62,958	56,622	48,049	38,760
Surplus	7,198,208	6,549,752	5,931,962	4,992,859	3,914,712	3,033,749
Total	$10,695,794	$10,093,776	$9,334,708	$8,384,352	$7,196,120	$6,341,592

*Market value, 1927, $3,632,161; 1926, $3,032,957; 1925, $3,897,854; 1924, $3,304,212; 1923, $3,088,742; 1922, $2,871,289. †Including accrued payrolls and dividends payable. §The 1926 and 1927 figures do not include New York Railways Corp., all the stock of which was acquired on Aug. 31, 1926.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Materials and supplies at cost	$323,431	$410,361	$454,119	$713,640	$585,629	$323,463
Work in progress, at cost	32,315	69,987	141,409	290,460	325,635	122,180
Accounts & notes receivable, less reserve	323,076	206,424	145,283	58,413	150,858	226,094
Marketable securities at cost	3,630,301	3,046,725	3,896,942	3,242,220	3,077,000	2,854,362
Cash at banks and on hand	446,751	196,475	259,192	506,401	325,081	308,845
Total	$4,755,874	$3,929,972	$4,896,945	$4,811,134	$4,464,203	$3,834,944
Current Liabilities—						
Accounts payable	$460,854	$358,347	$318,345	$401,068	$324,770	$277,483
Taxes accrued	100,894	224,832	298,742	292,340	280,046	320,274
Total	$561,748	$583,179	$617,087	$693,408	$604,816	$597,757
Net Working Capital	$4,194,126	$3,346,793	$4,279,858	$4,117,726	$3,859,387	$3,237,187

Officers: John A. Ritchie, Chrm.; Frederic T. Wood, Pres.; L. H. Palmer, V-P. & Gen. Mgr.; J. E. McCarthy, Sec.; G. L. Willems, Treas.; New York.

Directors: John A. Ritchie, (Chairman), John Hertz, E. N. D'Ancona, Alfred Ettinger, L. S. Florsheim, H. E. Foreman, A. D. Lasker, O. W. Lehmann, C. A. McCulloch, T. R. Thompson, H. T. Woodruff, Wm. Wrigley, Jr., Chicago; John C. Jay, Fred L. Lavanburg, Grayson M.-P. Murphy, W. H. Lowe, J. E. McCarthy, G. L. Willems, Charles H. Sabin, Henry Sanderson, Frederick Strauss, Edmond E. Wise, Frederic T. Wood, New York.

General Office, 605 W. 132d St., New York.

FIFTH AVENUE COACH COMPANY

(Controlled by New York Transportation Company)

History and Property—Incorporated July 25, 1896, in N. Y., and acquired the property and franchises of Fifth Avenue Transporation Co. (Limited), a New York corporation. Company has a permanent franchise to operate stage lines in New York. Operates gasoline motor omnibuses in passenger traffic exclusively.

On June 15, 1926, Company acquired all the outstanding stock of **G. L. M. T., Inc.,** a Coach Company which operates the "Gray Line" sightseeing and touring service in New York and vicinity, including the up-state line to Bear Mountain and lines to other points. On Aug. 31, 1926, the Company acquired and now owns all the outstanding stock of New York Railways Corp. (90,200 shares of no par value).

CAPITAL STOCK

Authorized and issued, $50,000; par, $100. All owned by New York Transportation Co. Annual meeting, first Monday in April.

FUNDED DEBT

At June 30, 1927 Company had outstanding Real Estate Mortgages in the amount of $155,000.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	(Latest Available) *1926	1925	1924
Miles of route operated	38.64	38.64	31.67
Aver. number of buses oper.	385	385	346
Revenue bus miles	13,173,127	13,361,040	11,311,807
Bus seat miles—active	692,078,314	691,253,037	565.508,215
Revenue passengers	69,425,753	70,654,704	61,457,120

*Year ended June 30.

Depreciation Policy—The rule of the Company as filed with the Transit Commission of the State of New York provides for a charge to expenses equal to 10.40c per bus mile which is estimated to be sufficient to cover maintenance charges and depreciation. The amount to be set up on the books for depreciation in any period is determined by taking the difference between the actual maintenance charges for that period and the total amount necessary to produce a result of 10.40c per bus mile.

GENERAL BALANCE SHEET

	June 30, 1927	June 30, 1926	Dec. 31, 1925
Assets—			
Fixed cap., less amort.	$4,652,082	$4,296,543	$4,186,250
Real estate	316,426	115,627	115,627
Stocks of assoc. Cos.	962,796	24,900	441,990
Cash	776,680	662,789	214,293
Special deposits	5,000	5,000	.....
Bills & accts. receiv.	244,584	38,497	52,836
Int. & divds. receiv.	20,409	33,865	31,808
Marketable securities	2,944,211	3,675,024	3,046,094
Materials and supplies	367,536	662,167	669,139
Construction in progress	30,334	.....	.....
Prepayments	99,477	100,949	83,756
Suspense accts., etc.	217,893	197,540	179,820
Total	$10,637,428	$9,812,901	$9,021,613
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
Real estate mortgage	155,000	.....	.....
Accounts payable	108,267	152,924	148,988
Interest accrued	3,825	.....	.....
Dividends declared	500,000	320,000	.....
Wages accrued	98,475	114,537	48,826
Tax reserve	309,174	489,610	288,390
Working adv. to affil. cos.	.....	596	490
Casualty insurance reserve	472,269	418,546	428,753
Other reserves	14,888	38,058	32,605
Profit and loss surplus	8,925,530	8,228,630	8,023,561
Total	$10,637,428	$9,812,901	$9,021,613

INCOME ACCOUNT

	June 30, 1927	June 30, 1926	Dec. 31, 1925
Operating revenue	$7,267,745	$7,192,868	$7,287,797
Operating expenses & taxes	6,241,856	6,210,396	6,095,594
Net earnings	$1,025,889	$982,472	$1,192,203
Other income	173,038	166,632	153,105
Total income	$1,198,927	$1,148,670	$1,345,308
Rentals	30,120	22,244	.....
Surplus after charges	$1,168,808	$1,126,426	$1,345,308
Dividends	500,000	320,000	320,000
Surplus for year	$668,807	$806,426	$1,025,308

Officers: John A. Ritchie, Chairman; F. T. Wood, Pres.; L. H. Palmer, V-P. & Gen. Mgr.; W. W. Harris, V-P.; John E. McCarthy, Sec.; G. L. Willems, Treas., New York.

Directors: John A. Ritchie, (Chairman), John Hertz, E. N. D'Ancona, A. D. Lasker, Stuyvesant Peabody, John C. Jay, Charles H. Sabin, Edmond E. Wise, Frederic T. Wood, Grayson M.-P. Murphy, Elmer Schlesinger, New York.

General Office, 605 W. 132d St., New York City.

NEW YORK RAILWAYS CORPORATION

(Controlled by Fifth Avenue Coach Company)

History—Incorporated April 15, 1925, in New York (duration perpetual), as successor to certain properties, rights and franchises formerly of New York Railways Company (see 1923 Manual page 2315, or apply to our information department) in accordance with the Plan of Reorganization dated July 18, 1924 (for details of which see 1924 Manual, page 2317 or apply to our Information Department). It is the successor of a series of companies operating street surface railways. The system was built up in the past century by leases, mergers, consolidations and stock control. On Nov. 29, 1893, May 18, 1894, and Nov. 7, 1895, respectively, there were three consolidations, as a result of which Metropolitan Street Railway Company was formed, and this corporation operated the system directly and later through a lessee, New York City Railway Company, until the receivership of the Metropolitan Company and its lessee in 1907. The properties of those companies were sold in such receivership, and the New York Railways Company was formed to buy such properties and to succeed the Metropolitan Street Railway Company. The New York Railways Co. was itself forced into the hands of a receiver on March 20, 1919.

During such receivership, the receiver elected not to adopt the leases covering the properties of the Eighth Avenue Railroad Company, the Ninth Avenue Railroad Company, and the New York and Harlem Railroad Company, and those properties were returned to said lessors respectively and have not since been operated as a part of the New York Railways system. Other leases have been disaffirmed in said receivership, but the properties thereby covered are still operated as a part of the unitary system under temporary operating agreements, and it is intended that permanent operating agreements be made with respect to such properties providing for payments to the lessor companies based on net earnings rather than fixed rentals.

The purchasing Committee elected not to take the capital stock of the **Fort George** and **Eleventh Avenue Railroad Company** (see 1924 Manual, page 2329).

Reorganization—A final decree was made by the United States District Court for the Southern District of New York on May 21, 1924, foreclosing the New York Railways Company First Real Estate and Refunding Mortgage and the Lexington Avenue and Pavonia Ferry Railroad Company Mortgage; and at the Special Master's sale held on July 7, 1924, under said Final Decree, the properties were bought by Harry Bronner, Joseph P. Cotton and Harold Stanley, as a Purchasing Committee acting on behalf of the Reorganization Committee. Said sale was confirmed on July 8, 1924, by said Court. The Plan and Agreement of Reorganization was duly promulgated and approved by various protective committees, and, by order dated July 10, 1924, was duly approved by said United States District Court. The Plan of Reorganization was also submitted to the Transit Commission of the State of New York, which, on July 8, 1924, after extended public hearings and the receipt of evidence relating to the valuations of the property, approved both the reorganization as provided in the Plan of Reorganization and the capitalization of the new company. The Reorganization Committee declared the plan operative in the latter part of April, 1925, and operation by the new company commenced as of midnight, April 30, 1925.

Columbus and Ninth Avenue R.R. Co.—This company had outstanding $3,000,000 5% gold bonds, dated Aug. 24, 1893, due Sept. 1, 1993, which were assumed by the New York Railways Co. The Plan of Reorganization of said company did not provide for these bonds. A protective committee was formed consisting of George E. Warren (Chairman), C. Robert Adams, Frank Coenan, New York, with Frank D. Pavey, New York, as counsel, Arthur N. Hazeltine as Sec. and American Exchange Irving Trust Co., New York, Depositary. A Plan of Reorganization has been adopted by the committee whereby $1,250,000 6% Income Bonds and 7,500 shares of Pfd. stock of the New York Railways Corporation will be exchanged for the $3,000,000 outstanding bonds of the Columbus and Ninth Ave. Railroad Co. on the basis of $416.66 Income bonds and 2½ shares of Pfd. stock of the former for each principal amount of the latter. Holders of $2,893,000 of the outstanding bonds have consented to the Plan.

Lexington Avenue and Pavonia Ferry R. R. Co.—This company had outstanding $5,000,000 First Mortgage 5% Gold bonds, dated Aug. 24, 1893, due Sept. 1, 1993, which were assumed by New York Railways Co. Under the Plan of Reorganization of that company each $1,000 of these bonds received $660 6% Income bonds of New York Railways Corporation and voting trust certificates for $400 par value of stock of **Pavonia Building Corporation,** incorporated in New York to take title to the Lexington Building situated between 25th and 26th Streets, Lexington and Third Avenue, which was subject to the Lexington Avenue and Pavonia Ferry RR. Co. Mortgage. Holders of $4,564,000 of the outstanding bonds have consented to the Plan.

Change of Control—On August 25, 1926, the New York Transit Commission approved sale of all the 90,200 Common shares of New York Railways Corporation, by New York Railways Participation Corporation to Fifth Avenue Coach Company, for the price of $10 a share.

MILEAGE, JUNE 30, 1927

	Electric		
	Underground	Storage	Total
Miles of track owned	30.380	2.995	33.375
Miles of track operated but not owned:			
Controlled companies	37.012	2.561	39.573
Other	3.278	.042	3.320
Total	40.290	2.603	42.893
Total track operated	70.670	5.598	76.268

Equipment, June 30, 1927—Pay-as-you-enter cars, 560; long open cars, 178; storage battery cars, 10;—total revenue service cars, 748; non-revenue service cars (electric, 95; horse, 3), 98—total cars, 846.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	1927	1926	*1925
Miles of track operated	70.09	70.26	†77.13
Passenger car hours	1,640,516	1,635,315	1,693,082
Passenger car miles	9,951,970	10,321,612	11,058,175
Total revenue car miles	10,118,598	10,507,438	11,214,025
Transfers collected	8,604,532	9,924,603	11,602,680
Revenue passengers	128,187,685	135,685,171	146,829,421

*Ten months receivers and two months corporation. †Corporation mileage, June 30, 1925; receiver's mileage was 88.63.

CAPITAL STOCK

Authorized and issued in accordance with Plan of Reorganization, 90,200 shares Common, of no par value, and 184,830 shares Pfd., of no par value. All the Common shares are owned by Fifth Avenue Coach Company.

Preferred Stock Provisions—Is entitled to non-cumulative dividends at the rate of $7 per share per annum, payable semi-annually April and October 1, before any dividends can be paid on Common; it is subject to call in whole or in part at $100 per share at any time on 60 days' notice. In the event of liquidation or dissoulution, whether voluntary or involuntary, the assets of the Corporation shall be distributed to holders of Common and Pfd., ratably and without preference. Has no voting power except in increasing the authorized amount of Pfd. and Common stock.

Stock Trust Dissolved—The Stock Trust Agreement in respect to the Preferred stock of Corp., dated April 18, 1925, was dissolved in May, 1927.

Transfer Agent (Pfd.)—Guaranty Trust Co. of New York.

Registrar (Pfd.)—Seaboard National Bank, New York.

Annual Meeting—Third Monday in May.

Listed (Preferred Stock)—New York Stock Exchange.

Price Range—

Preferred Certificates—	1927	1926	1925
High	15¾	20¼	12
Low	4⅝	6	5

Dividends—None paid.

FUNDED DEBT

(1)

$300,000 NEW YORK RAILWAYS CORPORATION SIXTH AVENUE PURCHASE MORTGAGE 5% GOLD BONDS; DUE JANUARY 1, 1965

Dated April 20, 1925.

Interest Payable January and July 1 at Central Union Trust Co. of New York.

Denominations—Coupon $100, $500 and $1,000; principal may be registered; interchangeable.

Provisions of Issue—Authorized and outstanding, $300,000. Issued to holders of the capital stock of the Sixth Avenue Railroad Company in accordance with the Plan of Reorganization of the New York Railways Co. dated July 18, 1924 on the basis of $15.00 in bonds for each $100 in stock.

Callability—Subject to call as a whole at any interest date on 60 days' notice at par and interest.

Security—Secured by a first lien on the property formerly owned by Sixth Avenue Railroad Company, at Lenox Avenue and 146th Street, see 1924 Manual, page 2330, or apply to our Information Department.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$179,900 NEW YORK RAILWAYS CORPORATION CENTRAL CROSSTOWN PURCHASE MORTGAGE 6% GOLD BONDS; DUE MAY 1, 1940

Dated May 1, 1925.

Interest Payable May and November 1, at The Seaboard National Bank of the City of New York.

Trustee—The Seaboard National Bank of the City of New York.

Provisions of Issue—Authorized and issued, $200,000, of which $179,900 outstanding. Issued to holders of $250,000 Central Crosstown Railroad Co. First Mortgage 6% Bonds, in accordance with the Plan of Reorganization of the New York Railways Co., on the following basis: Each $1,000 Central Crosstown R.R. Bonds received $800 new Central Crosstown Bonds and $200 in cash and an additional amount of cash equal to interest at 6% per annum from May 1, 1922 to April 30, 1925.

Callability—Subject to call at par and interest.

Security—Secured by a first lien on the entire property formerly owned by the former Central Crosstown R. R. Co.

(3)

$4,032,503 NEW YORK RAILWAYS CORPORATION PRIOR LIEN MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1965

Dated April 20, 1925.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount of mortgage, $50,000,000. Series "A" 6s authorized to the amount of $5,000,000 of which $3,800,000 were issued pursuant to the Plan of Reorganization of New York Railways Co., dated as of July 18, 1924, in exchange for stock of Forty-second Street and Grand Street Ferry Railroad Co., and for claims, new moneys, and reorganization expenses and $312,500 (issued about November, 1926) to provide for exchange of $200,000 Twenty-third Street Ry. Co. First Mortgage bonds for a like principal amount of Prior Lien bonds of the Corporation and for the exchange of $150,000 Twenty-third Street Ry. Co. Debentures for $112,500 Prior Lien bonds of the Corporation. Of the $4,032,503 issued bonds, $341,000 had been purchased by Company for redemption up to March 15, 1928, leaving $3,691,503 outstanding.

Additional bonds may be issued in series, bearing such interest rates, maturity dates, convertible features and such other provisions as may from time to time be determined (a) $15,050,000 to refund underlying or extended obligations and fixed charge obligations of the new company and (b) and the remaining for the actual cost or fair value (whichever is less) of additions and betterments and acquisition of equipment and additional railroad and properties, including securities of street railroad corporations and other corporations, under approved restrictions.

Callability—Subject to call on any interest date on 60 days' notice at 105 and interest.

Sinking Fund—No sinking fund provided.

Security—The bonds are secured by a lien on (a) All property owned by the corporation on completion of the reorganization, or acquired on behalf of the corporation by the issue of securities under the Plan of Reorganization of New York Railways Co. dated as of July 18, 1924, and (b) all property hereafter acquired by the corporation by the issue of Prior Lien bonds, Income bonds, or stock.

There is pledged with the Trustee under the Prior Lien Mortgage the following:

***Stocks**	
The Broadway & Seventh Ave. RR. Co.	$1,776,500
The Forty-Second St. & Grand St. Ferry R. R. Co.	715,400
Thirty-Fourth St. Crosstown Ry. Co.	1,000,000
Twenty-Third St. Ry. Co.	592,800
The Bleecker St. & Fulton Ferry RR. Co.	885,300
Christopher & Tenth St. RR. Co.	423,400
Sixth Ave. RR. Co.	1,858,200
Bonds	
Christopher & Tenth St. R. R. Co. 4s, 1923	$210,000
Metropolitan Crosstown Ry. Co. 5s	600,000
Twenty-Third St. Ry. Co. 1st Ext. 6s	250,000
Debentures	150,000

*All other shares of stock of these companies acquired will be pledged hereunder.

Prior Liens—The lien of the bonds is senior as to all property covered thereby to the lien of the Forty-Year 6% Income Gold Bonds, but is junior as to certain property to the lien of certain underlying mortgages namely, the Sixth Avenue Purchase Money Mortgage, dated as of April 20, 1925, the Central Crosstown Mortgage, dated Feb. 1, 1882, the Central

Crosstown Mortgage dated as of May 1, 1925, the South Ferry Mortgage dated as of April 1, 1889 and the Broadway Mortgage dated as of July 1, 1884.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926
High	85¼	88⅛
Low	74	81½

(4)

$20,685,472 NEW YORK RAILWAYS CORPORATION 40-YEAR 6% CUMULATIVE INCOME GOLD BONDS; DUE JANUARY 1, 1965

Dated April 20, 1925.

Interest Payable at Guaranty Trust Co., New York, on April 1, 1926, and on each April 1, thereafter to and including April 1, 1930, only if and to the extent that the Board of Directors in its discretion shall determine; thereafter on each April 1, only when earned. Interest is cumulative from January 1, 1925.

Note—No dividends can be paid on either class of stock of corporation until all arrears of interest have been paid.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized, $21,000,000; issued (and outstanding) $20,685,472 in accordance with the Plan of Reorganization of New York Railways Co. The unissued $314,528 are reserved for corporate purposes.

Callability—Subject to call as a whole on any January, April, July or October 1, on sixty days' notice at par and interest.

Security—A direct obligation of company and secured by a general mortgage on the entire property subject to the $3,800,000 Prior Lien Mortgage bonds and the $12,415,000 bonds prior in lien thereto.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	30⅞	37	32⅝
Low	11⅛	22	20⅞

SUPPLEMENTARY INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Total operating revenues	$6,907,920	$7,188,732
Operating expenses and taxes	5,899,445	5,988,123
Net operating revenues	$1,008,475	$1,200,609
Other income	102,922	69,096
Total income	$1,111,397	$1,269,705
Fixed charges	982,612	*912,338
Surplus after charges	†$128,785	$357,367

*Not including accumulated and unpaid interest on income bonds, which interest has not been declared. †Not including the following: Accumulated and unpaid interest on $20,685,472 face value 40-year 6% Income Gold bonds which interest has not been declared to be due and payable; claims of minority stockholdings in controlled companies, if any and non-operating income of controlled companies.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED JUNE 30

(1925 figures represent two months (May and June) corporate and 10 months receivers; those of previous years are for receivers)

Operating Income	1927	1926	1925	1924	1923	1922
Revenue from transportation	$6,555,215	$6,953,147	$7,542,005	$8,211,007	$8,424,518	$8,549,881
Other operating revenue	525,910	522,829	515,884	802,328	871,025	865,408
Gross operating revenue	$7,081,125	$7,475,976	$8,057,889	$9,013,335	$9,295,543	$9,415,289
Operating expenses	5,458,008	5,627,564	6,016,757	7,967,865	8,193,857	8,272,737
Net operating revenues	$1,623,117	$1,848,412	$2,041,132	$1,045,470	$1,101,686	$1,142,552
Taxes	495,787	537,646	700,084	790,525	863,176	882,123
Income from operation	$1,127,329	$1,310,766	$1,341,048	$254,945	$238,510	$260,429
Other income	94,271	86,739	215,993	274,844	266,411	278,694
Gross income	$1,221,601	$1,397,505	$1,557,041	$529,789	$504,921	$539,123
Deductions—						
Interest on taxes in default	.....	.....	$42,916	$52,775	$79,531	$112,435
Interest on paving judgments in default	.....	.....	10,153	12,464	.....	.....
Track and terminal privileges	$21,994	$20,528	20,743	21,148	24,041	27,038
Land and building privileges	.....	.....	97,839	91,544	90,516	90,241
Miscellaneous rent deductions	140,577	117,653	.....	.....	.....	.....
Receivership expenses	.....	.....	324,141	243,566	87,232	118,526
Account operation of controlled companies	509,275	586,021	470,257	188,414	.....	.....
Other expenses	44,653	29,703	6,111	.....	7,599	8,100
Total	$716,499	$753,905	$972,160	$609,911	$288,920	$356,340
Balance for fixed charges	$505,102	$643,600	$584,881	*$80,122	$216,002	$182,783
Interest on funded debt:						
South Ferry RR. Co. First Mtge. bonds	.....	.....	$16,042	$17,500	$17,500	$17,500
Central Crosstown RR. Co. First Mtge. bonds	.....	.....	12,500	15,000	15,000	15,000
Broadway Surface RR. Co. First Mtge. bonds	.....	.....	68,750	75,000	75,000	75,000
Sixth Ave. Purchase Money bonds	$15,000	$15,000	2,500	.....	.....	.....
Central Crosstown Purchase Money bonds	11,352	11,982	2,000	.....	.....	.....
Prior Lien Mtge. bonds	241,973	158,685	25,000	.....	.....	.....
Rent for lease of other roads and equipment:						
Broadway & 7th Ave. RR. Co. First Consolidated Mtge. bonds	.....	.....	.....	†219,086	407,500	407,500
Bleecker St. & Fulton Ferry RR. First Mtge. bonds	.....	.....	**23,333	28,000	28,000	28,000
23rd St. Railway Co. Improvement and Refunding Mtge. bonds	.....	.....	††52,419	75,000	75,000	75,000
23 St. Railway Co. sinking fund	.....	.....	††1,542	2,206	2,206	2,206
Rent under operating agreement:						
34th Street Crosstown Ry. Co. First Mtge bonds	.....	.....	††34,946	50,000	50,000	50,000
Total	$268,325	$185,666	$239,032	$481,792	$670,206	$670,206
Surplus for year	§$236,777	¶$457,933	$345,849	*$561,914	*$454,204	*$487,423

*Debit or deficit. †Represents interest for period July 1, 1923, to Jan. 14, 1924, inclusive. See balance of interest charge (period January 15 to June 30, 1924) under deductions from gross income. **Represents interest for the period July 1, 1924 to April 30, 1925, inclusive. ††Represents interest and sinking fund requirement for the period July 1, 1925 to March 12, 1925, inclusive; balance of charges for year included in deductions from gross income. ¶Excludes: Accumulated and unpaid interest on $20,865,472 40-Year 6% Income Gold bonds, which interest has not been declared due and payable, amounting to $1,241,128. §Excludes: Accumulated and unpaid interest on $20,685,472 face value 40-Year 6% Income Gold bonds which interest has not been declared to be due and payable, amounting to $1,241,128 for the year ended June 30, 1927; claims of minority stockholdings in controlled companies, if any and non-operating income of controlled companies.

Depreciation—Company based its reserve for maintenance and depreciation upon allowances equal to 25% of its gross passenger revenues subsequent to June 30, 1924, and 38% prior thereto, and its reserve for accidents and damages upon allowances equal to 8% of its gross passenger revenues.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$19,637,794	$19,793,911	$20,030,782
Cash	316,084	1,077,565	455,744
Special deposits	496,766	197,383	92,568
Accounts receivable	471,001	360,023	303,029
Interest and divids. receiv.	49,375	19,830	5,415
Rec. current account	.....	.....	521,799
Notes receivable	9,000	.....	.....
Materials and supplies	368,145	397,482	447,425
Miscellaneous investments	11,055,410	10,744,273	10,436,505
Bills & accts. receiv. from controlled companies	984,565	934,770	1,200,689
Misc. temporary debits	1,047,593	909,252	476,106
Total	$34,435,734	$34,434,489	$33,970,062

Liabilities—	1927	1926	1925
Capital stock	$1,447,069	$1,447,069	$1,447,069
Funded debt	27,047,875	27,058,375	25,535,472
Taxes accrued	55,330	69,638	77,030
Accounts payable	293,832	321,735	838,213
Interest on funded debt	162,805	155,671	51,540
Rents accrued	3,967	28,133	13,133
Other unfunded debt	140,003	2,802	2,695
Contingent accounts	.....	115,037	444,522
Misc. temporary credits	438,893	146,574	99,206
Reserves	3,527,055	3,908,198	4,641,186
*Surplus	1,318,904	1,181,257	819,996
Total	$34,435,734	$34,434,489	$33,970,062

*Not including accumulated and unpaid interest on income bonds.

Directors: Harry Bronner, Joseph P. Cotton, John C. Jay, Robert Lehman, Samuel L. Martin, Grayson M-P. Murphy, Charles H. Sabin, Elmer Schlesinger, David A. Schulte, Hugh J. Sheeran, Frederick Strauss, Edmond E. Wise, Frederic T. Wood, Willis D. Wood. New York; Edward N. D'Ancona, Alfred Ettlinger, Leonard S. Florsheim, John D. Hertz, Albert D. Lasker, Stuyvesant Peabody, John A. Ritchie, Charles A. McCulloch, Chicago.

General Office, 123 West 146th St., New York City.

BLEECKER STREET & FULTON FERRY RAILROAD COMPANY

(Controlled by New York Railways Corporation)

History—Incorporated Dec. 12, 1864, in New York. Leased on Jan. 10, 1876 to Twenty-Third St. Ry. Co. for 99 years; lease subsequently assigned to Metropolitan St. Ry. Co., succeeded by New York Rys. Co. Rental paid was equal to interest on bonds, 1½% annually on stock, taxes and corporate expenses of $600 per annum. Line owned: First track, 1.661 miles; second track and sidings, 1.363 miles—total, 3.024 miles of underground electric track. Gauge, standard. Rail, 107 to 127 lb.

The property is now operated by the New York Railways Corporation under a temporary operating agreement, but it is intended that a permanent agreement be made providing for payments based on net earnings rather than fixed principal.

CAPITAL STOCK

Authorized and outstanding, $900,000; par, $100. The New York Railways Corporation owns $885,300 of the stock, which is pledged under its Prior Lien Mortgage.

Under the Plan of Reorganization of the N. Y. Rys. Co. each share of capital stock, outstanding in hands of public received $120 N. Y. Rys. Corp. Income bonds and each share of stock as was deposited under Plan, is pledged under the Prior Lien Mortgage. Transfer Agent and Registrar: T. G. Walker, 123 West 146th St., New York.

Dividends—Dividends of 1½% per annum, guaranteed by New York Railways Co., were regularly paid to and including Jan. 1, 1918; none since.

FUNDED DEBT

$700,000 FIRST MORTGAGE 4% GOLD BONDS; DUE JANUARY 1, 1888, EXTENDED TO JANUARY 1, 1950, INTEREST BEING DECREASED FROM 7%

Dated January 2, 1865.

Interest Payable January and July 1, at The Seaboard National Bank of the City of New York.

Denomination—Coupon, $1,000.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and outstanding, $700,000.

Security—Secured by a first lien on entire property owned.

Tax Provisions—Company does not pay Normal Federal Income Tax.

NOTE—Under the Plan of Reorganization of the New York Railways Company these bonds were undisturbed.

GENERAL BALANCE SHEET, JUNE 30, 1927

Common stock, $900,000; funded debt, $700,000; profit and loss, $98,847—total $1,698,847. Contra: Cost of properties, $1,698,805; cash, $42—total, $1,698,847.

Officers: H. J. Sheeran, Pres.; W. G. Strait, V-P.; F. B. Gordon, Sec. & Treas.; T. G. Walker, Asst. Sec. & Asst. Treas.; G. V. Owen, Aud.

Directors: H. J. Sheeran, W. G. Strait, F. B. Gordon, G. V. Owen, J. A. Fowler, Jr., C. A. Muth, J. S. Dunham, C. H. Jewett, F. J. McGarey, New York.

General Office, 123 West 146th St., New York City.

THE BROADWAY AND SEVENTH AVENUE RAILROAD COMPANY

(Controlled by New York Railways Corporation)

History and Property—Incorporated May 26, 1864, in N. Y.; duration of charter, 1,000 years. Leased May 13, 1890, to the Houston, West St. & Pavonia R.R. Co. for the unexpired term of its charter or any extension thereof at an annual rental of 10% on the stock, besides interest on funded debt and taxes, and current corporate expenses. Lease subsequently assigned to the Metropolitan St. Ry. Co., succeeded by New York Railways Co.

On Jan. 14, 1924, the lease was abrogated, and in lieu thereof on June 5, 1925, an operating agreement was entered into between company and New York Railways Corporation which provided instead of a guaranteed rental for the allocation to the company of all earnings from the company's lines.

Line owned: First track, 4.929 miles; second track and siding, 4.893 miles; total, 9.822 miles of underground electric track. Gauge, standard. Rail, 107 to 127 lbs.

CAPITAL STOCK

Authorized and outstanding, $2,100,000; par, $100. New York Railways Corporation owns $1,776,500 of the stock, which is pledged under its Prior Lien Mortgage. Under the Plan of Reorganization of the New York Railways Co. each share of stock outstanding in the hands of the public received $25.00 in Income Bonds and ¾ of a share of Pfd. stock of the New York Railways Corporation and any additional stock deposited under the Plan will be pledged under the Prior Lien Mortgage. Transfer Agent and Registrar, T. G. Walker, 123 West 146th St., New York. Registrar, Central Union Trust Co. of New York. Annual meeting, second Monday in June.

Dividends—Dividends of 10% per annum, guaranteed by New York Railways Co., were regularly paid quarterly to and including July 1, 1918; none since.

FUNDED DEBT

(1)

$1,500,000 FIRST MORTGAGE 5% BONDS; DUE JUNE 1, 1904

Dated June 1, 1883.

These bonds were paid when due by New York Railways Co. and were held uncancelled and stamped non-negotiable by Guaranty Trust Co. of New York, Trustee of New York Railways Co. First Real Estate & Refunding Mortgage. Under the Plan of Reorganization of said company, $500,000 face amount and arrears of interest were paid, the remaining $1,000,000 were converted into Broadway & Seventh Ave. R. R. Co. Consolidated Mortgage Bonds. These bonds are now pledged under the Consolidated Mortgage.

(2)

$500,000 SECOND MORTGAGE 5% GOLD BONDS; DUE JULY 1, 1914

Dated July 1, 1884.

All owned by Company and pledged under its Consolidated Mortgage.

(3)

$7,089,000 FIRST CONSOLIDATED (NOW FIRST) MORTGAGE 5% GOLD BONDS; DUE DECEMBER 1, 1943

Dated December 22, 1893.

Interest Payable June and December 1, at Seaboard National Bank of the City of New York.

Denominations—Coupon $1,000; principal may be registered. Registered $1,000 and multiples thereof. Coupon bonds are exchangeable for registered bonds but registered bonds are not exchangeable for coupon bonds.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized, $12,500,000; issued, $11,000,000; outstanding, $7,089,000; balance, $3,911,000 of issued bonds purchased from proceeds of sale of property and held by the Trustee.

Callability—Not subject to call.

Sinking Fund—No sinking fund provided.

Security—A first lien on the line from 59th Street via Seventh Ave. and Broadway to 15th Street, New York, together with real estate, buildings and equipment.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	79½	76⅜	79	74	69	78⅛	51	57¼
Low	68	69¼	68	60¼	61½	50	37	36

The above bonds cover as a first lien, the sub-station property on West 54th Street, between Eighth and Ninth Avenues; also $1,546,999 of bonds and mortgages taken from the purchasers of the property at 50th and 51st Streets Sixth and Seventh Avenues now on deposit with the Trustee.

The New York Railways Corp., among other things, agrees (1) to maintain the Broadway and 7th Avenue properties, at all times, equal to any other part of its system; (2) during the first three years of operation to expend at least the sum of $750,000 on Broadway and 7th Avenue tracks and structures.

BONDS TO BE EXCHANGED FOR A LIKE AMOUNT OF BROADWAY & SEVENTH AVE. R. R. CO. CONSOLIDATED 5s

(4)

$10,000 BROADWAY SURFACE R. R. CO. 5% GOLD BONDS; DUE JULY 1, 1924

Dated July 1, 1884.

Interest Payable January and July 1.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $1,500,000.

Security—A first lien on line from Bowling Green and Broadway to 15th St. and Broadway, New York, 2½ miles.

Assumed—Assumed by New York Railways Co. and provided for in its First Real Estate and Refunding Mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

NOTE—Under the Plan of Reorganization of New York Railways Co. these bonds are exchangeable at par into Broadway and Seventh Ave. R. R. Co. Consolidated Mortgage Bonds. $1,490,000 principal amount have been exchanged and are held by the Trustee under the Consolidated Mortgage.

INCOME ACCOUNT, YEAR ENDED JUNE 30, 1927

Non-operating income, $264,039; interest on bonds, $312,442; net income (loss), $48,403.

GENERAL BALANCE SHEET, JUNE 30

	1927			1926		
Assets—	Estate Account	Receivers' Account	Total	Estate Account	Receivers' Account	Total
Fixed capital	$10,121,913	.....	$10,121,913	$10,627,150	$5,600	$10,632,750
Miscellaneous investments	3,396,999	$37,500	3,434,499	3,553,333	37,500	3,590,833
Cash	.....	1,543	1,543	.....	3,352	3,352
Special deposits	1,229,199	.....	1,229,199	191,342	.....	191,342
Accounts receivable	32,982	37,500	70,482	36,546	37,500	74,046
Hugh J. Sheeran, Receiver	4,850	.....	4,850	4,850	.....	4,850
Reacquired securities	2,635,000	.....	2,635,000	2,635,000	.....	2,635,000
Total	$17,420,943	$76,543	$17,497,486	$17,048,221	$83,952	$17,132,173
Liabilities—						
Capital stock	$2,100,000	.....	$2,100,000	$2,100,000	.....	$2,100,000
Mortgage bonds	11,000,000	.....	11,000,000	11,000,000	.....	11,000,000
Expend. by Metropolitan St. Ry. Co. for betterments	3,225,124	.....	3,225,124	3,225,124	.....	3,225,124
Working advances due associated companies	.....	$875,974	875,974	.....	$875,974	875,974
Miscellaneous bills payable	198,020	445,000	643,020	198,020	445,000	643,020
Dividends declared	380	.....	380	380	.....	380
Estate, Broadway & 7th Ave. RR. Co.	.....	4,850	4,850	.....	4,850	4,850
Unamortized premium on debt	3,125	.....	3,125	3,125	.....	3,125
Corporate surplus	894,294	*1,249,281	*354,987	521,572	*1,241,872	*720,300
Total	$17,420,943	$76,543	$17,497,486	$17,048,221	$83,952	$17,132,173

*Deficit.

Officers: Hugh J. Sheeran, Pres.; W. G. Strait, V-P.; F. B. Gordon, Sec. & Treas.; T. G. Walker, Asst. Treas. & Asst. Sec.; G. V. Owen, Auditor.

Directors: Louis V. Bright, J. J. Heffernan, Frank Coenan, J. P. Cotton, H. J. Sheeran, W. G. Strait, William Greenough, Roger H. Williams, Boykin C. Wright.

General Office, 123 West 146th Street, New York City.

THIRTY-FOURTH STREET CROSS-TOWN RAILWAY COMPANY

(Controlled by New York Railways Corporation)

History and Property—Incorporated March 18, 1896, in N. Y.; consolidation of the Thirty-fourth St. Ry. Co. and the Thirty-fourth St. Ferry & Eleventh Ave. R. R. Co. Operated under agreement dated Dec. 21, 1896, by New York Rys. Co. in consideration of guarantee of principal and interest on the bonds. Road owned, 0.810 mile; second track, 0.637 mile—total owned, 1.447 miles. Gauge, standard. Rail, 107 to 123 lbs.

The property is now operated by the New York Railways Corporation under a temporary operating agreement, but it is intended that a permanent agreement be made providing for payments based on net earnings rather than fixed principal.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100, all owned by New York Railways Corporation and pledged under its Prior Lien Mortgage. Annual meeting, first Tuesday in October.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE 5% BONDS; DUE APRIL 1, 1996

Dated April 1, 1896.

Interest Payable April and October 1, at Seaboard National Bank of New York. Coupon, $1,000. Authorized and outstanding, $1,000.000. Company does not pay Normal Federal Income Tax.

GENERAL BALANCE SHEET, JUNE 30, 1927

Common stock, $1,000,000; funded debt, $1,000,000; expended by Metropolitan St. Ry. Co. for betterments, $1,080,808; deficit, $8,048—total, $3,072,760. Contra: Cost of road, $3,072,760.

Officers: H. J. Sheeran, Pres.; W. G. Strait, V-P.; F. B. Gordon, Sec. & Treas.; T. G. Walker, Asst. Treas. & Asst. Sec ; G. V. Owen, Auditor.

Directors: H. J. Sheeran, W. G. Strait, F. B. Gordon, J. S. Dunham, G. V. Owen, C. A. Muth, F. J. McGarey, J. A. Fowler, Jr., C. H. Jewett.

General Office, 123 West 146th Street, New York City.

TWENTY-THIRD STREET RAILWAY COMPANY

(Controlled by New York Railways Corporation)

History—Incorp. June 29, 1872, in N. Y., pursuant to the General Railroad Law of 1850, for 1,000 years. Leased April 25, 1893, to Houston, West St. & Pavonia Ferry R. R. Co. for the duration of its charter, annual rental being 18% on the stock, all taxes, assessments, water rents and charges, which includes the interest on $1,500,000 Improvement & Refunding Mtge. 5% bonds with a sinking fund of $2,205.70 per annum under the terms of said mortgage. Lease was later assumed by the Metropolitan St. Ry. Co., now New York Rys. On Jan. 10, 1876, the Twenty-third St. Ry. Co. leased the Bleecker St. & Fulton Ferry R. R., but that lease also was subsequently assumed by the Metropolitan St. Ry. Co., now New York Rys. Road owned: Electric single track, 3.919 miles. Gauge, standard. Rail, 107 to 123 lbs.

The property is now operated by the New York Railways Corporation under a temporary operating agreement, but it is intended that a permanent agreement be made providing for payments based on net earnings rather than fixed principal.

CAPITAL STOCK

Authorized and outstanding, $600,000; par, $100. New York Railways Corporation owns $592,800 of the stock which is pledged under its Prior Lien Mortgage. Under the Plan of Reorganization of New York Railways Co. each share of stock in the hands of public received $30 in Income bonds and 7/10 of a share of Pfd. stock of New York Railway Corp. and any additional stock deposited under the Plan will be pledged under its Prior Lien Mortgage. Annual meeting, third Monday in June.

Dividends—Dividends of 18% per annum, guaranteed by New York Railways Co., were regularly paid quarterly to and including Nov. 1, 1918; none since.

FUNDED DEBT

(1)

$200,000 FIRST 6s; DUE MAY 1, 1893, EXTENDED TO JUNE 1, 1909, INTEREST BEING REDUCED FROM 7%; AGAIN EXTENDED TO JANUARY 1, 1965

Dated May 1, 1873.

Under the Plan of Reorganization of the New York Railways Co. these bonds were extended at the same interest rate, without change or addition of lien, until maturity of the New York Railway Corp. Prior Lien Mortgage. These bonds are pledged under New York Railways Corp. Prior Lien Mortgage.

(2)

$150,000 5% DEBENTURES; DUE JANUARY 1, 1906 BUT EXTENDED TO JANUARY 1, 1965

Dated January 25, 1886.

Under the Plan of Reorganization of the New York Railways Co. these bonds were extended at the same interest rate, without change or addition of lien, until maturity of the New York Railway Corp. Prior Lien Mortgage. The entire outstanding amount is pledged under New York Railways Corp. Prior Lien Mortgage.

(3)

$1.414,000 IMPROVEMENT AND REFUNDING MORTGAGE 5% GOLD BONDS; DUE JANUARY 1, 1962

Dated January 1, 1912.

Interest Payable January and July 1 at Seaboard National Bank, 115 Broadway, New York.

Denomination—Coupon $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $1,500,000, of which $86,000 held alive in sinking fund. These bonds were undisturbed in the Plan of Reorganization of New York Railways Co.

Callability—Subject to call in whole or in part on any interest date on four weeks' notice at 107 and interest.

Sinking Fund—Sinking fund of $1,102.85, payable semi-annually Jan. and July 1, shall be applied to the purchase or redemption of bonds at not exceeding 107 and interest. Bonds so acquired shall be kept alive in Sinking Fund and interest thereon added thereto, but when $400,000 bonds have been acquired the bonds shall be cancelled and the Sinking Fund payments shall cease.

Security—Secured by a closed mortgage on entire property of company and by pledge of the lease of the Bleecker Street and Fulton Ferry RR. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($1,500,000) in May, 1915 at 95 and interest, to yield about 5.30% by Guaranty Trust Co. of New York.

Price Range—

	1927	1926	1925	1924	1923
High	67½	75	70	66	55
Low	50	61	60	55	50

INCOME ACCOUNT, YEAR ENDED JUNE 30, 1927

Total income. $1,428; non-operating revenue deductions, $2,347; deficit for year, $919.

GENERAL BALANCE SHEET, JUNE 30, 1927

Common stock, $600,000; funded debt, $1,819,000; bills payable, $451,500; sinking fund reserves, etc., $55,468; other reserves, $26,756; deficit, $380,774—total, $2,571,950. Contra: Cost of properties, $2,513,645; other deposits, $52,539; sinking fund uninvested. $1,224; cash, $4,542—total, $2,571,950.

OFFICERS AND DIRECTORS

Officers: H. J. Sheeran, Pres.; W. G. Strait, V-P.; F. B. Gordon, Sec. & Treas.; T. G. Walker, Asst. Treas. & Asst. Sec.; G. V. Owen, Aud.

Directors: H. J. Sheeran, W. G. Strait, F. B. Gordon, J. S. Dunham, G. V. Owen, C. A. Muth, H. J. Smith, J. A. Fowler, Jr., C. H. Jewett.

General Office, 123 West 146th St., New York City

ST. LOUIS MOTOR COACH CORPORATION

(Affiliated with The Omnibus Corporation)

History—Incorporated in 1923 as a holding company and owns the entire capital stock of The People's Motor Bus Company of St. Louis which company operates motor buses in that city.

CAPITAL STOCK

Authorized 100,000 shares Class "A" stock and 100,000 shares Class "B" stock, both of no par value; outstanding Dec. 31, 1927, 35,000 shares Class "A" and 35,000 shares Class "B." Of the outstanding shares The Omnibus Corporation owns 11,667 shares Class "A" and 5,834 shares Class "B."

REAL ESTATE MORTGAGES

There were outstanding on Dec. 31, 1927 two real estate mortgages: $9,000 due in 1928 and $35,333 due in 1929.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Interest received	$132	$1,167	$2,917
Expenses and taxes	2,556	1,028	1,387
Net income (St. Louis Motor Coach Corp.)	*$2,424	$139	$1,530
Net profits (People's Motor Bus Co.)	119,375	7,037	*80,381
Consolidated net profit	$116,951	$7,176	*$78,851
Previous deficit	34,351	41,527	†37,324
Deficit, Dec. 31	†$82,600	$34,351	$41,527

*Loss. †Surplus.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(St. Louis Motor Coach Corp. and The People's Motor Bus Co. of St. Louis, 100% owned)

Assets—	1927	1926	1925
Prop., equip., etc.	$2,144,310	$2,105,542	$2,051,718
Organiz., develop., franchise, etc.	159,380	134,868	113,883
Cash	97,860	41,107	119,306
Accounts receivable	55,599	50,858	42,722
Due from employees	1,993	9,844	4,255
Inventories	72,172	85,985	77,224
Sink. fund—real est. mtge.	4,975	5,066	5,019
Prepaid ins., int., taxes, etc.	9,539	14,009	27,899
Def. instalments on sale of real estate	27,517	20,750	21,000
Deficit	.....	34,351	41,527
Total	$2,573,345	$2,502,380	$2,504,553
Liabilities—			
Capital stock	*$1,400,000	$1,400,000	$1,400,000
Real estate mortgages	44,333	55,333	66,333
Notes payable	.....	191,025	397,327
Accounts payable	44,077	66,362	52,505
Accrued wages, int., etc.	85,091	103,507	105,084
Reserves for deprec., etc.	917,244	686,153	483,304
Surplus	82,600	.....	.....
Total	$2,573,345	$2,502,380	$2,504,553

*Represented by 35,000 shares Class "A" and 35,000 shares Class "B" of no par value.

Operating Office, St. Louis, Mo. **Executive Office,** Chicago.

THE PEOPLE'S MOTOR BUS COMPANY OF ST. LOUIS

(Controlled by St. Louis Motor Coach Corp.)

History—Operates buses over approximately 68 miles of streets in St. Louis, Mo. Permission to operate more than 12 new routes covering 43 additional miles was given the company in Sept. 1924. New service was installed with the purchase of 75 new motor coaches at a cost of $1,000,000. Company carried 23,070,442 revenue passengers in 1926, compared with 23,814,803 in 1925.

CAPITAL STOCK

Authorized 20,000 shares of no par value; outstanding 15,260 shares. All owned by St. Louis Motor Coach Corp.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$2,309,684	$2,323,243	$2,396,836
Oper. expenses & deprec.	2,052,172	2,155,472	2,339,772
Taxes	125,565	133,648	92,950
Net earnings	$131,947	$34,123	*$35,886
Other income	2,448	930	1,018
Total income	$134,395	$35,053	*$34,868
Interest charges	12,950	27,975	45,445
Sundry charges	38	41	68
Federal income tax accrued	2,032	.....	.....
Net profit for year	$119,375	$7,037	*$80,381

*Loss.

Operating Office, St. Louis, Mo. **Executive Office,** Chicago.

CENTRAL STATES EDISON COMPANY

History and Business—Incorp. May 16, 1927, in Del. Owns all of the outstanding capital stock of the following companies: Gasconade Power Company, Collinsville Gas Company, Sperry Service Company, Skiatook Service Company, North Kansas Power & Light Company, Beatrice Power Company, Gulf Utilities Company, Foley Light & Power Company and the ice property of the Consumers Ice and Creamery Company. Through these subsidiaries Central States Edison Company supplies electric light and power, gas, water and other public utility services to over 5,300 consumers. The combined population of the territory served is in excess of 50,000. Approximately 84% of the total net revenues of the Company is derived from the sale of electric energy and the balance from the sale of ice, water and gas.

Missouri Group—The Missouri properties are operated by the Gasconade Power Company. They serve 15 communities with electric light and power (one under construction in the spring of 1928) in the territory south of the Missouri River located between St. Louis and Jefferson City, as follows: Hermann, Owensville, New Haven, Chamois, Bland, Belle, Linn, Morrison, Berger, Rosebud, Gerald, Bonnots Mills, Gasconade, Rich Fountain and Westphalia.

Kansas-Nebraska Group—The Kansas properties, serving Alma and McFarland, Kansas, are operated by the North Kansas Power & Light Company. Service in Nebraska is supplied by the Beatrice Power Company. The Beatrice Power Company owns and operates a modern hydro-electric plant located on the Blue River, at Barnston, Nebraska, 35 miles southeast of Beatrice, Nebraska, having a capacity of 1,000 k.w. This plant furnishes electricity at retail for lighting and power purposes in Barnston, and supplies Liberty and Beatrice at wholesale. The remainder of the energy generated is sold to Nebraska Gas & Electric Company. In addition Company supplies electric light and power service without competition to Diller, Odell, Steel City and Lanham, Nebraska.

Oklahoma Group—The Collinsville Gas Company, The Skiatook Service Company and Sperry Service Company serve natural gas to Collinsville, Skiatook and Sperry, Oklahoma, respectively.

Alabama Group—This territory is served by Gulf Utilities Company, Foley Light & Power Company and Consumers Ice and Creamery Company. The Company's subsidiary in Baldwin County supplies electric light and power to Foley, Summerdale, Robertsdale, Loxley, Elberta, and Magnolia Springs, Alabama, at retail, and wholesales current to the town of Silverhill. Company's subsidiary in Monroe County supplies electric light and power, water and ice to

Monroeville, Alabama. Beatrice, Tunnel Springs and Peterman are interconnected with the property at Monroeville and are served at retail with electric light and power.

Properties—The physical properties of the operating companies include electric generating stations with a present combined installed capacity of 3,900 k.w., of which 1,000 k.w. is hydro-electric and substation capacity of 500 k.v.a.; 180 miles of electric transmission lines, 15 miles of gas transmission lines, 50 miles of gas distributing mains, and ice plants having a combined capacity of 30 tons. The water works at Monroeville, Ala., has a pumping capacity of 90,000 gallons per day and the distribution system includes 10 miles of water mains.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $2,500,000 7% cumulative Preferred, par, $100; outstanding, 10,000 shares Common and $104,400 Preferred.

FUNDED DEBT

(1)

$1,350,000 FIRST LIEN 5½% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1943

Dated April 2, 1928.

Interest Payable April and October 1, at The Seaboard National Bank of the City of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Seaboard National Bank of the City of New York.

Provisions of Issue—Issued, $1,350,000 Series "A" 5½s. The Indenture provides that additional bonds, issuable in one or more series, may be issued against the deposit of cash or for not exceeding 75% of the cash cost or fair value (whichever is lower) of acacquiring new subsidiaries or for additions, improvements, betterments, extensions and additional properties acquired (a) by present subsidiaries or their predecessors after April 1, 1928 or (b) by new subsidiaries after their qualification as such, provided that earnings applicable to bond interest for a period of 12 months out of the next preceding 15 months shall have been at least 1¾ times the annual interest charges on all bonds then outstanding and proposed to be issued. Bonds may also be issued par for par for refunding purposes.

Purpose of Issue—Issued for retirement of existing funded debt, to defray a part of the cost of acquiring additional properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part by lot, on any interest date, on 30 days' notice at 105 and interest on or before April 1, 1933, this premium of 5% decreasing ½ of 1% of the principal on October 1, 1933, and on each October 1 thereafter.

Maintenance and Renewal Fund—The Indenture provides that during each calendar year, Company shall expend or cause to be expended by its subsidiaries an amount not less than 12½% of the consolidated gross operating earnings for the preceding calendar year for (a) repairs, renewals and replacements; (b) extensions or acquisitions in respect of which Company would otherwise be entitled to issue additional bonds; or (c) the redemption or purchase of bonds outstanding under the Indenture.

Security—Secured by a first lien on, through pledge with the Trustee of, all outstanding bonds and indebtedness (except current indebtedness not in excess of current assets and $141,900 subsidiary bonds redeemable at par in 1931 against which $146,157 in cash has been deposited with the Trustee under the Indenture) and capital stock of all classes of each subsidiary as defined. The indenture provides that these requirements in respect of each existing subsidiary must at all times be maintained. It also provides that all of the capital stock (except minority shares, not exceeding 5% of the whole) and all outstanding indebtedness of each class (except current indebtedness not in excess of current assets) of each future subsidiary shall be and remain at all times deposited and pledged with the Trustee under the Indenture. The Indenture provides for an adequate deposit in cash against the minority shares of future subsidiaries. Company may, however, in lieu of depositing any outstanding indebtedness of any subsidiary, deposit cash sufficient to retire the same.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund to holders of these bonds, upon proper and timely application, Connecticut, Pennsylvania and California Personal Property Taxes not exceeding 4 mills per annum each, Maryland Securities Tax not exceeding 4½ mills per annum, District of Columbia, Michigan and Kentucky Personal Property Taxes not exceeding 5 mills per annum each, and Massachusetts Income tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago, Ill.

Original Offering—First publicly offered ($1,350,000) in April, 1928 at 97½ and interest, to yield 5.75% by Yeager, Young & Pierson, Inc., Vought & Co., Inc., New York; J. A. W. Iglehart & Co., Baltimore, and Paul & Co., Philadelphia.

(2)

$675,000 THREE-YEAR 5½% CONVERTIBLE GOLD NOTES (CLOSED ISSUE); DUE APRIL 1, 1931

Dated April 2, 1928.

Interest Payable April and October 1, at The Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee—The Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized and issued, $675,000.

Purpose of Issue—Proceeds from sale of these notes were to be applied toward the retirement of existing funded debt, to defray a part of the cost of acquiring additional properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice at 101 and interest.

Convertibility—The Note Agreement provides for the conversion of these notes, prior to maturity or redemption, at option of the holder into the cumulative 7% Preferred stock of the Company in the ratio of 10 shares of Preferred stock for each $1,000 principal amount of Three-Year Notes.

Security—A direct obligation of Central States Edison Company, subject only to the Company's First Lien Gold bonds, and $141,900 subsidiary bonds redeemable at par in 1931 against which $146,157 in cash has been deposited as provided by Indenture securing Company's First Lien bonds. The Note Agreement provides that no additional secured or unsecured funded debt (other than First Lien Gold bonds) may be issued unless earnings, as defined in the Note Agreement, applicable to interest on funded debt on the basis of a consolidated statement for 12 consecutive months out of the preceding 15 months have been at least 1½ times annual interest charges on all funded debt outstanding and to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund to holders of these notes, upon proper and timely application, Connecticut, Pennsylvania and California Personal Property taxes not exceeding 4 mills per annum each, Maryland Securities tax not exceeding 4½ mills per annum, District of Columbia, Michigan and Kentucky Personal Property Taxes not exceeding 5 mills per annum each, and Massachusetts Income tax not exceeding 6% per annum on the interest.

Legal Opinion—Pam & Hurd, Chicago, Ill.

Original Offering—First publicly offered ($675,000) in April, 1928, at 98½ and interest, to yield over 6%, by Yeager, Young & Pierson, Inc., Vought & Co., Inc., New York, and Paul & Co., Philadelphia.

(3)

$850,000 ONE-YEAR 5% SECURED GOLD NOTES; MATURED AND PAID OFF JUNE 15, 1928

EARNINGS, YEAR ENDED DECEMBER 31, 1927
(Consolidated earnings of operating subsidiaries of Central States Edison Company, including those to be presently acquired, after certain adjustments giving effect to present operating conditions)

Gross earnings	$321,073
Operating exp., maintenance & local taxes	169,239
Net earnings avail. for int., deprec., etc.	$151,834
Annual bond int. require. on First Lien Series "A" 5½% bonds	74,250
Balance	$77,584
Annual int. require. on 3-Year 5½% Conv. Notes	37,125

PROJECTED CONSOLIDATED BALANCE SHEET, FEBRUARY 28, 1928
(After giving effect to adjustments reflecting the acquisition of new properties and proposed financing)
(Central States Edison Company and subsidiaries including those presently to be acquired)

Assets—	
Plant property and franchises	$2,563,345
Cash	73,045
Accounts receivable	39,243
Notes receivable	253
Inventories	17,301
Prepayments	2,072
Unamortized debt disc. & exp.	1,534
Total	$2,696,793
Liabilities—	
Capital stock:	
Central States Edison Co. Pfd. stock	$104,400
Central States Edison Co. Com. shares	282,065
First Lien 5½% Gold bonds	1,350,000
Three-Year 5½% Gold notes	675,000
Accounts payable	21,914
Accrued accounts	18,517
Consumers' deposits	17,033
Deferred credit	2,750
Reserve for depreciation	198,754
Uncollectible accounts	1,561
Contributions for line extensions	19,223
Surplus arising from operations	5,576
Total	$2,696,793

Officers: E. A. Shrider, Pres.; H. C. Yeager, V-P.; Carl E. Luttring, Treas.

Directors: E. A. Shrider, Carl Luttring, Chicago; H. C. Yeager, New York; C. J. Horn, Wilmette, Ill.

General Office, 1821-208 So. La Salle St., Chicago, Ill.

THE PEMBROKE ELECTRIC LIGHT COMPANY, LIMITED

History—Incorporated Feb. 2, 1889, in Ontario. Franchise perpetual. Furnishes light, heat and power to Pembroke, Ont. Property consists of steam generating and hydro-electric generating station, transmission and distributing lines. Population served, 9,000. Has contract with town of Pembroke for street lighting and power.

CAPITAL STOCK

Authorized, $250,000; outstanding, $226,500; par, $100. Annual meeting, first Saturday in March.

Dividends—Dividend payments have been as follows: 1908 to 1913, 4%; 1914 to 1924, 8%; Feb. 20, 1925, 8% and bonus of 1%; Feb. 20, 1926, 8% and bonus of 1%; Jan. 10, 1927, 10%; Dec. 20, 1927, 10%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED JAN. 31

	1928	1927	1926
Gross receipts	$117,622	$112,811	$104,967
Oper. exp., taxes, etc.	56,570	56,685	53,053
Net earnings	$61,052	$56,126	$51,914
Dividends paid	22,680	22,650	20,367
Reserves	25,500	25,000	25,000
Surplus for year	$12,872	$8,476	$6,547

GENERAL BALANCE SHEET, JAN. 31

Assets—	1928	1927	1926
Property account	$481,280	$473,669	$469,877
Accounts receivable	19,134	18,112	18,728
Bills receivable	.....	.....	1,600
Supplies on hand	1,534	2,782	2,567
Chapeau Rural Tel. Co. stock	300	300	300
Cash	1,286	4,869	8,351
Bonds	100,000	75,000	50,000
Total	$603,534	$574,732	$551,423
Liabilities—			
Capital stock	$226,800	$226,500	$226,300
Bills payable	.....	10,000	.....
Dividend payable	130	.....	20,367
Reserve for profits tax	3,500	3,000	3,000
Reserve account	315,000	290,000	265,000
Profit and loss	58,104	45,232	36,756
Total	$603,534	$574,732	$551,423

Officers: E. A. Dunlop, Pres.; J. G. Forgie, V-P.; Finlay Watt, Sec.-Treas., Pembroke, Ont.; J. A. Cone, Mgr.; A. Hamilton, Power House Supt.

Directors: E. A. Dunlop, W. R. Beatty, John G. Forgie, A. J. Sparling, Andrew Johnston.

General Office, Pembroke, Ont.

MASSACHUSETTS GAS COMPANIES

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
4% Cum. Pfd. (par, $100)	J & D 1	$25,000,000	$25,000,000	$2,678,090	$4	$1,000,000	$10.71
Common (par, $100)	F, M, A & N 1	25,000,000	25,000,000	1,678,090	5	1,250,000	6.71

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
20-Year Sinking Fund 4½s	Jan. 1, 1929	J & J 1	.....	$2,807,000	No	Yes	Not pd. by Co.
20-Year Debenture 4½s	Dec. 1, 1931	J & D 1	$4,000,000	4,000,000	No	Yes	Not pd. by Co.
20-Year Sinking Fund 5½s	Jan 1, 1946	J & J 1	18,000,000	17,621,000	No	Yes	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $24,428,000.
Amount Available for Interest in 1927, $3,982,267.
Interest Accrued in 1927, $1,304,177.
Times Interest Earned in 1927, 3.05.

History—A voluntary association formed in Mass. under "agreement and declaration of trust," dated Sept. 25, 1902. It owns the entire $42,000,000 stock of the New England Fuel & Transportation Co., $16,247,600 of the $16,259,600 stock of the Boston Consolidated Gas Co., the entire $1,568,000 stock of the Citizens' Gas Light Co. of Quincy, 130 5/8 shares **New England Manufacturing Co.** and 19,490 shares of **Beacon Oil Co.**

On Dec. 31, 1925, the Massachusetts Gas Companies owned 85,523½ shares of no par value stock of Beacon Oil Co., but subsequently all but 19,490 shares was disposed of on a satisfactory basis, because it was believed that the continued large investment in the oil business was somewhat more speculative than was justified.

In Nov., 1925, the Company acquired the entire capital stock of the following companies: Castner Curran & Bullitt, Inc., E. E. White Coal Co., Pemberton Fuel Co., Prince-Wick Coal Co., East Gulf Coal Co., Long Branch Coal Co., and Glencoe Coal Company. The Castner Curran & Bullitt Company has two modern coal-handling terminals, one at Providence and the other near Mystic Wharf, Boston, and six wooden coal lighters. It also owns a fleet of 8 colliers, 5 of which have been built since 1917, and enjoys an extensive

coal business in various parts of the country, including the Lake District, the Middle West, Inland East and Southern territories. The other six mining companies are operating companies, mining new river coal, with a combined production of about 2,500,000 tons per annum.

Upon the acquisition of the above properties, the commercial subsidiaries of the Massachusetts Gas Companies will own steamers with an aggregate deadweight tonnage of 157,000 tons and with an annual carrying capacity of the vessels employed in coal transportation of approximately 4,400,000 tons. They will control through direct ownership or through long term favorable leases an aggregate of over 200,000,000 tons of recoverable coal and will produce from their own mines over 4,000,000 tons of coal per year. The total coal sales in all markets will approximate 7,000,000 tons per year.

Operations of Castner Curran & Bullitt, Inc., For The Year Ended December 31, 1927, Resulted as Follows:

Gross earnings	$697,948
Operating expenses	396,188
Taxes	49,850
Reserves	24,000
Interest	31,757
Total deductions	$501,795
Balance	$196,153

Operations of The C. C. B. Smokeless Coal Co. For The Year Ended December 31, 1927, Resulted as Follows:

Gross earnings	$4,749,285
Operating expenses	3,883,930
Taxes	136,077
Depreciation	169,180
Depletion	11,828
Interest	17,223
Total deductions	$4,268,238
Balance	$481,047

SHARE CAPITAL

Authorized and outstanding, $25,000,000 Common and $25,000,000 4% cumulative Pfd.; par, $100.

Preferred Stock Provisions—In the event of liquidation Pfd. stock has preference for assets up to $100 per share plus accrued and unpaid dividends.

Transfer Agent—Old Colony Trust Co., Boston.

Registrar—American Trust Co., Boston.

Annual Meeting—First Tuesday in April.

Listed—Boston Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	81½	70⅞	70	76¾	73	74	64	63¾
Low	70	65	63½	62	62	62	58½	57
Common—								
High	124	94½	85	81	87½	90⅛	85	86
Low	84	80	68	66	73½	63	53¾	68¾

Dividends—Dividends on Pfd. are regularly paid, semi-annually, June and Dec. 1. On Common: 2% paid in 1906; 1907 to 1910, 3% each year; 1911, 1912 and 1913, 4% each; 1914, 1915, 1916 and 1917, 5%; 1918, 7% (eight months of which were paid out of 1918 earnings); 1919, 7%; 1920, 7%; Feb. 1, May 1 and Aug. 1, 1921, 1¾% each; Nov. 1, 1921, 1¼%; 1922 to date 5% per annum; payments quarterly, F, M, A & N 1. A Red Cross dividend of ½ of 1% was paid July 16, 1917, to shareholders of record June 28, 1917.

FUNDED DEBT

(1)

$2,807,000 20-YEAR SINKING FUND GOLD 4½s; DUE JANUARY 1, 1929

Dated January 1, 1909.

Interest Payable January and July 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $1,000; and registered, $5,000 and $10,000; interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—The indenture, subject to which these bonds are issued, provides that the Massachusetts Gas Companies shall not mortgage or pledge any of its assets, without equally securing these bonds, and further provides that none of the sub-companies shall hereafter mortgage or pledge their property, unless the indebtedness to be secured is acquired and held by the Massachusetts Gas Companies. A direct obligation of Company but not secured by mortgage.

Callability—Subject to call as a whole only at 105 and interest on any interest date.

Sinking Fund—$120,000 per annum until 1914 and $180,000 per annum thereafter.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100¾	100	99¼	98½	96¼	96½	88½	91½
Low	99½	98⅛	97½	94¼	90	91½	79	80

(2)

$4,000,000 20-YEAR 4½% GOLD DEBENTURES; DUE DECEMBER 1, 1931

Dated December 1, 1911.

Interest Payable June and December 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $1,000; principal may be registered, and registered, $1,000, $5,000 and $10,000; interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Company agrees not to mortgage or pledge any of its assets without equally securing this issue, the indenture further provided that none of the Subsidiaries shall mortgage or pledge their properties except to further secure these bonds. A direct obligation of Company but not secured by mortgage.

Callability—Subject to call as a whole only at 105 and interest on any interest date.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101¾	99	97⅛	97½	92⅝	93	84½	86
Low	97½	96	94¼	91	89	86	77	74

(3)

$17,621,000 20-YEAR SINKING FUND GOLD 5½s; DUE JANUARY 1, 1946

Dated January 1, 1926.

Interest Payable January and July 1, at Kidder, Peabody & Co., Boston and New York.

Denominations—Coupon, $500 and $1,000, registerable as to principal only and interchangeable with fully registered bonds of $1,000, $5,000 and $10,000.

Trustee—Old Colony Trust Company, Boston, Mass.

Provisions of Issue—Authorized and issued, $18,000,000; outstanding, Dec. 31, 1927, $17,621,000. Proceeds used for retirement of $5,000,000 Coupon Three-Year 5% Gold notes, due April 15, 1927 (but called for payment April 15, 1926 at par and interest), and for the purchase of the entire capital stocks of the following named corporations: Castner Curran & Bullitt, Inc., East Gulf Coal Co., Pemberton Fuel Co., Glencoe Coal Co., E. E. White Coal Co., Prince-Wick Coal Co., Long Branch Coal Co. By the terms of the purchase, the sellers were to satisfy all existing indebtedness of these corporations so that they would be free from debt as of December 31, 1925.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 105 and interest.

Sinking Fund—A sinking fund of 1½% or $270,000 is to be set aside annually in equal semi-annual installments, such funds to be used in purchasing the bonds of this issue, if obtainable at not exceeding 105 and interest; if bonds are not so obtainable then they are to be called by lot.

Security—These bonds are subject to an indenture with Old Colony Trust Co., Boston, as Trustee, which provides that Massachusetts Gas Companies shall not mortgage nor pledge any of its assets without equally securing these bonds; and that none of the sub-com-

panies shall hereafter mortgage or pledge their property unless the indebtedness to be secured is acquired and held by the Massachusetts Gas Companies.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($18,000,000) in December, 1925, at 98½, yielding about 5⅝%, by Kidder, Peabody & Co., Harris, Forbes & Co., and Stone & Webster, Inc., New York, Boston, etc., and Harris Trust & Savings Bank, Chicago.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925
High	105¼	103⅞	109
Low	103¼	99½	99⅛

***BALANCE OF EARNINGS OF SUBSIDIARY COMPANIES, YEAR ENDED DECEMBER 31, 1927**
(Intercompany dividends paid or provided for omitted)

Boston Consolidated Gas Co.	$1,199,184
Citizens Gas Light Co. of Quincy	135,574
New England Fuel & Transportation Co.	1,158,524
New England Coal & Coke Co.	233,723
Mystic Steamship Co.	658,864
Mystic Iron Works	20,610
Castner Curran & Bullitt, Inc.	196,153
C. C. B. Smokeless Coal Co.	481,047
Total	$4,083,679

NOTE—With concurrent benefit in taxes, on the Commercial Companies there was charged off for depreciation an aggregate of $375,000 more than in 1926.

*Balance of earnings after payment of operating expenses, taxes, reserves, interest, depreciation and depletion.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Interest on bonds, notes, etc.	$39,548	$144,781	$145,202	$124,849	$21,004	$22,997
Dividends received	4,132,823	4,108,773	3,207,579	3,018,248	3,417,778	2,924,986
Total income	$4,172,371	$4,253,554	$3,352,781	$3,143,097	$3,438,782	$2,947,983
General expenses, taxes, etc.	190,104	254,522	208,271	206,638	185,569	176,264
Interest on bonds & notes	1,304,177	1,391,611	658,349	561,142	432,896	465,390
Total charges	$1,494,281	$1,646,133	$866,620	$767,780	$618,465	$641,654
Balance for dividends	$2,678,090	$2,607,421	$2,486,161	$2,375,317	$2,820,317	$2,306,329
Preferred dividends paid	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Common dividends paid	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Surplus for year	$428,090	$357,421	$236,161	$125,317	$570,317	$56,329
Times Interest Earned	3.05	2.85	4.78	5.23	7.51	5.95
Earnings Per Share—						
Preferred	$10.71	$10.43	$9.94	$9.50	$11.28	$9.22
Common	6.71	6.43	5.94	5.50	7.28	5.22

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$77,884,856	$77,584,856	$66,389,804	$63,333,454	$62,483,454	$62,538,498
Bonds in treasury	415,909	585,396	326,791	146,986	174,894	184,528
Cash in banks	731,983	962,330	2,165,853	4,279,141	550,471	658,239
Notes receivable	500,000	200,000	.....	.....	.....	100,000
Accounts receivable	26,691	22,737	34,042	10,857	9,205	8,574
Bond discount suspense	974,410	1,032,802	74,959	93,521	116,171	141,474
Coupon notes discount suspense	.....	.....	44,535	79,014	.....	.....
Interest paid, not yet accrued	.....	.....	.....	.....	.....	6,862
Liberty bonds	.....	.....	32,150	32,150	32,150	32,150
Total	$80,533,849	$80,388,121	$69,068,134	$67,975,123	$63,366,345	$63,670,326
Liabilities—						
Preferred shares	$25,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000	$25,000,000
Common shares	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Funded debt	24,728,000	25,163,000	12,341,000	12,522,000	7,705,000	7,890,000
Notes payable	.....	.....	1,675,000	925,000	1,375,000	2,250,000
Accounts payable	4,032	18,396	248,076	43,128	15,990	6,818
Accrd. divd. on Pfd. shares	.....	.....	.....	.....	83,333	83,333
Accrd. bond interest	15,000	15,000	15,000	15,000	15,000	15,000
Accrued interest on coupon notes	.....	.....	52,083	52,083	.....	.....
Pfd. dividend reserve	500,000	500,000	500,000	500,000	.....	.....
Accrued dividends on Common shares	208,333	208,333	208,333	208,333	208,333	208,333
Securities depreciation reserve	119,255	119,255	119,255	119,255	117,989	118,796
Reserve for taxes	555,519	387,538	275,327	192,450	112,797	28,473
Reserve for Lawrence Bldg., income taxes & other liabilities	.....	34,934	49,817	49,792	92,206	.....
Profit and loss	4,403,710	3,941,664	3,584,243	3,348,081	3,640,697	3,069,572
Total	$80,533,849	$80,388,121	$69,068,134	$67,975,123	$63,366,345	$63,670,326

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash in banks	$731,983	$962,330	$2,165,853	$4,279,141	$550,471	$658,239
Notes receivable	500,000	200,000	.....	.....	.....	100,000
Accounts receivable	26,691	22,737	34,042	10,857	9,205	8,574
Liberty bonds	.....	.....	32,150	32,150	32,150	32,150
Total	$1,258,674	$1,185,067	$2,232,045	$4,322,148	$591,826	$798,963
Current Liabilities—						
Accrued bond interest	$15,000	$15,000	$15,000	$15,000	$15,000	$15,000
Notes payable	.....	.....	1,675,000	925,000	1,375,000	2,250,000
Accrued dividends on Common shares	208,333	208,333	208,333	208,333	208,333	208,333
Accounts payable	4,032	18,396	248,076	43,128	15,990	6,818
Accrued dividends on Pfd. shares	.....	.....	83,333	83,333	83,333	83,333
Accrued interest on Coupon notes	.....	.....	52,083	52,083	.....	.....
Reserve for taxes	555,519	387,538	275,327	192,450	112,797	28,473
Total	$782,884	$629,267	$2,557,152	$1,519,327	$1,810,453	$2,591,957
Net Working Capital	$475,790	$555,800	*$325,107	$2,802,821	*$1,218,627	*$1,792,994

*Debit.

Officers: James L. Richards, Pres.; E. N. Wrightington, Treas.; A. S. Bull, Sec., Boston.

Executive Committee: Robt. Winsor, Chairman; Frederic E. Snow, Joseph B. Russell.

Trustees: Chas. Francis Adams, Jos. B. Russell, Frederic E. Snow, Edwin S. Webster, Robt. Winsor, J. L. Richards, Boston, Mass.; H. Wendell Endicott, Dedham, Mass.; Edwin M. Richards, Leverett Saltonstall, Frank L. Richardson, Newton, Mass.

General Office, 250 Stuart St., Boston, Mass.

BOSTON CONSOLIDATED GAS COMPANY

(Controlled by Massachusetts Gas Companies)

History—Incorporated June 15, 1905, in Mass.; consolidation of Massachusetts Pipe Line Gas Co., Brookline, Dorchester, Jamaica Plain, Boston, Roxbury and South Boston Gas Light Cos., and Bay State Gas Co. of Mass.

In Feb., 1922, Massachusetts Department of Public Utilities approved the plan of the company to purchase the East Boston Gas Co. and the Newton & Watertown Gas Co. Approval was also given to issue $1,135,000 stock, par $100, $560,000 to be exchanged for the entire capital stock of the East Boston Gas Co., on the basis of one share for four shares of East Boston Gas Co. stock and the remaining $575,000 to be issued in exchange for the entire capital stock of the Newton & Watertown Gas Light Co. on a share for share basis. Both exchanges were effected on the transfer of the respective properties in May, 1922.

The Boston Consolidated Gas Co. supplies all gas used in Boston (except Hyde Park and Charlestown), Chelsea, Newton, Waltham, Watertown, Wellesley, Weston, Brookline, East Boston, and Milton. Population served, 979,702. Company manufactures gas and also obtains gas from the New England Fuel & Transportation Co. under contract of 33 cts. per 1,000 cu. ft. Gas sales in 1927, 9,644,451,000 cu. ft., an increase of 1.54% over 1926. Miles of mains, 1,514½. No. of meters, 261,343.

The company's net addition in street mains for the year ended Dec. 31, 1927, was 56½ miles. The total output of gas to consumers for the same period showed an increase of 1.54% compared with the output of the previous year. The net gain in meters set for the year was 4,227, as against a gain of 5,466 during the previous year.

Proposed Acquisition—The Company in April, 1928, petitioned the Massachusetts Department of P. U. for approval of $1,568,000 additional Common stock for the purpose of acquiring rights, locations, licenses, privileges, franchises and property of Citizens Gas Light Co. (Quincy). The basis of exchange will be one share of Boston Consolidated Gas Company stock for each share of Citizens' Gas Light Co. stock.

CAPITAL STOCK

Authorized and issued, as at Dec. 31, 1927, $16,259,600 Common; par, $100. All the Common is owned by Massachusetts Gas Cos., except directors' qualifying shares.

Stock Increase—On March 9, 1928, the Massachusetts Department of Public Utilities authorized Company to issue $6,500,000 additional Common stock, increasing the capital stock to $22,759,600. This is for the purpose of permanently financing expenditures due to the new office building and for extensions and reinforcements of the street main pipe system.

Preferred Stock Redemption—All of the 6½% and 5½% cumulative Preferred stock of Company previously outstanding was called for redemption on Feb. 1, 1927, at 105 and accrued dividends at Old Colony Trust Co., Boston.

Annual Meeting in March.

Dividends—Common dividends have been paid in recent years as follows: 1907, 7%; 1908, 8%; 1909 to 1913, incl., 9% each year; 1914, 8%; 1915, 8½%; 1916, 8½%; 1917, 6½%; 1918, 7%; 1919, 7%; 1920, 7%; 1921, 7%; 1922, 7½%; 1923, 8%; 1924, 8%; 1925, 9%; 1926 and 1927, 8% each; payments quarterly, M, J, S & D 31.

FUNDED DEBT

$10,500,000 TWENTY-YEAR 5% GOLD BONDS (DEBENTURES); DUE FEBRUARY 1, 1947

Dated February 1, 1927.

Interest Payable February and August 1, at principal office of State Street Trust Co., Boston.

Denominations—Coupon, $500 and $1,000; registerable as to principal only, and fully registered, $1,000, $5,000 and $10,000; interchangeable.

Trustee—State Street Trust Co., Boston.

Provisions of Issue—Authorized and outstanding, $10,500,000.

Purpose of Issue—Proceeds from the sale of this issue were to be used for the retirement of the entire $6,000,000 6½% and $4,000,000 5½% Pfd. stocks previously outstanding, and for other corporate purposes.

Callability—Subject to call in whole or in part on any interest date upon not less than 30 days' published notice at 105 and accrued interest.

Security—Debentures are direct obligation of Company, and are issued under an indenture which provides, among other covenants, that as long as any of these bonds are outstanding the Company will not mortgage or pledge any of its properties or assets without at the same time securing equally and ratably therewith all of the bonds of this issue then outstanding, provided, however, that this covenant shall not apply to purchase money mortgages or liens on property hereafter acquired or to the refunding or extension of the same.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt.

Original Offering—First publicly offered ($10,500,000) in January, 1927, at 103 and interest, to yield over 4.76%, by Bankers Trust Co. and Dillon, Read & Co., New York.

Listed—Boston Stock Exchange.

Price Range—1927: High, 103½; low, 100¼.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$10,811,108	$10,753,663	$10,383,605	$10,485,196	$11,269,844	$10,719,562
Oper. exp., taxes & depreciation	8,975,605	8,896,370	8,518,388	8,740,853	9,417,363	8,830,206
Net income	$1,835,503	$1,857,293	$1,865,217	$1,744,343	$1,852,481	$1,889,356
Interest	636,319	23,883	99,373	93,532	40,874	226,617
Balance for dividends	$1,199,184	$1,833,410	$1,765,844	$1,650,811	$1,811,607	$1,662,739
Dividends paid	‡	†1,830,768	†1,754,658	1,690,768	1,690,768	1,427,107
Surplus for year	$1,199,184	$2,642	$11,186	*$39,957	$120,839	$235,632

*Deficit. †Does not include $185,417 paid from reserve fund in 1925, and $80,000 in 1926. ‡Amount not reported.

Officers: D. D. Barnum, Pres.; H. S. Lyons, Sec.; G. M. Cox, Treas.; W. Hale, Pur. Agt.

Directors: J. L. Richards, Neal Rantoul, J. B. Russell, C. G. Smith, Robt. Winsor, F. E. Snow, C. F. Adams, W. C. Baylies, W. A. Wood, C. H. Wiley, Edwin S. Webster, Ernest G. Adams, Robt. Winsor, Jr., D. D. Barnum, Allan Forbes.

Office, 100 Arlington St., Boston, Mass.

CITIZENS' GAS LIGHT COMPANY (QUINCY, MASS.)

(Controlled by Massachusetts Gas Companies)

History and Property—Incorporated 1860, in Mass. Gas purchased from Boston Consolidated Gas Co. Miles of main pipe, 166; No. of supply pipes, 14,779; No. of meters, 19,824. Price of gas, $1.40. Population served, 60,000. Sales of gas in 1927 were 455,000,000 cu. ft., an increase of 90% over the previous year.

CAPITAL STOCK

Outstanding, $1,568,000; all owned by Massachusetts Gas Cos.; par, $100. Annual meeting, in March.

Dividends—2% paid during fiscal year 1909-10; in 1911, 5%; 1912, 4½%; 1913 and 1914, 5% each; 1915, 5½%; 1916, 5%; 1917, 4½%; 1918, 6%; 1919, 7%; 1920, 7%; 1921 to 1924, incl., 8% each; 1925, 6½%; 1926 and 1927, 8% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$642,647	$614,139	$571,639	$529,337	$531,351	$490,423
Oper. exp., taxes and depreciation	504,866	496,835	481,315	425,181	423,118	412,183
Net earnings	$137,781	$117,304	$90,324	$104,156	$108,233	$78,240
Interest paid	2,207	6,849	1,574	8,821	3,072	1,238
Balance for dividends	$135,574	$110,455	$88,750	$95,335	$105,161	$77,002
Dividends paid	†	101,440	82,420	80,440	73,440	73,440
Undivided earnings	$135,574	$9,015	$6,330	$14,895	$31,721	$3,562

†Amount not reported.

Officers: J. J. Quinn, Pres. & Gen. Mgr.; C. A. Alden, Treas.; A. S. Bull, Clerk.

Directors: J. L. Richards, Samuel H. Couch, E. M. Richards, N. G. Nickerson, W. B. Nichols, J. J. Quinn.

Offices, Quincy, and 100 Arlington St., Boston, Mass.

NEW ENGLAND FUEL & TRANSPORTATION COMPANY

(Controlled by Massachusetts Gas Companies)

History and Property—A voluntary association formed in Mass., to consolidate the commercial enterprises controlled by Massachusetts Gas Cos. Effective June 30, 1917, the new company took over the assets and liabilities of The New England Gas & Coke Co., Boston Tow Boat Co., Federal Coal & Coke Co., and the assets, liabilities and business of the New England Coal & Coke Co., pertaining to the transportation of coal such as its fleet of steamers, tugs and barges, its coal plants at Everett and Beverly. The New England Coal & Coke Co. retains its business in reference to the purchase and sale of coal, its 15,000 shares of capital stock now being owned by the New England Fuel & Transportation Co.

The New England Coal and Coke Company is engaged in the business of buying and selling coal and coke for use industrially and domestically. It also acts as selling agent for the coal produced in the mines of the New England Fuel and Transportation Co. in West Virginia and for the sale of coke produced in that company's plant in Everett, Massachusetts.

Late in 1917 the New England Fuel & Transportation Co. consummated the purchase from the Empire Coal & Coke Co. of about 10,500 acres of Pittsburg seam coal and some 3,500 acres of Sewickley seam coal, a total of about 14,000 acres, estimated to contain at least 125,000,000 tons of high grade coal. In accordance with the intention at the time of purchase, certain acreage has been resold with the result that at Dec. 31, 1925 there was owned about 8,200 acres of Pittsburg seam gas coal, estimated to contain approximately 90,000,000 tons, in the Fairmont district of West Virginia. The mines on said property are capable of producing 1,500,000 tons of coal per year. Company also owns a large terminal at Everett on which is located a modern coal handling plant, on the Atlantic seaboard, which plant has a record of discharging, in daylight, 7,312 gross tons from S. S. Newton in four hours and thirty minutes, and a record of discharging from SS. Deepwater, part in daylight and part at night, 12,008 gross tons in eleven hours and forty-five minutes, and has storage capacity for approximately 200,000 tons of coal, 25 miles of standard railroad track and a daily capacity of plant movement of 800 cars.

At the Everett terminal is also located the by-product coke-oven plant consisting of 400 coke ovens operating at the rate of carbonizing 700,000 tons of coal per year. From this coal there is made commercial gas, domestic and foundry coke, tar and sulphate of ammonia. The coke production of the Everett plant during 1927 was 673,110 gross tons as compared with 534,450 gross tons in 1926, and 505,410 gross tons in 1925.

Early in 1924 the New England Fuel & Transportation Co. acquired the entire capital stock of the Mystic Steamship Co. (see statement appended).

The output of the Federal Mines for the year ended Dec. 31, 1927, was 1,405,242 net tons compared with 1,506,120 net tons in 1926, 1,219,447 net tons in 1925, 514,500 net tons in 1924 and 1,012,890 net tons in 1923. The production of the New River mines (acquired Jan. 1, 1926) in 1927 was 2,416,926 net tons, compared with 2,648,835 net tons in 1926 and 2,171,640 net tons in 1925.

Mystic Iron Works—This Company was organized July 6, 1923. 55,000 shares have been issued, all owned by New England Fuel & Transportation Co. for which the latter Company has issued an equal amount of its stock to Massachusetts Gas Companies. A blast furnace plant at Everett, Mass., adjoining the plant of the Fuel Company was completed in 1926. This plant is located at Tidewater on the Mystic River, its docks being reached by a channel having a depth of 30 feet mean low water, thus accommodating barges and ocean-going steamers, and will have an annual capacity of over 150,000 tons of merchant pig iron. Its cost, including working capital, was approximately $5,000,000. The operations of the Mystic Iron Works, for the year ended Dec 31, 1927, resulted as follows:

Gross earnings	$3,580,855
Operating expenses	3,189,267
Taxes	105,151
*Depreciation	175,000
Reserves	81,094
Interest	9,732
Total deductions	$3,560,244
Balance	$20,611

*Plant placed in operation in fall of 1926; no depreciation in 1926.

CAPITAL STOCK

Authorized and outstanding, $42,000,000; par, $100. All owned by Massachusetts Gas Cos. Annual meeting, in April.

Dividends—Dividends in 1918, 8%; 1919, 8½%; 1920, 8%; 1921, 5%; 1922, 5%; 1923, 7%; 1924, 5½%; 1925, 6%; 1926, 7%; 1927, 6½%; payments quarterly, M, J, S & D.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings (including dividends from New England Coal & Coke Co., Mystic Steamship Co. and new companies)	$11,971,158	$12,216,981	$10,274,547	$8,140,011	$14,220,380	$10,340,417
Oper. exp., taxes, deprec., depletion & reserves	10,718,648	9,477,796	8,614,474	6,706,207	12,387,918	9,022,297
Net earnings	$1,252,510	$2,739,185	$1,660,073	$1,433,804	$1,832,462	$1,318,120
Interest	93,986	5,097	492	475	446	39,865
Balance for dividends	$1,158,524	$2,734,088	$1,659,581	$1,433,329	$1,832,016	$1,278,255
Dividends paid	†	2,707,525	1,636,750	1,388,000	1,750,000	1,250,000
Undivided earnings	$1,158,524	$26,563	$22,831	$45,329	$82,016	$28,255

†Amount not reported.

Officers: James L. Richards, Chairman of Board, Newtonville, Mass.; Wm. E. McKay, Pres.; G A. G. Wood, V-P., Boston, Mass.; Henry S. Lyons, V-P. & Sec.; R. M. Folsom, V-P.; Arthur S. Bull, Asst Sec.; C. A. Alden, Treas., Boston, Mass.; R. W. Stewart, Asst. Treas.

Trustees: James L. Richards, Edward Page, Newtonville, Mass.; J. P. Kennedy, Brookline, Mass.; Wm. E. McKay, F. E. Snow, Henry S. Lyons, Boston, Mass.; E. M. Richards, West Newton, Mass.; Robert Winsor, Robert Winsor, Jr., Weston, Mass.; J. B. Russell, Cambridge, Mass.; E. S. Webster, Newton, Mass.; C. F. Adams, Concord, Mass.; H. Wendell Endicott, Allan Forbes, Dedham, Mass.; W. H. Trumbull, Jr., Weston, Mass.

General Office, 250 Stuart St., Boston, Mass.

MYSTIC STEAMSHIP COMPANY

(Controlled by New England Fuel & Transportation Co.)

History and Property—A voluntary association formed in Massachusetts Jan. 15, 1924, and acquired the fleet of freight steamships—nine in number—formerly owned by the Crowell & Thurlow Steamship Co., and subsequently acquired the fleet owned by the New England Fuel & Transportation Co., consisting of four colliers and a number of tugs and barges. The fleet of the Company comprises 47 units, of which 13 are ocean-going steamers, 3 coastwise tugs, 10 coastwise barges, 12 harbor tugs, 7 harbor lighters and 1 harbor launch. The New England Fuel & Transportation Co. owns the entire capital stock and unconditionally guarantees the bonds, both principal and interest of the Mystic Steamship Co.

CAPITAL STOCK

200,000 shares of no par value. All owned by New England Fuel & Transportation Co. Annual meeting, second Tuesday in April.

Dividends—Paid dividends of $2.50 per share in 1924 and 1925; $2.25 per share in 1926; $3 per share in 1927.

FUNDED DEBT

$1,210,000 FIRST MORTGAGE SINKING FUND GOLD 6½s; DUE JANUARY 15, 1939

Dated January 15, 1924.

Interest Payable January and July 15, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Callability—Subject to call as a whole or in part at 105 on any interest date on 30 days' notice.

Sinking Fund—Annual sinking Fund of $75,000, commencing on Jan. 15, 1925, to be set aside to be invested by the Trustee, which amount, with accrued interest, will be sufficient to pay in full at maturity the entire principal amount of these bonds.

Security—Secured by a preferred mortgage under the United States Ship Mortgage Act of 1920 on steamships aggregating about 98,000 d.w. tons. All of the steamships are fully covered by insurance, and in case of loss the Company shall either use the money to replace the lost vessel, or deposit with the Trustee the withdrawal value, which must be used to retire bonds.

Guaranty—Unconditionally guaranteed, principal and interest, by endorsement on each bond, by the New England Fuel & Transportation Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,500,000) in Jan., 1924, at 98½ and interest to yield 6.66%, by Kidder, Peabody & Co., New York, etc.

Price Range—

	1927	1926	1925	1924
High	101½	101	101	102
Low	bid	bid	bid	98¼

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Gross earnings	$4,962,923	$4,098,099	$2,961,554	$2,544,208
Oper. exp., taxes, deprec. & reserves	4,192,219	3,517,108	2,578,725	2,126,727
Net income	$770,704	$580,991	$382,829	$417,481
Interest paid	111,840	117,916	117,865	94,560
Balance	$658,864	$463,075	$264,964	$322,921
Dividends	*	400,000	250,000	250,000
Undivided earnings	$658,864	$63,075	$14,964	$72,921

*Not reported.

Officers: H. S. Lyons, Pres.; R. C. Goodwin, V-P.; C. A. Alden, Treas.; A. S. Bull, Sec.; E. C. Melville, Aud.

Directors: Robert Winsor, F. E. Snow, E. M. Richards, Robert Winsor, Jr., J. B. Russell, Thomas Beal, J. L. Richards, R. C. Goodwin, H. S. Lyons, Edw. Page.

General Office, 250 Stuart St., Boston, Mass.

NEW ENGLAND COAL & COKE COMPANY

(Controlled by New England Fuel & Transportation Co.)

History and Property—Incorporated in April, 1909, in Mass. Acquired the business previously conducted by the New England Coal & Coke Co., as a voluntary association and also the business and assets of the Massachusetts Steamship Co. During year ended June 30, 1910, the company purchased the entire fleet of the Baltimore & Boston Barge Co. During year ended June 30, 1915, company purchased the ocean-going fleet of

the Commercial Tow Boat Co. As of April 2, 1917, the company purchased from Sprague, Breed & Brown Co. their extensive coal handling plant at Beverly, Mass.

Effective June 30, 1917, the assets, liabilities and business of the New England Coal & Coke Co., pertaining to the transportation of coal such as its fleet of steamers, tugs and barges and its coal plant at Beverly were acquired by the New England Fuel & Transportation Co. The New England Coal & Coke Co. retains its business in reference to the purchase and sale of coal, its 15,000 shares of capital stock now being owned by the New England Fuel & Transportation Co.

CAPITAL STOCK

Authorized and outstanding, $1,500,000, all owned by New England Fuel & Transportation Co. Par, $100. Annual meeting, in March.

Dividends—Regular dividends of 10% each were paid from 1910 to 1917; 8% in 1918; 1919, 6½%; 1920, 16%; 1921, 20%; 1922, 15%; 1923, 20%; 1924, 20%; 1925, 10%; 1926, 8%; 1927, 11%. In 1915 and 1916, extra dividends of 10% each were also paid, and in 1917, 25% extra was paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$793,946	$617,182	$663,434	$730,663	$880,626	$1,103,537
Oper. exp., taxes & reserves	542,058	481,262	495,098	516,936	696,721	823,458
Net income, less reserves	$251,888	$135,920	$168,336	$213,727	$183,905	$280,079
Interest paid	18,166	5,036	6,674	37	886	2,617
Balance for dividends	$233,722	$130,884	$161,662	$213,690	$183,019	$277,462
Dividends paid	†	120,000	150,000	180,000	150,000	225,000
Undivided earnings	$233,722	$30,884	$11,662	$33,689	$33,019	$52,462

†Amount not reported.

Officers: Edward Page, Pres.; G. A. G. Wood, V-P.; J. J. McSweeney, V-P.; C. A. Alden, Treas.; H. S. Lyons, Sec.; A. S. Bull, Clerk, Boston, Mass.

Directors: Robt. Winsor, Edwin S. Webster, G. A. G. Wood, H. P. Cannon, Fred'ck E. Snow, Edward Page, E. M. Richards, H. Wendell Endicott, Robt. Winsor, Jr., H. S. Lyons.

Office, 25 Stuart St., Boston, Mass.

OSWEGO COUNTY INDEPENDENT TELEPHONE CO.

History—Incorporated Sept. 24, 1906, in New York. Furnishes telephone service in Fulton and Phoenix, N. Y. No. of subscribers, 2,446.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, second Friday in May.

Dividends—Dividends of 4% per annum paid from 1923 to 1927, inclusive; payments quarterly, M, J, S & D 15.

FUNDED DEBT

$175,000 First Mortgage Gold 5s; dated Feb. 1, 1907; due Feb. 1, 1937; interest payable Feb. and Aug. 1, at First Trust & Deposit Co., Syracuse, N. Y., successor Trustee. Coupon $100, $500 and $1,000; principal may be registered. Authorized issue, $500,000. A first lien on entire property. Company pays Normal Federal Income Tax of 2%.

Real Estate Mortgage—There is also outstanding a mortgage on real estate of $2,000

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$89,096	$84,585	$81,309
Oper. exp., taxes, etc.	64,805	62,961	62,146
Net earnings	$24,291	$21,624	$19,163
Interest charges	9,831	10,055	9,941
Other charges	1,312	995	961
Total charges	$11,143	$11,050	$10,902
Net income	13,148	10,574	8,261
Dividends paid	4,000	4,000	4,000
Surplus for year	$9,148	$6,574	$4,261
Times Interest Earned	2.33	2.05	1.83
Earnings Per Share	$13.15	$10.57	$8.26

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$387,412	$367,730	$354,229	Capital stock	$100,000	$100,000	$100,000
Materials and supplies	3,904	9,501	8,856	Funded debt	177,000	177,500	178,000
Cash	16,087	13,488	14,621	Notes payable	15,400	17,500	21,957
Notes & accts. receivable	5,223	5,275	4,870	Accounts payable	19,080	10,619	
Other current assets	.....	285	.....	Interest accrued	3,543	3,526	9,633
Deferred debit items	12,853	18,625	20,422	Reserve for taxes	791	.....	
				Depreciation reserve	85,601	82,780	76,943
				Other reserves	.....	.....	73
				Unappropriated surplus	24,064	22,979	16,392
Total	$425,479	$414,904	$402,998	Total	$425,479	$414,904	$402,998

Officers: Irving H. Griswold, Pres., Plattsburg, N. Y.; Charles R. Lee, V-P.; A. W. Wiltsie, Sec. & Treas., Fulton N. Y.; S. N. Vines, Aud., Syracuse, N. Y.; A. H. Shean, Gen. Mgr., Fulton, N. Y.

Directors: Irving H. Griswold, Plattsburg, N. Y.; Chas. R. Lee, Frederick A. Gage, Arthur W. Wiltsie, Fulton, N. Y.; T. Harvey Ferris, Utica, N. Y.; Wm. B. Woodbury, New York City; William A. Seeley, Norwich, N. Y.

General Office, Fulton, N. Y.

THE SPANISH AND GENERAL CORPORATION, LTD.

History—Incorporated April 19, 1920, to acquire the assets and the undertaking of The Spanish and General Wireless Trust, Ltd., and, in addition, to carry on other financial business (see 1919 Public Utility Manual, page 306).

About the end of 1925 Corporation's interest in the Cia. Nacional de Telegrafia sin Hilos was sold to Marconi's Wireless Telegraph Co., Ltd., for £150,000.

CAPITAL STOCK

Authorized, £500,000; issued June 30, 1926, £347,742 (par £1) including 247,749 shares which were offered to shareholders of The Spanish and General Wireless Trust, Ltd., to be allotted credited as fully paid in exchange for Trust shares. Marconi's Wireless Telegraph Co., Ltd., are the principal shareholders. Transfer agent for American depositary receipts of Corporation, Guaranty Trust Co., New York.

FUNDED DEBT

None.

Profit and Loss Account, two years ended June 30, 1926—Income from dividends, £3,618; balance of in-

come tax recovered, £1,905; other income, £12—total, £5,535. Deduct: Interest, £15,725; reserve against shares and debentures in and loans to other companies, £48,719; other deductions, £1,163—total, £65,607. Balance, deficit for period, £60,072.

GENERAL BALANCE SHEET, JUNE 30

(Latest Published)

Assets—	1926	*1924	Liabilities—	1926	*1924
Shares & debentures at cost in & loans to other Cos.	£35,500	£488,022	Capital stock	£347,742	£347,596
Cash	12	265	Accounts payable	31,595	190,848
Accounts receivable	30	5,154	Res. against Russian debts & depreciation of securities	.....	255,000
Suspense	.....	16,279			
Profit and loss deficit	343,795	283,723			
Total	£379,337	£793,444	Total	£379,337	£793,444

*1925 figures not available.

Officer: B. O. Collis, Sec., London, Eng.
Directors: Alfonso Marconi, A. Ogle, G. R. Bishop.

Registered Office, Marconi House, Strand, London, W. C. 2, Eng.

BLACK RIVER TELEPHONE COMPANY

(Lowville, N. Y.)

History—Incorporated Dec. 19, 1899, in New York. On Nov. 10, 1910, acquired the Fulton Chain Telephone Co. Franchises perpetual. No. of exchanges, 20. Stations owned and operated by this company, 5,927; stations owned by others, operated by this company, 367—total stations, 6,294. Prices (effective July 1, 1925) $24 to $45 per year.

CAPITAL STOCK

Authorized, $100,000 Common, $100,000 6% non-cumulative Pfd., and $100,000 6% Class "B" Pfd.; outstanding, $97,500 Common (par, $10), $65,000 Pfd., and $65,900 Class "B" Pfd., par of Pfd. stocks, $100. Secretary of Company acts as transfer agent.

Annual Meeting—First Monday in February.

Dividends—Pfd. dividends of 6% regularly paid. On Common as follows: 1914 to 1919, 6% each; 1920, 7%; 1921, 5% and 1% extra Feb. 1; 1922, 7%; 1923 and 1924, 6% each; 1925, 6% and 4% extra; 1926, 6% and 10% extra; 1927, 8% and 10% extra. Dividends on all classes of stock are paid quarterly, F, M, A & N 1, at Black River National Bank, Lowville, N. Y. In addition a stock dividend of 50% in Common stock paid in 1924.

FUNDED DEBT

$241,900 General Mortgage 5% Gold bonds; dated Jan. 1, 1906; due Jan. 1, 1936; int. Jan. and July 1, at Black River National Bank, Lowville, N. Y. Coupon, $100 and $500; principal may be registered. Trustee: Frederick S. Eaton, Sr., Lowville, N. Y. Authorized issue, $500,000. Subject to call at any time at 105. No sinking fund. A first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross receipts	$269,856	$257,261	$242,471	$216,814	$207,550	$197,054
Operating expenses and taxes	173,533	176,868	160,896	156,229	152,793	139,926
Depreciation	44,268	41,205	40,928	34,134	25,050	27,450
Net earnings	$52,055	$39,187	$40,648	$26,451	$29,707	$29,678
Fixed charges	12,377	12,560	12,578	15,967	10,435	9,222
Net income	$39,678	$26,628	$28,070	$10,484	$19,272	$20,456
Dividends paid	24,414	21,556	15,642	7,475	7,800	8,450
Surplus for year	$15,264	$5,071	$12,427	$3,009	$11,472	$12,006

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$872,760	$805,011	$773,425	$721,040	$559,629	$528,172
Supplies on hand	27,928	35,444	29,626	26,557	17,097	15,234
Accounts receivable	16,706	16,704	20,465	17,337	22,246	17,722
Prepaid expenses	2,350	1,307	1,464	1,961	1,614	1,125
Liberty bonds	.....	.....	.....	.....	8,750	8,750
Cash and bank balances	8,985	11,163	6,566	10,055	6,174	5,347
Accrued income not due	.....	.....	.....	.....	68	174
Deferred debit items	11,293	429	.....	.....	.....	.....
Total	$940,022	$870,059	$831,546	$776,950	$615,578	$576,524
Liabilities—						
Common stock	$97,500	$97,500	$97,500	$97,500	$65,000	$65,000
Preferred stock	65,000	65,000	65,000	65,000	65,000	65,000
Preferred stock Class "B"	65,900	36,400	24,100	.....	.....	.....
Funded debt	241,900	241,900	241,900	254,900	159,500	159,500
Accounts payable	9,184	9,080	15,487	149	48,817	30,754
Accrued liabilities	11,411	10,854	8,195	10,149	12,853	11,010
Dividends declared	3,584	12,552	6,578	1,625	1,950	4,875
Deferred credit items	.....	.....	510	205	3,462	6,360
Depreciation reserve	285,719	257,958	238,531	226,106	139,589	126,090
Insurance & casualty reserves	1,961	.....	.....	.....	.....	.....
Surplus, unappropriated	157,863	138,815	133,743	121,316	119,407	107,935
Total	$940,022	$870,059	$831,546	$776,950	$615,578	$576,524

Officers: C. W. Pratt, Pres. & Treas., Boonville, N. Y.; J. J. Domser, V-P., Gen. Mgr. & Asst. Treas.; Geo S. Reed, V-P. & Gen. Counsel, Lowville, N. Y.; W. B. Woodbury, V-P.; P. R. Persons, Sec., New York, N. Y.; L. H. Meyer, Gen. Aud., Lowville, N. Y.
Directors: C. W. Pratt, A. C. Capron, Boonville, N. Y.; J. J. Domser, Geo. S. Reed, Miller G. Sherwood, J. S. Bowen, C. M. Barrett, Lowville, N. Y.; W. B. Woodbury, New York; D. C. Cox, Syracuse, N. Y.; H. A. Pease, Constableville, N. Y.; Fred C. Whitney, Pulaski, N. Y.

General Office, Lowville, N. Y.

THE NORFOLK & CAROLINA TELEPHONE & TELEGRAPH COMPANY OF NORTH CAROLINA & VIRGINIA

History and Properties—Incorporated Oct. 14, 1902, in N. C. Owns telegraph lines and telephone toll lines between Edenton, N. C., and Norfolk, Va., and exchanges at Elizabeth City, Hertford and Edenton, N. C. Controls **Norfolk & Carolina Telephone & Telegraph of Virginia,** through ownership of $48,600 of the $50,000 capital stock. Franchise expires Sept., 1932. Population served, 50,000. Exchanges, 3. 'Phones, 2,253 Prices, $24 and $45 per annum. Miles of wire, 1,457. Miles of poles, 150.

CAPITAL STOCK

Authorized, $250,000; outstanding, $201,400; par, $100. Annual meeting, first Monday in December.

Dividends—16% paid in 1916; 1917, first 6 mos., 10% on $50,000, last 6 mos., 6% on $100,000; 1918, 11%; 1919, 12%; 1920, 12%; 1921, 12%; 1922, to 1924, incl., 16%; 1925, 8% on $200,000; Jan. 1, 1926, 4% ($8,000, declared and set up Dec., 1925); July 1, 1926, 4%; Jan. 1, 1927, none; July 1, 1927, 6%; payments Jan. and July 1. In addition a stock dividend of 100% was paid in 1917 and another of 100% Jan. 1, 1925.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$122,498	$113,770	$111,093
Oper. exp. & taxes	84,727	71,590	63,161
Depreciation	15,338	17,988	14,848
Net earnings	$22,433	$24,192	$33,084
Other income	600	600	.....
Total income	$23,033	$24,792	$33,084
Interest charges	1,567	1,208	1,015
Balance for dividends	$21,466	$23,584	$32,069
Dividends paid	12,000	8,000	16,000
Reduction in book value of investment stock	500	.....	.....
Surplus for year	$8,966	$15,584	$16,069

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$357,886	$325,763	$359,956
Stocks owned	500	400	.....
Materials & supplies	1,291	1,869	1,930
Cash	1,177	1,400	6,590
Accounts receivable	5,784	5,544	4,162
Deferred and accrued items	696	522	455
Total	$367,334	$335,498	$373,093
Liabilities—			
Capital stock	$201,400	$201,400	$201,400
Notes payable	18,500	11,000	14,000
Accounts payable	4,966	4,275	3,033
Dividends payable	.....	.....	8,000
Other current liabilities	.....	.....	365
Depreciation reserve	118,564	103,885	130,919
Surplus	23,904	14,938	15,376
Total	$367,334	$335,498	$373,093

Officers: Dr. L. S. Blades, Chrm. of Board & Pres.; J. T. McCabe, V-P.; James Evans Blades, Sec. & Treas.; H. W. Dewey, Gen. Mgr., Elizabeth City, N. C.

Directors: L. S. Blades, J. T. McCabe, Aubrey G. McCabe, F. M. Grice, W. J. Woodley, J. W. Foreman, C. E. Thompson, Elizabeth City, N. C.

Office, Elizabeth City, N. C.

MANSFIELD GAS CO (ARKANSAS)

History—Incorporated Jan. 5, 1903 in Arkansas. Serves Mansfield and Huntington, Ark. Output, 40,054,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $100,000. Annual meeting, second Monday in January at Fort Smith, Ark.

Dividends have been paid as follows: 1911, $145,000; 1912, $20,000; 1913 to 1917, inclusive, none; 1918, $15,000; 1919, none; 1920 and 1921, $10,000 each; 1922, none; 1923 and 1924, $5,000 each; 1925, $10,000; 1926 and 1927, $6,000; 1928 (to April), none.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$16,005	$17,587
Operating exp. & taxes	6,672	10,577
Depreciation	2,198	4,634
Net earnings	$7,135	$2,376
Rentals	180	.....
Surplus after charges	$6,955	$2,376
Dividends	6,000	6,000
Surplus for year	$955	*$3,624

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of property & equipment	$35,326	$69,696
Materials and supplies	752	1,049
Cash	5,968	2,890
Accounts receivable	380	423
Deficit	71,958	74,748
Total	$114,384	$148,806
Liabilities—		
Capital stock	$100,000	$100,000
Accounts payable	.....	101
Reserve for depreciation	14,384	48,705
Total	$114,384	$148,806

Officers: Harry E. Kelley, Chrm. of Board & Pres.; Leigh Kelley, V-P.; Lawrence McMakin, Sec. & Treas., Fort Smith, Ark.

Directors: Harry E. Kelley, Leigh Kelley, Lawrence McMakin, Fort Smith, Ark.

General Office, Fort Smith, Ark. **Operating Office,** Mansfield, Ark.

HILO GAS COMPANY, LIMITED

History—Incorporated August 21, 1916, under laws of Territory of Hawaii, for the purpose of acquiring, constructing, maintaining and carrying on works or system of works for the manufacture, storage and supply of gas for any purpose whatsoever, in the District of South Hilo County and Territory of Hawaii, and to engage in the operation of a gas plant and system in said district. Property consists of 59,516 square feet of land, gas plant and distributing system. Population served, 11,000. Franchise expires Aug. 21, 1966. Miles of gas mains, 24.4. No. of meters, 1,032. Output in 1927, 22,771,600 cu. ft. compared with 23,401,100 cu. ft. in 1926. Price, $2.80 per 1,000 cu. ft.

CAPITAL STOCK

Authorized, $110,000 Common, $60,000 8% cumulative First Pfd. and $40,000 7% non-cumulative Second Pfd.; outstanding, $35,000 First Pfd. and $38,580 Second Pfd; par, $20. Pfd. stock is convertible into Common stock, share for share. All classes of stock have equal voting power. Both classes of Pfd. stock listed on Honolulu Stock Exchange. Annual meeting, second Saturday in February. No dividends paid.

FUNDED DEBT

$65,000 First Mortgage Gold 6s; dated March 30, 1917; due March 30, 1937; int. Sept. and March 30, at Bishop Trust Co., Ltd., Honolulu, Hawaii, Trustee. Coupon, $100 and $500. Subject to call on and after March 30, 1922, at 103 and interest. Sinking fund began March 1, 1922, 15% of net earnings for previous twelve months ended Dec. 31. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

$49,100 Second Mortgage Gold 6s; dated May 1, 1918; due May 1, 1938; int. May and Nov. 1, at Bishop Trust Co., Ltd., Honolulu, Hawaii, Trustee. Coupon $100 and $500. Subject to call at 103. A second lien on property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$57,361	$57,223	$59,297
Oper. exp. & taxes	39,122	38,681	39,036
Depreciation	8,438	8,307	8,047
Net earnings	$9,801	$10,235	$12,214
Other income	689	807	405
Total income	$10,490	$11,042	$12,619
Interest charges	5,809	6,696	6,853
Other charges	1,571	1,140	964
Total charges	$7,380	$7,836	$7,817
Surplus for year	$3,110	$3,206	$4,802

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Property and equipment	$175,346	$171,093	$165,143
Bonds owned	22,000	4,000	6,000
Materials and supplies	10,355	8,760	9,744
Cash	3,269	21,017	10,593
Accounts receivable	14,289	12,527	15,913
Other current assets	1,669	2,511	2,337
Deferred debit items	5,751	6,874	8,211
Sinking fund	670	516	484
Profit and loss deficit	20,531	23,593	25,610
Total	$253,880	$250,893	$244,035
Liabilities—			
Capital stock	$73,580	$73,580	$73,560
Funded debt	114,100	115,600	117,600
Accounts payable	977	3,340	1,658
Interest accrued	1,151	1,429	1,429
Deferred credit items	723	739	831
Reserve for depreciation	63,349	56,205	48,957
Total	$253,880	$250,893	$244,035

Officers: P. C. Beamer, Pres.; J. W. Russell, V-P.; Frank Wilson, Sec. & Gen. Mgr.; W. H. Beers, Treas.; R. Ross Marshall, Aud.; W. C. Flanary, Supt., Hilo, Hawaii.

Directors: P. C. Beamer, J. W. Russell, Frank Wilson, W. H. Beers, W. H. Hill, A. S. le Baron Gurney, George Willfong, Hilo, Hawaii.

General Office, Hilo, Hawaii.

WESTERN POWER LIGHT & TELEPHONE COMPANY

History and Property—Incorporated in June, 1927, in Delaware, and upon completion of its financing will own all of the outstanding capital stock of the following companies: The Western Light & Power Corp., a Kansas corporation; The Western Telephone Corp., a Kansas corporation; Central West Missouri Telephone Co., a Missouri corporation; The Midland Telephone Company of Oklahoma, a Delaware corporation; American Ice Company, a Texas corporation.

The Company will also own five-eighths of the outstanding capital stock of the City Ice Delivery Company, a Texas corporation. No present subsidiary of the Company has any funded debt outstanding in the hands of the public.

The properties owned and being acquired by the Company's subsidiaries supply 100 communities in Missouri, Kansas and Oklahoma with one or more classes of utility service, so located as to permit economical operation as a unit. Electric light and power is furnished in 24, water in 1, and telephone service in 79 communities. Electric power is supplied wholesale to 5 communities. The population served with electricity, water and telephone is estimated at more than 125,000 and the number of customers exceeds 31,000.

The electric light and power properties in south-central Kansas are supplied in part by electric power generated at 4 stations. The balance of electric energy distributed is purchased under contract from other companies. Interconnections are furnished by 175 miles of transmission lines. The telephone properties are concentrated in the agricultural regions of central Kansas and northern Missouri. The system includes 1,481 miles of toll lines and a majority of the 79 local exchanges occupy buildings owned by the subsidiaries. Long distance service with all parts of the United States and Canada is handled over lines of the Bell Telephone System and other companies through joint operating agreements.

The American Ice Company owns three of the principal ice manufacturing plants at Dallas, Texas. These plants are of latest type and have a capacity of 210 tons per day and 13 ice service stations are owned, serving the residential district of the city. The City Ice Delivery Company is the leading distributor of ice for the entire city of Dallas.

The properties were examined in 1927 by Hagenah & Erickson, Engineers, whose reports show a total fair depreciated value of $5,502,073, not including the proportion of valuation of City Ice Delivery Company applicable to minority stock interests.

CAPITAL STOCK

Authorized, $100,000 Common, par, $1, and $10,000,000 7% cumulative Pfd., par, $100, outstanding; $100,000 Common and $1,350,000 Pfd.

Preferred Stock Provisions—Preferred over Common stock as to $100 of assets and cumulative dividends at rate of 7% per annum. Redeemable as a whole or in part on any dividend date on 30 days' notice by mail at $102 per share plus all dividends accrued or in arrears. In the event of any liquidation, whether voluntary or involuntary, it is entitled to receive $100 per share plus dividends accrued or in arrears.

The Pfd. stock has full voting rights only if dividends are in arrears for 8 quarterly dividend periods, in which event Pfd. stock shall be entitled to vote in the election of directors and for all other corporate purposes, such rights to continue until all arrears in dividends are declared and paid.

No additional Pfd. stock may be issued unless all accrued dividends on Pfd. stock then outstanding shall have been paid or set aside for payment and unless consolidated net earnings of the Company and its subsidiaries for 12 consecutive calendar months out of the 16 calendar months preceding the authorization of issuance of such stock, shall have amounted to at least twice the annual dividend requirement of the Pfd. stock then outstanding and that proposed to be issued.

No dividends shall be declared or paid upon the Common stock (other than stock dividends) unless for each year there shall have been expended or credited to proper reserves for maintenance and/or renewals and replacements, not less than 15% of gross revenues from telephone properties and not less than 10% of gross revenues from electric, water, ice, or other physical properties, all as set forth and restricted in the Articles of Incorporation.

Transfer Agent—Continental National Bank & Trust Co., Chicago.

Registrar—Union Trust Co., Chicago, Ill.

Annual Meeting—Fourth Wednesday in January, at Chicago, Ill.

Legal Opinion—Newman, Poppenhusen, Stern & Johnston, Chicago (for the bankers); Burch, Litowich & Royce, Salina, Kan. (for the Company).

Original Offering—The Pfd. stock was publicly offered in February, 1928, at $100 per share and accrued dividend to yield 7%, by The Public Utility Investment Co., Salina, Kans.

Listed—Pfd. stock listed on Chicago Stock Exchange.

Dividends—Pfd. dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

$2,750,000 FIRST LIEN COLLATERAL 20-YEAR 6% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1948

Dated February 1, 1928.

Interest Payable February and August 1, at Central Trust Company of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount, not limited; authorized, Series "A," $5,000,000; issued, Series "A," $2,750,000. The indenture provides that subject to the limitations thereof, $2,250,000 additional Series "A" bonds and additional series of bonds may be issued: (1) par for par against cash or United States Government obligations deposited with the Trustee for specified purposes; or (2) to refund other bonds issued under the Indenture bearing the same or higher rates of interest; or (3) in principal amount not exceeding 80% of the cost to the Company or fair value (whichever is less) of additions, extensions or improvements, whether constructed or acquired, to the permanent property of the Company, provided that all such extensions and purchased property shall be subject to the lien of the Indenture; or (4) up to the full principal amount of the first mortgage bonds of subsidiaries issued in amounts not exceeding 80% of the cost to the subsidiaries or fair value (whichever is less) of permanent property of such subsidiaries including additions, extensions and improvements thereto, acquired after a date fixed in the Indenture. Such first mortgage bonds of subsidiaries shall be deposited with the Trustee and pledged as collateral under the Indenture, and in the case of any new subsidiary, not less than 90% of all outstanding shares of each class of capital stock of such new subsidiary shall be deposited and pledged. The Indenture also provides that no additional bonds may be issued, however, unless net earnings (as defined in the Indenture and including net earnings from properties to be acquired) for twelve consecutive calendar months within the sixteen calendar months next preceding the date of application for such additional bonds, shall have been not less than 1¾ times the annual interest on all bonds then outstanding under the Indenture and those then proposed to be issued; but this provision shall not apply in case bonds, cash or United States Government obligations are delivered to the Trustee for the refunding or redemption of bonds issued under the Indenture bearing the same or higher rates of interest.

Purpose of Issue—Proceeds from sale of these bonds, together with proceeds from sale of Pfd. stock, were used to retire the Two Year 6% Gold Notes of the Company, acquire new subsidiaries and provide additional working capital and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 to 60 days' notice on any interest payment date at 103 and accrued interest.

Sinking Fund—None provided.

Security—Bonds are the direct obligation of the Company and are secured by first lien on all outstanding capital stocks (except directors' qualifying shares) and all outstanding funded debt of pledged subsidiaries, all of which are deposited and pledged with the Trustee. No additional stocks or bonds may be issued by these pledged subsidiaries unless deposited with the Trustee and pledged under the Indenture. City Ice Delivery Company is not a subsidiary under the Indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund upon proper notice within 60 days after payment, any personal property tax not exceeding 5 mills to the dollar per annum, or any income tax not exceeding 6% of the interest per annum, as now or hereafter imposed by any State.

Legal Opinion—Newman, Poppenhusen, Stern & Johnston, Chicago (for the bankers) and Burch, Litowich & Royce, Salina, Kansas (for the Company).

Original Offering—First publicly offered ($2,750,000) in February, 1928, at par and interest, by A. B. Leach & Co., Inc., New York, etc., and Porter, Fox & Co., Inc., Chicago.

Listed—Chicago Stock Exchange.

COMBINED INCOME ACCOUNT, YEAR ENDED NOVEMBER 30, 1927

(Being the combined earnings of the properties owned and being acquired by subsidiaries for the year ended Nov. 30, 1927, after giving effect to $35,653 of non-recurring expenses, but before depreciation and Federal Income Taxes)

Gross earnings	$1,114,643
Operating expenses, maintenance and taxes	694,968
Net income before int., deprec. & Federal taxes	$419,675
Applicable to minority stock interests	4,698
Annual interest requirement of funded debt to be outstanding	165,000
Balance	$249,977

NOTE—Annual dividend requirement of $1,350,000 7% Pfd. stock, $94,500.

CONSOLIDATED BALANCE SHEET, NOVEMBER 30, 1927 (Western Power, Light & Telephone Co. and Subsidiaries) (Upon completion of acquisitions and new financing)

Assets—	
Plant and property, as appraised, plus subsequent additions, at cost	$6,384,697
Materials and supplies	29,817
Cash and deposits	57,079
Receivables	190,091
Marketable securities	31,096
Prepaid expenses	130,630
Total	$6,823,410
Liabilities—	
Common stock	$100,000
Preferred stock	1,350,000
Minority stockholders equity	26,867
Two-year 6% gold notes	1,800,000
Liabilities for properties to be acquired	425,962
General accounts payable	135,779
Accrued taxes	14,968
Accrued note interest	25,000
Other liabilities	193
Reserve for depreciation	771,663
Deferred credit items	26,658
Surplus—capital and earned	2,146,320
Total	$6,823,410

Officers: Nathan L. Jones, Pres.; Max McGraw, V-P.; J. M. Barkes, V-P.; M. J. Kennedy, Treas.; Sherley Stewart, Sec.; William R. Swissler, Asst. Sec.; Harry A. Nordholm, Asst. Sec.

Directors: Nathan L. Jones, Max McGraw, William R. Swissler, M. J. Kennedy, Sherley Stewart.

Office, 7 West Tenth St., Wilmington, Del. **Executive Office**, 1101 Midland Bldg., Kansas City, Mo.

MUSKOGEE ELECTRIC TRACTION CO.

History and Property—Incorporated under Federal laws in July, 1904, and acquired the People's Electric Ry. Owns and operates 19.89 miles of track in Muskogee, Okla., and an interurban line between Muskogee and Ft. Gibson, 9.68 miles; total mileage, 29.57 miles. Gauge, standard. Rails, 60 and 70 lb. T. Motor cars, 26; freight and service, 4. Power purchased. Also owns Hyde Park, an amusement resort about five miles from Muskogee.

Right of Purchase by City—The City has the right to purchase all the Company's property within the City limits in 1934, and at the end of every 15-year period thereafter, at a price determinable by arbitration, but in case of such purchase the bonds must be either paid off or assumed by the City, and in the latter event the Company must be allowed to operate its cars from suburbs to interurban points to the center of the City on a rental basis.

CAPITAL STOCK

Authorized, $500,000; outstanding, $498,500; par, $100. Annual meeting, in November.

Dividends—Dividends have been paid as follows: 5% in 1908; 6% in 1909, 7% in 1910; 8% in 1911; 7½% in 1912; 1½% in 1913; none since.

FUNDED DEBT

$800,000 First Gold 5s; dated May 1, 1912; due May 1, 1934; int. May and Nov. 1, at Equitable Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $5,000,000; escrow bonds reserved for future requirements. Subject to call on any interest date upon 30 days' notice at 105 and inter-

est. Sinking fund began Jan. 1, 1914, 1% of outstanding bonds. At Dec. 31, 1927, there were in the hands of the sinking fund trustee, $8,996 in cash and $229,000 in bonds. These bonds were issued to refund $450,000 bonds of this company, and in part payment for the People's Electric Ry., and for new cars and equipment. An additional $200,000 bonds will be issued in final payment for the People's Electric Ry. property when the annual net earnings are twice the interest charges, including the bonds to be issued. A first lien on entire property.

Original Offering—First publicly offered ($600,000) in Nov., 1912, at 93½ and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Murray, Prentice & Howland, New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$173,848	$188,350	$197,595
Oper. exp., taxes & deprec.	169,109	175,300	165,570
Net earnings	$4,739	$13,050	$32,025
Interest charges, etc.	31,067	31,599	32,168
Deficit for year	$26,328	$18,549	$143

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,339,073	$1,336,353	$1,333,758
Misc. physical prop.	3,063	3,063	*
Sinking fund cash	8,996	8,118	*
Bonds owned (sinking fund)	229,000	197,000	170,000
Stocks owned	50,000	50,000	50,000
Notes & advs. to affil. cos.	78,407	78,457	*81,555
Cash	4,389	5,698	24,540
Accounts receivable	1,074	461	374
Materials and supplies	5,110	7,495	8,153
Working fund advances	300	300	300
Unadjusted debits	409	612	718
Profit and loss	60,447	34,119	14,915
Total	$1,780,268	$1,721,676	$1,684,313
Liabilities—			
Common stock	$498,500	$498,500	$498,500
Funded debt	800,000	800,000	800,000
Equipment obligations	7,814	18,045	29,616
Aud. accts.—wages payable.	6,921	5,717	6,272
Interest accrued	5,000	5,000	5,057
Employes bond account	.....	175	175
Tax liability	3,130	3,633	3,776
Notes payable	5,000	.....	.....
Operating reserves	12,572	.....	.....
Deferred credit items	273	.....	.....
Depreciation reserve	292,295	265,521	239,765
Other unadjusted credits	175	3,376	777
Appropriated surplus	148,588	121,709	100,375
Total	$1,780,268	$1,721,676	$1,684,313

*Included in notes and advances to affiliated companies.

Officers: Louis K. Hyde, Pres., Plainfield, N. J.; R. D. Benson, V-P.; D. Q. Brown, Sec., W. S. Benson, Treas., New York; C. H. Smith, Aud.; J. G. Phillips, Gen. Mgr.; C. W. McCall, Supt., Muskogee, Okla.

Directors: R. D. Benson, W. S. Benson, D. Q. Brown, New York; N. A. Gibson, C. A. Summers, J. G. Phillips, Muskogee, Okla.; L. K. Hyde, Plainfield, N. J.

General Office, Muskogee, Okla. **Corporate Office,** New York, N. Y.

THE NORTH EAST OHIO TELEPHONE COMPANY

History—Incorporated October 24, 1924, in Ohio, as a reorganization of Jefferson & Warren Telephone Company, which latter Company was incorporated in 1896. Has franchises of various dates and operates in various towns in Ohio, including Jefferson, Orangeville, Kinsman, Bristolville, Green, Cortland and West Farmington. Number of exchanges, 7; number of 'phones in use, 2,100. Prices charged, $24 to $34.20. Miles of wire: Pole, 1,689; underground, 167—total, 1,856.

CAPITAL STOCK

Authorized, $155,000 Common and $95,000 6% non-cumulative Pfd.; outstanding, $106,300 Common and $95,000 Pfd.; par $100. Preferred stock is subject to redemption after Jan. 1, 1928, at 103. It has preference as to assets. Stock transferred and registered at Company's office. Annual meeting, third Wednesday in January.

Dividends—Initial dividend of 1½% on Pfd. paid Dec. 1, 1925; 1926, payments quarterly, M, J, S & D 1. On Common dividends have been paid in recent years as follows: 1920, 2%; 1921, none; 1922, 1%; 1923, 2%; 1924, none; 1925, 2%; 1926, none; 1927, 1%.

FUNDED DEBT

Outstanding Dec. 31, 1927, $29,600; no details available.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$52,178	$53,802	$50,017
Operating expenses	34,661	39,750	38,858
Net earnings	$17,517	$14,052	$11,159
Charges	3,322	8,917	7,402
Surplus after charges	$14,195	$5,135	$3,757
Dividends	5,100	5,100	1,550
Surplus for year	$9,095	$35	$2,207

GENERAL BALANCE SHEET, JANUARY 31

Assets—	1928	1927	1926
Cost of property & equip...	$288,775	$263,705	$253,409
Materials & supplies	2,305	3,058	494
Cash	1,258	3,895	5,005
Other current assets	8,968	8,088	10,537
Unadjusted debits	.....	1,028	497
Deferred debit items	.....	665	2,274
Prepaid items	562	724	733
Total	$301,868	$281,163	$272,949
Liabilities—			
Common stock	$106,300	$106,300	$106,300
Preferred stock	95,000	85,000	85,000
Funded debt	29,600	5,100	5,100
Premiums on capital stock.	10,500	.....	.....
Notes payable	37,768	5,000	.....
Accounts payable	2,339	1,604	2,072
Other current liabilities	1,190	520	317
Reserve for taxes	2,368	2,593	1,774
Reserve for depreciation	.....	62,014	64,128
Prepaid telephone rental	.....	6,459	5,328
Surplus	16,803	6,573	2,930
Total	$301,868	$281,163	$272,949

Officers: C. S. Fenton, Pres. & Treas., Cleveland, Ohio; S. B. Storer, V-P., Syracuse, N. Y.; E. C. Boyd, Sec., Orangeville, Ohio.

Directors: C. S. Fenton, Cleveland, Ohio; S. B. Storer, Syracuse, N. Y.; E. C. Boyd, Orangeville, Ohio; N. W. Storer, Pittsburgh, Pa.; E. M. White, Phoenix, N. Y.

General Office, Orangeville, Ohio.

TOKENEKE WATER COMPANY

History and Property—Incorporated in 1907, in Conn. Began operating in Dec., 1909. Miles of mains, 3.5 Franchises perpetual.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. No dividends paid.

Annual Meeting—First Saturday in May, at Darien, Conn.

FUNDED DEBT

$43,000 First Mortgage Gold 5s; due 1928; interest payable May and November. Authorized and issued, $75,000, of which $32,000 held in treasury. No further details.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$7,494	$7,962
Operating expenses & taxes	5,792	6,819
Net earnings	$1,702	$1,143
Bond interest	2,150	2,150
Other interest	260	318
Deficit for year	$708	$1,325

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$150,866	$150,364
Treasury bonds	32,000	32,000
Materials & supplies	422	464
Cash	4,042	3,712
Accounts receivable	1,650	1,390
Other current assets	68	273
Automobile	398	398
Corporate deficit	31,799	31,078
Total	$221,245	$219,679
Liabilities—		
Common stock	$100,000	$100,000
Funded debt	75,000	75,000
Notes payable	.....	1,800
Accounts payable	258	.....
Interest accrued	358	366
Reserve for depreciation	45,629	42,513
Total	$221,245	$219,679

Officers: E. Hope Norton, Pres., New York; Charles Bates Dana, V-P.; George F. Bearse, Sec. & Treas.; A. A. Austin, Supt., Darien, Conn.

Directors: E. Hope Norton, New York; Charles Bates Dana, George F. Bearse, Harry Parker, Henry J. Case, Darien, Conn.

General Office, Darien, Conn.

FEDERAL PUBLIC SERVICE CORPORATION

History and Business—Incorporated April 26, 1927, in Delaware. Owns 63.2% of the capital stock of Charles City Gas Company and entire capital stock of Petoskey Gas Company (see appended statements). It also owns the entire capital stock of the subsidiaries named below. Population served, approximately 88,000.

Wisconsin Southern Gas Company, serving gas to Burlington, Elkhorn, Delavan, Lake Geneva, Darien, Lyons and Springfield, Wis.

Yankton Light & Heating Company, serving gas to Yankton, So. Dakota.

Federal Public Utilities Company of Kentucky, serving gas and water to Paintsville, Ky., and gas to Salyersville and Prestonburg, Ky.

Federal Public Service Company of Iowa, serving gas to Perry, Iowa.

Gas Utilities Company (Ill.), serving gas to Robinson and Galena, Ill.

Southeastern Kentucky Utilities Company, serving gas, electric water and ice to West Liberty, Ky. and electricity to Salyersville, Ky.

Calumet Gas & Coke Company, serving gas to Calumet, Mich.

Louisa Light & Power Company, serving electricity and ice to Louisa, Ky. and electricity to Fort Gay, W. Va.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $200,000 7% cumulative Preferred of $100 par value; outstanding, 10,000 shares Common and $93,500 Preferred. Secretary of Company acts as transfer agent and registrar. Preferred stock is subject to redemption on any dividend date at 104.

Annual Meeting—Second Tuesday in February.

Dividends—On Pfd. stock payments Jan. 2 and April 2, 1928 at rate of 7%.

FUNDED DEBT

(1)

$1,200,000 FIRST LIEN GOLD BONDS, 6% SERIES OF 1927; DUE DECEMBER 1, 1947

Dated December 1, 1927.

Interest Payable June and December 1 at Chicago Trust Co., Chicago, or at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Chicago Trust Co., Chicago.

Provisions of Issue—Authorized amount, unlimited. Authorized, 6% Series of 1927, $1,450,000; issued, $1,200,000. Additional bonds may be issued in one or more series with interest rates, maturity dates, redemption and other terms and conditions not inconsistent with the trust indenture as shall be provided in an indenture supplemental thereto with respect to each series as created. All bonds issued under such indenture and all indentures supplemental thereto will be equally secured thereby and entitled to the same lien thereof irrespective of series. Additional bonds may be issued for subsequently acquired securities in amounts not exceeding 75% of the cost or fair value thereof, whichever is lower. Such securities must consist of all the bonds, if any outstandnig, and at least 51% of the voting stock of each of the subsidiary companies, and shall comprise all of the securities of each subsidiary owned by the Company. The securities shall be deposited and pledged with the Trustee, but if for any reason any bonds are not so pledged or deposited, cash or bonds of this issue otherwise issuable shall be deposited with the Trustee in lieu thereof. Additional bonds may also be issued without the deposit of additional securities when subsidiary companies make additions or betterments to their properties up to 75% of the cost thereof; and the Company may issue $250,000 additional bonds on securities owned as of Dec. 1, 1927, when earnings are twice the amount of the interest on bonds outstanding together with those applied for. No additional bonds may be issued unless the consolidated net earnings for a period of twelve consecutive months out of the next preceding fifteen months shall equal 1¾ times the annual interest on all outstanding bonds and those to be issued.

Purpose of Issue—Proceeds were used to liquidate in part indebtedness incurred in connection with the acquisition of the securities pledged under this issue and for general corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any calendar month after 60 days' notice at principal amount and accrued interest plus a premium of ½ of 1% for each year or part thereof prior to maturity, not exceeding 4%.

Sinking Fund—None provided.

Maintenance and Renewal Fund—Trust indenture provides that the Company may not issue additional bonds after Dec. 31, 1928, for extensions or betterments unless the Company has spent or caused to be spent by its subsidiaries for renewals, repairs or replacements, an amount equal to the following percentages: 8% of the gross revenue in water department; 10% of the gross revenue in gas department and 12½% of the gross revenue in electric department, provided, however, that if the amount so expended for maintenance shall fall below such amount, the amount of bonds which may be issued, shall be ratably reduced.

Security—Secured by pledge and deposit with the Trustee of all outstanding bonds of subsidiary companies, or cash or bonds of this issue equivalent to the par value of such outstanding bonds not obtainable at or below redemption price, and by similar deposit and pledge of all the capital stock (except Directors' qualifying shares) of each subsidiary with the exception of Charles City Gas Co. in which case the deposit of stock will be in excess of 63%. The trust indenture provides that the Company will create no mortgages upon the property of its subsidiaries while any of the bonds of this issue are outstanding, and that no subsidiary company shall increase its capital stock, unless the bonds secured by any such mortgages or the additional shares of such stock shall be pledged with the Trustee.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Minnesota 3 mill tax, Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, District of Columbia, Kentucky and California 5 mills tax, Michigan 5 mills exemption tax, Iowa 6 mills tax, and Massachusetts 6% income tax on interest refundable upon proper application to the Trustee within 90 days after payment; but not later

than one year after any such tax shall become due and payable.

Legal Opinion—Cassels, Potter & Bentley, Chicago.

Listed—Chicago Stock Exchange.

Original Offering—First publicly offered ($1,200,000) in Jan., 1928, at par and interest by Hoagland, Allum & Co., Inc., J. A. Ritchie & Co., Inc., New York, etc., and Bartlett & Gordon, Inc., Chicago, etc.

(2)

$423,000 ONE-YEAR 6% GOLD NOTES; DUE IN VARYING AMOUNTS JUNE 1, 1928, AUGUST 1, 1928 AND OCTOBER 1, 1928.

(No Further Details Available)

CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES, YEAR ENDED DECEMBER 31, 1927

(Federal Public Service Corporation and Subsidiaries during present and prior ownership of properties)

Operating revenues	$356,172
Operating expenses, taxes, etc.	211,413
Net operating income	$144,759
Non-operating income	1,254
Total income available for depreciation, depletion, debt interest & amortization & income taxes.	$146,013

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$2,162,689
Materials and supplies	57,752
Cash	28,978
Special deposits	10,000
Accounts receivable	71,959
Other current assets	1,100
Deferred debit items	110,785
Total	$2,443,263
Liabilities—	
Common stock	$50,000
Preferred stock	93,500
Funded debt—parent company	1,200,000
Funded debt—subsidiaries	*39,000
One-Year Gold Notes	428,000
Accounts payable	115,276
Interest & taxes accrued	25,472
Other accrued items	17,876
Construction deposits	8,245
Reserve for depreciation	205,726
Minority interest in capital stock and surplus of subsidiary	87,877
Profit and loss surplus	172,291
Total	$2,443,263

*Retired since Dec. 31, 1927.

Officers: Byron T. Gifford, Pres.; Robert D. Gordon, V-P.; Burton French, V-P.; Harold Beyer, Sec.; E. A. Koerner, Treas.; G. A. Metzger, Compt.; F. C. Boegershausen, Gen. Mgr., Chicago, Ill.

Directors: Byron T. Gifford, Robert D. Gordon, Henry A. Engel, Harold L. Beyer, Harry C. Champlin, James F. Atkins, John Baxter, Chicago, Ill.; Henry Gund, Jr., LaCrosse, Wis.

General Office, 22 W. Monroe St., Chicago, Ill. **Corporate Office,** Wilmington, Del.

CHARLES CITY GAS COMPANY

(Controlled by Federal Public Service Corporation)

History and Business—Incorporated in May, 1909, in Iowa. Furnishes gas to Charles City, Iowa.

CAPITAL STOCK

Authorized, $120,000; outstanding, $100,000, of which 63.2% is owned by Federal Public Service Corp.

FUNDED DEBT

$39,000 FIRST 5s, DUE SEPTEMBER 1, 1929 BUT RETIRED FEB. 1, 1928

Officer: Byron T. Gifford, Pres.

General Office, 22 W. Monroe St., Chicago, Ill.

Operating Office, Charles City, Iowa.

PETOSKEY GAS COMPANY

(Controlled by Federal Public Service Corporation)

History—Incorporated April 1, 1925, in Mich.; absorbed Petoskey & Bay Shore Gas Co. which in turn was successor to Petoskey, Bay View & Northern Gas Co. Population served, 6,000 in winter and 15,000 in summer. Sales in 1927, 26,165,300 cu. ft. Miles of mains, 10.7. No. of meters, 1,030. Prices $1.75 gross; $1.70 net.

CAPITAL STOCK

Authorized and outstanding, $25,000, par $10. All owned by Federal Public Service Corporation. Annual meeting, third Monday in January.

FUNDED DEBT

$77,000 Petoskey & Bay Shore Gas Co. First Mortgage 5% Bonds; dated Dec. 1, 1905; **due Dec. 1, 1945;** int. June and Dec. 1, at Michigan Trust Co., Grand Rapids. Coupon, $1,000; principal may be registered. Authorized, $200,000 of which $77,000 were outstanding April 15, 1928. Trustee: Michigan Trust Co., Grand Rapids. A first lien on entire property now owned or hereafter acquired. Company does not pay Normal Federal Income Tax.

Officers: Byron T. Gifford, Pres.; Robert D. Gordon, V-P.; E. A. Koerner, Treas.; Harold L. Beyer, Sec.; G. A. Metzger, Compt., Chicago, Ill.; N. W. Wells, Gen. Mgr., Petoskey, Mich.

Directors: Byron T. Gifford, Robert D. Gordon, Harold L. Beyer.

General Office, 22 W. Monroe St., Chicago, Ill. **Operating Office,** Petoskey, Mich.

McHENRY COUNTY LIGHT AND POWER COMPANY

History—Incorporated in Illinois. Serves electricity to Richmond, Hebron, Alden and Big Foot, Ill., having a population of about 1,700. No. of electric meters, 747; miles of distribution lines, 24; annual sales, about 400,000 k.w.h. Prices: Commercial lighting, 16c, 14c and 8c; power, 8½c, 6½c and 4c.

CAPITAL STOCK

Outstanding, $6,000. All owned or controlled by A. L. Gardner, Jr., Chicago. Annual meeting, third Tuesday in January.

FUNDED DEBT

$35,000 FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1943

Dated July 1, 1918.

Interest Payable January and July 1, at Central Trust Company of Illinois, Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Trust Company of Illinois, Chicago.

Provisions of Issue—Authorized, $100,000.

Callability—Subject to call at par on 30 days' notice.

Security—Secured by a first lien on all property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$36,230	$28,743	$25,679
Operating exp. and taxes	30,153	21,011	16,916
Net earnings	$6,077	$7,732	$8,763
Bond interest	2,100	2,100	2,100
Other charges	396	713	1,001
Total charges	$2,496	$2,813	$3,101
Surplus for year	$3,581	$4,919	$5,662

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$104,477	$78,931	$65.414
Cash	3,583	1,010	868
Accounts receivable	916	1,561	592
Materials & supplies	1,648	1,205	.....
Other current assets	326	307	.....
Deferred debit items	6,213	6,676	7,372
Total	$117,163	$89,690	$74,246
Liabilities—			
Common stock	$6,000	$6,000	$6,000
Funded debt	35,000	35,000	35,000
Accounts payable	33,986	14,195	11,615
Reserve for taxes	1,376	1,030	679
Reserve for depreciation	6,338	2,846	2,193
Deferred credits	955	542	302
Profit and loss surplus	33,508	30,077	18,458
Total	$117,163	$89,690	$74,246

Officers: Addison L. Gardner, Jr., Pres.; Roger L. Foote, V-P.; Walter M. Fowler, Sec. & Treas., Chicago; H. M. Ober, Supt., Richmond, Ill.

Directors: Addison L. Gardner, Jr., Roger L. Foote, William A. Morrow, Chicago, Ill.

General Office, 134 South La Salle St., Chicago, Illinois.

SAXON PUBLIC WORKS, INC.

(Aktiengesellschaft Sachsische Werke)

History and Property—Organized in November, 1923, under the laws of the German Reich and the Free State of Saxony. Company is primarily engaged in the generation of electric energy through steam power plants, and its transmission and distribution throughout the whole of the Free State of Saxony, Germany, and adjoining parts of Silesia and Thuringia, covering an aggregate area of 6,950 sq. miles. The territory served has a total population of over 5,000,000, and includes Dresden, with a population of about 611,000, and Leipzig, with a population of 680,000. In 1926 the Company acquired the stock of the Electric Power Works of West Saxony (Kraftwerke Westsaschen Aktiengesellschaft) and the properties of the two electric generating and distributing systems in Olbersdorf and Lichtenberg. The electric power stations now in operation have an aggregate capacity of over 194,000 h.p., and in addition, generating units of 133,000 h.p. are being installed. The stations include two at Hirschfelde, in eastern Saxony, with a combined capacity of 114,000 h.p., now being increased to 144,000 h.p. and a new power station at Bohlen, in western Saxony, with an installed capacity of over 110,000 h.p. The water-power plants of the Company now in operation, or under construction have an aggregate capacity of over 15,000 h.p. After the new units now being installed are in operation, the aggregate capacity of the generating stations will be 327,000 h.p. The transmission systems comprise high tension transformer stations with an aggregate capacity of 440,000 kva. (exclusive of 200,000 kva. now being built) and 1,782 miles of single and double circuit three phase high tension lines, including over 265 miles of 100,000 volt lines of steel tower construction.

The Company's coal fields cover an aggregate area of approximately 83,000 acres. Most of this coal is of the so-called "brown coal" or lignite character, which is mined at very low cost through a system of open surface workings which permits the use of continuous bucket-dredging and other labor saving machinery. The average depth of surface-stripping before reaching the coal deposit is only 25 to 50 feet, below which the coal strata extend for a further depth of 60 to 180 feet. Consequently, the coal can be delivered to the Company's adjacent electric generating stations at an extremely low cost per unit of heating value.

The output of brown coal from the mines now owned by the Company has increased from 676,000 tons (of 2,000 pounds each) in 1917 to over 2,000,000 tons in 1925. Over two-thirds of the output is used in the Company's power plants, and the balance is either sold to industrial customers in its raw state or is compressed into briquettes in the Company's modern plants and retailed to customers in the surrounding territory. Through over 1,900 borings, the Company's brown coal reserves have been reliably established by independent experts at over 3,700,000,000 tons, of which over 3,200,000,000 tons can be mined by the above described method of open workings.

ELECTRIC CURRENT DELIVERED, YEARS ENDED DEC. 31

	Current Delivered (Kilowatt-Hours)
1919	60,846,639
1920	77,230,933
1921	144,431,333
1922	243,249,296
1923	292,134,244
1924	356,681,574
1925	486,681,704
1926	528,837,758

CAPITAL STOCK

Outstanding 20,000 shares Series "A" of 1,000 gold marks each, 20,000 shares Series "B" of 1,000 gold marks each, and 60,000 shares Series "C" of 1,000 gold marks each. All owned by the Free State of Saxony.

FUNDED DEBT

(1)

$15,000,000 FIRST MORTGAGE 20-YEAR SINKING FUND 7% GUARANTEED EXTERNAL LOAN GOLD BONDS; DUE FEBRUARY 1, 1945

Dated February 2, 1925.

Interest Payable February and August 1, at National City Bank of New York, in U. S. gold coin.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—National City Bank of New York.

Provisions of Issue—Authorized and issued, $15,000,000; issued to defray the major portion of the cost of erection of a new 100,000 kilowatt power plant at Bohlen, necessary extensions to the transmission and distributing facilities, a new briquette factory adjacent to Company's coal fields, or to fund debts incurred in connection with this construction program.

Callability—Subject to call as a whole on Feb. 1, 1930, or on any interest date thereafter prior to Feb. 1, 1935, at 105 and interest, and on Feb. 1, 1935, or any interest date thereafter at par and interest.

Sinking Fund—Beginning Aug. 1, 1935, a sinking fund will operate to retire semi-annually one-twentieth of the principal amount of bonds of this issue outstanding on Feb. 1, 1935, either by delivery to the Trustee of bonds by Company or by redemption thereof by lot at par and interest.

Security—Secured by a direct first mortgage on substantially all of the real property of Company, now owned or hereafter acquired with the proceeds of the bonds, including the electric power plants and coal mining rights, subject, as to certain relatively small portions of the Company's real estate, to existing liens aggregating only about $166,667.

Relation to Dawes Plan—Inasmuch as all of the stock of Company is owned by the State of Saxony, Company is not required to issue either negotiable or non-negotiable debentures under the so-called "Dawes Plan," but is required to make certain annual payments, the amount of which, it is believed, will not exceed $74,000 per annum.

Tax Provisions—Interest is payable without deduction for any past, present or future taxes or duties levied by or within the German Reich or the Free State of Saxony. Company does not assume U. S. Federal Income Tax.

Legal Opinion—Shearman & Sterling, New York City and German counsel.

Original Offering—First publicly offered ($15,000,000) in February, 1925, at 92 and interest, to yield about 7.80%, by The National City Co., New York, etc.

Guaranty—Bonds are unconditionally guaranteed as to principal and interest by endorsement by the Free State of Saxony.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	104	110	94¼
Low	99	92¾	90½

(2)

$15,000,000 GENERAL AND REFUNDING MORTGAGE GUARANTEED GOLD BONDS, 6½% SERIES DUE 1951; DUE MAY 1, 1951

Dated May 1, 1926.

Interest Payable May and November 1 in New York City, in United States gold coin of the present standard of weight and fineness at The National City Bank of New York, or at the option of the holders, either in London, England, in pounds sterling, at the City Office of The National City Bank of New York; or in

Amsterdam, Netherlands, in guilders, at Nederlandsche Handel-Maatschappij, Mendelssohn & Co. or Pierson & Co. in each case at the then current buying rate for sight exchange on New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The National City Bank of New York. Deutsche Bank, Berlin, Co-Trustee.

Provisions of Issue—Authorized, $50,000,000; issued, $15,000,000 6½% Series due 1951. Additional bonds may be issued in series, from time to time, having such rates of interest, maturities, sinking funds and other provisions, and payable in such places and in such currencies, as may be determined by the Company, subject to the restrictive provisions of the Indenture. Of such additional bonds (1) not exceeding $15,000,000 principal amount, may be issued in principal amounts equal to and for the acquisition or retirement of a like face amount of the existing First Mortgage Bonds of the Company, and (2) not exceeding $20,000,000 principal amount may be issued for not more than 50% of the cost of fixed property of the Company or its constituent companies (or, under certain conditions, for the cost of stocks of a Constitutent Company owning fixed property), acquired after May 1, 1926, which fixed property shall be mortgaged as security for the General and Refunding Mortgage Guaranteed Gold bonds, provided, net earnings after operating expenses, maintenance and taxes for 12 consecutive calendar months shall have been not less than twice the sum of the annual interest charges on all underlying bonds outstanding in the hands of the public and all General and Refunding Mortgage Guaranteed Gold bonds outstanding and then proposed to be issued and the maximum annual fixed charges on any Industrial Debentures.

Purpose of Issue—Proceeds were used to reimburse the Company in part for expenditures in connection with the construction of new generating stations of large capacity and the acquisition of electric power and distribution properties, and, in addition, to permit the further expansion of the Company's distribution system required by the continuing rapid increase in demands for electric energy through the State of Saxony.

Callability—Subject to call as a whole or in part, either at the option of the Company or for the sinking fund, on any interest date on 30 days' notice at 100.

Sinking Fund—Indenture provides for a sinking fund with respect to each new series of bonds, requiring semi-annual payments in amounts sufficient to retire by equal installments during the last three-quarters of the period intervening between the date and the maturity of such bonds, not less than one-half of the aggregate principal amount of bonds of such series issued. As a sinking fund for the bonds of the 6½% Series due 1951, sinking fund requires semi-annual payments to the Trustee in each of the years 1930 to 1939, inclusive, equal in each case of 1¼% of the aggregate principal amount of such bonds issued, and in each of the years 1940 to 1950, inclusive, equal in each case to 1¾% of such aggregate principal amount. Such moneys shall be applied toward the purchase or redemption and cancellation of bonds of the 6½% Series due 1951.

Security—Bonds are the direct obligation of the Company and are secured by direct mortgages on the operating properties of the Company and the Electric Power Works of West Saxony, subject only to the charges securing not more than $825,000 Industrial Debentures issued under the "Dawes Plan" and to closed mortgages on the property of the Company securing $15,442,501 of indebtedness, including $15,000,000 of the Company's First Mortgage 20-year 7% Guaranteed External Loan bonds, due Feb. 1, 1945, similarly guaranteed by the Free State of Saxony.

Guaranty—Unconditionally guaranteed as to principal and interest by endorsement on each bond by the Free State of Saxony.

Tax Provisions—Free from any past, present or future taxes or duties levied by or within the German Reich or any of its component States.

Legal Opinion—Shearman & Sterling, New York, and Dr. Ernst Wolff, Berlin, Germany.

Original Offering—First publicly offered ($11,000,000) in July, 1926 at 91½ and interest, yielding 7.24% by National City Co. and Lee, Higginson & Co., New York, etc. $4,000,000 were offered in various European markets, including $2,000,000 placed in the Netherlands by an Amsterdam group composed of Nederlandsche Handel-Maatschappij, Mendelssohn & Co. and Pierson & Co.

Listed—New York Stock Exchange.

Price Range—

	1927	1926
High	99½	97¾
Low	93¼	91¼

STATEMENT OF EARNINGS AND EXPENSES, YEAR ENDED DECEMBER 31, 1926

(Not comparable with those of prior years—see following table)

Gross earnings, including other income	$9,681,971
Operating expenses, maintenance & taxes	5,268,960
Net earnings	$4,413,011
Interest	1,205,767
Loan discount	722,792
Reserve for replacements	1,579,812
Miscellaneous	259,633
Total deductions	$3,768,004
Balance	$645,007

NOTE—Conversion at the rate of 4.2 marks to the dollar.

CONSOLIDATED SUMMARY OF INCOME & PROFIT & LOSS, YEARS ENDED DECEMBER 31

(Saxon Public Works, Inc. and Electric Power Works of West Saxony)

	1925	1924
Operating revenue	$8,748,940	$6,985,871
Other income credits	418,622	174,813
Oper. revenue and other income	$9,167,562	$7,160,684
Oper. expenses (exclusive of depletion and depreciation)	4,805,768	3,939,175
Income charges (exclusive of interest, amortization of bond discount and expense and taxes based on income)	288,223	121,042
Net income	$4,073,571	$3,100,467
Deduct:		
Interest—net	$411,663	$238,749
Provision for interest payable under Industrial Obligations Law (Dawes Plan)	5,914	.....
Depletion of coal deposits	103,453	82,633
Provision for depreciation	1,585,268	1,215,170
Taxes based on income	104,528	101,642
Total	$2,210,826	$1,638,194
Net income (before amortization of bond discount and expense)	$1,862,745	$1,462,273
Profit and loss credits:		
Withdrawals from reserves	13,986	17,381
Reversal of provisions for reserves	59,117	7,607
Sundry credits	.....	1,596
Gross surplus for the year	$1,935,848	$1,488,857
Profit and loss charges:		
Bond discount and expense charged off	707,081	56,156
Sundry charges, incl. general reserves, etc	285,837	98,801
Surplus of the Aktiengesellschaft Saechsische Werke for the first 3 mos. of 1924, absorbed in the revaluation of assets and liabilities and reserves for the opening gold mark balance sheet as of April 1, 1924	.....	560,756
Surplus for year (before charging dividends)	$842,930	$773,144
Dividends paid	670,286	.....
Surplus for year	$172,644	$773,144
Surplus at beginning of year	773,144	.....
Surplus at end of year	$945,788	$773,144

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1926	1925
Property, plants & equipment	$69,836,328	$57,869,934
Investments in subsid. cos. (incl. advs.)	1,975,676	1,773,426
Due on capital stock	10,714,286	.....
Cash	3,355,283	763,306
Special cash deposits to redeem bond coupons, etc.	179,839	722,352
Accounts receivable	2,285,906	1,936,276
Inventories	1,839,695	1,777,543
Bond discount & expense	2,889,986	1,500,000
Prepaid operating expenses		38,915
Total	$93,076,999	$66,381,752
Liabilities—		
Capital stock	$23,809,524	$9,523,810
Funded debt	30,000,000	15,000,000
Deferred liabilities	6,776,678	7,064,769
Due to other subsidiary cos.	472,368	1,297,560
Accounts payable	1,998,656	2,460,873
Other current liabilities	1,781,360	1,699,437
Reserve for renewals & replacements	13,452,381	12,346,081
General reserves	14,117,727	14,437,558
Excess of par value of the capital stock of Electric Power works of West Saxony over the value on books of Saxon Public Works	.....	1,605,876
Surplus	668,305	945,788
Total	$93,076,999	$66,381,752

NOTE—Conversion at the rate of 4.2 marks to the dollar.

Officers (Vorstand): Richard Hille, Hermann Muller, Friedrich Wohrle, Dresden. Substitutes: Robert Albert, Georg Dauberschmidt, Dr. Erich Forster, Alfred Rachel, Georg Riedel, Paul Weidner, Dresden; Heinrich Hartung, Zauckerode; Hanno Zeuner, Wachwitz, bei Dresden.

Office, Dresden, Germany.

HOME TELEPHONE COMPANY OF COVINA

History—Incorporated Aug. 21, 1902, in Cal. Operates local telephone exchanges in Azusa, Baldwin Park, Covina, Glendora and Puente, Los Angeles County, Cal. Franchises expire: Covina City, 1952; Azusa City, 1934; Glendora City, 1962; Los Angeles Co., 1933. No. of 'phones in use, 3,248: Miles of wire —pole, 10,950; underground, 600. Prices: $24, $36, $39 and $48; $3 per year additional for desk phone.

CAPITAL STOCK

Authorized, $300,000 Common and $300,000 7% cumulative Pfd.; outstanding, $157,700 Common and $97,800 Pfd.; par, $100.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends. It is subject to redemption at any time after two years from date of issue at par and accrued dividends plus a premium of 6% if redeemed within the first ten years from date of issue, and if redeemed thereafter, the premium to be paid shall decrease ¼ of 1% each year. Pfd. stock is entitled to par in the event of voluntary or involuntary liquidation.

Annual Meeting—First Monday in February.

Dividends—Pfd. dividends regularly paid quarterly beginning in 1926. On Common stock dividends have been paid as follows: 1903 to 1909, incl., 8% each year in stock; 1910, 1911 and 1912, 6% each; 1913 to 1917, incl., 8% each; 1918, 2%; 1919, none; 1920, 12%; 1921 to 1924, inclusive, 8%; 1925, 6%; 1926, 8½%. In addition, there was paid in 1924 a dividend amounting to $9,245, being deferred dividends for 1918-1919 of $5 per share. Payments on Common, J, A, J & O 15, at Covina, Cal.

FUNDED DEBT

$175,100 First Mortgage Refunding Gold 6% Bonds; dated July 1, 1913; due July 1, 1943; int. Jan. and July 1, at First National Bank of Covina, Cal. Coupon, $100, $500 and $1,000; principal may be registered. Title Insurance & Trust Co., Los Angeles, Cal., Trustee. Authorized and issued, $200,000, of which $24,900 retired. Subject to call at 105 and interest. Sinking fund, 2% of outstanding bonds annually. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

$105,000 General & Refunding Gold 6s; dated Sept. 1, 1923; due Sept. 1, 1953; int. Sept. and March 1, at First National Bank of Covina, Cal. Coupon, $500 and $1,000; principal may be registered. Title Insurance and Trust Co., Los Angeles, Cal., Trustee. Authorized, $600,000. Sinking fund, 2% of outstanding bonds annually, after Sept. 1, 1928. A lien on entire property, subject to the above described prior lien. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Assets—	1927	1926	1925
Gross earnings	$101,743	$93,654	$82,312
Operating exp. & taxes	49,878	45,941	40,456
Depreciation	12,720	12,520	10,140
Net earnings	$39,145	$35,193	$31,716
Other income	16	9	587
Total income	$39,161	$35,202	$32,303
Bond interest	16,091	15,643	14,599
Other charges	4,218	4,018	4,702
Total charges	$20,309	$19,661	$19,301
Balance for dividends	$18,852	$15,541	$13,002
Pfd. dividends paid	5,435	2,565	.....
Common dividends paid	11,066	*10,066	7,092
Surplus for year	$2,351	$2,910	$5,910

*Includes Common dividends of $1,182 in 1926, being deferred dividends for 1918-19.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total fixed capital	$547,681	$502,016	$460,968
Cash	9,475	15,026	3,567
Accounts, etc., receivable	6,975	5,311	4,455
Materials and supplies	32,274	20,731	13,170
Sinking fund assets	424	407	100
Prepaid accounts	2,055	858	1,203
Unamortized debt discount & expense	30,432	30,308	29,084
Total	$629,316	$574,657	$512,546
Liabilities—			
Preferred stock	$97,800	$57,100	.....
Common stock	157,700	122,200	$118,200
Premium on capital stock	1,975	200	.....
Funded debt	280,100	263,300	261,000
Bills payable	.....	30,000	39,750
Vouchers and payroll	27,790	23,060	21,769
Subscribers' deposits	1,037	909	773
Service billed in advance	159	186	169
Other current liabilities	.....	.....	497
Int. & taxes accrued	4,730	4,174	3,348
Depreciation reserve	30,762	48,617	44,977
Surplus invested in sinking funds	25,180	21,980	19,280
Corporate surplus	2,083	2,931	2,783
Total	$629,316	$574,657	$512,546

Officers: J. O. Houser, Pres.; H. Damerel, V-P., Covina, Cal.; Mrs. L. M. La Fetra, V-P., Altadena, Cal.; H. M. Houser, Treas.; F. H. Wright, Sec., Gen. Mgr. & Pur. Agt. Covina, Cal.

Directors: J. O. Houser, C. S. Beardsley, H. M. Houser, J. R. Elliott, J. H. Coolman, H. Damerel, Covina, Cal.; Mrs. L. M. La Fetra, Altadena, Cal.; C. E. Needham, Glendora, Cal.; C. A. Griffith, Azusa, Cal.

General Office, Covina, Cal.

COMMONWEALTH TELEPHONE COMPANY

History and Business—Incorporated in 1927 as a consolidation of Shirley Telephone Co., Perkinsville & Lapel Rural Telephone Co., Spiceland Co-Operative Telephone Co., Lewisville Telephone Co., Raleigh Telephone Co., Mooreland Telephone Co., Windfall Telephone Co., Cicero Telephone Co. and White Star Telephone Co. Company owns and operates without competition telephone properties located in the following towns: Cicero, Westfield, Windfall, Mooreland, Lewisville, Mays, Jolietville, Spiceland, Raleigh, Perkinsville and Shirley, Indiana. Company operates eleven exchanges and approximately 2,700 stations.

Population of the territory served is in excess of 5,800. Operates toll lines. Company's lines interconnect with the Bell System.

CAPITAL STOCK

Authorized, $300,000; outstanding, $114,000.

FUNDED DEBT

$170,000 FIRST MORTGAGE 6% GOLD BONDS; DUE ON JANUARY 1 AS FOLLOWS: 1929, $3,000; 1930, $4,000; 1931 TO 1937, $5,000 EACH; 1938 TO 1945, $8,000 EACH; 1946 AND 1947, $10,000 EACH; 1948, $44,000

Dated October 1, 1927.

Interest Payable January and July 1 at The Peoples State Bank, Indianapolis, Ind.

Denomination—Coupon, $500.

Trustees—The Peoples State Bank, Indianapolis, Ind.

Provisions of Issue—Authorized, $500,000; issued, $170,000. Additional bonds may be issued at any time within three years from date of issue, but not to exceed 60% of the value of new properties acquired as found by the Public Service Commission of Indiana and only when net earnings are 1¾ times interest charges.

Callability—Subject to call as a whole or in part on any interest date after Jan. 1, 1930 at 101 and accrued interest until Jan. 1, 1938; thereafter at par.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on all the real and physical property of the Company now owned or hereafter acquired. The fair value of these properties as fixed by the Indiana P. S. Commission is $284,000.

Legal Opinion—Carl H. Mote and L. Chester Loughry (for the Company) and L. Roy Zapf (for the Bankers).

Original Offering—First publicly offered ($170,000) in Oct., 1927, at par and interest by The Peoples State Bank, Indianapolis, Ind.

EARNINGS, YEAR ENDED DECEMBER 31, 1926
(Of Acquired Properties)

Gross income	$56,600
Operating exp., maintenance & taxes	36,000
Net earnings available for interest, depreciation and Federal taxes	$20,600
Annual interest charges	10,020

Officer: William W. Thomas, Pres.

General Office, Shirley, Ind.

HUDSON & MANHATTAN RAILROAD COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
5% non-cumulative Pfd. (par, $100)	F & A 15	$10,000,000	$5,242,939	$2,137,882	5%	$262,083	$40.77
Common (par $100)	J & D 1	*40,000,000	39,995,385	1,875,799	2½%	999,803	4.69

*Increased to $50,000,000 April 11, 1928.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Hud. & Man. R.R. Adjust. Income 5s	Feb. 1, 1957	A & O 1	$33,574,000	$33,102,000	No	Yes	Paid by Co.
Hud. & Man. R.R. First Lien & Ref. 5s	Feb. 1, 1957	F & A 1	65,000,000	37,521,234	No	Yes	Paid by Co.
Hud. & Man. R.R. First 4½s	Feb. 1, 1957	F & A 1	*944,000	944,000	Yes	No	Paid by Co.
New York & New Jersey First 5s	Feb. 1, 1932	F & A 1	5,000,000	5,000,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $76,567,234.
Amount Available for Interest in 1927, $5,961,517.
Interest Accrued in 1927, $3,823,635.
Times Interest Earned in 1927, 1.56.

* Balance of issue ($66,204,000) is deposited with the Trustees of the First Lien and Refunding Mortgage and the Adjustment Income Mortgage in accordance with the terms thereof.

History—Incorporated Dec. 5, 1906, in New York and New Jersey; consolidation of the Hoboken & Manhattan R. R. Co. (of N. J.), the New York & Jersey R. R. Co. (of N. Y.) and the Hudson & Manhattan R. R. Co. (of N. Y.) The period of the existence of the corporation is unlimited. By virtue of such consolidation the company owns and operates a double-tube tunnel system extending from the Hudson Terminal at Cortlandt and Church Sts., New York, under the Hudson River to the Pennsylvania Station, Jersey City, thence making connections with the Erie Station, at Pavonia Ave. and continuing to the Hoboken Terminal, adjoining the Delaware, Lackawanna & Western R. R. station. About midway between the Erie and Lackawanna Terminals, connection is made with a second pair of tunnels under the Hudson River to Christopher St., whence the line proceeds via Sixth Ave. to Thirty-third St., New York. Operations were begun from Nineteenth St. and Sixth Ave., New York, to D. L. & W. Terminal on Feb. 26, 1908. On July 19, 1909, train service was commenced between the Hudson Terminal and the Pennsylvania station at Jersey City and on Aug. 2, 1909, the service was extended to the Erie Terminal at Pavonia Ave., and to the D. L. & W. station at Hoboken.

In Sept., 1910, the station at Henderson and Grove Streets, Jersey City, was opened, and in Nov. of same year the extension from 23rd St. and 6th Ave. to Broadway and 33rd St. was completed and put in operation. The car-storage yard and repair shops at Henderson St. and Railroad Ave., Jersey City, were completed in the fall of 1910. Joint rapid transit service, in connection with the Pennsylvania R. R. Co., was put in operation through the Manhattan Transfer on Oct. 1, 1911, and on Nov. 26, 1911, the Newark Extension was opened for traffic, the terminus being located at Park Place, in the heart of the business and shopping district of Newark. The Hudson Terminal has thus become the downtown terminal of the Pennsylvania RR. and Lehigh Valley RR., with connection for through traffic at the Manhattan Transfer, just east of Newark. The Pennsylvania RR. and the Lehigh Valley RR. have established ticket offices at Hudson Terminal and their tickets are valid on the Hudson & Manhattan Railroad to or from their connecting trains at the Jersey City Terminal of the Pennsylvania Railroad or at Manhattan Transfer.

In addition to its railroad Company is the owner of the Hudson Terminal Buildings, which are twin office buildings facing on Church Street and extending for two blocks from Cortlandt to Fulton Streets and from which substantial real estate rental revenues are derived. The Company also owns a large portion of the block of real estate bounded by Christopher, Greenwich, Hudson, and West Tenth Streets, New York, N. Y., part of which is occupied by the Company's sub-station No. 1, and from the remainder rent revenues are derived.

Power Supply—An agreement was entered into Jan. 5, 1920, with the New York Edison Co., under which, for a term of years, the Edison Co. will take over and operate the power plant and supply electric power either from the Hudson & Manhattan R. R. Co.'s plant or from their own plants, on a scale of charges based on varying prices of fuel. Under terms of the agreement the Company is assured an adequate and practically uninterrupted power supply.

Mileage in Operation and Equipment—Dec. 31, 1926—Miles of track: In New York (main lines, 6.317 miles; sidings and crossovers, 0.774 mile), 7.091 miles; in New Jersey (main lines, 10.694 miles; sidings and crossovers, 0.323 mile; car yard and approach, 1.920 miles), 12.937 miles—total track, 20.028 miles. Miles

of road: In New York, 3.147; in New Jersey, 5.352—total, 8.499 miles. Car equipment: 305 steel passenger cars with motors; 4 flat cars; 1 steel derrick car with motor—total 310 cars.

CAPITAL STOCK

Authorized, $50,000,000 (increased from $40,000,000 April 11, 1928) Common and $10,000,000 5% non-cumulative Preferred; outstanding, $39,995,385 Common and $5,242,939 Pfd.; par, $100. Of the unissued stock $4,565 Common and $7,061 Pfd. are reserved to be issued in exchange for Com. and Pfd. stock of the New York & New Jersey R.R. Co. and $4,750,000 Pfd. and $50 Com. may be issued for other purposes. Pfd. stock has priority as to dividends and assets and its convertible into Common at 110.

Preferred Stock Provisions—Has preference for assets up to par, and to 5% non-cumulative dividends, and is convertible at any time (since July 1, 1911) into Com. stock at $110 per share. Also has equal voting power with Com., one vote for each share.

Transfer Agent (Both Classes)—United States Mortgage & Trust Co., New York.

Registrar (Both Classes)—Guaranty Trust Co. of New York.

Annual Meeting—Second Wednesday in April at Jersey City, N. J.

Listed (Both Classes)—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
Preferred—						
High	90½	80	72	64⅞	*50	*45
Low	78	67¾	64½	57¼	*43	*25
Common—						
High	65⅞	41½	38⅜	29¼	*13¼	*15⅞
Low	40½	34⅝	21¾	20⅝	*8	*3¾

*New York Curb Market.

Dividends—Initial semi-annual dividends of 2½% was paid on Pfd. stock Aug. 15, 1923, which semi-annual rate maintained to date; payments Feb. and Aug. 15. On Common, initial dividend of 1¼% was paid June 1, 1925, and at same rate semi-annually since; payments J & D 1.

FUNDED DEBT

(Arranged in order of Mortgage priority)

(1) New York & Jersey RR. First Gold 5s..Due Feb. 1, 1932
(2) Hudson & Manhattan RR. First Gold 4½s ..... " Feb 1, 1957
(3) Hudson & Manhattan R. R. First Lien & Ref. Gold 5s, Series "A"..... " Feb. 1, 1957
(4) Hudson & Manhattan R. R. Adjustment Income 5s ..... " Feb. 1, 1957

(1)

$5,000,000 NEW YORK & JERSEY R. R. FIRST GOLD 5s; DUE FEBRUARY 1, 1932

Dated February 1, 1902.

Interest Payable February and August 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—United States Mortgage & Trust Co., New York.

Provision of Issue—Authorized and outstanding, $5,000,000.

Callability—Subject to call on any interest date at 110 and interest.

Sinking Fund—None.

Security—A first lien on all and singular the company's tunnels, and lines of railway constructed or in the course of construction, generally known as the uptown river tunnels, extending from the foot of 15th St. in Jersey City to the intersection of Christopher and Greenwich Sts. in New York City, including all sidings, branches, rights of way, stations, power houses and other buildings, structures, and terminal facilities, and all leaseholds, equipment and all other personal property, rights, privileges and franchises of every kind and description acquired for use upon or in connection with the said uptown river tunnels. The mortgage provides in the event of consolidation or merger that the successor corporation shall be bound to keep an amount of rolling stock subject to its lien equal to an amount so subject at the date thereof or at the date of any such consolidation or merger.

Assumed—Assumed by Hudson & Manhattan R. R. Co. by Agreement of Consolidation, dated Dec. 6, 1906.

Provision for Retirement—Provision is made in the First Lien and Refunding Mortgage, dated Feb. 1, 1913, under which bonds of that issue are reserved to redeem the outstanding New York & Jersey R. R. 5s at 115.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101⅝	101½	101	101	98⅞	100	92	78
Low	100¼	100⅜	99⅝	96½	94¾	92	82	73

(2)

$944,000 (CLOSED MORTGAGE) HUDSON & MANHATTAN R. R. CO. FIRST GOLD 4½s; DUE FEBRUARY 1, 1957

Dated February 1, 1907.

Interest Payable February and August 1, at The Chase National Bank, New York.

Denominations—Coupon, $1,000; and registered, $1,000, $5,000 and $10,000; coupon bonds may be registered as to principal or exchanged for fully registered bonds; registered bonds may be re-exchanged for coupon bonds.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Mortgage closed. Bonds to the amount of $67,148,000 have been issued, of which $66,204,000 are pledged as collateral security to the First Lien and Refunding Mortgage and the Adjustment Income Mortgage described below, leaving $944,000 outstanding in hands of the public.

Callability—Not subject to call.

Sinking Fund—None.

Convertibility—Convertible on any interest date at par, into Com. stock at $110 per share.

Security—A first lien on entire property, equipment, etc., subject only to $5,000,000 New York & Jersey R. R. Co. First 5s on a portion of the property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$37,521,233.66 HUDSON & MANHATTAN R. R. CO. FIRST LIEN & REFUNDING MORTGAGE GOLD 5s; SERIES "A"; DUE FEBRUARY 1, 1957

Dated February 1, 1913.

Interest Payable, February and August 1 at The Chase National Bank, New York, or at option of the holder, in Sterling money at the fixed rate of exchange of $4.86½ to the pound Sterling at office or agency of company in London, Eng.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000, and registered $500 and such multiples of $500 as the Board of Directors shall from time to time authorize. Coupon bonds in the denominations of $500 and $1,000 are interchangeable with registered bonds. $100 coupon bonds are interchangeable with coupon bonds for $1,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $65,000,000; issued and outstanding, $37,521,233.66. Unissued bonds are reserved to refund $5,000,000 New York & New Jersey R. R. First 5s, and $75,000 real estate mortgages; balance, for additions, betterments, equipments and extensions (which extensions must be free from prior incumbrance), provided that no bonds shall be issued for such extensions of the company's lines of railroad, unless the net income of the company for the last preceding calendar year shall be 1½ times the annual interest upon the new first mortgage bonds outstanding and to be issued; also to an amount not to exceed $6,000,000 for an extension of the company's line to the Grand Central R. R. Station (which extensions must be free from prior incumbrances). Bonds subsequently issued shall not bear interest at a rate higher

than 5%, and may be redeemable at any price that may be specified in the bonds.

Callability—Subject to call in whole or in part at 105 and int. on any int. date on 90 days' published notice. All redeemed bonds are to be cancelled.

Sinking Fund—None.

Security—Secured, subject only to existing liens, upon the property covered by the present first mortgage and upon the equity in the additional real estate to be acquired, or by such mortgage and by the pledge of the bonds secured by the present first mortgage; additionally secured by pledge of $66,204,000 First Mortgage 4½% bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102¾	98⅝	94	88	84⅞	88½	76⅜	63½
Low	98	92½	86½	80¾	76⅞	75	59	53½

(4)

$33,102,000 HUDSON & MANHATTAN R. R. CO. ADJUSTMENT MORTGAGE INCOME 5s; DUE FEBRUARY 1, 1957

Dated February 1, 1913.

Interest Payable if earned, April and October 1, at The Chase National Bank, New York, and at Guaranty Trust Co. of New York, London, Eng., at the fixed rate of exchange of $4.86½ to the pound Sterling. The mortgage provided that interest on these bonds until Jan. 1, 1920, shall be at the rate of 5% per annum and non-cumulative. The interest after Jan. 1, 1920, shall be at 5% per annum and cumulative.

Interest Payments—1913, 1914 and 1915, 2% each; April 1, and Oct. 1, 1916, 1% each; none thereafter until April 1, 1921, when 2% was paid against Coupon No. 16; Oct. 1, 1921, 2½%; April 1, 1922, 3½% (2½% regular and 1% on account of accumulated interest); Oct. 1, 1922, 3½% (2½% regular and 1% on account of accumulated interest); April 1, 1923, 3½% (2½% regular and 1% on account of accumulated interest paying up all accrued interest to date); Oct. 1, 1923, 2½%, which semi-annual rate regularly paid to date.

Denominations—Coupon (principal may be registered), $500 and $1,000; registered, $500 and multiples. Coupon bonds are interchangeable with registered bonds. Guaranty Trust Co., New York, Trustee. Authorized issue, $33,574,000. Subject to call on any interest date.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized, $33,574,000.

Callability—Subject to call on any interest date at par and non-cumulative interest remaining unpaid, and (if the redemption date is prior to Jan. 1, 1920) interest at the rate of 5% per annum from the Jan. 1, or July 1, as the case may be, next preceding the redemption date, and all unpaid cumulative interest from Jan. 1, 1920, to the date of redemption, on 90 days' published notice. All redeemed bonds are to be cancelled.

Sinking Fund—None.

Security—Secured on the same property as the First Lien & Refunding Mortgage, but subject thereto.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	93¼	84⅞	77¾	69¼	65	67¾	49½	25¾
Low	84	75¼	67¾	58¼	55	47½	23⅛	13

REAL ESTATE MORTGAGE

In addition there was outstanding Dec. 31, 1927, a real estate mortgage amounting to $75,000.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	*1926	*1925	1924	1923	1922
Revenue car miles operated	10,841,219	10,743,720	10,717,656	10,480,987	10,049,517
Passengers carried	108,826,762	107,918,242	107,013,693	105,954,695	101,222,846

*Years ended June 30.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Earnings—	1927	1926	1925	1924	1923	1922
Passenger revenue	$8,461,954	$8,253,005	$8,126,547	$8,002,785	$7,845,244	$7,495,846
Miscellaneous revenue	611,558	602,672	553,564	391,049	383,279	366,574
Total RR. revenue	$9,073,512	$8,855,677	$8,680,111	$8,393,834	$8,228,523	$7,862,420
Expenses—						
Maintenance of way and structures	$538,123	$532,509	$566,483	$551,418	$599,200	$628,087
Maintenance of equipment	471,601	457,501	465,036	474,886	507,692	481,518
Power	766,266	720,510	728,352	747,982	800,422	771,929
Transportation expenses	1,637,745	1,586,264	1,582,706	1,578,988	1,549,473	1,509,211
General expenses	371,303	334,014	405,084	448,032	438,213	430,735
Total operating expenses	$3,785,038	$3,630,798	$3,747,661	$3,801,306	$3,895,000	$3,821,480
Net operating revenue	$5,288,474	$5,224,879	$4,932,449	$4,592,528	$4,333,523	$4,041,940
Taxes	1,059,413	1,005,612	936,618	856,703	739,288	672,892
Net income RR. operations	$4,229,061	$4,219,267	$3,995,831	$3,735,826	$3,594,235	$3,368,047
Net income, other than RR. operations	1,535,547	1,569,139	1,520,060	1,620,388	1,553,954	1,291,356
Other income	400,839	351,423	308,957	296,397	279,245	264,154
Gross income	$6,165,446	$6,139,829	$5,824,848	$5,652,611	$5,427,434	$4,923,557
Income Deductions—						
Interest on real estate mortgage	$3,750	$3,750	$15,079	$35,615	$41,648	$47,629
Rentals of tracks, yards and terminals	71,018	69,307	69,925	72,201	75,556	73,317
Amortization of debt discount	38,762	38,762	38,762	38,762	38,762	38,762
Miscellaneous deductions	90,399	90,106	88,422	86,641	91,478	104,484
Total	$203,929	$201,925	$212,188	$233,219	$247,444	$264,192
Balance to bond interest	5,961,517	5,937,904	5,612,660	5,419,391	5,179,990	4,659,366
Interest on adjustment inc. bonds	2,168,535	2,168,535	2,168,535	2,168,535	2,168,535	2,168,535
Balance	$3,792,982	$3,769,369	$3,444,125	$3,250,856	$3,011,455	$2,490,831
Interest on adjustment inc. bonds	1,655,100	1,655,100	1,655,100	1,655,100	1,655,100	1,655,100
Balance	$2,137,882	$2,114,269	$1,789,025	$1,595,756	$1,356,355	$835,731
Preferred dividends	262,083	262,047	392,927	262,039	131,006	.....
Common dividends	999,803	999,775	999,745	.....	.....	.....
Balance	$875,996	$852,447	$396,353	$1,333,717	$1,225,349	$835,731
Times Bond Interest Earned (Including adjustment income bond interest)	1.56	1.55	1.47	1.42	1.35	1.22
Times Bond Interest Earned (Excluding adjustment income bond interest)	2.75	2.73	2.58	2.50	2.39	2.15
Times Adjustment Income Bond Int. Earned	2.29	2.27	2.08	1.96	1.82	1.50
Earnings Per Share—						
Preferred	$40.77	$40.32	$34.12	$30.44	$25.87	$15.94
Common	4.69	4.63	3.81	3.34	2.74	1.43

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property accounts	$125,058,132	$124,609,792	$124,514,946	$124,306,992	$123,369,176	$122,670,915
Less reserve for amortization	7,279,481	6,627,851	6,214,242	5,713,498	5,229,660	4,646,664
Balance	$117,778,651	$117,981,941	$118,300,704	$118,593,494	$118,139,516	$118,024,251
Amortization funds	5,403,348	4,809,320	4,244,862	3,796,183	3,115,051	2,454,357
Insurance and casualty fund	580,000	580,000	580,000	520,000	400,000	280,000
Bond discount being amortized	2,562,598	2,635,619	2,706,398	2,774,563	2,840,893	2,904,384
Current cash account	990,179	1,404,826	1,569,949	2,183,912	1,061,937	1,145,294
Cash deposited to pay matured interest	31,290	61,427	75,408	64,177	79,057	94,798
Cash deposited to pay dividends	6,062	4,876	3,959	2,807	2,341	.....
Investments	3,481,463	2,550,206	1,732,731	1,530,794	2,200,837	2,203,650
Materials and supplies	315,261	288,226	279,616	307,144	340,299	247,410
Accounts receivable	318,181	362,328	365,278	355,663	378,212	334,128
Deposits with public departments	9,625	18,457	18,457	14,186	14,186	14,186
Prepaid insurance, etc.	76,890	96,095	68,074	30,422	50,050	42,251
Unadjusted debits (guaranty period)	.....	.....	.....	.....	350,261	326,816
Unadjusted accounts	.....	31,159	18,200	.....	.....	.....
Total	$131,553,548	$130,824,480	$129,963,636	$130,173,345	$128,972,640	$128,071,525
Liabilities—						
Common stock and scrip	$39,995,385	$39,994,945	$39,994,945	$39,994,945	$39,994,890	$39,994,890
Pfd. stock and scrip	5,242,939	5,242,939	5,242,939	5,242,939	5,242,151	5,242,151
Stocks held to redeem outstanding securities of predecessor Cos.	11,626	12,066	12,066	12,066	12,909	12,909
Funded debt	76,567,234	76,567,234	76,567,234	76,567,234	76,567,234	76,567,234
Real estate mortgage	75,000	75,000	75,000	653,000	653,000	798,000
Reserve for contingencies	.....	.....	1,363,264	1,500,779	1,514,233	1,517,800
Accrued interest, etc., not yet due	1,231,400	1,219,298	1,168,748	1,174,933	1,098,382	1,066,995
Accounts payable	304,967	275,233	264,922	312,589	343,948	345,898
Matured interest payable	31,549	61,749	75,854	64,784	81,525	97,891
Operating reserves	934,535	953,918	1,007,295	987,000	807,299	693,515
Interest on adjustment income bonds, declared payable	827,550	827,550	827,550	827,550	827,550	1,158,570
Preferred dividends payable	137,601	136,214	135,029	.....	.....	.....
Common dividends payable	7,498	5,348	3,408	2,807	2,341	.....
Items in suspense—net	19,440	.....	.....	10,093	.....	.....
Unadjusted credits (guaranty period)	.....	.....	.....	.....	417,911	391,754
Profit and loss surplus	6,166,824	5,452,986	3,225,382	2,822,626	1,409,267	183,918
Total	$131,553,548	$130,824,480	$129,963,636	$130,173,345	$128,972,640	$128,071,525

Officers: Oren Root, Pres.; J. Vipond Davies, V-P. & Chief Eng.; Thomas G. Anthony, Asst. to Pres.; Thomas N. Willins, Compt.; Robert B. Kay, Sec. & Asst. Treas.; Wesley S. Twiddy, Treas. & Asst. Sec.; Paul Shepard, Asst. Compt.; Carl S. Klumpp, Gen. Supt.; P. Compton Miller, Real Estate Agent; Harry W. Webber, Pur. Agt., New York.

Directors: Lewis L. Clarke, Elberon, N. J.; Jerome J. Hanauer, John W. Platten, Oren Root, Albert H. Wiggin, Wm. Henry Barnum, H. Hobart Porter, New York; William H. Williams, Lyon Mountain, N. Y.; J. Vipond Davies, Flushing, N. Y.

General Office, Hudson Terminal, 30 Church St., New York.

OKLAHOMA RAILWAY COMPANY

History—Incorporated June 14, 1904, in Okla., as Oklahoma City Ry. Co.; name changed to present title Sept. 21, 1907. It acquired, by direct conveyance, all the property and franchises of the Metropolitan Ry. Co. on July 1, 1904, consisting of a local street railway system of about 11 miles. The Company has a perpetual charter, under the laws of the territory of Oklahoma, authorizing the incorporation of electric railways under the General Railway Law, conferring power on such companies, in addition to building standard railroads propelled by electricity, to own, buy, acquire and operate electric street railways and lighting plants.

Leased the Oklahoma Electric Terminal Co. for ten years from June 1, 1911, at an annual rental of $24,000, but on Oct. 1, 1913, acquired title to part of the property of that Company, by assuming $200,000 of the Terminal Co.'s First Mortgage bonds and $140,000 Junior Mtge. Notes. On April 1, 1911, purchased from Oklahoma City & Suburban Ry. all its lines, comprising 20.69 miles of first track, 3.77 miles second track and 0.66 miles sidings, a total of 25.12 miles of track. On Aug. 1, 1911, purchased line and equipment of El Reno Interurban Ry., including the city lines and franchises in the City of El Reno. At the time of purchase this line was built and in operation between the city limits of Oklahoma City and Yukon, Okla., a distance of 11.15 miles. Line has since been completed, and the entire division, with City lines, comprising 26.52 miles of first track and 1.21 miles of sidings, were placed in operation Dec. 3, 1911. The Norman extension was placed in operation Nov. 15, 1913. The **Guthrie-Edmond Electric Ry.**—incorporated in Dec. 1915, with $500,000 capital to build the extension from Edmond to Guthrie, 15 miles, was placed in operation July 20, 1916, and purchased by Oklahoma Ry. Co., July, 1916. Effective Dec. 31, 1916, the Oklahoma Ry. Co. purchased the North Canadian Valley R.R. (see Manual for 1916, page 558).

Receivership—On Sept. 8, 1924, the Mississippi Valley Trust Co., Trustee for Junior Mortgage bonds of Oklahoma Ry. Co., filed a petition in the U. S. District Court for the Western District of Oklahoma, for appointment of receiver, alleging that company was operating certain of its lines of street railways in Oklahoma City which were unprofitable and non-compensatory and could only be operated at a deficit, owning to lack of density of population and patronage, and asked for the appointment of a receiver to conserve the lines of railway and other property covered by the mortgage. A hearing was had Dec. 27, 1924, when Judge Kennamer, George A. Henshaw, Oklahoma City and John W. Shartel, Pres. of company, were appointed receivers. The receivership was terminated on Dec. 16, 1927.

Mileage—The Oklahoma Railway System comprises: Oklahoma City lines, 62.56 miles; an interurban to Norman, 15.45 miles, an interurban to Guthrie, 32.22 miles, and an interurban to El Reno, 31.46 miles—total all lines, 141.69 miles.

Equipment—Includes 131 passenger and 51 line, freight and dump cars, 33 motor buses, 3 electric locomotives and 2 electric shovels.

In Dec., 1927, the Company sold its electric power plant to the Oklahoma Power Holding Company (see appended statement). The Oklahoma Railway Company owns all of the capital stock of the new company, which is under contract to supply the Oklahoma Railway Company with the latter's power requirements.

Franchises—About two-thirds of road on private right of way (including over 27 miles of track within city); Oklahoma City franchise perpetual, subject to right of city to purchase property on Jan. 31, 1932, or at end of any 15-year period thereafter. Franchise in City of El Reno expires Aug. 3, 1933; other franchises perpetual.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Revenue passengers	15,977,719	14,360,274	12,762,338
Transfer passengers	3,075,372	2,689,223	2,443,988
Passes	122,011	139,446	137,977
Total passengers	19,175,102	17,189,943	15,344,303
Passenger car miles	5,023,920	4,818,874	4,258,375
Freight car miles	437,833	409,982	320,815
Total revenue car miles	5,461,753	5,228,856	4,579,190
Total car hours	471,091	467,786	423,945

CAPITAL STOCK

Authorized, $10,000,000 Common (increased from $2,000,000 in 1911) and $5,000,000 5% Participating cumulative Pfd. (increased from $1,000,000 in 1911); outstanding, $3,800,000 Common and $1,795,900 Pfd.; par, $100. Pfd. stock has preference for assets and dividends. Registrar of Pfd. stock: Mississippi Valley Trust Co., St. Louis. Annual meeting, fourth Tuesday in January.

Dividends—Dividends on Pfd., 5% per annum, paid Jan., 1909, to and including Jan., 1912; none since. None paid on Common.

FUNDED DEBT

(1)

$4,253,000 OKLAHOMA RY. CO. FIRST AND REFUNDING GOLD 5s; DUE JANUARY 1, 1941

Dated January 3, 1911.

Interest Payable January and July 1, at Mississippi Valley Trust Co., St. Louis, Mo., and at Harris Trust & Savings Bank, Chicago.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Mississippi Valley Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized issue, $12,000,000. In addition to the $4,253,000 bonds outstanding, $680,000 have been issued and are pledged under the First Mortgage Collateral 6½% Sinking Fund Gold Notes, due Jan. 1, 1931. Additional bonds can be issued for not exceeding 80% of the cost of permanent extensions, enlargements and additions, provided, however, that in the case of the first $1,000,000 escrow bonds, the net earnings of the preceding year shall have been at least 1¾ times, and in the case of the balance of the bonds at least twice the total annual interest charges of all bonds outstanding and those to be issued.

Callability—Subject to call on any interest date (since Jan. 21, 1921) on 30 days' notice at 105 and interest.

Sinking Fund—No sinking fund provided, but renewal fund of 2% per annum of outstanding bonds is required before payment of dividends on Common stock.

Security—Secured by a first lien on entire city and suburban property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,500,000) in April, 1911, at 94½ and interest.

NOTES ISSUED SINCE DECEMBER 31, 1927

(2)

$400,000 FIRST MORTGAGE COLLATERAL 6½% SINKING FUND GOLD NOTES; DUE JANUARY 1, 1931

Dated January 3, 1928.

Interest Payable January and July 1 at Boatmen's National Bank of St. Louis or at First National Bank of Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Boatmen's National Bank of St. Louis.

Provisions of Issue—Authorized and issued, $400,000.

Purpose of Issue—Proceeds were used, together with proceeds of the $290,000 Junior Mortgage notes and treasury cash, to retire an issue of $825,000 Collateral notes, due Jan. 1, 1928, an issue of Oklahoma Ry. First & Refunding 5s, due Jan. 1, 1938, and the balance for new construction improvements, etc.

Callability—Subject to call at any time on 30 days' notice at 103 and interest up to Dec. 31, 1928; at 102 and interest up to Dec. 31, 1929, and at 101 and interest thereafter prior to maturity.

Sinking Fund—An annual sinking fund of $75,000 is provided commencing Jan. 1, 1929, to be applied to the purchase of the notes, if available at not exceeding the call price, or to the redemption thereof. All notes purchased or redeemed shall be cancelled.

Security—Secured by deposit with the Trustee of $680,000 Oklahoma Railway Company First and Refunding 5% bonds, due 1941, and $500,000 Guthrie-Edmond Electric Railway First Mortgage 5% bonds, due 1936. The Indenture provides that none of the principal of the $290,000 6½% Collateral notes, secured by a second lien on the same collateral securing this note issue, may be paid unless this note issue be paid in full, or cash or additional acceptable collateral be deposited with the Trustee for the full amount of this issue then outstanding. The Indenture further provides that no dividends may be paid on the Common stock of the Company while these notes are outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Lehmann & Lehmann, St. Louis (for the Bankers) and Shartel & Gilliland, Oklahoma City (for the Company).

Original Offering—First publicly offered ($400,000) in Jan., 1928, at par and interest by Whitaker & Co., St. Louis, Mo., and Wm. L. Ross & Co., Inc., Chicago.

(3)

$290,000 JUNIOR MORTGAGE COLLATERAL TRUST 6½% GOLD NOTES; DUE JANUARY 1, 1931

Dated January 3, 1928.

Interest Payable January and July 1 at American First National Bank, Oklahoma City, Okla.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American First National Bank, Oklahoma City, Okla.

Provisions of Issue—Authorized and issued, $290,000.

Callability—Subject to call at any time on 30 days' notice at 103 and interest up to Dec. 31, 1928; at 102 and interest up to Dec. 31, 1929, and at 101 and interest thereafter prior to maturity.

Sinking Fund—None provided.

Security—Secured by a second lien on the $680,000 Oklahoma Railway Company First and Refunding 5% bonds, due 1941, and $500,000 Guthrie-Edmond Electric Railway First Mortgage 5% bonds, due 1936, which have been deposited with the Trustee under the $400,000 First Mortgage Collateral 6½% Sinking Fund Gold Notes, due Jan. 1, 1931.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

BONDS ISSUED AND PLEDGED

(4)

$500,000 Guthrie-Edmond Electric Ry. First 6s; dated Jan. 3, 1916; due Jan. 1, 1936; int. J & J 1, at Mississippi Valley Trust Co., St. Louis, Mo., Trustee. Entire issue pledged under the First Mortgage Collateral 6½% Sinking Fund Gold Notes described above. Secured by first mortgage on extension of line from Edmond to Guthrie.

BONDS CALLED

All of the Oklahoma Ry. Co. First and Refunding 5s (prior issue) due January 1, 1938, were called for redemption on July 1, 1928 at 110 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,093,814	$1,928,764	$1,733,303	$1,719,411	$1,950,601	$1,978,827
Operating expenses and taxes	1,637,554	1,511,419	1,395,833	1,275,242	1,464,303	1,356,239
Net earnings	$456,260	$417,345	$337,470	$444,169	$486,298	$622,588
Other income	8,813	6,789	12,046	13,264	15,820	6,437
Total income	$465,073	$424,134	$349,516	$457,433	$502,118	$629,025
Interest charges	318,434	$324,089	$322,262	$322,678	$318,515	$311,030
Other deductions	46,736	46,464	47,784	48,012	48,084	43,793
Total charges	$365,170	$370,553	$370,046	$370,690	$366,599	$354,823
Surplus for year	$99,903	$53,581	*$20,530	$86,743	$135,520	$274,203
Times Interest Earned	1.31	1.16	0.93	1.27	1.43	1.88
Earnings Per Share—						
Preferred	$5.56	$2.99	Nil	$4.83	$7.55	$15.27
Common	Nil	Nil	Nil	Nil	0.26	4.85

*Debit.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Balance, Jan. 1, 1927, $7,999; transferred from income account, $99,903; profit on road and equipment sold, $49,497; donations, $700; miscellaneous credits, $282—total, $158,381. Deduct: Debt discount extinguished, $16; loss on road and equipment retired, $8,977; miscellaneous debits, $84,775—total, $93,768. Surplus, Dec. 31, 1927, $64,613.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Road and equipment	$12,130,008	$12,120,616	$11,920,232	$11,811,671	$11,673,169	$11,241,087
Miscellaneous physical property	28,094	28,094	28,094	28,094	28,094	28,094
Other investments	9,803	80,634	80,544	80,544	80,544	79,859
Cash	136,813	111,491	67,382	47,165	66,361	105,583
Special deposits	80,381	564	538	454	544	181,968
Loans and notes receivable	500	2,334	4,167	4,667	2,500	2,500
Miscellaneous accounts receivable	28,103	57,091	47,131	43,194	51,513	47,698
Materials and supplies	108,444	110,643	112,339	111,775	149,498	133,686
Prepaid expenses	2,005	1,337	1,490	2,059	1,735	1,699
Discount on funded debt	422,235	464,329	506,349	549,538	592,770	636,213
Other unadjusted debits	81,962	61,377	126,861	62,577	187,911	281,872
Total	$13,028,348	$13,038,510	$12,895,127	$12,741,738	$12,834,640	$12,740,259
Liabilities—						
Common stock	$3,800,000	$3,800,000	$3,800,000	$3,800,000	$3,800,000	$3,800,000
Preferred stock	1,795,900	1,795,900	1,795,900	1,795,900	1,795,900	1,795,900
Funded debt	4,600,000	5,525,000	5,815,000	5,815,000	5,830,000	5,860,000
Matured funded debt unpaid	.....	290,000	.....	.....	.....	.....
Loans and notes payable	.....	.....	53,130	17,000	66,500	.....
Audited accounts and wages payable	1,129,238	69,458	64,210	75,261	95,520	91,747
Miscellaneous accounts payable	43,517	48,462	38,960	16,595	17,188	20,278
Interest, dividends and rents accrued	.....	.....	764	239	566	.....
Deferred liabilities	8,220	10,238	12,758	15,162	15,375	452
Tax liability	43,875	37,466	39,598	49,764	62,804	
Operating reserves	20,983	20,983	32,285	30,965	.....	893,414
Accrued depreciation	1,473,585	1,413,503	1,242,998	971,512	864,547	
Other unadjusted credits	48,417	19,501	20,191	20,285	21,370	
Miscellaneous fund reserves	.....	.....	.....	134,054	199,510	222,325
Profit and loss	64,613	7,999	*20,667	.....	65,360	56,143
Total	$13,028,348	$13,038,510	$12,895,127	$12,741,738	$12,834,640	$12,740,259

*Deficit.

Officers: H. R. Hudson, Pres.; G. A. Nichols, V-P.; Charles Hoopes, Gen. Operating Mgr.; Rudy Copeland, Jr., Sec.; Wm. Mee, Treas.; G. B. Treat, Chief Eng. & Plant Mgr.; D. L. Wilson, Aud., Oklahoma City, Okla.

Directors: H. R. Hudson, Wm. Mee, G. A. Nichols, O. A. Campbell, A. E. Monroney, T. C. Thatcher.

Office, Terminal Building, Oklahoma City, Okla.

OKLAHOMA POWER HOLDING COMPANY

(Controlled by Oklahoma Railway Company)

History and Property—Incorporated Dec. 14, 1927, in Delaware. Company acquired the electric power plant formerly owned and operated by the Oklahoma Railway Company of Oklahoma City, Okla. The property consists of a modern electric generating plant located at Oklahoma City. The power plant site contains about 17 acres of land and the Company has a perpetual easement granting the right to use the water in Belle Isle Lake. The plant has a present installed capacity of 13,750 k.w. and is completely equipped. The property is leased under a contract to the Oklahoma Gas & Electric Company for a period of 22 years, for a basic annual rental of $225,000 plus taxes and full maintenance. The Oklahoma Gas and Electric Company assumed the contract between the Oklahoma Power Holding Corporation and the Oklahoma Railway Company covering all the latter's power requirements.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares Common of no par value, all owned by Oklahoma Railway Company. Annual meeting, second Tuesday in January.

FUNDED DEBT

$1,250,000 FIRST MORTGAGE 5¼% SINKING FUND GOLD BONDS; DUE JANUARY 1, 1943

Dated January 3, 1928.

Interest Payable January and July 1 at Boatmen's National Bank of St. Louis, or at First National Bank of Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Boatmen's National Bank of St. Louis, Mo.

Provisions of Issue—Authorized and issued, $1,250,000.

Purpose of Issue—Proceeds were used to reimburse the company for part of the purchase price of property and to retire bonds of subsidiaries.

Callability—Subject to call at any time on 30 days' notice at 103½ through Jan. 1, 1933; at 102½ through Jan. 1, 1938; at 101½ thereafter and interest.

Sinking Fund—Mortgage provides that a semi-annual payment of $62,500 be deposited with the Trustee, beginning July 1, 1928, and after providing for the current interest due on outstanding bonds, the remainder is to constitute a sinking fund which

is to be used for the purchase of bonds if available at or less than the call price, or for the redemption of bonds. Bonds so purchased or redeemed are to be cancelled.

Security—Secured by a first mortgage on all the property of the Company, subject to a contract to furnish the Oklahoma Railway Co. its power requirements. This contract has been assumed by the Oklahoma Gas & Electric Co. Coincidental with the sale of this property to the Oklahoma Power Holding Co., the property was leased under a contract in its entirety to the Oklahoma Gas & Electric Co. for a period of 22 years, at a basic annual rental of $225,000, plus taxes and full maintenance. These bonds are further secured by deposit with the Trustee of this contract and a contract between this company and the Oklahoma Railway Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Lehmann & Lehmann, St. Louis (for the Bankers) and Shartel & Gilliland, Oklahoma City, (for the Company).

Original Offering—First publicly offered ($1,250,000) in Jan., 1928, at par and interest, by Whitaker & Co., St. Louis, Mo., and Wm. L. Ross & Co., Inc., Chicago.

GENERAL BALANCE SHEET, JANUARY 3, 1928

Assets—	
Cost of properties	$2,250,000
Organization expense	1,259
Total	$2,251,259
Liabilities—	
Capital stock	$1,000,000
Funded debt	1,250,000
Accounts payable	1,259
Total	$2,251,259

Officers: H. R. Hudson, Pres.; C. A. Vose, V-P.; K. W. Shartel, Sec. & Treas.; J. E. Rentz, Aud., Oklahoma City, Okla.

Directors: H. R. Hudson, C. A. Vose, K. W. Shartel, Oklahoma City, Okla.

General Office, 216 Terminal Bldg., Oklahoma City, Okla.

FORT WAYNE-LIMA RAILROAD COMPANY

History—Incorporated December 13, 1926 in Ohio and Indiana as successor under a Plan of Reorganization dated June 1, 1926, to the Fort Wayne, Van Wert & Lima Traction Co. (see 1926 Public Utility Volume page 533), whose properties were sold at receiver's sale on October 27, 1926 for $150,000. For details of the Plan see 1927 Public Utility Volume page 2297.

Company operates a trolley road connecting Fort Wayne, New Haven and Monroeville, Indiana, and Lima, Elida, Delphos, Middlepoint and Van Wert, Ohio. Road was opened November 1, 1905. Connects at Fort Wayne with the Indiana Service Corporation and at Lima with the Lima & Toledo Railroad, the Western Ohio Railway and the Indiana, Columbus & Eastern Traction Co. Forms part of through line from Fort Wayne to Toledo, Dayton & Columbus.

Miles or road, 59.84. Miles of electric track, 61.63. Gauge, standard. Rail, T. 70 lb.

CAPITAL STOCK

Authorized and outstanding, 10,290 shares of no par value.

Voting Trust—The stock of the Company is held in a voting trust which will terminate April 1, 1933. Trustees are: Henry C. Paul, Fort Wayne, Ind.; D. P. Abercombie, Boston, Mass.; J. C. Neff, Phila., Pa.

FUNDED DEBT

(1)

$100,000 FIRST MORTGAGE 6s; DUE 1941, BUT RETIRED DURING 1927.

(2)

$441,000 5% GENERAL MORTGAGE GOLD BONDS; DUE JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable, July 1 if declared by board at not over 5%, for first 5 years; thereafter January and July 1.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Old National Bank, Fort Wayne, Ind.

Provisions of Issue—Authorized, $541,000; outstanding $441,000.

Purpose of Issue—Issued in connection with reorganization of Company.

Callability—Subject to call on any interest date at 105.

Sinking Fund—None.

Security—Secured by a first mortgage on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	†1926	†1925
Gross earnings	$437,219	$450,904	$428,084
Operating exp. and taxes	399,752	424,782	442,648
Net earnings	$37,467	$26,122	*$14,564
Other income	‡1,192	258	748
Total income	$38,659	$26,380	*$13,816
Interest charges	2,971	75,724	77,661
Other deductions	§12,310	90	591
Surplus	$23,378	*$49,434	*$92,068

*Loss or deficit. †Predecessor Company. ‡Includes $718 profit on land sold. §Includes $11,707 debt discount.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Investment in road and equipment	$2,253,358
Cash	18,449
Special deposits	2,437
Accounts receivable	21,321
Material and supplies	10,139
Other current assets	2,010
Unadjusted debits	933
Securities issued or assumed unpledged	5,400
Total	$2,314,047

Liabilities—	
Capital stock	$1,302,603
Funded debt	441,000
Loans & notes payable	20,000
Audited vouchers & wages	35,254
Interest matured or accrued	452
Deferred liabilities	2,339
Tax liability	6,457
Casualty reserves	25,778
Operating reserves	3,728
Accrued depreciation	452,094
Other unadjusted credits	133
Other liabilities	831
Profit and loss surplus	23,378
Total	$2,314,047

Officers: Henry C. Paul, Pres., Fort Wayne, Ind.; J. C. Neff, V-P., Phila., Pa.; F. H. Cutshall, Sec. & Treas.; Jas. M. Barrett, Jr., Counsed; E. F. Eicks, Auditor, Fort Wayne, Ind.

Directors: Henry C. Paul, Frank H. Cutshall, James Barrett, Jr., Fort Wayne, Ind.; J. C. Neff, Philadelphia, Pa.; D. P. Abercrombie, Boston, Mass.

Office, Fort Wayne, Ind.

PENINSULAR TELEPHONE COMPANY

History and Property—Incorporated April 19, 1901, in Fla., to construct, install, maintain and operate a telephone system in southern Florida. Has 4 exchanges at Tampa, and one each at Port Tampa, St. Petersburg, Lakeland, Clearwater, Plant City, Bartow, Sarasota, Winter Haven, Lake Wales, Haines City, Mulberry, Tarpon Springs, Frostproof, Largo, New Port Richey, Bradenton, Auburndale, and Venice, and 12,964 miles of connecting toll lines. Purchased properties in certain of the above districts from the southern Bell Telephone & Telegraph Co. Connects with long line systems of the Southern Bell and American Telephone and Telegraph Cos. Population served, approximately, 320,000. Franchise in Tampa, expires in 1943. Exchanges, 22; telephones in service on Dec. 31, 1927, 48,172.

During the month of November, 1923, Company purchased the business and properties of the West Coast Telephone Co., which operated a common battery exchange in the City of St. Petersburg, Fla., and a toll system connecting the nearby islands. This property has since been converted to the automatic type of switchboard.

CAPITAL STOCK

Authorized, $10,000,000; outstanding, Dec. 31, 1927, $2,389,500 Common and $3,500,000 7% cumulative Pfd. Series "A"; par, $100.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is redeemable as a whole or in part on any dividend date at 110 and accrued dividend, on 60 days' notice. It is issuable in three classes—though the Company may issue other classes of it to bear cumulative dividends not to exceed 8% per annum—as 6%, 6½% and/or 7% cumulative Pfd. stock, all, however, in other respects entitled to the same preferences and priorities and subject to the same conditions, limitations and restrictions. Under Florida laws the Company may increase the Pfd. stock by reclassifying the authorized capital up to an amount equal to twice as much Pfd. stock as there is Common stock outstanding. No Pfd. stock of a different class having priority or preference over this Pfd. stock shall be authorized or issued. The Pfd. stock has no right to vote except if the Corporation shall at any time be in arrears in the payment of dividends on its Pfd. stock in amount equal to the dividends accrued thereon for twelve months, then all Pfd. stock shall, thereafter and until all accumulated and unpaid dividends are paid, become entitled to the same rights as to vote or consent as the Common stock. The holders of Pfd. stock have no right by virtue of such ownership, to subscribe for either Pfd. or Common stock issued in the future by the Corporation.

Transfer Agent—American Exchange Irving Trust Co., New York.

Preferred Stock Offerings—During 1925, $1,550,000 7% Pfd. stock, Series "A", was publicly offered at $100 per share plus accrued dividend to yield 7%, by Coggeshall & Hicks, New York, and Bodell & Co., Providence, New York and Boston. In November, 1926, $1,200,000 additional 7% Pfd. stock, Series "A" was publicly offered at 103 and dividend to yield 6.79% by the same bankers.

Legal Opinion (Pfd. Stock)—Hawkins, Delafield & Longfellow, New York.

Annual Meeting—Second Tuesday in February.

Dividends—Dividends on Common of 2% paid in 1915; 3% in 1916; 4% and 1% extra in 1917; 5% and 1% extra in 1918; 1919, 6%, 1920, 6%; 1921, 6%; 1922, 6%; and ½ of 1% extra; 1923 to date, 7% per annum; payments J, A, J & O 1. In addition a stock dividend of 5% was paid April 1, 1919, one of 10% Jan. 1, 1923, and one of 20% April 1, 1924.

Dividends on Pfd. stock regularly paid; payments F, M, A & N 15.

FUNDED DEBT

(1)

$5,000,000 FIRST MORTGAGE GOLD BONDS, 5½% SERIES, DUE 1951; DUE JANUARY 1, 1951

Dated January 1, 1926.

Interest Payable January and July 1, at office or agency of Company in New York City.

Denominations—Coupon (principal may be registered) $500 and $1,000; and registered, $1,000. $5,000 and $10,000; coupon and registered bonds and the several denominations interchangeable and exchangeable.

Trustee—American Exchange Irving Trust Co., New York City.

Provisions of Issue—The 5½% Series due 1951 is limited to $5,000,000; all of which has been issued to satisfy existing liens, including existing first mortgages, under which $963,300 bonds were outstanding at the time the first of these bonds were issued, to pay current indebtedness incurred for additions and extensions to the property and to provide approximately $1,200,000 for future extensions and additions to Company's telephone plant and system from which Company should realize substantial increases in earnings. Additional first mortgage bonds are issuable for (a) telephone property in Florida, or permanent improvements, extensions or additions thereafter made to such properties or made after June 30, 1925, to the telephone properties now owned, but only in case such property is covered by the Indenture as a direct first mortgage, subject only to (1) prior mortgages and liens not exceeding $100,000, for which an equal amount of cash is deposited with the Trustee, and (2) taxes for the then current year and liens incident to construction which are not reasonably determinable; and for (b) an equal amount of bonds issued for such properties (including the 5½% Series due 1951 now outstanding) surrendered to the Trustee or redeemed, and for (c) cash to be deposited with the Trustee equal to the amount of bonds to be issued subject to withdrawal for property of the character specified in (a). The indenture authorizes the issue of bonds in series. The bonds of each series may be of such amounts and in such denominations, bear such date, maturity, interest rate not exceeding 8% per annum, and such conversion, redemption, sinking, amortization, improvement or analogous fund and tax provisions, and may otherwise vary from the bonds of other series, as shall be determined from time to time by the Board of Directors of Company at time of authorization of the original issue of bonds of each series, subject, however, in respect of all bonds issued thereunder to the restrictive provisions of the indenture securing said bonds. Additional bonds may be issued for not exceeding 80% of cash cost or fair value, whichever is less, of additional property and/or of permanent improvements, extensions or additions, of the kind above stated, provided, however, that net

PENINSULAR TELEPHONE COMPANY SECURITIES
COGGESHALL & HICKS
Members New York Stock Exchange
111 BROADWAY NEW YORK

earnings of Company, determined as provided in the indenture, for a period of 12 consecutive calendar months shall have been equal to at least two times annual interest charges on all the outstanding First Mortgage Gold bonds, including those proposed to be issued, except that for the 5½% Series due 1951 and for additional bonds issued subject to these restrictions, not purchased with sinking fund moneys, surrendered to the Trustee or redeemed, and for cash deposited with the Trustee, subject to withdrawal as above stated, an equal amount may be issued.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, on or before January 1, 1949, at 105 and interest, and thereafter at 100 and interest.

Sinking Fund—Mortgage provides for a sinking fund of 1% per annum, payable semi-annually commencing June 1, 1927, to be used to purchase First Mortgage Gold bonds entitled to the benefit of purchase therefrom at the sinking fund prices of such bonds (at or below 102 and interest for 5½% Series due 1951) if purchasable at such prices, and, if not, such sinking fund moneys may be used to reimburse Company for properties for which additional bonds might otherwise be issued.

Security—Secured by a direct first mortgage on all of the fixed assets of Company (save for tax and other liens which cannot be discharged, not exceeding $10,000 and certain small parcels of real estate and short telephone lines specifically excepted, and which under all of the circumstances are not necessary or important to the operations of Company).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Hawkins, Delafield & Longfellow, New York.

Original Offering—First publicly offered ($3,500,000) in Dec., 1925, at par and interest, by Coggeshall & Hicks, New York, and Bodell & Co., New York, Providence and Boston. In June, 1926, $1,000,000 additional 5½% Series due 1951 were publicly offered at 101½ and interest to yield over 5.40% by the same bankers. In November, 1926, $500,000 additional of the same series were offered at 101½ and interest by the same bankers.

(2)

$335,500 TEN-YEAR CONVERTIBLE DEBENTURE GOLD 6½s, SERIES "A"; DUE APRIL 1, 1934

Dated April 1, 1924.

Interest Payable April and October 1, at Bankers Trust Co., New York.

Denominations—Coupon, (interchangeable denominations), $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, Series "A," $1,250,000 of which $914,500 converted into Common stock to Dec. 31, 1927. Additional Debenture bonds may be issued in series in such amounts and in such denominations, bear such date, maturity, interest rate not exceeding 8% per annum on the principal amount thereof, and such conversion, redemption, sinking fund, tax, and other provisions as shall be determined from time to time by the directors of the Company, at the time of authorization of the original issue of Debenture bonds of each series, subject, however, in respect of all Debenture bonds issued thereunder to the restrictive provisions of the Agreement securing the said Debenture bonds.

Additional Debenture bonds may not be issued unless the net earnings shall have been for twelve consecutive calendar months at least 1¾ times the annual interest requirements on all indebtedness of the Company, including the Debenture bonds then to be certified, except that for Debentures issued subject to these earnings restrictions, and for Series "A" Debentures surrendered to the trustee or redeemed, an equal principal amount may be issued.

Callability—Subject to call in whole or in part on any interest date on and after Oct. 1, 1926, upon 30 days' notice at 105 up to and including April 1, 1929; and thereafter at 100 plus ½ of 1% for each full year or fraction thereof prior to maturity, in every case plus accrued interest.

Sinking Fund—None.

Convertibility—Series "A" Debenture bonds are convertible into Common stock of Company, at the option of the bondholder, after March 31, 1926, and before April 1, 1931, on the following basis: The first $450,000 of Debenture bonds to be presented for conversion will be converted on the basis of 10 shares of stock for each $1,000 bond, the next $450,000 on the basis of 9½ shares for each $1,000 bond and the next $350,000 on the basis of 9 shares for each $1,000 bond.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,250,000) in May, 1924, at 98 and interest, by Bodell & Co., and Coggeshall & Hicks, New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,427,989	$2,287,855	$1,690,645	$1,161,653	$852,058	$703,071
Operating expenses and taxes	1,257,019	1,326,335	1,089,890	709,284	479,900	404,759
Net earnings	$1,170,970	$961,520	$600,755	$452,369	$372,158	$298,312
Bond interest, etc.	307,789	248,709	82,286	74,647	62,897	66,025
Depreciation reserves	415,087	365,957	244,823	200,454	171,390	96,130
Sinking fund	.....	.....	.....	.....	.....	32,562
Amortization of debt disc. and exp.	29,115	7,035	.....	.....	.....	.....
Total charges	$751,991	$621,701	$327,109	$275,101	$234,287	$194,717
Balance	418,979	339,819	273,646	177,268	137,871	103,595
Pfd. dividends	247,631	171,831	114,360	51,518	25,998	.....
Surplus for Common dividends	$171,348	$167,988	$159,286	$125,750	$111,873	$103,595
Times All Interest Earned	2.36	2.36	4.33	3.37	3.19	3.06
Earnings Per Share—						
Preferred	$11.97	$9.71	$11.90	$23.73	$20.49	.....
Common	7.17	7.06	10.63	13.65	16.63	$13.04

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$10,949,071	$10,553,248	$7,733,162	$4,895,283	$3,697,163	$2,577,608
Securities owned	189,782	*181,075	134,263	.....	.....	.....
Materials and supplies	551,421	601,885	759,571	343,645	99,829	31,483
Cash and deposits	743,743	1,032,998	98,948	156,099	109,851	73,676
Accounts receivable	245,868	223,534	154,109	79,676	54,408	44,011
Cash and bonds in sinking fund	25,937	.....	300,186	271,561	236,039	202,191
Prepayments	48,997	64,536	43,746	7,760	7,610	3,869
Unamortized debt discount and expense	262,621	354,085	295,078	173,036	69,208	39,184
Unmatured interest	.....	.....	.....	438	.....	.....
Other suspense	8,443	24,347	.....	.....	.....	.....
Total	$13,025,883	$13,035,708	$9,519,063	$5,927,498	$4,274,108	$2,972,022

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$2,390,550	$2,377,500	$1,499,100	$920,600	$766,600	$764,500
Preferred stock	3,500,000	3,500,000	2,300,000	750,000	672,700	30,000
Premium on capital stock	42,801	36,000	.....	.....	.....	.....
Funded debt	5,312,500	5,348,500	2,495,000	2,595,000	1,345,000	1,245,000
Installments on Pfd. stock subscriptions	.....	.....	.....	.....	.....	1,640
Accounts payable	129,369	257,442	500,984	209,435	257,511	118,414
Bills payable	15,588	36,545	1,296,436	155,665	.....	33,500
Accrued liabilities	269,310	259,141	76,137	61,186	33,645	25,127
Reserve for depreciation	1,160,955	1,044,440	1,076,679	1,011,853	865,858	501,732
Deferred credit items	1,149	1,588	238	2,682	2,156	2,105
Appropriated surplus Profit and loss	203,661	174,552	274,439	221,077	330,638	202,191 47,813
Total	$13,025,883	$13,035,708	$9,519,063	$5,927,498	$4,274,108	$2,972,022

*Marketable securities.

Officers: W. G. Brorein, Pres.; Carl D. Brorein, Biglow Watts, J. A. Griffin, V-P's; J. L. Snyder, Sec.; C. E. Archer, Treas.; J. C. Handly, Asst. Treas.; C. E. Wilson, Asst. Sec.; A. H. McLean, Asst. Sec.

Directors: W. G. Brorein, Earle L. Peters, Carl D. Brorein, J. A. Griffin, S. A. Hoskins, L. C. Gerry, O. E. Dunan, F. D. Jackson, Murray H. Coggeshall.

General Office, Telephone Building, Tampa, Fla.

THE SHAWINIGAN WATER AND POWER COMPANY

(See Accompanying Map)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Capital Stock, no par value	J, A, J & O 10	1,600,000 shs	*1,200,000 shs	$2,894,783	$2.00	$2,200,000	$2.41

*In addition 317,700 shares were offered for subscription to shareholders of record March 26, 1928.

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Mortgage and Collateral Trust Sinking Fund Gold bonds, Series "A," 4½%	Oct. 1, 1967	A & O 1	$200,000,000	$35,000,000	No	Yes	*Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $35,000,000. **Interest Accrued** in 1927, $1,637,493.
Amount Available for Interest in 1927, $4,532,276. **Times Interest Earned** in 1927, 2.76.

*When held by residents of the United States, bonds are free from present or future taxes imposed by any taxing authority in Canada.

History—Incorporated Jan. 15, 1898, under special charter granted by the Provincial Government of Quebec. The Company's charter is not limited as to time. Company acts as a holding company which, through its subsidiaries, generates power on the St. Maurice River and distributes it to a population of about 1,750,000 people, through some 25 owned or controlled companies. The various properties are operated under practically perpetual franchises, and include an available capacity of 684,000 h.p., and 1,548 miles of high tension transmission lines, which distribute power over a territory of 250 miles, along the St. Lawrence River.

In 1927, either directly or indirectly, the Company gave electrical service to 306 towns and municipalities, and produced 2,000,656,974 k.w. hours of primary, as well as 680,375,018 k.w. hours of secondary power. In addition to the power generated by its own subsidiaries, the Company has contracts for continuous power with the Laurentide Power Company, Ltd. (87,500 h.p.) and with the St. Maurice Power Company, Ltd. (now acquired) (120,000 h.p.) and purchases from outside companies a total of 110,000 h.p. Undeveloped power and water conservations are being planned (in the spring of 1928) to permit further developments amounting in all to 140,000 h.p.

Through stock ownership the company is associated with or has control of, a vast network of power and traction companies, including Montreal Light, Heat & Power Consolidated, United Securities, Ltd., Montreal Tramways Company, Quebec Power Company, etc. The Company also operates various manufacturing enterprises, which make use of the power generated at the Company's plants, and by means of wholly owned or controlled subsidiaries, is engaged in retail as well as wholesale distribution of power.

Acquisition of St. Maurice Power Company, Limited.—Stockholders of St. Maurice Power Company, Limited, on February 24, 1928, approved the sale of their Company to Shawinigan Water and Power Company. Stockholders of St. Maurice Power Company, Limited, received either $175 per share in cash or two shares of stock of Shawinigan Water and Power Company for each share of stock of St. Maurice Power Company, Limited, and 70,800 shares of stock of Shawinigan Water and Power Company were reserved for this purpose. All outstanding First Mortgage 30-Year 6½% Sinking Fund Gold bonds, due Feb. 1, 1953, and First Mortgage 6½% Sinking Fund Debenture stock, due Feb. 1, 1953, have been called for redemption on August 1, 1928 at 107½ and interest.

SUBSIDIARY COMPANIES FULLY OWNED

*Beauharnois Electric Company, Ltd.
*St. Maurice Power Company, Ltd.
*North Shore Power Company.
*Electric Service Corporation.
*Shawinigan Falls Terminal Railway Company.
The Continental Heat & Light Company.
St. Francis Water Power Company.
*The Sorel Light & Power Company, Ltd.
Three Rivers Traction Company.
Shawinigan Chemicals, Ltd.
The Shawinigan Engineering Company, Ltd.
St. Maurice Construction Company.
Gres Falls Development Company, Ltd.

*See appended statements.

The Continental Heat & Light Company—Distributes electric light and power in the territory south of the St. Lawrence River.

25 BROAD STREET
NEW YORK
Branch Offices
Albany Boston
Chicago Providence
Philadelphia

SHAWINIGAN WATER & POWER CO.
Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange


THE
SHAWINIGAN
WATER & POWER
COMPANY
187,000 v.– 100,000 v. Transmission Lines
60,000 v.– 25,000 v. Transmission Lines
S. W. & P. Co. Hydro Electic Generating Stations (owned)
Hydro Electic Generating Stations not owned but supplying power to S. W. & P. Co. System
Main Receiving Stations
Main Substations
Other places served
Railroads
150 MILES N.W. OF SHAWINIGAN FALLS
GOUIN STORAGE DAM
Impoundage 175,000,000,000 cu. ft.
Drainage Area 3650 sq. miles
MANOUAN STORAGE DAMS
Impoundage 16,750,000,000 cu. ft.
DUKE-PRICE
LAURENTIDES PARK
LAURENTIAN
NATURAL STEPS
ST GABRIEL
QUEBEC
MONTMORENCY
CHAUDIERE
GRAND MERE
SHAWINIGAN FALLS
ST.NARCISSE
LA GABELLE
THREE RIVERS
SHERBROOKE
DISRAELI
MONTREAL
Lake St.John
Lake Edward
Saguenay River
St. Maurice River
Mattawin R.
Vermilion R.
St. Maurice R.
Riviere-a-Pierre
Fitzpatrick
La Tuque
Grandes Piles
Ste.Thecle
St.Tite
St. Adelphe
St.Ubald
St.Alban
St.Basile
Notre Dame des Anges
St.Raymond
Ste.Catherine
Charlesbourg
Lorette
Lorettville
Cap Rouge
Neuville
Levis
St.David
St.Romuald
Breakeyville
St.Gervais
St.Lazare
St.Damien
St.Claire
St.Isidore
Ste.Henedine
Scott Jc.
Armagh
St.Raphael
St.Charles Jc.
St.Michel
St.Francois
St.Pierre
Montmagny
St.Eugene
St.Aubert
Ste.Louise
Cap St.Ignace
Bras d'Apic
St.Pacome
Ste Anne de la Pocatiere
St.Roch des Aulnaies
St.Jean Port Joli
Isle Onion
Baie St.Paul
La Malbaie
Pointe a Pic (Murray Bay)
Tadoussac
Lake St.John
Pipmuacan Lake
Peribonka R.
Shipshaw R.
Chicoutimi
Ha Ha Bay
Kenogami
Jonquiere
Portage des Roches
St.Alexis
Grand Baie
Riviere du Loup
Trois Pistoles
Rimouski
Matane
Mistassini R.
Muskosabo R.
Bersimis R.
Ste.Anne de Beaupre
Chateau Richer
Lemoine
Petit Pre
Ange Gardien
Beauport
Giffard
Charlesbourg
Loretteville
Quebec
Levis
St.Romuald
Breakeyville
St.Gervais
St.Lazare
St.Damien
St.Claire
St.Isidore
Ste.Henedine
Scott Jc.
Armagh
St.Raphael
St.Charles Jc.
St.Michel
St.Francois
St.Pierre
Montmagny
St.Eugene
St.Aubert
Ste.Louise
Cap St.Ignace
Bras d'Apic
St.Pacome
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Chateau Richer
Lemoine
Petit Pre
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Beauport
Giffard
Charlesbourg
Loretteville
Quebec
Lorette
Cap Rouge
Neuville
Riviere-a-Pierre
Notre Dame des Anges
St.Raymond
Ste.Catherine
Ste.Thecle
St.Tite
St. Adelphe
St.Ubald
St.Alban
St.Basile
Grandes Piles
St. Severin
St. Casimir
St. Prosper
St. Stanislas
Ste. Anne de la Perade
Batiscan
Deschaillons
St.Maurice
Ste. Genevieve
Champlain
St. Boniface
St.Elie
Charette
St. Etienne
St.Paulin
Ste.Ursule
Maskinonge
St.Justin
St.Barnabe
St.Severe
Pointe du Lac
Louiseville
St.Gregoire
Ste.Angele de Laval
Cap de la Madeleine
Becancour
Gentilly
Villeroy
Lyster
Nicolet
Princeville
Plessisville
Aston Jc.
St.Leonard
St.Ferdinand
Victoriaville
Arthabaska
Black Lake
Thetford Mines
East Broughton
Leeds Sta.
Robertson
St. Victor
Sacre Coeur de Marie
St.George
St.Ephrem
St.Benoit
St.Evariste
St.Honore
Courcelles
Lambton
St.Sebastien
Coleraine
Carthby
St.Gerard
Fontainebleau
Weedon
Lime Ridge
Richmond
Windsor
Dudswell Jc.
East Angus
Cookshire
Lennoxville
Bromptonville
Eastman
Waterloo
Granby
Abbottsford
St.Cesaire
Iberville
St.Johns
Farnham
Knowlton
Magog
Compton
Coaticook
Sutton Jc.
Memphremagog Lake
Rock Island
Frelighsburg
Philipsburg
Bedford
Stanbridge
Cowansville
Napierville
Barrington
Howick Jc.
St.Clothilde
St.Michel
St.Remi
Ste. Beatrix
Philomene
Ormstown
St.Chrysostome
St.Antoine
Lacolle
Noyan Jc.
Richford
Rouses Point
Alburgh
Powers Court
Newport
Hemmings Falls
Nicolet Falls
Kingsey
Danville
Asbestos
Warwick
Drummondville
St.Guillaume
Yamaska W.
St.Hyacinthe
Ste.Rosalie Jc.
Acton Vale
Boucherville
Beloeil
St.Hubert
Longueuil
Marieville
Brosseau
Ste.Angele
St.Cesaire
Abbottsford
Granby
Waterloo
Eastman
Lennoxville
Bromptonville
Windsor
Richmond
Lime Ridge
Dudswell Jc.
East Angus
Cookshire
Compton
Magog
Knowlton
Sutton Jc.
Coaticook

THE
SHAWINIGAN
WATER & POWER
COMPANY
GOUIN STORAGE DAM
LAURENTIDES PARK
Lake Edward
Lake Edward
Lake Edward

St. Francis Water Power Company—Control acquired by The Shawinigan Water & Power Company June 1, 1924. Distributes electrical energy.

Three Rivers Traction Company—Owns and operates a street railway in Three Rivers. The line extends to Cap de la Madeleine, and is 8.5 miles in length.

Shawinigan Chemicals Limited—Formed in 1927 as a consolidation of the Canada Carbide Co., Ltd., and Canadian Electro Products Co., Ltd.; manufacturers of acetylene, acetaldehyde, acetic acid and other chemical products. Factories at Shawinigan Falls.

The Shawinigan Engineering Company, Ltd.—Has charge of all engineering and construction undertaken by the parent company.

St. Maurice Construction Company—Constructed for the Provincial Government the La Loutre storage dam at the headwaters of the St. Maurice River, some 225 miles above Shawinigan Falls.

Gres Falls Development Company, Ltd.—Owns land at Gres Falls.

SUBSIDIARY COMPANIES CONTROLLED BY STOCK OWNERSHIP

Quebec Power Company (see appended statement).
Portneuf Power Company.

COMPANIES ASSOCIATED BY SUBSTANTIAL STOCK INTEREST

Duke-Price Power Company, Ltd. (see General Index)—The Shawinigan Water & Power Company owns 20% of this company's capital stock, and has contracted for 100,000 h.p. for delivery at the Duke-Price plant on the Saguenay River.

Laurentide Power Company Ltd. (see General Index)—Plant operated under the management of The Shawinigan Water & Power Company, which has contracted for 87,500 h.p. delivered at the Laurentide Company's station at Grand'Mere.

Montreal Light, Heat & Power Consolidated (see General Index)—A large holding company which controls the entire gas, electric light and power business of Montreal and suburbs, and of whose capital stock The Shawinigan Water & Power Company has a substantial interest. Montreal Light, Heat & Power Co., a subsidiary of the company, has contracted with The Shawinigan Water & Power Company to control all the power transmitted by the Shawinigan Company into Montreal.

Niacet Chemicals Corporation—Manufactures in the United States, chemical products under the processes discovered in Canada at the Canadian Electro Products plant. The Shawinigan Water & Power Company owns a one-third interest in the capital stock.

United Securities Limited (see General Index)—A holding company controlled by The Shawinigan Water & Power Company and Montreal Light, Heat & Power Consolidated, through the joint ownership of its capital stock. This company's chief properties are The Canadian Light & Power Company, and Montreal Tramways.

OUTPUT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
*Total primary output (k.w.h.)	2,000,656,974	1,787,155,855	1,529,339,100	1,411,299,200
Total secondary output (k.w.h.)	680,375,018	342,725,960	473,845,930	256,609,190

*Does not include secondary output.

CAPITAL STOCK

Authorized, 1,600,000 shares of no par value; issued, 1,500,000 shares.

The history of the Company's capital stock for the past 15 years is as follows:

Originally authorized—$40,000,000, par, $100.			
Issued previous to	October	1911	$9,000,000 at par
Issued	October	1911	1,000,000 at 108
Issued	September	1912	1,000,000 at 120
Issued	April	1914	1,375,000 at 120
Issued	July	1915	1,237,500 at 100
Allotted	May	1916	1,361,250 at 115
Sold after			26,250
Issued	January	1918	*4,500,000
Sold during		1918	500,000
Allotted	September	1924	2,000,000 at par
To employees	November	1924	664,400 at 125
To Customers	April	1925	1,156,000 at 132
To shareholders	October	1925	1,179,600 at 100
To shareholders	August	1926	2,500,000 at 150
			$27,500,000 p. $100

*In exchange for 2-year notes.

In December, 1926, the capital stock of Company, with a par value of $100, was converted into shares of no par value, on the basis of four shares of no par value stock for each share of $100 par value. Outstanding shares then stood at 1,100,000.

In September, 1927, 100,000 shares were offered to shareholders in the ratio of one share for each eleven held at a price of $50 per share.

In February, 1928, the shareholders ratified the increase of the capital stock to 1,600,000 shares of no par value, and the directors authorized a further issue of stock to the shareholders on the basis of one new share at $50 for each four held as at March 26, 1928. Outstanding shares will total 1,500,000 when this is completed.

Subscription Privilege—Stockholders of record Mar. 26, 1928, as stated in preceding paragraph, received the right to subscribe to 317,700 shares of capital stock of no par value at $50 a share in the ratio of one new share for each four shares held. Privilege expired May 1, 1928. Payment was due at Montreal Trust Co., Montreal, Quebec, or Aldred & Co., Ltd., London, England, as follows: $12.50 upon subscription on or before May 1, 1928 and $37.50 on or before Aug. 1, 1928.

Transfer Agent—The Royal Trust Co., Montreal.

Registrar—National Trust Co., Ltd., Montreal.

Annual Meeting—Third Tuesday in February, at Montreal.

Listed—Montreal and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
$100 par value—								
High	277½	275½	175	137½	123½	116¾	109½	119½
Low	264	167½	130½	118¼	112	102½	100	97½
No par value—								
High	94¾	..	..	..	..	..	..	..
Low	67	..	..	..	..	..	..	..

Dividends—Dividends in recent years have been paid as follows: In 1907, 2%; in 1908 and 1909, 4% each; in March, 1911, rate increased to 5% per annum; in Jan., 1912, the rate was again increased to 6% per annum, with payment of 1½% quarterly, and in Jan., 1916, the rate was further increased to a 7% per an-

SHAWINIGAN WATER & POWER CO. SECURITIES
ALDRED & CO.
Fiscal Agents
40 Wall Street NEW YORK

num basis and in October, 1925, to 8% per annum, which rate was maintained to Jan. 10, 1927. Initial dividend of 50 cts. a share on no par value shares was paid April 11, 1927, which rate has been regularly paid since. Dividends are declared in M, J, S & D, and are paid quarterly, J, A, J & O 10.

In addition stockholders received on March 1, 1923, for every 20 shares held, one new share of the capital stock of St. Maurice Power Co., Ltd., a total distribution of 10,000 fully paid shares having been made.

FUNDED DEBT

(1)

$35,000,000 FIRST MORTGAGE AND COLLATERAL TRUST SINKING FUND GOLD BONDS, SERIES A 4½%; DUE OCTOBER 1, 1967

Dated October 1, 1927.

Interest Payable April and October 1 in New York in United States gold coin, in Montreal in Canadian gold coin, or in London in pounds Sterling at $4.86 2/3.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal, Que.

Provisions of Issue—Authorized, $200,000,000; issued, Series "A" 4½%, $35,000,000 and Series "B" 4½%, $10,000,000.

The remainder of the authorized bonds may be issued for future additions, improvements and acquisitions only when net earnings, as defined in the Mortgage, applicable to interest charges, for the last fiscal year prior to such issue, or, at the Company's option, for 12 months ending within 16 months prior to such issue, shall have been at least 1½ times interest charges on all bonds outstanding including those proposed to be issued. They may be issued to an amount, face value, not exceeding 80% of the cost or fair value, whichever is less, of additional property acquired by the Company on which the bonds will be a direct first mortgage and/or 80% of the cost or fair value, whichever is less, of future acquired first mortgage bonds of other companies, whether controlled or otherwise, pledged under the Mortgage, except in the case of acquisition of bonds already issued for not exceeding 80% of the cost or fair value of properties covered thereby, in which event bonds may be issued for the face amount of first mortgage bonds so acquired; provided, however, that the amount of bonds issued upon the basis of first mortgage bonds of other companies subsequent to the present issue shall at no time exceed 25% of the principal amount of all bonds then outstanding under the Mortgage, including those applied for.

The Mortgage provides for the issuance of bonds in series. Bonds of any series other than Series "A" shall bear such interest rate or rates, mature at such date or dates, not later than January 2, 1988, be issuable in such denominations and currencies, be callable at such prices and have such tax provisions and other variations not inconsistent with the general provisions of the Mortgage as may be determined by the Board of Directors at the time of issue.

The Mortgage provides that its terms and provisions, with certain exceptions, may be modified upon vote of 66 2/3% of the First Mortgage and Collateral Trust bonds outstanding, but that no such modification shall be permitted to make any change in maturity, interest rate, principal amount or terms of payment of principal or interest of any bond, without consent of the holder of such bond.

Purpose of Issue—Proceeds of the $35,000,000 Series "A" bonds, together with proceeds of 100,000 shares of capital stock, were used to retire, through call, all outstanding funded debt of the Company, aggregating $26,392,500, and to supply more than $9,000,000 to defray cost of additions, improvements and acquisitions.

Callability—Subject to call on 30 days' notice as a whole at any time, or in part on any interest date, at 103½ and interest on or before Oct. 1, 1932, the premium thereafter decreasing ½% during each 5-year period to 100½ during the last ten years prior to maturity.

Sinking Fund—Provision is made for a sinking fund of 1% per annum (first payment Dec. 31, 1928) on the largest amount of bonds outstanding in each year, to be used to retire bonds by purchase at not exceeding the calling prices or by call if not so purchasable.

Security—Bonds are secured by a direct first mortgage on the Company's lands, rights in lands, water powers, dams, power houses and transmission lines now owned, or hereafter acquired from proceeds of bonds of this issue, by pledge of certain first mortgage bonds of electric and manufacturing companies now controlled; and by a floating charge on all other present and future assets of the Company. Except as stated above or as otherwise provided in the Mortgage the lien of the Mortgage will not extend to future acquired property or securities other than such as are made the basis of the issue of additional bonds.

Tax Provisions—When held by residents of the United States, bonds are free from present or future taxes imposed by any taxing authority in Canada.

Legal Opinion—Simpson, Thacher & Bartlett, New York (for the Bankers) and Lafleur, MacDougall, Macfarlane & Barclay, Montreal (for the Company.)

Listed—New York Curb Market.

Original Offering—First publicly offered ($35,000,000) in Dec., 1927, at 95½ and interest to yield over 4.75% by Brown Brothers & Co., Lee, Higginson & Co., Jackson & Curtis, Minsch, Monell & Co., Inc., New York; Alex. Brown & Sons, Baltimore, etc., and Chase & Co., Boston.

(2)

$10,000,000 FIRST MORTGAGE AND COLLATERAL TRUST SINKING FUND GOLD BONDS, SERIES "B" 4½%; DUE MAY 1, 1968

Dated May 1, 1928.

Interest Payable May and November 1 in New York, Montreal and in London in like manner as for Series "A" Bonds.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Part of an authorized issue of $200,000,000 of which $35,000,000 Series "A" and $10,000,000 Series "B" have been issued, including this issue. The authorized amount of Series "B" bonds is $25,000,000, of which $22,000,000 have been certified, $10,000,000 being outstanding.

For full details of Provisions of Issue see under Series "A" above.

Purpose of Issue—The proceeds of $10,000,000 Series "B" bonds and of 329,200 shares of capital stock were sold for cash and used to retire all funded debt of St. Maurice Power Company, Limited; to advance funds to Quebec Power Company (a controlled company) to retire all existing funded debt of its subsidiary com-

Shawinigan Water & Power Co. 1st 4½s 1967

Uptown Montreal Branch: Mount Royal Hotel Building

Greenshields & Co

Members of the Montreal Stock Exchange

Montreal: 17 St. John Street

Out-of-town Branch Offices: Toronto Ottawa Quebec

panies; and to defray cost of additions, improvements and acquisitions.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 103½ and interest on or before May 1, 1933, the premium decreasing ½% during each five-year period to 100½ and interest during the last ten years prior to maturity.

Sinking Fund, Security, Tax Provisions and Legal Opinion—See under Series "A" bonds above.

Original Offering—First publicly offered ($10,000,000) in April 1928, at 98½ and accrued interest to yield about 4.60%, by Brown Bros. & Co., Lee, Higginson & Co. and Jackson & Curtis, New York, etc., Alex Brown & Sons, Baltimore, and Chase & Co., Boston.

BOND REDEMPTIONS

All the First Consolidated Sinking Fund Gold 5s, due January 1, 1934 were called for redemption on January 1, 1928 at 110 and interest at Bank of Montreal or London, England, or at agency of Bank of Montreal in New York.

All First Refunding Mortgage Sinking Fund Gold Bonds, were called for redemption at Royal Bank of Canada, Montreal, Bank of The Manhattan Co., New York or Bank of Scotland, London, Eng., as follows:

Series "A" 5½s, due July 1, 1950, at 110 and interest, on Dec. 1, 1927.

Series "B" 6s, due July 1, 1950, at 105 and interest, on Jan. 1, 1928.

Series "C" 6s, due July 1, 1950, at 105 and interest, on Jan. 1, 1928.

Series "D" 5½s, due Apr. 1, 1954, at 105 and interest, on Apr. 1, 1928.

Series "E" 5s, due Oct. 1, 1955, at 105 and interest, on April 1, 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue	$9,362,828	$7,660,208	$6,702,034	$5,741,079	$5,110,539	$4,629,642
Deduct:						
Operating	$338,938	$279,271	$259,023	$256,014	$227,298	$199,998
Power purchased	3,088,626	2,095,522	1,779,511	1,343,185	999,413	925,950
Maintenance & repairs	301,355	233,439	389,608	299,399	261,764	151,695
Taxes and insurance	254,212	236,271	213,551	213,028	195,181	145,226
General expense	337,415	288,632	252,877	191,183	138,271	135,993
Water storage rentals	110,006	110,006	106,587	117,719	117,719	117,719
Total deductions	$4,430,552	$3,243,141	$3,001,157	$2,420,528	$1,939,646	$1,676,581
Net earnings	$4,932,276	$4,417,067	$3,700,877	$3,320,551	$3,170,893	$2,953,061
Interest on funded debt	1,637,493	1,459,744	1,334,538	1,274,652	1,189,333	1,155,778
Transferred to depreciation reserve	400,000	350,000	350,000	350,000	350,000	200,000
Net income	$2,894,783	$2,607,324	$2,016,339	$1,695,899	$1,631,560	$1,597,283
Dividends for year	$2,200,000	$2,050,000	$1,676,250	$1,400,000	$1,400,000	$1,400,000
Transferred to:						
Reserve & sinking funds	.....	50,000	50,000	50,000	50,000	50,000
Fire insurance reserve	.....	.....	20,000	20,000	20,000	20,000
Employes' pension fund	.....	.....	5,000	5,000	5,000	5,000
Surplus for year	$694,783	$507,324	$265,089	$220,899	$156,560	$122,283
†Times Interest Earned	2.76	2.80	2.51	2.33	2.37	2.38
§Earnings Per Share	$2.41	‡$9.30	$7.86	$7.48	$7.90	$7.73

†After depreciation. §After sinking funds. ‡Capital stock was changed from a par value of $100 to shares of no par value Dec. 16, 1926, 4 shares of no par value being exchanged for 1 share of $100 par value.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Real estate, property and power development	$17,824,967	$17,192,101	$17,078,360	$16,814,888	$16,637,163	$16,678,822
Machinery	6,584,552	6,475,334	6,386,029	6,290,604	6,210,390	6,100,228
Transmission lines	15,443,733	11,515,374	7,992,892	7,247,132	6,993,644	6,526,817
Securities of subsidiary and other companies	29,022,257	23,040,928	19,020,702	17,245,496	14,243,171	13,112,758
Materials, supplies, etc.	650,844	592,123	582,871	690,003	653,093	496,229
Accounts and bills receivable	1,168,051	2,093,499	2,329,541	1,974,988	1,678,754	1,679,927
Stock subscriptions due	.....	88,031	744,615	.....	.....	.....
Prepaid charges	176,924	172,727	170,739	159,302	125,926	85,469
Temporary investments	.....	481,888	.....	.....	.....	.....
Call loans	2,480,000	1,392,000	750,000	300,000	.....	50,000
Cash on hand, etc.	288,809	730,273	790,215	692,883	552,545	651,258
Total	$73,640,137	$63,774,280	$55,845,964	$51,415,296	$47,094,686	$45,381,508
Liabilities—						
Capital stock	†$30,000,000	$27,500,000	$25,000,000	$22,000,000	$20,000,000	$20,000,000
First Mtge. & Coll. Tr. 4½s, 1967	35,000,000	.....	.....	.....	.....	.....
5% consolidated mortgage bonds	.....	3,263,000	3,638,000	3,738,000	3,798,500	3,808,500
First refunding mortgage bonds	.....	22,866,500	19,510,500	18,508,500	16,939,500	15,545,000
Accounts and bills payable	606,252	591,624	314,031	512,638	361,983	325,247
Accrued bond interest and dividends payable	943,750	1,003,095	902,255	805,255	764,185	761,470
Contingent and insurance funds	753,191	1,638,184	364,020	292,670	256,973	204,618
Reserve and sinking funds	803,910	2,321,036	2,202,843	2,090,385	2,081,499	2,516,479
Depreciation and renewal reserve	4,441,184	3,831,981	3,281,069	2,962,879	2,526,233	1,897,317
Employees' pension fund	.....	.....	60,000	55,000	50,000	45,000
Surplus	1,091,850	*758,859	*573,246	*449,969	*315,813	*267,877
Total	$73,640,137	$63,774,280	$55,845,964	$51,415,296	$47,094,686	$45,381,508

*Subject to deduction for income tax. †Representing 1,200,000 shares of no par value.

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STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Materials, supplies, etc.	$650,844	$592,123	$582,871	$690,003	$653,093	$496,229
Accounts and bills receivable	1,168,051	2,093,499	2,329,541	1,974,988	1,678,754	1,679,927
Call loans	2,480,000	1,392,000	750,000	300,000	.....	50,000
Stock subscriptions due	.....	88,031	744,615	.....	.....	.....
Cash in banks and on hand	288,809	730,273	790,215	692,883	552,545	651,259
Temporary investments	.....	481,887	.....	.....	.....	.....
Total	$4,587,704	$5,377,813	$5,197,242	$3,657,874	$2,884,392	$2,877,415
Current Liabilities—						
Accounts and bills payable	$606,252	$591,624	$314,031	$512,638	$361,983	$325,247
Bond interest & dividends payable in January	943,750	1,003,095	902,255	805,255	764,185	761,470
Total	$1,550,002	$1,594,719	$1,216,286	$1,317,893	$1,126,168	$1,086,717
Net Working Capital	$3,037,702	$3,783,094	$3,980,956	$2,339,981	$1,758,224	$1,790,698

Officers: J. E. Aldred, Pres.; Howard Murray, V-P.; Julian C. Smith, V-P. & Gen. Mgr.; W. S. Hart, V-P. & Treas.; James Wilson, Sec., Montreal, Can.

Directors: J. E. Aldred (Chairman), Howard Murray, Sir Herbert S. Holt, Julian C. Smith, W. S. Hart, Sir Lomer Gouin, Beaudry Leman, Gordon W. MacDougall, K. C., Montreal; Col. G. P. Murphy, C. M. G., Ottawa, Ont.; R. W. Kelley, Henry J. Fuller, New York, Maurice J. Curran, Boston, Mass.

Offices, Montreal, Que., and Shawinigan Falls, Que.

BEAUHARNOIS ELECTRIC CO., LTD.

(Controlled by The Shawinigan Water and Power Co.)

History—Incorporated Aug. 12, 1912, under the laws of Province of Quebec. Company serves with electricity the following municipalities: Athelstan, Beauharnois, Bellevue, Caughnawaga, Chateauguay Basin, Chateauguay Village, Delson, Dewittville, Hemmingford, Howick, Huntingdon, Maple Grove, Melocheville, Ormstown, Powers Court, Ste. Cecile, St. Chrysostome, Ste. Clothilde, St. Constant, St. Edouard, St. Etienne, St. Isidore, St. Isidore Jct., St. Louis de Gonzague, St. Michel, St. Philomene, St. Remi, St. Stanislas de Kostka, St. Timothee, Salaberry de Valleyfield, Valleyfield and Woodlands. Population served about 28,000. Number of meters, 5,250.

This Company was not taken over by the Montreal Light, Heat & Power Consolidated, in Feb. 1926, when the latter acquired the Quebec-New England Hydro-Electric Corp., but control was acquired by The Shawinigan Water & Power Co.

CAPITAL STOCK

Authorized, $425,000 Common and $75,000 6% non-cumulative Pfd.; outstanding, $425,000 Common and $75,000 Pfd.; **par, $100. Pfd. stock is subject to call** at 105 on 30 days' notice. Capital stock is all owned by The Shawinigan Water and Power Co.

Dividends—Paid dividends of 6% on Pfd. in 1923; none since. None paid on Common.

FUNDED DEBT

(1)

$150,000 First Gold 5s; dated Nov. 1, 1912; due Nov. 1, 1942; int. May and Nov. 1, at Bank of Montreal, Montreal, Que. Coupon, $100 and $500; principal may be registered. The Imperial Trust Co., Montreal, Que., Trustee. Authorized, $400,000; outstanding Dec. 31, 1927, $150,000. The remaining $250,000 were then held as collateral by The Shawinigan Water and Power Co. Subject to call on six months' notice, at 105. No sinking fund. A first lien on entire property.

Bonds Called—All of the outstanding First Mortgage 5% bonds, due November 1, 1942 described above have been called for redemption on September 1, 1928 at 105 and interest at Imperial Trust Co., Montreal.

(2)

$1,220,000 FIRST AND REFUNDING MORTGAGE SINKING FUND 6% GOLD BONDS DUE 1958

Authorized, $10,000,000; issued, $1,220,000.

No further details available.

PROFIT AND LOSS ACCOUNT

	12 mos. ended Dec. 31, 1927	18 mos. ended Dec. 31, 1926
Revenue from power sales	$133,345	$99,550
Miscellaneous income	114	622
Total	$133,459	$100,172
Purchased power	.....	41,939
Oper. exp., maint., ins., taxes & sundry expenses	156,867	35,586
Operating profit	*$23,408	$22,647
Interest on bonds	7,500	13,267
Surplus for period	*$30,908	$9,380
Surplus from previous fiscal period	389	5,009
Total	*$30,519	$14,389
Transferred to Contingent Reserve	.....	14,000
Surplus at Dec. 31	*$30,519	$389

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Generating plant, transmission lines & distribution systems	$1,500,542	$846,066
Power site at Powers Court	15,000	15,000
Real estate	10,754	6,499
Investments	315,333	.....
Loose plant	15,468	10,091
Cash	8,051	13,267
Bills & accts. receivable	30,933	4,244
Stores	28,068	19,995
Deferred charges	16,240	3,005
Deficit	30,519	.....
Total	$1,970,908	$918,167

Liabilities—	1927	1926
Common stock	$425,000	$425,000
Preferred stock	75,000	75,000
Funded debt	1,370,000	150,000
Contingent reserve	58,524	62,425
Deferred accounts payable	.....	25,000
Ordinary accounts payable	36,834	14,800
Accrued bond interest	1,250	1,250
Other accrued charges	821	296
Unclaimed wages	8	6
Loans	3,471	164,000
Profit & loss surplus	.....	389
Total	$1,970,908	$918,167

Officers: R. J. Beaumont, Pres.; James Wilson, V-P.; H. G. Budden, Treas.; W. A. Stitt, Sec.; N. P. Woods, Asst. Treas.

Directors: W. S. Hart, James Wilson, J. B. Challies, R. J. Beaumont, P. S. Gregory.

General Office, Montreal, Que.

ELECTRIC SERVICE CORPORATION

(Controlled by The Shawinigan Water and Power Company)

History—Incorporated in May, 1905, in Quebec, as the St. Maurice Light & Power Co.; name changed to Electric Service Corp. in 1920. Does all the lighting and small power business in Shawinigan Falls and operates exclusive lighting and power systems in some 95 towns and villages in the Province. No. of electric meters, 13,513. Population served, 122,165.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,250,000; par, $100. All owned by The Shawinigan Water & Power Co. Annual meeting, usually held on last Tuesday in January.

Dividends—Dividends have been paid as follows: 1909, 6%; 1910, 5%; 1911, 6%; 1912, 7%; 1913, 8%; 1914, 7%; 1915, 1916, 1917 and 1918, 6% each; 1919 none; 1920, 6%; 1921, 1922, and 1923, none; 1924 to 1927 inclusive 6% per annum.

FUNDED DEBT

$1,000,000 30-Year First Mortgage 6% Gold bonds; dated Jan. 1, 1918; due Jan. 1, 1948; interest Jan. and July 1, at Royal Bank of Canada, Montreal, or at its Agency in New York. Coupon, $1,000; principal may be registered, Royal Trust Co., Montreal, Trustee. Authorized, $1,000,000. Subject to call at par and interest on any interest date prior to and including Jan. 1, 1928, and at 105 and interest on any interest date thereafter. No sinking fund. Secured by a first mortgage on entire property of company. Free of taxes in Canada only.

Officers: W. S. Hart, Pres.; Julian C. Smith, V-P.; W. A. Stitt, Sec.; James Wilson, Treas.; R. J. Beaumont, Gen. Mgr., Montreal, Que.

Directors: W. S. Hart, R. J. Beaumont, John Bourgeois, Jr., Julian C. Smith, James Wilson.

Head Office, Power Building, Montreal, Que. **Branch Office,** Shawinigan Falls, Que.

NORTH SHORE POWER COMPANY

(Controlled by The Shawinigan Water and Power Company)

History—Incorporated by act of Legislature of Quebec, Jan. 9, 1897. Supplies electric light and power to Three Rivers, Que., and vicinity. During 1926 work was completed on the plant at St. Narcisse on the Batiscan River, the capacity of the plant being 25,000 h.p.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned by The Shawinigan Water and Power Company. Annual meeting, second Tuesday in March.

FUNDED DEBT

$4,800,000 FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1945

Dated June 22, 1915.

Interest Payable January and July 1, at The Royal Bank of Canada, Montreal, Que.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Royal Trust Co., Montreal, Que.

Provisions of Issue—Authorized, $5,000,000.

Callability—Subject to call after Jan. 1, 1925, at 110 and interest.

Sinking Fund—1% of outstanding bonds annually.

Security—A first lien on all property of company, franchises and advantages on contract with The Shawinigan Water & Power Co., dated Sept. 28, 1907.

OFFICERS AND DIRECTORS

Officers: Julian C. Smith, Pres.; W. S. Hart, V-P.; Jas. Wilson, Sec. & Treas.; J. H. Fregeau, Supt

Directors: Julian C. Smith, Howard Murray, James Wilson, John Morse, W. S. Hart, J. B. Challies, Henri Dessaulles, Hon. Jacques Bureau.

General Office, Three Rivers, Que., Can.

QUEBEC POWER COMPANY

(Controlled by The Shawinigan Water and Power Company)

History and Properties—Incorporated in 1915 in Canada. A holding and operating company which operates directly, or through its subsidiaries, the entire gas, electric light, and power business, and street railway system in Quebec city and vicinity.

The Company had its origin in the Dorchester Electric Company, which installed a 2,000 h.p. steam electric plant in 1912; increased its capacity to 3,500 h.p. in 1915, and passed to the control of The Shawinigan Water and Power Company in 1916, and the name was changed to the Public Service Corporation of Quebec, when it was connected by transmission line with Shawinigan Falls generating station of the latter company. In 1923 the name "Public Service Corporation of Quebec" was changed to Quebec Power Company, and control of The Quebec Railway, Light, Heat & Power Company Ltd., which also distributed hydro-electricity in Quebec and Levis, was acquired (see appended statement). In 1925 control of the Laurentian Power Company, Ltd., which held a long term contract for the sale of hydro-electricity in bulk to The Quebec Railway, Light, Heat & Power Co., Ltd., was acquired. In July 1927 La Corporation d'Energie de Montmagny, and its two subsidiaries, La Compagnie Electrique de Montmagny and La Compagnie Electrique de Bellechasse, were purchased. In August 1927 the Kamouraska Hydro-Electrique Limitee was purchased. The distribution system of this company is under construction, and will distribute power in the county of Kamouraska. Later in 1927 the Company acquired the Montmorency Electric Company, distributing light and power on the Island of Orleans. The Company also purchased, the same year, the Basin Electric Company, which has the lighting contract for the city of Montmagny.

The properties include power plants at Montmorency Falls, Natural Steps (Montmorency River), St. Gabriel, Chaudiere, Seven Falls, St. Raphael, and Armagh, with an installed capacity of 26,060 k.w., and in addition, an auxiliary steam power station in Quebec with a capacity of 2,500 k.w. Power is purchased in bulk from The Shawinigan Water and Power Company. The gas plant has a capacity of 1,000,000 cu. ft. per day.

There are 500 miles of transmission and distribution lines; 29 miles of street railway; 32 miles of electric railway; and an additional five miles of road leased to the Canadian Northern Railway.

Acquisition of Laurentian Power Co., Ltd.—In January, 1928, Company offered to purchase all the properties and assets of its subsidiary, Laurentian Power Co., Ltd., as a going concern as and from Dec. 31, 1927, the whole for the sum of $2,935,420 payable in cash. All of the Laurentian Power Co., Ltd. First & Refunding Mortgage 6% bonds, due January 1, 1936 were called for redemption on Jan. 3, 1928, at 110 and interest. Under date of Feb. 9, 1928 the sale was approved by shareholders of Laurentian Power Co., Ltd., (for last published statement see 1927 Public Utility Volume page 339).

Acquisition of The Quebec Railway, Light, Heat & Power Company, Ltd.—At a special meeting on April 3, 1928, shareholders of The Quebec Railway, Light, Heat & Power Company, Ltd., aproved sale of the Company as a going concern, to the Quebec Power Company, for a price sufficient to discharge all outstanding obligations of the Company, including principal, interest and redemption premium of all outstanding bonds, including all outstanding bonds of the Quebec-Jacques Cartier Electric Company, whose properties and assets were to be taken over by The Quebec Railway, Light Heat & Power Co., Ltd., with the purchase price sufficient to enable the Company, on liquidation, to pay to all holders of its Common shares a sum of $80 in cash. Of a total of 100,000 shares, 99,923 shares were voted in favor of the sale. The outstanding bonds were as follows: $9,151,000 5% Consolidated Gold bonds and $6,199,400 6% 30-Year General and Refunding Mortgage Sinking Fund Gold bonds of The Quebec Railway, Light, Heat &

Power Co., Ltd. and $849,000 First Refunding 5% Gold bonds of Quebec-Jacques Cartier Electric Company. Statement of The Quebec Railway, Light, Heat & Power Co., Ltd. is appended. For last published statement of Quebec-Jacques Cartier Electric Company see 1927 Public Utility Volume, p. 342.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

City Tramway Division—	1927	1926
Revenue passengers	19,369,213	18,311,479
Montmorency Division—		
Passengers	1,578,345	1,453,537
Freight (tons)	352,701	267,288
Electrical Department—		
K.w.h. of power generated & purchased	109,788,750	79,171,059

CAPITAL STOCK

Authorized, 600,000 shares Common stock of no par value; outstanding, Dec. 31, 1927, 400,000 shares. In addition directors on Feb. 9, 1928, authorized the issuance of 2,200 shares in exchange for stock of The Quebec Railway, Light, Heat & Power Co., Ltd. The Shawinigan Water & Power Co. owns a majority of the stock.

Changes in Capital Stock—In November, 1926, the capital stock of the Company was increased from $10,000,000 to $15,000,000, by the issuing of 50,000 shares of $100 par value Common stock.

The Preferred stock of Company was called for redemption January 1, 1927, at $110, the option being given to the holder to convert his Preferred holdings into Common, at the same price as the call price of Pfd.

In order to provide funds for the purposes of the Company, in February, 1927, the directors authorized the issue and sale of 22,865 shares of the Company's stock, in the proportion of three new shares for every ten shares held. These shares were sold at a price of $100 per share, and were fully subscribed by the shareholders.

In July, 1927, the existing shares of $100 par value were each converted into four shares without par value, so that the Company had outstanding at December 31, 1927, 400,000 shares of capital stock without par value, standing on the books of the Company at a value of $10,000,000.

Transfer Agent—National Trust Co., Ltd., Montreal.

Registrar—Montreal Trust Co., Montreal.

Annual Meeting—Second Tuesday in February at Quebec.

Listed—Montreal Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
Common (par value $100)—					
High	312	200	119	95	81
Low	190	113	86	64	60
Common (no par value)—					
High	88½	..	..	..	..
Low	72	..	..	..	..

Dividends—Dividends on Common stock (Public Service Corp.) were raised from a 4% to a 5% basis, by payment on July 15, 1920, of 1¼%, which rate was maintained to June 30, 1923, inclusive; payments quarterly, J, A, J & O 15. In addition a stock dividend of 10% was paid in Preference stock of the Quebec Power Co. on Aug. 1, 1923. A dividend of 4% on Common stock of Quebec Power Co. was paid on Jan. 15, 1925, for the year 1924; May 1, 1925, to July 15, 1926, 1¼ each quarter; Oct. 15, 1926, and Jan. 15, 1927, 1½% each; April 15 and July 15, 1927, 1¾% each; Oct. 15, 1927, 2%; Jan. 16, 1928, initial dividend of 50 cents per share on shares of no par value; April 16. 1928, 50 cents; payments quarterly, J, A, J & O 15. Initial dividend of 1¾% on Pfd. stock for the quarter ended Sept. 30, 1923, was paid Oct. 15, 1923, which quarterly rate was regularly paid until Jan. 3, 1927, when Pfd. stock was called for redemption.

FUNDED DEBT

(1)

$3,540,000 FIRST 30-YEAR SINKING FUND GOLD 6s; DUE OCTOBER 1, 1953

Dated October 1, 1923.

Interest Payable April and October 1, at Royal Bank of Canada, Montreal, in Canadian gold coin, or at Bank of Manhattan Co., New York, in United States gold coin.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—National Trust Co., Ltd., Montreal, Quebec.

Provisions of Issue—Authorized, $20,000,000; issued and outstanding, $3,540,000. In addition, $1,460,000 (£300,000) 6% Debenture stock (see below), was issued in London, making the total amount issued under the mortgage $5,000,000. The mortgage provides for the issue of bonds of subsequent series, at such maturity dates (not later than July 2, 1973) and at such interest rates (not exceeding 7%) as shall be determined at the time of issue, to reimburse company for the actual cash cost of additional amounts of the Consolidated 5s, due 1939, or other securities of The Quebec Railway, Light, Heat & Power Co., Ltd. which may be purchased by company and hypothecated under the Trust Deed. Other bonds may be issued only under careful restrictions as to values of property and net earnings. The proceeds of these bonds will be used in part to reimburse the company for the cost price of The Quebec Railway, Light Heat & Power Co. Consolidated 5s, due 1939, pledged under this mortgage and in part to provide for further additions, improvements and extensions to the companys' properties.

Callability—Subject to call in whole or in part on any interest date on 60 days' notice at 110 and accrued interest up to Oct. 1, 1928; at 107½ to Oct. 1, 1939, at 105 to Oct. 1, 1943; at 102½ to Oct. 1, 1948, and at 101 thereafter until maturity.

Sinking Fund—$25,000 per annum commencing Oct. 1, 1930, to be increased Oct. 1, 1935, to $40,000 per annum and Oct. 1, 1940, to $50,000 per annum.

Security—A first lien on entire property of company and in addition a collateral lien on the properties of The Quebec Railway, Light, Heat & Power Co., through pledge of $2,225,000 (total issue, $2,500,000) capital stock, $3,000,000 (total issue, $10,000,000) Consolidated 5s, due 1939, and $2,976,480 30-Year Income 5s, due 1951, of that Company.

Legal Opinion—Lafleur, MacDougall, MacFarlane & Barclay, Montreal.

Original Offering—First publicly offered ($3,540,000) in October, 1923, at 95 and interest to yield 6⅜%, by Alfred & Co. and Minsch, Monell & Co., Inc., New York.

Price Range—

Series "A" 6s, due Oct. 1, 1953	1927	1926	1925
High	106½	106¼	102¼
Low	104	102	98¾

(2)

$1,460,000 (£300,000) 6% FIRST MORTGAGE DEBENTURE STOCK, DUE OCTOBER 1, 1953.

Dated October 1, 1923.

Issued under the same mortgage as the above described Series "A" 6s. Offered in London in October, 1923.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,572,230	$1,238,302	$1,046,944	$908,470	$544,090	$346,301
Operating expenses and taxes	316,003	271,034	236,444	230,284	238,296	197,843
Depreciation	100,000	100,000	60,000	30,000	24,000	23,704
Net earnings	$1,156,227	$867,268	$750,500	$648,186	$281,794	$124,754
Interest charges	$300,000	$300,000	$300,000	$300,000	$100,904	$25,000
Income tax and sinking fund	.....	.....	.....	.....	.....	17,326
Total charges	$300,000	$300,000	$300,000	$300,000	$100,904	$42,326

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Balance for dividends	$856,227	$567,268	$450,500	$348,186	$180,890	$82,428
Preference dividends	.....	251,466	207,666	156,185	*276,494	.....
Common dividends	666,754	220,884	198,608	157,352		80.000
Surplus for year	$189,473	$94,917	$44,226	$34,649	¶$64,396	$2,428
Times Bond Interest Earned	3.85	2.89	2.50	2.16	2.79	4.99
Earnings Per Share—						
‡Preference	.....	$15.79	$12.71	$15.55	$8.19	.....
Common	$2.14	7.84	6.07	4.81	2.73	$5.15

*Consists of the following: $40,000 paid on Common stock of Public Service Corp. of Quebec to June 30, 1923 and $76,494 paid on Preference stock of Quebec Power Co. to Dec. 31, 1923 from income; and $160,000 (10%) paid on Public Service Corp. of Quebec stock in Preference stock on Aug. 1, 1923, from surplus account. ‡Issued in 1923; retired Feb. 1, 1927.

GENERAL BALANCE SHEET, DECEMBER 31

(Accounts Audited by Sharp, Milne & Co.)

Assets—	1927	1926	1925	1924	1923	1922
Plant	$3,234,939	$3,083,799	$2,729,984	$2,722,598	$2,672,253	$2,023,264
Meter and transformers	451,568	438,772	411,006	343,652	303,091	270,599
Securities of subsidiary companies	11,728,018	8,757,077	8,464,281	7,174,324	5,521,509	.....
Advances to subsidiary companies	.....	.....	.....	.....	785,500	.....
Cash	218,612	116,634	175,387	233,106	468,247	23,077
Accounts receivable	156,055	265,440	341,032	242,084	123,906	38,727
Bills receivable	483,474	412,038	48,542	267,106	300,000	
Call loans	.....	.....	.....	.....	711,080	.....
Customers' and employees' stock subscriptions	.....	8,291	.....	.....	.....	.....
Temporary investments	72,415	414,404	974,905	699,641	484,015	18,448
Moveable plant and stores	8,825	8,833	22,480	22,299	25,041	34,827
Prepaid charges	10,622	4,298	7,800	5,521	3,997	5,762
Total	$16,364,528	$13,509,586	$13,175,417	$11,710,331	$11,398,640	$2,414,704
Liabilities—						
Common stock	*$10,000,000	$4,026,350	$3,999,150	$3,933,800	$3,818,500	$1,600,000
Preferred stock	.....	3,592,400	3,542,370	2,238,750	2,209,640	.....
Funded debt	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	500,000
Accounts payable	324,558	181,191	107,796	25,155	98,587	30,579
Accrued interest on bonds and debentures	75,000	75,000	75,000	81,200	63,040	12,500
Pref. stock divd. pay. Jan. 15	.....	62,867	61,990	39,178	38,627	20,000
Common stock div. payable	200,000	60,395	49,989	157,352	.....	.....
Reserve for depreciation	461,390	358,890	258,890	198,890	168,890	236,968
Reserve for Income Tax	.....	.....	.....	.....	.....	9,829
Surplus	303,580	152,493	80,232	36,006	1,357	4,828
Total	$16,364,528	$13.509.586	$13,175,417	$11,710,331	$11,398,640	$2,414,704

*Represented by 400,000 shares of no par value.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$218,612	$116,634	$175,387	$233,106	$468,248	$23,077
Accounts receivable	156,055	265,440	341,032	242,084	123,906	38,724
Bills receivable	483,474	412,038	48,542	267,106	300,000	
Call loans	.....	.....	.....	.....	711,080	.....
Customers' & employees' stock subscriptions	.....	8,291	.....	.....	.....	.....
Temporary investments	72,415	414,405	974,905	699,641	484,015	18,448
Total	$930,556	$1,216,808	$1,539,866	$1,441,937	$2,087,249	$80,252
Current Liabilities—						
Accounts payable	$324,559	$181,191	$107,796	$25,155	$98,587	$30,579
Accrued interest on bonds and debentures	75,000	75,000	75,000	81,200	63,040	12,500
Pref. stock divd. pay Jan. 15	.....	62,867	61,990	39,178	38,627	20,000
Common divd. payable in Jan.	200,000	60,395	49,989	157,352	.....	.....
Reserve for Income tax	.....	.....	.....	.....	.....	9,829
Total	$599,559	$379,453	$294,775	$302,885	$200,254	$72,908
Net Working Capital	$330,997	$837,355	$1,245,091	$1,139,052	$1,886,995	$7,344

Officers: Julian C. Smith, Pres., Montreal, Que.; Howard Murray, V-P.; W. S. Hart, Treas.; Jas. Wilson, Sec., Montreal; J. E. Tanguay, Gen. Mgr., Quebec, Que.

Directors: Hon. L. C. Webster, Julian C. Smith, Howard Murray, W. S. Hart, C. H. Branchaud, Dr. Milton L. Hersey, James Wilson, Hon. J. P. B. Casgrain, Montreal, Que.; John T. Ross, C. E. Taschereau, J. H. Fortier, Hon. P. J. Paradis, James M. McCarthy, Hon. A. Turgeon, George Parent, J. E. Tanguay, Hon. D. O. L'Esperance, Quebec, Que.

General Office, 53 Crown St., Quebec, Que. **Executive Office,** 83 Craig Street West, Montreal, Que.

THE QUEBEC RY., LIGHT, HEAT & PO WER CO., LIMITED

(Controlled by Quebec Power Company)

History—Incorporated Nov. 19, 1909, under the Canadian Companies Act. A consolidation of various light, gas, power and traction companies, operating in and about the City of Quebec. Since the acquisition of most of this company's capital stock by the Quebec Power Company the subsidiary companies are gradually being liquidated, and their assets incorporated under the operating company. Three subsidiaries which have been absorbed in this way are the Canadian Electric Light Company, Frontenac Gas Company, and the Quebec Gas Company.

SUBSIDIARIES

The Quebec Railway, Light & Power Co. Ltd. operates a water power plant, with 7,000 h. p. capacity, at Montmorency Falls; an electric light and power business; a railway system in Quebec; 17 miles of street railways in Quebec; 59 miles of suburban electric railway. Capital stock (outstanding) $2,500,000 Common and $750,0000 Preferred, all owned by The Quebec Railway, Light, Heat & Power Co. Ltd. and pledged under its Consolidated mortgage.

Quebec County Railway operates four miles of railway extending out of Quebec city. Capital stock (outstanding) $25,000, all owned by parent company and pledged under its consolidated mortgage. Funded debt (outstanding) $130,000 debentures, all owned by parent company and pledged under its consolidated mortgage.

SALE OF COMPANY APPROVED

At a special meeting on April 3, 1928, shareholders of Company approved sale of the Company as a going concern, to the Quebec Power Company, for a price sufficient to discharge all outstanding obligations of the Company, including principal, interest and redemption premium of all outstanding bonds, including all outstanding bonds of the Quebec-Jacques Cartier Electric Company, whose properties and assets were to be taken over by The Quebec Railway, Light, Heat & Power Co., Ltd., with the purchase price sufficient to enable Company, on liquidation, to pay to all holders of its Common shares a sum of $80 in cash. Of a total of 100,000 shares, 99,923 shares were voted in favor of the sale.

CAPITAL STOCK

Authorized and outstanding, $2,500,000; par, $25. On April 15, 1925 the capital stock was reduced from $10,000,000 to present amount by reducing the par value from $100 to $25. The Quebec Power Co. owns $2,228,375 of the stock.

Transfer Agent—Montreal Trust Co., Montreal.

Registrar—Royal Trust Co., Montreal.

Annual Meeting—Second Tuesday in March.

Listed—Montreal and Toronto Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High		26¾	24⅝	23	27¼	29½	29½	36¾
Low		26	22	15	15	21¼	22	18

Dividends—Quarterly dividends at rate of 4% per annum paid from April 15, 1911, to Jan. 15, 1912, both inclusive; none thereafter until Dec. 31, 1926, when 4% was paid; Dec. 31, 1927, 8%.

FUNDED DEBT

(1)

$9,151,000 CONSOLIDATED GOLD 5s; DUE DECEMBER 1, 1939

Dated December 1, 1909.

Interest Payable June and December 1, at Montreal Trust Co., Montreal, and at Bank of Scotland, London, Eng.

Denominations—Coupon, $100, $500 and $1,000, or £205 9s. 8d., £102 14s. 10d. and £20 10s. 11½d.; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized, $10,000,000, of which $9,151,000 outstanding Dec. 31, 1927, $3,000,000 being pledged under Quebec Power Co. First Mortgage 6s, and $849,000 reserved to retire $849,000 Quebec-Jacques Cartier Electric Co. First 5s of 1931.

Under the terms of the mortgage, bonds were to be issued or reserved as follows: (1) $2,540,300 to be delivered to the company for general purposes; (2) $1,659,700 to be delivered when paid for in cash at par, the proceeds to be used to pay for, (a) 1,908 Common shares of Canadian Electric Light Co. at par, $190,800, (b) 1,407 Pref. shares of Canadian Electric Light Co. at $120 per share, in all $168,840, (c) 7,500 Pref. shares of Quebec Ry., Light & Power Co. at $120 per share, in all $900,000, (d) the remainder for general purposes; (3) $3,659,000 were reserved to retire underlying bonds still outstanding; (4) $745,000 to be exchanged for 1,050 full-paid shares of $200 each and the $300,000 bonds of the Quebec Gas Co.; (5) $50,400 to be held for exchange for an equal amount par value, 252 shares, of Quebec Gas Co. stock; (6) remaining bonds are held in treasury for future extensions and acquisitions of properties, shares, bonds or other securities or for advance to subsidiary companies for extensions, additions and betterments.

Callability—Subject to call as a whole or in part at 105 and interest.

Security—Secured by deposit of the following securities:

Securities	Issued	Pledged
Canadian Electric Lt. Co. Pfd. stock	$140,700	$140,700
Canadian Electric Lt. Co. Com. stock	190,800	190,800
Frontenac Gas Co., capital stock	100,000	95,000
Quebec County Ry. Co. capital stock	25,000	25,000
Quebec Co. Ry. Co. debenture bonds	130,000	130,000
Quebec Gas Co. First 5s of 1927	300,000	300,000
Quebec Gas Co. capital stock	150,000	150,000
Quebec-Jacques Cartier Elect. Co. stk.	640,000	635,000
Quebec Ry. Lt. & Pr. Co. 7% Pfd. stk.	750,000	750,000
Quebec Ry. Lt. & Pr. Co. Com. stock	2,500,000	2,500,000
Total	$4,926,500	$4,916,500

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Montreal and Toronto Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101½	100	94⅝	92	83½	78¼	67	69
Low	96	92¼	94⅝	80½	69	65	60	55

BONDS CALLED

All of the above Consolidated Gold 5s, due December 1, 1939 have been called for redemption on December 1, 1928 at 105 and interest at Montreal Trust Co., Montreal, or at the Bank of Scotland, London, Eng. Holders may present their bonds at any time on and after Aug. 1, 1928 and prior to Dec. 1, 1928 and receive therefor 105 and interest to date of surrender.

(2)

$6,199,400 6% 30-YEAR GENERAL AND REFUNDING MORTGAGE SINKING FUND GOLD BONDS, SERIES "A"; DUE 1957

Authorized $50,000,000 (authorized by stockholders on May 26, 1927).

NOTE—These bonds will be retired from proceeds of sale of Company to the Quebec Power Company.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,884,822	$3,546,951	$3,243,123	$3,133,806	$2,973,004	$2,858,607
Operating expenses	2,506,483	2,392,945	2,194,987	2,156,492	2,224,353	2,010,815
Depreciation	250,000	200,000	220,000	250,000	150,000	182,546
Net earnings	$1,128,339	$954,006	$828,136	$727,314	$598,651	$665,246
Deduct:						
Earnings payable to city of Quebec	$48,728	$46,406	$44,665		$43,021	$42,697
Bond interest	803,331	792,624	756,363	$712,643	497,128	493,081
Other interest	35,842	7,851	15,868		43,134	22,183
Bond discount	.....	.....	.....	.....	12,116	21,184
Total fixed charges	$887,901	$846,881	$816,895	$712,643	$595,399	$579,145
Surplus after charges	240,438	107,125	11,241	14,671	3,252	86,101
Dividend on Common stock	200,000	100,000	.....	.....	.....	.....
Surplus for year	$40,438	$7,125	$11,241	$14,671	$3,252	$86,101
Previous surplus	8,958	11,933	.....	483,484	760,149	684,412
Total surplus	$49,397	$19,058	$11,241	$498,155	$763,401	$770,513
Deduct:						
Depreciation and adjustments applicable prior to January, 1923	.....	.....	.....	.....	279,917	.....
Balance credit surplus account, Dec. 31	†$49,397	†$19,058	$11,241	.....	$483,484	$760,149
Times Interest Earned	1.28	1.13	1.01	*1.02	1.02	1.20

*Total fixed charges. †Subject to deduction for Income Tax.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Investments, stocks, bonds and interest in other corporations	$10,017,544	$10,017,544	$10,017,544	$12,816,578	$15,313,378	$14,298,633
Bonds of Quebec-Jacques Cartier Electric Co. to be acquired on maturity	849,000	849,000	849,000	849,000	849,000	.....
Property and plant	5,317,633	5,323,414	5,230,258	5,125,114	2,414,510	.....
Treasury bonds	.....	.....	.....	.....	.....	95,934
Adv. to controlled cos. for construction, etc.	3,879,513	3,281,226	2,691,017	2,364,919	1,773,895	2,136,546
General construction, etc.	.....	.....	.....	.....	.....	534,098
Bond discount	.....	.....	.....	4,658,370	4,576,002	4,100,932
Stores and supplies	217,604	233,490	243,282	204,092	199,973	221,561
Cash	143,029	172,344	125,174	141,256	204,062	159,100
Accounts and bills receivable	463,732	262,311	304,994	345,022	238,372	317,265
Deferred charges	88,378	55,099	37,130	57,858	36,367	58,237
Total	$20,976,433	$20,194,428	$19,498,399	$26,562,209	$25,605,559	$21,922,306
Liabilities—						
Capital stock	$20,500,000	$2,500,000	$2,500,000	$10,000,000	$9,999,500	$9,999,500
Funded debt	*16,199,400	15,307,255	15,125,255	14,607,200	13,307,200	9,912,634
Bills payable	617,386	753,836	467,838	267,106	1,085,500	382,000
Accounts payable, etc.				433,042	453,144	414,668
Sundry loans	.....	.....	.....	.....	.....	61,550
Accrued interest	162,416	256,897	255,254	174,188	123,294	37,311
Deferred and unclaimed interest						65,082
Accrued charges						103,688
General suspense and reserve	.....	.....	.....	145,297	153,437	185,724
Depreciation reserve (incl. Sub. Cos.)	1,384,858	1,293,956	1,090,969	.....	.....	.....
Contingent and insurance reserves	62,976	63,426	47,843	.....	.....	.....
Surplus	49,397	19,058	11,240	935,376	483,484	760,149
Total	$20,976,433	$20,194,428	$19,498,399	$26,562,209	$25,605,559	$21,922,306

*Includes $849,000 Consolidated 5s held in escrow to retire Quebec-Jacques Cartier Electric bonds.

Officers: Julian C. Smith, Pres.; Howard Murray, V-P.; W. S. Hart, Treas.; James Wilson, Sec.; J. E. Tanguay, Gen. Mgr., Montreal, Que.

Directors: W. S. Hart, Howard Murray, Julian C. Smith, James Wilson, Montreal, Que.; J. E. Tanguay, Quebec.

Office, Corner St. Joseph and Crown Sts., Quebec, Que.

ST. MAURICE POWER COMPANY, LIMITED

(Owned by The Shawinigan Water and Power Company)

History and Property—Incorporated under the Companies Act, Canada, April 29, 1921, for the purpose of developing the combined hydro-electric powers at Gres Falls, Gabelle and Forges Rapids, on the St. Maurice River, about six miles below Shawinigan Falls, P. Q. Generates power at four hydro-electric units about 8 miles below Shawinigan Falls. Company's water powers are located at Gres Falls, La Gabelle, and Forges Rapids, power being obtained under a 99-year contract from the two latter places, and under a perpetual and absolute title at Gres Falls. The total water power now developed is 120,000 h.p., and a fifth unit, with a capacity of 30,000 h.p., was built in 1927. The company was controlled formerly by The Shawinigan Water and Power Company, but early in 1928 was acquired outright.

Merger—Stockholders of St. Maurice Power Company, Limited, on Feb. 24, 1928, approved the merger of their Company with The Shawinigan Water and Power Company, and agreed to accept either $175 per share in cash or two shares of no par value stock of The Shawinigan Water and Power Company for each share of stock of St. Maurice Power Company, Limited.

CAPITAL STOCK

Authorized, $8,000,000; outstanding, $7,200,000; par, $100. The Shawinigan Water and Power Company owns all of the issued capital stock. Annual meeting, third Tuesday in February.

Dividends—Initial quarterly dividend of $1 a share paid Oct. 15, 1927; Jan. 16, 1928, $1 a share.

FUNDED DEBT

(1)

$9,026,600 FIRST MORTGAGE 30-YEAR SINKING FUND GOLD 6½s, DUE FEBRUARY 1, 1953

Dated February 1, 1923.

Interest Payable February and August 1.

Provisions of Issue—Authorized, $12,000,000; issued, $10,000,000, of which $9,026,000 are bonds and $973,400 (£200,000) Sterling 6½% Debenture Stock (see below).

Security—Secured by a first mortgage on Company's properties and a specific charge on the lease from the Province of Quebec, covering the power franchises at La Gabelle and Forges Rapids.

(2)

£200,000 ($973,400) STERLING DEBENTURE 6½% STOCK; DUE FEBRUARY 1, 1953

Dated February 1, 1923.

Principal and interest payable only in London, Eng. Issued under the same mortgage securing the First Mortgage bonds described above. Listed on London Stock Exchange.

BONDS AND DEBENTURE STOCK CALLED

All outstanding First Mortgage 30-Year 6½% Sinking Fund Gold bonds, due Feb. 1, 1953, and First Mortgage 6½% Sinking Fund Debenture stock, due Feb. 1, 1953, described above, have been called for redemption on August 1, 1928 at 107½ and interest. The bonds will be paid at the Royal Bank of Canada, Montreal or Toronto, or at the Bank of the Manhattan Co., New York. The stock will be paid at the Royal Bank of Canada, in London, Eng.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Revenue from power sales	$1,260,000	$1,029,000	$807,387
Misc. inc. & prop. rentals	3,517	2,380	.....
Total	$1,263,517	$1,031,380	$807,387
Oper. exp., maint., tax, etc.	236,490	210,753	146,031
Net earnings	$1,027,027	$820,627	$661,356
Interest charges	650,000	650,000	650,000
Net revenue	$377,027	$170,627	$11,356
Res. for depr. & contings..	219,000	170,000	11,000
Balance to surplus	$158,027	$627	$356
Dividends	144,000	.....	.....
Surplus for year	$14,027	.....	.....
Times Int. Earned (before deprec.)	1.58	1.26	1.02

GENERAL BALANCE SHEET, DECEMBER 31

(Accounts Audited by Sharp, Milne & Co.)

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property	$7,829,882	$7,779,465	$7,704,498	Capital stock	$7,200,000	$7,200,000	$7,200,000
Generating plant	9,625,233	9,618,917	9,519,134	Funded debt	10,000,000	10,000,000	10,000,000
Deferred charges	14,414	14,629	7,894	Accounts payable	74,471	58,259	42,961
Materials and supplies	29,176	27,705	23,724	Accrued dividend	72,000	.....	.....
Call loans & accts. receiv.	500,205	238,853	243,324	Accrued int. on bonds	270,833	270,833	270,833
Govt. of Quebec—deposit	.....	.....	4,931	Reserve for depr. & conting.	400,000	181,000	11,000
Cash in bank	33,405	31,507	21,645	Surplus	*15,011	983	356
Total	$18,032,315	$17,711,076	$17,525,150	Total	$18,032,315	$17,711,076	$17,525,150

*Subject to deduction of income tax.

Officers: Julian C. Smith, Pres.; Howard Murray, V-P.; W. S. Hart, Treas.; James Wilson, Sec., Montreal.

Directors: J. E. Aldred, Julian C. Smith, Howard Murray, W. S. Hart, James Wilson, Sir Herbert S. Holt, Sir Lomer Gouin, Gordon W. MacDougall, K. C., Montreal.

Office, Montreal, Que.

SHAWINIGAN FALLS TERMINAL RAILWAY COMPANY

(Controlled by The Shawinigan Water and Power Company)

History—Incorporated in 1902, in Quebec. Line of road extends from Canadian National Ry. to gate house of The Shawinigan Water & Power Co., passing through town of Shawinigan Falls, 0.66 mile; leased, 1.6 miles, sidings, etc., 0.72 mile. Gauge, standard. Rail (T), 70 lbs. Operated by overhead trolley. Locomotives, 3.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Owned by The Shawinigan Water and Power Co. Annual meeting, second Tuesday in March.

FUNDED DEBT

$148,540 (entire issue) First Gold 5s; dated Dec. 31, 1906; due Jan. 1, 1957; interest Jan. and July 1, at Bank of Scotland, London, Eng., and The Royal Bank of Canada, Montreal, Can. Royal Trust Co., Montreal, Trustee. Subject to call at 110 and accrued interest. The Shawinigan Water and Power Co. owns all of these bonds.

Officers: Julian C. Smith, Pres.; W. S. Hart, V-P.; W. A. Stitt, Sec.; Geo. C. Hiam, Asst. Sec.; Jas. Wilson, Treas., Montreal.

Directors: Julian C. Smith, W. S. Hart, Howard Murray, Jas. Wilson, J. Morse, Montreal, Que., Can.

Office, Montreal, Canada.

THE SOREL LIGHT & POWER COMPANY LTD.

(Controlled by The Shawinigan Water and Power Company)

History—Incorporated Oct. 27, 1908, in Ottawa. Owns entire capital stock of **La Cie Electrique de Sorel.** Municipalities served: Boucherville, Contrecoeur, Ste. Anne de Sorel, St. Antoine, St. Denis sur Richelieu, St. Joseph du Sorel, St. Ours, St. Roch, Ste. Theodosie, Sorel, Varennes, Vercheres. Population served, about 20,000.

CAPITAL STOCK

Authorized, 20,000 shares of no par value; outstanding, 15,300 shares. All owned by The Shawinigan Water and Power Co. Annual meeting, in May.

Dividends—1908 to 1916, 6% per annum; 1917, 7%; 1918 to March 15, 1927, inclusive, 6% per annum; initial dividend of 37½c. per share paid on no par shares June 15, 1927. Dividends payable quarterly, M, J, S & D 15.

FUNDED DEBT

None.

INCOME ACCOUNT, STATED PERIODS

	12 mos. to Dec. 31, 1927	12 mos. to Dec. 31, 1926	14 mos. to Dec. 31, 1925
Earnings from operations	$156,586	$142,000	$156,245
Other income	1,645	931	1,198
Total income	$158,231	$142,931	$157,443
Operating expenses	136,894	127,767	123,133
Net earnings	$21,337	$15,164	$34,310
Depreciation	.....	.....	18,000
Net income	$21,337	$15,164	$16,310
Dividends	17,700	15,760	15,218
Surplus	$3,637	*$596	$1,092

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Cost of properties	$474,956	$424,201	$410,808	Common stock	$382,500	$295,000	$217,400
Cost of meters	33,937	30,669	25,851	Accounts payable	20,564	34,808	86,443
Cash	139	3,795	2,953	Reserve for depreciation	114,147	160,746	153,448
Accounts receivable	10,652	13,885	9,121	General reserve	39,761	.....	.....
Shawinigan Water and Power Co.	26,500	.....	.....	Profit and loss	4,200	1,447	2,030
Other current assets	14,719	19,451	10,588				
Prepaid charges	269	.....	.....				
Total	$561,172	$492,001	$459,321	Total	$561,172	$492,001	$459,321

Officers: J. B. T. Lafreniere, Pres., Sorel, Que.; R. J. Beaumont, V-P., Montreal, Que.; Z. Courchesne, Sec., Sorel, Que.; W. A. Stitt, Treas., Montreal, Que.; Jas. A. Simard, Mgr., Sorel, Que.

Directors: Jos. A. Simard, J. B. T. Lafreniere, H. H. Sheppard, G. E. Pontbriand, Sorel, Que.; R. J. Beaumont, Montreal.

General Office, Sorel, Que.

CANADIAN HYDRO-ELECTRIC CORPORATION, LIMITED

(Controlled by International Paper Company through International Electric Securities Corporation)

History and Business—Incorporated in 1927 under the laws of Canada as a Dominion Company. Company was organized to enable the International Paper Company to segregate, for reasons of economy, operation and management, its hydro-electric power activities from its other Canadian business. Controls through stock ownership the Gatineau Power Company, Gatineau Electric Light Company, Ltd., and St. John River Power Company. As at Dec. 31, 1927 the power subsidiaries had an aggregate potential capacity

of approximately 1,100,000 h.p. of which 220,000 h.p. was developed and an additional 322,000 h.p. under construction.

The Gatineau Electric Light Company, Limited, is a distributing company formed to operate transmission lines and wholesale and retail distribution systems formerly owned by Bonhomme Electric Company, La Compagnie Electrique de Papineauville (Papineauville Electric Company), Hull Electric Company, Maniwaki Power & Telephone Company, Quebec Southern Power Corporation, The Laurentian Hydro-Electric, Limited, Ottawa-Montreal Power Company, Limited, and La Compagnie d'Eclairage de Napierville, Limitee (Napierville Lighting Company). This Company serves all territories formerly served by the above-mentioned companies. The territory served covers more than 5,000 square miles, with a population of about 200,000.

The St. John River Power Company has acquired the power rights at Grand Falls on the St. John River, in the Province of New Brunswick, and has under construction a hydro-electric power plant at that point, which when completed will have a capacity of 76,000 h. p.

The Gatineau Power Company (see statement appended) at the end of 1927 had an aggregate installed capacity of 220,000 h.p., and an additional 262,000 h.p. was under construction on the Gatineau River.

CAPITAL STOCK

Authorized, 1,000,000 shares Common of no par value, $37,500,000 6% cumulative First Pfd. of $100 par value and $25,000,000 6% non-cumulative Second Pfd. of $100 par value; outstanding, 1,000,000 shares Common, $12,500,000 First Pfd. and $25,000,000 Second Pfd. Both Second Pfd. and Common shares are held by International Electric Securities Corporation a wholly owned subsidiary of International Paper Company.

In addition to the $12,500,000 First Pfd. stock outstanding, $25,000,000 is reserved for conversion of the 6% non-cumulative Second Pfd. Such conversion can be made only when consolidated net operating earnings of the Corporation and its subsidiaries (after deducting depreciation reserve of 6% of gross income derived from sales of electrical energy) for the most recent 12 months period are equivalent to more than twice the amount required for a year's dividends on the then outstanding First Pfd. stock including that to be issued on such conversions.

First Preferred Stock Provisions—In the event of liquidation or dissolution, whether voluntary or involuntary, the holders of First Preferred Shares are entitled, before any of the assets of the Corporation shall be distributed among the holders of any other class of stock, to be paid in full the par amount of their shares, together with all unpaid accrued dividends and, in addition, a further amount equal to $10 per share.

By resolution of the Board of Directors all or any part of the First Preferred Shares may be redeemed at $110 per share, plus all accrued and unpaid dividends to date of redemption.

The holders of the First Preferred Shares are not entitled to notice of nor vote at any meeting of the shareholders except if and whenever and so long as dividends shall be in arrears to an amount equivalent to one year's dividend. The First Preferred Shares are not liable to cancellation or reduction by reason of loss or depreciation of the assets of the Corporation.

The preferences and restrictions carried by or attached to the First Preferred shares shall not be altered in any way unless authorized by By-Law of the Corporation sanctioned and approved by the favorable vote of the holders of at least 75% of the then outstanding First Preferred Shares. This rule does not apply to any increase of the authorized amount of the First Preferred Shares, which increase may be effected by By-Law of the Corporation approved by the vote of holders of two-thirds of all the shares represented by shareholders present in person or by proxy at a meeting called for the purpose, at which meeting the holders of all outstanding shares of the Corporation, including the First Preferred, shall be entitled to vote.

Transfer Agent—National Trust Co., Ltd., Toronto and Montreal.

Registrar—The Royal Trust Co., Montreal and Toronto.

Legal Opinion—(First Preferred stock) Meredith, Holden, Heward & Holden (for the Bankers) and Brown, Montgomery & McMichael, Montreal (for the Company).

Annual Meeting—Held in Canada as determined by Directors on the second Wednesday in April.

Original Offering—First Preferred stock first publicly offered ($12,500,000) in December, 1927, at 97½ and dividend by Drury & Company and Dominion Securities Corp., Ltd.

Dividends—First Preferred dividends are payable quarterly, M, J, S & D 1, initial payment of 1½% having been made March 1, 1928.

FUNDED DEBT

None.

CONSOLIDATED BALANCE SHEET, OCTOBER 31, 1927

(After giving effect to present financing)

Assets—	
Power plants, distributing systems, franchises, etc.	$87,846,256
Cash in escrow for future construction expenses...	13,940,000
Securities and investments	57,206
Cash	982,290
Accts. & notes receivable	257,327
Amount on call from International Paper Co.	1,658,380
Inventories	95,334
Deferred charges, disc. on securities, etc.	6,200,161
Total	$111,036,954

Liabilities—	
Canadian Hydro-Electric Corp., Ltd.:	
Common shares of no par value	$5,000,000
First Preferred stock	12,500,000
Second Preferred stock	25,000,000
Gatineau Electric Light Co., Ltd. Common stock—minority interest	150,000
St. John River Power Co. Pfd. stock—minority interest	199,600
Funded debt:	
Gatineau Power Co. First 5s, 1956	43,500,000
Gatineau Power Co. Debenture 6s, 1941	12,380,000
Purchase money mortgage due City of Jerome	291,407
Due International Paper Co.:	
Construction advances to be funded at a later date	345,000
To be paid from cash now in escrow	2,540,000
Accounts payable	1,051,148
Accrued interest	1,278,091
Surplus	6,801,708
Total	$111,036,954

Officers: A. R. Graustein, Pres., New York; A. G. Yeoman, V-P.; F. G. Bush, Sec. & Treas., Montreal, Que.

Directors: F. C. Dobell, C. R. McKenzie, C. S. Richardson, F. G. Bush, A. G. Yeoman, C. C. Meek, Montreal, Que.; A. R. Graustein, New York.

General Office, Montreal, Que. **New York Office,** 100 East 42nd St.

GATINEAU POWER COMPANY

(Controlled by International Paper Co. through Canadian Hydro-Electric Corp., Ltd.)

History and Business—Incorporated in Province of Quebec, Canada, in 1926. Owns or holds through long term government leaseholds, water power sites in the provinces of Quebec and Ontario, Canada, with an aggregate potential capacity of over 1,000,000 h.p. At the end of 1927 the aggregate installed generating capacity was 220,000 h.p. and an additional 262,000 h.p. was under construction on the Gatineau River. The Company has two plants in operation on the Gatineau River, at Chelsea and Farmers Rapids, seven miles north of Ottawa, and construction work is progressing rapidly on the Paugan, Quebec, hydro-electric development on the Gatineau River, 33 miles north of Ottawa. This latter plant will be one of the largest hydro-electric plants on the North American continent, being designed for 272,000 h.p. in eight generators of 34,000 h.p. each, of which six will be installed initially. It is expected that the first generator will be in operation and delivering electric energy by the early summer of 1928.

Of the total generating capacity, 24,000 h.p. is being produced at the Company's Kipawa plant on Gordon Creek, an outlet of Lake Kipawa and a tributary of the Ottawa River flowing into it about 260 miles above Ottawa, and 16,000 h.p. is being produced in nine smaller hydro-electric power plants in the Province of Quebec between Ottawa and Montreal.

Power Contracts—Long term contracts for the sale of power have been entered into with The Hydro-Electric Power Commission of Ontario, Canadian International Paper Co., Canada Cement Co., Ltd., and these plus the power distributed through Gatineau Electric Light Co., Ltd., will provide for the disposition of the entire power to be developed under the present construction program.

New Acquisitions—Arrangements have recently been completed for the purchase of the Ottawa and Hull Power Company, Ltd. and the Ottawa River Power Co., Ltd. The Ottawa and Hull Power Company, Ltd., owns a part of the Chaudiere power at Hull, opposite Ottawa, where it has power houses with a designed capacity of 44,100 h.p. of which 36,600 h.p. is now installed. The Ottawa River Power Company, Ltd., owns a development upstream on the Ottawa River at Bryson with a designed capacity of 75,000 h.p. of which 25,000 h.p. is now installed and 25,000 h.p. is in process of installation. The greater part of the power generated by these companies is now being sold in Ottawa and the vicinity. In 1928 the **Gatineau Transmission Company,** an entirely owned subsidiary, was formed for the purpose of extending various transmission lines.

CAPITAL STOCK

Authorized and issued, 500,000 shares Common stock of no par value, and $25,000,000 (par $100) 6% cumulative Pfd. stock. All issued stock (except directors' qualifying shares) owned by Canadian Hydro-Electric Corp., Ltd.

FUNDED DEBT

(1)

$43,292,500 FIRST MORTGAGE GOLD BONDS, 5% SERIES; DUE JUNE 1, 1956.

Dated June 1, 1926.

Interest Payable June and December 1 in U. S. gold coin at Chase National Bank, New York, and Harris, Forbes & Co., Inc., Boston, and in Canadian gold coin at Bank of Montreal.

Denominations—Coupon, $500 and $1,000; registerable as to principal, and fully registered bonds of $1,000, $5,000 and $10,000 and authorized multiples; interchangeable in like principal amounts.

Trustee—The Royal Trust Co., Montreal and Toronto.

Provisions of Issue—Authorized up to $250,000,000 under the conservative restrictions of the Trust Deed of which $43,500,000 5% Series 1956 has been issued and $43,292,500 outstanding at Dec. 31, 1927. Payable in United States or Canadian gold coin of 1926 standard. Under the terms of the Trust Deed no funded debt in addition to $37,500,000 First Mortgage Gold bonds and $12,500,000 6% Gold Debentures will be issuable against the present development up to the initial capacity of 397,500 h.p. of the Paugan, Chelsea, Farmers and Kipawa plants.

The Trust Deed provides that additional bonds, either of the 5% Series due 1956 or of other series having such rates of interest, maturity dates and other provisions as the Board of Directors may determine and as are permitted by the Trust Deed, may be issued as follows: (a) For the purpose of refunding an equal principal amount of bonds of any series outstanding under the Trust Deed, or (b) for not more than 75% of additional property, including securities of other corporations engaged in supplying or transmitting electric power, but only when net earnings for 12 consecutive calendar months out of the 15 months immediately preceding application for issue (together with 80% of estimated future net earnings from contracts shall have been at least equal to twice the annual interest requirements on all First Mortgage bonds issued and outstanding including those proposed to be issued. Not more than 15% of the aggregate amount of bonds issued under the Trust Deed other than for refunding may be issued in connection with the future acquisition of securities of such other corporations; and then only upon the pledge of all the first mortgage bonds of such other corporations, which shall be at least equal in face amount to the bonds so issued, and the bonds so issued shall at their face amount not exceed 75% of the property of such other corporations.

The Trust Deed also provides for the modification or alteration thereof or of any supplemental indenture, with the assent of the holders of from 50% to 75% in aggregate principal amount of the bonds.

Guarantee of Completion—A deposit sufficient, in accordance with careful estimates checked by independent engineers, to provide funds for the completion of the present development program up to the initial capacity of 397,500 h.p. will be held in escrow so long as required, subject to withdrawal as expenditures are made for this purpose. International Paper Co. has, furthermore, guaranteed to provide any additional funds which may be necessary for the completion of this initial development program.

Callability—Subject to call on any interest date on 30 days' notice at 105 through June 1, 1936; thereafter at 104 through June 1, 1941; thereafter at 103 through June 1, 1946; thereafter at 102 through June 1, 1951; and thereafter and prior to maturity at 101; accrued interest to be included in all cases.

Sinking Fund—The Trust Deed provides for a minimum annual sinking fund, payable in cash or bonds at the current redemption price, commencing Dec. 1, 1927,

Gatineau Power Co., 1st 5s 1956

Uptown Montreal Branch: Mount Royal Hotel Building

Greenshields & Co

Members of the Montreal Stock Exchange

Montreal: 17 St. John Street

Out-of-town Branch Offices: Toronto Ottawa Quebec

equal to at least ½% of the greatest aggregate principal amount of First Mortgage Gold bonds at any time outstanding. Under this provision $207,500 bonds were retired in 1927 at redemption value of 105.

Security—The First Mortgage Gold bonds are or will be secured by a direct first mortgage and hypothec on all properties owned by the Company. Certain of the transmission lines may be owned by a subsidiary, all of the securities of which will be pledged under the Trust Deed. The bonds are followed by $12,257,000 6% Gold Debentures, due 1941, $25,000,000 Pfd. stock and 500,000 shares of Common stock.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund Pennsylvania 4 mills tax on timely and appropriate request.

Legal Opinion—Rushmore, Bisbee and Stern, New York, and Lafleur, MacDougall, Macfarlane and Barclay, Montreal (for the Bankers), and Davis, Polk, Wardwell, Gardiner and Reed, New York, and Brown, Montgomery and McMichael, Montreal (for the Company).

Original Offering—First publicly offered ($25,000,000 5% Series due 1956) in July, 1926, at 94 and interest to yield over 5.40%, by Bankers Trust Co., Harris, Forbes & Co., Lee, Higginson & Co., Halsey, Stuart & Co., Inc., Blair & Co., Inc., and Redmond & Co., New York, etc.; The Union Trust Co. of Pittsburgh; Continental & Commercial Trust & Savings Bank, Chicago, Ill., and Drury & Co.; Royal Securities Corp., Ltd.; Dominion Securities Corp., Ltd.; Nesbitt, Thomson & Co., Ltd.; Rene T. Leclerc, Inc.; Wood, Gundy & Co., Ltd.; Hanson Bros.; A. E. Ames & Co., Ltd.; National City Co., Ltd., and Greenshields & Co., Toronto, Montreal, etc. Additional of $18,500,000 in Sept., 1927 at 97½ and accrued interest to yield over 5.16%. This additional offering consisted of the $12,500,000 theretofore held in escrow and $6,000,000 for nine additional plants purchased in 1927, and certain excess capacity at Chelsea, Farmers and Paugan plants over the initial development of 373,500 h.p.

Listed—Boston Stock Exchange and quoted on New York Curb.

Price Range—

	1927	1926
High	100	96
Low	94½	93

(2)

$12,257,000 6% SINKING FUND GOLD DEBENTURES; DUE JUNE 15, 1941

Dated June 15, 1926.

Interest Payable June and December 15 in United States gold coin at Bankers Trust Co., New York and First National Bank of Boston, and in Canadian gold coin at Royal Bank of Canada.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable in like principal amounts.

Trustee—Montreal Trust Co., Montreal, Que.

Provisions of Issue—Authorized, $12,500,000; outstanding, Dec. 31, 1927, $12,257,000. Payable in United States or Canadian gold coin of 1926 standard.

Callability—Subject to call at any time as a whole or in part on 30 days' notice at 105 up to and including June 15, 1931 and thereafter at ½% less each succeeding year, plus accrued interest in all cases.

Sinking Fund—The Indenture provides for cumulative semi-annual sinking fund, payable in cash or Debentures at the current redemption price, beginning June 15, 1927, estimated to retire well over 40% of these Debentures prior to maturity. By Dec. 31, 1927, $243,000 principal amount of Debentures had been redeemed and cancelled.

Security—A direct obligation of the Company but not secured by mortgage. Company agrees not to issue any bonds or other debt secured by mortgage, pledge or lien on properties (except the first mortgage, purchase money liens, liens on property acquired after creation of first mortgage and pledges to secure loans in usual course of business) without securing this issue equally therewith.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and guarantees to refund the Pennsylvania 4 Mills tax on timely and appropriate request.

Legal Opinion—Rushmore, Bisbee and Stern, New York, and Lafleur MacDougall, Macfarlane and Barclay, Montreal (for the bankers) and Davis, Polk, Wardwell, Gardiner and Reed, New York; and Brown, Montgomery and McMichael, Montreal (for the Co.).

Original Offering—First publicly offered ($12,500,000) in July, 1926, at 99½ and interest to yield 6.05%, by Bankers Trust Co., Harris, Forbes & Co., Lee, Higginson & Co., Halsey, Stuart & Co., Inc., Blair & Co., Inc., and Redmond & Co., New York, etc.; The Union Trust Co. of Pittsburgh; Continental & Commercial Trust & Savings Bank, Chicago, Ill., and Drury & Co.; Royal Securities Corp., Ltd.; Dominion Securities Corp., Ltd.; Nesbitt, Thomson & Co., Ltd.; Rene T. Leclerc, Inc.; Wood, Gundy & Co., Ltd.; Hanson Bros.; A. E. Ames & Co., Ltd.; National City Co., Ltd. and Greenshields & Co., Toronto, Montreal, etc.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
High	114	99¾
Low	98¼	97½

Officers: A. R. Graustein, Pres.; J. B. White, V-P.; G. Gordon Gale, V-P. & Gen. Mgr.; Owen Shepherd, Treas.; F. G. Simons, Sec.; B. O. Booth, Aud.

Directors: A. R. Graustein, G. Gordon Gale, N. C. Head, G. H. Montgomery, J. B. White.

General Office, Montreal, Que. **Operating Office,** Ottawa, Ont. **New York Office,** 100 East 42nd St.

OTTAWA AND HULL POWER COMPANY, LIMITED

(Controlled by International Paper Company through Gatineau Power Co.)

History and Properties—Incorporated July 14, 1923, under the laws of the Dominion of Canada, as successor to the Ottawa & Hull Power & Mfg. Co., Ltd. The properties of the company consist of two hydro-electric plants situated on the Ottawa River at Chaudiere Falls, which lies between the cities of Ottawa and Hull, Quebec. Owns power houses with a designed capacity of 44,100 h.p., of which 36,000 h.p., is now installed. These two plants, together, with the plant of the Ottawa River Power Co., Ltd., will be interconnected with the systems of Gatineau Power Co. and of Gatineau Electric Light Co., Ltd., subsidiaries of Canadian Hydro-Electric Corp., Ltd., which, in turn, is a subsidiary of International Paper Co.

New Control—See Gatineau Power Co.

CAPITAL STOCK

Authorized and outstanding, 25,000 shares of no par value Common and $1,500,000 7% cumulative Pfd. Majority of Common stock owned by Gatineau Power Co. Control was acquired by Canadian Hydro-Electric Corp., Ltd. March 15, 1928 at $60 per share, the same price being paid to other shareholders. The Pfd. stock is entitled to cumulative dividends at the rate of 7% per annum and is redeemable at 110.

Dividends—Dividends on the Pfd. have been regularly paid since organization, quarterly, M, J, S & D 15. None paid on Common.

FUNDED DEBT

$2,500,000 FIRST MORTGAGE SINKING FUND GOLD 6s; DUE AUGUST 1, 1948

Dated August 1, 1923.

Interest Payable February and August 1, at Royal Bank, in Canada, or at the agency of the Royal Bank of Canada in New York, or at the Royal Bank of Canada in London in sterling, at the fixed rate of $4.86⅔ to £ sterling.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal or both principal and interest may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized issue, $5,000,000 outstanding, $2,500,000. Issued to provide for extensions to properties. Additional bonds may be issued to the extent of 75% of the cost of extensions or additions to present properties, and then only when the net earnings of the company for the previous fiscal year amount to 1½ times the interest on the bonds outstanding, including those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 105 and accrued interest.

Sinking Fund—A cumulative sinking fund is provided commencing Aug. 1, 1928, at the rate of 1% of the total bonds issued until Aug. 1, 1938, and 1½% thereafter until maturity. Bonds may be purchased for the sinking fund in the open market or, if not available, drawn by lot at 105 and interest.

Security—Secured by a first mortgage on the entire fixed assets of the company now owned or hereafter acquired comprising hydro-electric plants developing 40,000 h.p.

Tax Provisions—Company does not pay or assume U. S. Normal Income Tax.

Original Offering—First publicly offered ($2,500,000) in Sept., 1923, at 98½ and interest, to yield 6⅛%, by Nesbitt, Thomson & Co., Ltd., Montreal, etc.

INCOME ACCOUNT

	12 mos ended Oct. 31, 1927	14 mos. ended Oct. 31, 1926	12 mos. ended Aug. 31, 1925
Gross rev. from all sources	$398,793	$446,540	$367,611
Expenses and taxes	97,068	97,713	79,493
Net earnings	$301,725	$348,827	$288,118
Bond interest	150,000	175,000	150,000
Net income	$151,725	$173,827	$138,118
Preferred dividends	105,000	122,500	105,000
Surplus (sub. to deprec. and income tax)	$46,725	$51,327	$33,118
*Times Interest Earned	2.01	1.99	1.90

*Subject to depreciation and income tax.

GENERAL BALANCE SHEET

Assets—	Oct. 31, 1927	Oct. 31, 1926	Aug. 31, 1925
Properties, water rights, power developments, etc.	$4,440,759	$4,434,845	$4,432,618
Invest. in sub. cos.	334,204	270,000	270,000
Adv. to subsidiary cos.	196,100	100,000	75,000
Cash	36,053	3,181	13,641
Call loans, secured	.....	55,750	45,000
Accounts receivable	33,466	78,067	49,995
Deferred charges	10,746	9,241	2,969
Total	$5,051,328	$4,951,083	$4,889,223
Liabilities—			
Com., no par val., 25,000 shs.	$125,000	$125,000	$125,000
Preferred stock	1,500,000	1,500,000	1,500,000
Funded debt	2,500,000	2,500,000	2,500,000
Accounts payable	57,194	1,282	641
Accrued charges	8,183	6,969	10,867
Accrued bond interest	37,500	37,500	12,500
Dividends payable	17,500	17,500	26,250
Depreciation	756,845	629,553	520,765
Surp. (subject to Inc. tax)	49,106	133,279	193,200
Total	$5,051,328	$4,951,083	$4,889,223

Offices, Montreal, Que., 86 Wellington St., Ottawa, Ont., and Hull, Que.

OTTAWA RIVER POWER COMPANY, LIMITED

(Controlled by Ottawa & Hull Power Co., Ltd.)

History—Incorporated under laws of Dominion of Canada, for the purpose of developing and furnishing additional hydro-electric power for distribution in the cities of Ottawa and Hull and the surrounding district. Owns in fee simple and is now developing a water power location at Bryson, P. Q., fifty miles upstream from Ottawa. It is designed for three units of 25,000 h.p. each, one of which is at present installed and a second unit of 25,000 h.p. is now in order. This plant, together with the two owned by Ottawa & Hull Power Co., Ltd., will be interconnected with the systems of Gatineau Power Co. and of Gatineau Electric Light Co., Ltd., subsidiaries of Canadian Hydro-Electric Corp., Ltd., which, in turn, is a subsidiary of International Paper Co.

New Control—See Gatineau Power Co..

CAPITAL STOCK

Authorized and issued, 30,000 shares of no par value. A majority of the stock is owned by Ottawa & Hull Power Co. Shares in hands of public are being purchased at $40 per share by Canadian Hydro-Electric Corp., Ltd., a subsidiary of International Paper Co.

FUNDED DEBT

$4,000,000 FIRST MORTGAGE SINKING FUND GOLD 6⅛% SERIES "A"; DUE DECEMBER 1, 1953, BUT CALLED FOR REDEMPTION JUNE 1, 1928 AT 105 AND INTEREST

There were also outstanding at Oct. 31, 1927, $250,000 6½% notes, due July 2, 1928.

INCOME ACCOUNT

	12 mos. to Oct. 31, 1927	10 mos. to Oct. 31 1926
Gross earnings	$356,127	$274,95
Expenses and taxes	131,406	97,69
Net earnings	$224,721	$177,25
Interest on bonds, etc.	169,334	136,56
Depreciation	40,000	39,00
Surplus for period	$15,387	$1,69

GENERAL BALANCE SHEET

Assets—	Oct. 31, 1927	Oct. 31, 1926	Dec. 31, 1925
Real estate, plants, etc.	$5,079,135	$4,934,740	$4,828,84
Cash	46,359	27,372	5,77
Accounts receivable	34,913	39,056	23,92
Stores and supplies	5,292	4,277	4,23
Prepaid charges	3,584	2,755	2,86
Total	$5,169,283	$5,008,200	$4,865,65
Liabilities—			
Capital stock	$450,000	$450,000	$450,00
First Mtge. 6½% bonds due 1953	4,000,000	4,000,000	4,000,00
6½% Notes due July 2, 1928	250,000	250,000	250,00
Accounts payable	63,347	53,751	64,31
Bills payable	.....	.....	4,41
Accrued interest	113,750	113,750	21,66
Loans payable, etc.	196,100	100,000	75,25
Reserve for depreciation	79,000	39,000	.....
Profit and loss	17,086	1,699	.....
Total	$5,169,283	$5,008,200	$4,865,65

Offices, Montreal, Que. and Hull, Que.

KANSAS HOME TELEPHONE COMPANY

History and Business—Incorporated in Kansas. Furnishes without competition local and long distance telephone service to 14 communities in Coffey, Greenwood, Woodson and Wilson Counties, Kansas, with toll lines extending into Allen, Neosho, Montgomery and Elk Counties. The territory includes the towns of Burlington, Neosho Falls, Toronto, Buffalo, Fall River and Fredonia, Kansas. Total number of owned and connected telephones is in excess of 5,000, serving a population of over 30,000. Company has an arrangement with the Bell Telephone system which permits of nation-wide long distance service to the territory served.

CAPITAL STOCK

Authorized, 1,500 shares Common of no par value and $100,000 Preferred; outstanding, 500 shares Common and $75,000 Preferred.

FUNDED DEBT

$215,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A" DUE SEPTEMBER 1, 1947

Dated September 1, 1927.

Interest Payable March and September 1.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—St. Louis Union Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A," $215,000. Additional bonds may be issued for permanent improvements, extensions and

additions to an amount not in excess of 60% of the cost or fair value at the time of acquisition, whichever is less, of property additions, providing, however, that the net earnings of the company for twelve consecutive calendar months preceding are equal to at least three times before depreciation and two times after depreciation, the annual interest on all bonds outstanding and proposed to be issued.

Purpose of Issue—Proceeds were used in part payment of purchase price of properties.

Callability—Subject to call on any interest date on or prior to Sept. 1, 1937 at 103, and at 102 thereafter until maturity.

Sinking Fund—The Company must deposit with the Trustee the sum of $20,000 per annum, in semi-annual instalments of $10,000 each, said sinking fund to be used for the payment of interest on the bonds of this issue and purchase from time to time of bonds outstanding at the best price obtainable, or redemption of bonds at their then prevailing redemption price.

Maintenance and Depreciation Fund—The Company must expend in each year for repairs and maintenance and accrue as a depreciation reserve not less than 25% of the gross revenue derived from the operation of the physical properties. Any portion of the reserve not exhausted by expenditures for maintenance and renewal of property may be expended for additions and improvements, but no First Mortgage bonds or other evidences of indebtedness may be issued against property so acquired.

Security—Secured by a direct first mortgage on all the real and physical property of the Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Wheeler, Brewster & Hunt, Topeka (for the Company) and Koerner, Fahey & Young, St. Louis (for the Bankers).

Original Offering—First publicly offered ($215,000) in Nov., 1927, at par and interest by Mark C. Steinberg & Co., St. Louis.

OFFICER

W. W. Finney, President, Emporia, Kansas.

FEDERAL LIGHT & TRACTION COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	†Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Federal Light & Traction Co.:								
$6 Cumulative Pfd. (no par)	M, J, S & D 1	155,000 shs	39,374 shs	Yes	$1,562,003	$6.00	$236,244	$39.67
Common shares (par, $15)	J, A, J & O 1	$15,000,000	$6,453,444	...	1,327,759	*1.40	587,559	3.08
Cent. Ark. Ry. & Lt. Corp. 7% cum. Pfd. (par $100)	M, J, S & D 1	1,500,000	1,495,700	Yes	‡193,256	7%	104,765	12.92
Springfield Ry. & Lt. Co. 7% cum. Pfd. (par $100)	J, A, J & O 1	2,000,000	3,100	Yes	442,797	7%	65,482	35.23
Springfield Gas & Elec. Co. $7 cum. Pfd. (no par)	J, A, J & O 1	100,000	9,469					
Tucson Rap. Trans. Co. Com. (par $100)	.....	500,000	76,200	...	.....	...	.....	....

*Consisting of 20 cts. in cash and 15 cts. in Common stock paid April 1, July 1 and Oct. 1, 1927, and Jan. 3, 1928. †In hands of public. ‡After depreciation.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	†Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Federal Light & Traction Co.:							
First Lien 5% Gold Bonds	Mar. 1, 1942	M & S 1	$50,000,000	$3,121,000	No	Yes	Not pd. by Co.
Stamped First Lien 5% Gold Bonds	Mar. 1, 1942	M & S 1		2,200,500	No	Yes	Not pd. by Co.
First Lien Gold Bonds Stamped 6%	Mar. 1, 1942	M & S 1		3,482,000	No	Yes	Not pd. by Co.
30-Yr. Deb. Gold Bonds, Series "B," 6%	Dec. 1, 1954	J & D 1	2,500,000	2,500,000	No	Yes	Pd. by Co.
Cent. Ark. Ry. & Light Corp. 1st Lien Gold 5s	Mar. 1, 1928	M & S 1	7,000,000	1,831,000	No	Yes	Pd. by Co.
Springfield Gas & Elec. Co. 1st Mtge. Gold Series "A" 5%	Jun 1, 1957	J & D 1	Unlimited	3,600,000	No	Yes	Pd. by Co.
Tucson Rap. Tran. Co. 1st Lien 6s.	Mar. 15, 1928	M & S 15	.....	100	...	.....	.....

Total Funded Debt, at Dec. 31, 1927, $16,734,600.
Amount Available for Interest in 1927, $2,652,950.
†In hands of public.

Interest and Discount Accrued in 1927, $920,690.
Times Interest and Discount Earned in 1927, 2.88.

History—Incorporated April 13, 1910 under the laws of New York State. Controls through ownership of nearly all the outstanding stock, bonds and other fixed charge indebtedness, the electric lighting properties in Albuquerque, Belen, Deming, Las Vegas and Santa Fe, N. M.; Tucson, Ariz.; Aberdeen, Cosmopolis, Hoquiam, Raymond and South Bend, Wash.; Sheridan and Rawlins, Wyo.; Springfield, Mo.; Trinidad and Walsenburg, Colo.; Hot Springs, Ark., and St. Johns, N. B.; also the gas properties in Albuquerque. Trinidad, Tucson, Springfield, Hot Springs and St. Johns; the electric railway properties in Springfield, Las Vegas, Tucson, Aberdeen, Hoquiam, Cosmopolis, Hot Springs, St. Johns, Raymond and South Bend, and the water properties in Hot Springs and Santa Fe. Also operates an ice business in Denning, steam business in Springfield and bus lines in Tuscon, Springfield and Aberdeen.

Controlled Companies—The companies in which a controlling interest has been acquired are as follows:
Albuquerque Gas & Electric Co.
Central Arkansas Ry. & Light Corp.
Citizens Electric Co., Hot Springs, Ark.
Consumers Gas Co., Hot Springs, Ark.
Deming Ice & Electric Co.
Federal Realty Company.
Grays Harbor Ry. & Light Co.
Hot Springs St. Ry. Co.
Hot Springs Water Co.
The Las Vegas Light & Power Co.
The Las Vegas Transit Co.
New Brunswick Power Co.
New Mexico Power Co.
The Rawlins Electric Light & Fuel Co.
Sheridan County Electric Co.
Springfield Gas and Electric Co.
Springfield Traction Co.
The Trinidad Elec. Transmission Ry. & Gas Co.
The Tucson Gas, Electric Light & Power Co.
Tucson Rapid Transit Co.
Willapa Electric Co.

The controlled companies serve, practically without competition, a territory having combined population of about 318,000. All the electric lighting, gas, and traction properties in the various towns are controlled except in Grays Harbor and Sheridan, where there are independent gas plants, and in Albuquerque and Sheridan, where there are independent traction companies.

Federal Light & Traction Co. owns all the stock of its subsidiaries, except $76,200 of the $500,000 stock of the Tucson Rapid Transit Co., $1,495,700 7% cumulative Pfd. stock of the Central Arkansas Ry. & Light

Corp., $3,100 7% Pfd. stock of the Springfield Ry. & Light Co., 9,469 shares $7 cum. Pfd. stock of Springfield Gas and Electric Co., and $1,000,000 7% cumulative First Pfd. and $350,000 7% non-cumulative Second Pfd. stock of the New Brunswick Power Co.; and all the bonds and notes of the subsidiaries except $3,600,000 Springfield Gas and Electric Co. First Mortgage 5s of 1957; $1,831,000 First Lien 5% bonds of Central Arkansas Ry. & Light Corp., $100 of Tucson Rapid Transit Co.'s bonds and $1,810,000 First 5s of 1937 of the New Brunswick Power Co.

OPERATING DATA, DECEMBER 31

	1927	1926	1925	1924	1923	1922
ELECTRIC DEPT.—						
Combined gen. capacity (H.P.)	100,448	96,042	90,000	78,734	.....	.....
Trans. & distrib. lines (miles)	1,600	1,600	1,500	1,500	1,453	1,453
Number of consumers	61,951	59,230	52,999	50,759	47,117	43,860
Electricity sold (k.w.h.)	117,756,998	109,227,619	96,129,018	89,159,242	87,658,305	75,280,420
GAS DEPT.—						
Combined daily gen. capacity (cu. ft.)	2,140,000	2,140,000	2,140,000	2,100,000	2,120,000	1,450,000
Miles of mains	319	236	232.8	217	199	169
Number of consumers	18,594	17,992	16,143	15,021	13,932	12,944
Gas sold (thousand cu. ft.)	1,288,671	1,286,011	1,174,645	1,245,130	1,172,778	1,099,436
WATER DEPT.—						
Low stage pumping capacity (gals.)	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
High stage pumping capacity (gals.)	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
Storage capacity (gals.)	583,450,000	583,450,000	310,000,000	310,000,000	310,000,000	310,000,000
Miles of mains	61	61	40	40	.....	.....
Number of consumers	5,950	5,222	4,086	3,828	3,560	3,418
Water sold (thousand cu. ft.)	639,700	644,434	407,184	393,047	370,374	362,867
TRANSPORTATION DEPT.—						
Miles of track	59.2	59.2	59.3	61	76.0	76.2
Passenger cars	127	127	127	123	139	139
Revenue passengers carried (Railway)	8,739,613	9,319,210	9,929.980	10,562,000	11,329,317	10,413,168
Auto buses	37	38	.....	.....	.....	.....
Revenue passengers carried (Buses)	3,551,062	3,548,675	.....	.....	.....	.....
ICE DEPT.—						
Pounds ice sold	4,908,759	3,060,373	2,991,102	3,639,271	1,822,138	2,087,076

CAPITAL STOCK

Authorized, $15,000,000 Common, par, $15, and 155,000 shares of $6 cumulative Pfd. of no par value; outstanding Dec. 31, 1927, $6,453,444.10 Common and 39,374 shares of Pfd. Capital stock was changed as of Apr. 30, 1925 from authorized amounts of 85,000 shares Common of no par value, $10,000,000 8% First Pfd., par, $100, and $5,500,000 6% cumulative Pfd., par, $100. The 6% cumulative Pfd. (par, $100) was changed to $6 cumulative Pfd. of no par value, and five shares of new Common stock of the par value of $15 per share was exchanged for each one share of no par value Common stock.

Preferred Stock Provisions—Has preference for assets up to $100 per share in liquidation and to cumulative dividends at the rate of $6 per share per annum, and is subject to call on any dividend date at $110 per share and accrued dividends.

Transfer Agents—New York Trust Co., New York.

Registrar—National City Bank, New York.

Annual Meeting—Second Wednesday in March

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
Preferred—						
High	100	94	89	85½	78	..
Low	91½	86	82½	74	68	..
Common—						
High	47	47½	37¼	122½	68	42
Low	37½	28	26	75	48	19¼

Dividends—Cash dividends on the 6% Pfd. stock were regularly paid, quarterly, from organization of Company to Sept. 1914, incl. No further dividends were paid thereafter until March 11, 1922, when a stock dividend of $42 per share on the outstanding 6% Pfd. stock was declared, payable in like Pfd. stock to stockholders accepting it in satisfaction of the unpaid accumulated dividends from Sept. 1, 1914, to Sept. 1, 1921. Quarterly cash dividend of 1½% on the 6% Pfd. stock was resumed by the payment on March 11, 1922, of the Dec. 1, 1921, quarterly dividend, and of 1½% on May 15, 1922, of the March 1, 1922, quarterly dividend. Regular quarterly dividends on Pfd. of 1½% cash on $100 par value were paid from June 1, 1922, to April 1, 1925; July 1, 1925 to date $1.50 per share on no par value stock each quarter.

Initial dividend on Common of $1.50 per share paid April 2, 1923, 75 cts. being in cash and 75 cts. in 6% Pfd. stock, which quarterly rate was regularly paid to and including Jan. 2, 1924; April 1, 1924 to April 1, 1925, $1.00 in cash and 75 cts. in 6% Pfd. stock each quarter; July 1, 1925 to date, 20 cts. in cash and 15 cts. in Common stock each quarter.

Payments on Common shares, J, A, J & O 1, to stockholders of record M, J, S & D 15. Pfd. dividends are paid M, J, S & D 1, to stockholders of record F, M, A & N 15. Dividends on all classes declared on first Wednesday of F, M, A & N.

FUNDED DEBT

(1)

$3,121,000 FIRST LIEN 5% GOLD BONDS; DUE MARCH 1, 1942
$2,200,500 STAMPED FIRST LIEN 5% GOLD BONDS; DUE MARCH 1, 1942
$3,482,000 FIRST LIEN GOLD BONDS, STAMPED 6% (UNDER SUPPLEMENTAL INDENTURE OF FEB. 1, 1922); DUE MARCH 1, 1942

Dated March 1, 1912.

Interest Payable March and September 1, at American Exchange Irving Trust Co., New York, and in London, Eng.

Denominations—Coupon, $500 and $1,000; principal may be registered in multiples of $1,000. Bonds may be issued in denominations of foreign currency.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $50,000,000. Issued, $10,465,500 ($4,724,000 5s, $2,259,500 Stamped 5s, and $3,482,000 6s), of which $1,662,000 5s cancelled by sinking fund to Dec. 31, 1927. Additional bonds can only be issued for future improvements, betterments and acquisitions, (a) at 75% of cash cost, and (b) only when the consolidated net earnings of the properties and acquisitions for a period of 12 months, ended not more than three months prior to date of application for issuance, equal at least twice the interest on all bonds outstanding and to be issued, and (c) in case of acquisition of new companies or their securities, only when at least 95% of all bonds and fixed charge obligations and at least 60% of outstanding stock of each such company are deposited with the Trustee of the First Mortgage, and when such acquisition is approved by the bankers.

Supplemental Indenture—The Supplemental Indenture contains, among others, the following provisions: (a) That at the option of the Company, moneys accruing to the sinking fund, under the provisions of the First Mortgage, may be expended on properties subject to the lien of the First Mortgage in lieu of in the purchase of bonds; (b) that all subsidiary companies may create, issue, negotiate and sell Pfd. stocks without requiring such stocks to be made subject to the lien of the First Mortgage, provided that at all times the control of all subsidiary companies, the control

of which is now subject to the First Mortgage, shall remain subject thereto and that the present provisions of the First Mortgage concerning the creation of debt by such subsidiary companies, be retained unaltered; (c) that bonds may be issued under the First Mortgage to refund all outstanding Springfield Gas and Electric Co. First Mortgage 5% bonds and the Central Arkansas Ry. & Light Corp. First Lien 15-yr. 5% bonds, and for such further amount of bonds as may be issued under either of the mortgages of said companies.

Callability—The 5% bonds are subject to call as a whole, but not in part, at 102 and interest. The stamped bonds of this issue, bearing interest at the rate of 6% per annum, are subject to call in whole or in part at option of company on any interest date after 30 days' notice at 105 up to and including March 1, 1932, and at 104 thereafter up to and including March 1, 1935 and thereafter at 102, in each case plus accrued interest.

Sinking Fund—From March 1, 1913, to March 1, 1923, 1½% bonds outstanding; March 1, 1923, to March 1, 1933, 2%; March 1, 1933, to maturity, 2½%. At Dec. 31, 1927, $1,662,000 of the 5% bonds had been cancelled by the sinking fund.

Security—The principal of the bonds and interest thereon, at the rate of 5% per annum, are secured by first lien (through deposit of the entire issues of first mortgage bonds) on all the properties of the operating companies with the exception of the Springfield Gas and Electric Co., Central Arkansas Ry. & Light Corp., Willapa Electric Co. and New Brunswick Power Co. They are additionally secured by the pledge of the entire 50,000 shares Common stock of the Springfield Gas and Electric Co. The additional interest of 1% per annum is to be secured by any mortgage which the Company may hereafter execute. Under the terms of the first mortgage, none of the companies whose bonds and/or notes are deposited is permitted to increase its fixed charge obligations unless such obligations are made subject to the lien of the first mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax. Pennsylvania 4 mill tax refunded.

Legal Opinion—Spooner & Cotton, New York (for the bankers), and Hawkins, Delafield & Longfellow, New York (for the company).

Original Offering—First publicly offered ($3,000,000 5s) in March, 1912, at 93½ and interest, yielding about 5.44¼%; $2,590,500 6s were offered in Jan. 1922, at 91¾ and interest, yielding over 6¾%; $1,329,000 Stamped 5s were offered in Oct., 1926, at 95½ and interest, to yield about 5.40%; $930,500 Stamped 5s were offered in June, 1927, at 95¼ and interest to yield over 5.45%; all issues by White, Weld & Co., and West & Co., New York.

Listed—New York Stock Exchange.

Price Range—

5s—	1927	1926	1925	1924	1923
High	99½	98	96	90	86½
Low	92	92½	88	86	81
Stamped 6s—					
High	105¼	104⅜	103	100	96¼
Low	102	100	99¼	93	90⅓

(2)

$2,500,000 30-YEAR DEBENTURE GOLD BONDS, SERIES "B" 6%; DUE DECEMBER 1, 1954

Dated Dec. 1, 1924.

Interest Payable June and December 1, at The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered bonds, without coupons, in denominations of $1,000 and multiples thereof. Registered bonds and coupon bonds are interchangeable and bonds of one denomination are also interchangeable for bonds of other denominations of equal aggregate principal amount, restricted only by the denominations of the fully registered bonds.

Trustee—The New York Trust Co., New York.

Provisions of Issue—These Debenture bonds are the direct obligation of the Federal Light & Traction Co. and were issued under an Agreement dated as of March 1, 1923. This Agreement authorized issues of Debenture bonds in series, and in the case of the Debenture bonds of each series, except Series "A," they may be of such amounts and in such denominations, bear such date, maturity, interest rate not exceeding 8% per annum, and such conversion and redemption provisions as shall be determined from time to time by the Board of Directors of the Company, at the time of authorization of the issue of Debenture bonds of each series, subject, however, in respect of all Debenture bonds issued thereunder to the restrictive provisions of the Agreement securing the said Debenture bonds.

The amount of bonds which may be issued, is limited by a provision in the Agreement, that no additional series of Debenture bonds may be issued under it, except for refunding the Debenture bonds of another series, unless the net income, as defined therein, for 12 consecutive calendar months within the preceding 15 calendar months, shall equal or exceed 1¾ times the annual interest charges on all indebtedness of the Company, as defined in the Agreement, including the Debenture bonds then to be issued.

The Agreement contains provisions for declaring the principal of the Debenture bonds due, in the event of default.

Purpose of Issue—The proceeds of this issue of bonds were used (1) to retire on March 1, 1925, the unconverted outstanding Convertible Debenture Bonds, Series "A" 7%, (2) to reimburse the Treasury for moneys expended for additions to the properties and (3) to provide funds for additions and extensions to the properties during 1925.

Callability—Subject to call as whole or in part on any interest date upon 60 days' notice at 105 on or before Dec. 1, 1941, thereafter at 100 to maturity, in every case plus accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and will upon application within 60 days after payment, refund to resident holders the Pennsylvania and Connecticut State Tax not exceeding 4 mills and the Massachusetts income tax on income derived from said bonds not exceeding 6% thereof per annum.

Legal Opinion—Hawkins, Delafield & Longfellow, New York.

Original Offering—First publicly offered ($2,500,000) in Dec. 1924, at 91 and interest, yielding 6.70% by Bodell & Co., New York, Providence and Boston.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	104¼	98½	94⅝	90
Low	97	93	91½	bid

STOCKS, BONDS & NOTES OF FEDERAL LIGHT & TRACTION CO. AND OF ITS SUBSIDIARY COMPANIES IN THE HANDS OF OUTSIDE INVESTORS, AS OF DEC. 31, 1927

Funded Debt and Notes:

Federal Light and Traction Co.—	
1st Lien 5% bonds, 1942	$3,121,000
Stamped First Lien 5s, due 1942	2,200,500
Stamped 1st Lien 6% bonds, 1942	3,482,000
30-yr. Deb. Gold Bonds, Ser. "B", 7s, 1954	2,500,000
Central Arkansas Ry. & Lt. Corp. 1st Lien 5% bonds, 1928	1,831,000
New Brunswick Power Co. 1st Mtge. 5s, 1937	1,810,000
Springfield Gas and Electric Co. 1st Mtge. 5s, Series "A," 1957	3,600,000
Tucson Rapid Transit Co., 6% bond	100

Capital Stocks:

Federal Light & Trac. Co., Common stock, par, $15	$6,453,444
$6 Pfd. stock (39,374 shs. of no par value)	3,937,400
Central Arkansas Ry. & Lt. Corp. 7% Pfd. stock	1,495,700
Springfield Ry. & Lt. Co. 7% Pfd. stock	3,100
Springfield Gas and Electric Co. (9,469 shs. of no par value)	946,900
Tucson Rapid Transit Co. Common stock	76,200

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED DECEMBER 31
(Federal Lt. & Trac. Co. and Sub. Cos.—excluding Depreciation and with Inter-Company items eliminated).
(Excluding New Brunswick Power Co.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$7,010,040	$6,623,587	$5,888,708	$5,665,828	$5,510,877	$5,012,490
Operating expenses and taxes (incl. Federal Income & Profits tax)	4,357,101	3,996,018	3,685,072	3,504,242	3,425,936	3,284,150
Net earnings	$2,652,939	$2,627,570	$2,203,636	$2,161,586	$2,084,941	$1,728,340
Interest and discount	920,690	826,619	749,349	721,199	802,413	681,039
Preferred stock dividends:						
Central Ark. Ry. & Lt. Corp.	104,764	101,761	91,806	88,713	87,343	85,522
Springfield Companies	65,482	64,652	64,164	64,052	63,695	54,113
Balance after charges	$1,562,003	$1,634,538	$1,298,317	$1,287,622	$1,131,490	$907,666
Fed. Lt. & Tr. Co. Pfd. dividends	236,444	236,444	235,379	224,975	216,211	250,500
Fed. Lt. & Tr. Co. Com. dividends	587,559	564,633	543,736	434,859	286,365	.....
Balance	$738,000	$833,661	$519,202	$627,788	$628,914	$657,166
Times Interest and Discount Earned	2.88	3.18	2.94	3.00	2.60	2.54
Earnings Per Share—						
Preferred	$39.67	$41.51	$32.97	$33.19	$30.63	$25.56
Common	3.08	3.38	*2.68	14.46	18.75	14.62

*Par, $15; previous years, no par value.

CONDENSED CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Federal Light & Traction Co., and Subsidiary Cos.)
(Excluding New Brunswick Power Co.)
(Eliminating Securities and Accounts Between Companies)

Assets—	1927	1926	1925	1924	1923	1922
Plant, property, franchises, etc	$34,738,567	$32,881,953	$29,779,737	$28,441,539	$27,602,623	$25,133,057
Investments (other companies)	227,820	62,433	50,417	315,755	85,554	80,003
Cash (including special deposits)	806,009	772,604	1,130,764	2,357,966	787,251	590,478
Notes receivable	344,995	341,680	330,335	290,338	42,784	505,597
Accounts receivable	724,036	637,265	716,437	808,888	632,016	
Materials and supplies (at cost)	591,219	573,645	538,019	464,395	453,886	375,488
Unamortized debt discount & expense	1,510,189	1,303,140	1,263,436	1,192,713	1,104,092	945,097
Unadjusted debit items	347,814	142,089	78,420	168,275	136,522	73,907
Undistributed property expenditures	559,205	463,767	118,271	.....	.....	.....
Total	$39,849,854	$37,178,576	$34,005,836	$34,039,869	$30,844,728	$27,703,627
Liabilities—						
Federal Light & Traction Co.:						
Common stock	*$6,453,444	$6,201,633	$5,959,647	$5,588,650	$3,783,700	$3,700,000
Preferred stock	†3,937,400	3,937,400	3,937,400	3,879,683	3,693,282	3,550,000
Cent. Ark. Ry. Lt. Corp. Pfd. stock	1,495,700	1,496,100	1,343,700	1,295,700	1,254,100	1,249,500
Springfield Ry. & Lt. Co., Pfd. stock	3,100	925,600	919,700	913,900	918,000	825,000
Springfield Gas & Elec. Co. (9,409 shs. no par)	946,900	.....	.....	.....	.....	.....
Tucson Rap. Tr. Co., Common stock	76,200	76,200	81,050	81,800	86,050	86,050
Federal Lt. & Trac. Co. funded debt	11,303,500	10,549,000	9,388,000	9,952,500	9,627,500	8,099,300
Cent. Ark. Ry. & Lt. Corp. bonds	1,831,000	1,925,000	1,660,000	1,685,000	1,743,000	1,803,500
Springfield Ry. & Lt. Co., funded debt	.....	3,000,000	2,529,000	2,649,000	2,196,500	1,999,500
Springfield Gas & Elec. Co. bonds	3,600,000	.....	.....	.....	.....	.....
Tucson Rapid Transit Co. bond	100	100	100	100	100	100
Willapa Electric Co. bonds	.....	.....	.....	.....	.....	483,000
Notes and accounts payable	1,559,554	678,125	594,889	1,042,987	554,661	698,012
Accrued interest and taxes (not due)	692,583	649,583	663,055	588,222	623,826	547,698
Retirement and sundry reserves	4,090,458	3,843,564	3,320,286	3,399,312	3,765,131	2,406,383
Surplus	3,859,915	3,896,271	3,609,009	2,963,015	2,598,878	2,255,584
Total	$39,849,854	$37,178,576	$34,005,836	$34,039,869	$30,844,728	$27,703,627

*430,229.6052 shares Common of $15 par value. †39,374 shares Pfd. of no par value.

Officers: E. N. Sanderson, Pres.; Francis Blossom, 1st V-P.; Wm. Travers Jerome, Jr., V-P.; C. H. Nichols, V-P. & Gen. Mgr.; J. Dunhill, V-P., Sec. & Treas.; J. D. Bowles, V-P. & Chief Engr.; Richmond Talbot, Asst. Sec. & Asst. Treas.

Executive Committee: E. N. Sanderson, Chairman; Edward W. Harden, James C. Colgate, Francis Blossom, J. J. Bodell, Geo. W. Doane.

Directors: J. C. Colgate, John Dunhill, James S. Dennis, Edward W. Harden, Antonio Lazo, Stephen O. Metcalf, E. N. Sanderson, Francis Blossom, C. H. Nichols, Wm. Travers Jerome, Jr., Geo. W. Doane, Benjamin L. Allen, Sidney W. Noyes, New York; J. J. Bodell, Louis C. Gerry, Providence, R. I.

General Office, 52 William St., N. Y.

ALBUQUERQUE GAS AND ELECTRIC COMPANY

(Controlled by Federal Light & Traction Company)

History—Incorp. May 9, 1917, in New Mexico; successor to The Albuquerque Electric Power Co. and The Albuquerque Gas, Electric Light & Power Co. (see 1917 Public Utility Manual, pages 858 and 859, or apply to our Information Department). Franchises for gas and electricity run to 1948. Property consists of electric and gas plants, distribution systems, etc. Supplies Albuquerque and Barnalillo, New Mexico, serving population of about 30,000. Station capacity, 8,012 h.p. Miles of gas mains, 44. Annual gas output, 81,505,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by Federal Light & Traction Co. Annual meeting, third Wednesday in February, at Albuquerque, New Mex.

FUNDED DEBT

$1,562,000 First Mtge. 8% Gold bonds; dated May 1, 1917; due May 1, 1947; int. May and Nov. 1, at American Exchange Irving Trust Co., New York, Trustee. Registered, $100 and multiples. Authorized issue, $2,000,000. All issued bonds are owned by Federal Light & Traction Co. A first lien on entire property. Company does not pay Normal Federal Income Tax.

Officers: E. N. Sanderson, Pres.; C. H. Nichols, V-P.; J. Dunhill, Treas.; H. G. Townsend, Sec., New York.

Directors: E. N. Sanderson, C. H. Nichols, J. Dunhill, H. G. Townsend, New York; A. Prager, Albuquerque, New Mex.

General Office, Albuquerque, N. M. **New York Office,** 52 William St.

CENTRAL ARKANSAS PUBLIC SERVICE CORPORATION

(Effective Feb. 3, 1928, name changed from Central Arkansas Railway and Light Corp.)

(Controlled by Federal Light & Traction Company)

History and Property—Chartered in Feb., 1913, in Va., as Central Arkansas Railway and Light Corp., name being changed to present one Feb. 3, 1928. Controls, through ownership of all outstanding stocks and bonds and other fixed charge indebtedness, the Citizens Electric Co. (successor to the Electric Department of the Hot Springs Water Co.); Hot Springs St. Ry. Co.; Hot Springs Water Co. and the Consumers Gas Co. (successor to the Hot Springs Gas Co.), all of Hot Springs, Ark.

Citizens Electric Co. does all of the electric light and power business in the City of Hot Springs, Ark. Hot Springs St. Ry. Co. does all of the street railway business in the City of Hot Springs, Ark. Consumers Gas Co. does all of the gas business. Hot Springs Water Co. does all of the business of supplying water to Hot Springs.

These companies serve an average population of 34,000 people. The street railway franchise is exclusive until expiration in 1954. The water franchise is exclusive and expires in 1949; the franchise for electric light and power expires in 1933. The gas franchise is unlimited as to time as to artificial gas while that for natural gas is for 20 years from 1911, with provision that the company can revert to the use of artificial gas should the natural gas not be available for the above period. These companies have 13.64 miles of track and an installed power house capacity of 7,038 h.p. Natural gas is supplied by the Arkansas Natural Gas Co. Total of gas mains about 53.7 miles. The water company has four sources of supply in connection with service reservoir on top of mountain overlooking the city of Hot Springs. Capacity of storage reservoirs, 460,000,000 gallons.

CAPITAL STOCK

Authorized, $2,500,000 Common and $1,500,000 7% cumulative Pfd.; outstanding: $2,500,000 Common and $1,500,000 Pfd.; par, $100. Entire issue of Common stock owned by Federal Light & Traction Co.

Preferred Stock Provisions—Pfd. stock has preference as to assets and dividends, and is subject to redemption at 110 and accrued dividends. In the event of default of two quarterly dividends, entire voting power for the election of directors is vested in Pfd. stock until all defaulted dividends are paid to the preferred stockholders, either by the Central Arkansas Ry. & Light Corp. or by the Federal Light & Traction Co. If regular dividends are maintained, the preferred stock has no voting power for the election of directors.

Transfer Agent—American Exchange Irving Trust Co., New York.

Registrar—Guaranty Trust Co., New York.

Annual Meeting—First Monday in February, at Richmond, Va.

Dividends—Preferred dividends are guaranteed by Federal Light & Traction Co., and are regularly paid, quarterly, M, J, S & D 1 by American Exchange Irving Trust Co., New York.

FUNDED DEBT

$1,831,000 CENTRAL ARKANSAS RAILWAY & LIGHT CORP. FIRST LIEN 5% GOLD BONDS; MATURED AND PAID MARCH 1, 1928

$2,700,000 CENTRAL ARKANSAS PUBLIC SERVICE CORP. FIRST LIEN AND COLLATEDAL TRUST 5% GOLD BONDS, SERIES A; DUE FEBRUARY 1, 1948

Dated February 1, 1928.

Interest Payable February and August 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Additional First Lien and Collateral Trust bonds, of Series "A" or of other series, may be issued (a) for 80% of the cash cost or fair value, whichever is less, of additions, extensions and improvements to properties or of additional properties, used in electric power and light, gas or water supply business, to be directly owned by the Corporation or by subsidiary companies engaged in any of said businesses, all of whose stock, bonds or notes or other evidences of indebtedness (other than current operating accounts) are owned by the Corporation, or against the deposit of cash with the Trustee under restrictions provided in the Indenture, and (b) when net earnings for 12 out of 15 months next preceding shall have been at least twice the annual interest charges on total First Lien and Collateral Trust bonds outstanding, including the additional bonds then proposed to be issued; or, par for par, for refunding other First Lien and Collateral Trust bonds. The Indenture provides that its terms and provisions, with certain exceptions may be modified upon vote of 80% of the First Lien and Collateral Trust bonds outstanding, but that no such modification shall be permitted to make any change in maturity, interest rate, principal amount, or terms of payment of principal or interest of any bond, without the consent of the holder of such bond.

Purpose of Issue—Proceeds were applied to the redemption of the Corporation's outstanding issue of $1,831,000 First Lien Fifteen-Year 5% Sinking Fund Gold bonds, maturing March 1, 1928, for additions and extensions to property, and for other corporate purposes.

Callability—Except in case proceeds of property taken by eminent domain equal or exceed outstanding bonds, in which case bonds may be called on the first day of any month at 100 and interest, bonds are subject to call on 30 days' notice as a whole at any time, or in part on any interest date, at 103 and interest during the first 5 years, at 102 and interest during the next 5 years, at 101½ and interest during the next 5 years and at 101 and interest during the last five years preceding maturity.

Improvement and Sinking Fund—Indenture provides for an annual improvement and sinking fund at the rate of 1% of the total First Lien and Collateral Trust bonds outstanding, based upon the average amount of bonds outstanding during each calendar year, to be used for additions, extensions or improvements which could otherwise be made the basis for the issuance of bonds, or for purchase or call and retirement of bonds.

Security—Secured by a first lien on all the securities of the four subsidiary operating companies consisting of their total outstanding issues of first mortgage bonds and their entire capital stocks (except directors' qualifying shares). No additional stocks, bonds or notes or other evidences of indebtedness (other than current operating accounts) may be issued by the subsidiary companies except to the Central Arkansas Public Service Corp. for pledge under the Indenture securing these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills personal property taxes and the Massachusetts Income Tax up to 6% per annum of interest received, refunded under conditions stated in the Indenture.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the Bankers) and Hawkins, Delafield & Longfellow, New York (for the Company).

Original Offering—First publicly offered ($2,700,000) in Feb., 1928, at 94½ and interest, to yield about 5.45% by Lee, Higginson & Co., White, Weld & Co., West & Co., and Bodell & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including Subsidiary Companies)

	1927	1926	1925	1924	1923	1922
Gross earnings (all sources)	$1,107,596	$1,090,047	$1,000,900	$938,219	$887,019	$856,311
Operating expenses and taxes	765,746	705,491	666,504	639,838	595,066	554,23
Net earnings	$349,850	$384,556	$334,397	$298,381	$291,953	$302,07
Interest charges	122,049	105,306	89,790	86,873	87,781	90,80
Net income	$219,801	$279,250	$244,607	$211,508	$204,172	$211,26
Maintenance reserve	26,545	46,867	15,531	9,695	29,353	18,28
Balance for dividends	$193,256	$232,383	$229,076	$201,813	$174,819	$192,98
Pfd. dividends paid	105,000	105,000	105,000	105,000	105,000	105,00
Surplus for year	$88,256	$127,383	$124,076	$96,813	$69,819	$87,98
*Times Interest Earned	2.87	3.65	3.72	3.43	3.33	3.1
†Earnings Per Share—						
Preferred	$12.88	$15.53	$15.27	$13.45	$11.65	$12.87

*Before maintenance reserve. †After maintenance reserve.

Officers: E. N. Sanderson, Pres.; John Dunhill, V-P. & Treas.; H. G. Townsend, Sec., New York.

Directors: E. N. Sanderson, John Dunhill, H. G Townsend.

New York Office, 52 William St.

DEMING ICE & ELECTRIC COMPANY

(Controlled by Federal Light & Traction Company)

History—Incorporated in Jan., 1905, in New Mex., for the manufacture and sale of ice and to generate and distribute electricity. Generating capacity, 1,004 h.p.; ice plant capacity, 25 tons. Population served, about 3,600.

CAPITAL STOCK

Authorized, $50,000; outstanding, $37,100; par, $100. All stock and fixed charge indebtedness owned by Federal Light & Traction Co. Annual meeting, first Wednesday in January, at Deming, New Mex.

Officers: E. N. Sanderson, Pres.; C. H. Nichols V-P.; John Dunhill, Treas.; H. G. Townsend, Sec. New York.

Directors: E. N. Sanderson, John Dunhill, C. H Nichols, H. G. Townsend, New York; A. W. Pollard Deming, New Mex.

New York Office, 52 William St.

GRAYS HARBOR RAILWAY & LIGHT COMPANY

(Controlled by Federal Light & Traction Company)

History and Property—Chartered in March, 1906, for 50 years, and absorbed the Grays Harbor Electric Co. Owns electric light plants in Aberdeen and Hoquiam, together with the entire stock of a real estate company owning land and the equivalent to approximately 12 city blocks. Railway and electric light franchises in Aberdeen and Hoquiam expire in 1953; in Cosmopolis, electric light franchise expires in 1959 and railway in 1953. Length of line (connecting Aberdeen, Hoquiam and Cosmopolis, Wash.), 10.5 miles. Gauge, 4 ft. 8½ in. Rail, 60 and 70 lbs. Motor cars—passenger, 18; work, 15; trailers, 2—total, 35. Power stations, 3. Capacity of generators, 15,843 h.p. Population served, about 40,000.

CAPITALIZATION

All capital stock, bonded debt and other fixed charge indebtedness owned by Federal Light & Traction Co Annual meeting, second Monday in January.

Officers: E. N. Sanderson, Pres.; C. H. Nichols, 1st V-P.; W. W. Briggs, 2nd V-P. & Gen. Mgr.; John Dunhill, Treas. & Asst. Sec.; G. B. Sanford, Sec. & Asst. Treas.

Directors: C. H. Nichols, E. N. Sanderson, New York; W. W. Briggs, F. G. Foster, W. H. Tucker Aberdeen, Wash.

Office, Aberdeen, Wash. **New York Office,** 52 William St.

THE LAS VEGAS LIGHT & POWER COMPANY

(Controlled by Federal Light & Traction Company)

History—Incorporated May 12, 1909, in Colo.; successor under foreclosure to the Las Vegas Ry. & Power Co. Electric lighting franchise expires in 1955. Owns entire stock of Las Vegas Transit Co. (see statement appended). Furnishes light and power. Population served, about 9,000. Controlled by Federal Light & Traction Co. Power house capacity, 1,132 h.p.

CAPITAL STOCK

Authorized, $300,000; outstanding, $150,000: par, $100. All owned by Federal Light & Traction Co. Annual meeting, third Wednesday in February.

FUNDED DEBT

$160,000; all owned by Federal Light & Traction Co., which also owns all other fixed charge indebtedness.

Officers: E. N. Sanderson, Pres.; C. H. Nichols V-P.; John Dunhill, V-P. & Treas.; H. G. Townsend Sec., New York.

Directors: E. N. Sanderson, C. H. Nichols, John Dunhill, H. W. Kelly, H. G. Townsend.

New York Office, 52 William St.

THE LAS VEGAS TRANSIT COMPANY

(Controlled by The Las Vegas Light & Power Company)

History—Incorporated May 12, 1909 in Colo.; reorganization of the Las Vegas Ry. & Power Co., whose property was sold under foreclosure. Franchise expires in 1955. Cars (motor), passenger, 5. Length of line (in Las Vegas), 3.7 miles. Gauge, standard. Rail, 60 lbs.

Company on Dec. 2, 1927, filed a petition with the New Mexico Corporation Commission asking permission to abandon its line. Railway service has been temporarily discontinued.

CAPITAL STOCK

Authorized, $150,000; outstanding, $75,000; par, $100. All owned by the Las Vegas Light & Power Co., except directors' qualifying shares. Annual meeting, third Wednesday in February.

FUNDED DEBT

$75,000 First 5s; dated June 1, 1909; due June 1, 1929; int. June and Dec. 1. Entire issue owned by Las Vegas Light & Power Co.

Officers: E. N. Sanderson, Pres.; C. H. Nichols, V-P.; John Dunhill, V-P. & Treas.; H. G. Townsend, Sec.

Directors: E. N. Sanderson, C. H. Nichols, J. Dunhill, H. G. Townsend, S. Romero.

New York Office, 52 William St.

NEW BRUNSWICK POWER COMPANY

(Controlled by Federal Light & Traction Company)

History and Property—Company was incorp. April 20, 1912, by Special Act of the Province of New Brunswick, Can., for the purpose of operating public utilities and acquiring and developing hydro-electric powers. Franchises perpetual. Successor to The St. John Ry. Co. (see Manual for 1916, page 703), and Eastern Electric Co., Ltd. Company has been granted valuable rights and privileges on the Magaguadavic and the Lepreaux Rivers, 34 and 18 miles respectively from St. John, New Brunswick. The Federal Light & Traction Co. acquired control of this Company as of April 1, 1923.

Property—Owns and operates the electric light and power business, the gas business and the system of street railways in St. John, New Brunswick and vicinity, serving a present estimated population of 65,000.

The street railway system, aggregating 22.3 miles of equivalent single track, is operated in St. John, East and West St. John, Fairville, Glen Fall and vicinity. The rolling stock includes 34 closed cars. Power is supplied from the central power station. The steam power station, conveniently and centrally located in St. John, has an installed capacity of 5,831 h.p. and is so constructed as to permit of future expansion. The gas plant serves the city of St. John proper through 20.9 miles of mains. The company owns valuable lands and water power sites on the Magaguadavic River, and in addition extensive charter rights of expropriation of water powers and regulation of stream flow on this river and on the Lepreaux River, thus controlling proposed hydro-electric developments having an ultimate installed capacity estimated at 19,000 h.p.

CAPITAL STOCK

Authorized, 20,000 shares Common of no par value, $3,500,000 7% cumulative First Pfd., par $100 and $1,500,000 7% cumulative Second Pfd., par $100; outstanding 20,000 shares Common, $1,000,000 First Pfd. and $350,000 Second Pfd. Substantially all the Common stock owned by Federal Light & Traction Co.

Preferred Stock Provisions—First Pfd. stock has preference for assets and dividends; redeemable as a whole or in part at 115 and accumulated dividends. Holders of First Pfd. stock ordinarily have no general voting powers, but have exclusive voting power if at any time two quarterly First Preferred stock dividends have accumulated and remain unpaid and as long as there are any arrears of dividends on the First Pfd. stock. Holders of First Pfd. stock are given no right to subscribe to new issues of stock. The Second Pfd. stock at any time outstanding may, as a whole, be converted into First Pfd. stock only when the net earnings are two and one-half times the dividend requirements on the combined issues of First and Second preferred stocks.

The by-law establishing the rights of the several classes of stock may be amended only with the vote of 75% of the First Pfd. stock; and a 95% vote of the First Pfd. stock is necessary for any change in the right to a 7% cumulative dividend and to payments in case of call or liquidation or dissolution.

Transfer Agents—For First Pfd. stock, The First National Bank, Boston, Mass.; for Second Pfd. and Common stocks, Secretary of Company, St. John, N. B.

Annual Meeting—First Monday in May.

Dividends—Dividends on the First Preferred stock are payable in Boston, Mass., in gold coin of the United States, without deduction for taxes of any nature imposed by any taxing authority of or in the Dominion of Canada; payments quarterly, M, J, S & D 1. Owing to the great increase in operating expenses the company was compelled to pass its First and Second Pfd. stock dividends, payable Sept. 1, 1918, and the dividends on its Second Pfd. stock payable Dec. 1, 1918. Full dividends were paid on First Pfd. stock during 1919, also the payment due Sept. 1, 1918, which was paid May 24, 1919, but the dividend due March 1, 1920, was passed. All dividends on First Pfd. have been paid to March 1, 1925; none thereafter until June 1, 1926, when 1% was paid, like payments being made each quarter thereafter to date. On Second Pfd. stock the payment due Sept. 1, 1918, was made May 24, 1919, and dividends of 1¾% each were also paid June 1, 1919, and Dec. 1, 1919. No dividends have been paid on Second Pfd. since May 17, 1920. Common dividends are payable only out of surplus earnings from the transaction of business after April 1, 1917. No dividends have ever been paid on Common.

FUNDED DEBT

$1,810,000 FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1937

Dated March 1, 1917.

Interest Payable March and September 1, at Agency The Royal Bank of Canada, New York, or The Royal Bank of Canada in St. John, N. B., or Montreal, Que.

Denominations—$500 and $1,000; principal may be registered.

Trustees—Boston Safe Deposit & Trust Co., Boston, Mass., and Royal Trust Co., Montreal.

Provisions of Issue—Authorized issue, $5,000,000; the remaining $2,819,000 bonds may be issued only for 75% of the cost of additions and improvements to the property and then only when the net earnings for twelve consecutive months within the preceding fourteen months shall have been in the aggregate not less than twice the annual interest charges on all bonds then outstanding and those proposed to be issued. In addition to the $1,810,000 bonds outstanding, $225,000 are held in treasury, and $145,500 in sinking fund.

Callability—Subject to call as a whole for retirement or in part for sinking fund purposes at 103 and interest March 1, 1922, or on any interest date thereafter.

Sinking Fund—Sinking fund, beginning Dec. 15, 1921, 1% of bonds outstanding, to be invested in bonds of this issue.

Security—A direct first lien on entire property rights and privileges now owned or hereafter acquired.

Tax Provisions—Principal and interest payable without deduction for any present or future Canadian taxes which the Company may be required to pay.

Legal Opinion—Ropes, Gray, Boyden & Perkins. Boston, Mass.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$740,519	$767,715	$701,394	$770,349	$991,945
Operating exp. & taxes	550,201	557,355	556,954	624,026	754,665
Net earnings	$190,318	$210,360	$144,440	$146,323	$237,280
Interest, discount & Federal Income tax	115,817	118,166	114,284	110,222	102,115
Net profit	$74,501	$92,194	$30,156	$36,101	$135,165
Reserve for depreciation	25,000	.....	.....	.....	.....
First Pfd. dividends paid	40,000	30,000	17,500	70,000	70,000
Surplus for year	$9,501	$62,194	$12,656	*$33,899	$65,165

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant, property and investments	$6,082,132	$6,016,867	$5,978,624
Cash	11,564	26,306	19,243
Accounts receivable	126,568	112,786	115,147
Materials and supplies	54,451	53,417	44,857
Special deposits	.....	5,584	4,280
Prepaid expenses & unadjusted debits	25,000	23,606	26,776
Total	$6,299,715	$6,238,566	$6,188,567

Liabilities—	1927	1926	1925
Common stock (20,000 shares, no par)	$2,000,000	$2,000,000	$2,000,000
First Preferred stock	1,000,000	1,000,000	1,000,000
Second Preferred stock	350,000	350,000	350,000
*Funded debt	1,802,090	1,810,478	1,816,087
Accounts and notes payable	358,984	358,333	350,576
Federal Lt. & Trac. Co. current acct.	108,155	49,162	24,875
Deferred liabilities	80,015	83,917	79,601
Unadjusted credits:			
Reserve, conting., bad debts & tickets	66,613	64,215	65,038
Renewal and replacement	110,263	108,379	150,514
General	252,858	252,858	252,858
Sale & release account	631	619	607
Surplus account	170,106	160,605	98,411
Total	$6,299,715	$6,238,566	$6,188,567

*Less sinking fund of $95,413 in 1925, $101,022 in 1926 and $153,410 in 1927.

Officers: E. N. Sanderson, Pres., New York; Wm. H. Swift, Jr., V-P. & Gen. Mgr.; John A. Olive, Sec. & Treas., St. John, N. B.

Directors: E. N. Sanderson, New York; Wm. H. Swift, Jr., W. C. Allison, W. S. Fisher, W. E. Golding, J. L. McAvity, A. P. Paterson, Richard Sullivan, St. John, N. B.; L. C. Gerry, Providence, R. I.

Offices, St. John, N. B., and 52 William St., New York.

NEW MEXICO POWER COMPANY

(Controlled by Federal Light & Traction Company)

History—Incorporated April 3, 1926, in New Jersey; acquired on May 31, 1926, the properties of the Santa Fe Water and Light Company and on March 1, 1927, the property of The Belen Water and Light Company, both of which companies were formerly controlled directly by the Federal Light & Traction Co. Franchises for electricity and water run to 1950 and 1951. Properties consist of an electric plant and water works at Santa Fe, N. M., and electric plants at Belen, and Dawson, N. M., together with distribution system, etc. Supplies Santa Fe, Belen, Dawson and vicinities, serving population of about 13,000. Station capacity, 7,262 h.p. The source of supply of the water division is Santa Fe Lake, located in Sangre de Cristo Range at an elevation of 11,000 feet. Capacity of storage reservoirs is 133,000,000 gallons. Capacity of emergency reservoir is 450,000 gallons. The Company has entered into a contract with the Phelps Dodge Corp., by virtue of which it will furnish all electric power required at Dawson for twenty years and for such purpose the Company has constructed a 5,362 h.p. power plant at Dawson.

CAPITAL STOCK

Authorized, 10,000 shares Common and 10,000 shares $7 cumulative Pfd., both of no par value; outstanding, 10,000 shares Common and 3,000 shares Pfd. Entire Common stock owned by Federal Light & Traction Co.

Preferred Stock Provisions—Has preference for dividends and in liquidation for assets up to $100 and accrued dividends per share. Subject to call as a whole or in part on any dividend date at $105 per share and accrued dividends.

Transfer Agent—American Exchange Irving Trust Co., New York.

Registrar—The New York Trust Co., New York.

Dividends—Pfd. dividends payable quarterly, F, M, A & N 15.

FUNDED DEBT

$700,000 FIRST MORTGAGE GOLD BONDS, SERIES A, 5%; DUE JANUARY 1, 1958

Dated January 1, 1928.

Interest Payable January and July 1 at Rhode Island Hospital Trust Co., Providence, R. I.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Rhode Island Hospital Trust Co., Providence, R. I.

Provisions of Issue—Authorized amount, unlimited; authorized, Series A, $2,000,000; issued, $700,000. Further bonds, of Series A or other series, are issuable: (a) par for par, for refunding other series of these First Mortgage bonds; (b) for not to exceed 75% of additions, extensions and improvements to the properties or additional properties, as defined in the Mortgage, constructed or acquired subsequent to Dec. 31, 1926, or (c) against deposit of cash equal to the principal of bonds issued, provided, however, as to (b) and (c) that the net earnings, as defined in the Mortgage, equal at lease twice the annual interest charges on the total First Mortgage bonds outstanding, including the additional bonds then proposed to be issued.

Purpose of Issue—Proceeds were used to discharge obligations of the Company.

Callability—Subject to call in whole on the first day of any month, or in part by lot on any interest payment date, in every case on 30 days' notice, as follows: at 105 if redeemed on or before Jan. 1, 1933, at 104 thereafter and on or before Jan. 1, 1938, at 103 thereafter and on or before Jan. 1, 1943, at 102 thereafter and on or before Jan. 1, 1948, at 101 thereafter and on or before Jan. 1, 1953, and thereafter at 100½, in every case plus accrued interest.

Improvement and Sinking Fund—Mortgage provides for an annual improvement and sinking fund, pursuant to which the Company shall either expend for additions, extensions and improvements which could otherwise be made the basis for the issuance of bonds or apply to the purchase or redemption of bonds, for each calendar year commencing with the calendar year 1929, a sum equal to 1% of the average principal amount of bonds outstanding during such calendar year.

Security—Secured by a direct first mortgage on the entire fixed assets of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills personal property tax, Maryland 4½ mills personal property tax and Massachusetts Income Tax up to 6% per annum of interest received, refundable upon timely written application to the Company under conditions stated in the mortgage.

Legal Opinion—Hawkins, Delafield & Longfellow, New York.

Original Offering—First publicly offered ($700,000 Series A 5% bonds) in Jan., 1928, at 94½ and interest to yield about 5.35% by Bodell & Co., Providence, R. I.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$246,692	$197,131	$165,369
Operating expenses, maintenance and all taxes	144,662	114,954	102,190
*Net earnings	$102,030	$82,177	$63,179

*Before depreciation.

Officers: E. N. Sanderson, Pres.; C. H. Nichols, V-P.; J. Dunhill, V-P. & Treas.; H. G. Townsend, Sec.

Directors: E. N. Sanderson, C. H. Nichols, J. Dunhill, H. G. Townsend, J. D. Bowles.

New York Office, 52 William Street.

RAWLINS ELECTRIC LIGHT & FUEL COMPANY

(Controlled by Federal Light & Traction Company)

History—Incorporated in Jan., 1895, in Wyo. Franchise expires in 1931. Furnishes electric light and power to Rawlins, Wyo. Controlled by the Federal Light & Traction Co. through stock ownership. Population served, 5,000. Power house capacity, 965 h.p.

CAPITAL STOCK AND FUNDED DEBT

All owned by Federal Light & Traction Co. Annual meeting, first Monday in February.

Officers: E. N. Sanderson, Pres.; C. H. Nichols, V-P.; John Dunhill, Treas.; H. G. Townsend, Sec.

Directors: E. N. Sanderson, J. D. Bowles, H. G. Townsend, John Dunhill, C. H. Nichols.

New York Office, 52 William St.

SHERIDAN COUNTY ELECTRIC COMPANY

(Controlled by Federal Light & Traction Company)

History and Property—Incorporated in August, 1910, in New Jersey Company owns and operates a condensing steam plant of 2,681 h.p. capacity, located about nine miles from Sheridan, Wyo. Current is generated from fuel obtained from adjacent mines and is transmitted to Sheridan for distribution. The Company has a 50-year franchise expiring in 1961 for electric lighting and power, carrying with it a 10-yr. contract for street lighting. City lighting contract recently extended another 10-year period. Population served, about 15,800.

CAPITAL STOCK

Authorized and outstanding, $500,000; all owned by Federal Light & Traction Co. Annual meeting, third Wednesday in January.

FUNDED DEBT

$713,000 First 7s. Authorized issue, $2,000,000. The entire issue owned by Federal Light & Traction Co.

Officers: E. N. Sanderson, Pres.; C. H. Nichols, V-P.; John Dunhill, V-P. & Treas.; H. G. Townsend, Sec.

Directors: E. N. Sanderson, C. H. Nichols, H. G. Townsend, J. D. Bowles, John Dunhill.

New York Office, 52 William St.

SPRINGFIELD GAS AND ELECTRIC COMPANY

(Controlled by Federal Light & Traction Company)

History and Property—Incorporated April 29, 1927, in Missouri. Company owns the entire capital stock of the Springfield Traction Co. Through reorganization of Springfield Companies on July 15, 1927, the Springfield Gas and Electric Company acquired the entire capital stock of Springfield Traction Co. and the entire Common stock of the Springfield Railway & Light Co., which latter company is being dissolved. Controls the entire gas, electric light, street railway and auto bus business of Springfield, Mo., and also supplies steam heat. Street railway franchise expires 1944; gas franchise in 1929; steam franchise in 1936; electric light franchise is unlimited in time. The combined properties include 23.0 miles of track serving the city of Springfield, Mo., and suburbs, power house of 19,784 h.p. capacity supplying electricity for street railway, light and power and steam for steamheating. Additional power is provided for through a contract with the Ozark Power & Water Co., covering the purchase of 2,875 k.w. The electric distribution system includes 300 miles of pole lines. The gas system includes a gas plant capable of generating 1,000,000 cu. ft. of gas per day, two gas holders of 350,000 cu. ft. combined capacity, and approximately 75.3 miles of mains. Annual sales of gas, 174,589,000 cu. ft. Passenger cars, 56; auto buses, 14.

CAPITAL STOCK

Authorized, 50,000 shares Common stock and 100,000 shares $7 cumulative Preferred, both of no par value; outstanding, 50,000 shares Common and 10,012 shares Pfd. All the Common stock and 416 shares of Pfd. stock owned by Federal Light & Traction Co. Annual meeting, first Monday in December.

Preferred Stock Provisions—The Preferred stock has preference for assets and dividends, and is redeemable at option of Company at 115 and accrued dividend. In the event that two quarterly dividends, payable on the Pfd. stock, shall be in default the entire voting power for election of directors shall become and remain vested exclusively in the Pfd. stock until the defaulted dividends shall have been paid, at which time such voting power will again be vested exclusively in the Common stock.

Transfer Agent & Registrar—Industrial Trust Co., Providence, R. I.

Dividends—Pfd. dividends are declared Wednesday after first Monday of M, J, S & D and have been regularly paid quarterly, J, A, J & O 1.

FUNDED DEBT

$3,600,000 FIRST MORTGAGE GOLD BONDS, SERIES "A", 5%; DUE JUNE 1, 1957

Dated June 1, 1927.

Interest Payable June and December 1, at The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered, and fully registered bonds, $1,000 and $5,000; interchangeable.

Trustees—The New York Trust Co., New York, and George D. McDaniel.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," 5%, $3,600,000.

Further First Mortgage bonds, of Series "A" or of other series, are issuable: (a) for 80% of the cash cost or fair value, whichever is less, of additions, extensions and improvements to properties or of additional properties to be directly owned by the Company and acquired subsequently to Sept. 30, 1926 (other than expenditures aggregating $380,000 made or to be made since that date, which are not to be bondable), or against deposit of cash with the Trustee under restrictions provided in the mortgage, and (b) when net earnings for 12 out of 15 months next preceding shall have been at least twice interest charges on total First Mortgage bonds outstanding, including the additional bonds then proposed to be issued; or, par for par, for refunding other First Mortgage bonds. Additional First Mortgage bonds may in no case be issued for property

used in railroad, street railroad or motor bus business, whether operated by steam, electricity, gasoline or otherwise. The mortgage provides that its terms and provisions, with certain exceptions, may be modified upon vote of 80% of the First Mortgage bonds outstanding, but that no such modification shall be permitted to make any change in maturity, interest rate, principal amount, or terms of payment of principal or interest of any bond, without consent of the holder of such bond.

Purpose of Issue—Proceeds were used for part of the cost of acquiring the property of Springfield Electric Co., as a going concern as of Sept. 30, 1926, and additions since that date, and all the outstanding capital stock and outstanding mortgage debt of Springfield Traction Co.

Callability—Except in case of proceeds of property taken by eminent domain equaling or exceeding outstanding bonds, in which case bonds may be called at 100 and interest, the bonds are subject to call on 30 days' notice as a whole on the first day of any month, or in part on any interest date, at 105 and interest during the first five years, the premium thereafter decreasing 1% each five years to June 1, 1952, and thereafter at 100½ and interest to maturity.

Improvement and Sinking Fund—Mortgage provides for an annual improvement and sinking fund at the rate of 1% of the total First Mortgage bonds outstanding, based upon the average amount of bonds outstanding during the period from June 1, 1927 t Dec. 31, 1927, and upon the average outstanding du ing each calendar year thereafter, to be used for add tions, extensions or improvements which could othe wise be made the basis for the issuance of bonds, o for purchase or call and retirement of bonds.

Security—Secured by a direct first mortgage on a real estate, plants, distribution systems and equipme owned by the company at the time of the issue of th Series A, 5% bonds, or acquired with the proceeds c bonds thereafter issued under the mortgage. Additio ally secured by pledge of securities of Springfield Trac tion Co., comprising its entire outstanding capital stoc and entire outstanding funded debt.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%. Pennsylvania and Connecticu 4 mills personal property tax, Maryland 4½ mills pe sonal property tax and Massachusetts income tax u to 6% per annum of interest received, refunded unde certain conditions.

Legal Opinion—Ropes, Gray, Boyden & Perkin Boston (for the Bankers) and Hawkins, Delafield Longfellow, New York (for the Company).

Original Offering—First publicly offered ($3,600 000) in July, 1927, at 97½ and interest to yield ove 5.15% by Lee, Higginson & Co., White, Weld & Co Bodell & Co., New York, etc. and West & Co., Phila delphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings (all sources)	$1,528,245	$1,427,043	$1,377,487	$1,327,389	$1,315,730	$1,223,91
Operating expenses and taxes	938,346	870,315	846,390	843,306	846,241	898,27
Net earnings	$589,899	$556,728	$531,097	$484,083	$469,489	$325,63
Interest charges	147,101	112,057	122,715	85,701	130,040	105,77
Net income	$442,798	$444,671	$408,382	$398,382	$339,449	$219,86
Preferred dividends	70,084	70,084	70,084	70,084	70,084	70,08
Surplus for year	$372,714	$374,587	$338,298	$328,298	$269,365	$149,78
Times Interest Earned	4.01	4.97	4.33	5.65	3.61	3.0
Earnings Per Share—						
Preferred	$44.22	$48.04	$40.79	$39.79	$36.98	$21.9

Officers: E. N. Sanderson, Pres.; C. H. Nichols, V-P.; A. E. Reynolds, V-P.; Richmond Talbot, V-P.; John Dunhill, Sec. & Treas.; W. E. Johnson, Asst. Sec. & Asst. Treas.; J. S. Thornton, Asst Sec.; H. G. Townsend, Asst. Treas.

Directors: E. N. Sanderson, A. E. Reynolds, Joh Dunhill, W. E. Johnson, E. F. Hannah.

Office, 52 William St., New York.

SPRINGFIELD TRACTION COMPANY

(Controlled by Springfield Gas and Electric Company)

History and Property—Incorporated June 19, 1895, in Missouri, with a perpetual charter. Absorbed the Kickapoo Transit Co. Does entire street railway business of the city; franchise expires in 1944. Owns and operates 23 miles of track in Springfield and suburbs. Gauge, standard. Rails, 80 lb. T. Cars—motor, 50; trail, 6; work, 12—total, 68. Operated by overhead trolley. Also owns 14 auto buses, operating over routes of about 20 miles. All capital stock, bonds and fixed charge indebtedness owned by Springfield Gas and Electric Co.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $100. All owned by Springfield Gas and Electric Co. Annual meeting, first Tuesday in May.

FUNDED DEBT

$500,000 First Mortgage Gold Bonds, 5% Serie dated June 1, 1927, due June 1, 1957 and $420,000 3(year 5% Income Mortgage Gold bonds, dated June 1 1927, due June 1, 1957. All owned by Springfield Ga and Electric Co.

Officers: E. N. Sanderson, Pres.; A. E. Reynold V-P. & Gen. Mgr.; John Dunhill, Sec. & Treas., W. E Johnson, Asst. Sec. & Asst. Treas.

Directors: C. H. Nichols, E. N. Sanderson, W. E Johnson, John Dunhill, J. J. Borger, A. E. Reynold C. H. Copley.

Offices, Springfield, Mo., and 52 William St., Nev York.

TRINIDAD ELECTRIC TRANSMISSION RY. & GAS COMPANY

(Controlled by Federal Light & Traction Company)

History—Incorp. Aug. 7, 1911, in Colo.; successor to Colorado Ry., Light & Power Co.—see Manual for 1911, page 1626. In 1912, the Walsenburg Light, Power & Ice Co. was absorbed. Supplies electric light, gas and electric power in and about Trinidad, and electric light and power in Walsenburg, Colo., serving a population of about 20,000. Power stations, 3. Electric railway (see 1923 Manual, page 685) was abandoned Sept. 15, 1923.

Furnishes power to the Colorado Fuel & Iron Co Victor-American Fuel Co., and other large users o power in the immediate vicinity of Trinidad, Colo The nine franchises under which the company op erates are either perpetual or run for fifty years, excep that two minor franchises for gas and electric ligh expire in 1930 and 1950, respectively. Capacity gen erators, 25,467 h.p. Annual output of gas, 22,339,00(cu. ft.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. All owned by Federal Light & Traction Co. Annual meeting, third Wednesday in February.

FUNDED DEBT

All owned by Federal Light & Traction Co., which company also owns all other fixed charge indebtedness.

Officers: E. N. Sanderson, Pres.; C. H. Nichols, V-P.; John Dunhill, 2nd V-P. & Treas.; H. G. Townsend, Sec.; Chas. E. Twogood, Asst. Sec. & Asst. Treas.

Directors: E. N. Sanderson, John Dunhill, H. G. Townsend, C. H. Nichols, W. P. Southard.

Offices, Trinidad, Colo., and 52 William St., New York.

TUCSON GAS, ELECTRIC LIGHT & POWER COMPANY

(Controlled by Federal Light & Traction Company)

History—Inc. in 1902, in Colo. Franchises, gas and electric lighting, expire 1951. Miles of mains, 52.5. Annual output gas, 151,013,000 cu. ft. Capacity generators, 8,968 h.p. Population served, about 35,000. Controlled by Federal Light & Traction Co.

CAPITAL STOCK

All owned by Federal Light & Traction Co., which Company also owns all the outstanding bonds.

Officers: E. N. Sanderson, Pres.; C. H. Nichols, V-P.; M. A. Pooler, V-P. & Gen. Mgr.; John Dunhill, Treas.; H. G. Townsend, Sec.

Directors: E. N. Sanderson, C. H. Nichols, J. D. Bowles, H. G. Townsend, John Dunhill.

Offices, Tucson, Ariz., and 52 William St., New York.

TUCSON RAPID TRANSIT COMPANY

(Controlled by Federal Light & Traction Company)

History—Incorporated June 17, 1905, in Ariz.; successor to Tuscon St. Ry. Co., whose property was sold under foreclosure. Franchise expires in 1939. Owns and operates 4.4 miles of track in City of Tucson, Ariz. Gauge, standard. Cars, 7; auto buses, 5. Power purchased from Tucson Gas, Electric Light & Power Company.

Receivership Terminated—This Company's property was placed in the hands of Edwin F. Jones, Tucson, Ariz., receiver, early in 1919, but the receiver was discharged by Court order Oct. 11, 1922, and property restored to owners.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Federal Light & Traction Co. owns $423,800 of the stock.

FUNDED DEBT

$114,800 First Gold 6s; dated March 15, 1906; due March 15, 1928; int. March and Sept. 15. All but $100 owned by Federal Light & Traction Co.

Officers: E. N. Sanderson, Pres.; M. H. Pooler, V-P. & Gen. Mgr.; John Dunhill, Treas.; H. G. Townsend, Sec.

Directors: E. N. Sanderson, H. G. Townsend, John Dunhill, S. L. Kingan, C. H. Nichols.

Offices, Tucson, Ariz., and 52 William St., New York.

WILLAPA ELECTRIC COMPANY

(Controlled by Federal Light & Traction Company)

History and Property—Incorporated August 2, 1913 in Washington. Company is a consolidation of Willapa Harbor Ry. Co., Twin City Electric Co. and South Bend Electric Co. (see Manual for 1913, page 3591). The street railway franchises extend as follows: In Raymond to 1960, in South Bend to 1961, and in Pacific County, Wash., to 2010. The electric light franchises extend as follows: In Raymond to 1960, South Bend to 1961. The electric railway comprises 5.3 miles of single track in cities of Raymond and South Bend and vicinity. The electric light and power distribution system comprises about 30 miles of pole lines. The company furnishes street lighting in Raymond under a ten-year agreement and has a ten-year contract with the Willapa Lumber Co., under the terms of which a 1,250 k. v. a. steam turbo-generator has been installed by the Willapa Electric Co. and is operated by the Willapa Lumber Co.

CAPITAL STOCK

Authorized, $910,000; outstanding, $400,000; par, $100. All owned by Federal Light & Traction Co. Annual meeting, second Wednesday in February.

FUNDED DEBT

$483,000 First Convertible 6s, Series "A," "B," & "C"; dated July 1, 1913; due July 1, 1923; int. Jan. and July 1, at New York Trust Co., New York, Trustee. All of these bonds were extended and acquired by Federal Light & Traction Co.

Officers: E. N. Sanderson, Pres.; J. Dunhill, V-P. & Asst. Treas., New York; M. M. Fisher, Treas.; J. R. Snider, Sec., Raymond, Wash.; H. G. Townsend Asst. Sec. & Asst. Treas., New York.

Trustees: E. N. Sanderson, New York; J. R. Snider, M. M. Fisher, Raymond, Wash.

General Office, Raymond, Wash.; **New York Office,** 52 William St., New York.

GREEN BAY AND MISSISSIPPI CANAL COMPANY

History and Business—Incorporated in Wisconsin in 1866 under a special act of the Legislature. Company owns certain lands, water rights and hydro developments on the Fox River between Lake Winnebago and Green Bay, Wis. These are leased to various users of power for periods of from seventeen to seventy-three years with provisions for periodic rate adjustment.

The Wisconsin-Michigan Power Co. and the Union Bag and Paper Corp. lease water rights only, aggregating about 4,000 horsepower. Industrial concerns, including the Interlake Pulp and Paper Co., the Thilmany Pulp and Paper Co. and the Combined Locks Paper Co. lease water rights totaling approximately 17,000 horsepower and also items of physical equipment such as buildings and water wheels. In addition the company owns two hydro-electric properties. The first, located at Rapide Croche, has recently been completed and has an installed capacity of 3,200 horsepower. The second, or Badger plant, to which extensive additions are now being made, will have a capacity of approximately 6,500 horsepower. These two hydro-electric plants are leased to the City of Kaukauna.

The total developed horsepower controlled by the company will be in excess of 30,000 horsepower. The company also owns a power site near the City of Kaukauna where an additional 6,000 horsepower may be developed. The company at the present time does not retail or wholesale electric energy.

CAPITAL STOCK

Outstanding, $995,000.

FUNDED DEBT

(1)

$417,000 (CLOSED ISSUE) FIRST MORTGAGE 5% BONDS; DUE DECEMBER 1, 1937

No further details furnished.

(2)

$833,000 FIRST AND REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES OF 1928; DUE MARCH 1, 1953

Dated March 1, 1928.

Interest Payable March and September 1 at First Wisconsin Trust Company, Milwaukee, Wis.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized, Series of 1928, $1,250,000; issued, $833,000. The balance of $417,000 Series of 1928 bonds are reserved for exchange for a like amount of First Mortgage 5% bonds due December 1, 1937. Additional bonds may be issued from time to time in series for (a) the redemption of bonds of another series; (b) not exceeding 80% of the cost or fair value, whichever is lower, of additions, betterments and improvements made subsequent to January 1, 1928, but provided, however, that the average annual net earnings as provided in the indenture for the two calendar years preceding application for issuance shall have been equal to twice the interest charges on the first mortgage bonds, on all underlying bonds, that may be outstanding, on the first and refunding mortgage bonds then outstanding and those to be issued.

Purpose of Issue—Proceeds were used to retire $349,000 outstanding 5% notes, due Sept. 1, 1930, to reimburse the treasury for capital expenditures already made and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at principal amount plus a premium of 3% if called on or before March 1, 1940, and thereafter at par plus a premium of ¼ of 1% for each year or fraction thereof between the date of redemption and March 1, 1951, and after March 1, 1951 at par.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on certain of the Company's properties and by mortgage lien on all the property of the Company now owned or hereafter acquired, subject to $417,000 First Mortgage 5% bonds due Dec. 1, 1937.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Moses Hooper and Bouck, Hilton, Kluwin & Dempsey, Oshkosh, Wis. (for the Company) and Miller, Mack and Fairchild, Milwaukee, Wis. (for the Bankers).

Original Offering—First publicly offered ($833,000) in Feb., 1928, at 96 and interest to yield about 4.78% by First Wisconsin Co., Milwaukee, Wis.

EARNINGS

	11 Mos. Ended Nov. 30, 1927	Yr. Ended Dec. 31, 1926	Yr. Ended Dec. 31, 1925
Net income available for depreciation, int. & income taxes	$214,752	$222,794	$155,080
Depreciation	24,752	23,537	9,594
Balance available for interest	$190,000	$199,257	$145,486

Officer: William Van Nortwick, Pres.
General Office, Appleton, Wis.

AMERICAN PIPE AND CONSTRUCTION COMPANY

History—Incorporated Jan. 31, 1889, in N. J., as The American Pipe Manufacturing Co.; name changed to above on March 1, 1909. Charter amended on April 3, 1901, and again on March 22, 1904. Under its charter the company is authorized to manufacture and sell pipe for all purposes, to do a general contracting business, and to buy, sell or hold stocks and bonds of other companies, etc. The company does a general contracting business, including the construction of water works, gas plants, electric light plants, power plants, sewer systems, electric railways, etc.

Controlled Companies—The Company controls, through stock ownership, the Philadelphia Suburban Water Co. and New York Inter-Urban Water Co. (see statements appended). The physical property of the latter Company was sold in 1927.

CAPITAL STOCK

Authorized and outstanding, $2,500,000; par, $50. The capital stock was reduced from $5,000,000 to $2,500,000, as of Dec. 31, 1918, by the reduction in the par value of the shares of stock from $100 to $50.

Transfer Office—Packard Bldg., Philadelphia, Pa.
Registrar—Girard Trust Co., Philadelphia.
Listed—Philadelphia Stock Exchange.
Annual Meeting—Fourth Tuesday in April, at Camden, N. J.

Dividends—Payments were made (quarterly, Jan. 1) as follows: 1890, 5%; 1891, none; 1892, 6%; 1893, 8%; 1894, 11½%, including 3% extra; 1895, 13%, including 3% extra; 1896 to Jan. 1907, inclusive, 12% per annum; April, 1907, to Jan. 1912, inclusive, 8% per annum; 1913, 5%; none since.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

Assets—	1924	1923	1922
Bonds owned, appraised val.	$1,923,108	$1,992,410	$1,503,531
Stocks owned	2,100,439	1,354,823	1,331,250
Construct. work in progress	120,705	40,792	205,429
Real estate (apprais. value)	21,001	34,868	34,868
Accounts receivable	524,721	498,335	291,299
Interest & divds. receivable	23,786	21,577	18,806
Bills receiv. (app'd. value)	193,206	244,206	414,305
Construction equipment	141,632	198,720	196,763
Materials and supplies	.....	7,028	9,932
Cash on hand	49,195	17,224	35,740
Reacquired securities	109,350	.....	.....
Prepaid insurance	1,010	.....	.....
Suspense	403,727	.....	.....
Total	$5,611,880	$4,409,984	$4,041,922

Liabilities—	1924	1923	1922
Capital stock	$2,500,000	$2,397,150	$2,397,150
Coll. trust certificates	410,000	746,500	1,065,000
Secured notes	322,400	376,000	.....
Amer. Pipe & Const. Sec. Co.	97,401	.....	.....
Accounts payable	40,112	43,114	24,729
Reserve for taxes, etc.	39,175	52,666	42,568
Interest accrued but not due	11,203	13,827	17,167
Billings on unfinished contracts	131,040	.....	.....
Surplus	2,060,549	780,727	495,308
Total	$5,611,880	$4,409,984	$4,041,922

Officers: C. H. Geist, Pres.; H. S. Schutt, V-P.; H. A. Lang, Sec. & Treas.; C. H. Weak, Asst. Sec., Philadelphia, Pa.

Directors: C. H. Geist, H. S. Schutt, H. A. Lang, C. S. Newhall, T. C. Sheaffer, Philadelphia, Pa.
General Office, Packard Bldg., Philadelphia, Pa.

NEW YORK INTER-URBAN WATER COMPANY

(Controlled by American Pipe and Construction Company)

History—Incorporated June 29, 1901, in N. Y. Formerly owned real estate, reservoirs, pumping stations, etc., in Westchester County, N. Y., but all the property was sold in 1927 to Westchester Joint Water Works No. 1.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $100. Transfer Agent: American Exchange Irving Trust Co., New York. Registrar: West End Trust Co., Philadelphia. Annual meeting, second Thursday in February, at Mamaroneck, N. Y.

FUNDED DEBT

$2,326,000 First Mortgage 5% bonds; dated Oct. 1, 1901; due Oct. 1, 1931; int. April and Oct. 1, at West End Trust Co., Philadelphia, Trustee. Authorized issue, $2,500,000. Secured on all property, franchises, etc. now owned or hereafter acquired.

Bonds To Be Redeemed—Company has made deposit with West End Trust Co., Philadelphia, of funds for redemption of the above described First Mortgage 5% bonds.

Officers: C. H. Geist, Pres.; H. S. Schutt, V-P.; H. A. Lang, Treas; C. H. Weak, Sec.

Directors: C. H. Geist, H. S. Schutt, H. A. Lang, C. H. Weak, J. D. Van Olinda.

Executive Office, Packard Bldg., Philadelphia, Pa.

PHILADELPHIA SUBURBAN WATER COMPANY

(Controlled by American Pipe and Construcion Company)

History and Properties—Incorporated in Pa.; successor as of April 27, 1925, by change of name, to Springfield Consolidated Water Company, (for last published statement, see 1925 Public Utility Volume, page 445). Company with its predecessors, has been in continuous operation since 1886. The company owns and operates the water system supplying without competition substantially the entire suburban district of Philadelphia, serving a population estimated at 275,000. The Company obtains its supply of water from three sources, Crum Creek, near Swarthmore; Pickering Creek, near Phoenixville, and Neshaminy Creek, at Neshaminy Falls. In connection with these supplies of water, the Company operates three pumping stations, one on each of the streams, each equipped with mechanical filtration plants, largely of the rapid sand type. The plants have a capacity of 20,000,000 gals. daily, and the distribution mains aggregating 855 miles in length serve over 62,293 customers.

Valuation—The value of the property of the company was fixed as of Dec. 31, 1923, at $17,500,000 by the Pennsylvania Public Service Commission. Expenditures for additions during 1924, aggregated approximately $1,000,000; during 1925, $1,100,000; during 1926, $2,400,000; and during 1927, $1,300,000 making a total of $23,300,000.

GROWTH OF BUSINESS, DECEMBER 31

	1927	1926	1925	1924
Miles of mains.....	855	817	752	689
Consumers	62,293	56,695	52,713	47,479
Fire hydrants	2,087	1,915	1,846	1,730
Normal daily output (M gallons)	20,000	20,000	18,000	12,750

CAPITAL STOCK

Authorized, 250,000 shares Common of no par value (increased from 100,000 shares June 9, 1925), and $10,000,000 6% cumulative Pfd., par, $100; outstanding, 250,000 shares Common and $2,000,000 Pfd.

Preferred Stock Provisions—Has preference for dividends and for assets up to $100 per share and accrued dividends in dissolution or liquidation; it is subject to call as a whole or in part on any dividend date on 30 days' notice at 110 and accrued dividends. No stock having priority over or equality with present Pfd. can be created without the consent of a majority of the Pfd. stock outstanding.

Additional stock to the par value of $4,250,000 may be issued for corporate purposes, but Pfd. stock in addition to this amount shall be issued only in amounts equivalent to one share for each $100 expended subsequent to Dec. 31, 1924, for capital additions to company's property. Additional stock may be issued when all cumulative dividends thereon shall have been paid or provided for and only when net earnings for twelve consecutive calendar months out of the fifteen calendar months next preceding shall have been twice the annual dividend requirements on all Pfd. stock outstanding and that proposed to be issued.

Preferred stock has no voting power except in election of directors when four full quarterly dividend payments are in default Pfd. stockholders shall be entitled to elect a majority of the Board of Directors and Common stockholders the remaining members.

Tax Provisions—Dividends are exempt from present Normal Federal Income Tax and free of the Pennsylvania 4 Mills Personal Property Tax.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia.

Pfd. Stock Offering—First publicly offered ($2,000,000) in May, 1925, at 95 and accrued dividends to yield 6.32%, by Graham, Parsons & Co., Stroud & Co., Inc., W. H. Newbold's Sons Co. and Yarnall & Co., Philadelphia.

Transfer Office—Company's office, Philadelphia.

Registrar—The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Dividends—Initial dividend of 1½% was paid on Pfd. stock Sept. 1, 1925, which quarterly rate regularly paid to date; payments, M, J, S & D 1. No dividends paid on Common.

FUNDED DEBT

(1)

$100,000 CONSHOHOCKEN GAS & WATER CO. FIRST MORTGAGE GOLD 4s; DUE JULY 1, 1929

Dated July 1, 1899.

Interest Payable January and July 1. Denomination, $1,000. E. T. Stotesbury, Philadelphia, Trustee. Assumed by Springfield Consolidated Water Co.—now Philadelphia Suburban Water Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$149,000 WAYNE WATER WORKS CO. FIRST MORTGAGE GOLD 4½s; DUE JANUARY 1, 1933

Dated January 1, 1903.

Interest Payable January and July 1, at Columbia Avenue Trust Co., Philadelphia, Trustee. Denomination, $1,000. Assumed by Springfield Consolidated Water Co.—now Philadelphia Suburban Water Co. Company pays Normal Federal Income Tax up to 2%.

(3)

$9,944,000 PHILADELPHIA SUBURBAN WATER CO. FIRST MORTGAGE GOLD BONDS, 5% SERIES, DUE MAY 1, 1955

$2,500,000 PHILADELPHIA SUBURBAN WATER CO. FIRST MORTGAGE GOLD BONDS, 4½% SERIES; DUE NOVEMBER 1, 1967

Dated 5% Series, May 1, 1925; 4½% Series, Nov. 1, 1927.

Interest Payable May and November 1, at The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Provisions of Issue—Authorized amount unlimited; issued, $10,041,000 5% Series due 1955, and $2,500,000 4½% Series due 1967; outstanding, Dec. 31, 1927, $9,944,000 5% Series and $2,500,000 4½% Series. Not more than $1,000,000 additional bonds of 5% Series due 1955 may be issued in principal amounts equal to the actual cost or fair value (whichever is less) of permanent additions, extensions, betterments or improvements made after Dec. 31, 1924, to property now owned by the Company. The 4½% Series due 1967 is not limited as to principal amount. Additional bonds

of this series, as well as bonds of other series, may be issued but only for the purposes and under the conservative restrictions provided in the Mortgage which include the following:

(a) For not in excess of 80% of the actual cost or of the fair value, whichever is less, of (1) physical plants or properties hereafter acquired by the Company, which properties may be subject to closed prior mortgages not in excess of 75% of such cost or fair value, or (2) permanent additions, extensions, betterments or improvements to the property of the Company now owned or hereafter acquired, or (3) at least 95% of the stock of water companies which shall become subsidiary companies as defined in the Mortgage, or (4) permanent additions, extensions, betterments or improvements made to the properties of subsidiary companies, to the extent that first mortgage demand bonds of such subsidiary companies shall have been issued to the Company to the full value of such additions and improvements and shall have been pledged with the Trustee; provided that in each case net earnings, as defined in the Mortgage, for 12 consecutive calendar months out of the 15 preceding calendar months shall have been not less than 1¾ times the annual interest charges on all First Mortgage bonds and underlying bonds then outstanding and those proposed to be issued.

(b) To refund at or before maturity an equal principal amount of (1) First Mortgage Bonds of any series and the $249,000 underlying divisional bonds outstanding, (of which $149,000 are Wayne Water Works Co. First 4½s, due 1933, and $100,000 are Conshohocken Gas & Water Co. First 4s, due July 1, 1929); (2) Bonds secured by closed mortgages on property hereafter acquired upon which the First Mortgage shall, when all of said bonds have been refunded, become a first mortgage provided that the outstanding indebtedness secured by such closed mortgages shall not exceed 75% of the fair value of such property. Not more than 25% of the total amount of bonds at any time outstanding under the mortgage shall have been issued with respect to any plant or property owned in fee or betterments thereto, as to which the mortgage is not at the time a first mortgage.

Purpose of Issue—Proceeds of the $10,000,000 5% Series due 1955 bonds and of an issue of Pfd. stock were used to retire all the present funded debt (except the $249,000 divisional underlying bonds described above), and to reimburse Company in part for expenditures already made for additions and extensions to its property. Proceeds of the $2,500,000 4½% Series due 1967 were used to reimburse Company in part for expenditures made for additions and extensions to its property.

Callability (5% Series due 1955)—Subject to call as a whole or in part and for the sinking fund on any interest date on not less than 30 days' notice at 105 and interest on or before May 1, 1935; thereafter 102½ and interest on or before May 1, 1945; thereafter at 101 and interest on or before May 1, 1954; thereafter at par and interest to maturity. 4½% Series due 1967—Subject to call as whole or in part and for sinking fund on any interest date on not less than 30 days' notice at 104 on or before Nov. 1, 1937; thereafter at 103 on or before Nov. 1, 1947; thereafter at 102 on or before Nov. 1, 1957; thereafter at 101 on or before Nov. 1, 1965; thereafter at par to maturity; in each case with accrued interest.

Sinking Fund—The Mortgage provides that the Company in respect of the 5% Series due 1955, shall pay to the Trustee as a Sinking Fund annually beginning Aug. 1, 1926, a sum equivalent to ½ of 1% of the total amount of bonds of this Series outstanding. The Supplemental Indenture for the 4½% Series due 1967 provides that Company in respect of this series shall pay to the Trustee as a sinking fund annually beginning Feb. 1, 1929, a sum equivalent to ½ of 1% of the total amount of bonds of this series outstanding. The moneys are to be applied to the purchase of bonds of the respective Series at or below the redemption price existing at the next ensuing interest date; if not so purchasable bonds shall be called by lot at such redemption price on such interest date. All bonds so purchased or redeemed are to be cancelled.

Security—The First Mortgage bonds are secured by direct first mortgage on the entire property of Company now owned except for two small divisions upon which they are subject to $249,000 (closed) underlying bonds, as follows: $149,000 Wayne Water Works Co. First 5s, due Jan. 1, 1933, and $100,000 Conshohocken Gas & Water Co. First 4s, due 1929. In addition, the mortgage is a direct lien on all the property of Company (except shares of stock, bonds and other securities unless specifically pledged) hereafter acquired, subject to existing prior liens (if any) upon such property, for which additional bonds may be issued under the conservative restrictions contained in the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund the Massachusetts Income tax up to 6% per annum on income derived from the bonds.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia.

Original Offering—5% Series due 1955 first publicly offered ($10,000,000) in May, 1925, at 97½ and interest, yielding over 5.15%, by Drexel & Co., Philadelphia. 4½% Series due 1967 first publicly offered ($2,500,000) in October, 1927, at 97 and interest, to yield over 4.66% by the same bankers.

Price Range—

5s due 1955—	1927	1926	1925
High	101¼	100	99
Low	99	97½	95

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$1,995,278	$1,932,169	$1,691,305	$1,568,883	$1,506,871	$1,335,199
Operating revenue deductions	859,382	832,954	738,866	579,914	511,177	462,351
Net operating revenues	$1,135,896	$1,099,214	$952,439	$988,969	$995,694	$872,848
Non-operating revenues	26,775	37,704	45,753	74,013	.....	.....
Net earnings	$1,162,671	$1,136,918	$998,193	$1,062,982	$995,694	$872,848
Interest on funded debt	$526,900	$509,711	$502,503		$459,344	$468,148
Interest on floating debt	42,297	5,649	11,640	$489,423	28,060	31,353
Amortization of debt disc. & exp.	27,027	26,331	18,643		.....	.....
Miscellaneous	14,166	15,273	2,658		.....	.....
Renewals & replacements	.....	.....	.....	61,917	61,917	61,917
Total	$610,390	$556,965	$535,444	$551,340	$549,321	$561,418
Interest during construction—cr.	42,905	44,070	4,649	.....	.....	.....
Total deductions	$567,485	$512,895	$530,795	$551,340	$549,321	$561,418
Net corporate income	$595,186	$624,023	$467,398	$511,642	$446,373	$311,430

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$19,573,420	$18,248,039	$15,816,928
Cash	804,678	98,242	811,481
Notes receivable	351,500	.....	6,000
Accounts receivable	138,910	139,768	102,298
Materials and supplies	102,981	100,018	261,590
Reacquired securities	51,000	51,000	51,000
Investments	10,000	7,500	.....
Undistributed debits	1,120,375	1,030,752	1,092,226
Total	$22,152,864	$19,675,319	$18,141,523

Liabilities—	1927	1926	1925
Common stock	$2,500,000	$2,500,000	$2,500,000
Preferred stock	2,000,000	2,000,000	2,000,000
Funded debt	12,693,000	10,200,000	10,249,000
Consumers' deposits	1,332,414	1,269,640	8,777
Notes and loans payable	33,335	600,000	.....
Other current liabilities	141,278	189,708	1,171,103
Accrued liabilities	251,753	248,769	229,308
Reserves	786,368	699,391	589,033
Miscel. unadjusted debits	.....	11,566	.....
Corporate surplus	2,414,716	1,956,245	1,394,302
Total	$22,152,864	$19,675,319	$18,141,523

Officers: C. H. Geist, Pres.; H. S. Schutt, V-P.; H. A. Lang, Sec. & Treas.

Directors: C. H. Geist, H. S Schutt, C. S. Newhall, C. E. Davis, H. A. Lang.

General Office, Philadelphia, Pa.

INDIANAPOLIS WATER WORKS SECURITIES CO.

History—Incorporated Dec. 30, 1912, in Del. Owns 499,935 of 500,000 shares of no par value outstanding capital stock of Indianapolis Water Co. (see appended statement.)

CAPITAL STOCK

Authorized and outstanding, $2,000,000 Common; par, $100.

Preferred Stock Redemption—All the $1,500,000 outstanding 7% cumulative Preferred stock was called for redemption on April 1, 1928 at 105 and dividends at The Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia.

Annual Meeting—Fourth Thursday in January, at Wilmington, Del., or Philadelphia, Pa.

Dividends—Pfd. dividends in recent years have been as follows: 1913, 5½%; 1914 to date of redemption 7% per annum; payments semi-annually A & O 1. No dividends on Common.

FUNDED DEBT

$3,800,000 SECURED 5% GOLD BONDS; DUE JANUARY 1, 1958

Dated January 1, 1928.

Interest Payable January and July 1, at The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered. $500 bonds exchangeable for $1,000 bonds in like principal amount, but not vice versa.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized and issued, $3,800,000.

Purpose of Issue—Proceeds were used to reimburse the Company in part for expenditures in retiring all of its $2,500,000 Collateral Trust 6% Gold bonds due Jan. 1, 1948, and $1,500,000 7% cumulative Pfd. stock, both called for payment April 1, 1928.

Callability—Subject to call as a whole or in part at any time on not less than 60 days' notice or for the sinking fund on January 1 of any year on 30 days' notice, at 102½ and interest.

Sinking Fund—The sum of $20,000 shall be paid annually as a sinking fund on Nov. 10 of each year, which amount shall be applied by the Trustee to the purchase or redemption of bonds of this issue at not exceeding the call price. Bonds so acquired shall be cancelled.

Security—Bonds are the direct obligation of the Company and are secured by pledge with the Trustee of all of the Common stock (except Directors' shares) of Indianapolis Water Co. The Trust Agreement provides that so long as any of these bonds are outstanding, all of the Common stock of the Indianapolis Water Co., or any successor company, shall be pledged under the Trust Agreement. The Trust Agreement provides further that, until these bonds are retired, (a) Indianapolis Water Co. shall not be merged with or sold to any other corporation whose property or properties are not so located that they can be operated with the present property as a single connected system and (b) no bonds or other obligations of Indianapolis Water Co. and no stock having priority over its Common stock shall be issued and no indebtedness shall be incurred by it for the acquisition of property not so located.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund to holders resident in Pennsylvania upon proper application within 60 days after payments, Pennsylvania taxes (except state, inheritance and succession taxes) assessed against such holders by reason of their ownership of the bonds, not exceeding in any year $4.00 per $1,000 bond.

Legal Opinion—Morgan, Lewis & Bockius

Original Offering—First publicly offered ($3,800,000) in January, 1928, at 99½ and interest to yield over 5.03% by Drexel & Co. and Brown Brothers & Co., New York, etc.

BOND REDEMPTION

All the outstanding Collateral Trust 6% Gold bonds, due Jan. 1, 1948, were called for redemption on April 1, 1928 at 102½ and interest at The Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia.

CONSOLIDATED EARNINGS, YEARS ENDED NOVEMBER 30
(Indianapolis Water Works Securities Company and Indianapolis Water Company)

	1927	1926
Gross earnings	$2,617,249	$2,517,387
Operating expenses, deprec. & all taxes	1,248,555	1,200,470
Net earnings	$1,368,694	$1,316,917
Income deductions and Pfd. dividends of Ind. Water Co.	576,127	
Annual interest on Ind. W. W. Securities Co. 5% bonds	190,000	
Balance	$602,567	

Officers: C. H. Geist, Pres.; H. S. Schutt, V-P.; H. A. Lang, Treas.; C. H. Weak, Sec., Philadelphia.

Directors: C. H. Geist, C. H. Weak, H. A. Lang, T. C. Sheaffer, H. S. Schutt, Philadelphia.

General Office, 1622 Packard Bldg., Philadelphia, Pa.

INDIANAPOLIS WATER COMPANY

(Controlled by Indianapolis Water Works Securities Company)

History—Incorporated April 23, 1881, in Ind. Supplies water to Indianapolis and suburbs, obtaining its water from White River, supplemented by Fall Creek and 64 deep rock wells. These sources constitute the only available water supply in the vicinity of Indianapolis, in quantities far exceeding the present maximum demand upon the Company. Operates under an indeterminate permit subject to the jurisdiction of the Public Service Commission of Indiana. Charter expires April 15, 1958. Population served, 410,000. No. of taps, about 85,758.

GROWTH OF BUSINESS, DECEMBER 31

	1927	1926	1925
Miles of mains	589	569	548.5
Service taps	85,758	82,291	79,513
Fire hydrants	5,151	4,940	4,824
Daily capacity (gals.)	146,000,000	121,000,000	121,000,000

Valuation—The value of the property of Company fixed as of Jan. 1, 1924 by the U. S. District Court, together with net additions and betterments since that date at cost aggregates over $21,500,000.

Rate Decision—During November, 1926, decision of the U. S. Supreme Court was announced regarding the question of rates Company should be permitted to charge. The Court held that these rates should be such as to yield a reasonable return of 7% on capital invested and affirmed the decision of lower court.

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value (changed from 100,000 shares of $50 par value in Oct., 1925), and $10,000,000 6% cumulative Preferred of $100 par value; outstanding, 500,000 shares Common and $580,600 Pfd. The Indianapolis Water Works Securities Co. owns 499,935 shares of the Common stock and has pledged same under its Secured 5% Gold bonds. Annual meeting, first Tuesday in October.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to call on any dividend date at 103 and dividends. Further issuance of bonds and Pfd. stock is closely restricted under provisions to apply to refunding of indebtedness and to pay for acquisitions, additions, extensions, betterments and improvements to property.

Registrar (Pfd.)—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Legal Opinion—Joseph A. Slattery, Philadelphia.

Offering—Publicly offered ($404,300 6% cumulative Pfd.) in May, 1926, at par and dividends, by Fletcher American Co., Indianapolis, etc.

Dividends—Dividends have been paid on Common stock as follows: In 1912, $200,000; 1913, $575,207; 1914, $325,000; 1915, $325,000; 1916, $325,000; 1917, $350,000; 1918, $325,000; 1919, $50,000; 1920, $350,000; 1921, $375,000; 1922, $400,000; 1923, $400,000; 1924, $500,000; 1925, none; 1926, $600,000; 1927, $950,000. On Preferred stock initial quarterly dividend of 1½% was paid July 1, 1926; regular quarterly payments since J. A, J & O 1.

FUNDED DEBT

(1)

$3,731,000 FIRST & REFUNDING (NOW FIRST) MORTGAGE GOLD 4½s; DUE JULY 1, 1940

Dated July 1, 1910.

Interest Payable January and July 1, at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York. Albert Baker, Indianapolis, Co-Trustee.

Provisions of Issue—Authorized, $10,000,000, of which $3,731,000 outstanding in hands of the public, $6,089,000 are pledged under the First Lien and Refunding Mortgage, and $180,000 have been cancelled.

Callability—Subject to call at 104 and interest on any interest date.

Depreciation Fund—An annual Depreciation Fund is provided under the terms of the mortgage, equal to ¾ of 1% of the total bonds outstanding at the end of each year; no expenditures may be made from such fund except for replacements and renewals, and then only with the authority and consent of the Trustees.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925
High	97	95½	94
Low	95	91½	91½

(2)

$4,500,000 FIRST LIEN & REFUNDING MORTGAGE GOLD 5½s, SERIES OF 1923, DUE MARCH 1, 1953
$786,000 FIRST LIEN & REFUNDING MORTGAGE GOLD 5½s, SERIES OF 1924; DUE SEPTEMBER 1, 1954
$1,535,000 FIRST LIEN & REFUNDING MORTGAGE GOLD 5s, SERIES OF 1925, DUE DECEMBER 1, 1960

Dated, 5½% Series of 1923, March 1, 1923; 5½% Series of 1924, September 1, 1924, and 5% Series of 1925, December 1, 1925.

Interest Payable on 5½% Series of 1923 and 1924, March and September 1, and on 5% Series of 1925, June & December 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized amount of mortgage, unlimited. The authorized amount of the Series mentioned above is $4,500,000 5½% Series of 1923, $5,000,000 5½% Series of 1924 and $10,000,000 5% Series of 1925, of which $4,500,000, $786,000 and $1,535,000 respectively have been issued and are outstanding.

The mortgage provides that additional bonds of the above Series and of other Series may be issued. (a) to refund par for par, at or before maturity, outstanding First and Refunding Mortgage 4½% bonds and bonds of these or other series under this mortgage; (b) for not exceeding 80% of the actual cash cost of additions, betterments and extensions, but only when net earnings of the company for twelve consecutive months, as defined in the Indenture, shall equal at least 1¾ times the annual interest charges on all First Lien & Refunding Mortgage bonds and First & Refunding Mortgage 4½% bonds of the company then outstanding and proposed to be issued. The mortgage also provides that, upon application for the issuance of additional bonds, the company shall submit a satisfactory Engineer's Certificate covering the cost of the proposed additions and betterments and stating that the property of the company has been fully maintained, all repairs made, and sufficient reserves for depreciation and taxes set up.

The mortgage provides that the additional bonds may be issued thereunder in one or more series, in such amounts and bearing such interest rates and having maturity dates and such other provisions within the limitations of the mortgage as the directors of the company may from time to time determine.

Callability—The 5½% Series of 1923 are subject to call as a whole or in part on any interest date on not less than four weeks' notice at 105 and interest, to and including March 1, 1933; thereafter at 102½ and interest, to and including March 1, 1943; thereafter at 101 and interest prior to maturity.

The 5½% Series of 1924 are subject to call as a whole or in part on any interest date on not less than 30 days' notice at 105 on or before Sept. 1, 1934; thereafter at 102½ on or before Sept. 1, 1944; and thereafter at 101 prior to maturity, plus accrued interest in each case.

The 5% Series of 1925 are subject to call as a whole or in part on any interest date on not less than 30 days' notice at 105 on or before Dec. 1, 1940; thereafter at 102½ on or before Dec. 1, 1950; and thereafter at 101 prior to maturity, plus accrued interest in each case.

Security—Secured by direct mortgage upon the entire property of the company, except its office building and through deposit with the Trustee of $6,089,000 First & Refunding Mortgage 4½% bonds, the mortgage shares in the first mortgage security of the 4½% issue. Upon the maturity of the 4½% issue in 1940,

the First Lien & Refunding Mortgage bonds will be secured by a direct first mortgage. No additional First & Refunding Mortgage 4½% bonds may be issued except for a pledge under the First Lien & Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill Tax refunded upon application within 60 days after payment on bonds held by residents of Pennsylvania.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia (for the bankers); Joseph A. Slattery (for the company).

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($4,500,000 5½% Series of 1923 in March, 1923, at 96 and interest yielding nearly 5.80%, by Drexel & Co., Philadelphia, and Brown Brothers & Co., New York and Philadelphia. $786,000 5½% Series of 1924 were publicly offered in Sept., 1924, at 100 and interest, yielding 5½% by the same bankers. $830,000 5% Series of 1925 were publicly offered in November, 1925, at 96½ and interest to yield 5.20% by the same bankers.

Price Range—

5½s due 1953—	1927	1926	1925
High	105	104¼	103½
Low	104	101½	100

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$2,520,339	$2,455,089	$2,348,988	$2,141,953	$1,840,971	$1,696,564
Operating expenses				611,446	535,724	479,942
Taxes	1,240,808	1,176,725	1,182,746	421,722	338,800	311,464
Depreciation				138,749	89,610	87,206
Net operating income	$1,279,531	$1,278,364	$1,166,242	$970,036	$876,837	$817,952
Non-operating revenues	77,452	43,479	24,413	27,728	25,531	28,034
Net earnings	$1,356,983	$1,321,843	$1,190,655	$997,765	$902,368	$845,986
Deductions:						
Interest on funded debt	$535,375	$502,279	$461,276	$424,521	$383,135	$285,141
Interest on floating debt	928	1,113	2,366	8,279	1,484	602
Pennsylvania State tax refund	.....	2,420	2,356	2,899	1,702	1,327
Amortization of bond discount	23,654	22,536	21,238	20,372	18,401	6,300
Miscellaneous	12,267	9,212	3,775	2,888	3,774	1,807
Interest during construction	*9,667	*10,762	*13,068	*3,426	.....	.....
Total deductions	$562,557	$526,798	$477,943	$455,533	$408,496	$295,177
Net corporate income	$794,426	$795,045	$712,712	$542,232	$493,872	$550,809
Times Bond Interest Earned	2.48	2.58	2.54	2.28	2.29	2.93

*Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$16,335,946	$15,769,046	$14,925,981	$13,938,030	$13,222,286	$12,370,904
Investments	43,086	43,087	34,450	34,450	34,450	29,450
Depreciation fund	.....	.....	.....	488,724	354,357	260,036
Cash	1,419,457	1,303,386	144,519	388,758	236,631	219,382
Bills receivable	3,000	42,000	22,036	17,036	17,036	22,669
Accounts receivable	358,127	277,103	1,057,091	201,288	103,814	135,873
Interest and dividends receivable	.....	.....	.....	1,667	23,900	5,252
Materials and supplies	73,441	88,445	72,826	83,440	78,301	70,185
Undistributed debits	668,772	702,930	1,329,985	715,761	960,680	203,275
Replacement fund	242,026	727,617	.....	.....	.....	.....
Total	$19,143,855	$18,953,614	$17,586,888	$15,869,155	$15,031,455	$13,317,026
Liabilities—						
Common stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Preferred stock	580,600	404,300	.....	.....	.....	1,017,000
Funded debt	10,552,000	10,552,000	9,847,000	9,017,000	8,231,000	6,080,000
Reserves	928,787	919,386	803,848	698,302	549,821	451,050
Accounts payable	.....	.....	.....	138,770	45,458	45,864
Consumers' deposits	34,711	29,846	27,406	24,716	23,381	19,824
Unearned revenues	.....	.....	.....	.....	.....	69,611
Other current liabilities	114,612	162,613	192,276	.....	.....	12,298
Accrued liabilities	647,071	581,324	594,924	585,925	493,513	306,418
Unadjusted credits	16,342	.....	.....	1,449	356,979	.....
Corporate surplus	1,269,732	1,304,145	1,121,434	402,992	331,303	314,961
Total	$19,143,855	$18,953,614	$17,586,888	$15,869,155	$15,031,455	$13,317,026

Officers: C. H. Geist, Pres.; H. S. Schutt, V-P.; H. A. Lang, Treas.; F. C. Jordan, Sec.; H. S. Morse, Gen. Mgr., Indianapolis, Ind; C. H. Weak, Asst. Sec., Philadelphia.

Directors: H. E. Jordan, W. C. Mabee, H. S. Morse, E. C. Schwier, F. C. Jordan, E. C. Leible, J. F. O'Donnell, Indianapolis, Ind.; C. H. Geist, H. A. Lang, J. A. Slattery, C. H. Weak, Carleton E. Davis, Philadelphia; H. S. Schutt, Wilmington, Del.

Office, Indianapolis, Ind.

CITIZENS GAS COMPANY OF INDIANAPOLIS

History and Properties—Incorporated May 23, 1906, in Ind., and on Oct. 31, 1907, acquired the distributing system and property formerly owned by the Consumers' Gas Trust Co., a natural gas company which had been placed in liquidation by order of the courts. The Company immediately constructed a water gas plant with a capacity of about 2,000,000 cu. ft. of gas per day, which was placed in operation in April, 1909. It also constructed 50 by-product coke ovens, which were first put into commission in Nov., 1909. In 1913 it constructed 50 additional coke ovens of the same type and in 1919 placed in operation another battery of 40 ovens of improved design. In 1927, it constructed a new battery of 40 coke ovens of latest design to replace the 100 ovens built in 1909 and 1913, which were removed from service. On Oct. 1, 1913, the company acquired by 99-year lease the plant and distribution system of The Indianapolis Gas Co., which company had a well-equipped water gas plant having a capacity of over 4,000,000 cu. ft. of gas per day, and had undertaken the construction of by-product coke ovens for its regular supply of gas. The Citizens Gas Co. completed the ovens and put them into commission about the middle of Feb., 1914. Under ordinary conditions the entire supply of gas for the city of Indianapolis is derived from the by-product coke ovens, the water gas plant being operated only in times of emergency, or when there is a sudden increase in the demand for gas. Both the owned and the leased plants are operated regularly, and the entire business is conducted as a unit. The population served is about 375,000, and this company conducts the entire gas business for the city and

suburbs. No. of customers, Dec. 31, 1927, 75,449, compared with 73,730 in 1926.

By the terms of the merger the Citizens Gas Co. leases the property of The Indianapolis Gas Co. for a period of 99 years and pays the interest on that company's Consolidated Mortgage bonds, and will pay the interest on such additional bonds as may be issued from time to time for extensions to the leased property. The lessee also pays a rental equivalent to 6% per annum on the $2,000,000 of capital stock of The Indianapolis Gas Co.

The present gas rate is $1.05 per 1,000 cu. ft. for the first 10,000; $1.00 for the next 40,000; 95 cents for the next 150,000; 90 cents for the next 300,000; 85 cent for the next 500,000; and 75 cents for all over 1,000,000 with 10c per thousand cu. ft. discount for prompt pay ment of bills.

Milburn By-Products Coal Co.—The Company own the entire $100,000 capital stock of the Milburn By Products Coal Co., a West Va. corporation. The ac quisition of control of this company is expected to re sult in securing for the Citizens Gas Co. for many years to come a far better supply of coal for the oper ation of its coke ovens than would otherwise have been possible.

MISCELLANEOUS STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Coke production—tons	383,882	443,718	399,488	258,646	302,120	211,54
Ammonia production—pounds	2,521,624	2,516,793	2,786,049	1,879,173	1,726,243	1,086,05
Coal tar production—gallons	3,807,094	3,683,232	3,971,700	2,628,914	3,057,721	1,900,81
Light oil production—gallons	.....	.....	.....	.....	446,950	637,45
Gas production—M. cu. ft.	3,234,756	3,151,374	3,078,880	3,061,933	2,984,034	2,914,04
Gas sales—M. cu. ft.	3,035,520	2,937,641	2,880,444	2,844,156	2,727,314	2,632,06
Coal carbonized—tons	492,168	553,383	515,520	334,896	395,833	269,40
Total inventories at close of year	$922,775	$1,062,439	$1,007,510	$770,064	$1,201,309	$792,44
Dividends paid	$370,000	$530,000	$530,000	$250,000	$70,000	$12,33

CAPITAL STOCK

Authorized and outstanding, March 1, 1928, $2,000,000 Common (par $25) and $1,000,000 5% cumulative Pfd. (par, $100).

7% Preferred Stock Redeemed—The 7% cumulative Pfd. stock was called for redemption as of March 1, 1928, at 105% of par plus the quarterly dividend then due. The Company offered to the 7% Pfd. stockholders the privilege of subscribing for $1,000,000 of 5% cumulative Pfd. stock without any fixed date for redemption but with an optional provision permitting the Company to redeem same at any dividend paying date, on 60 days' notice, at 105% of par plus any accrued dividends. The 7% Pfd. stockholders subscribed for approximately 7,500 shares of the new stock and the remaining balance not taken by them was sold on bid to an investment concern. As of March 1, 1928, there was outstanding, therefore, $1,000,000 of 5% cumulative Pfd. stock.

Annual Meeting—Second Monday in January.

Voting Trust—Common stock is held in a perpetual voting trust by a board of trustees, consisting of G. A. Schnull, Henry Kahn, Robert Lieber, T. L. Sullivan and L. B. Swift, and trustees' certificates only issued to stockholders.

Dividends—Pfd. dividends are paid quarterly, M., J, S & D 1. Common dividends are restricted to a maximum of 10%.

A Common dividend of 1½% out of the net profits accumulated to Dec. 31, 1909, and one of 1½% out of the profits for the first half of 1910 were declared, both payable Jan. 1, 1911, to all stock outstanding at the time the profits had accrued. Out of the net profits available for dividends as of Dec. 31, 1910, a dividend of 3% was paid March 31, 1911; and out of the net profits available for dividends as of June 30, 1911, a dividend of 3% was paid on Sept. 28, 1911. Dividends at rate of 7% per annum were paid semi-annually on March 27 and Sept. 27 until Sept., 1915. On March 27 and Sept. 27, 1916; March 27, 1917; Sept. 27, 1917; March 28, 1918; Sept. 28, 1918, and March and Sept., 1919, March 29 and Sept. 28, 1920, and March 29, 1921, dividends of 5% each were paid. On March 31, Aug. 31 and Dec. 31, 1924, and March 20, June 20 and Sept. 19, 1925, dividends of 3% each were paid; Dec. 31, 1925, 1%; also 13% was paid on account of accrued dividends for years 1921, 1922, 1923 and 1924; on Feb. 27, April 30, June 30, Aug. 31 and Oct. 30, 1926, 4% each and on Dec. 31, 1926, 3%, a total of 23% in the year 1926, of which 13% was paid on account of accrued dividends for years 1921, 1922 and 1923. On April 1, June 30 and Oct. 1, 1927, 4%, and on Dec. 31, 1927, 3%, of which 5% was paid on account of dividends for years 1923 and 1924. On March 31, 1928, 3% was paid.

On June 30, 1916 a special dividend was paid at rate of 10% per annum on the stock outstanding Dec. 31, 1909, from the date of issue of certificates to Dec. 31 1909, less dividends already applied to that period This dividend called for $125,000 and paid off accumulations to Dec. 31, 1909. Another special dividend o 10% was paid April 30, 1917, on stock of the Company outstanding Dec. 31, 1911 from Jan. 1, 1910 or from date of issue of the respective certificates if later than Jan. 1, 1910, to June 30, 1911, less dividends already applied to that period.

Scrip Redemption—On June 7, 1920, for the purpose of equalizing stock sold prior to July 1, 1915 with that sold thereafter, the Company issued to the holders of the earlier stock a form of scrip known as "Accrued Dividend Certificates," representing the amount by which the dividends paid prior to July 1, 1915, had failed to equal 10% per annum. Holders of such scrip should present same at office of Citizens Gas Company and they will receive the face value thereof, on proper endorsement to the Milburn By-Products Coal Company, whose accumulated reserves are being applied to payment of scrip. The total amount of scrip issued was $125,250, representing $2.62½ a share on the 50,000 shares of Common stock issued prior to July 1, 1915, and of this less than $1,000 remains unpaid.

FUNDED DEBT

$3,518,500 FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE JULY 1, 1942

Dated July 1, 1912.

Interest Payable January and July 1, at Bankers Trust Co., New York and Union Trust Co., Indianapolis, Ind.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Indianapolis, Ind.

Provisions of Issue—Authorized, $10,000,000; issued $5,119,000, of which $3,518,000 are outstanding in the hands of public, $981,000 held in treasury and $619,500 are held in the sinking fund. Unissued bonds can be authenticated by Trustee only up to 80% of actual cost of permanent improvements, and only when net earnings amount to twice the interest charges on outstanding bonds and those proposed to be issued.

Callability—Subject to call on any interest date upon 30 days' notice at 108 and interest.

Sinking Fund—Sinking fund of ¼ of 1% per annum in 1915 and 1916 and ½ of 1% thereafter; bonds in sinking fund are kept alive.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Bank in Massachusetts, New Hampshire and Vermont.

CONDENSED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$6,688,570	$6,870,035	$6,504,153	$5,798,436	$6,651,765	$4,800,782
Operating expenses	4,385,466	4,435,966	4,075,741	3,813,137	4,640,547	3,781,747
Taxes	438,535	480,094	495,808	366,687	280,735	272,356
Total expense and taxes	$4,824,001	$4,916,060	$4,571,549	$4,179,824	$4,921,282	$4,054,103
Net after taxes	1,864,569	1,953,975	1,932,604	1,618,612	1,730,483	746,679
Depreciation	434,511	436,317	440,096	440,055	237,500	112,500
Net earnings	$1,430,058	$1,517,658	$1,492,508	$1,178,557	$1,492,983	$634,179
Fixed charges:						
Leasehold rental	$450,581	$420,124	$418,835	$418,330	$417,767	$408,588
Bond interest	193,974	193,050	212,854	260,999	263,300	241,172
Other interest	21,822	6,317	4,778	4,876	12,708	75,603
Amortization charges	17,344	185,965	29,639	35,379	49,013	66,618
Total fixed charges	$683,721	$805,456	$666,106	$719,584	$742,788	$791,981
Net profits	$746,337	$712,202	$826,402	$458,973	$750,195	*$157,802
Times Bond Interest Earned	4.85	4.69	4.88	2.76	3.85	0.35

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant accounts	$7,603,046	$7,333,196	$6,284,689	$6,279,366	$6,258,888	$6,273,528
Additions to leased prop. not covered by bonds	316,192	303,949	326,704	343,780	320,878	215,022
Materials and supplies	922,775	1,062,439	1,007,510	770,064	1,201,309	792,444
Cash	131,456	275,479	109,316	401,368	135,100	461,562
Indianapolis Gas Co. bonds	121,000	.....	393,000	173,000	.....	.....
Milburn By-Products Coal Co. stock	100,000	100,000	100,000	100,000	100,000	100,000
Milburn By-Products Coal Co. bonds	113,000	113,000	113,000	163,000	125,000	125,000
Pfd. stock subscriptions	.....	.....	.....	.....	.....	26,952
Sinking fund assets	39,940	36,871	513,841	442,895	510,662	256,748
Taxes, interest & dividend funds	3,390	.....	.....	307,900	.....	.....
Notes receivable	.....	163	.....	.....	.....	1,251
Accounts receivable	618,525	824,835	816,267	673,429	648,873	709,846
Prepaid accounts	21,556	8,828	11,612	10,521	22,677	22,219
Contingent and suspended accounts	52,233	5,038	.....	5,624	149,996	155,237
Accounts subject to amortization	278,722	305,956	535,240	608,793	540,517	565,359
Corporate deficit	.....	.....	.....	.....	.....	221,743
Total	$10,321,835	$10,369,754	$10,211,179	$10,279,740	$10,013,900	$9,926,911
Liabilities—						
Common stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Preferred stock	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Bonded debt	3,518,500	3,311,500	3,861,000	4,750,000	4,848,000	4,848,000
One-Year 7% Collateral Note	.....	.....	.....	.....	.....	100,000
Meter deposits	160,443	160,419	157,876	156,873	153,450	149,798
Bank loans	200,000	325,000	100,000	.....	.....	150,000
Notes to merchandise creditors	.....	.....	.....	.....	.....	207,067
Accounts payable	153,706	432,756	177,857	147,751	233,555	280,597
Accrued accounts	536,893	576,397	581,768	460,924	380,149	341,708
Miscellaneous leasehold account	112,950	112,950	112,950	112,950	112,950	112,950
Contingent and suspended accounts	24,899	69,057	27,994	43,615	14,074	32,531
Depreciation reserves	860,379	1,085,179	1,031,840	978,733	874,851	693,170
Other reserves	328,646	270,092	297,866	7,041	9,596	11,090
Premium on capital stock	420,935	420,935	420,935	420,935	.....	.....
Surplus	1,004,484	605,469	441,093	200,918	387,275	.....
Total	$10,321,835	$10,369,754	$10,211,179	$10,279,740	$10,013,900	$9,926,911

Officers: John R. Welch, Pres.; C. L. Kirk, V-P.; F. G. Rastenburg, Sec.; G. A. Efroymson, Treas.

Voting Trustees: Thos. L. Sullivan, Pres.; Robert Lieber, V-P.; Lucius B. Swift, Henry Kahn, Gustav A. Schnull.

Directors: E. H. Evans, J. H. Hooker, H. H. Hornbrook, C. L. Kirk, J. I. Dissette, G. A. Efroymson, William H. Insley, Franklin Vonnegut, J. R. Welch, Indianapolis, Ind.

General Office, Majestic Bldg., Indianapolis, Ind.

THE INDIANAPOLIS GAS COMPANY

(Leased to Citizens Gas Company of Indianapolis)

History and Property—Incorporated in 1890, in Indiana; consolidation of Indianapolis Gas, Light & Coke Co.; the Electric Lighting, Gas Heating & Illuminating Co. and Indianapolis Natural Gas Co. Natural gas supplied until 1903; but in 1902, a combined coal gas and water gas plant was constructed and placed in operation. The property and business of the Company is leased for 99 years from Oct. 1, 1913, to the Citizens Gas Co. of Indianapolis on terms outlined in that Company's statement. Company has surrendered its franchise and operates under an indeterminate permit granted by the Public Service Commission of Indiana.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $50.

Transfer Office—116 E. Market St., Indianapolis, Ind.

Registrar—The Union Trust Co., Indianapolis, Ind.

Annual Meeting—Second Tuesday in February.

Dividends—6% per annum are guaranteed by the Citizens Gas Co. of Indianapolis under the lease, payable semi-annually, Jan. and July 1.

FUNDED DEBT

$6,234,000 First Mtge. Consolidated 5% Gold bonds; dated Oct. 1, 1902; due Oct. 1, 1952; int. April and Oct. 1, at Equitable Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $7,500,000; unissued bonds reserved for betterments and extensions up to 90% of cost.

Guaranty—Interest guaranteed by Citizens Gas Co. of Indianapolis.

Security—Secured on the property owned by the Indianapolis Gas Co. and leased to the Citizens Gas Co., but not a lien on the unleased property of the former company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

OFFICERS AND DIRECTORS

Officers: Wm. G. Irwin, Pres.; W. T. Cannon, V-P.; William J. Yule, Sec.; Arthur V. Brown, Treas.

Directors: William G. Irwin, Fred C. Dickson, Arthur V. Brown, Frank D. Stalnaker, L. C. Ewbank, W. R. Higgins, W. T. Cannon.

Office, Indianapolis, Ind.

THE WASHINGTON WATER POWER COMPANY

(Controlled by American Power & Light Co.)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Preferred Stock (par, $100)	M, J, S & D 15	$5,000,000	$4,241,300	Yes	$2,430,367	6½%	$207,121	$57.30
Common Stock (par, $100)	J, A, J & O 15	35,000,000	25,418,000	....	2,223,246	8%	1,894,090	8.75

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Wash. Water Power Co. Consol. Mtge. & Coll Tr. 5s	July 1, 1929	J & J 1	$2,000,000	$214,000	No	No	Paid by Co.
Wash. Water Power Co. 1st Ref. 5s	July 1, 1939	J & J 1	15,000,000	5,126,000	No	Yes	Paid by Co.
Wash. Water Power Co. 3%, 4% and 5% Debentures	May 1, 1939	M & N 1	1,400,000	1,400,000	No	Yes	Paid by Co.
Wash. Water Power Co. Gen. Mtge. 5s	June 1, 1956	J & D 1	10,000,000	5,000,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $11,740,000.
Amount Available for Interest in 1927, $3,005,327.
Bond Interest Accrued in 1927, $574,960.
Times Bond Interest Earned in 1927, 5.23.

History, Etc.—Chartered in Washington, March 13, 1889, for 50 years. Owns all the property formerly belonging to the following companies: Big Bend Light & Power Co., Edison Electric Illuminating Co., Post Falls **Water Power Co., and Spokane County** Electric Co. On May 2, 1919, acquired at receiver's sale property of the Spokane Heat, Light & Power Co., the electrical business being retained by company and the heating plant and business being sold to the Spokane Central Heating Co., a subsidiary. The street railway properties of The Washington Water Power Co. and those of the Spokane City Railways Co. were sold on June 30, 1922, to Spokane United Railways, thus consolidating these operating street railways in a new corporation in which The Washington Water Power Co. owns a large controlling interest. Owns the entire capital stock of the **Idaho-Washington Light & Power Co.** and the **St. Maries Light & Power Co.**, acquired July 1, 1913, **Shoshone County Power Co.** organized May 26, 1917, the Spokane Central Heating Co., acquired May 2, 1919, the Intermountain Power Co., acquired July 1, 1922, and the Okanogan Valley Power Co., acquired Jan. 1, 1923. (see appended statement for last three named companies), and **Chelan Electric Co.**, acquired in May, 1926. In June, 1925, purchased "Nine Mile" hydro-electric plant with a generating capacity of 16,000 h.p. from the Spokane & Eastern Ry. & Power Co. During 1927 acquired the distribution property of the following companies: Potlatch Consolidated Electric Co., La Crosse Electric Co., and Greenacres Light & Power Co.

Company operates electric light and power distributing systems in: Spokane, Albion, Almira, Belmont, Colfax, Creston, Colton, Davenport, Diamond, Endicott, Elberton, Ephrata, Farmington, Govan, Garfield, Hartline, Harrington, Johnson, Krupp, La Crosse, Latah, Lind, Neppel, Oakesdale, Odessa, Palouse, Pullman, Quincy, Ritzville, Rockford, Reardan, St. John, Sprague, Stratford, Spangle, Tekoa, Wilson Creek, Uniontown, Wilbur, Okanogan, Riverside, Omak, Oroville, Tonasket, Brewster, Pateros, Bridgeport, Chelan, and Mansfield, in Washington, and Genesee, Moscow, Osborne, St. Maries, Bovill, Deary, Juliaetta, Kendrick, and Troy, in Idaho, also supplies power for operation of other companies at Cheney, Clarkston, Coulee City, Fairfield, Medical Lake, Newport and Steptoe, in Washington and Coeur d'Alene, Harrison, Kellogg, Lewiston, Plummer, Post Falls, Rathdrum, Wallace and Wardner in Idaho, also furnishes and distributes power for mining and smelting purposes in the Coeur d'Alene District of Idaho.

In Nov. 1917, entered into a contract with the Intermountain Power Co. to furnish power for the operation of the trains of the Chicago, Milwaukee & St. Paul Ry. Co. over the electrified section of its road on the Western extension over the Cascade Mountains. Company began supplying power for use of the railroad in the summer of 1919.

The hydraulic power plants owned by company have a rated capacity as follows: Monroe St. Plant, Spokane, 11,800 h.p.; Upper Falls Plant, Spokane, 13,400 h.p.; Post Falls Plant, Idaho, 15,000 h.p.; Little Falls Plant, Wash., 32,800 h.p.; Long Lake Plant, Wash., 94,000 h.p.; "Nine Mile" plant, 16,000 h.p.; Similkameen (near Oroville) Plant, Wash., 4,300 h.p.; Chelan Plant, 33,200 h.p.—total, 219,500 h.p. In addition owns and operates 1,205 miles of high tension transmission lines.

Owns all the water power on the Spokane River at Spokane, Wash., also at Long Lake, Little Falls and Nine Mile, Wash., and at Post Falls, Idaho; on the Similkameen River, near Oroville, Wash., and on the Columbia River, at Kettle Falls, Wash., (acquired in 1921), the Federal Power Commission having granted preliminary permit for the construction of the plant on July 26, 1922.

Chelan Electric Co.—This company, a subsidiary of The Washington Water Power Co., has secured a license from the Federal Power Commission for development of power in the Chelan River. The work on this power project was started in the spring of 1926 and the first unit of 32,000 h.p. was completed Sept. 16, 1927. Orders for a second unit of the same capacity have been placed and delivery is expected in time for installation to be completed prior to the low water period in 1928. The power plant is designed to hold equipment sufficient to generate approximately 128,800 h.p.

Franchises—Franchises for electric lighting and power in Spokane run to June 1, 1944; in smaller towns for various periods up to 50 years.

New Control—In Jan., 1928, holders of Common stock of Washington Water Power Co. were offered an opportunity to exchange their stock for American Power & Light Co. $6 cumulative Pfd. stock in the ratio of 2 2/10 shares of American Power & Light Co. Pfd. for each share of Washington Water Power Co. Common stock. In March, 1928, the Plan and Agreement for exchange of stock was declared operative.

COMPARATIVE STATEMENT
ELECTRIC LIGHT AND POWER SYSTEM

Year	Maximum Station Load in Horsepower	Generated and Purchased Kilowatt Hours	Number of Accounts	Number of Meters
1916	40,804	162,825,400	32,067	32,562
1917	49,205	188,311,100	34,146	34,648
1918	45,517	193,628,500	34,592	35,332
1919	84,745	241,761,350	35,611	35,742
1920	85,730	351,087,900	38,291	37,152
1921	93,981	374,378,300	39,667	39,014
1922	119,675	410,149,100	41,246	41,702
1923	115,448	413,148,900	44,126	45,247
1924	123,088	432,801,680	45,339	46,589
1925	143,472	515,523,750	46,970	48,541
1926	139,115	571,833,994	49,382	50,452
1927	171,742	633,019,740	52,093	52,849

CAPITAL STOCK

Authorized, $35,000,000 Common and $5,000,000 6½% cumulative Pfd.; outstanding, Dec. 31, 1927, $25,418,000 Common and $4,241,300 Pfd.; par, $100.

Stock Increase—Stockholders on March 11, 1926, authorized an increase in the capital stock from $35,000,000 to $40,000,000, said increase to consist of 50,000 shares of cumulative Pfd. stock, par, $100. The entire issue of 50,000 shares bearing 6½% dividends has been sold to employees and customers of Company. Common stockholders of record Sept. 23, 1927

received the right to subscribe to additional Common stock at $100 per share to the extent of one new share for each ten old shares, payment to be made in full in Nov. 1927. This additional stock is included in the amount shown above as outstanding on Dec. 31, 1927.

Proposed New Preferred Stock Issue—In the summer of 1927 the Trustees adopted resolutions to be presented to the stockholders for approval at the annual meeting in March, 1928, to provide for the creation of a new issue of Pfd. to be sold from time to time to customers and employees, the dividend rate to be not more than 6%, the authorized amount to be $10,000,000 of which $5,000,000 will be reserved for the possible retirement of the present issue of 6½% Pfd. when such action shall be deemed advisable. In order to facilitate the purchase of this stock by customers and employees of limited means thereby increasing its distribution and reducing the cost of the new capital to Company, the par value will be $25 a share. It will be callable as a whole at $26 a share (104%) and in part at the discretion of the Trustees at $25 a share, when such part may in the future have passed into hands other than customers and employees or have been accumulated in larger amounts than the limit established from time to time by the Trustees.

In order to maintain the parity of voting rights between Pfd. and Common stocks and to accomplish the aim set forth above, the Trustees were also to ask the approval at the annual meeting of a resolution providing for the issue of four shares of new Common in place of one share of the present Common then outstanding. Such new Common is to be either $25 par or no par value, as may be decided upon.

Transfer Agents—For Common stock: Company's office, Spokane, Wash., and Farmers' Loan & Trust Co., New York. The Pfd. stock is transferable at Company's office, Spokane, Wash.

Registrars—Spokane & Eastern Trust Co., Spokane, Wash., and Brooklyn Trust Co., Brooklyn, N. Y.

Annual Meeting—Second Monday in March.

Price Range—

Common—	1927	1926
High	182	138
Low	136	130

Dividends—Pfd. dividends regularly paid quarterly to date, M, J, S & D 15, initial quarterly dividend of 1⅝% having been paid Sept. 15, 1926. Dividends on the capital stock (Common) have been paid as follows: 1900, 3%; 1901, 4%; 1902, 5%; 1903 and 1904, 6% each; 1905, 1906, 1907, 1908 and 1909, 7% each; 1910, 1911, 1812 and 1913, 8% each; 1914, 7¼%; 1915, 5½%; 1916, 4¼%; 1917, 4%; 1918, 4%; 1919, 4¼%; 1920, 6¼%; 1921, 7%; 1922, 7% regular and 1% extra on Jan. 15, 1923, making 8% for 1922; 1923 to date, 8% per annum; payments quarterly, J, A, J & O 15.

FUNDED DEBT

(1)

$214,000 CONSOLIDATED MORTGAGE AND COLLATERAL TRUST GOLD 5s; DUE JULY 1, 1929

Dated July 1, 1899.

Interest Payable Jan. and July 1, at Farmers' Loan & Trust Co., New York, successor, Trustee and Registrar. Coupon, $1,000. Original issue, $2,000,000; $1,786,000 have been exchanged for Refundnig 5s. A first lien on entire property. Legal for Maine Savings Banks. Company pays Normal Federal Income Tax up to 2%.

(2)

$5,126,000 FIRST REFUNDING MORTGAGE 5% BONDS; DUE JULY 1, 1939

Dated July 1, 1909.

Interest Payable January and July 1, at Farmers' Loan & Trust Co., New York.

Denominations—Coupon and registered, $1,000; interchangeable.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized, $15,000,000; issued, $7,186,000, of which $2,060,000 cancelled by sinking fund, leaving $5,126,000 outstanding in hands of public at Jan. 1, 1928. Of the unissued bonds $214,000 are reserved to retire an equal amount of 5s, due July 1, 1929.

Callability—Subject to call as a whole at 110 and interest on any interest date on 6 months' notice.

Sinking Fund—Sinking fund 2% per annum of bonds outstanding, payable quarterly from Sept., 1909, to be used in the purchase of bonds at not exceeding 110 and int.

Security—Secured by first lien on all property, now owned or hereafter acquired, subject to $214,000 prior lien bonds described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—H. M. Stephens, Spokane, Wash., and Ropes, Gray & Gorham, Boston, Mass.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($4,000,000) in April, 1909, at 103 and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104	102⅞	101¾	101	101	99¾	90	86
Low	102¾	101½	99¾	99¼	100	95	83	bid

(3)

$1,400,000 20-YEAR DEBENTURES; DUE MAY 1, 1939

Dated May 1, 1919.

Interest Payable May and November 1, at Central Union Trust Co. of New York, at the rate of 3% per annum until and including May 1, 1925, at the rate of 4% per annum, from and after May 1, 1925, until and including May 1, 1932, and at the rate of 5% per annum from and after May 1, 1932 until the principal sum shall be paid.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized and outstanding, $1,400,000. Issued in connection with the purchase of the Spokane Heat, Light & Power Co.

Callability—Subject to call on any interest date on 30 days' notice at par and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$5,000,000 GENERAL MORTGAGE GOLD BONDS, SERIES "A" 5%; DUE JUNE 1, 1956

Dated June 1, 1926.

Interest Payable June and December 1.

Denominations—Coupon, $1,000; registerable as to principal only or as to both principal and interest; interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, Series "A," $10,000,000; issued, $5,000,000. Under the General Mortgage bonds are issuable in series, the maturity, interest rate, redemption price, sinking fund and such other terms, provisions and conditions of each series to be determined by The Board of Trustees at the time of issuance. Bonds in the amount of $25,000,000 may be issued as follows: (1) for various corporation purposes, $10,000,000 Series "A" bonds of which $5,000,000 have been issued; (2) $5,340,000 for the retirement of prior liens of The Washington Water Power Co.; and (3) $9,660,000 provided that net earnings of the Company for 12 consecutive months out of the preceding 15 months shall have been not less than twice the annual interest charges on the aggregate bonded indebtedness of the Company, including bonds proposed to be issued. Additional bonds may be issued in an amount not exceeding 75% of the cost or fair value, whichever is less, of additional property, extensions and improvements acquired or made subsequent to May 1, 1926, provided net earnings of the Company for 12 consecutive months out of the preceding 15 months shall have been not less than twice the annual interest charges

on the aggregate bonded indebtedness of the Company, including bonds proposed to be issued.

Purpose of Issue—Proceeds were used to retire certain indebtedness and for extensions and improvements.

Callability—Subject to call as a whole on any interest date upon 60 days' notice at 105 and accrued interest on or before June 1, 1931, and at 1% less for each 5-year period thereafter but at not less than 100½ and accrued interest.

Sinking Fund—None provided.

Security—A direct mortgage on the entire property of the Company (except certain property not required for successful operation), subject to $5,340,000 closed prior liens. In addition, the bonds are secured by the pledge of the entire outstanding capital stock of the Company's wholly-owned subsidiaries. The General Mortgage provides that so long as any General Mortgage bonds are outstanding no additional mortgage indebtedness or additional stock issues of wholly owned subsidiaries shall be made unless pledged under the General Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Cotton & Franklin, New York (for the Bankers) and Post & Russell, Spokane (for the Company).

Original Offering—First publicly offered ($5,000,000) in May, 1926, at 100½ and accrued interest, yielding 4.95%, by White, Weld & Co., New York.

Price Range—

	1927	1926
High	104	102¼
Low	100½	100½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Washington Water Power Co. and Subsidiaries, the stocks of which are wholly owned)

	*1927	*1926	*1925	*1924	*1923	1922
Gross revenue	$6,475,455	$6,050,686	$5,807,432	$5,299,927	$5,087,336	$4,993,794
Operating expenses	1,778,502	1,803,690	1,679,643	1,577,294	1,496,833	1,721,747
Taxes	778,072	721,379	683,637	628,474	632,663	568,538
Retirement expense	1,039,764	945,355	903,525	793,756	733,349	700,792
Total expenses	$3,596,338	$3,470,424	$3,266,805	$2,999,524	$2,862,845	$2,991,077
Net earnings	2,879,117	2,580,262	2,540,627	2,300,403	2,224,491	2,002,717
‡Fixed charges	448,750	551,671	681,552	633,662	607,465	610,211
Balance for dividends	$2,430,367	$2,028,591	$1,859,075	$1,666,741	$1,617,026	$1,392,506
Preferred dividends paid	207,121	50,454	†	†	†	†
Common dividends paid	1,894,090	1,843,160	1,704,238	1,625,560	1,575,106	1,359,912
Surplus for year	$329,156	$134,977	$154,837	$41,181	$41,920	$32,594
Times Fixed Charges Earned	6.41	4.68	3.73	3.63	3.66	3.37
Earnings Per Share—						
Preferred	$57.30	$85.92	†	†	†	†
Common	8.75	8.56	$8.08	$8.10	$8.01	$7.83

*All inter-company and inter-departmental debits and credits eliminated. †Pfd. stock issued in 1926. ‡After deducting interest charged to work under construction.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Washington Water Power Co. and Subsidiaries, the stocks of which are wholly owned)

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$46,736,349	$36,233,504	$34,611,293	$31,828,493	$30,137,120	$25,486,302
Investments in other cos.	4,675,661	4,500,319	4,537,480	4,629,328	4,535,503	6,783,913
Bills and accounts receivable	1,103,241	1,065,866	1,135,143	1,071,601	1,015,908	828,207
Materials and supplies	544,962	502,297	550,183	504,464	496,592	429,788
Interest receivable	.....	.....	.....	.....	.....	47,474
Cash on hand	482,241	909,044	839,519	219,255	775,665	122,628
Subscribers to capital stock	218,854	305,005	60,737	276,493	153,770	.....
Sinking fund cash	.....	.....	.....	.....	.....	929
Unfinished construction, etc.	85,982	4,327,409	.....	.....	.....	38,296
Unamortized debt, discount and expense	.....	.....	.....	.....	.....	142,256
Other suspended and prepaid accounts	498,645	705,484	765,609	328,175	408,517	61,846
Total	$54,346,935	$48,548,928	$42,499,964	$38,857,809	$37,523,075	$33,941,639
Liabilities—						
Capital stock	$29,659,300	$25,452,300	$23,001,500	$20,573,300	$20,180,400	$17,779,100
Premium on capital stock	141,374	86,295	73,620	32,461	638	638
Capital stock subscribed	508,982	615,503	84,878	243,526	16,881	.....
Funded debt	10,340,000	10,417,000	5,531,000	5,638,000	5,727,000	5,837,000
20-year debentures	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Collateral trust notes	.....	.....	.....	.....	2,060,000	2,060,000
Chelan property purchase contract	1,242,075	1,250,000	.....	.....	.....	.....
Okanogan Valley Power Co. bonds	.....	.....	247,700	248,000	250,000	.....
Two-year 6% notes	.....	.....	3,600,000	3,600,000	814,600	.....
Notes payable	25,000	180,000	800,000	200,000	950,000	1,550,000
Accounts payable	218,379	257,056	202,498	208,091	235,048	255,473
Unpaid dividends	508,360	461,494	459,272	408,884	403,444	488,925
Accrued accounts	738,328	665,729	645,627	595,231	521,852	418,396
Unadjusted credits	1,205,682	475,397	73,079	199,698	185,868	12,567
Surplus, retirement and damage	8,359,455	7,288,154	6,380,790	5,510,618	4,777,344	4,139,540
Total	$54,346,935	$48,548,928	$42,499,964	$38,857,809	$37,523,075	$33,941,639

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$483,241	$909,044	$839,519	$219,255	$775,665	$122,628
Materials and supplies	544,962	502,297	550,183	504,464	496,591	429,788
Notes receivable	99,052	99,272	111,444	117,523	125,628	110,870
Accounts receivable	955,082	897,888	959,306	932,519	821,375	717,337
Interest receivable	51,107	55,500	52,493	9,797	56,479	47,474
Total	$2,133,444	$2,464,001	$2,512,945	$1,783,559	$2,275,738	$1,428,097
Current Liabilities—						
Notes payable	$25,000	$180,000	$800,000	$200,000	.....	.....
Accounts payable	160,432	190,551	132,337	130,499	$235,047	$167,643
Dividends payable Jan. 15	508,360	461,494	459,272	408,884	403,444	488,925
Consumers' deposits	62,162	66,504	70,161	77,592	.....	87,830
Accrued interest	37,035	31,540	102,569	104,358	41,495	89,059
Accrued taxes	701,293	634,189	543,058	490,873	480,355	325,563
Total	$1,494,282	$1,564,279	$2,107,397	$1,412,206	$1,160,341	$1,159,020
Net Working Capital	$639,162	$899,722	$405,548	$371,353	$1,115,397	$269,077

Officers: D. L. Huntington, Pres.; W. J. C. Wakefield, V-P. & Chairman Executive Committee; M. W. Birkett, V-P. & Gen. Mgr.; F. T. Post, V-P., Spokane, Wash.; Harold T. White, V-P. & Chrm. of Finance Committee; H. T. White, V-P.; W. J. K. Vanston, V-P.; William I. Frothingham, V-P., New York; V. G. Shinkle, Sec. & Treas.; L. E. Morse, W. C. Wiscombe, M. Gusdorf, Asst. Sec's & Asst. Treas's, Spokane, Wash.; Guy Du Val, B. F. Seaver, John W. Frost, Albert A. Kelly, Asst. Sec's & Asst. Treas's, New York.

Trustees: Harold T. White, Hendon Chubb, Jonathan Bulkley, Joseph P. Cotton, William I. Frothingham, Edwin P. Maynard, Edwin G. Merrill, W. J. K. Vanston, Henry L. de Forest, Clinton H. Crane, H. Hobart Porter, Alexander M. White, New York; John Adams, Boston, Mass.; D. L. Huntington, W. J. C. Wakefield, M. W. Birkett, L. M. Davenport, W. S. McCrea, Frank T. Post, Spokane, Wash.

Office, Spokane, Wash.

INTERMOUNTAIN POWER COMPANY

(Controlled by The Washington Water Power Company)

History—Incorporated in Oct. 1916, in Montana, to furnish electric power to Chicago, Milwaukee & St. Paul Ry. Co. Operates transmission lines in Washington, supplying power to the railway company.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $745,400; par, $100. All owned by The Washington Water Power Co. Annual meeting, second Monday in May at Butte, Mont.

FUNDED DEBT

None.

Officers: D. L. Huntington, Pres.; M. W. Birkett, V-P. & Gen. Mgr.; V. G. Shinkle, Sec. & Treas.

Trustees: D. L. Huntington, M. W. Birkett, W. J. C. Wakefield, L. M. Davenport, Frank T. Post, Spokane, Wash.

Office, Spokane, Wash.

OKANOGAN VALLEY POWER COMPANY

(Controlled by The Washington Water Power Company)

History—Incorporated in June, 1913, in Wash., to furnish electric light and power. Operates plant on the Similkameen River, near Oroville, Wash., furnishing the following towns with light and power: Brewster, Okanogan, Bridgeport, Pateros, Omak, Riverside, Mansfield, Tonasket and Oroville, Wash.

CAPITAL STOCK

Authorized, $300,000; outstanding, $295,000; par, $100. All owned by The Washington Water Power Co. Annual meeting, third Wednesday in April.

FUNDED DEBT

None.

Officers: D. L Huntington, Pres.; M. W. Birkett, V-P. & Gen. Mgr.; V. G. Shinkle, Sec. & Treas., Spokane, Wash.

Trustees: The above and F. T. Post and Eugene Enloe, Spokane, Wash.

General Office, Spokane, Wash.

SPOKANE CENTRAL HEATING COMPANY

(Controlled by The Washington Water Power Company)

History—Incorp. in 1919, in Wash; acquired all of the property, franchises and equipment (except electrical) of the Spokane Heat, Light & Power Co., after foreclosure sale, which latter Company supplied light and heat to a certain business section of Spokane, and began operations in March, 1916. (see 1919 Public Utility Manual, page 1112).

The Company owns in fee the property, 200x140 ft., located near the center of the City and on the main line of the Northern Pacific Ry. and on which site is the generating station. The equipment consists of a battery of 10 Wickes boilers with a normal rating of 450 h.p. each, automatic stokers, and all other necessary boiler room equipment. The underground system consists of 5.03 miles of steam mains, all of which is confined within a mile square of the heart of Spokane.

The franchise runs for a period of 25 years. The Company is required to pay 1% of its gross earnings to the City annually, which in no case shall be less than $2,000 per year for the first five years and no less than $2,500 per year for the remaining 20 years. The City has the right to purchase the property as an operating plant and system after 12 years.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned by The Washington Water Power Co. Annual meeting, second Monday in January.

Officers: D. L. Huntington, Pres.; M. W. Birkett, V-P. & Gen. Mgr.; V. G. Shinkle, Sec. & Treas.

Trustees: D. L. Huntington, M. W. Birkett, F. T. Post.

General Office, Post St., Spokane, Wash.

SPOKANE UNITED RAILWAYS

(Affiliated with The Washington Water Power Company)

History—Chartered in Washington May 5, 1922. Acquired by purchase the street railway systems in Spokane owned by The Washington Water Power Co. and the Spokane City Railways Co., which companies owned all of the property formerly belonging to the following companies: City Park Transit Co., Falls City Land & Improvement Co., Arlington Heights Motor Ry. Co., Ross Park Street Ry. Co., Spokane Cable Ry. Co., Spokane Electric Ry. Co., Spokane Street Ry. Co. and Spokane Traction Co. Franchises for street railways run for 25 years from July 1, 1922. System consists of 110.5 miles of track, occupying 73.989 miles of streets. Gauge, standard. Rails, 60 to 70 lbs. T, and 99 to 108 lbs. girder.

Fares—10 cts. cash or 5 tickets for 35 cts.; school tickets, 4 cts.

CAPITAL STOCK

Authorized, $1,500,000 Common and $2,000,000 7% cumulative Pfd.; par, $100. The Washington Water Power Co. owns a large interest in the stock. Pfd. stock has preference for assets and dividends, is non-callable, and has full voting power.

Annual Meeting—Second Monday in April.

FUNDED DEBT

$1,942,000 FIRST & GENERAL GOLD 6s; DUE JULY 1, 1932

Dated July 1, 1922.

Interest Payable January and July 1, at Farmers' Loan & Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized issue, $3,500,000. Of the unissued bonds, $58,000 are held in the treasury.

Callability—Subject to call as a whole or in part at any time on any interest date on 60 days' notice at the following prices: 105 if redeemed on or before July 1, 1927; at 104 if redeemed on or before July 1, 1928; at 103 if redeemed on or before July 1, 1929; at 102 on or before July 1, 1930; 101 on or before July 1, 1931.

Sinking Fund—None.

Security—Secured on all the property, franchises, equipment, etc., including a bridge over the Spokane River.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,349,787	$1,359,378	$1,317,197
Oper. exp. and taxes	1,204,554	1,217,667	1,166,646
Net earnings	$145,233	$141,711	$150,551
Interest charges	123,734	123,825	125,049
Retirement expense	232,980	232,980	232,980
Total charges	$356,714	$356,805	$358,029
Deficit for year	$211,481	$215,094	$207,478

Officers: D. L. Huntington, Pres.; M. H. MacLean, V-P.; M. W. Birkett, V-P. & Gen. Mgr.; J. E. E. Royer, Asst. Gen. Mgr.; V. G. Shinkle, Sec. & Treas.

Trustees: D. L. Huntington, M. W. Birkett, Frank T. Post, W. S. McCrea, L. M. Davenport, W. J. C. Wakefield, Spokane, Wash.; M. H. MacLean, Chicago, Ill.

General Office, Spokane, Wash.

WARREN COMPANY

(Controlled by Phelps Dodge Corporation)

History—Incorporated Nov. 1, 1906, in Ariz. Owns and operates the Warren-Bisbee Ry. (see statement appended). Operates in addition an electric service system and a water system.

CAPITAL STOCK

Authorized, $100,000 Common and $565,000 Pfd.; outstanding, $100,000 Common and $320,000 Pfd.; par, $100. Stock control is held by Phelps Dodge Corporation. Annual meeting, second Monday in April. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$62,596	$73,389	$75,934
Oper. exp. and taxes	77,390	89,057	91,582
Loss from operation	$14,794	$15,668	$15,648
Other income	1,487	958	.....
Net loss	$13,307	$14,710	$15,648
Other charges	7,731	828	6,898
Deficit for year	$21,038	$15,538	$22,546

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property	$326,560	$326,560	$515,090
Securities owned	193,298	202,140	17,695
Materials and supplies	8,491	10,769	10,970
Cash	31,886	25,223	27,851
Other current assets	6,833	12,381	12,550
Deferred assets	4,583	4,320	3,534
Corporate deficit	127,848	106,810	91,272
Total	$699,499	$688,203	$678,962
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Preferred stock	320,000	320,000	320,000
Current liabilities	6,851	6,070	7,395
Other liabilities	5,750	5,729	30,374
Accrued depreciation	152,308	234,586	215,317
Unadjusted credits	14,590	21,818	5,876
Total	$699,499	$688,203	$678,962

Officers: Jos. P. Hodgson, Pres.; H. A. Clark, V-P.; Jas. A. Shepard, Sec. & Treas.; J. G. Cowen, Mgr.; Geo. Jay, Pur. Agt., Warren, Ariz.

Directors: Jos. P. Hodgson, H. A. Clark, C. T. Knapp, Jas. A. Shepard, James S. Casey, Warren, Ariz.

General Office, Warren, Ariz.

WARREN-BISBEE RY.

(Operated by Warren Company)

History and Property—Company chartered and municipal franchise granted July 12, 1907, for 25 years. Operated by the Warren Company. Owns an electric railway from Warren via Lowell, Johnson Addition to Bisbee, Ariz. Length of line, 6.73 miles. Gauge, standard. Rail, 60 and 80 lb. T. Operated by overhead trolley. The road is over private right of way except in the city limits of Bisbee. Passenger cars, 8; work car, 1. Power purchased from Phelps Dodge Corp.

CAPITAL STOCK

Authorized, $100,000 Common and $565,000 Pfd.; outstanding, $100,000 Common and $320,000 Pfd.; par, $100. Annual meeting, second Monday in April. No dividends paid.

FUNDED DEBT

None

Officers: Jos. P. Hodgson, Pres.; H. A. Clark, V-P.; James A. Shepard, Sec. & Treas.; J. G. Cowen, Mgr.; Geo. Jay, Pur. Agt., Warren, Ariz.

Directors: Jos. P. Hodgson, H. A. Clark, C. T. Knapp, Jas. A. Shepard, James S. Casey, Warren, Ariz.

General Office, Warren, Ariz.

THE BATON ROUGE WATER WORKS COMPANY

History and Property—Incorporated April 5, 1910, in Louisiana. Purchased the property, franchises, etc., of the Baton Rouge Water Co., organized in 1888. Owns and operates a complete water works system supplying water, without competition, for domestic, municipal and industrial purposes to the City of Baton Rouge, La., and its principal sub-divisions, including Fairfields, Capital Heights and College Town. The source of supply is from wells. Pumping capacity is in excess of 16,000,000 gallons per day; average daily consumption 2,400,000 gallons. Owns all of the capital stock, except directors' qualifying shares, of Plumbing & Supply Co., Inc.

Franchise—The Company operates under a franchise from the city of Baton Rouge, which is effective until Nov. 9, 1947, at which time the city is required to either purchase the physical property of the Company at its then appraised value or extend the franchise for a period of thirty years. The city, however, has the option to purchase the physical property, franchise and going value of the company on Jan. 1, 1930. This franchise has been validated by a decree of the United States Circuit Court of the Eastern District of Louisiana sustaining it.

OPERATING STATISTICS

	Estimated Population Served	Customers Served	Miles of Mains	Hydrants
1922	28,000	6,260	92.66	218
1923	32,000	7,030	103.56	222
1924	36,000	8,240	114.36	232
1925	39,000	8,950	126.66	256
1926	40,000	8,970	129.48	276

CAPITAL STOCK

Authorized, 50,000 shares of no par value; outstanding, 49,500 shares.

FUNDED DEBT

$400,000 FIRST MORTGAGE SINKING FUND GOLD BONDS, SERIES "A" 5½%; DUE AUGUST 1, 1947

Dated August 1, 1927.

Interest Payable February and August 1, at Whitney-Central Trust & Savings Bank, New Orleans, or at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Whitney-Central Trust & Savings Bank, New Orleans.

Provisions of Issue—Authorized, $500,000 Series "A"; issued $400,000 Series "A." Additional bonds may be issued under the terms of the indenture for new extensions or improvements. The maximum amount that could be issued would be $1,500,000 against property valued at $2,833,000 and only then provided that for 12 consecutive months out of the 15 consecutive preceding months the earnings before depreciation and interest shall have been at least twice the interest charges on the bonds then outstanding together with those to be issued. The indenture au-

thorizes the issuance of bonds, in addition to Series "A" bonds, to the extent of 75% of the sound value of new extensions and improvements under the above conditions.

Purpose of Issue—Approximately $100,000 of the proceeds from sale of these bonds were used for extensions and improvements to Company's plant. Remainder were used to refund Company's mortgage and other indebtedness and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, on 3 weeks' notice, at 103 and interest.

Sinking Fund—3% annually of the largest amount of bonds of this Series issued, to be used for the retirement of bonds outstanding by purchase or call or for extension or improvement to plant, which, if made, are not to be available as security for further loans.

Security—Bonds are direct obligation of Company and are secured by a closed first mortgage on all of its property, having an appraised value of $1,300,000. In addition bonds are secured by pledge of entire capital stock of Plumbing & Supply Co., Inc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Milling, Godchaux, Saal & Milling, New Orleans.

Original Offering—First publicly offered ($400,000 Series "A") in Aug., 1927, at par and interest to yield 5.50%, by Whitney-Central Trust & Savings Bank, Mortgage & Securities Co., Marine Bank & Trust Co., Sutherlin-Barry & Co., C. P. Ellis & Co., Guardian-Detroit Co., J. L. Couterier, and Wheeler & Woolfolk, New Orleans.

CONSOLIDATED BALANCE SHEET, JUNE 30, 1927
(Including Plumbing & Supply Co., Inc.)
(After giving effect to new bond sale)

Assets—	
Plant, equipment, etc.	$719,973
Less reserve for depreciation	252,221
	$467,752
Real estate	35,522
Cash on deposit with trustee for plant extensions & improvements	100,000
Cash	4,122
Accounts receivable—trade	52,953
Inventory of merchandise	22,248
Deferred charges to income	20,000
Total	$702,597
Liabilities—	
Capital stock	$198,000
Funded debt	400,000
Account payable	10,369
Federal Income taxes	1,042
Due to Louisiana State University	11,680
Deferred liabilities	14,765
Minority stockholders' interest in subsidiary Co.	811
Surplus	65,930
Total	$702,597

Officers: W. P. Connell, Pres., B. B. Taylor, V-P.; H. P. Connell, Sec., Treas. & Mgr., Baton Rouge, La.

Directors: W. P. Connell, B. B. Taylor, H. P. Connell, C. B. Porter, Baton Rouge, La.; C. C. Trabue, Nashville, Tenn.

General Office, Baton Rouge, La.

MISSISSIPPI VALLEY RAILWAY & POWER COMPANY

History—Incorporated July 1, 1915, in Del. to take over the Rock Island Southern Ry. Co., the Aledo Terminal Ry. Co., the Rock Island Alexis Ry. Co. and the Edwards River Power Co. (all formerly operated by the Rock Island Southern Ry. Co.) as per Plan and Agreement of Readjustment dated June 28, 1915 (see Manual for 1916, page 1696, or consult our Information Department). The plan was declared operative and the committee discharged in May, 1916. Under the plan acquired all the Common and Pfd. stocks of these companies and $1,341,200 (out of $1,873,200) First Mortgage bonds of the Rock Island Southern Ry. and $415,000 Aledo Terminal Ry. First Mortgage bonds.

The road runs north from Monmouth to a connection with the Chicago, Rock Island & Pacific Ry. at Monmouth Junction, 31 miles, and thence operating into city of Rock Island, a distance of 22 miles, over line leased for 25 years from Chicago, Rock Island & Pacific Ry. which has been electrified. Also operates 7 miles from Gilchrist Junction to Aledo, and 6 miles from Alexis Junction to Alexis. Total miles of single track operated 72.29. Has connections for Davenport, Ia., Moline and Galesburg, Ill. Passenger cars, 10; freight cars, 243; express and freight cars, 2; work cars, 7; steam locomotives, 7. Also operates power house at Edwards River.

Default—Interest Funding Plan—The Company being in need of at least $150,000 for the rehabilitation of the Rock Island Southern Ry. property, and deeming inadvisable to sell additional Prior Lien bonds in view of the unsettled financial situation, entered into an agreement with the holders of the $532,000 Rock Island Southern Ry. bonds not owned, by which the time of payment of interest on those bonds and the bonds held by the Mississippi Valley Ry. & Power Co. were to be extended for three years. The Mississippi Valley Ry. & Power Co. being without funds to pay the interest due July, 1917, on its First and Refunding 5% bonds, holders of said bonds were requested to exchange their coupons for the three years beginning July 1, 1917, for bonds of the same issue, par for par. The unissued prior lien bonds are to be cancelled. The Company is still (Feb., 1927) in process of reorganization.

Sale of Collateral—The principal and interest due June 1, 1917, on the $266,000 Collateral Trust Notes, dated June 1, 1914, of the Rock Island Southern Ry. remaining unpaid, the $532,000 First Mortgage 5% bonds of that Company pledged as collateral were sold at foreclosure Aug. 27, 1917.

Receivers for Subsidiary Appointed—Federal Judge Martin J. Wade, of the Southern District of Iowa, in April, 1920, appointed C. H. Abbott, Vice-Pres. of Central Trust Co., Chicago, and T. H. Beacon, Vice-Pres. in charge of operation of the Chicago, Rock Island & Pacific Ry., as Receivers for the Rock Island Southern Ry. Co. Judge Fitz Henry, of the Federal Court of Peoria, concurred in the action of Judge Wade.

CAPITAL STOCK

Authorized, $2,500,000 Common and $2,000,000 Pfd.; outstanding, $2,291,060 Common and $1,079,524 Pfd.; par, $100. No dividends paid. Annual meeting, first Tuesday in February.

FUNDED DEBT

$178,000 Mississippi Valley Ry. & Power Co. Prior Lien Mortgage 5% Bonds; dated July 1, 1915; due July 1, 1945; int. Jan. and July 1, at American Exchange Irving Trust Co., New York, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $300,000. Subject to call at 103. Sinking fund, 1% of bonds outstanding yearly after 1919. Provision is made for the retirement of the Prior Lien bonds out of the sinking fund or by the sale of other bonds as soon as possible, which will then make the bonds taken in exchange for the old securities an absolute first lien. Company pays Normal Federal Income Tax up to 2%.

$800,000 Mississippi Valley Ry. & Power Co., First & Refunding Lien 5s; dated July 1, 1915; due July 1, 1945; int. Jan. and July 1, at American Exchange Irving Trust Co., New York, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Additional bonds may only be issued for betterments, extensions, etc., under carefully guarded restrictions. Subject to call at 103. Sinking fund 1% of bonds outstanding yearly after 1919. Company pays Normal Federal Income Tax up to 2%. The July 1, 1917, interest was defaulted (see above).

$1,873,200 Rock Island Southern Ry. First Gold 5s; dated Sept. 10, 1908; due Jan. 1, 1947; int. Jan. and July 1, at Central Trust Co. of Ill., Chicago, Trustee, and Old Colony Trust Co., Boston. Coupon, $100, $500 and $1,000. Authorized, $2,500,000. Of the outstanding bonds, $1,341,200 are owned by the Mississippi Valley Ry. & Power Co. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: J. A. Hanley, Pres., Davenport, Ia.; T. P. Gaylord, V-P.; Pittsburgh, Pa.; G. W. Quackenbush, Treas., Rock Island, Ill.; Mark A. Walsh, Sec., Clinton, Ia.

Directors: T. D. Moberg, T. P. Gaylord, Henri C. Morand, W. H. Clark, Mark A. Walsh, Albert M. Chambers, J. A. Hanley, C. H. Walsh.

General Office, 1st Avenue & 20th Street, Rock Island, Ill.

LaFAYETTE TELEPHONE COMPANY

History and Business—Incorporated in 1894, in Indiana. Operates without competition under an indeterminate permit granted by the Public Service Commission of Indiana. Company owns the telephone exchanges in LaFayette and West LaFayette, Indiana, and has toll connections, both independent and Bell, reaching all points in the United States and Canada under contract with the Indiana Bell Telephone Co. Company serves a city population of approximately 30,000 and a rural population of approximately 10,000. Stations in service are in excess of 8,600.

CAPITAL STOCK

Authorized and outstanding, 75,000 shares Common of no par value.

FUNDED DEBT

$450,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE DECEMBER 15, 1957

Dated December 15, 1927.

Interest Payable June and December 15, at The First-Merchants National Bank of LaFayette, Ind.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The First-Merchants National Bank of LaFayette, Ind.

Provisions of Issue—Authorized amount, unlimited; issued, $450,000. No additional bonds may be issued for more than 80% of the actual reasonable expenditures of the Company for the purposes of paying for acquisitions of property, additions, constructions, extensions, equipment and improvements, and for the acquisition of other telephone plants. The aggregate principal amount of bonds outstanding may not exceed the aggregate amount of the paid-in capital stock and accrued surplus of the Company, and no additional bonds may be issued unless the earnings of the Company are not less than 1½ times the annual interest charges of bonds outstanding and those about to be issued.

Purpose of Issue—Proceeds were used for extensions and improvements to plant and distribution system.

Callability—Subject to call as a whole or in part on any interest date after Dec. 15, 1932 on 60 days' notice at 102 and interest.

Sinking Fund—None provided.

Depreciation Reserve—Mortgage provides that the Company shall maintain a depreciation reserve and appropriate thereto from earnings in each year not less than 4% of the cost of its properties.

Security—Secured by a direct first mortgage on all property of the Company now owned or hereafter acquired.

Legal Opinion—Smith, Remster, Hornbrook & Smith, Indianapolis (for the Bankers) and Stuart, Simms & Stuart, LaFayette (for the Company).

Original Offering—First publicly offered ($450,000) in Dec., 1927 at 99 and interest to yield 5.06% by Fletcher American Co., Indianapolis, Ind.

OFFICERS AND DIRECTORS

Officers: Thomas Duncan, Pres.; John Dewenter, V-P.; Frank O. Cuppy, Sec. & Treas.

Directors: John C. Dewenter, Thomas Duncan, C. Q. Erisman, William R. Wood, M. G. Ricks, Ferdinand Dryfus, Lee Glatz, Roy E. Adams, Frank O. Cuppy.

General Office, Lafayette, Ind.

THE STARK ELECTRIC RAILROAD COMPANY

History and Property—Incorporated Dec. 31, 1902, in Ohio; consolidation of Alliance Electric Ry. Co. and Stark Electric Ry. Co. The Alliance Power Co. was organized in 1927 to acquire the electric power business of The Stark Electric RR. Co. Line of road: Canton to Salem, Ohio including local line in Alliance, 32.42 miles; total track, 36.42 miles. Gauge, standard. Rails, 67 and 70 lb. T and 70 and 90 lb. girder. Motor cars: Passenger, closed, 17; freight, 2; service, 2. Built entirely on private right of way from 50 to 100 feet in width, extending in Canton to within seven blocks of the public square; through Alliance and in Salem to within 300 feet of the business center. Owns a park of 140 acres. Passengers carried in 1927: Interurban, 1,994,285; city, 561,221. Car miles—inter-urban, 1,028,941; city, 157,378. Car hours—inter-urban, 64,492; city 20,999.

New Securities Authorized—The Ohio Public Utilities Commission in Dec., 1927, authorized Company to issue a $500,000 7% bond issue to be sold at 90, and also $250,000 of Pfd. stock, the proceeds from which were to finance the retirement of $730,000 First Mortgage bonds and outstanding notes. The Chatham Phenix National Bank & Trust Co. is trustee of the new bond issue.

CAPITAL STOCK

Authorized, $1,500,000; outstanding, $1,250,000; par, $100.

Registrar—Union Trust Co., Cleveland, O.

Annual Meeting—Third Thursday in January.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	5	9	10	10	...	50	37¾	30
Low	bid	bid	bid	bid	..	39	37¾	30

Dividends—Of 3% per annum, quarterly, J, A, J & O 1, paid from July 1, 1908, until April 1, 1916, on which date rate was raised to 1% quarterly, this rate being maintained to and including April 1, 1917; none thereafter to Oct., 1919, when 1% was paid; 1920, 4½%; 1921, 4%; 1922, 3%; none since. In April, 1910, a stock dividend of 25% was paid.

FUNDED DEBT

$730,000 First Mortgage 5% Gold bonds; dated Jan. 1, 1903; matured and paid Jan. 1, 1928.

In addition to the above bond issue, there were outstanding Dec. 31, 1927, the following: $385,500 6% notes due Oct. 1, 1927; $67,200 Equipment Trust Certificates due in 42 monthly payments; $199,194.26 Demand Notes, and $8,468.86 notes on material due in 7 monthly payments.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	1926	1925
Gross earnings	$459,239	$460,865	$467,223
Operating expenses	328,207	387,155	361,475
Taxes	17,629	20,671	22,650
Net earnings	$113,403	$53,039	$83,098
Other income	108	683	6,090
Total income	$113,511	$53,722	$89,188
Right of way rental	10	10	.....
Interest charges	76,083	55,710	39,084
Depreciation	78,981	68,353	57,987
Net income (deficit)	$41,563	$70,351	$7,883

*Consolidated Income Account of The Stark Electric RR. Co. and The Alliance Power Co.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	*1927	1926	1925
Road & equipment	$3,119,907	$2,617,849	$2,593,863
Investments	400	1,000	1,000
Materials and supplies	24,043	3,052	1,732
Prepaid items	2,204	2,518	2,640
Working funds in hands of agents	1,620	1,595	880
Cash	9,445	4,552	3,876
Sinking fund account	1,081	364	352
Bills receivable	1,611	.....	.....
Accounts receivable	16,812	20,822	13,002
Discount on notes	.....	10,775	1,575
Suspended accounts awaiting adjustment	.....	425,245	189,594
Property abandoned	14,289	36,548	26,584
Total	$3,191,412	$3,124,321	$2,835,098
Liabilities—			
Common stock	$1,250,000	$1,250,000	$1,250,000
Funded debt	1,390,363	1,204,900	916,500
Bus notes	.....	.....	36,212
Accounts payable	26,721	24,081	41,359
Bills payable	.....	147,402	23,000
Employes' deposits	224	227	205
Special deposits	.....	5,510	.....
Accrued taxes	35,659	23,926	10,682
Accrued interest	36,840	7,275	2,797
Paving assessments	31,438	31,439	33,828
Depreciation reserve	390,869	343,993	354,723
Accident claim fund	†361	2,155	1,432
Compensation accrd. & unpaid	.....	817	1,621
Profit and loss surplus	29,659	82,597	162,738
Total	$3,191,412	$3,124,321	$2,835,098

*Consolidated Balance Sheet of The Stark Electric RR. Co. and The Alliance Power Co. †Credit.

Officers: W. E. Davis, Pres., Alliance, O.; Howard Morris, V-P., New York, N. Y.; E. W. Sweezy, Treas. & Gen. Mgr.; O. K. Ayers, Sec., Alliance, O.

Directors: N. F. Glidden, Howard Morris, W. L. Chittenden, J. Bertram, New York, N. Y.; C. L. Sebring, Sebring, O.; W. E. Davis, Alex Robertson, E. W. Sweezy, O. K. Ayers, R. D. Miller, Alliance, O.; L. W. Popp, Chicago.

General Office, Alliance, Ohio.

ALLIANCE POWER COMPANY

(Affiliated With Stark Electric RR. Co.)

History and Property—Incorporated in 1927, in Ohio. Organized to acquire the power business heretofore carried on by The Stark Electric Railroad Co., and to acquire the properties necessary thereto. The Company is engaged in the sale of power and light, operating in Alliance, Ohio, and surrounding territory. In Alliance, its business is confined to the wholesaling of power, and a general power and light service is rendered to adjacent communities, including Sebring, Damascus, Maximo, Garfield, Paris, Freeberg and a considerable intermediate rural territory. Total population of territory served, approximately 35,000.

Owns and operates a modern steam generating station with an installed capacity of 8,500 k.w., located on the outskirts of the City of Alliance. Adjacent to the power house, and owned in fee, is a natural lake of 29 acres, sufficient to provide water for condensing purposes for the present power house, and also for additional units, as may be necessary for the Company's development. In addition, the Company's land adjoins the Mahoning River, which is available as a secondary water supply. The Company owns in fee a plot totalling 140 acres, upon which the power house is located.

Also owns approximately 35 miles of transmission lines, of which 21 miles are 22,000 volt lines and 14 miles are 2,200 volt lines.

CAPITAL STOCK

Authorized, 1,250 shares Common stock of no par value and $300,000 Pfd., par $100; outstanding, 1,250 shares Common and $252,000 Pfd. The Pfd. stock is subject to call as a whole on 30 days' notice at 110 and accrued dividends up to January 1, 1933 and thereafter at 107½ and accrued dividends. Annual meeting in January.

FUNDED DEBT

$553,000 FIRST MORTGAGE 6% GOLD BONDS; DUE SEPTEMBER 1, 1952

Dated September 1, 1927.

Interest Payable March and September 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $500 and $1,000.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000. Additional bonds may be isued for 75% of the cost of property to be acquired by the proceeds of the sale of any new bonds, and then only when earnings are at least 1¾ times the interest charges on all bonds, including those to be issued.

Callability—Subject to call in whole or in part on 30 days' notice at 105, up to and including Sept. 1, 1937, and thereafter at 104 and interest.

Sinking Fund—A sinking fund of 1% per annum of the bonds outstanding, begins to operate in 1929, and in 1935 the sinking fund is increased to 1½% per annum, until maturity. The sinking fund is to be used to retire bonds, if available, at par or less, otherwise to be used to acquire additional property, against which no bonds may be issued.

Security—Secured by a first mortgage on entire property of Company, now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Daniel Burke, New York.

Original Offering—First publicly offered ($590,000) in Dec. 1927, by Glidden, Morris & Co., New York.

EARNINGS AND EXPENSES, YEAR ENDED AUGUST 31, 1927
(One month estimated)

Gross earnings	$204,230
Operating expenses & taxes (except Fed. taxes)	110,230
Net earnings	$94,000

Officers: W. E. Davis, Pres.; O. K. Ayers, Sec.; E. W. Sweezey, Treas. & Gen. Mgr.

Directors: W. E. Davis, O. K. Ayers, E. W. Sweezey, Alex. Robertson, Alliance, Ohio.

General Office, Alliance, Ohio.

MID-CONTINENT TELEPHONE COMPANY

History and Business—Incorporated in Delaware. Organized to own and control, by means of the ownership of all stock of subsidiaries, telephone properties and systems furnishing service without competition, in sections of Texas, Arkansas and Wisconsin. Through subsidiaries owns and operates 28 modern telephone plants and approximately 300 miles of toll pole leads, giving local service, without competition, to 7,434 telephone stations, 7,021 of which are company owned stations. All company exchanges have physical connection with the lines of the Bell System, either directly or through company's own toll lines. Total population in the areas served is estimated to be 135,000. The communities served include Mertens, Frost, Blooming Grove, Barry Dawson, Malone, Bynum, Penelope, Thorndale, Weldon, Trinity, New Waverly, Willis, Cold Spring, Shepherd, Poyner, Frankston, Beckville, Hallsville and Linden, Texas; Waldo, Arkansas; Oakfield, Eden, Theresa, Campbellsport, Kewaskum, Cascade, Batavia, Random Lake and Belgium, Wisconsin.

CAPITAL STOCK

Authorized, 20,000 shares Common of no par value and $500,000 7% cumulative Preferred; outstanding, 10,000 shares Common and $200,000 Preferred.

FUNDED DEBT

$650,000 ONE-YEAR 5% GOLD NOTES; DUE JUNE 1, 1928

Dated June 1, 1927.

Interest Payable June and December 1, at Chicago Trust Co., Chicago, Ill.

Denominations—Coupon, $500 and $1,000.
Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Authorized and issued, $650,000. $200,000 principal amount were reserved for exchange for an equal amount of 5% notes of a subsidiary company acquired.

Purpose of Issue—Proceeds were used to provide the Company with funds for the acquisition of property, for additions, betterments, and other corporate purposes.

Callability—Subject to call at any time on 30 days' notice at 100½ and interest.

Sinking Fund—None provided.

Security—Notes are the obligation of the Company. The Company covenants that it will not make or permit to exist any mortgage, other than purchase money obligations and liens existing on properties at the time of the acquisition thereof, on its properties or those of its subsidiaries except provision be made for the retirement of notes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. All state personal property and income taxes to the extent of 5 mills upon each dollar of principal, including Massachusetts income tax not to exceed 6%, refunded upon proper and timely application.

Legal Opinion—John P. Barnes, Chicago, Ill.

Original Offering—First publicly offered ($650,000) in June, 1927, at 99 and interest to yield over 6% by E. H. Ottman & Co., Inc., Chicago and Keane, Higbie & Co., Detroit.

CONSOLIDATED EARNINGS, YEAR ENDED APRIL 30, 1927
(Earnings of the Combined properties as averaged. Earnings of Wisconsin properties audited to March 31, 1927)

Gross revenues	$170,298
Operating expenses, maintenance & taxes other than Federal Income taxes	79,173
Balance	$91,125
Annual interest on One-Year 5% notes	32,500

Officer: Herrick Johnson, V-P.
Office, Malone, Texas.

KEY SYSTEM TRANSIT COMPANY

History and Properties—Incorporated June 2, 1923, in California, as successor to The San Francisco-Oakland Terminal Rys. Co., whose properties were sold at foreclosure on July 17, 1923, in accordance with the Plan of Reorganization dated July 7, 1922 (see 1923 Public Utility Manual, page 512). Absorbed the Oakland & Hayward Ry. Co. and East Oakland Ry. Co. during 1925 (see 1925 Public Utility Manual, page 1123). Company owns and operates an electric street railway and interurban system in Oakland, Berkeley, Alameda, Richmond and other cities on the eastern coast of San Francisco Bay, extending from Richmond to Hayward and interurban ferry service between these cities and the city of San Francisco. In connection with its electric lines, it operates a transbay ferry service between San Francisco and Oakland. Company owns all the stock except the qualifying directors' shares of the **Key System Securities Co. and Key System Service Co.** (commissary). The communities served constitute what is generally known as the "East Bay" territory with an estimated population of 500,000.

The aggregate mileage track operated by the company is 263.98 miles. The rolling stock consists of 410 passenger street cars, 130 interurban coaches, 103 work cars, 4 wreckers and 3 electric locomotives; also 47 buses. The ferry service is maintained with 7 modernly equipped ferry boats, the two largest of which were placed in service during the spring of 1927.

During 1927, the company handled 87,924,381 street car passengers, and 16,564,961 ferry and suburban passengers, a grand total of 104,489,342. The basic street car fare is seven cents, increased from six cents January 15, 1926. The system is divided into five seven-cent zones, the interurban fares and suburban fares varying from six cents to 42 cents. Both street car and interurban fares and suburban commutation rates are fixed by the Railroad Commission of the State of California.

Company Protests Rates—On Nov. 19, 1927, Company filed a petition with the California Railroad Commission for a rehearing of the Commission's recent order establishing new rates on Company's ferry and street car systems. The order is protested on the ground that the changes do not give the relief asked and that the rate increases are not sufficient to build up Company's earnings. The petition states that the new rates ordered were based on a valuation of properties which are declared to be lower than justified.

CAPITAL STOCK

Authorized, $3,550,000 Common, $8,350,000 7% cumulative Prior Pfd. and $6,100,000 7% Pfd.; outstanding, $3,262,500 Common, $5,909,200 7% Prior Pfd. and $3,732,100 7% Pfd.; par, $100. In addition there are $250,000 Common, $1,628,000 7% Prior Pfd. and $1,628,000 7% Pfd. outstanding with subsidiary company.

Preferred Stock Provisions—Prior Pfd. stock has preference for dividends and assets. The 7% Pfd. stock is preferred as to both dividends and assets over the Common stock. Both classes of Pfd. are not subject to call.

Transfer Agent—The American Bank, San Francisco, Cal.

Annual Meeting—First Wednesday in March.

Voting Trust—The voting power is vested in a seven year voting trust.

Dividends—First two quarterly dividends on Prior Pfd. paid at time of delivery of stock and third quarterly dividend of 1¾% paid May 15, 1924; regular payments quarterly, F, M, A & N 15 to Feb. 15, 1927; none since.

Price Range—

	1927	1926	1925	1924
Prior Pfd.—				
High	65	87⅞	93	81½
Low	8½	65	82¼	75
7% Pfd.—				
High	31½	65	70	34
Low	2	27	34	24

FUNDED DEBT

(1)

$2,494,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE JULY 1, 1938
$500,000 FIRST MORTGAGE GOLD 6s, SERIES "B"; DUE JULY 1, 1938
$2,469,000 FIRST MORTGAGE GOLD 5½s, SERIES "C"; DUE JULY 1, 1938
$1,471,000 FIRST MORTGAGE GOLD 6s, SERIES "D"; DUE JULY 1, 1938

Dated Series "A," July 1, 1923; Series "B," January 1, 1925; Series "C," October 1, 1925; Series "D," October 1, 1926.

Interest Payable January and July 1, at The Oakland Bank, Oakland, Cal., and at The National City Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Oakland Bank, Oakland, Cal.

Provisions of Issue—Authorized, $10,000,000; issued, $2,500,000 Series "A," $500,000 Series "B," $2,500,000 Series "C," and $1,500,000 Series "D," of which $6,000 Series "A," $31,000 Series "C," and $29,000 Series "D" have been cancelled. Series "A" bonds were issued to provide funds for capital expenditures and to retire equipment obligations. Series "C" bonds were issued to retire $229,000 East Oakland Railway Co. First Gold 6s, due July 1, 1938, but retired in 1925; $236,000

Oakland & Hayward Railway Co. First Gold 6s, due July 1, 1938, but retired in 1925, and $35,000 to reimburse treasury for capital expenditures. Series "C" and "D" bonds were issued to reimburse treasury for capital expenditures and to provide funds for additional capital expenditures.

Additional First Mortgage bonds may be issued in series from time to time with such interest rate (not however, to exceed 7%), redemption features, maturity dates (not later than July 1, 1938), denominations and sinking fund provisions as may be determined by the board of directors at the time of issuance of such series. In the event that a subsequent series shall have the same terms as the series already outstanding, it may be given the same designation. Additional bonds may be issued for the cost of permanent improvements and betterments, extensions and additions, but no such bonds shall be issued unless the net earnings of the company for a period of twelve consecutive months out of the fourteen calendar months immediately preceding shall have been at least twice the annual interest on all bonds of this issue then outstanding and those proposed to be issued, and unless said net earnings shall have been at least 1½ times the annual interest on all bonds of this and of junior liens then outstanding in the hands of the public, including those proposed to be issued.

Callability—Series "A" and "B" bonds are subject to call in whole or in part on any interest date on sixty days' notice at par and accrued interest, plus a premium of ¼ of 1% for each year or fraction thereof of unexpired term. Series "C" bonds are subject to call as a whole or in part on any interest date on 60 days' notice at 102 and interest if redeemed on or before January 1, 1931, thereafter at 101 and interest plus a premium of ¼ of 1% each for each year, or portion thereof, of unexpired term. Series "D" bonds are subject to call as a whole or in part on any interest date on 60 days' notice, at 102 and accrued interest, if redeemed on or before Jan. 1, 1931; thereafter at 100 and accrued interest, plus a premium of ¼ of 1% for each year, or portion thereof, of unexpired term.

Sinking Fund—An annual sinking fund is provided payable to the trustee from Jan. 1, 1925 to 1937, inclusive, equal to ½ of 1% of the face amount of all bonds then outstanding, or, in lieu of this cash payment, a disbursement from income for the acquisition or construction of permanent additions. The money shall be applied to the purchase of these bonds in the open market at not to exceed the call price or to the call of bonds of this issue by lot.

Security—A first lien on all the property now owned or hereafter acquired, including all street railway and interurban rolling stock and marine equipment and ferries. Additionally secured by deposit with the Trustee of all the stock (except directors' qualifying shares) of the Key System Securities Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from California State Tax.

Legal Opinion—Brobeck, Phleger & Harrison, San Francisco, Cal.

Legal for Savings Banks and Trust Funds in California.

Original Offering—Series "A" bonds first publicly offered ($2,500,000) in February, 1924, at 99½ and interest, yielding 6.05%, by a syndicate composed of E. H. Rollins & Sons, American Securities Co., Blyth, Witter & Co., Bond & Goodwin & Tucker, Inc., William Cavalier & Co., National City Co., Mercantile Securities Co., Peirce, Fair & Co. and Anglo-London Paris Co., San Francisco, etc. Series "C" bonds first publicly offered ($2,500,000) in Feb. 1926, at 97½ and interest, to yield 5.78% by the same bankers and Oakland Bank and Central National Bank, Oakland, California; $1,500,000 Series "D" 6s offered in Dec. 1916, at 99½ and accrued interest, to yield over 6%, by Bond & Goodwin & Tucker, Inc., Peirce, Fair & Co., and J. Barth & Co., San Francisco, etc.

Listed—San Francisco Stock Exchange.

Price Range—

Series "A"—	1927	1926	1925	1924
High	99½	102½	102⅜	102½
Low	75	98¾	101⅛	101⅛
Series "C"—				
High	86	96	..	..
Low	72½	95¼	..	..

(2)

$1,365,800 GENERAL AND REFUNDING MORTGAGE GOLD BONDS, SERIES "A" 6s; DUE JULY 1, 1938

$7,585,200 GENERAL AND REFUNDING MORTGAGE GOLD BONDS, SERIES "1" 5s; DUE JULY 1, 1938

Dated July 1, 1923.

Interest Payable January and July 1, at American Trust Co., San Francisco, Cal.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco, Cal.

Provisions of Issue—Authorized, $20,000,000; issued and outstanding, $1,365,800 Series "A" 6s and $7,585,200 Series "1" 5s. Issued in exchange for group I-B bonds of the San Francisco-Oakland Terminal Rys. in accordance with the Reorganization Plan of that company. The only purpose for which additional bonds may be issued is to retire not exceeding the total authorized issue of First Mortgage bonds of $10,000,000.

Callability—Subject to call at par and interest, plus a premium of 2% upon 60 days' notice.

Sinking Fund—As a sinking fund company will deposit with the trustee within five days from Jan. 1, each year from 1928 to 1937, both inclusive, ½ of 1% of the principal amount of bonds outstanding, or in lieu of this cash payment, a disbursement from income for the acquisition or construction of permanent additions.

Security—Secured by a direct lien on all the railroad, ferry and other property of the company, subject only to the First Mortgage bonds described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks and Trust Funds in California.

Listed—San Francisco Stock Exchange.

Price Range—

Series "A" 6s—	1927	1926	1925	1924
High	81	92¼	94½	90
Low	70	85	89¼	87¾
Series "I" 5s—				
High	75¾	83½	86	81¼
Low	35	75	77¼	76½

(3)

$1,525,000 5½% EQUIPMENT TRUST CERTIFICATES, DUE ANNUALLY EACH APRIL 1 AS FOLLOWS: 1928 AND 1929, $175,000; 1930 TO 1931, $150,000; 1932 TO 1938, $125,000

Dated April 1, 1926.

Interest Payable April and October 1 at American Trust Co., Cal., Trustee.

Provisions of Issue—Authorized and issued, $1,700,000, of which $175,000 retired to Dec. 31, 1927. Issued under the Philadelphia Plan.

Callability—Subject to call, the last maturities first, on any interest date on 60 days' notice at 102.

Security—Secured on 29 double-truck motor passenger cars and two double-ended, steel turbo-electric propelled ferry boats, title to which is vested in trustee until all the notes have been paid.

Guaranty—Guaranteed unconditionally principal and interest by Key System Transit Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,700,000) in April, 1926 at prices to yield from 5% to 5.85% on maturities 1927 to 1938, by Mercantile Securities Co., San Francisco and associates.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Earnings from operations	$7,452,821	$7,597,584	$7,289,871	$7,306,575	$7,219,595	$6,922,347
Miscellaneous earnings	*	*	*	142,310	137,837	129,867
Gross earnings	$7,452,821	$7,597,584	$7,289,871	$7,448,885	$7,357,432	$7,052,214
Operating expenses and maintenance	$5,873,011	$5,402,005	$5,179,194	$5,012,764	$4,928,385	$4,638,050
Taxes	432,335	474,447	444,033	465,975	418,552	412,791
Depreciation	733,576	690,985	689,035	650,960	599,575	564,185
Total expense	$7,038,922	$6,567,437	$6,312,262	$6,129,699	$5,946,512	$5,615,026
Net earnings	$413,899	$1,030,147	$977,609	$1,319,186	$1,410,920	$1,437,188
Other income	146,453	165,622	211,560	134,060	20,264	23,322
Total income	$560,352	$1,195,769	$1,189,169	$1,453,246	$1,431,184	$1,460,510
Rentals	.....	.....	.....	1,664	2,585	2,785
Other charges	.....	.....	10,158	8,983	2,334	2,495
Balance available for interest	$560,352	$1,195,769	$1,179,011	$1,442,599	$1,425,265	$1,455,230
Bond interest	1,078,251	915,615	789,757	760,781	.....	.....
Other interest	46,022	37,671	12,503	39,762	.....	.....
Miscellaneous	29,719	24,090	22,637	20,529	.....	.....
Net income	†$593,640	$218,393	$354,114	$621,527	.....	.....
Preferred dividends paid	103,411	413,644	413,618	308,334	.....	.....
Misc. direct charges to surplus	14,623	188,140	.....	.....	.....	.....
Deficit for year	$682,428	$7,111	$59,504	‡$313,193	.....	.....

*Included in other income. †Deficit. ‡Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Cost of road	$23,941,891	$22,092,314	$22,030,717	$22,249,802	$21,911,599
Cost of equipment	8,658,802	8,441,165	7,176,349	6,938,651	6,589,293
Sinking fund	286	777	107	.....	.....
Stocks owned	1,038,747	1,038,747	1,038,747	1,006,000	1,006,000
Bonds owned	.....	.....	13,600	13,600	13,600
Materials and supplies	605,816	717,991	910,911	571,271	471,539
Cash	585,062	1,364,589	103,179	147,666	566,894
Notes receivable	63,500	201,588	230,000	500	165,500
Accounts receivable	71,337	54,371	90,515	49,812	69,928
Other current assets	14,726	21,456	459,733	459,314	1,347
Unadjusted debits	3,635,440	4,894,756	1,145,401	371,115	274,860
Deferred assets	.....	.....	.....	151,097	229,504
Profit and loss deficit	405,345	.....	.....	.....	.....
Total	$38,570,935	$38,827,754	$33,199,259	$31,958,827	$31,300,064
Liabilities—					
Common stock	$3,512,500	$3,512,500	$3,512,500	$3,512,500	$3,512,500
Preferred stock	12,897,300	12,897,300	12,897,300	12,829,900	12,828,583
Premium on capital stock	1,018,250	1,175,836	1,175,836	1,221,850	1,175,017
Funded debt	15,920,000	15,938,000	11,945,000	11,916,000	9,438,510
Equipment obligations	1,525,000	1,700,000	.....	20,000	815,000
Premium on funded debt	370	101,657	432,411	505,198	737,134
Notes payable	431,000	770,000	805,000	90,000	1,383,808
Accounts payable	455,614	331,006	338,018	306,287	806,491
Interest accrued & matured	569,270	552,608	435,136	441,386	528,919
Reserve for taxes	15,731	13,379	14,226	51,004	15,463
Unadjusted credits	83,317	103,733	37,836	58,674	23,527
Deferred items	38,871	41,619	38,464	36,003	35,112
Depreciation reserve	2,043,086	1,403,212	1,261,442	645,462	.....
Miscellaneous fund reserves	50,805	.....	21,895	16,356	.....
Appropriated surplus	9,821	9,821	.....	.....	.....
Profit and loss surplus	.....	277,083	284,194	308,207	.....
Total	$38,570,935	$38,827,754	$33,199,259	$31,958,827	$31,300,064

Officers: A. J. Lundberg, Pres.; F. H. Crosby, V-P.; C. C. Vargas, V-P., Financial; H. P. Bell, V-P., Engineering; J. P. Potter, V-P., Operations; Paul Goldsmith, V-P., Public Relations; F. W. Frost, Sec. & Treas.; Angus Clark, Asst. Sec.; Frank Smith, Aud.

Directors: C. O. G. Miller, Chairman; W. R. Alberger, H. C. Capwell, Herbert E. Clayburgh, F. H. Crosby, Gustav Epstein, A. J. Lundberg, F. Bruce Maiden, R. W. Miller, C. P. Murdock, Warren Olney.

General Office, Key System Bldg., Oakland, Cal.

KEY SYSTEM SECURITIES COMPANY

(Controlled by Key System Transit Company)

History—Inc. June 21, 1923, in Cal.; successor to Oakland Railways (see 1923 Public Utility Manual, page 518, or apply to our Information Department). This is not an operating company. The Company has no assets other than $1,628,000 Prior Pfd. stock, $1,628,000 Pfd. stock and $1,202,800 Common stock of the Key System Transit Co., all of which has been pledged as security under its own note issue. Key System Transit Co. holds an agreement that, in the event of its repayment of the above note, the two classes of Pfd. and $250,000 of the Common stock will be returned to the Key System Transit Co.

CAPITAL STOCK

Authorized and outstanding, $2,600,000; par, $100. All owned by Key System Transit Co.

Dividends—None paid.

FUNDED DEBT

$2,500,000 COLLATERAL TRUST 6% GOLD NOTES; DUE JULY 1, 1933

Dated July 1, 1923

Interest Payable January and July 1.

Denomination—Coupon, $1,000.

Trustee—Bank of California, N. A., San Francisco.

Provisions of Issue—Authorized and outstanding, $2,500,000.

Callability—Subject to call at par and interest on any interest date.

Security—A direct obligation of company and secured by pledge of $1,628,000 Prior Pfd. stock, $1,268,000 Pfd. stock and $1,202,800 Common stock of Key System Transit Co.

Guaranty—Guaranteed as to interest only by Key System Transit Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924
High	29	90	92½	83
Low	17½	79	81⅞	79

Officers: A. J. Lundberg, Pres.; C. C. Vargas, V-P.; F. W. Frost, Sec. & Treas.; Angus Clark, Asst. Sec.

Directors: A. J. Lundberg, C. C. Vargas, H. P. Bell, F. W. Frost.

General Office, 2129 Grove St., Oakland, Cal.

LARUTAN GAS CORPORATION

History and Business—Incorporated in Delaware; acquired the assets of the Larutan Fuel Company (see 1927 Industrial Volume, page 2047) and subsidiaries, the entire issue of First (closed) Mortgage bonds of **Wichison Industrial Gas Company,** and a majority of the outstanding stock of **The Rice County Natural Gas Company.** These companies are engaged in the production, purchase, transportation and distribution of natural gas for industrial, commercial and domestic purposes and the recovery of gasoline from natural gas. The greater part of the gas is purchased under long term contracts from producers. The gas transported by the Larutan Pipe Line System serves industrial consumers in the cities of Wichita, Hutchinson and Wellington, and domestic and industrial consumers in Lyons, Sterling, Nickerson and intervening territory, all in the State of Kansas, the estimated populaion of which is in excess of 131,000. This system comprises approximately 214 miles of pipe lines up to 14 inches in size, and controls, through ownership, lease or gas purchase contract, the gas rights in more than 20,000 acres of land in Grant and Kay Counties, Oklahoma, and Sumner and Cowley Counties, Kansas.

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value; outstanding, 84,400 shares. The remaining 15,600 shares are reserved against exercise of stock purchase privileges of bondholders.

FUNDED DEBT

(1)

$2,600,000 FIRST MORTGAGE 6½% SINKING FUND GOLD BONDS; DUE DECEMBER 1, 1935

Dated December 1, 1927.

Interest Payable June and December 1, at Chatham Phenix National Bank & Trust Co., New York, and at The National City Bank of Cleveland, Cleveland, Ohio.

Stock Purchase Privileges—Each bond will entitle the holder thereof to purchase no par value Common stock of the Corporation at the rate of six shares for each $1,000 of bonds, up to and including the maturity of the bonds, irrespective of previous redemption of the bonds, at the following prices; $15 per share at any time on or before Dec. 1, 1929, $17 per share thereafter and on or before Dec. 1, 1930, $18 per share thereafter and on or before Dec. 1, 1931, $19 per share thereafter and on or before Dec. 1, 1932, $20 per share thereafter and on or before Dec. 1, 1933, $21 per share thereafter and on or before Dec. 1, 1934, $22 per share thereafter and until the maturity of the bonds. The mortgage securing these bonds includes suitable provisions for the protection of the stock purchase privileges in case of stock dividends, recapitalization, redemption of the bonds, etc.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The National City Bank of Cleveland, Cleveland, Ohio.

Provisions of Issue—Authorized and issued, $2,600,000.

Purpose of Issue—Proceeds from sale of these $2,600,000 bonds, together with those of $360,000 Debentures were to be used for the redemption of all of the Larutan Fuel Co. First Mortgage Sinking Fund Gold 7s, to acquire the entire issue ($400,000) of First Mortgage bonds of Wichison Industrial Gas Co., to defray the cost of a new compressor station and gasoline extraction plant, extensions and improvements, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, upon 30 days' published notice, to and including Dec. 1, 1928 at 104 and interest, the redemption premium decreasing ½% during each year thereafter.

Sinking Fund—Mortgage provides for a sinking fund payable monthly to the Trustee, beginning Feb. 25, 1928, sufficient to retire 80% of this issue by maturity. Corporation further covenants to apply to the sinking fund 50% of proceeds received from the exercise of stock purchase privileges, as an additional sinking fund. Corporation may deposit either cash or bonds at par in the sinking fund and Trustee will use the cash thus deposited for purchase of bonds at not exceeding prevailing call price. In the event that bonds cannot be purchased at such price, the Trustee will call bonds by lot.

Security—A direct obligation of Corporation, secured by a closed first mortgage lien on the entire fixed properties of the Corporation, presently owned or hereafter acquired, subject only to purchase money mortgages on hereafter acquired properties. Additionally secured by pledge with the Trustee of the entire issue of $400,000 First (closed) Mortgage bonds and 100% of the outstanding stock of the Wichison Industrial Gas Co., which company covenants not to create any further funded indebtedness or issue any additional stock without pledging the same under this mortgage. Corporation will also pledge under this mortgage a majority of the outstanding stock of The Rice County Natural Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, New Hampshire, Oregon, Pennsylvania, Virginia and Washington taxes, refundable upon timely and proper application, as provided in the mortgage.

Legal Opinion—Cadwalader, Wickersham & Taft, New York (for the Bankers) and Cornelius D. Scully, Esq., Pittsburgh, Pa. (for the Corporation).

Original Offering—First publicly offered ($2,600,000—with stock purchase privilege) in December, 1927, at 99 and interest to yield about 6.66%, by P. W. Chapman & Co., Inc., and A. M. Lamport & Co., Inc., New York.

(2)

$360,000 TEN YEAR 7% DEBENTURES

Authorized, $500,000; issued, $360,000.

CONSOLIDATED EARNINGS OF THE PROPERTIES

	Yr. Ended July 31, 1927	Yr. Ended Dec. 31, 1926
Gross revenue	$1,153,859	$1,053,645
Operating exp., maintenance & taxes (excluding Fed. Income taxes)	605,247	539,638
Net earnings available for interest, deprec. depletion and Fed. Inc. tax.	$548,612	$514,007
Maximum annual interest charge on First Mtge. bonds of Co.	164,369	.....

Officer: C. W. Sears, Pres.

Directors: The above and A. M. Lamport, H. G. Scott.

General Office, Wichita, Kansas.

MONTANA CITIES GAS COMPANY

History and Business—Incorporated in Delaware, to construct and operate a pipe line, with necessary gathering lines, for the purpose of purchasing, transporting and selling natural gas. The northern terminus of the pipe line will connect with the producing wells of Northern Natural Gas Development Company, in the vicinity of Shelby, Montana, and will

extend south to the city boundary of Great Falls, Montana, where it will connect with the intake line of Great Falls Gas Company. Total length of the main pipe line, together with gathering lines, will be approximately 102 miles. Capacity of the line will be about 25,000,000 cu. ft. of gas per day.

Construction and Management Contract—Company entered into a contract with Hope Engineering & Supply Company of Mt. Vernon, Ohio, for the construction of its pipe line, which it was anticipated would be completed by May 1, 1928. Funds sufficient to complete the line in accordance with this contract were to be deposited with Trustee of Company's First Mortgage and released only upon certificates, countersigned by independent engineers. Completion of the line was further insured by deposit with the Trustee of a surety bond of National Surety Company. The properties will be operated during the life of the First Mortgage bonds and Debentures described below, under the supervision of Hope Engineering & Supply Company.

Sales Contracts—Company has contracted to furnish entire gas requirements of Great Falls Gas Company, under which contract it is estimated Company will sell an average of approximately 6,000,000 cu. ft. of gas per day, which amount should be substantially increased in subsequent years. In addition Company has a contract to supply Anaconda Copper Mining Company's reduction plant with their entire gas requirements. Under this contract it is estimated Company will sell an average of 6,000,000 cu. ft. daily.

Gas Supply—Company will obtain its gas under long-term purchase contracts with representative independent producers in the Shelby Gas Field, Toole County, Montana, about 87 miles northwest of the city of Great Falls. Nineteen wells will be connected with Company's lines, on leases totaling more than 8,660 acres, with present estimated open flow capacity of over 110,000,000 cu. ft. per day. Additional wells are being drilled. Geologists and engineers have reported that in their opinion an adequate supply of gas, to meet the requirements of the Company, is available many years beyond the life of its present outstanding funded debt. As a further reserve, in the Canadian Boundary Field, about 32 miles distant, there are available wells having an estimated open flow capacity of approximately 65,000,000 cu. ft. of gas per day.

CAPITAL STOCK

Authorized, 250,000 shares Common of no par value and $1,000,000 7% cumulative Preferred; outstanding, 227,500 shares Common and $335,000 Preferred. In addition, 22,500 shares Common are held by Trustee for delivery upon exercise of stock purchase privilege of bondholders.

Transfer Agent (Common Stock)—The Chatham Phenix National Bank & Trust Co., New York.

Voting Trust—Total authorized 250,000 shares Common stock will be held in a Voting Trust during the life of the Series "A" bonds described below.

Dividends—None paid.

FUNDED DEBT

(1)

$1,500,000 FIRST MORTGAGE 7% SINKING FUND GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1937

Dated November 1, 1927.

Interest Payable May and November 1, at Chatham Phenix National Bank & Trust Co., New York.

Stock Purchase Privilege—Each Series "A" bond will entitle the holder thereof to purchase Common stock of the Company, represented by Voting Trust Certificates, at the rate of 15 shares for each $1,000 principal amount of bonds at $5.00 per share at any time up to and including Nov. 1, 1932, and at any time thereafter up to and including Nov. 1, 1937, at $10.00 per share, irrespective of previous redemption of bonds. The Mortgage contains appropriate provisions to protect the stock purchase privilege in event of the issuance of Common stock dividends or the division of Common stock into a greater number of shares or the sale of Common stock under subscription rights. When any Series "A" bond is redeemed prior to maturity without this stock purchase privilege having been previously exercised, the holder thereof will be furnsihed with a certificate evidencing his right to purchase such stock up to and including Nov. 1, 1937, at the prices above stated.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Chatham Phenix National Bank & Trust Co., New York and James F. McNamara, Co-Trustees.

Provisions of Issue—Authorized amount, unlimited; issued, $1,500,000. Under the terms of the Mortgage, additional bonds, issuable in one or more series, may be issued for refunding purposes and also in amount not to exceed 70% of the cost or fair value (whichever is less) of permanent additions, improvements, extensions and additional properties acquired, provided, however, that earnings applicable to First Mortgage bond interest for a period of 12 consecutive months out of the preceding 15 months shall have been at least three times annual interest charges on First Mortgage bonds then outstanding and proposed to be issued, excepting that a sufficient principal amount of First Mortgage bonds (in addition to the $1,500,000 of Series "A") for the construction of a pipe line from Shelby to Canadian Boundary Gas Field (approximately 32 miles) may be issued without regard to such earnings restrictions. All series other than Series "A" shall have maturities later than November 1, 1927.

Purpose of Issue—Proceeds from the sale of Series "A" bonds and junior securities were used to meet the cost of constructing a pipe line system, to provide cash reserves and working capital and for other corporate purposes.

Callability—Subject to call as a whole or in part by lot, on 30 days' notice on any interest date at 105 and interest on or before Nov. 1, 1932, the redemption premium decreasing 1% for each year thereafter.

Sinking Fund—The mortgage provides for a fixed sinking fund payable in monthly installments in cash to the Trustee for the retirement of Series "A" bonds at or below the current redemption price and if not so obtainable for the redemption of Series "A" bonds to be selected by lot. Payments commence Nov. 1, 1928 in amounts equivalent to $120,000 per annum, until Nov. 1, 1929, increasing regularly thereafter each year to the sum of $216,000 for the last year prior to maturity. In addition to this fixed sinking fund 25% of the net earnings as defined in the Mortgage, will be paid semi-annually to the Trustee for similar retirement of additional Series "A" bonds. The Mortgage also provides that 50% of the cash received by the Company through the exercise of the stock purchase privilege shall be applied to the retirement of Series "A" bonds. In the event of the issue of additional bonds under the Mortgage, the Mortgage provides for the creation of sinking funds sufficient to retire, at or prior to maturity, at least 75% of all bonds (other than Series "A") to be issued thereunder.

Security—Bonds are the direct obligation of the Company and are secured by a first mortgage on the entire fixed properties of the Company now owned or hereafter acquired, subject to any existing farm mortgages on the lands to be traversed by the pipe line rights of way, and subject to prior liens, if any, on hereafter acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property or income taxes of any State and the District of Columbia refunded upon timely appropriate application.

Legal Opinion—Cadwalader, Wickersham & Taft, New York (for the Bankers) and C. D. Scully, Pittsburgh, Pa. (for the Company).

Original Offering—First publicly offered ($1,500,000) in Nov., 1927 at par and interest by Yeager,

Young & Pierson, Inc., New York; Paul & Co., Philadelphia and Freeman, Smith & Camp Co., Portland, Ore.

(2)

$300,000 TEN-YEAR 7% GOLD DEBENTURES; DUE NOVEMBER 1, 1937

Dated November 1, 1927.

Interest Payable May and November 1 at Chatham Phenix National Bank & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized and issued, $300,000.

Purpose of Issue—Proceeds were used to meet the cost of constructing the pipe line system, to provide cash reserves and working capital amounting to over $200,000, and for other corporate purposes.

Callability—Subject to call as a whole or in part by lot on 30 days' notice at 100 and interest.

Sinking Fund—A sinking fund based upon the net earnings of the Company is provided, commencing Nov. 1, 1929, to operate semi-annually.

Security—Debentures are the direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund upon timely appropriate application personal property and income taxes of any State and the District of Columbia.

Legal Opinion—Cadwalader, Wickersham & Taft, New York (for the Bankers) and C. D. Scully, Pittsburgh, Pa. (for the Company).

Original Offering—First publicly offered ($300,000) in Jan., 1928, at par and interest, the initial purchasers of the Debentures being entitled to receive as a stock bonus without cost to them, ten shares of Common stock of the Company represented by Voting Trust Certificates, for each $1,000 Debenture purchased by them, by Yeager, Young & Pierson, New York, and Pearson, Erhard & Co., Boston.

TENTATIVE BALANCE SHEET, NOVEMBER 1, 1927

Assets—	
Pipe lines, equipment, distributing systems, contracts, franchises, etc.	$2,730,000
Cash	205,000
Organization expense	65,000
Total	$3,000,000
Liabilities—	
Preferred stock	$335,000
Common shares (227,500) of no par value	865,000
Ten-Year First Mtge. 7% bonds	1,500,000
Ten-Year 7% Debentures	300,000
Total	$3,000,000

Officer: R. S. Lord, Pres.

General Office, Great Falls, Montana.

CUMBERLAND VALLEY TELEPHONE COMPANY, OF PA.

History and Property—Incorporated Dec. 28, 1915, in Pa.; reorganization of Cumberland Valley Telephone Co. Franchises, perpetual. Company controls the Lykens Telephone & Telegraph Company. Company operates strictly within the State of Pennsylvania, its chartered territory being the Counties of Adams, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Mifflin, Northumberland, Perry, Schuylkill, Snyder and York. On Sept. 14, 1925, Company purchased the franchise and property of Pleasant Hill Telephone Co. in southern York County. In Oct., 1927, Company purchased all of the franchises and corporate property of The Juniata Farmers Telegraph & Telephone Company and Lost Creek Valley Rural Telephone Company, operating in Juniata County, Pa. Contractual relations with other telephone companies provide for an interchange of service. On Dec. 31, 1927, Company owned and operated 991 miles of pole line, and 23,400 miles of wire. No. of exchanges, 27. Stations (owned 10,137, connected, 4,567), 14,704. Population served, about 300,000. Prices, $22 to $60.

CAPITAL STOCK

Authorized, $750,000 Common and $250,000 7% cumulative Preferred (authorized by stockholders March 16, 1927); outstanding, Dec. 31, 1927, $656,000 Common; par of Common, $50. Secretary of Company acts as Transfer Agent. Annual meeting, first Monday in May.

Dividends—No dividends paid.

FUNDED DEBT

(1)

$305,500 FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1966

Dated January 1, 1916.

Interest Payable January and July 1, at Mechanics Trust Co., Harrisburg, Pa.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Mechanics Trust Co., Harrisburg, Pa.

Provisions of Issue—Authorized, $750,000; issued, $350,000, of which $24,500 redeemed through sinking fund and cancelled and $20,000 held in the treasury, as of Dec. 31, 1927. Further bonds may be issued for additions and betterments to the property at not exceeding 85% of cost, and only when net earnings for the previous year are equivalent to one and one-half times the interest charges on all bonds outstanding, plus those proposed to be issued.

Callability—Subject to call at par and interest on any interest date.

Sinking Fund—Sinking fund of 1% of bonds outstanding became operative Jan. 1, 1921.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Charles H. Bergner, Harrisburg, Pa., and Graham & Gilfillan, Philadelphia, Pa.

Original Offering—Publicly offered in March, 1917, at 97½ and interest, yielding about 5⅛%.

(2)

$737,000 GENERAL MORTGAGE 5s; DUE APRIL 1, 1966

Dated April 1, 1916.

Interest Payable April and October 1, at Commonwealth Trust Co., Harrisburg, Pa.

Denomination—Coupon, $500; principal may be registered.

Trustee—Commonwealth Trust Co., Harrisburg, Pa.

Provisions of Issue—Authorized issue, $750,000. These bonds bore interest at rate of 4% for the first five years; present rate 5%.

Callability—Subject to call at par and interest.

Security—A lien on entire property, subject to the first 5s described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$309,033	$304,101	$303,217	$292,113	$290,474	$295,929
Operating expenses and taxes	193,802	185,433	185,907	181,001	182,039	191,583
Net earnings	$115,231	$118,668	$117,310	$111,112	$108,435	$104,346
Bond interest	50,887	50,827	50,961	50,397	49,813	49,987
Other deductions	2,785	2,815	2,845	3.015	3,052	3,020
Depreciation reserve	57,654	56,598	56,383	49,560	49,566	48,037
Total charges	$111,326	$110,240	$110,189	$102,972	$102,431	$101,044
Surplus for year	$3,905	$8,428	$7,121	$8,140	$6,005	$3,302

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
*Property account	$1,689,994	$1,661,109	$1,678,988	$1,657,606	$1,620,408	$1,570,633
Stocks of system corporations	5,853	12,752	.....	.....	.....	34,357
Cash on deposit with Mechanics Trust Co. Trustee	728	728	728	30,727	22,589	45,018
Materials and supplies	22,902	27,783	23,782	32,042	33,407	34,149
Cash on hand	8,566	8,567	10,244	11,420	22,473	12,920
Current accounts	49,767	38,202	31,274	22,811	23,018	20,005
Other deferred assets	7,959	7,336	.....	.....	.....	.....
Total	$1,785,769	$1,756,477	$1,745,016	$1,754,607	$1,721,895	$1,717,082
Liabilities—						
Capital stock	$656,000	$656,000	$656,000	$656,000	$656,000	$656,000
Funded debt	1,042,500	1,015,500	1,018,500	1,021,500	995,000	998,500
Loans and notes payable	3,000	5,000	.....	18,000	20,000	20,000
Current liabilities	8,143	7,432	8,287	7,864	7,373	8,360
Interest accrued	9,212	9,212	9,213	9,212	9,213	9,213
Other liabilities	688	780	1,955	1,182	1,340	1,545
Res. for bad debts and taxes	.....	.....	.....	.....	430	430
Sinking fund reserve	24,369	21,584	18,769	15,924	12,909	9,857
Surplus	41,857	40,968	32,292	24,924	19,629	13,177
Total	$1,785,769	$1,756,477	$1,745,016	$1,754,607	$1,721,895	$1,717,082

*After deducting depreciation reserve, $349,933, in 1924, $406,315 in 1925, $462,913 in 1926 and $520,567 in 1927.

Officers: W. J. Lescure, Pres.; John C. Motter, V-P.; O. K. Kines, Sec. & Treas.; Cameron L. Baer, Gen. Mgr., Harrisburg, Pa.

Directors: W. Grant Rauch (Chairman) Clyde L. Paul, W. J. Lescure, E. Bruce Taylor, C. L. Long, Harrisburg, Pa.; E. Clay Krebs, Philadelphia; Frank A. Zimmerman, Chambersburg, Pa.; A. E. Pendergast, Trenton, N. J.; W. E. Weller, Wrightsville, Pa.

General Office, Harrisburg, Pa.

NORTHWESTERN PUBLIC UTILITIES INC.

History and Business—Incorporated in Delaware to own and operate without competition a number of previously existing electric light and power properties located in a territory within a radius of 200 miles of Minneapolis, Minn. Company serves a total population of approximately 15,000 having 1,780 electric customers in and adjacent to the following communities in Minnesota: Courtland, Searles, Cambria, Marine, Scandia, Mapleton, Pine River, Backus, Hackensack, Pequot, Jenkins, Nisswa, Mildred, Grandview Lodge, Pleasant Lake, Grey Eagle, Burtrum, Bowlus, Upsala, Parkers Prairie.

Properties consist of a modern hydro-electric development located at Pine River, Minnesota, which was reconstructed along modern engineering lines in 1927. Company will have other sources of power through wholesale power purchase contracts with the Northern States Power Company and the Minnesota Power & Light Company. For the year ended Oct. 31, 1927, the constituent companies purchased 1,244,063 k.w.h. for resale through its own transmission and distribution system which consists of 230 miles of high voltage transmission lines.

Company will operate its properties under franchises which are considered satisfactory and contain no burdensome restrictions.

CAPITAL STOCK

Outstanding, 5,000 shares Common of no par value, and $100,000 7% cumulative Preferred.

FUNDED DEBT

$350,000 ONE-YEAR 5% GOLD NOTES, SERIES "A"; DUE JANUARY 1, 1929

Dated January 1, 1928.

Interest Payable January and July 1, at Chicago Trust Co., Chicago, Ill.

Denominations—Coupon, $500 and $1,000.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Issued, Series "A," $350,000. Additional notes maturing not earlier than the Series "A" notes, having different terms, are issuable under the trust agreement from time to time provided the annual net earnings of the Company as defined in the trust agreement have been at least 1¾ times the annual interest charges on all notes outstanding, including the additional issue.

Purpose of Issue—Proceeds were used in part for the acquisition of properties, to reimburse the Company for capital expenditures and for other corporate purposes.

Callability—Subject to call at any time on 30 days' notice at 100 and interest.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the Company. Under the terms of the trust agreement the company covenants that no funded indebtedness secured by liens on the present property of the Company will be created unless these notes are either retired or equally secured, and that no funded indebtedness other than additional notes issuable under the terms of the trust agreement will be created by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman & Cutler.

Original Offering—First publicly offered ($350,000) in January, 1928, at 99 and interest to yield 6%, by F. N. Kneeland & Co. and First Illinois Co., Chicago.

EARNINGS, YEAR ENDED OCTOBER 31, 1927
(Earnings of the properties after eliminating certain non-recurring charges)

Gross earnings	$94,580
Oper. exp., maint. & taxes (exclusive of Fed. taxes)	56,081
Net earnings	$38,499
Annual int. requirements on One-Year notes	17,500
Balance available for depre. & divds.	$20,999

Officer: R. B. Nelson, V-P.

General Office, Minneapolis, Minn.

THE UNITED ILLUMINATING COMPANY

History—Incorporated in 1899, in Conn., as a consolidation of electric light interests of New Haven and Bridgeport, and towns between. Controls the Bridgeport Electric Light Co. In 1910, purchased the Fairfield Light & Power Co. Franchise perpetual. Generating capacity 60,000 h.p., which does not include additional installation of 32,500 k.w. expected to be completed in Jan., 1929. Population served, 298,000.

CAPITAL STOCK

Authorized issue, unlimited; outstanding, Jan. 1, 1928, 509.820 shares of no par value. On Feb. 17, 1926, the par value of the shares of capital stock was changed from $100 to no par value, 6 shares of no

par value stock being issued in exchange for each share of $100 stock. Transfer office, New Haven, Conn. Annual meeting, third Wednesday in February.

Stock Subscription Privileges—Stockholders of record March 20, 1924, received the right to subscribe for 6,537 shares of additional stock, par $100, at rate of one share for every twelve shares then held.

Stockholders of record Dec. 20, 1926, received the right to subscribe for 56,647 shares of additional no par stock at rate of one share for every nine shares then held, at $37 per share. Payments, $7 in Feb., 1927 and $10 each in Oct., 1927, and in April and Oct., 1928, at which time Company will pay 6% interest. The additional capital will be used for general plant construction work.

Dividends—Dividends have been paid as follows: From 1900 to Nov., 1901, 4%; from Nov., 1901 to July, 1904, 6% per annum; increased to 7% with dividend of July 1, 1904; to 8% Jan. 1, 1906; and to 10% (8% regular, and 1% extra J & J 1) in 1916; 1921, 1922 to 1924, 10% each, being regular dividends of 8% and extras of 2% each year; Jan. 1, 1925, 3%; Apr. 1, 1925, 2½%; July 1, 1925, to Jan. 1, 1926, 3% quarterly; initial quarterly dividend of 65 cents per share paid on new no par stock April 1, 1926, which rate was maintained to and including April 1, 1927; on July 1, 1927, quarterly rate increased to 75 cents per share. Regular dividends paid quarterly, J, A, J & O 1; extras semi-annually on January and July 1.

FUNDED DEBT

$1,625,000 FIRST MORTGAGE GOLD 4s; DUE FEBRUARY 1, 1940

Dated February 1, 1900.

Interest Payable February and August 1, at Merchants' National Bank, New Haven.

Denominations—Coupon, $500 and $1,000. New Haven Trust Co., Trustee.

Provisions of Issue—Authorized, $2,000,000; outstanding, $1,625,000. Secured by first lien on all property. Legal for Connecticut savings banks.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$6,621,291	$6,123,095	$5,438,042	$4,976,469	$4,792,595	$4,180,353
Operating expenses, taxes, repairs & mainte...	4,267,134	4,109,957	3,676,292	3,618,219	3,535,455	3,113,779
Net earnings	$2,354,157	$2,013,138	$1,761,750	$1,358,249	$1,257,140	$1,066,574
Other income	*	*	*	27,027	40,773	36,803
Total income	$2,354,157	$2,013,138	$1,761,750	$1,385,276	$1,297,913	$1,103,377
Interest on bonds, etc.	125,815	99,568	95,865	111,661	110,835	86,747
Net income	$2,228,342	$1,913,570	$1,665,885	$1,273,615	$1,187,078	$1,016,630
Dividends paid	1,478,478	1,325,532	977,155	803,948	715,712	686,300
Surplus for year	$749,864	$588,038	$688,730	$469,467	$471,366	$330,330
Times Interest Earned	18.71	20.22	18.37	15.63	11.71	12.72
Earnings Per Share	‡$4.37	‡$3.75	†$19.61	$14.99	$15.13	$14.81

*Included in gross earnings. †Based on 84,970 shares of $100 par value. ‡Based on 509,820 no par shares outstanding Dec. 31. Stockholders of record Dec. 31, 1926, received the right to subscribe to 56,647 additional shares (see above).

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926	1925	1924	1923
Property & investments	$19,771,637	$17,270,234	$15,613,503	$13,161,799	$11,695,215	$9,868,054
Accounts receivable	189,326	194,374	166,475	205,439	218,489	294,444
Material and stock	224,528	205,363	277,543	288,320	300,869	173,872
Securities owned	.....	.....	.....	.....	358,699	658,700
Cash	37,280	29,312	18,867	149,678	28,405	36,195
Total	$20,222,771	$17,699,283	$16,076,388	$13,805,236	$12,601,677	$11,031,265
Liabilities—						
Capital stock	†$13,592,452	†$12,842,588	$8,497,000	$8,497,000	$7,843,400	$6,863,000
Capital stock subscribed	962,999	.....	.....	.....	.....	.....
Funded debt	1,625,000	1,625,000	1,625,000	1,625,000	1,625,000	1,625,000
Bills payable	56,153	166,676	133,911	87,619	352,959	257,755
Tax accruals	355,883	344,996	340,328	.....	.....	.....
Consumers' deposits	257,582	224,693	176,568	144,900	113,113	104,335
Retirement, casualty & ins. reserves	3,372,702	2,495,330	1,546,031	403,616	89,772	75,108
Profit and loss	†	†	3,757,550	3,047,101	2,577,433	2,106,067
Total	$20,222,771	$17,699,283	$16,076,388	$13,805,236	$12,601,677	$11,031,265

†Capital stock and surplus represented Jan. 1, 1928, by 509,820 no par shares.

Officers: Jas. English, Pres., New Haven, Conn.; P. W. Wren, V-P., Bridegport, Conn.; Albert W. Kraft, Sec. & Treas.; H. F. Leavitt, Supt., New Haven, Conn.; S. R .Manwaring, Mgr., New Haven, Conn.

Directors: Jas. English, D. A. Blakeslee, F. F. Brewster, J. A. Hamilton, R. A. Manwaring, Lewis H. English, Albert W. Kraft, New Haven, Conn.; Frederic Cutts, P. W. Wren, Bridgeport, Conn.

Office, New Haven, Conn.

OHIO TELEPHONE SERVICE COMPANY

History and Business—Incorporated in 1927 as a consolidation of The Sidney Telephone Company (see 1928 Public Utility Volume, page 2375), The Greenville Home Telephone Company, The Botkins Home Telephone Company and The Jackson Center Telephone Company. Company furnishes local and long distance telephone service through a total of 8,184 stations to 43 communities and the surrounding rural sections principally in Shelby and Darke Counties, Ohio and a small portion of the adjacent counties. The chief cities are Sidney, Greenville, Jackson Center, Botkins, Versailles, Arcanum, Ansonia and Bradford. Company operates in all thirteen exchanges and its system includes a total of approximately 960 miles of pole lines, 5,345 miles of exchange aerial wire and 4,129 miles of wire in cable. It owns a long distance system in Western Ohio containing 562 miles of circuits and in addition, long distance service to any point in the United States is available to subscribers through an operating agreement with The Ohio Bell Telephone Company and the American Telephone and Telegraph Company.

CAPITAL STOCK

Authorized, 8,000 shares Common of no par value and $325,000 7% cumulative Preferred of $100 par value; outstanding, 8,000 shares Common and $325,000 Preferred.

Preferred Stock Provisions.—Has preference as to assets as well as dividends. In event of any liquidation of Company, shall be entitled to receive $105 per share plus all unpaid dividends before any distribution to Common stockholders. Subject to redemption on any dividend date upon 30 days' notice at $105 per share. No additional Preferred stock shall be authorized unless: (a) After issuance thereof, and after giving effect to net proceeds of such excess issue, net tangible assets of the Corporation shall be at least 150% of the par value of outstanding Preferred, including the amount then to be issued; and (b) net earnings of the corporation before allowance for depreciation available for payment of dividends upon its Preferred stock shall have been for a period of 12 consecutive calendar months within the 15 calendar months immediately preceding the issuance of such additional stock, at least 2½ times annual dividend requirements upon all Preferred stock issued and outstanding including the additional Preferred stock proposed to be issued. Restrictions have been provided for allowing voting power to holders of this Preferred stock in case four quarterly dividends on the Preferred issue shall be in default.

Transfer Agent and Registrar—The Guardian Trust Company, Cleveland, Ohio.

Legal Opinion—Squire, Sanders & Dempsey, Cleveland, and Simmons, DeWitt & Vilas, Cleveland (for the bankers) and Hess & Hess, Sidney (for the Company).

Tax Provisions—Tax exempt in Ohio and free from present Normal Federal Income tax.

Original Offering—Preferred stock first publicly offered ($325,000) in June, 1927, at par and accrued dividend, by R. B. Keeler & Co., Cleveland.

Annual Meeting—Third Thursday in February.

Listed (Preferred stock)—Cleveland Stock Exchange.

Price Range—

7% Preferred—	1927
High	101½
Low	101

Dividends—Preferred dividends regularly paid quarterly, J, A, J & O 1, initial payment of 1¾% having been made October 1, 1927. On Common, 60c. a share was paid in 1927.

FUNDED DEBT

$550,000 FIRST MORTGAGE 6% TWENTY-YEAR SINKING FUND GOLD BONDS, SERIES "A"; DUE JUNE 1, 1947

Dated June 1, 1927.

Interest Payable June and December 1 at The Guardian Trust Co., Cleveland, Ohio.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Guardian Trust Company, Cleveland, Ohio.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A," $550,000. Additional bonds may be issued for not more than 75% of the cost or fair value, whichever is lower, of the permanent improvements, extensions, additions and/or acquisitions provided that net earnings after depreciation for 12 consecutive months in the preceding 15 months shall be equal to at least twice the annual interest charges on all First Mortgage bonds outstanding including those presently to be issued.

Purpose of Issue—Proceeds from these bonds, together with the Pfd. stock, were used for the purpose of effecting consolidation of constituent companies into the present organization and to provide additional working capital.

Callability—Subject to call as a whole or in part on any interest date on not less than 30 days' notice at 105 on or before June 1, 1932, at 104 on or before June 1, 1935, at 103 on or before June 1, 1938, at 102 on or before June 1, 1941, and at 101 thereafter, plus accrued interest in all cases.

Sinking Fund—While any of the Series "A" bonds are outstanding, the Company will pay as a sinking fund for the purchase and/or retirement of bonds of Series "A," to the Trustee on or before the first day of June in each year from June 1, 1928 to and including June 1, 1932, an amount equal to 1% of the highest principal amount of bonds of Series "A" at any time theretofore outstanding, and from June 1, 1933 to and including June 1, 1946 an amount equal to 2% of the highest principal amount of bonds of Series "A" at any time theretofore outstanding, to be applied to the purchase or call of bonds at not exceeding the then current redemption price, plus accrued interest.

Security—Secured by a direct first mortgage on all fixed property of the Company including land, buildings, equipment and conduits and by a direct lien on property hereafter acquired subject to certain existing liens as provided in the Indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to reimburse resident holders of these bonds upon application within 60 days after payment as provided in the mortgage, for any personal property tax of any state of the United States under any present or future law not in excess of 5 mills per annum upon the principal of the bonds and for any income tax on the interest thereon not in excess of 6% per annum.

Legal Opinion—Squire, Sanders & Dempsey and Simmons, DeWitt & Vilas, Cleveland (for the bankers) and Hess & Hess, Sidney, Ohio (for the Company).

Original Offering—First publicly offered ($550,000) in June, 1927, at par and interest, by Guardian Trust Co. and R. B. Keeler & Co., Cleveland, Ohio.

INCOME ACCOUNT, SEVEN MONTHS ENDED DEC. 31, 1927

Gross earnings	$135,951
Expenses and taxes	71,921
Depreciation	21,000
Net earnings	$43,030
Interest charges	19,413
Amortization of organization exp.	2,106
Surplus after charges	$21,511
Preferred dividends	11,375
Common dividends	4,800
Federal taxes	2,996
Surplus for period	$2,340

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties, less depreciation reserve	$1,462,744
Bonds owned	6,000
Materials and supplies	3,206
Cash	3,102
Accounts receivable	14,984
Other current assets	8,756
Deferred debit items	15,947
Prepayments	1,440
Total	$1,516,179
Liabilities—	
Preferred stock	$325,000
Common stock (8,000 shares no par value)	613,160
Funded debt	550,000
Accounts payable	5,606
Interest accrued	2,750
Dividends accrued	5,687
Reserve for taxes	9,566
Profit and loss	4,410
Total	$1,516,179

Officers: W. H. Wagner, Pres.; Frank P. Thedieck, V-P.; Royan G. Hess, Sec.; George B. Quatman, Treas., Sidney, Ohio.

Directors: George B. Quatman, George Mannix, Jr., Conrad Kipp, Greenville, Ohio; Ralph Bauman, Cleveland, Ohio; Frank P. Thedieck, W. H. Wagner, L. Cable Wagner, Royan G. Hess, Sidney, Ohio.

General Office, Sidney, Ohio.

OHIO VALLEY GAS CORPORATION

History and Business—Incorporated in West Virginia to acquire, own and operate natural gas properties in West Virginia supplying gas under long-term contract to the Hope Natural Gas Company. The

Corporation through its subsidiaries, **Mid-East Gas Company** and **The Zane Gas Company** also owns and operates an extensive natural gas pipe line and producing system in Ohio serving a number of large industrial consumers at Zanesville.

The Corporation and its subsidiaries own 138 miles of pipe line, and control through lease or gas purchase contract, 113 gas wells and the gas rights in more than 22,000 acres of land in the gas-producing districts of Roane and Jackson Counties, West Virginia, and Muskingum, Licking, Coshocton and Perry Counties, Ohio. The pipe lines are connected to wells with total present open flow capacity in excess of 25,000,000 cu. ft. per day. The properties of the Corporation distributed more than 1,700,000,000 cu. ft. of gas during each of the years 1926 and 1927.

The properties and business of the Corporation and its subsidiaries have been estimated by Ralph E. Davis, Engineer, Pittsburgh, Pa., to have a value of approximately $2,650,000 and the same engineer has given his opinion that gas reserves including gas available through purchase contracts, will be more than sufficient for the proposed amortization of the First Mortgage bonds and notes of Ohio Valley Gas Corporation.

Hope Natural Gas Company is under contract to purchase all of the gas produced from the West Virginia Field of the Corporation (up to 5,000,000 cubic feet per day), with the exception of that required by domestic and industrial consumers at Spencer, W. Va. The contract further provides that the Hope Natural Gas Company will maintain and operate a compressor station of sufficient capacity to take up to 5,000,000 cu. ft. per day, and will pay for all gas monthly at a fixed rate, plus one-third of specified rate increases received by the Hope Natural Gas Company in the future.

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value and 5,000 shares $7 cumulative Preferred of no par value; outstanding, 200,000 shares Common, including 26,000 shares reserved for stock purchase warrants attached to First Mortgage bonds of Corporation.

FUNDED DEBT

(1)

$1,800,000 FIRST MORTGAGE 6½% SINKING FUND GOLD BONDS; DUE JANUARY 1, 1943

Dated January 1, 1928.

Interest Payable January and July 1, at The New York Trust Co., New York.

Stock Purchase Warrants—Each $1,000 bond carries a warrant entitling the bondholder to purchase a unit of ten shares of the Common stock of the Corporation at $5 per share. Warrants may be exercised upon presentation at the office of the Trustee, of bonds with warrants attached at any time on or before Jan. 1, 1943, unless all outstanding bonds of this issue shall have been previously called for redemption, in which case warrants may be exercised on or before the interest payment date next succeeding the publication of the redemption notice. Each $500 bond will carry proportionate stock purchase privileges. The mortgage provides that all cash received by the Corporation through the exercise of the stock purchase warrants shall be applied to the retirement of these bonds.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The New York Trust Co., New York, N. Y.

Provisions of Issue—Authorized and issued, $1,800,000.

Purpose of Issue—Proceeds were used to reimburse the Corporation in part for the cost of the properties acquired, for new pipe lines and other improvements, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, to and including July 1, 1933, at 105 and accrued interest, the redemption premium decreasing ½% during each year thereafter.

Sinking Fund—Mortgage provides for a fixed sinking fund payable monthly to the Trustee, beginning Jan. 25, 1929, and for an additional annual sinking fund payable out of income, as provided in the Indenture. The Corporation may deposit either cash or bonds at par, and the Trustee will use the cash thus deposited for the purchase of bonds at not exceeding the then call price. In the event that bonds cannot be purchased at less than the call price, the Trustee will call bonds by lot.

Security—Secured by a first closed mortgage on all of the fixed physical properties and developed leases of the Corporation and of the Mid-East Gas Co., subject only to the outstanding contracts for the sale of gas and the usual farm mortgages. In addition thereto these bonds are secured by pledge with the Trustee of all of the capital stock of The Zane Gas Co., except directors' qualifying shares, proper covenants being contained in the Indenture against the creation of any funded indebtedness by The Zane Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, Oregon, Pennsylvania, Virginia and Washington taxes, refunded upon timely and proper application, as provided in the mortgage.

Legal Opinion—Chapman & Cutler, Chicago, and Koontz, Hurlbutt and Revercomb, Charleston, W. Va.

Original Offering—First publicly offered ($1,800,000) in January, 1928, at 98.50 and interest, to yield over 6.65%, by P. W. Chapman & Co., Inc., New York.

(2)

$500,000 (PLEDGED) GENERAL MORTGAGE 7% GOLD BONDS; DUE JANUARY 1, 1938

Provisions of Issue—Authorized, $1,000,000 of which $500,000 are pledged with the Trustee of Corporation's Five-Year 7% Secured Gold Notes, due Jan. 1, 1933 described below. The balance of these bonds may be issued under restrictions, as provided in the mortgage.

Sinking Fund—The General Mortgage provides for a fixed sinking fund payable monthly to the Trustee thereunder, beginning January 25, 1929, and for an additional annual sinking fund payable out of income, as provided in the trust indenture.

Security—Secured by a general mortgage on all of the fixed physical properties and developed leases of the Corporation and of the Mid-East Gas Company, subject only to $1,800,000 First Mortgage bonds due January 1, 1943 described above, and to outstanding contracts for the sale of gas and the usual farm mortgages.

(3)

$400,000 FIVE-YEAR 7% SECURED GOLD NOTES, DUE JANUARY 1, 1933

Dated January 1, 1928.

Interest Payable January and July 1, at Fidelity Trust Company of New York.

Stock Purchase Warrants—Each $1,000 note carries a warrant entitling the holder to purchase a unit of 20 shares of Common stock of the Corporation at $5 per share. Warrants may be exercised upon presentation at the office of the Trustee, of notes with warrants attached, at any time on or before January 1, 1933, unless all outstanding notes of this issue shall have been previously called for redemption, in which case warrants may be exercised on or before the interest payment date next succeeding the publication of the redemption notice. Each $500 note carries proportionate stock purchase privileges. The Trust Agreement provides that all cash received by the Corporation through the exercise of stock purchase warrants attached to the notes shall be applied to the retirement of these notes.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity Trust Company of New York.

Provisions of Issue—Authorized and issued, $400,000.

Purpose of Issue—Proceeds from sale of this issue were to be used to reimburse Corporation in part for the cost of properties acquired, for new pipe lines and other improvements, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, upon 30 days' notice, to and including July 1, 1930, at 103 and interest, the redemption premium decreasing 1% during each year thereafter.

Sinking Fund—Through the operation of the General Mortgage sinking fund it is calculated that the Trustee under the Trust Agreement securing these notes will receive cash, or notes at par, sufficient for the retirement of approximately 50% of this issue prior to maturity, at which time it is estimated that the outstanding First Mortgage bonds will have been reduced by approximately $584,000 . The cash thus received by the Trustee will be applied to the purchase or redemption of notes at not exceeding the then call price.

Security—A direct obligation of Ohio Valley Gas Corporation, secured by pledge with the Trustee of $500,000 General Mortgage 7% Gold bonds, due January 1, 1938.

Legal Opinion—Chapman & Cutler, Chicago, and Koontz, Hurlbutt & Revercomb, Charleston, W. Va.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2% and agrees to refund certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, Oregon, Pennsylvania, Virginia and Washington taxes, upon timely and proper application, as provided in the Trust Agreement.

Original Offering—First publicly offered ($400,000) in March, 1928, at par and interest, with Common stock purchase warrants, by Sawyer Brothers, Inc., Boston, and Pirnie, Simons & Co., Inc., Springfield, Mass.

CONSOLIDATED EARNINGS, YEAR ENDED SEPTEMBER 30, 1927

Gross revenue	$523,627
Operating exp., maintenance & taxes	265,830
Net earnings available for int., deprec., deple. and Federal income taxes	$257,797
Maximum annual int. requirements of First Mtge. 6½% Gold bonds, 1943	117,000

Officer: Carl F. Bauman, Treas.

General Office, Union Trust Bldg., Charleston, W. Va.

SAGUENAY ELECTRIC COMPANY

(Controlled by Duke-Price Power Company, Limited)

History and Business—Incorporated Feb. 28, 1927 under the Quebec Companies Act. Has acquired the plants and distributing systems of a number of companies selling power in the Province of Quebec, for lighting, heating and industrial purposes. It serves the districts to the south and southeast of Lake St. John and portions of the Saguenay Valley, including the City of Chicoutimi and many growing commmunities such as Port Alfred, St. Felicien and Arvida. The total customers served exceed 5,000. Companies absorbed or now controlled are as follows: Chicoutimi Electric Co., Ltd., Herbertville Electric Co., Ltd., St. Prime Electric Co., Ltd. In each instance the properties of these companies were taken over and are now being operated by the Saguenay Electric Company.

Company has a contract with the Duke-Price Power Company, Limited, effective beyond the maturity of the First Mortgage and Collateral Trust bonds described below, whereby it purchases from the parent company such amounts of power as it requires, up to an aggregate of 10,000 h.p. (hydro-electric.) In addition, the generating facilities of the Company consist of a 3,500 h.p. hydro-electric plant near Chicoutimi and 600 h.p. of hydro-electric power generated by three other plants.

The transmission system owned by the Company consists of 10 miles of 13,000 volt lines, 14 miles of 6,600 volt lines and 82 miles of 2,200 volt lines.

CAPITAL STOCK

Authorized, $1,700,000 and $800,000 Preferred; outstanding, $750,000 Common and $700,000 6% cumulative Preferred; par of both classes, $100. Company is controlled by the Duke-Price Power Company, Limited, through ownership of a majority of the issued shares.

Pfd. Stock Provisions—Pfd. stock is cumulative but dividends for any given fiscal year shall cumulate only to the extent of the net profits of the Company for the said fiscal year and in no event shall the dividends for any year be paid out of profits of any preceding or subsequent year or years. Participation in earnings starts January 1, 1928. Pfd. stock is subject to call at 110 and accrued dividends.

FUNDED DEBT

$1,360,000 FIRST MORTGAGE AND COLLATERAL TRUST 5½% SINKING FUND GOLD BONDS, SERIES "A," DUE 1953; DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1, in Canadian gold coin of the present standard of weight and fineness either at National Trust Co., Ltd., Montreal, or at Bankers Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—National Trust Co., Ltd., Montreal.

Provisions of Issue—Authorized, $15,000,000; issued, Series "A," 5½%, $1,360,000. Additional bonds may be issued in a principal amount not exceeding 80% of the cost to the Company of any additional fixed property and/or bonds, shares of stock or other securities of other corporations on which the bonds will be a direct first lien, provided, however, that the total amount of bonds issued upon the basis of such bonds, shares of stock or other securities of other corporations, shall at no time exceed 50% of the principal amount of all bonds then outstanding under the Trust Deed, including the additional bonds proposed to be issued.

Callability—Subject to call as a whole only, or in part for sinking fund, on the first day of any month, at 104 and interest on or before Jan. 1, 1934, the premium thereafter decreasing 1% during each successive 5-year period up to and including Jan. 1, 1949, and thereafter callable at the principal amount.

Sinking Fund—The Company covenants that on Feb. 1, 1933, and annually thereafter, it will pay to the Trustee an amount sufficient to redeem $34,000, in principal amount of the Series "A" bonds at not to exceed the call prices given above.

Security—Secured by a direct first mortgage on the Company's lands, rights in lands, water powers, dams, power houses, transmission lines, distribution systems and franchises now owned, and by a floating charge on all other present and future assets of the Company.

Legal Opinion—Smith, Buchanan, Scott and Gordon, Pittsburgh and Geoffrion and Prud'homme, Montreal (for the Company) and Lafleur, MacDougall, Macfarlane and Barclay, Montreal (for the Bankers).

Original Offering—First publicly offered ($1,360,000) in Jan., 1928, at 98½ and interest by Aldred & Co., Minsch, Monell & Co., Inc., New York; Chase & Co., Boston; Aldred & Co., Ltd., and Wood, Gundy & Co., Ltd., Montreal, Que.

OFFICERS AND DIRECTORS

Officers: J. E. A. Dubuc, Pres.; McNeely Du Bose, V-P.; Vincent Dubuc, Sec. & Treas.; P. M. Corrigan, Asst. Treas.

Directors: J. E. A. Dubuc, Julian C. Smith, T. J. Bostwick, McNeely Du Bose, Vincent Dubuc.

General Office, Chicoutimi, P. Q.

THE BRIDGEPORT GAS LIGHT COMPANY

History—Incorporated in 1849, in Conn., under a perpetual charter. Absorbed Citizens' Gas Co. in 1901. Franchise perpetual; only company supplying gas in Bridgeport, Stratford and Fairfield, Conn. Population served, about 167,000. Daily capacity, 5,000,000 cu. ft.

OPERATING STATISTICS, DECEMBER 31

	Miles of Mains	Number of Meters	Sales of Gas Cubic Feet
1921	261	39,585	1,003,556,000
1922	267	39,709	993,222,600
1923	270.93	40,827	1,104,372,200
1924	275.8	39,861	1,075,112,200
1925	281.9	40,131	1,090,818,000
1926	288.5	40,867	1,197,194,700
1927	296.78	41,608	1,216,992,400

CAPITAL STOCK

Authorized, 200,000 shares of no par value (stated value, $10,000,000); outstanding, 165,000 shares (stated value, $3,300,000). Capital stock was changed from shares of $100 par value to shares of no par value in Jan., 1927, 5 shares of no par value being exchanged for 1 share of $100 par value.

Transfer Office—815 Main Street, Bridgeport, Conn.
Registrar—Bridgeport Trust Co., Bridgeport, Conn.
Annual Meeting—First Thursday after May 15.

Dividends—Dividends were paid quarterly at rate of 8% per annum on the $100 par value shares up to and including Feb. 1, 1927. On May 1, 1927, initial quarterly dividend of 50 cents a share was paid on the no par shares; Aug. 1 and Nov. 1, 1927, and Feb. 1, 1928, 50 cents each; March 31, 1928, 60 cents a share. Dividends are now payable quarterly on last days of M, J, S & D. In addition, extra dividends of 1% each on the $100 par stock were paid Feb. 1 and Aug. 1, 1925, Feb. 1 and Aug. 1, 1926, and Feb. 1, 1927.

FUNDED DEBT

$1,000,000 (entire issue) First Mortgage Gold 4s; dated Jan. 1, 1902; due Jan. 1, 1952; int. Jan. and July 1, at Central Union Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. A first lien on entire property. Legal for Connecticut savings banks. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,606,992	$1,606,804	$1,471,396	$1,494,005	$1,580,734	$1,446,509
Operating expenses, taxes and depreciation	1,173,824	1,167,198	1,086,247	1,068,628	1,146,610	1,074,844
Net earnings	$433,168	$439,606	$385,149	$425,377	$434,124	$371,665
Other income	32,493	24,839	22,104	7,416	6,879	7,858
Total income	$465,661	$464,445	$407,253	$432,793	$441,003	$379,523
Fixed charges	41,342	41,860	56,734	78,772	78,600	79,397
Net income	$424,319	$422,585	$350,519	$354,021	$362,403	$300,126
Dividends paid	346,500	330,000	302,500	220,000	220,000	220,000
Miscellaneous appropriations	8,171	4,878	3,627	15,448	.....	.....
Surplus for year	$69,648	$87,707	$44,392	$118,573	$142,403	$80,126
Times Fixed Charges Earned	11.26	11.09	7.18	5.49	5.62	5.61
Earnings Per Share	†2.57	*$12.80	$10.62	$12.87	$13.11	$10.91

*Based on shares of $100 par value. †Based on no par shares.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant & equipment	$5,172,026	$4,999,448	$4,863,620	$4,755,711	$4,695,847	$4,613,354
Investments	564,867	609,224	525,029	441,405	316,309	230,903
Materials and supplies	160,967	162,561	146,476	167,791	228,383	159,638
Cash	72,662	50,837	104,171	93,663	87,975	95,787
Accounts and notes receivable	84,184	70,486	67,647	70,970	36,243	35,370
Unamortized debt discount	.....	.....	.....	5,555	18,885	32,217
Prepayments	1,758	1,263	3,424	3,037	3,982	3,359
Total	$6,056,464	$5,893,819	$5,710,367	$5,538,131	$5,387,624	$5,170,628
Liabilities—						
Capital stock	$3,300,000	$3,300,000	$3,300,000	$2,750,000	$2,750,000	$2,750,000
Funded debt	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Notes payable	.....	.....	.....	500,000	500,000	500,000
Accounts payable	12,761	5,751	4,877	50,444	25,535	19,624
Consumers' deposits	49,468	54,182	57,971			
Accrued taxes, etc.	155,550	145,614	119,295	110,084	104,597	119,362
Retirement reserve	335,594	312,569	289,613	269,402	284,573	251,577
Other reserves	136,637	107,843	74,890	50,373	43,059	.....
Miscellaneous unadjusted credits	.....	.....	.....	1,470	.....	.....
Contributions for extensions	136,953	108,006	91,575	78,605	70,679	60,675
Profit and loss	929,501	859,854	772,146	727,754	609,181	469,390
Total	$6,056,464	$5,893,819	$5,710,367	$5,538,131	$5,387,624	$5,170,628

Officers: De Ver H. Warner, Chrm. of the Board, Bridgeport, Conn.; F. M. Travis, Pres., Torrington, Conn.; Geo. S. Hawley, V-P.; Robert A. Lewis, Sec. & Treas.; H. E. White, Asst. to Pres.; Frederic C. Taylor, Asst. Sec., Bridgeport, Conn.

Directors: A. E. Dieterich, New York, N. Y.; F. B. Nairne, Scarsdale, N. Y.; De Ver H. Warner, L. T. Warner, Chas. G. Sanford, A. H. Mackenzie, H. A. Bishop, David S. Day, Geo. S. Hawley, Sumner Simpson, John Field, Howard E. White, Robert A. Lewis, Samuel P. Senior, Bridgeport, Conn.; F. M. Travis, Torrington, Conn.

Office, 815 Main St., Bridgeport, Conn.

TRENTON CITY BRIDGE COMPANY

History and Property—Incorporated Feb. 24, 1840, in Pa., and March 8, 1842, in New Jersey. Operates toll bridge between Trenton, N. J., and Morrisville, Pa., 0.24 mile in length.

CAPITAL STOCK

Authorized and outstanding, $50,000, par, $25. No dividends paid.

Annual Meeting—Second Monday in January, at Trenton, N. J.

FUNDED DEBT

$300,000 FIRST MORTGAGE COUPON 4s; DUE AUGUST 1, 1938

Dated August 1, 1913.

Interest Payable February and August 1, at Northern Trust Co., Philadelphia, Pa., Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$24,531	$20,534
Operating expenses & taxes	9,040	12,464
Net earnings	$15,491	$8,070
Other income	7	
Total income	$14,498	$8,070
Bond interest	12,000	12,000
Net income	$2,498	*$3,930

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$353,329	$353,329
Cash	3,811	618
Accounts receivable	8,918	8,070
Unadjusted debits	980	980
Corporate deficit	962	5,457
Total	$368,000	$368,454
Liabilities—		
Capital stock	$50,000	$50,000
Funded debt	300,000	300,000
Interest accrued	11,000	11,000
Reserve for taxes	980	980
Unadjusted credits		454
Reserve for depreciation	2,692	2,692
Appropriated surplus	3,328	3,328
Total	$368,000	$368,454

Officers: Gaylord Thompson, Pres., Trenton, N. J.; Wm. Henry Snyder, V-P.; John M. Morrissey, Sec. & Treas., Philadelphia, Pa.; Charles W. Wilson, Supt., Trenton, N. J.

Directors: John Barbey, Reading, Pa.; John M. Morrissey, Jay Gates, Wm. Henry Snyder, Robert C. Lea, Philadelphia, Pa.; Gaylord Thompson, Trenton, N. J.

General Office, 407 N. Willow St., Trenton, N. J.

STANDARD PUBLIC SERVICE CORPORATION

History and Property—Incorporated in 1927, in Delaware. The Corporation, through its operating subsidiaries, furnishes, telephone service without competition to 63 towns and adjacent rural areas in Ohio, Illinois, Missouri, Oklahoma and Texas, serving a combined population of approximately 170,000. The system comprises 63 exchanges, operating 17,000 stations or connections. Service is furnished to more than 17,000 subscribers. Through direct or indirect interconnection with the Bell Telephone System, nation-wide long distance service is available to all subscribers. In conjunction with the telephone business of one of the subsidiaries operating in Illinois, electric service is supplied to the town of Chatham, Ill., but the revenues from this source constitute less than 3% of the aggregate gross revenues of the system.

CAPITAL STOCK

Authorized, 30,000 shares Common and 10,000 shares $7 cumulative Pfd., both of no par value; outstanding, 22,500 shares Common and 5,000 shares Pfd.

Transfer Agent—Guaranty Trust Co. of New York.

FUNDED DEBT

(1)

$1,400,000 FIRST LIEN TWENTY-YEAR 6% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1948

Dated February 1, 1928.

Interest Payable February and August 1, at American Exchange Irving Trust Co., New York, or in Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Open mortgage. Authorized, $2,000,000 Series "A," issued, $1,400,000. Additional Series "A" bonds up to $2,000,000, including present issue, and additional bonds of other series to an unlimited principal amount, may be issued under the Indenture provided the consolidated net earnings of the Corporation and its subsidiaries for 12 consecutive calendar months within 15 calendar months immediately prior to calendar month in which application for issue of such additional bonds is made, shall have been not less than twice annual interest requirements on all bonds then outstanding under Indenture and on all the additional bonds application for issue of which is then made, and then only under further conservative restrictions of Indenture some of which are to be that such additional bonds may be issued: (a) For not exceeding 80% of cost or fair value, whichever is lower, of properties acquired by subsidiaries subsequent to creation of Indenture, including betterments, improvements, extensions, additions or enlargements to or of properties of subsidiaries. (b) For not exceeding 80% of cost to Corporation or fair value, whichever is lower, of capital stocks of subsidiaries or newly acquired subsidiaries directly engaged in the public utility business. In event application is made for issue of additional bonds against any property or interest therein which property is subject to lien of a mortgage to remain outstanding after issue of such additional bonds and not pledged with Trustee under Indenture, or against any stock of a subsidiary which has any funded debt or Pfd. stock outstanding and not theretofore or then pledged with the Trustee under Indenture, there shall be deducted from principal amount of additional bonds otherwise issuable upon such application an amount equal to principal amount of such mortgage, plus principal amount of such funded debt, plus par value or redemption price, whichever is greater, of such Pfd. stock or in case it shall have neither par value nor redemption price then its market value or book value, whichever is greater. (c) In an amount sufficient to retire a like principal amount of bonds previously issued under the Indenture.

Purpose of Issue—Proceeds from sale of these bonds, together with proceeds from sale of junior securities, were used to acquire stocks of certain subsidiaries, to retire funded indebtedness of subsidiaries outstanding in hands of public, to complete improvements and for other corporate purposes.

Security—Secured by a direct first lien through pledge with Trustee under Indenture of not less than 98% of outstanding capital stock of subsidiaries to be controlled upon completion of present financing and also by pledge with Trustee of all outstanding funded debt of such subsidiaries or cash sufficient to acquire or redeem such funded debt. The Corporation covenants in Indenture to cause all stocks and bonds of subsidiaries issued after the creation thereof to be pledged thereunder as additional security for bonds.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2% and agrees to refund to the holders of these bonds, upon proper and timely application, Pennsylvania, Connecticut and California personal property taxes not exceeding 4 mills per annum, Maryland securities tax not exceeding 4½ mills per annum, District of Columbia and Kentucky personal property taxes not exceeding 5 mills per annum, and Massachusetts Income Tax not exceeding 6% per annum on the interest.

Legal Opinion—Jenkins & Carpenter, New York (for the Corporation) and Cotton & Franklin, New York (for the Bankers).

Original Offering—First publicly offered ($1,400,000 Series "A" 6s) in Feb., 1928, at 100 and interest, to yield 6%, by G. V. Grace & Co., Inc., New York, G. W. Thompson & Co., and Patterson, Copeland & Kendall, Inc., Chicago, Ill.

(2)

$500,000 ONE-YEAR 5% GOLD NOTES; DUE FEBRUARY 1, 1929

Dated February 1, 1928.

Interest Payable February and August 1, at Chicago Trust Co., Chicago, Ill.

Denominations—Coupon, $500 and $1,000.

Trustee—Chicago Trust Co., Chicago, Ill.

Purpose of Issue—Proceeds were used to acquire additional properties, for extensions and improve-

ments, for additional working capital and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at 100 and interest.

Maintenance and Renewal Fund—Indenture provides that the company shall expend, or cause to be expended by its subsidiaries, an amount adequate to take care of renewals, replacements and maintenance.

Security—Notes are the direct obligation of the Corporation and are issued under a Trust Indenture which provides that while any of these notes are outstanding, neither the Corporation nor any subsidiary shall create or permit to be created any lien (except the lien of current taxes and special assessments) on any of its real estate or other fixed property, or on any property of any subsidiary, other than the lien of the Trust Indenture securing the First Lien Collateral Gold bonds, unless a fund shall be created sufficient to insure the payment and retirement of any such lien. The Corporation covenants that while these notes shall remain outstanding it will not declare or pay any dividends on any of its capital stock at any time outstanding except out of its surplus earnings (including existing surplus) remaining after deduction of all operating expense and fixed charges, including interest payments on its entire funded debt, including these notes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($500,000) in Feb., 1928 at 99 and interest to yield 6% by Packer, Cooke & Co., Chicago, Ill.

***CONSOLIDATED EARNINGS STATEMENT**
(Standard Public Service Corp. and Subsidiaries)
(After adjustment for estimated non-recurring charges and interest on certain proceeds of new financing, but before depreciation, interest, amortization and Federal taxes)

Gross earnings	$448,418
Operating, maintenance & local taxes	250,518
Net earnings	$197,900

*12 months' periods for Ohio and certain Illinois properties ended Nov. 30, 1927; for other Illinois properties ended Dec. 31, 1927; and for Missouri, Oklahoma and Texas ended Sept. 30, 1927.

Officers: G. Vincent Grace, Pres.; A. F. Ritter, V-P.
Executive Office, 34 Pine St., New York.

COLORADO SPRINGS & INTERURBAN RAILWAY COMPANY

(Controlled by Myron Stratton Home Corp.)

History and Properties—Incorporated Aug., 1902, in Colo., consolidation of the Colorado Springs Rapid Transit Ry. and the Colorado Springs & Suburban Ry. Line of road: Colorado Springs to Manitou, Ivywild and Cheyenne Canons; total track, 38.87 miles. Gauge, standard. Rail, 65 lb. T. 50 motor and 35 one-man cars.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common and $500,000 6% Pfd., par, $100. The Myron Stratton Home Corp. owns all of the Pfd. and $999,600 of the Common stock. No dividends are being paid on either class of stock.

FUNDED DEBT

$1,500,000 First Mortgage 5s; dated Aug., 1902; due Sept. 1, 1932; int. March and Sept. 1, at Central Union Trust Co., New York, Trustee, and at Colorado Springs. Coupon, $1,000. The Myron Stratton Home Corp. owns $1,225,000 of the outstanding bonds. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenues	$309,454
Operating expenses	260,158
Net revenue	$49,296
Deductions:	
Taxes	$45,629
Bond interest	75,310
Other interest	5,395
Other deductions	770
Total deductions	$127,104
Deficit for year	$77,808

Officers: D. P. Strickler, Pres.; Wm. Lennox, V-P.; Wm. Lloyd, Sec. & Treas.; H. L. Stubbs, Asst. Sec. & Asst. Treas.; A. E. Haak, Gen. Supt. & Pur. Agt.; J. O. Henry, Supt., Colorado Springs, Colo.

Directors: C. S. Chamberlain, Wm. Lloyd, H. L. Stubbs, Wm. Lennox, D. P. Strickler, Colorado Springs, Colo.

Office, Colorado Springs, Colo.

THE SAN ANGELO TELEPHONE COMPANY

History and Property—Incorporated in Texas. Company provides local and long distance telephone service without competition, to the City of San Angelo, Texas and twenty surrounding communities including Sonora, Sterling City, Robert Lee, Sherwood, Rowent, Bronte, Fort Chadbourne, Blackwell, Christoval, Eden, Maryneal, Wall, Carlsbad, Mertzon, Eldorado, Barnhart, Miles, Mereta, Best and Big Lake.

The system at present comprises 7,967 telephones, operating through eighteen exchanges. In addition to local exchange service, the Company maintains a privately owned toll system of 2,900 miles and also affords its subscribers national service outside its territory through a joint operating agreement with the Southwestern Bell Telephone Company and the American Telephone & Telegraph Company.

The system includes 5,189 miles of aerial cable and 21.8 miles single duct underground vitrified clay conduit containing 7,057 miles of wire. The Company will erect immediately, in San Angelo, a modern two-story and basement office building in which will be housed the latest type automatic equipment (dial system) and a new manual toll board, thereby providing the City with the most modern telephonic facilities. The new building and equipment is to be available on or before Sept. 1, 1928, and will provide for the increased facilities now required and permit further expansion as the growth of the City and the demand for telephone service increases.

CAPITAL STOCK

Authorized and outstanding, $600,000 Common; par, $100. A substantial amount of the stock is owned by the Southwestern Bell Telephone Co.

Dividends—Since 1915, the Company has paid dividends in cash amounting to $357,600 and additional stock dividends. The present rate is 10% per annum.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE THIRTY-YEAR SINKING FUND 5% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1958

Dated February 1, 1928.

Interest Payable February and August 1, at St. Louis-Union Trust Co., St. Louis, Mo., or at Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—St. Louis-Union Trust Co., St. Louis, Mo., and Claude M. Means.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $1,000,000. Additional bonds may be issued for not more than 75% of the cost of permanent improvements, extensions, additions and/or acquisitions, provided that net earnings for twelve consecutive months in all preceding fifteen months shall be equal to at least twice the annual interest charges on all first mortgage bonds outstanding, including those to be issued.

Purpose of Issue—Proceeds were used to erect a modern fireproof building, to install automatic equipment of the latest type, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date at not less than 30 days' notice at 103 on or before Feb. 1, 1933; at 102½ thereafter and on or before Feb. 1, 1938; at 102 thereafter and on or before Feb. 1, 1943; at 101½ thereafter and on or before Feb. 1, 1948; at 101 thereafter and on or before

Feb. 1, 1953; and after Feb. 1, 1953 and prior to Feb. 1, 1958 at 100½, plus accrued interest in each case.

Sinking Fund—While any of the Series "A" bonds are outstanding, the Company will pay to the Trustee on or before the first day of February in each year from Feb. 1, 1929, to and including Feb. 1, 1958, an amount equal to 1½% of the aggregate principal amount of Series "A" bonds theretofore outstanding to be applied to the purchase or call of bonds at not exceeding the then current redemption price and accrued interest; said sinking fund is to be increased proportionately in the event of the issuance of any additional series of bonds with greater proportional sinking fund provisions.

Security—Secured by a direct first mortgage on all fixed property and franchises of the Company, including land, buildings, equipment and conduits, and by a direct lien on property hereafter acquired (subject to certain permitted existing liens).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded upon timely application.

Legal Opinion—Beekman, Bogue, Clark & Griscom, New York (for the Bankers).

Original Offering—First publicly offered ($1,000,000) in Jan., 1928, at par and interest by R. F. DeVoe & Co., Inc., New York, N. Y.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

	1927	1926
Gross earnings (including other income)	$462,003	$370,777
Operating expenses including depreciation, maintenance & taxes assignable to operation	262,829	207,884
Net earnings available for interest & Federal taxes	$199,174	$162,893
Bond interest	$50,000	.....

Officer: J. Y. Rust, Pres., San Angelo, Texas.
General Office, San Angelo, Texas.

TERNI-SOCIETA PER L'INDUSTRIA E L'ELETTRICITA
("TERNI")

History and Property—Company was organized under the laws of Italy in 1884 and well known throughout Europe as "Terni", owns and operates extensive hydro-electric and industrial properties which place it among the foremost Italian business enterprises. The Company not only supplies its own needs for manufacturing purposes but also, on account of its large production of electrical energy, is able to sell current under contract at wholesale to the City of Rome, to important Italian utility companies including Societa Elettricita e Gas di Roma, Societa Elettrica del Valdarno, Unione Esercizi Elettrici and to some miscellaneous customers. The utility systems thus purchasing power from "Terni" serve a territory which includes substantially all of central Italy and embraces the provinces of Tuscany, Umbria, Marche, Abruzzi and Lazio. In this territory "Terni" is the only large wholesaler of electric power.

The following yearly sales of electricity, including that consumed by the Company's own industrial plants, show consistent progress:

Year Ended December 31	Sales of Electric Current in Kwh.*
1923	357,419,000
1924	394,948,000
1925	418,843,000
1926	470,164,000
1927	517,364,000

*The figures given include the output of two small generating stations, the operation of which is being gradually discontinued in favor of the Company's larger plants described below; in 1927 the current produced by these small stations amounted to approximately 3.3% of the above sales for the year.

"Terni", in addition to its electric business, has large, well equipped, industrial plants, the output of which falls principally into two classes; namely (a) special iron and steel products, machinery, etc.; (b) chemical products consisting mainly of ammonium sulphate, calcium cyanamide, calcium carbide, and synthetic ammonia. Other assets of the Company include lignite mines, cement and brick plants, and two freight steamers. In all of its various operations "Terni" employs some 7,800 people.

"Terni" has twelve subsidiary companies which are from 60% to over 98% owned. These companies are largely engaged in activities similar in character or supplementary to the parent Company's business, including the manufacture of chemicals, iron and steel products, machinery, ship building, etc.

Hydro-Electric Properties—The properties of the Company now in operation include four hydro-electric power stations located near the City of Terni, in the Apennine Mountains about sixty miles northeast of Rome. These plants have a combined generating capacity of 86,200 k.w. and reserve equipment with a capacity of 6,800 k.w. Very favorable natural conditions, including a comparatively regular flow of water throughout the year, enable the plants to operate with high efficiency. Besides its generating stations the Company owns switch and transformer stations and a completely interconnected system of approximately 130 miles of high tension transmission lines of 30,000, 66,000 and 130,000 volts. To provide adequate reserve facilities for its present business and also to meet the increasing demand for current, the Company is building a new hydro-electric plant which will have an initial generating capacity of 105,000 k.w., and in addition a subsidiary of "Terni," Societa Elettrica dell'Alto Nera, which is over 98% owned, has under construction a plant with an initial generating capacity of 9,000 kw. The initial installations of both plants are expected to be completed and in operation on or before Sept. 30, 1928. These plants can be subsequently enlarged. "Terni" is also building a high tension transmission line of about 30 miles which will connect its system with the Alto Nera plant.

CAPITAL STOCK

1,500,000 shares, with a par value of Lire 400 each, consisting of 1,094,880 fully paid shares and 405,120 partially paid shares. The Company called for payment in Jan., 1928, the balance due on its partially paid shares.

FUNDED DEBT

(1)

$12,000,000 FIRST MORTGAGE HYDRO-ELECTRIC 6½% SINKING FUND GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1953

Dated February 1, 1928.

Interest Payable February and August 1, in U. S. gold coin at office of W. A. Harriman & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago, Ill.

Provisions of Issue—Issued, $12,000,000 Series "A". The Indenture authorizes an additional $13,000,000 of bonds which may be issued in one or more other series and which may vary as to date, interest rate, denominations, maturities, redemption provisions, etc., subject to the following restrictions: (a) such additional bonds may be issued only to the extent of 60% of the cost or fair value, whichever is less, of new electric power properties which will have been subjected to the Mortgage; (b) consolidated earnings (as defined in the Indenture) of the Company and subsidiaries, for 12 consecutive calendar months within the 15 calendar months immediately preceding the application for the issuance of the additional bonds, shall have been not less than 2½ times the annual interest and sinking fund requirements of the total funded debt of the Company and its subsidiaries including the new bonds to be issued; (c) as long as any Series "A" bonds are out-

standing: (1) all bonds issued under the indenture, including the additional bonds, shall not exceed 60% of the fair value of all the property subjected to the mortgage; (2) no such additional bonds shall mature prior to the Series "A" bonds; (3) any additional series shall have a sinking fund sufficient to retire such series by maturity and at approximately the same rate as the Series "A" bonds will be retired.

Purpose of Issue—Proceeds of Series "A" bonds were to be used for the retirement of outstanding funded indebtedness, the completion of the hydro-electric properties being built (including reimbursement for certain expenditures already made) and the construction of further additions to the hydro-electric system of the Company or its subsidiary, Societa Elettrica dell'Alto Nera.

Callability—Subject to call on any interest date, as a whole or in part, on 60 days' notice, except for sinking fund, as follows: At 103 up to and including Feb. 1, 1933; thereafter at 102 up to and including Feb. 1, 1938; thereafter at 101 up to and including Feb. 1, 1943; thereafter at 100.

Sinking Fund—The Indenture provides for progressively increasing, semi-annual, sinking fund payments beginning June 1, 1928, which will be sufficient to retire the entire issue by maturity. In lieu of cash payments the Company, in accordance with the Indenture, may deliver bonds at their principal amount. Sinking fund monies will be used, in so far as it is possible, to purchase bonds in the open market at or below 100; any monies not so used, other than those paid immediately before the final maturity date, will be applied to the redemption of bonds by lot on the next succeeding interest payment date at 100. Notice of drawn bonds will be published in New York City 30 days prior to the redemption date.

Security—A direct obligation of Terni-Societa per l'Industria e l'Elettricita, secured by First Mortgage on the Company's hydro-electric properties described above, including the new work under construction, subject only to the lien securing Lire 48,660,351 ($2,561,071) principal amount of existing funded indebtedness. Company covenants with the Trustee to retire such indebtedness by Aug. 10, 1928, and for this purpose will deposit a sufficient sum in lire with Banca Commerciale Italiana, Milan. Further secured by First Mortgage on the hydro-electric plant being constructed by Societa Elettrica dell'Alto Nera.

According to J. Buchi, Esq., Swiss engineer, the properties to be subjected to the Mortgage, including work under construction when completed, will have a reproduction value less depreciation based on Dec. 31, 1927 prices of $18,600,000. This valuation is composed of the following items: (a) $16,600,000 representing property existing on the above date, which was to be subjected forthwith to the Mortgage; (b) $2,000,000 which has been estimated by the above engineer as sufficient at present prices for the additional work necessary to complete the properties under construction. Of the latter amount, $1,597,000 was to be deposited with Banca Commerciale Italiana Trust Co., New York, in a dollar account to be used for new construction as the Indenture provides; the balance of $403,000 represents advance payments on machinery for the new plants, which Company agrees to subject to the Mortgage. Company covenants to invest a portion of the proceeds of this issue in additional properties which will form a part of the hydro-electric system and to subject such properties to the Mortgage. This amount, calculated at current rate of exchange, will increase such total present value of the mortgaged property to at least $20,000,000.

Tax Provision—Interest payable without deduction for any taxes, present or future, levied by or within the Kingdom of Italy.

Legal Opinion—Sullivan & Cromwell, New York, except as to matters of Italian law which were to be passed upon by Avv. Roberto Pozzi, Milan.

Original Offering—First publicly offered ($12,000,000) in January, 1928, at 90¼ and interest, to yield about 7.35% by W. A. Harriman & Co., Inc., Harris, Forbes & Co., Banca Commerciale Italiana Trust Co., New York; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.

Listed—Boston Stock Exchange.

(2)

There was also outstanding at Dec. 31, 1927 a 4% Mortgage Loan of Lire 4,850,000 ($255,263), issued 1904 and due 1928-32, secured by Mortgage on metallurgical plants.

***CONSOLIDATED EARNINGS, YEARS ENDED DECEMBER 31**

1924	$1,598,811
1925	1,886,896
1926	1,997,471

*After operating expenses of the parent company, operating expenses and all other charges of subsidiaries and the deduction of earnings of subsidiaries applicable to minority interests, but before interest, income taxes, directors' participations and statutory reserves depreciation of the parent company.

Officers: Attilio Odero, Pres.; Arturo Bocciardo, Managing Director.

General Office, Genoa, Italy.

VAMMA WATER POWER COMPANY

(Aktieselskabet Vamma Fosskompagni)

(Controlled by the Hafslund Company)

History and Property—The Hafslund Company (Aktieselskabet Hafslund) is the oldest and, together with its two subsidiaries, the second largest producer of electric power in Norway. It was organized in 1898 to operate on the Glommen River the first important hydro-electric plant in Norway. In 1906 it acquired all the shares (except three directors' qualifying shares) of Glommen Woodpulp Company (Aktieselskabet Glommens Traesliberi) which originally owned only a small pulp mill but has since developed a large hydro-electric plant so that it has now become principally a power company. In 1912 the Hafslund Company acquired all the shares (except two directors' qualifying shares) of Vamma Water Power Company (Aktieselskabet Vamma Fossekompagni) which now owns the largest and most modern of the three plants in the system with a present installed capacity of 102,000 h.p. The three plants have a total installed capacity of 173,000 h.p. and are thoroughly interconnected by a system of 50,000 volt transmission lines which extends to the City of Oslo and to the more important municipalities served by the Companies.

The Hafslund Company also owns and operates a carbide factory which is one of its large consumers of electric power. It has in addition certain comparatively small investments in other Norwegian companies.

About 90% of the Companies' output is wholesaled under long term contracts, about half of the power thus contracted for being taken up by industrial concerns and the other half by municipalities and other public bodies mostly for domestic purposes. The largest contract is with the City of Oslo calling for 18,075 k.w. per year (24,229 h.p.) at a price which gradually declines from $9.38 per k.w. per year to a low of $7.23 in 1945. The remaining 10% of the Companies' output is retailed by the Companies in rural districts from their own distribution system. Total power sold in 1926 amounted to over 628,000,000 k.w.h.

The territory served by the Companies includes the City of Oslo, population 258,000, and the Counties of Oestfold and Akershus situated to the east and northeast of Oslo Fjord. This is one of the most densely

populated and one of the most important industrial sections in Norway. The total population of the territory exceeds 600,000.

Franchises—The Norwegian Concession Law now requires a company to obtain a concession and pay an annual royalty in order to operate a hydro-electric plant or transmission lines. The three plants in the Hafslund system, however, were erected prior to the passage of this Law and the Companies have the perpetual right to operate them without the necessity of concessions or payment of royalties except for a small part of the transmission lines. This right, however, cannot be pledged or transferred directly but is not affected by a change in ownership, through pledge or otherwise, of the stock of the Vamma Company all of which, except directors' qualifying shares, is specifically pledged as security for the guarantee of the Hafslund Company.

CAPITALIZATION OF HAFSLUND COMPANY AND SUBSIDIARIES

(Upon completion of new financing)

	*Outstanding
First (Closed) and General Mortgage 5½% Gold Bonds, Vamma Water Power Company, due Oct. 1, 1957	$5,000,000
First Mortgage 5% Bonds, "Glommen" Company, due June 1, 1940 and Dec. 1, 1952 (payable in kroner)	†2,321,148
First Mortgage 5% Bonds, Hafslund Company, due Nov. 1, 1952 (payable in kroner)	†1,742,000
Total funded debt	$9,063,148
Capital stock Hafslund Company (par value 43,750,000 kroner)	11,725,000

*Does not include outstanding directors' qualifying shares of subsidiaries and small mortgages for $21,283. †May, in each case, be increased to an amount not exceeding 50% of the then appraised value of the properties of these Companies.

CAPITAL STOCK

All owned, except two directors' qualifying shares, by the Hafslund Company.

FUNDED DEBT

$5,000,000 FIRST (CLOSED) AND GENERAL MORTGAGE 5½% GOLD BONDS; DUE OCTOBER 1, 1957

Dated October 1, 1927.

Interest Payable April and October 1, in Boston, New York and Chicago at the offices of Lee, Higginson & Co. in United States gold coin of the present standard of weight and fineness.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Christiania Bank Og Kreditkasse, Oslo, Norway.

Authenticating Agent—Lee, Higginson Trust Co., Boston, Mass.

Purpose of Issue—Proceeds were used to call $2,054,354 outstanding bonds of the Vamma Company, retire bank loans and to pay for new construction.

Callability—Subject to call, otherwise than for sinking fund, as a whole at any time, or in part on any interest date to and including Sept. 30, 1937 at 105, the premium thereafter decreasing 1% each five years to 101 during the five years ended Sept. 30, 1957, plus accrued interest in each case.

Sinking Fund—A semi-annual accumulative sinking fund sufficient to retire the whole issue by maturity is provided commencing Oct. 1, 1932, which will operate only by call of bonds at par and accrued interest. Bonds are callable on 30 days' notice for the purchase of the sinking fund at par and accrued interest on any interest date on or after Oct. 1, 1932.

Security—Secured by a closed first mortgage on all properties of the Vamma Company now owned or hereafter acquired (subject, as to after acquired property, to the liens, if any, outstanding on acquisition). Further secured by mortgages on substantially all properties, now owned or hereafter acquired, of the Hafslund Company and its other principal subsidiary, subject to mortgages aggregating $4,063,148, which may be increased to an amount not exceeding 50% of the then appraised value of the properties of those two companies and to liens securing the fulfillment of certain contracts for the sale of power. In order to comply with the Norwegian law each mortgage will be security for an amount in gold kroner equivalent at par of exchange to the $5,000,000 of bonds issued.

Guaranty—Unconditionally guaranteed by Hafslund Company.

Tax Provisions—Free from any Norwegian taxes present or future, except when held by Norwegian residents.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston and Herman Christiansen, Oslo, Norway.

Original Offering—First publicly offered ($5,000,000) in Nov., 1927, at 98 and interest to yield about 5.65% by Lee, Higginson & Co., New York, etc.

Listed—Boston Stock Exchange.

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED DECEMBER 31

(Consolidated earnings of the Hafslund Company (including its carbide plant) and its subsidiaries, converted at the yearly average rates of exchange indicated below)

Year	Yearly Av. Kroner Exchange Rate in Cents	Consolidated Gross Revenues	Consolidated Net Income Available for Interest and Depreciation	Interest Requirement on Present Funded Debt	Times Interest Requirement Earned
1922....	17.50	$2,181,582	$729,369	$408,429	1.78
1923....	16.67	2,194,044	1,141,341	402,100	2.84
1924....	13.94	2,252,112	954,815	381,286	2.50
1925....	17.88	2,549,015	882,458	411,326	2.14
1926....	22.33	2,458,649	775,122	445,255	1.74

Officer: Knud Bryn; Pres., Oslo, Norway.

General Office, Oslo, Norway.

CITIZENS WATER COMPANY OF SCOTTDALE, PA.

(Controlled by Pennsylvania Railroad Company)

History and Property—Incorporated July 17, 1888, in Pa. Supplies water for domestic, municipal and industrial purposes to the Boroughs of Scottdale, Westmoreland County and Everson, Fayette County, Pa. Properties include mountain storage reservoir, masonry intake dams, duplicate supply mains, three additional sources of water supply and over 35 miles of cast iron mains. The storage capacity of the reservoir is over 166,500,000 gallons. Population served, 12,000. Franchises are perpetual. No. of meters, 2,507. No. of consumers in 1927, 2,531, compared with 2,512 in 1926.

CAPITAL STOCK

Authorized, 5,000 shares Common of no par value, and $500,000 6% cumulative Pfd., par $100; outstanding, 5,000 shares Common and $300,000 Pfd. Annual meeting, first Monday in April.

FUNDED DEBT

$600,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1, at The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Authorized amount unlimited, issued, $600,000 Series "A" 5s. The mortgage provides that additional bonds may be issued thereunder for not in excess of 80% of the actual cost or fair market value whichever is the lower, of physical property additions, as defined in the mortgage, provided the net earnings of the Company, as defined in said mortgage for 12 consecutive calendar months within the 15 calendar months immediately prior to the issuance of such new bonds, have been at least 1¾ times the annual interest charges on all bonds outstanding under said mortgage and those to be issued.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice to and including Jan. 1, 1932, at 105 and accrued interest; thereafter to and including Jan. 1, 1937, at 103 and accrued in-

terest; thereafter to and including Jan. 1, 1945, at 102 and accrued interest; thereafter to and including July 1, 1952, at 101 and accrued interest, and thereafter but prior to maturity, at 100 and accrued interest.

Maintenance and Improvement Fund—Company covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings of the Company derived from the mortgaged property. This fund may be expended by the Company for maintenance, replacements and renewals. It may also be expended for improvements, additions and extensions to the properties, against which no bonds may be issued.

Security—Secured by a first mortgage on the entire property of the Company consisting of land, water mains, reservoir, gravity system and other equipment, and such property as may be hereafter acquired, as provided in the mortgage.

Tax Provision—Company pays Normal Federal Income Tax up to 2%. Bonds are free of Pennsylvania four mills tax to resident holders.

Legal Opinion—Sloan, White & Sloan, Philadelphia, Pa.

Original Offering—First publicly offered ($600,000) in January, 1928, at 97 and interest, to yield over 5.20%, by Boenning & Co., Philadelphia, Pa.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927 (Month of December estimated)

Gross earnings	$80,022
Operating expenses, maintenance and taxes	21,721
Balance	$58,301

Officers: A. J. County, Pres.; M. C. Kennedy, V-P.; Lewis Neilson, Sec.; Henry H. Lee, Treas.; F. J. Fell, Jr., Compt.; J. W. Orr, Asst. Compt.; John Hurst, Asst. Compt.; A. D. Sexton, Aud.; W. B. McCaleb, Gen. Supt., Philadelphia, Pa.; C. A. Spencer, Supt., Greensburg, Pa.; C. E. Walsh, Pur. Agt., Philadelphia, Pa.

Directors: A. J. County, M. C. Kennedy, T. W. Hulme, Philadelphia, Pa.

General Office, Broad Street Station, Philadelphia, Pa. **Operating Office,** Commercial Trust Bldg., Philadelphia, Pa.

COMMONWEALTH PUBLIC SERVICE COMPANY

History and Property—The Company, through its subsidiaries, supplies water for domestic, municipal and industrial purposes to communities located in Texas and Wisconsin. The communities served are Cameron, McGregor, Moody, Hempstead and Italy, Texas, and North Fond du Lac, Wis. Artificial ice plants are operated in connection with the water service at Italy and Moody, Texas. The properties of the subsidiary companies consist of distribution systems having 45 miles of mains and an aggregate reservoir and tank capacity in excess of 2,850,000 gallons and a total of 2,632 services.

CAPITAL STOCK

Outstanding, 5,000 shares Common of no par value. No further details available.

FUNDED DEBT

$500,000 ONE-YEAR 5% COLLATERAL TRUST GOLD NOTES, SERIES "A"; DUE DECEMBER 1, 1928

Dated December 1, 1927.

Interest Payable June and December 1 at Chicago Trust Co., Chicago, Ill.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Issued, $500,000 Series "A." Additional notes maturing not earlier than this issue of Series "A" notes having different terms are issuable under the Trust Agreement from time to time, provided the annual net earnings of the company as defined (which may include earnings applicable to to deposited stock from property of all corporations of the character provided in the trust agreement, 51% of whose voting capital stock shall be deposited) have been at least 1¾ times the annual interest charge on all notes outstanding including the additional issue.

Purpose of Issue—Proceeds were used in part for the acquisition of the pledged securities, to pay for capital expenditures and for other corporate purposes.

Callability—Subject to call at any time on 30 days' notice at 100 and interest.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the company and are secured by a pledge of capital stock of subsidiary companies under a Trust Agreement. Subsidiary companies will not create or allow to exist any lien on any of their properties except liens existing at the date of acquisition of additional properties or liens created for the purpose of refunding such obligations. The Company covenants that it will not pay any dividends on its Common capital stock and that it will not permit the subsidiary companies to create any indebtedness in excess of their current assets as long as any of the notes are outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($500,000) in Dec., 1927, at 99 and interest to yield 6% by F. N. Kneeland & Co., Inc., Chicago, Ill.

CONSOLIDATED STATEMENT OF EARNINGS OF SUBSIDIARY COMPANIES, TWELVE MONTHS ENDED SEPTEMBER 30, 1927

Gross earnings	$105,172
Operating expenses, maintenance and taxes (exclusive of Federal taxes)	51,459
Balance	$53,713

Officers: F. N. Kneeland, Pres.; P. L. Thoren, V-P.; J. G. Hix, V-P.; W. G. Dunckel, Sec. & Treas.

Directors: F. N. Kneeland, P. L. Thoren, C. H. Wessels, W. G. Dunckel, J. G. Hix.

General Office, Harris Trust Bldg., Chicago, Ill.

CITIES HEATING COMPANY, LIMITED

History and Property—Company is engaged in the production and sale of steam heat for heating and power purposes, having acquired the assets and good will of the Helena Power Co. and the heating and power plant of Greene Swift Limited. Company operates in London, Ont., under franchise expiring in thirty years. Number of customers, about 150.

CAPITAL STOCK

Authorized and outstanding, 3,000 shares Common of no par value and $100,000 7% cumulative Pfd. No further details available.

FUNDED DEBT

$125,000 TWENTY-YEAR FIRST MORTGAGE 6% SINKING FUND GOLD BONDS; DUE JANUARY 1, 1948

Dated January 1, 1928.

Interest Payable January and July 1 at the Royal Bank of Canada, London, Montreal and Toronto.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Transfer Agent—London & Western Trusts Co., Ltd., London, Ont.

Provisions of Issue—Authorized, $200,000; issued, $125,000.

Purpose of Issue—Proceeds were used for the laying of high pressure mains connecting the two heating systems, and additional customers.

Callability—Subject to call as a whole or in part at any time on 60 days' notice at 103 and accrued interest up to and including July 1, 1929; at 102 and accrued interest thereafter up to and including July 1, 1932; at 101½ and interest thereafter up to and including July 1, 1937; at 101 and interest thereafter up to and including July 1, 1942; and at par and interest thereafter to maturity.

Sinking Fund—A semi-annual sinking fund is provided beginning July 1, 1928, which is sufficient to retire the entire issue by maturity.

Security—Secured by a first and specific mortgage on all the real and immovable property of the Company and by a floating charge on all other assets of the Company, now owned or hereafter acquired as provided in the Trust Deed.

Legal Opinion—Ivey, Elliott & Gillanders.

Original Offering—First publicly offered ($125,000) in Jan., 1928, at 100 and interest, each $1,000 bond carrying a bonus of two shares of Common stock of the Company, by Midland Securities, Ltd., London, Ont.

Officer: Robert Greene, Pres.

Directors: Robert Greene, John S. Moore, W. E. Greene, Arthur W. White, D. B. Weldon.

General Office, London, Ont.

CENTRAL PUBLIC SERVICE COMPANY

History—Incorporated in 1925, in Delaware. A holding company. Controls through stock ownership the Central Public Service Corporation.

CAPITAL STOCK

Authorized, 500,000 shares Common stock and 500,000 shares $7 Dividend series cumulative Pfd. stock; both of no par value; outstanding, 209,993 shares Common and 21,278 shares Pfd.

Transfer Agent—Central Trust Co. of Illinois, Chicago.

Registrar—The National Bank of the Republic, Chicago, Ill.

Annual Meeting—First Friday in June.

Listed—Common stock listed on Chicago Stock Exchange.

Price Range—

	1927	1926
High	18¼	17¼
Low	15¼	12

Dividends—Pfd. dividends paid quarterly, J, A, & O 1, at rate of $7 per share per annum.

FUNDED DEBT

None.

CONSOLIDATED EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927
(Central Public Service Co. and Subsidiaries)

Gross earnings	$11,765,968
Operating expense, maintenance & taxes (other than Govt. Income)	7,025,411
Net earnings	$4,740,557
Other income	134,790
Total income	$4,875,347
Interest on funded debt	2,143,283
Other interest	422,458
Amortization of debt discount & other charges	145,842
Total fixed charges	$2,711,583
Balance	$2,163,764
Profits on sale of investments	663,901
Gross income	$2,827,665
Deductions:	
Sundry	251,604
Accrued prior to acquisition	994,764
Total deductions	$1,246,368
Net income to surplus	$1,581,297
Surplus Jan. 1, 1927	67,445
Gross surplus	$1,648,742
Dividends on Preferred stock	741,515
Surplus, Dec. 31, 1927	$907,227

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Central Public Service Co. and Subsidiaries)

Assets—	
Property	$70,937,729
Investments	415,269
Special deposits	676,296
Cash	1,351,117
Notes receivable	19,075
Accounts receivable	2,250,038
Materials & supplies	1,327,397
Other current assets, incl. stock subscriptions	1,359,413
Unamortized debt disct. & expense	3,440,759
Sundry deferred accounts	608,647
Total	$82,385,740

CONSOLIDATED BALANCE SHEET, DEC. 31, 1927 (Continued)

Liabilities—	
Common stock	$1,267,785
Preferred stock	12,870,594
Class "A" stock	2,547,948
Stock subscribed	642,735
Funded debt	54,983,815
Property purchase obligations	181,632
Notes payable	414,189
Accounts payable	1,354,957
Consumers' deposits	293,100
Accrued interest	614,538
Accrued taxes (other than Federal Income)	387,134
Accrued dividends	26,625
Other current liabilities	55,515
Deferred credits	29,810
Securities in process of retirement	279,950
Reserve for renewals, replacements & depletion	4,872,098
Sundry reserves	603,690
Equity of minority Common stockholders	52,398
Surplus	907,227
Total	$82,385,740

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; G. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.; B. H. Ely, Asst. Sec. & Asst. Treas.; M. F. Finley, Asst. Sec.; W. W. Winter, Asst. Sec. & Asst. Treas.

Directors: Albert E. Peirce, R. L. Aage, D. C. McClure, G. R. Horning, W. S. McCollough, W. M. McFarland, Chicago, Ill.; S. G. Moon, Eau Claire, Wis.; P. R. Welch, Westfield, N. Y.

General Office, 105 W. Adams St., Chicago, Ill.

CENTRAL PUBLIC SERVICE CORPORATION

(Controlled by the Central Public Service Company)

History—Incorporated in 1923, in Md. as the Southern Gas and Power Corporation. Name changed to Central Public Service Corporation on March 4, 1927. Controls through stock ownership the following:

Central Gas and Electric Company
Federated Utilities, Inc.
Central Public Utility Corporation
Southern Gas Securities Company

Business and Property—The Central Public Service Company furnishes through operating properties, public utilities service in various communities of Illinois, Wisconsin, Michigan, Indiana, Pennsylvania, New York, Maine, New Brunswick, Quebec, Florida, New Hampshire, Kentucky, Tennessee, Virginia, West Virginia, Texas, Ohio, New Jersey, North Carolina, South Carolina, Georgia and Alabama, comprising a population of approximately 1,330,000.

The source of net revenue of the properties are: Electric light and power, 49.9%; gas, 41.9%; water, 1.5%; railway, 5.2%; ice and heat, 1.5%. The majority of the properties in Wisconsin, Lower Peninsula of Michigan, Maine and New Brunswick, are hydro-electric. The present capacity of the electric stations equal 95,220 h.p., of which 27,990 h.p. is hydro-electric. Electric lines total 1,278 miles of transmission. The gas plants have a rated capacity of 26,605,000 cu. ft. of gas per day and the gas distribution system totals 1,853 miles of mains. Ice plant capacity, 100 tons daily. Miles of electric railway track, 177. Passenger cars, 218.

CAPITAL STOCK

Authorized, 200,000 shares Common, 100,000 shares $7 dividend cumulative Pfd., and 300,000 shares Class "A" stock, all of no par value; outstanding, 200,000 shares Common, 59,014 shares Pfd., and 218,634 shares Class "A" stock, of which 92,552 shares are owned by the Central Public Service Company.

Preferred Stock Provisions—The Pfd. stock is entitled in priority to the Class "A" and Common stocks to cumulative dividends payable quarterly on the first day of Jan., April, July and Oct. of each year at the rate of $7 per share per annum. The stock is redeemable as a whole or in part, at the option of the Corporation, on 30 days' notice, on any dividend pay-

ment date, at 105 and accrued dividends. Entitled to a preference, on liquidation, to the extent of $100 per share and accrued dividends. Entitled to equal voting rights with the Common stock, share for share, in case of default in the payment of four quarterly dividends. No Pfd. stock over and above 45,131 shares may be issued unless consolidated net earnings (as defined in the amended charter), for twelve months out of the fifteen months immediately preceding such additional issue, shall be equivalent to 2½ times the dividend requirements on the Pfd. stock outstanding and that to be issued. No stock of any kind (other than additional shares of this Pfd. stock) may be authorized or issued which shall have preference over, or be on an equality with, this Pfd. stock as to dividends, assets or redemption, if, after proper notice, 20% or more of the Pfd. stock then outstanding in the hands of the public shall vote against such action; all as more fully set forth in the amended charter.

Class "A" Stock Provisions—(1) The Class "A" stock is entitled to cumulative dividends at the rate of $1.75 per share per annum, after dividends on the Pfd. stock but before dividends on the Common stock, payable quarterly March 15, June 15,, Sept. 15 and Dec. 15 and is entitled (on the basis of the shares of Common stock now outstanding) to receive additional dividends equivalent to one-half of the amount of dividends paid on each share of Common stock, provided that the Class "A" stock shall not in any year receive dividends (except accumulations) in excess of $2.50 per share per annum.

(2) Class "A" stock participates on liquidation to the extent of $25.00 per share plus accrued dividends, before any distribution on the Common stock.

(3) Class "A" stock is not redeemable.

(4) In the event of default in the payment of dividends at the rate of $1.75 per share per annum for two consecutive years, the Class "A" stock will be entitled to equal voting rights, share for share, with the Common stock, if and so long as the Pfd. stock of the Company shall not possess voting power.

Transfer Agents—Guaranty Trust Co. of New York, and Central Trust Co. of Illinois, Chicago.

Registrars—The Chase National Bank of the City of New York, and Harris Trust & Savings Bank, Chicago.

Annual Meeting—Second Monday in April, at Baltimore.

Legal Opinion (Class "A" Stock)—Piper, Carey & Hall (for the Company); Cotton & Franklin (for the Bankers). For $7 Pfd. stock—Cutting, Moore & Sidley, Chicago (for the Company); Roberts & Montgomery, Philadelphia (for the Bankers).

Original Offering—First publicly offered (50,000 shares Class "A" stock) in June, 1925, at $23.50 per share, by Hambleton & Co., New York, Baltimore, etc. An additional offering of 60,000 shares was made in November, 1925 at $25 per share plus accrued dividend by Hambleton & Co. and Pogue, Willard & Co., New York.

Dividends—Initial quarterly dividend on Class "A" stock of 43¾ cts per share paid Sept. 15, 1925, and at same rate quarterly since. Holders of the Class "A" stock of record Dec. 10, 1925 were offered the option to receive in lieu of the cash dividend of 43¾ cts payable Dec. 15, 1925 additional Class "A" stock at the rate of one share for each 40 shares held. Same option regularly to Feb. 25, 1928, payable March 15, 1928, same rate. Quarterly dividends of $1.75 each on Pfd. stock regularly paid, J, A, J & O 1.

Listed—Chicago Stock Exchage and New York Curb Market.

Price Range—

Class "A"—	1927	1926	1925
High	23¼	27¼	28
Low	15	21	22½

FUNDED DEBT

(1)

$8,266,500 CENTRAL PUBLIC SERVICE CORPORATION SERIES "A" COLLATERAL TRUST GOLD 6s; DUE JULY 1, 1940

Dated July 1, 1925.

Interest Payable January and July 1, at The National Bank of the Republic, Chicago, Ill., The Chase National Bank, New York, and in Canada at any of the branches of The Bank of Toronto, Paying Agents.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The National Bank of the Republic, Chicago, Ill.

Provisions of Issue—Issued, $8,814,000; in treasury, $547,500; outstanding, $8,266,500. Additional bonds may be isued under restrictions as set forth in the Trust Indenture.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 101 and interest.

Security—These bonds are the direct obligation of Central Public Service Corporation, and are specifically secured by deposit of all of the Common stock of Central Gas & Electric Company, Federated Utilities, Inc., and Central Public Utility Corporation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Corporation will refund upon proper and timely application the Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, District of Columbia and Kentucky 5 mills taxes, California taxes not exceeding in the aggregate 5 mills, Michigan 5 mills exemption tax and the Massachusetts 6% income tax.

Original Offering—First publicly offered ($700,000 Series "A") in July, 1925, at 95 and interest, by Stanley & Bissell, Inc., Cleveland, New York and Chicago; $500,000 additional in Aug., 1926, at 97 and interest to yield over 6.30%, by Thompson Ross & Co., Inc., Chicago; $750,000 in Nov., 1926, at 97 and interest to yield 6.30%, by Thompson Ross & Co., Inc., Chicago, and E. R. Diggs & Co., Inc., New York; $750,000 in March, 1927, at 97 and interest, to yield over 6.30%, by the same bankers; and $4,500,000 in Nov. 1927, at 97½ and interest, to yield about 6.30%, by Federal Securities Corp., H. M. Byllesby & Co., Inc., West & Co., Hambleton & Co., and Thompson Ross & Co.

Legal Opinion—Pam & Hurd, Chicago, Ill.

(2)

$459,500 SOUTHERN GAS AND POWER CORPORATION FIVE-YEAR CONVERTIBLE 6% GOLD NOTES; DUE JUNE 1, 1930 BUT CALLED FOR REDEMPTION MAY 1, 1928, AT 101½

(3)

$427,500 SOUTHERN GAS & POWER CORP. 6% FIVE-YEAR CONVERTIBLE GOLD NOTES; DUE NOVEMBER 15, 1930

Dated November 15, 1925.

Interest Payable May and November 15, at Guaranty Trust Co. of New York, and in Baltimore.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $1,000,000; reacquired and cancelled, $274,500; called for retirment May, 1928, $298,000; outstanding, $427,500. The proceeds from the sale of these notes together with proceeds of 60,000 shares Class "A" stock were used by Company for the redemption of all its outstanding First Lien Collateral Trust Gold 6½s, Series "B," for the liquidation of the outstanding bank debt of Company for purchase of additional bonds, stocks, obligations or properties of other public utility companies and/or for other corporate purposes.

Callability—Subject to call as a whole or in part by lot, at any time upon 30 days' notice at 102½ and interest on or before November 15, 1926, with suc-

cessive reductions in the redemption price of ½ of 1% during each 12 months' period thereafter, until maturity.

Convertibility—Convertible into Class "A" stock. In conversion, the notes shall be taken at their face value, and the values per share at which Class "A" stock shall be taken shall be as follows: $28 in case of the first $500,000 notes presented for conversion, and $29 in case of the remaining $500,000 notes presented for conversion, with adjustment of accrued interest and dividends in each case. No fractional shares of Class "A" stock will be issued, but upon conversion the Company will clear fractional shares on the basis of the then current conversion rate. If called for redemption, notes may be converted at any time on or before the tenth day next preceding the redemption date.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund to holders of notes, upon proper request, Pennsylvania and Connecticut personal property taxes of 4 mills each, District of Columbia personal property tax not exceeding 5 mills, Maryland securities tax not exceeding 4½ mills, and Massachusetts income tax not exceeding 6% per annum on the interest.

Legal Opinion—Piper, Carey & Hall (for the Company) and Cotton & Franklin (for the Bankers).

Original Offering—First publicly offered ($1,000,000) in November, 1925, at par and interest by Hambleton & Co., New York, etc.

(4)

$1,500,000 SOUTHERN GAS & POWER CORP. 15-YEAR 6½% GOLD DEBENTURES; DUE MARCH 1, 1941

Dated March 1, 1926.

Interest Payable March and September 1, at The Baltimore Trust Co., Baltimore, Md., and at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—The Baltimore Trust Co., Baltimore, Md.

Purpose of Issue—The proceeds from the sale of this issue provided funds used in payment of indebtedness incurred in the acquisition of certain subsidiaries, in the acquisition of additional bonds, stock, or properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part by lot at any time, at 30 days' notice, at 105 and accrued interest on or before March 1, 1931, with successive reductions in the redemption price of ½ of 1% during each 12 months period thereafter until maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. California, Pennsylvania and Connecticut Personal Property Taxes, not exceeding 4 mills per annum each, District of Columbia Personal Property Tax, not exceeding 5 mills per annum, Maryland Securities Tax, not exceeding 4½ mills per annum, and Massachusetts Income Tax not exceeding 6% per annum on the interest, refunded upon application.

Legal Opinion—Piper, Carey & Hall (for the Company), and Cotton & Franklin (for the Bankers).

Original Offering—First publicly offered ($1,500,000) in March, 1926, at 99 and interest, to yield about 6.60%, by Hambleton & Co. and Pogue, Willard & Co., New York, etc.

CONSOLIDATED EARNINGS STATEMENT, YEAR ENDED FEBRUARY 29, 1928

(Central Public Service Corp. and Subsidiaries)

(Showing amount available for depreciation, Federal Income taxes and Common stock, upon completion of certain financing, for the year ended Feb. 29, 1928, of the properties, owned—irrespective of the dates of acquisition)

Gross earnings	$12,901,488
Operating expenses, maintenance & taxes (other than Federal Income)	7,973,190
Net earnings	$4,928,298
Engineering, less expenses charged to construction	97,649
Total	$5,025,947
Interest on funded debt and purchase money obligations and dividends on Pfd. stocks of subsidiaries	$2,920,775
Remainder	$2,105,172
Interest on funded debt of the Corporation:	
Series "A" Coll. Trust 6% bonds	495,990
5-Year 6% Convertible Gold notes	25,650
15-Year 6½% Debentures	97,500
Remainder	$1,486,032
Dividends on $7 cumulative Pfd. stock	413,098
Dividends on Class "A" stock	382,610
Remainder available for depreciation, Federal Income taxes & Common stock	$690,324
Earnings Per Share—	
7% Preferred	$25.18
Class "A" stock	4.90

CONSOLIDATED EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

(Central Public Service Corp. and Subsidiaries)

Gross earnings	$11,763,793
Operating expenses, maintenance & taxes (other than Federal Income)	7,020,187
Net earnings	$4,743,606
Other income	134,790
Total	$4,878,396
Interest on funded debt	2,112,250
Other interest	402,503
Amortization of debt discount & other charges	143,450
Balance	$2,220,193
Profits on sale of investments	676,532
Gross income	$2,896,725
Deductions:	
Sundry	$207,050
Accrued prior to acquisition	1,155,803
Net income to surplus	$1,533,872
Deficit—Jan. 1, 1927	144,014
Gross surplus	$1,389,858
Preferred dividends	447,139
Class "A" dividends	233,872
Surplus, Dec. 31, 1927	$708,847

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

(Central Public Service Corp. and Subsidiaries)

Assets—	
Property	$72,321,037
Investments	415,269
Special deposits	676,296
Cash	1,347,119
Notes receivable	19,075
Accounts receivable	2,249,408
Materials & supplies	1,327,397
Other current assets including stock subscriptions	1,359,413
Due from affiliated companies	282,804
Unamortized debt discount & expense	3,440,759
Sundry deferred accounts	608,647
Total	$84,047,225
Liabilities—	
Common stock	$3,153,536
Preferred stock	10,853,387
Class "A" stock	4,273,983
Stock subscribed	917,734
Funded debt	54,983,815
Property purchase obligations	181,632
Notes payable	414,189
Accounts payable	1,345,243
Consumers' deposits	293,100
Accrued interest	614,538
Accrued taxes (other than Federal Income)	387,134
Accrued dividends	26,625
Other current liabilities	55,515
Deferred credits	29,810
Securities in process of retirement	279,950
Reserve for renewals, replacements & depletion	4,872,098
Sundry reserves	603,691
Equity of minority Common stockholders	52,398
Surplus	708,847
Total	$84,047,225

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; Geo. R. Horning, V-P.; W. B. Brady, V-P.; A. S. Butterworth, V-P.; W. S. McCullough, Treas.; W. M. McFarland, Sec.; W. W. Winter, Asst. Treas. & Asst. Sec.; G. L. Augustus, Asst. Treas.; B. H. Ely, Asst. Treas.; M. F. Finley, Asst. Sec.

Directors: A. E. Peirce, R. L. Aage, D. C. McClure, G. R. Horning, W. S. McCollough, J. H. Briggs, Chicago, Ill.; P. R. Welch, Westfield, N. Y.; S. G. Moon, Eau Claire, Wis.; T. Edward Hambleton, New York.
General Office, 105 W. Adams St., Chicago, Ill.

CENTRAL GAS AND ELECTRIC COMPANY

(Controlled by Central Public Service Corporation)

History and Property—Incorporated July 25, 1925, in Delaware, as the Wisconsin Public Utility Company; name changed to present title in March, 1926. Through subsidiary companies, Central Gas and Electric Company furnishes public utility service in various communities of Illinois, Wisconsin, Michigan, Indiana, Pennsylvania, Maryland, Maine, New Brunswick and Florida, comprising a population of approximately 435,000.

The sources of net revenue are as follows:

Electric light and power	80.8%
Gas	12.0%
Water	2.7%
Railway, ice and heat	4.5%

The majority of the properties in Wisconsin, Lower Peninsula of Michigan, Maine and New Brunswick are hydro-electric. The present capacity of the electric stations equals 90,745 h.p., of which 23,515 h.p. is hydro-electric. Connected to these stations are 1,038 miles of transmission lines. The gas plants have a rated capacity of 5,070,000 cubic feet of gas per day and the gas distribution systems total 371 miles of mains.

The operating subsidiary companies of Central Gas and Electric Company are as follows:

Illinois Public Utility Company.
Hoosier Public Utility Co.
Zoller Gas Co.
Princeton Utilities Co.
Princeton Water & Light Co.
Central States Gas Co.
Wisconsin Public Utility Co.
Iron Range Light & Power Co.
Houghton County Electric Light Co.
Houghton County Traction Co.
Gould Electric Co.
Fort Kent Electric Co.
Woodstock Electric Ry., Light & Power Co.
Carleton Electric Co., Ltd.
Easton Electric Co.
Maine & New Brunswick Electrical Power Co.
Milo Electric Light & Power Co.
Katahdin Electric Co.
Sherman Electric Co.
Pottsville Gas Co.
Hagerstown Light & Heat Co. of Washington County.
Citizens Gas Supply Co.
Sand Creek Gas & Oil Co.
Muddy Fork Gas Co.
Hope Light & Power Co.
Ashland Electric Light & Power Co.
Lower Peninsula Power Co. (a consolidation of Lower Peninsula Power Co. and the Michigan Water Power Co.)
Cyr Electric Co.
Maple Grove Electric Co.
Prestile Electric Co.
Stockholm Electric Co.
Westfield Electric Co.
Rockford Electric Co.
Emden Water, Light & Power Co.
St. Joseph Oakwood Electric Co.
Southern States Power Co.

Illinois—Electric power and light is distributed in the agricultural districts lying between Springfield and Danville, including Lincoln, Heyworth, Wapella, Mt. Pulaski, Bement, Homer, Ivesdale, Philo, Sidney, Fairmount, Jamaica, Kenney, Latham, Chestnut, Atwood and, farther south, in Albion and Bellmont. Gas and water are also supplied in Lincoln, and gas in Freeport, Ill. Rockford, Ill., is supplied with electric light, power and heat.

Wisconsin—Electric power and light is furnished to a dairying and manufacturing district, 30 miles northwest of Milwaukee, including West Bend, Barton, Young America, Kohlsville, Newburg, Saukville, Waubeka, Fredonia, Random Lake and adjoining territory—all connected by transmission lines. At West Bend, on the Milwaukee River, energy is generated from a combined hydro-electric and steam power plant.

Indiana—Electric and gas service is supplied to the City of Greensburg, county seat of Decatur County. Water service is furnished in Princeton. Gas is also supplied to Princeton and Vincennes. Electric light and power is also supplied to Hope and Osgood, Ind.

Michigan—Electric light and power is distributed from a combined hydro-electric and steam station at Plainwell to Plainwell, Martin, Shelbyville, Hopkins, Hopkinsburg, Bradley, Wayland, Moline, Byron Center and Cutlerville. The northern half of this district is rapidly becoming a suburban residential section of Grand Rapids. From a hydro-electric station on the Betsie River near Frankfort, Mich., energy is transmitted to, and distributed in Frankfort, Benzonia, Beulah, Crystal Lake, Elberta, Bear Lake and Arcadia. In the upper peninsula, electricity is furnished to Iron River and Stambaugh. The electric properties at Houghton supply Houghton, Hancock, Red Jacket, Laurium, Lake Linden, Hubbell, South Range, Dollar Bay and mining locations of Atlantic, Isle Royale, Quincy, Osceola, Wolverine, Allouez, Ahmeek and Mohawk, Mich.

Florida—In Northern Florida, Marianna, Blountstown and Fernandina are supplied with both electric light and power and ice, with Cottondale supplied with electricity. In addition water service is supplied to Marianna and Fernandina by a pumping station having a daily capacity of 750,000 gallons and a distribution system comprising 13 miles of mains. The Company owns an ice manufacturing plant having a capacity of 100 tons per day. Electric light and power is supplied from both the steam and hydro generating stations of the Company.

Pennsylvania—Gas service is furnished to Pottsville and two adjacent communities. Pottsville is located in the eastern part of the State on the Schuylkill River in the center of one of the most important coal mining and metal manufacturing sections of the country.

Maryland—In Hagerstown, having a population of approximately 35,000, gas service is supplied. Hagerstown is a well established industrial community in the heart of a prosperous mining, quarrying and agricultural section of the United States.

Maine and New Brunswick—The output from the Company's 11,000 h.p. hydro-electric plant at Tinker, New Brunswick, is distributed in, or wholesaled to, various towns in northeastern Maine and the adjoining territory in New Brunswick, the most important of which are Presque Isle, Easton, Fort Fairfield, Fort Kent and Madawaska, Maine, and Grand Falls, Carleton and Woodstock, New Brunswick. Electricity is also supplied to Patten, Medway, Island Falls and Oakfield, Maine. Farther south in the state, Milo and seven adjacent towns are served. This section is exceedingly prosperous and affords an exceptional opportunity for new power and light business.

CAPITAL STOCK

Authorized, 100,000 shares Common stock, 500,000 shares First Pfd. stock, and 50,000 shares $7 Dividend Second Pfd. stock; outstanding, 100,000 shares Common stock, 35,000 shares $7 Dividend Series First Pfd. stock, 30,500 shares $6.50 Dividend Series First Pfd. stock, and 15,000 shares $7 Dividend Second Pfd. stock, all of no par value. All of the Common and Second Pfd. stock is owned, directly or indirectly, by Central Public Service Corporation.

Preferred Stock Provisions—The $7 and $6.50 Dividend Series Pfd. stock is entitled to $100 and accrued dividends per share in the event of dissolution or liquidation, and if such dissolution or liquidation is voluntary to further sum of $5 per share; redeemable at 105 and accrued dividends, preferred as to dividends and assets over all other stock. No other class of stock

(other than additional shares and series of the Pfd. stock) senior to or on an equality with this stock, may be created or authorized. No shares of this Pfd. stock (of all series in the aggregate) may be issued unless the consolidated net earnings for 12 consecutive months out of the preceding 15, after interest charges on all funded debt, shall equal 2½ times the annual preferred dividends on all Pfd. stock issued (of all series) and to be issued.

Stock Purchase Warrants—Each share of $7 Dividend Series Pfd. stock of the original 21,000 shares carried a warrant entitling the holder for a period of three years to purchase one share of Common stock of Central Public Service Company at a price of $10 per share if exercised before March 1, 1927, $15 per share if exercised during the next succeeding 12 months and $20 per share if exercised during the subsequent 12 months periods.

Transfer Agents—The New York Trust Company, New York and Harris Trust and Savings Bank, Chicago.

Registrars—The Chase National Bank of the City of New York, New York, and Central Trust Company of Illinois, Chicago.

Legal Opinion (Pfd. Stock)—Roberts & Montgomery, Philadelphia (for the Bankers); Chapman, Cutler & Parker, Chicago (for the Company).

Original Offerings—First publicly offered (21,000 shares $7 Dividend Series First Pfd. stock) in March, 1926, at $96 and accrued dividend per share, by West & Co., Philadelphia, Pearsons-Taft Co. and Thompson Ross & Co., Inc., Chicago; 6,000 additional shares $7 Dividend Series First Pfd. stock offered in March, 1927, at $95 and accrued dividend per share, by Federal Securities Corp., H. M. Byllesby & Co., West & Co., and Thompson Ross & Co., Inc.; 25,000 shares $6.50 Dividend Series First Pfd. stock offered in Dec., 1927, at $94.50 and accrued dividends per share to yield over 6.87% by the same bankers.

Annual Meeting—Third Saturday in July.

Listed—First Pfd. stock is listed on Chicago Stock Exchange.

Dividends—Pfd. dividends paid quarterly M, J, S & D 1.

FUNDED DEBT

(1)

$5,808,900 CENTRAL GAS & ELECTRIC CO. FIRST LIEN COLLATERAL TRUST SINKING FUND GOLD BONDS, 6% SERIES OF 1926; DUE MARCH 1, 1946

Dated March 1, 1926.

Interest Payable March and September 1, at Central Trust Co. of Illinois, Chicago, and The Chase National Bank, New York.

Denominations—Coupon bonds in interchangeable (upwards) denominations of $100, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Purpose of Issue—The proceeds from the sale of these bonds and other securities were used to provide funds to retire outstanding securities, for the acquisition of property, and for other corporate purposes.

Provisions of Issue—Issued, $6,500,000; outstanding, $5,808,900 6% Series of 1926. Additional bonds, issuable in series may be issued up to 75% of the cost or value (whichever is lower) of after acquired physical operating properties on the basis of the deposit and pledge of 100% of the outstanding capital stock and funded debt thereof (reserving bonds out of those otherwise issuable for securities not so acquired and deposited) and also for not exceeding 75% of the cost or value (whichever is lower) of extensions or betterments to the operating physical properties, provided, however, net consolidated earnings (as defined in the indenture) for a period of twelve months out of the preceding fifteen months shall equal 1¾ times the annual interest on all bonds outstanding and those to be issued. Additional bonds may also be issued par for par for refunding purposes. The Indenture provides for a maintenance and renewal provision equal to 12½% of gross operating revenues.

Callability—Subject to call as a whole or in part on the first day of any calendar month after 60 days' notice at 105 through March 1, 1931, and thereafter decreasing ¼ of 1% each 12 months and accrued interest.

Sinking Fund—A sinking fund equal to 1% of the highest principal amount of bonds of the 6% series of 1926 theretofore issued, is to be applied semi-annually to the purchase of such bonds at not exceeding the call price at the time in effect and to the extent not so applied in respect of betterments to operating properties not theretofore used, or thereafter usable, as a basis for issue of bonds. All bonds purchased shall be cancelled and not reissued.

Security—These bonds will constitute a first lien on the constituent properties through deposit with the Trustee of all outstanding bonds and stock of operating properties, excepting $562,000 5% bonds of the Freeport Gas Co., due 1932, $2,320,000 Rockford Electric Co. First Refunding 5s of 1939, $600,000 Michigan Water Power Co. First Mortgage 6s of 1946, and $291,000 Hagerstown Light & Heat Co., First Mortgage 5s of 1962, for the retirement of which a like amount of additional bonds will be reserved. No securities may be issued on any constituent property unless deposited with the Trustee and pledged directly or indirectly under the Indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, District of Columbia and Kentucky 5 mills taxes, California tax not exceeding in the aggregate 5 mills, Michigan 5 mills exemption tax and the Massachusetts 6% income tax, refunded upon application.

Legal Opinion—Chapman, Cutler & Parker, Chicago (for the Company), and Roberts & Montgomery, Philadelphia (for the Bankers).

Original Offering—First publicly offered in April, 1926, at 98½ and interest, to yield 6.13% by H. M. Byllesby & Co., Inc., and West & Co., New York, etc.; Federal Securities Corp., Pearsons-Taft Co. and Thompson Ross & Co., Chicago, etc., and W. S. Hammons & Co., Portland, Ore.; $2,300,000 additional offered in March, 1927, at 95 and interest, to yield about 5.95%, by Federal Securities Corp., H. M. Byllesby & Co., Inc., West & Co., and Thompson Ross & Co., Inc.

Listed—Chicago Stock Exchange.

Price Range—1926: High, 98½; low, 97.

(2)

$11,147,200 CENTRAL GAS & ELECTRIC CO. FIRST LIEN COLLATERAL TRUST SINKING FUND GOLD BONDS, 5½% SERIES OF 1926; DUE DECEMBER 1, 1946

Dated December 1, 1926.

Interest Payable June and December 1, at Central Trust Company of Illinois, Chicago, or at Chase National Bank, New York.

Denominations—Coupon bonds in interchangable (upwards) denominations of $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Purpose of Issue—Proceeds were used in the acquisition of new properties, for the retirement of $787,000 Houghton County Electric Light Co. First 5s, due July 1, 1927, and for additional property improvements.

Callability—Subject to call as a whole or in part on the first day of any calendar month, on 60 days' notice at 105 through Dec. 1, 1931 and thereafter decreasing ¼ of 1% for each 12 months and accrued interest in each case.

Sinking Fund—A sinking fund is provided (to be applied semi-annually) equal to 1% per annum of the highest principal amount of Bonds of the 5½% Series of 1926 heretofore issued, to be applied to the purchase of such bonds at not exceeding the call price at the time in effect, and to the extent not so applied,

in respect of betterments to operating properties not heretofore used, or thereafter usuable, as a basis for issue of bonds. All bonds purchased shall be cancelled and not reissued.

Security—Secured equally with the 6% Series of 1926 Bonds under the same mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four-mills taxes, Maryland 4½-mills tax, District of Columbia and Kentucky 5-mills taxes, California tax not exceeding in the aggregate 5 mills, Michigan 5-mills exemption tax and Massachusetts 6% income tax refunded upon proper and timely application.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Bankers), and Chapman, Cutler & Parker, Chicago (for the Company).

Original Offering—First publicly offered ($1,300,000) in Dec., 1926, at 95 and interest to yield about 5.95%, by Federal Securities Corp., H. M. Byllesby & Co., Inc., and Thompson Ross & Co., Inc., Chicago, etc., Hambleton & Co., New York, etc., and West & Co., Philadelphia; $2,300,000 additional in March, 1927, at the same price, and by the same bankers; a further $7,000,000 in Dec. 1927, at 98½ and interest to yield 5 5-8%, also by the same bankers.

(3)

$1,500,000 CENTRAL GAS & ELECTRIC CO. THREE-YEAR 6% GOLD NOTES; DUE MARCH 1, 1929, BUT CALLED FEB. 1, 1928 AT 100¾

(4)

$3,500,000 CENTRAL GAS AND ELECTRIC CO. THREE-YEAR 5½% GOLD NOTES; DUE DECEMBER 1, 1930

Dated December 1, 1927.

Interest Payable June and September 1 at Central Trust Co. of Illinois, Chicago, or The Chase National Bank of the City of New York.

Denominations—Coupon notes in interchangeable (upwards) denominations of $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized and issued, $3,500,000.

Purpose of Issue—Proceeds were used in part for the acquisition of new properties (including Rockford Electric Co.), to retire indebtedness and for other corporate purposes, or to reimburse the Company for such expenditures.

Callability—Subject to call as a whole or in part on the first day of any calendar month after 30 days' notice at 101½ for the first six months, and thereafter decreasing ¼ of 1% each succeeding six months, and accrued interest.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the Company, subject only to the First Lien Collateral Trust Sinking Fund Gold bonds and divisional bonds outstanding. The notes are issued under a Trust Indenture which provides that no additional secured or unsecured funded debt (other than First Lien Collateral Trust Gold bonds) may be issued unless consolidated net earnings (as defined in the Indenture) for 12 consecutive months out of the preceding 15 months, shall equal 1½ times the consolidated annual fixed charges (as defined in the Indenture).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, District of Columbia and Kentucky 5 mills taxes, California tax not exceeding in the aggregate 5 mills, Michigan 5 mills exemption tax and the Massachusetts 6% income tax refunded upon proper and timely application.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Bankers) and Cutting, Moore & Sidley, Chicago (for the Company).

Original Offering—First publicly offered ($3,500,000) in Dec., 1927, at 99¼ and interest by Thompson Ross & Co., H. M. Byllesby & Co., Inc., Hambleton & Co., New York, etc., Federal Securities Corp., Chicago and West & Co., Philadelphia.

CONSOLIDATED EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927
(Central Gas & Electric Co. and Subsidiaries)

Gross earnings	$5,735,139
Operating expenses, maintenance & taxes (other than Government Income)	3,010,866
Net earnings	$2,724,273
Other income	29,166
Total	$2,753,439
Interest on funded debt	862,624
Other interest	139,982
Amortization of debt discount & other charges	43,083
Balance	$1,707,750
Profits on sale of investments	107,226
Gross income	$1,814,976
Deductions:	
Sundry	114,046
Accrued prior to acquisition	1,030,011
Net income to surplus	$670,919
Surplus, Jan. 1, 1927	219,933
Gross surplus	$890,852
Dividends on Preferred stock	307,579
Surplus, Dec. 31, 1927	$583,273

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Central Gas & Electric Co. and Subsidiaries)

Assets—	
Property	$37,059,451
Investments	2,509,568
Special deposits	219,770
Cash	508,886
Notes receivable	12,399
Accounts receivable	950,034
Materials and supplies	580,662
Other current assets including stock subscriptions	38,496
Due from affiliated companies	2,655,435
Unamortized debt discount & expense	1,243,345
Sundry deferred accounts	204,610
Total	$45,982,656
Liabilities—	
Common stock	$5,192,737
Preferred stock	7,289,300
Funded debt	24,229,100
Property purchase obligations	46,132
Notes payable	59,365
Accounts payable	316,002
Consumers' deposits	112,248
Accrued interest	263,019
Accrued taxes (other than Federal Income)	246,465
Accrued dividends	26,625
Other current liabilities	40,661
Due to affiliated companies	4,519,065
Deferred credits	18,340
Securities in process of retirement	22,000
Reserve for renewals, replacements & depletion	2,722,762
Sundry reserves	281,862
Equity of minority Common stockholders	13,700
Surplus	583,273
Total	$45,982,656

Officers: Albert E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.; B. H. Ely, Asst. Sec. & Asst. Treas.; M. F. Finley, Asst. Sec.; W. W. Winter, Asst. Sec. & Asst. Treas.

Directors: A. E. Peirce, D. C. McClure, R. L. Aage, C. E. Gray, Paul Buhlig, Chicago, Ill.; C. B. Kelsey, Grand Rapids, Mich.; S. C. Finnell, Philadlephia, Pa.

General Office, 105 W. Adams St., Chicago, Ill.

ROCKFORD ELECTRIC COMPANY

(Controlled by Central Gas & Electric Company)

History—Incorporated Feb. 20, 1896, in Illinois as the Rockford General Electric Co.; present corporate title adopted in 1907. In 1908 acquired the property of the Central Heat & Power Co. Supplies electric power and light and steam heating service in Rockford, Ill., serving a population of about 100,000. Fran-

chise perpetual. Property includes a steam electric plant with a capacity of 37,800 k.w. and a hydro-electric plant of 1,200 k.w. capacity. Total capacity of plants, 39,000 k.w.

CAPITAL STOCK

Authorized, $1,500,000 Common and $500,000 6% cumulative Pfd.; outstanding, Dec. 31, 1927, $1,500,000 Common and $439,200 Pfd.; par, $100. (All the outstanding Pfd. stock called for redemption April 1, 1928, at 110). Entire Common stock is owned by the Central Gas and Electric Company. Transfer Agent: Empire Trust Co., New York. Registrar: American Exchange Irving Trust Co., New York. Annual meeting, third Tuesday in March at Rockford, Ill.

FUNDED DEBT

$2,353,000 FIRST & REFUNDING GOLD 5s; DUE MARCH 1, 1939

Dated March 1, 1909.

Interest Payable March and September 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized, $7,500,000; outstanding, $2,353,000, of which $33,000 owned by Central Gas and Electric Company. Additional bonds can be issued for betterments and extensions at not more than 80% of cost, but only when net earnings for the preceding year shall have been double the interest charges on bonds issued, and to be issued, and only when an amount equal to 10% of the gross earnings for the same period has been expended or specifically set aside for repairs, renewals and maintenance.

Callability—Subject to call as a whole, or in part for sinking fund, at 105 and interest on any interest date upon 4 weeks' notice.

Sinking Fund—An annual sinking fund of 1% of total bonds outstanding commenced March 1, 1914, the trustee to invest such fund, together with any unexpended balances of the improvement fund, in these bonds at a price not exceeding 105 and interest, bonds to be called by lot at that price if not so purchasable.

Improvement Fund—The mortgage also provides for improvement fund payments of 1% of the total amount of bonds outstanding each year from March 1, 1919, to maturity, such funds to be expended for betterments, improvements and extensions to the plant or property of the company. Such expenditures shall not be made the basis for issuing additional bonds.

Security—Secured by a first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in May, 1909, at 98½ and interest, by Miller & George, Providence, R. I.; also offered in March, 1912, by Wm. A. Read & Co., New York, etc., at 96½ and interest. $924,000 offered in Aug., 1924, at 98 and interest, to yield about 5.20%, by Dillon, Read & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,126,226	$2,012,920	$1,821,040	$1,638,808	$1,519,662	$1,337,249
Oper. exp., maint. & general taxes	*1,183,440	1,313,841	1,233,524	1,171,986	1,190,019	1,018,387
Net earnings	$942,786	$699,079	$587,516	$466,822	$329,643	$318,862
Other income	.....	*1,035	3,532	3,850	3,334	2,194
Total income	$942,786	$698,044	$591,048	$470,672	$332,977	$321,056
Bond interest	118,055	120,496	122,717	91,576	78,888	83,150
Other interest, amort. of debt discount, etc.	74,400	51,836	43,245	69,458	40,366	24,827
Total charges	$192,455	$172,332	$165,962	$161,034	$119,254	$107,977
Net income	$750,331	$525,712	$425,086	$309,638	$213,723	$213,079
Preferred dividends paid	26,352	26,352	26,352	26,352	26,352	.....
Common dividends paid	469,170	†	†	†	†	†
Balance	$254,809	$499,360	$398,734	$283,286	$187,371	.....
Times Total Interest, Etc., Earned	4.89	4.05	3.58	2.92	2.79	2.97

*Includes depreciation $241,620. †Not reported.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Property account	$6,448,156	Common stock	$1,500,000
Investments	602	Funded debt	2,353,000
Special deposits	42,954	Due to affiliated companies	1,456,859
Cash	172,511	Accounts payable	63,364
Accounts receivable	234,256	Consumers' deposits	57,992
Materials & supplies	98,035	Interest accrued	53,932
Other current assets	9,417	Other current liabilities	13,301
Deferred debit items	210,349	Unadjusted credits	949
		Reserve for renewals & replacements	868,748
		Reserve for taxes	131,851
		Other reserves	96,560
		Surplus	619,724
Total	$7,216,280	Total	$7,216,280

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.; B. H. Ely, Asst. Sec. & Asst. Treas.; W. W. Winter, Asst. Sec. & Asst. Treas.

Directors: A. E. Peirce, R. L. Aage, D. C. McClure, W. S. McCollough, W. M. McFarland.

Offices, Rockford, Ill., and 105 W. Adams St., Chicago, Ill.

GOULD ELECTRIC COMPANY

(Controlled by Central Gas & Electric Company)

History—Incorporated in 1918, in Me. and purchased the property of the Maine & New Brunswick Electrical Power Co., Ltd., in Maine. Company furnishes electric energy in Presque Isle, Maplegrove, Mars Hill, Washburn and Blaine, Me.; also wholesales energy to Aroostook Valley R. R., Caribou Water, Light & Power Co., The Houlton Water Co., Westfield Electric Co., International Paper Co., Van Buren, Me., Fort Kent Electric Co., Limestone Light & Power Co., Mapleton Electric Co., Monticello Electric Co., Bridgewater Electric Co., Easton Electric Co., Maple Grove Electric Co., Prestile Electric Co., Cyr Electric Co., Fort Fairfield Light & Power Co. and to municipality of Van Buren, Me. Energy is purchased from Maine and New Brunswick Electrical Power Co., Ltd.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $400,000; par, $100. Stock control held by Central Gas & Electric Co. Annual meeting, second Tuesday in January.

FUNDED DEBT

None.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$251,700	$222,323
Operating exp., maintenance & taxes (other than Federal income)	174,687	149,766
Net earnings before int., depreciation, and Federal taxes	$77,013	$72,557
Other income	764	.....
Total income	$77,777	$72,557

GENERAL BALANCE SHEET, DECEMBER 31, 1926

(Latest Furnished)

Assets—	
Property and franchises	$550,251
Due to affiliated companies	134,043
Cash	4,317
Notes & accts. receivable	44,556
Materials and supplies	21,729
Prepayments	577
Deficit	51,478
Total	$806,951
Liabilities—	
Common stock	$400,000
Due to affiliated companies	94,438
Notes and accounts payable	40,437
Consumers' deposits	629
Accrued accounts	2,928
Reserves	268,519
Total	$806,951

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.; L. H. Alline, Gen. Mgr., Presque Isle, Me.

General Office, Presque Isle, Me. **Executive Office,** 105 W. Adams St., Chicago, Ill.

HOUGHTON COUNTY ELECTRIC LIGHT COMPANY

(Controlled by Central Gas & Electric Company)

History and Property—Incorporated Aug. 1902, in Mich., to take over property of Peninsula Electric Light & Power Co. Does entire electric lighting business and a portion of the electric power business in Houghton and Keweenaw Counties, Mich., including cities and towns of Houghton, Hancock, Red Jacket, Laurium, Lake Linden, Hubbell, South Range and Dollar Bay, and the mining locations of Atlantic, Isle Royale, Quincy, Osceola, Wolverine, Allouez, Ahmeek and Mohawk. Franchises in Hancock and Houghton, expire in 1930 and are perpetual in other cities and towns. Estimated population served, 44,000. Power station located at Houghton; capacity, 5,100 k.w. Connected load; Commercial incandescents, 9,232 k.w.; commercial power, 6,301 h.p.; miscellaneous, 4,959 k.w.; foreign company power 1,885 k.w. Municipal contracts: Schedule, mostly all night and every night; some average 3 hours per night and some 4 hours per night.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common and $300,000 6% non-cumulative Pfd.; par, $25. Pfd. stock is redeemable at 110 and has priority as to dividends and in case of liquidation. Annual meeting, first Tuesday in August.

Dividends—Pfd. dividends regularly paid semi-annually May and Nov. 1. On Common, 5% formerly paid; none paid in 1921, 1922, 1923 or 1924; 1% in 1925; 4% in 1926; 13½% in 1927.

FUNDED DEBT

$787,000 First Mortgage 5% Gold bonds; dated Sept. 1, 1902; due July 1, 1927; interest January and July 1, at Boston Safe Deposit & Trust Co., Boston, Trustee and Registrar. Coupon, $1,000; principal may be registered. Subject to call as a whole at 107½ and interest on any interest date. Authorized and issued, $1,000,000, of which $213,000 held in treasury. Improvement fund $7,500 per annum. A first lien on property. Legal for Maine Savings banks. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$548,948
Operating expenses, maintenance & general taxes.	329,638
Net earnings	$219,310
Interest on funded debt	19,675
Other interest	23,866
Amortization of debt discount, etc.	5,936
Net income	$169,833
Surplus balance, Jan. 1, 1927	701,331
Gross surplus	$871,164
Preferred dividends	18,000
Common dividends	135,000
Surplus, Dec. 31, 1927	$718,164

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$2,688,105	$2,672,775
Investments	1,205	.....
Inter-company accounts	167,252	28,557
Cash	24,605	17,313
Accounts receivable	95,162	215,767
Materials and supplies	90,649	87,531
Other current assets	7,055	9,752
Deferred charges	4,087	4,766
Total	$3,078,120	$3,036,461
Liabilities—		
Preferred stock	$300,000	$300,000
Common stock	1,000,000	1,000,000
Funded debt	.....	787,000
Due to affiliated cos.	812,421	3,000
Notes payable	1,365	.....
Accounts payable	4,505	4,292
Consumers' deposits	2,709	3,477
Accrued accounts	3,000	3,045
Reserves	235,956	234,316
Surplus	718,164	701,331
Total	$3,078,120	$3,036,461

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; John Ralph, Sec., Treas. & Mgr.; W. S. McCollough, Asst. Treas.; Ben H. Ely, Asst. Treas.; A. M. Finch, Asst. Treas., W. M. McFarland, Asst. Sec.; M. F. Finley, Asst. Sec.

Directors: A. E. Peirce, R. L. Aage, D. C. McClure, W. M. McFarland, W. S. McCollough, M. F. Finley, G. L. Augustus, Ben H. Ely, John Ralph.

General Office, Houghton, Mich. **Executive Office,** 105 W. Adams St., Chicago, Ill.

HOUGHTON COUNTY TRACTION COMPANY

(Controlled by Central Gas & Electric Company)

History and Property—Incorporated in 1908, in Michigan as successor to Houghton County St. Ry. Co. Franchises giving the right to use public streets expire in 1929, 1930, 1932, 1933 and 1938, but road is largely on private right of way. Entire road opened Sept. 1901, connecting the cities and towns of Houghton, Hancock, Laurium, Red Jacket, Lake Linden and Hubbell and the mining locations of Quincy, Osceola, Wolverine, Allouez, Ahmeek and Mohawk, Mich. Total track operated, 32.15 miles. Gauge, standard. Equipment: Motor cars, 23; other, 16. Power station located at Hancock, Mich.; capacity, 1,000 k.w.; station leased to and power purchased from Houghton County Electric Light Co. Car barns and shops at Hancock and Laurium, Mich. Estimated population served, Jan. 1, 1928. 43,300.

Receivership—On Nov. 29, 1921, Samuel B. Tuell, Houghton, Mich., was appointed Federal Receiver to take possession of and manage the properties of the company. During 1925 the Receiver continued to operate with the 8-ct. cash fare, which went into effect Dec. 9, 1920, and the weekly transferable zone pass which went into effect, replacing the seven-cent tickets, on July 24, 1922. On July 1, 1926, Receiver Tuell resigned, and John Ralph, Houghton, Mich., was appointed Receiver.

Default—Protective Committee—The Committee named below, in Dec. 1922, notified holders of the First Consolidated Gold 5% bonds, dated Sept. 1, 1908, that it had been advised that the Receiver would be unable to pay semi-annual coupon due Jan. 1, 1923, on the bonds. Bondholders were asked to forward their bonds to the Old Colony Trust Co., Boston, Depositary, for deposit under a deposit agreement. Upon adoption of any plan or in case of any amendment of the depositary agreement, depositors have the right to withdraw on terms specified in the agreement, which include the payment of a pro-rata share of the Committee's expenses, not exceeding however 2% of the face value of the bonds withdrawn. Committee: Frank B. Bemis, Ernest B. Dane and Nathaniel H. Stone, with V. D. Vickery, 147 Milk St., Boston, as Secretary, and Ropes, Gray, Boyden & Perkins, Boston, as Counsel. Last interest coupon paid, due Jan. 1, 1926, paid in January, 1928.

CAPITAL STOCK

Authorized, $750,000 Common and $500,000 6% cumulative Preferred; outstanding, $750,000 Common and $207,200 Preferred; par, $100. Preferred has priority as to dividends and in case of liquidation, and is subject to call at 110. Stock control held by Central Gas & Electric Co.

Annual Meeting—First Tuesday in August.

Dividends—Pfd. dividends regularly paid up to and including 1918; in 1919, 3% was paid; none since. On Com., 2% paid Oct. 1, 1909; 1910 to 1913, at rate of 5% per annum; 1914, 2½%; none since.

FUNDED DEBT

$660,000 First Consolidated Mortgage 5% Gold bonds; dated Oct. 1, 1908; due Jan. 1, 1937; int. Jan. and July 1, at Old Colony Trust Co., Boston, Trustee and Registrar. Coupon, $500 and $1,000; principal may be registered; interchangeable. Subject to call as a whole (or in part for sinking fund), at 105 and int. at any time. Sinking fund, 1½% annually (March 1) of bonds outstanding, which is to be applied to purchase or redemption of bonds at not exceeding 105 and interest. Authorized issue, $1,600,000; issued, $944,000, of which $149,500 had been cancelled by sinking fund at Dec. 31, 1925, $24,500 were held in treasury and $110,000 have been purchased and are held as an investment. As of Dec. 31, 1927, the Central Gas & Electric Co. had purchased all but $6,000 of the First Consolidated Mortgage 5% Gold bonds outstanding. The $656,000 unissued bonds are reserved for permanent improvements at 80% of actual cost thereof. A first lien on the line from Wolverine to Mohawk, Mich., 5 miles, and on all other property now owned or hereafter acquired. First publicly offered in Sept., 1908, at 92 and interest. Company pays Normal Federal Income Tax up to 2%.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$200,473	$215,733
Operating exp., maintenance & taxes (other than Federal income)	160,321	168,476
Net earnings before int., depreciation, and Federal Income taxes	$40,152	$47,307
Interest & other deductions	57,741	*
Deficit before depreciation & Federal Income taxes	$17,589	*

*Not furnished.

GENERAL BALANCE SHEET, DECEMBER 31, 1926
(In Receivership)

Assets—	
Property and franchises	$2,241,992
Special deposits	325
Cash	74,450
Accounts receivable	529
Materials and supplies	15,583
Prepayments	6,159
Deferred charges	7,501
Deficit	29,992
Total	$2,376,531
Liabilities—	
Preferred stock	$207,200
Common stock	750,000
Funded debt	660,000
Due to affiliated Cos.	370,116
Accounts payable	5,504
Accrued accounts	97,672
Reserves	286,039
Total	$2,376,531

Officers: John Ralph, Receiver, Houghton, Mich.; A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; John Ralph, Sec., Treas. & Mgr.; W. S. McCollough, Asst. Treas.; Ben. H. Ely, Asst. Treas.; A. M. Finch, Asst. Treas.; W. M. McFarland, Asst. Sec.; M. F. Finley, Asst. Sec.

Directors: A. E. Peirce, R. L. Aage, W. S. McCollough, M. F. Finley, G. L. Augustus, D. C. McClure, W. M. McFarland, Ben. H. Ely, Chicago, Ill.; John Ralph, Houghton, Mich.

General Office, Houghton, Mich. **Executive Office,** 105 W. Adams St., Chicago, Ill.

MILO ELECTRIC LIGHT & POWER CO.

(Controlled by Central Gas & Electric Company)

History and Property—Incorporated Nov. 22, 1898, in Me. As of Jan. 1, 1926, acquired the rights, properties and franchises of the Brownville Electric Light & Power Co. Company furnishes electric light and power to the towns of Milo, Brownville, Sebec, Williamsburg and Orneville in Piscataquis County, and LaGrange in Penobscot County. Its franchises give authority to serve several surrounding towns.

Power is generated by two hydro-electric plants with an aggregate capacity of 1600 h.p., located on the Sebec River below Sebec Lake. The drainage area tributary to these plants is about 367 square miles and includes Sebec Lake with a storage capacity of about 3,200,000,000 cubic feet, and about 43 smaller lakes and ponds. The Company owns an undeveloped water power on the same river with a potential capacity about 2,000 h.p. The Company's lines are connected with the Central Maine Power Company system by a 33,000 volt transmission line.

CAPITAL STOCK

Outstanding, $151,000 Common; par, $50. Stock control held by Central Gas & Electric Co. An issue of $125,000 previously outstanding was retired May 15, 1927 at 105. Annual meeting, last Tuesday in January, at Portland, Me.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$80,421
Operating expenses, maintenance & taxes	37,432
Net earnings	$42,989
Interest and other deductions	24,939
Net income before deprec. and Fed. Income taxes	$18,050

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.; L. H. Alline, Gen Mgr., Presque Isle, Me.

General Office, Milo, Me. **Executive Office,** 105 W. Adams St., Chicago, Ill.

MAINE AND NEW BRUNSWICK ELECTRICAL POWER COMPANY, LTD.

(Controlled by Central Gas & Electric Company)

History and Property—Incorporated in 1906, in New Brunswick, and holds franchise to operate in Madawaska, Victoria and Carleton Counties, N. B. Formed to acquire and develop water power at Aroostook Falls, N. B., and to supply electric light and power to adjacent towns. Company distributes in Aroostook Junction and Grand Falls and wholesales power to the Perth & Andover Electric Company and to the Carleton Electric Company, supplying the St. John River Valley as far south as Woodstock.

It wholesales power under contract, to the Gould Electric Company of Maine, which has a perpetual exclusive franchise in Aroostook County, Maine, and in its turn, wholesales power to twenty municipalities and corporations throughout that county, including the towns of Fort Fairfield, Caribou, Presque Isle, Elaine, Mars Hill, Washburn, Bridgewater, Monticello, Houlton, and the Aroostook Valley Railway, electrically operated. The territory served has a combined population of approximately 65,000.

The property consists of water power development and a power house at Aroostook Falls, containing four electric generators directly connected to turbines and having a total capacity of 8,800 h.p. operated under a head of 85 feet, with distributing lines at Aroostook Junction, and transmission lines connecting with the other companies to which it wholesales power. The drainage area of the Aroostook River is 2,230 sq. miles.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $100. Stock control held by Central Gas & Electric Co. Annual meeting, second Tuesday in January.

FUNDED DEBT

(1)

$245,000 FIRST & REFUNDING MORTGAGE SINKING FUND 6% GOLD BONDS; DUE JANUARY 1, 1948.

NOTE—Funds have been deposited with the Central Trust Company of Illinois, Chicago for the purchase of the above bonds. All outstanding bonds will be retired at the earliest callable date, January 1, 1933.

(2)

$100,000 6% PERPETUAL MORTGAGE DEBENTURE STOCK; ISSUED APRIL 22, 1911

Interest Payable April and October 1, at any branch of Bank of Nova Scotia.

Denomination—Coupon, $100.

Trustee—Eastern Trust Co., St. John, N. B.

Provisions of Issue—Outstanding, Dec. 31, 1927, $100,000, of which $61,000 in Company's treasury.

Tax Provisions—Company does not pay Normal Federal Income Tax.

NOTE—Funds have been deposited for retirement of the 6% Preferential Mortgage Debenture stock.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$206,067	$162,850
Oper., exp., maint. & taxes (other than Federal income)	34,154	26,845
Net earnings before int., deprec. & Federal income taxes	$171,913	$136,005
Interest and other deductions	27,329	.....
Net income before depreciation & Federal income taxes	$144,584	.....

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. Clure, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.; L. H. Alline, Gen. Mgr., Presque Isle, Me.

General Office, Presque Isle, Me. **Executive Office,** 105 W. Adams St., Chicago, Ill.

POTTSVILLE GAS COMPANY

(Controlled by Central Gas & Electric Company)

History—Incorporated in 1850, in Pa. Supplies gas to Pottsville, Port Carbon and Yorkville, serving a population of about 25,000. Meters in service, 3,272. Annual sales, 76,503,300 cu. ft. Miles of mains, 32.

CAPITAL STOCK

Authorized and outstanding, $400,000; par $50. Annual meeting, first Monday in May. Stock control held by Central Gas & Electric Co.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$145,705
Operating expenses, maintenance & general taxes	81,689
Net earnings	$64,016
Other income	185
Net income before depreciation & Federal Income taxes	$64,201

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, Pottsville, Pa., **Executive Office,** 105 W. Adams St., Chicago, Ill.

HOOSIER PUBLIC UTILITY COMPANY

(Controlled by Central Gas & Electric Company)

History and Property—Incorporated in 1925, in Indiana; successor to Greensburg Gas & Electric Co. Supplies with gas and electricity Greensburg, Indiana, and surrounding territory. Miles of distribution lines, 43; miles of gas mains, 38; number of meters—electric, 1,362; gas, 740.

CAPITAL STOCK

Authorized and outstanding, 5,000 shares of no par value. All but directors' qualifying shares owned by Central Gas and Electric Co.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$98,923
Operating expenses, maintenance & general taxes	72,373
Net earnings	$26,550
Interest and other deductions	15,572
Net income before depreciation and Federal Income taxes	$10,978

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. M. McFarland, Sec.; W. S. McCollough, Treas., Chicago, Ill.; R. E. Mauer, Gen. Mgr., Greensburg, Ind.

General Office, Greensburg, Ind. **Executive Office,** 105 W. Adams St., Chicago, Ill.

LOWER PENINSULA POWER COMPANY

(Controlled by Central Gas & Electric Company)

History and Property—Incorporated in 1926, in Michigan, to acquire the assets of the M. & W. Light & Power Company, the Eesley Light & Power Company and the Benzie County Power Company. In October, 1927, it merged with the Michigan Water Power Company forming a new corporation, viz.: Lower Peninsula Power Company having 15,000 shares without par value Common stock. Serves Frankfort, Plainwell, Wayland and their neighboring towns with electric light and power.

The Company owns all the land, flowage rights, water rights, State rights, etc., and two hydro developments on the Thornapple River, located at Cascade

and Ada, about ten miles from the city of Grand Rapids, Mich.

The entire output of these two plants, modern throughout with reinforced concrete arched dams and two most efficient modern power houses, operating under 22 foot and 28 foot heads, respectively, with a total installed capacity of 7,200 h.p., is contracted for by the Consumers Power Company of Michigan, for a period of fifty years.

CAPITAL STOCK

Authorized and outstanding, 15,000 shares Common stock of no par value. Stock control is held by Central Public Utility Company.

Annual Meeting—First Tuesday in February.

FUNDED DEBT

(1)

$594,000 MICHIGAN WATER POWER COMPANY FIRST (CLOSED) MORTGAGE SINKING FUND GOLD 6s; DUE JANUARY 1, 1946

Dated January 1, 1926.

Interest Payable January and July 1, at National Bank of the Republic, Chicago, Ill., or at Michigan Trust Co., Grand Rapids, Mich.

Denominations—Coupon $100, $500 and $1,000; principal may be registered.

Trustee—National Bank of the Republic, Chicago, Ill.

Provisions of Issue—Authorized and issued, $600,000; retired by sinking fund, $6,000.

Callability—Subject to call in whole or in part on any interest date on sixty days' notice at 105 and accrued interest.

Sinking Fund—The mortgage provides for an annual sinking fund of 1% of the total amount of bonds issued, to be used to purchase or redeem bonds beginning Jan. 1, 1928.

Security—Secured by a mortgage on all of the Company's property now owned or hereafter acquired, including land, flowage rights, generating plants and transmission lines connecting the dams having an appraised value in excess of $1,500,000, subject only to a contract with the Consumers Power Company and to the prior lien created on said property by the terms thereof, which provide that no mortgage shall impair the obligation of the Company under its contract and that in even of default under the contract the Consumers Power Company shall have right to possess and operate the property for the purpose of securing due performance of the contract. This contract for the entire current generated and all profits arising therefrom have been pledged under the mortgage, thus assuring that all net earnings of the Company will be at all times available for the requirements of these bonds both principal and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Michigan.

Legal Opinion—Chapman, Cutler & Parker, of Chicago, and Butler, Lamb, Foster & Pope, of Chicago.

Original Offering—First publicly offered ($600,000) in Jan., 1926, at 99½ and interest, to yield over 6%, by Wm. L. Ross & Company, Inc., and Thompson, Ross & Co., Inc., Chicago, Ill.

(2)

$350,000 MICHIGAN WATER POWER CO. 6½% GOLD DEBENTURES; DUE JANUARY 1, 1936

Dated January 1, 1926.

All owned by Central Gas & Electric Company.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$176,069
Operating expenses, maintenance & general taxes	97,954
Net earnings	$78,115
Interest & other deductions	9,490
Net income before depre. & Fed. Income taxes	$68,625

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$2,431,659
Special deposits	6,766
Cash	10,832
Accounts receivable	65,568
Materials and supplies	43,023
Other current assets	2,188
Deferred debit items	9,113
Total	$2,569,149
Liabilities—	
Common stock	$958,950
Funded debt	950,000
Due to affiliated companies	376,002
Accounts payable	65,341
Consumers' deposits	3,778
Other current liabilities	1,415
Reserve for renewals & replacements	103,944
Reserve for taxes	11,580
Other reserves	2,403
Contributions for extensions	6,428
Surplus	89,308
Total	$2,569,149

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. M. McFarland, Sec.; W. S. McCollough, Treas., Chicago, Ill.

Directors: A. E. Peirce, R. L. Aage, D. C. McClure, Chicago, Ill.

Executive Office, 105 W. Adams St., Chicago, Ill.

ILLINOIS PUBLIC UTILITY COMPANY

(Controlled by Central Gas & Electric Company)

History and Property—Incorporated in 1925, in Illinois. In 1926 acquired the properties of the following: Lincoln Water & Light Company, Atwood Electric Light & Power Company, Bement Electric Light & Power Company, Homer Electric Light & Power Co., Philo Electric Light & Power Company, Atlanta Electric Light & Power Company, Mt. Pulaski Electric Light & Power Company, Hullinger Light & Power Company, Royal Light & Power Company, Albion Electric Light & Gas Company, and Freeport Gas Company, and in 1928 the Heyworth Electric Light & Power Company.

Supplies electric light and power between Springfield and Danville, Ill., and for the south in Albion and adjacent territory. Gas and water are supplied in Lincoln, and gas in Freeport. Total population served about 67,000.

CAPITAL STOCK

Authorized and issued, 20,000 shares Common stock of no par value. Stock control is held by Central Gas & Electric Company.

Annual Meeting—First Friday in May.

FUNDED DEBT

$562,000 FREEPORT GAS COMPANY FIRST MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1932

Dated September 1, 1912.

Interest Payable March and September 1, at Central Trust Co. of Illinois, Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized issue, $1,000,000; outstanding, $562,000.

Callability—Subject to call at 105 and accrued interest.

Security—A first lien on entire property of former Freeport Gas Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$783,201
Operating expenses, maintenance & general taxes	469,926
Net earnings	$313,275
Interest & other deductions	73,400
Net income before depreciation & Federal Income taxes	$239,875

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$3,286,266
Investments	1,300
Cash	32,967
Notes receivable	527
Accounts receivable	130,665
Materials & supplies	119,767
Other current assets	5,110
Due from affiliated companies	5,071
Deferred debit items	14,474
Total	$3,596,147
Liabilities—	
Common stock	$1,662,811
Funded debt	562,000
Due to affiliated companies	838,274
Accounts payable	32,904
Consumers' deposits	8,924
Interest accrued	9,431
Other current liabilities	9,729
Unadjusted credits	1,064
Reserve for renewals & replacements	258,097
Reserve for taxes	26,790
Other reserves	4,900
Surplus	181,223
Total	$3,596,147

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.

Directors: A. E. Peirce, R. L. Aage, W. M. McFarland.

Executive Office, 105 W. Adams St., Chicago, Ill.

HAGERSTOWN LIGHT AND HEAT COMPANY OF WASHINGTON COUNTY

(Controlled by Central Gas & Electric Company)

History—Incorporated March 27, 1891, in Md. as Hagerstown Light & Heat Co.; name changed to present title April 27, 1900. Franchises perpetual. Supplies gas to Hagerstown, Md., and its suburbs. Population served, estimated at 35,000.

CAPITAL STOCK

Authorized and issued, $200,000; par, $100. All owned by Central Gas & Electric Company.

Annual Meeting—Fourth Tuesday in January.

FUNDED DEBT

$291,000 First Gold 5s; dated Aug. 1, 1912; due Aug. 1, 1962; interest Feb. and Aug. 1, at Bankers Trust Co., New Yorkk. Coupon, $1,000. Girard Trust Co., Philadelphia, Trustee. Authorized, $1,000,000; issued, $325,000, of which $34,000 held in treasury, leaving $291,000 in hands of public at Dec. 31, 1927. Subject to call on any interest date at 103 and interest. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$200,493
Operating exp., maintenance & general taxes	125,636
Net earnings	$74,857
Interest and other deductions	16,216
Net income before depreciation & Federal Income taxes	$58,641

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$650,652
Cash	15,979
Accounts receivable	12,059
Materials and supplies	17,244
Other current assets	381
Due from affiliated companies	15,790
Deferred debit items	26,326
Total	$738,431
Liabilities—	
Common stock	$200,000
Funded debt	291,000
Notes payable	10,000
Accounts payable	6,826
Consumers' deposits	12,781
Interest accrued	6,062
Reserve for renewals & replacements	60,952
Reserve for taxes	2,106
Other reserves	9,169
Surplus	139,,535
Total	$738,431

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; G. R. Horning, V-P.; W. M. McFarland, Sec.; W. S. McCollough, Treas.; W. W. Winter, Asst. Treas.; M. F. Finley, Asst. Sec.

Directors: A. E. Peirce, R. L. Aage, G. R. Horning, W. S. McCollough, W. M. McFarland.

General Office, Hagerstown, Md. **Executive Office,** 105 W. Adams St., Chicago, Ill.

CENTRAL STATES GAS COMPANY

(Controlled by Central Gas & Electric Company)

History and Property—Incorporated June 20, 1916, in Indiana. Company has new and modern inclined coke ovens and manufactures coal gas and by-products; distributes gas to city of Vincennes, Ind. Franchise expires in 1942. Combined population served approximately 35,000. Company has 100 miles of gas mains. Meters installed in Vincennes about 2,110. Annual gas sales, 79,068,900 cu. ft.

CAPITAL STOCK

Outstanding, 3,500 shares Common stock of $100 par value. All owned by Central Gas & Electric Company.

Annual Meeting—Third Thursday in June.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$128,114	$131,863
Operating expenses, maintenance & general taxes	98,274	107,769
Net earnings	$29,840	$24,094
Interest and other deductions	47,515	.....
Net deficit before depreciation and Federal Income taxes	$17,675	.....

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.; W. A. Tobias, Mgr., Vincennes, Ind.

Directors: A. E. Peirce, R. L. Aage, G. R. Horning, W. S. McCollough, W. M. McFarland, M. F. Finley, B. H. Ely, Chicago, Ill.; W. A. Tobias, Vincennes, Ind.

Executive Office, 105 W. Adams St., Chicago, Ill.

SOUTHERN GAS SECURITIES COMPANY

(Controlled by Central Public Service Corporation)

History—Incorporated May 18, 1926, in Delaware. Controls through stock ownership the Portsmouth Public Service Company, The Ohio Valley Bus Company, The Cannon Ball Transportation Company, and The Interstate Motor Transit Company.

CAPITAL STOCK

Outstanding, 1,000 shares of no par value. All owned by Central Public Service Corporation.

Annual Meeting—Last Tuesday in May.

FUNDED DEBT

$198,000 (ASSUMED) CENTRAL PUBLIC SERVICE COMPANY FIVE-YEAR NOTES; DUE APRIL 2, 1931

Dated April 2, 1926.

Interest Payable semi-annually at rate of 2% per annum to April 2, 1929 and from then to maturity at rate of 5%.

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; G. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.; W. W. Winter, Asst Sec. & Asst. Treas.

Directors: A. E. Peirce, R. L. Aage, W. M. McFarland.

Executive Office, 105 W. Adams St., Chicago, Ill.

FEDERATED UTILITIES, INC.

(Controlled by Central Public Service Corporation)

History and Properties—Incorporated February 24, 1927, in Maryland, to acquire the securities of the operating companies, which were previously owned by the Southern Gas & Power Corporation, and the Federated Utilities, Incorporated, of Delaware, which latter company is now dissolved, (see 1926 Public Utility Manual, page 849).

Through its subsidiaries it furnishes public utility service in various communities of:

Michigan	Tennessee	Alabama
Indiana	West Virginia	Florida
Pennsylvania	North Carolina	Virginia,
New Hampshire	South Carolina	Texas
New York	Georgia	Illinois

comprising a population of over 700,000.

The subsidiary companies operating under the Federated Utilities, Inc., are the following:

Florida Public Utilities Co.
Operating West Palm Beach, Palm Beach and Key West.

Consumers Gas & Coke Co.	Washington County Gas Co.
Griffin Gas Co.	Washington Gas & Coke Co.
Huntsville Gas Co.	Lawrenceburg Gas Co.

Michigan Federated Utilities operating the following divisions:

Sault Ste. Marie	Mt. Clemens
Alpena	Wayne County
Owosso	Marshall
	Gratiot

Bluefield Gas & Power Co.	Waynesboro Gas Co.
Gastonia & Suburban Gas Co.	Chambersburg Gas Co.
Concord & Kannapolis Gas Co.	Conewago Gas Co.
Suffolk Gas-Electric Co.	Portsmouth Gas Co.
Martinsburg Heat & Light Co.	Roanoke Gas Light Co.
Gas Light Co. of Waverly	Rockford Gas Light & Coke Co.
Gas Light Co. of Augusta	Sabine Utilities Corp.
Athens & Sayre Gas Co.	Peoples Gas Co. (Port Arthur, Tex.)
Valdosta Gas Co.	
Tri-City Gas Co.	Rome Municipal Gas Co.

Among the more important communities served are: Rockford, Illinois; Sault Ste. Marie, Mt. Clemens, Owosso, Corunna, Marshall and Alpena, Michigan; Washington and Lawrenceburg, Indiana; Hanover, Chalmersburg and Waynesboro, Pa.; Portsmouth, N. H.; Waverly, New York; Johnston City Tennessee; Suffolk and Roanoke, Virginia; Martinsburg and Bluefield, West Virginia; Concord and Gastonia, North Carolina; Augusta, Waycross and Valdosta, Georgia; Huntsville and Gadsden, Alabama; Palm Beach, West Palm Beach, Lake Worth and Key West, Florida; Port Arthur, Port Neches and Nederlands, Texas.

The gas plants have a rated capacity of over 21,500,000 cubic feet of gas per day with distribution systems totaling over 1,481 miles of mains.

All of the stocks, bonds and notes of the above named subsidiary companies are pledged as collateral for the Federated Utilities, Inc., First Lien Collateral Trust 5½% bonds with the exception of $2,275,365 bonds as listed below:

$101,500	Gas Light Co. of Waverly First 5s.
205,000	Gas Light Co. of Augusta First 5s.
165,000	Portsmouth Gas Co. First & Ref. 5s.
195,000	Waynesboro Gas Co., First 5s.
119,000	Conewago Gas Co. First 5s.
75,000	Hanover Gas Co. First 5s.
1,320,000	Roanoke Gas Light Co. First 5½s.
25,745	Peoples Gas Co. First 7s.
24,200	Peoples Gas Co. First 8s.
41,920	Peoples Gas Co. Income 5s.
3,000	Gas Service Co. of Key West Gen. Lien & Income 6s.
$2,275,365	

CAPITAL STOCK

Outstanding, 100,000 shares Common stock of no par value, and 25,000 shares $7 Dividend Series Pfd. stock of no par value. Common stock is owned by Central Public Service Corporation. Pfd. stock is all owned by Central Gas & Electric Company.

Annual Meeting—Second Monday in April.

Dividends—Pfd. dividends are paid quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$11,000,000 FIRST LIEN COLLATERAL TRUST GOLD BONDS, 5½% SERIES OF 1927; DUE MARCH 1, 1957

Dated March 1, 1927.

Interest Payable March and September 1, at Harris Trust & Savings Bank, Chicago, Ill., and The Chase National Bank of the City of New York.

Denominations—Coupon, $500 and $1,000 interchangeable (upwards); principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago, Ill.

Provisions of Issue—Issued, $11,000,000 5½% Series of 1927. Additional bonds, issuable in series, may be issued up to 75% of the cost or value (whichever is lower) of after-acquired physical operating properties on the basis of the deposit and pledge of 100% of the outstanding capital stock and funded debt thereof (reserving bonds out of those otherwise issuable for securities not so acquired and deposited) and also for not to exceed 75% of the cost or value (whichever is lower) of extensions or betterments to the operating physical properties, provided, however, net consolidated earnings (as defined in the indenture) for a period of 12 months out of the preceding 15 months shall equal 1¾ times the annual interest on all bonds outstanding and those to be issued. Additional bonds may also be issued par for par for refunding purposes.

Purpose of Issue—The proceeds from sale of these bonds were used in part to pay for the acquisition of properties, to retire indebtedness and for other corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any calendar month after 60 days' notice at 105 through March 1, 1932; and thereafter decreasing ¾ of 1% for each 5-year period ending and including March 1 of the respective year; and at par during the last year; plus accrued interest.

Maintenance and Renewal—The indenture includes maintenance and renewal provisions, including 10% of gross on gas revenues, and 8% of gross on revenues from water.

Security—Secured by a first lien on the constituent properties through deposit and pledge, with the Trustee, of all outstanding bonds, notes and stock of the operating companies, excepting and subject to $2,275,365 divisional bonds, for the retirement of which a like amount of these bonds may be issued, and certain securities for the retirement whereof cash will be deposited with the Trustee. No securities may be issued on any constituent property unless pledged directly or indirectly under the trust indenture. Operating properties have been recently appraised by independent engineers at net depreciated value in excess of $24,600,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund upon proper and timely application the Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, District of Columbia and Kentucky 5 mills taxes, California taxes not exceeding in the aggregate 5 mills, Michigan 5 mills exemption tax and the Massachusetts 6% income tax.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Bankers) and Chapman, Cutler & Parker, Chicago (for the Company).

Original Offering—First publicly offered ($7,500,000) in March, 1927, at 94¾ and interest, to yield over 5.87% by H. M. Byllesby & Co., Thompson Ross & Co., Inc., Hambleton & Co., New York, etc., Federal Securities Corp., Chicago, and West & Co., Philadelphia; $3,500,000 additional offered in November, 1927, by the same bankers.

Listed—Chicago Stock Exchange.
Price Range—1927: High, 99; low, 92½.

(2)

$2,500,000 THREE-YEAR 5½% GOLD NOTES; DUE NOVEMBER 1, 1930

Dated November 1, 1927.

Interest Payable May and November 1, at Harris Trust & Savings Bank, Chicago, or at The Chase National Bank of the City of New York, N. Y.

Denominations—Coupon, $500 and $1,000, interchangeable (upwards); principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authoried and issued, $2,500,000.

Purpose of Issue—Proceeds were used in part to pay for the acquisition of properties, to retire indebtedness and for other corporate purposes, or to reimburse the Company for such expenditures.

Callability—Subject to call as a whole or in part on the first day of any calendar month after 30 days' notice at 101½ for the first six months, and thereafter decreasing ¼ of 1% each succeeding six months, and accrued interest.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the Company, subject only to the First Lien Collateral Trust Gold bonds and divisional bonds outstanding. Notes are issued under a Trust Indenture which provides that no additional secured or unsecured funded debt (other than First Lien Collateral Trust Gold bonds) may be issued unless consolidated net earnings (as defined in the Indenture) for twelve consecutive months out of the preceding fifteen months, shall equal 1½ times the consolidated annual fixed charges (as defined in the Indenture).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four mills taxes, Maryland 4½ mills tax, District of Columbia and Kentucky 5 mills taxes, California tax not exceeding in the aggregate 5 mills, Michigan 5 mills exemption tax and Massachusetts 6% income tax refunded upon proper and timely application.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Bankers), and Cutting, Moore & Sidley, Chicago (for the Company).

Original Offering—First publicly offered ($2,500,000) in November, 1927, at 98⅞ and interest, to yield over 5.90%, by Federal Securities Corp., Thompson, Ross & Co., Chicago, H. M. Byllesby & Co., Inc., Hambleton & Co., New York, and West & Co., Philadelphia.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Federated Utilities, Inc. and Subsidiaries)

Gross earnings	$4,550,613
Operating expenses, maint. & taxes (other than Government Income)	2,917,651
Net earnings	$1,632,962
Other income	18,319
Total	$1,651,281
Interest on funded debt	656,455
Other interest	79,297
Amortization of debt discount & other charges	31,837
Gross income	$883,692
Deductions:	
Sundry	46,382
Accrued prior to acquisition	307,398
Net income to surplus	$529,912
Preferred dividends	153,828
Surplus, Dec. 31, 1927	$376,084

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Federated Utilities, Inc. and Subsidiaries)

Assets—		Liabilities—	
Property	$24,471,158	Common stock	$3,582,630
Investments	1,294,608	Preferred stock	2,500,000
Special deposits	409,160	Funded debt	15,806,115
Cash	626,655	Property purchase obligation	3,000
Notes receivable	1,888	Notes payable	310,920
Accounts receivable	1,097,606	Accounts payable	572,469
Materials and supplies	673,780	Consumers' deposits	180,852
Other current assets including stock subscriptions	39,152	Accrued interest	269,723
Due from affiliated companies	206,339	Accrued taxes (other than Federal Income)	104,412
Unamortized debt discount & expense	899,007	Other current liabilities	13,565
Sundry deferred accounts	88,529	Due to affiliated companies	3,852,976
		Deferred credits	6,346
		Securities in process of retirement	249,200
		Reserve for renewals, replacements & depletion	1,686,675
		Sundry reserves	280,776
		Equity of minority Common stockholders	12,138
		Surplus	376,084
Total	$29,807,882	Total	$29,807,882

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.; W. W. Winter, Asst. Sec. & Asst. Treas.; M. F. Finley, Asst. Sec.

Directors: A. E. Peirce, R. L. Aage, G. R. Horning, W. M. McFarland, C. E. Gray, Chicago, Ill.; C. B. Kelsey, Grand Rapids, Mich.; S. C. Finnell, Philadelphia, Pa.

General Office, 105 W. Adams St., Chicago, Ill.

ROANOKE GAS LIGHT COMPANY

(Controlled by Federated Utilities, Inc.)

History and Property—Incorporated March 29, 1912 in Virginia, and acquired gas department of Roanoke Gas & Water Co. The Company supplies without competition artificial gas for lighting and heating purposes to the city of Roanoke, Virginia Heights, Raleigh Court and Wasena, Va., serving a population of approximately 65,000. Franchise expires in 1952.

CAPITAL STOCK

Authorized, 10,000 Common shares of no par value and $3,000,000 7% cumulative Pfd., par $100; outstanding, 10,000 shares of Common and $249,400 Pfd. Of the Pfd. stock $500,000 has been issued. $250,600 thereof having been reacquired. Stock control is held by Federated Utilities, Inc.

Preferred Stock Provisions—Has preference for assets and 7% cumulative dividends, and is callable on any dividend date on 20 days' notice at 110. Has no voting power unless dividends for one year are in arrears, when Pfd. has equal voting power per share with Common.

Registrar—Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Annual Meeting—First Tuesday in April.

Dividends—Initial Pfd. dividend of $1.16 2/3 paid Jan. 18, 1926, covering period from Nov. 1, 1925; July 1, 1926, $3.50; since continued semi-annually; payments Jan. and July 1. None paid on Common.

FUNDED DEBT

$1,320,000 FIRST MORTGAGE 5½% GOLD BONDS; DUE FEBRUARY 1, 1951

Dated February 1, 1926.

Interest Payable February and August 1 at Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized, $6,000,000; issued, $1,320,000; proceeds used in part to retire $744,000 First Mortgage Gold 5s, due April 1, 1927, and balance to reimburse Company for capital expenditures. Additional bonds may be issued only for additions, extensions and improvements for 80% of the cost thereof and for the acquisition of property at 80% of the cost or fair value thereof, whichever is less, but only when the earnings for 12 consecutive months of the fifteen months next preceding shall have equalled one and three-quarter times the annual interest charges on the bonds of this issue outstanding and those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 105 and interest.

Security—Secured by a first mortgage on all the property of Company now owned or hereafter acquired. The property pledged under the mortgage has a replacement value, less accrued depreciation, of $1,874,954, as certified by the appraisal of Hagenah & Erickson as of May 1, 1925. Since that date and prior to March 31, 1927, additions had been made to the property at a cost of $300,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund to holders of the bonds, resident in such states, respectively, upon proper application, within 60 days after the payment thereof, the Pennsylvania Four Mills Tax and the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($1,300,000) in January, 1926, at 97½ and interest, to yield about 5.70%, by Baker, Young & Co., Philadelphia, Boston, etc., and Cassatt & Co., New York, Philadelphia, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$439,021	$430,984	$396,806	$401,606	$384,745	$338,017
Ope. exp., maint., deprec. and taxes	262,445	263,338	252,084	284,039	266,105	239,394
Net earnings	$176,576	$167,645	$144,722	$117,567	$118,640	$98,623
Bond interest	72,111	67,975	37,200	37,200	37,200	37,200
Other interest	2,297	2,582	14,185	2,714	18,329	1,530
Amortization of debt discount, etc.	5,893	3,553	3,180	3,677	14,588	.....
Total charges	$80,301	$74,109	$54,565	$43,591	$55,529	$38,730
Net income	$96,275	$93,536	$90,157	$73,976	$63,111	$59,893
Preferred dividends	26,229	*	*	*	*	*
Surplus for year	$70,046	$93,536	$90,157	$73,976	$63,111	$59,893
Times Bond Interest Earned	2.33	2.47	3.89	3.16	2.69	2.61
Earnings Per Share—						
Preferred	$38.60	$18.71	$22.53	$18.49	$15.78	$14.97

*Not reported.

Surplus Account, Dec. 31, 1927—Net income for year (before deducting Pfd. dividends), $96,275; surplus balance, Jan. 1, 1927, $292,918; surplus credits, $8,981—total, $398,174. Deduct: Preferred dividends paid, $26,229. Balance, surplus, Dec. 31, 1927, $371,945.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$2,307,743	$2,174,759	$1,963,405	$1,859,867	$1,511,532	$1,396,729
Investments	2,501	7,501	4,501	3,500	500	500
Cash and special deposits	23,221	102,665	47,724	13,289	22,570	6,424
Notes receivable	.....	.....	.....	.....	218	218
Accounts receivable	54,736	57,085	59,682	79,014	73,716	53,053
Materials and supplies	54,950	42,040	42,147	25,450	37,766	41,767
Other current assets	2,415	.....	.....	.....	.....	.....
Due from affiliated companies	6,142	.....	.....	.....	.....	.....
Deferred debit items	124,747	142,662	20,310	21,528	20,421	18,693
Total	$2,576,455	$2,526,713	$2,137,769	$2,002,650	$1,666,723	$1,517,384
Liabilities—						
Common stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Preferred stock	249,400	500,000	400,000	400,000	400,000	400,000
Funded debt	1,320,000	1,300,000	744,000	744,000	744,000	744,000
Due to affiliated companies	251,794	.....	.....	.....	.....	.....
Accrued accounts	30,250	69,766	33,753	29,861	25,079	20,666
Notes payable	3,000	3,000	309,000	263,000	62,600	19,200
Consumers' deposits	13,580	40,623	11,392	10,790	10,488	9,338
Main extension deposits	11,402	.....	.....	.....	.....	13,953
Accounts payable	551	.....	.....	.....	.....	17,424
Other current liabilities	908	47,009	52,640	61,687	38,724	.....
Unadjusted credits	81	3,925	2,292	1,210	165	.....
Reserve accounts	223,544	169,470	135,459	137,277	102,338	69,544
Corporate surplus	371,945	292,919	349,233	254,826	183,329	123,259
Total	$2,576,455	$2,526,713	$2,137,769	$2,002,650	$1,666,723	$1,517,384

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; G. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.; W. W. Winter, Asst. Treas.; M. F. Finley, Asst. Sec.

Directors: A. E. Peirce, R. L. Aage, G. R. Horning, W. S. McCollough, W. M. McFarland.

General Office, Roanoke, Va. **Executive Office,** 105 W. Adams St., Chicago, Ill.

ROCKFORD GAS LIGHT AND COKE COMPANY

(Controlled by Federated Utilities, Inc.)

History—Incorporated Feb. 22, 1861, in Ill. The Company operates under perpetual charter and franchises granted by a Special Act of the Legislature of the State of Illinois, passed Feb. 22, 1861. Supplies gas without competition in the City of Rockford, Ill., serving a population of about 100,000. Property consists of plant with a capacity of 5,450,000 cubic feet per day.

CAPITAL STOCK

Authorized and outstanding, 54,000 shares Common stock of no par value. All owned by Federated Utilities, Inc.

Annual Meeting—First Monday in March.

FUNDED DEBT

(1)

$600,000 (ENTIRE ISSUE) FIRST CONSOLIDATED GOLD 5s; DUE MARCH 1, 1950, BUT CALLED FOR PAYMENT MARCH 1, 1928, at 105

(2)

$1,021,000 FIRST REFUNDING AND CONSOLIDATED GOLD 5s; DUE MARCH 1, 1959, BUT CALLED FOR PAYMENT MARCH 1, 1928 AT 102½

(3)

$437,400 7% CUMULATIVE INCOME REGISTERED GOLD BONDS; DUE MARCH 1, 1974, BUT CALLED FOR PAYMENT MARCH 1, 1928 AT 105

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$961,894
Operating expenses, maintenance & general taxes	640,335
Depreciation	62,747
Net earnings	$258,812
Interest on funded debt	99,836
Other interest	13,320
Amortization of debt discount, etc.	868
Net income to surplus	$144,788
Corporate deficit, Jan. 1, 1927	57,470
Gross surplus	$87,318
Surplus debits	37,920
Surplus, Dec. 31, 1927	$49,398

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$3,577,136	$3,441,869	$3,227,435
Materials and supplies	103,845	73,603	101,799
Cash	39,572	127,897	105,694
Accounts receivable	100,689	103,503	132,616
Prepaid items	.....	257	327
Miscellaneous assets	1,531	1,913	3,165
Due from affiliated cos.	120,932	.....	.....
Deferred debit items	9,215	90,371	103,285
Total	$3,952,920	$3,839,413	$3,674,321
Liabilities—			
Common stock	$1,350,000	$300,000	$300,000
Funded debt	.....	2,058,400	1,988,600
Due to affiliated cos.	2,061,789	.....	.....
Accounts payable	13,866	37,859	44,691
Deposits and prepaid accts.	20,116	31,442	27,196
Accrued accounts	.....	125,347	113,039
Exten. contribution accts.	86,936	68,814	23,880
Other current liabilities	10,477	.....	.....
Unadjusted credits	6,264	.....	.....
Reserves	354,074	190,239	166,474
Holding Co.'s equity above Common stock	.....	1,027,312	1,010,441
Surplus	49,398	.....	.....
Total	$3,952,920	$3,839,413	$3,674,321

Officers: H. S. Whipple, Chrm. of Board; A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; G. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.; M. F. Finley, Asst. Sec.; W. W. Winter, Asst. Treas.; G. L. Augustus, Asst. Treas.; B. H. Ely, Asst. Treas.

Directors: H. S. Whipple, Rockford, Ill.; A. E. Peirce, R. L. Aage, G. R. Horning, W. M. McFarland, W. S. McCollough, Chicago, Ill.

General Office, Rockford, Ill. **Executive Office,** 105 W. Adams St., Chicago, Ill.

GASTONIA & SUBURBAN GAS COMPANY

(Controlled by Federated Utilities, Inc.)

History and Property—Incorporated July 16, 1917, in N. C.; successor to Gaston County Gas Co. Furnishes Gastonia, N. C., and vicinity with gas, serving population of about 20,000. Miles of mains, 24.92. No. of meters, 981. Annual output, 29,536,500 cu. ft. Prices, per 1,000 cu. ft.; $2.30 gross, $2.20 net for under 10,000; $2.20 gross, $2.10 net, for over 10,000 and under 20,000; and $2.10 gross, $2.00 net for over 20,000.

CAPITAL STOCK

Authorized, $100,000; par, $100. Stock control is held by Federated Utilities, Inc. Annual meeting, first Monday in January.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$58,325
Operating expense, maintenance & general taxes	34,653
Net earnings	$23,672
Interest and other deductions	1,053
Net income before depreciation and Federal Income taxes	$22,619

FUNDED DEBT

None.

Officers: A. F. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, 105 W. Adams St., Chicago, Ill. **Operating Office,** Gastonia, N. C.

WAYNESBORO GAS COMPANY

(Controlled by Federated Utilities, Inc.)

History and Properties—Incorporated Feb. 1, 1913, in Pa.; successor to Waynesboro Gas Light Co. Supplies gas to Waynesboro, Pa. Miles of mains, 24.3. Gas holder capacity, 150,000 cu. ft. No. of meters, 1,900. Population served, 10,000. Price, $1.75 per 1,000 cu. ft. with graduated scale down to $1.05 for large quantities, and 50 cts. per month readiness to serve charge.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. Stock control held by Federated Utilities, Inc. Annual meeting, in February.

FUNDED DEBT

$195,000 Mortgage 5% bonds; dated Feb. 1, 1913; due Feb. 1, 1943; int. Feb. and Aug. 1, at office of company or First National Bank, Waynesboro, Pa. Joseph J. Oller, Waynesboro, Trustee. Authorized, $500,000. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$77,594
Operating expenses, maintenance & general taxes	42,075
Net earnings	$35,519
Interest and other deductions	10,050
Net income before depreciation and Federal Income taxes	$25,469

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$383,699
Cash	8,819
Accounts receivable	15,256
Materials and supplies	6,703
Other current assets	1,154
Due from affiliated companies	28,625
Deferred debit items	9,840
Total	$454,096
Liabilities—	
Capital stock	$100,000
Funded debt	195,000
Due to affiliated companies	1,754
Accounts payable	3,645
Consumers' deposits	380
Interest accrued	4,063
Other current liabilities	102
Reserve for renewals & replacements	75,896
Reserve for taxes	645
Other reserves	2,216
Surplus	70,395
Total	$454,096

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; G. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

Executive Office, 105 W. Adams St., Chicago, Ill. **Operating Office,** Waynesboro, Pa.

FLORIDA PUBLIC UTILITIES COMPANY

(Controlled by Federated Utilities, Inc.)

History and Property—Incorporated March 6, 1924, in Florida, as the Palm Beach Gas Company. Name changed to present title on Oct. 24, 1927. On Oct. 5, 1927, it purchased the property and all of the Prior Lien 7s, Series "A" and $345,600 of the General Lien and Income bonds, of the Gas Service Company of Key West. Palm Beach Division serves Palm Beach, West Palm Beach and Lake Worth. Population, 25,000; miles of mains, 110; meters, 3,934. Key West Division serves Key West. Population, 13,500; miles of mains, 39; meters, 2,610.

CAPITAL STOCK

Authorized and outstanding, 500 shares Common stock of $100 each, all owned by Federated Utilities, Inc. Annual meeting, third Tuesday in March.

FUNDED DEBT

(1)

$716,500 PALM BEACH GAS COMPANY FIRST MORTGAGE GOLD BONDS, SERIES "A"; DUE SEPTEMBER 1, 1945

Dated September 1, 1925.

All owned by Federated Utilities, Inc.

(2)

$345,000 GAS SERVICE COMPANY OF KEY WEST PRIOR LIEN 7s, SERIES "A"; DUE JULY 1, 1934

Dated July 1, 1922.

All owned by Florida Public Utilities Company.

(3)

$354,600 GAS SERVICE COMPANY OF KEY WEST GENERAL LIEN AND INCOME 6% BONDS; DUE JULY 15, 1942

Dated July 15, 1922.

Florida Public Utilities Company owns $345,600 of these bonds, and $6,000 are owned by Federated Utilities, Inc.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

	Key West Division	West Palm Beach Div.	Total
Gross earnings	$90,856	$355,943	$446,799
Oper. exps., maint. & gen. taxes	85,649	196,206	281,855
Net earnings	$5,207	$159,737	$164,944
Int. & other deductions	2,133	67,408	69,541
Net income before depreciation & Fed. Inc. taxes	$3,074	$92,329	$95,403

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; G. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.; C. L. C. Kah, Mgr., West Palm Beach, Fla.; S. W. Brown, Mgr., Key West, Fla.

Offices, West Palm Beach, Fla., and Key West, Fla. **Executive Office,** 105 W. Adams St., Chicago, Ill.

MICHIGAN FEDERATED UTILITIES

(Controlled by Federated Utilities, Inc.)

History and Property—Incorporated March 26, 1923, in Michigan, to acquire the Owosso Gas Light Co., Marshall Gas Light Co., and Gratiot County Gas Co. In 1924 acquired Alpena Gas Co. and Soo Gas Co., and in 1925, Plymouth and Northville Gas Co. and Mt. Clemens Gas Co. Serves 18 towns having a population of 126,000. The plants have a daily capacity of 2,355,000 cu. ft. and distribution system totals 507 miles of mains. Number of customers, 15,500.

CAPITAL STOCK

Outstanding, 23,650 shares of Common stock of $10 par value; all owned by Federated Utilities, Inc. The 6.6% Pfd. stock, formerly outstanding was retired July 1, 1927, at 103 and accrued dividends, at the Harris Trust & Savings Bank, Chicago.

FUNDED DEBT

$1,840,600 FIRST MORTGAGE GOLD BONDS, SERIES "A" 6s; DUE SEPTEMBER 1, 1945

Dated September 1, 1925.

All owned by Federated Utilities, Inc.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$720,588
Operating exps., maintenance & general taxes	464,169
Net earnings	$256,419
Interest and other deductions	163,836
Net income before deprec. & Fed. Income taxes	$92,583

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; G. R. Horning, V-P.; H. K. Wrench, Sec. & Treas.; W. S. McCollough, Asst. Treas.; W. M. McFarland, Asst. Sec.

Directors: A. E. Peirce, R. L. Aage, G. R. Horning, W. S. McCollough, W. M. McFarland.

Executive Office, 105 W. Adams St., Chicago, Ill.

PEOPLE'S GAS COMPANY

(Port Arthur, Tex.)

(Controlled by Federated Utilities, Inc., through Sabine Utilities Corp.)

History—Incorporated Feb. 24, 1921, in Texas, and on May 18, 1921, took over the property of the Port Arthur Gas & Power Co. (see 1921 Public Utility Manual, page 1807). Operates under a franchise expiring in 1971, which gives the city the right to purchase the property at a fair valuation upon expiration of the fifty-year franchise. Franchise fixes a rate of $2.70 net per 1,000 cu. ft. until Dec. 1, 1922, and stipulates that thereafter the Company shall be entitled to charge a rate which will yield 10% return on the fair valuation of the property after making proper allowances for depreciation.

Company controls the entire gas business in Port Arthur, Texas, having a population of 40,000. Miles of mains, 56.5. No. of meters, 6,194. Annual sales, 209,364,000 cu. ft. approximately.

CAPITAL STOCK

Authorized and outstanding, $150,000 Common; par, $100. Stock control is held by Federated Utilities, Inc., through Sabine Utilities Corp.

Annual Meeting—Second Tuesday in February.

FUNDED DEBT

(1)

$56,595 First Sinking Fund Gold 7s and $94,600 8s; dated June 1, 1921; due June 1, 1941; int. June and Dec. 1, at Equitable Trust Co., New York, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $1,000,000. The unissued bonds are to bear interest as determined from time to time by the Directors, not to exceed 8%. After $132,550 of bonds have been issued, balance can be issued from time to time for only 85% of the actual cash cost of permanent improvements and provided net earnings for a twelve months' period have been equal to 1¾ times the interest on outstanding First Mortgage bonds and those to be certified. Subject to call in whole or in part on any interest date at 107, and may be purchased or called for the sinking fund at not to exceed 107. Sinking fund, beginning June 1, 1925, and until 1929, 1% of outstanding bonds, June 1, 1930, and until 1934, 1½% per annum of outstanding bonds, and 1931 to 1940, 2%, provided, however, company may apply to sinking fund payments the fair cash value of permanent improvements which have not been made the basis for the certification of bonds. A first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—A. B. Cheadle, New York.

(2)

$218,680 Twenty-Year 5-6% Income Bonds; dated Feb. 1, 1921; due Feb. 1, 1941; int. Feb. and Aug. 1 at Equitable Trust Co., New York, Trustee and Registrar. These bonds bear cumulative interest of 5% to Feb. 1, 1931, and 6% thereafter. Registered bonds only in denominations of $10, $50, $100, $500 and $1,000. Authorized, $240,000. Subject to call at 105 and accrued interest up to Feb. 1, 1931, and at 107 and

accrued interest thereafter. Sinking fund: 1% from Feb. 1, 1925, to and including Feb. 1, 1929; 1½% to and including Feb. 1, 1934; 2% to and including Feb. 1, 1940. These bonds are the direct obligation of Company, subject to the First Mortgage bonds above described. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$187,697
Operating expenses, maintenance & general taxes	166,835
Net earnings	$20,862
Interest and other deductions	35,875
Net deficit before depreciation & Fed. Inc. taxes	$15,013

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$913,357
Investments	100
Special deposits	1,099
Cash	961
Accounts receivable	37,400
Materials and supplies	17,085
Other current assets	623
Deferred debit items	22,451
Corporate deficit	116,346
Total	$1,109,422
Liabilities—	
Common stock	$150,000
Funded debt	369,875
Due to affiliated companies	394,620
Accounts payable	83,972
Consumers' deposits	37,702
Interest accrued	4,035
Reserve for renewals and replacements	59,113
Other reserves	10,105
Total	$1,109,422

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; G. R. Horning, V-P.; W. M. McFarland, Sec.; W. S. McCollough, Treas.

Directors: A. E. Peirce, R. L. Aage, G. R. Horning, W. S. McCollough, W. M. McFarland.

General Office, Port Arthur, Treas. **Executive Office,** 105 W. Adams St., Chicago, Ill.

THE GAS LIGHT COMPANY OF WAVERLY

(Controlled by Federated Utilities, Inc.)

History—Incorporated June 5, 1873, in N. Y. Supplies Waverly, N. Y. Franchises perpetual. Owns entire stock and bonds of the Athens & Sayre Gas Co. Gas is all made by the Athens & Sayre Gas Co. at its plant in Athens, Pa. Population served, 5,500. Annual output, 25,000,000 cu. ft. Miles of mains, 12. No. of meters, 1,253.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. Stock control held by Federated Utilities, Inc. Annual meeting, fourth Tuesday in May.

FUNDED DEBT

$101,500 FIRST MORTGAGE 5s; DUE AUGUST 1, 1929

Dated August 1, 1899.

Interest Payable February and August 1, at New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Callability, Etc.—Bonds cannot be called, and no sinking fund is provided.

Security—Secured on entire property of Company in New York State.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$49,260
Operating expense, maintenance & general taxes	35,130
Net earnings	$14,130
Interest & other deductions	767
Net income before depreciation & Federal Income taxes	$13,363

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$96,705
Investments	180,000
Cash	8,013
Notes receivable	65
Accounts receivable	28,195
Materials & supplies	8,706
Other current assets	24
Due from affiliated companies	23,882
Deferred debit items	128
Total	$345,718
Liabilities—	
Common stock	$150,000
Funded debt	110,000
Due to affiliated companies	28,129
Accounts payable	3,725
Consumers' deposits	900
Interest accrued	2,090
Reserve for renewals & replacements	16,098
Reserve for taxes	1,346
Other reserves	922
Surplus	32,508
Total	$345,718

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, Waverly, N. Y. **Executive Office,** 105 W. Adams St., Chicago, Ill.

ATHENS & SAYRE GAS COMPANY

(Controlled by Federated Utilities, Inc. through The Gas Light Co. of Waverly)

History—Incorporated June 10, 1910, in Pa; consolidation of Athens & Sayre Gas Co., South Waverly Gas Co. and The Athens, Sayre & South Waverly Heat & Power Co. Furnishes gas to the Boroughs of Athens, Sayre, South Waverly and Athens Township. Franchises, perpetual. Miles of mains, 31.50. Daily capacity, 375,000 cu. ft. Number of meters, 2,054.

CAPITAL STOCK

Authorized and outstanding, $60,000 Common and $45,000 6% Pfd.; par, $100. All owned by Gas Light Co. of Waverly, which in turn is controlled by Federated Utilities, Inc. Annual meeting, first Monday in February.

FUNDED DEBT

$100,000 (entire issue) First Gold 5s; dated Aug. 1, 1899; due Aug. 1, 1929; int. Feb. and Aug. 1, at New York Trust Co., Trustee. Coupon, $1,000; principal may be registered. A first lien on entire property. All owned by Gas Light Co. of Waverly.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$104,916
Operating expenses, maintenance & general taxes	68,795
Net earnings	$36,121
Interest & other deductions	7,642
Net income before depreciation & Federal Income taxes	$28,479

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, Athens, Pa. **Executive Office,** 105 W. Adams St., Chicago, Ill.

VALDOSTA GAS COMPANY

(Controlled by Federated Utilities, Inc.)

History—Incorporated in 1925, in Georgia. Furnishes gas to Valdosta, Ga., serving an estimated population of 14,784. Daily gas capacity, 160,000 cu. ft. No. of customers, 1,147.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. All owned by Federated Utilities, Inc. Annual meeting, third Monday in March.

FUNDED DEBT

$125,000 FIRST MORTGAGE GOLD BONDS, SERIES "A" 7%; DUE JUNE 1, 2025

Dated June 1, 1925.

Interest Payable June and December 1.

Trustee—The Baltimore Trust Co., Baltimore, Md.
Provisions of Issue—Authorized issue, not limited; outstanding, $125,000. All owned by Federated Utilities, Inc.
Callability—Subject to call as a whole or in part at 100 and accrued interest.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$73,668
Operating expenses, maintenance and general taxes	48,415
Net earnings	$25,253
Interest and other deductions	14,058
Net income before depreciation and Federal Income taxes	$11,195

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.
General Office, Valdosta, Ga. **Executive Office,** 105 W. Adams St., Chicago, Ill.

CHAMBERSBURG GAS COMPANY

(Controlled by Federated Utilities, Inc.)

History—Incorporated April 4, 1856 in Pa. Exclusive franchise. Supplies gas to Chambersburg, Pa. Owns $2,550 outstanding ($5,000 authorized) Common stock of the **Associated Gas Company.** Population served, 13,000. Miles of mains, 28.63. No. of meters, 2,850. Annual output, 63,484,000 cu. ft.

CAPITAL STOCK

Authorized, $300,000; outstanding, $187,700; par, $50. Stock control is held by Federated Utilities, Inc. Annual meeting, first Monday in January.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$99,659
Operating expenses, maintenance & general taxes	53,377
Net earnings	$46,282
Interest & other deductions	1,367
Net income before depreciation and Federal Income taxes	$44,915

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.
General Office, Chambersburg, Pa. **Executive Office,** 105 W. Adams St., Chicago, Ill.

CONCORD & KANNAPOLIS GAS COMPANY

(Controlled by Federated Utilities, Inc.)

History—Incorporated in 1917, in North Carolina. Furnishes gas to Concord and Kannapolis, N. C., serving an estimated population of 18,000. Daily gas capacity, 300,000 cu. ft. No. of customers, 1,196.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. All owned by Federated Utilities, Inc. Annual meeting, March 25.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$56,300
Operating expenses, maintenance & general taxes	31,336
Net earnings	$24,964
Interest and other deductions	58
Net income before depreciation & Federal income taxes	$24,906

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.
General Office, Concord, N. C. **Executive Office,** 105 W. Adams St., Chicago, Ill.

CONEWAGO GAS COMPANY

(Controlled by Federated Utilities, Inc.)

History and Property—Incorporated Dec. 19, 1912, in Pa., and early in Jan., 1913, acquired the franchises and all the property, real, personal and mixed, of the Adams County Gas Co., County Gas Co. and Hanover Gas Co., of Hanover, Pa. Franchises perpetual. Supplies Hanover, McSherrystown, Pennville, Bairville and Middleburgh. No. of meters, 2,942.

CAPITAL STOCK

Authorized and issued, $300,000; par, $100. Stock control is held by Federated Utilities, Inc. Annual meeting, fourth Tuesday in January. No dividends paid.

FUNDED DEBT

(1)

$119,000 First & Refunding Gold 5s; dated Jan. 1, 1913; due Jan. 1, 1943; int. Jan. and July 1, at Mercantile Trust & Deposit Co., Baltimore, Trustee. Coupon, $1,000; principal may be registered. Authorized, $500,000. Subject to call on any interest date at 105 and interest on 60 days' published notice. Company pays Normal Federal Income Tax up to 2%.

(2)

$75,000 (entire issue) Hanover Gas Co. First 5s; dated Jan. 1, 1901; due Jan. 25, 1931; int. Jan. and July 1, at Real Estate Trust Co., Philadelphia, Trustee. Coupon, $500; principal may be registered. Assumed by Conewago Gas Co. Subject to call on any interest date at 110 and interest. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$112,180
Operating expenses, maintenance & general taxes	65,760
Net earnings	$46,420
Interest & other deductions	18,246
Net income before depreciation & Federal Income taxes	$28,174

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$770,837
Cash	2,818
Accounts receivable	17,006
Materials and supplies	11,491
Other current assets	360
Deferred debit items	6,427
Total	$808,939
Liabilities—	
Common stock	$300,000
Funded debt	195,000
Due to affiliated companies	163,455
Accounts payable	7,264
Consumers' deposits	1,170
Reserve for renewals and replacements	58,675
Other reserves	1,315
Surplus	82,060
Total	$808,939

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.
General Office, Hanover, Pa. **Executive Office,** 105 W. Adams St., Chicago, Ill.

CONSUMERS GAS & COKE COMPANY

(Controlled by Federated Utilities, Inc.)

History—Incorporated in 1916, in Ga. Furnishes gas in Waycross, Ga., serving population of about 22,000. No. of meters, 1,061. Annual sales, 26,600,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $10. Owned by Federated Utilities, Inc.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$59,296
Operating expenses, maintenance & general taxes	44,640
Net earnings	$14,656
Interest & other deductions	7,906
Net income before depre. & Fed. Income taxes	$6,750

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, Waycross, Ga. **Executive Office,** 105 W. Adams St., Chicago, Ill.

GAS LIGHT COMPANY OF AUGUSTA

(Controlled by Federated Utilities, Inc.)

History and Property—Incorporated Jan. 21, 1852, in Georgia, with a perpetual franchise. Supplies gas to Augusta, North Augusta, Summerville and vicinity, serving population of about 63,500. Daily capacity, 2,000,000 cu. ft. Number of meters, 6,557.

CAPITAL STOCK

Authorized, $300,000 Common and $150,000 Pfd.; outstanding, $300,000 Common and $35,000 Pfd.; par, $25. All owned by Federated Utilities, Inc.

FUNDED DEBT

$631,000 FIRST MORTGAGE GOLD 5s; DUE EACH APRIL 1, $20,000 PER ANNUM, 1927 TO 1931; $25,000 PER ANNUM, 1932 TO 1935; BALANCE IN 1936

Dated April 2, 1906.

Interest Payable April and October 1, at First Trust & Savings Bank, Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—First Trust & Savings Bank, Chicago, and Emile K. Boisot, Co-Trustee.

Provisions of Issue—Authorized issue, $1,000,000, but mortgage is closed, except for the issuance of bonds to be deposited with the Trustee under the indenture securing the First Lien Collateral Trust Gold bonds of Southern Gas & Power Corp., (now Federated Utilities, Inc.)

Callability—Subject to call on any interest date at 105 and interest.

Security—A first mortgage on entire property of The Gas Light Co. of Augusta, supplying Augusta, Summerville, and suburbs.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$364,828
Operating expenses, maintenance & general taxes	217,586
Net earnings	$147,242
Interest & other deductions	57,452
Net income before depreciation & Federal Income taxes	$89,790

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$1,387,591
Investments	1,600
Cash	16,625
Accounts receivable	77,413
Materials & supplies	49,730
Other current assets	1,958
Due from affiliated companies	1,396
Deferred debit items	25,279
Total	$1,561,592
Liabilities—	
Common stock	$300,000
Preferred stock	35,000
Funded debt	631,000
Due to affiliated companies	443,369
Accounts payable	47,193
Consumers' deposits	2,234
Interest accrued	2,563
Other current liabilities	1,348
Reserve for renewals & replacements	44,397
Other reserves	3,811
Surplus	50,677
Total	$1,561,592

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, Augusta, Ga. **Executive Office,** 105 W. Adams St., Chicago, Ill.

MARTINSBURG HEAT & LIGHT COMPANY

(Controlled by Federated Utilities, Inc.)

History—Incorporated in 1919, in West Virginia. Furnishes gas to Martinsburg, W. Va., serving an estimated population of 16,000. Daily gas capacity, 750,000 cu. ft. No. of customers, 1,896.

CAPITAL STOCK

Authorized, $100,000; outstanding, $50,000; par, $100. All owned by Federated Utilities, Inc. Annual meeting, fourth Tuesday in January.

FUNDED DEBT

(1)

$24,000 First Mortgage Gold 5s; dated July 1, 1919; due July 1, 1934; int. Jan. and July 1. The Pennsylvania Company for Insurances on Lives of Granting Annuities, Philadelphia, Pa., Trustee. Authorized, $100,000; outstanding, $24,000; all owned by Federated Utilities, Inc. Subject to call as a whole or in part at 100 and accrued interest.

(2)

$120,000 Second Mortgage Gold 5s; dated July 1, 1919; due July 1, 1934; int. Jan. and July 1. The Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia, Pa., Trustee. Authorized and outstanding, $120,000; all owned by Federated Utilities, Inc. Subject to call as a whole or in part at 100 and accrued interest.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$83,621
Operating expenses, maintenance and general taxes	53,108
Net earnings	$30,513
Interest and other deductions	13,458
Net income before depre. & Fed. Income taxes	$17,055

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, Martinsburg, W. Va. **Executive Office,** 105 W. Adams St., Chicago, Ill.

PORTSMOUTH (N. H.) GAS COMPANY

(Controlled by Federated Utilities, Inc.)

History—Incorporated under the laws of Maine. Originally organized in 1850; reorganized in 1907. Furnishes gas to Portsmouth, N. H., serving an estimated population of 14,000. Daily gas capacity, 350,000 cu. ft. No. of customers, 2,671

CAPITAL STOCK

Authorized, $100,000 Common and $100,000 6% cumulative Pfd.; outstanding, $100,000 Common and $29,300 Pfd.; par, $100. All owned by Federated Utilities, Inc. Annual meeting, second Wednesday in March.

FUNDED DEBT

$165,000 FIRST & REFUNDING MORTGAGE 5s; DUE APRIL 1, 1931

Dated April 1, 1911.

Interest Payable April and October 1, at First National Bank, Boston, Mass.

Denomination—Coupon, $500, principal may be registered.

Trustee—First National Bank, Boston, Mass.

Provisions of Issue—Authorized, $200,000; outstanding, $165,000.

Callability—Subject to call at 105.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$116,457
Operating expenses, maintenance & general taxes	75,533
Net earnings	$40,924
Interest and other deductions	8,196
Net income before depreciation & Fed. Inc. taxes	$32,728

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property accounts	$374,523
Investments	200
Cash	13,994
Accounts receivable	21,878
Materials and supplies	21,292
Other current assets	431
Due from affiliated companies	33,436
Deferred debit items	6,724
Total	$472,478
Liabilities—	
Common stock	$100,000
Preferred stock	29,300
Funded debt	165,000
Due to affiliated companies	235
Accounts payable	13,739
Consumers' deposits	4,197
Dividends accrued	2,062
Reserve for renewals and replacements	30,737
Other reserves	2,826
Surplus	124,382
Total	$472,478

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, Portsmouth, N. H. **Executive Office,** 105 W. Adams St., Chicago, Ill.

TRI-CITY GAS COMPANY

(Controlled by Federated Utilities, Inc.)

History—Incorporated in 1907, in Alabama. Furnishes gas to Gadsden, Ala. Daily gas capacity, 160,000 cu. ft. No. of customers, 928.

CAPITAL STOCK

Authorized and outstanding, $150,000 Common, par, $100. All owned by Federated Utilities, Inc. Annual meeting, second Monday in April.

FUNDED DEBT

$127,000 FIRST MORTGAGE GOLD BONDS, SERIES "A" 6%; DUE JULY 1, 2025

Dated July 1, 1925.

Interest Payable January and July 1.

Trustee—The Baltimore Trust Co., Baltimore, Md.

Provisions of Issue—Authorized issue, not limited; outstanding, $127,000. All owned by Federated Utilities, Inc.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$48,686
Oper. expenses, maintenance & general taxes	31,799
Net earnings	$16,887
Interest and other deductions	15,988
Net income before depre. & Fed. Income taxes	$899

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; Geo. R. Horning, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec., Chicago, Ill.

General Office, Gadsden, Ala. **Executive Office,** 105 W. Adams St., Chicago, Ill.

CENTRAL PUBLIC UTILITY CORPORATION

(Controlled by Central Public Service Corporation)

History—Incorporated in March, 1927, in Maryland, to acquire the assets of the Central Public Utility Company.

Through its subsidiaries it operates in the following States: Ohio, West Virginia, Virginia, Kentucky, New Jersey and Quebec in Canada.

The subsidiaries operating under the Central Public Utility Corporation are the following:

Lower St. Lawrence Power Company, Ltd.
The Matapedia Valley Light & Power Co., Ltd.
Le Credit Municipal Canadien
Cabana Electric Company
Trois Pistoles Electric Company
Lower St. Lawrence Construction Co.
Wildwood Electric & Traction Co.
Five Mile Beach Electric Ry. Co.
Lynchburg Traction & Light Co.
Ohio Valley Electric Railway Co.
Roanoke Traction & Light Co.
Roanoke Railway & Electric Co.

CAPITAL STOCK

Authorized and outstanding, 20,000 shares Common stock of no par value. Stock control held by Central Public Service Corporation.

Annual Meeting—First Friday in May.

FUNDED DEBT

(1)

$350,000 CENTRAL PUBLIC SERVICE COMPANY 3-YEAR 6½% SECURED GOLD NOTES; DUE JANUARY 1, 1929, BUT CALLED FOR RETIREMENT JULY 1, 1928 AT 101

(2)

$140,000 CENTRAL PUBLIC UTILITY COMPANY 6½% SERIAL NOTES; DUE EACH DECEMBER 15, TO 1930, INCLUSIVE, BUT RETIRED NOVEMBER 15, 1927, AT PAR

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Central Public Utility Corp. and Subsidiaries)

Gross earnings	$992,203
Operating expenses, maintenance & general taxes	663,914
Net earnings	$328,289
Other income	78,750
Total	$407,039
Interest on funded debt	245,124
Other interest	2,812
Amortization of bond discount & other charges	22,819
Balance	$136,284
Profits on sale of investments	475,490
Gross income	$611,774
Deductions:	
Sundry	4,688
Accrued prior to acquisition	68,899
Net income to surplus	$538,187
Preferred dividends	3,458
Surplus, Dec. 31, 1927	$534,729

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Central Public Utility Corp. and Subsidiaries)

Assets—	
Property	$8,433,701
Investments	325,286
Special deposits	38,090
Cash	133,933
Notes receivable	4,488
Accounts receivable	60,915
Material and supplies	62,477
Other current assets including stock subscriptions	17,280
Due from affiliated companies	38,651
Unamortized debt discount and expense	317,159
Sundry deferred accounts	5,546
Total	$9,437,527
Liabilities—	
Common stock	$1,812,395
Preferred stock	345,800
Funded debt	3,374,100
Notes payable	15,342
Accounts payable	112,923
Accrued interest	36,709
Accrued taxes (other than Federal Income)	13,855
Other current liabilities	933
Due to affiliated companies	2,921,584
Deferred credits	4,578
Reserve for renewals, replacements and depletion	197,857
Sundry reserves	40,162
Equity of minority Common stockholders	26,560
Surplus	534,729
Total	$9,437,527

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; G. R. Horning, V-P.; W. B.

Brady, V-P.; W. M. McFarland, Sec.; W. S. McCollough, Treas.; B. H. Ely, Asst. Sec.; W. W. Winter, Asst. Sec. & Asst. Treas.

Directors: A. E. Peirce, R. L. Aage, W. M. McFarland, Chicago, Ill.

General Office, 105 W. Adams St., Chicago, Ill.

ROANOKE RAILWAY & ELECTRIC COMPANY

(Controlled by Central Public Utility Corporation)

History—Incorporated March 1, 1898, by Act of General Assembly of Va., as Consolidated Ry. & Electric Power Co. and purchased all the properties, etc., of the Roanoke St. Ry. and Roanoke Electric Light & Power Co.; name subsequently changed. Franchises extend to 1935 or are perpetual. Leases or owns street railway lines in Roanoke, extending into Roanoke County, to Salem, Vinton, Norwich and Crystal Springs; total mileage, 33.12. Gauge, standard. Passenger cars, 53; other cars, 5. Population served, about 45,000. Owns Mountain Park and Casino.

The electric properties formerly owned, or leased, from Roanoke Traction & Light Co., were acquired in the early part of 1926, by Appalachian Electric Power Company, which assumed its outstanding $578,000 Consolidated Sinking Fund Gold bonds, due Feb. 1, 1953.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100; all owned by Central Public Utility Corporation. Annual meeting, Wednesday after third Thursday in April.

FUNDED DEBT

The electric properties of this company were acquired, subject to the $578,000 Consolidated Sinking Fund Gold 5s, due Feb. 1, 1953, by Appalachian Electric Power Co. (see that company).

Offices, Roanoke, Va., and 105 W. Adams St., Chicago, Ill.

LYNCHBURG TRACTION AND LIGHT COMPANY

(Controlled by Central Public Utility Corporation)

History and Property—Incorporated Dec. 17, 1901, in Va.; consolidation of Lynchburg & Rivermont St. Ry. Co.; Lynchburg Electric Ry. & Light Co. and Lynchburg Gas Co. Does the entire electric railway business of Lynchburg, Va. Miles of railroad operated, 14.85; miles of track, 19.8. Gauge, standard. Cars—Passenger, 39; miscellaneous, 3.

The electric and gas properties (see 1925 Manual, page 711), formerly owned by company, were in the early part of 1926 acquired by Appalachian Electric Power Co., subject to $657,000 Lynchburg Traction & Light Co. First 5s, due May 1, 1931, $111,000. Lynchburg Gas Co. First 5s, due March 1, 1930, and $396,000 Lynchburg Water Power Co. First 5s, due July 1, 1932.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $750,000; par, $50. All owned by Central Public Utility Corporation. Annual meeting, Tuesday after third Thursday in April.

FUNDED DEBT

The electric and gas properties of this company were acquired by Appalachian Electric Power Co. subject to $111,000 Lynchburg Gas Co. First 5s, due March 1, 1930, $389,000 Lynchburg Water Power Co. First 5s, due July 1, 1932 and $657,000 Lynchburg Traction & Light Co. First 5s, due May 1, 1931.

Offices, 723 Main St., Lynchburg, Va., and 105 W. Adams St., Chicago, Ill.

OHIO VALLEY ELECTRIC RAILWAY COMPANY

(Controlled by Central Public Utility Corporation)

History and Property—Incorporated Aug. 28, 1899, in W. Va. From 1900 to 1908 operated as Camden Interstate Ry. Co. Operates an electric railway system extending from Guyandotte, West Va., to Ashland, Ky., and from the Ohio River at Ashland to Cold Grove, Ohio, thence through Ironton, Ohio, to Hanging Rock. Miles of line, 36.58; total track, 49.65 miles. Cars, 77. Franchises in Huntington and Kenova extend beyond maturity of bond issue, and franchises in Ohio and Kentucky are for 25 years.

CAPITAL STOCK

Authorized, $2,000,000 Common and $400,000 6% cumulative Pfd.; outstanding, $2,000,000 Common and $345,800 Pfd.; par, $100. All the Common stock is owned by Central Public Utility Corporation.

Transfer Agent and Registrar—Company's office, 105 W. Adams St., Chicago, Ill.

Annual Meeting—Friday after fourth Thursday in April.

Dividends—Pfd. dividends paid semi-annually J & J; 6% per annum paid regularly to date.

FUNDED DEBT

$1,891,000 FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1946

Dated December 1, 1916.

Interest Payable June and December 1, at Pennsylvania Co., for Insurances on Lives and Granting Annuities, Philadelphia.

Denomination—Coupon (principal may be registered), and registered, $1,000; coupon bonds may be exchanged for fully registered bonds.

Trustee—Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized, $2,200,000; outstanding, $1,891,000.

Callability—Subject to call on any interest date upon four weeks' notice at 102½ and interest.

Guaranty—Guaranteed, principal and interest, by endorsement by The American Rys. Co. (now American Electric Power Co.) and guarantee assumed by Central Public Service Corporation.

Security—Secured by a first mortgage on the property of the Company, and additionally secured by pledge of the power contract for the supply of power of the Company extending beyond the life of these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded.

Legal Opinion—H. B. Gill, Philadelphia (for the company) and Henry D. Harlan and Henry W. Williams, Baltimore, Md. (for the bankers).

Original Offering—First publicly offered ($800,000) in Jan., 1917, at 98 and interest, to yield 5.15%, by Fidelity Trust Co., Baltimore, Md.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$737,130	$811,175	$828,917	$861,748	$863,888	$828,203
Operating expenses maintenance and gen. taxes	550,962	609,824	606,521	628,482	619,489	600,266
Net operating revenue	$186,168	$201,351	$222,396	$233,266	$244,399	$227,937
Other income	.....	13,007	14,704	17,665	41,172	53,651
Gross income	$186,168	$214,358	$237,100	$250,931	$285,571	$281,588

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Interest on funded debt	$103,047	$94,550	$94,550	$94,550	$92,569	$89,607
Other deductions	14,728	18,911	16,526	13,237	13,750	17,837
Balance	$68,393	$100,897	$126,024	$143,144	$179,251	$174,144
Depreciation	51,040	56,295	55,329	42,823	41,928	19,542
Net income	$17,353	$44,602	$70,695	$100,321	$137,323	$154,602
Dividends on Preferred stock	20,748	20,748	20,748	20,748	20,748	20,748
Dividends on Common stock	.....	.....	50,000	.....	.....	.....
Balance, surplus	†$3,395	$23,854	†$54	$79,573	$116,575	$133,854
*Times Bond Interest Earned	1.17	1.47	1.92	2.06	2.48	2.72
Earnings Per Share—						
Preferred	$5.02	$12.89	$20.44	$29.01	$39.71	$44.71

*After depreciation. †Deficit.

Surplus Account, year ended Dec. 31, 1927—Net income for 1927, $17,353; surplus balance, Jan. 1, 1927, $74,471; surplus credits, $9,063—total, $100,887. Deduct: Preferred dividends, $20,748—balance, surplus, Dec. 31, 1927, $80,139.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$4,381,514	$3,875,283	$3,818,620	$3,770,884	$4,155,606	$3,709,086
Work in progress	.....	9,392	.....	.....	.....	.....
Other investments	4	76,998	163,481	52,561	46,832	275,832
Materials and supplies	23,071	35,242	38,013			
Cash	85,413	73,429	35,921	168,555	307,865	185,368
Accounts receivable	28,731	9,773	15,184			
Other current assets	12,199	14,525	10,592			
Notes receivable	2,919	.....	.....	.....	.....	.....
Due from affiliated cos.	701	.....	.....	.....	.....	.....
Unadjusted debits	.....	710,281				
Deferred debit items	280,153	34,047	770,993	801,568	269,949	280,702
Special deposits	19,810	104,924				
Total	$4,834,515	$4,943,894	$4,852,804	$4,793,568	$4,780,252	$4,450,988
Liabilities—						
Common stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Preferred stock	345,800	345,800	345,800	345,800	345,800	345,800
Funded debt	2,053,000	1,891,000	1,891,000	1,891,000	1,891,000	1,842,000
Car trust obligation	.....	.....	.....	243,000	270,000	.....
Due to affiliated cos.	85,277	.....	.....	82,825	10,655	15,274
Open accounts	.....	99,465	152,968	.....	.....	.....
Accounts payable	47,191	69,333	95,933	104,124	189,468	215,712
Interest accrued	8,203	.....	.....	.....	.....	.....
Other current liabilities	12,270	113,304	.....	8,930	6,585	3,223
Reserve for taxes	20,651	33,786	.....	.....	.....	.....
Deferred credit items	.....	11,357	.....	.....	.....	.....
Unadjusted credits	4,578	194,866	225,132	.....	.....	.....
Reserve for depreciation	154,461	109,249	87,265	38,356	4,528	6,266
Other reserves	22,946	.....	.....	.....	.....	.....
Surplus	80,138	75,734	54,705	79,533	62,216	22,713
Total	$4,834,515	$4,943,894	$4,852,804	$4,793,568	$4,780,252	$4,450,988

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; G. R. Horning, V-P.; W. B. Brady, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.; G. L. Augustus, Asst. Treas.; Ben. H. Ely, Asst. Treas.; M. F. Finley, Asst. Sec.; W. W. Winter, Asst. Sec.

Directors: A. E. Peirce, R. L. Aage, D. C. McClure, G. R. Horning, W. S. McCollough, W. M. McFarland, W. W. Winter, G. L. Augustus, Ben. H. Ely, M. F. Finley.

General Office, Huntington, W. Va. **Executive Office,** 105 W. Adams St., Chicago, Ill.

FIVE MILE BEACH ELECTRIC RY. CO.

(Controlled by Central Public Utility Corporation)

History—Incorporated Jan. 3, 1902, in N. J. Owns an electric line, Anglesea to Wildwood Crest, N. J.; total track, 5.02 miles. Cars, 24. Power purchased from West Jersey Electric Co.

CAPITAL STOCK

Authorized, $300,000; outstanding, $255,700; par, $50. All owned by Wildwood Electric & Traction Co., which is controlled by Central Public Utility Corporation.

Dividends—Dividends in 1916, 5%; 1917, 5%; 1918, 3½%; 1919 and 1920, 3% each; 1921, 6%; 1922, 1¼%; none since.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$66,786
Operating exps., maint. & gen. taxes	56,940
Net earnings	$9,846
Other income	526
Total income, before depre. & Fed. Income taxes	$10,372

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; W. S. McCollough, Treas.; W. M. McFarland, Sec.

Directors: A. E. Peirce, R. L. Aage, D. C. McClure, W. S. McCollough, W. M. McFarland.

General Office, 1600 Pacific Avenue, Atlantic City, N. J.

Executive Office, 105 W. Adams St., Chicago, Ill.

LOWER ST. LAWRENCE POWER COMPANY

(Controlled by Central Public Utility Corporation)

History—Incorporated under the Quebec Companies Act, 1920, with the object of developing the water power on the Metis River, province of Quebec, at Grand Metis Falls, and consolidating the various local power companies to form a general distribution system. The Company is operating a number of local power companies at the present time. Transmission lines were completed by the end of Dec., 1923.

and the following towns were connected at that time: Bic, Sacre-Coeur, Rimouski, Father Point, St. Anaclet, Luceville, St. Octave, Mont Joli, St. Flavie, Price Ste. Angele, St. Joseph Lepage, Ste. Luce, Metis Beach, St. Ulric, Matane, St. Moise, Sayabec, Val-Brillant, Amqui, Salmon Lake, St. Leonle-Grand, Causapacal. Owns entire capital stock (except directors' qualifying shares) and guarantees the bonds of The Matapedia Valley Light & Power Co., Ltd. (see statement appended), and Credit Municipal Canadien, Rimouski, Que.

Franchises—Company holds franchises from most of the towns while franchises extending for thirty years, if desired, can be had from the other communities to be served.

CAPITAL STOCK

Authorized and outstanding, 20,000 shares of no par value.

Annual Meeting—First Monday in June.

FUNDED DEBT

(1)

$750,000 FIRST MORTGAGE 7% GOLD BONDS, SERIES "A"; DUE AUGUST 1, 1947

Dated August 1, 1922.

Interest Payable February and August 1, at Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, in New York funds, without deduction for Canadian taxes, present or future.

Dominations—Coupon, $100, $500 and $1,000.

Trustee—National Trust Co., Montreal, Can.

Provisions of Issue—Authorized, $10,000,000. Additional first mortgage bonds may be issued only at 70% of the cost of acquisitions and extensions, including the bonds or a controlling stock interest in subsidiary corporations, and then only when the earnings are twice the interest charges for the preceding twelve months on the bonds outstanding and to be issued.

Callability—Not subject to call.

Sinking Fund—Beginning Aug. 1, 1924, 1% of the outstanding bonds for the first five years, 1½% for the next five years and thereafter 2% until maturity to purchase bonds in the open market up to 105. If, however, bonds cannot be so acquired unexpended balance may revert to the Company for acquisitions and extensions, against which no bonds may be issued.

Security—Secured by an absolute first mortgage on the dams, powerhouses and transmission lines at about 65% of cost. Underlie $348,000 Lower St. Lawrence Power Co. Second Mortgage 8% bonds.

Tax Provisions—Interest payable without deduction for Canadian taxes, present or future. Company pays Normal Federal Income Tax up to 2% Pennsylvania State Personal Property Tax of 4 Mills refunded upon application.

Legal Opinion—Dickson, Beitler & McCouch, Philadelphia, Brown, Montgomery & McMichael, Montreal, and Sasseville & Gagnon, Rimouski, Que.

Original Offering—First publicly offered ($750,000) in August, 1922, at 97 and interest to yield 7.30%, by Battles & Co., Philadelphia, Pa.

(2)

$348,400 SECOND MORTGAGE SINKING FUND GOLD 8s; DUE AUGUST 1, 1932

Dated August 1, 1922.

Interest Payable February and August 1 at Bank of Hochelaga, at Montreal and Rimouski, Que.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Coupon and registered bonds interchangeable.

Trustee—Sun Trust Co., Ltd., Montreal, Que.

Provisions of Issue—Authorized, $350,000; outstanding, $348,400.

Callability—Subject to call on any interest date after August 1, 1927, at 105.

Sinking Fund—A 2% sinking fund will permit redemption of the greater part of the bonds before maturity.

Security—Secured by a general mortgage on entire property subject to $750,000 First 7s of 1947.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Lower St. Lawrence Power Co. and Subsidiaries)

Gross earnings	$188,261
Operating expenses, maintenance & general taxes	54,354
Net earnings	$133,907
Interest and other deductions	132,094
Net income before depreciation & Fed. Inc. taxes	$1,813

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Lower St. Lawrence Power Co. and Subsidiaries)

Assets—	
Property account	$1,893,927
Special deposits	3,192
Cash	17,237
Notes receivable	1,569
Accounts receivable	29,287
Materials and supplies	35,445
Other current assets	3,976
Due from affiliated companies	61,161
Deferred items	117,833
Corporate deficit	33,272
Total	$2,196,899
Liabilities—	
Common stock	$300,400
Funded debt	1,697,800
Due to affiliated companies	110,099
Notes payable	4,175
Accounts payable	49,489
Interest accrued	28,505
Other current liabilities	2,486
Reserve for taxes	559
Other reserves	3,386
Total	$2,196,899

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; J. A. Brilliant, V-P.; P. E. Gagnon, Sec.; Jean Duchesneau, Treas.; W. S. McCollough, Asst. Treas.; W. M. McFarland, Asst. Treas.

Directors: A. E. Peirce, R. L. Aage, W. S. McCollough, J. D. P. Lewin, J. A. Brilliant, J. M. Robinson, P. E. Gagnon.

General Office, Rimouski, Que. **Executive Office,** 105 W. Adams St., Chicago, Ill.

THE MATAPEDIA VALLEY LIGHT & POWER COMPANY, LTD.

(Controlled by Lower St. Lawrence Power Co.)

History—Incorporated May 21, 1924, under laws of the Dominion of Canada for the purpose of building a 66,000 volt electrical transmission line from the power plant of the Lower St. Lawrence Power Co. at Grand Metis Falls, P. Q., on the interprovincial border, 13 miles distant from Campbellton, N. B. Company has a contract with the Town of Campbellton, for sale to the Town of electrical power up to 2,700 h.p. at the price of a guaranteed fixed sum of $40,000 per year for the first 1,000 h.p., or for any smaller amount, and at $25 per h.p. over and above 1,100 h.p.

CAPITAL STOCK

Authorized and outstanding, 800 Common shares of no par value. All owned, except directors' qualifying shares, by the Lower St. Lawrence Power Co.

Annual Meeting—First Monday in June.

FUNDED DEBT

$341,400 FIRST MORTGAGE GOLD 6½s; DUE JUNE 1, 1944

Dated June 1, 1924.

Interest Payable June and December 1, at the Bank of Hochelaga, Rimouski, P. Q., or Montreal, or at the Bank of Montreal, Toronto, or St. John, N. B.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Chartered Trust & Executor Company, Toronto.

Registrars—Central Trust Co. of Canada, Moncton, N. B., and Chartered Trust & Executor Co., Toronto.

Provisions of Issue—Authorized issue, $400,000; outstanding, $341,400.

Callability—Subject to call as a whole or in part at 105 and interest for first two years, and thereafter at a price lower by ¼ of 1% for each year, but in no case at a lower price than 102 and interest.

Sinking Fund—A sinking fund is provided sufficient to redeem the entire issue by maturity.

Security—A first lien on entire property now owned or hereafter acquired. Additionally secured by assignment to the trustee of the Company's contract with the Town of Campbellton, N. B.

Guaranty—Guaranteed unconditionally as to principal and interest by the Lower St. Lawrence Power Co.

Original Offering—First publicly offered ($350,000) in June, 1924 at 99 and interest yieldinig about 6.60%, by McLeod, Young, Weir & Co., Ltd., Toronto and Montreal, and J. W. Robinson & Sons, Ltd., St. John, N. B.

OFFICERS AND DIRECTORS

Officers: A. E. Peirce, Pres.; R. L. Aage, V-P.; D. C. McClure, V-P.; J. A. Brilliant, V-P.; P. J. Duchesneau, Treas.; P. E. Gagnon, Sec.; W. S. McCollough, Asst. Treas.; W. M. McFarland, Asst. Sec.

Directors: A. E. Peirce, J. A. Brilliant, J. D. P. Lewin, J. M. Robinson, P. E. Gagnon.

General Office, Rimouski, Que. **Executive Office,** 105 W. Adams St., Chicago, Ill.

HOME INDEPENDENT TELEPHONE COMPANY

(La Grande, Ore.)

History—Incorporated in 1907 in Oregon. Took over properties of Vergere Telephone Co. in 1907 in Union and Wallowa Counties, Oregon. In 1911 purchased properties of Bell System in Union and Wallowa Counties. Operates without competition in these two counties. Property consists of 10 exchanges, and connecting toll lines in Union and Wallowa Counties, Oregon. Oregon Public Service valuation as of 1918, plus additions since, totaled $421,138 as per audit of Haskins & Sells. Franchises extend over a long period. Population served, 30,000. 'Phones in use, 3,611. Miles of wire: Pole, 2,458; underground, 166; cables, 1,113—total 3,737.

CAPITAL STOCK

Authorized, $250,000 Common and $125,000 7% Pfd.; outstanding, $170,540 Common and $16,540 Pfd.; par of both issues, $10. Annual meeting, in February.

Dividends regularly paid on Common since organization, at rate of 6% per annum to and including 1921; 1922 to June, 1925, 8% per annum; Dec., 1925, 5%; 1926, 8%; 1927, 8%; payments June and Dec. In addition a stock dividend of 40% was paid in 1921 and one of 14% in 1926.

FUNDED DEBT

$175,000 FIRST MORTGAGE SERIAL GOLD 5½s; DUE $2,500 ANNUALLY, MAY 1, 1931 TO 1944 INCLUSIVE, AND $140,000 MAY 1, 1945

Dated May 1, 1925.

Interest Payable May and Nov. 1 at Lumbermens Trust Co., Portland, Oregon.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Lumbermens Trust Co., Portland, Oregon.

Provisions of Issue—Authorized, $350,000; issued, $175,000 to provide in part for retirement of funded indebtedness and for extensions and betterments. Additional bonds may be issued only in the amount of 70% of cost of additions and betterments provided net earnings for preceding year available for interest are at least twice the interest requirements on all outstanding bonds and those to be issued.

Callability—Subject to call by lot on 30 days' notice, on any interest date at 102 and interest on or before May 1, 1935 and 101 and interest thereafter.

Security—Secured by a first mortgage covering all the real estate, buildings, telephone plants and equipment now owned or hereafter acquired. Reproduction value of Company's properties established by the Oregon Public Service Commission, as of August 1, 1918, plus net addition since that date amounts to $421,138, computed by Haskins & Sells, Certified Public Accountants.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Dey, Hampson & Nelson, Portland, Oregon.

Original Offering—First publicly offered ($175,000) in July, 1925 at prices ranging from 98.05 and interest for the 1931 maturity to 95.36 and interest for the 1945 maturity, to yield 5.90%, by Lumbermens Trust Company-Bank, Portland, Ore., and Seattle, Wash.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$121,597	$119,995	$115,256
Operating expenses, maintenance, taxes & deprec.	93,115	90,853	89,464
Net earnings	$28,482	$29,142	$25,792
Other income	1,108	999	291
Total income	$29,590	$30,141	$26,083
Interest charges	10,349	9,625	8,701
Other charges	2,783	2,507	2,691
Total charges	$13,132	$12,132	$11,392
Surplus after charges	$16,458	$18,009	$14,691
Miscel. additions to surplus	9,702	7,405	2,401
Available for dividends	$26,160	$25,414	$17,092
Dividends paid	14,502	13,117	13,500
Surplus for year	$11,658	$12,297	$3,592
Times Interest Earned	2.59	3.13	2.99

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Investment in plant	$424,098	$400,339	$385,143
Less depreciation	86,902	81,402	84,246
Net fixed capital invest.	$337,196	$318,937	$300,897
Construction work in progress	4,403	364	1,144
Cash	5,668	10,071	20,528
Securities	8,160	8,310	
Due from subscribers and agents	6,312	2,887	2,129
Material and supplies	17,305	5,844	5,084
Unamortized debt disc. & expense	11,748	13,298	14,023
Other assets	7,338	7,016	6,022
Total	$398,130	$366,727	$349,827
Liabilities—			
Common stock	$170,540	$170,540	$150,000
Preferred stock	16,540	6,060	
Funded debt	175,000	175,000	175,000
Bills & accounts payable	9,475	2,853	3,851
Other accrued liabilities	4,248	1,604	1,604
Surplus	22,327	10,670	19,372
Total	$398,130	$366,727	$349,827

Officers: Wm. S. Crowe, Pres.; A. R. Hunter, V-P.; S. D. Crowe, Sec. & Gen. Mgr.

Directors: The above and Colon R. Eberhard, H. E. Dixon, H. A. Zurbrick, John C. Macpherson.

General Office, La Grande, Oregon.

INTERSTATE TELEPHONE AND TELEGRAPH COMPANY

History—Incorporated in Indiana and holds a controlling interest in the following companies: Winona Telephone Company, Commercial Telephone Company, Whitley County Telephone Company, Johnson County Telephone Company, Pennville Telephone Company, Geneva Telephone Company, Roann Telephone Company, Salamonia Telephone Company, The Syracuse Home Telephone Company, Pierceton Telephone Company, Home Telephone Company of Portland, Mt. Zion Telephone Company, Starke County Telephone Company, Newton and Jasper County Telephone Company, Van Buren Telephone Company, Farmers Mutual Telephone Company and Interstate

Telephone Company. The Company owns or controls and operates, through its subsidiaries, a general telephone business in the State of Indiana, serving the following cities and towns: Plymouth, Kentland, Knox, Winamac, Warsaw, Columbia City, Portland and Franklin and 35 other communities, and in addition telephone service is furnished to the adjacent rural areas. Population served is estimated at 180,000. Company has 46 telephone exchanges providing service to 20,566 main stations, 1,667 extensions, making a total of 22,223 stations served.

CAPITAL STOCK

Authorized, 75,000 shares Common of no par value and $1,000,000 6% Pfd., par $100; outstanding, 75,000 shares Common and $750,000 Pfd. No further details available.

FUNDED DEBT

$1,250,000 FIRST LIEN SINKING FUND 5½% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1 in Chicago, New York, or at The Continental National Bank of Indianapolis, Ind.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Continental National Bank of Indianapolis, Ind.

Provisions of Issue—Authorized amount unlimited; issued, Series "A", $1,250,000. Additional bonds may be issued in series on the following basis: provided the net consolidated earnings, as defined in the Trust Agreement, for twelve consecutive calendar months within fifteen calendar months immediately prior to the application for such additional bonds shall have been not less than two and one-half times the total interest charges on all bonds outstanding under the Agreement and on all additional bonds then proposed to be issued, and then only (a) for not in excess of 66 2/3% of the cost or fair value, whichever, is lower, of extensions, enlargements, additions, betterments or improvements to the properties owned or operated by the subsidiaries; (b) for subsequently acquired subsidiaries or systems in an amount not in excess of 66 2/3% of the cost or fair value, whichever is lower, as determined by independent engineers, provided the Company owns or is concurrently acquiring and pledging under the Trust Agreement not less than 95% of the Common stock and all other outstanding stock and securities of each company to be operated as a subsidiary. Additional bonds may also be issued to refund a like principal amount of bonds of any previous series of bonds issued and outstanding under the Trust Agreement.

Purpose of Issue—Proceeds were used to retire all of the outstanding funded indebtedness of subsidiary companies, not pledged with the Trustee, to reimburse the Company for expenditures made in the acquisition of new properties and extensions thereto and for other corporate purposes.

Callability—Subject to call, as a whole on any interest date, on 30 days' notice to and including Jan. 1, 1929 at 105 and accrued interest; thereafter to and including Jan. 1, 1938 at 103 and accrued interest; thereafter, to and including Jan. 1, 1943 at 102 and accrued interest; thereafter, to and including Jan. 1, 1948 at 101 and accrued interest, and thereafter at 100 and accrued interest. Subject to call in part on any interest date on 30 days' notice to and including Jan. 1, 1933 at 105 and accrued interest; thereafter, to and including Jan. 1, 1938 at 104 and accrued interest; thereafter, to and including Jan. 1, 1943 at 103 and accrued interest; thereafter, to and including Jan. 1, 1948 at 102 and accrued interest; thereafter to and including Jan. 1, 1952 at 101 and accrued interest; thereafter at 100 and accrued interest.

Sinking Fund—Company covenants that it will in each of the years 1929 to 1952, both inclusive, pay to the Trustee in cash a sum equal to 1% of the then outstanding first lien bonds of such series, such sums to be used in the redemption of first lien bonds of said series in the manner and method set forth in the Trust Agreement.

Maintenance and Improvement Fund—The Company covenants that it will, out of the annual gross earnings of each subsidiary beginning with the year 1928, and for each current year thereafter, pay an amount equal to not less than 25% of its gross earnings as a special trust fund, which may, upon proper showing to the Trustee, be expended for improvements, maintenance and additions to the properties, but against which expenditures no bonds may be issued. Any balance of this fund remaining on deposit with the Trustee on Dec. 31, subsequent to payment to the Trustee, shall be used by the Trustee in the purchase and retirement of bonds of this issue.

Security—Bonds are a direct obligation of the Company and in addition are secured by deposit with the Trustee of all of the outstanding capital stock (except qualifying shares) of the Winona Telephone Co., Commercial Telephone Co., Whitley County Telephone Co., Johnson County Telephone Co., Pennville Telephone Co., Geneva Telephone Co., Roann Telephone Co., Salamonia Telephone Co., The Syracuse Home Telephone Co., Pierceton Telephone Co., Home Telephone Co. of Portland, Mt. Zion Telephone Co. and Starke County Telephone Co. and more than 95% of the outstanding capital stock of the Newton and Jasper County Telephone Co., Van Buren Telephone Co., Farmers Mutual Telephone Co. and 75% of the outstanding Common stock of Interstate Telephone Corp. The Trust Agreement also provides that so long as any of these bonds are outstanding and unpaid, any and all funded obligations or Pfd. stock and proportionate part of the Common stock of any of the subsidiary companies subsequently issued, shall be pledged with the Trustee under the terms of the Trust Agreement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Refund of state property taxes not exceeding six-tenths of 1% of the principal per annum and state income taxes not exceeding 6% of the interest, upon timely and proper application, is provided, and in any event not in excess of the present rate.

Legal Opinion—Chapman & Cutler.

Original Offering—First publicly offered ($1,250,000) in Jan., 1928, at par and interest by P. W. Chapman & Co., Chicago, etc.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31, 1927

Gross earnings	$512,141
Operating exps., maint. and taxes (not including Federal Income tax)	*329,279
Balance	$182,862

*Includes deduction of $10,148 being allowance for minority stock interest in Interstate Telephone Corporation.

Officer: P. F. Goodrich, Pres.

Address, c/o P. W. Chapman & Co., 170 West Monroe St., Chicago, Ill.

CENTRALIA POWER & LIGHT COMPANY

History and Property—Incorporated in the State of Washington. Company was organized for the purpose of furnishing electric current to the City of Centralia for light, heat and power purposes and power for the operation of the plnt of the Western Crossarm & Mfg. Co. It operates a steam generating plant of 2,125 k.w. capacity adjacent to the property of the Western Crossarm & Mfg. Co. The Company has also entered

into a non-cancellable contract with this latter Company running until January, 1931, to furnish electrical energy for the operation of its plant.

CAPITAL STOCK

Entire capital stock, except directors' qualifying shares, owned by Western Crossarm & Mfg. Co., and all the stock of the latter, except directors' qualifying shares, is owned by the Eastern Railway & Lumber Co.

FUNDED DEBT

$60,000 FIRST (CLOSED) MORTGAGE SERIAL GOLD 6s; DUE SERIALLY 1928-1931

Dated January 1, 1926.

Interest Payable January, April, July and October 1, offices of Freeman, Smith & Camp Co., Portland and San Francisco.

Denomination—Coupon, $500 and $1,000.

Trustee—Title & Trust Company, Portland, Ore.

Provisions of Issue—Authorized, $100,000; outstanding, $60,000; closed mortgage.

Callability—Subject to call in inverse numerical order on any interest date with 30 days' advance notice to the Trustee at 102.50 during 1926 and with premium of ½ of 1% less during each succeeding year.

Security—Secured by first closed mortgage on the entire property of the company.

Guaranty—Guaranteed, both principal and interest, by the Western Crossarm & Mfg. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Teal, Winfree, Johnson & McCulloch, Attorneys, Portland, Ore.

Original Offering—First publicly offered ($100,000) in January, 1926, at $100 and accrued interest to yield 6% by Freeman, Smith & Camp Co., San Francisco, Los Angeles, Oakland and Portland.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

(Latest Available)

Gross earnings	$78,949
Operating expenses	31,664
Net earnings	$47,285
Bond interest	6,549
Depreciation	13,804
Net income	$26,942

Officers: Reid F. Hubbard, Pres.; W. H. Copping, V-P.; C. D. Cunningham, Sec. & Treas., Centralia, Wash.

Trustees: Reid F. Hubbard, W. H. Copping, C. D. Cunningham.

General Office, Centralia, Wash.

ELIZABETHTOWN WATER COMPANY CONSOLIDATED

History—Incorporated March 3, 1854, in N. J., by an act of the legislature approved March 3, 1854, as the Elizabethtown Water Co. Late in 1922 the following companies were consolidated under the name of Elizabethtown Water Company, Consolidated; Elizabethtown Water Co., Piscataway Water Co., Raritan Township Water Co., and Watchung Water Co. Supplies water to the cities of Elizabeth and Linden, The Townships of Piscataway, Union, Clark and Hillside, and the Boroughs of Middlesex and Dunellen, N. J. The Company also serves in part the City of Plainfield, the Townships of Springfield, Raritan and North Plainfield, and the Boroughs of Roselle and South Plainfield, N. J. Population served, 160,200. Franchise perpetual. No. of consumers, 26,627. Miles of mains, 294.21. Output in 1927, 6,057,690,000 gallons compared with 5,965,639,000 gallons in 1926, and 6,142,429,000 gallons in 1925. Pumping stations, 4.

CAPITAL STOCK

Authorized and outstanding, $4,000,000; par, $100. Annual meeting, first Monday in May.

Dividends—Recent payments have been as follows: 1923, 2%; 1924, to 1927, 5% each; payments semi-annually June 30 and Dec. 31.

FUNDED DEBT

(1)

$125,000 Raritan Township Water Co. General Mortgage 5s; dated May 1, 1910; due May 1, 1960; int. May and Nov. 1, at National State Bank of Elizabeth, N. J. Coupon, $1,000. Authorized, $250,000, but mortgage closed. Westfield Trust Co., Westfield, N. J., Trustee. Guaranteed by Elizabethtown Water Company, and assumed by Elizabethtown Water Company Consolidated. A first lien on property of former Raritan Township Water Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$270,000 Piscataway Water Co. General Mortgage 5s; dated May 1, 1910; due May 1, 1960; int. May and Nov. 1, at National State Bank of Elizabeth, N. J. Coupon, $1,000. Authorized, $350,000, but mortgage closed. Plainfield Trust Co., Plainfield, N. J., Trustee. Guaranteed by Elizabethtown Water Company, and assumed by Elizabethtown Water Company Consolidated. A first lien on property of former Piscataway Water Co. Company pays Normal Federal Income Tax up to 2%.

(3)

$3,000,000 ELIZABETHTOWN WATER COMPANY CONSOLIDATED FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE AUGUST 1, 1957

Dated August 1, 1927.

Interest Payable February and August 1 at the National State Bank of Elizabeth, Elizabeth, N. J. or at The Farmers' Loan & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized, $50,000,000; issued, $3,000,000.

Additional bonds may be issued under the Indenture, all ranking equally with this issue, as follows: (a) $1,500,000 additional bonds may be issued from time to time provided the net earnings of the Company, as defined in the Indenture, for a period of any 12 consecutive calendar months within the 15 calendar months preceding such issue are equal to not less than 1¾ times the annual interest on all bonds of the Company outstanding, including those to be issued; (b) $395,000 additional bonds may be issued to refund, pay, redeem, retire, purchase or otherwise acquire the $395,000 of divisional bonds below referred to; (c) additional bonds may be issued for not in excess of 80% of the cash cost or fair value, whichever is less, of permanent improvements, extensions or additions to the properties of the Company, provided the net earnings of the Company, as defined in the Indenture, for 12 consecutive calendar months within the 15 calendar months immediately prior to the issuance of such additional bonds, have been at least 1¾ times the interest charges on all bonds of the Company outstanding, those proposed to be issued, and all indebtedness, if any, secured by lien prior to the lien of the Indenture on any new or additional property acquired by the Company.

Purpose of Issue—Proceeds were used to reimburse the Company for capital expenditures to provide for further additions and improvements and for other corporate purposes.

Callability—Subject to call as a whole on any interest date, after 60 days' notice, at 105 to and including Aug. 1, 1937, at 103 thereafter to and including Aug. 1, 1947, at 101 thereafter to and including Aug. 1, 1956, and at 100 thereafter to and until maturity.

Sinking Fund—None provided.

Security—Secured by a direct first lien on all the fixed assets and franchises of the Company, subject only to $395,000 of divisional bonds which are secured by closed prior liens on the properties formerly belonging to the Piscataway Water Co. and the Raritan Township Water Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—White & Case (for the Bankers) and William M. Wherry (for the Company).

Original Offering—First publicly offered ($3,000,000) in July, 1927 at 99 and interest to yield 5.07% by Kean, Taylor & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Water operating revenue	$1,188,261	$1,017,266	$996,523	$971,782	$945,339	$892,793
Operating expenses, taxes and depreciation	823,317	695,062	672,166	643,076	636,998	646,778
Net earnings	$364,944	$322,204	$324,356	$328,706	$308,341	$246,015
Other income	51,400	12,909	14,318	22,790	12,727	11,732
Total income	$416,344	$335,113	$338,674	$351,496	$321,068	$257,747
Bond interest	$82,500	$19,750	$23,083	$48,750	$53,750	$30,000
Other interest, amortization, etc.	43,830	45,087	36,819	14,646	10,644	8,199
Total charges	$126,080	$64,837	$59,902	$63,396	$64,394	$38,199
Net income	$290,264	$270,276	$278,772	$288,100	$256,674	$219,548
Dividends paid	200,000	200,000	200,000	200,000	.....	58,891
Surplus for year	$90,264	$70,276	$78,772	$88,100	$256,674	$160,657
Times Bond Interest Earned	4.51	14.69	13.07	6.74	5.78	8.31
Earnings Per Share	$7.25	$6.75	$6.97	$7.20	$6.42	$2.23

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant property	$6,796,722	$6,477,829	$6,163,940	$5,889,590	$5,664,987	$2,689,845
Earned revenue not charged	.....	70,942	69,393	71,644	69,653	.....
Investments	620,726	447,560	447,560	447,560	447,560	598,518
Materials and supplies	83,006	70,816	73,591	57,866	51,877	18,167
Cash on hand	1,518,787	19,062	21,577	81,208	24,017	2,807
Notes receivable	125	.....	.....	.....	.....	.....
Accounts receivable	239,895	214,318	196,232	193,184	327,528	249,103
Other current assets	87,872	200	11	.....	.....	.....
Construction work in progress	103,876	82,681	.....	.....	.....	.....
Prepayments	3,734	13,196	12,530	9,711	2,324	7,962
Other suspense	68,665	35,087	19,627	35,328	51,390	66,872
Unamortized debt disct. & expense	135,227	.....	.....	.....	.....	.....
Special deposits	236	.....	.....	.....	.....	....
Advances to other corporations	109,490	.....	.....	.....	.....	.....
Total	$9,768,361	$7,431,691	$7,004,462	$6,786,090	$6,639,336	$3,633,274
Liabilities—						
Capital stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$981,520
Funded debt	3,395,000	395,000	395,000	475,000	975,000	500,000
Accrued taxes	61,639	52,927	43,793	43,318	83,746	73,175
Accrued interest	65,792	3,292	3,338	3,958	6,458	.....
Bills payable	.....	915,000	765,000	685,000	210,000	135,000
Consumers' deposits	393,064	304,612	188,872	121,615	85,706	.....
Accounts payable	69,701	54,875	40,283	27,148	27,550	80,769
Unearned revenue	4,590	17,801	17,556	16,866	18,445	27,849
Unaudited bills & vouchers	1,860	.....	.....	.....	.....	.....
Amortized reserve	1,104,504	1,090,845	1,022,697	963,316	916,656	268,281
Fixed surplus Operating surplus	672,212	(183,542) (413,797)	527,924	449,870	315,775	1,566,680
Total	$9,768,369	$7,431,691	$7,004,462	$6,786,090	$6,639,336	$3,633,274

Officers: Julian H. Kean, Pres.; John Kean, V-P.; William F. Barry, Sec. & Treas.; D. H. Townley, Engineer, Elizabeth, N. J.

Directors: Julian H. Kean, Chairman of Board; John Kean, Walter H. Wetton, E. C. Woodruff, Elizabeth, N. J.; Hamilton F. Kean, Geo. Emlen Roosevelt, W. Emlen Roosevelt, Robert W. Kean, New York.

Office, 64 Broad St., Elizabeth, N. J.

COMMONWEALTH TELEPHONE COMPANY

(of Delaware)

History and Property—Incorporated in Delaware. Company owns all of the capital stock of the **Sweet Springs Telephone Company** and not less than 99½% of the outstanding Common stock of **Central Missouri Home Telephone Company.** Subsidiary companies furnish telephone service in the west central portion of Missouri, including the cities of Warrensburg, Holden, Centerview, Kingsville, Strassburg, Knobnoster, Lamonte, Chilhowee, Sweet Springs, Blackburn and 29 smaller communities. The properties include 854.6 miles of pole line, 17½ miles of cable, about one-half of which is underground. There are over 2,000 miles of wire in this cable and 2,421 miles of aerial wire, making a total of over 4,432 miles. Number of exchanges, 10, giving service to over 5,529 telephones or connections.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares Common of no par value and $500,000 7% cumulative Pfd., par $100. No further details available.

FUNDED DEBT

$350,000 ONE-YEAR 5% SECURED GOLD NOTES, SERIES "A"; DUE JUNE 1, 1928

Dated June 1, 1927.

Interest Payable June and December 1 at Central Trust Company of Illinois, Chicago.

Denominations—$500 and $1,000.

Trustee—Central Trust Company of Illinois, Chicago.

Purpose of Issue—Proceeds were used in part for the acquisition of the pledged securities, to provide for extensions and improvements, for additional working capital and for other corporate purposes.

Callability—Subject to call at any time on 30 days' notice at 100½ and interest.

Sinking Fund—None provided.

Security—Notes are a direct obligation of the Company and are secured by deposit with the Trustee of the entire capital stock of the Sweet Springs Tele-

phone Co. and 99½% of the outstanding Common stock of Central Missouri Home Telephone Co., except directors' qualifying shares. Company covenants that it will not pay any dividends on its Common stock and that it will not permit any of these constituent companies to mortgage or pledge any of their assets as long as any of these notes are outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($350,000) in Nov., 1927, at 99 and interest to yield 6% by Patterson, Copeland & Kendal, Chicago.

Officer: J. H. Moore, Jr., Pres.

Address, c/o Patterson, Copeland & Kendall, 231 So. LaSalle St., Chicago, Ill.

DOMINION POWER & TRANSMISSION COMPANY, LIMITED

History—Incorporated Jan. 22, 1907, in Canada, as a holding Company, with perpetual charter. The companies controlled supply light and power to the Cities of Hamilton, St. Catharines, and Brantford, and the municipalities of Port Colborne, Grimsby, Dundas, Oakville, Beamsville and Burlington. Also operates street and interurban railways in the City of Hamilton and adjoining municipalities. The population served is in excess of 300,000.

Companies owned or controlled are: Hamilton Cataract Power, Light & Traction Co., Ltd., Brantford & Hamilton Electric Ry. Co., Hamilton, Grimsby & Beamsville Electric Ry. Co., Hamilton Terminal Co., Ltd., Hamilton Street Ry. Co., Hamilton Electric Light & Power Co., Ltd., Dundas Electric Co., Ltd., Hamilton Radial Electric Ry. Co., Lincoln Electric Light & Power Co., Ltd., and Western Counties Electric Co., Ltd. Operation of the Hamilton & Dundas Street Ry. Co. has been discontinued.

The Company's water power plant located at De Cew Falls, St. Catharines, Ont., 33 miles from Hamilton, has a present generating capacity of 50,000 h.p. Water is taken from the Lake Erie level of the Welland Canal under contract with the Dominion Govt., which with renewals, extends to 1961. The power is developed under a static head of 265 ft., or 120 feet greater than at Niagara. An auxiliary steam plant at Hamilton designed for a capacity of 80,000 h.p. has a present installed capacity of 26,000 h.p. This allows the Company to use its entire hydro-electric development instead of having to keep one unit in reserve. With the addition of this station the Company now has a total installed generating capacity of 76,000 h.p. The Company has four transmission lines from its power development at De Cew Falls to Hamilton, the last one was erected in 1926 on the Company's own right of way. The total length of the Company's transmission lines is now over 287 miles, and of distribution lines, 183 miles. Substations, 12.

The street railway system consists of over 33 miles of lines in Hamilton and 85 miles of interurban lines. including an extension to Brantford, over private right of way, completed in 1907. Total track, 136 miles.

The Hamilton Bus Company was operating a service under a Provincial License between Hamilton and St. Catharines in competition with the Hamilton, Grimsby & Beamsville Electric Ry. Co. In order to improve its position the Dominion Power & Transmission Co., Ltd., negotiated with that Company and in 1927 purchased its seven buses and is now operating the same.

An agreement eliminating charges for mileage and percentage and giving the Company an exclusive franchise after June 30, 1928, and the right to apply to the Ontario Railway Board for an adjustment of the fares, based on an adequate return on the capital invested, was voted on May 10, 1926, and was carried by a large majority, and was ratified by the Ontario Legislature. The franchise is perpetual. The City, at any time, has the option of purchasing on an appraisal value fixed by arbitration.

Franchises—The franchises of the Company are generally of a satisfactory character, the most important covering the supply of power and light in the City of Hamilton runs until 1928 and is renewable thereafter for 5-year periods. Should the City not wish to renew this franchise it must take over the entire properties of the Company both within and without the City limits.

CAPITAL STOCK

Authorized $10,000,000 7% cumulative Preference and $15,000,000 Ordinary; outstanding, $5,450,000 cumulative Preference and $7,700,000 Ordinary; par, $100. Stock transferred at Company's office. The last payment of ½ of 1%, completing the necessary 10%, was made Dec. 15, 1915 on the $5,100,000 limited Preference stock, and this has accordingly become Common stock, making the total issue $7,700,000. Preference stock was entitled to dividends of 6% up to and including 1909 and to 7% thereafter. Annual meeting, in April.

Dividends—Dividends have been paid on Preference stock as follows: 6% in 1907; 3% in 1908; none thereafter to Jan. 15, 1911, when 3½% was paid; July, 1911, 3½%; Dec., 1911 (dividend due Jan., 1909), 3%; Jan. and July, 1912, 3½% each; Aug., 1912 (dividend due July, 1909), 3%; Jan., 1913, 3½%; Feb. 15, 1913, 6½% in full payment of arrears; July, 1913, 3½%; 1914, to date, 7% per annum; payments J, A, J & O 15. Pref. dividends declared fourth Wednesday in F, M, A & N. Initial dividend of 2% on Ordinary stock, paid June 15, 1915; 2% Dec. 15, 1916; 2% June 15, 1917; 1% each Sept. 15 and Dec. 15, 1917; 1% each March, June, Sept. and Dec., 1918 and 1919; payments quarterly, M, J, S & D 15, to Sept. 15, 1920; none thereafter until March 15, 1924, when dividends were resumed, with declaration of 1%; Sept. 15, 1924, 1%; none since.

FUNDED DEBT

$5,322,000 FIRST MORTGAGE GOLD 5s; DUE $130,000 ANNUALLY TO APRIL 1, 1931, AND THE BALANCE ON APRIL 1, 1932

Dated April 1, 1907.

Interest Payable April and October 1, at Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Harris Trust and Savings Bank, Chicago, and National Trust Co., Toronto.

Provisions of Issue—Authorized issue, $25,000,000; issued $6,500,000 of which $1,178,000 cancelled to Dec. 31, 1927. Sufficient being reserved to retire underlying liens and remainder for future extensions and improvements and for acquiring a controlling interest in other properties.

Callability—Entire outstanding issue, but not part, subject to call on April 1, 1917, or any interest date thereafter on 60 days' notice at 107½ and interest.

Security—Bonds are secured through stocks and bonds deposited with Trustee; by first lien on the properties of Brantford & Hamilton Elec. Ry. Co. Ltd., Hamilton Terminal Co., Ltd., and Western Counties Electric Co., Ltd., and in addition on all remaining property owned, or controlled through deposit of various stocks and bonds, subject to underlying bonds of those companies.

Legal Opinion—Blake, Lash & Cassels, Toronto.

Original Offering—First publicly offered ($850,000) in May, 1907, at 96 and interest; additional $500,000 each offered in July, 1914, and April, 1916, at prices to yield 5% to 5½%, and a further $600,000 in Nov., 1920, at prices ranging from 77.92 to 98.92, to yield 8% to 8¼%, according to maturities, by N. W. Harris & Co., New York and Boston, Harris Trust & Savings Bank, Chicago, and Perry, Coffin & Burr, Boston.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,479,622	$3,219,911	$3,120,509	$3,132,438	$3,361,335	$3,163,724
Power purchased	162,385	160,749	161,151	153,726	.....	.....
Operating expenses	1,284,638	1,268,233	1,136,421	1,127,905	1,393,787	1,317,387
Taxes	256,010	164,555	213,449	242,904	226,685	202,312
Maintenance expense	726,974	550,325	678,048	787,306	695,504	631,686
Net earnings	$1,049,615	$1,076,049	$931,440	$820,597	$1,045,359	$1,012,339
Bad debts	3,155	1,836	1,571	7,193	3,302	2,966
Interest	396,831	419,992	429,206	447,273	460,812	467,484
Depreciation	274,379	332,159	354,058	352,812	339,086	256,884
Total charges	$674,365	$753,987	$784,835	$807,278	$803,200	$727,334
Net income	$375,250	$322,062	$146,605	$13,319	$242,159	$285,005
Preferred dividends paid	372,894	313,751	296,730	277,727	258,837	258,837
Common dividends paid	.....	.....	.....	138,032	.....	.....
Surplus for year	$2,356	$8,311	†$150,125	†$402,440	†$16,678	$26,168
*Times Interest Earned	1.95	1.77	1.34	1.03	1.53	1.61
*Earnings Per Share—						
Preferred	$6.88	$6.18	$3.46	$0.32	$6.58	$7.74
Ordinary	0.03	0.11	Nil	Nil	Nil	0.34

*After depreciation. †Deficit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Properties account	$25,840,845	$24,731,781	$24,341,948	$24,278,714	$24,181,574	$23,686,621
Accounts receivable	244,886	200,649	195,616	166,640	184,544	210,300
Stores on hand	280,922	243,314	243,867	232,627	299,812	283,203
Cash	14,523	383,220	16,667	18,152	16,716	15,973
Bonds purchased for sinking funds	.....	.....	.....	.....	29,547	46,495
Deferred charges	61,009	62,009	.....	.....	.....	.....
Prepayments	16,538	12,881	9,256	.....	.....	.....
Total	$26,458,723	$25,633,854	$24,807,354	$24,696,133	$24,712,193	$24,242,592
Liabilities—						
Capital stock	$13,150,000	$12,911,600	$11,939,000	$11,889,000	$11,398,200	$11,395,600
Capital stock partially paid	.....	20,318	.....	.....	.....	.....
Funded debt	7,674,000	7,876,000	8,158,000	8,411,000	8,646,000	8,477,000
Accounts payable	299,044	281,977	292,296	207,903	203,956	240,728
Customers' deposits	5,165	4,583				
Bond interest accrued and matured	110,579	111,272	112,649	114,561	117,073	113,733
Insurance accrued	.....	.....	.....	97,762	85,698	61,783
Dividends payable	98,724	93,651	76,427	75,716	130,402	130,325
Reserve for depreciation	4,101,976	3,674,286	3,394,691	3,083,688	2,339,756	2,018,924
Maintenance and renewal accounts	.....	.....	.....	.....	460,598	499,447
Notes payable to bank	362,372	.....	199,639	125,490	230,842	206,061
Miscellaneous reserves	117,347	123,008	105,804	109,803	.....	.....
Profit and loss	539,516	537,159	528,848	678,973	1,099,667	1,998,991
Total	$26,458,723	$25,633,854	$24,807,354	$24,696,133	$24,712,193	$24,242,592

Officers: Wm. E. Phin, Pres.; Cyrus A. Birge, V-P.; Geo. D. Fearman, Sec.; James Dixon, Treas.; C. S. Scott, Aud.; Wm. G. Angus, Mgr. of Power & Light; Geo. E. Waller, Mgr. of Rys., Hamilton, Ont.

Directors: J. R. Moodie, James Dixon, Cyrus A. Birge, Sir John Gibson, Wm. E. Phin, John Dickenson, James Moodie, The Hon. S. C. Mewburn, C. W. G. Gibson, Hamilton, Ont.; A. J. Nesbitt, J. B. Woodyatt, Montreal.

Office, Hamilton, Ont., Can.

THE HAMILTON CATARACT POWER, LIGHT & TRACTION CO., LIMITED

(Controlled by Dominion Power & Transmission Company, Limited)

History—Incorporated Feb. 6, 1903, in Ont., as successor to the Hamilton Electric Light & Cataract Power Co. and its subsidiary companies. Subsequently acquired the Hamilton Electric Light & Power Co. and the Lincoln Electric Light & Power Co. The properties now owned and operated are as follows: The Hamilton Street Ry. Co., the Hamilton & Dundas Street Ry. Co., the Hamilton Radial Electric Ry. Co., the Hamilton Electric Light & Cataract Power Co., the Lincoln Electric Light & Power Co., the Cataract Power Co. of Hamilton, the Hamilton Electric Light & Power Co., the Dundas Electric Co. and the Electrical Power & Mfg. Co. Controls the entire power, light and street railway business of Hamilton, Ont., and vicinity. Operates 73 miles of track. Gauge, standard. Rail, 60 to 90 lbs. T and girder. Motor cars, 97; trail cars, 1; flat cars, 2; sweepers, 4. Power stations, 3.

CAPITAL STOCK

Authorized, $1,796,000 Common and $3,300,000 5% cumulative Pfd.; outstanding, $1,700,000 Common and $2,909,600 Pfd.; par, $100. All owned by the Dominion Power & Transmission Co., Ltd., except $39,000 of the Pfd. stock. Annual meeting, second Monday in February. Dividends on Pfd. stock are being paid at rate of 7% per annum. Dividends on Common: in 1916, 10%; 1917, 20%; 1918 to 1927, inclusive, 10% each. Stock transferred at Company's office, Hamilton, Ont.

FUNDED DEBT

$471,000 Hamilton Electric Light & Cataract Power Co. First Mortgage 5s; dated 1899; due Oct. 1, 1929; int. April and Oct. 1, at Bank of Commerce, Hamilton, and at Agency of Canadian Bank of Commerce, New York. Coupon, $1,000. National Trust Co., Ltd., Toronto, Trustee. Issued, $1,000,000, of which $629,000 held alive in sinking fund or cancelled to Dec. 31, 1927.

$200,000 Hamilton Street Ry. First Currency 4½s; dated 1898; due Dec. 22, 1928; int. June and Dec. 1, at Bank of Commerce, Hamilton. J. M. Gibson and G. A. Cox, Trustees. Coupon, $1,000. Authorized, $550,000; issued, $500,000, of which $300,000 cancelled to Dec. 31, 1927. A first lien on 32 miles of track.

$1,531,000 Hamilton Cataract Power, Light & Traction Co., Ltd., First and Refunding Gold 5s; dated April 1, 1903; due April 1, 1943; int. April and Oct. 1, at Bank of Commerce, Hamilton, and at Agency of Canadian Bank of Commerce, New York. Coupon, $1,000; principal may be registered. Subject to call at 110 and interest. National Trust Co., Ltd., Toronto, Trustee. Authorized, $5,000,000; issued, $2,139,000, of which $608,000 held alive in sinking fund, Dec. 31, 1927. Sufficient bonds are reserved to retire prior liens and remainder for extensions and development of the system at 75% of actual cost provided earnings for previous 12 months equal 1¾ times the interest on bonds then outstanding and those proposed to be issued.

Sinking Fund—Sinking fund provides for 1% of all bonds outstanding, beginning April 1, 1910, increasing to 1½% on April 1, 1915, and 2% on April 1, 1925, which rate to continue until maturity of bonds. Proceeds of bonds so acquired to be used in purchasing prior liens providing same can be obtained at not less than a 4% basis, otherwise to be used for purchase of bonds of this issue.

Security—Secured on entire property now owned or hereafter acquired, subject to the prior liens.

The Dominion Power & Transmission Co. First 5s of 1932 provide for the retirement of this issue.

OFFICERS AND DIRECTORS

Officers: J. R. Moodie, Pres.; John Dickenson, V-P.; Geo. D. Fearman, Sec.; James Dixon, Treas.; J. W. Ogilvie, Pur. Agt., Hamilton, Ont.

Directors: John Dickenson, Jas. Dixon, Sir J. M. Gibson, J. R. Moodie, W. E. Phin, Cyrus A. Birge, S. C. Mewburn, James Moodie, Hamilton, Ont.; J. B. Woodyatt, Montreal.

Office, Hamilton, Ont.

THE HAMILTON GRIMSBY & BEAMSVILLE ELECTRIC RAILWAY CO.

(Controlled by Dominion Power & Transmission Company, Limited)

History—Incorporated March 20, 1895, in Ont., in perpetuity. Operates 22 miles of track. Gauge, standard. Rails, 56 and 65 lb. T and girder. Cars, 22.

CAPITAL STOCK

Authorized, $400,000; outstanding, $235,000; par, $100. All owned by Dominion Power & Transmission Co., Ltd.

FUNDED DEBT

$150,000 First 5s; dated 1895; due May 1, 1933; int. May and Nov. 1, at Imperial Bank, Toronto. Coupon, $500. D. R. Wilkey and A. E. Jarvis, Toronto, Trustees. Authorized at $10,000 per mile; issued and outstanding, $150,000.

Officers: W. E. Phin, Pres.; John Dickenson, V-P.; James Dixon, Treas.; Geo. D. Fearman, Sec.; C. S. Scott, Aud.

Directors: J. Dixon, James Moodie, Cyrus A. Birge, S. C. Mewburn, J. Dickenson, Sir J. M. Gibson, W. E. Phin, Hamilton, Ont.

Office, Hamilton, Ont.

ISARCO HYDRO-ELECTRIC COMPANY

(Societa Idroelettrica dell'Isarco)

History and Property—Organized under Italian law on December 21, 1924, for the purpose of constructing and operating hydro-electric works at Cardano on the Isarco River in Trentino, Italy. Duration of charter is 60 years. The water rights concession granted by the Italian Government to the Company is for a period of 60 years beginning from May 20, 1923, and, upon its expiration, all of the properties connected with the derivation and flow of waters become the property of the Government. When completed, the plant will have a total installed capacity of about 227,000 h.p., of which 49,000 h.p. is reserve. Average annual output is calculated at over 500,000,000 kilowatt hours. As of April, 1928, it was about 65% completed, and it is expected to be ready for operation at full capacity by Jan. 1, 1930, with at least one unit of 40,000 h.p. in operation in the Spring of 1929 and the other units at intervals thereafter.

The total cost of the plant when completed has been estimated at approximately Lire 250,000,000 ($12,500,000), including interest and return on capital payable under Italian law during construction. In addition to the proceeds of the bonds described below, and the amount paid in on its capital stock, the Company will also be entitled to a subsidy from the Italian Government under Royal Decree Laws providing for annual subsidies to hydro-electric plants commenced after Jan. 1, 1919, and in an advanced state of construction before Dec. 31, 1928. The capitalized value of this subsidy is estimated at approximately one-sixth of the total cost of the work.

Power Contracts—Total output, except a small amount reserved by the Company for local sale, has been contracted for with Piedmont Hydro-Electric Company (Societa Idroelettrica Piemonte) and the Italian State Railways (Ferrovie dello Stato Italiano). Under these contracts power is sold at the station, the users constructing the necessary transmission lines and accessories. The Company covenants that neither of these contracts will be cancelled or modified without the consent of the American Trustee.

The Piedmont Hydro-Electric Company with its controlled companies is the second largest producer and distributor of electrical energy in Italy. It supplies the rich industrial district centering in Turin, and the cotton manufacturing district of Lombardy, and has over 240,000 customers. The production of Piedmont Hydro-Electric Company for the calendar year 1926 was approximately 1,300,000,000 k.w.h. As shown by the last public figures (March 31, 1926) the net worth of the Piedmont Hydro-Electric Company was over Lire 684,000,000 ($34,200,000).

The basis of the contract with the Piedmont Company is, that the latter shall make payments to the Isarco Company at the annual rate of 17% on the total net cost of the completed plant. After allowance for the Government subsidy above referred to, this net cost is estimated to be approximately Lire 210,000,000 ($10,500,000).

CAPITAL STOCK

Authorized and outstanding, December 31, 1927, Lire 115,000,000 (about $5,750,000), all of which has been paid in cash; par value, Lire 250 per share. A majority of the stock is owned by the Banco di Roma, guarantor during construction, and about 26% is owned by the Piedmont Hydro-Electric Company, contractor for its output.

Annual Meeting—Within three months after close of fiscal year which ends December 31, at principal office of Company.

Dividends—Company has paid dividends at rate of 5% per annum since its organization. This is in accordance with an article in the Italian Code of Commerce which permits a corporation for the first three years to pay 5% dividends by way of interest, charged to organization expenses.

FUNDED DEBT

$5,000,000 FIRST MORTGAGE TWENTY-FIVE YEAR 7% SINKING FUND GOLD BONDS (CLOSED ISSUE); DUE MAY 1, 1952

Dated May 1, 1927.

Interest Payable May and November 1, at Hallgarten & Co., New York, in United States gold coin of

the standard of weight and fineness existing May 1, 1927.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized and issued, $5,000,000.

Purpose of Issue—Proceeds were applied to the construction of the plant.

Callability—Subject to call other than for sinking fund, on any interest date beginning May 1, 1932, on 30 days' notice, at 105 and interest before May 1, 1937; thereafter at 104 and interest before May 1, 1942; thereafter at 102½ and interest before May 1, 1947; and thereafter at 101 and interest.

Sinking Fund—Mortgage provides a cumulative sinking fund with semi-annual payments commencing on Nov. 1, 1930, operating through purchase of bonds at prices up to or their call at principal amount and accrued interest.

Security—Secured by a first (closed) mortgage or lien on the hydro-electric plant of the Company.

Guaranty—To cover the construction period, under date of May 1, 1927, the Banco di Roma entered into an agreement with the Trustee of this issue, whereby the former unconditionally guarantees until discharged in accordance with provisions set forth, the due and punctual payment of the principal of, interest and sinking fund on, and the premium, if any, on redemption of the bonds at any time issued and outstanding under the Indenture.

Tax Provisions—Free from any tax now or hereafter levied by or within the Kingdom of Italy or any taxing authority thereof.

Legal Opinion—Cravath, Henderson & deGersdorff, New York, and Antonio Orlandi, Rome.

Original Offering—First publicly offered ($5,000,000) in May, 1927, by Hallgarten & Co., and Halsey, Stuart & Co., Inc., New York.

Listed—Boston Stock Exchange.

Price Range—1927: High, 94; low, 21.

Income Account, year ended December 31, 1927.—Revenues.—Interest to be distributed, Lire 4,826,438. Expenses: Interest at 5% on paid in capital (average capital Lire 96,528,770), Lire 4,826,438.

GENERAL BALANCE SHEET, FEBRUARY 28, 1927
(Adjusted to give effect to proposed increase of capital to Lire 115,000,000 and issue of U. S. $5,000,000 First Mortgage Twenty-Five Year 7% Sinking Fund Gold Bonds)
(U. S. Dollars Equivalent)

Assets—		Liabilities—	
Concessions, properties and plant	$1,953,654	Share capital—460,000 shares, Lire 250 each	$5,037,000
Unpaid calls on existing capital stock	407,340	Less loss in gold values	175,609
Proceeds of increase of capital to Lire 115,000,000	2,409,000	Balance	$4,861,391
Proceeds of First Mortgage Gold bonds	4,400,000	Funded debt	5,000,000
Cash, marketable securities and misc. debtors	553,011	Current liabilities, including suppliers' accounts, Societa Trentina di Elettricity, and stockholders for interest on capital	525.133
Marketable securities deposited	61,844		
Cash deposits under contracts	1,675		
Bond discount	600,000		
Total	$10,386,524	Total	$10,386,524

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Lire)

Assets—		Liabilities—	
Cardano electric plant	118,112,111	Capital	115,000,000
Buildings	114,577	Funded debt	88,700,000
Storehouses	1,350,012	Sundry creditors	18,049,097
Cash and bond deposits	87,544.249	Directors bonds	650,000
Securities	3,150,583	Securities held for bonds	1,299,330
Advances to suppliers	10,962,550	Securities in free deposit	1,725,000
Sundry debtors	515,015		
Deposits for directors' bonds	650,000		
Depositors of securities (bonds)	1,299,330		
Depositors of securities (free)	1,725,000		
Total	225,423,427	Total	225,423,427

Officers: Count Carlo Cicogna, Pres.; Giacomo Ponti, V-P.; Terenzio Chiesa, Managing Director.

Directors: Alessandro Alessandri, Lino de Stefani, Rome, Italy; Dr. Emanuele Caneppele, Trento, Italy; Enrico Guicciardi, Rinaldo Panzarasa, Turin, Italy; Arturo Reggio, Brescia, Italy.

Statutory Office, Via Arco, Milan, Italy. **Principal Executive Office,** Via Lata, Rome, Italy.

Fiscal Agent, Hallgarten & Co., New York.

GAS & ELECTRIC COMPANY OF GAINESVILLE

History—Incorporated Oct. 15, 1927, in Delaware; successor to Gainesville Gas & Electric Co. of Texas (see 1927 Public Utility Manual, page 534). Supplies Gainesville, Texas, with natural gas from the Texas fields. Population served, 10,000. Miles of mains, 34.80. No. of meters, 2,401. Prices: 67½ cts. first 100,000 cu. ft.; over 100,000 cu. ft., 45 cts.

GAS OUTPUT, YEARS ENDED DECEMBER 31

1924	202,154,800 cu. ft.	1926	272,951,200 cu. ft.
1925	207,688,000 cu. ft.	1927	303,008,000 cu. ft.

CAPITAL STOCK

Authorized, 1,000 shares Common stock of no par value, and $150,000 7% cumulative Prior Pfd. stock, par, $100; outstanding, 1,000 shares Common and $125,000 Pfd. Annual meeting, fourth Monday in Sept., at Gainesville, Tex. No dividends paid.

FUNDED DEBT

$175,000 Gainesville Gas & Electric Co. First Mortgage 5% Gold Bonds; dated Sept. 1, 1906; due Sept. 1, 1931; int. March and Sept. 1, at Central Trust Co. of Illinois, Chicago, Trustee. Coupon, $500; principal may be registered. Authorized issue, $250,000, but mortgage now closed.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Sales	$144,749	$140,577	$123,800
Cost of production	96,974	92,744	104,127
Oper. exp. & taxes	24,133	23,526	
Net earnings	$23,642	$24,307	$19,673
Bond interest	9,826	10,000	9,921
Surplus for year	$13,816	$14,307	$9,752
Times Bond Int. Earned	2.40	2.43	1.98

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Plant and equipment	$391,572	$468,217
Material and supplies	1,430	2,219
Cash, bills and accts. receiv.	20,335	22,703
Unexpired insurance	241	49
Total	$413,548	$493,189
Liabilities—		
Common stock	$71,010	$150,000
Preferred stock	125,000	100,000
Funded debt	175,000	200,000
Bills and accounts payable	29,334	12,463
Consumers' deposits	3,634	3,104
Reserves	5,257	12,685
Surplus	4,313	14,938
Total	$413,548	$493,189

Officers: William E. Vogelbach, Pres.; J. E. Callinan, V-P.; H. M. Soper, Sec. & Treas.

Directors: William E. Vogelbach, Charles E. Dawes, L. V. Regan.

Offices, 1615 Harris Trust Bldg., Chicago, Ill., and Gainesville, Tex.

AMERICAN PUBLIC UTILITIES COMPANY

(Controlled by the United Gas Improvement Co., the Middle West Utilities Co., and the Midland Utilities Co.)

History and Properties—Incorporated June, 1912, in Del., as a holding company. Controls, through stock ownership, the following properties:

	Communities Served	Estimated Population Served
Central Indiana Power Co., Ind.		
Attica Electric Co., Ind.	15	8,175
Colfax Electric Co., Ind.	3	1,355
Indiana Electric Corp., Ind.	8	6,250
Indiana Gas Light Co., Ind.	2	5,350
Moran Electric Light & Power Co., Ind.	7	600
Mulberry Light & Power Co., Ind.	2	1,350
Noblesville Water & Light Co., Ind.		
Northern Indiana Power Co., Ind	94	105,650
Wabash Valley Electric Co., Ind.	45	56,190
Zionsville Water & Electric Lt. Co., Ind.	1	600
Stilesville Electric Co., Ind.	1	425
West Lebanon Electric Light, Heat & Power Co., Ind.	1	700
Albion Gas Light Co., Mich.	1	8,500
Holland Gas Works, Mich.	2	15,000
Utah Gas and Coke Co., Utah	1	150,000
	183	360,080

Summary of Properties—The properties of the subsidiaries of American Public Utilities Co. include 9 steam plants for the generation of electric energy with a total capacity of 142,400 h.p.; 5 gas manufacturing plants with an annual send-out of 946 million cubic feet; and operate street and interurban railways with a total mileage of 63. The total mileage of high tension electric transmission lines is 1,367 and of distribution lines in the cities served is 2,500.

CAPITAL STOCK

The authorized capital stock is $35,000,000, consisting of $15,000,000 Common, $10,000,000 7% cumulative Prior Pfd. and $10,000,000 Participating Pfd.; outstanding December 31, 1927, $7,906,900 Common, $2,872,390 Prior Pfd. and $3,535,440 Participating Pfd.; par, $100. The plan of capitalization authorized by the stockholders on Feb. 19, 1923, is now in effect. Following the adoption of that plan and the exchanges incident thereto all dividends on the Pfd. stock issues of the Company have been regularly declared and paid. (For details of plan, see 1924 Public Utility Manual, page 2114 or apply to our Information Department.)

Preferred Stock Provisions—The Prior Pfd. stock is preferred as to assets and as to 7% dividends, over Participating Pfd. and Common stock, and is callable at any time at 110 and accrued dividends. Additional Prior Pfd. stock may not be issued unless the net earnings of the Company for a twelve months period ending within 60 days immediately preceding the issuance of the additional stock, shall have been at least twice the annual dividend requirement on the Prior Pfd. stock then outstanding and that proposed to be issued.

The Participating Pfd. stock has second preference as to assets and cumulative dividends of 7% (accruing from April 1, 1926) per annum. It also participates up to an additional 1% in any calendar year wherein the total cash dividends paid on the Common stock shall exceed $6 per share. In case of liquidation is entitled to receive out of the assets $100 per share before any distribution is made on the Common stock, and is callable at any time at 105 and accrued dividends.

Both classes of Pfd. stock have preference over the Common stock both as to assets and earnings, and shall be without voting rights except that no amendment to the charter of the Company affecting the rights and preferences of any class of Pfd. stock shall be made without the approval of a majority in interest of the holders of the class of stock affected.

Transfer Agent—Middle West Stock Transfer Co., 72 West Adams St., Chicago.

Registrar—Continental National Bank & Trust Co., Chicago.

Annual Meeting—Third Wednesday in April.

Legal Opinion (Prior Pfd. Stock)—Chapman, Cutler & Parker, Chicago.

Listed (Prior and Participating Preferred)—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
Prior Pfd.—					
High	96½	97½	93	95	73
Low	81	88¼	88	73	bid
Participating Pfd.—					
High	90	93	83	71	52
Low	73	78½	75	bid	35

Dividends—Directors on June 16, 1923, declared initial quarterly dividends of 1¾% on the Prior Pfd. and 1% on the Participating Pfd., and dividends have been regularly paid since, quarterly, J, A, J & O 1. Participating Pfd. stock was entitled to and received cumulative dividends of 4% for the first year, following its date of issuance, April 1, 1923; 5% for the second year; 6% for the third year, and 7% for the fourth and each subsequent year. These amounts have been regularly paid.

FUNDED DEBT

(1)

$420,300 (CLOSED ISSUE) COLLATERAL TRUST GOLD 5s; DUE SEPTEMBER 1, 1942

Dated August 31, 1912.

Interest Payable March and September 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Outstanding Dec. 31, 1927, $420,300. Mortgage is closed.

Callability—Subject to call as a whole or in part at 102 and interest on any interest date upon published notice at least once a week for three weeks in a newspaper of general circulation in the City of Chicago.

Security—The outstanding bonds are secured by pledge of bonds of underlying companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in 1913 at 92½ and interest by Hambleton & Co., Baltimore and New York, and H. L. Nason & Co., Boston.

(2)

$2,000,000 FIVE-YEAR 6% GOLD NOTES, DUE FEBRUARY 1, 1932

Dated February 1, 1927.

Interest Payable February and August 1.

Denomination—Coupon, $1,000.

Trustee—Central Trust Company of Illinois, Chicago.

Callability—Subject to call on any interest date upon published notice once a week for three consecutive weeks, at par and interest.

Tax Provisions—Company pays Normal Federal Income tax up to 2%.

INCOME ACCOUNT, YEARS ENDED:
(American Public Utilities Co.)

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Revenues	$677,437	$563,977	$554,007
Oper. expenses and taxes	28,349	40,768	176,007
Net earnings	$649,088	$523,209	$378,000
Other income	415,734	3,957	109,668
Total income	$1,064,822	$527,166	$487,668
Interest on funded debt, etc.	139,125	33,783	51,816
Federal taxes	.....	.....	4,392
Provisions for retirement of plant property	1,312	.....	5,820
Other deductions	31,607	.....	.....
Total charges	$172,044	$33,783	$62,028
Net income	892,778	493,383	425,640
Prior Pfd. & Part. Pfd. dividends	448,147	439,014	359,945
Surplus for year	$444,631	$54,369	$65,695
Earnings Per Share—			
Prior Preferred	$31.08	$17.17	$14.83
Participating Preferred	19.57	8.28	6.35
Common	5.62	0.68	1.70

SURPLUS ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(American Public Utilities Co.)

Credit balance Dec. 31, 1926, $725,543; net income for year 1927, $892,778—total, $1,618,321; net sundry charges and credits applicable to prior years (debit), $8,774—balance, $1,609,547. Deduct: Prior Preferred dividends, $200,811; Participating Pfd. dividends, $247,336—total, $488,528. Balance Dec. 31, 1927, $1,161,401.

GENERAL BALANCE SHEET
(American Public Utilities Co.)

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Assets—			
Property account	$17,060,764	$12,985,701	$543,386
Investments			10,210,165
Sink. fund—notes of subs.	50,553	43,709	36,864
Cash	150,177	127,517	115,221
Notes and accts. receiv.	64,935	7,890	22,567
Merchandise, materials and supplies	.....	.....	9,831
Prepaid ins., int. & taxes	.....	.....	2,412
Deposits	541	912	3,950
Accrued interest	.....	.....	46
Cash deposited as collateral to bonds	.....	34,000	34,000
Due from sub. cos.	301,625	3,470,430	182,782
Disct. & exps. on Pfd. stock	.....	.....	276,896
Refinancing expenses	454,189	454,189	174,966
Other deferred charges	784	40,556	64,499
Total	$18,083,568	$17,164,904	$11,677,585
Liabilities—			
Common stock	$7,906,900	$7,906,900	$2,822,400
Prior Pfd. stock	2,872,390	2,872,390	2,870,590
Participating Pfd. stock	3,535,440	3,535,440	3,535,440
American Public Utilities Co. Collateral Trust Gold 5s, due Sept. 1, 1942	420,300	456,300	456,300
American Public Utilities Co. 5-Yr. 6% Notes, 1932	2,000,000	.....	.....
Holland City Gas Co. First Mtge. 5s, due Sept. 1, 1925	.....	.....	5,000
Notes payable	.....	395,000	900,315
Dividend scrip payable	.....	.....	6,215
Accounts payable	8,993	931,663	95,696
Consumers' deposits	.....	.....	462
Accrued interest and taxes	57,913	15,730	23,831
Dividends payable	112,043	112,012	102,905
Due to subsidiary cos.	.....	203,345	64,694
Reserves	6,725	10,580	49,862
Deferred credit	1,463	.....	.....
Minority interest in surplus of Utah Gas & Coke Co.	.....	.....	2,947
Surplus	1,161,401	725,544	740,928
Total	$18,083,568	$17,164,904	$11,677,585

Officers: Samuel Insull, Chairman; Martin J. Insull, Pres.; E. V. Graham, V-P.; Eustace J. Knight, Sec.; Oliver E. McCormick, Treas.; H. J. Ludwig, Asst. Sec.; G. E. Olmsted, Asst. Treas.; P. J. Lucey, Gen. Counsel.

Directors: Martin J. Insull, Samuel Insull, Samuel Insull, Jr., L. E. Myers, Edward P. Russell, B. E. Sunny, Chicago; W. W. Bodine, James T. Hutchings, G. W. Curran, F. J. Rutledge, Philadelphia.

General Office, 72 West Adams St., Chicago, Ill.

THE ALBION GAS LIGHT COMPANY

(Controlled by American Public Utilities Co.)

History—Incorporated in Mich.; supplies artificial gas for light and fuel purposes to Albion, Mich., serving a population of about 8,500. Gas sales for 1927, 55,316,000 cu. ft. No. of consumers, 1,697. Miles of mains, 23. Generating capacity, 300,000 cu. ft. per day. Storage capacity, 400,000 cu. ft. Price of gas (effective June 29, 1920), graduated rate of $1.75 to $1.30 per 1,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $50,000 6% Pfd.; par, $100. All owned by American Public Utilities Co.

FUNDED DEBT

$160,000 (entire issue) First Mortgage 7s; dated March 1, 1922; due March 1, 1942; int. March and Sept. 1, at Grand Rapids Trust Co., Grand Rapids, Mich., Trustee. Coupon, $100, $500 and $1,000. A first lien on property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$101,605	$93,842	$94,420
Operating exps. & taxes	68,514	69,666	75,261
Depreciation	4,541	4,425	4,290
Net earnings	$28,550	$19,751	$14,869
Bond interest	11,200	11,200	11,200
Other fixed charges	5,415	3,104	3,642
Total charges	$16,615	$14,304	$14,842
Surplus for year	$11,935	$5,447	$27

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Property account	$585,414	$368,796	$357,259
Materials and supplies	8,473	11,745	11,283
Cash	19,384	4,234	2,404
Accounts receivable	10,270	10,457	14,495
Other current assets	1,682	.....	.....
Deferred debit items	12,106	15,560	15,551
Prepaid accounts	706	409	.....
Total	$638,035	$411,201	$400,992
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Preferred stock	50,000	50,000	50,000
Funded debt	160,000	160,000	160,000
Notes payable	231,841	30,997	23,512
Accounts payable	31,758	9,842	15,545
Interest accrued	3,793	3,851	3,790
Deposits	.....	2,016	.....
Reserve for taxes	.....	.....	3,559
Reserve for depreciation	24,367	13,421	11,616
Other reserves	2,232	3,560	242
Surplus	34,044	37,514	32,728
Total	$638,035	$411,201	$400,992

Officers: Roy Campbell, Pres., Three Rivers, Mich.; W. C. Sharp, V-P., Chicago, Ill.; F. W. Koth, Sec. & Treas., Albion, Mich.; Eustace Knight, Asst. Sec.; Oliver E. McCormick, Asst. Treas., Chicago, Ill.; J. W. Denison, Asst. Treas., Three Rivers, Mich.; F. A. Rogers, Supt., Albion, Mich.

Directors: Martin J. Insull, P. J. Lucey, E. V. Graham, W. C. Sharp, Oliver E. McCormick, Chicago, Ill.

General Office, Albion Mich. **Executive Office,** Chicago, Ill.

CENTRAL INDIANA POWER COMPANY

(Controlled by American Public Utilities Co.)

(See Accompanying Map)

History—Incorporated Sept. 17, 1912, in Indiana, as Merchants Public Utilities Co. (see 1922 Public Utility Manual, page 904); name changed to present title in 1922. The Company owns all of the capital stocks, except directors' qualifying shares, of the following companies: Northern Indiana Power Co., Wabash Valley Electric Co., Attica Electric Co., Indiana Electric Corporation, **Colfax Electric Co., Mulberry Light and Power Co.**, Noblesville Water and Light Co., **Moran Electric Light and Power Co., West Lebanon Electric Light, Heat & Power Co., Zionsville Water & Electric Light Co., Stilesville Electric Co.**, and Indiana Gas Light Co., which operate under indeterminate permits from Indiana Public Utilities Commission.

The controlled companies serve 199 cities and towns with a population in excess of 200,000, including Kokomo, Noblesville, Wabash, Rochester, Huntington, Attica, Clinton, Greencastle, Martinsville and Sullivan, all in Indiana. Electricity is wholesaled to Indianapolis, Ind. Present generating capacity of plants, 130,000 k.w. Miles of transmission lines, 1,367 as of Dec. 31, 1927. No. of electric customers, 55,672. Sales of electricity: In 1923, 123,193,611 k.w.h.; in 1924, 136,209,927 k.w.h.; in 1925, 172,714,372 k.w.h.; in 1926, 263,765,000 k.w.h.; in 1927, 244,655,249 k.w.h.

Plan of Consolidation—See under Indiana Electric Corp. on page 1028.

CAPITAL STOCK

Authorized, $12,000,000 Common (increased from $10,000,000 in 1927) and $10,000,000 7% cumulative Pfd.; outstanding, $11,155,900 Common and $7,740,550 Pfd.; par, $100. All the Common stock (except Directors' qualifying shares), is owned by American Public Utilities Co.

Preferred Stock Provisions—Preferred stock is redeemable at 115 and accrued dividends and has preference as to dividends and in case of liquidation up to 110 and accrued dividends.

Transfer Agents—Union Trust Co., Chicago; Fletcher Savings & Trust Co., Indianapolis, and The Hanover National Bank, New York.

Registrars—Continental National Bank & Trust Co., Chicago; Bankers Trust Co., Indianapolis, and The Bank of America, New York.

Legal Opinion (Preferred stock)—Isham, Lincoln & Beale, Chicago, and Gaston, Snow, Saltonstall & Hunt, Boston.

Annual Meeting—Fourth Wednesday in April.

Listed—Pfd. stock listed on Chicago Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923
High	96	93	93	93	90
Low	85½	83	86	80	80

Dividends—Pfd. dividends are paid quarterly, M, J, S & D 1. Directors meet for dividend action 15 days prior to dividend date.

FUNDED DEBT

(1)

$8,063,500 FIRST MORTGAGE COLLATERAL & REFUNDING GOLD 6s, SERIES "A"; DUE JULY 1, 1947

Dated July 1, 1922.

Interest Payable January and July 1, at office of Halsey, Stuart & Co., Inc., Chicago and New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., and Rufus I. Chapin, Chicago.

Provisions of Issue—Authorized issue unlimited. Additional First Mortgage Collateral and Refunding Gold bonds may be issued, bearing such rates of interest, maturing at such time or times, and with such redemption prices, tax provisions, privileges of conversion into capital stock, and sinking fund provisions as the Board of Directors may determine, against deposit par for par of additional bonds of the present or future subsidiary companies eligible for deposit, as fully set forth below. Such additional bonds, however, may be issued only provided the consolidated net earnings (as defined in the mortgage), for 12 consecutive months within the 14 immediately preceding shall have been not less than 1¾ times a sum equal to the annual interest charges on (a) all bonds outstanding and those proposed to be issued, and (b) all bonds of subsidiary companies not pledged under the mortgage. No additional mortgage bonds of any subsidiary company may be issued unless pledged under the mortgage securing the First Mortgage Collateral and Refunding Gold bonds.

The mortgage of each subsidiary company under which the bonds to be now or hereafter pledged are issued, (a) will be, in the opinion of counsel, a direct lien on all the property owned or acquired by such subsidiary; (b) will limit the issuance of escrow bonds to 75% of expenditures for physical property and then only, provided net earnings during 12 consecutive months within the 14 months immediately preceding shall have been at least 1¾ times the interest charges on all bonds, including underlying issues, outstanding and those proposed to be issued; (c) will provide for a maintenance, depreciation and improvement fund amounting to 12½% of the gross earnings.

Callability—Subject to call as a whole or in part at any time after June 30, 1932, on 30 days' published notice at the following prices and accrued interest; on and from July 1, 1932, to July 1, 1937, at 107½, on and from July 1, 1937, to July 1, 1942, at 105; on and from July 1, 1942, to Jan. 1, 1947, at 102½; and on and from Jan. 1, 1947, at 100.

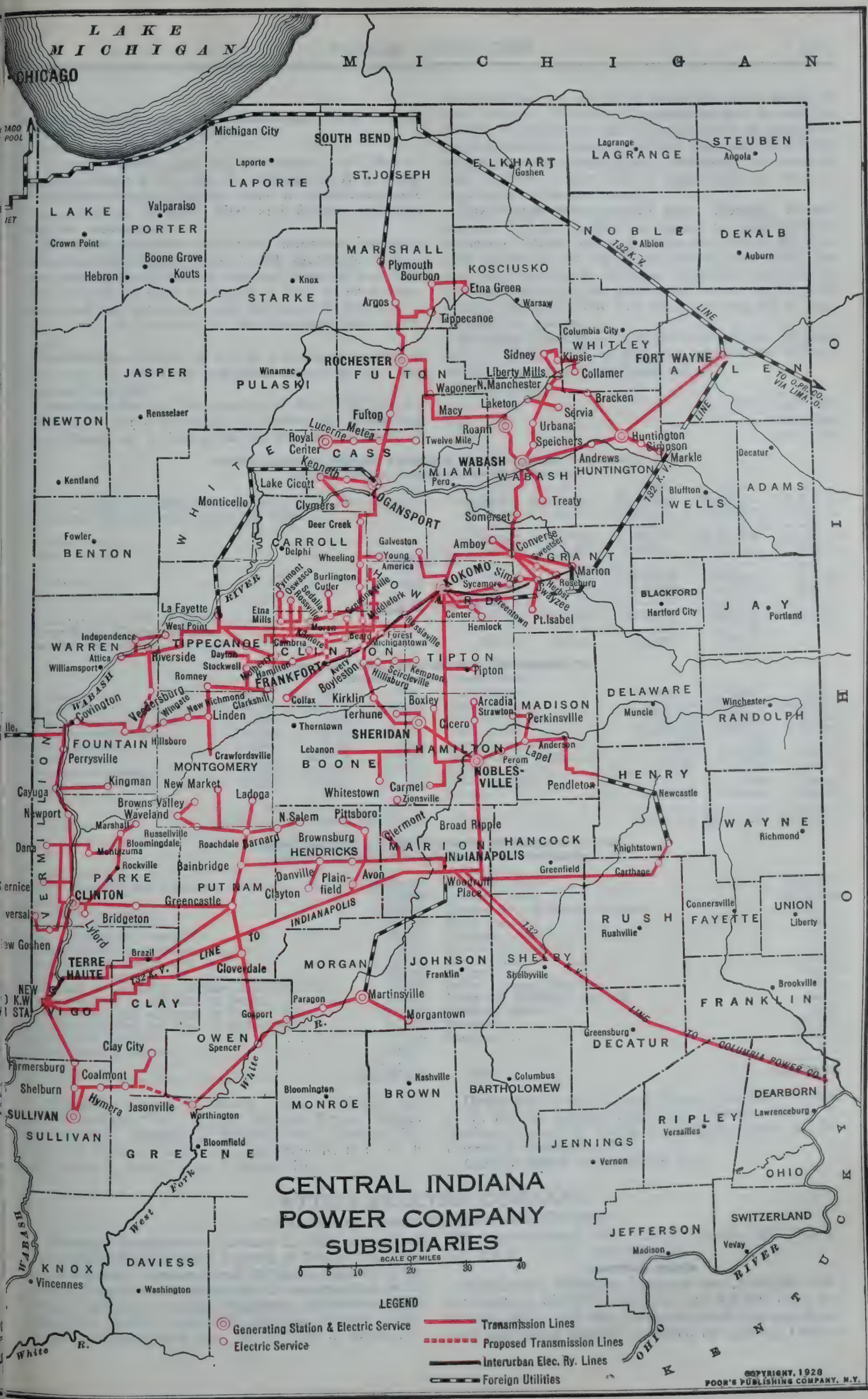
Security—These bonds are a direct obligation of the Company and are secured by a first lien on all the outstanding bonds, except $1,564,000 divisional bonds, $1,254,000 Indiana Rys & Light Co. First Mortgage & Refunding Gold 5s, due Dec. 10, 1942 and $310,000 Noblesville Heat, Light & Power Co. First Gold 6½s, due July 1, 1947) and $365,000 Attica Electric Co. First Gold 6s, due Jan. 2, 1949, and on not less than 75% of the issued voting stock of 4 of its sub. companies, all of which is deposited and pledged with the Trustee under the mortgage. No additional mortgage bonds may be issued by the subsidiary companies unless deposited under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse the holders of Series "A" Bonds, if requested within sixty days after payment for the Pennsylvania four mill tax, and for the Connecticut Personal Property tax, not exceeding four mills per dollar per annum, and for the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

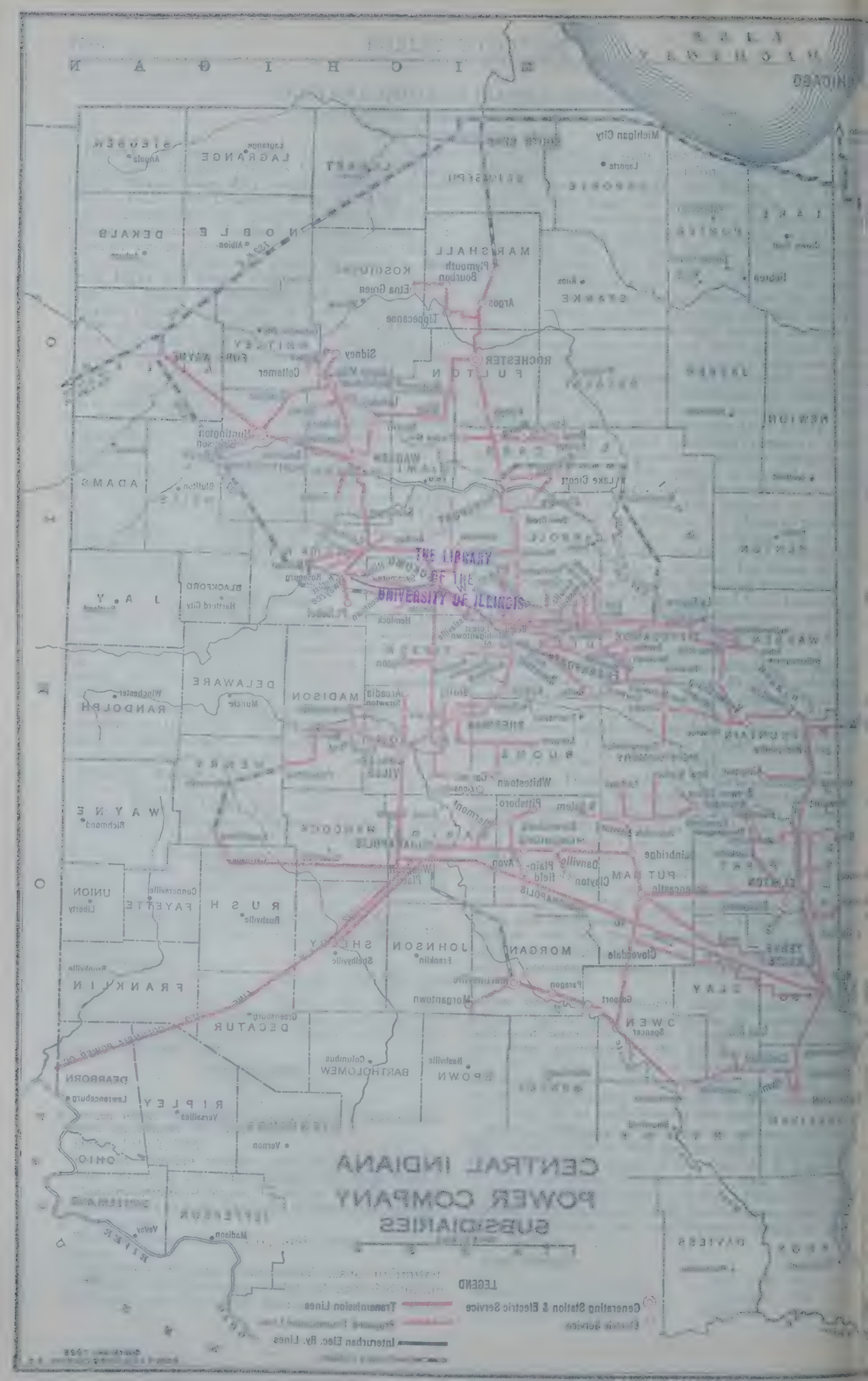
Original Offering—First publicly offered ($7,500,000) in July, 1922, at 95½ and interest to yield about 6.35%, by Halsey, Stuart & Co., Inc., A. B. Leach & Co., Inc., and Paine, Webber & Co., New York, etc., $4,248,000 additional offered in Dec., 1922, at 95 and interest, yielding about 6.40%, by the same firms and Stone & Webster, Inc., and Spencer Trask & Co., New York, etc.

Price Range—

	1927	1926	1925	1924
High	105½	100½	99¼	96¼
Low	100½	98	95½	88



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POWER COMPANY
SUBSIDIARIES
LEGEND
Generating Station & Electric Service
Transmission Lines
Interurban Elec. Ry. Lines
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(2)

$5,000,000 THREE-YEAR 6% COLLATERAL GOLD NOTES, SERIES "A"; DUE JUNE 1, 1928

Dated June 1, 1925.

Interest Payable June and December 1, at Office of Halsey, Stuart & Co., Inc., in Chicago or New York.

Denominations—Coupon notes in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Additional notes may be issued from time to time, in series of such aggregate amount and bearing such rates of interest, dates of maturity, and secured by such collateral, if any, of such character and amounts, as may be allowable by law and as the Board of Directors of the company may determine.

Callability—Subject to call as a whole or in part at any time on 30 days' published notice at par and accrued interest.

Security—Secured by pledge of $4,125,000 of the company's First Mortgage Collateral & Refunding Gold Bonds or in lieu of all or any part thereof an equal amount of the First Mortgage Gold Bonds of the Indiana Electric Corporation, and in addition thereto an aggregate par value of stock of subsidiaries of associated company of not less than $2,375,000 except pending pledge of such collateral the company may deposit in lieu thereof cash equal to the face amount of notes so issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of these notes, if requested within 60 days after payment, for the Pennsylvania Four Mills Tax and the Connecticut Personal Property Tax, not exceeding four mills per dollar per annum and for the Massachusetts Income Tax not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($5,000,000) in June, 1925 at par and interest, by Halsey, Stuart & Co., Inc., New York, etc.

Price Range—

	1927	1926	1925
High		100¾	100½
Low		99¼	99½

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Central Indiana Power Co. and Subsidiaries)

	1927	1926	1925	1924	1923
Gross earnings (including other income)	$6,618,576	$8,925,478	$7,990,543	$7,210,682	$6,538,650
Operating expenses, maintenance and taxes	3,770,435	5,339,571	4,896,086	4,894,784	4,286,481
Gross income	$2,848,141	$3,585,907	$3,094,457	$2,315,898	$2,252,169
Fixed charges	1,666,556	2,416,074	2,230,823	1,578,256	1,328,206
Balance	$1,181,585	$1,169,834	$863,634	$737,642	$923,963
Pfd. dividends	539,358	543,031	537,862	472,752	396,713
Balance after Pfd. dividends	$642,227	$626,803	$325,772	$264,890	$527,250
Times Fixed Charges Earned	1.71	1.48	1.39	1.47	1.7
Earnings Per Share—Preferred	$15.26	$15.01	$11.08	$9.47	

GENERAL BALANCE SHEET, DECEMBER 31
(Central Indiana Power Co.)

Assets—	1927	1926	1925	Liabilities—	1927	1296	1925
Investments in subsidiaries	$33,394,493	$45,803,026	$44,948,308	Common stock	$11,155,900	$10,000,000	$10,000,000
Bills and accounts receiv.	2,740	5,061	9,230	Preferred stock	7,792,000	7,792,000	7,792,000
Due from affiliated cos.	793,583	2,140,462	326,852	Funded debt	13,063,500	24,850,000	24,850,000
Special deposits	3,003	8,378	8,385	Accounts payable	6,587	5,313	13,354
Cash	423,350	429,139	419,736	Due affiliated companies	67,152	3,393,851	2,146,289
Securities (treasury)	51,450	117,200	931,300	Accrued accounts	166,273	612,566	588,718
Other assets	172,517	99,561	131,479	Other liabilities		9,489	28,642
				Surplus	2,589,724	1,939,608	1,356,287
Total	$34,841,136	$48,602,827	$46,775,290	Total	$34,841,136	$48,602,827	$46,775,290

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Central Indiana Power Company and Subsidiaries)

Assets—		Liabilities—	
Plant property and franchises	$41,608,443	Preferred stock	$7,740,550
Cash	666,863	Common stock	11,155,900
Accounts receivable	936,641	Funded debt in hands of public	25,885,850
Materials and supplies	909,660	Notes payable	22,789
Ins. and interest prepaid	75,787	Accounts payable	424,652
Deposit for tax on interest	5,088	Consumers' deposits	75,153
Miscellaneous investments	163,035	Accrued interest	303,277
Deferred receivables	221,948	Accrued taxes	505,159
Advances on option to purchase mine property	25,384	Other accrued liabilities	6,641
Cash deposited as collateral to bonds	5,825	Preferred dividends accrued	44,872
Unamortized disc. and exp. on funded debt	2,699,247	Deferred credit	2,306
Unamortized disc. and exp. on capital stock	511,460	Reserves	190,943
Abandoned property	737,366	Surplus	2,589,724
Other deferred charges	381,069		
Total	$48,947,816	Total	$48,947,816

Officers: Martin J. Insull, Pres., Chicago, Ill.; L. B. Andrus, V-P.; L. B. Schiesz, Treas., Indianapolis, Ind.; Eustace J. Knight, Sec., Chicago, Ill.; Paul D. Birdsall, Asst. Sec., Indianapolis, Ind.; O. E. McCormick, Asst. Treas., Chicago, Ill.

Directors: Samuel Insull, Chrm.; Martin J. Insull, F. E. Kruesi, Samuel Insull, Jr., Chicago, Ill.; L. B. Andrus, Robert I. Todd, Indianapolis, Ind.; G. W. Curran, Philadelphia, Pa.

General Office, Indianapolis, Ind.

ATTICA ELECTRIC COMPANY

(Controlled by Central Indiana Power Company)

History—Incorporated January 2, 1924, in Indiana. A consolidation of Attica Electric & Power Co., Newtown Electric Company and Hillsboro Electric Company. Supplies with electricity 12 communities in Indiana, including Attica, Newtown, Hillsboro, Williamsport and Linden. Population served, 2,097. Miles of transmission lines, 80.15. No. of meters, 1,895. Annual sales, 1926, 4,295,935 k.w.h.; 1927, 4,467,479 k.w.h. Prices, lighting, 10c.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 Pfd.; outstanding, $108,000 Common and $68,000 Pfd.; par of Pfd., $100. All the Common stock (except directors' qualifying shares) is owned by Central Indiana

Power Co. Annual meeting, second Monday in February, at Indianapolis, Ind.

Dividends—Dividends of 7% were paid on Pfd. stock in years 1924 to 1927, inclusive. On Common 6% was paid in 1927; none in previous years.

FUNDED DEBT

$365,000 FIRST MORTGAGE GOLD 6s; DUE JANUARY 2, 1949

Dated January 2, 1924.

Interest Payable January 2 and July 1, at Union Trust Co., Chicago, Ill., Trustee. Coupon, $100, $500 and $1,000; principal and interest may be registered. Authorized amount, unlimited; outstanding, $365,000. Issued to acquire plant property. Subject to call at par and accrued interest. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: L. B. Andrus, Pres., Indianapolis, Ind.; C. V. Sorenson, V-P. & Gen. Mgr., Attica, Ind.; P. D. Birdsall, Sec.; L. B. Schiesz, Treas.; Paul Stark, Aud., Indianapolis, Ind.

Directors: L. B. Andrus, L. B. Schiesz, P. D. Birdsall, Indianapolis, Ind.; S. E. Mulholland, Fort Wayne, Ind.; C. V. Sorenson, Attica, Ind.

General Office, Indianapolis, Ind. **Operating and Corporate Office,** Attica, Ind.

INDIANA ELECTRIC CORPORATION

(Controlled by Central Indiana Power Co.)

History and Property—Organized under the laws of Indiana. Owns the mineral rights of over 3,300 acres of proven coal lands, and has completed the construction of a central-station generating plant, with an initial electrical equipment installation of 60,000 k.w. capacity. The site combines the availability of cheap fuel and adequate condensing water, being located on the Wabash River in the heart of the Indiana coal fields immediately adjoining the Company's coal lands. The plant is connected by high tension transmission lines with the distribution system of subsidiaries of the Central Indiana Power Co. The Company operates under an indeterminate permit pursuant to the laws of the State of Indiana.

Plan of Consolidation—Tentative plans for consolidation of Central Indiana Power Company (see General Index) and subsidiaries with Terre Haute, Indianapolis & Eastern Traction Co. (see General Index) and certain subsidiaries announced in June, 1926, provided that Indiana Electric Corp. should acquire by purchase or consolidation all franchises and other assets of Central Indiana Power Co. as adjusted, and should acquire by consolidation all of the property, frachises and other assets of Terre Haute, Indianapolis & Eastern Traction Co. as adjusted, including virtually the entire Common stock of the Indiana Central Rapid Transit Co. (a new company) to be presently outstanding. It would also acquire all the property franchises and other assets of the Terre Haute Traction & Light Co. as adjusted. On completion of plan, mortgage of the Indiana Electric Corp. would attach as a direct first lien to all physical property already owned by it, together with the properties previously owned by the Terre Haute, Indianapolis & Eastern Traction Co. with certain exceptions and the properties of the Terre Haute Traction & Light Co. subject only to $1,500,000 prior lien divisional bonds. It was announced in April, 1928 that terms of security exchange had been so altered that many more months might elapse before the consolidation plan would be presented for approval of Indiana Public Service Commission.

CAPITAL STOCK

Authorized, $4,000,000 Common and $3,750,000 Pfd.; outstanding, $3,839,500 Common and $3,750,000 7% cumulative Pfd.; par, $100. All owned by Central Indiana Power Co. and an aggregate amount of $1,737,500 deposited as collateral under the Three-Year 7% notes, due June 1, 1928.

FUNDED DEBT

(1)

$4,658,800 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE NOVEMBER 1, 1947

Dated November 1, 1922.

Interest Payable May and November 1, at office of Halsey, Stuart & Co., Inc., in Chicago or New York.

Denominations—Coupon (interchangeable denominations), $100, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Chicago; Rufus F. Chapin, Co-Trustee.

Provisions of Issue—The mortgage provides that additional bonds of this series (or other series bearing such rates of interest, maturing at such times and having such other provisions as the Board of Directors at the time of issuance may determine) may be issued par for par for cash, or United States obligations, or for refunding purposes and to the extent of 75% of the cost of additions, betterments, and new property coming under the lien of the mortgage (exclusive of the generating plant and equipment above mentioned). Bonds may also be issued to the extent of 75% of the cost or value (whichever is less) of stock of a subsidiary pledged under the mortgage, provided that the amount of such bonds, plus the funded debt of the subsidiary at the time of pledge, shall not exceed 75% of the then value of the latter's property. A subsidiary is defined as a corporation of which 95% of its capital stock having full voting rights and not less than 75% of each other class of its outstanding capital stock which might become entitled at any time to voting rights without the consent of the deposited voting stock are pledged under the mortgage, and its mortgage debt outstanding does not exceed 75% of the value of its permanent property at the date of such pledge. Bonds may also be issued to the extent of 75% of the cost of additions, betterments and new property of a subsidiary, and on account of the payment or refundment par for par of its funded debt. $286,000 of these bonds are owned by Central Indiana Power Co.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at the following prices and accrued interest: On and from Nov. 1, 1932, to Nov. 1, 1937, at 107½; on and from Nov. 1, 1937, to Nov. 1, 1942, at 105; on and from Nov. 1, 1942, to May 1, 1947, at 102½, and on and after May 1, 1947, at 100.

Guaranty and Power Contract—Unconditionally guaranteed principal and interest by the Central Indiana Power Co., which has also entered into a contract to cause its subsidiaries to purchase annually, during the life of these bonds, such an amount of electricity to be generated at the new plant and at such rates as will when added to the moneys derived from the sale of electricity to others, be sufficient to meet all operating expenses, taxes, fixed charges and all other necessary disbursements (other than for capital purposes, for the year).

Security—Secured equally with Series "B" and "C" bonds by a first mortgage on the new power station and by a mortgage on all future acquired property, subject to underlying bonds, if any.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Massachusetts income tax not exceeding 6%, Pennsylvania and Connecticut taxes not exceeding four mills refunded upon request within 60 days.

Legal Opinion—Isham, Lincoln & Beale, Chicago.

Original Offering—First publicly offered ($4,500,000) in Jan., 1923, at 95½ and interest, to yield about 5⅜%, by **Halsey, Stuart & Co., Inc., A. B. Leach & Co., Inc., Stone & Webster, Inc., Paine, Webber & Co., Spencer Trask & Co., and Tucker, Anthony & Co.**

Price Range—

	1927	1926	1925
High	104½	100¾	99½
Low	101½	98	96

(2)

$4,795,700 FIRST MORTGAGE GOLD 6½s, SERIES "B"; DUE AUGUST 1, 1953

Dated August 1, 1923.

Interest Payable February and August 1, at Halsey, Stuart & Co., Inc., New York or Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Union Trust Co., Chicago, Ill. Rufus F. Chapin, Co-Trustee.

Provisions of Issue—Additional bonds of this series or other series may be issued as described above in Indiana Electric Corp. First Gold 6s, Series "A" Issued to provide funds for the installation of high tension transmission lines and the erection of sub-stations, and for other corporate purposes; $2,318,500 of these bonds are owned by the Central Indiana Power Co.

Callability—Callable as a whole or in part at any time, on 30 days' notice at following prices and accrued interest: On and from Aug. 1, 1933, to Aug. 1, 1938, at 107½; on and from Aug. 1, 1938 to Aug. 1, 1943, at 105; thereafter to Aug. 1, 1948, at 102½, and thereafter decreasing ½% each year to maturity at 100.

Security—Secured equally with Series "A" and "C" bonds by first mortgage on the entire property of the Company now owned or hereafter acquired.

Guaranty—Guaranteed, principal and interest, by endorsement, by Central Indiana Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes and Massachusetts Income tax not exceeding 6% per annum, refunded upon request within 60 days.

Original Offering—First publicly offered ($2,700,000) in Aug., 1923, at 99 and interest to yield 6.57%, by Halsey, Stuart & Co., Inc., A. B. Leach & Co., Inc., Stone & Webster, Inc., Paine, Webber & Co., Spencer Trask & Co., and Tucker, Anthony & Co.

Price Range—

	1927	1926	1925
High	*106½	103½	102
Low	*103	102	bid

*High and low bid prices.

(3)

$4,156,500 FIRST MORTGAGE GOLD 5s, SERIES "C"; DUE MARCH 1, 1951

Dated March 1, 1926.

Interest Payable March and September 1, at Halsey, Stuart & Co., Inc., New York or Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Chicago, Ill. and Rufus F. Chapin, Co-Trustee.

Provisions of Issue—Outstanding $4,156,500 of which $199,500 are owned by Central Indiana Power Co. Additional bonds of this series or other series may be issued as described above under Series "A,"

Callability—Subject to call as a whole or in part at any time on 30 days' notice at the following prices and accrued interest: On or before Sept. 1, 1931, at 105; thereafter to Sept. 1, 1935 at 104; thereafter to Sept. 1, 1939 at 103; thereafter to Sept. 1, 1943 at 102; thereafter to Sept. 1, 1947 at 101; thereafter to Sept. 1, 1948 at 100¾; thereafter to Sept. 1, 1949 at 100½; thereafter to Sept. 1, 1950 at 100¼; thereafter to maturity at 100.

Security—Secured equally with Series "A" and "B" bonds by first mortgage on the entire property of the Company now owned or hereafter acquired.

Guaranty—Guaranteed principal and interest by endorsement by Central Indiana Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills tax and Massachusetts Income Tax not exceeding 6% per annum, refunded upon request within 60 days.

Public Offering—$2,600,000 Series "C" bonds were publicly offered in December, 1927 at 98½ and interest to yield about 5.10% by Halsey, Stuart & Co., Inc., New York, etc.

OFFICERS AND DIRECTORS

Officers: L. B. Andrus, Pres.; Vacancy, V-P.; L. B. Schiesz, Treas. & Asst. Sec.; Paul D. Birdsall, Sec. & Asst. Treas., Indianapolis, Ind.

Directors: L. B. Andrus, Paul D. Birdsall, Robert I. Todd, L. B. Schiesz, Indianapolis, Ind.; one vacancy.

Office, Indianapolis, Ind.

INDIANA GAS LIGHT COMPANY

(Controlled by Central Indiana Power Company)

History—Incorporated Nov. 7, 1912, in Ind.; successor to Noblesville Gas & Improvement Co., Citizens' Gas Co., Tipton, Ind., and Tipton Light, Heat & Power Co. Company operates under indeterminate permit from Public Service Comm. of Indiana. Supplies gas to Noblesville, Atlanta, Cicero, and Tipton, Ind. Population served, 10,000. No. of meters, 1,700. Miles of mains, 78.

Output—In 1923, 40,400,000 cu. ft.; 41,057,000 cu. ft. in 1924; 39,867,000 cu. ft. in 1925; 39,308,100 cu. ft. in 1926, and 39,974,200 cu. ft. in 1927. Price, $1.75 to $1.50 per 1,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. Stock control held by Central Indiana Power Co. No dividends paid. Annual meeting, in November.

FUNDED DEBT

(1)

$217,050 First Mtge. 6% Bonds; dated Nov. 1, 1921; due Nov. 1, 1941; int. May and Nov. 1, at Central Trust Co. of Illinois, Chicago, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Subject to call on any interest date at 102. Secured by a first mortgage on plant supplying Tipton, Cicero, Noblesville and Atlanta, Indiana, with gas. Company pays Normal Federal Income Tax up to 2%.

(2)

$178,050 Income Debenture 5s; dated Jan. 1, 1922; due Jan. 1, 1942; int. payable annually, March 1, at Central Trust Co. of Illinois, Chicago, Trustee, if earned during preceding calendar year. Coupon, $100, $500 and $1,000; principal may be registered. Subject to call on any interest date at 102. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$62,430	$67,840	$68,172
Operating expenses & taxes	39,475	47,824	52,398
Net earnings	$22,955	$20,016	$15,774
Interest charges	13,116	13,228	12,681
Balance for year	$9,839	$6,788	$3,093

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Plant and equipment	$1,411,197	$1,409,993
Other investments	3,500	3,500
Cash	18,300	12,165
Accounts receivable	9,833	8,724
Material and supplies	6,298	6,175
Prepaid accounts	330	330
Other assets	136	135
Treasury bonds	11,500	11,500
Profit and loss	.....	7,279
Total	$1,461,094	$1,459,801
Liabilities—		
Capital stock	$1,000,000	$1,000,000
Funded debt	217,050	217,050
Income debentures	178,050	178,050
Notes payable	6,892	8,615
Current liabilities	4,270	4,617
Accrued liabilities	6,600	5,484
Reserves	45,826	45,985
Surplus	2,406	.....
Total	$1,461,094	$1,459,801

Officers: L. B. Andrus, Pres.; L. B. Schiesz, Treas.; P. D. Birdsall, Sec., Indianapolis, Ind.; John T. Kester, V-P. & Gen. Mgr., Noblesville, Ind.

Directors: L. B. Schiesz, P. D. Birdsall, Indianapolis, Ind.; John T. Kester, Noblesville, Ind.

General Office, Indianapolis, Ind. **Operating Office,** Noblesville, Ind.

NOBLESVILLE WATER AND LIGHT COMPANY

(Controlled by Central Indiana Power Company)

History—Incorporated April, 1892, in Indiana. Supplies water to Noblesville, Ind. Miles of water mains, 13.9. No. of meters, 1,000. Population served, about 6,000. Annual sales, 189,000,000 gallons.

CAPITAL STOCK

Authorized and outstanding, $50,000; par $25. Stock control held by Central Indiana Power Co. Annual meeting, first Wednesday in February.

FUNDED DEBT

$40,000 First Mortgage 6s; dated June 1, 1917; due June 1, 1937; interest June and Dec. 1 at Wainwright Trust Co., Noblesville, Ind., Trustee. Coupon, $500. Authorized, $60,000. Subject to call on 60 days' notice. A first lien on the entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$26,597	$26,757	$25,145
Operating expenses & taxes	15,103	13,886	13,617
Net earnings	$11,494	$12,871	$11,528
Interest on bonds	2,400	2,400	2,400
Other charges	1,863	1,863	718
Net income	$7,231	$8,608	$8,410
Dividends	3,000	.....	1,000
Surplus for year	$4,231	$8,608	$7,410

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of property	$169,191	$164,434	$158,226
Cash	2,312	1,542	5,061
Accounts receivable	2,114	1,924	4,851
Other current assets	3,643	3,340	969
Total	$177,260	$171,240	$169,107
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
Funded debt	40,000	40,000	40,000
Notes payable	31,050	31,050	31,050
Accounts payable	3,383	3,279	1,919
Interest accrued	200	200	200
Deferred credits	.....	.....	4,023
Reserve for taxes	3,408	3,220	2,053
Depreciation reserve	3,164	1,609	6,292
Other reserves	93	151	444
Profit and loss	45,962	41,731	33,126
Total	$177,260	$171,240	$169,107

Officers: L. B. Andrus, Pres., Indianapolis, Ind.; John T. Kester, V-P., Noblesville, Ind.; P. D. Birdsall, Sec.; L. B. Schiesz, Treas.; Indianapolis, Ind.

Directors: L. B. Andrus, L. B. Schiesz, P. D. Birdsall, Indianapolis, Ind.; John T. Kester, Noblesville, Ind.

General Office, Indianapolis, Ind. **Operating Office,** Noblesville, Ind.

NORTHERN INDIANA POWER COMPANY

(Controlled by Central Indiana Power Co.)

History and Property—Incorporated Nov. 7, 1922, as a consolidation of the Indiana Railways & Light Co., Noblesville Heat, Light & Power Co., Wabash Water & Light Co., Logansport Utilities Co., Rochester Electric Light, Heat & Power Co., United Public Service Co., Sheridan Water, Light & Heat Co., and Roann Electric Co. (for latest published statements of these several companies, see 1922 Public Utility Manual). In 1923 acquired the Huntington Light & Fuel Co., serving Huntington with electric current, heating, gas service and ice.

Company furnishes electric energy to approximately 95 cities and towns in northern Indiana, including Kokomo, Noblesville, Wabash, Rochester and Huntington, steam heat in the cities of Kokomo, Huntington, Noblesville and Rochester, an interurban railway system for about 63 miles between Frankfort and Marion, Ind., and gas service in Huntington, Ind. Customers served, 31,623.

CAPITAL STOCK

Authorized, $6,000,000; outstanding, $4,960,000; all owned by Central Indiana Power Co. Annual meeting, second Monday in February.

FUNDED DEBT

(1)

$1,254,000 INDIANA RAILWAYS AND LIGHT CO. FIRST MORTGAGE AND REFUNDING GOLD 5s; DUE JANUARY 1, 1943

Dated December 10, 1912.

Interest Payable January and July 1, at Spencer Trask & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Indianapolis, Ind.

Provisions of Issue—Authorized, $5,000,000; mortgage closed.

Callability—Subject to call on any interest date at 105 and interest on 60 days' notice.

Sinking Fund—Sinking fund, began Jan. 1, 1917, 1% of outstanding bonds, to be used for retirement of bonds of this issue at not exceeding 105 and interest.

Security—A first lien on entire property of former Kokomo, Frankfort & Western Traction Co., including about 24 miles of interurban street railway between Kokomo and Frankfort, and electric light and power substations at Russiaville and Michigantown, and 14 other small towns, also a first lien on steam heating system of former Kokomo Public Utility Co. Also a first lien on the power station at Kokomo, nine miles of city street railway in Kokomo, electric lighting plants at Kokomo, Swayzee and Green town, and 28 miles of interurban railway between Kokomo and Marion.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Masten & Nichols, New York.

Original Offering—First publicly offered in Jan., 1913, at 94 and interest, by Shapker, Waller & Co., Chicago, and Spencer Trask & Co., New York, etc.

(2)

$310,000 NOBLESVILLE HEAT, LIGHT & POWER CO. FIRST GOLD 6½s; DUE JULY 1, 1947

Dated July 1, 1922.

Interest Payable January and July 1, at Fletcher American National Bank, Indianapolis.

Denominations—Coupon, $500 and $1,000.

Trustee—Fletcher American National Bank, Indianapolis.

Provisions of Issue—Authorized issue, $400,000, but mortgage closed at $310,000.

Callability—Subject to call at 107 on any interest date on or before July 1, 1927; 105 after July 1, 1927 and on or before July 1, 1932; 103 after July 1, 1932.

Maintenance & Sinking Fund—A fund of 10% of gross annual earnings of the property is required for maintenance of the property, and if that sum is not required for this purpose, then to be used to retire bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Baker & Daniels (for the Company); Smith, Remster, Hornbrook & Smith, and Haynes & Mote (for the bankers).

Original Offering—First publicly offered ($310,000) in June, 1922, at 98½ and interest, to yield about 6.60%, by Fletcher American Co., Indianapolis, Ind.

(3)

$8,939,500 NORTHERN INDIANA POWER CO. FIRST & REFUNDING MORTGAGE BONDS

All owned by Central Indiana Power Co. and deposited under its First Collateral & Refunding 6s of 1947.

OFFICERS AND DIRECTORS

Officers: L. B. Andrus, Pres., Indianapolis, Ind.; Vacancy, V-P.; Phil H. Palmer, Kokomo, Ind.; L. B. Schiesz, Treas. & Asst. Sec.; Paul D. Birdsall, Sec. & Asst. Treas., Indianapolis, Ind.; Karl A. George, Asst. Sec., Kokomo, Ind.

Directors: L. B. Andrus, L. B. Schiesz, Tom C. Polk, Robert I. Todd, Indianapolis, Ind.; Phil H. Palmer, Kokomo, Ind.; S. E. Mulholland, Fort Wayne, Ind.; one vacancy.

General Office, Indianapolis, Ind.

WABASH VALLEY ELECTRIC CO.

(Controlled by Central Indiana Power Co.)

History and Properties—Incorporated in Nov., 1916, in Ind., as a consolidation of the Clinton Electric Light & Power Co., the Sullivan County Electric Co. and the Jasonville Water & Light Co. Supplies electricity to 54 cities and towns in Indiana, including Clinton, Greencastle, Martinsville, Spencer, Blandford, St. Bernice, Dana, Rosedale, Sullivan, Shelburn, Farmersburg, Hymera, Coalmont, Clay City and Jasonville. Electricity is wholesaled to the towns of Montezuma, Covington and Veedersburg. Company owns 4 generating plants. Customers served, 17,204.

In June, 1923, Company acquired the Putnam Electric Co., Cayuga Electric Co., Martinsville Gas & Electric Co., Spencer Light, Heat & Power Co., Gosport Electric Co., Morgan County Light & Power Co., and Roachdale Electric Co., All these properties are interconnected by a transmission line system.

CAPITAL STOCK

Authorized, $1,000,000 Common and $2,000,000 Pfd. outstanding, $620,000 Common and $756,000 Pfd.; par, $100. All outstanding stock, both Common and Pfd., is owned by Central Indiana Power Co., of which $164,800 Common and $497,500 Pfd. deposited under its First Collateral and Refunding 6s of 1947. Annual meeting, second Tuesday in February.

Dividends—Pfd. dividends payable quarterly, F, M, A & N 1.

FUNDED DEBT

$2,822,900 FIRST MORTGAGE GOLD 6s; DUE MAY 1, 1948

Secured by a first mortgage on all property of company now owned or hereafter acquired. Additional bonds may be issued for extensions, etc., to the extent of 75% of cost. All owned by Central Indiana Power Co. and deposited under its First Collateral & Refunding 6s of 1947.

INCOME ACCOUNT, YEAR ENDED DEC. 31, 1927

Gross income	$425,470
Interest	157,856
Amortization, etc.	19,897
Net income	$247,717
Preferred dividends	52,920
Common dividends	37,200
Surplus for year	$157,597

Officers: L. B. Andrus, Pres., Indianapolis, Ind.; C. M. Poor, V-P., Clinton, Ind.; L. B. Schiesz, Treas. & Asst. Sec.; Paul D. Birdsall, Sec. & Asst. Treas., Indianapolis, Ind.

Directors: L. B. Andrus, L. B. Schiesz, Robert I. Todd, Indianapolis, Ind.; C. M. Poor, J. W. Robb, Clinton, Ind.; Samuel Insull, Jr., Chicago, Ill.; one vacancy.

Office, Indianapolis, Ind.

HOLLAND GAS COMPANY

(Controlled by American Public Utilities Co.)

History—Incorporated in Mich., as the Holland City Gas Co. Supplies gas to Holland, Mich., and by high pressure line to Zeeland, Mich. Population served, 16,000. Gas sales for 1926, 92,720,700 cu. ft. No. of consumers, 3,659. Miles of mains, 48. Generating capacity 550,000 cu. ft. per day. Price of gas: First 5,000 cu. ft. $1.45 per M cu. ft., next 10,000 cu. ft., $1.40 per M cu. ft., next 15,000 cu. ft., $1.30 per M cu. ft., next 20,000 cu. ft., $1.20 per M cu. ft., next 50,000 cu. ft. $1.10 per M cu. ft.; all over 100,000 cu. ft., $1.00 per M cu. ft. A discount of 1c. per C cu. ft. of gas consumed is allowed when bills are paid on or before the 15th of the month rendered.

FUNDED DEBT

$300,000 FIRST GOLD 6s; DUE JANUARY 20, 1945

Dated October 20, 1925.

Trustee—Michigan Trust Co., Grand Rapids, Mich.

Provisions of Issue—Authorized issue, $500,000. Outstanding bonds owned by American Public Utilities Co. and delivered to Trustee as partial collateral for that Company's Collateral Trust bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Office, Holland, Mich.

UTAH GAS & COKE COMPANY

(Controlled by American Public Utilities Co.)

History and Property—Incorporated March 21, 1906, in Utah. Owns and operates a modern coal and water gas plant and distribution system, the plant having a generating capacity of 2,800,000 cubic feet per 24 hours and holder capacity of 1,700,000 cu. ft. The Company's distribution system consists of over 245.4 miles of gas mains reaching all the more densely populated districts of Salt Lake City, Utah. Population served, about 150,000. Sales in 1927, 524,511,500 cu. ft., compared with 473,398,600 cu. ft. in 1926 No. of consumers, 18,848. Franchise expires 1956.

CAPITAL STOCK

Authorized, $3,000,000 (increased from $2,500,000 in 1927) Common, $1,500,000 7% cumulative Pfd. and $800,000 participating 7% cumulative Pfd.; outstanding, $2,473,000 Common, $1,127,800 Pfd. and $250,700 participating Pfd.; par, $100. Over 99% of the Common stock is owned by American Public Utilities Co. Annual meeting, fourth Wednesday in March.

Dividends—Pfd. dividends of 1¾% cash quarterly (J, A, J & O) were regularly paid from July, 1909, to Oct., 1917. Pfd. dividends from April 1, 1918, to April 1, 1919, were paid in scrip. Company announced June 7, 1924, that its plan to pay five years of back dividends on its 7% Pfd. stock with 7% Participating Pfd. stock at par, had been declared operative, and that the Participating Pfd. stock was being issued for this purpose. Cash dividends on the First Pfd. stock were resumed with declaration of quarterly dividend of $1.75 a share, payable July 1, 1924; an initial dividend of $1.75 a share on the Participating Pfd. stock, also payable July 1, 1924. This cleaned up all back dividends on the Pfd. stock. Dividends on Pfd. stock and Participating Pfd. stock have been paid quarterly in cash since.

FUNDED DEBT

$2,268,000 FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1936

Dated July 2, 1906.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago, and First National Bank, New York.

Denomination—Coupon (principal may be registered), and registered, $1,000; interchangeable.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized issue, $3,000,000; issued, $2,762,000 of which $2,268,000 are outstanding and $494,000 have been retired by sinking fund. Of the outstanding bonds, $512,000 carry an extra 3% coupon sheet. These extra coupon sheets are general obligations of the company but not secured by mort-

gage. They are detachable and can be negotiated independently of the bonds to which they were originally attached. The $238,000 unissued bonds are issuable for 85% of the cost of improvements and extensions, but only when the company's net earnings shall be equal to twice the interest charges on its outstanding bonds, as well as those it is then proposed to sell, plus a sum not less than the annual deposit into the sinking fund then next to be made.

Callability—Subject to call as a whole or in part by lot for the sinking fund at 110 and interest on any interest date to Jan. 1, 1920, inclusive, thereafter at 105 and int.

Sinking Fund—Sinking fund from Jan. 1, 1911, to 1920, 1% per annum of bonds outstanding, from 1921 to 1935, 2% annually. These sums, and any increment therefrom, are to be applied to the redemption of these bonds.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,000,000) in March, 1910, at 95 and interest, by Farwell Trust Co., Chicago, and Bond & Goodwin, New York and Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$768,809	$740,900	$837,032
Oper. exp. & general taxes	519,124	507,495	534,271
Depreciation	.....	.....	45,433
Net earnings	$249,685	$233,405	$257,328
Other income	1,056	5,096	.....
Gross income	$250,741	$238,501	$257,328
Bond interest, net	129,106	124,127	127,210
Other interest	1,293	.....	11,832
Rentals	9,625	9,625	9,625
Other fixed charges	8,724	9,416	7,029
Total fixed charges	$148,748	$143,168	$155,696
Net income	*$101,993	*$95,333	$101,632

*Before provision for retirements and Federal Income taxes.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$6,342,043	$6,289,361	$5,955,572
Materials and supplies	96,242	79,149	90,388
Cash	73,142	70,532	1,687
Notes and accts. receivable	151,081	137,423	153,795
Special deposits	1,197	857	.....
Due from Amer. Pub. Util.	.....	138,650	.....
Subscribers to Pfd. stock	.....	.....	26,835
Miscellaneous assets	6,296	5,635	7,762
Discount on bonds	46,490	54,811	58,746
Other deferred debit items	86,832	90,901	301,187
Prepaid accounts	1,787	1,610	2,736
Total	$6,805,110	$6,868,929	$6,598,708
Liabilities—			
Common stock	$2,473,000	$2,473,000	$2,240,000
Preferred stock	1,378,500	1,386,400	1,028,600
Funded debt	2,268,000	2,315,000	2,237,000
Preferred stock warrants	1,764	2,064	2,364
Pfd. stock subscribed	.....	1,800	38,400
Dividend scrip	.....	.....	5,792
Notes payable	50,000	45,000	111,876
Accounts payable	69,765	45,429	64,015
Interest accrued	64,380	65,555	185
Accrued taxes & Pfd. divds.	9,935	34,404	35,051
Consumers' deposits	38,432	37,204	36,200
Adv. from affiliated cos.	18,160	.....	291,886
Reserve for depreciation	154,585	167,024	
Res. for uncollectible accts.	673	1,655	181,057
Surplus	277,916	294,394	326,282
Total	$6,805,110	$6,868,929	$6,598,708

Officers: Martin J. Insull, Pres.; W. C. Sharp, V-P., Chicago; E. A. Angley, V-P., Salt Lake City, Utah; Oliver, E. McCormick, Treas.; Eustace J. Knight, Sec., Chicago, Ill.

Directors: E. A. Davis, E. V. Graham, Martin J. Insull, P. J. Lucey, Oliver E. McCormick, W. C. Sharp, Chicago, Ill.; E. A. Angley, Salt Lake City, Utah.

General Office, Salt Lake City, Utah.

OKLAHOMA NORTHERN GAS COMPANY

History and Business—Company, through its subsidiaries, produces, purchases and distributes gas to a number of towns and industries in Oklahoma and Kansas. The gas is collected from the wells of Company's subsidiary, **Kay Oil Company,** in the Deer Creek Field in north central Oklahoma and from additional acreage by contract. Kay Oil Company owns leases in this field estimated to contain not less than twenty billion cubic feet of natural gas and in addition has a contract in force as long as gas is produced and extending beyond the life of the First Lien Sinking Fund 6½% Gold bonds, due June 1, 1934, described below, for gas from an additional large producing area in the same field. The major portion of the gas is transported to the various markets through the subsidiary company's own pipe lines consisting principally of two eight-inch lines extending 33 miles from the field to Enid, Oklahoma, and a four-inch pipe line extending northward to the Kansas State line, in which a subsidiary of this Company owns a one-half interest. The principal sales of gas at wholesale to the utility companies are under contracts which extend beyond the life of Company's First Lien bonds and are as follows: The Oklahoma Gas & Electric Co. at Enid, Okla.; The Oklahoma Natural Gas Co. for the supply of a number of small towns in Oklahoma; The Oklahoma Northern Utilities Company for the supply of gas to Medford, Okla., and The Caldwell Gas Company for the supply of gas to Caldwell, Kans. Gas is also sold in the field under contract to another pipe line company for retailing in Blackwell, Okla. The gas so purchased by the distributing companies is served at retail to a rapidly growing district with a present population in excess of 66,000, through aproximately 13,000 meters.

CAPITAL STOCK

Outstanding 100,000 shares.

FUNDED DEBT

(1)

$1,250,000 FIRST LIEN SINKING FUND 6½% GOLD BONDS; DUE JUNE 1, 1934

Dated June 1, 1927.

Interest Payable June and December 1 at The Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia, Pa.

Common Stock Warrants—Each bond carries with it a warrant (non-detachable prior to June 1, 1929) exchangeable for Common stock of the Company at the rate of 10 shares per $1,000 bond, on or after June 1, 1929, or upon the call or redemption of the bond if called or redeemed prior thereto.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Authorized and issued, $1,250,000.

Callability—Subject to call as a whole at any time, or in part on any interest date, on 30 days' notice at 105 and interest.

Sinking Fund—Mortgage provides for an annual sinking fund payable in equal semi-annual installments in cash or bonds at par. In addition a portion of net earnings as described in the Indenture is also to be applied to the sinking fund. All cash payments received by the Trustee are to be applied to the purchase of bonds at prices not exceeding the redemption price, or if bonds are not so obtainable, such funds shall be used for the redemption of bonds to be selected by lot. Bonds thus purchased or called shall be cancelled and the warrants exchanged for Common stock.

Security—Secured by pledge of all of the stocks, less qualifying shares, and all of the First (Closed) Mortgage bonds of its subsidiaries. The par value of the First Mortgage bonds so deposited is equal or in excess of the amount of this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Company agrees to refund, upon application made within 60 days' after payment, any State personal property, intangible or income tax (not exceeding $5 per $1,000 bond per annum) which the holder may be required to pay, but the Company will not refund more than one such state tax on the same bond for the same year.

Legal Opinion—Dickson, Beitler & McCouch (for the bankers) and Rawle & Henderson (for the Company).

Original Offering—First publicly offered ($1,250,000) in June, 1927, at par and interest by Battles & Co., New York, etc. and Brooke, Stokes & Co., Philadelphia, etc.

(2)

$600,000 SECURED GOLD DEBENTURES, 7% SERIES DUE 1934; DUE JUNE 1, 1934

Dated June 1, 1927.

Interest Payable June and December 1 at Bank of The Manhattan Company, New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Bank of The Manhattan Company, New York.

Provisions of Issue—Issued, $600,000 6% Series due 1934. The Indenture provides that additional debentures of any series may be issued for the following purposes: (a) For refunding debentures of other series issued under the indenture, par for par; (b) for 70% of the actual cost or fair value (whichever is less) of property of new subsidiaries and of additional property or improvements acquired or constructed by any present or future subsidiary company, as such subsidiary is defined in the trust indenture, when the consolidated net earnings of the Company and its subsidiaries, for 12 consecutive calendar months within the 15 calendar months next preceding shall have been at least three times the combined annual interest on the bonds and debentures then outstanding and those proposed to be issued; (c) on the deposit of cash to be withdrawn for one of the above purposes.

Stock Purchase Warrants—Each Debenture carries with it a warrant (non-detachable prior to June 1, 1929) exchangeable for Common stock of the Company at rate of 20 shares per $1,000 debenture on or after June 1, 1929, or upon the call or redemption of the debenture if called or redeemed prior thereto.

Callability—Subject to call as a whole at any time, or in part on any interest date, on 30 days' notice at 105 and interest.

Sinking Fund—The Indenture provides for an annual sinking fund payable in equal semi-annual instalments in cash or debentures at par, through the operation of which it is calculated that this entire issue will be retired prior to maturity. In addition, a portion of the net earnings, as described in the Indenture, is also to be applied to the sinking fund. All cash payments received by the Trustee are to be applied to purchase or redemption of these debentures at not exceeding the redemption price. Debentures thus purchased or called shall be cancelled and the warrants exchanged for Common stock.

Security—A direct obligation of Company, secured, subject to the First (Closed) Lien Sinking Fund 6½% Gold bonds described above, by pledge of all of the stocks, less qualifying shares, and all of the First (closed) Mortgage bonds of its present subsidiaries.

Legal Opinion—Dickson, Beitler & McCouch (for the bankers), Rawle & Henderson (for the Company) and Ames, Lowe & Cochran, Oklahoma City, Okla. (with respect to matters pertaining to Oklahoma laws).

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund, upon application made within 60 days after payment, any State personal property, intangible or income tax (not exceeding $5 per $1,000 debenture per annum) which the holder may be required to pay by reason of the ownership of the debenture, but Company will not refund more than one such State tax on the same debenture for the same year.

Original Offering—First publicly offered ($600,000 with stock purchase warrants) about August, 1927, at par and interest by Battles & Co., New York, etc., and Brooke, Stokes & Co., Philadelphia, Pa., etc.

$250,000 SEVEN-YEAR 7% NOTES, DUE 1934

(No Details Available)

CONSOLIDATED EARNINGS, YEAR ENDED JANUARY 31, 1927
(Properties of Subsidiary Companies)

Gross	$762,516
Operating expenses, maintenance & taxes	241,709
Net earnings prior to depreciation, depletion & Federal Income taxes	$520,807
Interest on First Lien bonds	81,250
Interest on Debentures	42,000
Balance	$397,557

Management: The management of Company and its subsidiaries will be in the hands of Gannett, Seelye & Fleming, Inc., Harrisburg, Pa.; New York, N. Y., and Lafayette, La., and Ralph E. Davis, Pittsburgh, Pa.

Officer: Farley Gannett, Pres.

General Office, 600 No. Second St., Harrisburg, Pa.

ELY LIGHT & POWER COMPANY

History and Properties—Incorporated Dec. 12, 1906, in Maine, to generate and distribute electrical energy for light and power purposes, etc. Furnishes Ely, East Ely and Lane City, Nev. Property consists of one 200 k.w. combination steam and water plant, transmission and distributing lines. No. of meters, about 880. Annual output, 700,000 k.w. electricity. Prices: Minimum charge, $2.00; first 150 k.w.h. 14½c.; over 150 k.w.h., 12½c.; over 250 k.w.h., 10c. Power rate, 7½c. per k.w.h. Of current sold 80% is purchased and 20% generated by water. Has City contract for supplying 96 40-watt lights to Ely, Nev., at $1 each per month; arc lamps, 12½c.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. Dividends not reported. Annual meeting, fourth Friday in March, at Augusta, Me.

FUNDED DEBT

None.

Officers: Arthur Smith, Pres.; Thos. A. Smith, V-P., East Ely, Nev.; M. K. Preston, Sec. & Treas., McGill, Nev.

Directors: Arthur Smith, Thos. A. Smith, East Ely, Nev.; James M. Lockhart, Ely, Nev.; George S Brown, Reno, Nev.; M. K. Preston, McGill, Nev.

General Office, East Ely, Nev.

WESTERN MASSACHUSETTS COMPANIES

History—A voluntary association organized in Massachusetts under a Declaration of Trust, dated January 15, 1927. Acquired and now owns practically the entire outstanding Common stock of the Turners Falls Power & Electric Company and of the Greenfield Electric Light & Power Company and the entire outstanding Common stocks of the Amherst Gas Company, the Easthampton Gas Company, The Agawam Electric Company and the Ludlow Electric Light Com-

pany; also acquired practically the entire outstanding Common stock of the Lee Electric Company and a very large majority of the outstanding Common stocks of the Pittsfield Electric Company and the United Electric Light Company of Springfield, Mass.—see appended statements.

Control of these companies was obtained through exchange of stock on the following basis: For one share of Turners Falls Power & Electric Co., 4 shares of Western Massachusetts Companies; for one share of Greenfield Electric Light & Power Co., 5 shares of Western Massachusetts Companies; for one share of Pittsfield Electric Co., 7 shares of Western Massachusetts Companies; for one share of Amherst Gas Co., 3½ shares Western Massachusetts Companies; for one share of Easthampton Gas Co., 5 shares of Western Massachusetts Companies; for one share of Agawam Electric Co., 3 shares of Western Massachusetts Companies; for one share Ludlow Electric Light Co., 5 shares of Western Massachusetts Companies, and for one share Uuited Electric Light Co., 2½ shares of Western Massachusetts Companies.

INVESTMENTS, DECEMBER 31, 1927
(Common stocks owned by Western Massachusetts Companies)

99,983	shares Turners Falls Power & Electric Co.
148,603	shares United Electric Light Co.
14,693	shares Greenfield Electric Light & Power Co.
9,272	shares Pittsfield Electric Co.
4,500	shares Amherst Gas Co.
1,800	shares Easthampton Gas Co.
750	shares Agawam Electric Co.
450	shares Ludlow Electric Light Co.
294	shares Lee Electric Co.

The operating utilities controlled by this Association had combined assets as of Dec. 31, 1927 of $36,082,403 and they did a gross business in 1927, after eliminating sales between companies, of $8,189,878. These companies serve in their own communities and those of their customers, comprising contiguous territory in western Massachusetts, a population approaching 400,000, and supply the entire power requirements for many diversified interests. The combined electrical load of these companies is 85,000 k.w. and their total sales were 403,814,360 k.w. hrs. in 1927. They have a total generating capacity of 135,500 kw. of which 64,000 kw. is developed from water power and 71,500 kw. from steam turbines. The operating companies in addition to supplying electrical energy for distribution throughout their own territories, also supply all of the power used by the public utilities which operate in the cities and towns of Northampton, Williamsburg, Westfield, Southwick, Chicopee and Chester, Massachusetts.

The various sources of power of the properties of the Western Massachusetts Companies are connected together and to the various substations, where delivery is made for distribution by the following lines: 160 miles of double circuit, steel tower line, operated at 66,000 volts and suitable for use at 110,000 volts by the addition of insulators, and about 110 miles of 13,200 and 22,000 volt distribution lines, delivering power from various substations to large industrial users. Sources from which power is purchase under various arrangements are—The New England Power Company, and through the Connecticut Valley Power Exchange, from Hartford, Devon, Poughkeepsie, and Adirondack Power Company.

CAPITAL STOCK

Outstanding December 31, 1927, 940,528½ Common shares of no par value, including 41½ shares fractional scrip.

Transfer Agent—Old Colony Trust Co., Boston, Mass.

Registrar—The Merchants National Bank, Boston, Mass.

Dividends—Initial quarterly dividend of 50 cents per share paid June 30, 1927, which rate regularly paid since; payments on last days of M, J, S & D.

FUNDED DEBT

The Association itself has no funded debt. As of Dec. 31, 1927 its constituent companies had the following funded debt outstanding, for description of which see the respective statements of these companies:

$3,000,000 Turners Falls Power & Electric Co. First Mortgage 5s, due June 1, 1952.
$625,000 Pittsfield Elec. Co. First Gold 6s, due Feb. 1, 1933.
$15,500 Lee Electric Co. First Mortgage 5s, due Oct. 1, 1929.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Constituent Companies of Western Massachusetts Companies)

Oper. revenue excl. of inter-company sales	$8,189,878
Operating expenses	3,270,926
Taxes	1,295,757
Operating profit	$3,623,195
Other income	136,694
Total earnings	$3,759,889
Interest and amortization of discounts	256,977
Balance	$3,502,912
Retirement reserve	1,002,275
Preferred dividends	21,600
Dividends to employee stockholders	18,441
Common dividends	1,787,100
Balance after dividends	$673,496
Charges not specifically assignable against year's operations (net)	182,070
Surplus for year	$491,426
Times Interest Charges Earned	10.72

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Western Massachusetts Companies)

Dividends from constituent companies	$1,036,144
Interest charges	17
Total income	$1,036,161
Dividends paid	1,022,164
Surplus for year	$13,997
Earnings Per Share	$1.10

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Western Massachusetts Companies and its Constituent Companies)

Assets—	
Plant and equipment	*$33,654,391
Cash	607,188
Notes receivable	45,289
Accounts receivable	813,532
Materials and supplies	775,512
Int., insur., rentals, prepaid & other assets	186,491
Total	$36,082,403
Liabilities—	
Preferred stock of constituent companies	$380,000
Employees' stock—constituent companies	200,000
Minority Common stock—constituent Cos.	869,438
Capital stock—Western Massachusetts Cos.	†24,423,097
Funded Debt:	
Turners Falls Power & Elec. Co. 5s, 1952	3,000,000
Pittsfield Electric Co. 5s, 1933	625,000
Lee Electric Co. 5s, 1929	15,500
Notes payable	‡1,433,000
Current liabilities	279,122
Accrued liabilities	380,704
Reserves for retirement of plant & equip.	4,382,511
Other reserves	94,031
Total	$36,082,403

*Representing the total amount invested by the constituent companies in land, rights of way, buildings, flowage and water rights, dams, canals, generating stations, substations, transmission and distribution lines, underground conduits and cables, equipment and other physical properties necessary and useful in carrying on their business, including investment in water storage development. †Balance of assets showing book value of 940,528½ Common shares, no par value, of Western Massachusetts Companies (including $7,533,822, its proportion of premiums paid in and surplus). ‡This is the amount outstanding for short term notes given by the constituent companies to banks for money borrowed for the financing of new extensions, additions and improvements to their plant and equipment.

Officers: George W. Lawrence, Pres.; Alvah Crocker, W. Rodman Peabody, Walter L. Mulligan, William A. Whittlesey, V-Ps.; Fred C. Abercrombie, Treas. & Sec.; Joseph F. Lyons, Compt.; William D.

Kellogg, Asst. Treas.; Fred L. Hunt, Director of Economics & Engineering; Haller D. Seavey, Director of Public Relations.

Trustees: Jonathan Bulkley, New York; Edwin A. Carter, William O. Day, William C. Godfrey, Alfred Leeds, Charles C. McElwain, Walter L. Mulligan, Springfield, Mass.; Winthrop M. Crane, Jr., Dalton, Mass.; Alvah Crocker, Fitchburg, Mass.; Samuel Ferguson, Hartford, Conn.; Charles W. Hazelton, Turners Falls, Mass.; Edward A. Jones, William A. Whittlesey, Pittsfield, Mass.; George W. Lawrence, John W. Smead, Greenfield, Mass.; W. Rodman Peabody, J. Preston Rice, Alfred L. Ripley, Charles Stetson, Charles Walcott, Moses Williams, Boston, Mass.

Office, 70 State Street, Boston, Mass.

THE AGAWAM ELECTRIC COMPANY

(Controlled by Western Massachusetts Companies)

History—Incorporated Nov. 1, 1913, in Mass Distributes electrical energy within the town of Agawam; population, 6,300. Purchases current from Turners Falls Power & Electric Co. Number of customers, 1,479. Has contract for public lighting for 537 40-watt mazdas.

CAPITAL STOCK

Authorized and outstanding, $75,000; par, $100. All owned by Western Massachusetts Companies. Annual meeting, in February, at Boston, Mass.

Dividends—Dividends have been as follows: Fiscal years—1917, 3%; 1918, 6%; 1919, 6% on $125,000 stock and 6% on $45,000 stock; 1920 and 1921, 6% each; 6 mos. to Dec. 31, 1921, 3%; calendar years—1922, 7%; 1923 and 1924, 4%; 1925, 4¾%; 1926, 6%; 1927, not reported; payments quarterly, M, J, S & D 30.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$53,175	$42,432	$37,130
Oper. exp., deprec. & taxes	37,930	37,486	32,054
Net earnings	$15,245	$4,946	$5,076
Other income	80	675	546
Total income	$15,325	$5,621	$5,622
Interest charges	1,444	1,106	1,583
Net income	$13,881	$4,515	$4,039
Dividends paid	*	3,488	2,137
Surplus for year	*	$1,027	$1,902

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$143,796	$105,626	$100,016
Materials & supplies		4,875	4,661
Cash	15,432	1,631	1,987
Accounts receivable		6,207	4,777
Other assets	29	.....	23
Total	$159,257	$118,339	$111,464
Liabilities—			
Capital stock	$75,000	$75,000	$45,000
Notes payable	43,000	3,000	30,000
Accounts payable		3,259	6,549
Interest accrued	6,248	129	150
Other current liabilities		2,223	1,626
Reserve for taxes		950	813
Depreciation reserve	35,009	16,710	11,578
Profit and loss surplus		17,068	15,748
Total	$159,257	$118,339	$111,464

Officers: George W. Lawrence, Pres., Greenfield, Mass.; W. Rodman Peabody, V-P., Boston, Mass.; Fred C. Abercrombie, Sec. & Treas., Turners Falls, Mass.; R. W. Mitchell, Gen. Mgr. & Asst. Treas., Springfield, Mass.; Joseph F. Lyons, Compt.

Directors: W. Rodman Peabody, Boston, Fred C. Abercrombie, Turners Falls, Mass.; George W. Lawrence, Greenfield, Mass.; Robert W. Mitchell, Springfield, Mass.

General Office, 1387 Main St., Springfield, Mass. **Boston Office,** 70 State Street.

AMHERST GAS COMPANY

(Controlled by Western Massachusetts Companies)

History—Incorporated in 1877 in Massachusetts; began operations in 1878. Distributes electrical energy within the towns of Amherst, Pelham, Sunderland, Whately, Hatfield and Hadley, Massachusetts; also serves the towns of Amherst and Pelham with gas. Purchases a large portion of its requirements for electricity from Turners Falls Power & Electric Company and the balance from Greenfield Electric Light & Power Co. Produces at its plant in Amherst all the gas supplied to its customers. Population of these towns is 14,600. Miles of gas mains, 21.44. No. of gas customers, 1,022. No. of electric customers, 3,114.

CAPITAL STOCK

Authorized and outstanding, $450,000 (increased from $300,000 in October, 1926); par, $100. All owned by Western Massachusetts Companies.

Transfer Agent—Old Colony Trust Co., Boston.

Annual Meeting—Second Wednesday in February.

Dividends—6% per annum was regularly paid for many years to and including Sept. 30, 1926; Dec. 31, 1926 to date, 1¾% quarterly; payments, M, J, S & D 31, by check from Company's office, Amherst, Mass.

FUNDED DEBT

The Company has no mortgage debt, but there were outstanding at Dec. 31, 1927, $75,000 short term notes, of which the Old Colony Trust Co., Boston, is the registrar.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Accounts Audited by Barrows, Wade & Co., Boston)

	1927	1926	1925
Gross earnings	$207,067	$199,822	$199,338
Operating exp. and taxes	173,242	163,579	172,700
Net earnings	$33,825	$36,243	$26,638
Other income	880	1,177	3,483
Total income	$34,705	$37,420	$30,121
Interest charges	2,403	7,825	9,009
Balance for dividends	$32,302	$29,595	$21,112
Dividends paid	31,500	21,375	18,000
Surplus for year	$802	$8,220	$3,112
Earnings Per Share	*$7.17	*$6.58	$7.04

*Based on 4,500 shares outstanding at Dec. 31.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$591,966	$546,575	$532,157
Cash	29,212	31,215	20,184
Accounts receivable	16,128	21,190	23,301
Supplies	26,206	32,540	36,414
Other assets	3,200	3,200	2,700
Advanced expense	3,921	2,716	4,096
Total	$670,633	$637,436	$618,852
Liabilities—			
Capital stock	$450,000	$450,000	$300,000
Premium on capital stock	858	858	.....
Notes payable	75,000	55,000	205,000
Accounts payable	7,211	5,217	8,921
Accrued liabilities	.....	658	668
Other current liabilities	9,291	8,849	7,703
Depreciation reserve	88,670	78,053	65,979
Surplus	39,603	38,801	30,581
Total	$670,633	$637,436	$618,852

Officers: George W. Lawrence, Pres., Greenfield, Mass.; W. Rodman Peabody, V-P., Boston, Mass.; Fred C. Abercrombie, Clerk & Treas., Turners Falls, Mass.; W. D. Kellogg, 1st Asst. Treas., Boston, Mass.; J. J. O'Connell, 2nd Asst. Treas., Amherst, Mass.

Directors: George W. Lawrence, Greenfield, Mass.; Fred C. Abercrombie, Turners Falls, Mass.; W. Rodman Peabody, Chas. Stetson, Boston, Mass.; J. J. O'Connell, Amherst, Mass.

Office, 11 Pleasant Street, Amherst, Mass. **Boston Office,** 70 State Street.

EASTHAMPTON GAS COMPANY

(Controlled by Western Massachusetts Companies)

History—Incorporated Aug. 29, 1864, in Mass. Distributes electrical energy within the towns of Easthampton and Southampton; also serves the town of Easthampton with gas. Purchases its entire requirements for electricity from Turners Falls Power & Electric Company and purchases the gas supplied to its customers from the Northampton Gas Company. Population of these towns is 12,500. Miles of mains, 23½. No. of customers: Gas, 2,194; electric, 2,723. In Feb., 1919, Company sold its steam power plant and 66,000 volt lines.

CAPITAL STOCK

Authorized and outstanding, $180,000; par, $100. All owned by Western Massachusetts Companies. Annual meeting, second Wednesday in February, at Boston.

Dividends—6% per annum, up to and including 1922; 1923, 6½%; 1924, 7½%; 1925, 8%; 1926, 9¼%; 1927, 10%; payments quarterly, M 31, J 30, S 30 & D 31, to stockholders of record M, J, S & D 15.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$171,636	$161,259	$156,007	$149,997	$151,148	$142,386
Operating expenses and taxes	129,370	112,263	110,187	106,598	109,848	103,748
Depreciation	16,441	18,253	12,000	12,000	14,000	12,500
Net earnings	$25,825	$30,743	$33,821	$31,399	$27,300	$26,138
Other income	1,501	1,254	466	389	447	852
Total income	$27,326	$31,997	$34,287	$31,788	$27,747	$26,990
Interest charges	263	333	393	469	1,043	3,365
Reserves, etc.	3,825	5,608	6,009	4,088	4,295	
Total charges	$4,088	$5,941	$6,402	$4,557	$5,338	$3,365
Net income	$23,238	$26,056	$27,885	$27,231	$22,409	$23,625
Dividends paid	18,000	16,650	14,400	13,500	11,250	10,800
Surplus for year	$5,238	$9,406	$13,485	$13,731	$11,159	$12,825
Earnings Per Share	$12.91	$14.48	$15.49	$15.13	$12.45	$13.13

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$302,944	$290,811	$276,743	$256,198	$248,376	$248,766
Materials and supplies	8,241	10,695	9,413	10,543	14,240	9,159
Cash	24,037	20,327	22,945	17,143	15,979	21,829
Accounts receivable	10,930	9,690	10,175	12,389	12,055	11,524
Other current assets	15,354	.....	5,490	11,490	.....	4,799
Deferred debit items	.....	46	220	857	50	476
Total	$361,506	$346,569	$324,986	$308,620	$290,700	$296,553
Liabilities—						
Capital stock	$180,000	$180,000	$180,000	$180,000	$180,000	$180,000
Notes payable	.....	5,000	5,000	15,000	8,000	30,000
Accounts payable	6,444	6,016	4,832	5,517	4,885	5,975
Other liabilities	3,174	2,466	2,647	2,005	4,970	2,135
Reserve for taxes	5,385	6,654	.....	.....	.....	.....
Depreciation reserve	74,234	59,403	54,883	41,959	27,085	26,942
Profit and loss	92,269	87,030	77,624	64,139	65,760	51,501
Total	$361,506	$346,569	$324,986	$308,620	$290,700	$296,553

Officers: Geo. W. Lawrence, Pres. & Gen. Mgr., Greenfield, Mass.; W. Rodman Peabody, V-P., Boston, Mass.; Fred C. Abercrombie, Treas. & Clerk, Turners Falls, Mass.; John N. Lyman, Supt. & Asst. Treas.; H. D. Seavey, Pur. Agt., Easthampton, Mass.

Directors: Geo. W. Lawrence, Greenfield, Mass.; Fred C. Abercrombie, Chas. W. Hazelton, Turners Falls, Mass.; H. L. Clark, C. H. Johnson, J. N. Lyman, F. E. Lyman, Easthampton, Mass.; W. Rodman Peabody, Charles Stetson, Boston, Mass.

General Office, Easthampton, Mass. **Boston Office,** 70 State St.

GREENFIELD ELECTRIC LIGHT AND POWER COMPANY

(Controlled by Western Massachusetts Companies)

History—Incorporated Dec. 7, 1886, in Mass. Distributes electrical energy within the towns of Greenfield, Northfield, Bernardston, Turners Falls, Millers Falls, Montague, Deerfield, Colrain, Shelburne, Buckland, Conway and Ashfield, and part of Gill, Mass. Company generates a portion of its requirements at Gardner Falls, a 4,000 k.w. hydro-electric plant on the Deerfield River, and purchases the balance of its requirements from the Turners Falls Power & Electric Company. Population of the towns served is 36,500. Is supplying 1,807 public lamps. Electricity is distributed by means of 252 miles of pole lines. Electric lighting rates: $0.089 per k.w.h. for first 100 kw. hrs., and $0.072 for all over 500 kw. hrs.

CAPITAL STOCK

Outstanding, $1,500,000 Common (par $100), $300,000 6% Pfd. (par $25), and $100,000 Employees' stock (par $10). Of the Common stock 97.9% is owned by Western Massachusetts Companies. Transfer Agent for Common stock: First National Bank, Boston, Mass. Transfer Agent for Pfd. stock: First National Bank, Greenfield, Mass. Annual meeting, third Tuesday in March.

Dividends—Preferred dividends are regularly paid, quarterly, M., J., S. & D. 31. Common dividends, formerly 6% per annum until 1906, when 3% was paid; 3% again paid in 1907 and 1908; 5% in 1909; 6% in 1910, 1911, 1912, 1913, 1914, 1915 and 1916; 8% in 1917 (including 2% extra paid in Oct., 1917); 1918 to 1924 incl., 8%; 1925, 1926 and 1927, 10% each; payments quarterly, M, J, S & D 31. Dividends of 8% per annum were paid on Employees' stock up to 1924 inclusive; 1925, 1926 and 1927, 10% each.

FUNDED DEBT

None, but there are outstanding $320,000 notes payable (short term), of which the First National Bank, Boston, is Registrar.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Net sales	$671,090	$637,414	$616,494	$582,823	$530,356	$441,199
Operating expenses	346,452	321,778	323,039	368,412	327,714	263,219
Taxes (except Income Tax)	80,659	77,136	73,149			
Net operating profit	$243,979	$238,500	$220,306	$214,411	$202,642	$177,980
Other income	1,850	2,349	2,336	5,512	3,554	3,488
Total earnings	$245,829	$240,849	$222,642	$219,923	$206,196	$181,468
Interest charges	10,907	5,078	8,706	1,581	13,613	12,611
Balance	$234,922	$235,771	$213,936	$218,342	$192,583	$168,857
Surplus at beginning of year	239,666	226,680	217,061	196,359	142,454	141,991
Credits to surplus	134	8,585	13,615	16,972	31,336	.....
Total	$474,722	$471,036	$444,612	$431,673	$366,373	$310,848
Charges:						
Reserve for depreciation	$30,000	$35,000	$25,000	$80,000	$64,626	$70,000
Other charges	12,239	982	4,051	1,594	890	14,673
Federal Income Tax	16,500	17,500	17,500	17,000	15,021	
Preferred dividends	18,000	18,000	12,997	8,128	2,339	.....
*Common dividends	159,960	159,888	158,384	107,889	87,138	83,721
Surplus at end of year	$238,023	$239,666	$226,680	$217,061	$196,359	$142,454
Earnings Per Share—						
Preferred	$14.68	$15.27	$14.28	$20.22	$28.22	.....

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$2,555,695	$2,418,066	$2,321,805	$2,221,985	$1,793,175	$1,359,023
Liberty bonds owned	.....	.....	.....	.....	2,696	.....
Other investments	.....	.....	.....	.....	.....	7,940
Materials and supplies		86,412	92,492	93,401	79,815	68,357
Cash on hand	201,642	30,953	35,443	38,173	32,668	42,417
Accounts receivable		70,735	64,919	65,443	73,418	66,551
Notes receivable		5,962	11,000	6,000	6,600	2,740
Deferred debit items	.....	3,808	11,865	12,655	9,622	2,122
Other assets	14,446	7,200	.....	.....	9,600	.....
Total	$2,771,783	$2,623,136	$2,537,524	$2,437,657	$2,007,594	$1,549,150
Liabilities—						
Common stock	$1,500,000	$1,500,000	$1,500,000	$1,500,000	$1,075,000	$1,000,000
Premium on common stock	4,666	4,666	4,666	4,666	.....	.....
Preferred stock	300,000	300,000	300,000	150,000	100,000	.....
Employees' stock	100,000	100,000	92,920	66,360	53,990	50,000
Funded debt	.....	.....	.....	.....	.....	100,000
Short term notes	320,000	185,000	155,000	210,000	377,500	125,000
Accounts payable		23,560	31,312	70,991	23,260	29,692
Accrued expense, etc.	60,253	19,098	.....	.....	21,708	25,157
Customers' deposits, etc.		8,378	8,858	15,006	13,545	9,715
Depreciation reserve		235,868	210,288	194,873	136,631	67,132
Reserve for Millers Falls bonds	486,864	6,900	7,800	8,700	9,600	.....
Surplus		239,666	226,680	217,061	196,359	142,454
Total	$2,771,783	$2,623,136	$2,537,524	$2,437,657	$2,007,594	$1,549,150

Officers: George W. Lawrence, Pres.; W. Rodman Peabody, V-P.; F. Leslie Foss, Clerk, Greenfield, Mass.; Fred C. Abercrombie, Treas.; Turners Falls, Mass.; F. C. Keegan, Asst. Treas., Greenfield, Mass.; William D. Kellogg, Asst. Treas., Boston, Mass.

Directors: W. B. Allen, Wm. A. Davenport, E. B. Blake, G. W. Lawrence, F. H. Payne, J. W. Smead, Greenfield, Mass.; Chas. W. Hazelton, Montague City, Mass.; W. Rodman Peabody, Boston, Mass.

General Office, Greenfield, Mass. **Boston Office,** 70 State Street.

LEE ELECTRIC CO.

(Controlled by Western Massachusetts Companies)

History—Incorporated in 1889, in Mass. Supplies Lee and Tyringham, Mass., serving a population of 6,900. Franchise perpetual. Purchases substantially all of its requirements for electricity from the Pittsfield Electric Company. Is supplying 15,000 incandescents and 268 public lamps. 1,500 connected h.p. motors. No. of customers, 1,139.

CAPITAL STOCK

Authorized and outstanding, $30,000; par, $100. 98% of the stock is owned by Western Massachusetts Companies. Annual meeting, in July.

Dividends—Dividends have been paid in recent years as follows: 1920, 8%; 1921, 8%; 1922, 10%; 1923, 8% regular and 2% extra; 1924, 10%; 1925, 10%; 1926, 10%; 1927, not reported.

FUNDED DEBT

$15,500 First 5s; due 1929; int. April and Oct. 1, at Lee National Bank, Lee, Mass. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$69,786	$80,960	$74,397
Oper. exp. & taxes	55,459	65,679	*67,918
Net earnings	$14,327	$15,281	$6,478
Other income	558	1,122	767
Total income	$14,885	$16,403	$7,245
Interest	786	962	1,245
Depreciation, etc.	.....	6,000	.....
Total charges	$786	$6,962	$1,245
Balance for dividends	$14,099	$9,441	$6,000
Dividends paid	†	3,000	3,000
Surplus for year	†	$6,441	$3,000

*Includes depreciation. †Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$120,847	$112,722	$109,337
Materials and supplies	28,104	2,418	1,685
Cash		3,516	6,041
Notes receivable		1,000	1,000
Accounts receivable		12,280	9,742
Special deposits		10,500	13,370
Other assets	80		
Total	$149,031	$142,436	$141,174

Liabilities—	1927	1926	1925
Capital stock	$30,000	$30,000	$30,000
Funded debt	15,500	15,500	22,500
Notes payable			10,565
Accounts payable	10,192	10,092	331
Accrued items		194	281
Other current liabilities		459	
Reserve for taxes		1,000	1,000
Reserve for depreciation	93,339	55,758	53,497
Profit and loss surplus		29,433	23,000
Total	$149,031	$142,436	$141,174

Officers: W. L. Adam, Pres.; Carl Wurtzbach, V-P. & Clerk; W. Rodman Peabody, V-P.; Fred C. Abercrombie, Treas.; William A. Whittlesey, Asst. Treas.

Directors: E. S. Rogers, Carl Wurtzbach, Lee, Mass.; W. L. Adam, S. G. Colt, W. A. Whittlesey, James A. Rice, Pittsfield, Mass.; W. Rodman Peabody, Boston, Mass.

General Office, Lee, Mass. **Boston Office,** 70 State Street.

LUDLOW ELECTRIC LIGHT COMPANY

(Controlled by Western Massachusetts Companies)

History—Incorporated in 1914. Distributes electric energy within the town of Ludlow, Mass. Population, 8,800. Number of customers, 1,501. Company purchases all of its requirements for electricity from Turners Falls Power & Electric Company.

CAPITAL STOCK

Outstanding, $45,000. All owned by Western Massachusetts Companies.

FUNDED DEBT

Company has no funded debt, but there were outstanding on Dec. 31, 1927, $35,000 notes payable.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Net sales	$54,434
Operating expenses & taxes	41,860
Net earnings	$12,574
Other income	194
Total earnings	$12,768
Interest	1,205
Balance available for dividends, surplus, reserves reserves and other charges	$11,563

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and equipment	$135,061
Current assets	14,901
Other assets	300
Total	$150,262
Liabilities—	
Capital stock	$45,000
Notes payable	35,000
Other liabilities	9,789
Surplus and reserves	60,473
Total	$150,262

Officers: George W. Lawrence, Pres.; W. Rodman Peabody, V-P.; Fred C. Abercrombie, Treas. & Clerk; Joseph F. Lyons, Compt.; Robert W. Mitchell, Mgr. & Asst. Treas.; William D. Kellogg, Asst. Treas.

Directors: Fred C. Abercrombie, Turners Falls, Mass.; George W. Lawrence, Greenfield, Mass.; Robert W. Mitchell, Springfield, Mass.; W. Rodman Peabody, Boston, Mass.

General Office, Ludlow, Mass. **Boston Office,** 70 State St.

PITTSFIELD ELECTRIC COMPANY

(Controlled by Western Massachusetts Companies)

History and Properties—Incorporated in November, 1890, in Massachusetts. Distributes electricity in the city of Pittsfield and the towns of Lanesboro, Dalton, Hinsdale and Richmond, Massachusetts. Purchases practically all of its requirements for electricity from the Turners Falls Power & Electric Company. Owns a steam plant on Silver Lake, Pittsfield, of 6,000 k.w. capacity. Furnishes the Lee Electric Company with substantially all of its requirements for electricity and also furnishes steam for heating purposes in the city of Pittsfield. Population served, 53,800. Number of customers, 14,450.

Franchises—The Company operates under its charter rights granted by the State of Massachusetts. Locations for poles and transmission lines are granted by city and town authorities.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common, and $80,000 6% Preferred; par of Common, $100; par of Preferred, $25. Of the Common stock, 92.7% is owned by Western Massachusetts Companies. The $80,000 Preferred stock was issued to customers and employees. Preferred stock has equal voting power with Common. Annual meeting, last Friday in January.

Dividends—On Common, dividends have been paid as follows: 1912, 10%; 1913, 1914 and 1915, 8% each; 1916, 10%; 1917 to 1922, inclusive, 8% per annum; 1923, 1924 and 1925, 10% each; 1926, 12%; 1927, 12½%; 1928, 14%; payments quarterly, J, A, J & O 1. On Preferred stock 3% was paid in 1926; 6% in 1927.

FUNDED DEBT

$625,000 FIRST MORTGAGE GOLD 6S, DUE FEBRUARY 1, 1933

Dated February 1, 1918.

Interest Payable February and August 1, in Boston, Mass.

Denominations—Coupon, $1,000; with full registration privileges.

Trustee—Boston Safe Deposit & Trust Co., Boston, Mass.

Provisions of Issue—Authorized issue, $625,000, of which $400,000 issued to provide for the refunding of $150,000 Mortgage bonds, matured May 1, 1918, and for the funding of floating indebtedness incurred in connection with additions and extensions of the property.

Callability—Subject to call as a whole, but not in part, on 60 days' notice on Feb. 1, 1923, and on any interest date thereafter at 107 to and including Aug. 1, 1927, and thereafter at 104 to and including Aug. 1, 1930, and thereafter at 102.

Security—A first lien on entire properties rights and franchises of the company now owned or hereafter acquired.

Legal for Massachusetts savings banks.

Original Offering—First publicly offered ($400,000) in Jan. 1918 at 100 and interest, yielding 6%.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,062,557	$1,058,875	$959,898	$893,380	$861,895	$785,669
Operating expenses	605,382	576,048	566,419	517,190	500,236	473,404
Net earnings	$457,175	$482,827	$393,479	$376,190	$361,659	$312,265
Interest, taxes, etc.	155,103	136,987	130,213	120,045	126,037	123,349
Depreciation	144,000	143,767	136,835	126,000	128,122	116,416
Total charges	$299,103	$280,754	$267,048	$246,045	$254,159	$239,765
Balance for dividends	$158,072	$202,073	$126,431	$130,145	$107,500	$72,500
Preferred dividends	3,600	1,200	.....	.....	.....	.....
Common dividends	125,000	120,000	100,000	100,000	97,500	70,000
Surplus for year	$29,472	$80,873	$26,431	$30,145	$10,000	$2,500
Earnings Per Share—						
Common stock	$15.45	$20.08	$12.64	$13.01	$10.75	$8.28

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$2,993,612	$2,850,901	$2,725,240	$2,598,974	$2,467,151	$2,199,069
Stocks owned	28,682	.....	.....	.....	.....	.....
Bills and accounts receivable	196,268	237,117	280,308	224,234	201,254	220,706
Materials and supplies	136,886	131,395	134,408	111,606	129,576	139,260
Cash	56,379	138,575	37,888	62,026	46,085	52,260
Other current assets	3,740	.....	.....	.....	.....	.....
Deferred items and unadjusted debits	16,142	.....	.....	.....	.....	.....
Total	$3,431,709	$3,357,988	$3,177,844	$2,996,840	$2,844,066	$2,611,295
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$875,000
Preferred stock	80,000	40,000	.....	.....	.....	.....
Funded debt	625,000	625,000	625,000	625,000	625,000	625,000
Interest accrued	15,662	15,664	15,663	15,671	15,671	15,815
Wages accrued	.....	2,646	5,061	3,476	.....	.....
Tax liability	25,000	25,000	18,750	15,000	14,000	8,750
Bills payable	42,858	32,260	37,751	49,038	39,052	38,931
Notes payable	238,000	333,500	348,500	300,000	300,700	341,700
Other current liabilities	20,560	.....	.....	.....	.....	.....
Deposits to secure bills	.....	15,016	18,559	14,275	24,088	20,738
Premium on new stock	96,480	96,480	96,480	96,480	96,480	77,730
Depreciation fund	1,093,275	967,242	875,504	767,055	649,075	560,131
Dividends declared	.....	40,000	40,000	40,000	40,000	17,500
Surplus	194,874	165,180	96,576	70,145	40,000	30,000
Total	$3,431,709	$3,357,988	$3,177,844	$2,996,840	$2,844,066	$2,611,295

Officers: William A. Whittlesey, Pres.; W. Rodman Peabody, V-P.; Fred C. Abercrombie, Treas.; Joseph F. Lyons, Compt.; James J. Lynch, Asst. Treas.; Charles E. Merrill, Asst. Treas. & Clerk.

Directors: William L. Adam, John Barker, Samuel G. Colt, Richard H. Gamwell, Edward A. Jones, Charles E. Merrill, William W. Whittlesey, Pittsfield, Mass.; Winthrop M. Crane, Jr., Dalton, Mass.; W. Rodman Peabody, Boston, Mass.; Carl Wurtzbach, Lee, Mass.

General Office, Pittsfield, Mass. **Boston Office,** 70 State Street.

TURNERS FALLS POWER & ELECTRIC COMPANY

(Controlled by Western Massachusetts Companies)

History and Properties—Originally incorporated as the Proprietors of the Upper Locks and Canals on the Connecticut River in 1792 as a navigation company. In 1866 it was reorganized as the Turners Falls Company for the purpose of selling water power. In 1914 the Turners Falls Company was consolidated with the Turners Falls Power & Electric Company, which owned the transmission system south of Turners Falls, and became a public utility. Company besides supplying power to all of the public utilities associated with Western Massachusetts Companies, serves directly large industrial plants in Turners Falls, Easthampton, Chicopee, Ludlow, West Springfield, Huntington, Chester, Agawam, Westfield, Woronoco and Pittsfield. Company owns one of the largest hydro-electric stations in New England, which is known as Cabot station, near Turners Falls on the Connecticut River. This is a 52,000 k.w. station and there is also a smaller station of 5,000 k.w. capacity located on the same canal at Turners Falls. These two plants produce about 250,000,000 k.w. hrs. in the average year. It also owns a steam relay plant known as Hampden Station, located at the Junction of the Connecticut and Chicopee Rivers, which has a turbine capacity of 30,000 k.w. and a boiler capacity of 24,000 k.w. Company also owns a complete transmission system which connects all of the companies now affiliated with Western Massachusetts Companies. It did a gross business in 1927 of $2,965,223 with 46 wholesale customers.

Company owns all of the stock of **The Montague Company,** a real estate organization operating in Turners Falls and other places, and 63% of the capital stock of the **Connecticut River Conservation Company,** a corporation organized under the laws of Maine for the purpose of developing storage on the Connecticut River and its tributaries.

SALES OF POWER, YEARS ENDED DECEMBER 31

1921	154,972,215 k.w.h.
1922	167,352,351 k.w.h.
1923	184,035,023 k.w.h.
1924	188,500,678 k.w.h.
1925	264,044,916 k.w.h.
1926	271,219,239 k.w.h.
1927	not reported

CAPITAL STOCK

Authorized and outstanding, $10,000,000 Common (par, $100) and $100,000 Employees' stock (par, $10). Of the Common stock 99.98% is owned by Western Massachusetts Companies.

Transfer Agent—Old Colony Trust Co., Boston, Mass.

Annual Meeting—Second Wednesday in February, at Boston, Mass.

Dividends—Payments have been made regularly since 1879. From 1904 to 1917 the rate was 6% per annum. Dividends at rate of 8% per annum paid in 1918 and 1919; 1920 to 1924, 6%; 1925, 7%; 1926 and 1927, 8% each. A dividend of 17½ cents a share was

paid on Employees' stock on Dec. 31, 1925; 1926, 80 cents; 1927, not reported. Payments quarterly, M, J, S & D 31.

FUNDED DEBT

$3,000,000 FIRST MORTGAGE GOLD 5s, SERIES "A"; DUE JUNE 1, 1952

Dated June 1, 1922.

Interest Payable June and December 1, at Merchants National Bank, Boston, Mass.

Denominations—Coupon, $1,000, and fully registered bonds, $1,000, $5,000 and $10,000; coupon and registered bonds interchangeable.

Trustee—Merchants National Bank, Boston, Mass.

Provisions of Issue—Additional bonds may be issued only under the authority of the Massachusetts Department of Public Utilities, and only against acquisitions subsequent to June 1, 1922, as provided in the mortgage. Under Massachusetts law the total bonds outstanding cannot exceed the total paid-in capital stock. The proceeds of this issue were used to retire $2,500,000 7% coupon notes and $500,000 short term notes.

Callability—Subject to call on any interest date at 110 and accrued interest on or before June 1, 1932, the premium thereafter decreasing ¼ of 1% semi-annually.

Sinking Fund—None.

Security—Secured by a first mortgage on all the property of the company now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the bankers), and Peabody, Brown, Rowley & Storey, Boston (for the Company).

Legal for Savings Banks in Massachusetts and Maine.

Original Offering—First publicly offered ($3,000,000) in June, 1922, at 103 and accrued interest, to yield over 4.80%, by Lee, Higginson & Co., and Coffin & Burr, Inc., Boston, New York, etc.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Income—net sales of power	$2,965,223	$2,791,407	$2,689,404	$2,200,677	$2,193,812	$1,980,809
Operating expenses	‡1,488,822	1,215,773	1,180,476	1,006,271	1,187,768	966,418
Operating income	$1,476,401	$1,575,634	$1,508,928	$1,194,406	$1,006,044	$1,014,391
Other income and credits	56,376	76,245	184,950	89,774	76,667	34,652
Gross income	$1,532,777	$1,651,879	$1,693,878	$1,284,180	$1,082,711	$1,049,043
Interest charges	183,267	160,304	191,453	203,790	158,501	218,700
Balance	$1,349,510	$1,491,575	$1,502,425	$1,080,390	$924,210	$830,343
Federal Income and State Franchise taxes	*	197,959	148,750	67,563	49,000	.....
Depreciation and other charges	*	455,774	397,905	260,148	269,841	231,404
Balance	*	$837,842	$955,770	$752,680	$605,369	$598,938
Dividends	*	807,411	704,134	580,644	579,695	579,255
Surplus	*	$30,431	$251,636	$172,036	$25,674	$19,683
†Times Interest Earned	*	6.22	5.99	4.69	4.82	3.74
Earnings Per Share	*	$8.29	$9.49	$7.77	$6.28	$6.20

*Not reported †After depreciation and other charges, and Federal Income and State Franchise taxes. ‡Includes $564,904 taxes.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property	$15,305,777	$14,886,412	$14,309,678	$14,035,130	$13,618,515	$12,767,818
Investments	.....	263,101	218,101	217,401	217,401	219,790
Materials and supplies		129,831	133,003	219,282	274,836	212,991
Cash		185,402	170,279	171,482	163,515	119,823
Notes receivable	784,966	294,483	133,900	120,696	119,564	516,885
Accounts receivable		261,265	261,620	249,193	220,552	227,061
Other current assets		5,971	425,845	17,885	16,354	24,098
Unadjusted debits	.....	9,850	28,582	27,291	15,172	5,382
Deferred debit items	.....	19,732	21,666	94,669	121,445	139,595
Other assets	106,613	.....	.....	.....	.....	.....
Total	$16,197,356	$16,056,046	$15,702,674	$15,153,027	$14,767 354	$14,233,443
Liabilities—						
Common stock	$10,000,000	$10,000,000	$10,000,000	$9,991,100	$9,636,600	$9,636,600
Employees' stock	100,000	99,300	63,760	46,750	30,810	20,800
Funded debt	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Premium on Common stock	1,624	1,624	.....	.....	.....	.....
Notes payable	750,000	990,000	895,000	845,000	1,240,000	735,000
Accounts payable		49,283	30,001	50,027	17,863	105,856
Interest accrued	193,688	14,209	15,231	14,411	14,581	14,696
Other current liabilities		24,244	17,675	8,972	5,616	4,158
Reserves for taxes		78,620	85,016	52,059	41,113	55,679
Reserve for depreciation		975,000	800,000	400,000	200,000	100,000
Other reserves	2,152,044	17,322	19,979	220,332	228,431	233,988
Profit and loss		806,444	776,012	524,376	352,340	326,666
Total	$16,197,356	$16,056,046	$15,702,674	$15,153,027	$14,767,354	$14,233,443

Officers: George W. Lawrence, Pres., Greenfield, Mass.; Alvah Crocker, V-P., Fitchburg, Mass.; W. Rodman Peabody, V-P., Boston, Mass.; Fred C. Abercrombie, Clerk & Treas.; Linwood E. Hewitt, Asst. Treas., Turners Falls, Mass.; Wm. D. Kellogg, Asst. Treas., Boston, Mass.; Robert W. Mitchell, Asst. Treas., Springfield, Mass.; Fred L. Hunt, Chief Eng.; Haller D. Seavey, Pur. Agt., Greenfield, Mass.; Charles F. Mosher, Supt. of Stations, Turners Falls, Mass.

Directors: George W. Lawrence, Greenfield, Mass.; Alvah Crocker, Fitchburg, Mass.; Alfred L. Ripley, Chas. Walcott, Moses Williams, J. Preston Rice, Arthur W. Wood, W. Rodman Peabody, Charles Stetson, Boston, Mass.; Charles W. Hazleton, Montague City, Mass.; Fred C. Abercrombie, Turners Falls, Mass.; Jonathan Bulkley, New York, Samuel Ferguson, Allan D. Colvin, Hartford, Conn.

General Office, Turners Falls, Mass. **Boston Office,** 70 State St.

UNITED ELECTRIC LIGHT COMPANY

(Springfield, Mass.)

(Controlled by Western Massachusetts Companies)

History and Properties—Incorporated May 9, 1887, in Mass. Distributes electric energy in the city of Springfield and in the towns of West Springfield and Longmeadow, Mass. Although Company purchases a large amount of energy from the Turners Falls Power & Electric Company, it owns the largest steam plant in the Western Massachusetts Companies' system, located at the foot of State St., Springfield, with a turbine capacity of 50,000 k.w. and a boiler capacity of 40,000 k.w. There are two hydro-electric plants on the Chicopee River near Indian Orchard, aggregating a capacity of 3,000 k.w., which are controlled and operated by the United Electric Light Company. Population of the territory served is 160,700. Number of customers, 48,423. Company formerly owned the entire $350,000 Common stock of Indian Orchard Company, a cotton mill at Indian Orchard, Mass., but distributed this stock to stockholders of United Electric Light Company of record Aug. 12, 1927, on the basis of one share of Indian Orchard Common for every ten shares of United Electric Light Company.

ELECTRIC OUTPUT, YEARS ENDED DEC. 31

1922	86,360,800 k.w.h.
1923	95,302,300 k.w.h.
1924	96,890,600 k.w.h.
1925	93,499,600 k.w.h.
1926	90,733,810 k.w.h.
1927	Not reported

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, $4,000,000 (increased from $3,200,000 in 1924); par, $25.

92.8% of the stock is owned by Western Massachusetts Companies. Annual meeting, first Thursday in February.

Change In Par Value—Stockholders on Feb. 3, 1927, voted to change the par value of the stock from $100 to $25, which increased the number of shares from 40,000 to 160,000. The stock was split up on the basis or four new shares for each old share.

Dividends—Paid at rate of 10% per annum on $100 par stock until 1917, in the latter part of which year rate was increased to 12%, which rate regularly paid to Dec. 31, 1926 on $100 par stock; March 31, 1927, 75 cents a share paid on $25 par stock; June 30, September 30 and December 31, 1927, $1 per share each; payments quarterly, M, J, S & D 31. Dividends are usually declared about the middle of the month in which they are paid. In addition extra dividends have been paid as follows: 2% on Dec. 31, 1924; 3% on Dec. 31, 1925; 3% on Dec. 31, 1926.

Special dividends have been paid as follows: Stockholders of record Dec. 8, 1915 received an extra dividend of 12½% in the non-cumulative Preferred stock of the Indian Orchard Company, representing accumulations of undivided profits of that company. Stockholders of record Aug. 12, 1927 received one share of Common stock of Indian Orchard Company for each ten shares of United Electric Light Company stock held.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$3,361,586	$3,257,608	$3,180,569	$3,031,319	$2,799,869	$2,533,728
Deductions—						
Operating expenses	1,408,166	1,305,416	1,275,120	1,310,194	1,304,080	1,149,830
Taxes	493,619	520,000	497,245	458,655	358,039	300,108
Depreciation	.....	404,474	373,174	288,873	259,746	257,899
Total	$1,901,785	$2,229,890	$2,145.539	$2,057,722	$1,921,865	$1,707,837
Net earnings	$1,459,801	1,027,718	1,035,030	$973,597	$878,004	$825,891
Other income	28,762	1,244	805	783	352,283	3,636
Gross income	$1,488,563	$1,028,962	$1,035,835	$974,380	$1,230,287	$829,527
Deduct:						
Interest charges	4,423	4,966	2,634	71,293	87,761	105,470
Amortization of discount	.....	.....	.....	.....	7,440	7,440
Net income	$1,484,140	$1,023,996	$1,033,201	$903,087	$1,135,086	$716,617
Dividends	600,000	600,000	600,000	534,215	384,000	384,000
Balance surplus	$884,140	$423,996	$433,201	$368,872	$751,086	$332,617
Earnings Per Share	*$9.25	$25.60	$25.83	$22.82	$35.47	$22.40

*On shares of $25 par value.

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$11,502,471	$9,899,471	$9,364,501	$9,008,686	$8,346,472	$7,948,519
Unfinished construction	.....	158,316	406,488	86,776	177,080	.....
Miscellaneous physical property	.....	24,345	.....	.....	42,510	.....
Investments	.....	3,500	3,500	3,500	3,500	53,550
Inventories	785,766	400,717	385,772	339,056	404,404	274,913
Cash		853,018	331,606	563,878	381,168	438,249
Current accounts		187,301	288,271			
Prepayments	.....	7,778	7,145	9,632	13,270	4,394
Other unadjusted debits	.....	24,690	.....	12,500	12,500	56,420
Other assets	10,906	.....	.....	.....	.....	.....
Total	$12,299,143	$11,559,136	$10,787,283	$10,024,028	$9,380,904	$8,776,045
Liabilities—						
Capital stock	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$3,200,000	$3,200,000
Premium on capital stock	2,413,471	2,413,471	2,413,471	2,413,471	1,933,471	1,933,471
Ten-year coupon notes	.....	.....	.....	.....	1,000,000	1,000,000
Five-year notes	.....	.....	.....	.....	.....	500,000
Notes payable	.....	.....	.....	.....	250,000	.....
Accounts payable		22,617	51,501	64,021	47,750	82,026
Interest accrued		.....	.....	.....	29,167	31,666
Customers' deposits	338,343	112,524	105,278	94,941	83,296	68,519
Insurance reserve		25,000	25,000	25,000	25,000	25,000
Tax reserve		166,358	157,895	139,201	109,427	102,839
Depreciation reserve		1,252,050	891,024	577,481	347,759	185,731
Appropriated surplus	5,547,329	2,000,000	3,143,114	2,709,912	2,355,034	1,646,793
Profit and loss surplus		1,567,110				
Total	$12,299,143	$11,559,136	$10,787,283	$10,024,028	$9,380,904	$8,776,045

Officers: W. L. Mulligan, Pres.; Alfred Leeds, V-P.; W. Rodman Peabody, V-P.; Fred C. Abercrombie, Treas.; Joseph F. Lyons, Compt. & Asst. Treas.; James Gray, Asst. Treas.; Lorenzo J. Scott, Gen. Mgr.; H. D. Seavey, Pur. Agt., Springfield, Mass.

Directors: Walter L. Mulligan, Alfred Leeds, W. O. Day, Charles L. Long, Chas. C. McElwain, Edwin A. Carter, Lorenzo J. Scott, Wm. C. Godfrey, Springfield, Mass.; George W. Lawrence, Greenfield, Mass.; W. Rodman Peabody, Boston, Mass.

General Office, Springfield, Mass. **Boston Office,** 70 State Street.

COOS AND CURRY TELEPHONE COMPANY

History and Property—Incorporated under the laws of Oregon Sept. 15, 1914, as successor to Coos Bay Home Telephone Co. Owns 98.6% of the stock of the Del Norte People's Telephone Co. and now serves, without competition, all the principal communities in Coos, Curry and western Douglas counties in Oregon, and Del Norte and northern Humboldt counties in California, and has arrangements for exchange of toll business with the Pacific Telephone and Telegraph Co. (Bell System). Also controls the Oregon Telephone Company (see statement appended). Franchises: In Marshfield, expire Sept. 28, 1929; Eastside, Sept. 11, 1934; Coquille, Nov. 8, 1929; North Bend, July 16, 1929; Myrtle Point, Dec. 16, 1934; Bandon, July 31, 1932. Number of exchanges, 13. Number of telephones in use, 4,956. Owns and operates approximately, 7,312 miles of wires and cables, and 823 miles of pole lines. Population served, 40,000.

CAPITAL STOCK

Authorized, $100,000 Common, $300,000 7% cumulative First Pfd. and $200,000 6% Voting and Participating cumulative Pfd.; outstanding, $60,000 Common, $296,200 First Pfd. and $200,000 Participating Pfd. The entire issue of Participating Pfd. stock is owned by The Bell Telephone Co. of Nevada, a subsidiary of the Pacific Telephone & Telegraph Co.

Preferred Stock Provisions—First Pfd. stock has preference for assets and 7% cumulative dividends; non-callable. The Participating Pfd. has second preference as to assets and 6% cumulative dividends, and after payment of 8% on the Common, participates equally with Common.

Transfer Agent and Registrar—Secretary of Company acts.

Annual Meeting—Third Monday in January.

Dividends—Dividends on First Pfd. stock regularly paid. Payments on Participating Pfd. have been paid as follows: 1915, 8%; 1916 to 1925, 10% per annum; 1926, 6%; 1927, 7%. Dividends paid on Common: 1915, 10%; 1916 to 1925, 12% each; 1926, 16%; 1927, 8%.

FUNDED DEBT

$650,000 FIRST MORTGAGE 6% 25-YEAR GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1951, BUT CALLED FOR PAYMENT ON MAY 1, 1928, AT 103 AND INTEREST

Dated November 7, 1926.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue (incl. other income)	$248,830	$224,778	$216,450	$200,411	$171,856	$134,491
Operating expenses, taxes, etc.	118,144	143,967	139,765	126,059	116,760	92,025
Total net income	$130,686	$80,811	$76,685	$74,352	$55,096	$42,466
Interest charges	43,071	29,360	28,985	20,228	10,839	9,999
Rentals, etc.	11,779	.....	.....	.....	.....	.....
Depreciation	23,179	13,976	12,504	21,337	20,392	18,656
Total charges	$78,029	$43,336	$41,489	$41,565	$31,231	$28,655
Surplus after charges	$52,657	$37,475	$35,196	$32,787	$23,865	$13,811
Preferred dividends	34,395	24,707	*	*	*	*
Common dividends		8,000	*	*	*	*
Surplus after dividends	$18,262	$4,768	*	*	*	*

*Not reported.

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$802,065	$977,909	$636,835	$551,295	$387,345	$367,116
Investments	347,635	14,722	141,918	146,264	32,685	.....
Due from subscribers to 7% Pfd. stock	3,365	.....	.....	.....	.....	.....
Materials and supplies	79,941	39,172	9,342	16,109	27,913	13,232
Cash	5,918	38,366	51,703	53,153	22,726	3,793
Bills and accounts receivable	80,707	164,603	60,502	63,350	19,997	10,509
Other current assets	6,960	90,814	45,391	29,312	6,986	13,321
Deferred debit items	61,482		.....	.....	.....	.....
Total	$1,388,073	$1,325,585	$945,691	$859,483	$497,652	$407,971
Liabilities—						
Common stock	$60,000	$55,000	$50,000			
First Pfd. stock	300,000	269,350	198,400	$348,800	$214,900	$150,000
Participating Pfd. stock	200,000	200,000	200,000			
Funded debt	650,000	650,000	360,000	250,000	144,500	149,500
Long term notes payable	28,800	.....	.....	.....	.....	.....
Bills and accounts payable	32,325	61,241	58,838	164,504	54,350	38,349
Accrued taxes	26,753	20,828	16,669	22,729	9,651	7,222
Other current liabilities	7,005	6,942	.....	.....	.....	.....
Reserve for depreciation	65,715	58,262	57,852	69,482	64,455	.....
Deferred liabilities	.....	.....	1,649	957	.....	58,748
Surplus	17,475	3,962	2,283	3,011	9,796	4,152
Total	$1,388,073	$1,325,585	$945,691	$859,483	$497,652	$407,971

Officers: Chas. Hall, Pres. & Gen. Mgr., Marshfield, Ore.; Ernest C. Smith, V-P. & Counsel; C. E. Hickman, Sec. & Treas., Portland, Ore.; Earl W. Gates, Supt. & Pur. Agt., Marshfield, Ore.

Directors: Chas. Hall, Marshfield, Ore.; C. E. Hickman, Portland, Ore.; Ernest C. Smith, Hood River, Ore.

Office, Marshfield, Ore.

OREGON TELEPHONE COMPANY

(Controlled by Coos and Curry Telephone Company)

History and Property—Incorporated October 21, 1926, in Oregon, as a consolidation of the McMinnville Telephone Co., Hillsboro Telephone Co., Multnomah & Clackamas Mutual Telephone Co., Newberg Telephone Co., Scholls Telephone Co., and the Western Oregon Telephone & Telegraph Co. Acquired in

1927 Tegardville Telephone Co., Amity Mutual Telephone Co. and Sherwood Telephone Co. Operates in the northern part of the Willamette valley, adjacent to Portland, serving the communities of McMinnville, Hillsboro, Gresham, Newberg, Beaverton and Forest Grove. The Company has arrangements for the interchange of toll business with the Pacific Telephone & Telegraph Co. Estimated population served 45,000. Owns and operates approximately 6,878 miles of wires and cables and 726 miles of pole lines. There are 15 exchanges in the system giving service to 7,446 telephones.

CAPITAL STOCK

Authorized, $250,000 Class "A" Common, $150,000 Class "B" Common and $500,000 7% cumulative voting Pfd.; outstanding, $250,000 Class "A" Common (all owned by Coos & Curry Telephone Co.), $150,000 Class "B" Common, and $302,600 Voting Pfd. (all owned by the Pacific Telephone & Telegraph Co.).

Transfer Agent—American Trust Co., San Francisco, Cal.

Annual Meeting—Third Monday in January.

Dividends—Preferred dividends regularly paid, quarterly on last days of M, J, S & D. On Common, 6% was paid in 1928; none previously.

FUNDED DEBT

(1)

$300,000 FIRST MORTGAGE 6% 25-YEAR GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1952

Dated February 1, 1927.

Interest Payable February and August 1, at The United States National Bank of Portland (Oregon) and the American Trust Co., San Francisco, Cal.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The United States National Bank of Portland (Oregon).

Provisions of Issue—This Series "A" issue is limited to $300,000 but the trust deed securing the issue permits the issuance of additional bonds in series, with such maturity, interest rate, redemption conversion and other provisions as may be determined by the Board of Directors at the time of issuance. Such additional bonds may be issued under this mortgage to an amount not exceeding 70% of the cost or value, whichever is less, of additions and betterments hereafter added or acquired by the corporation; provided further that net earnings (as defined in the trust indenture) for 12 consecutive months out of the 15 months immediately preceding the issuance of bonds shall be at least 1¾ times the interest requirements on all bonds then outstanding under this mortgage and those proposed to be issued. Bonds may also be issued par for par to refund bonds of a previous series issued and outstanding under this indenture of trust.

Purpose of Issue—Proceeds from the $300,000 Series "A" bonds together with moneys received from the sale of securities junior thereto were to be used to reimburse Company for funds expended in acquisition of its properties and for other corporate purposes, including additions and betterments.

Callability—Subject to call as a whole or in part on in part on any interest date on 30 days' notice at 103 and interest for the first ten years, 102 for the next five years, 101 for the next five years and 100 for the last five years of their term.

Sinking Fund—Annual sinking fund is provided equal to 2% of the par value of all bonds secured by this mortgage outstanding at the close of the previous fiscal year. Of this amount one-half must be used for the purchase or redemption of First Mortgage bonds; the other half, at the request of the corporation, may be invested by the Corporation in new construction, extensions and betterments, against which no bonds can be issued or must be used to purchase or redeem bonds of this issue.

Security—Secured by a first mortgage on all the properties of the Corporation now owned or hereafter acquired.

Tax Provisions—Company pays normal Federal Income Tax up to 2%, and agrees to refund, upon timely and proper application, in accordance with the terms of the Trust Indenture, California personal property taxes paid by the bondholders thereof not exceeding in any year 5 mills for each dollar par value.

Original Offering—First publicly offered ($300,000) in January, 1927, at par and interest by Peirce, Fair & Co. and Mercantile Securities Co., San Francisco, etc. In addition there were outstanding on Dec. 31, 1927, $12,500 Debentures.

(2)

$12,500 6% AND 7% DEBENTURE GOLD NOTES; DUE EACH JULY 15, 1928 TO 1932, INCLUSIVE

Dated (6% Notes) July 15, 1920 and (7% notes) July 15, 1925.

Interest Payable at Bank of Gresham, Gresham, Ore., Trustee. Denominations, coupon $100 and $500. Authorized $30,000; issued $12,500 for extension of lines, etc. Company does not pay Normal Federal Income tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$186,434
Operating exp. & taxes	102,966
Depreciation	24,708
Net earnings	$58,760
Other income	4,750
Total income	$63,510
Interest charges	18,427
Other charges	5,498
Surplus after charges	$39,585
Preferred dividends	15,950
Surplus for year	$23,635

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property and equipment	$1,199,733
Stocks owned	1,300
Bonds owned	3,794
Other investments	22,811
Materials and supplies	19,843
Cash	9,336
Accounts receivable	11,721
Deferred debit items	34,259
Total	$1,302,707
Liabilities—	
Common stock	$400,000
Preferred stock	302,600
Funded debt	300,000
Debentures	12,500
Contracts payable	61,000
Notes & accts. payable	79,793
Interest accrued	8,423
Reserve for taxes	18,254
Unadjusted credits	1,475
Deferred credit items	425
Reserves	18,485
Surplus	99,837
Total	$1,302,707

Officers: Charles Hall, Pres. & Gen. Mgr. Earl W. Gates, V-P & Gen. Mgr.; C. E. Hickman, Sec. & Treas., Marshfield, Ore.

Directors: Charles Hall, C. E. Hickman, Earl W. Gates.

Office, Marshfield, Ore.

BUTTE ELECTRIC RAILWAY COMPANY

History—Incorporated Dec. 18, 1899, in W. Va.; consolidation of Butte Consolidated Ry. Co., foreclosed, and the Silver Bow R. R. Co. Franchises run 30 years from Dec. 18, 1899. Length of line, 38.105 miles. Gauge standard. Rail, 60, 70, 80 and 85 lb. T. Motor cars, passenger, 54; work cars, 3. Sub-stations, 3.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. Transfer office, 111 Broadway, New York. Annual meeting, third Monday in February.

Dividends—Dividends: 1905, 4%; 1906, 4%; none since, all earnings going into construction.

FUNDED DEBT

(1)

$676,000 FIRST GOLD 3½s; DUE SEPTEMBER 1, 1937

Dated September 1, 1927.

Interest Payable March and September 1 at W. A. Clark & Bro., Butte, Mont.

Denominations—Coupon, $1,000 principal may be registered.

Trustee—W. A. Clark & Bro., Butte, Mont.

Provisions of Issue—Authorized and outstanding $676,000. All owned by estate of W. A. Clark.

Callability—Subject to call on any interest day.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$200,000 SECOND 3½s; DUE SEPTEMBER 1, 1937

Dated September 1, 1927.

Interest Payable March and September 1 at W. A. Clark & Bro., Butte, Mont.

Trustee—W. A. Clark & Bro., Butte, Mont.

Provisions of Issue—Authorized and issued, $200,000. All owned by estate of W. A. Clark.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$501,851	$498,862	$501,250
Oper. expenses and taxes	435,313	402,732	398,086
Depreciation	61,453	60,954	60,341
Net earnings	$5,544	$35,176	$42,823
Interest charges	10,220	†	7,500
Adjustment charges	4,543	6,757	.....
Balance	*$9,219	$28,419	$35,823
Operating cost of Columbia Gardens	22,195	24,868	†
Surplus for year	*$31,414	$3,551	†

*Loss or deficit. †Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and plant	$2,297,459	$2,287,194	$2,249,460
Stocks and bonds of other companies	100,908	100,908	.....
Materials and supplies	95,461	78,222	75,699
Cash	78,362	87,083	209,710
Columbia gardens	211,320	211,012	211,012
Prepaid insurance	3,542	3,212	1,833
Current assets	8,149	3,470	3,597
Profit and loss deficit	277,502	199,996	203,548
Total	$3,072,703	$2,971,097	$2,954,859

Liabilities—	1927	1926	1925
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	876,000	876,000	876,000
Notes payable	164,700	.....	.....
Accounts payable	23,483	25,564	16,813
Interest accrued	130,220	284,700	284,700
Other current liabilities	30,546	31,879	31,718
Depreciation reserve	839,163	750,195	727,785
Other reserves	8,591	2,759	17,843
Total	$3,072,703	$2,971,097	$2,954,859

Officers: W. A. Clark, Jr., Pres.; J. L. Templeman, V-P., Butte, Mont.; J. H. Anderson, Sec. & Treas., New York; E. J. Nash, Gen. Mgr.; Alex. Blewett, Asst. Sec. & Asst. Treas.; William Klatt, Aud., Butte, Mont.

Directors: W. A. Clark, Jr., J. L. Templeman, W. A. Clark, III, E. J. Nash, Butte, Mont.; J. H. Anderson, New York.

General Office, Butte, Mont. **Treasurer's Office,** 111 Broadway, New York.

ST. LOUIS PUBLIC SERVICE COMPANY

History—Incorporated Jan. 14, 1926, in Missouri; successor in accordance with reorganization plan dated October 1, 1924, to United Railways Company of St. Louis (for last published statement see 1926 Public Utility Manual, p. 1957). The Company took over the properties from the Receiver as of midnight between Nov. 30, 1927 and Dec. 1, 1927.

Transfer of Properties, Etc.—On April 1, 1927, a Final Decree of Foreclosure and Sale of all of the properties and franchises of United Railways Company and its Receiver was filed. On August 1, 1927, all of the properties and franchises of United Railways Company and its Receiver were duly sold pursuant to the terms and provisions of said Final Decree to representatives of the Reorganization Committee for the sum of $8,301,000 in cash. The purchasers assumed all liabilities of the Company, including the outstanding principal amount of United Railways Company of St. Louis First General Mortgage 4% bonds. Prior to said sale, the Reorganization Committee made offer of settlement of unsecured claims against said United Railways Company on the basis of two-thirds of a share of Preferred stock of St. Louis Public Service Company for each $100 principal amount of unsecured claims, or 33 1/3% in cash for each $100 of unsecured claims. Deeds conveying the properties to St. Louis Public Service Company and to City and Suburban Public Service Company were delivered to said companies on Nov. 27, 1927.

Plan Operative—The Reorganization Committee declared the Plan operative as of October 11, 1927, and called on holders of certificates of deposit for St. Louis Transit Company 5% bonds and subscription receipts to Common stock of St. Louis Public Service Company to pay on or before Nov. 8, 1927, the last installment of $4 per share on the Common stock of St. Louis Public Service Company. On or about Dec. 16, 1927, the Reorganization Committee instructed the depositaries to make delivery of securities and/or cash to persons entitled to receive the same. The $36,300,000 United Railways Co. of St. Louis First General Mortgage 4% bonds remained undisturbed. All underlying bonds have been paid off in reorganization and St. Louis Public Service Company has also retired $2,000,000 St. Louis & Suburban Consolidated First General Mortgage 8% bonds.

Subsidiaries—Company controls through stock ownership Missouri Electric Railroad Company (see appended statement), Florissant Construction, Real Estate & Investment Company, St. Louis Bus Company and City & Suburban Public Service Company.

City and Suburban Public Service Company—Pursuant to the terms of the Plan of Reorganization of United Railways Company of St. Louis, the Reor-

We deal actively in all securities of
THE ST. LOUIS PUBLIC SERVICE CO.
G. H. WALKER & CO.
MEMBERS NEW YORK, CHICAGO AND ST. LOUIS STOCK EXCHANGES
503 Locust Street St. Louis, Mo.

ganization Committee organized the City and Suburban Public Service Company. The Company was incorporated on July 21, 1927, with an authorized capitalization of 200 shares of Common stock without nominal or par value, of which 100 shares were subscribed for by the incorporators at $30 cash per share. This Company was incorporated for the purpose of acquiring all of the property of St. Louis & Suburban Railway Company and placing thereon a mortgage to secure its First Mortgage Gold bonds (see description below). Subsequently, City and Suburban Public Service Company conveyed all of its property to St. Louis Public Service Company.

Holding Company—City Utilities Company has been organized as a Delaware Corporation, it became known Nov. 30, 1927. It acts as a holding company for certain Common shares (less than a controlling interest) of St. Louis Public Service Co. and also owns certain Common shares of Kansas City Public Service Co. Officers include J. K. Newman, Pres. and A. T. Perkins, V-P.

Properties—Controls substantially all the street railway lines in St. Louis. In April, 1898, its predecessor secured a 50-year franchise from the city authorizing it to build 79½ miles of street railroad on several important streets in the city, and giving it permission to acquire by lease or otherwise other street railway companies in the city.

Mileage and Equipment—Total mileage of track owned (as of Dec. 31, 1927), 497.65 miles, of which 381.94 miles is in the city and 115.71 miles in St. Louis County. Gauge, 4 ft. 10 in.; rail, 60 to 132 lb. T and girder. Passenger cars owned Dec. 31, 1927, 1,624 of which 1,446 are motor and 178 trailers.

Power—At the present time power for the operation of the St. Louis Public Service Co. is obtained (peak load basis) from; (1) water power purchased, 22,400 k.w.; (2) Union Electric Light & Power Co. power purchased, 16,060 k.w.; (3) power produced in the plants of the St. Louis Public Service Co. located at (a) Park and Vandeventer Avenues, capacity 12,000 k.w. and (b) Broadway and Salisbury St., capacity, 9,600 k.w.

St. Louis Bus Co.—Incorporated August 4, 1924; organized by Reorganization Committee of United Railways Company of St. Louis; opened its first bus line on Nov. 9, 1924, and at Dec. 31, 1927, owned 37 busses operating on 8 lines. For a 10c fare passengers are furnished a transfer to the city street cars of the St. Louis Public Service Co. while street car patrons who desire to transfer to the buses receive a transfer for an extra 3c fare.

Fares—Street car fares of 8 cents, or two tokens for 15 cents, charged by Company or its predecessor since July 5, 1927 were continued for at least six months from Jan. 5, 1928.

Property Valuation—The City of St. Louis in a brief filed with the Missouri P. S. Commission declared that the value of the properties of Company does not exceed $53,000,000. This is $1,000,000 greater than the tentative valuation fixed by the State board, but company maintains that the value, on the reproduction new basis, less depreciation, is $98,573,000, and that the minimum valuation, taking all elements into consideration, is $75,000,000.

CAPITAL STOCK

Authorized, 500,000 shares Common; 250,000 shares Prior Preferred and 500,000 shares Preferred, all of no par value; outstanding March 23, 1928, 344,145 shares Common and 73,193 shares Series "A" $7 cumulative Preferred.

Prior Preferred Stock Provisions—Prior Preferred stock may be issued from time to time either as a series to be designated as Prior Preferred stock, Series "A," or in whole or in part as one or more series. All series shall be preferred over the Preferred stock of all series and over the Common stock and over any other stock of the corporation as to earnings, assets and dividends. In event of any liquidation, dissolution or winding up of the corporation, or any decrease or reduction of its capital stock, or any distribution, whether voluntary or involuntary, of any of its capital assets to its stockholders, the shares of Prior Preferred stock shall be entitled to payment at $100 per share, plus, if such distribution be voluntary, in the case of Prior Preferred stock Series "A," a premium of $20 per share, and in case of each other series, a premium not exceeding $20 per share, with accrued dividends, before any distribution to holders of any other stock of the Corporation. Holders of Prior Preferred stock shall be entitled to receive dividends when and as declared by the board of directors, in case of Series "A" at rate of $8 per share per annum and no more, and in case of each other series at the dividend rate not exceeding $8 per share per annum fixed for such series. No dividend shall be declared, paid or set apart for any other stock of the Corporation, and no sum shall be paid or set apart for purchase or redemption of any other stock of the Corporation, unless all dividends accrued on Prior Preferred stock have been provided for. Prior Preferred stock is subject to redemption at any time as a whole, or the whole of any series, on any dividend date at $100 per share, plus, in the case of Prior Preferred stock, Series "A," a premium of $20 per share, and in case of each other series thereof, a premium not exceeding $20 per share. Without consent of holders of at least a majority of Prior Preferred stock the corporation shall not (a) increase the number of authorized shares of Prior Preferred; or (b) create any additional class of stock having preference or priority over or parity with Prior Preferred as to earnings or assets. Prior Preferred shall have no voting rights except as above or as may be required by law unless the corporation shall fail to declare and pay the full amount of dividends on said stock for four quarterly periods, in which event holders of Prior Preferred shall be entiled to full voting power with holders of Preferred and Common stock.

Preferred Stock Provisions—Preferred stock may be issued from time to time either as a series to be designated as Preferred stock, Series "A," or in whole or in part as one or more series. All series shall be preferred over the Common stock, and over any other stock of the Corporation other than Prior Preferred stock, as to earnings and assets. In event of any liquidation, dissolution or winding up of the Corporation, or any decrease or reduction of its capital stock, or any distribution, whether voluntary or involuntary, of any of its capital assets to stockholders, holders of Preferred stock shall be entitled to payment at $100 per share and accrued dividends, but no more. After full dividends upon outstanding Prior Preferred stock have been provided for, holders of Preferred stock shall be entitled to receive cumulative dividends when and as declared by directors, in case of Preferred stock, Series "A," at rate of $7 per share per annum and no more and in case of each other series at dividend rate not exceeding $7 per share per annum fixed for such series. No dividends shall be declared or paid on Common and no sum shall be paid or set apart for purchase or redemption of Prior Preferred stock or Preferred stock of any series, until all dividends accrued on Prior Preferred and Preferred stocks have been paid in full. Preferred stock is subject to redemption at any time as a whole or the whole of any series on any dividend date at $100 and accrued dividends. Without consent of at least a majority of Preferred at any time outstanding, the corporation shall not (a) increase the authorized number of shares of Prior Preferred stock or Preferred stock; or (b) create any additional class of stock having preference or priority over or parity with Preferred stock. Each share of Preferred stock of all and any series shall entitle the holder thereof to full voting rights for election of directors and for all other purposes.

Transfer Agents—(Preferred and Common): St. Louis Union Trust Co., St. Louis, Mo., and Chemical National Bank, New York.

Registrars—(Preferred): Chase National Bank, New York, and Mercantile Trust Co., St. Louis. (Common): Mississippi Valley Trust Co., St. Louis.

Annual Meeting—Fourth Tuesday in March.

Dividends—On Prior Preferred stock (when issued) dividends shall be payable quarterly, J, A, J & O 1. Preferred dividends are payable quarterly J, A, J & O 1; initial dividend of $1.75 per share was paid April 2, 1928.

Listed—(Common) St. Louis Stock Exchange.

Price Range—

Common—	1927	1926
High	30¾	20
Low	18¼	16

FUNDED DEBT

(1)

$4,074,000 CITY AND SUBURBAN PUBLIC SERVICE COMPANY FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JULY 1, 1934

Dated January 1, 1928.

Interest Payable January and July 1 at Mississippi Valley Trust Co., St. Louis, Mo.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mississippi Valley Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized, $7,500,000 of which $4,500,000 shall be known as Series "A"; issued, $4,479,000 of which $405,000 had been retired through sinking fund to April 2, 1928. The remaining $3,000,000 of the authorized bonds (other than Series "A") may be issued from time to time in series, payable at such date not later than January 1, 2027, having such date, rate of interest, redemption, conversion, sinking fund, etc. provisions as directors may determine at time such series is authorized. Such bonds may be issued in exchange for, or for the purpose of retiring bonds previously outstanding under this indenture, or may be issued up to an aggregate amount equal to 80% of actual cash cost to the Company of new equipment, permanent improvements, betterments, extensions or additions to its property.

Purpose of Issue—Under the Plan of Reorganization of United Railways Company of St. Louis each $1,000 of the $4,500,000 St. Louis & Suburban Railway Company General Mortgage Gold 5s, due April 1, 1923, was entitled to receive $1,000 of this issue and all but 21 of the bonds were so exchanged.

Callability—Series "A" bonds are subject to redemption as a whole or in part on any interest date upon 30 days' notice at 102 and interest, or in case of redemption through sinking fund, at par and interest.

Sinking Fund—Company covenants that so long as any Series "A" bonds shall be outstanding, it will pay to the Trustee for a sinking fund on or before Feb. 1, 1928 and on or before the first day of each calendar month thereafter, the sum of $8,333.34. Company shall have the right to exceed said sinking fund requirements in any month and to have the excess payments credited against its said sinking fund obligation in subsequent months as the Company shall designate; provided however, that the total payments to said sinking fund shall not exceed in the aggregate $800,000.

Guaranty—In a supplemental indenture, dated January 1, 1928, St. Louis Public Service Company agreed: (a) To unconditionally guarantee the payment of $8,333.34 every calendar month commencing February 1, 1928 as sinking fund for the Series "A" bonds, and (b) in addition, to pay to the Trustee on or before March 1, 1928 the sum of $325,000 to be applied as a sinking fund for said Series "A" bonds; (c) for the term of Series "A" bonds, to keep the properties subject to the lien of said First Mortgage free from the lien of all taxes and charges that would be superior to the rights of said Series "A" bonds, and to operate and maintain said properties in good operating condition and property equipped; (d) to pay to the trustee in cash, on or before February 1, 1928 and on or before the first day of every month thereafter, in monthly installments, an amount equivalent to total amount of interest accrued for the next preceding monthly period on all the Series "A" bonds then outstanding; (e) that it will on or before March 1, 1928, pay or cause to be paid the 5% (8%) Consolidated First Mortgage Gold bonds of St. Louis & Suburban Railway Company issued under deed of Trust dated May 27, 1899.

Security—Secured on all of the property, rights and franchises formerly owned by St. Louis & Suburban Railway Company and St. Louis & Meramec River Railroad Company. Equipment includes 112 passenger cars and 16 other cars. Line of road extends from Richmond Heights, through Brentwood, Webster Groves, Glendale, Kirkwood to Meramec Highlands; also includes certain tracks in St. Louis, Mo., a line to the City of Ferguson and one to Brentwood. The property was acquired by City and Suburban Public Service Company pursuant to the terms of the Plan of Reorganization of United Railways Company of St. Louis, and was subsequently conveyed to St. Louis Public Service Company, which company owns all of the capital stock of City and Suburban Public Service Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$35,950,000 UNITED RAILWAYS COMPANY OF ST. LOUIS FIRST GENERAL MORTGAGE GOLD 4s; DUE JULY 1, 1934

Dated July 1, 1899.

Interest Payable January and July 1, at St. Louis Union Trust Co., St. Louis, and The North American Co., 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—St. Louis Union Trust Co., St. Louis.

Provisions of Issue—Authorized issue, $42,000,000; outstanding at time of reorganization, $36,300,000, of which $350,000 had been retired through sinking fund payments up to Feb. 1, 1928, pursuant to an agreement between St. Louis Public Service Company, the Reorganization Committee and the Protective Committees for these bonds. From the $36,300,000 outstanding at time of reorganization, $8,267,000 face value are held as collateral for bank loans negotiated in order to provide funds to pay $600 in cash to holders who deposited their bonds under an offer of St. Louis Public Service Company, dated Dec. 9, 1927, to pay said cash and deliver $275 principal amount of Five-Year 6% Convertible Gold Notes for $1,000 principal amount of said 4% bonds. $6,000,000 principal amount of said bonds are held as collateral for a loan to the Reorganization Committee to provide funds for paying off underlying bonds and part of the Receiver's Certificates. This loan has been assumed by St. Louis Public Service Company.

Security—Secured by a first lien on all the property, franchises, etc., now owned by St. Louis Public Service Co. except what is covered by the City & Suburban Public Service Co. First Mortgage bonds described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York, St. Louis and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	85½	79	74¼	77	64½	69¾	51½	50
Low	76	73	67½	61⅛	56½	51½	47	47⅛

(3)

$2,273,425 ST. LOUIS PUBLIC SERVICE COMPANY FIVE-YEAR 6% CONVERTIBLE GOLD NOTES, DUE JANUARY 1, 1933

Dated January 1, 1928.

Interest Payable January and July 1 at St. Louis Union Trust Co., St. Louis, or at The Chase National Bank of the City of New York.

Trustee—St. Louis Union Trust Co., St. Louis, Mo.

Denominations—Coupon, $275, $2,750, $27,500 and/or in any multiple of $275 determined by the board of Directors: principal may be registered; denominations interchangeable.

Provisions of Issue—Authorized, $10,000,000; issued, $2,273,425.

Purpose of Issue—Issued for the purpose of acquiring First General Mortgage 4% Gold bonds of United Railways Company of St. Louis, the obligation of which bonds has been assumed by Company.

Callability—Subject to call as a whole but not in part at any time on at least 30 days' notice at par and accrued interest.

Convertibility—Convertible at face value at any time to and including Jan. 1, 1933 (except that if notes are called for redemption, the right of conversion shall continue only until and including the date fixed for redemption) into shares of fully paid and non-assessable Preferred stock, Series "A" of the Company without nominal or par value, entitled to preferential cumulative dividends at rate of $7 per share per annum, upon the basis of three shares of such Preferred stock for each $275 principal amount of notes with an adjustment of accrued interest and dividends.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Figures for 1927 include earnings of United Railways Company of St. Louis, Rolla Wells, Receiver, from Jan. 1, to Nov. 30, 1927, and St. Louis Public Service Company from Dec. 1, to Dec. 31, 1927. Figures for prior years are those of United Railways Company of St. Louis)

	1927	1926	1925	1924	1923	1922
Operating revenues	$18,860,716	$18,873,431	$18,894,575	$19,515,276	$20,453,445	$19,963,556
Operating expenses	13,191,068	13,126,848	13,184,077	13,593,196	13,623,183	13,395,508
Taxes (reserve credit)	1,819,204	1,818,288	1,810,701	1,772,134	1,832,603	1,845,723
Net operating revenues	$3,850,444	$3,928,295	$3,899,797	$4,149,946	$4,997,659	$4,722,325
Non-operating revenues	160,185	202,873	285,450	287,870	225,700	202,830
Gross income	$4,010,629	$4,131,168	$4,185,247	$4,437,816	$5,223,360	$4,925,155
Interest charges	2,472,413	2,677,569	2,892,515	2,907,939	2,913,615	2,912,063
Net income	$1,538,216	$1,453,599	$1,292,732	$1,529,877	$2,309,745	$2,013,092
Depreciation	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Balance	$38,216	†$46,400	†$207,268	$29,877	$809,745	$513,092
*Times Interest Earned	1.62	1.54	1.44	1.53	1.79	1.69

*Before depreciation. †Deficit.

Officers: A. L. Shapleigh, Pres.; Stanley Clarke, Executive V-P. & Counsel; S. W. Greenland, V-P. & Gen. Mgr.; W. deW. H. Bradley, Asst. Sec.; W. R. Moynihan, Asst. Treas.; J. D. Evans, Aud.; F. A. Gannon, Asst. Sec.; Jas. J. Roche, Pur. Agt., St. Louis, Mo.

Directors: Louis P. Aloe, Stanley Clarke, A. C. F. Meyer, A. T. Perkins, H. S. Priest, A. L. Shapleigh, J. Sheppard Smith, W. W. Smith, Mark C. Steinberg, F. O. Watts, Geo. W. Wilson, Hugo Wurdack, St. Louis, Mo.; J. K. Newman, 60 Broadway, New York.

General Office, 3869 Park Ave., St. Louis, Mo.

MISSOURI ELECTRIC R.R. CO.

(Controlled by St. Louis Public Service Company)

History and Property—Incorporated July 11, 1908, in Mo.; successor to the property and equipment of the St. Louis, St. Charles & Western R. R. Co., sold under foreclosure on July 24, 1905. Owns 21.45 miles of track between St. Louis and St. Charles, Mo. Gauge, 4 feet 10 inches. Rail, 60 to 100 lb. T. Company was operated by Rolla Wells as Receiver from September, 1919 to November 30, 1927.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned by St. Louis Public Service Company. Annual meeting, second Monday in February.

FUNDED DEBT

$700,000 Purchase Mortgage Gold 5s; dated Aug. 1, 1908; due Aug. 1, 1918; int. Feb. and Aug. 1, at Mercantile Trust Co., St. Louis, Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,000,000. All of the $700,000 bonds issued are in the treasury of the St. Louis Public Service Co. Secured on all property and franchises. Subject to call at par and int. on any int. date on 60 days' notice.

Tax Provisions—Company does not pay Normal Federal Income Tax.

OFFICERS AND DIRECTORS

Officers: A. L. Shapleigh, Pres.; Stanley Clarke, V-P.; S. W. Greenland, V-P.; F. A. Gannon, Asst. Sec.; W. R. Moynihan, Asst. Treas.; J. D. Evans, Gen. Aud.

Directors: T. E. Francis, Stanley Clarke, R. J. Richardson, A. L. Shapleigh, E. P. Walsh.

Office, St. Louis, Mo.

AMERICAN ELECTRIC POWER CORPORATION

History—Incorporated August 29, 1927, in Delaware. Acquired the entire capital stock of American Electric Power Company and the entire Class "B" Common stock of Pennsylvania Gas & Electric Corporation in September, 1927. Also caused the Old Dominion Gas & Electric Corporation to be incorporated for the purpose of acquiring a franchise for the construction of a maufactured gas system to supply gas in Hopewell, Va. In February, 1928, acquired from its subsidiary, the American Electric Power Company, a group of properties supplying electricity and street railway service in Wilmington, Del., and vicinity. Control of these properties was then transferred to United Gas Improvement Company in exchange for control of Iowa Public Service Company and Sioux City Gas & Electric Company.

Business and Territory—American Electric Power Corporation owns and/or controls through subsidiaries a group of properties supplying a diversified public utility service in more than 278 communities having an aggregate population estimated to exceed 1,200,000. The communities served are either important industrial cities or are the centers of prosperous agricultural regions. Among the more important operating companies are: Iowa Public Service Co., Sioux City Gas & Electric Co., Southeastern Ice & Utilities Co., Pennsylvania Gas & Electric Co.

Electric power and light service is supplied in Sioux City, Iowa and in 200 other communities in western and north central Iowa, and in 13 communities in eastern North Carolina. Manufactured gas is supplied at retail in Sioux City and four other communities in Iowa; in 38 communities in Pennsylvania, including York and Pittston; 5 in New York; 5 in North Carolina; in Petersburg, Va., and in a suburban district tributary to Washington, D. C. Manufactured gas is

also supplied at wholesale in Addison and Elmira, N. Y. Natural gas is furnished at wholesale in and near Oil City, Pa., and at retail in 7 nearby communities. Manufactured ice is supplied in Portsmouth, Va., Columbia, S. C., Winston-Salem, N. C., and 9 other cities in Virginia, North Carolina and South Carolina. Transportation service is furnished in Sioux City, Iowa, and in Dayton, Ohio.

Plant and Property—The capacity of the electric generating plants (including a unit under construction) totals 64,400 kw. and service is rendered to more than 65,000 customers. High voltage transmission lines total more than 1,535 miles. Aggregate sales of electric energy during 1927 were 120,000,000 kw. hrs. During 1927, 2,900,000,000 cu. ft. of manufactured gas and 2,400,000,000 cu. ft. of natural gas were distributed to more than 70,000 customers through approximately 1,600 miles of mains. The ice properties consist of 19 manufactured plants with an aggregate daily capacity of 1,225 tons. Sales for the year 1927 totalled approximately 162,000 tons. The transportation systems in 1927 carried 28,170,000 passengers and have an equipment of 121 cars operating over 85 miles of track.

CAPITAL STOCK
(To be outstanding upon completion of financing of April, 1928)

200,000 shares Common stock, 35,000 shares cumulative Pfd. stock, $6 Series of 1928, 850 shares cumulative Pfd. stock, $7 Series, and 13,700 shares Second Pfd. stock; all of no par value.

Preferred Stock Provisions—The total authorized issue of Pfd. stock is 300,000 shares of no par value. Of this amount 40,000 shares has been designated as of the $6 Series of 1928, 65,000 shares has been designated as of the $7 Series (into which the 6% Gold Debentures are convertible) and 15,000 shares has been designated as of the $6 Series of 1927 (into which the Second Pfd. stock is convertible under restrictions hereinafter stated). The remaining authorized Pfd. stock has not been designated as yet as of any series. All of the foregoing series rank equally and have preference over the Second Pfd. and Common stocks both as to assets and dividends. Upon any dissolution, liquidation or winding-up of the Corporation, whether voluntary or involuntary, such stock shall be entitled to receive $100 per share plus accrued dividends before any distribution shall be made to the holders of the Second Pfd. and Common stocks. Except as required by the laws of Delaware, the holders of this stock shall have no voting rights; provided, however, that if the Corporation shall have failed to pay full dividends on this stock for successive dividend periods totalling one year, the holders of this stock shall be entitled to one vote for each share held. Whenever all arrears of dividends on this stock shall be fully paid the holders shall have no right thereafter to vote, unless and until there shall be a new and similar default in the payment of dividends.

The issue of Pfd. stock, $6 Series of 1928, is preferred as to cumulative dividends at the rate of $6 per annum and may be redeemed in whole or in part at the option of the Corporation on the first day of any calendar month on not less than 30 days' prior notice at $107.50 per share and accrued dividends.

The Second Pfd. stock is convertible after Sept. 1, 1941 into Pfd. stock of the above mentioned $6 Series of 1927 provided the consolidated net income of the Corporation and its subsidiaries, as shown by a consolidated net income certificate, computed as provided in the Certificate of Incorporation, for the required 12 months' period shall have been not less than 2½ times the amount payable as dividends for the year next ensuing after the date of such certificate upon the Pfd. and/or Second Pfd. stock outstanding at the date of such certificate.

The Corporation shall not create or issue any class or kind of stock entitled to dividends or share in the distribution of assets in priority to the Pfd. stock without the consent of 67% of the total number of shares of Pfd. stock then issued and outstanding.

Purpose of Issue—The proceeds from the sale of $6 Series of 1928 Pfd. stock provided part of the funds for the retirement of all the Ten-Year Second Gold Debentures then outstanding in the hands of the public.

Transfer Agents—Bankers Trust Co., New York, and Old Colony Trust Co., Boston.

Registrars—The Seaboard National Bank of the City of New York, and The First National Bank of Boston.

Legal Opinion (Pfd. stock)—Winthrop, Stimson, Putnam & Roberts, New York.

Original Offering—First publicly offered (35,000 shares Pfd. stock, $6 Series of 1928), in April 1928, at $93.50 a share and accrued dividends, to yield over 6.40%, by Bonbright & Co., Inc., and A. C. Allyn & Co., Inc.

Annual Meeting—Second Tuesday in April, at Dover, Del.

Listed ($6 Pfd., Series of 1928)—Boston Stock Exchange.

Dividends—Pfd. dividends are payable quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$6,415,000 6% CONVERTIBLE GOLD DEBENTURES, SERIES "A"; DUE SEPTEMBER 15, 1957

Dated September 15, 1927.

Interest Payable March and September 15, at First Trust and Savings Bank, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, not limited; issued $6,500,000 Series "A"; outstanding, $6,415,000. The Debenture Agreement provides that Debentures may be issued under the Agreement in series which may bear such dates, rates of interest, mature at such times and carry such redemption, sinking fund, tax refund and such other varying or distinguishing provisions as may be determined by the Board of Directors or Executive Committee subject to the restrictions of the Debenture Agreement. Such additional Debentures may only be issued when the consolidated net income of the Corporation, as defined, for a period of twelve consecutive months within fifteen calendar months immediately preceding the application for the issuance of such additional Debentures, shall have been not less than three times the annual interest charges of the Corporation outstanding including the interest charges of the Debentures then proposed to be issued, but excluding interest charges of indebtedness subordinated to these Debentures. The Corporation is under contract with the present holders of the subordinated Ten-Year 6% Debentures, upon their request to purchase such Debentures or any part thereof, with the proceeds to be derived from the sale of additional 6% Convertible Gold Debentures, Series "A," or under certain circumstances to exchange such Debentures for the 6% Convertible Gold Debentures, Series "A," whenever the ratio between the consolidated net income of the Corporation and the annual interest charges of the Corporation, as above defined, including the charges on such 6% Convertible Gold Debentures, Series "A," so to be sold or exchanged, shall equal or exceed the ratio given above.

Purpose of Issue—Proceeds were used to reimburse the Corporation in part for the purchase of certain of the properties which comprise the system.

Callability—Subject to call as a whole or in part, on any interest date on 30 days' notice at 105 and accrued interest prior to Sept. 15, 1956, and at 100 and accrued interest thereafter.

Convertibility—Convertible on any interest date up to and including March 15, 1938, into the $7 Pfd. stock of the Corporation at the rate of 10 shares of Pfd. stock for each $1,000 principal amount of Debentures.

Sinking Fund—None provided.

Security—Debentures are the direct obligation of the Corporation which covenants that while any of these Debentures are outstanding, it will not issue any unsecured evidences of indebtedness maturing more than three years from the date of issuance thereof not subordinated to these Debentures, nor will it issue any secured evidences of indebtedness maturing more than three years from the date of the issuance thereof without properly providing for the extension of such security to these Debentures.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, California tax not in excess of 4 mills, the Connecticut tax up to 4 mills annually, Maryland Securities tax not exceeding 4½ mills per annum or the Massachusetts Income tax not exceeding 6% per annum on the income, refunded on proper application.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York.

Original Offering—First publicly offered ($6,500,000) in Oct., 1927, at 99 and interest to yield about 6.05% by Bonbright & Co., and A. C. Allyn & Co., Inc., New York, etc.

Listed—Boston Stock Exchange.

(2)

$5,290,000 TEN-YEAR 6% SECOND GOLD DEBENTURES; DUE SEPTEMBER 1, 1937

Dated September 1, 1927.

Provisions of Issue—Issued, $9,000,000; outstanding, $5,290,000; all held by American Electric Power Company, all of the Common stock of which is owned by American Electric Power Corporation. The Agreement under which these Second Debentures are issued provides that all payments of, or on account of, and/or any interest on, the Debentures issued hereunder are subordinate to the simultaneous, or prior payment in full of any principal and/or interest, due and payable at the time of any such payment of, or on account of, principal of or interest on any Debentures issued hereunder, or any and all Debentures issued or to be issued under the Debenture Agreement between American Electric Power Corporation and Bankers Trust Company, dated as of Sept. 15, 1927.

CONSOLIDATED EARNINGS, YEARS ENDED DECEMBER 31 (American Electric Power Corp. and its present subsidiaries)

	*1927	1926
Gross earnings, all sources	$12,873,704	$11,968,501
Oper. exps., maint. & taxes, incl. Federal taxes	8,179,678	7,556,714
Net earnings	$4,694,026	$4,411,787
Annual requirements of subsidiary companies:		
Int. charges on funded & unfnd'd debt	$2,149,037	.....
Divds. on Pfd. & Partic. stocks	924,847	.....
Amort. & earnings accruing to minority stocks	209,664	.....
Balance of net earnings	$1,410,478	.....
Annual int. requirements on 6% Convertible Gold Debentures	384,900	.....
Bal. avail. for dep., depl. & divds.	$1,025,578	.....
Annual dividend requirements on 35,000 shares Pfd. stock, $6 Series of 1928, and 850 shares Pfd. stock, $7 Series	215,950	.....

*Including earnings of certain properties for the 12 months ended Nov. 30, 1927.

NOTE—Of the total gross earnings of subsidiaries as shown above approximately 37% was derived from the electric power and light business, 32% from the gas business, 13% from ice and fuel business, 11½% from transportation, and the remaining 6½% from water, heat and miscellaneous.

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas. & Asst. Sec.; W. J. Hofford, Asst. Sec. & Asst. Treas.; L. E. Yeager, Asst. Sec.; John C. Meiners, Asst. Sec.; E. J. Lewis, Asst. Treas.

Directors: A. C. Allyn, H. D. Anderson, H. A. Clarke, C. I. Crippen, S. A. Mitchell, R. P. Stevens, L. E. Yeager.

Office, Wilmington, Del. **New York Office,** 120 Broadway.

AMERICAN ELECTRIC POWER COMPANY

(Controlled by American Electric Power Corporation)

History—Incorporated July 2, 1900, in New Jersey, as The American Railways Company; name changed to present title Feb. 13, 1923. The company was organized to control and operate public utility properties in various parts of the United States.

The American Railways Co. was a consolidation of a former American Railways Co. and the United States Electric Ry. & Light Co.

Properties—The company operates without competition, among other places, the electric light and power business of the city of Wilmington, Del., and vicinity, extending north and west to the Pennsylvania and Maryland State lines, and south through New Castle to Delaware City, Del., and east through the State of New Jersey south of Camden by high voltage cables under the Delaware River, serving the large industrial centers on both sides of the Delaware river, south of Philadelphia and Chester, Pa.; its railway lines serve the cities of Wilmington, Del., Chester and Media, Pa., and the surburban districts lying between these places and the western city line of Philadelphia, where its tracks connect with the street railway system of the Philadelphia Rapid Transit Co. It also operates the street railway lines in Springfield, O., and the principal traction line in Dayton, O.

The company also operates without competition, gas, electric, heat and power service to eleven cities, in four of which it furnishes both.

It also owns nearly 200 acres of land for parks, 106 acres being near Altoona, Pa., 35 acres at Roanoke, Va., and 28 acres at Lynchburg, Va. For the purpose of acquiring real estate in the vicinity of Lynchburg, Va., Peakland Corporation was formed in 1910, its entire capital stock being owned by the American Electric Power Co.

New Control—Under a contract signed May 29, 1924, the American Gas & Electric Co. and the Appalachan Power Co. (now Appalachian Electric Power Co.) agreed to purchase not less than 75% of the Common shares of American Electric Power Co. outstanding at $62.50 net per share, and arrangements were made whereby this offer was extended to all holders of Common stock of the company. In excess of 95% of the shares were turned in at this price.

Properties Owned and Controlled by American Electric Power Co., as of Dec. 31, 1925, since which date the companies marked (*) have been disposed of to Appalachian Electric Power System:

(c) American Power Company, Delaware City, Del. (inactive).
(a) The Franklin Real Estate Company, Philadelphia, Pa.
*Lynchburg Rapid Transit Corporation, Lynchburg, Va.
*Lynchburg Traction & Light Company, Lynchburg, Va.
*Lynchburg Water Power Company, Lynchburg, Va.
(a) The Peakland Corporation, Lynchburg, Va.
*Ohio Valley Electric Railway Company, Huntington, W. Va
*Consolidated Power & Light Company, Huntington, W .Va.
(a) Ashland & Ironton Transfer & Ferry Company, Ashland, Ky.
*Boyd County Electric Company, Ashland, Ky.
*The Ironton Electric Company, Ironton, Ohio
*Ohio Valley Bus Company, Ironton, Ohio
(c) The Peoples Railway Company, Dayton, Ohio
*Roanoke Traction & Light Company, Roanoke, Va.
*Roanoke Railway & Electric Company, Roanoke, Va.
*Roanoke Rapid Transit Company, Roanoke, Va.
*Central Virginia Power Company, Roanoke, Va.
*Light & Power Company of Rocky Mount, Rock Mount, Va.
(c) The Springfield Railway Company, Springfield, Ohio
(a) Wilmington & Philadelphia Traction Company, Wilmington, Delaware
(a) Wilmington Light & Power Company, Wilmington, Del.
(b) Wilmington, New Castle & Delaware City Railway Company, Wilmington, Del.
(b) New Castle County Electric Company, Wilmington, Del.
(b) Peoples Railway Company, Wilmington, Del.
(b) Delaware Bus Company, Wilmington, Del.
(b) Southern Penna. Traction Company, Chester, Pa.
(b) Southern Penna. Bus Company, Chester, Pa.
(b) Chester & Eddystone Street Railway Company, Chester, Pa.

PROPERTIES OWNED AND CONTROLLED (Continued):

(b) Chester County Light & Power Company, Kennett Square, Pa.
(a) Electric Securities Company, Pitman, N. J.
(a) Electric Company of New Jersey, Bridgeton, N. J.

*These companies were disposed of in the early part of 1926 to Appalachian Electric Power Co. (see that statement).

(a) These companies were sold during 1927 to American Gas & Electric Co. (or a subsidiary thereof). (b) These companies were sold during 1928 to American Electric Power Corp., which in turn sold them to United Gas Improvement Co. (c) These properties retained by American Electric Power Co.

CAPITAL STOCK

Authorized, $17,500,000 Common (par, $50), and $8,000,000 7% cumulative Pfd. (par, $100); outstanding, $9,460,000 Common. The Pfd. stock previously outstanding was called for redemption on August 1, 1926, at 110 and accrued dividends.

Annual Meeting—Third Thursday in March.

Dividends on the original (now Common) stock have been paid as follows: 1% quarterly, Dec., 1900 to Sept., 1901, both inclusive; 1¼% quarterly, Dec., 1901 to Sept., 1902, both inclusive; 1½% Dec., 1902, to Sept., 15, 1914, both inclusive; Dec. 15, 1914, March 15 and June 15, 1915, 1¼% was paid; Sept. and Dec. 15, 1915, 1% each (in Jan., 1916, dividend periods were changed to June and Dec. 15); June, 1916, 2%; Dec., 1916, 2%; June, 1917, 2%; December, 1917, 2%; none thereafter until June 14, 1919, when dividends were resumed with payment of 1¾% (87½ cts.); the June 15, 1920, dividend was passed.

FUNDED DEBT

(1)

$932,000 THE AMERICAN RAILWAYS COMPANY COLLATERAL TRUST REFUNDING CONVERTIBLE GOLD 5s; DUE AUGUST 1, 1931

Dated August 1, 1911.

Interest Payable February and August 1, at Integrity Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Integrity Trust Co., Philadelphia.

Provisions of Issue—Authorized, $3,000,000, of which those outstanding were issued to retire $2,435,000 Collateral Trust Gold 5s, matured Dec. 2, 1911. Cash has been deposited with Trustee for call of $1,568,000 of Collateral Trust 5s of 1931 Feb. 1, 1925, reducing the amount outstanding to $932,000.

Callability—Subject to call on any interest date at 102 and interest upon notice by advertisement once a week for four weeks prior to time fixed for payment in a newspaper published in Philadelphia.

Security—Secured by deposit with the Trustee of $2,250,000 (out of a total issue of $2,500,000) capital stock of The Peoples Ry. Co. of Dayton.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

Original Offering—First publicly offered ($3,000,000) in 1911 at 96½ and interest.

(2)

$1,096,950 THE AMERICAN RAILWAYS COMPANY 7% CUMULATIVE INCOME GOLD BONDS; DUE NOVEMBER 1, 1940

Dated November 1, 1920.

Interest Payable May 1 and November 1, at Bank of North America & Trust Co., Philadelphia, Trustee. Full interest has been paid on these bonds since issuance. Interest for six months' period ended Dec. 31 and June 30 as and when same shall be ascertained and declared by the Board of Directors out of net earnings or any accumulated surplus. Interest payments are cumulative. No dividends may be paid so long as there is any unpaid interest.

Denominations—Coupon, $50, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized, $1,150,000; outstanding, $1,096,950. These bonds were issued Nov. 1, 1920, to holders of National Property Co. Collateral 4-6s, holders thereof being assessed $175 on each $1,000 bond and received an equal amount of bonds of this issue and also about 130% of American Electric Power Co. Common stock which had been deposited as collateral under the 4-6s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$12,000 THE AMERICAN RAILWAYS COMPANY CAR TRUST 5% CERTIFICATES, SERIES "C"; DUE AUGUST 1, 1928

Dated August 1, 1916.

Interest Payable February and August 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized and issued, $140,000, of which $128,000 redeemed to Dec. 31, 1927.

Security—Secured by new equipment consisting of 25 street railway cars for the City and interurban service, and further secured by an assignment to the trustee of the lease of the equipment to the American Rys. Co. (now American Electric Power Co.) for rentals equal to the principal and dividends of the certificates. Title to the equipment remains vested in the trustee until the entire amount of the principal and dividends have been paid by American Electric Power Co.

Guaranty—Unconditionally guaranteed, principal and interest, by American Electric Power Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$210,000 AMERICAN ELECTRIC POWER CO. CAR TRUST 6% CERTIFICATES, SERIES "A"; DUE $35,000 EACH JULY 1, TO 1933

Dated July 1, 1923.

Interest Payable January and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $350,000, of which $140,000 have been redeemed to Dec. 31, 1927.

Security—Secured by a first lien on 50 cars, title being vested in the Trustee until all of the certificates are redeemed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

***COMBINED INCOME ACCOUNT OF THE SUBSIDIARY AND AFFILIATED COS., YEARS ENDED DECEMBER 31**

(Latest Furnished)

	1925	1924	1923	1922	1921	1920
Operating revenues	$13,684,625	$19,906,901	$20,803,892	$19,342,698	$18,829,888	$18,836,22.
Oper. expenses, incl. depreciation reserves	8,170,474	13,107,873	13,802,395	13,302,912	13,293,818	13,951,112
Net revenue	$5,514,151	$6,799,028	$7,001,497	$6,039,786	$5,536,070	$4,885,113
Taxes	849,925	1,001,492	1,024,373	973,789	904,463	708,519
Operating income	$4,664,226	$5,797,536	$5,977,124	$5,065,997	$4,631,607	$4,176,594
Non-operating income	227,030	154,960	80,875	92,512	106,661	116,196
Gross income	$4,891,256	$5,952,496	$6,057,999	$5,158,509	$4,738,268	$4,292,790
Interest deductions, rentals, amortization of discount on funded debt and other charges	2,358,967	3,202,898	2,986,712	2,663,643	2,681,033	2,615,879
Sinking fund and other required reserves	379,657	270,795	232,937	68,613	60,668	55,565
Income for year	$2,152,632	$2,478,803	$2,838,350	$2,426,253	$1,996,567	$1,621,346
Less income available to other stockholders	525	844	1,202	1,365	1,381	1,671
Income available for Amer. Elec. Power Co. incl. interest on bonds owned, advances, etc.	$2,152,107	$2,477,959	$2,837,148	$2,424,888	$1,995,186	$1,619,675

*Earnings now included with those of American Gas and Electric Co.

GENERAL BALANCE SHEET, DECEMBER 31
(American Electric Power Co. Proper)

	(Latest Furnished)					
Assets—	1925	1924	1923	1922	1921	1920
†Stocks of subsidiary and affiliated companies	$10,099,033	$12,938,375	$15,148,336	$19,159,173	$19,588,387	$17,181,181
†Bonds of subsidiary and affiliated companies	2,222,800	2,735,160	4,665,827	6,791,182	6,561,750	7,069,812
Other investments	1,121,472	737,006	804,130	720,230	639,890	639,890
Miscellaneous securities	.....	55,263	90,007	1,957,790	1,727,667	1,487,313
Sinking fund 7½% notes	.....	.....	.....	50,000	.....	.....
Bills and accounts receivable, etc.	6,497,218	3,501,654	2,585,961	2,777,665	2,737,208	*4,590,132
Furniture and fixtures	26,341	{24,006	16,211	15,372	15,117	14,622
Eng. Dept. instruments		{ 3,308	3,793	4,205	4,701	5,114
Employees' pension fund	48,444	49,324	49,295	39,783	36,583	29,383
Interest and dividends receivable	722,009	597,036	820,691	543,869	548,572	471,485
Cash on hand and on deposit	496,036	1,380,868	295,508	207,086	200,619	233,498
Ohio Valley Elec. Coll. 5s	.....	.....	.....	23,868	23,868	23,868
National Gas, Elec. Lt. & Power Co. Coll. 5s	.....	15,100	15,100	15,100	15,100	15,620
Other current assets	.....	1,718	1,405	3,500	1,664	3,166
Contract, sale of stocks, bonds and accounts —balance	.....	3,824,772	.....	.....	.....	.....
Discount on funded debt	244,778	346,557	407,851	488,333	482,147	592,876
Cost of cars pledged under car trust agreements	412,137	528,757	654,686	294,659	368,632	442,604
Unadjusted debits	571,947	472,965	412,296	209,162	100	18,375
Total	$22,462,213	$27,211,869	$25,971,097	$33,300,977	$32,952,005	$32,818,939
Liabilities—						
Capital stock and scrip	$14,396,593	$14,396,593	$14,396,593	$13,460,000	$13,460,000	$13,460,000
Bonds and notes	2,075,250	7,416,530	7,552,830	16,346,430	16,611,705	16,791,125
Car trust certificates	425,520	521,360	1,103,000	242,000	301,000	360,000
Due subsidiary and affiliated companies	12,420	1,244,905	293,445	218,483	269,442	192,751
Bills payable	.....	1,007,308	14,690	21,050	90,000	185,000
Vouchers payable and sundry creditors	73,854	122,748	101,795	185,446	174,616	270,173
Other current liabilities	86,720	17,698	.....	.....	286	360
Reserves	667,864	266,853	252,346	207,208	200,653	217,409
Taxes and interest accrued	104,440	184,640	200,469	313,486	320,069	310,038
Dividends on Pfd. stock accrued, not due	.....	.....	.....	735,000	.....	.....
Unadjusted credits	75,689	33,066	16,928	2,040	2,040	2,316
Surplus	4,543,864	2,000,167	2,039,001	1,569,834	1,522,193	1,029,767
Total	$22,462,213	$27,211,869	$25,971,097	$33,300,977	$32,952,005	$32,818,939

*Chiefly advances to subsidiary companies. †Book value. ‡Dividends accrued on Pfd. stock to Dec. 31, 1922, in the sum of $735,000.

NOTE—American Electric Power Co. is guarantor of certain bond issues amounting to $10,726,000 at Dec. 31, 1925

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; H. M. Billingsley, V-P. & Sec.; T. W. Freeman, Treas., New York.

Directors: H. D. Anderson, H. A. Clarke, C. I. Crippen, Van Horn Ely, R. P. Stevens, T. W. Wilson, L. E. Yeager.

General Office, 304 Market St., Camden, N. J. **New York Office,** 120 Broadway.

THE PEOPLES RAILWAY COMPANY

(Controlled by American Electric Power Co.)

History—Incorporated June 18, 1896, in Ohio, consolidation of Wayne & Fifth St. R. R. Co. and White Line St. Ry. The Dayton, Covington & Piqua, Dayton & Xenia, and Dayton & Troy Traction Co. enter Dayton over the tracks of this company. Length of track, 33.41 miles. Gauge, standard. Cars, 71. Power station, 1.

CAPITAL STOCK

Authorized and issued, $2,500,000; par, $100. All owned by American Electric Power Co. Annual meeting, Friday after third Thursday in March.

Dividends—1925, 5¾%; 1926, 4%; 1927, not reported.

FUNDED DEBT

$300,000 (entire issue) White Line Street Ry. Co. First Gold 6s; dated Oct. 1, 1895; due Oct. 1, 1925; extended to Oct. 1, 1935, interest being increased from 5% to 6%; int. April and Oct. 1, at Fifth Third Union Trust Co., Cincinnati, Trustee. Coupon, $500. Subject to call at any time at 110 and interest. A first lien on property of former White Line Street Ry. Co., which was merged into The Peoples Ry. in 1896, the new company assuming these bonds. Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of 4 mills refunded. Newburger, Henderson & Loeb, Philadelphia, offered the unsold portion of the extended bonds in Oct. 1925, at 96 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$689,425	$693,091	$678,449	$694,302	$731,623	$712,255
Operating expenses and taxes	489,203	484,835	468,372	540,637	554,212	557,293
Depreciation	44,519	44,167	32,978	29,330	30,234	24,361
Net earnings	$158,703	$164,089	$177,099	$124,335	$147,177	$130,601
Other income	10	492	1,296	3,141	3,263	5,853
Total income	$155,713	$164,581	$178,395	$127,476	$150,440	$136,454
Bond interest	$18,000	$28,000	$25,750	$25,000	$25,000	$25,000
Other interest, etc.	22,200	12,203	8,239	6,263	7,498	12,860
Total charges	$40,200	$40,203	$33,989	$31,263	$32,498	$37,860
Net income	$115,513	$124,378	$144,406	$96,213	$117,942	$98,594
Dividends paid	*	100,000	143,750	*	*	*
Surplus after dividends	*	$24,378	$656	$96,213	$117,942	$98,594

*Not available.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property account	$3,262,651	$3,142,768	$3,055,186	$3,041,953	$2,971,099	$2,961,210
Other investments	.....	.....	334	334	334	30,334
Materials and supplies	37,765	40,671	62,177	44,626	76,781	51,137
Cash	40,859	45,086	35,362	24,016	22,909	21,136
Deposit account	.....	.....	.....	.....	247,135	155,322
Accounts receivable	9,030	8,722	19,040	22,416	13,493	15,941
Other current assets	3,824	.....	.....	9,356	1,698	1,948
Unadjusted debits	107,683	182,697	193,134	125,114	117,617	115,386
Total	$3,461,812	$3,419,944	$3,365,233	$3,267,815	$3,451,046	$3,352,414
Liabilities—						
Capital stock	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Funded debt	300,000	300,000	500,000	500,000	500,000	500,000
Open accounts	5,703	236,824	64,762	.....	.....	.....
Notes payable	.....	.....	.....	.....	.....	30,000
Accounts payable	23,446	28,486	21,616	28,646	93,743	75,948
Interest accrued	11,751	12,609	10,615	8,042	5,923	7,229
Other current liabilities	.....	.....	.....	1,173	571	1,640
Reserve for taxes	93,925	71,026	49,427	54,804	25,680	24,188
Unadjusted credits	2,370	715	34,723	641	1,426	1,019
Deferred credit items	150,500	185,787	156,450	129,653	130,913	110,019
Reserve for depreciation	306,597	41,381	23,084	34,397	46,682	77,209
Operating reserves	20,425	14,182	.....	1,470	7,961	4,361
Surplus	47,095	28,934	4,556	8,989	138,146	29,801
Total	$3,461,812	$3,419,944	$3,365,233	$3,267,815	$3,451,046	$3,352,414

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; Martin Ackerman, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas.; J. F. Fischer, Asst. Sec. & Asst. Treas.

Directors: H. D. Anderson, Martin Ackerman, R. G Corwin, C. I. Crippen, R. P. Stevens, Julius Theobald L. E. Yeager.

Office, Dayton, Ohio.

THE SPRINGFIELD (OHIO) RAILWAY COMPANY

(Controlled by American Electric Power Co.)

History—Incorporated Oct. 20, 1892, in Ohio; consolidation of the Springfield Electric St. Ry. Co. and the Citizens St. Ry. Co. Length of line, including second track, 40.74 miles. Gauge, 4 ft. Passenger cars, 71. Power station, 1.

Franchise—In April, 1913, the company accepted a new twenty-five year franchise which gives the city the right to arrange all schedules and route all cars and to purchase at its physical valuation at any time after five years and may at any time, if the service unsatisfactory, take possession of the road and operate it, paying therefor an annual rental equal to 6% of the physical valuation. In consideration of the new franchise the company was obligated to construct ten miles of extensions and expend $500,000 for improvements within three years.

Receivership—W. H. Sawyer, Columbus, Ohio, was appointed Receiver Jan. 26, 1928, by Judge Krapp in the Court of Common Pleas at Springfield, Ohio, resulting from charges brought against Company by the Transit Improvement Co. of New York.

CAPITAL STOCK

Authorized, $2,000,000 Common and $500,000 6% Pfd.; outstanding, $1,000,000 Common and $500,000 Pfd.; par, $100. The American Electric Power Co. owns $994,400 of the Common stock and all the Pfd

Annual meeting, Saturday after third Thursday in March.

FUNDED DEBT

$1,344,700 First Gold 5s; dated May 1, 1914; due $25,000 serially to September 1, 1934, incl., and balance on Sept. 1, 1935; int. March and Sept. 1, at Real Estate-Land Title & Trust Co., Philadelphia Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized, $5,000,000; issued, $1,601,000 outstanding, $1,344,700. Balance of issue reserved for acquisition of adjacent lines, and for additions and betterments at 85% of reasonable cost. Subject to call as a whole or in part on four weeks' notice at 102 and interest. A maintenance and depreciation fund is provided by the mortgage, amounting to 15% of the gross earnings each year, and through the serial payments $400,000 bonds will be retired prior to 1935. Also a sinking fund of 1% of all bonds issued in excess of $1,250,000 is provided for between 1914 and 1923, increased to 2% from 1924 to 1935. A first lien on entire property. Company does not pay Normal Federal Income Tax. Pennsylvania State tax refunded.

Interest Default—The interest on the above described bonds was defaulted March 1, 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Furnished)

	1926	1925	1924	1923	1922	1921
Gross earnings	$552,783	$524,159	$567,436	$598,976	$595,717	$614,43
Operating expenses and taxes	472,607	438,432	487,358	464,989	470,417	552,46
Depreciation	24,114	23,264	25,296	26,751	21,306	25,86
Net earnings	$76,062	$62,463	$54,782	$107,236	$103,994	$36,10
Other income	824	1,027	712	785	988	2,96
Total income	$76,886	$63,490	$55,494	$108,021	$104,982	$39,06
Bond interest	$69,578	$71,053	$72,617	$73,669	$74,431	
Other interest, etc.	54,314	45,671	39,258	35,565	37,741	$132,39
Sinking fund	27,831	28,504	29,039	19,605	14,882	
Total charges	$151,723	$145,228	$140,914	$128,839	$127,054	$132,39
Deficit for year	$74,837	$81,738	$85,420	$20,818	$22,072	$93,32
Times Bond Interest Earned	0.32	0.25	0.29	0.98	0.90	

GENERAL BALANCE SHEET, DECEMBER 31

	(Latest Furnished)					
Assets—	1926	1925	1924	1923	1922	1921
Property account	$3,417,564	$3,355,741	$3,273,594	$3,250,086	$3,189,671	$3,169,065
Work in progress	27,206	.....	.....	.....	.....	.....
Bonds owned	4,926	.....	.....	.....	.....	.....
Other investments	2,998	6,158	9,443	10,956	12,101	
Materials and supplies	41,552	41,214	43,194	57,650	52,679	
Cash	35,888	27,518	24,627	21,034	21,856	85,987
Accounts receivable	2,636	798	4,650	723	3,196	
Other current assets	2,115	2,123	1,318	2,903	708	
Unadjusted debits	99,213	107,880	869	2,723	249	
Deferred debit items	.....	1,140	7,913	7,407	8,070	169,093
Discount on bonds	*	*	113,797	127,187	139,562	
Corporate deficit	448,041	373,167	290,114	204,859	183,564	161,880
Total	$4,082,140	$3,915,739	$3,769,519	$3,685,528	$3,611,676	$3,586,025
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Preferred stock	500,000	500,000	500,000	500,000	500,000	500,000
Funded debt	1,374,900	1,399,900	1,431,500	1,462,800	1,478,300	1,495,800
Non-negotiable debt	573,095	491,573	346,782	256,430	210,192	196,512
Notes payable	.....	.....	.....	678	.....	.....
Accounts payable	82,129	70,814	67,632	69,660	75,132	
Interest accrued	23,350	23,856	23,858	24,683	24,638	
Dividends unpaid	1,560	1,560	1,560	1,560	1,560	93,322
Other current liabilities	.....	.....	834	313	35	
Reserve for taxes, etc.	28,478	21,211	17,598	17,542	17,344	
Deferred credit items	194,107	131,815	150,063	171,540	134,209	167,032
Unadjusted credits	10,222	.....	.....	.....	.....	.....
Reserve for depreciation	67,502	73,419	56,870	37,013	47,311	26,388
Operating reserves	.....	2,625	2,360	1,886	1,086	106,971
Appropriated surplus	226,797	198,966	170,462	141,423	121,818	
Total	$4,082,140	$3,915,739	$3,769,519	$3,685,528	$3,611,676	$3,586,025

*Included in unadjusted debits.

Officers: W. H. Sawyer, Receiver, Columbus, Ohio; Paul C. Martin, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; Julius Theobald, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas.; W. A. Gillen, Asst. Sec. & Asst. Treas.

Directors: Paul C. Martin, H. A. Clarke, C. I. Crippen, Julius Theobald, H. M. Billingsley, W. A. Gillen, Martin Ackerman, H. D. Anderson, H. C. Corry, H. S. Kissell, L. E. Yeager.

Office, Springfield, Ohio.

SIOUX CITY GAS & ELECTRIC COMPANY

(Controlled by American Electric Power Corporation)

History—Incorporated July 2, 1901, in Iowa. Does the entire electric light and power and gas business in the City of Sioux City, and owns all of the outstanding capital stock of the Sioux City Service Co., which owns and operates the street railway and heating business in Sioux City. The Company sells power and steam to the Sioux City Service Co. and, in addition sells electric current wholesale for distribution to consumers in communities within a radius of 100 miles of Sioux City. Population served, 150,000. Miles of gas mains, 189.96. Gas prices: $1.25 to 90 cents net, according to consumption.

OPERATING STATISTICS, DECEMBER 31

	Number of Meters		Sales	
	Gas	Electric	Gas Cu. Ft.	Electricity K.W.H.
1924	17,719	17,452	660,041,300	49,456,350
1925	18,327	18,833	620,368,800	51,770,360
1926	18,718	19,934	595,501,300	59,774,546
1927	19,141	20,727	594,889,200	65,251,448

CAPITAL STOCK

Authorized, $8,000,000 Common and $6,000,000 7% Pfd.; outstanding, $5,800,000 Common and $4,838,700 Pfd.; par of both issues, $100. American Electric Power Corporation, directly or indirectly, owns all but 10 shares of the Common stock.

Preferred Stock Provisions—Subject to call as a whole or in part on any dividend date on 30 days' notice at $110 a share and accrued dividends, after Nov. 1, 1927.

In the event of any liquidation or dissolution of the Company, whether voluntary or involuntary, the holders of Pfd. stock shall be entitled to be paid in full both the par amount of their shares and all dividends accumulated and unpaid thereon before any amount shall be paid to the holders of any other stock of the Company.

In the event of four full quarterly dividends being in arrears, the holders of Pfd. stock shall have the right to elect a majority of the Board of Directors of the Company and shall have in all other matters full voting rights; provided, however, when all the accrued installments remaining on dividends have been paid by the Company, the holders of the Pfd. stock shall cease to have further voting power.

No additional class of stock shall be created with rights prior to the Pfd. stock in respect to payments of dividends and payments in liquidation or dissolution, The Pfd. stock shall not be increased except by the vote of the holders of at least two-thirds of said Pfd. stock represented at a meeting called for this purpose.

Transfer Agents—Guaranty Trust Co. of New York and First National Bank, Sioux City, Ia.

Registrars—Seaboard National Bank, New York and The Securities National Bank of Sioux City, Ia.

Annual Meeting—Second Wednesday in February.

Dividends—Initial dividend on Pfd. stock of $1.75 per share paid Feb. 10, 1923, and at same rate quarterly since; payments, F, M, A, & N 10.

FUNDED DEBT

$3,484,600 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE SEPTEMBER 1, 1947

$2,550,000 FIRST MORTGAGE GOLD 6s, SERIES "B"; DUE FEBRUARY 1, 1949

$2,300,000 FIRST MORTGAGE GOLD 5½s, SERIES "C"; DUE FEBRUARY 1, 1950

Dated: Series "A," September 1, 1922. Series "B," February 1, 1924. Series "C," February 1, 1925.

Interest Payable at Illinois Merchants Trust Co., Chicago, or at office of Halsey, Stuart & Co., Inc., New York; on Series "A", March and September 1; on Series "B" and "C", February and August 1.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago, Ill.

Provisions of Issue—The mortgage provides that additional bonds may be issued of such series, maturities, interest rates and containing such other provisions, not inconsistent with the mortgage, as the Board of Directors of the Company may from time to time decide. Additional bonds may be issued at not to exceed 75% of the actual cost or value, whichever is lower, of additions or of permanent improvements to the property of the Company and its subsidiary corporations (as such subsidiary corporations are defined in the mortgage) and, for the purpose of acquiring any such subsidiary corporation, at not to exceed 75% of the actual cost or value, whichever is lower, of the property of such subsidiary corporation, provided that net earnings as defined in the mortgage for twelve consecutive months within the fourteen months next preceding the application for bonds shall have been at least one and three-quarters times the annual interest charges on all bonds then outstanding and those proposed to be issued, and provided further that in case of the issue of bonds on account of subsidiary corporation there shall be pledged with the Trustee (a) first mortgage bonds of said subsidiary to an amount equal to at least 133 1-3% of the amount of bonds proposed to be issued and (b) all the capital stock of said subsidiary.

Callability—Bonds of Series "A"—Subject to call as a whole or in part upon 60 days' notice on Sept. 1, 1932, and thereafter on or prior to Sept. 1, 1936 at 107½ and accrued interest, and thereafter on or prior to Sept. 1, 1941 at 105 and accrued interest, and thereafter on or prior to March 1, 1946, at 102½ and accrued interest, and thereafter at 100 and accrued interest. For sinking fund purposes, Series "A" bonds are redeemable from May 1, 1927 to and including Sept. 1, 1932 at 107½ and accrued interest, and thereafter at the existing redemption price. Bonds of Series "B"—Subject to call as a whole or in part upon 60 days' notice on Feb. 1, 1934, and thereafter on or prior to Feb. 1, 1938 at 107½ and accrued interest, and thereafter on or prior to Feb. 1, 1943 at 105 and accrued interest, and thereafter on or prior to Aug. 1, 1947 at 102½ and accrued interest, and thereafter at 100 and accrued interest. For sinking fund purposes, Series "B" bonds are redeemable from Oct. 1, 1928 to and including Feb. 1, 1934, at not exceeding 107½ and accrued interest, and thereafter at the existing redemption price. Bonds of Series "C"—Subject to call as a whole or in part upon 60 days' notice on Feb. 1, 1935, and thereafter on or prior to Feb. 1, 1938, at 105 and accrued interest, and thereafter on or prior to Feb. 1, 1943, at 103 and accrued interest, and thereafter on or prior to Aug. 1, 1947, at 101 and accrued interest, and thereafter at 100 and accrued interest. For sinking fund purposes, bonds are also redeemable, either by call from Feb. 1, 1929, to and including Feb. 1, 1935, at 105 and accrued interest, and thereafter at the existing redemption prices, as above set forth, or by purchase in the market at or below said redemption prices.

Sinking Fund—Company agrees to pay to the Trustee annually in each year beginning May 1, 1927, for the Series "A" bonds and Oct. 1, 1928, for the Series "B" and "C" bonds, a sum equal to ½ of 1% of the total amount of bonds of each series outstanding. Moneys in the sinking fund are to be applied to the purchase and cancellation of bonds of all series at or below their redemption prices, or if not so obtainable to their call at such redemption prices.

Security—Secured by a first mortgage on all of the electric light and power and gas properties, rights and franchises of the Company, now owned or hereafter acquired, including the new electric generating station on the Big Sioux River (with an initial installation of two 11,250 k.w. units, and a proposed ultimate capacity of 67,500 k.w.), subject to prior lien bonds, if any, on hereafter acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of these bonds, if requested within 60 days after payment for the Pennsylvania four mills tax, the Connecticut Personal Property tax, not exceeding four mills per dollar per annum, and Massachusetts Income tax on the interest not exceeding 6% per annum.

Original Offering—$3,500,000 Series "A" 6s offered in Nov., 1922, by Halsey, Stuart & Co., Inc., New York, etc., at 99½ and interest; $2,550,000 Series "B" 6s in Feb., 1924 by the same firm at 98 and interest, and $2,300,000 Series "C" 5½s in Feb., 1925, also by the same firm at 97 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$3,015,706	$2,909,533	$2,642,124	$2,653,476	$2,238,746
Operating expenses	1,743,718	1,673,084	1,689,343	1,752,987	1,469,788
Net earnings	$1,271,988	$1,236,449	$952,781	$900,489	$768,958
Income deductions	514,201	514,785	430,888	414,538	288,501
Net income	$757,787	$721,664	$521,893	$485,951	$480,457
Preferred dividends	337,438	309,770	183,359	137,138	*
Balance for other corporate purposes	$420,349	$411,894	$338,534	$348,813	*

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Fixed assets	$13,212,908	$12,464,585	$11,702,917	$9,420,167	$7,278,593
Investments	6,277,249	6,269,820	6,469,384	3,936,600	3,936,600
Notes receivable	389	25,133	77,214	4,542	5,366
Materials and supplies	307,928	244,030	208,361	213,326	265,297
Accounts receivable	630,170	896,427	585,529	316,397	254,891
Cash	103,360	436,450	604,671	664,690	179,109
Sinking fund trustee	762	.....	.....	.....	.....
Unamortized debt discount	447,134	469,142	490,422	326,498	136,355
Other suspense accounts	4,534	1,040	1,767	1,663	11,865
Prepaid accounts	15,807	20,816	9,763	13,461	21,223
Total	$21,000,241	$20,827,443	$20,150,028	$14,897,344	$12,089,299
Liabilities—					
Common stock	$5,800,000	$5,800,000	$5,800,000	$4,000,000	$4,000,000
Preferred stock	4,838,700	4,785,600	4,055,800	2,068,300	1,887,980
Funded debt	8,334,600	8,350,000	8,350,000	7,050,000	4,500,000
Loans	5,220	.....	300,000	5,000	393,250
Accounts payable	197,526	152,597	159,918	407,229	160,184
Accrued accounts	491,370	502,126	397,814	328,704	242,301
Reserves	510,279	393,897	296,062	226,902	197,424
Profit and loss	822,526	843,223	790,434	811,209	708,166
Total	$21,000,241	$20,827,443	$20,150,028	$14,897,344	$12,089,299

Officers: W. J. Bertke, Pres. & Gen. Mgr.; Sioux City, Ia.; C. I. Crippen, V-P.; H. A. Clarke, V-P., New York; R. B. Searing, Sec. & Asst. Treas., Sioux City, Ia.; E. W. Freeman, Treas. & Asst. Sec.; E. J. Lewis, Asst. Treas.; H. M. Billingsley, Asst. Sec., New York.

Directors: R. B. Searing, W. J. Bertke, E. L. Kirk, Sioux City, Ia.; D. M. Stearns, Ft. Dodge, Ia.; H. D. Anderson, New York.

Office, Sioux City, Iowa.

SIOUX CITY SERVICE COMPANY

(Controlled by Sioux City Gas & Electric Co.)

History and Property—Incorporated June 5, 1905, in N. J. Company furnishes without competition street railway and steam heating service to Sioux City, Iowa. Miles of track operated, 54, of which 7 are on private right of way. Gauge, standard. Rail (steel), 60 and 80 lbs. Cars, 76.

Twenty-five year street railway franchise, effective Feb. 1, 1926, was granted company by popular vote of the people on Jan. 6, 1926. This franchise has a service-at-cost provision under which there are set up six rates of fare from five cents to ten cents (the initial fare being 7c.) with tickets at appropriate reductions and the Company permitted to charge such of these rates as will result in the following returns on the value of its property: 8% when the fare is 5c.; 7½% when the fare is 6c; 7% when the fare is 7c. or 8c.; 6½% when the fare is 9c.; 6% when the fare is 10c. The rate of fare is not to be changed more often than once a year and is to be reduced only when the annual operating balance as defined in the franchise exceeds the stipulated return by $75,000.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. All owned by Sioux City Gas & Electric Co. Annual meeting, second Monday in June.

FUNDED DEBT

$1,324,000 FIRST MORTGAGE GOLD BONDS, 6% SERIES; DUE JANUARY 2, 1951

Dated January 2, 1926.

Interest Payable January and July 1, at office of Halsey, Stuart & Co., Inc., New York and Chicago.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered; interchangeable.

Provisions of Issue—Issued, 6% Series, $1,350,000; outstanding, $1,324,000.

Additional bonds may be issued in different series, bearing such dates, interest rates, sinking fund provisions and other provisions as the Board of Directors may from time to time determine. Additional bonds secured by this mortgage may be issued for 75% of the actual cost or fair value (whichever is less) of additions, improvements, extensions and betterments to the Company's property provided, however, that net earnings, as defined in the mortgage, for twelve consecutive months within the fifteen months next preceding the application for bonds shall have been equal to at least twice annual interest charges on all bonds outstanding under this mortgage, including bonds to be issued together with annual interest requirements, if any, of outstanding prior lien indebtedness on hereafter acquired property. Additional bonds may also be issued in accordance with the terms of the mortgage, to refund bonds issued under this mortgage and to refund prior lien bonds, if any, on hereafter acquired property.

Callability—Subject to call as a whole or in part on 30 days' notice at the following prices and accrued interest: To and including Jan. 1, 1936, at 103 and thereafter at 1% less for each five-year period.

Sinking Fund—Mortgage provides for a sinking fund to retire bonds of this series by semi-annual payments beginning January 2, 1927, equal to 2% annually on the bonds outstanding at the time of payments. Sinking fund will be operative through Halsey, Stuart & Co., Inc., Sinking Fund Agent. Bonds will be purchased at not exceeding prevailing redemption price, or will be called by lot at the prevailing redemption price and bonds so acquired will be cancelled.

Security—Secured by a direct first mortgage lien on all the physical property, rights and franchises of the company now owned, or hereafter acquired subject to prior liens, if any, on hereafter acquired property.

Guaranty—Unconditionally guaranteed as to principal, interest and sinking fund by endorsement by Sioux City Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four mill taxes or Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum refunded upon request within 60 days after payment.

Original Offering—First publicly offered ($1,350,000) in Jan., 1926, at 99 and interest yielding 6.08% by Halsey, Stuart & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$947,891	$930,129	$1,000,523	$1,092,906	$1,141,056
Operating expenses (including depreciation and all taxes)	820,819	773,537	820,101	956,718	999,198
Net earnings	$127,072	$156,592	$180,422	$136,188	$141,858
Income deductions	88,470	87,023	90,169	89,343	87,729
Net income	$38,602	$69,569	$90,253	$46,845	$54,129

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities	1927	1926	1925
Fixed assets	$3,835,490	$3,774,891	$3,700,857	Capital stock	$2,000,000	$2,000,000	$2,000,000
Investments	22,801	22,801	21,801	Funded debt	1,324,000	1,350,000	.....
Sinking fund	13,555	13,500	.....	Notes payable	124,009	12,947	1,079,158
Materials and supplies	38,320	24,257	35,375	Accounts payable	60,835	57,067	66,653
Accounts receivable	180,495	169,253	173,336	Accrued accounts	77,379	74,208	87,501
Cash	18,546	33,321	13,719	Reserves	546,807	589,380	655,654
Unamortized discount	85,263	90,720	40,000	Profit and loss	79,767	73,310	134,893
Other suspense accounts	14,212	7,042	23,250				
Prepaid accounts	4,115	21,127	15,521				
Total	$4,212,797	$4,156,912	$4,023,859	Total	$4,212,797	$4,156,912	$4,023,859

Officers: E. L. Kirk, Pres.; W. J. Bertke, V-P. & Gen. Mgr. Sioux City, Iowa; C. I. Crippen, 2nd V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas. & Asst. Sec.; E. J. Lewis, Asst. Treas., New York; R. B. Searing, Asst. Sec. & Asst. Treas., Sioux City, Iowa.

Directors: R. P. Stevens, H. D. Anderson, C. I. Crippen, New York; E. L. Kirk, W. J. Bertke, Wm. Milchrist, B. H. Kingsbury, John J. Large, Sioux City, Iowa.

Office, Sioux City, Iowa.

IOWA PUBLIC SERVICE COMPANY

(Controlled, directly or indirectly, by American Electric Power Corporation, through ownership of entire Second Pfd. and Common stocks.)

History and Property—Incorporated March 21, 1927, in Delaware, and acquired the properties of the Central Iowa Power & Light Company and the Iowa Light, Heat & Power Company (see 1927 Public Utility Manual, page 2217). The Company serves electric light and power in 200 communities in western and north central Iowa, including Waterloo, Charles City, Cherokee and Lemars. Manufactured gas is furnished in Waterloo, Cedar Falls, Hampton and Eagle Grove, and the Company also carries on a small water and steam heat business. In addition to its own generating stations, the Company has available a large power supply from the 66,000 volt high-tension transmission line of the Sioux City Gas & Electric Company, an affiliated company, extending eastward from its new generating station at Sioux City to Rutland. The population of the territory served is approximately 500,000.

The generating equipment consists of hydro-electric and steam plants having a total capacity of 32,789 k.w. with adequate boiler and steam turbine facilities. In addition, a large amount of energy is purchased from Sioux City Gas and Electric Company. The aggregate sales of electric energy for the 12 months ended Dec. 31, 1927, including purchased power, were 59,720,781 k.w.h., this energy being distributed by means of 1,729 miles of high tension transmission lines and the necessary distribution lines to more than 50,700 customers. The gas manufacturing plants have a total daily rated capacity of 3,816,000 cu. ft., distributed by means of 181 miles of gas mains to more than 13,600 customers. The sales for 12 months ended Dec. 31, 1927 were 390,580,000 cu. ft.

CAPITAL STOCK

Outstanding, 384,374 shares Common, 15,271 shares First Pfd. $7 Dividend Series, 4,000 shares First Pfd. $6.50 Dividend Series, 5,000 shares First Pfd. $6 Dividend Series, and 12,478 shares Second Pfd. $7 Dividend Series; all shares of no par value. The entire Second Pfd. and Common shares owned, directly or indirectly, by American Electric Power Corporation.

First Preferred Stock Provisions—All of the First Preferred stock is of the same class, of equal rank, and identical in every respect, except as to dividend rate. The First Preferred stock is preferred over the $7 Second Preferred stock and the Common stock as to dividends and in any distribution of assets of the Company other than by dividend from surplus or net profits, the First Preferred stock shall also have a preference over the $7 Second Preferred stock and over the Common stock until there shall have been paid or set apart for payment the amount of $100 on each share of the First Preferred stock together with accrued and unpaid dividends to the date of distribution of assets.

The First Preferred stock is non-assessable and is non-voting except in case dividends should become in arrears in an amount equal to 12 months' dividends. The First Preferred stock is redeemable in whole or in part at any time by the Company upon 30 days' notice at $105 per share, and accrued dividends to the date of redemption.

Transfer Agent—Company's office, Fort Dodge, Iowa.

Registrar—Central Trust Co. of Illinois, Chicago.

Tax Provisions—Exempt from Normal Federal Income Tax and Iowa Personal Property Tax.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York, and Price & Burnquist, Fort Dodge, Iowa.

Original Offering—First publicly offered (5,000 Pfd. $6 Dividend Series) in April 1928, at $100 per share and accrued dividends, by Harry H. Polk & Co., Inc., Des Moines, Iowa, etc.

Dividends—Pfd. dividends payable quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$12,000,000 FIRST MORTGAGE GOLD BONDS 5% SERIES DUE 1957; DUE JUNE 1, 1957

Dated June 1, 1927.

Interest Payable June and December 1, at Halsey, Stuart & Co., New York, or at Central Trust Co. of Illinois, Chicago, Ill.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago, Ill.

Provisions of Issue—Authorized amount, not limited; issued, $12,000,000. Mortgage provides that bonds may be issued in different series, bearing such dates, interest rates, sinking fund provisions and other provisions as the Board of Directors may from time to time determine. In addition to the $1,000,000 bonds issuable against the property of the Company as it existed April 30, 1927, further bonds to be secured by this mortgage may be issued for 75% of the cost or fair value (whichever is less) of plants or property and of additions, improvements, extensions and betterments, to the Company's plants or properties, acquired or made after April 30, 1927, provided, however, that net earnings (as defined in the Mortgage) for 12 consecutive months within the 15 months next preceding the application for bonds shall have been equal to either at least twice the aggregate annual interest charges on or to at least 12% of the aggregate principal amount of, all bonds outstanding, under the mortgage, the bonds then applied for and outstanding prior lien indebtedness, if any, on after acquired property. Additional bonds may also be issued in accordance with the terms of the mortgage, to refund bonds issued under the mortgage and to refund prior lien bonds, if any, on after-acquired property and to provide money to be deposited with the Trustee for any of the foregoing purposes. The mortgage contains certain provisions permitting, on conditions stated therein, the modification or alteration of the bonds or the mortgage or of any supplemental indenture with the assent of the Company and of the holders of not less than 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided that any such modification or alteration shall not permit, without the consent of the holders affected, the extension of the maturity of any bond, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest.

Purpose of Issue—Proceeds were used to reimburse the Company for expenditures in the retirement of $6,500,000 First Mortgage Gold Bonds, Series "A," 6%, and $1,000,000 Convertible General Mortgage Gold Bonds, Series "A," 7% of the Central Iowa Power & Light Co. and $1,630,000 First Mortgage 5% 30-year Sinking Fund Gold Bonds and $450,000 First Mortgage 7% 30-Year Sinking Fund Gold Bonds of the Iowa Light, Heat & Power Co., for improvements and extensions heretofore made, and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time on not less than 30 days' notice at 105 and accrued interest up to and including June 1, 1937, with successive reductions of 1% during each five year period until June 1, 1952, and at the principal amount and accrued interest thereafter to maturity.

Sinking Fund—A sinking fund is provided to retire bonds of this series by semi-annual payments beginning June 1, 1928, equal to 1% annually on the bonds outstanding at the time of the payments. Bonds will be purchased at not exceeding prevailing redemption

price, or will be called by lot at the prevailing redemption price and bonds so acquired will be cancelled.

Maintenance and Depreciation Reserve—The Company covenants under the mortgage that it will at all times make or cause to be made such expenditures by means of repairs, maintenance, renewals and replacements or otherwise as shall be necessary to maintain, preserve and keep the mortgaged property as an operating system or systems in good repair, working order and condition; and that it will maintain in its accounts a reasonably adequate reserve for renewals and replacements.

Security—Secured by a direct first mortgage on all the fixed properties of the Company, now owned or hereafter acquired, subject to prior liens, if any on hereafter acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Maryland, Connecticut or Massachusetts taxes (other than estate, succession and inheritance taxes) not exceeding in each year $4.00, $4.50, $4.00 or $3.00 per $1,000 bond respectively, refunded by the Company upon proper request within 60 days' after date of payment, but not more than one such State tax will be refunded on the same bond for the same year.

Original Offering—First publicly offered ($12,000,000) in June, 1927, at 97½ and interest to yield 5.16% by Halsey, Stuart & Co., Inc., New York, and Stroud & Co., Inc., Philadelphia.

(2)

$1,500,000 GOLD DEBENTURES, 5% SERIES DUE 1968; DUE MARCH 1, 1968

Dated March 1, 1928.

Interest Payable March and September 1, at Bankers Trust Co., New York, or at First Trust and Savings Bank, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued, 5% Series due 1968, $1,500,000. Additional debentures may be issued from time to time as authorized by the Board of Directors or Executive Committee of the Company, provided that the consolidated net earnings of the Company and its subsidiaries for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of the filing of the application therefor, after providing for interest requirements on all underlying bonds, shall have been at least equivalent to three times the annual interest requirements on all Debentures then outstanding and those then proposed to be issued, all as defined in the Debenture Agreement. Additional debentures may also be issued to refund equal principal amounts of the same or other series of Debentures issued under the Agreement, provided that the interest rate of Debentures issued for such purpose shall not exceed the interest rate of those about to be refunded under this provision. Additional debentures may be issued in series bearing such dates, rates of interest, maturing at such times and carrying such redemption, sinking fund and such other varying or distinguished provisions as may be determined by the Board of Directors or Executive Committee not inconsistent with the provisions of the Debenture Agreement.

Purpose of Issue—Proceeds were used for the acquisition of a substantial interest in the Common stock of the Sioux City Gas and Electric Company, an affiliated company, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105% and accrued interest up to and including March 1, 1936, with successive reductions of 1% of the principal amount during each eight year period thereafter up to and including March 1, 1967, and at the principal amount and accrued interest thereafter to maturity.

Security—Debentures are a direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, California tax not in excess of 4 mills, Connecticut tax up to 4 mills annually, Maryland securities tax not in excess of 4½ mills per annum, and the Massachusetts Income Tax not in excess of 6% per annum, refunded to holders resident in those States.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York.

Original Offering—First publicly offered ($1,500,000) in March, 1928, at 95 and interest, to yield about 5.30%, by Bonbright & Co., Inc., and A. C. Allyn & Co., Inc., New York.

EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross revenue	$3,966,889
Operating expenses, maint., renewals & replacements and taxes (other than Federal Income taxes)	2,451,148
Net revenue	$1,515,741
Income deductions	675,000
Net income	$840,741

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant	$22,513,331
Cash	369,125
Notes and accounts receivable	844,157
Materials and supplies	506,113
Prepaid accounts	1,587
Miscellaneous	556,435
Suspense	59,978
Total	$24,850,726
Liabilities—	
Capital stock:	
Common	$7,353,075
First Preferred	1,907,400
Second Preferred	1,247,800
Subscriptions to Preferred stock	7,960
Funded debt	12,000,000
Notes and accounts payable	480,518
Deposit accounts	42,798
Accrued accounts	657,488
Reserves	670,970
Contributions for extensions	38,102
Notes payable to Holding company	60,000
Surplus	384,615
Total	$24,850,726

Officers: D. M. Stearns, Pres.; H. A. Clarke, V-P.; G. A. Neal, V-P.; C. I. Crippen, V-P.; W. N. Porter, Sec.; H. M. Billingsley, Asst. Sec.; L. W. Wade, Treas.; E. W. Freeman, Asst. Treas.; E. J. Lewis, Asst. Treas.

Directors: H. D. Anderson, W. J. Bertke, H. A. Clarke, C. I. Crippen, D. M. Stearns, R. P. Stevens, L. E. Yeager.

Office, Fort Dodge, Iowa. **New York Office,** 120 Broadway.

THE OLD DOMINION GAS & ELECTRIC CORPORATION

(Controlled by American Electric Power Corporation)

History—Incorporated Sept. 2, 1927, in Virginia. Has acquired a franchise at Hopewell, Va., to construct and operate a manufactured gas system to supply gas in that community. Construction work is in progress and the property is expected to be in operation before the end of 1928.

CAPITALIZATION

Capital stock all owned by American Electric Power Corporation. No securities in hands of public.

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; E. W. Freeman, Treas.; H. M. Billingsley, Sec., New York.

Directors: R. P. Stevens, H. D. Anderson, L. E. Yeager, C. I. Crippen, J. Gordon, Bohannan.

Office, Hopewell, Va.

PENNSYLVANIA GAS & ELECTRIC CORPORATION

(Controlled by American Electric Power Corporation)

History—Incorporated September 20, 1924, in Delaware, as Continental Power & Light Company (see 1925 Public Utility Manual, page 1015); name changed to Pennsylvania Gas & Electric Corporation in 1925. The Corporation owns, either directly or through subsidiaries, practically all of the Common stocks (except directors' qualifying shares) of a group of companies operating public utilities in Pennsylvania, New York, North Carolina, Maryland, and Virginia, and 75% of the Common stock of the Southeastern Ice Utilities Corporation, operating in North Carolina, South Carolina and Virginia.

Subsidiary Companies—Pennsylvania Gas & Electric Corporation directly controls the following subsidiaries:

Pennsylvania Gas & Electric Company (formerly York Gas Company).
Bradford Gas Company
Carolina Gas & Electric Co.
Crystal City Gas Company
North Penn Gas Company
Saugerties Gas Light Company
Saugerties Realty Corporation.
Southeastern Ice Utilities Corporation

During 1926 the Corporation acquired the Peoples Light Company of Pittston, Pa. (and transferred the ownership thereof to Pennsylvania Gas & Electric Company); Interborough Gas & Fuel Company of Dallastown, and Red Lion, Pa., and acquired a 51% interest in Crystal City Gas Co. of Corning, N. Y. In 1927, acquired Alum Rock Gas Company and Eastern States Utilities Company. Later organized North Penn Gas Company to which was conveyed part of the properties and all of the stock of Allegany Gas Company, as well as the stock of Alum Rock Gas Co. and Dempseytown Gas Co. In the North Penn Gas Co. the Pennsylvania Gas & Electric Corporation retains the entire Common stock.

Subsequent Developments—(1) All securities of Eastern States Utilities Company in hands of public retired. Name of Hyattsville Gas & Electric Company changed to Washington Suburban Gas Company May 10, 1927 and sold by Eastern States Utilities Company to Pennsylvania Gas & Electric Company. All subsidiaries of Eastern States Utilities Company operating in North Carolina were merged June 2, 1927 to form Carolina Gas & Electric Company, control of which was sold to Pennsylvania Gas & Electric Corporation. (2) Moncton Tramways, Electricity & Gas Co., Ltd., sold Sept. 1, 1927 to Central States Power & Light Corporation (3) Control of Bradford Gas Company acquired in 1927 by Pennsylvania Gas & Electric Corporation. (4) Control of Petersburg (Va.) Gas Company acquired by Pennsylvania Gas & Electric Company in March, 1928. (5) Control of Peoples Light Co. of Pittston and Interborough Gas & Fuel Co. transferred by Pennsylvania Gas & Electric Corporation to Pennsylvania Gas & Electric Company during 1927.

The gas manufacturing properties of the subsidiary companies consist of plants located at York and Pittston, Pa., Saugerties, New York, and at Roulette, Pa. Oil and gas rights are owned in 59,266 acres of land located in Potter and McKean Counties, Pa., and Allegany County, New York. The natural gas from this area is now used largely for enrichment of the gas manufactured at the new Roulette Plant. 3,000 acres of gas land are owned and an additional 2,000 acres are leased in Venango, Forest and Clarion Counties, Pa.

The ice properties consist of 19 ice manufacturing plants which have an aggregate daily capacity of 1,225 tons. The output in 1927 from these plants was 161,943 tons. The properties are located in Winston-Salem, Statesville, Charlotte, Salisbury, Lexington, Spencer and Albemarle, N. C.; Chester and Columbia, S. C., and Portsmouth and Suffolk, Va.

Operating Statistics, Dec. 31, 1927—Gas output during year, 5,106,234,000 cu. ft. Gas customers, 39,192. Miles of mains, 1,478.

CAPITAL STOCK

Authorized, 350,000 shares Class "A" Participating stock of no par value, 350,000 shares Class "B" stock of no par value; $1,000,000 7% cumulative Pfd., par, $100 and 40,000 shares $7 cumulative Pfd. of no par value; outstanding, Dec. 31, 1927, 97,375 2/5 shares (including scrip) Class "A," 150,000 shares Class "B," $1,000,000 7% Pfd., and 20,000 shares $7 Pfd. In addition, sufficient shares of Class "A" stock are reserved for the exercise of subscription warrants which expire March 1, 1929. Class "B" stock is all owned by American Electric Power Corporation.

PREFERRED STOCK PROVISIONS

The 7% cumulative Pfd. stock and the $7 cumulative Pfd. stock, rank equally in every respect. They have preference over the Class "A" and Class "B" stocks both as to assets (up to $100 per share and accrued dividends) and dividends, and are fully paid and non-assessable. The cumulative Pfd. stock may be retired at the option of the Company on any dividend date on 30 days' prior notice; at $110 per share and accrued dividends.

Additional Preferred stock may be issued, in accordance with the terms and provisions thereof, from time to time as determined by the Board of Directors of the Company, for proper corporate purposes, provided that the consolidated net earnings of the Company and its subsidiaries, as defined in such terms and provisions, for 12 consecutive months within the 15 months immediately preceding the date of issuance thereof, shall be equivalent to at least three times the amount of the annual dividend requirements on the preferred stock outstanding, together with that about to be issued.

The Company will reimburse or refund, to stockholders resident in the following States respectively, taxes paid by reason of the ownership of, or the deriving of income from, said stock as follows: The Pennsylvania four mills tax, the Massachusetts Income Tax not exceeding 6% per annum, and the California personal property tax up to four mills per dollar of the taxable value; upon receipt of written application for such reimbursement or refund within sixty days after payment of the tax, accompanied by satisfactory proof thereof.

Class "A" Stock Provisions—Class "A" stock has priority over Class "B" stock as to assets as well as dividends. Shares are fully paid, non-assessable and non-redeemable. Class "A" stock is entitled to receive in each year, when and as declared, non-cumulative dividends at rate of $1.50 per share per annum before any dividends are paid on Class "B" stock in such year; dividends may then be declared on Class "B" stock at rate of $1.50 per share per annum and thereafter additional dividends may be declared for payment in such year on both Class "A" and Class "B" stocks at such rates that each class will receive one-half the total amount of such additional dividends. The number of shares of Class "B" to be outstanding at any time shall not exceed twice the number of Class "A" shares then outstanding. On liquidation or dissolution, Class "A" stock is entitled to receive in priority over Class "B" stock, an amount equal to $35 per share. Class "A" stock is non-voting except in the event that dividends on Class "A" stock shall be in default in an aggregate amount of $3 per share in any period of 24 consecutive months, then holders of Class "A" stock shall be entitled as a class to elect one-third of the Board of Directors of Corporation until a quarterly dividend at rate of $1.50 per share per annum shall have been thereafter declared for Class "A" stock.

Transfer Agents (All Classes)—The Seaboard National Bank, New York, and Central Trust Co. of Illinois, Chicago.

Registrars (All Classes)—The Equitable Trust Co., New York, and The Northern Trust Co., Chicago.

Annual Meeting—Second Tuesday in September in New York.

Legal Opinion—Wherry & Mygatt, New York (for the Bankers) and H. M. Billingsley, New York (for the Company).

Original Offering—Class "A" stock first publicly offered (75,000 shares) in December, 1925, at $22.50 per share, by A. C. Allyn & Co., Inc., Pogue, Willard & Co., and G. E. Barrett & Co., Inc., New York.

$1,000,000 7% Pfd. stock offered in Aug., 1926, at 95 and accrued dividend, to yield 7.37%, by A. C. Allyn & Co., Inc., New York, and 10,000 shares $7 Pfd. stock in Dec., 1926, at the same price and by the same bankers.

Listed—Class "A" stock listed on the Chicago Stock Exchange and admitted to trading on New York Curb Market.

Price Range (Class "A")—

	1927	1926	1925
High	23	24	24½
Low	17½	19	21½

Dividends—Dividends on both classes of Pfd. stock are paid quarterly, J, A, J & O 1. Dividends on Class "A" stock are payable when and as declared, quarterly, M, J, S & D 1; initial quarterly dividend paid March 1, 1926, at holder's option, 37½c in cash or 1/40 share in Class "A" stock, which dividends were continued June 1, Sept. 1, and Dec. 1, 1926. On March 1 and June 1, 1927, paid regularly quarterly dividends of 37½c in cash and quarterly extra dividends of 3¾c in cash (annual rate of $1.65 cash) in lieu of stock option; same dividends paid Sept. 1 and Dec. 1, 1927, and Mar. 1, 1928.

FUNDED DEBT

$3,200,000 6% GOLD DEBENTURES, SERIES "A"; DUE MARCH 1, 1976

Dated March 1, 1926.

Interest Payable March and September 1 at The Equitable Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Issued, $3,200,000 Series "A" 6s. Additional debentures may be issued from time to time, as authorized by directors, but only when net earnings available for interest charges on these debentures for a period of twelve consecutive months ending not more than three months immediately preceding application for issuance of such additional debentures, after providing for int. requirements on all underlying obligations, shall be not less than three times annual int. requirements on all debentures outstanding and those then proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest to and including Feb. 28, 1975, and at 100 and interest thereafter.

Security—Debentures are a direct obligation of the Corporation.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%. Upon application Corporation will refund any taxes assessed and paid upon the income derived from or on the ownership of these Debentures, under the laws of any State or Possession of the U. S., not in excess of 5 mills per annum on each dollar in principal amount to resident holders.

Stock Purchase Warrants—The first $2,400,000 Debentures carried options (48,000, of which 47,980 are outstanding) entitling the holder thereof to purchase two shares of the Class "A" Participating stock of Corporation for each $100 par value of Debentures at $23 per share. Privilege expires March 1, 1929.

Legal Opinion—Wherry & Mygatt, New York (for the Bankers); H. M. Billingsley, New York (for the Corporation).

Original Offering—First publicly offered ($2,100,000) in March, 1926, at 93½ and interest, to yield about 6.45% by A. C. Allyn & Co., Inc., Pogue Willard & Co., and G. E. Barrett & Co., Inc., New York, etc.

Price Range—

	1927	1926
High	99	93¼
Low	93½	90

***CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31**

	1927	1926	1925	1924
Gross earnings (including non-operating revenue)	$5,006,752	$4,327,337	$2,025,968	$527,668
Operating expenses and taxes	3,463,258	3,054,239	1,119,331	350,002
Net earnings	$1,543,494	$1,273,098	$826,637	$177,666
Subsidiary companies' deductions:				
Annual interest requirements on funded debt, sundry interest, amortization of discount, subsidiary companies' Preferred dividends and minority stockholders' proportion of surplus	616,453	484,154	320,757	13,121
Net income available for Pennsylvania Gas & Electric Corp. interest and dividends (before retirement reserve)	$927,041	$788,944	$505,880	$164,545

*Includes earnings for the full calendar year of all properties owned at December 31 of each respective year, regardless of the dates of acquisition.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	*1925	1924
Fixed capital	$23,365,937	$10,528,983	$1,972,787
Materials and supplies	408,894	126,666	36,689
Cash	410,833	484,760	83,692
Notes & accts. receiv.	608,299	222,501	65,637
Other current assets	75,116	10,000	65
Prepayments	42,763	5,408	275
Special deposits — sinking funds, etc.	149,993	.....	.....
Unamortized debt discount and expense	1,038,487	354,463	70,400
Other deferred charges	38,438	7,842	1,940
Total	$26,138,760	$11,740,623	$2,231,485

Liabilities—	1927	*1925	1924
Class "B" stock	$10,000	$10,000	†$10,000
Class "A" stock	1,653,039	1,237,500	.....
Preferred stock	4,296,600	1,521,000	305,200
Minority stock, sub. cos.	591,477	28,300	16,000
Funded debt	11,351,644	4,609,500	1,062,500
Notes & accts. payable	198,561	106,578	35,972
Accruals	462,060	162,099	35,428
Consumers' deposits	154,839	39,326	7,460
Retirement and deple. res.	5,403,251	3,205,392	258,523
Other reserves	16,855	3,085	8,408
Deferred credits	4,246	645	.....
Surplus	1,996,188	817,198	491,994
Total	$26,138,760	$11,740,623	$2,231,485

*1926 figures not available. †Common stock.

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas.; W. J. Hofford, Asst. Sec. & Asst. Treas.; L. E. Yeager, Asst. Sec.; John C. Meiners, Asst. Sec.; E. J. Lewis, Asst. Treas.

Directors: A. C. Allyn, H. D. Anderson, R. P. Stevens, C. I. Crippen, L. E. Yeager.

General Office, 120 Broadway, New York City. **Corporate Office**, Wilmington, Del.

BRADFORD GAS COMPANY

(Controlled by Pennsylvania Gas & Electric Corporation)

History—Incorporated Nov. 14, 1902, in Pennsylvania. Supplies gas in Bradford, Pa.

CAPITAL STOCK

Authorized, $300,000; outstanding, $290,000. All owned by Pennsylvania Gas & Electric Corporation.

FUNDED DEBT

None.

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; W. H. Richards, V-P.; H. M. Billingsley, Sec.; Lewis Emery, Treas.; E. W. Freeman, Asst. Sec.; E. J. Lewis, Asst. Treas.; George W. Keith, Asst. Sec. & Asst. Treas.

Directors: H. A. Clarke, C. I. Crippen, Lewis Emery, J. W. Farner, W. H. Richards, R. P. Stevens, Charles W. Yant.

Office, Bradford, Pa.

CAROLINA GAS & ELECTRIC COMPANY

(Controlled by Pennsylvania Gas & Electric Corporation)

History—Incorporated June 2, 1927 in North Carolina as a merger of Washington Gas Company, New Bern Gas & Fuel Company, Goldsboro Gas Company, Neuse River Electric Company, Kinston Gas Company, Greenville Gas Company, Fayetteville Light & Power Company, and Grifton Electric Company. The consolidated company supplies gas and some electricity in a territory which includes Goldsboro, Kinston, New Bern, Greenville, Fayetteville and Washington, North Carolina.

CAPITALIZATION

Capital stock and funded debt is all owned by Pennsylvania Gas & Electric Corporation.

Officers: R. A. Blackwood, Pres.; C. I. Crippen, V-P.; H. A. Clarke, V-P.; S. C. Bragaw, Sec.; E. W. Freeman, Treas.; H. M. Billingsley, Asst. Sec.; E. G. Lewis, Asst. Treas.

Directors: R. A. Blackwood, S. C. Bragaw, H. A. Clarke, C. I. Crippen, R. P. Stevens, Charles W. Yant, L. E. Yeager.

Office, Kinston, N. C.

PENNSYLVANIA GAS & ELECTRIC COMPANY

(Controlled by Pennsylvania Gas & Electric Corp.)

History—Incorporated in 1849 in Pennsylvania as the York Gas Company (see 1925 Public Utility Manual, page 514); name changed to Pennsylvania Gas & Electric Company in 1925. Supplies manufactured gas in York, West York, North York and Elmwood, Pa. In 1925 acquired from Pennsylvania Gas & Electric Corporation all but thirty-three shares of the capital stock of Moncton Tramways, Electricity & Gas Company, Ltd., but this interest was sold Sept. 1, 1927 to Central States Power & Light Corp. Also owns entire Common stock of Peoples Light Company of Pittston and 13,160 shares of the Pfd. stock of North Penn Gas Company. Also owns the entire stock of Interborough Gas & Fuel Company, Valley Gas Company and Washington Suburban Gas Company (formerly Hyattsville Gas & Electric Co.). In March, 1928, acquired entire Common stock of Petersburg (Va.) Gas Co.

CAPITAL STOCK

Authorized, $1,500,000 Common and $1,500,000 7% cumulative Pfd.; outstanding, $700,000 Common and $1,499,200 Pfd.; par $100. All of the Common stock, except directors' qualifying shares, is owned by Pennsylvania Gas & Electric Corp.

Preferred Stock Provisions—Pfd. stock has preference as to assets as well as dividends over Common and is full paid and non-assessable. It is subject to redemption on any dividend date at 30 days' notice, at 107½ and accrued dividends. Additional Pfd. stock may be issued in accordance with the terms and provisions thereof, from time to time as determined by the Board of Directors of Company, for proper corporate purposes, provided that consolidated net earnings of Company and its subsidiaries, as defined in such terms and provisions, for 12 consecutive months out of the 15 immediately preceding the date of issuance thereof, shall be equivalent to at least 2½ times the amount of the annual dividends on the Pfd stock outstanding, together with that about to be issued.

Transfer Agents—The Seaboard National Bank, New York and York National Bank, York, Pa.

Registrars—The American Exchange Irving Trust Co., New York and the Guardian Trust Co., York, Pa.

Annual Meeting—Third Monday in January at York, Pa.

Legal Opinion—Walker & Redman, New York (for the Bankers) and H. M. Billingsley, New York (for the Company).

Original Offering—Pfd. stock first publicly offered (a block) in September, 1925, at 98½ and dividends to yield 7.10%, by A. C. Allyn & Co., Inc., New York.

Price Range—

Preferred—	1927	1926	1925
High	97	95½	98½
Low	93	94	98½

Dividends—Pfd. dividends regularly paid quarterly since issuance in September, 1925; payments J, A, J & O 1.

FUNDED DEBT

(1)

$1,220,000 YORK GAS COMPANY FIRST GOLD 5s; DUE MAY 1, 1941

Dated May 1, 1911.

Interest Payable May and November 1 at York National Bank, York, Pa.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—York Trust Co., York, Pa.

Provisions of Issue—Authorized $3,000,000, but mortgage is closed at $1,300,000; outstanding, $1,220,000; in treasury, $80,000.

Callability.—Subject to call on any interest date at 105 and interest.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,961,600 PENNSYLVANIA GAS & ELECTRIC CO. FIRST LIEN & REFUNDING MORTGAGE SINKING FUND GOLD 5½s, SERIES "A"; DUE SEPTEMBER 1, 1955

Dated September 1, 1925.

Interest Payable March and September 1 in New York, Chicago or Philadelphia.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Issued, $1,961,600 Gold 5½s, Series "A," and $700,000 Gold 5s, Series due 1958 (see description below. Additional First Lien & Refunding Mortgage bonds of this series (or other series of such interest rate, maturity, redemption, tax and other permitted features as the Board of Directors may determine) are issuable up to 80% of the cost or fair value (whichever is less) of additions, improvements, betterments and extensions to the property of the Company or that of any present or future subsidiary and up to 80% of the cost or fair value (whichever is less) of new property or securities hereafter acquired, provided earnings applicable to bond interest (as defined in the mortgage) for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of application for issuance of bonds, shall have

been not less than twice annual interest charges on all First Lien & Refunding Mortgage Gold bonds outstanding, including those proposed to be issued (and on outstanding prior liens, if any, as defined in the mortgage); or additional bonds may be issued to a principal amount not exceeding 75% of the cost or fair value (whichever is less) of any such property if such net earnings shall have been not less than 1¾ times such interest charges. First Lien & Refunding Mortgage bonds may also be issued against the deposit with Trustee of an equal principal amount of cash, and such cash may be withdrawn only in the manner and to the extent that bonds may be issued under this mortgage. First Lien & Refunding Mortgage Gold bonds may also be issued par for par to refund underlying bonds (as defined in the mortgage), and under defined restrictions for bonds of another series previously issued and retired. The mortgage will provide that its terms and provisions may be modified, with certain restrictions, by vote of 75% of the net principal amount of the bonds outstanding. Principal is payable at office of the Trustee.

Callability—Subject to call as a whole or in part on any interest date, on 4 weeks' notice, to and including September 1, 1931, at 105 and interest; thereafter to and including September 1, 1937, at 104 and interest; thereafter to and including September 1, 1943, at 103 and interest; thereafter to and including September 1, 1949, at 102 and interest; thereafter to and including September 1, 1954, at 101 and interest, and thereafter at 100 and interest.

Sinking Fund—Company covenants to provide an annual sinking fund for the Series "A" bonds, beginning September 1, 1927, equivalent to 1% of the amount of Series "A" bonds outstanding, to be used exclusively for the purchase or redemption of bonds of that series.

Security—Secured by a direct mortgage on all fixed property of Company, constituting the gas manufacturing and distribution system in and about York, Pa., subject only to $1,300,000 (closed) underlying bonds, which are refundable under the mortgage securing this bond issue, and of which $1,261,000 are now outstanding with the public, and by pledge with the Trustee of all Common stock of Peoples Light Co. of Pittston, Washington Suburban Gas Company, Interborough Gas & Fuel Company, and The Petersburg (Va.) Gas Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Upon application as provided in the mortgage, Company will refund any taxes assessed and paid upon the income derived from or on the ownership of bonds of this issue under the laws of any State or Possession of the United States not in excess of Five Mills per annum to holders resident in such State or Possession. Tax free in Pennsylvania.

Legal Opinion—Walker & Redman, New York (for the Bankers) and H. M. Billingsley, New York (for the Company).

Original Offering—First publicly offered ($1,350,000 Series "A") in September, 1925, at 97 and interest, to yield over 5.70%.

Price Range—

	1927	1926	1925
High	98½	96	97
Low	96	92½	94½

(3)

$700,000 PENNSYLVANIA GAS & ELECTRIC CO. FIRST LIEN & REFUNDING MORTGAGE GOLD BONDS 5% SERIES DUE 1958; DUE MARCH 1, 1958

Dated March 1, 1928.

Interest Payable March and September 1, in New York, Chicago or Philadelphia.

Provisions of Issue—These 5% bonds are similar in all respects (except as to interest rate, maturity and callability) to the First Lien & Refunding Mortgage 5½% Series "A" bonds described above.

Callability—Subject to call at option of the Company in whole or in part on any interest date on four weeks' prior notice to and including March 1, 1934, at 105% and accrued interest, with successive reductions of 1% of the principal amount during each six-year period thereafter until March 1, 1952, and thereafter until March 1, 1957, at 101% and accrued interest, and at the principal amount and accrued interest thereafter to maturity.

(4)

$964,700 PENNSYLVANIA GAS & ELECTRIC CO. FIFTEEN-YEAR 6% SINKING FUND GOLD DEBENTURES, SERIES "A"; DUE DECEMBER 1, 1940

Dated December 1, 1925.

Interest Payable June and December 1, at The Equitable Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Issued, $1,000,000; retired by sinking fund, $35,300; outstanding, $964,700. Debentures in addition to the $1,000,000 originally issued may be issued from time to time, as authorized by the Board of Directors of Company, but only when net earnings available for interest charges on these debentures (as defined in the Trust Agreement) for a period of 12 consecutive months ending not more than 3 months immediately preceding the application for the issuance of such additional Debentures, after providing for interest requirements on all underlying bonds, shall be not less than 2½ times the annual interest requirements on all Debentures outstanding and those then proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice to and including June 1, 1935, at 105 and interest, this premium of 5% of the principal decreasing at the rate of 1% on each December 1 thereafter, and at 100 and interest on December 1, 1939, and thereafter to maturity.

Sinking Fund—Company covenants to pay to the Trustee on December 1, 1927, and on each December 1 thereafter to maturity, the sum of $35,000, which is to be used for the purchase of these Series "A" Debentures in the market at or below the current redemption price or for their retirement by lot at such price. All debentures so acquired for the sinking fund are to be cancelled.

Security—These debentures are a direct obligation of Company, but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State 4 Mill Tax. Upon application, as provided in the trust indenture, Company will refund any taxes assessed and paid upon the income derived from or on the ownership of these Debentures, under the laws of any State or Possession of the United States not in excess of 5 mills per annum to holders resident in such State or Possession.

Legal Opinion—Wherry & Mygatt, New York (for the Bankers) and H. M. Billingsley, New York (for the Company).

Original Offering—First publicly offered ($1,000,000) in December, 1925, at 95½ and interest, to yield about 6.50%, by A. C. Allyn & Co., Inc., New York, etc.

Price Range—1927: High, 98; low, 93½.

***CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31**

	1927	1926	1925
Gross earnings	$1,347,892	$1,365,796	$1,106,241
Operating expen., and taxes	721,768	906,012	729,860
Net earnings	$626,124	$459,784	$376,381
Proportion of net income before depletion and retirement reserves accruing on securities of affiliated cos.	.....	211,377	213,533
Total	$626,124	$671,161	$589,914

*CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925
Annual int. requirements on funded debt, sundry int. amortization of discount and minority stockholders' proportion of surplus	$267,889	$271,151	$223,739
Balance	$358,235	$400,010	$366,175
Annual Preferred dividend requirement	104,944	103,327	84,000
Balance for depletion and retirement reserves and surplus	$253,291	$296,683	$282,175

*Includes earnings for the full calendar year of all properties owned at December 31 of each respective year regardless of the dates of acquisition.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Pennsylvania Gas & Electric Co. and subsidiary companies)

Assets—	1927	1926
Prop., plant, franchises, etc.—gen. acct.	$5,626,217	$5,940,063
Investments—at cost	1,317,100	1,307,131
Special deposits—sinking funds, etc.	141,125	374
Unamortized bond discount and exp.	317,682	290,368
Due from holding and affil. companies	109,862	89,368
Cash	117,404	231,843
Marketable securities	75,116	75,166
Accounts receivable	129,234	133,222
Unmatured interest and divds. receiv.	39,428	403
Materials and supplies	128,225	127,617
Other current assets	10,220	19,322
Deferred charges and prepaid accounts	14,301	21,473
Total	$8,025,914	$8,236,350
Liabilities—		
Common stock	$700,000	$700,000
First Preferred stock	1,499,200	1,476,100
Subscriptions to capital stock	500,400	26,600
Minority stock of subsidiary	.....	3,300
Funded debt	4,274,800	3,826,000
Due holding company	45,000	751,503
Accounts payable	26,161	69,165
Accruals	164,681	84,939
Other current liabilities	4,196	1,178
Deferred liabilities	39,242	18,646
Reserves	511,625	765,021
Surplus	260,609	513,898
Total	$8,025,914	$8,236,350

Officers: Grier Hersh, Pres. & Gen. Mgr.; C. I. Crippen, V-P.; H. A. Clarke, V-P.; Mark Pendleton, V-P.; H. O. Sakemiller, Treas.; T. W. McDonald, Sec., Compt & Asst. Gen. Mgr.; E. W. Freeman, Asst. Sec. & Asst. Treas.; John C. Meiners, Asst. Sec.; L. E. Yeager, Asst. Sec.; E. J. Lewis, Asst. Treas.; Daniel Weiser, Cashier.

Directors: H. D. Anderson, C. I. Crippen, Grier Hersh, Charles M. Kerr, T. W. McDonald, Mark Pendleton, Charles W. Yant.

General Office, York, Pa.

INTERBOROUGH GAS & FUEL COMPANY

(Controlled by Pennsylvania Gas & Electric Company)

History—Incorporated in Pennsylvania. Purchases gas from Pennsylvania Gas & Electric Company for distribution in Dallastown and Red Lion, Pa. Number of customers, about 1,150.

CAPITAL STOCK

Authorized and outstanding, $50,000, par $100. All owned by Pennsylvania Gas & Electric Company. Annual meeting, third Monday in January.

FUNDED DEBT

None.

Officers and Directors: Not reported.

Operating Office, Dallastown, Pa. **New York Office,** 120 Broadway.

PEOPLES LIGHT COMPANY OF PITTSTON

(Controlled by Pennsylvania Gas & Electric Company)

History—Incorporated August 12, 1926, in Pa., a merger of The Peoples Light Company of Pittston (see 1926 Public Utility Manual, page 335) and several other companies. Supplies Pittston, West Pittston and Exeter Borough, Jenkins Township and Hughestown Boro, serving population of 42,000. Prices: Light and fuel, $1.80 gross, $1.70 net, discount for quantities.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. All owned by Pennsylvania Gas & Electric Company. Transfer Office, Wilkes-Barre, Pa. Annual meeting, fourth Monday in May.

Dividends—Recent payments have been: 1924, 7%; 1925, 8%; 1926, 19%; 1927, 12%.

FUNDED DEBT

$126,000 The Peoples Light Co., of Pittston First Mortgage 5s; dated March 1, 1889; due March 1, 1929; int. March and Sept. 1, at Wyoming Valley Trust Co., Wilkes-Barre, Pa., Trustee. Coupon, $1,000; principal may be registered. Subject to call at par and int. Authorized and issued, $150,000, of which $24,000 held in treasury. Secured on plant, franchise, street mains, etc. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926	1925
Operating revenues	$150,613	$150,025	$149,236
Operating expenses	101,736	115,303	110,188
Operating income	$48,877	$34,722	$39,048
Non-operating income	†588	6,078	10,767
Total income	$48,289	$40,800	$49,815
Interest charges, etc.	6,808	6,473	6,300
Surplus after charges	$41,481	$34,327	$43,515
Dividends	36,000	57,000	24,000
Surplus for year	$5,481	†$22,673	$19,515

*Income account for year 1926 includes operations of old company from Jan. 1 to Aug. 13, 1926. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total fixed capital	$851,851	$829,296	$811,469
Investments	75,216	75,266	65,003
Reacquired securities	.....	24,000	24,000
Special deposits	.....	.....	70,000
Cash	51,449	53,586	17,592
Accounts receivable	31,069	32,809	33,980
Materials and supplies	29,939	30,437	27,505
Accrued assets	400	248	585
Prepayments	1,719	3,384	21
Deferred charges	2,280	1,199	.....
Total	$1,043,923	$1,050,225	$1,050,155
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	126,000	150,000	150,000
Consumers' deposits	7,545	7,053	6,242
Accts. & notes payable	10,976	2,292	693
Accrued int. & taxes	11,506	8,767	2,100
Reserves	131,076	120,365	101,486
Surplus	456,820	461,748	489,634
Total	$1,043,923	$1,050,225	$1,050,155

Officers: W. L. Foster, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas.; J. A. Weiser, Gen. Mgr.

Directors: H. A. Anderson, C. I. Crippen, John A. Weiser, Grier Hersh, F. P. Smith, R. P. Stevens.

Offices, Pittston, Pa., and 120 Broadway, New York.

WASHINGTON SUBURBAN GAS COMPANY

(Controlled by Pennsylvania Gas & Electric Company)

History—Incorporated March 23, 1906, in Maryland as Hyattsville Gas and Electric Co.; name changed to present title in 1927. Supplies gas to Hyattsville, Bladensburg, Mount Ranier, Cottage City, Brentwood, East Hyattsville, Riverdale and College Park, serving an estimated population of 65,000. Franchises, perpetual. Miles of mains, 51.1. No. of customers, 2,707. Gas output in 1927, 62,589,000 cu. ft. Prices, $1.60 and $1.85 per 1,000 cu. ft.

CAPITAL STOCK

Authorized, $100,000 outstanding, $86,000; par, $100. All owned by Pennsylvania Gas & Electric Company. Annual meeting, third Monday in February.

FUNDED DEBT

$277,000 Hyattsville Gas and Electric Co. First Mortgage 6½% Gold bonds; dated Feb. 1, 1925; due Feb. 1, 1948; interest Feb. and Aug. 1, at Pennsylvania Co. for Insurances on Lives and Granting Annuities, Phila., Trustee. Authorized, $277,000 (one bond); owned by Pennsylvania Gas & Electric Company and pledged under its First Lien & Refunding Mtge. Subject to call at 105 to 1930; at 104 to 1935; at 103 to 1940; at 102 to 1945; at 101 to 1947; and at 100 to 1948. Sinking fund amounts to 1½% per annum of bonds outstanding. A first lien on entire property. Company pays Normal Federal Income Tax.

Officers: C. I. Crippen, Pres.; Mark Pendleton, V-P.; E. W. Freeman, Treas.; H. M. Billingsby, Sec.; T. W. McDonald, Asst. Sec. & Asst. Treas.; H. L. Leonard, Gen. Mgr.

Directors: H. D. Anderson, C. I. Crippen, H. L. Leonard, T. W. McDonald, Mark Pendleton.

Office, Hyattsville, Md.

THE PETERSBURG GAS COMPANY

(Controlled by Pennsylvania Gas & Electric Company)

History—Incorporated March 26, 1901, in Va. Franchise perpetual. Population served, 31,000. Gas consumers, 2,296. Annual output, 81,093,000 cu. ft. Miles of mains, 37. Daily capacity, 1,400,000 cu. ft.

CAPITAL STOCK

Authorized, $600,000 Common and $300,000 Pfd.; outstanding, $550,000 Common and $50,000 Pfd.; par, $100. All of the Common owned by Pennsylvania Gas & Electric Company. Pfd. owned by customers. Annual meeting, last Thursday in April, at Petersburg, Va.

FUNDED DEBT

$139,000 First Sinking Fund Gold 5s; dated April 1, 1901; due April 1, 1931; int. April and Oct. 1, at Real Estate Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized and issued, $250,000, of which $111,000 have been retired by sinking fund. Sinking fund, $5,000 annually to 1920; $7,500 per annum thereafter. Subject to call at 105. A first lien on property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$140,916	$137,180	$133,371
Oper. exp., maint., taxes, renewals and replacements	106,278	104,089	100,226
Net earnings	$34,638	$33,091	$33,145
Fixed charges	7,190	7,419	7,794
Balance	$27,448	$25,672	$25,351
Times Fixed Charges Earned	4.81	4.46	4.25

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$760,942	$750,714	$723,384
Accounts receivable	19,392	7,812	11,697
Cash	8,457	16,593	4,271
Materials and supplies	9,855	16,715	10,238
Prepaid items	26	109	237
Suspense accounts	563	2,620	894
Total	$799,235	$794,563	$750,721
Liabilities—			
Common stock	$550,000	$550,000	$250,000
Preferred stock	50,000	40,000	
Funded debt	139,000	146,500	154,000
Notes and accts. payable	4,807	5,309	2,998
Deposits & prepaid accts.	6,469	2,738	3,479
Accrued items	9,084	13,534	13,844
Extension contribution acct.	.....	4,680	3,147
Reserves	23,995	23,603	22,943
Holding Co.'s equity above Common stock	.....	.....	300,310
Surplus	15,880	8,199	.....
Total	$799,235	$794,563	$750,721

Officers: R. P. Stevens, Pres.; H. A. Clarke, C. I. Crippen, W. H. James, V-Ps.; H. M. Billingsley, Sec.; E. W. Freeman, Treas.

Directors: H. D. Anderson, C. I. Crippen, W. H. James, R. P. Stevens, L. E. Yeager.

Office, Petersburg, Va.

NORTH PENN GAS COMPANY

(Controlled by Pennsylvania Gas & Electric Corp.)

History and Property—Incorporated Apr. 8, 1927, in Pennsylvania. Supplies manufactured gas at retail to 39 communities in northern Pennsylvania, and at wholesale for distribution in Addison, Corning and Elmira, N. Y. Owns entire capital stock, except directors' qualifying shares, of Dempseytown Gas Company, Alum Rock Gas Company and Allegany Gas Company, which subsidiaries supply natural gas, either at wholesale or retail, in 8 communities in Clarion County, Pa., including Oil City. The territories so served have a population estimated to exceed 100,000. The gas manufacturing plant, located at Roulette, Pa., was completed early in 1927, and consists of two water gas generators of a total daily capacity of 2,000,000 cu. ft., having all necessary auxiliary equipment, and all units are in duplicate to ensure continuity of service. The company owns over 450 miles of transmission and distribution mains, supplying more than 5,800 consumers. The output for the calendar year 1927, including subsidiaries, was 3,465,045,000 cu. ft.

CAPITAL STOCK

Outstanding, 100,000 shares Common stock and 15,160 shares $7 cumulative Pfd. stock, both of no par value. Pennsylvania Gas & Electric Corporation owns the entire Common stock. Pennsylvania Gas & Electric Company owns 13,160 shares of the Pfd., and Allegany Gas Co. the remaining 2,000 shares.

FUNDED DEBT

$3,000,000 FIRST MORTGAGE AND LIEN GOLD BONDS, 5½% SERIES DUE 1957; DUE MAY 1, 1957

Dated May 1, 1927.

Interest Payable May and November 1, at The Equitable Trust Company of New York or at the National Bank of the Republic of Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Equitable Trust Company of New York.

Provisions of Issue—Authorized amount not limited; issued, 5½% Series due 1957, $3,000,000. Additional bonds may be issued from time to time to a principal amount not exceeding 70% of the cost or value of permanent additions made or acquired subsequent to May 1, 1927, less the principal amount of prior liens, outstanding thereon, if any, or upon the deposit of cash, provided earnings applicable to bond interest for twelve consecutive months within the fifteen calendar months immediately preceding the date of application for authentication and delivery of bonds, shall have been at least equivalent to twice the annual interest requirements upon all First Mortgage and Lien Gold Bonds outstanding including those proposed to be issued, and all outstanding prior lien bonds, if any, all as defined in and limited by the mortgage; or additional bonds may be issued to a principal amount not exceeding 70% of the cost or value of permanent additions to any present or future subsidiary of the Company, all as defined in the mortgage. Bonds may also be issued to refund equal principal amounts of the same or other series of bonds issued under the mortgage or prior liens as defined in the mortgage. Bonds may be issued from time to time in series with such provisions as may be determined by the Board of Directors, subject to the restrictions of the Mortgage. The bonds of additional series may bear such dates, rates of interest, mature at such time and carry such redemption, sinking fund, tax refund provisions, and such other varying or distinguishing provisions as may be determined by the Board of Directors, subject to the restrictions of the mortgage, but as to sinking funds, which may be established for the exclusive benefit of a particular series, all bonds of all series shall be equally and ratably secured by the mortgage.

Callability—Subject to call as a whole or in part on any interest payment date on 30 days' notice at 105 and interest to and including May 1, 1937, the premium of 5% of the principal amount decreasing ¼ of 1% of the principal on each Nov. 1, thereafter, the bonds being redeemable on Nov. 1, 1956, at 100 and accrued interest.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all the physical property owned by the Company. Bonds are further secured by pledge with the Trustee of all of the outstanding capital stock (except directors' qualifying shares) of its present subsidiaries. These subsidiary companies have no bonds or Pfd. stock outstanding with the public, and the mortgage securing this issue provides that all bonds and stocks issued by these subsidiaries shall be deposited as additional security under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Upon application as provided in the mortgage, the Company will refund any taxes assessed and paid upon income derived from or on the ownership of bonds of this issue under the laws of any State or possession of the United States, not in excess of five mills per annum, to holders resident in such State or possession.

Legal Opinion—Wherry & Mygatt, New York (for the Bankers) and H. M. Billingsley, (for the Company).

Original Offering—First publicly offered ($3,000,000) in May, 1927, at 99 and interest to yield over 5.55% by A. C. Allyn & Co., New York, etc.

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED (Earnings of properties owned by Company and its subsidiaries)

	Dec. 31, 1927	Feb. 28, 1927
Gross earnings (incl. non-oper. income)	$1,498,306	$1,325,452
Oper. exp. & taxes (other than Federal Income tax)	862,603	626,805
Net earnings	$635,703	$698,647

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; G. A. Crosby, V-P.; W. H. Richards, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas.

Directors: H. D. Anderson, C. I. Crippen, J. W. Farner, W. H. Richards, R. P. Stevens, L. E. Yeager.

Office, Port Allegheny, Pa.

ALLEGANY GAS COMPANY

(Controlled by North Penn Gas Company)

History and Properties—Incorporated December 23, 1908 in Pennsylvania, under the title Potter Gas Company, as a consolidation of Citizens' Gas Company of Port Allegany, Pa., Shinglehouse Natural Gas Company and Manufacturers' Gas Company of Roulette, Pa. Name changed to Allegany Gas Company in 1925. Owns oil and gas rights on 57,522 acres and holds leases covering 13,480 acres in Allegany County, New York, and Potter and McKean Counties, Pa. Company also owns over 200 miles of pipe lines and 750 producing wells. Sells natural gas to North Penn Gas Co. for use by that Company in enrichment of water gas. Owns 2,000 shares Pfd. stock of North Penn Gas Company.

CAPITAL STOCK

Authorized, $2,200,000 Common and $300,000 Pfd.; outstanding, Dec. 31, 1927, $2,140,250 Common and $283,750 Pfd. The North Penn Gas Company owns the entire Common stock, except directors' shares.

FUNDED DEBT

None.

Officers: R. P. Stevens, Pres. & Gen. Mgr.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; G. A. Crosby, V-P.; W. H. Richards, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas & Asst. Sec.

Directors: J. W. Farner, H. D. Anderson, W. H. Richards, R. P. Stevens, Charles W. Yant.

Local Office, Port Allegany, Pa.

ALUM ROCK GAS CO.

(Controlled by North Penn Gas Company)

History and Properties—Incorporated March 23, 1904, in Pa. Company owns the gas and oil rights in 3,237 acres of gas land and has under lease in addition, the rights in 18,904 acres of land in Clarion and Venango Counties, Pa. Also owns 79 miles of mains and field lines and supplies gas at wholesale to the United Natural Gas Company of Oil City, Pa., and retails to about 600 customers in Clarion County outside of Oil City. The output for the calendar year 1927 was 1,595,346,000 cu. ft., compared with 1,400,902,000 cu. ft. in 1926.

CAPITAL STOCK

Authorized, $500,000; outstanding, $400,000; par, $100. All owned by North Penn Gas Company, except directors' qualifying shares. Annual meeting, third Tuesday in January. Secretary of Company acts as registrar and transfer agent.

Dividends—Dividends of 15% per annum were paid from Jan. 1, 1905, to June 30, 1907, when the rate was reduced to 10% per annum. In 1909 increased to 12% per annum, which rate is still maintained; dividends payable monthly. An extra dividend of 5% was paid in 1916, making 17% in all paid in that year, an extra of 2% in 1917, in 1918 a special dividend of 2% was declared payable in 4½% Liberty bonds, and a special dividend of 3% was declared in Dec., 1919, also payable in Liberty bonds.

FUNDED DEBT

None.

Officers: R. P. Stevens, Pres. & Gen. Mgr.; C. I. Crippen, V-P.; H. A. Clarke, V-P.; J. H. Isherwood, V-P.; E. W. Freeman, Treas.; H. M. Billingsley, Sec.; Arthur L. Burns, Asst. Treas.; E. J. Lewis, Asst. Treas.

Directors: H. C. Anderson, H. A. Clarke, H. J. Crawford, C. I. Crippen, H. K. Dietterich, H. M. Ernst, J. H. Isherwood, R. P. Stevens, Chas. W. Yant.

General Office, Oil City, Pa.

DEMPSEYTOWN GAS COMPANY

(Controlled by North Penn Gas Company)

History—Incorporated March 7, 1910 in West Virginia. Company owns 4,875 acres of gas land and leases in addition 20,941 acres in Venango, Forest and Clarion Counties, Pa. In 1927 supplied 846,601,000 cubic feet of gas to industrial establishments in Oil City, Pa., through 149 miles of mains, compared with 681,082,000 cubic feet in 1926.

CAPITAL STOCK

Outstanding Dec. 31, 1927, $100,000. All owned by North Penn Gas Company, except directors' qualifying shares.

FUNDED DEBT

None.

Officers: H. M. Ernst, Pres.; H. A. Clarke, V-P.; C. I. Crippen, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas.; J. H. Isherwood, Asst. Treas.; E. J. Lewis, Asst. Treas.

Directors: H. D. Anderson, C. I. Crippen, J. H. Isherwood, R. P. Stevens, L. E. Yeager.

Local Office, Oil City, Pa.

SOUTHEASTERN ICE UTILITIES CORPORATION

(Controlled by Pennsylvania Gas & Electric Corp.)

History—Incorporated March 18, 1926, in Virginia. Supplies manufactured ice, practically without competition in Winston-Salem, Statesville, Charlotte, Salisbury, Lexington, Spencer and Albemarle, N. C.; Columbia and Chester, S. C., and Portsmouth and Suffolk, Va. Tons of ice manufactured in 1927, 161,000. Owns 19 plants, with daily capacity of 1,225 tons.

CAPITAL STOCK

Pennsylvania Gas & Electric Corporation owns 75% of the outstanding capital stock.

Annual Meeting—Second Tuesday in March.

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; Fred W. Beazley, V-P.; E. W. Freeman, Treas.; H. M. Billingsley, Sec.; C. H. Wessman, Asst. Sec. & Asst. Treas.; C. C. Hall, Asst. Sec. & Asst. Treas.

Directors: H. D. Anderson, Fred W. Beazley, H. M. Billingsley, H. A. Clarke, E. W. Freeman, R. P. Stevens, Charles W. Yant, C. I. Crippen, L. E. Yeager.

Office, Portsmouth, Va.

THE SAUGERTIES GAS LIGHT COMPANY

(Controlled by Pennsylvania Gas & Electric Corp.)

History—Incorporated in Dec., 1860, in New York. Supplies manufactured gas in Saugerties, Glasco and Melden, N. Y., serving population of about 6,000.

CAPITAL STOCK

Authorized, $150,000; outstanding, $105,575; par, $25. All owned by Pennsylvania Gas & Electric Corp., except directors' qualifying shares.

FUNDED DEBT

None.

Officers: H. A. Clarke, Pres.; Thomas F. Walsh, V-P. & Gen. Mgr.; H. M. Billingsley, Sec.; E. W. Freeman, Treas.; Miss K. R. Turck, Asst. Treas.; E. J. Lewis, Asst. Treas.

Directors: H. A. Clarke, R. P. Stevens, Thomas F. Walsh.

Local Office, Saugerties, N. Y.

LONE STAR GAS CORPORATION

History—Incorporated Jan. 23, 1926, in Delaware, as a holding Company. As of Dec. 31, 1927, the Corporation owned in excess of 99% of the issued Common capital stock of the following named subsidiaries: Lone Star Gas Company, Fort Worth Gas Company, Meridian Gas Company, Community Natural Gas Company, Municipal Gas Company, Dallas Gas Corporation, also 694½ out of 750 shares of the issued Common stock of the Eastland Gas & Electric Company and 141 out of 400 shares of the issued capital stock of Albany Natural Gas Company.

Acquisitions During 1927—During the year the Corporation acquired by purchase, the following:

The Dallas Gas Corporation, owning in excess of 99% of the stock of The Dallas Gas Company and County Gas Company; the Municipal Gas Company. The natural gas producing, transmission and distributing system of the Texas Company in Eastland, Stephens, Shackleford, Callahan and Taylor Counties in West Texas, including approximately 10,000 consumers not theretofore supplied by the Corporation's subsidiaries, these consumers being situated in the cities of Abilene and Cisco and in Baird, Moran, Eastland, Albany and other smaller communities. The distributing plants in Abilene and Cisco were not acquired in the purchase, these being supplied under long term wholesale contracts which were taken over. The Eastland Gas & Electric Company and the Albany Natural Gas Company were acquired in this purchase. The property of the Brownwood Gas Company consisting of the distributing system in the City of Brownwood, together with pipe lines, gas wells, gas leases and gas purchase contracts. The property of the Washita Gas Company consisting of main pipe line to and distributing plants in the towns of Wynnewood and Elmore, Oklahoma, with gas purchase contracts and leases. The property of the Temple Gas Company consisting of the gas distributing plant in the City of Temple, Texas. The distributing plants so acquired are now owned and operated by the Community Natural Gas Company while the pipe lines, leases and gas purchase contracts were taken over by Lone Star Gas Company.

Lone Star Gas Company—Incorporated June 4, 1909, in Texas. Business of Company is principally the production and transportation of natural gas; it also produces some crude oil. The Company owns 2,455 miles of main transmission and field lines, 20 compressor stations, and 6 gasoline recovery plants, together with certain lands, gas rights, and oil and gas leases. The Company supplies gas wholesale to the distributing companies owned by the Lone Star Gas Corporation and certain companies not so owned.

Fort Worth Gas Company—Incorporated in 1910 in Texas and owns and operates a distributing plant in the City of Fort Worth, serving gas to 34,045 consumers at Dec. 31, 1927.

Community Natural Gas Company—Incorporated July 7, 1925, in Delaware and owns and operates distributing plants in 13 towns in Oklahoma and 97 towns and communities in Texas, supplying gas to 35,373 consumers. During 1927 this Company completed distributing plants in 69 towns and communities in Oklahoma and Texas and has now under construction distributing plants in 10 additional towns.

Meridian Gas Company—Incorporated in August, 1926, in Delaware, and acquired by purchase properties of Bay Petroleum Company in Oklahoma, consisting of gas rights and leases and gas wells in the Chickasha Field in southern Oklahoma, together with a 16-in. pipe line extending from the Chickasha Field to the northern terminus in Oklahoma of Lone Star Gas Company's 12-in. pipe line.

Dallas Gas Corporation—During 1927 Corporation purchased the capital stock of Dallas Gas Corporation, a holding company, owing in excess of 99% of the Common capital stock of The Dallas Gas Company and County Gas Company which, together, own and operate distributing systems in the Metropolitan Area of the City of Dallas and contiguous territory, serving 64,711 consumers.

Municipal Gas Company—Owns and operates distributing plants in 21 cities and towns, including Wichita Falls, Denison, Sherman, McKinney, Corsicana, Cleburne and Hillsboro, serving 35,908 consumers. The **Eastland Gas & Electric Company** owns the distributing plant in the town of Eastland, serving 1,141 consumers. The **Albany Natural Gas Company** owns the distributing plant in the town of Albany, serving 566 consumers.

COMBINED OPERATING STATISTICS, YEARS ENDED DECEMBER 31
(All companies)

	Connected Meters	Sales of Gas (cu. ft.)	Gasoline Sales (Gallons)	Oil Produced (Barrels)
1926	158,698	37,541,630,000	7,561,563	151,724
1927	196,601	38,457,437,000	7,750,292	108,316

CAPITAL STOCK

Authorized $50,000,000; outstanding, Dec. 31, 1927, $27,483,163.80; par, $25. On Dec. 20, 1927, authorized capital stock was increased from $30,000,000 to $50,000,000.

Subscription Privileges—Stockholders of record August 20, 1926, were offered right to subscribe for new stock to the extent of 20% of their holdings, at $25 a share. Right to subscribe expired Sept. 20, 1926. Stockholders of record April 10, 1928 received the right to subscribe at par for 360,000 additional shares of stock, par $25, in the ratio of one new share for each three shares held, payment being due on or before May 15, 1928.

Transfer Agent—Stock is transferred by Corporation itself.

Registrar—Farmers Deposit Trust Company, Pittsburgh.

Annual Meeting—Fourth Tuesday in March at Pittsburgh.

Listed—Pittsburgh Stock Exchange.

Price Range—

	1927	1926
High	59⅜	46
Low	37	30

Dividends—Initial dividend of 37½ cents a share paid June 30, 1926; Sept. 30, 1926, 43¾ cents a share; Dec. 31, 1926, 50 cents a share, and at same rate quarterly since to date; payments, M, J, S & D 31.

FUNDED DEBT

$15,000,000 FIFTEEN YEAR 5% SINKING FUND DEBENTURE GOLD BONDS; DUE MAY 1, 1942

Dated May 1, 1927.

Interest Payable May and November 1 at The Union Trust Co. of Pittsburgh, or at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Union Trust Co. of Pittsburgh, Pittsburgh, Pa.

Provisions of Issue—Authorized and issued, $15,000,000.

Purpose of Issue—Proceeds were used to provide funds for the payment of indebtedness incurred by the Company in its purchase of the entire capital stock of the Dallas Gas Corp., and for the acquisition of additional distributing or marketing properties, extensions and developments to its present properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part, on any interest date upon four weeks' notice, at 102½ and accrued interest.

Sinking Fund—Corporation covenants to pay annually to the Trustee as a sinking fund on each March 1, commencing March 1, 1929, $700,000 to be used for the purchase on each April 1 thereafter, upon tenders made during the month of March, of bonds at not exceeding 102½ and accrued interest. To the extent that this fund is not exhausted by tenders, bonds shall be called by lot for redemption at 102½ on the first day of May next following the date of each sinking fund payment.

Security—These bonds are the direct obligation of the Corporation and are issued under a Trust Indenture which provides among other things, that as long as any of the bonds are outstanding and unpaid, the Corporation will not mortgage or pledge any of the shares of stock or other property now or hereafter owned by it and that it will not permit any mortgage to be created by any of its subsidiary companies, except refunding of not to exceed the principal amount of bonds and debentures now outstanding on subsidiary companies, unless it becomes the purchaser of the obligation secured by the mortgage or pledge and retains same in its treasury, or pays the proceeds of the sale thereof to the Trustee to be used in retiring bonds of this issue, and that the Company will make no sale of any securities owned by it except Pfd. stock of subsidiary companies in the aggregate of an amount not more than $1,500,000, unless the proceeds from such sale shall be paid to the Trustee to be used in retiring bonds of this issue. This provision shall not apply to any purchase money mortgage or liens on hereafter acquired property.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania four mills tax refundable.

Legal Opinion—Reed, Smith, Shaw & McClay, Pittsburgh and Karl F. Griffith, Dallas, Texas.

Original Offering—First publicly offered ($15,000,000) in May, 1927 at 98¾ and interest to yield over 5.10% by The Union Trust Co. of Pittsburgh and Guaranty Co. of New York.

Price Range—1927: High, 101¼; low, 95.

CONSOLIDATED STATEMENT OF INCOME AND SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31
(Lone Star Gas Corp. and Affiliated Companies, with intercompany transactions eliminated)

	1927	1926
Gas sales	$12,972,874	$9,872,682
Gasoline sales	431,094	783,342
Oil sales	163,655	327,033
Miscellaneous	124,554	.....
Gross earnings	$13,692,177	$10,983,057
Oper. expense, gas purchased & taxes.	6,883,922	5,370,274
Operating income	$6,808,255	$5,612,783
Depreciation & depletion	2,136,849	1,931,592
Net earnings from operation	$4,671,405	$3,681,191
Other income	243,357	159,846
Gross income	**$4,914,762**	**$3,841,037**
Interest on funded & current debt	1,084,861	185,375
Net earnings	$3,829,901	$3,655,662
Dividends paid	2,253,846	1,616,398
Surplus adjustment	206,889	.....
Balance	$1,369,166	$2,039,264
Surplus at end of previous year	2,480,803	.....
Total surplus at end of year	$3,849,969	.....
Times Interest Earned	4.53	.....
Earnings Per Share	$3.49	$3.39

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Lone Star Gas Corporation and Affiliated Companies, with intercompany transactions eliminated)

Assets—	1927	1926
Property account	$81,551,788	$46,380,854
Material and supplies	1,183,277	614,983
Securities owned	60,320	38,500
Cash	541,047	1,799,534
Accounts & notes receivable	1,824,892	1,536,350
Prepaid accounts	121,526	31,184
Other assets	99,156	107,731
Deferred charges	1,096,550	.....
Total	$86,478,556	$50,509,135
Liabilities—		
Capital stock	**$27,483,164**	**$26,959,600**
Funded debt	**20,895,500**	.....
Accounts payable	1,283,707	717,294
Notes payable	7,369,086	.....
Customers' deposits & contributions	2,113,074	569,546
Reserve for depreciation & depletion	14,278,090	10,646,726
Accrued accounts	457,021	62,332
Other liabilities	41,236	60,368
Capital surplus	1,208,878	
Surplus from property appraisal	7,498,831	11,493,269
Earned surplus	3,849,969	
Total	$86,478,556	$50,509,135

Officers: L. B. Denning, Pres.; R. A. Crawford, V-P.; F. L. Chase, V-P.; Karl F. Griffith, V-P. & Gen. Atty.; J. M. Simpson, V-P.; D. L. Cobb, Sec. & Treas.; David E. Mitchell, Asst. Sec.; J. B. Wikoff, Asst. Treas.; G. H. Walton, Asst. Sec. & Asst. Treas.; H. G. Cornatzar, Asst. Treas.; T. J. Uhl, Asst. Sec.

Directors: L. B. Denning, R. A. Crawford, F. W. Crawford, T. B. Gregory, F. L. Chase, D. L. Cobb, Karl F. Griffith.

General Office, Farmers Bank Bldg., Pittsburgh, Pa.

COUNTY GAS COMPANY

(Controlled by Lone Star Gas Corp. through Dallas Gas Corp.)

History—Incorporated Dec. 3, 1912, in Texas. This Company and The Dallas Gas Co., subsidiaries of the Dallas Gas Corp., do the entire gas business in Dallas, Tex., and environs, serving an estimated population of 279,500. The County Gas Co. serves without competition all the nearby territory outside the city limits of the City of Dallas as such limits existed March 30, 1912. Due to repeated extensions of the city limits since that date, approximately one-half of this population is now situated within the present city limits. Suburban territory outside the city limits served by the company, includes Highland Park, Dalworth, Eagle Ford, Arlington, and others. The gas is at present obtained from natural gas production and transportation com-

panies operating in the Oklahoma and Texas gas fields. The company operates under franchises which extend beyond the maturity of the bond issue and which allow it to supply natural gas or artificial gas or both.

OPERATING STATISTICS, DECEMBER 31

(Latest Available)

	Population Served	Meters In Use	Miles of Mains
1921	43,230	7,205	138.0
1922	56,947	9,644	163.3
1923	74,310	12,385	194.3
1924	100,290	16,715	232.2
1925	123,996	20,666	290.7
1926	144,558	24,093	331.9

CAPITAL STOCK

Authorized and outstanding, $472,900; par, $100. All owned, except directors' qualifying shares, by The Dallas Gas Corporation, which in turn is controlled by Lone Star Gas Corporation. Stock transferred at Co's. office, Dallas, Texas. Annual meeting, fourth Tuesday in January.

Dividends have been paid as follows: 1923, 20%; 1924, 9.5%; 1925, 14.5%; later dividends not made public.

FUNDED DEBT

$1,600,000 FIRST MORTGAGE 5% GOLD BONDS; DUE APRIL 1, 1946

Dated April 1, 1926.

Interest Payable April and October 1, at American Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., New York.

Provisions of Issue—Authorized amount of mortgage unlimited; issued $1,600,000 5s due 1946. Additional bonds in series, varying with respect to rates of interest, dates, maturities, redemption privileges and other distinguishing features. No bonds, in addition to the $1,600,000 outstanding may be issued unless the net earnings, as defined in the mortgage, for 12 consecutive months within the 15 months, immediately preceding the application for the issuance of any additional bonds shall have been at least twice the annual interest charges on all First Mortgage bonds outstanding and those proposed to be issued. With the exception of not over $559,000 bonds which may be issued against the present property, additional bonds, of any series, may be issued from time to time for refunding bonds of series previously issued under the mortgage, or for not exceeding 80% of the actual cost or fair value (whichever is less) of acquisitions of new or additional properties or permanent betterments, extensions, improvements or additions to the property made subsequent to Dec. 31, 1925.

Purpose of Issue—The proceeds from the sale of these $1,600,000 bonds were used to retire the First Mortgage 6% Gold bonds due 1941, to pay off floating indebtedness, and for other corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any month on 30 days notice at 105 and interest through April 1, 1941, thereafter at 104 and interest through April 1, 1942, thereafter at 103 through April 1, 1943, thereafter at 102 through April 1, 1944, thereafter at 101 through April 1, 1945, and thereafter at 100, plus accrued interest in each case.

Maintenance and Improvement Fund—Company covenants in the mortgage as supplemented to expend annually for maintenance, renewals and replacements, or for new property betterments or improvements, not used as a basis for the issue of bonds or for the acquisition or retirement of bonds, or else to deposit in a fund to be used only for such purposes an amount equal to 1½% of the book value of the physical property of Company, subject to due credits for excess expenditures made in prior years.

Security—A direct, first and only mortgage upon all the property (except securities), rights and franchises of Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, Pennsylvania 4 mills tax and Massachusetts Income tax up to 6% refunded.

Legal Opinion—Roberts & Montgomery, Philadelphia (for Company), and Ropes, Gray, Boyden & Perkins, Boston (for Bankers).

Original Offering—First publicly offered ($1,600,000) in March, 1926, at 93¾ and interest, to yield over 5½% by Arthur Perry & Co. and Paine, Webber & Co., New York, etc.

EARNINGS, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$1,538,969	$1,157,325	$825,285
Oper. exp., maint. & taxes	1,196,054	952,296	664,363
Net earnings	$342,915	$205,029	$160,922

Offices, Dallas, Tex., and Farmers Bank Building, Pittsburgh, Pa.

THE DALLAS GAS COMPANY

(Controlled by Lone Star Gas Corp. through Dallas Gas Corp.)

History and Property—Incorporated June 5, 1905, in Tex. The Dallas Gas Co. and the County Gas Co., subsidiaries of the Dallas Gas Corporation, do the entire gas business in Dallas, Tex., and environs, serving an estimated population of 279,500. The Dallas Gas Co. serves without competition all the city of Dallas, defined by the city limits of March 30, 1912, including over 85% of the city's entire population. Property includes regulator stations and a distributing system with 456 miles of high and low pressure mains. No. of consumers, 38,233. Output for 1926, 9,086,156,400 cu. ft., compared with over 7,684,202,000 cu. ft. in 1925. Prior to April, 1910, the company supplied artificial gas; since that time it has furnished gas which it obtains from natural gas production and transportation companies operating in the Oklahoma and Texas gas fields.

Franchises—The franchise under which the company now operates was approved on Dec. 3, 1917, and established a definite "Property Value" which aggregated as of Dec. 31, 1926, $4,364,428. Under the franchises the company is authorized to appropriate to itself, as a first charge, net earnings to the extent of 8% of the "Property Value" and to accumulate "Surplus," "Accident," and "Maintenance and Depreciation" reserves. Rates are not to be reduced until the net earnings have been sufficient and available to pay the rate of return for the entire period and not until "Surplus Reserve" shall be 50% in excess of normal, and "Accident Reserve" and "Maintenance and Depreciation Reserve" as provided in the franchise have been accumulated. The duration of the franchise is indeterminate, except that any time after Feb. 1, 1928, the City or its licensee may purchase the property; in which event the franchise provides that the City shall pay the company at least 105% or the City's licensee shall pay at least 110% of the then "Property Value."

CAPITAL STOCK

Authorized, $1,000,000 Common and $150,000 Pfd.; outstanding, $850,000 Common and $108,100 Pfd.; par $100. All of the Common stock is owned by the Dallas Gas Corporation, which in turn is controlled by Lone Star Gas Corporation. Stock transferred at Company's office. Annual meeting, fourth Tuesday in January.

FUNDED DEBT

$2,128,000 FIRST MORTGAGE GOLD 6s; DUE OCTOBER 1, 1941

Dated October 1, 1921.

Interest Payable April and October 1, at American Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., New York.

Provisions of Issue—The Indenture provides for the issuance of bonds in series, varying with respect to rates of interest, dates, maturities, redemption privi-

leges and other distinguishing features, subject to the restrictive provisions of the mortgage. Bonds may be issued for not exceeding 75% of the actual cost or fair value (whichever is less) of acquisitions of new or additional properties or permanent betterments, extensions, improvements or additions to the property made subsequent to Dec. 31, 1922; but only if the net earnings, as defined in the mortgage, for 12 consecutive months within the 15 months immediately preceding the issuance of any additional bonds shall have been at least twice the annual interest charges on all First Mortgage bonds outstanding and those proposed to be issued, provided that, in any case such earnings must equal at least 10% and need not exceed 12% of such bonds. Bonds of one series may also be issued par for par in exchange for or to refund bonds of another series.

Callability—Subject to call as a whole or in part on the first day of any month on 30 days' notice at 107½ and accrued interest through Oct. 1, 1927, and thereafter at a premium decreasing ½ of 1% each year to 100½ and accrued interest during the last year of life.

Sinking Fund—The Mortgage provides a sinking fund beginning April 1, 1924, amounting annually to 1¼% of the maximum amount issued of this series of bonds due 1941. Monies deposited therein are to be used solely to retire such bonds at or below the prevailing call figure.

Maintenance and Improvement Fund—The Company covenants in the mortgage to expend for maintenance, renewals and replacements, or for new property, betterments or improvements not used as a basis for the issue of bonds, or for the retirement of bonds, or else to deposit in a fund to be used only for such purposes, an amount equal to 2% of the face amount of bonds outstanding plus 1% of the book value of the physical property of the Company, or 1% of the then "Property Value" under the franchise, whichever is greater, subject to due credits for excess expenditures made in prior years.

Security—Secured by a direct, first and only mortgage upon all the property (except securities), rights, and franchises of the company.

Guaranty—Unconditionally guaranteed as to payment of principal, interest and sinking fund by endorsement thereon, by the Dallas Gas Corporation, which owns over 99% of the Common stock of the Company, together with all the stock (except directors' qualifying shares) of the County Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax and Massachusetts Income Tax up to 6% refunded.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Company) and Ropes, Gray, Boyden & Perkins, Boston (for the Bankers).

Original Offering—First publicly offered ($1,800,000) in April, 1923, at 97½ and interest to yield about 6.22%, by Arthur Perry & Co., New York, Boston and Philadelphia, Paine Webber & Co., Boston, New York and Chicago, and Cyrus Peirce & Co., New York, San Francisco and Chicago; $400,000 additional offered in Oct., 1923 at 97½ and interest by Arthur Perry & Co., New York, Boston and Philadelphia.

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31
(Latest Available)

	Gross Earnings	Operating Expenses Maintenance & Taxes	Net Earnings
1921	$1,690,073	$1,419,980	$270,093
1922	2,080,336	1,750,749	329,587
1923	2,250,393	1,889,080	361,313
1924	2,438,964	2,080,822	358,142
1925	2,884,483	2,550,882	333,601
1926	3,310,078	2,910,000	400,078

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

Assets—	1926	1925	1924
Property account	$4,541,201	$4,247,372	$3,960,794
Advances	15,346	162,663	87,369
Cash	299,747	112,967	264,977
Accounts receivable	291,088	208,248	175,926
Materials and supplies	130,604	109,375	70,298
Deferred charges	224,966	212,030	253,312
Total	$5,502,952	$5,052,655	$4,812,676
Liabilities—			
Common stock	$958,100	$850,000	$850,000
Funded debt	2,128,000	2,142,000	2,185,000
Due affiliated company	705,969	549,802	449,507
Customers' deposits	202,332	189,526	197,918
Current accounts	95,464	360,054	330,088
Depreciation reserve and accrued accounts	1,227,379	813,356	618,673
Surplus	185,708	74,216	135,690
Total	$5,502,952	$5,052,655	$4,812,676

Officers: W. V. N. Powelson, Pres.; H. C. Morris, V-P. & Gen. Mgr.; R. G. Soper, Sec., Dallas, Tex.

Offices, Dallas, Tex. and Farmers Bank Bldg., Pittsburgh, Pa.

MUNICIPAL GAS COMPANY

(Texas)

(Controlled by Lone Star Gas Corp.)

History and Property—Incorporated May 29, 1925, in Texas, as successor to a company of the same name (see 1925 Manual, page 625, or apply to our Information Department), which was successor to North Texas Gas Co. by change of name. Owns and operates distributing plants in 21 cities and towns, including Wichita Falls, Corsicana, Denison, Sherman, McKinney, Cleburne and Hillsboro, Texas, serving 35,908 customers. Estimated population served, 203,000.

OPERATING STATISTICS, YEARS ENDED DEC. 31

	1927	1926	1925
Miles of mains	647	592	528
No. of meters	35,908	34,908	32,553
Output (M. cu. ft.)	4,927,333	5,025,043	4,863,774

CAPITAL STOCK

Authorized, 20,000 shares Common of no par value and 10,000 shares $7 cumulative Pfd. of no par value; outstanding, 20,000 shares Common and 4,000 shares Pfd.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is subject to call on 30 days' notice at $115 and accrued dividends. It has no voting power unless dividends aggregating $7 per share remain unpaid for 12 months after same have accrued; has no voting power at any time in respect of call or amendment. No sinking fund provisions.

Transfer Agent—Old Colony Trust Co., Boston.

Registrar—National Shawmut Bank, Boston.

Annual Meeting—Third Tuesday in April.

Dividends—Dividends on Pfd. stock regularly paid since July 1, 1925 (the date of the initial payment); payments quarterly, J, A, J & O 1. Common dividends not reported.

MUNICIPAL GAS COMPANY OF TEXAS

Paine, Webber & Co

ESTABLISHED 1880

NEW YORK BOSTON CHICAGO

Members New York, Boston, Chicago, Detroit and Hartford Stock Exchanges

FUNDED DEBT

(1)

$1,850,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE MAY 1, 1935

Dated May 1, 1925.

Interest Payable May and November 1, at The First National Bank of Boston, or at Hanover National Bank, New York, or at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; $1,000 registerable as to principal only.

Trustee—The First National Bank of Boston.

Provisions of Issue—The mortgage provides for the issuance of bonds in series varying with respect to rates of interest, dates, maturities, redemption privileges and other distinguishing features, subject to the restrictive provisions of the mortgage. With the exception of $150,000 bonds which may be issued against the present property, additional bonds may be issued for not exceeding 75% of the actual cost or fair value (whichever is less) of new or additional properties, or of permanent betterments, extensions, improvements or additions to the property acquired or made subsequent to May 31, 1925, but only if net earnings for 12 consecutive months within the 15 months immediately preceding the issuance of any additional bonds, shall have been at least twice the annual interest charges on all first mortgage bonds outstanding (and divisional lien bonds, if any) and those proposed to be issued. Bonds may be issued for refunding divisional lien bonds, as defined and limited by the mortgage, par for par; and bonds of one series may also be issued, par for par, in exchange for or to refund bonds of another series.

Callability—Subject to call, as a whole or in part, upon 30 days' notice on any interest date during the years 1925, 1926, 1927 and 1928 at 106 and interest, the premium decreasing 1% per annum each year thereafter, the bonds being redeemable on and after May 1, 1934 at 100 and interest.

Maintenance and Depreciation Fund—Company covenants to expend annually for maintenance, renewals, replacements and depreciation, or for new property, betterments or improvements not used as a basis for the issue of bonds, or the release of cash or property under the mortgage, an amount equal to 7½% of the face amount of First Mortgage Bonds Series "A" issued, or $150,000, whichever is greater, or in case of a deficiency in such expenditures to deposit under the mortgage to be used only for such purposes an amount equal to such deficiency with the Trustee or for the retirement of Series "A" bonds.

Security—A direct first lien upon all the property, rights and franchises of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund upon proper application the Massachusetts Income Tax up to 6%, Pennsylvania 4 mills tax, Connecticut 4 mills tax, and Maryland 4½ mills tax, to holders resident in those states.

Legal Opinion—Ropes, Gray, Boyden & Perkins, of Boston.

Original Offering—First publicly offered ($1,850,000) in May, 1925, at 100 and interest, yielding 6%, by Paine, Webber & Co., and Arthur Perry & Co., Boston, etc.

(2)

$360,000 6% SERIAL DEBENTURE GOLD NOTES; DUE $60,000 ANNUALLY JUNE 1, 1928 TO 1933

Dated June 1, 1925.

Interest Payable June and December 1, at The Atlantic National Bank, Boston, The National City Bank, New York, and the Continental National Bank & Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $420,000 of which $60,000 matured and paid off June 1, 1927.

Trustee—The Atlantic National Bank, of Boston.

Callability—Subject to call as a whole or in part by whole series, upon 30 days' notice on any interest date at a premium of ¼ of 1% for each six months of unexpired life, plus accrued interest in each case.

Security—The company covenants that it will not create any lien on its property which shall rank prior to or in equality with these notes without ratably securing these notes, except that additional First Mortgage Bonds may be issued under the restrictive provisions of the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, of Boston.

Original Offering—First publicly offered ($420,000) in May, 1925, at prices ranging from par and interest yielding 6% to 98.44 and interest, yielding 6¼%, by Arthur Perry & Co. and Paine, Webber & Co., Boston, etc.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$2,366,151	$2,516,353	$2,298,708	$2,105,201	$1,870,270
Oper. exp., maint. & taxes	1,819,790	1,911,087	1,758,691	1,643,922	1,510,928
Net earnings	$546,361	$605,266	$540,017	$461,279	$359,342
Interest and discount	153,401	153,556	111,462	43,618	50,073
Balance for deprec., divds., etc.	$392,960	$451,710	$428,555	$417,661	$309,269
Times Fixed Charges Earned	3.56	3.94	4.84	10.57	7.17

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Property	$4,979,578	$4,727,730	$4,446,862	$4,183,653	$4,007,640
Investments	19,660	20,660	1,560	1,560	1,560
Secured accounts receivable	.....	150,000	.....	.....	.....
Cash	63,508	71,495	212,251	8,826	39,421
Working funds	4,604	5,516	4,067	5,480	3,561
Bills & accts. receivable	289,370	338,241	263,336	247,383	212,381
Materials and supplies	70,635	86,891	71,486	62,325	54,273
Suspense account	.....	6,823	.....	4,952	6,368
Deferred charges	24,044	32,826	43,397	2,516	6,067
Total	$5,451,399	$5,440,182	$5,042,959	$4,516,695	$4,331,271
Liabilities—					
Capital stock	$1,400,000	$1,400,000	$1,400,000	$2,000,000	$2,000,000
Funded debt	2,210,000	2,270,000	2,270,000	157,000	182,000
Bills & accts. payable	147,068	238,151	177,878	410,891	541,937
Consumers' deposits	285,260	279,928	247,905	201,352	171,278
Accrued interest	69,293	62,211	60,885	39,216	34,680
Miscel. suspense items	521	.....	410	336	331
Accrued taxes	4,322	46,215	27,031	29,507	16,927
Depreciation reserve	911,286	833,875	656,093	1,163,775	932,188
Other reserves	300	12,257	66,316	13,750	13,451
Surplus	423,349	297,545	136,441	500,868	438,479
Total	$5,451,399	$5,440,182	$5,042,959	$4,516,695	$4,331,271

Officers: Vacancy, Pres.; J. B. McCabe, V-P., Gen. Mgr., Sec. & Treas.; L. W. Cole, Asst. Sec. & Asst. Treas.; T. J. Uhl, Asst. Sec., Dallas, Texas.

Directors: L. B. Denning, R. A. Crawford, Karl F. Griffith, D. L. Cobb, J. B. McCabe, Dallas, Tex.

General Office, 1915 Wood St., Dallas, Tex.

KANSAS CITY PUBLIC SERVICE COMPANY

History—Incorporated June 16, 1925 in Missouri, as successor under a Plan of Reorganization dated June 1, 1925, to the Kansas City Railways Co., whose property was sold at foreclosure Jan. 4, 1926 (for details of Plan, etc., see Manual for 1926, pages 639, et seq.). The sale was confirmed by the Federal Court on June 16, 1926. The property was officially lifted from receivership on May 15, 1927, but it had been in the hands of its new owners since Oct. 15, 1926. At that time the Kansas City Public Service Co. transferred the fixed physical property in Kansas to its Kansas subsidiary, The Wyandotte Railways Co.

Properties—Company owns the street railway system in Kansas City, Independence and Jackson County, Missouri, consisting of 318 miles of single track, and the motorbus system in Kansas City, Mo. It has leased the Kansas property (68 miles of track) from the Wyandotte Railways Co., all the bonds and stock (except directors' qualifying shares) of which it owns. Also owns 13 substations; 69 buses and 769 motor cars and trailers in addition to work cars and service cars.

Rehabilitation—Since taking over the property on Oct. 15, 1926, substantial progress has been made in the rehabilitation and improvement program. Approximately 28 miles of track on important trunk lines have been completely rebuilt, together with new concrete foundations and paving. The elevated railroad in the so-called "West Bottoms," condemned as unsafe and abondoned in 1923, has been restored as a combined elevated and surface line, with necessary inclines, thereby giving much needed service to the industrial districts along the Kaw River. The rolling stock is being thoroughly reconditioned and numerous other improvements installed over the system.

On May 9, 1927 Company sold its power plant at Second St. and Grand Avenue, Kansas City, Mo., to the Kansas City Power & Light Co. for $2,500,000.

Franchises—On March 21, 1927 the Kansas City, Mo., Council granted the Company a thirty-year franchise expiring Jan. 1, 1957, which was accepted and became effective by such acceptance, April 6, 1927. The rates of fare were fixed at 8c cash; tokens at the rate of 2 for 15c; tickets at the rate of 10 for 70c; and 15 for $1.00. Under the franchise the Company is permitted to earn initially at the above schedule of fares $2,000,000 plus 8% on capital additions since Oct. 1, 1926, which allows present annual earnings to the extent of more than $2,120,000. In case of specified advances in costs of operation, the Company is authorized to apply to the proper public authorities for increased fares. When net earnings for any year exceed $2,000,000 plus 8% on capital additions, fares are to be reduced through sale of tickets at reduced rates. In Kansas the Company has no franchise, the grant having expired during 1922, during Receivership of the old company.

Litigation—As of March 30, 1928 there was pending in the Federal Circuit Court of Appeals, three appeals by junior bondholders, other creditors and stockholders of the old company from various decrees of the Court entered in the receivership proceedings. The Preferred stockholders have appealed from the final decree of foreclosure; and the Second Mortgage bondholders and Preferred stockholders have appealed from the decree confirming sale.

CAPITAL STOCK

Authorized, 250,000 shares Common, 150,000 shares Prior Pfd. and 250,000 shares $7 cumulative Pfd., Series "A" all classes of no par value; issued Dec. 31, 1927, 183,645.4 shares Common and 83,364 shares Pfd. None of the Prior Pfd. stock has been issued. Of the Common stock, 1,000 shares were issued at time of incorporation and the balance, 182,645.4 shares, issued under the plan of reorganization.

Voting Trust—All the issued Common and Pfd. stock is held under a Voting Trust Agreement expiring July 1, 1931, the Voting Trustees being Walter S. McLucas, J. K. Newman, George W. Davison, William G. Woolfolk and Powell C. Groner.

$7 Pfd. Stock Provisions—Series "A" Pfd. stock has preference for assets and cumulative dividends over Common and is subject to call at $107.50 a share and accrued dividends. In the event of dissolution or liquidation it is entitled to $100 a share and accrued dividends. Both Common and Pfd. stocks have equal voting power.

Transfer Agents (Voting Trust Certificates)—Central Union Trust Co. of New York and First Trust & Savings Bank, Chicago.

Registrars (Voting Trust Certificates)—The Chase National Bank, New York and Harris Trust & Savings Bank, Chicago.

Dividends—Initial dividend of $1.75 was paid on the Pfd. Series "A" stock on Nov. 10, 1927; Jan. 3 and April 2, 1928, $1.75 per share each.

FUNDED DEBT

$15,000,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JULY 1, 1951

Dated July 1, 1926.

Interest Payable January and July 1 in New York, Chicago and Kansas City, Mo.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered, and fully registered, $1,000 and $5,000. Coupon and registered bonds, interchangeable.

Trustees—First Trust & Savings Bank, Chicago, and Walter S. McLucas, Kansas City, Mo.

Provisions of Issue—Authorized amount, unlimited; issued, $15,000,000. Under the provisions of the mortgage, $5,000,000 additional Series "A" bonds may be issued to reimburse the Company for the actual cost of additions, extensions and improvements to its property, upon compliance with earnings requirement set forth below. Additional First Mortgage bonds of other series may be issued, each series to bear such date, interest rate, redemption provisions and other provisions as the Board of Directors may determine, for 75% of the actual cost or fair value (whichever is less) of additions, improvements and extensions to the Company's property, provided that net earnings as defined in the mortgage for 12 consecutive months within the fifteen months next preceding the application for the bonds shall have been equal to at least twice the annual interest charges on, or 12% of the aggregate principal amount of, all bonds outstanding under this mortgage, including bonds to be issued, and outstanding prior lien indebtedness, if any, on hereafter acquired property. Additional bonds may also be issued in accordance with the terms of the mortgage to refund bonds issued under this mortgage, and to refund prior lien bonds. When certain conditions fully set forth in the mortgage are complied with, including the earnings requirements set forth above and the deposit and pledge of all then outstanding First Mortgage bonds and voting stock of The Wyandotte Railways Co., bonds may be issued against deposited and pledged bonds of The Wyandotte Railways Co. issued for not exceeding 75% of the cost or fair value (whichever is less) of additions, improvements and extensions to its property and for refunding prior lien bonds.

Callability—Subject to call as a whole or in part on four weeks' notice at the following prices and accrued

interest: On or before July 1, 1931 at 105; after July 1, 1931 and on or before July 1, 1936 at 104; after July 1, 1936 and on or before July 1, 1941 at 103; after July 1, 1941 and on or before July 1, 1946 at 102; after July 1, 1946 and on or before July 1, 1950 at 101; after July 1, 1950 to maturity at 100.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all the physical property, rights and franchises of the company now owned or hereafter acquired, subject only to prior liens, if any, on hereafter acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Offering—$4,400,000 Series "A" bonds were publicly offered in March, 1928, at 95 and interest by Halsey, Stuart & Co., Inc., Chase Securities Corp., and Newman, Saunders & Co., Inc., New York.

INCOME ACCOUNT

	Year ended Dec. 31, 1927	Nov. 15 to Dec. 31, 1926
Gross earnings	$9,351,456	$2,121,598
Operating exp., maintenance and taxes	7,756,601	1,749,026
Net earnings from operations	$1,594,855	$372,572
Other income	17,859	1,693
Total income	$1,612,714	$374,265
Deductions:		
Bond interest	$747,912	$155,815
Other interest	6,218	1,945
Other fixed charges	4,045	580
Total deductions	$758,175	$158,340
Balance for dividends	$854,540	$215,925
Dividends	291,774	.....
Surplus for year	$562,766	$215,925
Earnings Per Share—		
Series "A" Pfd.	$10.25	.....
Common	*1.53	.....

*After allowing for Pfd. dividends for the full year.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Road and equipment	$33,563,842	$32,835,271
Investments	22,303	42,590
Due from Reorganization Committee	.....	1,500,000
Materials and supplies	718,352	571,801
Cash	395,165	271,754
Accounts receivable	535,139	218,927
Deferred debit items	176,063	76,312
Total	$35,410,864	$35,516,655
Liabilities—		
Common stock	$9,743,573	$9,227,299
Preferred stock	8,336,400	8,336,400
Funded debt	12,465,200	12,465,200
Accounts payable	442,668	223,294
Interest accrued	456,309	373,956
Accrued wages	.....	151,864
Reserves	2,957,069	4,311,709
Reserve for taxes	92,257	126,689
Unadjusted credits and deferred items	138,698	84,319
Surplus	778,690	215,925
Total	$35,410,864	$35,516,655

Officers: Peter W. Goebel, Chairman; Powell C. Groner, Pres.; John V. McKinney, V-P.; F. G. Buffe, V-P. in Charge of Operations; J. A. Harder, Sec. & Treas.; Neal S. Doran, Compt.; Charles L. Carr, Gen. Solicitor; D. L. Fennell, Gen. Supt. of Transportation; R. W. Bailey, Gen. Supt. of Maintenance; A. E. Harvey, Gen. Supt. of Construction.

Directors: Peter W. Goebel, Herbert M. Woolf, James K. Chandler, Powell C. Groner, Carl W. Allendoerfer, Henry N. Ess, Charles Howell, P. H. Saunders, E. M. Stayton, Henry Hanssen, G. G. Morris.

General Office, 15th & Grand Ave., Kansas City, Mo.

THE WYANDOTTE RAILWAYS COMPANY

(Controlled by Kansas City Public Service Co.)

History—Incorporated in Feb., 1926, in Kansas, and acquired from the Kansas City Public Service Co. all the latter's fixed physical property (except rolling stock) located in Kansas in return for which it issued 34,000 shares of its Common stock of no par value and all its First Mortgage bonds. Leases its property to Kansas City Public Service Co.

CAPITAL STOCK

Authorized and issued, 35,000 shares of no par value; of this amount 1,000 shares were issued at time of incorporation and 34,000 shares issued in return for property. All owned by Kansas City Public Service Co., except directors' qualifying shares.

FUNDED DEBT

$1,750,000 First Mortgage 6s. All owned by Kansas City Public Service Co. and held in latter's treasury.

Office, Kansas City, Mo.

SYRACUSE & EASTERN RR.

History—Incorporated April 17, 1923, in N. Y.; successor to property of the Syracuse & Suburban R. R., sold under foreclosure Feb. 24, 1922 (see 1922 Public Utility Manual, page 2019). Line of road: Syracuse to Edward's Falls, 12 miles; Jamesville Branch, 3.7 miles; total length of line, 15.7 miles. Total track, 18.52 miles. Owns water power at Edward's Falls, used to generate electricty. Gauge, standard. Rail, 60 to 90 lb. T and girder. Cars (passenger, 10; other, 7); 17.

CAPITAL STOCK

Outstanding, $300,000. The stock is held for a period of five years by voting trustees. Annual meeting, second Friday in May.

FUNDED DEBT

$514,500 First Mortgage 5% Bonds. No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$110,713	$119,266	$120,651
Oper. exp. & taxes	112,996	118,586	120,819
Net operating loss	$2,283	*$680	$168
Other income	337	388	362
Total income	†$1,946	$1,068	$194
Bond and other interest	$1,137	$1,461	$2,617
Other fixed charges	720	720	.....
Total charges	$1,857	$2,181	$2,617
Deficit for year	$3,803	$1,113	$2,423

*Gain. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$888,283	$887,644	$887,644
Cash	2,822	6,132	4,019
Materials and supplies	6,392	6,812	9,168
Accounts receivable	4,039	6,211	5,171
Unadjusted debits	8,259	8,583	8,823
Other investments	3,700	3,500	3,500
Profit and loss deficit	12,087	8,284	7,171
Total	$925,582	$927,166	$925,496
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	514,500	514,500	514,500
Notes payable	22,067	22,067	22,067
Accounts payable	5,573	7,556	11,351
Accrued interest	311	.....	444
Reserve for taxes	48,096	46,682	41,138
Unadjusted credits	24,175	28,773	29,735
Depreciation reserve	10,860	7,588	6,261
Total	$925,582	$927,166	$925,496

Officers: George R. Powell, Chrm. of Board & Pres.; Jonathan M. Steere, V-P., Philadelphia; James R. Gere, Treas., Syracuse, N. Y.; Walter W. Cheney, Jr., Sec., Manlius, N. Y.; F. A. Kitts, Aud.; H. D. Gros, Gen. Mgr. & Pur. Agt.; G. W. Atkinson, Supt., Syracuse, N. Y.

Directors: George R. Powell, Jonathan M. Steere, Edward Powell, Robert M. Green, Jr., Philadelphia; James S. Farlee, New York; James R. Gere, Giles Stilwell, Syracuse, N. Y.; Walter W. Cheney, Jr., Manlius, N. Y.; Chas. M. Kessler, Fayetteville, N. Y.

Office, Syracuse, N. Y.

HACKENSACK WATER COMPANY

History and Properties—Incorporated in 1869, in N. J. Reorganized, Sept. 7, 1880. Consolidated in Oct., 1881 with the Hackensack Water Co. (organized April 7, 1875) and with the Town of Union Aqueduct Co., Township of Union Aqueduct Co., town of Guttenburg Aqueduct Co., Township of Weehawken Aqueduct Co., Township of West Hoboken Aqueduct Co. and Township of North Bergen Aqueduct Co. Name changed from "Hackensack Water Co., Reorganized" in 1902. Company supplies water to Englewood, Union City, West New York, Guttenburg, Weehawken, North Bergen, Secaucus, Teaneck, Palisades Park, Woodridge, Fairview, Closter, Cresskill, Demarest, Emerson, Edgewater, Fort Lee, Hackensack, Haworth, Hillsdale, Lodi, Lodi Borough, Paramus, Ridgefield, Cliffside, Bergenfield, Riverside, Rutherford, East Rutherford, Hasbrouck Heights, Carlstadt, Leonia, Englewood Cliffs, Tenafly, Norwood, Little Ferry, Bogota, Maywood, Dumont, Ridgefield Park, Westwood, Alpine, New Milford, Oradell, Rivervale, Wallington, Moonachie, Harrington Park, Northvale, Teterboro, Midland, all located in Hudson and Bergen Counties, N. J. Company controls through stock ownership the **Rutherford Water Co., Boiling Springs Water Co.** and the **Spring Valley Water Works & Supply Co.** of New York, the first two of which have practically been absorbed by the Hackensack Water Co., no separate corporate organization being maintained. Also owns the entire capital stock of the **Pascack Land Co.** which is inactive. Owns and operates 733 miles of water mains together with filtration plant, reservoirs, pumping stations, and other necessary equipment. Number of meters, years ended Dec. 31: 1925, 58,588; 1926, 61,877; 1927, 62,689.

Rate Increase Application—It was announced in January, 1928, that Company had applied to the New Jersey Public Utility Commission for an increase in water rates covering the 50 communities in the area served. Company claims revenue from present rates does not yield the 7% return to which it is entitled under decision of the Commission and that during the past four years average return has been well under 5½%.

CAPITAL STOCK

Authorized, $6,000,000 Common, $500,000 6% cumulative Pfd., $4,000,000 7% cumulative Pfd., and $6,000,000 7% cumulative Pfd., Class "A" (created June 3, 1925); outstanding, $5,125,000 Common, $1,875 6% Pfd., $2,373,125 7% Pfd. and $1,500,000 7% Pfd. Class "A"; par of all issues, $25. The 6% Pfd. stock was exchangeable at any time up to Jan. 1, 1925, for an equal amount of 7% Pfd. stock, and at that date only $1,875 was unexchanged.

7% Pfd. Class "A" Stock Provisions—Has preference for assets and dividends over Common and in liquidation or dissolution whether voluntary or involuntary is entitled to par and accrued dividends. It is subject to call as 104% of the par value plus accrued dividends on any dividend date after 3 years from date of issue. Each share of stock is entitled to one vote.

Preferred Stock Provisions—The 7% Pfd. stock shares equally with the Common stock in any dividends in excess of 7% per annum. This Pfd. stock is subject to redemption at 110 and accrued dividends on any dividend date after three years from date of issue.

Subscription Privilege—Stockholders of record on Nov. 3, 1919, were offered the right to subscribe on or before Nov. 20, 1919, at par for the 7% Pfd. stock, at the rate of four shares of new stock for every eleven shares of old stock, whether Common or Pfd., held by them on that date. Stockholders of record June 12, 1925 received the right until June 30, 1925 to subscribe at par for $1,500,000 7% cumulative Pfd. Class "A" stock at the rate of one share of new stock for every five shares of old stock whether Common or Pfd. held. 12,573 ($314,425) shares were so subscribed, stockholders being asked to waive their rights in favor of employees and customers.

Transfer Agent—New York Trust Co., New York.

Registrar—Central Union Trust Co., New York.

Annual Meeting—Second Monday in May, at Weehawken, N. J.

Listed (All Classes except 6% Pfd.)—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	26	25	27	25	20	20	22	25
Low	25	25	25	20	20	20	20	22
Common—								
High	27	20	23	22	20	20	22	25
Low	20	20	20	18	20	15	14	20

Dividends—Dividends on Common stock and 6% Pfd. stock regularly paid at the rate of 6% per annum from 1888 to June 1, 1917; Dec. 1, 1917 to Dec. 1, 1920, 7% per annum; June 1, 1921, 3% on 6% Pfd.; Dec. 1, 1921, 3% each on both 6% Pfd. and Common; June 1, 1922, 3% on 6% Pfd.; Dec. 1, 1922, 3% on 6% Pfd. and 4% on Common; June 1, 1923, 3% each on both 6% Pfd. and Common, which semi-annual rate maintained to date on both classes; payments June and December 1. In addition an extra dividend of 20% was paid on both 6% Pfd. and Common June 1, 1910.

Initial dividend of 3½% was paid on 7% Pfd. stock June 1, 1920 which semi-annual rate maintained to date; payments June and December 1.

Initial dividend of 1¾% paid on 7% Class "A" Pfd. Sept. 30, 1925, which quarterly rate maintained to date; payments, M, J, S & D 31.

FUNDED DEBT

(1)

$4,750,000 FIRST MORTGAGE GOLD 4s; DUE JULY 1, 1952

Dated July 1, 1902.

Interest Payable January and July, at New York Trust Co., New York

Denomination—Coupon and registered, $1,000.

Trustee—Hudson Trust Co., Hoboken, N. J.

Provisions of Issue—Authorized, $6,000,000, of which $1,250,000 in Company's treasury.

Callability—Subject to call at 105 and interest on six months' notice.

Security—Secured on all property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	92	88⅛	87⅜	83¾	82	82	68¼
Low	85	84⅛	83⅝	79⅛	78½	69½	68¼

(2)

$4,000,000 GENERAL & REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JUNE 15, 1977

Dated June 15, 1927.

Interest Payable June and December 15 at Company's office in Weehawken, N. J., or at its office or agency in the Borough of Manhattan, City of New York.

Denominations—Coupon, $1,000; principal may be registered, exchangeable for fully registered bonds. Coupon and registered bonds are interchangeable.

Trustee—Hudson Trust Co., Hoboken, N. J.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A", $4,000,000.

In addition to the present issue, bonds of Series "A" and other series ranking equally therewith may be issued, subject to restrictions to be provided in the Mortgage, as follows: (a) $3,500,000 may be issued from time to time, provided the consolidated net earnings (as defined in the Mortgage) of the Company and its wholly owned subsidiaries for 12 consecutive months ending not more than 90 days prior to the date of such issue shall have been not less than 1¾ times the annual interest charges on the bonded indebted-

ness of the Company, including the bonds issued and about to be issued under the Mortgage, and the Company covenants that the proceeds of all bonds so issued will be used in making or acquiring permanent additions to the property of the Company or any wholly owned subsidiary; (b) bonds may be issued from time to time in a principal amount not exceeding 75% of the actual cost or reproduction value, whichever may be less, of permanent additions acquired or made by the Company or any wholly owned subsidiary and the actual cost or reproduction value, whichever, may be less, of the property of any Corporation becoming a wholly owned subsidiary less its outstanding liabilities, provided such consolidated net earnings shall have been not less than 1¾ times such annual interest charges as aforesaid; (c) $4,750,000 principal amount of bonds may be issued from time to time upon retirement of a like principal amount of First Mortgage 4% Fifty-Year Gold bonds now outstanding; and (d) upon the retirement of bonds of any series, bonds of like principal amount may be issued in substitution therefor; all as may be more fully stated and defined in the Mortgage. Bonds of the several series may differ as to maturity, interest rate, redemption prices and otherwise; but so long as bonds of Series "A" shall be outstanding no bonds shall have a maturity date prior to June 15, 1977.

Purpose of Issue—Proceeds were used to retire $2,000,000 principal amount of Fifteen-Year 7% Gold Debenture bonds, due Dec. 15, 1936, to provide for permanent additions and for other corporate purposes.

Callability—Series "A" bonds are subject to call as a whole on any interest date, upon 60 days' notice, at 102 on or prior to June 15, 1937; at 101½ thereafter and on or prior to June 15, 1947; at 101 thereafter and on or prior to June 15, 1957; at 100½ thereafter and on or prior to June 15, 1967; and at 100 thereafter to maturity; in each case with accrued interest to date of redemption.

Sinking Fund—None provided.

Security—Bonds are a direct lien on all the fixed assets of the Company, including all of the capital stocks and bonds of the Company's wholly owned subsidiaries, subject to the prior lien of $4,750,000 First Mortgage 4% Fifty-Year Gold bonds, due July 1, 1952. The mortgage provides that so long as any General and Refunding Mortgage bonds are outstanding,no funded debt or additional stock of any wholly owned subsidiary shall be issued unless pledged under the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—DeForest Brothers (for the Company) and Cotton & Franklin (for the bankers).

Original Offering—First publicly offered ($4,000,000) in June, 1927, at 96⅜ and interest to yield over 5.20% by White, Weld & Co., and Kean, Taylor & Co., New York.

BOND REDEMPTION

All the $2,000,000 Fifteen-Year 7% Gold Debenture bonds, due December 15, 1936, described in the 1927 Public Utility Manual, were called for redemption on June 15, 1927 at 105½ and interest, at New York Trust Company, New York, Hudson Trust Company, Hoboken, N. J., or Company's office, Weehawken, N. J.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,562,849	$2,494,818	$2,398,621	$2,285,897	$2,509,303	$2,198,196
Operating expenses, taxes and depreciation	1,770,904	1,651,007	1,553,481	1,549,175	1,444,923	1,330,777
Net earnings	$791,945	$843,811	$845,140	$736,722	$1,064,380	$867,419
Other income	83,454	8,480	20,509	15,708	11,337	19,128
Total income	$875,399	$852,291	$865,649	$752,430	$1,075,717	$886,547
Bond interest	362,500	330,000	330,000	330,000	330,000	330,000
Other interest, amortization, etc.	40,434	35,824	62,362	40,052	23,690	20,948
Total charges	$402,934	$365,824	$392,362	$370,052	$353,690	$350,948
Balance for dividends	472,465	486,467	473,287	$382,378	$722,027	$535,599
Dividends paid	578,334	565,565	497,323	473,677	473,634	371,134
Deficit for year	$105,869	$79,098	$24,036	$91,298	*$248,394	*$164,465
Times Bond Interest Earned	2.30	2.47	2.33	2.16	3.23	2.62
Earnings Per Share—						
Preferred	$3.05	$3.16	$3.47	$4.02	$7.60	$9.33
Common	0.98	1.11	1.38	1.05	2.71	3.51

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$22,497,743	$20,558,205	$19,779,230	$18,918,766	$17,954,565	$17,521,925
Stocks and bonds in affil. water companies	477,796	527,794	527,794	527,794	527,794	527,794
Other investments	45,500	65,150	18,750	9,750	9,750	9,750
Materials and supplies	172,140	143,433	152,997	126,159	152,706	139,296
Cash	112,522	40,355	142,928	52,443	45,327	130,040
Notes receivable	.....	.....	1,548	3,202	6,192	7,740
Accounts receivable	364,524	468,970	412,927	470,873	528,726	643,948
Other current assets	.....	1,032	.....	.....	367	164
Spring Valley Water Works & Supply Co advances	.....	.....	.....	11,250	17,350	19,350
Subscribers to Class "A" Pfd.	.....	8,465	204,633	.....	.....	.....
Suspense items	884,322	590,106	464,302	394,766	258,114	135,680
Prepaid insurance	7,067	6,685	3,210	5,989	6,406	.....
Amortization of debt discount and expense	378,831	300,087	315,226	330,365	345,504	360,643
Total	$24,940,445	$22,710,282	$22,023,545	$20,851,357	$19,852,801	$19,496,330
Liabilities—						
Common stock	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000	$5,125,000
Preferred stock	3,875,000	3,848,150	3,410,100	2,375,000	2,375,000	2,375,000
Subscriptions to Class "A" Pfd.	.....	18,500	289,525	.....	.....	.....
Funded debt	8,750,000	6,750,000	6,750,000	6,750,000	6,750,000	6,750,000
Mortgage payable	84,740	.....	.....	.....	.....	.....
Notes payable	400,000	300,000	60,000	1,035,000	285,000	325,000
Accounts payable	136,346	120,634	610,815	106,537	88,123	185,434
Deposits by consumers	464,518	247,966	140,426	68,285	52,240	52,379
Reserves and accrued charges	844,164	1,085,778	572,601	491,306	359,781	252,746
Deferred credit items	14,961	17,952	16,802	8,065	6,454	6,051
Depreciation reserve	2,724,372	2,524,562	2,354,472	2,179,010	2,014,749	1,885,205
Surplus	2,521,344	2,671,740	2,693,804	2,713,154	2,796,554	2,539,515
Total	$24,940,445	$22,710,282	$22,023,545	$20,851,357	$19,852,801	$19,496,330

Officers: Robert W. deForest, Chairman of Board; Nicholas S. Hill, Jr., Pres.; Henry L. deForest, V-P.; Earle Talbot, V-P., Sec. & Treas.

Directors: Robert W. deForest, Johnston deForest, Henry L. deForest, Nicholas S. Hill, Jr., New York; D. W. French, Earle Talbot, Weehawken, N. J.; Frank B. Plympton, Hackensack, N. J.; J. H. P. Reilly, Hoboken, N. J.; J. W. Bellis, Elmer Blauvelt, Oradell, N. J.

General Office, 624 Park Ave., Weehawken, N. J.
Operating Office, New Milford, N. J.

MISSISSIPPI VALLEY PUBLIC SERVICE COMPANY

History—Incorporated Jan. 16, 1913, in Wis. as Wisconsin Railway Light & Power Company (name changed to present title Jan. 1, 1926). Has acquired and now owns in fee all the properties formerly belonging to the La Crosse Water Power Co., the La Crosse City Ry. Co., and the Winona Ry. & Light Co. (see Manual for 1912, page 2528, or apply to our Information Department). Lighting contract with City of Winona expires Jan. 1, 1929. Estimated population served, 75,000.

Properties—Owns and operates hydro-electric power plant located on the Black River at Hatfield, Wis.; street railway systems in Winona, Minn., and La Crosse, Wis.; electric light and power in Winona, Rolling Stone, Minnesota City, Minneiska, Homer, and Altura, Minn.; Fountain City, Onalaska, Ettrick, Holman, Melrose, and North Bend, Wis. Furnishes power wholesale to city of Black River Falls, village of Trempealeau, Wis. to Galesville Co., Wis., and to Inter-State Power Co., Minn. Also operates under lease the La Crosse & Onalaska Street Ry. (see statement appended).

The hydro-electric development consists of a concrete dam, with earthen embankments having concrete corewall, concrete tainter gate section, and head gates with a canal about 2.6 miles long leading from the dam to the power house situated a short distance below Hatfield, Wis. The property also includes 81.24 miles of high tension transmission line (of which 54.05 miles is erected upon steel towers) connecting the Hatfield Power house with the cities of La Crosse, Wis., and Winona, Minn. The transmission line is almost entirely located upon private right of way.

The Hatfield Power House contains two generators each of 3,000 k.w. normal rated capacity direct connected to water turbines rated at 4,300 h.p. each. The storage capacity of the reservoir is about 15,000 acre feet. The head of water at the power house is 90 feet.

A steam station was completed at Winona in May, 1917, equipped with 5,000 k.w. Allis-Chalmers steam turbine, water tube boilers, stokers, and coal conveying apparatus. Fireproof building, brick on concrete foundation, steel structure, located on full city block acquired for the purpose. Water for condensing from Mississippi River. In 1927 an additional steam turbine of 6,000 k.w. was installed.

The street railway system in the City of La Crosse comprises a steam reserve station of 530 h.p. installed generating capacity, about 17.3 miles of track, with car barn, power house and all necessary cars and equipment. Winona Street Railway System consists of 6.5 miles of track, with car barn, etc.

CAPITAL STOCK

Authorized, $1,230,000 Common, $900,000 Series "A" 7% cumulative Pfd. (created Dec. 31, 1925) and $600,000 Series "B" 6% cumulative Pfd. (created Jan 1, 1928); outstanding, Dec. 31, 1927, $1,219,900 Common and $638,700 Series "A" Pfd.; par, $100.

Preferred Stock Provisions—Has preference for assets and dividends and is callable on any dividend date; 7% callable at 110 and 6% callable at 106. It has no voting power unless dividends are in default for one year. In that event it has equal voting power with Common.

Annual Meeting—First Thursday in February.

Dividends—Pfd. dividends regularly paid; initial dividend on Series "A" 7% Pfd. paid on March 1, 1926, payments quarterly, M, J, S & D 1. Initial dividend on Series "B" 6% Pfd. paid April 1, 1928; payments quarterly J. A, J & O 1. Initial dividend of 2% on Common paid March 1, 1926; Feb. 15, 1927, 3%; Feb. 15, 1928, 5%.

FUNDED DEBT

(1)

$220,000 LA CROSSE CITY RY. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE JULY 1, 1929

Dated July 1, 1909.

Interest Payable January and July 1, at Wisconsin Trust Co., Milwaukee, Wis.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wisconsin Trust Co., Milwaukee, Wis.

Callability—Bonds are subject to call; details not furnished.

Security—A first lien on about 14 miles of track in La Crosse, Wis., together with car barns, power house and cars and equipment.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$2,225,000 WISCONSIN RAILWAY LIGHT & POWER CO. FIRST & REFUNDING MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1933

Dated February 1, 1913.

Interest Payable at First Wisconsin Trust Co., Milwaukee, Wis., and at office or agency of Company in New York City.

Denominations—Coupon bonds in denominations of $1,000; certificates in denominations of $100 and $500 maturing Feb. 1, 1933, may be issued against deposit with the Trustee of a like amount of First Mortgage Refunding bonds. Certificates in amounts of $1,000 or a multiple thereof may be converted upon demand into First & Refunding bonds of equal par value. Both bonds and certificates are registered as to principal.

Provisions of Issue—Authorized, $10,000,000; issued, $2,225,000. Bonds in addition to the $2,225,000 may be issued as follows: (a) $220,000 to retire a like amount of La Crosse City Ry. Co. First Mortgage Bonds, (b) $75,000 may be issued to retire a like amount of bonds which may be issued for the acquisition of certain additional physical property, and (c) bonds may be issued at par for 75% of the cost of additional permanent property acquired by the company and to the additional extent in par amount to refund mortgage indebtedness existing against any property so acquired; provided that the total amount of bonds, so issued shall not exceed the reasonable value of the property so acquired, and provided further that net earnings shall equal at least one and one-half times a full year's interest on all bonds of the company then outstanding, including any underlying bonds and those sought to be issued.

Callability—Both bonds and certificates are redeemable as a whole or in part on any interest date at 105 and interest.

Sinking Fund—Beginning in 1918, 2% of outstanding bonds, to be applied toward the retirement or purchase of bonds of this issue at not exceeding 105 and interest, or toward the acquisition of property, or for extensions, betterments, etc.

Security—A lien on entire property, subject only to the $220,000 La Crosse City Ry. Co. bonds outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenues	$938,386	$899,151	$825,436	$801,291	$785,251	$755,320
Operating expenses	472,928	474,683	454,321	460,274	460,071	461,979
Taxes	72,772	57,678	45,000	45,000	47,080	42,768
Gross income	$392,686	$366,790	$326,115	$296,017	$278,100	$250,573
Interest and miscellaneous deductions	123,782	127,659	140,032	140,465	136,681	141,869
Balance	$268,904	$239,131	$186,083	$155,552	$141,419	$108,704
Times Fixed Charges Earned	3.17	2.87	2.33	2.10	2.03	1.76
*Earnings Per Share—						
Preferred	†$42.10	$50.12	.....	.....	.....	.....
Common	18.56	17.78	$15.25	$12.75	$11.59	$8.91

*Before depreciation and sinking fund. †Based on $638,700 outstanding Dec. 31, 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$5,614,423	$5,323,213	$4,987,840	$4,700,442	$4,609,714	$4,466,321
Bond syndicate certificates	.....	.....	.....	.....	.....	25,000
Cash	48,375	25,471	18,513	29,841	31,550	23,409
Notes and accounts receivable	51,654	43,609	38,443	32,950	29,499	29,999
Materials and supplies	119,620	136,225	123,218	89,358	92,127	104,192
Prepaid accounts	8,462	6,594	4,515	6,055	4,543	6,101
Bond interest deposit	62,008	62,663	62,735	7,020	61,902	62,035
Open accounts	3,095	79	3	1,668	173	1,437
Total	$5,907,637	$5,597,854	$5,235,267	$4,867,334	$4,829,508	$4,718,494
Liabilities—						
Capital stock	$1,858,600	$1,697,000	$1,219,900	$1,219,900	$1,219,900	$1,219,900
Funded debt	2,445,000	2,445,000	2,445,000	2,445,000	2,445,000	2,445,000
Notes payable	71,000	30,000	361,132	230,186	285,463	319,672
Accounts payable	111,831	68,598				
Accrued taxes, interest, etc.	162,603	153,346	146,484	132,526	113,105	79,240
Reserves:						
Sinking fund	.....	.....	.....	311,500	267,000	222,500
Retirement (depreciation)	428,244	474,466	431,527	359,991	301,967	253,555
Casualty and insurance	106,852	109,026	100,587	100,079	94,167	83,052
Sundry	53,480	19,368	16,689	11,553	9,581	8,445
Bond interest coupons	62,008	62,663	62,735	7,020	61,902	62,035
Miscellaneous unadjusted credits	11,648	11,614	1,390	1,390	1,446	.....
Surplus	596,371	526,773	449,823	48,189	29,977	25,095
Total	$5,907,637	$5,597,854	$5,235,267	$4,867,334	$4,829,508	$4,718,494

Officers: Clement C. Smith, Pres.; J. P. Pulliam, V-P. & Treas., Milwaukee; R. M. Howard, V-P. & Mgr., Winona, Minn.; Howard Greene, V-P.; Theodore F. Kaap, Asst. Treas.; J. H. Deinlein, Sec.; C. E. Kohlhepp, Asst. Sec., Milwaukee, Wis.

Directors: Clement C. Smith, Fred Vogel, Jr., Howard Greene, J. P. Pulliam, Milwaukee, Wis.; R. M. Howard, Winona, Minn.

Office, Milwaukee, Wis.

LA CROSSE AND ONALASKA STREET RAILWAY COMPANY

(Leased to Mississippi Valley Public Service Company)

History.—Incorporated March 14, 1889, in Wis. Line of road: La Crosse to Onalaska, Wis., 2.37 miles. Gauge, 4 ft. 8½ in. Rail (T), 60 lbs. Car, 1. Company's property is leased to Mississippi Valley Public Service Co. for a period of 10 years from Jan. 1, 1920.

CAPITAL STOCK

Authorized, $50,000; outstanding, $38,000; par, $100. Annual meeting, second Tuesday in January. Dividends, 7% per annum.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$4,116	$4,093	$4,036
Expenses and taxes	342	403	137
Depreciation	2,000	1,140	1,140
Net earnings	$1,774	$2,550	$2,759
Dividends paid	2,660	2,660	2,660
Deficit for year	$886	$110	*$99

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property accounts	$42,676	$42,676	$42,676
Cash	7	273	210
Other assets	12,041	10,698	9,731
Total	$54,724	$53,647	$52,617

Liabilities—	1927	1926	1925
Capital stock	$38,000	$38,000	$38,000
Depreciation reserve	16,702	14,702	13,562
Profit and loss	22	945	1,055
Total	$54,724	$53,647	$52,617

Officers: Peter Valier, Pres.; R. R. Valier, V-P.; R. J. Semsch, Sec. & Treas., La Crosse, Wis.

Directors: Peter Valier, Roland R. Valier, Andrew Lees, La Crosse, Wis.; Miss G. O. Edwards, Miss A. K. Edwards, Winter Park, Fla.

General Office, La Crosse, Wis.

THE ORANGE COUNTY TELEPHONE COMPANY

History—Incorporated May 23, 1895, in New York, to furnish telephone service in the City of Middletown, N. Y., and surrounding territory. Population served, 28,000. No. of exchanges, 2. No. of telephones in use, 4,709.

CAPITAL STOCK

Authorized, $25,000 Common and $25,000 6% cumulative Pfd.; outstanding, $25,000 Common and $5,100 Pfd.; par, $100. Pfd. stock has preference for dividends only. Secretary of company acts as Transfer Agent and Registrar. Annual meeting, third Thursday in January.

Dividends—Pfd. dividends are paid semi-annually, April and Oct. 1. Dividends on Common have been paid as follows: 1909, 4%; 1910, 6%; 1911, 6% regular and 2% extra; 1912, 6% and 6% extra; 1913, 6% and 6% extra; 1914, 6% and 6% extra; 1915, 6% and 6% extra; 1916, 10% and 10% extra; 1917, 10% and 10% extra; 1918, 10% and 10% extra; 1919, 10% and 10% extra from income, also 10% and 10% extra from sur-

plus; 1920, 10% and 10% extra; 1921 to 1925 incl., 10%; 1926 and 1927, 10% and 10% extra each; payments, Feb. 15. In addition a stock dividend of $15,000 was paid July 1, 1910.

FUNDED DEBT

$28,500 First Gold 5s; dated July 1, 1913; due July 1, 1963; int. Jan. and July 1, at Orange County Trust Co., Middletown, N. Y., Trustee. Coupon, $500; principal may be registered. Authorized issue, $200,000. Subject to call at 105 and interest. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$204,558	$194,983	$184,437
Oper. exp. taxes & deprec.	160,009	149,060	147,058
Net earnings	$44,549	$45,923	$37,379
Bond, etc., interest	2,699	2,763	3,352
Rentals, etc.	245	298	383
Total charges	$2,944	$3,061	$3,735
Balance for dividends	41,605	42,862	33,644
Dividends paid	5,306	5,306	2,806
Surplus for year	$36,299	$37,556	$30,838
Surplus adjustment	*50	4,488	24
Final surplus	$36,249	$42,044	$30,862

*Debit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$591,674	$528,302	$474,724
Stocks owned	6,937	6,937	6,442
Bonds owned	21,356	25,470	22,640
Materials and supplies	14,757	12,096	15,142
Cash	1,238	799	1,010
Notes receivable	118	454	136
Accounts receivable	12,007	12,555	11,440
Deferred debit items	2,247	1,541	1,631
Total	$650,334	$588,154	$533,165
Liabilities—			
Common stock	$25,000	$25,000	$25,000
Preferred stock	5,100	5,100	5,100
Funded debt	28,500	28,500	28,500
Notes payable	27,438	19,008	22,768
Accounts payable	8,909	10,169	7,086
Interest accrued	762	700	725
Taxes accrued	1,103	85	82
Deferred credit items	1,145	867	782
Accrued depreciation	192,588	175,685	162,626
Appropriated surplus	12,000	11,500	11,000
Profit and loss	347,789	311,540	269,496
Total	$650,334	$588,154	$533,165

Officers: Edwin Fancher, Chrm. of Board & Pres.; Charles C. Chappell, V-P. & Gen. Counsel; Frank D. Fancher, Treas. & Gen. Mgr.; Agnes V. Rowell, Sec. & Commercial Mgr.; John Ayres, Plant Mgr.; Fred R. Yaeger, Pur. Agt., Middletown, N. Y.

Directors: Charles C. Chappell, Edwin Fancher, Frank D. Fancher, Agnes V. Rowell, Archibald Taylor, Sayer Fancher, Morris B. Wolf, Middletown, N. Y.

General Office, 17-19 John St., Middletown, N. Y.

LINCOLN POWER COMPANY

History and Business—Incorporated May 14, 1927, in Oklahoma for the purpose among other things of acquiring, erecting and operating a modern steam turbine generating electric plant. The plant, which began operations about July 1, 1928, is located at Howe, Oklahoma, on the Poteau River, 35 miles from Fort Smith, Ark., will contain two 2,500 k.w. steam operated turbo-generator units with a combined capacity of approximately 40,000,000 k.wh. per annum, boiler plant capacity sufficient for all requirements, and all the necessary appurtenances such as switchboards, transformers, and other equipment. Plant is located at the mouth of a coal mine containing sufficient coal to run it more than 50 years, coal being supplied the plant under a 20-year contract at 90 cents per ton, net. The Oklahoma Gas & Electric Company has agreed to purchase not less 12,000,000 k. w. h. of electric current per annum for a period of 20 years expiring January 1, 1947.

CAPITAL STOCK

Authorized and outstanding, $500,000; par $100.

FUNDED DEBT

(1)

$400,000 FIRST MORTGAGE SINKING FUND 6% GOLD BONDS, SERIES "A," DUE MAY 1, 1942

Dated May 1, 1927.

Interest Payable May and November 1 at Chicago Trust Company, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Authorized, $1,000,000; issued, $400,000. Additional bonds may be issued under the mortgage for extensions and improvements up to 75% of the actual cash expenditures for said extensions and improvements providing earnings for 12 consecutive months ending not more than 60 days' prior to issuance of such bonds shall have been at least two times the annual interest charges on all outstanding bonds including those about to be issued; all as more fully set forth in the indenture.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 102 and accrued interest.

Sinking Fund—The Mortgage provides for a sinking fund which will retire this issue by maturity, the Trustee being required to expend the fund in the purchase or redemption of bonds at not exceeding the call price.

Security—Secured by a direct first mortgage on all of Company's property located at Howe, Oklahoma, on the Poteau River which will consist upon completion thereof of a modern steam turbine generating power plant with a capacity of 5,000 k. w., all land and railroad track connections. As additional security there will be deposited with the Trustee a certain contract with the Oklahoma Gas & Electric Company which agrees to purchase not less than 12,000,000 k.w.h. per annum of Company's output of electric current for a period of 20 years. A surety bond insuring the completion of the plant will be deposited with the Trustee. Independent appraisers have valued the company's property upon completion of the plant as being in excess of $800,000.

Legal Opinion—Chapman & Cutler, Chicago, Ill.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$350,000 ONE-YEAR 5% MORTGAGE GOLD NOTES; DUE MARCH 15, 1929

Dated March 15, 1928.

Interest Payable March and September 15 at Chicago Trust Co., Chicago, Ill.

Denomination—Coupon notes registerable as to principal.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Authorized and issued, $350,000.

Purpose of Issue—Proceeds from these notes were to be used to acquire additional property, complete improvements, and for other corporate purposes.

Callability—Subject to call at any time on 30 days' notice at 100½ and interest.

Security—Secured by a direct lien on the entire property of the Company, subject only to the $400,000 First Mortgage bonds described above.

Legal Opinion—John P. Barnes of Levinson, Becker, Frank, Glenn & Barnes, Chicago.

Tax Provision—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse holders of these notes, upon proper and timely application, as provided in the trust agreement, for all state personal property and income taxes to the extent of 5 mills upon each dollar of principal, including Massachusetts income tax not to exceed 6%.

OFFICERS AND DIRECTORS

Officers: David Reid, Pres.; J. C. Carr, V-P.; Sanford P. Starks, Sec.-Treas.

Directors: The above and R. P. White and Alva Eighmy.

General Office, Howe, Okla. **Executive Office,** Madison, Wis.

THE NEW ENGLAND TRANSPORTATION COMPANY

(Controlled by The New York, New Haven and Hartford Railroad Company)

History and Property—Incorporated in June, 1925 for the purpose of owning, maintaining and operating motor vehicles for the transportation of passengers, baggage, freight, mail, express and other commodities in Massachusetts, Rhode Island, Connecticut and New York, both in interstate and intrastate commerce. Company operates a total of 54 lines of which six are operated jointly.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; all owned by The New York, New Haven and Hartford Railroad Company.

FUNDED DEBT

There were outstanding Dec. 31, 1927, $561,530 Equipment Notes.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenues	$2,218,116	$1,460,383
Operating expenses	1,950,939	1,466,984
Tax accruals	118,552	49,069
Net operating income	$148,625	*$55,665
Other income	16,095	23,805
Total income	$164,720	*$31,860
Miscellaneous deductions	109,727	45,355
Net income	$54,993	*$77,215

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Investment in real property and equip.	$2,112,744	$1,533,706
Other investments	807,678	632,453
Cash	36,224	19,761
Net balances due from agts. and oper.	34,768	28,466
Miscellaneous accounts receivable	128,398	52,826
Material and supplies	63,678	30,202
Deferred assets	1,025	1,100
Unadjusted debits	20,029	60,974
Deficit	61,683	145,740
Total	$3,266,227	$2,505,228
Liabilities—		
Capital stock	$1,500,000	$1,450,000
Equipment notes payable	561,530	544,356
Loans and notes payable	410,333	
Miscellaneous accounts paybale	105,044	114,335
Accrued interest	9,274	2,249
Operating reserves	42,163	6,569
Accrued depreciation	591,777	254,561
Other unadjusted credits	31,106	53,158
Deferred items	15,000	80,000
Total	$3,266,227	$2,505,228

Officers: Arthur P. Russell, Pres.; Eugene J. Phillips, V-P.; Chas. H. Knights, Treas.; Edward C. Parker, Clerk; Arthur E. Clark, Asst. Clerk; R. H. Palmer, Aud.; Frank S. Hobbs, Mgr.

Directors: Francis C. Coley, Frank A. Farnham, Jas. O. Halliday, Eugene J. Phillips, Arthur P. Russell, Benj. I. Spock, Robert H. Newcomb, N. M. Rice.

General Office, New Haven, Conn.

SANTA ROSA WATER WORKS

History and Property—Incorporated Feb. 27, 1873 in Cal. Franchise expires Jan. 2, 1974. Company serves Santa Rosa, Cal. and suburbs. Population served, about 11,000.

CAPITAL STOCK

Authorized and outstanding, $250,000; par $100. Annual meeting, second Monday in January. No dividends paid.

FUNDED DEBT

Company has no funded debt, but there is outstanding a mortgage of $32,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$24,672	$25,567	$23,312
Oper. exps., taxes & deprec	18,388	19,105	17,042
Net earnings	$6,284	$6,462	$6,270
Deductions:			
Interest	$2,240	$2,520	$2,240
Other deductions	.....	1,035	141
Total deductions	$2,240	$3,555	$2,381
Net income	$4,044	$2,907	$3,889

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Properties and equipment	$246,928
Bonds owned	1,000
Cash	2,455
Accounts receivable	4,056
Unadjusted debits—stock account	67,000
Total	$321,439
Liabilities—	
Capital stock	$250,000
Mortgage payable	32,000
Consumers' deposits	1,042
Reserve for depreciation	37,472
Surplus	925
Total	$321,439

Officers: M. L. McDonald, Pres., Santa Rosa, Cal.; Selah Chamberlain, V-P. & Treas., San Francisco, Cal.; J. P. Overton, Sec.; E. W. Beebe, Supt. & Pur. Agt.; Santa Rosa, Cal.

Directors: M. L. McDonald, Isabelle J. McDonald, J. P. Overton, Santa Rosa, Cal.; Selah Chamberlain, A. H. Redington, San Francisco, Cal.

General Office, Room 400, Bank of Italy Bldg., Santa Rosa, Cal.

CORONADO WATER COMPANY

History—Incorporated July 14, 1886, in California. Furnishes water to Coronado, U. S. Military Reservation at Rockwell Field, Imperial Beach, South San Diego and Palm City, California.

CAPITAL STOCK

Authorized and outstanding, $480,000; par, $100. Annual meeting, third Monday in February. No dividends paid in recent years.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$145,553	$143,902	$132,310
Oper. exp., taxes & deprec.	106,698	111,880	104,046
Net earnings	$38,855	$32,022	$28,264
Other income	1,133	1,753	478
Total income	$39,988	$33,775	$28,742
Sundry charges	6,445	7,528	8,232
Surplus for year	$33,543	$26,247	$20,510
Earnings Per Share	$6.99	$5.47	$4.27

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$691,111	$683,081	$678,151
Other investments	112,085	106,075	94,357
Materials and supplies	4,704	4,248	3,901
Cash	25,682	7,817	8,157
Current accounts	7,928	6,191	7,684
Unadjusted debits	204	82	306
Deferred debit items	53,534	48,269	41,528
Profit and loss—deficit	111,533	145,076	171,322
Total	$1,006,781	$1,000,839	$1,005,406
Liabilities—			
Capital stock	$480,000	$480,000	$480,000
Stock assessment	165,000	165,000	165,000
Current liabilities	185,138	188,805	203,889
Unadjusted credits	643	643	642
Reserve for accrued depr.	176,000	166,391	155,874
Total	$1,006,781	$1,000,839	$1,005,406

Officers: F. E. Sullivan, Pres.; Wm. Clayton, V-P.; Lane D. Webber, Sec.; Frank J. Belcher, Jr., Treas.; Andrew Ervast, Mgr. & Pur. Agt., San Diego, Cal.

Directors: F. E. Sullivan, Wm. Clayton, A. E. Mercier, Frank J. Belcher, Jr., Lane D. Webber.

General Office, Union Bldg., San Diego, Calif.

THE NORTH AMERICAN COMPANY

(See Accompanying Maps)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	†Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
6% cumulative Pfd.; par $50	J, A, J & O 1	$100,000,000	$30,335,750	$19,254,648	6%	$1,820,022	$31.74
Common; (no par)	J, A, J & O 1	10,000,000shs.	4,514,863	17,434,626	*	4,341,722	3.86

*Commencing Oct. 1, 1923, dividends on Common have been paid in Common stock at the rate of 2½% each quarter.
†After deducting depreciation.

History—Incorporated June 14, 1890 in New Jersey; successor to the assets and properties of The Oregon & Transcontinental Co. The business of the company is the financing and control of electric, gas and street railway and coal properties.

The initial public utility holdings of the company consisted of common stocks of numerous street railway and electric light and power companies in Milwaukee, Wis., predecessor companies of the present The Milwaukee Electric Railway and Light Company. These acquisitions were followed by numerous others in St. Louis and elsewhere and the Company continued with its Wisconsin and Missouri utility subsidiaries until 1921, when it acquired the Common stock of The Cleveland Electric Illuminating Company. Later the same year the Company acquired the Common stock of The East St. Louis and Suburban Company and in 1925 acquired stock control of Western Power Corporation, Mississippi River Power Company and Central Mississippi Valley Electric Properties.

The population served by the company's present subsidiaries aggregates over 5,400,000, including more than 800 communities and covering an area of approximately 25,600 square miles. For property and business of subsidiaries see descriptions of individual companies.

The present subsidiaries are as follows:

(1) North American Edison Company controlling:
- The Cleveland Electric Illuminating Co. (Cleveland, Ohio), controlling:
  - The Power and Light Building Co. (Ohio).
- Union Electric Light and Power Co. (St. Louis, Mo.), controlling:
  - The Light and Development Co. of St. Louis.
  - Mississippi River Power Co. (Keokuk, Ia.), controlling Missouri Transmission Co. (Keokuk, Ia.)
  - Cupples Station Light, Heat & Power Co. (St. Louis, Mo.)
  - St. Charles Electric Light & Power Co. (Mo.)
  - Union Colliery Co. (Duquoin, Ill.) controlling:
    - Dowell Electric Co.
  - Central Mississippi Valley Electric Properties controlling:
    - Keokuk Electric Co. (Keokuk, Ia.)
    - Fort Madison Electric Co. (Fort Madison, Ia.)
    - Dallas City Light Co. (Dallas City, Ill.)
- The Milwaukee Electric Ry. and Light Co. controlling:
  - Milwaukee Northern Ry. Co. (Milwaukee, Sheboygan. Wis.)
  - Wisconsin Gas & Electric Co. (Racine, Kenosha, Watertown, Wis.)
  - Wisconsin Electric Power Co. (Milwaukee).
  - Wisconsin Michigan Power Co. (Appleton, Wis.) controlling:
    - Inter-City Bus Co. (Wisconsin)

(2) Union Electric Light and Power Co. of Illinois (East St. Louis, Ill.)

(3) Western Power Corp. controlling:
- Great Western Power Co. of California (San Francisco, Cal.) controlling:
  - California Electric Generating Co.
  - Western Canal Company (California).
  - Napa Valley Electric Co. (Napa, Cal.)
- San Joaquin Light & Power Corp. (Fresno, Cal.), controlling:
  - Bakersfield & Kern Electric Ry. Co. (Cal.)
  - Valley Electrical Supply Co., Cal.
- Midland Counties Public Service Corp. (San Luis Obispo, Cal.)

(4) The St. Louis County Gas Co. (Webster Groves, Mo.)

(5) The East St. Louis and Suburban Co. (East St. Louis, Ill.) controlling:
- East St. Louis Light & Power Co.
- East St. Louis Railway Co.
- East St. Louis & Suburban Railway Co. controlling:
  - Blue Goose Motor Coach Co.
  - Red Line Motor Co. (Ill.)
- St. Louis & Belleville Electric Railway Co.
- St. Louis & East St. Louis Electric Railway Co.

(6) Alton Gas Company (Ill.)

(7) Alton Light & Power Co. (Ill.)

(8) Alton Railway Company (Ill.)

(9) St. Louis & Alton Ry. Co. (Ill.)

(10) West Kentucky Coal Co. (Sturgis, Ky.) controlling:
- St. Bernard Coal Co. (Earlington, Ky.)
- West Kentucky Property Co. (Ky.)
- West Kentucky Coal Co. (Del.)

(11) Wired Radio, Inc. (Del.)

(12) 60 Broadway Building Corp. (N. Y.)

(13) Edison Securities Corp. (N. Y.)

(14) North American Utility Securities Corp. (Md.)

The North American Company also has substantial, but not controlling interests in The Detroit Edison Company, Detroit, Mich., Washington Railway and Electric Company, Washington, D. C. and North American Light & Power Company, Chicago, Ill.

The operations of The Detroit Edison Company, Washington Railway and Electric Company and North American Light & Power Company are not included in the appended Comparative Statement of Earnings or the Consolidated Balance Sheet.

In addition to its holdings of capital stocks, The North American Co. owns substantial holdings of bonds and notes of its subsidiary and other companies.

OPERATING STATISTICS, YEAR ENDED DECEMBER 31, 1927

Kilowatt hour output	5,003,332,121
Electric customers	993,332
Kilowatt generating plant capacity owned	1,515,198
Kilowatt capacity purchased	47,550
Railway revenue passengers carried	182,990,228
Railway car miles	34,233,821
M. C. F. gas output	4,699,053
Gas customers	96,955
Heating customers	2,446
Bus miles	7,904,178
Bus revenue passengers carried	14,116,803
Tons of coal mined	5,030,197

Installed electric generating capacity at the close of the year 1927 aggregated 1,515,198 kilowatts, of which 1,118,350 were steam and 396,848 were hydro-electric. The total maximum demand of the four groups of subsidiaries, each group constituting a distinct interconnected power system, amounted to 1,100,309 kilowatts, and the average annual load factor was 51.9%.

CAPITAL STOCK

Authorized, 10,000,000 shares Common stock of no par value and $100,000,000 6% cumulative Pfd.; outstanding, Dec. 31, 1927, 4,514,863 shares Common and $30,335,750 Pfd.; par of Pfd., $50. The outstanding amounts include scrip for $2,000 Pfd. and 10,530 shares Common.

Stock Increase—In April, 1927, the Common stock was increased from 6,000,000 shares of $10 par value to 10,000,000 shares of no par value and the Pfd. stock from 1,200,000 shares of $50 par value to 2,000,000 shares of $50 par value.

Callability—Pfd. stock is subject to redemption on 30 days' published notice and pro rata if less than the whole, at $55 per share plus accrued dividends after three years from the issue thereof.

Preferred Stock Provisions—Pfd. stock is entitled to preference at par and accrued dividends in distribution of assets in the event of liquidation, but is not entitled to subscribe for any new or additional issues of stock. Holders of both Pfd. and Common stock are entitled to one vote for each share of stock held.

Transfer Agents—Robert Randall, A. E. Taylor and Svend E. Beng, 60 Broadway, New York, and Mississippi Valley Trust Co., St. Louis, Mo. Certificates of stock are interchangeable between New York and St. Louis.

Registrars—For Pfd. stock: Bankers Trust Co., New York, and Mercantile Trust Co., St. Louis. Reg-

istrars for Common stock: Equitable Trust Co., New York, and Mercantile Trust Co., St. Louis.

Annual Meeting—April 25th of each year in New York City.

Listed—Both classes of stock listed on New York Stock Exchange. Common stock dealt in on London and Amsterdam Stock Exchanges.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	55	52¼	50⅛	50¼	48½	47¼	47½	....
Low	50	49	46⅝	43⅞	42½	38	31⅞	....
Com. (old)—								
High	....	....	....	....	273	†119½	†106¼	*61⅞ 61¾
Low	....	....	....	....	153⅞	100½	44⅛	32¼ 48
Com. (new)—								
High	64½	67	75	45	24¼	....	....	....
Low	45⅝	42	41⅛	22	17½	....	....	....

*Prior to Aug., 1921, Common stock was $100 par value. †$50 par.

Dividends—The Company paid dividends quarterly on its old Capital stock (of $100 par value) at the rate of 4% per annum from March 2, 1903, to Dec. 1, 1903. incl.; at the rate of 5% from March 1, 1904, to Sept. 2, 1907, incl., and from April 1, 1909, continuously to and including July 1, 1921. On Aug. 26, 1921, the stockholders voted to amend the Certificate of Organization to classify the old stock of $100 par value into shares of 6% cumulative Pfd. stock of $50 par and shares of Common stock of $50 par, and to exchange one share of such Pfd. stock and one share of such Common stock for each share of old stock. Since such classification became effective the Company has paid dividends quarterly on its Pfd. stock at the rate of 6% per annum, and on its Common stock at the rate of 6% per annum to and including Jan. 3, 1922; on April 1, 1922, the dividend on the Common stock was increased to 10% per annum, a quarterly dividend of 2½% being paid on that date, of which 1½% (75 cents) was paid in cash, and 1% was paid in Preferred stock. On July 1, 1922, paid 2½% in cash; Oct. 1, 1922, 2½% in cash; Jan. 1, 1923, 2½% in cash. In Apr, 1923, the par value of Common stock was changed from $50 to $10. Dividends were paid on April 2, 1923 at rate of 2½% in Common stock at par, and on July 1, 1923, at rate of 5% in cash. On Oct. 1, 1923, and quarterly since that date dividends on Common stock have been regularly paid at the rate of 2½% per quarter in Common stock. At the time of the declaration of each dividend paid in Common stock in case the stockholder does not wish to receive the dividend stock, the Company will arrange to sell such stock at the then maket price, the stockholder receiving the proceeds in cash. Payments on both classes quarterly, J, A, J & O 1.

FUNDED DEBT

None.

COMPARATIVE COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The North American Co. and Subsidiary Companies)

	1927	1926	**1925	1924	†1923	*1922
Gross earnings	$122,166,834	$115,850,466	$93,028,967	$80,117,255	$75,465,267	$55,234,492
Operating expenses and taxes	65,308,621	64,382,878	54,987,125	50,161,763	48,289,198	35,812,044
Net income from operation	$56,858,213	$51,467,588	$38,041,842	$29,955,492	$27,176,069	$19,422,448
Other net income	3,022,715	4,143,442	3,574,836	1,885,331	730,988	407,183
Total income	$59,880,928	$55,611,030	$41,616,678	$31,840,823	$27,907,057	$19,829,631
Deductions—						
Interest charges	$17,775,812	$16,414,630	$13,001,930	$9,862,179	$8,830,273	$6,667,283
Balance	$42,105,116	$39,196,400	$28,614,748	$21,978,644	$19,076,784	$13,162,348
Depreciation	12,481,932	11,908,094	9,427,912	7,795,811	6,867,996	5,209,882
Balance	$29,623,184	$27,288,306	$19,186,836	$14,182,833	$12,208,788	$7,952,466
Preferred dividends of subsidiaries	8,966,740	8,355,435	4,624,595	2,469,710	1,813,413	1,318,172
Minority interest in subsidiaries	1,401,795	1,369,363	1,266,130	1,130,357	1,009,917	540,444
Balance	$19,254,649	$17,563,508	$13,296,111	$10,582,766	$9,385,458	$6,093,850
Preferred dividends, No. Amer. Co.	1,820,022	1,820,108	1,763,620	1,344,942	1,143,022	1,061,998
Common dividends, No. Amer. Co.	4,341,772	3,932,525	3,223,819	2,815,727	3,038,652	1,857,089
Surplus	$13,092,855	$11,810,875	$8,308,672	$6,422,097	$5,203,784	$3,174,763
§Earnings Per Share—						
Preferred	$31.73	$28.95	$21.92	$18.19	$24.59	$16.07
Common	3.86	3.85	3.12	3.16	3.11	11.93

*Includes The Cleveland Electric Illuminating Co., from April 1, 1922, and Milwaukee Northern Ry. Co. from July 1, 1922. †Includes Wisconsin Traction, Light, Heat & Power Co. and The Light & Development Co. of St. Louis from April 1, 1923. **Includes Western Power Corp. for four months and Mississippi River Power Co. and Central Mississippi Valley Electric Properties for three months. §Based on amount of stock outstanding at close of each year and after deducting depreciation. The Common stock outstanding December, 1921 had a par of $50 a share; of $50 in 1922; of $10 in 1923, 1924, 1925 and 1926, and was of no par value Dec. 31, 1927.

STATEMENT OF CONSOLIDATED SURPLUS, DECEMBER 31

	1927	1926	1925	1924
Surplus, January 1	$42,147,237	$30,605,648	$22,817,142	$17,037,879
Additions:				
Balance for dividends and surplus, year ended Dec. 31	19,254,648	17,563,507	13,296,111	10,582,765
Total additions	$61,401,885	$48,169,155	$36,113,253	$27,620,644
Deductions:				
Dividends on stock of The North American Company:				
Preferred stock	$1,820,022	$1,820,108	$1,763,620	$1,344,942
Common stock	4,341,772	3,932,525	3,223,819	2,815,727
Unamortized discount and expense and premium on securities redeemed or exchanged	3,465,649	.....	.....	.....
Sundry deductions	415,830	269,286	520,166	642,833
Total deductions	$10,043,273	$6,021,918	$5,507,605	$4,803,502
Undivided surplus	$51,358,612	.....	.....	.....
Capital surplus	23,821,633	.....	.....	.....
Total surplus at end of year	$75,180,245	$42,147,237	$30,605,648	$22,817,142

Depreciation Reserve—Appropriations from earnings are made currently by subsidiaries to insure replacement of physical property and are credited to depreciation reserves in accordance with the best principles of management and engineering practice. When property is retired its original cost is charged against the depreciation reserves. The appropriations to the depreciation reserves are made in addition to adequate expenditures for maintenance and repairs, which are included in monthly operating expenses, and which serve to maintain all parts of the properties in good repair and in first-class operating condition.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(The North American Co. and Subsidiary Companies)

Assets—	1927	1926	1925	1924	1923	1922
Property and plant—general account	$614,721,008	$575,883,306	$524,394,202	$293,592,471	$251,661,142	$188,860,469
Cash and securities on deposit with Trustees	1,402,539	2,061,574	2,468,058	6,673,654	3,116,289	1,838,671
Stocks and bonds of other cos	36,945,886	34,617,983	29,900,492	19,266,490	7,477,841	10,738,321
Sundry invests. incl. Pfd. stock & bonds of sub. cos.	3,515,269	2,554,757	5,308,721		1,053,724	2,462,848
North American Co. Common stock (held by subsidiary for conversion of bonds)	3,113,326	3,050,000	.....	.....	.....	.....
U. S. Government securities	12,336,852	13,657,378	15,133,343	17,214,442	2,639,075	4,710,600
Cash	11,107,362	9,282,823	11,204,077	5,120,433	3,709,672	4,069,042
Notes and bills receivable	585,891	589,430	1,041,387	1,006,596	2,064,646	1,538,676
Accounts receivable	13,691,686	12,763,620	16,503,476	12,225,738	8,203,205	7,064,541
Materials and supplies	11,111,092	10,792,760	10,611,630	8,273,859	8,866,597	7,181,849
Prepaid accounts	1,749,337	1,425,821	1,281,936	346,415	439,057	158,352
Bond and note discount, etc	16,910,549	15,165,985	14,236,729	12,429,253	9,323,400	7,799,954
Premium on investment securities	.....	.....	.....	.....	.....	2,488,506
Total	$727,190,797	$681,845,437	$632,084,050	$376,149,351	$298,554,648	$238,911,829
Liabilities—						
*Common stock (No. Amer. Co.)	$45,148,630	$40,913,220	$37,015,179	$29,236,510	$26,489,075	$21,085,800
*Pfd. stock (No. Amer. Co.)	30,335,750	30,335,750	30,335,750	29,058,750	19,085,702	18,963,201
Pfd. stock of subsidiaries	142,552,758	137,217,414	119,777,364	43,421,252	29,110,116	22,313,203
Minority stockholders' int. in capital and surplus of subsidiary controlled companies	9,341,679	9,748,670	9,443,855	6,321,604	5,070,677	5,074,708
Dividends payable in Common stock	1,125,952	1,019,596	923,458	729,993	661,368	.....
Funded debt of subsidiaries	315,769,501	292,783,050	291,979,176	184,464,217	146,166,190	114,629,600
Notes and bills payable	6,441,131	9,545,783	3,401,014	426,423	4,147,324	2,999,677
Accounts payable	4,373,793	5,681,414	5,110,232	4,832,941	4,254,557	4,755,318
Sundry current liabilities	3,818,918	3,408,560	3,774,875	2,130,234	2,074,752	1,199,654
Taxes accrued	8,126,745	7,668,399	6,170,476	4,459,842	3,831,298	1,175,909
Interest accrued	3,076,589	3,457,969	3,767,079	2,495,903	2,150,966	1,630,536
Dividends accrued	1,475,667	1,100,616	1,181,591	697,868	511,831	919,073
Other accruals	260,695	132,171	64,242	50,188	51,202	55,382
Depreciation reserve	71,741,704	64,423,093	57,020,161	44,979,485	37,911,711	29,566,738
Other reserves	8,421,040	8,440,862	7,772,302			
Capital surplus (premium on capital stock)	23,821,633	23,821,633	23,741,646	.....	.....	.....
Surplus	51,358,612	42,147,237	30,605,648	22,817,142	17,037,879	14,543,029
Total	$727,190,797	$681,845,437	$632,084,050	$376,149,351	$298,554,648	$238,911,829

*Includes scrip.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31
(The North American Co. and Subsidiary Companies)

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$11,107,362	$9,282,823	$11,204,077	$5,120,433	$3,709,672	$4,069,042
U. S. Govt. securities	12,336,852	13,657,379	15,133,343	17,214,442	2,639,075	4,710,600
Notes and bills receivable	585,891	589,430	1,041,388	1,006,596	2,064,646	1,538,676
Accounts receivable	13,691,686	12,763,620	16,503,476	12,225,738	8,203,205	7,064,541
Materials and supplies	11,111,092	10,792,760	10,611,630	8,273,859	8,866,597	7,181,849
Total	$48,832,883	$47,086,012	$54,493,914	$43,841,068	$25,483,195	$24,564,708
Current Liabilities—						
Notes and bills payable	$6,441,131	$9,545,783	$3,401,015	$426,423	$4,147,324	$2,999,677
Accounts payable	4,373,793	5,681,414	5,110,232	4,832,941	4,254,557	4,755,318
Sundry current liabilities	3,818,918	3,408,560	3,774,875	2,130,234	2,074,752	1,199,654
Taxes accrued	8,126,745	7,668,399	6,170,476	4,459,842	3,831,298	1,175,909
Interest accrued	3,076,589	3,457,969	3,767,079	2,495,903	2,150,966	1,630,536
Dividends accrued	1,475,667	1,100,616	1,181,591	1,427,861	1,173,198	919,073
Sundry accrued liabilities	260,695	132,171	64,242	50,188	51,202	55,382
Total	$27,573,538	$30,994,912	$23,469,510	$15,823,392	$17,683,297	$12,735,550
Net Working Capital	$21,259,345	$16,091,100	$31,024,404	$28,017,676	$7,799,898	$11,829,158

Officers: Frank L. Dame, Pres.; Edwin Gruhl, V-P. & Gen. Mgr.; J. B. Black, V-P.; F. W. Doolittle, V-P.; J. F. Fogarty, V-P.; H. C. Freeman, V-P.; Robert Sealy, Treas.; F. H. Piske, Sec. & Asst. Treas.; Robert Randall, Asst. Sec.; C. D. Burdick, Asst. Treas.

Executive Committee: Frank L. Dame, Edwin Gruhl, Henry H. Pierce, Edward H. Wells, Frederick W. Doolittle.

Directors: Edwin M. Bulkley, Frank L. Dame, F. W. Doolittle, James F. Fogarty, H. C. Freeman, Edwin Gruhl, C. W. Hough, Robt. Lindsay, Henry H. Pierce, Charles A. Stone. Fred Vogel, Jr., Harley P. Wilson.

Offices, 60 Broadway, New York, and 784 Broad St., Newark, N. J.

NORTH AMERICAN EDISON COMPANY

(Controlled by The North American Company)

History—Incorporated March 25, 1922, in Delaware. In April, 1922, the Company acquired from The North American Company the entire outstanding Common stock of Union Electric Light & Power Co., St. Louis (which see below). It also acquired from other interests more than 77% of the Common stock of The Cleveland Electric Illuminating Co. In Oct., 1923, acquired the interests in all the companies formerly owned by The Wisconsin Edison Co., Inc., and also acquired from The North American Co. its interest in Wisconsin Traction, Light, Heat & Power Co. and Wisconsin Electric Power Co. In Dec., 1924, acquired from The North American Co. its interest in Peninsular Power Co. During Jan., 1926, acquired control of Iron Mountain Light & Power Co., Iron Mountain, Mich., and Niagara Light & Power Co., Niagara, Wis. In May, 1927 sold its interest in Wisconsin Traction, Light, Heat & Power Co., Iron Mountain Electric Light & Power Co. and Niagara Light & Power Co. to Wisconsin Michigan Power Co. (name changed from Peninsular Power Co.)

North American Edison Company is a holding company, controlling the following subsidiary companies in Ohio, Wisconsin, Iowa, Missouri, Michigan and Illinois, doing an electric, gas, heating and street railway business:

The Cleveland Electric Illuminating Co. (Cleveland, O.), controlling The Power and Light Building Co. (Ohio.)

Union Electric Light and Power Co. (St. Louis, Mo.), controlling The Light and Development Company of St. Louis (St. Louis, Mo.).

Mississippi River Power Co. (Keokuk, Ia.), controlling Missouri Transmission Co. (Keokuk, Ia.)

Cupples Station Light, Heat & Power Co. (St. Louis, Mo.).

St. Charles Electric Light & Power Co. (St. Charles, Mo.).

Union Colliery Co. (Duquoin, Ill.), controlling Dowell Electric Co. (Illinois).

Central Mississippi Valley Electric Properties, controlling Keokuk Electric Co. (Keokuk, Ia.)

Fort Madison Electric Co. (Ft. Madison, Ia.).

Dallas City Light Co. (Dallas City, Ill.).

The Milwaukee Electric Railway and Light Co., controlling Milwaukee Northern Ry. Co. (Milwaukee, Sheboygan, Wis.)

Wisconsin Gas and Electric Co. (Racine, Kenosha, Watertown, Wis.).

Wisconsin Electric Power Co. (Milwaukee, Wis.).

Wisconsin Michigan Power Co. (Appleton, Wis.), controlling Inter-City Bus Co. (Wisconsin).

Population served 3,900,000 in over 500 communities covering an area of approximately 13,000 square miles.

For property and business of subsidiaries see descriptions of individual companies.

CAPITAL STOCK

Authorized, 500,000 shares (increased from 400,000 Oct., 1925) Common of no par value and 500,000 shares $6 cumulative Pfd. of no par value (created Oct., 1925); outstanding, 385,000 shares Common and 200,000 shares Pfd. The North American Co. owns all of the Common stock.

Preferred Stock Provisions—Has preference over the Common shares as to cumulative dividends at rate of $6 per share per annum and as to assets in case of liquidation, at $100 per share and accrued dividends. Additional Pfd. stock may be issued from time to time at such price or prices as may be determined by the board of directors at the time of issuance, but only when net earnings of Company for 12 consecutive months out of the 15 preceding calendar months, available for dividends on the Pfd. stock shall have been at least equal to twice the annual dividend requirements on all the Pfd. stock outstanding and proposed to be issued. Holders of Pfd. stock are not entitled to vote or to subscribe for additional stock of any class.

Callability—Pfd. stock is subject to redemption at any time, as a whole or in part, upon 30 days' notice at $105 per share and accrued dividends.

Tax Provisions—Dividends are free of present Normal Federal Income Tax.

Transfer Agents (Pfd.)—Robert Randall and Albert E. Taylor, 60 Broadway, New York.

Registrar (Pfd.)—Bankers Trust Co., New York.

Original Offering—Pfd. stock first publicly offered (200,000 shares) in October, 1925, at $97 per share and accrued dividend, to yield about 6.18%, by Dillon, Read & Co.

Annual Meeting—Second Wednesday in April, at New York.

Listed (Pfd.)—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	105	97	97½
Low	96⅝	91⅛	93

Pfd. Dividends—Initial quarterly dividend of $1.50 a share paid Dec. 1, 1925, which quarterly rate maintained to date; payments M, J, S & D 1, to stock of record about the fifteenth of the preceding month.

FUNDED DEBT

$25,000,000 5% DEBENTURES SERIES "A"; DUE MARCH 1, 1957

Dated February 16, 1927.

Interest Payable March and September 1 at office or agency of company in New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited, subject to indenture restrictions below stated.

Issued and outstanding, $25,000,000 Series "A" 5s. The proceeds from the sale of these debentures were used for the retirement of the 6% and 6½% Secured Sinking Fund Gold bonds, Series "A" and Series "B" both of which issues were paid off by March 15, 1927 (see below), and for other corporate purposes.

Additional debentures of Series "A" or of any other series may be issued from time to time (each series to bear interest at such rate or rates, and have such maturity or maturities, redemption and other characteristics, as may be determined by the Board of Directors at the time of issuance) or the Company may create other funded debt, provided actual net income of the Company from dividends, interest, and other sources, for 12 months out of the preceding 15 months shall be at least twice the annual interest on all funded debt of Company including that proposed to be issued.

Callability—Subject to call as a whole, or in part by lot, on the first day of any month on 30 days notice, (1) to and including Feb., 1928, at 102 and interest, and thereafter to and including Aug., 1928, at 105 and interest, with successive reductions in the redemption price of ¼ of 1% during each 18 months' period thereafter until maturity; and (2) under certain conditions upon sale of certain assets, to and including March 1, 1928, at 102 and interest, and thereafter until maturity at 100 and interest.

Convertiblity—The indenture provides that the Series "A" debentures may be converted at holders' option into Company's Pfd. stock (without par value and entitled to cumulative dividends of $6 per share per year) after Mar. 1, 1928, to and including Mar. 1, 1936, at the rate of one share of Pfd. stock for each $100 principal amount of debentures. Debentures are not to be so convertible during the intervals between dividend record date and dividend payment date. Under the provisions of the Company's charter, this conversion privilege can be exercised only when the net earnings of the Company, for 12 consecutive calendar months out of the 15 preceding calendar months, available for dividends on its Pfd. stock shall have been equal to at least twice the annual dividend requirements on all the Pfd. stock outstanding and on the additional Pfd. stock proposed to be issued. At the time of conversions, adjustment will be made so that both interest on the debentures and dividends on the Pfd. stock will not be paid for the same period.

Purchase Fund—Beginning Sept. 1, 1927, and semi-annually thereafter, Company agrees to apply funds in the purchase of ½ of 1% of the principal amount of Series "A" debentures outstanding at such times if obtainable during the succeeding 60 days at or below 100 and interest, any unexpended balance reverting to the Company's general funds.

Security—A direct obligation of Company and secured under an indenture which provides among other things that Company may not make any sale of the voting shares of The Cleveland Electric Illuminating Co. or Union Electric Light and Power Co. (St. Louis) or The Milwaukee Electric Railway and Light Co. which would result in the Company owning less than two-thirds of the voting shares of any one or more of the above companies unless all the voting shares owned by it in any such company shall be sold. In the event of any such sale by the Company, for cash, of all the voting shares owned by it in any one or more of the above companies, the Company is to covenant to apply the entire proceeds of such sale to the retirement of debentures by purchase or redemption, ratably as to all series at the time outstanding. The redemption prices applicable to Series "A" debentures upon any such retirement are to be as above stated.

The Company may not mortgage or pledge any of the voting shares of any subsidiary (any corporation in which the Company shall own a majority of the voting shares) without securing the debentures equally and ratably with the obligations secured by any such mortgage or pledge; but this restriction shall not apply to the assumption of indebtedness secured by pre-existing liens or the creation of purchase money liens on additional voting shares hereafter acquired, or to the renewal, extension or refunding thereof.

Certain terms and provisions of the indenture may be modified with the consent of the holders of not less than 80% of the outstanding debentures.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax refunded.

Original Offering—First publicly offered ($25,000,000 Series "A" 5s) in Jan., 1927, at 98 and interest, to yield about 5⅛%, by Dillon, Read & Co., New York.

Listed—New York Stock Exchange.

Price Range—1927: High, 102½; low, 96¼.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(North American Edison Co. and Subsidiaries)

	1927	1926	1925	1924
Gross earnings	$83,941,982	$81,365,672	$72,563,287	$66,315,449
Operating expenses and taxes	46,422,188	46,318,534	43,628,873	40,918,979
Net income from operation	$37,519,794	$35,047,138	$28,934,414	$25,396,470
Deductions:				
Interest charges	$10,576,276	$9,459,171	$9,023,896	$7,970,539
Minority interest	1,292,762	1,247,242	1,212,492	1,130,227
Preferred dividends subsidiary cos.	4,181,182	3,966,070	2,852,019	2,275,319
Total deductions	$16,050,220	$14,672,483	$13,088,408	$11,376,085
Balance for depreciation, dividends and surplus	21,469,574	20,374,655	15,846,006	13,982,290
Depreciation	8,770,941	8,372,945	7,396,579	6,613,829
Balance	$12,698,633	$12,001,710	$8,449,427	$7,368.461
Preferred dividends	1,200,000	1,200,000	236,666	.....
Common dividends	5,043,500	4,331,250	3,753,750	3,330,250
Surplus for year	$6,455,133	$6,470,459	$4,459,012	$4,038,211
Earnings Per Share—				
$6 Preferred	$63.49	$60.00	$42.24	....

Depreciation Reserve—Appropriations from earnings are made currently by subsidiaries to insure replacement of physical property and are credited to depreciation reserves in accordance with the best principles of management and engineering practice. When property is retired its original cost is charged against the depreciation reserves. The appropriations to the depreciation reserves are made in addition to adequate expenditures for maintenance and repairs, which are included in operating expenses, and which serve to maintain all parts of the properties in good repair and in first-class operating condition.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(North American Edison Co. and Subsidiaries)

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$358,523,421	$337,022,980	$256,748,609	$231,078,522	$203,313,302	$88,224,383
Cash on deposit	1,281,439	1,376,752	1,056,668	4,736,222	785,616	489,878
Investments	13,067,963	14,446,487	15,629,688	17,705,285	3,369,298	4,883,498
Due from affiliated companies	13,026,026	1,669,392	12,917,681	5,558,185	13,913,885	5,339.449
Accounts receivable		8,272,719	7,764,490	9,551,586		
Cash	4,118,147	3,995,945	2,654,737	2,727,172	1,460,155	904,420
Notes & bills receiv.	231,660	259,125	370,261	238,337	542,695	52,029
Materials and supplies	7,878,479	7,291,479	6,851,691	6,632,412	7,573,196	2,592,659
Prepaid accounts	547,393	361,375	281,178	217,689	360,838	117,686
Bond & note discounts	11,249,599	12,027,417	11,718,702	10,945,041	8,896,635	4,076,924
Total	$409,924,127	$386,723,671	$315,993,706	$289,390,451	$240,215,620	$106,680,926
Liabilities—						
Common stock	$27,139,870	$27,139,870	$27,139,870	$27,139,870	$27,139,870	$14,189,870
Preferred stock	20,000,000	20,000,000	20,000,000	.....	.....	.....
Preferred stock sub. cos.	67,257,177	63,770,751	44,438,898	37,903,717	29,044,616	11,505,800
Minority interest	8,331,528	8,220,671	6,968,606	6,277,298	4,984,667	4,403,937
Funded debt	191,788,851	172,478,750	148,181,326	153,579,517	127,276,890	57,874,000
Due affiliated companies	6,636,892	8,422,704	81,471	8,060,994	8,193,381	2,051,954
Accounts payable		2,454,551	2,215,789	2,474,488		
Notes & bills payable	457,900	3,905,100	2,086,021	411,626	736,991	.....
Sundry current liabilities	2,200,106	1,946,183	1,701,712	1,421,390	1,569,992	685,177
Accrued liabilities	8,815,298	8,731,534	7,102,778	6,376,669	4,014,616	1,718,052
Reserves	55,172,427	50,313,198	43,323,035	37,426,098	33,069,482	11,264,271
Surplus	22,124,078	19,340,359	12,754,200	8,318,784	4,185,115	2,987,865
Total	$409,924,127	$386,723,671	$315,993,706	$289,390,451	$240,215,620	$106,680,926

Officers: Frank L. Dame, Chairman of Board; Edwin Gruhl, Pres.; James F. Fogarty, V-P.; Robert Sealy, Treas.; Frederick H. Piske, Sec.; C. D. Burdick, Asst. Sec. & Asst. Treas., New York.

Directors: Frank L. Dame, Louis H. Egan, James F. Forgarty, H. C. Freeman, Edwin Gruhl, Robert Lindsay, Henry H. Pierce, Robert Sealy, S. B. Way.

Principal Office, Wilmington, Del. **New York Office**, 60 Broadway.

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

(Controlled by North American Edison Co.)

History—Incorporated Sept. 29, 1892, in Ohio, as The Cleveland General Electric Co., which was a consolidation of the Brush Electric Light Co. and the Cleveland Electric Light Co. Name changed in 1894 to present title. Between 1907 and 1916 the Company acquired the Cuyahoga Light Co. and the Bedford Electric & Power Co. as well as the Municipal plants of Lakewood and Rocky River, Ohio. During 1925 and 1926 the property of 16 privately and municipally owned utilities were purchased. During 1927 purchased the properties of the Chagrin Valley Electric Co. and the Solon Light & Power Co., serving the Villages of Chagrin Falls and Solon, Ohio, and adjacent territory.

The territory now served with electric light and power by the Company extends from the Company's Avon plant in Lorain County, on the west, to the Pennsylvania State Line, on the east; and includes the major portion of Cuyahoga, Lake, Geauge and Ashtabula Counties. The Company also sells bulk power to the Ohio Public Service Company at Lorain, and The Northern Ohio Power and Light Company at Akron, and also furnishes steam heating service in downtown section of the City of Cleveland serving a

THE NORTH AMERICAN COMPANY

MAP SHOWING

THE PROPERTIES OF ITS SUBSIDIARY

THE CLEVELAND ELECTRIC ILLUMINATING CO.



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LEGEND
Transmission Lines
Power Plant
Sub-Station
Electric & Steam Heating Service
Power Sold to Other Utilities
Electric Service
Electric Service & Substation
PAINESVILLE
Perry
Madison
Geneva
Ashtabula
Jefferson
Conneaut
Orwell
Andover
Kinsman
Newton Falls
Warren
Girard
Youngstown
Niles
Hubbard
Canfield
Berlin Center
Ravenna
Kent
Akron
Barberton
Wadsworth
Medina
Norwalk
Sandusky
Fremont
Bellevue
Tiffin
Fostoria
Findlay
Bowling Green
Toledo
Lorain
Elyria
Cleveland
Painesville
Mentor
Willoughby
Chardon
Middlefield
Burton
Garrettsville
Hiram
Ravenna
Kent
Akron

population of 1,300,000 in 126 communities covering an area of 1,640 square miles.

Franchises—Franchises are without burdensome restrictions, and, in the opinion of counsel, are unlimited as to time.

Property—Company owns and operates 4 steam electric generating stations and one steam heating plant. The Lake Shore plant is located on the shore of Lake Erie, east of the center of Cleveland, with adequate railroad facilities, unlimited water supply and ample coal facilities, including coal storage for 100,000 tons. The present capacity of this plant is 288,000 k.w. The Canal Road Plant, which is used for supplying electricity for the business district, has an installed electric generating capacity of 10,900 k.w. and boilers of capacity sufficient to furnish an output of 26,000 Bhp. to the steam heating system. The Conneaut plant was acquired during 1926 and has a capacity of 2,450 k.w. The Avon plant placed in service in 1926 now has a capacity of 70,000 k.w. It is located at Avon, 23 miles west of the center of Cleveland and consists of 28 acres of land situated on the shore of Lake Erie with excellent rail facilities and an unlimited supply of water, with storage facilities for more than 275,000 tons of coal. In addition to the electric generating stations company also owns the Central Steam Heating plant which is used exclusively for the purpose of supplying steam heat to the business district of the City of Cleveland. This plant has a boiler capacity of 4,338 Bhp. capable of operating at 300% rating.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
Number of customers...	282,441	272,090	244,620
Output (k.w.h.)	1,174,676,926	1,118,294,193	989,409,700
Total generating capacity, all plants	371,350	.....	.....

CAPITAL STOCK

Authorized, $19,200,000 Common, $800,000 6% cumulative Pfd., Series of 1892-1897 and $40,000,000 Pfd., Series of 1923; outstanding, $16,629,800 Common, $800,000 6% Pfd., Series of 1892-1897 and $15,281,700 6% Pfd., Series of 1923; par of all issues, $100. North American Edison Co. owns over 77% of the Common stock.

Preferred Stock Provisions—The 6% Pfd. (Series 1892-97) is non-redeemable; has first preference as to assets and dividends and votes equally share for share with Common. The 6% Pfd. (Series 1923) has second preference as to assets and 6% cumulative dividends and no preferred stock can be issued having priority or preference over this issue. It is callable as a whole or in part on any dividend date upon 30 days' prior notice at 110 and accrued dividends, and in case of liquidation or dissolution of the Company, either voluntary or involuntary the stockholders are entitled to receive $110 per share, together with accrued and accumulated dividends, before any distribution is made to holders of Common stock. This stock has no voting power except in the event that two quarterly dividends shall be in default in which event it assumes equal voting power share for share with the Common. Additional authorized stock may be issued only when net earnings of the Company for the 12 consecutive calendar months within the fifteen calendar months immediately preceding the issuance of additional stock shall have been at least 2½ times the dividend requirements of the total amount of Pfd. stock, Series of 1923, then to be outstanding.

Transfer Agent—The Cleveland Electric Illuminating Co., Cleveland, and New York City.

Registrars—The Union Trust Co., Cleveland, and Bankers Trust Co., New York.

Annual Meeting—Fourth Wednesday in January in Cleveland, Ohio.

Tax Provisions—Exempt from Ohio Personal Property taxes and dividends free from present Normal Federal Income Tax.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
*6% Pfd.—								
High ...	113	109	104	102¾	...	99	90	75
Low	108	103	101⅝	100	...	96	85	75
Common—								
High	350	305	285	200	145	120½	105	100½
Low	297	283	220	150	122	106	89½	100

*Series of 1923.

Dividends—Dividends on the 6% Pfd., Series of 1892-1897 (quarterly, F, M, A & N 1) and on the 6% Pfd., Series of 1923 (quarterly, M, J, S & D 1) have been regularly paid since issuance. Common dividends have been paid regularly since 1904 and from 1920 to date at the rate of 10% yearly; payments quarterly, J, A, J & O 15, to stock of record M, J, S & D 31.

FUNDED DEBT

(1)

$18,500,000 FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1939

Dated April 1, 1909.

Interest Payable April and October 1, at Chase National Bank, New York and Citizens' Savings & Trust Co., Cleveland.

Denominations—Coupon, $500 and $1,000; principal may be registered or bonds may be fully registered. Bonds once registered as to both principal and interest, cannot however be exchanged for coupon bonds.

Trustees—Citizen's Savings & Trust Co., Cleveland, and Acosta Nichols, New York.

Provisions of Issue—Authorized issue $30,000,000; outstanding, $18,500,000. Any bonds issued beyond the first $5,000,000 must be limited to 80% of the amount expended for additional equipment on property, and no bonds beyond the first $5,000,000 shall be issued at any time unless the net earnings for the preceding year shall be equal to at least twice the interest charge for one year on all bonds outstanding and on those to be immediately issued. In addition to the $18,500,000 First 5s outstanding, $11,500,000 are pledged as security under General Mortgage Gold 5s.

Callability—Subject to call at 107½ and interest on April 1, 1924, and thereafter on 8 weeks' notice on any interest date at a price decreasing at the rate of ½ of 1% yearly to maturity.

Security—Secured by a first lien on entire property of the company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Connecticut, Maine and Massachusetts.

Original Offering—First publicly offered in Dec., 1909, at 103 and interest; $4,000,000 additional offered in Nov., 1917, at 90 and interest, and a further $2,500,000 in Jan. 1919, at 94½ and interest yielding 5.45%.

Price Range—

	1927	1926	1925	1924	1923
High	106	104½	103	101	99½
Low	103¾	102½	100	98½	97

(2)

$11,500,000 GENERAL MORTGAGE SERIES "A" GOLD 5s; DUE NOVEMBER 1, 1954

Dated November 1, 1924.

Interest Payable May and November 1, at 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized (all series), $30,000,000; outstanding, $11,500,000. Additional bonds can be issued for refunding first gold 5s outstanding, or for principal amount, not exceeding 80% of cost of additions and improvements when net earnings for 12 consecutive months are twice annual interest charges on all general mortgage and first gold 5s then outstanding, including bonds to be issued. Such additional bonds are issuable in series, with such maturities, interest rates and other terms as may be determined at the time of issue. The mortgage provides that certain of its terms and provisions may be modified

with the consent of the holders of not less than 80% of the outstanding bonds.

Callability—Subject to call as a whole or in part at any time on 4 weeks' notice at 105 and interest.

Purchase Fund—A purchase fund of 1% per annum, payable semi-annually of total amount of outstanding bonds is provided for their purchase if obtainable during succeeding 6 months at or below 100 and interest; any unexpended balance reverts to the company.

Security—Secured by direct mortgage lien on entire fixed property of the company subject only to $18,500,000 First Gold 5s; also secured by pledge of $11,500,000 First Gold 5s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded.

Legal for Savings Banks in Connecticut.

Original Offering—First publicly offered ($11,500,000) in Nov., 1924 at 100 and interest by Dillon, Read and Co., New York.

Price Range—

	1927	1926	1925
High	105¾	103½	111
Low	103¼	102	99½

(3)

$10,000,000 GENERAL MORTGAGE BONDS, 5%, SERIES "B"; DUE OCTOBER 1, 1961

Dated October 1, 1926.

Interest Payable April and October 1 at 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Total authorized amount (all series), $30,000,000; outstanding, $11,500,000 Series "A" 5s, and $10,000,000 Series "B" 5s. The total authorized amount of Series "B" bonds is limited to $10,000,000. For further details as to provisions of issue, see Series "A" General Mortgage Bonds, above.

Purpose of Issue—Issued to reimburse Company for expenditures made for betterments and extensions to its plant and systems.

Callability—Subject to call as a whole, or in part by lot, an any interest date to and including October 1, 1936, at 107½ and interest, and thereafter to maturity at 105 and interest.

Security, Tax Provisions, Etc.—See Series "A" General Mortgage Bonds, above.

Legal for Savings Banks in Connecticut.

Original Offering—First publicly offered ($10,000,000) in October, 1926, at 102½ and interest, to yield about 4.85%, by Dillon, Read & Co., New York.

Price Range—

	1927	1926
High	105½	103¼
Low	103⅜	102½

(4)

$5,000,000 (ENTIRE ISSUE) 20-YEAR SINKING FUND GOLD DEBENTURE 7% BONDS; DUE AUGUST 1, 1941

Dated August 1, 1921.

Interest Payable February and August 1, at office of Dillon, Read & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Union Trust Company, Cleveland, Ohio.

Callability—Subject to call as a whole or in part on any interest date on and after Aug. 1, 1931; at 105 and interest during the first year, the redemption price decreases ½ of 1% for each year thereafter.

Sinking Fund—2½% per annum, payable semi-annually, for purchase of these debentures in the open market up to 100 and interest.

Security—A direct obligation of company but not secured by mortgage. Issued to pay for additional generating capacity, etc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded.

Price Range—

	1927	1926	1925	1924	1923
High	111½	110½	111½	108	108
Low	110	103	109	108	105

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$24,149,891	$22,538,453	$20,779,836	$18,452,715	$17,712,293
Operating expenses and taxes	12,383,458	11,878,564	10,476,315	9,825,739	9,479,215
Gross income	$11,766,433	$10,659,889	$10,303,521	$8,626,976	$8,233,078
Interest on funded debt	2,350,000	1,759,568	1,747,294	1,278,928	1,275,000
Other interest and amortization	101,059	96,374	95,279	88,078	407,657
Preferred dividends	964,902	964,902	958,932	543,991	336,063
Total deductions	$3,416,061	$2,820,844	$2,801,505	$1,910,997	$2,018,720
Balance for depreciation, Common dividends & surplus	$8,350,372	$7,839,045	$7,502,016	$6,715,979	$6,214,358
Depreciation	2,880,000	2,565,000	2,235,000	1,935,000	2,113,000
Balance for Common dividends & surplus	$5,470,372	$5,274,045	$5,267,016	$4,785,979	$4,101,358
*Times All Interest Earned	4.80	5.74	5.59	6.31	4.89

*Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant investment	$93,505,892	$90,020,516	$73,245,256	$61,711,702	$52,122,393
Other investments	510,500	764,800	764,800	460,500	459,500
Sinking fund	159,445	216,591	62,628	62,971	63,050
Current assets	17,535,663	18,430,634	19,996,575	21,217,223	7,274,463
Debt discount and expense	1,356,323	1,432,188	1,454,748	1,502,786	1,194,831
Deferred charges	477,900	569,834	613,558	569,471	469,916
Total	$113,545,723	$111,434,563	$96,137,565	$85,524,653	$61,584,153
Liabilities—					
Capital stock	$32,711,500	$32,711,500	$32,711,500	$27,650,900	$20,486,000
Funded debt	45,000,000	45,000,000	35,000,000	35,000,000	23,500,000
Current liabilities	3,890,542	3,989,987	3,458,782	3,345,687	3,686,986
Accrued liabilities	995,179	951,201	881,767	798,606	724,573
Reserves	13,673,465	12,631,818	11,546,527	9,712,851	7,479,534
Surplus	17,275,037	16,150,057	12,538,989	9,016,609	5,707,060
Total	$113,545,723	$111,434,563	$96,137,565	$85,524,653	$61,584,153

Officers: F. L. Dame, Chairman of Board; Robert Lindsay, Pres. & Gen. Mgr.; Chas. W. Mills, V-P. & Treas.; E. G. Crawford, Sec.; C. L. Mills, Comptroller & Asst. Sec.; Robert Sealy, Asst. Sec. & Asst. Treas.; F. H. Piske, Asst. Sec.; R. H. Smith, Asst. Sec. & Asst. Treas.; D. L. Bishop, Aud.

Directors: E. M. Bulkley, Harold T. Clark, Frank L. Dame, Edwin Gruhl, Robert Lindsay, W. H. Filmore, F. M. Cobb.

Office, Illuminating Building, Cleveland, Ohio.

UNION ELECTRIC LIGHT AND POWER COMPANY (MISSOURI)

(Controlled by North American Edison Co.)

(See Accompanying Map)

History—Citizens' Electric Light & Power Co. and the Imperial Electric Light, Heat & Power Co. (No. 2) [Imperial Electric Light, Heat & Power Co. (No. 2) was formed by consolidation of the Imperial Electric Light, Heat & Power Co. (No. 1) and Consolidated Electric Co. of St. Louis] were consolidated under name of Union Electric Light & Power Co. on May 20, 1902, under laws of Missouri. On Sept. 11, 1903, Missouri Edison Electric Co. was merged. On Jan. 22, 1917, Perry County Public Utilities Co. was also merged. Union Electric Light & Power Co. by deed dated Jan. 29, 1917, acquired the property and franchises of the Electric Co. of Missouri. On Nov. 21, 1922 the Company effected a plan of reorganization whereby a new company, incorporated in Missouri on that date and bearing the same name, acquired all of the properties and business of its predecessor.

In Aug., 1923, the property of the Western Power & Light Co. was merged and controlling interest was acquired in Cupples Station Light, Heat & Power Company, and St. Charles Electric Light & Power Company. During 1924 control of the Light and Development Company of St. Louis was acquired.

In December, 1925, controlling interest was acquired in Mississippi River Power Co. and Central Mississippi Valley Electric Properties.

The Company owns the entire capital stock (except directors' qualifying shares) of the **Union Colliery Co.**, which owns approximately 3,200 acres of coal lands located at Duquoin, Ill., about 75 miles from St. Louis. During 1926 the Union Colliery Co. produced 895,938 tons of coal, an increase of 6.68% over 1925.

The Company does the entire light and power business in the following principal cities and towns: St. Louis and suburban towns, St. Charles, Festus, Crystal City, De Soto, Washington, Flat River, Bonne Terre and as far south as Fredericktown, Missouri. Also does heating business in City of St. Louis. The Company has favorable contracts (the principal one for 99 years) for the purchase of hydro-electric energy from Mississippi River Power Company. The hydro-electric capacity thus available is 60,000 k.w.

Population served, 1,035,000, in about 96 communities covering approximately 1,650 square miles.

The Company owns and operates one steam electric generating station (Ashley Street Plant, St. Louis), located on the Mississippi River, with a capacity of 122,000 k.w. Company also owns the large Page Avenue sub-station located outside the city limits, which has a capacity of 60,000 k.w. and affords the means of transforming the hydro-electric power purchased from the Mississippi River Power Co. to voltage suitable for local distribution. In addition the Company has favorable contracts (the principal one being for 99 years) for the purchase of power from the hydro-electric plant of the Mississippi River Power Co. An adjustment of the price paid for Keokuk water power, as provided by contract, was made with the Mississippi River Power Co. to cover the period ending July 31, 1928. On May 15, 1920, the Public Service Commission of Missouri approved the adjustment of the price of hydro-electric energy under this contract, involving the payment of approximately $250,000 additional annually by the Union Electric Light & Power Co. It also owns an extensive distribution system which is underground in the business section of St. Louis and overhead throughout the remainder of the territory served. This distribution system is served by numerous substations located at advantageous points and tied together with the various power stations by means of a net work of high tension transmission lines.

The Union Electric Light & Power Co. (Missouri) has also leased the plant of the Union Electric Light & Power Co. of Illinois, situated on the east bank of the Mississippi, at Cahokia, Ill., which is directly across the river from St. Louis. This plant is designed to have an ultimate capacity of 350,000 k.w. The station is one of the most modern, being designed to operate entirely on pulverized coal for fuel. The present installed capacity of the Cahokia station is 195,000 k.w.

OPERATING STATISTICS, DECEMBER 31

	Number of Customers	Kilowatt Hour Output
1921	137,497	427,303,438
1922	156,057	484,545,724
1923	181,307	570,204,524
1924	206,970	594,959,736
1925	228,317	656,734,093
1926	244,464	722,954,506
1927	*256,955	861,479,361

*Of which 256,793 electric customers and 162 heating customers.

Franchises—Principal franchises of the company which are those for overhead distribution are of indefinite length. Those in the "Underground District" expire in 1940.

CAPITAL STOCK

Authorized, 975,000 (increased from 650,000 shares Jan., 1926) shares Common of no par value, and $25,000,000 Pfd., par, $100; outstanding, Dec. 31, 1927, 975,000 shares Common, $9,000,000 7% cumulative Pfd., and $4,000,000 6% cumulative Pfd. All the Common stock, except directors' qualifying shares, is owned by North American Edison Co.

Preferred Stock Provisions—Pfd. (both 7% and 6%) stock is fully paid and non-assessable. Both Pfd. stocks have equal preference as to assets, dividends, etc., over Common; and are non-voting except when two quarterly dividends are in default when they vote share for share with Common. No Pfd. stock having priority over present authorized Pfd. may be issued without the unanimous consent of all the stockholders. Additional Pfd. stock may be issued in series with such dividend rates as may be determined, but in no case without the approval of the Public Service Commission of the State of Missouri.

Callability—The 7% Pfd. is redeemable on 30 days' notice on any dividend date at 105 and dividends. The 6% Pfd. stock is redeemable on 30 days' notice on any dividend date at 103 and dividends.

Transfer Agent and Registrar—Stock transferred and registered at Company's office, St. Louis, Mo.

Original Offering—$4,000,000 6% Pfd. stock was first publicly offered in Jan., 1926, at $100 per share by a syndicate organized by G. H. Walker & Co., St. Louis, Mo., and in which Stix & Co., St. Louis, Mo., participated.

Annual Meeting—Second Wednesday in February

Tax Provisions—Dividends are exempt from Normal Federal Income tax and Missouri Income tax and personal property tax.

Legal Opinion—Rassieur & Goodwin (for the Company) and Fordyce, Holiday & White (for the Bankers).

Dividends—Pfd. dividends, both 6% and 7%, have been regularly paid as due, quarterly, J, A, J & O 1. Dividends have been paid without interruption since 1907 on the Common stock of the company and its predecessors.

FUNDED DEBT

(1)

$8,200,000 UNION ELECTRIC LIGHT & POWER CO. (MO.) FIRST MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1932

Dated September 1, 1902.

Interest Payable March and September 1, at Mississippi Valley Trust Co., St. Louis, and at office of The North American Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mississippi Valley Trust Co., St. Louis.

Provisions of Issue—Authorized, $10,000,000; issued and outstanding, $6,200,000; mortgage closed.

Security—Secured by mortgage on entire property.

Legal for Savings Banks in Connecticut and Massachusetts.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103	102⅝	102	100½	97¼	97⅝	83⅛	86
Low	101¼	100⅝	99¾	97⅛	95	91¼	78¼	74

(2)

$11,026,000 UNION ELECTRIC LIGHT & POWER CO. (MO.) REFUNDING AND EXTENSION GOLD 5s; DUE MAY 1, 1933

Dated May 1, 1908.

Interest Payable May and November 1, at office of The North American Co., 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Bankers Trust Co., New York, and Breckinridge Jones, St. Louis, Mo.

Transfer Agent—Robert Randall, 60 Broadway, New York.

Provisions of Issue—Authorized, $50,000,000; outstanding, $11,026,000; in addition $8,808,000 are pledged under the General Mortgage of Company. Of the balance, $9,368,000 are reserved to retire underlying liens, and remainder for extensions and improvements at not over 85% of cost, but only when net earnings for 12 months preceding the application are 50% in excess of interest on bonds outstanding and those to be issued. Mortgage provides that the first $5,500,000 of bonds shall bear 5% interest; remainder not exceeding 5%.

Callability—Subject to call on any interest date on six weeks' notice at 110 and interest.

Security—Secured on all property and franchises now owned or hereafter acquired, subject to prior liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Massachusetts.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	103	102⅜	101	100	92½	99	80
Low	101¼	100⅛	98¼	92	88¼	87½	80

(3)

$4,975,000 UNION ELECTRIC LIGHT & POWER CO. (MO.) GENERAL MORTGAGE GOLD 5s, SERIES "A"; DUE DECEMBER 1, 1954

Dated December 1, 1924.

Interest Payable June and December 1, at 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Bankers Trust Co., New York and Samuel A. Mitchell, St. Louis, Mo.

Provisions of Issue—Authorized issue, $5,000,000; outstanding, Dec. 31, 1927, $4,975,000. Additional bonds may be issued for a principal amount not exceeding 80% of actual cost of additions and improvements to the company's mortgaged property, provided net earnings, for 12 consecutive months have been at least twice annual interest requirements on all General Mortgage bonds and underlying bonds then outstanding, including the bonds then to be issued. The mortgage provides that certain of its terms and provisions may be modified with the consent of the holders of not less than 80% of the outstanding bonds.

Callability—Subject to call, as a whole, or in part by lot, at any time at 105 and interest.

Purchase Fund—1% per annum of all Series "A" bonds then outstanding, available semi-annually to purchase Series "A" bonds if obtainable during the succeeding six months at or below par and interest; any unexpended balance reverting to the Company's general fund.

Security—Secured by direct mortgage on entire fixed property of the Company, now owned or hereafter acquired, subject to $6,200,000 First Gold 5s, and $11,026,000 Refunding and Extension Gold 5s; these underlying issues fall due before May 1, 1933. Also secured by pledge of $8,808,000 Refunding and Extension Gold 5s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four-Mills Tax refundable.

Original Offering—First publicly offered ($5,000,000) in Dec. 1924, at 99 and interest to yield about 5.07%, by Dillon, Read & Co., New York.

Price Range—

	1927	1926	1925
High	105	103	100
Low	101¼	100½	97¼

(4)

$10,000,000 UNION ELECTRIC LIGHT & POWER CO. (MO.) GENERAL MORTGAGE GOLD BONDS, SERIES "B" 5s; DUE AUGUST 1, 1967

Dated August 1, 1927.

Interest Payable February and August 1, at 60 Broadway, New York.

Denominations—Coupon, $1,000; principal may be registered, and fully registered bonds in denominations of $5,000.

Trustees—Bankers Trust Co., New York, and Samuel A. Mitchell, St. Louis, Mo.

Provisions of Issue—Outstanding, $10,000,000 Series "B" 5s. Additional bonds may be issued for principal amount of 80% of actual cost of additions and improvements to mortgaged property, provided net earnings, for 12 consecutive months out of 15 months preceding, have been at least twice annual interest requirements on all General Mortgage bonds and underlying and prior lien bonds then outstanding including those to be issued.

Callability—Subject to call as a whole or in part at any time on 30 days' notice to and including July 31, 1928 at 105 and interest with redemption price reduced ⅛ of 1% on each August 1 thereafter.

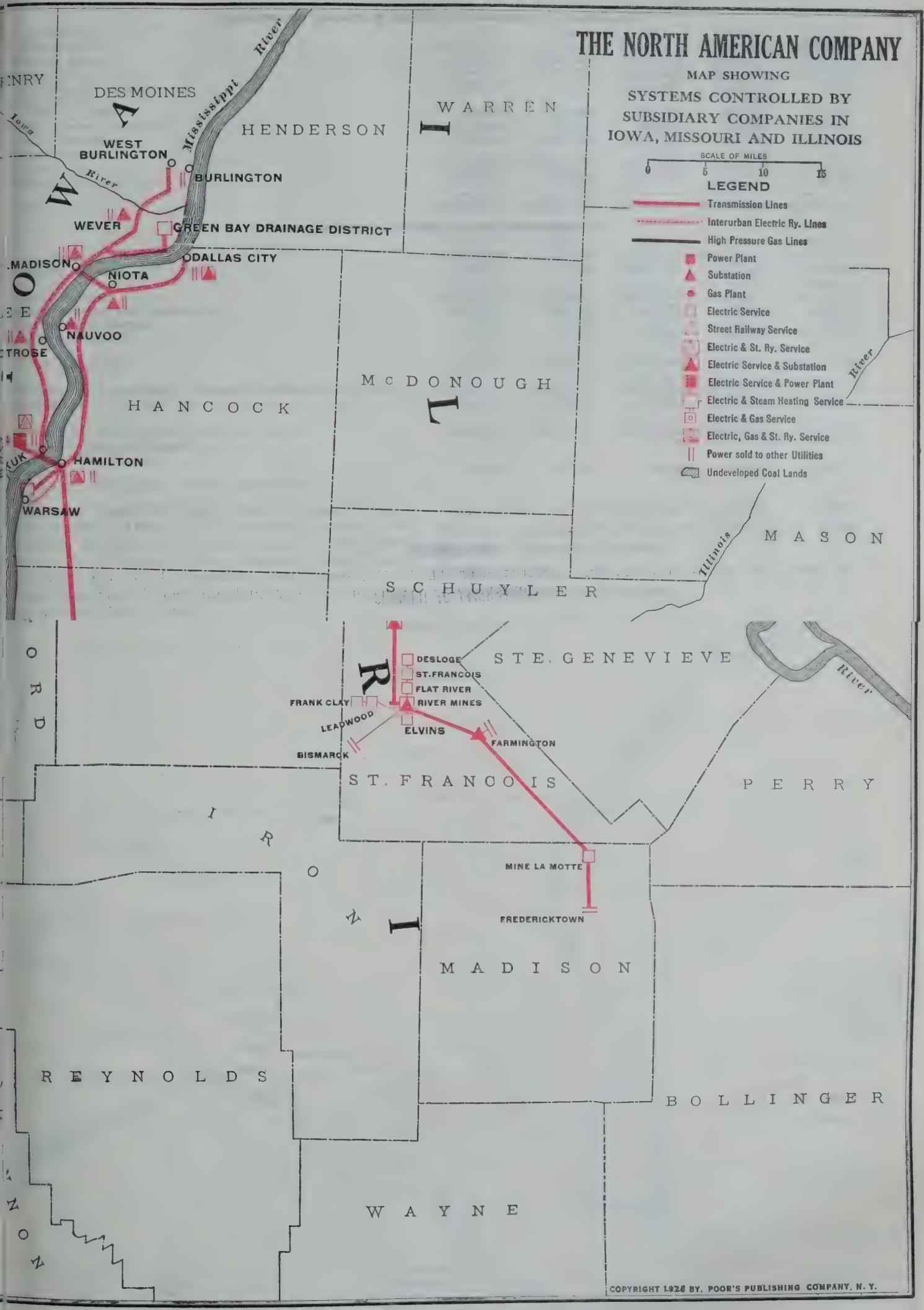
Security—The General Mortgage bonds will become a first lien on Company's entire mortgaged property by May 1, 1933. Also secured by pledge of $8,808,000 Refunding & Extension Mortgage bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($10,000,000) in July, 1927, at 102½ and interest, to yield over 4.85%, by Dillon, Read & Co., New York.

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Property and plant	$58,883,619	$54,266,561	$48,154,210	$45,008,913	$41,171,399
Sundry investments	15,478,082	15,387,864	6,361,465	6,557,269	3,250,059
Cash	1,259,903	1,368,345	892,971	892,694	4,849,688
Notes receivable	3,400	7,200	29,521	32,188	28,362
Accounts receivable	1,940,658	1,801,945	1,783,411	1,829,200	1,585,363
Materials and supplies	1,026,934	981,873	923,853	1,079,310	1,262,348
Inter-company accounts	11,521,344	4,228,550	9,110,407	7,524,016	2,643,531
Prepaid accounts	163,952	53,264	37,068	69,902	67,058
Open accounts	.....	.....	61,861	685,180	769,179
Discount and expense on securities	718,534	737,851	828,158	899,358	766,454
Total	$90,996,426	$78,833,453	$68,182,925	$64,578,030	$56,393,441


THE NORTH AMERICAN COMPANY
MAP SHOWING
SYSTEMS CONTROLLED BY
SUBSIDIARY COMPANIES IN
IOWA, MISSOURI AND ILLINOIS
SCALE OF MILES
0 5 10 15
LEGEND
Transmission Lines
Interurban Electric Ry. Lines
High Pressure Gas Lines
Power Plant
Substation
Gas Plant
Electric Service
Street Railway Service
Electric & St. Ry. Service
Electric Service & Substation
Electric Service & Power Plant
Electric & Steam Heating Service
Electric & Gas Service
Electric, Gas & St. Ry. Service
Power sold to other Utilities
Undeveloped Coal Lands
DES MOINES
WEST BURLINGTON
BURLINGTON
WEVER
GREEN BAY DRAINAGE DISTRICT
DALLAS CITY
NIOTA
NAUVOO
HAMILTON
WARSAW
HENDERSON
WARREN
McDONOUGH
HANCOCK
SCHUYLER
MASON
STE. GENEVIEVE
DESLOGE
ST. FRANCOIS
FLAT RIVER
RIVER MINES
FRANK CLAY
LEADWOOD
BISMARCK
ELVINS
FARMINGTON
ST. FRANCOIS
PERRY
MINE LA MOTTE
FREDERICKTOWN
MADISON
REYNOLDS
BOLLINGER
WAYNE
Mississippi River
Iowa River
Illinois River
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MAP OF UNITED STATES

Showing Territories Served by
Operated and Affiliated Companies of

STANDARD GAS AND ELECTRIC COMPANY

- Steam Electric Plants
- Hydro-Electric Plants
- Electric Service, Retail
- Electric Service, Wholesale
- Energy Purchased
- Interchange of Energy
- Transmission Lines Owned
- Transmission Lines Non-owned
- Gas Transmission Lines
- Gas Plants
- Sources of Natural Gas
- Gas Service, Retail
- Gas Service, Wholesale
- Street Railway
- Telephone Service,

AVELEY PIONEERS

DOMINION OF CANADA

BRITISH COLUMBIA · ALBERTA · SASKATCHEWAN · MANITOBA · ONTARIO · QUEBEC

WASHINGTON · OREGON · IDAHO · MONTANA · NORTH DAKOTA · SOUTH DAKOTA · MINNESOTA · WYOMING · NEBRASKA · IOWA · NEVADA · UTAH · COLORADO · KANSAS · MISSOURI · ILLINOIS · INDIANA · MICHIGAN · OHIO · WEST VIRGINIA · PENNSYLVANIA · NEW YORK · VERMONT · NEW HAMPSHIRE · MAINE · MASSACHUSETTS · CONNECTICUT · NEW JERSEY · CALIFORNIA · ARIZONA · NEW MEXICO · OKLAHOMA · TEXAS · ARKANSAS · LOUISIANA · KENTUCKY · TENNESSEE · NORTH CAROLINA · SOUTH CAROLINA · ALABAMA · GEORGIA · LOWER CALIFORNIA · SONORA · CHIHUAHUA · COAHUILA · DURANGO · NUEVO LEON

Pacific Ocean · Atlantic Ocean · Gulf of Mexico

SCALE OF MILES
0 50 100 150 200
Approximate Scale

POOR'S PUBLISHING COMPANY, N.Y.

CONDENSED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923
Preferred stock	$13,000,000	$12,996,300	$9,000,000	$9,002,800	$9,002,400
Common stock	19,500,000	19,500,000	13,000,000	13,000,000	13,000,000
Funded debt	32,746,251	25,369,000	25,369,000	25,394,000	20,503,000
Inter-company accounts	3,009,229	752,214	3,451,009	1,670,033	994,134
Notes payable	.....	.....	.....	5,868	.....
Accounts payable	360,808	320,488	369,670	638,577	526,907
Sundry current liabilities	527,690	461,645	384,573	393,958	377,015
Accrued liabilities	1,566,199	1,992,208	1,235,149	1,117,202	1,048,351
Open accounts	.....	.....	55,401	67,836	67,346
Reserves	11,459,586	10,619,429	9,232,360	8,105,014	6,631,883
Surplus	8,826,663	6,822,169	6,085,763	5,182,742	4,242,405
Total	$90,996,426	$78,833,453	$68,182,925	$64,578,030	$56,393,441

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$19,707,295	$18,585,641	$16,674,743	$15,737,673	$14,424,713
Operating expenses and taxes	11,420,950	11,377,600	10,586,195	9,851,848	7,981,082
Gross income	$8,286,345	$7,208,041	$6,088,548	$5,885,825	$6,443,631
Interest charges (on funded debt)	1,411,495	1,268,450	1,268,971	1,029,810	1,025,975
Other interest charges	55,574	52,642	66,793	101,139	69,015
Preferred dividends	869,985	866,427	630,000	625,773	606,049
Total deductions	$2,337,054	$2,187,519	$1,965,764	$1,756,722	$1,701,039
Balance for depreciation, Common dividends and surplus	$5,949,291	$5,020,522	$4,122,784	$4,129,103	$4,742,592
Depreciation	1,604,796	1,599,612	1,654,332	1,596,448	1,509,048
Balance for Common dividends and surplus	$4,344,495	$3,420,910	$2,468,452	$2,532,655	$3,233,544
*Times All Interest Earned	5.65	5.46	4.56	5.20	5.99
†Earnings Per Share—					
Preferred	$40.11	$32.99	$34.42	$35.08	$42.65

*Before depreciation. †After depreciation.

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; Frank L. Dame, V-P.; James F. Fogarty, V-P.; Hermann Spoehrer, Sec.; John L. Ganz, Treas. & Asst. Sec.; E. S. Wills and Dudley Sanford, Asst. Treas's., St. Louis, Mo.; C. D. Burdick, Asst. Treas.; F. H. Piske, Asst. Sec.; Robert Randall, Asst. Sec. for Bond Registration, New York.

Directors: A. W. Arensmeyer, Frank J. Boehm, Frank L. Dame, Louis H. Egan, Edwin Gruhl, Theo. Rassieur, Hermann Spoehrer.

General Office, 12th and Locust Sts., St. Louis, Mo. **New York Office,** 60 Broadway.

CUPPLES STATION LIGHT, HEAT & POWER CO.

(Controlled by Union Electric Light and Power Company, Missouri)

History—Incorporated November 21, 1896 in Mo., for the purpose of manufacturing and distributing electric current for light, heat and power. Supplies electricity and steam heat in St. Louis, Mo.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned by Union Electric Light & Power Co. Annual meeting, third Thursday in May.

FUNDED DEBT

None.

Officers: Louis H. Egan, Pres.; F. J. Boehm, V-P.; H. Spoehrer, Sec.; J. L. Ganz, Treas.

Directors: Frank J. Boehm, Louis H. Egan, Hermann Spoehrer.

General Office, 750 Railway Exchange Bldg., St. Louis, Mo.

ST. CHARLES ELECTRIC LIGHT & POWER CO.

(Controlled by Union Electric Light and Power Company, Missouri)

History—Incorporated October 25, 1901, in Mo. for the purpose of manufacturing electric current for light and power. Franchise expires 1934. Supplies St. Charles, Mo.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. All owned by Union Electric Light & Power Co. Annual meeting, first Tuesday after second Monday in January in St. Louis, Mo.

FUNDED DEBT

None.

Officers: Louis H. Egan, Pres.; F. J. Boehm, V-P.; H. Spoehrer, Sec.; John L. Ganz, Treas.

Directors: Frank J. Boehm, Louis H. Egan, Hermann Spoehrer.

Offices, St. Charles, Mo., and St. Louis, Mo.

CENTRAL MISSISSIPPI VALLEY ELECTRIC PROPERTIES

(Controlled by Union Electric Light and Power Company, Missouri)

History—Formed in Illinois by a Trust Agreement dated Dec. 12, 1913, under which there is deposited all the capital stock of Keokuk Electric Co. (except $250,000 Pfd. stock) and the entire capital stock of Fort Madison Electric Co. and Dallas City Light Co. (see statements appended). Population in territory served by subsidiary companies estimated at 35,000 covering an area of approximately 300 square miles.

Control—The North American Co. on Oct. 1, 1925 acquired control of Central Mississippi Valley Electric Properties through an exchange of stock on the basis of one and two-thirds shares Common of The North American Co. for each share of Central Mississippi Valley Electric Properties Common stock. (For further details see 1926 Public Utility Manual, page 904).

CAPITAL STOCK

Authorized and outstanding, 7,500 shares of Common of no par value and $750,000 6% cumulative Pfd.; par, $100. Union Electric Light & Power Co. (Mo.) owns 99.4% shares of the Common stock.

Preferred Stock Provisions—Pfd. stock has preference over Common as to assets and dividends; votes equally with Common except in the case of increase in Common stock or retirement of Pfd. In all other matters they have equal rights. No further Pfd. stock can be issued without the consent of the holders of a majority of each class of stock outstanding, and no mortgage can be placed on the securities held by the trustees without the consent of the holders of a majority of all the stock.

Callability—Pfd. stock is redeemable at 110 and dividends.

Transfer Agent—Stone & Webster, Inc., Boston.

Registrar—Old Colony Trust Co., Boston.

Annual Meeting—Third Monday in December at St. Louis, Mo.

Dividends—Initial dividend of 1½% was paid on Pfd. stock in March, 1914; same rate quarterly to Dec. 1, 1917; none paid thereafter until March 1, 1922, when 1½% was paid, which rate has been maintained to date; payments M, J, S & D 1. On Dec. 1, 1926, 24% was paid to stockholders of record Nov. 15, 1926, this payment representing all accrued dividend arrearages. No dividends paid on Common stock.

FUNDED DEBT

None.

INCOME ACCOUNT (COMBINED COMPANIES) YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$663,318	$658,865	$621,451	$596,217	$574,115	$547,933
Oper. exp. & taxes	391,733	399,026	424,195	435,388	411,648	380,413
Net earnings	$271,585	$259,839	$197,256	$160,829	$162,467	$167,520
Interest charges	45,475	46,005	43,645	38,825	40,222	44,164
Balance for dividends	$226,110	$213,834	$153,611	$122,004	$122,245	$123,356
*Pfd. dividends paid	60,000	60,000	60,000	60,000	60,000	60,000
Balance for depreciation, Com. divds. & surplus	$166,110	$153,834	$93,611	$62,004	$62,245	$63,356
Depreciation	32,139	32,413	†	†	†	†
Balance for Common dividends & surplus	$133,971	$121,421	.....	.....	.....	.....
‡Earnings Per Share—						
Preferred	$22.61	$21.38	$15.36	$12.20	$12.22	$12.33

*Includes $15,000 dividends on Keokuk Electric Company Pfd. stock. †Not available. ‡Before depreciation.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$2,118,330	$2,093,503	$2,062,373	$2,024,910	$1,966,151	$1,874,191
Cash	49,864	39,534	199,446	49,968	65,927	119,670
Notes receivable	5,175	5,815	5,910	95	95	.....
Accounts receivable	74,641	83,766	71,413	67,126	63,303	62,305
Inter Co. accounts	208,396	87,156	.....	.....	.....	.....
Prepaid accounts	1,543	3,063	5,395	2,248	2,107	2,189
Materials and supplies	46,093	45,228	42,333	42,836	41,412	44,483
Sundry current assets	186	125	340	217	579	901
Unamortized debt dis. & exp.	50 260	53,159	56,059	4,000	11,999	497
Total	$2,554,488	$2,411,349	$2,443,269	$2,191,400	$2,151,573	$2,104,236
Liabilities—						
Common stock	$97,627	$97,627	$97,627	$97,627	$97,627	$97,627
Preferred stock	750,000	750,000	750,000	750,000	750,000	750,000
Preferred stock—Keokuk Elec. Co.	250,000	250,000	250,000	250,000	250,000	250,000
Funded debt—Keokuk Elec. Co.	700,000	700,000	700,000	525,000	531,000	525,000
Accounts payable	9,653	11,528	27,480	29,658	39,567	43,039
Sundry current liabilities	3,468	6,367	.....	.....	.....	.....
Accrued liabilities	66,372	63,566	232,231	180,000	.....	.....
Inter Co. accounts	11,751	12,678	.....	.....	.....	.....
Retirement reserve	199,696	187,634	160,198	154,319	135,219	130,623
Sundry reserves			12,731	9,854	7,157	5,502
Open accounts	.....	.....	504	3,851	1	.....
Surplus	465,921	331,949	212,498	191,091	341,002	302,445
Total	$2,554,488	$2,411,349	$2,443,269	$2,191,400	$2,151,573	$2,104,236

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; Edwin Gruhl, V-P.; Hermann Spoehrer, Sec.; John L. Ganz, Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, E. F. Doyle, Asst. Treasurers.

Trustees: Frank J. Boehm, Louis H. Egan, Hermann Spoehrer.

General Office, 315 N. 12th Boulevard, St. Louis, Mo.

DALLAS CITY LIGHT COMPANY

(Controlled by Central Mississippi Valley Electric Properties)

History—Incorporated June 17, 1907 in Illinois. Company does entire electric light and power business in Dallas City, Pontoosuc and Niota, Ill., serving a population of 1,400, covering an area of 80 square miles. All power is purchased from Mississippi River Power Company. Company owns two substations, at Dallas City and Niota, respectively, and local distribution systems in communities served. In 1927, 1,273,700 k.w.h. were sold and 431 customers were connected as at Dec. 31, 1927. Electric light and power franchise for Dallas City expires in 1938; for Pontoosuc in 1939. Permit to furnish service in Niota is perpetual.

CAPITAL STOCK

Authorized, $60,000 Common, outstanding, $56,000; par, $100. All owned by Central Mississippi Valley Electric Properties. Annual meeting, second Friday in February in Dallas City, Ill.

FUNDED DEBT

None.

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; Edwin Gruhl, V-P.; Hermann Spoehrer, Sec.; J. L. Ganz, Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, E. F. Doyle, Asst. Treas'rs.; L. F. Dickinson, Gen. Mgr.

Directors: Frank J. Boehm, Louis H. Egan, T. W. Gregory.

General Office, Dallas City, Ill.

FORT MADISON ELECTRIC COMPANY

(Controlled by Central Mississippi Valley Electric Properties)

History—Incorporated April 12, 1912, in Iowa. Company does entire electric light and power business in Fort Madison, Iowa, serving a population of 14,300, covering an area of 75 square miles. All power is purchased from Mississippi River Power Co. The Company owns two substations, both located in Fort Madison, Iowa, and local distribution system. Electric light and power franchises in Fort Madison expire in 1938. 5,022,050 k.w.h. were sold in 1927 and 3,722 electric customers were connected as at Dec. 31, 1927.

CAPITAL STOCK

Authorized, $350,000 Common; outstanding, $285,000; par $100. All owned by Central Mississippi Valley Electric Properties. Annual meeting, third Monday in January at Ft. Madison, Iowa.

FUNDED DEBT

None.

Officers: Louis H. Egan, Pres.; Frank J. Boehm, Edwin Gruhl, V-Ps.; Hermann Spoehrer, Sec.; Robert Sealy, Treas ; F. H. Piske, Asst. Sec.; John L. Ganz, Asst. Treas.; C. D. Burdick, Asst. Treas.

Directors: Frank J. Boehm, Louis H. Egan, Edwin Gruhl, George K. Miltenberger, Hermann Spoehrer.

Offices, Fort Madison, Iowa, and 315 N. Twelfth Blvd., St. Louis, Mo.

KEOKUK ELECTRIC COMPANY

(Controlled by Central Mississippi Valley Electric Properties)

History and Property—Incorporated December 5, 1911, in Illinois, as a consolidation of Keokuk Electric Ry. & Power Co., Keokuk Gas & Electric Co., Hamilton Light & Power Co. and Keokuk & Western Illinois Electric Co. (see Manual for 1911, page 1923). Company does the entire electric light and power, gas and railway business in Keokuk, Ia., the entire electric light and power and electric railway business in Hamilton and Warsaw, Ill., and the entire electric light and power business in Du Pont & Montrose, Iowa. Operates an interurban electric railway between Keokuk, Ia., Hamilton and Warsaw, Ill. Serves a population of 19,100 in five communities covering an area of 150 square miles. All power is purchased from the Mississippi River Power Company.

The Company owns 6 substations, 2 located at Keokuk, Iowa, one each at Montrose and Du Pont, Iowa, and one each at Hamilton and Warsaw, Illinois; one gas plant at Keokuk, Iowa with a daily maximum output capacity of 1,500,000 cu. ft. and a storage holder capacity of 188,100 cu. ft. Operates over 12.32 miles of single track, standard gauge, of which it owns 6.18 miles.

OPERATING STATISTICS, DECEMBER 31

	1927	1926
Electric Department:		
Kwh. output	10,376,816	8,338,398
Electric customers	5,678	5,520
Gas Department:		
M. C. F. gas output	67,117.7	67,036.8
Gas customers	2,766	2,693
Railway Department:		
Revenue passengers carried	856,895	953,130
Revenue car miles operated	265,002	269,559
Revenue car hours operated	28,198	.....
Passenger cars owned	9	.....

Franchises—In Keokuk, electric railway, electric lighting, and gas franchises expire in 1948. In Hamilton, electric lighting franchise expires in 1948, important railway franchises in 1943. In Warsaw, lighting franchise expires in 1948.

CAPITAL STOCK

Authorized and outstanding, $650,000 Common and $250,000 6% cumulative Pfd.; par, $100. Pfd. stock was issued in Nov., 1913, and has preference over Common as to assets and dividends, and has equal voting rights with Common. Common stock is all owned by Central Mississippi Valley Electric Properties.

Callability—Pfd. stock is redeemable at 110 and dividends.

Transfer Agents—Stone & Webster, Inc., Boston.

Registrar—Old Colony Trust Co., Boston.

Annual Meeting—First Monday in February at Hamilton, Ill.

Dividends—Pfd. dividends have been paid regularly since issuance; payments quarterly, F, M, A & N 15

FUNDED DEBT

$700,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE MAY 1, 1945

Dated May 1, 1925.

Interest Payable May and November 1, at National Shawmut Bank, Boston, and Chicago Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—Chicago Trust Co., Chicago.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $700,000 Series "A" 6s. Issued to retire $400,000 2½-year 6% Mortgage Notes (which were called for payment June 1, 1925); $125,000 Keokuk Electric Ry. & Power Co. First 5s, due July 1, 1925 and for other corporate purposes.

Additional bonds may be issued up to 75% of the cost or value, whichever is less, of additional property on which these bonds are a first mortgage, when net earnings are 1¾ times annual interest charges on all bonds outstanding, including bonds for which application is being made.

Callability—Subject to call as a whole or in part on 30 days' notice at 105 and accrued interest prior to May 1, 1935, reducing ½ of 1% for each year thereafter to 100 and accrued interest on and after May 1, 1944.

Sinking Fund—No sinking fund provided.

Security—Secured by a first mortgage on all the physical property and franchises now owned except the electric railway system and a first mortgage on all future acquired unencumbered physical property other than electric railways.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Herrick, Smith, Donald & Farley, Boston, and O'Hara, Walker & Sheridan, Keokuk, Ia.

Original Offering—First publicly offered ($700,000) in May, 1925, at 98 and interest, to yield about 6.15%, by Stone & Webster, Inc., New York, etc., and Chicago Trust Co., Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$452,501	$453,920
Operating expenses and taxes	271,024	277,683
Net earnings	$181,477	$176,237
Bond interest	42,000	42,000
Other interest	3,507	4,016
Preferred dividends	15,000	15,000
Bal. for deprec., Com. divds. & surp.	$120,970	$115,221
Depreciation	22,139	22,414
Balance for Common divds. & surplus	$98,831	$92,807
*Times All Interest Earned	3.99	3.83
†Earnings Per Share—		
Preferred	$45.53	$43.12

*Before depreciation. †After depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property & plant	$1,679,387	$1,667,800
Materials and supplies	34,183	31,538
Prepaid accounts	879	2,627
Notes receivable	5,175	5,816
Accounts receivable	45,728	48,604
Unamortized debt discount and expense	50,260	53,159
Inter-company accounts	55,918	24,260
Sundry current assets	186	125
Cash	33,266	24,590
Total	$1,904,982	$1,858,519
Liabilities—		
Common stock	$650,000	$650,000
Preferred stock	250,000	250,000
Funded debt	700,000	700,000
Accounts payable	8,983	10,399
Inter-company accounts	6,011	6,702
Accrued liabilities	44,360	40,471
Sundry current liabilities	2,586	2,021
Reserves	138,125	140,840
Surplus	104,917	58,086
Total	$1,904,982	$1,858,519

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; Edwin Gruhl, V-P.; Hermann Spoehrer, Sec.; John L. Ganz, Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, E. F. Doyle, Asst. Treasurers.

Directors: Frank J. Boehm, Louis H. Egan, T. W Gregory, George K. Miltenberger, Hermann Spoehre

Offices, Keokuk, Ia., and 315 N. Twelfth Blvd., S Louis, Mo.

MISSISSIPPI RIVER POWER COMPANY

(Controlled by Union Electric Light and Power Company, Missouri)

History and Property—Incorporated Aug. 3, 1910, in Maine, for the purpose of owning and operating hydro-electric plants and carrying on business pertaining thereto. Acquired the Keokuk & Hamilton Water Power Co. and all rights granted to it by an Act of Congress dated Feb. 9, 1905. The rights conferred by this Act are unlimited in time.

The company is at present furnishing over its extensive transmission system electric power to utilities operating in St. Louis, East St. Louis, Alton, Quincy, Hannibal, Burlington, Fort Madison, Keokuk and adjacent territory and to 17 industrial consumers, the largest of which are the Atlas Portland Cement Company, Keokuk Electro-Metals Company and United Lead Company.

The company owns and operates the Keokuk hydro-electric generating station located on the Mississippi River between Keokuk, Iowa and Hamilton, Illinois, approximately 144 miles northwest of St. Louis. The station is one of the largest hydro-electric plants in the world containing 15 units with a present installed capacity of 135,000 k.w. The company owns an extensive transmission system which includes 16 substations, the principal ones being located at Hull, Meppen, West Burlington, Hannibal and Hamilton.

Operating Statistics, year ended Dec. 31, 1927—k.w.h. output during 1927 was 762,671,330, compared with 736,730,493 k.w.h. in 1926. Electric customers, 30. Total generating capacity, 135,000 k.w.

Missouri Transmission Co. was incorporated Dec. 16, 1911, in Missouri. Except for directors' qualifying shares, its entire $63,600 capital stock is owned by Mississippi River Power Co. and is pledged under that Company's first mortgage. This subsidiary owns and operates transmission lines in the State of Missouri.

Control—The North American Co. on Oct. 1, 1925, acquired control of Mississippi River Power Co. through an exchange of stock on the basis of one and two-thirds Common of The North American Co. for each share of Mississippi River Power Co. Common. (For further details see 1926 Public Utility Manual, page 906).

CAPITAL STOCK

Authorized, $16,000,000 Common and $8,841,000 6% cumulative (from Jan. 1, 1915) Pfd.; outstanding, $16,000,000 Common and $8,234,475 Pfd.; par of both issues, $100. As of Dec. 31, 1927, Union Electric Light & Power Co. (Misouri) owned 98.6% of the Common stock. Of the unissued Pfd. stock, $17,625 is reserved for payment of Pfd. stock dividend mentioned below.

Preferred Stock Provisions—Has preference over Common as to assets and dividends and in case of liquidation, and has equal voting privileges with Common stock.

Callability—Pfd. stock is redeemable at any time at 115 and dividends.

Transfer Agent (Both Classes)—Stone & Webster, Inc., Boston.

Registrar (Both Classes)—Old Colony Trust Co., Boston.

Annual Meeting—Second Monday in April at Portland, Me.

Listed (Both Classes)—Boston Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	102⅜	97	96½	90	84	85½	84	62
Low	95	89	87½	80	80	72½	62	47

Dividends—In March, 1921, Company declared a stock dividend of 37½% on the Pfd. Stock, payable in Pfd. Stock at par, for the purpose of adjusting the 37½% accumulated dividends on the Pfd. Stock to and including Jan. 1, 1921. Initial cash dividend o 1½% on Pfd. stock, paid April 1, 1921, which rat since maintained to date; payments J, A, J & O A dividend of 3% was declared on Common in Dec 1926.

FUNDED DEBT

(1)

$17,709,300 FIRST MORTGAGE SINKING FUND GOLD 5s; DU JANUARY 1, 1951

Dated March 10, 1911.

Interest Payable January and July 1, at Old Colon Trust Co., Boston and The Canadian Bank of Com merce, Toronto, Can., and at office or agency of Th Canadian Bank of Commerce in London, Eng.

Denominations—These bonds are issued in ex changeable denominations and forms; in coupon forn in $100, $500 and $1,000 denominations, registerabl as to principal only at offices of Trustee and The Can adian Bank of Commerce, Toronto and London; i registered form in $1,000 and $5,000, registerable a to principal and interest at office of Trustee.

Trustee and Registrar—Old Colony Trust Co., Bos ton.

Provisions of Issue—Authorized, $25,000,000; is sued, $20,648,300, of which $2,939,000 in sinking fund cancelled. The $4,351,700 unissued bonds can only b issued to pay for 80% of the cost of future extensions betterments and improvements.

Callability—Subject to call as a whole (or in part fo sinking fund) at 105 and accrued interest on an interest date.

Sinking Fund—Sinking fund from Jan. 1, 191 1% of the face value of all bonds outstanding on Sept 1, of the year preceding that in which the payment i due, to be paid to the Trustee in gold.

Security—A first lien on all the property of ever nature and description, owned by the Mississippi Riv er Power Co., together with any property which ma hereafter be acquired, including lands and dam a Keokuk, Ia., and Hamilton, Ill., and $63,600 capita stock of Missouri Transmission Co.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%.

Legal Opinion—Fish, Richardson, Herrick & Neave, Boston.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,500, 000) in March, 1911, at 87½ and interest, togethe with a bonus of 2 shares of Com. stock.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	103¼	101¼	100	98	95⅛	96	88½	77
Low	100⅝	99	96¼	92	89	88½	74⅞	695

(2)

$3,000,000 TWENTY-YEAR 5% DEBENTURES; DUE MAY 1 1947

Dated May 2, 1927.

Interest Payable May and November 1, at 60 Broad way, New York.

Denomination—Coupon, $1,000; principal may b registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $3,000, 000. Proceeds of this issue were used for the redemp tion on May 1, 1927 of an issue of 7% Debentures due Nov. 1, 1935.

Callability—Subject to call as a whole or in part by lot, on the first day of any month on thirty days' notice at 103 and interest if redeemed prior to May 1, 1937

t 102 and interest on or after May 1, 1937 and prior o May 1, 1942; at 101 and interest on or after May 1, 942 and prior to May 1, 1946; and at 100 and interest n or after May 1, 1946 and prior to maturity.

Purchase Fund—Beginning May 1, 1928, and semi-nnually thereafter, the company agrees to apply funds o the purchase of ½ of 1% of the principal amount of hese debentures outstanding at such times, if obtain-ble during the succeeding 60 days at or below par and nterest, any unexpended balances reverting to the ompany's general funds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sullivan & Cromwell, New York (for the Company) and Rushmore, Bisbee and Stern, New York (for the Bankers).

Original Offering—First publicly offered ($3,000,000) in April, 1927, at 96¼ and interest to yield over 5.30%, by Stone & Webster and Blodget, Inc., International Acceptance Bank, Inc., Old Colony Corp., Estabrook & Co., Kidder, Peabody & Co., New York, etc., and Parkinson & Burr, Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including Missouri Transmission Co.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,792,159	$3,589,018	$3,283,018	$3,184,253	$3,017,583	$2,906,667
Operating expenses and taxes	671,122	652,221	847,358	816,780	763,338	761,615
Net earnings	$3,121,037	$2,936,797	$2,435,660	$2,367,473	$2,254,245	$2,145,052
Interest charges	1,134,855	1,133,825	1,158,576	1,183,645	1,201,946	1,230,474
Balance for depreciation, Pfd. divds. & surplus	$1,986,182	$1,802,972	$1,277,084	$1,183,828	$1,052,299	$914,578
Preferred dividends	494,068	494,068	494,541	494,035	494,113	494,359
Balance for depreciation, Com. divds. & surplus	$1,492,114	$1,308,904	$782,543	$689,793	$558,186	$420,219
Depreciation	260,000	260,000	†	†	†	†
Balance for Common divds. & surplus	$1,232,114	$1,048,904	.....	.....	.....	.....
Times Fixed Charges Earned	2.75	2.59	2.10	2.00	1.88	1.74
Earnings Per Share—						
Preferred	$24.12	$21.90	$15.51	$14.38	$12.78	$11.11

*Before depreciation. †Not reported.

GENERAL BALANCE SHEET, DECEMBER 31
(Including Missouri Transmission Company)

Assets—	1927	1926	1925
Property and plant	$48,008,056	$47,910,718	$47,814,298
Sundry investments	10,901	10,903	11,123
Cash	282,519	80,662	396,699
Notes receivable	177,821	175,322	.....
Accounts receivable	183,805	172,038	172,251
Material and supplies	105,595	112,398	119,840
Sundry current assets	.....	.....	333
Sinking fund	85	2,162	182,601
Inter-Company accounts	2,071,214	1,181,174	403,329
Prepaid accounts	6,423	8,623	14,256
Open accounts	.....	.....	63,890
Disc. & exp. on securities	380,841	398,655	445,311
Total	$51,227,260	$50,052,655	$49,623,931

Liabilities—	1927	1926	1925
Preferred stock	$8,234,475	$8,234,475	$8,234,475
Common stock	16,000,000	16,000,000	16,000,000
Funded debt	20,709,300	20,355,000	20,817,900
Inter-Company accounts	208,572	137,198	316
Accounts payable	17,876	17,449	16,744
Sundry current liabilities	384	2,027	10,731
Accrued liabilities	460,924	387,082	302,650
Open accounts	.....	.....	7,093
Reserves	2,465,402	2,278,183	2,062,275
Surplus	3,130,327	2,641,241	2,171,747
Total	$51,227,260	$50,052,655	$49,623,931

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; Edwin Gruhl, V-P.; James F. Fogarty, V-P.; George K. Miltenberger, Asst. to the Pres.; Hermann Spoehrer, Sec.; Robert Sealy, Treas.; C. D. Burdick, Asst. Sec. & Asst. Treas.; E. F. Doyle, Asst. Treas.; J. L. Ganz, Asst. Treas.; F. H. Piske, Asst. Sec.

Directors: Edwin Gruhl, Frank J. Boehm, F. L. Dame, Louis E Dickinson, L. H. Egan, G. K. Miltenberger, Theodore Rassieur, Hermann Spoehrer, Stanley Stokes.

Offices, Keokuk, Ia., and 315 N. Twelfth Blvd., St. Louis, Mo.

THE MILWAUKEE ELECTRIC RAILWAY AND LIGHT COMPANY

(Controlled by North American Edison Co.)

(See Accompanying Map)

History and Business—Incorporated Jan. 30, 1896, in Wis.; successor to Milwaukee Street Ry., sold under foreclosure. In Feb., 1919, acquired the operating utility property of Milwaukee Light, Heat & Traction Co. In 1921 the Company acquired the property of North Milwaukee Light and Power Company. During 1922 the Company acquired all the Common and Second Preferred stocks of Milwaukee Northern Railway Company. It was announced April 30, 1928, that Milwaukee Northern Railway had been merged with Company. Wells Power Company, whose properties had been operated under lease by The Milwaukee Electric Railway and Light Company since 1921 was taken over as part of the Company's system in September, 1926.

Company owns and operates the local street railway service and the entire central station electric light and power and steam-heating in the City of Milwaukee, and the following principal cities and towns are served by electricity: North Milwaukee, South Milwaukee, Cudahy, Racine, Wauwatosa, West Allis, Oconomowoc, West Milwaukee, Shorewood and Whitefish Bay. Also operates a system of suburban and interurban railway within a radius of about 50 miles of the City of Milwaukee and local street railway in the City of Racine. Also operates a system of motor coaches with direct service to Fond du Lac and Green Bay, and to other cities in the State by connecting with its interurban railway lines. The Milwaukee Electric Railway and Light Company also has in addition to their generating capacity, capacity of 15,000 Kw. hydro energy which is purchased.

Population served by Company, 1,000,000,000, in about 175 communities covering approximately 3,527 square miles

Property—The Company owns or operates under lease six electric generating stations: Lakeside plant, operated under lease and owned by Wisconsin Electric Power Company, is located on the shore of Lake Michigan south of the City of Milwaukee, has ample space for expansion of its coal storage; the present capacity of this plant is 167,000 Kw. Commerce Street plant (Milwaukee) with a usable capacity of 61,900 Kw. Oneida Street plant (Milwaukee) with a usable capacity of 4,750 Kw. Holton Street plant (Milwaukee) with a usable capacity of 5,500 Kw. Wells plant (Milwaukee) with a usable capacity of 550 Kw. Racine plant with a usable capacity of 25,000 Kw. is located in the City of Racine. The Company also owns an extensive electric distribution system with a large

number of substations serving both electric and railway systems. These substations are connected with the various power stations by a network of high tension transmission lines, the principal tie-lines being of steel tower construction and operating at 66,000 volts. The Company's railway system is of standard gauge overhead trolley construction, practically all of the interurban lines being constructed on private right-of-way. The local street railway service in Milwaukee is now being supplemented by the constructed of rapid transit lines on private right-of-way for the use of city railway cars. The Company owns five modern car houses and an extensive and modern car repair shop in Milwaukee as well as car storage facilities at other locations. The general offices of the Company and the Milwaukee terminal of its interurban rail and bus lines are housed in the Public Service Building owned by the Company and located in the center of the Milwaukee business district.

Franchises—All of the Company's franchises are indeterminate, subject to the purchase of all property by the municipality at a valuation fixed by the Railroad Commission of Wisconsin.

OPERATING STATISTICS, DECEMBER 31

	1927	1926
Electric Department:		
Total generating capacity	k.w. 264,700	k.w. 262,750
Kilowatt hour output	856,594,214	610,452,317
Electric customers	200,416	186,123
Heating customers	949	943
Railway Department:		
Miles of single track owned	431.7	429.7
Revenue passengers carried	154,687,256	154,908,620
Revenue car miles operated	30,118,051	28,186,134
Revenue car hours operated	3,033,966	2,780,867
Passenger cars owned	917	912

CAPITAL STOCK

Authorized, $40,000,000 Common, par, $20; $4,500,000 6% cumulative Pfd. (Series 1892-97), and $34,500,000 6% and 7% cumulative Pfd. (Series 1921), par of Pfd., $100; outstanding, Dec. 31, 1927, $21,000,000 Common, $4,500,000 6% Pfd. (Series 1892-97), $5,690,074 6% Pfd. (Series 1921), and $10,834,460 7% Pfd. (Series 1921). North American Edison Company owns all the Common stock.

Preferred Stock Provisions—All issues of Preferred share equally as to assets, dividends, etc., having preference over Common stock. The 6% Pfd. (Series 1892-97) votes equally with Common, share for share. The 6% and 7% Pfd. (Series 1921) are non-voting except in event of default of four quarterly dividends.

Callability—The 6% Pfd. (Series 1892-97) is non-callable. The 6% Pfd. (Series 1921) is redeemable at 110 and dividends and 7% Pfd. (Series 1921) is redeemable at 105 and dividends.

Transfer Agents (6% Pfd.)—Robert Randall and Albert E. Taylor, 60 Broadway, New York.

Registrars (6% Pfd.): Central Union Trust Co. of New York. Registrar of 6% and 7% issue of 1921, First Wisconsin Trust Co., Milwaukee.

Annual Meeting—Third Wednesday in February, at Milwaukee, Wis.

Price Range—

	1927	1926	1925	1924	1923
6% Pfd.—					
High	101⅛	100	87	88	84
Low	98	87	83½	78	78
7% Pfd.—					
High	103	103	105	..	..
Low	100	100	96	..	..

Dividends—Dividends on 6% Pfd. (Series 1892-97) payable quarterly F, M, A & N 1; on 6% Pfd. and 7% Pfd. (Series 1921) payable quarterly, M, J, S & D 1; have all been paid regularly since issuance of stock.

FUNDED DEBT

(1)

$5,000,000 MILWAUKEE LIGHT, HEAT & TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1929

Dated May 1, 1899.

Interest Payable May and November 1, at Company's office, 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized and issued, $5,000,000; mortgage closed.

Callability—Subject to call on any interest date at 110 and interest, upon three months' published notice.

Security—A first lien on the entire property of former Milwaukee Light, Heat & Traction Co.

Guaranty—Guaranteed, principal and interest, by The Milwaukee Electric Ry. & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Bid	101¼	100	99½	99	95¾	95½	89	78

(2)

$6,728,000 THE MILWAUKEE ELECTRIC RY. & LIGHT CO. REFUNDING AND EXTENSION GOLD 4½s; DUE JANUARY 1, 1931

Dated January 1, 1906.

Interest Payable January and July 1, at Company's office, 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $20,000,000, of which $6,772,000 are deposited with trustee of General and Refunding mortgage. By the terms of the General & Refunding Mortgage no additional Refunding & Extension Mortgage 4½s may be issued.

Callability—Subject to call at 108 and interest on any interest date on three months' notice.

Security—Secured by a first lien on all the property, rights and franchises of the Company in the City of Milwaukee, now owned or hereafter acquired, subject to underlying bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101⅛	99	97¾	96	93	90	73½	77
Low	98⅛	96⅝	94⅞	90	88⅝	79¼	71¼	68

(3)

$3,328,000 THE MILWAUKEE ELECTRIC RY. & LIGHT CO. GENERAL & REFUNDING MORTGAGE GOLD 5s, SERIES "A"

(Due Dec. 1, 1951, provided that the bonds will mature Dec. 1, 1931, unless certain evidence, as stated in the mortgage has been filed prior to Jan. 1, 1931 that certain changes in the Company's railway franchises have become effective).

Dated December 1, 1911.

Interest Payable June and December 1, at Company's office, 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $90,000,000; outstanding with public, Dec. 31, 1927, $3,328,000. Of escrow bonds, $13,228,000 reserved to retire underlying bonds ($6,500,000 underlying bonds have been retired) and remainder may be issued for 80% of actual cash cost and fair value to company if permanent additions, extensions and improvements to the property when net earnings of preceding year equal to at least 1½ times the interest charges on all bonds outstanding including underlying and applied for bonds.

Callability—Subject to call, in whole or in part, on any interest date at 105 and int., on six weeks' notice.

Security—These bonds are secured by a general mortgage on the company's entire property and franchises, now owned or hereafter acquired, subject to the aforesaid underlying bonds, and by pledge, as collateral, of $6,772,000 Refunding and Extension 4½s. In 1912, the bonds ($750,000) of the Central Heating Co. of Milwaukee were deposited under this mortgage and subsequently the property of that company was also conveyed to the trustee as additional security.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	105⅝	101½	100	98¼	94½	97	75⅛
Low	99¼	98⅛	94	92	88⅞	74½	75

(4)

12,214,500 MILWAUKEE LIGHT, HEAT & TRACTION CO. GENERAL GOLD BONDS, INCLUDING THE FOLLOWING SERIES:

$4,500,000	Series	"A"	5s, due	Nov. 1, 1958
2,000,000	Series	"B"	5s, due	Nov. 1, 1931
2,694,500	Series	"C"	6s, due	Nov. 1, 1931
1,000,000	Series	"D"	5s, due	Nov. 1, 1958
2,020,000	Series	"E"	5s, due	Nov. 1, 1958

Dated (All Series)—Nov. 1, 1918.

Interest Payable May and November 1, at office of he Company, Public Service Bldg., Milwaukee, Wis., nd at office of The North American Co., 60 Broadvay, New York.

Denomination—Coupon, $500; principal may be egistered. Coupon bonds may be exchanged for regstered bonds, which in turn may be re-exchanged for oupon bonds; company not required to make exhange during 10 days next preceding any interest late.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—All bonds issued are pledged nder The Milwaukee Electric Ry. & Light Co. Reunding & First Mortgage.

Callability—Subject to call on any interest date at 05 and accrued interest, upon 4 weeks' published otice.

Security—A general mortgage on property of forner Milwaukee Light, Heat & Traction Co., subject o the $5,000,000 First 5s, of 1929, described in pararaph 1.

(5)

25,125,500 MILWAUKEE ELECTRIC RY. & LIGHT CO. 5% REFUNDING & FIRST MORTGAGE GOLD BONDS, SERIES "B"; DUE JUNE 1, 1961

Dated June 1, 1921.

Interest Payable June and December 1, at 60 Broadvay, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Bonds of $500 denomination are exchangeable for bonds of $1,000 denomination.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized issue unlimited; outstanding Dec. 31, 1927, $25,125,500 Series "B" 5s.

Additional bonds may be issued only at par to refund a like amount of underlying bonds or bonds issued under this mortgage; and for 80% of the cost of additions and improvements when net earnings available for interest, depreciation reserves and dividends n twelve of the fifteen months preceding have equaled at least twice annual interest charges on all bonds of his and of all underlying issues, or have amounted to .t least 12% of the aggregate par value of such onds.

Callability—Series "B" bonds are subject to call as a whole, or in part by lot, on any interest date to and ncluding June 1, 1923, at 105 and interest, with the redemption price reduced ¼ of 1% during each twoear period thereafter, together in each case with interest accrued to date fixed for redemption upon four weeks' published notice.

Purchase Fund—The Supplemental Indenture (dated Oct. 16, 1922) provides that the Company will deposit with the Trustee each April and Oct. 1, to and ncluding Oct. 1, 1960, moneys equal to half of 1% of he largest aggregate principal amount of all the bonds of Series "B" that shall at any one time have been outstanding. The moneys thus received by the Trustee shall constitute a Purchase Fund, and shall be applied to the purchase of bonds of Series "B", if obtainable at or under the price of par and accrued interest to the date of purchase, within a period of one month after the deposit of said moneys. All Purchase Fund moneys remaining in the hands of the Trustee, for a period of one month without having been used by it for the purchase of bonds shall be paid to the company. The company may, in lieu of all or any part of such semi-annual payments, deliver to the Trustee for cancellation any bonds of Series "B" with all unmatured coupons purchased by or for account of the company, and bonds so delivered shall be applied against such semi-annual payments at the par value of such bonds. All bonds purchased by or through the Purchase Fund shall be cancelled.

Security—The Refunding & First Mortgage under which these bonds are issued, will, under the mortgage provisions become a first lien on the company's entire mortgaged property by Dec. 1, 1931. All underlying mortgages are closed except for use as collateral to the Refunding & First Mortgage Bonds and the company covenants not to extend any underlying issues and to retire all underlying bonds by Dec. 1, 1931. The Refunding & First Mortgage Bonds are the direct obligation of the company, secured by a first lien on certain distribution system property in the city of North Milwaukee and on certain central station property in the city of Milwaukee, and by direct mortgage lien, subject to underlying mortgages, upon all other fixed property of the company now owned or hereafter acquired. Additionally secured by the direct pledge of underlying mortgage bonds aggregating $26,562,500.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four-Mills Tax refunded.

Original Offering—First publicly offered ($12,500,000 Series "B" 5s) in Oct., 1922, at 92¼ and interest, to yield about 5½%, by Dillon, Read & Co., Harris, Forbes & Co., and Spencer Trask & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

Series "B" 5s—	1927	1926	1925	1924	1923	1922
High	103¾	98¾	92⅞	88	89⅛	94½
Low	98	90½	84⅞	80⅛	79¾	87½

(6)

$1,000,000 MILWAUKEE ELECTRIC RY. & LIGHT CO. TEN-YEAR 6½% GOLD NOTES, SERIES "D"; DUE AUGUST 1, 1933

Dated August 1, 1923.

Interest Payable February and August 1, at Company's office, Milwaukee, Wis., and at 60 Broadway, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $1,000,000.

Callability—Subject to call in whole or in part at any time prior to Aug. 1, 1931, at 101 and interest and thereafter at par and interest on four weeks' published notice.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(7)

$100,000 MILWAUKEE ELECTRIC RY. & LIGHT CO. FIVE-YEAR 6% GOLD NOTES; DUE JANUARY 1, 1931

Dated January 1, 1926.

Interest Payable January and July 1 at office of Company in Milwaukee, Wis. or at 60 Broadway, New York City.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized, $2,000,000; issued, $100,000 to Dec. 31, 1927.

Callability—Subject to call at any time up to July 1, 1927 at 101 and interest and thereafter at ¼ less each year.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$27,507,550	$26,555,103	$24,350,328	$22,812,796	$22,480,943
Operating expenses and taxes	18,596,823	17,652,848	16,576,375	15,926,483	16,102,000
Gross income	$8,910,727	$8,902,255	$7,773,953	$6,886,313	$6,378,943
Interest charges (funded debt)	2,066,610	2,119,972	2,435,383	2,416,508	2,220,618
Other interest charges	287,220	191,412	180,847	78,004	121,891
Preferred dividends	1,135,168	982,605	937,683	848,359	674,581
Total deductions	$3,488,998	$3,293,989	$3,553,913	$3,342,871	$3,017,090
Balance for depreciation, Common dividends and surplus	$5,421,729	$5,608,266	$4,220,040	$3,543,442	$3,361,853
Depreciation	2,589,993	2,565,171	2,318,892	2,066,080	1,905,270
Balance for Common dividends and surplus	$2,831,736	$3,043,095	$1,901,148	$1,477,362	$1,456,583
*Times All Interest Earned	3.78	3.85	2.97	2.76	2.72

*Before depreciation.

Depreciation Policy—In accordance with the best principles of management and engineering practice, appropriations from earnings are made currently to insure replacement of physical property and are credited to the depreciation reserve. When property is retired its original cost is charged against the depreciation reserve. The appropriations to the depreciation reserve are made in addition to adequate expenditures for maintenace and repairs which are included in operating expenses, and which serve to maintain all parts of the properties in good repair and in first-class operating condition.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$97,120,620	$91,098,572	$83,689,426	$79,152,773	$74,557,698	$68,712,953
Sundry investments	1,014,855	1,356,454	2,359,399	1,501,684	1,213,084	1,063,431
Due from affiliated cos.	3,451,932	2,827,825	.....	.....	.....	.....
Cash on deposit with trustees	613,894	928,980	584,078	329,239	225,857	1,290,185
Cash	940,393	1,216,774	771,799	813,455	318,200	438,695
Notes and bills receivable	1,590	25,039	11,109	41,222	52,880	19,629
Accounts receivable	2,080,534	1,956,592	3,411,858	3,606,140	4,353,216	920,930
Material and supplies	2,526,809	2,506,494	2,582,279	2,788,993	3,311,081	2,882,787
Prepaid accounts	18,745	26,628	22,970	18,670	13,471	12,571
Open accounts	2,498,127	1,426,894	4,063,553	3,949,196	4,556,269	4,269,790
Discount & expense on securities	3,860,095	3,930,035	.....	.....	.....	.....
Total	$114,127,594	$107,300,287	$99,571,784	$94,020,614	$90,030,502	$81,168,998
Liabilities—						
Common stock	$21,000,000	$19,000,000	$11,250,000	$11,250,000	$11,250,000	$11,250,000
Preferred stock	21,024,534	15,357,584	14,546,891	12,898,196	11,865,600	8,504,800
Funded debt	43,781,500	41,395,500	47,045,900	47,194,800	46,944,500	41,569,000
Due to affiliated cos.	1,243,212	4,589,973	4,231,714	2,991,032	900,332	1,839,111
Notes and bills payable	32,500	1,800,000	545,000	.....	.....	900,000
Accounts payable	743,486	733,135	702,956	661,034	837,272	646,987
Sundry current liabilities	1,048,836	1,357,149	836,792	655,178	377,502	488,900
Accrued liabilities	1,346,591	1,270,967	1,276,797	1,193,394	1,175,278	825,263
Open accounts	329,568	364,214	412,167	433,353	1,057,726	891,925
Reserve accounts	18,592,173	17,381,111	15,967,733	14,531,254	13,532,464	11,992,240
Surplus	4,985,194	4,050,654	2,755,834	2,212,373	2,089,828	2,260,772
Total	$114,127,594	$107,300,287	$99,571,784	$94,020,614	$90,030,502	$81,168,998

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$940,393	$1,216,774	$771,799	$813,455	$318,200	$438,695
Notes and bills receivable	1,590	25,039	11,109	41,222	52,880	19,629
Accounts receivable	2,080,534	1,956,592	2,075,313	1,819,242	1,428,746	1,558,027
Materials and supplies	2,526,809	2,506,494	2,582,279	2,788,993	3,311,080	2,882,787
Total	$5,549,326	$5,704,899	$5,440,500	$5,462,912	$5,110,906	$4,899,138
Current Liabilities—						
Notes and bills payable	$32,500	$1,800,000	$545,000	.....	.....	$900,000
Accounts payable	743,486	733,135	702,956	$661,034	$837,272	646,987
Sundry current liabilities	1,048,836	1,357,149	836,792	655,178	377,502	488,900
Interest accrued	246,695	211,492	475,515	628,255	616,111	477,982
Taxes accrued	961,068	946,557	695,085	469,008	469,008	275,388
Dividends, etc., accrued	138,828	112,917	106,197	96,131	90,159	71,893
Total	$3,171,413	$5,161,250	$3,361,545	$2,509,606	$2,390,052	$2,861,150
Net Working Capital	$2,377,913	$543,649	$2,078,955	$2,953,306	$2,720,854	$2,037,988

Officers: Sylvester B. Way, Pres. & Gen. Mgr.; Edwin Gruhl, V-P.; Frederick W. Doolittle, V-P.; William A. Jackson, V-P.; John Anderson, V-P.; Gould W. Van Derzee, V-P. & Asst. Gen. Mgr.; Roy H. Pinkley, Asst. Gen. Mgr.; Frank J. Boehm, Sec. & Treas.; C. D. Burdick, Asst. Treas.; F. H. Piske, Asst. Sec.; Robert Randall, Asst. Sec.; A. J. Bohl, Asst. Sec. & Asst. Treas.

Executive and Finance Committee: William W. Coleman, James D. Shaw, Edwin Gruhl, Fred Vogel, Jr., Sylvester B. Way.

Directors: Edwin M. Bulkley, Frank L. Dame, J. F. Fogarty, Edwin Gruhl, C. W. Hough, H. H. Pierce, Robert Sealy, Fred Vogel, Jr., Sylvester B. Way, W. W. Coleman, F. W. Doolittle, James D. Shaw.

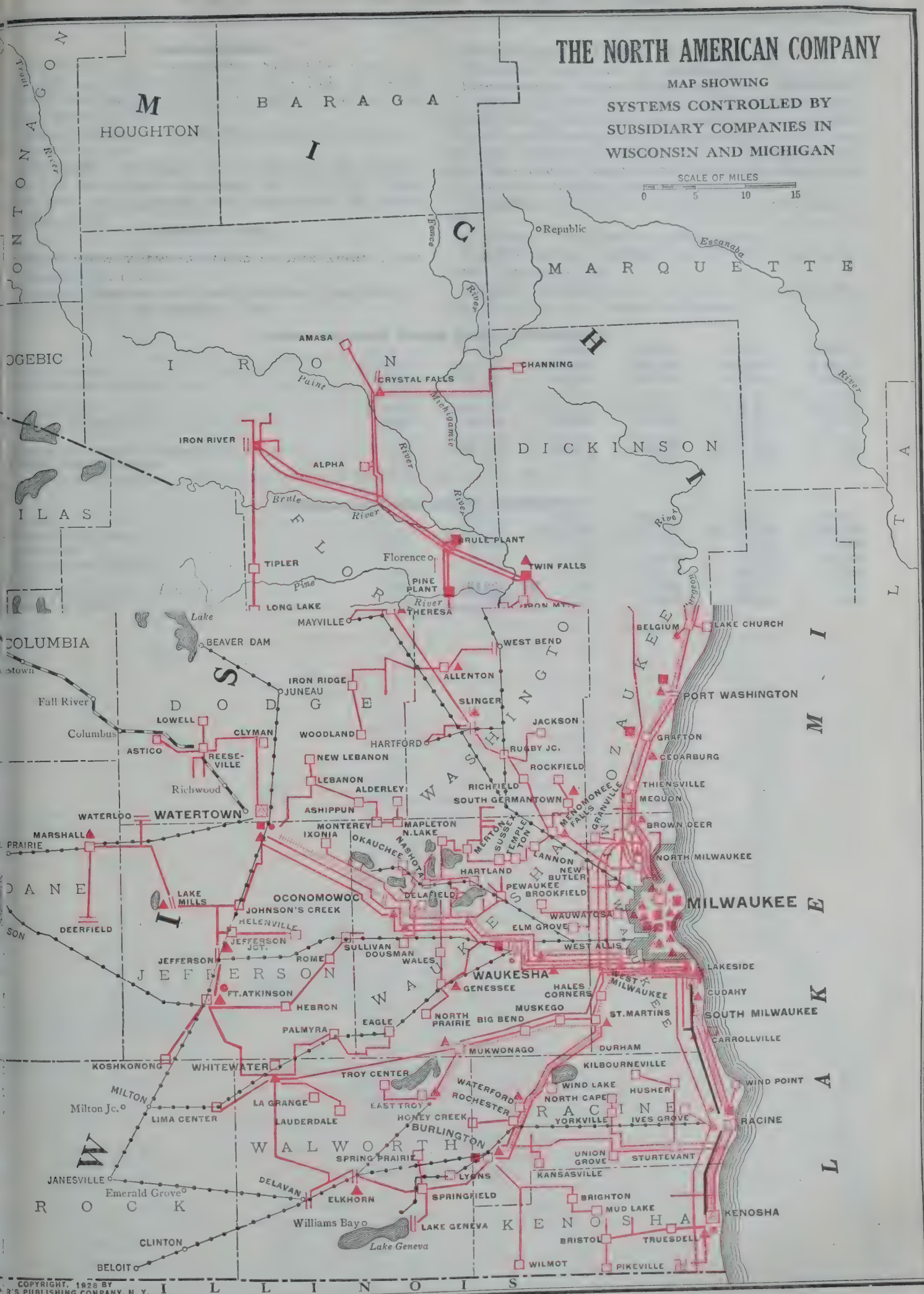
General Office, Public Service Bldg., Milwaukee, Wis. **New York Office,** 60 Broadway.

MILWAUKEE NORTHERN RAILWAY

(Merged With The Milwaukee Electric Ry. & Light Co.)

History and Property—Incorporated Oct. 21, 1905, in Wis., to construct a line mainly on private right of way from Milwaukee to Sheboygan, Wis. The section from Milwaukee to Port Washington, 30 miles, was put in operation in Oct., 1907, and to Sheboygan, 57 miles, in Sept., 1908. Gauge, standard. Rail, 70 lb. T. Cars, 23. All franchises have been superseded by indeterminate permits, which under the laws of the State of Wisconsin, make the rights perpetual. In year ended Dec. 31, 1926, 2,342,287 revenue passengers were carried 1,155,802 miles.

Merger—It was announced April 30, 1928, that Company had been merged with The Milwaukee Electric Ry. & Light Co., which heretofore has owned all the stock.



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THE NORTH AMERICAN COMPANY

MAP SHOWING
SYSTEMS CONTROLLED BY
SUBSIDIARY COMPANIES IN
IOWA, MISSOURI AND ILLINOIS

SCALE OF MILES
0 5 10 15

LEGEND
- Transmission Lines
- Interurban Electric Ry. Lines
- High Pressure Gas Lines
- Power Plant
- Substation
- Gas Plant
- Electric Service
- Street Railway Service
- Electric & St. Ry. Service
- Electric Service & Substation
- Electric Service & Power Plant
- Electric & Steam Heating Service
- Electric & Gas Service
- Electric, Gas & St. Ry. Service
- Power sold to other Utilities
- Undeveloped Coal Lands

DRAINAGE DISTRICTS
LIME COMPANIES

DES MOINES
WEST BURLINGTON
BURLINGTON
GREEN BAY DRAINAGE DISTRICT
KEVER
DALLAS CITY
NIOTA
NAUVOO
HAMILTON
QUINCY
HULL
MEPPEN
ORCHARD FARM
BOSCHERTOWN
ST. PETERS
ST. CHARLES
PATTONVILLE
ALTON BRICK CO.
CHESTER FIELD
MONA
CREVE COEUR
MANCHESTER
ELLISVILLE
ST. ALBANS
BALLWIN
GLENCOE
VALLEY PARK
CRESCENT
EUREKA
ALLENTON
LABADIE
WASHINGTON
KRAKOW
GRAY SUMMIT
PACIFIC
UNION
ST. CLAIR
ANTONIA
BARNHART
STUPP'S DAIRY
HILLSBORO
VICTORIA
DE SOTO
IMPERIAL
TENBROOK
BECK
MAXVILLE
YEAGER ROAD
MEHLVILLE
CONCENTRATION
SAPPINGTON
FENTON
WEBSTER GROVES
GLENDALE
CLAYTON
BRENTWOOD
KIRKWOOD
RICHMOND HEIGHTS
CLAYTON
OLIVETTE
WELLSTON
OVERLAND
JENNINGS
BLACK JACK
ST. FERDINAND
FERGUSON
BRIDGETON
ST. STANISLAUS
MO. PORTLAND CEMENT CO.
ST. LOUIS INDUSTRIAL HOMES
ALTON
HARTFORD
ROXANA
MADISON
EDWARDSVILLE
MITCHELL
CHOTEAU PUMPING STA.
MARYVILLE
GRANITE CITY
PROSPECT MINE
COLLINSVILLE
CASEYVILLE
ST. LOUIS
EAST ST. LOUIS
O'FALLON
PARKS
LEBANON
EDGEMONT
CAHOKIA
BELLEVILLE
MASCOUTAH
FREEBURG TRACT
FREEBURG
ST. LIBORY TRACT
OAKVILLE
WHITEHOUSE
JEFFERSON BARRACKS
SPENCERVIEW
FLUVANNA
TGTS.
KIMMSWICK
SULPHUR SPRINGS
DEVELY
HERCULANEUM
MONROE
CRYSTAL CITY
HEMATITE
SILICA
FESTUS
BONNE TERRE
DESLOGE
ST. FRANCOIS
FLAT RIVER
RIVER MINES
FRANK CLAY
LEADWOOD
ELVINS
BISMARCK
FARMINGTON
MINE LA MOTTE
FREDERICKTOWN
ST. FRANCOIS
PERRY
RANDOLPH
STE. GENEVIEVE
WASHINGTON
CRAWFORD
FRANKLIN
JEFFERSON
ST. CLAIR
MONROE
MADISON
BOLLINGER
REYNOLDS
SHANNON
WAYNE
LINCOLN
PIKE
SCOTT
MORGAN
GREENE
MACOUPIN
MASON
SCHUYLER
BROWN
CASS
MENARD
ADAMS
HANCOCK
McDONOUGH
HENDERSON
WARREN
Mississippi River
Illinois River
Missouri River
Sangamon River
Meramec River
Bourbeuse River

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CAPITAL STOCK

Authorized and outstanding, $1,600,000 Common, par, $20, and $600,000 7% cumulative Pfd., par, $100. The Milwaukee Electric Ry. & Light Co. owns all of the Common stock.

Annual Meeting—Fourth Wednesday in October, in Milwaukee, Wis.

Dividends—Dividends on the present 7% cumulative Pfd. are payable quarterly, M, J, S & D 1, and have been paid regularly since issuance of that stock in May, 1924.

FUNDED DEBT

$1,737,000 FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1931

Dated April 1, 1911.

Interest Payable April and October 1, at office of First Trust Co., Milwaukee, Wis.

Denominations—Coupon $500 and $1,000.

Trustee—First Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized issue, $4,000,000, of which $1,737,000 have been issued, the balance, $2,263,000 being reserved to be issued at not exceeding 75% of cost of new property, extensions and additions, but only when net earnings for the preceding year shall have been at least twice the interest charges on all bonds outstanding or to be issued.

Callability—Subject to call on any interest date at 105.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,500,000) in March, 1911, at par and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$649,875	$676,699	$622,526	$635,489	$614,738	$599,227
Operating expenses and taxes	493,122	491,920	449,003	449,971	423,440	386,999
Net earnings	$156,753	$184,779	$173,523	$185,518	$191,298	$212,228
Interest charges	86,850	86,850	86,850	89,439	90,112	93,619
Balance for deprec., dividends and surplus	$69,903	†$97,929	$86,673	$96,079	$101,186	$118,609
*Times Interest Earned	1.81	2.13	2.00	2.07	2.12	2.27

*Before depreciation. †Before depreciation of $56,000 in 1926 and $36,000 in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$4,297,634	$4,333,546	$4,271,060	$4,201,596	$4,039,152	$3,998,143
Investments	29,800	29,800	800	800	1,000	1,000
Materials and supplies	33,611	35,627	32,756	55,858	44,819	26,842
Cash	52,841	44,481	47,721	92,438	49,233	34,396
Notes and accounts receivable	83,282	25,281	33,144	42,944	48,688	9,814
Prepaid accounts	3,370	5,000	1,227	4,678	22,126	2,475
Open accounts	5,192	2,598	13,371	.....	.....	.....
Total	$4,505,730	$4,476,333	$4,400,079	$4,378,314	$4,205,018	$4,072,670
Liabilities—						
Capital stock	$2,200,000	$2,200,000	$2,200,000	$2,200,000	$2,000,000	$2,000,000
Funded debt	1,737,000	1,737,000	1,737,000	1,737,000	1,737,000	1,737,000
Bills and accounts payable	203,530	217,012	197,157	201,683	229,520	115,843
Accrued liabilities	28,985	31,389	23,453	21,713	29,713	27,712
Reserves	282,077	228,696	180,162	164,285	163,634	152,150
Surplus	54,138	62,236	62,307	53,633	45,151	39,965
Total	$4,505,730	$4,476,333	$4,400,079	$4,378,314	$4,205,018	$4,072,670

Officers: S. B. Way, Pres.; R. H. Pinkley, V-P.; F. J. Boehm, Sec. & Treas.; C. R. Bradburn, Asst. Sec.; A. T. Bohl, Asst. Treas. & Asst. Sec.

Directors: R. H. Pinkley, John St. John, F. J. Boehm, J. D. Shaw, J. H. Uselding, W. A. Jackson, S. B. Way.

General Office, Cedarburg, Wis.

WISCONSIN GAS & ELECTRIC COMPANY

(Controlled by North American Edison Co.)

History—On Sept. 25, 1912, the Articles of Association of Racine Gas Light Co. (see Manual for 1912, page 2718) were amended, its charter powers enlarged and its name changed to Wisconsin Gas & Electric Co. In Oct., 1912, it acquired Kenosha Gas & Electric Co. and Kenosha Electric Ry. Co. In July, 1915, acquired the Fort Atkinson transmission line of the Milwaukee Light, Heat & Traction Co., from Watertown southwest to Ft. Atkinson; it also acquired the properties and business of the Watertown Gas & Electric Co. and Burlington Electric Light & Power Co. In June, 1923, the property of the Waukesha Gas & Electric Co. was acquired and in May, 1924, property of Whitewater Electric Light Co. was acquired. In Oct., 1926, it acquired the Carey Electric Light and Power Co., and the gas and electric property of the City of Fort Atkinson was also acquired in Dec., 1926. During 1927 the properties of the LaFayette Light & Power Co. and Helenville Light & Power Co. were acquired. In Jan., 1928, Badger Public Service Co., a subsidiary of The Milwaukee Electric Railway and Light Company, was acquired and merged with Wisconsin Gas and Electric Company.

Business—Company does the electric light and power business in the following principal cities and towns: Kenosha, Watertown, Waukesha, Whitewater, Fort Atkinson, Burlington, Menomonee Falls, Marshall, Reeseville, Eden, Lomira, Campbellsport, Theresa and Thiensville, all in Wisconsin. It does the entire gas business in Racine, Kenosha, Watertown, Waukesha, Fort Atkinson, South Milwaukee and Cudahy and furnishes Kenosha with electric railway service. It does a central heating business in the city of Waukesha. Most of the electric power distributed by the company is purchased from The Milwaukee Electric Railway and Light Company.

Population served is approximately 218,000 in 118 communities having an area of 2,558 square miles.

Property—The Company owns one steam electric generating station and four hydro-electric plants. Waukesha steam plant has a capacity of 2,500 k.w.; and the four hydro plants: Watertown 300 k.w., Burlington 125 k.w., Grafton 150 k.w. and Elkhart Lake 150 k.w.

Racine coal gas plant has a daily output capacity of 3,400,000 cu. ft. and a storage holder of 1,400,000 cu. ft. This installation is supplemented by a water gas set having a daily output capacity of 2,225,000 cu. ft. Kenosha water gas plant has a daily output capacity of 500,000 cu. ft. and a storage holder of 1,040,000 cu. ft. Watertown coal gas plant has a daily output capacity of 240,000 cu. ft. with a storage holder of

190,000 cu. ft. Waukesha coal gas plant has a daily output capacity of 420,000 cu. ft. with a storage holder of 230,000 cu. ft. Fort Atkinson gas plant has a daily capacity of 250,000 cu. ft.

The Company also owns extensive electric distribution systems covering the area served as well as a network of high tension transmission lines, the principal ones being steel tower lines operating at 66,000 volts.

Franchises—All franchises are indeterminate subject to purchase of the property by the municipalities at valuations fixed by the Railroad Commission of Wisconsin.

OPERATING STATISTICS, DECEMBER 31, 1927

Electric Department:	
Kwh. output	124,074,545
Total generating capacity (k.w.)	3,225
Electric customers	36,050
Heating customers	256
Gas Department:	
M. C. F. output	1,698,668
Gas customers	38,353
Railway Department:	
Revenue passengers carried	4,591,555
Revenue car miles operated	849,171
Revenue car hours operated	102,336
Number of passenger cars owned	33

CAPITAL STOCK

Authorized, $6,000,000 (increased from $4,000,000 in 1925) Common, par value, $20, and $15,000,000 (increased from $2,500,000 in 1925) cumulative Pfd., par, $100; outstanding, $6,000,000 Common, $3,000,000 7% Pfd., Series "A", and $1,500,000 6½% Pfd., Series "B". In March, 1925, the Pfd. stock was changed from participating non-cumulative to non-participating cumulative stock During 1924, the par value of the Common stock was reduced from $100 par to $20. North American Edison Co. owns all of the Common stock, except directors' qualifying shares.

Preferred Stock Provisions—Pfd. stock has preference over Common as to assets, dividends, etc. It is non-voting except in default of four quarterly dividends when it votes share for share with Common

Callability—Pfd. stock is redeemable at 105 and accrued dividends.

Transfer Agent—For Pfd. stock, Emil Jorgenson, 305 Sixth St., Racine, Wis.

Annual Meeting—Third Monday in February, at Racine, Wis.

Dividends—Dividends on 6½% and 7% Pfd. stock payable quarterly, J, A, J & O 15, have been paid regularly since issuance.

FUNDED DEBT

(1)

$600,000 (ENTIRE ISSUE) WAUKESHA GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1959

Dated January 1, 1909.

Interest Payable January and July 1, at Girard Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Security—Assumed by Wisconsin Gas & Electric Co. Secured by a first mortgage upon the entire gas and electric property of former Waukesha Gas & Electric Co. acquired by Wisconsin Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refundable.

(2)

$4,857,500 WISCONSIN GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1952

Dated June 1, 1912.

Interest Payable June and December 1, at 60 Broadway, New York, and at Company's office, Milwaukee, Wis.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized amount not limited, additional bonds being issuable for 80% of actual cash cost of permanent improvements, extensions, etc., and then only provided net earnings for twelve consecutive months within last fourteen months shall have been not less than one and one-half times the annual interest charges on all bonds outstanding, together with those proposed to be issued. The issuance of escrow bonds is further predicated upon the Company appropriating certain stipulated amounts of its gross earnings for the maintenance and depreciation of the property.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' notice.

Security—A direct first mortgage on entire property, rights and franchises of the Company now owned or hereafter acquired, subject to $600,000 divisional bonds outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Price Range—	1927	1926	1925
High	102½	101	100½
Low	100½	99¼	97

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$5,838,452	$5,537,526	$5,034,609	$4,572,363	$4,325,251
Operating expenses and taxes	4,009,230	3,860,426	3,422,632	3,188,755	3,405,795
Gross income	$1,829,222	$1,677,100	$1,611,977	$1,383,608	$919,456
Interest charges (on funded debt)	272,875	285,111	305,972	310,167	255,053
Other interest charges	3,511	43,496	6,781	7,304	25,609
Preferred dividends	302,958	259,199	181,923	175,000	155,300
Total deductions	$572,322	$500,814	$494,676	$477,863	$435,962
Balance for deprec., Common divds. & surplus	$1,256,900	$1,176,286	$1,117,301	$905,745	$483,494
Depreciation	447,949	420,718	375,767	335,635	223,311
Balance for Common dividends and surplus	$808,951	$755,568	$741,534	$570,110	$260,183
***Times All Interest Earned**	6.62	5.10	5.15	4.36	3.27
***Earnings Per Share—**					
Preferred	$34.66	$31.89	$43.30	$43.23	$25.67

*Before depreciation.

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$18,349,680	$16,228,498	$13,217,255	$12,168,013	$11,153,034	$8,855,115
Treasury securities	.....	105,700	9,300	103,400	144,950	476,617
Investments	249,171	189,640	144,700	37,400	107,217	.....
Reserve, sinking & special fund assets	173,633	136,197	100,814	.....	.....	.....
Cash	548,966	119,715	311,691	320,067	375,451	150,531
Notes and bills receivable	36,608	12,478	12,490	12,466	11,679	8,386
Accounts receivable	915,536	819,780	874,272	1,115,004	689,943	876,310
Materials and supplies	696,829	535,940	422,466	480,539	598,883	646,468
Prepaid accounts	594	90	388	450	3,803	3,233
Open accounts	1,577,426	1,836,224	2,347,224	1,030,957	695,995	620,543
Total	$22,548,443	$19,984,262	$17,339,786	$15,268,296	$13,805,955	$11,631,803

CONDENSED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$6,000,000	$4,000,000	$2,615,000	$2,615,000	$2,500,000	$2,000,000
Preferred stock	4,500,000	4,500,000	3,000,000	2,500,000	2,500,000	2,000,000
Funded debt	5,457,500	5,649,500	5,693,000	6,942,500	5,496,000	4,696,000
Notes and bills payable	402,400	790,100	526,125	45,825	478,625	510,600
Accounts payable	1,002,944	323,045	1,607,579	235,644	414,605	491,156
Sundry current liabilities	137,333	193,471	123,029	83,977	235,851	193,733
Accrued liabilities	293,611	336,332	276,264	256,254	224,544	101,692
Open accounts	189,072	166,478	153,413	133,289	1,104	1,020
Reserve accounts	3,092,835	2,719,547	2,221,835	1,838,449	1,496,479	1,258,064
Surplus	1,472,748	1,305,789	1,123,541	617,358	458,747	379,538
Total	$22,548,443	$19,984,262	$17,339,786	$15,268,296	$13,805,955	$11,631,803

Officers: S. B. Way, Pres.; D. E. Callender, V-P. & Gen. Mgr.; Edwin Gruhl, V-P.; F. J. Boehm, Sec. & Treas., Milwaukee, Wis.; F. H. Piske, Asst. Sec.; C. D. Burdick, Asst. Treas., New York; John I. Allen, Asst. Sec. & Asst. Treas., Milwaukee, Wis.

Directors: W. A. Jackson, F. J. Boehm, D. E. Callender, James D. Shaw, G. W. Van Derzee, S. B. Way, A. K. Ellis.

Offices, Racine, Wis., and Public Service Building, Milwaukee, Wis.

WISCONSIN ELECTRIC POWER COMPANY

(Controlled by North American Edison Co.)

History and Property—Incorporated Aug. 19, 1920, in Wis., and owns the Lakeside power plant, located on the shore of Lake Michigan, just south of the southern boundary of the City of Milwaukee, designed for an ultimate capacity of 230,000 k.w. with a present installed capacity of 167,000 k.w. This plant is leased to and operated by The Milwuakee Electric Ry. & Light Co. for a term extending until Sept. 30, 1964, and the latter company has in connection with this lease guaranteed the payment of principal and interest of the 30-year First Mortgage Series "A" bonds of Wisconsin Electric Power Co.

CAPITAL STOCK

Authorized, $4,000,000 Common, par, $20, and $6,000,000 (increased from $2,000,000 in 1925) Pfd., par, $100; outstanding, $3,500,000 Common, $500,000 7% cumulative Pfd. and $3,483,028 6½% cumulative Pfd. Entire Common stock, except directors' qualifying shares, owned by North American Edison Co.

Preferred Stock Provisions—Both issues have equal preference over Common stock as to assets, dividends, etc., and are non-voting except except in event of default of four quarterly dividends when the stock votes share for share with Common.

Callability—Both issues are redeemable at 105 and dividends.

Annual Meeting—Third Wednesday in February.

Dividends—Dividends on both issues of Pfd. stock payable quarterly, J, A, J & O 1, and have been paid regularly since issuance of stock.

7% Preferred Stock Redeemed—The 7% Pfd. stock of Company, $500,000 outstanding, was called for redemption on Jan. 1, 1928. Authorization was obtained from Railroad Commission of Wisconsin for the issuance of $1,000,000 par value of 6% Pfd. stock.

FUNDED DEBT

$8,495,500 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1954

Dated February 1, 1924.

Interest Payable February and August 1, at 60 Broadway, New York, or at Company's office, Milwaukee, Wis.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited; issued, $9,000,000 Series "A" 5s, of which $544,500 retired through sinking fund to Dec. 31, 1927. Additional bonds may be issued to refund a like amount of bonds previously issued under the mortgage (exclusive of bonds retired by sinking funds); and in a principal amount not exceeding 75% of the cost of property, extensions and improvements in excess of the original property costs of $12,000,000, when actual earnings for 12 months (or subsequent earnings provided by the terms of lease or contract approved by the Railroad Commission or other governmental authority having jurisdiction) available for interest and depreciation reserves, all as defined in the mortgage, are at least 2½ times interest charges on all outstanding bonds and those proposed to be issued. Such additional bonds are issuable in series, with such interest rates, maturities, sinking funds, if any, redemption provisions, etc., as may be determined at time of issuance.

Callability—Subject to call as a whole or in part by lot on 30 days' notice on any interest date to and including Feb. 1, 1925, at 105 and interest, with the redemption price reduced ½ of 1% during each three year period thereafter.

Sinking Fund—The company covenants to purchase and retire $180,000 per annum of the total issue of Series "A" bonds if obtainable at or below par and accrued interest, any unexpended balance of the fund to revert to the company.

Lease and Guaranty—The plant is leased to The Milwaukee Electric Railway & Light Co., which guarantees principal and interest of the bonds. Under the lease, which extends beyond the life of these bonds, The Milwaukee Electric Railway & Light Co. operates and maintains the property, paying rental, which includes taxes, depreciation of nearly 3%, and a fixed return based on capital expenditures which is equal to 2⅛ times maximum interest charges on the present issue, comprising the company's total funded debt. The lease is pledged as additional security for the bonds.

Security—These bonds are secured by direct first mortgage liens on the entire fixed property now owned or hereafter acquired; also principal and interest guaranteed by endorsement of The Milwaukee Electric Railway & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mills Tax refunded.

Original Offering—First publicly offered ($9,000,000) in Feb., 1924, at 91¼ and interest, yielding over 5.60%, by Dillon Read & Co., New York, etc.

Price Range—

	1927	1926	1925
High	103½	100½	99½
Low	100	98½	93½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$1,984,616	$1,825,495	$1,645,335	$1,653,866	$1,368,330
Operating expenses and taxes	133,563	100,742	103,343	114,206	20,364
Gross income	$1,851,053	$1,724,753	$1,541,992	$1,539,660	$1,347,966

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923
Interest charges on funded debt	$424,775	$430,175	$439,433	$492,934	$349,217
Other interest charges	100,068	100,801	93,333	96,770	125,825
Preferred dividends	255,348	201,421	115,543	31,504	.....
Total deductions	$780,191	$732,397	$648,309	$621,208	$475,042
Balance for depreciation, Com. divds. & surplus	$1,070,862	$992,356	$893,683	$918,452	$872,924
Depreciation	481,341	447,771	392,002	348,818	275,543
Balance for Common dividend & surplus	$589,522	$544,585	$501,681	$569,634	$597,381
*Times All Interest Earned	3.52	3.25	2.89	2.61	2.84
*Earnings Per Share—					
Preferred	$33.89	$30.73	$35.64	$141.34	.....

*Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$17,107,774	$16,630,292	$14,168,839	$13,146,057	$10,712,778	$8,587,723
Investments	.....	.....	.....	1,257,117	1,199,618	.....
Cash	322,435	386,607	188,050	75,813	20,758	14,856
Accounts receivable	247,496	104,270	686,004	2,187	67,454	.....
Open accounts	1,662,105	1,746,059	1,831,215	1,914,571	288,925	401,427
Reserve sinking spec. fund assets	92,100	93,798	2,300	39,825	.....	.....
Total	$19,431,910	$18,961,026	$16,876,408	$16,435,570	$12,289,533	$9,004,006
Liabilities—						
*Common stock	$3,500,000	$3,500,000	$3,000,000	$3,000,000	$2,500,000	$2,500,000
Preferred stock	3,983,028	3,884,350	2,831,253	672,076	.....	.....
Funded debt	8,495,500	8,550,000	8,730,000	8,910,000	4,550,000	4,700,000
Sundry current liabilities	5,031	2,546	2,075	35,975	20,556	6,712
Accounts payable	175,455	246,243	2,767	1,948,851	4,043,502	1,145,751
Accrued liabilities	304,591	300,018	308,991	275,816	74,638	76,381
Open accounts	.....	.....	.....	.....	2,750	.....
Reserves	2,239,069	1,868,154	1,432,093	1,045,305	700,175	424,431
Surplus	639,236	609,715	569,229	547,547	397,912	150,531
Total	$19,431,910	$18,961,026	$16,876,408	$16,435,570	$12,289,533	$9,004,006

*All except directors' qualifying shares owned by North American Edison Co.

Officers: S. B. Way, Pres.; Edwin Gruhl, V-P.; F. W. Doolittle V-P.; John Anderson, V-P.; F. J. Boehm, Sec. & Treas.; A. J. Bohl, Asst. Sec. & Asst. Treas., Milwaukee; C. D. Burdick, Asst. Treas.; F. H. Piske, Asst. Sec., New York.

Directors: John Anderson, F. L. Dame, J. F. Fogarty, Edwin Gruhl, Robert Sealy, H. H. Pierce, S. B. Way.

Offices, Milwaukee, Wis., and 60 Broadway, New York.

WISCONSIN MICHIGAN POWER COMPANY

(Controlled by North American Edison Co.)

History and Business—Incorporated 1911 (under the name of Peninsular Power Company, name changed in May, 1927) in Wisconsin. In May and June, 1927, it acquired by purchase and by merger the properties, franchises and business of The Iron Mountain Electric Light & Power Company (organized in 1890) and a number of smaller electric light and power companies in Wisconsin and the Upper Peninsula of Michigan, which had been in successful operation for various periods. It also acquired and merged the properties, franchises and business of Wisconsin Traction, Light, Heat & Power Company (see 1927 Public Utility Manual, page 1175).

Company does the electric light and power business in the following principal cities and towns: Crystal Falls, Iron Mountain, Norway and Iron River, Michigan, and Florence, Appleton, Menasha, Neenah, Shawano, and Weyanwega, Wisconsin. It does the entire gas business in Appleton, Neenah and Menasha, and also serves Menasha, Neenah and Appleton with local and interurban electric railway service. The territory served contains a population of 200,000 in 129 communities, covering approximately 4,350 square miles.

Property—The electric properties of the Company include seven generating stations having a present installed capacity of 41,598 k.w. including 15,218 k.w. of hydro-electric plants. The Appleton plant located in the City of Appleton on the south bank of the Fox River has a total installed capacity of 22,840 k.w. of which 1,040 is hydro. This station was recently remodeled to burn pulverized fuel. The other plants are as follows: Iron River Plant—4,580 k.w. capacity (Diesel engines). Hydro plants: Twin Falls, 5,000 k.w. Brule, 4,670 k.w. Pine, 3,600 k.w. Sturgeon, 800 k.w. Weyauwega, 108 k.w. All plants are located in Michigan with the exception of the Pine, Weyauwega and Appleton plants, which are in Wisconsin.

The gas plant at Appleton has a daily maximum output capacity of 2,100,000 cubic feet, of which 1,200,000 cu. ft. is water gas.

OPERATING STATISTICS, DECEMBER 31, 1927

Electric Department—	
K.w.h. output	195,455,724
Total generating capacity (k.w.)	41,598
Electric customers	21,236
Gas Department—	
M. C. F. output	279,827
Gas customers	8,258
Railway Department—	
Revenue passengers carried	1,609,465
Revenue car miles operated	1,181,780
Revenue car hours operated	89,303
Number of passenger cars owned	14

Franchises—Franchises covering operations in the various municipalities served in Wisconsin are under the indeterminate permit law of that State, by the terms of which public purchase, otherwise than by mutual agreement, can be made only at a valuation to be fixed by the Railroad Commission of Wisconsin. Franchises in Michigan are of various maturities and are in general satisfactory and in the opinion of counsel contain no burdensome restrictions.

CAPITAL STOCK

Authorized, $7,000,000 Common and $6,000,000 6% cumulative Pfd., outstanding, $5,225,000 Common and $1,275,000 Pfd.; par, $100. All Common stock owned by North American Edison Company.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends over the Common, and is non-voting except in event of default of four quarter

yearly dividends, when it votes share for share with Common.

Callability—Pfd. stock is redeemable at $110 per share and dividends on 30 days' notice.

Annual Meeting—Third Wednesday in February in Milwaukee.

Dividends—Pfd. dividends are payable quarterly, M, J, S & D 15, and have been paid regularly since issuance.

FUNDED DEBT

(1)

$3,000,000 (CLOSED MORTGAGE) WISCONSIN TRACTION, LIGHT, HEAT & POWER CO FIRST GOLD 5s (INTEREST ON $1,500,000 OF WHICH INCREASED TO 7½% BY ADDITIONAL COUPON FOR 2½% IN 1921), DUE JULY 1, 1931

Dated July 1, 1901.

Interest Payable January and July 1, at First Wisconsin Trust Co., Milwaukee.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee.

Callability—Subject to call on any interest date at 110 and interest.

Security—A first lien on all the property of former Wisconsin Traction, Light, Heat & Power Co. A supplemental indenture provides that the 2½% additional coupons shall share equally in any future lien which may be placed upon the Company's property.

Sinking Fund—The Company agrees to set aside annually, the initial payment being June 30, 1922, the sum of $33,000, which shall be applied to the purchase and cancellation of bonds bearing the supplemental interest coupons, if obtainable at or below par. If in any year a sufficient number of such bonds is not obtainable to exhaust such sum, any balance shall be applied to the purchase of bonds secured under this mortgage bearing 5% interest at or below par; failing which, such sums shall be expended on permanent extensions and additions to the property.

Tax Provisions—Mortgage does not contain tax free covenant, but Normal Federal Income Tax up to 2% assumed by Company.

Legal Opinion—Olwell, Durant & Brady (for the company); Miller, Mack & Fairchild (for the bankers).

(2)

$5,000,000 WISCONSIN MICHIGAN POWER CO. FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES; DUE JUNE 15, 1957

Dated June 15, 1927.

Interest Payable June and December 15, at Company's office, 60 Broadway, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Issued, $5,000,000 5% Series, due 1957. Additional bonds, either of this series or of other series having such rates of interest, maturity dates and other provisions as the Company may determine, may be authenticated (a) for refunding an equal principal amount of outstanding underlying or prior lien bonds (as defined in the Mortgage) or bonds of any series authenticated under the Mortgage, (b) for cash to be deposited with the Trustee, and (c) for not more than 75% of the cost or fair value, whichever is less, of property additions (as defined in the Mortgage) made on or after June 15, 1927.

Additional bonds may not be authenticated, however, except for refunding purposes, unless net earnings (as defined in the Mortgage) for twelve out of the fifteen months immediately preceding the application for authentication shall have been equal to twice the actual annual interest requirements on all outstanding underlying and prior lien bonds and all bonds outstanding under the Mortgage, including those proposed to be issued.

The Mortgage contains certain provisions permitting the modification or alteration of the bonds or the Mortgage or of any supplemental indenture, in any particular, with the assent of the Company and of the holders of not less than 75% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the company; provided that any such modification of interest thereon, or any other modification in the terms of payment of such principal or interest or (b) the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of the Mortgage with respect to any of the property covered thereby by the company; provided that any such modification or alteration shall not permit (a) the extension of the maturity of any bond, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest or (b) the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of the Mortgage with respect to any of the property covered thereby.

Callability—Subject to call on the first day of any month as a whole or in part by lot on 30 days' notice through November 1, 1928 at 105 and interest with the redemption price reduced ¼ of 1% on December 1, 1928 and again at the expiration of each 18 months' period after November 30, 1928 to 100¼ on and after December 1, 1955 and prior to maturity.

Security—Secured by a direct first mortgage lien on all of the physical properties now owned by the Company at the time of issue and are further secured by a direct mortgage lien upon all the physical properties later acquired from Wisconsin Traction, Light, Heat & Power Company subject only to $3,000,000 underlying (closed mortgage) bonds which mature on July 1, 1931.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($5,000,000) in June, 1927 at 99 and interest, to yield 5.06%, by Harris, Forbes & Co., Spencer Trask & Co., New York; First Wisconsin Co., Milwaukee; Harris, Forbes & Co., Ltd., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

(3)

$200,000 PENINSULAR POWER CO. 8% SERIAL GOLD NOTES, SERIES "A"; DUE ANNUALLY JUNE 1, 1928, TO 1931, INCLUSIVE

Dated June 1, 1921.

Interest Payable June and December 1, at Company's office, Appleton, Wis.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Security—A direct obligation of the former Peninsular Power Co., but not secured by mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Merged Companies Included From Date of Merger Only)

Gross earnings	$2,242,018
Operating expenses & taxes	1,115,615
Gross income	$1,126,403
Interest on funded debt	$239,889
Other interest charges	121,713
Preferred dividends	89,160
Total deductions	$450,762
Balance for depreciation, Com. divds. & surplus	$675,641
Depreciation	224,784
Balance for Common dividends & surplus	$450,857
*Times All Interest Earned	3.11
*Earnings Per Share—	
Preferred	$59.82

*Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property and plant	$17,022,278
Investments	55,876
Cash	317,782
Accounts receivable	553,158
Materials & supplies	206,796
Prepaid accounts	9,562
Open accounts	291,432
Total	$18,456,884

Liabilities—	
Common stock	$5,225,000
Preferred stock	1,275,000
Funded debt	8,200,000
Current liabilities	298,173
Accrued liabilities	305,837
Open accounts	14,852
Reserves	2,303,063
Surplus	834,959
Total	$18,456,884

Officers: S. B. Way, Pres.; A. K. Ellis, V-P.; J. F. Fogarty, V-P.; F. W. Doolittle, V-P.; F. J. Boehm, Sec. & Treas.; E. H. Bayley, Asst. Sec. & Asst. Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, Asst. Treas. & Asst. Sec.; Robert Sealy, Asst. Treas.; Miss L. Hollenbeck, Asst. Treas.

Directors: F. J. Boehm, D. E. Callender, A. K. Ellis, W. A. Jackson, J. D. Shaw, G. W. Van Derzee, S. B. Way.

Office, Appleton, Wis.

UNION ELECTRIC LIGHT AND POWER COMPANY OF ILLINOIS

(Controlled by The North American Co.)

History and Property—Incorporated Jan. 10, 1923, in Ill., as Cahokia Power Co. (name changed to present title in July, 1923), to assume ownership of the steam power plant at Cahokia, Ill., directly across the Mississippi from St. Louis. On Sept. 1, 1927 acquired Venice Power Plant from Illinois Power and Light Corp.

The Company owns two steam electric generating plants. The Cahokia Power Plant is located on the east bank of the Mississippi River, just south of East St. Louis, Ill., which assures it almost unlimited water supply and also ample coal from the adjacent coal fields. The first unit was placed in operation in 1923. This station operates entirely on pulverized coal for fuel and is designed for an ultimate capacity of 350,000 k.w. of which 195,000 k.w. is now in operation. The Venice Power Plant, at Venice, Ill., is also located on the east bank of the Mississippi River with an installed capacity of 32,500 k.w.

The Cahokia plant is leased to Union Electric Light and Power Company (Mo.) and is operated by Power Operating Company, a subsidiary. The lease provides for rental which includes taxes, depreciation of nearly 3%, and a fixed return based on capital expenditures. The Venice plant is leased to and operated by Power Operating Company under terms substantially the same as those in the Cahokia lease.

CAPITAL STOCK

Authorized, $13,000,000 Common, par, $20, and $25,000,000 6% cumulative Preferred, par, $100; outstanding, as of Dec. 31, 1927, $5,000,000 Common and $7,999,900 cumulative Pfd. All the Common shares, except directors' qualifying shares, owned by The North American Co.

Preferred Stock Provisions—The Pfd. stock has preference as to principal and dividends over Common, and has equal voting rights, share for share, with the Common stock. It is free from all property taxes in Missouri and Illinois.

Callability—Pfd. stock is redeemable on 30 days' notice at 103 and accrued dividends.

Annual Meeting—Second Tuesday in February, at Monsanto, Ill.

Dividends—Pfd. dividends have been paid regularly since issuance, quarterly, J, A, J & O 1.

Legal Opinion (Pfd.)—Rassieur & Goodwin, (for the Company), and Fordyce, Holliday & White, (for the bankers).

Public Offering—$1,100,000 6% Pfd. was publicly offered in July, 1926 at par and dividend by G. H. Walker & Co., St. Louis.

FUNDED DEBT

(1)

$9,000,000 FIRST MORTGAGE GOLD 5½s, SERIES "A"; DUE JANUARY 1, 1954

Dated January 1, 1924.

Interest Payable January and July 1, in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co., New York.

Provisions of Issue—Authorized and issued, Series "A," $10,000,000, of which $1,000,000 retired by sinking fund to Dec. 31, 1927. Additional bonds are issuable in series to refund, par for par, bonds previously issued under the mortgage (except bonds retired by sinking fund) and for not exceeding 75% of the cost of property, extensions and improvements in excess of the initial property cost of $15,000,000, when earnings for twelve months available for interest and depreciation reserves are at least 2½ times interest charges on all bonds outstanding, including those to be issued.

Callability—Subject to call as a whole or in part by lot on 30 days' notice on any interest date to and including Jan. 1, 1925 at 105 and interest, with successive reductions in redemption price of ½ of 1% during each three years' period thereafter.

Sinking Fund—A semi-annual sinking fund is provided to retire the Series "A" bonds prior to maturity through redemption of 2½% per annum by purchase in the market at or below 100 and interest, or if not so obtainable, by call at that price. For this purpose the Company will pay to the Trustee on or before May 25 and Nov. 24 in each year, beginning with the year 1924 to and including the year 1952, the sum of $125,000 in cash, and on or before May 25, 1953, the sum of $250,000 in cash, together in each case with six months' interest thereon at the rate of 5½% per annum, or in lieu thereof the Company may deliver to the Trustee for cancellation at such semi-annual date any of such bonds of Series "A" purchased at or below par and interest, bonds so delivered to be applied against such semi-annual payment at the principal amount thereof with six months' interest thereon. All bonds redeemed to be cancelled.

Security—Secured by a first mortgage on entire property of Union Electric Light & Power Co. of Illinois. The power plant covered by this mortgage has been leased to Union Electric Light & Power Co. (Missouri) for a term of years extending beyond the maturity of these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four-mill tax refunded.

Original Offering—First publicly offered ($10,000,000) in Jan., 1924, at 95¾ and interest, to yield 5.80%, by Dillon, Read & Co., Harris, Forbes & Co. and Spencer Trask & Co., New York.

Listed—New York Stock Exchange.

Price Range—	1927	1926	1925
High	102¾	104	104
Low	bid	100	100

(2)

$4,125,000 JUNIOR MORTGAGE GOLD NOTES; MATURING SERIALLY TO MARCH 1, 1944; $125,000 DUE MARCH AND SEPTEMBER 1 OF EACH YEAR 1928 TO 1943 AND ON MARCH 1, 1944 LAST $125,000 IS DUE

Dated September 1, 1927.

Trustee—Illinois Merchants Trust Co., Chicago, Ill.

Purpose of Issue—These notes were issued in connection with the acquisition of Venice Power Plant at Venice, Ill., from the Illinois Power & Light Corp.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Gross earnings	$3,068,842	$2,558,993	$2,247,672	$1,791,294
Operating expenses	17,981	13,890	9,634	6,244
Gross income	$3,050,861	$2,545,103	$2,238,038	$1,695,050
Interest on funded debt	633,770	533,831	544,227	490,168
Other interest charges	204,785	209,005	249,276	297,688
Preferred dividends	479,295	402,361	325,129	240,000
Total deductions	$1,317,850	$1,145,197	$1,118,632	$1,027,856
Balance for deprec., Common divds. & surplus	$1,733,011	$1,399,906	$1,119,406	$667,194
Depreciation	791,774	663,251	580,398	418,798
Balance for Common divds. & surplus	$941,237	$736,655	$539,008	$248,396
Times All Interest Earned	2.12	1.99	1.67	1.32
Earnings Per Share—				
Preferred	$17.76	$14.36	$32.94	$22.99

Depreciation Policy—In accordance with the best principles of management and engineering practice, appropriations are made from earnings currently to insure replacement of physical property and credited to Depreciation Reserve. When property is replaced or abandoned, original cost of such property is charged against said reserve. These appropriations to Depreciation Reserve are additional to full maintenance and repair expenditures, which are included in monthly operating expenses and which serve to maintain all parts of the properties in good repair and in first-class operating condition.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924
Property and plant	$33,054,828	$24,611,077	$22,574,138	$18,020,615
Cash deposited with trustee	.....	.....	.....	23,060
Inter-company accounts	7,000	4,300	16,600	643,065
Cash	.....	.....	.....	8,629
Prepaid accounts	3,238	9,506	12,027	9,731
Open accounts	249,732	259,338	197,386	190,237
Discount & expense on securities	851,773	877,736	910,244	941,789
Total	$34,166,571	$25,761,957	$23,710,396	$19,837,126
Liabilities—				
Common stock	$5,000,000	$5,000,000	$2,624,000	$2,124,000
Preferred stock	7,999,900	7,928,100	5,491,200	4,000,000
Funded debt	13,125,000	9,250,000	9,500,000	9,750,000
Inter-company accounts	4,370,275	1,080,266	4,510,793	3,260,603
Accounts payable	.....	.....	.....	514
Sundry current liabilities	929	44,245	5,744	.....
Accrued liabilities	548,183	401,556	340,634	245,277
Reserves	2,326,238	1,602,981	991,150	433,985
Surplus	796,046	454,809	246,875	22,747
Total	$34,166,571	$25,761,957	$23,710,396	$19,837,126

Officers: Louis H. Egan, Pres.; F. J. Boehm, V-P.; Edwin Gruhl, V-P.; J. F. Fogarty, V-P.; Hermann Spoehrer, Sec. & Treas.; T. W. Gregory, Asst. Sec. & Asst. Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, Asst. Sec. & Asst. Treas.; Robert Sealy, Asst. Treas.

Directors: William Avery, Frank J. Boehm, Louis H. Egan, Edwin Gruhl, T. W. Gregory, Geo. K. Miltenberger, Hermann Spoehrer.

Offices, Monsanto, Ill., and 60 Broadway, New York.

WESTERN POWER CORPORATION

(Controlled by The North American Company)

(See Accompanying Map)

History—Incorporated June 5, 1915, in New York, as a holding company and as successor to Western Power Company (of New Jersey). On Sept. 18, 1918, all the outstanding Common stock of Great Western Power Company of California, was transferred to Western Power Corporation and in January 1925 controlling majority of the Preferred and Common stock of San Joaquin Light and Power Corporation, all of the Common stock of Midland Counties Public Service Corporation, together with all of the Common stock of Fresno City Water Corporation were acquired. On October 1, 1926 all the stock of the Fresno City Water Corporation was sold.

For property and business of subsidiaries see descriptions of individual companies.

CAPITAL STOCK

Authorized, 300,000 (increased from 146,700 Jan. 6, 1925) shares Common of no par value and $15,000,000 (increased from $7,080,000 Jan. 6, 1925) 7% (cumulative from Oct. 1, 1923) Pfd., par $100; outstanding, Dec. 31, 1927, 268,000 shares Common and $9,655,380 Pfd. Over 98% of the Common stock is owned by North American Company. In Nov., 1926, 48,800 shares of the Common stock of the Corporation were issued to The North American Co. in consideration of 61,000 shares of that company's stock to be held for the purpose of conversion of Collateral Trust bonds.

Preferred Stock Reclassified—In Nov., 1923, stockholders approved reclassification of the then outstanding 6% cumulative Pfd. stock into 7% cumulative Pfd. stock, in settlement of accumulated dividends totalling 13%. Holders of the old 6% stock received new 7% stock (cumulative from Oct. 1, 1923) in exchange, par for par.

Preferred Stock Provisions—Preferred stock has preference as to assets as well as dividends, and votes equally with Common share for share.

Callability—Pfd. stock is redeemable as a whole or in part on any dividend date upon 60 days' notice at 107½ and accrued dividends.

Transfer Agents—Bank of America, 44 Wall St., New York, and H. A. Cooke, 530 Bush St., San Francisco.

Registrars—Equitable Trust Co. of New York, and Anglo-California Trust Co., San Francisco.

Annual Meeting—April 15.

Listed—San Francisco Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	105	99	98	86	90	88	78½	75
Low	98	91½	86	77½	81	76	59	55

Dividends—Initial Pfd. dividend of 1% paid April 15, 1916, and regular payments at same rate to Oct. 15, 1919, on which date 1½% quarterly was paid and this rate was continued to and including Oct. 15, 1923. On Jan. 15, 1924, stock was put on a 7% basis by the payment of a dividend of 1¾%, which rate has been regularly paid to date. Payments quarterly, J, A, J & O 15, to stockholders of record on the last day of the preceding month. Initial dividend of $2 per share on Common stock paid Dec. 31, 1927.

FUNDED DEBT

$9,950,000 CONVERTIBLE COLLATERAL TRUST GOLD BONDS, SERIES "A" 5½%; DUE JANUARY 1, 1957

Dated December 1, 1926.

Interest Payable January and July 1 at office or agency of Corporation in New York or San Francisco.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—National Bank of Commerce in New York.

Provisions of Issue—The authorized amount of Collateral Trust Gold Bonds to be outstanding at any one time is limited to $30,000,000 of which Series "A" is limited to $10,000,000. Additional bonds may be issued from time to time (each series to bear interest at such rate or rates, and have such maturity or maturities, redemption and other characteristics, as may be determined by the Board of Directors at the time of issue): (a) to reimburse the Corporation for not in excess of 66 2-3% of the cost or fair value (whichever is lower) of additional pledged securities; provided that (1) the Company whose securities are to be pledged is an operating public utility company which is located in California, Oregon, Nevada or Arizona, or which may be connected (as defined in the Indenture) with the properties of the Corporation's subsidiaries, and that a majority of the voting stock of any such company is pledged in case any of its Common stock is to be pledged; and (2) the consolidated net earnings (computed as provided in the Indenture), for 12 months out of the preceding 15 months, shall be at least 2½ times the annual interest on the bonds outstanding and those applied for and on any other funded indebtedness of the Corporation (as defined in the Indenture); (b) against cash or against bonds retired otherwise than out of the trust estates. The Corporation may withdraw pledged securities against bonds so retired on same basis as that on which additional bonds may be issued.

Purpose of Issue—Proceeds were used for the redemption of the 30-year 6½% Sinking Fund Secured Gold Debentures, Series A, outstanding and for additional investment in Pfd. and Common stock of the Corporation's subsidiaries.

Callability—Subject to call as a whole or in part by lot at 102½ and interest on the first day of any month on 30 days' notice.

Sinking Fund—On July 1, 1927 and semi-annually, thereafter, funds will be made available for the purchase of ½ of 1% of Series "A" Bonds outstanding at such times if obtainable within specified periods at or below 100 and interest, any unexpended balance reverting to the Corporation's general fund.

Convertibility—Convertible at their principal amount into Common stock ($10 par value) of the North American Company on or before Jan. 1, 1940, or prior redemption, as follows: The $2,000,000 of bonds first surrendered for conversion will be convertible into stock at $75 per share; the second $2,000,000 of bonds so surrendered, at $81.25 per share; the third $2,000,000 of bonds so surrendered at $87.50 per share; the fourth $2,000,000 of bonds so surrendered at $93.75 per share, and the remaining bonds so surrendered at $100 per share. At the time of conversion, adjustment will be made so that interest on the bonds and dividends on the stock will not be paid for the same period, and cash adjustment will be made for fractions of shares.

Security—Bonds are the general obligation of the Corporation and are secured by pledge with the Trustee of the following shares, constituting more than a majority of the total outstanding stock of each Company: 274,987 shares (being all but directors' qualifying shares) of Common stock of Great Western Power Co. of California; 99,000 shares (being 90%) of Common stock, 20,000 shares of 6% cumulative Prior Preferred stock, and 44,750 shares of 7% cumulative Pfd. stock of San Joaquin Light & Power Corp.; and 9,990 shares (being all but directors' qualifying shares) of Common stock of Midland Counties Public Service Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. California Personal Property Tax refundable up to 5 mills per dollar of principal.

Legal Opinion—Sullivan & Cromwell and Glinn & Ganter (for the Company); and Breed, Abbott & Morgan (for the Bankers).

Original Offering—First publicly offered ($10,000,000) in Nov. 1926, at 99 and interest to yield over 5.55% by Peirce, Fair & Co., Blyth, Witter & Co., and E. H. Rollins & Sons, San Francisco, New York, etc.

Price Range—

	1927	1926
High	100	99
Low	96⅜	99

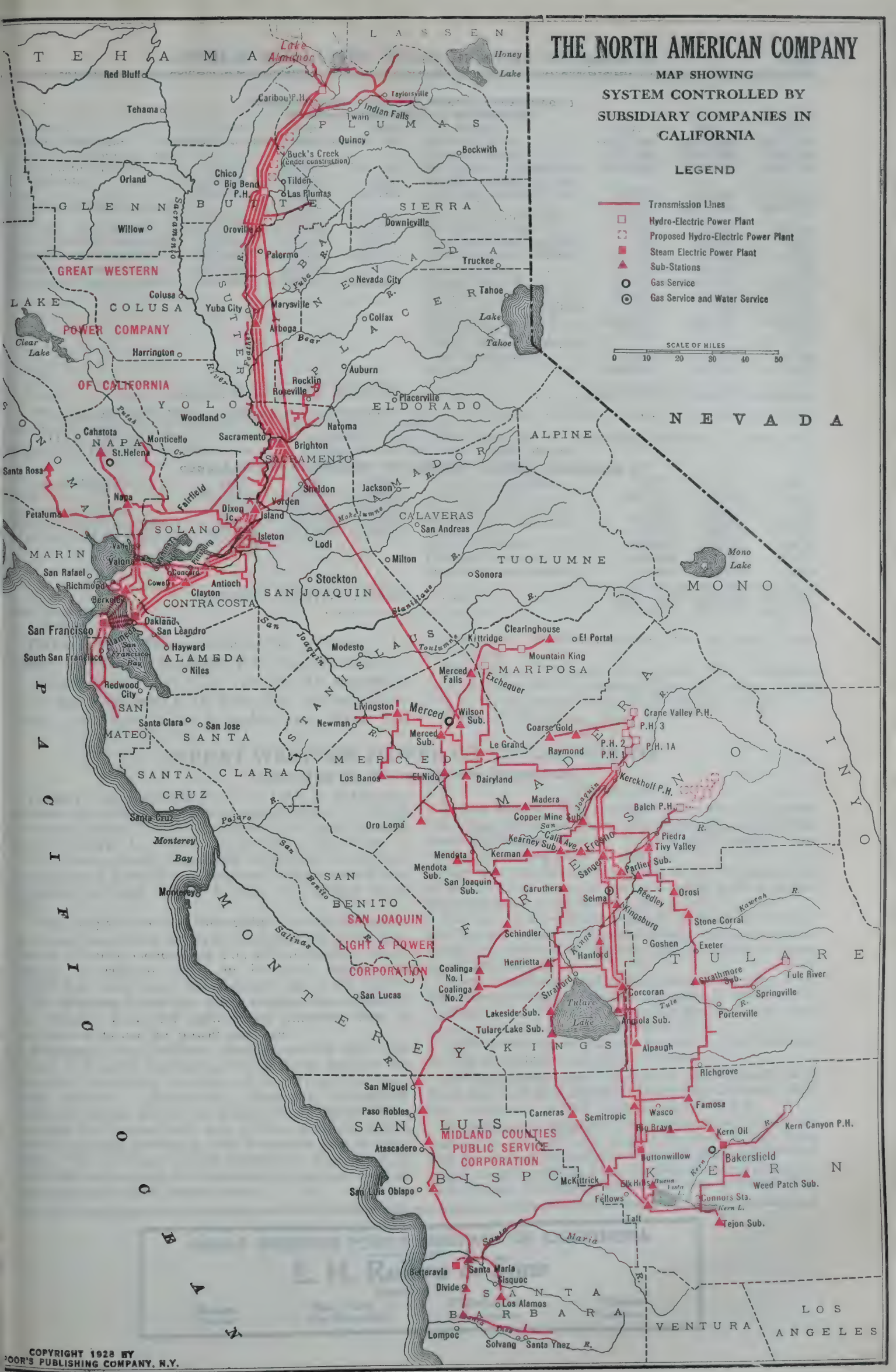
CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Western Power Corp. and Subsidiaries)

	1927	1926	1925
Gross earnings	$18,993,646	$18,765,094	$17,182,316
Operating expenses, maintenance and taxes	7,284,061	8,123,311	7,303,060
Net earnings from oper.	$11,709,585	$10,641,783	$9,879,256
Other income	357,915	265,088	384,411
Gross income	$12,067,500	$10,906,871	$10,263,667
Deductions—			
Interest charges (incl. amortization of bond discount & expense)	$5,436,158	$5,208,951	$5,444,487
Pfd. dividends of subsidiaries	2,371,832	2,130,442	1,750,619
Minority interests	44,284	60,566	37,698
Total	$7,852,274	$7,399,959	$7,232,804
Balance for depreciation, dividends and surplus	4,215,226	3,506,912	3,030,863
Appropriation for depreciation reserves	1,913,746	1,802,652	1,646,968
Balance for dividends & surplus	$2,301,480	$1,704,260	$1,383,895
Pfd. dividends (Western Pr. Corp.)	675,773	675,773	†
Com. dividends (Western Pr. Corp.)	536,000		
Surplus for year	$1,089,707	$1,028,487	
*Times Fixed Charges Earned	1.86	1.75	1.58
*Earnings Per Share—Preferred	$23.83	$17.65	$14.33

*After depreciation. †Not available.

NOTE—Due to a change in accounting procedure, income account figures are not comparable with those of prior years. Figures for 1924 to 1919 inclusive are given on page 920 of 1926 Public Utility Manual.



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THE NORTH AMERICAN COMPANY

MAP SHOWING

SYSTEM CONTROLLED BY

SUBSIDIARY COMPANIES IN

CALIFORNIA

LEGEND

Transmission lines

Proposed Hydro-Electric Power

Steam Electric Power Plant

Sub-Stations

Gas Service

Gas Service and Water Service

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Western Power Corp. and Subsidiaries)

Assets—	1927	1926	1925
Property and plant	$160,491,744	$153,393,476	$140,986,738
Cash and securities on deposit with Trustees	76,729	838,872	1,474,340
Investments	*3,469,968	3,403,111	1,679,227
Cash	1,496,835	848,116	4,279,982
Due from affiliated cos.		1,232,262	
Cash	1,496,835	848,116	4,279,982
Accounts receivable	2,449,718	2,185,820	2,422,727
Notes and bills receivable	105,916	80,305	230,643
Materials and supplies	1,712,983	1,961,953	2,005,918
Prepaid accounts	1,125,554	973,341	805,603
Discount & exp. on secur.	9,641,542	7,048,461	6,815,838
Total	$180,570,989	$171,965,717	$160,700,416

Liabilities—	1927	1926	1925
Preferred stock	$9,655,380	$9,655,380	$9,655,380
Common stock	6,700,000	6,700,000	5,480,000
Pfd. stock of subsidiaries	36,270,363	34,391,833	29,741,686
Minority interests in capital and surplus of subs.	696,148	1,256,840	1,542,842
Funded debt	95,891,250	93,993,900	92,909,950
Due to affiliated cos.	4,143,356		
Accounts payable	787,175	1,517,618	1,574,685
Notes and bills payable	2,450	756,675	4,900
Sundry current liabilities	843,193	652,040	1,308,851
Taxes accrued	913,500	885,878	75,264
Interest accrued	766,906	1,385,610	1,396,315
Dividends accrued	628,876	283,652	103,132
Sundry accrued liabilities	9,358	7,667	10,436
Depreciation reserves	11,832,253	10,498,812	9,594,233
Other reserves	725,600	416,554	502,265
Capital surplus (premium on capital stock)	2,337,500	2,337,500	507,500
Surplus	8,367,681	7,225,758	6,292,977
Total	$180,570,989	$171,965,717	$160,700,416

*Includes $3,113,326 North American Co. Common stock (held for conversion of 5½% Collateral Trust bonds), $287,181 stocks and bonds of other companies, and $69,461 sundry investments.

NOTE—Due to a change in accounting procedure, balance sheet figures are not comparable with those of prior years. Figures for 1924 to 1919, inclusive are given on page 920 of 1926 Public Utility Manual.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925
Cash	$1,496,835	$848,116	$4,279,982
Accounts receivable	2,449,718	2,185,820	2,422,727
Notes and bills receivable	105,916	80,305	230,643
Materials and supplies	1,712,983	1,961,953	2,005,918
Total	$5,765,452	$5,076,194	$8,939,270

Current Liabilities—	1927	1926	1925
Accounts payable	$787,175	$1,517,618	$1,574,685
Notes and bills payable	2,450	756,675	4,900
Sundry crrent liabilities	843,193	652,040	1,308,851
Taxes accrued	913,500	885,878	75,264
Interest accrued	766,906	1,385,610	1,396,315
Dividends accrued	628,876	283,652	103,132
Sundry accrued liabilities	9,358	7,667	10,436
Total	$3,951,458	$5,489,140	$4,473,583
Net Working Capital	$1,813,994	*$412,946	$4,465,687

*Debit.

Officers: F. L. Dame, Chrm. of Bd. & Pres.; J. B. Black, V-P.; F. W. Doolittle, V-P.; J. F. Fogarty, V-P.; Edwin Gruhl, V-P., New York; W. H. Spaulding, V-P., San Francisco; F. H. Piske, Sec.; Robert Sealy, Treas., New York; L. A. Reynolds, Asst. Treas., San Francisco; C. D. Burdick, Asst. Sec. & Asst. Treas., New York.

Directors: J. B. Black, F. L. Dame, F. W. Doolittle, J. F. Fogarty, H. C. Freeman, Carl R. Ganter, Edwin Gruhl, H. H. Pierce, F. H. Piske, H. P. Wilson.

Office, 60 Broadway, New York.

GREAT WESTERN POWER CO. OF CALIFORNIA

(Controlled by Western Power Corporation)

History—Incorporated Nov. 23, 1915, in California, to take over all the properties and business of Great Western Power Co., City Electric Co. and Consolidated Electric Co., such action was taken June 1, 1919. Subsequently purchased properties of the Universal Gas & Electric Co. and controlling interest was acquired in Napa Valley Electric Co. during May, 1926.

The Company owns substantially all of the Common stock and leases and operates the properties of the California Electric Generating Co., which owns a steam station in Oakland, with an installed capacity of 10,500 k.w.; also owns substantially all of the shares of the **Western Canal Co.,** which employs the waters of the Feather River for agricultural purposes after it has served its use for power purposes.

Business—The Company supplies electric light and power in Central California, the business field of the Company, including the cities of San Francisco, Oakland, Berkeley, Sacramento, Martinez, Richmond, Napa, Petaluma and Santa Rosa. The Company also supplies St. Helena with gas service, and operates a central heating system in San Francisco and in Oakland. The territory served contains a population of 1,100,000, embracing 43 communities and an area of approximtaely 2,000 square miles.

PROPERTY

Power Plants—The company owns two hydro-electric plants and three steam generating plants and leases from California Electric Generating Company one steam generating plant at Oakland.

Big Bend hydro-electric plant is on the north fork of the Feather River in Butte County with a present installed capacity of 68,000 k.w.

Caribou hydro-electric plant is on the north fork of the Feather River in Plumas County with a present installed capacity of 65,000 k.w. and an ultimate capacity of 130,000 k.w.

North Beach steam plant is located in the city of San Francisco having an installed capacity of 18,000 k.w.

Phelan steam plant is located in San Francisco, having an installed capacity of 900 k.w.

Bush Street steam plant is located in San Francisco having an installed capacity of 2,000 k.w.

Oakland steam plant is located in Oakland and leased from the California Electric Generating Company, having a present installed capacity of 10,500 k.w.

Transmission System—Two three-phase circuits operating at 110,000 volts extend on steel towers from Big Bend plant 154 miles to Oakland and a 165,000 volt single circuit extends from Caribou on steel towers to Golden Gate Substation about 197 miles in length. The

GREAT WESTERN POWER COMPANY OF CALIFORNIA
E. H. Rollins & Sons
Founded 1876
Boston Denver New York San Francisco Philadelphia Los Angeles Chicago London

Brighton-Merced Tie-line connecting this company with San Joaquin Light and Power Corporation was put into operation July, 1926. It enables these two companies to interchange power at all seasons through the year. It is 103 miles in length, a double circuit line with one circuit strung having a voltage of 165,000 k.v. The total length of transmission lines is 638.7 miles. Five submarine cables, three of which are four miles in length and two of which are nearly seven miles in length operated at 11,000 volts extend under the bay from Oakland to San Francisco.

Reservoir—Lake Almanor, located in Plumas County in the Sierra Nevada Mountains, at an elevation of approximately 4,500 feet, all but a small portion is owned by the Government and occupied by the Company under Federal Power Permit, has a storage capacity of about 1,300,000 acre feet as at present developed.

Undeveloped Rights and Land—The Company either owns in fee simple or holds permits from the Federal Government for power development purposes over practically all land and rights necessary to make an ultimate development of about 725,000 k.w. on the north fork of the Feather River in California, all in conjunction with the present reservoir. Such a vast amount of water power is not available under such favorable conditions on any other stream in the State of California. The entire territory in which the Great Western Power System operates is rapidly developing and the system is being even more rapidly developed, notwithstanding most formidable competition.

In June, 1925, a contract was entered into with Feather River Power Company (see General Index) for the construction by that Company of a power project on Bucks Creek, a tributary of the North Fork of the Feather River. The power house will have a capacity of 40,000 kilowatts, and will be located approximately twenty miles below Company's Caribou plant. Company has contracted to take its output for a period of 35 years, at which time title passes to the Great Western Power Company of California without further payment. This project contemplates the construction of a principal storage reservoir of 103,000 acre feet capacity, formed by a massive rock fill dam, three miles of tunnel and a power plant operating under a head of 2,450 feet. This plant is expected to be placed in operation late in 1927. Feather River Power Co. assumes the burden of financing constructing and operating this property during the 35-year period, although the entire project is being carried forward under the general direction of the Great Western Power Co. engineering organization.

Rights and Franchises—In the opinion of counsel, the rights to the use of the waters of Lake Almanor and the waters of the Feather River are vested in the Company in perpetuity. The transmission lines and a large part of the distributing system are on private right-of-way. The municipal franchises are of long duration and satisfactory terms.

Acquisition Approved—In April, 1928 Company was granted permission by the California Railroad Commission to purchase outstanding Common and Pfd. "B" stocks of Feather River Power Co. for $2,360,000, to be paid within two years with interest at 6%.

OPERATING STATISTICS

	1927	1926	1925	1924	1923	1922
K.w.h. generated—hydro electric	765,587,553	754,166,800	620,114,100	513,055,900	560,288,960	540,374,000
K.w.h. generated—steam		13,629,100	11,082,580	102,426,120	14,994,540	14,769,180
Total	765,587,553	767,795,900	631,196,680	615,482,020	575,283,500	555,143,180
Number of customers—electric	62,747	62,747	57,060	51,984	46,724	38,909
Number of customers—heating	493	.....	.....	.....	.....	.....

CAPITAL STOCK

Authorized, $30,000,000 Common, $15,000,000 7% cumulative Pfd. and $15,000,000 6% cumulative Pfd., Series "A"; outstanding, Dec. 31, 1927, $30,000,000 Common, $12,927,800 7% Pfd. and $4,691,092 6% Pfd., Series "A," par, $100. Western Power Corporation owns all of the Common stock.

Preferred Stock Provisions—On March 23, 1925, the 300,000 shares of Preferred stock of the Company were reclassified into 150,000 shares Preferred and 150,000 shares Preferred, Series "A."

Preferred Stock Series "A" carries dividends at rate of 6% and otherwise there is no distinction or priority as between the Preferred and the Preferred Series "A," the net effect of the reclassification being merely to lower the dividend rate on 150,000 shares of the Company's Preferred stock from 7% to 6% per annum. Both issues of Pfd. have equal voting rights share for share with Common, and are preferred over Common both as to assets and dividends.

Callability—Both issues of Pfd. are redeemable at 105 and dividends on 60 days' notice by mail.

Transfer Agents—Bank of America, 44 Wall St., New York, and H. A. Cooke, 530 Bush St., San Francisco.

Registrars—Equitable Trust Co., New York and Anglo-California Trust Co., San Francisco, Cal.

Annual Meeting—First Tuesday in April in San Francisco.

Listed—Pfd. stock listed on San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
7% Pfd.—						
High	105⅜	105	105	100¾	99	98½
Low	101	101	98	95¼	94	92
6% Pfd. "A"—						
High	101¼	98	..	..	..	..
Low	96⅝	91½	..	..	..	..

Dividends—Dividends on both classes of Pfd. have been paid regularly since issuance; payments quarterly, J, A, J & O 1, to stockholders of record on 15th day of preceding month.

FUNDED DEBT

(1)

$18,883,000 GREAT WESTERN POWER CO. FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JULY 1, 1946

Dated July 1, 1906.

Interest Payable January and July 1, at office of Company, New York or San Francisco.

Denominations—Coupon, $1,000, and registered, $1,000 and multiples thereof; coupon bonds may be registered as to principal and may be exchanged for registered bonds.

Trustees—Bankers Trust Co., and Alvin W. Krech, New York.

Provisions of Issue—Authorized and authenticated, $25,000,000; $539,000 do not bear interest and are held by the Trustee under the mortgage securing the California Electric Generating Co. bonds as additional security thereto, $2,812,000 are pledged under First & Refunding Mortgage, $2,766,000 have been retired through sinking fund leaving $18,883,000 outstanding in hands of the public.

Callability—Subject to call at 106 and interest on any interest date on 90 days' notice.

Sinking Fund—On July 1 in each year, beginning July 1, 1916, the company will deposit with the trustee as a sinking fund a sum equal to 1% of the outstanding bonds, the moneys so deposited to be applied to the purchase of bonds at a price not to exceed 106 and interest.

Security—Secured by first lien on all property formerly owned by Great Western Power Co. Additionally secured by pledge of $5,000,000 stock of California Electric Generating Co. and $350,350 Consolidated Electric Co. First 5s, due 1955, assumed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered in 1909, by E. H. Rollins & Sons, Boston, etc., at 96 and interest.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101½	100¼	98¾	96	93½	95	88½	84¾
Low	99¾	98¾	96	90½	90	88¾	76½	70¾

(2)

$987,000 CITY ELECTRIC CO. FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JULY 1, 1937

Dated July 1, 1907.

Interest Payable January and July 1, at office or agency in San Francisco or New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Anglo-California Trust Co., San Francisco.

Provisions of Issue—Authorized, $5,000,000; authenticated, $4,387,000, of which $839,000 retired through sinking fund and $2,561,100 pledged under First & Refunding Mortgage, leaving $987,000 outstanding in hands of public as at Dec. 31, 1927.

Callability—Subject to call at 105 and interest on any interest day on 60 days' notice.

Sinking Fund—Sinking fund, 1913 to 1917, inclusive, 1% of outstanding bonds; 1918 to 1922, inclusive, 1½%; 1923 to 1932, inclusive, 2%; 1933 to 1937, 2½%.

Security—A first lien on all property formerly owned by City Electric Co. These bonds have been assumed by Great Western Power Co. of California.

Guaranty—Guaranteed, principal and interest, by Great Western Power Co. of California.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103	101	100⅜	97	95	94	90	85
Low	102¼	99½	98	92¾	90	89½	80	77

(3)

$68,000 CONSUMERS LIGHT & POWER CO. GENERAL MORTGAGE SINKING FUND GOLD 6s; DUE APRIL 15, 1933

Dated April 15, 1908.

Interest Payable April and October 15, at American Trust Co. of San Francisco, Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized, $100,000; outstanding $68,000; in treasury, $3,000.

Callability—Subject to call on any interest date on 15 day's notice, ranging from $1,123.70 on Oct. 15, 1913 to $1,004.90 on Oct. 15, 1932, and interest.

Sinking Fund—March 15, 1925-1928, 3% of bonds outstanding; 1929 to 1932, 3½%.

Security—Assumed by Great Western Power Co. of California. A first lien on property of former Consumers Light & Power Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

(4)

$47,000 CENTRAL OAKLAND LIGHT & POWER CO. FIRST MORTGAGE SINKING FUND GOLD 5s; DUE MAY 1, 1939

Dated May 1, 1909.

Interest Payable May and November 1, at Anglo-California Trust Co., San Francisco.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Crocker First Federal Trust Co., San Francisco.

Provisions of Issue—Authorized, $800,000; mortgage closed. Outstanding Dec. 31, 1927, $47,000; $12,000 in treasury.

Callability—Subject to call at 105 and interest May 1 of any year.

Sinking Fund—1½% per annum of outstanding bonds.

Security—A first lien on entire property of former Central Oakland Light & Power Co. Assumed by Great Western Power Co. of California.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

(5)

$1,525,550 CONSOLIDATED ELECTRIC CO. GENERAL MORTGAGE SINKING FUND GOLD 5s; DUE JUNE 1, 1955

Dated June 1, 1915.

Interest Payable June and December 1, at Bankers Trust Co., New York, or Anglo-California Trust Co., San Francisco.

Denominations—Coupon, $100, $250, $500 and $1,000; principal may be registered.

Trustee—Anglo-California Trust Co., San Francisco.

Callability—Subject to call at par after June 1, 1920 on four weeks' notice.

Provisions of Issue—Authorized issue, $2,500,000; authenticated, $2,075,000, of which $10,500 held in treasury, $350,350 pledged under Great Western Power Co. First Mortgage and $188,600 retired through sinking fund, leaving $1,525,550 in hands of public, at Dec. 31, 1927. $425,000 of these bonds have not been issued by virtue of the provisions of the First and Refunding Mortgage.

Sinking Fund—Sinking fund, 1% annually of outstanding bonds, began June 1, 1920.

Security—Secured by first lien on all properties formerly owned by Consolidated Electric Co., subject to the following bonds in hands of public: $47,000 Central Oakland Light & Power Co. First 5s due 1939, and $68,000 Consumers Light & Power Co. General 6s due 1933. Assumed by Great Western Power Co. of California.

Guaranty—Guaranteed, principal and interest, by Great Western Power Co. of California.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925
High	101	100	98½
Low	99¼	98	84

(6)

$5,800,800 GREAT WESTERN POWER CO. OF CALIFORNIA FIRST AND REFUNDING SINKING FUND GOLD 6s, SERIES "A"; DUE MARCH 1, 1949

Dated March 1, 1919.

Interest Payable March and September 1, at office in New York and San Francisco.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Issue, $6,000,000 Series "A," of which $199,200 in sinking fund at Dec. 31, 1927, leaving $5,800,800 in hands of the public.

All the outstanding Series "B" 7s, dated Aug. 1, 1920 and due Aug. 1, 1950 were called for payment Aug. 1, 1925 at 110 and interest at Bankers Trust Co., New York.

The First and Refunding Mortgage bonds are issuable in Series maturing at such dates, not later than March 1, 1979, and bearing such rates of interest as may from time to time be determined by the Board of Directors. Provision is made for the issuance of bonds to refund the bonds of the Great Western Power Co., the City Electric Co. and the Consolidated Electric Co., or to acquire for pledge, with the Trustee as additional security for this mortgage, the bonds aforesaid and the bonds of the California Electric Generating Co. The proceeds of the first $6,000,0000 bonds and $1,000,000 cash additional having been expended on the properties remaining bonds may then only be issued for not exceeding in par value 80% of the cash cost of improvements, extensions, betterments, or acquisitions, provided net earnings as defined in the mortgage for twelve consecutive months within the preceding fifteen months, are not less than 1¾ times the annual interest

on all mortgage bonds of the Company outstanding, including underlying bonds and bonds requested to be certified. Otherwise the authorized issue is not limited as to amount.

Callability—Subject to call as a whole or in part on 60 days' notice on the first day of any month at the following prices and accrued interest: 103 to Feb. 28, 1939; 102 thereafter to Feb. 28, 1948, and par thereafter to maturity.

Sinking Fund—The Deed of Trust provides for payment to the trustee on Jan. 1 of each year, commencing 1923, of an amount in cash equal to 1½% of the par value of all bonds outstanding under this mortgage, of which sum not less than one-third shall be devoted to the acquisition of bonds by purchase or by call, bonds so acquired to be kept alive and interest added to the fund, and the remaining two-thirds for improvements, extensions, betterments, or acquisitions which shall not be made the basis for the certification of additional bonds.

Security—Secured equally with Series "C" and "D" by a mortgage on all property formerly owned by Great Western Power Co., City Electric Co. and Consolidated Electric Co. subject to underlying bonds and by a first mortgage on the hydro-electric generating station, known as "Caribou Station," also by a first mortgage on certain properties acquired by Great Western Power Company since the execution of the mortgage and Deed of Trust and by deposit with the Trustee of the following securities:

$2,812,000 Great Western Power Co. First Mortgage 5% bonds.

$2,561,000 City Electric Co. First Mortgage 5% bonds.

By lien on $539,000 Great Western Power Co. First Mortgage 5% bonds, subject to lien of California Electric Generating Co. mortgage, said bonds to be deposited hereunder as released from California Electric Generating Co. mortgage.

By lien on $350,350 Consolidated Electric Co. General Mortgage 5% bonds and the Common stock of California Electric Generating Co. and Western Canal Co., subject to lien of Great Western Power Co. First Mortgage 5s.

By lien on all properties hereafter to be acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Tax in California.

Legal Opinion—Campbell, Harding & Pratt, New York (for the bankers) and Shattuck, Glenn, Huse & Ganter, New York, and Guy C. Earl, San Francisco (for the Company).

Legal for Savings Banks in Maine and California.

Original Offering—First publicly offered ($3,000,000 Series "A") in May, 1919, at 95 and interest, to yield 6.38%, by E. H. Rollins & Sons, Bonbright & Co., and Lee, Higginson & Co., New York, etc.; $2,000,000 additional by same firms in Oct., 1919, at 96 and interest.

Listed—Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	104	104	102½	101	100	100
Low	102¾	102¼	100	97	96	97

(7)

$5,810,400 GREAT WESTERN POWER CO. OF CALIFORNIA FIRST AND REFUNDING SINKING FUND GOLD 6s SERIES "C"; DUE FEBRUARY 1, 1952

Dated February 1, 1922.

Interest Payable February and August 1, at office of Company in New York or San Francisco.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, Series "C", $6,000,000 of which $165,900 held alive in sinking fund, $23,700 in treasury, and $5,810,400 in hands of public at Dec. 31, 1927. For further details, see under description of Series "A" bonds above.

Callability—Subject to call on any interest date at 106 and interest.

Sinking Fund—See under description of Series "A" bonds above.

Security—See under description of Series "A" bonds above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Tax in California.

Legal Opinion—Goodfellow, Eells, Moore & Orrick, San Francisco.

Legal for Savings Banks in Maine and California.

Original Offering—First publicly offered ($1,000,000) in March, 1922, at 99 and interest, yielding over 6%, by Lee, Higginson & Co., Bonbright & Co., Inc., and E. H. Rollins & Sons, New York, etc, and Cyrus Peirce & Co., San Francisco; $2,000,000 additional in April, 1924, at 99½ and interest.

Listed—Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925
High	104¾	104⅛	102¼
Low	104¼	102¾	99½

(8)

$9,338,000 GREAT WESTERN POWER CO. OF CALIFORNIA FIRST AND REFUNDING SINKING FUND GOLD 5½s, SERIES "D"; DUE FEBRUARY 1, 1955

Dated February 2, 1925.

Interest Payable February and August 1, at Company's office in New York or San Francisco.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, Series "D," $10,700,000 of which $1,200,000 in treasury, $162,000 in sinking fund, leaving $9,338,000 outstanding with public at Dec. 31 1927. For further details see under description of Series "A" bonds above.

Callability—Subject to call on the first day of any month on 60 days' notice at 102½ and accrued interest to and including Feb. 1, 1935, and thereafter at par and accrued interest plus a premium of ⅛% for each year or portion thereof of unexpired term.

Sinking Fund—See under description of Series "A" bonds above.

Security—See description of Series "A" bonds above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse the holders of these bonds, if requested within 60 days after payment, for the Pennsylvania 4 mill tax and for the Massachusetts Income Tax on the interest, not exceeding 6% of such interest per annum. Exempt from Personal Property Tax in California.

Legal Opinion—Goodfellow, Eells, Moore & Orrick, San Francisco.

Original Offering—First publicly offered ($1,500,000) in Feb., 1925, by E. H. Rollins & Sons, New York, Boston, San Francisco, etc. $6,300,000 additional offered in May, 1925, at 99 and accrued interest, to yield about 5.57%. $1,000,000 additional offered in September, 1925, at 99 and interest to yield about 5.57% by E. H. Rollins & Sons, Lee, Higginson & Co., Peirce, Fair & Co., and Bonbright & Co., Inc., New York, etc.

Listed—Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925
High	102⅞	101¼	98½
Low	100	98¼	97⅝

(9)

$40,000 NAPA VALLEY ELECTRIC CO. FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1931

Dated January 1, 1911.

Interest Payable January and July 1, at Bank of Napa, Napa, Cal.

Denomination—Coupon, $500; principal may be registered.

Trustee—Bank of Napa, Napa, Cal.

Provisions of Issue—Authorized, $50,000; outstanding, $40,000.

Callability—Subject to call at 105 and interest at any time.

Security—A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(10)

$4,000,000 GREAT WESTERN POWER CO. OF CALIFORNIA, FIVE-YEAR 5½% GOLD NOTES; DUE NOVEMBER 2, 1930

Dated November 2, 1925.

Interest Payable May and November 2, at Company's office, New York.

Denominations—Coupon, $500 and $1,000.

Provisions of Issue—Authorized and outstanding, $4,000,000. Proceeds were applied toward payment of $4,177,600 Ten-Year 6% Debentures, due Nov. 1, 1925.

Trustee—The Equitable Trust Co. of New York.

Callability—Subject to call at any time upon 30 days' notice, at par, accrued interest and a premium of ¼ of 1% for each year or portion thereof of any unexpired term.

Security—These notes are a direct obligation of Great Western Power Co. of California.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse resident holders, if requested within 60 days after payment in the manner provided in the Agreement, for the Massachusetts Income Tax not exceeding 6% per annum on the interest, the present Pennsylvania 4 Mill Tax, and the present California Personal Property Tax not exceeding 4 Mills per annum.

Legal Opinion—Campbell, Harding & Pratt (for the Bankers) and Glenn & Ganter, New York, and Guy C. Earl, San Francisco (for the Company).

Original Offering—First publicly offered ($4,000,000) in October, 1925, at 99 and interest to yield over 5.70%, by E. H. Rollins & Sons, Lee, Higginson & Co., Bonbright & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$9,080,072	$8,532,683	$8,005,544
Operating exp. & taxes	3,233,195	3,167,085	3,064,919
Gross income	$5,846,877	$5,365,598	$4,940,625
Total interest charges	3,069,064	2,852,959	2,886,975
Interest charged to capital.	*206,444	*187,560	*110,145
Preferred dividends	1,136,865	992,900	741,325
Total deductions	$3,999,485	$3,658,299	$3,518,155
Balance for depre., Common divds. & surplus	$1,847,392	$1,707,299	$1,422,470
Depreciation	609,650	577,940	547,742
Balance for Common divds. & surplus	$1,237,742	$1,129,359	$874,728
†Times Interest Earned	2.04	2.01	1.78
†Earnings Per Share (Pfd.)	$16.93	$16.72	$15.73

*Credit. †Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Property and plant	$102,629,837	$98,156,018	$91,532,201	$86,514,864	$83,274,843
Cash and securities deposited with Trustee	70,765	113,644	308,529	758,819	724,538
Investments	1,196,374	1,190,444	1,109,743	1,153,985	1,042,304
Current assets	2,288,023	2,318,636	3,112,922	2,160,632	2,272,405
Prepaid accounts	745,683	625,726	458,349	377,086	344,916
Discount & expense on funded debt	3,010,119	3,201,573	3,336,867	2,649,946	2,543,101
Discount on Pfd. capital stock	808,233	760,541	664,040	659,260	607,310
Total	$110,749,034	$106,366,582	$100,522,651	$94,274,592	$90,809,417
Liabilities—					
Preferred capital stock including subscriptions	$17,618,892	$16,146,754	$13,759,219	$8,699,984	$7,652,084
Common capital stock	30,000,000	27,500,000	27,500,000	27,500,000	27,500,000
Funded debt	46,998,750	47,509,900	48,035,950	46,495,650	44,890,150
Current & accrued liabilities	5,849,364	5,487,700	1,897,471	2,640,926	2,179,126
Reserves	4,658,718	4,330,722	4,181,526	3,797,135	3,568,139
Surplus	5,623,310	5,391,506	5,148,485	5,140,897	5,019,918
Total	$110,749,034	$106,366,582	$100,522,651	$94,274,592	$90,809,417

Officers: Guy C. Earl, Pres.; A. E. Wishon, V-P. & Gen. Mgr.; J. B. Black, V-P.; F. W. Doolittle, V-P.; W. H. Spaulding, Sec.; Robert Sealy, Treas.; C. E. Hall, Asst. Sec.; F. H. Piske, Asst. Sec.; L. A. Reynolds, Asst. Sec. & Asst. Treas.; C. D. Burdick, Asst. Treas.; William Forrest, Asst. Treas.

Directors: Guy C. Earl, J. B. Black, B. H. Dibblee, James Irvine, Elmer H. Cox, W. H. Spaulding, A. Emory Wishon, Ernst E. Behr, A. G. Wishon, F. W. Doolittle, F. L. Dame, Edwin Gruhl, J. F. Fogarty.

Principal Offices, 225 Bush St., San Francisco, Cal., and 60 Broadway, New York.

CALIFORNIA ELECTRIC GENERATING COMPANY

(Controlled by Great Western Power Co. of Cal.)

History and Property—Incorporated November 23, 1908, in California. The Company owns property consisting of a steam electric generating station on the waterfront in Oakland, Cal., with a present installed capacity of 10,500 k.w. This station is leased to Great Western Power Co. of California and operated as a part of that company's system. Rental provides for interest and sinking fund on bonds; also 6% dividends on Preferred stock, taxes and nominal amount to cover cost of maintaining Company organization.

CAPITAL STOCK

Authorized and outstanding, $5,000,000 Common and $2,500,000 6% (cumulative since Jan. 1, 1912) Pfd.; par, $100. The Great Western Power Co. of Cal. owns all of the Common stock.

Preferred Stock Provisions—Has preference for assets and dividends, and votes equally with the Common, share for share.

Callability—Pfd. stock is subject to redemption at 106 and accrued dividends.

Transfer Agents—H. A. Cooke, 225 Bush St., San Francisco, and Bank of America, 44 Wall St., New York.

Registrars—Central Union Trust Co., New York, and Anglo-California Trust Co., San Francisco, Cal.

Annual Meeting—First Tuesday in April in San Francisco.

Price Range—

Preferred—	1927	1926	1925
High	104½	95	93
Low	96	89	89

Dividends—Under the terms of the lease (see above) the Great Western Power Co. of Cal. guarantees dividends at the rate of 6% on the Pfd. stock; first payment of 1½% was made April 1, 1912, and similar payments have been regularly made since, quarterly. J, A, J & O 1.

FUNDED DEBT

$777,000 FIRST MORTGAGE SINKING FUND GOLD 5s, SERIES "A"; DUE SEPTEMBER 1, 1948

Dated September 1, 1908.

Interest Payable March and September 1, at Central Union Trust Co., New York, or Anglo-California Trust Co., San Francisco.

Denomination—Bonds are in coupon and registered forms of $1,000 each; coupon bonds may be registered as to principal, and may be exchanged for fully registered bonds.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $4,900,000, of which $1,500,000 are Series "A" and $3,400,000 Series

"B"; issued, $1,200,000 Series "A", of which $423,000 retired through sinking fund, leaving $777,000 outstanding in hands of public as at Dec. 31, 1927. No bonds of Series "B" have been issued.

Callability—Subject to call at 105 and interest on any interest date on 60 days' notice.

Sinking Fund—On Jan. 1 in each year from Jan. 1, 1913, the company will deposit with the trustee as a sinking fund for Series "A" bonds the sum of $28,000 and as a sinking fund for Series "B" bonds a sum equal to 1½% of the Series "B" bonds outstanding, the money so deposited to be applied to the purchase of bonds at a price not exceeding 105 and interest.

Security—Secured by a first lien on the steam generating plant at Oakland, Cal., and also by pledge of $539,000 First Mortgage bonds of the Great Western Power Co., due 1946.

Guaranty—Guaranteed, principal, inteest and sinking fund, by the Great Western Power Co. of Cal.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,200,000) in Feb., 1909, by E. H. Rollins & Sons, Boston, New York, etc.

Listed—San Francisco Stock Exchange.

Price Range—

	*1927	*1926	1925	1924	1923	1922	1921	1920
High	102	101½	100	95½	97½	97½	88	75
Low	100½	93¾	99	95½	94	91	77½	72

*High and low bid.

Officers: Guy C. Earl, Pres.; A. E. Wishon, V-P.; J. B. Black, V-P.; F. W. Doolittle, V-P.; Robert Sealey, Treas.; W. H. Spaulding, Sec.; C. E. Hall, Asst. Sec.; F. H. Piske, Asst. Sec.; L. A. Reynolds, Asst. Treas.; C. D. Burdick, Asst. Treas.

Directors: James Irvine, Guy C. Earl, E. E. Behr, J. B. Black, Chaffee E. Hall, W. H. Spaulding, B. H. Dibblee, Elmer H. Cox, F. W. Doolittle, F. L. Dame, Edwin Gruhl, J. F. Fogarty.

General Office, San Francisco, Cal. **New York Office,** 60 Broadway.

FEATHER RIVER POWER COMPANY

(Controlled by Great Western Power Co. of California)

History and Properties—Inc. June 5, 1925 in Cal. Company was organized for the purpose of developing its water-rights on waterways tributary to the North Fork of the Feather River in Plumas County, California. Construction of its first hydro-electric development, known as the Bucks Creek Development, was begun in July, 1925, with a proposed initial installed generating capacity of 40,000 k.w., to be operated under an effective head of about 2,412 feet, capable of producing a mean annual output of 233,000,000 k.w.h. of primary power at 63% plant factor.

Company has entered into a contract for the construction of the project by R. C. Storrie & Co., Contractors, of San Francisco, at a contract price not to exceed $7,691,889. This price includes lands, water-rights, carrying charges during construction (including interest on the First Mortgage bonds described below), engineering and superintendence, and the office expenses of the Company. Company is not obligated to pay any portion of the contract price in excess of the net proceeds received by it from the sale of $5,500,000 First Mortgage bonds and 21,000 shares of capital stock, which it has been authorized by the Railroad Commission to issue, and the proceeds of such further shares of its capital stock as the Railroad Commission may hereafter authorize it to issue, for the purpose of constructing said project and paying the contract price thereof. Based on a rated output of 40,000 K. W., the total cost of this development will not exceed $192 per K. W. Contractors' faithful performance bond and labor and material bond in the aggregate amount of $6,850,000 have been deposited with the Trustee of Company's First Mortgage bonds, insuring completion of the project within the contract time and price free and clear of all liens and encumbrances, except the lien of Company's First Mortgage bonds.

The plant was expected to be placed in operation in March, 1928.

Great Western Power Company Contract—Company has entered into a purchase contract with the Great Western Power Company of California under the terms of which the latter Company agrees to purchase the entire output of the Bucks Creek plant at a 63% plant factor, as defined in said contract, at a flat rate of 4 mills per K. W. H. and, through such power purchase, will become the owner of the plant and all appurtenances and water-rights in 35 years from time of completion, subject, however, to the lien of any of the Feather River Power Co. First Mortgage bonds which may be outstanding at that time. This power contract extends to the last maturity of these bonds and has been approved by the State Railroad Commission. Payments for power are to be made quarterly direct to the Trustee of the Feather River Power Co. First Mortgage bonds, to whom the contract has been assigned. The Trustee shall have sole custody of these funds and shall apply them, first towards the payment of operating expenses and taxes and then towards the payment of principal and interest on said bonds.

New Control—Great Western Power Company of California in April, 1928, was granted permission by the California Railroad Commission to purchase outstanding Common and Preferred "B" stocks of Company for $2,360,000, to be paid within two years with interest at 6%.

CAPITAL STOCK

Authorized, $1,000,000 Common, $1,000,000 Class "A" 7% cumulative Pfd., and $2,000,000 Class "B" cumulative Pfd.; outstanding, March 2, 1928, $817,200 Common, $1,000,000 Class "A" Pfd., and $1,153,900 Class "B" Pfd.; par, $100. Pfd. stock is subject to serial redemption at par.

Class "A" Preferred Stock Provisions—Preferred as to assets and cumulative dividends and entitled to receive $100 per share and accrued dividend in the event of liquidation or dissolution of the Company. Company shall not issue any stock having any preference over, or additional stock on a parity with the Class "A" stock without affirmative vote of holders of at least three-fourths in amount of the Class "A" stock. Subject to redemption for the sinking fund, at par and accrued dividend on 20 days' notice Company is obligated to set aside in a sinking fund for retirement of Class "A" stock an amount each year which will be sufficient to effect retirement of all this stock within the life of the power contract. These amounts will vary from $6,000 on Jan. 1, 1929, to $68,000 on Jan. 1, 1963. Sinking fund moneys shall be used by the Trustee to purchase or call by lot at not more than par and accrued dividend sufficient Class "A" stock to exhaust such sinking fund.

Transfer Agents—Class "A" stock is transferred at Company's office, San Francisco. Class "B" and Common stocks at Harris Trust & Savings Bank, Chicago.

Registrars (Class "A")—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal. (Class "B" and Common): Harris Trust & Savings Bank, Chicago.

Tax Provisions—Dividends exempt from Normal Federal Income Tax under existing laws; exempt from the California Personal Property Tax.

Legal Opinian (Class "A" Pfd.)—Gibson, Dunn & Crutcher, Los Angeles, Cal.

Original Offering—Class "A" Pfd. stock first publicly offered ($1,000,000) in August, 1927, at 98 and dividend, by E. H. Rollins & Sons, Peirce, Fair & Co., and Wm. R. Staats Co., Los Angeles, Cal.

Annual Meeting—First Monday in June.

Dividends—Dividends on Class "A" Pfd. stock accrue from Sept. 1, 1927; initial payment of 58 1/3 cents

per share for one month period was paid Oct. 1, 1927; $1.75 per share Jan. 3, 1928; payments quarterly, J, A, J & O 1.

FUNDED DEBT

$5,500,000 FIRST MORTGAGE SERIAL GOLD 6s, DUE SERIALLY ON JANUARY 1 EACH YEAR AS FOLLOWS:

1929	$49,000	1941	$99,000	1953	$200,000
1930	52,000	1942	105,000	1954	212,000
1931	56,000	1943	112,000	1955	224,000
1932	58,000	1944	118,000	1956	238,000
1933	63,000	1945	125,000	1957	252,000
1934	66,000	1946	133,000	1958	267,000
1935	70,000	1947	141,000	1959	284,000
1936	74,000	1948	149,000	1960	300,000
1937	78,000	1949	158,000	1961	318,000
1938	84,000	1950	168,000	1962	338,000
1939	88,000	1951	178,000	1963	361,000
1940	94,000	1952	188,000		

Dated November 1, 1925.

Interest Payable January and July 1, at main office of the Los Angeles-First National Trust & Savings Bank, Los Angeles, or at Bankers Trust Co., New York City.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized, $5,500,000; proceeds of these bonds are impounded with the Trustee to be withdrawn from time to time as construction progresses. Such withdrawals shall be made only against engineer's construction certificates covering expenditures previously made which have been approved by an engineer on the ground representing the underwriter of the bonds.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 100 and interest, plus a premium of ½ of 1% for each unexpired year, or fraction thereof, of the respective maturities, but not exceeding in any case a premium of 5%. If redeemed in part, the Company will call for payment, bonds of the last maturity outstanding at premiums as stated above.

Special Reserve Fund—Under the terms of the Trust Indenture securing these bonds, Company is obligated to set aside out of its earnings (remaining after the prior payment of principal and interest of these bonds and the principal and dividends on the Class "A" 7% Preferred stock as such payments become due) and maintain with the Trustee a Special Reserve Fund in the amount of $500,000, either in cash or in bonds of this issue or other securities approved by the Trustee and First Securities Company, Los Angeles, California, which fund shall be available for the protection of the principal and interest of these bonds in any emergency which may arise during the life of the issue. Should this fund be drawn upon or depleted the Company is obligated to immediately restore such fund and to suspend any dividends upon its Class "B" Preferred or Common stocks until the complete restoration of such fund.

Security—Secured by a direct first closed mortgage on all lands, main storage dam, diversion dams, tunnels, conduits, power-house with installed capacity of 40,000 K. W. generating equipment, transformers and all appurtenant property comprising the Bucks Creek Development. Further secured by assignment to the Trustee of all the rights and interest of Company in and to the power contract with the Great Western Power Company of California and by the deposit with the Trustee of all of Company's water-rights, permits and licenses granted by the Federal Power Commission and the State Division of Water Rights which are appurtenant to its present development.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from the personal property tax in California.

Legal Opinion—Gibson, Dunn & Crutcher, Los Angeles.

Original Offering—First publicly offered ($5,500,000) in November, 1925, at par and interest, by First Securities Co., W. R. Staats Co., California Securities Co., Dean, Witter & Co., Stevens, Page & Sterling, Bond & Goodwin & Tucker, and California Co., Los Angeles, Cal., etc., and E. H. Rollins & Sons and Peirce, Fair & Co., New York.

OFFICERS AND DIRECTORS

Officers: Karl Brehme, Pres., Belvedere, Cal.; Lars R. Jorgensen, V-P., San Francisco; Culbert W. Faries, Sec.-Treas., Burlingame, Cal.

Directors: Karl Brehme, Belvedere, Cal.; Lars R. Jorgensen, Berkeley, Cal.; Samuel Kahn, Robert M. Searls, San Francisco, Cal.; one vacancy.

Office, Hobart Building, San Francisco, Cal.

MIDLAND COUNTIES PUBLIC SERVICE CORPORATION

(Controlled by Western Power Corporation)

History—Incorporated Nov. 29, 1909, in Cal. as the Coalinga Water & Electric Co. (see Manual for 1913, page 3326), which company changed its name in 1914 to present title; acquired the properties of Midland Counties Gas & Electric Co. (see Manual for 1913, page 3488); Paso Robles Light & Water Co. and The Russell Robison Water & Electric Co.

The Corporation operates in the western portion of Fresno County, the southern part of Monterey County, the entire county of San Luis Obispo and the northern part of Santa Barbara County. Principal cities and towns served with electric light and power are: San Luis Obispo, Santa Maria, Arroyo Grande, Coalinga, San Miguel and Paso Robles. Also serves Arroyo Grande with domestic water service. All power is purchased from San Joaquin Light & Power Corp. Population served, 58,000 in 47 communities, covering approximately 1,638 square miles.

Properties—The Corporation owns and operates 185 miles of 60,000 volt transmission lines, and 11 sub-stations having a total capacity of 24,650 k.v.a.

Franchises—The Corporation operates in the cities under constitutional rights, which are equivalent to perpetual franchises, and outside incorporated limits, either under long term franchises or on private right-of-way. About 65% of the total length of transmission line is located on private right-of-way.

OPERATING STATISTICS, DECEMBER 31, 1927

K.w.h. output for year	73,709,065
Electric customers	10,632
Water customers	246

CAPITAL STOCK

Authorized, $2,000,000 Common and $1,000,000 7% Pfd.; outstanding, $1,000,000 Common and $500 Pfd.; par, $100. An assessment of $100,050 was levied and paid in 1917, and one of $100,050 in 1918. Western Power Corporation owns all of the Common and Pfd. stocks.

Annual Meeting—Second Tuesday in April, at Fresno, Cal.

FUNDED DEBT

$2,475,000 FIRST MORTGAGE THIRTY-YEAR 5% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable January and July 1, at The Union Bank & Trust Co., Los Angeles, Cal., at Wells Fargo Bank & Union Trust Co., San Francisco and office of North American Co., 60 Broadway, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Union Bank & Trust Co of Los Angeles, Cal.

Provisions of Issue—Authorized and issued, $2,500,000 Series "A"; outstanding, Dec. 31, 1927, $2,475,000. These Series "A" bonds were issued under the Corporation's General and Refunding (now a first) Mort-

gage, dated September 1, 1921, and an Indenture supplemental thereto, dated January 1, 1927. Additional First Mortgage bonds may be issued for a principal amount not exceeding 75% of the cost of additions to or extensions or improvements of the Corporation's properties, when the net income for 12 consecutive months out of the preceding 14 months has been at least equal to 1¾ times the annual interest on all outstanding bonds, including those for which authentication shall have been requested and may also be issued to refund a like amount of First Mortgage bonds.

Purpose of Issue—Proceeds of the $2,500,000 Series "A" bonds were to be used to reimburse Corporation's treasury for funds expended for the redemption of all previously outstanding bonds and for expenditures for additions, extensions or improvements to its system.

Callability—Series "A" bonds are subject to call as a whole or in part by lot on the first day of any month on 30 days' notice to and including June, 1928, at 105 and interest with the redemption price successively reduced ¼ of 1% during each 18 months' period thereafter. In the event of the acquisition of the property of the Corporation by San Joaquin Light and Power Corporation, the Corporation may also redeem all or any part of the Series "A" bonds upon at least 30 days' notice, in cash at the principal amount thereof plus accrued interest, provided, however, that in such event the holders of such Series "A" bonds may elect, in accordance with the terms of the supplemental indenture, to receive in lieu of cash a like principal amount of San Joaquin Light and Power Corporation Unifying and Refunding Mortgage 30-Year 5% Gold bonds, Series "D," to become due January 1, 1957.

Sinking Fund—The Mortgage provides for an annual sinking fund, commencing Sept. 1, 1927, amounting to 2% of the total bonded indebtedness at the time outstanding. Of this amount one-half must be used for the purchase or redemption of First Mortgage bonds; the other half may be invested by the Corporation in new construction, extensions and betterments against which no bonds can be issued, or, failing such use by the Corporation must be used to purchase or redeem First Mortgage bonds.

Security—Secured by a direct first mortgage on the Corporations' entire properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—O'Melveny, Milliken & Tuller.

Original Offering—First publicly offered ($2,500,000) in June, 1927 at 96¾ and interest, to yield over 5.20% by Peirce, Fair & Co. and Blyth, Witter & Co., San Francisco, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings (incl. other income)	$1,323,854	$1,189,844	$1,220,148	$1,022,509	$869,724	$837,483
Operating expenses and taxes	879,965	864,540	759,832	678,192	607,897	629,069
Net earnings	$443,889	$325,304	$460,316	$344,317	$261,827	$208,414
Bond interest	73,305	121,061	131,910	131,964	164,636	149,493
Other interest charges	128,298	62,004	41,061	39,077		
Preferred dividends	487	.....	.....	.....	.....	.....
Total charges	$204,090	$183,065	$172,971	$171,041	$164,636	$149,493
Balance for deprec., Common divds. & surplus	239,799	142,239	287,345	$173,275	$97,191	$58,921
Depreciation	118,957	105,478	93,309	80,557	64,403	*
Balance for Common dividends and surplus	$120,842	$36,761	$194,036	$92,718	$32,788	$58,921
†Times Fixed Charges Earned	2.18	1.78	2.68	2.01	1.59	1.39

*Not available. †Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Property and plant	$5,249,468	$5,020,955	$4,307,531	$4,158,464	$3,733,091
Treasury securities	10,000	975	975	2,925	2,950
Current assets	270,328	267,175	285,407	348,672	439,743
Sinking fund	5,048	258,867	510	48	240
Deferred debits	416,440	114,764	102,079	104,172	110,188
Total	$5,951,284	$5,662,736	$4,696,502	$4,614,281	$4,286,212
Liabilities—					
Capital stock	$1,000,500	$1,000,500	$1,000,500	$1,000,500	$1,000,500
Assessments	200,100	200,100	200,100	200,100	200,100
Funded debt	2,475,000	1,884,000	1,886,000	1,888,000	1,891,000
Current liabilities	1,173,380	1,584,161	721,015	867,678	730,345
Accrued liabilities	33,754	73,554	46,341	47,016	55,158
Reserves	588,364	504,798	454,483	417,488	315,464
Surplus	480,186	415,623	388,063	193,499	93,645
Total	$5,951,284	$5,662,736	$4,696,502	$4,614,281	$4,286,212

Officers; A. G. Wishon, Pres.; A. Emory Wishon, V-P. & Gen. Mgr.; J. B. Black, V-P.; F. W. Doolittle, V-P.; W. E. Durfey, Sec. & Asst. Treas.; Robert Sealy, Treas.; Ernst E. Behr, Compt.; Murray Bourne, Gen. Counsel; M. S. Babcock, Asst. Sec. & Asst. Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, Asst. Treas.

Directors: J. B. Black, F. W. Doolittle, Edwin Gruhl, A. G. Wishon, Murray Bourne, W. E. Durfey, A. Emory Wishon, Guy C. Earl, A. C. Joy.

General Office, 1401 Fulton Street, Fresno, Cal.

SAN JOAQUIN LIGHT & POWER CORPORATION

(Controlled by Western Power Corp).

History—Incorporated July 19, 1910, in Cal.; consolidation of San Joaquin Light & Power Co. (see Manual for 1910, page 2153); Power, Transit & Light Co. of Bakersfield (see Manual for 1910, page 2103), and Merced Falls Gas & Electric Co. (see Manual for 1910, page 1902).

SAN JOAQUIN LIGHT & POWER CORPORATION

E. H. Rollins & Sons

Founded 1876

Boston New York Philadelphia Chicago
Denver San Francisco Los Angeles London

The Corporation does a general power business throughout the territory in which it operates, in which the following are the principal cities and towns: Fresno, Bakersfield, Merced, Madera, Selma, Hanford, Sanger, Reedley and Dinuba, all in California; distributes gas in Bakersfield, Merced and Selma; operates the street railway system in Bakersfield, and furnishes domestic water service in Selma. Population served, over 312,000 in over 174 communities covering approximately 9,045 square miles.

Franchises—The Corporation operates in the cities under constitutional rights which are equivalent to perpetual franchises, and outside incorporated limits, either under long-term franchises or on private rights-of-way.

Property—The Company owns and operates 12 hydro and 3 steam generating plants having a capacity of 52,000 k.w. steam and 112,905 k.w. hydro. The hydro plants include the Balch Power House on the King's River with 31,500 k.w. placed in operation in February, 1927, and operating under a head of 2,831 feet. Water for the six hydro plants on the San Joaquin River is impounded in the Crane Valley Reservoir. About one-half of the total length of transmission lines is located on private right-of-way. The Corporation also owns about 50 substations. Also owns 10½ single track miles of standard gauge electric railway line with 12 cars and 5 buses.

OPERATING STATISTICS, DECEMBER 31, 1927

K.w.h. output	708,974,424
Total k.w. generating capacity	164,905
Electric customers	74,665
Gas customers	10,949
M. C. F. gas output	1,070,185
Water customers	1,105
Revenue car miles operated	372,158
Revenue bus miles operated	191,884
Revenue passengers carried, cars	1,045,499
Revenue passengers carried, buses	285,571

CAPITAL STOCK

Authorized, $50,000,000 Common, $25,000,000 7% cumulative Prior Pfd., $50,000,000 6% cumulative Prior Pfd., Series "A," $18,500,000 7% cumulative Pfd., Series "A," and $6,500,000 6% cumulative Pfd. Series "B"; outstanding, Dec. 31, 1927, $11,000,000 Common, $11,824,776 7% Prior Pfd., $4,562,095 Series "A" 6% Prior Pfd., $6,452,000 Series "A" 7% Pfd., and $48,000 Series "B" 6% Pfd.; par of all issues, $100. The Western Power Corp. of New York owns 50.9% of Common and Pfd. stocks.

Preferred Stock Provisions—The 7% Prior Pfd. and 6% Prior Pfd., Series "A" have equal first preference as to assets and dividends over the 7% Series "A" and 6% Series "B" stocks. All Pfd. stocks have no voting rights.

Callability—All classes of Pfd. stock are non-callable.

Transfer Agents—A. W. Uhrich, 1401 Fulton St., Fresno, Cal. Prior Pfd. and Prior Pfd. Series "A" stocks are also transferable at Wells Fargo Bank & Union Trust Co. of San Francisco and Union Bank & Trust Co., Los Angeles, Cal.

Registrars—Los Angeles-First National Trust & Savings Bank, Fresno, Cal. Prior Pfd. and Prior Pfd. Series "A" stock also registerable at Bank of California, San Francisco, and Security Trust & Savings Bank, Los Angeles, Cal.

Annual Meeting—Second Tuesday in April at Fresno, Cal.

Listed (All Classes)—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
7% Prior Pfd.—								
High	114	108	104	99¼	101¼	....	....	....
Low	106½	102⅝	99	96½	96	....	....	....
7% Pfd. "A"—								
High	110	104	100½	*96¾	92¾	92	83	71¼
Low	102½	96¾	91	85	86¼	80	64¾	67
6% Pfd. "B"—								
High	103	96½	94	89½	....	....	....	....
Low	96	92	94	89½	....	....	....	....
Common—								
High	63	59	61	45¼	28⅝	30	13	10
Low	49	42	37	25	25	19	12	6

*Formerly 6%.

Dividends—Dividends on 7% Prior Pfd., 6% Prior Pfd., Series "A," 7% Pfd., Series "A" and 6% Pfd., Series "B," are payable quarterly, M, J, S & D 15. The present 6% Pfd., Series "B" was issued in 1912 and dividends have been paid on it regularly, except as follows: 1914, 3%; 1915-1916, none; 1917, 4½%. In 1914 the Preferred stock of the Company was reclassified and a cash dividend of $4.50 per share was paid on account of cumulative dividends on the 6% Pfd. stock and the holders were given the right to exchange their stock for reclassified 7% Series "A" stock. Since reclassification dividends on all classes of Preferred stock have been paid regularly as due.

FUNDED DEBT

(1)

$2,160,000 SAN JOAQUIN LIGHT & POWER COMPANY FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JUNE 1, 1945

Dated June 1, 1905.

Interest Payable June and December 1, at Wells Fargo Bank & Union Trust Co., San Francisco.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank & Union Trust Company, San Francisco.

Provisions of Issue—Authorized, $3,000,000, of which $2,160,000 outstanding at Dec. 31, 1927. Mortgage closed.

Callability—Subject to call at 110 and interest on four weeks' published notice.

Sinking Fund—1½% of outstanding bonds per annum to June 1, 1917, and 2% per annum thereafter until 1940. As of Dec. 31, 1927, $746,000 retired through sinking fund.

Security—A second lien on all property of the former San Joaquin Power Co. and a first lien on all San Joaquin Light & Power Co. property. Underlies the San Joaquin Light and Power Corp. Unifying and Refunding Mortgage, which provides for this issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102¼	101	100½	99	95¾	96½	93½	85
Low	101¾	99½	98½	93¼	93	92¼	81½	79¾

(2)

$9,633,000 SAN JOAQUIN LIGHT & POWER CORPORATION UNIFYING AND REFUNDING GOLD BONDS, SERIES "B" 6s; DUE MARCH 1, 1952

$24,796,000 SAN JOAQUIN LIGHT & POWER CORPORATION UNIFYING AND REFUNDING GOLD BONDS, SERIES "D" 5s; DUE JANUARY 1, 1957

Dated—Series "B" 6s, March 1, 1922; Series "D" 5s, January 1, 1927.

Interest Payable March and September 1, on Series "B" and January and July 1 on Series "D," at Equitable Trust Co. of New York, Wells Fargo Bank and Union Trust Co. of San Francisco, and the Union Bank & Trust Co., Los Angeles.

Denominations—Coupon, $500 and $1,000; principal may be registered or fully registerable. Coupon and registered bonds interchangeable.

Trustee—The Equitable Trust Co., New York.

Provisions of Issue—Authorized, $150,000,000 (all series); issued, $45,133,000 of which $10,704,000 have been retired, leaving $34,429,000 outstanding.

Proceeds of the $25,000,000 Series "D" bonds were used to retire all outstanding First and Refunding Mortgage bonds and all outstanding Series "A" 7% and Series "C" 6% Unifying and Refunding Mortgage bonds (totaling $22,725,000 principal amount), and to reimburse the Corporation's treasury for expenditures for additions, extensions or improvements to its plants and system.

Additional bonds may be issued under this Mortgage at par to refund a like amount of bonds, issued thereunder or of underlying bonds; and for not exceeding 75% of the cost of additions to, or extensions, or improvements of the Corporation's property, when net income for 12 consecutive calendar months out of the preceding 15 calendar months has been at least equal to 1¾ times the annual interest on all underlying bonds and all Unifying and Refunding Mortgage bonds, including those for which authentication shall have been requested.

Callability—Series "B" are non-callable. Series "D" bonds are callable as a whole or in part by lot on the first day of any month on 30 days' notice to and including June, 1928 at 105 and interest with redemption price reducing ¼ of 1% each 18 months thereafter.

Sinking Fund—Annually, commencing March 1, 1927, 2% of the par value of the largest amount of bonds at any time outstanding, including all underlying or divisional bonds. Sinking fund may be applied one-half for the redemption of the bonds secured hereunder, or bonds of mortgages senior thereto; the other half may be invested by the Corporation in new construction, extensions and betterments against which no bonds may be issued. The Corporation may credit its sinking fund with any payment made under the terms of the sinking fund of any mortgage senior hereto.

Security—Secured by a direct first mortgage on about 95% of Corporation's properties, and by a direct mortgage on the remainder, subject only to $2,160,000 (closed mortgage) San Joaquin Light & Power Co. First Mortgage Sinking Fund Gold 5s, due June 1, 1945. Such underlying bonds and Unifying and Refunding Mortgage bonds constitute the only funded debt of the Corporation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of California Personal Property Tax.

Legal Opinion (Series "D")—Sullivan & Cromwell and Glenn & Ganter (for the Corporation) and O'Melveny, Milliken & Tuller, Los Angeles, (for the bankers).

Legal for Savings Banks in California.

Original Offering—Series "B" 6s first publicly offered ($3,500,000) in April, 1922, by Cyrus Peirce & Co., Blyth Witter & Co., and Banks, Huntley & Co., Los Angeles, at 99½ and interest; $2,500,000 "B" 6s in June, 1923, by the same firms at 99 and interest; $25,000,000 Series "D" 5s were offered in January, 1927, by Peirce, Fair & Company and Blyth, Witter & Co., New York, San Francisco, etc. at 98½ and interest to yield about 5.10%.

Listed—Los Angeles and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922
Series "B" 6s—						
High	113¾	109⅞	103⅜	100¼	100	102
Low	110	101½	99¾	94½	96⅜	99⅝
Series "D" 5s—						
High	102⅞	..	..	..	..	..
Low	98	..	..	..	..	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$9,337,970	$8,878,166
Operating expenses & taxes	3,856,238	3,988,631
Net earnings	$5,481,732	$4,889,535
Total interest charges	2,165,214	2,223,352
Interest charges to capital (credit)	136,243	295,494
Preferred dividends	1,535,427	1,310,792
Total deductions	$3,564,398	$3,238,650
Balance for depreciation, Common dividends and surplus	$1,917,334	$1,650,885
Depreciation	1,184,086	1,092,369
Bal. for Common divds. & surplus	$733,248	$558,516
Times Interest Earned	2.05	1.84
Earnings Per Share—		
Common	$6.66	$5.08

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and plant, etc.	$72,996,290	$70,340,004	$64,446,172
Investments	63,107	62,107	245,454
Current assets	4,226,452	4,975,819	5,796,627
Sinking fund	5,767	446,212	671,016
Deferred charges	4,459,878	2,020,606	2,091,156
Discount on capital stock	1,910,825	1,884,102	1,696,143
Total	$83,662,319	$79,728,850	$74,946,568
Liabilities—			
Common stock	$11,000,000	$11,000,000	$11,000,000
Preferred stock	22,886,871	22,221,379	17,958,767
Funded debt	36,589,000	34,551,000	35,430,500
Minority interest in capital and surplus of subsidiaries	5,140	5,508	5,926
Current and accrued liabilities	1,309,104	2,021,838	2,099,045
Customers' advances for construction	340,954	353,427	307,080
Reserves	7,258,845	6,036,077	5,164,145
Capital surplus	481,611	482,075	356,269
Surplus	3,790,794	3,057,546	2,624,836
Total	$83,662,319	$79,728,850	$74,946,568

Officers: A. G. Wishon, Pres.; A. Emory Wishon, V-P. & Gen. Mgr.; F. W. Doolittle, V-P.; J. B. Black, V-P.; W. E. Durfey, Sec. & Asst. Treas.; Ernst E. Behr, Compt.; Robert Sealy, Treas.; Murray Bourne, Gen. Counsel; M. S. Babcock, Asst. Sec. & Asst. Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, Asst. Treas.

Directors: Ernst E. Behr, Wm. B. Joyce, J. B. Black, A. G. Wishon, A. Emory Wishon, Murray Bourne, W. E. Durfey, A. C. Joy, E. P. Smith, F. L. Dame, Edwin Gruhl, F. W. Doolittle, Guy C. Earl.

General Office, 1401 Fulton St., Fresno, Cal.

THE ST. LOUIS COUNTY GAS COMPANY

(Controlled by The North American Co.)

History and Property—Incorporated March 28, 1912, in Mo., as successor to all property and franchises of St. Louis County Gas Co. (incorporated in Missouri on Oct. 13, 1903). Does entire gas business in St. Louis County, serving the following principal cities and towns: Kirkwood, Maplewood, Webster Groves, Ferguson, Glendale, Clayton, University City, Shrewsbury, Richmond Heights and Uniondale, serves a population of 179,000 in 11 communities covering an area of approximately 80 square miles. Principal franchise for St. Louis County claimed to extend to Feb. 3, 1954. Company owns a water gas plant, located at Shrewsbury, Mo., with a daily output capacity of 6,678,500 cu. ft., and four storage holders with 4,585,000 cu. ft. capacity. It owns and operates high and low pressure distribution system comprising approximately 435 miles of main.

Gas output, year ended Dec. 31, 1927, 1,456,483,000 cu. ft. compared with 1,183,811,000 cu. ft. in 1926. Number of customers, 31,450.

CAPITAL STOCK

Authorized, $2,000,000 Common; outstanding, $1,500,000; par $100. All except directors' qualifying shares owned by The North American Co.

Proposed Stock Increase—On Feb. 8, 1928, Company filed an application with the Missouri Public

Service Commission for authority to issue and sell 5,000 shares of its Common stock at par value of $100 per share to The North American Company.

Annual Meeting—Second Tuesday in January, in St. Louis, Mo.

FUNDED DEBT

$1,500,000 FIRST MORTGAGE 5% GOLD BONDS; DUE APRIL 1, 1951

Dated April 1, 1912.

Interest Payable April and October 1, at 60 Broadway, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago, and Samuel A. Mitchell, St. Louis.

Provisions of Issue—Authorized issue, $30,000,000. Escrow bonds are issuable for 85% of the actual cash cost or fair value of permanent improvements, extensions or additions, when net earnings for the preceding year, after taxes and at least 12% for maintenance and depreciation, shall have been equal to at least one and two-third times all interest charges on all bonds outstanding, including those to be issued.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' notice.

Security—Secured by a direct first mortgage on the property, rights and franchises of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sullivan & Cromwell, New York.

Public Offering—$505,000 of these bonds were publicly offered in Oct., 1924, by Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$1,195,085	$1,061,319	$946,438	$857,150	$768,564
Operating expenses and taxes	733,116	652,333	567,775	511,292	482,688
Gross income	$461,969	$408,986	$378,663	$345,858	$285,876
Interest on funded debt	75,000	75,000	74,995	51,192	47,800
Other interest charges	2,908	*1,247	4,588	1,248	5,023
Total deductions	$77,908	$73,753	$79,583	$52,440	$52,823
Balance for depreciation, Common dividends and surplus	$384,061	$335,233	$299,080	$293,418	$233,053
Depreciation	64,338	85,000	82,850	80,183	73,010
Balance for Common dividends and surplus	$319,723	$250,233	$216,230	$213,235	$160,043
†Times Bond Interest Earned	6.11	5.45	4.99	6.73	5.87

*Credit. †Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$4,136,722	$3,640,691	$2,940,932	$2,489,325	$2,167,980	$1,874,164
Investments	.....	.....	.....	29,959	27,518	125,783
Cash	98,677	73,734	37,160	69,958	48,566	114,935
Notes receivable	16,141	16,030	24,030	.....	.....	.....
Accounts receivable	116,149	111,283	94,789	78,729	70,634	49,200
Inter-company accounts	299,153	351,792	321,691	468,558	2,326	.....
Materials and supplies	81,894	86,462	104,236	67,184	67,516	50,264
Sundry current assets	2,160	2,075	2,060	2,085	3,000	2,500
Prepaid accounts	9,050	10,982	8,245	4,083	3,860	2,571
Open accounts	231	100	.....	58	23	.....
Discount and expense on securities	163,756	170,723	177,763	184,366	117,077	114,815
Total	$4,923,933	$4,463,872	$3,710,905	$3,394,305	$2,508,500	$2,334,232
Liabilities—						
Capital stock	$1,500,000	$1,200,000	$700,000	$700,000	$700,000	$700,000
Funded debt	1,500,000	1,500,000	1,500,000	1,500,000	808,700	928,700
Inter-company accounts	385	3,699	5,420	5,728	4,203	
Notes payable	.....	.....	.....	.....	50,000	28,843
Accounts payable	53,811	56,413	52,337	29,391	30,883	
Sundry current liabilities	239,825	236,492	195,769	144,920	113,066	67,556
Accrued liabilities	62,140	84,283	76,918	65,908	46,925	16,697
Open accounts	.....	2,496	6,836	1,588	.....	3,786
Reserves	785,209	746,649	646,017	551,392	488,580	398,951
Surplus	782,563	633,840	527,608	395,378	266,143	190,099
Total	$4,923,933	$4,463,872	$3,710,905	$3,394,305	$2,508,500	$2,334,232

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; Edwin Gruhl, V-P.; Hermann Spoehrer, Sec.; Dudley Sanford, Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, Asst. Treas.; Robert Sealy, Asst. Treas.

Directors: Frank J. Boehm, W. L. De Young, Frank L. Dame, Louis H. Egan, Edwin Gruhl.

Offices, Webster Groves, Mo., and 12th and Locust Sts., St. Louis, Mo.

THE EAST ST. LOUIS AND SUBURBAN COMPANY

(Controlled by The North American Company)

History—Incorporated Jan. 7, 1914, in Del. A holding company, which acquired title to all the properties formerly owned by East St. Louis & Suburban Co. (incorporated Sept. 12, 1901, in N. J.). The Company controls, through 100% ownership of Common stock, the following:

East St. Louis Light & Power Company
East St. Louis Railway Company
St. Louis & East St. Louis Electric Railway Company
East St. Louis & Suburban Railway Company
St. Louis & Belleville Electric Railway Company

CAPITAL STOCK

Authorized and outstanding, 60,000 shares Common and 60,000 shares 5% cumulative Pfd., both classes of no par value. The North American Company owns 99.75% of the Common and all of the Pfd. In Dec.,

We specialize in the securities of and will be glad to give information concerning
THE EAST ST. LOUIS & SUBURBAN CO.
Phone Lombard 4200
E. W. Clark & Co.
Private Phone to New York
Established 1837
Members New York and Philadelphia Stock Exchanges
321 Chestnut Street
Philadelphia

1926 the capitalization of the East St. Louis and Suburban Company was reduced to the amounts shown above from authorized amounts of $10,000,000 Common, $6,000,000 5% cumulative Pfd. and $3,000,000 6% cumulative Pfd. (all par, $100), of which $6,000,000 Common and $6,000,000 Pfd. had been outstanding.

Transfer Agents—C. D. Burdick and Robert Randall, 60 Broadway, New York City.

Registrars—Central Union Trust Co. of New York.

Annual Meeting—Second Monday in February, in New York.

FUNDED DEBT

$8,000,000 (ENTIRE ISSUE) COLLATERAL TRUST GOLD 5s; DUE APRIL 1, 1932

Dated May 1, 1902.

Interest Payable April and October 1, at St. Louis Union Trust Co., St. Louis, Mo., and at office of E. W. Clark & Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—St. Louis Union Trust Co., St. Louis, Mo.

Callability—Subject to call at 105 and interest on four weeks' notice.

Security—Secured by deposit with the trustee of the following securities: $1,805,500 stock and $1,799,000 bonds of the East St. Louis Ry. Co.; $3,824,300 stock and $3,834,000 bonds of the East St. Louis & Suburban Ry. Co.; 4,995 shares stock and $500,000 bonds of the St. Louis & East St. Louis Electric Ry.; $733,000 stock of East St. Louis Light & Power Co., and the entire $750,000 First Mortgage bonds of the St. Louis & Belleville Electric Ry. Co. The bonds are, therefore, virtually an absolute first lien on all these properties, subject only to a bond issue ($2,000,000) of the East St. Louis Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—St. Louis Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	94¼	87½	86	87	84	80	62	50¾
Low	86¼	83½	82	77½	77½	59	48	43

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Exclusive of Alton Companies)

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,697,973	$4,525,089	$4,165,761	$4,110,546	$4,532,246	$4,024,585
Operating expenses & taxes	3,381,217	3,426,669	3,156,215	3,145,916	3,350,563	2,902,491
Net earnings	$1,316,756	$1,098,420	$1,009,546	$964,630	$1,181,683	$1,122,094
Bond interest	460,831	460,850	468,319	692,099	642,657	634,423
Other interest	282,188	265,936	242,224			
Balance for depreciation, dividends & surplus	$573,737	$371,634	$299,003	$272,531	$539,026	$487,671
Depreciation	239,201	311,928	244,748	219,758	†	†
Balance for dividends & surplus	$334,536	$59,706	$54,255	$52,773	.....	.....
***Times Fixed Charges Earned**	1.77	1.51	1.42	1.39	1.84	1.75

*Before depreciation. †Not reported.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Exclusive of Alton Companies)

Assets—	1927	1926	1925
Property and plant	$19,502,262	$18,641,076	$23,342,689
Cash on deposit with trustees	.....	11,359	17,328
Investments	7,820	5,000	6,305,665
Due from affiliated cos.	89,155	103,546	149,468
Cash	73,021	81,662	126,541
Other current assets	651,724	613,433	516,535
Prepaid accounts	20,996	14,177	46,066
Bond and note discount	62,666	69,230	74,390
Total	$20,405,644	$19,539,483	$30,578,682

Liabilities—	1927	1926	1925
Common stock	$60,000	$60,000	$6,000,000
Preferred stock	2,400,000	2,400,000	6,000,000
Funded debt	8,000,000	8,000,000	8,000,000
Funded debt of sub. cos.	1,217,000	1,217,000	1,217,000
Due to affiliated cos.	4,315,797	3,635,582	5,252,422
Current liabilities	370,012	441,676	341,942
Accrued liabilities	392,696	397,575	359,410
Reserves	2,272,295	2,175,254	1,928,732
Surplus	1,377,844	1,212,396	1,479,176
Total	$20,405,644	$19,539,483	$30,578,682

Officers: Frank L. Dame, Pres.; Edwin Gruhl, V-P.; Louis H. Egan, V-P.; J. F. Fogarty, V-P.; F. H. Piske, Sec.; T. W. Gregory, Asst. Sec.; Robert Sealy, Treas.; C. D. Burdick, Asst. Treas.

Directors: Frank L. Dame, Louis H. Egan, J. F. Fogarty, Edwin Gruhl, H. H Pierce, F. H. Piske, Robert Sealy.

Office, 60 Broadway, New York.

EAST ST. LOUIS & SUBURBAN RY.

(Controlled by The East St. Louis & Suburban Co.)

History—Inc. Dec. 8, 1893, in Ill., as the Belleville Electric Ry. Co., which changed its name to present title on Feb. 19, 1902 and consolidated on the same date under the present title with Collinsville, Caseyville & East St. Louis Electric RR. Co., Mississippi Valley Transit Co., and St. Louis, Belleville & Suburban Ry. Co. Controls the **Blue Goose Motor Coach Co.**, and the **Red Line Motor Co.** Operates electric railway lines and bus lines for passenger service between East St. Louis and Belleville, Edwardsville, Collinsville, Caseyville, Lebanon, O'Fallon and Vandalia, all in Illinois. Company's railway line from French Village to Lebanon serves as an outlet for coal from several mines in the vicinity. Company's passenger cars and buses operate from a terminal located in St. Louis, Mo., at the west end of the Ead's Bridge. The Company owns 69 single track miles of standard gauge track, and in addition to this operates 2.09 miles over St. Louis and O'Fallon Railway Company's tracks, 5.35 miles of single tracks on the East St. Louis Railway Company's tracks. It also owns 12 service cars, 319 coal cars and two steam locomotives. The Company also owns the Winstanley steam electric generating station located in East St. Louis. This power plant has an installed capacity of 9,850 k.w., and is operated by East St. Louis Light and Power Company. The Winstanley car-station and shops in East St. Louis providing car storage and repair facilities for all of the affiliated railway lines in East St. Louis, are owned by the Company.

Franchises—A considerable portion of the Company's railway lines are located on private right-of-way. Most of the remaining lines are operated under favorable franchises which extend until 1942 or 1948.

Operating Statistics, Dec. 31, 1927—Miles of single track, 69. Revenue passengers carried, 6,124,913; revenue car miles operated, 2,612,038; revenue car hours operated, 195,060. Passenger cars owned, 51.

CAPITAL STOCK

Authorized, $4,100,000; outstanding, $3,850,000; par, $100. All owned by The East St. Louis & Suburban Co. (except directors' shares).

Annual Meeting—Fourth Tuesday in January in East St. Louis, Ill.

FUNDED DEBT

$4,000,000 First Mortgage Gold 5s; dated May 7, 1902; due April 1, 1932; int. April and Oct. 1, at Mercantile Trust Co., St. Louis, Trustee. Registered, $1,000. Authorized and issued, $4,000,000. Subject to call at par and interest on one months' notice. A first lien on entire property. All owned by The East St. Louis & Suburban Co. and $3,834,000 pledged under that company's Collateral Trust bonds, due April 1, 1932. Company pays Normal Federal Income Tax up to 2%.

Officers: F. W. Doolittle, Pres.; T. W. Gregory, V-P. & Asst. Sec., East St. Louis, Ill.; G. W. Welsh, V-P.; F. H. Piske, Sec. & Treas., New York; F. L. Rearden, Asst. Treas.

Directors: F. W. Doolittle, G. W. Welsh, J. A. Farmer, T. L. Fekete, T. W. Gregory, A. C. Johnson, F. L. Rearden.

General Office, East St. Louis, Ill.

EAST ST. LOUIS LIGHT & POWER CO.

(Controlled by The East St. Louis & Suburban Co.)

History—Inc. June 8, 1908, in Ill., as Consumers Light, Heat & Power Co. Consolidated July 22, 1910, with Citizens' Electric Light & Power Co. and Southwestern Light & Power Co. under the name of East St. Louis Light & Power Co. Does the entire electric lighting and power business of the City of East St. Louis, Ill., and the villages of Fairmont City, Hartford and Cahokia, all in Illinois. Area served embraces seven communities with a population of 83,500 and an area of 70 square miles. Company purchases nearly all of its power from Union Electric Light and Power Co. of Illinois and Mississippi River Power Co.

Company owns and operates the Alton Steam Plant at Alton, Ill., having a capacity of 5,000 kw. and operates the Winstanley Plant located in East St. Louis which has a capacity of 9,850 kw. Also owns extensive transmission and distribution system covering territory served. Franchises expire in 2007. K.w.h. output, year, 1927, 158,620,060; electric customers, Dec. 31, 1927, 21,265.

CAPITAL STOCK

Authorized and outstanding, $2,000,000 Common; par, $100. All owned by The East St. Louis & Suburban Co.

Annual Meeting—Second Friday in February in East St. Louis, Ill.

FUNDED DEBT

$2,000,000 FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1940

Dated June 1, 1910.

Interest Payable June and Dec. 1, at Mercantile Trust Co., St. Louis, Chase National Bank, New York, and office of Company, East St. Louis, Ill.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mercantile Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized issue unlimited; issued, $2,000,000. Additional bonds are issuable only for 80% of the cost of additions and improvements to the property and then only when net earnings of the company are at least one and one-half times the interest on outstanding bonds, including those to be issued.

Callability—Subject to call at 105 and accrued interest on any interest date upon 30 days' notice.

Security—A first lien on entire properties and franchises now owned or hereafter acquired.

Guaranty—Guaranteed, principal and interest, by endorsement, by The East St. Louis & Suburban Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; T. W. Gregory, Sec. & Treas.; F. H. Piske, Asst. Sec. & Asst. Treas.; John L. Ganz, Asst. Treas.; Robert Sealy, Asst. Treas.

Directors: T. W. Gregory, Frank J. Boehm, Louis H. Egan, George P. May, George K. Miltenberger.

General Office, East St. Louis, Ill.

EAST ST. LOUIS RAILWAY CO.

(Controlled by The East St. Louis & Suburban Co.)

History—Incorporated March 24, 1902, in Ill., and purchased the properties of the East St. Louis Electric St. R. R. Operates the local street railway lines and motor bus lines serving the city of East St. Louis. The Company owns 81 passenger cars, 13 busses, 9 service cars and 34.5 miles of single track electric railway line, with necessary substations, feeders, and overhead trolley. The principal franchises under which the company operates expire in 1947.

Operations year ended Dec. 31, 1927.—Revenue passengers carried, 11,297,004; revenue car miles operated, 2,189,751; revenue car hours operated, 245,129.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $1,940,000; par, $100. All except directors' shares owned by The East St. Louis & Suburban Co.

Annual Meeting—Fourth Tuesday in January in East St. Louis, Ill.

FUNDED DEBT

(1)

$1,940,000 FIRST CONSOLIDATED (NOW FIRST) GOLD 5s; DUE APRIL 1, 1932

Dated June 12, 1902.

Interest Payable April and October 1, at Southern Illinois Trust Co., East St. Louis, Ill.

Denomination—Registered, $1,000.

Trustee—Southern Illinois Trust Co., (successor to East St. Louis Trust & Savings Bank), East St. Louis, Ill.

Provisions of Issue—Authorized issue, $2,500,000; the $560,000 unissued bonds reserved for improvements, extensions, etc., at 85% of cost.

Callability—Subject to call at par and interest on one month's notice.

Security—A first lien on entire property.

Ownership—All owned by The East St. Louis & Suburban Co. and $1,799,000 thereof pledged under the Collateral Trust bonds, due April 1, 1932.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$45,000 FIRST MORTGAGE REAL ESTATE 5% BONDS; DUE FEBRUARY 1, 1934

Dated February 1, 1922.

Callability—Subject to call on any interest date at par and interest.

OFFICERS AND DIRECTORS

Officers: F. W. Doolittle, Pres.; T. W. Gregory, V-P. & Sec., East St. Louis, Ill.; G. W. Welsh, V-P.; Robert Sealy, Treas.; F. H. Piske, Asst. Sec., New York; F. L. Rearden, Asst. Sec. & Asst. Treas.; E. E. Sunkel, Asst. Treas.

Directors: F. W. Doolittle, T. W. Gregory, C. Reeb, G. W. Welsh, E. P. Keshner.

General Office, East St. Louis, Ill.

ST. LOUIS & BELLEVILLE ELECTRIC RAILWAY CO.

(Controlled by The East St. Louis & Suburban Co.)

History—Incorporated July 12, 1897, in Illinois. Operates an electric railway line between Belleville and East St. Louis, handling freight, principally coal. Has steam railroad connections at both Belleville and East St. Louis. Length of track, single track basis, 19 miles, mostly on private right-of-way, and therefore, not subject to franchise limitations. Number of cars owned as of Dec. 31, 1927, 493 coal cars and 3 electric locomotives.

CAPITAL STOCK

Authorized and outstanding, $750,000; par, $100. All except directors' shares owned by The East St. Louis & Suburban Co. Annual meeting, fourth Tuesday in January in East St. Louis, Ill.

FUNDED DEBT

$750,000 (entire issue) First Gold 5s; dated May 10, 1902; due April 1, 1932; int. April and Oct. 1, at Illinois State Trust Co., East St. Louis, Ill., Trustee. A first lien on entire property. The entire issue (one bond) is owned by The East St. Louis & Suburban Co. and pledged under the Collateral Trust bonds, due April 1, 1932.

Officers: F. W. Doolittle, Pres.; T. W. Gregory, V-P. & Sec.; G. W. Welsh, V-P.; Robert Sealy, Treas.; F. H. Piske, Asst. Sec.; F. L. Rearden, Asst. Sec. & Asst. Treas.; E. E. Sunkel, Asst. Treas.

Directors: F. W. Doolittle, T. W. Gregory, G. W. Welsh, E. E. Sunkel, J. A. Farmer.

General Office, East St. Louis, Ill.

ST. LOUIS & EAST ST. LOUIS ELECTRIC RAILWAY CO.

(Controlled by The East St. Louis & Suburban Co.)

History—Incorporated May 20, 1921, in Delaware as successor to company of same name incorporated July 22, 1889, in Missouri. Operates an electric railway between St. Louis, Mo., and East St. Louis, Ill., across the Eads Bridge over the Mississippi River. Has exclusive right for 50 years from April, 1902, to operate cars over Eads Bridge. Operates over street railway tracks on Eads Bridge (1.7 miles of equivalent single track) under agreement with the Terminal Railroad Association of St. Louis. The cars of the affiliated electric railway companies in East St. Louis are operated to a St. Louis terminal under this agreement. Revenue passengers carried in 1927, 7,465,957; revenue car miles operated, 360,647; revenue car hours operated, 51,086.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common; par, $100. All owned by The East St. Louis & Suburban Co. (except directors' shares). Annual meeting, second Monday in February in New York.

FUNDED DEBT

$500,000 (entire issue) First Mortgage Gold 5s; dated May 10, 1902; due April 1, 1932; int. April and Oct. 1, at Illinois State Trust Co., East St. Louis, Ill., Trustee. St. Louis Union Trust Co., St. Louis, Mo., co-Trustee. A first lien on entire property. All owned by The East St. Louis & Suburban Co. and pledged under the Collateral Trust bonds due April 1, 1932.

Officers: F. W. Doolittle, Pres.; T. W. Gregory, V-P., Asst. Sec. & Asst. Treas.; G. W. Welsh, V-P.; F. H. Piske, Sec.; Robert Sealy, Treas.; F. L. Rearden, Asst. Sec. & Asst. Treas.

Directors: Frank L. Dame, F. W. Doolittle, J. F. Fogarty, Edwin Gruhl, Robert Sealy.

Offices, East St. Louis, Ill. and 60 Broadway, New York.

ALTON GAS COMPANY

(Controlled by The North American Company)

History—Incorporated June 22, 1926 in Illinois and acquired the gas utility of the Alton Gas & Electric Co. (see 1926 Public Utility Manual, page 934), sold under foreclosure. The property was taken over as of Dec. 1, 1926. Does the entire gas business in the city of Alton and surrounding territory, serving a population of 30,000 covering an area of 10 square miles. The Company owns a water gas and coal gas plant in Alton and a 90,000 cu. ft. holder but it is now purchasing gas from Illinois Power and Light Corp. Also owns gas distribution system in Alton. Franchise perpetual.

CAPITAL STOCK

Authorized and outstanding, $325,000 Common; par $20; all owned by The North American Company. Annual meeting, sceond Thursday in February at Alton, Ill.

FUNDED DEBT

$250,000 ALTON RAILWAY GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s (CLOSED ISSUE); DUE OCTOBER 1, 1939

Dated October 2, 1899.

Interest Payable April and October 1, at The Equitable Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Callability—No provision.

Security—Secured by a first closed mortgage on the property of the former Alton Gas & Electric Co.

Assumed—Originally assumed by Alton, Granite & St. Louis Traction Co., now assumed by Alton Gas Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

OFFICERS AND DIRECTORS

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; James F. Fogarty, V-P.; Hermann Spoehrer, Sec.; J. L. Ganz, Treas.; T. W. Gregory, Asst. Sec. & Asst. Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, Asst. Treas.; Robert Sealy, Asst. Treas.

Directors: R. F. Allen, Frank J. Boehm, Louis H. Egan, T. W. Gregory, Hermann Spoehrer.

General Office, 122 East Broadway, Alton, Ill.

ALTON LIGHT AND POWER COMPANY

(Controlled by The North American Company)

History—Incorporated June 22, 1926 in Illinois and acquired the electric utility of the Alton Gas & Electric Co. (see 1926 Public Utility Manual, page 934), sold under foreclosure. The property was taken over as of Dec. 1, 1926. Does the entire electric lighting and power business in the city of Alton and adjacent territory, serving a population of 35,700 covering an area of 25 square miles. All power purchased from the East St. Louis Light and Power Co. The Company owns three substations, all located in the City of Alton, Ill., and local distribution system. Also owns office building occupied by Company's own offices and those of local gas and railway companies. Principal franchise expires in 1942. Output in 1927, 52,669,003 k.w.h. Electric customers, Dec. 31, 1927, 8,874.

CAPITAL STOCK

Authorized and outstanding, $1,100,000 Common; par, $20; all owned by The North American Company. Annual meeting, second Thursday in February at Alton, Ill.

FUNDED DEBT

$250,000 (ENTIRE ISSUE) ALTON RAILWAY & ILLUMINATING COMPANY FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1939

Dated October 1, 1895.

Interest Payable April and October 1, at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Callability—No provision.

Security—Secured by a first closed mortgage on property of former Alton Railway & Illuminating Co.

Assumed—Originally assumed by Alton, Granite & St. Louis Traction Co., now assumed by Alton Light & Power Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Louis H. Egan, Pres.; Frank J. Boehm, V-P.; James F. Fogarty, V-P.; Hermann Spoehrer,

Sec.; J. L. Ganz, Treas.; T. W. Gregory, Asst. Sec. & Asst. Treas.; F. H. Piske, Asst. Sec.; C. D. Burdick, Asst. Treas.; Robert Sealy, Asst. Treas.

Directors: R. F. Allen, Frank J. Boehm, Louis H. Egan, T. W. Gregory, Hermann Spoehrer.

General Office, 122 East Broadway, Alton, Ill.

ALTON RAILWAY COMPANY

(Controlled by The North American Company)

History—Incorporated June 22, 1926 in Illinois and acquired the Alton and Venice-Brooklyn City railway systems of the Alton, Granite & St. Louis Traction Company (see 1926 Public Utility Manual, page 934), sold under foreclosure. The property was taken over as of Dec. 1, 1926. Furnishes local electric railway service in the cities of Alton, Venice and Brooklyn, Ill. Owns 19 miles of single track electric railway lines, 25 electric passenger and 4 electric service cars, with car house facilities at Alton. Revenue passengers carried in 1927, 2,618,665; revenue car miles operated, 846,592; revenue car hours operated, 90,926.

CAPITAL STOCK

Authorized and outstanding, $750,000 Common; par, $20; all owned by The North American Company. Annual meeting, fourth Tuesday in January at Alton, Ill.

FUNDED DEBT

None.

Officers: F. W. Doolittle, Pres.; T. W. Gregory, V-P. & Sec.; G. W. Welsh, V-P.; J. F. Fogarty, V-P.; Robert Sealy, Treas.; F. H. Piske, Asst. Sec.; E. E. Sunkel, Asst. Treas.; F. L. Rearden, Asst. Sec. & Asst. Treas.

Directors: R. F. Allen, F. W. Doolittle, T. W. Gregory, W. C. Myers, G. W. Welsh.

General Office, 122 East Broadway, Alton, Ill.

ST. LOUIS & ALTON RAILWAY COMPANY

(Controlled by The North American Company)

History—Incorporated June 22, 1926 in Illinois and acquired the interurban railway system of the Alton, Granite & St. Louis Traction Company (see 1926 Public Utility Manual, page 934), sold under foreclosure. The property was taken over as of Dec. 1, 1926. Operates an interurban electric railway line from East St. Louis to Alton with a branch from Mitchell to Edwardsville. Owns 35 single track miles of electric railway line, 26 electric passenger cars, one electric service car and 2 express cars and necessary substations and feeder system. Revenue passengers carried in 1927, 1,867,106; revenue car miles operated, 847,267; revenue car hours operated, 49,086.

Franchises—Tracks are mostly on private right-of-way, and therefore, not subject to franchise limitations.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common; par, $20; all owned by The North American Company. Annual meeting, fourth Tuesday in January in East St. Louis, Ill.

FUNDED DEBT

None.

Officers: F. W. Doolittle, Pres.; T. W. Gregory, V-P. & Sec.; G. W. Welch, V-P.; J. F. Fogarty, V-P.; Robert Sealy, Treas.; F. H. Piske, Asst. Sec.; E. E. Sunkel, Asst. Treas.; F. L. Rearden, Asst. Sec. & Asst. Treas.

Directors: R. F. Allen, F. W. Doolittle, T. W. Gregory, G. W. Welsh, T. C. Neilson.

General Office, 7 Collinsville Ave., East St. Louis, Ill.

WEST KENTUCKY COAL COMPANY

(Controlled by The North American Company)

History and Property—Incorporated June 15, 1905, in New Jersey. On May 1, 1924, West Kentucky Coal Co. acquired the properties of St. Bernard Mining Co., with 50 years' operating history, and Kentucky Block Coal Corp.

Company owns mineral rights underlying more than 73,000 acres of coal lands and holds favorable leaseholds of additional mineral rights underlying 2,400 acres in Union, Webster and Hopkins Counties, Kentucky, with sufficient surface lands for mining operations. The total recoverable coal is estimated at more than 400,000,000 tons, sufficient for nearly 100 years' operation at present rate of output.

West Kentucky Coal Co. also owns the entire outstanding capital stock except directors' qualifying shares, consisting of 993 shares (par value) of St. Bernard Coal Co., and the entire outstanding capital stock, 1,000 shares (par value) of West Kentucky Coal Co., a Delaware Corporation. Both of these companies are selling organizations.

As of March 1, 1926, West Kentucky Coal Co. disposed of its interest in West Kentucky Electric Power Co.

The extent of the development of the company's output during the last ten years is disclosed by the following table, which shows the tonnage mined during the years 1918 to 1927:

Calendar Year	Tons Mined
1918	895,895
1919	811,281
1920	907,376
1921	768,106
1922	1,366,309
1923	1,245,889
1924	2,738,750
1925	2,829,863
1926	3,325,114
1927	4,712,253

CAPITAL STOCK

Authorized, 280,000 shares Common of no par value (changed from $7,000,000, par $25 in 1926) and $11,000,000 7% cumulative Pfd., par $50; outstanding, 280,000 shares Common and $6,000,000 Pfd. Entire Common stock, except directors' qualifying shares, owned by The North American Company.

Preferred Stock Provisions—Pfd. stock has preference over the Common stock both as to assets and dividends. It has no voting rights except in the case of default of four quarterly dividends, when it votes share for share with the Common stock.

Callability—The 7% cumulative Pfd. stock is redeemable on any dividend date beginning July 1, 1927, on 30 days' notice at $52.50 per share plus accrued dividends.

Annual Meeting—25th day of April, at Newark, N. J.

Dividends—Pfd. dividends have been regularly paid since issuance except those falling due July 1 and Oct. 1, 1925 and Jan. 1, 1926. On Jan. 31, 1928, back dividends amounting to 5¼% for the July 1 and Oct. 1, 1925 and Jan. 1, 1926 dividend dates were paid, clearing up all arrearages.

FUNDED DEBT

$3,697,500 FIRST MORTGAGE 7% SINKING FUND GOLD BOND, SERIES "A"; DUE MAY 1, 1944, BUT CALLED FOR REDEMPTION MAY 1, 1928 AT 104 AND INTEREST

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$10,583,705	$8,469,299	$6,976,366	$7,616,984	$4,145,468
Operating expenses and taxes	8,833,043	6,601,751	6,261,011	6,649,877	3,513,222
Gross income	$1,750,662	$1,867,547	$715,355	$967,107	$632,246

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923
Interest on funded debt	$272,210	$300,536	$323,001	$254,334	$77,836
Other interest charges	43,768	1,946	19,966	36,744	57,735
Preferred dividends	735,000	420,000	105,000	210,000	.....
Total deductions	$1,050,978	$722,482	$447,977	$501,078	$135,571
Balance for deprec., Common divds. & surplus	$699,684	$1,145,066	$267,378	$466,029	$496,675
Depreciation	536,157	512,058	417,587	394,932	191,648
Balance for Common dividends & surplus	$163,527	$633,008	*$150,209	$71,097	$305,027

*Deficit.

Depreciation and Depletion—In accordance with the best principles of management and engineering practice, appropriations are made from earnings currently and credited to depreciation reserve to insure replacement of physical property, and to depletion reserve to provide for the depletion of mineral resources. When property is replaced or abandoned, original cost of such property is charged against depreciation reserve. These appropriations to depreciation and depletion reserves are additional to full maintenance and repair expenditures, which are included in monthly operating expenses and which serve to maintain all parts of the properties in good repair and in first class operating condition.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant & investment	$24,243,366	$24,230,609	$24,019,483	$23,843,811	$6,401,654	$5,583,249
Notes and bills receivable	42,555	68,407	56,533	67,995	31,894	53,367
Accounts receivable	1,458,644	1,072,880	1,075,564	1,275,253	558,367	671,554
Retirement funds	277,253	141,315	139,269	139,203	54,935	58,607
Coal and supplies	615,525	627,776	686,827	716,305	346,359	267,727
Prepaid accounts	26,241	28,595	47,065	36,162	7,835	6,821
Cash	751,199	743,639	451,903	271,623	131,750	121,713
Open accounts	.....	.....	.....	.....	96,808	330,222
Total	$27,414,783	$26,913,221	$26,476,644	$26,350,352	$7,629,602	$7,093,260
Liabilities—						
*Common stock	‡$3,080,000	‡$3,080,000	$7,000,000	$7,000,000	†$2,500,000	†$2,500,000
Preferred stock	6,000,000	6,000,000	6,000,000	6,000,000	.....	.....
Funded debt	4,599,518	4,483,518	5,072,518	5,088,518	1,422,000	1,549,000
Accounts payable	824,215	678,110	659,092	626,324	1,635,261	1,004,045
Notes and bills payable	.....	.....	23,582	14,797	40,000	7,000
Accrued liabilities	347,317	112,824	90,738	135,780	62,500	62,500
Reserves	5,268,463	4,951,193	4,301,162	3,955,170	1,532,076	1,537,978
Surplus	7,295,270	7,607,576	3,329,552	3,529,763	437,765	432,737
Total	$27,414,783	$26,913,221	$26,476,644	$26,350,352	$7,629,602	$7,093,260

*All except directors' qualifying shares owned by The North American Co. †Capital stock. ‡Represented by 280,000 shares of no par value.

Officers: C. F. Richardson, Pres.; Edwin Gruhl, J. F. Fogarty, T. E. Jenkins, H. L. Richardson, V-Ps.; F. H. Piske, Sec.; Robert Sealy, Treas.; C. D. Burdick, Asst. Sec. & Asst. Treas., New York; W. H. Le Gate, Asst. Treas. & Compt.; Dan M. Evans, Asst. Treas.; Ralph E. Dudley, Asst. Treas. & Aud., Sturgis, Ky.

Directors: Edwin M. Bulkley, F. L. Dame, J. F. Fogarty, Edwin Gruhl, Henry H. Pierce, C. F. Richardson, Robert Sealy.

General Office, Sturgis, Ky. **New York Office,** 60 Broadway.

NORTH AMERICAN UTILITY SECURITIES CORPORATION

(Controlled by The North American Company)

History—Incorporated Dec. 4, 1924, in Maryland, Company participates in the financing and development of public utility and other enterprises in America and abroad.

Management—The affairs of the corporation are administered under the supervision of The North American Company.

CAPITAL STOCK

Authorized, 1,000,000 Common shares, 200,000 shares $6 cumulative First Pfd. (non-voting) and 120,000 shares $7 cumulative Second Pfd. (non-voting); outstanding, 468,882 shares Common, 68,882 shares First Pfd. and 60,000 shares Second Pfd., all without par value. The North American Company owns 400,000 shares of Common stock, and 60,000 shares of Second Pfd. stock.

Preferred Stock Provisions—Both issues of Preferred are redeemable at 105 and accrued dividends on 30 days' notice. Second Pfd. stock is entitled to dividends at the rate of $7 per share per year and in event of liquidation is entitled to $100 per share and accrued dividends. First Pfd. stock has preference as to dividends at the rate of $6.00 per share per annum and is entitled to preference at $100 per share and accrued dividends in distribution of assets in event of liquidation. Nether class of Preferred stock has any voting rights.

No additional First Pfd. stock shall be issued unless there is paid to the corporation an amount equal to $100 per share and unless in addition an amount equal to $60 per share of such additional First Pfd. stock has been provided by the sale of Second Pfd. stock or Common stock. No additional Second Pfd. stock can be issued unless there is paid to the corporation an amount equal to $100 per share. The unissued Common stock is issuable for cash or its equivalent, or in connection with the sale of the unissued First Pfd. and Second Pfd. stocks.

Transfer Agents—Robert Randall, 60 Broadway, New York, and American Trust Co., Boston.

Registrars—Bankers Trust Company, New York and First National Bank, Boston.

Annual Meeting—Third Wednesday in April at Baltimore, Md.

Purchase Provisions—Allotment Certificates—Payments will be at the rate of the allotment price of $100 for one share of First Pfd. stock together with one share of Common stock. A first payment of 25% was made at the time of allotment; the balance in installments, each not to exceed 25% of the allotment price, no such installment to be called for payment before March 1, 1925, or within three months from the last previous installment. Purchasers have the option to pay in full at once or on any First Pfd. stock

dividend payment date. Holders of Allotment Certificates are entitled to receive currently, dividends in proportion to the amount paid on the allotment price; and upon payment of the entire allotment price, but not earlier than Dec. 15, 1925, except at the option of the corporation, will receive definitive certificates for the shares of First Pfd. stock and Common stock called for by the Allotment Certificates.

A second installment of 25% of the Allotment Certificates was called for payment on Dec. 15, 1926, and holders of Allotment Certificates were privileged to receive one-half of the number of full paid First Pfd. and Common stock allotted to them by the terms of these Allotment Certificates.

Original Offering—100,000 shares First Pfd. stock was publicly offered in Dec., 1924, at $100 per share with bonus of one share of Common stock, by Dillon, Read & Co., New York, etc.

Listed—First Pfd. stock listed on Boston Stock Exchange and New York Curb Market. Common stock on New York Curb Market.

Price Range—Common, 1927: High, 10½; low, 5½.

Dividends—Regular dividends on both classes of Pfd. are payable quarterly, M, J, S & D 15, to holders of record Feb. 28, etc., and have been paid regularly since issuance. None paid on Common.

FUNDED DEBT

The corporation has no funded debt but reserves the right to create same in connection with any future operations.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,147,198	$1,370,245	$1,236,456
Expenses, interest & taxes	50,585	369,770	280,365
Net income	$1,096,613	$1,000,475	$956,091
First Pfd. dividends	360,121	223,020	630,983
Second Pfd. dividends	420,000	420,000	
Balance for Com. divds. and surplus	$316,492	$357,455	$325,108
Earnings Per Share—			
First Pfd.	$15.92	$10.00	$9.56
Second Pfd.	12.27	12.96	12.42
Common	0.67	0.71	0.65

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Stocks and bonds	$10,283,541	$7,895,266	$20,406,618
Syndicate participations	1,850,915	2,044,568	
Accounts receivable	289,671	301,708	887,451
Cash	43,912	278,973	8,594
Organization expenses			23,705
Inter-company accounts	99,611	1,580,331	
Total	$12,567,650	$12,100,846	$21,326,368
Liabilities—			
Capital stock (without par value)	*$11,528,650	$11,393,250	$9,107,225
Accounts payable	1,302	69	11,777,831
Accrued taxes	47,327	33,648	100,683
Surplus	990,371	673,879	340,629
Total	$12,567,650	$12,100,846	$21,326,368

*Represented by 68,882 shares First Pfd. stock, 60,000 shares Second Pfd. stock and 468,882 shares Common stock.

Officers: F. L. Dame, Pres.; Edwin Gruhl, V-P.; J. F. Fogarty, V-P.; F. H. Piske, Sec.; Robert Sealy, Treas.; C. D. Burdick, Asst. Sec. & Asst. Treas.

Directors: F. L. Dame, F. W. Doolittle, J. F. Fogarty, H. C. Freeman, Edwin Gruhl, H. H. Pierce, Robert Sealy.

Office, 60 Broadway, New York.

SIXTY BROADWAY BUILDING CORPORATION

(Controlled by The North American Company)

History and Property—Incorporated October 7, 1924, in New York. Company owns and operates a 23-story office building, at 60 Broadway, New York City. The real estate owned in fee consists of 9,000 sq. ft. of land and a 23-story office building thereon, bounded by Broadway, Exchange Place and New Street, New York City. Basement and first 3 floors are occupied by the main office of American Exchange Irving Trust Company, and several floors by the offices of The North American Company.

CAPITAL STOCK

Authorized and outstanding, 5,000 shares of no par value. All owned by The North American Company.

Annual Meeting—Second Wednesday in February.

FUNDED DEBT

(1)

$2,900,000 FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1934

Dated November 1, 1924.

Interest Payable May and November 1, at the rate of 5% for the first ten years and 5½% thereafter at Company's office, 60 Broadway, New York.

Provisions of Issue—Authorized and issued, $2,900,000. Entire issue held by The American Exchange Irving Trust Co., New York.

Sinking Fund—Sinking fund of 2 1/5% per annum begins May 1, 1930.

Security—Secured by a first mortgage on 60 Broadway Building. Underlies $954,600 7% Sinking Fund Gold Notes of 1934.

(2)

$954,600 7% SINKING FUND GOLD NOTES; DUE OCTOBER 1, 1934

Dated October 1, 1924.

Interest Payable April and October 1, at Company's office, 60 Broadway, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized and issued, $1,000,000; outstanding, $954,600.

Callability—Subject to call at any time after Oct. 1, 1925, at 110 on 30 days' notice.

Sinking Fund—Sinking fund beginning Oct. 1, 1926 to provide for the semi-annual redemption of notes. An additional sinking fund beginning in 1927 provides for an amount equal to one-half of the remaining net earnings, after all charges.

Security—A direct obligation of the Corporation and further secured by a closed mortgage lien of $954,600 on land and buildings, subject only to existing leases and the $2,900,000 First Mortgage Bonds described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut State taxes and Massachusetts Income Tax refunded.

Original Offering—First publicly offered ($1,000,000) in Oct., 1924, at par and interest by Edmund Seymour & Co., New York, F. R. Sawyer & Co., Inc., Boston and McCown & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$580,631	$572,281	$589,897
Operating expenses & taxes	256,477	251,715	250,603
Gross income	$324,154	$320,566	$339,294
Interest on funded debt	213,419	214,842	215,000
Other interest	18,127	14,656	13,593
Balance available for deprec. divds. & surplus	$92,608	$91,068	$110,701
Depreciation	59,100	58,800	58,500
Bal. for divds. & surplus	$33,508	$32,268	$52,201

Officers: F. L. Dame, Pres.; J. F. Fogarty, V-P.; F. H. Piske, Sec.; Robert Sealy, Treas.; C. D. Burdick, Asst. Treas.

Directors: F. L. Dame, F. W. Doolittle, J. F. Fogarty, Edwin Gruhl, Robert Sealy.

General Office, 60 Broadway, New York.

GAINESBORO TELEPHONE COMPANY

(Controlled by Continental Telephone Company)

History—Incorporated originally in 1896, in Tenn.; re-incorporated in 1907 in Ariz., and in 1912 returned to Tennessee charter. Operates 28 exchanges and 2,500 miles of toll line in Tennessee and Kentucky.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $100. Annual meeting, second Monday in February. The Continental Telephone Co. (see General Index) owns a controlling interest in the stock.

Dividends—Payments have been made as follows: 4% each from 1905 to 1919, incl.; 6% in 1920; 4% in 1921, 1922, 1923 and 1924; 1925 to 1927, 6% each; payments quarterly, J, A, J & O.

FUNDED DEBT

$100,000 First Mortgage Gold 6s; dated Oct. 1, 1923; due October 1, 1953; interest quarterly, J, A, J & O 1, at Fourth and First National Bank, Nashville, Tenn., Trustee. Coupon, $500; principal may be registered. Authorized, $400,000. Subject to call at any time at par and interest. No sinking fund. Secured on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$243,358	$233,195	$212,512	$181,751	$167,599	$140,041
Operating exp. and taxes	199,898	149,908	139,543	123,946	115,164	86,670
Depreciation		40,269	36,596	31,653	28,302	25,129
Net earnings	$43,460	$43,018	$36,373	$26,152	$24,133	$28,242
Bond interest	6,000	5,820	6,000	6,000	3,460	4,965
Other interest, rentals, etc.	9,706	7,684	5,100	4,397	4,972	4,072
Total charges	$15,706	$13,504	$11,100	$10,397	$8,432	$9,037
Net income	$27,753	$29,514	$25,273	$15,755	$15,701	$19,205
Dividends paid	20,750	20,012	18,353	8,932	8,932	8,882
Surplus for year	$7,003	$9,502	$6,920	$6,823	$6,768	$10,324
Earnings Per Share	$6.94	$8.81	$7.58	$7.06	$7.03	$8.60

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$720,409	$651,011	$610,294	$532,461	$493,490	$431,305
Materials and supplies	7,686	11,430	8,515	4,366	9,322	8,156
Other investments	52,431	36,043				
Cash	*3,510	2,648	4,301	*2,720	336	1,390
Notes receivable	960	700	3,094	1,147	1,647	2,612
Accounts receivable	31,249	27,695	22,554	21,917	23,366	24,500
Deferred debit items	1,686	6,175	2,236	2,771	1,635	150
Total	$810,911	$735,702	$650,993	$559,942	$529,796	$468,113
Liabilities—						
Capital stock	$400,000	$335,000	$333,400	$223,300	$223,300	$223,300
Other capital stock liability					821	821
Funded debt	100,000	100,000	98,000	100,000	100,000	65,500
Reserve for taxes	10,399	3,000	3,000			
Notes payable	36,750	68,375	14,250	45,131	30,127	19,242
Accounts payable	11,141	4,369	7,274	5,211	8,517	5,492
Other current liabilities				1,703		2,822
Deferred credits					3,078	
Depreciation reserve	181,883	161,223	141,413	116,001	103,001	96,752
Appropriated surplus	70,738	54,233	53,656	61,773	54,184	43,860
Profit and loss—surplus		9,502		6,823	6,768	10,324
Total	$810,911	$735,702	$650,993	$559,942	$529,796	$468,113

* Overdraft.

Officers: Jas. N. Cox, Pres. & Gen. Mgr., Cookeville, Tenn.; George K. Gann, V-P., St. Paul, Minn.; S. Hayden Young, Sec. & Treas.; Chas. Stanton, Aud., Cookeville, Tenn.

Directors: Jas. N. Cox, S. Hayden Young, Cookeville, Tenn.; Geo. K. Gann, O. B. Randall, St. Paul, Minn.; F. C. Woods, J. H. Agee, Lincoln, Neb.; C. H. Moore, Glasgow, Ky.

Office, Cookeville, Tenn.

THE WESTERN OHIO RAILWAY COMPANY

History and Property—Incorporated Oct. 11, 1900, in Ohio. Owns an electric railway extending from Lima through Wapakoneta and St. Mary's to Celina, and from St. Mary's to Minster and from Wapakoneta to Piqua, a total of 80 miles. Owns the entire $4,000 capital stock of **Lima, Findlay & Toledo Ry. Co.**, a 32-mile road, extending from Lima to Findlay, making connections at Findlay for Toledo and Detroit. Total mileage owned and leased, 113.98 miles. Gauge, standard. Rails, 60, 70 and 73 lb. T and girder. Passenger cars, 18; freight and express cars, 74.

Franchises in all towns are for twenty-five years to Feb., 1947, except in Lima, where the tracks of the Ohio Electric Ry. are used under traffic agreement. Outside of towns line is built on private right of way.

Joint Protective Committee—Incident to the default, Nov. 1, 1921, of both principal and interest of First Mortgage 5% bonds, two committees were formed in the interest of holders, which in Feb., 1922 were merged to include the following: J. P. Harris, Chairman, I. F. Freiberger and L. J. Wolf, Cleveland; A. L. Chambers, Buffalo; R. G. Henning, Chicago; E. J. B. Huntoon, Boston, with Thos. H. Jones, Sec., Williamson Bldg., Cleveland; Tolles, Hogsett, Gin & Morley, Cleveland counsel. Depositary, The Union Trust Co., Cleveland. Sub-depositaries, The Fidelity Trust Co., Baltimore; State Street Trust Co., Boston; The Marine Trust Co., Buffalo, and Empire Trust Co., New York City.

Foreclosure Suit.—In Nov., 1921, The Union Trust Co., Cleveland, as Trustee, filed in the Common Pleas Court at Lima, O., formal bill of foreclosure. It is not contemplated, however, that any formal request for a receiver will be made.

Temporary Bond Extension—The joint committee adopted a temporary extension programme under which the bond and interest charges will be allowed to continue for the time being, and the mortgage securing same allowed to remain undisturbed, without limiting the rights of the committee or the bondholders to take legal steps at any time to foreclose the mortgage.

Defaulted Interest Payment—The schedule contemplated the resumption of current interest payments on Nov. 1, 1922, on which date and on each interest paying date thereafter the Company paid the current coupons. The May 1, 1921 defaulted interest was paid

Dec. 31, 1923, leaving the Nov. 1, 1921 coupon and May 1, 1922 interest to be paid. It is believed that out of the operations all depositing bondholders will receive not only principal and 5% interest on their investment but also interest on the defaulted interest, and on final settlement an additional 2% per annum as compensation for the extension.

CAPITAL STOCK

Authorized, $30,000 Common, par, $1 (decreased from $3,000,000, par, $100 in July, 1911), $500,000 7% cumulative Pfd., par, $100, and $500,000 6% cumulative Second Pfd., par, $100; outstanding, Dec. 31, 1927, $30,000 Common, $476,000 7% cum. First Pfd., and $450,000 6% cum. Second Pfd. The Cleveland Trust Co. holds $24,000 of the First Pfd. to provide for the conversion of an equal amount of convertible bonds described below.

First Preferred Stock Provisions—Has preference for assets and dividends and is subject to call at 107½ and dividends. No new or additional mortgage can be placed upon the properties of company in the event of dissenting vote of 25% of First Pfd. stock, the company under such circumstances having the right to purchase the dissenting shares at 107½ and dividends. First Pfd. stock has equal voting power with Second Pfd. and Com., except in case of default of 4 quarterly dividends on First Pfd., and so long as and until default is remedied the voting power of Common stock shall be decreased two-fifths.

Transfer Agents—Cleveland Trust Co., Cleveland.

Registrar—Cleveland Trust Co., Cleveland.

Annual Meeting—First Wednesday in April.

Listed (First Pfd.)—Cleveland Stock Exchange.

Dividends—Dividends on First Pfd. were regularly paid quarterly (J, A, J & O 1) to and including April 1, 1917; none since. On Second Pfd., 1½% paid Oct., 1910, which rate paid quarterly (J, A, J & O 1) to and including July, 1914; none since. None paid on Common.

FUNDED DEBT

(1)

$324,000 Lima, Findlay & Toledo Ry. First Gold 5s; dated July 1, 1905; due July 1, 1925; int. Jan. and July 1, at Citizens Savings & Trust Co., Cleveland, Trustee, and in New York. Coupon, $1,000. Subject to call at 105. Authorized, $600,000. Sinking fund of $10,500 per annum began in 1911. Original issue, $400,000; $76,000 have been redeemed. Company pays Normal Federal Income Tax up to 2%.

Default—Principal due July 1, 1925 and interest due Jan. 1, 1927 and subsequently is in default.

Bondholders' Protective Committee.—A protective committee for holders of Lima, Findlay & Toledo Ry. First Mortgage 5s, due July 1, 1925, which are in default, has been formed. Committee consists of E. B. Greene, Charles S. Thrasher and A. D. Baldwin (Secretary), Cleveland, Ohio, and Leo A. Coleman, Wheeling, W. Va. The depositaries are: Cleveland Trust Co., Cleveland, Ohio, Marine Trust Co., Bufalo, N. Y., and Central Union Trust Co., Wheeling, W. Va.

(2)

$2,500,000 Western Ohio Ry. First Gold 5s; dated Nov. 1, 1901; due Nov. 1, 1921; int. May and Nov. 1, at The Union Trust Co., Cleveland, Trustee, and at First National Bank, New York. Coupon, $1,000; principal may be registered. Authorized, $3,000,000. Secured on all property. In July, 1910, supplemental mortgage was made, bringing the property of the Lima, Findlay & Toledo Ry. directly under this mortgage, subject to the above described bonds. First publicly offered ($1,500,000) in May, 1912, at 94½ and interest. Company pays Normal Federal Income Tax up to 2%.

Default—Interest due Nov. 1, 1922, was paid when due. The interest due May 1, 1921 was paid Dec. 31, 1923. The interest due Nov. 1, 1921, and May 1, 1922 remains unpaid. Interest due Nov. 1, 1922, to May 1, 1925, regularly paid; Nov. 1, 1925, interest paid Feb. 1, 1926; May 1, 1926, interest paid Aug. 15, 1926; Nov. 1, 1926, interest paid March 1, 1927; none since.

(3)

$24,000 Western Ohio Ry. Convertible Collateral Trust 6s; dated July 1, 1910; due July 1, 1930; int. Jan. and July 1, at Cleveland Trust Co., Cleveland, Trustee. Coupon, $1,000. Convertible into 1st Pfd., par for par, at holders' option. Secured by pledge of an equal amount of First Gold 5s, which are released from the lien as the 6s are converted. Original issue, $500,000, of which $476,000 have been converted into First Pfd. stock. Subject to call since Nov. 1, 1921, at 110. Company pays Normal Federal Income Tax up to 2%.

BONDS CANCELLED

The $500,000 Western Ohio Ry. General Gold Coupon 6s, dated Nov. 1, 1917 and due Nov. 1, 1921 were cancelled of record in 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$867,513	$878,427	$877,860	$1,019,018	$1,052,415	$950,643
Oper. exp., taxes and depreciation	729,468	699,982	706,425	807,442	769,172	742,283
Net earnings	$138,045	$178,445	$171,435	$211,576	$283,243	$208,360
Interest charges	157,668	163,246	161,847	162,283	166,250	160,595
Surplus for year	*$19,623	$15,199	$9,589	$49,293	$116,993	$47,765
Times Interest Earned	0.88	1.09	1.05	1.30	1.70	1.30

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$4,787,554	$4,752,016	$4,695,159	$4,668,098	$4,568,804	$4,502,423
Sinking fund	49	49	49	49	49	49
Investments	28,500	28,500	28,500	28,500	28,500	68,060
Government securities	.....	.....	.....	51,255	.....	.....
Materials and supplies	69,616	62,324	79,244	74,679	91,492	67,375
Cash	11,028	39,603	4,184	5,655	3,128	12,090
Accounts receivable	41,529	46,177	44,434	48,137	50,208	47,782
Prepaid items	22,066	16,657	2,908	5,490	8,364	4,520
Total	$4,960,342	$4,945,326	$4,854,478	$4,881,863	$4,750,545	$4,702,299
Liabilities—						
Capital stock	$956,000	$956,000	$956,000	$956,000	$956,000	$956,000
Funded debt	2,848,000	2,848,000	2,848,000	2,848,000	2,848,000	2,848,000
Notes and trade acceptances	138,913	165,866	96,143	168,033	186,036	199,311
Current liabilities	52,472	77,374	79,294	96,085	37,490	50,251
Interest accrued	302,127	221,883	258,288	177,090	171,498	230,726
Taxes accrued	55,673	55,491	68,155	101,778	65,895	48,842
Reserves	479,968	*411,550	88,552	83,014	77,290	75,235
Profit and loss surplus	127,189	209,162	460,047	451,863	408,335	293,934
Total	$4,960,342	$4,945,326	$4,854,478	$4,881,863	$4,750,545	$4,702,299

*Of which $406,766 represents depreciation.

Officers: F. D. Carpenter, Pres. & Gen. Mgr., Lima, Ohio; Adolph Born, V-P.; H. C. Lang, Sec. & Treas., Cleveland; E. O. Reed, Aud., Lima, Ohio.

Directors: The above and C. O. Sullivan, Lima, Ohio.

Executive Office, 1500 Keith Bldg., Cleveland, Ohio.

INTERNATIONAL POWER SECURITIES CORPORATION

History—Incorporated April 30, 1923, in Delaware, as The Italian Power Company; name changed to present title in 1924. Commenced business Oct. 1, 1923. Company was organized primarily to acquire securities and obligations of leading electric light and power companies operating in the United States and foreign countries. Company has acquired certain obligations of the Societa General Italiana Edison di Elettricita (Edison Electric Company of Milan), of the Union d'Electricite, Paris, France, and Societa Italiana per il Gas, Torino (Italian Gas Co., Turin).

Edison General Italian Electric Co., Milan (Societa Generale Italiana Edison di Elettricita)—This Company was organized in 1884 under Italian laws, and was the first company in Europe to engage on a large scale in the generation and distribution of electricity for commercial purposes. It has also been a pioneer in hydro-electric and high-voltage transmission fields, its Paderno plant on the Adda River, connected with Milan by a 22,500 volt transmission line, having been in successful operation for twenty-eight years, since 1898. A most important step in its growth and development was taken in August, 1926, when, by an exchange of stock, the Company's most important subsidiary, the "Conti," was absorbed, thereby increasing its fixed assets by the addition of 200,000 horse-power of operating hydro-electric plants, and by the addition of transmission and distribution systems, etc. The Edison General Italian Electric Company had in operation at the end of 1926 an aggregate generating capacity of 400,000 horse-power (85% hydro-electric) and owned 661 miles of transmission lines exclusive of its distribution system.

The Company is both an operating and holding company. It furnishes practically the entire electric power requirements in the City of Milan and adjoining suburban districts and, under an operating agreement with the municipality, furnishes also a substantial portion of the lighting service in the city. The Company's holdings consist principally of stock in generating, transmission and distribution corporations, a number of which in turn have important holdings in additional companies. These subsidiary and affiliated companies, whose operations extend over territory adjacent to that of the Edison General Italian Electric Company, form with that Company an interconnected and co-ordinated Edison "Group" which has an aggregate installed generating capacity of 970,000 horse-power (82% hydro-electric), together with 400,000 horse-power under construction. The output of the System in 1925 was 1,649,000,000 kilowatt hours (94% hydro-electric) in addition to which 319,000,000 k.w.h. were purchased from outside sources. The Edison "Group" serves a territory having a population of over 12,000,000 and thus is one of the largest electric power systems in the world. It produces nearly one-quarter of the total electric energy sold in Italy.

A feature of this power supply system is that the Edison "Group", through high voltage transmission lines, has made possible the interchange of power between the Alpine installations and those in the Appenine watersheds in the south. This is of great economic importance, as the former have their high water periods in the summer months because of melting glacier ice, while the latter have their surplus flows in the spring and autumn.

Among the more important subsidiary companies of the Edison General Italian Electric Comapny are the "Negri" and its subsidiaries with 353,000 horsepower, operating in the zone lying along the Maritime Alps and the Italan Riviera (the Ligurian Coast) in the neighborhood of Genoa; the "Bresciana" with 59,400 h.p., operating to the east of Milan, centering around Brescia, Cremona, and extending southeast to Bologna; the "Emiliana" with 16,000 h.p., operating in the vicinity of Parma; the "Dinamo" with 65,000 h.p., operating to the west of Lake Maggiore and including parts of Lombardy and Piedmont; the "Interregionale-Cisalpina" with 105,000 h.p. in plants nearing completion and in plants located north of Lake Como and doing an extended high tension transmission business; and the "Orobia" with 29,000 h.p., operating around Lake Lecco, northeast of Milan.

EARNINGS, YEARS ENDED DECEMBER 31
(Edison General Italian Electric Co.)

	Gross Earnings (Lire)	Net Earnings Before Deprec. (Lire)
1921	45,925,929	25,580,432
1922	50,265,974	22,365,473
1923	65,973,651	37,005,139
1924	74,614,817	38,308,064
1925	87,748,460	48,336,242

The Union d'Electricite—See statement appended.

Italian Gas Co., Turin (Societa Italiana per il Gas, Torino)—This Company was organized in 1838 to manufacture and distribute gas in the City of Turin, but is now both an operating and holding company, and is the largest and most successful in the gas and by-product chemical field in Italy. It owns and operates three gas plants and, through controlling stock ownership, it administers eight other gas companies, supplying in all 28 cities and towns with a total population of about 2,500,000, including Milan, Turin, Florence, Venice, Carrara, Novara, Cremona, Bergamo, Livorno, Savona and Allessandria. It also controls the Societa Anonima di Lavorazione dei Carboni Fossili e loro Sottoprodotti, operating a large by-product coke oven plant near Savona. Through a subsidiary company, it operates a large coke oven plant near Venice supplying metallurgical coke in that vicinity and produces gas for the operation of glass works. In addition, other subsidiary Companies operate old-established plants producing dyes, drugs and other chemicals. All of the operations of the Company are carried on in the industrial sections of Northern Italy, where such activities are expanding on a large scale.

The following are among the more important of the subsidiary gas companies in which the Italian Gas Company owns the majority of the stock: Societa Torinese Industria Gas ed Elettricita, Societa "Gas e Coke Milano," Societa Italiana Dell' Industria Del Gas, Societe Anonyme de l'Eclairage au Gas de la Ville de Venise, Societe Civile de l'Eclairage par le Gas de la Ville de Florence, Societa Anonima di Lavorazione dei Carboni Fossili e loro Sottoprodotti, operating a large by-product coke oven plant at Vado, also a number of companies which were organized to work up the by-products of gas plants. One of the most important of the companies, obtaining many of its raw materials from the gas plants operated or controlled by the Italian Gas Company, is the large chemical company known as the Societa Italiana Prodotti Esplodenti which, in turn, owns and operates an important dye manufacturing company, the Societa Italiana Prodotti Artificiali. The most important of the gas companies, the coke and the by-product chemical works which utilize the special opportunities furnished by the gas companies and supplement and round out the usual activities of the latter, are parties

to the Italian Companies, obligations to the International Power Securities Corp.

Adamello General Electric Company, Milan (Societa Generale Elettrica dell'Adamello (G. E. A.)—This Company, organized in 1907 under Italian laws, derives its name from a group of glaciers located in the Italian Alps within 20 miles of the Swiss border and some 80 miles northeast of Milan, Italy's largest city and most important industrial and business center. Adamello is both an operating and a holding Company, is interconnected with practically every important electric system north of Rome, and interchanges power with many of them. Among its most important holdings in other companies are participations of approximately 90% each in two hydro-electric generating subsidiaries known briefly as Ozola and Allione. These two subsidiaries, together with Adamello itself, are referred to as the Adamello System. Melting glaciers are the primary source of water supply for both the Adamello and the Allione hydro-electric plants.

The business of the Adamello System consists almost entirely in the generation of hydro-electric power and the transmission of such power, plus a substantial amount of purchased power. The power is sold at wholesale to 17 customers located in Italy's principal industrial regions. Twelve of these customers redistribute purchased electric power combined with power generated in their owns plants, and together serve the larger part of northern Italy. These distributing customers include several of the most important electric companies of Italy, such as Edison General Italian Electric Company and two associated companies. The Adamello System does very little retail distributing business.

It is estimated that Adamello's distributing customers together serve over 1,250,000 power and light consumers in a territory containing most of Italy's principal industries and having over 21,000,000 inhabitants, or about 40% of Italy's total population. Over 380,000,000 kilowatt-hours were sold by the Adamello System during the twelve months ended Sept. 30, 1926.

The present installed generating capacity of the Adamello System's eight operating power plants is 230,780 h.p., all of which is hydro-electric. Of this amount, 32,960 h.p. is in the two plants of the subsidiary Ozola and 21,600 h.p. is in the two plants of the subsidiary Allione. In addition to this, the system now has under construction 100,500 h.p. of additional hydro-electric generating capacity and 26,800 h.p. of generating capacity in a new steam plant, the latter on the Po River at Piacenza. Upon completion of these installations, all of which should be in operation by the end of 1927, the Adamello System will have a total installed generating capacity of 358,080 h.p.

The transmission system owned by Adamello comprises 724 circuit miles of high tension lines on steel towers, 139 circuit miles of which is of 130,000 volts. Additional high tension lines are now under construction, including 155 miles of 130,000-volt steel tower line. An interesting feature of the properties is the system of canals and tunnels which deliver water to the power plants, these canals totaling over 23 miles in length and, for the most part, being driven through solid granite formation. There are 13 principal transformer and switching stations owned by the System.

CONSOLIDATED EARNINGS OF THE ADAMELLO SYSTEM, INCLUDING OZALA AND ALLIONE, YEARS ENDED

(After eliminating inter-company items and rentals and before depreciation)

	Sept. 30, 1926	Mar. 31, 1926	Mar. 31, 1925
Gross operating revenue...	$1,760,117	$1,578,464	$1,395,133
Oper. exp., maintenance & taxes chargeable to oper..	631,535	525,624	632,259
Net operating revenue ..	$1,128,582	$1,052,840	$762,874
Non-operating income (net)	214,193	207,513	147,634
Net income avail. for int.	$1,342,775	$1,260,353	$910,508

CAPITAL STOCK

Authorized, 1,000,000 shares Common of no par value (increased from 350,000 shares in April, 1928), and 250,000 shares Preferred of no par value; outstanding, 175,000 shares Common and 75,000 shares $6 dividend, Series "A" Preferred. Authorized capital stock was changed from $5,000,000, all Common, par $100, to present amounts in 1927. The 50,000 shares of $100 par value formerly outstanding, were exchanged for new stock on the basis of one share of $6 Pfd., Series "A" and three shares Common for each share of old stock held.

Preferred Stock Provisions—The $6 Preferred stock, Series "A" is entitled in preference to Common stock to dividends, cumulative from June 15, 1927 at rate of $6 per share per year, and in distribution of assets other than by dividend from surplus or profits will have a preference over Common to the extent of $100 per share, plus accrued dividends. It is redeemable upon 30 days' notice on any dividend date at $110 per share and accrued dividend. Pfd. stock will not be entitled to vote, except in certain instances now required by law, but when dividends on Pfd. have been in arrears for a period or periods of twelve months, the voting power of the Common stock will cease, and holders of the Pfd., subject to rights of any future classes of stock, will acquire sole voting rights. The voting power of Pfd. will cease when all accumulated and unpaid dividends thereon have been paid in full. The remainder of the Pfd. stock may be issued in series by resolution of the Board of Directors, with such designations, preferences and relative, participating, optional or other special rights, or qualifications thereof as may be stated in the resolutions providing for the same, but additional series may be issued only when all dividends have been paid or set apart for payment on the then outstanding Preferred stock. An amount equal to 10% of the cash earnings applicable to dividends on the Common stock, as defined in the Certificate of Incorporation, will be paid annually, commencing Jan. 1, 1929, to a special fund for the retirement of $6 Preferred stock, Series "A" by purchase in the open market. If, after April 1 in any year thereafter, more than $5,000 remains in this fund, the Corporation will advertise inviting offers of stock at not more than $110 per share. After the acceptance of all such offers, the Corporation may use, as it deems wise, any cash remaining in the fund.

Transfer Agent—The New York Trust Co., New York.

Registrar—Bank of The Manhattan Company, New York.

Legal Opinion—Simpson, Thacher & Bartlett, New York.

Original Offering—First publicly offered (75,000 shares Series "A" Pfd. together with Common shares, in units of one share of $6 Preferred Stock, Series "A" and one share of Common stock) in May, 1927 at $106 per unit, by Aldred & Company, Old Colony Corporation and Minsch, Monell & Co., Inc., New York, etc., and Chase & Co., Boston.

Dividends—Since its organization the Company has paid dividends equivalent to 6% per annum on the respective amounts of capital from time to time paid in. Initial semi-annual dividend of $3.00 per share was paid on the $6 cumulative Pfd., Series "A," Dec. 15, 1927; payments J & D 15.

FUNDED DEBT

(1)

$4,000,000 6½% COLLATERAL TRUST SINKING FUND GOLD BONDS, SERIES "B"; DUE DECEMBER 1, 1954

Dated December 1, 1924.

Interest Payable June and December 1, in United States gold coin, at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Callability—Subject to call as a whole or in part on any interest date upon sixty days' notice at the following prices: 107% and interest on or before Dec. 1, 1929; 105% and interest after Dec. 1, 1929 and on or before Dec. 1, 1930; the premium decreasing ½% annually thereafter until June 1, 1935. On and after June 1, 1935 the redemption price remains at 102½% and interest.

Sinking Fund—Provision is made for an annually increasing sinking fund, commencing in 1930, sufficient to retire the entire issue by maturity.

The Company reserves the right to redeem bonds by lot for this Sinking Fund at 100% and interest on Dec. 1 of any year, beginning with Dec. 1, 1930, in accordance with a fixed schedule. The Sinking Fund schedule provides for the retirement of bonds in annual installments from and after 1930, the installment for that year being $25,000; the annual installment is increased by $15,000 in each of the years from 1931 to 1934 inclusive, by $10,000 in each of the years from 1935 to 1949 inclusive and by $5,000 in each of the years from 1950 to 1954 inclusive, the 1954 installment being $260,000.

Security—The Series "B" bonds are a direct obligation of International Power Securities Corporation and are secured by pledge of $4,000,000 of 30-year 6½% External Gold Bonds of the Union d'Electricité, Paris, France, due Dec. 1, 1954, the principal and interest of which are payable in United States gold coin without deduction for any French taxes present or future. These $4,000,000 Thirty-Year 6½% External dollar gold bonds rank equally with 195,823,500 frs. ($10,574,469) internal obligations issued and outstanding in France. The entire properties of the Union d'Electricité are free at present from any mortgage, lien or other charge and the Company has agreed that if, while any of the bonds of this issue are outstanding, it shall place any mortgage, lien, or other charge on any of its properties or revenues, it will secure these External dollar bonds equally and ratably with any obligations secured by such mortgage, lien or charge. The proceeds of any of the External dollar bonds redeemed before maturity are to be applied to the retirement, through the Sinking Fund or otherwise, of 6½% Collateral Trust Gold Bonds of the International Power Securities Corporation (this issue).

Legal Opinion—Simpson, Thacher & Bartlett, New York and S. G. Archibald, Paris, France.

Original Offering—First publicly offered ($4,000,000) in Dec., 1924 at 93¾ and accrued interest, to yield about 7% by Aldred & Company and Minsch, Monell & Company, Inc., New York, Chase & Co., Boston, and Joseph W. Gross & Co., Philadelphia.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	*95½	93¾	93¾	94
Low	*88½	91¼	93¾	90

*High and low bid prices.

(2)

$9,826,000 THIRTY-YEAR 6½% SECURED SINKING FUND GOLD BONDS, SERIES "C"; DUE DECEMBER 1, 1955

Dated December 1, 1925.

Interest Payable June and December 1 at Bankers Trust Co., New York, in U. S. Gold coin of the present standard of weight and fineness.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $10,000,000; outstanding, Sept. 30, 1927, $9,826,000. These bonds were issued to retire $2,000,000 6½% Series "A" Collateral Trust bonds, due Oct. 1, 1928, and to supply Edison General Italian Electric Co. with funds to pay for certain extensions under construction in the hydro-electric plants to be covered by the mortgage and for other corporate purposes.

Callability—Subject to call, except for sinking fund, as a whole only on any interest date upon 60 days' notice; at 107 and interest through December 1, 1930; thereafter at 105 and interest through December 1, 1935; the premium thereafter decreasing ½% per annum to 102½ and interest during 1940; thereafter, prior to maturity, at 102½ and interest. Bonds may be drawn by lot at par for the sinking fund.

Sinking Fund—The indenture provides for a sinking fund payable semi-annually in U. S. gold coin, which is sufficient to retire this entire issue of Series "C" bonds by maturity. Payments start on the first interest date, and will progressively increase from an initial payment of $56,000 to the final payment of $370,000, payable in cash or bonds of this issue at par. Bonds may be turned in for sinking fund purposes at par. To the extent not so turned in, the Trustee will draw bonds by lot at par. Bonds acquired for the sinking fund will be cancelled. Under its mortgage securing this issue, Edison General Italian Electric Co. will be obligated to make to the Trustee semi-annual payments on account of principal equivalent to the sinking fund payments to be made by the Corporation.

Security—These bonds are a direct obligation of International Power Securities Corp. and are secured by a first mortgage in the principal amount of $9,826,000 made to the Trustee by the Edison General Italian Electric Company. The first mortgage of the Edison General Italian Electric Co. is a general obligation of that Company covering all of its hydro-electric generating plants.

Legal Opinion—Simpson, Thacher & Bartlett, New York, S. G. Archibald, Paris, and Robert Pozzi, Milan.

Original Offering—First publicly offered ($10,000,000) in December, 1925 at 93¾ and interest, to yield 7%, by Aldred & Co., Minsch, Monell & Co., Inc., Harris, Forbes & Co., Bankers Trust Co., New York, The First National Corporation, and Chase & Co., Boston, Hanson Bros., Geoffrion & Co., Greenshields & Co., Dominion Securities Corp., Ltd., and Wood, Gundy & Co., Montreal, etc.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
High	*93½	*91
Low	*89	86

*High and low bid prices.

(3)

$4,900,000 TEN-YEAR 7% SECURED SINKING FUND GOLD BONDS, SERIES "D"; DUE JANUARY 1, 1936

Dated January 1, 1926.

Interest Payable January and July 1 at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $5,000,000. As a result of this financing, the Italian Gas Co. was supplied with funds to pay off its entire floating indebtedness, to extend its plants and for general corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, prior to maturity, on 30 days' notice, at 105 and interest on or before July 1, 1930; at 102½ and interest after July 1, 1930, and on or before July 1, 1932; and thereafter until maturity at 101 and interest.

Sinking Fund—The indenture provides for a sinking fund, payable annually in U. S. gold coin, which is sufficient to retire more than one-third of this issue by maturity. The annual sinking fund payments start Jan. 1, 1927, and will progressively increase from an initial payment of $100,000 to the final payment of $350,000, payable in cash or bonds of this issue at par. Bonds may be purchased in the open market for this purpose. To the extent not so purchased, the Trustee will draw bonds by lot at the prices stated

in the provisions for redemption. Bonds acquired for the sinking fund will be cancelled.

Security—These bonds are a direct obligation of International Power Securities Corp., specifically secured by the obligation of the Italian Gas Co. and three of its most important subsidiaries in the principal amount of $4,900,000, payable in United States gold coin. The indenture exidencing the obligation of the contracting Italian companies provides, as additional security, for the deposit with the Trustee of certain shares of some of the contracting and other allied operating companies, the market value of which shares, as of February, 1926, was estimated by Italian bankers at $10,380,000. All of the contracting companies and the companies whose stocks are pledged, are free from mortgage debt; and the contracting Italian companies covenant to place no mortgage on their properties while the obligation securing this issue is outstanding.

Legal Opinion—Simpson, Thacher & Bartlett, New York, S. G. Archibald, Paris and Sig. Roberto Pozzi, Milan.

Original Offering—First publicly offered ($5,000,000) in February, 1926, at par and interest together with stock purchase warrants, by Aldred & Co., Harris, Forbes & Co., Bankers Trust Co., Minsch, Monel & Co., Inc., and The First National Corp. of Boston and New York; Hanson Bros., Greenshields & Co., Dominion Securities Corp., Ltd., and Harris, Forbes & Co., Ltd., Montreal, etc., and Chase & Co., Boston.

Stock Purchase Warrants—Each $1,000 bond bears a Stock Purchase Warrant entitling holder to purchase 20 shares (par 100 lire each) of stock of Societa Italiana per il Gas at 420 lire per share after Mar. 31, 1926, and through Dec. 31, 1926; at 430 lire during 1927; at 440 lire during 1928; at 450 lire during 1929; and at 460 lire during 1930. For subscription before Jan. 1, 1927, warrants must be presented with the bonds to which they are attached. All shares of stock so subscribed for will earn dividends from April 1 of the calendar year within which subscription and payment therefore are made.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
High	96⅜	100
Low	93½	99¾

(4)

$9,949,000 7% SECURED GOLD BONDS, SERIES "E"; DUE FEBRUARY 1, 1957.

Dated February 1, 1927.

Interest Payable February and August 1, at Bankers Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $10,000,000.

Purpose of Issue—As a result of this financing, Edison General Italian Electric Co. will be supplied with funds for completion of certain extensions in the hydro-electric plants under construction and for other corporate purposes.

Callability—Subject to call, except for sinking fund, as a whole only on any interest date, on 60 days' notice, at 105 and interest through Feb. 1, 1932; thereafter at 104 and interest through Feb. 1, 1937, the premium decreasing ½% immediately thereafter and at the end of every 5 year period until the call price reaches 102½ and interest, at which it continues prior to maturity.

Sinking Fund—Sinking fund is provided sufficient to retire all these Series E bonds by maturity. For this purpose, bonds may be turned in at par. To the extent not so turned in, the Trustee will draw bonds by lot for redemption at 100 and interest.

Security—Series "E" bonds are the direct obligations of International Power Securities Corp., secured by a Mortgage in the principal amount of $9,949,000 made to the Trustee by Societa Generale Italiana Edison di Elettricita (Edison General Italian Electric Co.) and two of its subsidiaries. This mortgage is not only a joint and several general obligation of the "Edison" Company and its subsidiaries, but also creates a first mortgage lien on six hydro-electric plants of these Italian companies, having an aggregate generating capacity of 198,000 horse-power and valued at over $15,000,000. Provision will be made whereby, upon the retirement by the sinking fund of approximately one-third and two-thirds respectively of this Series "E" issue of bonds, certain of the mortgaged property will be released.

Legal Opinion—Simpson, Thacher & Bartlett, New York and S. G. Archibald, Paris, and Sig. Roberto Pozzi, Milan, Italy.

Original Offering—First publicly offered ($10,000,000) in January, 1927, at 96.375 and interest to yield 7.30%, by Aldred & Co., Harris, Forbes & Co., Bankers Trust Co., Minsch, Monell & Co., Inc., New York; First National Corp. of Boston, Harris, Forbes & Co., Inc., Chase & Co., Boston; Harris Trust & Savings Bank, Chicago and Harris, Forbes & Co., Ltd., Montreal.

Listed—Boston Stock Exchange.

Price Range—1927: High, 97; low, 92¾.

(5)

$5,954,000 7% SECURED GOLD BONDS, SERIES "F"; DUE JANUARY 15, 1952

Dated January 15, 1927.

Interest Payable January and July 15, at Bankers Trust Co., New York, in U. S. gold coin.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Purpose of Issue—Issued to supply Adamello Electric Company with funds for construction work on a new 80,400 H. P. hydro-electric plant, a new 26,800 H. P. steam plant, additional transmission lines and certain extensions in existing hydro-electric plants, as well as for other corporate purposes.

Callability—Subject to call, except for sinking fund, as a whole only on interest date, on 60 days' notice, at 105 and interest, through Jan. 15, 1931; at 104 and interest, through Jan. 15, 1935; at 103½ and interest, through Jan. 15, 1939; at 103 and interest, through Jan. 15, 1944, and thereafter prior to maturity at 102½ and interest.

Sinking Fund—A sinking fund will be provided sufficient to retire all of Series "F" bonds by maturity. For this purpose, bonds may be turned in at par. To the extent not so turned in, the Trustee will draw bonds by lot for redemption at par and interest.

Security—These Series "F" bonds are the direct obligations of Corporation. In addition they are secured by a closed first mortgage made to the Trustee by Societa Generale Elettrica dell'Adamello (Adamello General Electric Co.) and by one of its subsidiary companies, Societa Idroelettrica dell'Ozola (Ozola Hydro-Electric Co.) in the principal amount of $5,954,000, which equally and ratably secures 45,870,000 lire ($2,018,280) of debentures which are now outstanding. This mortgage created a first mortgage lien on six operating hydro-electric generating plants and certain transmission lines of company and its said subsidiary as well as on a steam generating plant now under construction, and is in addition a joint and several general obligation of company and of its subsidiary. The present reproduction value, after liberal depreciation, of the existing properties covered by the mortgage is over $17,000,000. This is exclusive of the cost of the new plant now under construction. Provision will be made whereby certain of the mortgaged properties will be released upon the retirement by the sinking fund of one-half of the Series "F" bonds and certain others will be released upon payment of the outstanding debentures.

Legal Opinion—Simpson, Thacher & Bartlett, New York; S. G. Archibald, Paris, and Sig. Roberto Pozzi, Milan.

Original Offering—First publicly offered ($6,000,000) in January, 1927, at 95½ and interest, to yield about 7.40% by Bankers Trust Co., Aldred & Co., Harris, Forbes & Co., Minsch, Monell & Co., Inc., New York; First National Corp. of Boston, Harris, Forbes & Co., Inc., and Chase & Co., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

Price Range—1927: High, 95¼ bid; low, 92½ bid.

INVESTMENTS, SEPTEMBER 30, 1927

Securities Deposited With Trustee—	
30-Yr. 6½% External Sinking Fund Gold bonds of Union D' Electricite, due Dec. 1, 1954 (par value $4,000,000)	$3,498,254
30-Yr. 6½% Sinking Fund obligation secured by mortgage of properties of Societa Generale Italiana Edison Di Elettricita, due Dec. 1, 1955 (par value $9,826,000)	8,672,814
10-Yr. 7% Sinking Fund obligation with Collateral securities of Societa Anonima Italiana per il Gas, et. al. due Jan. 1, 1936 (par value $4,900,000)	4,559,543
30-Yr. 7% Mortgage of Societa Generale Italiana Edison di Elettricita, et al, due to Feb. 1, 1957 (par value $9,949,000)	8,957,994
25-Yr. 7% Mortgage of Societa Generale Elettrica dell A'damello, et al, due to Jan. 15, 1952 (par value $5,954,000)	5,265,473
1-Yr. 6% Guaranteed Notes of Societa Italiana per il Gas, due Dec. 29, 1927, at cost	2,000,000
Accrued interest thereon	588,214
Total deposited	$33,542,292
Securities Held by Corporation, at Cost—	
Bonds:	
30-Yr. 6½% Collateral Trust bonds, Series "B," of International Power Securities Corp. (par value $205,000)	$185,763
30-Yr. 6½% Secured Sinking Fund Gold bonds, Series "C," of International Power Securities Corp. (par value $360,000)	333,225
10-Yr. 7% Secured Sinking Fund Gold bonds, Series "D," of International Power Securities Corp. (par value $300,000)	295,172
Republic of France 7% External Sinking Fund Gold bonds (par value $800,000)	841,200
Kingdom of Italy 7% External Sinking Fund Gold bonds (par value $1,700,000)	1,611,186
30-Yr. 7% Secured Sinking Fund Gold bonds, Series "E", of International Power Securities Corp., due Feb. 1, 1957 (par value $220,000)	211,755
25-Yr. 7% Secured Sinking Fund Gold bonds, Series "F", of International Power Securities Corp., due Jan. 15, 1952 (par value $295,000)	281,196
Kingdom of Belgium, 7% External Sinking Fund Gold bonds, due Nov. 1, 1956 (par value $100,000)	97,815
City of Milan, 6½% External Sinking Fund Gold bonds, due April 1, 1952 (par value, $500,000)	457,103
City of Rome, 6½% External Sinking Fund Gold bonds, due April 1, 1952 (par value $500,000)	453,573
Accrued interest thereon	118,110
Total bonds	$4,886,098
Participation in 6% note of International Power Securities Corp., due Dec. 29, 1927	500,000
Securities Held by Corporation at Cost—	
Stocks:	
10,000 shares of Capital stock of Societa Generale dell' Adamello	$118,086
10,825 shares of Capital stock of Societa Adriatica di Elettricita	118,929
50,000 shares of Capital stock of Societa Generale Italiana Edison di Elettricita	1,371,340
50,000 shares of Capital stock of Societa Italiana per il Gas, Torino	657,766
52,000 shares of Capital stock of Societa Idroelettrica Piemonte	374,764
16,000 shares of Capital stock, 50% called and paid, of Anglo-Foreign Securities Corp., Ltd.	38,820
Total stocks	$2,679,705
Total securities held by Corporation	$8,065,803
Total investments as per balance sheet	$41,608,095

PROFIT AND LOSS ACCOUNT, YEARS ENDED SEPTEMBER 30

	1927	1926	1925
Interest earned	$2,204,224	$1,018,492	$346,651
Dividends receiv. on Com. stocks of foreign power companies	98,943	.....	.....
Profit from pur. & selling group partic.	25,513	11,275	.....
Profit from pur & selling bonds	12,790	925	7,652
Earned portion of disc. on bonds, etc.	204,218	196,119	49,061
Total income	$2,545,688	$1,226,811	$403,364
Expenses:			
Bond int. (less int. receiv. on bonds pur.)	$1,984,849	$936,497	$308,569
Interest on bank loans	8,618	16,307	6,705
Bond disc. written off	183,129	138,946	37,126
Financing expense, portion written off	.....	30,774	9,480
Taxes (except Fed. Inc.)	10,619	2,337	1,244
Other expenses	25,245	21,605	6,808
Total expenses	$2,212,460	$1,146,466	$369,932
Net income from operations	$333,228	$80,345	$33,432
Res. for Fed. tax on income	44,986	10,876	4,346
Net income for year	$288,242	$69,469	$29,086
Dividends paid	91,274	60,048	16,052
Surplus after dividends	$196,968	$9,421	$13,034
Earnings Per Share—			
Preferred, Class "A"	$3.84	.....	.....

GENERAL BALANCE SHEET, SEPTEMBER 30

Assets—	1927	1926	1925
Investments:			
Securities deposited with trustee as collateral, per contra, at cost plus accretion of discount	$32,954,078	$16,809,860	$5,364,741
Accrued interest thereon	588,214	389,620	86,667
Securities held by corporation, at cost	7,947,693	1,147,080	436,750
Accrued interest thereon	118,110	26,907	10,671
Cash	47,483	72,281	20,604
Due from Union D'Electricite	.....	.....	8,909
Accounts receivable	20,032	.....	.....
Subscribers to capital stock	.....	399,200	1,599,200
Unamortized bond discount	3,318,217	1,783,423	557,994
Financing expense	.....	152,922	21,196
Prepaid engineering fee	4,583	4,583	2,291
Total	$44,998,410	$24,390,876	$8,109,023
Liabilities—			
Capital Stock:			
Issued and fully paid	$7,500,000	$1,000	$1,000
Subscribed	.....	4,999,000	1,999,000
Funded debt	36,629,000	18,944,000	6,000,000
Accrued interest	588,214	389,620	86,666
Societe Lyonnaise Des Eaux et de L'Eclairage	.....	.....	125
Dividends payable Oct. 1, 1926	.....	30,024	.....
Accounts payable	23,830	1,073	.....
Reserve for Federal tax on income	45,116	10,876	4,346
Surplus	212,250	15,283	17,886
Total	$44,998,410	$24,390,876	$8,109,023

Officers: J. E. Aldred, Pres., New York; J. A. Walls, V-P. & Chief Eng.; Howard Murray, V-P.; Donald C. Malcolm, V-P.; S. G. Archibald, V-P., Montreal, Can.; Joseph Walworth, Treas.; Crowell Hadden, 3d., Asst. Treas.; E. V. Illmer, Sec., New York.

Executive Committee: J. E. Aldred, J. W. Lieb, Howard Murray, Chas. E. F. Clarke, Philip Stockton, Gerard Swope, J. A. Walls.

Directors: J. E. Aldred, Chas. E. F. Clarke, Arthur V. Davis, J. W. Lieb, Howard Murray, F. P. Royce, Philip Stockton, A. H. Titus, D. G. Wing, Comm. Carlo Orsi, Albert Petsche, Sir Herbert S. Holt, J. A. Walls, Newcomb Carlton, Gerard Swope.

General Office, 40 Wall Street, New York. **Corporate Office,** 100 West 10th St., Wilmington, Del.

UNION D' ELECTRICITE

(Company in which the International Power Securities Corp. is interested)

History—A French company established in 1904, for a period of 110 years, under the name Compagnie Generale de Distribution d' Energie Electrique. In August, 1919, the Company took its present name. Subsidiaries of the Company are: Union Hydro-Electrique; Versaillaise de Distribution d' Energie

Electrique; Societe pour le Developpement des Applications de l'Electricite; Societe pour le Developpement des Vehicules Electriques.

Company was organized to engage in the production transportation, distribution, sale and utilization of electrical energy. In general, all operations pertaining directly or indirectly to this object. Operates in the Department of the Seine. Central stations and generating plants at Gennevilliers, Vitry, Puteaux, Billancourt, Nanterre, Issy-les-Moulineaux. Sub-stations at Argenteuil, Nanterre, Asnieres, Puteaux, Courbevoie, Vitry, Arcueil and Romainville. Sells current in the territories of Nord-Lumiere, Ouest-Lumiere, Est-Lumiere, Sub-Lumiere and North East Parisien, etc., as well as to the different traction and railroad companies.

Power furnished by the plants: 1923, 130,000 k.w.; 1924, 190,000 k.w.; 1925, 249,000 k.w. Energy distributed: 1923, 462,422,000 k.w.h.; 1924, 597,985,000 k.w.h.; 1925, 672,073,080 k.w.h.

CAPITAL STOCK

Authorized, Francs 300,000,000 (increased from Francs 200,000,000 June 26, 1926); outstanding, Dec. 31, 1925, Francs 200,000,000, divided into 800,000 shares of 250 francs each.

Dividends—Payments have been as follows: 1913, 25%; 1914 to 1919, none; 1920 to 1922, 15%; 1923, 16¼%; 1924, 17½%; 1925, 20%.

FUNDED DEBT

(1)

21,000,000 francs obligations of 500 francs each, 5% "Distribution d'Energie Electrique," issued in 1907, 1911 and 1914, maturing before 1958. Coupons payable April and October 1.

(2)

120,000,000 francs of 240,000 obligations of 500 francs each, 6% free of tax, of which 160,000 were issued at 495 francs in 1920, and 80,000 were issued at 472 francs in 1921, maturing from 1923 to 1952. Coupons payable May and November 1.

(3)

60,000,000 francs obligations of 500 francs each, 7% issued in 1924 at 495 francs, maturing from 1929 to 1959. Coupons payable March 1 and September 1.

(4)

$4,000,000 6½% obligations issued in New York in 1924 at 93¾%, maturing before 1956. (For details see statement of International Power Securities Corp.)

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31
(In Francs)

	(Latest Available) 1925	1924	1923
Credits:			
Net profit of preceding year	825,628	697,720	848,550
Profit from operations	58,500,974	41,884,827	32,528,883
Other income	1,891,065	2,288,620	1,797,489
Premium on increase in cap.	.....	.....	1,500,000
Total	61,217,667	44,871,167	36,674,922
Debits:			
Cost of operations	4,352,466	3,410,749	2,811,832
Bond int. and amortization	21,687,550	13,610,761	9,483,119
Amortiza. reserve for depre.	15,805,450	11,797,659	9,701,982
Other reserves	1,000,000	.....	.....
Net profit	18,372,201	16,051,998	14,677,989
Total	61,217,667	44,871,167	36,674,922

GENERAL BALANCE SHEET, DECEMBER 31
(In Francs)

Assets—	(Latest Available) 1925	1924	1923
Fixed assets	456,032,731	408,674,412	334,968,847
Cost of organization & cap. increases	3,021,077	3,686,803	4,352,529
Furniture and fixtures	1	1	1
Material and supplies	15,720,803	13,097,539	7,623,082
Sundry accounts receivable	26,044,470	20,048,298	19,432,486
Cash on hand and in banks	36,972,629	53,855,993	14,545,631
Investments	7,728,199	8,063,271	5,638,847
Deposits other than in banks and security bonds	279,296	1,236,259	1,231,419
Bond discount	27,563,737	27,694,560	10,077,761
Total	573,362,944	536,357,136	397,870,603

Liabilities—	1925	1924	1923
Capital stock	200,000,000	200,000,000	200,000,000
Funded debt	266,638,000	268,551,000	137,516,000
Legal reserve	2,507,155	1,739,441	1,047,969
Depreciation reserve	42,746,083	27,746,083	16,746,083
Reserve for extraordinary replacements	4,000,000	2,000,000	2,000,000
Reserve for contingencies	1,000,000	.....	.....
Sundry accounts payable	27,398,730	10,811,621	20,114,410
Accrued dividends and int.	4,100,775	3,656,993	1,768,152
Adv. on power contracts	6,600,000	5,800,000	4,000,000
Carried forward from preceding year	825,628	697,720	848,550
Net profit	17,546,573	15,354,278	13,829,439
Total	573,362,944	536,357,136	397,870,603

Management: Albert Petsche, Pres.; Ernest Mercier, Chrm. of Bd.; Emile Bachelier, Edgard de Sincay, Auguste Boissonnas, Etienne Caudrelier, Alexandre Giros, Louis Goury due Roslan, Jacques Level, Louis Lion, Georges Pavie, Charles Rebuffel, Rene Robard, Benjamin Rossier, Paul Eschwege, Gabriel Cordier, John Aldred, Etienne du Castel, Pierre Barris, Directors. Paul Meunier, Gen. Mgr.

Finance Committee: F. Turcas, L. Gueroult, M. Raffard.

General Office, 57 rue Pierre-Charron, Paris, France.

JAMESTOWN TELEPHONE CORPORATION

History and Property—Incorporated Sept. 23, 1918, in New York. Began operations May 1, 1919, by acquiring the property and business of the Home Telephone Co., of Jamestown, N. Y., and the property of the New York Telephone Co. in Jamestown and vicinity. Total number of stations, Dec. 31, 1927, including stations of local connecting companies, 10,248.

CAPITAL STOCK

Authorized, $225,000 Common, $500,000 First Pfd., $300,000 Class "A" Pfd., and $225,000 Class "B" Pfd.; outstanding, Dec. 31, 1927, $126,000 Common, $293,900 First Pfd., $250,000 Class "A" Pfd., and $136,700 Class "B" Pfd.; par, $100. First Pfd. stock was created in 1927. The New York Telephone Co. owns one-third of the Common stock. Annual meeting, first Tuesday in June.

Stock Increase—In Jan., 1927, Company filed notice at Albany, N. Y., of an increase in capital stock from $750,000 to $1,250,000.

Dividends—Dividends of 7% per annum were paid on the First Pfd. stock in 1927. Dividends of 5% per annum on Class "A" Pfd. were paid in 1924, 1925, 1926 and 1927.

FUNDED DEBT

$326,500 Jamestown Telephone Corp. First and Refunding General Gold 5s; dated Jan. 1, 1919; due Jan. 1, 1944; int. Jan. and July 1, at Union Trust Co., Jamestown, N. Y., Trustee. Coupon, $500 and $1,000; principal may be registered. Subject to call as a whole but not in part at par and accrued interest on any interest date upon three months' notice. Sinking fund of 1% per annum of bonds outstanding commenced Jan. 1, 1924, to be applied to the purchase of bonds of this issue at not exceeding par and accrued interest. Authorized, $1,000,000; issued, $333,000, of which $6,500 retired to Dec. 31, 1927. Secured by a first lien on the property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total telephone revenues	$480,011	$456,029	$434,714	$397,430	$374,070	$350,624
Other income	1,628	1,200	1,535	1,855	1,887	723
Total income	$481,639	$457,229	$436,249	$399,285	$375,957	$351,347
Operating expenses and taxes	243,402	230,511	210,420	201,836	200,150	182,762
Maintenance and depreciation	136,710	129,811	120,954	118,078	113,772	102,259
Total net earnings	$101,527	$96,907	$104,875	$79,371	$62,035	$66,326
Interest charges	32,687	40,255	39,896	38,994	39,004	36,498
Net income	$68,840	$56,652	$64,979	$40,377	$23,031	$29,828
Class "A" Pfd. dividends	12,500	12,500	12,500	12,500	.....	.....
Surplus for year	$56,340	$44,152	$52,479	$27,877	$23,031	$29,828
Earnings Per Share—						
First Preferred	$23.42	.....	.....	.....	.....	.....
Class "A" Pfd.	27.54	$22.66	$25.99	$16.15	$9.21	$11.93
Class "B" Pfd.	26.20	32.29	38.39	20.40	7.71	12.67

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant	$1,412,303	$1,356,712	$1,285,505	$1,229,644	$1,169,665	$1,130,514
General equipment and supplies	101,559	89,659	77,939	83,854	91,147	69,114
Investment securities	5,880	5,000	5,000	.....	.....	.....
Cash and deposits	65,693	48,913	48,053	30,249	42,050	34,711
Bills and accounts receivable	64,616	58,735	59,833	55,550	50,245	45,256
Accrued income, not due	279	157	157	34	33	160
Deferred debits	33,141	24,233	22,194	26,881	22,248	22,595
Deficit	.....	.....	.....	.....	16,947	39,978
Total	$1,683,471	$1,583,409	$1,498,681	$1,426,212	$1,392,335	$1,342,328
Liabilities—						
Common stock	$126,000	$126,000	$126,000	$126,000	$126,000	$126,000
First Pfd. stock	293,900	.....	.....	.....	.....	.....
Class "A" Pfd. stock	250,000	250,000	250,000	250,000	250,000	250,000
Class "B" Pfd. stock	136,700	136,700	136,700	136,700	136,700	136,700
Capital stock installments	3,165	.....	.....	.....	.....	.....
Funded debt	326,500	530,000	530,000	533,000	535,000	535,000
Bills and accounts payable	168,949	196,100	195,574	199,096	180,017	155,903
Accrued liabilities, not due	24,053	28,273	30,530	21,906	22,917	22,008
Deferred credits	20,460	14,305	6,000	6,000	6,000	6,000
Replacement reserves	239,445	194,369	160,367	142,560	135,701	110,717
Surplus	94,299	107,662	63,510	10,950	.....	.....
Total	$1,683,471	$1,583,409	$1,498,681	$1,426,212	$1,392,335	$1,342,328

Officers: William J. Maddox, Pres.; John H. Wright, V-P. & Gen. Mgr.; William M. Blackstone, Sec.; M. R. Stevenson, Treas.; H. C. White, Gen. Aud.; L. C. Wright, Asst. Sec. & Asst. Treas., Jamestown, N. Y.

Directors: William J. Maddox, John H. Wright, William M. Blackstone, M. R. Stevenson, R. H. Jackson, L. C. Wright, Jamestown, N. Y.; V. E. Cooley, Albany, N. Y.; P. O. Jacobs, Buffalo, N. Y.; W. B. Woodbury, New York.

General Office, 210 Pine St., Jamestown, N. Y.

JOHNSTOWN TRACTION COMPANY

History and Property—Incorporated Feb. 23, 1910, in Pa., and on Dec. 16, 1913 merged the Johnstown Passenger Ry. formerly leased (see Manual for 1913, page 1735). Owns and operates under perpetual charter and franchises the entire street railway system of Johnstown, Pa., and vicinity, comprising a total trackage of 43 miles. Gauge, standard. Rail, 90 lb. girder. Motor cars: Passenger (closed, 105; open, 16), 121; work, 2; snow plows, 2; sweepers, 4. Power station, 1; engines to generate power, 3. Through its subsidiary, the Traction Bus Co. operates bus lines as feeders.

CAPITAL STOCK

Authorized, $1,000,000 Common and $1,000,000 7% cumulative Pfd.; outstanding, $875,000 Common and $1,000,000 Pfd.; par, of Common, $50; of Pfd., $100.

Annual Meeting—Second Monday in January.

Dividends—7% paid on Pfd. from 1914 to 1917, incl.; 1918, 1¾%; 1919, 1920 and 1921, none; 1922, 4½%; 1923 to 1927, 7% each. On Common, 3% paid in 1914; 1½% in 1915; 4% each in 1916 and 1917; none thereafter to 1922, when 1% was paid; 1923, 4%; 1924 to 1927, 6%.

FUNDED DEBT

(1)

$399,000 JOHNSTOWN PASSENGER RY. CONSOLIDATED MORTGAGE GOLD 4s; DUE DECEMBER 1, 1929

Dated December 1, 1899.

Interest Payable June and December 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Callability—Subject to call on any interest date at par and interest.

Security—A first closed mortgage on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,601,000 JOHNSTOWN PASSENGER RY. REFUNDING GOLD 4s; DUE DECEMBER 1, 1931

Dated December 1, 1901.

Interest Payable June and December 1, at Johnstown Trust Co., Johnstown, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Johnstown Trust Co., Johnstown, Pa.

Callability—Subject to call at any time at 105 and interest on six weeks' notice.

Security—Secured on entire property, subject only to the Consolidated 4s described above.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$2,000,000 JOHNSTOWN TRACTION CO. FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE JULY 1, 1943

Dated December 31, 1913.

Interest Payable June and December 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized issue, $5,000,000, of which $2,000,000 reserved to retire Johnstown Passenger Ry. 4% bonds due 1929 and 1931, and $1,000,000 for future extensions, betterments, etc.

Callability—Subject to call on any interest date at 102 and interest.

Sinking Fund—Cumulative cash sinking fund requires payment of 1% annually from Oct. 1, 1917 to Oct. 1, 1942, of the outstanding bonds of this issue.

Security—These bonds are a direct first mortgage of the Johnstown Traction Co., and, subject to $2,000,000 Johnstown Passenger Ry. 4% bonds described above, are a mortgage on all the property of the Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($2,000,000) in Jan., 1914, at 95 and interest.

OTHER FUNDED DEBT

There were also outstanding at Dec. 31, 1927, $109,900 4% Income bonds and $125,000 5½% Equipment Trust Certificates.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,132,738	$1,235,338	$1,207,759	$1,214,740	$1,270,399	$1,193,621
Operating expenses and taxes	778,132	796,073	814,908	882,900	937,353	924,514
Depreciation	50,000	50,000	.....	.....	.....	.....
Net earnings	$304,606	$389,265	$392,851	$331,840	$333,046	$269,107
Other income	23,542	3,638	.....	.....	1,128	952
Total income	$328,148	$392,903	$392,851	$331,840	$334,174	$270,059
Interest charges	$199,700	$195,552	$189,524	$186,650	$183,968	$185,166
Other charges	.....	.....	.....	.....	15,000	15,200
Total charges	$199,700	$195,552	$189,524	$186,650	$198,968	$200,366
Surplus after charges	$128,448	$197,351	$203,327	$145,190	$135,206	$69,693
Preferred dividends	70,000	70,000	70,000	70,000	70,000	45,000
Common dividends	52,500	52,500	52,500	52,500	57,603	8,750
Surplus for year	$5,948	$74,851	$80,827	$22,690	$7,603	$15,943
Times Interest Earned	1.64	2.01	2.07	1.78	1.73	1.38
Earnings Per Share—						
Preferred (par, $100)	$12.84	$19.73	$20.33	$14.52	$13.52	$6.97
Common (par, $50)	3.34	7.28	7.61	4.29	3.73	Nil

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property accounts	$6,421,115	$6,464,520	$6,363,407	$6,228,718	$6,126,254	$6,079,746
Other investments incl. stock, bonds & sinking fund bonds	372,644	361,042	394,746	333,294	227,720	195,154
Cash	22,819	45,194	16,430	28,218	29,678	29,310
Materials and supplies	27,870	29,130	39,924	34,333	49,094	47,828
Deferred debit items	.....	.....	.....	.....	280,730	.....
Other assets	260	2,845	260	2,473	2,845	.....
Income bond suspense account	109,900	157,730	206,730	.....	.....	.....
Unadjusted debits	.....	.....	.....	.....	.....	3,249
Total	$6,954,608	$7,060,461	$7,021,497	$6,627,036	$6,716,321	$6,355,287
Liabilities—						
Common stock	$875,000	$875,000	$875,000	$875,000	$875,000	$875,000
Preferred stock	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funded debt	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
4% Income bonds	109,900	157,730	206,730	.....	280,730	.....
5½% Equipment Trust certificates	125,000	155,000	90,000	.....	.....	.....
Accounts payable	171,963	28,537	250,838	280,263	47,851	22,256
Loans and notes payable	.....	204,463	.....	.....	101,963	103,067
Interest accrued	74,236	6,667	48,683	43,097	7,022	7,215
Reserve for taxes		49,998			29,586	25,901
Accounts payable not due	36,705	.....	50,867	20,395	.....	.....
Insurance & casualty reserve	70,375	58,350	56,821	68,215	186,611	161,989
Sinking fund	233,582	205,320	190,320	154,319		
Mine depletion	80,900	77,686	57,993	40,315	131,294	.....
Depreciation	117,168	117,168	117,168	114,619		
Other reserves	.....	17,292	.....	.....	.....	.....
Deferred credit items	.....	4,885	.....	.....	4,885	116,087
Corporate surplus	59,779	102,365	77,077	30,813	51,379	43,773
Total	$6,954,608	$7,060,461	$7,021,497	$6,627,036	$6,716,321	$6,355,287

Officers: E. M. du Pont, Pres.; J. M. Murdock, V-P.; Lee T. Shannon, Gen. Mgr.; Jos. McAneny, Sec. & Treas., Johnson, Pa.

Directors: J. M. Murdock, Chairman of Board; E. M. du Pont, Jos. McAneny, Lee T. Shannon, J. Earl Ogle, Jr., Johnstown, Pa.; Van Horn Ely, Philadelphia, Pa.; H. C. Clark, New York.

General Office, Johnstown, Pa.

BLACK ROCK POWER & IRRIGATION COMPANY

History—Incorporated April 1, 1915, in Del. Supplies power for industrial and domestic use and for irrigation pumping on the Priest Rapids Valley along the Columbia River in Washington. Population served, 1,500. Annual output, about 5,000,000 k.w.h. No. of meters, 100. Price, lighting, 12 cts. k.w.h.

Receivership—On Jan. 20, 1927, Marvin Chase, Hanford, Wash., was appointed receiver.

CAPITAL STOCK

Authorized and outstanding, $50,000; par $100. Annual meeting in April at Seattle, Wash. Transfer Agent and Registrar: Delaware Registration Trust Co., Wilmington, Del. No dividends paid.

FUNDED DEBT

$350,000; dated April 1, 1925; due April 1, 1945. Interest payable April and Oct. 1. Authorized $700,000. Bonds privately held. A first lien on entire property.

Officers: Marvin Chase, Receiver, Hanford, Wash.; G. Wright Arnold, Pres.; Hollister T. Sprague, V-P., Seattle, Wash.; Chas. M. Sanford, Sec., Treas. & Mgr., Portland, Ore.

Directors: G. Wright Arnold, Geo. Donworth, Hollister T. Sprague, Seattle, Wash.

General Office, Hanford, Wash. **Corporate Office,** Wilmington, Del.

ITALIAN SUPERPOWER CORPORATION

History and Business—Incorporated January 19, 1928, in Delaware, for the purpose, among other things, of acquiring by purchase, subscription or otherwise, and to invest in, and hold for investment or otherwise, and to deal in and to use, sell, mortgage, pledge or otherwise dispose of the stocks, bonds or other securities or evidences of indebtedness of both domestic and foreign corporations, and to issue in exchange therefor its own stocks, bonds, debentures or evidences of indebtedness.

Company has contracted to acquire and is acquiring a substantial interest, but in no case a majority of the stock, in practically all of the important electric power and light companies in the Kingdom of Italy. The assets of the Corporation as of January 24, 1928, consisted of the following stocks of Italian public utility companies in the amounts shown, plus approximately $3,000,000 in cash:

Company	Number of shares owned by Corp.	*Approximate market value in dollars
Northern Group:		
Adriatic Electric Co.	225,000	$2,865,704
Bologna Electric Co.	80,000	1,263,120
Venice Giulia Electric Co.	12,500	328,938
Adamello Electric Co.	158,500	2,085,464
Milan Edison Co.	50,000	1,797,315
Emiliana Electric Co.	36,000	88,103
Piedmont Electric Co.	300,000	2,289,405
Central and Southern Groups:		
Rome Electric & Gas Co.	5,000	197,363
Meridionale Electric Co.	445,625	7,340,866
"Terni"	150,000	3,426,213
Tuscany Electric Co.	50,000	763,135
Valdarno Electric Co.	75,000	552,615
United Electric Service Co.	580,000	3,327,269
Insular Group:		
General Electric Co. of Sicily	450,000	2,865,704
Sardinia Electric Co.	25,000	134,206
Miscellaneous:		
National Co. for the Development of Electrical undertakings	40,000	599,982
Total		$29,925,402

*Based on exchange rate Lira equals $0.05263 and on market quotations as of January 16, 1928.

CAPITAL STOCK

Authorized, 1,200,000 shares Common Class "A" (non-voting), 150,000 shares Common Class "B" (voting), 100,000 shares $7 cumulative Prior Preferred, and 150,000 shares $6 cumulative and participating Preferred, shares of all classes having no par value; outstanding, 970,000 shares Common Class "A," 150,000 shares Common Class "B" and 123,399 shares $6 cumulative and participating Preferred. The 970,000 shares Common Class "A" shown as outstanding include 202,000 shares deposited for satisfaction of option warrants attached to Corporation's 6% Gold Debentures.

Prior Preferred Stock Provisions—May be issued in one or more series as may be determined by the Board of Directors. The dividend rate may be fixed by the Board of Directors. Holders of Prior Preferred stock are entitled to receive cumulative dividends when declared before any dividends may be paid on the Preferred or Common stock of the Corporation. In the event of liquidation, holders of Prior Preferred stock are entitled to receive $100 per share and accrued dividends before any payment may be made on the Preferred or Common stock. For voting rights, see under Common Stock Provisions below.

Preferred Stock Provisions—Holders of Preferred shares are entitled to cumulative dividends at the rate of $6 per year and an additional dividend on each share equal to any dividend paid during the previous fiscal year on each share of Common stock, provided such additional dividend does not exceed $1 in any one fiscal year, before the Common stock may receive any dividend. It is subject to redemption at 105. In event of liquidation, holders are entitled to $100 before any payment may be made to Common stockholders, but they shall be entitled to no further share in the assets. The rest of the assets, if any, shall be divided among Common stockholders.

Common Stock Provisions—Class "A" and Class "B" Common stock are identical except that the voting rights are vested solely in the "B" stock except in the event of non-payment of dividends on any existing Prior Preferred stock for successive dividend periods totalling one year, in which case until this situation is corrected, the voting rights are vested wholly in holders of the Prior Preferred stock. The Charter of the Company provides that Common stock Class "B" shall be divided into two series consisting of 75,000 shares, each to be known as Common stock Class "B" of the First Series and Common stock Class "B" of the Second Series. The By-laws of the Company provide that Common stock Class "B" of the First Series shall elect by plurality vote directors representing Common "B" stock of that series, and Common stock Class "B" of the Second Series shall elect by plurality vote the directors representing that series.

Transfer Agents—Old Colony Trust Company, Boston, Mass. and National City Bank of New York.

Registrars—The National Shawmut Bank, Boston, Mass. and Banca Commerciale Italiana Trust Co., New York.

Annual Meeting—Second Tuesday in January at Dover, Del.

Listed (Common stock Class "A")—Boston Stock Exchange.

FUNDED DEBT

$20,250,000 THIRTY-FIVE YEAR 6% GOLD DEBENTURES, SERIES "A"; DUE JANUARY 1, 1963

Dated January 1, 1928.

Interest Payable January and July 1 in U. S. Gold coin of standard of weight and fineness as of January 1, 1928, in New York City at office or agency of the Corporation.

Option Warrants—Each $1,000 debenture is accompanied by 5 shares of Common stock Class "A" and by an option warrant of Bankers Trust Co. as depositary which will entitle the holder to purchase ten shares of the Common stock Class "A" of the Corporation as such stock may be constituted at the time of the exercise of the option warrant at any time up to and including January 1, 1929 at $10 per share; thereafter up to and including January 1, 1930 at $12.50 per share; thereafter up to and including January 1, 1933 at $15 per share; thereafter up to and including January 1, 1938 at $20 per share.

Denominations—Coupon, $1,000, principal may be registered and fully registered, $1,000, $5,000 and authorized multiples. Coupon debentures in denomination of $1,000 and fully registered debentures interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Issued, $20,250,000 Series "A" 6s. Agreement provides that additional Debentures may be issued in one or more series, bearing such rates of interest, maturing on such dates and redeemable on such terms, and containing such other rights and limitations as the Board of Directors may determine, prior to the issue thereof. The agreement has the usual provisions authorizing the issuance of additional debentures to refund debentures outstanding of another series, par for par; also the provision that upon the acquisition by the Corporation from time to time of additional securities, it may issue additional Debentures up to two-thirds of the cost or fair value, whichever is lower, of such securities, provided at least one-third of the cost of such securities has been paid from the proceeds of the sale of additional capital stock of the Corporation. Except for refunding purposes, additional debentures may be issued only when gross income of the Corporation from cash dividends and interest alone, after proper deductions for expenses,

etc., all as more fully defined in the Debenture Agreement, for a period of 12 consecutive months within the 15 calendar months immediately preceding the application for the issuance of such additional Debentures, shall have been not less than 1½ times the annual interest charges on all outstanding indebtedness of the Corporation including the Debentures then to be issued.

Callability—Subject to call as a whole, or in part, at 107½ and interest on any interest date on 60 days' notice.

Sinking Fund—None provided.

Security—These debentures are the direct obligations of Italian Superpower Corp. Corporation covenants that as long as any debentures are outstanding it will not issue (1) any unsecured evidences of indebtedness maturing more than one year from the date of issuance thereof, except debentures under the terms of the Debenture Agreement, or (2) any secured evidences of indebtedness maturing more than one year from the date of issuance thereof, without equally securing these debentures.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2% and agrees to refund on proper application the Pennsylvania 4 mills tax and the Massachusetts Income tax not exceeding 6% per annum on income derived from the Debentures as will be provided in an indenture supplemental to the Debenture Agreement.

Original Offering—First publicly offered ($20,250,000, with Common stock and option warrants), in January, 1928, at par and interest by Bonbright & Co., Inc., Field, Glore & Co. and Banca, Commerciale Italiana Trust Co., New York.

Listed—Boston Stock Exchange.

TENTATIVE BALANCE SHEET, JANUARY 31, 1928

Assets—	
Investments (at market values Jan. 19, 1928)	$30,481,171
Accrued interest on debentures	101,250
Cash	3,002,869
Total	$33,585,290
Liabilities—	
Capital stock	*$13,234,040
Funded debt	20,250,000
Accrued interest	101,250
Total	$33,585,290

*Represented by 124,172 shares Preferred, 970,000 shares Common Class "A" and 150,000 shares Common Class "B."

Officers: L. K. Thorne, Pres. & Chrm. of Board; Giuseppe Toeplitz, V-Chrm. of Board; E. P. Currier, J. W. Maitland, J. W. Husted, Jr., V-P's.; A. P. Taliaferro, Treas.; E. G. Strand, Sec. & Asst. Treas.; C. W. Street, Wayne Chatfield Taylor, Sherman Ewing, A. M. Cooke, Asst. Sec's.

Directors: P. G. Gossler, B. C. Cobb, J. W. Maitland, L. K. Thorne, S. L. Mitchell, E. C. Calder, E. P. Currier, Marshall Field, C. H. Minor, Gerard Swope, Cav. Siro Fusi, Cav. Pasquale I. Simonelli, New York, N. Y.; Gr. Uff. Guido Semenza, Gr. Uff. Giuseppe Toeplitz, Comm. Ettore, Conti, Gr. Uff. Silvio Crespi, Gr. Uff. Guido Donegani, Comm. Michelangelo Facconi, Milan, Italy; Comm. Achille Gaggia, Venice, Italy; Gr. Uff. Giangiacomo Ponti, Torino, Italy.

General Office, Dover, Del. **Executive Office,** 25 Nassau St., New York, N. Y.

THE DELAWARE AND HUDSON TRACTION PROPERTIES

Herewith are given statements of the principal traction companies controlled by The Delaware and Hudson Co. Entire stock of the United Traction Company (except four shares) is owned by The Delaware and Hudson Co. The Delaware and Hudson Co. owns a half interest in the Schenectady Ry. Co., the New York State Railways owning the other half. The United Traction Co. owns 97% of the stock of the Hudson Valley Ry. Co., 71% of the Waterford & Cohoes R. R. Co., and all of the stock of the Capitol Ry. Co., Cohoes Ry. Co., and Great Western Turnpike Road. The Hudson Valley Ry. Co. owns all of the stock of the North River Ry.

UNITED TRACTION COMPANY

(Controlled by The Delaware & Hudson Co.)

History and Property—Incorporated Dec. 30, 1899, in N. Y.; consolidation of the Albany Ry., the Watervliet Turnpike & R. R. Co., and the Troy City Ry. Co. Operates under leases to the constituent companies, the **Troy & Cohoes R. R. Co.**, the **Lansingburgh & Cohoes R. R. Co.**, the **Waterford & Cohoes R. R. Co.**, the **Cohoes Railway Co.** and **The Capitol Ry.** Franchises perpetual excepting one granted to the Capitol Ry., which expires in 1951. Power furnished under contract by Adirondack Power and Light Corp.

The Company has traffic agreements with Eastern New York Utilities Corp., Schenectady Ry. and Hudson Valley Ry., covering operation of interurban passenger and freight cars into Albany and Troy.

Mileage and Equipment, Dec. 31, 1927—Operation covers the entire street railway system in Albany, Rensselaer, Watervliet, Green Island, Troy, Cohoes and Waterford. Length of main line, 49.162 miles; second track, 35.895 miles; sidings, etc., 8.511 miles—total track, 93.568 miles, of which the Company owns 78.879 miles. Gauge, standard. Rail, 25 to 141 lbs. girder and T. Company has 255 closed passenger cars and 50 service cars—total, 305, of which 243 are owned and 62 leased.

CAPITAL STOCK

Authorized and outstanding, $12,500,000; par, $100. Practically the entire amount is owned by The Delaware and Hudson Co. The capital stock was increased from $5,000,000 to $12,500,000 in Jan., 1907, to provide for the acquisition of the Hudson Valley Ry. Co., which is controlled by reason of stock ownership. Annual meeting, fourth Monday in June.

Dividends—Quarterly dividends of 1¼% were regularly paid from May 1, 1900, to and including Nov., 1905; 1906, 6¼%; 1907, 4%; from 1908 to 1913, inclusive, 2% semi-annually, Jan. and July; 1914, 2%; none since.

FUNDED DEBT

(1)

$428,000 Albany Ry. Consolidated Gold 5s; dated Jan. 1, 1890; due Jan. 1, 1930; int. Jan. & July 1, at Central Union Trust Co., New York, Trustee and Registrar. Coupon, $1,000; principal may be registered. Authorized, $500,000. The mortgage securing the United Traction Co. Consolidated 4½% mortgage provides for the retirement of these bonds. A first lien on 24 miles of track in Albany. Company does not pay Normal Federal Income Tax.

(2)

$2,000,000 (entire issue) Troy City Ry. Co. First Consolidated Gold 5s; dated Dec. 1, 1892; due Oct. 1, 1942; int. April & Oct. 1, at Central Union Trust Co., New York, Trustee. Coupon, $1,000; with full registration privileges. Registrar: W. E. Eppler, 32 Nassau St., New York. The mortgage securing the United Traction Co. Consolidated 4½% mortgage provides for the retirement of these bonds. A first lien on 25½ miles of track in Troy. Company does not pay Normal Federal Income Tax.

(3)

$350,000 (entire issue) Watervliet Turnpike & R. R. Co. First 6s; dated May 1, 1889; due May 1, 1919; int. May & Nov. 1, at Boston Safe Dep. & Trust Co., Boston, Trustee. Coupon, $1,000. The mortgage securing the United Traction Co. Consolidated 4½% mortgage provides for the retirement of these bonds. A first lien on 15½ miles of track from Albany to Watervliet. $349,000 owned by The Delaware and Hudson Co. Company does not pay Normal Federal Income Tax.

(4)

$496,000 Albany Ry. General Gold 5s; dated June 1, 1897; due June 1, 1947; int. June & Dec. 1, at Central Union Trust Co., New York, Trustee and Registrar. Coupon, $1,000; principal may be registered. Authorized, $750,000. The mortgage securing the United Traction Co. Consolidated 4½% mortgage provides for the retirement of these bonds. A lien on 24 miles of track in Albany, subject to $428,000 Consolidated 5s described above. Company pays Normal Federal Income Tax up to 2%.

(5)

$150,000 (entire issue) Watervliet Turnpike & R. R. Co. Second 6s; dated June 20, 1890; due May 1, 1919; int. May & Nov. 1, at Chatham Phenix National Bank & Trust Co., New York, Trustee. Coupon, $1,000. The mortgage securing the United Traction Co. Consolidated 4½% mortgage provides for the retirement of these bonds. A lien on 15½ miles of track from Albany to Watervliet, subject to $350,000 First 6s described above. All owned by The Delaware and Hudson Company. Company does not pay Normal Federal Income Tax.

(6)

$2,620,000 United Traction Co. Consolidated Gold 4½s; dated March 1, 1904; due June 1, 2004; int. June & Dec. 1, at Central Union Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $6,500,000, of which sufficient are reserved to retire, or exchange the prior liens described above, and the remainder for improvements and additions. Rate of interest on unissued bonds to be fixed by directors, but not in excess of 6%. The bonds are a lien on the entire property, subject to the bonds described above. Company pays Normal Federal Income Tax up to 2%.

(7)

$456,000 United Traction Co. Debenture Gold 4½s; dated May 1, 1901; due May 1, 1919; int. May & Nov. 1, at National Commercial Bank & Trust Co., Albany, N. Y., Registrar. Coupon, $1,000; principal may be registered. Subject to call on any interest date, on three months' notice, at 5% interest rate for the unexpired term. Authorized, $1,250,000. Not secured by mortgage. All owned by The Delaware & Hudson Co. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,738,184	$2,933,522	$3,090,619	$3,205,856	$3,234,149	$3,085,291
Operating expenses, maintenance and deprec.	2,303,852	2,370,907	2,429,675	2,739,408	2,839,937	2,578,225
Net earnings	$434,332	$562,615	$660,944	$466,448	$394,212	$507,066
Other income	65,503	284,830	278,634	276,535	276,249	275,920
Total income	$499,835	$847,445	$939,578	$742,983	$670,461	$782,986
Fixed charges and taxes	948,947	977,290	960,891	1,078,688	972,323	960,492
Deficit for year	$449,112	$129,845	$21,313	$335,705	$301,862	$177,506

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Construction and equipment	$12,417,235	$12,584,889	$12,709,254	$12,772,210	$12,958,618	$12,560,188
Investments	2,686,189	7,206,276	7,112,643	7,120,543	7,105,831	7,129,512
Cash	138,681	163,593	188,493	130,488	84,799	32,613
Bills receivable and open accounts	4,393,782	4,248,273	3,998,622	3,733,342	3,512,870	3,307,444
Materials and supplies	220,034	215,237	231,996	234,848	236,854	227,416
Other current assets	36,646	24,498	25,215	23,940	97,147	122,649
Miscellaneous debits	71,483	61,968	44,211	77,161	64,218	66,416
Total	$19,964,050	$24,504,734	$24,310,434	$24,092,532	$24,060,337	$23,446,238
Liabilities—						
Capital stock	$12,500,000	$12,500,000	$12,500,000	$12,500,000	$12,500,000	$12,500,000
Funded debt	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
Loans and notes payable	6,218,120	6,045,115	5,942,615	5,942,615	5,757,615	5,757,615
Current liabilities	3,721,848	3,305,266	2,827,388	2,440,485	2,262,079	1,825,324
Accrued liabilities	420,836	369,729	347,578	344,412	192,446	173,290
Miscellaneous credits	467,715	476,956	589,611	694,908	613,390	108,015
Profit and loss deficit	9,864,469	4,692,332	4,396,758	4,329,888	3,765,193	3,418,006
Total	$19,964,050	$24,504,734	$24,310,434	$24,092,532	$24,060,337	$23,446,238

Officers: L. F. Loree, Pres.; W. H. Williams, V-P., New York, N. Y.; H. B. Weatherwax, V-P., Albany, N. Y.; F. W. Leamy, V-P. & Assistant to the Pres., New York, N. Y.; F. W. Dingley, Treas.; J. H. Conde, Asst. Treas., Albany, N. Y.; J. W. Coon, Sec.; R. C. Kann, Asst. Sec., New York, N. Y.; W. A. Blasing, Asst. Sec. & Aud., Albany, N. Y.; W. E. Eppler, Compt., New York, N. Y.; E. Murphy, Gen. Mgr., Albany, N. Y.

Directors: L. F. Loree, New York; W. H. Williams, Lyon Mountain, N. Y.; W. E. Eppler, W. H. Davies, R. C. Kann, F. W. Leamy, J. W. Coon, New York; H. B. Weatherwax, E. Murphy, Albany, N. Y.

General Office, 598 Broadway, Albany, N. Y.

HUDSON VALLEY RAILWAY COMPANY

(Controlled by United Traction Co.)

History and Property—Incorporated July 1, 1901, in N. Y.; consolidation of the Glens Falls, Sandy Hill & Fort Edward Street Ry., the **Stillwater & Mechanicville Street Ry.,** the Warren County Ry., the Greenwich & Schuylerville Street Ry., the Saratoga Northern Ry. and the Saratoga Traction Co. Owns the entire capital stock of the **Warren County Electric Light, Heat & Power Co.** and **The North River Ry.**

In the spring of 1906, the company was reorganized without foreclosure, in accordance with plan shown in Manual for 1908, page 1236.

Mileage—Operates an electric railroad for the transportation of passengers, freight and express from Waterford to Warrensburg and from Glens Falls to Saratoga, with branch lines, all in the State of New York, comprising 93.03 miles of main track (of which

59.84 miles are on private right of way); 10.43 miles of second track (of which 0.20 mile is on private right of way); and 7.70 miles of sidings, barn tracks, etc., or a total of 111.16 miles of track, of which the company owns 100.49 miles. Gauge, standard. Rails vary from 48 to 141 lbs.; girders, grooved and T type.

Equipment, Dec. 31, 1927—Company has 9 open and 41 closed passenger cars; 15 express cars; 2 standard freight box cars and 17 service cars, a total of 84 cars, of which 82 cars are owned and 2 are leased; also 3 electric locomotives.

Company operates two water power plants; one at Stillwater and the other at Middle Falls; in addition it operates ten sub-stations at various points along its line, including one portable sub-station.

Has perpetual contract with the United Traction Co. to run its cars into Albany and Troy.

Franchises—Franchises are perpetual.

CAPITAL STOCK

Authorized, $3,000,000 Common; outstanding, $2,978,300; par, $100. The United Traction Co. owns a majority of the outstanding Common stock. Annual meeting, third Wednesday in July. No dividends paid.

FUNDED DEBT

(1)

$100,000 Glens Falls, Sandy Hill & Fort Edward First Mortgage 6% bonds; dated July 1, 1891; due July 1, 1911; int. Jan. and July 1, at The National Bank of Glens Falls, Glens Falls, N. Y. Central Union Trust Co., New York, Trustee. Coupon, $500 and $1,000. Sufficient Consolidated 5s are reserved to retire these bonds. A first lien on 15 miles of track connecting the points named in the title. All owned by The Delaware and Hudson Co. Company does not pay Normal Federal Income Tax.

(2)

$47,500 Stillwater & Mechanicville First 6s; dated April 1, 1893; due April 1, 1913; int. April & Oct. 1, at Manufacturers' National Bank, Troy, N. Y. Coupon, $500. Bankers Trust Co., New York. Trustee. Sufficient Consolidated 5s are reserved to retire these bonds. A first lien on 13¼ miles of track between Stillwater and Waterford. All owned by The Delaware and Hudson Co. Company does not pay Normal Federal Income Tax.

(3)

$50,000 Glens Falls, Sandy Hill & Fort Edward Second 6s; dated July 1, 1893; due July 1, 1913; int. Jan. & July 1, at The National Bank of Glens Falls, Glens Falls, N. Y. Coupon, $500. Central Union Trust Co., New York, Trustee. A second lien on 15 miles of track connecting the points named in the title. Sufficient Consolidated 5s are reserved to retire these bonds. All owned by The Delaware and Hudson Co. Company does not pay Normal Federal Income Tax.

(4)

$202,500 Stillwater & Mechanicville Second Consolidated 6s; dated April 1, 1898; due April 1, 1913; int. April & Oct. 1, at The National Bank of Glens Falls, Glens Falls, N. Y. Coupon, $500 and $1,000; principal may be registered. Glens Falls (N. Y.) Trust Co., Trustee. A second lien on 13¼ miles of track between Stillwater and Waterford. Sufficient Consolidated 5s are reserved to retire these bonds. All owned by The Delaware and Hudson Co. Company does not pay Normal Federal Income Tax.

(5)

$82,000 Glens Falls, Sandy Hill & Fort Edward Third 6s; dated April 1, 1901; due April 1, 1921, but subject to call at par; int. April & Oct. 1, at The National Bank of Glens Falls, Glens Falls, N. Y. Coupon, $500 and $1,000. Central Union Trust Co., New York, Trustee. Sufficient Consolidated 5s are reserved to retire these bonds. A third lien on 15 miles of track connecting the points named in the title. All owned by The Delaware and Hudson Co. Company does not pay Normal Federal Income Tax.

(6)

$2,222,000 Hudson Valley Ry. Consolidated Gold 5s; dated July 1, 1901; due July 1, 1951; int. Jan. & July 1, at Manufacturers' National Bank, Troy, N. Y. Coupon, $1,000; principal may be registered. Bankers Trust Co., New York, Trustee and Registrar. Authorized, $4,000,000, of which $482,000 are reserved to retire the divisional bonds, and $1,290,000 are held in the treasury. Subject to call on any interest date at 110 and interest. A lien on the entire system, subject to the $482,000 of prior liens described in the preceding paragraphs. Company pays Normal Federal Income Tax up to 2%.

(7)

$474,000 Hudson Valley Ry. Non-Cumulative Income "A" Debenture 5s; dated Jan. 1, 1906; due Jan. 1, 1951; int. payable March 1, only when earned. No interest has been paid on these debentures. Denominations, $200 and multiples to $1,000; principal may be registered. American Exchange Irving Trust Co. New York, Trustee. W. E. Eppler, 32 Nassau Street, New York, Registrar. Subject to call at 110 and interest. Not secured by mortgage. Company pays Normal Federal Income Tax up to 2%.

(8)

$2,500,000 Hudson Valley Ry. Non-Cumulative Second Income "B" Debenture 2s; dated Jan. 1, 1906; due Jan. 1, 1951; int. March 1. Denomination, $1,000; principal may be registered. W. E. Eppler, 32 Nassau Street, New York, Registrar. Not secured by mortgage. Interest on these bonds is neither obligatory nor cumulative, and none has been paid. The "B" Debentures are subject to the "A" Debentures described in preceding paragraph. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$620,849	$773,399	$833,925	$910,215	$962,772	$1,245,843
Operating exp., mainten. and depreciation	791,530	787,308	818,465	935,025	904,994	1,065,840
Net earnings	*$170,681	*$13,909	$15,460	*$24,810	$57,778	$180,003
Other income	42,047	74,716	74,214	73,683	75,337	39,263
Total income	*$128,634	$60,807	$89,674	$48,873	$133,115	$219,266
Fixed charges and taxes	445,922	459,916	450,037	478,407	460,822	469,463
Deficit for year	$574,556	$399,109	$360,363	$429,534	$327,707	$250,197

* Loss.

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Construction and equipment	$8,259,559	$8,270,353	$9,871,411	$10,018,822	$10,050,763	$9,976,569
Investments	472,801	471,701	472,901	471,701	471,701	478,901
Cash	76,548	87,446	128,497	84,514	76,314	45,308
Bills receivable and open accounts	28,871	81,785	76,124	80,056	108,846	230,847
Materials and supplies	108,351	104,493	104,886	114,539	131,037	123,666
Other current assets	4,345	3,770	3,240	2,885	4,197	22,708
Miscellaneous debits	81,766	94,587	5,083	6,463	11,441	25,066
Deferred assets	26,754	26,754	26,754	26,754	26,754	8,158
Total	$9,058,995	$9,140,889	$10,688,896	$10,805,734	$10,881,053	$10,911,223

CONDENSED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Capital stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Funded debt	5,678,000	5,678,000	5,678,000	5,678,000	5,678,000	5,678,000
Loans and notes payable	3,274,382	3,234,382	3,234,382	3,199,382	3,024,893	3,024,893
Current liabilities	2,719,341	2,347,280	2,021,325	1,657,477	1,502,983	1,217,345
Accrued liabilities	152,225	121,140	130,998	138,727	85,938	70,435
Miscellaneous credits	149,480	107,463	27,361	56,478	35,429	25,823
Profit and loss deficit	5,914,433	5,347,376	3,403,170	2,924,330	2,446,190	2,105,273
Total	$9,058,995	$9,140,889	$10,688,896	$10,805,734	$10,881,053	$10,911,223

Officers: L. F. Loree, Pres.; W. H. Williams, V-P., New York, N. Y.; H. B. Weatherwax, V-P.; Albany, N. Y.; F. W. Leamy; V-P. & Assistant to the Pres., New York, N. Y.; F. W. Dingley, Treas.; J. H. Conde, Asst. Treas., Albany, N. Y.; J. W. Coon, Sec.; R. C. Kann, Asst. Sec., New York, N. Y.; W. A. Blasing, Asst. Sec. & Aud., Albany, N. Y.; W. E. Eppler, Comp., New York, N. Y.; E. Murphy, Gen. Mgr., Albany, N. Y.; A. V. Louer, Asst. Gen. Mgr., Glens Falls, N. Y.; J. W. Sprong, Pur. Agt., Albany, N. Y.

Directors: L. F. Loree, W. H. Davies, W. E. Eppler, R. C. Kann, F. W. Leamy, J. W. Coon, New York, N. Y.; W. H. Williams, Lyon Mountain, N. Y.; H. B. Weatherwax, E. Murphy, Albany, N. Y.

Offices, Glens Falls and Albany, N. Y.

IOWA RAILWAY AND LIGHT CORPORATION

History and Property—Incorporated May 25, 1925, in Iowa, and on October 1, 1925, acquired by stock ownership the properties formerly operated by Iowa Railway and Light Company (see 1925 Public Utility Manual, page 833), Boone Gas Co., Jefferson Electric Co., Wapsie Power and Light Company, Iowa Public Service Company and has since acquired other electric utilities in contiguous territory. The Corporation also owns all of the outstanding stock of Central Iowa Telephone Company and has substantial investments in other Iowa utilities.

The Corporation now owns and operates steam-electric generating plants in Cedar Rapids, Marshalltown, Boone, Perry Marion, Nevada and Jefferson. Diesel plants in Mt. Vernon, Perry and Coon Rapids; and hydro-electric plants in Cedar Rapids, Troy Mills and Central City. The aggregate capacity of these generating stations is more than 50,000 k.w. Water power sites capable of substantial production are held for future development.

Corporation owns and operates approximately 800 miles of high tension transmission lines, serving more than 100 cities and towns in the most prosperous section of Iowa, all the property served being interconnected by high tension transmission lines.

It owns and operates an electric railway between Cedar Rapids and Iowa City, and Cedar Rapids and Mount Vernon and Lisbon, Iowa. Also local street railways in Cedar Rapids, Marshalltown, and Boone. Its interurban electric railways are so constructed as to enable the handling of a general freight and passenger business, the present revenues exceeding $14,000 per mile. Substantially one-half of this revenue is derived from freight. The Corporation operates bus lines between Cedar Rapids and Davenport, Iowa, and Cedar Rapids and Washington, Iowa.

Gas service is supplied the cities of Marshalltown, Boone, Ames and Nevada, all except Marshalltown being regularly supplied from the Boone plant. The Ames plant is operated only as a reserve for Ames and Nevada.

CAPITAL STOCK

Authorized $20,000,000 Common and $15,000,000 cumulative Preferred; outstanding, Dec. 31, 1927, $8,500,000 Common, $6,429,398.34 7% cumulative Series "A" Pfd. and $904,812.25 6½% cumulative Series "B" Pfd. Stock transferred at Company's office, Cedar Rapids, Iowa. Annual meeting, First Tuesday in May.

Preferred Stock Provisions—Pfd. stock has preference as to assets as well as dividends. Pfd. stock has voting power only in case of an issue of stock wherein the security of this stock would be jeopardized.

Callability—Pfd. stock is redeemable as a whole or in part on any dividend date upon not more than 30 nor less than 10 days' notice at 102½ and accrued dividends. If less than all outstanding shares are to be redeemed at any time, stock for redemption shall be selected by lot.

Dividends — Preferred dividends regularly paid, quarterly, J, A, J and O 1.

FUNDED DEBT

(1)

$8,072,000 IOWA RAILWAY AND LIGHT CO. FIRST & REFUNDING (CLOSED) MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1932 ($500,000 BEAR 2% ADDITIONAL INTEREST COUPONS AND $1,000,000 BEAR 3% ADDITIONAL INTEREST COUPONS)

Dated August 30, 1912.

Interest Payable March and September 1, at Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized issue, $10,000,000, but mortgage is closed at $8,072,000.

Callability—Bonds without additional interest coupons are subject to call at 103 and interest on any interest date upon 30 days' notice. Bonds with the additional 2% and the 3% coupons attached are callable on any interest payment date from March 1, 1923, to and including March 1, 1928, at 108; thereafter and including March 1, 1929, at 107; thereafter and including March 1, 1930, at 106; thereafter and including March 1, 1931, at 105; thereafter and including March 1, 1932, at 104.

Sinking Fund—From March 1, 1922 to 1926, 2% of the outstanding bonds, including those reserved to retire underlying bonds; 1927 to 1931, 3%. This fund may be used for the redemption of bonds of this issue at not exceeding 103 and interest, or to pay for permanent extensions and additions to the property, for which no bonds can be issued.

Security—Since payment of an underlying issue which matured June 1, 1923, these bonds are secured by a first mortgage on the (1) steam generating plants in Cedar Rapids, Marshalltown, Boone, Perry, Marion, Nevada and Coon Rapids, and high tension transmission lines connecting these generating plants and the distribution systems in the many cities and towns served by the Company; (2) the steam heating distribution systems in Cedar Rapids, Boone, Perry and Marion; (3) the local street railways in Cedar Rapids, Marshalltown and Boone; (4) the gas plant and distribution system in Marshalltown; (5) and the interurban railway between Cedar Rapids, Iowa City, Mt. Vernon and Lisbon, Iowa.

The bonds carrying additional coupons are issued under the same mortgage as the Iowa Railway & Light Co. First and Refunding 5% Gold Bonds,

except that the additional 2% and 3% interest coupons (which are attached) are secured by a general mortgage on all the property subject to First and Refunding mortgage. Additional mortgages to be created may share equally in the lien securing these additional 2% and 3% coupons.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Morse, McKinney & McIlvaine, Chicago.

Original Offering—Publicly offered ($400,000 5% bonds with the additional 2% coupons attached) in Jan., 1921, at 94 and interest, yielding 7.8%; $1,000,000 (with the additional 3% coupons attached) were offered in June, 1921, at 100 and interest, yielding 8%; $1,000,000 additional 5s in Oct., 1923, at 93 and interest, yielding over 6%.

(2)

$4,000,000 IOWA RAILWAY AND LIGHT CORPORATION FIRST AND REFUNDING MORTGAGE TWENTY-YEAR 5½% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1945.

$1,500,000 IOWA RAILWAY AND LIGHT CORPORATION FIRST AND REFUNDING MORTGAGE TWENTY-YEAR 5% GOLD BONDS, SERIES "B"; DUE JUNE 1, 1946.

Dated Series "A," October 1, 1925; Series "B," June 1, 1926.

Interest Payable—On Series "A," May and November 1; and on Series "B," June and December 1, at Harris Trust & Savings Bank, Chicago, or Harris Forbes & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago, Ill.

Provisions of Issue—Authorized amount unlimited. The unissued bonds in excess of $4,600,000 are reserved to be issued at (a) 75% of the cost of permanent extensions and additions; (b) for acquiring property of other utilities; (c) for the retirement of bonds or other evidences of indebtedness of utilities acquired by the Company provided the net earnings of the Company for a 12 months period ending not more than 90 days preceding the filing of application, shall have been 1¾ times the annual bond interest charge. Future issues of bonds may be of various series bearing different rates of interest, with different call features and for different maturities not exceeding 20 years from date of issue, etc.

Callability—Series "A" bonds are subject to call on any interest date upon 60 days' notice at par plus a premium of 5% if redemption be effected on or before Nov. 1, 1935, or if effected after said date, premium is to be decreased ½ of 1% each year after Dec. 31, 1934, except that on May 1, 1945, such premium shall be ½ of 1%.

Series "B" bonds are subject to call on any interest date upon 60 days' notice at par plus a premium of 5% and interest if redemption be effected on or before June 1, 1930; thereafter and including June 1, 1935, at premium of 3%; thereafter and including June 1, 1940, at 2%; thereafter and including June 1, 1945, at 1% and without premium if redemption be effected on Dec. 1, 1945.

Sinking Fund—Prior to the expiration of four months after the last day of each fiscal year of the Corporation, beginning with the fiscal year ending in the calendar year 1926, and continuing so long as any bonds are outstanding, the Corporation will deposit with the Trustee a sum equal to 12½% of the aggregate gross earnings of the system from the operation of the plants and properties (excluding inter-company accounts and deducting an amount equal to the cost to the Corporation of the electric current and/or gas purchased and resold and rentals paid for electric and/or gas generating, transmitting and/or distributing properties leased during such period) less cash expenditures made during the period for maintenance, repairs, renewals or replacements of the plants and properties constituting the system, not including, however, that part of any expenditures for renewals or replacements which is in excess of the original cost of the property renewed or replaced.

Security—These bonds are secured by a first mortgage, subject only to the lien of the First and Refunding Mortgage of the Iowa Railway and Light Company and of the indenture securing additional interest certificates attached to $1,500,000 bonds of that issue, on the (1) steam generating plants in Cedar Rapids, Marshalltown, Boone, Perry, Marion, Nevada and Coon Rapids; the high tension transmission lines connecting these generating plants and the distribution system in the many cities and towns served by the system; (2) the steam heating distribution systems in the cities of Cedar Rapids, Boone, Marshalltown, Marion and Perry; (3) the local street railway systems in the cities of Cedar Rapids, Boone and Marshalltown; (4) the gas plants, distribution systems in Boone, Marshalltown, Ames and Nevada; (5) the interurban railway between Cedar Rapids, Iowa City, Mount Vernon and Lisbon and (6) the hydro-electric generating plants in Cedar Rapids and Central City.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler and Parker, Chicago, Ill.

Original Offering—First publicly offered ($4,000,000 Series "A" in October, 1925, at 99 and interest, yielding 5.58%, by Harris, Forbes & Co., New York, and the Harris Trust & Savings Bank, Chicago.

$550,000 Series "B" 5s were first publicly offered in December, 1926, at 97½ and interest to yield about 5.20% by Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal; $950,000 additional Series "B" 5s offered in Aug., 1927, by the same bankers, at 99 and interest, yielding 5.05%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	*1926	*1925	†1924	†1923	†1922
Gross revenues	$4,780,935	$4,525,365	$4,164,387	$3,706,170	$3,539,238	$3,282,406
Operating expenses	2,491,318	2,307,019	2,237,400	2,186,267	2,090,001	2,006,573
Taxes accrued	203,978	225,742	220,532	211,176	181,950	181,600
Total oper. exp. and taxes	$2,695,296	$2,532,761	$2,457,932	$2,397,443	$2,271,951	$2,188,173
Net operating revenue	$2,085,639	$1,992,604	$1,706,455	$1,308,727	$1,267,287	$1,094,233
Interest	713,706	697,398	610,900	444,687	461,340	443,700
Balance	$1,371,933	$1,295,206	$1,095,555	$864,040	$805,947	$650,533
Preferred dividends	‡	‡	‡	326,760	303,850	289,375
Common dividends	.....	.....	.....	200,400	136,000	102,000
Total dividends	.....	.....	.....	$527,160	$439,850	$391,375
Surplus	.....	.....	.....	$336,880	$366,097	$259,158
Times Interest Earned	2.92	2.85	2.79	2.93	2.75	2.47
Earnings Per Share—						
Preferred	$18.69	$19.58	$21.27	$17.77	$18.11	$15.36

*Present corporation. †Predecessor company. ‡Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	*1924	*1923	*1922
Property accounts	$27,523,347	$26,468,602	$24,992,338	$15,354,758	$14,078,974	$12,978,690
Stocks, bonds and other investments	2,408,932	1,736,663	1,316,097	719,149	733,132	444,904
Materials and supplies	410,931	495,634	463,059	474,558	520,260	408,969
Cash	134,982	146,120	259,112	62,865	330,008	227,079
Deposit for redemption of bonds	.....	.....	454,633	.....	.....	.....
Current accts. and notes receivable	815,161	692,573	681,621	641,416	622,291	695,242
Unexpired insurance	64,227	38,710	63,930	52,999	19,854	30,911
Miscellaneous items	116,471	94,617	183,948	139,061	88,982	119,105
Deferred debit items	582,774	608,989	641,520	480,186	511,310	454,375
Total	$32,056,825	$30,281,908	$29,056,258	$17,924,992	$16,904,811	$15,359,275
Liabilities—						
Preferred stock	$7,334,210	$6,616,840	$5,148,654	$4,861,281	$4,451,422	$4,236,056
Common stock	8,500,000	8,500,000	8,500,000	1,700,000	1,700,000	1,700,000
Bonded debt	13,572,000	12,622,000	12,072,000	8,294,000	8,072,000	7,260,000
Other funded debt	26,848	9,653	306,265	451,899	62,711	66,000
Loans and notes payable	609,510	334,045	460,736	728,439	656,447	398,375
Current liabilities	492,060	713,136	623,826	491,092	513,608	395,203
Liability for redemption of bonds	.....	.....	454,633	.....	.....	.....
Accrued liabilities	477,137	467,949	434,827	356,428	334,542	305,950
Miscellaneous items	14,503	24,543	31,339	52,213	38,981	28,212
Reserves	817,610	812,868	312,665	300,441	416,440	368,885
Surplus	212,947	180,874	711,313	689,199	658,660	600,594
Total	$32,056,825	$30,281,908	$29,056,258	$17,924,992	$16,904,811	$15,359,275

*Predecessor company.

Officers: Isaac B. Smith, Pres.; Sutherland Dows, V-P. & Gen. Mgr.; John A. Reed, V-P. & Gen. Atty.; C. S. Woodward, Sec. & Treas.; Carl B. Myers, Gen. Aud., Cedar Rapids, Iowa.

Directors: Isaac B. Smith, John A. Reed, R. S. Cook, Eugene M. Pinney, Lumir Severa, M. W. Houser, C. S. Woodward, R. I. Safely, Dr. W. J. Morrison, Sutherland Dows, Dr. John Hamilton, Chas. H. Foy, George T. Wilhelm, Cedar Rapids, Ia.; William Thaw, Pittsburgh, Pa.

General Office, Cedar Rapids, Ia.

CENTRAL IOWA TELEPHONE COMPANY

(Controlled by Iowa Railway & Light Corp.)

History and Business—Incorporated December 13, 1926, in Iowa. Acquired physical properties and franchises of the following companies: The Tama Telephone Company, Eldora Telephone Company, Williamsburg Telephone Company, Mutual Telephone Company of Traer, Home Telephone Company of Belle Plaine, Conrad Telegraph and Telephone Company, Collins Telephone Company, Baxter Telephone Company, and the properties located at Garwin and Beaman.

The system furnishes without competition, and under franchises which are satisfactory, local and long distance telephone service to 12 cities and towns in 9 counties in Iowa. The system operates a total of 7,826 stations and includes the following equipment: 1,728 miles of exchange aerial wire, 33,649 feet of underground conduit, 68,513 feet of aerial cable and 93,818 feet of underground cable. Through a joint operating agreement the company affords its subscribers the services of the Northwestern Bell Telephone Company and the American Telephone and Telegraph Company. The Company provides service in a territory in Central Iowa between Des Moines and Cedar Rapids with an estimated population of over 40,000. The counties in which the company operates have an estimated population of 158,000.

CAPITAL STOCK

Authorized, $700,000 Common and $300,000 cumulative Preferred; outstanding, $600,000 Common; par of both issues, $100. All owned by Iowa Railway & Light Corp. Annual Meeting, first Tuesday in April.

FUNDED DEBT

$350,000 FIRST MORTGAGE TWENTY-YEAR 5½% GOLD BONDS, SERIES "A"; DUE JULY 1, 1947

Dated July 1, 1927.

Interest Payable January and July 1, at the Seaboard National Bank, New York, Harris Trust & Savings Bank, Chicago, or at the Cedar Rapids Savings Bank and Trust Co., Cedar Rapids, Iowa.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Cedar Rapids Savings Bank and Trust Co., Cedar Rapids, Iowa and L. J. Derflinger.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $350,000. Additional bonds may be issued in series with such interest rates, maturity dates, redemption provisions and other terms and conditions as may be determined by the Board of Directors at the time of the creation of such series and subject to the terms of the mortgage. Additional bonds may be issued up to 75% of the cost of permanent additions and betterments to the property, provided that net earnings, for twelve consecutive calendar months within the fifteen months preceding the application for the issuance thereof shall have been equal to at least twice the annual bond interest charges of the company, including interest on those bonds for which certification is requested.

Purpose of Issue—Proceeds were used in part payment of purchase price of properties, retiring indebtedness of the predecessor corporations, making improvements to the Company's properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on not less than 30 days' notice, at 104 on or before July 1, 1932; at 103 thereafter and on or before July 1, 1937; at 102 thereafter and on or before July 1, 1942; at 101 thereafter and on or before July 1, 1946, and thereafter at 100, plus accrued interest in each case.

Sinking Fund—None provided.

Maintenance and Renewal Fund—The company covenants that an amount equivalent to not less than 15% of the gross earnings shall annually be expended for maintenance or set aside as a renewal reserve for repairs to or replacements of its property. Any part of this fund not used for such purposes may be expended for improvements and additions to the property, such expenditures, however, not to be used as a basis for issuing First Mortgage Gold bonds. The Company shall utilize any balance of this fund for the purchase or redemption of First Mortgage Gold bonds, which will thereupon be cancelled.

Security—Secured by a direct first mortgage on all fixed property and franchises of the company, including land, buildings, equipment and conduits, and by a direct lien on property hereafter acquired.

Valuation—The present reproduction value of the combined properties of Company as fixed by independent appraisers and auditors is $821,256. Present sound depreciated value of the property as determined by independent telephone engineers is $666,932.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($350,000) in July, 1927, at 97 and interest to yield over 5.75% by Oliver J. Anderson & Co., St. Louis, W. D. Hanna & Co., Burlington, Iowa, and Merchants National Bank, Cedar Rapids, Iowa.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenue	$148,711
Operating expenses	87,141
Taxes	8,809
Net operating revenue	$52,762
Interest	19,250
Balance before depreciation	$33,512

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital—net	$646,701
Investments	225,803
Cash	13,512
Bills and accounts receivable	26,438
Material and supplies	8,456
Deferred debit items	60,630
Total	$981,540
Liabilities—	
Capital stock	$600,000
Funded debt	350,000
Current liabilities	7,722
Accrued liabilities	8,433
Surplus	15,385
Total	$981,540

Officers: Sutherland Dows, Pres.; J. P. Walters, V-P.; C. S. Woodward, Sec. & Treas.; Carl B. Meyers, Gen. Aud.

General Office, Tama, Iowa.

BRAZOS RIVER GAS COMPANY

History and Property—Incorporated in October, 1926, in Texas, to acquire a group of properties which for some time had been producing, transporting and marketing natural gas for domestic, industrial and commercial purposes in Parker, Palo Pinto and Young Counties, North Central Texas. All operations are conducted within a radius of about 30 miles of Mineral Wells, Texas, in which vicinity the Company has 24 producing wells. Under the Texas Statutes, the Company is a public utility and as such operates by authority of the Railroad Commission of Texas.

Company supplies gas for domestic consumption to the cities of Mineral Wells, Weatherford and adjacent towns such as Palo Pinto, Millsap, Bennett, and Graford, as well as to rural consumers in this section. It also serves important industries in this territory, supplying by contract the Mineral Wells Electric Company and the Weatherford Water and Light Company, serving the cities of Mineral Wells and Weatherford, respectively.

The Company controls about 5,167 acres of gas and oil lands, of which about 3,938 acres are in Palo Pinto County (273 acres in the Dalton field and 3,665 in the Mineral Wells fields); the remaining acreage is in Parker and Young Counties. Some of the largest gas wells in the country are located in Palo Pinto County. The Company has a valuable contract with the Phillips Petroleum Company for the purchase of gas from that company on very advantageous terms and for a substantial period. The Company's oil wells are located mostly in the Dalton and Mineral Wells fields.

The properties are thoroughly equipped for the production and transportation of natural gas. They comprise the main line transportation system running from Mineral Wells to Herron City, from Mineral Wells to Brazos, from what is known as Shallow Field Junction to Mineral Wells, from Dalton field to Graford, from Palo Pinto to Mineral Wells, and from Millsap to Shallow Field Junction and Weatherford. There are also extensive field lines. In addition to the field acreage, the properties include meter installation, real estate, buildings, etc.

In Nov., 1926, the Company had 34 producing wells, of which 24 were in the Mineral Wells fields, 4 in the Dalton field (both fields in Palo Pinto County), and 6 in the Millsap field, Parker County. The production of oil is comparatively small, amounting to 9,036 barrels in 1925.

The Company's production of natural gas during 1925 averaged about 4,200,000 cu. ft. daily. The gas reserves are estimated to exceed 9,700,000,000 cubic feet. This does not include reserves resulting from the acquisition of new leases or new wells which may be purchased. In respect to the gas purchased from the Phillips Petroleum Company, the supply from this source is assured for some years to come.

CAPITAL STOCK

Authorized, 55,000 shares Common stock, no par value, and $250,000 7% cumulative Pfd., par $100; outstanding, 43,750 shares Common and $250,000 Pfd. The remaining 11,250 authorized Common shares are reserved for issuance against exercise of Stock Option Warrants.

Dividends—Initial Common dividend of 25 cts. per share paid Jan. 3, 1927; April 1, 1927, 25 cents; none since; payments quarterly, J, A, J & O 1.

FUNDED DEBT

$750,000 FIRST (CLOSED) MORTGAGE 7% FIVE-YEAR SINKING FUND GOLD BONDS; DUE OCTOBER 1, 1931

Dated October 1, 1926.

Interest Payable April and October 1, at Guardian Trust Co. of New Jersey, Newark, N. J.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Guardian Trust Co. of New Jersey, Newark, N. J. and Ralph S. McDonald.

Provisions of Issue—Authorized and issued, $750,000. Proceeds were used in connection with the acquisition of the properties, for working capital and for other corporate purposes.

Stock Option Warrants—Each $1,000 bond is accompanied by a detachable Stock Option Warrant entitling the holder thereof to purchase a unit of 15 shares of Common stock of the Company, without par value, at $20 per share on or before Oct. 1, 1927; thereafter and on or before Oct. 1, 1928, at $22.50 per share; thereafter and on or before Oct. 1, 1929, at $25 per share; and thereafter to and including Oct. 1, 1931, at $30 per share. Each $500 bond is accompanied by a detachable Stock Option Warrant entitling the holder thereof to purchase a unit of 7½ shares at the above rates.

Callability—Subject to call as a whole or in part, also for the sinking fund, on any interest date on 30 days' notice at 105% and accrued interest on or before Oct. 1, 1927, with successive reductions of 1% during each year thereafter to maturity.

Sinking Fund—Mortgage provides for a monthly sinking fund, the first installment to be due Dec. 1, 1926 in the amount of $16,000, payable thereafter $8,000 monthly to and including Oct. 1, 1927; thereafter $10,000 monthly during the next 12 months; thereafter $11,000 monthly during the next 12 months; thereafter $12,000 monthly during the next 12 months and thereafter $15,000 monthly during the next 11 months, the last payment Sept. 1, 1931. Payments to the sinking fund are to be used for the purchase of bonds at not exceeding the current redemption price; any balance unexpended in such purchase to be applied to the redemption of bonds by lot on the next

interest date. The Company may be credited upon its sinking fund obligation with the cost (up to the prevailing redemption price) of bonds surrendered by it to the sinking fund. Through the operation of the sinking fund all but $93,000 total principal amount of this issue will be retired by maturity.

Security—Secured by a closed first mortgage on all the fixed properties of the Company, now owned or hereafter acquired, including land, leaseholds, buildings and equipment, and the entire transportation and distribution system.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. All personal property taxes of any State or the District of Columbia, not exceeding in any year 5 mills on each dollar of principal amount, and all income taxes of any State or such District, not exceeding in any year 6% of the income derived from the bonds, refunded upon timely appropriate application.

Legal Opinion—Cadwalader, Wickersham & Taft (for the Bankers) and C. D. Scully, Pittsburgh, Pa., and Penix, Miller & Perkins, Mineral Wells, Texas (for the Company).

Original Offering—First publicly offered ($750,000) in Nov., 1926, at 99¾ and interest to yield about 7.05% by A. M. Lamport & Co., Inc., F. J. Lisman & Co., and the Guardian Securities Co., New York.

EARNINGS

Net earnings of the properties, as certified by Main and Company, available for interest charges, sinking fund, depreciation, depletion, federal taxes, etc., for the 2 fiscal years ended Aug. 31, 1926, averaged $264,401 per annum; for the 6 months ended June 30, 1926, corresponding net earnings were at the annual rate of $301,852.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross income	$328,225
Cost of oil and gas	44,193
Expenses	72,108
Operating income	$211,924
Other income	2,990
Total income	$214,914
Deduct:	
Bond expense and discount	$22,736
Depreciation	63,793
Depletion	25,164
Other charges	62,717
Net income	$40,504

GENERAL BALANCE SHEET, SEPT. 1, 1926
(Adjusted to give effect to new financing.)
(Accounts Audited by Main & Company)
(Latest Available)

Assets—	
Pipe lines, equipment and distributing system	$1,176,216
Buildings	23,049
Real estate	19,600
Acreage, consisting of leaseholds, wells, etc.	390,120
Total fixed assets	$1,608,985
Cash	35,000
Deferred charges	299
Total	$1,644,284
Liabilities—	
Common stock (43,750 shares)	$644,430
Preferred stock	250,000
Funded debt	750,000
Total	$1,644,284

Officers: David A. Upham, Pres.; C. R. Upham, V-P.; D. L. Hill, Sec. & Treas.

General Office, Wichita Falls, Texas.

INDIANA TELEPHONE UTILITIES COMPANY

History—Incorporated in 1926, in Delaware, and owns entire capital stock, both Common and Pfd., except directors' qualifying shares, of the La Porte County Indiana Telephone Company and the Liberty Telephone Utilities Company. The Company, through its subsidiaries, operates without competition in the communities served under indeterminate permits granted by the Public Service Commission of Indiana. The properties of the subsidiaries consist of eight exchanges, of which four are owned in fee simple. Serves the City of La Porte and the following named towns: Hanna, La Crosse, Rolling Prairie, Union Mills, Wanatah and Westfield, Ind. Through subsidiaries, the Company has two physical connections with the Indiana Bell Telephone Co. and one with the American Telephone & Telegraph Co.

CAPITAL STOCK

Authorized, 8,000 shares Common stock of no par value, and $1,000,000 7% cumulative Pfd., par, $100; outstanding, 8,000 shares Common.

FUNDED DEBT

$300,000 SECURED SINKING FUND CONVERTIBLE GOLD BONDS, SERIES "A" 6s; DUE DECEMBER 1, 1946

Dated December 1, 1926.

Interest Payable June and December 1, at Continental National Bank & Trust Co., Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago, Ill.

Provisions of Issue—Authorized issue, unlimited; outstanding, $300,000 Series "A" 6s. Additional bonds of a subsequent series may be issued from time to time provided that consolidated net earnings of the corporation (of which not less than 80% shall be from properties of subsidiaries) during the period of 12 consecutive months within the 15 months preceding shall have been not less than 1½ times the amount of the annual fixed charges of the corporation and its subsidiaries. The indenture requires when additional bonds are issued against securities, the pledge of those securities, and also provides for the pledge with the Trustee, when any additional bonds are applied for, of collateral in the form of securities having a value of 125% of the amount of the additional bonds applied for or cash 100%.

Callability—Subject to call as a whole or in part on the first day of any month upon 30 days' notice at 105% on or before Dec. 1, 1931; at 104% thereafter and on or before Dec. 1, 1934; at 103% thereafter and on or before Dec. 1, 1937; at 102% thereafter and on or before Dec. 1, 1940; at 101% thereafter and on or before Dec. 1, 1943; at 100½% thereafter to maturity, plus accrued interest in each case.

Sinking Fund—Indenture provides a sinking fund for the bonds of this series, payable semi-annually, beginning Dec. 1, 1928, equivalent to ½% of the bonds at the time outstanding, to be applied to the purchase or redemption of bonds, or may be used for the acquisition of additional securities of such character that they may properly be pledged under the indenture and which shall be pledged thereunder but not made the basis for the issuance of additional bonds thereunder.

Conversion Privilege—These bonds may, at the option of holder, be converted on or after Dec. 1, 1927 into the 7% cumulative Pfd. stock of the Corporation on the basis of each $1,000 bond receiving $1,000 Pfd. stock, with adjustment of accrued interest and dividends.

Security—These bonds are the direct obligations of the Company and constitute its only funded debt. They are secured by pledge with the Trustee of all the Pfd. and Common stocks of subsidiaries, except directors' qualifying shares, and all outstanding First Mortgage 6% Gold bonds, Series "A" of the Liberty Telephone Utilities Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—John P. Barnes, and Levinson, Becker, Schwartz & Frank.

Original Offering—First publicly offered ($300,000) in Nov., 1926, at 98 and interest, to yield about 6.17% by Baker, Walsh & Co., Chicago.

CONSOLIDATED EARNINGS STATEMENT, YEAR ENDED AUGUST 31, 1926
(Latest Available)

Gross earnings	$187,866
Expenses, inclusive of all charges except deprec., interest & Federal taxes	110,873
Net earnings	$76,993
Annual interest requirements on bonds of subsidiary companies in hands of public	33,000
Balance available for interest, depreciation and Federal taxes	$43,993

Officer: E. L. Cline, Pres., La Porte, Ind.
General Office, La Porte, Ind.

LA PORTE COUNTY INDIANA TELEPHONE COMPANY

(Controlled by Indiana Telephone Utilities Company)

History and Property—Incorporated in 1926, in Indiana, as successor to the La Porte Telephone Co. Company operates without competition in the communities served under an indeterminate permit granted by the Public Service Commission of Indiana. Supplies telephone service in the City of La Porte and the following towns: Hanna, LaCrosse, Rolling Prairie, Union Mills, Wanatah and Westville, LaPorte County, Ind. In addition, the Company has direct physical connections with the Indiana Bell Telephone Co. and the American Telephone & Telegraph Co. As of Nov. 1, 1926, there were 6,319 stations or customers. Population served, 20,690.

CAPITAL STOCK

Authorized, $228,000 Common and $200,000 7% cumulative Pfd.; outstanding, $196,000 Common and $170,000 Pfd.; par, $100. All Pfd. and Common stocks, except directors' qualifying shares, owned by Indiana Telephone Utilities Company.

FUNDED DEBT

$550,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1951

Dated December 1, 1926.

Interest Payable June and December 1, at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Issued, $550,000 Series "A" 6s. Additional First Mortgage bonds may be issued in series with such interest rates, maturity dates, redemption provisions and other terms and conditions as may be determined by Board of Directors at time of creation of such series and subject to terms of mortgage. Additional bonds may be issued up to 75% of cost of permanent additions and betterments to property, provided that net earnings for twelve consecutive calendar months within fifteen months preceding application for issuance thereof shall have been equal to at least 1¾ times annual bond interest charge of Company, including interest on those bonds for which certification is requested.

Callability—Subject to call as a whole or in part on first day of any month, on 30 days' notice, at 102 and interest.

Maintenance and Renewal Fund—The Company covenants that an amount equivalent to not less than 15% of its gross earnings shall annually be expended for maintenance or set aside as a renewal reserve for repairs or renewals or replacements of its property. Any part of this fund not used for such purposes may be expended for improvements and additions to property, such expenditures, however, not to be used as a basis for issuing First Mortgage Gold bonds. Company shall utilize any balance of this fund for purchase or redemption of First Mortgage Gold bonds, which will thereupon be cancelled.

Security—Secured by a direct first mortgage on all property of Company now owned, or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%; any state tax to 5 mills, refundable.

Legal Opinion—J. P. Barnes of the firm of Levinson, Becker, Schwartz & Frank.

Original Offering—First publicly offered ($550,000) in January, 1927, at par and interest, by Baker, Walsh & Co., Chicago, Ill.

INCOME ACCOUNT, YEAR ENDED AUGUST 31, 1926
(Accounts Audited by Arthur Young & Co.)
(Latest Available)

Gross earnings	$165,496
Oper. exp., maint. & taxes	94,307
Net earnings	$71,189

Officer: E. L. Cline, Pres. & Gen. Mgr., LaPorte, Ind.
General Office, LaPorte, Ind.

INTERSTATE WATER COMPANY

History and Property—Incorporated Oct. 17, 1913, in Maine; successor by change of name to the Danville Water Co., which was incorporated in 1882, in Ill. Franchise extends for 30 years from 1922. Supplies Danville, Ill., population served, 48,000. Equipment consists of four pumping units having a total daily capacity of 21,000,000 gallons per day. A new concrete dam built in July, 1925, impounds about 2,900,000,000 gallons of water, forming a lake about six miles in length. Company owns ground on both sides of this lake and owns in fee over 1,600 acres of land. Has over 8,600 active customers and about 10,000 services. Fire hydrants, 600; miles of mains, 100.

CAPITAL STOCK

Authorized, $1,500,000 Common and $1,000,000 7% cumulative Pfd.; outstanding, $1,500,000 Common and $600,000 Pfd.; par, $100. Annual meeting, third Wednesday in January. No dividends reported.

FUNDED DEBT

$750,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE FEBRUARY 1, 1940
$81,400 FIRST MORTGAGE GOLD 6s, SERIES "B"; DUE FEBRUARY 1, 1940

Dated—Series "A," Feb. 1, 1924; Series "B," Feb. 1, 1927.

Interest Payable February and August 1, at Chicago Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable denominations.

Provisions of Issue—Authorized, $1,200,000; outstanding, $750,000 Series "A" 6s, and $81,400 Series "B" 6s. Additional bonds may be issued for not exceeding 75% of the cost or fair value of additions and improvements to the property, when net earnings for twelve consecutive months out of the preceding fifteen months shall have been at least twice interest charges on all bonds outstanding, including those proposed to be issued. Furthermore, no additional properties may be acquired subject to any prior lien.

Callability—Subject to call as a whole on any interest date prior to maturity at 103½ and accrued interest.

Sinking Fund—A sinking fund amounting to 8% of the net earnings of company, commencing Feb. 1, 1925, will be paid annually to the trustee, the proceeds to be used either to retire bonds of this issue, to be purchased in the open market at or below the call price, improvements to the property. Such additions and improvements shall not be used as a basis for the or to reimburse company for the cost of additions and issuance of additional bonds.

Security—Secured by a direct first mortgage upon all property of the company, including all lands and structures now owned or about to be constructed or acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The company agrees to refund the

Pennsylvania and Connecticut Personal Property taxes not to exceed those now in effect, and the Massachusetts State Income tax not to exceed 6%.

Legal Opinion—Defrees, Buckingham & Eaton, Chicago (for the Company); Selligman & Selligman (for the Bankers).

Original Offering—First publicly offered ($750,000 Series "A" 6s), in Feb., 1924, at 96 and interest, to yield 6.40% by Chicago Trust Co. and Peabody, Houghteling & Co., Chicago; $81,400 Series "B" 6s offered in Sept., 1927, at 102 and interest to yield nearly 5.80%, by Block, Fetter & Trost, Louisville, Ky.

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$277,908	$287,513	$266,663
Oper. expenses and taxes.	151,766	171,802	150,239
Depreciation	19,000		18,000
Net earnings	$107,142	$115,711	$98,424
Bond interest	47,203	45,000	45,000
Other charges	10,960	9,700	15,402
Balance	$48,979	$61,011	$38,022

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant & equipment	$3,155,603
Non-operating property	69,363
Current assets	105,300
Investments	1,700
Deferred charges	79,757
Total	$3,411,723
Liabilities—	
Capital stock	$2,100,000
Funded debt	831,400
Current liabilities	81,951
Deferred liabilities	11,091
Reserves	226,584
Surplus	160,697
Total	$3,411,723

Officers: George J. Long, Pres.; D. H. Long, V-P.; W. J. McGonigale, Sec. & Treas., Louisville, Ky.; H. M. Ely, Supt., Danville, Ill.

Directors: G. J. Long, R. W. Bingham, J. R. Peabody, W. J. McGonigale, D. H. Long, Louisville, Ky.; L. K. Callahan, Chicago, Ill.; H. M. Ely, Danville, Ill.

Office, Danville, Ill

GUTHRIE RY.

History and Property—Incorporated May 26, 1905, in Okla. Owns city lines in Guthrie, Okla., 5.55 miles; trackage, 0.62 mile. Gauge, standard. Cars, 9. Company is practically owned by the Oklahoma Ry. Co., but property has not yet been conveyed to it.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Annual meeting, fourth Tuesday in January. No dividends paid.

FUNDED DEBT

$120,000 First 30-Year Gold 5s; dated Feb. 1, 1905; due Jan. 1, 1935; int. Jan. and July 1, at Iron City Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $300,000. Subject to call on any interest date at 105 and interest. All owned by the Oklahoma Ry. Co. Secured by first mortgage on all property. Company pays Normal Federal Income Tax up to 2%.

Officers: Geo. H. Brauer, Pres.; John W. Shartel, V-P.; Chas. Hoopes, Sec.; E. J. Richart, Treas.; Oklahoma City, Okla.

Directors: John W. Shartel, Geo. H. Brauer, Chas. Hoopes, A. H. Classen, G. B. Treat.

Office, Guthrie, Okla.

THE DAYTON-XENIA RAILWAY COMPANY

History and Property—Incorporated July 22, 1926, in Ohio, to take over the property of The Dayton, Springfield & Xenia Southern Ry. Co., which was sold at Receiver's Sale on July 23 1926 (see 1926 Public Utility Manual, page 1522). Road extends from Dayton to Xenia, Ohio, 17.28 miles.

CAPITAL STOCK

Authorized and outstanding, 3,500 shares Common of no par value, and $250,000 Pfd., par, $100. No dividends paid.

Annual Meeting—Third Saturday in January.

FUNDED DEBT

(1)

$18,000 6% Equipment Obligations, dated 1923; due 1931; interest payable May and November. Authorized, $30,000. These Equipment Obligations were assumed by The Dayton-Xenia Ry. Co., and were issued by The Dayton, Springfield & Xenia Southern Ry. Co.

(2)

$250,000 First Mortgage Collateral Trust 6% bonds; dated August 1, 1926. These bonds were issued for the purchase of the property of The Dayton, Springfield & Xenia Southern Ry. Co. No further details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926
Gross earnings	$245,806	$105,497
Operating expenses & taxes	207,361	75,817
Depreciation		7,750
Net earnings	$38,445	$21,930
Other income	880	82
Total income	$39,325	$22,012
Interest charges	16,245	6,797
Other fixed charges		330
Loss on bus operation	4,515	
Net income	$18,565	$14,885

*For period July 24 to Dec. 31, 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of road and properties	$539,404	$531,366
Cash	591	7,619
Bonds owned	4,451	
Other investments	7,520	
Materials & supplies	850	
Special deposits	32,316	12,000
Accounts receivable	986	1,874
Unadjusted debits	3,257	5,617
Total	$589,376	$558,476
Liabilities—		
Preferred stock	$250,000	$250,000
Funded debt	250,000	250,000
Equipment obligations	18,000	22,000
Interest accrued	6,400	6,415
Reserve for taxes	8,952	3,689
Deferred credit items	1,855	3,457
Unadjusted credits	136	280
Reserve for depreciation	20,582	7,750
Surplus	33,451	14,885
Total	$589,376	$558,476

Officers: T. A. Ferneding, Pres. & Gen. Mgr.; C. J. Ferneding, V-P. & Treas.; H. L. Ferneding, Sec.; J. P. Kemper, Asst. Treas., Dayton, Ohio.

Directors: T. A. Ferneding, C. J. Ferneding, H. L. Ferneding, Edw. Canby, R. J. Wells, J. P. Kemper Dayton, Ohio; J. P. Harris, Cleveland, Ohio.

General Office, 202 S. Ludlow, St., Dayton, Ohio.

BOISE WATER CORPORATION

History and Property—Incorporated April 2, 1928, in Idaho; successor to the Boise Water Company (see 1927 Public Utility Manual, page 2061). Serves the City of Boise with water for domestic and industrial purposes, and, through its wholly owned subsidiary the **Natatorium Company,** with hot water for domestic use and heating of homes and buildings. Boise, the largest city between the Salt Lake City and Portland districts, has, with its immediately adjoining districts, a population of approximately 30,000. The Corporation serves 5,604 consumers with cold water and 484 consumers with hot water. A large natatorium building, containing a swimming pool of large proportions and hot baths is also owned and operated in conjunction with the hot water system.

CAPITAL STOCK

Authorized and outstanding $500,000 Common; par $100.

Annual Meeting—Third Tuesday in March, at Boise, Idaho.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1938

Dated April 1, 1928.

Interest Payable April and October 1, at the National Bank of the Republic, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee and Registrar—National Bank of the Republic, Chicago, Ill.

Provisions of Issue—Authorized issue, unlimited; outstanding, $1,000,000 Series "A" 5½s. Additional bonds may be issued for not in excess of 80% of the actual cost or fair value, whichever is lower, of physical additions, provided the net earnings of the Corporation as defined in the Indenture for 12 consecutive calendar months within the 15 calendar months immediately prior to the issuance of such new bonds have been at least 1¾ times the annual interest charges on all bonds outstanding and to be issued.

Purpose of Issue—The proceeds from the sale of these bonds were used in part to pay the cost of acquisition of the Boise Water Company; to retire all funded indebtedness outstanding in the hands of the public against the properties, and for other corporate purposes.

Callability—Subject to call on 30 days' published notice on any interest date at 103 and accrued interest.

Improvement, Etc., Fund—The Corporation covenants to expend or reserve annually for improvements, additions, extensions, replacements, maintenance and depreciation of properties against which no bonds may be issued, an amount which shall not be less than 9% of the annual gross earnings of the mortgaged property.

Security—These bonds, constituting the only funded indebtedness of the Corporation, are secured by a direct first mortgage on all the physical properties of the Corporation and by a deposit with the Trustee of all First Mortgage bonds and capital stock of the Natatorium Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and agrees to refund upon due application to the holders who are residents of any jurisdiction under the Sovereignty of the U. S. A., any property taxes assessed not exceeding five mills per annum, including the present Michigan five mills and Pennsylvania and Connecticut four mills taxes and to residents of Massachusetts all income taxes not in excess of 6% of the interest paid in any year.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($1,000,000) in April, 1928, at 99½ and interest, to yield over 5½%, by Paul C. Dodge & Co., Inc., Chicago, and A. M. Lamport & Co., Inc., New York.

Listed—Chicago Stock Exchange.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Boise Water Co. and Natatorium Co.)

	1927	1926
Operating revenue	$213,137	$205,045
Operating expenses	67,762	67,003
Taxes—real & personal	25,102	19,768
Uncollectible bills	606	432
Net operating revenue	$119,667	$117,842
Non-operating revenue	2,336	1,975
Net income	$122,003	$119,817
Depreciation	21,087	23,389
Net income (before bond interest & Federal taxes)	$100,916	$96,428

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Boise Water Co. and Natatorium Co.)
(After giving effect to reorganization, including new bond issue and Common stock, and setting up appraised value of fixed property)

Assets—	
Fixed property:	
Tangibles	$1,660,090
Intangibles	170,000
Cash	6,800
Notes receivable	65,034
Interest accrued	1,137
Accounts receivable	36,223
Materials & supplies	14,921
Investment—Oregon Short Line RR.	6,830
Deferred charges	9,181
Total	$1,970,216
Liabilities—	
Common stock	$500,000
Funded debt	1,000,000
Notes payable	40,000
Accounts payable	2,700
Consumers' deposits	1,252
Taxes—real & personal	11,686
Taxes—Federal income	7,000
Accrued liabilities	4,136
Deferred income	16,242
Reserves	217,183
Capital surplus	170,017
Total	$1,970,216

Officers: William E. Vogelback, Pres.; F. D. Ellis, V-P.; J. S. Stewart, Sec. & Treas.

Directors: William E. Vogelback, F. D. Ellis, J. S. Stewart.

General Office, Boise, Idaho. **Executive Office,** 100 West Monroe St., Chicago, Ill.

AUGUSTA-AIKEN RAILWAY & ELECTRIC CORPORATION

History—Incorporated Nov. 9, 1910, in Maine, and reincorporated in South Carolina on April 26, 1911. Company owns and operates properties formerly belonging to Augusta-Aiken Railway & Electric Co., the Augusta and Aiken Railway Co., and the Augusta Railway & Electric Co. The corporation operates the entire street railway system in Augusta and vicinity, also railway from Augusta to Aiken, S. C. Also owns all the stock of the Georgia-Carolina Power Co.

The company furnishes the entire electric lighting service for the city of Augusta and for North Augusta. It has two separate power plants, the main one being located in the city, and having both steam and hydraulic equipment. The operation of the 25,000 h.p. hydro-electric plant of the Georgia-Carolina Power Co., was taken over July 1, 1914, and practically all power is now generated by water. Supplies power to manufacturing plants in Georgia and South Carolina. The railway property comprises 55.75 miles of equivalent single track of which 30.65 miles are in the city and suburbs and serves the territory well.

Franchises—The interurban division of the system is practically all on private right-of-way. Franchise for railway in Augusta expires in 1939, and for electricity in 1939.

We specialize in the Securities of
AUGUSTA-AIKEN RAILWAY & ELECTRIC CORP.
Charles E. Doyle & Co.
49 Wall Street New York City

CAPITAL STOCK

Authorized and outstanding, $2,250,000 Common and $2,250,000 6% cumulative Pfd.; par $100.

Transfer Agent—Fidelity Trust Co., Baltimore, Me.

Annual Meeting—Last Monday in February, at North Augusta, S. C.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	85	82	50	20	5½	5	3	5
Low	65	65	bid	bid	bid	bid	bid	bid
Common—								
High	35	25	18	6	5	2	½	3
Low	25	bid	bid	bid	bid	bid	bid	bid

Dividends—Regular quarterly dividends of 1½% on Pfd. stock were paid, beginning Dec. 31, 1911, to June, 1914; none since; payments were made quarterly, March 31, June 30, Sept. 30 and Dec. 31. None paid on Common.

FUNDED DEBT

(1)

$709,000 AUGUSTA RAILWAY & ELECTRIC COMPANY FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1940

Dated June 1, 1900.

Interest Payable June and December 1, at Mercantile Trust & Deposit Co., Baltimore, Md.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mercantile Trust & Deposit Co., Baltimore, Md.

Provisions of Issue—Authorized and issued, $1,000,000, of which $291,000 held in sinking fund March 1, 1928.

Callability—Subject to call in 1930 at 105 and interest on six months' notice.

Sinking Fund—½ of 1% from June 1, 1905, for 15 years, then 1% for 10 years and 2% for remaining 10 years.

Security—A first lien on property formerly owned by company.

Assumed by Augusta-Aiken Railway & Electric Corporation.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	95	95	91	88¼	87¾	88½	82	85
Low	95	95	90½	88¼	84	82	82	76

(2)

$2,891,000 AUGUSTA-AIKEN RAILWAY & ELECTRIC CORP. SINKING FUND GOLD 5s; DUE DECEMBER 1, 1935

Dated November 15, 1910.

Interest Payable June and December 1, at office of Redmond and Company, New York.

Denominations—Coupon (principal may be registered), $1,000; and registered, $1,000 and multiples thereof, interchangeable with $1,000 coupon bonds.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized issue, $7,500,000; issued, $4,123,000, of which $903,000 were held in treasury and $329,000 had been retired by sinking fund to March 1, 1928. The $3,377,000 unissued bonds are reserved to retire the $709,000 Augusta Railway & Electric Co. First 5s, described above, and for additions, betterments, etc.

Callability—Subject to call as a whole, or in part for the sinking fund, at 105 and interest on any interest date upon 30 days' notice.

Sinking Fund—Sinking fund began in 1916, at rate of $25,000 per annum for first five years; $40,000 per annum for second five years; $50,000 per annum for third five years, and $65,000 per annum thereafter to maturity, payable in cash or bonds. Sinking fund is to be used for the purchase or redemption of those bonds at not to exceed 105 and interest. Bonds so obtained are to be cancelled. On May 16, 1919, agreement was entered into with bondholders whereby sinking fund payments were waived. Sinking fund payments have now been resumed and a payment of $40,000 was made on March 10, 1925 covering the payment due Feb. 1, 1925.

Security—Secured by first mortgage covering the entire street railway, interurban and electric lighting properties, subject only, on a part thereof, to $709,000 underlying bonds of the Augusta Railway & Electric Co. described above. The bonds are also a first lien on other valuable property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,400,000) in April, 1911, at 94 and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	*105¼	*96	83	68	50	34	15	18
Low	92¼	88	bid	bid	bid	bid	bid	bid

*High and low bid price.

(3)

$713,125 AUGUSTA-AIKEN RAILWAY & ELECTRIC CORP. 6% GOLD COUPON NOTES; DUE DECEMBER 1, 1935

Dated June 1, 1924.

Interest Payable June and December 1, at office of Redmond & Company, New York.

Provisions of Issue—Authorized and issued, $815,375, of which $102,250 held in treasury. The amount held in the treasury includes $4,250 held by trustee for redemption of Two and Five-Year 5% notes which matured June 1, 1924.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings (all sources)	$1,877,260	$1,615,489	$1,271,555	$1,217,429	$1,227,624	$1,114,332
Operating expenses, maintenances and taxes	1,287,105	1,112,976	932,077	724,997	731,655	678,524
Net earnings	$590,155	$502,513	$339,478	$492,432	$495,969	$435,808
Deduct:						
Interest on Georgia-Carolina Power Co. First 5s and other requirements under operating agreement dated July 1, 1912	$225,000	$224,326	$190,346	$168,850	$168,850	$168,850
Georgia-Carolina Electric Co.	127,731	54,542	.....	.....	.....	.....
Balance	$237,424	$223,645	$149,132	$323,581	$327,119	$266,958
Interest on Augusta Ry. & Elec. Co. 1st 5s	36,133	37,300	38,468	39,588	40,746	41,717
Interest on Augusta-Aiken Ry. & Elec. Corp S. F. 5s	144,550	144,550	144,550	144,550	†144,550	†144,550
Interest on 5-yr. 5% Notes	43,041	43,041	43,182	40,316	36,137	30,115
Other interest	7,201	6,884	258	.....	.....	2,478
Interest during construction (credit)	23,624	44,945	.....	.....	.....	.....
Amortization of debt, discount and expense	506	506	506	4,009	1,860	1,860
Total charges	$207,807	$187,336	$226,964	$228,463	$223,293	$220,720
Net income	$29,616	$36,309	*$77,832	$95,119	$103,826	$46,238
Times Fixed Charges Earned	1.14	1.19	0.65	1.24	1.27	1.12
‡Earnings Per Share—						
Preferred	$1.31	$1.61	Nil	$4.22	$4.62	$2.05

*Deficit. †Although charged against income, these amounts were not actually paid out, the interest on these bonds for the years 1920 to 1923 inclusive having been funded into 5-year 5% Gold notes, and 2-year 5% Gold Notes, which were subsequently exchanged for 6% Coupon Gold Notes. ‡Before depreciation.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Including Subsidiary Companies)

Assets—	1927	1926	1925	1924	1923	1922
Properties, plant, franchises, etc., and investment account	$15,847,970	$15,400,927	$13,258,751	$12,386,101	$12,236,619	$12,031,203
Materials and supplies	360,317	366,883	132,141	109,987	351,455	103,129
Accounts and bills receivable			*115,685	*93,307		*116,623
Cash on hand and in banks			55,247	73,754		59,152
Sinking fund	1,123	3,450	1,642	1,040	10,446	10,371
U. S. Liberty Loan bonds pledged	.....	.....	100,063	.....	.....	.....
Prepaid accounts	100,938	113,979	5,006	6,850	51,817	6,909
Suspense			19,107	28,356		39,057
Unamortized debt discount and expense			184,345	5,569		137,773
Cash on deposit with trustee in lieu of prop. released			5,525	12,525	.....	.....
Total	$16,310,348	$15,885,239	$13,877,513	$12,817,552	$12,650,337	$12,504,217
Liabilities—						
Common stock	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$2,250,000	$2,250,000
Preferred stock	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Georgia-Carolina Elect Co. Pfd. stock	150,000	150,000	.....	.....	.....	.....
Funded debt	6,949,000	7,028,500	7,057,000	6,240,000	6,293,500	6,355,000
6% Coupon Gold notes	713,125	706,975	705,775	645,800	.....	.....
5-yr. 5% notes	4,250	10,400	11,575	75,700	433,650	433,650
Georgia-Carolina Elec. Co. 6% Coupon Gold notes	1,797,000	1,500,000	.....	.....	.....	.....
2-yr. 5% notes	.....	.....	.....	.....	289,100	289,100
Matured interest on bonds	499,116	443,252	4,054	3,212	.....	.....
Notes payable			104,501	55,486		.....
Accounts payable			166,421	13,028		34,691
Customers' and employees' deposits			9,961	8,447		8,082
Ticket liability			4,173	3,636	89,156	2,367
Accrd. interest on bonds and notes			18,787	22,555		4,167
Other accrued accounts			2,998	1,502		3,311
Accrued sinking fund			62,054	44,903		12,876
Unearned rentals			305	304		252
Reserve	1,642,521	1,546,112	1,218,829	1,163,395	1,044,931	732,844
Surplus	55,336		11,082	39,583		127,877
Total	$16,310,348	$15,885,239	$13,877,513	$12,817,552	$12,650,337	$12,504,217

*Less reserve.

Officers: Franklin Q. Brown, Pres.; D. H. Thomas, V-P., Sec. & Treas., New York; M. H. Hendee, Asst. Sec. & Asst. Treas.; F. B. Culley, Gen. Mgr., Augusta, Ga.

Directors: Franklin Q. Brown, D. H. Thomas, W. P. Philips, R. Lancaster Williams, Boykin Wright, J. I. Mange, William Schweigart, G. R. Hartman, J. G. White, Daniel Schub, F. B. Culley, George W. Burleigh.

General Office, Augusta, Ga.

GEORGIA-CAROLINA POWER COMPANY

(Controlled by Augusta-Aiken Railway & Electric Corp.)

History and Property—Incorporated March 1, 1909, under South Carolina laws. Property consists of hydro-electric plant and 44 Kv.—110 Kv. Transformer and switching substation on Savannah River, near Stephens Creek, about eight miles from Augusta, Ga. Initial development of about 15,700 h.p. was completed February 17, 1914. Upon completion of the initial development, the plant was turned over to the Augusta-Aiken Ry. & Electric Corp. for operation under a contract dated July 1, 1912. Three additional units of 3,125 h.p. each have been added, bringing the total generating capacity of the plant to about 25,000 h.p. The Augusta-Aiken Railway and Electric Corp. guarantees the bonds of the Georgia-Carolina Power Co., as to interest, sinking fund and principal at maturity in 1952, in so far as they are not retired by the sinking fund.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common and $750,000 7% Pfd.; par, $100. All owned by Augusta-Aiken Railway & Electric Corp. Annual meeting, last Monday in February, at North Augusta, S. C.

FUNDED DEBT

$3,321,000 GEORGIA-CAROLINA POWER COMPANY FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JULY 1, 1952

Dated July 1, 1912.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $5,000,000; issued, $3,750,000, of which $429,000 retired by sinking fund, leaving $3,321,000 outstanding in hands of public at April 1, 1928. The remaining bonds may be issued as follows:

$1,000,000 for increase of plant capacity as provided in the mortgage ($750,000 of these bonds have been issued).

$1,250,000 (and as many of the $1,000,000 as are not required for the increase in capacity above stated) may be issued for 90% of the cost of improvements, extensions and additional property, provided the combined 12 months' net income of the Augusta-Aiken Railway and Electric Corporation and the Georgia-Carolina Power Company shall have amounted to at least one and one-half times the interest on all bonds outstanding on the properties of both companies (including as outstanding the bonds then to be issued) and on any bonds guaranteed by the Augusta-Aiken Railway and Electric Corporation.

Callability—Subject to call at 105 and interest as a whole, or in part for sinking fund, on notice by publication 60 days in first case and 30 days in second case.

Sinking Fund—Beginning April 1, 1918, payments have been made semi-annually to the sinking fund for

Georgia-Carolina Power Co. First Mtge. 5s of 1952
Redmond & Co.
Detailed Information and Quotations Upon Application
New York Philadelphia Albany

the purpose of purchasing or drawing these bonds. These payments are at the rate of 1% per annum of bonds outstanding (including those held in the sinking fund) from 1918 until 1942 inclusive, and at the rate of 2½% per annum from 1943 to 1951, inclusive, payable either in cash or bonds. Bonds are kept alive in the sinking fund, which will thus retire by maturity all of the bonds which were issued before April 1, 1918, and a proportionate amount of any issue after that date. The interest on bonds kept alive in the sinking fund added to the sinking fund accruals have been used towards purchasing bonds.

Security—A direct first and only mortgage on entire property of Company now owned or hereafter acquired, including a hydro-electric plant of about 25,000 h.p capacity, solid concrete dam and transmission lines.

Guaranty—Guaranteed as to interest, sinking fund and principal at maturity in 1925 insofar as they are not retired by sinking fund by Augusta-Aiken Ry. & Electric Corporation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Byrne & Cutcheon, New York.

Original Offering—$1,590,000 of these bonds were offered in London in July, 1913, at 90.

Listed—London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	97	94	90	83¾	77	74½	70	74
Low	93¼	87	82	73	52	bid	bid	ask

Officers: F. Q. Brown, Pres.; W. P. Philips, V-P.; D. H. Thomas, Sec. & Treas.; T. W. Moffat, Asst. Sec. & Asst. Treas., New York.

Directors: F. Q. Brown, Geo. A. Burleigh, J. G. White, H. I. Tuthill, Robert V. White, D. H. Thomas, W. P. Philips, New York; Boykin Wright, F. B. Culley, John Phinizy, Augusta, Ga.; John Hoar, Boston, Mass.

General Office, Augusta, Ga. **New York Office**, 33 Liberty St.

GEORGIA-CAROLINA ELECTRIC COMPANY

(Controlled by Georgia-Carolina Power Company)

History and Property—Incorporated in 1926, in Delaware. Property consists of a 110,000 volt transmission line 45 miles in length and extending from the hydro-electric plant of the Georgia-Carolina Power Co. at Stevens Creek, Ga., to the Broad River, where connection is made with the Georgia Railway & Power Company, the property also includes generating plants and distributing systems in Aiken, S. C. and 71 miles of transmission lines to Williston, McCormack and Edgefield, S. C., formerly owned by Carolina Light & Power Company and also 215 miles of transmission lines connecting the Augusta-Aiken Railway & Electric Corporation System with Washington, Union Point, Thomson, Harlem, Warrenton, Wrens, Louisville and other communities within a sixty miles radius in Georgia together with distributing systems in this territory, the generating plants formerly owned by the municipalities of Warrenton and Louisville, franchises are for the most part unlimited as to time.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares Common stock of no par value, and $150,000 7% cumulative Pfd., par $100. All Common stock owned by Georgia-Carolina Power Company. Annual meeting, third Monday in February.

FUNDED DEBT

$1,847,000 FIRST MORTGAGE 6% GOLD NOTES; DUE JUNE 1, 1929

Dated June 1, 1926.

Interest Payable June and December 1, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; issued, $1,847,000. Remaining notes may be issued for 80% of cash cost or fair value, whichever is less, of additional property, betterments, improvements or additions.

Callability—Subject to call as a whole or in part on First day of any month upon sixty days' notice at 101 and accrued interest up to and including June 1, 1927, 100½ and accrued interest thereafter up to and including June 1, 1928, and at 100 and accrued interest thereafter.

Security—These notes are secured by a direct first mortgage on substantially all of the properties of Company, now owned or hereafter acquired.

Guaranty—Unconditionally guaranteed as to principal and interest, jointly and severally, by Augusta-Aiken Railway & Electric Corp. and Georgia-Carolina Power Co.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Company agrees to reimburse holders of notes, on timely application, for Pennsylvania and Connecticut personal property taxes not exceeding 4 mills, the Maryland tax not exceeding 4½ mills, District of Columbia tax not exceeding 5 mills, Massachusetts Income tax not in excess of 6% or any future Michigan income tax not in excess of 4%.

Legal Opinion—Charles M. Travis, New York (for the Bankers).

Original Offering—First publicly offered ($1,500,000) in July, 1926, at par and interest, by J. G. White & Co., Inc., Redmond & Co., New York, etc., and Putnam & Storer, Inc., Boston.

Price Range—

	1927	1926
High	100	*99¼
Low	99	98½

*High and low bid price.

Officers: F. Q. Brown, Pres.; John Hoar, V-P.; F. B. Henderson, V-P.; Daniel Schub, V-P.; F. B. Culley, V-P.; D. H. Thomas, Sec. & Treas.; T. W. Moffat, Asst. Sec. & Asst. Treas.; M. H. Hendee, Asst. Sec. & Asst. Treas.

Directors: F. Q. Brown, D. H. Thomas, New York; John Hoar, Boston, Mass.

General Office, Augusta, Ga.

THE MARCONI INTERNATIONAL MARINE COMMUNICATION CO., LTD.

History—Incorporated April 25, 1900, in Great Britain. This Company was formed for the purpose of working throughout the world, except in the United States of America, Hawaii, Chili and colonies or dependencies of those States, an exclusive license for all maritime (being mercantile or yachting) pur-

Georgia-Carolina Electric Co. First Mortgage 6s
Due June 1, 1929
Redmond & Co.
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poses granted by Marconi's Wireless Telegraph Co., Ltd. The Company has transferred to Associated Companies its rights in Canada, Argentina, Uruguay, Australasia, and all European countries and their dependencies, except Great Britain, Ireland and Italy. In 1909, this Company and Marconi's Wirless Telegraph Co., Ltd., entered into an agreement with the British Post Office, which provided, in consideration of the payment of £15,000, for the transfer to the Post Office of the coast stations in the United Kingdom.

CAPITAL STOCK

Authorized, £1,500,000; issued, £1,192,726; par, £1.

Stock Increases—In Dec., 1916, 43,916 shares were issued to existing shareholders at 35 shillings per share; on Aug. 31, 1917, 250,000 additional new shares were offered to shareholders at 35 shillings per share, and on May 10, 1919, 600,000 new shares were offered to shareholders, at par.

Transfer Agent—Transferred at Company's office, Marconi House, Strand, London, W. C. 2, England.

Annual Meeting—No fixed date.

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921
High	35/0	22/6	22/6	27/6	30	38/1	30
Low	21/10	16/3	16/10	19/4½	24/6	20/9	15

Dividends—5% paid for 1910, 7% for 1911, 10% for 1912, 1913 and 1914; 12½% for 1915; 15% for 1916, 1917, 1918, 1919 and 1920; 10% for 1921; 12½% for 1922; 10% for 1923; 7½% each for 1924 and 1925; 8¾% for 1926; 12½% for 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross receipts	£912,791	£890,980	£995,626	£976,466	£976,231	£1,104,135
Operating expenses, etc.	685,416	710,080	815,623	821,502	818,165	856,299
Net earnings	£227,375	£180,900	£180,003	£154,964	£158,066	£247,836
Debenture interest	.....	.....	905	£3,789	£3,610	£3,473
Depreciation of plant, apparatus, etc.	47,645	54,767	60,119	67,599	69,141	72,514
Total charges	£47,645	£54,767	£61,024	£71,388	£72,751	£75,987
Net income	£179,730	£126,132	£118,979	£83,576	£85,315	£171,849
Dividends paid	149,091	104,363	89,454	89,454	119,272	149,091
Surplus after dividends	£30,639	£21,769	£29,525	*£5,878	*£33,957	£22,758

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant, apparatus, furniture and stores	£516,278	£675,951	£729,622	£770,442	£816,256	£908,499
License and rights	185,291	213,137	.....	.....	.....	.....
Investments, etc., in associated companies	343,370	254,368	236,685	234,370	255,055	249,859
Debtor balances, less reserves	148,517	201,971	186,965	326,594	251,468	307,020
Cash	33,267	25,812	29,442	73,204	45,650	38,002
Investments and loans against securities	614,504	452,078	652,360	511,795	547,183	547,856
Total	£1,841,227	£1,823,316	£1,835,074	£1,916,405	£1,915,611	£2,051,236
Liabilities—						
Capital stock	£1,192,726	£1,192,726	£1,192,726	£1,192,726	£1,192,726	£1,192,726
First Mortgage debentures	.....	.....	.....	57,300	57,320	58,026
General reserve account	208,014	208,014	208,014	208,014	208,014	208,014
Plant reserve	.....	.....	.....	.....	.....	45,915
Creditor balances	290,428	324,902	313,611	367,166	330,656	355,890
Profit and loss	150,059	97,674	120,723	91,199	126,895	190,671
Total	£1,841,227	£1,823,316	£1,835,074	£1,916,405	£1,915,611	£2,051,236

Officers: Senatore Guglielmo Marconi, Chairman; Rt. Hon. F. G. Kellaway, Deputy Chairman & Mng. Director; B. O. Collis, Sec.; F. S. Hayburn, Mgr.

Directors: Senatore Guglielmo Marconi, Alfonso Marconi, Henry W. Allen, Commodore Sir Bertram Fox Hayes, Sir Chas. J. Stewart, Rt. Hon. Lord Herschell, Rt. Hon. F. G. Kellaway, Henry Morgan, Major H. Lefroy, Dr. J. F. O'Malley, Lorcan G. Sherlock, Sir William Slingo.

Registered Office, Marconi House, Strand, London, W. C. 2, England.

JAMAICA WATER SUPPLY COMPANY

History—Incorporated in 1887, in New York, and in 1902 absorbed the Jamaica Township Water Co. Franchises perpetual. Supplies a portion of the Fourth Ward of the Borough of Queens (Long Island), City of New York, part of the towns of Hempstead and North Hempstead and the villages of Floral Park, New Hyde Park, Stewart Manor, Bellerose, Jamaica Square and Elmont, Nassau County, New York, which adjoin the territory served in the Borough of Queens. Population served, approximately 300,000, without competition. Approximately 85% of the total value of the property of the Company is located within the limits of greater New York City.

Property—The source of water supply is driven wells, from which water is distributed through 430 miles of service mains. The supply of water can be easily increased, as the Company owns considerable adjacent property on which wells can be drilled as the demand increases. The property includes 24 electric pumping stations, including 2 under construction; 3 steam pumping plants; 4 stand pipes; 1 steel reservoir and an office building. Service connections, April 30, 1926, 52,276, an increase of 9,708 over the previous year.

Valuation—The cost to reproduce new, less depreciation, of the properties of the Company was appraised by Stone & Webster, Inc., as of April 30, 1927, on the basis of prices prevailing on such date, at $8,822,000, after deducting working capital, going value, franchise value and source of supply value.

CAPITAL STOCK

Outstanding, 30,000 Common shares of no par value. and $999,950 7½% cumulative Pfd., par, $50. Pfd. stock has preference for assets and dividends, and is subject to call as a whole or in part at $52.50 and accrued dividends.

Transfer and Dividend Disbursing Agent (Pfd.)—The Empire Trust Co., New York.

Annual Meeting—In June.

Dividends—Pfd. dividends are payable semi-annually, May and Nov. 1, the first dividend being paid on Nov. 1, 1924, and at same rate regularly since. Dividends paid on Common shares of $100 par for years ended July 31, as follows: 1918, 3%; 1919, 4%; 1920, 2%; 1921, 8%; 1922 to 1924, 9%. On no par shares paid $1 per share in 1925; May, 1926, 50 cts. per share; later Common dividends not reported.

FUNDED DEBT

$4,888,800 FIRST MORTGAGE 30-YEAR 5½% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1955

Dated January 1, 1925.

Interest Payable January and July 1, at Farmers' Loan & Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Issued, $5,000,000 Series "A" 5½s; retired by sinking fund, $111,200; outstanding, $4,888,800. The mortgage provides for the issuance of bonds in series, with interest rates, maturity dates, redemption provisions, and other terms and conditions to be determined from time to time as series are issued. Bonds of one series may also be issued to refund bonds of another series, par for par. Additional bonds may be issued only to the extent of 80% of the actual cost or fair value, whichever is less, of extensions, betterments, or the acquisition of new property made or acquired after July 31, 1924, and then only when net earnings for 12 consecutive months out of the preceding 15 months shall have been not less than 1¾ times interest on all bonds outstanding and those to be issued.

Callability—Subject to call on 30 days' notice at 105 and interest on or before Jan. 1, 1951; thereafter at 104 and interest on or before Jan. 1, 1952; thereafter at 103 and interest on or before Jan. 1, 1953; thereafter at 102 and interest on or before Jan. 1, 1954; thereafter at 101 and interest until maturity.

Sinking Fund—Equal to 1% per annum of bonds previously certified; $30,000 bonds have been retired to date.

Security—Secured by a first mortgage on the entire physical property of the Company now owned and will be secured on property hereafter acquired, subject only to any liens which may exist at the date of acquisition.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Company agrees to refund, upon application within sixty days of payment, the present personal property tax paid by residents of Pennsylvania, Connecticut, Maryland and the District of Columbia, and the Massachusetts Income Tax not exceeding 6% per annum on income derived from these bonds.

Legal Opinion—Roberts & Montgomery, Philadelphia, Pa.

Original Offering—First publicly offered ($3,000,000) in Jan., 1925, at 99½ and interest, to yield over 5½%, by Janney & Co., Philadelphia, and Brown Brothers & Co., Boston; $1,000,000 additional offered in Jan., 1926, at the same price, by Janney & Co., Philadelphia; $500,000 in Feb., 1928, at 104 and interest, yielding over 5.20%, by Hambleton & Co., Inc., and Empire Trust Co., New York.

EARNINGS AND EXPENSES, YEARS ENDED JULY 31

	Gross Earnings	Expenses, Taxes & Depreciation	Net Income
1918	$257,704	$152,026	$105,678
1919	274,906	156,874	118,032
1920	316,988	180,336	136,652
1921	359,086	205,721	153,365
1922	451,029	283,918	167,111
1923	551,817	*268,586	283,231
1924	691,707	*314,675	377,032
1925	823,997	*378,004	445,993
1926	998,259	*453,575	544,684
1927	1,129,198	*533,719	595,479
‡1927	1,178,028	*552,509	†625,518

*Not including depreciation and income taxes. †Interest requirements (including $500,000 bonds issued in Feb., 1928), $268,884, leaving balance available for depreciation, Federal Income taxes, dividends, etc., $356,634. ‡Year ended Dec. 31.

Officers: Warren Leslie, Pres.; C. J. Keily, Treas.; Herbert Kirkwood, Sec. & Compt.

Directors: Warren Leslie, C. J. Keily, Herbert Kirkwood, Howard Butler, Wilmer McAlister, Chas. Edward Long, James Leslie.

Office, 16 Shelton Ave., Jamaica, Long Island, N. Y.

INTERSTATE GAS AND ELECTRIC COMPANY

History—Incorporated in 1926, in Delaware, to own and operate gas and electric properties, directly or through ownership of subsidiaries. Owns more than 95% of the outstanding capital stock of the Citizens Gas Co. of Hannibal and more than 98% of the outstanding capital stock of the Wausau Gas Co., which subsidiaries furnish artificial gas, without competition, to the cities of Wausau, Wis., and Hannibal, Mo., serving a combined population of approximately 40,000, through 72 miles of mains, and have 6,270 customers. Daily capacity (combined plants), 660,000 cu. ft.; holder capacity, 565,000 cu. ft.

CAPITAL STOCK

Outstanding, 5,000 shares Common stock of no par value, and $200,000 Pfd.; par, $100.

FUNDED DEBT

(1)

$812,000 INTERSTATE GAS AND ELECTRIC CO. FIRST LIEN COLLATERAL AND REFUNDING GOLD BONDS, SERIES "A" 6%; DUE DECEMBER 1, 1951

Dated December 1, 1926.

Interest Payable June and December 1, at Central Trust Co. of Illinois, Chicago.

Denominations—$100, $500, and $1,000.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—These bonds are issuable in series; the bonds of each series to be of such date, to mature at such time, to bear such interest rate and to be subject to such provisions in respect to taxes, redemption, sinking fund and other characteristics as the directors may determine. Additional bonds may be issued (except in certain cases set forth in the indenture) only for 80% of the cash cost or fair value, whichever is less, of new subsidiaries or additions, improvements and betterments to the properties of present or future subsidiaries, provided earnings applicable to bond interest as defined in the indenture for a period of 12 calendar months ending not more than 15 calendar months prior to the application for the issuance of such additional bonds shall have been at least 1¾ times the annual interest charge on all bonds outstanding under the indenture, including bonds then proposed to be issued, plus 1¾ times the annual interest and/or dividend charge on all bonds and/or fundable Pfd. stocks of subsidiaries not pledged under the indenture. No additional bonds may be issued on the basis of the acquisition of public utility properties subsequently acquired unless 90% of the outstanding Common stock be pledged with the trustee under this indenture.

Purpose of Issue—Proceeds from sale of Series "A" bonds were used to pay part of purchase price of securities pledged hereunder, and for other corporate purposes.

Callability—Subject to call in whole or in part on any interest date, on 60 days' notice, at 102½ and interest on or before Dec. 1, 1931; thereafter this premium is successfully reduced ½ of 1% on June 1, in each of the years 1932, 1937, 1942 and 1947.

Security—Secured by deposit with Trustee of all of the outstanding bonds and more than 95% of the outstanding capital stock of Citizens Gas Co., Hannibal Mo., together with over 98% of the outstanding capital stock and all of the outstanding bonds and notes of the Wausau Gas Co., with the exception of $101,000 First Mortgage 5% bonds of the Wausau Gas Co maturing in 1930 nad now outstanding in the hands of the public. When these Wausau bonds are refunded by new mortgage bonds at or prior to maturity, the entire issue of new mortgage bonds will be pledged whereupon these First Lien Collateral and Refunding bonds will be secured, through pledge of collateral, by an absolute first mortgage on these properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Pam & Hurd, Fisher, Boyden, Kales & Bell, and Bayler, Merrick, Webster & Gregory, Chicago.

Original Offering—First publicly offered ($625,000 Series "A") in January, 1927, at par and interest, by Bartlett, Knight & Co., Chicago, and Coffin, Forman & Co., Inc., New York and Chicago.

(2)

$101,000 Wausau Gas Co. First Mortgage 5s; due 1930. No details available.

CONSOLIDATED EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$274,854
Oper. exp., maint. & ordinary taxes	168,512
Net earnings before Federal taxes & depreciation available	$106,342
Less—earnings apportionable to minority shares not pledged under the indenture	1,301
Net earnings available for bond interest	$105,041

Officer: E. Chandler Beach, Pres., Chicago, Ill.

General Office, Chicago, Ill.

CITIZENS' GAS COMPANY OF HANNIBAL

(Controlled by Interstate Gas and Electric Co.)

History—Incorporated Aug. 19, 1910, in Mo.; successor to Hannibal Gas Light & Coke Co. Supplies gas to Hannibal, Mo. Franchise extends to May, 1950. Population served, 18,950. Miles of mains approximately 33.8. No. of customers, 3,398. Sales in 1925, 70,201,900 cu. ft. compared with 69,732,000 cu. ft. in 1924 and 65,542,100 cu. ft. in 1923. Owns artificial coal gas plant with a capacity of 360,000 cu. ft. daily, together with holders of 200,000 cu. ft. capacity. Price: $1.85 gross and $1.75 net per 1,000 cu. ft. for first 5,000 cu. ft.; $1.65 gross and $1.55 net for next 5,000 cu. ft.; $1.45 gross and $1.35 net for 1,000 cu. ft. for all over 10,000 cu. ft.; minimum bill, 60 cts.

CAPITAL STOCK

Authorized, $400,000; outstanding, $350,000; represented by shares of no par value. The Interstate Gas and Electric Co. owns more than 95% of the outstanding stock. Annual meeting, second Saturday in February.

Dividends—No dividends paid.

FUNDED DEBT

$393,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE SEPTEMBER 1, 1957

Dated September 1, 1927.

Interest Payable March and September 1.

Denominations—$100, $500 and $1,000.

Trustee—Central Trust Company of Illinois, Chicago.

Provisions of Issue—These bonds are issuable in series; the bonds of each series to be of such date, to mature at such time, to bear such interest rate and to be subject to such provisions in respect to taxes, redemption, sinking fund and other characteristics as the directors may determine. Additional bonds may be issued only for 80% of the cash cost of permanent additions, extensions and improvements acquired or constructed by the Company subsequent to May 31, 1927.

Callability—Subject to call on any interest date upon 60 days' notice at 102½ and interest on or before September 1, 1933; thereafter this premium is successively reduced ½ of 1% on March 1, 1934, 1940, 1946 and 1952.

Security—Secured by a first lien on entire property. All owned by Interstate Gas and Electric Company and pledged as part collateral under the Company's First Lien Collateral & Refunding bonds.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: E. C. Beach, Pres., Chicago, Ill.; M. C. Schofield, V-P., Hannibal, Mo.; E. C. Campbell, Treas., Chicago, Ill.; E. D. V. Dickey, Sec., Hannibal, Mo.

Directors: E. C. Beach, E. C. Campbell, W. R. Galvin, Chicago, Ill.; M. C. Schofield, J. L. Plowman, J. T. S. Hickman, E. D. V. Dickey, Hannibal, Mo.

Offices, Hannibal, Mo., and 39 South LaSalle St., Chicago, Ill.

HOLYOKE STREET RAILWAY COMPANY

History and Property—Incorporated June 11, 1884, in Mass. Owns and operates entire street railway system of Holyoke, Mass.; with extensions to Chicopee Centre, Chicopee Falls, South Hadley Falls, South Hadley Centre, Fairview, Westfield, Amherst and Mount Tom Junction in Northampton and connections to Springfield, and leases the Mount Tom R. R., an incline electric line to the summit of Mount Tom, Holyoke, Mass. Population served, approximately 125,000. In Aug., 1907, absorbed the Amherst & Sunderland St. Ry. Co. and the Hampshire St. Ry. Co. Length of line, 53.820 miles; second track, 8.738 miles; sidings, etc., 5.352 miles; trackage rights, 1.00 miles; total track operated, 67.910 miles. Gauge, standard. Rail, 60, 70, 90 and 107 lb. T and girder. Passenger cars, 152; service cars, 9; freight cars, 6; snow plows, 12; electric motors, 472.

CAPITAL STOCK

Authorized and outstanding, $1,342,000; par, $100. Annual meeting, third Tuesday in March.

Dividends—1892 to 1915, incl., 8% yearly; 1916, 6%; Jan., 1917, 3%; July, 1917, 1½%; Jan., 1918, 1½%; 1919, none; 1920 to 1926 inclusive, 6% per annum; Jan., 1927, 3%; none since. Payments were made semi-annually J & J 1.

FUNDED DEBT

(1)

$850,000 FIRST MORTGAGE 5% GOLD BONDS; DUE APRIL 1, 1935

Dated April 1, 1915.

Interest Payable April and October 1, at Springfield Safe Deposit & Trust Co., Springfield, Mass.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Springfield Safe Deposit & Trust Co., Springfield, Mass.

Provisions of Issue—These bonds are part of an authorized issue of $2,500,000 bearing interest at not exceeding 6% per annum, of which the $850,000 outstanding bear 5% interest, and $550,000 at 6% (see below) and the remainder are issuable for not exceeding the actual cost of future additions and improvements. The proceeds of the $850,000 outstanding 5% bonds were used to pay off all floating debt (incurred for construction) and to retire $250,000 5% debentures which matured April 1, 1915. Escrow bonds can be issued only when net earnings are at least 1¾ times interest charges and when approved by Public Service Commission of Massachusetts.

Callability—Subject to call at 107 and interest on any interest date.

Security—These bonds and the $550,000 First 6s, are equally secured, and are a first mortgage on all properties now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston, Mass.

Legal for Savings Banks in Maine, Massachusetts, Vermont and Rhode Island.

(2)

$550,000 FIRST MORTGAGE GOLD 6s; DUE APRIL 1, 1935

Dated April 1, 1915.

Interest Payable April and October 1, at Springfield Safe Deposit & Trust Co., Springfield, Mass.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Springfield Safe Deposit & Trust Co., Springfield, Mass.

Callability—Subject to call at 107 and interest on any interest date.

Security—Equally secured with the above described First 5s.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston, Mass.

Legal for Savings Banks in Maine, Massachusetts, Vermont and Rhode Island.

Original Offering—Publicly offered ($550,000) in March, 1924, at 102 and interest, to yield 5.75%, by Paine, Webber & Co., New York and Boston, and R. L. Day & Co., Boston, Mass.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
*Gross earnings	$831,594	$887,038	$929,005	$964,216	$1,122,315	$1,122,860
Operating expenses	736,001	702,201	721,542	756,192	913,551	925,608
Net earnings	$95,593	$184,837	$207,463	$208,024	$208,764	$197,252
Interest, taxes, etc.	100,687	117,310	125,208	123,438	121,590	111,714
Balance for dividends	†$5,094	$67,527	$82,255	$84,586	$87,174	$85,538
Dividends paid	.....	80,520	80,520	80,520	80,520	80,520
Surplus for year	†$5,094	†$12,993	$1,735	$4,066	$6,654	$5,018

*Includes other income. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$3,159,084	$3,130,070	$3,335,558	$3,320,247	$3,298,544	$3,209,315
Materials and supplies	85,586	101,204	118,820	136,468	153,628	127,768
Cash	71,645	159,520	32,114	48,237	28,390	57,165
Accounts receivable	16,666	18,379	22,109	32,906	39,122	23,349
Other current assets	4,844	6,344	7,443	6,393	6,353	6,374
Unadjusted debits	22,734	25,191	69,629	55,003	47,513	36,245
Depreciation fund	.....	.....	60,000	85,000	85,000	85,000
Deferred assets	4,436	5,655	7,886	8,084	7,497	7,800
Total	$3,364,995	$3,446,362	$3,653,559	$3,692,338	$3,666,047	$3,553,016
Liabilities—						
Capital stock	$1,342,000	$1,342,000	$1,342,000	$1,342,000	$1,342,000	$1,342,000
Premium on capital stock	276,160	276,160	276,160	276,160	276,160	276,160
Funded debt	1,400,000	1,400,000	1,400,000	1,400,000	935,000	1,200,000
Notes payable	9,759	4,771	4,543	4,327	401,557	73,925
Accounts payable	59,493	31,174	46,684	44,574	94,634	80,248
Interest, rents and dividends accrued	19,542	59,635	59,635	59,635	55,360	54,697
Reserve for taxes	661	8,260	13,368	12,873	14,070	10,722
Premium on funded debt	5,157	5,157	5,157	5,157	24,534	24,534
Depreciation reserve	190,510	258,332	412,212	452,072	431,123	407,087
Operating reserve	.....	.....	19,400	22,582	23,859	22,989
Unadjusted credits	8,313	2,380	2,913	3,207	2,063	1,738
Profit and loss	53,400	58,493	71,487	69,751	65,687	58,916
Total	$3,364,995	$3,446,362	$3,653,559	$3,692,338	$3,666,047	$3,553,016

Officers: L. D. Pellissier, Pres., Gen. Mgr. & Pur. Agt.; C. E. Mackintosh V-P.; G. E. Pellissier, Asst. Gen. Mgr.; S. D. Nevin, Sec. & Treas.; G. F. Dinneen, Aud.; T. R. Emond, Supt., Holyoke, Mass.

Directors: E. M. Whitcomb, Amherst, Mass.; L. D. Pellissier, C. F. Mackintosh, Isaac E. Sawyer, Holyoke, Mass.; G. S. Bulkley, N. D. Winter, Springfield, Mass.; Emerson Gaylord, Chicopee, Mass.

Office, Holyoke, Mass.

MOUNT TOM RAILROAD COMPANY

(Leased to Holyoke Street Railway Company)

History—Incorporated June 6, 1896, in perpetuity. Owns an incline electric railway 1 mile long, from Mountain Park, near Holyoke, to the top of Mount Tom. Rail, 56 lb. T. Leased to the Holyoke St. Ry. Co. for 15 years from June 1, 1922, at annual rental of 6% on stock.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Dividends, 6% per annum.

FUNDED DEBT

None.

Officers: L. D. Pellissier, Pres. & Gen. Mgr.; S. D. Nevin, Sec.; H. O. Hastings, Treas., Holyoke, Mass.

Directors: L. D. Pellissier, I. E. Sawyer, C. E. Mackintosh, H. O. Hastings, H. B. Spencer, Holyoke, Mass.

Office, Holyoke, Mass.

WAXAHACHIE GAS CO.

History and Property—Incorporated in 1912 in Tex., to supply gas to Waxahachie, Tex. Operates under a 30-year franchise with automatic renewal clause. Plant was completed and gas turned on Nov. 1, 1913. Miles of mains, 16.5. Gas purchased from other companies, 88,767,000 cu. ft. Annual sales approximately 79,973,900 cu. ft. No. of consumers: Domestic, 1,190; industrial, 6. Population served, 10,000.

Receiver Appointed—During April, 1928, Federal Judge Meek at Dallas, Texas, appointed Harry Firstbrook, Temple, Texas, receiver for Company.

CAPITAL STOCK

Authorized and outstanding, $350,000; par, $100. Annual meeting, fourth Tuesday in January. No dividends paid.

FUNDED DEBT

$150,000 First Mortgage Gold 5s; dated July 1, 1911; due July 1, 1941; interest Jan. and July 1, at Union Trust Co., Detroit, Mich., Trustee. Coupon, $500; principal may be registered. Authorized, $150,000. Subject to call on any interest date at 105. A first lien on entire property of company, now owned or hereafter acquired. Company does not pay Normal Federal Income Tax.

Officers: William White, Pres.; L. H. Fordyce, V-P.; P. L. Fordyce, Sec. & Treas., Detroit, Mich.; George W. McDonald, Mgr., Waxahachie, Tex.

Directors: William White, L. H. Fordyce, P. L. Fordyce.

General Office, Waxahachie, Tex. **Executive Office**, Detroit, Mich.

MOUNT HOLLY WATER COMPANY

History—Incorporated Aug. 19, 1845, in N. J. Franchises not limited. Furnishes Mt. Holly, N. J., with water, serving a population of about 7,000. Annual output, about 90,000,000 gallons. No. of meters, ,766.

CAPITAL STOCK

Authorized, 20,000 shares; outstanding, Dec. 31, ,927, 5,000 shares of no par value. In March, 1924, Company was granted the right to increase its capital stock from $50,000 to $200,000, and on Aug. 11, 1924, stockholders voted that the capital stock then outstanding consisting of 2,500 shares of $20 par be changed to 5,000 shares of no par value. Stock transferred and registered at Company's office. Annual meeting, last Saturday in Jan.

Dividends—A dividend of 5% was paid on Dec. 1, 1921; in 1922, 1923, 1924 and 1925, 6% each; 1926 and 1927, $1 per share each year.

FUNDED DEBT

$100,000 FIRST MORTGAGE GOLD 5½s; DUE JULY 1, 1946.

Dated July 1, 1926.

Interest Payable January and July 1.

Provisions of Issue—Authorized, $200,000; outstanding, $100,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$43,075	$36,541	$33.950
Oper. exp., taxes & deprec.	28,801	24,947	23,169
Net earnings	$14,274	$11,594	$10,781
Interest charges, etc.	7,036	4,127	2,725
Net income	$7,238	$7,367	$8,056
Dividends	5,000	5,000	2,997
Surplus for year	$2,238	$2,367	$5,059

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total fixed capital	$336,092	$319,417	$193,766
Investments	135	135	135
Materials and supplies	2,237	2,653	1,673
Cash	145	8,787	31
Consumers' accts. rec., etc.,	10,813	7,671	4,884
Total	$349,422	$338,663	$200,489
Liabilities—			
Capital stock	$112,500	$112,500	$112,500
Funded debt	100,000	100,000	41,500
Notes payable	12,800	9,100	15,572
Other unfunded debt	.....	.....	1,166
Contributions for extensions	3,592	3,117	.....
Accrued amort. of capital..	25,027	20,682	16,587
Corporate surplus	95,503	93,264	13,164
Total	$349,422	$338,663	$200,489

Officers: Nelson D. W. Pumyea, Pres.; Arthur D. Cross, V-P.; Stacy B. Lippincott, Treas.; Richard W. Wills, Sec., Mt. Holly, N. J.

Directors: Stacy B. Lippincott, Arthur D. Cross, John B. Herbert, Nelson D. W. Pumyea, Morris K. Perinchief, Richard W. Wills, Alexander Dubell, Mt. Holly, N. J.

General Office, Mt. Holly, N. J.

NORTHERN ELECTRIC COMPANY
(Wisconsin)
(Controlled by Northern Paper Mills, Green Bay, Wis.)

History—Incorporated June 23, 1926, in Wisconsin. Owns approximately 83 miles of recently completed 132,000-volt steel tower transmission line, running north from the mills of the Northern Paper Mills at Green Bay to connect with its two hydro-electric power plants being developed on the Menominee River. The aggregate installed capacity of the two plants will be about 22,600 H. P., and estimates by independent engineers place the total annual output at 66,000,000 K. w. h.

Contract and Leases—The entire output from one plant has been contracted for by The Milwaukee Electric Railway & Light Co., to be delivered over the transmission line of the Wisconsin Gas & Electric Co. which now occupies under lease one-half of the completed tower line. Both of these companies are subsidiaries of the North American Edison Co. The other plant and half of the transmission line have been leased to the Northern Paper Mills.

CAPITAL STOCK

Authorized, 10,000 shares. All of the issued stock except directors' qualifying shares, is owned by Northern Paper Mills. (see statement in Industrial Volume.)

FUNDED DEBT

$3,000,000 THREE-YEAR 6% FIRST (CLOSED) MORTGAGE GOLD BONDS; DUE JULY 1, 1929

Dated July 1, 1926.

Interest Payable January and July 1, at Halsey, Stuart & Co., Inc., New York and Chicago, and at The Minnesota Loan & Trust Co., Minneapolis.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Minnesota Loan & Trust Co., Minneapolis.

Provisions of Issue—Authorized and issued, $3,000,000.

Purpose of Issue—Proceeds from these bonds used towards the acquisition of the Company's present properties, and funds not immediately so applied will be deposited with the Trustee to be expended only in connection with the completion of the dams, generating stations, transmission lines and necessary auxiliary apparatus, and the acquisition of such additional lands and rights as required.

Callability—Subject to call as a whole or in part at any time on 30 days' published notice at the following prices and accrued interest: Prior to July 1, 1927 at 103; on and from July 1, 1927 to July 1, 1928 at 102; on and from July 1, 1928 to Jan. 1, 1929 at 101; on and subsequent to Jan. 1, 1929 at 100.

Sinking Fund—All payments made under contract and leases will be paid direct to the Trustee, to be held by it as security for these bonds and used only in paying operating expenses, taxes and maintenance of the mortgaged properties, bond interest, and in retiring bonds through purchase or call in accordance with the provisions of the Sinking Fund.

Security—Secured by a direct (closed) first mortgage upon all of the Company's physical property and rights now owned or hereafter acquired, subject only to lease with the Wisconsin Gas & Electric Co. for space on one-half of tower line which will produce a rental amounting to about $21,000 per year. As additional security, the contract and leases referred to above are pledged under the mortgage securing these bonds.

Guaranty—Payment of principal and interest guaranteed by endorsement, by Northern Paper Mills.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; the Company agrees to refund Pennsylvania and Connecticut 4 Mills and Maryland 4½ Mills taxes. District of Columbia Personal Property taxes not exceeding 5 Mills per $1.00 per annum, and Massachusetts Income Tax on the interest of the Bonds not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($3,000,000) in August, 1926, at 99 and interest, to yield 6.38%, by Halsey, Stuart & Co., Inc., New York, etc.; The Minnesota Loan & Trust Co., Minneapolis, and Second Ward Securities Co., Milwaukee.

OFFICERS AND DIRECTORS

Officers: Judson G. Rosebush, Pres.; Earle Murray, V-P.; W. P. Wagner, Treas.; A. R. Burton, Sec.

Directors: Judson G. Rosebush, F. J. Harwood, G. E. Buchanan, Appleton, Wis.; Earle Murray, W. P. Wagner, Green Bay, Wis.; C. A. Goodman, Marinette, Wis.; Henry D. Thrall, Minneapolis, Minn.; Louis Schriber, Oshkosh, Wis.

Office, Green Bay, Wis.

ILLINOIS CENTRAL ELECTRIC RAILWAY

History—Incorporated Oct. 9, 1903, in Ill. Line projected to connect Canton, St. David, Bryant, Lewistown, Norris, Fairview and Farmington. In operation: From Canton south to Lewistown and north to Norris; from Norris north to Farmington,—total, 27 miles. Gauge, standard. Passenger motor cars, 6; work, 1; freight, 3. Power purchased from Central Illinois Public Service Co.

Receivership—The Company was reported in the hands of a receiver as of May 1, 1928.

CAPITAL STOCK

Authorized, $200,000 Common and $100,000 Pfd.; outstanding, $200,000 Common and $87,850 Pfd.; par, $50. Annual meeting, second Wednesday in January.

Dividends—Initial dividend of 2% paid on Pfd. stock July 1, 1917; 2% July 1, 1918; none since. None paid on Common.

FUNDED DEBT

(1)

$300,000 (entire issue) First Mtge. 5% Gold Bonds; dated Aug. 1, 1909; due Aug. 1, 1929; int. Feb. and Aug. 1, at company's office, Canton, Ill. Coupon, $100, $500 and $1,000; principal may be registered. W. O. Dean, Evanston, Ill., Trustee. Subject to call at 104 and int. A first lien on entire property in Fulton County, Ill. Company pays Normal Federal Income Tax up to 2%.

Default—Interest due Aug. 1, 1925, and subsequently, defaulted.

(2)

$150,000 Second Gold 5s; dated Aug. 1, 1912; due Aug. 1, 1932; int. Feb. and Aug. 1, at Company's office, Canton, Ill. Coupon, $100, $500 and $1,000; principal may be registered. W. O. Dean, Evanston, Ill., Trustee. Authorized issue, $200,000. Subject to call at 104 at any time. No sinking fund. A second lien on all real property in Fulton County, Ill. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: S. A. Drake, Pres.; M. W. Rafferty, V-P.; J. V. Brokaw, 2d V-P.; W. D. Plattenburg, Sec.; E. A. Heald, Treas.; Chas Hoskins, Gen. Mgr. & Pur. Agt. Canton, Ill.

Directors: B. E. Negly, S. W. Furry, J. V. Brokaw, T. B. Bass, S. A. Drake, R. F. Henkle, M. W. Rafferty, E. A. Heald, G. W. Chandler, W. D. Plattenburg, W. J. Spencer, F. W. Plattenburg, C. E. Chiperfield, M. J. Gorman, Canton, Ill.; J. W. Gaddis, Fairview, Ill.

Office, Canton, Ill.

SILESIA ELECTRIC CORPORATION

(Elektrizitatswerk Schlesien Aktiengesellschaft)

History—Organized Nov. 18, 1909, in Germany. In 1910, purchased the Eulengebirgs-Elektrizitatswerk in Molke with its distribution system. The Silesia Electric Corporation owns 88.21% of the stock of the Niederschlesische Elektrizitats und Kleinbahn Aktiengesellschaft (Lower Silesia Electric and Railway Corporation) which was formed in 1896 and owns an electric business together with a small but profitable electric railway line in the southwest division of the Company's territory. The entire properties of this subsidiary are leased to and operated by the Silesia Electric Corporation under a lease which continues until June 30, 1952, with a provision that if notice of termination is not given three years before that date, the lease contract automatically extends for an additional ten years. By this lease there was added to the properties operated by the Company the power plant at Waldenburg, its distribution system, concession contracts for three counties and one city, and an electric railway serving Waldenburg and its suburbs. This acquisition brought the territory of the Company to its present extent.

Business—The Company supplies, directly or through the operation of the properties of its subsidiary, an essential electric power and light service in the Province of Silesia, Germany, in an area having a total population estimated at over 2,100,000. More than 1,050 communities are to be found in the 38 counties of Silesia that are supplied, directly or indirectly, with the Company's power. In area this territory has over 8,050 square miles. The principal communities served directly by the Company are Waldenburg, Langenbielau, Oels, Landeshut, Dittersbach, Nieder-Hermsdorf, Gottesberg, Freiburg, Ohlau and Strehlen, while indirectly the Company's power is distributed in such communities as Oppeln, Brieg, Hirschberg, Schweidnitz, Neisse, Reichenbach and Bunzlau. The Company's 57,000 electric customers include three important utility systems, 14 communities and 448 cooperative systems which purchase power from the Company at wholesale for redistribution through their own systems to many thousand additional consumers.

Properties—The chief properties of the Company and of its subsidiary consist of three large steam plants, known as Tschechnitz, Molke and Waldenburg, having an aggregate installed capacity of 71,400 k.w. Additional installations for generating 30,000 k.w. are now in course of construction, which, when completed, will make the total installed capacity 101,400 k.w. Transmission and distribution system comprises over 1,880 miles of lines.

CAPITAL STOCK

Issued and outstanding, $5,952,381 Common (25,000,000 Reichsmarks) and $71,428 6% special voting Preferred (300,000 Reichsmarks). The outstanding stock is divided into 20,000 shares of Pfd. stock of the par value of 10 Reichsmarks each and one share of the par value of 100,000 Reichsmarks; and 180,000 shares of Common stock of the par value of 100 Reichsmarks each, 10,000 shares of the par value of 300 Reichsmarks each, and 4,000 shares of the par value of 1,000 Reichsmarks each. Stock certificates are issued to bearer. Dividends have been paid by company since 1912; in 1924, 8% was paid on Common, and in 1925, 10%. Pfd. dividends of 6% per annum are being paid.

FUNDED DEBT

$4,000,000 SINKING FUND MORTGAGE GOLD BONDS, 6½% SERIES DUE 1946; DUE FEBRUARY 1, 1946

Dated February 1, 1926.

Interest Payable February and August 1, at Harris Forbes & Co., New York, or Harris Trust & Savings Bank, Chicago, in U. S. gold coin of the standard of weight and fineness existing Feb. 1, 1926.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Treuhand-Vereinigung Aktiengesellschaft Berlin, Germany. Harris Trust & Savings Bank Chicago, Ill., Co-Trustee.

Provisions of Issue—Authorized, $15,000,000 (or equivalent in other currency); issued, $4,000,000 proceeds of which were to be used largely to reimburse Company for expenditures on property additions made and to be made, including new 30,000 k.w. generating unit being installed in February, 1926. The remaining $11,000,000 (or equivalent) may be issued from time to time to reimburse Company for not to exceed 50% of the cost or fair value, whichever is less, of the construction or acquisition of additions to the mortgaged properties made subsequent to February 1, 1926, provided that net earnings (defined in the Indenture) for 12 consecutive calendar months out of the 15 months immediately preceding application for issue shall have been at least equal to three times the actual annual interest requirements on all bonds issued and outstanding under the Indenture, including those proposed to be issued. Bonds may be issued in series, with various rates of interest, maturities, etc., under an Indenture with the above named trustees.

Callability—Bonds of the 6½% Series due 1946 are subject to call as a whole or in part on any interest date upon 60 days' notice, at par and interest.

Sinking Fund—The Indenture provides for annual sinking fund payments commencing February 1, 1927 which are calculated to be sufficient to retire a minimum of 50% of bonds of 6½% Series, due 1946 at or before maturity, with provision for increased sinking fund payments under certain conditions. The Company may tender bonds for cancellation in lieu of making cash payments into the sinking fund.

Security—Bonds of the 6½% Series due 1946 are secured by direct first mortgage on substantially all the fixed properties of the Company and of Neukag, subject only to prior charges under the Dawes Plan estimated as not exceeding $1,297,714 principal amount, and to existing mortgages amounting to approximately $90,000 for the discharge of which, within four months, provision has been made. The maximum annual Dawes charges are estimated as not exceeding $80,000. The Indenture provides for the extension of the lien of the mortgage to cover fixed properties hereafter acquired either by the Company or by Neukag.

Valuation—The present reproduction value of the properties directly subject to the lien of this mortgage, based on the estimates of independent American engineers, amounts after liberal depreciation to over 3.8 times this issue of $4,000,000 bonds. Based on costs in the United States such value would be considerably greater.

Tax Provisions—Interest is payable without deduction for any German taxes of any nature, past, present or future.

Legal Opinion—Sullivan & Cromwell, New York City, Dr. Heinrich, F. Albert and G. A. Westrick, Berlin, Germany.

Original Offering—First publicly offered ($4,000,000 bonds of 6½% Series, due 1946) at 87⅜ and interest, to yield 7¼%, by Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris, Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

Listed—New York and Boston Stock Exchanges.

Price Range—1926: High, 87⅜; low, 87⅛.

Relation to Dawes Plan—The annual payments which the Company will be required to make under the Dawes Plan and the German laws enacted to carry the Dawes Plan into effect are estimated as not exceeding $80,000 per annum, these payments being secured in accordance with the so-called Industrial Charges Law of August 30, 1924. Neither German law nor any international engagements assumed by the German Government involve any restrictions upon the acquisition by the Company of the foreign exchange requisite to permit the Company to meet the external obligations to be evidenced by these bonds.

INCOME ACCOUNT

	*Six months ended June 30, 1926	Yr. ended Dec. 31, 1925
Gross revenue	$1,535,652	$3,073,043
Operating expenses	854,547	1,823,175
Net profit	$681,105	$1,249,868
Taxes	$187,249	$254,037
Depreciation	142,857	309,524
Interest	28,844	9,311
Net earnings	$322,155	$676,996

*Subject to correction and adjustment at end of fiscal year.

SURPLUS ACCOUNT, FOR PERIOD FROM JANUARY 1, 1925 TO JUNE 30, 1926

Surplus Dec. 31, 1924	$12,071
Net earnings year ended Dec. 31, 1925	676,996
	$689,067
Deduct:	
Common dividends	$238,095
Preferred dividends	4,286
6% extra dividend on Common stock	357,143
Transferred to Board of Directors	32,026
Transferred to reserve fund	35,714
Surplus, Dec. 31, 1925	$21,803
Net earnings, six mos. ended June 30, 1926	322,155
*Surplus June 30, 1926	$343,958

*Subject to correction and adjustment at end of fiscal year.

GENERAL BALANCE SHEET

Assets—	*June 30, 1926	Dec. 31, 1925
Plant property	$9,579,353	$8,672,343
Less reserve for depreciation	714,285	571,428
	$8,865,068	$8,100,915
Investment in Lower Silesia Elec. & Ry. Co.	182,057	182,057
Other investments	590,939	346,646
Cash	22,392	37,978
Notes receivable	349	614
Customers' accounts receivable	230,417	371,285
Sundry debtors	456,830	11,075
Dividend receivable	42,005	.....
Inventories (at cost)	286,770	207,375
Excess of par value over normal value of 6½% Sinking fund & costs thereon	822,635	.....
Deferred charges	27,483	9,426
Total	$11,526,945	$9,267,371
Liabilities—		
Common stock	$5,952,381	$5,952,381
Preferred stock	71,429	71,429
6½% Mortgage Gold bonds, Series "D"	4,000,000	.....
Loans payable	12,143	64,468
Current liabilities	625,231	2,003,937
Reserves	521,803	486,089
Surplus	343,958	†689,067
Total	$11,526,945	$9,267,371

*Subject to correction and adjustment at end of fiscal year.
†Subject to dividends and adjustments as shown in surplus account.

Managing Directors (Vorstand): Georg Stein; Max Kuhnert and Walter Heyman, Breslau, Germany.

Members of the Aufsichtsrat (Board of Directors): Georg Heimann, Adolf Bachmann, Jean Bucher, Theodor Ehrlich, Dr. Eduard von Eichborn, Isidor Frankel, Emil Hancke, Dr. Max Korpulus, Karl Werner, Breslau; Dr. Oskar Oliven, Erich Block, Hermann Jahncke, Erich Loewe, Dr. Richard Wolfes, Berlin; Friedrich Graf von Degenfeld, Reichenbach; Rudolf Menckhoff, Neubabelsberg; Walther von Pohl, Dr. Wieszner, Waldenburg; Freiherr von Thielmann, Frankenstein; Ernst von Walenberg Pachaly, Thiergarten, Kr. Wohlau, Dr. Adrian Gaertner, Molke, Kr. Neurode.

General Office, Breslau, Germany.

SALEM & PENNSGROVE TRACTION CO.

History and Property—Incorporated Sept. 13, 1915, in N. J. Franchises extend for 50 years. The line is 14.85 miles in length, the first section, from Pennsgrove to the most distant entrance to the duPont Plant, at Carney's Point, about 5 miles, was completed and put in operation about Sept. 1, 1916, and the remaining 9 miles were completed and put in operation about Feb. 1, 1917. The line extends from the Wilmington ferry landing, at Pennsgrove, N. J., through Pennsgrove, and the new duPont villages, known as Rubberoid Village and Riverview, past the duPont Plants, known as Plants Numbers 1, 2, and 3, and Deep Water Point Plant, past Pennsville and through several small villages to Salem, N. J. Power is supplied under a favorable long time contract from the American Electric Power Co. by way of Wilmington, Del., and Bridgeton, N. J. The Company owns 14 cars of modern approved prepayment type, and financial provision has also been made for the purchase of additional cars. Gauge, 4 ft. 8½ in. Rail, T, 70 lbs. Operated by overhead trolley.

CAPITAL STOCK

Authorized, $850,000; outstanding, $187,500; par, $10. Annual meeting, in February. No dividends paid.

Voting Trust—A Voting Trust has been formed, to last for five years, under which dividends are restricted to not over 6% in any one year, until at least half of the Second Mortgage bonds and all of the First Mortgage bonds outstanding, in excess of $225,000 face

value, have been retired. Until the bonded debt is reduced as above, any surplus earnings are to be used as an additional fund for redemption of bonds, or for permanent improvements, betterments, or extensions or any corporate purposes which in the opinion of the Voting Trustees, will be most advantageous to the bondholders. There are three Voting Trustees, one of whom is a member of the firm of Martin & Co., Philadelphia, Pa.

FUNDED DEBT

(1)

$369,100 First Gold 6s; dated Dec. 1, 1915; due Dec. 1, 1935; int. June and Dec. 1, at The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, Trustee. Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized issue, $750,000; the remaining bonds may be issued upon approval by the N. J. Board of Public Utility Commissioners, as follows: $117,600 for the construction of a power house and for other corporate purposes of the Company and the balance for acquisitions, extensions or improvements at 85% of the value thereof, but only when net earnings for the previous twelve months have been at least twice the amount of the interest required on bonds of this issue outstanding or proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date at 100 and interest.

Redemption Fund—The Mortgage provides that all of the Company's net earnings, after payment of operating expenses, taxes and interest charges be applied, in the proportion of four-fifths to the First Mortgage and one-fifth to the Second Mortgage, to the purchase of bonds at not over par and interest, or to their call at that price, bonds so purchased or called to be cancelled. This fund is, however, limited to not over $50,000 in any one year and is reduced to 2% of bonds outstanding, at such time as half of the Second Mortgage bonds and all of the First Mortgage bonds outstanding in excess of $225,000 face value have been retired. This Redemption Fund commenced to operate on July 1, 1917 to Dec. 31, 1925, $63,300 First Mortgage and $8,000 Second Mortgage bonds had been retired.

Convertibility—Company has arranged under supplemental agreement to give to holders of maturing or called First Mortgage bonds, a 50% Convertible Privilege, which will make it optional on the part of the bondholders, whether they accept all cash or half cash and half stock. This convertible privilege is subject to the approval of the Board of Public Utility Commissioners of the State of New Jersey, which must be obtained at such times as conversion may be requested by bondholders.

Security—A direct first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$92,000 (Closed Mortgage) Second Gold 6s; dated Dec. 1, 1915; due Dec. 1, 1935; int. June and Dec. 1, at Wilmington (Del.) Trust Co., Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $100,000, of which $8,000 retired to Dec. 31, 1927. Subject to call as a whole or in part on any interest date at 100 and interest. A lien on entire property subject to the First Mortgage 6s, described above. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$76,392	$83,425
Operating expenses	79,474	85,789
Loss from operation	$3,082	$2,364
Interest charges	31,149	31,258
Discount on bonds	3,695	3,695
Franchise tax	3,675	3,953
Total charges	$38,519	$38,906
Deficit for year	$41,601	$41,270

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$703,017	$703,017	$703,017
Materials and supplies	10,756	10,756	10,785
Cash and current assets	8,097	5,324	4,795
Prepaid accounts	223	259	259
Discount on bonds	29,252	32,947	36,641
Other assets	11,784	11,784	11,784
Corporate deficit	271,487	229,194	187,843
Total	$1,034,616	$993,281	$955,124
Liabilities—			
Capital stock	$187,500	$187,500	$187,500
Funded debt	461,100	461,100	461,100
Tax reserves	7,462	8,844	16,943
Current liabilities	27,757	31,058	12,265
Accrued accounts	68,707	41,540	31,270
Reserve for deprec., etc.	194,167	176,927	159,687
Sinking fund reserve	38,186	38,186	38,185
Other reserves	49,737	48,126	48,274
Total	$1,034,616	$993,281	$955,124

Officers: Carl N. Martin, Pres.; W. W. Hepburn, V-P., Philadelphia; Hubert C. Berry, Sec. & Treas., Pennsgrove, N. J.

Directors: R. G. Clough, Wilmington, Del.; F. A. Gentieu, Pennsgrove, N. J.; Arthur B. Smith, H. C. Berry, Salem, N. J.; W. W. Hepburn, Carl N. Martin, Philadelphia, Pa.; M. J. Hill, Bristol, Pa.

Office, Pennsgrove, N. J.

PENNSYLVANIA WATER COMPANY

History—Incorporated May 3, 1902, in Pa.; successor to company of same name organized in 1887. Absorbed the East Pittsburg Water Co. As of Jan. 1, 1927 sold to Pennsylvania State Water Corporation three of its subsidiaries, namely, Apollo Water Works Company, Leechburg Water Works Company and Hyde Park Water Co. Company now controls one subsidiary, Trafford Water Company.

As of Dec. 31, 1927, the Company had 21,663 taps, 1,090 fire hydrants and 21,964 meters, while the Trafford Water Co. had 549 taps, 52 hydrants and 561 meters.

Rates—Semi-annual, single building, minimum charge for 6 months, $6 entitling consumer to 2,500 cubic feet; additional amounts, 24 cents per 100 cubic feet. Monthly: For first 10,000 cu. ft., per month, or any part thereof, 21 1/3 cents per 100 cu. ft.; next 10,000 cu. ft. per month, 16 cents; next 28,000 cu. ft., 13 cents; next 52,000 cu. ft., 11 cents; next 100,00 cu. ft., 10 cents; next 200,000 cu. ft., 9 cents; next 400,000 cu. ft. per month, 8 cents.

CAPITAL STOCK

Authorized, $2,500,000 Common and $50,000 Pfd.; outstanding, $2,498,500 Common and $1,000 Pfd.; par, $50. Stockholders on Dec. 29, 1924, approved an increase in the capital stock from $750,000 to $2,550,000. Stock transferred at Company's office. Registrar: Union Trust Co. of Pittsburgh. Annual meeting, third Wednesday in February.

Dividends—On Pfd. stock a 6% annual dividend was paid for each year to and including 1917. As of Dec. 29, 1924 all Pfd. stock was called at $50 par, plus premium of $21 per share, covering dividends for years 1918 to 1924 inclusive. On June 9, 1925 a dividend at rate of 6% per year covering the 7 years to Dec. 31, 1924 was declared on the 20 shares Pfd. stock outstanding; annual dividend of 6% regularly paid since. On Common, cash dividends have been paid as follows: 1897 and 1898, 2% each; 1899, 2½%; 1900 and 1901, 3% each; none thereafter until 1912 when 1% was paid; 1913 and 1914, 4% each; 1915, 1916 and 1917, 6% each; none thereafter until 1925 when 6% was paid; 1926 and 1927, 6% each; Jan., 1928, 3%; payments semi-annually, J & J. A stock dividend of 100% was paid on Common stock Dec. 29, 1924.

FUNDED DEBT

(1)

$960,000 Pennsylvania Water Co. Second (now First) 5s; due April 15, 1929; int. April and Oct. 15,

at Mellon National Bank, Pittsburgh, Pa. Coupon, $1,000. Union Trust Co., Pittsburgh, Trustee. Authorized, $1,500,000, of which $540,000 have been cancelled and withdrawn. Secured on plant and franchises. Company pays Normal Federal Income Tax up to 2%.

(2)

$972,000 Trust & General 5s; dated Sept. 1, 1910; due Sept. 1, 1940; int. March and Sept. 1, at Union Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $4,000,000, of which $2,068,000 are held in treasury. Subject to call on any interest date at 105 and int. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	†1927	*1926	*1925
Gross revenue	$927,619	$931,514	$898,316
Operating exp. & taxes	431,096	402,473	397,402
Depreciation	53,368	48,092	44,763
Net earnings	$443,155	$480,949	$456,151
Bond interest	96,582	96,600	96,594
Other interest	48,917	56,921	53,566
Surplus after charges	$297,656	$327,428	$305,991
Appropriations:			
For Pfd. dividends	.....	$60	$60
For Common dividends	135,782	124,100	118,096
For reserve funds	38,228	35,126	31,505
Surplus for year	$123,646	$168,142	$156,330
Times Bond Int. Earned	4.08	4.39	4.16
Earned Per Share—			
Common stock ($50 par)	‡$5.77	$7.06	$6.63

*Pennsylvania Water Co. proper. †Includes Pennsylvania Water Co. and Trafford Water Co. ‡Earnings per share based on an average of 44,941 shares.

NOTE—Gross revenues of Trafford Water Co. for the year ended Dec. 31, 1926 were $29,105, compared with $30,013 for the previous year.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	‡1927	1926	1925
Fixed capital	$5,795,054	*$5,341,126	$4,957,949
Stocks owned—affil. cos.	.....	85,000	85,000
Insurance & deprec. funds	995,624	915,354	841,933
Materials and supplies	156,149	133,777	270,783
Cash	227,517	60,783	51,970
Accounts receivable	107,884	350,893	334,374
Other current assets	1,567	1,874	3,455
Deferred debit items	109	106	1,104
Unamort. bond exp. & disc.	93,456	100,834	108,212
Total	$7,377,360	$6,989,747	$6,654,780
Liabilities—			
Common stock	$2,498,500	$2,068,500	$2,068,100
Pfd. stock	1,000	1,000	1,000
Funded debt	1,931,000	1,931,000	1,932,000
Real estate mortgages	.....	100,000	100,000
Notes payable	990,173	†1,321,631	1,240,299
Consumers' advances	197,041	122,700	104,777
Accounts payable	91,256	35,103	39,456
Interest accrued	24,200	25,450	24,200
Dividends payable	.....	62,085	62,073
Services billed in advance	.....	65,040	61,500
Reserve for taxes	9,807	10,242	9,204
Reserve for depreciation	982,963	904,405	832,514
Insurance reserve	12,661	10,949	9,419
Profit and loss	638,759	331,642	170,238
Total	$7,377,360	$6,989,747	$6,654,780

*Estimated reproduction value of plant, $10,000,000. †Includes $425,000 notes due banks and $896,632 trustee notes. The latter were given to the trustee selected by the stockholders and were created to put in tangible form the Depreciation Account so it could not be declared by courts to be a bookkeeping account and eliminated from consideration. ‡Includes Pennsylvania Water Co. and Trafford Water Co.

Officers: R. B. Mellon, Pres.; G. S. Davison, V-P., Pittsburgh, Pa.; J. T. Miller, Sec., Treas. & Pur. Agt.; E. R. Anderson, Aud.; W. C. Hawley, Chief Engr. & Gen. Supt., Wilkinsburg, Pa.

General Office, 712 South Ave., Wilkinsburg, Pa.

VERGENNES POWER COMPANY

History—Incorporated in 1896, in Vermont, as the Barre & Montpelier Traction & Power Co.; reorganized under present title in Dec., 1925. The real estate of former company was sold at public auction Nov. 23, 1925 and turned over to Vergennes Power Company on Dec. 10, 1925 by Order of Court. Owns Dewey Park and Benjamin Falls Park. Line of road, Barre to Montpelier, Vt., 6.29 miles; total track, 9.75 miles. Cars, 21; snow sweepers, 2. Power rented. Population served, about 25,000.

CAPITAL STOCK

Authorized, $50,000.

FUNDED DEBT

None.

Officers: J. J. Flynn, Pres.; C. W. Brownell, V-P.; F. H. Andrus, Sec., Treas. & Mgr., Montpelier, Vt.

Directors: J. J. Flynn, C. W. Brownell, H. D. Hendee, Burlington, Vt.; F. H. Andrews, Montpelier, Vt.

General Office, Montpelier, Vt.

INDIANA TELEPHONE SECURITIES CORPORATION

History and Properties—Incorporated in Indiana, and owns and operates, through its subsidiary companies, telephone systems located at Logansport, Greencastle, Angola, New Waverly, Walton, Galveston, Lucerne, Young America, Fremont, Hamilton, Orland and Pleasant Lake, in Cass, Putnam and Steuben Counties, Indiana, supplying these communities together with surrounding rural territory with local and long distance telephone service, operating in excess of 9,700 connected stations. A considerable number of additional communities are also provided with long distance telephone service over the lines operated by this company. The toll lines are physically connected with the lines of the Indiana Bell Telephone Company and of the American Telephone and Telegraph Company assuring through favorable operating contracts with these companies of toll connections throughout the United States.

The properties consist of 12 telephone exchanges together with city and rural lines and equipment and extensive systems of toll lines radiating throughout the three counties. At Angola a new central office building was built in 1924 and a complete new switchboard installed in 1925. All of these properties have been in successful operation for many years without competition.

Controlled Companies—The Companies controlled, through ownership of all the outstanding stocks are: Greencastle Telephone Co., Putnam County Telephone Co., Logansport Home Telephone Co. and Steuben County Telephone Co.

CAPITAL STOCK

Outstanding, 12,500 shares Common of no par value and $250,000 6½% cumulative Pfd.; par, $100.

Preferred Stock Provisions—No additional Pfd. stock can be issued unless net assets of the Corporation are equal to at least 150% of Pfd. stock outstanding including that proposed to be issued. It is secured by all the net assets and earnings of the Corporation.

Callability—The present issue of Pfd. stock is dated Aug. 15, 1926, and is redeemable Aug. 15, 1936. It is subject to call at any dividend date upon 30 days' written notice at 102 and dividend on or prior to Feb. 15, 1935, and at 100 and dividend thereafter to final redemption date.

Transfer Agent and Registrar—Fletcher American Company, Indianapolis.

Tax Provisions (Pfd. stock)—Exempt under present laws from state and local taxes (except Inheritance Taxes) in Indiana.

Dividends—Pfd. dividends regularly paid since issuance; payable semi-anually, Feb. and Aug. 15. None paid on Common.

FUNDED DEBT

$490,000 THREE-YEAR 6% COLLATERAL TRUST GOLD NOTES; DUE AUGUST 15, 1929

Dated August 15, 1926.

Interest Payable February and August 15, at Fletcher American National Bank, Indianapolis.

Denominations—Coupon, $500 and $1,000.

Trustee—Fletcher American National Bank, Indianapolis.

Provisions of Issue—Issued, $490,000. Indenture securing these notes provides, among other things, that collateral pledged must at all times be equal to at least 200% of Collateral Trust Gold notes outstanding and that additional Collateral Trust Gold notes may be issued only for acquisitions, improvements and extensions to properties and only when collateral pledged shall be at least equal to 200% of total amount of notes outstanding, including those proposed to be issued.

Purpose of Issue—Proceeds from sale of these notes were used to provide in part for reimbursement of Company for funds expended in acquisition of properties, and for working capital and other corporate purposes.

Callability—Subject to call on any interest date, on 30 days' notice, at 101 and interest.

Security—Secured by deposit with Trustee of all outstanding stocks of Greencastle Telephone Co., Putnam County Telephone Co., Logansport Home Telephone Co. and Steuben County Telephone Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Smith, Remster, Hornbrook & Smith.

Original Offering—First publicly offered ($490,000) in Aug., 1926, at par and interest, by Fletcher American Company, Indianapolis.

OTHER FUNDED DEBT

There were also outstanding April 10, 1928, $254,600 subsidiary companies First (closed) mortgage bonds, as follows: $222,100 Logansport Home Telephone Co. First 5s, of 1933, and $32,500 Steuben County Telephone Co. First 6s, 1928-40.

***NET EARNINGS, YEARS ENDED DECEMBER 31**

1925	$103,503
1926	105,149
1927	†106,648

*Before depreciation. †Annual interest on funded debt of Company and subsidiaries, $42,455.

Officers: Max F. Hosea, Pres.; Geo. C. Forrey, Jr., V-P.; Joseph W. Stickney, Sec.; Wendell Sherk, Treas.

General Office, Indianapolis, Ind.

BUFFALO, NIAGARA AND EASTERN POWER CORPORATION

History—Incorporated May 14, 1925, In New York, for the purpose, among others, of acquiring, through stock control, the properties of Buffalo General Electric Co., The Niagara Falls Power Co., Niagara, Lockport & Ontario Power Co., and the Tonawanda Power Co. (see appended statements). Formal approval of the plans was voted May 11, 1925, at simultaneous directors' meetings of the four companies and on July 16, 1925, the Public Service Commission of the State of New York gave Company permission to hold Common capital stock of the four companies. The exchange of stock was agreed upon on the basis of 1.1 share each of Common and Preferred stock of the Buffalo, Niagara & Eastern Power Corporation for each share of the Buffalo General Electric Company Common; 1.25 shares each of Buffalo, Niagara & Eastern Common and Preferred for each share of Niagara, Lockport & Ontario Power Company Common; one share each of Buffalo, Niagara & Eastern Common and Preferred for each share of The Niagara Falls Power Company Common, and 1.25 shares each of Buffalo, Niagara & Eastern Common and Preferred for each share of Tonawanda Power Company Common. Exchange privilege expired September 12, 1925, and more than 99% of the total issued Common capital stocks of the four companies are now owned by Buffalo, Niagara and Eastern Power Corporation.

On March 17, 1927 control of the Western New York Utilities Co., Inc., was taken over by Buffalo, Niagara & Eastern Power Corporation by the purchase of 27,500 shares of Common stock, the entire issue. This Company is now consolidated with Niagara, Lockport and Ontario Power Co.

Power Plants—The combined physical properties include electric generating stations with a total installed capacity of 725,000 kilowatts, of which 545,000 kilowatts is hydro and 180,000 kilowatts is steam. Limitations in the use of water for power development at Niagara Falls reduce the operating capacity of the hydro-electric plants to approximately 80% of their installed capacity. The Niagara generating plants were operated at capacity throughout the year 1927, within the limits of the governmental restrictions in the use of water. The kilowatt hour output for the Niagara system reached a new high level for the year with the total of 4,633,953,322 (3,642,689,920 generated and 991,263,402 purchased), an increase of more than 3.8% over the previous year.

Merger of Subsidiaries—Directors of the Corporation early in 1928 prepared a plan of reorganization under which the unification of this Company with its subsidiary electrical corporations operating in New York State will be consummated at or near the expiration of the year of 1928. The subsidiaries included are Buffalo General Electric Co., Niagara Electric Service Corp., The Niagara Falls Power Company, Niagara, Lockport & Ontario Power Company and Tonawanda Power Co. The first step in such plan will be carried out through the issuance of Buffalo, Niagara and Eastern Power Corporation First Pfd. stock for the purpose of acquiring by exchange or providing funds for the redemption of the existing Pfd. stocks of subsidiary companies. After the outstanding shares have been retired by exchange or redemption, action will be taken to further the progress of consolidation of Buffalo, Niagara & Eastern Power Corporation, Buffalo General Electric Company, Niagara Electric Service Corporation, Niagara Falls Power Company, Tonawanda Power Company and Niagara, Lockport & Ontario Power Company and their subsidiaries into a single unit operating corporation.

The following Pfd. stocks have been called for redemption: 680,724 shares of Niagara Falls Power Company, par $25, redeemable at $27.50 per share, on June 30, 1928; 4,568 shares of Pfd. "A" stock of Tonawanda Power Company, no par, redeemable at $27.50 per share, on July 2, 1928; 1,207 shares of Pfd. "B" stock of Tonawanda Power Company, no par, redeemable at $25.50 per share, on July 2, 1928; 497,735 shares of Niagara, Lockport & Ontario Power Co., par $25, redeemable at $26.25 per share, on June 30, 1928. Holders of these Pfd. stocks were given the opportunity of exchanging them until June 1, 1928, for First Pfd. stock of Buffalo, Niagara and Eastern Power Corporation on the basis of the redemption prices against $95 per share for the Buffalo, Niagara and Eastern Power Corporation First Pfd. stock, with adjustments for dividends.

Transmission Lines—The high-tension transmission system of the Niagara, Lockport & Ontario Power Company weaves a network of lines over the western and central part of New York State. It embraces 1,284 circuit miles of lines on steel towers and 864 circuit miles of lines on wooden poles. There are 1,107 miles of transmision circuits insulated for 110,000 volts, 298 miles insulated for 60,000 volts, and 743 miles insulated for from 6,600 volts to 60,000 volts. Right-of-way owned in fee, 389 miles; permanent easement for right-of-way, 500 miles. The land owned for transmission right-of-way approximates 5,220 acres. In addition to the transmission system above described, The Niagara Falls Power Company owns various high-tension circuits between Niagara Falls and Buffalo, and others connecting with the Niagara, Lockport & Ontario Power Company's lines, all on steel towers. The prin-

cipal step-up sub-station is located at Echota in Niagara Falls, N. Y. Provisions are made for stepping-up the voltage of the generating plants at Salmon River, Minetto, and at Lyons. Switching stations with step-down transformers are owned by the Niagara, Lockport & Ontario Power Company at Mortimer, south of Rochester; at Solvay, north of Syracuse; at Gardenville, near Buffalo; at Lockport; at Olean; and at Jamestown. These are its principal substations. Similar stations are owned by Buffalo General Electric Company at Charles R. Huntley Station, and at Terminals B and D Buffalo, and by the Tonawanda Power Company in the Tonawandas.

Distribution Systems—The output of the generating plants at The Niagara Falls Power Company is divided about equally between the electro-chemical industries on the Niagara Frontier and direct service as light, heat and power. The Buffalo General Electric Company is the largest retail distributing unit in the Buffalo, Niagara & Eastern group. It serves a population of about 600,000 with domestic and commercial meters numbering 163,182 and has a connected load of over 500,000 k.w.

In addition to its high-tension transmission service, the Niagara, Lockport & Ontario Power Company does a substantial retail distributing business in the Jamestown, Olean, Batavia, Medina, Pulaski, Camden, and Avon districts and various rural communities throughout Western and Central New York serving 55,403 residential and commercial lighting consumers and 1,363 industries. It also sells power in bulk to 20 privately owned distributing utilities, 21 municipalities, 19 electric urban and interurban railways, and furnishes street lighting in 29 cities and villages and in 123 lighting districts.

The Syracuse Lighting Company, serving a population of 265,000 people, obtains its entire electrical supply from the Niagara, Lockport & Ontario Power Company system. Among the other large retail distributors of electrical energy purchasing substantial blocks of power from this system are Rochester Gas & Electric Corporation, Rochester; Empire Gas & Electric Company, operating in Geneva, Auburn, Seneca Falls and adjoining territories; New York Central Electric Corporation, operating in Hornell, Warsaw, Perry and nearby towns and villages.

The power distributing agencies of the operating companies controlled by Buffalo, Niagara & Eastern Power Corporation make power available to a population of about 2,500,000, in over 500 cities, villages, towns, and lighting districts, located in a zone some 300 miles from east to west and 100 miles from north to south, having approximately 500,000 homes. No. of meters on lines Dec. 31, 1927, 251,817, compared with 239,476 in 1926, an increase of 5.6%. Miles of transmission lines were about 2,500, while miles of distribution line were about 15,500.

During 1927 the system's hydro-electric stations generated 3,476,917,460 k.w.h.; its steam stations produced 165,772,460 k.w.h.; and power purchased amounted to 991,263,402 k.w.h.—a total of 4,633,953,322 k.w.h. of electrical energy generated and purchased. The electrical energy sold by the system was 4,236,310,287 k.w.h., compared with 4,089,994,549 k.w.h. in 1926, an increase for the year of 146,315,738 k.w.h. or over 3.8%. The maximum peak load of the system during 1927 reached Oct. 18, was 715,100 k.w. (about 960,000 h.p.), compared with 687,000 k.w. in 1926.

CAPITAL STOCK

Authorized, 2,100,000 shares Common of no par value, 2,500,000 ($62,500,000) shares Preferred of $25 par (bearing cumulative dividends of $1.60 per share per annum) and 525,000 shares Class "A" stock of no par value; outstanding, December 31, 1927 1,952,868 shares Common and 1,995,754 ($49,893,850) shares Preferred. In addition, $6,550.20 scrip was outstanding as of that date. There were also at Dec. 31, 1927, Employees' subscriptions to capital stock—partly paid—as follows: 45,299 shares Common and 45,299 shares ($1,132,475) Pfd. Of the authorized Preferred, $2,000,000 is reserved to be exchanged for the Five-Year 5% Convertible Debenture bonds of Corporation.

First Pfd. Stock Authorized—During March, 1928, stockholders voted to authorize the issue of 500,000 shares of First Pfd. stock of no par value, entitled to cumulative dividends of $5 per annum. The stock will be issued in exchange for, or to provide funds for the redemption of the Pfd. stocks of Niagara Falls Power Co., Niagara, Lockport & Ontario Power Co. and Tonawanda Power Co.

Preferred Stock Provisions—Pfd. stock has preference as to assets as well as dividends over Common stock.

Callability—Pfd. stock is subject to redemption as a whole or in part upon 60 days' notice at $26.25 per share and dividends.

Class "A" Stock Provisions—Class "A" stock has priority as to non-cumulative dividends over the Common stock to the extent of $1.00 annually. In addition, Class "A" stock participates equally per share with Common stock in any moneys or property distributed as dividends in excess of dividend at the rate of $1 per share annually on the Class "A" stock and on the Common stock, as well as participating equally with the Common stock in any distribution of capital or other assets upon dissolution, etc. The Class "A" stock has no voting rights whatsoever, except in the event of a year's lapse in dividends, when it has equal voting rights with the Common until $1.00 per share shall have been paid in subsequent calendar year when voting rights automatically cease.

Subscription Privilege—Holders of the outstanding Common stcok in the Corporation were given the right to subscribe, as of Jan. 3, 1928, to the new Class "A" stock at $20 per share, in the proportion of one share of Class "A" to every four shares of Common stock held. A total of 501,488 shares of Class "A" stock were taken by the holders of Common stock or their assigns.

Transfer Office—Company's office, Electric Building, Buffalo, N. Y.

Registrar—The Marine Trust Co., Buffalo, N. Y.

Annual Meeting—Second Tuesday in May.

Price Range—

Preferred—	1927	1926	1925
High	26¾	26	25½
Low	25¼	22½	22½

Original Offering—Preferred stock first publicly offered (a block) in September, 1925, at price to yield 6.40% by Schoellkopf, Hutton & Pomeroy, Inc., Buffalo and Rochester, N. Y.

Dividends—On Preferred, initial quarterly dividend of 40 cents a share was paid October 1, 1925, which quarterly rate maintained to date. On Common, initial dividend of 12½ cents a share was paid October 1, 1925; January 2, 1926, 12½ cents; April 1, 1926, 12½ cents; July 1, 1926 to Oct. 1, 1927, 25 cents; Jan. 1, 1928, 30 cents; April 1, 1928, 30 cents. Dividends on both classes of stock are declared the second Fridays of F, M, A & N, and are paid quarterly J, A, J & O 1.

FUNDED DEBT

$928,000 FIVE-YEAR 5% CONVERTIBLE DEBENTURE BONDS; DUE SEPTEMBER 1, 1930

Dated September 1, 1925.

Interest Payable March and September 1, at The Marine Trust Co., Buffalo, N. Y.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Marine Trust Co., Buffalo, N. Y.

Provisions of Issue—Authorized, $2,000,000; issued to provide for working capital and other corporate purposes.

Callability—Subject to call as a whole or in part in amounts of not less than $100,000, at any time upon 30 days' notice, at the following prices and accrued interest: On or before March 1, 1926, at 102; September 1, 1926, at 101¾; March 1, 1927, at 101½; September 1, 1927, at 101¼; March 1, 1928, at 101; September 1, 1928, at 100¾; March 1, 1929, at 100½; September 1, 1929, at 100¼; thereafter to maturity at par.

Convertibility—Bonds may be converted on and after September 1, 1927, on the 1st and 15th days of the month until maturity thereof, or if before maturity called for redemption then at any time thereafter up to and including the redemption date mentioned, into shares of the Preferred stock of the Corporation, at rate of $100 bonds for 4 shares Preferred stock of the par value of $25 each, and bearing cumulative dividends at rate of $1.60 per share per annum. Interest and dividends to be adjusted at the time of conversion. Corporation in its discretion may waive the limitation and permit the conversion of bonds prior to September 1, 1927.

Security—Corporation covenants that it will not hereafter issue any obligation secured by mortgage or pledge of its property, unless same shall provide that all of these Debenture bonds outstanding, shall be secured equally and ratably with obligations secured by said mortgage or pledge with the same effect as if each Debenture bond were issued under such mortgage or pledge, provided Corporation shall not be prevented from giving security in the usual course of business for the performance of its contracts, or from giving purchase money mortgages on property hereafter acquired, or from acquiring properties subject to mortgage or other liens, and assuming such last named obligations.

Legal Opinion—Kenefick, Cooke, Mitchell & Bass, Buffalo, N. Y.

Original Offering—First publicly offered ($2,000,000) in September, 1925, at par and interest, by Schoellkopf, Hutton & Pomeroy, Inc., Rochester and Buffalo, N. Y., and the Frontier Finance Corp., Niagara Falls, N. Y.

Price Range—

	1927	1926	1925
High	104	100	100
Low	100	98¾	100

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Buffalo, Niagara & Eastern Power Corp., Buffalo General Electric Co., Niagara, Lockport & Ontario Power Co., The Niagara Falls Power Co., Tonawanda Power Co. and Subsidiary Companies)

	1927	1926	*1925
Operating revenues	$31,436,070	$28,554,317	$25,240,554
Oper. revenue deductions:			
Operating expenses	$10,593,295	$9,593,469	$9,086,163
Retirement expense	2,002,671	1,904,879	1,516,640
Taxes	4,365,963	3,604,592	3,106,015
Total	$16,961,929	$15,102,940	$13,708,818
Operating income	$14,474,141	$13,451,377	$11,531,736
Non-operating income (net)	206,771	259,770	268,923
Gross income	$14,680,913	$13,711,147	$11,800,659
Deducts. from gross inc.:			
Interest on funded debt	$4,365,023	$4,021,961	$3,611,420
Miscellaneous deductions	576,993	621,617	596,323
Dividends on Pfd. stock of subsidiary companies	1,985,743	1,895,306	1,808,455
Share of earnings applicable to fully paid unexchanged shares of Common stocks of subsidiary companies	4,237	12,368	52,233
Total deductions	$6,931,996	$6,551,252	$6,068,431
Net corporate income	$7,748,917	$7,159,895	$5,732,228
Earnings Per Share—			
Preferred	$3.88	$3.67	$2.96
Common	2.35	2.07	1.36

*The figures appearing in this column represent the Combined Income of the subsidiary companies for the seven months ended July 31, 1925, plus the Consolidated Income for the five months ended Dec. 31. 1925.

CONSOLIDATED PROFIT AND LOSS ACCOUNT, DEC. 31

	1927	1926
Balance on Jan. 1	$3,278,302	$599,724
Net corporate income for the year	7,748,917	7,159,895
Miscellaneous credits	75,760	805,774
Total credits	$11,102,979	$8,565,393
Miscellaneous debits	160,061	469,364
Preferred dividends	3,156,217	3,113,900
Common dividends	2,049,410	1,703,828
Total debits	$5,365,688	$5,287,092
Balance on Dec. 31	$5,737,291	$3,278,301

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Buffalo, Niagara & Eastern Power Corp. And Subsidiary Companies)

Assets—	1927	1926	1925
Fixed capital	$179,887,330	$163,443,808	$152,607,850
Sinking funds	31,556	17,706	504,050
Miscellaneous investments:			
Pledged	3,133,749	3,201,874	3,313,615
Unpledged	3,105,520	3,504,244	2,507,686
Cash	6,276,902	7,454,428	4,856,872
Special deposits	1,949,147	1,892,077	1,653,859
Notes receivable	270,988	1,410,689	116,046
Accounts receivable	3,572,521	3,446,792	3,170,030
Marketable securities	268,754	256,315	467,320
Materials and supplies	1,995,676	1,988,440	1,874,126
Prepayments	1,083,008	1,123,368	1,068,546
Employee subscribers to capital stock of Buffalo, Niagara & East. Power Corp.	1,472,515	1,615,735	.....
Subscribers to capital stock of sub. cos.	76,343	225,218	421,283
Advs. to agents & others	1,787,243	1,711,255	.....
Unamort. debt disc. & exp.	3,923,859	3,777,543	3,406,554
Other deferred debits	1,450,687	1,611,687	1,186,014
Total	$210,285,798	$196,681,179	$177,153,851
Liabilities—			
Preferred stock	$49,893,850	$48,768,700	$48,399,100
Common stock	1,952,868	1,950,740	1,935,944
Scrip	6,550	8,730	12,469
Capital stock subscribed—employees	2,473,767	2,182,280	.....
Res. for acquisition of Com. stocks of sub. cos. not yet exch. (incl. subscribed stocks not yet exch.)	610,378	727,538	1,249,534
Preferred stks.—sub. cos.	28,623,775	27,144,550	27,005,150
Funded debt—holding and sub. cos.	83,483,160	82,638,069	70,041,877
Notes payable	5,500,000	150,000	150,000
Accounts payable	1,006,597	1,104,540	1,125,995
Consumers' deposits	400,189	352,973	346,492
Int. matured—unpaid	540,390	587,852	594,273
Divd. checks not presented for payment	10,595	1,283,220	1,024,944
Divds. declared—not due	1,856,853	472,479	469,447
Taxes & rents accrued	2,277,109	1,804,321	1,318,004
Interest accrued	1,002,695	995,963	734,963
Miscell. accrued liabs.	14,646	4,896	19,864
Res. for retire. of capital	13,499,702	11,859,029	10,539,577
Other reserves	2,133,205	566,307	880,234
Capital surplus	9,262,178	10,800,691	10,706,260
Profit and loss surplus	5,737,291	3,278,301	599,724
Total	$210,285,798	$196,681,179	$177,153,851

Officers: Jacob F. Schoellkopf, Chairman of Board of Directors; Fred D. Corey, Chairman of Executive Committee; Paul A. Schoellkopf, Pres.; William R. Huntley, 1st V-P.; Alfred H. Schoellkopf, V-P. & Gen. Mgr.; Morris Cohn, Jr., V-P.; William Kelly, V-P., in Charge of Engineering; Walter P. Cooke, Sec.; Horace L. Mann, Treas.; Charles D. Warren, Asst. Sec.; Francis J. Brett, Treas.; James F. Kirk, Asst. Treas.

Executive Committee: Fred D. Corey, Le Grand S. DeGraff, Nisbet Grammer, William R. Huntley, Alfred H. Schoellkopf, Jacob F. Schoellkopf, Paul A. Schoellkopf, Morris Cohn, Jr., Daniel J. Kenefick.

Directors: Langdon Albright, Morris Cohn, Jr., Walter P. Cooke, Fred D. Corey, LeGrand S. DeGraff, Nisbet Grammer, William R. Huntley, Russell J. H. Hutton, Daniel J. Kenefick, Horace L. Mann, Joseph E. Montague, George F. Rand, Alfred H. Schoellkopf, C. P. Hugo Schoellkopf, Jacob F. Schoellkopf, Jacob F. Schoellkopf, Jr., Paul A. Schoellkopf, George M. Tuttle, George Urban, Jr., William C. Warren, Charles D. Warren.

General Office, Electric Bldg., Buffalo, N. Y.

BUFFALO GENERAL ELECTRIC COMPANY

(Controlled by Buffalo, Niagara & Eastern Power Corp.)

History and Property—Incorporated Aug. 1, 1892, in N. Y., as consolidation of the Brush Electric Light Company and Thomson-Houston Electric Light & Power Co., which latter company had previously absorbed the United States Electric Light & Power Co. On Sept. 1, 1915, acquired the properties of the Cataract Power & Conduit Co. (see Manual for 1915, page 488, or apply to our Information Department). Company does the entire electric lighting and power business of Buffalo, and also supplies Lackawanna, West Seneca, Blasdell, Cheektowaga, Amherst, Williamsville and Kenmore, and owns the entire capital stock of Niagara Electric Service Corporation (see appended statement), supplying Niagara Falls, N. Y. Population served, 600,000. Company's steam-electric power plant is equipped with three 20,000 kilowatt and one 35,000 kilowatt units, and one 60,000 kilowatt unit. Company now has under construction additional building and equipment for a 75,000 k.w. unit. Energy is also purchased from The Niagara Falls Power Company.

Change of Control—As of May 11, 1925, directors of Company approved acquisition of control of Company by Buffalo, Niagara & Eastern Power Corp., through exchange of stock on the basis of 1.1 share each of Common and Pfd. stock of the Buffalo, Niagara & Eastern Power Corp. for each share of the Buffalo General Electric Co. Common.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	No. of Meters	Output K.W.H.
1917	43,174	386,914,504
1918	50,731	529,291,499
1919	65,701	440,474,184
1920	85,008	470,544,210
1921	103,213	408,274,270
1922	116,178	500,634,529
1923	129,426	610,592,189
1924	140,029	657,942,824
1925	148,984	757,092,599
1926	162,080	816,168,802
1927	168,459	855,574,448

CAPITAL STOCK

Authorized, 750,000 shares Common of no par value and $10,000,000 Pfd. (created Feb. 2, 1925), par, $100; outstanding, 733,790 shares Common. On Feb. 2, 1925, Com. stock was changed from $25,000,000, par, $100 to present amount, 5 shares of no par value stock being issued in exchange for 1 share of $100 par value. Buffalo, Niagara & Eastern Power Corp. owns 733,017 shares of the Common stock.

Transfer Agent—Company's office, Electric Bldg., Buffalo, N. Y.

Annual Meeting—Third Monday in January.

Dividends—Dividends at rate of 5% per annum, paid from 1900 to 1906, inclusive; at rate of 6% to 1912; 5% in 1913; 5½% in 1914; 6% in 1915; 6% in 1916; 6¾% in 1917; 7¾% in 1918; 8% each in years 1919 to March 31, 1925, inclusive. Dividends of 40 cents per share on new no par value shares were paid June 30, 1925, and quarterly to Sept. 30, 1926; Dec. 31, 1926, 50 cents per share, the present rate. Dividends are declared the second Fridays of F, M, A & N and are paid M, J, S & D 31.

FUNDED DEBT

(1)

$2,375,000 BUFFALO GENERAL ELECTRIC CO. FIRST MORTGAGE 5s; DUE FEBRUARY 1, 1939

Dated February 1, 1899.

Interest Payable February and Aug. 1, at Manufacturers & Traders-Peoples Trust Co., Buffalo, N. Y., Trustee. Coupon, $100 and $1,000; principal may be registered. Authorized, $2,400,000. A first lien on entire property. Legal for savings banks in Maine and Massachusetts. Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923
High	105½	104¼	102½	101	101
Low	103½	101	100½	99	97

(2)

$7,029,000 BUFFALO GENERAL ELECTRIC CO. FIRST & REFUNDING MORTGAGE GOLD 5s; DUE APRIL 1, 1939

Dated April 1, 1909.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized issue, $10,000,000, but mortgage is closed under terms of the General & Refunding Mortgage dated Feb. 1, 1926, described below.

Callability—Subject to call as a whole or in part on any interest date at 105 and interest.

Security—A mortgage on all properties and franchises now owned or hereafter acquired, subject to the $2,375,000 above described prior lien bonds.

Legal Opinion—Fish, Richardson, Herrick & Neave, Boston.

Legal for Savings Banks in Maine and Massachusetts.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New York State.

Price Range—

	1927	1926	1925	1924	1923
High	105½	103¾	101½	100½	99½
Low	103	101	100	97½	95½

(3)

$10,000,000 BUFFALO GENERAL ELECTRIC COMPANY GENERAL AND REFUNDING MORTGAGE GOLD BONDS, SERIES A, 5%; DUE FEBRUARY 1, 1956

Dated February 1, 1926.

Interest Payable February and August 1 at Lee, Higginson & Co., New York and The Marine Trust Company of Buffalo, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered or bonds may be fully registered.

Trustee—The Marine Trust Co. of Buffalo, N. Y.

Provisions of Issue—Issued, $10,000,000 Series "A," to provide funds for or to reimburse the Company for expenditures already made in construction of additions to its property, including an increase of 80,000 h.p. to be made to its steam electric power generating capacity and extensions to its distribution system, and to increase its working capital. Future series may bear interest at such rates, mature at such dates and may have such provisions as to callability or non-callability, sinking fund, privileges of conversion, as to payment of taxes, and as to payment in such currencies and at such places and such other provisions not at variance with the terms of the mortgage, as may be determined by the Board of Directors at time of creation of each series. Further bonds, either of Series "A" or of other series are issuable (a) par for par to retire the $9,404,000 underlying bonds now outstanding and to refund bonds issued under this mortgage; and (b) against not exceeding 75% of the cost or fair value, whichever is less, of additions, extensions and improvements to the properties of the Company made after February 1, 1926 and subject to the lien of the mortgage, provided net earnings, as defined in the mortgage and before deducting interest on these bonds and underlying bonds of the Company for 12 months ending within 16 months of the date of application for additional bonds shall have been at least 1¾ times all interest charges on underlying bonds and General and Refunding Mortgage bonds including the additional bonds then proposed to be issued. The mortgage provides that its terms and provisions, with certain exceptions, may be modified upon vote of 75% of the General and Refunding Mortgage bonds out-

standing, but that no such modification shall be permitted to make any change in maturity, interest rate, principal amount, or terms of payment of principal or interest of any bond, without consent of the holder of such bond.

Callability—Series "A" bonds are subject to call on 30 days' notice, as a whole at any time or in part on any interest date, at 105 and interest during the first 5 years; at 1% less premium each 5 years to February 1, 1946; and thereafter to maturity, at 101 and interest.

Security—Secured by mortgage on all present fixed property of the Company and on all such property hereafter acquired (but not covering in either case stocks or other securities), subject to respective liens of $9,404,000 underlying bonds (closed mortgages) for retirement of which General and Refunding Mortgage bonds may be issued. Book value of fixed properties, after depreciation, is over $39,800,000.

Legal Opinion—Herrick, Smith, Donald & Farley, Boston (for the Bankers) and Kenefick, Cooke, Mitchell & Bass, Buffalo (for the Company).

Original Offering—First publicly offered ($10,000,000 Series "A") in January, 1926, at 99 and interest, yielding over 5.05%, by Lee, Higginson & Co., Boston, etc., Blair & Co., Inc., New York, and Schoellkopf, Hutton & Pomeroy, Inc., Buffalo, etc.

Price Range—

	1927	1926
High	105	103¾
Low	102	99¾

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$12,373,986	$11,616,269	$10,450,418	$9,610,656	$8,818,623	$7,783,032
Expenses—						
Cost of power	$7,038,685	$3,878,548	$3,764,975	$3,164,696	$2,898,705	$2,461,314
Operating expense		2,468,017	2,302,502	2,094,331	1,809,062	1,618,810
Retirement expense	451,715	546,463	277,669	421,122	369,771	336,435
Taxes	1,190,165	1,012,197	893,383	871,630	758,053	699,304
Total expenses	$8,680,565	$7,905,225	$7,238,529	$6,551,780	$5,835,601	$5,115,863
Net earnings	3,693,421	3,711,044	3,211,889	3,058,876	2,983,022	2,667,169
Other income	207,103	224,018	131,279	126,383	151,598	143,340
Gross income	$3,900,524	$3,935,062	$3,343,167	$3,185,259	$3,134,620	$2,810,509
Deductions—						
Interest on bonds	$955,763	$861,171	$501,363	$537,605	$579,222	$668,480
Other interest	.....	33,828	76,834	18,000	15,000	12,840
Amortization of debt discount	.....	12,222	796	11,971	32,420	45,813
Sinking fund accruals	.....	79,969	154,444	149,307	143,816	135,688
Miscellaneous deductions	34,373	.....	.....	.....	.....	.....
Total deductions	$990,136	$987,190	$733,436	$716,883	$770,458	$862,821
Net income	2,910,388	2,947,872	2,609,731	2,468,376	2,364,162	1,947,688
Dividends	1,981,233	1,265,443	1,195,339	1,153,887	1,082,607	882,358
Surplus for year	$929,155	$1,682,429	$1,414,392	$1,314,489	$1,281,555	$1,065,330
Times Bond Interest Earned	4.04	4.57	6.66	5.87	5.33	4.12
Earnings Per Share—						
Common	*$3.96	*$4.02	*$3.48	†$16.74	$17.06	$14.95

*On 748,790 shares of no par value in 1925, and 733,790 shares in 1926 and 1927. †On 147,477 shares of $100 par value.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Balance Dec. 31, 1926, $8,538,811; net income for year before deducting dividends, $2,910,388; miscellaneous credits, $512—total, $11,449,711. Deduct: Dividends on capital stock, $1,981,233; miscellaneous debits, $663,180—total, $2,644,413. Balance, Dec. 31, 1927, $8,805,298.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property accounts	$49,931,453	$40,475,281	$34,798,152	$32,651,148	$29,304,197	$27,261,552
Investments	2,304,812	1,589,812	1,095,757	1,085,757	1,045,740	1,056,281
Sinking fund	.....	.....	523,808	448,374	368,809	349,598
Inventories	863,211	809,920	784,566	897,700	908,955	677,315
Accounts receivable	1,173,143	2,221,003	962,742	919,071	962,767	872,780
Cash	1,002,771	2,995,546	602,741	723,684	1,022,771	1,637,476
Special deposit for bond interest accrued	184,042	$193,683	193,655	195,620	216,107	208,193
Special deposit for dividends payable		1,486	299,516	.....	.....	.....
Prepaid ins. and taxes	314,393	305,789	226,911	209,407	190,800	175,771
Subscribers to stock of B, N. & E. Power Corp.—employees	530,001	535,416	.....	.....	.....	.....
Unamortized debt discount	374,444	387,778	.....	795	12,766	45,187
Miscellaneous suspense	114,616	114,670	3,572	7,268	.....	.....
Total	$50,792,886	$49,630,384	$39,491,421	$37,138,824	$34,032,912	$32,284,153
Liabilities—						
Capital stock	$15,125,800	$14,975,800	$14,975,800	$14,747,700	$13,856,500	$13,024,500
Funded debt	19,404,000	19,404,000	9,978,000	10,275,300	10,838,500	11,659,500
Notes payable	.....	.....	1,700,000	1,200,000		
Accounts payable	571,491	640,063	429,403	387,280	509,742	389,910
Dividends payable	2,227	1,486	299,516	.....	.....	.....
Consumers' deposits	306,576	293,039	296,365	300,926	305,338	263,050
Interest accrued	490,736	497,625	285,883	288,303	298,600	311,787
Taxes accrued	463,032	485,053	393,909	361,265	295,523	266,096
Payroll accrued	.....	52,171	46,251	46,711	41,906	34,177
Subscriptions to stock of B. N. & E. Power Corp.—employees	877,295	716,870	.....	.....	.....	.....
Premium on stock	.....	150,000	150,000	148,750	135,965	129,615
Unamortized premium on debt	.....	690	690	690	690	690
Retirement reserve	4,070,850	3,872,167	3,478,410	3,392,471	3,152,742	2,912,315
Reserve for bad debts	.....	2,317	17,227	30,324	24,151	22,441
Reserve for depreciation	.....	.....	494,128	410,019	321,780	293,894
Other reserves	675,581	292	263	257	278	278
Surplus	8,805,298	8,538,811	6,945,577	5,548,828	4,251,196	2,975,901
Total	$50,792,886	$49,630,384	$39,491,421	$37,138,824	$34,032,912	$32,284,153

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Inventories	$863,211	$809,920	$784,566	$897,700	$908,955	$677,315
Cash	1,002,771	2,995,546	602,741	723,684	1,022,771	1,637,476
Accounts and notes receivable	1,173,143	2,221,003	962,742	919,071	962,767	872,780
Special deposit for bond interest accrued	184,042	$193,683	193,655	195,620	216,107	208,193
Special deposit for dividends payable		1,486	299,516	.....	.....	.....
Subscribers to B. N. & E. Power Corp Stock—employees	530,001	535,416	.....	.....	.....	.....
Total	$3,753,168	$6,757,054	$2,843,220	$2,736,075	$3,110,600	$3,395,764
Current Liabilities—						
Notes payable	.....	.....	$1,700,000	$1,200,000	.....	.....
Accounts payable	$571,491	$640,063	429,403	387,280	$509,742	$389,909
Dividends payable	2,227	1,486	299,516	.....	.....	.....
Consumers' deposits	306,576	293,039	296,365	300,926	305,339	263,050
Interest accrued	490,736	497,625	285,883	288,303	298,600	311,787
Taxes accrued	463,032	485,053	393,909	361,265	295,523	266,096
Payroll accrued	.....	52,171	46,250	46,712	41,906	34,177
Subscriptions to stock of B. N. & E. Power Corp.—employees	877,295	716,870	.....	.....	.....	....
Total	$2,711,357	$2,686,307	$3,451,326	$2,584,486	$1,451,110	$1,265,020
Net Working Capital	$1,041,811	$4,070,747	*$608,106	$151,589	$1,659,490	$2,130,744

*Debit.

Officers: W. R. Huntley, Pres.; D. J. Kenefick, V-P.; H. L. Mann, V-P. & Treas.; P. F. Sellers, V-P. in Charge of Operations; E. C. Cursons, Asst. Treas.; W. C. Bingham, Asst. Treas.; Walter P. Cooke, Sec.; J. M. Hogan, Asst. Sec.; Charles D. Warren, Asst. Sec., Buffalo, N. Y.

Directors: Edward J. Barcalo, Richard F. Bolles, Walter P. Cooke, Fred D. Corey, Nisbet Grammer, Edward B. Holmes, William R. Huntley, D. J. Kenefick, Horace L. Mann, Robert W. Pomeroy, deLancey Rankine, Paul A. Schoellkopf, Alfred H. Schoellkopf, William C. Warren.

Office, Electric Bldg., Buffalo, N. Y.

NIAGARA ELECTRIC SERVICE CORPORATION

(Controlled by Buffalo General Electric Co.)

History—Inc. Feb. 26, 1892, in N. Y., as Buffalo & Niagara Falls Electric Light & Power Co.; name changed to above title Dec. 31, 1915. In Sept., 1927, the Lewiston Power Corporation and La Salle Electric Corporation were merged with the Niagara Electric Service Corporation. Franchise perpetual. Population served, 85,000. Has contract with city of Niagara Falls, N. Y., villages of Lewiston and Youngstown and Hamlet of Ransomville for street lighting, under which 1,225 street lights are being supplied. Secures its power under long time contracts from Niagara Falls Power Co.

CAPITAL STOCK

Authorized and outstanding, 60,000 shares of no par value. All owned by Buffalo General Electric Co. Annual meeting, first Monday in February. Dividends now $2.60 per share per annum; payments quarterly.

FUNDED DEBT

$396,000 Buffalo & Niagara Falls Electric Light & Power Co. First Gold 5s; dated Feb. 1, 1902; due Feb. 1, 1942; int. Feb. and Aug. 1, at The Marine Trust Co. of Buffalo, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized and issued, $500,000, of which $104,000 owned by Companies in system, leaving $396,000 outstanding with public at Dec. 31, 1926. No sinking fund. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,052,951	$867,693	$742,947	$710,642	$617,254	$533,094
Operating expenses and taxes	710,153	570,235	505,008	455,661	403,827	378,369
Net earnings	$342,798	$297,458	$237,939	$254,981	$213,427	$154,725
Other income	13,163	43,543	46,368	38,893	43,496	42,344
Total income	$355,961	$341,001	$284,307	$293,874	$256,923	$197,069
Interest, etc., charges	27,347	25,507	25,638	25,356	25,814	25,448
Balance for dividends	$328,614	$315,494	$258,669	$268,518	$159,109	$171,621
Dividends paid	156,000	72,000	72,000	72,000	72,000	72,000
Surplus for year	$172,614	$243,494	$186,669	$196,518	$159,109	$99,621

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant	$2,264,540	$1,408,954	$1,395,940	$1,329,258	$1,256,232	$1,180,016
Stocks owned	15,000	15,000	315,000	315,000	313,000	306,500
Bonds owned	140,050	224,632	254,632	254,632	254,632	254,133
Materials, etc.	61,553	59,617	42,783	44,575	38,960	35,528
Cash	237,128	417,179	195,902	160,835	225,469	147,252
Bills receivable	550	100,000	300,000	200,000	.....	.....
Accounts receivable	173,564	139,102	132,910	117,538	100,748	80,437
Employee subscribers to B. N. & E. Power Corp. stock	72,788	71,503	.....	.....	.....	.....
Other assets	40,997	252,407	24,036	24,022	25,434	29,923
Special deposits	12,500	12,500	12,500	12,500	10,417	10,417
Total	$3,018,670	$2,700,894	$2,673,704	$2,458,360	$2,224,892	$2,044,206
Liabilities—						
Capital stock	$1,470,000	$900,000	$900,000	$900,000	$900,000	$900,000
Funded debt	500,000	500,000	500,000	500,000	500,000	500,000
Current liabilities	68,976	51,167	35,825	34,142	25,223	30,422
Accrued liabilities	80,723	67,418	57,248	53,702	45,795	37,070
Subscriptions to B. N. & E. Power Corp. stock employees	122,705	98,615	.....	.....	.....	.....
Reserves	261,543	184,882	320,094	296,391	271,651	246,421
Surplus	514,723	898,812	860,537	674,125	482,223	330,293
Total	$3,018,670	$2,700,894	$2,673,704	$2,458,360	$2,224,892	$2,044,206

Officers: Geo. Urban, Jr., Pres.; Joseph E. Montague, V-P. & Gen. Mgr.; W. R. Huntley, Treas.; W. W. Denner, Sec. & Asst. Treas.; H. McCall, Asst. Sec.; A. Miles Arney, Supt.; G. J. Reichart, Sales Mgr.
Directors: W. R. Huntley, Geo. Urban, Jr., W. C. Warren, D. J. Kenefick, Edward J. Barcalo, Walter W. Huntley, Geo. P. Urban, Buffalo, N. Y.; J. E. Montague, Morris Cohn, Jr., Paul A. Schoellkopf, de Lancy Rankine, Niagara Falls, N. Y.
Office, Niagara Falls, N. Y.

THE NIAGARA FALLS POWER COMPANY
(Controlled by Buffalo, Niagara & Eastern Power Corp.)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	*Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Per Share	Dividends Paid—Amount	Earnings per Share
7% Cumulative Pfd. (par, $25)	J, A, J & O 15	$20,000,000	$17,018,100	Yes	$3,695,150	$1.75	$1,191,288	$5.43
Common (no par value)	last days of M, J, S & D	800,000 shs.	724,530 shs.	...	2,503,862	2.45	1,773,262	3.45

*Not including stock subscribed and not yet fully paid.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
(1) Niagara Falls Power Co., First 5s	Jan. 1, 1932	J & J 1	Closed	$9,154 000	No	No	Pd. by Co.
(2) Hydraulic Pwr Co. of N. F. 1st & Ref 5s	July 1, 1950	J & J 1	Closed	3,500,000	No	Yes	Pd. by Co.
(3) Hydraulic Pwr Co. of N. F. Ref & Imp. 5s	Oct. 1, 1951	A & O 1	$10,000,000	6,500.000	No	Yes	Pd. by Co.
(4) Niagara Falls Power Co., Ref. & Gen. 6s	Jan. 1, 1932	A & O 1	*20,000,000	6,973.000	No	No	Pd. by Co.
(5) Niagara Fls Pr Co 1st & Con 6s, Srs 'AA'	Nov. 1, 1950	M & N 1	15,000,000	10,000,000	No	Yes	Pd. by Co.
(6) Niagara Falls Power Co. First & Cons. 5s, Series "A"	July 1, 1959	J & D 1	1,000,000	936,000	No	Yes	Pd. by Co.
(7) N. F. P. Co. Niagara Gorge Coll. Tr. 5s	June 1, 1951	J & J 1	40,000,000	100,000	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $37,163,000.
Amount Available for Interest in 1927, $5,739,357.
Interest Accrued in 1927, $2,044,207.
Times Interest Earned in 1927, 2.81.
*Closed so long as any Series "AA" bonds are outstanding.

History—Incorp. Oct. 31, 1918, in New York, as a consolidation of The Niagara Falls Power Company, (old company) Hydraulic Power Co. of Niagara Falls and Cliff Electrical Distributing Co. The consolidation was authorized by Chapter 596 of the Laws of 1918 of the State of New York, and was made under the terms of an agreement between the three constituent corporations, dated Sept. 20, 1918. (For latest published statements of the consolidated companies, see 1918 Public Utility Manual, pages 237, 793 and 945 or apply to our Information Department). On Nov. 22, 1920, the Company merged the Niagara Development Co., all of whose stock it then and formerly owned.

Subsidiaries—The Company owns all the stock of the **Niagara Junction Railway Co.,** a terminal switching railroad. It also owns all of the capital stock except 250 qualifying directors' shares without par value and all of the funded obligations of the **Canadian Niagara Power Co., Ltd.,** which has a separate electric power generating and distributing plant on the Canadian side of the Niagara River with a present installed capacity of about 125,000 h.p. The Canadian Company disposes of a considerable part of its output to customers in Canada. The remainder is transmitted over transmission lines of Canadian company to points in the international boundary between Canada and the United States opposite Niagara Falls, and Buffalo, respectively, where it is received, distributed, and sold in and about Niagara Falls, N. Y., by the Niagara Falls Power Co. and in Buffalo by the Buffalo General Electric Co. Its generating station is directly connected with the generating stations of the parent company and is operated, in part, in parallel therewith.

In January, 1925, acquired all the capital stock of **The Niagara Gorge RR. Co.,** thus securing its right-of-way at the river's edge through the Niagara Gorge, its riparian rights and franchises. This company for some time has operated a scenic railway carrying passengers along the gorge of the Niagara River from the Falls to Lewiston, N. Y.

Properties—The consolidated company owns two electric generating and distributing plants in the City of Niagara Falls, N. Y., and, through a subsidiary company, a third generating and distributing plant on the Canadian side of the Niagara River, the system plants having an aggregate generating installation of about 680,000 h. p. Until such time, however, as existing governmental restrictions are modified, the output of the plants will not greatly exceed 500,000 h.p.

It owns approximately 1,350 acres of land in or near the City of Niagara Falls, N. Y., for sites of factories using its power. Power is supplied in the form of mechanical or electric energy in a considerable part to lessees of the lands belonging to the Company and other consumers in the City of Niagara Falls and the remainder to power users in the City of Buffalo and throughout central and western New York.

On March 2, 1921, the Federal Power Commission issued its first license, under the Federal Water Power Act, for the project submitted under this company's application, and thereby authorized the company for a term of fifty years to divert water within the State of New York from the Niagara River above the Falls, for power purposes, up to but not exceeding in the aggregate a daily diversion at the rate (as subsequently enlarged) of 19,725 cu. ft. per second. The amount so allowed to be diverted is within 275 c.f.s. of the aggregate water diversion for power purposes permitted on the American side of the Niagara River above the Falls by present terms of the treaty with Great Britain, signed Jan. 11, 1909.

By the issuance of this license the company is made secure, during the term thereof, in the possession of its riparian rights under the common law of the State of New York, as confirmed by the Legislature of the State of New York, to the extent of the permitted diversion, and the questions which had been raised on behalf of the Federal Government, beginning with the enactment of the Burton Law of 1906, under claim that the Congress had power to prevent the company from exercising its proprietary rights as owner of the upland, lands under the waters of the river and otherwise, are set at rest.

25 BROAD STREET
NEW YORK
Branch Offices
Albany Boston
Chicago Providence
Philadelphia

NIAGARA FALLS POWER CO.
Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange

Under the provisions of this license, the Company during 1924 completed the installation of a plant for an additional 200,000 e.h.p., including the necessary facilities for the delivery of the energy to distributing companies and consumers. Included in the project was an additional power transmission line to Buffalo by way of Grand Island, completed in 1922, which shortens by approximately 50% the distance traversed by the lines on the mainland along the north and east shore of the Niagara River, some parts of which were abandoned when the new line was placed in service. The new line consists of two 3-conductor circuits of 500,000 circular mil copper strung on steel poles or towers. The line operates at 60,000 volts, at which potential each of the two circuits will carry 65,000 h.p.

Change of Control—As of May 11, 1925, directors of Company approved acquisition of control of Company by Buffalo, Niagara & Eastern Power Corp., through exchange of stock on the basis of one share each of Buffalo, Niagara & Eastern Common and Pfd. for each share of The Niagara Falls Power Co. Common.

Merger Plan—See statement of Buffalo, Niagara and Eastern Power Corporation on a previous page.

YEARLY OUTPUT IN KILOWATT-HOURS

Year	Kw.-H.
1918	2,054,360,000
1919	2,034,609,000
1920	2,328,326,000
1921	1,855,120,000
1922	2,252,249,000
1923	2,595,847,404
1924	2,858,482,674
1925	3,161,130,010
1926	3,295,780,791
1927	3,320,529,795

CAPITAL STOCK

Authorized, 800,000 shares Common without par value and $20,000,000 7% cumulative Pfd. of $25 par (changed from 200,000 shares Common of $100 par value and 200,000 shares Pfd. of $100 par value in April, 1924); outstanding, Dec. 31, 1927, 724,530 fully paid Common shares and $17,018,100 fully paid Pfd. Over 99% of the Common stock is owned by Buffalo, Niagara & Eastern Power Corp. In addition there were subscriptions to Common stock by employes, totaling $441,400, of which $365,097 was paid in.

Subscription Privileges—Company, in April, 1923, received permission from the New York Public Service Commission to issue $2,600,000 new stock. Stockholders of record May 31, 1923, were given the right to subscribe to new Common stock (then $100 per share) to the extent of 10% of their holdings; payments to be made in full at time of subscription or in instalments, payable $50 July 2, $25 Oct. 1, 1923, and $25 Jan. 2, 1924. Common stockholders of record July 30, 1925 received the right to subscribe at $4 a share to no par value Common stock of Niagara Share Corp. to the extent of one share for each such Common share held. Right to subscribe expired Aug. 25, 1925.

Preferred Stock Redemption—All the outstanding Pfd. stock (680,724 shares) was called for redemption on June 30, 1928, at $27.50 per share. Up to June 1, 1928, stockholders could exchange their shares of Pfd. stock for First Pfd. stock of Buffalo, Niagara & Eastern Power Corporation.

Transfer Agents—Winslow, Lanier & Co., 59 Cedar Street, New York.

Registrar—Central Union Trust Co., New York.

Annual Meeting—Last Friday in March.

Listed (Pfd.)—New York Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	29⅝	29½	29	*29	110	109¾	98½	104½
Low	27¾	27⅝	27⅝	*27	106¼	100½	bid	102

*Par $25.

Dividends—A quarterly dividend of $1.75 per share was paid on the Pfd. stock Jan. 15, 1919, and quarterly thereafter, which covers all accruals of the cumulative dividends to March 31, 1924; July 15, 1924, 43¾ cents per share which quarterly rate has since been maintained. Initial dividend of $1.00 per share was paid on Common stock, Mar. 15, 1919, which rate paid quarterly thereafter until March 15, 1920, when $1.50 per share was paid; June 15, 1920, to June 15, 1923, inclusive, $1.50 per share; Sept. 15, 1923, to March 15, 1924, inclusive, $2 per share; June 16, 1924 to Sept. 30, 1926, 50 cents per share on new stock; Dec. 31, 1926 to Sept. 30, 1927, 60 cents per share; Dec. 31, 1927, and March 31, 1928, 65 cents per share each. In addition, special dividends of $1 per share each on the Common were paid Dec. 15, 1922 and 1923. Dividends on both classes are declared the second Fridays in F, M, A & N; and are paid quarterly on Pfd. J, A, J & O 15, and on Common the last days of M, J, S & D.

FUNDED DEBT

(1)	The Niagara Falls Power Co. First Gold 5s	Due	Jan. 1, 1932
(2)	Hydraulic Power Co. of Niagara Falls First & Ref. 5s	"	July 1, 1950
(3)	Hydraulic Power Co. of Niagara Falls Ref. & Imp. 5s	"	Oct. 1, 1951
(4)	The Niagara Falls Power Co. Ref. & Gen. 6s	"	Jan. 1, 1932
(5)	The Niagara Falls Power Co. First & Cons. 6s, Series "AA"	"	Nov. 1, 1950
(6)	The Niagara Falls Power Co. First & Cons. 5% Mtge. Temporary Bearer Bonds, Series "A"	"	July 1, 1959
(7)	The Niagara Falls Power Company, Niagara Gorge Collateral Trust 5s	"	June 1, 1951

(1)

$9,154,000 THE NIAGARA FALLS POWER COMPANY FIRST GOLD 5s; DUE JANUARY 1, 1932

Dated January 1, 1892.

Interest Payable January and July 1 on Coupon bonds, and J, A, J & O 1 on registered bonds, at Winslow, Lanier & Co., 59 Cedar Street, New York.

Denominations—Coupon, $1,000; registered, $500 and multiples.

Trustee and Registrar—Central Union Trust Co., New York.

Provisions of Issue—Authorized and issued $10,000,000, of which $455,500 have been purchased and pledged under mortgage, $236,500 reacquired for sinking fund under First & Consolidated Mortgage, $100,000 pledged with Trustee under First & Consolidated Mortgage, and $54,000 held in Treasury, leaving outstanding $9,154,000.

Callability—Not subject to call.

Sinking Fund—None.

Security—The mortgage covers the property and all franchises, transmission lines, lands, etc., of The Niagara Falls Power Co. (constituent) and has lodged thereunder for further security U. S. Government Liberty bonds and Treasury Notes to the principal amount of $525,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed (Coupon and Registered)—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104⅝	103	103	102	101	101⅝	96	92½
Low	100¼	100	99¼	99	95¼	94	86⅛	85½

(2)

$3,420,000 HYDRAULIC POWER CO. OF NIAGARA FALLS FIRST AND REFUNDING MORTGAGE 5s; DUE JULY 1, 1950

Dated July 1, 1910.

Interest Payable January and July 1, at The Marine Trust Co., Buffalo, and Chase National Bank, New York.

Denomination—Coupon (principal may be registered) and registered, $1,000.

Trustee—The Marine Trust Co., Buffalo.

Provisions of Issue—Authorized and issued, $3,500,000, of which $80,000 held by companies in system, leaving $3,420,000 in hands of public at Dec. 31, 1927.

Callability—Subject to call at 110 and interest on any interest date on six months' notice.

Security—A first lien on the plant and operating properties of the former Hydraulic Power Co. of Niagara Falls (one of the constituent corporations of the consolidated company) and additionally secured by pledge of $1,150,000 Cliff Electrical Distributing Co., First Gold 5s, due 1940, being the entire issue thereof now outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($650,000) in 1910 at par and interest; an additional $420,000 were offered in 1912 at 102½ and interest.

Price Range—

	1927	1926	1925	1924	1923
High	104½	105	103	101½	100¼
Low	103	100¼	100	99	97½

(3)

$6,500,000 HYDRAULIC POWER CO. OF NIAGARA FALLS REFUNDING AND IMPROVEMENT MORTGAGE GOLD 5s; DUE OCTOBER 1, 1951

Dated October 1, 1916.

Interest Payable April and October 1, at The Marine Trust Co., Buffalo, or Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Marine Trust Co., Buffalo.

Provisions of Issue—Authorized and issued, $10,000,000, of which $3,500,000 are reserved to retire the First and Refunding 5s.

Callability—Subject to call at 105 and interest on any interest date on two months' notice.

Security—Secured by a direct mortgage on the power canal, power plants, buildings, pen-stocks, turbines, equipment, other specified real estate and property of the former Hydraulic Power Company of Niagara Falls, as well as pledge of $1,150,000 Cliff Electric Distributing Company First Mtge. 5s due 1940, subject to the said First & Refunding Mtge. 5% bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	104½	104¾	102	100	98¾
Low	102¾	99¾	99½	98	95½

(4)

$6,973,000 THE NIAGARA FALLS POWER COMPANY REFUNDING AND GENERAL MORTGAGE GOLD 6s; DUE JANUARY 1, 1932

Dated October 1, 1909.

Interest Payable April and October 1, at Bankers Trust Co., New York.

Denominations—Coupon, $1,000 (principal may be registered) and registered, $1,000 and multiples thereof.

Trustee and Registrar—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $20,000,000. Closed so long as any First and Consolidated 6s, Series "AA" are outstanding. Outstanding bonds were reduced to above amount by purchase of $1,040,000 for sinking fund and $213,000 held in treasury.

Sinking Fund—A sinking fund is provided.

Callability—Not subject to call.

Security—Secured by a second mortgage on all of the property covered by the First Mortgage 5s (No. 1), and by the pledge thereunder (subject to no other lien) of all the capital stock (except directors' qualifying shares), and of all the $6,480,000 issue of the 6% debentures of the Canadian Niagara Power Co., Ltd., and all of the outstanding shares of the capital stock of Niagara Junction Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106⅝	106⅝	106⅝	106⅛	105	105	101	93
Low	102¼	103¾	103	103¾	100	100½	90	90

(5)

$10,000,000 THE NIAGARA FALLS POWER COMPANY FIRST AND CONSOLIDATED MORTGAGE 6s, SERIES "AA"; DUE NOVEMBER 1, 1950

Dated November 1, 1920.

Interest Payable May and November 1, at Bankers Trust Co., New York, or The Marine Trust Co., Buffalo.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Marine Trust Co., Buffalo.

Provisions of Issue—The amount of First and Consolidation Mortgage bonds is so limited that never at any time shall there be outstanding an aggregate principal sum exceeding $75,000,000. Of the bonds authorized under this mortgage, $40,000,000 are designated Series "A" maturing July 1, 1959, bearing 5% annual interest payable semi-annually Jan. 1 and July 1, redeemable prior to maturity at 105 and accrued interest upon two months' notice, and are reserved for acquiring by purchase or exchange or for refunding, paying, and retiring the several issues of bonds of the constituent companies (therein called "prior bonds"), except the $1,150,000 bonds of Cliff Electrical Distributing Co., all of which latter are now owned by the new company, subject to the pledges above stated; $15,000,000 are Series "AA", of which $10,000,000 issued and outstanding; the remaining $20,000,000 may be issued in one or more different series, bearing a different rate of interest but in no case to exceed 6% per annum. The Series "A" bonds are reserved for retirement of all underlying bonds, except the $1,150,000 bonds of Cliff Electrical Distributing Co., but upon cancellation of any of the prior mortgages any such reserved bonds which may not have been used for refunding purposes will be available, together with the $20,000,000 undesignated bonds and the $5,000,000 unissued Series "AA" for other corporate purposes. $100,000 Series "A" bonds are outstanding.

Additional Series "AA" bonds may be issued when cash cost or fair value (whichever is less) of the acquisitions, betterments, etc., in respect of which reimbursement is required shall exceed by at least 25% of the face amount of additional bonds from the proceeds of which such disbursement is to be made. Furthermore, proceeds of additional Series "AA" bonds may only be paid to company when net earnings for a period of twelve consecutive months out of the fifteen consecutive calendar months immediately preceding the application for such reimbursement shall be equal to at least one and one-half times the total annual interest charges on all bonds outstanding and those proposed to be issued.

Callability—Subject to call as a whole or in part at 105 and interest upon 60 days' notice.

Sinking Fund—Pursuant to provisions of the First & Consolidation Mortgage there was paid to the Trustee on July 1, 1921 to 1926, incl., and will be so paid prior to each succeeding July 1, for a sinking fund a sum equal to (1) 10% of the amount declared payable as dividends on the common stock of the Company not exceeding dividends of 5% during the then next preceding calendar year, and (2) 20% of the amount declared in excess of 5%. Such sum, together with any additional moneys received as interest on prior bonds acquired by the sinking fund, is to be applied to the purchase of prior bonds or of First and Consolidation Mortgage Bonds at the lowest prices obtainable but not exceeding 105 and accrued interest or, if First and Consolidation Mortgage Bonds cannot

be purchased at 105 and accrued interest, then to their redemption at that price, the Company having the privilege of designating the issue or issues to be purchased or redeemed. At Dec. 31, 1927, $1,040,000 in face amount of Refunding and General Gold 6s of The Niagara Falls Power Co. (constituent), had been acquired with sinking fund payments and $213,000 held in treasury reducing that issue outstanding to $6,973,000. $236,500 The Niagara Falls Power Co. First 5s, due Jan. 1, 1932 also are held in this sinking fund.

Security—The First and Consolidation Mortgage is a direct lien covering the plants, improvements, water rights and other rights relating to said plants and improvements then vested in or acquired by the new corporation for the production of power, and all franchises and properties then vested in or acquired by it for the distribution or sale of power, all property acquired with the proceeds of any bonds issued thereunder, and all the authorized and issued capital stock (except qualifying shares of directors) and $6,480,000, principal amount of 6% debentures, and all subsequently acquired stocks, bonds, debentures, and other obligations of Canadian Niagara Power Co., Ltd., subject to existing liens on a part thereof of the respective mortgages listed above. Also secured by a direct first mortgage upon real estate, electrical machinery and a transmission and distributing system of large value and constituting an important part of the Company's properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Masten & Nichols, New York (for the bankers).

Original Offering—First publicly offered ($4,000,000) in December, 1920, by Spencer, Trask & Co., and E. H. Rollins & Sons, New York, and Schoellkopf, Hutton & Pomeroy, Inc., Buffalo, at 87½ and interest; $6,000,000 additional offered in May, 1921, at 88 and interest, by the same syndicate.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	106¼	107	106½	105¾	104⅛	103½	98
Low	104¾	104½	105¾	104	102	bid	bid

(6)

$100,000 THE NIAGARA FALLS POWER COMPANY FIRST AND CONSOLIDATED MORTGAGE 5s, SERIES "A"; DUE JULY 1, 1959

Dated July 1, 1919.

Interest Payable January and July 1, at Bankers Trust Co., New York, and The Marine Trust Co., Buffalo, N. Y.

Provisions of Issue, Etc.—Denominations, Trustee, Provisions of Issue, Sinking Fund, Tax Provisions, etc., same as Series "AA" (Section 5).

(7)

$936,000 THE NIAGARA FALLS POWER COMPANY, THE NIAGARA GORGE COLLATERAL TRUST 5% GOLD BONDS; DUE JUNE 1, 1951

Dated June 1, 1924.

Interest Payable June and December 1, at Niagara Falls Trust Co., Niagara Falls, N. Y.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Niagara Falls Trust Co., Niagara Falls, N. Y.

Provisions of Issue—Authorized, $1,000,000; outstanding, $936,000; held in Pension Fund, $12,000; held in treasury, $1,000.

Callability—Subject to call at par and interest on any interest date on 6 months' notice.

Security—Secured by pledge of an equal face amount of The Niagara Gorge RR. Co. First Mortgage 5% Gold bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

NOTE—In addition there are outstanding $1,150,000 Cliff Electrical Distributing Co. General 5s of 1940, owned by The Niagara Falls Power Co. and deposited with trustee under $3,500,000 Hydraulic Power Co. of Niagara Falls First and Ref. Mortgage; $6,480,000 Canadian Power Co., Ltd., 6% debentures of 1932, owned by The Niagara Falls Power Co. and deposited with trustee under $6,973,000 The Niagara Falls Power Co. Ref. and Gen. Mortgage; also $61,659.70 real estate mortgages.

***CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31**

(The Niagara Falls Power Co., Canadian Niagara Power Co., Ltd., and Niagara Junction Ry. Co., The Niagara Gorge Railroad Co. and Niagara Gray Bus Line, Inc.)

	1927	1926	1925	1924	1923	1922
Rentals from electric energy	$11,190,329	$9,943,890	$8,509,394	$7,712,664	$6,694,069	$6,197,476
Miscellaneous	1,232,947	1,153,434	1,052,198	800,634	807,826	705,601
Total operating revenue	$12,423,276	$11,097,324	$9,561,592	$8,513,298	$7,501,895	$6,903,077
Operating expenses	3,693,051	2,904,835	1,909,981	1,624,964	1,472,091	1,248,178
Amortization	1,040,717	1,026,542	979,080	871,797	790,771	690,149
Operating taxes	1,385,556	1,282,248	1,269,810	1,005,946	877,516	797,205
Total deductions	$6,119,324	$5,213,625	$4,158,871	$3,502,707	$3,140,378	$2,735,532
Operating income	6,303,952	5,883,699	5,402,721	5,010,591	4,361,517	4,167,545
Non-operating income	86,280	104,124	220,217	317,045	292,235	291,091
Gross income	$6,390,232	$5,987,823	$5,622,938	$5,327,636	$4,653,752	$4,458,636
Interest on funded debt	2,044,207	2,062,750	2,088,729	1,950,929	1,709,127	1,723,790
U. S. Federal taxes, Canadian business profits war tax, etc.	650,875	532,066	542,256	472,785	382,239	340,439
Total deductions	$2,695,082	$2,594,816	$2,630,985	$2,423,714	$2,091,366	$2,064,229
Net Income	3,695,150	3,393,007	2,991,953	2,903,922	2,562,386	2,394,407
Preferred dividends	1,191,288	1,191,274	1,180,671	1,157,432	1,107,267	1,055,908
Common dividends	1,773,262	1,516,398	1,438,618	1,420,906	1,299,834	1,015,542
Surplus after dividends	$730,600	$685,335	$372,664	$325,584	$155,285	$322,957
Times Interest Earned	2.81	2.64	2.34	2.49	2.50	2.39
Earnings Per Share—						
Preferred	$5.43	$4.98	$4.40	†$4.36	$16.07	$15.44
Common	3.45	3.04	2.51	†2.44	8.40	9.22

*1925 figures include The Niagara Gorge Railroad Co. †The difference in amount of earnings per share as compared with prior years is due to change in par value and number of shares.

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1927

Credits: Balance Dec. 31, 1926, brought forward, $4,574,566; net income, for current year, as above, $3,695,150; net miscellaneous debit adjustments, $263,672—total, $8,006,043. Debits: Pfd. stock dividends, $1,191,288; Common stock dividends, $1,773,262; balance as per balance sheet, $5,041,493—total, $8,006,043.

CONSOLIDATED COMPARATIVE BALANCE SHEET, DECEMBER 31
(The Niagara Falls Power Co. and Subsidiary Companies)

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$75,135,598	$75,151,677	$73,586,907	$70,119,083	$66,715,620	$60,624,798
Sinking fund (cash & int. accrued)	21,828	17,277	27,289	23,095	5,916	9,298
Miscellaneous investments:						
Pledged:						
U. S. Liberty Loan bonds & Treasury Notes	525,000	600,000	600,000	629,000	807,000	890,000
Misc. bonds, stocks, etc.	.....	.....	.....	208,429	.....	967,107
Cash	17,320	26,780	56,791	15,976	15,476	502,608
Land other than for electric operations	2,581,253	2,564,919	2,656,824	2,441,002	2,343,890	2,337,022
Unpledged:						
Misc. bonds, stocks, etc	106,108	131,133	463,672	1,954,729	1,764,875	1,764,875
Land other than for electric operations	1,820,133	1,771,886	1,506,199	1,274,324	1,161,347	1,084,530
Cash	3,181,239	1,921,402	1,594,097	2,163,855	1,837,881	1,807,800
Cash to pay interest (contra)	344,590	380,926	384,351	379,877	358,417	372,076
Cash to pay dividends (contra)	2,449	2,744	362,824	8,808	5,523	1,014
Dividends receivable	.....	.....	.....	63,506	.....	.....
Accrued interest receivable	17,945	13,648	12,734	7,624	.....	.....
Notes and accounts receivable	1,423,566	1,413,333	1,506,532	1,435,258	1,394,438	1,328,287
Marketable securities	122,651	106,983	137,813	153,477	2,106,767	2,183,569
Materials and supplies	393,201	447,423	390,038	400,943	426,772	459,195
Prepaid taxes, insurance, etc.	718,740	766,652	783,609	803,063	712,457	637,233
Unamortized debt discount and expense	1,835,222	1,914,820	1,994,418	2,074,016	2,156,015	2,235,763
Miscellaneous deferred debits	233,851	340,368	139,796	122,891	.....	.....
Subscriptions to capital stock	*496,581	835,889	390,342	573,840	.....	.....
Total	$88,977,275	$88,407,860	$86,594,236	$84,852,796	$81,812,394	$77,205,175
Liabilities—						
Common stock (N. F. P. Co.)	$18,113,250	$18,081,425	$18,021,400	$17,910,500	$17,324,400	$14,521,900
Preferred stock (N. F. P. Co.)	17,018,100	17,018,100	17,007,800	16,649,900	15,940,800	15,505,900
Capital stock (Can. Niagara Power Co., Ltd.) in hands of public	2,500	2,500	2,500	2,500	2,500	2,500
Subscriptions to Capital stock (N. F. P. Co.) (partly paid)	441,440	520,630	636,770	994,825	893,883	535,200
Subscriptions to Capital stock, B. N. & E. Power Corp.	740,140	838,145	.....	.....	.....	.....
Premium on Pfd. stock	82,300	82,300	82,405	83,412	83,933	12,408
Funded debt	37,163,000	37,546,500	37,947,500	37,399,500	37,569,500	37,914,000
Mortgages on real estate	61,660	123,069	159,877	35,406	49,197	50,731
Notes and accounts payable	398,332	460,749	354,066	781,909	267,397	365,144
Accrued taxes and rent	920,261	737,427	689,053	647,068	549,124	513,805
Unmatured accrued interest	305,890	307,458	308,760	309,233	332,332	307,986
Matured interest (contra)	344,590	380,926	384,350	379,877	358,417	372,076
Dividend checks not presented (contra)	2,449	2,744	362,824	8,808	5,523	1,014
Dividend accrued on Pfd. stock	297,822	297,822	297,641	291,373	278,964	271,353
Reserves for accrued amortization of capital, etc.	7,000,869	6,390,320	5,510,550	4,991,295	4,372,759	3,966,115
Excess of assets over liabilities upon consolidation as of Sept. 30, 1918 (as adjusted)	812,870	812,870	812,870	812,870	815,537	491,638
Fixed and undistributable surplus (arising from Niagara Development Co. merger)	230,309	230,309	230,309	230,309	236,644	236,644
Surplus	5,041,493	4,574,566	3,785,561	3,324,011	2,731,484	2,136,761
Total	$88,977,275	$88,407,860	$86,594,236	$84,852,796	$81,812,394	$77,205,175

*Employees subscriptions to $73,343 Capital stock of The Niagara Falls Power Co. and $420,238 of Buffalo, Niagara & Eastern Power Corp.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$3,181,239	$1,921,402	$1,594,097	$2,163,855	$1,837,881	$1,807,800
Cash deposited to pay coupons, etc. (contra)	344,590	380,926	384,351	379,877	358,417	372,076
Cash deposited to pay dividends (contra)	2,449	2,744	362,824	8,808	5,523	1,014
Dividends receivable	.....	.....	.....	63,506	.....	.....
Notes and accounts receivable	1,423,566	1,413,333	1,506,532	1,435,258	1,394,438	1,328,287
Marketable securities	122,651	106,983	137,813	153,477	2,106,767	2,183,569
Accrued interest receivable	17,495	13,648	12,734	7,624	.....	.....
Materials and supplies	393,201	447,423	390,038	400,943	426,772	459,195
Subscriptions to capital stock	*496,581	835,889	390,342	573,840	.....	.....
Total	$5,981,772	$5,122,348	$4,778,730	$5,187,188	$6,129,798	$6,151,941
Current Liabilities—						
Notes and accounts payable	$398,332	$460,749	$354,066	$781,909	$267,397	$365,144
Accrued taxes and rent	920,261	737,427	689,053	647,068	549,124	513,805
Unmatured accrued interest	305,890	307,458	308,760	309,233	332,332	307,986
Matured interest (contra)	344,590	380,926	384,351	379,877	358,417	372,076
Dividend checks not presented (contra)	2,449	2,744	362,824	8,808	5,523	1,014
Pfd. dividends payable	297,822	297,822	297,641	291,373	278,964	271,353
Subscriptions to capital stock of Buff. Niagara & Eastern Power Corp.	740,140	838,145	.....	.....	.....	.....
Total	$3,009,484	$3,025,271	$2,396,695	$2,418,268	$1,791,757	$1,831,378
Net Working Capital	$2,972,288	$2,097,077	$2,382,035	$2,768,920	$4,338,041	$4,320,563

*Employees subscriptions to $76,343 capital stock of The Niagara Falls Power Co. and $420,238 capital stock of Buffalo, Niagara & Eastern Power Corp.

Officers: J. F. Schoellkopf, Chairman of Board; C. P. Hugo Schoellkopf, Vice-Chrm., Buffalo, N. Y.; Paul A. Schoellkopf, Pres.; Morris Cohn, Jr., V-P. & Gen. Counsel; Alex. D. Robb, V-P.; Ross R. Coddington, V-P. & Works Mgr.; Frederick L. Lovelace, Sec.; W. Paxton Little, V-P. & Treas.; Norman R. Gibson, V-P. & Chief Eng.; John F. Lynch, Asst. Treas ; Carlton W. Pierce, and Benjamin Klopp, Asst. Secs.; Martin Lee Clark, Asst. Gen. Counsel; Harry L. Murdock, Aud., Niagara Falls, N. Y.

Executive Committee: Morris Cohn, Jr., Fred D. Corey, Le Grand S. De Graff, William R. Huntley, C. P. Hugo Schoellkopf, Jacob F. Schoellkopf, Paul A. Schoellkopf.

Directors: Edward D. Adams, Floyd L. Carlisle, Ogden Mills, Jefferson Penn, New York City; Morris Cohn, Jr., Frederick L. Lovelace, de Lancey Rankine, Paul A. Schoellkopf, Niagara Falls, N. Y.; Fred D. Corey, William R. Huntley, Russell J. H. Hutton,

George W. Olmsted, John Olmsted, Robert W. Pomeroy, George F. Rand, Hans Schmidt, Alfred H. Schoellkopf, C. P. Hugo Schoellkopf, Jacob F. Schoellkopf, Jacob F. Schoellkopf, Jr., Walter H. Schoellkopf, William G. Schoellkopf, Buffalo, N. Y.; Irvin W. Day, Waterbury, Conn.; Le Grand S. DeGraff, North Tonawanda, N. Y.; Gustav A. Reuss, Milwaukee, Wis.

Corporate Office, Niagara Falls, N. Y.

CANADIAN NIAGARA POWER CO., LTD.

(Controlled by The Niagara Falls Power Co.)

History and Property—Incorp. April 14, 1892, in Ont. Plant is situated on Canadian side of river, in Queen Victoria Niagara Falls Park, under terms of a leasehold agreement with the Park Commission approved by acts of the Provincial Parliament covering the right to take water from Niagara River, and develop therefrom electric power. The term of the agreement is for 20 years, renewable for at least four further successive terms of 20 years each, extending to 1992. Subject to readjustment at May 1, 1949, a minimum rental is paid the Ontario Government of $15,000 per year, with additional charges per h.p. varying as the amount generated and used and sold or disposed of increases in excess of 10,000 h.p. The Company's present plant has an output capacity of 100,000 h.p. with additional reserve generating machinery.

CAPITAL STOCK

Authorized and outstanding, 300,000 shares without par value. All but 250 shares of the stock is owned by The Niagara Falls Power Co., and pledged under the mortgage securing the constituent Company's Refunding and General Mortgage 6% bonds, and subject only to the lien of that mortgage, also pledged under the First and Consolidation Mortgage to The Marine Trust Co. of Buffalo, dated July 1, 1919. Annual meeting, last Friday in March.

FUNDED DEBT

(1)

$4,980,000 GOLD DEBENTURE 6s, SERIES "A" AND "B"; DUE OCTOBER 1, 1911, BUT EXTENDED TO JANUARY 1, 1932, THE COMPANY RESERVING THE RIGHT TO PAY SAME ON ANY PRIOR INTEREST DATE

Trustee—Toronto (Ont.) General Trusts Corp.

Authorized—$5,000,000.

Security—A lien on generating plant and other property of the company. These debentures are pledged (1) with Bankers Trust Co. of New York as part collateral for The Niagara Falls Power Co. Refunding and General Gold 6s; and (2), subject thereto, with The Marine Trust Co. of Buffalo as part collateral for The Niagara Falls Power Co. First and Consolidated Mortgage bonds.

Tax Provisions—Company covenants to pay principal and interest in full without deduction for any tax which the obligor or trustee may be required to pay or retain therefrom under any law, present or future, of the Province of Ontario or Dominion of Canada.

(2)

$1,500,000 GOLD DEBENTURE 6s, SERIES "C"; DUE JANUARY 1, 1932, THE COMPANY RESERVING THE RIGHT TO PAY SAME ON ANY PRIOR INTEREST DATE

Interest Payable April and October 1, at Toronto General Trusts Corp.

Trustee—Toronto (Ont.) General Trusts Corp.

Security—Secured on the generating plant and other property of the company, but subject to the debentures, Series "A" and "B." These Series "C" debentures are pledged with the Bankers Trust Co. of New York for same purpose as Series "A" and "B" and are also pledged under the said First and Consolidation Mortgage of The Niagara Falls Power Co., subject only to the said lien of the said indenture to Bankers Trust Co.

Tax Provisions—Company covenants to pay principal and interest in full without deduction for any tax which the obligor or Trustee may be required to pay or retain therefrom under any law, present or future, of the Province of Ontario or Dominion of Canada.

OFFICERS AND DIRECTORS

Officers: A. Monro Grier, Pres.; Morris Cohn, Jr., V-P.; Alex. D. Robb, Sec. & Asst. Gen. Mgr.; Benjamin Klopp, Asst. Sec.; W. Paxton Little, Treas.; John F. Lynch, Asst. Treas.; Paul A. Schoellkopf, Gen. Mgr.; Wallace Nesbitt, Gen. Counsel; Benjamin Klopp, Asst. Sec.; Harry L. Murdock, Aud.

Directors: A. Monro Grier, Wallace Nesbitt, Toronto, Ont.; Morris Cohn, Jr., Paul A. Schoellkopf, Alex. D. Robb, Niagara Falls, N. Y.

Office, Niagara Falls, Ont.

NIAGARA, LOCKPORT AND ONTARIO POWER COMPANY

(Controlled by Buffalo, Niagara & Eastern Power Corp.)

History—Incorporated January 4, 1928 in New York; merger of company of same name which was incorporated May 21, 1894 in New York, and Western New York Utilities Company, Inc. (see appended statement). Holders of Pfd. stock, par $100, of Niagara, Lockport & Ontario Power Company (constituent (received 4 2/5 shares of Pfd. stock of the new Company in exchange for each share owned. Pfd. stockholders of the Western New York Utilities Company, Inc. received $2.50 in cash and four shares of Pfd. stock of the new Company, also the sum of 58 1/3 cents in lieu of dividend for December, 1927. Holders of the 300,000 shares of Common stock of the Niagara company and of the 27,500 shares of Common stock of the Western company received Common stock of the new company share for share.

For list of companies merged with Niagara, Lockport and Ontario Power Company prior to 1927 see 1927 Public Utility Manual page 1121. In the early part of 1927 it merged the Sanborn Pekin Power Company which operated in Niagara County and in December, 1927 merged Porterville Utility Company which operated in Cattaraugus County. Company owns all of the issued and outstanding capital stock of **Bradford Electric Company,** operating in McKean County, Pa.; and the **Warren & Jamestown Street Railway,** operating between Warren, Pa., and Jamestown, N. Y.; also controls **Hydraulic Race Co.**

Properties—Company owns and operates (a) hydro-electric plant on the Salmon River northeast of Syracuse of 35,000 h.p. capacity; (b) a steam generating plant at Lyons, N. Y., of 40,000 h.p. capacity; a steam generating plant at Olean, N. Y., of 5,000 h.p. capacity; leases from Northern New York Power Co. a hydro-electric plant on the Oswego River at Minetto, N. Y. of 12,000 h.p. capacity, and purchases from The Niagara Falls Power Company and the Ontario Power Company (Canadian), under long term contracts, 130,000 hydro-electric h.p.

The Western New York Utilities Co. properties included two hydro-electric generating stations on Oak Orchard Creek—one at Medina with 2,700 h. p. capacity, and one at Waterport with 6,200 h. p. capacity. This output amounts to about 25% of the electricity distributed, the balance having been supplied by Niagara, Lockport and Ontario Power Co.

The territory served includes some 1,600 square miles, embracing all of Orleans County, practically

all of Genesee County, and serving as well the towns of Attica, Covington, Newstead, Somerset, Hamlin, Sweden and Clarkson in neighboring counties. In 1927 Western New York Utilities Co. sold 63,378,807 k.w.h. of electric energy.

Interconnections—Distributing system is interconnected with the generating plants of The Niagara Falls Power Company and of the Hydro-Electric Commission of Ontario at Niagara Falls. It is also interconnected with the Buffalo General Electric Company system at Buffalo. The lines of the Niagara, Lockport & Ontario Power Company are also connected up for emergency service and for the interchange of surplus power with the following systems in contiguous territory: (a) Northern New York Utilities, Inc., which owns and operates hydro-electric and steam-electric generating plants and supplies electric service to cities, towns and villages in several counties in Northern New York State; (b) Adirondack Power & Light Corporation which owns and operates hydro-electric and steam-electric generating plants and serves cities, towns and villages in Central and Eastern New York State; and (c) Penn Public Service System operating hydro-electric and steam-electric plants and rendering electric service in the States of Pennsylvania and Maryland. The generating capacity of the various power sources interconnected through the Niagara, Lockport & Ontario Power Company's transmission system aggregates more than two million horsepower.

Transmission Lines—The high-tension transmission system of Company weaves a net work of lines over the western and central part of New York State. It embraces 1,278 miles of lines on steel towers and 669 miles of lines on wooden poles. There are 1,212 miles of transmission circuits insulated for 110,000 volts, 200 miles insulated for 60,000 volts, and 535 miles insulated for from 6,600 volts to 60,000 volts. Right-of-way owned in fee, 389 miles; permanent easement for right-of-way, 450 miles. The land owned in fee for transmission right-of-way approximates 5,220 acres.

Distribution—The territory reached and served in whole or in part, by the Niagara Lockport & Ontario Power Company embraces eighteen counties in New York State and one in Pennsylvania with a population in excess of two million people. The Company holds franchises in more than 229 cities, villages and towns. Electric power is sold at wholesale to other public utility companies and to municipalities, to electrically-operated railways, and retailed for manufacturing commercial and domestic service. In addition to its high-tension transmission service, the Company does a substantial retail distributing business in the Jamestown, Olean, Camden, Wilson and Avon districts and various rural communities throughout Western New York, serving 33,794 residential and commercial lighting consumers and 687 industries. It also sells power in bulk to 23 privately owned distributing utilities, 18 municipalities, 18 electric urban and interurban railways, and furnishes street lighting in 94 cities, villages and lighting districts.

The Syracuse Lighting Company obtains its entire electrical supply from the Niagara, Lockport & Ontario Power Company system. Among the other large retail distributors of electrical energy purchasing substantial blocks of power from this system are the Rochester Gas & Electric Corporation, Rochester; Empire Gas & Electric Company, operating in Geneva, Auburn, Seneca Falls and adjoining territories; New York Central Electric Corporation, operating in Hornell, Warsaw, Perry and nearby towns and villages.

GROWTH OF BUSINESS

The growth of the company's business is indicated by the following figures:

Years	Total K.W.H. Consumption	H.P. Sold,Av. Monthly Sales
1907	48,547,800	16,786 h.p.
1908	96,575,110	25,500 "

GROWTH OF BUSINESS (Continued):

Years	Total K.W.H. Consumption	H. P. Sold Av. Monthly Sales
1909	159,008,298	38,131 h.p.
1910	177,722,627	44,834 "
1911	193,864,268	48,493 "
1912	230,899,434	57,144 "
1913	270,320,004	64,528 "
1914	244,651,276	59,815 "
1915	250,778,898	62,466 "
1916	390,244,159	87,734 "
1917	470,423,190	106,689 "
1918	499,037,996	117,053 "
1919	393,791,978	104,679 "
1920	443,805,668	113,078 "
1921	366,783,384	110,436 "
1922	484,877,202	142,688 "
1923	613,547,320	174,849 "
1924	640,904,341	188,370 "
1925	750,426,395	..... "
1926	866,789,920	..... "
1927	890,253,523	..... "

Consolidation Plan.—See Buffalo, Niagara & Eastern Power Corp. on a preceding page.

CAPITAL STOCK

Authorized, 327,500 shares Common of no par value and $12,500,000 Preferred of $25 par value. As of Dec. 31, 1927, the constituent companies had the following amounts of capital stock outstanding: (1) Niagara, Lockport and Ontario Power Company, 300,000 shares Common of no par value and $9,992,500 7% cumulative Pfd. of $100 par value; (2) Western New York Utilities Company, Inc., 27,500 shares Common of no par value and $1,468,800 7% cumulative Pfd. of $100 par value. Exchange of stocks was to be made on the basis shown in the first paragraph of this company's statement, entitled "History."

Preferred Stock Redemption—All the outstanding Preferred stock of Company, par $25, has been called for redemption on June 30, 1928, at $26.25 per share. Up to June 1, 1928, Pfd. stockholders were allowed to exchange their shares for First Pfd. stock of Buffalo, Niagara & Eastern Power Corp.

Annual Meeting—First Tuesday in October, at Lockport, N. Y.

Dividends—Pfd. dividends of predecessor Company were paid quarterly, J, A, J & O 1. Dividends were paid on Common shares of predecessor Company as follows: Jan. 1, 1923, $1.25; April 1, 1923 to Oct. 1, 1926, 50 cts. per share quarterly; Dec. 31, 1926, to Sept. 30, 1927, 75 cts. per share each quarter; Dec. 31, 1927, 85 cts. per share; payments, M, J, S & D 31. An extra dividend of 25 cents was paid Jan. 2, 1925.

Dividends on stock of the present company have been paid as follows: Initial quarterly dividend of $0.40 per share on Pfd. stock of $25 par value was paid April 2, 1928. Initial quarterly dividend of $0.85 per share on Common stock of no par value was paid April 2, 1928.

FUNDED DEBT

(1)

$4,101,000 SALMON RIVER POWER CO. FIRST MORTGAGE GOLD 5s; DUE AUGUST 1, 1952

Dated August 1, 1912.

Interest Payable February and August 1, at American Exchange Irving Trust Co., New York. Principal and interest payable abroad at the following rates: London $4.86 per £; France or Switzerland, francs, 5.18.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized and issued, $5,000,000, of which $899,000 purchased by and held in sinking fund to December 31, 1927.

Callability—Subject to call as a whole or in part at 110 and interest on any interest date upon six weeks' notice.

Sinking Fund—Annual sinking fund of not less than 1% of bonds issued, began Aug. 1, 1916, sufficient

to retire the entire issue at maturity; bonds to be purchased for the fund at or below 110 and int., at which price they may be called by lot; bonds acquired to be kept alive as to interest.

Security—A first lien on entire property of Salmon River Power Co.

Guaranty—Principal and interest are guaranteed by Niagara, Lockport & Ontario Power Co., by endorsement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Cravath, Henderson & deGersdorff, New York.

Original Offering—First publicly offered ($5,000,000) in October, 1912, at 91 and interest.

Price Range—

	1927	1926	1925	1924	1923
High	103½	103½	101½	100	97
Low	102½	100½	98½	95	93

(2)

$18,750,000 NIAGARA, LOCKPORT & ONTARIO POWER CO. FIRST MORTGAGE & REFUNDING 30-YEAR GOLD 5s, SERIES "A"; DUE APRIL 1, 1955

Dated April 1, 1925.

Interest Payable April and October 1, at Marine Trust Co., Buffalo, N. Y., and at Blair & Co., Inc., New York.

Denominations—Coupon, $500 and $1,000; bonds of $1,000 denomination may be registered as to principal or fully registered.

Trustee—The Marine Trust Co. of Buffalo (succeeding as Trustee the Buffalo Trust Co.)

Provisions of Issue—Authorized amount unlimited. Outstanding, $18,750,000 Series "A" 5s. Additional bonds may be issued under the mortgage, at any time, to retire (a) any series of bonds, issued under the present mortgage or (b) the outstanding Salmon River Power Co., First 5s, due 1952. Additional bonds may also be issued, for not exceeding 75% of the cost of additions to the Company's property, subjected to the lien of the mortgage, and then only if net income as defined during 12 out of 15 months preceding (or the annual average during 36 out of 39 months preceding) shall equal 1¾ times annual interest on all First and Refunding and Salmon River Power Co. First Mortgage bonds outstanding, including interest on additional bonds then to be issued.

Purpose of Issue—Of the $18,750,000 Series "A" 5s, $15,000,000 were issued to retire $8,573,500 mortgage indebtedness of Company and its subsidiaries and to reimburse Company for expenditures made or contemplated for additions, extensions and improvements to the plant and property; the $3,750,000 of this series later issued provided funds to reimburse Company for expenditures for additions, extensions and improvements to properties theretofore made and the purchase of underying bonds.

Callability—Subject to call as a whole or in part on any int. date upon 60 days' notice, at 105 and int. until April 1, 1945, the premium reducing thereafter ¼ of 1% for each six months elapsed.

Sinking Fund—None.

Security—Secured by a first mortgage on all the property now owned by the Company, other than the portion, constituting less than 25% of the total thereof, covered by the Salmon River Power Co. mortgage securing $4,101,000 First Mortgage 5% bonds (closed mortgage). It is a direct first mortgage upon more than 75% of the Company's physical property and more than 90% of the Company's municipal franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and will refund, upon proper application, Pennsylvania and Connecticut personal property taxes not exceeding four mills each and Massachusetts Income tax not exceeding 6% per annum on the interest. Bonds are exempt from personal taxation in New York State.

Legal Opinion—Kenefick, Cooke, Mitchell & Bass, Buffalo, N. Y. (for the bankers); Warren Tubbs, Buffalo, N. Y. (for Company).

Original Offering—First publicly offered ($15,000,000) in March, 1925, at 98½ and interest, to yield about 5.10% by Blair & Co., Inc., Illinois Merchants Trust Co., Chicago, Boston, etc., and Schoellkopf, Hutton & Pomeroy, Inc., Buffalo, N. Y. Additional offering ($3,750,000 Series "A") in December, 1926, at par and interest by Lee, Higginson & Co., New York, Boston, etc., and Blair & Co., Inc., New York, and Schoellkopf, Hutton & Pomeroy, Inc., Buffalo, N. Y.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	104¾	101¾	100
Low	100¼	99	97½

FUNDED DEBT ASSUMED SINCE DECEMBER 31, 1927

$2,461,500 WESTERN NEW YORK UTILITIES COMPANY, INC., FIRST MORTGAGE 5s; DUE JUNE 1, 1946

Dated June 1, 1916.

Interest Payable June and December 1, at New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered and in denomination of $1,000, exchangeable for fully registered bonds.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000; additional bonds may be issued for 80% of the cost of new construction, additions, improvements, betterments and extensions; or for 80% of the cost of additional electric light and power, gas or other public utility properties, but not to exceed 80% of the physical replacement value of the property so acquired.

Callability—Subject to call on any interest date at 105.

Security—A first lien on entire property formerly owned by Western New York Utilities Company, Inc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, New Hampshire, Vermont and Rhode Island.

FUNDED DEBT OF SUBSIDIARY

$79,000 HYDRAULIC RACE COMPANY FIRST MORTGAGE 6% BONDS, DUE SEPTEMBER 1, 1936

Issued, $125,000 of which $46,000 are owned by companies in the system, leaving $79,000 outstanding in hands of the public.

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED DECEMBER 31
(Niagara, Lockport & Ontario Power Co. and Subsidiary Companies)

	1927	1926	1925	1924	1923	1922
Gross Revenue:						
Sales of energy	$8,510,061	$7,977,321	$6,949,537	$5,971,741	$5,550,258	$4,868,665
Other income	251,047	144,755	129,769	81,009	47,072	46,644
Total	$8,761,108	$8,122,076	$7,079,306	$6,052,750	$5,597,330	$4,915,309
Deductions:						
Cost of energy purchased and produced	$2,474,299	$2,398,478	$2,268,537	$2,040,707	$2,215,531	$1,982,059
Operating expenses	1,527,121	1,356,046	1,124,916	879,589	728,171	598,670
Taxes	847,882	659,671	386,079	323,918	364,827	294,060
Miscellaneous	26,457	12,728	40,038	8,792	9,521	11,318
Total	$4,875,759	$4,426,923	$3,819,569	$3,253,006	$3,318,050	$2,886,107
Balance available for charges	$3,885,349	$3,695,153	$3,259,737	$2,799,744	$2,279,280	$2,029,202

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED DECEMBER 31 (Continued):
(Niagara, Lockport & Ontario Power Co. and Subsidiary Companies)

	1927	1926	1925	1924	1923	1922
Interest charges	$1,082,730	$1,017,524	$993,779	$986,704	$901,631	$870,543
Rentals	138,659	139,532	139,777	140,042	139,827	139,116
Total	$1,221,389	$1,157,056	$1,133,556	$1,126,746	$1,041,458	$1,009,659
Net income after charges	$2,663,960	$2,538,097	$2,126,181	$1,672,998	$1,237,822	$1,019,543
Appropriations to reserves	600,885	507,425	394,949	364,691	301,918	300,920
Surplus after charges, etc.	$2,063,075	$2,030,672	$1,731,232	$1,308,307	$935,904	$718,623
Dividends	1,629,233	1,369,774	1,219,213	886,475	522,355	270,755
Surplus after dividends	$433,842	$660,898	$512,019	$421,832	$413,549	$447,868
Times Interest Earned	2.91	3.00	2.74	2.33	2.37	2.17
Earnings Per Share—						
Preferred	$20.65	$20.34	$17.68	$21.87	$46.81	$37.52

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Accounts Audited by Haskins & Sells)

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$40,823,394	$37,913,141	$34,891,437	$30,647,266	$27,744,788	$23,560,744
Investments	750,204	1,377,380	531,971	540,180	195,954	26,075
Materials and supplies and other working assets	2,395,126	2,378,170	742,380	738,674	608,866	462,299
Deposits with trustees	21,748	429	34,822	339,365	8,887	27,687
Cash on deposit and in hand	1,297,997	1,846,139	1,153,183	1,033,291	452,827	1,306,174
Notes and accounts receivable and other current assets	1,413,019	1,414,085	2,533,477	1,129,008	1,345,241	655,568
Subscribers to B. N. & E. Power Corp. stock—employees	305,290	339,755	.....	.....	.....	.....
Deferred Debit Items:						
Unamortized debt discount and expense	1,372,141	1,423,612	1,346,802	1,311,427	1,443,946	1,471,513
Unamortized premium on bonds redeemed	644,839	702,430	760,022	.....	.....	.....
Studies for future development & miscellaneous	355,567	381,660	250,482	115,295	203,249	186,894
Total	$49,379,325	$47,776,801	$42,244,576	$35,854,506	$32,003,758	$27,696,954
Liabilities—						
Capital Stock:						
Preferred 7% cumulative	$9,992,500	$9,980,400	$9,792,500	$5,983,300	$1,999,400	$1,915,100
Common, no par value	8,438,625	8,438,625	8,438,625	8,437,125	6,421,435	5,980,300
Preferred stock subscribed	.....	10,000	58,400	.....	.....	.....
Funded debt outstanding	‡23,149,000	23,129,000	19,519,000	16,125,000	18,929,000	16,202,300
Contract of purchase—Auburn Steam Plant (to be liquidated in annual payments of $11,300)	.....	.....	.....	87,575	98,875	110,175
Notes payable	.....	.....	*33,429	.....	.....	.....
Dividends payable	174,869	174,657	321,327	328,603	134,798	270,755
Accrued liabilities	950,108	780,544	454,766	410,490	564,462	468,937
Notes & accts. pay. & other current liabilities	1,111,355	539,149	526,794	1,548,202	1,262,071	561,127
Subscriptions to B. N. & E. Pow. Corp. stock	521,657	461,065	.....	.....	.....	.....
Deferred credit items	19,428	17,066	10,684	15,472	3,772	3,720
Retirement, reserves, etc.	2,892,947	1,808,339	1,763,382	1,255,920	1,121,421	1,038,667
Surplus	2,128,836	2,437,956	1,325,669	1,662,819	1,468,524	1,145,873
Total	$49,379,325	$47,776,801	$42,244,576	$35,854,506	$32,003,758	$27,696,954

*Niagara, Lockport & Ontario Power Co. 6% Gold notes called for redemption. ‡Includes $18,750,000 Niagara, Lockport & Ontario Power Co. 5% First Mortgage & Refunding bonds, due April 1, 1955; $4,101,000 Salmon River Power Co. 5% First Mortgage bonds, due August 1, 1952; $168,000 Warren & Jamestown Street Railway Co. 5% First Mortgage bonds, due July 1, 1934; $13,000 Warren & Jamestown Street Railway Co. 6% Refunding Mortgage bonds, due January 1, 1928; $79,000 Hydraulic Race Co. 6% First Mtge. bonds due Sept. 1, 1936: $38,000 Eldred Electric Co. 6½% First Mtge. bonds due Feb. 2, 1940.

Officers: Fred D. Corey, Pres.; Langdon Albright, V-P.; S. Piek, V-P. & Gen. Mgr.; W. L. Collins, V-P.; H. C. Mather, Treas.; W. K. Koester, Sec. & Asst. Treas.; Nelson W. Chapman, Asst. Sec. & Asst. Treas.; J. F. Kirk, Aud., Buffalo, N. Y.

Directors: J. J. Albright, Langdon Albright, Walter P. Cooke, Fred D. Corey, William R. Huntley, R. J. H. Hutton, J. F. Schoellkopf, Jr., D. J. Kenefick, Alfred H. Schoellkopf, Buffalo, N. Y.; Paul A. Schoellkopf, Niagara Falls, N. Y.; L. S. DeGraff, North Tonawanda, N. Y.; Morris Cohn, Jr.; Horace L. Mann.

Main Office, Lockport, N. Y. **Executive Office,** Electric Bldg., Buffalo, N. Y.

WESTERN NEW YORK UTILITIES COMPANY, INC.

(Company Merged on January 3, 1928 with Niagara, Lockport and Ontario Power Company)

History and Properties—Incorporated May 28, 1923, as a consolidation of a company of the same name and the Genesee Light & Power Co. (see Public Utility Manual for 1923, pages 2102 and 452, respectively, or consult our Information Department), the latter company having purchased the former on Jan. 24, 1923. The generating and distributing system owned and operated by the company serves Medina, Albion, Middleport, Brockport, Gasport, Lyndonville, Barker, Holley and other adjacent communities situated in Orleans, Niagara and Monroe Counties. In addition serves the counties of Genesee, Erie and Wyoming, including the city of Batavia and villages of LeRoy, Oakfield, Attica, Bethany, Darien, Pembroke, Corfu, Byron, Elba and Akron. The counties of Genesee, Erie and Wyoming are served from stations for which power is purchased from Niagara, Lockport & Ontario Power Co. The population served is approximately 110,000. Owns 3 hydro-electric generating stations with a total capacity of 8,500 h.p., water for which is taken from three storage basins supplied from Oak Orchard Creek. Also owns 200 miles of high tension transmission lines and 300 miles of distribution lines, a new sub-station of 20,000 h.p. at Batavia and another of 5,300 h.p. at Oakfield, for which current is purchased from the Niagara, Lockport & Ontario Power Co. with which the company has a long term contract for power. Also manufactures and distributes gas in Albion, New York. The franchises, with two minor exceptions, are either unlimited in time or extend beyond the life of the bonds described below.

Merger—On Jan. 3, 1928, Company and Niagara, Lockport and Ontario Power Company (constituent) were consolidated under name of Niagara, Lockport and Ontario Power Company. For terms of stock exchange see statement of the latter company.

CAPITAL STOCK

Authorized 31,500 shares Common of no par value and $1,500,000 7% cumulative Pfd., par, $100; outstanding, Dec. 31, 1927, 27,500 shares Common, and $1,468,800 Pfd.

Annual Meeting—Second Tuesday in May.

Dividends—The consolidated company has paid 7% on its Pfd. stock quarterly since the consolidation, June 1, 1923; payments M, J, S & D 1. On Common 90 cts. per share quarterly from consolidation to Nov. 1, 1924; Feb., May and Aug. 1925, $1.00 per share each; Nov. 2, 1925, $1.15 per share; Feb., May, Aug. and Nov. 1, 1926, $1.50 per share each; Feb. 28, May 31 and Aug. 31, 1927, $2.00 per share; Dec. 31, 1927, $3.33 per share.

FUNDED DEBT

$2,461,500 FIRST MORTGAGE 5s; DUE JUNE 1, 1946

See description in statement of Niagara, Lockport and Ontario Power Company.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,444,686	$1,378,200	$1,239,150
Oper. exp., taxes, etc.	871,841	846,527	749,558
Net earnings	$572,845	$531,673	$489,592
Bond interest	123,075	122,864	106,890
Other interest, etc.	19,828	46,644	46,906
Total charges	$142,903	$169,508	$153,796
Surplus for dividends, etc.	*$429,942	$362,165	$299,795
Times Bond Interest Earned	4.67	4.32	4.14
Earnings Per Share—			
Preferred	$25.72	$22.19	$22.75
Common	10.04	8.25	7.54

*Before deducting $51,000 Federal Income Tax payable in 1928 on 1927 earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$4,902,327	$4,174,467	$3,872,370
Cash	34,096	33,997	27,849
Accounts receivable	137,544	136,680	133,324
Interest receivable	1,509	4,627	2,592
Materials and supplies	61,943	78,235	80,335
Marketable securities	81,653	256,560	180,090
Subscribers to Pfd. stock	.....	1,266	3,609
Subscribers to Buffalo, Niagara & Eastern Pr. Corp. capital stock—employees	63,036	.....	.....
Prepayments	4,601	14,790	9,664
Miscellaneous assets	27,268	29,319	26,980
Suspense	393,566	800,973	888,805
Total	$5,707,543	$5,530,914	$5,226,121
Liabilities—			
Common stock	$715,000	$715,000	$715,000
Preferred stock	1,468,800	1,464,800	1,311,900
Stock subscriptions	.....	4,800	9,762
Premium on capital stock	6,784	6,800	.....
Funded debt	2,461,500	2,461,500	2,461,500
Accounts payable	48,444	57,557	56,605
Consumers' deposits	20,708	17,848	15,519
Matured interest unpaid	3,337	5,090	4,410
Other current liabilities	1,921	8,246	2,521
Subscriptions to Buffalo, Niagara & Eastern Pr. Corp. capital stock—employees	87,505	.....	.....
Accrued liabilities	84,786	83,086	73,760
Reserves	435,955	348,208	326,893
Surplus	372,803	357,979	248,247
Total	$5,707,543	$5,530,914	$5,226,121

Officers: F. D. Corey, Pres.; Stefaan Piek, V-P.; H. L. Mann, Treas.; C. D. Warren, Sec.

Directors: Morris Cohn, Jr., F. D. Corey, W. R. Huntley, D. J. Kenefick, H. L. Mann, A. H. Schoellkopf, P. A. Schoellkopf.

Office, Electric Building, Buffalo, N. Y.

BRADFORD ELECTRIC COMPANY

(Controlled by Niagara, Lockport & Ontario Power Company)

History and Property—Incorporated June 6, 1918, in Pa., and acquired the property and franchise of the Bradford Electric Light & Power Co. (see 1918 Public Utility Manual, page 49). Company furnishes electric light and power, without competition, to City of Bradford, Boroughs of Lewis Run and Port Allegheny, also Townships of Keating, Lafayette, Liberty and Foster, all in McKean County, Pa., with a population of over 28,000 of whom over 16,000 reside in Bradford. Franchise runs until 1933. Company owns and operates with indoor and outdoor sub-stations, a 22,000-volt and a 33,000-volt high tension transmission line from its power plant at Bradford to the New York State line, a distance of approximately three miles, which line connects with a recently constructed high tension transmission line of the Niagara, Lockport & Ontario Power Co. Acquired all the outstanding capital stock of Eldred Electric Co. as of Dec. 31, 1927, and in March, 1928, merged that company.

CAPITAL STOCK

Authorized and outstanding, 200,000 shares Common of no par value (changed from $1,000,000 Common, par $25, in 1926). All owned by Niagara, Lockport & Ontario Power Co.

Transfer Agent—Guaranty Trust Co., New York.

Registrar—Equitable Trust Co., New York.

Annual Meeting—Second Monday in January.

Dividends—On Common, 4% in 1921; 4% in 1922; 8% in 1923, 1924 and 1925. On no par Common, 40 cents each per share was paid in 1926 and 1927.

FUNDED DEBT

$38,000 ELDRED ELECTRIC COMPANY 6½% FIRST MORTGAGE BONDS, DUE FEBRUARY 1, 1940

Total issued and outstanding, $38,000.

Security—Secured on property of Eldred Electric Co., which was merged into Bradford Electric Co., Mar. 1, 1928.

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

	1927	1926	1925	*1924	*1923	*1922
Gross earnings	$520,479	$401,974	$436,925	$967,529	$826,374	$733,564
Operating expenses, taxes, etc.	358,307	261,797	245,059	611,497	502,525	466,965
Net earnings	$162,172	$140,177	$191,866	$356,032	$323,849	$266,599
Interest charges	9,777	10,956	49,566	98,592	97,638	98,581
Net income	$152,395	$129,221	$142,300	$257,440	$226,211	$168,018
Appropriation reserve	39,937	35,279	31,308	52,577	48,241	52,400
Surplus	$112,458	$93,942	$110,992	$204,863	$177,970	$115,618

*Includes Olean Electric Light & Power Co. merged with Niagara, Lockport & Ontario Power Co. in April, 1925.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	†1927	1926	1925	*1924	*1923	*1922
Property account	$1,498,585	$1,092,027	$958,805	$3,413,505	$2,764,641	$2,078,155
Investments	.....	31,850	.....	10,175	10,175	10,175
Sinking fund deposit	.....	.....	.....	87	47	23
Cash	27,256	10,197	42,995	73,473	15,063	95,731
Accounts receivable	93,460	48,841	71,420	168,441	239,015	91,772
Materials and supplies	43,624	26,376	13,919	78,402	70,130	62,577
Prepayments and other assets	991	2,028	1,198	2,873	1,993	1,911
Deferred assets	71,018	85,183	61,774	207,619	296,825	326,175
Total	$1,734,934	$1,296,502	$1,150,111	$3,954,575	$3,397,889	$2,666,520

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	†1927	1926	1925	*1924	*1923	*1922
Common stock	$1,000,000	$1,000,000	$800,000	$790,000	$612,800	$312,800
Preferred stock	.....	.....	.....	790,000	692,000	392,000
Funded debt	38,000	.....	.....	1,517,300	1,532,100	1,549,000
Accounts payable	468,982	130,482	228,856	375,360	181,621	145,586
Accrued liabilities	33,184	18,879	17,887	31,035	34,625	8,735
Reserves	104,625	89,455	75,743	249,441	202,416	177,238
Surplus	90,143	57,686	27,625	201,439	142,327	81,161
Total	$1,734,934	$1,296,502	$1,150,111	$3,954,575	$3,397,889	$2,666,520

*Includes Olean Electric Light & Power Co. merged with Niagara, Lockport & Ontario Power Co. in April, 1925.
†Includes Eldred Electric Co., acquired Dec. 31, 1927 and merged, Mar. 1, 1928.

Officers: Fred D. Corey, Pres.; Stefaan Piek, V-P., Buffalo, N. Y.; H. B. Zimmerman, V-P. & Gen. Mgr., Jamestown, N. Y.; Warren Tubbs, Sec.; Langdon Albright, Treas., Buffalo, N. Y.; W. E. Burdick, Asst. Sec.; J. F. Kirk, Asst. Treas.; K. F. Wagner, Aud.; L. O. Langworthy, Supt., Bradford, Pa.; W. L. Collins, Pur. Agt., Buffalo, N. Y.

Directors: Fred D. Corey, Stefaan Piek, Langdon Albright, Buffalo, N. Y.; H. B. Zimmerman, Jamestown, N. Y.; W. E. Burdick, L. O. Langworthy, K. F. Wagner, Bradford, Pa.

General Office, Bradford, Pa. **Buffalo Office,** Electric Bldg.

NORTHERN NEW YORK POWER CORPORATION

(Operated under lease by Niagara, Lockport & Ontario Power Company)

History—Incorporated in August, 1914, in New York for the purpose of developing hydro-electric power properties on the Oswego River at Minetto, N. Y. The company has executed a lease with the Niagara, Lockport & Ontario Power Co., extending from the completion of the generating station to Dec. 31, 1940. Under the terms of this lease the lessee enters into and operates the property as a part of its own system, and agrees to pay all operating expenses, insurance and taxes, and to pay to the lessor a sum averaging approximately $120,000 a year, commencing with payments of $7,000 per month for the first twelve months, $8,000 per month for the second twelve months, $9,500 per month for the third twelve months, and $10,250 per month thereafter to the termination of the lease.

The Northern New York Power Corp. has completed a hydro-electric development and generating station of 12,000 h.p. on the Oswego River at Minetto, N. Y., about five miles from Oswego, receiving the waters impounded by the dam at a 17-foot head.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. The Columbia Mills, Inc., owns 80% of the stock. Annual meeting, third Monday in March.

Dividends—Dividends have been paid as follows: 1916, 2½%; 1917, 4%; 1918, 6%; 1919 to 1927, inclusive, 7% each. Payments quarterly, J, A, J & O.

FUNDED DEBT

$605,000 FIRST SERIAL 6s; DUE SERIALLY EACH JANUARY 1, AS FOLLOWS: 1928, $35,000; 1929 TO 1931, $40,000; 1932 TO 1934, $45,000; 1935 TO 1937, $50,000; 1938 TO 1940, $55,000 PER ANNUM

Dated January 1, 1915.

Interest Payable January and July 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $500 (1940 maturity) and $1,000 (in all maturities); principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized issue, $2,500,000; issued, $900,000, of which $295,000 paid off to Dec. 31, 1927. The remaining $1,600,000 bonds due Jan. 1, 1955, may only be isued for not exceeding in par value 80% of the cost of extensions, additions or improvements or for refunding all but no part of the $900,000 bonds at any time outstanding.

Callability—Subject to call on any interest date at the following prices with accrued interest: 1924 to 1928 maturities 102.50, 1929 to 1934 maturities 103.50, 1935 to 1940 maturities 104.50.

Security—A first lien on entire property at rate of $75 per hydro-electric h.p.

Guaranty—Principal and interest are guaranteed by Columbia Mills, Inc., by endorsement.

Legal Opinion—Campbell, Harding & Pratt, New York.

Original Offering—First publicly offered ($900,000) in May, 1915, at 100½ and interest for all maturities.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Earnings from rental	$123,000	$123,000	$123,000
Other income	2,406	2,366	2,396
Total	$125,406	$125,366	$125,396
Oper. exp., taxes, etc.	16,304	12,754	12,069
Net earnings	$109,102	$112,612	$113,327
Bond interest	36,300	38,400	40,500
Depreciation	25,000	25,000	25,000
Total	$61,300	$63,400	$65,500
Net income	$47,802	$49,212	$47,827
Dividends paid	35,000	35,000	35,000
Surplus for year	$12,802	$14,212	$12,827

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant equipment	$1,492,546	$1,492,547	$1,492,546
Cash	.....	721	1,509
Special deposits	53,150	54,200	55,250
U. S. Govt.	20,000	45,000	25,000
Corp'ate stock City of N. Y.	20,000		20,000
Total	$1,585,696	$1,592,468	$1,594,305

Liabilities—	1927	1926	1925
Capital stock	$500,000	$500,000	$500,000
Funded debt	605,000	640,000	675,000
Accounts payable	1,476	10,000	15,000
Interest accrued	18,150	19,200	20,250
Premium on Com. stock	125,000	125,000	125,000
Depreciation reserve	250,000	225,000	200,000
Surplus	86,070	73,268	59,055
Total	$1,585,696	$1,592,468	$1,594,305

Officers: James B. Keogh, Chairman; Wm. R. Hees, Pres., New York; W. F. Parker, V-P., Meridan, Conn.; F. B. Reynolds, Treas.; H. E. Cook, Sec. & Asst. Treas., New York.

Directors: Stephen Haas, Toronto, Can.; S. G. Wilkins, F. McNair, Chicago; W. F. Parker, W. H. Lyons, Meridan, Conn.; James B. Keogh, Wm. R. Hees D. M. Lord, J. H. Ware, Jr., F. B. Reynolds, New York.

Offices, 225 Fifth Ave., New York, and Minetto N. Y.

WARREN & JAMESTOWN STREET RAILWAY

(Controlled by Niagara, Lockport & Ontario Power Co.)

History—Incorporated Jan. 15, 1904, in N. Y. and Pa.; consolidation of the Warren & Jamestown Electric R. R. Co. (a New York corporation) and the Warren & Jamestown St. Ry. Co. (a Pennsylvania corporation). Operates a road from Warren, Pa., to Jamestown, N. Y. Length of line, 21½ miles; total track, 22 miles. Gauge, standard. Rail, 70 lb T.; cars, 8. Population served, 60,000. Enters Warren over the tracks of the Warren St. Ry. Co. Franchise in Jamestown, 50 years; in other places perpetual. In 1925, stock control was acquired by Niagara, Lockport & Ontario Power Co.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. All owned by Niagara, Lockport & Ontario Power Co. Annual meeting, second Monday in January.

Dividends—Dividends paid as follows: 1908, 4%; 1909 and 1910, 8%; Jan. 1911, 2%; none in 1912; 1913, 2%; 1914, 9%; 1915, 6%; 1916, 6%; 1917, 6%; none in 1918; 1919 to 1923, incl., 6% per annum; none since.

FUNDED DEBT

$168,000 First Mortgage Gold 5s; dated July, 1904; due July, 1934; interest January and July 1, at Warren (Pa.) Trust Co., Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $300,000, of which $132,000 owned by companies in the system, leaving $168,000 outstanding with public at Dec. 31, 1927. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

$13,000 Refunding Mortgage Gold 6s; dated Jan. 1, 1918; matured and paid off Jan. 1, 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$98,953	$110,391
Operating expenses, taxes, etc.	74,863	82,089
Net earnings	$24,090	$28,302
Interest charges	16,874	16,860
Balance	$7,216	$11,442
Appropriations to reserves	16,537	17,262
Deficit	$9,321	$5,820

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Fixed capital	$678,279	$670,074	Common stock	$200,000	$200,000
Cash	62,661	53,756	Funded debt	331,000	331,000
Accounts receivable	124	4,675	Accounts payable	6,290	4,826
Materials and supplies	784	1,153	Accrued liabilities	9,966	10,061
Prepayments and other assets	2,347	2,159	Reserves	127,868	119,017
Deposits with Trustees	225	8,595	Deferred credits	423	830
Deferred assets	10,045	13,561	Surplus	78,918	88,239
Total	$754,465	$753,973	Total	$754,465	$753,973

Officers: H. B. Zimmerman, Pres., Jamestown, N. Y.; Stefaan Piek, V-P. & Gen. Mr., Buffalo, N. Y.; Warren Tubbs, Sec., Buffalo, N. Y.; H. C. Mather, Treas., Buffalo, N. Y.; J. F. Kirk, Compt., Buffalo, N. Y.; C. E. Sundholm, Asst. Treas., Jamestown, N. Y.

Directors: Fred D. Corey, Stefaan Piek, Buffalo, N. Y.; H. A. Siggins, J. P. Fenstermacher, Gust A. Probst, Warren, Pa.; H. B. Zimmerman, Robt. H. Jackson, Jamestown, N. Y.

Office, Jamestown, N. Y.

TONAWANDA POWER COMPANY

(Controlled by Buffalo, Niagara & Eastern Power Corp.)

History and Property—Incorporated March 21, 1899, in N. Y., for fifty years; consolidation of the Tonawanda Lighting & Power Co. and Tonawanda Cataract Power Co. In Jan., 1927, merged the Grand Island Light & Power Corporation, which was previously controlled through stock ownership. Purchases electric power from The Niagara Falls Power Company for distribution in North Tonawanda, Tonawanda, Grand Island, and adjacent sections, serving a population of over 40,000, and operating under perpetual franchises. Controls and owns all the 750 shares of capital stock of the **La Salle Electric Corporation,** serving La Salle.

Change of Control—As of May 11, 1925, directors of company approved acquisition of control of Company by Buffalo, Niagara & Eastern Power Corp., through exchange of stock on the basis of 1.25 shares each of Buffalo, Niagara & Eastern Common and Pfd. for each share of Tonawanda Power Co. Common. All of the Common stock is now owned by Buffalo, Niagara & Eastern Power Corp.

Merger Plan—See Buffalo, Niagara & Eastern Power Corp. on a preceding page.

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value, 10,000 shares Class "A" cumulative Pfd. of no par value and 20,000 shares Class "B" cumulative Pfd., of no par value; outstanding 38,200 shares Common, 4,568 shares Class "A" Pfd., and 834 shares Class "B" Pfd. All the 38,200 outstanding Common shares are owned by Buffalo, Niagara & Eastern Power Corp. Authorized capital stock was changed on February 20, 1925 from 25,000 shares of $100 par value to 80,000 shares of no par value and classified as above. Transfer office, North Tonawanda, N. Y. Annual meeting, January 15.

Preferred Stock Redemption—All the outstanding shares of Pfd. stock, Class "A" and Class "B", were called for redemption on July 2, 1928, at $27.50 per share for the Class "A" and $25.50 for the Class "B" stock. Up to June 1, 1928, holders of Class "A" and Class "B" Pfd. stocks were allowed to exchange their holdings for First Pfd. stock of Buffalo, Niagara & Eastern Power Corp.

Dividends—Dividends on both classes of Pfd. stock regularly paid quarterly on the last days of M. J. S & D. up to time of redemption. Dividends on Common have been paid as follows: 1909, 6%; 1910, 6½%; 1911, 8%; 1912, 8%; 1913 (in April), 2%. In 1917, a payment was made to stockholders out of surplus; amount not stated; 1918, 10%; 1919, 8%; 1920, 8%; 1921, 2%; 1922, 8%; 1923, 10%; 1924, 6%; 1925, $2 per share on shares of no par value; 1926, $4.50 per share; payments quarterly.

FUNDED DEBT

$16,000 Grand Island Light & Power Corp. First Mortgage 5s; due May 1, 1938. All owned by Tonawanda Power Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
Gross earnings	$972,274	$812,669	$688,116	$627,379	$526,876	$447,276
Operating expenses, depreciation and taxes	695,922	577,861	508,866	434,488	407,970	366,682
Net earnings	$276,352	$234,808	$179,250	$192,891	$118,906	$80,594
Other income	122	1,218	900	9,029	8,945	8,932
Total income	$276,474	$236,026	$180,150	$201,920	$127,851	$89,526

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1926	1925	1924	1923	1922	1921
Interest charges	$30,380	$19,245	$24,092	$52,892	$54,105	$54,150
Miscellaneous charges	.....	.....	5,780	10,659	12,218	14,690
Total charges	$30,380	$19,245	$29,872	$63,551	$66,323	$68.840
Net income	$246,094	$216,781	$150,278	$138,369	$61,528	$20,686
Preferred dividends	9,259	8,571	63,711	35,185	28,399	9,237
Common dividends	171,900	76,400				
Surplus for year	$64,935	$131,810	$86,567	$103,184	$33,129	$11,449
Times Interest Charges Earned	9.10	12.26	7.24	3.61	2.15	1.09
Earnings Per Share—						
Preferred	$45.55	$40.13	$133.93	$258.73	$134.63	$46.28
Common	6.20	5.45	15.06	42.75	18.51	5.58

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924	1923	1922	1921
Property and equipment	$2,374,768	$2,087,647	$1,596,083	$1,200,069	$1,087,514	$1,011,072
Stocks owned	480	480	75,480	75,480	75,800	75,800
Other investments	.....	.....	.....	.....	833	1,883
Materials and supplies	33,198	51,255	63,154	33,998	28,337	35,320
Cash	77,120	60,077	20,742	120,922	159,483	162,325
Notes receivable	.....	.....	15,000	15,000	15,000	140
Accounts receivable	91,469	87,897	78,158	68,232	79,155	56,323
Other current assets	2,550	6,900	7,388	28,396	30,149	31,290
Subscriptions to B. N. E. P. stock—employees.	42,348	.....	.....	.....	.....	.....
Unadjusted debits	.....	.....	.....	490	142	49
Deferred debit items	20,259	9,995	2,140	33,111	43,281	71,360
Total	$2,642,192	$2,304,251	$1,858,145	$1,575,698	$1,519,694	$1,445,813
Liabilities—						
Common stock	$955,000	$955,000	$955,000	$315,000	$315,000	$315,000
Preferred stock	136,050	134,550	112,200	53,500	45,700	44,700
Funded debt	135,500	119,500	119,500	759,500	787,000	787,000
Mortgage payable	.....	.....	.....	.....	.....	3,350
Notes payable	500,000	300,000	150,000	4,688	55,156	35,938
Accounts payable	64,740	61,363	46,196	44,146	52,628	41,075
Interest accrued	5,087	4,697	918	26,895	27,975	28,568
Other current liabilities	11,142	10,681	14,869	389	735	.....
Subscriptions to B. N. E. P. Corp. stock	57,640	.....	.....	.....	.....	.....
Reserve for taxes	55,704	47,803	37,962	24,815	10,898	15,013
Unadjusted credits	.....	.....	.....	800	500	269
Depreciation	135,939	98,585	93,769	120,074	101,395	.....
Other optional reserve	.....	.....	2,000	.....	.....	.....
Other reserves	3,853	.....	.....	.....	.....	.....
Deferred credit items	.....	.....	.....	10,660	10,660	95,732
Capital surplus	63,014	63,014	.....	.....	.....	.....
Profit and loss surplus	518,523	509,058	325,731	215,231	112,047	78,918
Total	$2,642,192	$2,304,251	$1,858,145	$1,575,698	$1,519,694	$1.445.813

Officers: Le Grand S. De Graff, Pres., N. Tonawanda, N. Y.; J. F. Schoellkopf, Jr., V-P., Buffalo, N. Y.; Charles Weston, V-P.; Edward D. King, V-P. & Gen. Mgr.; Dow Vroman, Sec.; Geo. H. Homeyer, Treas.; L. W. Buchanan, Aud.; Frank S. Wahl, Supt., North Tonawanda, N. Y.; John Schutt, Jr., Local Mgr., Grand Island, N. Y.

Directors: Fred D. Corey, William R. Huntley, Russell J. H. Hutton, Jacob F. Schoellkopf, Jr., Buffalo, N. Y.; LeGrand S. DeGraff, Charles Weston, North Tonawanda, N. Y.; Paul Schoellkopf, Niagara Falls, N. Y.

General Office, Sweeney Building, North Tonawanda, N. Y.

NORTHERN TEXAS UTILITIES COMPANY

History and Properties—Incorporated in May, 1926, in Delaware. It is a public utility, duly authorized to do business in the State of Texas and engaged, under such authority and various franchises, in the production, transportation and distribution of natural gas in Wichita, Wilbarger, Childress, Hardeman, Hall, Collingsworth, Wheeler and Gray Counties. The Company's gas producing properties are located at the eastern end of the rich Amarillo Field (in the Panhandle of Texas), the largest known gas field in the world, having a present daily capacity of approximately 1,500,000,000 cubic feet of gas.

The Company is selling or will sell, through signed contracts, industrial and domestic gas to consumers in Acme, Childress, Chillicothe, Iowa Park, Memphis, Quanah, Vernon, Wellington and Wichita Falls, Tex. Population served about 92,000.

Company owns or controls through lease or gas purchase contracts about 10,000 acres, of which 7,080 acres are in the Shamrock Gas Field, Wheeler County and 2,920 in Gray County. The area from which gas will be drawn is in the eastern end of the Amarillo Field (in the Panhandle of Texas) which has been proven for gas over a territory about one hundred miles long with an average width of ten miles. The gasoline content of the gas in Wheeler County shows an average expected yield, from a commercially operated absorption plant, of at least 220 to 225 gallons of gasoline per million cubic feet of gas.

A pipe line system from the gas fields in Wheeler County connects the towns of Wellington, Childress, Quanah, Chillicothe, and Vernon where distributing gas systems have been installed and gas is being sold. The total pipe line system will comprise about 252 miles. More than 120 miles of transmission line are completed; the remaining mileage is being rapidly laid. The Company's pipe line system, when completed, will be sufficient to carry up to 40,000,000 cubic feet daily. The completed wells have a combined open flow of 168,390,000 cu. ft. daily. These wells are located in Wheeler County at the eastern end of the Amarillo Field, where most of the Company's properties are located

Gasoline Sales—The Columbian Gasoline Corporation, a subsidiary of Columbian Carbon Company, has entered into a contract with the Northern Texas Utilities Company to erect and operate a gasoline absorption plant at the expense of the Columbian Gasoline Corporation and to pay to the Northern Texas Utilities Company a gross royalty based on the gasoline extracted.

CAPITAL STOCK

Authorized, 300,000 shares Common of no par value, and $1,500,000 7% cumulative Pfd., par, $100; outstanding, 240,000 shares Common and $1,500,000 Pfd.

FUNDED DEBT

(1)

$2,500,000 FIRST LIEN THREE-YEAR 7% SINKING FUND GOLD NOTES; DUE DECEMBER 15, 1929

Dated December 15, 1926.

Interest Payable June and December 15, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized and issued, $2,500,000.

Purpose of Issue—Proceeds were used to complete the Company's pipe line and distributing system.

Callability—Subject to call as a whole or in part and also for sinking fund, on the 15th day of any calendar month upon 30 days' notice at 103 on or before June 15, 1927, with successive reductions of ½ of 1% during each 6 months thereafter up to maturity, with accrued interest in each case.

Sinking Fund—A monthly sinking fund is provided beginning April 15, 1926 and payable $43,000 to and including Dec. 15, 1927; thereafter $46,000 monthly during the next 12 months; and thereafter $49,000 monthly during the last 12 months. Payments to the sinking fund are to be used for the purchase of notes at not exceeding the current redemption price; any balance, unexpended in such purchase for a period of three months and five days after payment to the sinking fund, is to be applied to the redemption of notes by lot on 30 days' notice. Under the terms of the indenture, there will have been paid into the sinking fund more than $1,500,000 prior to maturity.

Security—Notes are the direct obligation of the Company, and, in addition, are secured by pledge of $4,000,000 principal amount of Company's First (Closed) Mortgage 7% Gold Bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund, upon timely application all personal property taxes and securities taxes levied or assessed by the States of Pennsylvania, Maryland, California, Connecticut, Kentucky, Michigan, Oregon, Washington, Massachusetts and/or the District of Columbia on holders of the notes resident in any of such States or in such District in respect of the notes, and all income taxes of any such States or such District imposed on holders resident therein in respect of the income derived from the notes.

Legal Opinion—Cadwalader, Wickersham & Taft, New York and Baker, Botts, Parker & Garwood, Houston, Tex. (for the Bankers), and C. D. Scully, Pittsburgh, Pa., and Penix, Miller & Perkins, Mineral Wells, Tex. (for the Company).

Original Offering—First publicly offered ($2,500,000 in Dec., 1926, at 100 and interest to yield 7% by A. M. Lamport & Co., Inc., New York and Freeman, Smith & Camp Co., Portland, Ore., etc.

(2)

There are also outstanding $1,000,000 7% Debentures and approximately $700,000 of an authorized issue of Five Year Gold notes. Both these issues are junior to the First Lien Three-Year 7% notes. The amount of the Five-Year notes is estimated, and subject to adjustment on completion of construction work.

Officers: David A. Upham, Pres.; D. L. Hill, Sec. & Treas.; Chester R. Upham, Gen. Mgr., Wichita Falls, Tex.

General Office, Wichita Falls, Tex.

ROUGE RIVER WATER COMPANY OF GRANTS PASS

History—Incorporated Sept. 1, 1906, in Ore., to supply City of Grants Pass with water. Franchise expires June 21, 1956. Population served 6,500. Miles of water mains, 21. No. of meters, 1,135. Annual output, 246,000,000 gals. Prices: 40 cts. and 17 cts. to 6½ cts. per 100 cu. ft. Has City contract for fire hydrants at $4 each per month.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. Annual meeting, in July.

Dividends—20% paid in 1916; none thereafter to 1919, when 13.45% was paid; 1920, 7%; 1921, 6%; 1922, 1923 and 1924, 7% each; none reported since.

FUNDED DEBT

$100,000 First Mortgage Gold 5s; dated August 1, 1906; due Aug. 1, 1926; by consent of major part of the bondholders (which is binding upon the remainder) time of payment extended; int. Feb. and Aug. 1. Secured by first lien on entire property now owned or hereafter acquired. Company does not pay Normal Federal Income Tax.

Officers: Thomas A. Smith, Pres.; John A. Roth, V-P. & Treas.; R. W. Clarke, Gen. Mgr.; Grants Pass, Ore.

Directors: Thomas A. Smith, John A. Roth, M. A. Granning, Grants Pass, Ore.

General Office, Grants Pass, Ore.

EAST WENATCHEE DOMESTIC WATER ASSOCIATION

History—Incorporated under the laws of the state of Washington for the purpose of furnishing domestic water supply to the developed suburban tracts directly across the Columbia River from the city of Wenatchee. This water system will be sufficient to serve all of the approximately 400 owners of property in the East Wenatchee community, more than 200 of these owners having signed applications for service.

FUNDED DEBT

$80,000 First Mortgage and Collaterally Secured 7s; dated October 1, 1926; due $13,000 each October 1, from 1927 to 1930, inclusive, and $14,000 1931 and 1932; interest payable April and October 1 at Title & Trust Company, Portland, Oregon, Trustee. Coupon, $500 and $1,000; principal may be registered. Subject to call as a whole or in part on any interest date at 101.75 upon 30 days' notice. Secured by pledge with the Trustee of notes of members of the Association for $400 each aggregating not less than $80,000. Further secured by an absolute first mortgage on the entire system of the Association. All funds received by the Trustee from the aforementioned notes of members and additional notes for added users, are to be deposited in a sinking fund which shall be used for the payment of bonds regularly maturing, and for the redemption of bonds at 101.75 and accrued interest. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Hartman & Hartman, Seattle, Washington.

Original Offering—First publicly offered ($80,000) in October, 1926, at par and interest, to yield 7%, by Ralph Schneeloch Company, Seattle, Washington, etc.

Office, Wenatchee, Wash.

INTERSTATE RAILWAY CO.

History and Property—Incorporated Feb. 23, 1904, in Mo. Line of road: Kansas City to St. Joseph, Mo., via Dearborn, 48.50 miles.

CAPITAL STOCK

Authorized and issued, $4,050,000; par, $100. No dividends paid.

FUNDED DEBT

$500,000 First Gold 5s; dated Sept. 2, 1907; due Sept. 2, 1947; int. March and Sept. 2, at Kansas City,

Mo. Coupon (principal may be registered), and registered, $1,000. Authorized issue, $4,050,000. A first lien on entire property.

Officers: E. D. Martin, Pres.; E. G. Handermark, Sec.; D. B. Allen, Treas., Kansas City, Mo.
General Office, Gloyd Bldg., Kansas City, Mo.

ENID CITY RAILWAY COMPANY

History—Incorporated Jan. 7, 1907, in Okla. Owns 9 miles of electric lines in Enid, Okla.; completed for operation June 3, 1907. Gauge, standard. Motor cars, 10; trail cars, 6; motor service car, 1. Power rented from Oklahoma Gas & Electric Co. Franchise expires in 1957.

CAPITAL STOCK

Authorized, $500,000; outstanding, $235,000; par, $100. No dividends paid. Annual meeting, second Monday in January.

Transfer Agent and Registrar—Dayton Savings & Trust Co., Dayton, Ohio.

FUNDED DEBT

$235,000 First Mortgage Gold 5s; dated 1907; due April, 1927; int. Jan. and July 1, at Dayton (Ohio) Savings & Trust Co., Trustee. Coupon $1,000; principal may be registered. Authorized, $500,000. Subject to call at par. Secured by first lien on all property. Company pays Normal Federal Income Tax up to 2%.

Officers: J. R. Hall, Pres.; E. A. Hochwalt, V-P.; S. M. Krohn, Sec.; John P. Breen, Treas.; M. McGrath, Supt., Dayton, Ohio.
Directors: C. H. Bosler, J. P. Breen, E. T. Hall, E. A. Hochwalt, S. M. Krohn, J. R. Hall.
Office, 25 No. Main St., Dayton, Ohio.

RIO GRANDE VALLEY GAS COMPANY

History and Property—Incorporated in Delaware for the purpose of supplying natural gas to Brownsville, San Benito and 10 other representative towns and communities in Southern Texas. Rights of way have been secured and Hope Engineering & Supply Company will immediately begin construction of approximately 171 miles of high pressure gas transmission lines from the Zapata, Jim Hogg and Webb County fields. They will also construct the distribution systems in the several communities. The territory to be served has a population of about 75,000.

The Company has entered into a contract extending over a period of ten years with the Central Power & Light Company (an Insull property), for the exclusive supply of fuel to that company's generating station at San Benito which plant supplies central station power to the entire Valley. It is estimated that the San Benito central station will require approximately 3,000,000 cubic feet of gas per day during the first year of operation and that its requirements will not be less than 5,500,000 cubic feet of gas per day within the next three years. Long term contracts have also been made with other large industrial consumers. The Company's gas supply is centered in the Zapata, Jim Hogg and Webb Counties and in the Carolina-Texas and Cole gas fields in Southern Texas.

A concession has been obtained by Mexican interests of Matamoras to furnish Matamoras with natural gas, which will be purchased from the Rio Grande Valley Gas Co. The gas is supplied at the international bridge at Brownsville on the United States side of the Rio Grande River.

Franchises—Uniform franchises have been granted in all of the communities to be served. Franchises extend from 20 to 30 years and contain no burdensome restrictions.

CAPITAL STOCK

Authorized, 335,000 shares Common stock of no par value, and $1,700,000 7% cumulative Pfd., par, $100; outstanding, 265,000 shares Common and $1,700,000 Pfd. The remaining 70,000 shares Common are reserved for stock purchase privilege attaching to First Mortgage bonds (see below). All outstanding Common shares (represented by Voting Trust Certificates) will be held in a Voting Trust. The Chatham Phenix National Bank & Trust Co., New York, is agent under the Voting Trust Agreement.

Transfer Agent—Chatham Phenix National Bank & Trust Co., New York.

Registrar—American Trust Co., New York.

FUNDED DEBT

$3,500,000 FIRST MORTGAGE 7% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1937

Dated, April 1, 1927.

Interest Payable April and October 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Chatham Phenix National Bank & Trust Co., New York, and James F. McNamara.

Provisions of Issue—Outstanding, $3,500,000 Series "A" 7s. Under the terms of the Trust Indenture securing this mortgage, additional bonds may be issued in amount not to exceed 75% of the cost or fair value (whichever is less) of additions and betterments or properties hereafter acquired, provided, however, only when the net earnings for a 12 month period in the immediately preceding 15 months shall have been equivalent to twice the annual interest and sinking fund requirements on the bonds outstanding and about to be issued.

Purpose of Issue—The proceeds of these $3,500,000 Series "A" 7s, together with the proceeds from the sale of Pfd. and Common stocks will be used to construct the Company's gas transmission lines and distribution systems in the several towns and to provide working capital.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice, at 105 and accrued interest on or before April 1, 1932, and at 102½ and accrued interest thereafter until maturity.

Sinking Fund—Under the Trust Indenture securing these bonds, 25% of the net earnings after interest charges will be set aside as a sinking fund for the redemption of bonds during the three-year period to end April 1, 1930. Fixed sinking fund will operate monthly for the redemption of bonds beginning May 20, 1930, for the month of April, in amount equivalent to a rate of $300,000 per annum until April 20, 1931, and thereafter increasing in amount at a rate equivalent to $100,000 per annum to $600,000 on April 20, 1933, and thereafter at $600,000 until redemption or maturity of the bonds.

In addition to the fixed sinking fund, 25% of the net earnings after interest, sinking fund, Pfd. dividends and Federal taxes, will be set aside monthly with the Trustee for the redemption of additional bonds, beginning May 20, 1930, for the month of April, and thereafter until redemption or maturity of the bonds.

The Trust Indenture further provides that bonds may be purchased in the open market for the sinking fund by the Trustee at or up to the call price, and if such sinking fund money is not so used, the Trustee shall call bonds by lot.

Stock Purchase Privilege—Each $1,000 bond (other denominations in proportion) will entitle holder thereof to purchase 20 shares of no par value Common stock represented by Voting Trust Certificates up to and including April 1, 1927, irrespective of previous redemption of the bonds, and at the following prices per share. When any bond is redeemed prior to maturity without this stock purchase privilege having been previously exercised, the holder thereof will be furnished with a certificate evidencing his right to purchase such stock up to and including April 1, 1937.

To April 1, 1928.....	$5.00	To April 1, 1933.....	$13.00
" 1929.....	7.50	" 1934.....	14.00
" 1930.....	10.00	" 1935.....	15.00
" 1931.....	11.00	" 1936.....	16.00
" 1932.....	12.00	" 1937.....	17.00

Security—These bonds constitute the Company's only funded debt and are secured by a direct first mortgage upon all the physical property of the company, and by deposit of franchises, important contracts, leases and agreements.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; and agrees to reimburse holder upon proper application for certain income, personal property and security taxes of certain states, including California, Connecticut, Maryland, Massachusetts, Oregon, Pennsylvania, Washington, Michigan, Kentucky and District of Columbia.

Legal Opinion—White & Case, New York, (for the Bankers); and Gaines, Quin, Hawley & Gaines, San Antonio, (for the Company).

Original Offering—First publicly offered ($3,500,000 Series "A" 7s) in March, 1927, at 100 and interest to yield 7%, by G. E. Barrett & Co., Inc., Estabrook & Co., and Frederick Peirce & Co., New York, etc.

Officer: John W. Gaines, Pres., San Antonio, Texas.

General Office, 1214 City National Bank Bldg., San Antonio, Texas.

UNITED SECURITIES LIMITED

History—Incorporated under Letters Patent of the Province of Quebec June 14, 1924, for the principal purpose of acquiring the Common shares of The Canadian Light & Power Company, the Montreal Tramways & Power Co., Ltd. (which company went into voluntary liquidation in March, 1927, its property and assets having been transferred to a new company known as Consolidated Securities, Ltd.), and Quebec-New England Hydro-Electric Corp., interest in which latter company was disposed of in 1926 (see below).

In addition to the shares of United Securities Limited issued for the purposes of exchange for the above companies, Montreal Light, Heat & Power Consolidated and The Shawinigan Water & Power Company subscribed in equal amounts for approximately $4,545,600 aggregate par value of the Pfd. and Common shares of United Securities Limited. The subscriptions so made are for equal amounts of Pfd. and Common shares and all such shares were paid for in cash at par. The moneys so received by the Company were used to discharge current liabilities of Montreal Tramways & Power Co., Ltd., and of Quebec-New England Hydro-Electric Corporation.

Preferred Dividends Guaranteed—The Montreal Light Heat & Power Consolidated and the Shawinigan Water & Power Company agreed, jointly and in equal amounts, to furnish United Securities Limited with funds necessary to pay the dividends at the rate of 6% per annum on its Preferred shares should the earnings of United Securities Limited be insufficient to do so. This guarantee is limited to $5,125,372.50 6% cumulative Pfd. stock outstanding March 31, 1926.

Canadian Light & Power Company Reorganization—In January, 1926, a meeting of the holders of The Canadian Light & Power Company 5% First Mortgage Bonds due 1949 was held, at which time directors of United Securities Limited agreed to accept for their Company's holdings of bonds of Canadian Light & Power Company a modified amount constituting 60% of the principal sum of bonds so held and agreed to a new allocation and distribution of the Common shares of that Company, with the result that United Securities Limited on May 12, 1927, held about $18,593,000 of the Common stock of The Canadian Light & Power Company and $1,302,000 of its 5% First Mortgage Bonds.

Disposal of Shares of Quebec-New England Hydro-Electric Corporation—An Agreement of Sale was entered into February 24, 1926, between the United Securities Limited and the Montreal Light, Heat & Power Consolidated, whereby Company sold to the Montreal Light, Heat & Power Consolidated all of its holdings of Common shares in the Quebec-New England Hydro-Electric Corporation, thereby turning over to the purchaser the business and undertaking of that Company, together with its revenues. The purchaser assumed the liability of the $2,968,000 5% First Mortgage bonds of Quebec-New England Hydro-Electric Corporation, due 1942. The payment for this stock is to extend over a period of thirty years from the first day of August, 1924, and is to consist of an annual sum of $400,000. It is a condition of the agreement that United Securities Limited from such annual proceeds of the sale shall set aside an annual amount of $71,372.96 to be deposited with Montreal Trust Company as Trustee to constitute a Sinking Fund which will be sufficient to retire by redemption at 105%, with thirty years, the entire 6% Preferred stock of this Company.

CAPITAL STOCK

Authorized, $14,000,000 Common and $6,000,000 6% non-voting cumulative Pfd.; outstanding, March 31, 1928, $5,126,172 Common and $4,655,373 Pfd.; par $100. In addition $255,600 Pfd. stock had been redeemed and cancelled and $214,400 was held for sinking fund as of March 31, 1928.

Dividends on the outstanding Pfd. stock are guaranteed as stated above.

Preferred Stock Provisions—Redeemable in whole or in part on any dividend date at $105 per share with accrued dividends, upon thirty days' notice. Holders of Preferred shares are entitled to fixed cumulative preferential dividends payable quarterly and upon any dissolution or winding-up of the Company are entitled to repayment of capital and arrears of dividends before any payment is made to holders of Common shares.

The holders of Pfd. shares have no vote at general meetings unless on matters requiring the consent or sanction of shareholders holding any given proportion of the Company's subscribed capital. Under this provision the holders of Pfd. shares have the right to vote in connection with any proceedings taken by the Company towards the creation and issue of any security ranking prior to the Pfd. shares of the company issued or to be issued.

Under the by-law creating the presently authorized $6,000,000 of Pfd. stock, provision is made that further issues of Pfd. stock may be made by the Company from time to time up to a maximum of $4,000,000 and that such additional stock if issued shall rank pari passu with the first $6,000,000 of Pfd. stock presently authorized.

Sinking Fund—One of the conditions of the sale of Quebec-New England Hydro-Electric Corp. provided that the United Securities Limited set aside an annual amount of $71,372.96 with Montreal Trust Co., Trustee, to constitute a sinking fund which will be sufficient to retire, within thirty years, the entire 6% Pfd. stock.

Transfer Agent—Montreal Trust Co., Montreal and London.

Registrar—Canadian Trust Co., Montreal.

Legal Opinion (Pfd. Stock)—Lafleur, MacDougall, Macfarlane & Barclay.

Original Offering—Publicly offered ($2,500,000 Pfd.) in Nov., 1924, at $103 per share, plus accrued dividend to yield over 5.80%, by Aldred & Co., Ltd., Montreal and London, Aldred & Co., New York, and Chase & Co., Boston.

Price Range—

	1927	1926	1925	1924
Preferred—				
High	115	106	102½	101
Low	103¼	102¼	bid	bid
Common—				
High	70½	52	....	....
Low	43½	50	....	....

Dividends—Dividends on Pfd. stock regularly paid since issuance; payments, J, A, J & O 1. None on Com.

FUNDED DEBT

$3,600,000 COLLATERAL TRUST SINKING FUND GOLD 5½s SERIES "A"; DUE MAY 1, 1952

Dated May 1, 1927.

Interest Payable May and November 1 at The Royal Bank of Canada, Montreal, in Canadian gold coin, or at the agency of said bank in the Borough of Manhattan, city of New York, in U. S. gold coin; or at The Royal Bank of Canada, London, England, in gold coin, English sterling at the fixed rate of exchange of $4.86 2/3 to the £ sterling.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Company, Montreal.

Provisions of Issue—Authorized $20,000,000; issued $3,600,000 Series "A" for the purpose of funding temporary bank loans incurred through advances made to Montreal Tramways & Power Company, Ltd., and for other corporate purposes.

Callability—Series "A" bonds are subject to call as a whole or in part upon 60 days' notice at 105 and interest, if redeemed prior to May 1, 1932, and thereafter at 1% less for each 5 subsequent years or fraction thereof.

Sinking Fund—The Company agrees to provide a sinking fund for the Series "A" bonds, beginning May 1, 1928, of $40,000 annually, plus interest on all bonds redeemed. It is provided, however, that any monies received by the Trustees through the redemption of Series "A" bonds of Consolidated Securities Limited by the operation of the sinking fund provided for such bonds shall be applied by the Trustee to the purchase and redemption of bonds of this issue and to the extent so applied such monies are to be deemed a satisfaction of Company's obligation with respect to its own sinking fund payments.

Security—Secured by pledge of $3,800,000 Collateral Trust Sinking Fund Gold 6s, due 1952, and 8,768 shares Common stock of Consolidated Securities Limited, and $800,000 First Mortgage Gold 5s, due 1949, and 18,593 shares Common stock of Canadian Light & Power Company.

Under the Trust Indenture securing these bonds, the Company covenants: (a) That it will effectively cause Consolidated Securities Limited to observe all of the covenants contained in the Indenture securing its Collateral Trust Sinking Fund Gold 6s (see description of latter issue on subsequent page); (b) that no further shares shall be issued by Consolidated Securities Limited; (c) that no further bonds shall be issued by United Securities Limited under this Trust Indenture, save for the purpose of purchasing the additional bonds to be issued by Consolidated Securities Limited as provided for in its Trust Indenture; and (d) that all additional bonds of Consolidated Securities Limited when so purchased shall forthwith be pledged under this Trust Indenture. It is further provided that all the bonds and shares of Consolidated Securities Limited pledged under this Trust Indenture may be released, but only if replaced by at least 52% of the issued shares of Montreal Tramways Company, which will thereupon become directly pledged as security for these bonds, and in that event United Securities Limited covenants that it will at all times thereafter fully maintain its majority stock interest in Montreal Tramways Co. by subscribing and paying for its full proportion of all additional Common shares issued by Montreal Tramway Co., that it will pledge such additional shares under this Trust Indenture, and that it will issue no further bonds thereunder save for the purpose of providing the monies necessary to pay for such additional shares.

Tax Provisions—Company does not pay U. S. Normal Income tax. Exempt from present and future Canadian taxes.

Legal Opinion—Lafleur, MacDougal, Macfarlane & Barclay, Montreal.

Original Offering—First publicly offered ($3,600,000) in May, 1927, at par and interest to yield 5½%, by Aldred & Company, Minsch, Monell & Co., Inc., New York, Wood, Gundy & Co., Ltd., Harris Forbes & Co., Ltd., L. G. Beaubien & Cie, Limitee, Greenshields & Co., Hanson Bros., Rene T. Leclerc, Inc., A. E. Ames & Co., Geoffrion & Co., and Societe de Placements du Canada, Montreal.

Price Range—1927: High, 101 bid; low, 96 bid.

INCOME ACCOUNT

	Yr. Ended Mar. 31, 1928	Yr. Ended Mar. 31, 1927	June 14,'24 to Mar. 31, 1926
Interest and dividends	$317,648	$227,643	$421,525
General expenses, taxes, etc.	20,749	16,793	88,235
Net	$296,899	$210,850	$333,290
*Other income	400,000	400,000	666,666
Total income	$696,899	$610,850	$999,956
Interest charges	205,767	147,807	137,623
Amortization	149,098	149,097	248,496
Surplus after charges	$342,034	$313,946	$613,837
Pfd. dividends	296,823	307,048	520,050
Surplus	$45,211	$6,898	$93,787
Previous surplus	†83,266	†73,335	.....
Profit and loss surplus	$128,477	$80,233	$93,787
Times Int. Charges Earned	2.66	3.12	5.46
Earned Per Share—			
Preferred	$7.34	$6.12	$11.97
Common	0.88	0.13	1.82

*Received on account of sale of Quebec-New England Hydro-Electric Corp. †After adjustments.

GENERAL BALANCE SHEET, MARCH 31

Assets—	1928	1927	1926
Invest. in subs. corporations	$9,246,427	$5,614,311	$5,542,064
Contract agreement: Montreal Light Heat & Pwr. Consolidated	3,936,191	4,085,289	4,224,439
Loans to sub. corporations	308,935	3,586,614	2,621,900
Cash in bank & accts. rec.	11,688	57,467	143,394
Interest receivable	111,275	16,052	.....
Trustees account	21,718	.....	.....
Bond discount	144,000	.....	.....
Deferred charges	10,720	.....	.....
Sinking fund investment—Pfd. stock	214,400	196,297	113,536
Total	$14,005,354	$13,556,030	$12,645,333
Liabilities—			
Common stock	$5,126,173	$5,126,173	$5,126,173
Pfd. stock	4,869,772	5,125,373	5,125,372
Funded debt	3,600,000	.....	.....
Bank loan	.....	3,200,000	2,300,000
Due to subsidiaries	192,532	.....	.....
Accounts payable	5,900	24,251	.....
Accrued interest	82,500	.....	.....
Surplus	128,477	80,233	*93,788
Total	$14,005,354	$13,556,030	$12,645,333

*Subject to Federal Income Tax.

Officers: Julian C. Smith, Pres.; J. S. Norris, V-P. Jas. Wilson, Sec.-Treas.; H. H. Haydon, Asst. Sec and Asst. Treas., Montreal.

Directors: Julian C. Smith, J. S. Norris, Howard Murray, Geo. H. Montgomery, K. C., Gordon W MacDougall, K. C., Senator Lorne C. Webster, Hon J. L. Perron, K. C., C. S. Bagg, Oscar Dufresne.

General Office, Power Bldg., Craig St., Montreal.

THE CANADIAN LIGHT & POWER COMPANY

(Controlled by United Securities Limited)

History—Incorporated June 2, 1904, in Province of Quebec, Can. Owns a new and modern hydro-electric plant on the St. Lawrence River, near St. Timothee Que., Can., about 30 miles from Montreal.

The initial development provided for 21,600 shaft h.p., with such further developments as may be required in the future. The company acquired under lease for 63 years the Beauharnois Canal, 11 miles in length, 200 feet wide at top and 10 feet deep

giving a head of water of over 51 feet, and will use same in its present development. The Government reserves the right to take back the canal at the expiration of the lease by paying the value of the company's buildings, plant and works connected therewith. Company also acquired two additional properties, on one of which a head of 27 feet and on the other a head of 17 feet can be made with water from Cedars Rapids, and also 14,000,000 square feet of land adjacent to the proposed three developments for its own use, and to be sold to new industries.

The initial construction was completed in the summer of 1911, and on Aug. 1 of that year the company was transmitting 10,000 h. p. to Montreal, increasing the amount as the work at plant was completed until, by the end of the year 1911, the amount transmitted was stated to be about 22,500 h. p. The water is taken from Lake St. Francis, the canal intake being at Valleyfield, admitting water directly from the Lake into the power system—the flow being controlled by steel tainter gates of such size as to admit about 15% more water than required for the corresponding unit in the power house. The steel gates now in place are four in number, but provision is made for two additional gates. The company has erected over 300 steel transmission towers between the power plant at St. Timothee and Montreal. The voltage at which the power is transmitted from the high tension room at the power house is 44,000.

The present installed capacity is 28,000 h.p. and the plant is laid out for an ultimate development of 75,000 h.p. The Company has the perpetual right to manufacture, sell and distribute power and light in the City of Montreal and several adjacent counties.

Company acquired the Central Heat & Light Co. to distribute power in the City of Montreal and on Dec. 21, 1912, sold its distributing system in that city to the Montreal Public Service Corp., now the Quebec-New England Hydro-Electric Corp. (see General Index).

Contract With Quebec-New England Hydro-Electric Corp.—Under date of Jan. 26, 1926. Company entered into an agreement with the Quebec-New England Corp. to furnish it with 15,000 h.p. of continuous power from Jan. 1, 1926, the price to be paid for such power by the Quebec-New England Corp to be $20 per h.p. per annum.

Default—Bondholders' Protective Committee—Interest due July 1, 1925 on Company's 5% 40-Year First Mortgage Bonds having been defaulted, the following protective committee was formed: Hamilton Pell, Chairman; A. De S. Mendes, Furman S. Howson, with H. R. Sweet as Sec., 39 Broadway, New York City, Sidney G. DeKay, as Counsel, American Trust Co., New York, as Depositary.

Refinancing Arrangement—Holders of Company's 5% 40-Year First Mortgage Sinking Fund Bonds, on January 27, 1926 approved an arrangement providing for the cancellation and discharge of 40% of the principal amount of said bonds by exchange and conversion of such 40% of the bonds into fully paid and non-assessable shares of Common stock of Company at par. Such exchange and conversion was carried out on the following basis: For every $100 par value of the principal of such outstanding bonds the holders were entitled to receive—(a) $60 in principal amount of new bonds of the same issue bearing interest as and from Jan. 1, 1926 and; (b) $40 par value in fully paid shares of Common stock of Company. The liability of Company to make sinking fund payment of 1% of the issued bonds on or before July 1, 1925 and to pay interest due on said bonds on July 1, 1925 and Jan. 1, 1926 was released and discharged. Bondholders in lieu of cancelled interest were entitled to receive upon such exchange and conversion an additional $4 par value of such fully paid shares for each $100 of bonds held by them. The outstanding bonds were reduced as the result of such conversion to a principal amount of $3,299,700 and the provisions of the Deed of Conveyance in Trust were altered to provide that the mortgage be closed at that amount. The exchange and conversion was effective as of January 1, 1926 and holders of outstanding bonds were required on or before April 1, 1926 to deliver their bonds to The Royal Trust Co., Montreal, and receive the new bonds and shares of Company on the basis authorized.

CAPITAL STOCK

Authorized, $3,325,000; outstanding Dec. 31, 1927, $3,324,800; par, $100. Authorized capital stock was increased from $6,000,000 to $7,000,000 Aug. 6, 1912; reduced to $600,000 May 19, 1925 and increased to $3,325,000 in January, 1926. United Securities Limited owns $1,859,300 of the stock. Transfer Agent and Registrar: Royal Trust Co., Montreal. Annual meeting, second week in August.

Dividends—None paid.

FUNDED DEBT

$3,237,300 First Gold 5s; dated July 1, 1909; due July 1, 1949; interest Jan. and July 1, at Royal Trust Co., Montreal, Trustee, and London Joint Stock Bank, Ltd., London, Eng. Coupon, $500 and $1,000 or their sterling equivalents at rate of $4.86 2-3 to the £; principal may be registered. Authorized, $7,500,000; issued, $6,500,000, of which $921,500 redeemed by sinking fund to June 30, 1924. By action of bondholders Jan. 27, 1926 outstanding bonds were reduced to $3,299,700 at which amount mortgage is closed. Of the latter amount $62,400 were redeemed to Dec. 31, 1927, leaving outstanding $3,237,300, of which United Securities Limited owns $1,302,000. By the same action sinking fund requirement was cancelled and interest due July 1, 1925, and Jan. 1, 1926, was cancelled—for full details see preceding paragraph. Subject to call as a whole or in part at 105 and interest on 60 days' notice, or for sinking fund drawings. Secured by first lien on all properties and franchise of company. Dealt in on unlisted department of Montreal Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	70	64	62	82	74¼	78½	98½	50¾
Low	63	56	36	50	bid	bid	98½	bid

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross income from all sources	$347,929	$313,405
Operating and maintenance expense	122,737	97,175
Balance	$225,192	$216,230
Deductions:		
Bond interest	$162,952	$164,513
Sinking fund reserve	.....	32,997
Depreciation reserve	60,284	18,720
Total deductions	$223,236	$216,230
Balance	$1,956	.....

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	*Mar. 31, 1926
Properties and concessions	$2,536,647	$2,540,789	$2,348,118
Plant and equipment	4,179,801	4,109,472	4,143,500
Materials on hand	4,983	6,621	8,611
Accounts receivable	32,450	27,454	23,009
Cash	85,390	113,675	6,827
Call loan	.....	.....	170,642
Suspense	26,809	.....	.....
Deferred charges	24,128	12,976	34,681
Profit and loss deficit	.....	.....	130,757
Total	$6,890,208	$6,810,988	$6,866,145
Liabilities—			
Capital stock	$3,324,800	$3,324,800	$3,324,800
Bonds	3,237,300	3,280,800	3,299,700
Mortgages	.....	.....	72,920
Accts. and wages payable	38,219	36,651	3,858
Bills payable	95,000	35,000	.....
Accrued bond interest	80,932	82,020	41,246
Accrued sinking fund suspense	.....	32,997	8,249
Reserve for depreciation	112,000	18,719	.....
Reserve for contingencies	.....	.....	115,372
Surplus	1,957	.....	.....
Total	$6,890,208	$6,810,988	$6,866,145

*After giving effect to reorganization.

Officers: Julian C. Smith, Pres.; J. S. Norris, V-P.; J. Wilson, Sec.; W. S. Hart, Treas.; H. G. Budden, Asst. Sec.; W. A. Stitt, Asst. Treas.

Directors: Julian C. Smith, H. Murray, G. W. MacDougall, J. S. Norris, Geo. H. Montgomery, J. L. Perron, Lorne C. Webster, W. C. Finley, M. A. Verdery.

General Office, Eastern Townships Bank Bldg., Montreal, Can.

CONSOLIDATED SECURITIES LIMITED

(Controlled by United Securities Limited)

History—Incorporated June 20, 1925, under the Companies' Act (1920) of the Province of Quebec, and purchased all the assets of Montreal Tramways & Power Co., Ltd. (see Manual for 1926, page 1290), which was voluntarily liquidated pursuant to a Scheme of Arrangement, authorized by stockholders on January 12, 1927, and sanctioned by the court on February 22, 1927. Owns 27,382 shares Common stock of Montreal Tramways Company representing over 52% of the issued amount.

The Scheme of Arrangement provided that Montreal Tramways & Power Co., Ltd., be voluntarily liquidated and transfer its undertaking, properties and assets to Consolidated Securities Limited. As consideration for the transfer, the Consolidated Securities Limited (a) issued or allotted to the liquidator of Montreal Tramways & Power Co., Ltd. 8,794 fully paid and non-assessable shares of its capital stock of no par value and (b) undertook to satisfy and discharge all the liabilities and obligations of Montreal Tramways & Power Co., Ltd., and assumed all the contracts binding on it and indemnified Montreal Tramways & Power Co., Ltd., and its liquidator against all obligations and liabilities. Subject to these provisions, the shares of Consolidated Securities Limited, constituting the consideration for the transfer of assets of Montreal Tramways & Power Co., Ltd., were distributed among the shareholders of the latter Company in full satisfaction of all claims by such stockholders in the liquidation in respect to the share of the Montreal Tramways & Power Co. which they held. It was provided that upon ratification of this Agreement the liquidator of Montreal Tramways & Power Co., Ltd. within seven days notify each stockholder of the Company of the number of shares in the Consolidated Securities Limited to which he was entitled, and that these shares must be claimed by the stockholders within one month from the date of the Agreement.

Shareholders of Montreal Tramways & Power Co., Ltd., received one share of Consolidated Securities Limited for each 20 shares held. Shares not claimed were to be sold by the liquidator and the net proceeds of such sale were to be distributed ratably in the rights and interests of shareholders who may have so refrained from filing a claim. No fractional certificates of Consolidated Securities Limited were issued, but all rights of the old Company's stockholders with respect to any fraction of a share of the new Company were to be disposed of by the liquidator and the owners of such fractional shares were to receive in due course a distribution of the net proceeds of the sale of the aggregate of all fractional rights.

As United Securities Limited owned practically all the shares of Montreal Tramways & Power Co., Ltd., it automatically obtained control of Consolidated Securities Limited.

CAPITAL STOCK

Authorized, 20,000 shares Common of no par value; issued and outstanding, May 12, 1927, 8,794 shares. Of this amount, 8,768 shares are owned by United Securities Limited.

FUNDED DEBT

$3,800,000 COLLATERAL TRUST SINKING FUND GOLD 6s; DUE 1952

Secured by pledge of 27,382 shares of Common stock of Montreal Tramways Company. The Trust Indenture securing these bonds contains the covenant of the Company to fully maintain its majority stock interest in Montreal Tramways Company by subscribing and paying for its full proportion of all additional Common shares issued by Montreal Tramways Company during the currency of these bonds, and by pledging such additional shares under the Indenture. It also provides that no further bonds shall be issued save for the purpose of providing the monies necessary to pay for such additional shares.

All owned by United Securities Limited and pledged under that Company's Collateral Trust Sinking Fund 5½s, Series "A."

REVENUES AND EXPENSES FROM DATE OF INCORPORATION TO DECEMBER 31, 1927

Revenue:	
Dividends from investments	$290,988
Interest on call loans, etc.	8,417
Rentals	24
Total	$299,429
Deductions:	
General expenses	$4,063
Interest on loan	93,988
Bond interest	132,636
Provision for sinking fund	26,667
Total	$257,354
Balance to surplus	42,075

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Securities of subsidiaries	$4,614,288
Cash	9,115
Call loan	175,000
Accounts receivable	111,466
Accrued dividends	68,455
Total	$4,978,324
Liabilities—	
Capital stock	$879,400
Funded debt	3,800,000
Reserve for sinking fund	26,666
Accrued interst on bonds	234,258
Capital and operating surplus	38,000
Total	$4,978,324

Officers: Julian C. Smith, Pres.; Howard Murray, V-P.; James Wilson, Sec. & Treas.; H. H. Haydon, Asst. Sec. & Asst. Treas.

Directors: Julian C. Smith, Howard Murray, James Wilson, W. S. Hart, Gordon W. MacDougall.

Office, Montreal, Que.

MONTREAL TRAMWAYS COMPANY

(Controlled by Consolidated Securities, Ltd.)

History—Incorporated Mar. 24, 1911, under special charter granted by the Province of Quebec, to acquire the properties of Montreal St. Ry, Montreal Park & Island Ry, Montreal Terminal Ry, and the Public Service Corporation. Owns and controls entire street railway system in Montreal, including all the suburbs located on the Island of Montreal, with the exception of about one mile of interurban line entering the city.

Autobus Service—Company operates 10 autobus routes in Montreal and environs, the number of buses in operation on May 1, 1927 being 65, an increase of 41 since the end of 1925. Estimated population of the district served is about 900,000.

Contract with City of Montreal—On Jan. 28, 1918, the Company entered into a Contract with the City of Montreal, which was ratified by legislative act of the Province of Quebec on Feb. 9, 1918, under the

terms of which the Company is granted the right to conduct its business in Montreal until March 24, 1953. In 1953, the City may purchase the property and assets of the Company at a valuation to be then fixed by arbitration plus 10% of such valuation, or if no sale is made, the contract is automatically extended for five year periods until the City shall so purchase the property at the end of any five-year period.

The Contract creates a commission of three men, residents of Montreal, appointed by the Lieutenant Governor-in-Council of the Province of Quebec for ten-year periods, subject to removal by the same authority, and called the Montreal Tramways Commission. The duties of the Commission are to administer the terms of the contract which grants authority to, and imposes the obligation upon the Commission to always maintain fares which shall provide revenues sufficient to meet the following requirements in the order of priority shown below:—

1st. All operating expenses and taxes.
2nd. Ample funds for maintenance and renewals, and in connection therewith to create a Maintenance and Renewal Fund of at least $500,000.
3rd. An annual return to the Company of 6% on the capital value (at present agreed upon as $41,616,306) as well as 6% on all working capital required for the operation of the Company (these allowances being more than 2¼ times present bond interest charges); also $181,431.47 per annum during the life of the contract to cover expenses of financing.
4th. A rental of $500,000 per annum to the City of Montreal.
5th. The obligation to create a Contingent Reserve Fund of $500,000.
6th. Any surplus after providing for the above to be divided as follows:
20% to the Company.
30% to the City.
50% to be used to create a Tolls Reduction Fund of $2,500,000 to be used by the Commission for reduction of fares as provided in the contract.

It is also provided by the Contract that in the event of any shortage of revenue arising in any one year to cover the obligations mentioned above the Commission is authorized and obliged to add such shortage to the requirements of the next year and to make a rate of fare to cover the total.

The City of Montreal is directly interested in the prosperity of the Company, receiving under the terms of the franchise contract after the Company's return on its capital value, $500,000 in annual rentals and a percentage of surplus earnings.

Mileage Operated, measured as single track, is 282.96 miles, about 10% of which is located on private right-of-way, the latter including an entrance of great value into City of Montreal. Gauge, standard. Rail, steel, 56 to 96 lbs. Cars, 991; power stations, 3; transformer stations, 2; storage batteries, 2; car barns, 9.

A substantial portion of the electricity used by the Company is generated by water power and is purchased under contract under favorable terms. The Company is also amply supplied with reserve steam stations.

Operations—Total number of passengers carried in 1927 was 211,789,599 as compared with 207,754,983 in 1926. Car mileage during 1927 amounted to 26,101,169 as compared with 24,934,224 in the preceding year.

CAPITAL STOCK

Authorized, $20,000,000; outstanding, $5,000,000; par, $100. Stock control is held by United Securities Limited through its ownership of stock of Consolidated Securities, Ltd.

Subscription Privilege—Stockholders of record Oct. 15, 1926 were offered the right to subscribe to 10,000 shares of new stock (par $100) at $125 a share on the basis of one new share for every four outstanding. Terms of payment provided for three installments; 25% on Dec. 1, 1926; 25% on Dec. 31, 1926 and the remaining 50% on March 1, 1927. Proceeds provided capital for improvements and extensions to Company's system and for rolling stock which has been purchased.

Annual Meeting—In 1928 on March 29.

Listed—Montreal Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	197	190	187	179	160	170½	151	155
Low	169	162	165	148	140	142	105	125

Dividends—Initial dividend of 5% paid May 1, 1913; a quarterly dividend of 2½% was paid Aug. 1, 1913; Nov. 1, 1913, 2½%; 1914 to May, 1918, 10% per annum; the Aug. 1, 1918 dividend was deferred, owing to the fact that the new fares and allowances provided for under the contract had not at that time become operative, an appeal having been taken to the Quebec Public Utilities Commission. During 1920 the Company resumed paying its usual quarterly dividends at the rate of 2½% per quarter, starting from the quarter ended Dec. 31, 1919; and also paid the quarterly dividends in arrears for the quarters ended June 30, 1918, Sept. 30, 1918, and Dec. 31, 1918, leaving three quarterly dividends still in arrears. On Nov. 1, 1920, 2½% was paid for the quarter ended March 31, 1919, and early in 1921, 2½% was paid for the quarter ended June 30, 1919, leaving one payment (2½%) in arrears on that date. On March 28, 1922, the final deferred dividend of 2½% was paid. Dividends of 2½% each quarter are now being regularly paid. Payments, J, A, J & O 15.

FUNDED DEBT

(1)

$21,351,000 FIRST & REFUNDING (NOW FIRST) MORTGAGE 5% 30-YEAR COLLATERAL TRUST BONDS, SERIES "A", DUE JULY 1, 1941

Dated July 1, 1911.

Interest Payable in gold, at office of Harris, Forbes & Co., New York, at Harris Trust & Savings Bank, Chicago, and at National Trust Co., Ltd., Montreal. Also payable in London, Eng., principal and interest, at the Company's agency, in pounds sterling at the fixed rate of exchange of $4.86⅔.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago, and National Trust Co., Ltd., Montreal, Co-Trustee.

Provisions of Issue—Originally authorized, $75,000,000, but limited by vote of stockholders March 19, 1925, to $25,000,000; issued $23,101,000, of which $1,750,000 are deposited with Trustee for General & Refunding Mtge. bonds. The balance of the unissued bonds (which are issuable at a rate not exceeding 5%) being reserved for extensions and additions at not exceeding 75% of cost, and then only when net earnings for preceding twelve months shall be equal to at least twice the interest charges on all bonds outstanding and to be issued.

Callability—Subject to call, as a whole only, at 105 and interest on July 1, 1921, or any interest date thereafter upon 5 weeks' notice.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all the properties of Company now owned or hereafter acquired. Subject only to $4,966.66 Montreal Street Ry. Co., 4½% bonds, due May 1, 1922, for the redemption of which a sufficient amount is on deposit in the Bank of Montreal. Additionally secured by pledge of the following securities: $613,000 Montreal Terminal Ry. First 5s. due 1934; $708,750 Common and $315,000 Pfd. stock of Montreal Park & Island Ry. Co., $1,000,000 fully paid and $250,000 (not fully paid) Common stock of Public Service Corp., and $1,000,000 Montreal Terminal Ry. Co. capital stock.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered ($10,445,000) in Nov., 1911, at par and interest, by Harris, Forbes & Co., New York, Harris Trust & Savings Bank, Chicago, and N. W. Harris & Co., Inc., Arthur Perry & Co., and Coffin & Burr, Boston; $2,000,000 additional offered by the same firms in Dec., 1916, and $1,750,000 in Nov., 1921, at 83½ and interest, to yield about 6.50%, and a further $3,266,000 in Dec., 1924, at

95 and interest yielding over 5.45%, by Harris, Forbes & Co., and Aldred & Co., New York; Harris Trust & Savings Bank, Chicago, and Holt, Gundy & Co., Montreal.

Listed—New York, London and Montreal Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100¾	99	93¾	95½	92⅝	93	90½	81
Low	95⅝	96½	92½	91	86¼	87½	82¼	81

(2)

$17,826,500 GENERAL AND REFUNDING MORTGAGE 5% SINKING FUND GOLD BONDS, SERIES "A", DUE APRIL 1, 1955

$2,500,000 GENERAL AND REFUNDING MORTGAGE 5% SINKING FUND GOLD BONDS, SERIES "B", DUE APRIL 1, 1955

Dated—Series "A," April 1, 1925; Series "B," October 1, 1925.

Interest Payable in gold April and October 1, in New York and Montreal, and in London in Sterling at the fixed rate of $4.866 to the £.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—The authorized amount of General & Refunding Mortgage Gold bonds which can be issued under the mortgage is $100,000,000, bearing interest at varying rates, not exceeding 6% per annum. An amount of $25,000,000 is reserved for the purpose of refunding an equal amount of First & Refunding Mortgage Gold bonds. Series "A" bonds amounting to $17,826,500 were issued for the purpose of retiring the whole of Company's 5% Debenture stock formerly outstanding. Series "B" bonds to a total authorized amount of $5,000,000 were created by a supplemental trust deed dated October 19, 1925; issued, $2,500,000, $1,750,000 of proceeds applied to retirement of $1,750,000 First and Refunding Mortgage Sinking Fund Gold bonds previously held in the Treasury of Company and now pledged as additional security under this General and Refunding Mortgage and remaining $750,000 for extensions, enlargements, etc. Additional bonds can be issued only for an amount not exceeding 75% of the cash cost of extensions and additions to the company's property.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 104 and accrued interest up to April 1, 1930; at 103 and interest during the next 10 years; at 102 and interest during the next 10 years, and at 100½ and interest thereafter to maturity.

Sinking Fund—For Series "A" bonds a sinking fund is provided amounting to $25,000 per annum from April 1, 1928 to April 1, 1933; $40,000 per annum from April 1, 1934 to April 1, 1938; and $50,000 per annum threafter to maturity. Supplemental trust deed securing Series "B" bonds provides sinking fund requiring payment to the Trustee of $25,000 per annum in each of years 1928 to 1954, inclusive.

Security—Secured by a direct mortgage on the entire property of the company now owned or hereafter acquired, subject only to the lien of the First & Refunding (now First) Mortgage 5% Gold Bonds due July 1, 1941. Also secured by deposit with the Trustee of $1,750,000 First & Refunding Mortgage 5s of Company.

Legal Opinion—Lafleur, MacDougall, Macfarlane & Barclay, Montreal.

Original Offerings—First publicly offered ($7,000,000 Series "A") in March, 1925, at 88 and interest yielding over 5.85%, by Aldred & Co. and Minsch, Monell & Co., Inc., New York, Aldred & Co. Ltd., Holt, Gundy & Co., National City Co., Ltd., Greenshields & Co., Hanson Bros. and Rene-T Leclerc, Inc., Montreal. $2,500,000 Series "B" were first publicly offered in October, 1925 at 93¾ and interest, yielding over 5.40% by Alfred & Co. and Minsch, Monell & Co., Inc., New York, and Aldred & Co., Ltd., Holt, Gundy & Co., National City Co., Ltd., Greenshields & Co., Hanson Bros., Rene-T. Leclerc, Inc., and L. G. Beaubien & Cie, Limitee, Montreal, etc.

Listed—Montreal Stock Exchange.

Price Range—

	1927	1926	1925
Series "A"—			
High	100½	94⅞	93½
Low	95⅜	92½	88
Series "B"—			
High	97	94⅞	93¾
Low	94⅜	92¾	93¼

STATEMENT OF OPERATIONS UNDER CONTRACT

	Feb. 10, 1918 to Dec. 31, 1927	Year Ended Dec. 31, 1927	12 Mos. Ended Dec. 31, 1926	*Six Mos. Ended Dec. 31, 1925	Year Ended June 30, 1925	Year Ended June 30, 1924
Gross earnings	$115,770,179	†$13,728,153	$12,899,602	$6,305,492	$12,476,567	$12,463,798
Operating expenses and taxes	$59,653,245	$6,760,074	$6,582,974	$3,052,441	$6,323,001	$6,246,890
Operating profit	474,713	57,351	55,277	26,606	50,684	48,555
Maintenance and renewals	23,995,181	2,478,642	2,870,229	1,599,544	2,577,260	2,579,779
Total	$84,123,139	$9,296,067	$9,508,480	$4,678,591	$8,950,945	$8,875,224
Balance	$31,647,040	$4,432,086	$3,391,122	$1,626,901	$3,525,622	$3,588,574
Allowances due Co.:						
6% on capital value	$21,524,235	$2,177,178	$2,177,178	$1,088,589	$2,177,178	$2,177,177
6% on working capital	108,610	5,807	3,915	1,734	5,707	5,351
Additions to capital	2,156,774	514,725	460,337	195,862	277,667	175,918
Expense of financing	1,793,521	181,431	181,431	90,716	181,431	181,431
Total	$25,583,140	$2,879,141	$2,822,861	$1,376,901	$2,641,983	$2,539,879
Balance	$6,063,900	$1,552,945	$568,261	$250,000	$883,638	$1,048,695
Payable when earned:						
City of Montreal rental	$4,942,694	$500,000	$500,000	$250,000	$500,000	$500,000
Contingent reserve	500,000	431,739	.....	.....	.....	.....
Total	$5,442,694	$931,739	$500,000	$250,000	$500,000	$500,000
Surplus	$621,206	$621,206	$68,261	.....	$383,638	$548,695

*Fiscal year changed to end December 31 instead of June 30. †Includes $621,206 appropriated from unredeemed ticket account by special resolution.

Montreal Tramways Gen'l & Ref. 5's, 1955

Uptown Montreal Branch: Mount Royal Hotel Building

Greenshields & Co.

Members of the Montreal Stock Exchange

Montreal: 17 St. John Street

Out-of-town Branch Offices: Toronto Ottawa Quebec

INCOME ACCOUNT

	12 Mos Ended Dec. 31, 1927	12 Mos. Ended Dec. 31, 1926	6 Mos. Ended Dec. 31, 1925	Years Ended June 30, 1925	1924	1923
Revenue—						
Allowance under contract	$2,940,346	$2,729,622	$1,286,185	$2,460,552	$2,358,448	$2,392,986
Other revenue	67,784	76,104	68,641	116,389	90,725	37,239
Gross revenue	$3,008,130	$2,805,726	$1,354,826	$2,576,941	$2,449,173	$2,430,225
Expenses—						
Interest on bonds and loans	$2,120,722	$2,118,060	$1,023,214	$1,283,881	$994,139	$990,856
Interest on debentures	.....	.....	.....	661,875	882,500	874,352
Other expenses	4,922	8,507	10,122	7,390	8,982	16,983
Total expenses	$2,125,644	$2,126,567	$1,033,336	$1,953,146	$1,885,620	$1,882,191
Net income	$882,486	$679,159	$321,490	$623,794	$563,553	$548,034
Less dividends for current period	499,602	400,000	200,000	400,000	400,000	399,948
Surplus for period	$382,884	$279,159	$121,490	$223,794	$163,553	$148,086
Add previous surplus	1,293,197	1,014,038	892,547	668,753	592,979	844,893
Total	$1,676,081	$1,293,197	$1,014,037	$892,547	$756,533	$992,979
Appropriated for:						
Reserve account	.....	.....	.....	.....	.....	$400,000
Discarded property	.....	.....	.....	.....	$87,780	.....
Total	.....	.....	.....	.....	$87,780	$400,000
General surplus	$1,676,081	$1,293,197	$1,014,037	$892,547	$668,753	$592,979
Times All Interest Earned	1.42	1.32	1.31	1.32	1.30	1.30
Earnings Per Share	$17.65	$16.98	$8.03	$15.59	$14.09	$13.70

GENERAL BALANCE SHEET

	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	June 30, 1925	June 30, 1924	June 30, 1923
Assets—						
Cost of road and equipment	$51,054,226	$50,308,139	$48,019,810	$46,509,477	$43,979,903	$43,549,752
Investments	125,017	29,436	46,375	46,375	74,434	74,434
1st and Ref. 5% gold bonds unsold	.....	.....	.....	1,750,000	3,161,000	3,161,000
Guarantee fund	500,000	500,000	500,000	500,000	500,000	400,000
Accounts receivable	65,590	53,159	60,773	75,310	711,400	692,008
Stores	535,055	591,745	460,833	576,904	660,019	451,283
Cash	921,983	536,298	1,490,485	386,721	78,403	440,539
Call loans	500,000	480,000	500,000	500,000	.....	.....
Maintenance & renewals & other funds	519,875	.....	.....	.....	.....	.....
Total	$54,221,746	$52,498,777	$51,078,277	$50,344,787	$49,165,159	$48,769,016
Liabilities—						
Capital stock	$5,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000	$4,000,000
Premium on new stock	.....	129,944	.....	.....	.....	.....
Advance payment on new stock	.....	519,775	.....	.....	.....	.....
Debenture stock	.....	.....	.....	.....	*17,650,000	*17,650,000
First and Refunding Mortgage bonds	21,351,000	21,351,000	21,351,000	23,101,000	21,246,000	21,246,000
General & Refunding Mtge. bonds	20,326,500	20,326,500	20,326,500	17,826,500	.....	.....
Underlying bonds and mortgages	145,843	145,843	145,843	145,843	13,343	15,343
Loans and notes payable	50,000	50,000	50,000	50,000	800,000	960,000
Accounts and wages payable	864,303	705,885	964,006	1,022,976	1,170,581	1,114,453
Accrued interest	254,226	254,226	254,081	222,831	220,625	220,625
Employees' securities	27,216	26,015	24,163	23,032	22,535	21,412
Unclaimed dividends	1,957	1,956	1,957	1,957	1,957	1,957
Unredeemed tickets	500,000	1,006,288	902,002	842,584	678,350	519,346
Suspense account	452,923	472,394	412,152	451,625	520,622	610,412
Dividend payable	125,000	100,000	100,000	100,000	100,000	100,000
Reserve account	1,250,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Reserve for financing	508,271	329,111	161,445	355,037	690,321	513,552
City rental	125,000	125,000	125,000	214,141	272,938	81,033
Maintenance and renewals reserve	500,354	500,000	246,090	94,714	109,133	121,904
Depreciation reserve, autobus	252,469	93,382	.....	.....	.....	.....
Contingent reserve account	500,000	68,261	.....	.....	.....	.....
Tolls reduction fund	310,503	.....	.....	.....	.....	.....
Surplus	1,676,081	1,293,197	1,014,038	892,547	668,753	592,979
Total	$54,221,746	$52,498,777	$51,078,277	$50,344,787	$49,165,159	$48,769,016

*This includes the amount due on shares not yet exchanged.

STATEMENT OF WORKING CAPITAL

	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	June 30 1925	June 30, 1924	June 30 1923
Current Assets—						
Accounts receivable	$65,590	$53,159	$60,773	$75,310	$711,400	$692,008
Stores	535,055	591,745	460,833	576,904	660,019	451,283
Cash on hand, etc.	921,983	536,298	1,490,485	386,721	78,403	440,539
Call loans	500,000	480,000	500,000	500,000	.....	.....
Total	$2,022,628	$1,661,202	$2,512,092	$1,538,935	$1,449,822	$1,583,830
Current Liabilities—						
Accounts and wages payable	$864,303	$705,885	$964,006	$1,022,976	$1,170,581	$1,114,453
Loans and notes payable	50,000	50,000	50,000	50,000	800,000	960,000
Due account City Rental	125,000	125,000	125,000	214,141	272,938	81,033
Accrued interest	254,226	254,226	254,081	222,831	220,625	220,625
Unredeemed tickets	500,000	1,006,288	902,002	842,584	678,350	519,346
Unclaimed dividends	1,957	1,956	1,957	1,957	1,957	1,957
Dividends payable	125,000	100,000	100,000	100,000	100,000	100,000
Total	$1,920,486	$2,243,355	$2,397,046	$2,454,489	$3,244,451	$2,997,414
Net Working Capital (debit)	*$102,142	$582,153	*$115,046	$915,554	$1,794,629	$1,413,584

*Credit.

Officers: Julian C. Smith, Pres.; J. E. Hutcheson, V-P. & Gen. Mgr.; Patrick Durbee, Sec.-Treas.; C. H. Boire, Asst. Sec. and Asst. Treas.; H. E. Smith, Compt.

Directors: Julian C. Smith, Howard Murray, Gordon W. MacDougall, K. C., Hon. Lorne C. Webster, Wm. C. Finley, Hon. J. P. B. Casgrain, Hon. J. L. Perron, K. C., J. E. Hutcheson, Geo. H. Montgomery, K. C., and Beaudry Leman, Montreal, Que., Can.

General Office, 78 Craig Street, West Montreal, Que. Can.

POWER CORPORATION OF CANADA, LIMITED

History—Incorporated April 18, 1925, under the laws of the Dominion of Canada to acquire and hold securities of electric power and light companies, and to operate and manage and act as fiscal agents for electric power and light properties, and to deal in other securities. The duration of the charter is perpetual.

As of Dec. 31, 1927, Company, through stock ownership, controlled the following:

Canada Northern Power Corporation, Limited, which controls:
- Porcupine Power & Telephone Co., Limited
- Northern Canada Power, Limited
  - The Quinze Power Co., Limited
- Northern Ontario Light & Power Co., Limited
- Northern Quebec Power Co., Limited
- Great Northern Power Corporation, Limited

Also a substantial interest in the following companies:

- East Kootenay Power Co., Ltd.
- Southern Canada Power Co., Ltd.
- Winnipeg Electric Co. which controls
  - Manitoba Power Co., Ltd.
- Dominion Power & Transmission Co., Ltd.

In addition to the above holdings Company had a considerable portion of its capital invested in high grade bonds and dividend-paying investment stocks.

The properties, which the Power Corporation of Canada Limited controls or in which it holds a substantial interest, are situated in Quebec, Ontario, Manitoba and British Columbia, have an installed capacity of 436,600 h.p. with an ultimate capacity of 747,600 h.p. and serve a population of over 1,000,000.

Statement of Operations—The following condensed statement of operations for the year ended June 30, 1927, of the utility companies which Power Corp. of Canada, Ltd., controls or is substantially interested in, is as follows:

Combined gross earnings for the last fiscal period	$14,681,610
Net earnings for same period available for reserves and Common dividends	2,072,652
Total k.w. hours generated	1,153,262,000
Total plant capacity (horsepower)	436,600

Power Corp. of Canada, Ltd., owns 33.67% of the outstanding Common stocks of these utilities.

CAPITAL STOCK

Authorized, 250,000 Common shares of no par value, $5,000,000 6% cumulative First Pfd. of $100 par value and $5,000,000 6% non-cumulative participating Pfd. of $50 par value; outstanding, 200,000 Common shares, $5,000,000 First Pfd. and $2,500,000 participating Pfd.

Subscription Privilege—Holders of the 6% non-cumulative Participating Pfd. stock of record Feb. 29, 1928, were offered the right to subscribe to 50,000 shares of stock of the same class at $60 per share on the basis of one share of new stock for each share held. Subscription privilege expired April 2, 1928.

Offer for British Columbia Electric Railway, Ltd.—In Apr., 1928, it was announced that Sir Herbert Holt, Viscount Rothermere, J. H. Gundy, the Canadian & Foreign Power Corp., and the Andrew Holt Co. on the one hand and Nesbitt, Thomson & Co., and the Power Corp. of Canada, Ltd., on the other, had arrived at an agreement to combine in an offer for the British Columbia Electric Railway Co., Ltd., on the basis of the bid made by Nesbitt, Thomson & Co., and the Power Corp. of Canada, Ltd. This offer was £275 for each £100 Pfd. Ordinary share and £315 for each £100 Deferred Ordinary share. This offer was made with the stipulation that a minimum of 75% of the shares be deposited on or before May 10, 1928.

Proposed Stock Increase, Etc.—Stockholders were to vote May 11, 1928, on proposed increase in Common stock to 1,000,000 shares of no par value. Following approval of increase, Pfd. and Common stockholders of record May 31, 1928, were to receive right to purchase Common stock at $60 per share in the ratio of 2 shares for each 3 shares held. Right to subscribe to expire June 30, 1928. In connection with the proposed increase in Common stock shareholders will be asked to approve a resolution which will allow holders of the non-cumulative participating Pfd. 10 votes for each share of Pfd. held.

Preferred Stock Provisions—The First Pfd. stock has preference as to dividends and assets over the non-cumulative participating Pfd. and Common stock of the company, and is entitled to 110 and accrued dividend upon any dissolution or liquidation of the Company. After the full dividends have been paid on First Pfd. shares the 6% non-cumulative Participating Pfd. shares are entitled to receive a non-cumulative dividend of 6% per annum before any dividends shall be paid on the Common shares and have the further right to participate, share and share alike, with the Common shares in any dividends after $3 per share has been paid in any year on the Common shares. Subject to the prior rights of the First Pfd. shares, holders of Participating Pfd. shares are entitled to receive out of the remaining assets and funds of the Company over and in priority to all classes of shareholders, 110% of the par value of the shares held by them. First Pfd. stock has no voting rights except in the event that four consecutive quarterly dividends are in default. The 6% Participating Pfd. stock has equal voting rights with the Common.

Callability—The First Pfd. stock is redeemable on any dividend date on 30 days' notice at 110 and accrued dividend.

Transfer Agent—Montreal Trust Co., Montreal.

Registrar—The Eastern Trust Co., Montreal.

Legal Opinion (First Pfd. Stock)—E. R. Parkins, K. C.

Original Offering—First publicly offered, ($2,500,000 First Pfd.) in June, 1925, by Nesbitt, Thomson & Co., Ltd., Montreal, etc. at $100 per share, to yield 6%, carrying a bonus of five shares no par value Common stock with each ten shares of First Pfd. $2,500,000 additional First Pfd. stock was offered in Jan., 1927, at $96 per share to yield 6.25% by Nesbitt, Thomson & Co., Ltd., Montreal.

Listed—Montreal Stock Exchange, and dealt in on Toronto Curb Market and New York Curb Market.

Dividends—Initial dividend of 1½% on First Pfd. stock paid Oct. 15, 1925, which quarterly rate since maintained to date; payments J, A, J & O 15 to stock of record Dec., March, June and Sept. 31. On the non-cumulative Pfd. stock dividends of 1½% each were paid Oct. 15, 1927 and Jan. 16 and April 16, 1928 to stock of record Sept. 30 and Dec. 31, 1927, and March 31, 1928. No dividends have been paid on Common.

FUNDED DEBT

$5,000,000 5% 30-YEAR CONVERTIBLE DEBENTURES SERIES "A"; DUE DECEMBER 1, 1957

Dated December 1, 1927.

Interest Payable June and December 1 at any branch of The Royal Bank of Canada in Canada or at the Agency of said Bank in the City of New York in U.

S. gold coin, or in sterling at the Branch of said Bank n London, England, at the fixed rate of $4.86 2/3 to he £ Sterling.

Denominations—Coupon debentures, $100, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal, Que.

Provisions of Issue—Issued, $5,000,000 Series "A" 5s, due 1957. Additional debentures may be issued rom time to time provided that the par value of the lebentures issued and those proposed to be issued does not exceed 50% of the market value of the net assets of the Company at the time of such issue, and then only provided that net earnings for the preceding 12 months are at least equivalent to 1½ times the annual nterest requirements on all debentures outstanding and on those proposed to be issued.

Purpose of Issue—Proceeds of the sale of these debentures were to be used for the acquisition of the control of, or a substantial interest in, hydro-electric and public utility companies; but temporarily might be nvested in other high-grade bonds and dividend-paying stocks.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest at any time after Dec. 1, 1932.

Convertibility—Debentures may be converted at any ime before Dec. 1, 1932 into the no par value Common stock of Company on the basis of one share of stock for each $100 par value of Series "A" Debentures.

Security—Company covenants that it will not issue any securities to rank ahead of these Debentures and that of its unissued Common stock it will retain 50,000 shares of no par value to provide for the conversion of these debentures.

Legal Opinion—E. R. Parkins.

Original Offering—First publicly offered ($5,000,000) in November, 1927 at 98½ and interest, to yield about 5.10%, by Nesbitt, Thomson & Co., Ltd., Montreal, etc.

INCOME ACCOUNT, YEARS ENDED JUNE 30

(Accounts Audited by P. S. Ross & Sons)

	1927	1926
Gross revenue	$796,635	$324,477
Operating expenses	68,299	52,611
Interest	48,012	8,132
Taxes	18,872	17,348
Net earnings	$661,452	$246,386
Dividends paid	217,139	145,454
Surplus	$444,313	$100,932
Earnings Per Share—		
First Preferred	$13.23	$9.85
Participating Preferred	8.88	2.02
Common	1.84	Nil

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926
Common stocks of affiliated companies	$5,832,397	$3,110,486
Investments	3,496,836	2,367,099
Cash	57,611	24,395
Accounts receivable	738,273	27,387
Accrued revenue from investments	67,809	11,858
Advances to subsidiaries	1,180,202	450,000
Miscellaneous assets	10,595	8,740
Total	$11,383,723	$5,999,965

Liabilities—	1927	1926
Common stock	$1,875,000	$500,000
First Preferred stock	5,000,000	2,500,000
Participating Preferred stock	2,500,000	2,500,000
Bank and other loans	1,086,966	312,500
Accounts payable	270,732	32,158
Dividends payable	75,000	37,500
Accrued liabilities	29,183	16,875
Miscellaneous reserve	1,596	.....
Profit and loss—surplus	545,246	100,932
Total	$11,383,723	$5,999,965

Officers: A. J. Nesbitt, Pres.; J. B. Woodyatt, V-P.; L. C. Haskell, Sec.; Chas. Johnstone, Treas.; M. M. Cox, Asst. Sec.; V. J. Nixon, Asst. Sec.; F. D. Lamont, Asst. Treas., Montreal, Que.

Directors: J. B. Woodyatt, N. A. Timmins, P. A. Thomson, A. J. Nesbitt, J. M. Robertson, Montreal; A. W. McLimont, Winnipeg, Man.; Col. J. R. Moodie, Hamilton, Ont.

Office, 330 Coristine Bldg., Montreal, Que.

CANADA NORTHERN POWER CORPORATION LIMITED

(Controlled by Power Corporation of Canada, Ltd.)

History—Incorporated Dec. 9, 1924, in Canada. On completion of present financing it will own all the outstanding mortgage bonds, notes, and obligations, of its subsidiary companies amounting to $13,350,000. It will own also all the outstanding shares of Northern Canada Power, Ltd., Northern Ontario Light & Power Co., Ltd., Northern Quebec Power Co., Ltd., Great Northern Power Corp., Ltd., Porcupine Power & Telephone Co., Ltd., excepting 10% of the Common shares of Northern Canada Power, Ltd., 6¼% of the Common shares, and 76% of the Pfd. shares of Northern Ontario Light & Power Co., Ltd. and 1% of the Common shares of Great Northern Power Corp., Ltd.

These companies own and operate nine hydro-electric developments and the electric lighting systems in the towns of Cobalt, Englehart, Haileybury, Kirkland Lake, New Liskeard, Noranda, North Cobalt, Porcupine, Rouyn, Schumacher, Silver Center, South Porcupine, Swastika and Timmins. Through a subsidiary the Company owns and operates a pulp mill on Lake Temiskaming, with a daily capacity of 40 tons of groundwood pulp, and a 60-square-mile timber limit in the Province of Quebec.

Properties—The plants of the companies are located on the Mattagami, Montreal and Matabitchouan Rivers in Ontario and on the Quinze River in Quebec. They have an ultimate capacity of 123,000 h.p. and a present installation capable of developing more than 100,000 h.p. The Quinze plant with a present installed capacity of 40,000 h.p., may be increased to 60,000 h.p. at a relatively low cost as a great part of the permanent construction has already been completed. The transmission system at present consists of 568 miles of high-tension lines. The distribution system includes 105 miles of line together with equipment necessary to serve the municipalities mentioned above. Electrical merchandise stores are operated at Cobalt, Englehart, Haileybury, Kirkland Lake, New Liskeard, Rouyn, South Porcupine and Timmins.

The plants of the companies are located on the Mattagami, Montreal and Matabitchouan Rivers in Ontario and on the Quinze River in Quebec. They have an ultimate capacity of 123,000 h.p., and a present installation capable of developing more than 100,000 h.p., distributed as follows:

Hound Chutes—Montreal River	5,300 h.p.
Fountain Falls—Montreal River	3,000 "
Matabitchouan—Matabitchouan River	13,200 "
Ragged Chutes—Montreal River (air compressor)	5,000 "
Indian Chutes—Montreal River	4,500 "
Wawaitin Falls—Mattagami River	16,000 "
Sandy Falls—Mattagami River	5,000 "
Sturgeon Falls—Mattagami River	9,000 "
Quinze Falls—Quinze River	40,000 "
	101,000 h.p.

CAPITAL STOCK

Authorized 75,000 Common shares of no par value, and $7,500,000 7% cumulative Pfd., par, $100; outstanding, Dec. 31, 1927, 50,000 Common shares and $5,000,000 Pfd. Majority of Common stock owned by Power Corporation of Canada, Limited.

Subscription Privilege—Common stockholders of record March 31, 1928 received the right to subscribe to 15,000 shares Common stock of no par value, at $50 per share on the basis of one new share for each four shares held.

Callability—Pfd. stock is redeemable in whole or in part at the option of the Company at 110 and accrued dividends.

Preferred Stock Provisions—Pfd. stock is non-voting except in the event that, and so long as there shall be any default in the payment of four consecutive quarterly dividends.

Transfer Agent—Montreal Trust Company, Montreal, Que.

Registrar—The Eastern Trust Company, Montreal, Que.

Original Offering—$3,500,000 7% Pfd. stock publicly offered in Dec., 1924, by Nesbitt, Thomson & Co., Ltd., Montreal, etc. at 99 and accrued dividends to yield over 7%, carrying a bonus of 3 shares of Common stock of no par value with each 10 shares Pfd.

Dividends—Pfd. dividends regularly paid from April 15, 1925, to date; payments quarterly, J, A, J & O 15.

FUNDED DEBT

$15,000,000 TWENTY-FIVE YEAR COLLATERAL TRUST SINKING FUND GOLD BONDS, SERIES "A"; DUE MAY 1, 1953

Dated May 1, 1928.

Interest Payable May and November 1 at the option of the holder in Canadian gold coin of the present standard of weight and fineness at any branch of The Royal Bank of Canada, in Canada, or in United States gold coin at the agency of The Royal Bank of Canada in New York City, or in Sterling at the fixed rate of exchange of $4.86 2/3 to the pound, at the branch of The Royal Bank of Canada in London, England.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized, $50,000,000; issued, Series "A," $15,000,000. Bonds in excess of $17,000,000, as more fully set out in the Trust Deed, may be issued from time to time to amounts not exceeding in the aggregate 80% of the actual cash cost or fair value, whichever is less, of additional property and/or of bonds, debentures or other securities of the subsidiary companies or other companies purchased or acquired by the Company, and then only when net earnings of the Company and its subsidiaries for 12 consecutive months out of the preceding fourteen months shall have been equal to not less than 1¾ times the annual interest charges on all bonds outstanding, including those proposed to be issued.

Purpose of Issue—Proceeds were used to retire all the outstanding bonds of the constituent companies, other than those pledged as specific security for these bonds.

Callability—Subject to call as a whole or in part on any interest payment date on 30 days' notice at 102½% of the principal amount if redeemed on or before May 1, 1933, and, thereafter, at ½ of 1% less for each five subsequent years, or portion thereof.

Sinking Fund—Sinking fund provides that the Company shall pay to the Trustee annually from May 1, 1933 to May 1, 1943, a sum equal to 1% of the aggregate principal amount of Series "A" bonds outstanding hereunder, and annually thereafter on and from May 1, 1944, a sum equal to 1½% of the aggregate principal amount of Series "A" bonds outstanding, including as outstanding bonds for the purpose of such computation, all Series "A" bonds previously acquired through the operation of the sinking fund. In addition, the Company shall pay to the Trustee annually on the same day a sum equal to the annual interest upon all bonds which shall have been purchased or redeemed by the Trustee with the proceeds of the sinking fund.

Security—Bonds are specifically secured by deposit with the Trustee of the following, which are all the outstanding bonds and notes of the subsidiary companies: $2,650,000 principal amount of 6% First Mortgage bonds of Northern Quebec Power Co., Ltd. $2,350,000 principal amount of 6% Debenture notes of Northern Quebec Power Co., Ltd.; $5,000,000 principal amount of 6% Debenture notes of Northern Ontario Light & Power Co., Ltd.; $2,250,000 principal amount of 6% Debenture notes of Northern Canada Power Ltd., and $1,100,000 principal amount of 6% Debenture notes of Great Northern Power Corp., Ltd. In addition the following shares are pledged: 54,000 shares out of a total of 60,000 shares outstanding of the Common stock of Northern Canada Power, Ltd.; 43,000 shares out of a total of 45,850 shares outstanding of the Common stock of Northern Ontario Light and Power Co., Ltd.; 5,800 shares out of a total of 24,000 shares outstanding of the 6% Convertible Pfd. stock of Northern Ontario Light & Power Co., Ltd.; 12,400 shares out of a total of 12,500 shares outstanding of the Common stock of Great Northern Power Corp. Ltd.; 30,000 shares of the Common stock, being all the authorized capital stock of Porcupine Power & Telephone Co., Ltd., and 19,995 shares of the Common stock, being all of the authorized capital stock, other than directors' qualifying shares, of Northern Quebec Power Co., Ltd. Through the pledge to the Trustee of the above securities, including all the bonds and notes outstanding of the subsidiary companies, these bonds are in effect a first charge against the properties of the subsidiary companies, and are further secured by a floating charge on all other assets of the Company now owned or hereafter acquired.

Tax Provisions—Company does not pay U. S. Normal Income Tax.

Original Offering—First publicly offered ($15,000,000) in April, 1928, at 98½ and interest to yield over 5.10% by Nesbitt, Thomson & Co., Ltd., Montreal, etc.

BONDS CALLED

All of the outstanding 6½% 15-Year Sinking Fund Collateral Trust bonds, due May 1, 1941, were called for redemption on May 1, 1928 at 105 and interest at Montreal Trust Co., Montreal, Trustee, at any branch of Royal Bank of Canada, in Canada, or at agency of Royal Bank of Canada in London, Eng.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Canada Northern Power Corp., Ltd., and Subsidiaries)

	1927	1926	1925
Gross earnings	$2,812,514	$2,562,185	$1,035,851
Operating exp. & mainten.	593,723	518,797	212,499
Taxes	257,090	227,641	135,189
Net earnings	$1,961,701	$1,815,746	$688,163
Interest	898,337	823,356	290,027
Discount, etc., on securities	.....	.....	189,407
Bad debts	2,174	106	.....
Surplus for year	$1,061,190	$992,284	$208,728

	1927	1926	1925
Surplus forward	†$705,660	*$655,780	$1052,85
Total	$1,766,850	$1,648,065	$1,261,58
Depreciation reserve	476,000	425,000	274,36
Preferred dividends	465,212	449,309	267,00
Common dividends	34,494	79,238	30,30
Minority interest in surplus	850	104	14,92
Settlement of law suit	.....	.....	575,00
Total deductions	$976,856	$953,651	$1,161,65
Surplus carried forward	$789,994	$694,413	$99,92

*Includes surplus of additional Companies acquired during 1926. †Adjusted.

CONSOLIDATED BALANCE SHEET DECEMBER 31

Assets—	1927	1926	1925
Plant investment	$28,360,534	$26,707,296	$11,586,240
Cash	422,318	1,278,457	146,250
Victory bonds & other marketable securities	15,500	435,500	.....
Accounts receivable	311,525	277,552	87,277
Materials and supplies	182,999	156,499	51,687
Prepaid accounts	42,636	32,150	21,788
Cash on deposit for redemption of bonds	102,307	73,605	653,897
Total	$29,437,819	$28,961,059	$12,547,139

Liabilities—	1927	1926	1925
Common stock	$598,616	$404,710	$250,000
Preferred stock	5,000,000	4,670,200	4,000,000
Common stock (subsid.)	1,010,605	1,181,075	809,600
Preferred stock (subsid.)	1,875,700	2,338,000	.....
Minority int. in surplus of subsidiaries	54,524	59,900	14,928
Funded debt	14,627,000	14,826,500	5,605,900
Accounts payable	593,023	378,344	80,701
Common divds. of subsid. payable Jan.	8,369	9,601	8,093
Pfd. divds. of subsid. payable Jan.	143,771	153,728	70,000
Customers' deposits & accrued interest	132,082	148,426	56,728
Bond interest matured	.....	8,379	.....
Bond interest accrued	211,730	218,765	52,405
Income tax reserve	72,893	71,860	15,915
Depreciation reserve	4,047,247	3,591,942	1,482,941
Miscellaneous reserves	272,264	205,215	.....
Profit and loss	789,995	694,414	99,928
Total	$29,437,819	$28,961,059	$12,547,139

Officers: A. J. Nesbitt, Pres., Montreal; James B. Woodyatt, V-P.; L. C. Haskell, Sec.; Chas. Johnstone, Treas.; T. D. Lamont, Asst. Treas.; M. M. Cox, Asst. Sec.; Montreal, Que.; H. A. Seymour, Asst. Sec. & Asst. Treas.; B. V. Harrison, Gen. Mgr., New Liskeard, Ont.

Directors: F. O. Blackwell, New York; Dan. McLachlin, Arnprior, Ont.; Maj.-Gen. The Hon. S. C. Mewburn, C. M. G., Hamilton, Ont.; P. A. Thomson, J. B. Woodyatt, A. J. Nesbitt, N. A. Timmins, Montreal, J. H. Black, E. R. Wood, Toronto.

General Office, 330 Coristine Bldg., Montreal, Que.

THE GREAT NORTHERN POWER CORPORATION, LTD.

(Controlled by Canada Northern Power Corp., Ltd.)

History and Properties—Incorporated Feb. 10, 1926, under Ontario Companies' Act, Canada, as successor through reorganization to The Great Northern Power Co., Ltd. (see 1926 Public Utility Manual, page 1414). The latter company was formed to develop and distribute hydro-electric power in the Central Mining District of Northern Ontario, and was successor by change of name in 1922 to Matachewan Power Co. The company's two power sites are located on the Montreal River, one at Indian Chutes and the other at Big Bend, and its field of operations will embrace such mining camps as Porcupine, Kirkland Lake, Matachewan and Shining Tree in the gold area, and Gowganda in the silver area. The company has under lease from the Provincial Government the rights to develop power at two sites on the Montreal River. Rights have also been given to the company at a nominal cost, for the damming and storing of water in the Mistinigon Lake for the conservation of the water supply. Construction of a power-house, dam, etc., at Indian Chutes with a view to the ultimate development of 6,500 h.p. has been started. Company has 70 miles of transmission lines.

Lease of Property—Arrangements were made to lease the assets and undertaking of Company to Northern Canada Power, Ltd., for a period of 20 years from May 1, 1926, upon terms which require that company to pay all operating expenses of, to maintain the properties in good working order, to assume the existing power contracts of the company, and to pay to company all gross revenues in excess of $20,000 per annum up to a maximum of $100,000 per annum received from the customers of Great Northern Power Corp., Ltd., and from two new power contracts which have been recently entered into by Northern Canada Power, Ltd., with Castle-Trethewey Mines, Ltd., and Tonopah Canadian Mines Co.

As additional consideration of its entering into such lease, Northern Canada Power, Ltd., received 6,250 fully paid shares of Common stock of the new company without nominal or par value.

CAPITAL STOCK

Authorized and outstanding, 12,500 shares of no par value. These shares were issued 4,250 to First Mortgage bondholders of the Great Northern Power Co., Ltd., 2,000 to the underwriters of the First Mortgage Series "A" 6% bonds, and 6,250 to the Northern Canada Power Ltd. in consideration of the above mentioned lease. Transfer Agent and Registrar: Montreal Trust Co., Toronto, Ont. Annual meeting, in April, at Montreal, Quebec. No dividends paid.

FUNDED DEBT

$1,030,000 First Mortgage 6% Gold Bonds, Series "A"; due May 1, 1946, but called for redemption on May 1, 1928, at 102½ and interest at Montreal Trust Co., Montreal and Toronto, Trustee, or Royal Bank of Canada, Toronto and Montreal.

$1,100,000 6% DEBENTURE NOTES

All owned by Canada Northern Power Corp., Ltd., and pledged under its 5% Collateral Trust Bonds, Series "A."

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

Gross earnings	$64,394
Operating expenses	19,636
Net earnings	$44,758
Other income	559
Total income	$45,317
Interest on bonds	10,300
Depreciation	35,000
Surplus for year	$17

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—	
Property, etc.	$1,106,355
Cash	34,594
Accounts receivable	19,782
Other current assets	275
Total	$1,161,006
Liabilities—	
Common stock	$62,500
Funded debt	1,030,000
Accounts payable	16,487
Interest accrued	10,300
Other current liabilities	6,702
Depreciation reserve	35,000
Surplus	17
Total	$1,161,006

Officers: A. J. Nesbitt, Pres.; P. A. Thomson, V-P.; L. C. Haskell, Sec.; Chas. Johnstone, Treas., Montreal, Que.; H. A. Seymour, Asst. Sec. & Treas.; F. D. Lamont, Asst. Treas.; M. M. Cox, Asst. Sec.; B. V. Harrison, Gen. Mgr., New Liskeard, Ontario.

Directors: L. C. Haskell, A. J. Nesbitt, E. R. Parkins, P. A. Thomson, J. B. Woodyatt, Montreal, Que.

General Office, New Liskeard, Ontario.

NORTHERN ONTARIO LIGHT AND POWER COMPANY, LIMITED

(Controlled by Canada Northern Power Corp., Ltd.)

History—Incorporated February 23, 1911, in the Province of Ontario. Organized to take over the properties of the Cobalt Powers Co., Ltd., and its subsidiary companies, and Cobalt Hydraulic Power Co., Ltd. Also has acquired the property of the Cobalt Light, Power & Water Co., Ltd., the British Canadian Power Co., Ltd., and Temiskaming Pulp & Paper Co.

Company generates power at Hound Chutes and Fountain Falls on the Montreal River and at the Matabitchouan Falls and transmits to Cobalt for use locally in Cobalt, Haileybury and New Liskeard. It also supplies power to Kirkland Lake and South Lorraine camps. Total capacity 21,000 h.p. and, in addition, 5,000 h.p. hydraulic air. Another activity of Company is a groundwood pulp mill located between Haileybury and New Liskeard, having a capacity of 12,000 tons of pulp a year. This mill makes use of the Company's surplus power pending sale to other enterprises. The mill also has limits of 50 square miles, across the border in Quebec Province, which have not yet been touched, owing to requirements being purchased from settlers clearing their land.

CAPITAL STOCK

Authorized $5,000,000 Common and $2,500,000 6% cumulative convertible Pfd.; outstanding, $4,585,000 Common and $2,400,000 Pfd.; par, $100. Canada Northern Power Corp., Ltd., owns $4,300,000 Common stock and $580,000 Pfd., all of which is pledged under its collateral trust bonds.

Conversion Privilege—Pfd. stock is exchangeable at the option of the holders for Common stock, share for share.

Transfer Agents and Registrars—Toronto General Trusts Corporation, Toronto, Can., and Bankers Trust Co., New York.

Annual Meeting—Third Wednesday in March.

Dividends—Pfd. dividends were paid regularly at rate of 6% per annum from Jan. 1, 1912, to and including Jan. 15, 1921; none thereafter until July 1 1923, when 9% was paid, including 3% on account o back dividends; regular semi-annual payments of 3% each have since been made to date; payments Jan. and July 25. In addition 6% was paid in 1924, 3% Jan. 24 1925, in payment of all accumulated Pfd. dividends On Common initial dividend of $1.00 a share was paid Nov. 20, 1925; Jan. 25, 1926, $1 per share, which quarterly rate maintained to date; payments J, A, J & O 10

FUNDED DEBT

$4,700,500 First Mortgage Sinking Fund Gold 6s Series of 1926; due January 1, 1946, to be retired from proceeds of Canada Northern Power Corp., Ltd., 5% Collateral Trust Bonds, Series "A."

$5,000,000 6% DEBENTURE NOTES

All owned by Canada Northern Power Corp., Ltd. and pledged under that Company's 5% Collateral Trust Bonds, Series "A."

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,281,432	$1,250,065	$1,416,657
Purchased power	81,250	15,247	52,557
Operation and maintenance	301,434	249,942	439,963
Taxes	83,629	75,543	82,907
Net earnings	$815,119	$909,333	$841,229
Bad debts	.....	.....	1,460
Interest	287,452	350,277	301,777
Surplus for year	$527,667	$559,056	$537,991
Surplus brought forward	580,186	579,386	475,007
Total	$1,107,853	$1,138,442	$1,012,998
Pfd. dividends paid	142,968	142,968	142,968
Common dividends paid	181,288	181,288	90,644
Transferred to deprec. res.	200,000	234,000	200,000
Total	$524,256	$558,256	$433,612
Surplus carried forward	$583,597	$580,186	$579,386
Earnings Per Share—			
Preferred	$13.65	$13.54	$14.08
Common	4.01	3.97	4.25

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant investment, franchises, rights, etc., including discount & exps. on bonds sold	$14,381,843	$13,521,501	$13,616,375
Cash on hand	248,442	582,508	458,725
Victory bonds	15,500	335,500	260,500
Can. National Ry. bonds	.....	.....	200,000
Due by associated cos.	255,000	.....	54,765
Accounts receivable	184,465	158,850	151,912
Materials and supplies	136,930	114,026	154,908
Prepaid accounts	4,563	5,174	4,765
Investments	.....	100,000	.....
Funds on hand & receivable for redemption of bonds	94,919	183,346	.....
Total	$15,321,662	$15,000,905	$14,901,950

Liabilities—	1927	1926	1925
Preferred stock	$2,400,000	$2,400,000	$2,400,000
Common stock	4,585,000	4,585,000	4,585,000
Funded debt	4,700,500	4,900,000	5,006,500
Accounts payable	397,580	99,083	56,689
Com. divd. pay. Jan. 10	45,850	45,850	45,322
Pfd. divd. pay. Jan. 25	72,000	72,000	72,000
Customers' deposits	39,534	38,569	59,500
Bond interest matured	3,449	8,379	.....
Bond interest accrued	139,965	147,000	150,195
Reserves for deprec.	2,070,333	1,888,500	1,702,500
Reserves for taxes	54,082	39,658	40,000
Reserves, miscellaneous	229,771	196,680	204,857
Profit and loss	583,598	580,186	579,387
Total	$15,321,662	$15,000,905	$14,901,950

Officers: A. J. Nesbitt, Pres.; Jas. B. Woodyatt, V-P.; L. C. Haskell, Sec.; Chas. Johnstone, Treas.; V. J. Nixon, Asst. Sec., Montreal, Que.; H. A. Seymour, Asst. Sec. & Asst. Treas.; B. V. Harrison, Gen. Mgr., New Liskeard, Ontario; Clarkson, Gordon & Dilworth, Auditors.

Directors: F. O. Blackwell, New York; Alex. Fasken, K. C., Toronto, Ont.; L. C. Haskell, A. J. Nesbitt, Gordon W. Scott, P. A. Thomson, Jas. B. Woodyatt, E. R. Parkins, Montreal, Que.

General Office, 330 Coristine Bldg., Montreal, Que. **Operating Office**, New Liskeard, Ont.

QUINZE POWER COMPANY, LTD.

(Controlled by Northern Canada Power Limited)

History—Incorporated May 4, 1923 under the laws of Canada. Supplies power wholesale to the Northern Canada Power Limited. A 55-mile transmission line to the Quebec-Rouyn district is in operation, serving Noranda and other mining camps in the vicinity. Developed capacity, 20,000 h.p., presently being installed 20,000 h.p.; ultimate capacity, 60,000 h.p.

CAPITAL STOCK

Authorized and outstanding, 20,000 shares of no par value. Stock control held by Northern Canada Power Ltd. Annual meeting, third Wednesday in March or as appointed. No dividends paid.

FUNDED DEBT

$2,650,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1945.

Dated December 1, 1925.

Interest Payable June and December 1, at company's office, Montreal.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Toronto General Trusts Corp., Toronto, Ontario.

Provisions of Issue—Authorized, $12,500,000; outstanding, $2,650,000 Series "A" 6s. Issued to take

care of indebtedness to the Northern Canada Power Limited.

Callability—Subject to call on any interest date at 103 and interest.

Security—First lien on entire property owned.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

Gross earnings	$301,338
Operating expenses and maintenance	48,584
Taxes	90,100
Net earnings	$162,654
Bond interest	159,000
Other interest	3,654
Total deductions	$162,654

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—	
Property, etc.	$3,299,508
Accounts receivable	312,009
Profit and loss deficit	138,083
Total	$3,749,600
Liabilities—	
Capital stock	$200,000
Funded debt	2,650,000
Accounts payable	670,784
Interest accrued	159,000
Reserve for depreciation	69,816
Total	$3,749,600

Officers: A. J. Nesbitt, Pres.; J. B. Woodyatt, V-P.; L. C. Haskell, Sec.; Chas. Johnstone, Treas., Montreal; H. A. Seymour, Asst. Treas.; V. J. Nixon, Asst. Sec.; B. V. Harrison, Gen. Mgr., New Liskeard, Ont.

Directors: A. J. Nesbitt, E. R. Parkins, P. A. Thomson, J. B. Woodyatt, L. C. Haskell, Montreal.

General Office, New Liskeard, Ontario. **Corporate Office,** 330 Coristine Bldg., Montreal.

NORTHERN CANADA POWER LIMITED

(Controlled by Canada Northern Power Corporation Limited)

History and Properties—Incorporated October 17, 1912, in the Province of Ontario, Canada, as the Northern Canada Power Co., Ltd. Company reorganized and name changed to above as at Dec. 31, 1920. The Lower Sturgeon Power Co., Ltd., all the capital stock of which was owned, was merged into Northern Canada Power Limited the latter part of 1925.

The Company owns and operates either directly or through its subsidiary (The Quinze Power Company Limited), four hydro-electric plants on the Mattagami River, Ontario, one at Sandy Falls, seven miles from Timmins, Ont., one at Wawaitin Falls, 14 miles from Timmins, one at Lower Sturgeon Falls, 32 miles from Timmins, and one at Ka-Ka-Ke Falls, Quinze River, Quebec, with combined capacity of 50,000 h. p. The Quinze plant has a present installed capacity of 20,000 h. p., with an ultimate capacity of 60,000 h. p. The company supplies the electric power to the gold mines of the Porcupine district, which are furnished with practically their entire power requirements.

The transmission system of the Company consists of approximately 240 miles of high-tension lines connecting the various plants with the Company's substation at Timmins, from which point power is distributed to customers. The new steel tower line from the Quinze plant is approximately 124 miles long; over this line power is transmitted at 110,000 volts. The Company has five storage reservoirs on the Mattagami River with a lake area of 45 square miles and a capacity of 15,000,000,000 cu. ft. The Quinze plant is immediately below the Quinze Reservoir which was built by the Dominion Government for regulating the flow of the Ottawa River. This reservoir has an area of 159 square miles and a capacity of 50,000,000,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $6,000,000; par, $100. The Canada Northern Power Corp., Ltd., owns $5,400,000 of the stock which is pledged under its Collateral Trust bonds. Annual meeting, at call of directors, generally in March.

Dividends—Dividends at the rate of 3% per annum are being paid quarterly, J, A, J & O 15.

FUNDED DEBT

$6,000,000 First Mortgage 6% Twenty-Year Sinking Fund Gold Bonds, Series "A"; due December 1, 1945, but called for redemption on June 1, 1928, at 103 and interest.

$2,250,000 6% DEBENTURE NOTES

All owned by Canada Northern Power Corp., Ltd., and pledged under its 5% Collateral Trust bonds, Series "A."

Officers: A. J. Nesbitt, Pres., Montreal; J. B. Woodyatt, V-P., Toronto; L. C. Haskell, Sec.; Chas. Johnstone, Treas., Montreal, Que.; H. A. Seymour, Asst. Sec. & Asst. Treas., Cobalt, Ont.; V. J. Nixon, Asst. Sec., Montreal, Que.

Directors: A. J. Nesbitt, J. B. Woodyatt, G. W. Scott, Montreal; P. A. Thomson, L. C. Haskell, Toronto.

Offices, Timmins, Ont., and 330 Coristine Bldg., Montreal, Que.

PORCUPINE POWER AND TELEPHONE COMPANY, LTD.

(Controlled by Canada Northern Power Corp., Ltd.)

History—Incorporated March 31, 1926 under the laws of Ontario, as successor to Porcupine Telephone Lines, Ltd. Company supplies with electricity, through 20 miles of distribution lines, the towns of Timmins, Porcupine South, Porcupine, and the townships of Tisdale and Whitney, serving a population of about 15,000. Also operates a telephone line, which connects with the Temiskaming & Northern Ontario Railway System for long distance.

CAPITAL STOCK

Authorized, 40,000 shares of no par value; outstanding, 30,000 shares. All owned by Canada Northern Power Corp., Ltd. and deposited under its Collateral Trust bonds. Secretary of company acts as transfer agent and registrar. Annual meeting in April, at Montreal.

Dividends—Dividends of 25c a share are paid quarterly J, A, J & O 10.

FUNDED DEBT

None.

Officers: A. J. Nesbitt, Pres.; J. B. Woodyatt, V-P.; L. C. Haskell, Sec.; Chas. Johnstone, Treas., Montreal; H. A. Seymour, Asst. Treas.; V. J. Nixon, Asst. Sec.; B. V. Harrison, Gen. Mgr., New Liskeard, Ont.

Directors: A. J. Nesbitt, J. B. Woodyatt, L. C. Haskell.

General Office, New Liskeard, Ont. **Corporate Office,** Timmins, Ont.

KENSINGTON & EASTERN R. R.

History—Incorporated Oct. 10, 1904, in Illinois. Duration of charter, 50 years. Formerly leased to, and operated by, the Chicago, Lake Shore & South Bend Ry. Co. (now Chicago South Shore & South Bend Ry.). Line of road: Kensington, Ill., to Indiana State Line, 6.59 miles; second track, 6.58 miles; sidings, 4.92 miles—total, 18.09 miles. Gauge, standard. Rails, 70 and 85 lbs.

CAPITAL STOCK

Authorized and outstanding, $5,000; par, $100. All owned by Illinois Central R. R. Co. Annual meeting, Tuesday following first Wednesday in October.

FUNDED DEBT

None.

Officers: C. H. Markham, Pres.; A. E. Clift, V-P.; Otto F. Nau, Treas.; Burt A. Beck, Sec., Chicago, Ill.

Directors: C. H. Markham, A. E. Clift, W. S. Horton, Burt A. Beck, G. J. Bunting, Chicago.

General Office, Chicago, Ill.

PUBLIC SERVICE CORPORATION OF NEW JERSEY

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
8% Cumulative Pfd. (par, $100)	M, J, S & D 31	$25,000,000	$21,531,200			8%	$1,722,496	
7% Cumulative Pfd. (par, $100)	M, J, S & D 31	50,000,000	28,908,000	No	$14,334,316	7%	2,023,539	$15.63
6% Cumulative Pfd. (par, $100)	Monthly	125,000,000	41,298,600			6%	1,286,118	
Common stock (no par value)	M, J, S & D 31	10,000,000 shs.	4,153,613 shs.	....	9,302,163	$2	8,018,926	2.24

Bond Issues in Hands of Public, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
6% Perpetual Interest Bearing Ctfs.		M & N 1	$20,200,000	$18,615,560	No	No	Not pd. by Co.
*Secured Gold Bonds 6% Series of 1944	Aug. 1, 1944	F & A 1	21,400,000	19,384,000	No	Yes	Pd. by Co.
*Secured Gold bonds 5½% Series of 1956	July 1, 1956	J & J 1	30,000,000	15,000,000	No	Yes	Pd. by Co.
Pub Serv. Newark Term. Ry. Co. 5% 1st Mtge.	June 1, 1955	J & D 1	5,000,000	4,670,000	No	Yes	Pd. by Co.
Real Estate Mortgages	.....	.....	.....	1,412,500	....	....	.....

Total Funded Debt, at Dec. 31, 1927, $59,082,060.
Amount Available for Interest in 1927, $18,016,845.
*Called for redemption March 15, 1928.

Interest Accrued in 1927, $3,682,529.
Times Interest Earned in 1927, 4.89.

History—Incorporated May 6, 1903, in New Jersey, under perpetual charter. Operates through the medium of subsidiary corporations, all the gas, electric and street railway business throughout the larger cities and more populous districts of the State, excepting the shore resorts, the gas business in the City of Elizabeth, and the street railway business in the City of Trenton. The corporation serves a population (1920 census) of 2,563,010 in the transportation branch of its business, 2,330,976 in its gas branch, and 2,497,466 in its electric branch.

Owns over 99% of outstanding stock of Public Service Coordinated Transport, and entire capital stock (except directors' shares) of Public Service R.R. Co., which operate directly or under lease all the street railways controlled by the corporation; and the entire Common capital stock (excepting directors' shares) of the Public Service Electric and Gas Co., which operates, under lease, all the gas and electric properties controlled by the corporation. Owns 999,995 shares out of 1,000,000 shares of no par value of Public Service Transportation Co., 99,995 shares out of 100,000 shares of no par value of Public Service Production Co., and 99,970 shares out of 100,000 shares of no par value Common stock of Public Service Stock & Bond Co. Also owns 99.90% of the $1,000,000 stock of Orange & Passaic Valley Ry. Co. and 97.87% of the $2,500,000 Common stock of the New Jersey & Hudson River Ry. & Ferry Co.

Acquisition of Stock of Lessor Companies—Under date of Jan. 10, 1927, Public Service Corp. of New Jersey and Public Service Electric and Gas Company made an offer to the stockholders of the lessor gas and electric companies to acquire their stock in exchange for Common stock of the Corporation or 6% cumulative Pfd. stock of Public Service Electric and Gas Company, or for cash. As a result, there was acquired during 1927 the following stock of these lessor companies:

Essex and Hudson Gas Company	$4,858,500
Hudson County Gas Company	8,165,800
Paterson and Passaic Gas and Electric Company.	3,854,908
Somerset, Union and Middlesex Lighting Company	361,757
New Brunswick Light, Heat and Power Company	272,880
Newark Consolidated Gas Company	779,200
South Jersey Gas, Electric and Traction Company	1,604,100
The Gas and Electric Company of Bergen County	464,800
Ridgewood Gas Company	17,400

Proceedings are under way for the merger of the first-named five companies in Public Service Electric and Gas Company.

Public Service Production Co.—The Corporation announced Jan. 31, 1922, the incorporation of the **Public Service Production Co.**, an engineering company. The Company had outstanding (Dec. 31,1927), 100,000 shares of no par value Common stock, all owned by Public Service Corporation of New Jersey, except directors' shares. An issue of $5,000,000 8% Pfd. stock of $100 par value also is authorized. The major construction items under way for the various subsidiaries of Public Service Corporation of New Jersey were in charge of and carried out by the Public Service Production Company as in past years. In addition, this Company continues its engineering and construction work in the outside field. The Company completed during 1927 work, started in 1925, on the so-called "covered cut" section of highway route No. 1, in Jersey City, which constitutes part of the approach to the Holland Vehicular tunnel. Nathaniel A. Carle is V-P. in Charge of Operation.

United Engineers and Constructors, Incorporated—During the latter part of 1927 an important negotiation was carried on which resulted, just after the close of the year, in the formation of a large new engineering and construction company, under the name of United Engineers and Constructors, Incorporated, combining therein: The U. G. I. Contracting Company, Public Service Production Company, Dwight P. Robinson & Company, Inc., Day and Zimmerman Engineering & Construction Company.

The new enterprise will be the largest of its kind in the world. Public Service Corporation of New Jersey will, hereafter, instead of owning all the stock of Public Service Production Company, own 40% of the capital stock of the new company. The president of the new company is Dwight P. Robinson, formerly president of Dwight P. Robinson & Company, Inc.

Public Service Stock and Bond Company—Incorporated Jan. 15, 1925, this Company began business on Feb. 1, 1925. It has outstanding 100,000 shares of no par value Common stock, all owned by Public Service Corp. of New Jersey, except directors' shares. It specializes in the securities of Public Service Corp., its subsidiaries and their underlying companies. Its policy is to sell to the small investor, who although he may pay either in cash or in installments, becomes a permanent stockholder.

WE maintain trading markets in all active Public Utilities

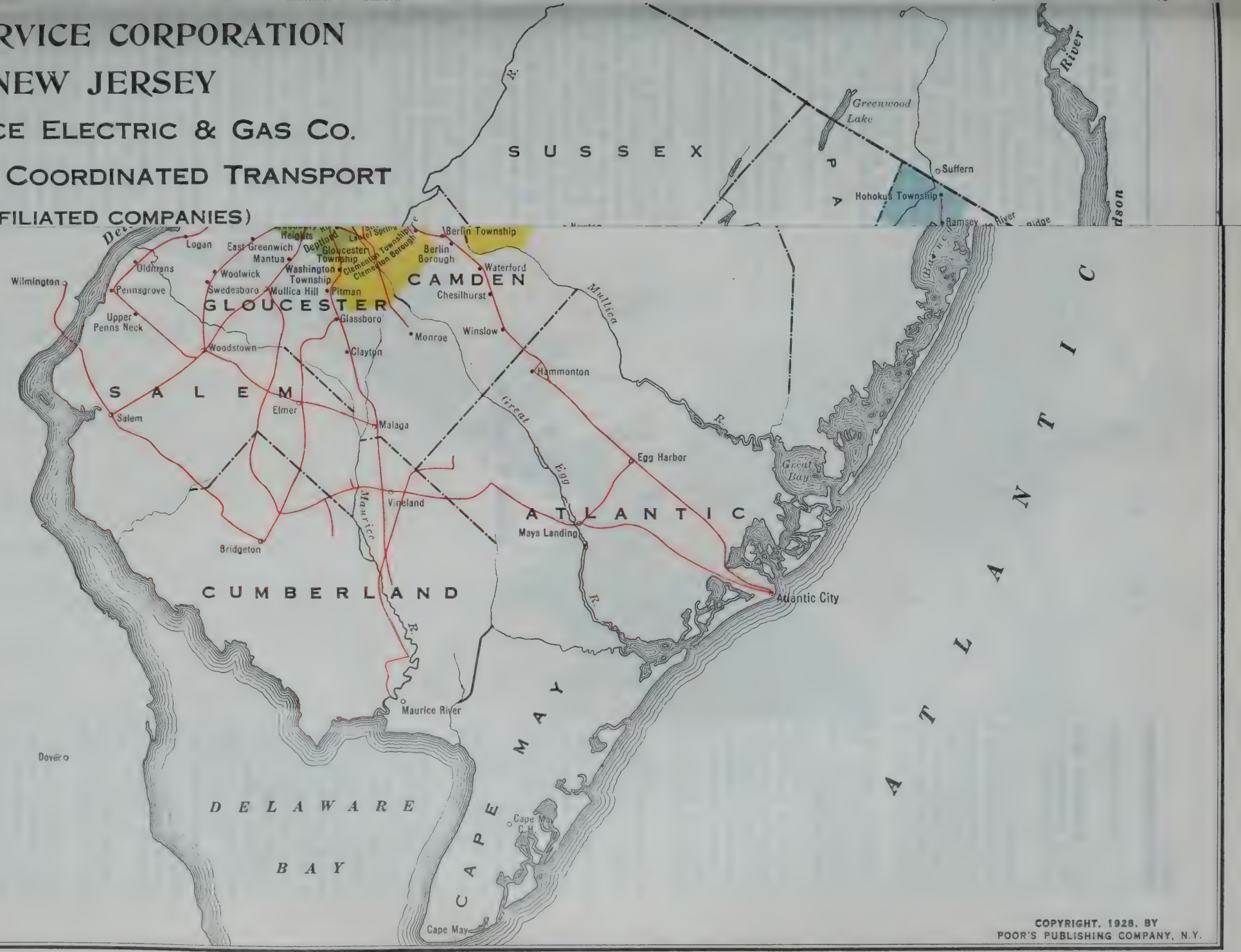
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PUBLIC SERVICE CORPORATION OF NEW JERSEY

PUBLIC SERVICE ELECTRIC & GAS CO.

PUBLIC SERVICE COORDINATED TRANSPORT

(AND AFFILIATED COMPANIES)



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THE NORTH AMERICAN COMPANY

MAP SHOWING
SYSTEMS CONTROLLED BY
SUBSIDIARY COMPANIES IN
WISCONSIN AND MICHIGAN

SCALE OF MILES
0 5 10 15

HOUGHTON
BARAGA
Republic
MARQUETTE
AMASA
CRYSTAL FALLS
FLANNING
IRON RIVER
ALPHA
DICKINSON
IRON
TIPLER
LONG LAKE
Florence
PINE PLANT
TWIN FALLS
AURORA
IRON MT.
QUINNESEC
NORWAY
STURGEON
NIAGARA
LORETTO
CEDAR
HERMANSVILLE
WAUCEDAH
POWERS
WILSON
SPALDING
HARRIS
PARK RIVER
NADEAU
CARNED
NEWALD
FOREST
Crandon
Pembine
MARINETTE
Amberg
MENOMINEE
Wausaukee
Peshtigo
Crivitz
Menominee
Marinette
LEGEND
Transmission Lines
Transmission Lines of other Companies
Interurban Elec. Ry. Lines
Power Bus Lines
High Pressure Gas Lines
Power Plant
Substation
Gas Plant
Electric Service
Street Railway Service
Ice Service
Water & Gas Service
Elec. Gas & St. Ry. Service
Elec. St. Ry. & Steam Heating Service
Gas, St. Ry. & Steam Heating Service
Power Sold to other Utilities
Connection for Emergency Power with Other Utilities
Lenao
MOSLING
GILLETT
UNDERHILL
PULCIFER
CECIL
BOWANO
ADVANCE
GREENVALLEY
KRAKOW
ZACHOW
ANGELICA
PULASKI
BONDUEL
BELLE PLAINE
SHAWANO
OUTAGAMIE
WAUPACA
NEW LONDON
WEYAUWEGA
HORTONVILLE
DALE
FREMONT
GREENVILLE
MACKVILLE
BUNGERT
STEPHENSVILLE
APPLE CREEK
KIMBERLEY
LITTLE CHUTE
COMBINED LOCKS
KAUKAUNA
SOUTH KAUKAUNA
LARBOY
HOLLANDTOWN
APPLETON
MEDINA
BRADFIELD
MENASHA
NEENAH
DUNDAS
ST. JOHN
SHERWOOD
HIGH CLIFF
HILBERT
STOCKBRIDGE
WEST BLOOMFIELD
BRUSHVILLE
TUSTIN
ZITTAU
WAUSHARA
WINNEBAGO
Oshkosh
Winnebago
Butte des Morts
Lake Poygan
Lake
Chilton
BROTHERTOWN
CALUMET
MANITOWOC
Manitowoc
CALUMETVILLE
MARYTOWN
KIEL
ST. ANNA
CLEVELAND
ST. WENDELO
THIKA
RHINE
RHINE MILLS
ELKHART LAKE
JOHNSBURG
MALONE
CALVARY
PEEBLES
ST. CLOUD
GLENBEULAH
MT. CALVARY
GREENBUSH
GREEN
Green Lake
LAKE
FOND DU LAC
FOND DU LAC
SHEBOYGAN
Sheboygan
HAMILTON
MARBLE HEAD
EDEN
PLYMOUTH
WEEDENS
WALDO
CASCADE
BEECHWOOD
GIBSVILLE
HINGHAM
OOSTBURG
ADELL
BYRON
SOUTH BYRON
BROWNSVILLE
CAMPBELLSPORT
LOMIRA
NEW FANE
BATAVIA
CEDAR GROVE
KNOWLES
Fox Lake
Beaver Lake
KEWASKUM
THERESA
MAYVILLE
BELGIUM
LAKE CHURCH
WEST BEND
COLUMBIA
BEAVER DAM
Doylestown
ALLENTON
IRON RIDGE
JUNEAU
Fall River
SLINGER
PORT WASHINGTON
JACKSON
GRAFTON
CEDARBURG
LOWELL
Columbus
CLYMAN
WOODLAND
HARTFORD
ASTICO
REESEVILLE
RUBY JC.
NEW LEBANON
ROCKFIELD
LEBANON
ALDERLEY
RICHFIELD
THIENSVILLE
Richwood
SOUTH GERMANTOWN
MEQUON
WATERLOO
WATERTOWN
ASHIPPUN
MONTEREY
IXONIA
MAPLETON
N. LAKE
OKAUCHEE
HARTLAND
BROWN DEER
MARSHALL
SUN PRAIRIE
LANNON
NEW BERLIN
BUTLER
NORTH MILWAUKEE
DANE
LAKE MILLS
OCONOMOWOC
DELAFIELD
PEWAUKEE
BROOKFIELD
MILWAUKEE
MADISON
DEERFIELD
JOHNSON'S CREEK
HELENVILLE
WAUWATOSA
ELM GROVE
SULLIVAN
DOUSMAN
WALES
WEST ALLIS
JEFFERSON
ROME
WAUKESHA
LAKESIDE
GENESSEE
HALES CORNERS
WEST MILWAUKEE
CUDAHY
FT. ATKINSON
HEBRON
PALMYRA
EAGLE
NORTH PRAIRIE
BIG BEND
MUSKEGO
ST. MARTINS
SOUTH MILWAUKEE
CARROLLVILLE
MUKWONAGO
DURHAM
KOSHKONONG
WHITEWATER
TROY CENTER
KILBOURNEVILLE
WIND LAKE
HUSHER
WIND POINT
MILTON
Milton Jc.
LA GRANGE
LAST TROY
WATERFORD
ROCHESTER
NORTH CAPE
LIMA CENTER
LAUDERDALE
HONEY CREEK
BURLINGTON
YORKVILLE
IVES GROVE
RACINE
WALWORTH
SPRING PRAIRIE
UNION GROVE
STURTEVANT
JANESVILLE
Emerald Grove
DELAVAN
LYONS
KANSASVILLE
ROCK
ELKHORN
SPRINGFIELD
BRIGHTON
MUD LAKE
KENOSHA
Williams Bay
LAKE GENEVA
Lake Geneva
BRISTOL
TRUESDELL
CLINTON
BELOIT
WILMOT
PIKEVILLE
ILLINOIS
LAKE MICHIGAN

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During the year 1927 it managed the popular ownership campaigns, and its selling organization was actively employed in the distribution and sale of stock of Public Service Corp. of New Jersey.

The main office is located at North Canal and Pine Street, Newark, and branch offices are maintained at Jersey City, Philadelphia and Boston.

Property—The electric system of Public Service Electric and Gas Co., as of Dec. 31, 1927, included 10 generating stations with an aggregate rated capacity of 624,432 kva., 1,287 miles of transmission lines and 36,083 miles of distribution wire, serving 781,959 electric customers. Its gas system included 12 generating plants with an aggregate capacity of 114,050,000 cu. ft. daily and 4,408 miles of mains serving over 715,000 customers. The transportation subsidiaries own and operate 2,100 trolley cars over 878 miles of single track, and operate in addition, approximately 1,400 buses.

Public Service Electric and Gas Company (Electric Department)—Sales of electricity, excluding intercompany railway current, for the year reached a total of 1,233,984,052 kilowatt hours, an increase of 142,234,480 kilowatt hours, or 13.03% over the amount sold in 1926.

Electric meters on the line Dec. 31, 1927, numbered 781,959, a gain of 77,716 for the year. For the first time in the history of the Company, the number of electric exceeds the number of gas meters in service.

Power sales in 1927 amounted to 770,756,047 kilowatt hours and showed an increase of 78,662,762 kilowatt hours, or 11.36% over those of 1926; sales for commercial metered lighting amounted to 412,941,667 kilowatt hours, a gain of 59,131,691 kilowatt hours, or 16.71%, and sales for municipal street lighting to 49,981,550 kilowatt hours, a gain of 4,399,089 kilowatt hours, or 9.65%.

Of the power generated and purchased by the Department in 1927, 1,563,285,739 kilowatt hours were generated in Company stations, and 138,600,620 kilowatt hours were purchased, the total being 1,701,886,359 kilowatt hours, an increase of 9% as compared to 1926.

The maximum load imposed upon the system amounted to 435,500 kilowatts as compared to the 1926 maximum of 415,000 kilowatts.

The rated capacity of the Department's generation stations was, on Dec. 31, 1927, 624,432 Kv-a. This was an increase of 14,932 Kv-a over the capacity of Dec. 31, 1926, the gain being accounted for by improvements made to two generators at Kearny station and one at Essex station.

The net connected power load was increased during the year by 117,152 horse power, a number of large installations having been connected. Sales for wholesale ice manufacturing and refrigeration have increased, 49,749,544 kilowatt hours of current having been sold for this purpose.

The most important step taken for assuring future economical supply of energy was the execution of a contract with the Philadelphia Electric Company and the Pennsylvania Power and Light Company, which provides for the interconnection of these three systems and a mutually beneficial exchange of power. The plans agreed upon call for the construction by Public Service Electric and Gas Company of a transformer station at Roseland, in Essex County, and of two 220,000 volt transmission lines—one extending in a northwesterly direction to cross the Delaware River, near Bushkill, Pa.; the other in a southwesterly direction to cross the Delaware River near Lambertville, N. J. These lines will connect with those of the other companies named and will make possible the pooling of the combined generation capacity of the three companies, which, including the Conowingo hydro-electric development, will amount to about 2,250,000 kilowatts, constituting one of the largest power pools in the world. Negotiations are under way and plans are being drawn for further interconnections with other neighboring systems.

Public Service Electric and Gas Company (Gas Department)—Sales of gas for 1927 amounted to 22,576,256,237 cubic feet, an increase of 411,169,637 cubic feet over those of 1926.

A minimum rate of one dollar per meter per month was put into effect during the year with the result that a large number of idle and unprofitable meters were cleared from the lines. In consequence, although approximately 30,800 new consumers were added, the net gain in meters, Dec. 31, 1927, as compared to Dec. 31, 1926, was but 9,973, there being in service on the former date 715,523 meters.

Sales of gas for industrial fuel purposes, including gas sold to hotels, restaurants and other large users, amounted to 4,048,718,900 cubic feet, or approximately 18% of all sales. This was a gain of 176,144,000 cubic feet, or 4.55% over sales for the same use in 1926.

The Department is making every effort to develop wholesale use of gas not only in industry, but for central house heating. During the year 265 gas fired central house heating plants were installed in territory served by the Department, bringing the total up to 528, and 172,939,700 cubic feet of gas was sold for central house heating plant use, an increase of 111% over sales of the previous year.

Sales of gas appliances during 1927 amounted to $3,046,634.28, a gain of $221,396.24, or 7.83% over those of 1926.

During 1927 the Company entered into a contract with the International Combustion Engineering Corporation, under the terms of which that corporation agrees to supply Public Service Electric and Gas Company with a minimum of 3,000,000 and a minimum of 4,000,000 cubic feet of gas a day from a combination coal and water gas plant, which the Combustion Corporation is erecting on the Raritan River near New Brunswick.

Transportation—The number of passengers carried on Public Service cars and busses during 1927 was 627,153,013 an increase of 29,822,141 over the number carried in 1926. This gain was due in part to the normal increase in traffic in the rapidly growing territory served and in part to the acquisition of bus lines from independent operators, the putting into service of new lines, extension of routes and the inauguration of lines giving a higher grade of service at a higher fare.

By agreement dated Jan. 10, 1928 Public Service Railway Co. and Public Service Transportation Co. united and consolidated into a single new corporation under the name of Public Service Coordinated Transport. (For further details, see a subsequent page).

During 1927 Public Service Rapid Transit Railroad Company was organized to take over the North Jersey Rapid Transit Company, the lines of which extended from Ridgewood Junction to Suffern, N. Y.

Operation of the elevator, owned by the Peoples Elevating Company, was suspended Sept. 10, 1927, owing to lack of patronage.

On Dec. 31, 1927, the mileage of railway and railroad lines amounted to 878.319 miles. During 1927 single track extension amounted to 1.066 miles; 18.101 miles of track were relaid with new rail and 2.024 miles with old rail.

Ferries—During 1927, 2,450,621 vehicles and 9,218,793 passengers were carried on the boats of the Riverside and Fort Lee Ferry Co., an increase of 135,073 vehicles and 313,201 passengers over the number carried during 1926. The boats of the Port Richmond and Bergen Point Ferry Co. carried 471,582 vehicles and 1,378,030 passengers, an increase of 33,736 vehicles and 4,331 passengers.

Taxes—Taxes accrued in 1927 against the Corporation and its subsidiaries amounted to $12,188,056, an increase of $645,763 over the amount accruing in 1926. Of the total, the sum of $234,947, was chargeable

to the Corporation, and $11,953,109 against subsidiaries, an amount equal to 10.4% of their gross revenues and 27.2% of their net earnings.

Rates—On Feb. 24, 1927, the Board of Public Utility Commissioners approved an amendment to the uniform rate for gas, providing that customers guarantee a minimum monthly bill of $1.00, and a new uniform rate for gas for house heating. These rates were filed by Public Service Electric and Gas Company on Nov. 30, 1926. The new rates became effective with bills rendered in April, 1927, for March meter reading.

On August 4, 1927, the Board of Public Utility Commissioners handed down its decision upon the application of Public Service Railway Company and Public Service Transportation Company for the adjustment of fare zones. The petition, in which was embodied the new tariff, was handed to the Commission on Dec. 13, 1926. The operation of the Tariff was suspended by the Board and a number of hearings held thereon. Under the order of the Board, the street car and fare zones under consideration, with some modification of the Tariff filed by the Company, were made coincident.

MUNICIPALITIES SERVED BY SUBSIDIARY COMPANIES OF PUBLIC SERVICE CORPORATION OF NEW JERSEY

E—Electric G—Gas T—Transportation

(Population Based on 1920 Census)

ESSEX DIVISION	Population
Belleville (E-G-T)	15,660
Bloomfield (E-G-T)	22,019
Caldwell Borough (E-G-T)	3,993
Caldwell Township (E)	717
Cedar Grove (E-G)	3,181
Chatham Borough (G)	2,421
Chatham Township (G)	736
East Newark (E-G-T)	3,057
East Orange (E-G-T)	50,710
Essex Fells (E-G-T)	598
Florham Park (G)	787
Glen Ridge (E-G-T)	4,620
Hanover (G)	8,531
Harding (G)	A
Harrison (E-G-T)	15,721
Irvington (E-G-T)	25,480
Kearny (E-G-T)	26,724
Livingston (E)	1,126
Madison (G)	5,523
Maplewood (E-G-T)	5,283
Milburn (G)	4,633
Montclair (E-G-T)	28,810
Morristown (G)	12,548
Morris Plains (G)	A
Morris Township (G)	2,607
New Providence (G)	954
Newark (E-G-T)	414,524
North Arlington (E-G-T‡)	1,767
North Caldwell (E-G-T)	466
Orange (E-G-T)	33,268
Roseland (E-G)	609
South Orange (E-G-T)	7,274
Springfield (G)	1,715
Summit (G)	10,174
Verona (E-G-T)	3,039
West Caldwell (E-G)	1,085
West Orange (E-G-T)	15,573
HUDSON DIVISION	
Bayonne (E-G-T)	76,754
Cliffside Park (E-G-T)	5,709
Fairview (E-G-T)	4,882
Guttenberg (E-G-T)	6,726
Hoboken (E-G-T)	68,166
Jersey City (E-G-T)	298,103
North Bergen (E-G-T)	23,344
Secaucus (E-G-T)	5,423
Union City (E-G-T)	60,725
Weehawken (E-G-T)	14,485
West New York (E-G-T)	29,926
PASSAIC DIVISION	
Clifton (E-G-T)	26,470
East Paterson (E-G-T‡)	2,441
Fairlawn (E-G-T‡)	A
Garfield (E-G-T)	19,381
Haledon (E-G-T)	3,435
Hawthorne (E-G-T)	5,135
Lincoln Park (E)	A
Little Falls (E-G-T)	3,310
Lodi Borough (E-G-T‡)	8,175
North Haledon (E)	887
Nutley (E-G-T†)	9,421
Passaic (E-G-T)	63,841
Paterson (E-G-T)	135,875
Prospect Park (E-G-T)	4,292
Totowa (E-G-T)	1,864
Wallington (E-G-T)	5,715
Wayne Township (E-G)	2,302
West Paterson (E-G-T)	1,858
BERGEN DIVISION	
Allendale (G-T§)	1,165
Bergenfields (E-G)	3,667
Bogota (E-G-T)	3,906
Carlstadt (E-G-T)	4,472
Closter (G)	1,840
Cresskill (G)	942
Demarest (G)	654
Dumont (E-G)	2,537
East Rutherford (E-G-T)	5,463

BERGEN DIVISION (Continued):	Population
Edgewater (E-G-T)	3,530
Emerson (E-G)	973
Englewood (E-G-T)	11,627
Englewood Cliffs (E-G-T)	594
Fort Lee (E-G-T)	5,761
Glen Rock (E-G)	2,181
Hackensack (E-G-T)	17,667
Harrington Park (G)	627
Hasbrouck Heights (E-G-T)	2,895
Haworth (E-G)	748
Hillsdale (E-G)	1,720
Hohokus Borough (E-G-T)	586
Hohokus Township (T§)	2,081
Leonia (E-G-T)	2,979
Little Ferry (E-G-T*)	2,715
Lodi Township (E-G-T)	987
Lyndhurst (E-G-T)	9,515
Maywood (E-G-T)	1,618
Midland Township (E-G-T)	2,203
Midland Park (E-G-T)	2,243
Moonachie (E-G)	1,194
New Milford (E-G)	1,768
Northvale (G)	827
Norwood (G)	820
Old Tappan (E)	404
Oradell (E-G-T)	1,286
Overpeck (E-G-T*)	8,575
Palisades Park (E-G-T)	2,633
Paramus (E-G-T)	A
Park Ridge (G)	1,481
Ramsey (G-T§)	2,090
Ridgefield (E-G-T*)	1,560
Ridgewood (E-G-T§)	7,580
Riverside (E-G)	1,077
Rivervale (E-G)	583
Rutherford (E-G-T)	9,497
Saddle River Borough (E-T)	506
Saddle River Township (E-G-T)	2,845
Teaneck (E-G-T)	4,192
Tenafly (E-G-T)	3,585
Teterboro (E)	24
Waldwick (E-G-T)	1,296
Washington Township (E)	194
Westwood (E-G)	2,597
Woodcliff Lake (E-G)	587
Woodridge (E-G-T)	1,923
Wyckoff (E-G)	1,671
CENTRAL DIVISION	
Bound Brook (E-G-T)	5,906
Bridgewater (E-G-T)	1,934
Carteret (E-T)	11,047
Clark (E-T)	794
Cranford (E-T)	6,001
Dunellen (E-G-T)	3,394
East Brunswick (E-G-T)	1,857
East Millstone (E)	427
Elizabeth (E-T)	95,783
Fanwood Borough (E)	724
Franklin Township (Somerset Co.) (E-G)	2,955
Garwood (E-T)	2,084
Helmetta (G-T)	687
Highland Park (E-G-T)	4,866
Hillsborough (E-G-T)	5,124
Hillside (E-T)	5,267
Jamesburg (G-T)	2,052
Kenilworth (E-T)	1,312
Linden (E-T)	8,368
Madison Township (G)	1,808
Metuchen (E-T)	3,334
Middlesex Borough (E-G-T)	1,852
Millstone (E)	178
Milltown (G-T)	2,573
Monroe Township (Middlesex Co.) (G-T)	2,625
Mountainside Borough (E)	493
New Brunswick (E-G-T)	32,779

CENTRAL DIVISION (Continued):	Population
North Brunswick (E-G-T)	1,399
North Plainfield Borough (E-G-T)	6,916
North Plainfield Township (E)	1,116
Perth Amboy (E-T)	41,707
Piscataway (E-G-T)	5,385
Plainfield (E-G-T)	27,700
Rahway (E-T)	11,042
Raritan Town (E-G-T)	4,457
Raritan Township (Middlesex Co.) (E-G-T)	5,419
Roselle (E-T)	5,737
Roselle Park (E-T)	5,438
Sayreville (G-T)	7,181
Scotch Plains (E-T)	2,343
Somerville (E-G-T)	6,718
South Amboy (G-T)	7,897
South Bound Brook (E-G)	1,302
South Plainfield (E-G-T)	A
South River (G-T)	6,596
Spottswood (G-T)	704
Union Township (Union Co.) (E-T)	3,962
Warren (E)	1,083
Watchung (E-G)	A
Westfield (E-T)	9,063
Woodbridge (E-T)	13,423
SOUTHERN DIVISION	
Audubon (E-G-T)	4,740
Barrington (E-G-T)	1,333
Bellmawr (E-T)	A
Berlin Borough (T)	A
Berlin Township (T)	2,093
Beverly City (E-G-T)	2,562
Bordentown City (E-G-T)	4,371
Bordentown Township (E-G-T)	596
Brooklawn (E-G-T)	A
Burlington City (E-G-T)	9,049
Burlington Township (E-G-T)	1,520
Camden (E-G-T)	116,309
Chesilhurst (T)	287
Chester Township (E-G-T)	7,273
Chesterfield Township (E)	1,133
Cinnaminson (E-G-T)	1,587
Clayton (T)	1,905
Clementon Borough (T)	A
Clementon Township (E-T)	3,491
Collingswood (E-G-T)	8,714
Cranbury (E-G)	1,083
Delanco (E-G-T)	2,794
Delaware (E-G-T)	2,331
Delran (E-G-T)	1,475
Deptford (E-G-T)	2,224
East Greenwich (T)	1,483
Easthampton (E)	539
East Windsor (G)	733
Edgewater Park (E-G-T)	A
Evesham (E)	1,284
Ewing (E-G)	3,475
Fieldsboro (E-G-T)	530
Florence (E-G-T)	7,100
Gibbsboro (T)	A
Glassboro (T)	3,073
Gloucester City (E-G-T)	12,162
Gloucester Township (E-T)	3,097
Greenwich (T)	1,751
Haddon Township (E-G-T)	2,708
Haddonfield (E-G-T)	5,646
Haddon Heights (E-G-T)	2,950
Hainesport (E-G)	A
Hamilton (E-G-T)	14,580
Hammonton (T)	6,417
Hightstown (G)	2,674
Hopewell Borough (E)	1,339
Hopewell Township (Mercer Co) (E)	3,249

MUNICIPALITIES SERVED (Continued)

Southern Div. (Cont.):	Population
Laurel Springs (T)	911
Lawnside (G-T)	A
Lawrence (Mercer Co.) (E-G)	3,686
Logan (T)	1,510
Lumberton (E-G)	1,571
Magnolia (E-T)	1,245
Mansfield (E-G-T)	1,517
Mantua (T)	2,002
Medford (E)	1,891
Merchantville (E-G-T)	2,749
Monroe (T)	3,292
Montgomery (E)	2,082
Moorestown (E-G-T)	A
Mount Ephraim (E-G-T)	A
Mount Holly (Northampton Township) (E-G-T)	5,901
Mount Laurel (E-T)	1,667
National Park (E-T)	1,000
Oaklyn (E-G-T)	1,148
Oldmans (T)	1,328
Palmyra (E-G-T)	3,834
Paulsboro (T)	4,352
Pennington (E)	965
Pennsgrove (T)	6,060
Pensauken (E-G-T)	6,474
Pitman (T)	3,385
Plainsboro (E-G-T¶)	460
Princeton Borough (E-G)	5,917
Princeton Township (E-G)	1,424
Riverside Township (E-G-T)	6,018
Riverton (E-G-T)	2,341
Rocky Hill (E)	305
Runnemede (E-T)	A
South Brunswick (E-G-T¶)	2,206
Southampton (E)	1,641
Stratford (T)	A
Swedesboro (T)	1,838
Tavistock (E-T)	A
Trenton (E-G-T)	119,289
Upper Freehold (E)	1,737
Upper Penns Neck (T)	6,259
Voorhees (E)	1,305
Washington Twp. (Gloucester Co.) (E-T)	1,460
Washington Township (Mercer Co.) (E)	1,161
Waterford (T)	1,917
West Deptford (E-G-T)	1,781
Westhampton (E-G-T)	478
Westville (E-G-T)	2,380
West Windsor (E-G-T¶)	1,389
Willingboro (E)	601
Winslow (T)	3,379
Woodbury (E-G-T)	5,801
Woodbury Heights (E-T)	481
Wood Lynne (E-G-T)	1,515
Woolwick (T)	973

	Municipalities Served	Population (1920 Census)
Electric	216	2,497,466
Gas	197	2,330,976
Transportation	219	2,563,010
Total Number	275	2,651,882

A-Incorporated since last census. ‡Railway, Bergen Division. †Railway, Essex Division. *Railway, Hudson Division. §Railway, Passaic Division. ¶Railway, Central Division.

SUB-DIVISION OF TRANSPORTATION LINES

Essex Division

Trolley Lines

Bergen Street
Bloomfield
Broad
Central
Clifton
Crosstown
Elizabeth
Hackensack
Harrison
Irvington
Jersey City
Kearny
Kinney
Market
Mt. Prospect
Newark
Newark-New Brunswick
Orange
Paterson
Perth Amboy
South Orange Avenue
Springfield
Union
Weequahic

Bus Lines

Ampere
Bloomfield
Bloomfield-Nutley
Clinton Avenue
Clinton Place
Davis Avenue
Devine Street
18th Street-Crosstown
Grove Street
High Street
Hillside
Kearny-Arlington
Kearny-Rutherford
Lyons Avenue
Maplewood-Journal Square
Maplewood-Newark
Market Street
Newark-Elizabeth (Hillside)
Newark-Elizabeth (Frelinghuysen)
Newark-Hackensack
North Newark
Orange-Crosstown
Orange Valley
Parker Avenue
Paterson-Bloomfield
Paterson-Bloomfield-Newark
Paterson-Newark
Port Newark
Port Newark-Kearny
Roseville
South Orange Avenue
Springfield Avenue
Summer Avenue
West Orange

Bergen Division

Trolley Lines

Coytesville
Englewood
Hackensack
Hudson River
Palisade

Bus Lines

Bergen
Edgewater-Hackensack
Fairview-Closter
Fort Lee
Hackensack-E. Rutherford
Hackensack-Little Ferry
Hackensack-Passaic
Hackensack-Westwood
Kearny-Rutherford
Newark-Hackensack
Oradell-Cresskill
Paterson-Passaic-East Rutherford
River Road

Hudson Division

Trolley Lines

Bergen
Crosstown
Greenville
Grove
Hudson
Jackson
Jersey City
Montgomery
Newark
Newark Avenue
Oakland
Pacific Avenue
Palisade
Passaic
Pavonia
Summit
Union City
Weehawken
West New York

Bus Lines

Bergen
Crosstown
Fairview
Hillside
Maplewood-Journal Square
Palisade Avenue
Park Avenue
Washington Street
Weehawken Heights
Willow

SUB-DIVISION OF TRANSPORTATION LINES (Continued)

Passaic Division

Trolley Lines

Hudson River
Park Avenue
Passaic
Paterson
Paterson-Suffern

Bus Lines

Beech and Clay
Broadway
Governor
Graham Avenue
Haledon
Hawthorne
Lakeview
Madison
Madison-Hawthorne
Main Street
Main Street (Passaic)
Market
Midland Park
Park Avenue
Passaic-Garfield-Lodi
Passaic-Hackensack
Passaic-North Newark
Paterson-Bloomfield
Paterson-Bloomfield-Newark
Paterson-East Rutherford
Paterson-Morristown
Paterson-Newark
Paterson-Passaic-Orpheum
Paterson-Suffern
Prospect Park
Riverside
Singac
South Side
Temple Hill
Totowa

Central Division

Trolley Lines

Carteret
Easton
Elizabeth
Elmora
Highland
Jefferson
Middlesex
Newark-New Brunswick
Perth Amboy
Rahway
Raritan
South Amboy
Trenton-New Brunswick
Union

Bus Lines

Arlington
Carteret-Perth Amboy
Easton
Elizabeth-Linden (Wood Ave)
Elizabeth-Linden (Roselle St.)
Elizabeth-Rahway (Elizabeth Ave.)
Elmora
First Street (Elizabeth)
Fords-Iselin
Fourth Street (Plainfield)
Highland Park
Hillside
Kenilworth
Livingston Avenue
Magnolia
Manville
Netherwood
Newark-Elizabeth (Hillside)
Newark-Elizabeth (Frelinghuysen)
New Brunswick (Bound Brook)
New Brunswick-Jamesburg
New Brunswick-Perth Amboy
New Brunswick-So. Amboy
Perth Amboy-Rahway
Plainfield-Metuchen
Rahway-Westfield
Roselle Park

Southern Division

Trolley Lines

Broadway
Federal
Haddonfield
Haddon Heights
New Brunswick-Trenton
Riverside
Westfield Avenue

Bus Lines

Audubon
Berlin
Blackwood-Williamstown
Brooklawn
Crosstown
Fairview
Federal Street
Gibbstown
Gloucester
Haddon Avenue
Kaighn Avenue
Kings Highway
Mt. Ephraim Avenue
Mt. Holly
Ninth and State Belt
River Avenue
Swedesboro
Westfield

CAPITAL STOCK

Authorized, 10,000,000 Common shares of no par value, $25,000,000 8% cumulative Pfd., $50,000,000 7% cumulative Pfd. and $125,000,000 6% cumulative Pfd. (par of all issues of Pfd., $100); outstanding,

Dec. 31, 1927, 4,153,613 Common shares, $21,531,200 8% Pfd., $28,908,000 7% Pfd. and $41,298,600 6% Pfd.

Debenture Subscription Privilege—Holders of 8% Pfd. and Common stock of record February 3, 1928, received the right to subscribe at 98 and interest, from February 1, 1928, for 4½% Convertible 20-Year Debentures to the extent of $1,000 par of debentures for each 100 shares held. Right to subscribe expired February 21, 1928.

Proposed Pfd. Stock Increase—Stockholders will vote May 28, 1928 on proposed increase in authorized Pfd. stock from 2,000,000 shares to 4,000,000 shares. The additional shares will be $5 dividend stock of no par value.

Preferred Stock Provisions—The 8% and 7% Preferred stock is entitled to cumulative dividends, payable quarterly on March 31, June 30, Sept. 30 and Dec. 31. The 6% Pfd. stock is on a monthly dividend basis. The Preferred stock is to have no limitation upon voting power, or upon any right existing by law to participate in subscriptions to additional issues of stock; and is preferred as to dividends and as to assets. The number of shares of Pfd. stock issued and outstanding shall at no time be larger than the number of shares of the Common stock issued and outstanding, and all other Common stock hereafter issued shall be subordinate as to dividends and assets, to such Pfd. stock.

Callability—The Pfd. stock of Corporation is not subject to redemption.

Capital Stock Issued in 1927—The Corporation issued during the year $32,542,100 of 6% cumulative Pfd. stock and $3,800 of 7% cumulative Pfd. stock, the latter being stock theretofore subscribed for under a deferred payment plan. During the year the Board of Directors authorized two additional issues of 6% cumulative Pfd. stock. To the first, authorized on Jan. 25, 1927, holders of cumulative preferred stock were offered the right to subscribe in the proportion of one share for each five shares of cumulative Preferred stock held on Feb. 5, 1927. To the second, authorized on June 28, 1927, holders of cumulative Preferred stock were offered the right to subscribe in the proportion of one share for each four shares of cumulative Preferred stock held on July 7, 1927. In each case the stock not subscribed for by stockholders was authorized to be sold under the Popular Ownership Plan of the Company. In May, 1927, employees of the Corporation and of its subsidiaries were given an opportunity to subscribe for 6% cumulative Pfd. stock under a system of partial payments and 18,293 shares were subscribed for. An additional of 6% Pfd. stock aggregating at least 336,866 shares at $102 per share has been authorized, and were offered to stockholders of record Dec. 2, 1927, in a proportion of one share of new stock for each fifteen shares of either Common or Pfd. stock held as of that date. Shares were payable in four instalments: $25 per share at time of subscription on or before Feb. 1, 1928; $25 per share March 31, 1928; $25 per share June 30, 1928 and $27 per share Sept. 29, 1928, with interest allowed on instalment payments made when due at rate of 5½% per annum.

For capital stock issued prior to 1927, see previous issues of the Manual.

Transfer Agents—Common and Pfd. stocks: Guaranty Trust Co., New York and Public Service Corp. of New Jersey, Newark, N. J.

Registrars—Common and Pfd. stocks: Bankers Trust Co., New York, and Fidelity Union Trust Co., Newark, N. J.

Legal Opinion (8% Preferred Stock)—Frank Bergen, Newark, N. J.

Annual Meeting—Third Monday in April.

Listed—All classes of stock listed on New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
8% Pfd.—								
High	135¼	124¾	119	115	108¾	108	..	..
Low	125	115	109	99¼	95	104½	..	..
7% Pfd.—								
High	120½	110	106	101⅛	104½	..	..	..
Low	108½	103⅛	99	96½	90	..	..	..
6% Pfd.—								
High	105	101	..	..	..	..	..	..
Low	98½	96½	..	..	..	..	..	..
Common—								
High	*46¼	†97⅞	87⅞	70	*51½	100	70¼	68
Low	32	72	62⅝	39	*41½	66	54	52

*No par shares. †Before split-up of 3 new for one old. New Common: High, 33⅜; low, 31¼.

Dividends—Common dividends of 4% annually paid from June 29, 1907, to June 30, 1909, inclusive; at rate of 5% from June 30, 1909, to Dec. 31, 1910, inclusive, and at rate of 6% from March 31, 1911, to Sept. 30, 1915; Dec. 31, 1915, 1¾%; March, 1916, 1¾%; June, Sept. and Dec., 1916, 2% each; 1917, 8%; March and June, 1918, 2% each; Sept. and Dec., 1918, 1% each; March, 1919, 1½%; June, 1919, 1½%; Sept., 1919, 1½%; Dec., 1919, none; March, June, Sept. and Dec., 1920, and March, June, Sept. and Dec., 1921, 1% each; March 31, 1922, 1½%; June 30, 1922, 1½%; Sept. 30, 1922, 1½%; Dec. 31, 1922, 2%; March 31, 1923, 2% (on $100 par value stock), and at rate of $1.00 per share per quarter on the shares of no par value for last three quarters of 1923 and the first three quarters of 1924, and at rate of $1.25 per share for the last quarter of 1924, which latter rate has been continued to Sept. 30, 1926; Dec. 31, 1926, 50 cts. a share was paid after the split up of three new shares for one old, and at this rate quarterly since.

Quarterly dividends at rate of 8% per annum have been paid regularly on the 8% Pfd. stock from and including March 31, 1919, to date. Initial dividend of 1¾% was paid on the 7% Pfd. stock March 31, 1923, and at the same rate quarterly since. Initial dividend of 1½% on 6% Pfd. paid Dec. 31, 1925, and at same rate quarterly to Dec. 31, 1926; Jan. 31, 1927, 50 cts. a share, which monthly rate paid to date. Payments on all classes of stock, M, J, S & D 31, except on 6% Pfd., on which dividends are now paid the last days of each month.

FUNDED DEBT

(1)

$20,111,910 PUBLIC SERVICE CORP. OF NEW JERSEY PERPETUAL 6% INTEREST BEARING CERTIFICATES

Dated June 1, 1903.

Interest Payable May and November 1, at Fidelity Union Trust Co., Newark, N. J.

Denominations — Registered certificates usually $100 and multiples, but may be issued in denomination of $1 and multiples thereof.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized, $20,200,000; issued and outstanding, $20,111,910, of which $604,273 purchased by sinking funds, $891,845 owned by Public Service Electric and Gas Co. and deposited under its First and Refunding Mortgage, and $232 owned by Company, leaving $18,615,560 in hands of public Dec. 31, 1927.

These certificates were issued in exchange for stock of the United Electric Co. of N. J., The Orange & Passaic Valley Ry. Co., and of certain of the companies out of which the Public Service Ry. Co. (since merged with Public Service Transportation Co. to form Public Service Coordinated Transport) was subsequently formed (viz., the North Jersey Street Ry. Co., Jersey City, Hoboken & Paterson Street Railway Co., and the United Street Railway Company of Central Jersey).

Sinking Fund—By Agreement dated July 25, 1924, the Corporation agrees to pay to the Trustee on the first day of each July so long as any of the Certificates shall be outstanding, the sum of $197,368, provided, however, that when the principal amount of said certificates outstanding other than those held by the Trustee hereunder shall be less than the

amount of which 110% shall equal $197,368, then the annual sum payable as above shall be reduced to an amount equal to 110% of the aggregate principal amount of the Certificates so outstanding.

Security—Secured by deposit of the following stocks: 474,790 shares Public Service Coordinated Transport 4½% non-cumulative Pfd. stock, $995,000 Orange & Passaic Valley Ry. Co. and $19,736,800 7% cumulative Pfd. stock of Public Service Electric and Gas Co., which was issued in exchange for stock of United Electric Co. of N. J. The Trust Agreement provides that no new liens shall be created on any of the properties of the foregoing companies, and that there shall be no increase in their capital stocks.

Stocks of the various companies have been exchanged for certificates on the following basis:

	Total Stock	Total Stock Deposited	New Certificates	Total Ctfs. if All Stock Exchanged
*North Jersey St. Ry. Co.	$15,000,000	$14,994,400	40%	$6,000,000
*Jersey City, Hoboken & Pat. St. Ry. Co.	20,000,000	19,984,600	35%	7,000,000
*Elizabeth, Plainfield & Cent. Jersey Ry. Co.	3,000,000	3,000,000	30%	900,000
Orange & Passaic Valley Ry. Co.	1,000,000	995,000	30%	300,000
†United Electric Co. of N. J.	20,000,000	19,736,800	30%	6,000,000
Total		$58,710,800		$20,200,000

*These companies have been merged in the Public Service Coordinated Transport (formerly Public Service Ry. Co.).
†Merged in Public Service Electric and Gas Co.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	110½	106½	102½	100	95	95	85	60
Low	105	101	96	87	87	bid	bid	bid

(2)

$5,000,000 PUBLIC SERVICE NEWARK TERMINAL RAILWAY COMPANY FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1955

Dated June 1, 1915.

Interest Payable June and December 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized and issued, $5,000,000, of which $327,000 held in sinking fund and $3,000 held by Public Service Corp. of N. J., leaving $4,670,000 in hands of public Dec. 31, 1927.

Callability—Subject to call as a whole at 105 and interest on June 1, 1920, or any interest date thereafter on six weeks' notice; also for the purposes of the sinking fund on June 1 of each year, beginning with June 1, 1920, at 102½.

Sinking Fund—Sinking fund: $30,000 April 15, 1920, and $30,000 annually thereafter up to and including April 15, 1954; all such payments and all income therefrom shall be used for the purchase of Terminal bonds at 102½ and interest, if not purchasable at a less price, such bonds to continue to draw interest for the benefit of the sinking fund. At Dec. 31, 1927, $327,000 of these bonds were held in sinking fund.

Guaranty—Unconditionally guaranteed jointly and severally as to principal and interest and sinking fund by the Public Service Coordinated Transport (formerly Public Service Ry. Co.) and the Public Service Corp. of N. J.

Security—A first lien on the nine-story office and terminal building at Newark, N. J., purchased by Public Service Corp. of N. J. from Public Service Railway Co. in May, 1924, subject to the lien of this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of the Pennsylvania and New Jersey State tax.

Original Offering—First publicly offered ($1,000,000) in May, 1915, at 95½ and interest, by Drexel & Co., Philadelphia, Fidelity Trust Co., Newark, N. J., and Clark, Dodge & Co., New York.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102	100	98	94	92	93	83	83
Low	99	98	92	88	85	83	70	70

(3)

$43,689,000 PUBLIC SERVICE CORP. OF NEW JERSEY CONVERTIBLE 4½% GOLD DEBENTURES; DUE FEBRUARY 1, 1948

Dated February 1, 1928.

Interest Payable February and August 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Pa., or at office of J. P. Morgan & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Registered, $1,000, $5,000 and $10,000 and authorized multiples of $1,000. Coupon and registered bonds interchangeable.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized and issued, $43,689,000. These Debentures were offered to holders of Common and 8% Pfd. stock of Corporation of record Feb. 3, 1928, at 98 and interest from Feb. 1, 1928, such stockholders having the right to subscribe for $500 of debentures for each 50 shares of stock held.

Purpose of Issue—Proceeds from the sale of these debentures were used for redemption of Public Service Corp. of New Jersey Secured Gold Bonds, 6% Series due 1944 and 5½% Series due 1956, and for other corporate purposes.

Callability—Subject to call as a whole at any time, or in part on any interest date, on 30 days' notice at 103 on or before Jan. 31, 1938; at 102 between Feb. 1, 1938 and Jan. 31, 1943; at 101 between Feb. 1, 1943 and Jan. 31, 1947; and at par thereafter.

Conversion Privilege—Convertible into Common stock of Public Service Corporation of New Jersey at any time on or before Feb. 1, 1930 on basis of 22 shares for each $1,000 Debentures, with adjustment for accrued interest and dividends. If called for redemption prior to Feb. 1, 1930, conversion may be made only up to and including the 10th day prior to date of redemption.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills and Maryland 4½ mills taxes, and Massachusetts 6% income tax, refunded.

(4)

$19,384,000 PUBLIC SERVICE CORP. OF NEW JERSEY SECURED GOLD BONDS 6% SERIES, DUE 1944; DUE AUGUST 1, 1944; BUT CALLED FOR REDEMPTION MARCH 15, 1928 AT 107½ AND INTEREST

(5)

$15,000,000 SECURED GOLD BONDS, 5½% SERIES, DUE 1956; DUE JULY 1, 1956, BUT CALLED FOR REDEMPTION MARCH 15, 1928 AT 106 AND INTEREST

(6)

There were also $1,412,500 Real Estate Mortgages outstanding at Dec. 31, 1927.

CAPITAL STOCK OF PUBLIC SERVICE CORPORATION OF NEW JERSEY, DECEMBER 31, 1927

	Authorized Shares	Issued—Shares	Issued—Amount	Amount in Hands of Public, Incl. Directors' Shares
Common stock (no par value)	10,000,000	4,153,613	$84,404,646	$84,404,646
8% cumulative Preferred stock ($100 par)	250,000	215,312	21,531,200	21,531,200
7% cumulative Preferred stock ($100 par)	500,000	289,080	28,908,000	28,908,000
6% cumulative Preferred stock ($100 par)	1,250,000	412,986	41,298,600	41,288,100
Total Public Service Corp. of New Jersey			$176,142,446	$176,131,946

STOCKS OF SUBSIDIARY OPERATING COMPANIES OF PUBLIC SERVICE CORPORATION OF NEW JERSEY
DECEMBER 31, 1927

	——Stock Issued——		Amount Owned by	Amount in hands of Public, Incl.
Utility Companies—	Shares	Amount	P.S.C. of N.J.	Directors' Shares
Public Service Electric and Gas Company—				
Common stock (no par value)	12,975,000	$129,750,000	*$129,749,900	$100
7% Cumulative Preferred Stock ($100 par)	200,000	20,000,000	†19,975,200	24,800
6% Cumulative Preferred Stock (par $100)	517,243	51,724,300	18,238,700	33,485,600
Public Service Railway Co. (no par value)	‡487,500	36,562,500	§36,559,650	2,850
Public Service Railroad Co. ($100 par)	2,850	285,000	284,500	500
Public Service Transportation Co. (no par value)	1,000,000	10,000,000	9,999,950	50
Camden Coke Co. ($100 par)	3,500	350,000	¶349,500	500
Peoples Elevating Co. ($100 par)	2,500	250,000	‖249,500	500
Paterson and State Line Traction Co. ($100 par)	1,500	150,000	**149,500	500
Total Subsidiary Operating Utility Companies	.....	$249,071,800	$215,556,400	$33,315,400
Other Companies—				
Public Service Production Co. (no par value)	100,000	$1,000,000	$999,950	$50
Public Service Stock and Bond Co. (no par value)	100,000	1,000,000	999,970	30
Total Other Subsidiary Operating Companies	.....	$2,000,000	$1,999,920	$80

*9,321,667 shares pledged under mortgage securing Public Service Corporation of New Jersey Secured Gold Bonds. †197,368 shares pledged under agreement securing Public Service Corporation of New Jersey Perpetual Interest Bearing Certificates. ‡Includes stock of merged companies. §474,790 shares pledged under agreement securing Public Service Corporation of New Jersey Perpetual Interest Bearing Certificates. ¶All owned by Public Service Electric and Gas Co. ‖2,492 shares owned by Public Service Ry. Co. and pledged under its Mortgage securing Jersey City, Hoboken and Paterson Street Ry. Co. First Mortgage bonds and 3 shares owned by Public Service Corp. of New Jersey. **1,492 shares owned by Public Service Ry. Co. and 3 shares owned by Public Service Corp of New Jersey.

LONG TERM DEBT OF PUBLIC SERVICE CORPORATION OF NEW JERSEY AND SUBSIDIARY COMPANY
DECEMBER 31, 1927

	Authorized	Outstanding	Intercompany & Sinking Fund Holdings	Amount in the hands of Public
Public Service Corp. of N. J.—				
6% Perpetual Interest Bearing Certificates	$20,200,000	$20,111,910	**$1,496,350	$18,615,560
Secured Gold Bonds 6% Series due 1944	21,400,000	20,000,000	§616,000	19,384,000
Secured Gold Bonds 5½% Series, due 1956	30,000,000	15,000,000	.....	15,000,000
Public Service Newark Terminal Ry. Co. First Mortgage 5s, 1955	5,000,000	5,000,000	¶330,000	4,670,000
Real estate mortgages	.....	1,412,500	1,412,500	.....
Total P. S. C. of N. J.	.....	$61,524,410	$2,442,350	$59,082,060
Public Service Elec. & Gas Co.—				
First and Refunding Mortgage Bonds				
5½% Series due 1959	$31,834,000	$26,586,000	‡$1,227,000	$25,359,000
5½% Series due 1964	30,000,000	15,000,000	.....	15,000,000
5% Series due 1965	50,000,000	22,300,000	.....	22,300,000
4½% Series due 1967	100,000,000	45,000,000	.....	45,000,000
United Electric Company of New Jersey				
First Mortgage 4s, 1949	20,000,000	18,617,500	*683,000	17,934,500
Consumers Light, Heat & Power Co.				
First Mortgage 5s, 1938	1,000,000	885,000	†577,000	308,000
North Hudson Light, Heat & Power Co.				
First Mortgage 5s, 1938	2,000,000	2,000,000	†1,633,000	367,000
Middlesex Electric Light & Power Co.				
First Mortgage 5s, 1955	200,000	181,000	*21,000	160,000
Princeton Light, Heat & Power Co.				
30-Year Sinking Fund 5s, 1939	250,000	98,300	.....	98,300
Weehawken Contracting Co.				
First Mortgage 6s, 1928	30,000	30,000	.....	30,000
Public Service Electric Co.				
8% Equip. Trust Ctfs., Series A	1,300,000	390,000	.....	390,000
Real estate mortgages	.....	1,208,695	.....	1,208,695
Advances for construction	.....	139,717	.....	139,717
Total P. S. E. & G. Co.	.....	$132,436,212	$4,141,000	$128,295,212
Companies Leased by Public Service Elec. & Gas Co.—				
Paterson & Passaic Gas & Electric Co.				
Consolidated Mortgage 5s, 1949	$5,000,000	$4,099,000	*$50,000	$4,049,000
Edison Electric Illum. Co. of Paterson				
First Mortgage 5s, 1925	600,000	585,000	(a) 585,000	.....
Passaic Lighting Co.				
Consolidated Mortgage 5s, 1925	450,000	316,000	*316,000	.....
South Jersey Gas, Electric & Traction Co.				
First Mortgage 5s, 1953	15,000,000	12,994,000	*3,507,000	9,487,000
Trenton Gas & Electric Co.				
First Mortgage 5s, 1949	2,000,000	1,998,000	.....	1,998,000
Somerset, Union & Middlesex Lighting Co.				
First Mortgage 4s, 1943	2,750,000	1,974,809	(b) 573,809	1,401,000
Central Electric Co.				
Consolidated Mortgage 5s, 1940	750,000	750,000	*20,700	729,300
Plainfield Gas & Electric Light Co.				
General Mortgage 5s, 1940	500,000	500,000	.....	500,000
Somerset Lighting Co.				
First Mortgage 5s, 1939	150,000	150,000	*21,000	129,000
The Gas & Electric Co. of Bergen County				
General Mortgage Bonds, No. 1, 5s, 1954	5,000,000	38,000	.....	38,000
General Mortgage Bonds, No. 2, 5s, 1954	5,000,000	3,462,000	*1,846,000	1,616,000
Consolidated Mortgage 5s, 1949	1,500,000	1,443,000	.....	1,443,000
Hackensack Gas Light Co.				
First Mortgage 5s, 1934	42,000	24,000	.....	24,000
Hackensack Gas & Electric Co.				
General Mortgage 5s, 1935	40,000	10,000	.....	10,000
Englewood Gas & Electric Co.				
First Mortgage 5s, 1939	200,000	23,000	.....	23,000
Newark Consolidated Gas Company				
Consolidated Mortgage 5s, 1948	10,000,000	6,000,000	.....	6,000,000
Newark Gas Company				
First Mortgage 6s, 1944	4,000,000	3,999,700	150	3,999,550

LONG TERM DEBT (Continued)

	Authorized	Outstanding	Intercompany & Sinking Fund Holdings	Amount in the hands of Public
Hudson County Gas Co.				
First Mortgage 5s, 1949	$10,500,000	$10,500,000	.....	$10,500,000
New Brunswick Light, Heat & Power Co.				
First Mortgage 4s, 1939	500,000	500,000	.....	500,000
Ridgewood Gas Co.				
First Mortgage 5s, 1925	100,000	100,000	*$100,000	.....
Second Mortgage 5s, 1925	100,000	85,000	*85,000	.....
Total of Cos. Leased by P. S. E. & G. Co.	.....	$49,551,509	$7,104,659	$42,446,850
Total P. S. E. & G. Co. and Leased Cos.	.....	$181,987,722	$11,245,659	$170,742,062
Public Service Ry. Co.—				
North Jersey Street Railway Co.				
First Mortgage 4s, 1948	$15,000,000	$15,000,000	‖$13,503,000	$1,497,000
Jersey City, Hoboken & Paterson St. Ry. Co.				
First Mortgage 4s, 1949	20,000,000	14,061,000	1,553,000	12,508,000
North Hudson County Railway Co.				
Consolidated Mortgage 5s, 1928	3,000,000	2,998,000	15,000	2,983,000
Improvement Mortgage 6s, 1926	1,292,000	1,291,000	1,291,000	.....
Weehawken Extension 5s, 1945	100,000	100,000	.....	100,000
Paterson Railway Co.				
Consolidated Mortgage 6s, 1931	1,250,000	1,250,000	66,000	1,184,000
Second General 5s, 1944	300,000	300,000	.....	300,000
Elizabeth, Plainfield & Central Jersey Ry. Co.				
First Mortgage 5s, 1950	2,500,000	2,400,000	154,000	2,246,000
Plainfield Street Railway Co.				
First Mortgage 6s, 1942	100,000	100,000	§12,000	88,000
Elizabeth & Raritan River St. Ry. Co.				
General Mortgage 5s, 1954	3,500,000	1,500,000	274,000	1,226,000
Brunswick Traction Co.				
First Mortgage 5s, 1926	500,000	500,000	500,000	.....
East Jersey Street Railway Co.				
First Mortgage 5s, 1944	500,000	500,000	52,000	448,000
Middlesex & Somerset Traction Co.				
First Mortgage 5s, 1950	1,500,000	1,000,000	42,000	958,000
Public Service Series "E" Equip., 7¼s	1,820,000	252,000	.....	252,000
Public Service Ry. Co. Series "F" Equip., 6s	400,000	220,000	.....	220,000
Real estate mortgages	.....	264,892	.....	264,892
Advances for construction	.....	675,087	.....	675,087
Total Pub. Serv. Ry. Co.	.....	$42,411,979	$17,462,000	$24,949,979
Companies Controlled by Pub. Serv. Ry. Co.—				
Orange & Passaic Valley Ry. Co.				
First Mortgage 5s, 1938	$1,000,000	$833,000	$86,000	$747,000
Bergen Turnpike Co.				
First Mortgage 5s, 1951	1,000,000	993,000	.....	993,000
N. J. & Hudson River Ry. & Ferry Co.				
First Mortgage 4s, 1950	5,000,000	4,011,000	.....	4,011,000
Paterson & State Line Traction Co.				
First Mortgage 5s, 1964	300,000	150,000	.....	150,000
Peoples Elevating Co.				
First Mortgage 5s, 1939	250,000	175,000	175,000	.....
Hudson River Traction Co.				
First Mortgage 5s, 1950	1,000,000	631,000	††67,000	564,000
Consolidated Traction Co.				
First Mortgage 5s, 1933	15,000,000	15,000,000	756,000	14,244,000
Newark Passenger Railway Co.				
First Mortgage 5s, 1930	6,000,000	6,000,000	151,000	5,849,000
Passaic & Newark Electric Traction Co.				
First Mortgage 5s, 1937	1,000,000	550,000	10,000	540,000
Rapid Transit Street Ry. Co.				
First Mortgage 8s, 1941	500,000	500,000	§77,000	423,000
Jersey City & Bergen R. R. Co.				
First Mortgage 4½s, 1923	1,000,000	258,000	258,000	.....
Camden & Suburban Ry. Co.				
First Mortgage 5s, 1946	3,000,000	1,940,000	.....	1,940,000
Riverside Traction Co.				
First Mortgage 5s, 1960	1,500,000	1,500,000	15,000	1,485,000
Total Cos. Controlled by Pub. Serv. Ry. Co.	.....	$32,541,000	$1,595,000	$30,946,000
Total P. S. Ry. Co. & Sub. Cos.	.....	$74,952,979	$19,057,000	$55,895,979
Companies Controlled by Pub. Serv. R. R. Co.—				
Elizabeth & Trenton R. R. Co.				
First Mortgage 5s, 1962	$1,200,000	$990,000	$48,000	$942,000
Riverside and Fort Lee Ferry Co.—				
Real estate mortgages	.....	100,000	.....	100,000
Public Service Transportation Co.—				
Real estate mortgages	.....	147,000	.....	147,000
Total Long Term Debt	.....	$319,702,111	$32,793,009	$286,909,102

*Pledged under Public Service Electric and Gas Co. First and Refunding Mortgage. †Pledged under United Electric Co. of New Jersey First Mortgage. ‡Includes $985,000 purchased by sinking fund and $242,000 owned by Public Service Corporation of New Jersey. §Purchased by sinking fund. ¶Includes $327,000 purchased by sinking fund and $3,000 owned by Public Service Corporation of New Jersey. ‖$7,230,000 pledged under Public Service Electric and Gas Co. First and Refunding Mortgage and $6,273,000 owned by Public Service Corporation of New Jersey. **Includes $604,273 purchased by sinking fund, $891,845 owned by Public Service and Gas Co. and pledged under its First and Refunding Mortgage, and $232 owned by Public Service Corporation of New Jersey. ††Pledged under New Jersey and Hudson River Railway and Ferry Co. mortgage. (a) $579,000 pledged under Public Service Electric and Gas Co. First and Refunding Mortgage. (b) $573,700 pledged under Public Service Electric and Gas Co. First and Refunding Mortgage.

SUMMARY OF LONG TERM DEBT AS SHOWN IN CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 1927

Long term debt of Public Service Corporation of New Jersey	$59,082,060
Long term debt of operating subsidiaries controlled through stock ownership	153,642,192
Long term debt of lessor companies controlled through stock ownership	24,123,300
Long term debt of lessor companies not controlled through stock ownership	50,061,550
Total long term debt in the hands of public	$286,909,102

CONSOLIDATED INCOME ACCOUNT, PUBLIC SERVICE CORPORATION AND SUBSIDIARY UTILITY COMPANIES, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue of subsidiary companies	$115,005,908	$106,303,210	$94,715,525	$87,689,453	$79,107,882	$78,356,963
Operating expenses	49,035,808	45,165,072	41,453,331	39,865,065		
Maintenance	11,885,135	11,338,267	10,622,755	9,856,808	53,037,094	52,581,870
Taxes	11,930,114	11,248,684	9,858,549	8,635,873		
Depreciation and retirement	10,084,134	9,098,964	7,741,009	6,642,972	5,949,666	5,425,292
Operating income	$32,070,717	$29,452,223	$25,039,881	$22,688,735	$20,121,122	$20,349,801
Non-operating income	322,410	188,004	2,057,051	1,001,279	292,466	314,758
Total	$32,393,127	$29,640,227	$27,096,932	$23,690,014	$20,413,588	$20,664,559
Income deductions of sub. cos. (bond int. rentals & misc. int. charges)	12,848,836	13,416,895	13,965,558	13,247,068	12,838,264	12,914,110
Net income of sub. cos.	$19,544,291	$16,223,332	$13,131,374	$10,442,946	$7,575,324	$7,750,449
Public Service Corp. of N. J. income from securities pledged (excl. of dividends on stocks of operating cos.) and from miscellaneous sources	2,364,158	2,338,783	3,403,057	3,501,015	2,606,932	2,388,988
Less expenses, taxes and amortization charges	1,897,329	1,248,723	1,194,220	758,775	653,817	431,663
Public Service Corp. of N. J. Income	$20,011,120	$17,313,392	$15,340,211	$13,185,186	$9,528,439	$9,707,774
Deductions:						
Interest charges	$3,682,529	$3,494,071	$4,478,351	$5,006,503	$3,977,382	$3,922,661
Amortization of debt discount and expense	120,668	106,035	234,586	275,201	159,319	170,083
Other deductions	40,865	32,129	30,899	44,361	45,863	44,791
Total deductions	$3,844,062	$3,632,235	$4,743,836	$5,326,065	$4,182,564	$4,137,535
Net income of Public Service Corp. of N. J and sub. cos.	16,167,058	13,681,157	10,596,375	7,859,121	5,345,875	5,570,239
Appropriation accounts of sub. cos.	37,767	¶26,601	¶30,833	¶§111,918	¶245,945	294,672
Balance	$16,129,291	$13,707,758	$10,627,208	$7,971,039	$5,591,820	$5,275,567
Divds. on Pub. Serv. Elec. & Gas Co. 6% Pfd	1,947,708	977,500	827,500			
Dividends on stocks of other sub. cos.	1,973	1,987	2,027	1,278	342	225
Balance	$14,179,610	$12,728,271	$9,797,681	$7,969,761	$5,591,478	$5,275,342
Appropriation accounts of P. S. Corp. of N. J (excl. of dividends)	¶154,706	*23,367	¶197,644	¶42,079	¶75,515	¶11,898
Balance	$14,334,316	$12,704,904	$9,995,325	§$8,011,840	$5,666,993	$5,287,240
Dividends on P. S. C. of N. J. 8% Pfd.	1,722,496	1,722,496	1,722,488	1,720,688	†1,642,282	†1,316,839
Dividends on P. S. C. of N. J. 7% Pfd.	2,023,539	1,979,141	1,489,555	709,358	†287,874	
Dividends on P. S. C. of N. J. 6% Pfd.	1,286,118	269,915	11,686			
Dividends on P. S. C. of N. J. Common	8,018,926	6,067,034	4,781,557	2,959,330	2,400,000	1,950,000
Net increase in surplus	$1,283,237	$2,666,318	$1,990,039	§$2,622,464	$1,336,837	$2,020,401
Times Interest Earned	4.89	4.92	3.37	2.57	2.34	2.42
‡Earnings Per Share—						
Preferred (all classes)	$15.63	$21.46	$20.12	$22.93	$19.93	$28.71
Common	2.24	2.44	6.52	6.77	6.23	13.24

†Exclusive of dividends on Pfd. stock owned by Public Service Electric Co. ‡After appropriation accounts of subsidiary companies and Public Service Corp. of New Jersey. §Does not include charge to surplus of $1,710,512 in connection with financial reorganization and credit to surplus of $2,432,898 from intercompany sale of Public Service Newark Terminal Building and real estate adjacent thereto. ¶Credit. *Debit.

GENERAL BALANCE SHEET, DECEMBER 31
(Public Service Corp. of New Jersey Proper)

Assets—	1927	1926	1925	1924	1923	1922
Investments (see below)	*$257,274,611	$211,472,469	$172,518,194	$143,371,230	$130,782,460	$116,610,221
General mortgage treasury bonds, pledged					12,500,000	12,500,000
Reacquired securities	13,976	12,967	1,926			
Cash	5,683,274	3,216,094	1,658,804	2,103,328	2,596,281	210,200
Bills receivable			14,000	804,600	11,250	7,500
Interest and dividends receivable	114,977	122,227	40,405	117,200	158,467	158,851
Accounts receivable	254,437	233,169	448,021	753,157	534,806	17,739
Marketable securities	757,656	762,969				
Subscriptions to Common stock				27,780		
Subscriptions to and purchases of Cum. Pfd. stock under deferred payment plan:						
8% cum. Pfd.				3,170	244,769	1,025,036
7% cum. Pfd.		3,110	900,289	3,096,188	1,018,545	
6% cum. Pfd.	2,835,229	1,438,486	872,263			
Sinking funds	1,634,401	1,131,314	716,800	261,043	3,227,614	2,830,216
Other special funds	30,764	271,373	89,214	436,067	362,014	443,952
Other special deposits	200,000		†2,376,187	†3,308,616		
Advance payments	7,265	12,132	55,106	36,948	27,752	20,056
Unamortized debt disc and expense	2,341,864	2,462,533	1,710,900	5,385,570	4,035,300	4,100,173
Other suspense			136,393	480,798		
Total	$271,178,454	$221,138,843	$181,538,502	$160,185,695	$155,499,258	$137,923,944
Liabilities—						
Common stock	$84,404,646	$64,910,329	$52,803,441	$41,519,920	$30,000,000	$30,000,000
8% Preferred stock	21,531,200	21,531,200	21,531,200	21,508,600	21,508,600	18,414,500
7% Preferred stock	28,908,000	28,904,200	26,538,800	13,425,300	6,934,000	
6% Pfd. stock	41,298,600	8,756,500	1,606,500			
Subscribers to Common stock				60,180		
Subscribers to & sales of cum. Pfd. stock under deferred payment plan:						
8% cumulative Pfd				387,000	558,900	1,413,800
7% cumulative Pfd		5,500	2,576,100	3,871,900	1,322,500	
6% cumulative Pfd	4,566,500	2,054,200	1,066,700			
General mortgage 5% bonds			1,454,000	2,742,000	50,000,000	50,000,000
Perpetual interest bearing certfs	20,111,910	20,111,910	20,111,910	20,111,910	20,109,060	20,091,060
Secured 6% Gold bonds, Series 1944	20,000,000	20,000,000	20,000,000	20,000,000		
Secured 5½% Gold bonds, Series 1956	15,000,000	15,000,000				
Public Service Newark Term. Ry. First 5s	5,000,000	5,000,000	5,000,000	5,000,000		

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
5½% Installment note payable to Pub. Serv. Elec. & Gas Co.	$19,133,771	$19,633,771	$20,133,771	$20,633,771	.....	.....
Real estate mortgages	1,412,500	1,417,000	342,000	367,000	.....	.....
20-yr. Secured 7% gold bonds	.....	.....	.....	.....	$9,598,000	$9,798,000
Miscellaneous notes payable	.....	1,832,150	2,741,325	.....	.....	.....
Advances from other corporations	119,552	134,856	121,990	357,356	.....	.....
Accounts payable	1,935,523	5,201,529	105,113	104,272	27,162	32,757
Bills payable	.....	.....	100,400	4,969,300	11,419,600	356,800
Interest accrued	1,209,569	1,238,332	1,376,460	1,378,417	801,555	741,470
Other accrued liabilities	21,943	16,513	16,145	260,835	127,023	126,728
Miscellaneous current liabilities	968	1,761	1,617	.....	.....	.....
Deposits under agreements for issuance of Pfd. stock and notes	.....	.....	.....	.....	.....	3,793,574
Reserves	670,328	373,380	158,525	75,987	98,686	172,825
Corporate surplus	5,853,444	5,015,712	3,752,505	3,411,947	2,994,172	2,982,428
Total	$271,178,454	$221,138,843	$181,538,502	$160,185,695	$155,499,258	$137,923,944

*Investments consist of: Securities of subsidiary and leased companies, $228,971,466; other securities, $107,540; advances to affiliated companies, $16,936,193; real estate, $11,259,412—total, $257,274,611. †Cash deposited with trustee for undeposited General Mortgage 5% Sinking Fund 50-year gold bonds.

STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Public Service Corp. of New Jersey Proper)

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$5,683,274	$3,216,094	$1,658,804	$2,103,328	$2,596,281	$210,200
Bills receivable	.....	.....	14,000	804,600	11,250	7,500
Accounts receivable	254,437	233,169	448,021	753,157	534,806	17,739
Marketable securities	757,656	762,969	.....	.....	.....	.....
Interest and dividends receivable	144,977	122,227	40,405	117,200	158,467	158,850
Subscribers to Common stock	.....	.....	.....	27,780	.....	.....
Due for 8% Pfd. stock subscrip. & instalment sales	.....	.....	.....	3,170	244,769	1,025,036
Due for 7% Pfd. stock subscriptions & instal. sales	.....	3,110	900,289	3,096,188	1,018,545	.....
Due for 6% Pfd. stock subscriptions & instal. sales	2,835,229	1,438,486	872,263	.....	.....	.....
Total	$9,675,573	$5,776,055	$3,933,782	$6,905,423	$4,564,118	$1,419,325
Current Liabilities—						
Interest accrued	$1,209,569	$1,238,332	$1,376,460	$1,378,417	$801,555	$741,470
Bills payable	.....	.....	100,400	4,969,300	11,419,600	356,800
Other accrued liabilities	21,944	16,513	16,145	260,835	127,023	126,728
Accounts payable	1,935,523	5,201,529	105,113	104,272	27,162	32,758
Miscellaneous current liabilities	968	1,761	1,616	.....	.....	.....
Total	$3,168,004	$6,458,135	$1,599,734	$6,712,824	$12,375,340	$1,257,756
Net Working Capital	$6,507,569	*$682,080	$2,334,048	$192,599	*$7,811,222	$161,569

*Debit.

CAPITAL STOCKS OF COMPANIES OPERATED UNDER LEASE BY SUBSIDIARY OPERATING COMPANIES OF PUBLIC SERVICE CORPORATION OF NEW JERSEY WITH THE RATE OF DIVIDEND PAYMENTS GUARANTEED FROM RENTALS

	Capital Stock Outstanding	Intercompany Holdings	Amount in Hands of Public Including Directors' Shares	Rate of Dividends From Rentals	Date of Lease	Term of Lease, Years
The Bergen Turnpike Company	$51,990	$51,940*	$50	....	1- 1-08	999
Bordentown Electric Company	50,000	50,000†	.....	1/5%	4- 1-14	46
The Camden Horse Railroad Company	250,000	.....	250,000	24%	4- 1-96	999
The Camden and Suburban Railway Company	600,000‡	2,000§	598,000	4%	5- 1-04	999
Cinnaminson Electric Light, Power & Heating Co.	20,000	20,000†	.....	½%	4- 1-14	46
Consolidated Traction Company	15,000,000	339,500¶	14,660,500	4%	6- 1-98	999
The East Newark Gas Light Company	60,000	60,000‖	.....	6%	9- 1-09	999
Elizabeth and Trenton Railroad Company, Pfd.	180,300	23,000¶	157,300	5%	4- 1-12	999
Elizabeth and Trenton Railroad Company, Com.	811,350	81,700¶	729,650	4%		
Essex and Hudson Gas Company	6,500,000	4,858,500a	1,641,500	8%	6- 1-03	900
The Gas and Electric Company of Bergen County	2,000,000	464,800b	1,535,200	5%	1- 1-05	999
Hudson County Gas Company	10,500,000	8,165,800c	2,334,200	8%	6- 1-03	900
Newark Consolidated Gas Company	6,000,000	779,300d	5,220,700	5%	12- 1-98	999
New Brunswick Light, Heat & Power Company	400,000	272,980e	127,020	5%	1- 2-05	900
New Jersey & Hudson River Ry. & Fy. Co., Pfd.	750,000	4,633¶	745,367g	6%	5- 1-11	900
New Jersey & Hudson River Ry. & Fy. Co., Com.	2,500,000	2,466,750¶	53,250	6%		
Orange and Passaic Valley Railway Company	1,000,000	999,000h	1,000	1 4/5%	11- 1-03	900
The Paterson & Passaic Gas & Electric Company	4,999,516	4,124,608k	874,908	5%	6- 1-03	900
Rapid Transit St. Ry. Co. of the City of Newark	504,000	300¶	503,700	11¼%	6- 1-93	999
The Ridgewood Gas Company	100,000	17,400n	82,600	2%	7- 1-10	999
Riverside Traction Company, Preferred	266,500	27,500¶	239,000	5%	4- 1-12	999
Riverside Traction Company, Common	747,150	40,400¶	706,750	2.7%		
Somerset, Union and Middlesex Lighting Company	1,050,000	793,468p	256,532	4%	12-31-03	900
South Jersey Gas, Electric and Traction Company	6,000,000	1,604,200q	4,395,800	8%	6- 1-03	900
The South Orange and Maplewood Traction Co.	255,000	225,000¶	.....	2 2/3%	10- 1-03	Perpetual
	$60,565,806	$25,452,779	$35,113,027			
Controlled through stock ownership	27,976,506	21,942,679	6,033,827			
Not Controlled through stock ownership	$32,589,300	$3,510,100	$29,079,200			

*$51,910 owned by Public Service Ry. Co. $30 owned by Public Service Corp. of N. J. †Owned by Riverside Traction Co. ‡$3,000,000 par value, 20% paid. §Owned by Camden Horse Railroad Co. ¶Owned by Public Service Corp. of N. J. ‖$59,775 owned by Essex and Hudson Gas Co. and Newark Consolidated Gas Co. $25 owned by Public Service Electric and Gas Co. a Owned by Public Service Electric and Gas Co. b $153,300 owned by Public Service Corp. of N. J. $311,500 owned by Public Service Electric and Gas Co. c $6,000 owned by Public Service Corp. of N. J. $8,159,800 owned by Public Service Electric and Gas Co. d $538,700 owned by Public Service Corp. of N. J. $240,600 owned by Public Service Electric and Gas Co. e $8,240 owned by Public Service Corp. of N. J. $264,740 owned by Public Service Electric and Gas Co. g $1,366.67 reserved to retire stock of consolidated companies. h Owned by Public Service Corp. of N. J. $995,000 pledged under agreement securing its Perpetual Interest Bearing Certificates. k $1,588 owned by Public Service Corp. of N. J. $4,123,020 owned by Public Service Electric and Gas Co. n $14,100 owned by Public Service Corp. of N. J. $3,300 owned by Public Service Electric and Gas Co. p $1,568 owned by Public Service Corp. of N. J. $791,900 owned by Public Electric and Gas Co. q $1,433,700 owned by Public Service Corp. of N. J. $170,500 owned by Public Service Electric and Gas Co.

Depreciation Policy—The operating subsidiaries of Public Service Corp. of N. J. make the following provisions to provide for depreciation: Public Service Electric & Gas Co. sets aside an amount equal to 20% of its gross earnings from electric sales to provide for maintenance and depreciation of its electric properties

and an amount equal to 5 cents per thousand cubic feet of gas sold as a reserve for depreciation of its gas properties. Public Service Ry. Co. sets aside $800,000 per annum as a reserve for depreciation. Public Service Transportation Co. sets aside an amount equal to 3 cents per bus mile as a reserve for depreciation.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Public Service Corp. of N. J. and Subsidiary Utility Companies)

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$514,151,140	$479,894,785	$440,939,296	$392,610,754	$347,660,067	$326,434,029
Investments	2,670,825	2,338,763	3,348,612	1,839,651	4,408,207	1,134,777
Sinking funds	48,186	123,028	124,653	165,034	1,215	14,869
Deposit for redemption of bonds called for payment	43,610,078	.....	.....	.....	.....	.....
Other special funds	59,318	28,553	29,703	244,062	868,098	390,035
Miscellaneous deposits	694,528	446,419	2,767,355	13,304,541	99,725	585,566
Materials and supplies	7,085,882	6,253,659	6,317,386	5,577,377	5,982,255	5,088,432
Cash	23,874,703	27,078,024	9,408,585	4,831,657	4,616,054	3,967,902
Marketable securities	757,656	762,969	2,200,000	.....	.....	.....
Notes receivable	4,563	3,600	18,191	19,625	17,148	14,398
Accounts receivable	9,564,219	9,222,148	8,999,602	8,936,621	8,240,714	6,481,230
Interest and dividends receivable	78,667	23,907	27,068	100,782	5,906	11,433
Other current assets	304,906	319,901	287,012	217,631	197,538	174,135
Subscribers to and purchasers of cum. Pfd. stock of P. S. Corp. of N. J. under deferred payment plan	2,835,229	1,441,596	1,772,552	3,099,358	1,263,314	1,025,036
Subscribers to Common stock	.....	.....	.....	27,780	.....	.....
Prepayments	403,860	411,887	388,059	389,635	704,401	178,039
Unamortized debt discount and expense	6,826,979	3,693,810	2,983,329	6,522,177	3,710,355	3,887,268
Other suspense	2,489,358	1,082,830	777,912	576,346	104,356	49,381
Total	$615,460,097	$533,125,879	$480,389,315	$438,463,031	$377,879,353	$349,436,530
Liabilities—						
Common stock (P. S. Corp. of N. J.)	$84,404,646	$64,910,329	$52,803,441	$41,519,920	$30,000,000	$30,000,000
8% cum. Pfd. stock (P. S. Corp. of N. J.)	21,531,200	21,531,200	21,531,200	21,508,600	21,508,600	18,414,500
7% cum. Pfd. stock (P. S. Corp. of N. J.)	28,908,000	28,904,200	26,538,800	13,425,300	6,934,000	.....
6% cum. Pfd. stock (P. S. Corp. of N. J.)	41,288,100	8,756,500	1,606,500	.....	.....	.....
Capital stock of oper. sub. controlled through stock ownership	33,515,400	30,030,740	15,031,080	47,005	24,680	25,300
Capital stock of lessor cos. controlled through stock ownership	6,033,827	6,803,647	6,803,877	6,807,677	867,597	1,152,797
Not controlled through stock ownership	29,079,200	55,427,405	55,428,205	55,439,605	55,439,605	55,439,605
	$244,760,373	$216,364,021	$179,743,103	$138,748,107	$114,774,482	$105,032,202
Funded debt of P. S. Corp. of N. J. and oper. cos. controlled through stock ownership	$212,724,252	$152,239,474	145,019,007	146,280,321	105,177,018	107,969,228
Funded debt of lessor companies:						
Controlled through stock ownership	24,123,300	20,110,000	20,284,000	20,725,000	25,659,000	25,672,500
Not controlled through stock ownership	50,061,550	68,033,109	68,867,109	69,978,109	69,979,109	70,261,800
Bills payable	.....	.....	102,800	5,159,325	12,539,893	761,300
Dep. under agreements for issuance of Pfd. stock and notes of P. S. Corp. of N. J.	.....	.....	.....	.....	.....	1,093,574
Federal income taxes accrued	2,586,110	3,043,445	3,830,818	$1,402,291	1,564,350	1,530,356
Other taxes accrued				1,282,676	4,162,161	2,501,767
Interest accrued	2,832,875	2,848,717	3,020,569	3,054,111	2,400,922	2,290,403
Other accrued liabilities	236,742	442,445	422,066	359,365	361,470	360,766
Consumers' deposits	3,855,147	3,595,115	3,358,056	3,199,294	3,082,129	2,626,895
Accounts payable	5,450,190	8,607,340	4,511,222	4,336,533	4,059,565	3,085,803
Miscellaneous current liabilities	30,107	81,425	7,082	.....	.....	.....
Other unfunded debt	.....	.....	.....	746,794	399,172	114,741
Accrued amort. of cap.	37,819,792	31,776,151	27,845,031	23,417,302	19,625,114	15,199,866
Other reserves	6,280,340	5,382,261	4,258,578	3,131,635	3,208,742	1,853,540
Miscellaneous unadjusted credits	1,870,136	1,563,230	1,163,946	.....	.....	.....
Subscrip. to and sales of Pfd. stock of P. S. Corp. of N. J. under def. payment plan	4,566,500	2,059,700	3,642,800	4,258,900	1,881,400	1,413,800
Subscriptions to Common stock	.....	.....	.....	60,180	.....	.....
Corporate surplus	18,262,683	16,979,446	14,313,128	12,323,088	9,004,826	7,667,989
Total	$615,460,097	$533,125,879	$480,389,315	$438,463,031	$377,879,353	$349,436,530

NOTE—The assets and liabilities of the Public Service Production Co. and Public Service Electric Power Co. are not included above.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Public Service Corp. of N. J. and Subsidiary Utility Companies)

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$7,085,882	$6,253,659	$6,317,386	$5,577,377	$5,982,255	$5,088,432
Marketable securities	757,656	762,969	2,200,000	.....	.....	.....
Cash	23,874,703	27,078,024	9,408,585	4,831,657	4,616,054	3,967,902
Notes receivable	4,563	3,600	18,191	19,625	17,148	14,398
Accounts receivable	9,564,219	9,222,148	8,999,602	8,936,621	8,240,714	6,481,230
Int. and dividends receivable	78,667	23,907	27,068	100,782	5,906	11,433
Other current assets	304,906	319,901	287,011	217,631	197,538	174,135
Subscribers to and sales of Pfd. stock of P. S. Co. of N. J.	2,835,229	1,441,596	1,772,552	3,099,358	1,263,314	1,025,036
Total	$44,505,826	$45,105,804	$29,030,395	$22,783,051	$20,322,929	$16,762,566
Current Liabilities—						
Federal income taxes accrued	$2,586,110	$3,043,445	$3,830,818	$1,402,291	$1,564,350	$1,530,356
Other taxes accrued				1,282,676	4,162,161	2,501,767
Interest accrued	2,832,875	2,848,717	3,020,569	3,054,111	2,400,922	2,290,403
Other accrued liabilities	236,742	442,445	422,066	359,365	361,470	360,766
Miscellaneous current liabilities	30,108	81,425	7,082	.....	.....	.....
Consumers' deposits	3,855,147	3,595,115	3,358,056	3,199,294	3,082,129	2,626,895
Other accounts payable	5,450,190	8,607,340	4,511,222	4,336,533	4,059,565	3,085,803
Other unfunded debt	.....	.....	.....	746,794	399,171	114,741
Bills payable	.....	.....	102,800	5,159,324	12,539,893	761,300
Total	$14,991,172	$18,618,487	$15,252,613	$19,540,388	$28,569,661	$13,272,031
Net Working Capital	$29,514,654	$26,487,317	$13,777,782	$3,242,663	*$8,246,732	$3,490,535

*Debit.

COMPARATIVE SURPLUS ACCOUNT, AT DECEMBER 31
(Public Service Corp. of New Jersey Proper)

	1927	1926	1925	1924	1923	1922
Balance forward from previous year	$5,015,712	$3,752,504	$3,411,947	$2,994,172	$2,982,427	$2,971,477
Net income current year	13,734,104	11,325,159	8,148,200	5,765,072	4,266,385	3,266,532
Total	$18,749,816	$15,077,663	$11,560,147	$8,759,244	$7,248,812	$6,238,009
Additions to surplus	154,706	.....	197,644	42,079	75,516	11,897
Deductions from surplus	.....	23,366	.....	.....	.....	.....
	$18,904,522	$15,054,297	$11,757,791	$8,801,323	$7,324,328	$6,249,906
Less dividends paid during year:						
Common capital stock	$8,018,926	$6,067,034	$4,781,558	$2,959,330	$2,400,000	$1,950,000
8% cumulative Pfd. capital stock	1,722,496	1,722,496	1,722,488	1,720,688	1,642,282	1,317,479
7% cumulative Pfd. capital stock	2,023,539	1,979,141	1,489,555	709,358	287,874	.....
6% cumulative Pfd. capital stock	1,286,117	269,915	11,686	.....	.....	.....
	$13,051,078	$10,038,586	$8,005,287	$5,389,376	$4,330,156	$3,267,479
Balance of surplus at end of year	$5,853,444	$5,015,711	$3,752,504	$3,411,947	$2,994,172	$2,982,427

OPERATING REVENUE OF SUBSIDIARY UTILITY COMPANIES OF PUBLIC SERVICE CORPORATION OF NEW JERSEY, YEARS ENDED DECEMBER 31

Year	Electric Properties	Gas Properties	Transportation Properties	Total
1920	$23,563,929	$20,872,062	$27,882,096	$72,318,087
1921	24,390,321	23,516,318	27,404,868	75,311,507
1922	27,660,026	23,152,426	27,544,510	78,356,962
1923	31,188,595	24,814,283	23,105,004	79,107,882
1924	34,889,633	24,542,643	28,257,177	87,689,453
*1925	40,016,175	24,181,431	30,517,919	94,715,525
1926	46,954,362	26,286,247	33,062,601	106,303,210
1927	52,393,848	27,242,453	35,369,607	115,005,908

*Change in classification of accounts effective January 1st.

Officers: Thomas N. McCarter, Pres.; Percy S. Young, V-P. in Charge of Finance; Edmund W. Wakelee, V-P. in Charge of Law; John L. O'Toole, V-P. in Charge of Public Relations; George Barker, V-P. in Charge of Real Estate and Purchases; Charles M. Breder, Sec.; William H. Feller, William T. Crudge, Asst. Secs.; T. Wilson Van Middlesworth, Treas.; Frederick A. Neis, Robert S. Tomkins, F. Milton Ludlow, Asst. Treasrs.; William S. Barker, Compt.; Frank Bergen, Gen. Counsel; Edward Ambler Armstrong, Associate Gen. Counsel; Wendell J. Wright, Asst. Gen. Counsel; George H. Blake, Gen. Solicitor; William H. Speer, Gen. Attorney; Harry V. Drown, Gen. Claim Agt.; William B. Hartshorne, Asst. to the Pres.; Harry C. Stevenson, Theodore Bunker, Newton W. Bolen, Harry P. Chandler, Executive Assistants.

Executive Committee: Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Edmund W. Wakelee, Percy S. Young, Newark, N. J.; Samuel T. Bodine, Thomas S. Gates, Arthur W. Thompson, Philadelphia; Alfred L. Loomis, Landon K. Thorne, New York.

Directors: Anthony R. Kuser, Thomas N. McCarter, Wm. Scheerer, Uzal H. McCarter, Frank Bergen, Edmund W. Wakelee, Percy S. Young, Newark, N. J.; Thomas S. Gates, Arthur W. Thompson, Paul Thompson, Samuel T. Bodine, Philadelphia; Wm. C. Heppenheimer, Wm. H. Speer, Jersey City, N. J.; David Baird, Jr., Camden, N. J.; J. Horace Harding, Alfred L. Loomis, Landon K. Thorne, New York; Garret A. Hobart, Paterson, N. J.

General Office, 80 Park Place, Newark, N. J.

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

(Controlled by Public Service Corporation of New Jersey)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid Rate	Dividends Paid Amount	Earnings per Share
7% Cumulative Pfd., par $100	M, J, S & D 31	$20,000,000	$20,000,000	Yes	$19,078,819	7%	$1,400,000	$26.60
6% Cumulative Pfd., par $100	M, J, S & D 31	10,000,000	None	Yes		...	.....	.....
6% Cum. Pfd., 1925 Series, par $100	M, J, S & D 31	100,000,000	51,724,300	...		6%	2,674,959	26.60
Common shares, no par value	M, J, S & D 31	20,000,000shs	12,975,000shs	...	14,850,866	*	14,526,563	1.15

*30 cents per share for the quarter ended March 31, and 31¼ cents per share for each of the quarters ended June 30, Sept. 30 and Dec. 31.

***Bond Issues, At December 31, 1927, Summarized**

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Consumers Light, Ht. & Pow. Co. 1st 5s	June 1, 1938	J & D 1	$1,000,000	$885,000	No	No	Paid by Co.
Middlesex Elec. Lt. & Pow. Co. 1st 5s	Jan. 1, 1955	J & J 1	200,000	181,000	No	No	Paid by Co.
North Hudson Lt., Ht. & Pow. Co. 1st 5s	Oct. 1, 1938	A & O 1	2,000,000	2,000,000	No	No	Paid by Co.
Princeton Lt., Ht. & Pow. Co. S. F. 5s	Feb. 1, 1939	F & A 1	250,000	98,300	No	Yes	Paid by Co.
Public Service Elec. & Gas Co.:							
First & Refunding 5½s	**Oct. 1, 1959**	A & O 1	31,834,000	26,586,000	No	Yes	Paid by Co.
First & Refunding 5½s	**Oct. 1, 1964**	A & O 1	30,000,000	15,000,000	No	Yes	Paid by Co.
First & Refunding 5s	**June 1, 1965**	J & D 1	50,000,000	22,300,000	**No**	**Yes**	**Paid by Co.**
First & Refunding 4½s	Dec. 1, 1967	J & D 1	100,000,000	45,000,000	No	Yes	Paid by Co.
Public Service Elec. Co. 8% Equip. Ctfs. Ser. "A"	Serially	F & A 1	1,300,000	390,000	No	...	.....
United Electric Co. of N. J. 1st 4s	June 1, 1949	J & D 1	20,000,000	18,617,500	No	No	Not pd. by Co.
†Weehawken Contracting Co. 1st 6s	Feb. 20, 1928	F & A 20	30,000	30,000	No	No	Paid by Co.
Real Estate Mortgages	.....	.....	.....	1,208,695	...	...	.....
Advances for construction	.....	.....	.....	139,717	...	...	.....

Total Funded Debt, at Dec. 31, 1927, $132,436,212. **Fixed Charges Accrued** in 1927, $10,725,053.
Amount Available for Fixed Charges in 1927, $29,850,878 **Times Fixed Charges Earned** in 1927, 2.78.

*Long term debt including intercompany holdings. †Paid off at maturity.

History—Public Service Electric and Gas Company was formed under the laws of the State of New Jersey by agreement of merger and consolidation filed July 25, 1924, between Public Service Electric Company, Public Service Gas Company and United Electric Company of New Jersey. (see 1924 Public Utility Manual). By certificate filed Dec. 5, 1924, the following companies were merged: Burlington Electric Light and Power Company, Citizens Electric Light, Heat and Power Company, Middlesex Electric Light and Power Company, The Morristown Gas Light Company, The Nichols Electric Light and Power Company of Nutley, New Jersey, Princeton Light, Heat and Power Company and Weehawken Contracting Company, all corporations organized under the laws of New Jersey and then operated under lease by Public Service Electric and Gas Company. The plant and property of Public Service Electric Power Company (formerly operated under lease) was acquired by Public Service Electric and Gas Company April 1, 1927 (for latest published statement see 1926 Public Utility Manual, page 822).

Property—The Company serves with electric and gas service a population of over 2,600,000 in the State of New Jersey. The territory served includes the larger cities and more populous sections of the State and extends from the Hudson River opposite New York City southwest across the State to the Delaware River opposite Philadelphia, and includes Newark, Jersey City, Paterson, Trenton, Camden, Elizabeth, Bayonne, Hoboken, Passaic, the Oranges, Perth Amboy, Union City and New Brunswick.

In addition to its owned property, which includes the electric properties in Newark, Jersey City, Hoboken and other municipalities in Essex and Hudson Counties, it operates under leases the properties of the following companies:

Essex and Hudson Gas Company, Newark Consolidated Gas Company, Hudson County Gas Company, East Newark Gas Light Company, South Jersey Gas, Electric and Traction Company, Paterson and Passaic Gas and Electric Company, Somerset, Union and Middlesex Lighting Company, The Gas and Electric Company of Bergen County, The Gas Light Company of the City of New Brunswick, Ridgewood Gas Company, Bordentown Electric Company, and Cinnaminson Electric Light, Power and Heating Company; and the electric properties of Public Service Coordinated Transport.

The franchises of Public Service Electric and Gas Company and its underlying companies, with certain minor exceptions, are perpetual.

The electric system now operated by the Company includes 10 generating stations with an aggregate rated capacity of over 836,700 horsepower and serves 781,959 electric customers. Its gas system includes 12 generating plants with an aggregate capacity of 114,050,000 cubic feet daily, and over 4,408 miles of mains serving 715,523 customers.

Rates—On Nov. 3, 1926, Company filed with the State Board of Public Utility Commissioners a rate schedule which materially reduced the cost of electric current to a large number of the company's customers. Under the schedule the rate for the first 20 k.w.h. is 9 cents; for the next 30 k.w.h., 8 cents; next 700 k.w.h., 7 cents; next 750 k.w.h., 6 cents; next 6,000 k.w.h., 5 cents; next 15,000 k.w.h., 4 cents; all current consumption in excess of 22,500 k.w.h., 3 three cents. A minimum charge of $1 per month was retained. The saving to consumers resulting from these rates approximates $1,000,000 a year.

On Feb. 24, 1927 the Board of Public Utility Commissioners approved an amendment to the uniform rate for gas, providing that customers guarantee a minimum monthly bill of $1.00, and a new uniform rate for gas for house heating. These rates were filed by Public Service Electric and Gas Company on Nov. 30, 1926. The new rates became effective with bills rendered in April, 1927, for March meter reading.

Offer for Stock of Leased Companies—Under date of Jan. 10, 1927, an offer was made jointly by Public Service Corporation of New Jersey and Public Service Electric and Gas Company to the stockholders of nine companies operated under lease by Public Service Electric and Gas Company, with a view to the ultimate consolidation of these leased companies with Public Service Electric and Gas Company. The offer may be summarized as follows:

For each share of stock of the companies listed below the holder will obtain under Option "A," 6% Pfd. stock 1925 Series of Public Service Electric and Gas Company to amount shown in column headed Option "A," or under Option "B," cash to amount shown in column headed Option "B," or under Option "C," Common stock of Public Service Corporation of New Jersey to amount shown in column headed Option "C."

	Present Annual Income	Option "A" Public Service Elec. & Gas Co. No. of Shares	Option "A" Public Service Elec. & Gas Co. 6% Pfd. stock Annual Income at $6 per sh.	Option "B" Cash	Option "C" Public Service Corp. of N. J. No. of Shares	Option "C" Public Service Corp. of N. J. Common stock Annual Income at $2 per sh.
Essex & Hudson Gas Co. Hudson County Gas Co. So. Jersey Gas, Elec. & Traction Co. Gas & Electric Co. of Bergen County	$8	1.37	$8.22	$142	4.21	$8.42
New Brunswick Lt., Heat & Power Co. Newark Consolidated Gas Co. Paterson & Passaic Gas & Elec. Co.	5	.86	5.16	90	2.63	5.26
Somerset, Union & Middlesex Ltg. Co.	4	.69	4.14	72	2.10	4.20
Ridgewood Gas Co.	2	.345	2.07	36	1.05	2.10

As a result of this offer there was acquired during 1927 the following stock of these lessor companies:

Essex & Hudson Gas Co.	$4,858,500	South Jersey Gas, Electric & Traction Co.	1,604,100
Hudson County Gas Co.	8,165,800	The Gas & Electric Co. of Bergen County	464,800
Paterson & Passaic Gas & Electric Co.	3,854,908	Ridgewood Gas Co.	17,400
Somerset, Union & Middlesex Light Co.	361,757		
New Brunswick Light, Heat & Power Co.	272,880		
Newark Consolidated Gas Co.	779,200		

Proceedings are under way for the merger of the first named five companies in Public Service Electric & Gas Co.

ELECTRIC LIGHTING AND POWER STATISTICS, AS OF DECEMBER 31

	1920	1921	1922	1923	1924	1925	1926	1927
Kilowatt hours sold	505,813,937	432,073,405	534,465,033	666,838,087	743,084,455	919,515,074	1,091,749,572	1,233,984,052
No. of street arc lamps supplied	8,559	8,219	7,257	6,024	6,024	3,932	3,242	669
No. of street incandescent lamps	35,523	38,771	43,251	47,743	53,930	61,316	70,436	80,257
Total connected load in k.w.	525,258	576,410	669,954	790,780	936,719	1,092,237	1,277,332	1,446,414

Appended are figures showing the growth of the company's electrical business:

	Dec. 31, 1927	Dec. 31, 1926	June 1, 1903
Electric Stations (Ry. and Lighting Combined)—			
No. of generating stations	10	10	14
Capacity of generators in k.v.a.	624,432	609,500	40,075
No. of sub-stations	86	81	9
Capacity of rotaries in k.w.	66,050	68,350	5,400
Capacity of motor generator sets in k.w.	33,192	31,692	
Kilowatt hrs. produced	1,563,285,739	1,440,536,452	129,614,180
Kilowatt hrs. purchased	138,600,620	120,265,330	

	Dec. 31, 1927	Dec. 31, 1926	June 1, 1903
Transmission lines (in miles)	1,287	1,284	47
Conduits (in street miles)	201	186	25
Electric Distribution System Statistics—			
Number of poles	285,626	269,773	45,059
Miles of wire	36,083	33,567	4,244
Number of transformers	39,939	37,827	5,336
Number of meters	781,959	704,243	16,000
Total commercial load connected (in 50 W. equivalent)	28,672,258	25,316,646	710,000

NOTE—The increases shown above are somewhat, but not very materially affected by properties acquired between June 1, 1903, and Jan. 1, 1928.

GAS STATISTICS

	1920	1921	1922	1923	1924	1925	1926	1927
Gas sold—M cubic ft.	16,493,276	16,644,298	17,736,689	19,558,279	19,857,632	20,294,361	22,165,087	22,576,256
Mains in use, miles	3,170	3,223	3,332	3,467	3,646	3,865	4,131	4,408
Meters in serv. Dec. 31	553,343	565,711	583,842	609,140	643,055	675,264	705,550	715,525
Services run	7,590	12,335	18,550	21,654	24,679	27,027	26,262	26,653
Ranges sold	15,572	11,838	17,013	23,875	24,896	26,128	26,252	28,073
Water heaters sold	9,831	6,020	12,007	11,342	10,982	9,502	8,928	7,318
Hot plates sold	547	486	473	532	470	.....	.....	.....
Heating stoves sold	6,731	4,276	6,355	5,929	4,539	4,979	6,258	4,522
Gas arcs installed	1,296	855	570	353	320	323	226	136
Welsbach lamps sold	17,018	14,962	10,293	9,496	6,139	4,697	2,005	1,302
Mantles sold	150,502	111,998	87,882	77,360	58,487	49,145	34,957	24,704
Domestic appliances installed	26,854	20,970	16,859	22,795	20,324	24,665	24,113	29,715
Mfg. appliances installed	736	949	734	820	1,328	1,149	1,435	1,158
Gas fixtures installed	5,901	3,421	2,751	5,221	4,126	1,771	674	321
No. of gas eng. installed	8	1	1	.....	.....	.....	.....	.....
H. P. of gas engines	75	3	30	.....	.....	.....	.....	.....
Gas refrigerators	.....	.....	.....	.....	.....	.....	.....	52

CAPITAL STOCK

Authorized, 20,000,000 shares Common stock of no par value, $20,000,000 7% cumulative Pfd., $10,000,000 6½% cumulative Pfd., and $100,000,000 6% cumulative Pfd., 1925 Series; par of all Pfd. issues, $100. Outstanding, Dec. 31, 1927, 12,975,000 shares Common, $20,000,000 7% Pfd., and $51,724,300 6% Pfd., 1925 Series. All of the outstanding Common stock, excepting directors' shares, 199,752 shares of 7% cumulative Pfd. stock, and 182,387 shares of 6% cumulative Pfd. stock, are owned by Public Service Corporation of New Jersey. Of this stock, 9,321,667 Common shares are pledged under mortgage securing Public Service Corp. of N. J. Secured Gold bonds, and as at Dec. 31, 1927, 197,368 shares 7% Pfd. stock were pledged under agreement securing that Company's Perpetual Interest-Bearing Certificates.

Change in Capitalization—By amendment to the certificate of merger and consolidation by which Company was formed, said amendment being filed Jan. 31, 1927, the Company has increased its authorized 6% cumulative Pfd. stock, 1925 Series, from $30,000,000 to $100,000,000, and has eliminated the authorized (none issued) $40,000,000 6% cumulative Pfd. stock (without series designation), thus increasing the total authorized Pfd. stock by $30,000,000. Of the increased stock $21,724,300 has been issued since Dec. 31, 1926, in exchange for stock of nine companies presently operated under lease by Public Service Electric and Gas Companies with a view to their ultimate consolidation with the latter company, making a total of $51,724,300 of the 6% Pfd. stock issued and outstanding. In March, 1927, $42,060,300 6% Pfd. stock authorized for issuance (of which the $21,724,300 issued is a part), was listed on the New York Stock Exchange.

Preferred Stock Provisions—The 6% cumulative Pfd. stock, 1925 Series, is preferred over the Company's Common stock as to dividends and, in dissolution or liquidation, as to assets up to an amount equal to $100 per share with accumulaitng dividends.

The total amount of Preferred stock at any time outstanding shall never exceed twice the investment in cash and property represented by the Common stock or other junior stock issues of the Company then outstanding.

The Preferred stock has no voting power except upon failure of the Company to pay when due two full quarterly dividends, in which case each share of Preferred stock receives full voting power at the rate of ten votes per share so long as such failure to pay dividends continues; but such voting power ceases upon subsequent payment by the Company of any such accumulated and unpaid dividends subject to renewal on similar failure to pay dividends.

The Preferred stockholders have no right to subscribe to any issues of capital stock of the Company or for any issue of securities convertible into such capital stock.

The balance of the stock of the Company, both Common and Preferred, may be issued to provide or pay for extensions, improvements and betterments of the plant and property of the consolidated corporation, and to construct or acquire other property, and for other purposes as authorized by law.

Callability—The 6% cumulative Pfd. stock, 1925 Series, is redeemable as a whole or in part, at the option of the Company, on any dividend date, after three years from the date of issue thereof, upon thirty days' notice at $110 per share and accumulated dividends.

Transfer Agent—J. P. Morgan & Co., New York, Drexel & Co., Philadelphia, and office of Company, Newark, N. J.

Registrars—Guaranty Trust Co., of New York, Fidelity-Philadelphia Trust Co., Philadelphia, and Fidelity Union Trust Co., Newark, N. J.

Tax Provisions—Dividends on stock are exempt from the present Normal Federal Income Tax. As to the 1925 Series, Public Service Corp. of New Jersey agrees to refund the Pennsylvania State Tax not exceeding the rate of 4 mills on the par value of shares, held by residents of Pennsylvania, as provided in the Tax Refund Agreement.

Legal Opinion (Pfd. Stock)—Stetson, Jennings & Russell and Dickson, Beitler & McCouch and Davis, Polk, Wardwell, Gardiner & Reed.

Original Offering—First publicly offered ($15,000,000 6% Pfd., 1925 Series) in Jan., 1925, at 95 and accrued dividend, to yield 6.32%, by Drexel & Co., Philadelphia, and Bonbright & Co., Inc., New York; $15,000,000 additional of the same series offered by the same bankers in Nov., 1926, at 102¼ and accrued dividend, to yield about 5.87%.

Annual Meeting—Third Monday in April, at Newark, N. J.

Listed (6% Pfd. Stock)—New York Stock Exchange.

Price Range—

Preferred—	1927	1926	1925
High	110½	104⅛	100⅛
Low	102	97	92½

Dividends—Dividends on all classes of stock are payable quarterly, M, J, S & D 31. Initial dividend of $1.75 per share on the 7% Pfd. stock paid Sept. 30, 1924, and regularly since. Initial quarterly dividend of $1.50 per share on the 6% Pfd. stock (1925 Series) paid March 31, 1925, and regularly since. On Common shares dividends of 30 cts. each per share were paid Sept. 30, 1924, which quarterly rate maintained to March 31, 1927; on June 30, Sept. 30 and Dec. 31, 1927, 31¼ cents each were paid.

FUNDED DEBT

(1)

$885,000 CONSUMERS LIGHT, HEAT & POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1938

Dated June 1, 1898.

Interest Payable June and December 1, at New Jersey Title Guarantee & Trust Co., Jersey City.

Denomination—Coupon, $500; principal may be registered.

Trustee—New Jersey Title Guarantee & Trust Co., Jersey City.

Provisions of Issue—Authorized, $1,000,000; outstanding, $885,000, of which $577,000 are pledged under United Electric Co. of New Jersey First Mortgage, leaving $308,000 in hands of public Dec. 31, 1927.

Security—A first lien on entire property formerly belonging to the Company. A like amount of United Electric Co. of N. J. First 4s are reserved to retire this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	102	100	97	93	90	82	90
Low	100	99	96	90	90	82	75	75

(2)

$2,000,000 NORTH HUDSON LIGHT, HEAT & POWER CO. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1938

Dated October 1, 1898.

Interest Payable April and October 1, at New Jersey Title Guarantee & Trust Co., Jersey City.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New Jersey Title Guarantee & Trust Co., Jersey City.

Provisions of Issue—Authorized and outstanding, $2,000,000, of which $1,633,000 pledged under United Electric Co. of New Jersey First Mortgage, leaving $367,000 in hands of public Dec. 31, 1927.

Security—A first lien on plant and equipment formerly of the North Hudson Light, Heat & Power Co., comprising power plant and appurtenances at Hoboken, N. J. A like amount of United Electric Co. of N. J. First 4s are reserved to retire this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	102	100	97	93	90	82	90
Low	100	99	96	90	90	82	75	75

(3)

$30,000 (ENTIRE ISSUE) WEEHAWKEN CONTRACTING COMPANY FIRST GOLD 6s; MATURED AND PAID OFF FEBRUARY 20, 1928; MORTGAGE TO BE CANCELLED

(4)

$18,617,500 UNITED ELECTRIC COMPANY OF NEW JERSEY FIRST MORTGAGE GOLD 4s; DUE JUNE 1, 1949

Dated June 1, 1899.

Interest Payable June and December 1, at New Jersey Title Guarantee & Trust Co., Jersey City.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—New Jersey Title Guarantee & Trust Co., Jersey City.

Provisions of Issue—Authorized, $20,000,000, of which a sufficient amount is reserved to retire the prior liens described in paragraphs 1 and 2. Of the $18,617,500 bonds issued, $683,000 are pledged under Public Service Electric and Gas Co. First and Refunding Mortgage, leaving $17,934,500 in hands of the public Dec. 31, 1927.

Security—Secured on the consolidated properties, subject to prior liens (paragraphs 1 and 2), covering plants, distributing stations, lines, etc., at Newark, the Oranges, Montclair, Jersey City, Bayonne, Elizabeth, etc. The Company covenants that it will not create any mortgage or other lien upon its property except in renewal or continuation of the mortgage securing these bonds. The Public Service Corp. of N. J. has directly assumed the payment of the interest on these bonds, and has agreed to provide for the payment of the principal at maturity, by extension, refunding or otherwise.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	92½	90½	89	86	82½	84	72½	68
Low	88½	87	85	81	80	72	60	58

(5)

$98,300 PRINCETON LIGHT, HEAT & POWER COMPANY FIRST & REFUNDING MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1939

Dated February 1, 1909.

Interest Payable February and August 1, at Equitable Trust Co., New York.

Denominations—Coupon, $100 and $1,000; principa may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $250,000; outstanding, Dec. 31, 1927, $98,300.

Callability—Subject to call at 105 and interest o any interest date on three weeks' notice.

Sinking Fund—Sinking fund of 4% of gross earnings began in 1910.

Security—A lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$181,000 MIDDLESEX ELECTRIC LIGHT & POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 195

Dated January 1, 1905.

Interest Payable January and July 1, at Fidelit Union Trust Co., Newark, N. J.

Denominations—Coupon, $100 and $1,000; principa may be registered.

Trustee—Fidelity Union Trust Co., Newark, N.

Provisions of Issue—Authorized, $200,000; outstanding, $181,000, of which $21,000 are pledged unde Public Service Electric and Gas Co. First and Refunding Mortgage leaving $160,000 in the hands of publi Dec. 31, 1927.

Security—A first lien on all the property of th company.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	101	100	96	95	85	80	75	75
Low	97	94	93	88	80	75	70	70

(7)

$26,586,000 PUBLIC SERVICE ELECTRIC AND GAS COMPANY FIRST AND REFUNDING MORTGAGE GOLD BONI 5½% SERIES DUE 1959; DUE OCTOBER 1, 1959, BU CALLED FOR REDEMPTION ON APRIL 1, 1928 AT 105

(8)

$15,000,000 PUBLIC SERVICE ELECTRIC AND GAS COMPANY FIRST AND REFUNDING MORTGAGE GOLD BONI 5½% SERIES DUE 1964; DUE OCTOBER 1, 1964, BU CALLED FOR REDEMPTION ON FEB. 1, 1928 AT 105

(9)

$22,300,000 PUBLIC SERVICE ELECTRIC AND GAS COMPAN FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5 SERIES, DUE 1965; DUE JUNE 1, 1965

Dated June 1, 1925.

Interest Payable June and December 1, at Fideli Union Trust Company, Newark, N. J., or at office J. P. Morgan and Company, New York.

Denominations—Coupon, $500 and $1,000; princip may be registered and fully registered bonds in denominations of $1,000 and authorized multiples. Coupo and registered bonds interchangeable.

Trustee—Fidelity Union Trust Company, Newar N. J.

Provisions of Issue—The First and Refunding Mortgage authorizes the issuance of bonds thereunder an unlimited principal amount and provides for t issuance of additional bonds in one or more series, such amounts, and bearing such rates of interest a having maturity dates not later than October 1, 21 and having such other terms and conditions as may prescribed by the Board of Directors of the Compa subject to the conservative limitations specified in t Mortgage. These $22,300,000 bonds are part of the 5 Series due 1965 which is limited in principal amount $50,000,000.

Purpose of Issue—The proceeds of $2,500,000 these bonds were used to reimburse Company for ad

tions and improvements made to the mortgaged property; the proceeds of the remaining $19,800,000 were used to provide a part of the funds required for the purchase of the Kearny power plant constructed at a cost of approximately $33,000,000 from Public Service Electric Power Co. and for refunding purposes in accordance with the provisions of the mortgage.

Callability—Subject to call as a whole or in part and for the sinking fund at any time on not less than eight weeks' notice at a premium of 5% if redeemed before June 1, 1953, said premium to be reduced by ½ of 1% commencing June 1, 1953 with a like additional reduction commencing June 1 of each year thereafter, the bonds being callable at par on and after June 1, 1962; in each case with accrued interest.

Sinking and Improvement Fund—The Supplementary Indenture for the 5% Series due 1965 obligates Company to pay to the Trustee semi-annually on March 1 and September 1, beginning March 1, 1926, a sum equivalent to ½ of 1% of the total amount of bonds of this series theretofore issued, exclusive of bonds of said series issued upon exchange or transfer or for other bonds of the same series. The moneys so paid to the Trustee are to be applied on account of permanent additions or improvements to the properties (against which no bonds may be issued) or to the purchase of bonds of this series at or below the redemption price existing at the next ensuing interest date; if not so purchasable, bonds may be called by lot at such redemption price on such interest date. All bonds so purchased or redeemed are to be cancelled.

Security—Secured equally with other Series of First and Refunding Mortgage Gold bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund the Pennsylvania State Tax not exceeding 4 mills on bonds held by residents of Pennsylvania; the State Tax in Connecticut up to the rate of 4 mills annually; the Maryland Securities Tax not exceeding the rate of 4½ mills per annum, and the Massachusetts Income Tax not exceeding 6% per annum on income derived from the bonds; but will not refund more than one such State Tax on the same bond for the same year.

Original Offering—First publicly offered ($19,800,000) in Feb., 1927, at 99 and interest, to yield about 5.06%, by Drexel & Co., Philadelphia and Bonbright & Co., Inc., New York.

Price Range—1927: High, 104⅝; low, 99⅝.

(10)

$45,000,000 PUBLIC SERVICE ELECTRIC AND GAS COMPANY FIRST AND REFUNDING MORTGAGE GOLD BONDS, 4½% SERIES DUE 1967; DUE DECEMBER 1, 1967

Dated December 1, 1927.

Interest Payable June and December 1, at Fidelity Union Trust Co., Newark, N. J., or J. P. Morgan & Co., New York, or at Drexel & Co., Philadelphia.

Denominations—Coupon, (principal may be registered) $500 and $1,000; and fully registered, $1,000, $5,000 and $10,000 and multiples. Coupon and registered bonds interchangeable.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—The First and Refunding Mortgage authorizes the issuance of bonds thereunder in an unlimited principal amount and provides for the issuance of additional bonds in one or more series, in such amounts and bearing such rates of interest and having such maturity dates (not later than Oct. 1, 2124), and having such other terms and conditions as may be prescribed by the Board of Directors, subject to the conservative limitations specified in the Mortgage. These $45,000,000 bonds are part of the 4½% Series due 1967, issued in accordance with the provisions of an indenture dated Dec. 1, 1927, supplemental to the Mortgage dated Aug. 1, 1924. This Series is limited in principal amount to $100,000,000. Additional bonds of this Series, as well as bonds of other duly authorized series, may be issued only for the purposes and under the conservative restrictions provided in the Mortgage, which include the following: (a) To a principal amount not exceeding 75% of the cost or fair value, whichever is less, of permanent additions and improvements made to the owned and present leased properties, and of the acquisition of properties in fee, provided that the net earnings of the Company, as defined in the Mortgage, shall have been at least 1¾ times the annual rental and interest charges payable by the Company, as defined in the Mortgage; (b) upon deposit with the Trustee of an equal principal amount of bonds and stocks of the present leased companies; (c) upon deposit with the Trustee of an equal principal amount of underlying bonds outstanding against the properties now owned or hereafter acquired in fee; (d) to refund an equal principal amount of underlying bonds or of First and Refunding Mortgage bonds; (e) to provide cash for any of the above purposes.

The Mortgage contains provisions permitting the modification or alteration thereof or of any supplemental indenture in any particular with the assent of the Company and the holders of not less than 85% of the aggregate principal amount of outstanding bonds (including, if such change affect the bonds of one or more series but less than all series then outstanding, the holders of a like percentage of the then outstanding bonds of each series affected by such change), not including any bonds owned by the Company, provided that any such modification or alteration shall not permit the alteration of the annual interest rate, redemption price, date of maturity, or the amount payable on maturity of any outstanding bond without the consent of the holder thereof.

Purpose of Issue—The proceeds of these $45,000,000 bonds were to provide for retirement of all of the outstanding $40,601,000 First and Refunding Mortgage Gold Bonds, 5½% Series due 1959 and 5½% Series due 1964, and for expenditures already made for additions and improvements to the properties.

Callability—Subject to call as a whole or in part at any time on not less than 60 days' notice at a premium of 5% on or before Nov. 30, 1932; thereafter at a premium of 4½ on or before Nov. 30, 1937; thereafter at a premium of 4% on or before Nov. 30, 1949; said premium to be reduced by ¼ of 1% commencing Dec. 1, 1949, with a like additional reduction commencing Dec. 1 of each year thereafter; the bonds being callable at par on and after Dec. 1, 1964; in each case with accrued interest.

Security—The First and Refunding Mortgage Gold bonds (all series) are secured by mortgage on all of the Company's mortgageable property and by pledge of leasehold estates. Briefly, the bonds are secured: (a) By a first mortgage on the new Kearny power plant of 215,588 kva. installed capacity, the Essex power plant of 205,055 kva. installed capacity, (comprising over two-thirds of the electric generating capacity of the system), and other physical property, valued as above at substantially more than the principal amount of the First and Refunding Mortgage bonds outstanding; also by pledge with the Trustee of underlying bonds and of stocks and bonds of affiliated companies, valued at over $16,000,000, on the basis of current market quotations; (b) by direct mortgage, subject to $21,522,491 underlying liens (closed issues) (of which $704,000 are pledged under the Mortgage), on other electrical properties in Essex, Hudson and Union Counties; (c) by mortgage on leasehold estates in electric and gas companies, and on the lease of certain electrical property of Public Service Railway Company (now Public Service Coordinated Transport). The leasehold estates extend in practically all cases approximately 900 years. The above figures are as of Nov. 1, 1927.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees, upon application made in accordance with the provisions of the Sup-

plemental Indenture, to refund Pennsylvania, Maryland, Connecticut and Massachusetts taxes not exceeding in each year $4, $4.50, $4 and $2.70 per $1,000 bond, respectively, as provided in the Supplemental Indenture, but the Company will not refund more than one such State Tax on the same bond for the same year.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, and Dickson, Beitler & McCouch.

Original Offering—First publicly offered ($45,000,000) in November, 1927, at 98 and interest, to yield over 4.60%, by Drexel & Co., Philadelphia, etc., and Bonbright & Co., Inc., New York, etc.

Listed—New York Stock Exchange.

Price Range—1927: High, 99¾; low, 98.

(11)

$390,000 PUBLIC SERVICE ELECTRIC COMPANY EQUIPMENT TRUST SERIES "A" 8% CERTIFICATES; DUE $65,000 EACH FEBRUARY AND AUGUST 1

Interest Payable February and August 1, at Fidelity-Philadelphia (Pa.) Trust Co., Trustee.

Provisions of Issue—Original issue, $1,300,000, of which $910,000 retired to Dec. 31, 1927.

Security—Secured on 600 steel cars.

(12)

$1,208,695 REAL ESTATE MORTGAGES

(13)

$139,717.34 ADVANCES FOR CONSTRUCTION

Depreciation Policy—Public Service Electric and Gas Company sets aside 20% of its gross earnings from electric sales to provide for ordinary maintenance and depreciation of its electric properties and 5c per M. cubic feet of gas sold as a reserve for depreciation of its gas properties.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues:			
Electric department	$52,393,848	$46,954,362	$40,016,175
Gas department	27,242,453	26,286,246	24,181,431
Total operat. revenues.	$79,636,301	$73,240,608	$64,197,606
Operating expenses:			
Electric department	$17,073,335	$15,808,099	$14,158,656
Gas department	13,371,934	12,955,746	11,638,727
Maintenance:			
Electric department	$4,551,916	$3,857,211	$3,378,066
Gas department	1,501,702	1,633,084	1,471,830
Taxes:			
Electric department	$5,635,785	$5,060,730	$4,068,992
Gas department	3,206,489	3,173,779	2,955,401
Retirement expenses:			
Electric department	$6,091,015	$5,724,944	$4,779,633
*Gas department	1,331,257	1,310,445	1,225,516
Total operating revenue deductions:			
Electric department	$33,352,051	$30,450,984	$26,385,347
Gas department	19,411,383	19,073,054	17,291,474
Total	$52,763,434	$49,524,038	$43,676,821
Operating income:			
Electric department	$19,041,797	$16,503,378	$13,630,828
Gas department	7,831,071	7,213,192	6,889,957
Total	$26,872,868	$23,716,570	$20,520,785
Non-operating revenue	$3,001,892	$1,949,553	$1,938,018
Non-oper. rev. deductions	23,882	23,613	25,254
Net non-oper. income	$2,978,010	$1,925,940	$1,912,764
Gross income	$29,850,878	$25,642,510	$22,433,549
Income deductions (bond interest, rentals and miscellaneous int. charges)	10,725,053	10,492,103	8,772,766
Net income	$19,125,825	$15,150,407	$13,660,783
Profit & loss accounts:			
Adjustment of surplus acct. (exclusive of divds. (debit)	†47,006	‡42	‡19,160
	$19,078,819	$15,150,449	$13,679,943
Dividends on outstanding stocks:			
Paid to Public Service Corp. of N. J.:			
Common	$14,526,551	$12,052,489	$12
7% Preferred	1,398,264	1,398,250	1,398,211
6% Preferred	727,251	.....	.....
Paid to unaffil. int.:			
Common	$11	$11	$12
7% Preferred	1,736	1,750	1,789
6% Preferred	1,947,708	977,500	827,500
Net increase in surplus	$477,298	$720,449	$2,167,443
Times Fixed Charges Earned	2.78	2.44	2.56
Earnings Per Share—			
Preferred	*$26.60	$30.30	$39.08
Common	1.15	1.16	1.32

*Includes Camden Coke Co. retirement expense, $210,798 in 1925, $202,191 in 1926 and $202,444 in 1927. †Debit. ‡Credit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Public Service Electric & Gas Co. and Camden Coke Co.)

Assets—	1927	1926	1925
Fixed capital	*$254,887,122	$208,782,660	$179,714,427
Investments—			
5½% Installment Note of Public Service Corp. of N. J.	19,133,771	19,633,771	20,133,771
Secur. of affil. cos.	33,872,534	12,163,003	12,119,593
Other investments	18,453	12,453	16,756
Reacquired securities	2,914,000	2,914,000	2,914,000
Sinking fund and other special funds	983,235	886,340	563,701
Deposit for redemption of bonds called for payment	43,610,078	.....	.....
Materials and supplies	6,251,058	5,187,423	5,377,745
Cash	16,603,007	22,630,341	6,169,859
Marketable securities	.....	.....	2,200,000
Notes receivable	4,265	3,600	3,691
Accounts receivable	11,621,690	11,314,273	11,574,692
Int. & divds. receiv.	761,329	622,832	643,585
Other current assets	181,280	179,430	156,800
Prepayments	153,644	1,656,516	1,333,682
Unamortized debt disc. & expense	4,274,771	1,030,492	1,065,804
Other suspense	2,479,041	1,076,945	638,873
Total	$397,749,278	$288,094,079	$244,626,979
Liabilities—			
Capital stock—			
Public Service Elec. & Gas Co.—			
Common stock	$129,750,000	$110,000,000	$86,750,000
7% Preferred	20,000,000	20,000,000	20,000,000
6% Preferred	51,724,300	30,000,000	15,000,000
Camden Coke Co.	500	100,000	100,000
First & Refunding Mortgage bonds 5½% Series due 1959	26,586,000	26,586,000	26,586,000
First & Refunding Mortgage bonds 5½% Series due 1964	15,000,000	15,000,000	15,000,000
First & Refunding Mortgage bonds 5% Series due 1965	22,300,000	2,500,000	2,500,000
First & Refunding Mortgage bonds 4½% Series due 1967	45,000,000	.....	.....
Bonds of merged cos.	21,811,800	21,824,500	21,835,100
Real estate mortgages	1,208,695	1,393,728	1,421,760
Equipment obligations	390,000	520,000	650,000
Public Service Gas Co. notes	.....	.....	128,000
Advances for construction	139,717	313,904	638,383
Miscel. long-term debt	.....	.....	35,071
Adv. from Public Service Electric Power Co.	.....	1,250,000	1,250,000
Taxes accrued	1,942,810	2,412,759	1,604,933
Interest accrued	1,399,733	1,189,320	1,150,287
Other accrued liabilities	663,976	683,452	673,054
Consumers' deposits	3,855,147	3,595,115	3,358,056
Accounts payable	2,217,698	2,212,049	2,945,168
Other current liabilities	4,595	4,883	5,466
Premium on capital stock	337,500	337,500	.....
Retirement reserve	33,401,997	29,265,339	25,616,820
Unamortized premium on debt	41	43	45
Casualty and ins. reserve	1,244,369	1,063,745	840,639
Other reserves	3,448,719	3,310,596	3,121,484
Miscel. unadjusted credits	1,796,994	1,483,758	1,089,773
Profit & loss surplus	13,524,687	13,047,388	12,326,940
Total	$397,749,278	$288,094,079	$244,626,979

*Adjusted for properties of subsidiary companies as of Dec 31, 1926, acquired during 1927.

Officers: Thomas N. McCarter, Pres.; Percy S. Young, V-P., in Charge of Finance; Edmund W. Wakelee, V-P., in Charge of Law; John L. O'Toole, V-P., in Charge of Public Relations; George Barker, V-P., in Charge of Real Estate and Purchases; Edgar

Allegaert, V-P., in Charge of Operations, Electric Dept.; Richard R. Young, V-P., in Charge of Sales; John A. Clark, V-P., in Charge of Operations, Gas Dept.; Charles M. Breder, Sec.; T. Wilson Van Middlesworth, Treas.; William S. Barker, Compt.; Franklyn Heydecke, Gen. Aud., Electric Dept.; William H. Pettes, Gen. Aud., Gas Dept., Newark, N. J.

Directors: Samuel T. Bodine, Arthur W. Thompson, Anthony R. Kuser, Alfred L. Loomis, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Landon K. Thorne, Edmund W. Wakelee, Percy S. Young,

Office, Newark, N. J.

COMPANIES OPERATED UNDER LEASE BY PUBLIC SERVICE ELECTRIC AND GAS CO.

CINNAMINSON ELECTRIC LIGHT, POWER & HEATING CO.

(Leased to Public Service Electric and Gas Co.)

History—Inc. Nov. 28, 1892, in N. J. Supplies Beverly City, Beverly Township, Burlington Township, Chester Township, Cinnaminson Township, Palmyra, Riverside and Riverton, all in Burlington County, N. J. Leased to Public Service Electric Co. (now Public Service Electric and Gas Co.) for 46 years from April 1, 1914, at annual rental of $100, equivalent to ½% on the stock.

CAPITAL STOCK

Authorized, $50,000; outstanding, $20,000. All owned by the Riverside Traction Co. Annual meeting, third Monday in April.

FUNDED DEBT

The $40,000 6s maturing in 1914 are still a lien against the property, the mortgage never having been cancelled by Trustee. The bonds are all owned by Riverside Traction Co.

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

Office, Newark, N. J.

BORDENTOWN ELECTRIC COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated May 28, 1912 under the laws of New Jersey, as successor to Bordentown Electric Light & Motor Co. Supplies Bordentown and Fieldsboro, N. J. Leased to Public Service Electric Co. (now Public Service Electric and Gas Co.) for 46 years from April 1, 1914, at annual rental of $100; equivalent to 1-5% on the stock.

CAPITAL STOCK

Authorized and outstanding, $50,000; all owned by Riverside Traction Co. Annual meeting, third Monday in April.

FUNDED DEBT

None.

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young,

Office, Newark, N. J.

THE EAST NEWARK GAS LIGHT COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated March 28, 1862, under the laws of New Jersey. Company operates in Harrison, East Newark, Kearny, Arlington and North Arlington. Leased to Public Service Corp. Sept. 1, 1909, at a rental of 6% per annum on the outstanding stock. Lease assigned to Public Service Gas Co., Oct. 1, 1909 (now Public Service Electric and Gas Co.).

CAPITAL STOCK

$60,000; par, $25. Of this stock, $59,775 is owned by Essex & Hudson Gas Co. and Newark Consolidated Gas Co., and $25 by Public Service Corporation of N. J. Annual meeting, third Monday in April.

FUNDED DEBT

None.

Officers: T. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

Office, Newark, N. J.

ESSEX AND HUDSON GAS COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated in November, 1898 in New Jersey and on Dec. 1, of that year, assumed the lease of the Newark Consolidated Gas Co. to the United Gas Improvement Co. for 999 years from Dec. 1, 1898. The Essex & Hudson Gas Co. was leased to the Public Service Corp. of N. J. for 900 years from June 1, 1903, lease assigned to Public Service Gas Co. Oct. 1, 1909 (now Public Service Electric and Gas Co.). Under terms of the lease, dividends are guaranteed on the stock as follows: 1st year, 3½%; 2d year, 4½%; 3d year, 5%; 4th year, 6%; 5th year, 7%; 6th year and each year thereafter, 8%. Controls every gas plant in the territory between Passaic and Elizabeth, including the City of Newark.

CAPITAL STOCK

Authorized and outstanding, $6,500,000; par, $100, of which $4,858,500 owned by Public Service Electric and Gas Co. at Dec. 31, 1927.

Offer for Stock—See statement of Public Service Electric and Gas Company on a preceding page.

Dividends—Payments are now being made at rate of 8% per annum; semi-annually June and Dec. 1., to stock of record usually of the 20th day of the month preceding date of payment.

FUNDED DEBT

None.

Officers: Thomas N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young, Charles M. Breder.

Office, Newark, N. J.

NEWARK CONSOLIDATED GAS COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorp. Nov. 30, 1898, in N. J.; consolidation of the Newark Gas Co.; Montclair Gas & Water Co.; Summit Gas Light Co.; People's Gas Co. of Irvington, and Clinton Gas Co. Owns the entire capital stock of the Orange Gas Light Co. and practically all the stock of The East Newark Gas Light Co. The Newark Consolidated Gas Co. leased all its property to the United Gas Improvement Co. of Philadelphia for 999 years from Dec. 1, 1898, and on that same date the lease was assigned to the Essex & Hudson Gas Co., and by said last named company to Public Serv-

ice Gas Co. (now Public Service Electric and Gas Co.) on Oct. 1, 1909. The lease provides for the payment of all fixed charges and dividends on the stock of the Newark Consolidated Gas Co. commencing at ½% on July 1, 1900, and increasing ½% yearly until 5% is reached in 1910; thereafter 5% per annum.

CAPITAL STOCK

Authorized and outstanding $6,000,000; par, $100, of which $538,700 owned by Public Service Corp. of N. J., and $240,600 owned by Public Service Electric and Gas Co. at Dec. 31, 1927. Annual meeting, third Monday in April.

Offer for Stock—See statement of Public Service Electric and Gas Company on a preceding page.

Registrar—Fidelity Union Trust Co., Newark, N. J.

Listed—New York and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99	94	87	83	80	81	65	75
Low	90½	84	80	73	73	65	60	60

Dividends—Dividends at rate of 5% per annum are now being paid, semi-annually, Jan. and July 1, at Fidelity Union Trust Co., Newark, N. J.

FUNDED DEBT

(1)

$3,999,700 NEWARK GAS CO. FIRST MORTGAGE GOLD 6s; DUE APRIL 1, 1944

Dated, 1895.

Interest Payable quarterly, Jan. 1, at Fidelity Union Trust Co., Newark, N. J.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—National Newark & Essex Banking Co., Newark, N. J.

Security—A first lien on the properties of the Orange Gas Light Co. and those formerly of the Newark Gas Co.; also on the capital stock of the Orange Gas Light Co. A sufficient amount of Newark Consolidated Gas Co. 5% bonds are reserved to retire this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	114	115	112	112	112	112	102	110
Low	111	110	109	105	105	100	90	95

(2)

$6,000,000 NEWARK CONSOLIDATED GAS COMPANY CONSOLIDATED MORTGAGE GOLD 5s; DUE DECEMBER 1, 1948

Dated December 31, 1898.

Interest Payable June and December 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized, $10,000,000, of which $4,000,000 are reserved to retire the above described Newark Gas Co. First 6s.

Security—A first lien on the properties formerly of the Montclair Gas & Water Co., Summit Gas Light Co., People's Gas Co. of Irvington, and the Clinton Gas Co., and a second lien on the property of the former Newark Gas Co. No other lien can be created, except in renewal or continuation of this mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Original Offering—First publicly offered ($4,600,000) in Dec., 1898, at 102½ and interest, by Redmond, Kerr & Co. (now Redmond & Co.), New York, and Fidelity Trust Co., Newark, N. J.

Listed—New York and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	108	103½	101	100	95	95	88	85
Low	102⅝	100	98½	93½	92¼	86	70	70

Officers: T. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec.

Directors: T. N. McCarter, A. R. Kuser, U. H. McCarter, Samuel T. Bodine, Thomas S. Gates, Arthur W. Thompson, Edmund Wakelee, Percy S. Young.

General Office, 80 Park Place, Newark, N. J.

THE GAS AND ELECTRIC COMPANY OF BERGEN COUNTY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated May 31, 1899 under the laws of New Jersey. Company is a consolidation of Hackensack Gas & Electric Co.; Englewood Gas & Electric Co.; Ridgewood Electric Light & Power Co.; New York, Rutherford & Suburban Gas Co. and Rutherford Boiling Springs & Carlstadt Electric Co. Supplies all the important towns in Bergen County, N. J., serving a population of over 150,000. Charter perpetual. Leased to Public Service Corp. of N. J.. for 999 years from Jan. 1, 1905, and so much of lease as related to manufacture and distribution of gas assigned to Public Service Gas Co. Oct. 1, 1909 and the remainder of lease, relating to the generation or manufacture and distribution of electrical energy, was assigned July 1, 1910, to Public Service Electric Co.; both these assignments have passed to Public Service Electric and Gas Co. Under terms of the lease, dividends are guaranteed on the stock of the Gas & Electric Co. of Bergen Co. as follows: 1st and 2d years, 2%; 3d year, 2½%; 4th and 5th years, 3%; 6th, 7th, 8th and 9th years, 4%, and thereafter, 5%.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. Annual meeting, first Monday in June.

Offer for Stock—See statement of Public Service Electric and Gas Company on a preceding page.

Transfer Agent—Fidelity Union Trust Co., Newark, N. J.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99	93	86	82	77	75	60	70
Low	90	84	80	73	73	60	55	55

Dividends—Dividends at rate of 4% per annum were paid in 1913; subsequent dividends at rate of 5% per annum; payments semi-annually Jan. and July 1, to holders of record usually the 20th day of the month preceding date of payment.

FUNDED DEBT

(1)

$24,000 (CLOSED ISSUE) HACKENSACK GAS LIGHT CO. FIRST 5s; DUE JULY 1, 1934

Dated 1894.

Interest Payable January and July 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $1,000.

Trustees—G. W. Conklin and D. W. Chamberlain.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$10,000 (CLOSED ISSUE) HACKENSACK GAS & ELECTRIC CO. GENERAL 5s; DUE JULY 1, 1935

Dated 1895.

Interest Payable January and July 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $500.

Trustees—E. A. Pearce and G. W. Conklin.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$23,000 (CLOSED ISSUE) ENGLEWOOD GAS & ELECTRIC CO. FIRST 5s; DUE JANUARY 1, 1939

Dated 1899.

Interest Payable January and July, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $500.

Trustee—G. W. Conklin.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$1,443,000 (CLOSED ISSUE) GAS & ELECTRIC CO. OF BERGEN COUNTY CONSOLIDATED GOLD 5s; DUE JUNE 1, 1949

Dated June 1, 1899.

Interest Payable June and December 1, at Fidelity Union Trust Co., Newark, and at agency, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark.

Provisions of Issue—Authorized, $1,500,000; outstanding, $1,443,000; closed issue.

Security—Secured by direct lien upon the entire property, subject to the $57,000 prior liens described above, as to part of the property, and for the retirement of which a sufficient amount of the General 5s are held in the treasury.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105½	102¾	100	97¾	93½	94	85	85
Low	99⅝	100⅜	98⅛	94	91¼	83	70	70

(5)

$3,462,000 THE GAS & ELECTRIC CO. OF BERGEN COUNTY GENERAL MORTGAGE NO. 2 GOLD 5s; DUE NOVEMBER 1, 1954

Dated November 1, 1904.

Interest Payable May and November 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized, $5,000,000. The Public Service Electric and Gas Co. owns and has pledged under its First & Refunding Mortgage $1,846,000 of these bonds, leaving $1,616,000 in hands of public Dec. 31, 1927.

Security—Secured by a direct mortgage on the entire property, franchises, etc., consisting of gas plants at Hackensack, Rutherford and Englewood, and an electric plant at Hackensack, subject to prior liens of $1,500,000 for the retirement of which sufficient bonds of this issue have been reserved. No other lien on the properties can be created except in renewal or continuance of the mortgage securing these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104½	101	98½	96	89	89	82	80
Low	100	97	95	93	85	78	65	65

(6)

$38,000 THE GAS & ELECTRIC CO. OF BERGEN COUNTY GENERAL MORTGAGE NO. 1 GOLD 5s; DUE NOVEMBER 1, 1954

Dated 1904.

Interest Payable May and November 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000. No more will be issued. This mortgage was superseded by the similar mortgage described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in New Jersey.

OFFICERS AND DIRECTORS

Officers: Percy S. Young, Pres.; Edmund W. Wakelee, V-P.; Lemuel Lozier, Sec.; T. W. Van Middlesworth, Treas., Newark, N. J.

Directors: B. W. Bedell, Lincolndale, N. Y.; Ambrose G. Todd, Eugene S. Coler, New York; Wm. R. Porter, Danbury, Conn.; T. W. Van Middlesworth, Charles M. Breder, E. W. Wakelee, Percy S. Young, Newark, N. J.

General Office, 235 Main St., Hackensack, N. J.

HUDSON COUNTY GAS COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated Oct. 31, 1899, in New Jersey as a consolidation of the Consumers' Gas Co. of Jersey City, People's Gas Light Co., Jersey City; Jersey City Gas Light Co.; Hudson County Gas Light Co., Hoboken; Bayonne & Greenville Gas Light Co. Owns three complete gas works, with all necessary appliances, tanks, mains, etc., and operates under perpetual franchises, serving a population of over 590,000.

Leased to Public Service Corp. of N. J. for 900 years from June 1, 1903; lease assigned to Public Service Gas Co. (now Public Service Electric and Gas Co.) Oct. 1, 1909. Lease provides for payment, as rental, of interest on bonded debt and an amount equivalent to dividends on stock of the Hudson County Gas Co. as follows: 1st year, 2%; 2d year, 2½%; 3d year, 3%; 4th year, 4%; 5th year, 5%; 6th year, 6%; 7th year, 7%; 8th year and each year thereafter, 8%; payments semi-annually, June 1 and Dec. 1.

CAPITAL STOCK

Authorized and outstanding, $10,500,000; par, $100, of which $6,000 owned by Public Service Corp. of N. J., and $8,159,800 owned by Public Service Electric and Gas Co. at Dec. 31, 1927.

Offer for Stock—See statement of Public Service Electric and Gas Company on a preceding page.

Transfer Agent—New Jersey Title Guarantee & Trust Co., Jersey City, N. J.

Annual Meeting—Third Monday in April.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	153	142½	130	122	112	114	100	95
Low	142	128	119	107	105	98	85	85

Dividends—Dividends now paid at rate of 8% per annum; semi-annually, June and Dec. 1, to stock of record usually of the 20th day of the month preceding date of payment.

FUNDED DEBT

$10,500,000 (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1949

Dated November 1, 1899.

Interest Payable May and November 1, at New Jersey Title Guarantee & Trust Co., Jersey City and Equitable Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—New Jersey Title Guarantee & Trust Co., Jersey City.

Security—A first lien on entire properties comprising gas plants at Jersey City, Hoboken, Bayonne, Greenville, etc., together with mains, holders, etc. There are no prior or underlying liens and no other mortgage or lien can be created unless in renewal or continuance of the existing mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Listed—New York and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	106	103½	100⅞	98¾	96¾	93⅛	81⅛	83
Low	102	100⅜	98⅛	94¼	92⅞	85½	75	70

Officers: Thomas N. McCarter, Pres.; Percy S. Young, V-P. Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thos. N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young, Charles M. Breder.

General Office, Newark, N. J.

NEW BRUNSWICK LIGHT, HEAT AND POWER COMPANY

(Public Service Electric and Gas System)

History—Incorporated Dec. 7, 1899, in N. J. Owns all the stock of the Gas Light Co. of the City of New Brunswick (see appended statement).

Offer for Stock—See Statement of Public Service Electric and Gas Company on a preceding page.

CAPITAL STOCK

Authorized, $500,000; outstanding, $400,000; par, $100, of which $8,240 owned by Public Service Corp. of N. J., and $264,740 owned by Public Service Electric and Gas Co. at Dec. 31, 1927. Annual meeting, first Monday in April.

Price Range—

	1927	1926	1925	1924	1923	1922
High	96	90	84	80	75	70
Low	90	80	80	70	70	60

Dividends—Payments at rate of 5% annually are made Jan. and July.

FUNDED DEBT

$500,000 (ENTIRE ISSUE) FIRST MORTGAGE GOLD 4s; DUE DECEMBER 15, 1939

Dated December 15, 1899.

Interest Payable June and December 15, at Fidelity Union Trust Co., Newark, N. J.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Security—Secured by a first lien on the entire capital stock of the Gas Light Co. of the City of New Brunswick and also all other real and personal property of the Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	91	88½	85	80	75	75	60	65
Low	87	83	75	75	75	60	50	50

Officers: Thos. M. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young, Thomas S. Gates.

Office, Newark, N. J.

GAS LIGHT CO. OF THE CITY OF NEW BRUNSWICK

(Leased to Public Service Electric and Gas Co.)

History—Inc. Mar. 18, 1851, in N. J. Supplies New Brunswick and Highland Park. Leased to Public Service Corporation for 900 years from Jan. 1, 1905; lease assigned June 1, 1906; to South Jersey Gas, Electric & Traction Co. The company is now controlled by Public Service Electric & Gas Co., by reason of assignment of lease of gas properties of South Jersey Gas, Electric & Traction Co. to Public Service Gas Co. which lease has passed to Public Service Electric and Gas Co.. Lease provides for payment, as rental, of interest on bonded debt of New Brunswick Light, Heat & Power Co. and an amount equivalent to dividends on the $400,000 stock of this company, as follows: 1st and 2d years, 2%; 3d and 4th years, 2½%; 5th and 6th years, 3%; 7th year, 3½%; 8th year, 4%; 9th year, 4½%; 10th year, and each year thereafter, 5%.

CAPITAL STOCK

Authorized and outstanding, $400,000. All owned by New Brunswick Light, Heat & Power Co., except directors' shares. Annual meeting, second Monday in June.

Dividends—3½% paid in 1911; in 1912, 4%; 1913, 4½%; 1914 to date, 5% per annum.

FUNDED DEBT

None.

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. Wilson Van Middlesworth, Treas., Newark, N. J.

Directors: Thomas N. McCarter, Percy S. Young, Wade H. Johns, Willard F. Randolph, T. Wilson Van Middlesworth.

General Office, Newark, N. J.

THE PATERSON AND PASSAIC GAS AND ELECTRIC COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated February 28, 1899, under the laws of New Jersey, as a consolidation of People's Gas Light Co. of the City of Paterson; Paterson Gas Light Co.; Edison Electric Illuminating Co. of Paterson; Passaic Lighting Co.; Lodi Light, Heat & Power Co., and Passaic & Bergen Gas Co. Population served, 297,000. Leased to Public Service Corporation for 900 years from June 1, 1903, and so much of the lease as relate to the manufacture and distribution of gas was assigned to Public Service Gas Co. Oct 1, 1909 and the remainder of lease relating to the generation or manufacture and distribution of electrica energy was assigned July 1, 1910, to Public Service Electric Co., but these assignments have passed to Public Service Electric and Gas Co. Lease provides for payment, as rental, interest on bonded debt, and an amount equivalent to the following dividends on the stock of the Paterson & Passaic Gas & Electric Co.: 1st year, 1½%; 2nd year, 2%; 3rd year, 2½%; 4th year, 3%; 5th year, 3½%; 6th year, 4%; 7th year and each year thereafter, 5% per annum. Franchises perpetual.

CAPITAL STOCK

Authorized, $5,000,000; outstanding, $4,999,516, of which $4,123,020 owned by Public Service Electric and Gas Co., and $1,588 owned by Public Service Corp. of N. J., as of Dec. 31, 1927. Par, $100. Transfer Agent: First National Bank, Paterson, N. J. Annual meeting, third Monday in April.

Offer for Stock—See statement of Public Service Electric and Gas Company on a preceding page.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96	93	86	98½	75	80	65	80
Low	90	84	80	93	73	65	65	65

Dividends—Dividends under the lease are now being paid at the rate of 5% per annum, semi-annually June and December 1, to stock of record usually on the 20th day of the month preceding date of payment

FUNDED DEBT

(1)

$585,000 (CLOSED ISSUE) EDISON ELECTRIC ILLUMINATING CO. OF PATERSON FIRST GOLD 5s; DUE JULY 1, 192

Dated 1895.

These bonds were purchased at their face valu July 1, 1925, by the Public Service Electric and Ga Co., and $579,000 thereof are pledged under that Company's First and Refunding Mortgage.

(2)

$316,000 PASSAIC LIGHTING CO. CONSOLIDATED GOLD 5s DUE MAY 1, 1925

Dated May 1, 1895.

Interest Payable May and November 1, at Guaranty Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $450,000; outstanding, $316,000. Purchased at maturity by Public Service Electric and Gas Co., and pledged under tha Company's First and Refunding Mortgage. Secured by a direct mortgage on the entire property of the former Passaic Lighting Co.

(3)

$4,099,000 PATERSON & PASSAIC GAS & ELECTRIC CO. FIRST CONSOLIDATED GOLD 5s; DUE MARCH 1, 1949

Dated March 1, 1899.

Interest Payable March and September 1, at First National Bank, Paterson and First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Paterson National Bank, Paterson, N. J.

Provisions of Issue—Authorized, $5,000,000; issued, $4,099,000, of which $50,000 are owned by Public Service Electric and Gas Co. and pledged under that Company's First and Refunding Mortgage, and $901,000 are reserved to retire the underlying liens described above.

Security—Secured by direct mortgage on entire property, plants, franchises, etc., subject to the undernoted prior liens. No other lien can be placed on these properties, except in renewal or continuance of the mortgage securing these bonds.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105⅜	102¾	100¼	99	94	94	86½	85
Low	100	100	96	93⅞	92⅝	84	70	70

Officers: Thomas N. McCarter, Pres.; Percy S. Young, V-P.; Edmund Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.

Directors: Samuel T. Bodine, Thomas S. Gates, Philadelphia, Pa.; Thos. N. McCarter, Rumson, N. J.; Arthur W. Thompson, A. R. Kuser, Uzal H. McCarter, Edmund W. Wakelee, Percy S. Young, Charles M. Breder, Newark, N. J.

General Office, 80 Park Place, Newark, N. J.

SOMERSET, UNION AND MIDDLESEX LIGHTING COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated December 1, 1903, in New Jersey, as a consolidation of the Somerset Lighting Co. of Somerville, N. J.; Plainfield Gas & Electric Light Co. and Citizens' Electric Co. of North Plainfield, N. J. On Dec. 31, 1903, the Central Electric Co. was also merged into this company. Leased to the Public Service Corporation of N. J. for 900 years from Dec. 31, 1903, and so much of the lease as related to manufacture and distribution of gas was assigned to Public Service Gas Co. Oct. 1, 1909 and the remainder of lease relating to the generation or manufacture and distribution of electrical energy was assigned July 1, 1910, to Public Service Electric Co., but these assignments have passed to Public Service Electric and Gas Co. Terms of the lease are as follows, viz.: All interest, expenses and taxes to be paid by lessee and as rental, dividends on the stock as follows: Dec. 1, 1905, 1%; Dec. 1, 1906, 1½%; Dec. 1, 1907, 2%; Dec. 1, 1908, 2½%; Dec. 1, 1909, 3%; Dec. 1, 1910, 3½%; Dec. 1; 1911, and thereafter, 4%. Franchises perpetual. Population served, over 125,000 including the towns of Plainfield, Somerville, New Brunswick, Metuchen, Perth Amboy, Rahway and Bound Brook N. J.

CAPITAL STOCK

Authorized and outstanding, $1,050,000; par, $100. The Public Service Electric and Gas Co., owns $791,000 of the stock, and $1,568 owned by Public Service Corp. of N. J. Annual meeting, first Monday in December.

Offer for Stock—See statement of Public Service Electric and Gas Company on a preceding page.

Transfer Agent—Fidelity Union Trust Co., Newark.

Dividends—Dividends at rate of 4% per annum are being paid under the lease, semi-annually, June and Dec. 1, to stock of record usually of the 20th day of the month preceding date of payment.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	76	74	70	65	65	65	55	65
Low	71	65	65	50	50	55	50	55

FUNDED DEBT

(1)

$150,000 SOMERSET LIGHTING COMPANY FIRST MORTGAGE 5s; DUE FEBRUARY 1, 1939

Dated February 1, 1899.

Interest Payable February and August 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark.

Provisions of Issue—Authorized and issued, $150,000, of which $21,000 are pledged under the Public Service Electric and Gas Co. First and Refunding Mortgage, leaving $129,000 in the hands of public Dec. 31, 1927.

Security—A first lien on plant and property at Somerville, N. J., the property of the former Somerset Lighting Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High 101	98	98½	95	85	80	75	80	
Low 98	95	95	89	80	75	70	70	

(2)

$750,000 CENTRAL ELECTRIC COMPANY CONSOLIDATED (NOW FIRST) GOLD 5s; DUE JULY 1, 1940

Dated July 1, 1900.

Interest Payable January and July 1, at Fidelity Union Trust Co., Newark, N. J.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized and issued, $750,000, of which $20,700 are pledged under Public Service Electric and Gas Co. First and Refunding Mortgage, leaving $729,300 in hands of public Dec. 31, 1927.

Callability—Subject to call at 110 and interest.

Security—A first lien on a generating plant at Metuchen and an extensive distribution system supplying electricity to Metuchen, Perth Amboy, Rahway, Raritan, Bound Brook, South Plainfield and New Brunswick.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High 102½	102½	100	98	92	92	81	85	
Low 101	99	97	90	88	81	70	70	

(3)

$500,000 (ENTIRE ISSUE) PLAINFIELD GAS & ELECTRIC LIGET CO. GENERAL 5s; DUE APRIL 1, 1940

Dated 1900.

Interest Payable April and October 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Security—A first lien on gas and electric plants at Plainfield, N. J., the property of the former Plainfield Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High 102½	103	101	97	90	90	81	85	
Low 101	99	95	90	88	81	70	70	

(4)

$1,974,809.37 SOMERSET, UNION & MIDDLESEX LIGHTING CO. FIRST GOLD 4s; DUE DECEMBER 1, 1943

Dated December 1, 1903.

Interest Payable June and December 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark.

Provisions of Issue—Authorized, $2,750,000, of which $519 is reserved for the Citizens' Electric stock not yet acquired and for future additions and betterments, and $775,000 to retire underlying bonds. Of the amount outstanding, $573,700 are pledged under the Public Service Electric and Gas Co. First and Refunding Mortgage. $1,401,000 held in hands of public Dec. 31, 1927.

Security—Secured on plants and properties at Plainfield, North Plainfield, New Brunswick, and Somerville, N. J., subject to the underlying liens described in preceding paragraphs. No other lien can be created except in renewal or continuance of the mortgage securing these bonds.

Tax Provisions—Company does not pay Normal Federal Income. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	92	88	87	80	75	75	60	65
Low	88	85	77	75	75	60	55	55

Officers: A. J. Brunson, Pres.; Wm. H. Pope, V-P.; H. P. MacDonald, Sec. & Treas., Plainfield, N. J.

Directors: A. J. Brunson, Percy S. Young, H. B. MacDonald, Wm. H. Pope, T. W. Van Middlesworth.

General Office, Plainfield, N. J.

THE RIDGEWOOD GAS COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated April 24, 1900, in New Jersey. Leased to Public Service Gas Co. for 999 years from July 1, 1910. Lease has passed to Public Service Electric and Gas Co., and provides for payment, as rental, interest on bonded debt and an amount equivalent to 2% on stock. Supplies gas to Ridgewood and Glen Rock, N. J.

CAPITAL STOCK

Outstanding, $100,000; par, $100, of which $14,100 owned by Public Service Corp. of N. J., and $3,300 owned by Public Service Electric and Gas Co. at Dec. 31, 1927. Annual meeting, third Monday in April. Dividends of 2% per annum paid under the lease; payments semi-annually Jan. and July 1, to holders of record usually the 20th day of the month preceding payment.

Offer for Stock—See statement of Public Service Electric and Gas Company on a preceding page.

FUNDED DEBT

None.

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. Wilson Van Middlesworth, Treas., Newark, N. J.

Directors: Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

Office, Newark, N. J.

SOUTH JERSEY GAS, ELECTRIC AND TRACTION COMPANY

(Leased to Public Service Electric and Gas Co.)

History—Incorporated August 31, 1900, under the laws of New Jersey as a consolidation of the following companies: Camden Gas Light Co., Camden Lighting & Heating Co., Trenton Gas & Electric Co., Camden & Burlington Gas & Electric Co., Gloucester City Gas Light Co., Burlington Gas Light Co., River Shore Gas Co., Suburban Improvement Co., Bordentown Gas Light Co. and others. These companies controlled the entire gas and electric light business of Camden, Trenton, Mount Holly, Woodbury, Moorestown, Merchantville, Collingswood, Haddonfield, Gloucester, Pennington, Lawrenceville; gas interests in Bordentown, Burlington, Beverly, Riverton, Riverside and Palmyra. Population served, 440,000 Company controls through stock ownership the People's Gas Improvement Co. of Trenton, N. J., Camden, Gloucester & Woodbury Ry. Co., and on June 1, 1906, assumed the lease of The Gas Light Co. of the City of New Brunswick to Public Service Corp. of N. J. On May 2, 1904, the Camden & Suburban Ry., together with its leased lines, was leased to the South Jersey Gas, Electric & Traction Co. for 999 years from that date. On July 25, 1904, the lease was assigned to the Public Service Corp. of N. J., and effective Sept. 30, 1907, the latter assigned the lease to the Public Service Ry. Co. The South Jersey Gas, Electric & Traction Co. was leased to the Public Service Corporation for 900 years from June 1, 1903; so much of the lease as related to manufacture and distribution of gas assigned to Public Service Gas Co. Oct. 1, 1909; remainder of lease relating to the generation or manufacture and distribution of electrical energy assigned July 1, 1910, to Public Service Electric Co. Leases of electric property and gas property have passed to Public Service Electric and Gas Co. Lease provides for payment, as rental, of interest on bonded debt, and an amount equivalent to dividends on the stock as follows: 1st year, 3½%; 2d year 4½%; 3d year, 5%; 4th year, 6%; 5th year, 7%; 6th year, and each year thereafter, 8% per annum.

CAPITAL STOCK

Authorized and outstanding, $6,000,000; par, $100, of which $1,433,700 owned by Public Service Corp. of N. J., and $170,500 owned by Public Service Electric and Gas Co. at Dec. 31, 1927. Transfer Agent: Fidelity Union Trust Co., Newark, N. J. Annual meeting, third Monday in April.

Offer for Stock—See statement of Public Service Electric and Gas Company on a preceding page.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	160	144	130	121	110½	112	90	95
Low	142	127	120	103	105	88	80	80

Dividends—Dividends at rate of 8% per annum are being paid under the lease; payments semi-annually June and Dec. 1, to stock of record usually of the 20th day of the month preceding date of payment.

FUNDED DEBT

(1)

$1,998,000 TRENTON GAS & ELECTRIC COMPANY FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1949

Dated March 1, 1899.

Interest Payable March and September 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; closed issue.

Security—Secured by first mortgage upon all the gas and electric lighting properties in Trenton, the property of the former Trenton Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in New Jersey.

Original Offering—First publicly offered ($1,500,000) in March, 1899, at 102½ and interest, by Redmond, Kerr & Co. (now Redmond & Co.), New York and Fidelity Trust Co., Newark, N. J.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105	102¾	101	98½	95	94	85	85
Low	102	100⅛	96	91	92¼	83	75	75

(2)

$12,994,000 SOUTH JERSEY GAS, ELECTRIC & TRACTION CO. FIRST GOLD 5s; DUE MARCH 1, 1953

Dated March 1, 1903.

Interest Payable March and September 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Of the amount outstanding, $3,507,000 are pledgd under the Public Service Electric and Gas Co. First and Refunding Mortgage. Authorized, $15,000,000, of which $2,006,000 are reserved to retire prior liens.

Security—Secured by a first lien on gas and electric properties in Trenton, Camden, Burlington, Gloucester City, Bordentown, etc., subject to prior lien described in the above paragraph. No other lien can be created, except in renewal or continuance of this mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Original Offering—First publicly offered ($7,553,000) in 1904, at 101 and interest, by Henry & West, Philadelphia, and Eisele & King, Newark, N. J.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104½	103	99	96	92	92	81½	78
Low	101	97½	95	88	88	81	60	65

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

General Office, 80 Park Place, Newark, N. J.

PUBLIC SERVICE COORDINATED TRANSPORT

(Controlled by Public Service Corp. of New Jersey)

History and Property—Incorporated January 31, 1928, in New Jersey, as a consolidation of Public Service Railway Company and Public Service Transportation Company (see 1927 Public Utility Manual, pages 306 and 816). The former Company was a consolidation of the Jersey City, Hoboken & Paterson St. Ry.; the North Jersey Street Ry. Co. and the United St. Ry. Co. of Central Jersey.

The Company leases the Consolidated Traction Co., the South Orange & Maplewood Traction Co., the Bergen Turnpike Co., the Orange & Passaic Valley Ry. Co., the Camden & Suburban Railway Company, Camden Horse Railroad Company, Rapid Transit Street Ry. Co. of the City of Newark, the Camden, Gloucester & Woodbury Ry. Co., and New Jersey & Hudson River Ry. & Ferry Co. The Riverside Traction Co. was leased for a period of 999 years from April 1, 1912. Also owns the capital stock and bonds of People's Elevating Co. (see appended statements).

As of Jan. 5, 1916, the Public Service Newark Terminal Ry. Co. was consolidated with the Public Service Ry. Co. with the approval of the New Jersey Public Utility Commissioners. The Terminal Company was incorporated under the laws of N. J. to construct, maintain and operate an office building and terminal station in Newark, N. J. and to construct approaches thereto. The buildings and terminal were leased for a period of 50 years from June 1, 1915, to the Public Service Ry. Co., Public Service Gas Co., and the Public Service Electric Co., for a rental not less than a sum sufficient to pay the taxes, water rates, interest on First Mortgage bonds and the sinking fund requirements, the rentals under this lease being payable out of net earnings of these companies prior to any dividends on their stocks. In May, 1924, Public Service Newark Terminal Building was sold by Public Service Ry. Co. to Public Service Corporation of New Jersey.

On Nov. 6, 1926 the New Jersey Public Utilities Commission sanctioned the sale of the cars, franchises, right-of-way and other property of North Jersey Rapid Transit Co. (see 1926 Public Utility Manual, page 1327) to the Public Service Railway Co. for $200,000. Public Service Rapid Transit RR. Co., incorporated Dec. 15, 1926, now operates the property.

Mileage and Equipment—The lines of this company cover practically the entire northern section of New Jersey. Among the more important cities served are Newark, Jersey City, Hoboken, Paterson, Passaic, Elizabeth, Bayonne, Plainfield, Bound Brook, Perth Amboy, Rahway, New Brunswick, Camden, Montclair, and the Oranges. Mileage as of Dec. 31, 1927: First main track, 527.683; second main track and turnouts, 293.209; connections, crossovers, wyes and loops, 11.920; carhouses and yard tracks, 45.507—total mileage, 878.319. Of the foregoing mileage, the following track is owned by the Public Service R.R. Co.: First main track, 39.842 miles; second main track and turnouts, 9.201 miles; connections, etc., 0.409 mile; car houses and yard tracks, 0.124 mile—total, 49.576 miles. Gauge, standard. Rail (T, grooved on girder), 96 to 116 lbs. Cars available for operation, Dec. 31, 1927: Closed, 1,823; open, 277.

CAPITAL STOCK

Authorized, 2,500,000 shares Common and 487,500 shares $6 non-cumulative Pfd., both of no par value; outstanding, 1,004,500 shares Common and 487,500 shares Pfd. The Public Service Corporation owns all the outstanding stock, except directors' shares, 474,790 shares Pfd. stock being pledged under agreement securing Public Service Corporation of New Jersey Perpetual Interest Bearing Certificates.

The outstanding shares of Pfd. stock were exchanged, share for share, for an equal amount of shares of Capital stock of Public Service Railway Co.

Annual Meeting—Third Monday in April.

Dividends—Pfd. dividends are payable quarterly, M, J, S & D 31.

FUNDED DEBT

(1)

$15,000,000 (ENTIRE ISSUE) NORTH JERSEY STREET RAILWAY CO. FIRST MORTGAGE GOLD 4s; DUE MAY 1, 1948

Dated May 10, 1898.

Interest Payable May and November 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and outstanding, $15,000,000, of which $7,230,000 pledged under Public Service Electric and Gas Co. First and Refunding Mortgage and $6,273,000 owned by Public Service Corp. of New Jersey, leaving $1,497,000 in hands of public Dec. 31, 1927.

Security—Secured by closed first mortgage on all the properties formerly of the North Jersey St. Ry. Co., including the line from Newark, through Irvington to Maplewood, the line from Newark to South Orange, the line from Maplewood to South Orange, the lines to Caldwell and Montclair Heights and various lines in Newark, Jersey City and Bayonne, approximately 60 miles of street railway and on the Marion Generating Station at Jersey City. Also by a general lien on all other lines in Newark, on the two lines between Newark and Jersey City, on various lines in Jersey City and on the line from Jersey City to Bayonne, approximately 110 miles of leased lines. Of the amount outstanding, $7,230,000 are pledged under the Public Service Electric and Gas Co. First and Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	98	96	75	64	64	47½	53
Low	84	80	72	54	51	46	38	40

(2)

$2,998,000 NORTH HUDSON COUNTY RAILWAY CO. CONSOLIDATED (NOW FIRST) MORTGAGE 5s; DUE JULY 1, 1928

Dated April 7, 1888.

Interest Payable January and July 1, at First National Bank, Hoboken, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J., successor Trustee.

Provisions of Issue—Authorized, $3,000,000; outstanding, $2,998,000, of which $15,000 owned by Public Service Corp. of New Jersey, leaving $2,983,000 in hands of public at Dec. 31, 1927.

Security—A first lien on about 50 miles of street and elevated railway lines in and about Hoboken, Jersey City, Weehawken, North Bergen and Union City, subject only to that portion of the line covered by the Weehawken Extension mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99	93	95	90	85	85	75	75
Low	90	85	90	78	75	70	70	65

(3)

$1,291,000 NORTH HUDSON COUNTY RAILWAY CO. IMPROVEMENT MORTGAGE 5s (EXTENDED TWO YEARS FROM 1924 AT 6%); DUE MAY 1, 1926

Dated May 1, 1894.

Interest Payable May and November 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized, $1,292,000. These bonds matured May 1, 1904, and were extended 20 years to May 1, 1924, and again extended for two years to May 1, 1926; and interest increased to 6%. All owned by Public Service Corporation of N. J. This mortgage has not been cancelled.

Callability—Subject to call at 110 and interest on any interest date.

Security—Secured by second mortgage on the property covered by the Consolidated (now First) Mortgage 5s.

Guaranty—Guaranteed as to principal and interest by endorsement by Public Service Corp. of N. J., including the 1% additional interest.

Original Offering—First publicly offered ($1,291,000) in April, 1924, at 100 and interest, to yield 6%, by Drexel & Co., Philadelphia, and Bonbright & Co., New York, etc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$100,000 (ENTIRE ISSUE) NORTH HUDSON COUNTY RY. CO. WEEHAWKEN EXTENSION EXTENDED 5s; DUE FEBRUARY 1, 1945 (EXTENDED FROM FEBRUARY 1, 1915)

Dated February 1, 1895.

Interest Payable February and August 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $1,000.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Security—A first lien on an extension to the Company's lines in Weehawken, N. J.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(5)

$1,250,000 (ENTIRE ISSUE) PATERSON RAILWAY CO. CONSOLIDATED (NOW FIRST) MORTGAGE GOLD 6s; DUE JUNE 1, 1931

Dated June 1, 1891.

Interest Payable June and December 1, at First National Bank, Paterson, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized and issued, $1,250,000, of which $66,000 owned by Public Service Corp of New Jersey, leaving $1,184,000 in hands of public Dec. 31, 1927.

Security—A first lien on about 39 miles of track in and about Paterson and Passaic, N. J.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	93	85	90	80	85	85	75	85
Low	85	75	83	75	80	75	75	70

(6)

$300,000 PATERSON RAILWAY CO. SECOND GENERAL MORTGAGE EXTENDED GOLD 5s; DUE OCTOBER 1, 1914 EXTENDED TO OCTOBER 1, 1944 (INTEREST REDUCED FROM 6%)

Dated October 1, 1894.

Interest Payable April and October 1, at First National Bank, Paterson, N. J.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark.

Callability—Subject to call after Oct. 1, 1931, at par and interest on any interest date. Holders of the 6% bonds maturing Oct. 1, 1914, received the right to extend the bonds for a period of 30 years at 5%, upon payment of $10 per bond.

Security—Secured by second mortgage on the property covered by the Consolidated (now First) Mortgage 6s.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	61	60	60	60	75	75	65	85
Low	50	50	50	50	50	65	65	65

(7)

$14,061,000 JERSEY CITY, HOBOKEN & PATERSON STREET RAILWAY CO. FIRST MORTGAGE GOLD 4s; DUE NOVEMBER 1, 1949

Dated November 1, 1899.

Interest Payable May and November 1, at New Jersey Title Guarantee & Trust Co., Jersey City.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New Jersey Title Guarantee & Trust Co. Jersey City.

Provisions of Issue—Authorized, $20,000,000. Of the amount outstanding, $1,553,000 are owned by Public Service Corporation of New Jersey. The proceeds of the bonds outstanding were used to acquire the stocks of the constituent companies and in retiring the $2,459,375 White Line Traction 5s and interim mortgage; the $404,000 debentures of the North Hudson Co. Ry., which matured Feb. 1, 1902, and for other purposes. The $5,939,000 unissued bonds are reserved to retire prior liens described in paragraphs 2, 3, 4, 5 and 6.

Security—Secured on about 146 miles of track, subject to underlying liens of Paterson Ry. on about 39 miles, and North Hudson County Ry. on about 50 miles.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	61	53	62	56	60	62	47	52
Low	47	40	46	39	42	46	33	40

(8)

$100,000 PLAINFIELD STREET RAILWAY CO. FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1922, BUT EXTENDED TO JULY 1, 1942, INTEREST BEING INCREASED FROM 5%

Dated July 1, 1892.

Interest Payable January and July 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark.

Provisions of Issue—Authorized and outstanding, $100,000 of which $12,000 purchased by sinking fund, leaving $88,000 in hands of public Dec. 31, 1927.

Callability—Subject to call at any time.

Security—A first lien on about 13½ miles of track.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	89	90	95	95	90	95	88	85
Low	85	50	90	90	90	90	85	80

(9)

$2,400,000 ELIZABETH, PLAINFIELD & CENTRAL JERSEY RY. COMPANY FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1950

Dated December 1, 1900.

Interest Payable June and December 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark.

Provisions of Issue—Authorized $2,500,000, of which $100,000 are reserved to retire a like amount of Plainfield Street Ry. bonds (paragraph 8). Outstanding, $2,400,000, of which $154,000 are owned by Public Service Corp. of New Jersey, leaving $2,246,000 in hands of public Dec. 31, 1927.

Security—A first lien upon all the property of the company, including real estate, equipment and franchises and about 59 miles of street railway trackage in Elizabeth, Plainfield, North Plainfield and vicinity, subject only to $100,000 of Plainfield Street Ry. bonds, which bonds are subject to call and are a prior lien on only 13½ miles of track.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Original Offering—First publicly offered ($1,400,000) in 1901, at 102½ and interest, by Redmond, Kerr & Co. (now Redmond & Co.), New York, and Fidelity Trust Co., Newark, N. J.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	70	60	75	70	70	70	50	70
Low	54	45	60	50	50	50	50	50

(10)

$500,000 BRUNSWICK TRACTION COMPANY FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1926

Dated May 1, 1896.

Interest Payable January and July 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000.

Trustee—Fidelity Union Trust Co., Newark.

Provisions of Issue—Authorized and outstanding, $500,000. All owned by Public Service Corporation of N. J. This mortgage has not been cancelled.

Security—Assumed by Middlesex & Somerset Traction Co. at time of consolidation.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(11)

$500,000 EAST JERSEY STREET RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1944

Dated April 22, 1904.

Interest Payable May and November 1, at Perth Amboy Trust Co., Perth Amboy, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Perth Amboy Trust Co., Perth Amboy, N. J.

Provisions of Issue—Authorized and outstanding, $500,000, of which $52,000 owned by Public Service Corp. of N. J., leaving $448,000 in hands of public Dec. 31, 1927.

Guaranty—Guaranteed, principal and interest, by Public Service Corporation of New Jersey.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	91	85	83	78	70	70	50	70
Low	85	77	77	60	55	50	45	50

(12)

$1,000,000 MIDDLESEX & SOMERSET TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1950

Dated March 1, 1900.

Interest Payable January and July 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized, $1,500,000; outstanding, Dec. 31, 1927, $1,000,000, of which $42,000 owned by Public Service Corp. of N. J., leaving $958,000 outstanding with public.

Security—Secured by first lien on all property and franchises of Middlesex & Somerset Traction Co. comprising about 50 miles of track extending from Plainfield to New Brunswick and Bound Brook. $500,000 deposited with trustee to retire the Brunswick Traction 5s (paragraph 10).

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	70	62	70	70	70	70	60	70
Low	54	45	60	50	50	50	50	50

(13)

$1,500,000 ELIZABETH & RARITAN RIVER STREET RY. CO. GENERAL MORTGAGE GOLD 5s; DUE MAY 1, 1954

Dated May 2, 1904.

Interest Payable May and November 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark.

Provisions of Issue—Authorized, $3,500,000 of which $2,000,000 are reserved to retire prior liens, and $274,000 are owned by Public Service Corp. of New Jersey, leaving $1,226,000 in hands of public Dec. 31, 1927.

Security—Secured, subject to prior liens (paragraphs 10, 11 and 12), on 61 miles of road.

Guaranty—Interest guaranteed by Public Service Corporation of New Jersey.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	70	60	70	70	65	60	50	70
Low	50	50	60	50	45	50	50	50

EQUIPMENT OBLIGATIONS OUTSTANDING DEC. 31, 1927

(14)

$252,000 Public Service Series "E" Equipment Trust 7¼% Certificates; dated Aug. 2, 1920; $42,000 due each Feb. 1 and Aug. 1, from Feb., 1928, to Aug., 1930, incl.; int. Feb. and Aug. 1, at Bankers Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Issued under Philadelphia Plan. Original issue, $1,820,000, of which $1,568,000 matured and paid off to Dec. 31, 1927. Secured on 200 safety type cars, 100 trailer cars, 15 snowplows and 15 sweepers.

Guaranty—Guaranteed principal and dividend by the Public Service Corp. of N. J., by endorsement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($1,540,000) in Sept., 1921, at 100 and accrued dividend, to yield 7¼%, by Plympton, Gardiner & Co., New York and Cassatt & Co., Philadelphia.

(15)

$220,000 Public Service Ry. Co. Equipment Trust Series "F" 6% Certificates; $20,000 due each May and Nov. 1; int. May and Nov. 1, at Fidelity Union Trust Co., Newark, N. J., Trustee. Original issue, $400,000, of which $180,000 matured and paid off to Dec. 31, 1927.

MISCELLANEOUS OBLIGATIONS

(16)

In addition $411,892 Real Estate Mortgages and $675,087 Advances for Construction were outstanding Dec. 31, 1927.

(17)

On April 1, 1926, the Public Service Transportation Company issued $2,610,000 Serial 6% Secured Gold notes to provide for the purchase of 333 gas-electric motor buses. These notes were purchased by the Public Service Corporation of New Jersey.

FUNDED DEBT OF LEASED LINES

(18)

The Public Service Coordinated Transport is responsible, as lessee, for the interest on the following issues of bonds of its leased companies:

Name of Issue	Amount Outstanding	Annual Interest Charge
Bergen Turnpike Co. First 5s	$993,000	$49,650
Consolidated Trac. Co. First 5s	15,000,000	750,000
Jersey City & Bergen R. R. First 4½s	258,000	11,610
Newark Pass. Ry. First Consol. 5s	6,000,000	300,000
Passaic & Newark Elec. Trac. Co. First 5s	550,000	27,500
Rapid Transit St. Ry. First 8s	500,000	40,000
Orange & Passaic Valley Ry. First 5s	833,000	41,650
People's Elevating Co. First 5s	175,000	8,750
Camden & Suburban Ry. First 5s	1,940,000	97,000
Hudson River Traction Co. First 5s	631,000	31,550
New Jersey & Hud. River Ry. & Ferry Co. 4s	4,011,000	160,440
Paterson & State Line Trac. Co. First 5s	150,000	7,500
Riverside Traction Co. First 5s	1,500,000	75,000
Total	$32,541,000	$1,600,650

TRANSPORTATION STATISTICS, YEARS ENDED DECEMBER 31

Year	Trolley Passengers	Bus Passengers	Total Passengers	Trolley Mileage	Bus Mileage	Total Mileage	Trolley Hours	Bus Hours	Total Hours	Passenger Receipts Per Trolley Mile	Passenger Receipts Per Bus Mile
1918	451,220,806	.....	451,220,806	54,039,150	.....	54,039,150	5,698,089	.....	5,698,089	36.00c	.....
1919*	396,689,234	.....	396,689,234	57,644,927	.....	57,644,927	6,039,453	.....	6,039,453	39.29c	.....
1920	453,534,694	.....	453,534,694	60,798,743	.....	60,798,743	6,539,207	.....	6,539,207	43.21c	.....
1921	435,679,801	.....	435,679,801	58,309,883	.....	58,309,883	6,212,276	.....	6,212,276	44.11c	.....
1922	410,212,814	.....	410,212,814	56,419,982	.....	56,419,982	5,983,122	.....	5,983,122	45.59c	.....
1923	354,194,933	1,952,059	356,146,992	49,272,078	505,322	49,777,400	5,206,092	60,663	5,266,755	42.75c	22.43c
1924	427,828,444	69,383,643	497,212,087	53,945,515	15,704,663	69,650,178	5,662,340	1,928,498	7,590,838	41.04c	26.13c
1925	416,788,621	146,053,237	562,841,858	50,115,119	27,506,493	77,621,612	5,402,008	3,273,801	8,675,809	41.32c	27.41c
1926	397,690,308	199,640,564	597,330,872	45,632,230	36,082,405	81,714,635	4,929,558	4,013,602	8,943,160	42.85c	30.05c
1927	361,073,065	266,079,948	627,153,013	42,224,517	49,106,910	91,331,427	4,549,538	5,059,313	9,608,851	42.13c	30.05c

*Mile zone system in effect from Sept. 14 to Dec. 7.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(‡Public Service Ry. Co. and Affiliated Companies)

	Public Service Railway Company	Public Service Transp. Company	Public Service Railroad Company	Other Affiliated Companies	Total 1927	Total 1926	Total 1925
Operating revenues	$18,231,216	$14,893,121	$291,009	$1,954,261	$35,369,607	$33,062,601	$30,517,91
Operating expenses	9,105,507	8,674,650	65,486	744,897	18,590,540	16,401,227	15,655,94
Maintenance	2,621,827	3,022,789	52,564	134,337	5,831,517	5,847,972	5,772,85
Taxes	2,052,299	820,943	48,499	166,098	3,087,839	3,014,174	2,834,15
Depreciation	876,962	1,617,399	.....	167,500	2,661,861	2,063,576	1,735,85
Operating revenue deductions	$14,656,595	$14,135,781	$166,549	$1,212,832	$30,171,757	$27,326,949	$25,998,82
Operating income	3,574,621	757,340	124,460	741,429	5,197,850	5,735,652	4,519,09
Non-op. inc. (excl. of divs. of affil. cos.)	184,939	12,685	1,226	29,030	227,880	184,158	144,28
Gross income	$3,759,560	$770,025	$125,686	$770,459	$5,425,730	$5,919,810	$4,663,38
Income deductions (bond int., rentals) and miscellaneous interest charges)	5,076,876	256,357	95,399	37,904	5,466,536	5,263,480	5,192,79
Net income or loss	§$1,317,316	$513,668	$30,287	$732,555	§$40,806	*$656,330	§$529,40
Profit and loss accts. (excl. divds.)	*3,910	*6,004	676	.....	*9,239	*26,559	*11,67
Surplus (before dividends)	§$1,313,406	$519,672	$29,611	$732,555	§$31,567	$682,889	§$517,73
Intercompany dividends	*324,574	.....	.....	324,574	.....	.....	.....
Balance	§$988,832	$519,672	$29,611	$407,981	§$31,567	*$682,889	§$517,73
Dividends paid unaffil. int. (directors)	.....	.....	.....	226	226	226	22
Net increase or decrease in surplus	§$988,832	$519,672	$29,611	$407,755	§$31,793	*$682,663	§$517,96

*Income, credit or increase. §Deficit, debit or decrease. ‡Including Public Service Railway Company, Public Servic Transportation Company and Subsidiary Companies, Public Service Railroad Company, The Riverside and Fort Lee Ferr Company, Port Richmond and Bergen Point Ferry Company, Highland Improvement Company, and New York Harbor Re Estate Company.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Public Service Ry. Co. and *Affiliated Companies)

Assets—	1927	1926	1925	1924	1923
Road and equipment	$118,879,263	$104,036,911	$105,770,516	$105,103,650	$108,942,8
Less property written off during year	1,143,210	2,274,389	1,723,938	6,858,414	603,3
Balance	$117,736,053	$111,762,522	$104,046,578	$98,245,236	$108,339,5
Investments	836,582	418,913	367,912	586,924	686,7
Sinking funds	98,309	77,421	61,844	48,496	34,5
Materials and supplies	834,824	1,066,236	939,641	782,378	743,0
Cash	1,588,422	911,829	874,206	971,678	678,6
Loans and notes receivable	298	.....	500	1,000	1,6
Miscellaneous accounts receivable	307,328	562,341	354,299	343,915	242,0
Interest, divds. and rents receivable	9,959	3,786	796	1,962	4,4
Special deposits	493,903	490,994	391,167	59,825	99,7
Other current assets	123,201	140,126	130,212	111,234	66,5
Deferred assets	12,560	12,560	12,560	12,560	12,7
Discount on funded debt	192,219	198,253	208,197	226,872	607,4
Other deferred charges	137,696	131,348	88,847	199,305	159,4
Subscriptions to Common stock	.....	.....	.....	9,189	.....
Corporate deficit	868,001	836,208	1,518,871	1,000,909	2,667,5
Total	$123,239,356	$116,612,537	$108,995,630	$102,601,492	$114,344,2

CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923
Capital stock:					
Public Service Ry. Co.	$36,562,500	$36,562,500	$36,562,500	$36,562,500	$48,750,000
Public Service R.R. Co.	285,000	285,000	285,000	285,000	285,000
Public Service Transportation Co.	10,000,000	10,000,000	10,000,000	5,150,000	150,000
Public Service Rapid Transit RR. Co.	200,000	.....	.....	.....	.....
Riverside & Fort Lee Ferry Co.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Port Rich. & Bergen Pt. Ferry Co.	40,000	40,000	40,000	40,000	40,000
Highland Improvement Co.	19,100	19,100	19,100	19,100	19,100
Peoples Elevating Co.	800	800	800	800	800
Mortgage bonds	41,575,016	41,750,016	41,753,016	41,756,016	46,623,016
Equipment obligations	3,082,000	3,540,000	852,000	1,260,000	1,668,000
Real Estate mortgages	511,892	524,435	550,435	399,435	409,435
Advances for construction	675,087	942,882	991,793	842,761	348,738
Bills payable	.....	.....	2,400	189,625	390,293
Advances from Pub. Serv. Corp. of N. J.	15,925,000	10,325,000	3,580,000	2,950,000	1,605,000
Adv. from Public Service Electric and Gas Co.	.....	.....	50,000	.....	.....
Bonds of lessor companies issued for construction expenditi	1,643,000	1,643,000	1,643,000	1,643,000	1,643,000
Tax liability	527,727	537,911	2,162,816	1,314,287	2,605,711
Accrued int., divds., and rents payable	592,045	606,012	629,767	588,555	721,186
Accounts payable	3,955,732	4,371,194	4,853,098	4,858,330	4,497,369
Other current liabilities	51,208	52,707	55,856	96,184	86,586
Deferred liabilities	479,562	472,882	469,265	446,375	402,742
Reserve for accrued depreciation	4,123,881	2,314,407	2,103,808	1,922,954	1,532,241
Casualty and insurance reserve	1,233,500	861,774	632,706	490,060	591,647
Other reserves	756,305	762,917	758,270	786,510	974,401
Total	$123,239,356	$116,612,537	$108,995,630	$102,601,492	$114,344,265

*Includes Public Service R.R. Co., Highland Improvement Co., The Riverside & Fort Lee Ferry Co., New York Harbor Real Estate Co., Port Richmond & Bergen Point Ferry Co., Public Service Transportation Co. and Peoples Elevating Co.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923
Materials and supplies	$834,824	$1,066,236	$939,641	$782,386	$743,080
Cash	1,588,422	911,829	874,206	971,678	678,639
Loans and notes receivable	298	.....	500	1,000	1,673
Miscellaneous accounts receivable	307,328	562,341	354,299	343,915	242,047
Interest, dividends and rents receivable	9,959	3,786	796	1,962	4,417
Other current assets	123,201	140,126	130,212	111,234	66,588
Total	$2,864,032	$2,684,318	$2,299,654	$2,212,175	$1,736,444
Current Liabilities—					
Bills payable	.....	.....	$2,400	$189,625	$390,293
Tax liability	$527,727	$537,911	2,162,816	1,314,286	2,605,711
Accrued interest, dividends and rents payable	592,045	606,012	629,767	588,555	721,186
Accounts payable	3,955,732	4,371,194	4,853,098	4,858,330	4,497,369
Other current liabilities	51,208	52,707	55,856	96,184	86,586
Total	$5,126,712	$5,567,824	$7,703,937	$7,046,980	$8,301,145
Net Working Capital (Debit)	$2,262,680	$2,883,506	$5,404,283	$4,834,805	$6,564,701

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Matthew R. Boylan, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec.; Wm. S. Barker, Compt.; Edward A. Tuson, Gen. Aud., Newark, N. J.

Directors: Samuel T. Bodine, A. R. Kuser, T. N. McCarter, U. H. McCarter, Arthur W. Thompson, Alfred L. Loomis, Landon K. Thorne, Thomas S. Gates, Edmund W. Wakelee, Percy S. Young.

Office, 80 Park Place, Newark, N. J.

RAILROADS OPERATED BY PUBLIC SERVICE RAILWAY CO.

BERGEN TURNPIKE COMPANY

(Controlled by Public Service Coordinated Transport)

History—Incorporated October 27, 1802 in New Jersey. Formerly owned and operated the turnpike from Hoboken via Union Hill, New Durham, Fairview, Ridgefield, etc., to Hackensack, N. J., but this turnpike was offered to and accepted by Bergen and Hudson Freeholders in 1915. Length of track, 12 miles. Leased to the Public Service Ry. Co. (now Public Service Coordinated Transport) Jan. 1, 1908.

CAPITAL STOCK

$51,990; par, $10. The Public Service Coordinated Transport owns $51,910 of the stock and the Public Service Corp. of N. J. owns $30. Annual meeting, third Monday in April.

FUNDED DEBT

$993,000 FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1951

Dated July 1, 1901.

Interest Payable January and July 1, at New Jersey Title Guarantee & Trust Co., Jersey City.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New Jersey Title Guarantee & Trust Co., Jersey City.

Security—A first lien on entire property.

Guaranty—Guaranteed, principal and interest, by Jersey City, Hoboken & Paterson St. Ry., merged in Public Service Ry. Co. (now Public Service Coordinated Transport).

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in New Jersey.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	74	65	65	60	60	65	60	70
Low	55	55	60	50	50	60	50	60

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.

Directors: A. R. Kuser, T. N. McCarter, U. H. McCarter, P. S. Young, E. W. Wakelee, Newark, N. J.; Samuel T. Bodine, Thomas S. Gates, Arthur W. Thompson, Philadelphia, Pa.

General Office, Newark, N. J.

THE CAMDEN AND SUBURBAN RAILWAY COMPANY

(Leased to Public Service Coordinated Transport)

History—Incorporated April 14, 1896, in N. J. Owns the entire capital stock ($65,000) of the West Jersey Traction Co., and on May 1, 1896, leased the property of the Camden Horse R. R. On May 2, 1904, the Camden & Suburban Ry., together with its leased lines, was leased to the South Jersey Gas, Elec. & Traction Co. for 999 years from that date. On July 25, 1904, the lease was assigned to the Public Service Corporation, and on Sept 24, 1907, the latter assigned the lease to the Public Service Ry. Co. (now Public Service Coordinated Transport). Rental (in addition to fixed charges): $120,000 in 1914 and each year thereafter, in equal quarterly installments. Operates 91.3 miles of track in the city of Camden, N. J., and lines extending to the various suburbs, including Riverton, Merchantville, Mooreston, Haddonfield, Haddon Heights, etc.

CAPITAL STOCK

Authorized and outstanding, $3,000,000 (par, $25); paid in, $600,000 ($5 per share). The Camden Horse RR. Co. owns $2,000 of the stock. Transfer Agent: Secretary of company. Registrar: The First National State Bank of Camden, N. J.

Dividends—In 1912, 3 1-5% per share; in 1913 and thereafter, maximum of 4%.

FUNDED DEBT

$1,940,000 FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1946

Dated July 1, 1896.

Interest Payable January and July 1, at The First National State Bank of Camden, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The First National State Bank of Camden, N. J.

Provisions of Issue—Authorized, $3,000,000, of which $1,000,000 are reserved for the purchase of the stock of the Camden Horse R. R.; balance ($60,000) for construction at rate of $20,000 per mile.

Security—A first lien on about 91 miles of line, subject only to $250,000 outstanding Camden Horse R. R. Co.'s stock, including lines in Camden, and extending to suburbs of Riverton, Merchantville, Haddonfield, etc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of New Jersey State tax.

Original Offering—First publicly offered ($200,000) in Feb. 1907, at 110 and interest, by Bioren & Co., Philadelphia; a block offered in 1909 by Cramp, Mitchell & Shober, Philadelphia, and Fidelity Union Trust Co., Newark, N. J.; and $250,000 in April, 1912, at 106 and interest by Bioren & Co., Philadelphia.

Price Range—	1927	1926	1925	1924	1923
High	*93½	*83¾	80	74	65
Low	83	74⅛ bid	bid	bid	bid

*Bid price.

Officers: E. A. Armstrong, Pres.; W. W. Fry, V-P.; S. T. Corliss, Sec. & Treas., Camden, N. J.

Directors: S. T. Corliss, W. W. Fry, E. A. Armstrong, Wynn Armstrong, Edw. Browning, J. C. De La Cour, E. L. Dudley, S. R. Lippincott.

General Office, Camden, N. J.

THE CAMDEN HORSE RAILROAD COMPANY

(Leased to The Camden and Suburban Railway Co.)

History—Inc. March 23, 1866, in N. J. Leased to Camden & Suburban Ry. from April 1, 1896, and operated by the Public Service Coordinated Transport under lease of the Camden & Suburban Ry. Length of track, 30.11 miles. Gauge, 5 feet.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $25. Secretary of company acts as Transfer Agent. Registrar: The First National State Bank of Camden, N. J. Annual meeting, third Monday in January.

Dividends—Dividends have been paid at rate of 24% per annum from 1904 to date; payments semi-annually, April and Oct. 1.

FUNDED DEBT

None.

Officers: E. A. Armstrong, Pres.; W. W. Fry, V-P.; S. T. Corliss, Sec. & Treas., Camden, N. J.

General Office, Camden, N. J.

WEST JERSEY TRACTION COMPANY

(Controlled by The Camden and Suburban Railway Co.)

History—Incorporated May 13, 1893, in N. J. Controlled by Camden & Suburban Ry. through stock ownership and operated by the Public Service Coordinated Transport under lease of the Camden & Suburban Ry. Co.'s properties. Length of track, 3.19 miles.

CAPITAL STOCK

Authorized, $3,000,000; issued and paid in, $65,000. All owned by Camden & Suburban Ry. Co.

FUNDED DEBT

None.

Officers: E. A. Armstrong, Pres.; W. W. Fry, V-P.; S. T. Corliss, Sec. & Treas., Camden, N. J.

Directors: E. A. Armstrong, Wynn Armstrong, S. T. Corliss, W. W. Fry, Edward Browning, J. C. De La Cour, E. Lawrence Dudley, Samuel R. Lippincott.

General Office, 301 Market St., Camden, N. J.

CAMDEN, GLOUCESTER & WOODBURY RY.

(Leased to Public Service Coordinated Transport)

History—Chartered May 10, 1893, in New Jersey, for 99 years. Length of track, 25 miles. Gauge, 5 ft. Leased to the South Jersey Gas, Electric & Traction Co. for 999 years from Sept. 1, 1900. Lease assigned to the Public Service Ry. Co. (now Public Service Coordinated Transport) Sept. 24, 1907.

CAPITAL STOCK

Authorized and outstanding, $600,000; par $50. All owned by South Jersey Gas, Electric & Traction Co. Annual meeting, third Monday in April.

FUNDED DEBT

None.

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

General Office, Newark, N. J.

CONSOLIDATED TRACTION COMPANY (NEW JERSEY)

(Leased to Public Service Coordinated Transport)

History—Incorporated March 14, 1893, in N. J. Leased the New Jersey Traction Co. on Jan. 2, 1894, and owns all of the $500,000 capital stock of that company. The Newark Passenger Ry. was leased to the New Jersey Traction Co., which has no mileage of its own, on March 7, 1892, and came under control of the Consolidated Traction Co. through the latter's lease of the New Jersey Traction Co. The Consolidated Traction Co. also owns the entire capital stock of the Newark Passenger Ry. On July 1, 1891, the Rapid Transit St. Ry was leased to Newark Passenger Ry. Controls through stock ownership Newark Plank Road Co., Jersey City & Bergen R. R., Passaic & Newark Elec. Traction Co., and Jersey City Harrison & Kearny Ry., Port Richmond & Bergen Point Ferry Co. and Bergen Point & Staten Island Ferry Co. The Consolidated Traction Co. was leased to the North Jersey St. Ry. on May 25, 1898, for 999 years from June 1, 1898, the latter company guaranteeing dividends on the stock of the former as follows: 1899 to 1901, inclusive, 2%; 1902, 2½% 1903 and 1904, 3%; 1905, 3½%; 1906 and thereafter, 4% Through the absorption of the North Jersey St. Ry. Co. by the Public Service Ry. Co. the lease was passed to the latter company, which in turn was consolidated with Public Service Coordinated Transport.

CAPITAL STOCK

Authorized and outstanding, $15,000,000; par, $100, of which the Public Service Corp. of N. J. owns $339,500.

Transfer Agent—Secretary of Company.

Registrar—Fidelity Union Trust Co., Newark, N. J.

Annual Meeting—Third Monday in April.

Market—Dealt in on Unlisted Department of Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	64½	38½	43	45	49	56½	39½	40
Low	35½	27	35	31	30	42	29	34⅜

Dividends—Dividends at rate of 4% per annum are being paid under the lease; semi-annually, January and July 15.

FUNDED DEBT

$15,000,000 (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s DUE JUNE 1, 1933

Dated June 1, 1893.

Interest Payable June and December 1, at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued, $15,000,000, of which $756,000 held by Public Service Corp. of New Jersey leaving $14,244,000 in hands of the public.

Security—Secured on all the franchises, real estate and personal property of the company, now owned or which may hereafter be acquired; also by pledge with the trustee of the entire $6,000,000 capital stock of the Newark Passenger Ry. all the $1,000,000 capital stocks of the Jersey City & Bergen R. R. and Passaic & Newark Electric Traction Co., and practically all of the stocks of the Newark Plank Road Co., the Jersey City, Harrison & Kearny R. R., New Jersey Traction Co., Port Richmond & Bergen Point Ferry Co., and Bergen Point & Staten Island Ferry Co. The bonds practically cover the entire street railway system of Newark, N. J. (about 10 miles), together with lines between Newark and Elizabeth, Newark and Jersey City, Newark to Passaic, etc.—a total of about 160 miles, subject to liens of $6,258,000 bonds of subsidiary companies on approximately 110 miles of double tracked street railway lines.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of New Jersey State tax.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	90	69½	79	76	82½	85	71	66½
Low	62	44	57	61¼	60	71	60	51½

Officers: T. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.
Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.
Office, Newark, N. J.

JERSEY CITY & BERGEN RAILROAD COMPANY

(Controlled by Consolidated Traction Company)

History—Incorporated March 15, 1859 in N. J. Owns double track electric lines Jersey City to Bergen Point; total track, 41.47 miles. Gauge standard.

CAPITAL STOCK

$1,000,000; all owned by Consolidated Traction Co. and pledged as part security for its First Mortgage bonds.

FUNDED DEBT

$258,000 FIRST MORTGAGE 4½s; DUE JANUARY 1, 1923

Dated 1873.
Interest Payable January and July 1, at First National Bank, Jersey City. Coupon, $1,000; principal may be registered. New Jersey Title Guarantee and Trust Co., Jersey City, N. J., Trustee. These bonds were originally 7s, but at maturity, Jan. 1, 1903, were extended as 4½s for twenty years. Entire issue owned by Public Service Corp. of N. J. A first lien on entire property, including 41.47 miles of track, in Jersey City, Greenville, Bayonne and Bergen Point, N. J.

Officers: T. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.
Office, Newark, N. J.

JERSEY CITY, HARRISON & KEARNY RAILWAY

(Controlled by Consolidated Traction Company)

History—Incorporated Feb. 27, 1893, in N. J. Length of track, 10 miles.

CAPITAL STOCK

Issued, $100,000; paid in, $18,000; all owned by the Consolidated Traction Co.

FUNDED DEBT

None.

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.
General Office, Newark, N. J.

NEW JERSEY TRACTION COMPANY

(Leased to Consolidated Traction Company)

History—Incorporated March 1, 1892, under the laws of New Jersey. This Company owns no track. On July 29, 1893, leased the Newark Passenger Ry. for 999 years and on on Jan. 2, 1894, was itself leased for 999 years to the Consolidated Traction Co., which owns the entire capital stock.

CAPITAL STOCK

Outstanding, $500,000; all owned by the Consolidated Traction Co

FUNDED DEBT

None.

Officers: Thos. N. McCarter, Pres,; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.
General Office, Newark, N. J.

NEWARK PASSENGER RAILWAY COMPANY

(Leased to Consolidated Traction Company)

History—Incorporated June 16, 1890, in N. J.; consolidation of the Essex Passenger Ry. and the Hudson & Bergen Street Ry. On June 23, 1890, purchased the Elizabeth Pass. Ry., the Newark & Clinton Ry. Co. and the Newark & Irvington St. Ry. On June 1, 1893, leased the Rapid Transit St. Ry. for 999 years. On July 29, 1893, the company was leased to the New Jersey Traction Co. and is now controlled by the Consolidated Traction Co. through the latter's lease of the New Jersey Traction Co. and through its ownership of the entire capital stock. Length of track, 83 miles. Gauge, standard.

CAPITAL STOCK

$6,000,000; par, $100. All owned by Consolidated Traction Co. and deposited as part security for its First Mortgage bonds. Annual meeting, third Monday in April.

FUNDED DEBT

$6,000,000 FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE JULY 1, 1930

Dated July 1, 1890.
Interest Payable January and July 1, at First National Bank, Jersey City, N. J.
Denomination—Coupon, $1,000; principal may be registered.
Trustee—New Jersey Title Guarantee & Trust Co., Jersey City, N. J.
Provisions of Issue—Authorized and issued, $6,000,000 of which $151,000 owned by Public Service Corp. of New Jersey, leaving $5,849,000 outstanding with the public.
Security—A first lien on 83 miles of track in Newark and extending to Elizabeth, Orange, East Orange, Harrison, Bloomfield and Irvington.
Guaranty—Guaranteed, principal and interest, by endorsement, by Consolidated Traction Co.
Tax Provisions—Company pays Normal Federal Income Tax up to 2%.
Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96	83	90	84½	89	89	77	78
Low	81½	68	80	72	70	76	67	70

Officers: T. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.
Office, Newark, N. J.

NEWARK PLANK ROAD COMPANY

(Controlled by Consolidated Traction Company)

History—Incorporated Feb. 24, 1849, in N. J. Length of track, 4.8 miles.

CAPITAL STOCK

Issued and paid in, $162,000; all owned by Consolidated Traction Co.

FUNDED DEBT

None.

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; T. W. Van Middlesworth, Treas.; Charles M. Breder, Sec., Newark, N. J.
General Office, Newark, N. J.

PASSAIC & NEWARK ELECTRIC TRACTION COMPANY

(Controlled by Consolidated Traction Company)

History—Inc. April 30, 1895, in N. J., and acquired all of the capital stock ($100,000) of the Passaic & Newark Elec. Ry. Length of track, 10.78 miles. Gauge, standard.

CAPITAL STOCK

$1,000,000; par, $100. All owned by Consolidated Traction Co. Annual meeting, third Monday in April.

FUNDED DEBT

$550,000 FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1937

Dated June 1, 1897.
Interest Payable June and December at New Jersey Title Guarantee & Trust Co., Jersey City, N. J.
Denomination—Coupon, $1,000; principal may be registered.
Trustee—New Jersey Title Guarantee & Trust Co., Jersey City, N. J.
Provisions of Issue—Authorized, $1,000,000; outstanding, $550,000 of which $10,000 owned by Public Service Corp. of New Jersey, leaving $540,000 outstanding with the public.
Security—A first lien on 10.78 miles of track from Newark to Passaic, N. J.
Guaranty—Principal and interest guaranteed by Consolidated Traction Co.
Tax Provisions—Company pays Normal Federal Income Tax up to 2%.
Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	67	68	68	70	75	75	68	70
Low	50	55	65	65	65	65	55	60

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas., Newark, N. J.
Office, Newark, N. J.

RAPID TRANSIT STREET RAILWAY CO. OF THE CITY OF NEWARK

(Leased to Consolidated Traction Company)

History—Incorporated March 28, 1889, in New Jersey. Length of track, 12.07 miles. Leased June 1, 1893, to Newark Passenger Ry., but lease subsequently transferred to Consolidated Traction Co. and now operated by Public Service Coordinated Transport, being controlled by lease of Consolidated Traction Co.

CAPITAL STOCK

$504,000 (trustee's certificates). Dividends, 11¼% per annum, payable semi-annually June 30 and Dec. 30; guaranteed by Newark Passenger Ry. and New Jersey Traction Co.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	130	120	120	125	140	150	150	150
Low	115	115	110	110	120	140	150	150

FUNDED DEBT

$500,000 (ENTIRE ISSUE) FIRST MORTGAGE GOLD 8s (FORMERLY 5s); DUE APRIL 1, 1941 (EXTENDED FROM APRIL 1, 1921)

Dated April 1, 1891.

Interest Payable—April and October 1, at Mechanics National Bank of Trenton, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mechanics National Bank of Trenton, N. J.

Provisions of Issue—Authorized and outstanding, $500,000, of which $77,000 held in sinking fund Dec. 31, 1927.

Callability—Subject to call at any time at 105 and interest.

Sinking Fund—Annually an amount sufficient to retire this issue at or before maturity. Fund is to be applied to the purchase or redemption of bonds at not over 105 and interest.

Security—A first lien on 12 miles of line in Newark, N. J.

Tax Provisions—Company does not pay Normal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	103	105	105	106	104	105	100
Low	101	100	102	100	100	98	97

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas., Newark, N. J.

General Office, Newark, N. J.

NEW JERSEY & HUDSON RIVER RAILWAY & FERRY COMPANY

(Leased to Public Service Coordinated Transport)

History—Incorporated February 25, 1910, in New Jersey; consolidation of Hudson River Traction Co., formerly the Newark & Hackensack Traction Co., and the New Jersey & Hudson River Ry. & Ferry Co., itself a consolidation of the Bergen County Traction Co. and the Ridgefield & Teaneck Ry. Co. Owns the entire capital stock and bonds of The Riverside & Fort Lee Ferry Co. (operating the West 130th St. Ferry). Owns 31.33 miles of track, mainly on private right of way, from Edgewater, N. J., to Englewood, Hackensack and Paterson, N. J.; also from Hackensack to Hasbrouck Heights, Woodbridge, Rutherford and Arlington and from Hackensack to Lodi, a total of about 49 miles. Cars connect at Edgewater with West 130th St. Ferry for New York. Gauge, standard. Rails, 56 to 80 lb. T and 90 lb. girder. Franchises all perpetual, except one for 50 years and one for 99 years. Leased to Public Service Ry. Co. (now Public Service Coordinated Transport) for 900 years from May 1, 1911, at rental of 6% on Pfd. and Common stock, in addition to bond interest, taxes, etc.

CAPITAL STOCK

Authorized, $5,250,000 Common and $750,000 6% cumulative Pfd.; outstanding, $2,500,000 Common and $750,000 Pfd.; par, $100. The Public Service Corp. of N. J. owns $2,446,750 of the Common stock and $4,633 Pfd. stock, and guarantees dividends of 6% on the balance of the Pfd. Of the $750,000 Pfd. stock shown as outstanding, $1,367 is held for exchange for the Preferred stock of the Hudson River Traction Co. This latter stock is exchangeable for Pfd. stock of New Jersey & Hudson River Ry. & Ferry Co., at the ratio of three shares of the former for one share of the latter. No dividends are paid on the Pfd. stock of the Hudson River Traction Co.

Transfer Agent—Registrar & Transfer Co., 35 Nassau St., New York.

Annual Meeting—Third Monday in April.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	93	85	80	65	65	65	70	75
Low	80	80	70	60	60	65	65	70

Dividends—Pfd. dividends are paid semi-annually on Feb. and Aug. 1.

FUNDED DEBT

(1)

$631,000 HUDSON RIVER TRACTION COMPANY FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1950

Dated April 1, 1902.

Interest Payable March and September 1, at U. S. Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—U. S. Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $1,000,000; outstanding, $631,000, of which $67,000 pledged under New Jersey & Hudson River Ry. & Ferry Co. Mortgage, leaving $564,000 in the hands of public Dec. 31, 1927.

Callability—Subject to call on any interest date at 110 and interest.

Security—A first lien on line from Hackensack to Hasbrouck Heights, Woodbridge, Rutherford and Arlington, N. J. and from Hackensack to Lodi, a total of about 17 miles.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$4,011,000 NEW JERSEY & HUDSON RIVER RAILWAY & FERRY CO. FIRST MORTGAGE GOLD 4s; DUE MARCH 1, 1950

Dated March 1, 1900.

Interest Payable March and September 1, at United States Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000; unissued bonds reserved for extensions and improvements.

Callability—Subject to call on any interest date at 105 and interest, upon six weeks' notice.

Security—Secured by a first mortgage upon 31 miles of track from Edgewater ferry terminal to Englewood, Hackensack and Paterson, and by a second mortgage on 17 miles of track. Additionally secured by pledge of the entire capital stock and bonds of the Riverside & Fort Lee Ferry Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($500,000) in Feb. 1905, at 87½ and interest, by Millett, Roe & Hagen, New York.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	70	65	70	65	65	68	58	65
Low	65½	63	63	53	51	55	50	50

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thos. N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, P. S. Young.

General Office, Newark, N. J.

ORANGE AND PASSAIC VALLEY RAILWAY COMPANY

(Leased to Public Service Coordinated Transport)

History—Incorporated July 5, 1898, in N. J.; successor to Suburban Traction Co., foreclosed July 6, 1898. Lines located in Bloomfield and in the Oranges. Leased for 900 years from Nov. 1, 1903, to Public Service Corporation for interest on the trust certificates issued in exchange for stock. Lease assigned to North Jersey Street Ry. Co. on July 23, 1907, and held by Public Service Ry. Co. (now Public Service Coordinated Transport). Length of track, 10.10 miles. Gauge, standard.

CAPITAL STOCK

$1,000,000 (par, $100), of which $999,000 owned by Public Service Corporation of New Jersey; $995,000 pledged under agreement securing its Perpetual Interest Bearing Certificates. Annual meeting, third Monday in April.

Dividends—Dividends at the rate of 1 4/5% per annum are paid semi-annually May and Nov. 1.

FUNDED DEBT

$833,000 FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1938

Dated 1898.

Interest Payable June and December 1, at New Jersey Title Guarantee & Trust Co., Jersey City, Trustee.

Provisions of Issue—Authorized, $1,000,000; outstanding, $833,000, of which $86,000 owned by the Public Service Corporation of New Jersey, leaving $747,000 in the hands of public Dec. 31, 1927.

Security—A first lien on entire property, including 10.10 miles of track extending from the Oranges to Bloomfield.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	74	60	71	63	73	72	50	70
Low	50	45	62	50	50	50	50	60

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

General Office, Newark, N. J.

PATERSON & STATE LINE TRACTION COMPANY

(Controlled by Public Service Coordinated Transport)

History—Incorp. Nov. 15, 1901, in N. J., for 100 years. Line of road: Paterson to Ridgewood, N. J., 5.4 miles; second track, 1 mile. Through service on this line was opened July 1, 1914. Gauge, standard. Rail, 80 lbs. Operated by overhead single trolley.

CAPITAL STOCK

Authorized, $300,000 (increased from $100,000 in July, 1913); outstanding, $150,000; par, $100, of which $149,200 owned by Public Service Coordinated Transport, and $300 by Public Service Corp. of N. J. Annual meeting, third Monday in April.

FUNDED DEBT

$150,000 FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1964

Dated June 1, 1914.

Interest Payable June and December 1, at Fidelity Union Trust Co., Newark.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark.

Provisions of Issue—Authorized issue, $300,000; outstanding, $150,000.

Callability—Subject to call at 105 and interest June 1, 1924, or thereafter.

Security—A first lien on entire property.

Guaranty—Guaranteed, principal and interest, by Public Service Corp. of N. J.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	92	82	80	78	75	75	65	80
Low	80	55	75	70	70	65	65	65

Officers: Thos. N. McCarter, Pres.; Percy S. Young, Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middleesworth, Treas.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thos. N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

Office, Newark, N. J.

PEOPLE'S ELEVATING COMPANY

(Controlled by Public Service Coordinated Transport)

History—Incorporated May 31, 1899, in New Jersey. Owns an incline wagon and truck elevator extending from West 19th Street, Weehawken, N. J., up the hill to Mountain Road. The operation of the elevator was suspended Sept. 10, 1927 owning to lack of patronage.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $100. All owned by Public Service Coordinated Transport. Annual meeting, third Monday in April.

FUNDED DEBT

$175,000 FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1939

Dated October 1, 1899.

Interest Payable April and October 1, at New Jersey Title Guarantee & Trust Co., Jersey City, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New Jersey Title Guarantee & Trust Co., Jersey City, N. J.

Provisions of Issue—Authorized, $250,000; outstanding, $175,000, all owned by Public Service Coordinated Transport.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Matthew R. Boylan, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas.; Wm. S. Barker, Compt., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

General Office, Newark, N. J.

RIVERSIDE TRACTION COMPANY

(Leased to Public Service Coordinated Transport)

History—Incorporated June 20, 1910, under the laws of New Jersey, as successor to Camden & Trenton Railway., sold under foreclosure March 18, 1910 (see Manual for 1910, page 1982). Owns $19,750 of the $20,000 capital stock of the Cinnaminson Electric Light, Power & Heating Co., Riverton, N. J., which supplies the towns of Beverly, Delanco, Riverside, Riverton and Palmyra with light, and $49,600 of the $50,000 capital stock of the Bordentown Electric Co., which supplies light to Bordentown and vicinity. Leased for 999 years from April 1, 1912, to the Public Service Ry. Co. (now Public Service Coordinated Transport), at rental of interest on bonds, 5% on Pfd. stock, and dividends on Common stock of 1.9% in 1912 ($14,193), increasing to 2.7% in 1918, when the maximum ($20,169) was reached. Fulfillment of the terms of the lease is guaranteed by Public Service Corp. of New Jersey. Line of road: Trenton to Riverton, N. J., 32.96 miles. Gauge, 5 ft. Cars, 25. Has traffic agreement with Camden & Suburban Ry. for use of the latter's tracks from Riverton, N. J., to the Philadelphia Ferry in Camden, N. J.

CAPITAL STOCK

Authorized, $1,100,000 Common and $400,000 5% cumulative Pfd.; outstanding, $747,150 Common and $266,500 Pfd.; par, $50. Of the outstanding stock $40,400 Common and $27,500 Pfd. is owned by Public Service Corp. of N. J. Transfer Agent: Corporation Trust Co., Jersey City. Registrar: Fidelity Union Trust Co., Newark, N. J. Annual meeting, first Monday in April.

Price Range—

Common—	1927	1926	1925	1924	1923	1922	1921	1920
High	19	20	13	12	12	15	15	15
Low	15	13	10	10	10	12	10	15

Dividends—5% on Pfd. and 2.7% on Common are paid under lease, semi-annually April and Oct. 1.

FUNDED DEBT

$1,500,000 (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1960

Dated June 1, 1910.

Interest Payable June and December 1, at The Real Estate-Land Title & Trust Co., Philadelphia.

Denominations—$500 and $1,000.

Trustee—The Real Estate-Land Title & Trust Co., Philadelphia.

Provisions of Issue—Authorized and outstanding, $1,500,000 of which $15,000 inter-company held, leaving $1,485,000 outstanding with the public.

Callability—Subject to call at 110 and interest on any interest date.

Security—Secured by a first mortgage on about 31 miles of electric railway from Riverton, N. J., to the business center of Trenton, N. J., connecting the lines of Public Service Coordinated Transport in northern New Jersey with those in Camden and vicinity and furnishing the system with a through line between Camden and New York. Also secured by deposit of capital stock of Bordentown Electric Co. and capital stock and bonds of Cinnaminson Electric Light, Power and Heating Co. Further secured by deposit of all of the stocks and bonds on electric plants supplying Riverside, Beverly, Edgewater Park, Riverton, Palmyra, West Palmyra, Bordentown and other towns.

Guaranty—Guaranteed principal and interest by Public Service Coordinated Transport under terms of lease.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	89	83	85	73	70	65	50	70
Low	83	75	70	50	50	50	50	50

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas., Newark, N. J.

Directors: Samuel T. Bodine, A. R. Kuser, Thomas S. Gates, Arthur W. Thompson, Uzal H. McCarter, Thos. N. McCarter, Percy S. Young, Edmund W. Wakelee.

Office, Newark, N. J.

THE SOUTH ORANGE AND MAPLEWOOD TRACTION CO.

(Leased to Public Service Coordinated Transport)

History—Incorporated Nov. 1, 1897, in N. J. In July, 1901, absorbed the South Orange & Maplewood St. Ry. Leased in perpetuity from Oct. 1, 1903, to North Jersey St. Ry. (now Public Service Coordinated Transport), rental being $2,000 on the Preferred stock for the first year, increasing $500 yearly until ninth year, when $6,000 is paid, which amount is to be paid thereafter. Road is now operated by Public Service Coordinated Transport.

CAPITAL STOCK

Authorized and issued, $75,000 Common and $150,000 Pfd.; par, $100. All owned by Public Service Corp. of N. J. Dividends, under lease, are now paid at rate of 4% on the Pfd. stock.

FUNDED DEBT

None.

Officers: Thomas N. McCarter, Pres.; Percy S. Young, Edmund W. Wakelee, John L. O'Toole, George Barker, V-P's.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas.

Directors: Samuel T. Bodine, U. H. McCarter, Arthur W. Thompson, Percy S. Young, Edmund W. Wakelee, Thomas S. Gates, Anthony R. Kuser, Thomas N. McCarter.

Office, 80 Park Place, Newark, N. J.

PUBLIC SERVICE RAILROAD COMPANY

(Controlled by Public Service Corp. of N. J.)

History—Consolidation June 30, 1913, of the Trenton Terminal R.R. (see Manual for 1913, page 3942) and Elizabeth, New Brunswick & Trenton R.R. Co. Operates the Elizabeth & Trenton R.R. Co., under 999-year lease, effective April 1, 1912 (see statement appended).

CAPITAL STOCK

Authorized, $500,000; outstanding, $285,000; all owned by Public Service Corp. of N. J., except directors' qualifying shares. Annual meeting, third Monday in April.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$291,009	$283,514	$283,611
Operating expenses	65,486	71,701	91,969
Maintenance	52,564	59,732	69,758
Taxes	48,499	46,343	51,693
Operating income	$124,460	$105,738	$70,191
Other income	1,226	1,137	908
Gross income	$125,686	$106,875	$71,099
Income deductions	95,399	130,348	123,670
Surplus for year	$30,287	*$23,473	*$52,571

*Deficit.

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Matthew, R. Boylan, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas.; Wm. S. Barker, Compt.; Edward A. Tuson, Gen. Aud., Newark, N. J.

Office. Newark, N. J.

ELIZABETH & TRENTON RAILROAD COMPANY

(Leased to Public Service Railroad Co.)

History—Inc. May 19, 1910, in N. J.; consolidation of New Jersey Short Line R. R. and the Trenton & New Brunswick R. R., both sold under foreclosure. Leased for 999 years from April 1, 1912, to the Trenton Terminal R. R. Co. (now Public Service R. R. Co.), at rental of interest on bonds, taxes, organization expenses and dividends of 5% on the Pfd. stock. No dividends were paid on Common stock for the first two years, but beginning April 1, 1914, 1% for year was paid, and an additional 1% annually until 4% was reached in 1917. Terms of lease guaranteed by Public Service Coordinated Transport and Public Service Corp. of N. J. Line of road; Trenton to Milltown Junc., N. J., 22.4 miles; New Brunswick to Elizabethport, N. J., 12 miles—total, 34.4 miles; all located on private right of way. Gauge, standard.

CAPITAL STOCK

Authorized, $900,000 Common and $300,000 5% cumulative Pfd.; outstanding: $811,350 Common and $180,300 Pfd.; par, $50. Stock transferred by Treasurer of Public Service Corp. of N. J., Newark, N. J. Annual meeting, first Monday in April.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	35	28½	24	24	20	36	35	30
Low	bid	bid	bid	bid	bid	sale	ask	ask
Common—								
High	29	28	23	20	20	20	35	20
Low	24	22	17	17	17	20	20	20

Dividends—5% on Pfd. and 4% on Common are being paid.

FUNDED DEBT

$990,000 FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1962

Dated April 1, 1912.

Interest Payable April and October 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized, $1,200,000.

Security—A first lien on entire property.

Guaranty—The Trenton Terminal R.R. Co. (now Public Service R. R. Co.) by the terms of the lease directly assumed the payment of principal and interest of these bonds, and the Public Service Coordinated Transport and the Public Service Corp. of N. J. guarantee the performance of this obligation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	89	85	82	76	70	60	50	70
Low	83	75	75	50	50	50	50	50

Officers: Thos. N. McCarter, Pres.; Percy S. Young, V-P.; Edmund W. Wakelee, V-P.; John L. O'Toole, V-P.; George Barker, V-P.; Charles M. Breder, Sec.; T. W. Van Middlesworth, Treas., Newark, N. J.

Directors: Samuel T. Bodine, Anthony R. Kuser, Thomas N. McCarter, Uzal H. McCarter, Thomas S. Gates, Arthur W. Thompson, Edmund W. Wakelee, Percy S. Young.

Office, Newark, N. J.

MARKET STREET RAILWAY COMPANY

(Company in which Standard Power and Light Corp. has a large interest)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Prior Pref. 6% cum. (par $100)	J, A, J & O 1	$11,750,000	$11,618,500	No	$258,158	None		$2.22
Preferred, 6% cum. (par, $100)	.....	5,000,000	4,986,850	No	Nil	None		Nil
Second Pfd., 6% non-cum. (par, $100)	.....	4,700,000	4,673,700	No	Nil	None		Nil
Common, (par, $100)	.....	10,700,000	10,647,400	..	Nil	None		Nil

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
First Mortgage Sink. Fund Gold 7s	April 1, 1940	A & O 1	$15,000,000	$11,001,500	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $11,001,500.

Amount Available for Bond Interest in 1927, $1,048,690.

Bond Interest Accrued in 1927, $790,533.

Times Bond Interest Earned in 1927, 1.32.

History—Organized on Oct. 14, 1893, under the laws of California. Its charter expires in 1943. In 1902 it conveyed all its properties to the United Railroads of San Francisco, and in April, 1921, through the reorganization of the latter company the Market Street Railway Co. acquired all the property, rights and franchises owned by the United Railroads. It also acquired by lease the property of the Gough Street R. R. Co., including the property heretofore owned by the San Francisco Electric Railways. The Market Street Ry. lines run on the principal business streets of the city.

Pursuant to the plan of reorganization of the United Raliroads of San Francisco, dated Oct. 2, 1919, and with the approval of the California Railroad Commission, the First General Deed of Trust of said Company to Union Trust Co. of San Francisco, dated June 7, 1902, was foreclosed and, under such proceedings, all its assets, liabilities and property, real personal and mixed, were acquired by the Market Street Railway Co. Through such reorganization the United Railroads of San Francisco ceased to be an operating company.

STOCKS OWNED

Name	Authorized	Issued	Owned by Company	Par Value
Sutter St. Ry. Co.....	$2,000,000	$2,000,000	$1,999,500	$100
So. San Francisco R. R. & Power Co. ...	100,000	13,500	13,000	100
Gough St. R. R. Co...	60,000	60,000	59,700	100
San Fran. & San Mateo Elec. Ry.	1,000,000	1,000,000	999,500	100
Sutro Railroad Co. ..	400,000	231,080	230,750	10
Metropolitan Ry. Co..	1,000,000	1,000,000	999,400	100

The basis of participation of the old securities of United Railroads of San Francisco and underlying companies in bonds, notes and stock of Market Street Ry. Co. is shown in detail in the 1920 Public Utility Manual, on page 1617 or furnished on request to our Information Department.

Franchise Situation—None of the company's franchises expire prior to 1929. Thereafter franchises covering the operation of various of the company's lines mature from time to time to 1952. The experience has been that lines on which franchises have matured have been acquired by the city at a fair satisfactory price.

Terms of Sale Asked—The San Francisco Board of Supervisors on Dec. 6, 1921, decided to request Company to name terms and conditions upon which it will turn over its railway system to the city of San Francisco to be operated in conjunction with the present Municipal Railway system. City Engineer O'Shaughnessy estimates the value of Company's railway system at $40,000,000, while the California R. R. Comm. valuation is about $41,500,000. Company itself has placed the figure at $51,800,000.

Valuation—The special committee of the Board of Supervisors of San Francisco failed to agree among themselves as to a fair purchase price and was replaced by a second committee who now have the matter in hand. At November, 1922 election an amendment to the city charter was passed by a 2 to 1 vote removing former restrictions on the acquisition of railway lines outside of the city boundaries and permitting of the purchase of the surburban lines of the Company. At the November, 1925, election, the proposal to purchase the Company's property for $36,000,000 was decisively rejected by the voters.

On Dec. 13, 1926, the Board of Supervisors of San Francisco appointed the members of the Public Utilities and Finance Committees, a joint Committee, to study the street railway situation and to report to the Board a plan for the acquisition of privately owned street railways. Up to December 31, 1927, the result of the Committee's deliberations had not yet been made public although a report, was filed in November, 1927, with the committee by Delos F. Wilcox who investigated the subject for the Board of Supervisors.

Mileage—The Company operates street railways in the City and County of San Francisco and in San Mateo County, Cal. The tracks in San Francisco are partly electric and partly cable; the line in San Mateo County is an interurban road from San Francisco to the City of San Mateo. Total mileage operated is 271.28 miles of single track, of which 253.69 owned and 17.59 leased. Rails, 38 to 141 lbs. All of revenue track is laid in City streets with exception of double track on fourteen miles of private right of way.

Equipment—Motor passenger cars, 725; work, 66; cable passenger cars, 51—total, all cars, 842. Power is purchased under contract extending to 1953 from the Sierra & San Francisco Power Co. or its lessee, the Pacific Gas & Electric Co. The transmission lines are largely the property of the Railway Company, the remaining lines belonging to the Power Company.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Revenue passengers carried	196,555,997	198,030,769	198,277,586
Car miles	26,666,192	26,572,515	25,807,751

CAPITAL STOCK

Authorized issues, $10,700,000 Common stock, $11,750,000 6% cumulative Prior Preference, $5,000,000 6% cumulative Pfd. and $4,700,000 6% non-cumulative Second Pfd.; issued and outstanding, Dec. 31, 1927, $10,647,400 Common, $11,618,500 Prior Preference, $4,986,850 Pfd. and $4,673,700 Second Pfd.; par of all issues, $100. All classes of stock have equal voting power. There is no provision for redemption or conversion of stock. Certificates of stock are interchangeable between New York and San Francisco.

Transfer Agents (All Classes)—Wells Fargo Bank & Union Trust Co. of San Francisco, and The Equitable Trust Co. of New York.

Registrars (All Classes)—Anglo-California Trust Co., San Francisco, and Chase National Bank of New York, New York.

Annual Meeting—Second Wednesday in April.

Listed (All Classes)—New York and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Prior Preference—							
High	59¾	51⅜	65¼	71½	87	76	45½
Low	41⅝	39⅛	42¼	41	56½	35	27
Preferred—							
High	25⅛	40	46¼	42	68½	50¼	18½
Low	18	19½	24½	20	23	17	12
Second Preferred—							
High	17½	22½	35¼	30	56¼	32	8⅜
Low	11½	11¾	15	14	14⅝	5⅝	4¼
Common—							
High	6⅞	10	12	13½	22	11	7
Low	4⅜	4⅛	6	6¾	7½	3	2¾

Dividends—Initial dividend of 1½% on Prior Preference stock was paid April 1, 1922, which rate was maintained quarterly to Jan. 2, 1924; none since. None paid on other classes.

FUNDED DEBT

$11,001,500 FIRST MORTGAGE SINKING FUND 7% GOLD BONDS; DUE APRIL 1, 1940

Dated April 1, 1924.

Interest Payable Jan., April, July and Oct. 1, at Wells Fargo Bank & Union Trust Co., San Francisco, and at Ladenburg, Thalmann & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Wells Fargo Bank & Union Trust Co., San Francisco.

Fiscal Agents—Ladenburg, Thalmann & Co., New York.

Provisions of Issue—Authorized, $15,000,000. Issued $13,000,000 (of which $330,000 held in treasury and $1,668,500 held in sinking fund Dec. 31, 1927). The unissued $2,000,000 of bonds may be issued only for a principal amount not exceeding 75% of the cash cost of additions, extensions, improvements and betterments to the mortgaged property subsequent to April 1, 1924, and only if net income, available for interest, after taxes and depreciation, for twelve consecutive months in the fourteen months' period preceding the application for certification of bonds, have been at least twice the combined interest requirement of the bonds outstanding and those proposed to be issued.

Purpose of Issue—Issued for the purpose of refunding the $4,269,000 Five-Year 6% Collateral Gold Notes, due April 1, 1924, and $9,239,550 5% First Consolidated Mortgage Gold bonds, due Sept. 1, 1924.

Callability—Subject to call as a whole or in part by lot on any interest date on 30 days' notice at 107½ and interest, on or before April 1, 1926, and thereafter at prices decreasing ½% each year to maturity.

Sinking Fund—The Company covenants to provide a quarterly sinking fund of $500,000 per annum from Jan. 1, 1925 through 1932. Bonds are to be purchased in the open market at not to exceed their redemption prices, or if not so obtainable are to be called and kept alive until Jan. 1, 1933, and their interest used to acquire additional bonds. The bonds then held in the sinking fund will be cancelled and thereafter the company will provide a quarterly sinking fund of $300,000 per annum until maturity for like purchase or redemption. The bonds acquired will be kept alive and the interest thereon added to the sinking fund. The operation of the sinking funds, assuming bonds retired at

call prices, will reduce this issue to $8,071,500 on Jan. 1, 1933, and to $5,460,500 on Jan. 1, 1940. Proceeds from the sale of any mortgaged property are to be added to the fixed sinking fund payments.

Security—Secured by a first lien upon all the physical property and franchises of the company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from all California taxes. Pennsylvania four mills tax refunded.

Legal Opinion—Van Vorst, Siegel & Smith.

Original Offering—First publicly offered ($13,000,000) in Jan., 1924, at 100 and interest, by Dillon, Read & Co., and Ladenburg, Thalmann & Co., New York and Wells Fargo Bank & Union Trust Co. and Anglo & London Paris National Bank, San Francisco.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	101	99½	102¼	100¾
Low	96¼	94¼	97½	96⅞

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Operating revenue—	1927	1926	1925	1924	1923	1922
Passenger	$9,740,295	$9,815,657	$9,830,196	$9,789,153	$9,747,377	$9,520,194
Other	79,275	76,011	72,572	63,075	62,016	63,243
Total	$9,819,570	$9,891,668	$9,902,768	$9,852,228	$9,809,393	$9,583,437
Operating expenses—						
Maintenance of way and structures	$671,391	$682,599	$648,647	$647,495	$587,486	$550,368
Maintenance of equipment	691,269	663,644	648,009	660,127	640,939	649,487
Power	1,360,577	1,364,952	1,331,060	1,335,343	1,346,159	1,453,603
Transportation and traffic	3,979,311	3,845,806	3,607,857	3,587,299	3,507,318	3,394,868
General and miscellaneous	938,310	845,093	822,236	808,523	754,346	811,712
Total	$7,640,858	$7,402,094	$7,057,809	$7,038,787	$6,836,248	$6,860,038
Taxes	605,000	617,000	617,000	617,000	617,100	604,200
Net operating revenue	$1,573,712	$1,872,574	$2,227,959	$2,196,441	$2,356,045	$2,119,199
Other income	40,881	53,454	51,062	37,169	74,554	51,490
Gross income	$1,614,593	$1,926,028	$2,279,021	$2,233,610	$2,430,599	$2,170,689
Charges—						
Interest on funded debt	$790,532	$845,148	$882,509	$857,508	$727,456	$752,669
Discount on funded debt	50,612	53,113	55,482	42,656	.....	.....
Depreciation	500,000	500,000	500,000	320,000	320,000	320,000
Current year income tax (est.)	.....	74,423	106,925	68,236	153,578	44,122
Other charges	15,291	25,628	41,970	11,932	33,998	.....
Total	$1,356,435	$1,498,313	$1,586,886	$1,300,332	$1,235,032	$1,116,791
Net income	258,158	427,715	692,136	933,278	1,195,567	1,053,898
Prior Preference dividends	.....	.....	.....	.....	697,200	697,200
Surplus for year	$258,158	$427,715	$692,136	$933,278	$498,367	$356,698
*Times Interest Earned	1.32	1.51	1.78	2.09	2.64	2.40
*Earnings Per Share—						
Prior Preferred	$2.22	$3.68	$5.96	$8.03	$10.29	$9.07
Preferred	Nil	Nil	Nil	4.73	9.99	7.15
Second Preferred	Nil	Nil	Nil	Nil	4.26	1.23
Common	Nil	Nil	Nil	Nil	Nil	Nil

*After depreciation, and estimated Federal Income Tax, if any.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Properties	$47,612,752	$48,134,658	$47,890,093	$47,621,544	$47,369,755	$47,053,039
Sinking fund	154,471	19,157	9,268		161,350	161,410
Deposits for redemption of funded debt	1,950	5,050	13,800	63,600	.....	.....
Investments and securities	36,803	36,803	36,803	31,803	128,249	142,193
Materials and supplies	485,203	545,120	484,157	456,825	455,996	416,692
Insurance premiums	27,343	19,309	28,398	24,647	17,559	18,434
Taxes paid in advance	.....	.....	6,397	7,856	8,118	.....
Cash	450,453	607,311	900,154	835,971	1,042,438	896,117
Special deposits	496	1,345	604,340	112,076	451,915	302,257
Notes and accounts receivable	99,750	396,919	92,800	64,746	65,489	88,497
Accrued interest	377	227	2,612	610	2,381	.....
Unamortized bond discount	607,297	691,393	778,424	867,344	.....	.....
Other deferred debits	8,916	20,479	6,541	4,611	8,920	.....
Unadjusted accounts	.....	.....	.....	.....	.....	37,654
Total	$49,485,811	$50,477,772	$50,853,787	$50,091,632	$49,712,170	$49,116,293
Liabilities—						
Common stock	$10,647,400	$10,647,400	$10,647,400	$10,647,400	$10,647,400	$10,646,800
Prior preference stock	11,618,500	11,618,500	11,618,500	11,618,500	11,618,500	11,617,000
Preferred stock	4,986,850	4,986,850	4,986,850	4,986,850	4,986,850	4,986,700
2nd Preferred stock	4,673,700	4,673,700	4,673,700	4,673,700	4,673,700	4,673,400
First Mortgage, 7% Sinking Fund Gold Bonds	11,001,500	11,695,000	12,329,000	12,875,000		
First Mortgage 5% bonds	1,950	4,050	12,800	50,600	9,239,550	9,560,100
First Mortgage 6% Collateral Trust Notes	.....	1,000	1,000	13,000	4,269,000	4,326,000
Accounts payable	160,690	174,658	116,928	208,767	100,774	79,580
Salaries and wages	131,925	152,028	110,775	98,100	144,573	131,433
Interest matured	208,436	239,385	231,983	249,058	25,656	31,025
Interest accrued	.....	.....	.....	.....	218,028	224,225
Accrued taxes	257,854	325,183	349,806	313,202	393,174	218,464
Dividends on Prior Pref. stock unpaid	420	1,200	3,540	4,500	15,960	.....
Other liabilities	.....	.....	.....	.....	.....	407,909
Deferred credits	118,012	106,093	95,216	84,086	73,031	.....
Reserves—						
Depreciation	2,128,548	2,280,000	1,780,000	1,280,000	960,000	
Renewals and replacements	8,728	203,979	181,856	49,156	102,727	
Electric power charges in dispute	.....	.....	795,981	631,873	471,958	
Injuries and damages	49,022	76,570	53,270	104,442	174,355	1,367,615
Reorganization	.....	.....	52,588	143,330	90,831	
Other	65,482	72,132	87,023		74,605	
Surplus	3,426,794	3,220,042	2,725,571	2,060,070	1,431,496	846,042
Total	$49,485,811	$50,477,772	$50,853,787	$50,091,632	$49,712,170	$49,116,293

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Materials and supplies	$485,203	$545,120	$484,157	$456,825	$455,996	$416,692
Cash	450,453	607,311	900,154	835,971	1,042,438	896,117
Special deposits	496	1,345	604,340	112,076	451,915	302,257
Notes and accounts receivable	99,750	396,919	92,800	64,746	65,489	88,497
Interest receivable	377	227	2,612	609	2,381	...
Total	$1,036,279	$1,550,922	$2,084,063	$1,470,227	$2,018,219	$1,703,563
Current Liabilities—						
Accounts payable	$160,690	$174,658	$116,928	$208,767	$100,774	$79,580
Salaries and wages	131,925	152,028	110,775	98,100	144,573	131,433
Interest matured	208,436	239,385	231,983	249,058	25,656	31,025
Accrued interest, not due	.....	.....	.....	.....	218,028	224,225
Accrued taxes	257,855	325,183	349,806	313,202	393,174	218,464
Dividend unclaimed	420	1,200	3,540	4,500	15,960	.....
Total	$759,326	$892,455	$813,032	$873,629	$898,165	$684,727
Net Working Capital	$276,953	$658,467	$1,271,031	$596,598	$1,120,054	$1,018,836

Officers: Samuel Kahn, Pres.; George B. Willcutt, V-P. & Sec.; W. M. Abbott, V-P.; Burt Hamerstrom, V-P.; Melnotte McCants, V-P.; J. M. Yount, V-P., San Francisco; Halford Erickson, V-P., Chicago; J. J. Madden, V-P., New York; A. M. Dahler, Treas.; E. M. Massey, Asst. Sec., San Francisco; M. A. Morrison, Asst. Sec., Chicago; E. Barnes, Asst. Sec., New York.

Directors: Wm. M. Abbott, A. W. Foster, Samuel Kahn, Hunter Liggett, J. W. Lilienthal, Jr., Burt Hamerstrom, George B. Willcutt, San Francisco; Halford Erickson, John J. O'Brien, Chicago; Moritz Rosenthal, Mason B. Starring, New York.

General Office, 58 Sutter St., San Francisco, Cal.

SOUTH SAN FRANCISCO RAILROAD & POWER COMPANY

(Controlled by Market Street Railway Company)

History—Incorporated March 9, 1903, in Cal. Line of road extends from South San Francisco Junc. to Fullers, South San Francisco, Cal., 3.557 miles. Operated by overhead trolley. Franchises expire 1963 and 1965. Motor cars, 4.

CAPITAL STOCK

Authorized, $100,000; outstanding, $13,500; par, $100. The Market St. Ry. Co. owns $13,000 of the outstanding stock. Annual meeting in March. No dividends paid.

FUNDED DEBT

None.

Earnings, year ended Dec. 31, 1927 (as reported to California RR. Commission): Operating revenue, $34,847; operating expenses, $51,446; loss, $16,599.

Officers: William J. Martin, Pres., South San Francisco, Cal.; William M. Abbott, V-P.; Geo. B. Willcutt, Sec.; A. M. Dahler, Treas., San Francisco, Cal.

Directors: William M. Abbott, Samuel Kahn, A. M. Dahler, Geo. B. Willcutt, San Francisco, Cal.; William J. Martin, South San Francisco, Cal.

General Office, 58 Sutter St., San Francisco, Cal.

SAN DIEGO WATER SUPPLY COMPANY

History and Properties—Incorporated in 1924 in Nevada. Former name was San Dieguito Water Company. Company was organized to acquire and consolidate certain water properties heretofore owned by the Atchison, Topeka & Santa Fe RR. Co. and the San Diego County Water Co. Property consists of a large water reservoir near San Diego, California, known as Lake Hodges, together with appurtenant canals, pipe lines, lands and water-rights, and two additional reservoir sites known as Sutherland and Pamo.

Lease to City of San Diego—Substantially all of this property has been leased to the City of San Diego for a period of thirty years from December 1, 1925. Under the lease the City is unconditionally obligated to make all necessary repairs, renewals, replacements and restorations of the property and to assume all liabilities arising from its possession, operation and maintenance, and to make rental payments which are in excess of the interest and sinking fund requirements of Company's First Mortgage 5% bonds. The City at its own expense may enlarge, construct or reconstruct dams, reservoirs or other structures for the purpose of enlarging the water supply therefrom and it has already undertaken the construction of an additional reservoir at the Sutherland site.

City's Option to Purchase—In connection with the execution of the lease, the City acquired, at a cost of $500,000, the right to purchase the property at various times during the life of the lease for stated amounts of cash, which in each case are sufficient to provide for redemption of all Company's First Mortgage 5% Gold bonds then to be outstanding.

CAPITAL STOCK

$2,000,000 Common.

FUNDED DEBT

$3,250,000 FIRST MORTGAGE 5% SINKING FUND GOLD BONDS; DUE NOVEMBER 1, 1955

Dated May 1, 1927.

Interest Payable May and November 1, at principal office of Guaranty Trust Co., New York, or at Union Bank & Trust Co., Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Union Bank & Trust Co., Los Angeles, Cal.

Provisions of Issue—Authorized and issued, $3,250,000; mortgage is closed.

Purpose of Issue—Proceeds of these bonds were applied toward the retirement of all outstanding indebtedness of Company.

Callability—Subject to call as a whole at any time, or in part on any interest date, on 30 days' notice, at 102 and interest.

Sinking Fund—A sinking fund is provided, beginning in 1930, sufficient to retire entire issue on or before the date of maturity.

Security—These bonds are secured by pledge and assignment of the lease under which Company's properties are operated by the City of San Diego and all payments to be made thereunder, and, subject to the lease, by direct closed first mortgage on all the property of the Company leased to the City and all permanent additions to such property which may at any time be constructed by the City, including the Sutherland dam.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—O'Melveny, Millikin & Tuller, Los Angeles, Cal.

Original Offering—First publicly offered ($3,250,000) in May, 1927, at 100 and interest by Guaranty Company of New York, New York, etc.

Listed—Boston Stock Exchange.
Officer: John Treanor, Pres.
Office, Los Angeles, Cal.

TOHO ELECTRIC POWER COMPANY, LIMITED

(Toho Denryoku Kabushiki Kaisha)

History—Incorporated Nov. 29, 1905, under the laws of Japan, as the "Kansai Water Power Company, Limited" (Kansai Suiryoku Denki Kabushiki Kaisha), and undertook the local supply of electric light and power in Nara and Kyoto Prefectures. In Oct. 1921, the Company consolidated with the Nagoya Electric Light Co., Ltd., and at that time changed its name to "Kansai Electric Company, Limited" (Kansai Denki Kabushiki Kaisha). The Nagoya Electric Light Company was organized and began business in Nagoya in 1889, and absorbed, from time to time, various other electric companies operating in the so-called Kansai District of central Japan. In 1922, the Company absorbed several other electric companies, among which was the Kyushu Electric Light & Traction Company, Ltd., with a capital of 50,000,000 yen (of which sum 34,312,500 yen was paid in). Shortly after the consolidation with the Kyushu Company, the Company again changed its name, this time to "Toho Electric Power Company, Limited" (Toho Denryoku Kabushiki Kaisha), the present name of the Company. In April, 1926, acquired the properties formerly owned by Gifu Electric Power Co., Ltd. The duration of the Company is unlimited.

Business—The principal business of the Company is to produce and supply electric light and power. It is, next to the Tokyo Electric Light Company, Ltd., the largest retail distributor of electric energy in Japan. Directly or through subsidiaries it supplies practically without competition, electric light and power to over 5,500,000 people in a territory of approximately 4,000 square miles. The company operates mainly in two distinct areas, the Kansai manufacturing district in and around Nagoya, Gifu, Nara and Toyohashi, in central Japan and the Kyushu district in and around Shimonoseki Fukuoka and Nagasaki in southern Japan. These districts constitute two of the most important commercial and industrial sections of Japan. The Company also engages in real estate and forestry undertakings, as well as in electric railway business.

Subsidiary Companies—The corporations under the Company's direct control by stock ownership are Toho Reserve Co., Ltd., and Toho Securities Co., Ltd. In addition to these two subsidiary companies, the Company is in a position to control, indirectly through Toho Securities Co., Ltd., the following eight corporations: Toho Gas Co., Ltd., Inazawa Electric Light Co., Ltd., Ogaki Gas & Electric Co., Ltd., Toho Electrical Works, Ltd., Nagoya Pier & Warehouse Co., Ltd., Ryuyosha Printing Co., Ltd., Nagaragawa Electrification Co., Ltd., and Sunmo.

Property (as of Oct. 31, 1927)—The Company has in operation or under construction electric generating stations having a total capacity of 219,893 k.w., including the new Nagoya steam plant with an installed capacity of 70,000 k.w. The Company also controls an additional 125,000 k.w. under favorable contracts with nine neighboring hydro-electric companies. Other property owned or under construction includes substations with 523,835 k.v.a. transformer capacity more than 9,100 route-miles of transmission and distribution lines and valuable undeveloped water-power sites.

PRODUCTION, YEARS ENDED OCTOBER 31

(Latest Available)

	Power generated by the Company's plants K. W. H.	Power purchased K. W. H.	Total K.W.H.
1920	100,912,534	89,443,050	190,355,584
1921	135,591,943	136,979,165	272,571,108
1922	312,678,343	195,293,268	507,971,611
1923	370,904,593	280,014,905	650,919,458
1924	367,190,521	398,914,568	766,105,089
1925	383,697,780	469,790,309	853,488,089
1926	423,090,789	527,289,656	950,380,445

OPERATING STATISTICS, YEARS ENDED OCTOBER 31

(Latest Available)

	1926	1925	1924	1923
Number of electric customers	978,585	945,536	899,414	854,967
Connected power load (kilowatts)	171,676	144,858	134,903	109,665
Number of lamps connected	2,832,713	2,669,411	2,483,818	2,253,861

Approximately 51% of gross operating revenue from the sale of electric energy comes from electric lighting business and 49% from electric power sales.

CAPITAL STOCK

Authorized, $72,160,775; paid-up, $62,756,502; par, $25. As of Oct. 31, 1927, $9,404,272 additional authorized capital stock had been subscribed for and is subject to the company's call. Under Japanese law total funded debt may not exceed paid-up capital stock.

Dividends—Dividends are now being paid at rate of 10% per annum, and have been paid at the rate of not less than 8% per annum on the stock of this company and all important constituent companies from time to time outstanding during the past ten years.

STATEMENT OF BONDS AND DEBENTURES OUTSTANDING AS OF OCTOBER 31, 1927

Issue	Date of issue	Amount	Rate of interest	Final maturity	Amount outstanding Oct. 31, 1927
(a) Unsecured Debentures issued in Japan:					
Toho No. 3	Mar. 1, 1924	Yen 10,000,000	8%	Mar. 1, 1929	Yen 5,500,000
Toho No. 5	Oct. 20, 1925	10,000,000	7%	Oct. 20, 1932	10,000,000
Toho No. 6	Sept 1, 1927	10,000,000	7%	Sept. 1, 1934	10,000,000
Customer Ownership Debentures No. 1	June 1, 1925	3,500,000	7%	Dec. 1, 1935	3,150,000
Customer Ownership Debentures No. 2	Aug. 1, 1925	4,000,000	6.2%	Aug. 1, 1935	3,330,000
(b) Guaranteed Debentures issued in England:					
Five per Cent. Twenty-Years Registered Debentures, guaranteed by British Treasury under Trade Facilities Acts	June 23, 1925	£300,000	5%	July 15, 1945	2,928,960
(c) Mortgage Bonds issued in U. S. A.:					
First Mortgage (Kansai Division) Gold Bonds, Series "A" (see description below)	Mar. 15, 1925	$15,000,000	7%	Mar. 15, 1955	28,836,250
(d) Unsecured Notes issued in U. S. A.					
Three-Year 6% Gold Notes (see description below)	July 15, 1926	$10,000,000	6%	July 15, 1929	20,060,000
Total					Yen 83,805,210 $41,902,605

FUNDED DEBT

(1)

$15,000,000 (KANSAI DIVISION) SINKING FUND GOLD 7s, SERIES "A"; DUE MARCH 15, 1955

Dated March 15, 1925.

Interest Payable March and Sept. 15, in New York at the office of Guaranty Trust Company of New York, in U. S. gold coin of the standard existing March 15, 1925 (or at the option of the holder in London in sterling at $4.8665 to the Pound Sterling).

Denominations—Coupon, $500 and $1,000. Series "A" bonds are not registerable either as to principal or interest. The Series "A" bonds are not interchangeable.

Trustee—Mitsui Bank, Ltd., Tokyo, Japan.

Provisions of Issue—The Indenture under which the First Mortgage (Kansai Division) gold bonds are issuable limits the aggregate amount of bonds at any time outstanding which may be issued thereunder to $30,000,000. Additional bonds shall mature at a date or dates later than the present issue but may have such rate of interest, sinking fund and other provisions as the Company may determine, and may be issued only for not more than 50% of the cost or appraised value, whichever is lower, of permanent improvements or additions to the mortgaged property. No additional bonds may be issued under the Indenture unless net earnings, after maintenance but before depreciation, available for interest, as defined in the Indenture, for twelve consecutive calendar months out of the fifteen immediately preceding, have equalled at least 3 times the annual interest requirements of all the outstanding funded debt of the Company, including the bonds proposed to be issued.

The Company covenants that so long as any of these bonds remain outstanding, none of its other physical properties now owned or hereafter acquired will be mortgaged to an amount exceeding 50% of their fair value, as defined in the Indenture; and it will also covenant not to create debts of any character having a maturity of more than three years unless net earnings, after maintenance but before depreciation, available for payment of interest, as defined in the Indenture, for twelve consecutive months out of the next preceding fifteen, shall have equalled at least twice the annual interest requirements on its total funded debt including the obligations proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 100 and interest.

Sinking Fund—A sinking fund is provided to retire at least $125,000 of bonds each six months prior to March 15, 1930, by purchase in the open market or by call by lot at par and interest; thereafter on each succeeding interest date, the sinking fund is to retire 1/50 of the bonds outstanding as of March 15, 1930, through call by lot at 100 and interest.

Security—These bonds are a direct obligation of the company and in addition are specifically secured by a first lien, supplemented by assignments, covering all of the company's property in the Kansai Division. Property hereinafter acquired in the Kansai Division is to be included under the mortgage. The present depreciated value of the property mortgaged has been estimated to be in excess of $30,000,000.

The properties mortgaged, including those under construction, will include generating stations with an installed capacity of 85,343 k.w., sub-stations with the total capacity of 355,460 k.v.a. and approximately 5,197 miles of transmission and distribution lines, constituting a complete operating system serving more than 613,705 customers in and around Nagoya.

Tax Provisions—Free from any Japanese taxes when held by other than residents of Japan.

Legal Opinion—Davis, Polk, Wardwell, Gardner & Reed of New York; and Doctor S. Kishi of Tokyo (for the bankers), and Doctor T. Aoki, and McIvor, Kauffman, Smith and Yamamoto, of Tokyo (for the company).

Original Offering—First publicly offered ($15,000,000) in March, 1925, at 90½ and interest, to yield over 7.80%, by Guaranty Company of New York, Lee, Higginson & Co., and Harris, Forbes & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	99¼	98⅞	91¼
Low	94⅝	89¾	87

(2)

$10,000,000 3-YEAR 6% GOLD NOTES; DUE JULY 15, 1929

Dated July 15, 1926.

Interest Payable January and July 15, at Guaranty Trust Company of New York, New York, in U. S. Gold coin, or at principal office of Guaranty Trust Company of New York, in London, Eng., in Sterling, at par.

Denomination—Coupon, $1,000.

Trustee—Guaranty Trust Company of New York, New York.

Provisions of Issue—Authorized and outstanding $10,000,000. Issued under an Indenture which provides, among other things, that so long as any of the notes are outstanding Company shall not (a) create any new mortgage or pledge of any assets now owned or hereafter acquired although this shall not prevent the Company from placing new mortgage on the Kansai Division to replace the existing one or acquiring properties subject to mortgages previously existing thereon or created in connection with such acquisition, (b) sell or transfer to another company any substantial part of the physical properties now owned, except when sold for value to the municipality or other political sub-division in which the property may be operated, (c) create debts of any character having a maturity of more than one year if the aggregate amount of such debt would thereby exceed the total amount of its then paid-in capital stock or if net earnings after maintenance but before depreciation available for payment of interest, for 12 months out of the preceeding 15 months, amount to less than twice the annual interest requirements on total funded debt including the obligations to be issued, or (d) guarantee any of the obligations of the Toho Securities Company, Limited, or any company controlled by it.

Purpose of Issue—Proceeds used to pay bank indebtedness, for refunding purposes, for construction and acquisition of additional property and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, on 45 days' notice, at par and interest.

Tax Provisions—Interest payable without any deduction for any Japanese taxes, present or future, when held by other than residents of Japan.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York, and Dr. S. Kishi, of Tokyo (for the bankers); Webb, Patterson & Hadley, New York, and Doctor T. Aoki, of Tokyo (for the Company).

Original Offering—First publicly offered ($10,000,000) in July, 1926, at 98½ and interest, to yield over 6.55%, by Guaranty Company of New York, Lee, Higginson & Co., Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

Listed—New York Stock Exchange.

Price Range—

	1927	1926
High	99½	99
Low	95⅞	97⅞

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

(Accounts Audited by Harold Bell, Taylor Bird & Co., Chartered Accountants)

	1927	*1926	1925
Gross oper. earnings	$22,519,083	$21,393,356	$19,900,675
Oper. exp., maint. & taxes	14,660,543	12,957,523	12,261,310
Depreciation	1,098,689	1,088,044	1,031,344
Net earnings	$6,759,851	$7,347,789	$6,608,021
Other income	3,571,163	2,605,125	2,838,304
Gross income	$10,331,014	$9,952,914	$9,446,325
Interest	3,622,694	3,211,464	.....
Bal. for divds., res., etc.	$6,708,320	$6,741,450	.....

*Includes earnings for latter part of year of properties of Gifu Electric Power Co., Ltd., which was consolidated with Toho Electric Power Co., Ltd. in April, 1926.

NOTE—Conversions from Japanese to United States dollars have been made at 50 cents per yen.

Depreciation Policy—Company will either (a) expend for maintenance and credit to a depreciation reserve in each half-yearly fiscal term an amount aggregating not less than 15% of the gross earnings from operation for such fiscal term, the expenditure for maintenance to be not less than 8% of said gross earnings, and the credit to such depreciation reserve to be not less than 7% of such gross earnings; or (b) make such credits in accordance with a depreciation schedule which will be prepared by a consulting engineer approved by the Fiscal Agent, which schedule shall be based upon the method known as the "six per cent annual sinking fund method" and shall be applied to all the Company's depreciable properties as shown upon its balance sheet of October 31, 1924 and shall be extended from time to time to include all properties constructed or acquired by the Company after said date.

GENERAL BALANCE SHEET, OCTOBER 31

Assets—	1927	1926
Property	$87,584,509	*$77,524,388
Investments	28,191,284	25,342,030
Reacquired securities	5,575,094	6,676,835
Due from affiliated cos.	24,186	343,522
Cash	4,082,813	2,194,761
Sundry deposits	29,364	17,895
Accounts receivable	5,863,985	3,791,037
Materials and supplies	1,088,709	1,137,864
Misc. contra items	528,062	48,021
Uncalled share capital	9,404,272	18,808,541
Prepayments	29,937	27,130
Bond discount and expense	3,519,283	3,899,476
Deferred charges	62,322	.....
Total	$145,983,820	$139,811,500
Liabilities—		
Capital stock	$72,160,775	$72,160,775
Funded debt	41,902,605	44,528,355
Loans and bills payable	9,620,670	8,749,808
Accts. payable and accruals	4,524,136	3,799,975
Sundry deposits	428,721	93,019
Miscellaneous contra items	528,062	48,021
Dividends payable	2,945,970	2,977,437
Debentures redeemable unclaimed	82,620	115,990
Reserve for depreciation	5,589,022	*
Legal reserve	2,443,620	2,006,620
Special reserve	300,000	.....
Suspense receipts	3,875,968	3,904,258
Surplus	1,581,651	1,427,242
Total	$145,983,820	$139,811,500

*Depreciation included in property account.
Conversion rate: 1 yen equals $.50.

Officers: Y. Itami, Pres.; Y. Matsunaga, V-P.; T. Tanaka, Business Mgr.; Y. Takeoka, Treas.; Shun Suzuki, Sec.; M. Fukuda, Chief Engr.

Directors: Y. Itami, Saga City, Japan; Y. Matsunaga, T. Tanaka, M. Tsunoda, K. Fukuzawa, T. Kamiya, Tokyo Prefecture, Japan; Y. Takeoka, Oita Prefecture; M. Kurushima, K. Goto, Nagoya City, Japan; R. Sakuragi, T. Yamaguchi, Y. Kaito, Fukuoka City, Japan; T. Okamoto, Gifu City, Japan; M. Naruse, J. Itami, Tokyo City, Japan; K. Oshima, Saga Prefecture, Japan; K. Hara, Fukuoka Prefecture, Japan; T. Hashimoto, Nagasaki City, Japan; T. Takehara.

Head Office, Tokyo Kaijo Bldg., Tokyo, Japan.

SCITUATE WATER COMPANY

History—Incorporated in Mass. Furnishes water to Scituate, North Scituate, Greenbush, Egypt and Sandhill, Mass. **Franchise perpetual. Summer population, over 10,000.**

CAPITAL STOCK

Authorized and outstanding, $150,000 Common and $100,000 Pfd. Annual meeting, second Monday in January.

Additional Preferred Stock Authorized—Massachusetts Department of Public Utilities in modified order of December 14, 1927 approved issue by Company of 500 shares of additional 5% Preferred stock of $100 par value at 90, proceeds from the sale of which are to be applied to payment and cancellation of an equal amount of obligations.

FUNDED DEBT

$200,000 First Gold 6s; dated Aug. 1, 1923; due Aug. 1, 1931; int. Feb. and Aug. 1. Liberty Trust Co., Boston, Trustee.

Dividends—5% on Pfd. and 2½% on Common were paid in 1926; 1927, 5% on Pfd. and 7½% on Common.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$80,940	$87,525	$71,808
Operating expenses	29,245	27,531	25,743
Taxes	17,299	16,805	12,984
Depreciation	8,000	6,000	.....
Net earnings	$26,396	$37,189	$33,081
Bond interest	$13,000	$13,000	$13,000
Other interest	5,042	3,004	1,443
Other deductions	.....	8,360	.....
Net income	$8,354	$12,824	$18,638
Preferred dividends	5,000	5,000	.....
Common dividends	11,250	3,750	.....
Surplus for year	*$7,896	$4,074	$18,638

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and plant	$603,929	$542,027	$510,716
Less depreciation	38,219	34,170	28,170
Balance	$565,710	$507,857	$482,546
Notes receivable	1,200	1,200	1,200
Cash	1,509	8,878	664
Materials and supplies	10,127	6,491	8,457
Prepaid accounts	246	.....	.....
Accounts receivable	11,215	9,930	1,716
Total	$590,007	$534,356	$494,583
Liabilities—			
Capital stock	$250,000	$250,000	$250,000
Funded debt	200,000	200,000	200,000
Notes payable	119,000	60,000	37,000
Accounts payable	5,891	8,400	2,202
Interest accrued	7,970	7,750	1,250
Dividends declared	3,750	.....	.....
Profit and loss	3,396	8,206	4,131
Total	$590,007	$534,356	$494,583

Officers: John J. Moore, Pres., Hingham, Mass.; Frederick A. Cole, Treas.; Arthur H. Brooks, Clerk, Newtonville, Mass.

Directors: John J. Moore; B. A. Robinson, Eugene F. Skinner, Hingham, Mass.; F. Cole, Newtonville, Mass., Samuel A. Agnew, Scituate, Mass.

Office, 302 Pemberton Bldg., Boston.

THE NORTHERN MEXICO POWER & DEVELOPMENT COMPANY, LIMITED

History and Properties—Incorporated Dec. 30, 1919, under the laws of the Province of Ontario and in May, 1921, took over all the assets and properties of the Mexican Northern Power Co., Ltd. from the receiver of that Company, including all the shares of **Compania Agricola y de Fuerza Electrica del Rio Conchos, S. A.,** a company developing and distributing hydro-electric power in the State of Chihuahua in Northern Mexico, and owning the property mentioned below.

Concessions have been granted by the Government of the Republic of Mexico for the development and

utilization of the water power of the Rio Conchos in the State of Chihuahua, in northern Mexico, to supply electric energy to the cities and towns of the State of Chihuahua and the mining districts thereof. Company has a concession to construct and operate steam or electric railways in the District of Camargo, State of Chihuahua.

The site of the first development of the company's works on the Rio Conchos is situated at a point called La Boquilla, about 20 miles from the line of the Mexican Central Ry., about 325 miles south of El Paso (which is the nearest railroad border town to the plant), **about 250 miles from the** Pacific coast, and about 900 miles north of the City of Mexico. Among the surrounding towns of importance are Chihuahua, Santa Rosalia, Parral, Santa Barbara, Jimenez, Escalon, Bermejillo, El Oro, etc., etc.

The company controls two sites on the Rio Conchos, one at La Joya, and the other at La Boquilla.

Double transmission lines from the power plant running south to the Parral District are carried on structural steel towers spaced 820 feet apart, these towers being designed to carry six aluminum wires equivalent to No. 000 copper wire, Am. gauge, mounted on suspension insulators proportioned for operation at 110,000 volts.

The above described properties were acquired in accordance with the plan of reorganization outlined on page 428 of the 1921 Public Utility Manual, details of which plan will be furnished upon application to our Information Department.

1926 Output—The total power distributed by Company during 1926 was 18,118 h.p., being an increase over the previous year of 3,571 h.p. or 24.5%.

CAPITAL STOCK

Authorized and outstanding, $10,000,000 Common and $3,000,000 7% cumulative Pfd.; par, $100. As of June 7, 1927, 8,797 shares of Common and 60 shares of Pfd. were held by Montreal Trust Co. to be exchanged for Prior Lien & First Mortgage bonds of Mexican Northern Power Co., Ltd., not yet surrendered for exchange.

Preferred Stock Provisions—Cumulative from Jan. 1, 1920, and ranks equally with Common for dividends exceeding 7% on Common.

Callability—Pfd. stock is subject to redemption at option of company after Jan. 1, 1924, at 110 and dividends.

Convertibility—Pfd. stock is convertible into Common stock at any time prior to Jan. 1, 1924.

Transfer Agent—Montreal Trust Co., Montreal and Toronto.

Registrar—National Trust Co., Ltd., Toronto.

Annual Meeting—Usually in July.

Listed (Both Classes)—Montreal Stock Exchange and New York Curb Market.

Dividends—Pfd. dividends are cumulative from Jan. 1, 1920. On July 1, 1924, accrued dividend of 7% for 1920 was paid on Pfd. stock; on Nov. 1, 1924, 7% was paid for 1921; on Feb. 2, 1925, 7% was paid for 1922; May 4, 1925, 7% was paid for 1923; Oct. 1, 1925, 7% was paid for 1924; Jan. 2, 1926, 7% was paid for 1925; on April 1, 1926, regular quarterly dividend of 1¾% was paid to stockholders of record March 23, 1926; regular quarterly payments of 1¾% since; payments J, A, J & O 1. On Common initial quarterly dividend of $1 per share was paid Jan. 15, 1927, and at same rate quarterly since; payments now J, A, J & O 1.

FUNDED DEBT

$495,000 FIRST MORTGAGE SINKING FUND GOLD 7s; DUE JULY 1, 1933

Dated July 1, 1923.

Interest Payable January 1 and July 1, at Bank of Nova Scotia in Montreal or Toronto.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal, Que.

Provisions of Issue—Authorized $1,000,000; issued, $750,000, of which $57,000 have been redeemed and cancelled, and $198,000 held in treasury as of Dec. 31, 1926.

Callability—Subject to call as a whole or in part on six months' notice at 105 and accrued interest.

Sinking Fund—Commencing Jan. 1, 1925, a minimum of 4% of the par value of all bonds issued by the company, such sinking fund to be used for the purpose of buying in the open market or calling the bonds at a price not exceeding 105 and accrued interest. This amount may be increased should the company deem it expedient.

Security—A first fixed and specific charge on all the immovable property now owned or hereafter acquired by The Northern Mexico Power & Development Co., Ltd., including all the shares of the Compania Agricola y de Fuerza Electrica del Rio Conchos, S. A., the Mexican subsidiary operating company. This latter company has entered into an agreement with the Montreal Trust Co., that during the life of these bonds no mortgage of any nature whatsoever shall be placed on its properties; they are also a floating charge on all other assets, present and future.

Legal Opinion—Tilley, Johnston, Thomson & Parmenter, Toronto.

Original Offering—$500,000 in Oct., 1924, at 100 and interest, by Kippen & Co., Montreal. Accompanying these bonds were certificates entitling the holder to purchase (on or before Feb. 1, 1925), at $20 per share, two shares of Common stock for each $1,000 bond held.

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

(Accounts Audited by Price, Waterhouse & Co.)

	1926	1925	1924
Profits for year	$1,003,603	$789,054	*$514.842
Interest on bonds & loans	36,172	41,872	.....
Discount on bonds, etc.	5,000	7,213	.....
Depreciation	210,000	200,000	150,000
Mexican taxes	32,500	54,000	.....
Reserved for investments	49,049	.....	.....
Net income	$670,882	$485,969	$364,842
Surplus at beginning of year	687,914	831,945	887,103
Total	$1,358,796	$1,317,914	$1,251,945
Preferred dividends paid	†420,000	†630,000	†420,000
Common dividends paid	100,000	.....	.....
Surplus at end of year	$838,796	$687,914	$831,945

*After deducting interest, discount, Mexican taxes, etc. †Includes the following Pfd. dividends: 14% in 1924. for the years 1920 and 1921; 21% in 1925, for the years, 1922, 1923 and 1924; and 14% in 1926, for the years 1925 and 1926.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Property account	$14,681,467	$14,386,666	$14,368,973
Investments in other cos.	.....	49,049	69,049
Materials and supplies, less reserve	104,326	108,894	100,315
Accts. receiv., less reserve	126,506	135,351	122,118
Cash	630,812	433,303	409,663
Deferred charges	35,241	43,510	41,293
Total	$15,578,352	$15,156,773	$15,111,412
Liabilities—			
Common stock	$10,000,000	$10,000,000	$10,000,000
Preferred stock	3,000,000	3,000,000	3,000,000
Funded debt	495,000	500,000	405,000
Accounts payable	40,075	20,502	54,001
Pfd. dividend payable Jan. 3	52,500	.....	.....
Common dividend payable Jan. 15	100,000	.....	.....
Accrued bond interest	17,500	.....	.....
Deferred liabilities	93,151	.....	.....
Coupons of predecessor co. outstanding	3,225	3,525	3,525
Advances by cos. under special agreement	.....	163,296	292,157
Reserve	10,000	10,000	10,000
Reserve for Mexican income taxes	24,565	63,912	.....
Reserve for depreciation	903,540	707,624	514,784
Profit and loss	838,796	687,914	831,945
Total	$15,578,352	$15,156,773	$15,111,412

Officers: W. D. Ross, Pres.; Strachan Johnston, V-P.; T. A. Spoor, Sec. & Treas., Toronto, Ont., Can.
Directors: Edwin Hanson, E. A. Macnutt, Montreal, Que.; Strachan Johnston, A. E. Dyment, S. J. Moore, W. D. Ross, John A. Tory, Toronto, Ont., Can.; J. D. Patterson, Woodstock, Ont.; Sir E. Mackay Edgar, London, Eng.; Hon. F. B. McCurdy, Halifax, N. S.

Head Office, Northern Ontario Bldg., 330 Bay St., Toronto, Can.
Mexican Office, Parral, Chihuahua.

LENOX WATER COMPANY

History—Incorporated in 1875 in Mass. Supplies Lenox, Mass.; population served, 3,000.

CAPITAL STOCK

Authorized, $100,000; outstanding, $81,600 Common and $5,000 6% Pfd.; par, $100. Annual meeting, second Saturday in July.

Dividends—Pfd. dividends are paid semi-annually, J & J 1. Paid dividends on Common stock of 3% Jan. 1, 1922; 2% July 1, 1922, Jan. 1, and July 1, 1923, and 2½% each Jan. 1, 1924 and semi-annually thereafter to Jan. 1, 1928, inclusive; payments J & J 1.

FUNDED DEBT

$84,000 First Mortgage 5s; dated July 1, 1911; due July 1, 1931; interest Jan. and July 1, at Lenox (Mass.) National Bank. Coupon $500 and $1,000; principal may be registered. Berkshire Loan & Trust Co., Pittsfield, Mass., Trustee. Authorized issue, $100,000. Subject to call at any interest date, on 30 days' notice. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925
Gross earnings	$17,660	$16,249	$16,673
Oper. exp., taxes, etc.	8,450	9,220	6,861
Net earnings	$9,210	$7,029	$9,812
Other income	558	603	378
Total income	$9,768	$7,632	$10,190
Bond interest	4,200	4,200	4,220
Balance for dividends	$5,568	$3,432	$5,970
Pfd. dividends paid	300	300	300
Com. dividends paid	4,080	4,080	4,080
Surplus for year	$1,188	†$948	$1,590

*Year ended June 30. †Deficit.

GENERAL BALANCE SHEET

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Assets—			
Real estate	$24,619	$24,619	$24,522
Reservoirs, meters, etc.	165,659	165,368	178,301
Supplies	100	100	100
Accounts receivable	8,323	7,060	7,978
Cash	8,600	6,655	3,307
Investments	6,705	6,705	4,950
Total	$214,006	$210,507	$219,158
Liabilities—			
Common stock	$81,600	$81,600	$81,600
Preferred stock	5,000	5,000	5,000
Funded debt	84,000	84,000	84,000
Accounts payable, etc.	4,290	4,290	
Depreciation	11,389	9,080	29,869
Surplus	27,727	26,537	18,689
Total	$214,006	$210,507	$219,158

Officers: F. S. Delafield, Pres., Lenox, Mass.; Frank W. Dutton, V-P., Pittsfield, Mass.; R. S. Tillotson, Clerk & Treas., Lenox, Mass.
Directors: R. M. Curtis, New Haven, Conn.; W. H. Clifford, F. S. Delafield, R. S. Tillotson, Lenox, Mass.; Frank W. Dutton, Pittsfield, Mass.
Office, Lenox, Mass.

GLOUCESTER ELECTRIC COMPANY

History—Incorporated April 30, 1888, in Mass., to supply light and power to Gloucester, Rockport and Essex. Population served (1925 census), 28,727. No. of consumers, 9,319. Sales in 1927, 5,423,914 k.w.h. Has city contract for street lighting.

Rates—Household: First 4 k.w.h. per room per month, 11c net; next 4 k.w.h. per room per month, 9c net; over 8 k.w.h. per room per month, 5c net; minimum charge of 50c to $1 depending upon size of meter. Commercial Lighting: First 100 k.w.h. per month, 11c net; next 200 k.w.h. per month, 10c net; next 300 k.w.h. per month, 7c net; next 300 k.w.h. per month 6c net; all in excess at average rate of above; minimum charge of 50c to $1 depending upon size of meter. General Power: First 50 k.w.h. per month, 9c; next 150 k.w.h. per month, 7c; next 300 k.w.h. per month, 5c; over 500 k.w.h. per month, 4c; minimum charge of 50c to $2 depending upon size of installation.

Management—Company is under the executive management of C. H. Tenney & Co., 200 Devonshire St., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding, $513,100 (increased from $439,800 in March, 1926); par, $25 (decreased from $100 in March, 1923). In Jan., 1923, $73,300 stock was offered to stockholders at $140 per share in proportion to their holdings as of Nov. 15, 1922; in March, 1926, $73,300 offered to stockholders at $55 a share in proportion to their holdings. Annual meeting, fourth Tuesday in January.

Transfer Agent—E. A. Bradley, Treas., 200 Devonshire St., Boston, Mass.

Registrar—American Trust Co., Boston.

Dividends—1916, 1917 and 1918, 10% per annum; 1919, 12%; 1920, 12%; 1921, 12%; 1922, 15%; 1923, 15.75% ($3.75 on $100 par stock and $3.00 on $25 par stock); 1924, 16%; 1925, 16%; 1926 and 1927, 20% each; payments quarterly.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$465,071	$416,087	$393,608
Oper. exp. and taxes	304,916	259,945	237,128
Net earnings	$160,155	$156,142	$156,480
Other income	1,708	2,810	4,148
Total income	$161,863	$158,952	$160,628
Depreciation, etc.	53,989	45,755	48,387
Balance for dividends	$107,874	$113,197	$112,241
Dividends paid	102,620	99,688	79,164
Surplus for year	$5,254	$13,509	$33,077
Earnings Per Share	5.25	5.51	6.38

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Property account	$1,245,583	$1,050,823	$923,811
Materials and supplies	54,999	54,239	46,438
Cash	49,004	62,056	50,547
Accounts receivable	29,575	37,578	43,384
Prepaid items	7,533	7,187	5,485
Total	$1,386,694	$1,211,883	$1,069,664
Liabilities—			
Capital stock	$513,100	$513,100	$439,800
Premium on capital stock	156,350	156,350	68,390
Notes payable	120,000		65,000
Consumers' deposits	2,072	1,115	599
Accounts payable	10,894	7,684	17,593
Accrued items	20,234	1,409	
Accrued Federal taxes		17,963	13,919
Depreciation reserve	247,221	202,693	165,601
Profit and loss	316,823	311,569	298,762
Total	$1,386,694	$1,211,883	$1,069,664

Officers: D. Edgar Manson, Pres., Brookline, Mass.; Albert B. Tenney, V-P., Lexington, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; Rockwell C. Tenney, Asst. Treas., Lexington, Mass.; Hazel E. Hagar, Clerk, Cambridge, Mass.; Edward F. Kord, Aud., Arlington, Mass.
Directors: Charles H. Tenney, Springfield, Mass.; D. Edgar Manson, Brookline, Mass.; Albert B. Tenney, Lexington, Mass.; D. Willard Leavitt, Parsonfield, Mass.; Edward M. Bradley, Samuel A. York, New Haven, Conn.; Bernon E. Helme, Kingston, R. I.
Executive Office, 200 Devonshire St., Boston, Mass.
Local Office, 102 Main St., Gloucester, Mass.

UNITED RAILWAYS & ELECTRIC COMPANY OF BALTIMORE, MD.

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	Earnings per Share
Common; par $50	F, M, A & N 15	$35,000,000	$20,461,200	$535,365	4	$818,448	$1.31

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Balti., Spar. Pt. & Ches. Ry. Co. First 4½s	Feb. 1, 1953	F & A 1	$2,000,000	$2,000,000	No	No	Paid by Co.
Balti. Traction Co. First 5s	Nov. 1, 1929	M & N 1	1,500,000	1,500,000	No	No	Not pd. by Co.
Balti. Traction Co. No. Balti. Div. First 5s	June 1, 1942	J & D 1	1,750,000	1,750,000	No	No	Not pd. by Co.
Central Ry. Co. Consolidated 5s	May 1, 1932	M & N 1	700,000	700,000	No	No	Not pd. by Co.
Central Ry. Co. Ext. & Improv. 5s	Mar. 1, 1932	M & S 1	600,000	600,000	No	No	Not pd. by Co.
Lake Roland El. Ry. Co. 1st 5s	Sept. 1, 1942	M & S 1	1,000,000	1,000,000	No	No	Paid by Co.
Maryland Electric Rys. Co. 1st S. F. 5s	Oct. 1, 1931	A & O 1	4,946,000	2,850,000	No	Yes	Paid by Co.
Maryland Electric Ry. Co.:							
First & Ref. 6½s Series "A"	Jan. 1, 1957	J & J 1	4,000,000	3,838,500	No	Yes	Paid by Co.
First & Ref. 6½s Series "B"	Jan. 1, 1962	J & J 1	3,800,000	693,000	No	Yes	Paid by Co.
United Rys. & Elect. Co. First Consol. 4s	Mar 1, 1949	M & S 1	38,000,000	23,766,000	No	No	Paid by Co.
United Rys. & Elect. Co. First Consol. 6s	Mar. 1, 1949	M & S 1		8,684,000	No	No	Paid by Co.
United Rys. & Elect. Co. Income 4s	.....	J & D 1	14,000,000	14,000,000	No	No	Not pd. by Co.
United Rys. & Elect. Co. Funding 5s	June 1, 1936	J & D 1	3,920,000	3,920,000	No	Yes	Paid by Co.
United Rys. & Elect. Co. 3-Yr. 6% Gold Notes	Mar. 1, 1930	M & S 1	.....	2,500,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $67,801,500.
Bond Interest Accrued in 1927, $2,684,144.
***Amount Available for Interest** in 1927, $3,420,906.
***Times Interest Earned** in 1927, 1.27.
*After deducting rentals.

History and Properties—Incorporated March 4, 1899, in Md.; consolidation of all the street railway properties in the city of Baltimore and vicinity. Through this consolidation and the various absorptions which took place prior to it, the company controls the following railway properties.

Baltimore, Catonsville & Ellicotts Mills Passenger R. R., Baltimore City Passenger Ry., Baltimore Consolidated Ry. Co., Baltimore & Curtis Bay Ry., Baltimore, Gardensville & Belair Electric Ry., Baltimore & Northern Electric Ry., Central Ry. Co., Gwynns Falls Ry. of Baltimore City, Maryland Traction Co., Pimlico & Pikesville R. R., Shore Line Electric Ry., Walbrook, Gwynn Oak & Powhatan Ry. Also controls the stock and holds under lease the Baltimore, Sparrows Pt. & Chesapeake Ry., 37 miles, and guarantees the bonds. Also controls and operates the Baltimore, Halethorpe & Elkridge Ry. Co.

Franchises—With the exceptions noted below the franchises in the streets of the City of Baltimore are perpetual. The franchises granted to the Baltimore City Passenger Ry Co. and the Citizens Ry. Co. were subject to charter provisions, the City having the right every fifteen years to purchase these properties upon payment of the value of the properties and franchises. The lines of the above-named companies comprise about 69 miles of the system. In addition, about 15 miles of disconnected franchises are for 25 years, renewable for 25 years more at a fair valuation. In addition to the regular taxes, the City receives 9% of the gross receipts within the City limits.

Company's Bonds on Court List—On May 12, 1914, the Supreme Bench of Baltimore City added the Baltimore, Sparrows Point & Chesapeake Ry. Co.'s First Mortgage 4½% bonds to the list of securities approved for the investment of trust funds. The following bonds of the Company are now on the court list: Baltimore Traction Co. 1st 5s; Baltimore Traction Co., (No. Balto. Div.) 1st 5s; Central Ry. Co. 1st Consol. 5s; Lake Roland Elevated Ry. 1st 5s; United Ry. & Elec. Co. 1st Consol. 4s and 6s, and Baltimore, Sparrows Point and Chesapeake Ry. 1st 4½s.

Financing—Merger of Subsidiaries—The Maryland Public Service Commission in March, 1924, authorized The United Railways & Electric Co. of Baltimore to acquire all the outstanding capital stock of the Maryland Electric Rys. Co. The latter company was authorized to consolidate with the Baltimore, Halethorpe & Elkridge Ry. Co. and to issue $4,000,000 6½% bonds, the principal and interest of which are guaranteed by The United Rys. & Electric Co. of Baltimore. The consolidated company was also given authority to acquire all the properties and franchises of the Baltimore, Sparrows Point & Chesapeake Ry. Co. and the Baltimore and Belair Electric Ry. Co.

The consolidated or The Maryland Electric Railways Co., as above outlined. In addition to the acquisition of new property, now owns all of the property formerly belonging to the separate companies and leases all of its property now owned or hereafter acquired to The United Rys. & Electric Co. of Baltimore for a period of 999 years renewable forever.

The proceeds from the sale of the $4,000,000 bonds above-mentioned were used to pay indebtedness of the Maryland Company resulting from capital expenditures heretofore made and for additional capital expenditures. Approximately $600,000 was spent for automatic sub-stations, approximately $600,000 for cars, and approximately $1,350,000 was paid to The United Rys. & Electric Co. of Baltimore to reimburse its treasury for recent capital expenditures and for future capital expenditures upon its property.

Acquisition—The Maryland Electric Railways Co. acquired as of April 1, 1927 all the railway property, rights, privileges, franchises, etc. of Lorraine Electric Railway Co. which had a mileage of 1.14 miles.

Mileage and Equipment—Total miles single track, as of Dec. 31, 1927, 413. Gauge, 5 ft. 4½ in. Rail, 58 lb. to 125 lb. T and girder. Total cars, 1,560. Power station, 1; substations, 12.

Baltimore Coach Co.—In Jan., 1927, the Maryland Public Service Commission authorized the four bus companies controlled by The United Railways and Electric Co. of Baltimore to consolidate under the name Baltimore Coach Co., which issued 5,000 shares of no par value capital stock to that company. The four consolidating companies are Baltimore Transit Co., the City Motor Co., the East Fayette Street Bus Co., Inc., and the Baltimore Bus Co.

The company owned as of Dec. 31, 1927, 108 buses and 3 trackless trolleys, and operates a total route mileage of 45.22 miles and gave service to the extent of 2,113,819 miles during 1926.

Valuation—The Maryland Public Service Commission instituted proceedings for the valuation of Company's property on December 30, 1912. Stone & Webster were engaged by the Company as engineering experts and the late William H. Maltbie, was placed in charge of the work. The properties of Company were valued at $75,000,000 as of Feb. 1, 1928, in an opinion handed down by the Commission. The physical properties were valued at $70,000,000, the remaining $5,000,000 covering the company's easements.

Rate of Fare—On Feb. 10, 1928, the Public Service Commission issued an order, effective Feb. 13, 1928, placing the rates of fare as follows: three checks for 25 cents; fare without checks, 9 cents; children between 4 and 12 years, 5 cents; school children over 12, including those attending high schools, 5 cents; universal free transfer. The Company is seeking the right to charge a flat 10 cent fare and at time of going to press the matter was being thrashed out in the courts.

CAPITAL STOCK

Authorized, $35,000,000 Common and $14,000,000 4% cumulative Preferred; outstanding, $20,461,200 Common; par, $50. The holders of the Preferred stock had the option of exchanging their shares for the Income Gold 4% Bonds of 1899 described below, and this option was exercised by all the holders and the Company now has no Pfd. stock outstanding.

Transfer Agent—Alex. Brown & Sons, Baltimore.

Registrars—Continental Trust Co. and Maryland Trust Co., Baltimore.

Annual Meeting—Second Wednesday in April.

Listed—Common stock is listed on Baltimore and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	23⅞	21	21⅜	20⅞	18⅞	23	12½	15
Low	16	17	18	15¾	15¾	9	7¼	9

Dividends—Pfd. dividends were paid as follows: 1899, 3%; 1900 to 1903, 4% each; 1904 to 1910, inclusive, none paid; 1911 to 1919, inclusive, when all Pfd. stock was exchanged for Income 4s of 1899, 4% each year. Initial Common dividend of 1½% paid May 10, 1912; Nov. 12, 1912, 1½%; April 11, 1913, 2%; July, 1913, 1%, and at same rate quaterly to and including Jan. 22, 1919; quarterly dividends resumed on Aug. 15, 1922, with payment of 1%, which quarterly rate since maintained to Nov. 15, 1927; none since; payments were made F, M, A & N 15. Directors meet for dividend action on the fourth Tuesday of J, A, J & O.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1)	Baltimore, Sparrows Point & Chesapeake Railway Co. First Mtge. 4½s	Due	Feb. 1, 1953
(2)	Baltimore Traction Co. First 5s	"	Nov. 1, 1929
(3)	Baltimore Traction Co. No. Balti. Division, First 5s	"	June 1, 1942
(4)	Central Railway Co. Consolidated 5s	"	May 1, 1932
(5)	Lake Roland Elevated Railway Co. First Consolidated 5s	"	Sept. 1, 1942
(6)	The Maryland Electric Railways Co. First Sinking Fund Gold 5s	"	Oct. 1, 1931
(7)	Central Railway Co. Extension & Improvement 5s	"	Mar. 1, 1932
(8)	The Maryland Electric Railways Co. First & Ref. Gold 6½s Series "A"	"	Jan. 1, 1957
(9)	The Maryland Electric Railways Co. First & Ref. Gold 6½s Series "B"	"	Jan. 1, 1962
(10)	The United Railways & Electric Co. of Baltimore First Consolidated 4s	"	Mar. 1, 1949
(11)	The United Railways & Electric Co. of Baltimore First Consolidated 6s	"	Mar. 1, 1949
(12)	The United Railways & Electric Co. of Baltimore Funding 5s	"	June 1, 1936
(13)	The United Railways & Electric Co. of Baltimore Income Gold 4s	Due after	Mar. 1, 1949
(14)	The United Railways & Electric Co. of Baltimore 3-Year 6% Gold Notes	Due	Mar. 1, 1930

(1)

$2,000,000 (ENTIRE ISSUE) BALTIMORE, SPARROWS POINT & CHESAPEAKE RAILWAY CO. FIRST MORTGAGE GOLD 4½s; DUE FEBRUARY 1, 1953

Dated January 31, 1903.

Interest Payable February and August 1, at office of Alex. Brown & Sons, Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Trust Co., Baltimore.

Security—A first lien on entire property of the former Baltimore Sparrows Point & Chesapeake Ry. Co. Prior in lien to the $3,838,500 Maryland Electric Railways Co. First & Ref. 6½s of 1957 which provide for retirement.

Guaranty—Guaranteed principal and interest by endorsement, by The United Railways & Electric Co. of Baltimore, which owns the entire outstanding stock of this company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Maryland.

Legal for trust funds in Baltimore.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	92⅝	82¾	88¼	90	90	90¾	81	88½
Low	87	80	82¾	86	88	81	75	79

(2)

$1,500,000 BALTIMORE TRACTION COMPANY FIRST MORTGAGE 5s; DUE NOVEMBER 1, 1929

Dated November 1, 1889.

Interest Payable May and November 1, at Merchants National Bank, Baltimore.

Denomination—Coupon, $1,000.

Trustee—Mercantile Trust & Deposit Co., Baltimore.

Provisions of Issue—Authorized and issued $1,500,000.

Security—A first lien on the properties of the Old Citizens Railway Co. and People's Railway Co. and all improvements thereon. Prior in lien to the $32,450,000 United Railways & Electric Co. of Baltimore First Consolidated 4s and 6s of 1949, which provide for retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for trust funds in Baltimore.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100¼	99⅞	100	99½	98	99	92½	95½
Low	99¾	99¼	99¼	97	97⅛	95	84¼	87

(3)

$1,750,000 BALTIMORE TRACTION COMPANY NORTH BALTIMORE DIVISION FIRST MORTGAGE 5s; DUE JUNE 1, 1942

Dated June 1, 1892.

Interest Payable June and December 1, at Merchants National Bank, Baltimore.

Denomination—Coupon, $1,000.

Trustee—Mercantile Trust & Deposit Co., Baltimore.

Provisions of Issue—Authorized and issued $1,750,000.

Security—A first lien on 21 miles of tract in Baltimore. Prior in lien to $32,450,000 United Railways & Electric Co. of Baltimore First Consolidated 4s and 6s of 1949, which provide for retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for trust funds in Baltimore.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	100¼	100	98½	98¾	99	92	87½
Low	99¾	99	99¼	97⅜	96	97½	84	87½

(4)

$700,000 CENTRAL RAILWAY COMPANY CONSOLIDATED MORTGAGE GOLD 5s; DUE MAY 1, 1932

Dated May 1, 1892.

Interest Payable May and November 1, at Merchants' National Bank, Baltimore.

Denomination—Coupon, $1,000.

Trustee—Mercantile Trust & Deposit Co., Baltimore.

Provisions of Issue—Authorized and issued $700,000, of which $6,000 held in treasury.

Security—A first lien on 37 miles of street railway in Baltimore. Underlie $600,000 Central Railway Co. Extension and Improvement First 5s of 1932 and $32,450,000 United Railways & Electric Co. of Baltimore First Consolidated 4s and 6s of 1949, which latter provide for retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for trust funds in Baltimore.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100½	99⅝	99½	98¾	98½	99	93½	94
Low	99¾ bid		99	97	97	96½	87⅛	86⅝

(5)

$1,000,000 LAKE ROLAND ELEVATED RAILWAY COMPANY FIRST CONSOLIDATED MORTGAGE 5s; DUE SEPTEMBER 1, 1942

Dated September 1, 1892.

Interest Payable March and September 1, at Alexander Brown & Sons, Baltimore.

Denomination—Coupon and registered, $1,000.

Trustee—Baltimore Trust Co., Baltimore.

Provisions of Issue—Authorized and issued, $1,000,000.

Security—A first lien on all property formerly belonging to Lake Roland Elevated Railway Co. Assumed by United Electric Railways Co. of Baltimore. Underlie $32,450,000 of that Company's First Consolidated 4s and 6s of 1949 which provide for retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for trust funds in Baltimore.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100	100¼	100	98½	98	99¼	87	94
Low	100	99½	99	96	96½	97	84	94

(6)

$2,850,000 THE MARYLAND ELECTRIC RAILWAYS COMPANY FIRST MORTGAGE 25-YEAR SINKING FUND GOLD 5s; DUE OCTOBER 1, 1931

Dated September 15, 1906.

Interest Payable April and October 1, at Alexander Brown & Sons, Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mercantile Trust & Deposit Co., Baltimore.

Provisions of Issue—Originally authorized $8,000,000 but reduced to $4,946,000; issued $4,946,000 of which $2,096,000 acquired through general sinking fund, leaving outstanding, $2,850,000.

Callability—Subject to call at 110 and interest on any interest date upon 90 days' notice.

Sinking Fund—Sinking fund of 1½% of bonds outstanding is provided by The United Rys. & Electric Co. of Baltimore, and an additional sinking fund of 7½% of the cost of all equipment purchased out of the proceeds of these bonds, began Oct. 1, 1909, $2,096,000 Maryland Electric Rys. First Mortgage 5% bonds held in 1½% sinking fund Dec. 31, 1927.

Security—Secured by a first mortgage upon the so-called "Boulevard Line" of street railways to Roland Park, operated as a part of the United Railways system. Additionally secured by a first lien on power plants, on real estate improved by service stations and nine car barns, by a tract of land of about 30 acres known as Bay Shore Park, and by modern electric cars and other equipment which cost approximately $1,200,000. Underlie $3,838,500 Maryland Electric Railways Co. First & Ref. 6½s Series A, due 1957, and retirement of First Mortgage 5% bonds is provided for through issue of $3,800,000 Series "B" bonds of which $710,000 have been issued to United Railways & Electric Co. and $17,000 retired through sinking fund, leaving $693,000 to United Railways & Electric Co. and $3,090,000 with Trustee. Under the terms of an agreement between the Maryland Electric Rys. Co. and The United Railways Electric Co. all the property and equipment acquired is leased to the latter company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99¾	96½	97¼	97	96¼	98	85½	95
Low	98	94¾	95	93	92½	86	80	75

(7)

$600,000 CENTRAL RAILWAY COMPANY EXTENSION & IMPROVEMENT MORTGAGE 5s; DUE MARCH 1, 1932

Dated March 1, 1897.

Interest Payable March and September 1, at Merchants' National Bank, Baltimore.

Denomination—Coupon, $1,000.

Trustee—Baltimore Trust Co., Baltimore.

Provisions of Issue—Authorized and issued, $600,000, of which $2,000 held in treasury.

Security—Secured by a mortgage on the property of the company subject to the $700,000 Central Railway Co. Consolidated Gold 5s of 1932. Underlie the $32,450,000 United Railways & Electric Co. First Consolidated 4s and 6s of 1949, which provide for retirement. Assumed by The United Railways & Electric Co. of Baltimore.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for trust funds in Baltimore.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100	99⅝	99½	98½	97	98½	93	95½
Low	100	99⅜	99½	98½	97	98½ bid		95½

(8 & 9)

$3,838,500 THE MARYLAND ELECTRIC RAILWAYS COMPANY FIRST & REFUNDING GOLD 6½s, SERIES "A"; DUE JANUARY 1, 1957

$693,000 THE MARYLAND ELECTRIC RAILWAYS COMPANY FIRST & REFUNDING GOLD 6½s, SERIES "B"; DUE JANUARY 1, 1957

Dated January 1, 1924.

Interest Payable January and July 1, at Alex. Brown & Sons, Baltimore, or at Agency of Company in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Safe Deposit & Trust Co., Baltimore.

Provisions of Issue—Authorized Series "A", $4,000,000, of which $3,838,500 are outstanding; authorized Series "B," $3,800,000, of which $17,000 retired by sinking fund and $3,090,000 deposited with Trustee, leaving $693,000 outstanding.

The total issue of First & Refunding Mortgage bonds will be limited to $25,000,000, including bonds for refunding purposes, unless and until there shall have been a consolidation or merger of The United Rys. & Electric Co. of Baltimore and The Maryland Electric Rys. Co., in which event additional bonds may be issued for refunding securities, and for capital improvements to the extent of 80% of cost. The bonds will be issuable in series, the interest rate, date of maturity, redemption prices and other terms and conditions of each series to be determined at the time of issue.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice, at 105 and interest on or before July 1, 1936, and thereafter at 100 and interest plus a premium of 1% for each five years or portion thereof from date of redemption to date of maturity; the bonds, however, to be redeemed Jan. 1, 1956, and thereafter at 100 and interest.

Sinking Fund—An annual sinking fund of 1% of all First & Refunding Mortgage bonds, Series "A," from time to time outstanding, the first payment to be made not later than Jan. 1, 1925, is to be used for purchase or call and retirement of First & Refunding Mortgage bonds, Series "A." This is in addition to a fund of not less than 1% per annum for improvements, depreciation and obsolescence.

Security—Secured by a first and only mortgage on a portion of the Company's property, and by a direct mortgage on the entire remaining property of the Company subject to underlying liens, totaling $4,850,000, as follows: $2,000,000 The Baltimore, Sparrows Point & Chesapeake Ry. Co. First 4½s, due Feb. 1, 1953, and $2,850,000 Maryland Electric Rys. Co. First 5s, due Oct. 1, 1931.

Guaranty—Payment of principal and interest guaranteed by endorsement on each bond by The United Rys. & Electric Co. of Baltimore.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Joseph C. France and Piper, Carey & Hall (for the Company) and Venable, Baetjer & Howard (for the bankers).

Original Offering—First publicly offered ($4,000,000) in January, 1924, at 100 and interest to yield 6½%, by Alexander Brown & Sons, Baltimore, and E. H. Rollins & Sons, New York, etc.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925
High	102	97½	100
Low	96¾	91¾	92

(10)

$23,766,000 THE UNITED RAILWAYS & ELECTRIC COMPANY OF BALTIMORE FIRST CONSOLIDATED MORTGAGE GOLD 4s; DUE MARCH 1, 1949

Dated March 6, 1899.

Interest Payable March and September 1, at Alexander Brown & Sons, Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental Trust Co. of Baltimore.

Provisions of Issue—Authorized, $38,000,000, of which $5,550,000 are reserved to retire the underlying bonds described in sections 2, 3, 4, 5 and 7. During 1922, $2,684,000 of these bonds were exchanged for 6% bonds according to the agreement mentioned in the following section.

Security—Secured equally with the $8,684,000 United Railways & Electric Co. of Baltimore, First Consolidated 6s of 1949, subject to the supplemented indenture specified under the description of those bonds, by a first lien on 264 miles of a total of 413 miles operated as well as a lien on the Carroll Park car and machine shops, and the Hartford Road, Eastern Avenue and Nunnery Lane substations, subject to $1,500,000 Baltimore Traction Co. First 5s of 1929, $1,750,000 Traction Co., North Baltimore Division First 5s of 1942, $1,000,000 Lake Roland Elevated Railway First 5s of 1942, $700,000 Central Railway Co. Consolidated 5s of 1932, and $600,000 Central Railway Co. Extension & Improvement First 5s of 1932, for the retirement of all which issues, bonds are reserved under this mortgage. Additionally secured by pledge of the capital stock of The Maryland Electric Railways Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for trust funds in Baltimore.

Listed—Baltimore and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	78⅛	71½	71	73¼	74¼	77	68½	60
Low	70¼	66½	66¼	68¾	70¼	66¾	60¾	59

(11)

$8,684,000 THE UNITED RAILWAYS & ELECTRIC COMPANY OF BALTIMORE FIRST CONSOLIDATED MORTGAGE GOLD 6s; DUE MARCH 1, 1949

Dated March 6, 1899.

Interest Payable March and September 1, at Alexander Brown & Sons, Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental Trust Co., Baltimore.

Provisions of Issue—In addition to the $6,000,000 issued, $2,684,000 of the 4% bonds were exchanged for the 6% bonds, making the outstanding amount, $8,684,000 as of Dec. 31, 1927. These bonds are issued under the First Consolidated Mortgage, dated March 6, 1889, and the principal as well as interest at the rate of 4% per annum, is secured by the lien of that mortgage. Pursuant to a Supplemental Indenture, the company is to affix to the bonds its obligations to pay additional interest at the rate of 2% per annum, thus making the total interest rate 6% per annum. The 2% additional interest is not secured by the First Consolidated Mortgage, but in the Supplemental Indenture the company covenants that it will not create any new mortgage upon any part of its property subject to the First Consolidated Mortgage, unless such new mortgage expressly secured the payment of said additional interest obligations equally and ratably with any indebtedness secured by such new mortgage.

Security—See description under First Consolidated 4s above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($6,000,000) in April, 1922, at 97 and interest yielding about 6¼%, by Alexander Brown & Sons, Baltimore.

Bond Exchange—Due to the fact that the 6% bonds were largely over-subscribed, a number of holders of the First Cons. Mtge. 4% Bonds expressed a desire to exchange their bonds for the 6% Bonds on some fair basis. Accordingly, the holders of $2,684,000 4% Bonds availed themselves of this privilege, the holders paying the company $250 per $1,000 bond for the exchange.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	101½	98	96¾	99¾	102½	103½
Low	96	91½	91½	95¼	99	98¼

(12)

$3,920,000 (ENTIRE ISSUE) THE UNITED RAILWAYS & ELECTRIC COMPANY OF BALTIMORE FUNDING 5s; DUE JUNE 1, 1936

Dated 1906.

Interest Payable June and December 1, at Alexander Brown & Sons, Baltimore.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—Maryland Trust Co., Baltimore.

Provisions of Issue—Authorized and issued, $3,920,000, of which $20,800 are in custody with trustee and $23,272 held in treasury. Issued to fund coupons of the United Railways & Electric Co. of Baltimore. Income 4s.

Callability—Subject to call at par and interest on any interest date.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	85	77	74	75	77½	81	66½	66⅛
Low	75¾	67½	67¼	70½	72½	66	58	56

(13)

$14,000,000 THE UNITED RAILWAYS & ELECTRIC COMPANY OF BALTIMORE INCOME GOLD 4s; NO DATE OF MATURITY

Dated March 30, 1899.

Interest Payable June and December 1, when earned at Alexander Brown & Sons, Baltimore. Cash payments at the rate of 4% per annum have been paid since June 1, 1911.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Maryland Trust Co., Baltimore.

Provisions of Issue—Authorized and issued $14,000,000, of which $23,000 held in treasury at December 31, 1927. Issued to Pfd. stockholders of Company in exchange for their stock at par.

Callability—Subject to call at option of Company after March 1, 1949.

Funding Agreement—Coupons on the income bonds from June, 1904, to June, 1906, being unpaid, the company entered into a funding agreement with the holders, whereby these unpaid coupons were funded into the Funding bonds described above. All coupons on the income bonds up to and including Dec. 1, 1910, were funded in like manner as they became due.

Security—Secured by pledge of the stock of The Maryland Electric Railways Co.

Tax Provisions—Company does not pay Normal Federal Income Tax. These bonds are tax exempt in Maryland.

Listed—Baltimore and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	60	52¾	52½	53	55	59¼	48½	49
Low	50⅝	48	48	49	50	46	41	42

(14)

$2,500,000 THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE THREE YEAR 6% GOLD NOTES; DUE MARCH 1, 1930

Dated March 1, 1927.

Interest Payable March and September 1, at Alex. Brown & Sons, Baltimore.

Denominations—Coupon notes, $500 and $1,000; principal may be registered.

Trustee—Safe Deposit and Trust Company of Baltimore.

Purpose of Issue—Issued, $2,500,000; proceeds from sale of which, together with cash supplied by the Company were to be used to redeem Company's 6% notes maturing August 1, 1927.

Callability—Subject to call at any time on 30 days' notice at 100 and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Joseph C. France (for the Company) and Venable, Baetjer & Howard (for the bankers).

Original Offering—First publicly offered ($2,500,000) in February, 1927, at 99¼ and interest to yield about 6.28% by Alex. Brown & Sons, Baltimore. The 6% notes of Company due August 1, 1927, were acceptable as payment at par and interest for notes of this issue.

Listed—Baltimore Stock Exchange.

Price Range—1927, High: 100¾; low, 98½.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Rev. Passengers Carried. No.	Transfers. No.	Earnings per Car Mile. Cents.	*Cost per Car Mile. Cents.	Car Miles Run. Miles.
1917	212,893,619	83,430,701	31.33 cts.	15.63 cts.	33,705,804
1918	226,834,528	81,879,968	36.63 cts.	21.00 cts.	32,569,906
1919	243,890,966	86,756,575	41.65 cts.	25.88 cts.	35,522,354
1920	253,934,179	93,883,660	46.59 cts.	28.16 cts.	37,162,202
1921	238,090,980	91,259,537	45.74 cts.	27.90 cts.	35,708,863
1922	233,732,146	90,808,955	46.11 cts.	27.52 cts.	34,964,036
1923	238,658,380	92,838,315	45.89 cts.	27.32 cts.	35,873,841
1924	228,423,774	91,879,977	45.74 cts.	27.28 cts.	35,973,691
1925	224,235,527	92,893,328	46.54 cts.	27.85 cts.	35,717,666
1926	225,255,633	93,695,891	47.35 cts.	28.20 cts.	35,304,583
1927	218,714,410	89,039,613	47.58 cts.	29.39 cts.	33,979,657

*Exclusive of taxes and rehabilitation charges.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Operating Income—	†1927	†1926	†1925	†1924	1923	1922
Revenue from transportation	$16,043,932	$16,571,546	$16,481,077	$16,294,580	$16,281,849	$15,962,186
Revenue from other railway oper.	144,736	144,163	140,143	158,674	179,950	160,406
Total	$16,188,668	$16,715,709	$16,621,220	$16,453,254	$16,461,799	$16,122,592
Oper. expenses (including depreciation)	10,796,439	10,790,805	10,776,811	10,637,926	10,622,403	10,429,122
Taxes, licenses, etc.	1,575,938	1,672,316	1,632,386	1,656,074	1,800,335	1,740,512
Total operating expenses, taxes, etc.	$12,372,377	$12,463,121	$12,409,197	$12,293,999	$12,422,738	$12,169,634
Operating income	$3,816,291	4,252,588	4,212,023	4,159,255	4,039,061	3,952,957
Non-operating income	165,656	139,569	120,815	143,976	160,029	156,246
Gross income	$3,981,947	$4,392,157	$4,332,838	$4,303,231	$4,199,090	$4,109,203
Deductions from Gross Income—						
Rents	$561,041	$558,088	$558,809	$546,344	$406,595	$419,406
Interest on funded debt	2,125,064	2,093,415	2,093,415	2,093,415	2,093,415	2,137,051
Interest on unfunded debt	84,758	64,544	33,561	30,501	70,745	96,087
Interest on income bonds	559,080	559,080	559,080	559,080	559,080	559,080
Amortization of discount on funded debt	67,902	58,994	59,388	59,267	50,376	58,088
Miscellaneous	48,737	47,981	47,975	46,656	42,612	40,222
Total deductions from gross income	$3,446,582	$3,382,102	$3,352,228	$3,335,263	$3,222,823	$3,309,934
Net income	$535,365	1,010,054	980,610	967,968	976,266	799,269
Dividends	818,448	818,448	818,448	818,448	818,448	409,224
Balance after dividends	‡$283,083	$191,606	$162,162	$149,520	$157,818	$390,045
***Times Bond Interest Earned**	1.27	1.44	1.42	1.41	1.42	1.37
Earnings Per Share	$1.31	$2.47	$2.38	$2.37	$2.39	$1.95

*After deducting rents. †Figures for 1924 to 1927, inclusive are consolidated, representing those of United Rys. & Electric Co. of Baltimore and those of The Maryland Electric Rys. Co. ‡Deficit.

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1927

Profit and loss surplus, Jan. 1, 1927, $2,020,863; net income for year, $535,365; adjustment on account of power contract, $61,138; miscellaneous credits, $19,450—total, $2,636,816. Deduct: dividends paid, $818,448; amortization of property abandoned, $200,000; miscellaneous debits, $29,545—total, $1,047,993. Profit and loss surplus, Dec. 31, 1927, $1,588,823.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	*1927	*1926	*1925	*1924	1923	1922
Road and equipment	$90,994,930	$90,394,877	$91,085,815	$90,396,714	$80,194,395	$79,608,822
Sinking and depreciation funds	469,900	447,244	376,547	322,041	.....	.....
Investments	803,650	818,582	815,602	612,186	752,066	606,548
Treasury bonds	751,272	570,772	392,272	221,772	58,272	58,272
Materials and supplies	1,143,498	1,161,103	1,192,201	1,129,602	1,022,380	1,039,086
Cash on hand	302,345	247,662	155,382	782,552	344,442	1,017,698
Cash to pay dividends and interest	283,480	294,740	287,673	151,394	135,304	125,385
Accounts receivable	100,425	215,510	137,047	100,194	148,433	188,228
Interest, dividends and rents rec.	35,002	.....	.....	.....	.....	.....
Md. Elec. Rys. Co. Lessor account	.....	151,563	214,493	181,514	6,584,557	6,322,654
Other deferred debits	.....	.....	.....	.....	3,426	3,426
Prepayments	82,391	114,725	22,218	52,455	106,199	28,337
Unextinguished discounts on securities	762,125	746,878	805,872	865,190	700,876	751,252
Property abandoned to be amortized	1,047,757	1,076,063	121,227	108,087	59,500	.....
Converting cars	668,132	661,928	434,478	169,069	.....	.....
Appraisal of property	191,130	197,216	195,068	71,247	.....	.....
Other unadjusted debits	33,359	27,311	207,733	109,813	45,651	41,680
Total	$97,669,396	$97,126,173	$96,443,628	$95,273,831	$90,155,502	$89,791,388

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	*1927	*1926	*1925	*1924	1923	1922
Common stock	$20,461,200	$20,461,200	$20,461,200	$20,461,200	$20,461,200	$20,461,200
Grants in aid of construction	264,392	90,259	90,259	90,259	.....	.....
Funded debt	53,801,500	53,833,000	53,863,500	53,895,500	49,366,000	49,366,000
Non-negotiable debt to affiliated company	200,000	200,000	200,000	.....	.....	.....
Income bonds	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Notes payable	1,350,000	1,025,000	900,000	.....	.....	.....
Accounts and wages payable	467,574	342,446	363,143	505,370	405,698	472,623
Matured interest and dividends, unpaid	283,480	294,740	287,673	151,394	135,304	145,951
Accrued interest, not due	755,177	767,677	767,677	767,677	668,352	668,352
Accrued rent not due	.....	.....	.....	.....	107,587	117,870
Outstanding tickets	171,985	147,331	127,301	108,982	55,217	59,938
Tax liability	314,400	368,481	310,444	307,526	454,524	396,130
Deferred liability—City of Baltimore & State Roads Comm. for track reconstruction, not due	292,652	264,486	.....	.....	.....	.....
Payments under equipment contracts, not due	238,028	.....	.....	.....	.....	.....
Reserves for injuries and damages	312,832	302,161	326,911	359,486	355,317	322,633
Reserves for depreciation of road & equip.	1,645,007	1,520,541	1,303,799	1,195,693	1,187,375	1,109,234
Depreciation of invest. & contingent liability on account of obligations of affil. cos.	645,750	645,750	590,780	590,780	383,280	383,280
Payments by holders of 1st Cons. Mtge. 4s, exchanged for 6s	532,606	557,769	582,932	608,094	633,256	658,418
Other unadjusted credits	93,012	33,492	11,560	75	97,428	76,661
Excess of Md. Elec. Rys. Co. capital stock at par, less book value of leases over cost of acquiring the stock	250,877	250,977	250,977	250,977	.....	.....
Profit and loss	1,588,823	2,020,863	2,005,473	1,980,817	1,844,964	1,533,098
Total	$97,669,396	$97,126,173	$96,443,628	$95,273,831	$90,155,502	$89,791,388

*Consolidated balance sheet, figures including those of United Rys. & Electric Co. of Baltimore and The Maryland Electric Rys. Co.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	†1927	†1926	†1925	†1924	1923	1922
Cash in banks and on hand	$585,825	$542,402	$443,055	$933,946	$479,746	$1,143,083
Accounts receivable	100,425	215,510	137,047	100,194	148,433	188,228
Materials and supplies	1,143,498	1,161,103	1,192,201	1,129,602	1,022,380	1,039,086
Interest, dividends and rents rec.	35,002	.....	.....	.....	.....	.....
Total	$1,864,750	$1,919,015	$1,772,303	$2,163,742	$1,650,560	$2,370,397
Current Liabilities—						
Accounts and wages payable	$467,574	$342,446	$363,143	$505,370	$405,698	$472,623
Notes payable	1,350,000	1,025,000	900,000	.....	.....	.....
Interest accrued, not due	755,177	767,676	767,677	767,677	668,352	668,352
Matured int. and dividends unpaid	283,480	294,740	287,673	151,394	135,304	145,951
Accrued rent, not due	.....	.....	.....	.....	107,587	117,870
Total	$2,856,231	$2,429,862	$2,318,493	$1,424,441	$1,316,940	$1,404,796
Net Working Capital	*$991,481	*$510,847	*$546,190	$739,301	$333,620	$965,601

*Debit. †Consolidated statement.

Officers: C. D. Emmons, Pres.; Thomas A. Cross, V-P., in Charge of Claims; J. Pembroke Thom, V-P. & Gen. Atty.; John L. Swope, V-P.; H. B. Potter, V-P. & Gen. Mgr.; S. E. Emmons, Asst. Gen. Mgr.; Wm. Early, Sec.; John T. Staub, Treas.; J. P. Tingle, Asst. Sec.; Charles J. Kuhlmann, Asst. Sec.; Edward Early, Asst. Treas.; N. E. Stubbs, Aud.; H. M. Grafton, Asst. Aud.; J. C. France, Gen. Counsel, Baltimore, Md.

Executive Committee: Alexander Brown, Chas. E. F. Clarke, B. Howell Griswold, Jr., George C. Jenkins, M. Ernest Jenkins, C. D. Emmons, J. E. Aldred.

Directors: J. E. Aldred, Alexander Brown, Chas. E. F. Clarke, Leon C. Coblens, Thos. A. Cross, William Early, C. D. Emmons, B. Howell Griswold, Jr., Thos. Hildt, George C. Jenkins, M. Ernest Jenkins, Seymour Mandelbaum, Blanchard Randall, John L. Swope, F. W. Wood.

Office, Baltimore, Md.

THE MARYLAND ELECTRIC RAILWAYS COMPANY

(Controlled and operated under lease by United Rys. & Electric Co. of Baltimore)

History and Properties—Incorporated March 21, 1924, in Maryland, as a consolidation of The Maryland Electric Rys. Co. (organized Aug. 7, 1906), the Baltimore, Halethorpe & Elkridge Ry. Co. (incorporated Dec. 20, 1905) and the Baltimore, Sparrows Point & Chesapeake Ry. Co. (incorporated Jan. 22 1903.) For statements of these three companies see Manual for 1924, pages 1414, 1415 and 1416, or apply to our Information Department. On May 5, 1924, Company acquired the Baltimore & Belair Electric Ry. Co. through purchase of all its railroad property, rights, privileges, franchises, etc. This represents a consolidation of all the principal subsidiaries of The United Railways & Electric Co. of Baltimore into a single subsidiary Company, all the properties of which, comprising about 69 miles of track, 170 cars and an equity in 32 additional cars, 9 car houses, 7 important sub-stations having a total capacity of 38,000 k.w., Bay Shore Park, and trackage, including the "St. Paul Street Boulevard Line," the Guilford and Halethorpe lines, the Stadium extension, and the "Sparrows Point Line," extending from Baltimore to Sparrows Point, are leased to The United Railways & Electric Co. of Baltimore for a period of 999 years renewable forever, for an unconditional annual rental sufficient to cover maintenance, insurance, taxes, interest and other charges.

CAPITAL STOCK

Authorized and outstanding, $1,573,800; par, $50. All owned by The United Railways & Electric Co. of Baltimore and pledged as collateral under the First Consolidated Mortgage, due 1949 and the Income Bond Mortgage of that Company. Annual meeting in March.

FUNDED DEBT

Total funded debt of Company included in statement of The United Railways & Electric Co. of Baltimore, which see.

Officers: C. D. Emmons, Pres.; T. A. Cross, V-P. John L. Swope, V-P.; John T. Staub, V-P. & Treas. J. P. Thom, V-P. & Gen. Attorney, William Early Sec.; N. E. Stubbs, Aud., Baltimore, Md.

Directors: C. D. Emmons, John T. Staub, William Early, S. E. Emmons, H. B. Potter, N. E. Stubbs, C. S. Williams, Baltimore, Md.

General Office, 1005 Continental Bldg., Baltimore, Md.

FITCHBURG AND LEOMINSTER STREET RAILWAY COMPANY

History and Property—Incorporated April 10, 1886, in Mass., as the Fitchburg Street R. R.; name changed to present title in 1892 upon consolidation with the Leominster St. Ry. Co. In April, 1905, absorbed the Leominster, Shirley & Ayer St. Ry. Line connects Fitchburg, Leominster, Lunenburg, Shirley and Ayer. Main line owned, 31.06 miles; second track, 5.34 miles; sidings, etc., 2.65 miles; total track, 39.05 miles. Gauge, standard. Rail, 70 lb. T, 133 lb. girder. Equipment: 24 cars; 4 busses; 3 service cars; 2 snow plows; 3 sweepers; 183 electric motors; 2 power stations; 3 rotary converters. Population served, 60,000. Owns $3,250 capital stock of the Nashua River Reservoir Co.; also owns and operates the summer resort known as Whalom Park.

CAPITAL STOCK

Authorized, $700,000; outstanding, $450,000; par, $100. Stock transferred at company's office. Annual meeting, second Tuesday in April.

Dividends—Dividends paid 1887 to 1894, 4% to 8%; 1894 to 1901, inclusive, 8% per annum; 1902 to 1918, 6% per annum; 1919, 1920, 1921 and 1922, 5% each; 1923, 3%; none since.

FUNDED DEBT

$300,000 Fitchburg & Leominster St. Ry. Consolidated Gold 4½s; dated Feb. 1, 1901; due Feb. 1, 1921, extended at 7% to Feb. 1, 1926; further extended to Feb. 1, 1931 at 5%; int. Feb. and Aug. 1, at Boston Safe Deposit & Trust Co., Boston, Mass., Trustee. Coupon, $1,000. Authorized, $350,000. Secured on entire property except that of the Leominster, Shirley & Ayer St. Ry. Company does not pay Normal Federal Income Tax.

$100,000 Leominster, Shirley & Ayer Street Ry. Co. First Gold 5s; dated Feb. 1, 1905; due Feb. 1, 1921, extended at 7% to Feb. 1, 1926; further extended to Feb. 1, 1931, at 4%; int. Feb. and Aug. 1, at Boston Safe Deposit & Trust Co., Boston, Mass., Trustee. Coupon $1,000; principal may be registered. Assumed by Fitchburg & Leominster St. Ry. Co. A first lien on road from Leominster to Shirley and Ayer. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$366,455	$366,044	$368,585	$432,198	$496,542	$495,340
Operating expenses and taxes	350,153	347,524	285,909	344,737	400,475	395,302
Net earnings	$16,302	$18,520	$82,676	$87,461	$96,067	$100,037
Interest charges, etc.	35,780	28,234	71,057	75,800	75,433	74,812
Balance for dividends	*$19,478	*$9,714	$11,619	$11,661	$20,634	$25,225
Dividends paid	.....	.....	.....	.....	13,500	22,500
Surplus for year	*$19,478	*$9,714	$11,619	$11,661	$7,134	$2,725

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,570,698	$1,640,621	$1,616,827
Stocks owned	3,250	3,250	3,250
Materials and supplies	.....	62,384	56,240
Cash	4,676	21,740	6,939
Accounts receivable	1,748	5,420	18,959
Special deposits	1,625	1,625	.....
Unadjusted debits	251	2,206	5,591
Prepaid items	.....	8,333	2,761
Profit and loss	158,999	.....	.....
Total	$1,741,247	$1,745,579	$1,710,566

Liabilities—	1927	1926	1925
Capital stock	$450,000	$450,000	$450,000
Funded debt	400,000	400,000	400,000
Notes payable	803,117	710,800	710,800
Accounts payable	44,333	86,706	13,500
Accrued interest	.....	1,440	5,945
Other current liabilities	15,125	15,125	25,842
Unadjusted credits	7,922	4,107	6,679
Depreciation reserve	20,750	15,750	15,750
Profit and loss	.....	61,652	82,650
Total	$1,741,247	$1,745,579	$1,710,566

Officers: Emerson W. Baker, Pres. & Sec.; L. H. Cushing, Treas., Mgr. & Pur. Agt., Fitchburg, Mass.

Directors: Emerson W. Baker, T. H. Shea, Geo. R. Wallace, Jr., H. G. Townsend, Robert S. Parks, Albert C. Brown, Fitchburg, Mass.

Office, Fitchburg, Mass.

LYNN GAS & ELECTRIC COMPANY

History—Incorporated in 1883, in Mass. Supplies gas and electric light to Lynn, Swampscott, Saugus and Nahant, Mass. Population served, 90,000.

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, $2,437,500; par, $25. Transfer office, Lynn, Mass. Annual meeting, last Monday in January.

Subscription Privileges—Stockholders of record Jan. 25, 1926, received the right to subscribe on or before Feb. 20, 1926 for 16,250 additional shares of capital stock (par $25) at $70 per share, on the basis of one new share for each five shares held.

Stockholders of record January 30, 1928 received the right to subscribe to 19,500 shares additional stock, par $25, at $75 per share in the ratio of one new share for each five shares held. Payment was due April 2, 1928.

Dividends—Dividends have been paid in recent fiscal years as follows: 1908 and 1909, 12%; 1910, 10%; 1911, 10½%; 1912, 16%; 1913 to 1921, 20% each; 1922, 21%; 1923 to 1927, 20% each, inclusive; payments quarterly last days of M, J, S & D.

FUNDED DEBT

None.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,219,927	$3,081,289	$2,879,847	$2,633,464	$2,570,109	$2,484,014
Operating expenses and taxes	*2,346,052	*2,332,816	*2,174,845	*1,976,331	*1,956,305	1,680,626
Net earnings	$873,875	$748,473	$705,002	$657,133	$613,804	$803,388
Other income	10	†22,568	†1,945	†12,251	1,446	6,382
Total income	$873,885	$725,905	$703,059	$644,882	$615,250	‡809,770
Interest paid	57,753	30,347	38,199	21,364	18,927	33,736
Depreciation, etc.	33,081	‡20,921	.....	‡17,567	‡3,419	189,254
Total charges	$90,834	$51,268	$38,199	$38,932	$22,346	$222,990
Net income	$783,051	$674,636	$664,859	$605,950	$592,903	$586,780
Dividends paid	487,500	487,500	406,250	365,625	325,000	341,250
Surplus for year	$295,551	$187,136	$258,609	$240,335	$267,903	$245,530
§Earnings Per Share	$8.03	$6.95	$8.18	$7.46	$9.12	$36.11

*Includes depreciation. †Deficit. ‡Uncollectible revenue. §Based on $100 par value to and including 1922; thereafter, on $25 par value.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$10,378,029	$9,442,102	$8,602,432	$7,498,687	$6,269,999	$6,024,173
Securities owned	100	100	100	100	101	101
Materials and supplies	605,560	581,172	524,307	389,627	398,496	315,268
Cash	167,457	203,318	129,675	112,568	219,414	283,504
Accounts receivable	444,188	407,968	302,012	266,682	258,842	258,487
Other assets	18,567	10,440	.....	.....	247	247
Prepaid items	58,960	61,678	40,999	43,113	43,642	24,785
Work in progress	.....	.....	.....	.....	27,000	.....
Suspense account	154	1,220	4,447	.....	.....	.....
Total	$11,673,015	$10,707,999	$9,603,972	$8,310,777	$7,217,741	$6,906,566
Liabilities—						
Capital stock	$2,437,500	$2,437,500	$2,031,250	$2,031,250	$1,625,000	$1,625,000
Premium on capital stock	2,834,731	2,834,731	2,103,481	2,103,481	1,494,106	1,494,106
Notes payable	1,574,600	1,010,000	1,350,000	450,000	500,000	500,000
Accounts payable	100,332	154,452	194,416	196,643	54,032	49,516
Customers' deposits	45,005	46,198	41,919	.....	36,745	.....
Interest accrued	41	.....	.....	.....	1,146	.....
Dividends declared	.....	.....	.....	.....	.....	81,250
Other current liabilities	.....	.....	.....	.....	.....	35,993
Depreciation reserve	1,661,722	1,208,261	1,056,544	1,041,651	1,196,776	1,059,575
Reserve for taxes	96,000	80,000	80,000	.....	72,500	72,500
Other reserves	15,124	3,000	.....	.....	.....	.....
Unadjusted credits	33	359	.....	.....	.....	1,236
Appropriated surplus	2,025,764	2,025,764	2,025,764	1,725,764	1,725,764	1,725,764
Profit and loss	882,163	907,734	720,598	761,988	511,672	261,626
Total	$11,673,015	$10,707,999	$9,603,972	$8,310,777	$7,217,741	$6,906,566

Officers: M. P. Clough, Pres.; B. N. Johnson, V-P.; C. R. Prichard, V-P. & Gen. Mgr.; E. B. Fraser, Treas. & Clerk; Lynn, Mass.

Directors: Henry N. Berry, M. P. Clough, A. M. Creighton, Eugene B. Fraser, C. R. Prichard, Benj. N. Johnson, A. W. Pinkham, H. Morris Kelley, Lynn, Mass.

Office, Lynn, Mass.

HOLLISTON WATER CO.

History—Incorporated in Mass.; plant completed in 1891. Supplies Holliston, serving population of about 1,800. Annual consumption, 56,651,200 gals. No. of customers, 301. Miles of mains, 45,775.

CAPITAL STOCK

Authorized and outstanding, $25,000 Common and $25,000 Pfd.; par, $100. Annual meeting, third Wednesday in March. No dividends paid.

FUNDED DEBT

(1)

$50,000 First Mortgage 5s; dated July 1, 1910; due July 1, 1930; int. Jan. and July 1, at International Trust Co., Boston. Company does not pay Normal Federal Income Tax.

(2)

There were also outstanding Dec. 31, 1927, $40,000 7% Coupon Notes; dated Dec. 1, 1924; due June 1, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$13,515	$11,691	$13,222
Oper. exp. & taxes	7,695	6,783	7,258
Net earnings	$5,820	$4,908	$5,965
Interest	5,337	2,500	2,500
Surplus for year	$483	$2,408	$3,463

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$111,803	$110,078	$110,078
Cash	2,336	797	686
Accounts receivable	3,758	9,181	4,834
Other current assets	.....	500	.....
Prepaid accounts	148	.....	.....
Profit and loss deficit	27,630	14,984	17,391
Total	$145,675	$135,540	$132,989

Liabilities—	1927	1926	1925
Capital stock	$50,000	$50,000	$50,000
Funded debt	50,000	50,000	50,000
Coupon notes	40,000	30,000	31,200
Accounts & notes payable	3,592	5,540	1,789
Accrued liabilities	2,083	.....	.....
Total	$145,675	$135,540	$132,989

Officers: L. L. Wadsworth, Pres.; C. G. Guild, Treas., Boston, Mass.; A. W. Bagnell, Clerk, Holliston, Mass.

Directors: G. A. Fernald, Winchester, Mass.; L. L. Wadsworth, W. P. Howard, C. G. Guild, Boston Mass.; A. W. Bagnell, Holliston, Mass.

Office, Boston, Mass.

LOWELL & FITCHBURG STREET RY.

History—Incorporated in 1903, in Mass. Line of road extends from North Chelmsford, Mass., to Ayer, where connection is made with the tracks of the Fitchburg & Leominster St. Ry.; also a line from North Chelmsford to West Chelmsford. Length of line, 12.72 miles; sidings, etc., 0.59 mile; total track, 13.31 miles. Gauge, standard. Rail, 70 lb. T. Passenger cars, 1.

CAPITAL STOCK

Authorized and outstanding, $275,000; par, $100. Annual meeting, second Monday in April.

Dividends—Dividends in 1916, 2%; 1917, 6%; 1918, not reported; 1919, 3%; 1920, 4%; 1921, none; 1922, 4%; 1923, 4%; none since.

FUNDED DEBT

$275,000 First Mortgage Gold 5s; dated Jan. 1, 1906 due Jan. 1, 1926, but extended to Jan. 1, 1931, int. formerly paid Jan. and July 1, at American Trust Co., Boston, Trustee. Coupon, $1,000. Subject to call on any interest date at 105 and interest. Company does not pay Normal Federal Income Tax.

Default—The above described First Mortgage bonds were not paid off at maturity on Jan. 1, 1926, and an agreement was made to extend them at the interest rate of 3% per annum. Interest due Jan. 1, 1926 was paid 50% in cash and 50% in notes. Subsequent interest not paid.

Bondholders' Protective Committee—A Bondholders' Protective Committee representing the 5% Gold bonds due Jan. 1, 1926 (now Jan. 1, 1931) is composed of the following: F. E. Billingham, Samuel W. Fear, Isaac Moses, Geo. G. W. Greene and Frank Burton. Counsel for the Committee is Jeremiah Wood, Burton Bldg., Gloversville, N. Y. Committee holds $257,500 par value of the bonds on deposit under Deposit Agreement of July 20, 1925.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$34,275	$43,591	$46,719
Oper. exp. & taxes	40,812	45,324	39,041
Net earnings	*$6,537	*$1,733	$7,678
Other income	12	403	1,604
Total income	*$6,525	*$1,330	$9,282
Bond interest, etc.	8,250	8,250	13,751
Net loss	$14,775	$9,580	$4,469

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$614,990	$641,709	$641,709
Materials and supplies	6,181	6,181	6,181
Special deposits	25	25	25
Cash	145	131	1,240
Loans and notes receivable	12,500	12,500	12,500
Other current accounts	6,465	6,408	6,408
Unadjusted debits	747	559	1,179
Total	$641,053	$667,513	$669,242
Liabilities—			
Capital stock	$275,000	$275,000	$275,000
Funded debt	275,000	275,000	275,000
Current liabilities	35,414	25,300	16,552
Unadjusted credits	10,500	11,250	12,130
Surplus	45,139	80,962	90,559
Total	$641,053	$667,513	$669,242

Officers: W. W. Sargent, Pres. & Gen. Mgr.; C. F. Baker, V-P., Sec. & Treas., Fitchburg, Mass.; F. J. O'Donoghue, Mgr.

Directors: W. W. Sargent, C. F. Baker, T. H. Shea, Fitchburg, Mass.; G. N. Proctor, Boston, Mass.

General Office, Ayer, Mass.

WINNIPEG ELECTRIC COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
7% Cumulative Pfd. (par $100)	J, A, J & O 1	$10,000,000	$4,156,900	Yes	$732,334	7	$280,279	$17.61
Common (no par)	*	†150,000 shs	†149,798 shs	...	452,055	2	220,000	3.02

*1% each on August 1, 1927, and January 16, 1928. †Change from $100 par shares to no par shares did not, in reality, become effective until March, 1928.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Winnipeg Electric Co. 5% Refunding Mtge. Stock or Bonds	Oct. 2, 1954	.....	.....	$4,380,000	No	Yes	Not pd. by Co.
Winnipeg Electric Co. Ref. Mtge. 6s	Oct. 2, 1954	A & O 1	$7,000,000	7,000,000	No	Yes	Paid by Co.
Winnipeg Elec. Ry. First Ref. 5s	Jan. 2, 1935	J & J 1	5,000,000	4,004,000	No	No	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $15,384,000. **Interest Accrued** in 1927, $937,159.
Amount Available for Interest in 1927, $1,669,493. **Times Interest Earned** in 1927, 1.78.

History and Properties—Incorporated in 1904, in Manitoba, as the Winnipeg Electric Railway Co.; name changed to present title in May, 1924. Consolidation of Winnipeg Electric St. Ry. and the Winnipeg General Power Co. Controls the Winnipeg, Selkirk & Lake Winnipeg Ry. and the Suburban Rapid Transit Co. and guarantees the bond issues of those two companies. Also owns 60% of the non-par shares of the Manitoba Power Co., Ltd.; also entire outstanding stock of the Winnipeg River Power Co., Ltd. Owns a water power plant on Pinawa Channel, Winnipeg River, with a capacity of 30,000 h.p. Also has 12,000 h.p. auxiliary steam plant in the city of Winnipeg; 68 miles of high-tension steel-tower and 56 miles of high-tension wood pole transmission lines, located practically the entire distance on a 100 ft. right-of-way owned in fee. Controls all the street railway and gas business in Winnipeg, St. Boniface and the adjoining municipalities, serving a population of about 305,000, and competes with City in electric power and lighting business. Gas plant has a capacity of 2,500,000 cu. ft. with a distribution system comprising 129.2 miles of mains. Price of gas (effective Sept. 1, 1923), monthly rates: First 400 cu. ft., 75 cts. net; next 4,600 ft., $1.30 gross, $1.20 net; next 20,000 ft., $1.25 gross, $1.15 net; next 25,000 ft., $1.20 gross, $1.10 net; next 50,000 ft., $1.15 gross, $1.05 net; all over 100,000 ft., $1.10 gross, $1.00 net; all over 300,000 ft., 95 cts. net. Prepayment meters, $1.50 net per 1,000 cu. ft. Gas heating rate; 85 cents per 1,000 ft.

Franchises—Street railway franchise is exclusive in Winnipeg until 1932 and in St. Boniface until 1943, at which time the municipalities must either buy the railway plants or extend the franchise. In 1913, the company was granted franchises and made contracts for new railway lines in St. Vital and Fort Garry, and for electric lighting and power privileges in St. Vital, and in addition contracts for street lighting in Assiniboia and St. Vital.

The company is required to pay to the city of Winnipeg 5% of the gross annual earnings of all its railway lines in the city, in addition to a tax of $20 on each car operated.

Mileage and Equipment, Dec. 31, 1927—Winnepeg Electric Co., 120.09 miles; Suburban Rapid Transit Co., 21.78 miles; Winnipeg, Selkirk & Lake Winnipeg Ry., 41.32 miles—total 183.19 miles. Gauge, standard. Rail, 56 to 95 lb. T. Cars, 340 motor, 18 trailers and 40 buses.

OPERATING STATISTICS, DECEMBER 31

	Passengers Carried	—Electric Department— No. of Meters	Connected Load (k.w.)	Sales (k.w.h.)	—Gas Department— No. of Meters	Sales (Cubic Feet)
1922	60,399,419	18,673	106,427	86,389,005	22,078	508,947,000
1923	58,253,356	19,511	130,644	100,405,067	22,137	452,859,000
1924	55,077,901	20,823	143,239	141,371,686	21,733	470,404,000
1925	55,096,058	21,929	153,859	154,206,131	20,703	462,271,000
1926	57,985,144	23,301	168,702	175,649,353	19,773	503,397,000
1927	60,045,834	25,286	185,568	191,248,731	19,613	535,578,000

CAPITAL STOCK

Authorized, 150,000 shares Common of no par value and $10,000,000 7% cumulative Pfd. of $100 par value; outstanding Dec. 31, 1927, 149,798 shares Common and $4,156,900 Pfd. In addition there were Preferred stock subscriptions totaling $309,098 as of Dec. 31, 1927.

Changes in Capitalization—The authorized Common stock was increased from $6,000,000 to $10,000,000 in March, 1912, (stockholders having the right to subscribe at par on or before April 15, 1912 for $3,000,000 thereof to the extent of 50% of their respective holdings), and further increased to $11,000,000 in 1920.

Authorized Common stock was increased from $11,000,000 to $15,000,000 Oct. 1, 1927 (stockholders of record Oct. 15, 1927 having right to subscribe at $60 per share, payable on or before Dec. 1, 1927, in ratio of four new shares for each eleven held). Directors on March 14, 1928 passed a by-law changing the par value of Common shares from $100 per share to no par value. Authorized Pfd. stock was increased from $3,000,000 to $10,000,000 Jan. 20, 1927.

Preferred Stock Provisions—Preferred stock has preference as to assets and dividends and no additional Preferred stock can be issued over and above the amount authorized without the consent of two-thirds of Preferred stockholders. On Jan. 20, 1927 the call price of the existing $3,000,000 Pfd. stock as well as the additional $7,000,000 authorized was increased from par to 105 and accrued dividends.

Original Offering—The Pfd. stock was publicly offered ($3,000,000) in Oct., 1920, at 90 flat, yielding 7¾%, carrying a bonus of 30% in Common stock. On Dec. 13, 1926 2,500 shares Pfd. stock were offered to customers and 11,377 shares were subscribed. On Dec. 5, 1927 5,000 shares Pfd. stock were offered to customers and 11,121 shares subscribed. Price $105 per share. 8,623 shares were allotted.

Transfer Agent—National Trust Co., Ltd., Winnipeg, Toronto and Montreal.

Registrar—Montreal Trust Co., Montreal.

Annual Meeting—First Monday in April.

Listed—Common and Pfd. stocks listed on Montreal and Toronto Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	109½	103½	99	87	87¼	88	80	..
Low	100¾	95	89	75	80	79½	63	
Common—								
High	104½	66¾	53⅞	38¼	42¼	46½	48	48
Low	61	45	36¼	24	26½	30¼	30½	30

Dividends—Preferred dividends regularly paid quarterly, J, A, J & O 1. Common dividends were paid at rate of 8% per annum up to Jan. 1908; increased to 10% per annum on April 1, 1908, and to 12% per annum from July 1, 1911, until the declaration for the first quarter of 1915, when 2½% was paid; this rate was maintained until the fourth quarter of 1915, when 2% was paid (making 9½% for the year 1915); none thereafter until Feb. 1, 1925, when 1% was paid; Aug. 1, 1925, Feb. 15 and Aug. 2, 1926, Feb. 15 and Aug. 1, 1927, and Jan. 16, 1928, 1% each.

FUNDED DEBT

(1)

$4,004,000 WINNIPEG ELECTRIC RAILWAY CO. FIRST REFUNDING MORTGAGE GOLD 5s; DUE JANUARY 2, 1935

Dated January 2, 1905.

Interest Payable January and July 1, at Bank of Montreal, Montreal, Quebec, New York, etc.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Royal Trust Co., Montreal, Can.

Provisions of Issue—Authorized and issued, $5,000,000, of which $996,000 were held in Sinking Fund as of Dec. 31, 1927, leaving $4,004,000 in hands of the public.

Sinking Fund—Annually, from Dec. 31, 1915, a sum equal to 1½% of outstanding bonds from 1915 to 1924 inclusive, and thereafter a sum equal to 2% payable in cash, or in these bonds; or in Winnipeg Electric Street Railway First 5's of 1927 taken at par; funds so received are to be applied to the purchase of Winnipeg Electric Street Railway First 5s of 1927 at not exceeding a 4% basis, and if said bonds are not so purchasable fund is to be applied to the purchase of bonds of this issue at not exceeding a 4% basis. If bonds of neither issue are so purchasable Trustee may invest in securities which are legal for trust funds in Canada, or in bonds of railroad companies (other than street railway, etc., companies) listed on the New York Stock Exchange. Bonds of this issue acquired are to be held alive.

Security—Secured by a first mortgage on hydro-electric plant of 30,000 h.p. and one steam plant of 12,000 h.p. and a second mortgage on plants supplying gas and electricity in Winnipeg and on 120.0 miles of street and interurban railway track.

Tax Provisions—Company does not pay U. S. Normal Income Tax.

Listed—Montreal Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99	98	95½	91¼	94½	91	86	84½
Low	99	94	92½	85⅜	86½	88¾	79	84½

(2)

$7,000,000 WINNIPEG ELECTRIC COMPANY THIRTY-YEAR REFUNDING MORTGAGE 6% BONDS; DUE OCTOBER 2 1954

Dated October 2, 1924.

Interest Payable April and October 1, at Bank of Montreal, Montreal, Toronto or Winnipeg, or at holder's option at Agency of Bank of Montreal, New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered.

Trustee—British Empire Trust Co., Ltd.

Provisions of Issue—Outstanding, $7,000,000. The Company has in its treasury an additional $1,488,41 Refunding mortgage 6% bonds, due 1954, the proceeds of which shall be used for general corporat purposes. Additional bonds may be issued for refunding bonds of its subsidiaries, but no further issuance may be made except to an amount equal to additional paid-up capital stock, provided net earnings for each of the two preceding financial year shall have been equivalent to at least twice the amoun required for interest charges on prior liens and securities issued under this indenture in the hands of th public, including amount to be issued.

Callability—Subject to call at option of Compan on 90 days' notice at 105 and interest on any interes date.

Purpose of Issue—Issued to retire $3,250,000 General Mortgage & Collateral Trust 6% bonds due 194 and the Company's current indebtedness incurred fo capital expenditures and for general corporate pur poses.

Security—These bonds are secured by a mortgag lien upon the entire properties of the company, no owned or hereafter acquired, subject only to $4,004,0 Prior Lien bonds.

Tax Provisions—Payable both principal and inte est, without deduction for United States Incom Taxes lawfully deductible at the source, not exceedin 2%; also without deduction for any tax or taxes whic the Company or the Trustee may be required to pa or to retain therefrom under any present or futur laws of any taxing authority in the Dominion of Can ada or any Province or Municipality thereof whe held by residents of the United States. Compan agrees to refund Pennsylvania and Connecticut Stat Tax up to four mills, upon application, if requeste within sixty days after payment.

Legal Opinion—Simpson, Thacher & Bartlett, Ne York, and E. R. Parkins, K. C., Montreal (for th Bankers), and Edward Anderson, K. C., (for the Com pany).

Price Range—

	1927	1926	1925	192
High	103½	99⅝	97½	97
Low	100½	96	94	94

Original Offering—First publicly offered ($6,000,000) in Nov., 1924, at 94½ and interest, to yield ove 6.40%, by Kissel, Kinnicutt & Co., E. H. Rollins Sons, and Spencer Trask & Co., New York, etc., an Nesbitt, Thomson & Co., Ltd., Montreal, etc. An ad ditional $1,000,000 was sold in December, 1925 at 96⅝

(3)

£900,000 ($4,380,000) WINNIPEG ELECTRIC COMPANY 5% REFUNDING MORTGAGE STOCK OR BONDS; DUE OCTOBER 2, 1954

Issued in 1909, 1913, 1915 and 1925.

Interest Payable free from all deductions other than in respect of British Income Tax.

Provisions of Issue—£900,000 ($4,380,000) outstanding in hands of the public, £1,437,371. 13s. 3d. converted in dollars and issued as $7,000,000 Refunding mortgage 6s (see No. 2) and balance, £305,628. 6s. 9d. held in treasury. Outstanding stock carried on books of Company at standard rate of sterling exchange, $4.86⅔.

Callability—Subject to call at 105 and interest.

Security—Secured by Trust Deed to British Empire Trust Co., Ltd., Trustee, constituting a charge on the Company's property, assets and undertakings, subject to $4,004,000 Winnipeg Electric Ry. Co. First Refunding 5s of 1935 (see No. 1), and $7,000,000 (£1,437,371 13s 3d) Refunding Mortgage 6% bonds, due Oct. 2, 1954 (see No. 2).

Tax Provisions—Subject to U. S. Normal Income Tax, which the company does not assume.

Listed—London Stock Exchange.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Winnipeg Electric Co. Proper)

	1927	1926	1925	1924	1923	1922
Gross earnings	$5,868,142	$5,566,035	$5,211,665	$5,128,324	$5,280,408	$5,395,223
Operating expenses before depreciation	3,661,707	3,408,550	3,301.904	3,379,497	3,465,893	3,526,715
Net operating revenue	$2,206,435	$2,157,485	$1,909,761	$1,748,827	$1,814,515	$1,868,508
Other income	291,853	111,721	157,604	139,186	127,706	121,854
Total income	$2,498,288	$2,269,206	$2,067,365	$1,888,013	$1,942,221	$1,990,362
Fixed charges:						
Interest charges on debenture stock, bonds, loans, etc.	$937,159	$915,962	$872,914	$700,463	$663,480	$643,028
Extinguishment of discount on securities	32,379	30,253	26,764	19,726	16,205	16,000
City percentage and car license	167,818	163,344	154,238	159,598	168,193	175,036
Taxes	178,268	170,551	163,966	155,509	162,471	164,639
Miscellaneous non-operating taxes	2,438	2,678	3,031	3,325	2,975	3,783
Other income deductions	29,019	28,298	24,848	29,033	58,497	52,500
Depreciation	201,050	201,050	201,050	201,050	201,050	201,050
Total deductions	$1,548,131	$1,512,135	$1,446,811	$1,268,704	$1,272,871	$1,256,037
Net income	$950,157	$757,069	$620,554	$619,310	$669,350	$734,325
Preferred dividends	280,279	210,000	210,000	210,000	210,000	210,000
Common dividends	220,000	220,000	220,000	110,000	.....	.....
Sinking fund appropriation	.....	.....	.....	.....	55,320	56,550
Additional depreciation	217,823	187,538	173,000	165,000	156,003	138,460
Surplus for year	$232,055	$139,532	‡$55,546	*$134,310	$248,028	$329,315
§Times All Interest Earned	1.78	1.62	1.51	1.65	1.77	1.93
§Earnings Per Share—						
Preferred	$17.61	$16.54	$12.48	†$5.82	$15.27	$17.97
Common	3.02	2.51	1.49	Nil	2.25	2.99

*Subject to $279,692, guarantee to Manitoba Power Co. as per power contract. †Taking into account $279,692, guarantee to Manitoba Power Co., as per power contract. ‡Deficit. §After deducting all depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

(Winnipeg Electric Co. Proper)

Assets—	1927	1926	1925	1924	1923	1922
Physical properties at reproduction cost	$30,661,420	$29,582,617	$29,019,760	$28,544,815	$27,389,921	$26,808,565
River Park property adjustment	.....	532,858	532,858	532,858	532,858	532,859
Sinking funds	1,021,023	899,468	785,929	692,419	629,020	516,655
Deposit with workmen's compensation fund	48,527	48,912	36,635	45,123	16,589	16,516
Advances to and stock held in sub. cos.	4,567,142	4,397,384	4,084,590	3,379,313	3,196,809	2,437,824
Cash in bank and on hand	1,013,441	85,974	195,148	54,459	29,791	51,315
Cash in bank, special accounts	505,485	693,007	146,631	3,280,648	177,695	193,221
Consumers' and other accounts receivable, less reserve for doubtful accounts	481,123	515,373	525,361	516,486	492,245	364,745
Materials and supplies	595,860	450,264	409,866	560,525	577,927	439,619
Accrued dividend	120,836	.....	.....	.....	.....	.....
Prepaid and deferred charges	173,576	1,543,763	1,516,027	1,359,656	3,061,174	2,665,129
Total	$39,188,433	$38,749,620	$37,252,805	$38,966,303	$36,104,029	$34,026,448
Liabilities—						
Capital stock	$15,011,036	$14,000,000	$14,000,000	$14,000,000	$14,000,000	$14,000,000
Preferred stock subscriptions	534,001	435,467	.....	.....	.....	.....
Refunding mortgage stock	4,380,000	4,380,000	4,380,000	4,380,000	4,380,000	4,380,000
Mortgage bonds	12,000,000	11,998,000	12,000,000	11,000,000	8,250,000	5,000,000
Bonds to be retired	.....	468,000	.....	2,422,200	.....	.....
Notes payable	.....	565,000	.....	1,050	85,000	875,500
Accounts payable	479,310	381,389	524,062	611,677	566,566	447,296
City percentage and car license	167,819	163,344	154,238	159,598	168,193	175,036
City of Winnipeg and provincial taxes	.....	.....	.....	.....	.....	274,807
Wages payable	105,201	100,347	92,533	93,143	120,996	123,610
Consumers' deposits	45,474	46,326	48,459	55,399	62,793	62,964
Unredeemed tickets	.....	.....	.....	.....	.....	14,032
Other liabilities	88,646	68,721	58,334	190,959	132,491	110,739
Preferred dividends payable Jan. 2	74,708	52,500	52,500	50,246	42,500	42,500
Common dividends payable	110,000	110,000	110,000	110,000	.....	.....
Paving charges	13,142	133,142	253,142	346,219	346,219	508,112
Accrued interest, etc.	187,940	197,895	184,564	216,290	136,755	69,627
Bond interest payable, Jan. 2	125,000	125,000	125,000	125,000	125,000	125,000
Interest accrued on unpaid taxes	.....	.....	.....	.....	.....	127,253
Injury and damage reserve	235,028	97,428	95,235	94,698	106,030	118,409
Sinking fund reserve	226,280	146,200	73,100	.....	668,747	578,504
Depreciation reserve	4,854,167	4,698,844	4,421,176	4,135,304	3,922,147	4,153,507
Deferred liability, pavement charges, payable in installments	182,901	239,188	300,174	418,278	441,388	462,445
Surplus	368,780	342,828	380,288	556,242	2,549,204	2,377,106
Total	$39,188,433	$38,749,620	$37,252,805	$38,966,303	$36,104,029	$34,026,448

Contingent Liabilities—The Winnipeg Electric Co. guarantees, principal and interest, $500,000 Suburban Rapid Transit Co's. bonds, $50,000 Winnipeg, Selkirk & Lake Winnipeg Ry. Co's bonds and $11,500,000 Manitoba Power Co., Ltd., bonds.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash in bank and on hand	$1,013,441	$85,974	$195,148	$54,459	$29,791	$51,315
Cash in bank—special accounts	505,485	693,007	146,631	3,280,648	177,695	193,221
Consumers & other accts. receiv. less reserve for doubtful accounts	481,123	515,373	525,360	516,486	492,245	364,745
Deposit with workmen's compensation fund	48,527	48,912	36,635	45,123	16,589	16,517
Materials and supplies	595,860	450,264	409,867	560,525	577,927	439,619
Total	$2,644,436	$1,793,530	$1,313,641	$4,457,242	$1,294,247	$1,065,417
Current Liabilities—						
Notes payable	.....	$565,000	.....	$1,050	$85,000	$875,500
Accounts payable	$479,310	381,389	$524,062	611,677	566,566	447,296
Bonds to be retired	.....	468,000	.....	2,422,200	.....	.....
City percentage and car license	167,818	163,344	154,238	159,598	168,193	175,036
City of Winnipeg taxes	.....	.....	.....	.....	.....	274,807
Paving charges	13,142	133,142	253,142	346,219	346,219	508,112
Interest accrued on unpaid taxes	.....	.....	.....	.....	.....	127,253
Wages and salaries payable	105,201	100,347	92,533	93,143	120,996	123,610
Consumers' deposits	45,474	46,326	48,459	55,399	62,793	62,964
Unredeemed tickets	.....	.....	.....	.....	.....	14,032
Other liabilities	88,646	68,721	58,334	190,959	132,491	110,739
Accrued interest charges, etc.	187,940	197,895	184,564	216,290	136,755	69,622
Bond interest (payable Jan. 2)	125,000	125,000	125,000	125,000	125,000	125,000
Dividend on Preferred stock (payable Jan. 2)	74,708	52,500	52,500	50,246	42,500	42,500
Dividend on Common stock	110,000	110,000	110,000	110,000	.....	.....
Preferred stock subscriptions	534,001	435,467	.....	.....	.....	.....
Total	$1,931,240	$2,847,132	$1,602,832	$4,381,781	$1,786,513	$2,956,470
Net Working Capital (Debit)	*$713,196	$1,053,602	$289,191	*$75,461	$492,266	$1,891,05

*Credit.

Officers: A. W. McLimont, Pres. & Gen. Mgr.; W. R. Bawlf, V-P.; Lawrence Palk, Sec.; S. N. Currie, Asst. Sec.; J. S. Mackenzie, Treas.; C. H. Dahl, Asst. Gen. Mgr.; Edward Anderson, K. C., Chief Counsel; E. V. Caton, Mgr. Elec. Utility; H. McNair, Mgr. Gas Utility; D. J. Graham, Mgr. Ry.; F. J. Pratt, Pur. Agt.; Wm. E. Blodgett, Compt., Winnipeg, Man.

Directors: A. W. McLimont, Geo. V. Hastings, W J. Bulman, W. R. Bawlf, W. H. Carter, N. J. Breen J. B. Coyne, Winnipeg, Man.; A. J. Nesbitt, J. B Woodyatt, P. A. Thomson, Montreal, Que.; S. L Fuller, New York.

Office, Winnipeg, Manitoba.

MANITOBA POWER COMPANY, LIMITED

(Controlled by Winnipeg Electric Co.)

History and Property—Incorporated under the Companies' Act of Canada, by Letters Patent and Supplementary Letters Patent, dated respectively October 21, 1910, March 4, 1920, and November 15, 1921. Acquired the plant and assets of the Winnipeg River Power Co., Ltd. The Company has at Great Falls the largest power site available on the Winnipeg River. On this site the Company has constructed a hydro-electric plant which has a capacity of 112,000 h.p. consisting of four units of 28,000 h.p. each. Company has placed orders for the installation of the fifth and sixth units to be ready for operation during the late summer and early fall of 1928. The installation of these two units will complete the Great Falls plant to its full rated capacity of 168,000 h. p.

There has been constructed a high tension transmission line, 17 miles in length, extending from the Great Falls plant to connect with the existing line from the Pinawa Hydro-Electric plant of the Winnipeg Electric Company to Winnipeg; 18 miles of high tension transmission line extending from Great Falls plant to the Manitoba Pulp and Paper Company mills at Pine Falls, with whom the Manitoba Power Company has entered into a contract to supply power for a period of ten years; also 70 miles of high tension transmission line connecting the Great Falls plant with the City of Winnipeg.

All lines are of steel tower construction and situate on a right-of-way owned by the Company.

Contracts—Company was formed for the purpose c developing and furnishing additional hydro-electri power for the Winnipeg Electric Company. Com pany's power development is the most importar source of power to Winnipeg Electric Company, whic has a contract with Manitoba Power Company, Lim ited, whereby it agrees to purchase power for a perio of 20 years from 1923.

The Company has also a ten-year contract with th Manitoba Paper Co., Limited, to supply it with a power for its mill at Fort Alexander, within 15 mile of Great Falls. One paper machine with a rate capacity of 125 tons went into operation January, 192 and a second machine of the same capacity in Augus 1927.

Company also has entered into a contract with th City of Winnipeg. This calls for the delivery to th City by Manitoba Power Company, Limited, of 10,0 h.p. in 1928; 20,000 h.p. in 1929; 30,000 h.p. in 193 and for six years thereafter, at which time it dimi ishes 10,000 h.p. per year.

Company has negotiated contracts with variou mines in the central Manitoba mining area to supp their power requirements.

25 BROAD STREET
NEW YORK

Branch Offices
Albany Boston
Chicago Providence
Philadelphia

MANITOBA POWER COMPANY, LTD.

Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange

Company on March 21, 1928 closed a contract with Provincial Government to supply 30,000 h.p. annually from its site at Seven Sisters Falls. Contracts will operate over a period of 30 years, at end of which provision is made whereby the Government can take over the plant as a public utility.

Production—During the year 1927 the output from the Great Falls plant totalled 358,014,000 k.w.h., as compared with a total of 160,149,000 k.w.h. in the preceding year.

Franchises and Licenses—The proposed development of the Company has been approved by the Department of the Interior of the Dominion Government having jurisdiction in such matters, and the Company will be granted, upon the satisfactory completion of the development, a license for 21 years, with the right of renewal thereof for three additional similar periods aggregating 63 years, to use the entire flow of the Winnipeg River at Great Falls at an annual rental for the first period of 50 years per horsepower of maximum output per year, including right to flood Government lands. The Company, having a Dominion charter, is not subject to the regulations of the Public Utilities Commission of Manitoba.

CAPITAL STOCK

Authorized 200,000 shares of no par value (increased from 100,000 shares Nov. 10, 1927); outstanding, 150,000 shares. The Winnipeg Electric Company owns 50% of the stock. Annual meeting, first Monday in April.

Transfer Agent and Registrar—Montreal Trust Co., Montreal, Que.

Subscription Privileges—In Jan., 1924, stockholders received the right to subscribe for 24,000 shares of treasury stock at $20 per share in the ratio of one new share for each three shares held.

Stockholders of record Nov. 17, 1927 received the right to subscribe to 50,000 shares of no par value stock at $60 per share on the basis of one share of new stock for each two shares held. Right to subscribe expired Jan. 2, 1928 and full payment was due on that date.

Dividends—Initial dividend of $2 per share was paid January 16, 1928.

Price Range—

	1927	1926	1925	1924	1923	1922
High	105	53	26¾	28	25	14½
Low	54	24	15	15	15	bid

FUNDED DEBT

$10,000,000 FIRST MORTGAGE 5½% SINKING FUND GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1951
$1,500,000 FIRST MORTGAGE 5½% SINKING FUND GOLD BONDS, SERIES "B"; DUE JULY 1, 1952

Dated Series "A" January 1, 1926; Series "B" July 1, 1927.

Interest Payable January and July 1, in Toronto, Montreal, Winnipeg, or at offices of Bank of Montreal in New York or London, Eng.

Denominations—Coupon, $100, $500 and $1,000; principal or both principal and interest may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Issued, $10,000,000 Series "A" 5½s and $1,500,000 Series "B" 5½s.

Purpose of Issue—Proceeds from the sale of $10,000,000 Series "A" bonds were used to retire $7,500,000 First Mortgage 7% Sinking Fund Gold bonds, Series "A"; to install a third unit of 28,000 h.p. and to the erection of a fifteen-mile steel-tower double-circuit transmission line, together with appurtenances.

Proceeds from sale of $1,500,000 Series "B" bonds were to be applied toward the cost of installing the fourth unit at company's power plant, constructing a steel tower transmission line from Great Falls to Winnipeg and a transmission line from Great Falls to the mining district of Manitoba and for other corporate purposes.

Callability—Both Series are subject to call on any interest date, on 90 days' notice, at 105 and interest.

Sinking and Improvement Fund—Provision has been made for an annual sinking fund, beginning Jan. 1, 1931, of a sum equal to 1% of all Series "A" bonds outstanding for the purchase and redemption of these bonds at not to exceed 105 and interest. An additional sinking fund will provide for an annual payment, beginning Jan. 1, 1934, of a sum equal to 1% of all Series "A" bonds outstanding, which may be used at the option of the Company for the purchase and redemption of these bonds at not to exceed 105 and interest, or for permanent additions and improvements, which could otherwise be made basis for the issuance of additional bonds under this mortgage.

An annual sinking fund, for Series "B" bonds, provides for an annual payment to the Trustee, beginning January 1, 1932, of a sum equal to 1% of all Series "B" bonds outstanding, for the purchase and redemption of these bonds at not to exceed 105 and accrued interest. An additional sinking fund provides for an annual payment to the Trustee, beginning Jan. 1, 1935, of a sum equal to 1% of all Series "B" bonds outstanding, which may be used at option of the Company, for the purchase and redemption of these bonds at not to exceed 105 and accrued interest, or for permanent additions and improvements, which could otherwise be made the basis for the issuance of additional bonds under this mortgage.

Security—Secured by a first mortgage lien upon all of the physical property of the company now owned or hereafter acquired.

Guaranty—Bonds are guaranteed principal and interest by endorsement by Winnipeg Electric Co.

Tax Provisions—Both principal and interest of bonds held by residents of the United States are payable without deduction for any tax or taxes which the Company or the Trustee may be required to pay or to retain therefrom under any present or future law or any taxing authority in the Dominion of Canada or any province or municipality thereof, and without deduction for United States Income Taxes lawfully deductible at the source, not exceeding 2%. Company agrees to refund Pennsylvania and Connecticut State Taxes up to four mills, upon application, within sixty days after payment.

Original Offering—First publicly offered ($10,000,000 Series "A" 5½s) at 96 and interest, to yield about 5.80% in February, 1926, by Kissel, Kinnicutt & Co., Spencer Trask & Co., E. H. Rollins & Sons, New York, etc., and Nesbitt, Thomson & Co., Ltd., Montreal, Toronto, etc. Series "B" bonds first publicly offered ($1,500,000) in July, 1927, at 99 and interest, to yield 5.57% by the same bankers.

Price Range—

	1927	1926
Series "A"—		
High	103½	98¾
Low	98	94⅜
Series "B"—		
High	*103¼	..
Low	98½	..

*High and low bid prices.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,002,291	$673,563	$666,053
Operating expenses	137,928	122,274	118,454
Net operating revenue	$864,363	$551,289	$547,599
Other income	12,422	12,548	1,088
Total income	$876,785	$563,837	$548,687
Interest charges on funded debt	$561,526	$524,306	$525,000
Interest charges on unfunded debt	12,855	4,701	13,825
Taxes	35,079	19,921	7,099
Depreciation	.....	14,000	.....
Other income deductions	36,217	.....	.....
Total deductions	$645,677	$562,929	$545,924
Surplus after charges	231,108	$908	$2,763
Dividends	200,000	.....	.....
Surplus for year	$31,107	$908	$2,763

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Valuation of properties at Dec. 31, 1927, completed as per appraisal of R. S. Lea	$24,970,000	.....	.....
Less expenditures to be made to complete	1,500,000	.....	.....
Balance	$23,470,000	.....	.....
Cost of property (including interest)	.....	$1,113,146	$1,111,935
Construction expenditures (incl. int.)	.....	8,922,605	*7,784,402
Construction work in progress	.....	12,913	.....
Winnipeg River Ry. Co. invest.	30,000	30,000	30,000
Winnipeg River Ry. Co. advances	.....	324,979	322,006
Cash	233,548	22,023	6,235
Interest coupon deposits	319,630	278,670	15,652
Bond redemption deposits	7,035	80,430	.....
Accounts receivable	49,720	9,165	9,915
Materials and supplies	46,251	43,055	28,645
Retail store accounts	23,581	21,719	12,192
Discount & expense bond issue	.....	1,445,834	.....
Unadjusted debits	8,899	15,294	19,901
Total	$24,188,664	$12,319,834	$9,340,883
Liabilities—			
Capital stock	$1,551,881	$1,551,881	$1,551,881
Property reserve	9,484,728	.....	.....
Funded debt	11,500,000	10,000,000	7,500,000
Bonds called for redemption	7,035	80,430	.....
Accounts payable	42,369	88,565	25,376
Winnipeg Electric Co.	709,097	224,260	120,578
Dividends declared	200,000	.....	.....
Unpaid wages	2,139	3,881	104
Unredeemed interest coupons	319,630	278,671	15,652
Other current liabilities	75,409	38,992	5,023
Accrued bond interest	.....	.....	87,500
Reserves for taxes	32,435	16,464	13,186
Misc. accrued liabilities	36,567	.....	.....
Payments a/c stock subscription, not issued	159,060	.....	.....
Depreciation — Winnipeg River Ry. Co.	14,000	14,000	.....
Surplus	54,314	22,690	21,582
Total	$24,188,664	$12,319,834	$9,340,883

*Includes bond discount since Nov. 1, 1921.

Officers: A. W. McLimont, Pres. & Gen. Mgr.; W. R. Bawlf., V-P.; Lawrence Palk, Sec.; S. N. Currie, Asst. Sec.; W. E. Blodgett, Treas., Winnipeg, Man.

Directors: A. W. McLimont, P. A. Thomson, W. R. Bawlf, W. J. Bulman, Edward Anderson, K. C., Nixon J. Breen, Winnipeg, Man.; A. J. Nesbitt, J. B. Woodyatt, Montreal, Que.; Samuel L. Fuller, New York.

Office, Winnipeg, Manitoba.

SUBURBAN RAPID TRANSIT CO.

(Controlled by Winnipeg Electric Company)

History and Property—Organized in 1902, in Manitoba, to construct and operate an electric railway from Winnipeg westerly to Portage la Prairie and northerly to Stonewall. In operation: Winnipeg to Headingly, and also on the south side of the Assiniboine River, total 21.78 miles. By the terms of its charter it is also empowered to operate telephone and telegraph lines and to supply electric light, heat and power. Has an exclusive franchise in Assiniboia for 35 years from June, 1902, and which continues thereafter subject to the right of the municipality at the end of such 35 years and the end of every 5 years thereafter to purchase and operate the road. The road carries freight as well as passengers.

CAPITAL STOCK

Authorized and issued, $100,000; par, $100. All owned by Winnipeg Electric Co. Annual meeting, first Monday in April.

FUNDED DEBT

$500,000 First Gold 5s; dated Feb. 1, 1908; due Jan. 31, 1938; int. Feb. and Aug. 1, at Bank of Montreal, Toronto, Montreal, New York and London. Coupon, $1,000; principal may be registered. Royal Trust Co. Montreal, Trustee. Guaranteed, principal and interest, by Winnipeg Electric Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$290,904	$270,056	$260,879
Operating expenses	241,803	223,259	234,378
Net earnings	$49,101	$46,797	$26,501
Interest charges, etc.	53,105	52,300	49,842
Deficit for year	$4,004	$5,503	$23,341

Officers: A. W. McLimont, Pres. & Gen. Mgr.; W. R. Bawlf, V-P.; Lawrence Palk, Sec.; J. S. Mackenzie Treas.; W. E. Blodgett, Compt.

Directors: A. W. McLimont, J. B. Coyne, G. V. Hastings, W. R. Bawlf, N. J. Breen, Winnipeg Man. J. B. Woodyatt, Montreal.

Office, Winnipeg, Manitoba.

WINNIPEG, SELKIRK & LAKE WINNIPEG RY.

(Controlled by Winnipeg Electric Company)

History, Etc.—Operates an electric line from Winnipeg to Selkirk passing through Seven Oaks, Kildonan, Middle Church, St. Paul, St. Andrews and Lower Fort Garry, with lines from Middle Church to Stonewall, a total of 41.317 miles. Gauge, standard. Cars 36.

Franchises—In Selkirk, Kildonan, St. Paul and St Andrews, 35 years from Jan. 1, 1904; Rockwood and Stonewall, 30 years from April 6, 1912. These franchises include the privilege of freedom of all property used for railway purposes from municipal taxation of all kinds for a period of 20 years from the date of their agreements.

CAPITAL STOCK

Authorized and issued, $500,000, of which 4,900 shares par, $100, and 1,000 shares par, $10. The Winnipeg Electric Co. owns $490,000 of the stock. Annual meeting, first Monday in April.

FUNDED DEBT

$50,000 FIRST MORTGAGE GOLD 5s; DUE JULY 2, 1933

Dated July 2, 1903.

Interest Payable January and July 2, at Bank of Montreal, Montreal, Toronto or Winnipeg.

Denomination—Coupon, $500.

Trustee—National Trust Co., Ltd., Toronto Trustee.

Provisions of Issue—Authorized and issued, $400,000, of which $50,000 are outstanding in hands of the public.

Guaranty—Guaranteed, principal and interest, by Winnipeg Electric Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$275,968	$256,391	$239,386
Operating expenses	168,696	174,835	194,994
Net earnings	$107,272	$81,556	$44,392
Charges	106,956	81,328	83,117
Surplus for year	$316	$228	*$38,725

*Deficit.

Officers: A. W. McLimont, Pres. & Gen. Mgr.; W. R. Bawlf, V-P.; Lawrence Palk, Sec.; John S. Mackenzie, Treas.; W. E. Blodgett, Compt., Winnipeg, Man.

Directors: A. W. McLimont, G. V. Hastings, W. R. Bawlf, J. B. Woodyatt, W. J. Bulman, J. B. Coyne.

Office, Winnipeg, Manitoba.

ROCKLAND LIGHT AND POWER COMPANY

History—The present Rockland Light and Power Company is a consolidation as of May 21, 1926 of a company of the same name, incorporated Aug. 24, 1899, the Orange County Public Service Company

nc., incorporated in 1923, and the Catskill Power Corp., incorporated in 1925. For latest published statements of these companies, see 1926 Public Utility Manual, pages 888, etc. The Orange County Company, which controlled the Catskill Power Corp., was itself controlled by the Old Rockland Light and Power Company. Company controls through stock ownership the Rockland Electric Co. of N. J., Pike County Light & Power Co. (see appended statements) and the Shohola Power Company.

Company furnishes without competition gas and electricity to Middletown and Port Jervis as well as electricity to Crawford, Deerpark, Minisink, Unionville, Mount Hope, Otisville, Wallkill, Wawayanda, Forestburgh, Lumberland, Wurtsboro, Bloomingburgh, and Manakating in the Orange District, with a population of 46,715; gas consumers, 6,046; electric consumers, 11,740. Also gas and electricity to Upper Nyack, Nyack, South Nyack, Piermont and Grand View, as well as electricity to Haverstraw, Hillburn, Spring Valley, Suffern and adjacent territory in the Rockland District, with a population of 74,301; gas consumers, 2,173; electric consumers, 14,092. Total population served, 121,016; total gas consumers, 8,218; total electric consumers, 25,832.

Property—The gas plants at Nyack, Middletown and Port Jervis have a total rated daily capacity of 3,882,000 cu. ft. with a distribution system of 73.56 miles of mains. Total holder capacity, 1,072,000 cu. ft. No. of gas meters Dec. 31, 1927, 8,226. Gas produced in 1927, 201,675,000 cu. ft.; gas sold, 181,337,000 cu. ft.

Gas rates in Middletown and Port Jervis, $1.95 per 1,000 for first 25,000 cu. ft. and $1.75 per 1,000 for all over 25,000 cu. ft.; in Nyack, $2.30 per 1,000 for first 1,000 cu. ft., with sliding scale to $1.60 per 1,000 for all over 75,000 cu. ft.

The steam power stations at Hillburn, Orangeburg, Middletown and Port Jervis have a total rated capacity of 13,995 h.p. and the hydro-electric plants at Cuddebackville, Mongaup and Rio have a rated capacity of 15,200 h.p. The combined generating capacity of all stations is 29,195 k.w. No. of electric meters Dec. 31, 1927, 25,832. Electricity generated in 1927, 45,275,657 k.w.h.; purchased, 11,621,200 k.w.h.—total production, 56,896,857 k.w.h., of which 7,760,375 k.w.h. were sold to Rockland Electric Co. of N. J. and 38,852,542 k.w.h. were sold to consumers, 739,335 k.w.h. used by Company, leaving 9,544,605 k.w.h. unaccounted for.

Electric rates in Rockland District, 13 cents per k.w.h.; in Orange District 11 cts. per k.w.h. for first 200 k.w.h.; 9 cts. for next 200 k.w.h. and 8 cts. for all over 400 k.w.h.

The Company is proceeding with the development of water power sites on the Mongaup River having a potential hydro-electric generating capacity of 20,000 h.p. with an estimated output of about 80,000,000 k.w.h., and will own or control storage reservoir sites, having a potential capacity of 3,000,000,000 cu. ft.

Management—The company is under the executive management of Charles H. Tenney & Co., Boston.

CAPITAL STOCK

Authorized, $7,774,200 Common and $6,000,000 6% cumulative Convertible Pfd.; outstanding Dec. 31, 1927, $4,965,800 Common and $6,000,000 Pfd.; par, $50. Authorized capital stock was increased from $5,150,000 Common and $2,600,000 Pfd. in 1927.

Subscription Privilege—Pfd. and Common stockholders of record June 16, 1927, were given the right to subscribe to $3,400,000 Pfd. stock in the ratio of 72/100ths of a share of Pfd. stock for each existing share, at $55 per share. Privilege expired July 8, 1927. Payment was made either in full on Aug. 1, 1927, or in two installments as follows: $30 a share on Aug. 1, 1927, and $25 a share on Nov. 1, 1927. Interest at the rate of 5% per annum was paid on the first installment.

Preferred Stock Provisions—Has preference for assets and dividends, and is subject to call as a whole or in part at $55 and dividend on any dividend date. If called before Jan. 1, 1931, stockholders may at any time within a period of 30 days prior to redemption date convert their stock on the basis of one share of Common stock of the par value of $50 for each $65 of the par value of Pfd. stock. Holders of Pfd. stock have the right to subscribe upon equal terms with Common stockholders to any future Pfd. or Common stock issued by the Company for cash or to any other securities issued for cash and convertible into Common stock. Has no voting power except in default in the payment of four quarterly dividends, in which event it shares with Common in one vote per share, said power terminating upon payment of dividends in arrears.

Stock Trust Agreement—In 1927 a Stock Trust Agreement was formed dating from July 1, 1927, until July 1, 1932, or July 1, 1937, unless sooner terminated as provided in the Agreement. Under this Agreement, the Trustees, Charles H. Tenney, Edward M. Bradley, D. Edgar Manson, Alexander S. Burns, Jr., and Samuel A. York, are authorized to sell not less than all of the Pfd. stock so deposited at $153.85 per share, and not less than all of the Common stock so deposited at $200.00 per share. The American Trust Co. was appointed as agent for the Trustees and authorized by them to issue and deliver Trust Certificates in exchange for the deposited Stock Certificates.

Conversion Privilege—Pfd. stock is convertible into the Common stock of Company on or after Jan. 1, 1931, on the basis of $65 par value of Pfd. stock for each $50 par value of Common stock.

Legal Opinion—Elton H. Beals, Buffalo, N. Y.

Original Offering—Pfd. stock first publicly offered in July, 1926, by H. C. Warren & Co., Inc., New Haven, Conn.

Transfer Office (Both Classes)—Company's office, Nyack, N. Y.

Registrar (Both Classes)—American Trust Co., Boston, Mass.

Annual Meeting—Fourth Friday in January.

Price Range—

	1927	1926	1925	1924	1923
Preferred—					
High	95	60	..	..	..
Low	57½	51½	..	..	..
Common—					
High	125	87	76	70	66
Low	83	60¼	66	66	bid

Dividends—Pfd. dividends have been regularly paid quarterly, F, M, A & N 1. On Common in recent years as follows: 1917 to 1921, 7%; 1922, 8%; 1923, $4.13 per share on par $50 stock; 1924 to date at rate of 9% per annum; payments F, M, A & N 1.

FUNDED DEBT

(1)

$2,500,000 CATSKILL POWER CORP. FIRST MORTGAGE 5½% GOLD BONDS SERIES "A"; DUE MAY 1, 1955

Dated May 1, 1925.

Interest Payable May and November 1, at The Bankers Trust Co., New York.

Denominations—Coupon (principal may be registered) $100, $500 and 1,000. Fully registered bonds of $1,000 or multiples thereof; interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue is unlimited. Issued $2,500,000 Series "A," the proceeds of which, together with those of the sale of 21,600 shares of Capital stock at $50 a share, were used in the purchase of the property in meeting the cost of installing an additional unit of 1,457 h.p. at Mongaup Falls plant and in constructing the Toronto Lake reservoir, with an estimated storage capacity of 1,200,000,000 cu. ft. Additional Series "A" bonds totaling $150,000 may be issued on account of a possible excess of construction costs paid over present estimates. In addition to the above, bonds may be issued under the mortgage only for refunding,

par for par, bonds issued under this mortgage; or for not more than 75% of the cost or fair value, whichever is less, of additional property in New York State, or of permanent improvements, extensions or additions. Additional bonds may be issued only if (except in case of refunding) the net earnings of the company, as defined in the mortgage, for a period of twelve consecutive months within the fifteen calendar months immediately preceding application, shall have been equal to at least twice the interest charges on all (1) bonds outstanding under the mortgage (2) all bonds secured by any mortgage lien, or other encumbrance, ranking prior to or on a parity with the lien of the first mortgage on any properties of the Company and (3) the bonds applied for.

Callability—Subject to call in whole or in part on any interest date on 30 days' notice at 107½ and interest on Nov. 1, 1925 and at ½ of 1% less for each six months thereafter to Nov. 1, 1927 and at 105 and interest thereafter to Nov. 1, 1954.

Improvement Fund—An improvement fund will become operative Dec. 31, 1927, and will require that an amount equal to 2% of outstanding bonds shall be annually used by Corporation for the acquisition of property against which no additional bonds may be issued, or applied to the redemption of bonds.

Property Maintenance Provisions—The indenture provides that at least every five years, and oftener on request of 10% of the bondholders, an engineer appointed by the Trustee shall report to the Trustee whether the property has been kept in good repair and condition and sufficient amounts for such maintenance charged to operating expenses or current income. Corporation covenants to deposit with the Trustee any deficiency shown by such report to exist in such charges.

Security—Secured by a direct first mortgage on all the property (reserving certain rights to cut timber, etc.) formerly owned by Corporation or hereafter acquired, except as to any liens existing upon such after-acquired property at the time of acquisition.

Assumed—Assumed by Rockland Light and Power Company upon consolidation May 21, 1926.

Tax Provisions—Corp. pays Normal Federal Income tax up to 2% and will reimburse holders upon application within 60 days after payment for all taxes (except transfer, estate, inheritance and succession taxes) not exceeding in the aggregate for any one year ½ of 1% of the face value of their holdings assessed under the laws of either Massachusetts, Vermont, New Hampshire, Pennsylvania, Rhode Island or Connecticut (but only one of said States) and paid by said bondholder.

Legal Opinion—Ropes, Gray, Boyden & Perkins (for the bankers).

Original Offering—First publicly offered ($2,500,000), in June, 1925, by Estabrook & Co. and Putnam & Co., New York, and H. C. Warren Co. and Charles H. Tenney & Co., Boston, etc., at 95 and interest, yielding over 5.85%.

(2)

$1,461,100 ORANGE COUNTY PUBLIC SERVICE CORP. FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE JUNE 1, 1939

Dated June 1, 1919.

Interest Payable June and December 1, at The New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Mortgage closed at $1,461,100 outstanding.

Callability—Subject to call on any interest date at 105 and accrued interest on 30 days' notice.

Maintenance Fund—The Company covenants that an amount in cash equivalent to 12½% of its gross operating revenue shall be expended or set aside annually for maintenance or for renewals and replacements. Any part of this fund not used for such purposes shall be deposited with the Trustee and may be used for either the same purposes for which additional bonds may be certified, but in respect to which no bonds have been previously or thereafter shall be certified or for the retirement and cancellation of bonds secured by the mortgage.

Security—A first lien on entire property formerly owned by Company.

Assumed—Assumed by Rockland Light and Power Company upon consolidation May 21, 1926.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Cooke & Marvin, New York (for the bankers) and Roberts, Montgomery & McKeehan, Philadelphia (for the company).

Original Offering—First publicly offered ($1,000,000) in July, 1919, at 96½ and accrued interest, to yield over 6.30%, by Bonbright & Co., New York, etc.

(3)

$143,500 ROCKLAND ELECTRIC CO. OF NEW YORK FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1953

Dated April 1, 1903.

Interest Payable April and October 1, at Bloomfield Trust Co., Bloomfield, N. J., Trustee. Coupon, $100 and $1,000; principal may be registered. Original issue, $230,000; $86,500 retired to Dec. 31, 1927. Subject to call on any interest date on 30 days' notice at par and interest. Sinking fund amounts to 2% of outstanding bonds to be paid on April 1 of each year. A first lien on entire property formerly owned by Company. Assumed by Rockland Light and Power Co. upon consolidation with Rockland Electric Co. of New York in 1914.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$848,000 ROCKLAND LIGHT AND POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1938

Dated November 2, 1908.

Interest Payable May and November 1, at Guaranty Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,000,000; mortgage closed at $848,000 outstanding. Not subject to call. No sinking fund provided. Secured on entire property and franchises owned by the former Rockland Light and Power Co. prior to the consolidation of May 21, 1926.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($500,000) in Dec. 1908, at par and interest, by Arthur Perry & Co., Coffin & Burr, Boston, and Harris, Forbes & Co. New York, etc.

(5)

$180,200 ROCKLAND LIGHT AND POWER COMPANY TEN-YEAR CONVERTIBLE DEBENTURE GOLD 6s; DUE SEPTEMBER 1, 1934

Dated September 1, 1924.

Interest Payable March and September 1, at American Trust Co., Boston.

Denominations—Coupon bonds in denominations of $100 and $1,000. Registered bonds in denominations of $100 or multiple thereof. Coupon and registered bonds interchangeable.

Trustees—American Trust Co., Boston, and Charles H. Bowen.

Provisions and Purpose of Issue—Authorized and issued, $3,000,000, of which $2,819,800 converted into Common stock up to Dec. 31, 1927. These bonds were issued to provide funds to pay for the entire capital stock of the Orange County Public Service Co., Inc. also to pay for lands and water power rights on the Lower Mongaup River and the Chapin Estate.

Callability—Not subject to call and no sinking fund is provided.

Security—Not secured by mortgage, but indenture covenants that no further mortgage may be made without equally securing these bonds.

Convertibility—Convertible at par into Common stock of Company at any time after Sept. 1, 1927, at option of the holder.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund all taxes (except transfer, estate and inheritance taxes) not exceeding in the aggregate in any one year ½ of 1% of the face value of the bonds, assessed under the laws of either Mass., Vt., New York, New Hampshire, Rhode Island, or Conn., (but only one of said states) in respect of the principal of or the interest upon each bond.

Original Offering—First publicly offered ($2,000,000) in Sept. 1924, by H. C. Warren & Co., Inc., New Haven, Conn., at 110 and interest.

Price Range—

	1927	1926	1925	1924
High	245	158	126	110
Low	157	135	108	103

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$2,343,317	$2,095,137	$1,874,945
Operating expenses	989,685	910,001	766,418
Maintenance	167,253	151,530	115,055
Taxes	193,407	147,833	139,958
Depreciation	132,972	124,555	126,588
Net earnings	$859,999	$761,218	$726,926
Other income	177,218	78,408	44,681
Total income	$1,037,217	$839,626	$771,607
Interest on funded debt	363,920	376,996	317,597
Other interest	9,157	2,018	17,303
Exting. of disc. on securities	40,960	38,375	46,519
Miscellaneous deductions	49,860	36,112	20,688
Total fixed charges	$463,897	$453,501	$402,107
Net income	573,320	386,125	369,500
Preferred dividends	189,620	64,840	196,929
Common dividends	252,568	192,078	
Surplus for year	$131,132	$129,207	$172,571
Times Fixed Charges Earned	2.23	1.85	1.92
Earnings Per Share—			
*Preferred	$4.78	$8.23	.....
Common	3.86	7.48	.....

*Based on $50 par value shares.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$15,077,565	$11,337,005	$9,175,774
Investments	583,467	501,815	520,206
Cash	697,930	784,848	301,063
Notes receivable	175,000	165,000	17,850
Accounts receivable	524,272	368,767	359,166
Interest receivable	5,737	5,392	2,160
Subscriptions to Pfd. stock	.....	66,463	.....
Materials and supplies	290,616	296,367	326,701
Miscellaneous current assets	71,238	.....	4,900
Prepaid accounts	33,341	29,108	36,387
Sinking fund	9,804	7,160	4,112
Misc. special funds	.....	1,475	421,164
Debt discount & expense	536,618	658,024	611,616
Work in progress	.....	.....	7,071
Miscellaneous suspense	359,000	411,850	384,205
Subscriptions to bonds	.....	.....	87,700
Total	$18,364,588	$14,633,274	$12,260,075
Liabilities—			
Common stock	$4,965,800	$2,146,000	$2,128,800
Preferred stock	6,000,000	2,346,600	100,000
Pfd. stock subscribed	.....	253,400	.....
Premium on capital stock	340,000	.....	.....
First Mortgage bonds	4,952,600	4,953,100	4,953,100
Convert. debenture bonds	180,200	3,000,000	2,845,000
Bond subscriptions	.....	.....	176,200
Notes payable	.....	260,000	509,000
Accounts payable	156,032	71,504	144,816
Accruals	186,934	200,791	203,206
Customers' deposits	47,071	39,824	34,416
Unadjusted credits	28,454	46,995	8,509
Reserve for depreciation	732,312	671,828	641,879
Other reserves	41,256	37,566	26,678
Surplus	733,929	605,666	488,471
Total	$18,364,588	$14,633,274	$12,260,075

Officers: Charles H. Tenney, Chairman of Board, Springfield, Mass.; D. Edgar Manson, Pres., Brookline, Mass.; Albert B. Tenney, 1st V-P., Lexington, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; Charles Whetstone, Asst. Treas., Nyack, N. Y.; Hazel E. Hagar, Sec., Cambridge, Mass.; Isaac S. Hall, Asst. Sec. & Aud., West Medford, Mass.

Directors: Charles H. Tenney, Springfield, Mass.; D. Edgar Manson, Brookline, Mass.; Albert B. Tenney, Lexington, Mass.; D. Willard Leavitt, Parsonsfield, Me.; Isaac S. Hall, West Medford, Mass.; Alexander S. Burns, Jr., Spring Valley, N. Y.; Samuel A. York, Edward M. Bradley, New Haven, Conn.; Bernon E. Helme, Kingston, R. I.; I. Peace Hazard, Peace Dale, R. I.

Offices, Nyack, N. Y., and 200 Devonshire St., Boston, Mass.

ROCKLAND ELECTRIC COMPANY (OF NEW JERSEY)

(Controlled by Rockland Light and Power Co.)

History—Incorporated Dec. 27, 1899, in N. J. Franchises mostly perpetual. Furnishes electricity in the following communities: Northvale, Old Tappan, Norwood, Closter, Alpine, Demarest, Harrington Park, Park Ridge, Hohokus, Allendale, Ramsey, Saddle River, Cresskill, Oakland, Montvale, Haworth, Wyckoff, Upper Saddle River, Campgaw, Rockleigh, Montague, Franklin Lakes, Crystal Lakes, N. J. Company purchases power from and conducts operations jointly with the Rockland Light & Power Co., by which company it is controlled. Population served, (1925 census) 20,494. Electricity purchased in 1927, 7,760,375 k.w.h. Sales in 1927, 5,980,934 k.w.h. Number of customers, 6,094. Number of incandescents, 1,787. Price for general household use: First 5 k.w.h. per room per month, 13c. net; next 3 k.w.h. per room per month, 10c net; over 8 k.w.h. per room per month, 4c net. Minimum charge $1 per month.

Management—Company is under the executive management of Charles H. Tenney & Co., 200 Devonshire St., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. All owned by Rockland Light & Power Co. Stock transferred by Treasurer of Company. Annual meeting, fourth Friday in January, at Closter, N. J.

Dividends—Dividends of 6% per annum paid from 1917 to 1921, incl.; 1922, 8%; 1923, 8½%; 1924, 9%; 1925, 12% (including 3% special on Nov. 1); 1926 and 1927, 9%; payments quarterly, F, M, A & N.

FUNDED DEBT

$144,000 IMPROVEMENT 6% GOLD NOTE; DUE ON DEMAND

Dated Nov. 2, 1908.

Interest Payable April and Oct. 1 at Guaranty Trust Co. of New York, Trustee. Coupon, $1,000. Authorized, $500,000; outstanding, $144,000, of which $64,000 issued in 1910 and $80,000 in 1920. A first lien on entire property. All owned by Rockland Light and Power Company.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$421,066	$380,973	$344,415
Operating expenses & taxes	280,056	240,768	213,826
Depreciation	22,037	22,566	14,079
Net earnings	$118,973	$117,639	$116,510
Other income	4,442	1,079	1,042
Total income	$123,415	$118,718	$117,552
Income deductions	91,635	86,798	58,932
Net income	$31,780	$31,920	$58,620
Dividends paid	27,000	27,000	36,000
Surplus for year	$4,780	$4,920	$22,620

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$856,349	$665,729	$596,544
Cash	59,239	47,742	54,317
Accounts receivable	73,796	55,821	50,352
Prepaid accounts	.....	.....	83
Total	$989,384	$769,292	$701,296
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Improvement notes	144,000	144,000	144,000
Notes payable	150,000	75,000	.....
Accounts payable	182,954	60,581	78,642
Customers' deposits	6,554	5,336	4,291
Accruals	9,751	9,359	13,907
Depreciation reserve	116,595	103,279	95,148
Other reserves	7,944	4,559	2,197
Surplus	71,586	67,179	63,111
Total	$989,384	$769,292	$701,296

Officers: Charles H. Tenney, Chairman of Board Springfield, Mass.; D. Edgar Manson, Pres.; Brookline Mass.; Albert B. Tenney, 1st V-P., Lexington Mass.; Elihu A. Bradley, Treas., Boston, Mass. Charles Whetstone, Asst. Treas., Nyack, N. Y. Hazel E. Hagar, Sec., Cambridge, Mass.; Isaac S Hall, Asst. Sec. & Aud., West Medford, Mass.

Directors: Charles H. Tenney, Springfield, Mass. D. Edgar Manson, Brookline, Mass.; Albert B. Tenney, Lexington, Mass.; D. Willard Leavitt, Parsonsfield, Me.; Isaac S. Hall, W. Medford, Mass.; Alexander S. Burns, Jr., Spring Valley, N. Y.; Samue A. York, Edward M. Bradley, New Haven, Conn. Bernon E. Helme, Kingston, R. I.; I. Peace Hazard Peace Dale, R. I.

Offices, Closter, N. J., and 200 Devonshire Stree Boston, Mass.

PIKE COUNTY LIGHT & POWER COMPANY

(Controlled by Rockland Light and Power Company)

History—Incorporated Oct. 15, 1914 in Pennsylvania. Supplies gas and electricity to Matamoras, Pa., and electricity to Milford and Westfall, serving a total population of 2,950. Company purchases its supply from the Rockland Light and Power Co., which owns all its outstanding stock. Number of gas customers, 248; electric customers, 1,047. Miles of mains, 4.14. Gas purchased in 1927, 3,568,000 cu. ft.; electricity purchased, 567,199 k.w.h. Price of gas, $2.10 per 1,000 cu. ft., with a 5% discount; electricity, 13c per k.w.h. for first 10 k.w.h.; 11c for next 40 k.w.h., and 9c for all over 40 k.w.h.

Management—Company is under the executive management of Charles H. Tenney & Co., 200 Devonshire St., Boston, Mass.

CAPITAL STOCK

Authorized and outstanding, 2,740 shares ($137,000 stated value) of no par value. Practically all owned by Rockland Light & Power Co. Annual meeting fourth Thursday in January. Initial dividend of $4.5 per share paid in 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$50,802	$43,426	$28,39
Oper. exp., taxes & deprec.	44,163	35,378	22,57
Net earnings	$6,639	$8,048	$5,81
Other income	436	.....	.....
Total income	$7,075	$8,048	$5,81
Interest on unfunded debt	2,096	3,238	3
Surplus for year	$4,979	$4,810	$5,78

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$176,657	$154,315	$64,444
Investments	.....	5,007	.....
Cash	4,679	5,901	5,913
Accts. receivable	9,542	8,848	4,270
Interest receivable	435	.....	.....
Prepaid accounts	23	.....	9
Total	$191,336	$174,071	$74,636
Liabilities—			
Capital stock	$137,000	$47,000	$47,00
Notes payable	25,000	90,000	.....
Accounts payable	7,399	13,531	9,41
Customers' deposits	1,590	1,010	66
Accruals	1,808	3,913	1,07
Depreciation reserve	7,652	7,597	6,36
Other reserves	341	270	12
Profit and loss	10,546	10,750	10,00
Total	$191,336	$174,071	$74,63

Officers: Charles H. Tenney, Chrm. of Bd., Springfield, Mass.; D. Edgar Manson, Pres., Brookline, Mass.; Albert B. Tenney, 1st V-P., Lexington, Mass.; Elihu A. Bradley, Treas., Boston, Mass.; Charles Whetstone, Asst. Treas., Nyack, N. Y.; Hazel E. Hagar, Sec., Cambridge, Mass.; Isaac S. Hall, Asst. Sec. & Aud., W. Medford, Mass.

Directors: Charles H. Tenney, Springfield, Mass. Albert B. Tenney, Lexington, Mass.; D. Edgar Manson, Brookline, Mass.; Isaac S. Hall, West Medford Mass.; Samuel A. York, Edward M. Bradley, New Haven, Conn.; Berne H. Evans, Ralph J. Baker, Harrisburg, Pa.; Frank P. Ludwig, Milford, Pa.

Offices, 103 East Ann St., Milford, Pa., and 20 Devonshire St., Boston, Mass.

STAMFORD WATER COMPANY

History and Property—Incorporated in May, 1868, in Conn. Property located in Pound Ridge, N. Y., and Stamford, Conn. Miles of mains, 95.85. Population served, 45,000. Consumption for year 1927, 1,714,920,000 gallons.

CAPITAL STOCK

Authorized $2,000,000 (increased from $1,000,000 May 6, 1927); outstanding $1,500,000; par, $100. Annual meeting, third Monday in January.

Dividends—8% per annum, quarterly, F, M, A & N 15, at First-Stamford National Bank, from 1896 to 1922; 1923 to 1927 inclusive, 6% each. In addition, a stock dividend of 50% ($300,000) was paid Dec. 27, 1922.

FUNDED DEBT

$400,000 First Mortgage 5% Gold bonds; dated July 1, 1922; due July 1, 1952; int. Jan. and July 1, at Stamford Trust Co., Stamford, Conn., Trustee, or Bank of The Manhattan Co., New York. Coupon, $1,000: principal may be registered. Authorized issue, $800 000. Bonds are not subject to call.

Security—The bonds are secured by an absolut first mortgage on the property now owned by th company, including a reservoir at Trinity Lake an surrounding lands, 412 acres (capacity 450,000,00 gals.); a reservoir at North Stamford and surroundin lands, 320 acres (capacity 512,000,000 gals.); a reser voir at Mead Pond and surrounding lands, 95 acre (capacity 88,000,000 gals.); the new Laurel reservoi (capacity 2,253,400,000 gals.); 74 miles of distributin mains, etc.

Tax Provisions—Company does not pay Norma Federal Income Tax. Exempt from Connecticut mill tax.

Legal for Savings Banks in Connecticut.

Original Offering—First publicly offered ($400,000 in June, 1922, at 103 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$298,288	$231,525	$221,354	$213,294	$216,431	$207,933
Operating expenses, taxes and depreciation	176,373	149,098	149,523	129,457	111,130	112,922
Net earnings	$121,915	$82,427	$71,831	$83,837	$105,301	$95,011
Other income	3,990	872	675	972	2,689	11,587
Total income	$125,905	$83,299	$72,506	$84,809	$107,990	$106,598
Interest charges	27,987	32,783	27,631	14,585	1,073	11,014
Other deductions	787	2,073	.....	1,175	3,691	9,270
Balance for dividends	$97,130	$48,443	$44,875	$69,048	$103,226	$86,314
Dividends paid	75,000	60,000	60,000	55,482	53,964	48,000
Surplus for year	$22,130	*$11,557	*$15,125	$13,566	$49,262	$38,314
Earnings Per Share	†$6.48	†$4.84	†$4.49	†$6.90	$11.47	$14.38

*Deficit. †Based on $1,000,000 stock outstanding in 1924, 1925 and 1926 and $1,500,000 in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$2,793,556	$2,513,104	$2,429,392	$2,342,336	$2,118,173	$1,157,291
Bonds owned	.....	.....	1,500	1,500	1,500	66,500
Springdale Water Co. Common stock	94,240	.....	.....	.....	.....	.....
Materials and supplies	14,299	13,092	8,524	12,926	15,374	200
Cash on hand	27,348	1,321	2,591	3,130	653	370,611
Current accounts	26,350	11,243	8,935	5,482	5,074	5,417
Other current assets	14,560	13,927	13,060	13,355	11,166	.....
Accrued interest	194	56	58	45	.....	549
Total	$2,970,547	$2,552,743	$2,464,060	$2,378,774	$2,151,940	$1,600,568
Liabilities—						
Capital stock	$1,500,000	$1,000,000	$1,000,000	$1,000,000	$900,000	$900,000
Funded debt	400,000	400,000	400,000	400,000	400,000	400,000
Notes payable	75,000	232,403	175,837	111,500	36,500	12,500
Accounts payable	6,417	6,433	2,919	3,647	1,790	.....
Accrued items	15,481	1,965	599	515	72	.....
Other current liabilities	630	565	565	571	641	.....
Reserve for depreciation	615,459	576,456	538,131	501,862	466,938	.....
Reserve for insurance	11,984	11,475	11,006	10,550	10,121	9,651
Profit and loss	345,576	323,446	335,003	350,129	335,877	278,417
Total	$2,970,547	$2,552,743	$2,464,060	$2,378,774	$2,151,940	$1,600,568

Officers: W. D. Daskam, Pres.; C. W. Bell, Treas.; A. M. Webb, Sec.; V. O. Ketcham, Gen. Mgr.; B. H. Keeler, Supt., Stamford, Conn.

Directors: Walton Ferguson, Jr., D. M. Cruikshank, W. D. Daskam, Arthur P. Hatch, Chas. D. Lockwood, Alfred W. Dater, C. W. Bell, Stamford, Conn.

Office, Stamford, Conn.

CONNECTICUT RAILWAY & LIGHTING COMPANY

History—Incorporated July 2, 1895, in Conn., as The Gas Supply Co., name changed March 2, 1899, to Connecticut Lighting & Power Co., and on Jan. 10, 1901, to present title. Property leased, Dec. 19, 1906, for 999 years from Aug. 1, 1906, to Consolidated Railway Company, now The New York, New Haven and Hartford Railroad. The street railway properties have been sublet to The Connecticut Company, the electric light and power with the gas properties have been sublet to The Connecticut Light & Power Company. Total rental is on a graduated scale, increasing from $975,000 in 1907 to $1,400,000 in 1915 and thereafter. Out of this rental and other income the Company pays its interest and other charges and 4½% dividends on its Common and Preferred stock.

CAPITAL STOCK

Authorized and outstanding, $8,977,200 Common and $8,142,900 cumulative Pfd.; par, $100.

Preferred Stock Provisions—Pfd. stock has preference for assets as well as to dividends; both classes of stock have equal voting rights.

Transfer Agents—The Equitable Trust Co., New York, and Union and New Haven Trust Co., New Haven, Conn.

Registrars—Guaranty Trust Co., New York, and Second National Bank, New Haven, Conn.

Annual Meeting—Fourth Wednesday in September.

Dividends—The Pfd. stock originally entitled to 5% cumulative dividends, but none had been paid up to the lease to Consolidated Ry. in Dec., 1906. In 1907, Pfd. stockholders received additional Pfd. stock in settlement of accrued dividends, and agreed to the reduction of dividend rate to 4% from Aug., 1906, during the continuance of the lease. Quarterly dividends at rate of 4% per annum were paid from May 15, 1907, until Aug. 15, 1917, when the rate was increased to 4½% per annum and maintained to date. On Common, 1% paid Nov. 15, 1907, and 1% quarterly until Aug., 1917, when rate was increased to 1⅛% quarterly, which rate maintained to date. Payments on both classes F, M, A & N 15.

Price Range—

	1927	1926	1925	1924
Preferred—				
High	80	69	66½	53
Low	68	60	50	41
Common—				
High	71	69	65	51½
Low	64	58	49½	40

FUNDED DEBT

(1)

$209,000 CONNECTICUT LIGHTING & POWER CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1939

Dated January 1, 1899.

Interest Payable January and July 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $1,000,000, issued, $846,000; outstanding, $209,000.

Security—Secured by a first mortgage on certain of the gas and electric property of Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$10,622,000 CONNECTICUT RAILWAY & LIGHTING CO. FIRST & REFUNDING GOLD 4½s; DUE JANUARY 1, 1951

Dated January 1, 1901.

Interest Payable January and July 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Guaranties—Authorized issue, $15,000,000; outstanding $10,622,000; held in sinking fund, $2,825,000. Under Supplemental Mortgage executed June 23, 1904, The United Gas Improvement Co., agreed to guarantee the payment of interest of such bonds as would be presented to be "stamped," giving Company the right to redeem same at 105 and interest on two months' notice. $11,448,000 of bonds have been presented and so stamped. Interest and sinking fund are also guaranteed under the lease by the New York, New Haven & Hartford R. R.

Sinking Fund—Sinking fund, beginning July 1, 1905, annually to 1950, ½%, and on Dec. 31, 1950, ¼% of all bonds issued, to be held by trustee for benefit of holders of stamped bonds or applied to purchase of bonds at not exceeding 105 and interest.

Security—Secured by a mortgage on all of the property of the Company, subject to prior lien of Connecticut Lighting & Power Co. First 5s of 1939 on certain of the gas and electric property. These bonds follow $209,000 Connecticut Lighting & Power Co. First 5s of 1939, (on certain of the gas and electric property), for the retirement of which bonds of this issue are reserved.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Connecticut State tax.

Listed—New York and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98⅛	94½	92⅛	88½	87⅝	81	61	66½
Low	96⅛	90	90⅛	82	76½	75	57½	60
Stamped—								
High	100¼	95	93	89¾	84⅛	84	66¼	60½
Low	94¾	90	88½	80¼	76	73	57½	60

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Rentals and interest received	$1,460,530	$1,460,123	$1,459,851	$1,456,287	$1,456,125	$1,455,63
Interest on bonds	607,015	607,015	607,015	607,015	608,780	610,54
General expenses	9,457	8,655	8,553	9,630	9,617	8,17
Sinking fund	66,285	66,285	66,285	66,285	64,520	62,75
Total charges	$682,757	$681,955	$681,853	$682,930	$682,917	$681,47
Balance for dividends	$777,773	$778,168	$777,998	$773,357	$773,208	$774,16
Preferred dividends paid	366,430	366,430	366,430	366,430	366,430	366,43
Common dividends paid	403,974	403,974	403,974	403,974	403,974	403,97
Surplus for year	$7,369	$7,764	$7,594	$2,953	$2,804	$3,75

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Construction and equipment	$29,506,731	$29,509,616	$29,537,886	$29,762,118	$29,762,318	$29,780,31
Lessee's liability at expiration of lease	1,434,503	1,434,503	1,406,533	1,186,502	1,186,502	1,170,50
Sinking fund accounts (contra)	2,888,684	2,694,866	2,501,791	2,315,349	2,126,293	1,943,92
Interest, dividends and rents receivable	195,576	183,931	178,516	313,244	312,056	311,14
Cash	1,786	5,168	4,701	5,081	3,595	3,49
Investments	142,688	142,688	142,687			
Accounts receivable	20,816	20,325	20,615	14,306	13,791	10,77
Prepaid accounts		400	400	400	425	2
Total	$34,190,784	$33,991,497	$33,793,129	$33,597,000	$33,404,980	$33,220,18
Liabilities—						
Capital stock	$17,120,100	$17,120,100	$17,120,100	$17,120,100	$17,120,100	$17,120,10
Funded debt	13,466,000	13,466,000	13,466,0	13,466,000	13,466,000	13,466,00
Sinking fund (contra)	2,888,683	2,694,866	2,501,791	2,315,349	2,126,293	1,943,92
Accrued accounts	128,401	128,401	128,401	128,401	128,401	128,40
Contingent payment upon expiration of lease	349,419	349,419	349,419	349,419	353,794	353,79
Accounts payable	9,581	11,479	13,951	11,857	2,500	4,50
Accrued sinking fund, etc.	33,142	33,142	33,142	33,142	38,113	36,48
Surplus	195,458	188,090	180,325	172,732	169,779	166,97
Total	$34,190,784	$33,991,497	$33,793,129	$33,597,000	$33,404,980	$33,220,18

Officers: R. A. C. Smith, Pres., New York; Paul Thompson, V-P.; Garfield Scott, V-P.; G. W. Curran, Sec.; I. W. Morris, Treas.; Edward Porter, Aud., Philadelphia.

Directors: Garfield Scott, G. W. Curran, Paul Thompson, Philadelphia, Pa.; W. T. Hincks, E. E. Palmer, Bridgeport, Conn.; R. A. C. Smith, New York Jas. T. Moran, New Haven, Conn.; J. H. Rorabuch W. H. Putnam, Hartford, Conn.

Office, New Haven, Conn.

WEST BOSTON GAS CO.

History—Incorporated in 1911, in Mass., and in 1919 the Framingham Gas, Fuel & Power Co. and Natick Gas Light Co., were merged with it. At present supplies gas at retail without competition to Framingham and Natick and at wholesale, through a long term contract with the Marlboro & Hudson Gas Co., to Marlboro, Ashland, Southboro, and Stow. These communities have an aggregate population of about 60,000. The present property includes approximately 100 miles of mains, supplying directly and indirectly a total of 6,300 customers both retail and wholesale. A contract has been signed with the Dedham and Hyde Park Gas Company under which the West Boston Gas Co. will supply at wholesale the requirements of these communities. The Company has also obtained a franchise to supply gas at retail to the Town of Needham. A new coal gas plant was completed in 1927.

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, $1,050,000; par, $25.

Stock Issue Authorized—The Massachusetts Department of Public Utilities on Oct. 28, 1927, authorized Company to issue 42,000 shares of stock for cash a par, proceeds to be applied to payment and cancella tion of $848,451 in promissory notes and to the pay ment of obligations incurred for extensions subsequer to July 31, 1927.

Dividends—Dividends paid in 1920: 3¼% on $175 000 stock and 6% on $279,600 stock; 1922, 8%; 192 4% on $326,200 stock and 4% on $426,200 stock; 192 to 1926, inclusive, 8% each year; 1927, 6%.

FUNDED DEBT

$700,000 4½% GOLD NOTES; DUE $350,000 EACH SEPTEMBE 1, 1928 AND 1929.

Dated September 1, 1926.

Interest Payable March and September 1, at Th First National Bank, Boston.

Denomination—Coupon, $1,000; principal may b registered.

Registrar—The First National Bank, Boston.

Provisions of Issue—Issued, $700,000. Compan agrees that, so long as any of these notes are outstan ing and unpaid, it will place no mortgage or other e

cumbrance or lien of any kind upon its property unless these notes are given a prior lien. Company agrees to maintain gross assets at 166 2/3% of all indebtedness.

Purpose of Issue—Proceeds used for construction of a Koppers coke oven plant and for additions and improvements to the existing plant.

Callability—Subject to call as a whole or in part, on any interest date, on 30 days' notice, at par and interest.

Security—Notes are direct obligations of Company.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the bankers).

Original Offering—First publicly offered ($700,000) in September, 1926, at prices to yield 4.87% and 5%, by First National Corp. of Boston, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$374,934	$317,246	$294,685
Operating expenses & taxes	307,441	260,174	250,745
Net earnings	$67,493	$57,072	$43,939
Other income	42,086	19,139	8,649
Total income	$109,579	$76,211	$52,589
Bond interest	31,500	13,300	11,200
Other interest, etc.	22,082	8,731	6,706
Total charges	$53,582	$22,031	$17,906
Balance for dividends	$55,997	$54,180	$34,683
Dividends paid	55,997	55,125	34,096
Surplus for year	.....	†$945	$587
Earnings Per Share	$1.33	$1.94	$2.03

†Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$2,248,530	$1,306,142	$741,708
Materials and supplies	155,142	82,219	89,049
Cash	7,366	10,106	11,135
Notes receivable	.....	1,050	.....
Accounts receivable	110,151	50,569	43,175
Special deposits	100	358,228	150,655
Prepaid items	6,045	9,344	5,961
Unadjusted debits	8,788	15,054	4,597
Total	$2,536,122	$1,832,711	$1,046,278
Liabilities—			
Capital stock	$1,050,000	$700,000	$426,200
Funded debt	700,000	700,000	160,000
Notes payable	550,000	220,000	130,000
Accounts payable	86,853	77,676	7,635
Interest accrued	10,874	10,596	2,882
Unadjusted credits	5,157	.....	194,606
Reserve for taxes	5,639	5,639	6,559
Consumers' deposits	13,054	11,459	10,098
Reserve for depreciation	93,519	86,316	87,327
Profit and loss	21,026	21,026	20,970
Total	$2,536,122	$1,832,711	$1,046,278

Officers: Thomas C. Fales, Pres., Cambridge, Mass.; Nelson C. Fales, V-P. & Clerk, Brighton, Mass.; Vincent Goldthwaite, Treas., Wellesley, Mass.

Directors: Thomas C. Fales, Cambridge, Mass.; B. D. Barker, Boston, Mass.; Vincent Goldthwaite, Wellesley, Mass.; Nelson C. Fales, G. L. Briggs, Brookline, Mass.

Office, Framingham, Mass.

NORTHAMPTON STREET RAILWAY

History—Incorporated in 1867, in Mass. Lines located in Northampton, Mass., extending to Holyoke, Mount Tom, Easthampton, Amherst, Hatfield and Williamsburg. Length of lines, 30.75 miles; sidings, etc., 3.67 miles; total track, 34.42 miles. Gauge, standard. Rail, 58, 60 and 70 lb. T. Passenger cars, 43; snow plows and sweepers, 12; buses, 4. Population served, about 42,000.

CAPITAL STOCK

Authorized and outstanding, $850,000 (increased from $400,000 to $700,000 in 1910, and to $850,000 Oct. 2, 1913); par, $100. Transfer office, Northampton, Mass. Annual meeting, second Tuesday in April.

Dividends—Dividends have been paid in recent years as follows: 1901, 8%; 1902, 8%; 1903, 8%; 1904, 6%; 1905, 6%; 1906, 7%; 1907, 7%; 1908, 6%; 1909, 2½%; 1910, none; 1911, 4½%; 1912, 5%; 1913, 5½%; 1914, 5½% (3% on $700,000 and 2½% on $850,000); 1915, 5%; 1916, 5%; 1917, 5%; 1918 and 1919, none; 1920, 3%; 1921 to 1924, incl., 6% each; 1925, 3%; 1926 and 1927, none; payments semi-annually, J & J 1, at Northampton, (Mass.) National Bank.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross receipts	$266,724	$287,035	$308,040
Operating expenses	254,306	273,047	254,825
Net earnings	$12,418	$13,988	$53,215
Interest and taxes	11,798	14,458	26,977
Net income	$620	*$470	$26,238
Dividends paid	.....	.....	25,500
Surplus for year	$620	*$470	$738
Earnings Per Share	$0.07	Nil	$3.08

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,086,744	$1,100,288	$956,456
Materials and supplies	28,417	28,147	36,220
Cash	13,891	5,763	9,597
Accounts receivable	3,726	4,139	2,997
Other current assets	350	200	200
Unadjusted debits	4,592	5,126	110,581
Deferred debit items	978	820	3,161
Total	$1,138,698	$1,144,485	$1,119,212
Liabilities—			
Capital stock	$850,000	$850,000	$850,000
Premium on capital stock	10,000	10,000	10,000
Notes payable	139,450	169,250	170,000
Accounts payable	11,414	15,300	21,496
Reserve for taxes	.....	.....	5,154
Depreciation reserve	106,627	80,904	42,941
Unadjusted credits	6,709	5,152	5,397
Profit and loss	14,498	13,879	14,224
Total	$1,138,698	$1,144,485	$1,119,212

Officers: Henry M. Tyler, Pres.; L. D. Pellissier, Sec., Treas., Gen. Mgr. & Pur. Agt.; G. E. Pellissier, Asst. Gen. Mgr. & Asst. Treas., Northampton, Mass.

Directors: H. M. Tyler, H. P. Fields, Northampton, Mass.; L. D. Pellissier, Chas. E. Mackintosh, G. E. Pellissier, Holyoke, Mass.; Walter D. Cowles, Amherst, Mass.

Office, Northampton, Mass.

THE NEW HAVEN & SHORE LINE RAILWAY COMPANY

History and Property—Incorporated April 18, 1923, in Connecticut, and acquired by purchase, road from Saybrook to New Haven, Conn., formerly operated by The Shore Line Electric Ry. Co. Road extends from Old Saybrook to New Haven, passing through Foxon, Totoket, North Branford, Guilford, Madison, East River, Clinton, Grove Beach, Westbrook and Saybrook. Length of line, 34.54 miles, of which 2.27 miles are trackage rights. Gauge, 4 ft. 8½ in. Rails, 70 lbs. Operated by overhead trolley. Cars, 9; buses, 15; service cars, 6; snow plow, 1. Operation of line was started July 17, 1923.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $10. Transfer Agent: F. E. Kingston & Co., New Haven, Conn. Registrar: Union & New Haven Trust Co., New Haven, Conn. Annual meeting, in March. No dividends paid.

FUNDED DEBT

(1)

$461,000 First Gold 6s; dated July 1, 1923; due July 1, 1948; int. Jan. and July 1, at The Union & New Haven Trust Co., New Haven, Conn., Trustee. Coupon, $100, $500 and $1,000. Authorized issue, $500,000. Subject to call at 105 and interest on any

interest date upon four weeks' notice. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

(2)

$150,000 7% 10-Year Debenture bonds; dated Nov. 1, 1926; due Nov. 1, 1936. Interest payable May and November 1. Authorized, $200,000; issued, $150,000 for additions and betterments and for other corporate purposes.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$199,031	$202,278	$162,832
Oper. exp. & taxes Depreciation	183,558	190,535	141,685
Net earnings	$15,473	$11,743	$21,148
Other income	213	34	240
Total income	$15,686	$11,777	$21,388
Interest on bonds	38,544	30,099	28,412
Other interest	7	4,939	674
Amortization, etc.	4,765	1,571	1,301
Total charges	$43,316	$36,609	$30,387
Surplus for year	*$27,629	*$24,831	*$8,999
Surplus forward	*$21,015	3,816	12,815
Total surplus, Dec. 31	*$48,644	*$21,015	$3,816

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,095,149	$1,088,307	$1,053,637
Materials and supplies	4,051	7,262	8,262
Cash	3,631	24,743	3,098
Accounts receivable	3,074	3,397	3,218
Other current assets	2,000	500	500
Unadjusted debits	39,122	43,633	19,343
Profit and loss deficit	*48,619	21,015	.....
Total	$1,195,646	$1,188,856	$1,088,058
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	611,000	611,000	461,000
Equip. obligations	1,590	14,434	17,062
Accounts & notes payable	26,275	23,771	85,914
Reserve for taxes	5,973	6,070	4,885
Unadjusted credits	3,088	1,531	1,948
Reserve for depreciation	47,720	32,050	13,434
Profit and loss surplus	.....	.....	3,816
Total	$1,195,646	$1,188,856	$1,088,058

*Adjusted.

Officers: W. Scott Eames, Pres.; Chas. M. Walker, V-P.; Leonard O. Ritter, Sec. & Asst. Treas.; Frederic E. Kingston, Treas., New Haven, Conn.; W. Dillon, Aud.; C. O. Weidman, Gen. Mgr., Guliford, Conn.

Directors: Clarence Blakeslee, David S. Walton, Jr., Charles M. Walker, Arthur W. Chambers, Frederick N. Sperry, W. Scott Eames, Philip Pond, Frederic E. Kingston, Leonard O. Ritter, New Haven, Conn.; Donald A. Dunham, Hartford, Conn.; Philip J. Steuck, Middletown, Conn.; A. S. Lively, Clinton, Conn.; Frederick C. Spencer, Guilford, Conn.

Offices, 152 Temple St., New Haven, Conn., and Guilford, Conn.

THE NEW CANAAN WATER COMPANY

History—Incorporated May 12, 1893, in Conn. Franchise perpetual. Property consists of a gravity and filter plant and distributing system. Miles of mains, 13.56. Has municipal contracts for fire hydrants at $25 each per annum. Population served 2,500. No. of customers, 714.

CAPITAL STOCK

Authorized (by charter), $150,000; (by stockholders) $100,000; outstanding, $89,350; par, $25. Annual meeting, second Monday in January.

Dividends—Present dividends, 4% per annum; payments Jan. and July 15, by check.

FUNDED DEBT

$100,000 Consolidated (now First) Mortgage 5% Gold Bonds, dated June 1, 1911; due July 1, 1935; int. Jan. and July 1, at Union & New Haven Trust Co., New Haven, Conn., Trustee. Coupon, $500; principal may be registered. Authorized and issued, $100,000. A first lien on plant. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$32,124	$23,827	$19,970
Oper. exp. and taxes	14,657	9,746	8,892
Net earnings	$17,467	$14,081	$11,078
Bond interest	$5,000	$5,000	$5,000
Other interest	145	259	316
Other charges	68	.....	68
Total charges	$5,213	$5,259	$5,384
Balance for dividends	12,254	8,822	5,694
Dividends paid	3,574	3,574	3,572
Surplus for year	$8,680	$5,248	$2,122

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$228,724	$216,282	$211,159
Cash	1,272	961	1,024
Accounts receivable	3,081	3,900	2,308
Unamortized debt discount	341	409	478
Total	$233,418	$221,552	$214,969
Liabilities—			
Capital stock	$89,350	$89,350	$89,350
Funded debt	100,000	100,000	100,000
Bills payable	.....	4,000	.....
Notes payable	.....	.....	4,700
Accrued liabilities	2,000	.....	.....
Reserve for depreciation	11,073	8,888	6,852
Profit and loss surplus	27,995	19,315	14,067
Total	$233,418	$221,552	$214,969

Officers: James R. Mead, Pres., Greenwich, Conn.; G. F. Lockwood, V-P.; Stanley P. Mead, Sec., New Canaan, Conn.; B. H. Mead, Treas. & Gen. Mgr., New Haven, Conn.; H. H. Mead, Supt., New Canaan, Conn.

Directors: G. F. Lockwood, H. H. Mead, Stanley P. Mead, Wm. F. Weed, New Canaan, Conn.; J. R. Mead, B. H. Mead, Greenwich, Conn.

General Office, New Canaan, Conn.

THE GROTON & STONINGTON TRACTION COMPANY

History and Property—Incorporated July 25, 1921. in Conn., and on Jan. 1, 1923, purchased from the Receiver of the Shore Line Electric Ry. Co., the line from Westerly, R. I., to Main St., New London, Conn., and from Mystic to Old Mystic, Conn. Length of line owned, 20.81 miles; trackage (Connecticut Company), 0.75 mile—total, 21.56 miles. Total track (owned, 21.46 miles; trackage, 1.50 miles), 22.96 miles. Equipment: Closed passenger cars, 13; auto passenger buses, 3; work car, 1; snow plow, 1,; miscellaneous, 1.

Reorganization—On Nov. 22, 1926, P. LeRoy Harwood, acting on behalf of the bondholders committee (consisting of Clarence E. Thompson, P. LeRoy Harwood, C. Royce Boss, and Lucius E. Whiton), purchased the property of The Groton & Stonington Traction Co. for $50,000. This was in pursuance to foreclosure action brought by the committee representing the holders of The Groton & Stonington Street Railway First Mortgage 5% bonds; due July 1, 1924, and Groton & Stonington Street Railway Old Mystic Extension First Mortgage 5% bonds; due July 1, 1936. The committee in turn deeded the property back to the company in consideration of $16,500 cash, $250,000 of income bonds and $395,000 Common stock, and the surrender and cancellation of The Groton & Stonington Traction Co. First Mortgage 5% bonds, due April 1, 1943, together with unpaid interest thereon. Under the plan each holder of a $1,000 bond of the Groton & Stonington Street Railway Co. received $500 in 6% 20-year income bonds and 10 shares of stock (par $100) of the company.

Change in Control—It was announced in January, 1928, that F. E. Kingston & Co., Hartford, Conn., had acquired the majority of the First Mortgage bonds

and the shares of stock of Company. Sale of the bonds and stock was made on the advice of the Stockholders' Protective Committee and represented the holdings of 75% of the stockholders.

CAPITAL STOCK

Authorized, $500,000; outstanding, $474,700; par, $100. In addition, $25,300 held in treasury Dec. 31, 1927. No dividends paid.

FUNDED DEBT

$237,500 20-Year First Mortgage 6% Income bonds; dated Jan. 1, 1927; due Jan. 1, 1947; interest payable Jan. and July 1, only out of earnings for period paid. Unless at least 20% is paid for any 5-year period; principal is then due and payable. Winthrop Trust Co., New London, Conn., Trustee. Authorized, $250,000; outstanding, $237,500; in treasury, $12,500. Issued together with capital stock of company to the holders of the Groton & Stonington Street Railway bonds.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$148,007	$157,773	$151,743
Oper. exp. and taxes	129,763	135,470	128,326
Net earnings	$18,244	$22,303	$23,417
Other income	1,333	1,384	368
Total income	$19,577	$23,687	$23,785
Bond interest	14,345	25,750	25,750
Deficit for year	*$5,232	$2,063	$1,965

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Road and equipment	$707,387	$707,884
Deposits in lieu of mortgaged property sold	.....	2,107
Reacquired securities	37,800	37,800
Materials and supplies	11,159	11,777
Cash	51,617	44,793
Accounts receivable	1,416	960
Other current assets	573	636
Deferred assets	4,597	.....
Unadjusted debits	988	1,332
Total	$815,537	$807,290
Liabilities—		
Capital stock	$500,000	$500,000
Funded debt	250,000	250,000
Accounts payable	5,295	7,392
Interest payable	7,250	.....
Accrued taxes	4,460	4,733
Other unadjusted credits	4,690	16,844
Profit and loss	43,842	28,320
Total	$815,537	$807,290

Officers: S. J. Aichler, Pres. & Treas.; E. J. Grandahl, V-P.; E. W. Coe, Sec.; A. R. Downes, Asst. Treas., Hartford, Conn.

Directors: S. J. Aichler, A. R. Downes, E. W. Coe, E. J. Grandahl, E. O. Cruikshank, Hartford, Conn.

General Office, Guilford, Conn.

MINNESOTA NORTHERN POWER COMPANY

History—Incorporated March 14, 1924, in Del. Acts as manager of Montana-Dakota Power Co. (see appended statement). Owns all of the capital stock of **Nason Power Company** and the **Gas Development Company.**

During 1927 Company acquired the municipal power plant at Miles City, Mont., for price stated to be $377,200. The Company was awarded gas franchise for Miles City, Mont. and it was stated that work would begin immediately by Hope Engineeing & Supply Co. on a $700,000 contract for the construction of approximately 70 miles of 8-inch pipe line from the Cedar Creek gas field, north of Baker, Mont., to serve consumers in Miles City and Terry, Mont. Distribution plants will be built in both cities.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $1,000,000 7% cumulative Pfd. par $100; outstanding, Common shares having stated value of $1,245,800 and $184,400 Pfd.

Callability—Pfd. stock is subject to redemption on any dividend date at 105 and accrued dividends.

Annual Meeting—Second Friday in February, at Wausau, Wis.

Dividends—Pfd. dividends regularly paid quarterly J, A, J & O. Common dividends at rate of $8 per share per annum paid regularly quarterly, J, A, J & O.

FUNDED DEBT

None.

GENERAL BALANCE SHEET

Assets—	Jan. 31, 1928	Dec. 31, 1926	Feb. 28, 1926
Plant investment	.....	$669,477	.....
Invests. in affiliated cos.	$1,658,819	400,000	
Stocks owned	.....	.....	$212,130
Treasury stock	510	.....	.....
Other investments	1,000	3,718	22,000
Cash	7,311	3,618	250,474
Notes receivable	1,286	2,102	273,000
Accounts receivable	4,545	10,271	70,607
Interest receivable	26,277	.....	.....
Other current assets	2,114	4,351	5,211
Prepayments	.....	2,703	.....
Advance to affil. cos.	239,367	75,568	.....
Other assets	9,997	9,074	.....
Deferred items	.....	.....	495
Total	$1,951,226	$1,180,882	$833,918
Liabilities—			
Common stock	$1,245,800	$636,220	$305,700
Preferred stock	184,400	184,400	178,050
Notes payable	.....	69,103	134,919
Accounts payable	1,585	17,649	7,035
Other current liabilities	.....	2,515	32,215
Accounts of subsidiaries	.....	40,000	.....
Taxes accrued	22,026	35,726	2,383
Interest accrued	2,013	613	2,209
Reserves	.....	8,830	.....
Surplus	495,402	185,826	171,406
Total	$1,951,226	$1,180,882	$833,918

Officers: C. C. Yawkey, Pres., Wausau, Wis.; R. M. Heskett, V-P., Treas. & Gen. Mgr., Minneapolis, Minn.; Ben Alexander, V-P.; Aytch P. Woodson, Sec., Wausau, Wis.; C. W. Smith, Chief Engineer; W. L. Hayes, Pur. Agent., Minneapolis, Minn.

Directors: C. C. Yawkey, Ben Alexander, Aytch P. Woodson, Brown Katzenbach, H. L. Geisse, Wausau, Wis.; R. M. Heskett, Minneapolis, Minn.

General Office, Minneapolis, Minn. **Corporate Office,** Wausau, Wis.

MONTANA-DAKOTA POWER COMPANY

(Managed by Minnesota Northern Power Company)

History and Property—Incorporated as Eastern Montana Utilities Company; name changed to present title in January, 1926. Present company is a consolidation of the Jennison Light and Power Co., Scobey Utility Co., Plentywood Electric Co., United Power Co., Listerud Power Co., Williston Light, Heat & Coal Co. and a number of other properties operating in eastern Montana and western North Dakota. Company owns the entire Common stock and most of the Pfd. stock and leases the property of the Eastern Montana Light and Power Co. (see appened statement). The Company with its subsidiary, The Eastern Montana Light and Power Co., owns and operates five modern steam generating stations having an installed capacity of 16,000 k.w.h. together with 700 miles of transmission lines. Electric light and power is being distributed at retail to 75 towns in North Dakota and Montana. Light and power is furnished to the City of Williston, N. D., at wholesale. Steam heating service also is supplied in the cities of Glendive and Miles City, Mont. Population of territory served is approximately 40,000.

CAPITAL STOCK

Authorized, 40,000 shares Common of no par value; $1,000,000 7% cumulative Pfd., par $100, and $1,500,000 6% cumulative Pfd., par $100; outstanding, Feb. 1,

1928, 31,107 shares Common, $1,000,000 7% cumulative Pfd. and $95,500 6% cumulative Pfd. The authorized capital stock was changed from 25,000 shares Common and $1,000,000 Pfd. to the amounts stated above in Jan., 1928.

Preferred Stock Provisions—The 7% and 6% Pfd. have preference for assets and cumulative dividends over the Common. Both the 7% and 6% Pfd. are subject to call on any dividend date at $105 per share. Pfd. stock has no voting power.

Annual Meeting—First Tuesday in February in Minneapolis.

Dividends—Pfd. dividends regularly paid quarterly J, A, J & O 1. On Common, $2 per share was paid in 1927.

FUNDED DEBT

$1,500,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES OF 1926 DUE APRIL 1, 1929
$1,800,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES OF 1927; DUE APRIL 1, 1929

Dated, Series of 1926, April 1, 1926; Series of 1927, April 1, 1927.

Interest Payable April and October 1 at The Minnesota Loan & Trust Co., Minneapolis, Minn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Minnesota Loan & Trust Co., Minneapolis, Minn.

Provisions of Issue—Authorized amount of bonds under this mortgage is limited by restrictions of Indenture. Amount issued, $1,500,000 Series of 1926, and $1,800,000 Series of 1927. Additional bonds may be issued under the Mortgage for refunding purposes or for additions and extensions at not exceeding 80% of cost, but only when net earnings for a period of 12 consecutive months out of 15 months next preceding the issuance of such bonds shall have been equal to at least twice the annual interest charge on bonds outstanding and then to be issued.

Purpose of Issue—Proceeds from sale of $1,000,000 of these bonds were used in part for payment of properties acquired and in part to reimburse company for improvements to all properties heretofore made. Proceeds from the balance of this issue were to be held by Trustee and paid out against engineers' certificates for construction of transmission lines and for other permanent additions costing in excess of $600,000.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at par and a premium of ½ of 1% for each 6 months of unexpired maturity.

Retirement Fund—Company covenants to pay to the Trustee annually commencing April 1, 1927, a cash sum equal to 2% of the greatest amount of bonds outstanding. Such moneys will be used either for the purchase or retirement of bonds of this series or for permanent additions and betterments which cannot be made the basis of issuance of additional bonds.

Security—These bonds are secured by a direct first mortgage on entire properties owned by the Company on April 1, 1926, subject to a $42,517 encumbrance on a small portion of the property. Further secured by pledge of all of the Common stock of the Eastern Montana Light and Power Co., together with a lease of its properties to the Montana-Dakota Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Cobb, Wheelwright, Hoke & Benson, Minneapolis, Minn.

Original Offering—First publicly offered ($1,500,000 Series of 1926) in May, 1926, at 99¾ and interest to yield about 5.60%, by The Minnesota Loan & Trust Co., Minneapolis, and Second Ward Securities Co., Milwaukee.

Series of 1927 bonds ($1,800,000) were first publicly offered in Sept., 1927, at par and interest by the Minnesota Loan & Trust Co., Minneapolis, and Second Ward Securities Co., Milwaukee, Wis.

CONSOLIDATED INCOME ACCOUNT
(Montana-Dakota Power Co. and Eastern Montana Light & Power Co.)

	Yr. Ended Dec. 31, 1927	Yr. Ended Dec. 31, 1926	Yr. Ended Mar. 31, 1926
Gross earnings	$868,322	$425,906	$379,354
Operating expenses, taxes and maintenance	434,698	223,074	249,155
Rent for lease of other utility plants	31,900	.....	.....
Net earnings	$401,724	$202,832	$130,199
Income from leased property	.....	36,407	22,118
Total net earnings	$401,724	$239,239	$152,316
Deductions:			
Interest on long term debt	$104,225	.....	.....
Miscellaneous interest	40,177	.....	.....
Amortization of debt disc. & expense	26,004	.....	.....
Total deductions	$170,406	.....	.....
Net income before Federal taxes & deprec.	$231,318	.....	.....

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and equipment	$5,920,948	$2,519,139
Cash	145,352	146,961
Notes & accts. receivable	251,564	157,504
Material and supplies	192,306	50,298
Subscribers to capital stock	13,739	102,915
Marketable securities	10,150	106,020
Other assets	23,320	18,264
Unamortized debt disc. and exp.	55,000	45,614
Suspense	5,167	.....
Total	$6,617,546	$3,146,715
Liabilities—		
Preferred stock	$1,000,000	$469,500
Common stock	859,695	515,700
Capital stock subscribed	76,300	145,900
Funded debt	3,300,000	1,500,000
Purchase contracts	42,517	45,019
One year notes to affiliated cos.	331,279	.....
Notes and accounts payable	479,123	193,899
Consumers' deposits	58,610	32,228
Dividends payable	30,273	.....
Miscellaneous liabilities	4,271	16,982
Accrued liabilities	108,793	38,743
Retirement reserve	166,575	47,387
Other reserves	39,880	.....
Surplus	120,230	141,357
Total	$6,617,546	$3,146,715

Officers: C. C. Yawkey, Pres., Ben Alexander, V-P. Wausau, Wis.; R. M. Haskett, V-P., Treas. & Gen Mgr., Minneapolis, Minn.; A. P. Woodson, Sec. Wausau, Wis.

Directors: C. C. Yawkey, Ben Alexander, Brown Katzenbach, A. P. Woodson, H. L. Geisse, Wausau Wis.; R. M. Heskett, Minneapolis, Minn.

General Office, Minneapolis, Minn. **Corporate Office,** Wausau, Wis.

EASTERN MONTANA LIGHT & POWER CO.

(Leased to Montana-Dakota Power Co.)

History—Incorporated in June, 1917, in Del. and owns without competition the electric light and power at Glendive, Wibaux and Sidney, Mont.; Beach and Sentinal Butte, N. D., are served by transmission lines from Glendive. The total population served is estimated at about 14,000. The entire property is operated under long term lease by Montana-Dakota Power Co.

CAPITAL STOCK

Authorized and outstanding, $200,000 Common and $172,100 7% cumulative Pfd.; par, $100. Entire Common stock owned by Montana-Dakota Power Co Pfd. stock is redeemable at 105 and dividends. Annual meeting, December 31st, at Wausau, Wis. Pfd. dividends paid quarterly, J, A, J & O 1.

FUNDED DEBT

$406,000 First Gold 6s; dated July 1, 1917; due July 1, 1932; int. Jan. and July 1, at Continental National Bank & Trust Co., Chicago, Trustee. Wm. P. Kopf.

Chicago, Co-Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $1,000,000. Additional bonds may be issued for 85% of cash cost of new construction, additions, etc., when net earnings are 1¾ times the interest charges on all First Mortgage bonds outstanding, including those proposed to be issued. Sinking fund beginning July 1, 1921, 1% annually of bonds outstanding. Extensions and additions may be made to the property in lieu of any sinking fund payment. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

$75,000 General Gold 7s; dated May 1, 1922; due May 1, 1942; int. May and Nov. 1, at Continental National Bank & Trust Co., Chicago, Trustee. W. P. Kopf, Co-Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized and issued, $75,000. Subject to call on any interest date at 105. Secured by a direct closed mortgage on all the properties located in Montana, which includes over 90% of all the property owned. Company pays Normal Federal Income Tax up to 2%.

Officers: C. C. Yawkey, Pres., Wausau, Wis.; R. M. Heskett, V-P. & Treas., Minneapolis, Minn.; Ben Alexander, V-P.; A. P. Woodson, Sec., Wausau, Wis.
Directors: C. C. Yawkey, Ben Alexander, A. P. Woodson, Brown Katzenbach, Wausau, Wis.; R. M. Heskett, Minneapolis, Minn.
General Office, Minneapolis, Minn. **Corporate Office,** Wausau, Wis.

TORRINGTON ELECTRIC LIGHT COMPANY

History—Incorporated in 1887, in Conn., to supply electric light and gas to Torrington, and district. Electric capacity, 5,500 k.v.a. Miles of gas mains, 59. Gas sales in 1927, 129,899,000 cu. ft. Electric sales in 1927, 9,788,269 k.w.h. No. of customers, (gas, 4,235; electric, 5,936), 10,171. Has city contract for street lighting.

CAPITAL STOCK

Authorized, $2,000,000; issued, $1,200,000, of which $134,425 held in sinking fund; par, $25. Dividends, 8% per annum to 1926; 1927, 10%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$596,882	$537,375	$499,346
Oper. exp. & taxes	446,325	395,769	381,416
Net earnings	$150,557	$141,606	$117,930
Other income	15,742	38,141	7,944
Total income	$166,299	$179,747	$125,874
Interest, etc.	904	.....	5,009
Net income	$165,395	$179,747	$120,865
Dividends paid	120,000	110,000	72,000
Surplus for year	$45,395	$69,747	$48,865
Earnings Per Share	$3.88	$4.21	$3.38

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$1,525,419	$1,405,119	$1,301,796
Materials and supplies	5,589	9,031	9,555
Cash on hand	4,863	24,381	11,360
Notes receivable	.....	.....	15,000
Accounts receivable	53,968	47,240	44,062
Reserve fund account	189,632	173,502	137,638
Total	$1,779,471	$1,659,272	$1,519,411
Liabilities—			
Capital stock	$1,200,000	$1,200,000	$1,000,000
Bills and notes payable	50,000	.....	.....
Accounts payable	35,477	35,871	21,854
Accrued taxes	51,800	52,929	46,806
Depreciation reserve	221,063	178,872	144,761
General reserve	170,990	157,639	123,212
Profit and loss surplus	50,139	18,097	182,778
Total	$1,779,471	$1,659,272	$1,519,411

Officers: Frank M. Travis, Pres.; Frederick F. Fuessenich, Sec.; C. E. Smith, Treas. & Gen. Mgr.; A. J. Breckenridge, Supt., Torrington, Conn.
Directors: H. B. Fuessenich, J. F. Alvord, T. W. Bryant, F. M. Travis, C. H. Alvord, C. E. Smith, F. R. Appelt, Torrington, Conn.
Office, Torrington, Conn.

SEYMOUR WATER COMPANY

History—Incorporated April 23, 1897, in Conn. Furnishes water to Seymour and Beacon Falls, Conn., serving population of 6,900. Miles of mains, 23. No. of meters, 57. No. of customers, 1,083. Owns 3 reservoirs of 140,000,000 gals. capacity. Consumption in 1927, 301,125,000 gals.

CAPITAL STOCK

Authorized, $200,000; outstanding, $150,000; par, $25. Annual meeting, first Monday in January, at Seymour, Conn.
Dividends—Usually 7% per annum; in 1922, 8½%; 1923, 1924 and 1925, 8% each; 1926 and 1927, 8% and 1% extra each; payments semi-annually, Feb. and Aug. 1, at New Haven, Conn.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$32,629	$31,032	$33,779
Oper. exp. and taxes	15,434	19,885	19,546
Net earnings	$17,195	$11,147	$14,233
Other income	905	1,682	790
Total income	$18,100	$12,829	$15,023
Dividends paid	13,500	13,500	12,000
Surplus for year	$4,600	*$671	$3,023

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$231,661	$227,238	$221,088
Other investments	3,993	3,878	3,878
Cash	14,739	13,256	14,678
Current accounts	2,005	628	1,699
Jobbing accounts	1,747	1,257	964
Total	$254,145	$246,256	$242,308
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Depreciation reserve	54,301	51,012	46,392
Profit and loss surplus	49,844	45,244	45,916
Total	$254,145	$246,256	$242,308

Officers: Clarence Blakeslee, Pres.; D. A. Blakeslee, Sec. & Treas., New Haven, Conn.; Henry C. Keir, Supt., Seymour, Conn.
Directors: B. H. Mathies, Clifford J. Atwater, William B. Swan, Seymour, Conn.; Clarence Blakeslee, Theodore R. Blakeslee, Miles Grant Blakeslee, D. A. Blakeslee, New Haven, Conn.
General Office, New Haven, Conn. **Operating Office,** Seymour, Conn.

ATTLEBORO STEAM & ELECTRIC CO.

History—Incorporated in 1888, in Mass. Supplies electric light and steam power to Attleboro and vicinity. Population served, 19,781. No. of customers, 5,462. Company purchases its current.

CAPITAL STOCK

Authorized and outstanding, $449,200, par $25.
Dividends—Dividends have been paid as follows: in 1905, 4%; in 1906, 5½%; in 1907, 1908 and 1909, 6% each; in 1910, 15%; 1911, 12%; 1912, 15%; 1913 to 1918, 12% each; 1919, 14%; 1920, 17%; 1921, 12%; 1922, 17%; 1923 and 1924, 15% each; 1925, 1926 and 1927, 16% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$359,624	$432,120	$388,107
Oper. exp., taxes & deprec.	312,918	342,293	315,341
Net earnings	$46,706	$89,827	$72,766
Other income	21,795	24,232	12,024
Total income	$68,501	$114,059	$84,791
Interest, etc.	654	2,166	605
Net income	$67,847	$111,893	$84,186
Dividends paid	79,872	79,866	66,560
Surplus for year	*$12,025	$32,027	$17,626
Earnings Per Share	$3.77	$5.60	$5.06

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$804,148	$763,075	$706,568
Materials and supplies	14,409	19,279	18,955
Cash	320,134	373,169	157,366
Accounts receivable	42,879	83,820	80,561
Notes receivable	6,800	35,000	30,000
Special deposits	.....	.....	253,082
Other current assets	567	689	2,798
Prepaid ins., etc.	1,244	2,316	.....
Total	$1,190,181	$1,277,346	$1,249,331
Liabilities—			
Capital stock	$499,200	$499,200	$416,000
Premium on capital stock	151,510	151,510	84,950
Notes & accounts payable	19,146	161,370	351,364
Dividends declared	19,968	19,968	16,640
Reserve for taxes	24,162	14,989	10,328
Unadjusted credits	85,899	57,775	64,683
Depreciation reserve	186,892	157,450	122,993
Profit and loss	203,404	215,085	182,372
Total	$1,190,181	$1,277,346	$1,249,331

Officers: Thomas C. Fales, Pres., Egypt, Mass.; J. Edward Hills, V-P.; Vincent Goldthwaite, Treas., Wellesley, Mass.; B. D. Barker, Clerk, Boston, Mass.

Directors: The above and G. Loring Briggs, Brookline, Mass.; Nelson C. Fales, Boston, Mass.

Office, Attleboro, Mass.

THE WILLIAMS COUNTY TELEPHONE CO.

History—Incorporated Sept., 1915 in Ohio; reincorporated in May, 1921. Company subsequently acquired The Citizens Telephone Co., West Unity, O. The new organization began operations on Jan. 1, 1923. Prices, $19.80 to $37.80. Exchanges at Bryan, Edon, Farmer, Montpelier, Ney, Pioneer and West Unity.

CAPITAL STOCK

Authorized, $400,000; outstanding, $278,200; par, $100. Annual meeting, fourth Friday in January.

Dividends—4% per annum paid to 1924; 1925, none; 1926, ½%; 1927, 1%.

FUNDED DEBT

$62,400 First Gold 6s; dated Jan. 1, 1923; due Jan. 1, 1943; int. Jan. and July 1, at First National Bank, Bryan, O. Coupon, $100 and $500. Authorized, $62,400. F. L. Niederaur, Bryan, O., Trustee. Subject to call on any interest paying date at par and accrued interest after Jan. 1, 1928. A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$112,813	$110,485	$97,232
Oper. exp., taxes, etc.	86,512	80,613	80,833
Net earnings	$26,301	$29,872	$16,399
Other income	.....	24	3
Total income	$26,301	$29,896	$16,402
Bond interest	$5,971	$7,464	$3,744
Other interest, etc.	35	593	4,978
Rentals	2,282	1,662	1,434
Total charges	$8,288	$9,719	$8,722
Balance for dividends	$18,013	$20,177	$7,680
Dividends paid	2,782	1,391	.....
Surplus for year	$15,231	$18,786	$7,680

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$396,954	$391,479	$370,249
Miscellaneous investments	.....	995	995
Materials and supplies	19,541	14,648	15,351
Cash	2,376	12,397	6,265
Accounts receivable	36,079	1,773	7,247
Other current assets	5,021	4,845	.....
Deferred debit items	85,061	85,347	84,802
Total	$545,032	$511,484	$484,909
Liabilities—			
Capital stock	$278,200	$278,200	$278,200
Premiums on capital stock	15,840	15,840	15,840
Funded debt	62,400	130,400	62,400
Bills payable	.....	.....	71,700
Accounts payable	76,140	3,859	8,840
Advances	992	.....	.....
Other current liabilities	5,363	6,483	.....
Unadjusted credits	.....	912	.....
Deferred credit items	584	193	.....
Reserve for taxes	7,515	5,614	6,142
Other reserves	48,629	43,750	34,339
Profit and loss	49,369	26,233	7,448
Total	$545,032	$511,484	$484,909

Officers: O. S. Eaton, Pres.; C. L. Newcomer, V-P.; C. S. Roe, Sec.; E. B. Willett, Treas.; C. R. Lowe, Gen. Mgr. & Pur. Agt., Bryan, Ohio.

Directors: C. L. Newcomer, C. S. Roe, E. B. Willett, O. S. Eaton, F. L. Niederaur, A. M. Miller, Bryan, O.; W. W. Morrison, Toledo, O.; John Kaiser, Edon, O.; D. H. Clauden, Pioneer, O.; F. L. Waterston, W. A. Louden, Montpelier, O.; J. H. Miller, West Unity, O.; U. S. Unger, Melbern, O.

Office, Bryan, Ohio.

CINCINNATI, LAWRENCEBURG & AURORA ELECTRIC ST. R.R.

History—Incorporated Nov. 18, 1898, in Ohio. Owns road from Anderson's Ferry at Cincinnati to Aurora, Harrison and Lawrenceburg. Franchises expire in 1924 and 1925. Length of line: Single track, 31.97 miles; sidings, 1.28 miles—total, 33.25 miles. Gauge, standard. Rail, 70 and 73 lb. T and girder. Motor cars, 12. In latter part of September, 1925, Company established a bus line from its terminal at Sedansville to the heart of Cincinnati, Ohio, about six miles. A fleet of four "White" busses operate between the two points.

Receivership—Judge Warner at Cincinnati on June 23, 1913, on application of Pres. J. C. Hooven, who, it is stated, loaned the company $125,000, appointed F. B. Shutts, Miami, Fla., receiver. On Dec. 28, 1914, C. E. Hoover was appointed receiver upon the resignation of Mr. Shutts. The company, it is stated, suffered about $145,000 damages from the flood in the spring of 1913. On Jan. 17, 1918, Judge J. B. Kelley appointed Edgar Stark, trust officer of the Union Savings Bank & Trust Co., Cincinnati, as co-receiver of Company to act with Receiver C. E. Hooven. Appointment of co-receiver was made for purpose of protecting the interests of the Trust Co., which is to advance money to the road to make necessary improvements.

Property Sold—Company's property was purchased Dec. 1, 1926 for $205,000, by the Union Trust Co. of Cincinnati. Property was sold under order of the Hamilton County (Ohio) Common Pleas Court and the Dearborn County (Ind.) Circuit Court.

New Company—It was unofficially announced in March, 1928 that as a move toward lifting the receivership of Company, articles of incorporation were filed for a seccessor company, which will issue 7,500 shares of no par value Common stock, to be distributed among the holders of the below described bonds. C. H. Deppe is to become Pres. of new company and J. L. Lackner, Sec.

CAPITAL STOCK

Authorized, $750,000 Common and $250,000 6% cumulative Pfd.; outstanding, $750,000 Common and $58,900 Pfd. par, $100. Transfer Agent and Registrar:

Fifth Third Union Trust Co., Cincinnati. Dividends of 6% per annum were paid quarterly J, A, J & O on Pfd. stock until July 1, 1906; none since.

FUNDED DEBT

$750,000 (ENTIRE ISSUE) FIRST GOLD 5s; DUE JULY 1, 1919

Dated 1899.

Interest Payable January and July 1, at Fifth Third Union Trust Co., Cincinnati, Trustee. Coupon, $1,000. A first lien on entire property. Company does not pay Normal Federal Income Tax. These bonds had not been paid up to Dec. 31, 1926, and no arrangements had been made for the payment of same up to that time.

Bondholders' Protective Committee—On Sept. 19, 1925 the following were appointed as a Protective Committee for Company's First Gold 5s, due July 1, 1919: Charles H. Deppe, Chrm.; Louis J. Hauck, Charles F. Goettheim, Joseph L. Lackner and William A. Stark. Depositary, Union Trust Co., Cincinnati, Ohio. The Committee fixed Nov. 15, 1925 as the last day on which bonds were accepted for deposit.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings (includ. bus)	$203,451	$209,275	$182,364
Oper. exps., taxes & deprec.	209,145	211,998	149,428
Loss from operation	$5,694	$2,723	*$32,936
Bond interest accrued	37,500	37,500	37,500
Deficit for year	$43,194	$40,223	$4,564

*Gain.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	*1927	*1926	1925
Property account	$318,996	$318,888	$2,199,567
Other investments	50,031	30,600	56,574
Materials and supplies	5,187	5,311	4,476
Cash	†3,125	1,538	3,083
Accounts receivable	1,067	.....	1,638
Other current assets	4,500	5,712	.....
Unadjusted debits	3,911	6,715	5,999
Deferred debit items	.....	.....	24,846
Receivers' account	843,004	843,004	.....
Profit and loss deficit	152,357	109,200	68,973
Total	$1,375,928	$1,320,968	$2,365,156
Liabilities—			
Capital stock	.....	.....	$808,900
Premium on stock	.....	.....	97,500
Matured fund. debt unpaid.	$750,000	$750,000	750,000
Loans and notes payable	.....	.....	182,002
Accounts payable	8,666	13,040	.....
Matured interest unpaid	543,750	506,250	487,500
Taxes accrued	11,425	8,563	10,860
Unadjusted credits	.....	.....	1,489
Deferred credit items	971	.....	.....
Accrued depreciation	61,116	40,795	26,905
Total	$1,375,928	$1,320,968	$2,365,156

*Receivers' balance sheet. †Overdraft.

Officers: C. E. Hooven and Chas. H. Deppe, Receivers; Stanley Shaffer, Pres.; Lou Vorheis, V-P.; Don Hooven, Sec. & Treas.; L. G. Van Ness, Gen. Mgr.; F. A. Nichols, Asst. Gen. Mgr., Cincinnati, Ohio.

Directors: J. S. Hooven, L. G. Van Ness, Lou Vorheis, Stanley Shaffer, Don Hooven, Cincinnati, Ohio.

Office, Anderson's Ferry, Cincinnati, Ohio.

HOME TELEPHONE COMPANY OF MOBILE

History—Incorporated July 29, 1922, in Ala.; successor, after reorganization, to Home Telephone Co., incorporated in 1895 (see 1922 Public Utility Manual, page 100). Plant in Mobile, and lines in Baldwin County, Ala. Franchise perpetual. Population served, 90,000. Prices, $60 and $36.

CAPITAL STOCK

Authorized and outstanding, 3,840 shares of no par value. Transfer Agent: The Commerce Guardian Trust & Savings Bank, Toledo, Ohio. No dividends paid. Annual meeting, in February.

FUNDED DEBT

$192,000 First Mortgage 6s; dated Aug. 1, 1922; due Aug. 1, 1942; interest Feb. and Aug. 1, at The Commerce Guardian Trust & Savings Bank, Toledo, Ohio, Trustee, and Guaranty Trust Co., New York. Authorized issue, $350,000. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$73,754	$73,336	$75,523
Oper. exps., maint. & taxes	57,801	54,103	57,799
Net earnings	$15,953	$19,232	$17,724
Other income	197	150	107
Total income	$16,150	$19,382	$17,831
Interest on bonds	11,520	11,520	11,520
Other fixed charges	2,801	2,767	2,713
Net income	$1,829	$5,095	$3,598

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$430,989	$426,082	$424,823
Materials and supplies	7,176	7,844	6,485
Cash	16,170	16,117	15,209
Accounts receivable	2,885	330	327
Other current assets	.....	2,505	2,662
Unadjusted debits	3,103	2,941	3,105
Deferred debit items	5,344	4,187	3,077
Total	$465,667	$460,007	$455,688
Liabilities—			
Common stock	$212,604	$212,604	$212,604
Funded debt	192,000	192,000	192,000
Accounts payable	1,665	1,487	831
Accrued liabilities	5,733	5,573	5,772
Unadjusted credits	5,200	4,240	4,789
Depreciation reserve	39,098	36,638	33,208
Profit and loss—surplus	9,367	7,465	6,484
Total	$465,667	$460,007	$455,688

Officers: W. H. Bryant, Pres., Gen. Mgr. & Pur. Agt., Mobile, Ala.; E. H. Cady, V-P. & Treas., Toledo, Ohio; W. H. Reynolds, Sec., Mobile, Ala.

Directors: W. H. Bryant, W. H. Reynolds, Gordon Smith, Mobile, Ala.; E. H. Cady, Toledo, Ohio; C. C. Handy, Cleveland, Ohio.

Office, 57 South Conception St., Mobile, Ala.

PENN YAN AND LAKE SHORE RAILWAY

History—Incorporated Feb. 23, 1897, in N. Y., as the Penn Yan, Keuka Park & Branchport Ry. Co. (see Manual for 1914, page 2510); name changed to above title Aug. 30, 1913. Chartered for 99 years from 1897. Owns and operates 8.5 miles of lines, extending from Penn Yan to Branchport, N. Y. Gauge, standard. Rail, 70 and 130 lbs. T. Passenger cars, 6; other cars, 1; electric locomotives, 2.

Receivership—William J. Tylee was appointed receiver Dec. 19, 1918.

CAPITAL STOCK

Authorized, $100,000; outstanding, $94,000; par, $100. Transfer office, Worcester, Mass. No dividends paid. Annual meeting, first Monday in May, at Park Landing, N. Y.

FUNDED DEBT

$100,000 First Gold 5s; dated Aug. 1, 1913; due Aug. 1, 1933; int. Feb. and Aug. 1, at American Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Authorized, $200,000. No sinking fund property. Company does not pay Normal Federal and bonds cannot be called. A first lien on entire Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$12,264	$19,343	$36,568
Oper. exp. & taxes	22,832	22,692	34,632
Depreciation	.....	6,380	6,380
Loss from operation	$10,568	$9,729	$4,444
Bond interest	5,000	5,000	5,000
Other interest, etc.	56	56	50
Total charges	$5,056	$5,056	$5,050
Deficit for year	$15,624	$14,785	$9,494

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$238,528	$235,794	$235,773
Investments	2,605	5,338	5,338
Materials and supplies	298	458	750
Cash	483	54	1,262
Accounts receivable	2,256	.....	.....
Unadjusted debits	772	2,255	2,255
Prepayments	.....	840	876
Deficit	93,082	77,458	62,672
Total	$338,024	$322,197	$308,926
Liabilities—			
Capital stock	$94,000	$94,000	$94,000
Funded debt	100,000	100,000	100,000
Receiver's certificates	1,060	400	.....
Notes payable	33,184	33,184	33,184
Accounts payable	24,969	21,182	19,691
Interest accrued	.....	22,083	17,083
Other current liabilities	27,083	.....	.....
Reserve for depreciation	57,728	51,348	44,968
Total	$338,024	$322,197	$308,926

Officers: William J. Tylee, Receiver, Sec., Gen. Mgr., and Pur. Agt., Penn Yan, N. Y.; Geo. E. Tylee, Pres., Holliston, Mass.; Clinton Hurlbutt, V-P., Branchport, N. Y.

Directors: Geo. E. Tylee, Holliston, Mass.; F. H. Viele, Boston, Mass.; Clinton Hurlbutt, Branchport, N. Y.; Wm. J. Tylee, W. M. Patteson, Penn Yan, N. Y.

Office, Penn Yan, N. Y.

THE KENTON TELEPHONE COMPANY

History—Incorporated Nov. 16, 1898, in Ohio, as Kenton Telephone Co., and on Aug. 1, 1926, property was sold to present company, The Kenton Telephone Company, incorporated in 1925. Operates telephone system in Kenton, Ohio.

CAPITAL STOCK

Outstanding, $426,200; par, $100. Annual meeting, third Wednesday in January. Dividends paid recently: 1924 and 1925, 6%; 1926, 2%; 1927, 4%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$84,256	$66,094	$67,268
Oper. exp., taxes & dep.	67,428	59,338	55,290
Net earnings	$16,828	$6,756	$11,978
Other income	627	.....	.....
Total income	$17,455	$6,756	$11,978
Rentals, etc.	8	293	78
Net income	$17,447	$6,463	$11,900
Dividends paid	17,048	8,524	13,500
Deficit for year	$399	$2,061	$1,600

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$409,350	$413,375	$306,918
Materials and supplies	7,721	5,415	3,156
Cash	50,373	25,320	20,520
Other current assets	3,278	3,283	2,670
Deferred debit items	903	1,272	1,022
Deferred items	716	.....	.....
Corporate deficit	2,460	2,859	.....
Total	$474,801	$451,524	$334,286
Liabilities—			
Capital stock	$426,200	$426,200	$225,000
Premium on capital stock	10,480	.....	.....
Accounts payable	1,664	1,488	.....
Other current liabilities	1,673	1,652	.....
Reserve for taxes	8,874	6,228	.....
Depreciation reserve	24,824	5,476	70,515
Other reserves	244	.....	.....
Deferred credits	842	.....	.....
Profit and loss surplus	.....	.....	38,771
Total	$474,801	$451,524	$334,286

Officers: W. A. Norton, Pres.; L. A. Ansley, V-P.; R. G. Merriman, Sec.; H. J. Miller, Treas.; J. D. Park, Gen. Mgr. & Pur. Agt., Kenton, O.

Directors: H. J. Miller, Chas. Shanfelt, Chas. B. Fink, L. A. Ansley, W. A. Norton, D. B. Nourse, R. G. Merriman, Kenton, O.

General Office, Kenton, O.

MANSFIELD TELEPHONE CO.

History—Incorporated in Sept., 1900, in Ohio. Absorbed the property of the Star Telephone Co., in Richland County. Franchises perpetual. Subscribers, 11,132. Miles of toll lines, about 90.

CAPITAL STOCK

Authorized, $1,000,000; issued, $500,000 Common and $347,550 6% Pfd.; par, $50. Annual meeting, fourth Monday in January.

Dividends—6% regularly paid on Pfd.; 6% on Common paid in 1919, 1920, 1923 and 1924; 6% regular and 2% on account of year 1921-1922, paid in 1925; 8% in 1926; 6% in 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$346,538	$333,265	$319,814
Oper. exp., taxes & dep.	240,818	234,721	244,077
Net earnings	$105,720	$98,544	$75,737
Other income	120	135	.....
Total income	$105,840	$98,679	$75,737
Interest	2,042	598	387
Rentals	1,353	2,076	1,486
Total charges	$3,395	$2,674	$1,873
Net income	102,445	96,005	73,864
Preferred dividends paid	20,853	20,847	20,804
Common dividends paid	30,000	40,000	40,000
Surplus for year	$51,592	$35,158	$13,060
Earnings Per Share—			
Preferred	$14.74	$13.81	$10.62
Common	8.16	7.51	5.31

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$1,543,913	$1,499,238	$1,389,951
Materials and supplies	19,072	11,067	16,132
Cash and current accounts	18,102	27,034	30,462
Deferred debit items	5,434	906	906
Total	$1,586,521	$1,538,245	$1,437,451
Liabilities—			
Common stock	$500,000	$500,000	$500,000
Preferred stock	347,550	347,550	347,450
Loans and notes payable	20,000	40,000	100
Current liabilities	21,198	48,435	40,742
Reserve for taxes	26,580	22,382	.....
Unadjusted credits	20,086	.....	.....
Depreciation accrued	445,933	416,290	420,728
Profit and loss	205,174	163,588	128,431
Total	$1,586,521	$1,538,245	$1,437,451

Officers: S. N. Ford, Pres.; J. A. Rigby, V-P.; M. D. Ward, Sec. & Treas.; L. R. Wittemire, Mgr., Mansfield, O.

Directors: Lewis Brucker, S. N. Ford, Frank B. Black, B. J. Balliett, M. D. Ward, Frank Bloor, Wm. Loughridge, A. B. Krause, J. A. Rigby, A. B. Beverstock, Reid Carpenter, B. A. Baxter, W. B. Martin, John Bear, A. W. Surrell, L. R. Wittemire, Hoyt Ford, Gustav Hirsch.

Office, Mansfield, Ohio.

THE UPHAM GAS COMPANY
(Mt. Vernon, Ohio)

History and Properties—Incorporated in March, 1923, in Ohio, to produce, transport and market natural gas for industrial and commercial purposes. For three years to March, 1926, The Upham Co. (originally incorporated in 1905 in W. Va.) sold the gas it produced from its properties in Ohio to The Upham Gas Co. for distribution among consumers. In 1926 The Upham Gas Co. acquired the physical properties of The Upham Co., including the pipe line system of about 76 miles, all gas leases, both developed and undeveloped, three 80 h.p. compressor units, real estate, warehouse property, field storage acreage, rights of way, concessions, franchises, etc. The Upham Gas Co. sells gas mostly to industrial consumers in and about Mount Vernon, Ohio, at rates ranging between $.35 and $.40 per thousand cubic feet. About 12% of its sales are to other gas consumers, rates for some of

this gas being $.15 per thousand cubic feet at the well. The properties acquired from The Upham Co. are located in Knox County, Ohio. As of March, 1926, there were 73 producing wells, and open flow was estimated at 10,000,000 cubic feet. Approximately 6,500 acres under leaseholds have been drilled and proven productive. In addition there are leaseholds on approximately 12,700 acres of undeveloped property and in addition gas rights on approximately 7,000 acres of land to be developed under a working arrangement with the Pure Oil Co.

CAPITAL STOCK

Authorized, 15,000 shares Common of no par value, and $250,000 6% cumulative Pfd. of $100 par value; outstanding, 10,450 shares Common and $235,000 Pfd. The remaining 4,550 shares Common are reserved for issuance against exercise of stock option warrants.

Dividends—Dividends of 6% paid on Pfd. in 1926 and 1927.

FUNDED DEBT

$464,500 FIRST MORTGAGE 7% FIVE-YEAR SINKING FUND GOLD BONDS; DUE JANUARY 1, 1931

Dated January 1, 1926.

Interest Payable January and July 1, at The National City Bank of Cleveland, Cleveland, Ohio.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The National City Bank of Cleveland, Cleveland, Ohio.

Provisions of Issue—Authorized and issued, $650,000. Issued in connection with the purchase of physical properties of The Upham Co. Issued under authority of Public Utilities Commission of Ohio.

Callability—Subject to call as a whole or in part, by lot, on any interest date upon 30 days' notice at 102½ on or before Jan. 1, 1927, thereafter at 102 on or before Jan. 1, 1928, thereafter at 101½ on or before Jan. 1, 1929, and thereafter at 101 prior to Jan. 1, 1931.

Stock Option Warrants—Each $1,000 bond is accompanied by a detachable stock option warrant entitling the holder thereof to purchase a unit of 7 shares of Common stock, without par value, of the Company prior to Jan. 1, 1927, at $27.50 per share; thereafter and prior to Jan. 1, 1928, at the rate of $35 per share; and thereafter and prior to Jan. 1, 1930, at the rate of $50 per share. Each $500 bond will be accompanied by a detachable stock option warrant entitling the holder thereof to a proportionate purchase privilege.

Sinking Fund—Provision is made for a sinking fund beginning May 1, 1926, and payable $7,875 monthly prior to Jan. 1, 1927; thereafter, $8,000 monthly prior to Jan. 1, 1928; thereafter $9,000 monthly prior to Jan. 1, 1929; thereafter $10,000 monthly prior to Jan. 1, 1930; and thereafter $10,500 monthly prior to Jan. 1, 1931. The sinking fund should retire by maturity a minimum of $505,000 principal amount of bonds issued.

Security—Secured by a first closed mortgage on the entire physical properties now owned by the Company or to be acquired from The Upham Co. Company also covenants that all physical properties hereafter acquired by it will, as provided in the Mortgage and Deed of Trust, be subjected to the lien thereof. According to independent appraisals, the Company's physical property as a going concern is valued at more than $1,200,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. All personal property and income taxes of any State or the District of Columbia, not exceeding in any year 5 mills on each dollar of principal amount, refunded upon application.

Legal Opinion—H. C. Devin, Mt. Vernon, Ohio (for the Company), and Cadwalader, Wickersham & Taft, New York (for the Bankers).

Original Offering—First publicly offered ($650,000. with detachable stock option warrants), in March, 1926, at par and interest, by A. M. Lamport & Co., Inc., New York, and Putnam & Storer, Inc., Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$245,189	$304,391
Operating expenses, maint. & taxes	190,217	215,209
Depreciation	21,549	21,605
Net earnings from operations	$33,423	$67,577
Bond interest	$35,841	$43,422
Other fixed charges	625	3,023
Balance for dividends	*$3,043	$21,132
Preferred dividends paid	†14,316	15,000
Surplus	*$3,043	$6,132

*Deficit. †Paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Properties	$877,470	$895,266
Cash	913	1,715
Accounts receivable	31,576	55,954
Sinking fund	9,120	37,721
Unadjusted debits	5,840	4,937
Deferred debit items	3,285	3,904
Special deposits	10,000	30,510
Total	$938,204	$1,030,006
Liabilities—		
Common stock	$49,074	$23,576
Preferred stock	235,500	250,000
Funded debt	464,500	596,160
Accounts payable	.....	3,480
Other current liabilities	30,649	9,399
Deferred items, etc.	812	.....
Reserve for taxes	8,220	21,368
Reserve for depreciation	147,434	81,151
Surplus	2,015	44,872
Total	$938,204	$1,030,006

Officers: J. A. Upham, Pres. & Treas.; S. P. Upham, V-P. & Sec.

Directors: J. A. Upham, S. P. Upham, B. E. Upham, H. C. Devin, H. C. Quetsch, Mt. Vernon, O.

General Office, Mt. Vernon, Ohio

TOLEDO, FOSTORIA AND FINDLAY RAILWAY COMPANY

History and Property—Incorporated in 1900, in Ohio. Owns and operates electric line connecting the cities of Toledo, Fostoria, Tiffin and Findlay, 67 miles. In Nov., 1916, purchased the 11½ mile line of the Lake Erie, Bowling Green & Napoleon Ry., between Pemberville and Bowling Green (see Manual for 1916, page 395). This line was abandoned May 15, 1925. On Jan. 1, 1925, acquired the properties of The Tiffin & Fostoria Ry. Co. (see 1924 Public Utility Manual, page 2617). Gauge, standard. Rail, 60 lb. T. Cars: Passenger, 15; freight, 25; work, 1; other 3.

CAPITAL STOCK

Authorized and outstanding, $700,000 Common and $800,000 5% cumulative Pfd.; par, $100. Transfer office, Dover, Ohio. Annual meeting third Thursday in January.

Dividends—Pfd. dividends regularly paid until 1920; none since. A dividend of 2% was paid on Common in fiscal year 1911-12; 1912-13, none; 1913-14, 6%; none since.

FUNDED DEBT

$334,000 First Gold 5s; dated Oct. 1, 1900; due Oct. 1, 1920, but extended at 6% to Oct. 1, 1940; interest April and Oct. 1, at Cleveland Trust Co., Cleveland, Trustee, and at the National Bank of Commerce, New York. Coupon, $1,000. Authorized issue, $450,000. Subject to call at any time. Sinking fund, 1½% per annum. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$356,753	$361,047	$370,201
Oper. exp., taxes & dep.	367,646	364,271	369,310
Loss from operations	$10,893	$3,224	*$891
Fixed charges	20,787	20,938	21,848
Deficit	$31,680	$24,162	$20,957

*Net earnings.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property investment	$2,124,658	$2,085,889	$2,125,753
Stocks owned	100	.....	100
Materials and supplies	24,734	24,954	19,968
Cash	3,694	8,525	17,657
Current accounts	10,130	10,418	15,939
Deferred assets	35,932	38,206	34,447
Other assets	3,943	3,002	2,274
Profit and loss deficit	101,376	69,688	29,144
Total	$2,304,567	$2,240,683	$2,245,282
Liabilities—			
Common stock	$700,000	$700,000	$700,000
Preferred stock	800,000	800,000	800,000
Funded debt	334,000	334,000	334,000
Current liabilities	13,694	16,016	40,271
Notes payable	42,500	.....	.....
Interest accrued	5,356	5,010	5,010
Accrued depreciation	363,670	339,670	315,670
Accrued taxes	9,464	10,369	9,112
Unadjusted credits	.....	35,618	7,866
Reserves	35,883	.....	33,353
Total	$2,304,567	$2,240,683	$2,245,282

Officers: C. C. Fernsell, Pres.; S. J. Reeves, V-P.; A. J. Krantz, Sec. & Treas., Dover, Ohio; R. H. Ewan, Aud.; E. Smith, Mgr. & Pur. Agt., Fostoria, Ohio.

Directors: A. J. Krantz, S. J. Reeves, L. H. Oerter, C. C. Fernsell, Dover, Ohio; H. C. Greer, Pittsburgh, Pa.

Office, Fostoria, Ohio.

ADA TELEPHONE EXCHANGE CO.

History—Incorporated March 14, 1896, in Ohio. No. exchanges, 6; telephones in use, 1,594. Price, $1.50 to $2.50 per month.

CAPITAL STOCK

Authorized, $100,000 Common and $25,000 6% cumulative Pfd.; outstanding, $100,000 Common; par, $100. Pfd. stock has preference for assets, and is subject to call at par after ten years from date of issue. Annual meeting, second Monday in January.

Dividends—Dividends on Pfd. paid semi-annually, March and Sept. 15; on Common quarterly, J, A, J & O 15. Dividends of 6% each on both classes of stock were paid to 1922; in 1923, 3% on each class was paid 1924, none on either class; in 1925, dividends of $3,025 were paid on Pfd.; none in 1926 or 1927. None paid on Common.

FUNDED DEBT

$85,800; no details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$45,625	$45,653	$40,202
Oper. exp. & taxes	26,005	29,724	31,776
Depreciation	15,299	15,094	21,226
Net earnings	$4,321	$835	*$12,800
Interest charges, etc.	6,077	6,899	4,159
Deficit after charges	$1,756	$6,064	$16,959
Dividends paid	.....	.....	3,025
Deficit for year	$1,756	$6,064	$19,984

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$247,191	$237,845	$236,687
Other investments	.....	8,000	8,000
Material and supplies	1,533	870	.....
Cash	3,571	.....	.....
Accounts receivable, etc.	796	971	54
Profit and loss deficit	46,036	44,001	45,921
Total	$299,127	$291,687	$290,662
Liabilities—			
Capital stock	$100,000	$100,300	$102,900
Funded debt	85,800	85,600	83,000
Notes payable	3,500	11,000	22,973
Accounts payable	21	.....	.....
Other current liabilities	5,611	5,832	.....
Depreciation reserve	104,195	88,955	73,861
Unadjusted credits	.....	.....	7,927
Total	$299,127	$291,687	$290,662

Officers: Isaac McElroy, Pres., Ada, Ohio; R. F. Coppess, V-P., Kenton, O.; D. H. Hering, Sec., Gen. Mgr. & Pur. Agt.; Justin Brewer, Treas., Ada, O.

Directors: Isaac McElroy, D. H. Hering, Justin Brewer, C. L. Brewer, John Lantz, Ada, Ohio; R. F. Coppess, Kenton, O.; C. M. Jones, Dunkirk, Ohio.

General Office, Ada, Ohio.

OHIO RIVER RAILWAY & POWER COMPANY

History and Property—Incorporated in March, 1924 in Ohio, as a reorganization, effective March 1, 1924, of The Ohio River Electric Railway & Power Co. (see 1924 Public Utility Manual, page 334). The new company took over from the bondholders' committee, at a price of $477,570, all the properties of the former company. The reorganization plan called for the following distribution of securities: Bondholders were to receive for each $1,000 old bond $800 new Pfd. stock and four shares Common. Old Pfd. and Common stocks were wiped out under the plan.

Owns and operates an electric railway 12.6 miles in length extending from Racine to Hobson, Ohio, passing through the towns of Syracuse, Minersville, Pomeroy and Middleport, paralleling the Ohio River. Franchises are for 21 years. Gauge, standard. Rail, 60 and 70 lbs. T.

CAPITAL STOCK

Authorized, 5,000 Common shares of no par value with a nominal value of $42 per share, and $252,000 7% Pfd.; outstanding, Dec. 31, 1927, $199,683.65 Common (4,745.2 shares) and $229,040 Pfd. (2,290.4 shares).

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$99,720	$95,258	$74,692
Oper. exp., taxes & deprec.	80,706	80,626	67,947
Net earnings	$19,014	$14,632	$6,745
Other income	.....	1,162	879
Total income	$19,014	$15,794	$7,624
Bond interest	1,224	.....	3,527
Other interest	.....	1,800	2,376
Other fixed charges	.....	.....	583
Total fixed charges	$1,224	$1,800	$6,486
Surplus for year	$17,790	$13,994	$1,138

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$414,662	$414,566	$413,667
Stocks owned	300	.....	.....
Other investments	1,955	300	300
Materials and supplies	5,448	5,448	6,111
Cash	11,731	12,276	11,337
Accounts receivable	2,070	32,052	24,270
Other current assets	.....	.....	492
Special deposits	45,323	.....	.....
Unadjusted & def. debits	273	2,204	2,065
Corporate deficit	.....	.....	11,872
Total	$481,762	$466,844	$470,114
Liabilities—			
Common stock	$199,684	$199,684	$199,683
Preferred stock	229,040	229,040	229,040
Funded debt	11,400	*18,600	*25,800
Other current liabilities	5,602	4,386	5,900
Reserve for taxes	3,552	1,753	1,859
Reserve for depreciation	9,583	7,083	4,583
Other reserves	8,406	5,585	3,249
Surplus	14,495	713	.....
Total	$481,762	$466,844	$470,114

*Car trust certificates.

Officers: P. M. Chandler, Pres.; Harry Hartwell, V-P.; F. W. Bacon, V-P.; D. W. Hennessy, Gen. Mgr.; H. Williams, Jr., Sec. & Treas.; H. D. Brown, Jr., Asst. Sec. & Asst. Treas.

Directors: P. M. Chandler, D. Curtis Reed, D. W. Hennessy, F. W. Bacon, T. L. Russell.

Office, Pomeroy, Ohio.

STEUBENVILLE, EAST LIVERPOOL & BEAVER VALLEY TRACTION CO.

History and Property—Incorporated Nov. 1, 1917, in Ohio, and Pa., as a merger of the railway properties only of The Ohio River Passenger Ry. Co., The East Liverpool Traction & Light Co. and The Steubenville & East Liverpool Ry. & Light Co. The two latter companies were authorized to sell their lighting properties to The Buckeye Power Co., which company was authorized to issue $750,000 Common stock, $1,500,000 6% Pfd. stock and $1,500,000 First Mortgage 5% bonds, and to turn over the stock and bonds to The Steubenville & East Liverpool Ry. & Light Co., and The East Liverpool Traction & Light Co. Owns and operates about 99 miles of line connecting Vanport, Pa., East Liverpool, Wellsville, Toronto, and Steubenville, O., including city lines in East Liverpool, Wellsville and Steubenville. Motor passenger cars (open, 4; closed, 56), 60; motor freight cars, 4; other motor cars, 9; freight and other cars (non-motor), 14—total cars, 87. Sub-station, 1.

CAPITAL STOCK

Authorized, $2,000,000 Common and $2,600,000 5% cumulative Pfd.; outstanding, $1,996,900 Common and $2,600,000 5% cumulative Pfd.; par, $100.

Preferred Stock Provisions—Has preference as to cumulative dividends as follows: At rate of 2% to Nov. 1, 1918; 3% to Nov. 1, 1920; 4% to Nov. 1, 1922; and thereafter at 5%. Shares equally with Common after latter has received 5%. Is subject to call at 110. Sole voting power rests with Common, unless Pfd. dividends are in arrears.

Annual Meeting—First Tuesday in March.

Dividends—Pfd. dividends at rate of 2% per annum paid to 1918; none thereafter to Dec. 31, 1927, when arrears amounted to 39%.

FUNDED DEBT

$1,483,000 FIRST GOLD 5s; DUE NOVEMBER 1, 1947

Dated November 1, 1917.

Interest Payable May and November 1, at Bank of North America & Trust Co., Philadelphia, Pa.

Default—Nov. 1, 1922 and subsequent coupons in default.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized issue, $3,000,000, outstanding, $1,483,000.

Callability—Subject to call at 105.

Sinking Fund—1% per annum, after 1922.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,067,425	$1,073,921	$1,032,859	$1,000,637	$884,836	$430,620
Operating expenses, taxes and depreciation	1,093,911	1,158,166	1,017,576	970,445	834,286	507,965
Net earnings	*$26,486	*$84,245	$15,283	$30,192	$50,550	*$77,345
Other income	957	500	1,136	380	336	62,100
Total income	*$25,529	*$83,745	$16,419	$30,572	$50,886	*$15,245
Interest charges	85,848	82,365	81,216	80,640	80,327	76,650
Deficit for year	$111,377	$166,110	$64,797	$50,068	$29,441	$91,895

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$6,587,278	$6,604,853	$6,476,793	$6,314,997	$6,307,608	$6,294,988
Stocks owned	54,000	54,000	54,000	63,000	63,000	8,000
Other investments	12,809	.....	.....	.....	.....	.....
Materials and supplies	56,138	38,559	41,392	36,004	36,025	29,613
Cash on hand	60,739	64,088	65,557	36,923	68,744	22,953
Accounts receivable	.....	80,783	73,906	78,560	51,474	18,125
Other current assets	38,629	12,434	186	110	.....	.....
Deferred debit items	16,657	172	.....	.....	10,208	10,832
Unadjusted debits	20,381	36,574	18,441	134,109	13,021	15,750
Profit and loss deficit	750,572	639,195	473,084	405,652	355,471	128,228
Total	$7,597,203	$7,530,658	$7,203,359	$7,069,356	$6,905,552	$6,528,489
Liabilities—						
Common stock	$1,996,900	$1,996,900	$1,996,900	$2,000,000	$1,996,900	$1,996,900
Preferred stock	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
Funded debt	1,575,956	1,626,923	1,527,375	1,550,525	1,574,875	1,601,250
Notes payable	92,750	90,771	.....	.....	.....	.....
Accounts payable	113,250	127,219	144,956	146,921	72,761	66,195
Interest accrued	407,825	.....	12,358	12,358	123,583	.....
Taxes accrued	94,612	79,806	61,017	42,215	30,077	41,531
Unadjusted credits	2,370	2,424	2,559	.....	.....	.....
Depreciation accrued	631,077	576,386	518,933	457,607	394,920	132,499
Stock liability for conversion	3,100	3,100	3,100	.....	3,100	3,100
Other reserves	55,004	81,096	64,636	.....	94,506	71,574
Other current liabilities	12,358	346,033	259,525	247,729	14,830	15,440
Appropriated surplus	12,000	.....	12,000	12,000	.....	.....
Total	$7,597,203	$7,530,658	$7,203,359	$7,069,356	$6,905,552	$6,528,489

Officers: J. H. Maxwell, Pres.; Geo. H. Faulk, Sec. & Treas., East Liverpool, O.; C. A. Smith, Gen. Mgr., Chester, W. Va.

General Office, East Liverpool, Ohio.

NEW YORK, WESTCHESTER & BOSTON RAILWAY COMPANY

History and Properties—Incorporated June 8, 1915, in N. Y.; consolidation of the Westchester Northern R. R. Co. and New York, Westchester & Boston Ry.

The company is authorized by its charter to construct and operate a railroad from the Harlem River in the City of New York, Borough of the Bronx, northwardly through the said Borough, to the line dividing New York City and Mount Vernon; thence through Mount Vernon to New Rochelle and Port Chester, together with a branch from Mount Vernon to White Plains. Of this route there was completed and put in operation in 1912 the portion of the line extending from 174th St. in the City of New York to New Rochelle and White Plains, there being four tracks from 174th Street, New York City, to Columbus Avenue Junction, Mount Vernon, two for express and two for local; two tracks from Columbus Avenue Junction, Mount Vernon, to Harrison and two tracks from Columbus Avenue Junction to White Plains. The line from New Rochelle to Harrison is leased

from the N. Y., N. H., & H. RR. Co. From about 174th St. in the City of New York south to the Harlem River, the road is operated jointly with the Harlem River & Port Chester R. R. Co., between which points the route of each road in part coincides. This operation is conducted under the terms of a contract with the Harlem River & Port Chester R. R. Co., dated Oct. 17, 1911, granting to the Westchester Company the right in perpetuity to maintain and operate its railroad over the joint right of way and also over the tracks of the Harlem River & Port Chester R. R. Co. lying to the east thereof. The Westchester Northern RR. Co., organized to extend the line from White Plains, N. Y., to Danbury, Conn., with a branch to Brewster, Putnam County, N. Y., was abandoned in 1925. Mileage in operation, Dec. 31, 1927, 26.72 miles, or 84.32 miles of track.

In July, 1927, Company started service between Mamaroneck and Harrison, N. Y.

Equipment consists of 75 multiple unit all steel cars, 2 flat cars, 4 service cars and 1 electric freight switching locomotive.

CAPITAL STOCK

Authorized, $6,000,000; outstanding, $5,005,250; par, $100. On Dec. 31, 1927, the New York, New Haven & Hartford R. R. Co. owned $4,984,937.50 of the stock and scrip. Annual meeting, fourth Wednesday in March, at Port Chester, N. Y. No dividends paid.

FUNDED DEBT

$22,190,000 FIRST MORTGAGE GOLD 4½s, SERIES 1; DUE JULY 1, 1946

Dated July 1, 1911.

Interest Payable January and July 1, at Lincoln National Bank, New York, on $ bonds, and in London, on £ bonds.

Denominations—Coupon (principal may be registered) $1,000 or £200 and £100; registered, $1,000 and multiples. Dollar bonds, coupon and registered, interchangeable. Bonds of £200 or multiples convertible into $ coupon bonds at $4.85 per £, with adjustment of interest at current exchange rates.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized by mortgage, $60,000,000; authorized by N. Y. Public Service Commission, $26,144,000; outstanding, $22,190,000 of which $2,900,000 owned by New York, New Haven & Hartford RR. Co., $2,190,000 thereof being pledged under its First & Refunding Mortgage. Unissued bonds are reserved for construction, betterments and improvements.

Callability—Subject to redemption in amounts of not less than $5,000,000 on any interest date at 110 on 30 days' published notice.

Security—A first lien on entire property.

Guaranty—Unconditionally guaranteed, principal and interest, by endorsement by New York, New Haven & Hartford R. R. Co., which owns $2,190,000 of the bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($17,200,000) in Aug., 1911, at 96¼ and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	91⅝	79⅝	70¼	63	50¼	59½	43	51
Low	78½	69⅜	59⅞	39½	32½	33	29	31

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,151,428	$1,911,705	$1,648,901	$1,521,446	$1,452,943	$1,354,009
Operating expenses, taxes and depreciation	1,728,122	1,484,741	1,276,726	1,203,213	1,170,113	1,259,875
Net earnings	$423,306	$426,964	$372,175	$318,233	$282,830	$94,134
Other income	15,187	9,478	6,971	10,628	5,931	6,299
Total income	$438,493	$436,442	$379,146	$328,861	$288,761	$100,433
Interest charges	2,162,625	2,089,123	1,964,455	1,907,031	1,849,278	1,790,597
Miscellaneous rentals	114,718	79,566	66,357	41,214	41,213	41,227
Other deductions	26,150	26,001	21,135	15,545	14,984	15,600
Total charges	$2,303,493	$2,194,690	$2,051,947	$1,963,790	$1,905,475	$1,847,424
Deficit for year	$1,865,000	$1,758,247	$1,672,801	$1,634,929	$1,616,714	$1,746,992

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$24,483,494	$23,516,988	$22,977,189	$23,111,214	$23,088,550	$23,077,856
Cash	77,265	397,462	255,399	173,155	161,616	24,020
Materials and supplies	106,272	104,227	117,210	93,095	80,873	71,156
Accounts receivable	227,433	35,623	24,979	25,234	37,055	58,662
Special deposits	490,522	489,015	489,780	488,475	487,170	490,252
Intangible capital	8,193,291	8,193,291	8,193,291	8,193,291	8,193,291	8,193,291
Unadjusted debits	2,470,927	2,528,295	2,925,151	547,532	614,298	548,534
Deferred debit items	20,199	20,199	20,199	20,224	20,199	20,224
Profit and loss deficit	26,106,509	24,150,283	22,259,570	20,422,300	18,788,263	17,171,026
Total	$62,175,912	$59,435,383	$57,262,768	$53,074,520	$51,471,315	$49,655,020
Liabilities—						
Capital stock	$5,005,250	$5,005,250	$5,005,250	$5,005,250	$5,005,250	$5,005,250
Funded debt	22,190,000	22,190,000	22,475,000	21,390,000	21,390,000	21,390,000
Loans and notes payable	21,180,032	19,324,840	18,362,290	17,399,740	16,437,190	15,474,640
Accounts payable	783,699	886,082	814,976	828,678	1,151,212	1,225,884
Matured int., dividends and rents unpaid	11,339,281	10,507,521	9,162,203	8,159,360	7,214,269	6,331,319
Accrued int., dividends and rents payable	65,491	70,525	76,177	63,077	63,077	63,088
Other current liabilities	.....	.....	.....	5,546	.....	.....
Tax liability	5,463	9,526	8,198	7,466	7,499	7,223
Depreciation reserve	474,972	375,844	223,323	200,218	177,770	155,036
Unadjusted credits	1,106,254	1,040,325	1,134,951	14,778	14,840	2,155
Deferred credit items	25,470	25,470	400	407	10,208	425
Total	$62,175,912	$59,435,383	$57,262,768	$53,074,520	$51,471,315	$49,655,020

Officers: L. S. Miller, Pres., New York; E. J. Pearson, V-P; A. E. Clark, Sec.; A. S. May, Treas., New Haven, Conn.; C. L. Nagle, Gen. Aud.; P. W. J. Smith, Supt.; G. W. Carver, Asst. Sec., Asst. Treas. & Pur. Agt., New York.

Directors: L. S. Miller, John T. Pratt, J. Horace Harding, R. Sutro, Howard Elliott, New York; E. G. Buckland, E. J. Pearson, A. T. Hadley, New Haven, Conn.; Edward Milligan, Hartford, Conn.

General Office, 481 Morris Park Ave., New York City.

NEW YORK & STAMFORD RAILWAY COMPANY

(Controlled by N. Y., New Haven & Hartford R. R. Co.)

History and Property—Incorporated Aug. 3, 1901, in N. Y.; consolidation of Portchester Ry. and Larchmont Horse Ry. Franchises are for 99 years in Portchester and for 100 years in Mamaroneck; elsewhere practically perpetual.

The entire trolley operations of the Company were discontinued at Dec. 31, 1927. The County Transportation Co., Inc., has substituted bus service on the lines of the New York & Stamford Railway Company.

County Transportation Co., Inc.—Incorporated Aug. 15, 1927, as a subsidiary of New York & Stamford Railway Company to operate a system of bus lines in Westchester County, N. Y. As of Dec. 31, 1927, Company operated ten bus routes.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by N. Y., N. H. & H. R. R. Co. Annual meeting, first Tuesday in June.

Dividends—3% paid in 1911 and 1¼% in 1912; none since.

Sale of Stock—By agreement made with the Department of Justice of the United States the New Haven Co. was ordered to sell on or before July 1, 1919, the 5,000 shares (entire issue) of the capital stock of the New York & Stamford Ry. Co. owned by it and bonds of the said company to the par value of $678,000, but this sale date was extended to July 1, 1921; subsequently extended to not later than July 1, 1922; and further extensions were granted from time to time.

On Nov. 20, 1925, Judge Francis A. Winslow of the U. S. Court for the Southern District of New York entered an order modifying the decree of Oct. 17, 1914 in the following respect: The New York, New Haven & Hartford RR. Co. is relieved of the obligation to sell any of the securities of the New York or Massachusetts trolleys.

FUNDED DEBT

(1)

$426,000 First Gold 5s; dated Oct. 1, 1901; due Oct. 1, 1931; int. April and Oct. 1, at New York Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $450,000. A first lien on entire property. Company pays Normal Federal Income Tax.

(2)

$925,000 First & Refunding Gold 4s; dated Nov. 1, 1908; due Nov. 1, 1958; int. May and Nov. 1, at Union & New Haven Trust Co., New Haven, Trustee. Coupon, $1,000. Authorized issue, $2,000,000, of which $925,000 authorized to be issued by Public Service Commission of New York. Guaranteed principal and interest by the New York, New Haven & Hartford R. R. Co. which owns $678,000 of these bonds. Secured on entire property of Company subject to the First 5s described bove, for the retirement of which issue sufficient First & Refunding 4s are reserved. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$206,914	$427,107	$517,950	$513,807	$525,613	$541,999
Operating expenses and taxes	293,688	479,645	408,605	418,848	449,019	460,852
Net earnings	†$86,774	†$52,538	$109,345	$94,959	$76,594	$81,147
Other income	35,018	2,279	855	3,806	532	1,395
Total income	†$51,756	†$50,259	$110,200	$98,765	$77,126	$82,542
Interest, rentals, etc.	107,168	114,993	113,568	112,055	100,278	101,522
Deficit for year	$158,924	$165,252	$3,368	$13,290	$23,152	$18,980

†Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Cost of road and equipment	$1,818,429	$1,912,370	$2,000,249	$1,986,255	$1,991,093	$1,961,342
Materials and supplies	20,983	33,150	33,724	32,059	30,249	30,913
Cash	4,582	4,658	7,435	10,540	6,228	6,995
Accounts receivable	98,608	66,726	65,263	76,278	77,162	65,443
Special deposits	41,458	7,550	5,490	4,380	2,010	1,300
Unadjusted debits	59,599	61,488	63,194	65,426	68,960	78,803
Deferred debit items	4,872	4,872	4,872	4,872	4,872	4,872
Profit and loss deficit	947,662	707,201	499,367	479,150	462,261	436,859
Total	$2,996,193	$2,798,015	$2,679,595	$2,658,960	$2,642,836	$2,586,529
Liabilities—						
Capital stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Funded debt	1,352,410	1,352,880	1,353,350	1,353,820	1,360,290	1,366,760
Notes payable	826,433	218,432	218,432	218,432	218,432	218,432
Accounts payable	39,157	312,726	261,954	271,869	272,093	272,305
Matured int., divds. & rents unpaid	6,770	213,103	171,817	131,481	117,980	104,689
Accrued int., divds. & rents	36,135	19,486	17,751	15,824	13,683	13,575
Other current liabilities	.....	.....	.....	2,653	.....	.....
Unadjusted credits	45,596	13,552	16,838	21,073	71,856	42,805
Deferred credit items	61,372	35,058	41,222	47,386	6,657	203
Reserve for depreciation	128,320	132,778	98,231	96,422	81,845	67,760
Total	$2,996,193	$2,798,015	$2,679,595	$2,658,960	$2,642,836	$2,586,529

Officers: L. S. Miller, Pres., New York; R. Sutro, V-P.; A. E. Clark, Sec., New Haven, Conn.; G. W. Carver, Asst. Sec., Asst. Treas. & Pur. Agt., New York; A. S. May, Treas., New Haven, Conn.; C. L. Nagle, Aud.; P. W. J. Smith, Gen. Supt. New York.

Directors: Howard Elliott, Richard Sutro, L. S. Miller, Chas. A. Singer, L. S. Storrs, New York, N. Y.; C. M. Sheafe, Jr., Rye, New York; B. Campbell, E. G. Buckland, A. E. Clark, New Haven, Conn.

General Office, 481 Morris Park Ave., New York.

DELPHOS GAS CO.

History and Property—Incorporated originally in Nov., 1911, in Ohio; successor to Delphos Gas Light & Fuel Co., which in turn succeeded the Consolidated Gas & Light Co. A reorganization was effected in 1915 by organization of a company of same name (Delphos Gas Co.), which was authorized by the Ohio Public Utilities Commission to issue $40,000 capital stock and $53,000 par value of 6% bonds for the purpose of purchasing the plant and properties from the old Company. Supplies gas to Delphos, Ohio; popula-

tion served, 5,500. Miles of mains, 15. No. of consumers, 700. Annual sales, 12,000,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $40,000; par, $100.

Dividends—1% paid in 1920; none in 1921; 1% in 1922; 4.8% in 1923; 6% each in 1924 and 1925; 7½% each in 1926 and 1927.

FUNDED DEBT

$53,000 First Gold 6s; dated April 1, 1915; due April 1, 1935; interest quarterly, J, A, J & O 1, at Ohio Trust & Savings Bank, Toledo, Ohio. Denominations, $100 and $500. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$46,641	$46,733	$58,281
Oper. exp., taxes & dep.	35,674	38,345	48,164
Net earnings	$10,967	$8,388	$10,117
Bond interest	3,180	3,180	3,180
Other interest	646	1,020	1,311
Rentals	480	480	478
Other deductions	478	.....	.....
Total charges	$4,784	$4,680	$4,969
Net income	$6,183	$3,708	$5,148
Dividends paid	3,000	3,000	2,400
Surplus	$3,183	$708	$2,748

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$135,550	$133,364	$131,297
U. S. bonds owned	8,002	8,002	8,002
Materials and supplies	4,277	3,633	2,415
Cash	2,045	1,104	2,710
Accounts receivable	8,698	7,143	7,763
Other current assets	.....	.....	289
Unadjusted debits	166	142	.....
Deferred debit items	3,359	3,838	4,316
Total	$162,098	$157,226	$156,792
Liabilities—			
Capital stock	$40,000	$40,000	$40,000
Funded debt	53,000	53,000	53,000
Notes payable	7,000	11,700	17,840
Accounts payable	2,877	4,236	4,667
Other current liabilities	806	552	1,023
Divds. accrued	.....	600	.....
Reserve for taxes	264	300	25
Unadjusted credits	2,575	.....	.....
Deferred credit items	365	1,775	.....
Reserve for depreciation	35,721	28,755	23,162
Reserve for account	.....	.....	1,475
Appropriated surplus	10,000	10,000	.....
Profit and loss surplus	9,490	6,307	15,599
Total	$162,098	$157,226	$156,792

Officers: E. F. Lloyd, Pres., Detroit, Mich.; F. A. Lane, V-P., Treas., Gen. Mgr. & Pur. Agt., Adrian, Mich.; A. G. Lloyd, Sec., Detroit, Mich.; W. M. Moran, Supt., Delphos, Ohio.

Directors: E. F. Lloyd, F. A. Lane, W. M. Moran, F. P. Kennison, G. B. Downs.

General Office, Delphos, Ohio.

ELYRIA TELEPHONE COMPANY

History—Incorporated Dec. 26, 1923, in Ohio, and on July 31, 1924, purchased the property and net assets of the Elyria Telephone Company (incorporated in July, 1897). Franchise perpetual. Furnishes telephone service to Elyria, Ohio, serving a population of about 26,000. No. of telephones, 6,760.

CAPITAL STOCK

Authorized and outstanding, $700,000 Common and $150,000 7% Pfd.; par, $100. Annual meeting, second Tuesday in February.

Dividends—On Common, 8% annually from 1910 to 1923, incl.; 1924, 1925 and 1926, 6% each; 1927, 7%. On Pfd., 7% per annum regularly paid.

FUNDED DEBT

$50,000 First Mortgage 6s; dated 1903; due 1933; interest March and Sept. 1, at First National Bank, Elyria, Ohio. Coupon in form; principal may be registered. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$235,089	$226,397	$215,108
Oper. exp., taxes & deprec.	163,864	156,383	153,702
Net earnings	$71,225	$70,014	$61,405
Other income	1,391	1,078	911
Total	$72,616	$71,092	$62,316
Interest and rentals	3,631	3,502	3,295
Net income	$68,985	$67,590	$59,021
Preferred dividends	10,500	10,500	10,500
Common dividends	49,000	42,000	42,000
Surplus for year	$9,485	$15,090	$6,521

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,027,033	$979,719	$937,600
Material and supplies	19,899	17,006	20,768
Cash	24,700	29,647	*4,576
Accounts receivable	718	896	11,306
Other current assets	7,671	9,679	20,569
Unadjusted credits	1,900	1,900	.....
Deferred debit items	3,128	3,249	1,017
Total	$1,085,049	$1,042,096	$986,684
Liabilities—			
Common stock	$700,000	$700,000	$700,000
Preferred stock	150,000	150,000	150,000
Funded debt	50,000	50,000	50,000
Accounts payable	4,305	.....	3,647
Other current liabilities	1,150	5,030	1,597
Reserve for taxes	19,716	24,310	18,080
Unadjusted credits	479	530	.....
Reserve for depreciation	116,744	79,920	46,143
Other reserves	832	.....	.....
Premium on capital stock	7,499	7,498	7,499
Surplus	34,324	24,808	9,717
Total	$1,085,049	$1,042,096	$986,684

*Overdraft.

Officers: A. J. Curren, Pres. & Gen. Mgr.; R. D. Perry, Sr., V-P.; H. O. Dutter, Sec., Treas., Aud., Supt. & Pur. Agt.

Directors: A. J. Curren, R. D. Perry, Sr.; H. Wurst, M. I. Lavelle, C. H. Price, H. O. Dutter, H. C. Harris.

Office, 330 Second St., Elyria, Ohio.

DAYTON STREET RAILWAY CO.

History—Incorporated 1907 in Ohio. In Sept., 1907 secured a franchise for an electric line from Dayton to Dayton View and Harrison Township, 14 miles, put in operation, Feb. 28, 1909. As consideration for the franchise, the city is to receive from 1% to 3% annually of the gross receipts after the first two years operations. Gauge, standard. Motor cars, 27; non motor, 12. Power purchased from Dayton Power & Light Co.

CAPITAL STOCK

Authorized, $600,000 Common and $700,000, 6% cumulative Pfd.; outstanding, $600,000 Common and $650,500 Pfd.; par, $100. Annual meeting, first Monday in January.

Dividends—1½% paid on Pfd. stock in 1922; 3% in 1923; 3½% in 1924; 4% in 1925; 6% each in 1926 and 1927. None paid on Common.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$251,032	$248,339	$216,07
Oper. exp., taxes & dep.	211,377	210,529	186,22
Net earnings	$39,655	$37,810	$29,85
Other income	1,955	2,299	2,43
Total income	$41,610	$40,109	$32,29
Interest charges, etc.	1,566	1,003	1,00
Net income	$40,044	$39,106	$31,28
Pfd. dividends paid	*39,030	39,030	26,02
Surplus for year	$40,044	$76	$5,26

*Paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,459,191	$1,460,572	$1,460,472
Other investments	1,641	1,473	1,326
Cash	982	2,497	6,145
Materials and supplies	4,125	2,644	2,170
Accounts receivable	1,012	810	1,732
Other current assets	.....	44,784	24,516
Unadjusted debits	7,511	928	817
Deferred debit items	257	2,490	2,750
Special deposits	67,375	.....	.....
Total	$1,542,094	$1,516,198	$1,499,928
Liabilities—			
Common stock	$600,000	$600,000	$600,000
Preferred stock	650,500	650,500	650,500
Current liabilities	16,959	17,060	32,740
Reserve for taxes	21,833	24,701	22,674
Depreciation reserve	209,899	179,949	149,615
Other reserves	15,800	15,800	15,800
Deferred credits	159	.....	.....
Profit and loss	26,944	28,188	28,599
Total	$1,542,094	$1,516,198	$1,499,928

Officers: W. A. Keyes, Pres.; S. M. Krohn, V-P.; P. H. Worman, Sec. & Treas.; Wm. L. Smith, Gen. Mgr., Dayton, Ohio.

Directors: W. A. Keyes, S. M. Krohn, P. H. Worman, J. B. Breen, Torrence Huffman, C. H. Simms, J. R. Griffith, Harold E. Talbott, Jr., Henry Loy, Dayton, O.

Office, 712 Schwind Bldg., Dayton, O.

NIAGARA FALLS GAS AND ELECTRIC LIGHT CO.

History—Incorporated in 1900, in N. Y., and in 1901 took over the plant of the Niagara Falls Gas Co. Supplies gas in Niagara Falls, N. Y., and electricity to Niagara Falls and La Salle. Population served, 30,000.

CAPITAL STOCK

Authorized, $200,000, outstanding, $150,000; par, $100. No dividends paid.

FUNDED DEBT

$150,000 First 5s; dated July 1, 1891; due July, 1921; int. Jan. and July, in New York. These bonds are still outstanding.

$51,500 Third 5s; dated July 1904; due July, 1909; int. Jan. and July 1, in New York. These bonds are still outstanding.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$151,382	$106,415	$102,645
Oper. exp. & taxes	169,237	73,625	82,382
Net earnings	*$17,855	$32,790	$20,263
Other income	1,980	.....	.....
Total income	*$15,875	$32,790	$20,263
Interest charges	52,590	48,097	44,656
Deficit for year	$68,465	$15,307	$24,393

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$580,266	$327,964	$326,762
Materials and supplies	25,677	11,035	6,656
Cash	25,691	71,348	45,588
Accounts receivable	118,035	10,143	9,440
Other current assets	.....	8,804	10,655
Profit and loss deficit	803,727	735,262	715,749
Total	$1,553,397	$1,164,556	$1,114,850
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Mat. funded debt unpaid	201,500	201,500	201,500
Loans & notes payable	12,000	12,000	12,000
Accounts payable	1,006,102	650,662	611,858
Int. & taxes accrued	56,987	45,604	38,606
Consumers' deposits	12,149	9,510	8,262
Prepayments	5,070	.....	.....
Deferred credit items	14,276	3,876	4,429
Reserve for depreciation	95,312	91,404	88,195
Total	$1,553,397	$1,164,556	$1,114,850

Officer: A. H. Merritt, Sec. & Gen. Mgr.

Office, 306 Niagara Street, Niagara Falls, N. Y

OHIO & SOUTHERN TRACTION CO.

History—Incorporated in Oct., 1906, in Ohio. Owns line from Columbus to the Hartman Stock Farm and Shadesville, 6.85 miles. Total track, 8.61 miles. Gauge, standard. Motor passenger cars, 3; other cars, 10; electric locomotive, 1. Power purchased from Columbus Ry., Light & Power Co.

CAPITAL STOCK

Authorized and outstanding, $90,000; par, $100. Annual meeting, first Monday in October. No dividends paid.

FUNDED DEBT

$75,000 First Gold 5s; dated Oct. 1, 1907; due Oct. 1, 1932; interest April and Oct. 1, at Ohio Trust Co., Columbus, Ohio, Trustee. Denomination, $1,000. Authorized issue, $90,000, of which $15,000 held in treasury. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$9,801	$9,951	$9,757
Oper. exp., taxes & deprec.	29,105	29,334	29,050
Loss from operation	$19,304	$19,383	$19,293
Other income	.....	.....	7,500
Balance, deficit	$19,304	$19,383	$11,793
Bond interest	3,750	3,750	3,750
Other charges	.....	.....	68
Deficit for year	$23,054	$23,133	$15,611

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$215,019	$215,019	$215,019
Materials and supplies	4,887	5,004	5,150
Cash	.....	335	471
Accounts receivable	288	516	290
Profit and loss deficit	278,282	255,228	232,094
Total	$498,476	$476,102	$453,024
Liabilities—			
Capital stock	$90,000	$90,000	$90,000
Funded debt	75,000	75,000	75,000
Accounts payable	.....	.....	65
Interest matured	.....	71,315	67,500
Other current liabilities	75,180	.....	.....
Reserve for taxes	512	867	404
Reserve for depreciation	103,964	91,600	79,236
Appropriated surplus	153,820	147,320	140,819
Total	$498,476	$476,102	$453,024

Officers: Earl S. Davis, Pres.; John N. Spetnagel, V-P.; J. M. Butler, Sec.; S. Matthews, Aud.; Clark Miller, Gen. Mgr., Columbus, Ohio.

Directors: Earl S. Davis, J. M. Butler, Samuel Matthews, E. C. Schwab, John N. Spetnagel, E. J. Heywood, Columbus, Ohio.

Office, Columbus, Ohio.

LONDON WATER WORKS CO.

History—Incorporated Nov., 1890, in Ohio. Supplies London, O., serving population of about 4,500. Franchises, perpetual. Annual output, estimated, 285,000,000 gallons. No. of meters, 130. Prices, 25 cents to 40 cents per 1,000 gallons.

CAPITAL STOCK

Authorized, $150,000; outstanding, $113,500; par, $100. Annual meeting, in November. No dividends paid.

FUNDED DEBT

$140,000 (entire issue) First Gold 4s; dated Dec. 1, 1902; due Dec. 1, 1932; int. June and Dec. 1, at Central Trust & Safe Deposit Co., Cincinnati, O. Coupon, $1,000. A first lien on all assets of Co. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$29,795	$31,006	$31,287
Oper. exp. and taxes	23,536	25,305	24,358
Net earnings	$6,259	$5,701	$6,929
Bond interest	5,600	5,600	5,600
Surplus for year	$659	$101	$1,329

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and equipment	$144,235	$141,419	$140,906
Materials and supplies	668	668	668
Cash	80	1,552	1,917
Deferred debit items	12,150	7,650	.....
Gross deficit	117,066	117,065	120,065
Profit and loss deficit	46,426	47,085	47,186
Total	$320,625	$315,439	$310,742
Liabilities—			
Capital stock	$113,500	$113,500	$113,500
Funded debt	140,000	140,000	140,000
Interest accrued unpaid	.....	51,377	51,377
Notes payable	1,200	.....	.....
Reserve for taxes	51,378	.....	.....
Other reserves	2,072	2,912	2,865
Reserve for depreciation	12,150	7,650	3,000
Deferred credit items	325	.....	.....
Total	$320,625	$315,439	$310,742

Officers: F. R. Bridgman, Pres. & Gen. Mgr.; O. W. Bridgman, Sec. & Treas., London, Ohio.

General Office, London, Ohio.

THE SPRINGFIELD SUBURBAN RAILROAD COMPANY

History—Incorporated Feb. 9, 1923, in Ohio, and purchased at Receiver's Sale a part of the property of The Springfield Terminal Railway and Power Co.; the balance of the line was dismantled. The property acquired consists of a line road extending from Springfield, O., to Mad River, passing through Maitland, a total of 3.89 miles of standard gauge track. Rail, T, 70 lbs. operated by overhead trolley. Passenger motor car, 1; freight cars, 2; non-motor car, 1. Franchise expires in 1928.

CAPITAL STOCK

Authorized and outstanding, 255 shares of no par value. Capital stock was changed from $25,500, par, $100, in 1925. Annual meeting, in February.

Dividends—In 1924, 12%; in 1925, $10 per share: 1926 and 1927, none.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$39,723	$41,672	$43,862
Oper. expenses, deprec., taxes, etc.	31,368	32,208	32,043
Net earnings	$8,355	$9,464	$11,819
Other income	377	291	.....
Total income	$8,732	$9,755	$11,819
Rentals	600	600	.....
Dividends paid	.....	.....	2,550
Surplus for year	$8,132	$9,155	$9,269

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$150,877	$150,877	$150,877
Cash	10,684	8,816	9,279
Materials and supplies	466	271	.....
Notes receivable	17,690	9,270	.....
Accounts receivable	3,841	4,275	3,192
Other current assets	350	1,007	200
Unadjusted debits	343	477	2,819
Total	$184,251	$174,993	$166,527
Liabilities—			
Capital stock	$25,500	$25,500	$25,500
Accounts payable	1,111	815	2,597
Reserve for taxes	776	1,835	1,943
Reserve for depreciation	2,845	1,422	.....
Profit and loss	44,018	34,794	25,343
Unearned surplus	110,001	110,627	111,144
Total	$184,251	$174,993	$166,527

Officers: Samuel N. Summer, Pres.; J. B. Pinney, Sec., Columbus O.; W. G. Bell, Treas., Gen. Mgr. & Pur. Agt., Springfield, O.

Directors: Samuel N. Summer, J. B. Pinney, M. M. Moffett, F. L. Price, Columbus, O.; W. G. Bell, Springfield, O.

General Office, Springfield, Ohio. **Corporate Office,** Columbus, Ohio.

HAMBURG ELECTRIC COMPANY

(Hamburgische Electricitatswerke, Aktiengesellschaft)

History and Properties—Company was founded in 1894 as a stock company with a capital of 6,000,000 Marks. In 1915, the Free State of Hamburg became a stockholder in the Company and furnished capital equal to that already outstanding, or 22,000,000 Marks. Business is the production and distribution of electric energy for light and power in the Free State of Hamburg. Company also has the right to distribute light and power outside the limits of the Free State of Hamburg and current is thus sold in large amounts. Various industries located in Hamburg are important sources of revenue and in addition, Company has exclusive right to furnish power to the street railways in Hamburg under favorable contracts.

Properties consist of the following steam power plants: A large generating plant in Tiefstack, capacity 87,000 k.w. or 118,207 h.p., a large generating plant at Neuhof and three smaller generating stations. Total present installed capacity amounts to 162,930 k.w. or about 203,107 h.p. Upon final completion of the Neuhof plant Company will have total installed capacity of at least 300,000 k.w., or about 402,000 h.p. Also owns and operates 7 transforming stations, and 24 sub-stations. Distribution system at June 30, 1927, consists of 1,498 miles of underground cable line, and 368 miles of overhead line. Meters installed as of June 30, 1927, 232,312.

Company holds a 50% interest in Fernheizwerk Hamburg G M B H (Hamburg Steam Heating Company) and 100% interest in Stromversorgung Wilhelmsburg G m. b. H (Wilhelmsburg Power Company).

Valuation—The book value of the physical property, less depreciation, as at June 30, 1927, was $33,782,989. In 1926 an American Engineer, Mr. F. B. Hulse, gave the opinion that the physical properties could not be reproduced new, less depreciation at that date not less than $34,520,000.

Relationship with The Free State of Hamburg—The Free State of Hamburg holds about 29% of the Common stock of Company and also holds one Preferred share with special voting powers, by virtue of possession of which Preferred share, the Free State has the majority of votes in any meeting of stockholders, its voting power representing about 51.4% of total voting capital. On the board of directors of ten, the Free State is represented by five members. It participates in earnings of Company in the three following ways: (1) Dividends paid on its holdings of capital stock; (2) an agreed percentage of Company's gross revenues averaging about 10% depending on sale prices of current; and (3) a part of the net profits which increases progressively as dividends increase. For the fiscal year, 1926-27, the State received in these three forms of participation the following sums: $451,000, $980,000 and $1,223,430.

CAPITAL STOCK

Authorized and outstanding, 66,000,000 Gold Marks ($15,708,000) Common stock of 100 Marks par value per share, and 8,536 Marks ($2,032) Preferred stock. Controlling interest is held by The Free State of Hamburg—see preceding paragraph.

Dividends have been paid (in years ended June 30) on Preferred stock as follows: 1916 to 1919, inclusive, 5% each; 1920, 7½%; 1921, 9%; 1922 and 1923, none; 1924, 8%; 1925, 1926 and 1927, 10% each. On Common (years ended June 30) dividends have been paid as follows: 1911, 8%; 1912 to 1914, 8½% each year; 1915, 11¾%; 1916, 6%; 1917, 3%; 1918, 4%; 1919, 5%; 1920, 8½%; 1921, 10%; 1922, 12%; 1923, none; 1924, 8%; 1925, 1926 and 1927, 10% each.

FUNDED DEBT

(1)

$3,600,000 TEN-YEAR SINKING FUND 7% EXTERNAL GOLD DEBENTURES; DUE NOVEMBER 1, 1935

Dated November 1, 1925.

Interest Payable May and November 1 at International Acceptance Bank, Inc., New York City, in United States gold coin of the present standard of weight and fineness.

Denominations—Coupon debentures, $500 and $1,000; principal may be registered.

Trustee—The New York Trust Company, New York.

Provisions of Issue—Authorized and issued, $4,000,000 of which $400,000 retired by sinking fund to April 15, 1928.

Purpose of Issue—Proceeds from the sale of these $4,000,000 were to be used to increase Company's generating capacity and distributing system.

Callability—Subject to call as a whole, but not in part, at option of Company, on November 1, 1930, or on any interest date thereafter on 60 days' notice at 103 and interest. Subject to call for the sinking fund on November 1, 1926, and on any interest date thereafter at par and interest.

Sinking Fund—Trust agreement provides that beginning November 1, 1926, the sinking fund will operate to retire semi-annually $100,000 Debentures of this issue either by delivery to the Fiscal Agent of Debentures by the Company or by redemption thereof by lot at 100.

Security—These debentures are direct obligations of Company. Secured by a trust agreement in customary American form in which, among other things, Company covenants that as long as any of these debentures are outstanding, Company will not: (a) mortgage or pledge any of its properties except for the obligations under the so-called Dawes Plan, unless these debentures are given priority as to security: (b) issue any additional debentures or other funded obligations; (1) unless net earnings for 12 consecutive months in the previous 15 months shall have exceeded 3½ times annual interest charges on all obligations outstanding and to be outstanding; (2) which will cause its indebtedness to exceed 60% of the depreciated value of its plants (including additions and betterments thereto) as appraised by competent engineers; (3) which will cause its funded indebtedness to exceed the par amount of its share capital.

Tax Provisions—Principal, interest and sinking fund payable at International Acceptance Bank, Inc., New York City, in United States Gold coin of the present standard of weight and fineness without deduction for any past, present or future taxes or duties levied by or within the German Reich or the Free State of Hamburg.

Legal Opinion—Hornblower, Miller & Garrison, New York and Paris, and Dr. Hermann Samson, Hamburg, (for the Bankers) and Dr. Erich Diestel, Hamburg, (for the Company).

Original Offering—First publicly offered ($4,000,000) in October, 1925, at 95½ and interest to yield over 7.65%, by Marshall Field, Glore, Ward & Co., and Blyth, Witter & Co., New York.

(2)

REICHSMARK 25,000,000 7% INTERNAL GOLD DEBENTURES; DUE JANUARY 2, 1952

Dated September, 1926.

Interest Payable January and July 1, at Commerz- and Privat-Bank A. G., in legal German currency based on goldmark.

Denomination—Coupon debentures R. M. 500, 1,000, 2,000 and 5,000.

Provisions of Issue—Authorized and sold, R. M. 25,000,000 the proceeds of which were used to increase Company's generating capacity and distributing System.

Redemption and Callability—Debentures are redeemable at par within 25 years at equal annuities, beginning Jan. 2, 1929. Company is entitled, on any interest payment date, beginning 1932, to pay and redeem the outstanding Debentures as a whole or in part, at par.

Security—These debentures are direct obligations of Company and together with $27,768 old Mark debentures, for which reserves have been set up, the obligations under the Dawes plan, totalling $1,963,195 and the above $3,600,000 Debentures, constitute the Company's only outstanding indebtedness. There is no security by mortgage for the new bonds; the Company is however not allowed to give securities for bonds which it might issue at a later date.

Original Offering—First publicly offered (R. M. 15,000,000) in October, 1926, at 93½ and interest by Commerz-and Privat-Bank A. G. Hamburg, and several other banks.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926
Gross income	$10,065,597	$8,808,944
Operating expenses	4,441,834	3,675,922
Taxes	†117,792	*956,446
Interest charges, etc.	528,785	248,893
Depreciation	1,309,524	1,068,750
Profit	$3,667,662	$2,858,933

*Including $470,452 income tax. †Dawes lien charges.

NOTE—All conversions made at the rate of $0.238 equals 1 R. M.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
Properties (less deprec.)	$28,102,463	$22,100,287	$19,943,159
Plants in course of construc.	1,860,626	1,476,371	.....
Investments in associated Cos., etc.	.....	28,025	32,844
Equipment and materials	542,938	775,203	477,880
Accounts receivable	564,423	442,565	301,928
Deposits	555,868	506,603	.....
Participation	28,084	.....	.....
Guaranteed deposits	126,892	.....	.....
Call loan—associated Cos.	.....	.....	71,795
Cash—time	.....	.....	1,490,081
Cash & other current assets	108,305	83,820	63,942
Payments in advance to suppliers	445,799	1,599,125	.....
Treasury Common stock (since sold)	.....	.....	22,342
Bonds in treasury	76,874	53,829	.....
Discount and other exp. of loan	.....	237,500	.....
Total	$32,412,273	$27,303,328	$22,403,971
Liabilities—			
Common stock	$15,708,000	$15,675,000	$15,708,000
Preferred stock	2,032	2,027	2,031
7% Dollar Loan 1925	3,798,480	4,000,000	.....
7% R. M. bonds of 1926	5,117,000	.....	.....
Appraised bonds & securs.	27,757	.....	.....
4½% debentures (1920 and 1921 issues)	.....	.....	57,434
Real estate mortgages	42,200	.....	161
Revalorization reserves	.....	50,119	23,800
Accounts payable	725,307	1,226,427	175,695
Unpaid state dues	534,055	471,913	1,478,442
Consumers' deposits	.....	.....	33,105
Income tax and other accrued charges	416,305	.....	394,584
Directors' & employees' bonuses due	.....	.....	142,800
Dividends payable	10,958	16,094	1,455,142
Employees' benefit fund	212,847	195,709	170,696
Reserve for bad debtors	.....	23,750	.....
Reserves	2,799,237	2,783,356	2,762,080
Surplus	3,018,095	2,858,933	
Total	$32,412,273	$27,303,328	$22,403,971

Officers: Dr. Max Schramm, Pres.; Ferdinand Lincke, V-P., Hamburg, Germany.

Managing Directors: Dr. Albert Bannwarth, August Baer, Gustav Vincenz.

Directors: Dr. Max Schramm, Ferdinand Lincke, Richard v. Donner, Henry Everling, Carl L. Nottebohm, Dr. Carl Petersen, Ludwig Wiesinger, F. H. Witthoefft, Gustav Koehn, Dr. Ernst Schiele, Hamburg; Dr. O. Ritter von Petri, Nurnberg.

Office, Hamburg, Germany.

GREAT CONSOLIDATED ELECTRIC POWER COMPANY, LTD.

(Daido Denryoku Kabushiki Kaisha)

History—The Daido Denryoku Kabushiki Kaisha is a consolidation of the Kiso Electric and Industrial Co., Ltd., (capital, Yen 18,600,000); The Japan Hydro-Electric Power Co., Ltd., (capital, 50,000,000 Yen); and The Osaka Transmission Co., Ltd., (capital, 20,000,000 Yen) effected Feb. 25, 1921, with a capital of 100,000,000 Yen. In August, 1923, in order to acquire the properties and rights of the Osaka Electric Light Co., Ltd., a company called the Osaka Electric Co., Ltd., was established subsidiary to the Daido Denryoku K. K. In October of the same year, this company was absorbed by the Daido Denryoku, and the capital of this company was then raised to 112,963,000 Yen. In accordance with resolutions passed at a special shareholders' meeting held on April 18, 1927, the capital was increased by 60,037,000 Yen, making total capital of the company 173,000,000 Yen.

Subsidiaries—The Company owns stock in several Japanese electric corporations engaged in a business incidental to the activities of the Company. The following table summarizes its holdings of stock in corporations which are controlled by such stock ownership:

	Authorized Capital (in Yen)	Owned by Daido (in Yen)
Daido Fertilizer Manufacturing Co.	3,000,000	2,985,000
Daido Real Estate Co.	600,000	600,000
Shinbi Electric Power Co.	1,500,000	826,500
Osaka Electric Power Co.	10,000,000	9,975,000
Showa Electric Power Co.	40,000,000	27,340,000

Business—The Company is primarily a wholesaler of power, selling its output under long term contracts to large industrial consumers, interurban and street railways and to retail systems distributing light and power in the cities of Tokyo, Yokohama, Osaka, Nagoya, Kyoto, Nara and many other cities and towns embracing a territory having a population of over 20,000,000. Among its principal customers are the Tokyo Electric Light Co., the Toho Electric Power Co., Ltd., the Ujigawa Electric Co., the Kyoto Electric Light Co. and the municipally owned electric lighting and street railway system serving the City of Osaka.

The Company furnishes practically the entire electric light and power requirements of the Municipality of Osaka, which conducts under municipal ownership the entire electric lighting and tramway business in the city. Also supplies power in large quantities direct to interurban railways, electric tramways and many large industrial plants.

Properties—The Company owns 13 generating plants with a total capacity of 270,000 k.w., consisting of 169,500 k.w. hydro-electric generating capacity and 100,500 k.w. steam generating capacity. It also owns 25 substations having a combined operating and spare capacity of 805,700 k.v.a. and a comprehensive high tension transmission system having a total length of 624 miles, including 181 miles of 154,000 volt double circuit lines and 263 miles of 77,000 volt double circuit lines.

Franchises and Water Power Concessions—The franchises of the Company for the building and operating of transmission lines, substations, switching stations, and appurtenant works run for a period of forty years from Nov. 11, 1921. It owns in fee all the land on which its substations, power houses and similar structures are erected. The Company now holds, through license or concession from the Imperial Japanese Government, water rights affording it total kilowatt capacity of 316,438. Similar concessions held by affiliated companies afford an additional kilowatt capacity of 249,451. Concessions now pending before the Japanese Department of Communications, if granted, will afford an additional kilowatt capacity of 505,861. If such pending concessions are granted, the total kilowatt capacity of the Company and affiliated companies will be 1,276,049.

CAPITAL STOCK

Authorized and outstanding, 173,000,000 Yen (increased from 112,963,000 Yen in Oct., 1927), consisting of 3,460,000 shares of 50 Yen each. Each share of stock carries one vote.

Stockholders' Meetings—Held on call in June and December, at Tokyo, Japan.

Dividends—Company has paid dividends since its organization in 1919, at the following rates per annum: For term ended May 31, 1921, 6%; Nov. 30 1921, 6.2%; May 31, 1922, 6.4%; Nov. 30, 1922, 7%, May 31, 1923, 7½%; Nov. 30, 1923, 8%; May 31, 1924, 8%; Nov. 30, 1924, 8%; May 31, 1925, 8%; Nov. 30, 1925, 8.5%; May 31, 1926, 10%; Nov. 30, 1926, 10%; May 31, 1927, 10%; Nov. 30, 1927, 10%.

FUNDED DEBT

(1)

$13,250,000 FIRST MORTGAGE 7% SINKING FUND GOLD COUPON BONDS, SERIES "A"; DUE AUGUST 1, 1944

Dated August 1, 1924.

Interest Payable February and August 1, at office of Dillon, Read & Co., New York, in gold coin of the U. S. of America, or, at option of the holder, at office of J. Henry Schröder & Co., London, Eng., in sterling money of the United Kingdom of Great Britain and Ireland, at the exchange rate of $4.8665 to the Pound Sterling. Both the principal of and interest on the bonds are payable in time of war as well as in time of peace, whether the bearer thereof or of the coupons appertaining thereto be a citizen or resident of a state friendly or hostile to the Government of Japan, without any declaration or inquiry whatsoever as to the citizenship or place of residence of such bearer, and in case the bearer thereof or of the coupons appertaining thereto be a non-resident of Japan, the principal of and interest on the bonds, respectively, are payable without deduction for any tax whatsoever now imposed or which may be imposed under any present or future law of the Government of Japan or any political subdivision or taxing authority thereof, whether upon the bonds or upon the holders thereof or otherwise the Company having agreed to pay any such tax or taxes.

Denominations—Coupon, $500 and $1,000; not registerable either as to principal or interest.

Trustee—The Industrial Bank of Japan, Ltd., Tokyo, Japan; Fiscal Agent, Dillon, Read & Co., New York; Countersigning Agent, Central Union Trust Co. of New York.

Provisions of Issue—Authorized and issued, $15,000,000, of which $1,750,000 redeemed to Feb. 1, 1928. Issued to pay off current bank loans and other current indebtedness, to retire 10,000,000 Yen of Debenture bonds, and to furnish additional working capital.

Callability—Subject to call as a whole or in part on any interest date after Feb. 1, 1934 and prior to maturity on at least 30 days' notice, at par and accrued interest.

Sinking Fund—The Company covenants to establish a sinking fund, sufficient to retire the entire issue by semi-annual call by lot at 100 and accrued interest at the annual rate of $500,000 principal amount for the first five years (Dec. 15, 1924 to and including June 15, 1929), $700,000 for the next five years (to and including June 15, 1934), and $900,000 thereafter to maturity.

Security—A direct obligation of the Company and are secured by closed first mortgage lien created under the laws of Japan, on the three largest, newest and most important of the Company's hydro-electric properties with auxiliary steam reserve plant, substations and transmission lines, representing an aggregate cost to Feb. 29, 1924, in excess of $31,000,000. The mortgaged properties have a hydro-electric capacity of 106,700 k.w., or over two-thirds of the Company's total

hydro-electric capacity and can be operated as a complete and independent unit capable of delivering its entire output to the Osaka district and to the Tokyo Electric Light Co. for the Tokyo-Yokohama district.

Tax Provisions—Company does not pay or assume U. S. Normal Federal Income Tax. Interest payable without deduction for any Japanese taxes, when held by other than residents of Japan.

Legal Opinion—Root, Clark, Howland & Ballantine, New York and McIvor, Kauffman, Smith & Yamamoto, Tokyo, Japan.

Original Offering—First publicly offered ($15,000,000) in July, 1924, at 91½ and interest, by Dillon, Read & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	99½	99	92	93
Low	94⅝	90⅜	87¼	90

(2)

$12,681,000 FIRST & GENERAL MORTGAGE 6½% SINKING FUND GOLD BONDS (CLOSED ISSUE); DUE JULY 1, 1950

Dated July 1, 1925.

Interest Payable January and July 1, at office of Dillon, Read & Co., New York, in U. S. gold coin (or at the option of the holder at office of J. Henry Schroder & Co., London, in Sterling, at exchange rate of $4.8665 to the £ Sterling).

Denominations—Coupon, $500 and $1,000.

Trustee—The Industrial Bank of Japan, Ltd., Tokyo; Central Union Trust Co. of New York, Countersigning Agent.

Provisions of Issue—Authorized and issued, $13,500,000 of which $819,000 retired by sinking fund to January 1, 1928.

Callability—Subject to call as a whole or in part on any interest date after 30 days' notice at 100 and interest.

Sinking Fund—A sinking fund will be provided, available semi-annually, sufficient to retire $300,000 bonds per annum for the first ten years and $700,000 bonds per annum thereafter, to buy bonds if available at not exceeding 100 and interest and insofar as not available to call by lot at that price. This sinking fund is calculated to retire the entire issue by maturity.

Security—These bonds will be the direct obligation of the company and in the opinion of counsel, will be secured by closed first mortgage lien created under the laws of Japan on properties representing a cost less depreciation, as of Feb. 28, 1925, of $33,234,478, as certified by Messrs. Harold Bell, Taylor, Bird & Co., Chartered Accountants. These properties comprise an integral part of the company's system and includes generating plants having a total present capacity of 136,100 k.w., substations of 195,400 k.v.a. total present capacity and 396 miles of high tension transmission lines. The bonds will be further secured by closed mortgage lien created under the laws of Japan on additional properties representing a cost less depreciation as of the above date of $37,063,367, subject only to the lien of the mortgage securing the company's Series "A" bonds (closed issue), of which there were $13,250,000 outstanding at Feb. 1, 1928. Total properties thus securing the present issue of bonds represented a cost less depreciation of $70,297,845, and include all of the completed power plants, substations, transmission lines and distribution lines now directly owned by the company, with the exception of a small distributing system the ownership of which is to be vested in a subsidiary company.

Tax Provisions—No deduction shall be made for any Japanese taxes, when held by non-residents of Japan.

Original Offering—First publicly offered ($13,500,000) in July, 1925, at 86 and interest, to yield over 7¾%, by Dillon, Read & Co., Harris, Forbes & Co., Guaranty Company of New York and Bonbright & Co., Inc., all of New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	97½	93¾	86½
Low	91	85	85¾

DEBENTURES OUTSTANDING

19,910,000 Yen Seventh Issue 6½% Debentures, dated Oct. 25, 1927; due Oct. 25, 1934. Authorized and issued, 19,910,000 Yen.

The Debentures described above were issued for the purpose of redemption of the remainder of the 7½% 4th and 6th debenture issues.

Depreciation Policy—Under covenants made by the Company in the indenture securing its First and General Mortgage bonds, the Company is required to charge to operating expenses in each fiscal term all expenditures made during such term for the maintenance of its properties in accordance with the standard prescribed in the Indenture, and, in each fiscal term out of its net earnings for such fiscal term, to make proper credits to a reserve for depreciation before any appropriations are made for dividends or special compensation in the form of bonuses or otherwise. The amount to be credited to such depreciation reserve in each fiscal term is required to be determined in accordance with a depreciation schedule prepared by Thebo, Starr & Anderton, Inc. Such schedule is based on the method known as the "Six Per Cent Annual Sinking Fund Method" and applied to all the Company's depreciable properties as shown upon its balance sheet of May 31, 1924, and is extended from time to time to include all properties constructed or acquired by the Company after said date. If the Fiscal Agent shall notify the Company at any time after Aug. 1, 1927, that in its judgment such schedule has proved inadequate and shall request the Company so to do, the Company, from time to time, will make such additional credits to depreciation reserve as, in the opinion of public accountants selected by the Fiscal Agent, may be required to make the standard of the Company, with respect to depreciation, conform to that of corporations in the U. S. of America engaged in businesses similar to that of the Company.

STATEMENT OF INCOME AND PROFIT AND LOSS, SIX MONTHS ENDED (IN YEN)

	Nov. 30, 1927	May 31, 1927	Nov. 30, 1926	May 31, 1926	Nov. 30, 1925	May 31, 1925
Gross earnings—sale of power	15,658,644	15,950,292	14,216,276	13,313,752	11,725,009	12,446,141
Operating expenses	5,410,135	6,610,986	4,604,903	4,195,917	3,292,893	4,962,155
Taxes	846,109	758,136	856,573	736,134	657,071	699,100
Depreciation	212,862	235,506	186,472	155,910	220,000	256,464
Net earnings	9,189,538	8,345,664	8,658,328	8,225,791	7,555,045	6,528,422
Income from investments	1,144,253	1,208,880	993,181	1,156,539	702,945	820,825
Miscellaneous income	100,761	57,519	114,372	123,425	79,787	117,211
Gross income	10,434,552	9,612,063	9,675,881	9,505,755	8,337,777	7,466,458
Interest charges	3,169,350	3,129,024	2,646,460	2,731,685	2,824,176	2,530,212
Net income for period	7,265,202	6,483,039	7,029,421	6,774,070	5,513,601	4,936,246
Surplus forward	1,372,943	1,168,053	996,782	445,862	193,189	175,463
Surplus at end of period	8,638,145	7,651,092	8,026,203	7,219,932	5,706,790	5,111,709

SURPLUS ACCOUNT, SIX MONTHS ENDED (IN YEN)

	Nov. 30, 1927	May 31, 1927	Nov. 30, 1926	May 31, 1926	Nov. 30, 1925	May 31, 1925
Profit for period (as above)	7,265,200	6,483,040	7,029,421	6,774,070	5,513,601	4,936,246
Balance brought forward	1,372,942	1,168,052	996,782	445,862	193,189	175,463
Total	8,638,142	7,651,092	8,026,203	7,219,932	5,706,790	5,111,709
Legal reserve	370,000	330,000	360,000	350,000	.....	.....
Emergency reserve for drought	500,000	.....	500,000	.....	.....	.....
Reserve for retirement allowance	50,000	50,000	100,000	.....	.....	.....
Bonus to directors	250,000	250,000	250,000	225,000	.....	.....
Dividends	6,086,944	5,648,150	5,648,150	5,648,150	.....	.....
Balance carried forward	1,381,198	1,372,942	1,168,053	996,782	.....	.....

GENERAL BALANCE SHEET

	Nov. 30, 1927	May 31, 1927	Nov. 30, 1926	May 31, 1926	Nov. 30, 1925	May 31, 1925
Assets—	Yen	Yen	Yen	Yen	Yen	Yen
Plant, property, equipment, etc.	166,902,293	166,901,873	168,320,798	162,800,116	157,924,467	157,258,883
General development account	7,867,200	7,867,200	7,867,200	7,867,200	7,867,200	7,867,200
Materials and supplies	1,038,973	937,845	742,608	968,513	961,979	1,231,664
Sinking fund for redemption of bonds	10,030,403	3,070,811	2,758,980	2,302,960	2,344,982	1,483,450
Suspense payments	483,547	590,801	4,243,244	4,634,899	5,154,150	3,645,544
Loans and bills receivable	8,688,986	5,998,581	6,151,839	6,115,662	8,707,580	6,807,247
Accounts receivable	3,208,263	2,834,154	2,526,963	2,367,123	2,421,869	2,222,236
Other current assets	.....	.....	45,185	.....	.....	.....
Securities in other corporations	32,250,145	29,182,818	23,590,788	23,185,956	16,992,128	11,148,819
Deferred charges	4,182,578	3,863,092	.....	.....	.....	.....
Cash	2,174,205	3,204,048	5,233,019	9,768,006	15,198,859	6,234,586
Borrowed securities	594,925	601,802	.....	.....	.....	.....
Capital uncalled	45,027,750	.....	.....	.....	.....	.....
Total	282,449,268	225,053,025	221,480,624	220,010,435	217,573,214	197,899,624
Liabilities—						
Capital stock	173,000,000	112,963,000	112,963,000	112,963,000	112,963,000	112,963,000
Mortgage & debenture bonds	72,429,086	80,817,520	81,662,047	82,515,600	87,461,200	66,738,500
Loans and bills payable	6,417,228	9,592,653	6,123,583	5,934,402	1,019,876	4,735,533
Legal reserve	2,783,608	2,453,609	2,093,608	1,743,608	1,463,608	1,213,608
Redeemed debentures unclaimed	8,078,650	64,247	530,642	88,450	950,268	405,912
Employees savings	429,405	375,851	400,089	358,895	347,489	331,685
Suspense receipts	1,336,342	1,615,393	1,637,320	2,471,346	2,012,218	1,479,693
Accounts payable	6,856,887	7,304,584	5,785,136	5,655,697	4,710,580	4,195,442
Unclaimed dividends	48,794	46,816	48,682	39,196	43,620	49,976
Depreciation fund	1,781,123	1,568,260	1,206,782	1,020,309	894,565	674,565
Other reserves	650 000	600,000	1,003,532	.....	.....	.....
Surplus	8,638,145	7,651,092	8,026,203	7,219,932	5,706,790	5,111,709
Total	282,449,268	225,053,025	221,480,624	220,010,435	217,573,214	197,899,624

Officers: Momosuke Fukuzawa, Pres. & Representative Director; Jiro Masuda, V-P. & Representative Director; Keisuke Miyazaki, V-P.; Mitsuhiro Ohta, Mng. Director; Shigeru Kondo, Mng. Director; Sueichi Murase, Mng. Director & Gen. Mgr.

Directors: Momosuke Fukuzawa, Chairman; Jiro Masuda, Keisuke Miyazaki, Mitsuhiro Ohta, Shigeru Kondo, Sueichi Murase, Shosuke Mine, Tokuzo Shima, Tamiyoski Shimoide, Jinyomo Terada, Masataka Tsunoda, Masayuki Naruse, Heibei Yagi, Yasuzaemon Matsunage, Hiroshi Tanaka, Shohachi Wakao.

Head Office, Kaijo Bldg., Marunouchi, Tokyo City.

Branch Offices, Shichiken-cho, Higashi-ku, Nagoya City; Koraibashi, Higashi-ku, Osaka City.

MIDDLESEX WATER COMPANY

History and Property—Incorporated Feb., 1897, in N. J., and in Oct., 1907, the Consumers Aqueduct Co. was merged. Franchise unlimited. Supplies water in the townships of Woodbridge, Raritan and Piscataway, and the boroughs of Carteret, Metuchen and South Plainfield in Middlesex County, N. J., and in the township of Clark in Union County, serving population of 46,700. The Company owns 113 miles of mains and proposes to construct approximately five additional miles of 20-inch main. The Company has three sources of water supply with a daily capacity of 10,750,000 gallons and has pumping capacity of 16,000,000 gallons per day. The Company has a storage capacity of 183,000,000 gallons, or 22 days' supply at present rate of sale. The number of its consumers is 7,950.

WATER SALES, YEARS ENDED DECEMBER 31

1923	2,794,035,000 gallons
1924	2,456,606,000 gallons
1925	2,625,000,000 gallons
1926	2,411,777,500 gallons
1927	2,581,557,000 gallons

Valuation—The Company filed a schedule of increased rates with the Board of Public Utility Commissioners of New Jersey on Dec. 10, 1923. The Board suspended the rates and, after hearings, declared the value of the Company's property as of Dec. 31, 1923, to be $1,738,000, and prescribed a schedule of rates based on that valuation. The Company then began suit in the U. S. District Court for the district of New Jersey to set aside the valuation made by the Utility Board and to enjoin the enforcement of its schedule of rates as confiscatory. The Court held that the Company's property was worth "not less than $2,500,000" on Dec. 31, 1923, not including the value of its sources of water supply, and that the Utility Board's rate schedule was confiscatory and issued an injunction to prohibit its enforcement. The Board appealed to the U. S. Supreme Court which dismissed the appeal Oct. 10, 1927, permanently ending the litigation. Since Dec. 31, 1923, the sum of $556,000 has been expended for extending and improving the Company's property.

According to an independent appraisal by Nicholas S. Hill, Jr., Consulting Engineer of New York City, the cost of reproduction new of the Company's physical property in place Aug. 31, 1926, at current prices would have been $3,021,390, not including the value of the Company's sources of water supply.

CAPITAL STOCK

Authorized, 25,000 shares Common stock of no par value, and $250,000 7% cumulative Pfd.; outstanding, 17,000 shares Common and $250,000 Pfd.; par, $100. Pfd. stock has preference for assets and dividends. Secretary of Company acts as Transfer Agent and Registrar. Annual meeting, third Tuesday in December.

In March 1927, Company was authorized to issue 17,000 shares of Common stock of no assigned value, to be exchanged for the 3,400 shares outstanding of $100 par value.

Callability—Pfd. stock is not subject to redemption.

Dividends—Dividends of 7% on Pfd. regularly paid to date. On Com. as follows: 1913, 9%; 1914 and 1915, 6% each; 1916, 8%; 1917, 7%; 1918 to March 1, 1927, inclusive, 8% per annum; June 1, Sept. 1 and Dec. 1, 1927, 75 cents a share each on shares of no par value; March 1, 1928, $1.00 per share. In addition a stock dividend of 36% ($90,000) was paid in Com. stock in 1920. Payments on Pfd. semi-annually, Jan. and July 1; on Com., quarterly, M, J, S & D 1, at Company's office, Elizabeth, N. J.

FUNDED DEBT

(1)

$7,000 Consumers Aqueduct Co. First Mortgage 5% Bonds; dated July 1, 1907; due July 1, 1937; int. Jan. and July 1, at New Jersey Title Guarantee & Trust Co., Jersey City, N. J., Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $200,000 of which $193,000 have been exchanged for First & Refunding 5½s, Series "A" A first lien on property of former Consumers Aqueduct Co., consisting of a trunk main extending from near Rahway to the territory along Staten Island Sound between the cities of Perth Amboy and Elizabeth, a reservoir and one pumping station. Company does not pay Normal Federal Income Tax.

(2)

$55,000 Middlesex Water Co. Consolidated 5s; dated Feb. 1, 1910; due Feb. 1, 1950; int. Feb. and Aug. 1, at Union County Trust Co., Elizabeth, N. J., Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,000,000; issued $700,000 (mortgage closed) of which $645,000 have been exchanged for First & Refunding 5½s, Series "A". A lien on entire property covered, subject to prior lien of Consumers Aqueduct Co., on the property covered by that Company's mortgage. $200,000 of these bonds were publicly offered in March, 1923, at 90 and interest to yield about 5¾%, by Ralph W. Voorhees & Co., Inc., New York.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Frank Bergen, Newark, N. J.

(3)

$1,638,000 FIRST & REFUNDING MORTGAGE GOLD 5½s, SERIES "A"; DUE APRIL 1, 1957

Dated April 1, 1927.

Interest Payable April and October 1, at Union County Trust Co., Elizabeth, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Union County Trust Co., Elizabeth, N. J.

Provisions of Issue—Authorized amount unlimited. Issued $1,700,000 Series "A" of which $62,000 were held by Trustee as of April, 1928 to retire an equal amount of prior lien bonds described above.

In addition to bonds now outstanding, bonds of Series "A" may be issued to the extent of $300,000 to acquire lands, water rights and sources of water supply and to pay for extensions, improvements and equipment of all water-works and plants now owned or to be hereafter acquired or constructed by the Company. No bonds of Series "A," or of any other series, may be issued in excess of $300,000 except to the extent of 80% of the cost or fair value (whichever be less) of the property to be acquired by the same or proceeds thereof, nor unless the net earnings of the Company for 12 consecutive calendar months within the 15 calendar months immediately preceding shall have been at least 1¾ times the fixed charges of the Company, plus interest for 12 months on the bonds proposed to be issued.

The Company may issue series of bonds subsequent to Series "A" with any provisions not inconsistent with the terms and conditions of the indenture.

Purpose of Issue—$900,000 First and Refunding Mortgage 5½% bonds were issued April 1, 1927 to retire $200,000 Consumers Aqueduct Company First Mortgage 5s and $700,000 Middlesex Water Company Consolidated Mortgage 5s. $800,000 First and Refunding Mortgage 5½% bonds were sold October 15, 1927 for the purpose of funding the floating debt amounting to $550,000 and for constructing a 20' transmission main, 5 miles long from the Company's reservoir in Rahway to Carteret to improve the service, and for other corporate purposes.

Callability—Subject to call on any interest date upon four weeks' notice at 105 and interest on or before March 31, 1944, thereafter at a premium reduced by ½ of 1% for each additional year until March 31, 1953; on and after March 31, 1953 at par and interest.

Security—Secured by a direct lien upon all the Company's property and franchises now owned or hereafter to be acquired, subject only to the prior lien of Consumers Aqueduct Co. First 5s and Middlesex Water Co. Consolidated 5s, both of which issues are closed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,000,000) in Dec., 1927, at 103 and accrued interest, to yield about 5.30%, by J. S. Rippel & Co., and Fidelity Union Trust Co., Newark, N. J.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$581,719	$578,112	$351,495	$282,540	$280,680	$265,554
Miscellaneous earnings	5,329	1,469	303	223	456	268
Total earnings	$587,048	$579,581	$351,798	$282,763	$281,136	$265,822
Operating expenses	251,383	123,317	132,765	183,665	163,811	177,646
Taxes	56,268	58,857	45,242			
Depreciation	27,740	33,383	22,556	24,484	20,352	
Net earnings	$251,657	$364,024	$151,235	$74,391	$96,973	$88,176
Interest on bonds	54,122	45,000	45,037	44,950	39,226	33,864
Other interest	23,243	17,880	13,531	9,470	8,932	7,968
Other deductions	3,891	76,491	30,906	3,170	3,171	1,754
Total charges	$81,256	$139,371	$89,474	$57,590	$51,329	$43,586
Net income	$170,401	$224,653	$61,761	$17,023	$45,644	$44,590
Federal Income tax	23,004	30,020	10,235	†	†	†
Preferred dividends	17,500	17,500	17,500	17,500	17,500	17,129
Common dividends	45,050	27,200	27,200	27,200	27,200	27,200
Surplus for year	$84,847	$149,933	$6,826	‡$27,677	$944	$210
Times All Interest Earned	2.20	4.57	*2.05	*1.31	1.95	2.06
Earnings Per Share—						
Preferred	$58.95	$77.85	$20.61	$6.80	$18.26	$17.83
Common	§7.64	§52.09	10.00	Nil	8.27	8.06

*Based on rates prescribed by the Public Utility Board and subsequently held confiscatory by U. S. District Court. †Not available. ‡Deficit. §Based on 3,400 shares of $100 par value in 1926 and 17,000 shares of no par value in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant and equipment	$2,219,207	$2,021,955	$1,804,477	$1,718,722	$1,628,193	$1,508,445
Materials and supplies	28,006	38,969	22,429	36,020	35,475	21,199
Cash	372,794	93,376	7,450	4,300	735	6,659
Accounts receivable	51,770	39,335	22,416	20,270	19,259	11,065
Other current assets	103,010	105,616	64,533	50,691	50,767	54,651
Special deposits	200	200	200	200	200	200
Unamortized debt discount	100,659	76,623	79,815	82,808	85,978	47,530
Other suspense	52,534	16,417	9,275	.....	.....	.....
Total	$2,928,180	$2,392,491	$2,010,595	$1,913,011	$1,820,607	$1,649,749
Liabilities—						
Capital stock	$590,000	$590,000	$590,000	$590,000	$590,000	$590,000
Funded debt	1,700,000	900,000	900,000	899,250	899,250	682,250
Notes payable	.....	256,789	229,589	188,070	85,600	127,400
Other accounts payable	79,595	3,408	.....	.....	.....	7,105
Advances from other corps.	.....	165,000	25,011	25,000	28,181	38,066
Accrued liabilities	70,127	103,819	66,155	52,829	53,522	50,456
Accrued amortization of capital	229,495	201,756	178,054	155,498	134,014	115,377
Surplus	258,963	171,719	21,786	2,364	30,040	29,095
Total	$2,928,180	$2,392,491	$2,010,595	$1,913,011	$1,820,607	$1,649,749

Officers: Frank Bergen, Pres., Newark, N. J.; Edward C. Woodruff, V-P.; G. Bartram Woodruff, Sec. & Treas.; Marguerite E. Kellam, Asst. Sec. & Asst. Treas.; John Miller, Aud., Elizabeth, N. J.; Ambrose Mundy, Supt., Woodridge, N. J.

Directors: Frank Bergen, Edward S. Atwater, Jr., Horace K. Corbin, Clement K. Corbin, Ambrose Mundy, Edward C. Woodruff, G. Bartram Woodruff.

General Office, Elizabeth, N. J. **Operating Office,** Woodbridge, N. J.

PERTH AMBOY GAS LIGHT CO.

History—Incorporated March 8, 1861, in N. J. Supplies gas to Perth Amboy, Woodbridge and Carteret, N. J. Population served, 78,000. Miles of mains, 114.56 No. of consumers, 11,399. No. of meters in service, 11,964.

CAPITAL STOCK

Authorized, $250,000; issued $249,575, par, $25. Annual meeting, first Monday in May. Dividends 4% per annum to 1926, inclusive; 1927, 7%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$474,589	$455,379	$414,858
Oper. exp. & taxes	412,715	392,191	350,327
Net earnings	$61,873	$63,188	$64,531
Other income	867	356	.....
Total income	$62,740	$63,544	$64,531
Interest, rentals, etc.	851	2,364	2,923
Balance for dividends	$61,889	$61,180	$61,608
Dividends paid	17,470	5,982	5,982
Surplus for year	$44,419	$55,198	$55,626
Earnings Per Share	$6.20	$10.19	$10.10

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Fixed capital	$877,415	$768,877	$706,792
Investments	650	649	649
Materials and supplies	24,004	16,655	12,446
Cash	16,949	363	9,084
Accounts receivable	47,782	43,025	40,510
Deferred charges	4,783	2,360	1,026
Total	$971,583	$831,929	$770,507
Liabilities—			
Capital stock	$249,575	$149,750	$149,750
Accounts payable	27,181	32,018	24,547
Consumers' deposits	59,408	53,797	48,002
Notes payable	.....	22,000	50,000
Accrued interest	4,252	4,300	4,300
Contributions for extensions	17,883	15,930	12,074
Taxes accrued	20,815	18,800	14,897
Accrd. amort. of capital	95,847	83,129	69,930
Profit and loss	496,625	452,205	397,007
Total	$971,583	$831,929	$770,507

Officers: J. Kean, Chrm. of Bd.; Patrick Convery, Pres.; C. C. Hommann, V-P., A. F. Reitemeyer, Sec., Treas., Gen. Mgr. & Supt., Perth Amboy, N. J.

Directors: P. Convery, C. C. Hommann, Perth Amboy, N. J.; J. L. Boggs, Newark, N. J.; W. Stearns, Brooklyn, N. Y.; J. Kean, Elizabeth, N. J.

Office, Perth Amboy, N. J.

PLAINFIELD-UNION WATER COMPANY

History—Incorporated Sept. 26, 1906 in N. J.; consolidation of The Plainfield Water Supply Co. and Union Water Co. Charter perpetual. Authorized to supply water for domestic and public use everywhere in the County of Union, the Township of Warren, and the Borough of North Plainfield, in the County of Somerset, and the Township of Piscataway in the County of Middlesex, and has the right to obtain water from any source in Union, Essex, Morris, Somerset and Middlesex counties, New Jersey. On March 31, 1910, entered into contract to supply water to the Elizabethtown Water Co. (now Elizabethtown Water Co. Consolidated), and thereby the Elizabethtown Co. acquired certain rights and interests in part of the property of the Plainfield-Union Water Co. Miles of mains, 238. No. of customers, 20,848. Also supplies water for hydrants and flushing sewers in all the towns in which its works are located. Population served, 76,356.

CAPITAL STOCK

Authorized, $1,500,000; outstanding, $1,144,600; par, $100. Annual meeting, second Tuesday in May.

Dividends—Dividends ranging from 5 to 12% have been regularly paid since 1895; in recent years dividends have been paid as follows: 1913, 10%; 1914, 12%; 1915, 9%; 1916, 9%; 1917, 9%; 1918 to 1927, incl., 8%.

FUNDED DEBT

$1,575,000 REFUNDING FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1931

Dated April 10, 1911.

Interest Payable May and November 1, at National State Bank, Elizabeth, N. J. and its agency in New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized, $3,000,000 of which $250,000 issued to retire an equal amount of Plainfield Water Supply Bonds maturing May 1 1911 and $135,000 to retire an equal amount of Union Water Co. bonds due Aug. 1 1912; remaining bonds are issuable from time to time for the corporate purposes of the company.

Callability—Subject to call on any interest date at 105 and interest, upon four weeks' notice by publication.

Sinking Fund—$10,730.25 is deposited with Trustee semi-annually May and Nov. 1.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

REAL ESTATE MORTGAGE

There was also outstanding Dec. 31, 1927 a real estate mortgage of $16,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$591,043	$526,475	$457,611	$429,368	$364,093	$347,706
Operating expenses, taxes, etc.	300,803	260,580	248,793	224,668	211,421	192,923
Net earnings	$290,240	$265,895	$208,818	$204,700	$152,672	$154,783
Interest charges	$80,660	$68,167	$54,710	$51,041	$51,660	$48,013
Depreciation	31,984	18,000	18,000	18,000	18,000	18,000
Amortized debt discount and expense	.....	.....	3,422	3,422	.....	.....
Total charges	$112,644	$86,167	$76,132	$72,463	$69,660	$66,013
Net income	$177,596	$179,728	$122,686	$132,237	$83,012	$88,770
Dividends paid	91,568	91,568	91,568	91,568	91,568	91,568
Surplus for year	$86,028	$88,160	$41,118	$40,669	*$8,556	*$2,798

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$3,212,040	$2,934,576	$2,672,089	$2,534,960	$2,357,244	$2,267,180
Sinking fund	129,153	123,003	117,226	111,664	106,325	101,282
Loans	125,000	165,000	25,000	25,000	25,000	25,000
Deferred debits	.....	1,059	961	991	.....	613
Cash	82,339	53,386	25,646	22,023	22,283	17,701
Accounts receivable	132,767	178,434	132,433	147,562	84,656	74,762
Materials and supplies	27,693	35,510	26,347	32,049	28,944	21,454
Unamortized debt discount and expense	18,220	24,293	17,866	21,439	17,842	20,391
Other suspense	81,444	91,315	30,691	17,960	11,726	.....
Total	$3,808,657	$3,606,576	$3,048,258	$2,913,648	$2,654,320	$2,528,383
Liabilities—						
Capital stock	$1,144,600	$1,144,600	$1,144,600	$1,144,600	$1,144,600	$1,144,600
Funded debt	1,591,000	1,575,000	1,075,000	1,075,000	954,000	954,000
Loans and notes payable	.....	.....	190,000	170,000	135,000	50,000
Accounts payable	18,726	23,742	10,930	7,301	1,399	6,841
Interest accrued	13,205	13,205	11,194	10,300	9,281	8,963
Reserves	412,137	372,217	348,600	327,564	107,376	102,484
Accrued amortization of capital	.....	.....	.....	.....	197,000	179,000
Customers' deposits	137,333	.....	.....	.....	37,584	22,227
Unearned revenue	*2,697	.....	.....	.....	8,572	9,724
Deferred liabilities	133,296	196,860	124,718	76,821	.....	.....
Surplus	361,057	280,952	143,216	102,061	59,508	50,544
Total	$3,808,657	$3,606,576	$3,048,258	$2,913,648	$2,654,320	$2,528,383

*Debit.

Officers: Frank Bergen, Pres., Newark, N. J.; Hamilton F. Kean, V-P., New York; Wm. J. Whelan, Sec. & Treas.; Amos Andrews, Supt., Plainfield, N. J.

Directors: Hamilton F. Kean, New York; Julian H. Kean, E. C. Woodruff, John Kean, Elizabeth, N. J.; Frank Bergen, Newark, N. J.

General Office, Plainfield, N. J.

OAKWOOD STREET RAILWAY COMPANY

History—Incorporated May 17, 1871, in Ohio. Franchise runs to July, 1941. Owns and operates 8 miles of track connecting Oakwood, Dayton, and Dayton View. Gauge, standard. Cars, 31. Power purchased from Dayton Power & Light Co. The Company furnishes equipment to Oakwood R.R. Co. On March 26, 1916, started through operation over the Oakwood R.R. Co. lines (leased), 2.6 miles, making a total of 10.6 miles of track operated.

CAPITAL STOCK

Authorized and issued, $500,000; par, $100. No dividends paid since Jan. 1, 1914.

FUNDED DEBT

Long term note, $195,183.56. No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$245,659	$243,799	$226,785	$230,945	$386,467	$225,320
Operating expenses, taxes and depreciation	223,732	221,855	203,499	218,363	342,752	214,298
Net earnings	$21,927	$21,944	$23,286	$12,583	$43,715	$11,022
Other income	8,013	9,782	8,887	11,928	4,544	14,971
Total income	$29,940	$31,726	$32,173	$24,510	$48,259	$25,993
Interest charges	15,144	14,857	16,863	18,742	17,195	15,055
Rentals	8,000	8,000	8,000	8,000	8,000	8,000
Other deductions	90	80	146	92	378	84
Total charges	$23,234	$22,937	$25,009	$26,834	$25,573	$23,139
Surplus for year	$6,706	$8,789	$7,164	*$2,323	$22,686	$2,854

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$802,972	$806,355	$804,240
Other investments	114,082	21,586	16,586
Materials & supplies	25,731	24,388	27,433
Cash on hand	35,233	27,018	14,860
Bills & notes receivable	.....	99,600	100,000
Accounts receivable	13,936	12,548	7,345
Other current assets	1,777	3,119	2,000
Unadjusted debits	3,288	2,774	5,856
Deficit	146,997	138,796	146,089
Total	$1,144,016	$1,136,185	$1,124,409

Liabilities—	1927	1926	1925
Capital stock	$500,000	$500,000	$500,000
Long term note	195,184	195,673	.....
Loans and notes payable	.....	25,600	247,000
Accounts payable	6,388	12,369	33,393
Other current liabilities	8,000	12,313	
Interest accrued	19,262	8,000	.....
Taxes accrued	9,818	9,585	7,488
Deferred credit items	10,775	9,167	9,207
Unadjusted credits	8,143	5,070	348
Accrued depreciation	386,446	358,409	326,973
Total	$1,144,016	$1,136,185	$1,124,409

Officers: Harrie P. Clegg, Pres. & Treas.; J. H. Winters, V-P.; H. C. Weingartner, Sec.; F. P. Snyder, Gen. Mgr., Dayton, O.
Directors: H. P. Clegg, H. C. Weingartner, J. H. Winters, H. C. Winters, R. A. Crume, Dayton, O.
General Office, Dayton, O.

THE OAKWOOD RAILROAD COMPANY

(Leased to Oakwood Street Railway Company)

History—Incorporated April 28, 1915, in Ohio. Franchise expires June 7, 1940. Line of road extends from the southern terminus of the Oakwood Street Ry. Co. to a point one mile south, 1.347 miles, passing through Oakwood Village, Montgomery Co., Ohio. Total track, 2.6 miles. Road put in operation Jan. 1, 1916. Gauge, 4 ft. 8½ in. Rail, T, 80 lbs. Operated by overhead trolley. Of the line 1.61 miles is on private right of way.

CAPITAL STOCK

Authorized, $10,000; par, $100. Annual meeting, in January. No dividends paid.

FUNDED DEBT

None.

Officers: Harrie P. Clegg, Pres.; J. H. Winters, Sec.; H. C. Weingartner, Treas., Dayton, Ohio.
Directors: Harrie P. Clegg, H. C. Weingartner, R. A. Crume, J. H. Winters, H. C. Winters, Dayton, Ohio.
General Office, Dayton, Ohio.

NEW JERSEY GENERAL SECURITY COMPANY

History—Inc. Feb. 14, 1894, in N. J., as a security holding corporation. Controls, through stock ownership, the Jersey City Water Supply Co., Passaic Consolidated Water Co. (see below), Dundee Water Power & Land Co. and Society for Establishing Useful Manufactures.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. Stock transferred at company's office, Paterson, N. J. Annual meeting, third Wednesday in February. Regular quarterly dividends of 2% each have been paid for a number of years.

FUNDED DEBT

None.

Officers: E. LeB. Gardner, Chairman of the Board; John H. Cook, Pres., Paterson, N. J.; Jackson E. Reynolds, V-P., New York; Walter W. Corrigan, Sec. & Treas., Paterson, N. J.
Directors: George F. Baker, Jackson E. Reynolds, Wm. Fahnestock, George F. Baker, Jr., E. D. Adams, New York; E. LeB. Gardner, John H. Cook, Paterson, N. J.
Office, 158 Ellison St., Paterson, N. J.

DUNDEE WATER POWER & LAND CO.

(Controlled by New Jersey General Security Co.)

History—Incorporated March 15, 1832, in N. J., to furnish water power. Charter perpetual.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $20. All owned by New Jersey General Security Co. Stock transferred at company's office. Annual meeting, second Tuesday in March.

FUNDED DEBT

$369,000 First Mortgage 7s; due 1922; extended to March 1, 1937; int. March and Sept. 1, at First National Bank, New York. Farmers' Loan & Trust Co., New York, Trustee. Authorized, $500,000. Company does not pay Normal Federal Income Tax.

Officers: E. LeB. Gardner, Pres.; John H. Cook, V-P.; Walter W. Corrigan, Sec. & Treas., Passaic, N. J.
Directors: The above and P. J. Nestler, A. W. Cuddeback, Robert J. Nelden, Paterson, N. J.; W. G. Snow, Montclair, N. J.
General Office, Paterson, N. J.

PASSAIC CONSOLIDATED WATER CO.

(Controlled by New Jersey General Security Co. through the Passaic Holding Company)

History—Incorp. Oct. 30, 1923; consolidation of Acquackanonk Water Co., East Jersey Water Co., Kearney Water Co., Montclair Water Co. and Passaic Water Co. (see Manual for 1923, pages 2084 to 2088). Supplies water to the cities of Passaic and Clifton and the following municipalities: Montclair, West Orange, Kearney, Harrison, East Newark, Bayonne, Bloomfield, Nutley, Little Falls, Paterson, Prospect Park Borough and Totowa Borough. Population served, 429,272. Number of consumers, 35,828. Number of hydrants, 2,714. Miles of mains, 298.410.

CAPITAL STOCK

Authorized, $5,000,000; outstanding, $3,500,000; par value, $100. All but 7 directors' shares owned by the Passaic Holding Company. Dividends of 8% paid in 1924, 1925 and 1926; 1927, none.

FUNDED DEBT

(1)

$294,000 Acquackanonk Water Co. First Mortgage 5s; dated Nov. 1, 1889; due Nov. 1, 1939; int. May and Nov. 1, at First National Bank, New York. Central Union Trust Co. of New York, Trustee. Authorized issue, $300,000. Company does not pay Normal Federal Income Tax.

(2)

$300,000 Acquackanonk Water Co. Second Mortgage 5s; dated Jan. 1, 1896; due Jan. 1, 1939; int. Jan. and July 1, at First National Bank, New York. Paterson Savings Institution, Paterson, N. J., Trustee. Authorized, $300,000. Company does not pay Normal Federal Income Tax.

(3)

$800,000 Acquackanonk Water Co. Purchase Money Mortgage 5s; dated Jan. 1, 1908; due Jan. 1, 1958; int. Jan. and July 1, at First National Bank, New York. Coupon, $1,000. Bankers Trust Co., New York, Trustee. Authorized, $800,000. Secured by first lien on one-quarter interest in Little Falls pumping station, Garret Mountain reservoir, pipe lines, etc. Company does not pay Normal Federal Income Tax.

(4)

$2,141,000 Passaic Water Co. First Mortgage 5s; dated June 1, 1887; due July 1, 1937; int. Jan. and July 1. Central Union Trust Co. of New York, Trustee. Authorized issue, $2,500,000. Company does not pay Normal Federal Income Tax.

(5)

$500,000 Passaic Water Co. Second Mortgage 5s; dated Jan. 1, 1896; due Jan. 1, 1937; int. Jan. and July 1. Paterson Savings Institute, Paterson, N. J. Trustee. Authorized, $500,000. Company does not pay Normal Federal Income Tax.

(6)

$1,200,000 Passaic Water Co. Purchase Money Mortgage 5s; dated Jan. 1, 1908; due Jan. 1, 1958; int. Jan. and July 1. Coupon, $1,000. Bankers Trust Co., New York, Trustee. Authorized, $1,200,000. Secured by first mortgage on a three-eighths interest in Little Falls pumping station, Garret Mountain Reservoir, pipe lines, etc. Company does not pay Normal Federal Income Tax.

(7)

$400,000 Montclair Water Co. Purchase Money Mortgage Gold 5s; dated Jan. 1, 1908; due June 1, 1958; int. Jan. and July 1, at First National Bank, New York. Coupon, $1,000. Bankers Trust Co., New York, Trustee. Authorized, $400,000. Secured by first lien on one-eighth interest on the Garret Mountain Reservoir, Little Falls Pumping station, pipe lines, etc. Company does not pay Normal Federal Income Tax.

(8)

$797,000 East Jersey Water Co. Purchase Money Mortgage 5s; dated Jan. 1, 1909; due Jan. 1, 1958; int. Jan. and July 1, at Bankers Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $800,000. Secured by first lien on one-quarter interest in the Garret Mountain Reservoir, Little Falls Pumping and Purification stations, pipe lines, etc. Subject to call on any interest date at 105 on six months' notice. Company does not pay Normal Federal Income Tax.

(9)

$1,504,000 PASSAIC CONSOLIDATED WATER CO. CONSOLIDATED MORTGAGE GOLD 6s, SERIES "A"; DUE MAY 1, 1949

Dated May 1, 1924.

Interest Payable March and September 1, at First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—First National Bank, New York.

Provisions of Issue—Authorized, $1,800,000; outstanding, $1,504,000 Series "A" 6s. Additional bonds may be issued as provided for in the indenture. Issued to refund underlying lien and to pay off loans.

Security—Secured by a direct mortgage on Company's property subject to the liens of the underlying mortgages.

Tax Provision—Company does not pay Normal Federal Income Tax.

(10)

$500,000 Montclair Water Co. First Mortgage 5s; dated Jan. 1, 1896; due Jan. 1, 1946; int. Jan. and July 1, at First National Bank, New York. Coupon, $1,000. Paterson Savings Institution, Paterson, N. J., Trustee. Authorized, $500,000. Assumed by the City of Montclair, N. J., which purchased the Company's property within its limits. Secured on pipes, pumping plant, real estate, building contracts and franchises. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$2,228,105	$2,119,304	$1,983,942
Oper. exp., taxes & deprec.	1,454,787	1,457,844	1,412,673
Net earnings	$773,318	$661,460	$571,269
Other income	11,117	99,030	.....
Total income	$784,435	$760,490	$571,269
Bond interest	411,855	411,940	411,991
Other interest	41,233	75,474	45,437
Reserve for Federal taxes	26,828	38,009	7,863
Total fixed charges	$479,916	$525,423	$465,291
Net income	$304,519	$235,067	$105,978
Dividends	.....	280,000	280,000
Surplus for year	$304,519	*$44,933	*$174,022

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$22,567,562	$22,262,683	$21,906,280
Construc. work in progress	77,112	19,496	.....
Investments	100	2,600	2,600
Materials and supplies	259,140	202,907	180,938
Cash	61,172	70,978	46,722
Accounts receivable	448,979	719,441	1,241,353
Other current assets	165,163	165,686	150,878
Prepayments	4,783	4,420	4,511
Other suspense	16,330	24,791	33,251
Int. & divd. receivable	.....	140	86
Unamort. debt disc. & exp.	.....	46,857	93,713
Total	$23,600,341	$23,519,999	$23,660,332
Liabilities—			
Capital stock	$3,500,000	$3,500,000	$3,500,000
Funded debt	7,936,000	7,938,000	7,938,000
Advances from parent co.	459,032	972,097	1,343,330
Consumers' deposits	33,245	47,119	41,282
Accounts payable	126,538	73,089	112,629
Interest accrued	32,530	32,547	32,547
Contributions for extensions	76,383	65,210	43,732
Unearned revenue	19,679	19,415	25,399
Reserve for depreciation	3,736,088	3,447,279	3,183,885
Optional reserves	37,000	37,506	7,863
Unadjusted credits	13,858	.....	.....
Corporate surplus	7,629,988	7,387,737	7,431,665
Total	$23,600,341	$23,519,999	$23,660,332

Officers: John H. Cook, Pres.; R. J. Nelden, V-P.; Allan W. Cuddeback, 2nd V-P.; Walter W. Corrigan, Sec. & Treas.; Arthur T. Cook, Gen. Supt., Paterson, N. J.

Directors: Edmund LeB. Gardner, Chairman, Peter J. Nestler, Ridgewood, N. J.; John H. Cook, Passaic, N. J.; Allan W. Cuddeback, Robert J. Nelden, William R. Edwards, Paterson, N. J.; Walter W. Corrigan, Clifton, N. J.

Main Office, 158 Ellison St., Paterson, N. J.

EASTERN STATES POWER CORPORATION

History and Properties—Incorporated October 23, 1925, in Maryland. Organized principally for the purpose of acquiring and holding securities of public utility companies. Corporation is also empowered to underwrite issues of securities, to act as fiscal agent, and to deal generally in securities, including those of companies interested in the development of the electric light and power industry.

The Corporation owns 150,000 shares of Common stock of the St. Regis Paper Co., which in turn holds over 50% of the Common stock of the Northeastern Power Corporation. The Company also owns an interest in the Buffalo, Niagara & Eastern Power Corporation and other public utility companies.

CAPITAL STOCK

Authorized, 500,000 shares Common, Class "A"; 750,000 shares Common, Class "B," and 100,000 shares Pfd.; outstanding, 539,234 shares Common, Class "B," and 40,000 shares $7 cumulative Pfd., Series "A"; all of no par value. Class "A" and Class "B" Common are alike in all respects except that Class "A" Common has no voting power. It is proposed not to issue any Class "A" Common at present.

Preferred Stock Provisions—Preferred stock has preference as to dividends and assets over any other stock of the Corporation, and is redeemable as a whole, or in part, on any dividend date upon 30 days' notice at $110 per share and accrued dividends. Upon dissolution or liquidation, whether voluntary or involuntary, Preferred shall be entitled to receive out of assets $100 per share and accrued dividends, before any payments to any other stock of Corporation. Preferred stock has no voting power except upon default in payment of four quarterly dividends, in which case, it shall have equal voting power, share for share, with Class "B" Common stock so long as such default continues.

Transfer Agent (Pfd. and Common, Class "A")—The Equitable Trust Company of New York.

Registrar—(Pfd. and Common, Class "A")—National Bank of Commerce in New York.

Annual Meeting—Second Wednesday in January at principal office of Corporation in Maryland.

Legal Opinion—Sullivan & Cromwell, New York.

Listed (Common, Class "B")—New York Curb Market.

Public Offering—Preferred stock, Series "A" (40,000 shares) first publicly offered in October, 1925 at $97.50 per share and accrued dividend, to yield over 7.15%. Each share of Pfd. stock, Series A, carried subscription warrants for two shares of Class "B" Common. Offering was made by F. L. Carlisle & Co., Inc., New York and Schoellkopf, Hutton & Pomeroy, Inc., Buffalo and Rochester.

Price Range—

	1927	1926	1925
Preferred Series "A"—			
High	99	95	95
Low	90	89	90
Common Class "B"—			
High	14½	32¼	36
Low	11	12	15

Dividends—Preferred dividends at rate of $7 per share per annum are paid quarterly, F, M, A & N 1; initial quarterly dividend of $1.75 paid Feb. 1, 1926, and regularly since. No dividends on Common.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings, incl. divds. received, int. earned & profit on sale of securities	$463,703	$1,146,799
Expenses, taxes, int. paid, etc.	18,595	84,865
Net income	$445,108	$1,061,934
Reserve for Federal taxes	.....	138,000
Net earnings available for dividends	$445,108	$923,934
Dividends paid on Pfd. stock	280,000	273,000
Balance	$165,108	$650,934
Earnings Per Share—		
Preferred "A"	$11.13	$23.09
Common "B"	0.31	1.20

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Investments	$9,885,545	$8,976,972
Cash	226,676	189,119
Notes and accounts receivable	90,191	1,128,226
Dividends and interest receivable	7,294	5,535
Deferred items	355,362	320,608
Total	$10,565,068	$10,620,460
Liabilities—		
Preferred stock, Class "A" (40,000 shs.)	$3,900,000	$3,900,000
Common stock, Class "B" (539,234 shs.)	4,831,060	4,831,060
Total	$8,731,060	$8,731,060
Accrued accounts	696	44,000
Accounts payable	1,732	40,252
Reserve for Federal taxes (estimated)	.....	138,000
Surplus	1,831,580	1,667,148
Total	$10,565,068	$10,620,460

Officers: F. L. Carlisle, Chrm. of Board; H. E. Machold, Pres., New York; J. F. Schoellkopf, Jr., V-P., Buffalo, N. Y.; C. E. Norris, V-P.; R. K. Ferguson, Sec. & Treas.; F. A. Rogers, Asst. Sec. & Asst. Treas., New York.

Directors: F. L. Carlisle, W. K. Dick, R. K. Ferguson, H. E. Machold, C. E. Norris, T. J. Walsh, New York City; J. N. Carlisle, Watertown, N. Y.; H. I. Harriman, Boston, Mass.; R. J. H. Hutton, J. F. Schoellkopf, Jr., Paul A. Schoellkopf, Buffalo, N. Y..

Office, 15 Broad St., New York City.

THE SOUTHERN OHIO ELECTRIC COMPANY

History and Properties—Incorporated February 1, 1923 in Ohio. As of June 1, 1925, acquired a part of the assets of The Athens Electric Co., The Mutual Electric Co., The Hocking Power Co. and Southern Ohio Power Co. Furnishes electrical energy, practically without competition, to a population of approximately 50,000 in twenty communities, and to a large number of mine and other industries in the southeastern section of Ohio. Owns a 26,700 h.p. steam-electric generating station, located at Floodwood on the Hocking River, approximately 40 miles of 66,000 volt and 70 miles of 13,200 volt high tension transmission lines, complete distribution systems in the communities directly served, and coal in 1,000 acres of land contiguous to its power station. The franchises are satisfactory for the operation of the business. Number of electric meters, 5,597. Annual output, about 26,000,000 k.w.h.

CAPITAL STOCK

Authorized, 26,000 shares Common of no par value and $2,500,000 7% cumulative Pfd. of $100 par value; outstanding, 25,084 shares Common and $1,964,700 Pfd. Pfd. stock is subject to redemption on any dividend date at 115 and accrued dividends. Annual meeting, third Monday in May.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D 1.

FUNDED DEBT

$2,000,000 FIRST MORTGAGE GOLD BONDS, 6% SERIES; DUE JUNE 1, 1955

Dated June 1, 1925.

Interest Payable June and December 1, at The Huntington National Bank, Columbus, Ohio, or at The First National Bank, New York, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Huntington National Bank, Columbus, Ohio.

Provisions of Issue—Issued, $2,000,000 6% Series due 1955, to provide in part, payment of the purchase price of Company's properties. No additional first mortgage bonds will be issuable other than for (A) electric and/or artificial gas property located in Ohio, or permanent improvements, extensions or additions thereafter made to such properties or made after June 1, 1925, to the electric properties now owned by Company, and then only in case such property is covered by the indenture as a direct first mortgage, subject only to (1) prior mortgages and liens not exceeding $100,000, for which an equal amount of cash is deposited with the Trustee, and (2) taxes for the then current year and liens incident to construction which are not reasonably determinable; or for (B) an equal amount of bonds issued for such properties (including 6% Series due 1955 now issued) surrendered to the Trustee or redeemed. Bonds may be issued in series in such amounts, in such denominations, bearing such date, maturity, interest rate not exceeding 8% per annum and such conversion, redemption, sinking fund and tax provisions, and may otherwise vary from the bonds of other series, as shall be determined from time to time by the Directors of Company, at the time of authorization of the original issue of bonds of each series, subject, to the restrictive provisions of the indenture. Additional bonds may be issued for not exceeding 75% of the cash cost or fair value, whichever is less, of additional property and/or of permanent improvements, extensions or additions, of the kind above stated, provided net earnings of Company determined as provided in the indenture for a period of 12 consecutive calendar months out of the preceding 15 months, shall have been equal to at least (a) two times the annual interest charges on all the outstanding First Mortgage Gold bonds, including those proposed to be issued, or (b) 10% of the amount of all such bonds, whichever is the greater amount; except that for the 6% series of 1955 (not purchased with sinking fund moneys) and for additional bonds issued subject to these restrictions, surrendered to the Trustee or redeemed, an equal amount may be issued.

Callability—Subject to call on any interest date upon 30 days' notice, on or before June 1, 1953, at 105 and interest, and thereafter at 101 and interest.

Sinking Fund—The indenture provides for payment to the Trustee semi-annually, beginning June 1, 1928, of sums amounting to 1% per annum of the amount of First Mortgage Gold bonds outstanding. Such funds shall be ued by the Trustee for the purchase of First Mortgage Gold bonds entitled to purchase from sinking fund moneys at the sinking fund prices of such bonds. The series of 1955 is entitled to purchase from sinking fund moneys at or below 102 and interest. To the extent that bonds entitled to purchase from sinking fund moneys are not obtainable at sinking fund prices, the sinking fund moneys may be used to reimburse Company for additional properties and permanent extensions, improvements and additions to the mortgaged property which might otherwise be made the basis for the issuance of additional First Mortgage Gold bonds.

Security—Secured by a direct first mortgage on the entire fixed assets of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse resident holders of 6% Series due 1955, if requested within 60

days after payment, for the Pennsylvania and Connecticut Personal Property Tax, not exceeding 4 mills per annum on each dollar of assessed value, and for the Massachusetts Income Tax on interest not exceeding 6% per annum of such interest.

Legal Opinion—Hawkins, Delafield & Longfellow, New York, E. H. and W. B. Turner, Dayton, Ohio.

Original Offering—First publicly offered ($2,000,000) in November, 1925, at par and interest, by Bodell & Co., New York, etc., and The Huntington National Bank, Columbus, Ohio.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925
Gross earnings	$878,609	$786,033	$387,158
Oper. exp. & maintenance	428,601	381,456	170,423
Taxes	73,284	66,487	35,291
Depreciation	79,205	70,414	.....
Net earnings from oper.	$297,519	$267,676	$181,444
Other income	.....	.....	21,860
Total income	$297,519	$267,676	$203,304
Interest charges	140,924	125,377	70,470
Amort. of bond disc. & exp.	6,744	6,744	3,934
Total fixed charges	$147,668	$132,121	$74,404
Net income	$149,851	$135,554	$128,900
Preferred dividends	137,529	137,529	68,765
Surplus	$12,322	†$1,975	$60,135

*For seven months only. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$4,017,071	$3,932,172	$3,880,932
Construction work in prog.	341,993	265,462	.....
Investments	7,784	.....	.....
Materials and supplies	166,886	162,528	123,853
Cash and govt. securities	9,387	21,088	84,199
Accounts receivable	240,153	260,059	247,776
Notes receivable	824	1,000	.....
Other current assets	.....	.....	10,214
Unadjusted debits	18,560	13,154	.....
Discount on securities	479,609	486,353	493,097
Total	$5,282,267	$5,141,816	$4,840,072
Liabilities—			
Common stock	$140,148	$140,148	$140,148
Preferred stock	1,964,700	1,964,700	1,964,700
Funded debt	2,000,000	2,000,000	2,000,000
Notes payable	.....	239,427	63,904
Accounts payable	75,061	106,784	116,117
Interest accrued	20,982	13,894	10,000
Other current liabilities	2,340	44,127	2,619
Unadjusted credits	357,170	.....	.....
Reserve for taxes	67,902	60,902	34,988
Reserve for depreciation	605,424	536,509	447,461
Profit and loss surplus	48,540	35,325	60,135
Total	$5,282,267	$5,141,816	$4,840,072

Officers: M. M. Morrow, Pres.; F. J. Davis, V-P; D. A. Evans, Sec. & Treas., Columbus, Ohio; H. C. Clark, Aud. & Pur. Agt., Athens, Ohio.

Directors: M. M. Morrow, D. A. Evans, A. B. Courtright, M. C. Cahill, F. J. Davis, Columbus, Ohio.

General Office, 150 East Broad St., Columbus, O.

LEIPZIG OVERLAND POWER COMPANIES

(Landkraftwerke Leipzig Aktiengesellschaft in Kulkwitz and Energie Aktiengesellschaft Leipzig)

History and Property—The Leipzig Overland Electric Power Company (Landkraftwerke Leipzig Aktiengesellschaft in Kulkwitz) (organized in 1910) and Leipzig Public Service Corporation (Energie Aktiengesellschaft Leipzig) (organized in 1923), serve directly or indirectly a highly developed industrial and agricultural territory of approximately 2,900 square miles located in the Free States of Saxony and Prussia and having a population of about 1,000,000 (1925). The diversified character of this territory is emphasized by the fact that it completely surrounds and includes certain portions of the City of Leipzig, which is one of the most important commercial centers in Germany.

Leipzig Overland Power Companies serve immediately adjacent territories and are partially under the same ownership. Leipzig Public Service Corporation purchases practically all of its electrical energy from Leipzig Overland Electric Power Company; it also leases the properties of a neighboring utility company in which Leipzig Overland Electric Power Company owns a substantial interest.

Practically the entire business of Leipzig Overland Electric Power Company consists in the generation, distribution and sale of electric light and power. Leipzig Public Service Corporation operates various utility properties, including nine gas plants and also electric and gas distribution systems, which it leases under advantageous contracts; in addition it furnishes management to other utility companies. The two Companies together have approximately 112,000 customers. Over 73% of the capital stock of Leipzig Overland Electric Power Company is owned directly or indirectly by the Free State of Saxony and the various municipalities served and 74% of the capital stock of Leipzig Public Service Corporation is owned directly or indirectly by the various municipalities served.

Leipzig Overland Electric Power Company owns and operates a modern electric power station which will shortly, upon the completion of a new unit, have a total steam turbo-generator capacity of 30,000 k.w., together with an extensive distribution system including a ring transmission line around the City of Leipzig. Under advantageous contracts with other electrical power concerns, an additional generating capacity aggregating 8,000 k.w. is available. The Company also owns an extensive distribution system consisting of 671 miles of high and medium tension transmission lines and 610 miles of low tension lines. A portion of this system forms a ring transmission line around the City of Leipzig. The Company has 8 principal sub-stations and 324 transformer stations with a total transformer capacity of 48,270 k. v. a. The Company obtains its entire fuel supply from an adjacent, electrically operated, lignite coal mine operated by a wholly owned subsidiary company, Leipziger Braunkohlenwerke Aktiengesellschaft in Kulkwitz.

OPERATING STATISTICS, YEARS ENDED JUNE 30

	Sales of Electric Current in k.w.h.	Sales of Gas in cubic feet
1917	27,355,000	.....
1918	32,183,000	.....
1919	29,518,000	.....
1920	33,108,000	.....
1921	35,890,000	.....
1922	49,278,000	.....
1923	56,789,000	.....
1924	54,735,000	253,000,000
1925	61,586,000	336,409,000
1926	64,892,000	363,000,000

CAPITAL STOCK

See under "History".

FUNDED DEBT

$2,884,000 TWENTY-YEAR 6½% SINKING FUND MORTGAGE GOLD BONDS; DUE MAY 1, 1946

Dated May 1, 1926.

Interest Payable May and November 1, in U. S. gold coin at office of W. A. Harriman & Co., Inc., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—American Trust Co., New York, and Allgemeine Deutsche Credit-Anstalt, Leipzig, Germany.

Provisions of Issue—Authorized, $5,000,000; issued, $3,000,000, of which $116,000 retired through sinking fund. Trust Agreement securing these bonds authorized an additional $2,000,000 which may be issued only to extent of 50% of cost or fair value, of new properties and/or additions, betterments and improvements which are to be placed under Mortgage, and then only if combined aggregate net earnings of companies for twelve consecutive months out of fifteen calendar months preceding issuance thereof amount to at least 1¾ times annual interest and sinking fund

charges on their entire funded debt then outstanding, including bonds to be issued. Leipzig Overland Electric Power Company covenants that, with exception of Dawes payments, certain revalorized mortgages not in excess of $40,000 and purchase money obligations, Leipziger Braunkohlenwerke Aktiengesellschaft (the coal company), as long as these bonds are outstanding, will not create any mortgage indebtedness upon any of its property without securing these bonds by a lien prior to that of said indebtedness.

Purpose of Issue—Proceeds of this Loan were used for enlargement, extension and improvement of operating properties including coal mine, for retirement of outstanding funded debt of Leipzig Overland Electric Power Co., as additional working capital and for other corporate purposes.

Callability—Subject to call as a whole or in part except for sinking fund, on any interest date, on 60 days' notice on and after May 1, 1931, and prior to May 1, 1936, at 101 and interest, and thereafter at par and interest.

Sinking Fund—Trust Agreement under which these bonds are issued provides for semi-annual sinking fund payments beginning Nov. 1, 1926, sufficient to retire entire issue by maturity. In lieu of cash companies may deliver, at their face value, outstanding bonds of this issue. Sinking fund monies are to be used for retirement of bonds by semi-annual drawings at par; notice of drawn bonds will be published in New York City 30 days prior to redemption date.

Security—Bonds are the direct, joint and several obligation of Leipzig Overland Electric Power Company and Leipzig Public Service Corporation, and are furthermore secured by a mortgage, subject only to Dawes payments, on substantially all real property of first named Company, including its power plant and additions thereto to be constructed from a portion of proceeds of this financing. Leipzig Overland Electric Power Company covenants to transfer to the German Trustee, its entire transmission system (insofar as said system is not included in property covered by the mortgage) to be held in trust as additional security for these bonds. The present reproduction value of the properties serving as security for this loan, after allowing for depreciation and including the portion of the proceeds of the loan to be used for additions and improvements, is estimated to amount to over $6,675,000. As further security Leipzig Overland Electric Power Company has pledged and deposited with German Trustee all capital stock of Leipziger Braunkohlenwerke Aktiengesellschaft in Kulkwitz.

Tax Provision—Principal and interest payable without deduction for any past, present or future taxes, levied by or within the German Reich.

Legal Opinion—Hornblower, Miller & Garrison, New York, and Dr. Wilhelm Beutner, Berlin.

Original Offering—First publicly offered ($3,000,000) in September, 1926, at 92½ and interest, to yield about 7.20%, by W. A. Harriman & Co., Inc., and International Acceptance Bank, Inc., New York, etc.

Listed—Boston Stock Exchange.

COMBINED EARNINGS STATEMENT, YEARS ENDED JUNE 30

	*1926	1925
Gross revenues	$2,841,478	$2,539,639
Operating expenses, including maintenance, taxes and estimated maximum Dawes charges	1,812,244	1,713,033
Net earnings available for int., depreciation, etc.	$1,029,234	$826,606

*3 months estimated.

COMBINED BALANCE SHEET, MARCH 31, 1926
(After giving effect to the present financing including the application of the proceeds of this Loan and to an appraisal of plant, property and equipment)

(Accounts Certified by Price, Waterhouse & Co.)

Assets—	
Plant, property and equipment, as appraised, including $578,563 representing improvements to leased properties at cost less amortization, together with proportion of proceeds of new bond issue	$7,938,165
Investments in and advances to other Companies:	
Leipziger Braunkohlenwerke A. G.	713,072
Other companies	515,268
Cash	226,484
Accounts receivable	247,808
Marketable securities	16,570
Inventories, incl. construction and repairs supplies	264,203
Deferred charges	548,925
Total	$10,470,495
Liabilities—	
Twenty-Yr. 6½% Sinking Fund Gold Mtge. bonds	$3,000,000
Real estate mortgage	11,662
Loans payable	381,736
Accounts and bills payable and accrued items	310,234
Excess of assets over liabilities representing proprietor's equity	6,766,863
Total	$10,470,495

NOTES—Under the Industrial Charges Act 1924 (Dawes Plan) the Companies have issued debentures in a capital sum of $623,370. Under the Revalorisation Law of July 16, 1925, Leipzig Overland Electric Power Company may be called on to issue certain revalorisation notes, the interest on and redemption of which only become payable in any year in which the dividends on the ordinary shares of that company exceed 6%. Such interest and redemption charges cannot in any year exceed $4,708.

Managing Directors: Otto Credner and Hans Schuh.
General Office, Leipzig, Germany.

SOUTHERN CALIFORNIA GAS CORPORATION

History and Business—Incorporated Nov. 12, 1927, in Delaware and owns or controls over 99% of the Common stock of Southern California Gas Company (see appended statement) and also holds 50% of the capital stock of **Ventura Fuel Company** which owns and has operated since June 16, 1927, a natural gas collection and transmission system from the Ventura fields, 70 miles to Los Angeles. Corporation also owns all of the capital stock (there being no other outstanding capital obligations) of **Producers Gas & Fuel Company,** operating in the San Joaquin Valley.

CAPITAL STOCK

Authorized, 600,000 shares Common and 200,000 shares Pfd., both of no par value; outstanding, 600,000 shares Common and 75,000 shares $6.50 cumulative dividend Pfd.

Preferred Stock Provisions—Pfd. stock has preference for assets and cumulative dividends from Dec. 1, 1927, over the Common stock, and is entitled in liquidation to $100 per share and accrued dividends, plus a premium of $6 per share if such liquidation be voluntary. Pfd. stock is subject to redemption as a whole or in part upon 30 days' notice at $106 per share and accrued dividends. The Corporation shall not, without the affirmative vote or written consent of at least two-thirds of the outstanding Pfd. stock, (1) issue, assume or guarantee the payment of any bonds, notes or obligations maturing more than one year after their date, except that this restriction does not apply to the issuance of additional bonds in accordance with the terms of the Corporation's Collateral Trust Indenture dated Nov. 1, 1927, nor to the issue of other obligations, secured or unsecured, on the basis of not exceeding 75% of the cost to the Corporation, of additional securities acquired, nor to the refunding of previously issued obligations; (2) authorize or issue any stock or class of stock having priority or preference over the Pfd. stock as to dividends or assets; (3) amend the provisions of the Certificate of Incorporation so as to affect adversely any of the preferences or the rights thereby given to the Pfd. stock; (4) increase the number of shares of Pfd. stock authorized to be issued. Except as above the holders of Pfd. stock have no voting rights unless the Corporation shall fail to pay any quarterly dividend and shall not on or before the fourth succeeding quarterly dividend date

pay in full said dividend and all subsequently accumulated dividends. In such event, until such dividends are paid in full, the holders of Pfd. stock as a class have the right to elect one less than a majority of the board of Directors. The balance of the authorized Pfd. stock may be issued in one or more series with varying dividend rates not exceeding $7 per share per annum and redemption and voluntary liquidation premiums not exceeding $10 per share.

Purpose of Issue—The proceeds from the sale of the Pfd. stock and also the proceeds from the sale of Common stock provided funds to pay in part for the Common stock of Southern California Gas Company and for other corporate purposes.

Transfer Agents (Preferred)—Los Angeles-First National Trust & Savings Bank, and The Farmers' Loan & Trust Co., New York.

Registrars (Preferred)—Union Bank & Trust Co. of Los Angeles, and The Chase National Bank of the City of New York. For Common, The Chase National Bank of the City of New York.

Legal Opinion—Rushmore, Bisbee & Stern, New York, and Gibson, Dunn & Crutcher, Los Angeles.

Original Offering—First publicly offered (75,000 shares $6.50 cumulative dividend Pfd.) in Nov., 1927, at $100 per share and dividend, by Hunter, Dulin & Co., Peirce, Fair & Co., Blyth, Witter & Co., Bond & Goodwin & Tucker, Inc., Banks, Huntley & Co., American National Co. and George H. Burr, Conrad & Broom, Inc., Los Angeles, etc.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%.

Dividends—Initial quarterly dividend of $1.625 was paid on the Pfd. stock March 1, 1928; payments quarterly, M, J, S & D 1.

FUNDED DEBT

$25,000,000 COLLATERAL TRUST GOLD BONDS, 5% DUE 1937; DUE NOVEMBER 1, 1937.

Dated November 1, 1927.

Interest Payable May and November 1, at The Chase National Bank of the City of New York or at the office or agency of the Corporation in Los Angeles.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized amount, unlimited; issued, $25,000,000 5s.

Bonds in addition to the $25,000,000 may not be issued except for the purpose of refunding bonds of some previous series, unless the consolidated net earnings of the Corporation and its subsidiaries (as defined in the Trust Indenture), for 12 consecutive calendar months within 15 months immediately preceding the application therefor, shall have been at least 1½ times the amount of the consolidated annual fixed charges of the Corporation and its subsidiaries (as similarly defined and including interest on funded debt and fixed dividend requirements on preferred stocks of subsidiaries outstanding in the hands of the public, as well as annual interest requirements on the bonds outstanding and about to be issued). Subject to compliance with said requirements as to consolidated net earnings, additional bonds may be issued in series on the basis of not exceeding 100% of the deposit value (as defined in the Trust Indenture) of additional shares of Preferred stock and/or bonds, notes or other evidences of indebtedness pledged thereunder, or on the basis of 100% of such deposit value of additional shares of Common stock so pledged up to a total of $6,000,000, and thereafter on the basis of 66 2/3% of the deposit value of such Common stock. Bonds may also be issued for the purpose of refunding a like principal amount of previously authenticated bonds of any other series. Bonds may also be authenticated on the basis of the deposit of cash with the Trustee to an amount equal to their principal amount subject to withdrawal for the above described purposes in lieu of the authentication of bonds under the conservative provisions of the Trust Indenture.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at principal amount and accrued interest plus premiums if redeemed after Nov. 1, 1928, equal to ½% up to and including Nov. 1, 1929; thereafter increasing ½% annually up to Nov. 1, 1933; and thereafter decreasing ½% annually until maturity.

Sinking Fund—None provided.

Security—Secured by pledge with the Trustee of the shares of Common stock of Southern California Gas Co. and Capital stock of Ventura Fuel Co. owned by the Corporation. The Indenture provides that the Trustee shall not release any of these pledged shares of stock (except for reorganization purposes as provided in the Trust Indenture) unless provisions shall be made for the payment of all the outstanding bonds of this series on or before the next interest payment date.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax and Massachusetts 6% Income tax on interest, refundable upon application within 90 days after payment.

Legal Opinion—Rushmore, Bisbee & Stern and Taylor, Blanc, Capron & Marsh, New York.

Offering—First publicly offered ($12,500,000) in Dec., 1927, at 95½ and interest to yield about 5.60% by Chase Securities Corp., Stone & Webster and Blodget, Inc., Pynchon & Co., New York; Hunter, Dulin & Co., Peirce, Fair & Co. and Blyth, Witter & Co., Los Angeles, etc.

Price Range—1927: High, 95⅞; low, 95½.

OFFICERS AND DIRECTORS

Officer: A. B. Macbeth, Pres.

Directors: M. W. Dodge, C. A. Stone, W. F. Ingold, J. G. Bullock, Harold Janss, S. O'Melveny, A. B. Macbeth, W. G. Kerckhoff, A. C. Balch, B. R. Meyer, T. J. Reynolds, Garrettson Dulin.

General Office, 950 So. Broadway, Los Angeles, Cal.

SOUTHERN CALIFORNIA GAS COMPANY

(Controlled by Southern California Gas Corporation)

History—Incorporated under laws of Cal., Oct. 5, 1910, as successor to the Domestic Gas Company of Los Angeles. Acquired the properties of the Riverside Light & Fuel Co., and took over the gas business of the San Bernardino Gas & Electric Co. in 1911. On Oct. 1, 1917, acquired the properties of the Western Fuel, Gas and Power Co. at Redondo Beach, Hermosa Beach and Manhattan Beach. Feb. 1, 1919, purchased property of Economic Gas Co., Los Angeles. Aug., 1919, bought Consumers Gas Co., serving Nor-

SOUTHERN CALIFORNIA GAS CO.
PYNCHON & CO.
Members of the New York Stock Exchange
111 Broadway, New York Tel. Rector 0970
The Rookery, Chicago Tel. Wabash 7700
BOSTON Tel. Hancock 7320
PHILADELPHIA Tel. Rittenhouse 1530
BALTIMORE Tel. Plaza 7373
LONDON
MILWAUKEE Tel. Broadway 306
PROVIDENCE Tel. Gaspee 8600
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Private wire connections to all important markets in the United States and Canada

walk, Downey, Bellflower and surrounding territory. In Sept., 1921, purchased property of Citrus Belt Gas Co. On Sept. 1, 1927, acquired the properties of Midway Gas Co. and Valley Natural Gas Co. (see 1927 Public Utility Manual, page 824), located in Los Angeles, Kern and Ventura Counties, together with valuable rights and contracts for purchases of natural gas in Buena Vista, Elk Hills, Rosecrans, Dominguez, Brea Canyon, Inglewood, Santa Fe Springs, Signal Hill, Torrance, Huntington Beach and Ventura Avenue field. During the latter part of 1927, also acquired Riverbend Gas & Water Co. (see 1927 Public Utility Manual, page 643); Hartford Gas & Power Co. (see 1927 Public Utility Manual, page 839), and Central Counties Gas Co. (see 1927 Public Utility Manual, page 720).

Company supplies part of Los Angeles and vicinity, and all of San Bernardino, Riverside, Redlands, Redondo, Glendale, Hanford, Dinuba, Visalia, about 85 other cities and towns and communities, a territory having a population of over 2,100,000.

Property—The property in Los Angeles consists of a modern gas plant with generators, purifiers, and gas compressors capable of producing 28,000,000 cu. ft. per day. The plant at Colton, Cal., has a generating capacity of 4,500,000 cu. ft. per day, supplying the distributing systems owned in San Bernardino, Riverside, Redlands and Colton. In addition, compressor and holder stations are maintained at various points throughout the system to insure a uniform gas pressure and an adequate reserve for peak loads. The Company's main buildings are all of concrete and steel construction and entirely fireproof. The distributing system comprises 3,333 miles of main, serving 207,307 domestic consumers, and 802 industrial and wholesale consumers. Output for the year 1927 amounted to 61,071,346,000 cu. ft.

Franchises—The franchises of the Company in Los Angeles, Riverside and some of the other cities, constituting the principal territory served, are within the scope of the decision of the United States Supreme Court, which held such rights to be perpetual and co-extensive with the corporate limits of the city. All of the other franchises of the Company extend beyond the maturity of the First Mortgage Bonds.

OPERATING DATA, DECEMBER 31

	Miles of Mains	No. of Custom.	Output (M. cu. ft.)
1921	1,274	70,752	9,546,925
1922	1,551	87,374	17,113,529
1923	1,906	121,618	25,405,140
1924	2,423	149,139	43,499,216
1925	2,685	168,072	45,491,179
1926	2,830	184,620	41,997,618
1927	3,333	207,307	61,071,346

CAPITAL STOCK

Authorized, $40,000,000 Common, $4,000,000 6% cumulative Pfd., and $56,000,000 Pfd. Series "A"; outstanding, Dec. 31, 1927, $8,000,000 Common, $3,708,400 6% cumulative Pfd., and $504,400 Pfd. Series "A"; par, $25. In addition there is $273,186 Pfd. and $51,319 Pfd. Series "A" stock subscribed for by public and employees on partial payment plan.

Changes in Capitalization—Stockholders at meeting held Nov. 18, 1926, voted to increase the authorized capital stock from $10,000,000 to $100,000,000, divided into $60,000,000 Pfd. and $40,000,000 Common, and to reduce the par value of all shares from $100 to $25. The new $25 shares of both classes were exchanged for the old $100 par shares on the basis of four to one. The California Railroad Commission in Feb., 1927, approved the increase in the capitalization, authorized company to exchange the par $25 shares for the par $100 shares on the above basis, and also authorized company to issue 40,000 additional shares of Pfd. stock at not less than $24 a share.

Transfer Agent—H. A. Manning, Los Angeles.

Annual Meeting—Second Tuesday in February.

Listed—Pfd. stock listed on San Francisco Stock Exchange. Common and Pfd. listed on Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
6% Preferred (par $100)—						
High	100	98½	97	91½	92	..
Low	95	96	90	85	87	..
6% Preferred (par $25)—						
High	26½	..	..	..	..	..
Low	24⅞	..	..	..	..	..
Common (par $100)—						
High	400	124½	96	90	100¾	40
Low	160	bid	bid	bid	bid	bid
Common (par $25)—						
High	115	..	..	..	..	..
Low	87½	..	..	..	..	..

Dividends—Dividends on Pfd. paid quarterly at rate of $6 per annum on $100 par to Jan. 15, 1927; on par $25, initial dividend of 37½ cts. was paid April 15. 1927, which rate regularly paid since. Pfd. dividends are declared second Tuesdays of M, J, S & D and are paid J, A, J & O 15. Dividends on the Pfd. Series "A" payable quarterly J, A, J & O 15. Initial dividend of $1.00 per share paid on Common Feb. 15, 1922, which quarterly rate maintained to Dec. 15, 1922, when $2.25 per share paid, which quarterly rate was paid to and including Nov. 15, 1924; Dec. 20, 1924, $1.00; Feb. 14, 1925 to Feb. 15, 1927, $2.50 on $100 par shares. Initial dividend of $0.62½ a share paid on Common of $25 par value May 14, 1927; later Common dividends not reported.

FUNDED DEBT

(1)

$4,295,000 FIRST MORTGAGE GOLD 6s; DUE NOVEMBER 1, 1950

Dated November 1, 1910.

Interest Payable May and November 1, at Equitable Trust Co., New York.

Denominations—Coupon, $1,000 (principal may be registered), and registered, $1,000 and multiples; coupon bonds are interchangeable with fully registered bonds of $1,000 and multiples.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized and issued (closed) $10,000,000, of which $11,000 held in treasury, $5,411,000 pledged under First and Refunding Mortgage, $260,000 held in sinking fund, $23,000 held by Trustee against contracts, and $4,295,000 outstanding in the hands of the public at Dec. 31, 1927.

Callability—Subject to call as a whole only (or in part for sinking fund), at 105 and interest upon 60 days' notice.

Sinking Fund—Operates annually as follows: 1921 to 1925, $60,000 per annum; 1926 to 1930, $75,000; 1931 to 1935, $90,000; 1936 to 1940, $110,000; 1941 to 1945, $125,000; 1946 to 1950, $140,000. One-half to be used to retire bonds and the balance for new construction, etc. under same restrictions as for issuance of escrow bonds.

Security—Secured by a first mortgage on all plants or properties now owned or hereafter acquired. Underlies First & Refunding Mortgage, under which bonds are reserved to retire this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Tax in California.

Legal for Savings Banks in California.

Original Offering—First publicly offered ($2,500,000) in June, 1917, at 100 and interest, by The National City Co., New York, etc. A block offered by the same company in Sept., 1917 at 99 and interest; $800,000 offered in March, 1919, at 97½ and interest, yielding about 6.20%, by Peirce, Fair & Co., Security Mortgage Co., Blyth, Witter & Co., Los Angeles, and San Francisco.

Listed—Los Angeles Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	105¾	105⅜	105	103	100	101¾	94
Low	104¼	104	102¾	97⅝	96⅝	95	90½

(2) and (3)

$6,200,000 FIRST & REFUNDING MORTGAGE GOLD BONDS, SERIES "B" 5½s; DUE SEPTEMBER 1, 1952

$4,000,000 FIRST & REFUNDING MORTGAGE GOLD BONDS, SERIES "C" 6s; DUE JUNE 1, 1958

Dated, Series "B," September 1, 1922; Series "C," June 1, 1923.

Interest Payable on all series at Union Bank & Trust Co., Los Angeles, Wells Fargo Bank & Union Trust Co., San Francisco, or at Equitable Trust Co., New York, as follows: Series "B," March and Sept. 1; Series "C" June and December 1.

Denominations—Coupon (principal may be registered) $500 and $1,000, and registered, $1,000; interchangeable.

Trustee—Union Bank & Trust Co., Los Angeles.

Provisions of Issue—Authorized, $25,000,000; issued, $19,812,000 ($2,865,000 Series "A" 7s; $12,947,000 Series "B" 5½s and $4,000,000 Series "C" 6s), of which $6,200,000 Series "B" and $4,000,000 Series "C" were outstanding with public as of Dec. 31, 1927. $6,747,000 Series "B" have been pledged under the First Mortgage and Refunding bonds due 1957, and the Series "A" bonds have been retired.

Additional bonds may be issued for 75% of cost of additions, extensions, etc., when earnings for twelve consecutive months out of the preceding 15 months from gas operations shall have equalled at least 1¾ times the annual interest charges on all bonds outstanding, including those to be issued.

Callability—Series "B" are subject to call at 105 and interest for the first 10 years and 102½ and interest thereafter. Series "C" at 105 on any interest date.

Improvement and Sinking Fund—Annually beginning March 1, 1927, a sum equal to 2% of the par value of the largest amount of bonds at any time outstanding, including the First Mortgage bonds and the bonds of any other company whose property may hereafter be acquired (from the proceeds of 1st & Ref. Mtge. Bonds) subject thereto.

The Company may invest one-half of the amount of such sinking fund moneys in the construction or the purchase of additional property or betterments, against which no bonds may be issued, and may credit against the other one-half the payment made on any underlying sinking fund.

The Company may deliver to the Trustee bonds of this issue, or underlying bonds in lieu of cash at the rate of par and accrued interest in satisfaction of the sinking fund.

Security—Secured by a general mortgage on all property of the Company now owned or hereafter acquired; additionally secured by pledge of $5,411,000 First Mortgage 6s of 1950.

Prior Liens—First Mortgage 6s of 1950; outstanding, $4,295,000. Any additional First Mortgage bonds issued must be pledged under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from all State and local taxation in California.

Legal for Savings Banks in California.

Legal Opinion—O'Melveny, Milliken & Tuller, Los Angeles, and Jared How, San Francisco.

Original Offering—$1,500,000 Series "A" 7s offered in April, 1921 by Peirce, Fair and Co., Blyth, Witter & Co., and Banks, Huntley & Co., at 97 and interest; $2,000,000 "B" 5½s offered in Sept., 1922 at 98½ and interest, by the same firms; $1,500,000 Series "C" 6s offered Jan. 1, 1924, at 98 and interest by the same firms; $2,000,000 Series "B" 5½s offered Sept. 15, 1924, at 96 and interest, by the same firms; and $2,000,000 Series "B" 5½s offered in February, 1926 at par and interest, by the above firms and E. H. Rollins & Sons, New York.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
Series "B" 5½s—					
High	104¼	101¼	98⅛	*95¼	
Low	101	98	95	*89	
Series "C" 6s—					
High	105⅛	104½	102⅝	106	98⅞
Low	104	101	100	102½	96⅝

(4)

$8,646,000 FIRST MORTGAGE AND REFUNDING GOLD BONDS, 5% SERIES DUE 1957; DUE SEPTEMBER 1, 1957.

Dated September 1, 1927

Interest Payable March and September 1 at The Chase Natonal Bank of the City of New York or at Union Bank & Trust Co. of Los Angeles.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered. Fully registered bonds in denominations of $1,000, $5,000, $10,000 and $25,000 or a multiple of $25,000. Coupon bonds of $1,000 denomination and registered bonds are interchangeable.

Trustees—The Chase National Bank of the City of New York and Union Bank & Trust Co. of Los Angeles.

Provisions of Issue—Authorized amount, unlimited; issued, 5% Series due 1957, $8,646,000.

Additional bonds may be issued in 5% Series due 1957 and other series without limit as to maximum amount on the following basis: (a) To the extent of 75% of the net amount of additional property, as defined in the mortgage, certified as charged to fixed capital accounts after Aug. 31, 1927, less the amount of any underlying bonds constituting a prior lien thereon; provided, however, that, for 12 consecutive calendar months within 14 calendar months next preceding the application therefor, total available net earnings of the Company (before Federal income taxes) are at least 2 times and the net operating earnings from the mortgaged properties (after all taxes) are at least 1½ times, the amount of the annual interest charges on all bonds issued or about to be issued under the mortgage, plus any outstanding underlying bonds, all as defined in the new mortgage indenture; (b) to refund principal amount for principal amount, $14,554,000 of underlying bonds remaining outstanding in the hands of the public and also other underlying bonds constituting prior liens or charges on after acquired properties which may be made the basis of the issuance of additional bonds under clause (a) above; (c) to refund, principal amount for principal amount, bonds of any other series previously issued under the mortgage; (d) for an equal amount of cash deposited with the New York Trustee and withdrawable by the Company in lieu of the issuance of bonds for the above purposes under the conservative provisions of the new mortgage indenture.

Purpose of Issue—Proceeds were used to pay in part for the properties of Midway Gas Co., Central Counties Gas Co., Riverbend Gas & Water Co. and Hanford Gas & Power Co. and to reimburse, or provide for, the cost of retiring bonded indebtedness aggregating $4,452,000, and for other corporate purposes.

Callability—Subject to call as a whole at any time, or in part on any interest date or dates, on 30 days' notice at principal amount and accrued interest, plus a premium commencing with 5% and decreasing 1% of principal amount on Sept. 1, 1933 and each sixth anniversary thereof, except that during the last year the premium shall be ¼%.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage lien on the properties acquired from Midway Gas Co., Central Counties Gas Co., Riverbend Gas & Water Co. and Hanford Gas & Power Co. and by a direct mortgage on the remainder of the fixed properties of Southern California Gas Co., subject only to liens of the mortgage indentures securing the First Mortgage 6s due 1950, First and Refunding Series "B" 5½s due 1952 and First and Refunding Series "C" 6s due 1958. Also

secured by pledge of $6,747,000 principal amount of First and Refunding Series "B" 5½s due 1952. The Indenture requires the pledge thereunder of any additional bonds authenticated pursuant to any underlying mortgage, but will permit the release of pledged bonds for the purpose of satisfying sinking fund payments required to be made thereunder.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from personal property taxes in California. Pennsylvania and Connecticut 4 mills tax and Maryland 4½ mills tax, and Massachusetts 6% income tax on interest, refundable upon application within 90 days after payment.

Legal Opinion—Rushmore, Bisbee & Stern, New York and Gibson, Dunn & Crutcher, Los Angeles (for the Bankers) and O'Melveny, Milliken & Tuller, Los Angeles (for the Company).

Original Offering—First publicly offered ($8,646,000) in October, 1927, at 99 and interest by Chase Securities Corp., Pynchon & Co., Stone & Webster and Blodget, Inc., Blyth, Witter & Co., Peirce, Fair & Co., New York and Hunter, Dulin & Co., Los Angeles, etc.

Price Range—1927, High, 101; low, 99⅛.

BONDS CALLED

All of the Southern California Gas Co. First & Refunding Mortgage 7% Gold Bonds, Series "A." due March 1, 1951, were called for redemption on Sept. 1, 1927 at 107½ and interest at Union Bank & Trust Co., Los Angeles, Trustee.

All of the Central Counties Gas Co. First Mortgage Sinking Fund Gold 6s, due Jan. 1, 1939, were called for redemption on Jan. 1, 1928, at 103 and interest at Los Angeles-First National Trust & Savings Bank, Los Angeles, Trustee.

All of the Central Counties Gas Company Five-Year 7% Convertible Bonds, due Oct. 1, 1929, were called for redemption on Oct. 1, 1927, at 102 and interest at Los Angeles-First National Trust & Savings Bank, Los Angeles, Trustee.

All of the Hanford Gas & Power Co. First Mortgage 6% Gold bonds, due June 15, 1937 were called for redemption on Nov. 9, 1927 at 101 and interest at office of Central Counties Gas Co., Visalia, Cal.

All of the Midway Gas Company First & Refunding Gold 6s, due Dec. 1, 1929, were called for redemption on Sept. 1, 1927, at par and interest at American Trust Co., San Francisco, Trustee.

Bonds Purchased and Cancelled—All of the outstanding Riverbend Gas & Water Co. First Mortgage Gold 7s, due Jan. 1, 1942, were purchased by Southern California Gas Co. in the open market and delivered to Los Angeles-First National Trust & Savings Bank Fresno, Cal. for cancellation.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$15,826,636	$9,693,319	$9,820,973	$9,725,887	$7,661,203	$5,739,15
Operating expenses and taxes	10,298,193	6,999,786	6,966,130	6,994,048	5,597,241	4,208,08
Depreciation	1,405,362	479,732	779,720	624,413	380,704	295,60
Net earnings	$4,123,081	$2,213,801	$2,075,123	$2,107,426	$1,683,258	$1,235,46
Other income	70,379	113,260	69,005	42,312	54,393	50,39
Total income	$4,193,460	$2,327,061	$2,144,128	$2,149,738	$1,737,651	$1,285,85
Deductions:						
Bond interest	$1,168,254	$1,024,588	$933,204	$840,412		
Bond discount	52,220	176,343	37,636	33,238	$687,155	$534,27
Other interest, etc.	201,096	8,102	30,874	39,766		
Total	$1,421,570	$1,209,033	$1,001,714	$913,416	$687,155	$534,27
Surplus for year	$2,771,890	$1,118,028	$1,142,414	$1,236,322	$1,050,496	$751,52
Times Fixed Charges Earned	2.95	1.92	2.14	2.35	2.53	2.4
Earnings Per Share—						
*Preferred	‡$16.45	$32.27	$39.77	$73.47	$75.09	$85.8
†Common	7.87	15.17	16.17	18.92	16.11	11.6

*Based on amount of Pfd. stock outstanding Dec. 31. †After allowing dividends of 6% per annum on the amount shown outstanding, Dec. 31. ‡On basis of combined number of shares of 6% cumulative Pfd. and Pfd. Series "A" outstanding.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plants and properties	$60,379,519	$33,199,279	$30,396,625	$27,723,359	$22,822,804	$18,348,50
Bond & stock disc. & exp.	1,646,507	1,382,988	1,297,541	1,254,526	1,183,194	999,68
Investments	494,528	327,733	275,639	164,400	158,400	158,40
Stock subscriptions	180,074	360,876	577,381	420,980	382,766	.....
Cash on hand, etc.	1,472,630	414,033	648,433	656,552	348,921	499,08
Materials and supplies	810,421	592,940	590,030	784,186	755,869	592,26
Notes & int. receivable	74,465	994,656	57,543	38,878	5,305	9,27
Accounts receivable	1,388,084	955,710	860,487	796,961	844,803	766,53
Miscellaneous deferred debits	357,983	146,607	104,707	123,118	.....	.....
Total	$66,804,211	$38,374,822	$34,808,386	$31,962,960	$26,502,062	$21,373,75
Liabilities—						
Preferred stock	$3,708,400	$3,464,700	$2,872,000	$1,682,700	$1,399,000	$875,00
Preferred stock Series "A"	504,400	.....	.....	.....	.....	.....
Common stock	8,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,00
Funded debt	23,514,000	17,360,000	15,234,000	15,296,000	11,825,000	9,344,00
Pfd. stock subscriptions	324,505	504,564	701,281	492,181	426,081	.....
Notes payable	1,247,739	.....	.....	10,171	67,251	106,07
Accounts payable	1,118,216	773,234	884,923	682,488	746,366	571,75
Deferred credits	2,101,422	1,987,270	1,866,489	1,654,501	1,205,855	589,82
Bond interest and accruals	1,686,783	728,441	655,920	578,475	415,845	338,66
Reserves	10,104,276	4,209,459	3,737,078	3,107,011	2,497,121	2,059,55
Surplus	14,494,470	3,347,154	2,856,695	2,459,433	1,919,543	1,488,86
Total	$66,804,211	$38,374,822	$34,808,386	$31,962,960	$26,502,062	$21,373,75

Officers: A. B. Macbeth, Pres.; Wm. G Kerckhoff, V-P.; A. C. Balch, V-P.; Ben R. Meyer, V-P.; T. J. Reynolds, V-P., Gen. Counsel & Asst. Sec.; A. E. Peat, Treas., Compt. & Asst. Sec.; C. L. Whitehill, Sec.; H. A. Manning, R. S. Cheatham, Chester N. Vandeventer, Asst. Secs.; A. R. Souleck, Asst. Treas.; F. J. Schafer, Gen. Mgr. & Eng.; W. E. Robbins, Aud.; F. C. Ingram, Mgr. Customers' Dept.

Directors: A. C. Balch, John G. Bullock, Garrettso Dulin, Harold Janss, Wm. G. Kerckhoff, A. B. Macbeth, Ben R. Meyer, Stuart O'Melveny, T. J. Reynolds Los Angeles, Cal.; Murray W. Dodge, Wm. F. Ingold Chas. A. Stone, New York.

Office, 950 South Broadway, Los Angeles, Cal.

PEOPLES LIGHT AND POWER CORPORATION

History—Incorporated March 10, 1926, in Delaware, as a holding company. Owns all the Common stock, except directors' qualifying shares, and all the bonds of certain of the following companies:

Austin (Tex.) Gas Co.
Burlington Traction Co.
Citizens Gas Co. (Stroudsburg, Pa.)
Jersey Shore Gas Co.
New Jersey Northern Gas Co.
Peoples West Coast Hydro Electric Corp.
Peoples Minnesota Gas & Electric Corp.
Peoples Iowa City Waterworks Corp.
Peoples California Hydro-Electric Corp.
Peoples Hydro Electric Vermont Corp.
Peoples Utilities Kansas Corp.
Peoples Utilities Pennsylvania Corp.
*Wisconsin Hydro Electric Co.
*Statement appended.

Through ownership of all of the Common stock of the General Power and Light Co. (see appended statement), which was acquired on Jan. 3, 1928, Peoples Light and Power Corp. controls the following companies:

*Arizona Edison Company.
*Northern Michigan Public Service Company.
*Western States Utilities Company.
Mississippi Public Utility Company.
Southern Edison Company.
Golconda Light and Power Company.
Elam & Upton, Inc.
*Statements appended.

Through the above subsidiaries, Corporation furnishes electricity, gas, water and street railway service in 260 cities and towns in the states of Minnesota, Wisconsin, Iowa, Washington, Oregon, Arizona, Vermont, Texas, Illinois, Pennsylvania, Idaho, California, Kansas, Utah, Nevada, Michigan, Mississippi, Arkansas, Kentucky, New Jersey and Wyoming. Combined properties serve a population of approximately 500,000.

The properties formerly owned by Peoples Arizona Gas & Electric Corp. were acquired by Arizona Edison Co. in Feb., 1928. The properties formerly owned by Peoples Utilities Illinois Corp., The Peoples Utilities Ohio Corp., and Peoples Utilities Indiana Corp. were acquired by Federal Water Service Corp. and turned over to Illinois Water Service Co., Ohio Water Service Co. and Indiana Water Service Co.

Austin Gas Company—Incorporated in Dec., 1926, in Texas and serves natural gas without competition to Austin, Tex., and immediate vicinity. Company owns 65 miles of gas mains, serves a population of 58,755 and has 6,500 consumers. All its First Mortgage bonds and all its 30,000 no par value shares of Common stock are owned by the Peoples Light and Power Corp.

Burlington Traction Company—Incorporated Oct. 31, 1872 in Vermont with a perpetual charter as Winooski and Burlington Horse Railroad, name amended to present one in Nov., 1896. Company owns 12 miles of tracks in the City of Burlington; 15 closed and 17 open cars; 2 convertible cars, 2 snow plows, one sweeper and 2 gasoline busses. Power is purchased from the Peoples Hydro Electric Vermont Corp., and the Burlington Light and Power Co. Company carries approximately 3,200,000 passengers annually. All of Company's First Mortgage bonds and all its capital stock (authorized, $400,000; outstanding, $200,000; par, $100) are owned by Peoples Light and Power Corp.

Citizens Gas Company (Stroudsburg, Pa.)—Incorporated July 1, 1922 in Pennsylvania as a reorganization of a company of a similar name. Serves gas to 2,000 consumers in Stroudsburg and East Stroudsburg, Pa. Daily capacity of plant, 650,000 cu. ft.; miles of gas mains, 25. All of Company's outstanding capital stock (2,000 shares Common of no par value and $75,000 7% Pfd.) and all the outstanding $75,000 First Mortgage 5% Gold bonds, due Jan. 1, 1946, are owned by Peoples Light and Power Corp. For latest published statement of Citizens Gas Co., see 1927 Manual, page 1890.

Jersey Shore Gas Company—Incorporated May 20, 1897 in Pennsylvania. Supplies gas to Jersey Shore, Pa., serving population of 6,250. Daily capacity of plant, 150,000 cu. ft.; miles of mains, 9; number of customers, 775. All the company's outstanding capital stock ($45,000 Common and $9,000 Pfd., par, $100) and all the outstanding $13,500 First Mortgage 5½% Gold bonds, due May 1, 1946, are owned by Peoples Light and Power Corp. For latest published statement of Jersey Shore Gas Co., see 1927 Manual, page 1876.

New Jersey Northern Gas Co.—Incorporated Feb. 13, 1912 as a merger of the Lambertville Gas Co. and the Flemington Gas Co. Serves without competition the towns of Flemington, Ringoes, Lambertville, Stockton, Hopewell and Pennington, N. J., population served being 10,600 and customers 1,441. Property consists of a gas plant with a capacity of 300,000 cu. ft. per day and 22 miles of high pressure gas mains and eight miles of distribution mains. All the Company's outstanding capital stock ($75,790) and all the outstanding $255,000 First Mortgage 5% Gold bonds, due March 1, 1952 (except $2,200) are owned by Peoples Light and Power Corp. For latest published statement of New Jersey Northern Gas Co., see 1927 Manual, page 2061.

Peoples West Coast Hydro Electric Corp.—Incorporated Nov. 28, 1924 in Delaware, as the West Coast Power Co., which represented a merger of several light and power companies in Washington. Acquired the General Light & Power Corp., Shorey Light & Power Co., Florence Electric Co., and Waldport Light Co. Name changed to present title in July, 1926, when control was acquired by Peoples Light & Power Corp. Properties consist of three divisions located respectively in Washington, Oregon and Idaho. Furnishes electric service without competition to 18 cities and towns in the state of Oregon, as follows: Reedsport, Gardiner, West Gardiner, Florence, Glenada, Cushman, Waldport, Cascade Locks, Toledo, Newport, Yaquina, Clatskanie, Clatskanie Junction, Westport, Prairie City, John Day, Canyon City and Burns; 16 cities and towns in the state of Washington as follows: Shelton, Cathlemet, Stevenson, Chinook, Ilwaco, Long Beach, Sea View, Ocean Park, Mahcotta, Breakers, Newton, Teoga, Centerville, Shelbourne, Halman and South Bend (only 80% of the total service); 12 communities in Idaho as follows: Bellevue, Richfield, Fairfield, Cascade, Carey, Ketchum, Cannett, Picabo, Cambridge, Council, Midvale and Hailey (where both electric and water service is supplied). Plants have an installed capacity of 4,847 k.w., of which 3,150 k.w. is hydro, 475 k.w. is steam, and 1,222 k.w. is oil. There are 236 miles of transmission lines and 3 miles of water mains. All the capital stock (authorized, $4,000,000 (increased

As underwriters and distributors we deal in the securities of
PEOPLES LIGHT & POWER CORPORATION
G. L. OHRSTROM & CO.
INCORPORATED
Forty-Four Wall Street
New York
BOSTON PHILADELPHIA CHICAGO LOS ANGELES

from $2,250,000 in Jan., 1928); outstanding, $483,000; par, $100) is owned by Peoples Light and Power Corp.

Peoples Minnesota Gas & Electric Corp.—Incorporated July 10, 1926 in Minnesota, as successor to Bemidji Gas Co., Crookston Gas Co. and Henderson Light & Power Co. Owns gas plants at Bemidji and Crookston, Minnesota, and also electric properties at Henderson and New Auburn, Minn., serving these communities without competition. Electric properties comprise 53 miles of transmission and distribution lines, energy being purchased from the Northern States Power Co. station at Arlington. The gas works owned and operated have a daily capacity of 300,000 cu. ft. and 14 miles of gas mains. Population served, 15,000; number of gas consumers, 1,147; number of electric consumers, 313. All of company's capital stock ($100,000 authorized and outstanding) is owned by Peoples Light and Power Corp.

Peoples Iowa City Waterworks Corp.—Organized Dec. 1, 1923 in Iowa, as successor to the Iowa City Waterworks Co. and supplies, without competition, water to Iowa City, Ia., under a franchise expiring in 1949. Water works property consists of 10 deep wells, collecting reservoirs, 4 rapid sand filters and 38 miles of water mains, and has an aggregate pumping capacity of 7,000,000 gallons daily. No. of customers, 3,317. All of company's capital stock (authorized, $750,000; outstanding, $100,000; par $100) and all the First Mortgage bonds are owned by Peoples Light and Power Corp.

Peoples California Hydro-Electric Corp.—Incorporated June 12, 1926, in California, as successor to the Fort Bragg Electric Co., Alturas Electric Power Co., and Mendocino Electric Light & Power Co. Furnishes without competition electric service to Fort Bragg, Mendocino, Alturas, Caspar, Albion, Little River and Cedarville, Cal. (which is served wholesale). Also serves Lakeview, Ore. Energy is generated by two steam units, having a capacity of 1,050 k.w. and one hydro-electric plant with a capacity of 675 k.w. Population served, 9,000; number of customers, 2,426; miles of transmission lines, 39. All the capital stock ($200,000 authorized and $45,500 outstanding, par $100) and all the First Mortgage bonds are owned by Peoples Light and Power Corp.

Peoples Hydro Electric Vermont Corp.—Incorporated in Vermont, in 1926, as successor to the Vergennes Electric Co. and Montpelier & Barre Light & Power Co. Early in 1928 acquired the Eastern Vermont Public Utilities Corp. (see 1927 Manual, page 1975). This Corporation furnishes without competition electric service to the following cities and towns in Vermont: Shelburne, Charlotte, Ferrisburg, Waltham, Vergennes, New Haven, Addison, Planton, North Ferrisburg, Thompson Point, Montpelier, Barre, Washington, Plainfield, Middlesex, Waitsfield, Graniteville, East Montpelier, Marshfield, Williamstown, South Barre, Warren, Hinesburg, Bridgeport, Duxbury, Fayston, Moretown, Berlin, Worcester, Calais, Woodbury, Websterville, Orange, Upper Cabot, Lower Cabot, West Danville, Peacham, Barnet, McIndoe Falls, East Rinegate, Ryega, Boltonville and Wells River. Company furnishes wholesale service to Northfield, Vt.

Properties consist of seven hydro-electric plants with installed capacity of 6,737 k.w. and one steam plant of 6,000 k.w. Electric energy is transmitted over 446 miles of transmission lines. Company serves a population of 51,100 and has 9,482 consumers. In addition to the installed capacity, Company owns undeveloped hydro sites with a capacity of 10,166 horse power. The Company has a lease on and an option to purchase the hydro electric development of the Green Mountain Power Co., Inc. (see appended statement) at Molly's Falls which development has an installed capacity of 5,000 k.w. There are no securities in the hands of the public, all the First Mortgage bonds and capital stock (authorized, $4,000,000; outstanding, $2,000,000; par, $100) being owned by Peoples Light and Power Corp.

Peoples Utilities Kansas Corp.—Incorporated in Dec., 1926 in Delaware, as successor to the Citizens Light, Heat & Power Co. and furnishes natural gas, purchased from Kansas Natural Gas Co., to the city of Lawrence. The distribution system comprises 65 miles of gas mains. Company serves a population of 14,160 and has 4,131 customers. All the Company's First Mortgage bonds and all the capital stock (authorized, 3,000 shares; outstanding, 750 shares no par value) are owned by Peoples Light and Power Corp.

Peoples Utilities Pennsylvania Corp.—Incorporated in 1927 in Pennsylvania as successor to the Bangor Gas Heating Co. (incorporated in 1899) and Roseta Gas Co. and supplies artificial gas to 1,100 customers in Bangor and Roseta, Pa. Property consists of a gas plant with a daily capacity of 300,000 cu. ft. and 9 miles of mains. All the Company's First Mortgage bonds and all the capital stock (authorized, $50,000; outstanding, $40,000; par, $50) are owned by Peoples Light and Power Corp.

OPERATING STATISTICS, AT DECEMBER 31

	1927	1926
Electric sales (k.w.h.) during year	57,489,176	40,953,325
Gas sales (cu. ft.) during year	762,123,350	741,327,800
Water sales (gallons) during year	277,489,650	1,291,630,329
Electric meters in use	28,008	22,845
Gas meters	19,290	12,538
Water customers	14,229	16,371
Passengers carried	2,646,000	2,939,951
Miles of electric transmission lines	1,089	719.25
Miles of electric distribution lines	1,430	734
Miles of water mains	139	99.70
Street cars and buses	37	37
Miles of gas mains	281	205.20
Miles of traction lines	17	12

CAPITAL STOCK

Authorized, 300,000 shares Class "A" Common, 300,000 shares Class "B" Common and 300,000 shares cumulative Preferred, all classes of no par value; outstanding, Jan. 31, 1928, 49,830 shares Class "A" Common, 45,000 shares Class "B" Common, 9,238 shares $7 Series Pfd. and 24,762 shares $6.50 Series Pfd.

Preferred Stock Provisions—Has preference for assets and dividends and in the event of liquidation or upon any distribution, voluntary or involuntary, of the assets of the corporation other than by dividends from surplus or net profits, is entitled to receive $100 per share and dividends before any distribution shall be made to the Common stock. Subject to call as a whole or in part on any dividend date upon 30 days' notice at $105 per share and dividends. Pfd. stockholders are entitled to vote, share and share alike, with the holders of Class "B" Common if at any time dividends on the Pfd. shares shall be in arrears to an amount equal to or exceeding the entire dividend thereon for 18 months, such rights to cease, however, when all arrears of dividends shall have been declared and paid.

Class "A" Common Stock Provisions—Has preference for non-cumulative dividends at the rate of $2.40 per share per annum before any dividends shall be paid upon Class "B" Common stock; in addition, when Class "B" Common has received dividends at the rate of $2.40 per share per annum, Class "A" Common is entitled to participate share and share alike with Class "B" Common in any further dividends declared in such year. Except with assent of at least 75% of Class "A" Common, Class "B" Common outstanding shall never exceed in number of shares Class "A" Common. Class "A" Common has no voting power unless dividends thereon for any fiscal year are less than $2.40 per share when Class "A" and Class "B" have equal voting power per share. In any distribution of assets other than current dividend payments Class "A" Common and Class "B" Common shall participate share and share alike. Except as above provided Class "B" Common has sole voting power.

Transfer Agents—Preferred: Central Union Trust Co., New York. Class "A" Common: Seaboard National Bank, New York.

Registrars—Preferred: The Seaboard National Bank, New York. Class "A" Common: Central Union Trust Co. of New York.

Annual Meeting—Second Tuesday in March.

Legal Opinion—Murray, Aldrich & Roberts, and Lancaster, Simpson, Junell & Dorsey.

Original Offering—First publicly offered (4,000 shares 7% cumulative Pfd. and 16,000 shares Class "A" Common, in units of 4 shares of Class "A" Common and 1 share of Pfd.), in July, 1926, at $200 a unit, by W. B. Foshay Co., New York, etc., and Parsly Bros. & Co., Philadelphia. In April, 1927, G. L. Ohrstrom & Co., Inc., New York, publicly offered 19,000 shares of $6.50 Pfd. at $93.50 and dividends to yield about 6.96%.

Price Range—

	1927
Class "A" Common—	
High	27
Low	21
$7 Preferred—	
High	98
Low	93½

Dividends—On $7 Pfd. initial dividend of 58 1/3 cents per share was paid July 9, 1926 and regularly monthly thereafter to Aug. 1, 1927. On Nov. 1, 1927 dividends were placed on quarterly basis with the payment of $1.75 and maintained at that rate to date; payments, F, M, A & N 1. Initial quarterly dividend of $1.62½ on $6.50 Pfd. paid Aug. 1, 1927 and at same rate since; payments, F, M, A & N 1. On Class "A" Common, initial dividend of 20 cents per share was paid July 9, 1926 and regularly monthly thereafter to July 1, 1927. On Oct. 1, 1927 a quarterly dividend of 60 cents a share was paid which rate maintained to date; payments, J, A, J & O 1. On Class "B" Common, initial dividend of 10 cents per share was paid Nov. 10, 1926 and monthly thereafter at the same rate to and including Feb. 10, 1927; none since.

FUNDED DEBT

(1)

$10,332,000 FIRST LIEN 5½% GOLD BONDS, SERIES OF 1941; DUE JULY 1, 1941

Dated July 1, 1926.

Interest Payable January and July 1, at The Equitable Trust Co. of New York.

Denominations—Coupon, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee—The Equitable Trust Company of New York.

Provisions of Issue—Authorized amount limited by restrictions of Trust Indenture. Issued, $12,100,000, of which $10,332,000 outstanding Jan. 31, 1928.

Trust indenture provides that additional bonds may be issued thereunder to refund an equal amount of bonds of future constituent companies or to refund bonds of different series issued under Trust Indenture. Additional First Lien bonds may also be issued, in manner provided in Trust Indenture, to a principal amount not in excess of 70% of cost or fair value of additions, extensions and permanent improvements, and to a principal amount not in excess of 70% of cost of acquisition or fair value of properties of future constituent companies. Such additional bonds may only be issued provided additional bonds of constituent companies to a principal amount not less than the aggregate principal amount of First Lien bonds proposed to be issued, shall have been pledged as additional security under Trust Indenture. Bonds may not be issued, except for refunding purposes, unless consolidated net earnings for a period of twelve consecutive calendar months within fifteen calendar months immediately preceding issuance of new bonds have been at least two times annual interest charges on all bonds which will be outstanding in hands of public under Trust Indenture and constituent company mortgages and on those bonds to be issued. In computation of net earnings repairs and maintenance charges must be at least 50% of amount of annual maintenance and improvement fund.

Purpose of Issue—Proceeds from sale of the initial $3,500,000 issue of these bonds were used exclusively to retire funded debt of constituent properties; balance for other corporate purposes.

Callability—Subject to call on any interest date, on 30 days' notice, to and including Jan. 1, 1931, at 105; thereafter, to and including Jan. 1, 1936, at 103; thereafter, to and including Jan. 1, 1939, at 102; thereafter, to and including Jan. 1, 1940, at 101; thereafter, at par; in each case with accrued interest.

Maintenance and Improvement Fund—Corporation covenants to establish a maintenance and improvement fund based on annual gross operating revenues of Corporation and its constituent companies. This fund shall be equal to 12½% of gross earnings of electric and gas properties; 10% of the gross earnings of the water properties; and 20% of gross earnings derived from electric railway service. This fund must be expended for improvements, additions and extensions as well as for repairs, maintenance and depreciation, but no bonds may be issued against such expenditures.

Security—Bonds are a direct obligation of Corporation and are secured by pledge of all outstanding bonds and capital stock of the following companies: Peoples California Hydro Electric Corp., Peoples Hydro Electric Vermont Corp., Peoples Iowa City Waterworks Corp., Peoples Minnesota Gas and Electric Corp., Peoples Utilities Kansas Corp., New Jersey Northern Gas Co., Peoples Utilities Pennsylvania Corp., Austin Gas Co., Citizens Gas Co. (Stroudsburg, Pa.), Jersey Shore Gas Co., Peoples West Coast Hydro Electric Corp., and Burlington Traction Co. Trust Indenture provides that any additional bonds or stocks which may be issued by these companies in future shall likewise be pledged as additional security under Trust Indenture.

Tax Provisions—Corporation pays Normal Federal Income tax up to 2%. Minnesota tax not to exceed three mills, Pennsylvania, Connecticut, Kansas and California taxes, not to exceed four mills, Maryland four and one-half mills tax, Kentucky and District of Columbia five mills taxes, Michigan five mills exemption tax, Virginia five and one-half mills tax, and Massachusetts income tax not to exceed 6%, refundable.

Legal Opinion—Murray, Aldrich & Roberts, and Lancaster, Simpson, Junell & Dorsey (for the Corporation), and White & Case (for the bankers).

Original Offering—First publicly offered ($3,500,000) in July, 1926, at 94¾ and interest, to yield about 6.05%; an additional $2,100,000 were offered in October, 1926, at 95½ and interest to yield 5.95%; and an additional $6,500,000 were offered in January, 1927, at 97 and interest to yield 5.80%—all by G. L. Ohrstrom & Co., Inc., New York.

Price Range—

	*1927	1926
High	99	94½
Low	93½	bid

*Bid price.

(2)

$6,000,000 6% CONVERTIBLE GOLD DEBENTURES, SERIES OF 1962; DUE JANUARY 1, 1962

Dated January 1, 1927.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; interchangeable; principal or both principal and interest may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited; issued, Series of 1962, $6,000,000. Trust Agreement provides that no additional debentures may be issued, except for refunding purposes, unless the combined net

income of the Corporation and its constituent companies, after interest charges on secured debt, for 12 consecutive calendar months within the preceding 15 calendar months, shall have been at least 2¼ times the annual interest charges upon all outstanding unsecured indebtedness of Corporation and its constituent companies, including the debentures to be issued. Corporation covenants that it will not issue any secured funded debt, except its First Lien Bonds, unless all Debentures issued under this Trust Agreement are secured ratably therewith. So long as any Debentures are outstanding under this Trust Agreement, there will be issued no obligations, other than its First Lien bonds, maturing more than 5 years from date of issue except under the above earnings restrictions.

Callability—Subject to call on any interest date, on 30 days' notice, to and including Jan. 1, 1952, at 110 and interest; thereafter, to and including Jan. 1, 1960, at 105 and interest; thereafter, at their principal amount.

Maintenance and Improvement Fund—Corporation covenants to establish a maintenance and improvement fund based on the annual gross revenues of Corporation, and its constituent companies, which shall be equal to 12½% of gross revenues of the electric and gas properties, 10% of the gross revenues of the water properties and 20% of the gross revenues derived from electric railway service. In the computation of net income, as defined in the Trust Agreement, maintenance and depreciation charges must be at least equal to the annual requirements of this fund.

Convertibility—Debentures are convertible at face value on or before Jan. 1, 1952, into Class "A" Common stock of Corporation, as constituted at the time of conversion at the following prices: To and including Jan. 1, 1932, $32.50 per share; thereafter to and including Jan. 1, 1937, $37.50 per share; thereafter to and including Jan. 1, 1942, $45 per share; thereafter to and including Jan. 1, 1947, $50 per share; thereafter to and including Jan. 1, 1952, $60 per share. Debentures called for redemption shall be convertible to and including the 10th day prior to day of redemption.

Security—Debentures are the direct obligations of Corporation, and with the exception of the First Lien bonds represent its only funded debt outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut, Minnesota, Kansas and California taxes, not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Kentucky and District of Columbia taxes not to exceed 5 mills, Michigan exemption tax not to exceed 5 mills, and Massachusetts Income Tax not to exceed 6% refunded to resident holders upon timely and proper application.

Legal Opinion—White & Case (for the Bankers) and Murray, Aldrich & Roberts, and Lancaster, Simpson, Junell & Dorsey (for the Corporation).

Original Offering—First publicly offered ($5,000,000) in January, 1927, at 98 and interest to yield about 6.15%, by G. L. Ohrstrom & Co., Inc., New York.

Listed—Boston Stock Exchange.

Price Range—1927: High bid, 98½; low bid, 92.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED JAN. 31, 1928.
(Peoples Light and Power Corp. and Subsidiaries)
(Including Properties Acquired During Year Only For Period During Which They Were Owned)

Total revenues	$4,108,882
Oper. exps., maint. & taxes (other than Federal)	2,207,553
Net earnings	$1,901,329
Deductions:	
Bond interest	$701,228
Debenture interest	305,132
Unfunded debt interest	96,024
Amortization of debt disc. & expense	114,319
Retirement expense	201,225
Miscellaneous	12,548
Total	$1,430,476
Net income avail. for Fed. taxes, divds. & surplus	470,853

CONSOLIDATED BALANCE SHEET
(Peoples Light and Power Corp. & Subsidiaries)

	Jan. 31, 1928	*Mar. 31, 1927
Assets—		
Fixed capital	$32,340,164	$25,580,696
Cash	683,477	278,048
Notes receivable	864,592	4,123
Accounts receivable		518,419
Materials and supplies	472,367	292,575
Miscellaneous current assets	35,928	49,169
Prepayments	47,490	.....
Special deposits	726,795	.....
Misc. investments	20,694	.....
Unamortized debt disc. & expense	2,185,280	2,335,963
Other deferred charges		41,059
Advances to affiliated cos.	.....	38,320
Total	$37,376,787	$29,138,282
Liabilities—		
Preferred stock ($7 Dividend Series)	$3,171,736	$900,000
Preferred stock ($6.50 Divd. Series)		1,697,000
Sub. cos. Pfd. stock	2,415,637	.....
Class "A" & "B" Common stock	1,882,549	†5,498,487
Paid subscriptions to Class "B" stock	.....	422,500
First Lien Gold bonds Series 1941	10,332,000	12,078,000
35-Yr. Debenture Notes, Series 1962	6,000,000	5,000,000
First Mortgage Chetek notes, 6%	.....	20,000
Sub. cos. funded debt	7,450,200	.....
Notes payable	601,099	378,133
Accounts payable		283,457
Consumers' deposits	248,325	113,355
Miscellaneous current liabilities	.....	3,997
Taxes accrued	121,885	102,918
Interest accrued	196,572	249,936
Miscellaneous accruals	60,735	28,201
Temporary financing pending permanent financing of new properties	1,390,000	.....
Due affiliated cos.	155,415	.....
Deferred and unadjusted credits	79,960	47,031
Retirement reserve	2,808,553	1,968,373
Other reserves	55,183	.....
Contributions for extens., bad debts, etc.	.....	40,248
Surplus earned	406,938	36,646
Total	$37,376,787	$29,138,282

*After giving effect to financing subsequent to March 31, 1927 and to the elimination of notes payable to affiliated companies which are offset by notes receivable of equivalent amount. †Paid in value.

Officers: E. C. Deal, Pres.; W. Hynes Pitner, V-P.; L. O. Gordon, V-P.; D. L. McDaniel, Sec. & Treas.; F. W. Peters, Compt., Asst. Sec. & Asst. Treas.; J. F. Doetsch, Asst. Sec. & Asst. Treas.

Directors: E. C. Deal, L. O. Gordon, George L. Ohrstrom, W. Hynes Pitner, C. T. Chenery, New York.

General and Executive Offices, 27 William Street, New York.

GREEN MOUNTAIN POWER COMPANY, INC.

(Leased to Peoples Hydro Electric Vermont Corp.)

History—Incorporated Nov. 25, 1925 in Vermont. Formed to develop the hydro-electric property of the former Montpelier & Barre Light & Power Co., now Peoples Hydro Electric Vermont Corp., at Molly's Falls, Marshfield, Vt. Property consists of a hydro-electric plant with a capacity of 7,000 h.p. and of 980 acres owned in fee and 49 acres held under perpetual easements. Plant is connected with distributing system at Montpelier, Vt., with a 16-mile 33,000-volt transmission line.

Lease—The properties of company are leased to Peoples Hydro Electric Vermont Corp. for 99 years, the lessee agreeing to pay an annual rental equal to twice the interest charges on all bonds from time to time outstanding under the First Mortgage, and, in addition to pay taxes, maintenance and replacement charges necessary to keep the property in good working condition and to make all such further payments as will enable company to comply with its obligations under this mortgage.

CAPITAL STOCK

Authorized and outstanding 5,000 shares of no par value.

Annual Meeting—In March.

FUNDED DEBT

$750,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1956

Dated February 1, 1926.

Interest Payable February and August 1 at American Trust Co., Boston.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000 and registered $1,000 and multiples; interchangeable.

Trustee—American Trust Co., Boston, Mass.

Provisions of Issue—Authorized amount, unlimited; outstanding, $750,000 Series "A" 5½s The proceeds from these bonds, together with those of the sale of approximately 4,000 shares of no par value capital stock at $75 per share, were used for the construction of dam, reservoir, pipe lines, transmission line, and a modern hydro-electric plant at Molly's Falls, and for the purchase of the necessary land and water rights.

Additional bonds may be issued in series bearing such rates of interest, maturity dates (not earlier than Feb. 1, 1956), redeemable on such terms, and containing such other rights and limitations consistent with the mortgage as the Board of Directors may determine prior to the issue thereof, for refunding par for par bonds issued under this mortgage or underlying bonds secured by prior mortgages on after-acquired property; or for not more than 75% of the cost of permanent physical additions, extensions, improvements or betterments, or the cost or fair value, whichever is less, of additional property acquired, provided net earnings of Company as defined in the mortgage for a period of 12 consecutive months within the 15 calendar months immediately preceding the application for the bonds shall have been equal to at least twice the interest charges on (1) all bonds at the time outstanding under the mortgage; (2) all bonds secured by any mortgage, lien or other encumbrance ranking prior to the lien of the first mortgage on any property of Company and (3) the bonds applied for; or, as an alternative for; (4), if the lessee which operates the properties of Company shall have obligated itself to increase the annual rental by sums equal to at least twice such annual interest charges on the bonds applied for, and under other provisions of the mortgage believed to be adequate for the protection of the bondholders.

Callability—Subject to call in whole or in part on any interest date on 30 days' notice at 107½ on Aug. 1, 1926 and at said 107½ less ½ of 1% for each 6s mos. thereafter to and including August 1, 1928 and at 105 thereafter to and including Aug. 1, 1955 and in each case with accrued interest.

Security—Secured by a first mortgage on all the property owned or thereafter acquired except that after-acquired property may be subject to other liens. The present issue represents approximately 75% of the cost of the properties. The 99-year lease is subject to the lien of the mortgage and will constitute a part of the security for these bonds.

Maintenance Fund—The indenture provides that at least every 5 years and oftener on request of ten per cent of the bondholders, an engineer or other competent person appointed by the trustee shall report to the trustee whether the property has been kept in good repair and condition and sufficient amounts for such maintenance charged to operating expenses or current income. The Company covenants to deposit cash with the trustee to the amount of any deficiency shown by such report to exist in such charges.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. All taxes (except transfer, estate, inheritance and succession taxes) not exceeding in the aggregate for any one year ½ of 1% of the face value of their holdings assessed under the laws of either Massachusetts, Vermont, New Hampshire, Pennsylvania, Rhode Island, or Connecticut (but only one of said States), refunded upon 60 days' application.

Legal Opinion—Pillsbury, Dana & Young (for company), and Ropes, Gray, Boyden & Perkins (for the Bankers).

Original Offering—First publicly offered ($750,000 Series "A" 5½s), at 95 and interest to yield 5.85%, in march, 1926, by Charles H. Tenney & Co., Boston.

Price Range—

	1927	1926
High	98	97½
Low	94	92½

Operating Office, Montpelier, Vt.

WISCONSIN HYDRO ELECTRIC COMPANY

(Controlled by Peoples Light and Power Corporation)

History—Incorporated in Oct., 1927 in Wisconsin as a consolidation of the Peoples Wisconsin Hydro Electric Corp. (see 1927 Manual, page 2358) and the Ashland Water Co. (see 1927 Manual, page 434). The Company's properties are located in Wisconsin and serve electricity wholesale to the following cities and towns located approximately 65 miles from Minneapolis: Wholesale to Campis, Cylon, Cameron, New Richmond, Cumberland, Birchwood, Luck, Angus, Frederick, Mikana, Spooner, Clayton, Deronda, and Rice Lake, and retail to Joel, Mason, Paskin, Boyceville, Clayton, Wheeler, Hillsdale, Barronett, Dueholm, Comstock, Ridgeland, Glenwood City New Auburn Prairie Farm, Turtle Lake, Richardson, Wanderoos, Star Prairie, San Creek, Little Falls, Clear Lake, Shell Lake, Deer Park, Chetek, Dallas, Colfax, Amery, and Downing. Gas is served retail to Monroe and Platteville. Water is served retail to Ashland, Wis., from Lake Superior, and at wholesale to Hurley, Wis., from Lake Lavina. The Company has an interchange power contract with Northern States Power Co. and furnishes a large part of that company's energy requirements of the Rice Lake system. The estimated population served is 63,500 and company has 8,021 consumers of which 3,850 are electric, 2,620 water and 1,551 gas consumers.

Electric properties consist principally of 8 hydro-electric plants with an installed capacity of 5,186 k.w. and over 315 miles of transmission lines. The Company also owns undeveloped hydro sites with a capacity of 4,000 h.p. Gas properties consist of plants having a daily capacity of 270,000 cu. ft. and of 21 miles of gas mains. Water plants have a daily pumping capacity of 10,200,000 gallons and there are 23 miles of water mains.

Control—Company is controlled by Peoples Light and Power Corp. through ownership of all the outstanding Common stock.

CAPITAL STOCK

Authorized, 12,000 shares Common of no par value and $2,000,000 6% cumulative Pfd., par $100; outstanding, Jan. 31, 1928, 8,250 shares Common and $800,000 Pfd. All the Common stock is owned by Peoples Light and Power Corp.

Preferred Stock Provisions—Has preference for assets and dividends, is subject to call as a whole or in part on any dividend date on 30 days' notice at 105 and dividend and in case of involuntary liquidation is entitled to $100 and dividend and in voluntary liquidation to $105 and dividend.

Additional Pfd. may not be issued unless the net earnings available for dividends on Pfd., for any 12 consecutive calendar months within 15 calendar months next preceding the date of the additional issue, are at least 2½ times the annual dividend requirements on all Pfd. outstanding, including that to be issued.

Without the consent of at least two-thirds of the Pfd. Company may not authorize or issue any stock having preference over Pfd. as to dividends or as to distribution of assets upon dissolution or liquidation or amend the provisions of Pfd. so as to affect ad-

versely any of the preferences and other rights given to Pfd., except to increase the authorized number of shares of Common stock, or increase the authorized amount of Pfd.

Pfd. is entitled to vote share and share alike with Common if at any time dividends shall be in arrears and unpaid on the Pfd. for 8 consecutive quarterly periods, and until all such dividends in arrears shall have been paid.

Tax Provisions—Dividends are exempt from present Normal Federal Income tax. Company will refund Pennsylvania and Connecticut 4 mills tax, and Massachusetts Income tax up to 6%.

Legal Opinion—White & Case, New York, and Sanborn, Blake & Aberg, Madison, Wis.

Original Offering—First publicly offered ($800,000 6% Pfd.) in Dec., 1927, at 95 and dividend, to yield over 6.32%, by G. L. Ohrstrom & Co., Inc., New York, etc.

Transfer Agent (Pfd.)—Seaboard National Bank of New York, N. Y.

Dividends—Pfd. dividends regularly paid quarterly J, A, J & O 1 at Seaboard National Bank of New York, N. Y., initial payment having been made Jan. 3, 1928 to stock of record Dec. 24, 1927.

FUNDED DEBT

$2,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES OF 1947, DUE OCTOBER 1, 1947

Dated October 1, 1927.

Interest Payable April and October 1 at Seaboard National Bank of New York, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Seaboard National Bank of the City of New York.

Provisions of Issue—Authorized amount unlimited; issued and outstanding, Jan. 31, 1928, $2,000,000 Series of 1947 5s. Additional bonds may be issued for not in excess of 75% of the cost or fair value, whichever is lower, of new or additional property and improvements, extensions or additions, acquired or constructed subsequent to Oct. 1, 1927, provided net earnings, as defined in the Mortgage, for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of application for such additional bonds, have been at least equal to twice annual interest charges on all bonds outstanding and those proposed to be issued. In computing net earnings, the amount deducted for maintenance and repairs must be one-half of the Maintenance and Improvement Fund mentioned below, or the amount actually expended for maintenance and repairs during such period, whichever is greater.

Purpose of Issue—The proceeds from the sale of these bonds were used for the acquisition of the properties and for other corporate purposes.

Callability—Series of 1947 5s are subject to call as a whole or in part on any interest date upon 60 days' notice to and including Oct. 1, 1929, at 105; thereafter, to and including Oct. 1, 1934, at 103; thereafter to and including Oct. 1, 1940, at 102; thereafter to and including Oct. 1, 1946, at 101; and thereafter at 100; plus accrued interest in each case.

Maintenance and Improvement Fund—Company covenants to establish a Maintenance and Improvement Fund equal to 12½% of the operating revenues of the electric and gas properties and 9% of the operating revenues of the water properties. This fund may be expended for improvements, extensions and additions, as well as for repairs and maintenance, but no bonds may be issued against such expenditures. The foregoing percentages of operating revenue may be changed by arbitration from time to time after Oct. 1, 1930, at intervals of not less than three years.

Security—Secured by a direct first mortgage on all the physical properties of the Company. The depreciated value of the properties, as determined by The Railroad Commission of Wisconsin as a basis for the issuance of the securities at present outstanding, is in excess of $3,260,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund Minnesota, Pennsylvania, Connecticut, Kansas and California taxes not to exceed 4 mills, Maryland taxes not to exceed 4½ mills, Kentucky, Virginia, West Virginia and District of Columbia taxes not to exceed 5 mills, Michigan exemption tax not to exceed 5 mills, and Massachusetts income tax not to exceed 6%, to resident holders upon proper application.

Legal Opinion—White & Case, New York, and Sanborn, Blake & Aberg, Madison, Wis.

Original Offering—First publicly offered ($2,000,000 Series of 1947 5s) in November, 1927, at 95½ and interest, to yield about 5.37%, by G. L. Ohrstrom & Co., Inc., and Coffin & Burr, Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED JANUARY 31
(Predecessor Companies)

	1928	1927
Total revenue	$510,231	$477,818
Operating expense	149,921	134,608
Maintenance expense	15,573	22,041
Taxes (excluding Federal)	71,975	49,773
Gross income	$272,762	$271,396
Interest on funded debt	100,000	100,000
Depreciation	43,685	33,160
Balance for dividends	$129,077	$138,235
Annual dividends required on Pfd. stock	48,000	48,000

GENERAL BALANCE SHEET, JANUARY 31, 1928

Assets—	
Fixed capital	$3,317,690
Current assets	154,716
Other assets	928
Unamortized debt discount, etc.	266,006
Due from affiliated companies	55,152
Total	$3,794,492
Liabilities—	
Common stock	$825,000
Preferred stock	800,000
First Mortgage bonds	2,000,000
Current and accrued liabilities	62,101
Reserves	35,071
Surplus	72,320
Total	$3,794,492

Officers: E. C. Deal, Pres.; L. O. Gordon, V-P.; D. L. McDaniel, Sec. & Treas.; F. W. Peters, Compt., Asst. Sec. & Asst. Treas., New York.

Directors: E. C. Deal, W. Hynes Pitner, L. O. Gordon, D. L. McDaniel, F. W. Peters, New York.

Operating Office, Amery, Wis. **Principal Office,** 27 William St., New York, N. Y.

GENERAL POWER AND LIGHT COMPANY

(Controlled by Peoples Light and Power Corporation)

History and Properties—Incorporated in 1925 in Delaware and supplies directly electricity and water to Calhoun, Ky., and electricity to Sebree, Corydon, Slaughters, Poole, Rumsey, Onton and Robarde, Ky., serving 595 electric customers and 140 water customers. Through ownership of the entire capital stocks of Arizona Edison Co., the Northern Michigan Public Service Co., the Western States Utilities Co. (see appended statements), the Southern Edison Co., the Mississippi Public Utility Co., the Golconda Light and Water Co., and the Elam & Upton, Inc., supplies service in 90 cities and towns in Arizona, California, Idaho, Utah, Nevada, Wyoming, Illinois, Arkansas, Michigan, and Mississippi. Population served, 115,000.

Southern Edison Company—Incorporated in 1925 in Delaware as Arizona Edison Co.; present name adopted June 1, 1926. Serves a population of 24,000 with electricity, ice and water, supplying electricity to Des Arc, Leslie, Pangburn, Beebe, Higginson, Griffithville, McRae, Stamps, Garner and Sparkman, Ark., Sardis, Coldwater, Senatobia, Como, Batesville, Court-

land, Pops, Enid and Oakland, Miss.; ice to Des Arc, Ark.; and water to Senatobia, Miss. Electric property consists of steam plants with an installed capacity of 530 k.w.; oil engines with an installed capacity of 1,500 k.w. and 104 miles of transmission lines. Undeveloped hydro sites have an estimated capacity of 17,000 h.p. All of the Common stock is owned by the General Power and Light Co., and there is no Pfd. stock or funded debt.

Mississippi Public Utility Company—Incorporated in Feb., 1927 in Delaware, as successor to Mississippi Public Service Co. Serves a population of about 7,000 with electricity, ice and water, supplying electricity to the towns of Purvis, Bay Springs, Hickory, Decatur, Louin, Stringer and Port Gibson, Miss.; water to Purvis and Port Gibson, Miss.; and ice to Purvis, Miss. Electricity is generated by oil engines with an installed capacity of 260 k.w. Company owns 29 miles of transmission lines. Water plant has a daily pumping capacity of 100,000 gallons. All of the Common stock is owned by General Power and Light Co. Funded debt consists of $75,000 Purvis Public Service Co. bonds and $52,500 of Port Gibson Municipal bonds, both issues maturing serially and having been assumed in the acquisition of properties.

Golconda Light & Water Company—Incorporated in Illinois and serves electricity without competition to the town of Golconda, Ill., which has a population of about 2,500. Electricity is generated by a steam plant with 200 k.w. installed capacity. All of the Common stock is owned by General Power and Light Co. and there is no Pfd. stock or funded debt.

Elam & Upton, Inc.—Incorporated in Illinois. Serves ice and electricity without competition to the town of Vienna, Ill., which has a population of about 1,500. Electricity is generated by an oil engine with an installed capacity of 300 k.w. All of the Common stock is owned by the General Power and Light Co. and there is no Pfd. stock or funded debt outstanding.

Control—Control of the General Power and Light Company was acquired by Peoples Light and Power Corporation on Jan. 3, 1928 and that company now owns all the Common stock of the former company.

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value and $1,000,000 7% Preferred, par $100; outstanding, Jan. 31, 1928, 100,000 shares Common and $600,000 Pfd. All the Common is owned by Peoples Light and Power Corp.

Preferred Stock Provisions—Has preference for assets and dividends, is callable on 30 days' notice at 105 and accrued dividends, and upon voluntary or involuntary dissolution is entitled to par and accrued dividends. Has no voting power unless dividends are in arrears for two years.

Dividends—Pfd. dividends have been regualrly paid to and including Dec. 31, 1927.

FUNDED DEBT

$1,000,000 ONE YEAR 5% GOLD NOTES; DUE JANUARY 1, 1929

Dated January 1, 1928.

Interest Payable January and July 1, at Seaboard National Bank of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered at Seaboard National Bank of New York.

Trustee and Transfer Agent—Seaboard National Bank of New York.

Provisions of Issue—Authorized and outstanding, $1,000,000. Issued to retire existing obligations.

Callability—Subject to call on 30 days' notice at 101 and interest to date of redemption.

Sinking Fund—None provided.

Security—A direct obligation of Company, which covenants that net earnings after depreciation available for interest on notes are not less than three times the annual interest requirements and that no funded debt of any character will be created or other action taken by the Company, which will, while any of the notes remain outstanding, reduce the net earnings, and further covenants that no funded debt will be issued or created senior in rank to these notes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property taxes under any state law not exceeding in the aggregate five mills and the Massachusetts income tax on the interest not exceeding 6% per annum refunded upon proper application.

Original Offering—First offered in Jan., 1928, at 99¾ and interest to yield over 5.25%, by True-Webber & Co., Chicago.

CONSOLIDATED EARNINGS, YEARS ENDED DEC. 31

	*1927	1926	1925
Gross revenue, all sources.	$1,935,366	$1,293,681	$1,140,727
Oper. exp., maint. & general taxes	1,235,246	783,250	718,180
Net revenue	$700,120	$510,431	$422,547
Interest & dividend requirements of sub. cos.	433,310	150,607	150,000
Balance	$266,810	$359,824	$272,547

*Year ended October 31, 1927.

Officers: E. C. Deal, Pres.; L. O. Gordon, V-P.; G. L. McDaniel, Sec. & Treas.; F. W. Peters, Comptroller, Asst. Treas. & Asst. Sec.

Directors: E. C. Deal; W. Hynes Pitner, L. O. Gordon, G. L. McDaniel, F. W. Peters.

Office, 27 William St., New York City.

ARIZONA EDISON COMPANY

(Controlled by General Power and Light Company)

History and Properties—Incorporated in September, 1925, in Arizona, a consolidation of Yuma Light, Gas & Water Co. (see 1925 Public Utility Manual, page 676), Bisbee Improvement Co., Douglas Traction & Light Co., Douglas Gas Corp. (see 1925 Public Utility Manual, page 1561), Florence Improvement Co. and the Ice Department of Douglas Investment Co. In Feb., 1928 acquired the properties owned by Peoples Arizona Gas & Electric Corp.

Company serves a population of 82,000, supplying 10,882 customers with electricity in Douglas, Bisbee, Yuma, Globe, Purtleville, Lowell, Bakerville, Calena, Don Luis, Naco, Claypool, Cobra Valley, Little Ranches, Lower Miami, Midland City and Miami in Ariz., Winterhaven, Cal., and Agua Prieta in Mexico; 5,057 customers with artificial gas in Douglas, Bisbee, Globe, Yuma, Lowell, Warren and Bakerville, Ariz.; 7,061 customers with water in Bisbee, Naco, Miami, Yuma, Safford, Bakerville, Lowell, Upper Lowell, South Bisbee, Don Luis, Johnson Addition, Cochise, Jiggersville and Winwood Addition, Ariz., Agua Prieta, Mexico and wholesale to the town of Warren, Ariz.; telephone service is given to 28 customers in Agua Prieta, Mexico; and ice is sold retail in Bisbee, Lowell, Warren, Don Luis, Naco and Florence, Ariz.

Electric properties consist principally of 5 generating stations with an installed capacity of 5,824 k.w. and 110 miles of distribution lines. Gas propertes have a daily capacity of 1,590,000 cubic feet and 64 miles of mains and water systems have a daily pumping capacity of 7,700,000 gallons and 63 miles of mains.

CAPITAL STOCK

Authorized, 100,000 shares Common and 50,000 shares cumulative Pfd., both of no par value; outstanding Jan. 31, 1928, 23,000 shares Common and 15,000 shares $6.50 Dividend Series Pfd. All the Common stock is owned by General Power and Light Co. Capital stock changed from 50,000 shares Common of no par value in Jan., 1928.

Preferred Stock Provisions—Has preference for assets and dividends, is subject to call as a whole or in part on any dividend date on 30 days' notice, at 105

and dividend, and upon any dissolution or liquidation of Company is entitled to receive $100 and dividend, plus a premium of $5 per share if such liquidation be voluntary, before any distribution may be made to Common.

Additional Pfd. may not be issued unless the net earnings available for dividends on Pfd., as therein defined, for any 12 consecutive calendar months within 15 calendar months immediately preceding the date of the additional issue, are at least 2½ times the annual dividend requirements on all Pfd. outstanding, together with that proposed to be issued. Without the consent of the holders of at least two-thirds of Pfd., Company may not authorize or issue any stock having preference over Pfd. as to dividends or as to disposition of assets upon dissolution or liquidation; amend the provisions of Pfd. so as to effect adversely any of the preferences and other rights given to the Pfd., except to increase the authorized number of shares of Common or increase the authorized number of shares of Pfd. Pfd. shall be entitled to vote share and share alike with Common, if at any time dividends shall be in arrears and unpaid on Pfd. for 8 consecutive quarterly periods and until all such dividends in arrears shall have been paid.

Tax Provisions—Dividends are exempt from present Normal Federal Income tax and Company agrees to refund certain Pennsylvania, Connecticut and California taxes not to exceed 4 mills, Maryland tax not to exceed 4½ mills and Massachusetts income tax not to exceed 6% to resident holders upon proper application.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered (15,000 shares $6.50 Dividend Series) in Jan., 1928 at $99 and dividend, to yield over 6.56% by G. L. Ohrstrom & Co., Inc., New York.

Transfer Agent (Pfd.)—Seaboard National Bank of New York, N. Y.

Dividends—Pfd. dividends are payable quarterly, J, A, J & O 1 at Seaboard National Bank of New York.

FUNDED DEBT

$1,961,200 FIRST MORTGAGE TWENTY-YEAR SINKING FUND 6% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1945
$1,700,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES OF 1948; DUE JANUARY 1, 1948

Dated, Series "A" 6% of 1945, October 1, 1925 and 5% Series of 1948, January 1, 1928.

Interest Payable April and October 1 on Series "A" 6s and January and July 1 on 5% Series of 1948 at Bank of North America & Trust Co., Philadelphia, Pa., and Seaboard National Bank of New York, N. Y.

Denominations—Coupon, $100 (6% Series "A" only), $500 and $1,000; principal may be registered; denominations interchangeable.

Trustees—Bank of North America & Trust Co. and John H. Mason, Philadelphia.

Provisions of Issue—Authorized amount, unlimited; outstanding Jan. 31, 1928, $1,961,200 Series "A" 6s and $1,700,000 5% Series of 1948. The proceeds from the sale of $1,700,000 5% Series of 1948 were used to acquire additional properties and for other corporate purposes.

The mortgage securing these bonds, as amended by supplemental indenture dated Jan. 1, 1928 provides that additional bonds of Series "A," or Series of 1948, or of other series hereafter created may be issued: (a) for the purpose of refunding an equal principal amount of bonds of any prior series, and for not in excess of 70% of the cost or fair value, whichever is lower, of physical additions and extensions, as defined in the amended mortgage, acquired or constructed by Company, provided the Company's net earnings, as defined in the amended mortgage, for 12 consecutive calendar months within the 14 calendar months immediately preceding the date of application for such additional bonds, have been at least equal to twice annual interest charges on all bonds outstanding against the properties and those then proposed to be issued.

Callability—Series "A" 6s are subject to call as a whole or in part with accrued interest, on any interest date on 30 days' notice at a premium of 5% on or before Oct. 1, 1940 and thereafter at a premium of 2½% on or before Oct. 1, 1945.

The 5% Series of 1948 is subject to call as a whole or in part on any interest date upon 30 days' notice, to and including Jan. 1, 1930 at 105; thereafter, to and including Jan. 1, 1935 at 103; thereafter to and including Jan. 1, 1941 at 102; thereafter to and including Jan. 1, 1945 at 101; and thereafter at 100; plus accrued interest in each case.

Sinking Fund—For the Series "A" 6s, Company agreed to deposit cash with Trustee on Oct. 1, 1926, and annually thereafter, in an amount equal to 1% of the principal amount of Series "A" bonds at the time outstanding in each of the years 1926-1935, inclusive, and 2% in each of the years 1936-1944, inclusive, these funds to be applied to the purchase of Series "A" bonds at not exceeding the then current redemption price or to their redemption on the following interest date.

As provided in Supplemental Indenture, Company agrees to pay to Trustee, in cash or in Series "A" or Series of 1948 bonds at par, on May 1, 1929, and annually thereafter, an amount equal to 1% of the principal amount of Series of 1948 bonds at the time outstanding in each of the years 1929 to 1938 inclusive, and 2% of said principal amount in each of the years 1939 to 1947, inclusive. The Supplemental Indenture also provides that Company may credit against such payments 70% of the cost or fair value, whichever is lower, of bondable additions and extensions against which no bonds have been or may thereafter be issued. Moneys in this fund may be used to purchase or redeem Series "A" or Series of 1948 bonds or may be withdrawn to reimburse the Company for a like percentage of similar additions and extensions.

Maintenance and Depreciation Fund—The Company has covenanted that on or before the last day of February of each year it will set apart as a Maintenance and Depreciation Fund an amount equal to 12½% of the gross earnings derived from the operation of the properties of the Company. This fund may be expended for repairs and maintenance, and also for additions and extensions, but no bonds may be issued against such expenditures. Whenever all Series "A" bonds have been retired, and from time to time thereafter, at intervals of not less than 3 years, the Maintenance and Depreciation Fund may be re-established at such percentages of operating revenue as shall be fixed by arbitration.

Security—These bonds are secured by a direct first mortgage on the entire physical property, rights, privileges and franchises in the United States now owned by Company or hereafter acquired except as to liens existing on property hereafter acquired at the time of acquisition.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and agrees to refund upon proper application Minnesota, Pennsylvania, Connecticut, Kansas and California taxes not to exceed 4 mills, Maryland taxes not to exceed 4½ mills, Kentucky, Virginia, West Virginia and District of Columbia taxes not to exceed 5 mills, Michigan exemption tax not to exceed 5 mills, and Massachusetts income tax not to exceed 6%.

Legal Opinion—Chapman, Cutler & Parker (for Company) and Townsend, Elliott & Munson (for Bankers) for Series "A" 6s, and White & Case, New York, for 5% Series of 1948.

Original Offering—First publicly offered ($2,000,000 Series "A" 6s) in February, 1926, at 97½ and interest to yield 6.22% by Stroud & Co., Inc., Philadelphia, Pa., etc., and True, Webber & Co., Chicago; $1,700,000 5% Series of 1948 offered in January, 1928, at 96 and in-

terest, to yield 5.33%, by G. L. Ohrstrom & Co., Inc., and Coffin & Burr, Inc., New York, etc.

Price Range—

	*1927	*1926
Series "A" 6s—		
High	102½	96½
Low	95	95¾

*Bid prices.

INCOME ACCOUNT, YEARS ENDED JANUARY 31
(Including full year's operations of all properties owned at January 31, 1928)

	1928	1927
Gross revenues	$1,463,230	$1,390,669
Operating expenses	657,370	654,485
Maintenance	111,137	102,542
Taxes	66,595	71,291
Total expenses	$835,102	$828,318
Net earnings	628,128	562,351
Depreciation	69,659	68,843
Balance	$558,469	$493,508
Annual interest on funded debt	202,672	202,672
Balance	$355,797	$290,836
Annual dividends on Pfd.	97,500	97,500
Balance	$238,297	$193,336

GENERAL BALANCE SHEET, JANUARY 31, 1928

Assets—	
Fixed capital	$6,051,413
Cash	115,679
Notes and accounts receivable	148,877
Materials and supplies	102,112
Prepayments and misc. current assets	40,127
Miscellaneous assets	11,306
Amort. debt disc. & misc. deferred charges	56,313
Total	$6,525,827
Liabilities—	
Common stock (23,000 no par shares)	$179,088
Preferred stock (15,000 no par $6.50 shares)	1,379,237
Funded debt	3,661,200
Accounts payable	34,389
Consumers' deposits	91,049
Misc. current liabilities	4,863
Accrued taxes	32,671
Accrued interest	49,657
Accrued dividends	8,125
Miscellaneous accruals	6,378
Due affiliated companies	115,827
Retirement reserves	831,599
Other reserves	11,645
Misc. unadjusted credits	9,399
Surplus	110,699
Total	$6,525,827

Officers: E. C. Deal, Pres.; W. Hynes Pitner, V-P.; L. O. Gordon, V-P., New York; W. C. Hornberger, V-P. & Gen. Mgr., Phoenix, Ariz.; D. L. McDaniel, Sec. & Treas.; F. W. Peters, Compt., New York; C. N. Garrison, Asst. Sec. & Asst. Treas., Phoenix, Ariz.

Directors: E. C. Deal, W. Hynes Pitner, L. O. Gordon, D. L. McDaniel, F. W. Peters, New York.

General Office, Home Builders Bldg., Phoenix, Ariz., and 27 William St., New York.

NORTHERN MICHIGAN PUBLIC SERVICE COMPANY

(Controlled by General Power and Light Company)

History and Properties—Incorporated in Nov., 1925, in Michigan; successor to the Boardman River Electric Light & Power Co., which has operated since 1894. In 1927 acquired the properties of the Leland Light and Power Co. Owns and operates two hydro-electric plants on the Boardman River, and one at the outlet of Lake Leelanau, with a combined installed capacity of 1,500 k.w. Miles of transmission lines, 65. Company supplies electricity to Traverse City, Leland, East Leland, Fountain Point, West Side Resort, Suttons Bay, Lake Leelanau, Northport, Omena Point, Good Harbor, Omena, and Cedar, Mich., with an estimated population in excess of 20,000.

CAPITAL STOCK

The entire capital stock, except directors' shares is owned by General Power and Light Co.

FUNDED DEBT

$342,000 FIRST MORTGAGE TWENTY-YEAR SINKING FUND GOLD 6s, SERIES "A"; DUE OCTOBER 1, 1945

Dated October 1, 1925.

Interest Payable April and October 1, at Guardian Trust Co., Detroit, Mich.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Guardian Trust Co., Detroit.

Provisions of Issue—Authorized amount, unlimited; outstanding, Jan. 31, 1928, $342,000.

Additional bonds in one or more series with interest rates, maturity dates, redemption and sinking fund provisions and other terms and conditions to be determined, may be issued for the purpose of acquiring new properties and making or acquiring permanent additions and improvements to the properties but (1) not in excess of 80% of the fair depreciated value of the physical properties of such new acquisitions, or of the cost thereof whichever is lower, or 80% of the actual and reasonable cost or fair value of the permanent additions and improvements whichever is lower; (2) not unless the net earnings of Company as defined in the indenture, shall be 1¾ times annual interest charges on all outstanding bonds including those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice up to and including Oct. 1, 1940, at 105 and accrued interest, thereafter at 102½ and accrued interest.

Sinking Fund—The Trust Indenture provides for a sinking fund to retire bonds equal to 1% of the outstanding bonds for each of the first ten years, and equal to 2% of the outstanding bonds for the next ten years.

Security—Secured by a first mortgage on all the physical properties of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund to resident holders upon timely and appropriate application Personal Property Taxes of any State, under any present law, not in excess of 5 Mills, and the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum. Tax exempt in the State of Michigan.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($200,000) about October, 1925, at 97 and interest, yielding over 6.25%, by Hayden, Van Atter & Co., Detroit and Grand Rapids, Michigan, and True, Webber & Co., Chicago, additional bonds offered in Oct., 1926, by the same bankers at 99 and interest, yielding about 6.10%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925
Gross revenues, all sources	$94,368	$67,555
Operating expenses, maint. & taxes	45,052	29,374
Net earnings	$49,316	$38,181
Interest charges	20,730	.....
Balance for deprec., Federal taxes and dividends	$28,586	$38,181

Officers: E. C. Deal, Pres.; W. Hynes Pitner, V-P.; L. O. Gordon, V-P.; D. L. McDaniel, Sec. & Treas.; F. W. Peters, Compt., New York.

Directors: E. C. Deal, W. Hynes Pitner, L. O. Gordon, D. L. McDaniel, F. W. Peters, New York.

General Office, 27 William St., New York, N. Y.

WESTERN STATES UTILITIES COMPANY

(Controlled by General Power and Light Company)

History and Properties—Incorporated in Delaware. in 1925. Serves without competion a population in excess of 10,000 in Winnemucca, Nev.; Morgan, Littleton, Richville, Milton, Portersville and the Como Resort in Utah; Malad City, Ida., and Cokeville, Wyo.

Electric light and power at Winnemucca is both oil engine and hydro-electrically developed. The water works are also owned by this Company. In Utah all power is purchased from the Utah Power Company under a long-term favorable contract. At both Malad City and Cokeville, the power is hydro-electric development.

CAPITAL STOCK

Authorized and outstanding, 5,000 shares of no par value. All owned, except directors' qualifying shares by General Power and Light Co.

FUNDED DEBT

$328,400 FIRST MORTGAGE TWENTY-YEAR SINKING FUND GOLD 6s, SERIES "A"; DUE OCTOBER 1, 1945

Dated October 1, 1925.

Interest Payable April and October 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited; outstanding Jan. 31, 1928, $328,400.

The mortgage provides for issuance of bonds in one or more series with interest rates, maturity dates, redemption and sinking fund provisions and other terms and conditions to be determined as new series are created. Additional bonds may be issued for the purpose of acquiring new properties and making or acquiring permanent additions and improvements to the properties but (1) not in excess of 80% of the fair depreciated value of the physical properties of such new acquisitions, or of the cost thereof, whichever is lower, or 80% of the actual and reasonable cost or fair value of the permanent additions and improvements, whichever is lower; (2) not unless net earnings of Company and its subsidiaries (including such new subsidiary) as defined in the Indenture, shall be 1¾ times annual interest charges on all outstanding bonds, including those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice up to and including October 1, 1940, at 105 and interest, thereafter at 102½ and interest.

Sinking Fund—The Trust Indenture provides for a sinking fund to retire bonds equal to 1% of the outstanding bonds for each of the first ten years, and equal to 2% of the outstanding bonds for the next ten years.

Security—Secured by a first mortgage on all properties of Company, the value of which, according to report by Day & Zimmermann of Philadelphia, is in excess of $650,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal Property Taxes of any State under any present law, not in excess of 5 mills, Michigan 5 Mills Tax, and the Massachusetts Income Tax on the interest not exceeding 6% of such interest, refundable to resident holders upon timely and appropriate application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($300,000) in October, 1925, at 96¾ and interest, yielding about 6.30%, by True, Webber & Co., Chicago.

EARNINGS, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Operating revenues	$134,429	$124,710	$122,824
Operating expen. taxes, etc.	55,308	64,486	71,467
Net earnings	$79,121	$60,224	$51,357
Non-operating income	.....	769	768
Gross income	$79,121	$60,992	$52,125
Sundry income charges	.....	2,551	2,497
Net inc. before int., depre., bond int. and Fed. inc. taxes	$79,121	$58,441	$49,628
Interest charges	17,820	.....	.....
Balance	$61,301	.....	.....

New York Office, 27 William St.

PRINCETON WATER CO.

History—Incorporated Nov. 7, 1881, in N. J. Franchise expires Nov. 7, 1931. Supplies Princeton, N. J., with water serving population of 8,200. Output in 1927 amounted to 309,305,000 gals. No. of meters, 2,135.

CAPITAL STOCK

Authorized and outstanding, $125,000; par, $50. Annual meeting, first Monday in Feb.

Dividends—Dividends of 6% each paid in 1921, 1922, 1923, 1924, 1925, 1926 and 1927.

FUNDED DEBT

$36,000 First Gold 5s; dated July 10, 1914; due $2,000 each January 1, to 1931; int. Jan. and July 1, at Company's office, Princeton, N. J. Coupon, $1,000; principal may be registered. Trenton Trust & Safe Deposit Co., Trenton, N. J., Trustee. Authorized issue, $60,000. Bonds cannot be called. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

$114,000 First and Refunding Gold 6s; due Nov. 1, 1931; int. May and Nov. 1. Princeton Bank & Trust Co., Princeton, N. J., Trustee. Authorized issue, $150,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$79,384	$74,481	$73,860
Oper. exp., taxes & deprec.	52,281	51,892	53,312
Net earnings	$27,102	$22,589	$20,548
Other income	72	163	43
Total income	$27,174	$22,752	$20,591
Bond interest	8,640	7,820	6,200
Other interest, etc.	93	1,551	2,869
Total charges	$8,733	$9,371	$9,069
Net income	18,441	13,381	11,522
Dividends paid	7,500	6,750	6,000
Surplus for year	$10,941	$6,631	$5,522

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$353,606	$343,149	$335,364
Materials and supplies	8,076	7,516	6,971
Cash	561	1,229	1,111
Accounts receivable	21,302	19,965	21,868
Other current assets	.....	1,548	1,428
Unadjusted debits	13,827	7,157	1,565
Total	$397,372	$380,564	$368,307
Liabilities—			
Capital stock	$125,000	$125,000	$100,000
Funded debt	150,000	150,000	110,000
Notes payable	3,000	.....	61,500
Accounts payable	2,863	2,645	3,523
Interest accrued	2,590	2,250	1,755
Accr. amortization of capital	39,616	37,345	34,836
Profit and loss	74,303	63,324	56,693
Total	$397,372	$380,564	$368,307

Officers: Bayard Stockton, Pres.; Edw. L. Howe, V-P.; H. D. Eldridge, Sec. & Treas., Princeton, N. J.

Directors: Edward L. Howe, Bayard Stockton, G. C. Wintringer, H. D. Eldridge, Lloyd W. Grover, Wm. S. MacLaren, Edward A. MacMillan, Princeton, N. J.

General Office, Princeton, N. J.

NEW ENGLAND INVESTMENT AND SECURITY COMPANY—1927

(Controlled by New York, New Haven & Hartford RR. Co.)

A Voluntary Association under an Agreement and Declaration of Trust dated June 25, 1906. The purpose of its organization was to acquire shares and securities of any corporation, voluntary association or trust in the New England states engaged in the business of transportation or in the business of supplying power or materials for those organizations so acquired and to finance acquired organizations. Under

the terms of the above agreement and of an agreement and declaration of Trust dated May 25, 1927, the Association is continued for ten years from that date under the designation of "New England Investment and Security Company—1927".

Controls through ownership, directly or indirectly, of all or a majority of their stocks the Springfield Railway Companies—1926, Springfield Street Ry. Co. Worcester Consolidated Street Ry. Co., Worcester & Shrewsbury Street Ry. Co., and Worcester & Shrewsbury Railroad Co., the two latter properties being acquired in Jan., 1925. The Milford, Attleboro and Woonsocket St. Ry. Co. went into hands of receiver July 2, 1924 thus terminating its control by the New England Investment and Security Co.

The company holds by assignment dated April 1, 1909, all the Consolidated Ry. Co.'s interest in the capital stock of the Worcester & Webster Street Ry., and Webster & Dudley Street Ry.

The New England Investment & Security Co. formerly held control of the Worcester Railways & Investment Co., but the latter company liquidated and dissolved and made a final distribution of its assets Dec. 31, 1917. The New England Investment & Security Co. as sole shareholder at liquidation received the entire assets.

Acquisition Approved—The New York, New Haven & Hartford R. R. Co. in Dec., 1923, filed petition in Massachusetts General Court for legislation enabling it to acquire the property of the New England Investment & Security Co. or such other legislation pertaining to the road's interest in that company. The "New Haven" owns $12,825,000 of the outstanding $13,115,000 notes of the "New England Company," which matured April 1, 1924. Under favorable action by the Federal courts in November, 1925, and by the Legislature of Massachusetts in 1926, the New York, New Haven & Hartford RR. Co. has been permitted to assume control of this Association.

CAPITAL STOCK

Authorized, $100,000 Common and $10,000,000 4% cumulative Pfd.; outstanding, $100,000 Common and $111,500 Pfd.; par, $100. All the Common stock is owned by The New York, New Haven & Hartford RR. Co. The Pfd. stock is redeemable at any time as an entirety only at 105 and accumulated dividends.

Transfer Agent—Old Colony Trust Co., Boston.

Registrar—New England Trust Co., Boston.

Annual Meeting—Third Wednesday in May.

Dividends—Dividends on Pfd. stock are guaranteed by the N. Y., N. H. & H. R. R. Co., which also guarantees $105 per share in case of liquidation. The validity of the guaranty has been upheld by the Connecticut Supreme Court of Errors. Dividends of 4% per annum on Pfd. stock are paid Jan. and July 1. No dividends paid on Common.

Exchange of Preferred Stock—By vote of the trustees on Sept. 20, 1917, the plan to exchange $4,000,000 4% Pfd. stock (par, $100) for an equal number of shares of First Pfd. stock of the Worcester Consolidated Street Ry. became operative. The latter has a par value of $80 per share and is entitled to $105 per share in the event of liquidation and to cumulative dividends of $5 per share. Exchange of the stock relieves the New York, New Haven & Hartford, R. R. of its guaranty of dividends thereon. The New England Company stock exchanged to be cancelled. As of Dec. 31, 1927, 38,885 shares had been exchanged.

Control—Under the approval of the Massachusetts Department of Public Utilities in Jan., 1927, The New York, New Haven & Hartford RR. Co. acquired the entire Common stock of the "Investment Company" which since 1914, had been held by a protective committee in the interest of the Pfd. shareholders, the former holders accepting in exchange $290,000 par value of the "Investment Company," Funding Gold notes.

FUNDING GOLD NOTES

The company has outstanding, $13,115,000 3%, 4% and 5% Funding Gold Notes; dated April 1, 1909; due April 1, 1924; int. April and Oct. 1, at Old Colony Trust Co., Boston, Trustee. The N. Y., N. H. & H. R. R. Co. owned all the notes, but in pursuance of an order from the Department of Justice was to dispose of same by April 1, 1919. In March, 1919, an extension was granted to July 1, 1921, in which to dispose of these notes, and in 1925 a decision in the Federal court released the N. Y., N. H. & H. RR. from the obligation to dispose of the notes. The N. Y., N. H. & H. RR. Co. guarantees the principal and interest of $5,000,000 of the notes. A direct obligation of Company, but not secured by mortgage.

By their terms these notes bore interest at 3% for 5 years; at 4% for the succeeding 5 years and at 5% for the final 5 years, but by an agreement with the holders of the notes they have received in payment of the coupons due up to April 1, 1917 inclusive, cash at the rate of 3%, and for the Oct. 1, 1917, coupon at 2%, taking an obligation of the New England Investment and Security Company for the difference. The holders of the notes accepted the obligation of the Investment Company for the entire amount of the coupons due April 1, 1918, Oct. 1, 1918 and April 1, 1919, and for balance of coupons due Oct. 1, 1919, after payment of $34,000 cash by the Investment Company. The coupons due April 1 and Oct. 1, 1920; April 1 and Oct. 1, 1921; April 1 and Oct. 1, 1922, and April 1 and Oct. 1, 1923, were also settled in obligations. Original issue, $16,250,000, of which $3,135,000 redeemed and cancelled.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Dividends & int. received..	$74,531	$66,194	$84,625
Expenses	12,991	19,976	18,654
Net income	$61,540	$46,218	$65,971
Interest charges	537,643	537,715	537,715
Balance (deficit)	$476,103	$491,497	$471,744
Pfd. dividends paid	.....	4,460	4,460
Deficit for year	$476,103	$495,957	$476,204

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Stocks of other companies.	$11,438,562	$11,756,060	$11,756,060
Bonds of other companies..	369,853	422,000	438,121
Notes & indebtedness of other companies	745,005	370,005	475,005
Cash and cash assets	86,731	370,400	202,277
Accrued income receivable.	29,545	13,958	13,946
Accounts receivable	9,640	7,650	17,000
Profit and loss	2,988,270	2,196,523	1,702,293
Total	$15,667,606	$15,136,596	$14,604,702
Liabilities—			
Preferred stock	$111,500	$111,500	$111,500
Common stock	100,000	100,000	100,000
Fifteen-yr. fund. gold notes	13,115,000	13,115,000	13,115,000
Accounts payable	2,338,426	1,807,396	1,275,522
Pfd. divd. checks unpaid ..	450	470	450
Pfd. dividends payable	2,230	2,230	2,230
Total	$15,667,606	$15,136,596	$14,604,702

Officers: Edward J. Pearson, Chrm. of Board; Edward J. Buckland, V-Chrm. of Board, New Haven, Conn.; Clark V. Wood, Pres., Springfield, Mass.; Arthur P. Russell, V-P., Boston, Mass.; Leverett Candee, Treas.; Wm. F. Crowe, Sec.; Charles T. Converse, Compt. & Aud., Springfield, Mass.; Bentley W. Warren, Gen. Counsel, Boston, Mass.

Trustees: Edward J. Pearson, Edward G. Buckland, Howard S. Palmer, New Haven, Conn.; Francis H. Dewey, Worcester, Mass.; Arthur P. Russell, Hingham, Mass.; George G. Bulkley, Clark V. Wood, Springfield, Mass.

Office, 145 State St., Springfield, Mass.

SPRINGFIELD RAILWAY COMPANIES—1926

(Controlled by New England Investment and Security Company—1927)

History—A Voluntary Association under an Agreement and Declaration of Trust, dated March 15, 1905. and continued for a period of ten years from February 15, 1926 under the title of Springfield Railway Companies—1926. The purpose of its organization was to acquire shares and securities of Massachusetts corporations in the vicinity of Springfield, Mass., engaged in the business of transportation or in the business of supplying power for organizations so acquired. Owns nearly all the stock of the Springfield Street Ry. Co. (see appended statement).

CAPITAL STOCK

Authorized, $10,000,000 Common and $5,000,000 4% cumulative Pfd.; outstanding, $2,000,000 (reduced in February, 1926 from $6,800,000) Common and $3,026,-100 Pfd.; par, $100. The entire Common shares are owned by the New England Investment and Security Co.—1927.

Preferred Stock Provisions—Pfd. shares are subject to redemption on any dividend date at 105 and accrued dividends, and in case of liquidation, will receive 105, guaranteed by the N. Y., New Haven & H. R. R. Co., which also guarantees 4% dividends.

Transfer Agent—Secretary of Company, Springfield, Mass.

Registrar—Third National Bank, Springfield, Mass.

Annual Meeting—Second Wednesday in October.

Dividends—Dividends are paid semi-annually, Jan. and July 1, guaranteed by N. Y., N. H., & H. R. R. Co. On Common a dividend of $1.60 per share was paid July 1, 1926; Jan. 3 and July 1, 1927, $1.15 a share each; Jan. 3, 1928, $1.60 a share.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Miscellaneous int. received	$1,907	$2,658	$1,758
Dividends received	185,988	232,485	232,485
Interest on notes	4,125	.....	.....
Total income	$192,020	$235,143	$234,243
Deduct—			
General expenses	$1,298	$2,032	$1,092
Taxes	159	1,965	161
Preferred dividends	121,044	121,442	123,484
Common dividends	55,000	55,000	.....
Total deductions	$177,501	$180,439	$124,737
Surplus for year	$14,519	$54,704	$109,506

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Stocks of st. ry. companies	$10,196,793	$10,196,793	$10,196,793
Notes of st. ry. companies	75,000	75,000	.....
Cash and other cash assets	107,959	44,172	53,809
Accrued income receivable.	93,040	139,537	139,491
Unadjusted debits	6,391	.....	.....
Total	$10,479,183	$10,455,502	$10,390,093

Liabilities—	1927	1926	1925
Preferred stock	$3,026,100	$3,026,100	$3,046,000
Common stock	2,000,000	2,000,000	6,800,000
Accounts payable	.....	.....	55
Pfd. divd. checks unpaid	322	160	122
Pfd. dividends payable	60,522	60,522	60,920
Common dividends payable	32,000	23,000	.....
Reserve a/c Common stock cancelled	4,800,000	4,800,000	.....
Prem. on Pfd. stock reacquired	170,273	.....	.....
Profit and loss	389,966	545,720	482,996
Total	$10,479,183	$10,455,502	$10,390,093

Officers: Edward J. Pearson, Chrm. of Board; Edward G. Buckland, Vice-Chrm. of Board, New Haven, Conn.; Clark V. Wood, Pres., Springfield, Mass.; Charles M. Rogerson, V-P.; Bentley W. Warren, General Counsel, Boston, Mass.; Leverett Candee, Treas.; Wm. F. Crowe, Sec.; Charles T. Converse, Compt. & Aud., Springfield, Mass.

Trustees: Edward J. Pearson, Howard S. Palmer, Edward G. Buckland, New Haven, Conn.; Arthur P. Russell, Hingham, Mass.; Charles M. Rogerson, Boston, Mass.; Clark V. Wood, George G. Bulkley, Springfield, Mass.

Office, 145 State St., Springfield, Mass.

SPRINGFIELD STREET RAILWAY COMPANY

(Controlled by Springfield Railway Companies—1926)

History—Incorporated March 16, 1868, in Mass. On Dec. 31, 1909, absorbed the Western Massachusetts St. Ry. Co., by exchange of stock, share for share, and on Dec. 1, 1910, absorbed the Springfield & Eastern St. Ry. (formerly operated under lease) on the same basis. Line owned: Main track, 146.53 miles; second track, 42.59 miles; sidings, etc., 14.43 miles—total owned, 203.55 miles. Line operated: Main track, 92.78 miles; second track, 41.10 miles; siding, etc., 11.48 miles—total operated, 145.36 miles (including 0.56 mile of leased track). Gauge, standard. Equipment: 247 closed cars (including 205 one-man cars), 36 buses, 35 open cars, 35 service cars, 22 snow plows, 11 sweepers—total, 386.

CAPITAL STOCK

Authorized and outstanding, $4,654,700 (increased from $3,708,100 in June, 1916); par, $100. A majority owned by Springfield Ry. Cos.—1926. Annual meeting, first Tuesday in November.

Dividends—Dividends at rate of 8% per annum paid to June 30, 1910; 7% paid during years ended June 30, 1911, 1912, 1913 and 1914; 6½% during years ended June 30, 1915 and 1916; 1¾% in Dec., 1916; none to Dec. 1920, when 2% was paid; July, 1921, 1%; Jan. 1922, 2%; July, 1922, 2%; Jan. and July, 1923, 3% each; Jan. and July, 1924, 2% each; July 1, 1925, 2%; Jan. 2, 1926, 3%; July 1, 1926, 2%; Jan. 3, 1927, 3%, July 1, 1927, 2%; Jan. 3, 1928, 2%.

FUNDED DEBT

$2,464,000 SPRINGFIELD STREET RY. CO. REFUNDING AND GENERAL MORTGAGE GOLD 6s; DUE SEPTEMBER 1, 1940
$226,300 SPRINGFIELD STREET RY. CO. REFUNDING AND GENERAL MORTGAGE GOLD 7s; DUE SEPTEMBER 1, 1940
$200,000 SPRINGFIELD STREET RY. CO. REFUNDING AND GENERAL MORTGAGE 6½s; DUE SEPTEMBER 1, 1940

Dated September 1, 1920.

Interest Payable March and September 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $5,000,000; outstanding, April 16, 1928, $2,890,300, of which $2,464,-000 are 6s, $200,000 are 6½s, and $226,300 are 7s. The $200,000 6½s were issued Dec. 30, 1925, to retire a like amount of Western Massachusetts Street Ry. Co. First 5s, matured and paid off Feb. 1, 1926; $330,000 6s were issued March 24, 1927, to retire a like amount of Springfield & Eastern St. Ry. Co. First Mortgage 5s, due Jan. 1, 1922, extended to Jan. 1, 1927, at 7%.

Callability—Subject to call on any interest date at 105 and interest on 30-45 days' notice.

Security—Secured by mortgage on entire property of the company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Legal for Savings Banks in Maine.

$838,295 EQUIPMENT OBLIGATIONS

Consisting of $33,120 6% Sales Contract, due Nov. 30, 1929; $19,825 6% Sales Contract, due Jan. 13, 1930; and $589,013 Prior Lien and $196,337 Deferred Lien 6% Equipment Lease Notes, due Oct. 4, 1934.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,906,547	$3,148,364	$3,228,746	$3,173,616	$3,433,786	$3,420,854
Operating expenses	2,414,847	2,619,267	2,697,363	2,760,564	2,814,835	2,685,586
Net earnings	$491,700	$529,097	$531,383	$413,052	$618,951	$735,268
Interest and taxes	300,350	293,178	292,247	$279,205	$329,877	$283,514
Balance for dividends	$191,350	$235,919	$239,136	$133,847	$289,074	$451,754
Dividends paid	186,188	232,735	232,735	93,094	232,735	232,735
Surplus for year	$5,162	$3,184	$6,401	$40,753	$56,339	$219,019

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Investments	$9,727,653	$8,983,138	$8,821,706	$8,567,018	$8,552,617	$8,265,219
Materials and supplies	364,788	342,993	380,439	456,461	376,943	263,611
Cash on hand	305,978	330,071	339,382	375,189	517,580	1,091,259
Current accounts	34,159	43,047	232,946	49,460	50,377	394,151
Deferred debit items	368,036	323,951	378,914	408,951	428,104	493,098
Total	$10.800,614	$10,023,200	$10,153,387	$9,857,079	$9,925,621	$10,507,338
Liabilities—						
Capital stock	$4,654,700	$4,654,700	$4,654,700	$4,654,700	$4,654,700	$4,654,700
Premium on capital stock	279,175	279,175	279,175	279,175	279,175	279,175
Funded debt	3,728,595	2,890,300	3,090,300	2,890,300	2,890,300	3,400,300
Loans and notes payable	555,000	280,000	310,000	470,000	470,000	470,000
Current liabilities	183,492	250,719	211,372	95,382	187,931	258,506
Accrued liabilities	183,292	135,135	104,375	70,768	111,211	129,705
Deferred credit items	450,909	414,989	408,744	310,469	235,550	281,125
Accrued depreciation	462,744	628,836	549,232	472,927	419,117	384,886
Profit and loss	302,707	489,346	545,489	613,358	677,637	648,941
Total	$10.800,614	$10,023,200	$10,153,387	$9,857,079	$9,925,621	$10,507,338

Officers: Edward J. Pearson, Chrm. of Bd.; Edward G. Buckland, V-Chrm. of Bd., New Haven, Conn.; Clark V. Wood, Pres.; George G. Bulkley, V-P., Springfield, Mass.; Howard R. Whitney, V-P., Worcester, Mass.; Wm. F. Crowe, Clerk, Leverett, Candee, Treas.; Charles T. Converse, Compt. and Aud., Springfield, Mass.; Bentley W. Warren, Counsel, Boston, Mass.

Directors: Clark V. Wood, Charles W. Bosworth, Henry A. Field, George Dwight Pratt, George G. Bulkley, Henry L. Bowles, Joshua L. Brooks, Frederic M. Jones, Springfield, Mass.; Arthur P. Russell, W. E. McGregor, Boston, Mass.; Edward G. Buckland, Edward J. Pearson, New Haven, Conn.

General Office, 145 State Street, Springfield, Mass.

WORCESTER CONSOLIDATED STREET RAILWAY COMPANY

(Controlled by New England Investment and Security Company—1927)

History and Properties—Chartered in 1886, in Mass. On Feb. 23, 1901, absorbed Leominster & Clinton Street Ry., the Fitchburg & Surburban Street Ry., the Clinton & Hudson Street Ry., the Worcester & Clinton Street Ry., the Worcester & Marlboro Street Ry., and the Worcester & Surburban Street Ry. On May 31, 1911, the following companies were absorbed; Marlboro & Westborough St. Ry., Worcester & Holden St. Ry., Worcester & Southbridge St. Ry., and Worcester & Blackstone Valley St. Ry. In 1895 leased the North End St. Ry.; in July, 1896, leased the Worcester & Shrewsbury R. R. and Worcester & Shrewsbury St. Ry., and on May 31, 1911, the Webster & Dudley St. Ry., and the Worcester & Webster St. Ry. were leased. In March, 1913, the properties of the Electric Mfg. Co. and Quinsigamond Park Co. were purchased and those companies liquidated and dissolved. Franchises, perpetual. Population served, 1920 census, over 384,000.

Operates the entire street railway mileage of Worcester, Mass., together with electric car or motor coach service to Boylston, Shrewsbury, Grafton, Millbury, West Boylston, Auburn, Oxford, Southbridge, Sturbridge, Webster, Holden, Sutton, Northbridge and Uxbridge. Length of line owned: Main track, 210.26 miles; second track, 33.18 miles; sidings, etc., 19.15 miles—total owned, 262.59 miles. Line operated: Main track, 86.97 miles; second track, 27.25 miles; sidings, etc., 11.64 miles—total operated, 125.86 miles (including 31.05 miles leased). Gauge, standard. Rail, 56 to 75 lbs. T. and 125 lb. girder. Passenger cars: (closed, one-man cars, 229; open, 50), 279; service cars, 27; snow plows, 18; sweepers, 13—total, 388, including 51 owned passenger motor buses.

The Company owns a modern steam turbine generating plant with an ultimate capacity of 15,000 k. w. and which has 10,000 k. w. of installed generating capacity located at Millbury about six miles from Worcester. In addition to the 10,000 k. w. generated at the Company's plant at Millbury the Company purchases power under a favorable contract from the New England Power Company which extends to July 1, 1928 and which provides for revision as to rates at that time.

Rates—The present rate of fare is 10c cash in the city of Worcester. Outside the city limits a zone system is in operation, each zone extending about two miles with a fare of 7c per zone.

CAPITAL STOCK

Authorized and outstanding, $3,326,000 Common (par, $100) and $3,600,000 $5 per share cumulative First Pfd. (par, $80). The Pfd. stock was created and the Common stock decreased from $6,926,000 in May, 1917. The New England Investment & Security Co.—1927 owns the entire Common stock and 3,919 shares of the Pfd.

Preferred Stock Provisions—The Pfd. stock is entitled to cumulative dividends of $5 per share per annum and $105 per share in case of liquidation. While any matured dividend on First Pfd. stock is unpaid or while the unfunded and current debt of the company shall exceed 25% of the entire capital stock, First Pfd. shareholders may elect a majority of the directors. The First Pfd. stock may not be increased without

the consent of two-thirds of its holders except that in case of consolidation with Springfield Street Ry. Co., $2,750,000 may be issued without such consent.

Annual Meeting—First Wednesday in November.

Dividends—Dividends on Pfd. stock were paid semi-annually, June 30 and Dec. 31, up to and including Dec. 31, 1917; the June, 1918, dividend on Pfd. was postponed; none paid thereafter until April 1, 1922, when $2.50 per share was paid, which amount was paid June 30, Oct. 2 and Dec. 30, 1922, April 1, June 30, Oct. 1 and Dec. 31, 1923 and April 1 and June 30, 1924; Dec. 31, 1924, $2.75 per share; June 30, 1925, $2.50 per share; Dec. 31, 1925, $5.25; none since. Dividend of 5% paid on Common stock in 1917; none since.

FUNDED DEBT

(1)

$500,000 WORCESTER & SOUTHBRIDGE STREET RY. CO. FIRST MORTGAGE GOLD 6s, DUE AUGUST 1, 1930 (ORIGINALLY ISSUED AS 4½s, EXTENDED AT 7% TO MATURE SEPT. 1, 1927, AND AGAIN EXTENDED AT 6% TO MATURE AUG. 1, 1930)

Dated September 1, 1902.

Interest Payable at The First National Bank, Boston, Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Security—A first lien on 26.21 miles of main track Assumed by Worcester Consolidated Street Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($500,000) in Dec., 1902, at 104 and interest.

(2)

$1,200,000 WORCESTER CONSOLIDATED STREET RY. CO. DEBENTURE GOLD 5s; ORIGINALLY DUE NOVEMBER 1, 1927 BUT EXTENDED AT 6% TO MATURE AUGUST 1, 1930

Dated November 1, 1907.

Interest Payable May and November 1, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized issue, $1,364,000; outstanding, $1,200,000.

Security—These Debentures rank equally with the First & Refunding Mortgage bonds.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered in 1909 at a price to net 4.6%.

(3)

$1,490,000 WORCESTER CONSOLIDATED STREET RY. CO. FIRST & REFUNDING MORTGAGE GOLD 4½s; DUE AUG. 1, 1930

$2,116,000 WORCESTER CONSOLIDATED STREET RY. CO. FIRST & REFUNDING MORTGAGE GOLD 4½s WITH 2% ADDITIONAL COUPON ATTACHED; DUE AUG. 1, 1930

Dated August 1, 1910.

Interest Payable February and August 1, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized issue, $5,000,000. Additional bonds to the amount of $1,200,000 are specifically reserved to retire an issue of 5% Debentures originally due Nov. 1, 1927, but extended at 6% to mature Aug. 1, 1930. The remaining bonds may be issued for such purposes allowed by the statutes of the Commonwealth of Massachusetts as the Department of Public Utilities may, from time to time approve.

In Jan., 1913, the Massachusetts R. R. Commissioners approved an issue of $500,000 First and Refunding bonds. The proceeds of $450,000 were used to acquire the power house and property of the Electric Mfg. Co. and $50,000 for the purchase of the Quinsigamond Park property. The company was also required to establish a sinking fund by annual payment of $1,949 until maturity of bonds.

On Feb. 4, 1925 the Massachusetts Department of Public Utilities approved an issue of $2,116,000 First and Refunding Mortgage Gold 6½s, $1,343,000 of which was for the purpose of retiring the following: $700,000 Debenture Gold 7s due March 1, 1925 (paid at maturity), $200,000 Worcester & Southbridge Street Ry. Co. First Gold 4½s due June 1, 1925 (paid at maturity), $83,000 Worcester & Clinton Street Ry. First Gold 7s, due Jan. 1, 1926 (paid at maturity), $160,000 Marlborough & Westborough Street Ry. Co. First Gold 7s, due July 1, 1926 (paid at maturity in cash) and $200,000 Worcester & Blackstone Valley Street Ry. Co. First Gold 4½s, due Aug. 1, 1926 (paid at maturity in cash).

In May, 1927 the Massachusetts Department of Public Utilities authorized company to issue $40,000 First & Refunding Mortgage 4½% bonds to provide for the $40,000 Uxbridge and Blackstone St. Ry. Co. 5% Debentures which matured and were paid off Oct. 1, 1927.

Callability—Subject to call at option of the Company on any interest date on 30 days' notice, at 110 and accrued interest.

Security—The First & Refunding Mortgage bonds ranking equally with $1,200,000 6% Debenture bonds due Aug. 1, 1930 (extended from Nov. 1, 1927, interest being increased from 5%) are secured by a direct first mortgage on a very substantial portion of the Company's entire property, including the power plant at Millbury and over 95% of the property located within the city limits of Worcester. The extra 2% coupons attached to $2,116,000 of these bonds are secured by a general mortgage upon the entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Warren, Garfield, Whiteside & Lamson, Boston (for the Company), and Ropes, Gray, Boyden & Perkins, Boston (for the Bankers).

Original Offering—First publicly offered ($2,116,000 6½s) in Feb., 1925, at 97¾ and interest, yielding about 7% by Harris, Forbes & Co., Inc., Boston.

(4)

$877,519 EQUIPMENT OBLIGATIONS

Consisting of $18,859 6% Sales Contract, due July 27, 1929; $3,680 6% Sales Contract, due Nov. 1, 1929; $36,000 6% Sales Contract due Jan. 8, 1930; $62,980 6% Sales Contract due March 10, 1930; and $756,000 6% Equipment Trust Certificates, Series "A," due Aug. 1, 1934, of which $567,000 are Prior Lien Certificates and $189,000 Deferred Lien Certificates.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,214,108	$3,362,211	$3,608,347	$3,990,854	$4,565,920	$4,421,076
Operating expenses	2,738,337	2,903,725	2,743,002	3,169,827	3,601,755	3,446,096
Net earnings	$475,771	$458,486	$865,345	$821,027	$964,164	$974,980
Interest and taxes	473,862	453,215	514,982	458,523	473,630	482,682
Balance for dividends	$1,909	$5,271	$350,363	$362,504	$490,534	$492,298
Dividends paid	.....	.....	348,750	348,750	450,000	450,000
Surplus for year	$1,909	$5,271	$1,613	$13,754	$40,534	$42,298

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$14,299,235	$13,918,023	$13,787,685	$13,643,803	$13,568,248	$13,472,505
Stocks owned	2	2	2	2	2	2
Other investments	6,410	3,194	20,131	50,480	51,083	85,435
Materials and supplies	373,547	427,355	480,499	526,253	478,140	408,922
Cash	146,889	320,174	273,284	316,029	458,741	757,189
Current accounts	62,516	132,781	454,637	184,874	174,097	184,802
Deferred debit items	465,134	328,504	311,417	153,358	110,398	120,436
Total	$15,353,734	$15,130,033	$15,327,655	$14,874,799	$14,840,709	$15,029,291
Liabilities—						
Capital stock	$6,926,000	$6,926,000	$6,926,000	$6,926,000	$6,926,000	$6,926,000
Funded debt	6,183,519	5,310,000	5,418,000	4,545,000	4,582,000	4,813,000
Stock premium	227,296	227,296	227,296	227,296	227,296	227,296
Loans and notes payable	400,000	125,000	125,000	739,314	759,314	779,314
Current liabilities	142,510	170,576	328,982	196,410	209,473	323,556
Accrued liabilities	258,223	245,739	245,952	161,433	182,088	185,241
Depreciation	532,896	1,114,311	975,619	846,164	738,865	632,434
Deferred credit items	191,347	149,187	212,825	356,934	341,769	291,622
Appropriated surplus	50,788	121,513	117,218	107,277	101,790	98,664
Profit and loss	441,155	740,411	750,763	768,971	772,114	752,164
Total	$15,353,734	$15,130,033	$15,327,655	$14,874,799	$14,840,709	$15,029,291

Officers: Francis H. Dewey, Chrm. of Bd., Worcester, Mass.; Arthur P. Russell, Vice-Chrm. of Board, Boston, Mass.; Clark V. Wood, Pres., Springfield, Mass.; Edward G. Buckland, V-P., New Haven, Conn.; Howard R. Whitney, V-P., Worcester, Mass.; Wm. F. Crowe, Clerk; Leverett Candee, Treas.; Charles T. Converse, Compt. & Aud., Springfield, Mass.; Bentley W. Warren, Counsel, Boston, Mass.

Directors: Clark V. Wood, Wm. F. Crowe, Springfield, Mass.; Francis H. Dewey, John E. White, Thomas H. Gage, Forrest W. Taylor, Frederic B. Washburn, Worcester, Mass.; Charles E. Ware, Fitchburg, Mass.; Edward G. Buckland, Edward J. Pearson, New Haven, Conn.; Charles M. Rogerson, W. E. McGregor, Arthur P. Russell, Boston, Mass.

General Office, 145 State Street, Springfield, Mass.

NORTH END STREET RAILWAY COMPANY

(Leased to Worcester Consolidated Street Railway Company)

History—Incorporated June 15, 1891, in Mass. Leased to Worcester Consolidated Street Ry. Co. for 99 years from Aug. 1, 1895, at an annual rental of $8,000 per annum. Owns 5.13 miles of track. Gauge, standard. Rail, 45 to 65 lbs.

CAPITAL STOCK

Authorized and outstanding, $110,000; par, $100. Annual meeting, second Friday in June. Dividends, 3¼% per annum. payments Feb. and Aug. 1.

FUNDED DEBT

$75,000 (entire issue) First Gold 5s; dated Feb. 1, 1895; matured Feb. 1, 1915 (still outstanding); int. Feb. and Aug. 1, at Worcester (Mass.) Safe Deposit & Trust Co., Trustee. Coupon, $500. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Total income, $8,036; bond interest, $3,750; maintenance and organization, $63; dividends, $4,125—surplus for year, $98.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $110,000; funded debt, $75,000; interest accrued, $1,562; dividends declared, $2,200—total, $188,763. Contra: Road and equipment, $165,510; cash, $2,426; prepaid and accrued items, $3,333; profit and loss deficit, $17,493—total, $188,763.

Officers: Edwin P. Curtis, Pres.; Paul B. Morgan, V-P.; G. A. Smith, Sec. & Treas., Worcester.

Directors: E. P. Curtis, T. H. Gage, Waldo Lincoln, P. B. Morgan, H. M. Quimby, R. Washburn, L. Wheeler.

Office, Worcester, Mass.

WEBSTER & DUDLEY STREET RAILWAY COMPANY

(Leased to Worcester Consolidated Street Railway Company)

History—Incorporated March 23, 1898, in Mass. Leased to Worcester & Connecticut Eastern Ry. for 25 years from July 1, 1902, at annual rental of fixed charges and dividends of 5% on stock; lease assumed by Consolidated Ry. (since merged into the N. Y., N. H. & H. R. R. Co.) and subsequently transferred to the Worcester & Southbridge Street Ry. and in consolidation of latter with Worcester Consolidated Street Ry. transferred to that company. Length of line, 5.34 miles; total track, 5.66 miles. Gauge, standard. Rail, 55 to 85 lb. T and girder.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. The New England Investment and Security Co.—1927 holds, by assignment, all the capital stock. Annual meeting, first Wednesday in November. Dividends of 5% per annum are guaranteed under the lease.

FUNDED DEBT

$30,000 First Gold 5% bonds; dated Nov. 1, 1919; due Nov. 1, 1939; int. May and Nov. 1, at Old Colony Trust Co., Boston, Mass., Trustee. A first lien on entire property. Closed mortgage. Owned by New England Investment and Security Co.—1927. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Income from lease of road, $11,700. Deductions: Lease rentals payable, $7,700; interest on funded debt; $1,500; dividends, $2,500—total $11,700.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $50,000; funded debt, $30,000; deferred liabilities, $113,289; unadjusted credits, $27—total, $193,316. Contra: Road and equipment, $169,944; profit and loss, $23,372—total, $193,316.

Officers: Clark V. Wood, Pres., Springfield, Mass.; Arthur P. Russell, V-P., Boston, Mass.; Wm. F. Crowe, Clerk; Leverett Candee, Treas.; Charles T. Converse, Comptroller and Auditor, Springfield, Mass.; Bentley W. Warren, Counsel, Boston, Mass.

Directors: Francis H. Dewey, Worcester, Mass.; Edward J. Pearson, Edward G. Buckland, New Haven, Conn.; Arthur P. Russell, Boston, Mass.; Clark V. Wood, Springfield, Mass.

Office, 145 State Street, Springfield, Mass.

WORCESTER & SHREWSBURY RAILROAD

(Leased to Worcester Consolidated Street Railway Company)

History—Incorp. April 17, 1873, in Mass. Leased July 1, 1896 to Worcester Consolidated Street Ry. Co. for 99 years at annual rental of $3,750. Owns 3¼ miles of track. Gauge, standard. Rail, T. and girder.

CAPITAL STOCK

Authorized, $40,000; outstanding, $36,700. All owned by New England Investment and Security Co.—1927. Annual meeting, first Wednesday in November.

FUNDED DEBT

$22,000 First 5s; dated Jan. 1, 1905; due Jan. 1, 1915 (renewed); int. Jan. and July 1, at Worcester, Mass. All owned by New England Investment and Security Co.—1927.

Officers: Clark V. Wood, Pres., Springfield, Mass.; Arthur P. Russell, V-P., Boston, Mass.; Wm. F. Crowe, Clerk, Leverett Candee, Treas.; Charles T. Converse, Compt. & Aud., Springfield, Mass.; Bentley W. Warren, Counsel, Boston, Mass.

Directors: Clark V. Wood, Springfield, Mass.; Francis H. Dewey, Worcester, Mass.; Edward J. Pearson, Edward G. Buckland, New Haven, Conn.; Arthur P. Russell, Boston, Mass.

Office, 145 State Street, Springfield, Mass.

WORCESTER & SHREWSBURY STREET RAILWAY

(Leased to Worcester Consolidated Street Railway Company)

History—Incorporated in 1892, in Mass. Leased July 1, 1896 to Worcester Consolidated Street Ry. Co. for 99 years at an annual rental of $1,000, payable J & J, and all taxes and charges. Length of line, 0.42 mile. Gauge, standard. Rail (T), 75 lbs.

CAPITAL STOCK

Authorized and outstanding, $20,000; par, $100. All owned by New England Investment and Security Co.—1927. Annual meeting, first Wednesday in November.

FUNDED DEBT

None.

Officers: Clark V. Wood, Pres., Springfield, Mass.; Arthur P. Russell, V-P., Boston, Mass.; Wm. F. Crowe, Clerk, Leverett Candee, Treas.; Charles T. Converse, Compt. & Aud., Springfield, Mass.; Bentley W. Warren, Counsel, Boston, Mass.

Directors: Clark V. Wood, Springfield, Mass.; Francis H. Dewey, Worcester, Mass.; Edward J. Pearson, Edward G. Buckland, New Haven, Conn.; Arthur P. Russell, Boston, Mass.

Office, 145 State Street, Springfield, Mass.

WORCESTER & WEBSTER STREET RAILWAY COMPANY

(Leased to Worcester Consolidated Street Railway Company)

History and Property—Incorporated October 1, 1898 under the laws of Massachusetts. Leased for 25 years from July 1, 1902, to the Webster & Dudley Street Ry. Co.; annual rental being payment of fixed charges; lease assigned Sept. 29, 1902, to Worcester & Connecticut Eastern Ry. Co.; later assumed by the Consolidated Ry. Co. (since merged into the N. Y., N. H. & H. R. R. Co.), and subsequently transferred to Worcester & Southbridge Street Ry., and on consolidation of latter with Worcester Consolidated Street Ry., transferred to that company. Length of line, 15.35 miles; total track, 16.55 miles.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. The New England Investment and Security Co.—1927 holds, by assignment, all the capital stock. Annual meeting, first Wednesday in November. No dividends paid.

FUNDED DEBT

$92,000 Refunding Gold 5s; dated 1919; due Dec. 1, 1939; int. June and Dec. 1, at State Street Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Authorized, $150,000. Sinking fund, $3,000 per annum. Of the bonds outstanding $92,000 are owned by New England Investment and Security Co.—1927. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Income from lease of road, $7,700; income from sinking fund, etc., $1,739—total, $9,439; interest on funded debt, $4,600; surplus for year, $4,839; deficit forward, $72,673; net deficit, $67,834; amount transferred to sinking fund and other reserves, $4,839—total deficit, Dec. 31, 1927, $72,673.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $150,000; funded debt, $92,000; current liabilities, $383; deferred liabilities, $255,152; unadjusted credits, $7,886; miscellaneous reserves, $69,906; sinking fund reserve, $27,905—total, $603,232. Contra: Property account, $497,545; deposit in lieu of mortgaged property sold, $7,886; sinking fund, $25,905; cash, $13,906; current assets, $383; deferred assets, $1,450; profit and loss, $56,157—total, $603,232.

OFFICERS AND DIRECTORS

Officers: Clark V. Wood, Pres., Springfield, Mass.; Arthur P. Russell, V-P., Boston, Mass.; Wm. F. Crowe, Clerk; Leverett Candee, Treas.; Charles T. Converse, Compt. & Aud., Springfield, Mass.; Bentley W. Warren, Counsel, Boston, Mass.

Directors: Francis H. Dewey, Worcester, Mass.; Clark V. Wood, Springfield, Mass.; Edward J. Pearson, Edward G. Buckland, New Haven, Conn.; Arthur P. Russell, Boston, Mass.

Office, 145 State Street, Springfield, Mass.

LACKAWANNA & WYOMING VALLEY RAILROAD COMPANY

History—Incorp. May 26, 1913, in Pennsylvania; consolidation of previous Company of same name (see Manual for 1913, page 3859), and the following companies formerly leased; Central Valley R. R., Lackawanna Tunnel Co., Scranton & Northeastern R. R. and Wilkes-Barre R. R. Owns the entire capital stock of the Lackawanna & Wyoming Valley Power Co., which generates the electric power used by the railroad. The power plant, which is owned by the railroad company and leasesd to the power company, has a capacity of 6,000 k.w. Also owns all the stock of the **Laurel Line Bus Company** which operates under permit from the Public Service Commission, between Moosie and Pittston, acting as a feeder to the railroad.

Franchises, etc.—The road was constructed and is operated under a steam railroad charter of the Commonwealth of Penn., which is a perpetual franchise. It is built entirely on private right-of-way and therefore has no municipal franchises or ordinances to contend with except a few street crossings.

Road and Equipment—Total length of line, 22.27 miles; double tracked, with 90 lb. rail, stone ballast, steel bridges, grades and curvature suitable for operation by steam locomotives. Built on private right of way between Scranton, Pittston and Wilkes-Barre, with a 3-mile extension to Dunmore, Pa. Freight and passenger terminals centrally located in Scranton, Pittston and Wilkes-Barre. Electricity used as motive power for passenger and freight service. Third-rail system of contact. Cars operated singly and in trains under multiple unit control. Passenger cars, 33; freight cars, 46; locomotives, electric, 3; express cars, 2.

CAPITAL STOCK

Authorized, $4,000,000 Common and $1,000,000 7% cumulative Pfd.; outstanding, Feb. 1, 1928, $2,400,000 Common and $1,000,000 Pfd.; par of both issues, $50.

Preferred Stock Provisions—The Pfd. stock has preference for assets and dividends, is 7% cumulative and is redeemable at $55 per share. Both Pfd. and Common stock have equal voting power.

Transfer Agent—Bank of North America & Trust Co., Philadelphia, Pa.

Registrar—Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

FUNDED DEBT

(1)

$2,900,000 5% FIRST MORTGAGE GOLD BONDS; DUE AUGUST 1, 1951

Dated July 1, 1913.

Interest Payable February and August 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000, interchangeable denominations; principal may be registered.

Trustee—Guaranty Trust Company of New York.

Provisions of Issue—Authorized, $3,500,000; outstanding, Feb. 1, 1928, $2,900,000. Issued under the mortgage dated July 1, 1913 as amended by a supplemental agreement dated Feb. 1, 1928. Additional bonds may be issued from time to time in a principal amount not in excess of 75% of the cost or fair value (whichever is less), of the acquisition or construction of additional properties and/or additions, betterments or improvements to the property, provided the net earnings of the Company, as defined in the mortgage as supplemented, for a period of twelve consecutive calendar months out of the fifteen calendar months immediately preceding the issue of such additional bonds shall have been at least 2½ times the interest on all bonds outstanding, plus the additional bonds proposed to be issued. The mortgage further provides that the Company may acquire additional property subject to purchase money or other liens.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 105 and accrued interest.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage upon all the physical property and franchises of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. All personal property taxes and securities taxes of any State or of the District of Columbia not exceeding in any year 6 mills of the principal amount and all income taxes of any such State or District not exceeding in any year 6% of the interest upon bonds refunded upon timely and appropriate application.

Legal Opinion—Wise, Whitney & Parker, New York, and Townsend, Elliott & Munson, Philadelphia, (for the Bankers) and Davies, Auerbach & Cornell, New York City (for the Company).

Original Offering—First publicly offered ($2,900,000) in Feb., 1928, at 97 and interest to yield over 5.20% by Taylor, Ewart & Co., Inc., New York, etc., Bioren & Co. and Samuel McCreery & Co., Philadelphia.

(2)

$1,100,000 TWENTY-YEAR 6% GOLD DEBENTURES; DUE FEBRUARY 1, 1948

Dated February 1, 1928.

Interest Payable February and August 1, at Bank of North America & Trust Co., Philadelphia or at Guaranty Trust Co., of New York.

Denominations—Coupon, $500 and $1,000, interchangeable denominations; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized and issued, $1,100,000.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest.

Sinking Fund—Provision is made for the retirement of debentures in the aggregate principal amount of $25,000 on or after March 1st of each year, commencing March 1, 1929, in accordance with the terms of the indenture. The debentures so retired will be cancelled.

Security—Debentures are the direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. All personal property taxes of any state or of the District of Columbia not exceeding in any year 6 mills of the principal amount, and all income taxes of any such state or district not exceeding in any year 6% of the interest upon the debentures refunded upon timely and appropriate request.

Legal Opinion—Wise, Whitney & Parker, New York, and Townsend, Elliott and Munson, Philadelphia, Pa. (for the Bankers) and Davies, Auerbach & Cornell, New York City (for the Company).

Original Offering—First publicly offered ($1,100,000) in Feb., 1928, at par and interest by Taylor, Ewart and Co., Inc., New York, etc.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(Including Subsidiaries)

Gross earnings	$1,194,759
Operating expenses, incl. maintenance, depreciation and all deductions excepting Federal Income taxes	754,210
Net earnings	$440,549
Annual interest charges on new bond issues	211,000
Balance	$229,549

Officers: P. J. Murphy, Pres. & Gen. Mgr., Scranton, Pa.; Frank R. Ford, Chairman of Executive Committee; S. C. Stivers, V-P. & Sec.; E. A. Smith, Treas., New York.

Directors: Frank R. Ford, James A. Emery, S. C. Stivers, New York; Walter H. Lippincott, E. Clarence Miller, John R. Sproul, Samuel M. Fox, E. Clarence Miller, Jr., Philadelphia, Pa.; T. F. Pennman, Scranton, Pa.

General Office, Scranton, Pa.

LACKAWANNA & WYOMING VALLEY POWER COMPANY

(Controlled by Lackawanna & Wyoming Valley Railroad Company)

History—Incorporated March 17, 1906, in Pa. Franchise perpetual.

Company generates the electric power used by the railroad. The power plant, which is owned by the Lackawanna & Wyoming Valley RR. Co., has a capacity of 6,000 k.w. The power company sells surplus power to private consumers and to the Scranton Electric Company, one of the principal subsidiaries of the American Gas & Electric Co.

CAPITAL STOCK

Authorized, $100,000; outstanding, $30,000; par, $100. All owned by Lackawanna & Wyoming Valley R. R. Annual meeting, third Monday in March.

FUNDED DEBT

None.

Dividends—1907, 1909 and 1910, 10% each; 1911, 20%; 1912, none; 1913, 10%; 1915, 16 2-3%; none thereafter until 1926, when 250% was paid.

Officers: P. J. Murphy, V-P. & Gen. Mgr.; S. C. Stivers, Sec.; E. A. Smith, Treas.; J. A. Chisholm, Asst. Treas., Scranton, Pa.

Directors: Walter H. Lippincott, Frank R. Ford

Office, Scranton, Pa.

OBERPFALZ ELECTRIC POWER CORPORATION

(Oberpfalzwerke Aktiengesellschaft fuer Elektrizitaetsversorgung)

History and Property—Organized in 1908 under the laws of the State of Bavaria for the purpose of supplying the territory of Oberpfalz (Upper Palatinate), in northeastern Bavaria, with electricity for domestic and industrial purposes. In 1923 it changed its name from Bayerische Uberlandzentrale Aktiengesellschaft in Ibenthann to its present title. This territory has an area of about 3,789 square miles, and a population of approximately 629,000. Company serves over 1,200 communities, including such cities as Regensburg, Amberg, Auerbach, Neumarkt and Weiden.

The District of the Oberpfalz and the cities and communities served are majority stockholders of the Oberpfalz Electric Power Corporation. Under the terms of its franchises the Company has the right to use Bavarian State property for its transmission lines, and has the exclusive right, with small local exceptions, to furnish electric current to the communities served and to charge rates that will insure successful financial operation.

The property comprising the system of the Corporation includes one large modern steam electric generating plant at Ponholz and the two hydro-electric plants Pfreimdtalsperre and Tanzmuchle on the Naab River, which is a large tributary to the Danube. The combined capacity of the Company's present properties is approximately 17,200 k.w. Upon completion of certain contemplated extensions the capacity will be very considerably increased.

In addition to its generating plants, the Company entered into an agreement with the Bayernwerke (Bavarian Works) which have a capacity of about 200,000 k.w., securing the sole distributing rights in the Oberpfalz until September 30, 1950, and maintains for this purpose one principal substation in Regensburg of 10,000 kva. and one principal substation in Amberg of 10,000 kva.

The coal used for the steam electric generating plant is mined at the adjoining coal mine "Haidhof," which belongs to the Company and has a coal reserve of 4,500,000 tons, estimated sufficient for at least 25

years' operation. The coal is conducted from the mine by means of an automatic conveyor system directly to the boiler house.

The property comprises a transmission system consisting of over 77 miles of high tension lines of 35,000 volts, carried on structural steel towers; over 1,100 miles of 6,000 volt, 10,000 volt and 20,000 volt transmission lines and over 930 miles of low voltage lines; 950 transformer and two switching stations and an extensive distribution system reaching 40,000 customers who consumed over 30 million kilowatt hours in 1925.

CAPITAL STOCK

Authorized, $3,613,095; outstanding, $1,025,976 (owned principally by communities served).

FUNDED DEBT

$1,205,000 FIRST (CLOSED) MORTGAGE 7% SINKING FUND GOLD BONDS; DUE JUNE 1, 1946

Dated June 1, 1926.

Interest Payable June and December 1, in U. S. gold coin, at The New York Trust Company, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—New York Trust Company, New York, Trustee; Berliner Handels-Gesellschaft Kommandit-Gesellschaft Auf Aktien, Berlin, Co-Trustee.

Provisions of Issue—Authorized and issued, $1,250,000, of which $45,000 retired by sinking fund. March 28, 1928. Corporation covenants that so long as any of these bonds are outstanding it will not permit the establishment of any rates or charges for electric light or power furnished by it which will not produce for Company annual net earnings applicable to payment of interest upon bonds at least equal to 2.5 times such interest charges.

Purpose of Issue—Proceeds of this loan were used for new construction work, enlargement of existing plants, extension of Corporaiton's distribution system and retirement of floating debt incurred for aforesaid purposes.

Callability—Subject to call through operation of sinking fund at 100 and interest on any interest date. Bonds will be non-callable, except for sinking fund purposes, up to but not including June 1, 1931, and thereafter will be callable at option of Corporation, as a whole or in part, by lot on any interest date upon 30 days' notice up to but not including June 1, 1936, at 105 and interest; thereafter up to but not including June 1, 1941, at 104 and interest; thereafter and prior to maturity at 103 and interest.

Sinking Fund—Indenture provides for semi-annual cumulative sinking fund payments, beginning Dec. 1, 1926, sufficient to retire entire issue by maturity. In lieu of such payments Corporation may deliver, at their par value, outstanding bonds of this issue. Sinking fund monies are to be used for redemption of bonds by semi-annual drawings at 100 and interest. Notice of drawn bonds will be published in New York City 30 days prior to redemption date.

Security—A direct obligation of Corporation and secured by a direct first closed mortgage on, and by a transfer in nature of security of, all of Corporation's present fixed property, and all property acquired or constructed from the proceeds of this loan, subject only to prior charges under Dawes Plan estimated as not exceeding $553,971 principal amount.

Guaranty—Unconditionally guaranteed by endorsement as to payment of principal, interest and sinking fund by German Electric Co., Germany (AEG).

Tax Provisions—Interest payable without deduction for any past, present or future taxes or duties levied by or within the German Reich, or any of its component States.

Legal Opinion—Hornblower, Miller & Garrison, New York, and Wilhelm Beutner, Berlin (for the Bankers).

Original Offering—First publicly offered ($1,250,000) in July, 1926, at 97½ and interest, to yield about 7.25%, by P. W. Chapman & Co., Inc., and A. M. Lamport & Co., Inc., New York, etc.

EARNINGS, YEARS ENDED DECEMBER 31

	1926	1925
Gross earnings, etc.	$1,357,301	$1,125,034
Operating exps., maintenance, taxes, other than net profits taxes, etc., chargeable to operation (including estimated maximum charges under Dawes Plan)	1,121,550	827,170
Net earnings before deprec. & Income taxes available for bond int.	$235,751	$297,864
Annual bond interest	86,485	87,500
Balance available for deprec., Income taxes, divds., etc.	$149,266	$210,364

Directors: Albert Teschemacher and Philipp Stumpen.

General Office, Berlin, Germany.

ELECTRIC POWER CORPORATION

(Elektrowerke Aktiengesellschaft, Germany)

History—Organized in 1892 as the Golpa-Jessnitz A. G. which owned and operated the lignite mine known as Golpa and also a plant for the manufacture of briquettes. In 1915 the business of the Corporation was changed into the manufacture and sale of electricity. Its name was changed to Elektrowerke Aktiengesellschaft. In that year the Company erected the power station known as Zschornewitz, enlarged and extended the Golpa lignite mine and commenced to supply current to chemical industries in the neighborhood. In 1917 its entire capital stock was purchased by the German Reich and at that time the first transmission line to Berlin was installed and the Company began to supply the base load to the municipally owned distributing plant in Berlin. Thereafter the Company acquired the Niederlausitzer Kraftwerke A. G. which owned and operated the power plant known as Trattendorf and the Gewerschaft Brigitta which owned and operated the lignite mine Brigitta near Spremberg. It further organized the Mitteldeutsche Kraftwerke A. G. which acquired the power plant Lauta and organized the Gesellschaft fur Kraftubertragung G. m. b. H. which constructed and operated transmission lines. In 1921, the properties of these various companies, together with those of the Sachsenburg Lignite Gesellschaft (which owned lignite mines near Golpa) were taken over by the Company, which issued its own shares in exchange for such shares of these companies as it did not itself already own. The entire assets and liabilities of these companies were thus transferred to the Company, the former companies (including the Sachsenburg Lignite Gesellschaft) being thereupon liquidated and dissolved. In 1923, Vereinigte Industrie-Untermehmungen Aktiengesellschaft or "Viag" (United Industrial Corporation) was organized and acquired from the Reich the stock of Electric Power Corporation. The Viag is in turn controlled by the German Government through ownership of its entire $28,571,428 capital stock. The duration of the charter of the Company is perpetual.

Subsidiaries—The three subsidiaries of the Company, Kolonie Zschornewitz G. m. b. H., Kolonie Trattendorfer Hof G. m. b. H., and Kolonie Brigittenhof G. m. b. H., own tracts of land adjacent to the three plants of the Company upon which they have erected dwelling houses which are leased to employees of the Company.

Business—The Corporation supplies power entirely at wholesale, over 50% of its output being sold to distributing systems serving the Province of Branden

burg, including the city of Berlin, the Province of Silesia, the Province of Saxony, the Free State of Anhalt, and the Free State of Saxony. In this manner the corporation supplies a large part of the current consumed by the City of Berlin.

During the eight years ended Dec. 31, 1927, the electrical output of the plants of this company and its predecessors has been as follows:

	k.w.h.
1920	769,793,000
1921	1,019,505,000
1922	1,311,774,000
1923	1,293,097,000
1924	1,410,210,000
1925	1,577,119,000
1926	1,485,908,000
1927	1,674,470,000

Properties—The properties include three large modern steam power plants, Zschornewitz with a present installed capacity of 230,000 k.w., Trattendorf with 90,000 k.w., and Lauta with 88,000 k.w., or a total present installed capacity of 408,000 k.w.; as well as approximately 1,046 circuit miles of 110,000 volt transmission lines. The Company is now engaged in the installation of 40,000 k.w. of additional generating equipment in its Trattendorf plant to be completed in the Fall of 1928, and 40,000 k.w. in its Lauta plant to be completed in the Spring of 1929. The Company's three steam plants are located 75 miles to the south of Berlin adjacent to extensive lignite coal fields owned by it and estimated to be sufficient to furnish its entire fuel supply for more than fifty years.

COAL PRODUCTION, YEARS ENDED DEC. 31

	Total coal production (Metric tons)	Total sale of briquettes
1921	2,504,786	53,548
1922	2,939,987	54,523
1923	2,764,050	40,955
1924	3,300,000	29,934
1925	3,841,247	64,468

NOTE—Substantially all of the coal produced by the Company is used by it in its own plants.

Relation To Dawes Plan—The Company by reason of Government ownership (through VIAG) of all its capital stock is not required to issue any of the so-called industrial debentures under the Dawes Plan. It is required, however, under German laws enacted to carry the Dawes Plan into effect to make annual payments which in 1927 amounted to less than $135,000.

CAPITAL STOCK

Authorized and outstanding, $14,285,714. All owned by the United Industrial Corporation (Viag). The entire stock of Viag is owned by the German Government.

FUNDED DEBT

(1)

$7,500,000 FIRST MORTGAGE SINKING FUND GOLD 6½% SERIES DUE 1950; DUE MARCH 1, 1950

Dated March 1, 1925.

Interest Payable March and September 1, at office of Harris, Forbes & Co., New York, or at Harris Trust and Savings Bank, Chicago, in United States gold coin of the standard of weight and fineness existing on March 1, 1925, without deduction for German taxes of any nature.

Denominations—Coupon, $500 and $1,000; principal may be registered. Transferable at National Bank of Commerce, New York, or Harris Trust & Savings Bank, Chicago.

Trustees—Deutsche Treuhand-Gesellschaft, Berlin, Germany. Harris Trust and Savings Bank, Chicago Co-Trustee.

Provisions of Issue—Authorized, $25,000,000 (or equivalent in other currencies); issued, $7,500,000 6½% Series due 1950 and $5,000,000 6½% Series due 1953. The company may issue the remaining $12,500,000 (or equivalent in other currencies) either as bonds of this series or as bonds of other series having such rates of interest, maturity dates and other provisions and payable in such currency as it may determine and as are permitted by the indenture pursuant to which the bonds are issued, for not more than 50% of the cost or fair value, whichever is less, of property additions (defined in the Indenture) provided that net earnings (defined in the Indenture) for 12 consecutive calendar months out of 15 months immediately preceding application for issue shall have been at least equal to three times the actual annual interest requirements on all bonds issued and outstanding under the mortgage including those proposed to be issued.

Callability—Subject to call in whole or in part on any interest date after 60 days' notice at 100 and interest.

Sinking Fund—The company agrees to provide (through the deposit of bonds or cash) for the retirement in each year beginning April 1, 1930 of 2½% of the total amount of bonds of 6½% Series due 1950 which have been issued. These payments will provide for the retirement by maturity of one-half the bonds of this series. Bonds acquired by the sinking fund will be cancelled.

Security—These bonds are a direct obligation of the Company and with minor exceptions are secured by a direct first mortgage on all the fixed properties of the Company, including its three large modern power plants, and the Company has agreed to extend the lien of this mortgage to cover all fixed properties hereafter acquired.

Guaranty—Guaranteed as to principal, interest and sinking fund by United Industrial Corporation, (Viag).

Legal Opinion—Sullivan and Cromwell, New York, and Dr. Heinrich F. Albert, Berlin, Germany.

Original Offering—First publicly offered ($5,000,000) in March, 1925, at 87 and interest yielding over 7.67%, by syndicate headed by Harris, Forbes & Co., New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	99½	98	88½
Low	94	87⅝	85½

(2)

$5,000,000 FIRST MORTGAGE SINKING FUND GOLD BONDS, 6½% SERIES DUE 1953; DUE APRIL 1, 1953

Dated April 1, 1928.

Interest Payable April and October 1, at office of Harris, Forbes & Co., New York, or at office of Harris Trust & Savings Bank, Chicago, in United States gold coin of the standard of weight and fineness existing on April 1,1928, without deduction for German taxes of any nature.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—These bonds are similar in all respects to the 6½% Series due 1950, except as to dates of issue and maturity, callability and sinking fund provisions.

Callability—Subject to call as a whole or in part on any interest date after 60 days' notice; through April 1, 1933, at 103 and interest, and thereafter at 100 and interest.

Sinking Fund—The Company agrees to provide (through the deposit of bonds or cash) for the retirement in each year beginning May 1, 1933, of 2½% of the total amount of bonds of 6½% Series, due 1953, which have been issued. These payments will provide in the aggregate for the retirement by maturity of one-half the bonds of this series. Bonds acquired by the sinking fund will be cancelled.

Guaranty—Guaranteed as to principal, interest and sinking fund by United Industrial Corporation (Viag).

Original Offering—First publicly offered ($5,000,000) in April, 1928, at 99½ and interest, to yield over 6½%, by syndicate headed by Harris, Forbes & Co., New York.

COMPARATIVE INCOME ACCOUNT

(Latest Available)

	6 mos. ended June 30, 1925 (Marks)	Year ended Dec. 31, 1924 (Marks)
Operating revenues	16,149,354	31,157,005
Operating expenses	7,869,616	17,832,326
Income from operations	8,279,738	13,324,679
Other income	556,515	157,788
Gross income	8,836,253	13,482,467
Income charges	.....	455,210
Balance for reserves, dividends, etc.	.....	13,027,257
Appropriations and reserves:		
Assets charged off	.....	1,776,394
Renewals & replacements	.....	5,250,000
Contingencies	.....	300,000
Employees' welfare	.....	500,000
Insurance	.....	750,000
Total	.....	8,576,394
Surplus	.....	4,450,863

Directors: Dr. Wilhelm Lenzmann, Justus Bruel, Max Bahr, Max Berthold, Adolf Droge, Constantin Fehrenbach, Dr. Robert Haas, Karl Janisch, Herman Kahmann, Dr. Edgar Landauer, Hugo Lohmann, Dr. Oskar Oliven, Willy Pilger, Max Phol, Dr. Moritz von der Porten, Hans von Raumer, Dr. Egon von Rieben, Otto von Schlieben, Oskar Schlitter, Dr. Gottlob Schumann, Dr. Philipp Wieland, Karl Posner, Franz Wunnenberg.

Managing Directors: Hermann Jahncke, Erich Block, Dr. Georg Bolzani, Alfons Peucker, Dr. Georg Rotzoll, Oskar Arlt, Berlin.

General Office, Berlin, Germany.

THE SWEETWATER WATER CORPORATION

History and Property—Incorporated Dec. 18, 1926, in California, and acquired all the properties of Sweetwater Water Corporation (see 1927 Public Utility Manual, page 829). The properties of Company consist chiefly of the Sweetwater Dam and Reservoir on the Sweetwater River in San Diego County, valuable water rights, two riveted steel and iron transmission pipe lines of 24 and 30 inches in diameter, aggregating more than 10 miles in length, located respectively on the north and south sides of Sweetwater Valley and extending from the main dam to the distribution system; approximately 96 miles of distribution lines ranging from 30 inches to ¾ inch in diameter; 4,550 services, connected to the distribution system; 3,723 installed meters; a booster pumping plant; fourteen tracts of proven water-bearing lands located below the dam on which pumps can be installed. The reservoir is located only about four miles from the distribution area, thus resulting in low transmission costs, and the entire supply, including irrigation water, is delivered under pressure and is metered.

Company supplies water for domestic, industrial and agricultural purposes to a compact area of approximately 5,502 acres, situated in San Diego County. The territory served comprises a small portion of the City of San Diego, all of National City and Chula Vista and a large unincorporated area in the same vicinity. The population of this area is approximately 20,000.

CAPITAL STOCK

Authorized, $1,500,000 Common and $1,000,000 6% cumulative Pfd.; outstanding, $750,000 Common and $150,000 Pfd.; par, $100.

Preferred Stock Provisions—The Pfd. stock is preferred as to assets and cumulative dividends from the date of issuance; shall receive upon voluntary dissolution or liquidation $105 per share and accrued dividends, and no additional Pfd. stock may be issued unless net earnings available for preferred dividends for any twelve consecutive months within the fifteen calendar months next preceding are certified to be at least three times the annual dividend requirements on all Pfd. stock outstanding, including any additional shares then to be issued.

Transfer Agent—Wells Fargo Bank & Union Trust Co., Union Trust Office, San Francisco.

Registrar—Humboldt Bank, San Francisco.

Callability—Pfd. stock is redeemable in whole or in part at the opinion of the corporation, on any dividend payment date, upon at least 60 days' notice, at 105 and accrued dividends.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Tax in California.

Legal Opinion—O'Melveny, Millikin & Tuller, Los Angeles (for the Bankers), Bacigalupi & Elkus, San Francisco (for the Company).

Original Offering—First publicly offered ($150,000 6% Pfd.) in July, 1927, at 94 and accrued dividends to yield 6.38%, by Freeman, Smith & Camp Co., San Francisco.

Dividends—Pfd. dividends are payable quarterly M, J, S & D 1.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE 5½% SINKING FUND GOLD BONDS, SERIES "A"; DUE APRIL 1, 1952

Dated April 1, 1927.

Interest Payable April and October 1 at Los Angeles-First National Trust & Savings Bank, Los Angeles, or at the Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principa may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized, $5,000,000; issued $1,000,000. The remaining bonds may be issued, from time to time, in different series and under such terms as the Board of Directors of the Company may determine, for (a) not to exceed 60% of the cash cos or fair value (whichever shall be less) of permanen improvements, extensions and additions made by th Company to its properties and then only when th net earnings of the Company, available for bond interest, for any 12 consecutive months, out of the 1 calendar months next preceding the application for th certification of bonds, shall have been equal to at leas 1¾ times the annual interest charges on all bonds the outstanding under the indenture and those for whic application is made; (b) upon the deposit with th Trustee of cash, such cash to be withdrawn by th Company, from time to time, for permanent improvements, extensions and additions as provided in (a above; (c) for refunding at maturity or redeeming like amount of bonds of any series theretofore issue under this indenture.

Purpose of Issue—Proceeds were used to retire a issue of $445,000 First Mortgage 6% bonds outstanding and to defray part of the cost of acquiring th properties of the predecessor company.

Callability—Subject to call as a whole or in par on any interest date on 30 days' notice at 105 an interest.

Sinking Fund—The Trust Indenture provides for a annual sinking fund, beginning Oct. 1, 1928, in a amount equal to 2% of all bonds outstanding under th indenture. The Company shall be entitled to a credi against this sinking fund, up to 50% thereof, for pe manent improvements, extensions or additions mad by it to its properties, which have not been nor sha thereafter be a basis for the issuance of bonds or th withdrawal of cash. Any cash deposited with th Trustee on account of this sinking fund, and not with drawn by the Company, shall be used by the Truste to purchase in the market, or to redeem by lot, bond of any series issued under the Trust Indenture in th ratio that the total amount of each series certifie bears to the total amount of bonds certified under th indenture.

Security—Secured by a direct mortgage on all of the properties of the Company, now owned or hereafter acquired, including specifically the Sweetwater Dam and Reservoir, water rights, transmission mains, distribution lines, meters, lands, buildings and equipment.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from the California Personal Property tax.

Legal Investment For Savings Banks in California.

Legal Opinion—O'Melveny, Millikin & Tuller, Los Angeles (for the Bankers) and Bacigalupi & Elkus, San Francisco (for the Company).

Original Offering—First publicly offered ($1,000,000) in June, 1927, at par and interest by First Securities Co. and Freeman, Smith & Camp Co., Los Angeles.

INCOME ACCOUNT YEARS, ENDED DECEMBER 31
(Predecessor Company)

	1926	1925	1924
Gross earnings	$209,842	$201,919	$216,686
Oper. exp. & taxes	64,565	73,536	71,931
Depreciation	30,000	30,000	30,000
Net earnings	$115,277	$98,384	$114,755
Bond interest	26,967	22,500	23,400
Other interest	651	2,751	2,197
Total charges	$27,618	$25,251	$25,597
Balance	*$87,659	$73,133	$89,159
Dividends	†	40,000	40,000
Surplus for year	*$87,659	$33,133	$49,159

*Before provision of $11,880 for Federal Income taxes. †Not reported.

Officer: Chester H. Loveland, Pres., San Francisco, Cal.

Offices, Balboa Bldg., San Francisco, Cal., and National City, Cal.

THE AVON RIVER POWER COMPANY, LIMITED

History and Property—Incorporated Nov. 29, 1921, under laws of Province of Nova Scotia. Owns and operates the hydro-electric power plant on the Avon River, Nova Scotia. This plant was put into operation in Feb., 1924. On Jan. 1, 1926 the Company acquired the plants and properties of the Windsor Electric Light and Power Company, Limited, and on July 1, 1926 took over the properties of the Gaspereaux River Light Heat and Power Company Limited. The transmission lines of the combined companies serve the Eastern Section of the Annapolis Valley including Kentville, Wolfville, Canning, Hantsport, etc., also Windsor and a considerable portion of Hants County.

The Company's present development on the Avon River, about nine miles from Windsor, comprises two units with a total capacity of 2,600 h.p. operating under a head of approximately 127 ft. Company also owns a second power site at a point two miles further up the river capable of developing about 3,000 h.p. under a head of 130 ft. The dam at this point has been completed and, as the same power water will be used for both installations and as storage has been provided for both developments, the installation of the second units can be completed at a very low cost. The development of this site will be proceeded with at once.

The storage facilities on the Avon River comprise nine lakes all of which have been dammed by the Company. Through an order-in-council granted by the Nova Scotia Government the Company has for a period of fifty years the power rights and privileges on the whole course of the Avon River from its headwaters, including the nine tributary lakes, to a point below the present development, with renewal preference. The development on the Gaspereaux River is 1,100 h.p. operating under a head of 32 ft. Storage of the tributary lakes is provided on a yearly rental basis through an arrangement with the Nova Scotia Tramways and Power Company Limited. A pulp mill at this point with a capacity of 12 tons of groundwood pulp per day is owned and operated for the utilization of secondary power. The combined companies own about fifty miles of main transmission lines, of which 33 miles is at 22,000 volts and the balance at from 6,600 to 2,200 volts.

CAPITAL STOCK

Authorized, $250,000 Common and $250,000 6% cumulative Pfd.; outstanding, $225,000 Common and $240,000 Pfd.; par, $100.

FUNDED DEBT

$650,000 FIRST MORTGAGE 5½% SINKING FUND GOLD BONDS, SERIES "A"; DUE JULY 1, 1956

Dated July 1, 1926.

Interest Payable January and July 1, at any office of Royal Bank of Canada, in Maritime Provinces, or principal office of said bank in Montreal or Toronto.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Eastern Trust Co., Montreal.

Provisions of Issue—Authorized, $3,000,000; issued, $650,000 Series "A" 5½s. Remaining principal amount of bonds authorized may be issued for acquisitions of additional properties, or making additional extensions, or improvements, but only under restrictions of Trust Deed. Unissued bonds may be issued as Series "A," or as subsequent series, bear such interest rates and carry such redemption prices as directors may determine at time of issue.

Purpose of Issue—Proceeds from sale of these bonds were used to retire on July 1, 1926, at 105 and interest, $250,000 First Mtge. 6½% bonds, to acquire properties of Gaspereaux River Light, Heat & Power Co., Ltd., to reimburse for payment made in connection with acquisition of Windsor Electric Light Co., Ltd., and to pay for extensions and improvements made to Company's properties in past two years.

Callability—Subject to call as a whole or in part on any interest date, on 60 days' notice, up to July 1, 1932, at 104 and interest; to July 1, 1938, at 103 and interest; to July 1, 1944, at 102 and interest; to July 1, 1950, at 101 and interest; thereafter at par and interest.

Sinking Fund—Commencing July 1, 1928, Company will pay annually to Trustee a sum equal to not less than 1% of largest aggregate amount of Series "A" bonds at any time outstanding, plus amount equal to interest on bonds redeemed. Bonds redeemed by sinking fund shall be cancelled and no bonds issued thereafter in their place.

Security—Secured by a first mortgage on all properties of Company now owned or hereafter acquired, including lands, buildings, water rights, power and storage dams, power stations, transmission lines, distribution systems, etc.

Legal Opinion—Covert, Pearson & Rutledge, Halifax.

Original Offering—First publicly offered ($650,000) in June, 1926, at 98½ and interest, to yield over 5.60%, by Johnston & Ward, Montreal, etc.

OFFICERS AND DIRECTORS

Officers: R. A. Jodrey, Pres.; C. H. Wright, V-P.; Wolfville, N. S.; T. B. Akin, Sec., Windsor, N. S.

Directors: W. H. Chase, R. A. Jodrey, C. H. Wright, Dr. L. B. Chase Wolfville, N. S.; G. W. Hensley, Halifax, N. S.; T. B. Akin, Windsor, N. S.; J. L. Illsley, Kentville, N. S.

Head Office, Windsor, N. S.

GREAT NORTH WESTERN TELEGRAPH COMPANY OF CANADA

History—Incorporated May 7, 1880, in Canada, for the transmission of messages by telegraph. In 1881 leased the lines and property of Montreal Telegraph Company and Dominion Telegraph Company for a period of ninety-seven years. The Western Union Telegraph Co. guarantees the payment by the

Great North Western Telegraph Co. of Canada of an annual rental of $165,000 to the Montreal Telegraph Co. and of $62,500 to the Dominion Telegraph Co.

Pursuant to an agreement, effective Jan. 1, 1915, the Canadian Northern Telegraph Co. and the Great North Western Telegraph Co. operated, under the name of the latter company. Prior to this agreement, the Great North Western Company was confined to a limited territory in Canada, without access, save through other companies, to the Pacific seaboard. As a result of this consolidation of properties, the lines of the new Great North Western Telegraph Co. system extend entirely across Canada from coast to coast.

Canadian National Telegraphs—The Great North Western Telegraph Co. of Canada, Canadian National Telegraph Co. and Grand Trunk Pacific Telegraph Co. are now operating under name Canadian National Telegraphs. The officers of Canadian National Telegraphs are as follows: W. G. Barber, Gen. Mgr.; A. C. McConnell, Asst. Gen. Mgr. & Sec.; G. H. Renwick, Aud.; T. H. Bush, Treas., Geo. Watt, Pur. Agt., Toronto, Ont. No. of offices, 1,937. Miles of wire, 139,995.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. No dividends paid. Annual meeting, last Wednesday in September.

FUNDED DEBT

None.

Officers: Sir Henry Worth Thornton, Pres., Montreal, Que.; Major G. A. Bell, V-P, Ottawa, Ont.; W. D. Robb, V-P.; Gerard Ruel, V-P., Montreal, Que.; W. G. Barber, Gen. Mgr.; A. C. McConnell, Asst. Gen. Mgr. & Sec.; G. H. Renwick, Aud.; T. H. Bush, Treas.; Geo. Watt, Pur. Agt., Toronto, Ont.

Directors: Sir Henry Worth Thornton, E. R. Decary, Gerard Ruel, J. Stuart Rayside, Montreal, Que.; D. J. McDougald, Toronto, Ont.; Tom Moore, Major G. A. Bell, Ottawa, Ont.; Col. O. E. Talbot, Quebec, Que.; J. Gill Gardner, Brockville, Ont.

General Office, Toronto, Ont.

GENEVA, SENECA FALLS & AUBURN R. R. CO., INC.

History—Incorporated May 28, 1913, in N. Y., and on July 1, 1913, took over all rights, franchises, property, etc., of Geneva & Auburn Ry. Co. (see Manual for 1913, page 3823), sold at foreclosure March 14, 1913. Franchises perpetual. Population served, 35,000. Line extends from Geneva to Waterloo and Seneca Falls, N. Y. Length of road operated 11.93 miles. Rail 70, 80, 90 and 100 lb. T and 75 and 90 lb. girder. Gauge, standard. Cars—passenger, 9; flat, 1; service, 1; snow plow, 1; sweeper 1.

Geneva Railway Bus Lines, Inc., a subsidiary, replaced motor buses for trolleys on Geneva City streets.

Receivership—Attorney Lansing S. Hoskins and James M. Ryan, of Geneva, N. Y., were appointed receivers by Supreme Court Justice Benjamin B. Cunningham on Oct. 22, 1926. In Jan., 1925, the Company failed to pay interest on its bonds and the bondholders agreed to a reduction of interest to 3% for a period of five years and thereafter to 3½%. The Company was unable to meet its interest obligation even at the reduced rate and a foreclosure action was instituted by the Chatham Phenix National Bank & Trust Co., New York, Trustee for the issue, and is now pending.

CAPITAL STOCK

Authorized, $200,000; outstanding, $157,100; par, $100. Annual meeting, third Wednesday in April. No dividends paid.

FUNDED DEBT

$497,000 First Gold 5s; dated July 1, 1913; due July 1, 1943; interest Jan. and July 1, at Chatham Phenix National Bank and Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $2,000,000. Subject to call at 105 and interest. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$49,307	$59,538	$75,644
Oper. exp. and taxes	64,980	70,475	84,258
Loss from operation	$15,673	$10,937	$8,614
Other income	660	215	.....
Total income	*$15,013	*$10,722	*$8,614
Interest charges	15,909	16,027	16,307
Other deductions	2,527	2,527	2,526
Total charges	$18,436	$18,554	$18,833
Deficit for year	$33,449	$29,276	$27,447

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$564,445	$567,279	$549,900
Other investments	2,834	.....	2,834
Materials and supplies	7,994	7,832	8,317
Cash	3,601	6,302	5,697
Accounts receivable	24,213	14,305	3,327
Other current assets	2,172	.....	.....
Unadjusted debits	40,133	43,341	60,154
Profit and loss deficit	311,272	277,649	248,348
Total	$956,664	$916,708	$878,577
Liabilities—			
Capital stock	$157,100	$157,100	$157,100
Funded debt	497,000	497,000	497,000
Notes payable	10,000	10,000	10,000
Accounts payable	43,757	65,223	41,187
Interest accrued	40,021		8,453
Reserve for taxes	2,232	2,328	310
Unadjusted credits	903	159	183
Operating reserves	21,544	19,144	16,932
Reserve for depreciation	184,107	165,754	147,401
Total	$956,664	$916,708	$878,577

Officers: Lansing S. Hoskins and James M. Ryan Geneva, N. Y., Receivers; R. R. Quay, Pres., Pittsburgh, Pa.; Murray Gibson, V-P., Philadelphia, Pa. Anna F. Giles, Treas., Waterloo, N. Y.; L. G. Hoskins Sec., Geneva, N. Y.

Directors: R. R. Quay, Pittsburgh, Pa.; Jos. Seep Oil City, Pa.; J. W. Hollenback, L. H. Taylor, Ernest G. Smith, Wilkes-Barre, Pa.; M. Gibson, Philadelphia Pa.; Thos. H. Chew, L. G. Hoskins, Harry D. Marshall, Geneva, N. Y.

General Office, Waterloo, N. Y.

LOS ANGELES WATER SERVICE COMPANY

History and Property—Incorporated in May, 1926 in California, to acquire the properties and rights of the South Park Water Co., the Consolidated Water & Development Co., the Lawndale Water Co., the Melvin Place Water Co. and the Moneta Tract Water Co. The Company operates as a public utility, and either it or its predecessor companies have served water for commercial domestic and irrigation purposes in city and county of Los Angeles for over 20 years. Company owns valuable real estate, storage tanks, pumps and 110 miles of distributing mains, in a territory having an area of 6½ square miles and populated by approximately 26,000 people. Its pumps are sufficient to deliver 11,250,000 gallons daily. Service connections, 6,300. Has a total of 14 reservoirs and elevated tanks, having a combined capacity in excess of 850,000 gals.

CAPITAL STOCK

Authorized, $750,000 Common and $250,000 Pfd.; outstanding, $250,000 Common.

FUNDED DEBT

$385,000 FIRST MORTGAGE 6½% SINKING FUND GOLD BONDS, SERIES "A"; DUE AUGUST 1, 1946

Dated August 1, 1926.

Interest Payable February and August 1, at Los Angeles Investment Trust Co., Los Angeles.

Denominations—Coupon, $500 and $1,000.

Trustee—Los Angeles Investment Trust Co., Los Angeles.

Provisions of Issue—Authorized, $750,000; issued, $385,000 Series "A" 6½s. Balance of authorized amount may be issued for 60% of cost of additions, betterments and improvements, provided net earnings for the preceding 12 months shall have been 2½ times interest requirements on total amount of bonds outstanding, and those to be issued.

Purpose of Issue—Proceeds used to refund outstanding indebtedness, provide for necessary extensions and betterments, and for additional working capital.

Callability—Subject to call in whole or in part on any interest date at 102½ and accrued interest.

Sinking Fund—A sinking fund has been created, into which Company is obligated to pay on Aug. 1, 1927, and each year thereafter, an amount equal to 2% of a maximum amount of bonds at any one time issued. This fund will be used by the Trustee to purchase bonds in the open market, or redeem same by lot at 102½ and interest.

Security—Secured by an absolute first mortgage on all franchises, real and personal property owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Exempt from California Personal Property tax.

Legal Opinion—Knight & Reynolds (for the bankers).

Original Offering—First publicly offered ($385,000, Series "A" 6½s) in July, 1926, at 100 and interest, by Southwest Bond Company, Los Angeles.

OFFICERS

Officers: J. L. Munson, Pres.; G. W. Munson, V-P., Los Angeles, Cal.

General Office, 214 E. 96th St., Los Angeles, Cal.

THE WILKES-BARRE RAILWAY CORPORATION

History—Incorporated June 3, 1924. Owns $100,000 of its Preferred stock and all the Common stock and unfunded debt of The Wilkes-Barre Railway Company. As of July 1, 1924, took over leases of all the street railways formerly operated by The Wilkes-Barre Railway Company, as follows: The Wilkes-Barre & Wyoming Valley Traction Co., Wilkes-Barre & Luzerne Street Railway Co. and Wilkes-Barre & Hanover Street Railway Co. Operates 117 miles of street railways in the City of Wilkes-Barre, and in other parts of Luzerne County, Pa. (For terms of the various leases see statements appended).

CAPITAL STOCK

Authorized, $1,500,000 Common and $750,000 6% cumulative Pfd.; outstanding, $950,000 Common and $750,000 Pfd.; par, $100. Initial dividend of 3% paid on Pfd. stock, Jan. 1, 1925; July 1, 1925, 3%; 1926, 5.2%; 1927, 5.2%. On Sept. 1, 1925, 2% paid on Common stock.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	‡1925	*1924	1923	1922
Gross earnings	$2,365,632	$2,329,135	$2,326,719	$2,520,702	$2,470,057	$2,267,308
Oper. exp., taxes & depreciation	1,567,859	1,626,854	1,674,949	1,782,607	1,710,627	1,614,933
Net earnings	$737,773	$702,281	$651,770	$738,095	$759,430	$652,375
Other income	13,937	20,092	16,043	9,226	12,108	12,275
Total income	$751,710	$722,373	$667,813	$747,321	$771,538	$664,650
Interest charges	5,513	12,796	495	24,680	55,764	58,739
Rentals, etc.	623,138	624,257	624,257	621,807	621,957	620,371
Total charges	$628,651	$637,053	$624,752	$646,487	$677,721	$679,110
Surplus for year	$123,059	$85,320	$43,061	$100,833	$93,817	†$14,460
§Earnings Per Share—						
Preferred	$16.41	$11.37	$5.74	$13.44	$12.51	Nil
Common	8.85	4.24	Nil	5.88	5.14	Nil

*Represents the Jan. 1 to June 30 income account of The Wilkes-Barre Railway Company and for July 1 to Dec. 31, that of The Wilkes-Barre Railway Corporation. Years prior to 1924 represent earnings of The Wilkes-Barre Railway Company †Deficit. ‡Decrease in 1925 gross earnings due to five months suspension of work in anthracite mines. §For comparative purposes based on present capital for all years.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of road properties, etc.	$14,153,855	$14,122,389	$13,955,528
Securities owned	1,978,465	1,983,465	1,846,810
Materials and supplies	73,744	83,255	78,919
Notes & accts, receivable	86,310	75,284	203,770
Cash	181,688	99,076	102,613
Unadjusted debits, etc.	16,718	26,948	11,483
Total	$16,490,480	$16,390,417	$16,199,123

Liabilities—	1927	1926	1925
Common stock	$950,000	$950,000	$950,000
Preferred stock	750,000	750,000	750,000
Non-negotiable debt to affil. cos.	13,737,934	13,737,934	13,737,934
Accounts & notes payable	74,653	161,679	280,712
Interest and rents accrued	61,663	62,247	62,247
Other current liabilities	139,472	166,358	29,150
Tax liability	121,997	124,568	123,734
Deferred credit items	47,716	47,716	47,715
Depreciation reserve	434,910	301,840	175,876
Surplus	172,135	88,075	41,755
Total	$16,490,480	$16,390,417	$16,199,123

Officers: Abram G Nesbitt, Pres.; Wm. S. Bell, V-P. & Gen. Mgr.; C. W. Laycock, Sec. & Treas.

Directors: Abram G. Nesbitt, H. B. Schooley, F. M. Kirby, C. W. Laycock, F. W. Wheaton.

Office, Wilkes-Barre, Pa.

THE WILKES-BARRE RAILWAY COMPANY

(Controlled by The Wilkes-Barre Railway Corporation)

History—Incorporated Nov. 23, 1909, in Pa. Formerly leased the Wilkes-Barre & Wyoming Valley Traction Co., including its leased lines together with the Wilkes-Barre, Dallas & Harvey's Lake Ry., for 800 years from Jan. 1, 1910, at a rental of $360,000 the first year, increasing $10,000 every two years until the maximum of $400,000 is reached, and all obligations in the way of interest, taxes, etc, of the company. As of July 1, 1924, lease was assigned to The Wilkes-Barre Railway Corporation.

CAPITAL STOCK

Authorized, $1,500,000; outstanding, $900,000; par, $100. Entire capital stock owned by The Wilkes-Barre Railway Corporation. Annual meeting, fourth Thursday in January.

Dividends—2% paid in 1912; 6% in 1913; 5% in 1914; none since.

FUNDED DEBT

None.

Officers: F. M. Kirby, Pres.; Abram G. Nesbitt, V-P.; Wm. S. Bell, V-P. & Gen. Mgr.; C. W. Laycock, Sec. & Treas., Wilkes-Barre, Pa.

Directors: Abram G. Nesbitt, H. B. Schooley. C. W. Laycock, F. M. Kirby, F. W. Wheaton.

Office, Wilkes-Barre, Pa.

THE WILKES-BARRE & WYOMING VALLEY TRACTION CO.

(Operated under Lease)

History—Incorp. Feb. 9, 1891, in Pa. Charter and franchises perpetual. Owns majority of the capital stocks of the following: Nanticoke St. Ry.; West-Pittston & Wyoming St. Ry.; Plymouth St. Ry.; Pittston, Moosic & Pleasant Valley St. Ry.; Wilkes-Barre & Kingston Passenger Ry.; Coalville Passenger Ry.; Wilkes-Barre & West Side Ry.; Wilkes-Barre & Suburban St. Ry.; Pittston St. Car Co.; Wilkes-Barre & East Side Ry.; Pittston & Avoca St. Ry.; Wilkes-Barre & Plains St. Ry.; and Wilkes-Barre, Dallas & Harvey's Lake Ry. Co. The railroad lines aggregate 65.23 miles; total track, 100 miles. Gauge, standard. Cars, 141. Rail, 40 to 141 lb. T and girder. Power stations, 2; engines to generate power, 10.

Formerly leased to the Wilkes-Barre Ry. Co. for 800 years from Jan. 1, 1910, at a rental of $360,000 the first year, increasing $10,000 every two years until the maximum of $400,000 is reached, and all obligations in the way of interest, taxes etc., of the company, but as of July 1, 1924, lease was assigned to The Wilkes-Barre Railway Corporation.

CAPITAL STOCK

Authorized and outstanding, $5,000,000; par, $100. All owned by United Power & Transportation Co. Annual meeting, fourth Monday in January.

Dividends—4.67% paid in 1918; 1919, 6.49%; 1920, 5.70%; 1921, 5.80%; 1922, 4.62%; 1923, 6.37%; 1924, 0.90% (90 cents per share); 1925, 6%; 1926, 5.28%; 1927, 4.12%.

FUNDED DEBT

(1)

$1,500,000 FIRST MORTGAGE GOLD 7s (FORMERLY 5s); ORIGINALLY DUE APRIL 1, 1921, BUT EXTENDED TO APRIL 1, 1931, AS 7s

Dated April 1, 1891.

Interest Payable April and October 1, at Provident Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000; principal may be registered.

Security—A first lien on property owned; also on following securities pledged: 1010 shares Wilkes-Barre and West Side Ry. Co., 1010 shares Wilkes-Barre and Kingston Passenger Ry. Co., and 315 shares Coalville Passenger RR.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$240,000 COLLATERAL TRUST & MORTGAGE 6s (FORMERLY 5s); ORIGINALLY DUE JANUARY 1, 1925, BUT EXTENDED TO JANUARY 1, 1935, AS 6s

Dated January 1, 1895.

Interest Payable January and July 1, at Miners Bank, Wilkes-Barre, Pa., Trustee, and in New York and Philadelphia. Coupon, $1,000. Authorized, $325,000, of which $85,000 have been retired and cancelled.

Callability—Subject to call upon 60 days' notice at 102 and interest, prior to July 1, 1926, thereafter at par and interest.

Security—Secured by pledge of $150,000 5% bonds of Wilkes-Barre & East Side Ry. Co., 2,990 shares stock of Wilkes-Barre and East Side Ry. Co., 1,735 shares stock of Wilkes-Barre & Suburban St. Ry. Co., 275 shares stock of the Wilkes-Barre & West Side RR. Co. In addition these bonds are a general mtge. on the entire property of the Wilkes-Barre & Wyoming Valley Traction Co., subject to above described First 5s (now 7s). These bonds are followed by $239,000 Collateral Trust & Mortgage (Est. 6%) bonds of the Wilkes-Barre & Wyoming Valley Traction Co., dated Dec. 15, 1902; $5,000,000 capital stock of The Wilkes-Barre & Wyoming Valley Traction Co.; $750,000 Pfd. stock and $950,000 Common stock of The Wilkes-Barre Railway Corp.

Assumption—By Extension Agreement of Dec. 1, 1924, The Wilkes-Barre Railway Corp. directly assumes the payment of interest and principal of these bonds.

Tax Provisions—Company does not pay Normal Federal Income Tax. Free from Pennsylvania four mills tax.

Legal Opinion (Extended bonds)—Hon. F. W. Wheaton, Wilkes-Barre, Pa.

(3)

$239,000 COLLATERAL TRUST & MORTGAGE 6s (FORMERLY 5s); ORIGINALLY DUE DECEMBER 15, 1922, EXTENDED TO DECEMBER 15, 1932, WITH INTEREST AT 6% PER ANNUM

Dated December 15, 1902.

Interest Payable June and December 15, at Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Subject to call at 100½ and interest.

Security—Secured by pledge of 3,875 shares of stock of Wilkes-Barre, Dallas & Harvey's Lake Ry., 125 shares of the Wilkes-Barre & Suburban St. Ry., 454 shares of Wilkes-Barre & West Side Ry. Co., 974 shares of Wilkes-Barre & Kingston Pass. Ry. Co., and also by a mortgage on the company's entire property, subject to the prior liens described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Rentals	$537,980	$538,040	$538,040
Other income	205	149	319
Total income	$538,185	$538,189	$538,359
Bond interest	133,980	134,040	134,040
Other expenses	38,102	45,637	51,319
Total charges	$172,082	$179,677	$185,359
Surplus for year	$366,103	$358,512	$353,000

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$8,150,881	$8,150,881	$8,150,881
Sinking fund	.....	1,856	1,747
Cash on hand	1,692	1,693	1,693
Other current assets	45,689	45,689	45,689
Total	$8,198,262	$8,200,119	$8,200,010
Liabilities—			
Capital stock	$5,000,000	$5,000,000	$5,000,000
Funded debt	1,979,000	1,984,000	1,984,000
Accrd. reserve sinking fund	.....	1,856	1,747
Unadjusted credits	304,384	458,487	550,000
Profit and loss	914,878	755,776	664,263
Total	$8,198,262	$8,200,119	$8,200,010

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr. Sec. & Treas., Philadelphia, Pa.

Directors: W. A. Rigg, Daniel Houseman, T. W Grookett, Jr., Philadelphia, Pa.; William McIlvain Reading, Pa.; John W. Goodwin, Camden, N. J.

Office, Wilkes-Barre, Pa.

COALVILLE PASSENGER RR. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated March 24, 1868, in Pa. Leased on April 20 1892 to The Wilkes-Barre & Wyoming Valley Traction Co. fo 999 years at an annual rental of 6% on the capital stock Length of line, 7.65 miles.

CAPITAL STOCK

$62,400; par, $100. The Wilkes-Barre & Wyoming Valley Traction Co. owns $36,300 of the stock. Annual meeting second Monday in January.

FUNDED DEBT

None.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

NANTICOKE STREET RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated March 9, 1891, in Pa. Leased March 13, 1891, to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years; rental, $1, per annum. Length of line, 11.99 miles.

CAPITAL STOCK

$6,000. All owned by The Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

PITTSTON & AVOCA STREET RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated Nov. 9, 1906, in Pa. On June 30, 1909, leased to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years, at a rental of $1 per annum and interest on bonds. Length of line, 2.25 miles.

CAPITAL STOCK

$13,500. All owned by The Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in January.

FUNDED DEBT

$65,000 First Mortgage Gold 5s: dated July 1, 1909; due July 1, 1939; interest Jan. and July 1, at Miners Bank, Wilkes-Barre, Pa., Trustee. Authorized, $80,000; $15,000 retired and cancelled. Guaranteed, principal and interest, by The Wilkes-Barre & Wyoming Valley Traction Co. Company pays Normal Federal Income Tax up to 2%.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Reading, Pa.
General Office, Reading, Pa.

PITTSTON, MOOSIC & PLEASANT VALLEY STREET RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated Feb. 5, 1891, in Pa. Leased March 5, 1891, to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years; rental, $1 per annum. Length of line, 1.49 miles.

CAPITAL STOCK

$42,000. All owned by The Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

PITTSTON STREET CAR CO. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated May 25, 1878 in Pa. Owns entire capital stock of Wilkes-Barre & Suburban St. Ry. and majority of stock of Wilkes-Barre & West Side Ry. Leased April 18, 1894 to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years. Rental, $1.00 per annum. Length of line, 7.90 miles.

CAPITAL STOCK

Authorized and outstanding, $200,000; all owned by The Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

PLYMOUTH & LARKSVILLE RY. (Leased to The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated May 8, 1901, in Pa. Leased on July 1, 1904, to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years at an annual rental of 6% on the stock and interest on the bonds. Length of line, 3½ miles. Gauge, standard. Rails, 75 lb. T. Cars, 4.

CAPITAL STOCK

Authorized and outstanding, $75,000; par, $50. Annual meeting, second Monday in January.

FUNDED DEBT

$75,000 First Mortgage 5s; dated 1902; due Jan. 1, 1932; int. Jan. and July 1, at Anthracite Sav. Bank, Wilkes-Barre, Trustee. Guaranteed, principal and interest, by The Wilkes-Barre & Wyoming Valley Traction Co. Company pays Normal Federal Income Tax up to 2%.

Officers: D. A. Fell, Pres.; R. W. Day, V-P.; Paul Bedford, Sec. & Treas., Wilkes-Barre, Pa.
Directors: Paul Bedford, R. W. Day, D. A. Fell, Abram Nesbitt, B. B. Winchester, Wilkes-Barre, Pa.
Office, Wilkes-Barre, Pa.

PLYMOUTH STREET RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated Jan. 10, 1891, in Pa. Leased to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years at rental of $1 per annum. Length of line, 6.28 miles.

CAPITAL STOCK

$12,000. All owned by Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas. Philadelphia.
Office, Wilkes-Barre, Pa.

WEST PITTSTON & WYOMING STREET RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated Jan. 19, 1891, in Pa. Leased March 5, 1891, for 999 years to The Wilkes-Barre & Wyoming Valley Traction Co., which owns the entire $30,000 stock. Rental, $1 per annum. Length of line, 3.44 miles. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

WILKES-BARRE & EAST SIDE R. R. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated April 29, 1893, in Pa. Leased March 9, 1895 to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years, the lessee owning the entire $150,000 stock and $150,000 bonds. Rental, $1 per annum. Length of line, 3.28 miles. Annual meeting, second Monday in Jan.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

WILKES-BARRE & HANOVER STREET RY. CO. (Leased to The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated Nov. 18, 1912, in Pa. On Dec. 1, 1913, leased to The Wilkes-Barre Ry. Co. for 795 years, at an annual rental commencing at 1% and reaching 6% in the sixth year and continuing thereafter at 6%; lessee also pays interest on bonds and guarantees same by endorsement on each bond. On July 1, 1924, this lease was assigned to The Wilkes-Barre Railway Corporation. Company owns six modern cars and its tracks are laid mostly on private right of way in Hanover Township and Borough of Nanticoke, Pa. Length of track, about 3½ miles.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. Annual meeting, second Monday in January.

FUNDED DEBT

$132,000 First Mortgage Gold 6s; dated Nov. 1, 1913; due 1943; interest May and Nov. 1, at Miners Bank of Wilkes-Barre, Pa. Guaranteed, principal and interest, by endorsement, by the Wilkes-Barre Ry. Co. Company pays Normal Federal Income Tax up to 2%.

Officers: T. A. Wright, Jr., Pres,; John S. Kelchner, Sec. & Treas., Wilkes-Barre, Pa.
Office, Wilkes-Barre, Pa.

WILKES-BARRE & KINGSTON PASSENGER RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated April 14, 1859, in Pa. Leased to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years from May 1, 1892; annual rental, 6% on stock, in addition to fixed charges and guaranty of principal and interest of the bonds. Length of line, 8½ miles.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. All but six shares owned by The Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in May.

FUNDED DEBT

$50,000 John Graham Real Estate Mtge. 5s; dated 1893. due Aug. 1, 1918; extended to Aug. 1, 1928: int. Feb. and Aug. 1, at Miners Bank, Wilkes-Barre, Pa., Trustee. Registered, $500. These bonds were formerly 6s and matured Aug. 1, 1903, but were extended to 1918 at 5%, and again to 1928.

$100,000 Real Estate Mortgage 6s; dated December 15. 1927; due April 1, 1931. A First Mortgage on car barns and office building.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

WILKES-BARRE & LUZERNE STREET RY. CO. (Operated under Lease)—History—Incorporated Sept. 23, 1910, in Pa. Formerly leased to the Wilkes-Barre Ry. Co. for 795 years at annual rental of 6% on stock and interest on the bonds. On July 1, 1924, lease was assigned to The Wilkes-Barre Railway Corporation. Owns large power plant

and three sub-power plants which furnish power to lessee's system of railways. Owns 32 cars and about 5 miles of track, furnishing a part of the shortest route to Dallas and Harvey's Lake from the city of Wilkes-Barre.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $50. All except eight shares owned by The Wilkes-Barre Ry. Co. Annual meeting, second Monday in Jan.

FUNDED DEBT

$600,000 First Mtge. Gold 5s; dated Feb. 1, 1911; due Feb. 1, 1941; int. Feb. and Aug. 1, at Miners Bank of Wilkes-Barre, Pa. Subject to call at 105. Guaranteed, principal and int., by endorsement, by The Wilkes-Barre Ry. Co. Company pays Normal Federal Income Tax up to 2%.

Officers: T. A. Wright, Jr., Pres.; John S. Kelchner, Sec. & Treas., Wilkes-Barre, Pa.
Office, 8 West Market St., Wilkes-Barre, Pa.

WILKES-BARRE & PLAINS STREET RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated Nov. 9, 1906, in Pa. On June 30, 1909, leased to The Wilkes-Barre & Wyoming Valley Traction Co. for 99 years at rental of $1 per annum and interest on bonds. Length of line, 4 miles.

CAPITAL STOCK

$24,000. All owned by The Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in Jan.

FUNDED DEBT

$217,000 First Mortgage Gold 5s; dated July 1, 1909; due July 1, 1939; int. Jan. and July 1, at Anthracite Savings Bank, Wilkes-Barre, Pa. Authorized, $250,000, of which $8,000 have been retired and cancelled. Guaranteed principal and interest by The Wilkes-Barre & Wyoming Valley Traction Co. Company pays Normal Federal Income Tax up to 2%.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Treas., Reading, Pa.
General Office, Wilkes-Barre, Pa.

WILKES-BARRE & SUBURBAN STREET RY. (Leased to The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated July 1, 1887, in Pa. Leased on July 21, 1892, to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years at rental of 6% on stock, interest on bonds, and payment of principal of bonds at maturity. Length of track, 13.48 miles.

CAPITAL STOCK

$100,000. A majority owned by The Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in Jan.

FUNDED DEBT

$40,000 4s; due July 1, 1918; extended to July 1, 1928, with interest at 5%. Company pays Normal Federal Income Tax up to 2%.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

WILKES-BARRE & WEST SIDE RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated May 26, 1887. On May 1, 1892, was leased to The Wilkes-Barre & Wyoming Valley Traction Co. for 999 years. Rental is 6% on stock, interest on bonds and the payment of principal of bonds at maturity. Length of track, 17.84 miles.

CAPITAL STOCK

$100,000. A majority owned by The Wilkes-Barre & Wyoming Valley Traction Co. Annual meeting, second Monday in Jan.

FUNDED DEBT

None.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Office, Wilkes-Barre, Pa.

WILKES-BARRE, DALLAS & HARVEY'S LAKE RY. (Controlled by The Wilkes-Barre & Wyoming Valley Traction Co.)—History—Incorporated Jan. 29, 1896, in Pa.; reorganization in Sept. 1898, of the Wilkes-Barre & Northern R. R. Co., sold under foreclosure. Line of road: Luzerne to Harvey's Lake. Length of line, 11.84 miles; total track, 15.64 miles. Gauge, standard. Rail, 60 lb. T. Cars, 5.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $50. The Wilkes-Barre & Wyoming Valley Traction Co. owns the entire capital stock. Annual meeting, fourth Monday in Jan.

FUNDED DEBT

$150,000 First Mortgage Gold 5s; dated Sept. 15, 1898; due Sept. 15, 1928; int. Mar. and Sept. 15, at Anthracite Savings Bank, Wilkes-Barre, Trustee. Coupon, $500; principal may be registered. A first lien on property. Company does not pay Normal Federal Income Tax.

Officers: W. A. Rigg, Pres.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.
Directors: Walter A. Rigg, William McIlvain, Reading, Pa.; David Houseman, T. W. Grookett, Jr., Philadelphia, Pa.; John W. Goodwin, Camden, N. J.
Office, Wilkes-Barre, Pa.

HORNELL GAS LIGHT CO.

History—Incorporated in July, 1894, in New York for the distribution and sale of natural and mixed gas. In January, 1927 purchased all of the capital stock of Canisteo Gas Co. Franchise expires in 1949. Miles of mains 28. No. of meters, 4,361. Prices, gross, 75 cents; net, 70 cents. Population served, 15,800.

CAPITAL STOCK

Authorized and outstanding, $75,000. Annual meeting, in January.

Dividends—1910, 18%; 1911, 11%; 1912, 8%; 1913, 14%; 1914 to 1917, 6% per annum; 1918, none; 1919 6%; 1920 and 1921, 3% each; 1922 and 1923, 4% each none thereafter until 1926 when 6% was paid; 1927 6%.

FUNDED DEBT

$103,000 First and Refunding Gold 5s; dated July 1 1909; due July 1, 1949; int. Jan. and July 1, at Chemung Canal Trust Co., Elmira, N. Y., Trustee. Authorized issue, $234,000. Sinking fund ½% of origina issue to retire bonds. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$104,030	$74,962	$70,49
Oper. exp. & taxes	85,556	51,218	48,04
Net earnings	$18,474	$23,744	$22,45
Other income	232	229	2,31
Total income	$18,706	$23,973	$24,76
Bond interest	6,550	4,475	4,57
Other interest	10,272	1,528	1,52
Other fixed charges	1,551	5,372	5,18
Total charges	$18,373	$11,375	$11,27
Net income	333	12,598	13,48
Other deductions	1,310	.....	48
Dividends paid	4,500	4,500	.....
Surplus for year	*$5,477	$8,098	$12,99

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$484,212	$356,449	$284,08
Other investments	950	50,570	4,60
Materials & supplies	22,563	22,064	14,41
Cash	417	.....	2,21
Accounts receivable	74,059	47,346	34,67
Other assets	548	23	
Prepayments	7,924	7,962	5,94
Unamortized debt discount	5,994	4,832	5,30
Total	$596,667	$489,246	$351,24
Liabilities—			
Capital stock	$75,000	$75,000	$75,00
Funded debt	103,000	89,000	90,00
Consumers' deposits	30,730	25,872	25,81
Notes payable	200,000	160,000	.....
Accounts payable	35,573	.....	30,00
Interest accrued	2,039	1,716	1,63
Unadjusted credits	504	442	38
Cash overdraft	.....	464	.....
Other current liabilities	.....	35,540	35,41
Other reserves	37,276	20,080	19,00
Depreciation reserve	110,254	73,364	72,43
Profit and loss surplus	2,291	7,768	1,53
Total	$596,667	$489,246	$351,24

Officers: Harry Bradley, Pres., Wellsville, N. Y Geo. H. Bradley, V-P., Bolivar, N. Y.; J. B. Bradle Sec., Treas. & Gen. Mgr., Hornell, N. Y.; J. H. Well Supt., Canesteo, N. Y.

Directors: Geo. H. Bradley, John C. Bradley, Bol var, N. Y.; Harry Bradley, M. W. Bradley, Wellsvill N. Y.; J. B. Bradley, Hornell, N. Y.
General Office, Wellsville, N. Y.

THE TRINIDAD ELECTRIC COMPANY, LIMITED

History and Property—Incorporated in 1869 in Trinidad and absorbed the Trinidad Electric Light & Power Co., Ltd., the Tramway Co. of Trinidad (mule) and the Belmont Tramway Co., Ltd. Owns a modern electric plant and 12½ miles of street railway in Port of Spain, Trinidad. Total passengers carried in 1927, 3,367,463, compared 3,288,805, in 1926, 3,324,290 in 1925 and 3,551,263 in 1924. Car mileage, 770,740 in 1927 compared with 779,390 in 1926, and 770,250 in 1925. No. of cars, 30. No. of incandescent lamps, 49,939. Arc and series incandescent lamps, 891; stationary motors, 37 2-3 h.p.

CAPITAL STOCK

Authorized, $1,200,000; outstanding, $1,164,000; par, £1 ($4.80). Transfer Agent: Montreal Trust Co., Halifax. Registrar: Eastern Trust Co., Halifax. Annual meeting, in May.

Dividends—Quarterly dividends at rate of 5% per annum were paid for many years, until and including the July, 1915, payment; none thereafter until July 10, 1917, when 1¼% was paid; Oct. 10, 1917, 1¼%; Jan. 1918, 1¼%; none thereafter until July 10, 1921, when 1% was paid for the quarter ended June 30, 1921, which quarterly was continued to July 1, 1924, since which date rate has been 1¼% quarterly. Payments J, A, J & O 10, at Royal Bank of Canada.

FUNDED DEBT

$720,000 Debenture 5s; dated June 1, 1901; due June 1, 1931; int. June and Dec. 1, at National Trust Co., Montreal, Trustee. Coupon, £100, or $480.

Legal Opinion—Henry, Stewart, Smith & McCleave, Halifax, N. S.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$415,534	$408,260	$380,071	$391,561	$435,354	$506,113
Operating expenses	260,421	257,749	245,739	260,966	304,457	414,458
Net earnings	$155,113	$150,511	$134,332	$130,595	$130,897	$91,655
Bond interest	36,000	36,000	36,000	36,000	36,000	36,000
Net income	$119,113	$114,511	$98,332	$94,595	$94,897	$55,655
Directors' fees, Trinidad taxes, etc.	16,239	14,238	13,748	13,787	8,882	10,834
Dividends paid	58,200	58,200	58,200	55,290	46,560	46,560
Surplus for year	$44,674	$43,073	$26,383	$25,518	$39,455	*$1,739

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$2,211,070	$2,211,070	$2,211,070	$2,207,733	$2,207,732	$2,207,733
Investments	213,512	97,679	81,476	1,697	.....	.....
Accounts receivable	46,204	40,029	37,946	29,838	33,990	35,296
Materials and supplies	14,365	21,977	18,232	21,507	25,207	25,310
Cash on hand	113,783	125,798	82,952	118,169	74,425	60,572
Suspense account	.....	16,984	24,436	28,571	12,126	13,895
Total	$2,593,934	$2,513,537	$2,456,112	$2,407,515	$2,353,480	$2,342,806
Liabilities—						
Capital stock	$1,164,000	$1,164,000	$1,164,000	$1,164,000	$1,164,000	$1,164,000
Debenture bonds	720,000	720,000	720,000	720,000	720,000	720,000
Coupon account	12,972	2,676	3,012	2,232	2,724	1,980
Accounts payable	13,876	8,449	17,761	21,326	20,228	4,687
Reserves	159,933	134,933	109,933	84,933	59,933	105,000
Interest accrued	3,000	3,000	3,000	3,000	3,000	3,000
Dividends payable	14,550	14,550	14,550	14,550	11,640	11,640
Surplus	510,603	465,929	423,856	397,473	371,955	332,499
Total	$2,593,934	$2,513,537	$2,456,112	$2,407,515	$2,353,480	$2,342,806

Officers: Hon. W. B. Ross, Pres., Halifax, N. S.; A. S. Creighton, V-P., Port of Spain, Trin.; H. R. Silver, V-P., F. Beresford Oxley, Sec. & Treas.; Halifax, N. S.; S. D. Harding, Gen. Mgr., Port of Spain, Trin.; T. L. E. Piers, Aud., Halifax, N. S.

Directors: A. S. Creighton, Port of Spain, Trin.; Hon. F. B. McCurdy, Chas. Archibald, H. R. Silver, Col. F. H. Oxley, Hon. W. B. Ross, Halifax, N. S.; F. W. Teele, Montreal; W. H. Chase, Wolfville, N. S.

Head Office, Dennis Bldg., Halifax, N. S.

EMPIRE GAS & FUEL COMPANY, LTD.

History—Incorporated Aug. 1, 1885, in N. Y.; reorganization of the Empire Gas Co. Supplies natural gas to Wellsville, Bolivar, Cuba, Scio, Almond, Alfred Station, Stanards, Richburg, Little Genesee, Alfred, Andover, Greenwood and Whitesville, N. Y. Franchises perpetual. Also furnishes natural gas used by Fornell Gas Light Co. Prices: Domestic, 70 cts. net.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par $100.

Stock transferred and registered at Secretary's office. Annual meeting, last Thursday in January.

Dividends—Dividends paid in recent years as follows: 1908, 2%; 1909, 4%; 1910, 1911, 1912, 1913, and 1914, 2% each; 1915, 3%; 1916, 6%; 1917, 10%; 1918, 11%; 1919 and 1920, 10% each; 1921, 7%; 1922, 1923 and 1924, 10% each; 1925, 12½%; 1926, 15%; 1927, 10%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$898,781	$871,711	$860,614	$827,531	$763,977	$732,896
Operating expenses and taxes	706,657	760,179	710,976	676,720	677,507	647,852
Net earnings	$192,124	$111,532	$149,638	$150,812	$86,470	$85,044
Other income	17,081	26,021	15,205	14,352	13,691	26,156
Total income	$209,205	$137,553	$164,844	$165,164	$100,161	$111,200
Interest, etc.	825	867	1,384	909	900	889
Net income	$208,380	$136,686	$163,460	$164,255	$99,261	$110,311
Dividends paid	100,000	150,000	125,000	100,000	100,000	100,000
Surplus for year	$108,380	*$13,314	$38,460	$64,255	*$739	$10,311
Earnings Per Share	$20.84	$13.67	$16.35	$16.43	$9.93	$11.03

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$3,097,314	$2,944,676	$2,819,637
Stocks, bonds and other investments	287,680	272,938	284,682
Materials and supplies	50,189	42,975	41,858
Bills and notes receivable	163,800	113,896	34,896
Accounts receivable	62,700	81,851	89,491
Other current assets	7,774	10,771	17,278
Cash	101,552	74,238	90,439
Other assets	.....	500	1,132
Total	$3,771,009	$3,541,845	$3,379,413

Liabilities—	1927	1926	1925
Capital payable	$1,000,000	$1,000,000	$1,000,000
Notes payable	.....	.....	3,168
Accounts payable	49,481	25,923	23,520
Interest accrued	2,741	2,846	2,892
Other current liabilities	183,088	199,542	161,800
Reserve for taxes	33,408	29,153	27,388
Consumers' deposits	16,039	15,145	15,865
Unadjusted credits	415	20,626	.....
Retirement reserve	874,640	827,516	719,782
Other reserves	627,999	572,157	527,586
Profit and loss	983,198	848,938	897,408
Total	$3,771,009	$3,541,845	$3,379,413

Officers: Harry Bradley, Pres. & Sec., Wellsville, N. Y.; G. H. Bradley, V-P. & Treas.; J. B. Bradley, Asst. Sec. & Treas., Hornell, N. Y.

Directors: Harry Bradley, M. W. Bradley, Wellsville, N. Y.; G. H. Bradley, J. C. Bradley, Bolivar, N. Y.; J. B. Bradley, Hornell, N. Y.

Office, Wellsville, N. Y.

SCRANTON & WILKES-BARRE TRACTION CORPORATION

History—Incorporated May 29, 1913, in Va. A holding company. Successor after foreclosure sale dated May 29, 1913, to The Lackawanna & Wyoming Valley Rapid Transit Co. (see Manual for 1913, page 3858). As of Feb. 1, 1928 stockholders of Scranton & Wilkes-Barre Traction Corp. adopted a plan for the exchange of Preferred and Common stock for equal par value of Lackawanna & Wyoming Valley Railroad Co. Preferred and Common stock. The Corporation sold its holdings of bonds of Lackawanna & Wyoming Valley Railroad Co. for sufficient cash to retire its outstanding Funded Debt and $1,000,000 Pfd. stock and $250,000 Common stock of Lackawanna & Wyoming Valley Railroad Co. Plans are under way for the elimination of the Scranton & Wilkes-Barre Traction Corp. which heretofore has owned all of the stock and bonds of the Lackawanna & Wyoming Valley Railroad Co. (see statement of latter on page 1296).

CAPITAL STOCK

Authorized, $4,000,000 Common (increased from $1,500,000 in 1922) and $1,000,000 7% cumulative Pfd.; outstanding, $2,398,900 Common and $1,000,000 Pfd.; par, $100.

Preferred Stock Provisions—The Pfd. stock has preference for assets and dividends and was 6% cumulative from June 30, 1914, and 7% after June 30, 1917, and is redeemable at 105. Both Pfd. and Commo stocks have equal voting power.

Transfer Agent—Bank of North America & Trus Co., Philadelphia.

Registrar—Fidelity-Philadelphia Trust Co., Phila delphia.

Annual Meeting—Fourth Monday in March, a Richmond, Va.

Dividends—Dividends of 6% paid on Pfd. fro July, 1913, to June, 1917. In July, 1917, began payin 7%, which rate has been maintained to date.

FUNDED DEBT

(1)

$738,000 LACKAWANNA & WYOMING VALLEY RAPID TRA SIT CO. COLLATERAL TRUST GOLD 5s; DUE AUGUST 1951, BUT CALLED FOR PAYMENT AUGUST 1, 1928 A 105 AND INTEREST

(2)

$1,838,400 SCRANTON & WILKES-BARRE TRACTION COR FIRST AND REFUNDING SINKING FUND GOLD 5s; DU AUGUST 1, 1951, BUT CALLED FOR PAYMENT AUGUS 1, 1928 AT 105 AND INTEREST

(3)

$806,000 SCRANTON & WILKES-BARRE TRACTION COR COLLATERAL TRUST SINKING FUND GOLD 6s; DU APRIL 1, 1934, BUT CALLED FOR PAYMENT APRIL 1, 19 AT PAR AND INTEREST

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Scranton & Wilkes-Barre Trac. Corp. and Lackawanna & Wyoming Valley R. R.)

	1927	1926	1925	1924	1923	1922
Operating income (Oper. Co.)	$420,039	$455,182	$402,422	$416,348	$452,484	$410,1
Other income (Holding Co.)	302	518	115	369	984	9
Total income	$420,341	$455,700	$402,537	$416,717	$453,468	$411,1
Operating expenses and taxes	16,470	16,900	18,494	18,176	15,945	15,0
Bond interest	202,562	203,313	204,062	204,812	205,562	206,3
Total charges	$219,032	$220,213	$222,556	$222,988	$221,507	$221,3
Net income	$201,309	$235,487	$179,981	$193,729	$231,961	$189,7
Preferred dividends paid	70,000	70,000	70,000	69,239	66,535	63,3
Surplus for year	$131,309	$165,487	$109,981	$124,490	$165,426	$126,4

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of property	$7,169,000	$7,169,000	$7,172,000	$7,172,000	$7,160,000	$7,167,7
Cash	15,873	13,523	4,855	9,000	9,458	14,8
Accounts receivable	104,326	104,167	64,537	104,276	104,167	104,1
Sinking fund	1,240	1,209	572	703	872	3,1
Total	$7,290,439	$7,287,899	$7,241,964	$7,285,979	$7,274,497	$7,289,8
Liabilities—						
Common stock	$2,398,800	$2,398,800	$2,398,800	$2,398,800	$2,398,800	$2,398,8
Preferred stock	1,000,000	1,000,000	1,000,000	1,000,000	965,500	925,5
First refunding bonds	1,839,400	1,873,500	1,903,500	1,931,700	1,959,800	1,986,8
Collateral Trust bonds	822,000	837,000	856,000	875,000	893,000	912,0
L. & W. V. R. T. bonds	738,000	753,000	768,000	783,000	798,000	813,0
Bills payable	15,000	20,000	20,000	20,000	.....	.....
Bond interest accrued	74,375	74,688	75,000	75,313	75,625	75,9
Sinking fund reserve	166,840	142,710	118,074	96,005	75,073	56,4
Other accounts	118,021	78,860	636	1,130	1,258	6,5
Profit and loss	118,004	109,341	101,954	105,031	107,441	114,2
Total	$7,290,439	$7,287,899	$7,241,964	$7,285,979	$7,274,497	$7,289,8

Officers: Walter H. Lippincott, V-P.; S. C. Stivers, V-P. & Sec.; E. A. Smith, Treas.

Directors: Frank R. Ford, Walter H. Lippinco P. J. Murphy, S. C. Stivers.

Office, Richmond, Va.

GENESEE VALLEY GAS COMPANY, INC.

History—Incorporated Aug. 6, 1926 in New York. Company has acquired all of the capital stocks of the Pavilion Natural Gas Co., Churchville Oil & Natural Gas Co. and New York State Natural Gas Corp. Will serve without competition through its subsidiaries the towns of Churchville, Bergen, Stafford, Byron, LeRoy, Mt. Morris, Pavilion and Avon, N. Y. and other communities. The total population served is estimated at 25,000. Company has built a plant at Pavilion, N. Y., and is producing manufactured gas for admixture with the natural gas distributed by it.

CAPITAL STOCK

Authorized, 20,000 shares Common of no par value, 1,000,000 7% cumulative Prior Preference of $100 par value and $500,000 6½% Preferred of $100 par value; outstanding, 20,000 shares Common and $33,600 Prior Preference.

FUNDED DEBT

(1)

$40,000 FIRST LIEN 6% BONDS; DUE SEPTEMBER 1, 1956

Dated September 1, 1926.

Interest Payable March and September 1.

Denominations—Coupon, $500 and $1,000.

Trustee—Bank of the Manhattan Company, New York.

Provisions of Issue—Authorized, $600,000; issued, $340,000. The indenture provides that $75,000 additional First Lien bonds may be issued against securities to be presently pledged with the Trustee.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at a premium of 5% on or before Sept. 1, 1936, premium decreasing 1% for each succeeding five years or part thereof to Sept. 1, 1951, and thereafter at par.

Security—Secured by pledge with the Trustee of all of the capital stocks of subsidiary companies. The indenture provides that no additional stock or further indebtedness may be incurred (except in course of current operations and except purchase money and construction bonds and mortgages and extensions and replacements thereof), except when such obligations are pledged under this indenture, in which case they may be used under restrictions of the indenture as a basis for issuance of additional bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, Maryland 4½ mills tax, District of Columbia tax up to 5 mills, and Massachusetts Income tax up to 6% refundable.

(2)

$160,000 TEN-YEAR 7% DEBENTURE GOLD BONDS; DUE SEPTEMBER 1, 1936

Dated September 1, 1926.

Interest Payable March and September 1.

Denominations—Coupon, $500 and $1,000.

Trustee—Bank of the Manhattan Company, New York.

Provisions of Issue—Authorized, $1,000,000; issued, $160,000.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 103 and interest on or before September 1, 1934 and thereafter at par and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, Maryland 4½ mills tax, District of Columbia tax up to 5 mills, and Massachusetts Income tax up to 6% refundable.

Earnings of properties to be acquired, year ended June 30, 1926.—Gross, $125,764; net income, $40,872.

Officers: Theodore W. Stemmler, Jr., Pres.; R. H. Burdick, V-P. & Treas.; Robert J. Thompson, Gen. Mgr.

Office, 30 Broad St., New York.

PAVILION NATURAL GAS CO.

(Controlled by Genesee Valley Gas Co., Inc.)

History—Incorporated Nov., 1904, in N. Y. Furnishes natural gas in LeRoy, Pavilion, Warsaw, Perry, Moscow, Avon and Mt. Morris, N. Y. Franchises extend thirty-five to forty years. Population served, 19,000.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. All owned by Genesee Valley Gas Co., Inc. and pledged under that Company's First Lien 6s. Annual meeting, third Wednesday in September, at Pavilion, N. Y.

Dividends—Paid dividends of 30% each, 1912 to 1917 incl.; none since.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$158,745	$91,470	$100,252
Oper. exp. & taxes	142,296	107,199	85,393
Net earnings	$16,449	*$15,729	$14,859
Interest, etc.	2,590	5,438	6,568
Surplus for year	$13,859	*$21,167	$8,291

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,229,885	$948,595	$803,008
Other investments	64,627	64,627	64,627
Materials and supplies	8,970	8,398	7,211
Cash	5,721	24,063	4,763
Current accounts	33,658	27,185	29,350
Prepayments	2,006	3,206	.....
Total	$1,344,867	$1,076,074	$908,959
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Loans & notes payable	135,744	89,667	96,500
Current liabilities	40,426	71,123	11,578
Reserve for taxes	8,509	7,075	.....
Consumers' deposits	17,955	18,645	19,155
Advances to affiliated Co.	232,219	.....	.....
Accrued amort. & reserves	300,965	477,582	452,189
Other reserves	4,058	21,277	16,605
Surplus	504,991	290,705	212,932
Total	$1,344,867	$1,076,074	$908,959

Officers: Theodore W. Stemmler, Jr., Pres.; R. H. Burdick, V-P. & Treas.; S. H. Reynolds, Jr., Sec., New York.

Directors: Theodore W. Stemmler Jr., R. H. Burdick, Howard Morris, S. H. Reynolds, Jr., Donald Howell, Merle I. St. John, W. H. Battles, T. W. Finnletter, New York.

Office, Pavilion, N. Y.

KANSAS CITY, CLAY COUNTY & ST. JOSEPH COMPANY

History—Incorporated Sept. 12, 1911, in Me. Owns entire Common capital stock of the Kansas City, Clay County & St. Joseph Ry. Co. (Missouri Corporation) which owns and operates an interurban railway of 80½ miles connecting Kansas City and St. Joseph and Kansas City and Excelsior Springs.

CAPITAL STOCK

Authorized, $4,500,000 Common; outstanding, $4,000,000 Common; par, $100. On July 29, 1922, an issue of $1,550,000 Pfd. stock then outstanding was exchanged share for share for Kansas City, Clay County & St. Joseph Ry. Co. 7% cumulative Pfd. stock.

Transfer Agent—National City Bank, New York.

Annual Meeting—Third Tuesday in January, at Portland, Me.

Dividends—No dividends paid to April 1, 1928.

FUNDED DEBT

None.

Officers: R. H. Delafield, Pres.; Pierpont V. Davis, V-P.; Francis J. Mullan, Sec. & Treas.; Caleb Stone, Asst. Sec. & Asst. Treas., New York, N. Y.; Wadleigh B. Drummond, Clerk, Portland, Me.

Directors: Allen G. Hoyt, Pierpont V. Davis, R. H. Delafield, Clement R. Ford, Francis J. Mullan, New York, N. Y.

General Office, 55 Wall St., New York, N. Y.

KANSAS CITY, CLAY COUNTY AND ST. JOSEPH RAILWAY COMPANY

(Controlled by Kansas City, Clay County & St. Joseph Co.)

History and Property—Incorporated March 22, 1911, in Mo. Operates lines from Kansas City to St. Joseph, Mo., and from Kansas City to Excelsior Springs, Mo., passing through towns of Dearborn, Liberty and Moseby, a total of 80 miles, of which 69 miles are on private right of way. The line to Excelsior Springs opened for operation Jan. 21, 1913, and main line to St. Joseph started operating May 5, 1913. Equipment consists of 26 motor passenger cars, 5 motor freight cars, 3 service cars, and 28 other cars.

The terminal service to Kansas City for the Quincy, Kansas City & Omaha RR. Co., commenced in Dec., 1914, was discontinued in 1925. The St. Joseph Electric Ry. Co. (see 1925 Manual, page 744), formerly controlled through stock ownership was merged into Kansas City, Clay County & St. Joseph Ry. Co. and dissolved during 1925.

CAPITAL STOCK

Authorized, $4,000,000 Common and $6,000,000 7% cumulative Pfd.; outstanding, $2,450,000 Common and $1,550,000 Pfd.; par, $100. Common stock all owned by Kansas City, Clay County & St. Joseph Co.

Annual Meeting—Second Monday in January.

Dividends—Common dividends of 2⅞% were paid in 1914; 1⅜% in 1915, and an additional dividend of 1⅜% was paid in 1916 from income of 1915, 2¾% from 1916 income was paid; 1917, 2⅞%; 1918, 2¾%; 1919, 2¾%; 1920, 2¾%; 1921, 3 3/16%; 1922, 1⅜%; none since; payments semi-annually, June and Dec. 1. On Pfd., 1¾% on Oct. 1, 1922; 1923, 7%; 1924, 7%; 1925, 7%; Jan., 1926, 1¾%; none since; payments were made quarterly, J, A, J & O 1. Directors meet approximately M, J, S & D 15 for dividend action.

FUNDED DEBT

$2,990,000 FIRST MORTGAGE GOLD 5s; DUE SEPT. 1, 1941

Dated September 1, 1911.

Interest Payable March and September 1, at The Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Equitable Trust Co. of New York and John F. Downing, of Kansas City, Mo.

Provisions of Issue—Authorized, $10,000,000; issued, $3,285,000, of which $295,000 retired by sinking fund, leaving $2,990,000 outstanding at Dec. 31, 1927.

Callability—Subject to call on any interest date at option of company, at 105 and accrued interest.

Sinking Fund—Sinking fund, on Sept. 1, 1917, and each Sept. 1 thereafter, a sum equal to 1½% of the total face amount of certified bonds.

Security—A direct first lien on all the property, rights and franchises of the Kansas City, Clay County & St. Joseph Ry. Co., now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$724,416	$828,176	$874,416	$977,881	$1,235,041	$1,212,292
Operating expenses & taxes	555,085	621,347	642,056	647,369	763,077	741,016
Depreciation	17,396	17,396		44,646	100,060	100,002
Net earnings	$151,935	$189,433	$232,360	$285,866	$371,904	$371,274
Other income	11,565	15,489	10,345	11,433	8,039	5,865
Total income	$163,500	$204,922	$242,705	$297,300	$379,943	$377,139
Interest charges	151,683	156,215	160,319	161,403	161,450	161,304
Other deductions	4,419	1,144	3,215	3,257	2,043	2,004
Total charges	$156,102	$157,359	$163,534	$164,660	$163,493	$163,308
Net income	$7,398	$47,563	$79,171	$132,640	$216,450	$213,831
Dividends paid	.....	.....	108,500	108,500	108,500	109,250
Surplus for year	$7,398	†$77,767	$29,329	$24,140	$107,950	$104,581
Times Interest Earned	1.05	1.31	1.49	1.82	2.34	2.32
Earnings Per Share—						
Preferred	$0.48	$3.07	$5.11	$8.56	$13.96	$13.79
Common	Nil	Nil	Nil	0.98	4.40	6.51

†Includes Profit and Loss Credits of $30,204.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Road, properties and equipment	$8,154,922	$8,147,600	$8,124,527	$7,922,140	$7,874,646	$7,859,70
Stocks owned	40,000	40,000	40,000	140,000	100,000	100,00
Bonds owned	34,021	34,021	34,021	136,979	138,459	139,87
Other investments	148,804	157,381	123,319	123,319	2,100	85
Materials and supplies	68,947	73,465	83,594	78,923	79,819	70,51
Cash on hand	112,863	122,246	125,896	202,424	387,786	278,21
Accounts receivable	4,148	6,770	45,821	10,791	8,024	8,46
Sinking fund	49,980	50,036	50,148	55,966	49,926	49,76
Unadjusted debits	17,803	18,472	43,480	25,596	41,955	31,03
Other assets	.....	.....	2,025	1,675	.....	.....
Total	$8,631,488	$8,649,991	$8,672,831	$8,697,813	$8,682,715	$8,538,42
Liabilities—						
Common stock	$2,450,000	$2,450,000	$2,450,000	$2,450,000	$2,450,000	$2,450,00
Preferred stock	1,550,000	1,550,000	1,550,000	1,550,000	1,550,000	1,550,00
Funded debt	2,990,000	3,050,000	3,152,000	3,224,000	3,229,000	3,229,00
Accounts payable	46,895	56,273	67,498	64,280	84,409	90,23
Dividends unpaid	.....	.....	.....	.....	.....	26,90
Accrued interest	49,833	50,833	52,533	53,733	53,817	53,81
Other current liabilities	5,676	12,969	2,307	.....	29,928	.....
Depreciation reserve	596,358	578,963	568,838	551,514	510,766	449,51
Operating reserve	10,788	15,252	.....	.....	.....	.....
Reserve for taxes	.....	.....	.....	5,000	.....	.....
Unadjusted credits	4,479	.....	21,721	17,665	16,374	14,07
Deferred credits	.....	.....	.....	.....	.....	26
Appropriated surplus	540,839	490,536	440,175	.....	.....	.....
Profit and loss surplus	386,620	395,165	367,759	781,620	758,421	674,62
Total	$8,631,488	$8,649,991	$8,672,831	$8,697,813	$8,682,715	$8,538,42

Officers: Robert P. Woods, Pres. & Gen. Mgr.; . S. Mahan, V-P.; W. S. Tuley, Sec., Treas. & Aud., ansas City, Mo.

Directors: A. G. Hoyt, P. V. Davis, Clement R. ord, Robert H. Delafield, New York; Robert P. Woods, John F. Downing, Wm. T. Kemper, E. F. Swinney; W. S. Tuley, H. A. Clayton, R. S. Mahan, Kansas City, Mo.; J. G. Schneider, W. F. Enright, St. Joseph, Mo.

General Office, Kansas City, Mo.

MIAMI CITY POWER AND WATER COMPANY

History—Incorporated in Ariz. in 1924, as Consum- s Utility Co., name changed to present title in 1925. opulation served, approximately, 10,000. Entire roperty of Company has been leased to the Munici- ality of Miami, Ariz., for a period of 10 years, at an verage net rental of $68,425. The lease provides that ie Municipality shall maintain the property in a high ate of efficiency, including repairs, extensions, bet- rments and replacements, at its own expense, and return has an option to purchase the property out- ght. In case the option is exercised, all outstand- g bonds must be retired at 105.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $400,000; par, .00. Annual meeting, first Tuesday in May. No vidends paid.

FUNDED DEBT

15,000 FIRST (CLOSED) MORTGAGE 7% SERIAL GOLD BONDS; DUE $35,000 EACH MAY 1, FROM 1927 TO 1935, INCLUSIVE

Dated May 1, 1925.

Interest Payable May and November 1, at Citizens rust and Savings Bank, Los Angeles, Trustee.

Denominations—Coupon, $500 and $1,000; principal ay be registered.

Callability—Subject to call as a whole or in part any interest date, on 40 days' notice, at 105 and terest.

Security—Secured by a first closed mortgage on all the real and personal property of the company, including water rights, reservoirs, pumping plants, distributing mains, electric generating plant, equipment, power and light distributing lines, easements and rights of way, appraised by A. B. Waddingham, Consulting Engineer, Los Angeles, at a depreciated replacement value of $599,129.61. The Company has leased its property to the municipality of Miami for a period of ten years at an average net rental of $68,425 per year, and this lease has been assigned to the Trustee as additional security for the bondholders.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—O'Melveny, Milliken, Tullar & Macneil.

Original Offering—First publicly offered ($350,- 000) in May, 1925, at prices ranging from 100 to 101 yielding from 7% to 6% according to maturities, by Banks, Huntley, & Co., Los Angeles, etc.

OFFICERS AND DIRECTORS

Officers: E. S. Davis, Pres.; C. B. Loomis, V-P.; Herbert E. Robards, Sec. & Treas.

Directors: E. S. Davis, C. B. Loomis, Herbert E. Robards, Miami, Ariz.

General Office, 505 Sullivan St. Miami, Ariz. P. O. Box 1507.

AMERICAN WATER WORKS AND ELECTRIC COMPANY, INC.

(See Accompanying Maps)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
Series, First Pfd. (no par)....	J, A, J & O 1	*500,000 shs	200,000 shs	Yes	$4,860,147	‡$3.00	$450,000	$24.30
mmon (no par)	F, M, A & N 15	2,500,000 shs	1,361,413 shs	...	†3,795,489	§40 cts.	537,640	2.79

*Authorized amount of all series. †After allowing for dividends of $614,658 on 7% Pfd. stock of Virginia Company d $450,000 on $6 Series Pfd. stock of Delaware Company. ‡In addition regular dividends amounting to $614,658 were id on 7% Pfd. stock of Virginia Company to date of redemption on Aug. 15, 1927. §Represents cash payments of 20 cents r share each Aug. 15, and Nov. 15, 1927; in addition a dividend of 2½% in Common stock (1/40th of a share) was paid Aug. 15, 27. On Common stock of Virginia Company, 40 cents per share (par, $20) each was paid in cash Feb. 15 and May 16, 1927. d 2½% (1/40th of a share) was paid in Common stock Feb. 15, 1927.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
llateral Trust 20-Year 5s.....	April 1, 1934	A & O 1	$20,000,000	$12,573,900	No	Yes	Pd. by Co
½ Debentures Series "A".....	Nov. 1, 1975	M & N 1	*	8,000,000	No	Yes	Pd. by Co.
½ Debentures Series "B".....	Dec. 1, 1975	J & D 1	*	†3,000,000	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $20,573,900. **Interest Accrued** in 1927, $1,215,908.
Amount Available for Interest in 1927, $6,076,055. **Times Interest Earned** in 1927, 4.99.
*Authorized amount, unlimited. †Issued and outstanding Jan. 17, 1928.

History—Incorporated June 16, 1927, in Delaware, r the purpose of acquiring all of the assets of Amer- an Water Works and Electric Company, Incorpor- ed, a Virginia corporation, pursuant to the provisions the Plan and Agreement for Reincorporation of the irginia Company, dated June 16, 1927, given below. ie duration of the charter is perpetual.

American Water Works & Electric Co., Inc., is a lding company and controls through stock owner- ip, electric, gas and transportation companies serv- g 1,200 communities in Pennsylvania, Maryland, irginia, West Virginia and Ohio, having an esti- ated total population of 1,700,000, water companies rving 190 communities, in sixteen states, having an timated population of 3,350,000, and various con- uction, finance and farming companies.

PLAN AND AGREEMENT OF REINCORPORATION

On June 16, 1927, a Plan and Agreement for Rein- rporation was entered into between a Stockholders' mmittee, consisting of H. Hobart Porter, Chairman, thur W. Loasby, Seward Prosser and Chas. S. Sabin d Bankers Trust Company as Depositary.

The Plan contemplated the reincorporation of the rginia Company under the laws of Delaware, the retirement of the Pfd. stock of the Virginia Company, the issue, in lieu of its outstanding Common stock $20 par value, of Common stock without par value of the Delaware Company at the rate of two shares of the new Common stock for each share of the Virginia Company stock outstanding, the issue and sale of 200,- 000 shares of $6 Series, First Pfd. stock of the Delaware Company, the acquisition by the Delaware Company of all of the assets of the Virginia Company and the assumption of all liabilities of the Virginia Company by the Delaware Company.

Common stockholders were requested to deposit their stock with the Committee in order that the Plan might be carried out and on July 23, 1927, the Plan and Agreement was declared operative. At a special meeting on July 25, 1927, stockholders of the Virginia company ratified the retirement of the 7% cumulative First Pfd. stock and the sale of all assets to the Delaware Company.

For the benefit of the 7% cumulative First Pfd. stockholders of the Virginia Company, the Company made an arrangement whereby such stockholders could at their option receive for each share instead of the redemption price, one share of $6 Series First Pfd.

stock of the Delaware Company, $11.00 in cash and an adjustment of dividends between the $6 Series, First Pfd. stock and 7% cumulative First Pfd. stock in the amount of $1.35. Holders of over $8,000,000 Pfd. stock of the Virginia Company took advantage of this offer.

The remaining 7% cumulative First Pfd. stock of the Virginia Company was called for payment on Aug. 15, 1927, at $110 per share and accrued dividends from April 27, 1927 to Aug. 15, 1927, in the amount of $2.10.

The West Penn Electric Company—The American Water Works and Electric Co., Inc., as of Dec. 31, 1927, owned all the Common and Class "B" stocks and 4,400 Class "A" stock and $5,231,000 7% Pfd. stock of The West Penn Electric Co., a company organized by the parent company Dec. 11, 1925 to acquire through stock ownership all the electric and transportation properties formerly controlled directly through stock ownership in accordance with the Plan of Consolidation given on page 1579 of the 1927 Public Utility Manual.

The West Penn Electric Company now controls The Monongahela West Penn Public Service Co., The Potomac Edison Co., West Penn Power Co., and West Penn Railways Co. In addition several smaller companies are controlled through stock ownership (see appended statement). It controls the electric power and light business in an area of approximately 22,700 miles extending from within 25 miles of Baltimore, Md. across Maryland and West Virginia, to the Ohio River and northward to the important industrial sections of western Pennsylvania with the exception of Pittsburgh and its immediate environments to Northern Central Pennsylvania, serving a population of about 1,700,000. Also controls 31 steam electric stations with an aggregate installed capacity of 514,955 k.w.; 2,399 miles of high tension transmission lines, and 651.84 miles of street and interurban railway. The properties serve 235,501 consumers in over 1,200 communities.

Subsidiary Water Companies—The American Water Works and Electric Company, Incorporated, on Dec. 31, 1926, owned and controlled a group of 39 water works plants located in sixteen different states. These properties with a few exceptions have been grouped under single ownership and management for more than 20 years. These companies serve 381,733 consumers in 190 communities, of which the principal ones are: Birmingham, Ala., Chattanooga, Tenn., East St. Louis, Ill., Huntington, W. Va., parts of and environs of South Pittsburgh, Pa., Connellsville, Pa., St. Joseph, Mo., Little Rock, Ark., Terre Haute, Ind., Wichita, Kan., and two large districts in New Jersey suburban to New York.

The combined operating statistics for the years ended Dec. 31, 1927 and 1926 are as follows:

	1927	1926
Pumping capacity:		
Distributive (gals. per day)	640,353,000	574,742,000
Primary (gals. per day)	499,316,000	376,032,000
Relay (gals. per day)	155,817,500	133,423,000
Miles of mains	4,931	4,259
Water sold (gallons)	44,701,361,000	41,394,031,000
Number of water consumers	381,733	331,329
Subsidiary operating water cos.	39	3

The combined earnings of the subsidiary water companies as carried to the books of the American Water Works and Electric Company, Incorporated, for the years ended Dec. 31, 1922 to 1927, are as follows:

	1927	1926	1925	1924	1923	1922
Gross earnings	$11,484,156	$10,388,458	$9,298,699	$7,695,882	$7,109,461	$5,998,77
Operating expenses, taxes and maintenance	5,164,251	4,687,863	4,328,674	3,583,270	3,770,533	3,281,64
Renewals and replacement reserves	651,990	537,922	481,239	422,593		
Net earnings	$5,667,925	$5,162,673	$4,488,786	$3,690,020	$3,338,928	$2,717,12
Interest and amortization	$3,078,774	$2,808,348	$2,520,396	$2,148,883	$1,982,307	$1,855,41
Preferred dividends of subsidiaries	505,195	485,327	449,528	337,770	230,765	114,46
Minority interests	41,689	63,180	62,354	40,795	42,563	28,9
Total	$3,625,658	$3,356,855	$3,032,278	$2,527,448	$2,255,635	$1,998,8
Proportion due American Water Works & Elec. Co.	$2,042,266	$1,805,818	$1,456,508	$1,162,572	$1,083,293	$718,2

NOTE—The above statement includes earnings of companies purchased the respective years, but only from the dates their acquisition.

During 1927 the Company purchased additional water works properties as follows: Richmond Water Works Corporation, serving the City of Richmond and adjoining territory in southeastern Indiana; The Ashtabula Water Supply Company, serving the City of Ashtabula, Ohio; Davenport Water Company, serving the City of Davenport, Iowa; The Morgantown Water Company, supplying the City of Morgantown, W. Va.; Armstrong Water Company, serving Kittanning, Pa. and environs; and The Noroton Water Company, supplying water to the town of Noroton, Darien and Glenbrook, Conn. In addition to the above, three small properties The Bernards Water Co., the Millington Water Co., and Stirling Water Supply Co., in New Jersey, adjacent to the Commonwealth Water & Light Company, were acquired, together with the Bay Head Water Co. at Bayhead, N. J. The City of Birmingham, Ala., owned the distribution system in a portion of that city known as North Birmingham and supplied its consumers through the purchase of water from The Birmingham Water Works Company. An offer was made by The Birmingham Water Works Company to the city for the purchase of their distribution mains and other property in North Birmingham, which offer was accepted and the purchase ratified by the citizens of Birmingham, the property being taken over on Dec. 31, 1927.

Other Subsidiaries—In addition to the foregoing companies, the American Water Works and Electric Company, Incorporated, owns the entire $50,000 outstanding Common stock of The Water Works & Electric Securities Corporation, organized to assume the functions of the investment department of the company, the entire $1,000,000 Common stock of th American Construction & Securities Company, o ganized to execute the construction programs of th various subsidiary companies, the entire $50,000 Cor mon stock of the Ajax Farms Corporation which ow the entire capital stock of the Esperanza Land Co poration and the entire $50,000 capital stock of th James Mills Holding Company which owns the e tire capital stock of the James Mills Orchards Co poration. These land and orchard companies own t California lands mentioned below.

The American Construction and Securities Co. ow the entire capital stock of Arkansas-Texas Constr tion Co. and Water Works Construction Co., In organized to execute the construction program of su sidiaries of the parent company, incorporated in t State of Virginia.

California Properties—The American Water Wo and Electric Co., Inc., in 1914 acquired as a necessa part of its organization some 36,000 acres of fa lands in the Sacramento Valley, California. Since th time it has followed a consistent policy of disposing these lands whenever suitable opportunity offer with the result that it now owns only about 8,000 ac of the more valuable lands. It has two well develop orchards located respectively at Hamilton, in G County, and at Maxwell in Colusa County, compris 1,080 acres planted to citrus fruits largely lemons a oranges, and 650 planted to deciduous fruits pri pally pears and prunes.

New Financing—In Aug., 1927, as a part of the p for reincorporation of the American Water Wo



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AMERICAN WATER WORKS & ELECTRIC CO., INC.

SEMI-WEEKLY AND DAILY ELECTRIC COMPANIES

EXCLUSIVE OF THE SUBSIDIARY

LOCATION & NATURE OF PROPERTIES

OF THE

WATER WORKS

WATER WORKS AND SEWER SYSTEM

FRUIT AND FARM LANDS

Charleston

Huntington

Ashland

Nashville

Chattanooga

Little Rock

Springfield

East St. Louis

St. Joseph

Wichita

Texarkana

and Electric Company in Delaware, 200,000 shares of $6 Series, First Pfd. stock, without par value, of the Delaware corporation were issued and, as previously stated, part were exchanged for Pfd. stock of the Virginia Company and the remainder sold for cash. The proceeds were used to provide funds for the retirement of the 7% Pfd. stock of the Virginia corporation, to reimburse the Company partially for the cost of new properties, acquired, and for other corporate purposes.

During 1927 the subsidiary water works companies issued and sold through bankers a total of $6,100,000 of First Mortgage bonds, made up as follows:

The Birmingham Water Works Co. sold in March, 1927, $800,000 and in Dec., 1927, $1,200,000, a total of $2,000,000, of its First Mortgage 5% Gold Bonds, Series "C," due 1957. The proceeds of these bonds were used to reimburse the Company partially for the cost of improvements, extensions and additions to its properties, and the acquisition on Dec. 31, 1927, of the water works system previously owned by the City of Birmingham, serving that portion of Birmingham known as North Birmingham.

The Butler Water Company in Oct., 1927, created a new mortgage and issued and sold thereunder $1,000,000 First Mortgage 5% Gold Bonds, Series "A," due 1957. The proceeds of this issue were used to reimburse the Company partially for the cost of improvements, extensions and additions to its properties, to provide funds for the payment of the Sinking Fund 5% Bonds which matured July 1, 1927, and for the retirement of its 30-year Gold 5s, due Sept. 2, 1931, which had been called for redemption.

Joplin Water Works Company in April, 1927, created a new mortgage on its properties and issued and sold thereunder $1,000,000 First Mortgage 5% Gold Bonds, Series "A," due 1957. The proceeds of this issue were used to reimburse the Company partially for the cost of betterments and extensions to its properties, and for the retirement of the 40-Year Gold 5s, due 1940, and Gold Mortgage 5s, due 1948, which were called for redemption.

Richmond Water Works Corporation in May, 1927, purchased the properties of the Richmond City Water Works, at which time it created a mortgage on its properties and issued and sold thereunder $1,000,000 First Mortgage 5% Gold Bonds, Series "A," due 1957.

City Water Company of Chattanooga in June, 1927, sold $600,000 principal amount of First Mortgage 5% Gold Bonds, Series "C" and the Commonwealth Water Company in Aug., 1927, sold $500,000 principal amount of First Mortgage 5% Gold Bonds, Series "C," the proceeds of which issues were used to reimburse the respective companies for the cost of additions, betterments and extensions to the companies' properties.

The West Penn Electric Company during 1927 sold a total of $12,000,000 par value of its 6% cumulative Pfd. stock. Of this amount $8,300,000 was sold through bankers and $3,700,000 was sold on the customer ownership plan throughout the territories served by that Company and its subsidiaries.

The Potomac Edison Company during 1927 sold a total of $3,430,500 par value of its 6% Pfd. stock. Of this amount $2,650,000 was sold through bankers and $780,500 was sold on the customer ownership plan throughout the territory served by the Company.

Monongahela West Penn Public Service Company during 1927 issued and sold $584,400 par value of its 7% cumulative Pfd. stock.

In Oct., 1927, the City Water Company of Chattanooga issued and sold through bankers in its territory $1,000,000 of its 6% cumulative Pfd. stock. The proceeds of this issue were used to reimburse the Company partially for additions and betterments to its properties, and for the retirement of $838,300 par value of its 7% cumulative First Pfd. stock which had been called for redemption.

During 1927 $200,000 par value of 6% cumulative Pfd. stock of the Richmond Water Works Corporation was issued and sold on the customer ownership plan in Richmond, Ind., and adjacent territory.

COMPARATIVE STATISTICAL SUMMARY, YEARS ENDED DECEMBER 31

	1927	1926	1925
Electric Power and Light Properties—			
Installed Electric Generating Capacity:			
Steam stations	457,620	425,445	385,445
Hydro stations	55,655	55,735	5,735
Oil and gas stations	1,680	1,020	7,270
Total capacity (kilowatts)	514,955	482,200	398,450
Net Power Output:			
Tot'l kil.-hour output	1,727,565,353	1,514,609,984	1,316,521,920
Electric Consumers:			
Total No. elec. consumers	235,501	207,802	188,355
No. of communities served	1,200	948	926
Popula. of territory served	1,700,000	1,690,000	1,625,000
Transmission Lines—Pole Miles:			
132,000 volt lines	225	225.08	147.70
66,000 volt lines	271	252.08	229.68
Less than 66,000 volts	1,903	1,781.56	1,762.27
Total	2,399	2,258.72	2,139.65
Transportation Properties—			
Electric Railways:			
Miles of track	652	637.80	636.70
Car miles		125,726,024	127,025,095
Number of cars	633	629	642
Bus Lines:			
Miles of route	892	675.85	585.75
Bus miles		2,190,235	1,460,359
Number of busses	127	65	30
Water Works Properties—			
Pumping Capacity (gallons per day):			
Distributive	640,353,000	574,742,000	529,360,000
Primary	499,316,000	376,032,000	430,830,000
Relay	155,817,500	133,423,000	
Miles of main	4,937	4,267	3,928
Water sold (1,000 gals.)	44,701,361	41,394,031	37,641,168
Consumers	381,733	331,851	307,610
Operating Water Works:			
Subsidiaries	39	31	29

CAPITAL STOCK

Authorized, 2,500,000 shares Common and 500,000 shares First Pfd., both of no par value; outstanding, Dec. 31, 1927, 1,361,413 shares Common and 200,000 shares $6 Series, First Pfd. For details regarding exchange of capital stock of Virginia company for stock of Delaware company, see Plan and Agreement for Reincorporation above. For details of capitalization of Virginia Company, see 1927 Manual, page 1579.

First Preferred Stock Provisions—The $6 Series First Pfd. stock has preference for assets and cumulative dividends at the rate of $6 per share per annum, is redeemable in whole or in part at any time on 30 days' notice at $110 per share and accrued dividends, and has preference for assets to the extent of $100 per share and accrued dividends in case of liquidation. The First Pfd. stock is issuable in series which may vary in any or all of the following respects, dividend rate, which may be not more than $8 nor less than $4 per annum; dividend payment dates; redemption prices, which may not be more than $120 nor less than $100 per share plus accrued dividends. Stock is preferred as to assets and dividends.

Tax Provisions—Company agrees to reimburse holders for the Pennsylvania four mills tax, Maryland four and one-half mills tax, or the Massachusetts Income Tax not exceeding 6% per annum on dividends derived therefrom upon proper application within 30 days after payment and in any event not later than one year after such tax shall have become due and payable.

Legal Opinion—Seibert & Riggs, New York, (for the Bankers) and Sullivan & Cromwell, New York, (for the Company).

Original Offering—First publicly offered (200,000 shares $6 Series First Pfd.) in July, 1927, at $99 per share and dividend by W. C. Langley & Co., New York.

Transfer Agent (All Classes)—Bankers Trust Co., New York.

Registrar (All Classes)—Guaranty Trust Co. of New York.

Annual Meeting—Third Saturday in April.

Listed (All Classes)—New York Stock Exchange.

Price Range—

	†1927 ‡1927	1926	1925	1924	1923	1922	1921
First Pfd.—							
High	103½ ..	108¾	103	101	93	93⅞	66⅝
Low	99⅞ ..	101½	98	89½	85¼	67	48
Common—							
High	72½ *141	*74	*76¼	*41⅞	44¾	20	6½
Low	46 *62¼	*43¾	*34⅜	*24½	27½	8½	4

*Par $20; previous years, par $100. The high and low of par $100 stock for 1924 was 144 and 40. †Stock of Delaware Company being $6 Series Pfd. and Common of no par value. ‡Stock of Virginia Company being Common of $20 par value.

Dividends—Initial quarterly cash dividend of 1¾% on the First Pfd. stock of Virginia Company was paid Aug. 25, 1917, and this rate has been maintained to May 15, 1927, the stock being called for payment on Aug. 15, 1927, at $110 per share and accrued dividend of $2.10 from April 27 to Aug. 15, 1927. Initial dividend of 1% on Participating Pfd. of Virginia Company paid May 15, 1923, which quarterly rate was paid to and including Feb. 15, 1924; May 15, 1924, 1½%, which quarterly rate maintained to date of redemption, Aug. 24, 1925. Initial dividend of 1½% was paid on Common stock of Virginia Company Feb. 16, 1925, which quarterly rate since maintained to Nov. 15, 1926; Feb. 15 and May 16, 1927, 2% each. In addition, special dividends in Common stock of 5% on Sept. 30, 1925, and 2½% each on Feb. 15, and Aug. 16, 1926, and Feb. 15, 1927, were paid on Common stock.

On stock of Delaware Company, initial dividend of $1.50 per share was paid on the $6 Series, First Pfd. on Oct. 1, 1927; payments regularly quarterly thereafter, J, A, J & O 1. Initial dividend of 20c per share was paid on the Common stock on Aug. 15, 1927; Nov. 15, 1927, 20c per share; Feb. 1 and May 1, 1928, 25c per share each; payments F, M, A & N 15. An extra dividend of 2½% (1/40th of one share) in Common stock was paid on the Common stock on Aug. 15, 1927, and a similar dividend was paid on Feb. 15, 1928.

FUNDED DEBT

(1)

$12,573,900 COLLATERAL TRUST 5% BONDS; DUE APRIL 1, 1934

Dated April 1, 1914 (supplemental deed dated March 15, 1915).

Interest Payable April and October 1, at Company's office, New York, at London office of Guaranty Trust Co. of New York, 33 Lombard St., and in Paris, France. Principal and interest are payable in New York in gold coin of or equal to the standard weight and fineness existing on April 1, 1914; in London, England, only in English sterling at the rate of £20 11s. 1d. per $100; £102 15s. 6d. per $500 and £205 11s. 0d. per $1,000; and in Paris, France, only in French francs at the rate of 518 francs per $100, 2,590 francs per $500, and 5,180 francs per, $1,000.

Denominations—Coupon bonds in denominations of $100 (£20 11s, 1d. Sterling, or Francs 518), $500 (£102 15s. 6d. Sterling, or Francs 2,590), and $1,000 (£205 11s. Sterling, or Francs 5,180). Principal may be registered.

Trustee and Registrar—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $20,000,000; issued to Dec. 31, 1927, $16,618,700, of which $604,800 were held in treasury and $3,440,000 purchased and pledged with Trustee, leaving $12,573,900 outstanding. The unissued bonds are reserved for the corporate purposes of Company and to reimburse it for loans or advances to subsidiary Companies for extensions, etc., at not over 80% of cost, provided net earnings for preceding twelve months have been equal to at least one and three-quarter times annual interest charges on all outstanding bonds, including those to be issued.

Callability—Subject to call at 102½ and interest on any interest date upon four weeks' notice.

Special Surplus Account—Under the provisions of the Supplemental Indenture of March 15, 1915, a special surplus account of $1,250,000 was created from the realized profits of the Company and the undistributed profits of its subsidiaries for the purpose of financing the refunding and construction requirements of the subsidiary water companies, and the fund so created has been applied for such purposes. In 1917, $900,000 of this special surplus account was capitalized and stock issued against it and distributed to the First Preferred stockholders of the Company, in part satisfaction of their accumulated dividends. The balance of said surplus account, viz.: $350,000, still stands in said account.

Special Savings Fund—Under provisions of the Supplemental Indenture of March 15, 1915, a Special Savings Fund was created by setting aside annually from the Company's earnings a sum equal to 1% upon the principal of all bonds issued in respect of or in exchange for 6% Collateral Trust Notes of the United Water & Light Co. for the purpose of reimbursing the Company for the cost of effecting exchange of Water & Light Company securities and thereafter to be applied to the purchase of bonds, notes, shares of stock and other securities which shall be deposited in pledge with the Trustee as additional security for the bonds issued under its Trust Agreement, or for the purpose of financing construction requirements of subsidiary water companies, or to the purchase and cancellation of the Company's bonds, or to the redemption of bonds, as provided in the Trust Agreement.

Security—These bonds are a direct obligation of the Company and are secured by deposit and pledge of the following securities, as of Dec. 31, 1927:

Stocks of Water Supply Cos.	Par Value
Arkansaw Water Co., 7% Pfd.	$56,000
Arkansaw Water Co., Com.	1,549,400
Butler Water Co., Com.	421,500
Birmingham Water Works Co., Com.	1,829,700
City Water Co. of Chattanooga, Com.	1,740,300
Clinton Water Works Co., Com.	321,000
Connellsville Water Co., Com.	277,000
E. St. L. & Interurban Water Co. Com.	4,750,000
Huntington Water Corp., Com. (no par) shares	10,000
Joplin Water Works Co., Com. (no par) shares	10,000
Kokomo Water Works Co., Com.	125,000
Kokomo Water Works Co., Pfd.	70,000
Muncie Water Works Co., Com.	281,000
Monongahela Valley Water Co., Com.	250,000
Middle States Water Works Co., Com.	3,319,900
Middle States Water Works Co., 7% Pfd.	617,000
St. Joseph Water Co., Com.	3,250,000
South Pittsburgh Water Co., Com.	2,369,400
Wichita Water Co., Com.	2,272,000
The West Penn Electric Co., 7% Pfd.	5,231,100
The West Penn Electric Co., Com. (no par) shares	777,774
The West Penn Electric Co. Class A (no par) shares	4,400
The West Penn Electric Co. Class B (no par) shares	100,000
Bonds of subsidiary water companies	1,949,000
Additional securities of electric and other companies and cash	3,535,903

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	101¼	99⅝	98	94	86	87½	70
Low	98	95¾	92½	84⅛	82	70	61¼

(2)

$8,000,000 6% GOLD DEBENTURES, SERIES "A"; DUE NOVEMBER 1, 1975

Dated November 1, 1925.

Interest Payable May and November 1 at Company's office, New York.

Denominations—Coupon (principal may be registered) $100, $500 and $1,000 (interchangeable); fully registered debentures $1,000, $5,000, and $10,000. Coupon and registered bonds interchangeable.

Trustee—Chase National Bank, New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, $8,000,000 Series "A" 6s. The proceeds from the sale of these debentures were used to reimburse company for expenditures in connection with the acquisition of additional properties, for addi-

tional working capital, and for general corporate purposes.

Additional debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights and limitations permitted by the Agreement as the Company may determine prior to the issue thereof.

The Agreement provides among other things, that no additional Debentures may be issued unless net income, or consolidated net income, as defined in the Agreement, for twelve consecutive calendar months within the preceding fifteen calendar months shall have been not less than twice the annual interest charges upon all outstanding indebtedness of the Company, including the Debentures to be issued, but excluding indebtedness to be concurrently paid off.

Callability—Subject to call in whole or in part on at least 30 days' notice, at 110 and interest up to Nov. 1, 1970, and thereafter at par and interest.

Security—A direct obligation of Company, but not secured by mortgage. The agreement provides that the Company prior to Nov. 1, 1972, will not issue any unsecured obligations maturing more than five years from date of issue except under this Agreement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Seibert & Riggs, of New York (for the bankers), Sullivan & Cromwell, New York (for the Company).

Original Offering—First publicly offered ($8,000,000 Series "A" 6s) in November, 1925, at 94¼ and interest. to yield over 6.35%, by W. C. Langley & Co. and Bonbright & Co., Inc., New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	108	100¼	95
Low	100¾	92½	94

DEBENTURES ISSUED SINCE DECEMBER 31, 1927

(3)

$3,000,000 5% GOLD DEBENTURES, SERIES "B"; DUE DEC. 1, 1975

Dated December 1, 1927.

Interest Payable June and December 1 at American Water Works and Electric Co., Inc., 50 Broad St., New York, N. Y.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered. Fully registered debentures in interchangeable denominations of $1,000, $5,000 and $10,000. Fully registered and coupon debentures interchangeable in authorized denominations.

Trustee—Chase National Bank of the City of New York, N. Y.

Provisions of Issue, Security—See description of Series "A" Debentures (No. 2).

Purpose of Issue—Proceeds were used to reimburse the Company in part for expenditures in connection with the acquisition of additional properties, for additional working capital and for general corporate purposes.

Callability—Subject to call in whole or in part at any time on at least 30 days' notice, at 105 and accrued interest up to and including Dec. 1, 1970; and thereafter at par and accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund upon proper application within 60 days' after payment, the Pennsylvania 4 mills tax.

Legal Opinion—Seibert & Riggs, New York (for the Bankers), and Sullivan & Cromwell, New York (for the Company).

Original Offering—First publicly offered ($3,000,000) in Jan., 1928, at 95 and interest by W. C. Langley & Co., and Bonbright & Co., Inc., New York, etc.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(American Water Works & Electric Co., Inc. and Subsidiaries)

	1927	1926	1925	1924	1923	1922
Gross earnings	$48,727,401	$45,149,511	$41,055,906	$38,355,679	$36,380,326	$25,254,499
Operating expenses, taxes & maintenance	25,856,535	23,190,174	21,967,270	21,568,700	20,814,184	14,533,061
Net earnings	$22,870,866	$21,959,337	$19,088,635	$16,786,979	$15,566,142	$10,721,438
Deductions—						
Int. & amort. of disc.—subsidiary companies	$8,434,592	$8,554,782	$8,028,513	$7,536,096	$6,464,105	$4,958,175
Int., etc., on A. W. W. & E. Co. collat. trust bonds	1,215,908	1,191,476	836,591	675,354	711,075	770,502
Preferred dividends of subsidiaries	4,665,146	4,289,707	3,531,825	2,947,769	2,184,357	1,300,867
Minority interests	41,733	63,473	511,154	441,404	695,653	409,766
Total deductions	$14,357,379	$14,099,438	$12,908,083	$11,600,623	$10,055,189	$7,439,310
Net income before depreciation	$8,513,486	$7,859,899	$6,180,552	$5,186,356	$5,510,953	$3,282,128
Depreciation for year	3,653,339	3,334,508	2,863,037	2,575,919	2,186,941	1,541,116
Net income	‡$4,860,147	$4,525,391	$3,317,515	$2,610,437	$3,324,012	$1,741,012
Dividends—1st Pfd. (Virginia Co.)	614,658	983,369	869,472	633,500	585,900	416,967
Dividends—1st Pfd. (Delaware Co.)	450,000	.....	.....	.....	.....	.....
Dividends—Participating Pfd.	.....	.....	320,150	550,000	300,000	.....
Dividends—Common, paid in cash (Virginia Co.)	524,573	757,503	638,138	.....	.....	.....
Dividends—Common, paid in cash (Delaware Co.)	537,640	.....	.....	.....	.....	.....
Dividend—Common, paid in stock (Virginia Co.)	323,832	622,851	549,930	.....	.....	.....
Dividend—Common, paid in stock (Delaware Co.)	331,945	.....	.....	.....	.....	.....
Surplus after dividends	$2,077,499	$2,161,668	$939,818	$1,426,937	$2,438,112	$1,324,045
Times A. W. W. & E. Co. Bond Int. Earned	4.99	4.79	4.96	4.87	5.67	3.26
Earnings Per Share—						
First Preferred	$24.30	$32.21	$23.61	$28.84	$36.73	$26.17
Common	§2.79	*5.46	†*3.91	†*2.85	†21.38	†7.24

*Par, $20. †After Participating Pfd. dividend requirements. ‡Of which $2,846,888 applicable to Virginia Company for period Jan. 1 to July 25, 1927 and $2,013,258 applicable to Delaware Company for period July 26 to Dec. 31, 1927. §No par stock.

NOTE—The preceding consolidated income account includes earnings of the Monongahela West Penn Public Service Co. since July 1, 1922; The Potomac Public Service Co., Aug. 1, 1922; Keystone Power & Light Co., Jan 1, 1923; Commonwealth Water & Light Co., Jan. 1, 1923; TheCumberland & Edison Power Co. Apr. 1, 1923. The Terra Haute Water Works Corporation, May 24, 1924; the Old Dominion Water Corporation, Nov. 1, 1924. The properties of The Cumberland Edison Power Co. were taken over by The Potomac Edison Co. (formerly The Williamsport Power Co.) in Sept. 1923, and the latter company was consolidated with The Potomac Public Service Co. under the name of The Potomac Edison Co. as of Dec. 31, 1923; Atlantic County Water Co. of New Jersey, April 1, 1925; Tintern Manor Water Co. May 1, 1925; Monmouth County Water Co., July 1, 1925; Alton Water Co., Nov. 1, 1925; Rumson Improvement Co., Nov. 12, 1925; Texarkana Water Corp., March 1, 1926; Fort Madison Water Co., July 31, 1926; Richmond Water Works Corp., Jan. 1, 1927; the Ashtabula Water Supply Co., April 1, 1927; Davenport Water Co. and Morgantown Water Co., July 1, 1927; The Bernards Water Co. and Noroton Water Co., Aug. 1, 1927; Millington Water Co. and Stirling Water Supply Co., Sept. 1, 1927; Armstrong Water Co., Dec. 1, 1927.

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit Balance December 31, 1926, $7,825,040; net income of American Water Works and Electric Company, Inc. (of Virginia) and subsidiary companies from Jan. 1, 1927 to July 25, 1927, $2,846,888; net income of American Water Works and Electric Company, Inc. (of Delaware) and subsidiary companies from July 26, 1927 to Dec. 31, 1927, $2,013,259; credit arising from revaluation of securities of subsidiary companies less sundry adjustments for discounts and premiums on issuance and redemption of various capital stocks and bonds, etc., $47,808,136—total, $60,493,323. Deduct: Dividends on capital stock of American Water Works and Electric Company, Inc. (of Virginia) 7% cumulative First Pfd., $614,658; Common dividends paid in cash, $524,573; Common dividends paid in American Water Works and Electric Company, Inc., Common stock, $323,832; dividends on capital stock of American Water Works and Electric Company, Inc. (of Delaware) $6 Series First Pfd., $450,000; Common dividends paid in cash, $537,640; Common dividends paid in American Water Works and Electric Company, Inc. Common stock, $331,945—total, $2,782,648. Surplus, Dec. 31, 1927, $57,710,675.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(American Water Works & Electric Co., Inc. and Subsidiaries)
(Including The West Penn Co. and Subsidiaries)

	‡1927	1926	1925	1924	1923	1922
Assets—						
Plant, property and investments	$346,121,495	$271,452,584	$256,734,622	$238,875,269	$219,369,547	$192,817,199
Temporary investments:						
U. S. Liberty bonds	.....	.....	†1,579,402	†2,371,508	.....	.....
System securities	413,291	483,855	476,316	2,336,438	3,837,451	624,161
Other securities	.....	.....	321,975	1,762,170	58,048	92,552
Cash:						
Current checking account and on hand	$5,877,233	$4,694,916	$4,379,270	$5,861,985	$4,059,174	$2,333,067
Held by Trustees for construction purposes, etc.	688,934	2,486,925	819,129	1,460,299	4,921,697	876,796
Held by courts pending adjudication rates	.....	.....	.....	.....	11,316	36,078
With fiscal agents, per contra	.....	.....	.....	.....	353,990	805,769
Total cash	$6,566,166	$7,181,841	$5,198,399	$7,322,284	$9,346,177	$4,051,710
Secured call loans	.....	1,700,000	3,000,000	450,000	200,000	300,000
Accounts due from consumers, misc. notes and accounts and accrued interest	*5,043,358	*4,535,173	*3,934,754	*4,373,735	*3,357,010	*3,111,241
Materials and supplies	3,745,200	3,544,054	3,455,064	4,049,191	5,561,172	3,737,900
Due on Capital stocks on partial payment plan	566,407	1,185,043	960,811	866,418	1,235,862	.....
Disc. on bonds and notes and other def. chgs.	13,436,211	13,454,948	10,865,675	7,939,661	6,863,346	4,710,714
Commis. and exp. on sale of capital stock	1,613,892	1,213,166	1,170,689	1,483,486	1,288,308	.....
Total assets	$377,506,020	$304,750,664	$287,697,707	$271,830,161	$251,116,921	$209,445,478
Liabilities—						
Amer. W. W. & Elec. Co., Inc. stocks:						
First Preferred stock	$20,000,000	$14,050,000	$14,050,000	$9,050,000	$9,050,000	$6,650,000
Participating Pfd. stock	.....	.....	.....	10,000,000	10,000,000	10,000,000
Common stock	13,614,138	12,958,361	11,949,350	10,000,000	10,000,000	10,000,000
Total	$33,614,138	$27,008,361	$25,999,350	$29,050,000	$29,050,000	$26,650,000
Pfd. stocks of sub. cos. with public at par	77,126,750	65,011,824	58,079,195	50,786,327	41,474,221	30,465,839
Minority int. in Com. stk and surp. of sub. cos.	590,970	867,886	3,426,142	8,159,958	8,294,501	10,262,456
Funded debt, A. W. W. & E. Co. Inc.	20,573,900	20,571,500	20,691,300	13,265,400	13,654,100	14,669,700
Funded debt, sub. cos.	147,897,300	148,153,700	139,211,064	133,404,314	122,275,755	100,256,825
Accounts payable	2,312,771	1,866,946	2,910,070	4,362,216	3,691,510	3,237,016
Notes payable	3,684,319	2,507,287	2,684,529	2,445,828	6,033,871	2,433,118
Accrued taxes	4,038,706	3,322,991	2,952,697	2,815,514	2,406,396	1,858,569
Matured interest	282,694	306,741	267,633	233,927	353,990	805,769
Accrued interest	2,020,340	2,034,062	2,252,444	1,982,689	1,830,827	1,324,244
6% Part. Pfd. divds. called but not presented for payment	.....	79,275	148,365	.....	.....	.....
Pfd. divids. declared, unpaid, sub. cos.	428,572	474,501	374,774	306,720	239,314	223,916
Accrued divids. on Pfd. stock	367,876	424,401	428,931	355,547	298,635	157,144
Consumers' deposits	4,163,625	3,580,661	2,946,693	2,501,186	2,164,158	1,926,744
Other deferred liabilities	227,839	265,519	206,233	268,293	325,814	406,768
Deferred credits	566,660	516,727	463,595	308,627	284,914	291,984
Reserve for depreciation, damages, etc.	21,898,884	19,674,663	18,155,897	15,483,267	13,286,478	10,417,055
Surplus:						
Special surplus	.....	.....	.....	350,000	350,000	350,000
Special savings fund	.....	258,579	461,656	581,901	502,216	422,516
General surplus	57,710,675	7,825,040	6,037,137	5,168,447	4,600,221	3,285,816
Total liabilities	$377,506,020	$304,750,664	$287,697,707	$271,830,161	$251,116,921	$209,445,478

*Less reserve for doubtful accounts $300,606 in 1927, $282,965 in 1926; $271,995 in 1925; $222,293 in 1924; $205,618 in 1923 and $183,964 in 1922. †Par $1,562,000 in 1925 and $2,345,400 in 1924. ‡Delaware Company.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash in bank and on hand	$5,877,233	$4,694,916	$4,379,270	$5,861,985	$4,059,174	$2,333,06
Cash held by Trustee for construction purposes, etc.	688,934	2,486,925	819,129	1,460,299	4,921,697	876,79
Held by courts pending adjudication of rates	.....	.....	.....	.....	11,316	36,07
With fiscal agents, per contra	.....	.....	.....	.....	353,990	805,76
Secured call loans	.....	1,700,000	3,000,000	450,000	200,000	300,00
Accounts due from consumers, misc. notes and accounts and accrued int.	*5,043,358	*4,535,173	*3,934,754	*4,373,735	*3,357,010	*3,111,24
Materials and supplies	3,745,200	3,544,054	3,455,064	4,049,191	5,561,172	3,737,90
Due on capital stocks on partial payment plan	566,407	1,185,043	960,811	866,418	1,235,862	.....
Total	$15,921,132	$18,146,111	$16,549,028	$17,061,628	$19,700,221	$11,200,85
Current Liabilities—						
Accounts payable	$2,312,771	$1,866,946	$2,910,070	$4,362,216	$5,691,510	$3,237,01
Notes payable	3,684,319	2,507,287	2,684,529	2,445,828	6,033,871	2,433,11
Accrued taxes	4,038,706	3,322,991	2,952,697	2,815,514	2,406,396	1,858,56
Matured interest	282,694	306,741	267,633	233,927	353,990	805,76
Accrued interest	2,020,340	2,034,062	2,252,444	1,982,689	1,830,827	1,324,24
Pfd. dividends, declared unpaid sub. cos.	428,572	474,501	374,774	306,720	239,314	223,91
6% Part. Pfd. dividends called but not presented for payment	.....	79,275	148,365	.....	.....	.....
Accrued dividends on Pfd. stocks	367,876	424,401	428,931	355,547	298,635	157,14
Total	$13,135,278	$11,016,204	$12,019,443	$12,502,441	$14,854,543	$10,039,77
Net Working Capital	$2,785,854	$7,129,907	$4,529,585	$4,559,187	$4,845,678	$1,161,17

*Less reserves for doubtful accounts, $300,606 in 1927, $282,965 in 1926, $271,995 in 1925, $222,293 in 1924, $205,618 in 192 and $183,964 in 1922.

Officers: H. Hobart Porter, Pres.; Warren R. Voorhis, V-P.; Philip L. Ross, V-P.; William K. Dunbar, Sec.. & Asst. Treas.; E. S. Thompson, Treas. & Asst. Sec.; W. R. Hinchman, Asst. Sec. & Asst. Treas.; T. B. Davis, Asst. Sec.; G. W. Chapman, Asst. Sec.; A. A. Adams, Compt.; Adolph Ast, John Young and A. L. Rae, Asst. Comptrollers; Sullivan & Cromwell, General Counsel, New York.

Directors: William Nelson Cromwell, Henry H. Pierce, H. Hobart Porter, Seton Porter, Harry E. Towle, William H. Erhart, Chester Dale, James A. Hill, Thomas C. Blodgett, New York; W. S. Finlay, Jr., William C. Robinson, Pittsburgh; Richard Coulter, Greensburg, Pa.

General Office, 7 West Tenth St., Wilmington, Del. **Executive Office,** 50 Broad St., New York.

ALTON WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated March 29, 1906, in Illinois with a charter extending for 99 years. The Company supplies the City of Alton, Illinois, with water for domestic, industrial and public uses. Total population served, 32,900; number of consumers, 7,113; city fire hydrants, 434; miles of mains, 75.53; nominal daily distributive pumping capacity, 15,380,000 gallons; low service and relay daily pumping capacity, 16,000,000 gallons; nominal daily filter capacity, 7,670,000 gallons; source of supply, Mississippi River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	61.17	388	5,258	661,890	$151,502
1924	64.77	396	5,749	681.879	151,321
1925	70.44	416	6,131	731,653	161,766
1926	72.27	417	6,761	731,701	179,713
1927	75.53	434	7,113	762,236	185,593

*Thousand gallons.

CAPITAL STOCK

Authorized, $400,000 Common; outstanding, $288,000; par, $100. All owned by American Water Works and Electric Company, Incorporated. Annual meeting, second Wednesday in March.

FUNDED DEBT

$345,000 FIRST MORTGAGE 4½s; DUE APRIL 1, 1921

Dated April 1, 1906.

Interest Payable April and October 1, at Illinois State Trust Co., East St. Louis, Ill.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—Illinois State Trust Co., East St. Louis, Ill.

Provisions of Issue—Authorized and issued, $400,000; outstanding, $345,000; in Treasury, $55,000.

Callability—Subject to call at 103 and accrued interest on any interest date upon 90 days' notice.

Security—A first lien on entire property owned.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925
Gross earnings	$185,593	$179,713	$30,054
Operating exps., maint. & taxes	103,015	108,915	17,001
Net earnings	$82,578	$70,798	$13,053
Interest on funded debt	15,525	15,525	2,588
Balance	$67,053	$55,273	$10,465
Interest on floating debt & amort.	10,707	1,559	83
Balance	$56,346	$53,714	$10,382
Reserve for renewals & replacements	7,091	6,000	1,000
Net income for period	$49,255	$47,714	$9,382

*Two months to December 31.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$1,584,596	$1,476,029	$1,371,352
Securities owned	100	.....	.....
Material and supplies	1,818	1,779	1,643
Cash and accounts receivable	41,044	43,640	50,852
Rentals accrued	5,936	5,852	5,700
Miscellaneous assets	753	1,097	864
Treasury bonds	55,000	55,000	55,000
Deferred charges	1,650	2,279	2,857
Total	$1,690,897	$1,585,676	$1,488,268

Liabilities—	1927	1926	1925
Common stock	$288,000	$288,000	$288,000
Funded debt	400,000	400,000	400,000
Accounts payable	207,807	104,097	4,998
Consumers' and extension deposits	7,597	1,068	1,378
Accrued interest, taxes, etc.	22,614	21,276	22,004
Rentals in advance	1,193	1,233	1,009
Reserves	133,811	144,704	141,550
Surplus	629,875	625,298	629,329
Total	$1,690,897	$1,585,676	$1,488,268

Officers: W. D. Freer, Pres.; D. M. Watt, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; John Young, Asst. Sec.; A. B. Williams, Asst. Treas., New York.

Directors: W. D. Freer, D. M. Watt, John Young, T. B. Davis, A. B. Williams, K. M. Bixler, New York; J. A. Miller, Alton, Ill.

Offices, Alton, Ill.; 50 Broad St., New York, N. Y.

ARKANSAW WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Dec. 1, 1880, in Arkansas, with perpetual charter. Company supplies Little Rock, North Little Rock and suburbs in Arkansas, with water for domestic, industrial and public uses. Total population served, 110,000; number of consumers, 18,860; city fire hydrants, 1,088; miles of mains, 251.94; nominal daily distributive pumping capacity, 22,500,000 gallons; low service daily pumping capacity, 12,000,000 gallons; relay daily pumping capacity, 6,250,000 gallons; nominal daily filter capacity, 13,400,000 gallons. Source of supply is the Arkansas River and auxiliary supply from pumping wells.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	204.23	871	15,864	1,329,484	$509,786
1924	218.20	938	17,113	1,414,358	553,459
1925	230.89	1,008	17,684	1,632,714	605,834
1926	242.20	1,069	18,393	1,659,592	624,105
1927	251.94	1,088	18,860	1,622,622	631,564

*Thousand gallons.

CAPITAL STOCK

Authorized, $2,500,000; oustanding, $1,549,400 Common and $56,000 7% Cumulative Pfd.; par, $100. All owned by American Water Works and Electric Company, Incorporated; the remainder of the authorized stock may be issued as Pfd. or Common, as the Company may elect. Annual meeting, last Saturday in April.

FUNDED DEBT

$2,930,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A," DUE OCTOBER 1, 1956

Dated October 1, 1926.

Interest Payable April and October 1, at American Water Works and Electric Co., Inc., 50 Broad St., New York, N. Y.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee and Registrar—Guaranty Trust Co. of New York, New York.

Provisions of Issue—Open mortgage. Outstanding, Feb. 16, 1928, $2,930,000 Series "A" 5s. Proceeds were used to retire certain indebtedness of company (including the payment of $1,789,000 First Mtge. 6% bonds, Series "A," due Nov. 1, 1930, but called for payment Nov. 1, 1926 at 102 and interest at Continental & Commercial Trust & Savings Bank, Chicago) and for other corporate purposes.

Additional in series, bearing such interest rates, maturities, redemption provisions and such other features and provisions as may be determined by directors of Company, subject, however, to the restrictive provisions of the mortgage may be issued under the mortgage for (a) not exceeding 80% of cost or fair value, whichever is lower, of permanent improvements, additions or extensions to property of Company or any new or additional property constructed or acquired subsequent to June 30, 1926; (b) cash deposited with the Trustee under the provisions of the mortgage; (c) the paying, redeeming or refunding of indebtedness secured by prior liens on property acquired subsequent to June 30, 1926; and (d) the paying, redeeming or refunding of bonds of another series. No additional bonds may, however, be issued except for the purposes expressed in (c) and (d) above, unless net earnings of Company, as defined in the mortgage, for twelve consecutive calendar months within fifteen calendar months immediately preceding the month in which application is made for authentication of bonds, shall have been at least one and three-quarters times the annual interest charges upon (a) all bonds outstanding under the mortgage, (b) those to be issued and (c) all indebtedness secured by prior liens, if any, on property acquired subsequent to June 30, 1926, except such part thereof as will be paid or retired from the proceeds or through the issue of the additional bonds applied for. In the calculation of such net earnings at least 5% of gross revenues must be charged to operating expenses for repairs and current maintenance.

Callability—Subject to call as a whole or in part on at least 30 days' notice at 105 up to and including Oct. 1, 1936, and at 1% less during each 5 year period thereafter up to and including Oct. 1, 1951, and at par thereafter; plus accrued interest in each case.

Public Acquisition of Properties—In event that any municipal corporation or other governmental subdivision within the territorial limits of which the Company shall then be operating, shall acquire all or the major portion in value of the water works properties of the Company and shall assume payment of principal and interest of all bonds issued under the mortgage as a valid and binding general obligation, all liability and obligation of the Company upon the bonds and the coupons shall forthwith cease and determine. In event that any such municipal corporation or other governmental subdivision shall acquire all or any part of the water works properties of the Company, and shall not assume the payment of principal and interest of all bonds issued under the mortgage, then bonds in principal amount not exceeding the price paid for the property so acquired, may, at the option of the Company be declared due and payable at 100 and interest.

Security—Secured by a first mortgage on all the physical property now owned by Company, and will be secured by a direct mortgage on such property hereafter acquired.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and agrees to refund, upon proper application within 60 days after payment, the Pennsylvania and Connecticut Personal Property Taxes, not exceeding 4 mills per annum, the Maryland Security tax, not exceeding 4½ mills per annum, and the Massachusetts Income Tax, not exceeding 6% per annum on income derived from the bonds.

Legal Opinion—Sullivan & Cromwell, New York, (for the Company), and Seibert & Riggs, New York, (for the bankers.)

Original Offering—First publicly offered ($2,750,000) in September, 1926, at 95½ and accrued interest, to yield 5.30%, by W. C. Langley & Co., and Halsey, Stuart & Co., Inc., New York, etc., and H. M. Payson & Co., Portland, Me.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$631,564	$624,105	$605,834	$553,459	$509,786	$457,677
Operating expenses, maintenance and taxes	320,228	292,969	296,566	283,153	285,432	234,622
Net earnings	$311,336	$331,136	$309,268	$270,306	$224,354	$223,055
Interest on funded debt	137,500	114,042	107,340	107,340	107,340	107,340
Balance	$173,836	$217,094	$201,928	$162,966	$117,014	$115,715
Interest on floating debt and amortization	15,513	36,530	33,186	26,735	19,731	16,786
Balance	$158,323	$180,564	$168,742	$136,231	$97,283	$98,929
Reserved for renewals & replacements	31,980	30,057	28,712	27,105	25,500	36,000
Net income	$126,343	$150,507	$140,030	$109,126	$71,783	$62,929

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$4,476,025	$4,268,030	$4,041,457
Securities owned	.....	.....	90
Materials and supplies	6,645	5,828	6,740
Cash & accts. receivable	248,113	263,278	155,355
Miscellaneous assets	1,421	1,511	844
Deferred charges	383,505	367,530	69,622
Total	$5,115,709	$4,906,177	$4,274,108

Liabilities—	1927	1926	1925
Common stock	$1,549,400	$1,549,400	$1,549,400
Preferred stock	56,000	56,000	56,000
Funded debt	2,750,000	2,750,000	1,789,000
Loans payable	.....	.....	307,000
Current accts. payable	146,173	7,355	59,491
Consumers & exten. dep.	127,371	86,252	78,324
Accrd. int., taxes, etc.	110,821	105,082	89,968
Rentals in advance	1,566	1,477	2,047
Contributions for extensions	60	.....	.....
Reserves	321,781	304,292	280,459
Surplus	52,537	46,319	62,419
Total	$5,115,709	$4,906,177	$4,274,108

Officers: E. W. Clark, Pres.; H. F. Barnard, V-P.; E. A. Geehan, V-P., New York; S. R. Brough, Treas.; H. E. Reiman, Sec., Little Rock; T. B. Davis, Asst. Sec. & Asst. Treas., New York.

Directors: E. W. Clark, K. M. Bixler, John Young, A. B. Williams, T. B. Davis, J. F. Sehner, New York; S. R. Brough, Little Rock, Ark.

Offices, 112 East 7th St., Little Rock, Ark.; 50 Broad St., New York, N. Y.

ARMSTRONG WATER COMPANY

(Controlled by American Water Works and Electric Co., Inc.)

History and Property—Incorporated Aug. 27, 1886, in Pa., with a 99-year charter. Company supplies water for domestic, industrial and public use to the Borough of Kittanning, Pa., and adjacent territory, having a total population of 8,100. Since incorporation, the Company has acquired the plants and fran-

chises of seven water companies which previously had served parts of its present territory. The system has a nominal daily distributive capacity of 9,000,000 gallons and a normal daily filter capacity of 3,000,000 gallons. The source of supply is the Allegheny River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	No. of Consumers	Gross Earnings
1923	16.72	73	1,929	$51,124
1924	16.74	73	1,899	62,211
1925	16.74	73	1,933	61,862
1926	16.74	73	1,927	58,983
1927	16.81	73	2,039	59,342

CAPITAL STOCK

Authorized and outstanding, $75,000 Common; par $100. All owned by American Water Works and Electrict Company, Inc. Annual meeting, third Monday in Dec.

FUNDED DEBT

$337,000 First Mortgage Gold 5s; dated June 1, 1907; due June 1, 1937; int. June and Dec. 1, at Lackawanna Trust & Safe Deposit Co., Scranton, Pa., Trustee. Authorized and issued, $350,000, of which $13,000 are held in the treasury. All acquired except $3,000 by American Water Works and Electric Company, Inc. Secured on all property and franchises of the Company and its constituent companies. Company pays Normal Federal Income Tax. Interest was defaulted from Dec. 1, 1918, until June 1, 1927, when payments were resumed and paid since to date.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property	$556,784
Materials and supplies	281
Cash and account receivable	32,471
Miscellaneous assets	145
Treasury bonds	13,000
Total	$602,681
Liabilities—	
Common stock	$75,000
Funded debt	350,000
Accounts payable	838
Accrued interest, taxes, etc.	4,590
Rentals in advance	1
Matured bond interest	101,100
Reserves	66,568
Surplus	4,584
Total	$602,681

Officers: D. M. Watt, Pres.; W. D. Freer, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. A. Geehan, W. D. Freer, T. B. Davis, A. B. Williams, John Young, New York.

Offices, 103 South Jefferson St., Kittanning, Pa., and 50 Broad St., New York, N. Y.

THE ASHTABULA WATER WORKS COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Properties—Incorporated March 2, 1928, in Ohio, to acquire all the property of The Ashtabula Water Supply Co. (see 1927 Manual, page 1585). Supplies Ashtabula, Ohio, with water for domestic, industrial and public uses. Total population served, 31,200; number of consumers, 5,793; city fire hydrants, 410; miles of mains, 68.89; nominal daily distributive pumping capacity, 19,500,000 gallons; low service daily pumping capacity, 16,000,000 gallons; relay daily pumping capacity, 3,480,000 gallons; nominal daily filter capacity, 6,500,000 gallons. Source of supply, Lake Erie.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	Gross Earnings
1923	63.82	355	5,330	$175,314
1924	65.79	382	5,524	172,570
1925	67.66	398	5,666	183,041
1926	68.15	407	5,749	194,364
1927	68.89	410	5,793	180,389

CAPITAL STOCK

Outstanding, 5,000 shares Common of no par value and $250,000 6% cumulative Pfd.; par, $100. All the Common stock is owned by American Water Works and Electric Co., Inc. Pfd. stock has preference for assets and is subject to call at 105. Annual meeting, fourth Tuesday in June.

Dividends—Pfd. dividends have been regularly paid since organization; payments quarterly J, A, J & O 1.

FUNDED DEBT

$750,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1958

Dated April 2, 1928.

Interest Payable April and October 1 at American Water Works and Electric Co., Inc., 50 Broad St., New York, N. Y.

Denominations—Coupon $500 and $1,000, interchangeable; principal may be registered.

Trustee—Bankers Trust Co., New York, N. Y.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $750,000 Series "A" 5s. Proceeds were used to acquire the property of Ashtabula Water Supply Co.

Additional bonds may be issued in series, bearing same or different rates of interest, interest dates, maturities, redemption provisions and such other features and provisions as may be determined by directors, subject, however, to restrictive provisions of Mortgage, for (a) not exceeding 80% of cost or fair value, whichever is lower, of permanent improvements, additions or extensions, as defined in mortgage, to property of Company or any new or additional property constructed or acquired subsequent to March 31, 1928; (b) cash deposited with Trustee under provisions of mortgage; (c) paying, redeeming or refunding of indebtedness secured by prior mortgage liens on property acquired subsequent to March 31, 1928; and (d) paying, redeeming or refunding of bonds theretofore issued under the mortgage. No additional bonds may, however, be issued except for purposes expressed in (c) and (d) above, unless net earnings of Company, as defined in mortgage, for 12 consecutive calendar months within 15 calendar months immediately preceding month in which application is made for authentication of bonds, shall have been at least 1¾ times annual interest charges upon (a) all bonds outstanding under mortgage (b) those to be issued and (c) all indebtedness secured by prior liens, if any, on property acquired subsequent to Mar. 31, 1928, except such part thereof as will be paid or retired from proceeds or through issue of additional bonds applied for. In calculation of such net earnings at least 5% of gross revenues must be charged to operating expenses for repairs and current maintenance.

Callability—Series "A" bonds are subject to call as a whole or in part, on 4 weeks' notice, at 105 and interest, to and including April 1, 1953 and at par and interest thereafter.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all physical property now owned by Company and by a direct mortgage on all such property hereafter acquired.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and agrees to refund to holders of bonds, upon proper application within 60 days after payment of Pennsylvania or Connecticut 4 Mills tax, or of Maryland 4½ mills tax, or of Massachusetts Income tax not exceeding 6% per annum on income derived from bonds.

Legal Opinion—Seibert & Riggs, New York (for the bankers), and Sullivan & Cromwell, New York (for the Company).

Original Offering—First publicly offered ($750,000 Series "A" 5s) in April, 1928, at 97½ and interest, by W. C. Langley & Co. and Halsey, Stuart & Co., Inc., New York, etc.

BONDS REDEEMED

The $243,000 Ashtabula Water Supply Co. First Mortgage Gold 5% bonds, dated June 1, 1917 and due June 1, 1937, were called for payment Dec. 1, 1927, at American Exchange Irving Trust Co., New York, Trustee.

INCOME ACCOUNT, 9 MONTHS ENDED DECEMBER 31, 1937

Gross earnings	$138,272
Operating expenses, maintenance & taxes	73,157
Net earnings	$65,115
Interest on funded debt	8,100
Balance	$57,015
Interest on floating debt, amortization, etc.	1,219
Balance	$55,796
Reserve for retirements	6,375
Net income	$49,421

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Plant and property	$1,145,550	Common stock	$300,000
Securities owned	1,050	Preferred stock	288,800
Material and supplies	1,816	Accounts payable	259,701
Cash and accounts receivable	26,567	Consumers and extension deposits	4,119
Rentals accrued	6,254	Accrued interest, taxes, etc.	25,444
Miscellaneous assets	713	Rentals in advance	406
Deferred charges	284	Reserves	181,205
		Surplus	122,559
Total	$1,182,234	Total	$1,182,234

Officers: D. M. Watt, Pres.; H. F. Barnard, V-P.; W. D. Freer, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst Sec.; John Young, Asst. Treas., New York.

Directors: D. M. Watt, K. M. Bixler, A. B. Williams, John Young, J. F. Sehner, R. J. Parker, T. B. Davis, G. W. Chapman, New York; A. T. Faulkner, Ashtabula, O.

Offices, Ashtabula, O., and 50 Broad St., New York.

ATLANTIC COUNTY WATER COMPANY OF NEW JERSEY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Oct. 20, 1915, in New Jersey with perpetual charter. The Company supplies a number of communities located near Atlantic City, including Absecon, Pleasantville, Somers Point, Northfield, Linwood, and Egg Harbor Township with water for domestic, industrial and public uses, serving a total population of 22,900. Number of consumers, 4,161; city fire hydrants, 326; miles of mains, 86.05; nominal daily distributive pumping capacity, 4,460,000 gallons; source of supply, imponding reservoir and wells.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	44.47	137	2,810	111,000	$69,483
1924	47.81	152	3,127	145,203	83,851
1925	53.15	175	3,483	131,487	93,216
1926	73.70	296	3,796	151,390	109,284
1927	86.05	326	4,161	161,322	124,816

*Thousand gallons.

CAPITAL STOCK

Authorized, $400,000 Common and $100,000 7% First Pfd.; outstanding, $109,500 Common, par $25, and $35,900 Pfd., par, $100. American Water Works & Electric Co., Inc., owns entire outstanding capital stock.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is redeemable at 105 and accrued dividends on any dividend date after three years from the date of its issuance.

Annual Meeting—First Thursday in February.

Dividends—Pfd. dividends are paid quarterly, J, A, J & O, 1.

FUNDED DEBT

$315,500 FIRST MORTGAGE 5s; DUE OCTOBER 1, 1965

Dated October 1, 1915.

Interest Payable April and October 1, at Farmers Trust Co., Carlisle, Pa.

Denomination—Coupon, $500.

Provisions of Issue—Authorized, $500,000; outstanding, $315,500. All owned by American Water Works & Electric Co., Inc.

Callability—Subject to call at 102½ and accrued interest on and after Oct. 1, 1920, upon four weeks' published notice.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925
Gross earnings	$124,816	$109,284	$73,827
Oper. exp., maint. & taxes	45,001	43,551	34,472
Net earnings	$79,815	$65,733	$39,355
Interest on funded debt	15,775	15,775	11,831
Balance	$64,040	$49,958	$27,524
Interest on floating debt, amortization, etc.	15,634	8,831	3,970
Balance	$48,406	$41,127	$23,554
Reserved for retirements	8,695	6,147	3,750
Net income	$39,711	$34,980	$19,804

*Nine months to Dec. 31, 1925.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Plant & property	$1,180,815	$1,085,607	$853,625	Common stock	$109,500	$109,500	$109,500
Treasury bonds	34,500	34,500	34,500	Preferred stock	35,900	35,900	35,900
Materials and supplies	97	131	145	Funded debt	350,000	350,000	350,000
Cash and accounts receivable	28,457	15,334	13,719	Accounts payable	284,580	195,405	87,946
Miscellaneous assets		765	188	Accrued interest, taxes, etc.	8,342	7,343	6,100
Rentals accrued	435			Rentals in advance	1,172	538	512
Deferred charges		18,056	18,493	Consumers' & extension deposits	177,323	170,198	45,649
				Reserves	171,919	184,569	180,456
				Surplus	105,568	100,939	104,607
Total	$1,244,304	$1,154,393	$920,670	Total	$1,244,304	$1,154,393	$920,670

Officers: E. A. Geehan, Pres.; E. W. Clark, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. A. Geehan, J. F. Sehner, K. M. Bixler, A. B. Williams, R. J. Parker, New York.

Office, Pleasantville, N. J. **New York Office,** 50 Broad Street.

BAY HEAD WATER COMPANY

(Controlled by American Water Works and Electric Company, Inc.)

History and Property—Incorporated June 13, 1912, in New Jersey, with a charter extending to May 22, 1962. Company supplies water to the town of Bay Head, N. J., and other communities having a total population of 4,500. The system has a nominal daily distributive pumping capacity of 1,267,000 gallons. The source of supply is wells. Control of this company was acquired by American Water Works and Electric Co., Inc., in Dec. 1927.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	8.20	45	382	35,653	$13,565
1924	8.64	45	406	39,375	14,846
1925	8.90	45	433	43,043	15,909
1926	9.10	45	462	39,658	17,501
1927	9.62	48	492	47,658	19,163

*Thousand gallons.

CAPITAL STOCK

Authorized, $100,000 Common; outstanding, $84,000; par $25. American Water Works and Electric Co., Inc., owns over 99% of the outstanding capital stock. Annual meeting, third Monday in February.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property	$156,914
Securities owned	9,877
Cash	7,950
Accounts receivable	454
Miscellaneous assets	227
Total	$175,422
Liabilities—	
Common stock	$84,000
Accounts payable	560
Accrued interest, taxes, etc.	910
Reserves	41,499
Surplus	48,453
Total	$175,422

Officers: E. A. Geehan, Pres.; H. F. Barnard, V-P.; A. A. Adams, Sec.; T. B. Davis, Treas.; A. B. Williams, Asst. Sec., John Young, Asst. Treas., New York.

Directors: E. A. Geehan, R. J. Parker, A. B. Williams, J. F. Sehner, K. M. Bixler, New York.

Offices, Bay Head, N. J. and 50 Broad St., New York, N. Y.

THE BIRMINGHAM WATER WORKS COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Feb. 13, 1885, in Ala. by Special Act of Legislature with perpetual charter. In the latter part of 1927 purchased the system serving North Birmingham, part of the City of Birmingham, Ala. Company supplies Birmingham, Alabama, and suburbs with water for public and domestic use. Total population served, 300,000; number of consumers, 49,370; city fire hydrants, 1,526; miles of mains, 709.35; nominal daily distributive pumping capacity, 71,000,000 gallons: low service daily pumping capacity, 10,000,000 gallons; relay daily pumping capacity, 49,624,500 gallons; nominal daily filter capacity, 40,000,000 gallons; source of supply, Cahaba River and Five Mile Creek. Company owns 440 acres of coal land and operates its own coal mines.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	505.23	1,219	34,749	5,198,355	$1,095,248
1924	546.79	1,246	37,565	5,591,573	1,164,040
1925	598.18	1,335	42,334	6,344,128	1,316,666
1926	647.40	1,419	46,134	6,705,861	1,420,119
1927	709.35	1,526	49,370	7,037,191	1,537,671

*Thousand gallons.

CAPITAL STOCK

Authorized, $1,829,700 Common and $6,200,000 cumulative First Pfd.; outstanding, $1,829,700 Common and $1,700,000 ($500,000 7% and $1,200,000 8%) Pfd.; par $100. All the Common is owned by American Water Works and Electric Company, Incorporated. Transfer Agent (Pfd.): Birmingham Trust & Savings Co., Birmingham, Ala. Registrar (Pfd.): The First National Bank of Birmingham, Ala.

Preferred Stock Provisions—Has preference for assets and dividends and is redeemable as a whole or in part at 105 and accrued dividends on 30 days' notice by mail.

Annual Meeting—First Thursday in May.

Dividends—Pfd. dividends regularly paid quarterly M, J, S & D 15.

FUNDED DEBT

$5,500,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1954

$460,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE DECEMBER 1, 1954

$2,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "C"; DUE FEB. 1, 1957

Dated October 1, 1924.

Interest Payable April and October 1 on Series "A" and June and December 1, on Series "B," and February and August 1, on Series "C," at American Water Works and Electric Company, Incorporated, 50 Broad St., New York, and at Illinois Merchants Trust Co., Chicago.

Denominations—Series "A" and "B," coupon $100, $500 and $1,000; Series "C," coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, $5,500,000 Series "A" 5½s, $460,000 Series "B" 5s and $2,000,000 Series "C" 5s.

Additional bonds may be issued, among other things, for not in excess of 80% of the cost of additions, improvements and extensions made to the properties, provided the net earnings for twelve consecutive calendar months within fifteen calendar months immediately prior to the issuance of such new bonds have been at least one and three-quarters times the annual interest charges on all bonds outstanding and those to be issued. In the calculation of net earnings at least 5% of gross earnings must be charged to current maintenance and included in operating expenses.

Callability—Series "A" bonds are subject to call as a whole or in part upon four weeks' notice to and including Oct. 1, 1929, at 105 and interest; thereafter to and including Oct. 1, 1934, at 103 and interest; thereafter to and including Oct. 1, 1939, at 102 and interest; thereafter to and including Oct. 1, 1949, at 101 and interest, and thereafter at 100 and interest. Series "B" bonds are subject to call as a whole or in part on 4 weeks' notice to and including Dec. 1, 1929, at 105 and interest; thereafter to and including Dec. 1, 1934, at 102 and interest; thereafter to and including Dec. 1, 1949, at 101 and interest; and thereafter to maturity at 100 and interest. Series "C" bonds are subject to call as a whole or in part upon 4 weeks' notice up to Feb. 1, 1947 at 105 and interest; thereafter up to Feb. 1, 1952 at 103 and interest; and thereafter to maturity at 100 and interest. In event the City of Birmingham purchases property and pays the full purchase price thereof in cash, the bonds will be due and payable at 100 and interest. If the City acquires all or the major portion in value of the Company's property and assumes payment and interest of the bonds all liability of the Company upon the bonds shall forthwith cease.

Maintenance, Renewals and Replacements Fund—Company covenants to expend or reserve for maintenance, renewals and replacements an amount equal

to 9% of the gross earnings. This reserve may be expended for maintenance, replacements, or renewals, and also for the cost of improvements to the properties against which no bonds may be issued.

Security—A first lien on entire property of company.

Guaranty—Principal and interest of Series "A" and "B" bonds guaranteed by endorsement by American Water Works and Electric Co., Inc., until such time as payment of principal and interest may be assumed by City of Birmingham as a valid binding and general municipal obligation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four mills taxes, Maryland four one-half mills tax and Massachusetts Income Tax not in excess of 6½% per annum on Series "A" bonds and 6% per annum on Series "B" and "C" bonds refunded.

Legal for Savings Banks in Maine.

Legal Opinion—Sullivan & Cromwell, New York, Seibert & Riggs, New York, and Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($5,500,000 Series "A" 5½s) in October 1924, at 99¾ and interest, yielding over 5.50%, by P. W. Chapman & Co., Inc. and Halsey, Stuart & Co., Inc., New York and H. M. Payson & Co., Portland, Maine; $460,000 Series "B" 5s offered in March, 1926, at 96 and interest to yield over 5¼%, by W. C. Langley & Co., Halsey, Stuart & Co., Inc., and P. W. Chapman & Co., Inc., New York and Chicago. $800,000 Series "C" 5s offered in March, 1927 at 99 and interest by W. C. Langley & Co. and Halsey, Stuart & Co., Inc., New York, etc. $1,200,000 additional Series "C" 5s offered in Dec., 1927 at 101 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,537,671	$1,420,118	$1,316,666	$1,164,040	$1,095,248	$1,048,141
Operating expenses, maintenance and taxes	621,828	576,752	545,754	453,120	426,979	409,346
Net earnings	$915,843	843,366	770,912	710,920	668,269	638,795
Interest on funded debt	358,444	320,069	302,468	258,855	253,890	253,890
Balance	$557,399	$523,297	$468,444	$452,065	$414,379	$384,905
Int. on floating debt and amortization	51,136	60,667	37,918	17,035	36,765	53,922
Balance	$506,263	$462,630	$430,525	$435,030	$377,614	$330,983
Reserved for renewals and replacements	89,331	78,744	70,165	62,798	59,223	56,840
Net income	$416,932	$383,886	$360,360	$372,232	$318,391	$274,143

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$12,253,605	$10,527,842	$9,576,321
Securities owned	1,600	.....	.....
Materials and supplies	10,592	12,614	9,863
Cash & accts. receivable	151,246	325,278	320,644
Rentals accrued	22,900	19,900	19,600
Miscellaneous assets	3,297	3,870	1,236
Deferred charges	507,697	430,334	404,722
U. S. Mtge. & Tr. Co. improvement fund	250,000	.....	.....
Total	$13,200,937	$11,319,838	$10,332,386

Liabilities—	1927	1926	1925
Common stock	$1,829,700	$1,829,700	$1,829,700
Preferred stock	1,700,000	1,700,000	1,693,500
Pfd. stock subscriptions	.....	.....	6,500
Funded debt	7,960,000	5,960,000	5,500,000
Loans payable	.....	404,000	.....
Accounts payable	363,790	457,245	521,305
Consumers & exten. dep.	489,355	333,970	229,908
Accrued int., taxes, etc.	198,900	152,230	164,600
Rentals in advance	75,792	74,130	65,776
Reserves	393,539	317,760	236,938
Surplus	189,861	90,803	84,159
Total	$13,200,937	$11,319,838	$10,332,386

Officers: D. M. Watt, Pres.; W. D. Freer, V-P.; H. F. Barnard, V-P., New York; H. H. Horner, V-P., Birmingham, Ala.; T. B. Davis, Treas. & Sec.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: D. M. Watt, John Young, K. M. Bixler, A. B. Williams, T. B. Davis, New York.

Offices, 2114 First Ave., Birmingham, Ala.; 50 Broad Street, New York, N. Y.

THE BUTLER WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Nov. 2, 1877, in Pa., with charter extending for 99 years. Company supplies water for domestic, industrial and public uses to Butler, Pennsylvania, and adjacent territory, having a total population of 31,100. Number of consumers, 5,456, city fire hydrants, 247; miles of mains, 67.06; nominal daily distributive pumping capacity, 11,247,000 gallons; low service daily pumping capacity, 12,000,000 gallons; nominal daily filter capacity, 6,000,000 gallons. Source of supply, impounding reservoirs of over 850,000,000 gallons capacity.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	62.37	231	5,075	886,966	$172,859
1924	63.13	234	5,196	875,063	173,165
1925	64.02	235	5,290	729,422	180,355
1926	64.75	235	5,389	764,230	184,497
1927	67.06	247	5,456	696,543	182,325

*Thousand gallons.

CAPITAL STOCK

Authorized, $421,500 Common, par, $50, and $500,000 7% cumulative First Pfd., par, $100; outstanding, $421,500 Com. and $250,000 Pfd. All the Common stock owned by American Water Works and Electric Company, Incorporated. Transfer Agent for Pfd.: Butler County National Bank, Butler, Pa. Registrar for Pfd.: Guaranty Trust Co., Butler, Pa. Annual meeting, third Monday in October.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to redemption on any dividend date on 30 days' notice at 105 and accrued dividend.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D 15.

FUNDED DEBT

(1)

$597,000 30-YEAR GOLD 5s; DUE SEPTEMBER 2, 1931

Dated September 2, 1901.

Interest Payable March and Sept. 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $750,000; $152,000 reserved to retire equal amount of 5s, due July 1, 1927. In addition to outstanding amount, $13,000 are held in treasury. Subject to call at par and interest at any time. Company does not pay Normal Federal Income Tax.

(2)

$1,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1957

Dated October 1, 1927.

Interest Payable April and October 1 at American Water Works and Electric Co., Inc., 50 Broad St., New York, N. Y.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee and Registrar—The Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized amount, not limited; issued and outstanding, $1,000,000 Series "A" 5s. Additional bonds may be issued in series, bearing the same or different rates of interest, interest dates, maturities, redemption provisions and such other features and provisions as may be determined by the Board subject, however, to the restrictive provisions of the Mortgage, for (a) not exceeding 80% of the cost or fair value, whichever is lower, of permanent improvements, additions or extensions to the property of the Company or any new or additional property constructed or acquired subsequent to July 31, 1927; (b) cash deposited with the Trustee under the provisions of the Mortgage; (c) the paying, redeeming or refunding of indebtedness secured by prior mortgage liens on property acquired subsequent to July 31, 1927; and (d) the paying, redeeming or refunding of bonds theretofore issued under the mortgage. No additional bonds may, however, be issued except for the purposes expressed in (c) and (d) above, unless net earnings of the Company, as defined in the Mortgage, for 12 consecutive calendar months within 15 calendar months immediately preceding the month in which application is made for authentication of bonds, shall have been at least 1¾ times the annual interest charges upon (a) all bonds outstanding under the Mortgage; (b) those to be issued and (c) all indebtedness secured by prior liens, if any, on property acquired subsequent to July 31, 1927, except such part thereof as will be paid or retired from the proceeds or through the issue of the additional bonds applied for. In the calculation of such net earnings at least 5% of gross revenues must be charged to operating expenses for repairs and current maintenance.

Purpose of Issue—Proceeds were used to provide for the retirement of certain indebtedness of the Company, including all bonds outstanding, and for other corporate purposes.

Callability—Subject to call as a whole or in part on at least 4 weeks' notice at 105 up to and including Oct. 1, 1952; and at 100 thereafter, plus accrued interest in each case. In event that any municipal corporation or other governmental subdivision within the territorial limits of which the Company shall then be operating, shall acquire all or any part of the water works properties of the Company, then bonds in principal amount not exceeding the price paid for the property so acquired, may, at the option of the Company be declared due and payable at 100 and interest.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all the fixed property owned by the Company, and by a direct mortgage on such property hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania 4 mills tax. Connecticut personal property taxes not exceeding 4 mills per annum, Maryland security tax not exceeding 4½ mills per annum and the Massachusetts income tax, not exceeding 6% per annum on income derived from bonds, refunded upon proper application within 60 days after payment.

Legal Opinion—Seibert & Riggs, New York (for the Bankers), and Sullivan & Cromwell, New York (for the Company).

Original Offering—First publicly offered ($1,000,000) in October, 1927, at 95 and interest, to yield over 5.30%, by W. C. Langley & Co., and Halsey, Stuart & Co., Inc., New York, etc.

BONDS REDEEMED

The $597,000 Butler Water Co. First Mortgage 5% Gold bonds, due Sept. 2, 1931, were called for payment on Dec. 1, 1927, at par and interest, at The Farmer's Loan and Trust Co., New York, N. Y.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$182,325	$184,497	$180,355	$173,165	$172,859	$154,617
Operating expenses, maintenance and taxes	80,885	81,187	89,826	84,816	77,331	71,114
Net earnings	$101,440	$103,310	$90,529	$88,349	$95,528	$83,503
Interest on funded debt	36,779	36,817	36,880	36,985	37,167	37,311
Balance	$64,661	$66,493	$53,649	$51,364	$58,361	$46,192
Interest on floating debt and amortization	16,403	16,673	14,549	8,753	21,809	21,939
Balance	$48,258	$49,820	$39,100	$42,611	$36,552	$24,253
Reserved for renewals & replacements	11,664	5,982	5,803	6,376	5,136	5,000
Net income	$36,594	$43,838	$33,297	$36,235	$31,416	$19,253

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,610,317	$1,591,928	$1,618,393
Treasury bonds	.....	13,000	12,000
Materials and supplies	1,841	1,725	1,479
Cash & accts. receivable	43,404	35,666	35,897
Rentals accrued	6,684	6,300	6,290
Miscellaneous assets	486	348	180
Deferred charges	128,379	22,970	26,530
Total	$1,791,111	$1,671,937	$1,700,769

Liabilities—	1927	1926	1925
Common stock	$421,500	$421,500	$421,500
Preferred stock	250,000	250,000	250,000
Funded debt	1,000,000	749,000	749,000
Loans payable	44,850	199,850	170,850
Current accts. payable	14,855	15,347	33,192
Consumers' & exten. dep.	9,381	8,143	7,754
Accrued int., taxes, etc.	22,452	20,363	21,117
Rentals in advance	141	116	99
Reserves	12,393	3,625	39,625
Surplus	15,539	3,992	7,632
Total	$1,791,111	$1,671,937	$1,700,769

Officers: D. M. Watt, Pres.; W. D. Freer, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. and Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: D. M. Watt, A. B. Williams, John Young, K. M. Bixler, T. B. Davis, New York.

Offices: 112 E. Jefferson Street, Butler, Pa.; 50 Broad Street, New York, N. Y.

CITY WATER COMPANY OF CHATTANOOGA

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Feb. 19, 1869, in Tenn., by Special Act of Legislature, as Lookout Water Co. with charter for 99 years; present title adopted April 18, 1872. Company supplies water for domestic, industrial and public uses to the City of Chattanooga, Tenn., and suburbs, having a total popu-

lation of 135,000. Number of consumers, 25,147; city fire hydrants, 905; miles of mains, 405.80; nominal daily distributive pumping capacity, 38,000,000 gallons; nominal daily low service pumping capacity, 40,000,000 gallons; nominal daily relay pumping capacity, 4,987,000 gallons; nominal daily filter capacity, 21,000,000 gallons; source of supply, Tennessee River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	287.95	536	19,850	3,066,508	$576,048
1924	311.91	572	21,086	3,104,932	603,525
1925	337.94	622	22,713	3,526,028	672,527
1926	381.81	732	24,002	3,793,723	704,760
1927	405.80	905	25,147	3,954,472	764,936

*Thousand gallons.

CAPITAL STOCK

Authorized, $1,741,900 Common and $2,000,000 6% cumulative Pfd.; outstanding, $1,740,300 Common and $1,000,000 Pfd.; par, $100. American Water Works and Electric Company, Incorporated, owns entire Common stock.

The previously outstanding $838,300 7% cumulative First Pfd. stock was called for redemption on Nov. 1, 1927 at par and accrued dividends at First National Bank, Chattanooga, Tenn.

Preferred Stock Provisions—Has preference for assets and dividends, is redeemable on any dividend date on 30 days' notice at 105 and accrued dividends, and in event of liquidation is entitled to par and accrued dividends.

The holders of Pfd. stock shall have no pre-emptive rights to subscribe for or purchase any new or additional issue of stock of any class, or of securities convertible into stock of any class. No additional shares of 6% cumulative Pfd. stock shall be issued unless and until Company's surplus or net profits applicable to the payment of dividends shall have been, for a period of 12 consecutive calendar months within the 15 calendar months immediately preceding the issue of such Pfd. at least 1½ times the dividend requirements for a like period upon the entire amount of Pfd. already issued and outstanding and that to be issued. In case any property of Company shall have been owned by it during a part only of the period for which the calculation of earnings is made, the earnings of such property during the part of such period as shall have preceded the acquisition of such property shall be included in the earnings of Company for the purpose of such calculations of earnings.

Holders of the Pfd. shall have voting power share for share with Common only so long as there is default in the payment of four quarter-yearly dividends on Pfd. stock.

Tax Provisions—Dividends are exempt from present Normal Federal Income tax and stock is free of state, county and municipal taxes in Tennessee.

Legal Opinion—Williams & Fireson, Chattanooga, Tenn.

Original Offering—First publicly offered ($1,000,000) in Nov., 1927, at par and dividend, by First Securities Co., Chattanooga, Tenn.

Transfer Agent (Pfd.)—First National Bank, Chattanooga, Tenn.

Registrar (Pfd.)—Hamilton Trust & Savings Bank, Chattanooga, Tenn.

Annual Meeting—First Monday in May.

Dividends—Pfd. dividends regularly paid quarterly, F, M, A & N 1, initial payment on the 6% Pfd., having been made Feb. 1, 1928.

FUNDED DEBT

$2,250,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1954

$316,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE DECEMBER 1, 1954

$600,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "C"; DUE MAY 1, 1957

Dated December 1, 1924.

Interest Payable June and December 1 on Series "A" and "B" and May and November 1 on Series "C" at American Water Works and Electric Company, Incorporated, 50 Broad Street, New York.

Denominations—Coupon $100 (Series "A" and "B" only), $500 and $1,000; principal may be registered.

Trustee and Registrar—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, Dec. 31, 1927, $2,250,000 Series "A" 5½s, $316,000 Series "B" 5s and $600,000 Series "C" 5s.

Additional bonds may be issued, among other things, for not in excess of 80% of the cost of additions, improvements and extensions made to its property after Oct. 1, 1924, provided the net earnings for twelve consecutive calendar months within fifteen calendar months, immediately prior to the issuance of such new bonds have been at least one and three-quarters times the annual interest charges on all bonds outstanding and those to be issued. In the calculation of net earnings at least 5% of gross earnings must be charged to current maintenance and included in operating expenses.

Callability—Series "A" and "B" are callable in whole or in part upon 4 weeks' notice to and including Dec. 1, 1929, at 105 and interest; thereafter to and including Dec. 1, 1934 at 102 and interest; thereafter to and including Dec. 1, 1949, at 101 and interest; and thereafter at 100 and interest. Series "C" bonds are callable as a whole or in part at any time on 4 weeks' notice to and including May 1, 1952 at 105 and interest and thereafter to maturity at 100 and interest. In event the City of Chattanooga purchases all or the major portion in value of the Company's property in the State of Tennessee, and pays the full purchase price in cash, Company may declare all or any part of the bonds due and payable at 100 and interest.

Maintenance, Renewals and Replacements Fund—Company covenants to expend or reserve for maintenance, renewals and replacements an amount equal to 9% of gross earnings. This reserve may be expended for maintenance, replacements and renewals, and also for the cost of improvements to the property against which no bonds may be issued.

Security—First lien on the entire property of company.

Guaranty—Guaranteed, principal and interest, by endorsement by American Water Works and Electric Company, Incorporated, until such time as payment of principal and interest of said bonds may be assumed by the City of Chattanooga as a valid, binding and general municipal obligation.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax and Massachusetts Income Tax, not in excess of 6½% per annum for Series "A" and 6% per annum for Series "B" and Series "C" refunded.

Legal Opinion—Sullivan & Cromwell, New York, and Chapman, Cutler & Parker, Chicago, for Series "A," and Sullivan & Cromwell, and Seibert & Riggs, for Series "B" and Series "C."

Original Offering—First publicly offered ($2,250,000 Series "A" 5½s) in Dec. 1924, at 99½ and interest, yielding over 5.50%, by P. W. Chapman & Co., Inc., Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York, etc.; $316,000 Series "B" 5s, offered in March, 1926, at 96 and interest, yielding over 5¼%, by P. W. Chapman & Co., Inc., and W. C. Langley & Co., New York, etc.; $600,000 Series "C" 5s offered in June, 1927, at 98 and interest, by W. C. Langley & Co., and Halsey, Stuart & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$764,936	$704,759	$672,527	$603,525	$576,048	$521,052
Operating expenses, maintenance and taxes	366,279	340,053	324,555	294,251	283,696	284,234
Net earnings	$398,657	$364,706	$347,972	$309,274	$292,352	$236,818
Interest on funded debt	155,967	135,819	123,213	108,000	108,000	108,000
Balance	$242,690	$228,887	$224,759	$201,274	$184,352	$128,818
Interest on floating debt and amortization	17,989	14,837	8,181	2,288	9,196	14,087
Balance	$224,701	$214,050	$216,578	$198,986	$175,156	$114,731
Reserved for renewals & replacements	38,383	33,785	29,531	27,090	25,000	25,000
Net income	$186,318	$180,265	$187,047	$171,896	$150,156	$89,731

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$5,930,189	$5,553,269	$5,091,302
Securities owned	300	300	300
Materials and supplies	6,500	6,339	5,864
Cash and accts. receivable	376,973	174,779	170,104
Miscellaneous assets	1,546	2,247	324
Deferred charges	292,341	219,363	198,038
Total	$6,607,849	$5,956,297	$5,465,932

Liabilities—	1927	1926	1925
Common stock	$1,740,300	$1,740,300	$1,740,300
Pfd. stock	1,000,000	838,300	838,300
Funded debt	3,166,000	2,566,000	2,250,000
Loans payable	.....	3,000	6,000
Accounts payable	92,093	268,342	188,645
Consumers' & exten. dep.	244,801	220,724	155,727
Accrued int., taxes, etc.	131,999	108,169	111,546
Rentals in advance	2,814	3,243	3,035
Reserves	163,200	159,231	127,130
Surplus	66,642	48,988	45,549
Total	$6,607,849	$5,956,297	$5,465,932

Officers: D. M. Watt, Pres.; W. D. Freer, V-P., New York; A. F. Porzelius, V-P., Chattanooga, Tenn.; T. B. Davis, Sec. & Treas.; John Young, Asst. Treas.; G. W. Chapman, Asst. Sec., New York.

Directors: D. M. Watt, T. B. Davis, G. W. Chapman, New York; J. A. Fisher, A. F. Porzelius, Chattanooga, Tenn.

Offices, 928 Market St., Chattanooga, Tenn.; 50 Broad St., New York, N. Y.

CLINTON WATER WORKS COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Nov. 6, 1906, in Del., with perpetual Charter. Company acquired by purchase the property of Clinton Water Works Company and Lyons Water Works Company, and supplies Clinton, Iowa, and surrounding territory with water for domestic and public use. Total population served, 28,000; number of consumers, 6,050, city fire hydrants, 492; miles of mains, 66.43; nominal daily distributive pumping capacity; 10,000,000 gallons; nominal daily low service and relay daily pumping capacity 3,000,000 gallons; nominal daily filter capacity, 810,000 gallons; gallons of water sold in 1927, 441,999,000; source of supply is artesian wells from 1,300 to 2,100 feet deep. Company also has filter plant for auxiliary supply available from Mississippi River.

OPERATING STATISTICS, YEARS ENDED DEC. 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	59.97	429	5,508	355,563	$128,188
1924	61.57	450	5,716	408,509	131,795
1925	63.16	466	5,870	358,817	137,039
1926	64.71	466	6,050	393,428	144,678
1927	66.43	492	6,310	441,999	156,049

*Thousand gallons.

CAPITAL STOCK

Authorized, $1,500,000 Common and $450,000 7% cumulative Pfd.; outstanding, $321,000 Common and $200,000 Pfd.; par, $100. American Water Works and Electric Company, Incorporated, owns all the Common stock. Transfer Agent (Pfd.): Merchants' National Bank, Clinton, Iowa. Registrar (Pfd.): Peoples Trust and Savings Bank, Clinton, Iowa. Annual meeting third Wednesday in October.

Preferred Stock Provisions—Has preference as to assets and dividends, and is redeemable at 105 and accrued dividends on any dividend date, upon thirty days' notice prior to July 15, 1929, and on or after that date at 100 and accrued dividends.

Dividends—Pfd. dividends regularly paid quarterly J, A, J & O 15.

FUNDED DEBT

$465,000 FIRST MORTGAGE 5% GOLD BONDS; DUE AUGUST 1, 1939

Dated August 1, 1899.

Interest Payable Feb. and Aug. 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $1,000. Authorized and outstanding, $465,000. Subject to call at par and interest at any time. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$156,049	$144,678	$137,039	$131,795	$128,187	$120,723
Operating expenses, maintenance and taxes	64,667	70,980	71,937	67,012	63,592	63,249
Net earnings	$91,382	$73,698	$65,102	$64,783	$64,595	$57,474
Interest on funded debt	23,250	23,250	23,250	23,250	23,250	23,250
Balance	$68,132	$50,448	$41,852	$41,533	$41,345	$34,224
Interest on floating debt and amortization	10,893	8,971	3,480	10,605	7,216	5,652
Balance	$57,239	$41,477	$38,372	$30,928	$34,129	$28,572
Reserved for renewals and replacements	8,000	5,111	4,680	5,356	4,236	4,000
Net income	$49,239	$36,366	$33,692	$25,572	$29,893	$24,572

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,170,320	$1,134,195	$1,053,928
Materials and supplies	1,245	978	839
Cash and accts. receivable	44,885	41,434	50,120
Miscellaneous assets	560	631	252
Deferred charges	45,568	20,132	21,836
Total	$1,262,578	$1,197,370	$1,126,975

Liabilities—	1927	1926	1925
Common stock	$321,000	$321,000	$321,000
Preferred stock	200,000	197,200	183,000
Preferred stock sub.	.....	2,800	17,000
Funded debt	465,000	465,000	465,000
Loans payable	175,000	117,000	20,000
Current accts. payable	11,548	40,965	72,106
Consumers' & exten. dep.	2,999	2,228	1,609
Accrued int., taxes, etc.	28,857	36,646	34,868
Rentals in advance	4,202	3,220	2,719
Reserves	36,031	1,996	1,402
Surplus	17,941	9,314	8,271
Total	$1,262,578	$1,197,370	$1,126,975

Officers: E. W. Clark, Pres.; E. A. Geehan, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. W. Clark, T. B. Davis, John Young, K. M. Bixler, A. B. Williams, New York.

Offices, 5th Ave. and 1st St., Clinton, Iowa; 50 Broad St., New York.

COMMONWEALTH WATER AND LIGHT COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated March 19, 1904, in New Jersey, with a perpetual charter. A holding company, and controls through stock ownership, Commonwealth Water Company, Bernards Water Company, Millington Water Company and Stirling Water Supply Company.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $2,000,000 7% cumulative First Pfd. and 7% Second Pfd., par, $100; outstanding and subscribed for 5,000 shares Common, $625,900 First Pfd. and $4,100 Second Pfd. All the Common stock is owned by American Water Works and Electric Company, Incorporated. Transfer Agent (Pfd.): First National Bank of Summit, N. J. Registrar (Pfd.): Summit Trust Co., Summit, N. J. Annual meeting, first Wednesday in June.

Preferred Stock Provisions—First Pfd. stock has preference for assets and dividends over Second Pfd. and Common and is subject to redemption at 110 and accrued dividends.

Dividends—Dividends on both classes of Pfd. regularly paid quarterly J, A, J & O 1.

FUNDED DEBT

None.

Officers: E. A. Geehan, Pres.; H. F. Barnard, V-P., New York; W. I. McMane, V-P., Summit, N. J.; T. B. Davis, Sec. & Treas., A. B. Williams, Asst. Sec., John Young, Asst. Treas., New York; H. M. Shorrock, Asst. Sec., Summit, N. J.

Directors: E. A. Geehan, John Young, T. B. Davis, A. B. Williams, K. M. Bixler, New York.

Offices, 22 Bank St., Summit, N. J.; 20 Northfield Road, W. Orange, N. J.; 9-11 Myrtle Ave., Irvington, N. J.; 50 Broad St., New York City.

BERNARDS WATER COMPANY

(Controlled by Commonwealth Water and Light Co.)

History and Property—Incorporated June 24, 1903 in New Jersey with charter for 999 years. Company supplies water for public, commercial and domestic use to the villages of Basking Ridge, and Bernardsville, N. J., having an estimated population of 5,500. The system has a nominal daily distributive pumping capacity of 787,000 gallons and a nominal daily filter capacity of 600,000 gallons. The source of supply is the Passaic River impounded by a concrete dam. Control of this company was acquired by American Water Works and Electric Co. Inc., on Aug. 1, 1927 and subsequently transferred to Commonwealth Water and Light Co.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	12.20	40	530	26,159	$18,958
1924	12.60	43	572	28,329	20,555
1925	12.60	45	612	27,991	20,512
1926	13.20	47	666	28,522	20,379
1927	17.37	52	756	32,309	23,303

*Thousand gallons.

CAPITAL STOCK

Authorized, $200,000; outstanding, $69,100; par, $100. 670 shares are owned by the Commonwealth Water and Light Company. Annual meeting, first Tuesday in June.

FUNDED DEBT

$36,000 FIRST MORTGAGE 6s; DUE NOVEMBER 1, 1943

Dated June 7, 1923.

Interest Payable May and November 1.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized, $100,000; outstanding, $36,000.

Callability—Subject to call after June 7, 1928, at any time at 105 and interest.

Security—A first mortgage on the property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, FIVE MONTHS ENDED DEC. 31, 1927

Gross earnings	$10,210
Operating expense, maintenance and taxes	6,141
Net earnings	$4,069
Deductions:	
Interest on funded debt	$900
Interest on floating debt and amortization	26
Reserved for retirements	489
Total deductions	$1,415
Net income	$2,654

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property	$158,589
Material and supplies	194
Cash and accounts receivable	6,582
Miscellaneous assets	114
Total	$165,479
Liabilities—	
Common stock	$69,100
Funded debt	36,000
Accounts payable	5,040
Consumers' and extension deposits	2,680
Accrued interest, taxes, etc.	688
Reserves	33,671
Surplus	18,300
Total	$165,479

Officers: E. A. Geehan, Pres., New York; W. I. McMane, V-P., Summit, N. J.; A. A. Adams, Sec., T. B. Davis, Treas., New York.

Directors: E. A. Geehan, K. M. Bixler, A. A. Adams, W. R. Hinchman, T. B. Davis, R. J. Parker, New York; W. I. McMane, Summit, N. J.

Offices, 22 Bank St., Summit, N. J. and 50 Broad St., New York, N. Y.

COMMONWEALTH WATER COMPANY

(Controlled by Commonwealth Water and Light Company)

History and Property—Incorporated in New Jersey pursuant to an agreement of merger and consolidation, effective Aug. 14, 1915, consolidating Mountain Water Company, West Orange Water Company and Clinton Water Company. Company supplies water for public and domestic uses in Union and Essex Counties, N. J., including the City of Summit, Borough of New Providence, Townships of Milburn, Maplewood and Springfield (in part) and the towns of West Orange and Irvington.

Total population served, 101,200; number of consumers, 20,055; city fire hydrants, 1,733; miles of mains, 269; nominal daily distributive pumping capacity, 19,250,000 gallons; relay daily pumping capacity, 2,252,000 gallons; reservoir storage capacity, 2,217,617 gallons. The water supply is obtained from well systems located on company's lands.

Company owns 654 acres of land in the Canoe Brook Valley Watershed, Milburn Township, Essex County, and 493 acres of land in the Baltusrol Valley Watershed, Union County, together with a number of other parcels of land making an aggregate of approximately 1,200 acres.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	204.43	1,216	13,115	1,213,037	$478,125
1924	217.41	1,300	14,858	1,305,469	528,101
1925	230.62	1,430	16,256	1,490,977	591,811
1926	249.27	1,587	18,396	1,631,864	652,121
1927	268.90	1,733	20,055	1,812,905	716,218

*Thousand gallons.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $1,000,000; par, $100. All owned by Commonwealth Water and Light Company. Annual meeting, first Wednesday in June.

FUNDED DEBT

$2,100,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1947

$210,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE FEBRUARY 1, 1956

$500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "C"; DUE JUNE 1, 1957

Dated December 1, 1922.

Interest Payable June and December 1, on Series "A" and Series "C"; and February and August 1, on Series "B," at Farmers' Loan & Trust Co., New York.

Denominations—Coupon $100 (Series "A" and "B" only), $500 and $1,000; principal may be registered at Company's office, N. Y.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding Dec. 31, 1927, $2,100,000 Series "A" 5½s, $210,000 Series "B" 5s and $500,000 Series "C" 5s.

Additional bonds may be issued at par for not exceeding 80% of the cash cost of permanent improvements, extensions and additions provided that net earnings for twelve consecutive calendar months immediately preceding the calendar month in which any application for issuance of the bonds is made, shall be in the aggregate not less than 1¾ times the interest charge for a like period upon all bonds outstanding and those to be issued. In the calculation of net earnings at least 6% of the gross earnings must be charged to current maintenance and included in operating expenses.

Callability—Series "A" bonds are subject to call as a whole or in part on any interest date to and including Dec. 1, 1932, at 105 and interest; thereafter at 102 and interest to Dec. 1, 1945, and thereafter at par and interest. Series "B" bonds are subject to call as a whole or in part on 4 weeks' notice to and including Feb. 1, 1931, at 105 and interest; thereafter to and including Feb. 1, 1936, at 102 and interest; thereafter to and including Feb. 1, 1951, at 101 and interest; thereafter to maturity at 100 and interest. Series "C" bonds are subject to call as a whole or in part on any interest date on four weeks' notice to and including June 1, 1952, at 105 and interest and thereafter to maturity at 100 and interest.

Maintenance, Renewals and Replacements Fund—Company covenants to expend or reserve for maintenance, renewals and replacements an amount equal to 9% of the gross earnings. This fund may be expended for maintenance, replacements and renewals, also for the cost of improvements to the property against which no bonds may be issued.

Security—First lien on entire property of company.

Guaranty—Series "A" and Series "B" bonds only are guaranteed, principal and interest, by endorsement by American Water Works and Electric Company, Incorporated.

Legal Opinion—Sullivan & Cromwell, New York and Chapman, Cutler & Parker, Chicago.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax and Massachusetts Income Tax, not exceeding 6½% per annum for Series "A" bonds and 6% per annum for Series "B" bonds and Series "C" bonds refunded.

Legal Investment for Savings Banks in Maine.

Original Offering—First publicly offered ($1,500,000 Series "A" 5½s) in Dec. 1922, at 95½ and interest, yielding 5.85%, by P. W. Chapman & Co., Inc., New York and Chicago, and Hoagland, Allum & Co., and Goodwillie & Co., Chicago; $300,000 additional Series "A" 5½s offered in Feb., 1924, at 93½ and interest, yielding over 6%, by P. W. Chapman & Co., Inc., New York and Chicago, and H. M. Payson & Co., Portland, Maine; $300,000 additional Series "A" 5½s offered in Dec. 1924, at 98 and interest, by P. W. Chapman & Co., Inc., New York and Chicago, and Halsey, Stuart & Co., Inc., New York; $210,000 Series "B" 5s offered in March, 1926, at 95 and interest, to yield over 5.30% by P. W. Chapman & Co., Inc., and W. C. Langley & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$716,218	$652,121	$591,811	$528,101	$478,125
Operating, exp., maint. & taxes	365,123	314,101	301,720	265,737	274,609
Net earnings	$351,095	$338,020	$290,092	$262,364	$203,516
Interest on funded debt	135,792	123,725	115,500	97,075	82,500
Balance	$215,303	$214,295	$174,592	$165,289	$121,016
Interest on floating debt and amortization	26,459	18,826	17,586	26,204	17,849
Balance	$188,844	$195,469	$157,006	$139,085	$103,167
Reserve for renewals and replacements	39,296	34,092	30,496	27,288	24,000
Net income	$149,548	$161,377	$126,510	$111,797	$79,167

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$4,505,765	$3,999,553	$3,566,950
Material and supplies	6,946	7,279	6,288
Cash & accts. receivable	180,024	84,322	71,933
Rentals accrued	45,475	41,674	39,234
Miscellaneous assets	1,377	2,204	125
Deferred charges	248,711	215,139	211,835
Total	$4,988,298	$4,350,171	$3,896,366

Liabilities—	1927	1926	1925
Common stock	$1,000,000	$1,000,000	$920,000
Funded debt	2,810,000	2,310,000	2,100,000
Accounts payable	237,776	224,092	173,858
Consumers & exten. depos.	476,019	398,596	302,271
Accrued int. taxes, etc.	35,880	31,264	29,320
Rentals in advance	99	124	61
Contributions for extensions	7,093		
Reserves	394,156	369,249	338,585
Surplus	27,275	16,846	32,269
Total	$4,988,298	$4,350,171	$3,896,366

Officers: E. A. Geehan, Pres.; H. F. Barnard, V-P.; New York; W. I. McMane, V-P., Summit, N. J.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. A. Geehan, T. B. Davis, J. F. Sehner, R. J. Parker, A. B. Williams, K. M. Bixler, New York; W. I. McMane, Summit, N. J.

Offices, 22 Bank Street, Summit, N. J.; 9-11 Myrtle Ave., Irvington, N. J.; 20 Northfield Road, West Orange, N. J.; 50 Broad Street, New York, N. Y.

MILLINGTON WATER COMPANY

(Controlled by Commonwealth Water and Light Company)

History—Incorporated Dec. 7, 1909, in New Jersey, with perpetual charter. Company supplies Millington, N. J., and environs with water for public and private use. No. of consumers, 87; miles of distribution mains, 4. The Company's system has a nominal daily distributive pumping capacity of 60,000 gallons and low service daily pumping capacity of 10,000 gallons. The source of supply is wells. Control of this company was acquired by American Water Works and Electric Co., Inc., Sept. 1, 1927, and subsequently transferred to Commonwealth Water and Light Co.

CAPITAL STOCK

Authorized, $20,000 Common; outstanding, $10,450; par, $50. Commonwealth Water and Light Company owns 153 shares of the outstanding capital stock. Annual meeting, first Wednesday in June.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property	$15,944
Cash and accounts receivable	1,123
Rentals accrued	25
Miscellaneous assets	10
Total	$17,102

Liabilities—	
Common stock	$10,450
Accounts payable	1,759
Consumers' and extension deposits	8
Rentals in advance	6
Reserves	1,278
Surplus	3,601
Total	$17,102

Officers: E. A. Geehan, Pres., New York; W. I. McMane, V-P., Summit, N. J.; A. A. Adams, Sec.; W. R. Hinchman, Treas., New York.

Directors: E. A. Geehan, W. R. Hinchman, A. A. Adams, R. J. Parker, New York; W. I. McMane, Summit, N. J.

General Offices, 22 Bank St., Summit, N. J.; 50 Broad St., New York, N. Y.

STIRLING WATER SUPPLY COMPANY

(Controlled by Commonwealth Water and Light Company)

History—Incorporated Aug. 23, 1905, in New Jersey. Company supplies water for public and private use in the village of Stirling, having a population of 900. There are 158 consumers served from approximately 5 miles of distribution mains. The Company's system has a nominal daily distributive pumping capacity of 100,000 gallons. The source of supply is driven wells. Control of this company was acquired by American Water Works and Electric Co., Inc., Sept. 1, 1927, and subsequently transferred to Commonwealth Water and Light Co.

CAPITAL STOCK

Authorized, $12,000; outstanding, $10,000; par, $100. All owned by Commonwealth Water and Light Co. Annual meeting, first Wednesday in June.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property	$21,651
Cash and accounts receivable	2,060
Miscellaneous assets	18
Deficit	5,078
Total	$28,807

Liabilities—	
Common stock	$10,000
Accounts payable	12,354
Consumers' & extension deposits	3,379
Reserves	3,074
Total	$28,807

Officers: E. A. Geehan, Pres., New York; W. I. McMane, V-P., Summit, N. J.; T. B. Davis, Sec., A. B. Williams, Treas.; John Young, Asst. Sec. and Asst. Treas., New York.

Directors: E. A. Geehan, W. R. Hinchman, A. A. Adams, R. J. Parker, New York; W. I. McMane, Summit, N. J.

Offices, 22 Bank Street, Summit, N. J., and 50 Broad Street, New York, N. Y.

THE CONNELLSVILLE WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated March 21, 1883, in Pa. with perpetual charter. Company supplies Connellsville and South Connellsville, Pennsylvania, and adjacent territory with water for public and domestic use. The total population served is 17,750; number of consumers, 3,550; city fire hydrants, 170; miles of mains, 49; nominal daily distributive pumping capacity, 5,700,000 gallons; low service daily pumping capacity, 5,000,000 gallons; nominal daily filter capacity 2,800,000 gallons. Source of supply is the Youghiogheny River and an impounded mountain stream.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923 ..	46.39	162	3,429	346,486	$91,388
1924 ..	47.10	163	3,524	351,543	93,843
1925 ..	48.61	163	3,533	343,808	91,974
1926 ..	48.83	166	3,516	354,865	94,817
1927 ..	49.96	170	3,550	354,833	94,913

*Thousand gallons.

CAPITAL STOCK

Authorized and outstanding, $277,000; par, $50. All owned by American Water Works and Electric Company, Incorporated. Annual meeting, second Tuesday in June.

FUNDED DEBT

(1)

$500,000 40-YEAR GOLD 5s; DUE OCTOBER 2, 1939

Dated October 2, 1899.

Interest Payable April and Oct. 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $1,000. Authorized and issued, $500,000, of which $1,000 held in treasury. Subject to call at par and interest at any time. Company does not pay Normal Federal Income Tax.

(2)

$44,000 GOLD MORTGAGE 5s; DUE APRIL 1, 1951

Dated April 1, 1911.

Interest Payable April and Oct. 1, at Farmers' Loan & Trust Co., New York. Coupon, $500 and $1,000. Authorized, $750,000; $500,000 reserved to retire above described First Gold 5s; bonds in treasury, $17,500: balance can only be issued for betterments and when earnings are sufficient to pay interest on all outstanding bonds, including those to be issued. Subject to call at par and interest at any time. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$94,913	$94,817	$91,974	$93,843	$91,387	$86,193
Operating expenses, maintenance and taxes	43,295	44,141	44,172	44,957	42,720	42,853
Net earnings	$51,618	$50,676	$47,802	$48,886	$48,667	$43,340
Interest on funded debt	26,275	26,275	26,275	26,275	26,275	26,275
Balance	$25,343	$24,401	$21,527	$22,611	$22,392	$17,065
Interest on floating debt and amortization	7,490	5,867	5,032	3,067	2,794	2,290
Balance	$17,853	$18,534	$16,495	$19,544	$19,598	$14,775
Reserved for renewals & replacements	6,463	3,118	2,988	3,282	2,880	2,750
Net income	$11,390	$15,416	$13,507	$16,262	$16,718	$12,025

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$914,260	$906,089	$883,390
Treasury bonds	18,500	18,500	18,500
Materials and supplies	1,585	1,206	982
Cash and accts. receivable	15,204	13,058	23,372
Miscellaneous assets	337	297	70
Def. charges to be amortized	130	1,566	1,529
Total	$950,016	$940,716	$927,843

Liabilities—	1927	1926	1925
Capital stock	$277,000	$277,000	$277,000
Funded debt	544,000	544,000	544,000
Loans payable	90,497	71,600	56,600
Current accts. payable	2,895	19,179	17,985
Consumers' & exten. dep.	1,396	1,175	1,058
Accrued int., taxes, etc.	9,280	9,829	9,820
Rentals in advance	129	142	165
Reserves	21,518	17,570	17,021
Surplus	3,301	221	4,194
Total	$950,016	$940,716	$927,843

Officers: D. M. Watt, Pres.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: D. M. Watt, John Young, T. B. Davis, A. B. Williams, K. M. Bixler, New York.

Offices, 205 Title & Trust Building, Connellsville, Pa.; 50 Broad St., New York, N. Y.

DAVENPORT WATER COMPANY

(Controlled by American Water Works and Electric Company, Inc.)

History and Property—Incorporated Jan. 13, 1873, in Iowa, with a charter extending to Jan. 13, 1938. Company supplies water for domestic, industrial and public uses to the City of Davenport, Iowa, and suburbs, having a total population of 60,000. Company's system has a nominal daily distributive pumping capacity of 21,000,000 gallons, a low service daily pumping capacity of 13,000,000 gallons, a relay daily pumping capacity of 14,000,000 gallons and a nominal daily filter capacity of 7,940,000 gallons. The source of supply is the Mississippi River.

Control of this company was acquired by American Water Works and Electric Co., Inc., on July 1, 1927.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	119.25	1,184	11,666	1,242,996	$300,004
1924	122.30	1,211	11,878	1,224,000	298,031
1925	123.70	1,225	12,077	1,213,500	305,395
1926	124.85	1,235	12,157	1,180,200	305,847
1927	126.15	1,256	12,279	1,211,488	310,894

*Thousand gallons.

CAPITAL STOCK

Authorized and outstandnig, $1,000,000 Common; par $100. All owned by American Water Works and Electric Company, Inc. Annual meeting, first Monday in February.

FUNDED DEBT

$775,000 FIRST MORTGAGE 6s; DUE SERIALLY EACH JULY 1 AS FOLLOWS: $25,000, 1928 TO 1931, INCLUSIVE; $50,000, 1932 TO 1936, INCLUSIVE AND THE BALANCE, JULY 1, 1937

Dated July 1, 1922.

Interest Payable January and July 1, at American Trust Co., Davenport, Iowa.

Denominations—Coupon, $1,000.

Trustee—American Trust Co., Davenport, Iowa.

Provisions of Issue—Authorized, $1,000,000; outstanding, $775,000.

Callability—Subject to call on any interest date at 103 and accrued interest on 60 days' notice.

Security—A first mortgage on the properties of the Company.

INCOME ACCOUNT, SIX MONTHS ENDED DECEMBER 31, 1927

Gross earnings	$160,467
Operating expenses, maintenance and taxes	79,239
Net earnings	$81,228
Interest on funded debt	23,250
Balance	$57,978
Interest on floating debt and amortization	132
Balance	$57,846
Reserved for retirements	12,000
Net income	$45,846

GENERAL BALANCE SHEET, DECEMBER 31

Assets—		Liabilities—	
Plant and property	$2,738,069	Common stock	$1,000,000
Material and supplies	2,713	Funded debt	775,000
Cash and accounts receivable	124,599	Accounts payable	2,847
Miscellaneous assets	1,750	Consumers' and extension deposits	10,754
Deferred charges	3,109	Accrued interest, taxes, etc.	34,846
		Rentals in advance	6,302
		Reserves	203,174
		Surplus	837,317
Total	$2,870,240	Total	$2,870,240

Officers: E. W. Clark, Pres.; H. F. Barnard, V-P.; W. R. Hinchman, Sec.; T. B. Davis, Treas., New York.

Directors: E. W. Clark, F. H. Mason, W. R. Hinchman, T. B. Davis, A. B. Williams, E. H. Mozer, H. F. Barnard, C. H. Dickey, New York; C. R. Henderson, Davenport, Iowa.

Offices, Davenport, Iowa and 50 Broad St., New York, N. Y.

EAST ST. LOUIS AND INTERURBAN WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Aug. 15, 1916, in Ill., with a charter extending 99 years, as a consolidation of Belleville Water Supply Company and City Water Company of East St. Louis and Granite City. Company supplies water for public and domestic uses in the cities of East St. Louis, Granite City, Belleville, and Venice, and the villages of Madison, National City and Swansea, Brooklyn, Fairmont City and Washington Park, Illinois. The district supplied is situated on the Mississippi River, opposite the city of St. Louis, Missouri.

The total population served is 148,600; number of consumers, 31,430; city fire hydrants, 1,333; miles of mains, 404.72; nominal daily distributive pumping capacity, 44,600,000 gallons; low service daily pumping capacity, 119,000,000 gallons; relay daily pumping capacity of 70,380,000 gallons; nominal daily filter capacity, 28,000,000 gallons; source of supply, the Mississippi River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	348.16	1,186	24,617	5,902,107	$955,203
1924	359.19	1,211	27,339	5,533,208	949,212
1925	377.18	1,268	29,205	5,670,238	999,506
1926	390.36	1,294	30,302	5,763,050	1,046,765
1927	404.72	1,333	31,430	5,488,999	1,058,327

*Thousand gallons.

CAPITAL STOCK

Authorized, $4,750,000 Common and $1,550,300 7% cumulative First Pfd.; outstanding, $4,750,000 Common and $825,300 Pfd.; par, $100. American Water Works and Electric Company, Incorporated, owns the entire Common stock. Transfer Agent (Pfd.): Southern Illinois Trust Co., East St. Louis, Ill. Registrar (Pfd.): Union Trust Co. of East St. Louis, Ill. Annual meeting, first Monday in February.

Preferred Stock Provisions—Has preference as to assets and dividends, and is subject to redemption in whole or in part at 105 and accrued dividends at any time after January 1, 1926, upon thirty days' notice.

Dividends—Pfd. dividends regularly paid quarterly M, J, S & D 1.

FUNDED DEBT

$3,462,500 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JULY 1, 1942

$1,556,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE JULY 1, 1942

Dated, Series "A," July 1, 1916; Series "B," July 1, 1917.

Interest Payable January and July 1, at American Water Works and Electric Company, Incorporated, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, $3,462,500 Series "A" 5s and $1,556,000 Series "B" 6s. $1,100,000 Series "B" 6s were issued in June, 1924, to retire all underlying mortgage bonds and the First & Refunding 7½s Series "C", and also to partially reimburse company for expenditures made for additions, improvements and extensions to its properties.

Additional bonds may be issued for not in excess of 80% of the costs of additions, improvements and extensions, provided net earnings for twelve consecutive calendar months within fourteen calendar months immediately preceding the calendar month in which any application for issuance of the bonds is made are at least one and six-tenths times the annual interest on all bonds outstanding and those to be issued. In the calculation of net earnings at least four per cent. of gross earnings must be charged to current maintenance and included in operating expenses.

Callability—Subject to call as a whole or in part at 105 and interest on July 1, 1937, or on any interest date prior thereto, and at par and interest on any interest date thereafter.

Maintenance and Improvement Fund—The mortgage establishes a Maintenance and Improvement Fund for which there shall be set aside annually 9% of the annual gross earnings, of which at least 4% shall be charged to operating expenses. This fund may be expended for maintenance, replacements, renewals, improvements, additions or extensions to its properties, against which no First Mortgage bonds may be issued, or for the retirement of bonds of this issue.

Security—A first lien on entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, and Massachusetts Income Tax not exceeding 6% per annum, refunded.

Original Offering—First publicly offered ($1,600,000 Series "A" 5s) in Jan. 1916 at 91½ and interest by Halsey, Stuart & Co., Inc., New York, etc.; $456,500 Series "B" 6s offered in Aug. 1922 at 95 and interest, to yield 6.45%, and $1,100,000 Series "B" 6s in June, 1924 at 96¼ and interest to yield over 6.35% by the same bankers.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,058,327	$1,046,765	$999,506	$949,212	$955,203	$845,575
Operating expenses, maintenance and taxes	499,538	497,747	494,156	425,653	431,909	387,576
Net earnings	$558,789	$549,018	$505,350	$523,559	$523,294	$457,999
Interest on funded debt	266,485	266,699	266,735	255,504	241,565	239,349
Balance	$292,304	$282,319	$238,615	$268,055	$281,729	$218,650
Interest on floating debt and amortization	120,886	54,589	34,173	35,611	49,084	45,029
Balance	$171,418	$227,730	$204,442	$232,444	$232,645	$173,621
Reserve for renewals & replacements	97,623	88,117	83,939	79,554	75,696	72,750
Net income	$73,795	$139,613	$120,503	$152,889	$156,949	$100,871

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$13,386,448	$13,216,835	$11,809,888
Securities owned	3,100	3,100	100
Materials and supplies	6,653	6,725	9,442
Cash and accts. receivable	176,811	149,662	143,180
Rentals accrued	34,600	30,550	28,200
Miscellaneous assets	2,543	3,356	3,036
Deferred charges	273,597	292,905	301,004
Total	$13,883,752	$13,703,133	$12,294,851

Liabilities—	1927	1926	1925
Common stock	$4,750,000	$4,750,000	$4,750,000
Pfd. stock	825,300	825,300	810,300
Pfd. stock subscribed	.....	.....	15,000
Funded debt	5,018,500	5,018,500	5,023,500
Loans payable	1,880,452	1,236,361	202,558
Current accts. payable	725,327	1,063,610	809,611
Consumers' & exten. dep.	89,824	82,819	79,841
Accrued int., taxes, etc.	156,112	117,868	111,529
Rental in advance	7,987	8,353	10,455
Reserves	379,627	539,371	453,080
Surplus	50,623	60,951	28,978
Total	$13,883,752	$13,703,133	$12,294,851

Officers: W. D. Freer, Pres., D. M. Watt, V-P., H. F. Barnard, V-P., New York; C. M. Horner, V-P., E. F. Gardner, Sec., East St. Louis, Ill.; T. B. Davis, Treas. & Asst. Sec.; John Young, Asst. Treas., New York.

Directors: W. D. Freer, T. B. Davis, John Young, A. B. Williams, New York; C. M. Horner, East St. Louis, Ill.

Offices, 513 Missouri Ave., East St. Louis, Ill.; 50 Broad Street, New York.

FORT MADISON WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated.)

History—Incorporated July 28, 1926, in Delaware, with perpetual charter, as successor to Citizens Corp. Company supplies Fort Madison, Iowa, and vicinity with water for public and domestic use.

Total population served, 14,000; number of consumers, 2,022; city fire hydrants, 202; miles of mains, 21.87; nominal daily distributive pumping capacity, 5,000,000 gallons; nominal daily low service pumping capacity, 5,000,000 gallons; nominal daily filter capacity, 3,000,000 gallons; source of supply, Mississippi River.

CAPITAL STOCK

Authorized, 2,500 shares Common of no par value and $200,000 7% cumulative Pfd., par $100; outstanding, 2,500 shares Common. American Water Works and Electric Company, owns all the Common stock. Annual meeting, last Wednesday in February.

Preferred Stock Provisions—Pfd. stock has preference as to assets and dividends and is redeemable at 105 on 30 days' notice.

FUNDED DEBT

None.

INCOME ACCOUNT

	Year Ended Dec. 31 1927	Five Mos. Ended Dec 31, 1926
Gross earnings	$84,873	$34,163
Operating exp., maintenance and taxes	37,486	17,820
Net earnings	$47,387	$16,343
Interest on funded debt	.....	3,750
Balance	$47,387	$12,593
Interest on floating debt and amortization	27,464	7,524
Balance	$19,923	$5,069
Reserved for renewals and replacements	5,275	3,000
Net income	$14,648	$2,069

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property	$660,745	$654,527
Material and supplies	1,019	1,040
Cash and accounts receivable	10,946	12,773
Miscellaneous assets	252	243
Deferred charges	280	373
Total	$673,242	$668,956

Liabilities—	1927	1926
Common stock	$200,100	$200,100
Loans payable	441,900	299,900
Accounts payable	9,376	155,933
Consumers' and extension deposits	47	17
Accrued interest, taxes, etc.	8,783	7,600
Rentals in advance	373	258
Reserves	8,446	3,079
Surplus	4,217	2,069
Total	$673,242	$668,956

Officers: E. W. Clark, Pres.; A. E. Geehan, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas., John Young, Asst. Treas., New York.

Directors: E. W. Clark, T. B. Davis, K. M. Bixler, A. B. Williams, John Young, New York.

Offices, Fort Madison, Iowa and 50 Broad St., New York, N. Y.

HUNTINGTON WATER CORPORATION

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated May 24, 1917, in Del., with a perpetual charter. Acquired in 1917, all of the property of The Huntington Water Company and Guyandotte Water Works Company. It serves Huntington, West Virginia, and adjacent territory with water for public and domestic use. The total population served is 80,000; number of consumers, 15,677; city fire hydrants, 801; miles of mains 154.73; nominal daily distributive pumping capacity, 15,000,000 gallons; low service daily pumping capacity 22,000,000 gallons; relay daily pumping capacity, 720,000 gallons; nominal daily filter capacity, 9,000,000 gallons; source of supply is the Ohio River. The Company owns 15 acres of land.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	127.27	550	12,499	1,170,168	$278,593
1924	133.09	613	14,138	1,119,726	330,792
1925	138.14	661	14,926	1,210,129	414,085
1926	146.82	749	15,480	1,386,536	433,527
1927	154.73	801	15,677	1,294,584	435,148

*Thousand gallons.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $1,000,000 7% cumulative Pfd., par, $100; outstanding, Dec. 31, 1927, 10,000 shares Common and $375,000 Pfd. All the Common stock is owned by American Water Works and Electric Company, Incorporated. The outstanding Pfd. stock was publicly offered in Feb., 1925, at par and dividends to yield 7%, by Security Trust Co., Lexington, Ky. Transfer Agent (Pfd.): Union Bank & Trust Co., Huntington, W. Va. Registrar (Pfd.): The First Huntington National Bank, Huntington, W. Va. Annual meeting, third Monday in November.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to call in whole or in part on any dividend date on 30 days' notice at 105 and accrued dividends. Additional shares may not be issued unless net earnings, applicable to dividends, shall have been, for a period of 12 consecutive months within 15 calendar months immediately preceding the issuance of such stock, 1½ times the dividend requirements for the like period upon the entire Pfd. stock

outstanding and that proposed to be issued. In event of default on four quarterly dividends, Pfd. stock becomes vested with equal voting rights, share for share, with Common during such periods of default. Legal opinion, Fitzpatrick, Brown and Davis, Huntington, W. Va.

Dividends—Preferred dividends regularly paid quarterly M, J, S & D 1.

FUNDED DEBT

$1,300,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1954
$575,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE DECEMBER 1, 1954

Dated March 1, 1924.

Interest Payable March and September 1, on Series "A" and June and December 1 on Series "B," at Company's office, 50 Broad St., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, Feb. 16, 1928, $1,300,000 Series "A" 6s and $575,000 Series "B" 5s.

Additional bonds may be issued, among other things, for not in excess of 80% of the cost of additions, improvements, and extensions made to its properties, provided the net earnings for twelve consecutive calendar months within fifteen calendar months immediately prior to the issuance of such new bonds have been at least one and three-quarters times the annual interest charges on all bonds outstanding and those to be issued. In the calculation of net earnings at least five % of gross earnings must be charged to current maintenance and included in operating expenses.

The $1,300,000 Series "A" 6s were used to retire the $313,500 First & Refunding Gold 6s, Series "A", due Nov. 1, 1947, of the Huntington Water Corp., and $500,000 40-year Gold 5s due 1940, of the Huntington Water Co., described on page 2122 of the 1923 Manual, and to partially reimburse the Corporation for additions and extensions made to its properties.

Callability—Series "A" bonds are subject to call on four weeks' notice prior to March 1, 1934, at 105 and interest; thereafter and before March 1, 1944, at 102; thereafter and before March 1, 1949, at 101; and thereafter at par and interest. Series "B" bonds are subject to call as a whole or in part on 4 weeks' notice to and including Dec. 1, 1929, at 105 and interest; thereafter to and including Dec. 1, 1934, at 102 and interest; thereafter to and including Dec. 1, 1949, at 101 and interest, and thereafter to maturity at 100 and interest. In the event the City purchases the property, the bonds will be forthwith paid at 100 and interest.

Maintenance and Depreciation Fund—Corporation covenants to expend or reserve for maintenance and depreciation an amount equal to 9% of the annual gross earnings, of which at least 5% must be charged to current maintenance and included in operating expenses. This reserve may be expended for maintenance, replacements and renewals, and for improvements, additions and extensions to the properties, against which no first mortgage bonds may be issued.

Security—A first lien on entire property of company.

Guaranty—Guaranteed, principal and interest, by endorsement, by American Water Works and Electric Company, Incorporated, until such time as the bonds may be assumed as a general municipal obligation of the City of Huntington, W. Va.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax and Massachusetts Income Tax not exceeding 6% per annum, refunded.

Legal Opinion—Sullivan & Cromwell, New York, and Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,300,000 Series "A" 6s) in April, 1924, at 96¾ and interest, yielding about 6.25%, by P. W. Chapman & Co., Inc., New York, and H. M. Payson & Co., Portland, Me.; $290,000 Series "B" 5s in March, 1926, at 94 and interest, to yield over 5.40%, by P. W. Chapman & Co., Inc., and W. C. Langley & Co., New York, etc

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$435,148	$433,527	$414,085	$330,792	$278,593	$210,647
Operating expenses, maintenance and taxes	169,985	175,504	177,540	151,837	132,964	117,761
Net earnings	$265,162	$258,023	$236,545	$178,955	$145,629	$92,886
Interest on funded debt	92,500	89,358	78,000	64,132	43,570	43,570
Balance	$172,662	$168,665	$158,545	$114,823	$102,059	$49,316
Interest on floating debt and amortization	34,197	35,690	36,233	48,593	46,524	19,970
Balance	$138,465	$132,975	$122,312	$66,230	$55,535	$29,346
Reserve for renewals and replacements	27,044	25,022	23,074	20,000	18,000	8,000
Net income	$111,421	$107,953	$99,238	$46,230	$37,535	$21,346

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$2,688,898	$2,560,296	$2,356,764	Common stock	$227,000	$227,000	$227,000
Securities owned		1	1	Pfd. stock outstanding	374,800	372,600	349,800
Materials and supplies	2,036	1,528	2,304	Pfd. stock subscribed	200	2,400	21,800
Cash & accounts receivable	110,782	93,179	115,003	Funded debt	1,590,000	1,590,000	1,300,000
Rentals accrued	21,455	21,455	21,224	Loans payable	386,700	220,000	324,870
Miscellaneous assets	309	577	59	Current account payable	44,631	110,100	96,16
Deferred charges	145,739	155,425	127,098	Consumers' & exten. dep.	88,467	89,205	90,21
				Accrued int., taxes, etc.	84,414	85,709	84,49
				Rentals in advance	975	711	1,06
				Reserves	133,578	110,712	87,90
				Surplus	38,454	24,024	39,15
Total	$2,969,219	$2,832,461	$2,622,453	Total	$2,969,219	$2,832,461	$2,622,45

Officers: W. D. Freer, Pres.; H. F. Barnard, V-P.; T. B. Davis, Sec.; A. A. Adams, Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: W. D. Freer, K. M. Bixler, John Young, A. B. Williams, T. B. Davis, New York.

Offices, 720 Fourth Ave., Huntington, W. Va.; 50 Broad St., New York, N. Y.

JOPLIN WATER WORKS COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Feb. 6, 1893, in Mo., with a charter extending for fifty years. Company serves Joplin, Missouri, and suburbs with water for public and domestic use. The total population served is 35,000; number of consumers, 7,995; city fire hydrants, 420; miles of mains, 88.18; nominal daily

istributive pumping capacity, 17,500,000 gallons; low ervice daily pumping capacity, 14,000,000 gallons; elay daily pumping capacity, 288,000 gallons; nominal aily filter capacity, 6,000,000 gallons; source of supply s Shoal Creek.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	80.60	392	6,926	586,754	$165,632
1924	81.54	403	7,388	554,668	168,576
1925	82.52	404	7,482	636,812	184,901
1926	83.79	410	7,904	646,216	193,541
1927	88.18	420	7,995	676,138	198,609

*Thousand gallons.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value nd $400,000 6% cumulative Pfd., par $100; outstanding, Dec. 31, 1927, 10,000 shares Common and $200,000 Pfd. All the Common stock is owned by American Water Works and Electric Co., Inc. Capital stock vas changed on April 11, 1927 from $1,250,000 authorzed and $800,000 outstanding Common stock, par $100. Transfer Agent (Pfd.), The Conquerer Trust Co., Joplin, Mo. Registrar (Pfd.), Joplin National Bank, Joplin, Mo. Annual meeting, fourth Thursday in Februry.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends, and is subject to redemption on any dividend date on 30 days' notice at 05 and accrued dividends.

Dividends—Pfd. dividends are payable, J, A, J & O 5.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A," DUE MARCH 1, 1957

Dated March 1, 1927.

Interest Payable March and September 1 at American Water Works and Electric Co., Inc., 50 Broad St., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered at The Equitable Trust Co. of New York.

Trustees—The Equitable Trust Co. of New York, and C. H. Taylor, St. Joseph, Mo.

Provisions of Issue—Open mortgage. Outstanding $1,000,000 Series "A" 5s. The proceeds of this issue were used to partially provide for the retirement of certain indebtedness of the company, including the $450,000 40-year 5s, due April 2, 1940, and $252,500 Gold Mortgage 5s, due Oct. 1, 1948, called for payment on May 31, 1927 at par and interest, at The Equitable Trust Co. of New York.

Additional bonds may be issued, among other things, for not in excess of 80% of the cost of additions, improvements, and extensions to the porperty provided net earnings, for 12 consecutive calendar months within the 15 calendar months immediately preceding the month in which application for the authentication of such bonds is made, shall have been at least 1¾ times the annual interest charges on all bonds outstanding including those to be issued. In the calculation of net earnings at least 5% of gross revenues must be charged to operating expenses for repairs and current maintenance.

Callability—Series "A" bonds are subject to call as a whole or in part at any time on 4 weeks' notice at 105 and interest to and including March 1, 1952, and thereafter to maturity at 100 and interest. In the event the City acquires all or any part of the company's property and does not assume payment of principal or interest of the bonds, then the bonds in principal amount not exceeding the price paid for the property may be called at 100 and interest.

Security—A first lien on entire property owned.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills tax, Maryland 4½ mills tax, and Massachusetts Income Tax not exceeding 6% per annum, refunded.

Legal Opinion—Seibert & Riggs, New York (for the bankers), and Sullivan & Cromwell, New York, (for the Company).

Original Offering—First publicly offered ($1,000,000 Series "A" 5s) in March 1927 at 95 and interest to yield over 5.30% by W. C. Langley & Co. and Halsey Stuart & Co., Inc., New York, etc.

BOND REDEMPTION

All the Gold 5s, due April 2, 1940 and Oct. 1, 1948 were called for payment and redeemed on May 31, 1927, at par and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$198,609	$193,541	$184,901	$168,576	$165,632	$158,994
Operating expenses, maintenance and taxes	91,325	80,728	85,183	81,703	78,172	82,620
Net earnings	$107,284	$112,813	$99,718	$86,873	$87,460	$76,374
Interest on funded debt	45,521	35,070	35,070	45,450	55,830	55,830
Balance	$61,763	$77,743	$64,648	$41,423	$31,630	$20,544
Interest on floating debt and amortization	14,554	33,245	32,867	21,823	8,520	9,619
Balance	$47,209	$44,498	$31,781	$19,600	$23,110	$10,925
Reserved for renewals and replacements	11,391	11,000	14,852	14,439	14,064	13,875
Net income	$35,818	$33,498	$16,929	$5,161	$9,046	*$2,950

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$2,109,990	$2,069,945	$2,037,331
Treasury bonds	.....	900	900
Materials and supplies	1,977	1,304	1,420
Rentals accrued	6,295	.....	.....
Cash & accts. receivable	39,730	28,123	25,615
Miscellaneous assets	1,226	1,517	690
Deferred charges	118,602	11,392	6,530
Deficit	.....	.....	12,937
Total	$2,277,820	$2,113,181	$2,085,423

Liabilities—	1927	1926	1925
Common stock	$865,927	$800,000	$800,000
Preferred stock	200,000	.....	.....
Funded debt	1,000,000	702,300	702,300
Loans payable	.....	439,443	407,443
Current accts. payable	36,942	20,756	48,511
Consumers' & exten. dep.	22,499	20,324	17,723
Accrd. int., taxes, etc.	25,470	13,593	15,005
Rentals in advance	353	322	432
Reserves	113,115	103,882	94,009
Surplus	13,514	12,561	.....
Total	$2,277,820	$2,113,181	$2,085,423

Officers: E. W. Clark, Pres.; E. A. Geehan, V-P.; H. F. Barnard, V-P., New York; J. N. Wells, V-P., Joplin, Mo.; T. B. Davis, Sec. & Treas., New York; W. McCrae, Asst. Sec.; E. Haley, Asst. Treas., Joplin, Mo.

Directors: E. W. Clark, T. B. Davis, A. B. Williams, John Young, New York; J. N. Wells, Joplin, Mo.

Offices, 214 West 4th Street, Joplin, Mo.; 50 Broad Street, New York, N. Y.

KOKOMO WATER WORKS COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated May 30, 1887, in Indiana, with a charter for fifty years. Company supplies Kokomo, Indiana, with water for public and domestic use. The total population served is 36,000; number of consumers, 7,181, city fire hydrants, 583,; miles of mains, 78.87; nominal daily distributive pumping capacity, 9,000,000 gallons; source of supply is drilled wells.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	73.12	547	7,148	414,752	$143,183
1924	74.82	564	7,149	382,627	141,178
1925	76.07	571	7,159	403,896	145,042
1926	78.38	583	7,077	414,167	149,751
1927	78.87	583	7,181	414,800	149,348

*Thousand gallons.

CAPITAL STOCK

Authorized, $225,000 Common, $300,000 8% cumulative First Pfd., and $125,000 7% cumulative Second Pfd.; outstanding, $200,000 Common, $150,000 First Pfd. and $105,800 Second Pfd.; par, $100. All of Common and Second Pfd. owned by American Water Works and Electric Company, Incorporated. Transfer Agent (First Pfd.): Farmers' Trust and Savings Bank, Kokomo, Ind. Registrar (First Pfd.): Howard National Bank, Kokomo, Ind. Annual meeting, third Thursday in May.

First Preferred Stock Provisions—First Pfd. stock has preference for assets and dividends over Second Pfd. and Common and is redeemable any time (since Jan. 1, 1926) at 105 and accrued dividends. Second Pfd. stock is redeemable in whole or in part at option of Company on any dividend date.

Dividends—First Pfd. dividends regularly paid quarterly, F, M, A & N 1.

FUNDED DEBT

$350,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1941

Dated November 1, 1916.

Interest Payable May and November 1.

Trustees—Bankers Trust Co., New York, and Clayton E. Stewart, Muncie, Ind.

Denominations—Registered, $1,000 and multiples. Coupon bonds may also be issued in denomination of $1,000 and multiples.

Provisions of Issue—Authorized issue, unlimited as to amount. Outstanding bonds owned by The Middle States Water Works Co. Additional bonds may be issued for permanent improvements or additions to the property for 80% of the actual cash cost and fair value to the company, on approval of the Public Service Commission of Indiana, when the net earnings for twelve consecutive calendar months within the fourteen months immediately preceding shall be in the aggregate not less than 1½ times the interest charge for a like period on all outstanding bonds including those applied for.

Callability—Subject to call at par and interest on four weeks' notice.

Maintenance and Replacement Fund—As a Maintenance and Replacement Fund 9% of the gross earnings shall annually be set aside (4% of which shall be included in operating expenses) and against expenditures made therefrom no bonds may be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$149,348	$149,751	$145,042	$141,178	$143,182	$128,788
Operating expenses, maintenance and taxes	68,281	77,454	69,425	67,428	66,938	64,694
Net earnings	$81,067	$72,297	$75,617	$73,750	$76,244	$64,094
Interest on funded debt	21,000	21,000	21,000	21,000	21,000	21,000
Balance	$60,067	$51,297	$54,617	$52,750	$55,244	$43,094
Interest on floating debt and amortization	13,423	12,891	11,473	8,620	9,307	6,235
Balance	$46,644	$38,406	$43,144	$44,130	$45,937	$36,859
Reserved for renewals and replacements	7,602	7,342	7,171	8,248	6,384	5,920
Net income	$39,042	$31,064	$35,973	$35,882	$39,553	$30,939

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,085,533	$1,065,107	$1,032,753
Securities owned	1,000	.....	.....
Materials and supplies	2,163	1,659	978
Cash and accts. receivable	31,763	31,821	29,269
Rentals accrued	8,580	8,740	8,465
Miscellaneous assets	280	297	216
Def. charges to be amortized	1,975	2,438	2,390
Total	$1,131,294	$1,110,062	$1,074,071

Liabilities—	1927	1926	1925
Capital stock	$455,800	$455,800	$455,800
Funded debt	350,000	350,000	350,000
Loans payable	153,028	153,028	113,000
Current accts. payable	29,710	20,195	34,74
Consumers' and exten. dep.	39,138	37,751	34,58
Accrued int., taxes, etc.	27,598	26,228	28,38
Rentals in advance	389	481	35
Reserves	59,810	55,916	48,71
Surplus	15,821	10,663	8,48
Total	$1,131,294	$1,110,062	$1,074,07

Officers: E. A. Geehan, Pres.; H. F. Barnard, V-P., New York; F. P. Stradling, V-P., Kokomo, Ind.; T. B. Davis, Sec. & Treas., New York; W. E. Mason, Asst. Sec. and Asst. Treas., Kokomo, Ind.

Directors: E. A. Geehan, New York; F. P. Stradling, W. E. Mason, Kokomo, Ind.

Offices, 404 North Main St., Kokomo, Indiana; 5 Broad St., New York, N. Y.

MIDDLE STATES WATER WORKS COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated Nov. 18, 1915, in Del., for the primary purpose of acquiring and holding the securities of companies operating water works properties. Owns the entire capital stock of City of New Castle Water Company and The Warren Water Company, and also the capital stock as well as the bonds of City Water Company of Marinette, City Water Works Company of Merrill, Keokuk Water Works Company, Mount Vernon Water Works Company, and The Louisiana Water Company. The Company also owns all of the bonds of Kokomo Water Works Company.

Middle States Water Works Company through its subsidiary companies, operates water works properties in the cities of Mount Vernon, Ind., Marinett and Merrill, Wis., Louisiana, Mo., Keokuk, Iowa and New Castle and Warren, Pa., serving an estimated population in excess of 114,800. The combine systems embrace 281 miles of mains; high servic pumping equipment of 45,000,000 gallons nomina daily capacity; and additional low service and rela pumps of 38,000,000 gallons daily capacity; filter plant of 22,220,000 gallons daily capacity. Number of con sumers supplied, 25,420; city fire hydrants, 1,424 miles of mains, 281.24.

OPERATING STATISTICS, YEARS ENDEDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	258.62	1,386	23,068	1,940,918	$575,197
1924	262.03	1,391	23,987	1,953,518	599,132
1925	266.55	1,397	24,387	1,976,649	637,522
1926	274.15	1,409	24,731	2,031,858	661,244
1927	281.24	1,424	25,420	1,951,114	661,302

*Thousand gallons.

CAPITAL STOCK

Authorized and outstanding, $3,319,900 Common and $617,000 7% cumulative Pfd.; par, $100. All owned by American Water Works and Electric Company, Incorporated. Pfd. stock has preference for assets and dividends and is redeemable at any time at 110 and accrued dividends. Transfer Agent: Delaware Registration Trust Co., Wilmington, Del. Annual meeting, third Monday in November.

FUNDED DEBT

$1,377,000 FIRST MORTGAGE 6% COLLATERAL GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1936

Dated November 1, 1916.

Interest Payable May and November 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000 (denominations interchangeable); principal may be registered at Company's office, New York.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, $1,377,000 Series "A" 6s. Additional bonds may be issued as follows:

Against the deposit with the Trustee of an equal principal amount of First Mortgage bonds of subsidiary companies, such bonds to be secured by a first mortgage on all the property of such subsidiary companies, provided: (1) That the consolidated net earnings of the Middle States Water Works Co. are at least 1½ times annual interest charges on all bonds then outstanding and those proposed to be issued.

(2) That such additional deposited bonds have been issued at par for not more than 80% of the cost of betterments, improvements or additions to the property of subsidiary companies, and that net earnings of each company whose bonds are offered for deposit are at least 1½ times interest charges on all First Mortgage bonds of such subsidiary companies outstanding and those offered for deposit.

(3) That the property of any subsidiary company offering bonds of an issue not previously deposited under this mortgage shall have a fair value as appraised by an independent engineer of at least 25% in excess of the face value of all its First Mortgage bonds outstanding, and that its net earnings shall be at least 1½ times annual interest charges on its First Mortgage bonds outstanding and those offered as a basis for issuance of Middle States bonds.

Callability—Subject to call as a whole or in part on four weeks' notice at 105 and interest on any interest date to and including Nov. 1, 1926; at 103 and interest from May 1, 1927, to Nov. 1, 1931, both inclusive, and at 102 and interest on any interest date thereafter.

Maintenance and Replacement Fund—The Mortgage of each subsidiary company depositing its First Mortgage bonds as the basis for the issuance of Collateral Bonds contains the provision that at least 9% of the gross earnings of such company shall annually be set aside as a Maintenance and Replacement Fund (of which at least 4% shall be included in operating expenses) and against expenditures made therefrom no bonds may be issued.

Security—A first lien on all the properties of five subsidiary companies and of Kokomo Water Works Co. through deposit with the Trustee of all the First Mortgage bonds. The bonds are further secured by deposit with the Trustee of the entire capital stocks of all its subsidiary companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

SECURITIES OWNED, DECEMBER 31, 1927

	First Mtge. Bonds	Preferred Stocks	Common Stocks
Keokuk Water Works Co.	$310,000	$115,000	$600,000
Kokomo Water Works Co.	350,000	.....	.....
The Louisiana Water Co.	97,000	13,000	150,000
City Water Co. of Marinette	320,000	66,000	200,000
City Water Works Co. of Merrill, Wis.	150,000	49,000	125,000
Mt. Vernon Water Works Co.	150,000	32,000	60,000
The City of New Castle Water Co.	.....	.....	691,400
The Warren Water Co.	.....	.....	114,500
Total	$1,377,000	$275,000	$1,940,900

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED DECEMBER 31
(Middle States Water Works Co. and Subsidiaries)

	1927	1926	1925	1924	1923	1922
Gross earnings of subsidiary companies	$661,302	$661,244	$637,522	$599,132	$575,197	$525,755
Operating expenses, including maintenance taxes and depreciation	401,850	384,706	390,761	393,583	389,441	358,938
Net earnings of subsidiary companies	$259,452	$276,538	$246,761	$205,549	$185,756	$166,817
Miscellaneous net income	31,420	32,304	31,288	31,955	28,956	30,173
Total	$290,872	$308,842	$278,049	$237,504	$214,712	$196,990
Deduct:						
Int. on obligations of subsidiary companies	$63,423	$68,348	$68,453	$68,680	$68,900	$69,190
Interest on first mtge. bonds of Middle States Water Works Co.	82,620	82,620	82,620	82,620	82,620	82,620
Total	$146,043	$150,968	$151,073	$151,300	$151,520	$151,810
Net income	$144,829	$157,874	$126,976	$86,204	$63,192	$45,180
Times Interest Earned	1.99	2.91	2.53	1.57	1.42	1.30

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Middle States Water Works Co. and Subsidiaries)

Assets—	1927	1926	1925	1924	1923	1922
Notes and accounts receivable	$275,652	$279,849	$306,974	$295,144	$331,763	$252,546
Accrued interest receivable	13,770	13,770	13,770	13,770	13,770	13,770
Accrued profits of subsidiary companies	24,214	34,424	30,240	47,078	61,781	47,302
Bonds of subsidiary companies	1,377,000	1,377,000	1,377,000	1,377,000	1,377,000	1,377,000
Stocks of subsidiary companies	3,877,000	3,877,000	3,877,000	3,877,000	3,877,000	3,877,000
Total	$5,567,636	$5,582,043	$5,604,984	$5,609,992	$5,661,314	$5,567,618
Liabilities—						
Capital stock	$3,936,900	$3,936,900	$3,936,900	$3,936,900	$3,936,900	$3,936,900
Funded debt	1,377,000	1,377,000	1,377,000	1,377,000	1,377,000	1,377,000
Loans payable	79,167	79,167	79,167	79,167	79,167	79,167
Accrued taxes and interest payable	15,063	16,329	15,933	15,860	15,039	15,106
Reserves	115,440	134,653	148,178	159,849	157,830	127,260
Surplus	44,066	37,994	47,806	41,215	95,378	32,185
Total	$5,567,636	$5,582,043	$5,604,984	$5,609,992	$5,661,314	$5,567,618

Officers: W. R. Voorhis, Pres.; P. L. Ross, V-P.; W. K. Dunbar, Sec. and Treas.; A. A. Adams, Asst. Sec. and Asst. Treas., New York.

Directors: H. H. Porter, W. R. Voorhis, P. L. Ross, W. K. Dunbar, F. H. Mason, New York.

Office, 50 Broad St., New York, N. Y.

THE CITY OF NEW CASTLE WATER COMPANY

(Controlled by Middle States Water Works Company)

History and Property—Incorporated Aug. 15, 1902, in Pa., with a perpetual charter. Company supplies New Castle, Pennsylvania, with water for public and domestic use. Total population served is 52,000; number of consumers, 11,302; city fire hydrants, 409; miles of mains, 102.64; nominal daily distributive pumping capacity, 13,000,000 gallons; low service and relay pumping capacity, 17,000,000 gallons; nominal daily filter capacity, 8,000,000 gallons; source of supply, Shenango River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	87.84	391	10,044	973,030	$208,494
1924	89.73	391	10,370	974,826	218,868
1925	91.79	391	10,844	1,007,094	245,971
1926	96.40	397	10,983	1,063,746	252,466
1927	102.64	409	11,302	1,031,945	248,135

*Thousand gallons.

CAPITAL STOCK

Authorized and issued, $691,400; par, $100. All owned by Middle States Water Works Company. Annual meeting, first Tuesday in May.

FUNDED DEBT

(1)

$439,500 SINKING FUND GOLD 5s; DUE JUNE 1, 1932

Dated June 1, 1897.

Interest Payable June and Dec. 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $500 and $1,000. Authorized issue, $600,000; mortgage closed. Indenture provides for sinking fund of 5% of net income payable to the Trustee in semi-annual installments beginning June 1, 1912, to be accumulated or used to purchase at not over 110 and retire bonds of this issue. Subject to call at par and interest on and after June 1, 1927, on six weeks' notice. Company does not pay Normal Federal Income Tax.

(2)

$536,000 40-YEAR GOLD 5s; DUE DECEMBER 2, 1941

Dated December 2, 1901.

Interest Payable June and Dec. 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $1,000,000, of which sufficient reserved to retire an equal amount of 5s due June 1, 1932. In addition to outstanding amount, $24,000 are held in treasury. Subject to call at par and interest on six weeks' notice. Company does not pay Normal Federal Income Tax.

(3)

$65,000 40-YEAR GOLD 5s; DUE JUNE 1, 1952

Dated June 1, 1912.

Interest Payable June and Dec. 1, at The Equitable Trust Co., New York, Trustee. Coupon, $100, $500 and $1,000. Authorized issue, $2,000,000, of which sufficient reserved to retire both prior issues; $185,000 are held in treasury; and balance can only be issued for betterments when the earnings are sufficient to pay interest on all outstanding bonds, including those to be issued. Subject to call at par and interest on six weeks' notice. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$248,135	$252,466	$245,971	$218,868	$208,494	$190,770
Operating expenses, maintenance and taxes	96,614	90,972	100,010	98,820	89,389	90,901
Net earnings	$151,521	$161,494	$145,961	$120,048	$119,105	$99,869
Interest on funded debt	52,235	52,498	52,584	52,752	52,897	53,095
Balance	$99,286	$108,996	$93,377	$67,296	$66,207	$46,774
Interest on floating debt and amortization	21,005	15,200	9,847	5,635	4,825	2,996
Balance	$78,281	$93,796	$83,530	$61,661	$61,382	$43,778
Reserved for renewals and replacements	14,508	6,519	6,364	7,363	6,000	5,850
Net income	$63,773	$87,277	$77,166	$54,298	$55,382	$37,928

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$2,153,090	$2,050,178	$1,933,453
Securities owned	1,005	1,005	
Cash with trustee	68	5,680	2,383
Treasury bonds	209,000	200,000	199,000
Materials and supplies	2,721	2,618	2,341
Cash and accts. receivable	47,617	42,387	46,604
Rentals accrued	13,690	12,438	15,049
Miscellaneous assets	681	523	316
Deferred charges	9,845	10,423	9,806
Total	$2,437,717	$2,325,252	$2,208,952

Liabilities—	1927	1926	1925
Capital stock	$691,400	$691,400	$691,400
Funded debt	1,249,500	1,249,500	1,249,500
Loans payable	345,753	153,753	87,75
Current accts. payable	22,027	107,362	57,73
Consumers' & exten. dep.	13,067	10,843	9,86
Accrued int., taxes, etc.	16,623	17,875	19,32
Rentals in advance	20,690	21,430	24,52
Reserves	65,690	52,983	46,15
Surplus	12,967	20,106	22,71
Total	$2,437,717	$2,325,252	$2,208,95

Officers: D. M. Watt, Pres.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas., New York.

Directors: D. M. Watt, A. B. Williams, John Young, K. M. Bixler, T. B. Davis, New York.

Offices, 31 North Mill St., New Castle, Pa.; 50 Broad St., New York, N. Y.

CITY WATER COMPANY OF MARINETTE

(Controlled by Middle States Water Works Company)

History and Property—Incorporated Sept. 15, 1887, in Wis., with perpetual charter. Company serves Marinette, Wisconsin, with water for public and domestic use. Total population served is 14,000; number of consumers, 3,243; city fire hydrants, 290; miles of mains, 41.07; nominal daily distributive pumping capacity, 7,000,000 gallons; low service and relay daily pumping capacity, 4,000,000 gallons; nominal daily filter capacity, 3,740,000 gallons; source of supply is Lake Michigan.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	39.80	287	2,973	220,370	$87,57
1924	40.32	287	3,133	209,093	84,94
1925	40.84	287	3,136	195,880	88,68
1926	41.11	290	3,059	175,620	99,45
1927	41.07	290	3,243	171,958	100,17

*Thousand gallons.

CAPITAL STOCK

Authorized and issued, $200,000 Common and $66 000 7% non-cumulative Pfd.; par, $100. All owne

y Middle States Water Works Company. Pfd. stock allable at 110 on three weeks' notice. Annual meeting, first Wednesday after second Monday in October.

FUNDED DEBT

$20,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1941

Dated Nov. 1, 1916.

Interest Payable May and Nov. 1, Bankers Trust Co., New York, Trustee. Registered, $1,000 and multiples. Coupon bonds may also be issued. Subject to call at par and interest on any interest date on four weeks' notice.

Provisions of Issue—Authorized issue, unlimited as to amount. The outstanding bonds are owned by Middle States Water Works Company Additional bonds may be issued for permanent improvements or additions to the property for 80% of the actual cash cost and fair value to the Company on approval of the Railroad Commission of Wisconsin, when the net earnings for 12 consecutive calendar months within the 14 calendar months immediately preceding shall be in the aggregate not less than one and a half times the interest charges for a like period on all outstanding bonds, including those applied for.

Maintenance and Replacement Fund—As a Maintenance and Replacement Fund 9% of the gross earnings shall annually be set aside (4% of which shall be included in operating expenses) and against expenditures made therefrom no bonds may be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$100,173	$99,450	$88,687	$84,948	$87,574	$85,933
Operating expenses, maintenance and taxes	53,603	53,482	51,480	63,508	54,769	51,695
Net earnings	$46,570	$45,968	$37,207	$21,440	$32,805	$34,238
Interest on funded debt	19,200	19,200	19,200	19,200	19,200	19,200
Balance	$27,370	$26,768	$18,007	$2,240	$13,605	$15,038
Interest on floating debt and amortization	7,168	7,567	7,630	3,751	3,216	2,717
Balance	$20,202	$19,201	$10,377	*$1,511	$10,389	$12,321
Reserved for renewals and replacements	1,855	1,810	4,490	5,280	3,865	3,671
Net income	$18,347	$17,391	$5,887	*$6,791	$6,524	$8,650

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$728,945	$726,894	$722,239
Cash with trustee	5,790	5,790	5,790
Materials and supplies	1,539	1,702	855
Cash and accts. receivable	23,233	20,544	13,555
Rentals accrued	.....	.....	8,250
Miscellaneous assets	383	585	286
Deferred charges	952	509	1,167
Deficit	.....	.....	1,579
Total	$760,843	$756,024	$753,721

Liabilities—	1927	1926	1925
Capital stock	$266,000	$266,000	$266,000
Funded debt	320,000	320,000	320,000
Loans payable	13,877	13,877	13,877
Current accts. payable	72,594	70,464	78,285
Accrued int., taxes, etc.	22,649	23,128	20,398
Rentals in advance	248	285	595
Reserves	62,330	58,007	54,566
Surplus	3,145	4,263	.....
Total	$760,843	$756,024	$753,721

Officers: E. W. Clark, Pres.; H. F. Barnard, V-P.; T. B. Davis Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. W. Clark, T. B. Davis, K. M. Bixler, John Young, A. B. Williams, New York.

Offices, 501 Water St., Marinette, Wis.; 50 Broad St., New York, N. Y.

CITY WATER WORKS COMPANY OF MERRILL, WISCONSIN

(Controlled by Middle States Water Works Company)

History and Property—Incorporated June 15, 1887, in Wis., with perpetual charter. Company serves Merrill, Wisconsin, with water for public and domestic use. Total population served is 8,500; number of consumers, 1,314; city fire hydrants, 195; miles of mains, 24.54; nominal daily distributive pumping capacity, 3,500,000 gallons; low service and relay daily pumping capacity, 3,000,000 gallons; nominal daily filter capacity, 1,640,000 gallons; source of supply is Prairie River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	22.92	186	1,165	65,353	$39,215
1924	23.15	190	1,219	69,414	44,679
1925	23.65	193	1,228	77,610	47,493
1926	24.21	195	1,298	73,954	47,130
1927	24.54	195	1,314	73,405	47,722

*Thousand gallons.

CAPITAL STOCK

Authorized and issued, $125,000 Common and $49,000 7% non-cumulative Pfd.; par, $100. All owned by Middle States Water Works Company. Pfd. stock redeemable at 110 on 3 weeks' notice. Annual meeting, first Tuesday after second Monday in October.

FUNDED DEBT

$150,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1941

Dated November 1, 1916.

Interest Payable May and November 1. Bankers Trust Co., New York, Trustee. Registered, $1,000 and multiples. Coupon bonds may also be issued. Subject to call on any interest date on four weeks' notice at par and interest.

Provisions of Issue—Authorized issue, unlimited as to amount. The outstanding bonds are owned by Middle States Water Works Company. Additional bonds may be issued for permanent improvements or additions to the property for 80% of the actual cash cost and fair value to the Company on approval of the Railroad Commission of Wisconsin when the net earnings for 12 consecutive calendar months within the 14 calendar months immediately preceding shall be in the aggregate not less than 1½ times the interest charges for a like period on all outstanding bonds, including those applied for.

Maintenance and Replacement Fund—As a Maintenance and Replacement Fund 9% of the gross earnings shall annually be set aside (4% of which shall be included in operating expenses) and against expenditures made therefrom no bonds may be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$47,722	$47,129	$47,493	$44,679	$39,214	$37,014
Operating expenses, maintenance and taxes	26,955	27,110	26,986	24,576	28,399	22,014
Net earnings	$20,767	$20,019	$20,507	$20,103	$10,815	$15,000
Interest on funded debt	9,000	9,000	9,000	9,000	9.000	9,000
Balance	$11,767	$11,019	$11,507	$11,103	$1,815	$6,000
Interest on floating debt and amortization	5,264	6,501	5,803	5,132	4,543	4,590
Balance	$6,503	$4,518	$5,704	$5,971	*$2,728	$1,410
Reserved for renewals and replacements	1,583	1,557	1,494	2,196	1,070	2,550
Net income	$4,920	$2,961	$4,210	$3,775	*$3,798	*$1,140

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$402,189	$398,181	$394,480	Capital stock	$174,000	$174,000	$174,000
Cash with trustee	7,525	7,525	7,525	Funded debt	150,000	150,000	150,000
Materials and supplies	2,606	2,240	1,933	Loans payable	22,174	22,174	22,174
Cash and accts. receivable	12,477	12,313	24,208	Current accts. payable	41,402	44,491	56,058
Miscellaneous assets	234	315	53	Consumers' & exten. depos.	2,462	2,462	2,462
Deferred charges	.....	64	18	Rentals in advance	143	118	10
Deficit	2,376	7,297	10,258	Accrued int., taxes, etc.	10,709	10,335	10,551
				Reserves	26,516	24,355	23,220
Total	$427,407	$427,935	$438,475	Total	$427,407	$427,935	$438,475

Officers: E. W. Clark, Pres.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. W. Clark, John Young, T. B. Davis, New York.

Offices, 103 East 3rd St. Merrill, Wis.; 50 Broad St., New York, N. Y.

KEOKUK WATER WORKS COMPANY

(Controlled by Middle States Water Works Company)

History and Property—Incorporated Dec. 9, 1911, in Del. with perpetual charter, as successor to company of the same name incorporated in Iowa. Company supplies Keokuk, Iowa, with water for public and domestic uses. Total population served is 15,000; number of consumers, 3,466; city fire hydrants, 173; miles of mains, 36; nominal daily distributive pumping capacity, 7,500,000 gallons; low service and relay daily pumping capacity, 3,250,000 gallons; nominal daily filter capacity, 2,540,000 gallons; source of supply is the Mississippi River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	35.09	173	3,185	209,803	$81,116
1924	35.25	173	3,254	227,902	89,544
1925	35.16	173	3,309	233,752	92,622
1926	35.97	173	3,389	251,314	96,485
1927	36.18	173	3,466	226,100	95,629

*Thousand gallons.

CAPITAL STOCK

Authorized and issued, $600,000 Common and $115,000 7% non-cumulative Pfd.; par, $100. All owned by Middle States Water Works Company. Transfer Agent (Pfd.): Delaware Registration Trust Co., Wilmington, Del. Pfd. stock is redeemable at 110 on three weeks' notice. Annual meeting, first Tuesday in March.

FUNDED DEBT

$310,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A" DUE NOVEMBER 1, 1941

Dated November 1, 1916.

Interest Payable May and November 1. Bankers Trust Co., New York, Trustee. Registered, $1,000 and multiples. Coupon bonds may also be issued Subject to call at par and interest on four weeks notice.

Provisions of Issue—Authorized issue, unlimited a to amount. All the outstanding bonds are owned b Middle States Water Works Company. Additiona bonds may be issued for permanent improvements o additions to the property for 80% of the actual cas cost and fair value to the company when the ne earnings for twelve consecutive calendar months with in fourteen calendar months immediately precedin shall be in the aggregate not less than 1½ times th interest charge for entire period on all outstandin bonds, including those applied for.

Maintenance and Replacement Fund—As a Main tenance and Replacement Fund 9% of the gross earn ings shall annually be set aside (4% of which shall b included in operating expenses) and against expend tures made therefrom no bonds shall be issued.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$95,629	$96,485	$92,622	$89,544	$81,116	$63,53
Operating expenses, maintenance and taxes	45,314	48,089	48,314	51,461	65,263	56,93
Net earnings	$50,315	$48,396	$44,308	$38,083	$15,853	$6,59
Interest on funded debt	18,600	18,600	18,600	18,600	18,600	18,60
Balance	$31,715	$29,796	$25,708	$19,483	*$2,747	*$12,00
Interest on floating debt and amortization	10,515	12,724	13,460	13,487	13,408	10,99
Balance	$21,200	$17,072	$12,248	$5,996	*$16,155	*$22,99
Reserved for renewals & replacements	4,157	3,051	3,025	3,571	2,700	1,87
Net income	$17,043	$14,021	$9,223	$2,424	*$18,855	*$24,87

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$1,180,786	$1,175,266	$1,166,322	Common stock	$600,000	$600,000	$600,00
Materials and supplies	2,096	1,812	1,842	Preferred stock	115,000	115,000	115,00
Cash and accts. receivable	8,400	8,903	9,437	Funded debt	310,000	310,000	310,00
Rentals accrued	5,080	4,648	4,440	Loans payable	128,271	104,271	104,27
Miscellaneous assets	282	367	29	Accounts payable	27,726	64,130	74,57
Deferred charges	247	300	49	Consumers' & exten. dep.	3,784	3,205	3,00
Deficit	28,642	45,685	59,706	Accrued int., taxes, etc.	11,953	14,550	13,11
				Rentals in advance	151	141	1
				Reserves	28,648	25,684	21,60
Total	$1,225,533	$1,236,981	$1,241,825	Total	$1,225,533	$1,236,981	$1,241,82

Officers: E. W. Clark, Pres.; E. A. Geehan, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. W. Clark, A. B. Williams, H. F. Barnard, John Young, T. B. Davis, New York.

Offices, 27 North 5th St., Keokuk, Iowa; 50 Broad St., New York, N. Y.

THE LOUISIANA WATER COMPANY

(Controlled by Middle States Water Works Company)

History and Property—Incorporated Aug. 8, 1887, in Mo., with charter for fifty years. Company supplies Louisiana, Missouri, with water for public and domestic uses. Total population served is 4,200; number of consumers, 946; city fire hydrants, 70; miles of mains, 11.03; nominal daily distributive pumping capacity, 3,000,000 gallons; low service and relay daily pumping capacity, 1,500,000 gallons; nominal daily filter capacity, 1,300,000 gallons; source of supply is the Mississippi River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	10.27	67	915	74,839	$32,008
1924	10.33	67	924	72,004	31,042
1925	10.51	67	935	78,322	30,919
1926	10.81	67	945	72,644	33,366
1927	11.03	70	946	61,756	34,753

*Thousand gallons.

CAPITAL STOCK

Authorized and issued, $150,000 Common and $13,000 7% non-cumulative Pfd.; par, $100. All owned by Middle States Water Works Company. Pfd. stock is redeemable at 110 on three weeks' notice. Annual meeting, first Tuesday in August.

FUNDED DEBT

$97,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1941

Dated November 1, 1916.

Interest Payable May and Nov. 1. Trustee: Bankers Trust Co., New York. Stephen A. Dorsey, St. Joseph, Mo., Co-trustee. Registered, $1,000 and multiples. Coupon bonds may also be issued. Subject to call at par and interest on four weeks' notice.

Provisions of Issue—Authorized issue, unlimited as to amount. The outstanding bonds are all owned by Middle States Water Works Company. Additional bonds may be issued for permanent improvements or additions to the property for 80% of the actual cash cost and fair value to the Company on approval of the Public Service Commission of Missouri, when the net earnings for 12 consecutive calendar months within the 14 calendar months immediately preceding shall be in the aggregate not less than 1½ times the interest charges for a like period on all outstanding bonds, including those applied for.

Maintenance and Replacement Fund—As a Maintenance and Replacement Fund 9% of the gross earnings shall annually be set aside (4% of which shall be included in operating expenses) and against expenditures made therefrom no bonds may be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$34,753	$33,365	$30,919	$31,042	$32,004	$27,909
Operating expenses, maintenance and taxes	19,700	19,505	24,031	20,588	22,630	20,656
Net earnings	$15,053	$13,860	$6,888	$10,454	$9,374	$7,253
Interest on funded debt	5,820	5,820	5,820	5,820	5,820	5,820
Balance	$9,233	$8,040	$1,068	$4,634	$3,554	$1,433
Interest on floating debt and amortization	9,261	9,598	9,068	8,612	8,559	7,885
Balance	*$28	$1,558	$8,000	$3,978	$5,005	$6,452
Reserved for renewals and replacements	1,944	1,899	2,509	2,462	2,424	2,260
Net income	*$1,972	$3,457	$10,509	$6,440	$7,429	$8,712

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$328,776	$327,987	$324,979
Securities owned	500	500	.....
Materials and supplies	694	865	1,064
Cash and accts. receivable	8,150	7,699	6,908
Miscellaneous assets	333	383	122
Deferred charges	314	1,120	1,256
Deficit	83,643	81,672	78,215
Total	$422,410	$420,226	$412,544

Liabilities—	1927	1926	1925
Common stock	$150,000	$150,000	$150,000
Preferred stock	13,000	13,000	13,000
Funded debt	97,000	97,000	97,000
Accounts payable	143,540	143,233	137,722
Consumers' & exten. dep.	62	.....	.....
Accrued int., taxes, etc.	1,010	970	970
Rentals in advance	28	23	33
Reserves	17,770	16,000	13,819
Total	$422,410	$420,226	$412,544

Officers: E. W. Clark, Pres.; E. A. Geehan, V-P.; H. F. Barnard, V-P.; New York; C. H. Taylor, V-P.; J. T. Bodkin, Sec., St. Joseph, Mo.; T. B. Davis, Treas. & Asst. Sec., New York; E. W. Gilkerson, Asst. Treas., St. Joseph, Mo.

Directors: E. W. Clark, John Young, K. M. Bixler, A. B. Williams, New York; C. H. Taylor, St. Joseph, Mo.

Offices, 424 Georgia St., Louisiana, Missouri; 50 Broad St., New York, N. Y.

MT. VERNON WATER WORKS COMPANY

(Controlled by Middle States Water Works Company)

History and Property—Incorporated March 29, 1886, in Indiana, with a charter for fifty years. Company supplies Mt. Vernon, Indiana, with water for public and domestic use. Total population served is 5,500; number of consumers, 1,417; city fire hydrants, 107; miles of mains, 21; nominal daily distributive pumping capacity, 4,000,000 gallons; low service and relay daily pumping capacity, 3,250,000 gallons; nominal daily filter capacity, 2,000,000 gallons; source of supply is the Ohio River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	Gallons of Water Sold	Gross Earnings
1923	20.40	103	1,390	80,911,000	$38,403
1924	20.42	103	1,416	77,507,000	40,466
1925	20.75	106	1,426	80,632,000	41,196
1926	20.92	107	1,408	82,454,000	41,417
1927	21.00	107	1,417	81,130,000	42,182

CAPITAL STOCK

Authorized and outstanding, $60,000 Common and $32,000 7% non-cumulative Pfd.; par $50. All the outstanding capital stock owned by Middle States

Water Works Company. Pfd. stock is callable at 110 on three weeks' notice. Annual meeting, fourth Saturday in January.

FUNDED DEBT

$150,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1941

Dated November 1, 1916.

Interest Payable May and Nov. 1. Registered, $1,000 and multiples. Coupon, bonds may also be issued. Bankers Trust Co., New York, Trustee. C. E. Stewart, Co-trustee.

Provisions of Issue—Authorized issue, unlimited as to amount. The outstanding bonds are owned by Middle States Water Company. Additional bonds may be issued for permanent improvements or additions to the property for 80% of the actual cash cost and fair value to the Company on approval of the Public Service Commission of Indiana, when the net earnings for 12 consecutive calendar months within the 14 calendar months immediately preceding shall be in the aggregate not less than 1½ times the interest charges for a like period on all outstanding bonds, including those applied for.

Callability—Subject to call at par and interest on any interest date on four weeks' published notice.

Maintenance and Replacement Fund—As a Maintenance and Replacement Fund 9% of the gross earning shall annually be set aside (4% of which shall be included in operating expenses) and against expenditures made therefrom no bonds may be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$42,182	$41,417	$41,196	$40,466	$38,402	$38,931
Operating expenses, maintenance and taxes	24,744	27,169	25,893	25,231	27,872	25,558
Net earnings	$17,438	$14,248	$15,303	$15,235	$10,530	$13,373
Interest on funded debt	9,000	9,000	9,000	9,000	9,000	9,000
Balance	$8,438	$5,248	$6,303	$6,235	$1,530	$4,373
Interest on floating debt and amortization	1,289	979	699	717	638	764
Balance	$7,149	$4,269	$5,604	$5,518	$892	$3,609
Reserved for renewals and replacements	2,054	1,999	1,953	1,758	1,380	1,344
Net income	$5,095	$2,270	$3,651	$3,761	*$488	$2,265

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$274,497	$268,436	$262,979	Common stock	$60,000	$60,000	$60,000
Cash with trustee	489	489	489	Preferred stock	32,000	32,000	32,000
Materials and supplies	554	699	845	Funded debt	150,000	150,000	150,000
Cash and accts. receivable	12,310	8,058	6,003	Accounts payable	23,311	17,022	12,663
Miscellaneous assets	878	773	704	Accrued int., taxes, etc.	8,970	8,211	8,129
Reserve fund invested	16,000	16,000	16,000	Rentals in advance	5,279	5,388	5,671
Deferred charges		16	585	Reserves	22,448	19,746	17,067
				Surplus	2,720	2,104	2,075
Total	$304,728	$294,471	$287,605	Total	$304,728	$294,471	$287,605

Officers: E. W. Clark, Pres.; E. A. Geehan, V-P.; T. B. Davis, Sec. & Treas., New York; C. E. Ploch, Asst. Sec. & Asst. Treas., Mt. Vernon, Ind.

Directors: E. W. Clark, New York; L. R. Agin, C. E. Ploch, Mt. Vernon, Ind.

Offices, 127 Main St., Mt. Vernon, Ind.; 50 Broad St., New York, N. Y.

THE WARREN WATER COMPANY

(Controlled by Middle States Water Works Company)

History and Property—Incorporated June 27, 1881, in Pa., with perpetual charter. Company serves Warren, Pennsylvania, with water for public, industrial and domestic uses. Total population served is 15,600; city fire hydrants, 180; number of consumers, 3,732; miles of mains, 44.78; nominal daily distributive pumping capacity, 7,000,000 gallons; low service daily pumping capacity, 6,000,000 gallons; nominal daily filter capacity, 3,000,000 gallons; sources of supply are driven wells and an impounded mountain stream.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	42.30	179	3,396	316,612	$88,391
1924	42.83	180	3,671	322,772	89,584
1925	43.85	180	3,563	303,359	90,633
1926	44.46	180	3,649	312,126	90,931
1927	44.78	180	3,732	304,820	92,707

*Thousand gallons.

CAPITAL STOCK

Authorized and issued, $114,500; par, $50. All owned by Middle States Water Works Company. Annual meeting, second Tuesday in July.

FUNDED DEBT

$130,500 GOLD MORTGAGE 5s; DUE JULY 1, 1948

Dated July 1, 1908.

Interest Payable Jan. and July 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $500 and $1,000. Authorized issue, $500,000, of which sufficient reserved to retire the First 5s, which matured July 1, 1927, $7,000 in treasury and balance available for betterments, but can only be issued when earnings are sufficient to pay 5% on all outstanding bonds, including those to be issued. Subject to call at par and interest at any time on six weeks' notice. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$92,707	$90,930	$90,632	$89,584	$88,391	$81,665
Operating expenses, maintenance and taxes	36,857	35,645	37,164	41,194	39,630	40,207
Net earnings	$55,850	$55,285	$53,468	$48,390	$48,761	$41,458
Interest on funded debt	11,188	15,850	15,869	15,927	16,002	16,095
Balance	$44,662	$39,435	$37,599	$32,462	$32,759	$25,363
Interest on floating debt and amortization	12,085	8,029	5,279	3,249	4,058	1,172
Balance	$32,577	$31,406	$32,320	$29,213	$28,701	$24,191
Reserved for renewals & replacements	5,375	5,299	5,262	4,990	4,800	2,300
Net income	$27,202	$26,107	$27,058	$24,223	$23,901	$21,891

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$544,987	$539,578	$528,820
Cash with trustee		2,297	951
Treasury bonds	7,000	7,000	7,000
Materials and supplies	1,947	2,251	1,898
Cash and accts. receivable	19,126	17,530	19,572
Miscellaneous assets	245	239	84
Deferred charges		72	1,573
Total	$573,305	$568,967	$559,898

Liabilities—	1927	1926	1925
Capital stock	$114,500	$114,500	$114,500
Funded debt	137,500	324,000	324,000
Loans payable	261,370	71,370	57,000
Accounts payable	3,800	6,965	17,843
Consumers' & exten. dep.	7,507	7,374	7,350
Accrued int., taxes, etc.	6,328	6,603	7,671
Rentals in advance	779	676	726
Reserves	34,401	27,792	22,038
Surplus	7,119	9,687	8,770
Total	$573,305	$568,967	$559,898

Officers: D. M. Watt, Pres.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: D. M. Watt, T. B. Davis, A. B. Williams, K. M. Bixler, John Young, New York.

Offices, 301 Pennsylvania Ave., Warren, Pa.; 50 Broad St., New York, N. Y.

THE MINGO JUNCTION WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated June 24, 1898, in Ohio. Company supplies Mingo Junction, Ohio, with water for public and domestic use. Total population served is 6,500; number of consumers, 859; city fire hydrants, 44; miles of mains, 7.26; nominal daily distributive pumping capacity, 1,500,000 gallons; source of supply is the Ohio River, the water obtained from a filter crib in the bed of the river.

CAPITAL STOCK

Authorized and outstanding, $45,000; par, $100. All owned by American Water Works and Electric Company, Incorporated. Annual meeting, first Monday in January.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	6.45	38	758	39,808	$16,282
1924	6.78	38	776	40,938	18,252
1925	6.92	39	779	39,422	19,538
1926	7.11	39	820	39,370	19,815
1927	7.26	44	859	41,742	23,124

*Thousand gallons.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$23,124	$19,815	$19,538	$18,252	$16,281	$15,524
Operating expenses, maintenance and taxes	12,754	12,272	14,590	14,591	11,897	11,692
Net earnings	$10,370	$7,543	$4,948	$3,661	$4,384	$3,832
Interest on float. debt and amortization	4,341	4,419	4,269	1,485	1,370	1,469
Balance	$6,029	$3,124	$678	$2,176	$3,014	$2,363
Reserve for renewals and replacements	896	1,379	1,053	770	756	750
Net income	$5,133	$1,745	*$375	$1,406	$2,258	$1,613

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$111,275	$103,554	$105,863
Materials and supplies	484	299	607
Cash and accts. receivable	6,452	5,656	2,766
Miscellaneous assets	63	44	95
Deferred charges	68	579	490
Deficit		4,602	
Total	$118,342	$114,734	$109,822

Liabilities—	1927	1926	1925
Capital stock	$45,000	$45,000	$45,000
Loans payable	67,300	57,300	57,300
Accounts payable	3,791	8,427	5,356
Accrued int., taxes, etc.	1,350	2,216	2,013
Rentals in advance	21	44	3
Reserves	350	1,747	
Surplus	530		150
Total	$118,342	$114,734	$109,822

Officers: D. M. Watt, Pres.; H. F. Barnard, V-P.; T. B. Davis, Sec. and Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: D. M. Watt, K. M. Bixler, New York; O. C. Brill, James Hanna, Mingo Jct., Ohio; W. D. Boyer, Steubenville, Ohio.

Offices, Commercial Ave., Mingo Junction, Ohio; 50 Broad St., New York, N. Y.

MISSOURI SEWERAGE COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Oct. 15, 1912, in Delaware, with a perpetual charter. Company operates a sewerage system in Louisiana, Mo. Total population served is 4,200; number of services, 336; miles of pipe, 3.5.

CAPITAL STOCK

Authorized and outstanding, $5,000; par, $100. All owned by American Water Works and Electric Company, Incorporated. Annual meeting, third Wednesday in October.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,335	$3,123	$2,181	$1,873	$1,793	$1,692
Operating expenses, maintenance and taxes	579	548	479	430	367	412
Net earnings	$2,756	$2,575	$1,702	$1,443	$1,426	$1,280
Interest on floating debt and amortization	2,266	2,251	1,969	1,847	1,808	1,920
Balance, deficit	$490	$324	$267	$404	$382	$640
Reserved for renewals and replacements	132	104	86	93	84	80
Net income, deficit	$358	$220	$353	$497	$466	$720

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$41,007	$33,031	$32,292
Cash and accts. receivable	332	218	52
Deferred charges			4
Deficit	4,243	4,601	4,821
Total	$45,582	$37,850	$37,169

Liabilities—	1927	1926	1925
Capital stock	$5,000	$5,000	$5,000
Accounts payable	39,816	32,238	31,655
Accrued int., taxes, etc.	3	3	5
Rentals in advance	112	90	110
Reserves	651	519	399
Total	$45,582	$37,850	$37,169

Officers: E. W. Clark, Pres.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. W. Clark, K. M. Bixler, John Young, A. B. Williams, T. B. Davis, New York.

Offices, Louisiana, Missouri; 50 Broad St., New York, N. Y.

MONMOUTH CONSOLIDATED WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Formed under the laws of New Jersey pursuant to an agreement of merger and consolidation effective May 25, 1926 consolidating Monmouth County Water Company (see 1926 Public Utility Manual page 2184), Rumson Improvement Company (see 1926 Public Utility Manual, page 2187), and Tintern Manor Water Company (see 1926 Public Utility Manual, page 2191). Company supplies City of Long Branch, the boroughs of West Long Branch, Monmouth Beach, Fairhaven, Oceanport, Rumson, Seabright, Little Silver, Deal, Bradley Beach, Neptune City, and Interlaken, the western part of the City of Asbury Park, and the townships of Eatontown, Middleton, Ocean, Shrewsbury and Neptune, with water for domestic, industrial and public uses. This territory is in effect a continuous residential community within commuting distance of New York City.

Total population served, 125,000; number of consumers, 14,585; city fire hydrants, 949; miles of mains, 233.60; nominal daily distributive pumping capacity, 37,296,000 gallons; low service daily pumping capacity, 24,896,000 gallons; relay daily pumping capacity of 1,152,000 gallons; nominal daily filter capacity, 18,600,000 gallons; source of supply, impounded reservoirs and wells.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	163.49	712	11,707	1,237,007	$421,823
1924	167.92	749	12,807	1,248,380	437,639
1925	185.48	790	13,018	1,337,776	455,744
1926	209.50	933	14,032	1,875,405	499,118
1927	233.60	949	14,585	2,127,492	533,997

*Thousand gallons.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $500,000 7% cumulative Pfd.; outstanding Dec. 31, 1927, 10,000 shares Common, and $185,700 Pfd. All the Common stock and $179,600 Pfd. stock are owned by American Water Works and Electric Co., Inc. Transfer Agent (Pfd.): Asbury Park and Ocean Grove Bank, Asbury Park, N. J. Registrar (Pfd.): Long Branch Trust Co., Long Branch, N. J. Annual meeting second Wednesday in January.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to call as a whole or in part at 105 and dividends on 30 days' notice at any time after Jan. 25, 1929.

FUNDED DEBT

$2,964,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1956

Dated June 1, 1926.

Interest Payable June and December 1, at American Water Works and Electric Co., Inc., 50 Broad St., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—Bankers Trust Co., New York.

Provisions of Issue—Issued, $2,964,000 Series "A" 5s. Mortgage provides for issuance of bonds in series, bearing same or different rates of interest, interest dates, maturities, redemption provisions and such other features and provisions as may be determined by directors, subject, however, to restrictive provisions of Mortgage. Bonds in principal amount of $464,000 may be certified and issued against properties owned by Co. as of May 31, 1926, and additional bonds may also be issued for (a) not exceeding 80% of cost or fair value of permanent improvements, additions or extensions to the property of Company or any new or additional property constructed or acquired subsequent to May 31, 1926; (b) cash deposited with Trustee under provisions of Mortgage; (c) the paying, redeeming or refunding of indebtedness secured by prior liens on property acquired subsequent to May 31, 1926; and (d) paying, redeeming or refunding of bonds of another series. No additional bonds may, however, be issued except for purposes expressed in (c) and (d) above, unless net earnings of Co. for twelve consecutive calendar months within fifteen calendar months immediately preceding month in which application is made for authentication of bonds, shall have been at least one and three-quarter times annual interest charges upon (a) all bonds outstanding under Mortgage, (b) those to be issued and (c) all indebtedness secured by prior liens, if any, on property acquired subsequent to May 31, 1926, except such part thereof as will be paid or retired from proceeds or through issue of the additional bonds applied for. In calculation of such net earnings at least 5% of gross revenues must be charged to operating expenses for repairs and current maintenance.

Purpose of Issue—The bonds were issued to retire an equal principal amount of indebtedness of Company, including all bonds outstanding against property of Company.

Callability—Subject to call as a whole or in part on 30 days' notice at 105 up to and including June 1, 1931, at 102 thereafter up to and including June 1, 1936, at 101 thereafter up to and including June 1, 1951, and at par thereafter; plus accrued interest in each case.

In event that any municipal corporation or other governmental subdivision or that any governmental body of the State of New Jersey shall acquire all or the major portion in value of the water works properties of the Company and shall assume payment of principal and interest of all bonds issued under the indenture as a valid and binding general obligation, all liability and obligation of the Company upon the bonds and the coupons shall forthwith cease and determine. In event that any such municipal corporation or any governmental subdivision or governmental body shall acquire all or any part of the water works properties of the Company, and shall not assume the payment of principal and interest of all bonds issued under the indenture, then bonds in principal amount not exceeding the price paid for the property so acquired, may, at the option of the Company be declared due and payable at 100 and interest.

Security—Bonds are secured by a first mortgage on physical property now owned by Company and will be secured by a direct mortgage on property hereafter acquired.

Tax Provisions—Company pays Normal Federal ncome tax up to 2%; bonds are free of personal prop- rty taxes in New Jersey, and Pennsylvania and Con- ecticut Personal Property taxes up to 4 mills, Mary- ınd Security tax up to 4½ mills, and Massachusetts ncome tax up to 6%, refundable.

Legal Opinion—Sullivan & Cromwell, New York for the Company), and Seibert & Riggs, New York for the bankers).

Original Offering—First publicly offered ($2,500,- 00) in July, 1926, at 95 and interest, to yield over 30%, by Halsey, Stuart & Co., Inc., and W. C. angley & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926
ross earnings	$533,997	$316,462
per. exps., maint. and taxes	262,070	146,723
Net earnings	$271,927	$169,739
terest on funded debt	141,627	70,916
Balance	$130,300	$98,823
t. on floating debt & amort.	20,399	21,605
Balance	$109,901	$77,217
eserved for renewals & replacements.	39,733	19,100
Net income	$70,168	$58,117

*Seven months to Dec. 31, 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property	$5,532,147	$5,307,392
Material and supplies	5,005	9,039
Cash & accounts receivable	153,914	136,355
Rentals accrued	4,655	3,902
Miscellaneous assets	2,190	2,500
Deferred charges	1,259	2,995
Total	$5,699,170	$5,462,183
Liabilities—		
Common stock	$1,615,180	$1,615,180
Preferred stock	185,700	185,700
Funded debt	2,964,000	2,500,000
Loans payable	.....	42,232
Accounts payable	230,380	490,277
Consumers' & extension deposits	131,430	94,966
Accrued int., taxes, etc.	21,249	17,097
Rentals in advance	117,602	112,449
Reserves	422,072	388,948
Surplus	11,557	15,334
Total	$5,699,170	$5,462,183

Officers: E. A. Geehan, Pres.; H. F. Barnard, V-P.; E. W. Clark, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. A. Geehan, J. F. Sehner, K. M. Bixler, R. J. Parker, A. B. Williams, New York.

Offices, 50 Broad St., New York, N. Y.; 148 3rd Ave., Long Branch, N. J.

MONONGAHELA VALLEY WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Oct. 25, 1897, Pa., with a perpetual charter. Company supplies ıe territory of the Monongahela River Valley from lizabeth to McKeesport, including the City of Clair- n, and the Boroughs of Elizabeth, West Elizabeth, lassport, Dravosburg, and parts of Forward, Lin- ln, and Mifflin Townships, with water for public and mestic use.

The territory supplied lies in the heart of the Pitts- ırgh iron, steel and by-product coke districts, in hich is located the Clairton plant of the Carnegie eel Co. and the Clairton by-product coke plant; also her large plants of the United States Glass Co. and her manufacturing concerns.

Total population served, 29,000; number of consum- s, 5,102; city fire hydrants, 250; miles of mains, 58; minal daily distributive pumping capacity, 6,000,- 0 gallons; low service daily pumping capacity, 6,000,- 0 gallons; relay daily pumping capacity, 200,000 gal- ns; nominal daily filter capacity, 2,700,000 gallons; urce of supply is the Monongahela River.

PERATING STATISTICS, YEARS ENDED DECEMBER 31

ar	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
23	49.20	208	4,175	281,335	$115,267
24	51.16	213	4,474	337,279	129,597
25	53.19	238	4,786	319,168	130,190
26	57.14	241	4,942	314,632	131,838
27	57.92	250	5,102	331,033	138,920

*Thousand gallons.

CAPITAL STOCK

Authorized, $250,000 Common, and $750,000 7% mulative Pfd.; outstanding, $250,000 Common and 00,000 Pfd.; par, $100. American Water Works and ectric Company, Incorporated, owns all the out- nding Common stock. Transfer Agent (Pfd.): mmonwealth Trust Co. of Pittsburgh. Registrar fd.): Peoples Savings and Trust Co. of Pittsburgh. 85,000 Pfd. stock was offered for public subscription par and accrued dividends in February, 1925. An- al meeting, third Tuesday in July.

Preferred Stock Provisions—Has preference for as- s and dividends and is subject to redemption at 105 30 days' notice.

Dividends—Preferred dividends regularly paid arterly, J, A, J & O 15.

FUNDED DEBT

$726,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1950

Dated January 1, 1925.

Interest Payable Jan. and July 1, at American Water Works and Electric Company, Incorporated, 50 Broad St., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, Feb. 16, 1928, $726,000 Series "A" 5½s. Additional bonds may be issued for not in excess of 80% of the cost of additions, improvements and extensions made to its properties after Dec. 31, 1924, provided the net earnings for twelve consecutive calendar months within fifteen calendar months, immediately prior to the issuance of such new bonds have been at least one and three-quarters times the annual interest charges on all bonds outstanding and those to be issued. In the calculation of net earnings at least 5% of gross earnings must be charged to current maintenance and included in operating expenses.

Callability—Subject to call as a whole or in part at any time upon 60 days' notice to and including Jan. 1, 1930, at 103 and interest; thereafter to and including Jan. 1, 1935, at 102 and interest; thereafter to and including Jan. 1, 1945, at 101 and interest; and thereafter at 100 and interest. In the event that any municipal corporation or other governmental subdivision purchases all or any part of Company's property, the Company may declare the bonds due and payable at 100 and interest; if the payment of principal and interest of the bonds is assumed as a valid and binding municipal obligation, all liability of the Company on the bonds and all liability of American Water Works and Electric Company, Incorporated, as guarantor of the bonds, shall forthwith terminate.

Maintenance and Improvement Fund—Company covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings. This fund may be expended by the Company for maintenance, replacements, and renewals. It may also be expended for improvements, additions and extensions to the property against which no bonds may be issued.

Security—A first lien on entire property.

Guaranty—Guaranteed, principal and interest, by endorsement, by American Water Works and Electric Company, Incorporated. See also under "Callability."

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax and Massachusetts Income Tax not exceeding 6% per annum, refunded.

Legal Opinion—Sullivan & Cromwell, New York and Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($600,000 Series "A" 5½s) in Jan., 1925, at 97½ and interest to yield about 5.70%, by P. W. Chapman & Co., Inc. Halsey, Stuart & Co., Inc., and W. C. Langley & Co. New York, etc.; $36,000 additional offered in March 1926, at 97½ and interest, to yield about 5.70%, by W. C. Langley & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$138,920	$131,838	$130,190	$129,597	$115,267	$102,97
Operating expenses, maintenance and taxes	51,096	53,189	51,586	48,001	52,360	58,26
Net earnings	$87,824	$78,649	$78,604	$81,596	$62,907	$44,71
Interest on funded debt	34,980	34,551	32,124	24,910	24,910	24,91
Balance	$52,844	$44,098	$46,480	$56,686	$37,997	$19,80
Interest on floating debt and amortization	11,163	9,243	13,433	17,750	17,047	16,55
Balance	$41,681	$34,855	$33,047	$38,936	$20,950	$3,24
Reserved for renewals and replacements	9,181	4,086	3,860	4,007	3,624	3,25
Net income	$32,500	$30,769	$29,187	$34,929	$17,326	*$

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$1,181,240	$1,165,655	$1,063,716
Materials and supplies	929	1,052	1,178
Cash and accts. receivable	19,942	26,636	33,509
Miscellaneous assets	421	658	57
Deferred charges	75,217	79,788	81,398
Rentals accrued	2,186	1,930	1,982
Total	$1,279,935	$1,275,719	$1,181,840

Liabilities—	1927	1926	1925
Common stock	$250,000	$250,000	$250,00
Preferred stock	200,000	199,700	157,40
Pfd. stock subscribed		300	42,60
Funded debt	636,000	636,000	600,00
Loans payable	125,000	41,000	
Accounts payable	4,510	89,768	80,17
Consumers' & exten. dep.	13,498	17,452	20,97
Accrued int., taxes, etc.	8,301	8,438	8,68
Rentals in advance	6,148	5,862	5,71
Reserves	18,052	14,588	10,36
Surplus	18,426	12,611	5,93
Total	$1,279,935	$1,275,719	$1,181,84

Officers: D. M. Watt, Pres.; W. D. Freer, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. and Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: D. M. Watt, A. B. Williams, John Young, K. M. Bixler, T. B. Davis, New York.

Offices, Elizabeth, Pa.; 50 Broad St., New York, N. Y.

THE MORGANTOWN WATER COMPANY

(Controlled by American Water Works and Electric Company, Inc.)

History—Incorporated July 16, 1927, in West Va., with a charter extending for 50 years. Acquired the water service facilities of The West Virginia Utilities Company (see 1927 Manual, page 2330). The system was originated in 1889 and supplies water for domestic, industrial and public use to the City of Morgantown and adjacent communities, the total population served being 25,400. The Company's system has a nominal daily distributive pumping capacity of 2,918,000 gallons, a nominal daily low service pumping capacity of 5,760,000 gallons, a nominal daily relay pumping capacity of 1,552,000 gallons and a nominal daily filter capacity of 3,000,000 gallons. 60% of the supply flows by gravity from impounded mountain stream and 40% is pumped from Monongahela River to an elevated reservoir, from which supply is by gravity.

Control of this company was acquired by American Water Works and Electric Co., Inc. on July 1, 1927.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923		138	3,716	247,794	$91,143
1924		140	4,064	335,119	99,190
1925	70.69	143	4,287	373,040	109,272
1926	67.96	155	4,426	363,963	107,623
1927	70.94	192	4,416	441,758	114,241

*Thousand gallons.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares Common of no par value; all owned by American Water Works and Electric Co., Inc. Annual meeting, first Tuesday in May.

FUNDED DEBT—None.

INCOME ACCOUNT, SIX MONTHS ENDED DECEMBER 31, 19

Gross earnings	$58,4
Operating expenses, maintenance and taxes	35,6
Net earnings	$22,8
Interest on floating debt and amortization	15,9
Balance	$6,8
Reserve for retirements	2,5
Net income	$4,3

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property	$717,4
Material and supplies	1,8
Cash and accounts receivable	24,7
Miscellaneous assets	
Deferred charges	1,0
Total	$745,0
Liabilities—	
Common stock	$200,0
Loans payable	500,0
Accounts payable	31,5
Consumers' and extension deposits	2,0
Accrued interest, taxes, etc.	4,9
Rentals in advance	1
Reserves	1,9
Surplus	4,3
Total	$745,0

Officers: W. D. Freer, Pres.; D. M. Watt, V-P. H. F. Barnard, V-P., T. B. Davis, Sec. & Treas., New York; E. B. Smith, Asst. Sec.; S. E. Miller, Asst. Treas., Fairmont, W. Va.

Directors: W. D. Freer, D. M. Watt, John Young, H. F. Barnard, T. B. Davis, New York.

Offices, Morgantown, W. Va. and 50 Broad St., New York.

MUNCIE WATER WORKS COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated March 24, 1885, in Indiana, with a charter for fifty years. Company supplies Muncie, Indiana, with water for public and domestic use. Total population served is 42,500; number of consumers, 8,569; city fire hydrants, 571; miles of mains, 95; nominal daily distributive pumping capacity, 12,000,000 gallons; low service daily pumping capacity, 11,750,000 gallons; nominal daily filter capacity, 4,800,000 gallons; sources of supply are the White River, Buck Creek and driven wells.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	79.41	509	6,652	671,379	$182,355
1924	84.77	546	7,049	682,926	187,204
1925	88.68	547	7,243	709,328	192,248
1926	91.59	563	7,634	774,814	208,173
1927	95.32	571	8,569	812,328	219,638

*Thousand gallons.

CAPITAL STOCK

Authorized, $281,000 Common, par $50, and $400,000 8% cumulative Pfd., par $100; outstanding, $281,000 Common and $250,000 Pfd. All the Common is owned by American Water Works and Electric Company, Incorporated. Transfer Agent (Pfd.): T. B. Davis, 50 Broad Street, New York. Annual meeting, third Thursday in January.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to redemption at 105 and accrued dividends on 30 days' notice.

Dividends—Preferred dividends regularly paid quarterly, M, J, S & D 15.

FUNDED DEBT

$600,000 40-YEAR GOLD 5s; DUE OCTOBER 2, 1939

Dated October 2, 1899.

Interest Payable April and Oct. 1, at Farmers' Loan & Trust Co., New York, Trustee. Clayton E. Stewart, Muncie, Ind., Co-Trustee. Coupon, $1,000. Authorized and issued, $600,000. Subject to call at par and interest at any time on six weeks' notice. Company does not pay Normal Federal Income Tax.

$2,500 NORMAL CITY, IND., WATER WORKS, SERIAL 5s; DUE $500 ANNUALLY ON NOVEMBER 15

Dated November 20, 1912.

A municipal issue assumed by Muncie Water Works Company.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$219,638	$208,173	$192,248	$187,204	$182,355	$168,591
Operating expenses, maintenance and taxes	85,763	88,741	85,631	78,921	79,939	76,622
Net earnings	$133,875	$119,432	$106,617	$108,283	$102,416	$91,969
Interest on funded debt	30,147	30,172	30,197	30,222	30,247	30,250
Balance	$103,728	$89,260	$76,420	$78,061	$72,169	$61,719
Interest on floating debt and amortization	12,129	10,678	8,018	2,471	10,920	11,061
Balance	$91,599	$78,582	$68,402	$75,590	$61,249	$50,658
Reserved for renewals & replacements	9,278	8,929	8,624	12,311	7,404	61,536
Net income	$82,321	$69,653	$59,778	$63,279	$53,845	$44,122

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$1,425,653	$1,377,250	$1,333,721
Securities owned	50	.....	.....
Materials and supplies	3,024	1,520	2,767
Cash & accts. receivable	57,070	54,838	52,513
Rentals accrued	5,955	5,760	5,698
Miscellaneous assets	595	598	427
Deferred charges	8,820	11,046	12,836
Total	$1,501,167	$1,451,012	$1,407,962

Liabilities—	1927	1926	1925
Common stock	$281,000	$281,000	$281,000
Preferred stock	250,000	250,000	250,000
Funded debt	602,500	603,000	603,500
Loans payable	76,000	76,000	.....
Accounts payable	47,840	22,490	72,874
Consumers' & exten. dep.	12,776	13,085	12,367
Accrued int., taxes, etc.	42,957	42,052	41,260
Rentals in advance	2,195	1,124	1,829
Reserves	156,787	142,658	129,394
Surplus	29,112	19,603	15,738
Total	$1,501,167	$1,451,012	$1,407,962

Officers: E. A. Geehan, Pres.; H. F. Barnard, V-P., New York; C. E. Stewart, V-P., Muncie, Ind.; T. B. Davis, Sec. & Treas., A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: C. E. Stewart, C. E. Porter, C. S. Davis, Muncie, Ind.; E. W. Clark, New York.

Offices, 316 So. Mulberry St., Muncie, Ind.; 50 Broad St., New York, N. Y.

THE NOROTON WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated June 4, 1901, in Connecticut. Consolidated with The Glenbrook Water Company on May 26, 1920. Supplies water for domestic, industrial and public uses in the towns of Darien, Noroton and Glenbrook, Conn., having a total population of 6,000. Water is purchased at wholesale rates from Stamford Water Co., Stamford, Conn., the Company's daily relay pumping capacity being 432,000 gallons.

Control of this company was acquired by American Water Works and Electric Co., Inc., on Aug. 1, 1927.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	18.10	87	751	56,882	$31,211
1924	18.34	95	820	59,824	34,052
1925	18.68	103	879	63,500	33,888
1926	20.08	104	967	66,886	37,692
1927	22.22	113	1,030	69,874	40,685

*Thousand gallons.

CAPITAL STOCK

Authorized, $125,000 Common; outstanding, $122,125; par $25. All owned by American Water Works and Electric Co., Inc. Annual meeting, second Monday in January.

FUNDED DEBT

$65,000 FIRST MORTGAGE 6s; DUE JANUARY 1, 1972

Dated January 2, 1922. Interest payable January and July 1 at Fidelity Title & Trust Co., Stamford, Conn., trustee. Coupon, $1,000. Authorized and outstanding, $65,000. All owned by American Water Works and Electric Co., Inc. Subject to call as a whole or in part on any interest date on 30 days' notice at 100 and interest.

INCOME ACCOUNT, FIVE MONTHS ENDED DEC. 31, 1927

Gross earnings	$18,742
Operating expenses, maintenance and taxes	10,630
Net earnings	$8,112
Interest on funded debt	1,725
Balance	$6,387
Interest on floating debt	5
Balance	$6,382
Reserved for retirements	833
Net income	$5,549

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Plant and property	$259,725	Common stock	$122,125
Cash and accounts receivable	36,019	Funded debt	69,000
Miscellaneous assets	358	Accounts payable	3,729
		Consumers' and extension deposits	51,978
		Accrued interest, taxes, etc.	5,414
		Rentals in advance	1,227
		Contributions for extensions	1,500
		Reserves	13,238
		Surplus	27,891
Total	$296,102	Total	$296,102

Officers: W. D. Freer, Pres.; D. M. Watt, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; R. S. Millar, Asst. Sec. & Asst. Treas., New York.

Directors: W. D. Freer, Adolph Ast, John Young, R. S. Millar, R. J. Parker, New York.

Offices, Darien, Conn., and 50 Broad St., New York, N. Y.

OLD DOMINION WATER CORPORATION

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Nov. 28, 1924, in Virginia, with perpetual charter. Company was formed to acquire the properties of the Industrial Service Company which served the City of Hopewell, Virginia, with water for domestic and public use. On Dec. 31, 1926, acquired City Point Water Co., which formerly supplied part of the City of Hopewell. Total population served, 15,000; number of consumers, 599; city fire hydrants, 560; miles of mains, 29.46; nominal daily distributive pumping capacity, 51,100,000 gallons; low service and relay pumping capacity, 38,250,000 gallons; nominal daily filter capacity, 28,300,000 gallons; company owns 25 acres of land; source of supply is the Appomattox River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1925	24.81	560	327	2,992,205	$204,102
1926	28.97	560	337	3,149,829	210,616
1927	29.46	560	599	3,048,238	208,245

*Thousand gallons.

CAPITAL STOCK

Authorized, 8,000 shares of no par value; outstanding, 6,000 shares. All owned by American Water Works and Electric Company, Incorporated.

Annual Meeting—Third Saturday in April

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$208,245	$210,615	$204,102
Oper. exps., maint. & taxes	115,144	115,799	124,312
Net earnings	$93,101	$94,816	$79,790
Interest on funded debt	12,000	12,000	12,000
Balance	$81,101	$82,816	$67,790
Int. on floating debt and amortization	4,708	1,456	894
Balance	$76,393	$81,360	$66,896
Reserved for renewals and replacements	3,189	2,671	2,500
Net income	$73,204	$78,689	$64,396

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Plant and property	$573,617	$569,427	$516,682	Common stock	$294,567	$294,567	$294,567
Material and supplies	2,537	4,273	3,509	Loans payable	75,000	.....	.....
Cash and accounts receiv.	63,759	20,388	26,624	Notes payable	200,000	200,000	200,000
Miscellaneous assets	289	562	497	Accounts payable	39,957	76,184	20,979
Deferred charges	178	500	4	Accrued interest, taxes, etc.	10,552	10,250	10,909
				Rentals in advance	6	.....	.....
				Reserves	4,202	5,257	3,657
				Surplus	16,096	8,892	17,202
Total	$640,380	$595,150	$547,316	Total	$640,380	$595,150	$547,316

Officers: W. D. Freer, Pres.; D. M. Watt, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: W. D. Freer, T. B. Davis, A. B. Williams, John Young, K. M. Bixler, New York.

Offices, Hopewell, Va.; 50 Broad St., New York, N. Y.

RICHMOND WATER WORKS CORPORATION

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated Dec. 11, 1926, in Indiana, with a 50-year charter, and acquired the assets of The Richmond City Water Works (see 1927 Public Utility Manual, page 1607). Company supplies water for domestic, industrial and public use in the City of Richmond, Ind. which has a population of 35,000. Company's system has a nominal daily distributive pumping capacity of 16,000,000 gallons. The source of supply is driven wells.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	60.19	359	6,512	843,004	$147,985
1924	61.08	360	6,683	841,714	150,250
1925	63.56	372	6,975	851,517	198,326
1926	67.73	391	6,978	969,380	214,047
1927	69.44	393	7,225	990,800	224,110

*Thousand gallons.

CAPITAL STOCK

Authorized, $500,000 Common, $500,000 6% cumulative Pfd. and $500,000 7% cumulative Pfd.; outstanding, $375,000 Common and $200,000 6% cumulative Pfd.: par of Common, $10 and par of both classes of Pfd., $100. All of the outstanding Common stock is owned by the American Water Works & Electric Co., Inc.

Preferred Stock Provisions—The 7% cumulative Pfd. and the 6% cumulative Pfd. are of equal rank and identical except as to dividend rate; have preference as to assets and dividends over the Common; and are subject to call as a whole or in part on any dividend date on 30 days' notice at 105 and accrued dividends.

Transfer Agent (Pfd.)—The First National Bank of Richmond, Ind.

Registrar (Pfd.)—The Second National Bank, Richmond, Ind.

Annual Meeting—First day of June.

Dividends—Pfd. dividends are payable J, A, J & O 1.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MAY 1, 1957

Dated May 2, 1927.

Interest Payable May and November 1, at American

Water Works and Electric Co., Inc., 50 Broad St., New York.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustees—United States Mortgage & Trust Co. and H. F. Barnard, New York.

Provisions of Issue—Authorized amount, unlimited, subject to restrictions below stated. Issued and outstanding, $1,000,000 Series "A" 5s, to provide in part for the acquisition of the property.

Additional bonds in series, bearing the same or different dates, rates of interest, maturities, redemption provisions, etc., as may be determined by the Board of Directors at the time of issue, for (a) not exceeding 80% of the cost or fair value, whichever is lower, of permanent improvements, additions or extensions to the property of the corporation or any new or additional property constructed or acquired subsequent to April 30, 1927; (b) cash deposited with the Trustee under the provisions of the mortgage; (c) the paying, redeeming or refunding of indebtedness secured by prior liens on property acquired subsequent to April 30, 1927; and (d) the paying, redeeming or refunding of bonds of another series. No additional bonds may, however, be issued except for the purposes expressed in (c) and (d) above, unless net earnings of the Corporation, as defined in the Mortgage, for 12 consecutive calendar months within 15 calendar months immediately preceding the month in which application is made for authentication of bonds, shall have been at least 1¾ times the annual interest charges upon (a) all bonds outstanding under the Mortgage, (b) those to be issued and (c) all indebtedness secured by prior liens, if any, on property acquired subsequent to April 30, 1927, except such part thereof as will be paid or retired from the proceeds or through the issue of the additional bonds applied for. In the calculation of such net earnings at least 5% of gross revenues must be charged to operating expenses for repairs and current maintenance.

Callability—Subject to call in whole or in part on four weeks' notice at 105 up to and including May 1, 1952, and at par thereafter; plus accrued interest in each case. In event that any municipal corporation or other governmental subdivision within the territorial limits of which the Corporation shall then be operating, shall acquire all or any part of the water works properties of the Corporation, then bonds in principal amount not exceeding the price paid for the property so acquired, may, at the option of the Corporation, be declared due and payable at 100 and interest.

Sinking Fund—No sinking fund provided.

Security—A first lien on entire property owned.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, and Massachusetts Income Tax not exceeding 6% per annum, refunded.

Legal Opinion—Seibert & Riggs, New York, for the bankers, and Sullivan & Cromwell, New York, and John T. Beasley, Terre Haute, Indiana, for the Corporation.

Original Offering—First publicly offered ($1,000,000 Series "A" 5s) in May 1927 at 96 and interest to yield over 5.5%, by W. C. Langley & Co., and Halsey, Stuart & Co., Inc., New York, etc.

EARNINGS, EIGHT MONTHS ENDED DECEMBER 31, 1927

Gross earnings	$151,743
Operating expenses, maintenance and taxes	62,119
Net earnings	$89,624
Interest on funded debt	31,250
Balance	$58,374
Interest on floating debt, amortization, etc.	722
Balance	$57,652
Reserved for retirements	6,000
Net income	$51,652

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property	$1,742,287
Material and supplies	2,950
Cash and accounts receivable	71,685
Miscellaneous assets	314
Deferred charges	737
Total	$1,817,973
Liabilities—	
Common stock	$375,000
Preferred stock	200,000
Funded debt	1,000,000
Accounts payable	23,379
Consumers' and extension deposits	15,217
Accrued interest, taxes, etc.	43,761
Rentals in advance	435
Reserves	126,668
Surplus	33,513
Total	$1,817,973

Officers: E. A. Geehan, Pres.; E. W. Clark, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. A. Geehan, T. B. Davis, New York; K. K. Meyers, H. A. Dill, E. M. Townsend, Richmond, Ind.

Offices, Richmond, Ind.; 50 Broad St., New York.

THE ST. JOSEPH WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Dec. 8, 1879, in Missouri, with a charter extending for fifty years, which has since been extended for an additional fifty years. Company supplies St. Joseph, Missouri, with water for public, industrial and domestic uses. Total population served, 87,000; number of consumers, 16,895; city fire hydrants, 1,317; miles of mains, 188.71; nominal daily distributive pumping capacity, 32,000,000 gallons; low service daily pumping capacity, 35,000,000 gallons; relay daily pumping capacity 500,000 gallons; nominal daily filter capacity, 14,800,000 gallons; source of supply, Missouri River. Company also owns 120 acres of land in and around the city of St. Joseph, Mo.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	167.27	1,205	16,355	2,562,645	$459,656
1924	171.78	1,224	16,621	2,295,988	446,007
1925	175.96	1,258	16,716	2,309,630	454,908
1926	184.82	1,304	16,844	2,314,237	561,698
1927	188.71	1,317	16,895	2,307,484	575,882

*Thousand gallons.

CAPITAL STOCK

Authorized, $4,000,000 Common; outstanding, $3,250,000; par, $100. All owned by American Water Works and Electric Company, Incorporated. Annual meeting, first Monday in August.

FUNDED DEBT

(1)

$2,500,000 40-YEAR GOLD 5s; DUE APRIL 1, 1941

Dated April 1, 1901.

Interest Payable April and Oct. 1, at Farmers' Loan & Trust Co., New York, Trustee. Stephen A. Dorsey, St. Joseph, Mo., Co-Trustee. Coupon, $1,000. Authorized, $2,500,000. Subject to call at par and interest on six weeks' notice. Company does not pay Normal Federal Income Tax.

(2)

$986,000 GOLD MORTGAGE 5s; DUE OCTOBER 1, 1949

Dated October 1, 1909.

Interest Payable April and Oct. 1, at Farmers' Loan & Trust Co., New York, Trustee. Stephen A Dorsey, St. Joseph, Mo., Co-Trustee. Coupon, $100, $500 and

$1,000; principal may be registered. Authorized issue, $4,000,000, of which $986,000 outstanding Dec. 31, 1927 and $2,500,000 reserved to retire above described 5s. All the outstanding bonds are owned by the American Water Works & Electric Co., Inc. Balance can only be issued for betterments upon approval of the Public Service Commission of Mo., and when earnings are sufficient to pay interest on all outstanding bonds and those to be issued. Subject to call at par and interest on six weeks' notice. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$575,882	$561,698	$454,908	$446,007	$459,656	$434,212
Oper. exp., maint., & taxes	219,706	214,396	203,789	191,785	198,501	183,914
Net earnings	$356,176	$347,302	$251,119	$254,222	$261,155	$250,298
Int. on funded debt	174,300	174,300	174,300	174,300	174,300	174,300
Balance	$181,876	$173,002	$76,819	$79,922	$86,855	$75,998
Int. on floating debt and amortization	55,254	56,200	48,823	19,264	11,858	13,934
Balance	$126,622	$116,802	$27,996	$60,658	$74,997	$62,064
Reserved for renewals & replacements	38,709	38,205	34,722	27,924	37,008	36,450
Net income	$87,913	$78,597	*$6,726	$32,734	$37,989	$25,614

*Deficit

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$7,857,428	$7,781,794	$7,665,769
Material and supplies	8,753	9,212	10,813
Cash & accts. receivable	105,008	79,733	62,020
Miscellaneous assets	4,575	3,142	1,766
Cash with Trustee	1,475	.....	.....
Deferred charges to be amortized	4,075	3,780	1,940
Total	$7,981,314	$7,877,661	$7,742,308

Liabilities—	1927	1926	1925
Capital stock	$3,250,000	$3,250,000	$3,250,000
Funded debt	3,486,000	3,486,000	3,486,000
Loans payable	780,142	780,142	524,142
Accounts payable	97,316	47,001	258,000
Consumers' & exten. dep.	49,125	46,397	18,282
Accrued int., taxes, etc.	59,814	57,079	48,757
Rentals in advance	4,006	4,517	3,597
Reserves	226,885	185,163	145,764
Surplus	28,025	21,362	7,766
Total	$7,981,314	$7,877,661	$7,742,308

Officers: W. D. Freer, Pres.; D. M. Watt, V-P.; H. F. Barnard, V-P., New York; C. H. Taylor, V-P.; E. W. Gilkerson, Sec., St. Joseph, Mo.; T. B. Davis, Treas. & Asst. Sec., New York; J. T. Bodkin, Asst. Treas., St. Joseph, Mo.

Directors: W. D. Freer, K. M. Bixler, John Young, A. B. Williams, T. B. Davis, J. F. Sehner, New York; C. H. Taylor, St. Joseph, Mo.

Offices, 801 Francis St., St. Joseph, Mo.; 50 Broad St., New York, N. Y.

SOUTH PITTSBURGH WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated July 15, 1904, in Pennsylvania, with a perpetual charter. Company supplies a large section of the 16th, 18th, 19th, 20th, 28th, 29th and 30th wards of the City of Pittsburgh and 17 boroughs and parts of 12 townships adjacent thereto.

Company has acquired through purchase $910,100 out of $1,000,000 capital stock of Chartiers Valley Water Company, and the entire capital stock of several smaller companies; and leases for 999 years, from Aug. 19, 1904, the properties of Chartiers Valley Water Company, which in turn leases for 999 years, from Feb. 15, 1987, the properties of St. Clair Water Company. South Pittsburgh Water Company pays as rental $12,500 a year cash and interest on Chartiers Valley Water Company 6% Bonds.

Total population served is 239,350; number of consumers, 33,249; city fire hydrants, 1,649, miles of mains, 481; nominal daily distributive pumping capacity, 32,000,000 gallons; low service and relay pumping capacity, 35,650,000 gallons; nominal daily filter capacity, 20,000,000 gallons. The source of supply is the Monongahela River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	373.11	1,165	24,519	2,779,963	$811,410
1924	395.40	1,249	26,363	2,774,343	871,016
1925	418.95	1,321	28,780	2,785,483	1,097,413
1926	445.68	1,474	31,025	2,920,459	1,155,667
1927	481.04	1,649	33,249	2,938,393	1,177,701

*Thousand gallons.

CAPITAL STOCK

Authorized $2,750,000 Common, par $50, $2,500,000 (created Jan. 14, 1924) 7% cumulative Pfd., par $100, and $250,000 5% cumulative Pfd., par $50; outstanding, $2,750,000 Common, $667,400 7% cumulative Pfd., and $40,500 5% cumulative Pfd. American Water Works and Electric Company, Incorporated owns $2,369,400 of the Common stock. There is also outstanding, $1,000,000 Common stock (par $50) of Chartiers Valley Water Company, of which South Pittsburgh Water Company owns $910,100 and the public owns $89,900. Transfer Agent (All Classes): Colonial Trust Co., Pittsburgh. Registrar (All Classes): Peoples Savings and Trust Co., Pitssburgh. Annual meeting, last Tuesday in February.

Preferred Stock Provisions—Has preference for assets and dividends. The 7% Pfd. is subject to redemption at 115 and accrued dividends on any interest date on 30 days' notice. The 5% Pfd. stock is convertible into 7% Pfd. stock on the basis of 5 shares of 5% stock for 2 shares of 7% stock.

Dividends—Dividends on 5% Pfd. stock regularly paid semi-annually, Feb. and Aug. 20. Initial quarterly dividend of 1¾% was paid April 15, 1924 on the 7% Pfd. stock for the quarter ended April 14, 1924; regular payments since, J., A., J. & O. 15. On Common 3% each in 1917 and subsequent years; payments July 20 and Dec. 31. Annual dividends of 1¼% are paid June 15 on the outstanding Chartiers Valley Water Company stock.

FUNDED DEBT

(1)

$3,348,000 SOUTH PITTSBURGH WATER COMPANY FIRST MORTGAGE 5% GOLD BONDS; DUE AUGUST 1, 1955

Dated August 1, 1905.

Interest Payable February and August 1, at Colonial Trust Co., Pittsburgh.

Denominations—Coupon, $500 and $1,000; principal may be registered at company's office in New York.

Trustee—Colonial Trust Co., Pittsburgh.

Provisions of Issue—Authorized, $5,000,000; outstanding with public, $3,348,000; pledged under First Lien and Refunding Mortgage $1,178,000; reserved to retire an equal amount of Chartiers Valley Water Company 6s due Feb. 1, 1927, $473,000. Bonds in the treasury, $1,000. No additional First Mortgage 5%

Gold bonds may be issued, except for pledge under the First Lien and Refunding Mortgage.

Callability—Subject to call at par and interest at any time on six weeks' notice.

Security—A first lien on entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,190,000 SOUTH PITTSBURGH WATER COMPANY FIRST LIEN AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1960

Dated January 1, 1925.

Interest Payable January and July 1, at American Water Works and Electric Company, Incorporated, 50 Broad St., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, Dec. 31, 1927, $1,190,000 Series "A" 5s. Additional bonds may be issued to refund an equal principal amount of underlying bonds or of bonds issued under this mortgage, or for not in excess of 80% of the cost of additions, improvements and extensions made to its property after Oct. 31, 1924, provided the net earnings for twelve consecutive calendar months within fifteen calendar months immediately prior to issuance of such new bonds have been at least one and three-quarters times the annual interest charge on all bonds outstanding and those to be issued.

Callability—Subject to call as a whole or in part upon 60 days' notice to and including Jan. 1, 1930, at 105 and interest; thereafter to and including Jan. 1, 1940, at 102 and interest; thereafter to and including Jan. 1, 1950, at 101 and interest; and thereafter at 100 and interest. In the event that any municipal corporation or other governmental sub-division purchases all or any part of the Company's property, the Company may declare the bonds due and payable at 100 and interest; if the payment of principal and interest of the bonds is assumed as a valid and binding municipal obligation, all liability of the Company on the bonds and all liabilitiy of American Water Works and Electric Company, Incorporated, as a guarantor of the bonds, shall forthwith terminate.

Maintenance, Renewals and Replacements Fund—Company covenants to expend or reserve for maintenance, renewals and replacements an amount equal to 9% of gross earnings, of which at least 5% must be charged to current maintenance and included in operating expenses. This reserve may also be expended for the cost of improvements to the property against which no bonds may be issued.

Security—A direct mortgage upon the entire property of the Company, and through the deposit with the Trustee of $1,178,000 First Mortgage 5% Gold bonds, the issue shares in the security of the First Mortgage Lien of the underlying bonds. No additional First Mortgage 5% Gold bonds may be issued, except for pledge under the refunding mortgage.

Guaranty—Guaranteed, principal and interest, by endorsement, by American Water Works and Electric Company, Incorporated. See also under "Callability."

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax and Massachusetts Income Tax, not exceeding 6% per annum, refunded.

Legal Opinion—Sullivan & Cromwell, New York, and Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($600,000 Series "A" 5s) in Jan., 1925, at 91 and interest, to yield about 5.60%, by P. W. Chapman & Co., Inc., Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York, etc.; $590,000 additional Series "A" 5s offered in March, 1926, at 95 and interest, to yield over 5.30% by P. W. Chapman & Co., Inc., Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York and Chicago.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,177,701	$1,155,666	$1,097,413	$871,015	$811,410	$727,941
Operating expenses, maintenance and taxes	501,280	512,555	481,329	396,026	378,077	371,501
Net earnings	$676,421	$643,111	$616,084	$474,989	$433,332	$356,440
Interest and amortization	278,230	281,453	269,886	235,351	222,153	212,975
Balance	$398,191	$361,658	$346,198	$239,638	$211,180	$143,465
Reserved for renewals and replacements	48,892	45,120	45,075	41,634	31,179	30,075
Net income	$349,299	$316,538	$301,123	$198,004	$180,001	$113,390

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(South Pittsburgh Water Co. and Subsidiary Companies)

Assets—	1927	1926	1925
Property and investments	$9,652,216	$9,221,997	$8,751,245
Materials and supplies	10,460	9,308	10,818
Cash & accounts receivable	162,349	284,887	290,084
Rentals accrued	41,407	36,314	36,928
Miscellaneous assets	2,646	3,997	381
Deferred charges	417,605	443,799	368,808
Total	$10,286,683	$10,000,302	$9,458,264

Liabilities—	1927	1926	1925
Common stock	$2,839,900	$2,840,300	$2,841,300
Preferred stock (5%)	40,500	47,900	54,400
Preferred stock (7%)	667,400	661,600	646,300
Pfd. stock subscribed (7%)	.....	.....	10,300
Funded debt	4,538,000	5,011,000	4,421,000
Loans payable	.....	.....	313,528
Accounts payable	543,707	45,681	74,647
Consumers' & ext. dep.	246,693	231,207	198,412
Accrued int., taxes, etc.	226,295	251,661	157,390
Rentals in advance	35,995	24,425	25,425
Reserves	370,638	325,343	277,717
Surplus	777,555	561,185	437,845
Total	$10,286,683	$10,000,302	$9,458,264

Officers: E. A. Geehan, Pres., New York; A. B. Lynn, V-P., Pittsburgh, Pa.; D. M. Watt, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Asst. Treas.; A. B. Williams, Asst. Sec., New York; J. H. Simpson, Treas., Pittsburgh, Pa.

Directors: E. A. Geehan, H. F. Barnard, T. B. Davis, New York; A. B. Lynn, J. H. Simpson, Pittsburgh.

Offices, 238 Brownsville Road, Pittsburgh, Pa.; 50 Broad St., New York, N. Y.

THE TERRE HAUTE WATER WORKS CORPORATION

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated May 14, 1924, in Indiana, with a charter extending 50 years. Company was formed to acquire the properties of the Terre Haute Water Works Company (see 1924 Manual, page 515, or apply to our Information Department), which had served the City of Terre Haute, Indiana, and the vicinity with water for domestic and public use since 1873. Total population served, 72,500; num-

ber of consumers, 12,039; city fire hydrants, 1,375; miles of mains, 122.04; nominal daily distributive pumping capacity, 28,000,000 gallons; nominal daily low service and relay pumping capacity, 17,000,000 gallons; nominal daily filter capacity, 10,630,000 gallons; source of supply, Wabash River.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	109.50	1,283	10,071	.....	$350,496
1924	112.51	1,295	10,561	.....	364,573
1925	116.14	1,332	11,071	1,332,689	381,109
1926	120.01	1,359	11,658	1,372,791	394,888
1927	122.04	1,375	12,039	1,358,449	396,786

*Thousand gallons.

CAPITAL STOCK

Authorized, $661,000 Common, par, $10, and $500,000 7% cumulative Pfd., par, $100; outstanding, $661,000 Common and $325,000 Pfd. All the Common stock is owned by American Water Works and Electric Company, Incorporated. Transfer Agent (Pfd.): National Bank and Trust Co., Terre Haute, Ind. Registrar (Pfd.): First McKeen National Bank and Trust Co., Terre Haute, Ind. Annual meeting, May 14.

Preferred Stock Provisions—Has preference for assets and dividends, and is redeemable at 105 and accrued dividends on any dividend date, upon thirty days' notice.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D 1.

FUNDED DEBT

$1,600,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1949
$355,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE FEBRUARY 1, 1956

Dated June 2, 1924.

Interest Payable June and December 1, on Series "A", and February and August 1, on Series "B", at American Water Works and Electric Co., Inc., 50 Broad St., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—Bankers Trust Co., New York.

Co-Trustee—Clayton E. Stewart, Muncie, Ind.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, Feb. 16, 1928, $1,600,000 Series "A" 6s and $355,000 Series "B" 5s.

Additional bonds may be issued hereunder for not in excess of 80% of the cost or fair value, whichever is less, of permanent improvements and additions to the property, provided the net earnings as defined in the mortgage for twelve consecutive calendar months within fifteen calendar months immediately preceding the issuance of such bonds, have been at least 1¾ times the annual interest charges on all bonds outstanding including those to be issued.

Callability—Series "A" bonds are subject to call as a whole or in part upon four weeks' notice to June 1, 1934, at 105 and interest; thereafter to June 1, 1939, at 102 and interest; thereafter to June 1, 1944, at 101 and interest, and thereafter until maturity at 100 and interest. Series "B" bonds are subject to call as a whole or in part on 4 weeks' notice, to and including Feb. 1, 1931, at 105 and interest; thereafter to and including Feb. 1, 1936, at 102 and interest; thereafter to and including Feb. 1, 1951, at 101 and interest; and thereafter and until maturity at 100 and interest. Principal and interest of these bonds are guaranteed by American Water Works and Electric Company, Incorporated, until such time as payment thereof may be assumed by the City of Terre Haute, as a general municipal obligation. In event the City of Terre Haute purchases the corporation's property the bonds may be declared due and payable at 100 and interest.

Maintenance, Renewals and Replacements Fund—Company covenants to expend or reserve for maintenance and depreciation an amount equal to 9% of the annual gross earnings derived from the operation of mortgaged property, of which at least 5% must be charged to current maintenance and included in operating expenses. This reserve may also be expended for cost of improvements and additions to the property against which no further bonds may be issued.

Security—A first lien on entire property.

Guaranty—Guaranteed, principal and interest, by endorsement by American Water Works and Electric Company, Incorporated. See also under "Callability."

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax and the Massachusetts Income Tax not exceeding 6% per annum, refunded.

Legal Opinion—Sullivan & Cromwell, New York (for the Company), and Chapman, Cutler & Parker, Chicago (for the bankers).

Original Offering—First publicly offered ($1,600,000 Series "A" 6s) in May, 1924, at 97 and interest, to yield 6.25%, by P. W. Chapman & Co., Inc., and Halsey, Stuart & Co., Inc., New York and Chicago, and H. N. Payson & Co., Portland, Me.; $240,000 Series "B" 5s offered in March, 1926, at 93 and interest, to yield over 5.40%, by P. W. Chapman & Co., Inc., Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York and Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$396,786	$394,888	$381,109
Oper. exp., maint. & taxes	170,904	168,979	171,627
Net earnings	$225,882	$225,909	$209,482
Interest on funded debt	108,000	105,167	96,000
Balance	$117,882	$120,742	$113,482
Interest on floating debt & amortization	11,210	13,927	19,249
Balance	$106,672	$106,815	$94,233
Reserved for renewals & replacements	21,248	20,630	18,796
Net income	$85,424	$86,185	$75,437

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$3,033,072	$3,005,120	$2,944,473
Material and supplies	2,638	3,282	2,420
Cash & accounts receivable	100,001	89,219	96,149
Rentals accrued	14,933	14,107	14,353
Miscellaneous assets	1,047	1,376	1,346
Deferred charges	29,195	30,328	71
Total	$3,180,886	$3,143,432	$3,058,812
Liabilities—			
Common stock	$661,000	$661,000	$661,000
Preferred stock	325,000	$325,000	$325,000
Funded debt	1,840,000	1,840,000	1,600,000
Accounts payable	123,181	126,560	332,683
Consumers' & extens. dep.	38,541	30,397	24,175
Accrued int., taxes, etc.	92,001	88,478	79,989
Rentals in advance	11,923	12,104	5,808
Reserves	45,840	26,302	10,899
Surplus	43,400	33,591	19,258
Total	$3,180,886	$3,143,432	$3,058,812

Officers: E. A. Geehan, Pres.; E. W. Clark, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. A. Geehan, T. B. Davis, New York; James Mandeville, J. H. Beasley, W. H. Durbin, Terre Haute, Ind.

Offices, 634 Cherry St., Terre Haute, Ind.; 50 Broad St., New York, N. Y.

TEXARKANA WATER CORPORATION

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated Oct. 29, 1904, in N. J. Duration of Charter, perpetual. The Company supplies water for public and domestic uses in Texarkana, Arkansas and Texarkana, Texas. Population served, 30,800. Number of consumers, 4,976; city fire hy-

rants, 275; miles of mains, 66.21; nominal daily distributive pumping capacity, 8,500,000 gallons. Source of supply, driven wells.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	50.33	234	3,771	279,124	$104,302
1924	53.67	251	4,179	322,616	130,171
1925	54.62	256	4,447	348,072	144,423
1926	58.40	265	4,664	322,441	145,726
1927	66.21	275	4,976	386,292	155,280

*Thousand gallons.

CAPITAL STOCK

Authorized and outstanding, $125,000; par, $100. All owned by American Water Works and Electric Company, Incorporated. Annual meeting, second Wednesday in February at Summit, N. J.

FUNDED DEBT

$600,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1958

Dated February 1, 1928.

Interest Payable January and July 1, at American Water Works and Electric Co., Inc., 50 Broad St., New York, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—Bankers Trust Co., New York, N. Y.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding March 5, 1928, $600,000.

Additional bonds may be issued, among other things, for not exceeding 80% of the cost of permanent improvements, additions or extensions to the property of the Company or any new or additional property constructed or acquired subsequent to Oct. 31, 1927. No additional bonds may be issued, however, unless net earnings of the Company for 12 consecutive calendar months within 15 calendar months immediately preceding, shall have been at least 1¾ times the annual interest charges upon all bonds outstanding under the Mortgage, those to be issued and all indebtedness secured by prior liens, if any, on property acquired subsequent to Oct. 31, 1927, except such part thereof as will be retired from the proceeds of the additional bonds. In the calculation of such net earnings, at least 5% of gross revenues must be charged to operating expenses for repairs and current maintenance.

Callability—Series "A" bonds are subject to call in whole or in part at any time on 4 weeks' notice to and including Feb. 1, 1953, at 105 and interest, and thereafter to maturity at 100 and interest. In event that any municipal corporation or other governmental subdivision within the territorial limits of which the Company shall then be operating, shall acquire all or any part of the water works properties of the Company, then bonds in principal amount not exceeding the price paid for the property so acquired, may be declared due and payable at 100 and interest.

Sinking Fund—None provided.

Security—A first lien on entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills, Maryland 4½ mills, and Massachusetts Income Tax not in excess of 6% per annum, refunded.

BONDS REDEEMED

The previously outstanding $250,000 First Mortgage 5s, dated Nov. 1, 1904, and due Nov. 1, 1934, and $400,000 Consolidated Mortgage 5s, dated Nov. 1, 1909, and due Nov. 1, 1939, were surrendered to Trustee and mortgages satisfied.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926
Gross earnings	$155,280	$124,013
Operating exps., maint. & taxes	73,171	59,871
Net earnings	$82,109	$64,142
Interest on funded debt	32,500	27,083
Balance	$49,609	$37,059
Int. on floating debt & amortization	8,198	6,793
Balance	$41,411	$30,356
Reserved for renewals & replacements	8,625	6,505
Net income	$32,786	$23,851

*Ten months ended December 31, 1926.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Plant and property	$1,077,766	$1,022,043
Securities owned	5,001	5,002
Material and supplies	699	782
Cash and accounts receivable	17,662	22,464
Rentals accrued	10,160	9,800
Miscellaneous assets	764	1,878
Deferred charges		45,232
Total	$1,112,052	$1,107,201
Liabilities—		
Common stock	$125,000	$125,000
Funded debt	650,000	650,000
Loans payable	129,396	34,396
Accounts payable	30,989	68,008
Consumers' & extension deposits	9,951	8,674
Accrued int., taxes, etc.	26,138	24,456
Rentals in advance	279	316
Reserves	55,839	69,530
Surplus	84,460	126,821
Total	$1,112,052	$1,107,201

Officers: E. W. Clark, Pres.; E. A. Geehan, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: E. W. Clark, K. M. Bixler, A. B. Williams, T. B. Davis, R. J. Parker, New York.

Offices, Texarkana, Ark. and 50 Broad St., New York.

THE WICHITA WATER COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History and Property—Incorporated Dec. 27, 1911, in Delaware, with a perpetual charter. Company on March 1, 1912, acquired the property of a Kansas Corporation of the same name and now serves the City of Wichita and vicinity with water for public and industrial and domestic uses. Total population served, 100,000; number of consumers, 20,838; city fire hydrants, 993, miles of mains, 229.60; nominal daily distributive pumping capacity, 26,938,000 gallons; source of supply is a well system located on an island containing about 58½ acres owned by the Company and situated at the junction of the Arkansas and Little Arkansas Rivers.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Year	Miles of Mains	City Fire Hydrants	Number of Consumers	*Water Sold	Gross Earnings
1923	165.98	804	15,305	1,308,322	$302,709
1924	192.95	869	17,070	1,415,892	326,684
1925	201.57	890	18,353	1,688,949	399,869
1926	216.06	945	19,511	1,885,198	416,738
1927	229.60	993	20,838	1,942,951	421,507

*Thousand gallons.

CAPITAL STOCK

Authorized, $2,272,000 Common and $2,000,000 7% cumulative Pfd.; outstanding, $2,272,000 Common and $350,000 Pfd.; par, $100. The American Water Works and Electric Company, Incorporated, owns the entire Common stock. Transfer Agent (Pfd.): First National Bank, Wichita, Kan. Registrar (Pfd.): The Fourth National Bank, Wichita, Kan. Annual meeting, first Tuesday in March.

Preferred Stock Provisions—Has preference as to assets and dividends, and is redeemable at $105 and accrued dividends on any dividend date, upon thirty days' notice.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 15.

FUNDED DEBT

$1,400,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1949

$350,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE FEBRUARY 1, 1956

Dated March 1, 1924.

Interest Payable March and September 1, on Series

"A," and February and August 1 on Series "B," at American Water Works and Electric Company, Incorporated, 50 Broad St., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, Dec. 31, 1927, $1,400,000 Series "A" 6s, and $350,000 Series "B" 5s.

Additional bonds may be issued hereunder for not in excess of 80% of the actual cost and fair value of improvements, additions and extensions to the property, provided the net earnings as defined in the mortgage for twelve calendar months within fifteen calendar months immediately preceding the issue of such new bonds have been at least 1¾ times interest charges on all bonds outstanding including those to be issued.

Callability—Series "A" bonds are subject to call as a whole or in part at any time upon four weeks' published notice, prior to March 1, 1934, at 105 and interest; and thereafter and prior to March 1, 1944, at 102 and interest; and thereafter at 100 and interest. Series "B" bonds are subject to call as a whole or in part at any time upon 4 weeks' notice, to and including Feb. 1, 1931, at 105 and interest, thereafter to and including Feb. 1, 1936, at 102 and interest, thereafter to and including Feb. 1, 1951, at 101 and interest, and thereafter to maturity at 100 and interest. In event the city of Wichita purchases the Company's property and pays the full purchase price thereof in cash, bonds may be declared due and payable at 100 and interest, or if the bonds are assumed as a general and binding municipal obligation all liability of the Company on the bonds and all liability of American Water Works and Electric Company, Incorporated, as guarantor shall forthwith terminate.

Maintenance and Depreciation Fund—Company covenants to expend or reserve for maintenance and depreciation an amount equal to 9% of the annual gross earnings of the company derived from the mortgaged property, of which at least 6% must be charged to current maintenance and included in operating expenses. This reserve may be expended for improvements and additions to the property against which no further bonds may be issued.

Security—A first lien on entire property of Company.

Guaranty—Guaranteed, principal and interest, by endorsement by American Water Works and Electric Company, Incorporated. See also under "Callability."

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four mills taxes, Maryland four and one-half mills tax and the Massachusetts Income Tax not exceeding 6% per annum, refunded.

Legal Opinion—Sullivan & Cromwell, New York for the company, and Chapman, Cutler & Parker of Chicago, for the bankers.

Original Offering—First publicly offered ($1,400,000 Series "A" 6s) in April, 1924, at 97 and interest, to yield about 6.25%, by P. W. Chapman & Co., Inc., New York and Chicago, and H. N. Payson & Co., Portland, Me.; $350,000 Series "B" 5s offered in March 1926, at 93 and interest, to yield 5.40%, by P. W. Chapman & Co., Inc., Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York and Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$421,507	$416,737	$399,869	$326,684	$302,709	$261,676
Operating expenses, maintenance and taxes	168,653	185,879	170,826	171,803	156,301	130,539
Net earnings	$252,854	$230,858	$229,043	$154,881	$146,408	$131,137
Interest on funded debt	101,500	97,368	84,000	76,533	60,000	60,000
Balance	$151,354	$133,490	$145,043	$78,348	$86,408	$71,137
Interest on floating debt and amortization	37,976	32,689	38,105	45,903	25,493	12,497
Balance	$113,377	$100,801	$106,938	$32,445	$60,915	$58,640
Reserved for renewals & replacements	19,314	18,018	19,035	16,450	8,820	8,250
Net income	$94,063	$82,783	$87,903	$15,995	$52,095	$50,340

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$4,919,986	$4,671,313	$4,471,786
Securities owned	.....	.....	550
Material and supplies	6,349	7,174	10,644
Cash and accts. receivable	81,675	50,439	68,451
Rentals accrued	21,515	20,967	23,360
Miscellaneous assets	813	1,268	804
Trust fund residue	53,141	34,235	21,053
Deferred charges	132,968	143,726	102,700
Total	$5,215,447	$4,929,122	$4,699,349

Liabilities—	1927	1926	1925
Common stock	$2,272,000	$2,272,000	$2,272,000
Preferred stock	350,000	350,000	341,200
Preferred stock sub.	.....	.....	8,800
Funded debt	1,750,000	1,750,000	1,400,000
Loans payable	500,433	252,433	438,433
Accounts payable	94,273	122,438	64,627
Consumers' & exten. dep.	55,166	57,027	49,742
Accrued int., taxes, etc.	72,941	72,419	60,933
Rentals in advance	1,430	1,062	1,657
Contributions for extensions	3,233	.....	.....
Reserves	39,979	19,697	11,596
Surplus	75,992	32,046	50,361
Total	$5,215,447	$4,929,122	$4,699,349

Officers: W. D. Freer, Pres.; D. M. Watt, V-P.; H. F. Barnard, V-P.; T. B. Davis, Sec. & Treas.; A. B. Williams, Asst. Sec.; John Young, Asst. Treas., New York.

Directors: W. D. Freer, John Young, A. B. Williams, K. M. Bixler, T. B. Davis, New York.

Offices, 301 North Main St., Wichita, Kansas; 50 Broad St., New York, N. Y.

THE WEST PENN ELECTRIC COMPANY

(Controlled by American Water Works and Electric Company, Inc.)

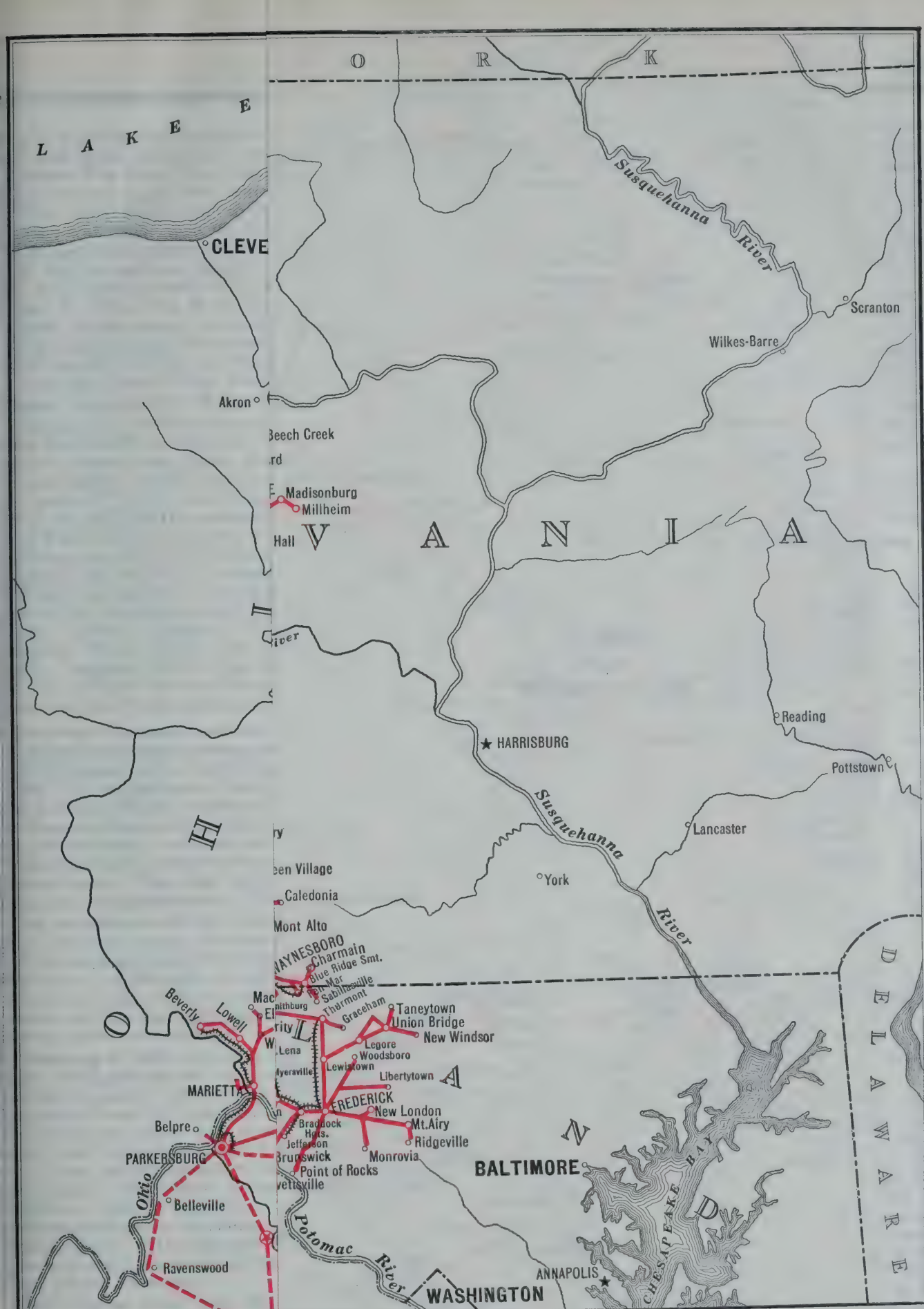
(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
7% Cum. Pfd. (par $100)	F, M, A & N 15	$50,000,000	$22,124,700	Yes	$5,111,328	$7.00	$1,548,729	$23.10
6% Cum. Pfd. (par $100)	F, M, A & N 15		12,000,000	Yes	3,562,599	4.50	279,171	29.69
Class "A" (no par)	M, J, S & D 30	59,258 shs	59,258 shs	Yes	3,283,428	7.00	414,806	55.41
Class "B" (no par)	M, J, S & D 30	165,742 shs	165,742 shs					
Common	.....	1,500,000 shs	1,050,000 shs	...	2,868,622	†	1,265,194	2.36

†Amounts not available.

History and Properties—Incorporated December 11, 1925, in Maryland; organized in accordance with Plan of Consolidation of the electric subsidiaries of American Water Works & Electric Company, Inc., dated September 10, 1925 (for details of the plan see statement of American Water Works and Electric Co., Inc., page 1579 of 1927 Public Utility Manual)



THE ELECTRIC PROPERTIES OF THE

ICAN WATER WORKS & ELECTRIC CO., INC.

THROUGH ITS SUBSIDIARY

THE WEST PENN ELECTRIC CO.

AND ITS SUBSIDARIES

WEST PENN POWER CO.

WEST PENN RAILWAYS CO.

THE POTOMAC EDISON CO.

MONONGAHELA WEST PENN PUBLIC SERVICE CO.

LEGEND

	In Operation	Proposed	
nsmission Lines			Gas & Oil Generating Stations
enerating Stations			Sub-Stations
enerating Stations			Electric Railway Lines
			Interconnections with Foreign Lines
			Lines Used Under Contract with Other Companies

PUBLIC SERVICE CORPORATION OF NEW JERSEY

PUBLIC SERVICE ELECTRIC & GAS CO.

PUBLIC SERVICE COORDINATED TRANSPORT

(AND AFFILIATED COMPANIES)

MAP SHOWING

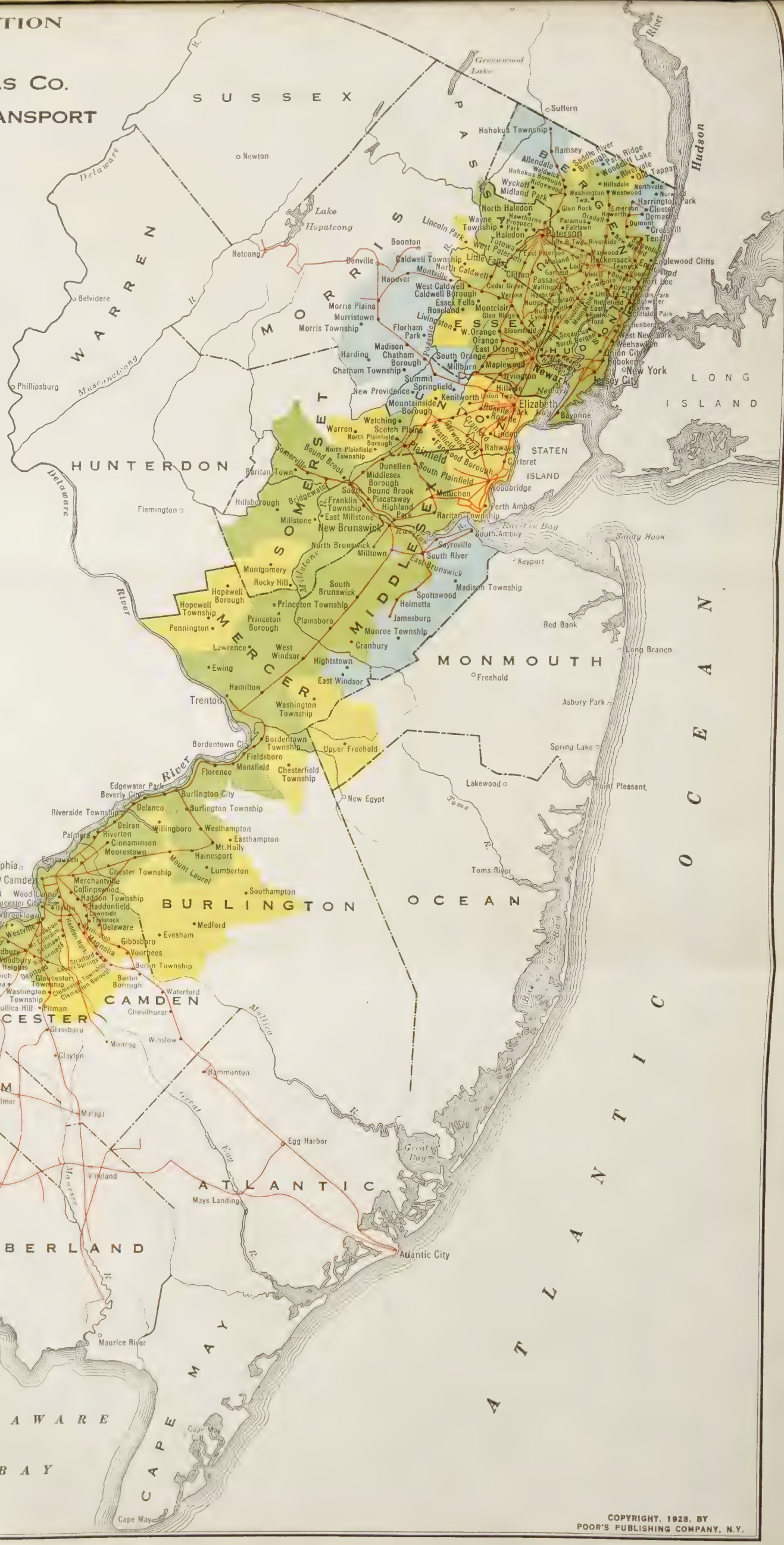
TRANSPORTATION LINES

AND MUNICIPALITIES SUPPLIED WITH

GAS AND ELECTRICITY

LEGEND

- Transportation Lines
- Electricity Supplied
- Gas Supplied
- Electricity & Gas Supplied



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Upon organization company acquired the securities dealt with under the plan, as well as all the assets of the former The West Penn Company (see 1925 Public Utility Manual, page 1484), which was dissolved April 7, 1926. Final distribution to the stockholders of that company was made April 30, 1926 Pfd. stock receiving $101.46 per share, representing the par value of such stock, and accrued and unpaid dividends to April 30, 1926, and Common stock $125 per share. Subsequent to Dec. 31, 1926, The West Penn Electric Company acquired all the assets (consisting principally of $8,073,600 Common stock of the Monongahela West Penn Public Service Co.) of the West Penn Monongahela Co. (see 1926 Public Utility Manual, page 2204), which company was dissolved on April 29, 1927.

Company is a holding company owning $14,598,523 of the $14,600,000 outstanding Common stock of Monongahela West Penn Public Service Company, all of the outstanding 120,000 shares of no par value Common stock of The Potomac Edison Company, $15,750,000 of the $27,750,000 outstanding Common stock of West Penn Power Company (the remaining $12,000,000 being owned by West Penn Railways Company), and all of the $17,091,700 outstanding Common stock of West Penn Railways Company. The Company also owns all of the outstanding Common stock of Ohio Valley Transit Company, Tri-State Improvement Company, West Penn Auto Company, West Penn Realty Company, West Penn Securities Department, Inc., West Penn System Construction Company and West Virginia Public Service Company.

Property—Company controls electric light, power and railway companies serving an area of approximately 22,700 square miles, extending from within 25 miles of the City of Baltimore, Maryland, across Maryland and northern West Virginia to the Ohio River, and northward in the important industrial sections of western Pennsylvania, with the exception of the City of Pittsburgh and its immediate environs, to north central Pennsylvania. The total population served by the Company is approximately 1,700,000.

The subsidiaries of The West Penn Electric Company own and operate 31 electric generating stations with an aggregate installed capacity of approximately 514,955 k.w.; 2,399 miles of high tension transmission lines, 651.84 miles of track for street car and interurban railway service; and serve 235,501 electric consumers in over 1,200 communities.

Financing in 1927—In accordance with the general policy of simplifying the corporate and financial structure of Company's subsidiaries, during the year 1927, Keystone Power & Light Co. was dissolved, its 7% Pfd. stock was called for payment on Aug. 15, 1927 at par and accrued dividend at Equitable Trust Co., New York, and its subsidiary, Keystone Power Corp., was merged with West Penn Power Co., as was Allegheny Valley Light Co. (For last published statements of these companies see 1927 Public Utility Manual, pages, 1615, 1916 and 1632). Home Electric Company was purchased and also merged with West Penn Power Company.

The Trustee under the Mortgage of West Penn Railways Company dated April 1, 1905, purchased $1,260,500 of First Mortgage 5% Gold bonds out of funds on deposit as proceeds of the sale of released property.

Supplying of the capital requirements of Company and its subsidiary companies for 1927 was accomplished solely by the issuance and sale of its own Preferred and Common stocks and those of several of its subsidiaries. The West Penn Electric Company issued and sold $12,000,000 par value of its 6% cumulative Preferred stock, $3,700,000 being sold in a customer-ownership campaign. The proceeds of this issue were used to purchase additional Common stock of the West Penn Power Company, the Monongahela West Penn Public Service Company and The Potomac Edison Company.

Monongahela West Penn Public Service Company issued and sold $584,400 par value of its 7% cumulative Preferred stock, and The Potomac Edison Company sold $3,430,500 par value of its 6% cumulative Preferred stock, $780,500 par value of this amount being sold through its employees in a customer-ownership campaign. The proceeds of the sale of these issues were applied toward the purchase of additional public utility properties and for improvement and extension of those already owned.

The funded debt of Company and its subsidiaries was reduced in the sum of $5,374,000 as the result of mergers, refunding and purchase of bonds by Trustees.

COMPARATIVE STATISTICAL SUMMARY, DECEMBER 31

Electric Power and Light Companies—	1927	1926	1925
Capacity:			
Steam stations (k.w.)	457,620	425,445	385,445
Hydro stations (k.w.)	55,655	55,735	5,735
Oil & gas st't'ns (k.w.)	1,680	1,020	7,270
Total capacity (k.w.)	514,955	482,200	398,450
Net Power Output:			
Total (k.w.h.) output	1,727,565,353	1,514,609,984	1,316,521,920
Electric Consumers:			
Total number electric consumers	235,501	207,802	188,355
Number of communities served	1,200	948	926
Population of territories served	1,700,000	1,690,000	1,625,000
Transmission Lines—Pole Miles:			
132,000 volt lines	225	225.08	147.70
66,000 volt lines	271	252.08	229.68
Less than 66,000 volts	1,903	1,781.56	1,762.27
Total	2,399	2,258.72	2,139.65
Transportation Companies—			
Electric Railways:			
Number of cars	633	629	642
Miles of track	652	637.80	636.70
Car miles	.....	125,726,024	127,025,095
Bus Lines:			
Number of buses	127	65	30
Miles of route	892	675.85	585.75
Bus miles	.....	2,190,235	1,460,359

CAPITAL STOCK

Authorized $50,000,000 Preferred of $100 par value; 59,258 shares $7 cumulative Class A of no par value; 165,742 shares Class B of no par value, and 1,500,000 (increased from 1,000,000 Sept. 9, 1927) shares Common of no par value; outstanding Dec. 31, 1927, $22,124,700 7% cumulative Preferred, $12,000,000 6% cumulative Pfd., 59,258 shares Class A, 165,742 shares Class B and 1,050,000 shares Common. American Water Works & Electric Company, Inc., owned as of Dec. 31, 1927 all of the Common and Class B stocks and 4,400 shares Class A stock and $5,231,000 7% Pfd.

The $2,500,000 6% Pfd. stock was publicly offered in April 1927 at $100 per share by West Penn Securities Development, Inc., Pittsburgh, Pa., to provide funds to retire indebtedness incurred in connection with the acquisition of additional stock in subsidiary companies and for other corporate purposes.

We trade in securities of the
WEST PENN SYSTEM
(POWER AND RAILWAYS)
GLOVER & MacGREGOR
Commonwealth Bldg. - Phone Court 3253 - Pittsburgh, Pa.

Preferred Stock Provisions—Has preference for assets and dividends over other classes of stock; may be issued in series, but each series shall have equal rank and be identical with all other series, except as follows; Rate of dividends, which shall not be more than 8%; redemption price, which shall not exceed $120 per share; the right, if any of holders to convert such stock into stock of another series or class, and the rates and conditions of such conversions; all of which shall be subject to the option of the Board of Directors. No additional Preferred stock may be issued unless the consolidated surplus net earnings applicable to the payment of dividends on the Preferred stock shall have been for a period of 12 consecutive months within the 15 calendar months immediately preceding the issuance of the additional stock at least twice the dividend requirements for a like period upon the entire amount of Preferred stock outstanding and that proposed to be issued. In the event of liquidation, is entitled to receive $100 a share plus accrued dividends before distribution to other classes of stock. Preferred stock has no voting power, except (a) in case of default of four consecutive quarterly dividends, (b) to amend charter to provide for issue of any stock having priority over Preferred stock, or to change the terms of any outstanding Preferred stock, such amendment requiring the consent of the holders of three-fourths of the shares of Preferred stock outstanding. No holder of Preferred stock is entitled as such as a matter of right to subscribe for or purchase any new or additional issue of stock of any class or of securities convertible into stock.

The present outstanding Preferred stock is classified as 7% and 6% cumulative Preferred stock, the former being entitled to receive cumulative dividends at the rate of 7% per annum and callable on any dividend date on thirty days' notice at 115; and the latter to receive cumulative dividends at the rate of 6% per annum and callable on any dividend date, as a whole or in part, on 30 days' notice at 110.

Class "A" Stock Provisions—Class "A" stock is preferred as to assets and dividends over the Class "B" and Common stocks, and after dividends have been paid in full on the Preferred stock, is entitled to receive cumulative dividends at the rate of $7 per share per annum and no more. Callable on any dividend date on 30 days' notice at 115. In event of liquidation and after Preferred stock has been paid in full, is entitled to receive $100 per share and accrued dividends before any distribution is made to Class "B" or Common stockholders. Has equal voting rights share for share with Common stock. No additional Class "A" stock can be authorized or issued, nor the terms of any outstanding Class A stock changed, nor any stock or securities convertible into stock issued which has priority over the Class "A" stock, except the Preferred stock, without the consent of the holders of three-fourths of the shares of Class "A" stock outstanding. No holder of Class "A" stock is entitled as such as a matter of right to subscribe for or purchase any additional issue of stock of any class or of securities convertible into stock.

Transfer Agents (Preferred and Class "A" stock): The Equitable Trust Co. of New York, New York; The Union Trust Co. of Pittsburgh, Pittsburgh, Pa.; The Louisville Trust Co., Louisville, Ky. (Class "B" and Common stock): Corporation Trust Co.

Registrars (Preferred and Class "A" stock): Bankers Trust Co., New York; The Colonial Trust Co., Pittsburgh, Pa.; The National Bank of Kentucky, Louisville, Ky.

Original Offering—The 6% cumulative Pfd. stock was first publicly offered in April, 1927 at $100 per share by West Penn Securities Department, Inc. Pittsburgh, Pa. In September, 1927, $8,300,000 additional 6% Pfd. stock was publicly offered at $100 per share and dividend by W. C. Langley & Co., New York.

Annual Meeting—Second Thursday in April.

Listed (7% Preferred, 6% Preferred and Class "A")—New York Stock Exchange.

Price Range—

	1927	1926	1925
7% Preferred—			
High	112¼	102½	..
Low	102	92½	..
6% Preferred—			
High	101¾	..	..
Low	101	..	..
Class "A"—			
High	111	98½	90
Low	97⅞	88½	88½

Dividends—Initial quarterly dividend on the 7% Pfd. of 1¾% was paid Feb. 15, 1926, which rate maintained to date; payments F, M, A & N 15. Initial quarterly dividend of 1½% on the 6% Pfd. stock was paid May 16, 1927, which rate maintained to date; payments F, M, A & N 15. Initial quarterly dividend on Class "A" of $1.75 a share was paid March 30, 1926, which rate maintained to date; payments, M, J, S & D 30.

FUNDED DEBT

$285,000 Mortgages on real estate.

POLICY REGARDING RENEWALS AND REPLACEMENTS

The subsidiary companies of The West Penn Electric Company, except The Monongahela West Penn Public Service Company and The Potomac Edison Company, set aside monthly out of operating revenues an amount for renewals and replacements of property which is credited to reserve for renewals and replacements and against which the original cost of superseded property is charged as replaced or discarded. The amounts set aside are percentages of the estimated value of such property, such percentages being determined in some cases according to special rulings of regulatory commissions and in others by specific mortgage requirements.

The Monongahela West Penn Public Service Company, in addition to the reserve for renewals and replacements, sets aside monthly a depletion reserve in amount not less than 3 cents per 1,000 cubic feet of natural gas sold, the sum so set aside to be expended by the Company in the construction or acquisition of permanent improvements, extensions or additions to its property. Expenditures for maintenance are charged directly to operating expenses.

The Potomac Edison Company and its subsidiaries set aside monthly out of operating revenues an amount for renewals and replacements of property equal to approximately one twelfth of two per cent of the cost of buildings and one-twelfth of from five per cent to ten per cent of the cost of equipment, which amount is credited to reserve for renewals and replacements and against which reserve the original cost of superseded property is charged as replaced or discarded. Expenditures for maintenance are charged directly to operating expenses.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Combined Earnings of Subsidiaries of The West Penn Electric Company)

	1927	1926	1925	1924
Gross earnings	$37,138,572	$34,437,010	$31,472,134	$30,278,238
Operating expenses, maintenance and taxes	20,660,421	18,548,262	17,641,095	17,705,380
Gross income	$16,478,151	$15,888,749	$13,831,039	$12,572,858
Interest and amortization of discount	$6,051,828	$6,272,949	$5,974,657	$5,839,984
Preferred dividends of subsidiaries	2,314,266	2,215,353	1,892,158	1,659,602
Minority interests	.....	293	9,804	10,152
Total deductions	$8,366,094	$8,488,595	$7,876,619	$7,509,738

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924
Balance	$8,112,057	$7,400,153	$5,954,420	$5,063,120
Reserve for renewals, replacements & depletion	3,000,729	2,794,966	2,380,223	2,151,740
Net income	$5,111,328	$4,605,188	$3,574,197	$2,911,380
Dividends on capital stocks of West Penn Electric Co.:				
7% cumlative Pfd.	$1,548,729	$1,513,241	.....	.....
6% cumulative Pfd.	279,171	.....	.....	.....
Class "A"	414,806	409,052	.....	.....
Class "B" and Common	1,265,194	1,160,194	.....	.....
Total	$3,507,900	$3,082,487	.....	.....
Surplus after dividends	$1,603,428	$1,522,701	$3,574,197	$2,911,380
*Times Interest and Discount Earned	2.23	2.09	1.92	1.78
*Earnings Per Share—				
7% Preferred	$23.10	$20.81	.....	.....
6% Preferred	29.69	.....	.....	.....
Class "A"	55.41	52.17	.....	.....
Class "B" and Common	2.36	2.84	.....	.....

*After renewals, replacements and depletion.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	†1925
Plant, property and investments	$212,685,765	$198,964,760	$191,891,473
Temporary invest. in system securities	.....	.....	969,737
Cash reserved for construction, etc.	415,580	2,195,098	618,197
Cash in banks & on hand	4,884,528	3,775,312	2,204,571
Secured call loans	.....	900,000	2,000,000
Consumers' accts. receiv.	2,315,071	2,242,755	1,974,679
Miscel. accounts receiv.	*1,078,823	*825,963	*624,369
Notes receivable	82,127	66,739	103,499
Accrued interest receiv.	14,577	8,747	12,680
Materials and supplies at cost	3,066,949	2,821,502	2,903,765
Due from subscribers to Pfd. stock of subsidiary cos. on installment plan	219,107	680,909	894,795
Discounts on bonds and notes and other deferred charges	9,220,108	9,645,722	7,808,818
Commission and expense on sale of capital stock	1,432,653	1,019,921	969,586
Total	$235,415,288	$223,147,428	$212,976,169

Liabilities—	1927	1926	†1925
Capital stock of The West Penn Electric Co.:			
7% cumulative Pfd.	$22,124,700	$22,124,700	$22,124,700
6% cumulative Pfd.	11,740,800	.....	.....
Class "A" (59,258 shs. no par value)	30,497,047	26,819,535	26,819,535
Class "B" (165,742 shs. no par value)			
Com. (1,050,000 shs. no par value)			
Pfd. stocks of subs. in possession of public:			
Issued and fully paid	35,399,600	34,318,639	29,120,395
Subscribed but unissued	431,450	952,775	787,800
Minority interest in Com. stock and surplus of subsidiaries:			
Common stock	1,477	9,163	213,001
Surplus	.....	117	17,637
Real estate mortgages	285,000	.....	.....
Funded debt of subsidiaries	102,742,300	108,401,300	105,395,164
Notes payable	1,727,032	1,470,033	684,528
Accounts payable		1,581,577	2,434,575
Interest accrued	1,312,904	1,393,065	1,661,597
Divds. declared but unpaid on Pfd. stock of subsidiaries	428,572	474,501	374,774
Divds. on Pfd. stocks accrued	364,216	242,952	249,973
Taxes (incl. estimated Fed. taxes)	2,839,190	2,279,896	2,092,456
Consumers secur. & construction deposits	1,713,201	1,602,783	1,542,013
Other deferred liabilities	172,312	532,305	449,487
Deferred credits	173,442	177,735	174,070
Reserve for renewals, replacements and depletion	16,548,827	14,604,194	14,121,856
Other reserves	909,418	978,932	697,087
Surplus invested in fixed capital	302,806	230,263	.....
Surplus	5,700,994	4,952,964	4,015,521
Total	$235,415,288	$223,147,428	$212,976,169

*After deducting $224,336 reserve for uncollectible accounts in 1925, $233,544 in 1926 and $256,062 in 1927. †After giving effect to the consummation of the plan for the acquisition of the electric subsidiaries of American Water Works and Electric Company, Inc., and the dissolution of The West Penn Company.

Officers: H. Hobart Porter, Chairman, New York City; W. S. Finlay, Jr., Pres.; R. B. Keating, V-P., Pittsburgh, Pa.; Philip L. Ross, V-P.; W. R. Voorhis, V-P.; E. S. Thompson, Treas., New York City; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Sec. & Asst. Treas.; W. D. Livingston, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; W. K. Dunbar, Asst. Sec.; W. R. Hinchman, Asst. Sec. & Asst. Treas.; G. W. Chapman, Asst. Sec., New York City.

Directors: W. S. Finlay, Jr., W. C. Robinson, Pittsburgh, Pa.; Richard Coulter, Greensburg, Pa.; Thomas H. Blodgett, Chester Dale, Wm. H. Erhart, James A. Hill, Henry H. Pierce, H. Hobart Porter, Seton Porter, Harry E. Towle, New York City.

Executive Office, West Penn Building, 14, Wood St., Pittsburgh, Pa. **General Office,** Braddock Heights, Md.

MONONGAHELA WEST PENN PUBLIC SERVICE COMPANY

(Controlled by The West Penn Electric Company)

History—Incorporated May 17, 1912, in West Virginia as the Monongahela Valley Traction Co.; name changed to Monongahela Power & Railway Co. on May 11, 1921 and to Monongahela West Penn Public Service Co. Feb. 28, 1923. Company is a consolidation of Fairmont & Clarksburg Traction Co. (see Manual for 1912, page 1719; or apply to our Information Department) Fairmont & Northern Traction Co. (see Manual for 1912, page 1720), and the Clarksburg & Weston Electric Ry. Co.

During 1927 Company purchased the properties of the West Virginia Utilities Co. (see 1927 Manual, page

2330), supplying electrical energy and gas to Morgantown, W. Va., and vicinity, and also the properties of the Randall Gas Co., supplying natural gas to commercial and domestic users in the northwestern part of West Virginia and southern Pennsylvania. Also purchased in 1927 the electric light and power properties at Salem and West Union, W. Va., from the Mountain States Utilities Corp.

The Company owns all the outstanding capital stock of Kanawha Traction & Electric Co., The West Maryland Power Co., Monongahela Securities Co., Spencer Water & Ice Co., and State Line Natural Gas Co., and controls indirectly through subsidiary companies Marietta & Parkersburg Bridge Co., and Monongahela Transport Co.

The physical property of Monongahela West Penn Public Service Co. and subsidiary companies as of Dec. 31, 1927, includes 185.38 miles of track (single track mileage, 4 ft. 8½ in. gauge), 111 motor passenger cars, 28 express and freight cars, 3 electric locomotives, 20 other cars and 50 buses operating over 143 miles of route. There are also 10 electric generating stations having an installed generating capacity of 57,190 k.w., 183 substations having a transformer capacity of 121,691 k.w., of which 94 substations with a capacity of 76,165 k.w., are owned by these companies, 603.99 pole miles of high tension transmission lines (184.98 miles of 66,000 volt construction, 3.31 miles of 33,000 volt construction and 415.70 miles of 25,000 volt construction) exclusive of low tension distribution lines in cities and towns. The principal stations owned are Rivesville, 40,000 k.w., and Parkersburg, 10,000 k.w.

The Company also owns or controls by lease 17,851 acres of natural gas properties, of which it is operating in 12,201.5 acres, 235 producing gas wells being owned and leased. The gathering and distribution system comprises 455 miles of pipe lines. The Company also owns an absorption gasoline plant having a daily capacity of 3,000 gallons.

CAPITAL STOCK

Authorized, $15,000,000 Common, $10,696,925 7% cumulative Pfd. and $4,303,075 6% cumulative Pfd.; outstanding, $14,600,000 Common, $7,293,025 7% Pfd. and $6,975 6% Pfd.; par of Common, $100 and $25; par of Pfd., $25. Of the outstanding Common stock, The West Penn Electric Company owns $14,598,523.

Preferred Stock Provisions—Preferred stock is preferred as to assets as well as dividends. The 7% Pfd. stock is redeemable in whole or in part, on any dividend date, upon 30 days' notice, at 115 per cent. of the par value, and accrued dividends; the 6% Preferred stock has equal voting rights with Common stock, is exchangeable share for share for an equal par amount of the 7% Preferred stock, and is not callable.

No additional 7% cumulative Pfd. stock may be issued by the Company except when consolidated surplus net earnings applicable to payment of dividends shall have been for a period of 12 consecutive calendar months within the 15 calendar months immediately preceding the issuance of such additional stock, at least twice the annual dividend requirement on the entire amount of Preferred stock of the Company outstanding and that proposed to be issued.

Transfer Agents (Both Classes)—Mercantile Trust & Deposit Co., Baltimore, Md.

Registrars (Both Classes)—Fidelity Trust Co., Baltimore, Md.

Annual Meeting—Second Monday in March.

Listed (Both Classes)—Baltimore Stock Exchange

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
6% Pfd.—								
High ...	25½	23	23½	22½	21	20	19	17½
Low	bid	bid	20½	20½	18	17	16⅛	14½
7% Pfd.—								
High ...	27	25	23½	21	19¾	..	..	..
Low	23½	20	20½	bid	bid	..	..	..

Dividends—Dividends on 6% and 7% Pfd. stocks have been regularly paid to date; payments quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$2,500,000 FAIRMONT & CLARKSBURG TRACTION CO. FIRST GOLD 5s; DUE OCTOBER 1, 1938

Dated October 1, 1903.

Interest Payable April and October 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Guaranty Trust Co. of New York.

Provision of Issue—Authorized, $2,500,000.

Callability—Subject to call on any interest date at 105 and interest.

Security—A first lien on entire property of the former Fairmont & Clarksburg Traction Co. Prior in lien to the Monongahela Traction Co. First & Refunding Gold 5s of 1942, which provide for retirement, and the Monongahela West Penn Service Co. First Lien & Refunding Mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Listed—Philadelphia and Baltimore Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96½	94	96	98¼	93½	93	87½	80
Low	93	90½	92	95	89¼	87	73¾	72½

(2)

$3,747,000 MONONGAHELA VALLEY TRACTION COMPANY FIRST (AND REFUNDING) GOLD 5s; DUE JUNE 1, 1942

Dated June 1, 1912.

Interest Payable June and December 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500, and $1,000; principal may be registered; exchangeable for fully registered bonds in denominations of $1,000 and multiples.

Trustee and Registrar—Fidelity Trust Co., Baltimore, Md.

Provisions of Issue—Authorized issue $15,000,000 (mortgage closed), of which $2,500,000 are reserved to retire the Fairmont & Traction Co. First Gold 5s of 1938, $2,274,500 retired and cancelled and $6,478,500 pledged under the Monongahela West Penn Public Service Co. First Lien and Refunding Convertible Mortgage Bonds, dated Feb. 1, 1923, leaving outstanding $3,747,000 in hands of public.

Callability—Subject to call at 105 and interest on any interest date.

Maintenance Fund—The mortgage provides that a fixed charge against earnings equal to 15% be maintained for depreciation and maintenance of the property during the life of these bonds.

Security—A first mortgage on Rivesville Power Plant having a generating capacity of 40,000 k.w. and upon approximately 70 miles of street and interurban railway and upon certain gas and other properties. Subject to the $2,500,000 Fairmont & Clarksburg Traction Co. First Gold 5s and underlies the Monongahela West Penn Public Service Co. First Lien and Refunding Convertible Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	95¼	93½	92	90	86	87	77	65½
Low	93¼	87½	88½	76	76⅛	75	63¼	65½

(3)

$250,000 CLARKSBURG GAS & ELECTRIC COMPANY FIRST MORTGAGE GOLD 6s; DUE FEBRUARY 1, 1938

Dated February 1, 1913.

Interest Payable February and August 1, at The Lowndes Savings Bank & Trust Co., Clarksburg,

W. Va., Trustee. Coupon, $1,000. Redeemable on any interest date at 100 and interest.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$14,171,000 MONONGAHELA WEST PENN PUBLIC SERVICE CO. FIRST LIEN & REFUNDING GOLD 5½s, SERIES "B"; DUE FEBRUARY 1, 1953

Dated February 1, 1923.

Interest Payable February and August 1, at American Water Works & Electric Co., Inc., New York, and Illinois Merchants Trust Co., Chicago.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000; exchangeable for fully registered bonds of $1,000 and authorized mutiples thereof.

Trustee and Registrar—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount is unlimited, except as restricted by provisions of Trust Deed. Outstanding $14,171,000 Series "B" 5½s. Part of the proceeds from the sale of this issue was used to retire $6,542,000 Series "A" 6% bonds at 102, called for redemption August 1, 1925; the remainder to reimburse Company for expenditures made in recent acquisition of properties, for extensions and enlargements of its facilities and for other corporate purposes.

Additional bonds in series, bearing such rates of interest and maturing at such times as the Board of Directors may determine, may be issued par for par for refunding purposes, and for 80% of the cost, or fair value, whichever is less, of permanent improvements, additions or betterments, and then only provided that net earnings as defined in the Trust Deed, for twelve consecutive months within the preceding fifteen months, have been at least twice the annual interest requirement on divisional and subsidiary bonds outstanding in the hands of the public, and on First (and Refunding) bonds, and on First Lien and Refunding bonds outstanding, including bonds proposed to be issued.

Callability—Subject to call in whole or in part on four weeks' notice at the following prices, plus accrued interest: At 105 to and including Feb. 1, 1943, less ½% for each year thereafter to and including Feb. 1, 1952, and thereafter at 100.

Maintenance Fund—The mortgage provides that the company shall at all times maintain the mortgaged properties in thorough operating condition and that it shall expend annually for this purpose an amount equal to not less than the sum of 20% of the gross operating revenues of the railway department; plus 15% of the operating revenues of the electric light and power department; plus 10% of the operating revenues of the gas department. Provided, however, the company may, in any calendar year be credited with any amounts expended by it, in any calendar year of the next preceding five calendar years, in excess of the sum hereby covenanted to be expended by it and not previously credited.

The company covenants that it will invest any unexpended balance, of the amount so covenanted to be expended for maintenance and repairs, in the construction or acquisition of permanent improvement, extensions or additions to the mortgaged property, against which no bonds shall be authenticated or issued.

Depletion Reserve Fund—The mortgage further provides, that beginning with the calendar year 1923, and so long as any of the bonds hereby secured shall remain outstanding, the company shall credit to a depletion reserve account an amount which shall not be less than 3 cents per 1,000 feet of all gas sold by the company in such year, derived from the mortgaged properties. The sums so credited shall be expended by the company in the construction or acquisition of permanent improvements, extensions or improvements to the mortgaged properties, against which no bonds shall be authenticated or issued.

Security—Secured by a mortgage on the entire property of the company, subject to the underlying liens; also secured by pledge of (a) $6,478,500 Monongahela Valley Traction Co. First (and Refunding) Mortgage Bonds due 1942, which bonds rank ratably with $3,747,000 bonds now outstanding with the public and (b) $673,000 First & Refunding Series "B" 7s and the entire Pfd. and Common stocks of the Kanawha Traction & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to reimburse resident holders of Series "B" bonds if requested within sixty days after payment, for the Pennsylvania and Connecticut Personal Property taxes not exceeding 4 mills per dollar per annum; Maryland Security Tax not exceeding 4½ mills and Massachusetts income tax on the interest not exceeding 6% per annum.

Original Offering—First publicly offered ($13,200,000 Series "B" 5½s) in Aug., 1925, at 98 and interest, yielding about 5.65%, by Halsey, Stuart & Co., Inc., E. H. Rollins & Sons, W. A. Harriman & Co., Inc., Hambleton & Co., and Dominick & Dominick, New York, etc.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925
High	102¾	98	98
Low	97½	95	95

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Monongahela West Penn Public Service Co. and Subsidiaries)
(Not comparable with figures for previous years shown below)

	1927	1926
Gross earnings	$8,743,611	$7,471,931
Operating exp., maint. & taxes	5,844,261	4,698,288
Gross income	$2,899,350	$2,773,643
Deduct:		
Int. & amortization of discount	$1,383,800	$1,325,370
Preferred dividends of subsidiaries	171	647
Total deductions	$1,383,971	$1,326,017
Balance	$1,515,379	$1,447,626
Res. for renewals, retirements & dep.	434,048	418,296
Net income	$1,081,331	$1,029,330
*Times Fixed Charges Earned	1.78	1.77

*After reserve for renewals, retirements and depletion.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Monongahela West Penn Public Service Co. and Subsidiaries)

	1926	1925	1924	1923	1922	1921
Gross earnings	$7,445,450	$7,089,543	$5,633,985	$5,204,888	$4,475,371	$4,751,615
Expenses—						
Operating expenses	$4,125,383	$4,109,946	$3,255,617	$3,004,157		
Depreciation	418,296	287,067	145,161	51,196	$2,962,730	$3,167,467
Taxes	506,875	446,725	323,302	308,889		
Total	$5,050,554	$4,843,738	$3,724,080	$3,364,242	$2,962,730	$3,167,467
Net earnings	2,394,896	2,245,805	1,909,905	1,840,646	1,512,641	1,584,148
Miscellaneous income	26,481	36,820	37,139	31,607	.....	.....
Gross income	$2,421,377	$2,282,625	$1,947,044	$1,872,253	$1,512,641	$1,584,148

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

Deductions:	1926	1925	1924	1923	1922	1921
Interest on funded debt	$1,254,575	$1,104,863	$992,833	$902,694		
Interest on floating debt	17,422	197,007	77,147	83,755		
Amortization of discount	53,373	97,212	134,973	95,357		
Pfd. dividends of sub. cos.	648	.....	.....	.....		
Total	$1,326,017	$1,399,082	$1,204,953	$1,081,806	$1,019,588	$1,092,206
Less—Interest charged to improvement accts.	.....	30,582	32,523	33,684		
Balance	$1,326,017	$1,368,500	$1,172,430	$1,048,122		
Rentals and other deductions	66,031	77,833	25,842	12,222		
Total deductions	$1,392,048	$1,446,333	$1,198,272	$1,060,344	$1,019,588	$1,092,206
Net income	$1,029,329	$836,333	$748,772	$811,909	$493,053	$491,942
Times Fixed Charges Earned	1.74	1.57	1.62	1.77	1.48	1.45

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Monongahela West Penn Public Service Co. and Subsidiaries)

Assets—	1927	1926	1925	1924	1923	1922
Plant, property & investments	$47,486,813	$40,951,413	$41,142,293	$36,113,601	$33,493,226	$31,465,301
Due from affiliated companies	30,363	270,531	330,684	29,270	.....	.....
Cash held by Trustees or otherwise set aside for construction purposes	60,291	71,290	56,549	53,397	52,966	159,194
Cash in banks and on hand	523,349	624,476	651,025	301,972	468,464	489,463
Accounts and notes receivable—less reserve	786,576	650,310	646,158	516,545	365,218	420,938
Materials and supplies	494,379	373,384	456,439	390,873	412,849	268,398
Subscriptions due on Pfd. stock (installment plan)	.....	.....	.....	68,229	194,661	10,178
Deferred charges	1,448,379	1,457,255	1,468,123	473,576	585,924	62,946
Unclassified charges	.....	.....	41,486	8,169	7,563	18,049
Commission and expense on sale of stock	117,170	110,519	91,534	74,671	48,692	.....
Total	$50,947,320	$44,509,178	$44,884,291	$38,030,303	$35,629,563	$32,894,467
Liabilities—						
Common stock	$14,600,000	$9,574,061	$9,574,061	$8,529,662	$8,279,662	$8,279,662
Preferred stock	7,300,000	6,713,089	5,965,670	5,653,802	4,860,396	4,289,828
Pfd. stock of subsidiary	.....	37,000	.....	.....	.....	.....
Funded debt—M. W. P. P. S. Co.	20,674,000	20,680,000	20,819,238	15,232,110	14,547,000	15,355,400
Funded debt—Sub. cos.	2,886,400	2,900,900	2,910,223	2,909,577	2,914,900	
Notes payable	459,920	299,632	380,360	$788,450	519,530	1,070,000
Accounts payable				239,773	333,043	274,970
Matured interest on funded debt, contra	.....	.....	.....	29,818	34,946	21,674
Matured funded debt	.....	.....	.....	1,024	.....	.....
Pfd. dividends payable	117,499	114,186	98,675	95,867	79,980	68,088
Accrued interest	442,540	450,814	450,739	336,336	322,125	337,223
Accrued taxes	753,711	469,130	413,985	304,053	290,127	261,036
Deferred payments on construction, etc.	.....	.....	.....	.....	.....	160,594
Consumers' deposits	357,371	256,76	239,945	153,434	188,538	196,921
Deferred liabilities	55,836	73,063	30,644	88,272	157,847	.....
Due affiliated companies	98,831	89,545	102,424	372,478	187,751	.....
Unclassified credits	.....	.....	.....	.....	.....	21,812
Deferred credits	31,108	21,712	22,114	17,773	14,527	15,099
Reserve for depreciation, etc.	2,766,239	2,584,106	2,970,699	2,441,231	1,964,905	1,378,904
Pfd. stock subscription	.....	.....	.....	.....	.....	22,450
Surplus invested in fixed capital	42,786	33,435	.....	.....	.....	.....
Surplus	361,079	211,744	905,514	836,643	934,286	1,140,806
Total	$50,947,320	$44,509,178	$44,884,291	$38,030,303	$35,629,563	$32,894,467

CONSOLIDATED STATEMENT OF WORKING CAPITAL DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash in banks and on hand	$523,349	$624,476	$651,025	$271,130	$433,518	$235,598
Cash with agents	.....	.....	.....	.....	.....	3,427
Cash deposits for bond interest and dividends	.....	.....	56,549	30,842	34,946	250,438
Accounts and notes receivable—less reserves	786,576	650,310	646,158	516,545	365,218	420,938
Materials and supplies	494,379	373,384	456,439	390,873	412,849	268,398
Due on Pfd. stock subscription	.....	.....	.....	68,229	194,661	.....
Total	$1,804,304	$1,648,170	$1,810,171	$1,277,619	$1,441,192	$1,178,799
Current Liabilities—						
Notes payable	$459,920	$299,632	$380,360	$788,450	$519,530	$1,070,000
Accounts payable				239,773	333,043	274,970
Matured interest on funded debt, contra	.....	.....	.....	29,818	34,946	21,674
Matured funded debt	.....	.....	.....	1,024	.....	.....
Pfd. dividends payable	117,499	113,107	98,675	95,867	79,980	64,245
Pfd. dividend payable—subsidiary	.....	1,079	.....	.....	.....	.....
Unclaimed dividends, contra	.....	.....	.....	.....	.....	3,843
Accrued interest	442,540	450,814	450,739	336,336	322,125	337,223
Accrued taxes	753,711	469,130	413,985	304,053	290,127	261,036
Total	$1,773,670	$1,333,762	$1,343,759	$1,795,321	$1,579,751	$2,032,991
Net Working Capital	$30,634	$314,408	$466,412	*$517,702	*$138,559	*$854,192

*Debit.

Officers: W. S. Finlay, Jr., Chrm. of Bd., Pittsburgh, Pa.; G. M. Alexander, Pres., Fairmont, W. Va.; R. B. Keating, V-P.; H. R. Lynn, Treas., Pittsburgh; S. E. Miller, Sec. & Asst. Treas.; E. B. Smith, Asst. Treas.; B. J. Wilson, Asst. Sec. & Asst. Treas.; R. T. Cunningham, Asst. Sec., Fairmont, W. Va.; G. E. Murrie, Asst. Sec., Pittsburgh; W. K. Dunbar, Asst. Sec. & Asst. Treas., New York.

Directors: G. M. Alexander, V. L. Highland, Fairmont, W. Va.; P. S. Thompson, Philip L. Ross, W. R. Voorhis, H. Hobart Porter, New York City; G. E. Murrie, R. B. Keating, W. S. Finlay, Jr., A. V. Bennett, W. H. Swinney, Pittsburgh, Pa.

General Office, Watson Bldg., Fairmont, W. Va.

KANAWHA TRACTION & ELECTRIC COMPANY

(Controlled by Monongahela West Penn Public Service Company)

History—Incorporated June 11, 1915, in W. Va. Further details of "History" given on page 1215 of the 1922 Manual. On June 30, 1917, control of Company was acquired by the Monongahela Valley Traction Co. (now Monongahela West Penn Public Service Co.) through an exchange of stock, par for par, which company now owns the entire outstanding capital stock and leases and operates the property.

Property and Equipment—The physical property owned by the Kanawha Traction & Electric Co. as of Dec. 31, 1927, included 57.73 miles of track (single track mileage), standard gauge; 25 motor passenger cars, 13 express and freight cars, 1 electric locomotive and 10 other cars; the Parkersburg Power station having an installed generating capacity of 10,000 k.w.; 14 substations having a transformer capacity of 7,968 k.w.; 41.61 miles of high tension transmission lines, exclusive of low tension distribution lines in cities and towns.

CAPITAL STOCK

Authorized, $1,500,000 Common and $1,500,000 6% cumulative Pfd.; outstanding, $1,100,000 Common and $1,078,500 Pfd.; par, $25. The entire outstanding stocks owned by Monongahela West Penn Public Service Co. and pledged under its First Lien and Refunding Mortgage.

Transfer Agent—Mercantile Trust & Deposit Co., Baltimore, Md.

Registrar—Fidelity Trust Co., Baltimore, Md.

Annual Meeting—Third Thursday in September.

FUNDED DEBT

(1)

$144,500 PARKERSBURG GAS, ELECTRIC LIGHT & STREET RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1938

Dated March 1, 1898.

Interest Payable March and September 1, at Mercantile Trust & Deposit Co., Baltimore, Md.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—Mercantile Trust & Deposit Co., Baltimore, Md.

Provisions of Issue—Authorized and issued, $150,000 of which $5,500 retired.

Callability—Subject to call at 100 and interest.

Security—A first lien on property of former Parkersburg Gas, Electric Light & St. Ry. Co. Underlie the Parkersburg-Marietta & Inter-Urban Ry. Co. Consolidated 5s and the Kanawha Traction & Electric Co. First & Refunding Mortgage, which latter provides for retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$540,000 PARKERSBURG, MARIETTA & INTER-URBAN RAILWAY CO. CONSOLIDATED MORTGAGE 5s; DUE APRIL 1, 1942

Dated April 1, 1902.

Interest Payable April and October 1, at Union Trust & Deposit Co., Parkersburg, W. Va.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—George F. Frederick and Benjamin T. Neal, Parkersburg, W. Va.

Provisions of Issue—Authorized, $1,000,000; outstanding, $540,000; mortgage closed.

Callability—Subject to call at 100 and interest.

Security—Secured on property of former Parkersburg-Marietta & Inter-Urban Ry. Co., subject to the Parkersburg Gas, Electric Light & St. Ry. Co. First 5s. Underlie the Kanawha Traction & Electric Co. First & Refunding Mortgage, which provides for retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$10,000 PARKERSBURG & INTERURBAN RAILWAY CO. FIRST MORTGAGE 5s; DUE AUGUST 1, 1941

Dated Aug. 1, 1901.

Interest Payable February and August 1, at Union Trust & Deposit Co., Parkersburg, W. Va., Registrar. Coupon, $1,000; principal may be registered. Authorized, $500,000; originally issued, $200,000, of which $190,000 cancelled. Subject to call at par and interest. Underlie the Kanawha Traction & Electric Co. First & Refunding Mortgage, which provides for retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$1,649,900 KANAWHA TRACTION & ELECTRIC COMPANY FIRST AND REFUNDING MORTGAGE GOLD 5s, SERIES "A," DUE AUGUST 1, 1936

Dated August 1, 1916.

Interest Payable February and August 1, at Union Trust & Deposit Co., Parkersburg, W. Va., or Fidelity Trust Co., Baltimore, Md.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Fidelity Trust Co., and Van Lear Black, Baltimore, Md.

Provisions of Issue—Authorized issue, $5,000,000. of which $2,000,000 are Series "A" and $3,000,000 Series "B". Of the Series "A" bonds, $1,700,000 were issued in April, 1917, to retire $1,100,000 2-year 5% Notes, due June 15, 1917, and $150,000 Marietta Electric Co. bonds, paid April 1, 1917, and for extensions and improvements to property. Provision is also made for refunding $150,000 bonds of the Parkersburg Gas, Electric Light & Street Ry. Co. at or before maturity $10,000 bonds of Parkersburg & Interurban Ry., and $540,000 Parkersburg-Marietta & Interurban Ry. Co. Consolidated 5s, maturing in 1942. In addition to the outstanding bonds, $50,100 Series "A" and $673,300 7% Series "B" bonds are owned by Monongahela West Penn Public Service Co., the Series "B" bonds being pledged under its First Lien & Refunding Mortgage.

Callability—Subject to call at 105 and interest on any interest date.

Security—A first lien on power plant and all other property of Company subject to the aforementioned underlying liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: G. M. Alexander, Pres.; C. H. Hardesty, V-P.; Fairmont, W. Va.; H. R. Lynn, Treas., Pittsburgh; S. E. Miller, Sec. & Asst. Treas.; E. B. Smith, Asst. Treas.; R. T. Cunningham, Asst. Sec., Fairmont, W. Va.; G. E. Murrie, Asst. Sec., Pittsburgh.

Directors: W. S. Finlay, Jr., H. L. Mitchell, R. B. Keating, H. R. Lynn, Pittsburgh; Thomas Logan, Parkersburg, W. Va.; G. M. Alexander, C. H. Hardesty, Fairmont, W. Va.

General Office, Watson Bldg., Fairmont, W. Va.

MARIETTA AND PARKERSBURG BRIDGE COMPANY

(Controlled by Kanawha Traction & Electric Company)

History and Property—Incorporated Feb. 7, 1918, in W. Va. On July 1, 1919, purchased the property of the Ohio River Bridge & Ferry Co., owning and operating a toll bridge over the Ohio River between Marietta, Ohio and Williamstown, W. Va., (see 1919 Public Utility Manual, page 1509 or apply to our Informa-

tion Department). and the Parkersburg & South Side Bridge Co., owning a bridge across the Little Kanawha River at Parkersburg, W. Va.

CAPITAL STOCK

Authorized, $250,000 Common; outstanding, $245,500; par, $100. All owned by Kanawha Traction & Electric Co. Annual meeting, fourth Tuesday in February.

FUNDED DEBT

(1)

$350,000 OHIO RIVER BRIDGE & FERRY COMPANY FIRST GOLD 5s; DUE JANUARY 1, 1942

Dated January 1, 1902.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago, Ill., Trustee. Coupon, $1,000. Authorized, $400,000. Bonds are not subject to call before maturity. Secured by bridge structure itself and by franchises, rights and privileges granted to the Company by the United States Government and the States of Ohio and West Virginia.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$150,000 PARKERSBURG & SOUTH SIDE BRIDGE COMPANY FIRST GOLD 6s; DUE JUNE 1, 1937

Dated June 1, 1907.

Interest Payable June and December 1, at Union Trust & Deposit Co., Parkersburg, W. Va., Trustee. Coupon, $1,000. Authorized, $180,000. Bonds are subject to call on thirty days' notice on any interest date at 103 and interest. Secured by bridge structure itself and by the franchises, rights and privileges granted to the Company. Guaranteed by Kanawha Traction & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: G. M. Alexander, Pres.; C. H. Hardesty, V-P., Fairmont, W. Va.; R. B. Keating, V-P., Pittsburgh, Pa.; S. E. Miller, Sec. & Treas.; E. B. Smith, Asst. Sec. & Asst. Treas.; R. T. Cunningham, Asst. Sec., Fairmont, W. Va.

Directors: G. M. Alexander, C. H. Hardesty, Fairmont, W. Va.; R. B. Keating, W. S. Finlay, Jr., G. E. Murrie, Pittsburgh, Pa.

General Office, Watson Bldg., Fairmont, W. Va.

THE WEST MARYLAND POWER COMPANY

(Controlled by Monongahela West Penn Public Service Company)

History and Property—Incorporated July 27, 1922, in Maryland. Owns and operates electric lighting and power distribution system in Garrett County, Md., in and surrounding the towns of Oakland, Deer Park, Mountain Lake Park, Loch Lynn Heights, and Kitzmiller, Md.

CAPITAL STOCK

Authorized, $250,000 Common; outstanding, $50,000; par $100. All owned by Monongahela West Penn Public Service Co. Annual meeting, first Monday in June.

FUNDED DEBT

$34,000 5% Property Purchase Notes; dated July 1, 1922; due $1,000 annually. Authorized $39,000. Interest payable June and December 1.

Officers: G. M. Alexander Pres.; C. H. Hardesty, V-P., Fairmont, W. Va.; R. B. Keating, V-P., Pittsburgh, Pa.; S. E. Miller, Sec. & Treas.; E. B. Smith, Asst. Treas.; R. T. Cunningham, Asst. Sec., Fairmont, W. Va.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, Pittsburgh, Pa.; G. M. Alexander, C. H. Hardesty, Fairmont, W. Va.

General Office, Watson Bldg., Fairmont, W. Va.

MONONGAHELA SECURITIES COMPANY

(Controlled by Monongahela West Penn Public Service Company)

History—Incorporated Dec. 17, 1920, in West Virginia, for the purpose of holding lands, securities, etc. Owns outstanding stock of Monongahela Transport Company.

Formerly owned all of the Common stocks of Shinnston Power & Light Company and Weston Electric Light, Power & Water Company, but these companies were disposed of in 1927. For last published statements see 1927 Public Utility Manual, page 1628

CAPITAL STOCK

Authorized, $100,000 Common; outstanding $92,500 par, $100. All owned by Monongahela West Penn Public Service Co. Annual meeting, second Tuesday in February.

FUNDED DEBT

$8,000 Real Estate 6% Purchase Notes; dated May 1, 1923; due May 1, 1928. Authorized, $40,000. Interest payable annually, May 1.

Officers: G. M. Alexander, Pres.; C. H. Hardesty, V-P., Fairmont, W. Va.; R. B. Keating, V-P., Pittsburgh, Pa.; S. E. Miller, Sec. & Treas.; E. B. Smith, Asst. Treas.; R. T. Cunningham, Asst. Sec., Fairmont, W. Va.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, Pittsburgh, Pa.; G. M. Alexander, C. H. Hardesty, Fairmont, W. Va.

General Office, Watson Bldg., Fairmont, W. Va.

MONONGAHELA TRANSPORT COMPANY

(Controlled by Monongahela Securities Company)

History and Property—Incorporated March 18, 1924, in West Virginia. Operates a local city service in the cities of Morgantown, Fairmont, Clarksburg and Parkersburg, West Virginia, also inter-city trunk line service north and south between Fairmont, West Virginia, and Benton's Ferry, West Virginia, and from Fairmont through Morgantown, West Virginia, to Point Marion, Smithfield, Fairchance and Uniontown, Pennsylvania, and inter-city trunk line service between Morgantown, West Virginia through Kingwood and Terra Alta, West Virginia to Oakland and Mountain Lake Park, Maryland, totaling 143 miles of route. The Company operates fifty buses in this service.

CAPITAL STOCK

Authorized 4,000 shares Common of no par value; outstanding, 200 shares. All owned by Monongahela Securities Company. Annual meeting, first Tuesday in May.

Officers: G. M. Alexander, Pres.; C. H. Hardesty, V-P., Fairmont, W. Va.; R. B. Keating, V-P., Pittsburgh, Pa.; S. E. Miller, Sec. & Treas.; E. B. Smith, Asst. Treas.; R. T. Cunningham, Asst. Sec., Fairmont, W. Va.

Directors: G. M. Alexander, C. H. Hardesty, Fairmont, W. Va.; W. S. Finlay, Jr., R. B. Keating, H. L. Mitchell, Pittsburgh, Pa.

General Office, Watson Bldg., Fairmont, W. Va.

SPENCER WATER & ICE COMPANY

(Controlled by Monongahela West Penn Public Service Company)

History—Incorporated September 4, 1912, in West Virginia, Company owns and operates a power generating and distribution system, a water pumping and distribution plant and a plant for the manufac-

ure and distribution of ice in the town of Spencer and vicinity, Roane County, W. Va.

CAPITAL STOCK

Authorized, $250,000 outstanding, $220,000; par $100. All owned by Monongahela West Penn Public Service Co. Annual meeting, second Wednesday in September.

Officers: G. M. Alexander, Pres., S. E. Miller, Sec. & Treas.; E. B. Smith, Asst. Sec. & Asst. Treas., Fairmont, W. Va.

Directors: G. M. Alexander, S. E. Miller, C. H. Hardesty, L. A. Johnson, Fairmont, W. Va.

General Office, Watson Building, Fairmont, West Virginia.

STATE LINE NATURAL GAS COMPANY

(Controlled by Monongahela West Penn Public Service Company)

History—Incorporated October 9, 1896, in Pennsylvania. Company owns, controls and operates natural gas properties in Point Marion, Pa., and vicinity, comprising 1,477 acres on which are located 19 gas wells, and a gathering and transmission system of approximately 29.3 miles with the necessary distribution system to serve 480 consumers. It also controls approximately 235 acres of unoperated gas territory.

CAPITAL STOCK

Authorized and outstanding, $5,000 Common; par $50. All owned by Monongahela West Penn Public Service Co. Annual meeting, third Monday in September.

Officers: G. M. Alexander, Pres.; E. E. Beardsley, V-P.; S. E. Miller, Sec. & Treas.; E. B. Smith, Asst. Sec. & Asst. Treas., Fairmont, W. Va.

Directors: G. M. Alexander, S. E. Miller, E. E. Beardsley, I. F. Crow, B. W. Cordray, Fairmont, W. Va.

General Office, Watson Building, Fairmont, W. Va.

THE POTOMAC EDISON COMPANY

(Controlled by The West Penn Electric Company)

History—Organized Dec. 31, 1923, under the laws of Maryland as a consolidation of The Potomac Edison Co. (see 1923 Manual, page 2160) and The Potomac Public Service Co. (see 1923 Manual, page 2162) in accordance with the details of Reorganization outlined in the 1926 Public Utility Manual, page 2197. The new company acquired all the rights, privileges, powers and franchises, and all the estate and property, real, personal and mixed, and rights of action of each of the two constituent companies. The former, The Potomac Edison Co., was incorporated in Maryland Oct. 16, 1922, as the Williamsport Power Co. as successor to The Cumberland Edison Power Co., which latter Company acquired the properties of The Edison Electric Illuminating Co. of Cumberland and The Cumberland Electric Ry. Co. The Potomac Public Service Co. was successor on April 24, 1922, by change of name to the Hagerstown & Frederick Ry., which was a consolidation of several electric railways and electric lighting plants in the central and northern parts of Maryland.

Subsidiaries—Owns all of the $2,400,000 Common and $150,000 Preferred stock of Northern Virginia Power Co., all of the $2,044,000 outstanding Common stock of Potomac Light and Power Co., all of the $100,000 outstanding Common stock of The Blue Ridge Transportation Co., all of the $300,000 Common and $300,000 Preferred stock of The Chambersburg, Greencastle and Waynesboro Street Ry. Co., and all of the $834,000 outstanding Common stock of South Penn Power Co.; also controls through stock ownership the following miscellaneous subsidiary companies: Franklin Transmission Co., The Potomac Transmission Co., The Clearspring Electric Light and Power Co., Ridgeley Light and Power Co., Inc., Shepherdstown Light and Water Co., The Union Bridge Electric Manufacturing Co., The Hagerstown & Frederick Ry. Co. of Pa., and Braddock Heights Water Co. of Frederick County, Md.

Franklin Transmission Company—Incorporated October 2, 1924, in Pennsylvania. Owns a 66,000 volt transmission line in Franklin County, Pa., extending 23.7 miles from the Maryland-Pennsylvania State Line near State line, Pa., to a point near Green Village, Pa., where a connection is made with the Penn Central Light and Power Co. Capital stock: Authorized, $500,000 Common; outstanding, $271,000; par, $25. All owned by The Potomac Edison Co.

The Potomac Transmission Company—Incorporated July 29, 1923. Owns 26.6 miles of 66,000 volt transmission line connecting the generating station of The Potomac Edison Co. at Williamsport, Maryland, with other high tension transmission lines of The Potomac Edison Co. and its subsidiaries. Capital stock: Authorized, 10,000 shares Common of no par value; outstanding, 2,480 shares. All owned by The Potomac Edison Co.

The Clearspring Electric Light and Power Company—Incorporated October 14, 1919 in Maryland. Operates in the Borough of Clearspring, Washington County, Md. and adjacent territory, purchasing power from the Potomac Light and Power Co. Population of territory served is approximately 800. Capital stock: Authorized, $30,000; outstanding, $14,000; par $10. All owned by The Potomac Edison Co.

Ridgeley Light and Power Company, Inc.—Incorporated July 26, 1920, in West Virginia. Owns and operates distribution lines, purchasing electric current from The Potomac Edison Co. for light and power purposes to serve the town of Ridgeley, W. Va., and adjacent territory. The population served is in excess of 2,000. Capital stock: Authorized and outstanding, $25,000; par $25. All owned by The Potomac Edison Co.

The Hagerstown & Frederick Railway Company of Pennsylvania—Incorporated Dec. 2, 1914, in Pa. Owns an electric railway line of 4.7 miles extending from the Pennsylvania-Maryland state boundary line north of Hagerstown, Md., to Shady Grove, Pa. The line is leased to and operated by The Potomac Edison Co. Capital stock: Authorized and outstanding, $50,000; par $50. All owned by The Potomac Edison Co.

Braddock Heights Water Company of Frederick County, Maryland—Incorporated Jan. 15, 1906 in Maryland. Owns a water works plant supplying water to the town of Braddock Heights, Md. Serves 87 consumers. Capital stock: Authorized, $10,000; outstanding, $8,500; par $50. Of the outstanding stock, The Potomac Edison Company owns $6,750 par value. Funded Debt: $9,500 First Mortgage 6s, due Oct. 1, 1934; dated July 14, 1914; interest payable A & O 1, at Central Trust Co. of Maryland, Frederick, Md., Trustee. Coupon, $500. Authorized, $12,000. Subject to call at 102½ and interest on any interest date on four weeks' notice. Company does not pay Normal Federal Income Tax.

Business—The Company and its subsidiaries own and operate an electric light and power system serving substantially all of western Maryland up to within 25 miles of Baltimore, northern Virginia, the northeastern portion of West Virginia and the adjacent territory in Pennsylvania. It also supplies artificial gas in Frederick, Md., and steam heat in Cumberland, and operates

and controls street and interurban railway lines in western Maryland and south central Pennsylvania and bus lines in portions of Maryland, Pennsylvania, Virginia, West Virginia and District of Columbia. One or more forms of public service are rendered in 240 communities having a total population of about 240,000.

Properties—The electric system of the Company and its subsidiary companies includes 4 steam generating stations with a total capacity of 70,900 k.w., and 4 hydro-electric stations with a capacity of 5,080 k.w., all of the latter stations being located on the Potomac River and its tributaries. The principal steam generating station, located at Williamsport, Maryland, is designed for an ultimate capacity of 180,000 k.w., with a present installed capacity of 45,000 k.w. Other steam generating stations of the system are located at Security and Cumberland, Maryland, and Millville, West Virginia, and are interconnected by 66,000 and 33,000 volt transmission lines. The system also includes 66 substations with a transformer capacity of 61,085 k.w., of which 52 having a capacity of 45,285 k.w., are owned by the Company; and 512 miles of high tension transmission lines (86 miles of 66,000 volt construction and 426 miles of 33,000 volt construction). The Company and its subsidiaries serve 38,562 electric light and power consumers. The franchises under which the Company operates, with a few unimportant exceptions, are unlimited or extend over a period of many years.

The gas plant at Frederick, Md., has an aggregate daily generating capacity of 1,050,000 cu. ft., and serves 1,973 consumers.

The railway system of the Company and its subsidiaries includes city lines in Cumberland, Hagerstown and Frederick, Md., and interurban service in western Maryland and the south central portion of Pennsylvania. The property operated includes a total of 137.06 miles of street and interurban lines, single track mileage, (105.52 miles of 4 ft. 8½ in. gauge and 31.54 miles of 5 ft. 2½ in. gauge), and 68 passenger cars, 46 freight cars and 15 work cars.

The bus lines operated by the Company and its subsidiaries include city bus service in Cumberland and Hagerstown, Md., and taxi service in Frederick, Md., and various trunk lines and branch lines in the territory served; total route miles, 651.6. The equipment operated includes 62 buses. Garages are owned or leased in Hagerstown, Frederick, Cumberland and Baltimore, Md. The Company and its subsidiaries have permits and certificates of convenience to operate over specified routes in Maryland, Pennsylvania, Virginia and West Virginia.

CAPITAL STOCK

Authorized, 150,000 shares Common of no par value; $3,000,000 7% cumulative Pfd. and $4,500,000 6% cumulative Pfd., par, $100; outstanding, 120,000 shares Common, $3,000,000 7% Pfd. and $3,427,700 6% Pfd. The West Penn Electric Company owns all the Common.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends; is subject to redemption as a whole or in part on any dividend date on 30 days' notice at 115 and accrued dividends for the 7% Pfd. and at 110 and accrued dividends for the 6% Pfd. No additional Pfd. stock may be issued by the Company except when consolidated surplus net earnings available for dividends for a period of twelve consecutive calendar months in the fifteen calendar months preceding, are equal to at least twice the dividend requirements of the stock then outstanding and to be issued.

Transfer Agent (Pfd.) Central Trust Co. of Maryland, Frederick, Md.

Registrars—United States Mortgage & Trust Co., New York (6% only) and Farmers & Mechanics National Bank, Frederick, Md.

Annual Meeting—First Tuesday in March.

Preferred Stock Offering—$2,650,000 additional 6% Preferred stock was publicly offered in October, 1927 at par, $100 and dividend by W. C. Langley & Co. and Bonbright & Co., Inc., New York, etc.

Dividends—Dividends regularly paid on both the 6% nad 7% Pfd. stocks quarterly, F, M, A & N 1.

FUNDED DEBT

(1)

$174,000 FREDERICK GAS & ELECTRIC CO. FIRST MORTGAGE 5% GOLD BONDS; DUE JULY 1, 1929

Dated July 1, 1904.

Interest Payable Jan. and July 1, at Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon $500 and $1,000; principal may be registered. Authorized, $200,000, (mortgage closed). Not subject to call. A sufficient amount of The Potomac Public Service Co. First Mortgage (formerly First and Refunding) bonds are reserved to retire these bonds. A first lien on property of former Frederick Gas & Electric Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$50,000 FROSTBURG ILLUMINATING & MFG. CO. FIRST MORTGAGE 5% GOLD BONDS; DUE JULY 1, 1929

Dated July 1, 1899.

Interest Payable Jan. and July 1, at First National Bank, Frostburg, Md. Daniel Annan and B. A. Richmond, Trustees. Mortgage closed. Authorized and outstanding, $50,000. Not subject to call. A sufficient amount of The Potomac Public Service Co. First Mortgage (formerly First & Refunding) bonds reserved to retire these bonds. Company does not pay Normal Federal Income Tax.

(3)

$1,000,000 THE POTOMAC EDISON CO. FIRST MORTGAGE AND REFUNDING GOLD 6s, SERIES "C"; DUE MAY 1, 1949

$2,250,000 THE POTOMAC EDISON CO. FIRST MORTGAGE AND REFUNDING GOLD 5½s, SERIES "D"; DUE MAY 1, 1949

$12,040,000 FIRST MORTGAGE GOLD BONDS, SERIES "E" 5% DUE NOVEMBER 1, 1956

Dated May 1, 1923.

Interest Payable May and November 1, at American Water Works and Electric Company, Incorporated New York, and Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $100 (Series "C" and "D" only), $500 and $1,000; principal may be registered. Series "E" bonds are fully registerable in denominations of $1,000.

Trustee and Registrar—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Issued $3,900,000 Series "A" 6½s, $2,000,000 Series "B" 6½s, $1,000,000 Series "C" 6s, $2,250,000 Series "D" 5½s and $12,040,000 (including $790,000 issued March 31, 1928) Series "E" 5s. All of Series "A" and Series "B" were called for redemption at 105 on Dec. 15, 1926.

Additional bonds in Series and bearing such rates of interest as the board of directors may determine may be issued for not exceeding 80% of the cost or fair value, whichever is less, of permanent improvements, additions or extensions to the property of the company, provided net earnings for twelve consecutive months, within the fifteen months immediately preceding the date of issue shall have been equal to at least twice the annual interest on all bonds outstanding including those to be issued, or 12% of such bonds, whichever is less. Additional bonds may also be issued, par for par, for the refunding of bonds of other series, or for the refunding of divisional bonds, if any outstanding on properties hereafter acquired. In the event of a merger or consolidation of this company with the Potomac Public Service Co., or the acquisition of one company of the property of the other, additional bonds may be issued under conservative restrictions.

The mortgage contains provisions permitting the modification or alteration thereof or of any supple-

ntal indenture with the assent of the Company and the holders of not less than 75% in aggregate prin- al amount of the outstanding bonds, not including y bonds owned by the Company, provided, amongst ner conditions, that any such modification or altera- n shall not permit (a) the extension of the maturity any bond or the reduction in the rate of interest ereon or any other modification in the terms of pay- nt of such interest without the consent of the hold- of such bond, or, (b) the creation by the Company any mortgage lien ranking prior to or on a parity th the lien of this first mortgage with respect to any the property covered thereby.

Callability—Subject to call as a whole or in part, at y time on four weeks' notice, Series "C" and Series)" at 105 and interest to May 1, 1939; thereafter at 2½ to May 1, 1944; and at par thereafter to matur- ; and Series "E" at 105 and interest to and includ- g Nov. 1, 1951; and at par thereafter to maturity.

Maintenance and Depreciation Fund—The mort- ge provides that the Company shall expend or re- rve annually for maintenance and depreciation an nount which shall not be less than 15% of all its oss operating revenue.

Security—These bonds are secured by a direct first ortgage on all of the physical properties of the Com- ny, subject to only $229,000 mortgage bonds due ly 1, 1929, on a small division of the property. As rther security all of the capital securities of its prin- pal Virginia and West Virginia subsidiaries are pledged under this mortgage except $217,800 par value of Preferred stock; none of these subsidiary companies has any funded debt nor can any be created except for pledge under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax, the Maryland Security tax, not exceeding 4½ mills; the District of Columbia Personal Property taxes, not exceeding four mills per dollar per annum and the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum, refunded.

Original Offerings—First publicly offered ($3,900,000 Series "A" 6½s) in May, 1923, at 97 and interest to yield 6.75%, by E. H. Rollins & Sons, Halsey, Stuart & Co., Inc., Hambleton & Co., W. A. Harriman & Co., Inc., and Dominick & Dominick, New York, etc.; $2,000,000 Series "B" 6½s offered in Jan., 1924, at 97 and interest, yielding about 6¾%, and $1,000,000 Series "C" 6s offered in June, 1924, at 95 and interest, yielding about 6.40%, by the same bankers. $2,250,000 Series "D" 5½s were publicly offered in Dec., 1925, at 96 and interest, yielding over 5.80%, by Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York, etc. $11,250,000 Series "E" 5s were publicly offered in November, 1926, at 97 and interest, by Halsey, Stuart & Co., Inc. and W. C. Langley & Co., New York, etc. (4)

$220,000 THE HAGERSTOWN & FREDERICK RY. CO. 15-YEAR 5% COUPON NOTES; DUE SEPTEMBER 1, 1932

Reacquired and cancelled March 31, 1928.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Potomac Edison Co. and Subsidiaries)

	1927	1926	1925	1924	1923	1922
ross earnings	$4,835,468	$4,465,125	$4,037,700	$3,621,845	$3,630,199	$3,172,566
perating expenses, maintenance and taxes (exclud- ing depreciation)	2,712,999	2,481,998	2,216,725	1,908,154	1,997,419	1,814,864
Net earnings	$2,122,469	$1,983,127	$1,820,975	$1,713,691	$1,652,780	$1,357,702
iterest on funded debt	$957,573	$957,879	$880,308	$1,028,669	$802,571	$717,051
iterest on floating debt		14,251	36,838			
mortization of discount		72,437	66,425			
ivds. accrued on Pfd. stock of Pot. Lt. & Power Co. in hands of public	13,068	13,068	13,068			
Total deductions	$970,641	$1,057,635	$996,639	$1,028,669	$802,571	$717,051
Balance	$1,151,828	$925,492	$824,336	$685,022	$850,209	$640,651
Depreciation	304,957	275,378	353,678	368,535	349,010	334,139
Net income	$846,871	$650,114	$470,658	$316,487	$501,199	$306,512
Times Fixed Charges Earned	1.89	1.87	1.82	1.31	1.62	1.43

*After depreciation.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(The Potomac Edison Co. and Subsidiaries)

	1927	1926	1925	1924	1923
Assets—					
lant and property	$25,051,206	$21,855,372	$20,946,499	$19,870,258	$18,004,488
Other investments	.....	29,676	42,546	79,555	47,727
Material and supplies	389,786	472,397	489,301	529,657	508,345
ash	925,159	909,311	1,072,978	293,740	713,372
otes and accounts receivable	554,202	517,109	490,099	499,114	
Due from subscribers to Pfd. stock	42,888	.....	.....	.....	.....
Due from affiliated cos.	608,475	.....	.....	.....	.....
Deferred charges	3,105,701	3,056,093	1,588,381	1,432,180	1,174,658
Total	$30,677,417	$26,839,958	$24,629,803	$23,204,504	$20,448,590
Liabilities—					
Common stock	$3,625,450	$2,275,450	$2,275,450	$2,275,450	$2,275,450
Preferred stock:					
The Potomac Edison Co. 7%	2,964,400	2,921,800	2,382,650	2,389,050	1,985,400
The Potomac Edison Co. 6%	3,378,900	.....	.....	.....	.....
Potomac Light & Power Co.	217,800	217,800	217,800	217,800	217,800
Capital stock subscribed	84,400	.....	.....	.....	.....
Funded debt	15,951,900	15,961,900	15,809,100	14,102,600	12,269,100
Loans & accounts payable	250,068	1,650,992	472,276	1,063,836	886,545
Due to affiliated cos.	16,316	.....	.....	.....	.....
Consumers' deposits, etc.	61,713	52,381	44,790	35,150	25,529
Accrued interest, taxes, etc.	354,549	350,745	369,474	351,919	288,773
Reserves	2,694,724	2,509,647	2,380,194	2,160,684	1,996,785
Surplus	1,077,197	899,243	678,070	608,015	503,208
Total	$30,677,417	$26,839,958	$24,629,803	$23,204,504	$20,448,590

Officers: E. L. Coblentz, Chrm. of Board, Frederick, Md.; M. F. Riley, Pres.; Henry Holzapfel, Jr., V-P.; C. M. Harris, V-P.; R. Paul Smith, V-P., Hagerstown, Md.; W. R. Voorhis, V-P., New York; P. W. T. Loy, Sec., Hagerstown, Md.; R. E. Town, Treas. & Asst. Sec.; B. A. Winebrener, Asst. Treas., Frederick, Md.; W. K. Dunbar, Asst. Sec.; E. S. Thompson, Asst. Treas., New York.

Directors: William P. Lane, Walter D. Wilson, D. Ramacciotti, Victor M. Cushwa, C. M. Harris, M. F. Riley, H. E. Bester, J. C. Byron, M. P. Moller, Alexander Armstrong, Henry Holzapfel, Jr., Clarence M.

Stickell, R. J. Funkhouser, John B. Kieffer, P. W. T. Loy, R. Paul Smith, Hagerstown, Md.; Emory L. Coblentz, Thomas H. Haller, Charles Wertheimer, G. Mantz Besant, Guy K. Motter, Grayson H. Staley, E. Charles Renn, Richard P. Ross, Calvin E. Schildknecht, Thomas B. Hayward, R. E. Delaplaine, D. C. Winebrener 3rd, R. E. Town, Frederick, Md.; W. R. Voorhis, P. L. Ross, New York; W. S. Finlay, Jr., Pittsburgh, Pa.; H. S. Bomberger, Boonsboro, Md.; Cyrus F. Flook, Myersville, Md.; Charles C. Biser, Charles M. Shank, Middletown, Md.; Henry Shriver, W. R. Brewer, Thomas B. Finan, Cumberland, Md.; Abraham Hemp, Jefferson, Md.

General Office, Frederick, Md.

THE BLUE RIDGE TRANSPORTATION COMPANY

(Controlled by The Potomac Edison Company)

History and Property—Incorporated August 3, 1923, in Maryland. Controls through stock ownership Blue Ridge Transportation Co. of Pa. and Blue Ridge Transportation Co. of W. Va. The system includes motor bus service covering all of the section of Maryland west of Baltimore and extending into northern Virginia, eastern West Virginia, south central and southwestern Pennsylvania and District of Columbia. The operations include taxi service in Frederick, Md.; trunk line service from Uniontown, Pa., to Frostburg, Md., and from Cumberland, Md., through Hagerstown and Frederick to Baltimore, Md., and Washington, D. C.; from Winchester, Va., through Martinsburg, W. Va., to Hagerstown, Md.; from Charles Town, W. Va., through Martinsburg and Berkeley Springs, W. Va., to Hancock, Md.; also connecting and branch lines from Oakland, Md., to Keyser's Ridge, Md.; from Hagerstown, Md., to Mercersburg and Waynesboro, Pa.; from Frederick, Md., to Gettysburg, Pa.; from Frederick, Md., to Keymar and Westminster, Md.; from Winchester, Va., through Berryville, Va., and Charles Town and Harpers Ferry, W. Va., to Frederick, Md.; total route miles, 639.3. The Company operates 51 buses in this service.

CAPITAL STOCK

Authorized, $200,000; outstanding, $100,000; par $100. All owned by The Potomac Edison Company. Annual meeting, third Tuesday in January.

FUNDED DEBT

$200,000 THREE-YEAR GOLD DEBENTURE 6s; DUE JUNE 15, 1928

Dated June 15, 1925.

Interest Payable June and December 15, at United States Mortgage & Trust Co., New York, N. Y.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $1,000,000; outstanding, $200,000.

Callability—Subject to call as a whole or in part at any time on four weeks' notice at 102 and interest to and including June 15, 1926; thereafter at 101 and interest to and including June 15, 1927, and thereafter to maturity at 100 and interest.

Guaranty—Guaranteed principal and interest by The Potomac Edison Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Personal Property Tax not in excess of four mills, refundable.

OFFICERS AND DIRECTORS

Officers: Emory L. Coblentz, Chairman of Board, Frederick, Md.; M. F. Riley, Pres.; C. M. Harris, V-P.; Hagerstown, Md.; R. E. Town, Treas. & Asst. Sec.; B. A. Winebrener, Asst. Treas., Frederick, Md.; R. Paul Smith, Sec., Hagerstown, Md.

Directors: Emery L. Coblentz, M. F. Riley, Charles Wertheimer, R. E. Delaplaine, J. Cleveland Grice, H. L. Kneisley, Cyrus F. Flook, Hagerstown, Md.

General Office, Hagerstown, Md.

CHAMBERSBURG, GREENCASTLE & WAYNESBORO STREET RY.

(Controlled by The Potomac Edison Company)

History and Property—Incorporated June 17, 190 in Pa. Operates a railway extending from Chambersburg via Greencastle, Shady Grove, Zullinger, Waynesboro and Rouzerville to Pen Mar, Pa., and Blue Ridge Summit, Pa., a total of 31.5 miles. The extension from Chambersburg to Red Bridge Park is leased to the Chambersburg & Shippensburg Ry. Co., a non-affiliated company. Also controls through stock ownership and leases and operates the property of Blue Ridge Railway Company, the property of which consists of 1.6 miles of electric railway along the Maryland-Pennsylvania State boundary line near Pen Mar, Pa.

CAPITAL STOCK

Authorized and outstanding, $300,000 Common and $300,000 non-cumulatve Pfd.; par, $50. All owned by The Potomac Edison Company. Annual meeting, second Monday in January.

FUNDED DEBT

None.

All outstanding bonds have been surrendered and mortgages released.

Officers: Emory L. Coblentz, Chairman of Board, Frederick, Md.; M. F. Riley, Pres.; C. M. Harris, V-P.; R. Paul Smith, V-P., Hagerstown, Md.; W. L. Minnick, V-P.; D. N. Benedict, Sec.; H. W. Price, Asst. Sec. & Treas., Waynesboro, Pa.; R. E. Town, Treas. & Asst. Sec., Frederick, Md.

Directors: E. L. Coblentz, Frederick, Md.; M. F. Riley, Hagerstown, Md.; W. L. Minnick, J. J. Olle, D. M. Wertz, A. R. Warner, J. G. Benedict, M. T. Brown, I. J. Funk, S. G. Benedict, H. W. Price, Waynesboro, Pa.; J. A. Strite, Chambersburg, Pa.

Office, Waynesboro, Pa.

SOUTH PENN POWER COMPANY

(Controlled by The Potomac Edison Company)

History—Incorporated March 1, 1917, in Pennsylvania as Waynesboro Electric Co. (see 1927 Manual page 1622); present name adopted Feb. 1, 1928. On March 31, 1928, Company acquired all the assets and franchises of Fayetteville Electric Light and Power Co., Greene Township Electric Co., Hamilton Electric Co., The Hyndman Electric Light, Heat and Power Co., Londonderry Township Electric Co., Wellersburg Electric Co., Liberty Township Electric Co., Fairhope Township Electric Co., Southampton Township Electric Co., Bethel Township Fulton Electric Corp., West Franklin Township Adams Electric Corp., Wells Hamiltonban Township Adams Electric Corp., and part of the electric facilities of The Chambersburg, Greencastle and Waynesboro Street Ry. Co. Company owns a 33,000 volt transmission line, 39.4 miles in length, connecting with The Potomac Edison Co. and purchases power from that Company, furnishing electric light and power to Waynesboro, Marion, Rouzerville, Pen Mar, Blue Ridge Summit, Mont Alto, Hyndman and Wellersburg, Pennsylvania. The population served is approximately 23,700.

CAPITAL STOCK

Authorized, $1,000,000 Common; outstanding, $834,000; par $25. All owned by The Potomac Edison Co.

FUNDED DEBT

None.

Officers: E. L. Coblentz, Chairman of the Board, Frederick, Md.; M. F. Riley, Pres.; C. M. Harris, V-P.; R. Paul Smith, V-P., Hagerstown, Md.; W. L. Minnick, V-P; D. N. Benedict, Sec.; H. W. Price, Asst. Sec. & Asst. Treas., Waynesboro, Pa.; R. E. Town, Treas. & Asst. Sec., Frederick, Md.

Directors: M. F. Riley, Hagerstown, Md.; W. L. nnick, D. N. Benedict, J. J. Oller, D. M. Wertz, E. Sollenberger, J. G. Benedict, H. W. Price, aynesboro, Pa; J. A. Strite, Chambersburg, Pa.
General Office, Waynesboro, Pa.

NORTHERN VIRGINIA POWER COMPANY

(Controlled by The Potomac Edison Company)

History and Property—Incorporated in 1904, in Va., the Winchester & Washington City Ry. Co.; name anged as above on April 8, 1913. Owns steam plant d hydro-electric generating stations at Millville and eat Cacapon, W. Va., the total generating capacity which is 11,660 k.w. These three stations are internnected by high tension lines. The Company also ns 139.4 miles of 33,000-volt transmission lines and substations with a total transformer capacity of ,825 k.w.

Company supplies electric light and power in Winester, Berryville, Boyce, Stephens City and Riverı, Va.; Charles Town, Millville, Shenandoah Juncn, Hedgesville, Berkeley Springs and Great Cacapon, . Va., and Hancock, Md. The total population of the ritory served being in excess of 20,000.

CAPITAL STOCK

Authorized, $2,400,000 Common, and $500,000 7% mulative Pfd.; outstanding, $2,400,000 Common and 50,000 Pfd.; par, $100. All owned by The Potomac lison Company. Annual meeting, last Tuesday in nuary.

FUNDED DEBT

None.

Officers: Emory L. Coblentz, Chairman of Board, ederick, Md.; M. F. Riley, Pres.; C. M. Harris, P.; R. Paul Smith, V-P., Hagerstown, Md.; T. B. tton, V-P.; Shirley Carter, Sec. & Asst. Treas., Winester, Va.; R. E. Town, Treas. & Asst. Sec.; B. A. inebrener, Asst. Treas., Frederick, Md.
Directors: E. L. Coblentz, Frederick, Md.; M. F. iley, C. M. Harris, Hagerstown, Md.; R. Gray Wilms, T. B. Patton, Shirley Carter, D. Edgar Stultz, inchester, Va.; H. C. Warden, Berryville, Va.
General Office, Winchester, Va.

POTOMAC LIGHT AND POWER COMPANY

(Controlled by The Potomac Edison Company)

History and Property—Incorporated July 27, 1916, W. Va.; acquired all of the property formerly wned by the Martinsburg Power Company. Owns wo hydro-electric power stations on the Potomac iver, the total generating capacity of which is 2,120 w., and the electric distribution system in Martinsrg, W. Va. The Company also owns 97.2 miles of gh tension lines (34.8 miles of 66,000 volt and 62.4 iles of 33,000 volt construction). High tension line nnections are made with The Potomac Edison Comany line from Williamsport Power Station and with ie Northern Virginia Power Company line from Vinchester, Va., enabling the Potomac Light and ower Company to exchange power with these Comanies under reciprocal contracts. The population erved is in excess of 30,000.

CAPITAL STOCK

Authorized, $2,150,000 Common and $350,000 6% mulative Pfd.; outstanding, $2,044,000 Common and 350,000 Pfd.; par, $100. The Potomac Edison Company owns all the Common and $132,200 Pfd. Anual meeting, last Tuesday in January.

Preferred Stock Provisions—Has preference as to ssets and dividends and is redeemable as a whole or n part on any dividend date on 60 days' notice at 100 nd accrued dividends.

Dividends—Pfd. dividends regularly paid semi-anually Feb. and Aug. 1.

FUNDED DEBT

None.

Officers: Emory L. Coblentz, Chairman of Board, Frederick, Md.; M. F. Riley, Pres.; C. M. Harris, V-P.; R. Paul Smith, V-P.; Hagerstown, Md.; F. E. Wilson, Sec., Martinsburg, W. Va.; R. E. Town, Treas & Asst. Sec., Frederick, Md.; S. M. Myers, Asst. Treas., Martinsburg, W. Va.

Directors: E. L. Coblentz, Frederick, Md.; M. F. Riley, C. M. Harris, R. Paul Smith, Hagerstown, Md.; F. H. Jacobs, Bel Air, Md.; F. E. Wilson, S. N. Myers, Martinsburg, W. Va.

Office, Martinsburg, W. Va.

SHEPHERDSTOWN LIGHT AND WATER COMPANY

(Controlled by The Potomac Edison Company)

History—Incorporated May 13, 1916, in West Virginia. The Company owns and operates distribution lines, purchasing electric current from Potomac Light and Power Company for light and power purposes in and around Shepherdstown, W. Va. The population of the territory served is 1,500. The Company also owns a water works system in the town of Shepherdstown, W. Va.

CAPITAL STOCK

Authorized, $20,000 Common and $20,000 7% cumulative Pfd.; outstanding, $13,750 Common and $14,050 Pfd.; par, $50. All owned by The Potomac Edison Co. Annual meeting, fourth Monday in January.

FUNDED DEBT

$17,000 First Mortgage Sinking Fund 6s; dated Aug. 1, 1916; due Aug. 1, 1946; interest Feb. and Aug. 1, at Baltimore Trust Co., Baltimore, Md., Trustee. Coupon, $500. Authorized, $20,000. Redeemable at 105 and interest upon any interest date on three weeks' notice. Sinking fund requires an annual deposit of $500 with Trustee. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Officers: M. F. Riley, Pres.; C. M. Harris, V-P.; R. Paul Smith, V-P.; Clarence Martin, Sec.; R. E. Town, Treas. & Asst. Sec.

Directors: E. L. Coblentz, M. F. Riley, C. M. Harris, Clarence Martin, R. Paul Smith.

General Office, Shepherdstown, W. Va.

THE UNION BRIDGE ELECTRIC MANUFACTURING COMPANY

(Controlled by The Potomac Edison Company)

History—Incorporated in Maryland, February 25, 1915. The Company owns a transmission line connecting with The Potomac Edison Company from which current is purchased for light and power purposes in Union Bridge, Kenmar, Taneytown, New Windsor and Uniontown, Maryland. The total length of the Company's transmission and distribution lines is 132 miles. Population served is estimated to exceed 3,500. No of customers, 964. Company also owns a small ice plant in Union Bridge, Md.

CAPITAL STOCK

Authorized. $25,000; outstanding, $24,780; par, $10. All owned by The Potomac Edison Co.. Annual meeting, third Saturday in January.

FUNDED DEBT

$21,000 First Mortgage 6s; dated June 1, 1919; due June 1, 1939; interest June and Dec. 1, at Maryland Surety and Trust Co., Hagerstown, Md., Trustee. Bonds in coupon form. Authorized and issued, $30,000 of which $9,000 are held by the Trustee. Not subject to call. A first lien on entire property.

Officers: M. F. Riley, Pres.; R. Paul Smith, V-P.; C. M. Harris, V-P.; R. E. Town, Sec. & Treas.

Directors: M. F. Riley, R. Paul Smith, C. M. Harris, R. E. Town, Emory L. Coblentz.

General Office, Union Bridge, Md.

WEST PENN POWER COMPANY

(Controlled by West Penn Electric Company)

History—Incorporated March 1, 1916, under laws of Pennsylvania, as a merger of 53 electric light and power companies. The Company was organized for the purpose of consolidating under single fee ownership the principal electric light and power properties within the State of Pennsylvania formerly owned by the West Penn Traction Co.—now West Penn Rys. Company.

On July 1, 1927, Company acquired all the physical property, rights and franchises of the following companies: Keystone Power Corp. (see 1927 Public Utility Manual, page 1617), operating in Cameron, Centre, Clinton, Elk, McKean and Potter Counties; Allegheny Valley Light Co. (see 1927 Public Utility Manual, page 1632), supplying a large industrial district in Allegheny and Westmoreland Counties adjacent to the City of Pittsburgh, and Home Electric Co., serving the Borough of Coudersport in Potter County. At the time of purchase, these companies were serving a total of 21,463 consumers of electric light and power, including a number of large industrial plants. To finance these acquisitions West Penn Power Co. issued $9,150,000 Common stock, applying $7,122,115 thereof to the retirement of bonds, debentures and Pfd. stocks of the merged companies outstanding in the hands of the public. West Penn Power Co. also issued in 1927 $345,000 6% cumulative Pfd. stock, being the remainder of an issue of $1,000,000 sold in the latter part of 1926.

In the enlarged territory now served by Company, 12,961 new consumers were connected during 1927 making a total at Dec. 31, 1927, of 141,533. A total generating capacity of 375,885 kilowatts is installed on the system to serve these consumers.

Subsidiaries—West Penn Power Co. owns all outstanding capital stock of Allegheny Pittsburgh Coal Co., Ohio County Fuel Co., West Penn Appliance Co. and West Virginia Power and Transmission Co., and controls, through the latter Company, West Penn West Virginia Power Co. The Company, jointly with The Ohio Power Co., owns all of the outstanding capital stock of Beech Bottom Power Co., Inc., and Windsor Power House Coal Co., which latter company owns all the capital stock of Windsor Coal Co.

Business—West Penn Power Co. conducts a light, heat and power business in its chartered territory in western and north-central Pennsylvania, which exceeds 7,800 square miles. Company serves approximately 555 cities, towns and communities, having a population estimated to exceed 765,000. The franchises under which the Company operates, with the exception of those in a few small towns from which the Company derives less than 3% of its gross earnings, are unlimited as to duration.

Property—The physical property as of Dec. 31, 1927, includes 11 electric generating stations with an aggregate installed capacity of 375,735 k.w.; 295 substations having a transformer capacity of 432,567 k.w., of which 242 substations with transformer capacity of 320,302 k.w. are owned by the Company; also 7 substations with transformer capacity of 185,000 k.w., feeding the 25,000 and 44,000 volt systems and 1,283.27 pole miles of high tension transmission lines (225.06 miles 132,000 volt construction and 1,058.21 miles 25,000, 33,000 and 44,000 volt construction), exclusive of low tension distribution lines in cities and towns. The principal stations owned are Springdale, 160,000 k.w., Connellsville, 55,500 k.w., Lake Lynn, 50,000 k.w., Ridgway, 15,000 k.w., and Windsor, 90,000 k.w. The latter contains six 30,000 k.w. units, three of which are the property of West Penn Power Co. and three the property of The Ohio Power Co., the entire plant being operated as a unit by Beech Bottom Power Co., Inc.

OPERATING STATISTICS, DECEMBER 31

	1927	192
Generating capacity in kilowatts	375,885	355,7
Transmission lines (25,000 volt):		
Pole miles	963.86	788.5
Circuit miles	1,323.29	1,121.2
Transmission lines (33,000 volt):		
Pole miles	11.25	
Circuit miles	11.25	
Transmission lines (44,000 volt):		
Pole miles	83.10	
Circuit miles	83.10	
Transmission lines (132,000 volt):		
*Pole miles	225.06	203.3
Circuit miles	396.68	375.1
Number of Consumers:		
Power	3,747	3,13
Municipal	1,285	1,0
Commercial	22,603	18,5
Domestic	113,898	85,2
Total	141,533	107,9
Connected load in kilowatts (incl. affiliated railway load)	461,178	411,9
Output in kilowatt hours:		
Generated	1,357,840,873	1,097,735,1
Purchased	9,917,398	9,858,2
Total	1,367,758,271	1,107,593,4

*175.12 miles on steel towers.

CAPITAL STOCK

Authorized, $35,000,000 Common, $25,000,000 7 cumulative Pfd., and $10,000,000 6% cumulative Pfc outstanding, $27,750,000 Common, $12,707,700 7% Pf and $6,000,000 6% Pfd.; par, $100. Of the outstandin Common, The West Penn Electric Company ows $15,750,000 and The West Penn Railways owns t remaining $12,000,000.

Preferred Stock Provisions—Pfd. stock has prefe ence for assets and dividends and is redeemable on a dividend date upon six months' notice, the 7% Pfd. 115 and accrued dividends and the 6% Pfd. at 110 a accrued dividends. No additional Pfd. stock may issued unless surplus earnings after payment of bon interest shall equal at least three times the annu dividend requirement on all Pfd. stock outstandin, including that proposed to be issued.

Transfer Agent (Pfd. Stock)—The New Yo Trust Co., New York, and The Union Trust Co., Pittsburgh.

Registrars (Pfd. Stock)—The Equitable Tru Trust Co. of New York and The Colonial Trust C Pittsburgh.

Annual Meeting—Second Wednesday in April.

Dividends—Initial quarterly dividend of 1¾% 7% Pfd. paid Feb. 1, 1916, which rate since maintain to date; payments, F, M, A & N 1. Initial quarter dividend of 1½% on 6% Pfd. paid Feb. 1, 1926, whi rate since maintained to date; payments, F, M, A N 1. On Common, dividends have been paid as fo lows: 2½% each, Oct. and Dec. 31, 1923, and March and June 28, 1924; 2% June 30, 1924; 2½% Sept. 3, 1924; 5% Dec. 31, 1924; and 4% quarterly thereafte payments on last days of M, J, S & D.

FUNDED DEBT

(1)

$8,500,000 FIRST MORTGAGE BONDS, SERIES "A" 5s; DU MARCH 1, 1946

$12,500,000 FIRST MORTGAGE BONDS, SERIES "E" 5s; DU MARCH 1, 1963

$7,500,000 FIRST MORTGAGE BONDS, SERIES "F" 5½s; DU OCTOBER 1, 1953

$18,500,000 FIRST MORTGAGE GOLD BONDS SERIES "G" 5 DUE JUNE 1, 1956

Dated March 1, 1916.

Interest Payable March and September 1 on Seri "A" and "E," April and October 1 on Series "F," an June and December 1 on Series "G," at America Water Works & Electric Co., Inc., New York, or Co tinental National Bank & Trust Co., Chicago.

Denominations—Coupon, $1,000 (Series "E," "F & "G" also $100 and $500); principal may be regi

tered; coupon bonds may be exchanged for fully registered bonds in denomination of $1,000 or authorized multiples thereof; interchangeable.

Trustee—The Equitable Trust Co., New York.

Provisions of Issue—The authorized amount of mortgage is limited by restrictions by Trust Deed and is at present $150,000,000. Issued, $8,500,000 Series "A" 5s, $2,223,000 Series "B" 6s, $5,593,000 Series "C" 6s, $6,000,000 Series "D" 7s, $12,500,000 Series "E" 5s, $7,500,000 Series "F" 7s, and $18,500,000 Series "G" 5s. The $2,223,000 Series "B" 6s, the $5,593,000 Series "C" 6s, and $6,000,000 Series "D" 7s have been retired, leaving outstanding $47,000,000, consisting of the series and amounts shown above.

$6,000,000 of the Series "B" bonds were used to reimburse company for expenditures made in the extension and enlargements of its facilities, including the completion of 60,000 k. w. of additional generating capacity at Windsor, West Va., and initial expenditures for 70,000 k.w. of additional generating capacity at Springdale, Pa.; also for transmission lines, substations and extensions of the company's distribution system and the remaining $6,500,000 were issued to retire the $5,593,000 Series "C" 6s, for extensions and improvements and for other corporate purposes. The proceeds from the sale of Series "F" bonds were used to reimburse company for expenditures made and to be made in the extension and enlargement of its facilities, including the completion of 70,000 k. w. of additional generating capacity at its Springdale power station, and for extensions and improvements to its transmission and distribution systems. The proceeds of $18,500,000 Series "G" 5s were used to provide funds for retirement of $6,000,000 Series "D" 7s, to partially reimburse Company for funds expended in purchase of the Connellsville Power Station, and for permanent improvements, extensions or additions or new or additional property, made and to be made or acquired, and for other corporate purposes.

Additional bonds may be issued in compliance with the terms of the mortgage, at par, to the extent of 75% of the cost of permanent improvements, additions or extensions to its property, and then only provided net earnings for twelve consecutive months, within the fifteen months immediately preceding shall have been not less than twice the annual interest on all outstanding First Mortgage bonds (and prior liens, if any) and the First Mortgage bonds proposed to be issued. Additional bonds also may be issued against cash deposited with the Trustee and par for par in substitution for bonds of any other series or upon satisfaction of prior liens.

Callability—All series are subject to call in whole or in part upon four weeks' notice as follows:

Series "A" at 105 and interest on any interest date.

Series "E," at 105 and interest on and after March 1, 1943 to and including March 1, 1948; thereafter to and including March 1, 1958 at 102½ and interest; and thereafter to maturity at 100 and interest.

Series "F," at 107½ and interest on or before October 1, 1928; thereafter and to and including Oct. 1, 1938, at 105; thereafter and to and including Oct. 1, 1948, at 102½; and thereafter to maturity at 100.

Series "G," on or before June 1, 1951, at 105; thereafter and on or before June 1, 1954, at 102; and thereafter to maturity at par.

Maintenance Fund—The Mortgage provides that the company shall at all times maintain the mortgaged property in thorough operating condition and that it shall expend annually for this purpose sums which shall equal not less than 2½% of the average aggregate principal amount of First Mortgage bonds outstanding during the year.

Depreciation Reserve Fund—The mortgage further provides that, beginning with the calendar year, 1916, and so long as any of these bonds shall remain outstanding, the company shall annually credit to a depreciation reserve fund an amount equal to not less than 2% of the average aggregate principal amount of all First Mortgage bonds outstanding during the year. The sums so credited shall be in addition to the expenditures made by the company for repairs and renewals, and this fund must be expended by the company for additions, improvements or extensions to its property, against which no First Mortgage bonds may be issued.

Security—All series are secured equally by an absolute first mortgage on all the physical property, rights and franchises now owned by the company, or hereafter acquired.

Tax Provision—Company pays Normal Federal Income Tax up to 2%. Free of present Pennsylvania four mill tax.

Legal (All Series) for Savings Banks in Maine.

Original Offering—Series "E" first publicly offered ($6,000,000) in March, 1923, at 90 and interest, by Halsey, Stuart & Co., Inc., and W. A. Harriman & Co., Inc., New York, etc., and Union Trust Co. of Pittsburgh; an additional $6,500,000 Series "E" bonds were offered in April, 1925, by Halsey, Stuart & Co., Inc., W. A. Harriman & Co., Inc., W. C. Langley & Co., New York, etc., and The Union Trust Co. of Pittsburgh. Series "F," first publicly offered ($7,500,000) in December, 1923, at 95⅛ and interest, yielding about 5.85%, by Halsey, Stuart & Co., Inc., and W. A. Harriman & Co., Inc., New York, etc., and The Union Trust Co. of Pittsburgh.

Series "G" first publicly offered ($18,500,000) in July, 1926 at 100½ and interest by W. C. Langley & Co., Halsey, Stuart & Co., Inc., W. A. Harriman & Co., Inc., and Dominick & Dominick, New York, etc. and Union Trust Co. of Pittsburgh.

Listed (All Series)—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Series "A"—							
High	104⅝	103	100¼	96¾	95	96	92¾
Low	100⅛	99⅞	93¾	89⅜	88	87	70
Series "E"—							
High	106	103¼	100¼	96	89½	..	..
Low	100¼	99¾	93⅞	86¾	86½	..	..
Series "F"—							
High	106¾	106	106¼	102½	..	..	..
Low	104½	104	100½	98⅛	..	..	..
Series "G"—							
High	104½	101	..	..	..	..	..
Low	100	99⅞	..	..	..	..	..

(2)

$454,500 Contractual Obligation to the U. S. Govt.; original agreement dated Aug. 3, 1918, and supplemental agreement dated March 27, 1920; due serially $150,000 each March 31, 1928 and 1929, inclusive, and $154,500 Mar. 31, 1930; int. at rate of 5% per annum to and including Mar. 31, 1928 and thereafter at 6%. Authorized, $1,204,500; outstanding, $454,500. Secured by a second mortgage dated Sept. 10, 1918. Trustees: Secretary of War and his successors in office. This amount was advanced by the government during the war toward the cost of the Springdale power station together with transmission lines.

SECURITIES REDEEMED

All the outstanding Keystone Power Corp. Pfd. stock was called for payment on Aug. 1, 1927 at 105 and dividends at Union Trust Co., Pittsburgh, Pa.

All of the Keystone Power Corp. Ten-Year 7% Convertible Gold Debentures, due January 1, 1934 were called for redemption on June 10, 1927 at 105 and interest at Equitable Trust Co. of New York, Trustee.

All of the Keystone Power Corp. First Mortgage 6½% Gold bonds, Series "A" and First Mortgage 6% Gold bonds, Series "B", due March 1, 1952 were called for redemption on September 1, 1927 at 107½ and interest at Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia, Trustee.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(West Penn Power Co. and Subsidiary Cos.)

(Not comparable with figures for previous years shown below)

	1927	1926		1927	1926
Gross earnings	$19,345,337	$16,531,097	Deduct:		
Operating expenses, maintenance & taxes	9,451,789	8,160,216	Interest and amortization of discount	$2,756,034	$2,447,647
			Pfd. dividends of subsidiaries	54,308	.....
			Total deductions	$2,810,342	$2,447,647
			Balance	$7,083,206	$5,923,234
			Reserved for renewals and retirements	1,715,546	1,507,880
Gross income	$9,893,548	$8,370,881	Net income	$5,367,660	$4,415,354
*Times Fixed Charges Earned				2.96	2.80
*Earnings Per Share—					
Preferred				$28.69	$24.08

*After deducting reserve for renewals and retirements.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(West Penn Power Co. and Subsidiary Cos.)

	1926	1925	1924	1923	1922	1921
Gross earnings	$15,108,241	$13,555,326	$12,828,329	$11,978,606	$9,653,904	$8,928,323
Expenditures—						
Operating expenses	$7,169,064	$6,880,098	$7,056,674	$6,804,849	$5,512,144	$5,362,761
Taxes	893,600	705,450	674,175	603,550	465,400	360,611
Reserve for renewals, replacements & depletion	1,507,880	1,142,142	1,017,819	891,217	626,227	553,608
Total	$9,570,544	$8,727,690	$8,748,668	$8,299,616	$6,603,771	$6,276,980
Net earnings	5,537,697	4,827,636	4,079,661	3,678,990	3,050,133	2,651,344
Miscellaneous income	1,422,856	1,225,595	1,243,929	972,145	612,747	540,246
Gross income	$6,960,553	$6,053,231	$5,323,590	$4,651,135	$3,662,880	$3,191,590
Deductions—						
Interest on funded debt	$2,150,920	$2,046,007	$2,100,708	$1,737,426	$1,497,645	$1,282,380
Interest on floating debt	116,283	149,185	126,684	205,696	138,887	133,670
Amortization of discount	180,444	142,901	152,044	141,771	130,271	106,850
Total	$2,447,647	$2,338,093	$2,439,436	$2,084,893	$1,766,803	$1,522,895
Less—Interest charged to improvement accts.	.....	145,015	412,627	277,713	87,567	195,094
Balance	$2,447,647	$2,193,078	$2,026,809	$1,807,179	$1,679,236	$1,327,805
Rentals, etc.	97,552	187,876	182,324	182,966	182,966	186,009
Total deductions	$2,547,199	$2,380,954	$2,209,133	$1,990,145	$1,862,202	$1,513,814
Net income	$4,415,354	$3,672,277	$3,114,457	$2,660,990	$1,800,678	$1,677,776
Times Fixed Charges Earned	2.84	2.76	2.41	2.34	1.97	2.11
Earnings Per Share—						
Preferred	$24.04	$26.25	$25.47	$29.20	$30.00	$50.14

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(West Penn Power Co. and Subsidiary Cos.)

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$97,818,544	$85,336,707	$68,886,642	$65,177,105	$56,921,794	$44,477,697
Cash held by trustees, etc.	719	14,687	.....	169	4,459,253	64,167
Cash deposits for bond interest	.....	.....	.....	98,010	62,322	68,231
Cash in banks & on hand	1,503,021	1,752,805	1,243,358	1,663,919	2,161,147	481,792
Accounts and notes receivable	2,088,786	1,594,444	1,211,326	951,575	909,165	829,520
Materials and supplies	1,982,457	1,635,726	1,585,965	1,139,774	2,109,108	1,614,179
Due from affiliated companies	863,365	1,960,846	856,074	635,984	1,328,973	199,667
Due from subscribers to Pfd. stock of West Penn Power Co.	.....	345,000	26,889	245,450	773,431	316,418
Deferred charges	4,820,616	5,004,012	4,313,294	3,678,457	3,750,405	2,297,553
Unclassified charges	.....	.....	95,498	89,037	92,726	177,466
Commission and expense on sale of stock	333,104	385,473	284,582	202,500	225,000	.....
Total	$109,410,612	$98,029,700	$78,503,628	$73,881,980	$72,793,324	$50,526,690
Liabilities—						
Preferred stock	$18,707,700	$18,707,700	$14,756,900	$12,707,700	$10,139,000	$6,002,000
Common stock	27,750,000	18,600,000	14,100,000	14,100,000	14,100,000	10,900,000
Funded debt	47,000,000	47,000,000	34,500,000	33,593,000	35,800,000	23,606,500
Car trust notes	.....	.....	62,000	75,000	87,000	100,000
Contractual obligation to U. S. Government	454,500	604,500	754,500	904,500	1,054,500	1,204,500
Funded debt sub. cos.	120,000	240,000	1,662,400	1,836,000	2,011,700	.....
Purchase mortgages payable	.....	.....	.....	.....	.....	27,000
Notes payable	806,404	762,061	1,666,695	.....	105,000	120,000
Accounts payable				1,202,538	1,549,475	1,668,601
Matured interest on funded debt	.....	.....	.....	38,010	62,321	68,231
Matured funded debt	.....	.....	.....	60,000	.....	.....
Divd. declared Pfd. stock of W. P. P. Co.	312,385	307,210	276,327	214,466	159,338	105,035
Consumers' deposits	1,294,117	1,152,644	1,112,104	1,108,327	1,089,135	1,015,999
Accrued interest payable	641,540	618,370	719,351	632,291	636,570	419,340
Accrued taxes	1,375,231	913,467	776,681	810,619	624,966	478,176
Due affiliated companies	20,558	576,387	529,242	218,221	4,472	263,449
Reserves	9,153,024	7,192,990	6,532,732	5,514,015	4,509,966	3,763,599
Def. pay. on workmen's compensation awards	.....	.....	.....	.....	.....	51,795
Deferred liab. on purchase contracts for Pfd. stock of West Penn Power Co.	.....	.....	.....	.....	.....	502,400
Other deferred liabilities	51,584	69,936	65,195	64,418	77,353	8,100
Unclassified credits	.....	.....	854	227	210	4,677
Surplus invested in fixed capital	260,020	191,677	988,647	802,648	782,318	217,287
General surplus	1,463,549	1,092,758				
Total	$109,410,612	$98,029,700	$78,503,628	$73,881,980	$72,793,324	$50,526,690

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash in banks and on hand	$1,503,021	$1,752,805	$1,243,358	$1,663,919	$2,161,147	$481,791
Cash deposits for bond interest	.....	.....	.....	98,010	62,322	68,231
Accounts and notes receivable, less reserves	2,088,786	1,594,444	1,211,326	951,575	909,165	829,520
Materials and supplies	1,982,457	1,635,726	1,585,965	1,139,774	2,109,108	1,614,179
Due on Pfd. stock subscription	.....	345,000	26,889	245,450	773,431	.....
Total	$5,574,264	$5,327,975	$4,067,538	$4,098,728	$6,015,173	$2,993,721
Current Liabilities—						
Notes payable	$806,404	$762,061	$1,666,695	.....	$105,000	$120,000
Accounts payable, including accrued wages				$1,202,538	1,549,475	1,668,601
Matured interest on funded debt	.....	.....	.....	38,010	62,322	68,231
Matured funded debt	.....	.....	.....	60,000	.....	.....
Accrued interest	641,540	618,370	719,351	632,291	636,570	419,340
Accrued taxes	1,375,231	913,467	776,681	810,619	624,966	478,176
Divids. payable (W. P. P. Co. Pfd. stock)	312,385	307,210	276,327	214,466	159,338	105,035
Total	$3,135,560	$2,601,108	$3,439,054	$2,957,924	$3,137,671	$2,859,383
Net Working Capital	$2,438,704	$2,726,867	$628,484	$1,140,804	$2,877,502	$134,338

Officers: W. S. Finlay, Jr., Chairman; G. M. Gadsby, Pres.; R. B. Keating, V-P.; J. S. Jenks, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Comp.; R. C. Lightcap, Asst. Treas.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; W. K. Dunbar, G. W. Chapman, W. D. Livingston, Asst. Sec's.; D. P. Guest, E. S. Thompson, H. R. Lynn, Asst. Treasurers, New York.

Directors: W. S. Finlay, Jr., G. M. Gadsby, Pittsburgh, Pa.; Richard Coulter, Greensburg, Pa.; Chester Dale, Henry H. Pierce, H. Hobart Porter, Seton Porter, Harry E. Towle, New York, W. C. Robinson.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

ALLEGHENY PITTSBURGH COAL COMPANY

(Controlled by West Penn Power Company).

History—Inc. Oct. 1, 1918, in Pa. Organized by West Penn Power Co. (which company owns all of the Common stock) to take over lease on a large acreage of coal in the thick Freeport vein and operate mine to supply the Springdale power station with its entire fuel requirements.

The company owns or has under lease approximately 3,590 acres of unmined coal, containing in excess of 30,000,000 tons of unmined coal.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par $100. All owned by West Penn Power Co. Annual meeting, third Thursday in February.

FUNDED DEBT

None.

Officers: G. M. Gadsby, Pres.; R. B. Keating, V-P.; A. V. Bennett, V-P.; J. S. Jenks, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, J. S. Jenks, A. V. Bennett, G. M. Gadsby, Pittsburgh, Pa.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

OHIO COUNTY FUEL COMPANY

(Controlled by West Penn Power Company)

History—Incorporated October 2, 1922, in West Virginia, this Company was organized by West Penn Power Co. to acquire coal lands in Ohio County, W. Va. Company owns 3,354 acres of unmined coal in the Pittsburgh Vein, containing in excess of 17,500,000 tons. Company is not operating and none of the coal has been mined.

CAPITAL STOCK

Authorized, $5,000; outstanding, $500; par $100. All owned by West Penn Power Co. Annual meeting, fourth Tuesday in February.

FUNDED DEBT

$120,000 FIRST MORTGAGE 6s; MATURED AND PAID OFF FEBRUARY 1, 1928

Officers: G. M. Gadsby, Pres.; R. B. Keating, V-P.; A. V. Bennett, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Comptroller; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; W. F. Craig, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, A. V. Bennett, G. M. Gadsby, G. E. Murrie, Pittsburgh, Pa.

General Office, West Penn Building, 14 Wood Street, Pittsburgh, Pa.

WEST PENN APPLIANCE COMPANY

(Controlled by West Penn Power Company)

History—Incorporated June 25, 1923, in Delaware, to sell electrical appliances in the territory served by West Penn Power Co. Registered to do business in Pennsylvania Aug. 2, 1923.

CAPITAL STOCK

Authorized and outstanding, $5,000; par $100. All owned by West Penn Power Co. Annual meeting, second Monday in January.

Officers: G. M. Gadsby, Pres.; R. B. Keating, V-P.; J. S. Jenks, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lyon, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, G. M. Gadsby, F. D. Mahoney, Pittsburgh, Pa.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

WEST VIRGINIA POWER & TRANSMISSION CO.

(Controlled by West Penn Power Company)

History—Inc. April 3, 1912, in W. Va. for the purpose of constructing dams and hydro-electric power stations, together with transmission lines and the supply and sale of electric power; also for the storage, transportation, supply and sale of water for commercial, manufacturing and domestic use. The Company owns land and water rights for a series of hydro-electric developments on the Cheat River and tribu-

taries in West Virginia, and operates under lease the hydro-electric power station of West Penn Power Co. on the Cheat River near the Pennsylvania-West Virginia state line, known as the Lake Lynn Hydro-Electric Station.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par $100. All owned by West Penn Power Company. Annual meeting third Monday of February in each year.

Officers: G. M. Gadsby, Pres.; R. B. Keating, V-P.; J. S. Jenks, V-P., Pittsburgh, Pa.; G. M. Alexander, V-P., Fairmont, W. Va.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; W. K. Dunbar, Asst. Sec. & Asst. Treas., New York.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie; G. M. Gadsby, Pittsburgh, Pa.; G. M. Alexander, Fairmont, W. Va.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

WEST PENN WEST VIRGINIA WATER POWER COMPANY

(Controlled by West Virginia Power & Transmission Company)

History—Incorporated January 25, 1924, in Pennsylvania, for the purpose of the supply, storage or transportation of water and water power in connection with the proposed hydro-electric development on Big Sandy Creek and its tributaries in Wharton Township, Fayette County, Pa. Company owns approximately 75 acres of land in the locality referred to.

CAPITAL STOCK

Authorized, $5,000; outstanding, $500; par $100 All owned by West Virginia Power & Transmission Co. Annual meeting, second Monday in February.

Officers: G. M. Gadsby, Pres.; R. B. Keating, V-P.; A. V. Bennett, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., G. E. Murrie, R. B. Keating, G. M. Gadsby, A. V. Bennett, Pittsburgh Pa.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

BEECH BOTTOM POWER COMPANY, INC.

(Controlled jointly by West Penn Power Co. and The Ohio Power Co.)

History—Incorporated Nov. 26, 1917, in West Virginia, as Beech Botton Power Corp.; present title adopted Oct. 30, 1918. Company was organized for the purpose of operating Windsor Power Station for West Penn Power Co. and The Ohio Power Co., all of the electric energy generated at this station being taken by the latter two companies.

CAPITAL STOCK

Authorized, $400,000; outstanding, $350,000; par, $100. Of the outstanding stock, $175,000 is owned by West Penn Power Company and $175,000 by The Ohio Power Company. Annual meeting, first Monday in February.

Officers: Geo. N. Tidd, Pres., New York; G. M. Gadsby, V-P., Pittsburgh, Pa.; Frank Espy, V-P.; E. H. Maurer, V-P.; Frank P. Ball, Sec. & Treas.; J. F. McMillan, Asst. Sec. and Asst. Treas.; Frank P. Hunter, Asst. Sec. and Asst. Treas.; F. W. Drager, Asst. Sec. & Asst. Treas., New York.

Directors: Frank Espy, Geo. N. Tidd, M. B. Feldmann, New York; G. M. Gadsby, R. B. Keating, Pittsburgh, Pa.

General Office, 30 Church Street, New York City.

WINDSOR POWER HOUSE COAL COMPANY

(Controlled jointly by West Penn Power Co. and The Ohio Power Company)

History—Incorporated Dec. 10, 1920, in West Va as of Dec. 31, 1921, acquired through purchase all th property rights, etc., and assumed outstanding obliga tions of Penn American Coal Co. and Electric Minin Co., Inc.

Company operates a mine to supply the Windso Power Station with its entire fuel requirements an owns all of the outstanding capital stock of Windso Coal Co. Property owned includes approximatel 7,500 acres of unmined coal in the Pittsburgh Vein containing in excess of 39,000,000 tons, and 286 acre of surface land, together with mining rights.

CAPITAL STOCK

Authorized, $500,000; outstanding, $156,400; pa $100. Of the amount outstanding, $78,200 is owne by West Penn Power Co. and $78,200 by The Ohi Power Co. Annual meeting, fourth Tuesday in Feb ruary.

FUNDED DEBT

(1)

$1,191,000 PENN AMERICAN COAL CO. FIRST SERIAL GOL 6s; DUE SERIALLY TO JANUARY 1, 1956

Dated January 1, 1921.

Interest Payable January and July 1, at The Unio Trust Co. of Pittsburgh.

Denomination—Coupon, $1,000; principal may b registered.

Trustee and Registrar—The Union Trust Co., o Pittsburgh.

Provisions of Issue—Original issue, $1,361,000.

Callability—Subject to call on any interest date a par and accrued interest upon 30 days' publishe notice.

Tax Provision—Company does not pay Norma Federal Income Tax.

(2)

$100,000 ELECTRIC MINING COMPANY 5% NOTES; DUE $50 000 EACH, SEPTEMBER 1, 1928 AND SEPTEMBER 1, 192

Dated September 2, 1928.

Interest Payable March and September 1, at Th Union Trust Co. of Pittsburgh.

Security—Payable to order of Beech Bottom Coa Company. Secured by a vendor's lien retained in dee from Beech Bottom Coal Company to the Electri Mining Company, Inc.

OFFICERS AND DIRECTORS

Officers: G. M. Gadsby, Pres.; R. B. Keating, V-P. A. V. Bennett, V-P., Pittsburgh, Pa.; Geo. N. Tidd V-P., New York; G. E. Murrie, Sec.; W. H. Swinney Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., G. M. Gadsby, R. B Keating, Pittsburgh, Pa.; Frank Espy, Geo. N. Tidd New York City.

General Office, West Penn Bldg., 14 Wood St. Pittsburgh, Pa.

WINDSOR COAL COMPANY

(Controlled by Windsor Power House Coal Company

History—Incorporated March 5, 1913, in West Vir ginia, as Richland Block Coal Co.; present title adopte Sept. 16, 1919. Company owns approximately 1,65 acres of unmined coal in the Pittsburgh Vein, contain ing in excess of 8,500,000 tons, together with 178 acre of surface land, mining rights, etc. The property i operated by Windsor Power House Coal Co.

CAPITAL STOCK

Authorized, $100,000; outstanding $500; par $100 All owned by Windsor Power House Coal Company Annual meeting, first Monday in February.

FUNDED DEBT

$326,000 FIRST GOLD 6s; DUE JULY 1, 1944

Dated July 1, 1919.

Interest Payable January and July 1, at Dollar vings & Trust Co., Wheeling, W. Va.

Denomination—Coupon, $1,000; principal may be gistered.

Trustee and Registrar—Dollar Savings & Trust Co., heeling, W. Va.

Provisions of Issue—Authorized, $700,000. Of the iount outstanding, $27,000 are owned by Wheeling idge Co.

Callability—Subject to call as a whole or in part any interest date at 101 and accrued interest upon o weeks' published notice and in accordance with ms of the mortgage.

Sinking Fund—A sinking fund of 5 cents per net ton coal mined is set aside for the redemption of bonds. Sinking fund payments to the Trustee are made semi-annually June 1 and December 1 for the redemption of not less than $20,000 of bonds per annum.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: G. M. Gadsby, Pres.; R. B. Keating, V-P.; A. V. Bennett, V-P., Pittsburgh, Pa.; Geo. N. Tidd, V-P., New York; G. E. Murrie, Sec.; W. H. Swinney, Comptroller; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., G. M. Gadsby, R. B. Keating, Pittsburgh, Pa.; Frank Espy, Geo. N. Tidd, New York.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

WEST PENN RAILWAYS COMPANY

(Controlled by The West Penn Electric Company)

History—Formed May 23, 1917 under the laws of nnsylvania, by the merger of the Brownsville St. y. Co., Greensburg & Southern Elec. St. Ry. Co., trobe Hecla St. Ry. Co., Latrobe St. Ry. Co., asontown-Morgantown St. Ry. Co., McKeesport & win Ry. Co., Pittsburgh, McKeesport & Connells-lle Ry. Co., Pittsburg, McKeesport & Greensburg y. Co., Uniontown Radial St. Ry. Co., West Penn terurban Ry. Co., (old) West Penn Rys. Co., West nn Traction Co., and White Electric Traction Co.

Subsidiaries—The West Penn Railways Company ns all of the outstanding capital stock of the fol-wing companies: Allegheny Valley St. Ry. Co., Kit-nning & Leechburg Rys. Co., Pan Handle Traction o., Pen Bus Lines, Pittsburgh and Allegheny Valley raction Co., Wellsburg and Weirton Ry. Co., and heeling Traction Co., also $12,000,000 of the $27,-0,000 outstanding Common stock of West Penn ower Co. In addition, the West Penn Railways ompany controls indirectly through subsidiary com-nies The Bellaire-Southwestern Traction Co., Mo-rt Park Ry. Co., The Steubenville and Wheeling raction Co., The Steubenville Bridge Co., The Wheel-g and Western Railway Company, and Wheeling ridge Co.

West Penn Railways Company conducts an electric ilway passenger and freight business, largely interur-n, covering a total of 329.40 miles, of which it has rect ownership of 190.65 miles, the remainder being wned through the holding of the entire outstanding pital stock of other street railway companies listed ove. The lines of the railway system serve more an 250 cities, towns and communities in Southwest-n Pennsylvania, the Panhandle of West Virginia and jacent territory in Ohio.

The lines of the Kittanning & Leechburg Railways o. and Pittsburgh & Allegheny Valley Traction Co. e operated by West Penn Railways Co. under lease r a period of 990 years, from Jan. 1, 1917. Under the rms of the leases, West Penn Railways Co. ys an annual rental charge for the use of the proper-es, as well as all operating expenses, taxes, fixed arges, etc., and agrees to maintain said properties in od operating condition.

The lines of The Steubenville and Wheeling Trac-on Company, Pan Handle Traction Company, The eubenville Railway Co., and Steubenville, Wellsburg d Weirton Railway Company are operated by heeling Traction Company under operating agree-ents running for a period of 99 years from Oct. 31, 18. Under the terms of the agreements, Wheeling raction Company pays all operating expenses, taxes, ed charges, etc., and pays monthly to the lessor com-nies, as a rental for the use of the properties, 85% of e net income derived from the operation of the prop-erties after payment of all operating expenses, taxes, fixed charges, etc.

Under the agreement dated Jan. 1, 1916, and running for a period of 55 years, West Penn Railways Company purchases from West Penn Power Co., at regular established rates approved by the Public Service Commission of the Commonwealth of Pennsylvania, all electric energy used in the operation of its railway system.

Property and Equipment—The physical property owned by the West Penn Railways Company and subsidiary companies as of Dec. 31, 1927 (exclusive of the West Penn Power Company and subsidiaries) includes 329.40 miles of track (measured as single track), of which 275.49 miles are 5 ft. 2½ in. gauge and 53.91 miles 4 ft. 8½ in. gauge; and 259 motor passenger cars, 23 express and freight cars, 60 other cars, 3 passenger buses; power station at Wheeling, W. Va. and 10.21 miles of 25,000 volt transmission lines (of which 7.33 miles leased to the West Penn Power Co.); and 2 sub-stations having transformer capacity of 7,500 k. w. Power purchased from the West Penn Power Company.

CAPITAL STOCK

Authorized, $20,000,000 Common and $10,000,000 6% cumulative Pfd.; outstanding, $17,091,700 Common and $3,500,000 Pfd.; par, $100. Entire Common stock owned by The West Penn Electric Company.

Preferred Stock Provisions—Has preference for assets and dividends, and is redeemable at 105 and accrued dividends on 90 days' notice.

Transfer Agent (Pfd.)—The Louisville Trust Co., Louisville, Ky.

Registrar (Pfd.)—Peoples Savings and Trust Co., Pittsburgh, Pa.

Annual Meeting—Second Monday in January.

Listed—Pittsburgh and Louisville Stock Exchanges.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	101½	100	95	98	88¼	82¾	73	79
Low	97½	90½	89	83	70	69½	66½	65¼

Dividends—Quarterly dividends of 1½% on the Pfd. stock have been regularly paid from June 15, 1917 to date; payments M, J, S & D 15.

FUNDED DEBT

(1)

$175,000 CONNELLSVILLE SUBURBAN STREET RY. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1932

Dated January 1, 1902.

Interest Payable Jan. and July 1, at The Colonial Trust Co., Pittsburgh, Pa., Trustee. Coupon, $500. Authorized issue, $175,000. Subject to call at 105 and interest on 30 days' notice. Guaranteed principal and interest, by (old) West Penn Rys. Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$2,912,000 PITTSBURGH, McKEESPORT AND CONNELLSVILLE RY. CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE JAN. 1, 1931

Dated January 1, 1901.

Interest Payable Jan. and July 1, at Colonial Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000. Authorized, $3,500,000, of which $500,000 are reserved for extensions and improvements and $88,000 to retire bonds of Versailles Traction Co. Not subject to call. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	98¾	98⅜	97	91⅞	92½	87¾	70
Low	98	96¼	96	93½ bid		87½ bid		bid

(3)

$3,009,000 (OLD) WEST PENN RYS. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1931

Dated April 1, 1905.

Interest Payable April and October 1, at The Equitable Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized, $6,000,000; issued, $5,767,000 of which $3,009,000 are outstanding and $2,758,000 owned by West Penn Rys. Co. and redeposited under the mortgage as of Dec. 31, 1927. The unissued ($233,000) bonds are reserved to retire underlying liens. The Trustee holds $229,497 cash (balance of proceeds from sale of released property) for the further retirement of bonds.

Callability—Not subject to call.

Security—Secured by direct mortgage lien (subject on portions of the property to $3,087,000 divisional underlying bonds as listed below) on about 152 miles of street and interurban railway, and other miscellaneous property, and also by deposit of capital stock and bonds of the following subsidiary companies:

Company	Stock	Bonds
Allegheny Valley St. Ry. Co.	$2,000,000	.....
Pittsburgh and Allegheny Valley Traction Co.	350,000	350,000
Kittanning & Leechburg Rys. Co.	500,000	.....
West Penn Power Co., Common	*6,000,000	.....
Total	$8,850,000	$350,000

*Pledged under separate indenture to secure bonds of West Penn Rys. Co. under First Mortgage dated April 1, 1905.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia, Louisville, Pittsburgh and Baltimore Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	100⅜	98½	96	89½	94	75½	79
Low	100	96¾	95	91¾ bid		85½	75½	78

(4)

$270,000 PITTSBURG, McKEESPORT AND GREENSBURG R... FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1931

Dated July 1, 1901.

Interest Payable January and July 1, at Harrisbu... Trust Co., Harrisburg, Pa., Trustee. Coupon, $1,00... Authorized and issued, $1,500,000, of which the W... Penn Rys. Co., owns $1,229,000. Not subject to ca... Company pays Normal Federal Income Tax up to 2...

(5)

$4,847,000 WEST PENN TRACTION CO. FIRST MORTGA... GOLD 5s; DUE JUNE 1, 1960

Dated June 1, 1910.

Interest Payable June and December 1, at Te... Equitable Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; prin... pal may be registered at the office of West Penn Ra... ways Co.

Trustee—The Equitable Trust Co., of New York.

Provisions of Issue—Authorized, $25,000,000, ... which $9,175,000 reserved to retire bonds of consti... ent companies. Total issued, $12,463,000, of whi... $7,616,000 have been redeposited under the mortga... and $4,847,000 are in hands of public.

Callability—Not subject to call.

Security—These bonds are through consolidation... direct obligation of the consolidated company and a... secured by a direct mortgage lien upon all of t... property upon which the West Penn Rys. Co. Fir... Mortgage bonds are a lien as above stated and are al... secured by a first lien on the following securities:

Company	Stock	Bond
Wheeling Traction Co.	$2,319,200	$170,0...
The Steubenville Railway Co.	10,000	...
The Steubenville Bridge Co., Pfd.	†500	...
The Steubenville Bridge Co., Common	13,250	...
Steubenville, Wellsburg and Weirton Ry. Co	1,300,000	...
West Penn Power Co., Common	*4,000,000	...
Total	$7,642,950	$170,0...

*Pledged under separate indenture to secure bonds of W... Penn Traction Co. 1st Mtge. dated June 1, 1910. †Owned ... Steubenville, Wellsburg and Weirton Ry. Co., which is owni... by West Penn Rys. Co.

Tax Provisions—Company pays Normal Federal I... come Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	19...
High	96½	95	91	84½	91	83	73	6...
Low	93	86¼	83	83½	79	78	73	bid

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(West Penn Railways Company and Subsidiaries)

Gross earnings (including dividends from West Penn Power Company)	$7,577,7...
Operating expenses, maintenance & taxes (including estimated Federal taxes)	4,376,8...
Gross income	$3,200,8...
Interest and amortization of discount	892,6...
Balance	$2,308,1...
Reserved for renewals and retirements	485,4...
Net income	$1,822,7...

NOTE—Figures not comparable with those for form... years shown below.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(West Penn Rys. Co. and Subsidiaries)

	1926	1925	1924	1923	1922	1921
Gross earnings	$20,267,832	$18,670,412	$18,646,895	$18,059,445	$15,029,132	$14,189,7...
Expenses—						
Operating expenses	$10,358,923	$10,144,751	$10,600,112	$10,158,721	$8,437,079	$8,571,3...
Taxes	1,228,572	1,665,778	1,034,409	1,053,262	860,567	656,1...
Depreciation	2,001,844	1,016,751	1,569,344	1,409,717	1,075,000	1,000,0...
Total	$13,589,339	$12,827,281	$13,203,865	$12,621,700	$10,372,646	$10,227,5...
Net earnings	6,678,493	5,843,131	5,443,030	5,437,745	4,656,486	3,962,2...
Miscellaneous income	1,889,222	1,535,809	1,426,269	1,052,438	636,360	564,0...
Gross income	$8,567,715	$7,378,940	$6,869,299	$6,490,183	$5,292,846	$4,526,2...
Deductions:						
Interest on funded debt	$3,322,801	$3,335,418	$3,408,709	$2,809,075	$2,573,766	$2,385,8...
Interest on floating debt	134,058	125,642	122,134	203,421	153,133	125,0...
Amortization of discounts	233,420	222,217	213,164	148,371	139,197	119,7...
Total	$3,690,279	$3,683,276	$3,744,007	$3,160,867	$2,866,096	$2,630,5...

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31 (Continued):

	1926	1925	1924	1923	1922	1921
s—Interest charged harged to improvement accounts	.....	307,561	500,154	353,932	110,492	227,151
Total deductions	$3,690,279	$3,375,715	$3,243,853	$2,806,935	$2,755,604	$2,403,379
ance	$4,877,436	$4,003,225	$3,625,446	$3,683,248	$2,537,242	$2,122,879
itals	7,452	7,776	.....	.....	.....	.....
idends accrued on Preferred stock of W. enn Power Co. in hands of public	1,173,152	909,196	740,100	517,746	359,291	203,253
ome to Common stock of W. P. P. Co. wned by the W. P. Co.	1,092,500	587,889	505,182	278,882	.....	.....
Net income	$2,604,332	$2,498,364	$2,380,164	$2,886,620	$2,177,951	$1,919,626
nes Fixed Charges Earned	2.32	2.18	2.12	2.31	1.92	1.88
rnings Per Share— Preferred	$74.41	$71.38	$68.05	$29.92	$24.07	$25.60

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(West Penn Rys. Co. and Subsidiary Cos.)

	1927	1926	1925	1924	1923	1922
Assets— nt, property & investments	$38,269,727	$112,598,469	$105,127,468	$100,403,811	$90,890,258	$76,904,516
sh: Current checking accounts	.....	2,406,585	1,727,575	2,378,608	2,488,158	1,310,302
n banks or on hand	555,483	.....	.....	.....	.....	.....
Held by trustees or otherwise set apart for purposes of construction, etc.	303,129	1,552,171	61,695	964,455	4,561,885	174,916
posited for matured bonds and bond interest	.....	.....	.....	409,780	254,291	262,009
cts. and notes receivable less reserves	55,189	1,786,606	1,390,893	1,234,986	1,171,230	1,049,134
terials and supplies	200,327	1,831,734	1,806,039	2,122,319	3,408,381	2,624,620
bscribers to Pfd. stock of W. P. Rys. Co.	.....	.....	.....	248,968	918,036	592,816
bscribers to P'fd. stock of W. P. Power Co.	.....	345,000	26,889			316,418
e from affiliated companies	1,183,126	4,698,814	1,816,866	2,772,440	1,421,532	125,600
ferred charges to operations, including discounts n bonds, prepaid insurance, etc.	49,289	5,064,511	4,461,775	3,906,556	3,827,145	2,374,401
nclassified charges	.....	.....	130,000	115,837	124,804	216,257
mmission and expenses on sale of stock	.....	385,473	284,582	202,500	225,000	.....
Total	$40,616,270	$130,669,363	$116,833,782	$114,760,260	$109,290,720	$85,950,989
Liabilities— mmon stock	$17,091,700	$17,091,700	$17,091,700	$17,091,700	$10,600,000	$10,000,000
eferred stock	3,500,000	3,500,000	3,500,000	*3,501,100	10,000,000	9,047,800
ock of subsidiary companies in hands of public	.....	†18,707,700	†14,756,900	†12,707,700	10,139,000	6,002,000
nded debt of W. P. Rys. Co.	11,238,000	12,487,500	17,714,000	18,149,250	14,669,250	46,142,250
nded debt of subsidiary companies	4,418,500	54,038,000	43,668,465	43,337,864	45,453,700	
tes payable	161,364	986,030	2,091,263	1,069,732	611,624	353,021
counts payable including wages accrued				1,623,946	2,007,232	1,981,739
nsumers' deposits	.....	1,237,630	1,193,918	1,255,896	1,221,940	1,139,784
crued interest payable	80,367	727,658	942,217	864,024	807,354	738,068
crued taxes	551,553	1,525,284	1,449,114	1,586,816	1,392,886	1,066,228
vidend declared Pfd. stock of W. P. Rys. Co. nd sub cos.	8,750	315,960	276,327	214,466	159,338	455,035
atured funded debt and funded debt interest	.....	.....	.....	409,780	254,291	107,511
serves	2,739,528	10,066,700	9,254,747	8,245,797	7,083,778	5,936,726
ferred liability on purchase contracts for Pfd. stock of W. P. Rys. Co.	.....	.....	.....	.....	.....	952,200
ferred liability on purchase contracts for Pfd. stock of W. P. Power Co.	.....	.....	.....	.....	.....	502,400
ferred payments on workmen's compensation awards	.....	.....	.....	.....	.....	57,242
e affiliated companies	124,209	250,842	.....	71,560	2,297	458,988
nclassified credits	.....	.....	.....	.....	.....	10,802
her deferred liabilities	14,893	93,060	75,838	86,689	115,045	109,098
ferred credits	142,334	156,023	151,891	143,622	132,700	158,485
terest of The W. P. E. Co. in W. P. P. Co.	.....	7,500,000	3,000,000	3,000,000	3,000,000	.....
Common stock	.....	517,917	210,350	170,776	166,451	.....
Surplus	.....	195,137	.....	.....	.....	.....
rplus invested in fixed capital	.....	1,272,222	1,457,052	1,229,542	1,473,834	731,612
rplus	545,072					
Total	$40,616,270	$130,669,363	$116,833,782	$114,760,260	$109,290,720	$85,950,989

*Includes $3,900 subscribed but not issued. †Includes $345,000 in 1926, $768,800 in 1925, and $452,500 in 1924 subscribed but t issued.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets— sh in banks, etc.	$555,483	$2,406,585	$1,727,575	$2,378,608	$2,488,158	$1,310,302
sh deposited for matured bonds & bond int.	.....	.....	.....	409,780	254,291	262,009
counts and notes receivable, less reserve ..	55,189	1,786,606	1,390,893	1,234,986	1,171,230	1,049,134
aterials and supplies, including coal	200,327	1,831,734	1,806,039	2,122,319	3,408,381	2,624,620
e from Pfd. stock subscriptions	.....	345,000	26,889	248,968	918,036	.....
Total	$810,999	$6,369,925	$4,951,396	$6,394,661	$8,240,096	$5,246,065
Current Liabilities— tes payable	$161,364	$986,030	$2,091,263	$1,069,732	$611,624	$353,021
counts payable, including accrued wages..				1,623,946	2,007,232	1,981,739
atured funded debt and bond interest	.....	.....	.....	409,780	254,291	107,511
crued interest	80,367	727,658	942,217	864,024	807,354	738,068
crued taxes	551,553	1,525,284	1,449,114	1,586,816	1,392,886	1,066,228
vidends declared unpaid	8,750	315,960	276,327	214,466	159,338	455,035
Total	$802,034	$3,554,932	$4,758,921	$5,768,764	$5,232,725	$4,701,602
t Working Capital	$8,965	$2,814,993	$192,475	$625,897	$3,007,371	$534,463

Officers: W. S. Finlay, Jr., Chrm.; H. L. Mitchell, es.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. vinney, Compt.; D. P. Guest, Asst. Treas.; H. R. ynn, Asst. Sec. & Asst. Treas.; W. D. Livingston, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; E. S. Thompson, Asst. Treas.; W. K. Dunbar, Asst. Sec.; G. W. Chapman, Asst. Sec., New York City.

Directors: W. S. Finlay, Jr., H. L. Mitchell, W. C. Robinson, Pittsburgh, Pa.; Richard Coulter, Greensburg, Pa.; Chester Dale, Henry H. Pierce, H. Hobart Porter, Seton Porter, Harry E. Towle, New York City.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

ALLEGHENY VALLEY STREET RAILWAY COMPANY

(Controlled by West Penn Railways Company)

History and Property—Incorporated January 29, 1906, in Pa.; consolidation of Harmar Street Ry. Co., the O'Hara Street Ry. Co., and the Tarentum Traction Passenger Ry. Co. The Allegheny Valley Light Co., formerly controlled through stock ownership, was merged with West Penn Power Co. on July 1, 1927. The physical property owned includes 19.52 miles of track (single track mileage) connecting Natrona, New Kensington and Aspinwall, Pa., and intervening towns (gauge 5 ft. 2½ in.), 17 closed motor passenger cars, 4 work cars, and 1 sweeper.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $50. All owned by West Penn Railways Co. Annual meeting, second Monday in January.

FUNDED DEBT

$780,000 30-YEAR FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1936

Dated February 1, 1906.

Interest Payable February and August 1, at The Union Trust Co., of Pittsburgh.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The Union Trust Co., of Pittsburgh.

Provisions of Issue—Authorized, $2,000,000; outstanding, $780,000. All owned by West Penn Railways Co.

Callability—Not subject to call.

Security—A first lien on entire property owned.

Guaranty—Guaranteed principal and interest by West Penn Railways Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, H. L. Mitchell, W. H. Swinney, Pittsburgh, Pa.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

KITTANNING & LEECHBURG RAILWAYS COMPANY

(Controlled by West Penn Railways Company)

History—Incorporated May 26, 1904, in Pennsylvania, as a consolidation of Kittanning and Ford City Street Ry. Co., Kittanning and Mosgrove Street Ry. Co., Kittanning and Leechburg Street Ry. Co. and West Kittanning Street Ry. Co. The physical property owned includes 10.33 miles of track (single track mileage), connecting Ford City and Kittanning, Pa. (gauge 4 ft. 8½ in.), 6 motor passenger cars, 2 work cars and 1 sweeper. The property is leased to and operated by West Penn Railways Co.

CAPITAL STOCK

Authorized and outstanding, $500,000; par $50. All owned by West Penn Railways Co. Annual meeting, second Monday in January.

FUNDED DEBT

$27,500 Kittanning & Ford City Street Ry. Co. First Gold 6s; dated Dec. 1, 1898; due Dec. 1, 1928; int. J & D 1, at Pittsburgh Trust Co., Pittsburgh, Pa., Trustee. Coupon, $500; principal may be registered. Authorized, $50,000. Not subject to call. Tax free Pennsylvania.

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, W. H. Swinney, H. L. Mitchell, Pittsburgh, Pa.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

PAN HANDLE TRACTION COMPANY

(Controlled by West Penn Railways Company)

History and Property—Incorporated May 24, 1901, in W. Va. The physical property owned includes 20.25 miles of track (single track mileage) connecting, Wheeling and Wellsburg, W. Va., and intervening towns. Gauge, 4 ft. 8½ in. Closed motor passenger cars, 12; freight and express cars, 7; work cars, 6. This road is leased to and operated in the name of Wheeling Traction Co. Power is purchased from affiliated companies.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $10. All owned by West Penn Rys. Co. Annual meeting last Saturday in January.

FUNDED DEBT

(1)

$500,000 (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1932

Dated October 1, 1902.

Interest Payable April and October 1, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $500 and $1,000.

Trustee—American Exchange Irving Trust Co., New York.

Callability—Subject to call at par and interest upon 30 days notice.

Tax Provision—Company does not pay Normal Federal Income Tax.

(2)

$20,000 6% Equipment Trust of 1919; dated Oct. 1, 1919; maturing $10,000 each Oct. 1, 1928 and Oct. 1, 1929; int. April and Oct. 1, at Dollar Savings & Trust Co., Wheeling, W. Va., Trustee. Coupon, $1,000. Original issue, $100,000. Subject to call on any interest date at par and accrued interest on four weeks' published notice. Secured by first lien on nine steel double truck double-end passenger cars of late type and design. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; A. C. Spurr, Gen. Mgr., Wheeling, W. Va.

Directors: W. S. Finlay, Jr., R. B. Keating, W. H. Swinney, G. E. Murrie, H. L. Mitchell, Pittsburgh, Pa.; C. M. Marsh, A. C. Spurr, Wheeling, W. Va.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

PENN BUS LINES

(Controlled by West Penn Railways Company)

History—Incorporated July 26, 1926 in Pa. for the ırpose of establishing and operating bus lines, tribu- ry to the electric railway lines of West Penn Rail- ays Company and subsidiaries in Pennsylvania. Company operates 4 miles of bus route between akdale and McDonald, Pa., and 1.5 miles of bus ute between North Vandergrift and Vandergrift, a. The equipment consists of 3 passenger motor ısses.

CAPITAL STOCK

Authorized and outstanding, 250 shares Common no par value. All owned by West Penn Railways ompany. Annual meeting, second Monday in Jan- ary.

FUNDED DEBT

None.

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; . E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. uest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. isher, Asst. Sec.; M. W. Glover, Gen. Aud., Pitts- ırgh, Pa.

Directors: W. S. Finlay, Jr., G. E. Murrie, R. B. eating, H. L. Mitchell, A. V. Bennett, Pittsburgh, a.

General Office, West Penn Bldg., 14 Wood Street, ittsburgh, Pa.

PITTSBURGH AND ALLEGHENY VALLEY TRACTION COMPANY

(Controlled by West Penn Railways Company)

History—Incorporated April 26, 1910, in Pennsyl- ania, as a reorganization of Pittsburgh, and Alle- heny Valley Ry. Co. which was formed by a merger Vandergrift & New Kensington St. Ry. Co. and ie Apollo, Vandergrift & Leechburg Elec. St. Ry. Co. he physical property owned consists of 8.5 miles of ack (single track mileage) connecting Leechburg id Apollo, Pa., and intervening towns (gauge 5 ft. ½ in.) 5 closed motor passenger cars, and 2 work ırs. The property is leased to and operated by West enn Railways Company.

CAPITAL STOCK

Authorized and outstanding, $350,000 Common; par 50. All owned by West Penn Railways Company. ransfer Agent: W. F. Craig. Annual meeting, second Monday in January.

FUNDED DEBT

$350,000 FIRST MORTGAGE 5s; DUE MAY 1, 1940

Dated May 2, 1910.

Interest Payable May and November 1, at Peoples avings & Trust Co., Pittsburgh, Pa.

Denominations—Coupon $250, $500 and $1,000; incipal may be registered.

Trustee—Peoples Savings & Trust Co., Pittsburgh, a.

Provisions of Issue—Authorized and outstanding, 350,000. All owned by West Penn Railways Co.

OFFICERS AND DIRECTORS

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; . E. Murrie, Sec.; W. H. Swinney, Comptroller; . P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., ittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. urrie, W. H. Swinney, H. L. Mitchell.

General Office, West Penn Building, 14 Wood St., ittsburgh, Pa.

THE STEUBENVILLE RAILWAY COMPANY

(Controlled by West Penn Railways Company)

History—Incorporated July 3, 1915, in Ohio. The hysical property owned includes 0.41 mile of track ingle track mileage), in Market Street, Steubenville, Ohio (gauge 4 ft. 8½ in.) and 3 motor passenger cars. The property is leased to and operated by Wheeling Traction Co.

CAPITAL STOCK

Authorized and outstanding, $10,000 Common; par $100. All owned by West Penn Railways Company. Annual meeting, usually held last Saturday in January.

OFFICERS AND DIRECTORS

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Comptroller; D. P. Guest, Asst Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; A. C. Spurr, Gen. Mgr., Wheeling, W. Va.

Directors: H. L. Mitchell, R. B. Keating, G. E. Murrie, Pittsburgh, Pa.; Gordon D. Kinder, Martins Ferry, Ohio; A. C. Spurr, Wheeling, W. Va.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

STEUBENVILLE, WELLSBURG & WEIRTON RAILWAY COMPANY

(Controlled by West Penn Railways Company)

History and Property—Incorporated March 2, 1911, in W. Va. As of April 1, 1911, purchased all of the property of the Tri-State Traction Co., which company owned a railway line from Steubenville to Wellsburg; subsequently constructed a road from east end of Steubenville Bridge to Weirton, W. Va. Owns $26,500 of the Pfd. capital stock of The Steubenville Bridge Co. Physical property owned includes 14.21 miles of track (single track mileage) extending from Wellsburg, W. Va., to Steubenville, O., to Weirton, W. Va., Gauge, 4 ft. 8½ in. Motor passenger car, 1; work car, 1; sweeper, 1. The road is leased to and operated in the name of Wheeling Traction Co. Power purchased from affiliated companies.

CAPITAL STOCK

Authorized and outstanding, $1,300,000; par, $100. All owned by West Penn Railways Co. Annual meeting, Monday preceding first Tuesday in Oct.

FUNDED DEBT

$700,000 (ENTIRE ISSUE) FIRST GOLD 5s; DUE APRIL 1, 1951

Dated April 1, 1911.

Interest Payable April and October 1, at Washington Trust Co., Washington, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Washington Trust Co., Washington, Pa.

Callability—Subject to call at 105 and interest on any interest date upon 3 weeks' notice.

Security—A first lien on entire property and rights now owned or hereafter acquired, and additionally secured by pledge of $26,000 stock of The Steubenville Bridge Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, H. L. Mitchell, Pittsburgh, Pa.; A. C. Spurr, Wheeling, W. Va.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

THE STEUBENVILLE BRIDGE COMPANY

(Controlled by West Penn Railways Company)

History—Incorporated Oct. 11, 1902 in W. Va. Company owns a toll bridge connecting Steubenville, Ohio, with West Virginia, the bridge being available

to Steubenville and Mingo, Ohio, and Weirton, Follansbee, and Wellsburg, W. Va. This is the only vehicular bridge between Wheeling, West Virginia, and East Liverpool, Ohio. Wheeling Traction System cars operate over the bridge.

CAPITAL STOCK

Authorized $250,000 Common and $50,000 6% cumulative Preferred; outstanding $25,000 Common and $50,000 Preferred; par, $100. Dividends in excess of 6% upon Preferred and Common stock are shared pro rata by Preferred and Common stock. Preferred stock not preferred as to assets; not redeemable. The West Penn Railways Co. owns $13,250 of the outstanding Common and the Steubenville, Wellsburg & Weirton Ry. Co. owns $26,500 of the outstanding Preferred stock. Annual meeting, first Monday in May.

Dividends—Pfd. dividends regularly paid M 31, J 30, S 30 and D 31.

FUNDED DEBT

None.

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, H. L. Mitchell, W. M. Yost, Pittsburgh, Pa.; H. M. Camp, Rochester, Pa.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

WHEELING TRACTION COMPANY

(Controlled by West Penn Railways Company)

History—Incorporated Oct. 12, 1900, in W. Va. Owns entire capital stock of and operates The Bellaire-Southwestern Traction Co. and The Wheeling and Western Ry. Co. Owns entire capital stock and operates under lease, The Steubenville and Wheeling Traction Co.; also operates under lease the Pan Handle Traction Co., Steubenville, Wellsburg and Weirton Ry. Co. and The Steubenville Ry. Co. Controls Wheeling Bridge Co. and owns all of the capital stock of Mozart Park Railway Co.

Property—Physical property owned and operated (including leased lines and property of subsidiary companies) includes 103.34 miles of track (single track mileage) extending from Moundsville to Weirton, W. Va., and from Shadyside to Rayland, O., with a line west to Barton, O., and from Brilliant to Steubenville, O. The physical property owned by the Wheeling Traction Co. and subsidiary companies (exclusive of leased lines) includes 65.27 miles of track (single track mileage) of which 8.03 miles are 4 ft. 8½ in. gauge and 57.24 miles 5 ft. 2½ in. gauge, Motor passenger cars, 91; work cars, 15; express cars, 2; sweepers, 2. Also owns power station at Wheeling, W. Va. Power is purchased from an affiliated company.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $2,336,300; par, $100. West Penn Railways Co. owns all of the stock. Annual meeting, last Saturday in January.

FUNDED DEBT

(1)

$2,500,000 (ENTIRE ISSUE) WHEELING TRACTION COMPANY FIRST CONSOLIDATED (NOW FIRST) MORTGAGE GOLD 5s; DUE JANUARY 1, 1931

Dated January 1, 1901.

Interest Payable January and July 1, at The Cleveland Trust Co., Cleveland, and National Bank of Commerce, New York.

Denominations—Coupon, $500 and $1,000.

Trustee—The Cleveland Trust Co., Cleveland.

Callability—Subject to call on any interest date at 105 and interest upon 30 days' notice.

Security—A direct first lien on entire property.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

(2)

$170,000 WHEELING TRACTION COMPANY 30-YEAR GOLD 5s; DUE JANUARY 1, 1943

Dated Jan. 1, 1913.

Interest Payable Jan. and July 1, at The Colonial Trust Co., Pittsburgh, Pa., Trustee and Registrar. Coupon, $500 and $1,000; principal may be registered. Registered, $1,000, $10,000 and $50,000. Coupon and registered bonds interchangeable. Authorized, $10,000,000, of which $2,500,000 are reserved to retire First Mortgage bonds and $2,150,000 are reserved to retire underlying liens of subsidiary companies. Subject to call on any interest date at 105 and accrued interest upon sixty days' notice. The entire amount outstanding is owned by West Penn Rys. Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

(3)

$175,000 WHEELING TRACTION COMPANY 6% FIRST EQUIPMENT TRUST OF 1924; DUE SERIALLY TO OCTOBER 1, 1934 (See Below)

Dated October 1, 1924.

Dividends Payable April and October 1, at Dollar Savings & Trust Co., Wheeling, W. Va., Trustee. Coupon, $1,000. Authorized, $250,000; issued in 10 series "A" to "T" of $13,000 and $12,000 alternately maturing Series "A" April 1, 1925, Series "B" Oct. 1, 1925, the remaining series consecutively on April and Oct. 1 of each year to Oct. 1, 1934. Subject to call on any dividend date at 100 and accrued dividend upon four weeks' published notice. Secured on 20 double truck, semi-steel motor passenger cars.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; A. C. Spurr, Gen. Mgr., Wheeling, W. Va.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, H. L. Mitchell, Pittsburgh, Pa.; Robert Hazlett, A. C. Spurr, Wheeling, W. Va.; Gordon D. Kinder, Martins Ferry, Ohio.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

THE BELLAIRE-SOUTHWESTERN TRACTION COMPANY

(Controlled by Wheeling Traction Company)

History—Incorporated February 2, 1906, in Ohio. The physical property owned includes 2.15 miles of track (single track mileage) in Bellaire and Shadyside, Ohio (gauge 5 ft. 2½ in.). The road is operated by the Wheeling Traction Co.

CAPITAL STOCK

Authorized, $500,000; outstanding, $66,000; par $100. All owned by Wheeling Traction Co. Annual meeting, second Wednesday in January.

FUNDED DEBT

$65,000 FIRST MORTGAGE 5% GOLD BONDS

These bonds matured Nov. 1, 1926. Of the $65,000 outstanding, $19,000 are owned by Wheeling Traction Co. and $46,000 taken up by West Penn Railways Co. at maturity.

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; J. L. Fisher, Asst. Sec.; W. H. Swinney, Comptroller; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; A. C. Spurr, Gen. Mgr., Wheeling, W. Va.

Directors: H. L. Mitchell, R. B. Keating, G. E. Murrie, Pittsburgh, Pa.; A. C. Spurr, Wheeling, W. Va.; Gordon D. Kinder, Martins Ferry, Ohio.

General Office, West Penn Building, 14 Wood Street, Pittsburgh, Pa.

MOZART PARK RAILWAY COMPANY

(Controlled by Wheeling Traction Company)

History—Incorporated March 8, 1926, in West Virginia, for the purpose of furnishing street railway service to residents of Mozart Park Addition to the City of Wheeling, W. Va. Track and roadway is the property of the City of Wheeling and is operated by Mozart Park Railway Co. under lease dated March 5, 1926, which may be terminated by either party upon fifteen days' written notice. Two cars are leased by Mozart Railway Company from the West Penn Railways Co.

CAPITAL STOCK

Authorized and outstanding, $10,000; par $100. All owned by Wheeling Traction Co. Annual meeting, 1st Saturday in January.

Officers: G. E. Murrie, Pres.; J. L. Fisher, Sec.; D. P. Guest, Treas.; H. R. Lynn, Asst. Treas., Pittsburgh, Pa.

Directors: R. L. Whittaker, E. F. Graham, D. P. Guest, J. L. Fisher, G. E. Murrie, Pittsburgh, Pa.

General Office, West Penn Building, 14 Wood Street, Pittsburgh, Pa.

THE STEUBENVILLE AND WHEELING TRACTION COMPANY

(Controlled by Wheeling Traction Company)

History—Incorporated May 4, 1901, in Ohio. The physical property owned includes 14.13 miles of track (single track mileage) from Martins Ferry to Rayland, Ohio (gauge 5 ft. 2½ in.), and from Steubenville to Brilliant, Ohio (gauge 4 ft. 8½ in.) and 4 motor passenger cars. The property is operated by Wheeling Traction Co. under lease.

CAPITAL STOCK

Authorized, $650,000; outstanding, $500,000; par $100. All owned by Wheeling Traction Co. Annual meeting, last Saturday in January.

FUNDED DEBT

$496,000 FIRST CONSOLIDATED GOLD 5s; DUE MAY 1, 1935

Dated May 1, 1905.

Interest Payable May and Nov. 1, at Dollar Savings & Trust Co., Wheeling, W. Va., Trustee and Registrar. Coupon, $1,000; principal may be registered. Subject to call on any interest date at 102 and accrued interest, on four weeks' published notice. Guaranteed, principal and interest, by Wheeling Traction Co. Authorized, $650,000; outstanding, $533,000, of which the Wheeling Traction Co. owns $37,000.

Tax Provision—Company does not pay Normal Federal Income Tax.

OFFICERS AND DIRECTORS

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Comptroller; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; A. C. Spurr, Gen. Mgr., Wheeling, W. Va.

Directors: H. L. Mitchell, R. B. Keating, G. E. Murrie, Pittsburgh, Pa.; A. C. Spurr, Wheeling, W. Va.; Gordon D. Kinder, Martins Ferry, Ohio.

General Office, West Penn Building, 14 Wood Street, Pittsburgh, Pa.

THE WHEELING AND WESTERN RAILWAY COMPANY

(Controlled by Wheeling Traction Company)

History—Incorporated March 15, 1901, in Ohio. The physical property owned includes 7.49 miles of track (single track mileage) connecting Wheeling Creek and Barton, Ohio, gauge 5 ft. 2½ in. The property is operated by the Wheeling Traction Co.

CAPITAL STOCK

Authorized and outstanding, $300,000; par $100. All owned by Wheeling Traction Co. Annual meeting, last Saturday in January.

FUNDED DEBT

$235,000 FIRST MORTGAGE 5s

These bonds matured May 1, 1926. Of the $235,000 outstanding, $53,000 are owned by Wheeling Traction Company and $182,000 were taken up by West Penn Railways Company at maturity.

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; A. C. Spurr, Gen. Mgr., Wheeling, W. Va.

Directors: R. B. Keating, H. L. Mitchell, G. E. Murrie, Pittsburgh, Pa.; A. C. Spurr, Wheeling, W. Va.; Gordon D. Kinder, Martins Ferry, Ohio.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

WHEELING BRIDGE COMPANY

(Controlled by Wheeling Traction Company)

History—Incorporated May 6, 1889 in W. Va. Company owns and operates two toll bridges between Wheeling, West Virginia, and Bridgeport, Ohio. The Main Channel Bridge connects the business section of Wheeling with Wheeling Island and the Back Channel Bridge connects Wheeling Island with Bridgeport and Martins Ferry, Ohio. Both bridges are used by the Wheeling Traction Company.

CAPITAL STOCK

Authorized, $500,000; outstanding, $336,250, of which Wheeling Traction Co. owns $265,900; par, $100. Transfer Agent: W. F. Craig, 14 Wood St., Pittsburgh. Annual meeting, second Tuesday in January.

Dividends—During 1924, four quarterly dividends of ½% were paid J, A, J & O 15; none since.

FUNDED DEBT

$165,000 First Mortgage Gold 7s; dated Jan. 1, 1921; **due Jan. 1, 1931; int. Jan. and July 1, at Dollar Savings & Trust Co., Wheeling, W. Va., Trustee and Registrar.** Coupon, $1,000; principal may be registered. Authorized and issued, $200,000, of which $31,000 held alive in sinking fund and $4,000 held in treasury. Subject to call on any interest date at 105 and accrued interest on three weeks' published notice. Sinking fund of $4,000 per annum to be paid semi-annually January and July 1, for redemption of bonds by call or in lieu thereof, bonds to be purchased in open market at not exceeding 105.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Aud., Pittsburgh, Pa.; A. C. Spurr, Gen. Mgr., Wheeling, W. Va.

Directors: W. S. Finlay, Jr., R. B. Keating, H. L. Mitchell, Pittsburgh, Pa.; A. C. Spurr, Wheeling, W. Va.; Gordon D. Kinder, Martins Ferry, Ohio.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

OHIO VALLEY TRANSIT CO.

(Controlled by The West Penn Electric Company)

History and Property—Incorporated Jan. 6, 1925, in West Virginia. Company owns and operates bus lines between Steubenville, Ohio, and New Cumberland, W. Va., through Weirton, W. Va., and between Steubenville, Ohio, and Wheeling, W. Va., along both sides of the Ohio River, and also lines connecting Steubenville, Dillonvale, Smithfield and Odena, Ohio. There are 92 miles of route. The equipment consists of 12 motor buses.

CAPITAL STOCK

Authorized, $25,000 Common; outstanding, $500; par, $100. All owned by The West Penn Electric Company. Annual meeting, last Saturday in January.

Officers: H. L. Mitchell, Pres.; R. B. Keating, V-P., Pittsburgh, Pa.; A. C. Spurr, V-P., Wheeling, W. Va.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, H. L. Mitchell, Pittsburgh, Pa.; A. C. Spurr, Wheeling, W. Va.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

TRI-STATE IMPROVEMENT COMPANY

(Controlled by The West Penn Electric Company)

History—Incorporated November 24, 1919, in Delaware, for the purpose of holding real estate. Company owns the Warwood carbarn at Wheeling, W. Va., and miscellaneous real estate in Ohio and West Virginia in the vicinity of Wheeling.

CAPITAL STOCK

Authorized, $10,000; outstanding, $1,000; par $100. All owned by The West Penn Electric Company. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: R. B. Keating, Pres.; H. L. Mitchell, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, H. L. Mitchell, A. V. Bennett, Pittsburgh, Pa.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

WEST PENN AUTO COMPANY

(Controlled by The West Penn Electric Company)

History—Incorporated January 8, 1924, in Delaware, principally for the purpose of repairing automotive vehicles, Company maintains a garage and repair shop at Connellsville, Pa.

CAPITAL STOCK

Authorized, $500,000; outstanding, $5,000; par $100. All owned by The West Penn Electric Company. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: W. S. Finlay, Jr., Pres.; R. B. Keating, V-P.; A. V. Bennett, V-P.; G. M. Gadsby, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. M. Gadsby, A. V. Bennett, G. E. Murrie, Pittsburgh, Pa.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

WEST PENN REALTY COMPANY

(Controlled by The West Penn Electric Company)

History—Incorporated Dec. 20, 1916, in Pennsylvania, for the purpose of holding real estate in Pennsylvania.

CAPITAL STOCK

Authorized and outstanding, $5,000; par $50. All owned by The West Penn Electric Company. Annual meeting, third Thursday in February.

FUNDED DEBT

$52,000 REAL ESTATE MORTGAGES

Officers: R. B. Keating, Pres.; H. L. Mitchell, V-P.; G. M. Gadsby, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Compt.; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, A. V. Bennett, W. H. Swinney, Pittsburgh Pa.

General Office, West Penn Bldg., 14 Wood St., Pittsburgh, Pa.

WEST PENN SECURITIES DEPARTMENT, INC.

(Controlled by The West Penn Electric Company)

History—Incorporated August 4, 1924, in West Virginia, for the purpose of acquiring, holding and selling securities, Company conducts customer-ownership campaigns for the sale of stocks of The West Penn Electric Co. and subsidiary companies.

CAPITAL STOCK

Authorized and outstanding, $10,000; par $100. All owned by The West Penn Electric Company. Annual meeting, first Tuesday in May.

FUNDED DEBT

None.

Officers: R. B. Keating, Pres.; A. V. Bennett, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Comptroller; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; R. L. Whittaker, Asst. Sec.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, A. V. Bennett, G. E. Murrie, W. H. Swinney, Pittsburgh, Pa.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

WEST PENN SYSTEM CONSTRUCTION COMPANY

(Controlled by The West Penn Electric Company)

History—Incorporated August 30, 1926, in West Virginia, for the purpose of doing construction work for companies in the West Penn System.

CAPITAL STOCK

Authorized, $10,000; outstanding, $500; par $100. All owned by The West Penn Electric Company.

FUNDED DEBT

None.

Officers: W. S. Finlay, Jr., Pres.; R. B. Keating, V-P.; A. V. Bennett, V-P.; G. E. Murrie, Sec.; W. H. Swinney, Comptroller; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.

Directors: W. S. Finlay, Jr., R. B. Keating, G. E. Murrie, A. V. Bennett, G. M. Gadsby, Pittsburgh, Pa.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

WEST VIRGINIA PUBLIC SERVICE COMPANY

(Controlled by The West Penn Electric Company)

History—Incorporated December 27, 1923, in West Virginia. Company has the right to purchase and operate electric light and power, and street railway properties, purchase and sell securities, etc. Company owns no property.

CAPITAL STOCK

Authorized and outstanding, 200 shares of no par value. All owned by The West Penn Electric Company. Annual meeting, first Tuesday in May.

FUNDED DEBT

None.

Officers: R. B. Keating, Pres., Pittsburgh, Pa.; Philip L. Ross, V-P., New York; G. E. Murrie, Sec.; W. H. Swinney, Comptroller; D. P. Guest, Asst. Treas.; H. R. Lynn, Asst. Treas.; J. L. Fisher, Asst. Sec.; M. W. Glover, Gen. Aud., Pittsburgh, Pa.; W. K. Dunbar, Asst. Sec. & Asst. Treas., New York.

Directors: W. S. Finlay, Jr., R. B. Keating, D. P. Guest, Pittsburgh, Pa.; G. M. Alexander, Fairmont, W. Va.

General Office, West Penn Building, 14 Wood St., Pittsburgh, Pa.

THE WATER WORKS & ELECTRIC SECURITIES CORPORATION

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated Jan. 5, 1923, in Delaware, with perpetual charter, to assume functions of the Investment Department of the American Water Works and Electric Company, Incorporated. Its purpose is to render service and issue information with reference to the securities, earnings, growth, and operations of the parent company and its various subsidiaries.

CAPITAL STOCK

Authorized, $100,000 Common; outstanding, $50,000; par, $100. All owned by the American Water Works and Electric Company, Incorporated. Annual meeting, fourth Wednesday in January.

Officers: H. Hobart Porter, Pres.; E. S. Thompson, V-P.; T. B. Davis, Sec.; Adolph Ast, Treas.; W. R. Hinchman, Asst. Treas. & Asst. Sec.

Directors: H. Hobart Porter, H. H. Pierce, E. S. Thompson, T. B. Davis, W. R. Hinchman.

Office, 50 Broad Street, New York.

AMERICAN CONSTRUCTION & SECURITIES COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated Feb. 10, 1913, in Del. This company is both a holding and construction company, being organized to execute the construction programs of the various subsidiary companies of the American Water Works and Electric Company, Incorporated.

Owns all the $1,000 outstanding capital stock of Water Works Construction Co., Inc. and all the $10,000 outstanding capital stock of Arkansas-Texas Construction Co.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned by the American Water Works and Electric Company, Incorporated. Annual meeting, first Tuesday in March.

Officers: G. W. Biggs, Jr., Pres.; Philip L. Ross, V-P.; F. R. Berry, V-P.; W. R. Voorhis, V-P.; W. K. Dunbar, V-P.; E. S. Thompson, Treas.; A. A. Adams, Sec. & Asst. Treas.; T. B. Davis, Asst. Sec.; W. R. Hinchman, Asst. Treas.; G. W. Chapman, Asst. Treas.

Directors: G. W. Biggs, Jr., Philip L. Ross, F. H. Mason, W. K. Dunbar, E. S. Thompson.

Office, 50 Broad Street, New York.

ARKANSAS-TEXAS CONSTRUCTION COMPANY

(Controlled by American Construction & Securities Company)

History—Incorporated Aug. 6, 1926, in Texas under 50-year Charter. Company organized to execute the construction program of the subsidiary companies of American Water Works & Electric Company, Inc., in the States of Arkansas and Texas.

CAPITAL STOCK

Authorized and outstanding, $10,000; par $100. All owned by American Construction and Securities Company. Annual meeting second Wednesday in June.

Officers: G. W. Biggs, Jr., Pres.; Philip L. Ross, V-P.; F. R. Berry, V-P.; W. K. Dunbar, V-P. & Treas.; A. A. Adams, Sec. &. Asst. Treas.; T. B. Davis, Asst. Sec.

Directors: G. W. Biggs, Jr., New York; C. M. Fieldin, Texarkana, Tex.; J. G. Woods, Texarkana, Ark.

Offices, 2321 Wood St., Texarkana, Tex. and 50 Broad St., New York.

WATER WORKS CONTRUCTION COMPANY, INC.

(Controlled by American Construction & Securities Company)

History—Incorporated March 3, 1925 in Virginia with a perpetual charter. Organized to execute the construction program of the subsidiary companies of American Water Works and Electric Co., Inc., in the State of Virginia.

CAPITAL STOCK

Authorized, $5,000 Common; outstanding, $1,000; par $100. All owned by American Construction and Securities Company. Annual meeting, last Tuesday in February.

Officers: G. W. Biggs, Jr., Pres.; F. R. Berry, V-P.; W. K. Dunbar, V-P. & Treas.; A. A. Adams, Sec.; T. B. Davis, Asst. Sec. & Asst. Treas.

Directors: G. W. Biggs, Jr., W. K. Dunbar, A. A. Adams.

Office, 50 Broad St., New York.

AJAX FARM CORPORATION

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated May 4, 1915, in New York. This company was organized as a holding company and now owns the entire capital stock of the Esperanza Land Corporation.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. All owned by the American Water Works and Electric Company, Incorporated. Annual meeting, first Tuesday in May.

Officers: H. Hobart Porter, Pres. & Gen. Mgr.; Philip L. Ross, V-P.; W. K. Dunbar, Sec.; E. S. Thompson, Treas.

Directors: H. Hobart Porter, E. S. Thompson, P. L. Ross, F. H. Mason, W. K. Dunbar.

Office, 50 Broad Street, New York.

ESPERANZA LAND CORPORATION

(Controlled by Ajax Farm Corporation)

History and Property—Incorporated May 4, 1915, in New York, to acquire title to certain lands in the Sacramento Valley in Glenn and Colusa Counties, Cal., about 75 miles north of Sacramento City, and to engage in the business of buying and selling land and cultivating and farming the same.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. All owned by the Ajax Farm Corporation. Annual meeting, first Tuesday in May.

Officers: Philip L. Ross, Pres.; E. S. Thompson, V-P.; J. Mills, V-P.; J. Mills, Jr., V-P.; W. K. Dunbar, Sec.; B. A. Maxwell, Treas. & Asst. Sec.; A. A. Adams, Asst. Treas.; J. Karrer, Asst. Treas.

Directors: H. Hobart Porter, E. S. Thompson, W. K. Dunbar, P. L. Ross, F. H. Mason.

Offices, Willows, Cal., and 50 Broad Street, New York.

JAMES MILLS HOLDING COMPANY

(Controlled by American Water Works and Electric Company, Incorporated)

History—Incorporated May 20, 1915, in New York. Organized as a holding company and now holds the entire capital stock of James Mills Orchards Corporation.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. All owned by the American Water Works and Electric Company, Incorporated. Annual meeting, first Tuesday in May.

Officers: Philip L. Ross, Pres.; H. Hobart Porter, V-P. & Gen. Mgr.; W. K. Dunbar, Sec.; E. S. Thompson, Treas.

Directors: H. Hobart Porter, Philip L. Ross, H. F. Barnard, W. K. Dunbar, F. H. Mason.

Office, 50 Broad Street, New York.

JAMES MILLS ORCHARDS CORPORATION

(Controlled by James Mills Holding Company)

History and Property—Incorporated May 20, 1915. in New York, to acquire title to certain lands in the Sacramento Valley in Glenn and Colusa Counties, California, about 75 miles north of Sacramento City, and owns about 8,000 acres of valuable land. Company has 2 well developed orchards located respectively at Hamilton, in Glen County and at Maxwell, in Colusa County, comprising 1,080 acres planted to citrus and 650 acres planted to deciduous fruits. Lemons, oranges, pears, grapefruit, prunes, almonds and olives constitute the principal crops while other lands are being used for general farming and grazing which are carried on partly by Company and partly by tenants under lease.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100 All owned by James Mills Holding Company. Annual meeting, first Tuesday in May.

Officers: James Mills, Pres.; Philip L. Ross, V-P. H. Hobart Porter, V-P.; J. Mills, Jr., V-P.; W. K Dunbar, Sec.; B. A. Maxwell, Treas. & Asst. Sec.; A A. Adams, Asst. Treas.; J. Karrer, Asst. Treas.

Directors: H. Hobart Porter, E. S. Thompson Philip L. Ross, W. K. Dunbar, H. F. Barnard.

Offices, Willows, Cal., and 50 Broad Street, New York.

FEDERAL WATER SERVICE CORPORATION

(See Accompanying Map)

History and Properties—Incorporated June 21, 1926 under the laws of Delaware, with perpetual charter, as a holding and management company for the various subsidiary operating companies, which latter furnish water service in their respective territories.

Corporation owns and operates New York Water Service Corp., California Water Service Corp., California Water Service Co., Illinois Water Service Co., Union Water Service Co., West Virginia Water Service Co., Alabama Water Service Co., Indiana Water Service Co., Oregon-Washington Water Service Co. and Pennsylvania Water Service Co. In addition Corporation also operates Scranton-Spring Brook Water Service Co., Chester Water Service Co., Citizens Water Service Co., Clear Springs Water Service Co., Clymer Water Service Co., Pittsburgh Suburban Water Service Co., Ohio Water Service Co., Winchester Water Works Co., Cortland Water Co. and Neptunus Water Co. of Cape May Court House, N. J.

The constituent companies supply water for domestic and industrial purposes to various communities in 14 states, including New York, New Jersey, Pennsylvania, West Virginia, Kentucky, Ohio, Indiana, Illinois, Alabama, Georgia, California, Oregon and Washington, serving an estimated population in excess of 2,321,624. There are 5,169 miles of distribution mains, 21,295 hydrant connections and 485,449 consumers.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Number of Services	Miles of Mains	No. of Hydrants
1921	296,200	3,316	14,475
1922	314,505	3,478	15,091
1923	336,245	3,638	15,642
1924	357,347	3,846	16,526
1925	376,018	4,003	17,363
1926	398,171	4,160	18,092
1927	413,217	4,275	18,839

CAPITAL STOCK

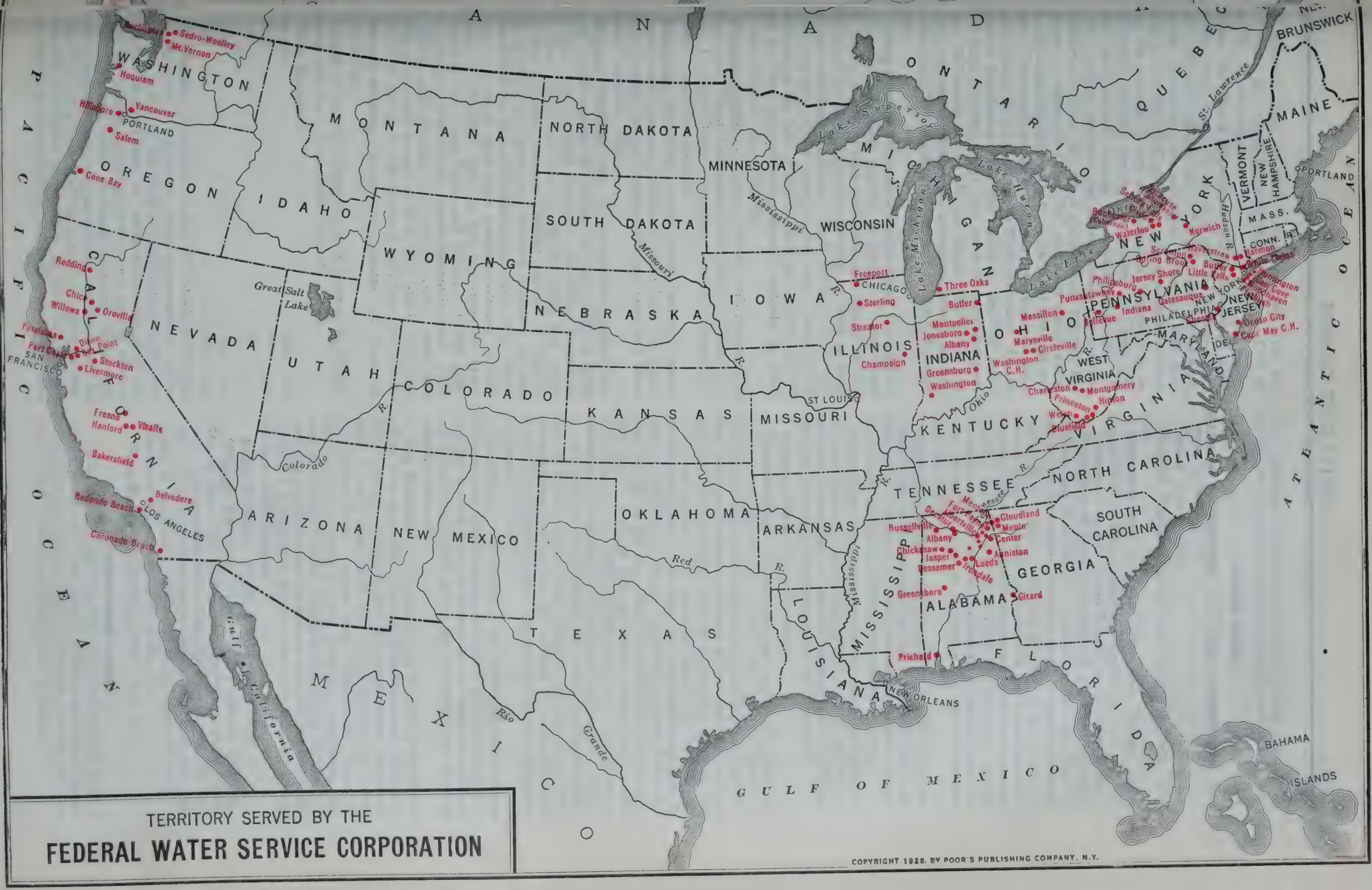
Authorized, 600,000 shares Class "B", 600,000 shares Class "A" and 250,000 shares cumulative Pfd., all of no par value; outstanding, 65,000 shares Class "B," 214,040 28/50 (including scrip) shares Class "A", 21,914 shares cumulative Pfd. $7 Series, and 56,58 shares cumulative Pfd. $6.50 Series.

Stock Increases—In September, 1926 the authorize Pfd. stock was increased from 15,000 shares to 50,00 shares ($100 par value—7%). In December 1926 th stockholders voted to change the Pfd. stock from $10 par value—7%, to no par value with dividend rate o $7 per annum. In March, 1927, the Certificate of In corporation was amended to permit the issuance o Pfd. stock at a dividend rate not to exceed $7 per an num. In April, 1927, an increase in the Pfd. stoc from 50,000 shares of no par value to 250,000 shares o the same class was authorized.

In September, 1926, the authorized Class "A" stoc was increased from 100,000 shares to 350,000 share of no par value, and in June, 1927, to 600,000 shares. I February, 1928, the authorized Class "B" stock was in creased from 100,000 to 600,000 shares of no par valu

Preferred Stock Provisions—The cumulative Pf stock has preference as to assets, as well as dividend over all other classes of stock. It is entitled to cumu lative dividends at the rate of $6.50 per share per an num upon the $6.50 Series, and $7 per share per annu upon the $7 Series. The rights and provisions of th $7 Series and the $6.50 Series are in all respects sim lar, except as to dividend rate. The stock is redeem able in whole or in part, at the option of the Corpora tion on any dividend payment date, upon at least 3 days' notice, at $110 per share and accrued dividend Upon any dissolution or liquidation of the Corporatio the holders of the Pfd. stock are entitled to $100 pe share and accrued dividends, plus a premium of $1 per share, if such dissolution or liquidation is volun tary, before any distribution is made to holders o Class "A" or Class "B" stock. Additional Pfd. stoc cannot be issued unless the net consolidated incom of the Corporation and its subsidiaries for 12 consecu tive calendar months within the 15 calendar month immediately preceding the date of such issuance is a least 2½ times the annual dividend requirements o all Pfd. stock outstanding including any additiona shares to be issued. No mortgage or other lien ma be created by the Corporation on any of its property

As underwriters and distributors we deal in the securities of
FEDERAL WATER SERVICE CORPORATION
G. L. OHRSTROM & CO.
INCORPORATED
Forty-Four Wall Street New York
BOSTON PHILADELPHIA CHICAGO LOS ANGELES


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Butler
Little Falls
Jersey Shore
Philipsburg
Punxsutawney
Indiana
Altoona
Johnstown
Latrobe
Connellsville
Uniontown
Mt. Pleasant
Greensburg
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Fort Pillow
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Martinsville
NEW ORLEANS

FEDERAL WATER SERVICE CORPORATION

TERRITORY SERVED BY THE

or may any class of stock having priority over the Pfd. stock be issued, without the consent of 75% of he Pfd. stockholders.

Class "A" Stock Provisions—After dividends upon he Pfd. stock, Class "A" stock is entitled to non-cumulative dividends at the rate of $2 per share per annum, ayable quarterly. In addition, whenever full dividends at the rate of $2 per share per annum have been aid, the amount of any additional dividends is to be istributed one-half among the holders of Class "A" tock, and one-half among the holders of Class "B" tock, in equal amounts per share, unless the number f shares of Class "A" stock outstanding exceeds the umber of shares of Class "B" stock, in which event he additional dividends are to be declared pro rata per hare. The stock is redeemable on any dividend date, pon at least 30 days' notice, at $110 per share. In the vent of liquidation after the rights of the Pfd. stock ave been satisfied, Class "A" stock is preferred over lass "B" stock, up to $50 per share; thereafter any ssets or funds remaining are to be distributed one-half o the Class "A" stock, and one-half to the Class "B" tock.

Voting Powers—Preferred stockholders are entitled o vote equally with holders of Class "A" and Class B" stock, if at any time dividends are unpaid on the Pfd. stock for eight quarterly periods, so long as such non-payment may continue. Each share of Class "A" tock will have equal voting rights with Class "B," if lividends at the rate of $2 per share per annum are not aid for four consecutive quarterly periods, so long s such default may continue.

Transfer Agents—Preferred stock, both Series, The New York Trust Company, New York. Class "A" tock, Lawyers' Trust Company, New York, and Old Colony Trust Co., Boston.

Registrars—Preferred stock, both Series, Central Union Trust Company of New York; Class "A" stock, The Equitable Trust Company of New York and State Street Trust Co., Boston.

Original Offering—Pfd. stock was first publicly offered (17,000 shares $7 Series) in Dec., 1926, at $100 per share and accrued dividends, by Hale, Waters & Co., New York and Boston. $6.50 Series Pfd. stock was first publicly offered (20,000 shares) in March, 1927, at $94.50 per share and accrued dividend, to yield about 6.88%, by G. L. Ohrstrom & Co., Inc., New York. Class "A" stock was first publicly offered (60,000 shares) in October, 1926, at $26 per share by Hale, Waters & Co., New York and Boston. 15,000 additional shares of $6.50 Pfd. stock offered in Sept., 1927, at $94.50 and dividend a share, to yield 6.88% and 5,000 additional shares of $6.50 Pfd. stock offered in Nov., 1927, by G. L. Ohrstrom & Co., Inc., New York.

Annual Meeting—Second Wednesday in June at New York.

Listed—Class "A" stock listed on Boston Stock Exchange and New York Curb Market.

Price Range—

	1927	1926
$6.50 Pfd.—		
High	95	....
Low	90	....
Class "A"—		
High	36½	27½
Low	26⅝	25½

Dividends—Dividends on the Pfd. stock have been paid regularly, J, A, J & O 1, since organization. It has been the policy of the Board of Directors to declare dividends on the Class "A" stock at the rate of $2 per share per annum, payable on the first day of March, June, Sept. and Dec.; dividend payments have been made regularly since organization. Holders of the Class "A" stock have had the option of applying their quarterly dividends of 50 cents in cash toward the purchase of additional Class "A" stock at rate of 1/50th of a share for each share held, this being at the rate of $25 per share for additional stock purchased.

FUNDED DEBT

$12,500,000 CONVERTIBLE 5½% GOLD DEBENTURES; DUE JULY 1, 1957

Dated July 1, 1927.

Interest Payable January and July 1 in New York City.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited; outstanding, $12,500,000. Indenture provides that no additional debentures may be issued, except for refunding purposes, unless the net income of the Corporation, as defined in the Indenture for twelve consecutive calendar months within the preceding fifteen calendar months shall have been at least 2½ times the annual interest charges upon all outstanding funded indebtedness of the Corporation, including the debentures then proposed to be issued.

Purpose of Issue—Proceeds were used for the retirement of the Corporation's 6% Convertible Debentures, Series "A," due Sept. 1, 1996; for the acquisition of certain properties and for other corporate purposes.

Callability—Subject to call on any interest date upon 40 days' notice to and including July 1, 1937, at 105 and interest; thereafter, to and including July 1, 1956, at 103 and interest; thereafter at par and interest.

Sinking Fund—None provided.

Convertibility—Debentures are convertible, at face value, on or before Jan. 1, 1937, into Class "A" stock of the Corporation, as constituted at the time of conversion, with adjustment in cash to be made of accrued interest, dividends and fractional part of a share, at the following prices: To and including Jan. 1, 1929, at $39.50 per share; thereafter, to and including Jan. 1, 1931, at $42.50 per share; thereafter, to and including Jan. 1, 1933, at $47 per share; thereafter, to and including Jan. 1, 1935, at $55 per share; thereafter, to and including Jan. 1, 1937, at $60 per share. Debentures which may be called for redemption will be convertible, as aforesaid, to and including the tenth day prior to the date of redemption. The indenture contains provision safeguarding the rights of holders of debentures in event of payment by the Corporation of any dividends in Class "A" stock.

Security—Debentures are the direct obligation of the Corporation which covenants that it will not issue any secured funded debt, as defined in the Indenture, unless all debentures issued under the Indenture are secured ratably therewith.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain Pennsylvania, Connecticut, Kansas, California and Minnesota taxes not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Kentucky, West Virginia and District of Columbia taxes not to exceed 5 mills, Michigan exemption tax not to exceed 5 mills, Virginia tax not to exceed 5½ mills and Massachusetts income tax not to exceed 6% refunded to resident holders upon application within 60 days after payment.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered ($10,000,000) in June, 1927, at 96¾ and interest, to yield 5.75%, by G. L. Ohrstrom & Co., Inc., New York, etc.; $1,000,000 additional Debentures were offered and sold privately in September, 1927, at 96¾ and interest, by G. L. Ohrstrom & Co., Inc., New York, etc.

Price Range—1927: High, 100; low, 93.

DEBENTURES CALLED

All of the outstanding 6% Convertible Gold Debentures, Series "A," due Sept. 1, 1996, were called for redemption on Sept. 1, 1927, at 110 and interest, at Central Union Trust Co. of New York, Trustee.

CONSOLIDATED STATEMENT OF EARNINGS OF CONSTITUENT PROPERTIES, YEARS ENDED DECEMBER 31
(Federal Water Service Corporation and Subsidiary Companies)
(Projected to reflect property purchases and new financing incidental thereto on California, New York and Pennsylvania Subsidiaries)

	1927	1926
Gross revenues (incl. other income)	$13,635,336	$12,733,460
Operating expenses	4,447,027	4,368,640
Maintenance and deprec. as provided in sub. cos. mortgages	1,259,124	1,189,231
Taxes (excluding Federal Income tax)	866,265	806,146
Gross income	$7,062,920	$6,369,443
Annual int. requirements on funded debt of sub. cos.	3,887,047	
Annual divd. requirements on Pfd. stock of sub. cos.	1,120,385	
Balance	$2,055,488	
Annual int. requirements on $12,500,000 Federal Water Service Corp. debentures	687,500	
Annual divd. requirements on 78,500 shs Federal Water Service Corp. Pfd. stock	521,207	
Balance	$846,781	

PROJECTED BALANCE SHEET, DECEMBER 31, 1927.
(Federal Water Service Corp. and Subsidiary Companies)
(Projected to reflect property purchases and new financing incidental thereto on California, New York and Pennsylvania Subsidiaries)

Assets—	
Plant, property, etc. (including net excess of cost of sub. co. securities over par value)	$136,680,329
Investments in affiliated and other cos.	788,089
Cash on hand and in banks	2,068,618
Notes receivable	11,690
Accounts receivable	1,841,202
Materials and supplies	881,135
Miscellaneous current assets	67,734
Due from affiliated cos.	828,638
Deposit with Trustee to retire funded debt and Pfd. stock of certain constituent cos. (contra)	6,801,211
Miscellaneous special deposits	476,840
Reacquired and treasury securities	84,890
Deferred charges and prepaid accts. (including unamortized debt disc. and expense and commission on capital stock)	8,741,109
Total	$159,271,485
Liabilities—	
Common stock of Federal Water Service Corp. & surplus	†$16,962,061
Cumulative Pfd. stock of Federal Water Service Corp.	‡7,615,877
Pfd. stock of subsidiaries in hands of public	18,721,500
Funded debt and Pfd. stock of certain former constituent cos. in process of retirement (contra)	6,801,211
Federal Water Service Corp. Conv. 5½% Gold debentures, due July 1, 1957	12,500,000
Funded debt of subs. in hands of public	76,677,100
Notes payable and purchase money obligations	*5,040,723
Extension warrants	26,500
Accounts payable	1,278,721
Miscellaneous current liabilities	25,943
Taxes accrued	833,981
Int. accrued on funded debt	932,631
Dividends accrued on Pfd. stock	117,767
Miscellaneous accrued liabilities	81,609
Unearned revenue	228,224
Consumers' deposits	515,138
Miscellaneous unadjusted credits	350,554
Reserve for depreciation	10,281,680
Contributions for extensions	144,818
Uncollectible accounts reserve	55,085
Miscellaneous operating reserves	80,362
Total	$159,271,485

†Represented by 214,040-28/50 no par value shares of Class "A" stock and Scrip, and 65,000 no par value shares of Class "B" stock. ‡Represented by 56,586 no par value shares of $6.50 Dividend Series, and 21,914 no par value shares of $7 Dividend Series. *Principally consisting of obligations arising from acquisition of new properties and additions and betterments not financed at Dec. 31, 1927.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; E. C. Elliott, V-P.; Walter A. Culin, Sec. & Treas.; R. H. Neilson, Gen. Counsel; A. T. Luce, Oper.-Engr.; L. A. Phillips, Plant Engr.; E. F. C. Parker, Compt.

Directors: C. T. Chenery, G. L. Ohrstrom, J. P. Shaw, Jr., A. W. Cuddeback, E. C. Elliott, M. E. Simond, W. B. Thom.

Executive Office, 27 William St., New York, N. Y.

NEW YORK WATER SERVICE CORPORATION

(Controlled by Federal Water Service Corporation)

History and Property—Incorporated Feb. 28, 18[illegible] under the laws of New York State, with perpetu[illegible] charter, as the Woodhaven Water Supply Compan[illegible] In December, 1926, the name was changed to the Ne[illegible] York Water Service Corporation and in the san[illegible] month the Corporation absorbed the Flatbush Wat[illegible] Works Company and acquired the entire capital stoc[illegible] of the Norwich, Onondaga, Seneca and Hudson Wat[illegible] Service Corporations. In July, 1927 merged the Gle[illegible] Cove Water Service Co. and the Huntington Wate[illegible] Works Co. (see 1927 Public Utility Manual, pag[illegible] 1206). In Dec., 1927 a controlling interest in th[illegible] Common stock of Rochester & Lake Ontario Wate[illegible] Co. (see 1927 Public Utility Manual, page 761) wa[illegible] purchased, and in Jan. 1928 all the Common stoc[illegible] of The Clyde Water Supply Co. was acquired. O[illegible] Jan. 26, 1928, these two companies were consolidate[illegible] to form the **Rochester & Lake Ontario Water Servic[illegible] Corporation,** the entire Common stock of which [illegible] owned by New York Water Service Corp.

The Corporation operates in the Flatbush and Woo[illegible] haven sections of New York City and Huntingto[illegible] and Glen Cove, L. I., and through its subsidiarie[illegible] in Haverstraw, Seneca Falls, Waterloo, Clyde, No[illegible] wich, part of the City of Rochester and adjacent subu[illegible] ban districts and numerous communities suburban t[illegible] Syracuse. White Plains and North White Plains ar[illegible] served at wholesale. Population served, in excess o[illegible] 575,000.

The Flatbush, Woodhaven, Huntington, Glen Cov[illegible] and White Plains water supplies are derived from sy[illegible] tems of driven wells. Corporation owns over ninety[illegible] four acres of land in New York City for the protec[illegible] tion of its present and future water supplies. Have[illegible] straw, Stony Point and Grassy Point obtain wate[illegible] from mountain streams. The water supply for Senec[illegible] Falls is taken from Cayuga Lake, having a drainag[illegible] basin of over 800 square miles. The districts of No[illegible] wich and Syracuse are served by gravity system[illegible] Water for the territory served in and near the city o[illegible] Rochester is derived from Lake Ontario.

The distribution lines consist of 576 miles of main[illegible] afford fire protection with 5,412 hydrants and serve[illegible] total of 106,429 consumers.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	Hydrants	Consume[illegible]
1921	$1,264,118	431	4,982	50,046
1922	1,432,413	443	4,057	60,402
1923	1,560,937	463	4,249	67,101
1924	1,695,045	490	4,612	75,354
1925	1,886,593	512	4,879	85,783
1926	2,059,052	537	5,126	95,768

NOTE—Certain of the above data are partially estimate[illegible]

CAPITAL STOCK

Authorized, $3,000,000 Common and $6,000,000 6% cumulative Pfd.; outstanding $2,245,000 Common an[illegible] $4,046,000 Pfd.; par, $100. The entire Common stoc[illegible] is owned by the Federal Water Service Corporatio[illegible]

Capital Stock Changes—In Dec., 1926, authorize[illegible] capital stock was increased from $400,000 to $7,500,00[illegible] ($1,500,000 Common and $6,000,000 Pfd.); in June[illegible] 1927 to $8,000,000 ($2,000,000 Common and $6,000,00[illegible] Pfd.); in Jan., 1928 to $9,000,000 ($3,000,000 Commo[illegible] and $6,000,000 Pfd.)

Preferred Stock Provisions—Pfd. stock is preferre[illegible] over the Common, both as to assets and dividends. I[illegible] is entitled to cumulative dividends at the rate of 6% per annum. Pfd. stock is redeemable in whole or i[illegible] part, at the option of the corporation, on any dividen[illegible] payment date, upon at least 30 days' notice at $105 pe[illegible] share and accrued dividends. Upon any dissolution o[illegible] liquidation of the Corporation, the holders of the Pfd stock are entitled to $100 per share and accrued divi[illegible] dends, plus a premium of $5 per share, if such dissolu[illegible]

tion or liquidation is voluntary, before any distribution is made to the Common stock. Additional Pfd. stock cannot be issued unless the net consolidated income of the Corporation and its subsidiaries for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of such issue, after deducting all interest charges on the indebtedness of the Corporation, is at least twice the annual dividend requirements on all Pfd. stock outstanding, including any additional shares to be issued. The Corporation may not issue stock having priority over the Pfd. stock as to dividends or assets, amend the provisions of the Pfd. stock so as to affect adversely the rights of the holders, or increase the number of shares of Pfd. stock authorized to be issued, without the consent of at least two-thirds of the Pfd. stock. In the event the dividends of the Pfd. stock are in arrears and unpaid for four quarterly periods, whether consecutive or not, the Pfd. stockholders have equal voting power with the Common, so long as such default may continue.

Transfer Agents—Bankers Trust Company, New York, and Bank of North America & Trust Company, Philadelphia.

Registrars—The Farmers' Loan & Trust Company, New York, and the Fidelity-Philadelphia Trust Company, Philadelphia.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%, Pennsylvania tax not to exceed 4 mills, Maryland tax not to exceed 4½ mills, and Massachusetts income tax not to exceed 6%, refundable.

Original Offering—Pfd. stock was first publicly offered ($2,000,000) in Jan., 1927, at $95 and dividend to yield over 6.30% by Janney & Co., Philadelphia, Pa. $500,000 additional Pfd. stock was publicly offered in June, 1927, at 95 and dividend by G. L. Ohrstrom & Co., Inc., New York, and Janney & Co., Philadelphia. $1,000,000 additional Pfd. stock was publicly offered in Jan., 1928, at 99 and dividend, by G. L. Ohrstrom & Co., Inc., New York.

Annual Meeting—Second Wednesday in February.

Dividends—Initial quarterly dividend of $1.50 a share paid on Pfd. March 15, 1927, which quarterly rate paid to date; payments M, J, S & D 15.

FUNDED DEBT

$9,969,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A": DUE NOVEMBER 1, 1951

Dated November 1, 1926.

Interest Payable May and November 1, at The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—The New York Trust Company, New York.

Provisions of Issue—Authorized amount unlimited; issued, Series "A", $9,969,000. Additional bonds may be issued for not in excess of 80% of the cost or fair value, whichever is lower, of the permanent improvements, extensions or additions to the properties, provided the System's net earnings, as defined in the Mortgage, for 12 consecutive calendar months within 15 calendar months immediately prior to the issuance of such additional bonds, have been at least 1¾ times the interest charges on all bonds outstanding under the mortgage, prior lien bonds in the hands of the public, and those proposed to be issued. In the computation of net earnings at least 5% of gross earnings must be charged to maintenance.

Purpose of Issue—Proceeds were used to retire funded indebtedness outstanding in the hands of the public against the properties, to acquire certain properties, and to partially reimburse the Corporation for necessary improvements, betterments and extensions to the properties and for other corporate purposes.

Callability—Subject to call on any interest date on 60 days' notice, to and including Nov. 1, 1929, at 105 and interest; thereafter, to and including Nov. 1, 1934, at 103 and interest; thereafter to and including Nov. 1, 1942 at 102 and interest; thereafter, to and including Nov. 1, 1950, at 101 and interest; thereafter, at par and interest.

In event that any municipal corporation or other governmental subdivision shall acquire all or the major portion in value of any separate system of water works properties of the Corporation, and shall assume payment of principal and interest of all bonds issued under this mortgage against or in respect of such separate system, all liability of the Corporation upon such bonds shall forthwith cease, and in event that payment of principal and interest of such bonds shall not be so assumed, then bonds in principal amount not exceeding the price paid for the property so acquired, may be declared due and payable at 100 and interest, or the funds payable upon such acquisition may be used for the purchase of additional properties as provided in the Indenture.

Maintenance and Improvement Fund—Corporation covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings of the System derived from the mortgaged properties. This fund may be expended for improvements, additions and extensions to and maintenance of the properties, but no bonds may be issued against such improvements, additions and extensions.

Security—Secured by a direct first mortgage on all physical properties of the Corporation, and in addition a direct mortgage on the properties of the system, subject to the prior lien of $1,915,000 Rochester & Lake Ontario Water Co. First Mortgage 5% Gold bonds, due March 1, 1933. In addition $585,000 of the latter bonds are pledged under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Minnesota, Pennsylvania, Connecticut, Kansas and California taxes, not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Kentucky, West Virginia, Michigan and District of Columbia taxes not to exceed 5 mills. Virginia taxes not to exceed 5½ mills and Massachusetts income tax not to exceed 6% refundable.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered ($7,000,000) in Dec., 1926, at 94½ and interest to yield about 5.40% by G. L. Ohrstrom & Co., Inc., New York, and Coffin & Burr, Inc., Pearson, Erhart & Co., and Hale, Waters & Co., Boston. $1,500,000 additional offered in July, 1927, by G. L. Ohrstrom & Co., Inc., New York (price not stated). An additional $1,000,000 offered in Jan., 1928, at par and interest by the same banker.

Price Range—

	1927	1926
High	*99⅜	94½
Low	*93¾	sale

*High and low bid prices.

FUNDED DEBT OF SUBSIDIARIES

(1)

$1,915,000 ROCHESTER & LAKE ONTARIO WATER CO. FIRST MORTGAGE 5% GOLD BONDS; DUE MARCH 1, 1933

Dated March 1, 1903.

Interest Payable March and September 1, at West End Trust Co., Philadelphia, Pa.

Denomination—Coupon, $1,000; registerable as to both principal and interest.

Trustee—West End Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized, $2,500,000; outstanding, $1,915,000; pledged under New York Water Service Corp. First Mortgage, $585,000.

Callability—Bonds cannot be called.

Sinking Fund—None provided.

Security—A first mortgage on entire property formerly owned by Rochester & Lake Ontario Water Co. (see 1927 Manual, page 76).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

FLATBUSH WATER WORKS CO. FIRST AND GENERAL MORTGAGE 6% BONDS; DUE MAY 1, 1931

New York Water Service Corp. in Sept., 1927, offered to purchase at 108 and interest to date of presentation all the outstanding First and General Mortgage bonds of the Flatbush Water Works Co.

SECURITY REDEMPTIONS

All the First Mortgage 6% Gold Bonds due July 2, 1954 of the Huntington Water Works Co. were called for redemption on Sept. 1, 1927, at 105 and interest, at Bank of Huntington, Huntington, N. Y.

All the outstanding Class "A" $7 Pfd. stock of the Huntington Water Works Co. was called for redemption on Oct. 1, 1927, at $103 and accrued dividend, at New York Trust Co., New York.

COMPARATIVE STATEMENT OF EARNINGS OF CONSTITUENT PROPERTIES, YEARS ENDED DECEMBER 31
(Reflecting the acquisition of Rochester and Clyde Properties and giving effect to the financing incidental thereto)

	1927	1926
Gross revenues	$2,163,011	$2,033,016
Operating expenses	701,557	750,373
Maintenance	92,497	93,784
Taxes (other than Federal Income)	203,075	181,464
Net earnings	$1,165,882	$1,007,395
Other income	20,293	22,841
Gross income	$1,186,175	$1,030,236
Annual requirements on funded debt	594,200	
Annual requirements on Pfd. stock	242,760	
Balance	$349,215	

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(New York Water Service Corporation and Subsidiaries)
(After reflecting the acquisition of Rochester and Clyde properties and the financing incidental thereto; and the further issuance of additional New York Water Service Corp. securities which took place in February and March 1928)

Assets—	
Plant, property, etc.	*$19,799,834
Investments in other companies	4,938
Cash on hand and in banks	460,744
Accounts receivable	390,071
Materials and supplies	107,066
Miscellaneous current assets	5,542
Due from affiliated companies	1,148,544
Deposit with Trustee to retire funded debt and Pfd. stock of certain former constit. cos. (contra)	566,081
Miscellaneous special deposits	7,267
Deferred charges and prepaid accts.	1,640,420
Total	$24,130,507
Liabilities—	
Capital stock and surplus:	
Common stock and surplus	‡$5,158,652
6% Cum. Pfd. stock	†4,046,000
Funded debt (N. Y. Water Service Corp.)	9,969,000
Funded debt (Rochester & Lake Ontario Water Co.)	1,915,000
Funded debt and Pfd. stock of certain former constituent cos. in process of retirement (contra)	566,081
Notes payable	148,500
Accounts payable	459,591
Miscellaneous current liabilities	5,698
Accrued taxes	108,139
Int. accrued on funded debt	105,050
Dividends accrued on Pfd. stock	7,125
Miscellaneous accrued liabilities	18,299
Unearned revenues	143,483
Consumers' deposits	89,452
Miscellaneous unadjusted credits	237
Reserve for depreciation	1,343,092
Contribution for extensions	33,200
Uncollectible accounts reserve	13,908
Total	$24,130,507

*Including net excess of cost of subsidiary company securities over par value, and including certain properties at conservatively appraised values. ‡Represented by 22,450 shares Common stock, par $100. †Represented by 40,460 shares 6% Cumulative Pfd., par $100.

NOTE—The above statement is subject to minor adjustments at closing date.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, J. P. Shaw, Jr., Walter A. Culin, E. F. C. Parker.

Executive Office, 27 William St., New York, N. Y.

UNION WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation)

History and Properties—Incorporated June 21, 1926 in Delaware with perpetual charter, as a holding company, owning all outstanding capital obligations of the New Jersey Water Service Co., Ocean City Water Service Company, Ocean City Sewer Service Company, Jersey Shore Water Service Company, and Punxsutawney Water Service Company. The entire outstanding capital stock of the Union Water Service Company is owned by, and the properties are operated under the supervision of, the Federal Water Service Corporation.

The Company, through its subsidiaries, supplies without competition water for domestic and industrial purposes to 12 communities located in New Jersey and Pennsylvania. Water at retail is furnished in Ocean City, West Paterson, Butler, Little Falls, Bloomingdale, and Smith Mills, N. J., and Jersey Shore, Punxsutawney and Big Run, Pa. Pompton Lakes, N. J., is served at wholesale, and in turn serves at wholesale, Haskell, Riverdale, and Wanague, N. J. Sewer service is rendered in Ocean City, N. J. Excluding the summer population of the city of Ocean City, the total served is approximately 67,000. There are over 189 miles of distribution mains, 953 hydrants, and 15,335 service connections. Average consumption, 4,235,000 gallons.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares Common stock of no par value. All owned by Federal Water Service Corporation.

FUNDED DEBT

$2,690,500 FIRST LIEN 5½% GOLD BONDS, SERIES "A"; DUE MAY 1, 1951

Dated May 1, 1926.

Interest Payable May and November 1, at The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The New York Trust Company, New York.

Provisions of Issue—Issued $3,210,000 Series "A" 5½s; outstanding, Dec. 31, 1927, $2,690,500. Additional bonds may be issued under the Indenture for refunding purposes or for not in excess of 80% of the value of permanent improvements, extensions, or additions, provided the net earnings for 12 consecutive calendar months within 15 calendar months immediately prior to the issuance of such new bonds are at least 1¾ times the annual interest charges on all bonds outstanding and those proposed to be issued.

Purpose of Issue—Proceeds of sale of these bonds used to retire all funded indebtedness against properties outstanding in hands of public and to partially reimburse Company for necessary improvements, betterments and extensions to properties and for other corporate purposes.

Callability—Subject to call at option of Company upon thirty days' notice; to May 1, 1929, at 105 and interest; thereafter, to May 1, 1934, at 103 and interest; thereafter, to May 1, 1942, at 102 and interest; thereafter, to May 1, 1950, at 101 and interest; thereafter, at par and interest.

In the event that any municipal corporation or any Government subdivision acquires all or any part of the property of any constituent company, all or any part of the bonds, in principal amount not exceeding the price so paid for such property may, at the election of the company, be declared due and payable at par and interest.

Maintenance Fund—The Company covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings of the constituent companies. This fund may be expended for maintenance of or improvements, additions and extensions

to the properties, although no bonds may be issued against such improvements, additions or extensions.

Security—A direct obligation of Company and secured by a first lien on all outstanding bonds and capital stock (except directors' qualifying shares) of the constituent companies. Any additional bonds or stocks which may be issued by these companies are to be pledged as additional security. The issuance of the Ocean City Water Service Co., Ocean City Sewer Service Co., and New Jersey Water Service Co., First Mortgage bonds has been approved by the board of Public Utility Commissioners of New Jersey. The issuance of the Punxsutawney Water Service Co. 30-Year 5½% bonds and the Jersey Shore Water Service Co., 30-Year 5% bonds have been approved by the Public Service Commission of Pennsylvania.

Tax Provisions—Company pays Normal Federal Income tax up to 1½%. Pennsylvania, Connecticut, Kansas and California taxes, not to exceed four mills, Maryland tax not to exceed four and one-half mills, Kentucky, Michigan and District of Columbia taxes not to exceed five mills, Virginia tax not to exceed five and one-half mills, and Massachusetts Income tax not to exceed 6%, refundable.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered ($2,500,000, Series "A") in June, 1926, at 97½ and interest to yield about 5.70%, by G. L. Ohrstrom & Co., Inc., New York; $551,000 additional bonds were sold privately in Sept., 1926, and $159,000 in Dec, 1926, by G. L. Ohrstrom & Co., Inc. at 97½ and interest.

Price Range—

	1927	1926
High	*97¾	95
Low	*96½	bid

*High and low bid price.

COMPARATIVE STATEMENT OF EARNINGS OF CONSTITUENT COMPANIES, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$499,975	$459,188
Operating expenses	141,625	133,020
Maintenance	23,527	15,359
Taxes (other than Federal Income)	58,198	47,946
Net earnings	$276,625	$262,863
Other income	5,050	1,529
Gross income	$281,675	$264,392
Annual requirements on funded debt	147,978	
Balance	$133,697	

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, etc.	$4,727,440
Cash on hand and in banks	16,465
Accounts receivable	123,597
Materials and supplies	36,530
Miscellaneous current assets	3,550
Deposit with Trustee to retire funded debt of certain constituent companies (contra)	27,003
Miscellaneous special deposits	388,529
Deferred charges & prepaid accounts	318,202
Total	$5,641,316
Liabilities—	
Capital stock and surplus	*$1,708,959
Funded debt (Union Water Service Co.)	2,690,500
Funded debt of certain constituent companies' funds for the retirement of which have been deposited (contra)	27,003
Extension warrants	26,500
Notes payable	55,000
Accounts payable	29,997
Miscellaneous current liabilities	628
Taxes accrued	30,773
Interest accrued	24,663
Miscellaneous accrued liabilities	2,466
Due affiliated companies	628,720
Deferred liabilities	97,410
Retirement (depreciation) reserve	285,516
Contributions for extensions	22,858
Uncollectible accounts reserve	10,323
Total	$5,641,316

*Represented by 10,000 shares Common stock, no par value.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, G. L. Ohrstrom, H. M. Erskine, E. F. C. Parker, Walter A. Culin.

General Office, 27 William Street, New York, N. Y.

PENNSYLVANIA WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation)

History—Incorporated September 7, 1927 in Pennsylvania with a perpetual charter. Subsequent to organization company acquired the capital stocks of Spring Brook Water Supply Co. (including The North Mountain Water Supply Co.), Jersey Shore Water Co., Punxsutawney Water Service Co., Clear Springs Water Co., New Chester Water Co., Ohio Valley Water Co., Citizens Water Service Co. of Philipsburg and Clymer Water Co. In Feb., 1928, the corporate structure of the Pennsylvania Water Service Co. was changed and the properties of the Spring Brook Water Supply Co. and The North Mountain Water Supply Co. were transferred to the Scranton-Spring Brook Water Service Co., which acquired the properties of the Scranton Gas & Water Co. and subsidiaries. The Jersey Shore Water Co., Punxsutawney Water Service Co., Clear Springs Water Co., New Chester Water Co., Ohio Valley Water Co., Citizens Water Service Co. of Philipsburg and Clymer Water Service Co. are or have been financed as independent operating companies under the control of the Federal Water Service Corp. The Scranton-Spring Brook Water Service Co. assumed the First Mortgage and Refunding bonds of the Pennsylvania Water Service Co. and adopted the mortgage as its own.

The Pennsylvania Water Service Co. now owns all the outstanding 100,000 Common shares and 60,000 $6 Dividend Series Pfd. shares of the Scranton-Spring Brook Water Service Co. It is intended that later an opportunity will be given to holders of the $6 Pfd. stock of Pennsylvania Water Service Co. to exchange share for share for $6 Pfd. stock of Scranton-Spring Brook Water Service Co., owned by the Pennsylvania Water Service Co.

CAPITAL STOCK

Authorized, 200,000 shares Common and 250,000 shares $6 cumulative Pfd., both of no par value; outstanding, 100,000 shares Common and 60,000 shares Pfd. All the Common stock is owned by Federal Water Service Corp.

Preferred Stock Provisions—Has preference for assets and dividends; is subject to call, as a whole or in part, on 30 days' notice, at $105 per share and accrued dividends, and upon dissolution or liquidation, is entitled to $100 per share and accrued dividends, plus a premium of $5 per share, if such dissolution or liquidation be voluntary, before any distribution may be made to Common.

No additional Pfd. stock shall be issued unless net earnings of the Company, available for dividends for a period of any 12 consecutive calendar months within the 15 calendar months immediately preceding the authorization of such issue, after deducting all interest charges on funded indebtedness of the Company and its subsidiaries, shall have been equal to at least twice the annual dividend requirements on all Pfd. outstanding, including that to be issued.

After 70,000 shares of Pfd. shall have been issued, no further shares of Pfd. shall be issued unless the amount which is computed by multiplying the number of shares of the Pfd. stock which is proposed to be issued by $100 shall not exceed 50% of the amount by which the cost of any new properties and/or of additions, extensions and betterments to the fixed properties of the company and its subsidiaries subsequent to July 31, 1927, or the fair value thereof, whichever shall be less, shall exceed the total outstanding funded indebtedness of the Company and its subsidiaries as shown

by a consolidated balance sheet of the Company and its subsidiaries. Funded indebtedness shall be deemed to be any debt which matures later than one year from its date of issue, and subsidiaries shall be deemed to mean all those companies owning and operating a public utility plant and system at least 75% of the outstanding capital stock of which, having full voting rights, shall have been acquired by the Company and which are subsidiary companies at the date of the consolidated balance sheet.

Without the consent of holders of at least two-thirds of the Pfd. stock, the Company shall not: (a) Authorize or issue any stock or class of stock having priority or preference over the Pfd. stock as to dividends or as to distribution of assets upon dissolution or liquidation; or, (b) amend the provisions of the Pfd. stock so as to affect adversely any of the preferences or other rights given to the holders of the Pfd. stock.

Holders of Pfd. stock are entitled to vote equally, share and share alike, with holders of the Common stock, if at any time dividends shall be in arrears and unpaid on the Pfd. stock for four quarterly periods, so long as such non-payment shall continue.

Transfer Agent (Preferred)—Central Union Trust Co. of New York and Fidelity-Philadelphia Trust Co., Philadelphia.

Registrars (Preferred)—The Equitable Trust Co. of New York and Philadelphia National Bank, Philadelphia.

Legal Opinion—White & Case, New York City, and Hause, Evans & Baker, Harrisburg, Pa.

Original Offering—First publicly offered (60,000 shares Pfd.) in Sept., 1927, at $99 and dividends to yield over 6.06% by G. L. Ohrstrom & Co., Inc., Marshall Field, Glore, Ward & Co. (now Glore, Ward & Co.), Graham, Parsons & Co., Green, Ellis & Anderson, New York, etc., and Janney & Co., Philadelphia.

Tax Provisions—Free from present Normal Federal Income Tax and Pennsylvania four mills tax.

Price Range—1927: High, 99; low, 97.

Dividends—Initial quarterly dividend of $1.50 a share paid on Pfd. Nov. 15, 1927; Feb. 15, 1928, $1.50 a share.

FUNDED DEBT

The First Mortgage and Refunding 5% Gold bonds, Series "A," dated Aug. 1, 1927, were assumed by Scranton-Spring Brook Water Service Co. by Indenture executed March 20, 1928, between the Scranton-Spring Brook Water Service Co. and The New York Trust Co. (see appended statement).

CONSOLIDATED STATEMENT OF EARNINGS, SEPTEMBER 15 TO DECEMBER 31, 1927
(Pennsylvania Water Service Co. and Subsidiaries)

Gross revenues (incl. other income)	$853,181
Operating expenses	194,225
Maintenance	59,105
Taxes	29,737
Net earnings	$570,114
Deduct:	
Funded debt interest paid or accrued	$279,955
Unfunded debt int. paid or accrued	2,630
Reserved for deprec., amort. of bond disc. & exp., and miscellaneous deductions	36,372
Total deductions	$318,957
Balance	251,157
Pfd. dividends paid or accrued	104,000
Balance	$147,157

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, etc.	$39,219,199
Cash	299,298
Notes receivable	500
Accounts receivable	409,055
Materials and supplies	229,019
Miscellaneous current assets	140
Investments in other companies	5,000
Deposit with Trustee to retire funded debt of certain constituent cos. (contra)	2,603,138
Misc. special deposits	4,733
Deferred charges and prepaid items	1,398,028
Total	$44,168,110

CONSOLIDATED BALANCE SHEET, DEC. 31, 1927 (Cont.):

Liabilities—	
Preferred stock	$5,940,000
Common stock and surplus	†8,824,029
Funded debt	9,200,000
Funded debt of subsidiaries in hands of public	9,804,100
Funded debt of certain constituent companies, funds for the retirement of which have been deposited (contra)	2,603,138
Accounts payable	139,170
Dividends payable	184
Miscellaneous current liabilities	4,628
Taxes accrued	208,120
Interest accrued on funded debt	336,468
Dividends accrued on Pfd. stock	45,000
Miscellaneous interest accrued	7,957
Miscellaneous accrued liabilities	8,497
Due affiliated companies	*3,577,175
Deferred liabilities	198,414
Retirement reserve	3,194,017
Other reserves	77,213
Total	$44,168,110

*To be liquidated by the issuance of bonds which are escrowed against present plant and property. †Represented by 100,000 shares Common of no par value.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Isaac Walker, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, A. H. Kneen, Walter A. Culin, Isaac S. Walker, Russell H. Neilson, F. C. Parker.

Offices, Harrisburg, Pa., and 27 William St., New York, N. Y.

SCRANTON-SPRING BROOK WATER SERVICE COMPANY

(Controlled by Federal Water Service Corp. through the Pennsylvania Water Service Co.)

History—Incorporated April 5, 1867, in Pennsylvania as the Dunmore Gas & Water Co.; name changed to present title Jan. 25, 1928. In February, 1928, acquired the properties formerly owned by The Spring Brook Water Supply Co. (see 1927 Manual, page 2314), the Scranton Gas & Water Co. (see 1927 Manual, page 61), Consolidated Water Supply Co. see 1927 Manual, page 1304), Olyphant Water Co., Susquehanna Water Co. and subsidiaries. Prior to its acquisition by the Scranton-Spring Brook Water Service Co., the Scranton Gas & Water Co. acquired the properties of the Hyde Park Gas Co. (see 1927 Manual, page 2430). The subsidiaries of the Olyphant Water Co. acquired were Archbald Water Co., Blakely Water Co., Capouse Water Co., Dickson City Water Co. and Moosic Mountain Water Co. The subsidiaries of Consolidated Water Supply Co. acquired were Carbondale Water Co., Crystal Lake Water Co., Clinton Water Co., Fell Water Co., Fallbrook & Newton Water Co., Jermyn & Rushbrook Water Co., Lackawanna Valley Water Supply Co., Mayfield Water Co., Panther Creek Water Co., Oak Ridge Water Co., Reynshanhurst Water Co., Rock Cliff Water Co., Uniondale Water Co. and Vandling Water Co. All the outstanding obligations of these companies were assumed at the time of acquisition by the Scranton-Spring Brook Water Service Co., which also assumed the $9,200,000 First Mortgage & Refunding 5% Gold bonds, Series "A," due Aug. 1, 1967, issued by the Pennsylvania Water Service Co., and these latter bonds will hereafter be known under the name of the Scranton-Spring Brook Water Service Company.

Business—The properties acquired supply various cities and communities in Pennsylvania with water service and/or manufactured gas service for domestic and industrial purposes, serving an estimated population of about 640,000. The territory comprises a unified district of 64 communities which are practically contiguous and includes the cities of Scranton, Wilkes-Barre, Pittston, Nanticoke, Dunmore, Plymouth and other communities located in the thickly settled and

substantial Lackawanna and Wyoming Valley districts in Pennsylvania.

Property—The combined water property will constitute one of the most important gravity systems in the United States. Water is collected from over 300 square miles of well-timbered drainage basins in the hills overlooking the districts served. The mountain streams yield an average of about 200,000,000 gallons a day, which compares with an average daily consumption of about 99,000,000 gallons. The storage and distribution reservoirs have a capacity sufficient to meet over half a year's consumption requirements.

The water collection, transmission and distribution facilities include over 1,230 miles of mains, nearly all of which are of cast iron pipe. As of Dec. 31, 1927, the properties were supplying 116,022 water service connections and affording fire protection with 3,498 hydrants.

The gas property includes over 232 miles of distribution mains through which 31,138 metered gas connections are supplied. The generating plants have an installed daily capacity of 5,400,000 cu. ft., which compares with an average daily gas production of about 2,800,000 cu. ft. The six gas holders have an aggregate reserve capacity of 2,240,000 cu. ft.

CAPITAL STOCK

Authorized, 250,000 shares Common and 300,000 shares $5 and $6 Dividend Series cumulative Pfd., both of no par value; outstanding 100,000 shares Common, 57,925 shares $6 Dividend Series Pfd. and 12,075 shares $5 Dividend Series Pfd. An additional 65,375 shares of Pfd. stock may be issued against property values as of March 31, 1928 under an earnings restriction incorporated in the proceedings authorizing the Pfd. stock. Proceeds from such additional stock shall first be applied toward the retirement of the $5,000,000 4½% Serial Gold notes, described below. All the Common and all the $6 Dividend Series Pfd. are owned by Pennsylvania Water Service Co. It is intended that later an opportunity will be given to holders of the outstanding $6 Pfd. stock of Pennsylvania Water Service Co. to exchange share for share for the Pfd. stock of Scranton-Spring Brook Water Service Co., owned by Pennsylvania Water Service Co.

FUNDED DEBT

(1)

$11,000,000 SCRANTON GAS & WATER COMPANY FIRST (CLOSED) MORTGAGE 4½% GOLD BONDS; DUE MARCH 1, 1958

Dated March 1, 1928.

Interest Payable March and September 1 at the First National Bank of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The First National Bank of New York.

Provisions of Issue—Authorized and outstanding, $11,000,000.

Callability—Subject to call on any interest date on 60 days' notice to and including March 1, 1930 at 105; thereafter to and including March 1, 1935, at 103; thereafter to and including March 1, 1945 at 102; thereafter to and including March 1, 1957 at 101; and thereafter at 100; in each case with interest.

Sinking Fund—None provided.

Security—A first closed mortgage on entire physical properties, except the Scranton office building and the land upon which same is located, formerly owned by the Scranton Gas & Water Co. and Hyde Park Gas Co. These properties have been appraised by engineers, on a basis of reproduction costs, new, less depreciation, as of June 30, 1927, as having a value of over $26,000,000.

Assumed by Scranton-Spring Brook Water Service Co. at time of acquisition in Feb., 1928.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills personal property tax refunded.

Legal Opinion—White & Case, New York (for the Bankers), and Hause, Evans & Baker, Harrisburg, Pa., and Ballard, Spahr, Andrews & Ingersoll, Philadelphia (for the Company).

Original Offering—First publicly offered ($11,000,000) in Feb., 1928, at 99 and interest to yield over 4.56%, by G. L. Ohrstrom & Co., Inc., First National Bank, Field, Glore & Co., Graham, Parsons & Co., Coffin & Burr, Inc., Green, Ellis & Anderson, New York, etc. and Janney & Co., Philadelphia, etc.

(2)

$780,000 NORTH MOUNTAIN WATER SUPPLY CO. FIRST 5s; DUE JULY 1, 1933

Dated January 1, 1903.

Interest Payable January and July 1, at Scranton Lackawanna Trust Co., Scranton, Trustee. Denomination, $1,000. In addition to the $780,000 outstanding $220,000 are pledged under Pennsylvania Water Service Co., now known as Scranton-Spring Brook Water Service Co. First & Refunding Mortgage. Mortgage closed. Not subject to call. Principal and interest guaranteed by Spring Brook Water Supply Co. Secured by a first lien on all property formerly owned by North Mountain Water Supply Co. Assumed by Scranton-Spring Brook Water Service Co. in Feb., 1928 at the time of acquisition of The Spring Brook Water Supply Co. Company pays Normal Federal Income Tax up to 2%.

(3)

$7,800,000 THE SPRING BROOK WATER SUPPLY CO. FIRST REFUNDING MORTGAGE 5% GOLD BONDS, DUE APRIL 1, 1965

Dated April 1, 1925.

Interest Payable April and October 1, at The First National Bank of the City of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The First National Bank of the City of New York.

Provisions of Issue—Mortgage closed. Issued and outstanding, $7,800,000. The proceeds of $5,300,000, sold in Feb., 1926, were used to reimburse Company for the retirement of $300,000 Plymouth Water Co. First 5s, due Jan. 1, 1926, and $5,000,000 Spring Brook Water Supply Co. First 5s, due April 1, 1926.

Callability—Not redeemable before Oct. 1, 1935. Subject to call as a whole on 60 days' notice, at 107½ on Oct. 1, 1935, to and including April 1, 1945; at 105 to and including April 1, 1955; at 102½ to and including Oct. 1, 1964, plus accrued interest in each case.

Security—Secured by a direct mortgage, subject to $1,000,000 underlying bonds, on all the physical properties formerly owned by The Spring Brook Water Supply Co. and its subsidiaries, prior to the acquisition by the Scranton-Spring Brook Water Service Co.

Assumed by Scranton-Spring Brook Water Service Co. at the time of acquisition of The Spring Brook Water Supply Co. in Feb. 1928.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania Four Mills Personal Property Tax.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered ($2,500,000) in January, 1925, at 100 and interest, by Green, Ellis & Anderson, New York, Pittsburgh and Wilkes-Barre. $5,300,000 additional bonds offered in Feb., 1926, at 99 and interest by First National Bank, Marshall Field, Glore, Ward & Co., (now Field, Glore & Co.) Ellis & Anderson, New York, and Graham, Parsons & Co., New York and Philadelphia.

Price Range—

	*1927	*1926	1925
High	101½	100	101
Low	99	98½	98½

*High and low bid prices.

(4)

$9,200,000 PENNSYLVANIA WATER SERVICE COMPANY (NOW KNOWN AS SCRANTON-SPRING BROOK WATER SERVICE CO.) FIRST MORTGAGE AND REFUNDING 5% GOLD BONDS, SERIES "A"; DUE AUGUST 1, 1967

Dated August 1, 1927.

Interest Payable February and August 1 in New York City.

Denominations—Coupon, $500 and $1,000; interchangeable; principal may be registered.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued, $9,200,000 Series "A" 5s.

Additional bonds may be issued for not in excess of 80% of the cost or fair value, whichever is lower, of permanent improvements, extensions or additions to the properties, provided net earnings, as defined in the Indenture, for 12 consecutive calendar months within the 15 calendar months immediately preceding the authentication and delivery of such additional bonds, have been at least 1¾ times the annual interest charges on all bonds outstanding in the hands of the public secured by prior liens and those bonds then proposed to be issued. In the computation of net earnings, at least 5% of the gross earnings must be charged to maintenance.

The Trustee shall at the request of Company authenticate and deliver to Company $6,000,000 additional bonds against the properties existing as of March 1, 1928 provided, however, that net earnings, as defined in the Indenture, for 12 consecutive calendar months within the 15 calendar months immediately preceding such authentication and delivery are equal to not less than 1¾ times the annual interest charges on all bonds outstanding under said Indenture, all bonds outstanding in the hands of the public secured by prior liens and those bonds then proposed to be issued. The proceeds of such $6,000,000 additional bonds shall first be applied to the retirement of the below described $5,000,000 4½% Serial Gold notes.

Purpose of Issue—Proceeds of the 9,200,000 Series "A" 5s were used to retire certain funded indebtedness outstanding in the hands of the public against the properties, toward the acquisition of certain of the properties and for other corporate purposes.

Callability—Subject to call on any interest date on 60 days' notice to and including Aug. 1, 1930, at 105 and interest; thereafter, to and including Aug. 1, 1935, at 104 and interest; thereafter to and including Aug. 1, 1945, at 103 and interest; thereafter, to and including Aug. 1, 1955, at 102 and interest; thereafter, to and including Aug. 1, 1966, at 101 and interest and thereafter at 100 and interest. In event that any municipal corporation or other governmental subdivision shall acquire all or the major portion in value of any separate system of properties and shall assume payment of principal and interest of these bonds, all liability of Company upon such bonds shall forthwith cease, and in event that payment of principal and interest of such bonds shall not be so assumed, then bonds in principal amount not exceeding the price paid for the property so acquired, may be declared due and payable at 100 and interest, or the funds payable upon such acquisition may be used for the purchase of additional properties as provided in the Indenture.

Sinking Fund—None provided.

Maintenance and Improvement Fund—Company covenants to expend or reserve annually for improvements, additions, extensions, replacements, maintenance and/or depreciation of properties, against which no bonds may be issued, an amount which shall not be less than 9% of the annual gross earnings of the mortgaged properties.

Security—Secured by a first mortgage on the Scranton Office Building and the land upon which the same is located, and all the properties formerly owned by Consolidated Water Co. and Olyphant Water Co., all of which have been appraised at over $7,600,000. In addition, it will be a direct mortgage, subject to $19,580,000 prior lien obligations described above, upon the remaining properties owned by the Scranton-Spring Brook Water Service Co., appraised at over $28,400,000.

Assumed—These bonds were assumed by Scranton-Spring Brook Water Service Co. by Indenture executed March 20, 1928 between the Scranton-Spring Brook Water Service Co. and The New York Trust Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Minnesota, Connecticut, Kansas and California taxes not to exceed 4 mills, Maryland taxes not to exceed 4½ mills, Kentucky, West Virginia and District of Columbia taxes not to exceed 5 mills, Michigan exemption tax not to exceed 5 mills, Virginia taxes not to exceed 5½ mills and Massachusetts Income tax not to exceed 6% refunded to resident holders upon written application within 60 days after payment.

Legal Opinion—White & Case, New York, and Hause, Evans & Baker, Harrisburg, Pa.

Original Offering—First publicly offered ($9,200,000) in Sept., 1927, at 98¾ and interest to yield about 5.08% by G. L. Ohrstrom & Co., Inc., Marshall Field, Glore, Ward & Co., (now Field, Glore & Co.) Graham, Parsons & Co., Coffin & Burr, Inc., New York, etc., and Janney & Co., Philadelphia.

Price Range—1927: High, 100¼; low, 98¾.

(5)

$5,000,000 SCRANTON-SPRING BROOK WATER SERVICE COMPANY 4½% SERIAL GOLD NOTES; DUE $1,000,000 EACH DECEMBER 15, 1929 TO 1933, INCLUSIVE

Dated December 15, 1927.

Interest Payable June and December 15 at G. L. Ohrstrom & Co., Inc., New York, and at Scranton Lackawanna Trust Co., Scranton, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Scranton Lackawanna Trust Co., Scranton, Pa.

Provisions of Issue—Authorized and issued, $5,000,000. Proceeds were used toward the acquisition of properties and for other corporate purposes.

Callability—Subject to call as a whole or in part, at any time on 60 days' notice, at 100 and accrued interest, plus a premium of ¼ of 1% for each six months or fraction thereof of the unexpired life of notes so redeemed.

Sinking Fund—None provided.

Security—A direct obligation of Company which covenants that the proceeds from the sale of an additional $6,000,000 First Mortgage & Refunding 5% Gold bonds, Series A, of the Pennsylvania Water Service Co. (now Scranton-Spring Brook Water Service Co.), which additional bonds are to be issued in respect of the properties existing as of March 1, 1928, and that the proceeds from the sale of an additional 63,300 shares of its Pfd. stock, which may be issued against properties owned as of March 31, 1928, shall and will first be used for the retirement of these notes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills personal property tax and Massachusetts Income tax on the interest not to exceed 6% of such interest per annum, refunded to resident holders upon application within 60 days after payment.

Legal Opinion—White & Case, New York (for the Bankers), and Hause, Evans & Baker, Harrisburg, Pa., and Ballard, Spahr, Andrews & Ingersoll, Philadelphia, Pa. (for the Company).

Original Offering—First publicly offered ($5,000,000) in March, 1928, at prices to yield from 4.50% to 5.05% by G. L. Ohrstrom & Co., Inc., Field, Glore &

Co., Inc., Graham Parsons & Co., Coffin & Burr, Inc., New York, etc., and Janney & Co., Philadelphia, Pa.

BONDS REDEEMED OR PROVIDED FOR

All the outstanding Consolidated Water Supply Co. First Mortgage & Collateral Trust 5% Gold bonds, due May 1, 1952, were called for payment on May 1, 1928 at 105 and interest.

Funds have been deposited with the Scranton Lackawanna Trust Co., Scranton, Pa., Trustee for the three issues, for the payment of both principal and interest of the following issues of bonds: $400,000 Meadow Brook Water Co. First Mortgage 5% Gold bonds, due April 1, 1947; $925,000 Scranton Gas & Water Co. 5% debentures, dated Jan. 1, 1909, and due Jan. 1, 1939; and $600,000 Scranton Gas & Water Co. 5% debentures, dated Jan. 1, 1905 and due Jan. 1, 1935.

CONSOLIDATED EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$4,166,529	$4,096,987
Operating expenses	1,159,832	1,194,663
Maintenance	377,865	387,939
Taxes (other than Federal Income)	118,722	115,264
Net earnings	$2,510,110	$2,399,121
Other income	24,162	11,623
Gross income	$2,534,272	$2,410,744
Annual requirements on mortgage debt	$1,384,000	
Annual requirements on Serial Gold Notes	225,000	
Annual requirements on Pfd. stock	407,925	
Balance	$517,347	

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Reflecting purchase of properties and financing consumated March, 1928)

Assets—	
Plant, property, etc.	$55,006,793
Cash on hand and in banks	467,064
Notes receivable	2,300
Accounts receivable	541,338
Materials and supplies	362,520
Miscellaneous current assets	6,091
Miscellaneous investments	140,976
Deposit with Trustee to retire funded debt of former constituent cos. (contra)	2,975,000
Other special deposits	3,244
Deferred charges and prepaid accts.	1,979,188
Total	$61,484,514
Liabilities—	
Common stock and surplus	*$8,397,375
$5 cumulative Pfd.	*1,147,125
$6 cumulative Pfd.	*5,792,500
Funded debt	33,780,000
Funded debt of former constituent cos. in process of retirement (contra)	2,975,000
Accounts payable	197,292
Due affiliated cos.	†5,380,908
Accrued taxes	343,473
Int. accrued on funded debt	364,958
Miscellaneous accrued liabilities	2,657
Unearned revenues	1,520
Miscellaneous unadjusted credits	44,067
Consumers' deposits	47,070
Reserve for depreciation	2,970,135
Miscellaneous operating reserves	24,434
Uncollectible accounts reserve	15,901
Total	$61,484,514

*Represents, 100,000 no par value shares of Common stock; 12,075, no par value $5 cumulative Pfd. stock; and 57,925, no par value $6 cumulative Pfd. stock, respectively. †To be liquidated by the issuance and sale of additional securities.

Officers: C. T. Chenery, Pres.; I. S. Walker, V-P.; A. W. Cuddeback, V-P.; A. H. Kneen, V-P.; Walter A. Cullin, Sec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, Isaac S. Walker, R. H. Neilson, Walter A. Culin, A. H. Kneen, E. F. C. Parker.

Offices, Wilkes-Barre, Pa., and 27 William St., New York, N. Y.

CHESTER WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation)

History—Incorporated April 6, 1885, in Pennsylvania. Company is the successor to The New Chester Water Co. (see 1927 Manual, page 205). Owns the entire capital stock of Delaware Water Supply Co. Supplies water to Chester, Upper Chichester, Lower Chichester, Marcus Hook, Upland, Trainer and Parkside, and other communities suburban to Philadelphia, Pa., serving a population in excess of 95,000.

The water is taken from the Delaware River, and after settling, chlorinating and aerating, is delivered to consumers at the average rate of 6,000,000 gallons daily by electric and steam driven pumps having an effective daily capacity of 20,000,000 gallons. The total reservoir capacity is 16,000,000 gallons. The distribution and transmission systems total 138.2 miles of mains, through which 89,800 consumers and 547 fire hydrants are supplied. Over 90% of the mains are cast iron pipe.

GROWTH OF COMPANY, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	Hydrants	Service Connections
1922	$409,311	114	415	14,696
1923	415,318	118	449	14,974
1924	408,012	120	460	15,227
1925	476,966	122	484	15,717
1926	499,983	129	521	16,134
1927	516,461	131	530	16,583

CAPITAL STOCK

Authorized, 560,000 shares Common and 30,000 shares $5.50 cumulative Dividend Pfd., both of no par value; outstanding, 12,000 shares Common and 12,000 shares Pfd. All the Common stock is owned by Federal Water Service Corp.

Preferred Stock Provisions—Has preference for assets and dividends, is entitled to cumulative dividends of $5.50 per share per annum, is subject to call as a whole or in part on any dividend date, on 30 days' notice at $105 per share and accrued dividends, and upon any dissolution or liqudation, is entitled to receive $100 per share and accrued dividends, plus a premium of $5 per share if such dissolution or liquidation be voluntary, before any distribution may be made to holders of the Common stock.

Additional Pfd. stock may only be issued subject to the following restrictions: (1) The net earnings available for dividends on the Pfd. stock, as defined, for any twelve consecutive calendar months within the fifteen calendar months preceding the date of authorization of such additional Pfd. stock, shall have been at least two times the annual dividend requirements on all Pfd. stock outstanding, including the additional shares thereof then proposed to be issued; (2) the equity available for additional Pfd. stock, at the time of the issuance thereof, shall be at least $200 for each share of such additional Pfd. stock.

Without the consent of the holders of at least two-thirds of the Pfd. stock, the Company shall not: (a) Authorize or issue any stock or class of stock having priority or preference over the Pfd. stock as to dividends or as to distribution of assets upon dissolution or liquidation, or (b) amend the provisions of the Pfd. stock so as to affect adversely any of the preferences and other rights given to the holders of the Pfd. stock.

If at any time dividends shall be in arrears and unpaid on the Pfd. stock for four quarterly periods, holders shall be entitled to vote, share and share alike, with the Common until all such dividends in arrears shall have been paid.

Transfer Agent—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Tax Provisions—Free from present Normal Federal Income Tax and Pennsylvania four mills personal property tax.

Legal Opinion—White & Case, New York (for the Bankers), and Hause, Evans & Baker, Harrisburg, Pa. (for the Company).

Original Offering—First publicly offered (12,000 shares Pfd.) in March, 1928, at $98 and dividend to yield over 5.60% by G. L. Ohrstrom & Co., Inc., Field, Glore & Co., Graham, Parsons & Co., New York and Janney & Co., Philadelphia.

Dividends—Pfd. dividends paid quarterly, F, M, A & N 15, initial dividend of $1.37½ having been paid May 15, 1928.

FUNDED DEBT

$3,000,000 FIRST MORTGAGE 4½% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1958

Dated March 1, 1928.

Interest Payable March and September 1 in New York City.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The New York Trust Company, New York.

Provisions of Issue—Authorized amount, unlimited; issued, $3,000,000 Series "A" 4½s.

Additional bonds may be issued for not in excess of 75% of the cost or fair value, whichever is lower, of new or additional property and/or permanent improvements, extensions or additions to the properties, acquired or constructed after March 1, 1928, provided, net earnings, as defined in the mortgage, for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of the application for such additional bonds shall have been at least 1¾ times the annual interest charges on the aggregate principal amount of all bonds outstanding under said mortgage, those then proposed to be issued, and indebtedness secured by lien prior to the mortgage on any new or additional property acquired by the Company subsequent to Mar. 1, 1928. As provided in the mortgage, the principal amount of all prior liens shall never exceed 25% of the aggregate principal amount of all bonds then outstanding under the mortgage, those then proposed to be issued, and all indebtedness secured by any such prior lien or liens. In the computation of net earnings, at least 5% of the gross operating revenues must be charged to repairs and current maintenance.

Callability—Subject to call as a whole or in part, at any time upon 60 days' notice, to and including March 1, 1931, at 105; thereafter to and including March 1, 1936, at 103; thereafter to and including March 1, 1946, at 102; thereafter to and including March 1, 1957, at 101; and thereafter, at 100; in each case with accrued interest.

Sinking Fund—None provided.

Maintenance and Improvement Fund—Company covenants, commencing in the calendar year 1928, to expend or reserve annually for improvements, additions, extensions, replacements, repairs, maintenance and/or depreciation of properties, against which expenditures, no bonds may be issued, an amount which shall not be less than 9% of the annually gross operating revenues of the mortgaged water properties.

Security—Secured by a first mortgage on the entire physical properties of the Company, consisting principally of land, water mains, reservoirs, pumping stations and other equipment. The property of the Delaware Water Supply Co. is not included under this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania four mills taxes. Certain Minnesota, Connecticut, Kansas and California taxes not to exceed four mills, Maryland tax not to exceed 4½ mills, Kentucky, Virginia, West Virginia and District of Columbia taxes and Michigan exemption tax not to exceed 5 mills, and Massachusetts income tax not to exceed 6% refunded to resident holders upon written application within 60 days after payment.

Legal Opinion—White & Case, New York (for the Bankers), and Hause, Evans & Baker, Harrisburg, Pa. (for the Company).

Original Offering—First publicly offered ($3,000,000) in March, 1928, at 95 and interest to yield over 4.80% by G. L. Ohrstrom & Co., Inc., Field, Glore & Co., Graham, Parsons & Co., Coffin & Burr, Inc., New York and Janney & Co., Philadelphia.

BONDS REDEEMED

All the outstanding The New Chester Water Co First Mortgage 5% Gold bonds, due March 1, 1943 were called for payment on March 1, 1928, at 103 and interest at Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$505,883	$489,097
Operating expenses	149,701	150,902
Maintenance	27,034	25,054
Taxes (other than Federal Income)	17,187	18,214
Net earnings	$311,961	$294,927
Other income	10,578	10,885
Gross income	$322,539	$305,812
Annual requirements on funded debt	$135,000	
Annual requirements on Pfd. stock	66,000	
Balance	$121,539	

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Reflecting Proposed Financing)

Assets—	
Plant and property accounts as appraised July 1, 1927 and including additions and betterments at cost to Oct. 31, 1927	*$5,679,823
Additions and betterments to plant and property account, Oct. 31, 1927 to Dec. 31, 1927	6,869
Cash on hand and in banks	31,203
Accounts receivable	42,858
Materials and supplies	40,179
Special deposit with Trustee to retire funded debt (contra)	2,142,705
Special deposits	668
Deferred charges and prepaid accounts	447,640
Total	$8,391,945
Liabilities—	
Common stock and surplus	†$1,560,874
$5.50 cumulative Pfd. stock	‡1,200,000
Funded debt	3,000,000
Funded debt in process of retirement (contra)	2,142,705
Accounts payable	27,455
Due affiliated cos.	38,433
Accrued taxes	43,187
Interest accrued	5,747
Miscellaneous accrued liabilities	1,369
Consumers' deposits	49,972
Depreciation reserve	312,180
Contributions for extensions	7,400
Uncollectible accounts reserve	2,103
Miscellaneous operating reserves	520
Total	$8,391,945

*Including $131,523 appraised value of property of Delaware Water Supply Co., all of whose Capital stock is owned by Chester Water Service Co. The property of the Delaware Water Supply Co. is not included under the mortgage securing the issue of $3,000,000 First Mortgage 4½% Gold bonds, Series "A". †Represents 12,000 no par value shares Common stock. ‡Represents 12,000 no par value shares $5.50 cumulative Pfd. stock.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Colin, Sec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, Walter A. Culin, Isaac S. Walker, A. H. Kneen.

General Office, 27 William St., New York, N. Y.

CITIZENS WATER SERVICE COMPANY

(Philipsburg, Pa.)

(Controlled by Federal Water Service Corporation)

History—Incorporated in 1895, in Pennsylvania and reincorporated Oct. 16, 1923, due to a merger of the underlying companies. Name changed from Citizens Water Co. in 1927. Company furnishes water to Philipsburg, Pa., and adjoining communities. Owns all the Common ($10,000) and Pfd. ($10,000) stocks of the Morris Water Company. Miles of mains, over 36.6; No. of fire hydrants, 75; No. of consumers, 8,300.

CAPITAL STOCK

Authorized, 10,000 shares Common and 10,000 shares $6 cumulative Pfd., both of no par value; outstanding, 1,000 shares Common and 1,000 shares Pfd. All the Common stock is owned by Federal Water Service Corp. Capital stock was changed from $125,000 authorized and outstanding (par, $100) in 1927.

Preferred Stock Provisions—Has preference for assets and dividends, is subject to call on any dividend

ate at $105 and accrued dividends and upon voluntary quidation or dissolution is entitled to $105 per share nd accrued dividends. No additional Pfd. shares may e issued unless net earnings for a fixed period shall ave been at least twice the annual dividend require- ients on all Pfd. stock including the shares proposed o be issued. Pfd. stock has no voting power except in he event of default in four quarterly dividend pay- ients in which event it has equal voting power with he Common as long as such default shall continue.

Dividends—Pfd. dividends are payable quarterly, F, M, A & N.

FUNDED DEBT

$224,100 CITIZENS WATER CO. FIRST MORTGAGE 5s; DUE APRIL 1, 1931

Dated April 1, 1901.

Interest Payable April and October 1, at Girard Trust Co., Philadelphia, Pa.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized and issued, $250,000; outstanding, $224,100; in treasury, $25,900.

Callability—Not subject to call.

Security—Secured by first lien on entire property rights and franchises of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$39,906	$40,297
Operating expenses	11,338	14,023
Maintenance	4,299	789
Taxes (other than Federal Income)	1,181	1,320
Net earnings	$23,088	$24,165
Other income	534	1,227
Gross income	$23,622	$25,392
Annual requirements on funded debt	11,205	
Annual requirements on Pfd. stock	6,000	
Balance	$6,417	

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Reflecting Proposed Financing)

Assets—	
Plant and property, etc., as appraised Jan. 1, 1927 and including additions and betterments at cost to Oct. 31, 1927	$659,177
Additions and betterments to plant and property account Oct. 31, 1927 to Dec. 31, 1927	474
Cash on hand and in banks	2,459
Accounts receivable	11,338
Interest and dividends receivable	866
Materials and supplies	8,524
Reacquired bonds	25,900
Deferred charges and prepaid accts.	11,846
Total	$720,584
Liabilities—	
Common stock and surplus	*$257,146
$6 cumulative Pfd. stock	†100,000
Funded debt	250,000
Accounts payable	1,105
Due affiliated companies	11,983
Taxes accrued	1,277
Int. accrued on funded debt	3,125
Miscellaneous accrued liabilities	191
Unearned revenue	8,255
Consumers' deposits	10
Miscellaneous unadjusted credits	32
Reserve for depreciation	87,060
Contributions for extensions	160
Uncollectible accts. reserve	309
Total	$720,584

*Represents 1,000 no par value shares of Common. †Represents 1,000 no par value shares $6 cumulative Pfd.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Culin, Sec. & Treas..

Directors: C. T. Chenery, A. W. Cuddeback, Walter A. Culin, E. F. C. Parker, Quay C. Haller.

Office, 27 William St., New York, N. Y.

CLEAR SPRINGS WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation)

History—Incorporated April 10, 1902, under laws of Pennsylvania as Clear Springs Water Co.; name changed to present title in 1927. The Company supplies water to a number of communities in the neighborhood of Catasauqua, Pa. The distribution and transmission systems total over 54.1 miles of mains; number of fire hydrants, 231; number of consumers, 35,000.

CAPITAL STOCK

Authorized, 20,000 shares Common and 10,000 shares $6 cumulative Pfd., both of no par value; outstanding, 2,200 shares Common and 2,200 shares Pfd. All the Common stock is owned by Federal Water Service Corp. Capital stock was changed from $500,000 authorized and $290,000 outstanding (par, $50) in 1927.

Preferred Stock Provisions—Has preference for assets and dividends, is subject to call on any dividend date at $105 and accrued dividends, and upon voluntary dissolution or liquidation is entitled to $105 per share and accrued dividends. No additional Pfd. stock may be issued unless net earnings for a fixed period shall have been at least twice the annual dividend requirements on all Pfd. stock including those shares proposed to be issued. Pfd. stock has no voting power except in the event of default in four quarterly dividend payments when Pfd. stock shall have equal voting power with the Common as long as such non-payment shall continue.

Dividends—Pfd. dividends are payable quarterly, F, M, A & N.

FUNDED DEBT

$650,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1958

Dated March 1, 1928.

Interest Payable March and September 1.

Denominations—Coupon, $500 and $1,000.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A," $650,000. Additional bonds may be issued for not more than 75% of the cost or fair value whichever is lower of permanent improvements, extensions or additions provided net earnings for 12 consecutive months within 15 calendar months immediately prior to the issuance of such bonds have been at least 1¾ times the interest charges on all outstanding bonds, including those to be issued.

Callability—Subject to call at any time upon 4 weeks' notice to and including March 1, 1931, at 105 and interest, thereafter to and including March 1, 1936, at 103 and interest, thereafter to and including March 1, 1946, at 102 and interest, thereafter to and including March 1, 1957, at 101 and interest, and thereafter at par and interest.

Maintenance and Improvement Fund—Company covenants to expend or reserve for maintenance and improvements an amount equal to 9% of annual gross earnings of the water properties.

Security—Secured by a first mortgage on all properties of the Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

BONDS CALLED

All of the Clear Springs Water Co. First Mortgage Refunding and Improvement 5% Gold bonds, due May 1, 1942, were called for redemption on Nov. 1, 1927, at 102½ and interest, at Guarantee Trust & Safe Deposit Co., Philadelphia, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$106,850	$105,306
Operating expenses	35,247	33,051
Maintenance	6,301	11,298
Taxes (other than Federal Income)	1,588	1,920
Net earnings	$63,714	$59,037
Other income	10	54
Gross income	$63,724	$59,091
Annual requirement on funded debt	31,250	
Annual requirement on Pfd. stock	13,200	
Balance	$19,274	

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Reflecting Proposed Financing)

Assets—	
Plant and property, etc., as appraised Jan. 1, 1927, and including additions and betterments at cost to Oct. 31, 1927	$1,118,751
Additions and betterments to plant and property account, Oct. 31, 1927 to Dec. 31, 1927	5,744
Cash on hand and in banks	39,763
Accounts receivable	20,861
Materials and supplies	11,340
Reacquired securities	25,000
Deposit with Trustee to retire funded debt (contra)	100,800
Miscellaneous deposits	115
Deferred charges and prepaid accounts	86,215
Total	$1,408,589
Liabilities—	
Common stock and surplus	*$232,168
$6 cumulative Pfd. stock	†220,000
Funded debt	650,000
Funded debt in progress of retirement (contra)	100,800
Accounts payable	5,846
Due affiliated companies	94,782
Accrued taxes	5,387
Miscellaneous accrued liabilities	588
Consumers' deposits	869
Reserve for depreciation	97,000
Contributions for extensions	785
Uncollectible accounts reserve	364
Total	$1,408,589

*Represents 2,200 no par value shares Common. †Represents 2,200 no par value shares $6 cumulative Preferred.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, Walter A. Culin, Quay C. Haller, L. A. Phillips, J. D. East, James F. Stone, E. F. C. Parker, William Davis.

Office, 27 William St., New York, N. Y.

CLYMER WATER SERVICE COMPANY

(Indiana, Pa.)

(Controlled by Federal Water Service Corporation)

History and Property—Incorporated April 26, 1886, under laws of Pennsylvania, with 99-year charter, as Clymer Water Co.; name changed to present title in 1927. Company furnishes water to the community of Indiana, Pa. Miles of mains, 30; No. of fire hydrants, 110; No. of consumers, 11,525.

CAPITAL STOCK

Authorized, 20,000 shares Common and 10,000 shares $6 cumulative Pfd. of no par value; outstanding, 1,500 shares Common and 1,500 shares Pfd. All the Common stock is owned by Federal Water Service Corp. Capital stock was changed from $300,000 authorized and $180,000 outstanding (par $50) in 1927.

Preferred Stock Provisions—Has preference for assets and dividends, is subject to call on any dividend date at $105 and accrued dividends, and upon voluntary dissolution or liquidation is entitled to $105 a share and accrued dividends. No additional Pfd. stock may be issued unless net earnings for a fixed period shall have been at least twice the annual dividend requirements on all Pfd. outstanding, including that proposed to be issued. Pfd. has no voting power except in the event that dividends on Pfd. are in arrears and unpaid for four quarterly periods, when it has equal voting power with Common so long as such non-payment shall continue.

Dividends—Preferred dividends payable quarterly F, M, A & N.

FUNDED DEBT

$350,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1958

Dated March 1, 1928.

Interest Payable March and September 1, at New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized amount unlimited; issued and outstanding, $350,000, Series "A," 5s. Additional bonds may be issued for not more than 75% of the cost or fair value, whichever is lower, of permanent improvements, extensions or additions, provided that net earnings for 12 consecutive months within the 15 calendar months immediately prior to the issuance of such bonds have been at least 1¾ times the interest charges on all bonds outstanding including those to be issued.

Maintenance and Improvement Fund—Company covenants to expend or reserve for maintenance and improvements an amount equal to 9% of annual gross earnings of the water properties.

Callability—Subject to call at any time on four weeks' notice to and including March 1, 1931 at 10 and interest; thereafter to and including March 1, 1936 at 103 and interest; thereafter to and including March 1, 1946, at 102 and interest; thereafter to and including March 1, 1957, at 101 and interest; and thereafter at par and interest.

Security—A first lien on all properties of Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$74,148	$66,11
Operating expenses	28,584	25,27
Maintenance	4,238	6,16
Taxes (other than Federal Income)	1,763	1,88
Net earnings	$39,563	$32,79
Other income	25	62
Gross income	$39,588	$33,41
Annual requirements on funded debt	17,500	
Annual requirements on Pfd. stock	9,000	
Balance	$13,088	

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Reflecting Proposed Financing)

Assets—	
Plant and property accts. as appraised Jan. 1, 1927, and including additions and betterments at cost to Oct. 31, 1927	$629,88
Additions and betterments to plant and property acct., Oct. 31, 1927, to Dec. 31, 1927	4,28
Cash on hand and in banks	3,26
Accounts receivable	16,74
Materials and supplies	7,59
Special deposits	12
Deferred charges and prepaid accounts	52,24
Total	$714,15
Liabilities—	
Common stock and surplus	*$137,52
$6 cumulative Pfd. stock	†150,00
Funded debt	350,00
Accounts payable	4,37
Miscellaneous current liabilities	20
Due affiliated cos	11,17
Accrued taxes	3,64
Miscellaneous accrued liabilities	1,14
Consumers' deposits	1,89
Reserve for depreciation	54,00
Uncollectible accounts reserve	21
Total	$714,15

*Represents 1,500 no par value shares Common. †Represents 1,500 no par value shares $6 cumulative Pfd.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, Walter A. Culin, E. F. C. Parker, Quay C. Haller.

Office, 27 William St., New York, N. Y.

THE JERSEY SHORE WATER COMPANY

(Controlled by Federal Water Service Corporation)

History—Incorporated March 18, 1884, in Pennsylvania, with perpetual charter. Company furnishes water to Jersey Shore, Pa., and a number of other communities nearby.

CAPITAL STOCK

Authorized, $80,000 Common and $140,000 7% umulative Pfd.; outstanding $80,000 Common and 126,035 Pfd.; par of both classes, $5. The entire mount of Common stock is owned by Federal Water ervice Corporation.

Annual Meeting—Second Monday in January.

Preferred Stock Provisions—Pfd. stock has preference both as to assets and dividends, and is not callble. It has equal voting power with the Common tock on questions relating to the increase or decrease f Pfd. stock or funded debt of the Company.

Dividends—Dividends on the Pfd. are paid quarter-y, M, J, S & D 1.

FUNDED DEBT

All the outstanding First Mortgage 5% Gold bonds, ue April 1, 1932, were called for payment on Oct. 1, 927 at 103 and interest, at Susquehanna Trust Co., Villiamsport, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925
ross earnings	$55,563	$54,042
per. exp. maint. & taxes (other than Federal Income)	17,416	17,239
Net earnings from operation	$38,147	$36,803
ther income	1,641	2,441
Gross income	$39,788	$39,244
ond interest	10,000	10,000
ther deductions, incl. amortiz. & int. on funded debt	807	601
Total deductions	$10,807	$10,601
et income available for dividends, deprec. & Federal Income Tax	$28,981	$28,643

GENERAL BALANCE SHEET, DECEMBER 31, 1926

(Latest Available)

Assets—	
lant & property account	$499,094
Iaterials & supplies	4,011
ash	1,759
ther current assets	7,477
eferred charges & prepaid accounts	1,144
Total	$513,485
Liabilities—	
referred stock	$126,035
ommon stock	80,000
unded debt	204,025
urrent liabilities	11,419
ccrued liabilities	5,396
eserves	54,100
urplus	32,510
Total	$513,485

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, /-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, Walter A. Culin, E. F. C. arker.

Office, Jersey Shore, Pa.

PITTSBURGH SUBURBAN WATER SERVICE COMPANY

(Controlled by Federal Water Service Corp.)

History—Incorporated April 8, 1903, in Pennsylania as Ohio Valley Water Co. (see 1927 Manual, age 1903); name changed to present title in 1928. upplies water to various communities in Allegheny ounty, suburban to Pittsburgh, including McKees ocks and Stowe Township on the south side of the hio River and Avalon, Bellevue, Ben Avon, Ensworth, West View and Ross Township on the north ide. Estimated population served, 75,000. Water is lerived from water bearing strata that are tapped by 0 wells. The effective installed daily pumping capacty is 5,000,000 gallons, which compares with the averge daily consumption of 3,300,000 gallons. The total reservoir capacity is 8,500,000. Miles of mains, 107; number of consumers, 62,000; hydrants, 485.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	No. of Hydrants	No. of Services
1922	$222,150	98	392	9,000
1923	259,043	99	400	9,300
1924	256,823	102	419	9,660
1925	271,157	104	430	10,000
1926	290,229	105	458	10,369
1927	*303,530	107	485	10,889

*For 12 months ended Feb. 29, 1928.

CAPITAL STOCK

Authorized, 20,000 shares Common and 20,000 shares $5.50 cumulative Pfd., both of no par value; outstanding, 5,000 shares Common and 5,000 shares Pfd. All the Common stock is owned by Federal Water Service Corp.

Preferred Stock Provisions—Has preference for assets and dividends, is subject to call as a whole or in part on any dividend date on 30 days' notice at $105 and accrued dividends, and upon any dissolution or liquidation, is entitled to $100 and accrued dividends per share, plus a premium of $5 per share if such dissolution or liquidation be voluntary, before any distribution may be made to Common.

Additional Pfd. may only be issued subject to the following restrictions: (1) The net earnings available for dividends on Pfd., as defined, for any 12 consecutive calendar months within the 15 calendar months preceding the date of authorization of such additional issue, shall have been at least two times the annual dividend requirements on all Pfd. outstanding, including that proposed to be issued. (2) The equity available for additional Pfd., at the time of issuance thereof, shall be at least $200 for each share of such additional Pfd. stock.

Without the consent of the holders of at least 2/3 of the Pfd., the Company shall not (a) authorize or issue any stock or class of stock having priority or preference over the Pfd.; or (b) amend the provisions of Pfd. so as to affect adversely any of the preferences or other rights given to the Pfd. stock.

If at any time dividends shall be in arrears and unpaid on Pfd. for four quarterly periods, holders shall be entitled to vote, share and share alike, with the Common, so long as such entire default shall continue.

Transfer Agent—The Union Trust Company of Pittsburgh, Pittsburgh, Pa.

Tax Provisions—Free from present Normal Federal Income Tax and Pennsylvania four mills Personal Property Tax. Massachusetts income tax not to exceed 6% refunded to resident holders upon written application within 60 days' after payment.

Legal Opinion—White & Case, New York (for the Bankers), and Hause, Evans & Baker, Harrisburg, Pa. (for the Company).

Original Offering—First publicly offered (5,000 shares Pfd.) in April, 1928, at $97 and dividend to yield over 5.67% by G. L. Ohrstrom & Co., Inc., New York, etc.

Dividends—Pfd. dividends paid quarterly, F, M, A & N 15, initial dividend of $1.37½ having been paid May 15, 1928.

FUNDED DEBT

(1)

$884,000 OHIO VALLEY WATER CO. FIRST MORTGAGE 5% GOLD BONDS; DUE JULY 1, 1954

Dated July 1, 1904.

Interest Payable January and July 1, at Colonial Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $1,000,000 of which $116,000 pledged under the below described Pittsburgh Suburban Water Service Co. First Lien and Refunding Mortgage. Not subject to call. Secured on property and franchises of company. Company pays Normal Federal Income Tax up to 2%.

(2)

$816,000 PITTSBURGH SUBURBAN WATER SERVICE CO. FIRST LIEN AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1958

Dated March 1, 1928.

Interest Payable March and September 1 at Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued, $816,000 Series "A" 5s. Additional bonds may be issued for not in excess of 75% of the cash cost or fair value, whichever is lower, of new or additional property and/or permanent improvements, extensions or additions to the properties, acquired or constructed after March 1, 1928, provided net earnings, as defined in the mortgage, for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of the application for such additional bonds, have been at least 1¾ times the annual interest charges on all bonds outstanding in the hands of the public against the properties, those then proposed to be issued, and all indebtedness secured by lien prior to the mortgage on new or additional property acquired by the Company subsequent to March 1, 1928. In the computation of net earnings at least 5% of the gross operating revenues must be charged to repairs and current maintenance.

Callability—Subject to call as a whole or in part, at any time, upon 60 days' notice, to and including March 1, 1931, at 105; thereafter to and including March 1, 1936, at 103; thereafter to and including March 1, 1946, at 102; thereafter to and including March 1, 1957, at 101; and thereafter, at 100; in each case with accrued interest.

Sinking Fund—None provided.

Maintenance and Renewal Fund—Company covenants, commencing in the calendar year 1928, to expend or reserve annually for improvements, additions, extensions, replacements, renewals, repairs, maintenance and depreciation of properties, against which expenditures no bonds may be issued, an amount which shall not be less than 9% of the annual gross operating revenues of the mortgaged water properties.

Security—Secured by a direct lien on the entire properties of the Company, subject to $884,000 Ohio Valley Water Co. First Mortgage 5s. Additionally secured by pledge of $116,000 Ohio Valley Water Co. First Mortgage 5s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania 4 mills personal property tax. Certain Minnesota, Connecticut, Kansas and California taxes not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Kentucky, Virginia, West Virginia and District of Columbia taxes and Michigan exemption tax not to exceed 5 mills, and Massachusetts income tax not to exceed 6% refunded to resident holders upon written application within 60 days' after payment.

Legal Opinion—White & Case, New York City (for the Bankers), and Hause, Evans & Baker, Harrisburg, Pa. (for the Company).

Original Offering—First publicly offered ($816,000) in April, 1928, at 99 and interest to yield over 5.06% by G. L. Ohrstrom & Co., Inc., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$297,058	$286,109
Operating expenses	124,080	118,056
Maintenance	21,563	19,437
Taxes (other than Federal Income)	5,070	4,940
Net earnings	$146,345	$143,676
Other income	2,591	4,119
Gross income	$148,936	$147,795
Annual requirements on funded debt	85,000	
Annual requirements on Pfd. stock	27,500	
Balance	$36,436	

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Reflecting Proposed Financing)

Assets—	
Plant and property, etc. as appraised Sept. 1, 1927, and including additions and betterments at cost to Oct. 31, 1927	$3,086,07
Additions and betterments to plant and property account, Oct. 31, 1927 to Dec. 31, 1927	14,20
Cash on hand and in banks	68,10
Accounts receivable	62,89
Materials and supplies	16,84
Reacquired bonds	116,00
Special deposits	56
Investments in other companies	1,00
Deferred charges and prepaid accounts	116,18
Total	$3,481,87
Liabilities—	
Common stock and surplus	*$558,99
$5.50 cumulative Pfd. stock	†500,00
Funded debt	1,816,00
Accounts payable	11,16
Due affiliated companies	73,85
Accrued taxes	16,42
Int. accrued on funded debt	25,00
Miscellaneous int. accrued	2,21
Miscellaneous accrued liabilities	39
Consumers' deposits	35,42
Miscellaneous deferred liabilities	37,59
Miscellaneous unadjusted credits	2,15
Reserve for depreciation	355,33
Contributions for extensions	47,04
Uncollectible accounts reserve	26
Total	$3,481,87

*Represents 5,000 no par value shares Common. †Represented by 5,000 no par value shares $5.50 cumulative Pfd.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, Walter A. Culin, Isaac S. Walker, A. H. Kneen.

General Office, 27 William St., New York, N. Y.

OHIO WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation

History—Incorporated May 27, 1926 in Ohio as successor to the Massillon Water Service Co. (which succeeded the Massillon Water Supply Co. (see 192 Manual, page 1495). Early in 1928, acquired the Marysville Water Co. (see 1927 Manual, page 1308 the Peoples Utilities Ohio Corp., and The Mahoning Valley Water Co. (see page 49). Company supplies without competition water for domestic and industrial purposes to various cities and communities in Ohio including Massillon, Marysville, Circleville, Washington Court House, Struthers, Poland, Campbell and other communities adjacent to Youngstown, serving an estimated population in excess of 70,000. The property adjacent to Youngstown supplies water through gravity systems at the average rate of about 7,100,000 gallons a day, collected from protected basins, and has a reserve storage capacity of over 3,100,000,000 gallons. The other properties derive their supplies for the greater part from systems of driven wells and are delivering water at the rate of over 3,000,000 gallons a day. Average daily consumption, in excess of 10,200,000 gallons. Miles of main 158; number of service connections, 12,457; number of fire hydrants, 1,190.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	Hydrants	Service Connections
1922	$329,654	119	906	9,364
1923	349,012	126	928	9,972
1924	376,198	134	964	10,373
1925	457,477	138	1,028	10,997
1926	491,719	150	1,068	11,594
1927	517,296	158	1,190	12,457

CAPITAL STOCK

Authorized, 75,000 shares Common of no par value and $7,500,000 5½% cumulative Pfd., par, $100; outstanding, 38,552 shares Common and $1,173,000 Pfd. All the Common is owned by Federal Water Service Corp.

Preferred Stock Provisions—Has preference as to assets and dividends, is entitled to cumulative div

nds at the rate of 5½% per annum, is subject to ll in whole or in part on any dividend date upon 30 ys' notice at 105 and accrued dividends per share, d upon any dissolution or liquidation is entitled to 00 and accrued dividends per share, plus a premium $5 per share if such dissolution or liquidation be luntary, before any distribution may be made to ommon.

No additional Pfd. stock may be issued unless net rnings for a period of any 12 consecutive calendar onths within the 15 calendar months immediately eceding such additional issue shall have been at least ual to twice the annual dividend requirements on l Pfd. outstanding including that to be issued.

Without the affirmative consent of holders of at ast 2/3 of Pfd., Company shall not (a) authorize or sue any stock having preference over Pfd. as to vidends or as to distribution of assets upon dislution or liquidation; (b) amend the provisions of e Pfd. so as to affect adversely any of the prefernces and other rights of the present Pfd.

If at any time dividends shall be in arrears and unaid on Pfd. for four quarterly periods, Pfd. shall be ntitled to vote, share and share alike, with Common ntil all such dividends shall have been paid.

Tax Provisions—Exempt from Pennsylvania and hio 4 mills taxes and Massachusetts Income Tax not exceed 6%.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered ($1,173,-00) in May, 1928, at 97½ and dividends to yield over 64% by G. L. Ohrstrom & Co., Inc., New York.

Transfer Agent—Guardian Trust Co., Cleveland, hio.

Dividends—Pfd. dividends are payable F, M, A & 15.

FUNDED DEBT

3,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1958

Dated February 1, 1928.

Interest Payable February and August 1 at Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount, unlimited; ssued and outstanding, $3,000,000 Series "A" 5s.

Additional bonds may be issued for not in excess f 75% of the cash cost or fair value, whichever is wer, of additional property acquired or constructed fter April 15, 1928, and/or permanent improvements, xtensions or additions acquired or constructed after April 15, 1928, provided net earnings as defined in the ortgage for twelve consecutive calendar months within the fifteen calendar months immediately preeding the date of issuance of such additional bonds, ave been at least 1¾ times annual interest charges n all bonds outstanding, those proposed to be issued nd all indebtedness secured by liens prior to the ortgage on any new or additional property acquired ubsequent to April 15, 1928. The principal amount f prior liens shall never exceed 25% of the aggregate rincipal amount of all bonds then outstanding, those roposed to be issued and all indebtedness secured by ny such prior liens. In the computation of net earnngs, at least 5% of the gross operating revenues must e charged to repairs and current maintenance.

Callability—Series "A" bonds are subject to call as whole or in part, at any time on 60 days' notice to and ncluding Feb. 1, 1931, at 105; thereafter to and including Feb. 1, 1936, at 103; thereafter to and including eb. 1, 1946, at 102; thereafter, to and including Feb. , 1957, at 101; and thereafter at par; plus accrued interest in each case.

Sinking Fund—None provided.

Maintenance and Improvement Fund—Company ovenants commencing with the calendar year 1928, to xpend or reserve annually for improvement, additions, extensions, replacements, renewals, repairs, maintenance and depreciation of properties against which expenditures no bonds may be issued, and amount which shall not be less than 9% of the annual gross operating revenues of the mortgaged water properties and not less than 12½% of the annual gross operating revenues of all other mortgaged properties.

Security—A first lien on all the physical properties of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund California, Connecticut, Kansas, Minnesota and Pennsylvania four mills, Maryland 4½ mills, Kentucky, West Virginia, District of Columbia and Michigan 5 mills taxes, and Massachusetts Income tax up to 6% on interest.

Legal Opinion—White & Case, New York, N. Y.

Original Offering—First publicly offered ($3,000,-000 Series "A" 5s) in May, 1928, at 99½ and interest, to yield over 5%, by G. L. Ohrstrom & Co., Inc., New York.

SECURITIES TO BE REDEEMED

In connection with the acquisition of the properties of The Mahoning Valley Water Co. (see page 49), the $450,000 8% Pfd. stock and the $500,000 First Mortgage 6% Gold bonds, due serially to 1942, are to be called for redemption.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$517,296	$491,719
Operating expenses, maint., deprec. (as provided in mortgage) and taxes (other than Federal)	225,487	227,150
Net earnings	$291,809	$264,569
Annual interest requirements on funded debt	150,000	.....
Annual divd. requirements on 11,730 shares 5½% Pfd.	64,515	.....
Balance	$77,294	.....

NOTE—The above earnings do not reflect any revenues from the Dry Run Reservoir, a portion of the Mahoning Valley system, which reservoir was completed in February, 1928, at a cost exceeding $475,000.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; E. C. Elliott, V-P.; Walter A. Culin, Sec. & Treas.

Directors: A. W. Cuddeback, E. C. Elliott, Walter A. Culin, C. T. Chenery, E. F. C. Parker.

General Office, 27 William St., New York, N. Y.

ILLINOIS WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation)

History—Incorporated Nov. 26, 1926, in Illinois, with perpetual charter, and took over the properties formerly owned and operated by the Champaign and Urbana Water Company, Sterling Water Company and Streator Aqueduct Company (for last published statements see 1926 Public Utility Manual, pages 536, 1420 and 1698, respectively). In Sept., 1927, the Peoples Utilities Illinois Corp. (successor to the Freeport (Ill.) Water Co.) was merged with the Company. The territory served by the Company has a population estimated to be in excess of 106,000 and includes the cities of Champaign, Urbana, Streator, Freeport, Sterling and Rock Falls, Ill. The pumping equipment aggregates over 36,200,000 gallons per day capacity, and is divided equally between steam and electric units. Average daily requirements are 8,600,000 gallons. Reserve storage capacity over 205,000,000 gallons.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	Hydrants	Consumers
1921	$386,829	249	1,374	17,896
1922	410,242	254	1,408	18,796
1923	457,137	259	1,427	19,741
1924	478,326	266	1,483	20,782
1925	505,624	276	1,512	21,814
1926	524,120	283	1,546	22,171
1927	529,062	278	1,583	23,065

NOTE—Certain of the above data are partially estimated for earlier years.

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value and $2,000,000 6% cumulative Pfd., par $100; outstanding, 50,000 shares Common and $750,000 Pfd. In Sept., 1927, Company was authorized by the Illinois Commerce Commission to convert 7,500 shares of its Common stock, par $100, into 7,500 shares of Pfd. stock, par $100, and to convert 10,000 shares of its Common stock, par $100, into 50,000 shares of its Common stock of no par value. Subsequent to this approval the authorized Pfd. stock was increased as above.

Preferred Stock Provisions—Has preference for assets and dividends over Common and upon any dissolution or liquidation is entitled to $100 per share and accrued dividends, plus a premium of $5 per share if such dissolution or liquidation be voluntary, before any distribution may be made to the Common. Pfd. stock is subject to call, as a whole or in part, on 30 days' notice, at $105 and accrued dividends. No additional Pfd. stock may be issued unless consolidated net earnings for any twelve consecutive calendar months within the fifteen calendar months next preceding are at least two times the annual dividend requirements on all Pfd. stock outstanding, including any additional shares then to be issued. Holders of Pfd. stock are entitled to vote equally with the Common, share and share alike.

Transfer Agent—Lawyers Trust Company, New York.

Legal Opinion—White & Case (for the Bankers) and Ryan, Condon & Livingston (for the Company).

Tax Provisions—Free from present Normal Federal Income tax and from personal property taxes in Illinois. Corporation agrees to refund out of surplus the Pennsylvania 4 mills tax (not exceeding 40c. per share) and the Massachusetts income tax not exceeding 6% per annum of the dividends paid upon the Pfd. stock, upon written application within 60 days after payment.

Original Offering—First publicly offered ($750,000 Pfd.) in Sept., 1927, at 94 and dividend to yield 6.35% by G. L. Ohrstrom & Co., Inc., New York, etc. and Curtis, Stephenson & Co., Inc., Boston.

Dividends—Pfd. dividends payable quarterly, M, J, S & D 1.

FUNDED DEBT

$2,500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1952

Dated January 1, 1927.

Interest Payable January and July 1, at The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized amount unlimited, except by indenture restrictions. Issued and outstanding, $2,500,000 Series "A" 5s. The proceeds of these bonds were used to retire the funded indebtedness of the merged companies (see below) and for other corporate purposes.

Additional bonds may be issued for not in excess of 80% of the cost or fair value, whichever is lower, of the permanent improvements, extensions or additions to the properties, provided the net earnings of the company as defined in the indenture, for 12 consecutive calendar months within 15 calendar months immediately prior to the issuance of such new bonds, have been at least 1¾ times the annual interest charges on all bonds outstanding including those proposed to be issued.

Callability—Subject to call as a whole or in part, on any interest date upon 60 days' notice to and including Jan. 1, 1930 at 105; thereafter, to and including Jan. 1, 1935 at 103; thereafter, to and including Jan. 1, 1941 at 102; thereafter, to and including Jan. 1, 1951 at 101: and thereafter at par; together with accrued interest in each case.

In event that any municipal corporation or other governmental subdivision shall acquire all or the major portion in value of any separate system of water works properties of the Company, and shall assume payment of principal and interest of these bonds, all liability and obligation of the Company upon such bonds shall forthwith cease, and in event that payment of principal and interest of such bonds shall not be so assumed, then bonds in principal amount not exceeding the price paid for the property so acquired, may be declared due and payable at 100 and interest, or the funds payable upon such acquisition may be used for the purchase of additional properties as provided in the Indenture.

Maintenance and Improvement Fund—Company covenants to establish a maintenance and improvement fund equal to 9% of the gross earnings derived from the mortgaged properties, which fund may be expended for maintenance of and improvements, additions, and extensions to the properties, although no bonds may be issued against such improvements, additions, or extensions.

Security—These bonds constitute the only funded indebtedness of the Company and are secured by a direct first mortgage on all physical properties of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Minnesota 4 mills tax and the Michigan 5 mills tax refunded.

Original Offering—First publicly offered ($1,700,000 Series "A," 5s) in Jan., 1927 at 95 and interest to yield over 5.35%, by G. L. Ohrstrom & Co., Inc., New York. $560,000 of bonds were offered and privately sold in July, 1927, by the same bankers.

Price Range—1927: High bid, 94¾; low bid, 91½.

BONDS REDEEMED OR PROVIDED FOR

All the outstanding Sterling Water Company First Mortgage 6% Gold bonds, due July 1, 1945, were called for payment on July 1, 1927 at 102 and interest at Boston Safe Deposit & Trust Co., Boston, Trustee. The Streator Aqueduct Co. First Mortgage 6s, due June 1, 1939, were called for redemption on June 1, 1927 at 105 and interest at Continental Trust & Savings Bank, Chicago, Trustee. The Champaign and Urbana Water Co. First Mortgage 5s, due July 1, 1932 (described on page 536 of the 1926 Public Utility Manual) are not subject to call, but funds equal to the principal amount and interest to date of maturity have been deposited with the Atlantic National Bank, Boston, Trustee, for their payment.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross earnings	$527,004	$513,238	$371,4
Oper. exp., mainte. & taxes (other than Fed. taxes)	313,612	295,494	207,2
Net earnings from oper.	$213,392	$217,744	$164,2
Other income	2,058	10,882	10,0
Total income	$215,450	$228,626	$174,3
Annual int. requirements on present funded debt	113,000	.....	.....
Balance	$102,450	.....	.....
Annual requirement on outstanding Pfd. stock	45,000	.....	.....

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, etc.	$5,353,5
Cash	37,5
Accounts receivable	79,6
Materials and supplies	37,8
Miscellaneous current accounts	3,3
Deposit with trustee to retire funded debt of certain constituent cos. (contra)	373,2
Miscellaneous special deposits	5,6
Deferred charges and prepaid accounts	321,0
Total	$6,211,8

GENERAL BALANCE SHEET, DEC. 31, 1927 (Continued):

Liabilities—	
referred stock	$750,000
ommon stock and surplus	†1,421,213
nded debt	2,260,000
nded debt of certain constituent cos. funds for the retirement of which have been deposited (contra)	373,223
otes payable	32,043
ccounts payable	42,487
axes accrued	46,701
vidends accrued on Pfd. stock	3,750
iscellaneous accrued liabilities	3,839
ue affiliated companies	*607,236
eferred liabilities	15,740
etirement reserve	647,563
ther reserves	8,046
Total	$6,211,841

*Principally incurred in connection with the acquisition of w properties and additions and betterments to be liquidated the issuance of additional bonds. †Represented by 50,000 ares Common of no par value.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, . C. Elliott, T. J. Condon, V-Ps.; Walter A. Culin, ec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, W. A. ulin, L. A. Phillips, C. B. Sreimuth.

Executive Office. 27 William Street, New York.

NDIANA WATER SERVICE COMPANY

(Controlled by Federal Water Service Corp.)

History—Incorporated Oct. 22, 1926 in Indiana. ompany acquired The Washington Water, Light & ower Co. (see 1927 Manual, page 1876) and the eoples Utilities Indiana Corp. in 1927. Supplies ater without competition for domestic and industrial urposes to Greensburg, Washington, Albany, Butler, nesboro, and Montpelier, and other communities in ndiana, and the village of Three Oaks, Mich., serving population in excess of 24,000. The sources of pply for Washington and Montpelier are the White iver (tributary to Wabash River) and the Salomonie iver, respectively. For all other communities water derived from a system of over 25 wells, averaging ver 200 feet in depth. The total daily pumping apacity is in excess of 13,000,000 gals., which comares with an average daily consumption of approxiately 2,100,000 gals. Miles of mains, 67; service nnections, 5,475; fire hydrants, 660.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	No. of Hydrants	No. of Consumers
921	$117,549	61	607	4,607
922	121,270	62	608	4,699
923	128,200	63	609	4,836
924	129,810	65	636	4,687
925	140,534	66	648	4,774
926	171,519	67	656	4,867
927	176,715	67	660	5,475

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value nd $1,000,000 6% cumulative Pfd.; par, $100; outtanding, 20,000 shares Common and $200,000 Pfd. ll the Common stock is owned by Federal Water ervice Corp.

Preferred Stock Provisions—Has preference for ssets and dividends, is subject to redemption as a hole or in part, on 30 days' notice, at 105 and accrued ividends, and upon any dissolution or liquidation is ntitled to $100 per share and accrued dividends, plus premium of $5 per share, if such dissolution or quidation be voluntary, before any distribution may e made to the Common. No additional Pfd. may be ssued unless it has a property value of at least $200 er share and unless consolidated net earnings for any 2 consecutive calendar months within the 15 calendar nonths next preceding are certified to be at least times the annual dividend requirements on all Pfd. utstanding, including that to be issued. Pfd. has no oting power except in the event of default in four uarterly dividend payments, in which event Pfd. tockholders are entitled to vote equally with the ommon so long as such non-payment shall continue.

Transfer Agent and Registrar—The Indiana Trust Co., Indianapolis, Ind.

Tax Provisions—Free from present Normal Federal Income Tax and from all local and personal property tax in Indiana.

Original Offering—First publicly offered ($200,000) in June, 1927, at 98 and dividend to yield 6.125% by Breed, Elliot & Harrison and Meyer-Kiser Bank, Indianapolis, Ind.

Dividends—Pfd. dividends are payable quarterly, M, J, S & D 1.

FUNDED DEBT

$700,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MAY 1, 1957

Dated May 1, 1927.

Interest Payable May and November 1.

Denomination—Coupon, $500 and $1,000.

Trustee—Lawyers Trust Co., New York.

Provisions of Issue—Authorized amount unlimited. Issued and outstanding $700,000 Series "A" 5s. Additional bonds may be issued for not in excess of 80% of the cost or fair avlue whichever is lower of permanent improvements, extensions or additions to the properties, provided the net earnings, as defined in the indenture, for 12 consecutive calendar months within 15 calendar months immediately prior to the issuance of such additional bonds have been at least 1¾ times the interest charges on all bonds outstanding including those to be issued. In the computation of net earnings at least 5% of gross earnings must be charged to maintenance.

Callability—Series "A" 5s are subject to call at any time at 60 days' notice to and including May 1, 1935 at 103 and interest; to and including May 1, 1945 at 102 and interest; to and including May 1, 1956 at 101 and interest; and thereafter at par and interest.

Sinking Fund—None provided.

Security—A first lien on all the physical properties of the company

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will refund Minnesota, Pennsylvania, Connecticut, California and Kansas 4 mills, Maryland 4½ mills, Kentucky, West Virginia, District of Columbia and Michigan 5 mills, Virginia 5½ mills, and Massachusetts 6% taxes.

Original Offering—First publicly offered ($700,000 Series "A" 5s) in June, 1927, at 95 and interest to yield 5.34% by G. L. Ohrstrom & Co., Inc., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$176,715	$171,519
Operating expenses & taxes	94,249	88,919
Net earnings	$82,466	$82,600
Other income	160	568
Total income	$82,626	$83,168
Annual requirements on outstanding funded debt	35,000	.....
Annual requirements on outstanding Pfd. stock	12,000	.....

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, etc.	$1,245,332
Cash	10,450
Accounts receivable	26,390
Materials and supplies	9,032
Special deposits	†136,788
Deferred charges and prepaid accounts	108,816
Total	$1,536,808
Liabilities—	
Preferred stock	$200,000
Common stock and surplus	*224,009
Funded debt	700,000
Funded debt and Pfd. stock of certain constituent cos., funds for the retirement of which have been deposited (contra)	136,405
Accounts payable	13,074
Tax accrued	20,293
Other accrued liabilities	7,634
Due affiliated companies	37,684
Deferred liabilities	8,787
Retirement reserve	188,052
Other reserves	870
Total	$1,536,808

*Represented by 20,000 shares Common of no par value. †Includes $136,405 deposited with trustee to retire funded debt and Pfd. stock of certain constituent companies (see contra), including $86,000 First Mortgage 5s, due Aug. 1, 1928 and Pfd. stocks of The Washington Water, Light & Power Co.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Fred B. Johnson, V-P.; E. C. Elliott, V-P.; Walter A. Culin, Sec. & Treas.

Directors: Earl B. Barnes, Fred B. Johnson, E. C. Elliott.

General Office, 27 William St., New York, N. Y.

WEST VIRGINIA WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation)

History and Properties—Incorporated Oct. 4, 1926, under the laws of West Virginia, with 50-year charter. Company supplies water for domestic and industrial purposes to Charleston, Welch, Bluefield, Montgomery, Hinton, Bellepoint, Avis and Princeton, W. Va. Aggregate population estimated to be in excess of 105,000. Pumping equipment of 37,000,000 gallons daily capacity; average daily consumption approximately 10,200,000 gallons. Water for the system serving Charleston is obtained from the Elk River. The supply for Welch and Princeton is derived from driven wells. Miles of distributing mains, 259; number of hydrants, 810; number of actual services, 21,127.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Earnings	Miles of Mains	Hydrants	Consumers
1921	$467,511	142	569	16,659
1922	501,166	163	611	17,700
1923	547,847	192	646	18,407
1924	631,191	228	688	19,193
1925	678,110	243	748	19,991
1926	695,232	260	810	21,127

CAPITAL STOCK

Authorized, 12,000 shares Common and 30,000 shares $6 cumulative Pfd., both of no par value; outstanding, April, 1928, 12,000 shares Common and 11,500 shares Pfd. All the Common stock is owned by the Federal Water Service Corp.

Stock Increases—In March, 1927, authorized Pfd. stock was increased from 15,000 to 30,000 shares and changed from 6%-$100 par value to no par value with dividend rate of $6 per annum. On April 16, 1927, authorized Common stock was increased from 10,000 to 12,000 shares of no par value.

Preferred Stock Provisions—Has Preference as to assets and dividends, being entitled to cumulative dividends at the rate of $6 per share per annum; is subject to call in whole or in part at the option of the Company upon at least 30 days' notice at 105 and accrued dividend; and upon dissolution or liquidation is entitled to receive up to $100 per share and accrued dividends, plus a premium of $5 per share if such dissolution or liquidation is voluntary, before any distribution is made to holders of Common stock.

Additional Pfd. stock cannot be issued unless the net consolidated income of Company for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of issue, is equal to at least twice the annual dividend requirements on all Pfd. stock outstanding, including any additional shares to be issued. The Company may not issue stock having priority over the Pfd. stock as to dividends or assets, amend the provisions of the Pfd. stock so as to affect adversely the rights of the holders, or increase the number of shares of Pfd. stock authorized to be issued, without the consent of at least two-thirds of the Pfd. stock.

In the event the dividends on the Pfd. stock are in arrears and unpaid for eight quarterly periods, the Pfd. stockholders have equal voting power with the Common stock, and in addition have the right to elect a majority of the Board of Directors, as long as any such default may continue.

Transfer Agents—Bankers Trust Co., New York and Kanawha Banking & Trust Co., Charleston, W. Va.

Registrars—Central Union Trust Co. of New York and Kanawha Banking & Trust Co., Charleston, W. Va.

Original Offering—First publicly offered ($650,000) in Nov., 1926, at 95 and dividends, to yield over 6.30% by Kanawha Banking & Trust Co., Charleston, W. Va. In March, 1927, 9,800 additional shares of $6 cumulative Pfd. stock were publicly offered at $91 a share and dividends, to yield about 6.60% by Hale, Waters & Co., New York and Boston.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes and Massachusetts Income Tax not to exceed 6%, refunded.

Annual Meeting—Second Wednesday in June.

Dividends—Pfd. dividends are payable quarterly J, A, J & O 1.

FUNDED DEBT

$3,300,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE AUGUST 1, 1951

Dated August 1, 1926.

Interest Payable February and August 1, at The Equitable Trust Co. of New York City.

Denominations—Coupon, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Open mortgage. Outstanding April, 1928, $3,300,000 Series "A" 5s.

Mortgage provides that additional bonds may be issued thereunder for not in excess of 80% of the cost or fair value, whichever is lower, of permanent improvements, extensions or additions to properties provided net earnings of Company, as defined in mortgage, for 12 consecutive calendar months within 15 calendar months immediately prior to issuance of such new bonds, have been at least 1¾ times interest charges on all bonds outstanding and those proposed to be issued.

Purpose of Issue—Proceeds of sale of these bonds were used to retire all funded indebtedness against properties outstanding in hands of public and to reimburse Company in part for necessary improvements betterments and extensions to properties and for other corporate purposes.

Callability—Subject to call in whole or in part, on any interest payment date, upon 60 days' notice, to and including Aug. 1, 1929, at 105; thereafter, to and including Aug. 1, 1934 at 103; thereafter to and including Aug. 1, 1940, at 102; thereafter, to and including Aug. 1, 1950, at 101; thereafter, at par; plus accrued interest in each case.

In event that any municipal corporation or other governmental subdivision shall acquire all or the major portion in value of any separate system of water works properties of the Company, and shall assume payment of principal and interest of these bonds, all liability and obligation of the Company upon such bonds shall forthwith cease, and in event that payment of principal and interest of such bonds shall not be so assumed, then bonds in principal amount not exceeding the price paid for the property so acquired, may be declared due and payable at 100 and interest, or the funds payable upon such acquisition may be used for the purchase of additional properties as provided in the Indenture.

Maintenance and Improvement Fund—The Company covenants, commencing with year 1927, to establish a maintenance and improvement fund equal to 9% of annual gross earnings of Company derived from mortgaged properties. This fund may be expended for improvements, additions and extensions to and maintenance of properties, but no bonds may be issued against such improvements, additions and extensions.

Security—These bonds constitute the only funded indebtedness of the Company and are secured by a direct first mortgage on all physical properties of the Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and refunds upon proper application Pennsylvania, Connecticut, Minnesota, Kansas and California taxes, not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Kentucky, West Virginia, Michigan and District of Columbia taxes not to exceed 5 mills, Virginia tax not to exceed 5½ mills, and Massachusetts Income Tax not to exceed 6%.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered ($2,250,000, Series "A") in October, 1926, at 92 and interest to yield over 5.60%, by G. L. Ohrstrom & Co., New York. $350,000 additional Series "A" 5s sold privately by the same bankers in March, 1927.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(West Virginia Water Service Company and Subsidiaries)

	1927	1926	1925
Gross earnings	$754,510	$694,272	$676,504
Oper. exp., maint. and taxes (other than Fed. Income)	433,987	455,048	455,410
Net earnings from operat.	$320,523	$239,224	$221,094
Other income	3,059	1,458	1,607
Gross income	$323,581	$240,682	$222,700
Annual int. requirements on present funded debt	160,000	.....	.....
Bal. available for amortization, deprec., Fed. Income taxes and divds.	163,581	.....	.....

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(West Virginia Water Service Co. and Subsidiary Company)

Assets—	
Plant, property, etc.	$4,834,969
Cash on hand and in banks	39,455
Notes receivable	303
Accounts receivable	125.161
Materials and supplies	30,303
Miscellaneous current assets	754
Deposit with trustee to retire funded debt of certain constituent cos. (contra)	1,814
Miscellaneous special deposits	1,385
Deferred charges and prepaid accounts	655,195
Total	$5,689,339
Liabilities—	
Funded debt (W. Va. Water Service Co.)	$3,200,000
Funded debt of certain constituent cos. funds for the retire. of which have been deposited (contra)	1,814
Notes payable	22,500
Accounts payable	46,651
Taxes accrued	80,349
Interest accrued	66,667
Miscellaneous accrued liabilities	1,314
Due affiliated companies	123,349
Deferred liabilities	47,375
Retirement (depreciation) reserve	466,376
Contributions for extensions	2,646
Uncollectible accounts reserve	3,382
Miscel. operating reserves	25
Capital stock and surplus	*1,626,891
Total	$5,689,339

*Represented by 10,500 shares $6 Pfd. stock of no par value, 1,014,000, and 12,000 shares Common stock of no par value, 612,891.

Officers: A. W. Cuddeback, Pres.; C. T. Chenery, V-P.; E. C. Elliott, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, A. W. Cuddeback, L. A. Phillips, Walter A. Culin, J. P. Shaw, Jr.

Executive Office, 27 William Street, New York.

WINCHESTER WATER WORKS COMPANY

(Controlled by Federal Water Service Corporation)

History and Property—Incorporated in 1904 in Del. Supplies water to the City of Winchester, Ky., and vicinity. The distribution and transmission systems total over 22 miles. Number of consumers, 10,000. Number of fire hydrants, 162.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. A majority of the stock is owned by Federal Water Service Corp.

FUNDED DEBT

$242,000 FIRST MORTGAGE 6% GOLD BONDS; DUE JULY 1, 1945

Dated July 1, 1925.

Interest Payable January and July 1, at American Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized, $400,000; issued $260,000, of which $242,000 outstanding and $18,000 held in treasury. Additional bonds may be issued for 90% of permanent improvements, additions, etc., upon proof thereof duly furnished to the Trustee.

Callability—Subject to call after July 1, 1935, at face value and accrued interest, plus a premium of ½ of 1% for each year from date of call to maturity.

Sinking Fund—None provided.

Security—A first mortgage on the entire physical properties of the system.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$70,308	$73,286
Operating expenses	29,871	27,664
Maintenance	2,674	2,467
Taxes (other than Federal Income)	5,864	5,973
Net earnings	$31,899	$37,182
Annual requirements on outstanding funded debt	14,520	
Balance	$17,379	

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, etc.	$553,490
Cash on hand and in banks	8,033
Accounts receivable	5,306
Materials and supplies	6,294
Treasury bonds	18,000
Deferred charges and prepaid accts.	2,244
Total	$593,367
Liabiliites—	
Capital stock and surplus	*$249,919
Funded debt	260,000
Notes payable	10,966
Accounts payable	19,058
Miscellaneous current liabilities	142
Accrued taxes	1,899
Due affiliated cos.	14,077
Consumers' deposits	4,907
Reserve for depreciation	32,045
Uncollectible accounts reserve	354
Total	$593,367

*Represents 2,000 shares Common, par $100.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, E. C. Elliott, A. W. Cuddeback, Walter A. Culin, E. F. C. Parker.

General Office, 27 William St., New York, N. Y.

ALABAMA WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation)

History and Properties—Incorporated March 4, 1927, under the laws of Alabama with perpetual charter and took over the properties formerly owned and operated by the Alabama Water Company and the Fort Payne Utilities Company.

The territory served by the Company has a population estimated to be approximately 150,000, and includes westerly part of City of Birmingham and extending to and including Bessemer; also Anniston, Girard, Albany, Decatur, Attalla, Jasper, Fort Payne, Leeds, and numerous other communities in Alabama, as well as Dallas, Menlo and other communities in Georgia.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	Hydrants	Consumers
1921	$354,750	162	653	12,260
1922	393,881	185	709	14,025
1923	451,493	203	783	15,295
1924	498,937	253	833	17,143
1925	582,228	293	908	19,624
1926	651,737	321	941	23,266
1927	709,432	391	1,021	23,421

CAPITAL STOCK

Authorized, 1,000 shares Common of no par value and 20,000 shares $6 cumulative Pfd. of no par value; outstanding 1,000 shares Common and 5,000 shares Pfd. The entire Common stock is owned by Federal Water Service Corporation.

Preferred Stock Provisions—Pfd. stock is preferred over the Common, both as to assets and dividends. It is entitled to cumulative dividends at the rate of $6 per annum. Pfd. stock is redeemable in whole or in part, at the option of the Company on any dividend date on 30 days' notice at $105 per share and accrued dividends. Upon any dissolution or liquidation of the Company, the holders of the Pfd. stock are entitled to receive up to $100 per share and accrued dividends, plus a premium of $5 per share, if such dissolution or liquidation is voluntary, before any distribution is made to the holders of Common stock. Additional Pfd. stock cannot be issued unless the net earnings of the Company for 12 consecutive months within 15 calendar months immediately preceding the date of such issue are equal to at least twice the annual dividend requirements of all Pfd. stock outstanding, including any additional shares to be issued. The company may not issue stock having priority over the Pfd. stock as to dividends or assets, or amend the provisions of the Pfd. stock so as to affect adversely the rights of the holders, without the consent of at least two-thirds of the Pfd. stock. In the event the dividends on the Pfd. stock are in arrears and unpaid for four quarterly dividend periods, the Pfd. stockholders have equal voting power with the Common stock.

Transfer Agent—American Trust & Savings Bank, Birmingham, Ala.

Offering—In June, 1927, 5,000 shares of Pfd. stock were privately sold by G. L. Ohrstrom & Co., New York, at $94 per share and dividends to yield 6.38%.

Dividends—Dividends on the Pfd. stock are payable quarterly, M, J, S & D 1.

FUNDED DEBT

$3,500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable January and July 1, at Central Union Trust Company of New York.

Denominations—Coupon, $500 and $1,000; interchangeable; principal may be registered.

Trustee—Central Union Trust Company of New York.

Provisions of Issue—Issued, $3,500,000 First Mortgage Series "A" 5s Additional bonds may be issued for not in excess of 80% of the cost or fair value, whichever is lower, of permanent improvements, extensions or additions to the properties, provided the net earnings of Company, as defined in the Indenture, for 12 consecutive calendar months within 15 calendar months immediately prior to the issuance of such new bonds have been at least 1¾ times the annual interest charges on all bonds outstanding and those proposed to be issued.

Purpose of Issue—Approximately 95% of the proceeds of these bonds was to be applied to retirement of the following funded indebtedness outstanding against the properties: $2,148,500 Alabama Water Company First and Refunding Mortgage 6% Gold bonds, $531,500 Alabama Water Company First Mortgage 6% Fifteen-Year Gold bonds, and $250,000 Forest Payne Utilities Company First Mortgage 6% Gold bonds.

Callability—Subject to call at any time upon four weeks' notice, to and including Jan. 1, 1930 at 105 and interest; thereafter to and including Jan. 1, 1935 at 103 and interest; thereafter to and including Jan. 1, 1945 at 102 and interest; thereafter to and including Jan. 1, 1956 at 101 and interest; thereafter at par and interest.

Maintenance Fund—Company covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings of the mortgaged water properties and 12½% of the annual gross earnings of all other mortgaged properties. This fund may be expended for maintenance of, and improvements additions and extensions to, the properties, although no bonds may be issued against such improvements additions or extensions.

Security—These first mortgage bonds constitute the only funded indebtedness of the Company and are secured by a direct first mortgage on all physical properties of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Refund will be made of certain Pennsylvania, Connecticut, Kansas, California and Minnesota taxes not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Kentucky, West Virginia and District of Columbia taxes not to exceed 5 mills Michigan and Virginia taxes not to exceed 5½ mills and Massachusetts income tax not to exceed 6%, to resident holders upon written application within 60 days after payment.

Legal Opinion—White & Case (for the Bankers) and Cabaniss, Johnston, Cocke & Cabaniss (for the Company).

Original Offering—First publicly offered ($3,500,000) in May, 1927 at 96 and interest to yield about 5.27% by G. L. Ohrstrom & Co., Inc., New York.

Price Range—1927: High, 96; low, 93.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$709,432	$651,73
Operating expenses	261,227	257,56
Maintenance	35,259	34,44
Taxes (other than Federal income)	66,324	60,50
Net earnings	$346,621	$299,22
Other income	1,186	1,45
Gross income	$347,807	$300,67
Annual requirements on outstanding funded debt at Dec. 31, 1927	175,000	
Balance	$172,807	
Annual requirements on outstanding Pfd. stock, at Dec. 31, 1927	30,000	

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Including subsidiaries—Dallas Electric Co. and Collinsville Ice Co.)

Assets—	
Plant, property, etc.	$6,291,37
Investments in other cos.	35,70
Cash on hand & in banks	9,27
Notes receivable	8,54
Accounts receivable	45,25
Materials & supplies	3,77
Miscellaneous current assets	89
Special deposit with trustee to retire funded debt of certain constituent cos. (contra)	84,65
Deferred charges & prepaid accts.	24,64
Total	$6,504,10
Liabilities—	
Preferred stock	$500,00
Funded debt (Ala. Water Service Co.)	3,500,00
Funded debt of certain constituent cos., funds for the retire. of which have been deposited (contra)	84,65
Notes payable	*142,58
Accounts payable	31,58
Taxes accrued	51,15
Miscell. accrued liabilities	2,50

CONSOLIDATED BALANCE SHEET, DEC. 31, 1927 (Cont.):

ıe affiliated companies:	
Notes payable (non-interest bearing)	$500,000
Advances & open accounts	*312,697
eferred liabilities	58,037
etirement (depreciation) reserve	312,614
ontributions for extensions	4,220
ommon stock of Alabama Water Service Co. and surplus represented by 1,000 shares, no par value	1,004,063
Total	$6,504,107

*These liabilities principally incurred in connection with the quisition of new properties and additions and betterments t financed at Dec. 31, 1927.

Officers: A. W. Cuddeback, Pres.; C. T. Chenery, -P.; C. van den Berg, V-P.; W. F. Barnes, V-P. & reas; James Jackson, Sec.

Directors: W. W. Crawford, Forney Johnstone, C. Chenery, J. P. Shaw, Jr.

General Office, Birmingham, Ala.

CALIFORNIA WATER SERVICE CORPORATION

(Controlled by Federal Water Service Corporation)

History and Properties—Incorporated April 5, 1927, ıder the laws of California, with 50-year charter ıd subsequently acquired all the capital stock of the alifornia Water Service Company, the Belvedere Vater Corporation and Fresno City Water Corporaon. In April, 1928 these three companies together ith others, were merged to form the present Calirnia Water Service Co. (see appended statement). The Corporation, through its subsidiaries, furnishes ater to the cities of Fresno, Stockton, Bakersfield, ort Costa, Visalia, Chico, Redding, Oroville, Herosa Beach and Redondo Beach, communities suburın to Los Angeles and a number of other communies throughout the State. The population of the comunities served is estimated to be in excess of 300,000.

CAPITAL STOCK

Authorized, $10,000,000 Common and $10,000,000 6% ımulative Preferred; outstanding, $1,750,000 Comon and $2,500,000 Preferred; par, $100. The entire ommon stock is held by the Federal Water Service orporation.

Preferred Stock Provisions—Has preference for ssets and dividends over Common. Subject to reemption as a whole or in part on any dividend date pon 30 days' notice, in cash or in Pfd. stock of Calirnia Water Service Co. If redeemed in cash up to ıd including Nov. 15, 1929, the price will be par; if edeemed after that date the price will be 105 and acued dividends. If redeemed in Pfd. stock of the alifornia Water Service Co., the stock will be exıanged share for share. Corporation may not redeem ıe Pfd. stock by the exchange of Pfd. stock of the alifornia Water Service Co. unless, (1) the exchange made before Nov. 15, 1929, (2) the provisions as to arity, dividend rate and date, redemption price and articipation in liquidation of the new stock are the ıme as those of the old, (3) the equity per share of ıe new stock is at least equal to that of the old, and 4) the earnings of the California Water Service Co. vailable for dividends for 12 consecutive calendar ıonths within 14 calendar months immediately preeding the date of such redemption are at least equal o those of the Corporation, similarly computed. Holdrs of Preferred stock are entitled to vote equally with olders of Common stock, share and share alike.

Upon any dissolution or liquidation of the Corporıtion the holders of the Preferred stock are entitled ı $100 per share and accrued dividends plus a premium f $5 per share if such dissolution or liquidation is voıntary, before any distribution is made to the Comıon stock.

Additional Preferred stock cannot be issued unless the net consolidated income of the Corporation and its subsidiaries for 12 consecutive calendar months within the 14 calendar months immediately preceding the date of such issue, after deducting all interest charges on the indebtedness of the Corporation, is at least 2½ times the annual dividend requirements on all Preferred stock outstanding, including any additional shares to be issued.

Transfer Agents—American Trust Co., San Francisco and California Trust Company, Los Angeles.

Registrars—Anglo-California Trust Co., San Francisco and Citizens' Trust & Savings Bank, Los Angeles.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%; tax exempt in California.

Legal Opinion—White & Case (for the Bankers) and McCutchen, Olney, Mannon & Greene (for the Corporation).

Original Offering—Preferred stock first publicly offered ($2,500,000) in April, 1927, at 95 and accrued dividend to yield about 6.32%, by G. L. Ohrstrom & Co., Inc., New York; Dean Witter & Co., Hunter, Dulin & Co., and Banks, Huntley & Co., Los Angeles.

Annual Meeting—Second Wednesday in January.

Dividends—Preferred dividends are paid quarterly, F. M. A & N 15.

FUNDED DEBT

$7,500,000 ONE-YEAR 5% SECURED GOLD NOTES; MATURED AND PAID OFF APRIL 1, 1928

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925
Gross earnings	$1,730,798	$1,600,605
Operating expenses, maintenance & taxes (other than Federal Income)	944,446	890,142
Net earnings from operations	$786,352	$710,463
Other income	3,829	4,320
Gross income	$790,181	$714,783
Annual interest requirements on present funded debt	375,000	
Balance available for amortization, depreciation, Federal Income taxes and dividends	$415,181	

CONSOLIDATED INCOME ACCOUNT, APRIL 19, 1927 TO DECEMBER 31, 1927

(California Water Service Corp. and Subsidiaries)

Gross revenues (incl. other income)	$1,370,773
Operating expenses	569,454
Maintenance	86,546
Taxes	79,105
Net earnings	$635,668
Deductions:	
Funded debt interest paid or accrued	$256,250
Unfunded debt interest paid and accrued	2,686
Total	$258,936
Deduct interest on investment in construct. work	2,999
Net interest charges	$255,937
Reserve for deprec., amortiz. of bond disc. and expense and miscel. deductions	53,873
Total deductions	$309,809
Balance	$325,859
Pfd. divds. paid or accrued	108,333
Balance	$217,526

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, etc.	$15,515,845
Investments in other companies	5,000
Cash	108,807
Accounts receivable	88,433
Materials and supplies	152,458
Miscellaneous current assets	401
Advances to affiliated companies	389,854
Miscellaneous special deposits	560
Deferred charges and prepaid accounts	946,234
Total	$17,207,592

CONSOLIDATED BALANCE SHEET, DEC. 31, 1927 (Continued):

Liabilities—

Preferred stock	$2,500,000
Common stock and surplus	*6,697,608
Funded debt	7,500,000
Notes payable	2,000
Accounts payable	36,081
Miscellaneous current liabilities	1,027
Taxes accrued	328
Interest accrued on funded debt	96,812
Dividends accrued on Pfd. stock	25,000
Miscellaneous accrued liabilities	14,856
Deferred liabilities	144,251
Retirement reserve	164,701
Other reserves	24,928
Total	$17,207,592

*Represented by 17,500 shares ($1,750,000) Common of $100 par value.

NOTE—Funds for the retirement of funded debt of constituent companies on deposit with trustees not shown above.

Officers: C. T. Chenery, Pres.; C. B. Jackson, V-P.; A. W. Cuddeback, V-P.; E. B. Walthall, Sec. & Treas.

Directors: C. T. Chenery, C. B. Jackson, E. K. Barnum, Warren Olney, Jr., Russell Lowry, A. Crawford Greene.

General Office, San Francisco, Cal.

CALIFORNIA WATER SERVICE COMPANY

(Controlled by Federal Water Service Corporation)

History and Property—Incorporated Dec. 20, 1926, in Cal. Since organization, Company has acquired and merged the Bakersfield Water Co., Visalia City Water Co. (see 1926 Manual, page 596), Hermosa-Redondo Water Co. (see 1926 Manual, page 563), Fresno City Water Corp. (see 1926 Manual, page 921), Port Costa Water Co. (see 1926 Manual, page 630), Petaluma Water & Power Co., Tuxedo Water Co. of Stockton, Belvedere Water Corp. (see 1927 Manual, page 434) and plants supplying water service to other towns.

Company owns and operates properties supplying water service without competition, for domestic, commercial and industrial purposes in numerous cities and communities in California. The aggregate population of the territory served is estimated at over 300,000. The major part of the population served is located in the central section of California which comprises the Sacramento and San Joaquin River Valleys, and includes the following cities and communities: Fresno, Stockton, Visalia, Bakersfield, Oroville, Chico, Redding, Petaluma, Willows, Dixon, Martinez, Port Costa, Crockett, Concord, Livermore, Belvedere, Redondo Beach and Hermosa Beach. The water supplies are derived principally from systems of driven wells. The total installed pumping capacity is approximately 150,000,000 gallons per day, which compares with an average daily consumption of about 55,000,000 gallons. The total storage capacity is about 105,000,000 gallons, which is maintained for reserve and pressure equalizing purposes. The distribution and transmission systems as of Jan. 1, 1928, consisted of over 980 miles of mains with 74,193 service connections, and afford fire protection with 3,552 hydrants.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	Hydrants	Service Connections
1922	$1,334,370	770	2,920	53,423
1923	1,487,548	825	2,974	59,756
1924	1,625,311	892	3,155	64,251
1925	1,677,807	920	3,301	67,012
1926	1,817,705	953	3,424	71,814
1927	1,915,907	980	3,552	74,193

CAPITAL STOCK

Authorized, $6,000,000 Common and $6,000,000 7% cumulative Pfd.; outstanding, $2,130,700 Common and $2,130,600 Pfd.; par, $100.

FUNDED DEBT

(1)

$6,254,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A" DUE APRIL 1, 1958

Dated April 1, 1928.

Interest Payable April and October 1, at America Trust Co., San Francisco, or at Los Angeles-First National Trust & Savings Bank, Los Angeles.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustees—American Trust Co., San Francisco, and Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $6,254,000 Series "A" 5s.

Additional bonds may be issued for not in excess of 75% of the cost or fair value, whichever is lower, of new or additional properties acquired or constructed after May 1, 1928, and/or permanent improvements, extensions or additions constructed after Sept. 1, 1927, in respect to the properties now owned by the Company and/or constructed after Oct. 1, 1927, in respect to the properties to be acquired by the Company coincident with this financing, provided net earnings, as defined in the mortgage, for twelve consecutive calendar months within the fourteen calendar months immediately preceding the date of the application for such additional bonds, have been at least 1¾ times the annual interest charges on the aggregate principal amount of all bonds outstanding, those proposed to be issued and all indebtedness secured by liens prior to the mortgage on any new or additional property becoming subject to the lien of the mortgage, acquired by the Company subsequent to May 1, 1928. The mortgage may provide that the principal amount of all such prior liens shall never exceed 25% of the aggregate principal amount of all bonds then outstanding under the mortgage, those then proposed to be issued, and all indebtedness secured by any such prior lien or liens. The mortgage may further provide that subject to authorization by the Railroad Commission of the State of California, the authenticating Trustee shall, at the request of the Company, at any time on or prior to April 1, 1933, certify and deliver $1,000,000 principal amount of additional bonds against the properties existing as of Oct. 1, 1927.

Purpose of Issue—Proceeds were used in partial fulfillment of obligations incurred in connection with the acquisition of properties now owned and presently to be acquired.

Callability—Subject to call as a whole or in part, at any time, on 60 days' notice, to and including April 1, 1931, at 107½; thereafter, to and including April 1, 1936, at 106; thereafter, to and including April 1, 1941, at 105; thereafter, to and including April 1, 1946, at 104; thereafter, to and including April 1, 1951, at 103; thereafter, to and including April 1, 1955, at 102; thereafter, to and including April 1, 1957, at 101; and thereafter, at 100; in each case with accrued interest.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on all the physical properties now owned or hereafter acquired, consisting principally of land, water mains, reservoirs, pumping stations and other equipment. The value of these properties, as appraised by The Loveland Engineers, Inc., on the basis of reproduction cost new, less depreciation, including additions and betterments at cost to Aug. 31, 1927, and after deducting working capital, materials and supplies, and paving over mains not cut by the Company, is in excess of $14,600,000.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Free from Personal Property tax in California.

Legal Opinion—White & Case, New York (for the Bankers) and McCutchen, Olney, Mannon and Greene, San Francisco, Cal. (for the Company).

Legal For Savings Banks—Application has been made to the Superintendent of Banks of the State of California to have these bonds certified as a legal investment for California Savings Banks.

Original Offering—First publicly offered ($6,254,000) in April, 1927, at 103¼ and interest to yield about 4.80% by G. L. Ohrstrom & Co., Inc., New York, etc.

6% NOTES

(2)

There were also outstanding, Dec. 31, 1927, $673,778 6% Notes of an authorized issue of $923,900. No details available.

BONDS CALLED

All of the outstanding Belvedere Water Corp. First ½% bonds, Series "A" and "B", due Jan. 1, 1944, were called for redemption on July 1, 1927 at 105 and interest at Citizens Trust & Savings Bank, Los Angeles, Trustee.

All the outstanding Bakersfield Water Works First Mortgage 6% bonds, were called for payment Sept. 1, 1927 at 102 and interest at Wells Fargo Bank and Union Trust Co., San Francisco, Cal.

All the outstanding Fresno City Water Co. First Mortgage 5% bonds, due Jan. 1, 1946, were called for payment on July 1, 1927, at 105 and interest at American Trust Co., San Francisco, Cal.

All the outstanding Fresno City Water Corp. First & Refunding Mortgage 5½% Series "B" bonds, due Nov. 1, 1952, and First and Refunding 6% bonds Series "C," due Feb. 1, 1959, were called for payment at 105 and interest at Union Bank & Trust Co., Los Angeles, Cal., the Series "B" bonds on May 1, 1927, and the Series "C" bonds on Aug. 1, 1927. Funds have been deposited with Union Bank & Trust Co., Los Angeles, Cal., Trustee, for the redemption of the Fresno City Water Corp. First & Refunding Mortgage 6½% bonds, Series "A," due Nov. 1, 1956, at 105 and interest on Nov. 1, 1936.

All the outstanding Port Costa Water Co. First Mortgage 6½% bonds, Series "A," due July 1, 1936, were called for redemption on July 1, 1927, at 105 and interest at Bank of California, N. A. San Francisco, Cal.

All the outstanding Hermosa-Redondo Water Co. First Mortgage 6½% bonds, Series "A," due Dec. 1, 1953, were called for redemption on June 1, 1927, at 105 and interest at American Trust Co., San Francisco, Cal.

COMPARATIVE STAEMENT OF EARNINGS OF CONSTITUENT PROPERTIES, YEARS ENDED DECEMBER 31
(Giving Effect to the Reorganization and Financing Authorized by the Railroad Commission of the State of California)

	1927	1926
Gross revenues	$1,892,549	$1,811,857
Operating expenses	796,745	740,350
Maintenance	131,684	134,276
Taxes (other than Federal Income)	117,464	110,775
Net earnings	$846,656	$826,456
Other income	8,321	5,847
Gross income	$854,977	$832,303
Annual requirements on funded debt	312,700	
Annual requirements on Pfd. stock	127,836	
Balance	$414,441	

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Giving Effect to the Reorganization and Financing Authorized by the California Railroad Commission)
(Subject to Adjustments at Closing Date)

Assets—	
Plant, property, etc.	$16,498,424
Additions and betterments from Sept. 1, 1927 to Dec. 31, 1927 not yet financed	254,495
Investment in other companies	5,000
Cash on hand and in banks	105,556
Accounts receivable	95,882
Materials and supplies	158,390
Miscellaneous current assets	401
Miscellaneous special deposits	550
Miscellaneous suspense (set up in accordance with order of RR. Comm. of the State of Calif.)	1,781,774
Deferred charges and prepaid accounts	187,327
Total	$19,087,799

GENERAL BALANCE SHEET, DEC. 31, 1927 (Continued):

Liabilities—	
Common stock and surplus	*$7,948,047
Funded debt	†6,927,778
Notes payable	2,000
Accounts payable	32,053
Miscellaneous current liabilities	1,027
Accrued taxes	328
Miscellaneous accrued liabilities	14,967
Due affiliated companies	195,026
Unearned revenues	18,854
Consumers' deposits	80,194
Miscellaneous unadjusted credits	46,130
Reserve for depreciation	1,665,440
Uncollectible accounts reserve	2,020
Contributions for extensions	21,178
Miscellaneous operating reserve	2,157
Total	$19,087,799

*Represents 21,307 shares Common stock, par $100. †Includes $673,778 6% Gold notes, due April 1, 1933, issued under terms and conditions of order of California Railroad Commission, dated March 31, 1928.

NOTE—Funds on deposit with Trustee to retire funded debt of constituent companies not shown.

Officers: C. T. Chenery, Pres.; C. B. Jackson, V-P.; A. W. Cuddeback, V-P.; E. B. Walthall, Sec. & Treas.

Directors: C. T. Chenery, E. B. Walthall, C. B. Jackson, Russell Lowry, E. K. Barnum, Warren Olney, Jr., A. Crawford Greene.

General Office, Hunter-Dulin Bldg., San Francisco, Cal.

OREGON-WASHINGTON WATER SERVICE COMPANY

(Controlled by Federal Water Service Corp.)

History and Property—Incorporated June 6, 1927 in Delaware with a perpetual charter. In July, 1927, acquired the water properties of the Portland Electric Power Co. serving Hillsboro, Ore., and Vancouver, Wash. In Feb., 1928, acquired the properties of Coos Bay Water Co. (see 1927 Manual, page 767). Company supplies water, without competition, for domestic and industrial purposes to various cities and communities located in the northwest section of Oregon and in the southwest and western sections of Washington, including Salem and Hillsboro, Ore., and Vancouver, Hoquiam, Burlington, Sedro-Woolley and Mount Vernon, Wash. Estimated population served, 72,000. Sources of supply are principally rivers, and in a few instances, springs and wells. The pumping capacity is in excess of 17,000,000 gallons a day which compares with an average daily consumption of 10,000,000 gallons. The distribution systems comprise 336 miles of mains, serve 16,327 consumers, and furnished water to 706 hydrants.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Gross Revenues	Miles of Mains	Hydrants	Consumers
1921	$323,451	265	610	12,272
1922	353,549	272	622	12,764
1923	378,377	283	655	13,440
1924	416,500	296	665	14,611
1925	429,928	304	675	15,316
1926	457,342	336	706	16,327
1927	461,856	380	889	20,598

NOTE—Certain of the above data are estimated.

CAPITAL STOCK

Authorized, 10,000 shares Common and 25,000 shares $6 cumulative Pfd., both of no par value; outstanding, 10,000 shares Common and 7,000 shares Pfd.

Preferred Stock Provisions—Has preference for assets and dividends, is subject to call, as a whole or in part, on 30 days' notice, at $105 per share and accrued dividends, and upon any dissolution or liquidation is entitled to $100 per share and accrued dividends, plus a premium of $5 per share, if such dissolution or liquidation be voluntary, before any distribution may be made to the holders of the Common stock. No additional Pfd. stock may be issued unless consolidated net earnings for any twelve consecutive calendar months within the fifteen calendar months next preceding are certified to be at least two times the annual dividend requirements on all Pfd. stock outstanding, including

that to be issued. Pfd. stock shall have equal voting power with Common if at any time dividends shall be in arrears and unpaid on the Pfd. stock for four quarterly periods, so long as such non-payment shall continue.

Transfer Agent—Lumbermen's Trust Co., Portland, Ore.

Tax Provisions—Free from present Normal Federal Income Tax.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered (7,000 shares Pfd.) in June, 1927, at $92 and dividend to yield over 6.52% by G. L. Ohrstrom & Co., Inc., New York, etc., and Janney & Co., Philadelphia.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D 1, initial payment having been made Sept. 1, 1927.

FUNDED DEBT

$2,300,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1957

Dated June 1, 1927.

Interest Payable June and December 1 in New York City.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustees—The Equitable Trust Co. of New York and Samuel Armstrong.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $2,300,000 Series "A" 5s. Additional bonds may be issued for not in excess of 80% of the cost or fair value, whichever is lower, of permanent improvements, extensions or additions to the properties, provided the net earnings, as defined in the Indenture, for 12 consecutive calendar months within 15 calendar months immediately prior to the issuance of such bonds, have been at least 1¾ times the interest charges on all bonds outstanding and those then proposed to be issued. In the computation of net earnings, at least 5% of the annual gross earnings must be charged to maintenance.

Purpose of Issue—Proceeds of the $2,300,000 Series "A" 5s were used to retired all funded indebtedness outstanding in the hands of the public and for other corporate purposes.

Callability—Subject to call at any time on four weeks' notice, to and including June 1, 1930, at 105 and accrued interest; thereafter, to and including June 1, 1935, at 103 and accrued interest; thereafter, to and including June 1, 1945, at 102 and accrued interest; thereafter, to and including June 1, 1956, at 101 and accrued interest; thereafter at 100 and accrued interest.

In event that any municipal corporation or other governmental subdivision shall acquire all of the major portion in value of any separate system of properties of the Company, and shall assume payment of principal and interest of these bonds, all liability and obligation of the Company upon such bonds shall forthwith cease and in event that payment of principal and interest of such bonds shall not be so assumed, then bonds in principal amount not exceeding the price paid for the property so acquired, may be declared due and payable at 100 and interest, or the funds payable upon such acquisition may be used for the purchase of additional properties as provided in the Indenture.

Sinking Fund—None provided.

Maintenance and Improvement Fund—The Company covenants, commencing for the calendar year 1928, to expend or reserve annually for improvements, additions, extensions, replacements, maintenance and depreciation of the properties, against which no bonds may be issued, an amount which shall not be less than 9% of the annual gross earnings of the mortgaged properties.

Security—Secured by a direct first mortgage on all the physical properties of the Company, consisting of land, buildings, water mains, reservoirs, pumping stations and other equipment.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain Pennsylvania, Connecticut, Kansas, California and Minnesota taxes not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Kentucky, West Virginia and District of Columbia taxes not to exceed 5 mills, Michigan exemption tax not to exceed 5 mills, Virginia tax not to exceed 5½ mills and Massachusetts income tax not to exceed 6% refunded to resident holders upon written application within 60 days after payment.

Legal Opinion—White & Case, New York.

Original Offering—First publicly offered ($2,300,000 Series "A" 5s) in June, 1927, at 94½ and interest to yield about 5.37%, by G. L. Ohrstrom & Co., Inc., New York, N. Y.

Price Range—1927: High bid, 92; low bid, 90.

FUNDED DEBT OF COMPANY ACQUIRED SUBSEQUENT TO DECEMBER 31, 1927

$323,000 COOS BAY WATER CO. FIRST MORTGAGE SINKING FIRST 6% GOLD BONDS, SERIES "A"; DUE MAY 1, 1949

Dated May 1, 1924.

Interest Payable May and November 1, at Security Savings & Trust Co., Portland, Ore.

Denominations—Coupon, $500 and $1,000.

Trustee—Security Savings & Trust Co., Portland, Ore.

Provisions of Issue—Authorized, $450,000; issued $328,000 of which $5,000 cancelled by sinking fund. Additional bonds may be issued for not exceeding 75% of the actual cost of additions, betterments and extensions to the existing system, and then only when net operating revenues of the company for any 12 of the 15 preceding months shall have been equal to at least 1¾ times annual interest charges on outstanding bonds, and on the additional bonds to be so issued.

Callability—Subject to call as a whole or in part on any interest date on and after May 1, 1925, on 30 days' notice at 100 and accrued interest. In the event of the agreement by any municipality to purchase the properties of the company, the bonds may be called on 30 days' notice at par and accrued interest.

Sinking Fund—Each year, beginning May 1, 1925, an amount equal to 2% of the total amount of bonds outstanding, one-half of which sum may be used for making additions, betterments or extensions to the operating system, against which betterments no additional bonds may be issued. One-half of such sinking fund must be used each year to retire outstanding bonds, either by purchase in the open market below call price, if so obtainable, or by redemption by lot on 30 days' notice at par and accrued interest.

Security—Secured by a first mortgage on all properties now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Teal, Winfree, Johnson & Schulen, Portland, Ore. (for the Company), and McCamant & Thompson, (for the bankers).

Legal for Savings Banks and Trust Funds in the State of Oregon.

Original Offering—First publicly offered ($225,000 in April, 1924, by Blyth, Witter & Co. and Ladd & Tilton, Portland, Ore., at 93.86 and interest, yielding 6.50%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$460,868	$454,64
Operating expenses	154,049	146,19
Maintenance	24,918	24,88
Taxes (other than Federal Income)	50,473	44,75
Net earnings	$231,428	$238,80
Other income	988	2,69
Gross income	$232,416	$241,50
Annual requirement on outstanding funded debt at Dec. 31, 1927	115,000	.....
Annual requirement on outstanding Pfd. stock at Dec. 31, 1927	42,000	.....
Balance	$75,416	.....

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
lant, property, etc	$4,087,930
ivestments in other companies	5,358
ash	29,864
otes receivable	43
ccounts receivable	39,510
aterials and supplies	23,407
iscellaneous current assets	7
eferred charges and prepaid accounts	293,504
Total	$4,479,623
Liabilities—	
apital stock and surplus	*$1,379,358
unded debt	2,300,000
ccounts payable	9,695
iscellaneous current liabilities	7,712
axes accrued	49,774
nterest accrued on funded debt	9,583
iscellaneous accrued liabilities	4,114
ue affiliated companies	75,767
eferred liabilities	4,172
etirement reserve	637,962
ther reserves	1,486
Total	$4,479,623

*Represented by 7,000 no par value shares $6 Cum. Pfd. nd 10,000 no par value shares Common stock.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, -P.; Robert H. Evans, V-P.; H. V. Johnson, Sec. & reas.

Directors: C. T. Chenery, A. W. Cuddeback, E. C. lliott, Walter A. Culin, E. F. C. Parker.

Offices, 19-21 Dover Green, Dover, Del. and 27 William St., New York, N. Y.

NEPTUNUS WATER COMPANY

(Controlled by Federal Water Service Corporation)

History and Property—Incorporated May 29, 1921, r N. J. Company supplies water to Cape May Court louse, N. J., its distribution and transmission systems otalling 4.02 miles, affording fire protection with 20 ydrants, and serving a total of 1,500 consumers.

CAPITAL STOCK

Authorized, $10,000; outstanding, $9,000; par, $25. A najority of the stock is owned by Federal Water Service Co.

FUNDED DEBT

None.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, -P.; Walter A. Culin, Sec. & Treas.

Directors: A. W. Cuddeback, Walter A. Culin, William R. Edwards.

General Office, 27 William St., New York, N. Y.

CORTLAND WATER COMPANY

(Controlled by Federal Water Service Corporation)

History and Property—Incorporated in New York. Supplies water chiefly for commercial purpose in Harnon, N. Y. Miles of mains, 4.6; number of meters, 21; verage daily consumption, 1,000,000 gallons.

FUNDED DEBT

300,000 FIRST MORTGAGE 5% GOLD BONDS; DUE JUNE 1, 1940

Dated June 1, 1910. Interest payable June and Dec. , at Girard Trust Co., Philadelphia, Trustee. Coupon, 1,000; principal may be registered. Authorized, $500,-00. Subject to call since June 1, 1915, at 102½ and interest. A first lien on the entire property of company.

Office, 27 William St., New York, N. Y.

WATER SERVICE COMPANIES, INCORPORATED

(Controlled by Federal Water Service Corporation)

History—Incorporated Sept. 12, 1927, in Delaware, nd will own mortgage bonds of companies which supply water for domestic and industrial purposes, such nortgage bonds being secured by a direct mortgage on properties located in the United States. Company will ssue its own collateral trust bonds which will be ecured by bonds of the operating water service companies in the ratio of $1,250,000 of such pledged bonds against each $1,000,000 Collateral Trust bonds so issued.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $200,000 6% cumulative Pfd.; par, $100. All owned by Federal Water Service Corp., having been purchased at par for cash.

FUNDED DEBT

$1,000,000 COLLATERAL TRUST 5% GOLD BONDS, SERIES OF 1942, DUE SEPTEMBER 1, 1942

Dated September 1, 1927.

Interest Payable March and September 1, at Bankers Trust Co., New York, N. Y.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—Bankers Trust Co., New York, N. Y.

Provisions of Issue—Authorized amount, unlimited. Issued, $1,000,000 5s, Series of 1942. Additional bonds may be issued in amount not exceeding 80% of the amount of additional bonds pledged under this Indenture. Such pledged bonds shall be secured by a direct mortgage on the properties of water producing and/or water distributing companies in the United States, whose net earnings, as defined in the Indenture, are at least 1¾ times interest charges on the outstanding bonds of the issue so pledged and of all issues senior thereto, if any. No additional bonds may be issued under this Indenture against a pledge of any bonds secured by a closed mortgage, unless the appraised value of the physical property of such company is at least equal to 125% of the principal amount of all bonds of the issue so pledged and of all issues senior thereto, if any. Nor may any bonds secured by other than a closed mortgage be so pledged unless such mortgage restricts the issue of additional bonds to 80% of the cash cost or fair value of additions, extensions and/or improvements.

Provision is made for the substitution of collateral of an equal principal amount, provided the substituted collateral complies with the above requirements. This Indenture also permits the substitution of cash and/or United States governmental obligations. It further provides that if the net earnings (as defined in the Indenture) of any company whose bonds are pledged as collateral shall at any time become less than one and one-half times the interest charges on all bonds of the issue so pledged, and of issues senior thereto, if any, then other collateral complying with the above requirements shall be substituted.

The Indenture also provides that the funded debt of Water Service Companies, Inc., may at no time exceed five times the amount of its unimpaired paid in capital stock and/or surplus.

Callability—Subject to call on any interest date upon 40 days' notice, to and including Sept. 1, 1932, at 103 and interest; thereafter, to and including Sept. 1, 1937, at 102 and interest; thereafter, to and including March 1, 1942, at 101 and interest; thereafter, at 100 and interest.

Security—A direct obligation of Water Service Companies, Inc., secured by pledge with the Trustee of $1,-250,000 principal amount of mortgage bonds of companies which supply water for domestic and industrial purposes, such mortgage bonds being secured by a direct mortgage on properties located in the United States.

Guaranty—Guaranteed unconditionally, principal and interest, by Federal Water Service Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain Pennsylvania, Connecticut, Kansas, California and Minnesota taxes not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Kentucky, Virginia and District of Columbia taxes not to exceed 5 mills, Michigan exemption tax not to exceed 5 mills, and Massachusetts income tax not to exceed 6%, refunded to resident holders upon due application within 60 days after payment.

Legal Opinion—White & Case, New York.

Original Offering—First offered privately ($1,000,000) about Oct. 1, 1927, at 96½ and interest, to yield approximately 5.35%, by G. L. Ohrstrom & Co., Inc., New York.

Officers: C. T. Chenery, Pres.; A. W. Cuddeback, V-P.; Walter A. Culin, Sec. & Treas.

Directors: C. T. Chenery, Walter A. Culin, A. W. Cuddeback, E. F. C. Parker, J. P. Shaw, Jr.

General Office, 27 William St., New York, N. Y.

SOUTHWEST GAS UTILITIES CORPORATION

History—Incorporated April 11, 1928 in Delaware; a consolidation of 15 natural gas companies, operating 32 distributing and pipe line systems serving 32 communities in the States of Oklahoma, Texas and Louisiana. Principal among its subsidiaries are the Southwest Gas Company, Northwest Louisiana Gas Company, Inc. and Peoples Gas & Fuel Company. The consolidated properties including those of subsidiaries constitute one of the larger natural gas systems of the country.

In Oklahoma, the cities of Ada, Seminole, Earlsboro and others are served. The Corporation has a large number of industrial consumers. The Louisiana system serves practically all the communities of any size in the northern part of the State. A substantial part of the gas requirements of Shreveport is served through a contract with the Palmer Corporation. Other cities served include Ruston, Homer, Haynesville, Farmerville, Choudrant, Athens, Arcadia and Gibsland. The system supplies gas in wholesale quantities and in part through contracts to industrial consumers. In Texas a large number of communities are served including Dublin, Stephenville, Comanche, DeLeon, Rising Star, Cross Plains, Pioneer, Cuero, Yoakum and Gonzales.

The properties of the subsidiaries of Corporation include leaseholds and gas purchase contracts covering more than 50,000 acres of land of which more than 20,000 acres are directly owned by such subsidiaries. There are over 1,000 miles of transmission and distribution lines. It is estimated that the natural gas resources available from the Oklahoma properties and from the development of resources in other territories tributary to the present pipe lines, will in the opinion of geologists, meet the requirements of the present markets in the Oklahoma territory for at least 15 years. The gas resources of the Louisiana and Texas properties have been investigated by independent engineers and in their opinion are more than adequate to meet the requirements of these properties during the life of Company bonds which mature in 1943.

The gas sales of the system in 1927 amounted to over 14,000,000,000 cubic feet.

CAPITAL STOCK

Authorized, 1,000,000 shares Common and 150,000 shares cumulative Preferred, both of no par value; outstanding, 100,000 shares Common and 17,500 shares $6.50 Series cumulative Preferred. Of the outstanding Common shares, 75,000 are deposited in a voting trust. Of the authorized, but unissued shares of Common stock, sufficient shares are reserved for delivery upon conversion of the Three-Year Convertible 6% Gold notes of Corporation and of minority interests in subsidiaries, for exercise of stock purchase privileges by holders of bonds of the Corporation and for exercise of existing purchase options. Additional shares of the $6.50 Series Preferred stock are reserved for delivery upon conversion of the Three-Year Convertible 6% Gold notes of Corporation.

FUNDED DEBT

(1)

$1,750,000 FIRST LIEN AND SECURED SINKING FUND GOLD BONDS, 6½% SERIES; DUE MAY 1, 1943.

Dated May 1, 1928.

Interest Payable May and November 1, in New York City.

Common Stock Purchase Privilege—The holder of each $1,000 Bond is entitled, subject to prior redemption of bond, to purchase 10 shares of no par value Common stock of the Corporation at the following prices: To and including May 1, 1929, $20 per share; thereafter, to and including May 1, 1931, $25 per share; thereafter, to and including May 1, 1933, $30 per share; thereafter, to and including May 1, 1935 $35 per share; thereafter, to and including May 1 1937, $45 per share; thereafter, to and including May 1, 1938, $50 per share.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized issue unlimited; issued, $1,750,000 6½% Series due 1943. The Indenture provides that additional bonds may be issued for a principal amount not in excess of the cash cost or fair value, whichever is lower, of additional securities of subsidiaries and other corporations, acquired by the Corporation, provided that the consolidated net earnings of the Corporation and of its subsidiaries, as defined in the indenture, for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of application for such additional bonds, shall have been at least 2½ times the annual interest charges upon all bonds outstanding under the Indenture, including the bonds then proposed to be issued.

Purpose of Issue—Proceeds of these bonds were to be used to retire bonds of subsidaries, to provide part of the funds with which to make payment for the securities acquired, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date at 105 and interest during the first five years, at 104 and interest during the next five years, at 103 and interest during the next two years, and at 101 and interest thereafter and prior to maturity.

Sinking Fund—The Indenture provides for a sinking fund for these bonds to be paid by the Corporation to the Trustee semi-annually on each May and November 1, beginning Nov. 1, 1928, and ending Nov. 1, 1942, in cash or in such bonds at par, in an amount equal to 1¾% of the greatest aggregate amount of such bonds theretofore issued, whether or not then outstanding; provided, however, that any such sinking fund payment may be reduced by an amount, not exceeding ½% of the greatest aggregate amount of the bonds of this issue theretofore issued whether or not then outstanding; equal to the cash cost or fair value, whichever is lower, of additional securities of subsidiaries and other corporations, acquired by the Corporation. The sinking fund, unless reduced as aforesaid, is calculated to retire over 80% of the bonds of this issue by maturity.

Security—These bonds are the direct obligation of Corporation and will constitute its only funded debt outstanding upon completion of this financing except for $750,000 Three-Year notes. These bonds are secured by pledge of bonds and other obligations and Preferred and Common stocks of subsidiaries whose properties, mortgaged to secure the pledged bonds and other obligations, have a value considerably in excess of the face amount of this financing.

Legal Opinion—Larkin, Rathbone & Perry, New York, in association with Rainey, Flynn, Green & Anderson, Oklahoma City, Okla., as to matters of title in Oklahoma, Texas and Louisiana.

Tax Provisions—Corporation pays Normal Federal Income tax up to 2% and agrees to refund to resident holders, upon proper application, present personal

operty and securities taxes of any State of the United States or of the District of Columbia not to exceed in any case ½%, and Massachusetts income tax not to exceed 6%.

Original Offering—First publicly offered ($1,750,000) in April, 1928, at 99½ and interest to yield 6.55% with common stock purchase privilege, by Edmund Seymour & Co., Inc., Charles D. Robbins & Co., Porter & Co., and Glidden, Morris & Co., New York.

(2)

$0,000 THREE-YEAR CONVERTIBLE 6% GOLD NOTES; DUE 931

Preferred and Common shares of the Corporation are reserved for delivery upon conversion of these notes.

ONSOLIDATED EARNINGS OF SUBSIDIARIES, YEARS ENDED DECEMBER 31

After giving effect to acquisition of properties and proposed financing)

	1927	1926
oss revenues	$1,525,640	$1,392,531
er. exps., maint. & taxes other than ederal income tax	432,661	375,198
alance	$1,092,979	$1,017,333

NTATIVE CONSOLIDATED BALANCE SHEET, JAN. 1, 1928

Giving effect at that date to provisions of certain agreements for (1) the exchange of $721,800 Preferred stocks, ,000 shares no par value Common stocks and $500,000 cond Mortgage 6½% Gold bonds of subsidiary companies cash and 14,500 shares of Preferred stock and 100,000 res of Common stock (both without par value) of the thwest Gas Utilities Corp., (2) the acquisition of additional properties presently to be acquired, and (3) the issue $1,750,000 First Lien and Secured Sinking Fund 6½% ld bonds, due 1943, the issue of $750,000 3-Year Convertible 6% Gold notes due 1931, the issue of 3,000 shares of referred stock of the Southwest Gas Utilities Corp. and the plication thereof to the redemption or acquisition of bonds, referred and Common stocks of subsidiary companies, payment in part for the foregoing new properties and for new construction.)

Assets—	
nt, property and equipment at appraised values ith subsequent additions at cost—less deprec. nd depletion	$14,171,556
sh in trust and sinking funds	152,227
sh	566,842
counts receivable—gas	266,497
tes & other accts. receivable	89,290
terials and supplies	37,977
ntract for future oil royalties (contra)	469,598
her investments	1,000
eferred charges and prepaid accts. incl. unamort. ond and note discount	303,867
otal	$16,058,854
Liabilities—	
pital stock and surplus	*$4,578,392
inority stockholders' int. in stocks and surplus of ubsidiaries	2,185,429
nded debt of Corporation	1,750,000
ree-Year notes of Corporation	750,000
nded debt of subsidiaries	5,644,000
w construction	252,500
tes payable	14,000
counts payable	173,254
crued int. & general taxes	87,329
ovision for Federal income tax	10,000
idends payable	8,645
nsumers' meter deposits	93,217
nmission	5,000
serve for completing gas contract	37,490
serve for future oil royalties (contra)	469,598
otal	$16,058,854

Represented by 100,000 shares Common of no par value and 500 shares $6.50 cumulative Preferred of no par value.

Officers: Charles G. Laskey, Pres.; George Belchic, VP.

General Office, Shreveport, La.

NORTHWEST LOUISIANA GAS COMPANY, INCORPORATED

(Controlled by Southwest Gas Utilities Corp.)

History and Property—Incorporated in 1926, in Delaware, as a consolidation of the business of the Oil Fields Gas Company, Homer Natural Gas Company and other existing properties which have been operated for some years. Company is engaged in the production, transportation, purchase and distribution, both wholesale and retail, of natural gas for public utility and industrial purposes. Controls the Peoples Gas & Fuel Co., Inc. (see statement appended), through ownership of entire capital stock, except directors' qualifying shares, and guarantees the bonds of that Company, both principal and interest.

Company's property includes more than 130 miles of pipe lines in Webster, Bossier and Claiborne Parishes, controlling an area of 2,000 square miles. It controls through fee ownership or lease, the gas rights in more than 5,500 acres of proven and producing gas lands. The main trunk lines tap the Webster Gas Fields, the Bossier Gas Fields and the newly opened Cotton Valley field. In addition the Company owns leases in the Sligo and Waskom fields east and west of Shreveport.

The proven gas area adjacent to the Company's pipe lines, any part of which can be reached by feeder lines of less than 12 miles, is considered one of the largest gas areas in the Southwest, and is estimated to contain a supply of gas sufficient to meet requirements for at least twenty years.

The Company has a daily open flow of about 278,000,000 cubic feet of which it is using only approximately 8%. The future reserves of the Company are estimated to be 72,000,000,000 cubic feet.

Through a contract with the Palmer Corporation, the Company will supply a minimum of 4,000,000,000 cubic feet annually for 5 years, 1928 to 1932, to Shreveport, a city with 72,000 population. In order to obtain this gas supply, the Palmer Corporation invested approximately $600,000 in a pipe line from Shreveport to the Company's gas fields, a distance of 65 miles. Under the terms of the contract with the Palmer Corporation, the Company has acquired 160 acres and drilled a well in the Cotton Valley field in which a wet gas containing a considerable proportion of gasoline has been found. The Palmer Corporation has erected, at its own expense, a casing head gasoline plant for the purpose of stripping the gas which is then available for ordinary commercial use at contract prices. The plant was in operation as of May, 1928. The Northwest Louisiana Gas Company will receive as a royalty 20% to 25% of all gasoline thus extracted. The Company also has a contract through a 50% interest in an associate company to sell gas to the Arkansas Natural Gas Company which distributes to Little Rock, Arkansas, and 13 other communities along its lines. Through its own pipe lines and distribution system, gas is supplied without competition to several towns in Louisiana, East and Northeast of Shreveport, including Minden, Homer, Haynesville, Spring Hill, etc. The Company supplies gas in wholesale quantities, and in part through exclusive contracts, to the Standard Oil Company of Louisiana, the Gulf Refining Company, the Humble Oil and Refining Company, the Atlantic Oil Producing Company, the Phillips Petroleum Company and others. These companies use natural gas to generate power for drilling and pumping oil wells.

CAPITAL STOCK

Authorized and issued, 75,000 shares Common stock of no par value, and $500,000 7% cumulative Pfd., par, $100. Of the Common stock, 12,000 shares are reserved for the holders of Stock Purchase Warrants attached to the bonds.

Transfer Agent (Common Stock)—The Chatham Phenix National Bank & Trust Co., New York.

Registrar (Common Stock)—Empire Trust Co., New York.

FUNDED DEBT

(1)

$1,087,500 FIRST (CLOSED) MORTGAGE 6½% SINKING FUND GOLD BONDS; DUE DECEMBER 1, 1933

Dated December 1, 1926.

Interest Payable June and December 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York, N. Y.

Provisions of Issue—Authorized and issued, $1,200,000, of which $112,500 redeemed.

Purpose of Issue—Proceeds were used for the retirement of First Mortgage Bonds of the predecessor company issued in 1924, originally outstanding at $1,000,000 and since reduced to $650,000; to reimburse the Company for expenditures already made; for drilling new wells and acquiring additional gas acreage and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice, on any interest date at 105 and interest.

Sinking Fund—Mortgage provides that commencing March 1, 1927, the Company will pay to the Trustee quarterly $25,000 as a sinking fund and in addition at half yearly intervals 25% of the net earnings, as defined in the trust mortgage to be applied through the sinking fund to the retirement of these bonds. All such monies paid to the sinking fund shall be used for the purchase of bonds at prices not exceeding 105 plus accrued interest, the redemption price, and if not obtainable at such redemption price, such funds shall be used by the Trustee for the redemption of bonds to be selected by lot.

Stock Purchase Warrants—Each bonds carries a detachable stock purchase warrant entitling the holder thereof to purchase shares of no par value Common stock of the Company at the rate of one share for each $100 par value of bonds at $10 per share Dec. 1, 1926 to Nov. 30, 1929; $15 per share thereafter up to the maturity of the bonds, Dec. 1, 1933, regardless ot any or all of the bonds being previously called during either period. All cash received during the exercise of such stock purchase warrants shall be applied to the retirement of these bonds.

Security—Secured by a direct first mortgage on all the real property, leases, contracts, etc., of the Company. In addition all the outstanding capital stock of subsidiary companies (except directors' qualifying shares) are pledged under the Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. All state personal property and income taxes and the District of Columbia personal property tax not exceeding 5 mills refunded upon proper application.

Legal Opinion—Alger & Coughlan, New York.

Original Offering—First publicly offered ($1,200,000) in Dec., 1926 at 97½ and interest to yield about 7% by Glidden, Morris & Co. and Edmund Seymour & Co., Inc., New York.

(2)

There are also outstanding $400,000 Five-Year 7% bonds, dated Dec. 1, 1926, due Dec. 1, 1931, of which no details are available.

CONSOLIDATED EARNINGS OF CONSTITUENT COMPANIES

(Accounts Audited by Mattison & Davey)
(Latest Furnished)

	Yr. ended Oct. 31, 1926	Yr. ended Dec. 31, 1925	Yr. ended Dec. 31, 1924
Gross income	$603,139	$542,814	$512,272
Oper. exp. & taxes	210,534	168,088	122,069
Net income available for bond int., sink. fund, etc.	$392,605	$374,726	$390,203

NOTE—The 1924 net earnings include $41,708 received by the Company from the sale of the "Hope Lease." The 1925 and 1926 earnings have been adjusted to give effect to the acquisition of a joint interest in the Harris Oil Corporation, Ltd.

Officers: Charles G. Laskey, Pres.; George Belchic, V-P. & Gen. Mgr., Shreveport, La.; George E. Rogers, Sec. & Treas., New York; R. H. Curry, Local Supt., Haynesville, La.

General Office, Shreveport, La. **Executive Office,** 5 Nassau St., New York.

PEOPLES GAS AND FUEL COMPANY, INCORPORATED

(Controlled by Northwest Louisiana Gas Co., Inc.)

History and Property—Incorporated in 1927, i Louisiana, as a consolidation of twelve natural ga distribution systems, together with transmission line serving communities in Northern Louisiana. Th Company serves at retail, Homer, Haynesville, A cadia, Athens, Gibsland, Cotton Valley, Sarepta an Spring Hill, drawing its gas from the Webster fiel This gas is obtained under a ten year contract wit the Northwest Louisiana Gas Company (which co trols this Company through ownership of 100% its Common stock, except directors' qualifying shares The Company has a ten year contract with the Rusto Drilling Company which controls large producin acreage in the Monroe Field. Gas obtained under th terms of this contract through a 32 mile transmissio line which the Company owns, is distributed to Ru ton, Farmerville, Downsville and Choudrant.

The Company supplies gas under contract to th Louisiana Polytechnic Institute, the Homer Muni ipal electric Light plant, Louisiana & Northwest Ra road Co., and others. The population of the parish in which the Company's lines are located excee 100,000.

The transportation systems of the Company inclu over 180 miles of transmission and distribution lin The pipe line systems cover the north central secti of the State extending roughly from Shreveport in t west to the Monroe Field in the east and so arrang that ready interconnection can be made. Under g purchase contracts, proven natural gas reserves approximately 10,000 acres are available with produ ing wells having a daily open flow capacity of appro imately 280,000,000 cubic feet.

CAPITAL STOCK

Authorized and outstanding, 75,000 shares Co mon stock of no par value. All owned, except dire ors' qualifying shares, by Northwest Louisiana G Co., Inc.

FUNDED DEBT

(1)

$1,000,000 FIRST MORTGAGE 6½% SINKING FUND GO BONDS, SERIES "A"; DUE OCTOBER 1, 1937

Dated October 1, 1927.

Interest Payable April and October 1, at Chatha Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $500 and $1,000, int changeable; principal may be registered.

Trustee—Chatham Phenix National Bank & Tru Co., New York, N. Y.

Provisions of Issue—Authorized, Series "A," $ 500,000; issued, Series "A," $1,000,000. Additio bonds may be issued from time to time under te First Mortgage under conservative restrictions whi provide that the Company may not issue bonds unc this mortgage for more than 70% of the real value properties to be acquired, and in no event if the ea ings of the Company together with the earnings of te properties to be acquired, amount to less than thr times the requirements on the bonds at that time o standing, together with those to be at that time issu

Purpose of Issue—Proceeds were used to pay, part, for the cost of the properties acquired and other corporate purposes.

Stock Purchase Warrants—Each bond carries a tachable stock purchase warrant entitling the hol thereof to purchase shares of no par value Comm stock of Northwest Louisiana Gas Co. at the rate ten shares for each $1,000 par value of bonds, duri any one of the following periods and at the follow prices per share: at $10.00 per share Oct. 1, 1927, and including Oct. 1, 1932; at $15.00 per share the after to and including Oct. 1, 1937. Warrants may exercised until maturity of these bonds, unless entire issue is previously redeemed; in such case w

its may be exercised until the interest date next lowing the call of the entire issue of bonds.

Callability—Subject to call as a whole or in part on days' notice, on any interest date at 105 and interest.

Sinking Fund—Mortgage provides for a quarterly king fund commencing July 1, 1928, of $40,000 anally payable in equal quarterly installments in cash bonds at par to which is added amounts equal to interest on bonds retired through the operation of sinking fund. In addition, at semi-annual interls, an amount equal to 25% of the net earnings as ined in the Trust Indenture shall be added to the king fund. All cash payments received by the ustee are to be applied to the purchase of bonds at ices not exceeding the current redemption price, or bonds are not so obtainable, such funds shall be ed for the redemption of bonds to be selected by Bonds thus purchased or called shall be cancelled.

Security—Secured by a direct first mortgage on all of physical assets of the Company, including over 180 les of transmission lines and distributing systems, d by the pledge or mortgage of gas contracts and reements.

Guaranty—Unconditionally guaranteed both as to incipal and interest by the Northwest Louisiana as Co., Inc.

Tax Provisions—Company pays Normal Federal come Tax up to 2%. The Company agrees to rend, upon proper application, all state, personal operty and income taxes and the District of Columa personal property tax, in any event not exceeding e mills per dollar per annum.

Legal Opinion—Alger & Coughlan.

Original Offering—First publicly offered ($1,000,-0) in Oct., 1927, at 98 and interest to yield over 75% by Glidden, Morris & Co., Edmund, Seymour & ., Inc., New York, and Faxon, Gade & Co., Inc., oston.

OTHER FUNDED DEBT

There are also outstanding $250,000 of an authorized sue of $500,000 5-Year 7% Sinking Fund Mortgage old notes, Series "A." No details available.

Officers: Charles G. Laskey, Pres.; George Belchic, -P. & Gen. Mgr., Shreveport, La.; George E. Rogers, ec. & Treas. New York.

General Office, Shreveport, La. **Executive Office,** Nassau St., New York.

SOUTHWEST GAS COMPANY

(Controlled by Southwest Gas Utilities Corporation)

History—Incorporated in April, 1927, in Delaware, a consolidation of a number of gas distributing ystems including the MacThwaite Oil & Gas Co., ontotoc Pipe Line Co., DeLeon Gas Co., Tri-Cities as Co., and other companies supplying natural gas at etail to cities and towns in central Texas and Oklaoma. The Company also serves large industrial and ublic utility users under contracts with over six bilon cu. ft. of natural gas a year. Company and its ubsidiaries own pipe lines and distributing systems ggregating in length over 300 miles. The population f the counties in the company's territory exceeds 00,000. The Company operates without competition nd has long term favorable franchises in the followng cities and towns. Dublin, Stephenville, Comanche, De Leon, Rising Star, Cross Plains, Pioneer, Cuero, oakum and Gonzales in Texas, and Ada, Seminole nd Earlsboro, Okla.

In addition to its retail distribution, Company directly or through subsidiaries, also supplies gas at wholesale through long-term contracts to Oklahoma as & Electric Co., Central Power & Light Co., Southrn Pacific RR. Co., Oklahoma Portland Cement Co. nd others. Company is not actively engaged in the roduction of gas, but obtains its supply through longerm contracts with the Houston Gulf Gas Co., American Oil & Refining Co., Independent Oil & Gas Company's subsidiary and others, thus relieving it of a large investment in gas reserves.

In accordance with Texas statutes, Company's subsidiaries operating in Texas are gas utilities and operate by authority of and under the protection of the Railroad Commission of Texas, The Oklahoma subsidiaries operate under the supervision of the State Corporation Commission.

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value and $1,000,000 7% cumulative Preferred, par $100; outstanding, Nov. 1, 1927, 145,000 shares Common and $500,000 Preferred. In addition to the Common stock outstanding there are 30,000 shares in the hands of the Trustee for stock purchase warrants.

Transfer Agent (Pfd.)—Chatham Phenix National Bank & Trust Co., New York.

FUNDED DEBT

(1)

$3,000,000 (ENTIRE ISSUE) FIRST (CLOSED) SINKING FUND GOLD 6½s; DUE MAY 1, 1937

Dated May 1, 1927.

Interest Payable May and November 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized and outstanding, $3,000,000; closed mortgage.

Purpose of Issue—Proceeds from the sale of these bonds were used to pay, in part, for the cost of the properties acquired and for other corporate purposes.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date upon 30 days' notice.

Sinking Fund—The mortgage provides for an annual sinking fund, commencing November 1, 1927, of $105,000 payable in equal semi-annual instalments in cash or bonds at par to which is added amounts equal to the interest on bonds retired through the operation of the sinking fund. In addition, semi-annually, an amount equal to 25% of the net earnings after reserves and deductions as defined in the Trust Indenture shall be added to the sinking fund. All cash payments received by the Trustee shall be applied to the purchase of bonds at prices not exceeding the current redemption price or, if bonds are not so obtainable, such funds shall be used for the redemption of bonds by lot. Bonds thus purchased or called shall be cancelled.

Stock Purchase Warrants—Each bond carries a detachable Stock Purchase Warrant entitling the holder thereof to purchase shares of no par value Common stock of Southwest Gas Co. at the rate of 10 shares for each $1,000 par value of bonds, during any one of the following periods and at the following prices per share: at $5 per share May 1, 1927 to and including May 1, 1929; thereafter at $7.50 per share to and including May 1, 1931; thereafter at $10 per share to and including May 1, 1933; theraftер at $12.50 per share to and including May 1, 1935; thereafter at $15 per share to and including May 1, 1937. The Trust Indenture provides that all cash received by the Company through the exercise of stock purchase warrants shall be used to retire these bonds through purchase in the open market at a price not to exceed the call price or through call by lot.

Security—Secured by a direct first mortgage on all the assets of the Company. In cases where the actual operation of the properties is handled through subsidiaries, all physical assets of such subsidiaries, shall be directly mortgaged under the lien of the Indenture securing these bonds.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. It also agrees to refund, upon

proper application, all state, personal property and income taxes and the District of Columbia personal property tax, in any event not exceeding 5 mills per annum.

Legal Opinion—Alger & Coughlan, New York (for the Bankers), and Huggins, Kayser & Liddell, Houston, Texas, (for the Company), and Rainey, Flynn, Green & Anderson, Oklahoma City, (with respect to all matters of Oklahoma law.)

Original Offering—First publicly offered ($3,000,000) in May, 1927, at 98½ and interest to yield over 6.70% by Edmund Seymour & Co., Inc., Glidden, Morris & Co., Charles D. Robbins & Co., New York, and Faxon, Gade & Co., Inc., Boston.

Listed—Boston Stock Exchange.

Price Range—1927: High, 98½; low, 96.

(2)

$500,000 FIVE-YEAR MORTGAGE 7% SINKING FUND GOLD NOTES, SERIES "A"; DUE MAY 1, 1932

Dated May 1, 1927.

Interest Payable February and August 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York, N. Y.

Provisions of Issue—Authorized, $2,500,000; issued, $500,000. Additional bonds may be issued as provided in the indenture, upon the acquisition of additional property in an amount not exceeding two-thirds of the fair value or cost of such property.

Purpose of Issue—Proceeds were used to reimburse the Company, in part, for the cost of the properties acquired and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice, on any interest date at 105 and interest.

Sinking Fund—The Mortgage provides for an annual sinking fund commencing Feb. 1, 1928, payable in semi-annual installments in cash or bonds at par, the semi-annual amounts ranging from $42,600 on Feb. 1, 1928 to $58,302 on May 1, 1932. All cash payments received by the Trustee are to be applied to the purchase of bonds at prices not exceeding the curren redemption price, or if bonds are not so obtainabl such funds shall be used for the redemption of bond to be selected by lot. Bonds thus purchased or calle shall be cancelled.

Security—Secured by a direct mortgage upon a the assets of the Company, subject to a ten-year firs mortgage of $2,947,500. In cases where the actua operation of the properties is handled through subsic iaries, all physical assets of such subsidiaries are d rectly mortgaged under the lien of the Indenture secu ing these bonds with the exception, however, of th Oklahoma properties which are specifically covered b a mortgage for $150,000 deposited with the Trustee a additional security for these notes.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%. The Company agrees to refun upon proper application, all state personal propert and income taxes and the District of Columbia per sonal property tax, in any event not exceeding 5 mill per dollar per annum.

Legal Opinion—Alger & Coughlan, New York (fo the bankers) and Huggins, Kayser & Liddell, Houstor (for the Company).

Original Offering—Privately offered ($500,000) a par and interest by Edmund Seymour & Co., and Glid den, Morris & Co., New York.

EARNINGS

Current operations of the system covering the perio May 1, 1927, to April 30, 1928, as certified to by Mai & Co., Certified Public Accountants, show net earning available for interest, reserves, replacements and Fed eral taxes, after deducting earnings applicable t minority interests, running in excess of $453,000 pe annum.

OFFICERS AND DIRECTORS

Officers: J. W. Colvin, Pres.; L. C. Doney, Jr., V-P. Houston, Tex.

Directors: J. W. Colvin, L. C. Doney, Jr., O. R Seagraves, Paul Kayser, R. H. Baker, George E. Col vin, Houston, Tex.; B. B. Burton, F. T. Sutton, Nev York.

Office, Houston, Texas.

GENERAL GAS & ELECTRIC CORPORATION (OF DELAWARE)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
$8 Divd. Pfd., Class "A" (no par) } $7 Divd. Pfd., Class "A" (no par) }	J, A, J & O 1	400,000 shs.	62,601.1 shs. } 40,000 shs. }	$3,111,994	$8.00 } 7.00 }	$500,809 } 280,000 }	$30.3
$7 Divd. Pfd., Class "B" (no par)	J, A, J & O 1	100,000 shs.	43,399.1 shs.	2,331,185	7.00	303,794	53.7
Class "A" Common (no par)	J, A, J & O 1	800,000 shs.	*343,846.2 shs. }	2,027,391	1.50 }	498,248 }	
Class "B" Common (no par)	Jan. 3	400,000 shs.	*216,146.4 shs. }		1.50 }	306,100 }	†3.6
Dividend Participations (no par)	None	380,600	380,320.8	1,233,043	None		

*In addition there were outstanding Dec. 31, 1927, 1,238.4 shares non-dividend scrip certificates for Common stock, Clas "A" and 78.3 shares non-dividend scrip certificates for Common stock, Class "B". †Before allowing for amount applicable t the Dividend Participations.

History—Incorporated July 21, 1925 in Delaware with a perpetual charter. Company was formed to carry out a Plan and Agreement dated July 1, 1925 (for details see 1927 Public Utility Manual, page 2017) to retire the bonded indebtedness and improve the capital structure of General Gas & Electric Corp. (of Maine). This latter Company (see 1925 Manual, page 1670 or apply to our Information Department) was incorporated in August, 1922, and as of Sept. 15, 1922 acquired all the assets of The General Gas & Electric Company (of Maine).

Subsequent to the above Plan being declared opera tive on July 24, 1925 and the deposit of more than 99% of the stock under the Plan, The General Gas & Elec tric Company (of Maine) and the General Gas & Elec tric Corporation (of Maine) were dissolved before the close of 1925.

General Gas & Electric Corporation (of Delaware) controls public utility companies serving important communities in the states of New York, New Jersey, Pennsylvania, Maryland, South Carolina and Florida. These companies are operated and managed by W. S.

BOSTON Tel. Hancock 7320
PHILADELPHIA Tel. Rittenhouse 1530
BALTIMORE Tel. Plaza 7373
LONDON

GENERAL GAS & ELECTRIC CORP.

PYNCHON & CO.

Members of the New York Stock Exchange

111 Broadway, New York Tel. Rector 0970

The Rookery, Chicago Tel. Wabash 7700

MILWAUKEE Tel. Broadway 306
PROVIDENCE Tel. Gaspee 8600
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arstow & Company, Incorporated, 50 Pine St., New ork, and are described in the following pages.

The subsidiary and affiliated companies, exclusive of ased companies, are as follows:

nnville & Palmyra Electric Light Company, Annville, Pa.
erks-Lehigh Electric Company, New Tripoli, Pa.
ernville Light, Heat & Power Company, Bernville, Pa.
inghamton Light, Heat & Power Co., Binghamton, N. Y.
irdsboro Electric Co., Birdsboro, Pa.
lue Mountain Electric Company, Bethel, Pa.
oyertown Electric Company, The, Boyertown, Pa.
road River Power Co., Columbia, S. C.
aston Gas Works, Easton, Pa.
lorida Public Service Co., Orlando, Fla.
rench Creek Electric Company, The, St. Peters, Pa.
eneral Finance Corporation, The, New York City.
lanover & McSherrystown Street Ry. Co., Hanover, Pa.
lamburg Gas & Electric Co., Hamburg, Pa.
nterurban Gas Co., Nazareth, Pa.
ersey Corporation (The), Boonton, N. J.
exington Water Power Company, Columbia, S. C.
laryland Public Service Co., The, Frederick, Md.
letropolitan Edison Co., Reading, Pa.
lew Jersey Power & Light Co., Dover, N. J.
lorthern Pennsylvania Power Co., Towanda, Pa.
ley Valley Railway Co., Reading, Pa.
rtanna Electric Light & Power Co., Ortanna, Pa.
eading Transit Company, Reading, Pa.
eading Transit Bus Company, Reading, Pa.
opton Electric Light & Power Co., Topton, Pa.
Waverly Electric Light & Power Co., (The) Waverly, N. Y.
Weisenberg Township Elec. Light & Power Co., Topton, Pa.

The population served by the controlled companies s in excess of 1,900,000, and the number of cities, owns and communities is over 880. The electric roperties include generating plants with an installed apacity of 337,398 k.w., about one-eighth hydro-electric and seven-eighths steam; 2,207 miles of high tension transmission lines, 3,952 miles of distribution ines, and the sales for 1927 were 731,347,110 k.w.h. The gas properties have a twenty-four hour generating apacity of 9,335,000 cubic feet, and sales for 1927 were ,028,110,000 cubic feet. The gas properties have 312 niles of mains and the electric railway properties have 31 miles of track.

The number of customers served at Dec. 31, 1927, vas 224,208 subdivided as follows: Electric, 191,339 as, 28,655; miscellaneous, 4,214—total 224,208.

Of the operating income of the subsidiary companies or 1927, 85% was derived from the sale of electricity or power and light; 9% from gas and miscellaneous ervices and 6% from street railway and bus operations.

The four distinct power systems into which the ubsidiaries of General Gas & Electric Corp. are livided may be briefly described as follows:

The Pennsylvania-New Jersey Power System, comrising Metropolitan Edison Co. (including the former Pennsylvania Edison Co.), New Jersey Power & Light Co. and their associated companies, extends more than 250 miles from the northern boundary of New Jersey near Sussex to within 30 miles of New York City, westward from Dover through the cities of Easton and Reading in the heart of Pennsylvania's rich industrial centre to York and York Haven beyond the Susquehanna River, northwardly to Harrisburg, and southwardly to Gettysburg, Hanover and into Maryland.

The New York-Pennsylvania Power System, consists of the Binghamton Light, Heat & Power Co., and Northern Pennsylvania Power Co., supplying Binghamton, Johnson City, Endicott, Waverly, Chenango, Marathon and Owego together with 52 other communities in the south central portion of New York State and Sayre, Towanda, Montrose, Susquehanna, Galeton, Mansfield and Blossburg and 57 other communities in northern Pennsylvania.

The Broad River Power Co. Power System serves Columbia, the capital of South Carolina, and an extensive surrounding territory.

The Florida Public Service Co. Power System extends 180 miles from Seville on the north to Lake Placid on the south, through the rich trucking and citrus fruit growing belt of Central Florida, serving DeLand, Eustis, Lake Wales, Avon Park and 62 other communities.

These systems have important interconnections with other large power companies.

The following important additions to electric generating capacity were started or completed during 1927:

The Lexington Water Power Co. about Sept. 1, 1927 started construction of a 200,000 h. p. hydro-electric development on the Saluda River, ten miles west of Columbia, S. C. This project, which is expected to take about three years to complete, involves the construction of a dam about a mile and a half long and 208 feet high to create the largest artificial lake in the United States. The lake will be 33 miles long and have a maximum width of 14 miles and a surface area of 76 square miles. An investigation covering a period of several months was made by hydro-electric engineers and, upon receipt of favorable reports, long term contracts for the sale a total of 300,000,000 k. w. h. annually were made by Lexington Water Power Co. with Carolina Power and Light Co, Southern Power Co. (now Duke Power Co.) and Broad River Power Co. General Gas & Electric Corp. has acquired a 70% stock interest in Lexington Water Power Co. A contract was executed for financing the development through the sale of $12,000,000 of First Mortgage 5% bonds and $5,000,000 of 5½% debentures convertible into Pfd. stock. General Gas & Electric Corp. has guaranteed the completion of the initial 130,000 k. w. installation.

A 30,000 k. w. unit increasing the capacity of the main generating station of the Binghamton Light, Heat & Power Co. at Johnson City to 53,000 k. w. was installed.

The initial installation of 15,000 k. w. in the new steam electric generating station of Florida Public Service Co. on Lake Letola, near Avon Park, was practically completed. This station is connected by high tension transmission lines with the Benson Springs station of 12,500 k. w. capacity which was placed in operation during 1926.

On July 29, 1927 General Gas & Electric Corp. sold all of the securities of North Carolina Public Service Co. and the South Carolina Gas & Electric Co., owned by it, to Duke Power Co. and on the same date Broad River Power Co. sold to Wateree Power Co. (the nominee of Duke Power Co.), all property acquired by Broad River Power Co. from Blue Ridge Power Co. and Manufacturers' Power Co. in 1926, and certain other property owned by Broad River Power Co. centering in and about Spartanburg, S. C. Simultaneously with these transactions, Southern Power Co., controlled by Duke Power Co., entered into contracts for the purchase of a portion of the output of the Parr Shoals steam plant of Broad River Power Co.; the purchase of power from Lexington Water Power Co. and the purchase, subject to recapture provisions, of power which Broad River Power Co. had contracted to purchase from Lexington Water Power Co.

CAPITAL STOCK AND DIVIDEND PARTICIPATIONS

Authorized, 400,000 shares cumulative Pfd. Class "A," 100,000 shares cumulative Pfd. Class "B," 800,000 shares Common, Class "A," 400,000 shares Common, Class "B" and 380,600 Dividend Participations; outstanding, Dec. 31, 1927, 62,601.1 shares of $8 dividend cumulative Pfd. Class "A," 40,000 shares of $7 dividend Class "A," 43,399.1 shares $7 dividend cumulative Pfd. Class "B," 343,846.2 shares Common Class "A," 216,146.4 shares Common Class "B" and 380,320.8 Dividend Participations. All shares are of no par value. In addition, there were outstanding, Dec. 31, 1927

1,238.4 shares Class "A" and 78.3 shares Class "B" Common non-dividend scrip certificates.

Subscription Privilege—For all dividend payments to date, holders of Common stock, Class "A" have been granted the right to subscribe to additional Common stock, Class "A," at $25 per share, to the extent of the dividends receivable. On Dividend of $1.50 per share paid Jan. 1, 1928 on Common Class "B", holders were granted right to subscribe to additional Common Class "B" at $25 per share to the extent of dividend receivable.

Cumulative Preferred Stock, Class "A" Provisions—Has preference over all other stocks as to cumulative dividends, and in liquidation or dissolution ranks equally with cumulative Pfd. stock, Class "B," both having preference for assets to the extent of $100 per share and accumulative and unpaid dividends. It is non-callable, and non-voting unless four quarterly dividends are in default. Additional shares may be issued bearing such dividend rates, not exceeding $8 per share per annum, as shall be fixed by the Board of Directors prior to the issuance thereof.

Cumulative Preferred Stock, Class "B" Provisions—Has preference over Class "A" Common and Class "B" Common as to cumulative dividends at the rate of $7 per share per annum, and in liquidation or dissolution ranks equally with cumulative Pfd. Class "A," both having preference for assets to the extent of $100 per share and accumulative and unpaid dividends. It is subject to call on any dividend date upon 30 days' notice in exchange for $7 cumulative Pfd. Class "A," share for share, and is non-voting, unless four quarterly dividends are in default.

Common Stock, Class "A" Provisions—Has preference to the extent of $25 per share over Common stock, Class "B," in liquidation or dissolution, and after Common stock, Class "B" has received $25 per share, the remaining assets are to be distributed in such manner, that each share of Common Class "A" and Common Class "B," receives the same amount. It is entitled to non-cumulative dividends, at the rate of $1.50 per share per annum, before any dividends shall be declared or paid on Common stock, Class "B" or on Dividend Participations, and participates in additional dividends as outlined under "Dividend Participations Provisions." It is not subject to call and has no voting power.

Common Stock, Class "B" Provisions—Is entitled to non-cumulative dividends of $1.50 per share per annum before any additional dividends shall be declared on the Common stock, Class "A" or any payments made on the dividend Participations. Participates in additional dividends as outlined under "Dividend Participations Provisions." For rights in liquidation see "Common Stock, Class "A" Provisions."

Dividend Participations Provisions—The Dividend Participations represent the participating rights incorporated in the cumulative Pfd. stocks of the General Gas & Electric Corp. (of Maine), a predecessor company, and they share in dividend payments on the following basis: Whenever in any calendar year there shall have been declared for the whole of such year, dividends at such rate or rates as the Board of Directors shall have fixed on the cumulative Pfd. stock, Class "A," $7 on the cumulative Pfd., Class "B," $1.50 on the Common stock, Class A and $1.50 on the Common stock, Class B and such dividends have been paid, or a sum sufficient for the payment thereof has been set apart for that purpose, additional dividends may be declared, in which event, any additional amount so declared as dividends shall be divided in such manner that each share of Common stock, Class "A" and each share of Common stock, Class "B" and each Dividend Participation, shall receive the same amount of such additional dividend. In liquidation or dissolution, the Dividend Participations are not entitled to share in any manner whatever in the assets of the corporation. The Dividend Participations are non-voting.

Legal Opinion ($7 Pfd. Class "A")—Pendleton, Anderson, Iselin & Riggs, for the corporation, and Davisson & Manice, for the bankers.

Original Offering—First publicly offered (40,000 shares $7 cumulative Pfd. stock, Class A) in July, 1925, at $97.50 per share and dividends, by Pynchon & Company, West & Co., and Jackson & Curtis, New York.

Transfer Agent (All Classes)—The Equitable Trust Co. of New York.

Registrar (All Classes)—The Chase National Bank of New York.

Annual Meeting—Fourth Monday in April at Dover, Del.

Listed (All Classes)—New York Stock Exchange.

Price Range—

	1927	1926	1925
$8 Pfd. Class "A"—			
High	123⅜	113	111
Low	113¼	105½	90
$7 Pfd. Class "A"—			
High	110⅛	100	100
Low	100	95	97½
$7 Pfd. Class "B"—			
High	105⅛	96	97½
Low	96	92¼	88
Common Class "A"—			
High	47½	59	64½
Low	34	34	42
Common Class "B"—			
High	46	48⅞	62
Low	35⅛	36	40

Dividends—Initial dividends of $2 a share on the $8 cumulative Pfd. Class A and $1.75 a share on the $7 cumulative Class A Pfd. stock, were paid Oct. 1, 1925, which quarterly rates since maintained to date; payments, J, A, J & O 1.

Initial dividend of $1.75 a share on the Class B Pfd. stock was paid Oct. 1, 1925, which quarterly rate since maintained to date; payments J, A, J & O 1.

Initial dividend of 37½ cents a share on Common stock Class A was paid Oct. 1, 1925, which quarterly rate since maintained to date; payments J, A, J & O 1. Initial dividend of $1.50 a share on Common stock, Class "B" was paid Jan. 3, 1928 to stock of record Dec. 12, 1927, the dividend covering the full year 1927. In lieu of cash, holders of Common Class "A" and Common Class "B" stocks have the option of subscribing to Class "A" Common stock and Class "B" Common stock respectively at $25 a share to the extent of their dividends.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(General Gas & Electric Corporation Proper)

Revenue:	1927	1926
Dividends on stocks	$1,642,861	$1,245,444
Interest on loans and notes receivable	329,016	398,517
Int. on securities and bank balances	118,568	23,547
Total	$2,090,445	$1,667,508
Expenses and taxes	96,083	95,865
Total income	$1,994,362	$1,571,643
Interest on notes payable	26,038	4,299
Net income	$1,968,324	$1,567,344
Dividends on Pfd. stocks	1,084,603	1,065,288
Dividends on Com. stock, Class "A"	498,248	470,754
Dividends on Common stock, Class "B"	306,100	
Surplus for year	$79,373	$31,302

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1927

Credit balance, Jan. 1, 1927, $501,914; net income for year 1927, $1,968,324; miscellaneous credits (net), $751,589—total, $3,221,827. Deduct: Dividends on Pfd. stocks, $1,084,603; dividends on Common stock, Class "A," $498,248; dividends on Common stock, Class "B," $306,100—total $1,888,951. Surplus, December 31, 1927, $1,332,875.

GENERAL BALANCE SHEET, DECEMBER 31

(General Gas & Electric Corporation Proper)

Assets—	1927	1926
Secur. owned (including Organization)	$27,433,061	$27,085,422
Cash	1,966,770	595,427
Accounts receivable	10,929	112,434
Due from affiliated Cos.:		
Loans and accounts receivable	2,890,918	2,713,815
Accrued interest and dividends	105,374	56,982
Total	$32,407,052	$30,564,080

Liabilities—	1927	1926
Capital stock	*$30,957,251	$30,058,530
Accounts payable	1,500	3,636
Accrued taxes	59,500	
Misc. reserves	55,925	
Surplus	1,332,876	501,914
Total	$32,407,052	$30,564,080

*Represented by 62,601.1 shares $8 Pfd., Class "A," 40,000 shares $7 Pfd. Class "A," 43,399.1 shares Pfd., Class "B," 343,342.2 shares Common, Class "A," 1,238.4 scrip certificates for Common Class "A" and 216,146.4 shares Common stock, Class "B," and 78.3 scrip certificates for Common stock Class "B"; all of no par value.

Contingent Liabilities—At Dec. 31, 1927, General Gas & Electric Corp. had contingent liabilities on account of the following: (1) Guaranty of principal and interest of $273,000 First Mortgage bonds and guaranty of dividends at 6% per annum on $200,000 Pfd. stock of Pittsford Power Co., but National Light, Heat & Power Co., having acquired control of that company, has assumed this obligation; (2) Guaranty of the completion of the first 130,000 k.w. capacity of the hydro-electric power development of Lexington Water Power Co.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(General Gas & Electric Corporation and Subsidiary Companies)

	1927	1926	1925	1924
Operating revenue	$24,546,184	$24,093,377	$20,982,563	$18,373,851
Operating expenses and taxes	11,072,584	11,555,194	10,337,246	9,011,759
Maintenance	2,395,703	2,434,223	2,361,396	2,439,630
Depreciation	1,512,674	1,231,285	1,023,237	1,077,830
Rentals	383,525	391,670	403,638	400,604
Total	$15,364,486	$15,612,372	$14,125,517	$12,929,823
Operating income	9,181,698	8,481,005	6,857,046	5,444,028
Other income	801,529	677,678	479,569	538,247
Total income	$9,983,227	$9,158,683	$7,336,615	$5,982,275
Deductions from income:				
Funded debt interest—subsidiaries	$4,106,092	$3,844,425	$3,324,282	$2,638,974
Funded debt interest—General Gas & Electric Corp.			172,207	328,844
Other interest and miscellaneous	171,320	281,256	175,608	160,645
Amortization of discount and expense	300,834	300,653	262,477	211,872
Pfd. dividends—subsidiaries	2,086,924	1,609,820	1,385,107	1,044,201
Minority interest	206,063	241,435	133,200	122,291
Total	$6,871,233	$6,277,589	$5,452,881	$4,506,827
Net income	$3,111,994	$2,881,094	$1,883,734	$1,475,448
General Gas & Electric Corp. dividends:				
$8 Cum. Pfd. Class "A"	$500,809	$500,683	$501,156	$368,193
$7 Cum. Pfd. Class "A"	280,000	280,000	119,000	
Cum. Pfd. Class "B"	303,794	284,605	216,300	476,131
Common Class "A"	498,248	470,754	174,110	
Common Class "B"	306,100			
Total	$1,888,951	$1,536,042	$1,010,566	$844,324
Balance after dividends	1,223,043	1,345,052	873,168	631,124
Earnings Per Share—				
Preferred Class "A"	$30.33	$28.08	$18.39	
Preferred Class "B"	53.72	48.40	38.97	
Common Class "A"	*3.62	*3.43	*1.69	
Common Class "B"				

*Before allowing for amount applicable to the Dividend Participations.

CONSOLIDATED PROFIT AND LOSS ACCOUNT AT DECEMBER 31, 1927

(General Gas & Electric Corporation and Subsidiary Companies)

Credit balance Jan. 1, 1927 (including surplus of companies acquired during 1927 and excluding surplus of companies sold during 1927), $6,433,960; surplus for year 1927 (before General Gas & Electric Corp. dividends), $3,111,994; net miscellaneous credits, $255,141—total, $9,801,096. Deduct: Dividends on General Gas & Electric Corp. stock—Pfd. Class "A," $780,809; Pfd. Class "B," $303,794; Common Class "A," $498,248; Common stock, Class "B" $306,100—total, $1,888,951. Credit balance Dec. 31, 1927, $7,912,145.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(General Gas & Electric Corp. (of Delaware) and Predecessor Companies, and Subsidiary Companies)

Assets—	1927	1926	1925	1924	1923	1922
Property	$141,562,904	$148,260,579	$119,173,525	$101,014,430	$64,592,345	$52,722,454
Securities owned	751,662	734,275	333,639	445,745	122,769	328,236
Sinking and other funds	2,822,127	1,814,422	1,979,136	2,007,230	3,281,787	900,949
Cash & call loans	4,571,895	4,995,831	1,742,003	1,907,689	1,147,661	997,311
Notes & accounts receivable	2,234,619	2,767,176	2,735,615	2,103,004	1,297,866	1,064,073
Coal & other materials & supplies at cost	2,027,941	2,554,920	2,328,877	1,810,999	1,359,741	967,577
Working funds & miscellaneous	350,326	193,546	162,262	141,352	113,472	97,477
Unamortized discount and expense	6,249,260	6,645,306	4,611,184	4,566,238	3,168,330	2,022,918
Unamortized adjustments of property accounts	489,301	531,064	549,503	544,529	789,349	818,953
Undistributed debit items	83,363	137,113	219,564	103,424	12,632	100,047
Total	$161,143,398	$168,634,232	$133,835,308	$114,644,631	$75,885,952	$60,019,995

CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Capital Stock—General Gas & Electric Corp.	*$30,957,251	*$30,058,530	$28,482,067	$11,449,358	$7,536,359	$6,564,74
Capital Stock—Subsidiary companies	34,254,744	32,610,681	25,091,089	17,965,143	11,875,652	9,792,25
Funded debt—General Gas & Electric Corp.	.....	.....	.....	4,424,350	5,520,300	6,241,85
Funded debt—Subsidiary companies	67,450,600	83,098,822	59,921,742	60,453,731	39,416,180	29,438,52
Payments by subscribers for Pfd. stock	161,414	222,463	.....	.....	.....	.....
Loans and notes payable	2,828,797	211,512	350,995	1,812,994	229,811	328,61
Accounts payable	1,397,869	1,750,167	2,781,757	2,247,884	2,252,714	1,174,62
Consumers' deposits	660,491	715,101	548,369	427,961	279,077	201,83
Advances by consumers for extensions	443,472	416,183	298,923	282,884	170,347	198,79
Taxes and rentals accrued	1,519,755	1,223,644	761,845	726,956	571,032	650,94
Funded debt interest accrued	872,580	1,020,022	744,385	843,101	618,335	415,79
Other accruals	91,740	154,928	173,200	107,186	59,072	45,44
Other current liabilities	60,565	202,697	225,907	235,526	57,356	57,33
Depreciation & contingencies reserves	9,961,080	9,830,843	8,315,652	7,377,503	3,040,895	1,932,36
Reserves for injuries and damages and uncollectible accounts	430,580	408,980	390,724	395,681	501,412	508,81
Miscellaneous reserves	1,637,938	115,474	309,218	357,738		
Minority interest in surplus of sub. cos.	502,377	433,009	283,655	321,109	3,757,410	2,468,04
Surplus	7,912,145	6,161,176	5,155,780	5,215,526		
Total	$161,143,398	$168,634,232	$133,835,308	$114,644,631	$75,885,952	$60,019,99

*Represented by 62,601.1 shares $8 Pfd., Class "A"; 40,000 shares $7 Pfd., Class "A"; 43,399.1 shares Pfd., Class "B" 1,238.4 scrip certificates for Common stock, Class "A"; 216,146.4 shares Common stock, Class "B," and 78.3 scrip certificates for Common stock, Class "B."

Contingent Liabilities—At December 31, 1927, General Gas & Electric Corp. had contingent liabilities on account of the following: (1) Guaranty of principal and interest of $273,000 principal amount of Pittsford Power Company's First Mortgage Bonds and guaranty of dividends at 6% per annum on $200,000 par value of Pittsford Power Company's Pfd. stock, but National Light, Heat & Power Company, having acquired control of Pittsford Power Company has assumed this obligation. (2) Guaranty of the completion of the original 130,000 k.w. capacity of the hydro-electric power development of Lexington Water Power Company.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash & call loans	$4,571,895	$4,995,831	$1,742,003	$1,907,680	$1,147,661	$997,31
Notes & accounts receivable	2,234,619	2,767,176	2,735,615	2,103,004	1,297,866	1,064,07
Coal & other materials & supplies at cost	2,027,941	2,554,920	2,328,877	1,810,999	1,359,741	967,57
Working funds & miscellaneous	350,326	193,546	162,262	141,352	113,472	97,47
Total	$9,184,781	$10,511,473	$6,968,757	$5,963,035	$3,918,740	$3,126,43
Current Liabilities—						
Loans and notes payable	$2,828,797	$211,512	$350,995	$1,812,994	$229,811	$328,61
Accounts payable	1,397,869	1,750,167	2,781,757	2,247,884	2,252,714	1,174,62
Consumers' deposits	660,491	715,101	548,369	427,961	279,077	201,83
Advances by consumers for extensions	443,472	416,183	298,923	282,884	170,347	198,79
Miscellaneous	60,565	202,697	225,907	235,526	57,356	57,33
Taxes and rentals accrued	1,519,755	1,223,644	761,845	726,956	571,032	650,94
Funded debt interest accrued	872,580	1,020,022	744,385	843,101	618,335	415,79
Other accruals	91,740	154,928	173,200	107,186	59,072	45,44
Total	$7,875,269	$5,694,254	$5,885,381	$6,684,492	$4,237,744	$3,073,40
Net Working Capital	*$1,309,512	*$4,817,219	*$1,083,376	†$721,457	†$319,004	*$53,03

*Credit. †Debit.

NOTE—The sale of $16,343,300 bonds of subsidiary companies issuable at Dec. 31, 1927, would materially alter the ratio of current assets to current liabilities.

Officers: W. S. Barstow, Pres.; Lucien H. Tyng, V-P.; Wm. Buchsbaum, V-P.; O. Clement Swenson, Sec.; J. P. Campbell, Treas.; A. A. Cano, Asst. Sec. & Asst. Treas., New York; George S. Horsford, Asst. Sec. & Asst. Treas.

Directors: W. S. Barstow, Wm. Buchsbaum, Irving W. Bonbright, E. E. Quantrell, Lucien H. Tyng W. F. Ingold, New York; Geo. C. Lee, John F. Moors Boston, Mass.; E. Lovette West, Easton, Pa.

Offices, 50 Pine St., New York and Dover, Del.

METROPOLITAN EDISON COMPANY

(Controlled by General Gas & Electric Corporation)

History—Metropolitan Edison Company was formed under the laws of the Commonwealth of Pennsylvania July 24, 1922, succeeding the company of the same name which was formed Aug. 30, 1917 by a consolidation of the Metropolitan Electric Co. (which had been operating in Reading and vicinity since 1894) The Edison Electric Illuminating Co. of Lebanon, Pa., and The Lebanon Valley Electric Light Co.

During 1926 the Metropolitan Edison Co. merged the following companies, all former subsidiaries: Cumberland Valley Light & Power Co., Gettysburg Electric Co. and Hanover Power Co. in March; York Haven Water & Power Co. in November; and in Feb 1927, the Metropolitan Power Co. was merged. For latest published statements of these companies, see 1926 Public Utility Manual, or apply to our Information Department. On March 1, 1928, Metropolitan Edison Co. acquired all of the property and franchises of its former subsidiary, Pennsylvania Edison Co. (see 1927 Manual, page 2025), which in 1927 acquired the property of Saylorsburg Light and Power Co. (see 1927 Manual, page 2031).

Company supplies electric light and power service in the industrial cities of Reading, Easton, Strouds-

We Specialize in Securities of
METROPOLITAN EDISON CO.
PARSLY BROS. & CO.
BANKERS
1421 Chestnut St. Philadelphia

ırg, Lebanon, York, York Haven, Hanover, Gettysırg, Pa., and extensive surrounding territory, and rough The Maryland Public Service Co., a subsidiy, a section of northern Maryland.

The Metropolitan Edison Co. owns all the Pfd. and ommon stock of Easton Gas Works, which supplies is service in Easton and Phillipsburg, N. J., and the ommon stock of Interurban Gas Co., serving Nazath, Pa.

In April, 1928, Metropolitan Edison Co. acquired ie Common stocks of the Hamburg Gas and Electric o., Topton Electric Light and Power Co., Weisenerg Township Electric Light and Power Co. Birdsboro Electric Co., Ortanna Electric Light and Power o., The French Creek Electric Co., The Boyertown lectric Co., Annville and Palmyra Electric Light Co., ernville Light, Heat & Power Co., Berks-Lehigh lectric Co., and Blue Mountain Electric Co., which e operated as part of its system, being connected to by transmission lines.

The Metropolitan Edison Co. also owns the Comion stocks of Hanover & McSherrystown Street Ry. o., supplying street railway service in those towns; nd the Maryland Public Service Co., supplying elecic power service in northern Maryland.

The Metropolitan Edison Co. also owns $750,000 ar value of Class "B" Pfd. stock of the Reading ransit Co., an affiliated company.

The properties of The Neversink Light, Heat & ower Co. and the Reading Electric Light and Power o. are operated under lease.

All electric properties owned and operated by the Metropolitan Edison Co. are inter-connected by high ension transmission lines. This system has 1,785 iles of transmission and distribution lines, installed enerating capacity of 186,413 k.w., and serves a total stimated population of 800,000.

The systems of Metropolitan Edison Co. and the lew Jersey Power & Light Co., an affiliated comany, are connected by high tension lines, forming he Pennsylvania-New Jersey Power System of the General Gas & Electric Corp. This super-power sysem extends continuously about 250 miles, from northrn Maryland through Pennsylvania and New Jersey o within thirty miles of New York City and to the orthern New Jersey boundary line. The system proides a power reservoir which enables all connected ompanies to supply continuous and practically unimited service, and to operate with maximum efciency and economy.

The Metropolitan Edison Co. has arrangements for nterchanging power with various companies operating in Norristown, Pottstown, Pottsville and Pine Grove, Pa., and supplying such industrial centers as Phoenixville, Coatesville, Schuylkill Haven and Tamaqua, Pa., and also has line connections with the Pennsylvania Power & Light Co., operating in Allentown, Bethlehem and surrounding territory.

The territory directly served by Metropolitan Edison Co., centering in Reading, Easton, Stroudsburg, Lebanon and York, comprises 248 communities, besides 124 large boroughs and towns where power is wholesaled to local distributing companies. Noted chiefly for iron, steel and textile products, the industry of this region is extensive, diversified and long-established, including cement, slate, silk and paper products. The company also supplies practically all power used by the Reading Transit Co.

The company's main power stations are located on the Schuylkill River at West Reading and at Middletown on the Susquehanna River near Harrisburg. These two stations provide 134,000 of company's total generating capacity of 186,413 k.w. All power stations are interconnected, thus making the output of the company's generating plants available for distribution through its entire system. The station at Middletown has a generating capacity of 65,000 k.w. and is designed for an ultimate capacity of 200,000 k.w. The expansion of this station will provide for increases in demands for service in territory served by the Company.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York City.

COMPARATIVE OPERATING STATISTICS, INCLUDING SUBSIDIARIES, YEARS ENDED DEC. 31

	Miles of Lines	K. W. Capacity	No. of Customers	K. W. H. Sold
1922	1,242	97,625	50,012	267,589,194
1923	1,484	127,800	64,940	305,704,474
1924	1,651	157,800	75,031	314,039,134
1925	1,610	152,818	80,440	352,796,819
1926	1,633	187,818	87,183	430,960,678
1927	1,785	186,413	95,340	484,516,192

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value, 150,000 shares $7 Dividend cumulative Pfd. of no par value, and 250,000 (increased from 150,000 Feb. 24, 1926) shares $6 Dividend cumulative Pfd. of no par value; outstanding, Dec. 31, 1927, 157,842 shares Common, 10,816 shares of $7 Pfd. and 187,257 shares of $6 Pfd. In addition 6,436 shares of $7 Pfd. held in treasury. As of Dec. 31, 1927, General Gas & Electric Corp. owned 142,860 shares of Common stock. All the previous outstanding Series "A" Participating Pfd. stock was called for redemption on Oct. 1, 1925, at 115 and dividends at The Seaboard National Bank, New York.

Preferred Stock Provisions—The Pfd. stocks have preference as to cumulative dividends over the Common stock to the extent of $7 per share and to $6 per share per annum respectively, and in liquidation or dissolution receive $100 per share and accrued dividends before any payment to Common. Preferred stocks are callable in whole or in part on any dividend date on 30 days' notice, at $110 per share and accrued dividends. Preferred stocks have the right to vote at all stockholders' meetings, except for election of directors, but in the event of four quarterly dividend defaults on the Pfd. stocks, they shall then be entitled to elect a majority of the board of directors until such defaults are corrected. The authorized number of shares of stock of any class may be increased or additional Pfd. stock may be created only with the consent of two-thirds of outstanding stock of each class (Common and Preferred).

Tax Provisions—Pfd. stock is exempt from Pennsylvania State Tax of 4 mills, and only for $6 Pfd. the Company will refund the Cailfornia State Tax of 4 mills upon application, and any tax paid in Massachusetts on the income derived from the ownership of this $6 Pfd. stock, but such tax refund shall not exceed 6% of the dividends received.

Legal Opinion (Pfd. Stock)—Pendleton, Anderson, Iselin & Riggs, New York, (for the Corporation); Davisson & Manice, New York, (for the Bankers).

Stock Offering—In June, 1925, 17,000 shares $7 Pfd. stock were publicly offered at $100 per share and accrued dividend, yielding 7%, by Pynchon & Co.,

METROPOLITAN EDISON COMPANY
PYNCHON & CO.
Members of the New York Stock Exchange
BOSTON Tel. Hancock 7320
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111 Broadway, New York Tel. Rector 0970
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PROVIDENCE Tel. Gaspee 8600
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West & Co., and Jackson & Curtis, New York. In July, 1925 the same bankers offered at $95 per share and dividend such portion of 135,000 shares $6 Pfd. stock as were not required by Company in connection with its offer of exchange and subscription to holders of Class "A" Participating Pfd. stock and to holders of Pennsylvania Edison Co. $8 Pfd stock. In Dec., 1926, 10,000 shares $6 Pfd. were offered at $96 and dividend per share by Pynchon & Co., New York.

Purpose of Series $6 Pfd. Stock Issue—The proceeds from the sale of this stock were used to retire the entire outstanding Series "A" ($7 dividend) Participating Pfd. stock and to retire all the outstanding Series "A" 8% bonds of Company. A part of the proceeds was also used for advances to the Pennsylvania Edison Co. for the purpose of calling its entire outstanding $8 Pfd. stock on Oct. 1, 1925.

Transfer Agents—The Seaboard National Bank, New York; Bank of North America & Trust Co., Philadelphia; Old Colony Trust Co., Boston, Mass.

Registrars—New York Trust Co., New York; Fidelity-Philadelphia Trust Co., Philadelphia, Pa., State Street Trust Co., Boston, Mass.

Annual Meeting—Second Monday in May, at Reading, Pa.

Dividends—Dividends on $7 Pfd. stock and dividends on Series $6 Pfd. stock have been paid since issuance; payments quarterly, J, A, J & O 1. Recent dividends paid on Common stock: 1920, 6%; 1921, 9½%; 1922, 9¼% on par value stock and 30 cts. per share on non-par value stock; 1923, 1924 and 1925, $4 per share each; 1926, $5 per share; 1927, $6.50 per share; March 15, 1928, $2 per share.

FUNDED DEBT

(1)

$1,500,000 (ENTIRE ISSUE) YORK HAVEN WATER & POWER CO. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1951

Dated June 1, 1901.

Interest Payable June and December 1, at Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000. A first lien on property, formerly owned by York Haven Water & Power Co. Assumed by Metropolitan Edison Co. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of 4 mills.

(2)

$7,650,000 METROPOLITAN EDISON CO. FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "C"; DUE JANUARY 1, 1953

Dated January 1, 1923.

Interest Payable January and July 1, at Guaranty Trust Co. of New York, or at Continental National Bank and Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Fully registered bonds, $1,000. Coupon and registered bonds interchangeable.

Trustee and Registrar—Guaranty Trust Co. of New York, N. Y.

Provisions of Issue—Authorized amount of mortgage, unlimited. Issued and outstanding, March 31, 1928, $30,650,000 ($7,650,000 Series "C" 5s and $23,000,000 Series "D" 4½s); in treasury, $1,976,600 Series "D" 4½s.

Under the provisions of the mortgage, additional bonds may be issued in different series, bearing such dates, interest rates and provisions as may be determined by the directors as follows: for refunding prior lien bonds par for par; for 70% of the actual value or cash cost (whichever is less) of additional property acquired or of improvements, betterments, extensions or additions to the property, if the gross income for any 12 consecutive calendar months within the 14 months immediately preceding shall have been at least equal to 1½ times annual interest charges on all bonds outstanding, including those to be issued; in principal amount equal to 75% of such actual value or cash cost (whichever is less) if gross income sh have been at least 1¾ times said annual interest a 80% if gross income shall have been twice said a nual interest.

Callability—Subject to call as a whole or in pa upon 30 days' published notice on any interest pa ment date at 105 and accrued interest and for the la six months prior to maturity at par and accrued inte est.

Sinking Fund—Under the terms of a supplement indenture creating the Series "C" bonds, a Sinkir Fund is established providing for payment to t Trustee of the following percentages of the princip amount of Series "C" bonds outstanding on each da of payment: 1% on Jan. 1, 1924, and annually ther after to and including Jan. 1, 1933; 1½% on Jan. 1934, and annually thereafter to and including Jan. 1943; and 2% on Jan. 1, 1944, and annually thereaft to and including Jan. 1, 1952; such amounts to be us for the retirement of Series "C" bonds or to reimbur the Company for additions, extensions, bettermen and improvements or acquisitions, on account which the Company would otherwise be entitled the authentication of bonds under this mortgage.

Maintenance and Depreciation Fund—Compar covenants in the mortgage to establish a "Maintenan and Depreciation Fund" providing for payments to t Trustee annually on July 1, during the life of any bon secured by the mortgage, of 12½% of the operatir revenue of the Company during the 12 calendar mont ending April 30, of the same year, less a credit (a) account of actual expenditures for maintenance repai renewals and replacements to the property; (b) on a count of improvements betterments extensions and a ditions thereto against which no bonds have be issued. Any moneys so deposited shall be held by t trustee and may be drawn down from time to time f either of the purposes expressed in (a) and (b) abov or for the retirement of bonds issued under the mor gage, or for the purchase of United States Governme Bonds or United States Treasury Certificates of I debtedness for deposit and pledge with the trustee u der the mortgage.

Security—All bonds issued under the mortgage, i cluding the Series "C" and Series "D" bonds a equally and ratably secured by this mortgage, date Nov. 1, 1920, as amended Dec. 16, 1920, which is a fir lien on substantially all of the property of the Cor pany. The Series "C" and Series "D" bonds are su ject to the lien of the mortgage securing $1,500,00 York Haven Water & Power Co. 50-Year Gold 5 due June 1, 1951, as to property covered by such mor gage. The mortgage will be a direct mortgage on a property hereafter acquired (except property speci cally exempted from the lien thereof) subject to lien if any, existing at the time of acquisition.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%. Free of Pennsylvania Sta Tax of 4 mills. Company refunds Massachusetts Sta income tax not exceeding 6% and refunds Conne ticut taxes (other than succession or inheritance taxes not in excess of 4 mills.

Legal for Savings Banks in Maine, Rhode Islan New Jersey, Vermont and New Hampshire.

Original Offering—First publicly offered ($1,000 000) in March, 1923, at 89 and interest, by Halse Stuart & Co., Inc., New York, etc.; $2,150,000 by th same firm in April, 1924, at 89½ and interest; $3,500 000 by the same firm in March, 1926, at 99½ an interest; and $1,000,000 by the same firm in May, 192 at 100¼ and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	104¼	101¼	97½	*101
Low	100	96¾	91½	87

*High and low bid price.

(3)

$3,000,000 METROPOLITAN EDISON CO. FIRST MORTGAGE GOLD BONDS, SERIES "D" 4½%; DUE MARCH 1, 1968

Dated March 1, 1928.

Interest Payable March and September 1, at Guaranty Trust Co. of New York and at Continental National Bank and Trust Co., Chicago.

Denominations—Coupon $500 and $1,000; principal may be registered. Fully registered, $1,000 and multiples. Coupon and registered bonds interchangeable.

Trustee and Registrar—Guaranty Trust Co. of New York, N. Y.

Provisions of Issue—Outstanding March 31, 1928, $3,000,000; in treasury $1,976,600.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at the following prices and accrued interest: to and including March 1, 1953 at 107½; thereafter, decreasing 1½% each 3-year period to maturity.

Sinking Fund—None.

Security—Series "D" bonds are jointly and ratably secured with the Series "C" bonds described above.

Maintenance and Depreciation Fund—See description of Series "C" bonds above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax of 4 mills.

Legal Investment for Savings Banks—In New Jersey, Maine, Rhode Island, Vermont and New Hampshire.

Original Offering—First publicly offered ($23,000,000) in March, 1928, at 99½ and interest to yield about 4.52% by Halsey, Stuart & Co., Inc., Lee, Higginson & Co., West & Co., Stroud & Co., Inc., New York, etc., and Parsly Brothers & Co., Philadelphia.

BONDS REDEEMED

All the outstanding Metropolitan Edison Co. First & Refunding Mortgage 6% Gold bonds, Series "B," due Feb. 1, 1952, were called for payment Feb. 1, 1928, at 110 and interest, at Guaranty Trust Co. of New York, N. Y., Trustee.

All the outstanding Metropolitan Power Co. First Mortgage 6% Gold bonds, Series "A," due June 1, 1953, were called for payment on Dec. 1, 1927 at 107½ and interest at Bank of North America & Trust Co., Philadelphia, Trustee.

All the outstanding York Haven Water & Power Co. 5% Gold bonds, due May 1, 1957, were called for payment March 31, 1928 at 105 and interest, at Real Estate-Land Title & Trust Co., Philadelphia, Trustee.

All the outstanding Hanover Power Co. First Mortgage Sinking Fund 6% bonds, Series "B" and Series "C"; due June 1, 1941, were called for payment on June 1, 1928 at 102.27 and interest at York Trust Co., York, Pa., Trustee. Funds were deposited with trustee to provide for the payment at maturity June 1, 1928 of the outstanding Hanover Power Co. First Mortgage Sinking Fund Series "A" 6s.

All the outstanding Metropolitan Electric Co. First Mortgage Sinking Fund 5% Gold bonds, due April 1, 1939, were called for payment on April 1, 1928, at 110 and interest at Girard Trust Co., Philadelphia, Trustee.

All the outstanding Dillsburg Light, Heat & Power Co. First Mortgage 5% Gold bonds, due Dec. 31, 1930, were redeemed Dec. 31, 1927, and mortgage satisfied.

All the outstanding Cumberland Valley Light & Power Co. First Mortgage 6% Gold bonds, due Jan. 1, 1951, were called for payment July 1, 1928, at 103 and interest at Dillsburg National Bank, Dillsburg, Pa.

All the outstanding Pennsylvania Utilities Co. and Pennsylvania Edison Co. First Mortgage Sinking Fund Gold bonds, Series "A" 5s, and Series "B" 6s, due April 1, 1946, were called for payment April 1, 1928, at 105 and interest at Bank of North America & Trust Co., Philadelphia, Trustee, and Bankers Trust Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Metropolitan Edison Co. and Subsidiary Companies)

	1927	1926	1925	1924	1923	1922
Operating revenues (incl. other income)	$10,600,634	$9,859,832	$8,883,458	$8,331,811	$8,045,038	$6,407,390
Operating expenses, taxes, rentals and deprec.	6,060,772	5,644,184	5,058,817	5,063,059	5,317,239	4,237,377
Operating income (incl. other income)	$4,539,862	$4,215,648	$3,824,641	$3,268,752	$2,727,799	$2,170,013
Interest on funded debt	1,648,797	1,644,269	1,579,043	1,379,424	1,196,246	1,055,738
Other interest	150,665	165,799	176,213	61,026	30,078	58,184
Amortization of discount and expense				101,860	81,384	112,064
Miscellaneous				14,663	14,663	14,682
Net income	$2,740,400	$2,405,580	$2,069,385	$1,711,779	$1,405,428	$929,345
Preferred dividends	1,168,824	952,769	850,617	647,593	508,290	284,792
Common dividends	892,973	649,210	519,368	422,028	413,529	300,000
Balance	$678,603	$803,601	$699,400	$642,158	$483,609	$344,553
Times Funded Debt Interest Earned	2.75	2.56	2.42	2.37	2.28	2.05

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1927

Surplus, Jan. 1, 1927, including surplus of companies acquired during year, $3,250,323; surplus balance (transferred from income account), $2,740,400—total, $5,990,723. Deductions: Preferred stock dividends, $1,168,824; Common stock dividends, $892,973; miscellaneous, $66,687—total, $2,128,484. Surplus, Dec. 31, 1927, $3,862,239.

Depreciation Policy—The directors have resolved that it will be the policy of the Metropolitan Edison Co. to charge to or reserve from operating expenses an amount each year which shall average after Jan. 1, 1922, at its option either not less than 15% of its operating revenues or 4% of the average preceding 12 months' book value of its plants and real property for maintenance, renewals, replacements and depreciation, before the payment of any dividends on its outstanding Common stock.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Metropolitan Edison Co. and Subsidiary Companies)

Assets—	1927	1926	1925	1924	1923	1922
Property	$59,330,567	$55,404,711	$50,316,675	$42,761,150	$36,528,862	$27,809,502
Funds for construction deposited with trustees	.....	.....	683,795	197,545	2,341,702	.....
Securities owned	1,264,929	1,264,929	750,003	751,171	766,771	842,071
Sinking and other funds	937,362	750,754	604,222	495,986	413,136	363,921
Cash	570,836	1,342,984	446,033	635,535	607,757	477,585
Notes and accounts receivable	2,194,581	1,817,827	1,831,513	1,446,898	948,567	818,456
Coal and other materials and supplies	1,016,072	1,092,042	1,044,040	787,123	831,817	561,371
Other current assets	90,659	51,425	51,944	77,648	58,800	42,098
Unamortized discount and expense	2,476,006	2,335,223	2,243,084	2,519,651	2,156,820	1,233,583
Unamortized adjustments of property accounts	113,100	127,763	142,426	157,089	171,752	186,416
Undistributed debit items	14,540	47,458	63,465	34,999	4,260	4,828
Total	$68,008,652	$64,235,116	$58,177,200	$49,864,795	$44,830,244	$32,339,831

CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Capital stock—Metropolitan Edison Co.	*$27,321,716	*$24,366,746	$21,463,219	$11,321,371	$9,923,929	$7,276,66
Capital Stock—Subsidiary companies	.....	471	471	1,802,684	1,818,844	2,433,39
Funded debt—Metropolitan Edison Co.	19,614,000	19,819,000	11,648,000	13,277,500	11,165,500	8,679,50
Funded debt—Subsidiary companies	8,067,000	11,344,500	15,897,800	15,920,700	15,650,400	9,857,50
Payments by subscribers for Pfd. stock	30,529	186,455	152,715	57,325	.....	.....
Loans payable	†2,510,000	.....	12,000	750,000	.....	.....
General Gas & Electric Corp.	.....	.....	1,055,000	.....	.....	.....
Accounts payable	392,839	526,148	990,159	687,394	1,474,652	714,23
Consumers' dep. & adv.	327,778	339,033	301,043	314,800	294,019	273,14
Accrued liabilities	1,040,254	889,877	727,795	725,735	701,673	588,17
Other liabilities	22,571	25,363	23,914	22,891	25,863	36,91
Depreciation reserves	3,847,010	3,326,912	3,092,159	2,071,989	1,319,957	894,77
Other reserves	972,716	212,380	208,718	228,060	199,097	198,81
Surplus	3,862,239	3,198,231	2,604,207	2,684,346	2,256,310	1,386,72
Total	$68,008,652	$64,235,116	$58,177,200	$49,864,795	$44,830,244	$32,339,83

*Represented by 198,067 Pfd. and 157,842 Common of no par shares. †Temporary loans paid in full March 31, 1928.

Officers: E. L. West, Pres.; Thomas Cheyne, V-P.; Lucien H. Tyng, V-P.; E. M. Gilbert, V-P.; W. Buchsbaum, V-P.; J. P. Campbell, Treas.; J. S. Avery, Gen. Mgr.; L. D. West, Asst. Gen. Mgr.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Sec. & Asst. Treas.; Arthur A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.; Benjamin Albright, Asst. Sec.

Directors: E. L. West, W. S. Barstow, Lucien H. Tyng, E. W. Niver, E. M. Gilbert, William F. Ingold, J. S. Avery.

Main Office, 42 Washington St., Reading, Pa. **New York Office,** 50 Pine St., New York City.

THE NEVERSINK LIGHT, HEAT & POWER CO. (Leased by Metropolitan Edison Co.)—Company's properties are operated by Metropolitan Edison Co., under lease from Jan. 10, 1895, to Aug. 14, 1988.

CAPITAL STOCK

Authorized and outstanding, $50,000 Common; par, $100. Stock transferred and registered by Company.

FUNDED DEBT

$45,000 First Gold 5½s; dated Aug. 1, 1894; due Aug. 1, 1904 extended to Aug. 1, 1934; int. Feb. and Aug. 1, at Reading Trust Co., Reading, Pa., Trustee. Coupon, $1,000. Not subject to call. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of 4 mills.

Officers: George Brooke, Pres.; H. Y. Yost, Sec. & Treas. Reading, Pa.

Directors: George Brooke, H. L. Smith, F. H. Clymer, H. Y. Yost, Edward Brooke.

Office, Reading, Pa.

READING ELECTRIC LIGHT AND POWER COMPANY (Leased by Metropolitan Edison Co.)—Company's properties are operated under a 99-year lease from Jan. 1 1894, by Metropolitan Edison Co.

CAPITAL STOCK

Authorized and outstanding, $210 Common and $275,000 Pfd. par, $10. Stock transferred and registered by Company.

FUNDED DEBT

None.

Officers: J. G. Mohn, Pres.; D. G. Ermentrout, Sec. & Treas.

Directors: J. G. Mohn, D. G. Ermentrout, J. R. Hendel George Brooke, E. A. Quier, J. H. Cheetham, G. E. Tyson.

Office, Reading, Pa.

EASTON GAS WORKS

(Controlled by Metropolitan Edison Co.)

History—Incorporated June 24, 1910, in Pennsylvania as Easton Gas & Electric Co.; name changed to above in 1911. The Easton Gas Works has an old and valuable special charter from the State of Pennsylvania, and a special Enabling Act from the state of New Jersey, under which it can do business in that State. During 1927 acquired the properties formerly owned by The Pen Argyl Gas Co. (see 1927 Manual, page 2029). The company does the entire gas lighting business in Easton, West Easton, Wilson, Glendon, Pen Argyle and Wind Gap, Pa., and in Phillipsburg, N. J. Franchises perpetual and exclusive for lighting. Owns gas properties in Easton, Pa., and Phillipsburg, N. J., formerly owned by the Easton Gas & Electric Co. The electric properties formerly owned by that Company were purchased by the Eastern Pennsylvania Power Co., which was acquired by the New Jersey Power & Light Co. in 1925.

The Easton Gas Works has a plant in Easton with 3,300,000 cu. ft. daily capacity, and 118 miles of gas mains. A 5½-mile main from Easton to Nazareth, Pa., supplies the entire requirements of the Interurban Gas Company and serves many new customers in intervening territory.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 7% cumulative Pfd.; outstanding, $269,400 Common and $200,000 Pfd.; par, $100. All owned by Metropolitan Edison Co. The Pfd. stock is callable on two months' notice at 115 and dividends. Annual meeting, second Wednesday in February, at Easton, Pa. Pfd. dividends regularly paid quarterly F. M, A & N 1.

FUNDED DEBT

$305,000 The Delaware Gas Light Company First Mortgage Gold 5s; dated July 1, 1899; due July 1, 1939; int. Jan. and July 1, at Easton (Pa.) Trust Co., Trustee and Registrar. Authorized and issued, $400,000, of which $95,000 retired and cancelled; mortgage now closed. Denomination, $1,000. No sinking fund and bonds cannot be called. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of 4 mills.

$74,000 People's Light, Heat & Power Co. First Mortgage Gold 5s; dated Jan. 1, 1900; due Jan. 1, 1930; int. Jan. and July 1, at Wyoming Valley Trust Co., Wilkes-Barre, Pa., Trustee and Registrar. Authorized and issued, $100,000, of which $74,000 are outstanding, $6,000 deposited as collateral under Easton Gas Works First Consolidated Mortgage, and $20,000 have been retired and cancelled. Denomination, $500. Subject to call in numerical order at 105 and accrued interest upon 3 weeks' published notice. No sinking fund. Company does not pay Normal Federal Income Tax. Exempt from Pennsylvania State Tax of 4 mills.

$8,900 The Pen Argyl Gas Co. Refunding Mortgage Gold 6s; dated Oct. 1, 1904, due Oct. 1, 1944; interest payable April and October 1, at Company's office, Pen Argyl, Pa. The General Finance Corp., New York, Trustee and Registrar. Coupon, $100 and $500. Authorized $25,000; outstanding Dec. 31, 1927, $8,900, of which $4,200 owned by The General Finance Corp. Subject to call in whole or in part on any interest date after Oct. 1, 1929, at par and accrued interest. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of four mills.

$532,000 Easton Gas Works First Consolidated Mortgage Gold 5s; dated July 1, 1910; due July 1, 1950; interest Feb. and Aug. 1, at Girard Trust Co., Philadelphia, Trustee and Registrar. Denomination, $1,000. Authorized issue, $1,000,000, of which $532,000 are outstanding, $89,000 retired and cancelled, and $379,000 are reserved to retire the above described underlying bonds. Of the outstanding bonds $243,000 are owned by Metropolitan Edison Co.

Subject to call as a whole or in part at 105 and interest on any interest date, upon 30 days' notice. Sinking fund, April 1, 1915, to April 1, 1920, incl., ½% of all bonds issued; April 1, 1921, to April 1, 1926, 1%; April 1, 1927, to April 1, 1950, the annual proportion of the difference between 30% of bonds issued and bonds in sinking fund. A lien on property, subject to above mentioned prior liens. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of 4 mills.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$551,438	$537,354	$487,350
Oper. exp., taxes, rentals & depreciation	405,480	402,754	372,366
Operating income	$145,958	$134,600	$114,984
Other income	2,120	268	2,578
Total income	$148,078	$134,868	$117,562
Interest on funded debt	69,680	65,979	59,020
Other int. and amortization	23,058	23,792	22,699
Net income	$55,340	$45,097	$35,843
Dividends on Pfd. stock	14,000	14,000	14,000
Balance	$41,340	$31,097	$21,843

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property	$2,136,213
Cash	24,237
Accounts receivable	35,875
Materials and supplies	20,148
Other assets	3,659
Debt discount	128,725
Unamortized adjustments	113,100
Total	$2,461,957
Liabilities—	
Preferred stock	$200,000
Common stock	269,400
Funded debt	1,409,600
Accounts payable	125,404
Consumers' deposits, etc.	73,774
Accrued liabilities	34,321
Depreciation reserves	202,976
Other reserves	34,649
Surplus	111,833
Total	$2,461,957

Officers: W. S. Barstow, Pres.; Lucien H. Tyng, V-P., New York; E. L. West, V-P., Easton, Pa.; E. M. Gilbert, V-P., Reading, Pa.; Thomas Cheyne, V-P.; W. Buchsbaum, V-P.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; New York; J. H. Bucher, Asst. Sec. & Asst. Treas., Reading, Pa.; Benjamin Albright, Asst. Sec. & Asst. Treas.; G. A. Aronson, Asst. Sec., New York; H. G. Harvey, Gen. Mgr., Easton, Pa.

Directors: W. S. Barstow, E. W. Niver, E. M. Gilbert, E. L. West, Lucien H. Tyng.

Office, Easton, Pa. **New York Office,** 50 Pine St., New York City.

INTERURBAN GAS COMPANY

(Controlled by Metropolitan Edison Company)

History—Incorporated May 29, 1913, in Pennsylvania. Company furnishes gas service in Nazareth, Pa. It has a gas plant of 200,000 cu. ft. daily capacity, and 8 miles of gas mains. By means of a new main connection with the Easton Gas Works, all gas required in Nazareth can be supplied from the gas plant in Easton.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York.

CAPITAL STOCK

Authorized, $15,000; outstanding, $6,000; par, $100. All owned by Metropolitan Edison Co. Annual meeting, fourth Friday in January, at Easton, Pa.

FUNDED DEBT

None..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$23,171	$22,576	$19,682
Oper. exp., taxes & rentals	16,757	19,195	17,321
Operating income	$6,414	$3,381	$2,361
Interest charges	1,991	3,051	2,152
Net income	$4,423	$330	$209

Officers: W. S. Barstow, Pres.; E. L. West, V-P.; Lucien H. Tyng, V-P.; Thomas Cheyne, V-P.; W. Buchsbaum, V-P.; E. M. Gilbert, V-P.; C. N. Wilson, Sec.; J. P. Campbell, Treas.; Benjamin Albright, Asst. Sec. & Asst. Treas.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.; J. S. Avery, Gen. Mgr.

Directors: W. S. Barstow, E. L. West, Lucien H. Tyng, W. Buchsbaum, E. M. Gilbert.

Office, Easton, Pa. **New York Office,** 50 Pine St., New York City.

ANNVILLE AND PALMYRA ELECTRIC LIGHT COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated in March, 1908 in Pennsylvania. The company has two miles of transmission lines and 33 miles of distribution lines. The source of power supply is the Metropolitan Edison Company with which it is connected with transmission lines. Company supplies electric light and power service to Annville, Palmyra, Cleona, Fairland and Sunnyside, Pa., where are located important industries. The population of the territory served is 10,000.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York City.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Customers	2,430	2,323	1,925
Kilowatt hours sold	4,567,100	2,782,905	1,699,578

CAPITAL STOCK

Authorized, $250,000; outstanding, Dec. 31, 1927, $165,000; par $100. All owned by Metropolitan Edison Co. Company acts as Transfer Agent and Registrar. Annual meeting, second Monday in May.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$144,184	$125,248
Operating expenses and taxes	79,500	84,318
Net earnings	$64,684	$40,930
Interest charges	91	25
Net income	$64,593	$40,905

Officers: E. L. West, Pres.; L. H. Tyng, E. M. Gilbert, W. Buchsbaum, T. Cheyne, V-Ps.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Treas. & Asst. Sec.; J. S. Avery, Gen. Mgr.; L. D. West, Asst. Gen. Mgr.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. L. West, L. H. Tyng, E. M. Gilbert, W. S. Barstow, J. S. Avery.

General Office, Annville, Pa. **New York Office,** 50 Pine St.

BERKS-LEHIGH ELECTRIC COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated in Feb., 1922, in Pennsylvania. Supplies electric light and power service in New Tripoli, Albany, Jacksonville, Kempton, Lynnport, Steinsville, Stony Run, Trexler and Wanamakers, Pa. The population of the territory served is 1,250 and the Company had 226 customers on Dec. 31, 1927. Power is furnished by the Hamburg Gas and Electric Co. with which it is connected by transmission lines.

Operating Managers—W. S. Barstow & Co., Inc., 50 Pine St., New York City.

CAPITAL STOCK

Authorized, $15,000; outstanding, Dec. 31, 1927, $13,370; par, $10. All owned by Metropolitan Edison Co. Company acts as Transfer Agent and Registrar. Annual meeting, second Tuesday in May.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenues	$10,299	$9,209
Operating expenses and taxes	6,461	6,096
Net earnings	$3,838	$3,113
Miscellaneous interest	715	670
Net income	$3,123	$2,443

Officers: E. L. West, Pres.; L. H. Tyng, E. M. Gilbert, W. Buchsbaum, T. Cheyne, V-Ps.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Treas. & Asst. Sec.; J. S. Avery, Gen. Mgr.; L. D. West, Asst. Gen. Mgr.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. L. West, L. H. Tyng, E. M. Gilbert, W. S. Barstow, J. S. Avery.

General Office, Topton, Pa. **New York Office,** 50 Pine St.

BERNVILLE LIGHT, HEAT & POWER COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated in July, 1919 in Pennsylvania. Supplies electric light and power service in Bernville, Bern Church, Pleasant Valley, Mount

Pleasant and Schaefferstown, Pa. Company serves a population of 3,000 and has 310 customers.

While its main source of power supply is the Metropolitan Edison Co. with which it is connected by transmission lines, the company has two small hydro-electric stations, both at Bernville. It has 23 miles of distribution lines.

Operating Managers—W. S. Barstow & Co., Inc., 50 Pine St., New York City.

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, $15,000; par $50. All owned by Metropolitan Edison Co. Company acts as transfer agent and registrar. Annual meeting, second Tuesday in May.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$11,933	$9,569
Operating expenses and taxes	6,765	5,634
Operating income	$5,168	$3,935
Other income	15	.....
Total income	$5,183	$3,935
Miscellaneous interest	567	542
Net income	$4,616	$3,393

Officers: E. L. West, Pres.; E. M. Gilbert, L. H. Tyng, T. Cheyne, W. Buchsbaum, V-Ps; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Treas. & Asst. Sec.; J. S. Avery, Gen. Mgr.; L. D. West, Asst. Gen. Mgr.; A. A. Cano, Asst. Treas.; S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. L. West, E. M. Gilbert, W. S. Barstow, L. H. Tyng, J. S. Avery.

General Office, Bernville, Pa. **New York Office,** 50 Pine St.

BIRDSBORO ELECTRIC COMPANY

(Controlled by Metropolitan Edison Co.)

History and Property—Incorporated in February, 1897, under Pennsylvania laws. Supplies electric light and power service in the borough of Birdsboro, Pa., which has some important industries, including iron and steel works and shoe factories. The population of the territory served is estimated at 3,300.

While its main source of power supply is the Metropolitan Edison Company, with which it is connected by transmission lines, the company operates a hydro-electric station of 80 k.w. capacity, at Birdsboro. The company has 11 miles of distribution lines.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York, N. Y.

Business—The total customers served Dec. 31 of the last four years, follow:

	1927	1926	1925	1924
Customers	766	665	620	554
K.w.h. sold	318,942	253,626	285,225	224,425

CAPITAL STOCK

Authorized, $20,000; outstanding, Dec. 31, 1927, $15,000; par, $50. All owned by Metropolitan Edison Co. Annual meeting, fourth Monday in January, at Reading, Pa.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$30,141	$28,569	$25,739
Oper. exp., taxes and depr.	17,673	17,048	16,774
Operating income	$12,468	$11,521	$8,965
Other income	716	569	123
Net income	$13,184	$12,090	$9,088

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$87,998	$50,668	$43,24
Cash	22,565	14,839	38
Accounts receivable	12,621	13,020	13,56
Material and supplies	.....	.....	1,33
Other assets	165	103	14
Total	$123,349	$78,630	$58,66
Liabilities—			
Capital stock	$15,000	$15,000	$15,00
Accounts payable	1,334	4,307	78
Accrued liabilities	4,046	3,110	1,42
Depreciation reserve	9,682	9,606	7,15
Miscellaneous reserves	33,495	.....	.....
Surplus	59,792	46,607	34,30
Total	$123,349	$78,630	$58,66

Officers: E. L. West, Pres.; E. M. Gilbert, V-P. Thomas Cheyne, V-P.; L. H. Tyng, V-P.; Willian Buchsbaum, V-P.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford Asst. Treas.; J. H. Bucher, Asst. Treas. & Asst. Sec. G. A. Aronson, Asst. Sec.

Directors: E. M. Gilbert, J. H. Bucher, J. S. Avery C. E. Paxson, L. D. West.

Offices, 412 Washington St., Reading, Pa. and 5(Pine Street, New York, N. Y.

BLUE MOUNTAIN ELECTRIC COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated in November, 1906, in Penn sylvania. Supplies electric light, heat and powe service in sections of Berks, Lebanon and Schuylkil Counties, Pa., which include Bethel, Fredericksburg Jonestown, Strausstown, Stouchsburg, Shartlesville Rehrersburg and 16 other communities. The popu lation of this territory is 6,000 and the company ha(1,684 customers on Dec. 31, 1927. It has 22 mile of electric transmission lines and 64 miles of distribu tion lines and obtains its power supply from th Metropolitan Edison Co.

Operating Managers—W. S. Barstow & Company Incorporated, 50 Pine St., New York City.

CAPITAL STOCK

Authorized, $115,000 Common and $100,000 6% cumulative Preferred; outstanding, Dec. 31, 1927 $50,000 Common and $50,000 Pfd.; par of both classes $25. All owned by Metropolitan Edison Co. Com pany acts as Transfer Agent and Registrar. Annua meeting, second Tuesday in May.

FUNDED DEBT

$30,000 First Mortgage Twenty-Year 6s; dated Apri 1, 1921; due April 1, 1941; interest payable annually April 1, at E. P. Wilbur Trust Co., Bethlehem, Pa. Trustee. Coupon, $100 and $500. Authorized, $30,000 Subject to call in whole or in part on any interest dat(at par and accrued interest on or after April 1, 192(upon four weeks' notice. Company pays Normal Fed eral Income Tax up to 2%. Exempt from Pennsyl vania State Tax of four mills.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Operating revenue	$66,01
Operating expenses and taxes	38,33(
Operating income	$27,68
Other income	6(
Total income	$27,75
Interest on funded debt	1,80(
Miscellaneous charges	(
Net income	$25,94

Officers: E. L. West, Pres.; L. H. Tyng, E. M. Gilbert, T. Cheyne, W. Buchsbaum, V-Ps.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst Sec. & Asst. Treas.; J. S. Avery, Gen. Mgr.; L. D West, Asst. Gen. Mgr.; A. A. Cano, Asst. Treas.; G S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec

Directors: E. L. West, L. H. Tyng, E. M. Gilbert, V. S. Barstow, J. S. Avery.
General Office, Bethel, Pa. **New York Office,** 50 Pine St.

THE BOYERTOWN ELECTRIC COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated in July, 1908 in Pennsylvania. In 1927, Company acquired the electric properties of the Bally Borough Electric Co., Niantic Electric Light & Power Co., and the Bechtelsville-Berks Light & Power Co. Supplies electric light and power service in Boyertown, Barto, Cedarville, Englesville, Eshbach, Gablesville, Gilbertsville, New Berlinville, New Hanover, Niantic, Sassamansville, Fegleysville, Little Oley and Greshville, Pa. A population of 6,325 is served and in the territory is a diversity of important manufacturing industries.

Company is connected with the Metropolitan Edison Co. by transmission lines and receives its power supply from that source. It has five miles of transmision lines and 47 miles of distribution lines.

Operating Managers—The W. S. Barstow Management Association, Inc.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Customers	2,284	1,666	1,549
K.w.h. sold	2,267,027	1,666,414	1,780,777

CAPITAL STOCK

Authorized, $100,000; outstanding, Dec. 31, 1927, $77,500; par $100. All owned by Metropolitan Edison Co. Company acts as Transfer Agent and Registrar. Annual meeting, second Monday in April.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$127,665	$106,072
Oper. exps., taxes and deprec.	80,354	74,061
Net earnings	$47,311	$32,011
Other income	1,048	1,258
Total income	$48,359	$33,269
Miscellaneous interest	959	75
Net income	$47,400	$33,194

Officers: E. L. West, Pres.; E. M. Gilbert, L. H. Tyng, T. Cheyne, W. Buchsbaum, V-Ps; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Treas. & Asst. Sec.; J. S. Avery, Gen. Mgr.; L. D. West, Asst. Gen. Mgr.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. L. West, R. D. Jennison, H. V. Cooke, C. E. Paxson, E. M. Gilbert.

General Office, Boyertown, Pa. **New York Office,** 50 Pine St.

THE FRENCH CREEK ELECTRIC COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated in Feb., 1917 in Pennsylvania. Company has three miles of distribution lines and is supplied with power by the Metropolitan Edison Co. The territory served in Warwick township, Chester County, includes St. Peters, Harmonyville, and Knauertown, Pa., and has a population of 500.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York City.

CAPITAL STOCK

Authorized, $10,000; outstanding Dec. 31, 1927, $5,000; par $10. All owned by Metropolitan Edison Co. Company acts as transfer agent and registrar. Annual meeting, second Tuesday in May.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$6,688	$1,510
Operating expenses and taxes	4,238	1,329
Net earnings	$2,450	$181
Other income	9	2
Total income	$2,459	$183
Miscellaneous interest	350	75
Net income	$2,109	$108

Officers: E. L. West, Pres.; E. M. Gilbert, L. H. Tyng, T. Cheyne, W. Buchsbaum, V-Ps; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Treas. & Asst. Sec.; J. S. Avery, Gen. Mgr.; L. D. West, Asst. Gen. Mgr.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. L. West, E. M. Gilbert, W. S. Barstow, L. H. Tyng, J. S. Avery.

General Office, St. Peters, Pa. **New York Office,** 50 Pine St.

HAMBURG GAS AND ELECTRIC COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated by merger under the laws of Pennsylvania in March, 1913. It supplies electric light and power service in the boroughs of Hamburg, Shoemakersville, West Leesport, Centerport and Lenhartsville, Pa., and also in adjacent territory which includes West Hamburg, Leesport, Mohrsville, Dauberville, Cross Keys, Berkley, Virginville and Windsor Castle. In this territory, which has a population of 8,500, textile mills, foundries and brick and broom works are among the diversified industries.

The Company also furnishes gas service in Hamburg, where it has a gas plant of 50,000 cu. ft. daily capacity, a 20,000 cu. ft. gas holder and 4 miles of gas mains.

The Company has 34 miles of electric transmission lines and 28 miles of distribution lines. It has high tension transmission line connections with the Metropolitan Edison Company, from which it purchases its power supply, and with the East Penn Electric Company for interchanging current as required. The Hamburg Gas and Electric Co., also supplies the power distributed by the Topton Electric Light and Power Company and the Berks-Lehigh Electric Company, and the Berks-Lehigh Electric Company, affiliated companies.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York City.

Business—Total customers served as at Dec. 31 of the last three years, follow:

	1927	1926	1925
Electric customers	2,124	1,937	1,831
Gas customers	179	167	167
Total customers	2,303	2,104	1,998
K.w.h. sold	7,420,960	5,890,049	5,176,107
Cu. ft. gas sold	2,012,600	2,619,000	2,767,000

CAPITAL STOCK

Authorized, $100,000 Common and $500,000 7% cumulative Pfd., par, $50; outstanding, $100,000 Common; in treasury $35,000 Pfd. All Common stock owned by Metropolitan Edison Co. The Pfd. stock is callable on any dividend date at $50.50 per share and accrued dividends. Annual meeting, second Tuesday in May, at Hamburg, Pa.

Dividends—Dividends on Common of 5% each paid in 1917 and 1918; 6% in 1919; 10% in 1920; 8% each in 1921, 1922 and 1923; 4% in 1924. On Pfd., 7% each in 1922 to 1927, incl.; dividends are paid semi-annually January and July 1.

FUNDED DEBT

The $49,300 First 5s, dated April 1, 1910 and due April 1, 1930 and the $57,200 First and Refunding Gold 5s, dated Oct. 1, 1913 and due Oct. 1, 1933, were redeemed April 1, 1928 at par and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$228,040	$195,491	$179,904
Oper. exp., taxes & deprec.	160,541	146,490	124,539
Total income	$67,499	$49,001	$55,365
Fixed charges	7,242	7,322	7,473
Net income	$60,257	$41,679	$47,892
Preferred dividends	1,225	2,450	2,450
Balance	$59,032	$39,229	$45,442

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$578,618	$381,603	$352,198
Materials and supplies	27,158	32,825	29,910
Cash	15,181	62,535	42,322
Notes & accts. receivable	25,751	30,416	22,617
Other assets	1,641	500	729
Unamort. debt. disc. & exp.	4,605	5,452	6,299
Undistributed debit items	71	47	.....
Total	$653,025	$513,378	$454,075
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Preferred stock	.....	35,000	35,000
Funded debt	*106,500	125,000	125,000
Real estate mortgages	.....	2,500	2,500
Loans payable	25,000	.....	.....
Accounts payable	21,207	15,830	14,644
Notes discounted	.....	.....	345
Accrued items	19,447	17,353	5,545
Other current liabilities	2,514	2,364	2,246
Reserve for depreciation	51,919	92,392	85,909
Other reserves	145,398	931	813
Profit and loss	181,040	122,008	82,073
Total	$653,025	$513,378	$454,075

*Redeemed April 1, 1928.

Officers: E. L. West, Pres., Easton, Pa.; Thomas Cheyne, V-P.; Lucien H. Tyng, V-P.; W. Buchsbaum, V-P., New York; E. M. Gilbert, V-P.; Reading, Pa.; C. N. Wilson, Sec.; J. P. Campbell, Treas.; New York; J. H. Bucher, Asst. Treas. and Asst. Sec., Reading, Pa.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec., New York; E. R. King, Aud.; J. S. Avery, Gen. Mgr., Reading, Pa.

Directors: E. L. West, Easton, Pa.; C. E. Paxson, New York; J. S. Avery, E. M. Gilbert, J. H. Bucher, E. L. West, Reading, Pa.

General Office, 412 Washington St., Reading, Pa.; **New York Office,** 50 Pine St.

ORTANNA ELECTRIC LIGHT & POWER COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated in Pennsylvania in Oct., 1916. Supplies electric light and power service in the section of Adams County, Pa., which includes Ortanna, Fairfield, McKnightstown, Cashtown, Mummasburg, Biglerville and Seven Stars. The population of this territory is 6,250. Power is also sold to the Arendtsville Electric Light & Power Co. The Ortanna company has 42 miles of distribution lines and obtains its power supply from the Metropolitan Edison Co. Customers served Dec. 31, 1927, 473.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York.

CAPITAL STOCK

Authorized and outstanding, $15,000; par, $100. All owned by Metropolitan Edison Co. Annual meeting, fourth Monday in Oct., at Ortanna, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$23,189	$19,098	$16,285
Operating expenses & taxes	19,072	13,733	12,312
Operating income	$4,117	$5,365	$3,973
Other income	.....	45	40
Total income	$4,117	$5,410	$4,013
Miscellaneous interest	2,642	1,782	1,652
Net income	$1,475	$3,628	$2,361

Officers: E. L. West, Pres.; E. M. Gilbert, V-P.; Lucien H. Tyng, V-P.; Thomas Cheyne, V-P.; W. Buchsbaum, V-P.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Treas. & Asst. Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.; J. S. Avery, Gen. Mgr.

Directors: E. L. West, E. M. Gilbert, W. S. Barstow.

Main Office, Ortanna, Pa. **New York Office,** 50 Pine St.

TOPTON ELECTRIC LIGHT & POWER CO.

(Controlled by Metropolitan Edison Co.)

History—Incorporated by merger under the laws of Pennsylvania in June, 1918. Supplies electric light and power service in Topton, Bowers, Hancock, Mertztown, Longswamp, Shamrock, Maxatawny, Monterey, Schaeffer's and Mill Creek, Pa. This territory has a population of 4,000. The company has 14 miles of transmission lines and 23 miles of distribution lines. The Hamburg Gas and Electric Company supplies the power distributed by the Topton Electric Light and Power Company, which in turn sells current to the Weisenberg Township Electric Light and Power Company, an affiliated company.

Operating Managers—W. S. Barstow & Co., Inc., 50 Pine St., New York, N. Y.

Business—Total customers served as of Dec. 31 of the last four years, follow:

	1927	1926	1925	1924
Customers	644	578	523	43
K.w.h. sold	851,428	724,256	1,107,828	883,15

CAPITAL STOCK

Authorized, $50,000 Common and $50,000 7% cumulative Pfd., par $10; outstanding, $10,000 Common; in treasury, $20,950 Pfd. All outstanding, Common stock owned by Metropolitan Edison Co. Pfd. stock has preference as to assets and 7% cumulative dividend and is redeemable at par and accrued dividends on any dividend date. Stock transferred and registered at company's office, Reading, Pa. Annual meeting fourth Tuesday in April.

Dividends—Pfd. dividends are regularly paid, semi-annually, January and July 1.

FUNDED DEBT

The $39,300 First Mortgage Gold 5s, dated Nov. 1, 1918 and due Nov. 1, 1938, were redeemed on May 1, 1928, at par and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$50,986	$46,177	$48,63
Oper. exp., taxes & deprec.	37,670	36,800	32,31
Total income	$13,316	$9,377	$16,32
Fixed charges	3,051	2,344	2,78
Net income	$10,265	$7,033	$13,54
Pfd. dividends	376	1,467	1,46
Balance	$9,889	$5,566	$12,07

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and equipment	$131,874	$111,885	$110,63
Material and supplies	11,099	15,528	7,29
Bills and accts. receivable	8,129	9,724	12,28
Cash	5,401	1,176	5,24
Other current assets	265	100	13
Undistributed debit items	54	.....	.....
Total	$156,822	$138,413	$135,59
Liabilities—			
Preferred stock	.....	$20,950	$20,95
Common stock	$10,000	10,000	10,00
Funded debt	*39,300	39,700	39,70
Real Estate Mtge.	.....	1,200	1,20
Loans payable	20,000	.....	.....
Bills and accts. payable	7,451	12,290	17,80
Other current liabilities	203	178	2,05
Accrued taxes, int., etc.	5,534	5,240	2,31
Res. for renewals, etc.	36,500	20,910	19,19
Surplus	37,834	27,945	22,37
Total	$156,822	$138,413	$135,59

*Redeemed May 1, 1928.

Officers: E. L. West, Pres.; E. M. Gilbert, L. H. Tyng, Thomas Cheyne, W. Buchsbaum, V-Ps.; C. N. Wilson, Sec.; J. P. Campbell, Treas.; J. H. Bucher, Asst. Treas. & Asst. Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. M. Gilbert, J. S. Avery, E. L. West, J. H. Bucher, C. E. Paxson.

Main Office, 412 Washington St., Reading, Pa. **New York Office,** 50 Pine Street.

WEISENBERG TOWNSHIP ELECTRIC LIGHT AND POWER COMPANY

(Controlled by Metropolitan Edison Co.)

History—Incorporated in February, 1921, under Pennsylvania laws. The company has 12 miles of distribution lines, and distributes electricity, supplied by Topton Electric Light & Power Company, an affiliated company, for light and power in Weisenberg Township, Lehigh County, Pa. The territory served has a population of about 1,000. No. of customers Dec. 31, 1927, 56; k.w.h. sold in 1927, 17,413.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine Street, New York, N. Y.

CAPITAL STOCK

Authorized, $20,000; outstanding, Dec. 31, 1927, $14,510; par, $10. All owned by Metropolitan Edison Co. Annual meeting, second Monday in May, at Reading, Pa.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$3,077	$2,719	$4,142
Operating expenses, taxes & depreciation	2,193	2,638	3,039
Operating income	$884	$81	$1,103
Deductions from income	.....	18	130
Net income	$884	$63	$973

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$22,356	$15,884	$15,869
Cash	2,883	2,738	1,697
Accounts receivable	3,925	3,853	4,017
Total	$29,164	$22,475	$21,583
Liabilities—			
Capital stock	$14,510	$14,510	$14,510
Notes and accounts payable	101	99	.....
Consumers' deposits	443	449	.....
Current liabilities	.....	.....	525
Accrued liabilities	321	242	153
Reserves	10,101	4,371	3,655
Surplus	3,688	2,804	2,740
Total	$29,164	$22,475	$21,583

Officers: E. L. West, Pres.; L. H. Tyng, Thomas Cheyne, E. M. Gilbert, W. Buchsbaum, V-Ps.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Treas. & Asst. Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. M. Gilbert, J. S. Avery, J. H. Bucher, E. L. West, C. E. Paxson.

Offices, 412 Washington St., Reading, Pa., and 50 Pine Street, New York, N. Y.

HANOVER & McSHERRYTOWN STREET RAILWAY COMPANY

(Controlled by Metropolitan Edison Company)

History—Incorporated September 30, 1892 in Pa. The Company furnishes street railway service in and between the towns of Hanover, McSherrystown, Littlestown, Conewago Chapel, Pa., and Forest Grove Park, an amusement park owned by the Company. Owns 11 miles of track. Current is purchased from the Metropolitan Edison Co., which owns all the capital stock.

Passengers carried (each zone fare counting as one passenger): 1922, 1,124,992; 1923, 1,051,177; 1924, 901,382; 1925, 908,154; 1926, 832,717; 1927, 817,896.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York City.

CAPITAL STOCK

Authorized, $200,000; outstanding, $135,000; par, $50. All owned by Metropolitan Edison Co. Annual meeting, second Monday in January, at Hanover, Pa.

FUNDED DEBT

$30,000 First Mortgage Demand 6% Gold Bonds, dated June 1, 1921 and payable upon demand, were retired prior to May 1, 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Oper. rev. (incl. other income)	$49,441	$50,219	$52,024
Operating exp. and taxes	34,946	34,784	35,603
Operating income	$14,495	$15,435	$16,421
Interest on funded debt	1,800	1,800	1,800
Net income	$12,695	$13,635	$14,621

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$267,865	$267,865	$267,865
Cash	37,017	26,695	6,347
Loans & accts. receiv	38,090	38,088	39,792
Materials & supplies	.....	.....	4,845
Other assets	1,841	245	248
Total	$344,813	$332,893	$319,097
Liabilities—			
Capital stock	$135,000	$135,000	$135,000
Funded debt	*30,000	30,000	30,000
Accounts payable	2,833	2,447	1,893
Accrued liabilities	3,831	6,018	7,611
Other liabilities	.....	39	39
Depreciation reserve	10,409	10,410	10,410
Other reserves	11,213	10,148	8,948
Surplus	151,527	138,831	125,196
Total	$344,813	$332,893	$319,097

*Retired prior to May 1, 1928.

Officers: E. L. West, Pres.; Lucien H. Tyng, V-P.; Thomas Cheyne, V-P.; E. M. Gilbert, V-P.; William Buchsbaum, V-P.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Treas. & Asst. Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. L. West, Lucien H. Tyng, W. S. Barstow, E. M. Gilbert, William Buchsbaum.

Offices, Hanover, Pa.; Reading, Pa., and 50 Pine Street, New York City.

THE MARYLAND PUBLIC SERVICE COMPANY

(Controlled by Metropolitan Edison Company)

History—Incorporated in Dec. 1924 in Maryland. Supplies electric light and power service in and near Silver Run and Union Mills, Md. The canning industry is important in this territory, which has a population of about 1,000. The company has 8 miles of distribution lines, and is supplied with power by the Metropolitan Edison Co.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York.

CAPITAL STOCK

Authorized $20,000; outstanding, $10,000; par $100. All owned by Metropolitan Edison Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$4,599	$3,953
Operating expenses and taxes	3,662	3,190
Operating income	$937	$763
Miscellaneous interest	152	131
Net income	$785	$632

Officers: E. L. West, Pres.; Thomas Cheyne, V-P.; E. M. Gilbert, V-P.; L. H. Tyng, V-P.; W. Buchsbaum, V-P.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Sec. & Asst. Treas.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: E. L. West, Thomas Cheyne, E. M. Gilbert, J. S. Avery, J. H. Bucher.

Offices, Frederick, Md., and Reading, Pa. **New York Office,** 50 Pine St.

NEW JERSEY POWER & LIGHT COMPANY

(Controlled by General Gas & Electric Corp.)

History and Property—Incorporated Dec. 14, 1915, in New Jersey. Company owns and operates the electric light and power system in the Dover, Bernardsville, Flemington, Lambertville, Newton, Hackettstown, Washington, Phillipsburg, Netcong, Stanhope, Hamburg and Sussex sections of New Jersey. During 1925, the properties formerly operated by the Eastern Pennsylvania Power Company (see 1925 Manual, page 1680), The Blair Electric Company, Raritan Valley Hydro-Electric Company, Warren Wood Working Company, and the electric distribution system of Frenchtown were acquired and consolidated with New Jersey Power & Light Co. The Newton Gas Co. (see 1926 Public Utility Manual, page 1870) and the Washington Gas Co. (see 1925 Public Utility Manual, page 857) were merged in Nov., 1926.

The company supplies electricity for light and power in 212 communities within a radius of 75 miles of Dover, including Dover, Sussex, Newton, Hackettstown, Washington, Phillipsburg, Bernardsville, Flemington, Lambertville, and other important towns. Company also supplies gas in Washington and Newton.

High tension transmission lines radiate from a large substation at West Wharton, N. J., to the various sections and line connections of the system.

High tension transmission lines connect the Dover plant with the power system of the Metropolitan Edison Co. A high tension transmission line connects the lines of the Central Hudson Gas & Electric Co. at the New York State line with which company power is interchanged. A high tension line is being constructed to tie in with Public Service Electric and Gas Company of New Jersey at its substation at Livingston, N. J. The company owns 301 miles of high tension transmission lines and 647 miles of distribution lines.

The population of the territory served is 165,975.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine Street, New York City.

OPERATING DATA, DECEMBER 31

	No. of Customers	K. W. H. Sold	Cu. Ft. Gas Sold
1922	7,113	14,826,320	.....
1923	10,137	22,191,511	.....
1924	14,277	21,627,560	.....
1925	21,891	31,514,546	.....
1926	28,101	81,389,987	.....
1927	31,791	82,092,216	25,003,400

CAPITAL STOCK

Authorized, 150,000 shares Common of no par value and 100,000 shares of cumulative Pfd. of no par value; outstanding Dec. 31, 1927, 75,000 shares Common and 32,584 shares of $6 dividend Pfd. In addition 11 shares of $6 dividend Pfd. were reserved for the previously outstanding shares of 7% Pfd. not exchanged. All the Common shares are owned by General Gas & Electric Corp.

Capital Stock Exchanges—Stockholders at special meeting Nov. 4, 1926 voted to increase the authorized capital stock from 10,000 shares Common and 10,000 shares 7% cumulative Participating Pfd., both of $100 par value, to 150,000 shares Common and 100,000 shares of cumulative Pfd., both of no par value. Holders of the old 7% Pfd. had the choice of taking for each share of their stock one share of the new $6 dividend Pfd. and $16 in cash, or $110 in cash and accrued dividends to date of payment. Holders of old Common stock received 7.188 shares of no par value for each share of $100 par value.

Preferred Stock Provisions—Has preference for assets and dividends over Common and may be issued in one or more series and to bear dividends at such rates not to exceed $8 per share per annum and to be redeemable at such prices that shall be fixed by directors when such series of stock shall be created. The $6 dividend Pfd. stock is entitled to receive cumulative dividends at the rate of $6 per share per annum before dividends shall be declared or paid upon the Common stock. It is subject to call as a whole or in part on any dividend date on 30 days' notice, at $110 per share and accrued dividend, and upon dissolution or liquidation is entitled to receive an amount equal to $100 per share and all accumulated dividends before any payment shall be made to Common stock. Whenever four quarterly dividends on $6 dividend Pfd. shall be in default, holders shall have the exclusive right to vote for such number of directors of Company as shall constitute a majority of the authorized number of directors. This voting right shall cease when all unpaid dividends shall have been paid in full.

Transfer Agent—The Seaboard National Bank of the City of New York.

Registrar—Guaranty Trust Co., of New York, N. Y.

Legal Opinion ($6 Dividend Pfd.)—Pendleton, Anderson, Iselin & Riggs, New York, (for the Company) and, Davisson & Manice, New York, (for the Bankers).

Original Offering—Pynchon & Co., New York, in Dec., 1926, offered the unsubscribed portion of 25,000 shares of $6 dividend Pfd. stock at $94 per share and accrued dividend to yield about 6.38%.

Annual Meeting—First Tuesday in February, at Dover, N. J.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921
High	103	110	102	93	91	88	87½
Low	92	bid	92	82	82	bid	bid

Dividends—Dividends on the old 7% Pfd. regularly paid to date of retirement. Initial quarterly dividend of $1.50 a share on the $6 Dividend Pfd. was paid Jan. 3, 1927, which rate maintained to date; payments quarterly, J, A, J & O 1. Recent dividends have been paid on Common stock as follows: 1919, 4½%; 1920 to 1925 inclusive, 10% each year; 1926, 7½% on $15,000,000 par value and 33-1/3c per share on 75,000 shares of no par value; 1927, $2.50 per share.

FUNDED DEBT

$6,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES DUE AUGUST 1, 1956

Dated August 1, 1926.

Interest Payable February and August 1 at Guaranty Trust Co. of New York, and Continental National Bank & Trust Co., Chicago.

BOSTON Tel. Hancock 7320
PHILADELPHIA Tel. Rittenhouse 1530
BALTIMORE Tel. Plaza 7373
LONDON

New Jersey Power & Light Company

PYNCHON & CO.

Members of the New York Stock Exchange

111 Broadway, New York Tel. Rector 0970

The Rookery, Chicago Tel. Wabash 7700

MILWAUKEE Tel. Broadway 306
PROVIDENCE Tel. Gaspee 8600
HARTFORD Tel. 3-0211
LIVERPOOL

Private wire connections to all important markets in the United States and Canada

Denominations—Coupon (principal may be registered), $100, $500 and $1,000 (interchangeable), and registered, $1,000 and multiples thereof; coupon and registered bonds interchangeable.

Trustee and Registrar—Guaranty Trust Co. of New York, N. Y.

Provisions of Issue—Authorized issue, unlimited. Outstanding Dec. 31, 1927, $6,000,000 5% Series due 1956. Issued together with 25,000 shares of no par $6 dividend Pfd. stock for and in connection with the construction and recapitalization program including the retirement of $5,956,000 First Mortgage 5% Gold Bonds, due Feb. 1, 1936 (called for payment on Feb. 1, 1927 at 105 and interest) and the old 7% cumulative participating Pfd. stock.

Additional bonds may be issued in series with such rates of interest, maturity dates, redemption provisions and such other rights, limitations and provisions permitted by the mortgage as directors may prescribe: (a) for refunding an equal principal amount of bonds of any other series; (b) against the deposit of cash; (c) against the pledge of an equal principal amount of bonds, secured by mortgage existing at the time of acquisition, on property hereafter acquired; (d) for 75% or 80%, respectively, of the fair value or cost, whichever is less, of additions, extensions, improvements, betterments, or of a plant or system acquired, provided total income, as defined in the mortgage, for 12 consecutive calendar months within the 14 calendar months immediately preceding the date of the application for such bonds shall have been at least equal to one and three-quarter times or twice, respectively, the annual interest charges on all bonds outstanding under the mortgage, on all bonds proposed to be issued and on all indebtedness secured by mortgage prior in lien and outstanding with the public.

Bonds may also be issued to an amount not exceeding 10% of the principal amount of all bonds outstanding under the mortgage: (a) For 75% of the fair value or cost, whichever is less, of a plant or system acquired by or of additions, extensions, improvements or betterments, to or upon the property of a subsidiary, as defined in the mortgage, against the pledge of an equal principal amount of bonds secured by mortgage on the property of such subsidiary; (b) in exchange for an equal principal amount of bonds secured by mortgage on any property of a subsidiary; provided that the total amount of all bonds secured by mortgage on the property of any subsidiary shall not exceed 75% of the value of the permanent property, as defined in the mortgage, of such subsidiary.

Callability—Subject to call as a whole or in part, on 60 days' notice, to and including Aug. 1, 1936 at 105 and interest and thereafter at ¼ of 1% less for each year, or part thereof, to maturity.

Sinking and Improvement Fund—Company covenants to pay to Trustee, so long as any bonds of Series due 1956 are outstanding, on Feb. 1, 1928, and on each Feb. 1 thereafter to and including Feb. 1, 1936, 1% thereafter to and including Feb. 1, 1946, 1½%, and thereafter to and including Feb. 1, 1956, 2% of the principal amount of such bonds outstanding at the time of such payments, against which payments Company is entitled to certain credits as provided in the Mortgage.

Maintenance and Depreciation—Company covenants to establish a Maintenance and Depreciation Reserve Account and to credit to such account as of Dec. 31, 1927 and annually thereafter so long as any bonds are outstanding under the mortgage, to be used as provided in the mortgage, either (a) not less than 3% of its fixed capital as of the date of such credit after deducting the depreciation reserve on such date; or (b) not less than 12½% of its operating revenue during the year ending on such date, in either event less the amount expended during the year for maintenance, repairs, renewals and replacements. Company is entitled to take credit in subsequent years for any amounts expended for maintenance, repairs, renewals and replacements in excess of the amount required to be credited, as provided in the mortgage.

Security—Secured by a first mortgage on all property and franchises now owned by Company exclusive of certain property specifically excepted from the lien of mortgage and on all such property hereafter acquired not subject to liens existing at the time of acquisition, on which property the mortgage will be a direct lien.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, California 5 mills tax, Maryland 4½ mills tax, and Massachusetts Income tax up to 6%, refundable.

Legal for Savings Banks in Massachusetts, New Hampshire and Vermont.

Original Offering—First publicly offered ($6,000,000 5% Series due 1956) in Dec. 1926, at 99 and interest, by Halsey, Stuart & Co., Inc., New York, etc.

Price Range—1927: High, 104½; low, 100½.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$2,817,098	$2,466,388	$1,411,960	$1,097,585	$990,388	$706,844
Oper. exp., taxes, rentals and depreciation	2,010,167	1,817,567	1,003,720	789,726	715,521	495,741
*Operating income	$806,931	$648,821	$408,240	$307,859	$274,867	$211,103
Interest on funded debt	307,867	135,958	129,950	151,574	122,243	102,696
Other int. & amortization	32,240	189,171	57,722			
Net income	$466,824	$323,692	$220,568	$156,285	$152,625	$108,407
Preferred dividends paid	178,204	68,206	66,898	51,303	36,733	26,893
Balance	$288,620	$255,486	$153,670	$104,982	$115,891	$81,514

*Includes other income.

COMPARATIVE BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property	$12,683,500	$11,103,349	$6,482,736
Securities owned			90,352
Cash	412,425	998,864	135,301
Notes & accts., receivable	274,764	272,796	309,559
Materials and supplies	100,030	186,671	209,631
Other assets	30,256	25,101	19,670
Unamort. debt disc. & exp.	698,986	691,965	296,432
Undistributed items	887		371
Total	$14,200,848	$13,278,746	$7,544,052

Liabilities—	1927	1926	1925
Preferred stock	$3,069,650	$2,334,960	$987,800
Common stock	2,539,630	2,539,630	496,000
Funded debt	6,000,000	6,000,000	2,689,000
Preferred stock subscrip.	24,986	433	2,213
Accounts payable	87,878	215,638	2,252,081
Consumers' dep. & adv.	147,147	133,380	98,050
Accrued liabilities	245,085	224,498	127,890
Depreciation reserve	1,362,493	1,205,334	505,663
Other reserves	67,521	69,534	55,089
Surplus	656,458	555,339	330,266
Total	$14,200,848	$13,278,746	$7,544,052

Officers: W. S. Barstow, Pres.; Lucien H. Tyng, V-P.; W. Buchsbaum, V-P., New York; J. G. Menut, V-P., Dover, N. J.; C. N. Wilson, Sec.; J. P. Campbell, Treas.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec., New York; William F. Morris, Asst. Treas. and Asst. Sec.; Frederick K. Woodring, Gen. Mgr.; Harold R. Wilbur, Asst. Ge Mgr., Dover, N. J.

Directors: W. S. Barstow, Lucien H. Tyng, Willia Buchsbaum, E. W. Niver, J. P. Campbell, E. Lovet West, Wm. F. Ingold, New York.

Offices, 50 Pine St., New York, and Dover, N. J.

THE JERSEY CORPORATION

(Controlled by General Gas & Electric Corp.)

History—This Company owns a large tract of real estate at Boonton, New Jersey, and has erected thereon various buildings which it leases for manufacturing purposes. W. S. Barstow & Company, Incorporated, New York, Operating Managers.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $4,000; par, $100. All owned by General Gas & Electric Corporation. Stock transferred and registered at Company's office, Dover, N. J. Annual meeting, first Monday in February, at Dover, N. J.

FUNDED DEBT

None.

Officers: W. S. Barstow, Pres.,; W. Buchsbaur V-P.; L. H. Tyng, V-P., New York; J. G. Menut, V-P Dover, N. J.; J. P. Campbell, Treas.; C. N. Wilso Sec., New York; W. F. Morris, Asst. Treas. & Ass Sec., Dover, N. J.; G. A. Aronson, Asst. Sec.; A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas., Ne York.

Directors: W. S. Barstow, W. Buchsbaum, Lucie H. Tyng, New York; J. G. Menut, Dover, N. J E. M. Gilbert, Reading, Pa.

Offices, 50 Pine St., New York, and Dover, N. J.

READING TRANSIT COMPANY

(Controlled by General Gas & Electric Corporation)

History—The Reading Transit Company was incorporated as the Reading Transit & Light Company by merger under the laws of Pennsylvania in August, 1917; name changed to present title in 1924. It owns the entire capital stock of the Oley Valley Railway Company and operates this property in conjunction with its own system in and about the city of Reading. It also owns all the capital stock of the Reading Transit Bus Company, operating in and near Reading, and of the Neversink Mountain Railway Company.

The Reading Transit Company also operates under favorable long term leases with options to purchase seventeen other companies hereinafter described. Among these are the Northeastern Street Railway Company of Reading, which three-mile line, financed entirely by residents of territory served, extends service into a populous and growing residential section and forms an important addition to the system.

Electric power for operation of the lines is furnished by the Metropolitan Edison Company.

The system comprises about 189 miles of electric railways in the cities of Reading, Lebanon, Pottstown, Norristown and suburbs of Philadelphia, and their surrounding territories in Berks, Lebanon, Montgomery and Philadelphia Counties, Pa. The system connects at Chestnut Hill with the Philadelphia street railway system and has connections at other points with the Lancaster, Harrisburg and Allentown transit systems. The connecting lines, besides bringing about an interchange of passenger traffic, make it possible for the company to carry on an electric express business throughout this section of Eastern Pennsylvania.

The population of the territory served, including 83 communities, is estimated at 425,000, not including Philadelphia. Reading is the center of the system and has a population, with its suburbs, of 135,000.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York City.

Passengers Carried—Total passengers carried on the system during the last five years follow:

1927	1926	1925	1924	1923
38,122,677	39,205,939	39,850,676	39,366,945	40,076,731

NOTE—Each zone fare counts as one passenger.

CAPITAL STOCK

Authorized, $5,250,000 Common, $700,000 6% Class "A" Pfd. stock and $2,300,000 7% Class "B" Pfd. stock; outstanding, $2,900,000 Common, $188,500 Class "A" Pfd. and $1,540,500 Class "B" Pfd.; par, $50. The $188,500 Class "A" Pfd. stock outstandir includes $165,500 held alive in sinking fund. $371,0 of Class "B" Pfd. is held in the treasury in additi to that shown as outstanding. All the Common sto and $550,000 Class "B" Pfd. stock is owned by Ge eral Gas & Electric Corporation. $750,000 Class "F Pfd. stock is owned by Metropolitan Edison Co.

Callability—Class "A" Pfd. is subject to call any dividend date at 125% and accrued dividends. Cla "B" Pfd. is subject to call at any time at option Company at $55 per share and accrued dividends.

Sinking Fund—10% of surplus income until Dec. 3 1928, applicable on May 1 of each year until said da to the purchase of Pfd. stock, Class "A" in the op market at not more than 105%.

Voting Rights—Holders of Pfd. stocks are not e titled to vote, unless there shall be a default in pa ment of eight quarterly dividends, such right to vot however, shall cease when all accumulated dividen are paid.

Transfer Agent—American Exchange Irving Tru Co., New York.

Registrar—The Equitable Trust Co., of Ne York, N. Y.

Annual Meeting—Second Monday in January, Reading, Pa.

Dividends—6% per annum on Class "A" Pfd. a 7% per annum on Class "B" Pfd. have been pa since issuance; payments quarterly, F, M, A & N Recent dividends on Common stock have been paid follows: 1919, 1%; 1920, 4½%; 1921, 1%; 1922, 2% 1923, 2%; none since.

TRUST CERTIFICATES

$240,000 UNITED TRACTION COMPANY-OLEY VALLEY RAILWAY 5% STOCK TRUST CERTIFICATES; DUE JULY 1931 AT OPTION OF HOLDER

Dated July 1, 1901.

Dividends—$25 on each $1,000 of principal payab January and July 1, at Real Estate Land-Title Trust Co., Philadelphia, Trustee and Registrar. Co pon, $100 and $1,000; principal may be registere Original issue, $250,000, of which $240,000 outstandir and $8,000 in treasury Dec. 31, 1927. Payable July 1931, at par at option of holder; thereafter, all redeer able at par on any Jan. or July 1 at option of Compan Secured by deposit of $248,000 capital stock of Ol Valley Ry. Exempt from Pennsylvania State Tax 4 mills.

FUNDED DEBT

(1)

0,000 (ENTIRE ISSUE) BIRDSBORO STREET RAILWAY O. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1934

Dated January 1, 1904.

Interest Payable January and July 1, at Colonial ust Co., Reading, Trustee and Registrar. Coupon, 00 and $1,000. Company pays Normal Federal In- me Tax up to 2%. Exempt from Pennsylvania ate Tax of 4 mills.

(2)

70,000 BOYERTOWN & POTTSTOWN RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE AUGUST 1, 1936

Dated August 1, 1906.

Interest Payable February and August 1, at Colon- l Trust Co., Reading, Trustee and Registrar. Coupon 00 and $1,000; principal may be registered. Au- orized, $300,000; outstanding Dec. 31, 1927, $270,000; treasury $30,000. Company pays Normal Federal come Tax up to 2%. Exempt from Pennsylvania ate Tax of 4 mills.

(3)

0,000 (ENTIRE ISSUE) FRONT AND FIFTH STREET RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1933

Dated July 1, 1903.

Interest Payable January and July 1, at Colonial rust Co., Reading, Pa., Trustee and Registrar. Cou- on $100 and $500, principal may be registered. ompany pays Normal Federal Income Tax up to %. Exempt from Pennsylvania State Tax of 4 mills.

(4)

02,900 READING TRANSIT COMPANY FIRST AND REFUNDING MORTGAGE GOLD BONDS, 6% SERIES "A"; DUE NOVEMBER 1, 1954

Dated November 1, 1924.

Interest Payable May and November 1, at Colonial rust Co., Reading, Pa.

Denominations—Coupon, $100, $500 and $1,000; rincipal may be registered. Coupon bonds are exhangeable for fully registered bonds of $1,000 denomination.

Trustee and Registrar—Colonial Trust Co., Reading, Pa.

Provisions of Issue—Authorized issue is unlimited. Outstanding, Dec. 31, 1927, $602,900; in treasury, 609,900; retired, $37,200. Additional bonds may be ssued in series, of such aggregate amount, bearing uch dates, interest rates and dates, maturity dates, nd other provisions as the Board of Directors may rom time to time determine.

Additional bonds may be issued for refunding prior ien divisional bonds, or for bonds on leased prop- rties, par for par, and subject to the restrictions of he Mortgage, for stocks of leased companies, on the asis of bonds the interest charges on which will not xceed the amount of rentals representing dividends n such stock. Bonds may also be issued for 70% f the actual value or cash cost, whichever is less, of roperty acquired or of additions, improvements, ex- ensions, and betterments to owned or leased property rovided net earnings shall have been earned at least ne and a half times annual interest charges on all onds issued under this Mortgage, including those proposed to be issued and prior lien divisional bonds outstanding with the public; for 75% of such actual value or cash cost, whichever is less, provided such net earnings shall have been equal to at least one and three quarters times such interest charges; and for 80% of such actual value or cash cost, whichever is less, provided such net earnings shall have been at least twice such interest charges. In no event shall bonds issued against additions to leased property exceed 20% of the total bonds outstanding under the Mortgage.

Callability—Subject to call as a whole or in part upon thirty days' published notice on any interest date on or before Nov. 1, 1929 at 105%; thereafter to and including Nov. 1, 1934 at 104%; thereafter to and including Nov. 1, 1939 at 103%; thereafter to and including Nov. 1, 1944 at 102%; thereafter to and including Nov. 1, 1949 at 101% and thereafter at par and accrued interest to date of redemption.

Sinking Fund—Nov. 1, 1925 and annually thereafter to and including Nov. 1, 1953, 1% of bonds outstanding at time of each such payment. Fund is to be used for the retirement of bonds or to reimburse Company for additions and improvements.

Maintenance Fund—The Company covenants to establish a Maintenance Fund by the payment to the Trustee on April 1, 1926 and annually thereafter on April 1, of a sum in cash equivalent to 18% of the operating revenue, less payments for maintenance, repairs, renewals and replacements to the property and on account of additions, improvements, extensions and betterments to property against which no bonds have been issued. Any monies so deposited will be held by the Trustee and may be withdrawn from time to time for either of the purposes expressed above, or for the redemption of bonds issued under the Mortgage, or for the purchase of prior lien divisional bonds or bonds on leased properties, or for United States Government Bonds or United States Certificates of Indebtedness for deposit and pledge with the Trustee.

Security—These bonds are secured by a direct first mortgage on important property owned by the company located in and about the City of Reading. They are further secured by a direct mortgage on other important street railway property owned by the company located in and about Reading, subject to the lien of only $570,000 underlying (closed mortgage) divisional bonds now outstanding with the public. They are further secured by the company's equity in long term leaseholds of street railway properties, now being operated in and about Reading, together with all other property which the company may hereafter acquire.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax of 4 mills. Massachusetts State Income Tax not exceeding 6% and Connecticut taxes (other than succession or inheritance taxes) not in excess of 4 mills refunded.

Legal Opinion—C. H. Ruhl and C. E. Paxson, Reading, Pa., and Cooke & Marvin, New York.

Original Offering—First publicly offered ($1,250,000) in Nov. 1924, at 98 and interest, to yield 6.15%, by Reading Transit Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Including Subsidiary Companies)

	1927	1926	1925	1924	1923	1922
Gross revenue	*$2,892,915	*$2,986,617	*$3,050,698	*$3,041,923	*$3,117,310	*$2,959,516
Operating expenses, taxes and depreciation	2,265,141	2,376,664	2,450,377	2,437,520	2,468,751	2,305,312
Total income	$627,774	$609,953	$600,321	$604,403	$648,559	$654,204
Fixed charges, incl. rentals and amortization	425,197	430,257	426,100	414,035	409,654	413,456
Net income	$202,577	$179,696	$174,221	$190,368	$238,905	$240,748
Preferred dividends	119,145	119,145	119,145	119,145	117,701	117,115
Balance surplus	$83,432	$60,551	$55,076	$71,223	$121,204	$123,633
Times Fixed Charges Earned	1.47	1.42	1.41	1.46	1.58	1.58

*Includes other income.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Reading Transit Company and Subsidiary Companies)

Assets—	1927	1926	1925	1924	192
Property account	$7,396,908	$7,361,265	$7,325,860	$7,139,529	$7,016,2
Securities owned	497,803	476,571	160,172	80,172	103,2
Sinking and other funds	226,881	220,503	217,136	624,372	145,6
Cash	122,781	134,013	58,414	176,006	25,4
Accounts receivable	15,342	18,468	16,845	31,490	24,7
Materials and supplies	113,583	122,461	129,374	129,044	146,6
Other assets	27,773	5,168	4,799	6,984	5,2
Unamortized disc. and exp.	40,897	42,816	41,450	8,397	2,6
Undistributed debit items	.....	.....	.....	814	1
Total	$8,441,968	$8,381,265	$7,954,050	$8,196,808	$7,470,0
Liabilities—					
Preferred stock	$1,729,000	$1,729,000	$1,729,000	$1,729,000	$1,729,0
Common stock	2,900,000	2,900,000	2,900,000	2,900,000	2,900,0
Funded debt	1,715,000	1,716,900	1,691,700	1,672,700	1,613,6
Payments by subscribers	.....	470	1,064	.....	.....
Notes and accounts payable	375,776	473,809	388,412	840,393	418,0
Accrued liabilities	230,478	218,804	144,071	120,561	129,3
Other liabilities	35,006	37,139	40,328	61,422	63,5
Depreciation reserve	871,506	815,957	646,281	556,754	366,5
Other reserves	152,116	140,678	121,858	111,066	112,9
Surplus	433,086	348,508	291,336	204,912	137,0
Total	$8,441,968	$8,381,265	$7,954,050	$8,196,808	$7,470,0

Officers: E. L. West, Pres.; Lucien H. Tyng, V-P.; Thos. Cheyne, V-P.; E. M. Gilbert, V-P.; William Buchsbaum, V-P.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. H. Bucher, Asst. Sec. & Asst. Treas.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.; J. S. Avery, Gen. Mgr.; L. D. West, Asst. Gen. Mgr.; E. H. Werner, Ass Gen. Mgr.

Directors: W. S. Barstow, E. L. West, Lucien H Tyng, W. Buchsbaum, Ernest W. Niver, E. M. Gi bert, J. S. Avery.

General Office, Reading, Pa. **New York Office,** 5 Pine Street.

READING TRANSIT BUS COMPANY

(Controlled by Reading Transit Co.)

History—Incorporated in Sept., 1924, in Pa., as Norristown Bus Co., to provide motor bus transportation service in Montgomery, Philadelphia, Berks, Lancaster and Lebanon counties in connection with the street car system of the Reading Transit Company. Name changed to present title in 1926.

Operating Managers—W. S. Barstow & Co., Inc., 50 Pine St., New York City.

CAPITAL STOCK

Authorized and outstanding $5,000; par $100. All owned by Reading Transit Co. Stock transferred and registered at company's office.

FUNDED DEBT

None.

Officers: E. L. West, Pres.; L. H. Tyng, V-P E. M. Gilbert, V-P.; Thomas Cheyne, V-P.; W liam Buchsbaum, V-P.; J. P. Campbell, Treas.; C. Wilson, Sec.; J. H. Bucher, Asst. Sec. & Asst. Treas A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas G. A. Aronson, Asst. Sec.; J. S. Avery, Gen. Mgr L. D. West, Asst. Gen. Mgr.; E. H. Werner, Ass Gen. Mgr.

Directors: E. M. Gilbert, J. S. Avery, J. H. Buche

General Office, Norristown, Pa. **New York Offic** 50 Pine Street.

OLEY VALLEY RAILWAY COMPANY

(Controlled by Reading Transit Co.)

History—Incorporated Sept. 21, 1900, in Pa. in perpetuity.

Operating Managers—W. S. Barstow & Co., Inc., 50 Pine St., New York City.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $50. All owned by Reading Transit Co. Stock transferred and registered at company's office. Annual meeting, second Monday in January, at Reading, Pa.

FUNDED DEBT

$250,000 First Mortgage Gold 4½s; dated July 1, 1901; due July 1, 1931; int. Jan. and July 1, at office of Company, Reading, Pa., or at Real Estate-Land Title & Trust Co., Philadelphia, Trustee and Registrar. Coupon $1,000; principal may be registered. Reading Transit Co. owns $2,000 of these bonds. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of 4 mills.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Operating revenue	$55,836	$66,234	$75,7
Operating expenses & taxes	45,262	53,574	58,3
Operating income	$10,574	$12,660	$17,4
Other income	2,439	2,351	2,6
Total income	$13,013	$15,011	$20,0
Interest on funded debt	11,250	11,250	11,2
Other interest	66	66	
Net income	$1,697	$3,695	$8,6

Officers: E. L. West, Pres.; Thos. Cheyne, V-P E. M. Gilbert, V-P.; Lucien H. Tyng, V-P.; W Buchsbaum, V-P.; J. P. Campbell, Treas.; C. Wilson, Sec.; J. H. Bucher, Asst. Sec. & Asst. Treas A. A. Cano and G. S. Horsford, Asst. Treas.'s; G. Aronson, Asst. Sec.

Directors: W. S. Barstow, Lucien H. Tyng, J. Bucher, E. L. West, E. M. Gilbert.

Office, Reading, Pa.

NEVERSINK MOUNTAIN RAILWAY COMPANY

(Controlled by Reading Transit Co.)

History—Incorporated July 5, 1889, for 99 years in Pa.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York City.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50; a owned by Reading Transit Co. Stock transferred an registered at company's office. Annual meeting, fir Monday in May, at Reading, Pa.

FUNDED DEBT

$53,000 First Gold 4s; dated Dec. 1, 1891; due ec. 1, 1901 (extended to June 1, 1931); int. June d Dec. 1, at Company's office, Reading, Pa. Cou- n, $1,000. The Pennsylvania Trust Co., Reading, ., Trustee. Authorized issue, $100,000; outstanding ec. 31, 1927, $53,000; retired and cancelled, $47,000. ompany pays Normal Federal Income Tax up 2%. Exempt from Pennsylvania State Tax of mills.

Officers: E. L. West, Pres.; Thos. Cheyne, V-P.; M. Gilbert, V-P.; W. Buchsbaum, V-P.; L. H. ng, V-P.; J. P. Campbell, Treas.; C. N. Wilson, c.; J. H. Bucher, Asst. Sec. & Asst. Treas.; A. A. no and G. S. Horsford, Asst. Treas.'s; G. A. Aron- n, Asst. Sec.

Directors: W. S. Barstow, J. H. Bucher, Lucien . Tyng, E. L. West, E. M. Gilbert, C. N. Wilson.

Office, Reading, Pa.

ADAMSTOWN AND MOHNSVILLE ELECTRIC AILWAY COMPANY (Leased by Reading Transit Co.)—corporated June 15, 1904, in Pa.

CAPITAL STOCK

Authorized and outstanding, $75,000; par, $50. Stock trans- red and registered at Company's office. Annual meeting, cond Monday in January, at Reading, Pa.

FUNDED DEBT

$75,000 (Entire Issue) First Mortgage Gold 5s; dated Dec. 1904; due Jan. 1, 1935; int. Jan. and July 1, at Colonial ust Co., Reading, Pa., Trustee. Coupon, $1,000; principal may registered at company's office. Company pays Normal deral Income Tax up to 2%. Exempt from Pennsylvania ate Tax of 4 mills.

Office, Reading, Pa.

NORTHEASTERN STREET RAILWAY COMPANY F READING (Leased by Reading Transit Co.) Incorporat- June 3, 1924, in Pa.

CAPITAL STOCK

Authorized, $250,000; outstanding, $208,350; par, $50. ansfer Agent and Registrar: Northeastern Trust Co., Read- g, Pa.

FUNDED DEBT

None.

Office, Reading, Pa.

THE READING AND SOUTHWESTERN STREET AILWAY COMPANY (Leased by Reading Transit Co.)—corporated Nov. 24, 1890, in Pa.

CAPITAL STOCK

Authorized and outstanding, $130,000; par, $50. Stock trans- red and registered at Company's office, Reading, Pa. Annual eting, second Monday in January.

FUNDED DEBT

$95,000 First Mortgage Gold 5s; dated Aug. 5, 1901; due g. 1, 1931; int. Feb. and Aug. 1, at Pennsylvania Trust Co., ading, Trustee and Registrar. Coupon, $1,000. Authorized, 0,000; outstanding Dec. 31, 1927, $95,000; retired and can- led, $5,000. Company pays Normal Federal Income Tax to 2%. Exempt from Pennsylvania State Tax of 4 mills.

Office, Reading, Pa.

READING TRACTION COMPANY (Leased by Reading ansit Co.)—Incorporated Mar. 9, 1893, in Pa.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $50. Transfer ent, T. W. Grooket, Jr., Philadelphia, Pa. Registrar: The al Estate-Land Title & Trust Co., Philadelphia. Annual eting, third Wednesday in January.

FUNDED DEBT

$500,000 First Mortgage Gold 6s; dated July 1, 1893; due ly 1, 1933; int. Jan. and July 1, at office of Company, Read- g, Pa., and Colonial Trust Co., Reading Pa. Coupon, $1,000; ncipal may be registered. The Provident Life & Trust Co., iladelphia, Trustee and Registrar. Authorized, $600,000; tstanding Dec. 31, 1927, $500,000. Company pays Normal deral Income Tax up to 2%. Exempt from Pennsylvania ate Tax of 4 mills.

Office, Reading, Pa.

THE READING AND TEMPLE ELECTRIC RAILWAY OMPANY (Leased by Reading Transit Co.)—Incorporated b. 26, 1892, in Pa., in perpetuity.

CAPITAL STOCK

Authorized, $75,000; outstanding, $73,700; par, $50. Trans- Agent: F. S. Livingood, Reading, Pa. Stock registered at mpany's office, Reading, Pa. Annual meeting, second Mon- y in January.

FUNDED DEBT

$73,700 First Mortgage Gold 5s; dated Oct. 1, 1894; due Oct. 1, 1924; (extended to Oct. 1934); int. April and Oct. 1, at The Reading Trust Co., Reading, Pa., Trustee. Coupon, $100, $500 and $1,000. Authorized and issued, $75,000, of which $1,300 retired and cancelled. Guaranteed, principal and interest, by Reading Traction Co. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of 4 mills.

Office, Reading, Pa.

THE READING CITY PASSENGER RAILWAY COMPANY (Leased by Reading Transit Co.)—Incorporated Mar. 17, 1893 in Pa.

CAPITAL STOCK

Authorized and outstanding, $350,000; par, $100. Transfer Agent: F. S. Livingood, Reading, Pa. Stock registered at Company's office, Reading, Pa. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Office, Reading, Pa.

EAST READING ELECTRIC RAILWAY COMPANY (Leased by Reading Transit Co.)—Incorporated April 20, 1893, in Pa.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. Transfer Agent: C. W. Benz, Reading, Pa. Registrar: Penn National Bank, Reading, Pa. Annual meeting, second Monday in January.

FUNDED DEBT

$25,000 First Mortgage Gold 5s; dated July 1, 1897; due July 1, 1937; int. Jan. and July 1, at The Reading (Pa.) Trust Co., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized, $25,000. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of 4 mills.

Office, Reading, Pa.

SCHUYLKILL VALLEY TRACTION COMPANY (Leased by Reading Transit Co.)—Incorporated Sept. 8, 1893, in Pa., as Norristown, Bridgeport & Conshohocken Traction Co.; name changed to present title on Jan. 5, 1895. Controls through stock ownership the Citizens Passenger Ry. Co., the Conshohocken Ry. Co., the Montgomery County Pass. Ry. Co., the Norristown Passenger Ry. Co., and Collegeville Electric Street Ry. Co. In Jan. 1902, leased the Roxborough, Chestnut Hill & Norristown Ry. Co. for 950 years. Leased to Reading Transit Co., for 900 years from April 10, 1910.

CAPITAL STOCK

Authorized and issued, $500,000; par, $50. All owned by United Power & Transportation Co. Company acts as Transfer Agent. Registrar: Norristown Trust Co., Norristown, Pa. Annual meeting, fourth Thursday in January.

FUNDED DEBT

$379,000 First Mortgage Gold 5s, dated Nov. 25, 1895; due Aug. 1, 1945; int. Feb. and Aug. 1, at West End Trust & Safe Deposit Co., Philadelphia, Trustee. Coupon, $1,000. Authorized, $500,000; outstanding, Dec. 31, 1927, $379,000; retired and cancelled, $121,000; $134,000 owned by Reading Transit Co. Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania State Tax of 4 mills.

Office, Norristown, Pa.

CITIZENS PASSENGER RAILWAY COMPANY. (Leased by Reading Transit Co.)—Incorporated Nov. 14, 1892, in Pa., for 200 years.

CAPITAL STOCK

Authorized, $80,000; outstanding, $79,400; par, $50. The Schuylkill Valley Traction Co. owns $51,550 of the stock. Stock transferred and registered at Company's office, Norristown, Pa. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Office, Norristown, Pa.

NORRISTOWN PASSENGER RAILWAY COMPANY. (Leased by Reading Transit Co.)—Incorporated July 12, 1899, in Pa., for 200 years.

CAPITAL STOCK

Authorized and outstanding, $66,700 Common and $8,300 non-callable Pfd.; par, $50. The Schuylkill Valley Traction Co. owns $60,200 of the Common stock. Stock transferred and registered at Company's office, Norristown, Pa., Pfd. dividends paid annually Jan. 1.

FUNDED DEBT

None.

Office, Norristown, Pa.

MONTGOMERY COUNTY PASSENGER RAILWAY COMPANY. (Leased by Reading Transit Co.)—Incorporated Jan. 30, 1893, in Pa., for 999 years.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. The Schuylkill Valley Traction Co. owns $130,500 of the stock. Stock transferred and registered at Company's office, Norristown, Pa. Annual meeting, second Monday in January.

FUNDED DEBT

$15,000 First Mortgage Gold 6s; dated Nov. 1, 1893; due Nov. 1, 1923 (still outstanding); int. Jan. and July 1, at Albertson Trust & Safe Deposit Co., Norristown, Pa., Trustee. Coupon, $500. Authorized, $150,000. All owned by Schuylkill Valley Traction Co., and deposited under its First Mortgage dated Aug. 1, 1895. Exempt from Pennsylvania State Tax of 4 mills.

Office, Norristown, Pa.

CONSHOHOCKEN RAILWAY COMPANY. (Leased by Reading Transit Co.)—Incorporated Feb. 1, 1893, in Pa.

CAPITAL STOCK

Authorized, $250,000; outstanding, $145,900; par, $50. $145,600 owned by Schuylkill Valley Traction Co. Stock transferred and registered at Company's office, Norristown, Pa. Annual meeting, second Monday in January.

FUNDED DEBT

$100,000 First Gold 5s; dated July 1, 1894; due July 1, 1924; interest J & J 1, at Norristown Trust Co., Norristown, Pa., Trustee. Coupon, $500. Authorized, $250,000; outstanding, $100,000; retired and cancelled, $150,000. All owned by Schuylkill Valley Traction Co., and deposited under its First Mortgage, dated Aug. 1, 1895.

Office, Norristown, Pa.

COLLEGEVILLE ELECTRIC STREET RAILWAY COMPANY. (Leased by Reading Transit Co.)—Incorporated July 30, 1897, in Pa.

CAPITAL STOCK

Authorized, $7,000; outstanding, $2,500; par, $50. All owned by Schuylkill Valley Traction Co. Stock transferred and registered at Company's office. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Office, Norristown, Pa.

ROXBOROUGH, CHESTNUT HILL AND NORRISTOWN RAILWAY COMPANY. (Leased by Reading Transit Co.)—Incorporated Dec. 2, 1895, in Pa. Leased the Wissahickon Electric Ry. for 999 years from Feb. 1, 1898, and the Trappe & Limerick Electric St. Ry. for 950 years from Dec. 31, 1901, and owns the entire capital stock of the latter. The Roxborough, Chestnut Hill & Norristown Ry. is in turn leased to the Schuylkill Valley Traction Co. for 950 years from Jan. 1902.

CAPITAL STOCK

Authorized, $450,000; outstanding, $248,400; par, $50. Practically all owned by United Power & Transportation Co. Stock transferred and registered at Company's office. Annual meeting, second Monday in January.

FUNDED DEBT

$371,000 First Mortgage Collateral Trust Gold 5s; dated June 1, 1896; due June 1, 1926 (extended to June 1, 1936); int. June and Dec. 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000. Authorized, $450,000; outstanding, $371,000. $317,000 owned by Readi Transit Co. Company pays Normal Federal Income Tax to 2%. Exempt from Pennsylvania State Tax of 4 mills.

TRUST CERTIFICATES

$249,000 Trappe & Limerick Railway 5% Stock Gold Tr Certificates; dated July 1, 1901; payable July 1, 1931, at par option of holder; thereafter redeemable at par on a January 1 or July 1 at option of Company; int. Jan. a July 1, at Real Estate-Land Title & Trust Co., Philadphia, Trustee and Registrar. Authorized, $250,000. Secu by deposit of $249,000 capital stock of the Trappe & Limer Electric Street Ry. Co. $13,000 owned by Reading Transit

Office, Norristown, Pa.

WISSAHICKON ELECTRIC PASSENGER RAILW CO. (Leased by Reading Transit Co.)—Incorporated Oct. 1890, in Pa.

CAPITAL STOCK

Authorized, $250,000; outstanding, $143,430; par, $50. St transferred and registered at Company's office. Annual me ing, fourth Friday in January.

FUNDED DEBT

None.

Office, Norristown, Pa.

THE TRAPPE AND LIMERICK ELECTRIC STRE RAILWAY COMPANY. (Leased by Reading Transit Co. Incorporated July 25, 1899, in Pa.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $50. All ow by Roxborough, Chestnut Hill & Norristown Ry. Co. St transferred and registered at Company's office. Annual me ing, second Monday in January.

FUNDED DEBT

$250,000 First Mortgage Gold 4½s; dated July 1, 1901; July 1, 1931; int. Jan. and July 1, at The Real Estate-L Title & Trust Co., Philadelphia, Trustee and Regist Coupon, $1,000; principal may be registered. Authorized outstanding, $250,000; $2,000 owned by Reading Transit Guaranteed principal and interest by Roxborough, Chest Hill and Norristown Ry. Co. Company pays Normal Fed Income Tax up to 2%. Exempt from Pennsylvania State of 4 mills.

Office, Norristown, Pa.

LEBANON VALLEY STREET RAILWAY COMPA (Leased by Reading Transit Co.)—Incorporated May 19, 1 in Pa.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $50. All ow by The United Power & Transportation Co. Stock transfe and registered at company's office. Annual meeting, sec Monday in January.

FUNDED DEBT

$500,000 First Gold 5s; dated July 1, 1899; due July 1, 1 int. Jan. and July 1, at The Real Estate-Land Title Trust Co., Philadelphia, Trustee. Coupon, $100, $500 $1,000. Outstanding, $500,000 of which $44,900 owned by Re ing Transit Company. A first lien on 22 miles of road. C pany pays Normal Federal Income Tax up to 2%. Exe from Pennsylvania State Tax of 4 mills.

Office, Reading, Pa.

BINGHAMTON LIGHT, HEAT & POWER CO.

(Controlled by General Gas & Electric Corp.)

History—Incorporated Jan. 15, 1902, in New York, as successor to the Binghamton General Electric Company. The Owego Light and Power Company, and the Afton-Windsor Light, Heat & Power Co., Inc., (see 1925 Manual, page 1695) were merged with the Binghamton Light, Heat & Power Co. in 1925.

Territory—The Binghamton Light, Heat & Power Co. supplies electric service throughout an extensive industrial and agricultural district in the southern central part of New York state. Binghamton, the commercial center of this territory, is a city with many important industries. In the Binghamton district are the world's largest shoe factories, which obtain part of their power supply from the central station.

The Company furnishes electric light and power through the territory including Binghamton, Johnson City, Endicott, Marathon and Owego, together with 54 other towns in the south central portion of New York State.

Plants, etc.—The company has a large steam generating station, located on the Susquehanna River at Johnson City near Binghamton, and three small hyd electric stations, giving it a total installed generat capacity of 54,170 k.w., including a 30,000 k.w. installed in the Johnson City plant during 1927. large coal pulverizing plant is operated in connect with the main power station. The company has miles of high tension transmission lines and 455 m of distribution lines. High tension line connecti with the Northern Pennsylvania Power Company, affiliated company operating in northern Pennsylva enable Binghamton Light, Heat & Power Co. supply power requirements in that extensive territ The company also has a transmission line connect with the Cortland County Traction Company, Cortland, N. Y., to supply additional power to latter. The Company also has a connection v the Elmira Railway, Light & Water Comp for the sale of power to that company for three y and thereafter for an interchange of power. population of the territory served is 169,420.

OPERATING STATISTICS, DECEMBER 31

	Customers	k.w.h. Sold
22	14,106	21,352,811
23	16,919	24,614,921
24	21,461	27,434,760
25	24,145	39,219,081
26	27,523	50,899,253
27	30,056	69,870,521

Operating Managers—W. S. Barstow & Company, corporated, 50 Pine Street, New York City.

CAPITAL STOCK

Authorized, 50,000 shares Common, 75,000 shares cumulative Pfd., and 50,000 shares $7 cumulative d., all of no par value; outstanding Dec. 31, 1927, 50,-0 shares Common and 34,014 shares $6 Pfd. All e Common shares are owned by General Gas Electric Corp. The old 7% participating Pfd. ock was exchanged share for share for the new Pfd., together with $16 in cash, under the recapital-ation plan, effective March 31, 1926, whereby the thorized capital stock was changed from 10,000 ares Common and 30,000 shares Pfd., both of $100 r value, to the above amounts. At the same time e $100 par value Common shares were exchanged r the no par value shares on the basis of one of the rmer for two and one-half of the latter.

Preferred Stock Provisions—Pfd. stocks have equal eference for assets, and for dividends as to their res-ctive rates, over Common, and are subject to call on irty days' notice at $110 per share and accrued divi-nds. In dissolution or liquidation holders of Pfd. e entitled to receive $100 per share and accrued vidends before any payment to Common.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—The Chase National Bank, New York.

Annual Meeting—Fourth Tuesday in January, at inghamton, N. Y.

Public Offering—In December Pynchon & Co., New ork publicly offered 10,000 shares $6 cumulative Pfd. ock, of no par value, at $102 per share and accrued vidend, to yield 5.88%.

Dividends—Dividends of 6% per annum on the old % Pfd. stock and of 7% per annum on the old 7% fd. stock were regularly paid to date of retirement. itial quarterly dividend $1.50 per share paid on $6 fd. July 1, 1926, which rate since maintained to date; yments J, A, J & O 1. Dividends on $100 par value ommon stock have been paid in recent years as fol-ws: 1919, 6¾%; 1920, 4½%; 1921, 4¾%; 1922 to 925, 10% each; 1926, $4 per share on no par shares; 927, $6 per share. Dividends are usually declared out the tenth of M, J, S & D.

FUNDED DEBT

(1)

59,000 OWEGO LIGHT & POWER COMPANY GENERAL MORTGAGE 40-YEAR 6s, SERIES "A"; DUE MAY 1, 1963 BUT REDEEMED ON MAY 1, 1928 AT 102 AND INTEREST

1,000 OWEGO LIGHT & POWER COMPANY GENERAL MORTGAGE 40-YEAR 6s, SERIES "B"; DUE MAY 1, 1963, BUT REDEEMED ON MAY 1, 1928 AT 102 AND INTEREST

(2)

$6,194,000 BINGHAMTON LIGHT, HEAT & POWER CO. FIRST REFUNDING MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1946

Dated February 1, 1916.

Interest Payable April and October 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000; registerable as to principal and interchangeable with fully registered bonds of $1,000 and multiples.

Trustee and Registrar—Guaranty Trust Co. of New York, N. Y.

Provisions of Issue—Authorized issue, unlimited. Outstanding, Dec. 31, 1927, $6,194,000.

Additional bonds may be issued for 80% of the cost of new construction, additions, improvements, betterments and extensions, or for 80% of the cost of additional electric light and power, gas or other public utility properties, but not to exceed 80% of the physical replacement value of the properties so acquired; provided that the net earnings for twelve months within the fourteen months immediately preceding application for bonds shall have been twice the annual interest charges on all bonds outstanding, including those proposed to be issued.

Callability—Subject to call as a whole or in part at 105 and accrued interest on any interest date upon 40 days' notice.

Sinking Fund—Annual sinking fund of 1% of outstanding bonds began Feb. 1, 1920, proceeds to be used to purchase outstanding bonds of this issue (at not exceeding 105 and interest) or for improvements or additions which might otherwise have been made through the issuance of First Refunding 5% bonds, against which no First Refunding bonds may be issued.

Maintenance and Depreciation Fund—Beginning with March 1, 1917, and annually thereafter, the company covenants to provide for maintenance and depreciation an amount aggregating not less than 10% of its gross operating revenue, as defined in the mortgage. Such part of this fund as is not expended during any calendar year for maintenance, repairs and renewals must be deposited in cash with the Trustee as a special fund to be used for maintenance, repairs and renewals in excess of current expenditures for such purposes or for betterments and improvements, against which no First Refunding Mortgage bonds may be issued.

Security—A first lien on entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of 4 mills refundable.

Legal for Savings Banks in Maine, New Hampshire, Rhode Island and Vermont.

Original Offering—First publicly offered in May, 1916, at 99 and interest by N. W. Halsey & Co., New York, etc. A block offered in Oct., 1917, at 90 and interest, by Halsey, Stuart & Co., Chicago, etc.; $350,-000 in June, 1923, at 88 and interest, a further block in Dec., 1923, at 88½ and interest, and $1,450,000 in Nov., 1926, at par and interest, by the same firm.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
perating revenues (incl. other income)	$2,276,827	$1,958,545	$1,712,281	$1,411,235	$1,231,230	$1,032,378
perating expenses, taxes and depreciation	1,430,128	1,291,036	1,102,625	927,267	830,948	762,615
Total income	$846,699	$667,509	$609,656	$483,968	$400,282	$269,763
terest and amortization	405,001	329,330	310,262	217,153	142,478	121,729
Net income	$441,698	$338,179	$299,394	$266,815	$257,804	$148,034
referred dividends paid	125,874	116,292	123,744	90,038	69,726	55,431
Balance	$315,824	$221,887	$175,650	$176,777	$188,078	$92,603
imes Fixed Charges Earned	2.09	2.03	1.97	2.23	2.81	2.22
arnings Per Share—						
Preferred	†$12.98	$18.12	$16.12	$17.75	$24.71	$16.34
Common	6.32	*8.88	35.13	35.36	37.61	18.52

*Common stock split up on basis of 2½ shares of no par value for 1 share of $100 par value during 1926. †Based on 34,014 ares outstanding Dec. 31, 1927, of which 10,000 shares were issued during December, 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$11,737,039	$8,619,355	$7,332,380	$5,600,303	$3,678,832	$2,653,5
Securities owned	.....	.....	.....	250,000	.....	.....
Sinking and other funds	.....	138,174	.....	413,840	135,949	123,0
Cash	316,172	668,144	93,349	38,948	251,351	152,3
Notes & accts. receivable	249,097	239,557	264,381	168,491	149,074	112,3
Materials and supplies	265,845	209,275	187,126	261,116	100,795	66,9
Other assets	27,454	23,906	14,484	16,552	19,388	13,2
Debt discount	573,973	590,480	564,538	525,052	323,939	204,6
Unamortized adjustments	376,200	403,300	430,408	380,000	602,716	610,2
Miscellaneous	4,290	3,969	53	23,918	.....	2
Total	$13,550,070	$10,896,160	$8,886,719	$7,678,220	$5,262,044	$3,936,6
Liabilities—						
Common stock	$2,000,000	$1,000,000	$500,000	$500,000	$500,000	$500,0
Preferred stock	3,369,714	1,865,900	1,857,700	1,502,600	1,043,200	905,8
Pfd. stock subscriptions	49,202	31,592	8,178	40,339	8,780	14,8
Funded debt	*6,394,000	6,429,000	4,979,000	4,311,500	2,789,500	1,959,5
Loans & accts. payable	116,336	102,438	96,620	266,095	155,295	115,0
Accrued liabilities	243,236	206,968	132,989	100,198	76,821	45,8
Consumers' deposits & advances	93,537	96,041	81,468	67,774	58,160	40,2
Other liabilities	47	47			37	
Depreciation reserve	842,863	793,762	699,020	482,969	344,310	208,4
Other reserves	32,890	33,390	52,088	50,447	50,387	46,8
Surplus	408,245	337,022	479,656	356,298	235,554	100,0
Total	$13,550,070	$10,896,160	$8,886,719	$7,678,220	$5,262,044	$3,936,6

*Includes $200,000 bonds of Owego Light & Power Co. which were redeemed May 1, 1928.

Officers: W. S. Barstow, Pres.; Lucien H. Tyng, V-P.; W. Buchsbaum, V-P.; New York; W. B. Goudey, V-P. & Gen. Mgr.; J. G. Menut, V-P., Binghamton, N. Y.; C. N. Wilson, Sec.; J. P. Campbell, Treas., New York; F. J. L. Doyle, Asst. Sec. & Asst. Treas., Binghamton, N. Y.; G. A. Aronson, Asst. Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas. New York.

Directors: W. S. Barstow, W. B. Goudey, E. V. Niver, Lucien H. Tyng, C. N. Wilson, F. B. Newe W. Buchsbaum, W. H. Hecox, J. P. Campbell.

General Office, Binghamton, N. Y. **New York Offic** 50 Pine St.

NORTHERN PENNSYLVANIA POWER COMPANY

(Controlled by General Gas & Electric Corporation)

History—Incorporated as The Towanda Gas & Electric Company by merger under the laws of Pennsylvania in Jan., 1921; name changed to present title in 1925. The Susquehana County Light & Power Co., the Sayre Electric Co. and the North Penn Power Co. were merged with Northern Pennsylvania Power Co. in 1926. For latest published statements of these companies see 1926 Public Utility Manual, pages 1877, etc.

The Nicholson Light, Heat & Power Company was merged with Northern Pennsylvania Power Company in 1927 (see 1927 Public Utility Manual, page 2044). The electric property of the Ralston Water and Water Power Co., at Ralston, Pa., was acquired in 1927, expanding the territory in Lycoming County to within a few miles of Williamsport.

Supplies electric light and power service in Bradford, Tioga and Susquehanna Counties and a portion of Potter County, Pa., serving the towns of Towanda, Monroe, Susquehanna, Blossburg, Covington, Mansfield, Tioga, Lawrenceville, Troy, Canton, Knoxville, Westfield, Galeton, Oakland, Lanesboro, Great Bend, Halstead, New Milford, Montrose, South Montrose, Liberty, Brooklyn, Sayre, Athens, and South Waverly, Pa., and in Waverly N. Y. through the **Waverly Electric Light and Power Company.** Service is also extended into Ridgebury Athens, Litchfield, Windham, Warren, Smithfield, Ulster and Sheshequin townships and franchises are held by the Company to extend service into twelve additional townships in Bradford County. The towns served form a group which is the business center for the surrounding territory. Important railroad shops are located at Susquehanna and Sayre. Silk mills, creameries and condensaries, foundries, sand and gravel quarries, coal mines and lumber and wood working industries are served.

The company furnishes gas service in Towanda, and sells coke and coal tar as by-products of gas manufacture. Capacity of the gas plant is 50,000 cu. ft. daily. It has 7 miles of mains. Exhaust steam from the electric generating station is utilized to provide steam heating service in Towanda.

A high tension transmission line connection with the Binghamton Light, Heat & Power Co. furnishes the company with an ample supply of power. In addition the company operates several small steam and hydro-electric generating stations with total generating capacity of 3,480 k.w.

The electric system of the company includes 2 miles of high tension transmission lines and 351 mil of distribution lines.

The population of the territory served is estimat at 78,685.

Operating Managers—W. S. Barstow & Compar Incorporated, 50 Pine St., New York City.

Business—The total customers of the present pro erties served Dec. 31 of the last three years, follow

	1927	1926	192
Electric customers	13,534	11,779	11,8
Gas customers	541	561	
Steam heat customers	102	96	
Total customers	14,177	12,436	11,9
K.w.h. sold	13,789,902	12,644,696	11,999,8
Cu. ft. gas sold	9,651,100	9,343,300	7,347,0
Tons coke sold	183	130	

CAPITAL STOCK

Authorized, 100,000 shares Common of no par valu $125,000 6% cumulative Pfd., par, $50; 50,000 shar of $7 cumulative Pfd. of no par value, and 50,000 shar of $6 cumulative Pfd. of no par value; outstandi Dec. 31, 1927, 30,028 shares Common, $90,150 6% Pf 5,029 shares $7 Pfd. and 5,143 shares of $6 Pfd. addition, $7,500 6% Pfd. held in treasury. The Ge eral Gas & Electric Corp. owns all the Common sto and 301 shares of $6 Pfd. stock. The capital sto was increased from 2,160 shares Common and $125,0 6% Pfd. to above amounts during 1926.

Preferred Stock Provisions—The 6%, the $6 and t $7 Preferred stocks have equal preference for ass and dividends over Common and are subject to ca the 6% Pfd. at par and accrued dividends at any ti on sixty days' notice and the $7 Pfd. and $6 Pfd. as whole but not in part on any dividend date, on 30 da notice at $110 per share and accrued dividends. liquidation or in any distribution except by redem tion the $6 Pfd. and the $7 Pfd. are entitled to rece $100 per share and accrued dividends and the 6

'fd. is entitled to receive $50 per share and accrued ividends before any distribution to Common. 6% 'fd. has no voting power. It is convertible into $6 'fd. at rate of two shares of 6% Pfd. for one share of 6 Pfd. with adjustment of dividends. The $6 and $7 'fd. have no voting power except on default of four uarterly dividends, when holders shall have right to lect a majority of directors. With consent of holders f two-thirds of $7 Pfd., $6 Pfd. and Common respectiely, authorized shares of any class may be increased r any new class of stock may be created with such references, rights, privileges, etc., as may be deternined, provided however, that Common may be increased by vote of holders of two-thirds of all stock utstanding (except 6% Pfd.) irrespective of class.

Transfer Agent—Guaranty Trust Co. of New York, I. Y.

Registrar—The Chase National Bank of the City of lew York, N. Y.

Annual Meeting—Second Tuesday in February at owanda, Pa.

Dividends—Dividends on Pfd. stock regularly paid ince issuance; payments January and July 1 on 6% 'fd., and J, A, J & O 1 on $7 Pfd. and $6 Pfd.

FUNDED DEBT

(1)

448,500 SAYRE ELECTRIC CO. FIRST MORTGAGE SINKING FUND 5% GOLD BONDS, DUE APRIL 1, 1947

Dated April 1, 1907.

Interest Payable April and October 1, at Girard rust Co., Philadelphia, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Miners' Bank, Wilkes-Barre, Pa.

Provisions of Issue—Authorized, $750,000; issued, 533,500; outstanding, Dec. 31, 1927, $448,500; in sinking fund, $102,000; retired and cancelled, $83,000. Iortgage closed.

Callability—Subject to call at 105 and interest on ny interest date upon 3 weeks' notice.

Sinking Fund—$2,500 annually Jan. 1, 1912 to Jan. 1916, $5,000 annually each Jan. 1, 1917 to 1921; 1% nnually of bonds outstanding from 1922 to 1947, but ot less than $5,000 a year.

Security—Secured by a first lien on all property ormerly owned by Sayre Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania tate Tax of 4 mills.

Original Offering—First publicly offered ($210,000) Feb. 1912, at 94 and interest, by Meikleham & Dinsmore, New York, etc.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
igh	100	96½	92¾	93½	84¾
ow	bid	96½	bid	82¾	84¾

(2)

,950,000 NORTHERN PENNSYLVANIA POWER CO. FIRST AND REFUNDING MORTGAGE GOLD BONDS, SERIES "A," 5%; DUE JUNE 1, 1956

Dated June 1, 1926

Interest Payable June and December 1, at Guaran- Trust Co., New York, and at Bank of North Ameri- & Trust Co., Philadelphia.

Denominations—Coupon, $100, $500 and $1,000; interchangeable; principal may be registered. Fully egistered, $1,000, and multiples thereof; coupon and lly registered bonds interchangeable.

Trustee and Registrar—Guaranty Trust Co., New ork.

Provisions of Issue—Authorized amount, unlimited, bject to restrictions stated below. Issued and outanding, $1,950,000 Series "A" 5s. Proceeds of these nds were used to retire bonds of certain companies quired, and for other corporate purposes.

Mortgage provides that bonds may be issued in series having such rates of interest, such maturity dates, such redemption provisions and containing such other rights, limitations and provisions as may be permitted by mortgage and as directors may determine. Additional bonds of Series "A" or other series may be issued thereunder: (a) for refunding an equal principal amount of bonds of any series; (b) against the deposit of cash; (c) for refunding an equal principal amount of prior lien bonds; (d) for 70%, 75%, or 80%, respectively, of fair value or cost, whichever is less, of additions, improvements, extensions, betterments and acquisitions, provided total income as defined in mortgage for 12 consecutive calendar months within the 14 calendar months immediately preceding date of application of such bonds shall have been at least equal to 1½ times, 1¾ times or twice, respectively, annual interest charges on all bonds outstanding under mortgage including bonds proposed to be issued and on all prior lien bonds, except those pledged under mortgage or under any prior lien mortgage. Bonds may also be issued, subject to earnings restrictions as provided in mortgage, against the pledge of an equal principal amount of mortgage bonds of a subsidiary company, as defined in mortgage, provided that the principal amount of all mortgage indebtedness of such subsidiary, excluding such mortgage indebtedness as is pledged under any mortgage of such subsidiary, shall not exceed 75% of the value of permanent property, as defined in the mortgage of such subsidiary.

Callability—Subject to call as a whole or in part on 30 days' notice, on any interest date on or before June 1, 1941 at 105 and interest; thereafter on any interest date on or before June 1, 1955 at 102½ and interest; and on any day thereafter at par and interest.

Sinking and Improvement Fund—Company covenants to pay to Trustee on June 1, 1928 and on each June 1 thereafter so long as any Series "A" bonds shall be outstanding, an amount equivalent to 1% of the principal amount of Series "A" bonds outstanding at time of each such payment against which payments the Company is entitled to certain credits as provided in mortgage. This fund may be used in purchase or redemption of Series "A" bonds at not exceeding the then prevailing redemption price, or for additions, extensions, improvements, betterments or acquisitions, against which bonds have not been or shall not thereafter be issued. All bonds so purchased or redeemed shall be cancelled.

Maintenance and Depreciation Reserve Account—Company covenants to establish a Maintenance and Depreciation Reserve Account and to credit to such account as of Dec. 31, 1927, and as of each Dec. 31 thereafter so long as there are any bonds outstanding under mortgage, at option of Company, either (a) not less than 3% of the fixed capital account as of the date of such credit after deducting the depreciation reserve on such date, as shown by books of Company, or (b) not less than 12½% of its operating revenues during year ending on such date, in either event less amount expended during year for maintenance, repairs, renewals and replacements. Any balance in said account may be expended for maintenance, repairs, renewals and replacements or for additions, extensions, improvements, betterments or acquisitions authorized by terms of mortgage against which no bonds may be issued unless proceeds thereof are deposited with Trustee to be held specifically for credit of said account to be used only for purpose for which said account is created, or may be used for purchase or redemption of any bonds secured by mortgage, or may be invested in United States Government securities. Any securities so purchased shall constitute a portion of the maintenance and depreciation reserve account and may be sold at any time and proceeds utilized for purposes of the account. Any amount credited in any year to the maintenance and depreciation reserve account in excess of minimum requirements of mort-

gage may be used by Company for any proper corporate purposes or any amount expended during any year for maintenance, repairs, renewals and replacements in excess of amount required to be credited during said year may be applied against credits required in subsequent years.

Security—Secured by a direct first mortgage lien on properties formerly owned by North Penn Power Co., Susquehanna County Light & Power Co., and Towanda Gas & Electric Co. and after acquired property subject to prior liens, if any, at the time of acquisition and by a direct mortgage lien on property formerly owned by Sayre Electric Co., subject only to Sayre Electric Co. First Mortgage 5s, due 1947.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania and Connecticut 4 mills taxes and Massachusetts Income Tax not exceeding 6% per annum refunded.

Legal Opinion—Pendleton, Anderson, Iselin & Riggs, and Cooke & Marvin, New York (for the Company), and Rawle & Henderson, Philadelphia (for th bankers).

Original Offering—First publicly offered ($1,95C 000) in July, 1926, at 97 and interest, yielding abo 5.20%, by Parsly Bros. & Co., Lewis & Co., and R. M Snyder & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926
Operating revenue	$843,739	$763,7
Operating exps., taxes, rental & dep.	592,070	504,7
Operating income	$251,669	$259,0
Other income	11,160	16,9
Total income	$262,829	$276,0
Interest on funded debt	126,658	134,0
Other interest	16,860	24,4
Net income	$119,311	$117,5
Dividends on Preferred stock	57,787	36,0
Balance of net income	$61,524	$81,4

*Includes earnings of acquired properties for the full perio regardless of date of acquisition.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Northern Pennsylvania Power Co. & Subsidiary)

Assets—	1927	1926
Property	$4,209,369	$3,662,055
Securities owned	501	501
Sinking & other funds	111,518	125,512
Cash	83,692	68,871
Notes & accounts receivable	113,116	135,812
Materials and supplies	63,545	63,048
Other assets	3,820	12,800
Unamortized debt dis. & expense	352,349	361,644
Undistributed debit items	2,607	3,646
Total	$4,940,517	$4,433,889

Liabilities—	1927	1926
Preferred stock	$1,077,594	$694,0
Common stock	600,536	600,5
Pfd. stock subscriptions	56,588	9
Funded debt	2,500,500	2,500,5
Accounts payable	139,987	89,5
Consumers' deposits & advances	38,748	45,7
Accrued liabilities	81,096	72,3
Other liabilities	5,942	2,4
Reserves	331,452	320,6
Surplus	108,074	107,1
Total	$4,940,517	$4,433,8

Officers: W. S. Barstow, Pres.; Lucien H. Tyng, V-P.; W. B. Goudey, V-P. & Gen. Mgr.; W. Buchsbaum, V-P.; J. G. Menut, V-P.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; F. J. L. Doyle, Asst. Treas. & Asst. Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: Lucien H. Tyng, W. Buchsbaum, J. Campbell, E. L. West, E. L. Smith.

Main Office, Towanda, Pa. **New York Office,** Pine St.

BROAD RIVER POWER COMPANY

(Controlled by General Gas & Electric Corporation)

History and Properties—Incorporated under the laws of South Carolina in July, 1924, and acquired the entire outstanding Common stock of the Columbia Railway, Gas and Electric Co., which owned or controlled all the Common stock of The Parr Shoals Power Company and Columbia Gas Light Company. Effective July 1, 1925, the Broad River Power Company acquired the properties of these companies except the street railway property and franchises of the Columbia Railway Gas and Electric Company.

During 1927 all the property of Broad River Power Company in North Carolina and that portion of its property in South Carolina, located north and west of Union, S. C., was sold to Duke Power Company. Duke Power Company contracted to purchase a portion of the output of the Parr Shoals steam power station. The properties sold consisted principally of the properties of the Blue Ridge Power System, Enoree Power Company, Manufacturers' Power Company, and the Melrose Power & Manufacturing Company acquired in 1926.

The Company supplies electric light and power service in Columbia, S. C., the capital of South Carolina and an important industrial city and other commun ties in the central section of the state, including E Claire, New Brookland, Cayce, Lexington, Leesvil Batesburg, Elloree, Swansea, St. Matthews, Orang burg and over 29 other towns. It also furnishes t electricity distributed in Winnsboro and Ridgewa S. C.

The communities served have an industrial i portance in cotton and lumber products, which constantly increasing. Besides cotton industri which include spinning, weaving and knitting mil gins, cotton seed oil and fertilizer plants, there a other large power consumers such as granite quarri railroad shops, wood-working factories, foundri machine shops, canneries and brick and tile plants.

The Company also furnishes gas service in the ci and suburbs of Columbia.

There are 5 electric generating stations in the Co pany's system with a total installed capacity of 69,2 k.w., of which 48,000 k.w. is steam and 21,255 k. hydro-electric generation. Generating capacity of t Parr Shoals steam station on the Broad River at Pa S. C. is 42,500 k.w. The station is of modern desi

BOSTON Tel. Hancock 7320
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BROAD RIVER POWER CO.

PYNCHON & CO.

Members of the New York Stock Exchange

111 Broadway, New York Tel. Rector 0970

The Rookery, Chicago Tel. Wabash 7700

MILWAUKEE Tel. Broadway 306
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Private wire connections to all important markets in the United States and Canada

d equipment, using pulverized coal. The Company o has a large hydro-electric station at Parr Shoals, team and a hydro-electric plant at Columbia.

The gas plant in Columbia has a daily capacity 1,500,000 cu. ft. Gas storage capacity of 860,000 . ft. is provided by three holders, and the company s 71 miles of gas mains.

The Company has 356 miles of transmission lines d 360 miles of distribution lines. During 1927 high sion transmission lines were extended south of Co- nbia to St. Matthews, Elloree, Orangeburg, North, ansea and a number of other towns, increasing the ilities for distributing power from the Parr Shoals am station.

The total population of the territory served is esti- ted at 121,000.

Contract—During 1927 Company entered into a long m contract for the purchase of 75,000,000 k.w. an- ally, from the hydro-electric development of Lexing- n Water Power Company, now under construction ar Columbia, S. C., which contract was assigned, ject to recapture provisions, to Southern Power mpany, now Duke Power Company.

Operating Managers—W. S. Barstow & Company, orporated, 50 Pine St., New York, N. Y.

Business—The total customers served Dec. 31 of the t three years, follow:

	1927	1926	1925
ctric customers	12,790	16,571	9,872
customers	4,726	4,287	4,250
otal customers	17,516	20,858	14,122
v.h. sold	147,143,133	158,466,552	81,079,044
ft. gas sold	200,326,600	194,071,200	187,728,100
s coke sold	3,640	4,095	2,855

CAPITAL STOCK

Authorized, $10,000,000 Common and $10,000,000 cumulative Pfd.; outstanding, Dec. 31, 1927, 329,400 Common and $3,809,500 Pfd.; par $100. neral Gas & Electric Corp. owns all the Common.

Preferred Stock Provisions—Preferred has prefer- e as to cumulative dividends at the rate of 7% annum and in liquidation or dissolution receives 0 per share and accrued dividends before any pay- nt to Common. Preferred callable as a whole only option of Company on any dividend date upon 30 s' notice at $110 per share and accrued dividends. event of default of four quarterly dividends Pfd. has ht to elect majority of authorized number of direc- s, such right ceasing upon the correction of such ault. The authorized number of shares of any class y be increased or additional Pfd. stock may be ated only with the consent of two-thirds of out- nding stock of each class (Common and Pfd.)

Transfer Agent—The Seaboard National Bank of City of New York, N. Y.

Registrar—The Chase National Bank of the City of w York, N. Y.

Tax Provisions (Pfd.)—Pennsylvania State Tax, not eeding 40 cents per share, and Massachusetts State ome Tax not exceeding 6% refundable.

Legal Opinion—(Pfd. stock) Pendleton, Anderson, lin & Riggs (for the Company); White & Case, w York (for the Bankers).

Original Offering—First publicly offered ($1,250,- 0 7% Pfd.) in Nov., 1924, at $93.50 and accrued idend to yield 7.48%, by Pynchon & Co., New rk, etc., West & Co., Philadelphia, etc., and Jack- & Curtis, Boston, etc. $1,400,000 additional ered by the same firms in July, 1925, at $95 and rued dividend, to yield 7.37%.

Annual Meeting—Third Wednesday in May.

Dividends—Dividends on Pfd. stock at the rate of per annum have been paid since issuance; pay- nts quarterly, F, M, A & N 1. On Common 4% s paid in 1927.

Price Range—

Preferred—	1927	1926	1925	1924
High	105½	98	97	91
Low	97	93	90	bid

FUNDED DEBT

(1)

$292,700 COLUMBIA GAS LIGHT CO. 10-YEAR 7% SINKING FUND GOLD NOTES; DUE MAY 1, 1930

Dated May 1, 1920.

Interest Payable May and November 1 at Company's office, Columbia, S. C.

Denominations—Coupon, $100, $500 and $1,000.

Trustees—T. J. Robertson, Burnell Sloan, and J. E. Matthews, Columbia, S. C.

Provisions of Issue—Authorized and issued, $400,- 000, of which $292,700 outstanding Dec. 31, 1927, and $107,300 retired and cancelled.

Sinking Fund—On Nov. 1, 1921 and annually there- after 5% of notes outstandnig at time of payment to be used for purchase of notes at not over 105. Notes so purchased are to be cancelled.

(2)

$225,000 COLUMBIA GAS LIGHT CO. 30-YEAR 5% GOLD COUPON BONDS; DUE JULY 1, 1936

Dated July 1, 1906.

Interest Payable Jan. and July 1 at New York Trust Co., New York, Trustee and Registrar. Denomina- tion, $1,000. Authorized, $300,000; issued, $225,000, all of which are owned by Broad River Power Co. and pledged as collateral under Columbia Railway Gas & Electric Co. First Mortgage, dated July 1, 1911. Company pays Normal Federal Income Tax up to 2%.

(3)

$3,000,000 THE PARR SHOALS POWER CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1952

Dated April 1, 1912.

Interest Payable April and October 1, at The Nat- ional Park Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—American Exchange Irv- ing Trust Co., New York.

Provisions of Issue—Authorized and issued, $3,000,- 000, of which $393,000 held alive in sinking fund at Dec. 31, 1927, and $2,607,000 in hands of the pub- lic.

Callability—Subject to call as a whole or in part, upon 60 days' notice on any interest date at 105 and accrued interest.

Sinking Fund—On Jan. 1, and July 1, 1918, and on Jan. 1 and July 1 in each year thereafter to and includ- ing Jan. 1, 1952, ½ of 1% of the amount of bonds is- sued to the time of such payment is to be used for purchase or redemption of bonds at not over 105. Bonds so acquired are to be kept alive and interest added to the fund.

Security—These bonds are a direct obligation of the Broad River Company, and are secured by a First Mortgage on all property formerly owned by The Parr Shoals Power Company.

Guaranty—Guaranteed principal, interest and sink- ing fund, by the Columbia Railway, Gas & Electric Company, by endorsement on each bond and by the assumption of the guaranty of the Columbia Com- pany at the time of the conveyance of its electric and gas properties to Broad River Power Company these bonds are now an obligation of Broad River Power Company.

Tax Provisions—Company pays Normal Federal In- come Tax up to 2%.

Original Offering—First publicly offered in 1914, at 90 and interest by Redmond & Co., and Spencer Trask & Co., New York. A block offered in Oct., 1916, at 87½ and interest, by Redmond & Co.

(4)

$2,002,500 COLUMBIA RAILWAY, GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1936

Dated July 1, 1911.

Interest Payable January and July 1, at The National Park Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized issue, $7,500,000; outstanding Dec. 31, 1927, $2,002,500; retired and cancelled, $418,500; pledged under Broad River Power Co. First and Refunding Mortgage, $1,119,000. Any additional bonds issued must be pledged under Broad River Power Co. First and Refunding Mortgage.

Callability—Subject to call as a whole or in part upon 60 days' notice on any interest date at 105 and interest.

Betterment and Sinking Funds—The mortgage provides for payment to the Trustee on July 1, 1912, and annually thereafter, of an amount equal to surplus net earnings after all expenses and fixed charges up to but not exceeding 1% of the then outstanding bonds, to be expended for betterments, improvements, extensions and additions to the property, against which no bonds may thereafter be issued. Further provision is made for a sinking fund of 1% of the outstanding bonds on Dec. 15, 1915, and annually thereafter, to be devoted to purchase in the open market of bonds of this issue at not exceeding 105 and interest, or to their redemption at 105 and interest.

Security—Secured by a first mortgage covering street railway property of Columbia River Gas & Electric Co., and also the electric and gas properties conveyed to the Broad River Power Company on July 1, 1925. They are also a mortgage lien on the property of The Parr Shoals Power Company conveyed to Broad River Power Co., subject to the First Mortgage of The Parr Shoals Power Company. Additionally secured by pledge of $225,000 5% Gold bonds, due July 1, 1936 of Columbia Gas Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,400,000) in July, 1911, at 94 and interest, by Redmond & Co., New York and E. H. Rollins & Sons, New York, Boston, etc.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99¾	96½	95	93	78	85	73	58
Low	96	92½	92½	bid	bid	bid	bid	bid

(5)

$6,580,000 BROAD RIVER POWER CO. FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE SEPTEMBER 1, 1954

Dated September 1, 1924.

Interest Payable March and September 1, at Guaranty Trust Company of New York, N. Y., or at Continental National Bank & Trust Co., Chicago, Illinois.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable denominations.

Trustee and Registrar—Guaranty Trust Company of New York, N. Y.

Provisions of Issue—Authorized issue, unlimited; outstanding at Dec. 31, 1927, $6,580,000 Series "A" 5s. The mortgage provides that bonds may be issued in series, the respective series having such rates of interest, such maturity dates, such redemption provisions and containing such other rights, limitatio and provisions permitted by the mortgage as t Board of Directors of the Company may determi prior to the issuance thereof.

Additional bonds of Series "A" or other series m be issued thereunder: (a) for refunding an equ principal amount of bonds of any series; (b) agair the deposit of cash; (c) for refunding an equal pri cipal amount of divisional mortgage bonds; (d) f 70%, 75% or 80%, respectively, of the fair value cost, whichever is less, of additions, improvemen extensions, betterments and acquisitions, provid gross income as defined in the mortgage for 12 co secutive calendar months within the 14 calend months immediately preceding the date of applicati for such bonds shall have been at least equal to 1 times, 1¾ times or twice, respectively, annual inter charges on all bonds outstanding under the Mortga including bonds proposed to be issued and on bon prior in lien and outstanding with the public.

Bonds may also be issued (1) for 75% of the cost the Company of stock of a subsidiary company, defined in the Mortgage; (2) for 75% of the cost additions, extensions, improvements or betterme and acquisitions to or upon the property of a subsi ary; (3) in exchange for secured and unsecured debtedness of a subsidiary of an equal princip amount, provided that the total amount of bon issued under the Mortgage in respect to any subsidia together with the principal amount of all mortga indebtedness upon such subsidiary, shall not exce 75% of the value of the permanent property of su subsidiary as provided in the mortgage.

Callability—All or any of Series "A" bonds a redeemable at any time upon 30 days' notice to a including Dec. 31, 1934 at 105 and accrued inter and thereafter at a price decreasing ¼ of 1% each calendar year or part thereof elapsed since D 31, 1934.

Sinking and Improvement Fund—Company cov ants to pay to the Trustee on Sept. 1, 1926, and each Sept. 1 thereafter, so long as any Series " bonds shall be outstanding an amount equivalent 2% of the principal amount of the Series "A" bon outstanding at the time of each such payment, agai which payments the Company is entitled to cert credits as provided in the Mortgage. This fund m be used for additions, extensions, improvements betterements and acquisitions, against which bon have not been issued, or for the purchase or reden tion of Series "A" bonds at not exceeding the th prevailing redemption price. All bonds so purcha or redeemed shall be cancelled.

Maintenance and Depreciation Fund—Compa covenants to pay, among other things, to the Trust on Sept. 1, 1926, and on each Sept. 1 thereafter, a s equivalent to 10½% of gross operating revenue fr its electric operation and 7½% of gross operat revenue from its gas operation during the twelve c endar months ended June 30 of each year, agai which payments the Company is entitled to cert credits as provided in the mortgage. This fund m be used for maintenance, repairs, renewals and repla ments, or for additions, extensions, improvements betterments and acquisitions, against which bon have not been issued or in the purchase or redempt of any bonds issued under the mortgage, or under a mortgage prior in lien thereto.

Security—Secured by a mortgage constituting first lien on the new steam generating station at P

Columbia Ry., Gas & Electric Co. of Columbia, S. C., First Mtge. 5s of 1936

Redmond & Co.

Detailed Information and Quotations Upon Application

New York **Philadelphia** **Albany**

)als, on the 110,000 volt transmission lines extending
n Parr Shoals to Union, S. C., and on other import-
property and on all additions, extensions, plants
systems hereafter acquired not subject to lien at
time of such acquisition. The mortgage is also a di-
lien on all other property of the Company now
ned or hereafter acquired, except certain property
rein excepted, subject to divisional mortgage bonds
outstanding and to prior lien bonds, if any, on
perty hereafter acquired. All divisional mortgage
ds hereafter issued must be pledged under the said
tgage, $1,119,000 Columbia Railway, Gas and Elec-
t Co. First Mortgage bonds being pledged as of
. 31, 1927.

ax Provisions—Company pays Normal Federal
ome Tax up to 2%. Pennsylvania State Tax of 4
ls, Connecticut State Tax of 5 mills, Maryland
te Tax, of 4½ mills, District of Columbia Tax of
ills and Massachusetts State Income Tax not ex-
ding 6%, refundable.

)riginal Offering—First publicly offered ($2,500,-
Series "A" 5s) in February, 1926, at 92 and in-
st, yielding over 5.55%; $1,485,000 additional Series
5s in April, 1926, at the same price; $1,000,000
itional Series "A" 5s in Sept., 1926, at 93½ and in-
st, yielding over 5.45%, and $773,000 in Dec., 1926,
4 and interest, yielding 5.42%; all issues by Halsey,
art & Co., Inc., and Pynchon & Co., New York, etc.

rice Range—

	1927	1926
	99	94
	92½	91

(6)

7,000 BROAD RIVER POWER CO. 10-YEAR SECURED NKING FUND 6½% GOLD BONDS, DUE NOVEMBER 1, 34

)ated November 1, 1924.

nterest Payable May and November 1, at The
se National Bank of the City of New York, N. Y.
Central Trust Company of Illinois, Chicago.

)enominations—Coupon, $100, $500 and $1,000;
ncipal may be registered.

Trustee and Registrar—The Chase National Bank
he City of New York, N. Y.

rovisions of Issue—Authorized, $1,500,000; out-
ding Dec. 31, 1927, $1,397,000; retired and can-
ed, $103,000. Issued against deposit of proceeds,
heir sale, with Trustee, which was paid over by the
stee to the Company, in reimbursement to the
pany to the extent of not exceeding 100% of ex-
ditures made or liabilities incurred subsequent to
1, 1924 on account of: (a) Construction of new
er station on Broad River, South Carolina, or the
smission or distribution system connected there-
; (b) additions, extensions, improvements, and
erments to the property of the Company; (c) ac-
ition of one or more additional plants or systems,
l withdrawals for such latter purpose not to exceed
),000.

allability—Subject to call as a whole or in part
n thirty days' notice at any time up to and includ-
Nov. 1, 1927 at 104%, 1928 at 103½%, 1929 at
%, 1930 at 102½%, 1931 at 102%, 1932, 101½%,
at 101% with accrued interest to date of redemp-
and after Nov. 1, 1933 at 100% and accrued in-
st.

nking Fund—May 1, 1926 and each May 1 and
ember 1 thereafter $30,000 until the principal and
rest of the bonds are paid.

ecurity—A direct obligation of Company, and
red by direct mortgage on all property (except
perty exempted therefrom) now owned or here-
acquired, subject to the lien of the First & Re-
ling Mortgage, dated Sept. 1, 1924 (see above) and
he liens of underlying divisional mortgages, if
on after acquired property.

ax Provisions—Company pays Normal Federal
me Tax up to 2%. Pennsylvania State Tax of 4 mills, Connecticut State Tax of 4 mills, Maryland State Tax of 4½ mills, District of Columbia Tax of 5 mills, and Massachusetts State Income Tax not exceeding 6%, refundable.

Original Offering—First publicly offered ($1,500,-000) in Dec. 1924, at par and interest, by Halsey, Stuart & Co., Inc., and Pynchon & Co., New York.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925
High	103½	102	103
Low	99½	102	100

BOND REDEMPTION

An issue of First and Refunding Mortgage Ten-Year Gold Bonds, Series "B," due July 1, 1937, which was privately placed, was called for redemption on September 14, 1927, at par and interest, at Guaranty Trust Co., New York, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925
Gross revenue	†$2,889,235	†$2,375,056	$1,807,906
Oper. exp., deprec. & taxes	1,402,869	1,170,997	910,403
Total income	$1,486,366	$1,204,059	$897,503
Deductions from income	982,277	690,703	536,799
Net income	$504,089	$513,356	$360,704
Divds. on Pfd. stock	266,338	204,728	159,893
Com. divids.	173,176	150,000	.....
Balance	$64,575	$158,628	$200,811

*Includes earnings of electric and gas properties acquired July 1, 1925, for the entire two years. †Includes other income.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property	$19,477,553	$26,244,753	$14,953,949
Securities owned	27,965	28,205	28,207
Sinking & other funds	1,546,149	441,188	342,742
Cash	300,564	203,297	28,597
Notes & loans receivable	125,800	.....	44,000
Accounts receivable	215,515	416,509	190,562
Materials and supplies	219,873	245,809	107,156
Other assets	40,451	30,827	29,258
Unamortized disc. & exp.	1,411,175	1,471,168	1,079,040
Misc. deferred items	2,283	51,663	41,505
Total	$23,367,328	$29,133,419	$16,845,016
Liabilities—			
Preferred stock	$3,809,500	$3,752,600	$2,652,600
Common stock	4,329,400	4,329,400	2,400,000
Funded debt (sub. cos.)	13,272,200	18,710,300	9,888,600
Notes and accts. payable	166,911	360,679	240,753
Current liabilities	52,864	64,500	63,539
Accrued liabilities	259,106	264,016	135,469
Reserve for contingencies	428,896	707,926	968,980
Reserves for depreciation	347,991	310,432	36,296
Other reserves	65,293	49,944	34,473
Surplus	635,167	583,622	424,306
Total	$23,367,328	$29,133,419	$16,845,016

Officers: W. S. Barstow, Pres.; L. H. Tyng, W. Buchsbaum, R. D. Jennison, John A. Law, V-Ps.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.; J. W. Weisel, Jr., L. F. Pearce, Asst. Treas.'s & Asst. Secs.; Floyd D. Campbell, Gen. Mgr.

Directors: W. S. Barstow, L. H. Tyng, W. Buchsbaum, C. N. Wilson, J. P. Campbell, E. W. Niver, W. F. Ingold.

Main Office, Arcade Bldg., Columbia, S. C. **New York Office,** 50 Pine Street, New York City.

COLUMBIA RAILWAY, GAS AND ELECTRIC COMPANY

(Controlled by Broad River Power Company)

History and Property—Incorporated in Dec., 1891, in South Carolina, as successor to The Columbia Electric Street Railway, Light and Power Company.

The Company was chartered to furnish street railway service in the city and suburbs of Columbia, S. C. There are thirty-one miles of track in the street railway system, and the population of the territory is estimated at 50,000.

As of July 1, 1925, the Company acquired the property of its former subsidiaries, The Columbia Gas Light Co. and The Parr Shoals Power Co. (see 1925 Manual, p. 1704), and simultaneously these new properties were conveyed by the Company together with its own property (see 1925 Manual, p. 1702), exclusive of railway property to Broad River Power Co. subject to the entire bonded indebtedness of the Columbia Railway, Gas & Electric Co., the Columbia Gas Light Co., and The Parr Shoals Power Co.

Operations Suspended—Service was indefinitely suspended March 11, 1927.

Operating Managers—W. S. Barstow & Company, Incorporated, 50 Pine St., New York.

Passengers Carried—The total passengers carried during the years, 1923-1926, follow:

	1926	1925	1924	1923
Passengers*	1,613,891	2,290,734	2,948,928	3,270,321

*Each zone fare counts as one passenger.

CAPITAL STOCK

Authorized, $2,000,000 Common and $1,000,000 6% cumulative non-callable Pfd.; outstanding, $21,700 Common and $43,300 Pfd.; par, $100. $42,200 of the Pfd. and all the Common is owned by Broad River Power Company, and pledged under that company's 10-year Secured Sinking Fund 6½% Gold bonds. Stock transferred and registered at company's office.

Annual Meeting—Second Wednesday in January.

Dividends—Dividends on Pfd. have been regularly paid since Oct. 1, 1911; payments quarterly, J, A, J & O 1. Initial dividend of ¼% paid on Common Oct. 1, 1917; ½% Jan. 10, 1918.

EARNINGS OF RAILWAY DEPARTMENT ONLY, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925
Operating revenues	$100,027	$158,124
Operating exp. and taxes	147,657	245,936
Operating deficit	$47,630	$87,812

Officers: F. D. Campbell, Pres. & Gen. Mgr.; Lucien H. Tyng, W. Buchsbaum, R. D. Jennison, V-P.'s; J. P. Campbell, Treas.; C. N. Wilson, Sec.; J. W. Weisel, Jr., and L. F. Pearce, Asst. Treas'rs & Asst. Secs.; A. A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: F. D. Campbell, Lucien H. Tyng, W. Buchsbaum, J. P. Campbell, C. N. Wilson, E. W. Niver, G. A. Aronson, W. F. Ingold, A. A. Cano.

Main Office, Columbia, S. C. **New York Office,** 50 Pine Street, New York City.

LEXINGTON WATER POWER COMPANY

(Controlled by General Gas & Electric Corporation)

History—Incorporated in July, 1903, under the laws of South Carolina to develop and operate hydro-electric power plants.

The Company started construction in 1927 of a hydro-electric power development on the Saluda River, ten miles west of Columbia, S. C., the capital of the state, which upon completion will be one of the largest in this country. It is expected to be completed about September 1, 1930. This project involves the construction of a dam by the semi-hydraulic fill method impounding the waters of the Saluda River. The dam will have the largest cubical content of any dam in the country and the lake will be the largest created artificially in the United States.

The dam will be about a mile and a half long with a maximum height of 208 feet and a maximum width at the base of approximately a quarter of a mile. It will require 11,000,000 cubic yards of earth fill for construction.

The lake will be 33 miles long and will have a maximum width of 14 miles. The available storage capacity thus created will be sufficient to supply 2 mills with 500 k.w. each operating 24 hours a day, 6 days a week, over a period of six months of complete drought.

Conduits will extend through the base of the dam to a power house which, from the standpoint of average firm kilowatt hour output, will be exceeded by no hydro-electric generating station in America, except that of the Niagara Falls Power Company at Niagara Falls. The original installation will consist of four units of 32,500 k.w. maximum rating each and provision will be made for future installation of units which will bring the ultimate aggregate capacity of the development to 200,000 k.w.

The output of the Company will be distributed principally in South Carolina and North Carolina through the extensive transmission and distribution systems of the companies which have contracted for the purchase of the power. Long term power contracts have been consummated with the Carolina Power & Light Company, Southern Power Company (now Duke Power Company) and Broad River Power Company under which these companies will purchase annually a minimum of 300,000,000 k.w.h. The remaining output, if any, will be taken by Broad River Power Company.

Management—W. S. Barstow & Company, Incorporated, has contracted for the construction and financing and will supervise the operation of this hydro-electric development.

CAPITAL STOCK

Authorized, 250,000 shares Common and 100,000 shares $6 cumulative Preferred, both of no par value; outstanding March 31, 1928, 36,000 shares Common of which 25,200 shares are owned by General Gas & Electric Corporation. 50,000 shares of the $6 cumulative Preferred stock have been reserved for conversion of 5½% Convertible Sinking Fund Gold Debentures of the Company.

Preferred Stock Provisions—Has preference as to cumulative dividends over the Common stock to the extent of $6 per share per annum and in liquidation or dissolution receives $100 per share and the amount of all accumulated and accrued and unpaid dividends thereon before any payment to holders of Common stock. It is subject to redemption as a whole or in part on any dividend date on 30 days' notice at $110 per share and accrued dividends. Holders of Preferred stock shall have the right to vote only if and whenever 4 quarterly dividends payable on the Preferred stock shall be in default in which event the Preferred stock shall have the exclusive right to vote for such a number of directors of the Company as shall constitute a majority of the authorized number of directors until such default shall be corrected.

Transfer Agent (Pfd. and Common)—Guaranty Trust Co. of New York.

LEXINGTON WATER POWER CO.

PYNCHON & CO.

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Registrar (Pfd. and Common)—Chase National ank, New York.

Annual Meeting—Third Wednesday in May.

FUNDED DEBT

(1)

,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES DUE .968; DUE JANUARY 1, 1968

Dated January 1, 1928.

Interest Payable January and July 1, at The Chase ational Bank of the City of New York or at Illinois erchants Trust Co., Chicago.

Denominations—Coupon bonds in interchangeable nominations of $100, $500 and $1,000, registerable as principal only; fully registered bonds in denomina- ns of $1,000 and multiples thereof. Coupon and lly registered bonds interchangeable.

Trustee and Registrar—The Chase National Bank the City of New York.

Provisions of Issue—Authorized amount unlimited; ued $12,000,000 5s, Series due 1968. Bonds may be ued in series, the several series having respectively ch rates of interest, maturity dates, redemption pro- ions and such other rights, limitations and pro- ions permitted by the Mortgage as the Board of rectors of the Company may prescribe. Additional nds may be issued within two years after the com- tion of the original installation without earnings re- iction in connection with the cost of the installation the remaining capacity of the development for not ceeding 60% of the cost of the additional capacity. nds of any series may be issued; (a) for refunding equal principal amount of bonds of any other series;) against the deposit of cash; (c) against the dge of an equal principal amount of bonds, secured mortgage existing at the time of acquisition, on perty hereafter acquired; (d) for 75% of the fair lue or cost, whichever is less, of additions, exten- ns, improvements, betterments, or of a plant or stem acquired, provided total income, as defined in e Mortgage, for 12 consecutive months within the months immediately preceding the date of the ap- cation for such bonds shall have been at least twice e annual interest charges on all bonds outstanding d proposed to be issued under the Mortgage and on indebtedness secured by mortgage prior in lien and tstanding with the public.

Purpose of Issue—Proceeds from sale of these $12,- 0,000 bonds, Series due 1968, were to be deposited der an agreement providing for the investment and ease thereof under the terms and conditions of the reement. Moneys provided by the sale of First rtgage bonds and Debentures shall not be released an amount exceeding 75% of the cost of the de- opment as defined in the agreements. Under the ms of the Mortgage not more than $12,000,000 prin- al amount of First Mortgage bonds may be issued connection with the construction of the original 0,000 k.w. capacity of the development. In the event t the entire proceeds of First Mortgage bonds and bentures shall not be required on the above basis in nection with the construction of the original 0,000 k.w. capacity, any amount remaining may be plied on the same basis for a period of two years er the completion of such construction to the in- llation of additional capacity, but if not so applied such period shall then be used for the retirement of e First Mortgage bonds and debentures.

Callability—Subject to call as a whole or in part any time on 45 days' notice at the following prices d interest: To and including Jan. 1, 1938 at 107½; reafter to and including Jan. 1, 1948 at 105; there- er to and including Jan. 1, 1958 at 102½; there- er to and including Jan. 1, 1963 at 101; and there- er to maturity at 100.

Sinking and Improvement Fund—Company cove- nts to pay to the Trustee, so long as any bonds of ries due 1968 are outstanding, on Jan. 1, 1933, and on each Jan. 1, thereafter to and including Jan. 1, 1943, 1%; thereafter to and including Jan. 1, 1953, 1½%; and thereafter to and including Jan. 1, 1967, 2% of the principal amount of said bonds outstanding at the time of such payments against which payments Company is entitled to certain credits as provided in the Mortgage.

Security—The $12,000,000 bonds, Series due 1968, will be secured by a first mortgage on all real property of Company now owned or hereafter acquired not subject to liens and by a direct mortgage on real property now owned or hereafter acquired subject to liens, if any, existing at the time of acquisition. At the time of completion of the development, the Mortgage securing these bonds will be an absolute first mortgage on the power house and dam and on substantially all the other property of the Company. In addition, power contracts extending until 1980 between the Company and Carolina Power & Light Co. and Southern Power Co. and Broad River Power Co. will be pledged with the Trustee under the Mortgage for the further security of the bonds. Duke Power Co. has assumed the obligations of Southern Power Co. under the above contract.

Guarantee—General Gas & Electric Corporation has guaranteed the completion of the original 30,000 k.w. capacity of the development and will receive notes of the Company payable April 1, 1932, in Common stock at $31 per share and convertible prior thereto at the option of the holder on the same basis, for all money furnished by it in excess of the proceeds of the First Mortgage bonds and debentures.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse holders of these bonds if requested within 60 days after payment for the following legally assessed personal property taxes: by Pennsylvania, not exceeding 4 mills; by Connecticut, not exceeding 4 mills; by District of Columbia, not exceeding 5 mills; by Michigan, not exceeding 5 mills; by California, not exceeding 5 mills, or by Maryland, not exceeding 4½ mills, per dollar per annum of the principal amount of bonds held; or for the Massachusetts income tax not exceeding 6% per annum of interest received on such bonds.

Original Offering—First publicly offered ($12,000,- 000) in January, 1928, at 98 and interest, to yield over 5.10%, by Halsey, Stuart & Co., Inc., Pynchon & Co., Bonbright & Co., Inc., and Spencer Trask & Co., New York, etc.

Listed—Boston Stock Exchange.

(2)

$5,000,000 5½% CONVERTIBLE SINKING FUND GOLD DEBENTURES; DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1 at Guaranty Trust Co. of New York, N. Y., or Central Trust Co. of Illinois, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee and Registrar—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $5,000,- 000.

Purpose of Issue—Proceeds from the sale of these $5,000,000 5½% Debentures were to be deposited under an Agreement providing for the investment and release thereof under the terms and conditions of the Agreement. Moneys provided by the sale of First Mortgage Bonds and Debentures shall not be released in an amount exceeding 75% of the cost of the development as defined in the Agreements. In the event that the entire proceeds of First Mortgage Bonds and Debentures shall not be required on the above basis in connection with the construction of the original 130,000 kw. capacity, any amount remaining may be applied on the same basis for a period of two years after the completion of such construction to the in-

stallation of additional capacity, but if not so applied in such period shall then be used for the retirement of the First Mortgage Bonds and Debentures.

Callability—Subject to call as a whole or in part at any time on 45 days' notice at the following prices and accrued interest; to and including Jan. 1, 1933 at 110; thereafter to and including Jan. 1, 1938 at 107½; thereafter to and including Jan. 1, 1943 at 105; thereafter to and including Jan. 1, 1948 at 102½; thereafter to and including Jan. 1, 1951 at 101, and thereafter to maturity at 100. For terms of redemption for sinking fund see following paragraph.

Sinking Fund—The Debenture Agreement provides for a semi-annual sinking fund, to operate through Halsey, Stuart & Co., Inc., Sinking Fund Agents, calculated to retire the entire amount of this issue of Debentures by maturity. The sinking fund which will operate Jan. and July 1, beginning Jan. 1, 1933, for the semi-annual retirement of $125,000 of these Debentures, may be satisfied; (a) by the deposit of cash with the Trustee sufficient to purchase Debentures at up to and including prevailing sinking fund call price or by redemption at such price; (b) by surrender of Debentures for cancellation, in which event Debentures will be accepted at their principal amount; or (c) by the prior conversion of Debentures into $6 cumulative Preferred stock, as above provided. For the purposes of the sinking fund, Debentures may be redeemed at the following prices and accrued interest: beginning Jan. 1, 1933, to and including Jan. 1, 1937, at 105; thereafter to and including Jan. 1, 1941, at 104; thereafter to and including Jan. 1, 1945, at 103; thereafter to and including Jan. 1, 1949, at 102; thereafter to and including Jan. 1, 1952 at 101; and thereafter to maturity at 100.

Guarantee—General Gas & Electric Corporation has guaranteed the completion of the original 130,000 k.w. capacity of the development and will receive notes of the Company payable April 1, 1932, in Common stock at $31 per share and convertible prior thereto at the option of the holder, on the same basis, for all money furnished by it in excess of the proceeds of the First Mortgage bonds and Debentures.

Conversion Privilege—The Debenture Agreement provides for the conversion of these 5½% Debentures into $6 cumulative Pfd. stock (no par value) of the Company at any time after Jan. 1, 1931, at the option of the holder on the basis of 10 shares of such Pfd. stock for each $1,000 principal amount of Debentures, adjustment to be made in cash for the difference between the accrued dividends on the stock and the accrued interest on the Debentures. In event of redemption of the Debentures in whole or in part, such conversion privilege, as to the Debentures called for redemption, shall cease 15 days prior to redemption date.

Security—These Debentures are a direct obligation of the Company, but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and agrees to reimburse holders of these Debentures if requested within 60 days after payment for the following legally assessed personal property taxes: by Pennsylvania, not exceeding 4 mills; by Connecticut, not exceeding four mills; by District of Columbia, not exceeding 5 mills; by Michigan, not exceeding 5 mills; by California, not exceeding 5 mills, or by Maryland, not exceeding 4½ mills, per dollar per annum of the principal amount of Debentures held; or for the Massachusetts income tax not exceeding 6% per annum of interest received on such Debentures.

Original Offering—First publicly offered ($5,000,000) in January, 1928, at 98½ and interest, to yield over 5.60%, by Halsey, Stuart & Co., Inc., Pynchon & Co., Bonbright & Co., Inc. and Spencer Trask & Co., New York, etc.

Listed—Boston Stock Exchange.

OFFICERS AND DIRECTORS

Officers: W. S. Barstow, Pres.; L. H. Tyng, V-P. T. C. Williams, V-P.; J. E. Fredericks, V-P.; W. Buchsbaum, V-P.; W. S. Murray, V-P. & Chief Engineer; J. P. Campbell, Treas.; C. N. Wilson, Sec. L. F. Pearce, Asst. Treas. & Asst. Sec.; J. W. Weise, Jr., Asst. Treas. & Asst. Sec.; A. A. Cano, Asst. Treas. G. S. Horsford, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: W. S. Barstow, T. C. Williams, L. H. Tyng, W. Buchsbaum, W. S. Murray, Henry Flood, Jr., E. M. Gilbert, J. P. Campbell, E. W. Niver.

General Office, Columbia, S. C. **New York Office** 50 Pine Street.

FLORIDA PUBLIC SERVICE COMPANY

(Controlled by General Gas & Electric Corp.)

History—Incorporated May 20, 1908, in Florida, as the De Land Electric, Power & Ice Co., and in Feb. 1924, acquired the properties of The Eustis Light & Water Co. (see 1923 Public Utility Manual, page 2682), The Orlando Public Service Co., Orlando Gas Co. (see 1923 Public Utility Manual, page 141), and The Florida Ice & Power Co. In 1927 the municipal electric distribution and water works system of Winter Park and an ice manufacturing plant at Winter Garden were acquired.

The Florida Public Service Company supplies electric light and power service to a section of Florida extending 180 miles from Seville on the north to Lake Placid on the south, and including DeLand, Eustis, Lake Wales, Avon Park and their suburbs. It serves also at Winter Park, Haines City, Tavares, Orange City, Babson Park, Davenport, Frostproof, Tangerine, Ocoee, Oakland, Clermont, Groveland, Umatilla, Bowling Green, Mount Dora, and many other important towns.

The company supplies gas service in Orlando and Winter Park, and furnishes water service at Avon Park, Lake Wales, Eustis, Tavares, Winter Park, Zolfo Springs and Apopka, and ice service is supplied in Orlando, DeLand, Haines City, Lake Wales, Avon Park, Winter Garden, Winter Park, and surrounding towns.

The total population of the territory supplied with electric service is estimated at 88,700, with gas service at 30,000, with water service at 15,000 and with ice service at 50,000.

The entire territory is in the most important fruit and truck growing and industrial section of Florida. Its packing houses, phosphate mines, saw mills, fertilizer plants, railroad repair shops, woodworking plants, foundries and canning factories are large power consumers. The demand for lighting service is greatly increased during the tourist season.

Plants—Electric power is generated by steam plants. Ice plants and pumps for water service are electrically operated in connection with the power stations.

To provide additional power required by development of the territory served, the Company completed early in 1928 a new 15,000 k.w. steam power station in the southern part of the territory, near Avon Park. The St. Johns River station on Lake Monroe, opposite Sanford, with 12,500 k.w. capacity, was built the previous year. These stations are advantageously located with respect to fuel and water supply and are each designed for an ultimate capacity of 100,000 k.w.

In addition to these modern power stations the Company has several smaller generating plants. It has high tension transmission line interconnection with the Tampa Electric Company and the Florida Power Corp.

The gas plant at Orlando has a daily generating capacity of 3,800,000 cu. ft., having been more than doubled in 1926. Four gas holders give the company 400,000 cu. ft. low pressure and 100,000 cu. ft. high

essure storage capacity and it has 89 miles of gas ins.

The water tower at Lake Wales has a capacity of ,000 gallons; Avon Park, 50,000 gallons; Eustis, 50,- gallons. Apopka, 67,000 gallons; Winter Park, 0,000 gallons; Zolfo Springs, 5,000 gallons, and Ta- res, 50,000 gallons.

The ice plants, located at Orlando, Haines City, inter Garden Winter Park, Lake Wales, Avon Park d DeLand, have a total daily capacity of 365 tons.

Lines—The company has 374 miles of high tension nsmission lines and 706 miles of distribution lines. igh tension lines connect the entire system with the John's River power station and the Avon Park ation.

Operating Managers—W. S. Barstow & Company; corporated, 50 Pine St., New York City.

Business—Total customers served Dec. 31 of the st three years, follow:

Customers—	1927	1926	1925
ectric	14,388	12,559	8,966
s	5,751	5,144	4,113
ater	3,956	2,850	2,274
Total	24,095	20,553	15,353
W. H. sold	16,420,471	16,553,030	7,378,981
t. ft. gas sold	152,426,600	144,135,000	86,896,600
ns ice sold	47,783	40,300	42,873

CAPITAL STOCK

Authorized, 100,000 (increased from 20,000 in 1926) ares no par Common, and $5,000,000 7% cumulative fd., par, $100; outstanding, Dec. 31, 1927, 60,000 ares of Common and $2,067,700 Pfd. General Gas Electric Corp. owns 36,976 shares of the Common.

Preferred Stock Provisions—Pfd. stock has prefer- ce as to dividends at the rate of 7% per annum over e Common stock, and in case of liquidation or disso- tion is entitled to $100 per share and all unpaid ac- mulated and accrued dividends before any distri- ution of assets is made to the Common stock. It is deemable on any dividend date at the option of the oard of Directors at $110 per share plus accrued divi- nds, on thirty days' notice. The authorized amount Pfd. stock shall not be increased, nor shall any her issue of Pfd. stock be created which has priority er or is on a parity with this issue, without the as- nt of holders of a majority in amount of both the fd. and Common stock then outstanding. Pfd. stock not entitled to vote for election of directors unless ur quarterly dividends are in default.

Transfer Agents—Guaranty Trust Co. of New York, Y. and Old Colony Trust Co., Boston.

Registrars—The Equitable Trust Co. of New York nd The First National Bank of Boston.

Legal Opinion (Pfd.)—White & Case, New York, r the Bankers, and Pendleton, Anderson, Iselin & iggs, New York, for the Company.

Public Offering—$1,300,000 7% Pfd. stock was pub- cly offered in April, 1927, at par and accrued dividend y A. C. Allyn & Co., Inc., New York, etc.

Annual Meeting—Third Tuesday in May, in New ork.

Listed (Pfd. stock)—Boston Stock Exchange.

Price Range—

Preferred—	1927	1926
High	99½	88
Low	85	75

Dividends—Dividends on Pfd. at the rate of 7% er annum regularly paid quarterly, J, A, J & O 1. On Common, 70 cents per share was paid in 1926; $1.50 per share in 1927.

FUNDED DEBT

(1)

$15,000 PLYMOUTH FRUIT AND ELECTRIC COMPANY FIRST MORTGAGE BONDS; DUE $5,000 EACH, JULY 1, 1929, JULY 1, 1931 AND JULY 1, 1933; RETIRED APRIL 1, 1928

(2)

$1,550,000 FLORIDA PUBLIC SERVICE CO. FIRST MORTGAGE 6½% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1949

Dated February 1, 1924.

Interest Payable February and August 1 at The Florida National Bank of Jacksonville, Fla.; Illinois Merchants Trust Co., Chicago and The National City Bank of New York, N. Y.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Florida National Bank of Jacksonville, Fla.

Provisions of Issue—Authorized amount of mortgage, unlimited. Outstanding Dec. 31, 1927, $9,122,000 ($1,550,000 Series "A" and $7,572,000 Series "B"). Additional bonds of Series "A" or of other series may be issued from time to time for the acquisition or construction of additions to the property of the Company, or for the acquisition of any additional plant or system useful or necessary to the business of the Company, in a principal amount not exceeding 70% of the actual value or cost (whichever is less) of such additions or plant or systems, provided earnings of Co. for twelve consecutive months within the fourteen months immediately preceding date of the application for the issuance of such bonds shall be at least equal to 1½ times the annual interest charges of the Company as defined in the mortgage; in a principal amount not exceeding 75% of such actual value or cost (whichever is less), provided such earnings shall be at least equal to 1¾ times such interest charges, and in a principal amount not exceeding 80% of such actual value or cost (whichever is less) if such earnings shall be at least equal to twice such interest charges.

Callability—Subject to call as a whole or in part on any interest date, on thirty days' notice, to and including Feb. 1, 1925, at 107%; thereafter to and including Feb. 1, 1931, at 105½%; thereafter to and including Feb. 1, 1937, at 104%; thereafter to and including Feb. 1, 1943, at 102½%, thereafter to and including Aug. 1, 1948, at 101% with accrued interest to date of redemption.

Sinking and Improvement Fund—Company covenants to pay to the Trustee, on Feb. 1, 1930, and on Feb. 1 in each year thereafter, to and including Feb. 1, 1948, an amount equivalent to 2% of the principal amount of the Series "A" bonds outstanding at the time of each payment. The monies so paid may be repaid to the Company for expenditures made for any purpose for which bonds could be issued under the mortgage, or such monies may be used, at the option of the Company, for the purchase or redemption of the Series "A" bonds, and the Company has the right, in lieu of paying cash to this fund, to deliver Series "A" bonds at par, and is also entitled to a credit on account of payments due to such fund equal to the amount expended for any purpose for which bonds could have been but have not been issued under the mortgage.

Security—Secured by a direct first mortgage on all the property of the Company, subject only to $46,700 of Real Estate Mortgages.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund Pennsylvania State Tax of 4 mills, Connecticut State Tax of 4 mills, Maryland State Tax of 4½ mills, and Massachusetts State Income Tax not exceeding 6%.

Original Offering—First publicly offered ($1,350,000) in March, 1924, at 97½ and accrued interest to yield about 6.70%.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	104	103	103	100
Low	100	99	99	97½

(3)

$7,572,000 FLORIDA PUBLIC SERVICE CO. FIRST MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE APRIL 1, 1955

Dated April 1, 1925.

Interest Payable April and October 1, at The Florida National Bank, Jacksonville, Fla., Illinois Merchants Trust Co., Chicago, and The National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Interchangeable as to denomination.

Trustee and Registrar—The Florida National Bank of Jacksonville, Fla.

Provisions of Issue—See under description of Series "A" bonds.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice, to and including April 1, 1931, at 105 and interest; thereafter to and including April 1, 1937, at 104 and interest; thereafter to and including April 1, 1943, at 103 and interest; thereafter to and including April 1, 1949, at 102 and interest; thereafter to and including April 1, 1954, at 101 and interest, and on Oct. 1, 1954 at 100 and interest.

Sinking and Improvement Fund—For the purpose of establishing a Sinking and Improvement Fund for the benefit of the Series "B" bonds, the Company covenants in its supplemental mortgage dated April 1, 1925, to pay to the Trustee on April 1, 1931, and on April 1 in each year thereafter to and including April 1, 1954, an amount equivalent to 2% of the principal amount of the Series "B" bonds outstanding at the time of each such payment.

The mortgage provides that the moneys so paid may be repaid to the Company for expenditures made for any purpose for which bonds could be issued under the mortgage, or that such moneys may be used, at the option of the Company for the purchase or redemption of the Series "B" bonds and the Company has the right, in lieu of paying cash to this fund, to deliver Series "B" bonds and to receive credit equal to the principal amount of such bonds so delivered and surrendered and the Company is also entitled to a credit on account of payments due to such fund equal to the amount expended for any purpose for which bonds could have been but have not been issued under the mortgage.

Security—See under description of Series "A" bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, Connecticut 4 mills tax, Maryland 4½ mills tax, and Massachusetts 6% Income Tax refundable.

Original Offering—First publicly offered ($406,000) in May, 1925, by A. C. Allyn & Co., Inc., New York. $1,766,000 offered by same firm in April, 1926, at 98 and interest, to yield 6.15%; $969,000 in August, 1926 at par and interest and $1,684,000 in Jan., 1927, at par and interest and $1,814,000 in November, 1927 at 101 and interest, to yield over 5.90% by the same firm.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925
High	101	100	100
Low	98	98	97

(4)

$550,000 FLORIDA PUBLIC SERVICE CO. TEN-YEAR 7% SECURED GOLD BONDS, DUE FEBRUARY 1, 1934

Dated February 1, 1924.

Interest Payable February and August 1, at The Atlantic National Bank of Jacksonville, Fla., The First National Bank, Chicago, or The National Bank of Commerce in New York, N. Y.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Atlantic National Bank of Jacksonville, Fla.

Provisions of Issue—Authorized and outstanding, Dec. 31. 1927. $550,000.

Callability—Subject to call as a whole or in pa upon thirty days' published notice on any interest da to and including Feb. 1, 1925, at 105% and on ea succeeding Feb. 1, at a premium decreasing ½ of 1 for each twelve month period to Feb. 1, 1933, wh price will be 101% and thereafter at 100% with a crued interest to date of redemption.

Sinking Fund—None provided.

Security—Secured by a closed mortgage on all pr erty of Company, subject to the lien of the Fi Mortgage bonds and $46,700 of real estate mortga underlying that issue.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%. Pennsylvania State Tax of 4 mil Connecticut State Tax of 4 mills, Maryland State T of 4½ mills and Massachusetts State Income Tax n exceeding 6% refundable.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Operating revenue	$1,863,207	$1,673,249	$1,059,
Operating expenses & taxes	1,018,219	1,036,052	778,
Operating income	$844,988	$637,197	$281,
Other income	94,809	176,082	43,
Total income	$939,797	$813,279	$324,
Interest on funded debt	500,878	298,298	170,
Other int. & amortization	146,482	159,448	73,
Net income	$292,437	$355,533	$80,
Preferred dividends	144,131	93,578	47,
Common dividends	90,000	42,000	
Balance	$58,306	$219,955	$33,

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	192
Property account	$15,789,618	$11,473,592	$6,175,
Securities owned	1	1	
Cash	323,035	474,230	90,
Notes & accts. receivable	217,233	226,008	141,
Materials and supplies	185,627	246,386	191,
Unamort. disc. & expense	691,270	650,409	310,
Other assets	40,781	36,085	26,
Undistributed debit items	58,629	21,333	6,
Total	$17,306,194	$13,128,044	$6,942,
Liabilities—			
Preferred stock	$2,067,700	$2,050,900	$1,033,
Common stock	*2,026,129	*2,026,129	826,
Pfd. stock subscriptions	110	200	1,
Funded debt	9,733,700	7,867,550	3,061,
Notes & accts. payable	†2,270,742	271,946	1,624,
Consumers' deposits	433,824	263,630	138,
Accrued liabilities	283,272	226,839	144,
Other liabilities	843	824	
Depreciation reserve	115,933	91,163	36,
Other reserves	19,988	9,206	11,
Surplus	353,953	319,657	65,
Total	$17,306,194	$13,128,044	$6,942,

*Represented by 60,000 shares of no par value. †Of amount $1,513,000 of notes are due General Gas & Elec Corp.

Officers: W. S. Barstow, Pres.; Lucien H. Ty V-P.; W. Buchsbaum, V-P.; R. A. Jones, V-P.; J. Campbell, Treas.; N. H. Coit, Gen. Mgr.; C. N. W son, Sec.; N. B. Cortright, Asst. Treas. & Asst. Se J. W. Weisel, Jr., Asst. Treas. & Asst. Sec.; A. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; G. Aronson, Asst. Sec.

Directors: W. S. Barstow, Lucien H. Tyng, Buchsbaum, J. P. Campbell, Theodore Luce.

Main Office, Orlando, Fla. **New York Office**, Pine St.

THE GENERAL FINANCE CORPORATION

(Controlled by General Gas & Electric Corporation)

History—Inc. Dec. 2, 1916, in Del., as a holding co pany. All of its stock is owned by General & Electric Corporation and it acts as a clearing agent for the latter Corporation in connection wh the acquisition, consolidation, etc., of other compa ies.

CAPITAL STOCK

Authorized, $500,000; outstanding, $100,000; par, 100. All owned by General Gas & Electric Corporation. Stock transferred and registered at Company's office. Annual meeting, first Wednesday in Feb., at Wilmington, Del.

FUNDED DEBT

None.

Officers: Wm. Buchsbaum, Pres.; W. S. Barstow, V-P.; J. P. Campbell, Treas.; C. N. Wilson, Sec.; A. J. Cano, Asst. Treas.; G. S. Horsford, Asst. Treas.; H. A. Aronson, Asst. Sec.

Directors: Wm. Buchsbaum, W. S. Barstow, J. P. Campbell.

Offices, 50 Pine St., New York City, and Wilmington, Del.

NORTHWESTERN LIGHT & POWER COMPANY

History and Properties—Inc. March. 14, 1924, in Delaware. Owns and operates public utility properties serving an agricultural territory in northwestern Iowa. During the year 1925 the Company acquired the properties of Western Iowa Power Company (for last published statement see 1925 Public Utility Manual, page 41, or apply to our Information Department), the gas plants in Storm Lake and Cherokee, and properties in Correctionville, Battle Creek, Danbury and other towns. A total of 41 cities and towns are served either directly or through other companies to whom electric current is sold at wholesale. These communities are located in Dickinson, Osceola, Lyon, Sioux, O'Brien, Clay, Monona, Ida, Woodbury, Cherokee and Buena Vista counties. Current is supplied largely from the company's own plants located as follows: steam generating plants at Peterson and Battle Creek; hydro-electric plants at Peterson and Linn Grove; Diesel plants at Peterson, Moville, Sibley and Correctionville. Combined capacity of plants, over 3,500 k.w. and current is distributed over 300 miles of transmission lines. Gas plants are located at Cherokee and Storm Lake. Company has approximately 7,000 electric and gas meters installed.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value, 1,250,000 Class "A" Common, par, $100, and $2,500,000 7% cumulative Pfd., par, $100; outstanding, 1,000 shares Common, and $11,500 Pfd. Capital stock was changed from 5,000 shares Common and $500,000 7% Pfd. to above amounts in Dec., 1926.

FUNDED DEBT

(1)

$150,000 WESTERN IOWA POWER CO. FIRST 6½s; DUE DECEMBER 1, 1937

Dated December 1, 1922.

Interest Payable June and December 1, at American Trust Co., Davenport, Iowa.

Trustee—American Trust Co., Davenport, Iowa.

Provisions of Issue—Authorized, $1,000,000; mortage closed at $150,000 outstanding.

Callability—Subject to call at 105, on any interest ate upon 30 days' notice, to Dec. 1, 1927, less ½ of % for each year subsequent to that date and prior o such redemption.

Special Trust Fund—On March 1, 1924, and each ear as long as any bonds are outstanding the company will deposit with the Trustee an amount equivlent to 12½% of the aggregate gross receipts of the Company through the operation of its plants and properties, less the expenditures for maintenance, repairs, replacements and renewals, provided such replacements and renewals do not exceed the original ost, or 2% of the aggregate principal amount of bonds outstanding, whichever shall be the larger.

Security—A first lien on entire property formerly owned by Western Iowa Power Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

(2)

$566,500 NORTHWESTERN LIGHT & POWER COMPANY FIRST & REFUNDING MORTGAGE GOLD 6s, SERIES "B"; DUE AUGUST 1, 1950

Dated August 1, 1925.

Interest Payable February and August 1, at Central Trust Co. of Illinois, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustees—Central Trust Co. of Illinois, Chicago, and Aksel K. Bodholdt.

Provisions of Issue—Certified, $699,000 "B" Series; outstanding, Dec. 31, 1927, $566,500, proceeds from which were used to retire existing indebtedness, to pay in part for properties recently acquired and for other corporate purposes. Additional bonds may be issued under this mortgage with the following restrictions: (a) For the purpose of refunding any bonds of this issue or underlying bonds, which includes bonds on properties that may be purchased; (b) for 80% of the cash cost of extensions and additions, but then only provided net earnings for the previous 12 months, as defined in the Trust Indenture, are at least 1¾ times interest charges on all outstanding bonds including those to be issued. These bonds may be issued in series, each series bearing such interest rates, dates and maturity as the Board of Directors may determine.

Callability—Subject to call as a whole or in part on 45 days' notice on any interest date on or before August 1, 1930, at 105; thereafter on or before August 1, 1935, at 104; thereafter on or before August 1, 1940, at 103; thereafter on or before August 1, 1945, at 102, and thereafter on or before August 1, 1949, at 101. Redeemable February 1, 1950, without premium.

Maintenance and Improvement Fund—Company agrees to appropriate each year a sum equivalent to 12½% of annual gross earnings. Any part not expended for maintenance is to be deposited with the Trustee for the benefit of the bondholders and may be used in acquiring new property, for extensions and additions, or for retiring outstanding bonds. The above percentage is subject to periodical redetermination.

Security—Secured by a first lien on all plants, real estate, transmission lines, distribution systems and all other fixed property of Company, subject to underlying mortgage of Western Iowa Power Co. securing $150,000 First Mortgage bonds, and to minor municipal bonds assumed in connection with the acquisition of certain municipal properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion — Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($500,000 Series "B") in September, 1925, at 98½ and interest, to yield over 6.10%, by The Minnesota Loan & Trust Co., Minneapolis and St. Paul, Minn.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenues	$374,506	$323,545	$264,729
Operating expenses	231,373	234,845	167,892
Taxes	11,510	9,784	5,600
Net earnings available for interest, etc.	$131,623	$78,916	$91,237

Officers: Isaac B. Smith, Pres.; John A. Reed, V-P.; Sutherland C. Dows, V-P. & Gen. Mgr.; C. S. Woodward, Sec. & Treas.; Carl B. Myers, Gen. Aud.

Directors: Isaac B. Smith, John A. Reed, Sutherland C. Dows, C. S. Woodward.

Office, Cedar Rapids, Iowa.

THE MONTGOMERY ELECTRIC LIGHT & POWER CO.

History—Incorporated Feb. 28, 1899, in N. Y.; successor to Canajoharie Electric Light & Power Co. Furnishes electricity to Palatine Bridge, Canajoharie, Sharon Springs, Ames and Cherry Valley, N. Y. Franchises perpetual. Population served, 10,000. No. of consumers, 1,667. Annual output, 2,530,000 k.w.h. Prices, 12½ cts. to 2 cts. Power purchased.

CAPITAL STOCK

Authorized, $250,000; outstanding, $150,000; par, $100. Annual meeting, first Tuesday after March 10.

Dividends—1906 to 1919, 6% each; 1920 and 1921, 8% each; 1922, 10%; 1923, 10% and a special cash dividend from surplus of 50% paid Dec. 31, 1923; 1924 and 1925, 8% each; 1926, 8% and a special cash dividend of 20% paid out of surplus; 1927, 8%. In addition a stock dividend of 20% was paid Dec. 28, 1922. Payments M, J, S & D 31.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$114,146	$103,268	$97,359
Oper. exp. and taxes	81,165	80,645	74,753
Net earnings	$32,981	$22,623	$22,606
Other income	2,811	2,442	2,096
Net income	$35,792	$25,065	$24,702
Dividends paid	12,000	‡12,000	12,000
Surplus for year	$23,792	$13,065	$12,702

‡In addition cash dividends of $30,000 were paid out of accumulated surplus of $35,167 during 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$173,647	$156,008	$150,653
Bonds owned	18,384	39,472	41,972
Other investments	6,656	11,606	6,656
Materials and supplies	4,747	3,564	4,082
Cash	55,629	13,663	3,715
Notes receivable	150	.....	.....
Accounts receivable	9,510	9,796	8,616
Interest & dividends receiv.	148	.....	.....
Other current assets	.....	312	309
Subscriptions to stock	.....	.....	30,000
Prepayments	1,651	.....	.....
Deferred debit items	2,531	1,468	1,448
Total	$273,053	$235,889	$247,451
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Accounts payable	4,208	3,593	3,153
Other current liabilities	.....	11,845	11,585
Reserve for taxes	1,512	1,314	1,250
Reserve for depreciation	66,495	63,866	56,702
Other reserves	15,733	192	2,660
Consumers' deposits	170	.....	.....
Profit and loss surplus	34,935	5,079	22,101
Total	$273,053	$235,889	$247,451

Officers: Bartlett Arkell, Pres., New York; Frank E. Barbour, V-P.; Wm. C. Arkell, Sec,; Wm. J. Roser, Treas., Gen. Mgr., & Pur. Agt.; Alfred B. Carius, Supt., Canajoharie, N. Y.

Directors: Wm. J. Roser, F. E. Barbour, J. S. Ellithorp, B. F. Spraker, W. C. Arkell, Parkin T. Sowden, Canajoharie, N. Y.; Bartlett Arkell, New York.

General Office, Canajoharie, N. Y.

MOOSE JAW ELECTRIC RAILWAY COMPANY, LIMITED

History—Incorporated March 14, 1911, in Provinc of Saskatchewan, to acquire the properties of th Moose Jaw Electric Ry. Co., Ltd., which had under cor struction 7.5 miles of electric railway in Moose Jaw Sask. Total track, 13.50 miles. First 5 miles of lin put in operation Sept. 1, 1911. Motor cars, 22. Powe station, 1; engines to generate power, 3.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $760,372.49 par, $100. Stock transferred at Ottawa office. Annua meeting, (in 1927) Nov. 30, at Moose Jaw, Sask Can. Quarterly dividends of 1½% each paid to Jul 1, 1914; none since.

FUNDED DEBT

$35,000 First Gold 5s; dated April 1, 1915; due Apr 1, 1930; int. April and Oct., at Canadian Bank of Com merce, Ottawa, Ont., and Moose Jaw, Sask. Coupor $100, $500 and $1,000. National Trust Co., Ltd., To ronto, Trustee. Authorized issue, $250,000. No sink ing fund.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$92,422	$85,714	$86,2
Oper. exp. & taxes	80,739	73,440	75,27
Net earnings	$11,683	$12,274	$10,96
Bond interest	1,750	1,750	1,7
Other interest	733	1,303	1,4
Deprec., bond redemption & amortiz.	18,350	18,350	19,8
Total charges	$20,833	$21,403	$23,0
Deficit for year	$9,150	$9,129	$12,08

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant, etc.	$863,664	$863,178	$863,1
Stores	276	569	1,4
Bills and accts. receivable	5,459	5,368	5,0
Bills receivable disc.	5,837	5,838	5,8
Unexpired insurance	575	615	6
Bond discount	700	1,050	1,4
Cash	15,104	9,418	2,6
Profit and loss deficit	24,201	15,051	5,9
Total	$915,816	$901,087	$886,1
Liabilities—			
Capital stock	$760,372	$760,372	$760,3
Funded debt	35,000	35,000	35,0
Canada Bank of Commerce	14,000	17,000	20,0
Bills receiv. discounted	5,838	5,838	5,8
Accrued bond interest	437	438	4
Wages & accts. payable	9,356	9,057	10,3
Bond money	194	194	1
Casualty reserve fund	7,413	7,983	6,6
Depreciation reserve	57,706	42,705	27,7
Provision for redemption of bonds	25,500	22,500	19,5
Total	$915,816	$901,087	$886,1

Officers: Thomas Workman, Pres., Ottawa; Arthu Hitchcock, V-P., Moose Jaw, Sask.; D. O'Connor, Se & Treas., Ottawa, Ont.; Geo. T. Connor, Supt., Moos Jaw, Sask.

Directors: Thomas Workman, E. J. Daly, Robe Gill, D. O'Connor, C. Jackson Booth, A. J. Tobin, O tawa, Ont.; Arthur Hitchcock, H. G. Hurlburt, J. H Kern, Moose Jaw, Sask.

Offices, Ottawa, Ont., and Moose Jaw, Saskatchewan, Can.

THE CORTLAND COUNTY TRACTION COMPANY

History and Property—Incorporated June 22, 1901, in N. Y.; successor to Cortland & Homer Traction Co., sold under foreclosure. Absorbed Cortland County Lighting Co. in June, 1905. Line extends between Cortland, Homer and Preble, and Cortland to McGrawville, N. Y. Total length all tracks, 18.93 miles. Gauge, standard. Rails, 56, 70, 90, 95 and 105 lb. T. Motor cars: Open, 6; closed, 3; semi-convertible, 8; freight, 1; non-motor, open, 6: work cars, 2: motor-snow-plow, 1; 1 power house. Franchise runs for 5 years.

Proposed New Control—Application has been mad to the Public Service Commission of New York b the Mohawk Hudson Power Corp. to acquire contr of The Cortland County Traction Co. on the followin basis: For each share of Capital stock of The Cortlan County Traction Co., one share of $7 Pfd. of th Mohawk Hudson Power Corp., 2½ shares of $7 Se

nd Pfd. and six shares of Common stock, all of no ar value.

CAPITAL STOCK

Authorized, $1,000,000 outstanding, $320,000; par, 100. Stock transferred at Company's office. Annual ieeting, first Saturday in August.

Dividends—Payments have been made as follows: 921, 2%; 1922, 3%; 1923, 1%; 1924, 2½%, 1925, %; 1926, 4½%; 1927, 5½%.

FUNDED DEBT

(1)

$180,000 (Entire Issue) First Extended 7s; dated une 1, 1900; due April 1, 1920, but extended to April , 1922, when payment was postponed and interest ate increased from 4% to 7%; int. April and Oct. 1, t company's office. Coupon, $500; principal may be egistered. County Savings Bank & Trust Co., Scranon, Pa., Trustee. Subject to call on 6 months' notice. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid on April 1, 1922, and have been extended indefinitely. They are held by several people identified with the Company and probably will not be presented for payment until such time as it is convenient for the Company to finance them. Interest at 7% is being paid.

(2)

$320,000 Refunding and Extension Gold 5s; dated June 14, 1905; due Aug. 1, 1935; int. Feb. and Aug. 1, at Empire Trust Co., New York, Trustee. Coupon, $500 and $1,000. Authorized, $500,000, of which $180,000 are reserved to retire the prior mortgage. Subject to call at 105. Company pays Normal Federal Income Tax up to 2%.

(3)

$105,000 First & Refunding 5s; dated June 1, 1907; issued Nov. 1, 1910; due June 1, 1957; int. June and Dec. 1, at Equitable Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $2,000,000; issuable to provide for all outstanding indebtedness, and for equipment and extensions. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Railway operating revenue	$423,890	$406,201	$388,812	$367,581	$104,852	$108,005
Lighting revenue					265,671	241,429
Non-operating income	9,730	10,945	10,761	88	.....	2,363
Gross earnings	$433,620	$417,146	$399,573	$367,668	$370,523	$351,797
Operating expenses and taxes	331,676	322,159	304,719	279,390	301,558	274,783
Net earnings	$101,944	$94,987	$94,854	$88,278	$68,965	$77,014
Interest charges	34,151	34,087	34,064	34,119	33,850	39,895
Net income	$67,793	$60,900	$60,790	$54,159	$35,115	$37,119
Dividends	17,600	14,400	9,600	8,000	3,200	9,600
Surplus for year	$50,193	$46,500	$51,190	$46,159	$31,915	$27,519
Times Interest Earned	2.98	2.78	2.78	2.59	2.04	1.93
Earnings Per Share	$21.19	$19.03	$18.99	$16.92	$10.97	$11.60

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,379,074	$1,333,868	$1,307,697	$1,284,490	$1,227,755	$1,212,613
Investment in affiliated cos	17,000	17,000	.....	.....	.....	.....
Bonds owned	17,230	95,154	31,729	31,729	31,729	31,729
Other investments	70,000	.....	.....	.....	.....	.....
Materials and supplies	23,924	23,765	22,060	14,727	18,552	22,155
Cash on hand	123,845	111,442	98,945	53,586	28,002	5,174
Current accounts	60,322	14,796	47,453	41,391	39,205	35,923
Other assets	3,412	4,012	4,104	3,985	4,544	25,338
Total	1,694,807	$1,600,037	$1,511,988	$1,429,908	$1,349,876	$1,332,932
Liabilities—						
Capital stock	$320,000	$320,000	$320,000	$320,000	$320,000	$320,000
Funded debt	425,000	425,000	425,000	425,000	425,000	425,000
Matured funded debt unpaid	180,000	180,000	180,000	180,000	180,000	180,000
Loans and notes payable	.....	.....	.....	.....	.....	26,000
Current liabilities	.....	.....	.....	.....	2,262	26,085
Consumers' deposits	5,704	5,175	4,572	4,043	3,606	3,058
Reserves	81,802	72,685	65,548	68,165	53,073	47,312
Interest accrued	10,254	10,254	10,254	10,254	10,254	10,254
Accrued depreciation	395,726	362,039	328,330	294,986	268,532	239,989
Profit and loss	276,321	224,884	178,284	127,460	87,149	55,234
Total	$1,694,807	$1,600,037	$1,511,988	$1,429,908	$1,349,876	$1,332,932

Officers: Edwin Duffey, Pres.; A. W. Garrison, V-P.; Albert Haskell, Sec.; G. H. Garrison, Treas. & Gen. Mgr.; E. J. Litz, Asst. Sec. & Asst. Treas., Cortland, N. Y.

Directors: Edwin Duffey, G. H. Garrison, Maude F. Duffey, Anna W. Garrison, Albert Haskell, Hugh Duffey, Sr., C. C. Wickwire, Hugh Duffey, Jr., Helena F. Lighton, E. J. Litz, Cortland, N. Y.

Office, Cortland, N. Y.

HERSHEY CUBAN RAILWAY COMPANY

(Controlled by Hershey Estates)

History and Property—Incorporated March 31, 1916, under the laws of the Republic of Cuba. Owns and operates 70 miles of track, connecting Havana with Matanzas, Cuba, with branch line to Bainoa, passing through the following towns: Barreras, Guanabo, Central Hershey, Santa Cruz del Norte, Jibacoa, Canasi and Corral Nuevo. Road was put in operation Oct. 25, 1922. Gauge, 4 ft. 8½ inches. Rail, T 80 to 100 lbs. Operated by overhead electric and electric locomotives. Franchises perpetual, all private right of way. Motor cars—closed passenger, 17; other, 4; non-motor, closed passenger, 6; freight and other cars, 417. Total all cars, 444. Power stations, 1. Engines to generate power, 2. Also owns 7 electric locomotives, 5 steam locomotives.

CAPITAL STOCK

Authorized, $600,000; outstanding, $120,000; par, $100. Stock is held by Hershey Estates. No dividends paid. Annual meeting, last Monday in September, at Havana, Cuba.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$855,836	$903,663	$982,556	$918,213	$821,982	$729,35
Operating expenses	612,778	640,201	591,261	634,976	507,523	360,51
Taxes	10,000	.....	.....	.....	.....	.....
Depreciation	351,275	383,233	361,042	373,579	362,728	400,05
Loss from operations	$118,217	$119,771	*$30,253	$90,342	$48,269	$31,20
Other income	209,100	.....	.....	.....	.....	.....
Total income	$90,883	†$119,771	$30,253	†$90,342	†$48,269	†$31,20
Cyclone damage	.....	123,978	.....	.....	.....	.....
Other deductions	57,142	.....	.....	.....	.....	.....
Deficit for year	*$33,741	$243,749	*$30,253	$90,342	$48,269	$31,20

*Surplus. †Loss or deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Cost of road	$8,436,489	$8,264,537	$8,004,423	$7,636,808	$7,558,579	$7,327,93
Cost of equipment	2,461,273	2,447,853	1,800,219	1,783,107	1,614,610	1,428,46
Accounts receivable	204,680	189,091	198,863	211,446	231,208	66,15
Inter-company accounts	270,050	.....	.....	.....	.....	.....
Deferred debit items	3,590	100,891	.....	11,749	20,537	3,31
Profit and loss deficit	638,568	672,309	428,560	458,812	368,470	606,20
Total	$12,014,650	$11,674,681	$10,432,065	$10,101,922	$9,793,405	$9,432,06
Liabilities—						
Capital stock	$120,000	$120,000	$120,000	$120,000	$120,000	$120,00
Cuban Censos	350	350	350	350	350	35
Accounts payable	29,317	107,990	69,861	2,614	107,221	124,22
Construction advances	8,935,102	8,933,907	8,107,011	8,088,839	8,098,244	8,037,90
Unadjusted credits	.....	.....	.....	.....	.....	97
Deferred credit items	3,072	3,144	.....	70,499	1,316	7,17
Reserve for depreciation, etc.	2,887,138	2,509,290	2,134,843	1,819,620	1,466,274	1,141,43
Reserve for accidents	39,671	.....	.....	.....	.....	.....
Total	$12,014,650	$11,674,681	$10,432,065	$10,101,922	$9,793,405	$9,432,06

Officers: M. S. Hershey, Chairman of Board & Treas., Hershey, Pa.; Jorge A. Belt, Pres., Havana, Cuba; John E. Snyder, V-P., Hershey, Pa.; Thomas Cabrera, Sec.; P. A. Staples, Gen. Mgr., Havana, Cuba; Ezra F. Hershey, Pur. Agt., Hershey, Pa.

Directors: M. S. Hershey, Chairman of Board; Joh E. Snyder, Hershey, Pa.; Jorge A. Belt, Thomas Ca brera, P. A. Staples, Havana, Cuba.

General Office, Central Hershey, Province of Ha vana, Cuba.

HERSHEY TERMINAL RAILROAD

(Controlled by Hershey Estates)

History—Incorporated July 13, 1922 under the laws of Cuba. Operates road extending from Casa Blanca to Regla, Cuba. Miles of track, 10. Gauge, standard. Rails, T, 80 lbs. Operated by overhead trolley. The Hershey Cuban Railway operates the lines of this company.

CAPITAL STOCK

Authorized, $1,750,000; outstanding $750,000; par $100. No dividends paid. Annual meeting, last Monday in Sept., in Havana, Cuba.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$215,197	$150,636	$123,61
Operating expenses	123,937	57,570	45,62
Taxes	8,899	.....	.....
Depreciation	14,479	19,425	19,28
Net earnings	$67,882	$73,641	$58,70

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
Property account	$984,506	$973,596	$964,737
Cash	19,273	22,829	30,845
Accounts receivable	54,789	38,516	45,306
Unadjusted	100	.....	.....
Deferred debit items	111,696	41,526	.....
Total	$1,170,364	$1,076,467	$1,040,888

Liabilities—	1927	1926	1925
Capital stock	$750,000	$750,000	$750,00
Funded debt	2,000	.....	.....
Accounts payable	35,105	25,557	26,20
Parent company advances	.....	.....	57,05
Deferred credit items	255	227	9
Reserved for depreciation	115,074	100,595	81,13
Corporate surplus	267,930	200,048	126,40
Total	$1,170,364	$1,076,467	$1,040,88

Officers: M. S. Hershey, Chairman of Board & Treas., Hershey, Pa.; Dr. J. A. Belt, Pres., Havana, Cuba; John E. Snyder, V-P., Hershey, Pa.; Thomas Cabrera, Sec.; P. A. Staples, Gen. Mgr. & Pur. Agt., Havana, Cuba.

Directors: M. S. Hershey, John E. Snyder, Hershey Pa.; Dr. J. A. Belt, P. A. Staples, Thomas Cabrera Havana, Cuba.

General Office, Havana, Cuba.

HERSHEY TRANSIT COMPANY

(Controlled by Hershey Estates)

History and Property—Incorporated April 9, 1919, in Pa.; consolidation of Hummelstown & Campbellstown St. Ry. (see Manual for 1914, page 3239), and Lebanon & Campbellstown St. Ry., Deodate & Hershey St. Ry. and Elizabethtown & Deodate St. Ry. Owns and operates 35.44 miles of track extending from Hummelstown to Lebanon and Palmyra, passing through Hershey, Hummelstown, Campbellstown, Mt. Pleasant, Lebanon, Elizabethtown, Fontana and Palmyra, Pa. Gauge, 5 ft. 2½ in. Rails, T and girder, 80 and 120 lbs. Motor cars, 24; other cars, 6. Power sta tion, 1; engines to generate power, 2. Stock con trol held by Hershey Estates.

CAPITAL STOCK

Authorized, $900,000; outstanding, $873,900; pa $50. Annual meeting, second Monday in January Dividends totaling $480,645 were paid in 1926.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
ross earnings	$173,362	$184,098	$203,240
per. exp., taxes, depre., etc.	160,745	157,023	160,415
Net earnings	*$12,617	$27,075	$42,825

*Before adjustment items for prior years amounting to $6,902.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
alue of road or line	$957,871	$912,736	$894,854
eal estate & buildings	.....	67,111	66,048
quipment and fixtures	223,499	212,806	213,314
aterials and supplies	24,336	25,062	24,700
her current assets	86,172	43,755	490,537
counts receivable	489	257	268
nadjusted debits	2,007	.....	.....
Total	$1,294,374	$1,261,727	$1,689,721
Liabilities—			
apital stock	$873,900	$873,900	$873,900
eserve for taxes	5,738	5,087	4,950
eserve for depreciation	368,742	342,461	317,023
rplus	45,994	40,279	493,848
Total	$1,294,374	$1,261,727	$1,689,721

Officers: M. S. Hershey, Chrm. of Board; Wm. F. . Murrie, Pres. & Gen. Mgr.; W. H. Lebkicher, V-P.; zra F. Hershey, Treas. & Pur. Agt.; John E. Snyder, ec.; J. R. Hoffman, Controller; Chas. F. Zeigler, Gen. gr.; A. W. Flowers, Supt., Hershey, Pa.

Directors: M. S. Hershey, Wm. F. R. Murrie, W. H. ebkicher, Ezra F. Hershey, John E. Snyder, Hershey, a.

General Office, Hershey, Pa.

ST. LAWRENCE COUNTY UTILITIES, INC.

History and Property—Incorporated Sept. 29, 1923, New York, as a consolidation of the Ogdensburg ower & Light Co., Ogdensburg Gas Co., Massena lectric Light & Power Co. and Potsdam Electric ight & Power Co. In addition took over all the ransmission lines and distributing systems of the St. awrence Transmission Co. (now the St. Lawrence alley Power Corp.). Serves Ogdensburg with gas; gdensburg, Massena, Potsdam, Gouverneur, Madrid, addington, Lisbon, Colton, Heuvelton, Morrisown, Brier Hill, Rensselaer Falls, and other comunities, with electricity; also supplies power to sevral paper mills, etc. No. of communities served, 30. o. of electric meters, 11,000. Franchises are peretual. Power purchased from St. Lawrence Valley ower Corp.

CAPITAL STOCK

Authorized, $4,000,000 Common and $1,000,000 7% umulative Pfd.; outstanding, Dec. 31, 1927, $2,334,200 ommon and $200,000 Pfd.; par, $100. The Pfd. stock s redeemable at 105 on any dividend date. Annual eeting, in February.

Dividends—Dividends on Pfd. paid quarterly, J, A, & O 1 to date. On Common: 1924 and 1925, 4% ach; 1926, none; 1927, 8%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Years Available)

	1927	1925
perating revenues	$1,812,499	$1,538,228
perating expenses	1,397,030	1,294,244
ncollectible bills	4,562	2,692
axes	88,165	58,902
Total expenses	$1,489,757	$1,355,839
Total operating income	$322,741	$182,389
ther income	35,203	22,264
Gross corporate income	$357,944	$204.653
nterest deductions, etc.	1,683	585
Net income	$356,261	$204,068
fd. dividends	14,000	*
ommon dividends	186,736	*
Surplus for year	$155,525	*

*Not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$3,073,352	$2,822,752	$2,319,886
Cash	212,854	42,714	72,908
Accounts receivable, etc.	316,124	296,838	208,282
Materials and supplies	127,013	147,086	132,407
Marketable securities	69,060	244,311	339,160
Advances to affil. cos.	868,004	.....	.....
Prepaid expenses	2,891	3,751	.....
Suspense	25,200	26,600	27,055
Total	$4,694,498	$3,584,052	$3,099,698
Liabilities—			
Common stock	$2,334,200	$628,300	$628,300
Preferred stock	200,000	200,000	192,600
Subscriptions to Pfd. stock	.....	.....	7,400
Accts. pay. to affil. corps.	.....	839,505	909,474
Other accounts payable	41,611	17,460	
Dividends payable	.....	3,478	45,696
Consumers' deposits	11,058	10,157	
Taxes accrued	51,869	41,470	
Res. for contrib. by consum.		3,156	
Casualties and ins. reserve	570,234	.....	469,549
Res. for amort. of war facil.		82,343	
Retirement reserve		426,187	
Surplus	1,485,526	1,331,996	846,679
Total	$4,694,498	$3,584,052	$3,099,698

Bank References—Peoples Bank, Potsdam, N. Y., Ogdensburg Bank, Bank of Gouverneur, etc.

Officers: F. A. Stoughton, Pres.; A. W. Andrews, V-P.; Paul B. Murphy, Sec. & Treas.; C. P. Scheller, Oper. Mgr., Potsdam, N. Y.

Directors: F. A. Stoughton, A. W. Andrews, Paul B. Murphy, C. P. Scheller, W. B. Carr, Potsdam, N. Y.

General Office, Potsdam, N. Y.

SOUTH EASTERN INDIANA POWER CO.

History—Incorporated in April, 1928 in Indiana, a consolidation of I. & C. Light & Power Co., (formerly a subsidiary of Indianapolis & Cincinnati Traction Co.), Milroy Light & Power Co., Battle Ground Light & Power Co., Atwood-Burkett Light & Power Co., Eastern Electric Co. Company also purchased high tension transmission lines and substations of Indianapolis & Cincinnati Traction Co. and a large part of the property of Suburban Light & Power Co. and Evans Electric Co. Number of communities served, 34; miles of transmission lines, 124; miles of distribution lines, 210. Serves with electricity Morristown, Milroy, St. Paul, Arlington, Glenwood, Fairland, New Palestine, Battle Ground and Greensburg (wholesale). Company operates under indeterminate permits. Population served, approximately 36,000. Number of electric meters, 4,276. Annual sales, 9,500,000 k.w.h.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 6% Preferred; par $100; amounts to be outstanding had not been determined up to May 1, 1928. Preferred stock will be subject to redemption on any dividend date upon 30 days' notice at 108.

Transfer Agent and Registrar—Home Bank & Trust Co., Toledo, Ohio.

FUNDED DEBT

$600,000 FIRST MORTGAGE 6% GOLD BONDS; DUE MAY 1, 1943

Dated May 1, 1928.

Interest Payable May and November 1, at Chicago Trust Co. or Central Trust Co. of Illinois, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—Chicago Trust Co. or Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount open; outstanding, $600,000.

Purpose of Issue—Issued to acquire the electric properties described above.

Callability—Subject to call at prices ranging from 102 to 105.

Sinking Fund—None provided.

Security—A first lien on entire property.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Charles J. Dehore, Pres., Erlanger, Ky.; LeRoy E. Eastman, Toledo, O.; Theresa E. Reardon, Sec. & Treas., Indianapolis, Ind.; A. M. Miller, Gen. Mgr., Rushville, Ind.

Directors: The above and Lowell H. Henley, Rushville, Ind.

General Office, Indianapolis, Ind. **Operating Office,** Rushville, Ind.

FORT MADISON GAS LIGHT CO.

History—Supplies gas to Fort Madison, Iowa. Franchise expires in Sept., 1940. Population served, 12,000. Miles of mains, 24.584. No. of meters, 2,516. No. of gas stoves, 3,213; water heaters, 599. Annual sales, approximately 46,807 cu. ft. Prices: $1.85 gross, $1.65 net, for first 5,000 cu. ft. Company is controlled by Gas & Electric Improvement Co., Chicago.

CAPITAL STOCK

Authorized, $150,000; outstanding, $75,600; par, $100. Annual meeting, first Monday in July. No dividends paid.

FUNDED DEBT

$178,800 First Gold 6s; dated Nov. 1, 1915; due Nov. 1, 1935; int. May and Nov. 1, at Central Trust Co. of Illinois, Chicago, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $500,000. Escrow bonds can be issued for only 80% of the actual and reasonable cost of permanent extensions, enlargements and additions of and to the company's property, with the provision that no bonds shall be issued unless and until the net earnings of the Company for the preceding twelve months shall have been equal to at least one and one-half times the interest charge on all bonds outstanding plus the new bonds applied for. Subject to call at 101 and interest on any interest date. Issued to provide funds to retire a closed issue of $100,000 old bonds and to furnish capital to take care of extensions to its property made necessary by its increasing business. Secured by a direct first lien on all the property, rights and franchises of Company. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Pam & Hurd, Chicago, Ill.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$78,683	$85.036	$82,067
Operating expens. & taxes	61,310	62,536	60,867
Net earnings	$17,373	$22,500	$21,200
Bond interest	10,728	10,503	9,343
Surplus for year	$6,645	$11,997	$11,857

Officers: E. Chandler Beach, Pres.; E. C. Campbell, V-P. & Treas.; H. J. Campbell, Sec.; W. R. Galvin, Asst. Sec. & Asst. Treas., Chicago, Ill.; F. E. Keuper, Mgr. & Pur. Agt., Fort Madison, Iowa.

Offices, Fort Madison, Iowa, and 1226 New York Life Bldg., Chicago, Ill.

SHAWNEE-TECUMSEH TRACTION COMPANY

History and Property—Incorporated Feb. 13, 1906, in Okla.; successor to Shawnee Traction Co. On Jan. 9, 1927, Company substituted buses for railway service in Shawnee, Okla. Buses were also substituted for trolley equipment on its electric interurban line between Shawnee and Tecumseh. Franchise perpetual. Population served, 30,000. Power purchased from Shawnee Gas & Electric Co.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Transfer office, Shawnee, Okla. Annual meeting, in November. No dividends paid.

FUNDED DEBT

$300,000 First Mortgage Series "A" notes, date Jan. 1, 1927; due Dec. 31, 1960; interest Jan. and Jul 1, at Equitable Trust Co., New York, Trustee. N sinking fund. A first lien on entire property. Con pany does not pay Normal Federal Income Tax. N interest paid.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$71,758	$36,087	$38,8
Operating exp. & taxes	67,141	36,722	37,1
Loss from operation	†$4,617	$635	†$1,7
Other income	.....	503	3
Gross income	$4,617	*$132	$2,0
Bond interest	15,000	15,000	15,0
Deficit for year	$10,383	$15,132	$12,9

*Deficit. †Gain.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$900,180	$855,460	$855,6
Purchased coupons	.....	135,000	.....
Materials and supplies	1,212	3,255	3,3
Cash	20,631	7,017	19,8
Special deposit	.....	8,105	.....
Accounts receivable	2,460	201	3
Other current assets	.....	75	21
Insurance prepaid	423	74	
Unadjusted debits	2,356	11,751	.....
Profit and loss deficit	177,115	156,070	141,0
Total	$1,104,377	$1,177,008	$1,020,5
Liabilities—			
Capital stock	$500,000	$500,000	$500,0
Funded debt	*300,000	300,000	300,0
Equipment obligations	18,526	.....	.....
Advances due Deka Development Co.	686	.....	.....
Accounts payable	2,210	2,474	1,6
Unmatured interest accrued	116,388	1,250	.....
Deferred credits	2,385	200	.....
Matured interest unpaid	.....	224,975	74,9
Accrued depreciation	150,098	137,722	129,6
Misc. current liabilities	907	50	
Reserve for taxes	871	831	2,5
Damages payable reserve	9,522	9,506	11,6
Other reserves	2,784	.....	.....
Total	$1,104,377	$1,177,008	$1,020,5

*Series "A" notes.

Officers: L. K. Hyde, Pres. & Treas., Plainfiel N. J.; R. D. Benson, V-P.; Geo. L. Webb, Sec., Ne York; J. G. Phillips, Gen. Mgr.; C. H. Smith, Auc Muskogee, Okla.; A. L. Blackwell, Supt., Shawne Okla.

Directors: H. T. Douglas, G. C. Abernathy, Shaw nee, Okla.; R. D. Benson, W. S. Benson, G. L. Web New York; L. K. Hyde, Plainfield, N. J.; J. G. Phillip Muskogee, Okla.

General Office, Muskogee, Okla. **Operating Offic** Shawnee, Okla. **Corporate Office,** New York, N.

SOUTH BAY CONSOLIDATED WATE COMPANY, INC.

History and Property—The South Bay Consol dated Water Co., Inc. (formerly Quantuck Wat Works Company), was incorporated in N. Y. in 19 and subsequently acquired the properties of the Gre South Bay Water Company (see 1924 Public Utilit Manual, page 747) and the Southampton Wat Works Company. Late in 1925 acquired the Amity ville Water Works Co. and the Port Jefferso Water Co. These properties supply water fo domestic and public purposes to 17 communities lo cated on the south shore of Long Island, N. Y., serv ing a population of over 52,000. Included in this te ritory are Amityville, Brightwaters, Bay Shore, Isli East Islip, Great River, Oakdale, Sayville, Baypor Blue Point, Patchogue, Bellport, Westhampton, West hampton Beach, Quogue, East Quogue, Southampto Port Jefferson and Kings Park, all situated withi a short distance of New York. Company has daily pumping capacity of 24,882,000 gallons of wate

ıd furnishes water to 9,028 customers through 178 iles of distribution mains. Water is drawn from 68 ells located in five widely separated parts of the tory. Service is furnished on both a meter and mini- ım flat rate basis.

CAPITAL STOCK

Authorized, $1,000,000 Common and $2,000,000 6% ımulative Pfd.; outstanding, May, 1926, $750,000 ɔmmon and $591,360 Pfd.

Transfer Agent—Common stock: Seaboard National ank of New York.

FUNDED DEBT

(1)

$23,000 PORT JEFFERSON WATER CO. 6% BONDS

No details available.

(2)

$30,000 AMITYVILLE WATER CO. 5% BONDS

No details available.

(3)

52,500 GREAT SOUTH BAY WATER COMPANY FIRST REFUNDING GOLD 5s; DUE NOVEMBER 1, 1938

Dated November 1, 1908.

Interest Payable May and November 1, at Peoples rust Co., Brooklyn, N. Y.

Denominations—Coupon, $500 and $1,000; princi- al may be registered.

Trustee—Peoples Trust Co., Brooklyn, N. Y.

Provisions of Issue—Authorized and issued, $400,-)0; outstanding, $252,500; mortgage closed.

Security—Secured on all property.

Tax Provisions—Company does not pay Normal ederal Income Tax.

(4)

,526,000 SOUTH BAY CONSOLIDATED WATER CO., INC. FIRST & REFUNDING GOLD 5s, SERIES "A," DUE MAY 1, 1950

Dated May 1, 1925.

Interest Payable May and November 1, in New ork City.

Denominations—Coupon (interchangeable denom- ıations) $500 and $1,000; principal may be regis- ered.

Trustee—The Seaboard National Bank of the City f New York.

Provisions of Issue—Outstanding, $1,526,000. The ıortgage provides that additional bonds may be is- ued thereunder for not in excess of 80% of the act- al cost or fair value (whichever may be less) to the ompany of improvements, additions or extensions) the properties, and/or stock or obligations of a ompany, at least 75% of the voting stock whereof is wned by the Company and pledged under the mort- age, provided the net earnings of the South Bay onsolidated Water Company, Inc., as defined in the ıortgage for 12 of the preceding 15 calendar months, hall have been equivalent to at least 1¾ times in- erest charges for a like period on all bonds outstand- ıg (including underlying issues), plus those to be ssued. Bonds are reserved under the mortgage for ıe retirement before or at maturity of outstanding reat South Bay Water Company First Refunding % bonds, due Nov. 1, 1938.

Callability—Subject to call as a whole or in part n any interest date after 30 days' notice at 105 and ccrued interest to and including May 1, 1926; and ıereafter at 105 and accrued interest less ⅕ of 1% ɔr each year the bonds shall have been outstanding.

Sinking and Improvement Fund—A Sinking and Im- rovement Fund is provided which will for the five ears ending May 1, 1930, aggregate at least 10% of ıe First and Refunding Mortgage Series "A" bonds) be presently outstanding and will amount to at east 3% annually thereafter until maturity. The inking and Improvement Fund monies will be used, ither (1) for the purchase and retirement of bonds r (2) for betterments, improvements and additional properties, which may not be used as a basis for the issuance of additional bonds.

Security—Secured by a first mortgage on the properties, rights and franchises at Southampton, Westhampton, Quogue and East Quogue and by a direct mortgage on the properties of the Great South Bay Water Co., Amityville Water Works Co. and Port Jefferson Water Co., subject only to $305,500 closed divisional mortgages.

Tax Provisions—Company does not pay Normal Federal Income Tax, but will reimburse holders for the Pennsylvania and Connecticut four-mills tax and the Maryland 4½ mills tax of the principal and the Massachusetts Income Tax not to exceed 6% of the interest on these bonds. Exempt from Personal Property tax in New York.

Legal Opinion—Wise, Whitney & Parker, New York (for the bankers), and Hornblower, Miller and Garrison (for the Company).

Original Offering—First publicly offered ($1,000,000 Series "A" 5s) in May, 1925, at 89 and interest, to yield over 5.80%, by Taylor, Ewart & Co., Inc., New York and F. R. Sawyer, & Co., Inc., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925
Gross earnings	$302,208	$288,484
Operating expenses & taxes	131,914	120,145
Net earnings	$170,294	$168,339
Other income	11,180	.....
Total income	$181,474	.....
Deduct:		
Funded debt interest	$91,788	
Other interest	3,692	..
Amortization and depreciation	42,179	.....
Total deductions	$137,659	
Balance	$43,815	
Preferred dividends	45,926	.....
Deficit for year	$2,111	..

GENERAL BALANCE SHEET, DECEMBER 31, 1926
(Latest Available)

Assets—	
Plant, equip. and construction	$3,392,199
Investment securities	109,985
Cash	40,883
Accounts receivable	154,595
Advances to other cos.	37,150
Accrued income receivable	6,255
Accrued revenue unbilled	33,136
Materials and supplies	224,657
Prepaid and suspense items	9,232
Unamortized debt discount, etc.	123,905
Total	$4,131,997
Liabilities—	
Common stock	$750,000
Preferred stock	800,360
Funded debt	2,018,000
Notes and loans payable	91,255
Accounts payable	204,695
Uncashed interest coupons	4,850
Accrued liabilities	29,395
Uncomplete financing	23,250
Serv. billed in advance	59,183
Reserves	131,810
Surplus	19,199
Total	$4,131,997

Officers: F. W. Collins, Pres.; F. C. Hinkel, Jr., V-P., New York; W. D. Van Brunt, V-P., Southampton, N. Y.; L. A. Collins, Sec. & Treas., New York; C. G. Sands, Gen. Supt., Bay Shore, N. Y.

Executive Office, 452 Lexington Ave., New York. **Principal Office,** Bay Shore, L. I., N. Y.

OZARK UTILITIES COMPANY

History and Properties—Company occupies a territory contiguous on the south to that of the West Missouri Power Company and is owned by the same interests. It serves with light and power 35 communities lying within a radius of 60 miles to the north and west of Springfield, Mo., and having a combined urban

population of approximately 17,000. Among the communities served are Bolivar, Buffalo, Humansville, Greenfield, Lockwood, Golden City, Jasper, Miller and Sarcoxie, Mo. Company also serves farming districts and at March 1, 1928, had a total of 4,630 customers. Plants consist of two hydro-electric generating stations at Caplinger Mills and Bower Mills; two oil engine plants at Bolivar and Greenfield, and additional oil engine plants, all with a combined generating capacity of 2,520 k.w.; 300 miles of high tension transmission lines; distribution systems, etc. Company also owns an additional hydro-electric site at Cobb which it plans to develop later.

CAPITAL STOCK

Authorized and outstanding, $150,000 Common. Practically all owned by L. K. Green, L. R. Green and R. J. Green of Pleasant Hill, Mo.

FUNDED DEBT

All the outstanding First Mortgage 6% Five-Yea Gold Bonds, Series "A," due April 1, 1931, were calle for payment on Oct. 1, 1927, at 101 and interest at Th First National Bank of Kansas City, Mo., and Ster Bros. & Co., Kansas City, Mo.

EARNINGS, YEAR ENDED MARCH 31, 1928

Operating revenues	$141,25
Non-operating revenues	2,32
Total revenue	$143,57
Operating expenses and taxes	68,76
Net earnings before depreciation	$74,80

Officer: L. K. Green, Pres., Pleasant Hill, Mo.
General Office, Pleasant Hill, Mo.

THE LAKE SHORE ELECTRIC RAILWAY COMPANY

History and Property—Incorporated Aug. 29, 1901, in Ohio as a consolidation of The Lorain & Cleveland Ry., Sandusky, Norwalk & Southern Ry., Sandusky & Interurban Ry., and Toledo, Fremont & Norwalk RR. Owns an electric line connecting Cleveland and Toledo, with traffic arrangements over the local lines in both cities. Owns the entire capital stock of The Lorain St. RR. Co., and The Sandusky, Fremont & Southern Ry. (see subjoined statements). Has contracts with the Toledo, Fostoria & Findlay Ry. and other roads for supplying power. In 1908 The People's Light & Power Co. was organized, and in 1913 The Bellevue (O.) Illuminating & Power Co. was purchased. These companies, doing a lighting and power business in the territory between the cities of Cleveland and Toledo, were sold in 1925 to a new company, The Lake Erie Power & Light Co. (see appended statement), which is controlled by The Lake Shore Electric Ry. Co.

Through passenger and freight service between Cleveland and Detroit, a distance of 176 miles was established in June, 1911.

The Lake Shore Electric Ry. Co. and the Ohio Power Co. (controlled by American Gas & Electric Co.) each owns 50% of the capital stock of The Ohio State Power Co., which sells power only to the proprietary companies.

Property—The consolidated system operates a through line between Cleveland and Toledo of 127.04 miles. Total miles owned and operated, 186.03. About 80 miles of the line are on private right of way. Owns 99 passenger cars, 62 freight and 46 miscellaneous work cars. The system serves a population of over one and one-quarter million in the cities of Cleveland, Elyria, Lorain, Vermilion, Huron, Berlin Heights, Milan, Sandusky, Norwalk, Monroeville, Bellevue, Clyde, Fremont, Gibsonburg, Woodville, Genoa and Toledo.

CAPITAL STOCK

Authorized, $4,500,000 Common, $1,500,000 6% cumulative 1st Pfd. and $2,000,000 5% non-cumulative 2d Pfd.; outstanding Dec. 31, 1927, $4,500,000 Common, $1,000,000 6% 1st Pfd. and $2,000,000 5% 2d Pfd.; par, $100.

Preferred Stock Provisions—First Pfd. and Second Pfd. have preference for assets and dividends in order named.

Transfer Agent (First and Second Pfd.)—Union Trus Co., Cleveland. (Common): Cleveland Trust Co., Cleveland, Ohio.

Registrar—(First Pfd.): Cleveland Trust Co.; (2nd Pfd.): Guardian Trust Co., Cleveland, O.; (Common): Union Trust Co., Cleveland, Ohio.

Annual Meeting—Second Monday in May.

Listed (All Classes)—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
First Pfd.—								
High	20	20	15	26½	13⅝	18¼	..	20
Low	20	18	10	10	10	10	..	15
Second Pfd.—								
High	..	5	6	7	3	5	..	4
Low	..	5	6	2	2½	4	..	4
Common—								
High	3⅛	3	2¾	3	1⅛	2½	..	2
Low	2	2	2½	1¾	1	2	..	2

Dividends—Full dividends were paid on 1st Pf quarterly from Oct., 1910, to April 1, 1915; non thereafter to Dec. 31, 1927, when dividends in arrear amounted to 76½%. No recent dividends paid o Second Pfd. None ever paid on Common.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)
(1) Lorain & Cleveland Ry. First Gold 5s.
(2) Toledo, Fremont & Norwalk R. R. First Gold 6s.
(3) Lake Shore Electric Railway First Consolidated Gold 6
(4) Lake Shore Electric Railway General Gold 5s.
(5) Lake Shore Electric Railway Collateral Trust 6s.

(1)

$300,000 LORAIN & CLEVELAND RY. FIRST MORTGAG 6% GOLD BONDS; DUE JANUARY 1, 1933; EXTENDE FROM JULY 1, 1927, INTEREST BEING INCREASED FRO 5%

Dated July 1, 1897.

Interest Payable January and July 1, at Clevelan Trust Co., Cleveland, and Equitable Trust Co., Ne York.

Denominations—Coupon, $1,000; principal may b registered.

Trustee—Cleveland Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized issue, $1,000,00 mortgage closed. $750,000 due July 1, 1927, were ou standing, of which $450,000 were paid at maturity an the balance extended as above.

Callability—Subject to call at par and interest o any interest date upon 30 days' notice.

Security—A first lien on the division between Clev land and Lorain, about 20 miles. Assumed by Lak Shore Electric Ry. Co.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	19
High	....	91½	88
Low	....	91	81

(2)

$1,115,000 TOLEDO, FREMONT & NORWALK R. R. FIRS MORTGAGE GOLD 6s; DUE JANUARY 1, 1920, ORIGINALL 5s, BUT EXTENDED TO JANUARY 1, 1925, AT 6½%, AN AGAIN EXTENDED TO JANUARY 1, 1933, AT 6%

Dated January 1, 1900.

Interest Payable January and July 1, at Union Tru Co., Detroit.

Denominations—Coupon, $500 and $1,000; princip may be registered.

Trustee—Union Trust Co., Detroit.

Provisions of Issue—Authorized and issued, $1,-0,000 of which $385,000 have been cancelled through e operation of the sinking fund.

Callability—Subject to call at par and interest on y interest date upon 60 days' notice.

Sinking Fund—A sinking fund commenced in 1906 $10,000 per annum until and including 1910; 1911 to 15, $20,000 yearly; and thereafter $30,000 payable t of net earnings. Under the extension agreement e $303,000 bonds in the sinking fund were can-lled and the sinking fund discontinued.

Security—A first lien on the division (65 miles) from oledo to Norwalk.

Guaranty—Guaranteed principal and interest by en-rsement by the Lake Shore Electric Ry. Co.

Assumed by Lake Shore Electric Ry. Co.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Listed—Cleveland Stock Exchange.

(3)

,564,000 LAKE SHORE ELECTRIC RAILWAY FIRST CONSOLIDATED MORTGAGE GOLD 6s (ORIGINALLY 5s); DUE JANUARY 1, 1933 (EXTENDED FOR TEN YEARS FROM JANUARY 1, 1923)

Dated January 1, 1903.

Interest Payable January and July 1, at Union rust Co., Cleveland, O.

Denomination—Coupon, $1,000; principal may be gistered.

Trustee—Union Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized issue $4,000,000; served to retire prior liens, $1,865,000; retired to ec. 31, 1927, $186,000.

Callability—Subject to call on any interest date at ar.

Security—A first lien on 70 miles of road from andusky to Lorain, from Ceylon Junction to Nor-alk, from Norwalk to Sandusky and city lines in andusky, and from Gibsonburg Junction to Gibson-urg, and a mortgage subject to prior liens, described ove, on 80 miles of road from Cleveland to Lorain, nd Norwalk to Toledo.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,750,-000) in Sept., 1905 at 99 and interest.

Listed—Cleveland Stock Exchange.

(4)

$2,255,000 LAKE SHORE ELECTRIC RAILWAY GENERAL MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1933

Dated February 1, 1903.

Interest Payable February and August 1, at Chase National Bank, New York City, and at Union Trust Co., Cleveland, Ohio.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Union Trust Co. Cleveland, Ohio.

Provisions of Issue—Authorized issue, $7,000,000; issued $2,872,000, of which $745,000 held in treasury $4,000,000 are held in escrow to retire the Consolidated 6s. Additional bonds may be issued for extensions and improvements at 80% of cost.

Security—Secured on entire property, subject to prior liens.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	60	54	54	55	50½	59⅞	51	54
Low	60	48½	40	34	40	37½	37	49½

(5)

$487,000 LAKE SHORE ELECTRIC RAILWAY COLLATERAL TRUST MORTGAGE 6% SINKING FUND BONDS; DUE JANUARY 1, 1933

Interest Payable January and July 1, at The Union Trust Co., Cleveland.

Denomination—$1,000.

Callability—Subject to call at par and interest.

Provisions of Issue—Authorized $800,000; retired, to Dec. 31, 1927, $313,000. Issued to refund floating debt.

Trustee—The Union Trust Co., Cleveland.

Security—Secured by bonds and stocks in the Company's treasury.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Per Cent. of Operation	Car Miles	Income per Car Mile	Oper. Exp. & Taxes per Car Mile	Net Earn. per Car Mile	Passengers Carried	Earnings per Pass.
18	72.74%	3,522,668	49.24 cts.	35.82 cts.	13.42 cts.	5,947,163	22.49 cts.
19	72.08%	3,667,238	56.37 cts.	40.63 cts.	15.74 cts.	6,636,910	23.11 cts.
20	75.48%	3,814,478	70.77 cts.	53.41 cts.	17.36 cts.	7,687,946	22.55 cts.
21	80.83%	3,747,595	55.53 cts.	44.89 cts.	10.64 cts.	6,802,291	22.86 cts.
22	75.05%	3,770,237	54.76 cts.	41.07 cts.	13.69 cts.	6,963,861	21.64 cts.
23	76.48%	4,055,508	55.12 cts.	42.16 cts.	12.96 cts.	6,967,058	22.03 cts.
24	80.48%	4,198,831	52.67 cts.	42.39 cts.	10.28 cts.	6,242,863	20.84 cts.
25	81.97%	4,108,751	47.19 cts.	36.81 cts.	10.38 cts.	5,730,729	20.02 cts.
26	82.83%	4,544,247	53.41 cts.	44.24 cts.	9.17 cts.	5,765,762	19.00 cts.
27	86.68%	5,067,425	39.53 cts.	35.58 cts.	3.95 cts.	5,512,859	18.74 cts.

CONSOLIDATED INCOME ACCOUNT (ALL COMPANIES), YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ross income	$3,136,804	$3,253,558	$3,199,762	$3,099,489	$2,774,481	$2,519,303
perating expenses and taxes	2,718,957	2,820,110	2,672,652	2,585,178	2,176,952	1,930,910
Net earnings	$417,847	$433,448	$527,110	$514,311	$597,529	$588,393
terest	452,365	446,756	422,017	422,113	425,068	413,340
epreciation	358,500	.....	.....	.....	.....	.....
Surplus	*$393,018	*$13,308	$105,093	$92,198	$172,461	$175,053

*Deficit.

INCOME ACCOUNT (LAKE SHORE ELECTRIC RY.), YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ross earnings	$2,030,746	$2,466,120	$2,523,041	$2,530,054	$2,235,663	$2,064,608
perating expenses and taxes	1,802,881	2,130,572	2,068,014	2,098,415	1,709,890	1,548,530
Net earnings	$227,865	$335,548	$455,027	$431,639	$525,773	$516,078
ixed charges	‡345,409	‡360,830	‡347,627	‡338,700	‡340,999	‡327,944
epreciation	268,000	.....	.....	.....	.....	.....
Surplus for year	†$385,544	†$25,282	$107,400	$92,939	$184,774	$188,134
imes Interest Earned	§6.59	*0.93	*1.31	*1.27	*1.54	*1.57
Earnings Per Share—						
1st Preferred	Nil	Nil	$10.74	$9.29	$18.48	$18.81
2d Preferred	Nil	Nil	2.37	1.65	6.24	6.40
Common	Nil	Nil	Nil	Nil	0.55	.62

*Before deducting depreciation. †Deficit. ‡Interest paid. §Times fixed charges earned before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$15,077,806	$14,837,302	$14,886,049	$14,725,369	$14,592,380	$14,471,79
Securities in treasury	861,098	646,143	677,698	706,363	550,174	532,94
Bills receivable	148,385	113,384	120,000	360,000	.....	.....
Accounts receivable	57,794	549,810	782,625	781,155	670,998	613,06
Due from sub. cos.	689,725					
Materials and supplies	291,288	306,816	264,422	329,379	328,542	291,74
Special trust accounts	1,638	645,190	327,009	307,274	275,000	.....
Miscellaneous accounts	37,216	285,178	2,424	50,068	210,343	6,24
Public improvement assessment deferred	52,238	.....	.....	.....	.....	.....
Prepaid insurance	4,927	6,446	12,171	16,384	19,754	16,20
Cash	8,873	9,068	8,389	4,604	5,718	5,35
Total	$17,230,988	$17,399,337	$17,080,787	$17,280,597	$16,652,909	$15,937,35
Liabilities—						
Common stock	$4,500,000	$4,500,000	$4,500,000	$4,500,000	$4,500,000	$4,500,00
Preferred stocks	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,00
Funded debt	5,721,000	6,051,520	6,244,000	6,498,000	5,720,000	5,720,00
Car trust notes	30,812	17,600	35,200	57,160	87,840	118,52
Bills payable	*413,000	456,137	63,223	32,218	443,300	280,30
Accounts payable	197,699	288,722	710,488	638,890	466,402	338,40
Interest accrued, not due	49,931	48,503	47,163	46,980	47,430	47,26
Taxes accrued, not due	43,329	109,624	72,000	117,635	83,439	83,12
Public improvement assessments	52,238	.....	.....	.....	.....	.....
Misc. accts., injuries and damages fund	114,946	98,988	139,615	183,608	195,278	178,95
Depreciation	1,881,150	1,099,988	931,988	856,329	775,000	450,00
Surplus account	1,226,883	1,728,255	1,337,110	1,349,777	1,334,219	1,220,78
Total	$17,230,988	$17,399,337	$17,080,787	$17,280,597	$16,652,909	$15,937,35

*Includes $400,000 Junior Lien Collateral notes, due 1933.

Officers: F. W. Coen, Pres., Cleveland, O.; L. K. Burge, V-P.; S. Jorgensen, Sec.; F. Pantel, Treas. & Asst. Sec., Sandusky, O.

Directors: F. W. Coen, T. H. Hogsett, W. B. Cockley, B. F. Fiery, Cleveland, O.; L. K. Burge, A. M. Hildebrand, F. Pantel, S. Jorgensen, Sandusky, O. Harry Rimelspach, Fremont, O.

Executive Office, Union Trust Building, Cleveland Ohio. **General Office,** Sandusky, Ohio.

THE LORAIN STREET RAILROAD COMPANY

(Controlled by Lake Shore Electric Ry. Co.)

History—Incorporated Aug. 3, 1906, in Ohio, and purchased the property and assets of the Lorain Street Ry. Co. and the Avon Beach & Southern RR. Co. In 1923, Company purchased what was known as The Oberlin Ave. Belt Line in the City of Lorain. Owns and operates about 20 miles of street railway track in Lorain and interurban line between Lorain and Elyria, forming a division of the Lake Shore Electric Railway System, by which the Company is controlled through stock ownership. Gauge, 4 ft. 8½ in. Equipment owned consists of 25 passenger cars and 2 work cars. Franchise in Lorain was renewed in 1918 for a period of 25 years.

Operating Statistics, year ended Dec. 31, 1927—Car miles, 983,668; income per car mile, 34.55 cents; operating expenses and taxes per car mile, 30.27 cents; net earnings per car mile, 4.28 cents. Passengers carried in years: 1924, 3,773,619; 1925, 4,234,165; 1926, 4,952,470.

Jitney Bus Competition Eliminated—Ordinances passed in 1923 by the City of Lorain, which prohibited the operation of jitney buses on certain streets on which street railway service was being rendered were held valid by the Supreme Court of the State and the buses were ordered off the streets on July 6, 1925. Subsequently The Lorain Motor Coach Co. was organized and initiated a ten-year motor bus ordinance giving the Company the right to operate bus lines, paralleling the operations of The Lorain Street Railway Co. This ordinance was placed before the voters of the city at the Nov., 1925, election, and defeated. The elimination of jitney bus competition has materially increased the earnings of the Company.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. All owned by The Lake Shore Electric Ry. Co. Annual meeting, in February.

FUNDED DEBT

$550,000 Lorain St. Ry. Consolidated Gold 5s; dated Nov. 1, 1899; due Nov. 1, 1949; int. May and Nov. 1, at Guaranty Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $750,000. $200,000 held as collateral under Lake Shore Electric Ry. Collateral Trust bonds. Not subject to call. A first lien on all property. Company pays Normal Federal Income Tax up to 2%.

There is also an issue of $137,000 Lorain Street Railroad First Consolidated Gold 5s, dated July 1 1906, due July 1, 1936. Mortgage on all property subject to Lorain Street Railway 5s. Held as collatera under Lake Shore Electric Ry. Collateral Trust bonds

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$339,900	$356,008	$319,88
Oper. exp. and taxes	297,745	290,456	291,07
Net earnings	$42,155	$65,552	$28,81
Fixed charges	34,303	†35,593	†42,14
Depreciation	37,500	.....	.....
Surplus for year	*$29,648	$29,959	*$13,32
Times Interest Earned	‡1.23	1.84	0.6

*Deficit. †Interest charges. ‡Times fixed charges earned be fore depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$3,073,795	$3,030,181	$3,016,44
Accounts receivable	2,240	5,315	13,87
Materials and supplies	763	1,445	.....
Miscellaneous accounts	424	1,939	11,89
Prepaid insurance	.....	*371	3
Cash	596	2,091	1,83
Public improvement assessments—referred	80,001	.....	.....
Corporate deficit	194,659	24,498	54,45
Total	$3,352,478	$3,065,098	$3,098,53
Liabilities—			
Capital stock	$2,000,000	$2,000,000	$2,000,00
Funded debt	550,000	550,000	550,00
Bills payable	113,385	113,385	120,00
Accounts payable	401,201	371,724	415,79
Int. accrued, not due	4,583	4,583	4,58
Miscellaneous accounts	.....	2,383	2,25
Taxes accrued, not due	5,675	14,813	5,90
Public improvement assess.	80,000	.....	.....
Injuries & damages fund	10,133	5,210	.....
Depreciation	187,500	3,000	.....
Total	$3,352,478	$3,065,098	$3,098,53

*Debit.

Officers: F. W. Coen, Pres., Cleveland, Ohio; L. K. urge, V-P.; F. Pantel, Sec. & Treas., Sandusky, hio.

Directors: F. W. Coen, B. F. Fiery, Cleveland, hio; L. K. Burge, F. Pantel, Sandusky, Ohio; Harry imelspach, Fremont, Ohio.

Executive Office, Cleveland, Ohio. **General Office,** andusky, Ohio.

THE SANDUSKY, FREMONT & SOUTHERN RY.

(Controlled by Lake Shore Electric Ry. Co.)

History—Incorporated in April, 1906, in Ohio; road mpleted in June, 1907. Owns and operates 21 miles road from Sandusky to Fremont, Ohio, on private ght of way, forming part of main line of Lake Shore lectric Railway between Cleveland and Toledo. auge, standard. Rail, 70 lb. T. Passenger cars, 10; ork cars, 8.

Operating Statistics, years ended Dec. 31, 1927— ar miles, 356,877; income per car mile, 36.18 cents; erating expenses and taxes per car mile, 37.48 cents; erating deficit per car mile, 1.30 cents; earnings per ssenger, 34.33 cents. Passengers carried in years: 24, 260,468; 1925, 230,244; 1926, 231,000; 1927, 212,- 6.

CAPITAL STOCK

Authorized and issued, $2,000,000; all owned by he Lake Shore Electric Ry. Co. Annual meeting, in ebruary.

FUNDED DEBT

$624,000 First Gold 5s; dated July 1, 1906; due ly 1, 1936; int. Jan. and July 1, at Union Trust Co., leveland, Ohio, Trustee, and First National Bank, ew York. Coupon, $1,000; principal may be regis- red. Authorized issue, $2,000,000. A first lien on ntire property. Guaranteed, principal and interest, endorsement by The Lake Shore Electric Ry. Co. ompany pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
oss earnings	$129,137	$162,346	$167,920
er. exp. and taxes	133,761	189,531	173,573
Operating deficit	$4,624	$27,185	$5,653
xed charges	31,360	*32,250	*32,250
preciation	18,000	.....	.....
Deficit for year	$53,984	$59,435	$37,903
mes Bond Int. Earned	Nil	Nil	Nil

*Interest paid.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
ad and equipment	$2,679,059	$2,680,686	$2,655,956
iscellaneous	278	13,685	8,534
ficit	358,506	254,400	194,677
Total	$3,037,843	$2,948,771	$2,859,167
Liabilities—			
pital stock	$2,000,000	$2,000,000	$2,000,000
nded debt	624,000	645,000	645,000
counts payable	296,481	262,353	167,941
crued deprec. equip.	117,362	38,161	38,162
iscellaneous	.....	3,257	8,064
Total	$3,037,843	$2,948,771	$2,859,167

Officers: F. W. Coen, Pres., Cleveland, O.; L. K. urge, V-P.; F. Pantel, Sec. & Treas., Sandusky, O.

Directors: F. W. Coen, B. F. Fiery, Cleveland, O.; K. Burge, F. Pantel, Sandusky, O.; Harry Rimels- ch, Fremont, Ohio.

General Office, Sandusky, Ohio **Executive Office,** eveland, Ohio.

THE LAKE ERIE POWER & LIGHT COMPANY

Controlled by The Lake Shore Electric Railway Company)

History and Property—Incorporated in Ohio in 1925 d purchased all the properties, rights and franchises the Peoples Light & Power Co., The Bellevue Light & Power Co. and The Bellevue Illuminating & Power Co. Company furnishes electric light and power service to the towns of Vermilion, Berlin Heights, Ceylon, Wakeman, North Fairfield, Huron, Castalia, Bellevue, Milan, Green Springs, Clyde, Monroeville, Millburg, Gibsonburg, Helena, Lindsey and all rural territory extending west from Lorain to Toledo, and south from Lake Erie for an average distance of 20 miles. Territory served has a population estimated at 25,000. Company purchases its current from The Lake Shore Electric Railway Co. Company owns 16 sub-stations of approximately 17,750 k.v.a. capacity, 45 miles of 33,- 000-volt high tension transmission lines, and 375 miles of distribution lines. During 1927 there were six additional sub-stations having a total capacity of 6,750 k.v.a. constructed. No. of customers, 5,500. The franchises under which the properties are being operated in the various communities extend to between 1935 and 1949. No franchises are required in connection with a large part of the Company's power business which is conducted outside of municipal limits.

CAPITAL STOCK

Authorized 5,000 shares Common of no par value, $1,000,000 7% cumulative Pfd. and $100,000 6% cumulative Second Pfd.; outstanding 4,657 shares Common, $300,000 7% Pfd. and $100,000 Second Pfd. All of the Common and Second Pfd. stocks, except directors' qualifying shares, are owned by The Lake Shore Electric Railway Company.

Preferred Stock Provisions—7% Pfd. stock has preference for assets and dividends, is subject to call at 107½, and in liquidation is entitled to 110 and dividends. Additional stock may be issued provided net earnings during preceding fiscal year have been twice dividend requirements on Pfd. outstanding and to be issued. No stock having priority may be issued without consent of 75% of Pfd. Has no voting power unless one quarterly dividend is in default.

Transfer Agent and Registrar (First Pfd.)—Guardian Trust Co., Cleveland, O.

Annual Meeting—In May.

Dividends—Dividends on 7% Pfd. and 6% Second Pfd. regularly paid quarterly J, A, J & O 1.

FUNDED DEBT

$500,000 FIRST & REFUNDING MORTGAGE SINKING FUND GOLD BONDS, SERIES "A," 6%; DUE OCTOBER 1, 1946

$250,000 FIRST & REFUNDING MORTGAGE SINKING FUND 5½% GOLD BONDS, SERIES "B"; DUE MARCH 1, 1949

Dated, Series "A," April 1, 1926; Series "B;" March 1, 1927.

Interest Payable April and October 1, on the Series "A;" and March and September 1, on the Series "B," at Guaranty Trust Co. of New York, and Union Trust Co., Cleveland.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee—The Union Trust Co., Cleveland.

Provisions of Issue—Authorized, $10,000,000; outstanding Dec. 31, 1927, $500,000 Series "A" 6s, and $200,000 Series "B" 5½s. Additional bonds may be issued in one or more series bearing such interest rates, due dates, etc. as the directors may determine within the restrictions of the indenture. Additional bonds may only be issued, except for refunding purposes, to a par amount not exceeding 75% of the cost or fair value, whichever is less, of physical property acquired subsequent to April 1, 1926. No additional bonds may be issued unless net earnings for twelve consecutive months within the fourteen months next preceding such proposed issuance shall have been at least twice the annual interest on all First & Refunding Mortgage and underlying bonds outstanding, together with those to be issued. The indenture also restricts the issuance of bonds to the acquisition of electric light and power and artificial gas properties located in the State of Ohio.

Callability—Series "A": Subject to call as a whole or in part on any interest date at 105 to and including 1941, at 104 during 1942; at 103 during 1943; at 102 during 1944; at 101 during 1945 and 100 during 1946.

Series "B": Subject to call as a whole or in part on any interest date at 105 and interest to and including 1943; at 104 during 1944; at 103 during 1945; at 102 during 1946; at 101 during 1947, and at 100 during 1948.

Sinking Fund—Annual sinking fund beginning July 1, 1930, provides for the payment to the Trustee in cash of an amount equal to 1% of the highest principal amount of bonds previously issued under the mortgage, less all bonds retired from the sale of mortgaged property and bonds issued for refunding under this mortgage. These payments must be used for the purchase or call of these bonds at not exceeding their current redemption price. All bonds so acquired are to be cancelled.

Security—These bonds are secured by a first mortgage on all rights, franchises, and physical property of the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut personal property tax up to 4 mills, New Hampshire personal property tax up to 5 mills, District of Columbia personal property tax up to 5 mills, Virginia five mills tax, and the Massachusetts Income Tax up to 6%, refundable.

Legal Opinion—Storey, Thorndike, Palmer & Dodge, Boston (for the Bankers) and Tolles, Hogsett Ginn & Morley, Cleveland (for the Company).

Original Offering—First publicly offered ($500,000 Series "A" 6s) in March, 1926, by Coffin & Burr, Inc., New York, Boston, etc., and Putnam & Storer, Inc., Boston, at 98½ and interest, yielding over 6.10%; $200,000 Series "B" 5½s offered in April, 1927, by the same bankers.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926
Gross earnings	$637,021	$192,3
Operating expenses & taxes	484,570	157,4
Net earnings	$152,451	$34,9
Fixed charges	41,292	18,0
Depreciation	35,000	
Net income	$76,159	$16,8

*8 months ended Dec. 31, 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$1,383,636	$847,7
Construction work in progress	16,916	118,5
Materials and supplies	62,277	80,5
Cash	3,245	1,6
Accounts receivable	72,051	67,1
Unadjusted debits	2,965	1,7
Deferred debit items	59,824	72,1
Special deposits	2,118	95,5
Total	$1,603,032	$1,285,2
Liabilities—		
Common stock (4,657 no par shares)	$93,140	$93,1
Preferred stocks	400,000	200,0
Funded debt	750,000	500,0
Accounts payable	56,566	205,9
Interest accrued	12,083	7,5
Other current liabilities		45,0
Reserve for taxes	9,942	9,2
Reserve for depreciation	47,000	2,8
Other reserves	7,109	2,7
Miscellaneous	438	
Profit and loss surplus	226,754	218,5
Total	$1,603,032	$1,285,2

Officers: F. W. Coen, Pres., Cleveland, O.; L. F Burge, V-P.; S. Jorgensen, Sec.; F. Pantel, Treas. Asst. Sec., Sandusky, O.

Directors: F. W. Coen, B. F. Firey, W. B. Cockle Cleveland, O.; F. E. Frothingham, Graydon Stetso Boston, Mass.; L. K. Burge, S. Jorgensen, Sandusk O.

General Office, Sandusky, Ohio. **Executive Offic** Union Trust Bldg., Cleveland, Ohio.

AMERICAN UTILITIES COMPANY

History—Incorporated in 1925, in Delaware, owns, operates and finances public utility companies, including ice companies. It owns the entire capital stock (except directors' qualifying shares) and all of the mortgage bonds of the Louisiana Public Utilities Company, Inc., the Arkansas General Utilities Company, the Missouri General Utilities Company, the Texas General Utilities Company, the Kentucky Service Company, the Panhandle Public Service Company, The Tucumcari Light and Power Company, and all the Common capital stock of the Mansfield Light and Power Company, Mansfield, La.

Territory and Business—The American Utilities Company, through its various subsidiaries, supplies in 75 communities one or more of the following services: Electric light and power, gas, water and ice. These communities, of which 33 are County or Parish Seats, are located in the States of Kentucky, Missouri, Arkansas, Louisiana, New Mexico, Oklahoma, and Texas. The aggregate population supplied with one or more services is estimated at over 211,000. Electric light and power is supplied in 59 communities having an estimated aggregate population of over 83,900, water in 8 communities having an estimated aggregate population of over 22,100, natural and artificial gas in 4 communities having an estimated aggregate population of over 18,000; and ice in 40 communities having an estimated aggregate population of over 173,500. The total capacity of electric plants is 7,400 h.p. The capacity of ice plants owned is 785 tons, in addition to which the Arkansas subsidiary has a contract for the output of a 75-ton plant making a total capacity of 860 tons. The customers, not including ice customers, total 18,184 of whom 14,019 are supplied with electric light and power, 2,576 with water and 1,589 with natural gas. The k.w.h. generated and purchased in 1927 amounted to 13,059,000, compared with 9,843,000 in 1926; ice sold in 1927 amounted to 104,6 tons, compared with 108,639 tons in 1926.

CAPITAL STOCK

Authorized, 150,000 shares Common stock, no p value, Voting Trust Certificates, and 50,000 shares cumulative Pfd. stock, no par value; outstandin 63,450 Common shares and 14,470 shares Pfd. stock.

Preferred Stock Provisions—Preferred as to cumul tive dividends and assets. Entitled in dissolution liquidation to receive up to $100 per share and accru dividend. Redeemable as a whole or in part at optic of Company on any dividend date on 30 days' notice $110 per share and accrued dividend.

Transfer Agent—The Pennsylvania Company f Insurances on Lives & Granting Annuities, Phil delphia.

Registrar—Fidelity-Philadelphia Trust Co., Phil delphia.

Option Warrants—Purchasers of 35,000 shares Common Stock Voting Trust Certificates received o tion warrants entitling them to subscribe to an equ additional amount of Voting Trust Certificates, or the Voting Trust is not then in force, to Common stoc as follows: On or before Jan. 2, 1927, at $12 per shar thereafter but on or before Jan. 2, 1928, at $15 p share; thereafter but on or before Jan. 2, 1929, at $ per share.

Original Offering—In Dec., 1925, 14,000 shares dividend Pfd. stock were publicly offered by Pars Bros. & Co., and Paul & Co., Philadelphia, at $100 p share, deliverable under $50 paid Allotment Certi cates under which each share of Pfd. offered carrie one share of Common stock or Voting Trust Ce tificates.

Annual Meeting—Third Monday in February.

Dividends—Preferred dividends are regularly pa quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$3,930,000 FIRST LIEN AND REFUNDING GOLD 6s; SERIES "A"; DUE DECEMBER 1, 1945.

Dated December 1, 1925.

Interest Payable June and December 1, at Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, or at the Chase National Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Denominations are interchangeable.

Trustee—Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized amount unlimited; outstanding, $3,930,000 Series "A" 6% bonds. Additional bonds of this series, as well as bonds of any other series, may be issued only for the purposes and under the restrictions in the trust indenture, which, among others, include the following: (a) Upon deposit with Trustee of at least an equal amount of mortgage bonds of any subsidiary of which at least 75% of the outstanding voting stock shall be acquired by the Company and deposited with Trustee, but only when the annual interest on all deposited bonds, including those which it is proposed to deposit, together with all income from other sources and the income applicable to the payment of dividends upon all deposited stock for 12 consecutive calendar months within the previous 14 months, all as defined and provided in the trust indenture, shall have been at least 3¼ times annual interest charges upon the bonds issued thereunder and those which it is proposed to issue. Bonds shall not be issued beyond an amount which, together with any prior lien bonds or other secured obligations outstanding with the public, would exceed 80% of fair value of property securing the deposited bonds. (b) To refund an equal principal amount of First Lien and Refunding bonds of another series.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest during 1926, and thereafter at ¼ of 1% per year less for each succeeding year except that during 1945 they are callable at 100 and interest.

Sinking Fund—A sinking fund is established providing for payments upon amount of Series "A" bonds at the time outstanding as follows: 1% per annum for the years 1927 to 1930, incl.; 1½% per annum for the years 1931 to 1935, incl., and 2% per annum for the years 1936 to 1945, incl., such amounts to be used for the retirement of bonds issued.

The Company will be entitled to a credit against the foregoing amounts for (a) 80% of any sums expended by any subsidiary, all of whose voting stock, except directors' qualifying shares, is deposited, for additions, extensions, betterments, improvements or acquisitions on account of which the subsidiary company would be entitled to the authentication of bonds but against which no bonds shall be issued; (b) any moneys except moneys realized from the release of property applied by any subsidiary to the redemption of bonds or secured obligations outstanding with the public and against which no securities unless pledged under the lien of the Trust Indenture are issued. In the case of a subsidiary only a part of whose voting stock is owned and pledged under the Trust Indenture the amount of the credit hereunder shall be 80% of that proportion which the stock owned and pledged bears to the whole of the outstanding stock; (c) any moneys received by the Trustee through the operation of any sinking fund in connection with any securities pledged under the Trust Indenture.

All sums received by the Trustee through the redemption of any securities deposited under the Trust Indenture shall be applied by the Trustee to the redemption of bonds issued thereunder. No funds received by the Trustee through the redemption of bonds under any maintenance or depreciation reserve account of any subsidiary company shall be included in the credit to the sinking fund but such sums shall be applied by the Trustee to the redemption of bonds issued under the Trust Indenture.

Security—These bonds are secured by deposit and pledge with the Trustee of all of the outstanding First Mortgage bonds (aggregating in excess of $3,128,500 in principal amount and constituting the sole funded debt of the issuing companies) and all of the capital stock except directors' qualifying shares now issued of seven subsidiary companies, the Louisiana Public Utilities Co., Inc., the Arkansas General Utilities Co., the Missouri General Utilities Co., the Texas General Utilities Co., the Kentucky Service Co., the Panhandle Public Service Co. and The Tucumcari Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Personal Property Tax not exceeding four mills refunded. In addition certain taxes in Maine, Massachusetts, Connecticut Maryland and District of Columbia, will be refunded.

Legal Opinion—Rawle & Henderson, and Townsend, Elliott & Munson, Philadelphia.

Original Offering—First publicly offered ($1,250,000) in January, 1926, at 97½ and interest, to yield 6.22%, by J. G. White & Co., Inc., New York, etc., and Parsly Bros. & Co., Paul & Co., and Stroud & Co., Inc., Philadelphia; additional public offering ($621,000) in June, 1926, at 98 and interest, yielding about 6.18% by J. G. White & Co., Inc., New York; Parsly Bros. & Co., and Paul & Co., Philadelphia; $350,000 additional offered by the same bankers in March, 1927, at par and interest; $910,000 additional offered by the same bankers in August, 1927, at par and interest.

(2)

$1,641,000 FIFTEEN-YEAR 6½% GOLD DEBENTURES; DUE NOVEMBER 1, 1941

Dated November 1, 1926.

Interest Payable May and November 1, at The Seaboard National Bank of the City of New York, or The Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia, Pa.

Denominations—Coupon debentures in interchangeable denominations of $500 and $1,000; principal may be registered.

Trustee—The Seaboard National Bank of the City of New York.

Provisions of Issue—Authorized, $5,000,000. Additional Debentures may only be issued when net earnings as defined in the Trust Indenture for twelve consecutive months within the fifteen calendar months immediately preceding are, after deducting all prior interest charges, equal to at least 2½ times the annual interest requirements on these Debentures including those to be issued and all other interest charges ranking equally.

Purpose of Issue—Proceeds together with other funds were used to provide for payment for certain properties acquired by subsidiaries, for construction, for the retirement of $997,000 Union Edison Company 5% notes and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice on or prior to Nov. 1, 1931 at 102½ and interest, and thereafter at ¼ of 1% per year less for each succeeding calendar year.

Security—No other indebtedness may be incurred to mature beyond one year unless under similar restrictions except that additional First Lien & Refunding Mortgage bonds may be issued subject to the restrictions provided therefor.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Personal Property Tax not exceeding 4 mills refunded. In addition certain taxes in Maine, Massachusetts, Connecticut,

Maryland and the District of Columbia refunded.

Legal Opinion—Rawle & Henderson and Townsend, Elliott & Munson, Philadelphia.

Original Offering—First publicly offered ($1,000,000) in Dec., 1926 at 96½ and interest to yield about 6.88% by Parsly Bros. & Co. and Paul & Co., Philadelphia. An additional offering of $350,000 was made in March, 1927, by the same bankers.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(American Utilities Co. and Subsidiaries)

	1927	1926	1925
Gross revenue incl. other income	$1,721,725	$1,626,174	$793,303
Operating exp., maint. & taxes, except Fed. Income taxes	1,202,180	1,129,811	523,866
Balance	$519,545	$496,364	$269,437
Annual int. requirement 1st Lien & Refunding bonds	241,890	.....	.....
Annual int. requirement on 15-Year 6½% Debentures	106,665	.....	.....
Balance for deprec., Fed. Income Taxes, divds., etc., of subsidiary cos.	$170,990	.....	.....

NOTE—The above figures represent annual interest requirements on the First Lien & Refunding 6% bonds and Fifteen-Year 6½% Debentures outstanding at end of the calendar year 1927. Based upon actual income expenses and interest charges for the year, the balance for retirement reserve, dividends, etc., was $188,564.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital	$6,711,476
Investments	58,420
Cash	119,845
Accounts & notes receivable	271,250
Material and supplies	103,721
Bond int., etc., on deposit	39,994
Special deposits	20,410
Deferred charges	867,153
Total	$8,192,269
Liabilities—	
First Lien & Refunding 6% bonds	$3,930,000
15-Year 6½% Debenture bonds	1,641,000
5-Year notes	44,431
City of Rollo, Mo. bonds assumed	19,000
Notes and accounts payable	329,989
Consumers' deposits	46,747
Unredeemed ice coupons	2,036
Taxes accrued	14,533
Insurance accrued	1,874
Interest accrued	41,153
Misc. accrued liabilities	3,719
Surplus and reserves	*2,117,787
Total	$8,192,269

*Represented by 14,470 shares of $7 no par Pfd. and 63,450 shares of no par Common.

Operating Managers—Gannett, Seelye & Fleming, Inc., Harrisburg, Pa.

Officers: Samuel W. Fleming, Jr., Pres.; Theodore E. Seelye, V-P. & Treas.; Farley Gannett, V-P.; Thomas S. Mount, Sec.; J. B. Bell, Compt.; I. M. Kellberg, Asst. Sec.

Directors: Samuel W. Fleming, Jr., Theodore E. Seelye, Harrisburg, Pa.; S. G. Sykes, Hermann G. Place, New York; E. G. Parsly, Joseph W. Henderson, L. F. Parsly, Philadelphia, Pa.

General Office, 600 North Second St., Harrisburg, Pa.

NEW YORK & ONTARIO POWER CO.

History and Property—Incorporated April 18, 1906, in N. Y., to furnish light and power to municipalities and industries in northern New York. Is developing a water power at Waddington on the St. Lawrence River, which will have an ultimate capacity of upwards of 30,000 h.p. Present development will have 17,000 h.p. in water wheel capacity. Company is in construction stage and is not operating at present.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $240,000; par, $100. Annual meeting, second Tuesday in June.

FUNDED DEBT

$200,000 First Gold 5s; dated Aug. 1, 1907; due Aug 1, 1937; int. Feb. and Aug. 1, at American Exchang Irving Trust Co., New York, Trustee. Coupon, $500 principal may be registered. Authorized issue, $457,000. Outstanding bonds were issued to provide fund to develop water power property at Waddington N. Y., and are secured by first mortgage on tha property. Company does not pay Normal Federa Income Tax.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$579,350	$702,123	$667,13
Cash	74	93	4
Accounts receivable	.....	.....	5,00
Misc. current assets	153,333	.....	.....
Unamortized debt discount	3,167	9,500	.....
Total	$735,924	$711,716	$672,17
Liabilities—			
Capital stock	$240,000	$240,000	$240,00
Funded debt	200,000	200,000	200,00
Unfunded debt	129,862	.....	.....
Accounts payable	11,729	.....	.....
Reserve for taxes	1,000	.....	.....
Other current liabilities	.....	128,383	98,84
Matured interest unpaid	153,333	143,333	133,33
Total	$735,924	$711,716	$672,17

Officers: W. S. Connolly, Pres.; Jas. Thomson V-P.; Jas. Leckenby, Sec.; J. G. Allen, Treas., Hamilton, Ont., B. B. Tucker, Aud., Gen. Mgr. & Pur Agt., Morrisburg, Ont., Can.

Directors: Jas. Wilson, Fergus, Ont.; D. J. Crichton, Ogdensburg, N. Y.; W. S. Connolly, J. G. Allen J. Thomson, F. W. Gates, J. Thomson, Jr., Jas. Leckenby, Hamilton, Ont., Can.

Offices, Waddington, N. Y., and Morrisburg, Ont., Canada.

INDIANAPOLIS AND SOUTH EASTERN RAILROAD CO.

History—Incorporated in May, 1928 in Indiana. Purchased at Receiver's sale the street railway property of Indianapolis & Cincinnati Traction Co. (see 1927 Public Utility Manual, page 1882). Line of road extends from Indianapolis to Greensburg, 49 miles and from Indianapolis to Connersville, 58 miles, passing through Rushville, Morristown, Shelbyville, St. Paul and 12 other towns in Indiana. Total miles operated, 107. Gauge, standard. Rail, 70 lb. T. Equipment: Motor cars, 20; non-motor cars, 32; freight and other cars, 10—total, 62.

CAPITAL STOCK

Authorized and outstanding, $500,000; par $100.

Transfer Agent and Registrar—Home Bank & Trust Co., Toledo, Ohio.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE FIFTEEN-YEAR 6% GOLD BONDS; DUE JULY 1, 1943

Dated July 1, 1928.

Interest Payable January and July 1.

Denomination—$1,000.

Trustee—Home Bank & Trust Co., Toledo, Ohio.

Provisions of Issue—Authorized amount open; outstanding, $1,000,000.

Purpose of Issue—Issued to provide funds for acquiring the street railway property of Indianapolis & Cincinnati Traction Co.

Callability—Subject to call at 105.

Sinking Fund—None provided.

Security—Secured by a first lien on entire property.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

OFFICERS

Charles J. Dehore, Pres., Erlanger, Ky.; LeRoy E. Eastman, V-P., Toledo, Ohio; Theresa E. Reardon, Treas.; J. E. Ray, Supt., Indianapolis, Ind.

General Office, Rushville, Ind.

PACIFIC GAS AND ELECTRIC COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	Earnings per Share
First Pfd. (par, $25)	F, M, A & N 15	‡$80,000,000	*$71,766,082	No	$10,970,251	6	$3,969,059	†$3.82
nmon (par, $25)	J, A, J & O 15	‡80,000,000	*65,714,165	...	7,001,192	8	4,892,352	†2.66

*Includes stock subscribed for, but not fully paid or issued †Based on total amount at December 31, 1927. ‡Authorized ital stock was increased by vote of stockholders on February 17, 1928, from the above amounts to $200,000,000 Common, 0,000,000 6% cumulative First Pfd., $40,000,000 5½% cumulative First Pfd. and $20,000,000 5% cumulative First Pfd.; of all classes, $25.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
tle Creek Power Co. 1st 5s	Feb. 2, 1936	F & A 1	Mtge Closed	$54,000	No	No	Pd. by Co.
Count. Pow. 1st Con. 5s	Sept. 1, 1930	M & S 1	2,250,000	454,000	No	No	Pd. by Co.
Counties Power 2d 6s	Apr. 1, 1931	A & O 1	Mtge Closed	189,000	No	Yes	Pd. by Co.
e Lakes Water Co., 1st 6s	Mar. 15, 1938	M & S 15	Mtge Closed	461,000	No	No	Not pd. by Co.
Central Gas & Elec. 1st 5s	Aug. 1, 1931	F & A 1	Mtge Closed	311,000	No	No	Not pd. by Co.
Gas & Elec. Gen. and Collat. Tr. 5s	Mar. 1, 1933	M & S 1	10,000,000	2,515,000	No	Yes	Pd. by Co.
Gas & Elec. Un. & Ref. 5s	Nov. 1, 1937	M & N 1	Mtge Closed	15,220,000	No	Yes	Pd. by Co.
Telephone & Lt. 1st 6s	Apr. 1, 1943	A & O 1	5,000,000	725,300	No	Yes	Pd. by Co.
wick Elec. Pow. Co. 1st 5s	June 1, 1931	J & D 1	Mtge Closed	13,000	No	No	Not pd. by Co.
tual Elec. Light 1st 5s	June 1, 1934	J & D 1	Mtge Closed	111,000	No	No	Pd. by Co.
ada Co. Elec. Power 1st 6s	Oct. 1, 1928	A & O 1	Mtge Closed	7,000	No	No	Not pd. by Co.
thern Calif. Pow. Co. Cons. Ref. & Con. 5s	Dec. 1, 1948	J & D 1	10,000,000	3,896,000	No	Yes	Pd. by Co.
thern Calif. Pow. Co. 1st 5s	June 1, 1932	J & D 1	1,000,000	347,000	No	No	Pd. by Co.
ific Gas & Elec. 1st & Ref. 6s, Series "B"	Dec 1, 1941	J & D 1	Restricted	20,000,000	No	No	Pd. by Co.
Gas & Elec. 1st & Ref. 5½s, Ser. "C"	Dec. 1, 1952	J & D 1	Restricted	45,000,000	No	Yes	Pd. by Co.
Gas & Elec. Gen. & Ref. 5s	Jan. 1, 1942	J & J 1	150,000,000	35,785,000	No	Yes	Pd. by Co.
Gas & Elec. 1st & Ref. 5s, Series "D"	June 1, 1955	J & D 1	Restricted	20,000,000	No	Yes	Pd. by Co.
Gas & Elec. 1st & Ref. 4½s, Series "E"	June 1, 1957	J & D 1	Restricted	15,000,000	No	Yes	Pd. by Co.
ific Gas Improv. 1st 4s	Sept. 1, 1930	M,J,S&D 1	Mtge Closed	169,000	No	No	Not pd. by Co.
ramento Vy. Power Co. 1st 6s	May 1, 1929	M & N 1	500,000	110,800	No	Yes	Not pd. by Co.
cramento Vy. Pr. Co. (The) 1st & Ref. 6s	July 1, 1941	J & J 1	2,000,000	395,000	No	Yes	Pd. by Co.
Francisco Gas & Elec. General 4½s	Nov. 1, 1933	M & N 1	Mtge Closed	5,579,000	No	*	Pd. by Co.
Stand. Elec. Co. of Cal. 1st 5s	Sept. 1, 1939	M & S 1	5,000,000	1,495,900	No	No	Not pd. by Co.
urban Light & Power 1st 6s	Aug. 1, 1938	F & A 1	Mtge Closed	220,000	No	No	Pd. by Co.
ted Gas & Elec. 1st 5s	July 1, 1932	J & J 1	Mtge Closed	797,000	No	No	Pd. by Co.
ley Counties Power 1st 5s	May 1, 1930	M & N 1	Mtge Closed	1,077,000	No	No	Pd. by Co.
a Electric Power 1st 6s	June 1, 1929	J & D 1	Mtge Closed	138,000	No	No	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $170,070,000. **Interest Accrued** in 1927, $9,077,587.
Amount Available for Interest in 1927, $24,977,772. (before depreciation reserve). **Times Interest Earned** in 1927, 2.75.

*Bonds numbered 1 to 4,000 callable for sinking fund purposes at 105 and accrued interest. †Called and redeemed Jan. 1, 1928.

History and Properties—Incorporated Oct. 10, 1905, California, to acquire the capital stocks of the San ncisco Gas & Electric Co. and the California Gas lectric Corporation. Subsequently, the entire $45,-,000 capital stock of the latter company, having n acquired, its properties were merged into the ific Gas & Electric Co. (which is essentially an op- ting company). With the exception of properties ed from the Sierra & San Francisco Power Co. Yuba River Power Co. and of the properties of Mt. Shasta Power Corp. and California Telephone ight Co., all of whose capital stock is owned by pany, the Pacific Gas & Electric Co. now owns, bsolute fee, all the properties which it operates, uding the properties formerly owned by the Fresno & Electric Co., the Vallejo Gas Co., the Califor- Central Gas & Electric Co., the South Yuba Water Central California Electric Co., Surburban Light ower Co., Los Gatos Ice, Gas & Electric Co., th San Francisco Light & Power Co., Livermore ter & Power Co., United Water & Power Co., tra Costa Electric Light & Power Co., Live Oak ncinal Light & Power Co., Sebastopol Light & ver Co., and the distributing system of E. D. N. e, D. C. Gillen, Redwood Manufacturing Co., nard Pryor and West Sacramento Electric Co. Nov. 27, 1911, acquired all of the properties and ts of San Francisco Gas & Electric Co. (see Man- for 1911, page 2195), and in March, 1917, all of public utility properties of The Oro Electric Cor- ation (see Manual for 1916, page 4469).

Dec., 1911, the Pacific Gas & Electric Co. ac- ed control of the Metropolitan Gas Corp. of San Francisco, which was successor, by change of name, to the San Francisco Coke & Gas Co.

In April, 1917, acquired stock of Mt. Shasta Power Co., in July, 1919, purchased properties of Durham Light & Power Co., in Oct., 1919, the capital stock and properties of the Northern California Power Co., Consolidated and in 1920 the properties of California Power & Manufacturing Co.

As of March 1, 1922, the Great Western Power Co. purchased the properties of Universal Electric & Gas Co. operating in San Francisco, the Pacific Gas & Electric Co. later acquiring a one-half interest in the properties. The earnings of these Universal properties, subsequent to their acquisition are merged in those of the purchasers (for latest published statement see 1923 Public Utility Manual, page 2279).

In April, 1923, acquired ownership of the California Telephone & Light Co. and now owns all of its outstanding capital stocks.

In Feb., 1924, purchased the entire properties of Amador Electric Light & Power Co. (see 1923 Public Utility Manual, page 786), the Sutter & Amador Water Co. and Ione Water Co.

As of March 12, 1926, acquired Sacramento Gas Co. (see 1926 Public Utility Manual, pages 1266 and 2393), furnishing gas in Sacramento and Lodi, Cal., and the properties have since been merged with those of the parent company. The outstanding funded debt was called for payment on Oct. 1, 1926.

In 1926 Company also purchased the electric distribution systems of the following companies: Middle Yuba Electric Power Co., as of Feb. 10, 1926; Peters Brothers and Towle Brothers Co., April 1, 1926; Bell

PACIFIC GAS & ELECTRIC COMPANY
E. H. Rollins & Sons
Founded 1876
Boston New York Philadelphia Chicago
Denver San Francisco Los Angeles London

Electric Co., August 3, 1926 and Lake County Water & Power Co., Nov. 19, 1926. Also purchased the municipal gas system of the town of Santa Clara, Cal., as of Dec. 27, 1926.

On May 1, 1927 acquired from the Standard Gas & Electric Company its holdings of the entire outstanding stock of the Sierra & San Francisco Power Company (see appended statement) and Del Monte Light & Power Co.; and a controlling stock interest in the Western States Gas & Electric Co. of Delaware, Western States Gas & Electric Company (of California) and Coast Valleys Gas & Electric Co. (see appended statements). The stock interest acquired from the Standard Company in each instance was as follows: Sierra & San Francisco Power Company, entire outstanding issue of $20,000,000 capital stock; Western States Gas & Electric Co. of California, $751,500 Common stock; Western States Gas & Electric Co. of Delaware, $3,253,200 Common stock; Coast Valleys Gas & Electric Co., entire outstanding issue of $3,000,000 Common stock; Del Monte Light & Power Co., entire outstanding issue of $25,000 capital stock. In addition, the Pacific Company also acquired certain power projects on the Feather River, California, capable of developing approximately 350,000 horsepower hydro-electric energy, upon which approximately $500,000 had been expended.

The consideration for the stocks and properties above enumerated was the issuance to the Standard Gas & Electric Company of $6,500,000 of the Pacific Company's Common stock and a cash payment of $2,085,000.

Company plans, in addition to the physical merger of the properties of the Western States and Coast Valleys Companies, the ultimate liquidation and dissolution of these companies, and has called for redemption the entire outstanding bonded debt of these companies. As of April 1, 1928 the Pacific Company owned or controlled, either directly or through its holdings of 95% of the capital stock of the Western States Gas & Electric Co. of Delaware, more than 96% of the outstanding stock of the Western States Gas & Electric Co. of California, and 92% of that of the Coast Valleys Gas & Electric Co.

On October 1, 1927 the entire outstanding capital stock of the Vacaville Water & Power Company was acquired through issuance in exchange therefor of $175,000 Pacific Gas & Electric Co. 6% Pfd. stock.

In April, 1928, purchased the electric properties of the Tuolumne County Electric Power & Light Co.

Sale of Telephone and Water Properties—Company on February 1, 1927 sold to the Sacramento Valley Telephone Co. the telephone system acquired in connection with the purchase of California Telephone & Light Co.; and on April 25, 1927 sold to C. B. Jackson its water distribution systems in Stockton, Redding, Willows, Livermore, Dixon and Oroville. The combined revenues of these properties was equivalent to about 1% of Company's gross income.

The Pacific Gas & Electric Co. leases and operates the hydro-electric property of The Yuba River Power Co. (see statement appended).

Melones Dam Hydro-Electric Power Development—For the use of hydro-electric facilities created by the Melones Dam, the Pacific Gas & Electric Company and the Sierra & San Francisco Power Co., agreed, upon completion of the dam, to pay to the Oakdale Irrigation District and the South San Joaquin Irrigation District in equal proportions, the sum of $5,175,000, at rate of $129,375 per year, in semi-annual installments. This dam has been completed and was dedicated Nov. 11, 1926. The power companies agreed to erect a power plant, to be called the Melones plant, to cost $2,500,000 and to be capable of generating 40,000 h. p. electric energy, at a point about a mile down stream from the dam and to be operated by water diverted thereat. The estimated output of electric energy from the Melones plant is placed at 100,000,000 k.w.h. per annum. The plant was put in service Jul 1, 1927. For further details see description of Melon Dam Hydro-Electric Power Development at end this Company's statement.

The California Gas & Electric Corporation was o ganized in 1901 and acquired control of Bay Counti Power Co., the Valley Counties Power Co., the Oa land Gas Light & Heat Co., the Sacramento Ele tric Gas & Ry. Co., the Standard Electric Co. of Ca the United Gas & Electric Co., the Blue Lakes Wat Co., the Stockton Water Co., the San Mateo Power C and the Berkeley Electric Lighting Co. Subsequent all of these companies were merged into the Californ Gas & Electric Corporation, and the latter into t Pacific Gas & Electric Co.

97% of the Company's revenues are derived fro the manufacture and sale of gas and electricity f lighting, heating and power purposes and 3% fro other activities, including the operation of the stre railway system of the City of Sacramento, the sa of water for power, irrigation and domestic purpos and steam heating. These operations extend into counties of central California, with an estimated pop lation over 2,500,000, or about 50% of the popul tion of the entire State, embracing an area of 59,000 miles. Nearly 300 communities are served in th territory, including several of the largest cities the State. The Company does over one-third of t gas and electric business of the entire State. Numb of active meters in service Dec. 31, 1927, 891,647.

Properties (including properties of Sierra & S Francisco Power Co.)—The Company is one of t five largest hydro-electric utilities in the Unit States. The electric properties comprise 29 hyd electric power stations and four power stations gene ting by steam having a capacity of 576,876 and 190,3 developed electrical h.p. respectively. The Compa controls in the Pit River region, through ownersh of the entire stock of the Mt. Shasta Power Corpo tion, water power projects capable of an estimated u mate development of 646,000 h.p. of continuo energy, of which 235,926 h.p. is now developed. Th are 97 storage lakes and reservoirs with a total st age capacity of 11,170,760,000 cubic feet of wat There are also 3,242 miles of high tension transmiss lines, 10,958 miles of distributing transmission li and 208 miles of underground distribution syste The gas properties consist of 16 gas plants, distrib ing through 4,667 miles of gas mains and 418, meters supplying entire City of San Francisco a 73 other cities and towns. The Company also ow various domestic water systems and irrigation syste operating for both power and water supply 837 m of canals, flumes and distribution pipes. Also ow the street railway system of Sacramento, compris 46.5 miles of track, with an average number of c in daily use of 60.

Value of Property—The appraised value of Co pany's tangible properties as of November 30, 1927, cluding the properties of companies acquired dur 1927 from Standard Gas & Electric Co., was appro mately $317,000,000 or substantially in excess of total amount of bonds and stock outstanding on t date. This appraisal is based on average prices material and labor for the five-year period ended D 31, 1919, applied to the properties existing on t date, plus the actual cost of subsequent additions betterments. It includes nothing for recognized ments of value such as water rights, going value, tents, etc.

Value of San Francisco Property—A valuation $40,000,000 was placed upon the properties of C pany which are connected with the Hetch Het power project in San Francisco, Jan. 25, 1927 by A Dow, President of the Detroit Edison Co. Valua proceedings have been pending for months and sought as a means of guidance in a prospective p chase of that part of Company's holdings which h

ty of San Francisco wishes to acquire to obtain full ntrol of the Hetch Hetchy water system. The ure represents value in 1924.

San Francisco properties of Company are worth 2,929,431 including the permanent loss and damage mpany would suffer should the city take over such operties under a municipal ownership plan. This as the estimate made Jan. 28, 1927 by William J. agenah of Chicago, a public utility analyst called Company at the resumption before California RR. mm. of a hearing to determine a just compensation r Company's San Francisco properties under con- mnation proceedings. Including all elements of dam- e the figure becomes $61,857,758.

Franchises—Rights and franchises are without nitation in point of time in the cities or else, with one minor exception, extend from ten to fifteen years beyond the life of the Company's bonds. The majority of rights of way for transmission lines are owned outright.

Extent of Services—The Pacific Gas & Electric Co. furnishes, directly or indirectly electricity to 295 cities and towns with a total population of 1,861,764, gas to 78 cities and towns, with a population of 1,689,802, water to 22 cities and towns, railway service in one city, also steam heat in San Francisco and Oakland. The principal communities served are as follows: Alameda, Berkeley, Burlingame, Chico, Fresno, Oakland, Palo Alto, Petaluma, Piedmont, Redwood City, Richmond, Sacramento, San Francisco, San Jose, San Leandro, San Mateo, Santa Cruz, Santa Rosa, Stockton and Vallejo.

	DIRECTLY		INDIRECTLY		TOTAL	
	No.	Population	No.	Population	No.	Population
ectricity	249	1,650,764	46	211,000	295	1,861,764
as	73	1,675,600	5	14,702	78	1,689,802
ater (Domestic)	18	10,000	4	11,750	22	27,750
ailway	1	105,000	..	.....	1	105,000
eam Heating	2	1,003,000	..	.....	2	1,003,000

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Output of Power Plants—	1927	1926	1925
ydro-electric	1,484,411,999	1,378,906,537	1,478,364,219
eam	15,567,000	105,733,650	145,542,575
urchased	†	673,246,793	377,567,846
Total	†	2,157,886,980	2,001,474,640
umber of plants	33	32	32
Cap. (water power) H. P.	576,876	536,829	534,818
Cap. (steam) H. P.	190,349	190,349	190,349
Total generat. cap.	767,225	727,178	725,167
Lines:			
verhead miles	14,200	13,583	12,619
nderground, miles.	208	196	181
Gas Plants—			
apac. daily output, cu. ft.	111,960,000	112,100,000	106,148,000
old, cu. ft.	19,414,594,600	17,482,206,900	16,200,951,000
ervices laid	364,945	349,598	318,769

Gas Plants—	1927	1926	1925
Mains laid, miles	4,667	4,468	4,108
Plants, number	16	17	16
Water Plants—			
Miles of mains for domestic use	50	301	292
Pumped from wells, gallons	*	2,453,541,711	2,621,595,999
Reservoirs (including stor. for electric. gen.) number	97	112	110
Capac. reserv., cu. ft.	11,170,760,000	11,122,052,000	9,519,611,000
Irrigation canals, pipe lines, etc., miles	787	839	824
Street Ry. System—			
Miles single track	46.5	46.5	44.06
Car mileage	3,122,851	3,248,661	3,233,015
Earns. per car mile.	$0.219	$0.219	$0.2269
Passengers carried	16,397,382	17,131,577	17,111,097
No. of cars (aver. in daily use)	60	64	64

*Water pumping properties sold in 1927. †Not reported.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
o. of consumers, gas	432,263	418,541	387,707	365,396	343,690	316,268
o. of consumers, electricity	453,940	434,887	405,779	378,751	347,955	311,615
o. of consumers, water	4,820	20,685	19,602	18,864	17,810	16,985
o. of consumers, steam	624	611	610	606	579	542
Total	891,647	874,724	813,698	763,617	710,034	645,410

CAPITAL STOCK

Authorized, $200,000,000 Common, $140,000,000 6% mulative First Pfd., $40,000,000 5½% cumulative irst Pfd. and $20,000,000 5% cumulative First Pfd.; sued to December 31, 1927, $64,631,898 Common and 70,131,082 6% cumulative First Preferred; par of all lasses, $25. The $64,631,898 issued Common included 48,433 owned by subsidiary companies, $64,578,200 utstanding and $5,265 warrants. In addition $1,130,- 00 Common and $1,635,000 First Preferred had been ubscribed for, but not issued to December 31, 1927.

Stock Increase—Stockholders on February 13, 1928 oted to increase authorized capital stock from $80,- 00,000 Common and $80,000,000 6% cumulative First referred to the following amounts: $200,000,000 Com- ion, $140,000,000 6% cumulative First Pfd., $40,000,- 00 5½% cumulative First Pfd. and $20,000,000 5% umulative First Pfd., all of $25 par value.

First Preferred Stock Provisions—First Pfd. stock as preference as to assets as well as dividends over ommon. There shall be no distinction between the hree classes of First Preferred stock except the differ- nce in the annual rate of dividends to which each lass is entitled. First Pfd. stock is not subject to edemption. Upon liquidation or dissolution of the orporation, First Pfd. stock shall be entitled to pay- ent at par and accrued, unpaid, dividends before any mount shall be paid to Common. First Pfd. stock to be issued only as fully paid with the express cove- nant of the Company that it shall not be subject to assessment for any purpose.

Change in Par Value of Stocks—In October, 1926, the stockholders approved an amendment of the Articles of Incorporation reducing the par value of both Preferred and Common stock from $100 to $25 per share, which change became effective on January 3, 1927, and on and after that date stockholders were permitted to exchange their holdings for the new $25 shares on the basis of one share of the old stock for four shares of the new. Such exchange is not compulsory; except that in case of transfer, all new certificates issued are in the $25 denomination. The classification of Company's stock, as amended, is now; 3,200,000 shares First Preferred stock of $25 each, $80,000,000 and 3,200,000 shares Common stock of $25 each, $80,000,000.

Sale of Preferred Stock—Since June 1, 1914, the Company has financed a large portion of its construction requirements through the direct sale to the public of its First Pfd. stock. The first issue of $12,500,000 was sold at $82.50 per share, and the most recent offering at $100 per share. With the exception of $5,000,000 in 1919, all the stock shown below has been disposed of through the Customer Ownership Plan: 1914, $8,801,300; 1915, $3,785,100; 1916, $1,123,100; 1917, $890,000; 1918, $156,000; 1919, $5,035,900; 1920, $3,635,050; 1921, $7,491,150; 1922, $10,038,700; 1923, $2,543,700; 1925, $452,000; 1926, $8,503,400; 1927, $7,175,300.

Common Stock Subscription Privileges—On July 9, 1924, stockholders of record received the right to subscribe, prior to Aug 1, 1924, to any part of 50,000 shares of additional Common stock, the issue being over-subscribed. The issuance of an additional 50,000 shares of Common stock was authorized by the Directors on Aug. 6, 1924, also the issuance of an additional 25,000 shares of Common was authorized in February, 1925. These 125,000 shares were all purchased by the Company's stockholders, by its customers and other residents of the territory served and the proceeds used to finance new construction.

Common stockholders of record February 23, 1926, had the privilege of subscribing on or before March 31, 1926 (on or before May 1, 1926, for stockholders outside of the United States, Canada and Mexico), to an amount of Common stock equal to 10% of the par value of their respective holdings. Payment for the stock could be made either in full with the subscription, or $50 with subscription and $50 on or before May 1, 1926. Subscriptions were received for $4,732,500 par value or over 98.3% of the stock offered; proceeds to be applied toward the cost of additions and extensions.

Common stockholders of record January 26, 1927 were offered the privilege to subscribe for additional shares of Common stock to the extent of 10% of their holdings. Payment for stock subscribed for could be made either in full ($25 a share) with subscription not later than March 1, 1927, or, at option of subscriber, in installments as follows: $10 with subscription on or before March 1 and three additional installments of $5 on or before April 1, May 1 and June 1, 1927 respectively.

Stockholders of record February 17, 1928 had the privilege of subscribing on or before March 23, 1928 to $6,458,350 additional Common stock in ratio of one new share for each ten held. Subscription price of $25 per share (par value $25) could be paid in full at time of subscription or $10 at time of subscription and three additional installments of $5 each on or before April 23, May 23 and June 22, 1928 respectively.

Transfer Agents—Stock is transferred at Company's office in San Francisco, Cal., and at Bankers Trust Co., New York.

Registrars—American Trust Co., San Francisco, and the New York Trust Co., New York.

Annual Meeting—Second Tuesday in April.

Legal For Savings Banks (Pfd. stock)—In New Hampshire.

Listed—First Preferred listed on San Francisco Stock Exchange, and Los Angeles Stock Exchange. Common stock listed on New York, Los Angeles and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
First Pfd. (par $100)—								
High	100	102¼	99⅞	94	92⅛	90¾	87	88¼
Low	98½	97	93⅛	85½	86⅝	86⅝	76¾	75½
First Pfd. (par $25)—								
High	27	..	..	..	..	..	..	..
Low	24⅝	..	..	..	..	..	..	..
Common (par $100)—								
High	130	134	137⅛	105	94⅞	91⅛	68	61¼
Low	130	118	102½	90⅛	73	60	46¼	40¼
Common (par $25)—								
High	50	33⅝	..	..	..	..	..	..
Low	31	31½	..	..	..	..	..	..

Dividends—Initial dividend of 1½% on original Pfd. stock paid April 15, 1906; none paid from that date to July, 1909, when Pfd. shareholders were given one share Common for each two shares of original Pfd. owned, in full settlement of all accumulated dividends. In Nov., 1909, cash dividends on original Pfd. were resumed, and payments are now made quarterly, at full rate. On new Pfd. shares of $25 par value, initial quarterly dividend of 37½ cents was paid May 16, 1927, and regularly thereafter. Payments on Pfd. quarterly F, M, A & N 15, to stockholders of record on the last day of preceding month.

In Nov., 1911, a Common stock dividend of 50% was declared, and an initial quarterly cash dividend of 1¼% was paid April 15, 1912; quarterly dividends at that rate paid to April 15, 1913. Cash dividends were resumed on March 31, 1916, and dividends of 1¼% for quarter ended that date was paid April 15, 1916 and quarterly thereafter to and including Oct. 15, 1917. Common dividends were resumed on April 21, 1919 when dividend of 1¼% was paid, which quarterly rate was paid regularly until the last quarter of 1922, when the cash dividend rate was raised to a 6% per annum basis, in addition to the extra 2% stock dividend payable in Common stock at par which was inaugurated in 1921 and continued in 1922. In the last quarter of 1923, the cash dividend rate was raised to 8% per annum, which rate has been maintained. On new Common shares of $25 par value, initial quarterly dividend of 50 cents a share was paid April 15, 1927 and regularly threafter. Payments, J, A, J & O 15, to stockholders of record on the last day of preceding month.

Stock Dividends—The following dividends have been paid in Common stock to holders of Common stock: Nov. 22, 1911, 50%; 6%, declared June 30 1915; 3% each paid July 15 and Dec. 15, 1915; 2% declared Dec. 14, 1921, and paid Jan. 16, 1922; 2%, declared Dec. 20, 1922, and paid Jan. 15, 1923.

FUNDED DEBT

(Outstanding in hands of public, Dec. 31, 1927 $170,070,000; $14,665,300 alive in sinking funds, and $59,598,000 pledged under the First & Refunding Mortgage.)

(1)	Blue Lakes Water Co. 1st 6s	Due	Mar. 15, 193
(2)	Nevada County Elec. Power Co. 1st 6s	"	Oct. 1, 192
(3)	Yuba Electric Power Co. 1st 6s	"	June 1, 192
(4)	The Standard Elec. Co. of Cal. 1st 5s	"	Sept. 1, 193
(5)	Pacific Gas Improvement Co. 1st 4s	"	Sept. 1, 193
(6)	Bay Counties Power Co. 1st Consol. 5s	"	Sept. 1, 193
(7)	Bay Counties Power Co. 2nd 6s	"	Apr. 1, 193
(8)	Keswick Electric Power Co. 1st 5s	"	June 1, 193
(9)	California Cent. Gas & Elec. 1st 5s	"	Aug. 1, 193
(10)	Valley Counties Power Co. 1st 5s	"	May 1, 193
(11)	Northern Cal. Power Co. 1st 5s	"	June 1, 193
(12)	United Gas & Electric Co. 1st 5s	"	July 1, 193
(13)	Calif. Gas & Elec. Corp. Gen. & Coll. 5s	"	Mar. 1, 193
(14)	Mutual Electric Light Co. 1st 5s	"	June 1, 193
(15)	San Fran. Gas & Elec. Co. Gen 4½s	"	Nov. 1, 193
(16)	Battle Creek Power Co. 1st 5s	"	Feb. 2, 193
(17)	Cal. Gas & Elec. Corp. Unif. & Ref. 5s	"	Nov. 1, 193
(18)	Suburban Light & Power Co. 1st 6s	"	Aug. 1, 193
(19)	Northern Cal. Power Co. Consol. Ref. & Cons. 5s	"	Dec. 1, 194
(20)	Sacramento Valley Pow. Co. 1st 6s	"	May 1, 192
(21)	The Sacramento Valley Pow. Co. 1st & Ref. 6s	"	July 1, 194
(22)	Cal. Telephone & Light Co. 1st 6s	"	Apr. 1, 194
(23)	Pacific Gas & Elec. Co. Gen. & Ref. 5s	"	Jan. 1, 194
(24)	Pacific Gas & Elec. Co. 1st & Ref. 6s, "B"	"	Dec. 1, 194
(25)	Pacific Gas & Elec. Co. 1st & Ref. 5½s, "C"	"	Dec. 1, 195
(26)	Pacific Gas & Elec. Co. 1st & Ref. 5s, "D"	"	June 1, 195
(27)	Pacific Gas & Elec. Co. 1st & Ref. 4½s "E"	"	June 1, 195

(1)

$461,000 BLUE LAKES WATER CO. FIRST MORTGAGE GOLD 6s; DUE MARCH 15, 1938

Dated March 15, 1893.

Interest Payable March and September 15, at Company's office, San Francisco, Bankers Trust Co., New York, or in London.

Denomination—Coupon and registered, $1,000.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized issue, $5,000,000; issued, $725,000, of which $10,000 are held in sinking funds of allied companies, $253,000 retired and $1,000 held in treasury of Company. A closed mortgage.

Callability—Not subject to call.

Assumed—Assumed by Pacific Gas & Electric Co.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in California.

Legal for Savings Banks in Maine and California.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
igh	109¾	106	105¾	105	104½	104	99½	95
ow	109¾	106	105½	bid	bid	100	bid	bid

(2)

,000 NEVADA COUNTY ELECTRIC POWER CO. FIRST MORTGAGE GOLD 6s; DUE OCTOBER 1, 1928

Dated October 1, 1898.

Interest Payable April and October 1, at Wells argo Bank & Union Trust Co., San Francisco, Trus:e.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized issue, $300,000, ut mortgage closed. Outstanding, Dec. 31, 1927 7,000; cancelled, $144,000. An equal amount of Bay ounties Power Co. First Consolidated 5s is reserved) retire this issue. Assumed by Pacific Gas & Elec-ic Co.

Tax Provisions—Company does not pay Normal ederal Income Tax. Tax exempt in California.

Legal for Savings Banks in Maine and California.

(3)

138,000 YUBA ELECTRIC POWER CO. FIRST MORTGAGE GOLD 6s; DUE JUNE 1, 1929

Dated June 1, 1899.

Interest Payable June and December 1, at American rust Co., San Francisco, Trustee.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized issue, $1,000,000, ut mortgage is closed. Of these bonds $18,000 were ancelled in sinking fund at Dec. 31, 1927. An equal mount of Bay Counties Power Co. First Consolidated s is reserved to retire this issue.

Assumed—Assumed by Pacific Gas & Electric Co.

Tax Provisions—Company does not pay Normal ederal Income Tax. Tax exempt in California.

Legal for Savings Banks in Maine and California.

(4)

1,495,900 THE STANDARD ELECTRIC COMPANY OF CALIFORNIA FIRST MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1939

Dated September 1, 1899.

Interest Payable March and September 1, at Bankers rust Co., New York, and at office of the Company, an Francisco.

Trustee—American Trust Co., San Francisco, suc-essor.

Provisions of Issue—Authorized and issued, $5,000,-00, of which up to Dec. 31, 1927, $2,599,000 redeemed nd deposited under Unifying and Refunding mortgage of the California Gas & Electric Corporation, $2,000 leposited under General and Refunding mortgage of Pacific Gas & Electric Co., $851,100 in sinking funds of allied companies, and $52,000 cancelled. Assumed by Pacific Gas & Electric Co.

Security—A first lien on hydro-electric plant on Blue Lake in Amador County, Cal. and transmission lines to San Francisco and other surrounding cities. A second lien on a water plant supplying Stockton, Cal., subject to $472,000 Blue Lakes Water Co. First 5s (No. 1).

Guaranty—Guaranteed principal and interest by California Gas & Electric Corp.

Assumed—Assumed by Pacific Gas & Electric Co.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in California.

Legal for Savings Banks in Maine and California.

(5)

$169,000 PACIFIC GAS IMPROVEMENT COMPANY FIRST MORTGAGE GOLD 4s; DUE SEPTEMBER 1, 1930

Dated September 1, 1900.

Interest Payable, quarterly, M, J, S & D 1, at Wells Fargo Bank & Union Trust Co., San Francisco, Trustee.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized and issued, $1,250,-000, of which $753,000 redeemed and cancelled to Dec. 31, 1927, and $321,000 are deposited under General and Refunding mortgage of Pacific Gas & Electric Co. and $7,000 in treasury. Assumed by Pacific Gas & Electric Co. San Francisco Gas & Electric Co. 4½s reserved to retire this issue.

Sinking Fund—Commenced 1901; at least $20,000 annually.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in California.

Legal for Savings Banks in Maine and California.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98½	97½	97½	95½	93½	92	83	97¾
Low	bid	bid	97	95	92	91¼	bid	96½

(6)

$454,000 BAY COUNTIES POWER COMPANY FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1930

Dated September 1, 1900.

Interest Payable March and September 1, at American Trust Co., San Francisco, or U. S. Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized issue, $2,250,000, the $195,000 unissued bonds being reserved to retire $168,000 Yuba Electric Power Co. and $27,000 Nevada County Electric Power Co. bonds.

Callability—Not subject to call.

Sinking Fund—A sinking fund is provided as follows: From June 1, 1905, to June 1, 1909, $22,500 per annum; 1910 to 1914, $33,750; 1915 to 1919, $45,000; 1920 to 1924, $56,250; 1925 to 1929, $67,500. As of Dec. 31, 1927, this sinking fund held alive $1,586,000 of the bonds and $15,000 were in treasury.

Security—A first lien on property of former Bay Counties Power Co. Assumed by Pacific Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and California.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100½	100½	100¾	100	98¼	99½	98½	90
Low	bid	100½	100⅛	98¼	97	97¼	90	90

(7)

$189,000 BAY COUNTIES POWER COMPANY SECOND MORTGAGE GOLD 6s; DUE APRIL 1, 1931

Dated April 1, 1901.

Interest Payable April and October 1, at Wells Fargo Bank & Union Trust Co., San Francisco, Trustee.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized and issued, $750,-000, of which $186,000 held alive in sinking fund, $22,-000 alive in treasury and $353,000 cancelled in sinking fund. Assumed by Pacific Gas & Electric Co.

Callability—Subject to call on any interest date on 30 days' notice at 105.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and California

(8)

$13,000 KESWICK ELECTRIC POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1931

Dated June 1, 1901.

Interest Payable June and December 1, at American Trust Co., San Francisco, Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $200,-000, of which $178,000 retired and cancelled and $9,000 held alive in sinking fund. Assumed by Pacific Gas & Electric Co.

Sinking Fund—$5,000 per annum.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in California.

Legal for Savings Banks in Maine and California.

(9)

$311,000 CALIFORNIA CENTRAL GAS & ELECTRIC CO. FIRST MORTGAGE 5s; DUE AUGUST 1, 1931

Dated August 1, 1901.

Interest Payable February and August 1, at American Trust Co., San Francisco.

Denomination—Coupon, $1,000.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized and issued, $1,000,000, of which $679,000 held alive in sinking fund of this and allied companies at Dec. 31, 1927. Assumed by Pacific Gas & Electric Co.

Callability—Not subject to call.

Sinking Fund—2% per annum of bonds outstanding began Aug. 1, 1902, and as of Dec. 31, 1927, held $1,105,181 in bonds and cash.

Security—Secured by a first lien on gas and electric plants supplying the following towns in California: Belvedere, Chico, Grass Valley, Mill Valley, Napa, Marysville, Petaluma, Nevada City, San Quentin, San Rafael, Santa Rosa, Ross Valley, Tiburon and Woodland.

Assumed—Assumed by Pacific Gas and Electric Company.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in California.

Legal for Savings Banks in Maine and California.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104¼	100¾	100	110	97	99¼	97½	91
Low	bid	100¾	100	98¼	bid	97¼	88	86

(10)

$1,077,000 VALLEY COUNTIES POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1930

Dated May 1, 1902.

Interest Payable May and November 1, at American Trust Co., San Francisco, and United States Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized and issued, $2,500,000, of which $1,400,000 in sinking fund of this and allied Companies at Dec. 31, 1927, and $23,000 in treasury.

Callability—Not subject to call.

Sinking Fund—From Nov. 1, 1905, to Oct. 31, 1909, 1% per annum of bonds outstanding; Nov. 1, 1910, to Oct. 31, 1914, 1½%; Nov. 1, 1915, to Oct. 31, 1919, 2%; Nov. 1, 1920, to Oct. 31, 1924, 2½%; Nov. 1, 1925, to Oct. 31, 1929, 3%. Amount in sinking fund, including cash, at Dec. 31, 1927, $1,916,702.

Security—A first lien on entire property formerly owned by Valley Counties Power Company.

Assumed—Assumed by Pacific Gas and Electric Company.

Guaranty—Guaranteed by endorsement by Bay Counties Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and California.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100¾	101	100¼	100	97¾	99¼	97½	91
Low	100½	100¼	100	98¼	96¾	97¼	88	86

(11)

$347,000 NORTHERN CALIFORNIA POWER COMPANY FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JUNE 1, 1932

Dated June 1, 1902.

Interest Payable June and December 1, at Wells Fargo Bank & Union Trust Co., San Francisco.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank & Union Trust Co., San Francisco.

Provisions of Issue—Authorized, $1,000,000, of which $15,000 held in treasury, $52,000 reserved to retire prior liens, $24,000 retired under Northern California Power Company, Consolidated, Refunding and Consolidated Mortgage, $193,000 held alive in sinking funds of allied companies, and $369,000 cancelled in sinking funds.

Callability—Not subject to call.

Sinking Fund—June 1, 1902-1907, 3½% of gross earnings; 1908-1917, 4%; 1918-1921, 4½% annually.

Assumed—Assumed by Pacific Gas & Electric Co

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and California

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100⅞	101	100⅝	100¾	98	97½	97½	90
Low	100¾	100¼	100	97¾	96	96½	86	85½

(12)

$797,000 UNITED GAS & ELECTRIC COMPANY FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1932

Dated July 1, 1902.

Interest Payable January and July 1, at Banker Trust Company, New York and at Company's office San Francisco.

Denomination—Coupon, $1,000; principal may b registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized issue, $2,000,000 Up to Dec. 31, 1927, $1,092,000 of the bonds had bee cancelled through operation of the sinking fun $97,000 were held alive in sinking funds of allie companies and $14,000 were held in treasury.

Assumed—Assumed by Pacific Gas & Electric C

Callability—Not subject to call.

Sinking Fund—Commenced July, 1907, sufficient t retire entire issue at maturity. For 5 years commenc ing July 1, 1907, 2% of bonds outstanding; for the nex 5 years, 3%; for the following 5 years, 4%; for the nex 5 years, 5%, and 6% thereafter.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and Californi

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	101	101	100¼	99	98	99¼	92	91
Low	bid	100	100¼	bid	97	97½	91¼	86

(13)

$2,515,000 CALIFORNIA GAS & ELECTRIC CORPORATIO GENERAL MORTGAGE & COLLATERAL TRUST GOLD 5 DUE MARCH 1, 1933

Dated March 1, 1903.

Interest Payable March and September 1, at Amer can Trust Co., San Francisco.

Denomination—Coupon, $1,000 principal may b registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized and issued, $10 000,000, of which $4,492,000 are pledged under th Unifying and Refunding mortgage, $2,754,000 are he alive in sinking funds, $239,000 are in treasury, ar $2,515,000 in hands of the public.

Callability—Subject to call at 110 and interest o any interest date on four weeks' notice.

Sinking Fund—A sinking fund is provided as fo lows: For 5 years beginning March 1, 1904, $150,00 per annum; from 1909 to 1913, $200,000 per annum 1914 to 1918, $250,000 per annum; 1919 to 1923, $300 000 per annum; 1924 to 1928, $350,000 per annum; 19 1933, $400,000 per annum. These payments are to b applied initially to the redemption of bonds for sinkin funds of the Bay Counties Power Co., the Californ Central Gas & Electric Co., and the Valley Counti Power Co.; remainder is to be applied as a sinking fun for this issue; $2,754,000 bonds of this issue and $54 000 of subsidiary companies bonds held alive in th sinking fund and in addition $621,000 of subsidia bonds have been cancelled thereby.

Security—Secured by a mortgage on entire property formerly owned by California Gas & Electric Corporation, subject to $2,176,000 prior liens described paragraphs 2, 3, 6, 7, 9 and 10.

Assumed—Assumed by Pacific Gas and Electric Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and California.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
igh	101¼	101	100¾	100	98½	99¼	98	95
ow	100½	100¼	99¾	98¼	95¾	96¾	88	87

(14)

11,000 MUTUAL ELECTRIC LIGHT COMPANY IN SAN FRANCISCO FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1934

Dated June 1, 1904.

Interest Payable June and December 1, at American rust Company, San Francisco, or U. S. Mortgage and rust Company, New York.

Denomination—Coupon, $1,000.

Trustee—American Trust Company, San Francisco.

Provisions of Issue—Authorized, $400,000; issued, 250,000, of which $111,000 outstanding, $122,000 cancelled by sinking fund, $12,000 held in sinking funds of llied companies and $5,000 in treasury.

Callability—Subject to call on any interest date on months' notice at 110.

Sinking Fund—Beginning June 1, 1909, 2½% anually of all bonds issued.

Assumed—Assumed by Pacific Gas and Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and California.

Price Range—1927: 100½ bid.

(15)

5,579,000 SAN FRANCISCO GAS AND ELECTRIC COMPANY GENERAL MORTGAGE SINKING FUND GOLD 4½s; DUE NOVEMBER 1, 1933

Dated November 1, 1903.

Interest Payable May and November 1, at Wells Fargo Bank & Union Trust Company, San Francisco.

Denomination—Coupon (principal may be registered), and registered $1,000.

Trustee—Wells Fargo Bank & Union Trust Company, San Francisco.

Provisions of Issue—Authorized issue, $10,000,000, ut closed at $8,361,000, of which $448,000 are held live in sinking funds of allied companies, $2,200,000 ave been purchased and cancelled by sinking fund, 105,000 are deposited under General & Refunding Mortgage of Pacific Gas & Electric Company, and 29,000 are held in treasury.

Callability—Bonds Nos. 1 to 4,000 to be drawn by ot for sinking fund at 105 and accrued interest. Nos. ,001 and above not callable.

Sinking Fund—$105,000 per annum, began Nov. 1, 1906, to be used only in retiring bonds numbered from 1 to 4,000 at 105 and accrued interest.

Security—Secured by first lien on all property of the former San Francisco Gas and Electric Co., subject as to certain portions to the liens of the bonds described in paragraphs 4 and 14.

Assumed—Assumed by Pacific Gas and Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal Opinion—Heller, Powers & Ehrman, San Francisco.

Legal for Savings Banks in Maine and California.

Original Offering—First publicly offered ($1,200,000) in Nov., 1903, at par and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99	99	97	96	94¼	94	92¾	77
Low	97	95¾	97	94½	90½	86	bid	bid

(16)

$54,000 BATTLE CREEK POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 2, 1936

Dated February 2, 1906.

Interest Payable February and August 1, at American Trust Co., San Francisco, Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized $1,000,000, of which $916,000 retired and cancelled and $30,000 held alive in sinking fund. Assumed by Pacific Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and California.

(17)

$15,220,000 CALIFORNIA GAS AND ELECTRIC CORPORATION UNIFYING & REFUNDING MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1937

Dated November 1, 1907.

Interest Payable May and November 1, at company's office, San Francisco, and at office of Bankers Trust Co., New York.

Denominations—Coupon (principal may be registered), $1,000; and registered, $1,000 and $10,000; interchangeable.

Trustee—Wells Fargo Bank & Union Trust Co., San Francisco.

Provisions of Issue—Authorized, $45,000,000, but mortgage is closed. Outstanding, $15,220,000; in treasury, $28,000; unissued, $24,487,000; in sinking fund, $5,265,000.

Callability—Subject to call at 110 and interest on any interest date, upon 60 days' notice.

Sinking Fund—Mortgage provides for sinking fund as follows: Nov. 1, 1912 to 1916, $450,000 per annum; 1917 to 1921, $550,000 per annum; 1922 to 1926, $700,000 per annum; 1927 to 1936, $900,000 per annum. These payments are to be applied initially to the sinking fund of underlying mortgages and the balance to the purchase of bonds issued under this mortgage. Bonds so purchased shall be held alive.

Security—Secured by a mortgage lien upon entire property and franchises of the California Gas & Electric Corporation owned or acquired since the execution of the mortgage. They are also a lien (through a supplementary mortgage executed by the Pacific Gas & Electric Co.) upon all the properties of the California Central Gas & Electric Co., the Fresno Gas & Electric Light Co., the Vallejo Gas Co. and all other properties now owned or hereafter acquired by the Pacific Gas & Electric Co. (except stock of the San Francisco Gas & Electric Co.) such lien upon the properties of the Pacific Gas & Electric Co. being prior to the lien of any of the bond issues of that company. Since the execution of the mortgage, $8,203,000 of underlying bonds have been exchanged for Unifying and Refunding bonds and $259,000 which had been retired by sinking fund, have been deposited with the trustee of the latter issue as additional security. The issuance of additional underlying bonds is prohibited by the terms of the mortgage.

Assumed—Assumed by Pacific Gas & Electric Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal Opinion—Byrne & McCutcheon, New York.

Legal for Savings Banks in Maine and California.

Original Offering—First publicly offered ($5,000,000) in May, 1909, at 95½ and interest, by N. W. Halsey & Co., Lee, Higginson & Co., National City Bank, J. P. Morgan & Co., and First National Bank, New York.

Listed—New York and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104	102⅛	101¼	100¼	97	98½	94¾	90½
Low	101	100¼	98⅝	97⅛	94⅝	92¾	82	80½

(18)

$220,000 SUBURBAN LIGHT AND POWER COMPANY FIRST MORTGAGE GOLD 6s; DUE AUGUST 1, 1938

Dated August 1, 1908.

Interest Payable February and August 1, at Company's office, San Francisco.

Denomination—Coupon, $500; principal may be registered.

Trustee—Oakland Bank of Savings, Oakland, Cal.

Provisions of Issue—Authorized and issued, $250,000, of which $30,000 held alive in sinking funds of allied companies.

Callability—Not subject to call and no sinking fund is provided.

Security—A closed first lien on properties of the former Suburban Light and Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in Maine and California.

(19)

$3,896,000 NORTHERN CALIFORNIA POWER COMPANY CONSOLIDATED REFUNDING & CONSOLIDATING MORTGAGE GOLD 5s; DUE DECEMBER 1, 1948

Dated December 1, 1908.

Interest Payable June and December 1, at Company's office, San Francisco or U. S. Mortgage and Trust Company, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank & Union Trust Co., San Francisco.

Provisions of Issue—Authorized, $10,000,000; issued, $5,000,000, of which sufficient are reserved to retire underlying issues and $522,000 held alive in sinking funds of this and allied companies and $14,000 in treasury. Earnings restrictions two times all interest on bonds. Depreciation and maintenance reserve of 15% of gross earnings must be deducted before determining net income applicable for bond interest, in matter of issuance of further bonds.

Callability—Subject to call as a whole only on any interest date on 60 days' notice at 110 and interest.

Sinking Fund—Commencing Dec. 1, 1913, 1% of bonds outstanding to be kept alive.

Security—Secured by a first lien on 27,000 h. p. hydro-electric generating plants, on large portions of transmission and distributing lines and on future additions, not acquired subject to prior liens. A direct lien subject to underlying mortgage bonds on 10,000 additional h. p. generating capacity, on real estate, on entire present system (gas, electric and water) and on future additions, which may be acquired subject to prior liens.

Assumed—Assumed by Pacific Gas and Electric Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal Opinion—Heller, Powers & Ehrman, San Francisco.

Legal for Savings Banks in Maine and California.

Original Offering—First publicly offered ($1,000,000) in 1910 at 96 and interest, by N. W. Halsey & Co., New York, etc.; $400,000 offered in 1911 at 94½ and interest by the same bankers.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102⅝	101¾	100¾	98¾	97	97½	89	81¾
Low	100⅞	99⅝	98¾	95¼	91¾	86⅞	74¼	69

(20)

$110,800 SACRAMENTO VALLEY POWER COMPANY FIRST MORTGAGE GOLD 6s; DUE MAY 1, 1929

Dated May 1, 1909.

Interest Payable May and November 1, at Anglo-California Trust Co., San Francisco, Trustee.

Denominations—Coupon, $100 and $500.

Provisions of Issue—Authorized, $500,000, of which $19,000 cancelled, and $267,200 held alive in sinking funds and $3,000 in treasury.

Callability—Subject to call at 105 and interest.

Assumed—Assumed by Pacific Gas & Electric Co.

Tax Provisions—Company does not pay Normal Federal Income Tax. Tax exempt in California.

Legal for Savings Banks in Maine and California.

(21)

$395,000 THE SACRAMENTO VALLEY POWER COMPANY FIRST & REFUNDING MORTGAGE GOLD 6s; DUE JULY 1, 1941, BUT CALLED AND REDEEMED JAN. 1, 1928, AT 105

(22)

$725,300 CALIFORNIA TELEPHONE AND LIGHT COMPANY FIRST MORTGAGE GOLD 6s; DUE APRIL 1, 1943

Dated April 1, 1913.

Interest Payable April and October 1, at American Trust Co., San Francisco, or The National City Company of New York, New York.

Denominations—Coupon, $100, $500 and $1,000; principal only may be registered, and interchangeable.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized, $5,000,000. Issued, $1,918,500, of which $466,200 cancelled in sinking fund, $326,000 alive in sinking fund and $401,000 in treasury.

Callability—Subject to call in whole or in part on any interest date, upon four weeks' prior notice, at 107½.

Sinking Fund—Annual sinking fund provides as follows: For the ten years beginning in 1916 and ending in 1925, 1½% of face amount of bonds outstanding on July 1 of each year; 2% per annum thereafter until maturity.

Security—A first lien on entire property of Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal for Savings Banks in California.

Original Offering—First publicly offered ($350,000) in April, 1913, at 99 and interest, by Sutro & Co., and N. W. Halsey & Co., San Francisco; $75,000 additional offered in Dec., 1919, at par and interest, by Frank & Lewis, San Francisco.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	106¼	106	104¾	102¼	101¼	99	87
Low	105¼	104¼	102½	101¼	97	94¾	84

(23)

$35,785,000 PACIFIC GAS AND ELECTRIC COMPANY GENERAL & REFUNDING MORTGAGE GOLD 5s; DUE JANUARY 1, 1942

Dated December 1, 1911.

Interest Payable January and July 1, at office or agency of company in New York and San Francisco. Interest coupons are also payable in London, Eng.; Berlin, Germany, Amsterdam, Holland; Paris, France; and Geneva, Switzerland; at £5.2s9d; 105 marks; 62 guilders; or 129.50 francs respectively, equivalent to $25.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000; and registered, $1,000, $5,000 and $10,000 and multiples; interchangeable.

Trustees—Bankers Trust Co., New York, and Frank B. Anderson, San Francisco.

Provisions of Issue—Authorized issue, $150,000,000; of the unissued bonds, $33,640,700 are reserved to retire underlying bonds, and $19,124,300 for future additions, betterments and improvements at not exceeding 90% of cost, provided the earnings available for bond interest are one and one-half times the annual bond interest on bonds outstanding, including bonds to be issued not excluding those held alive in sinking fund.

In addition to the bonds outstanding, $62,000 are held in the treasury, $975,000 are deposited with trustees of Blue Lakes Water Co. mortgage and $59,598,000 deposited with trustees of First and Refunding mortgage; $815,000 cancelled in sinking fund.

The Company has agreed that its General and Refunding Mortgage will be closed as to the issuance of

additional bonds to the public, but kept open to the extent that bonds shall be issued under it and pledged with the trustees of the First and Refunding Mortgage.

Under resolutions passed by the Board of Directors of the Pacific Gas & Electric Co., on Dec. 31, 1911 and Jan. 26, 1912, and lodged with the Bankers Trust Company, New York, Trustee under the Pacific Gas & Electric Co. General & Refunding 5% Mortgage, the mortgages securing the bonds described in the preceding paragraphs were declared closed and no more bonds can be issued under any of these mortgages.

Callability—Subject to call as a whole, or in part in blocks of not less than $500,000, for sinking fund, at 105 and interest on any interest date prior to Jan. 1, 1937, upon 60 days' notice, and at par and interest thereafter.

Sinking Fund—The mortgage provides for semi-annual payments to sinking fund, beginning April 1, 1912, of amount equal to 1% per annum of all bonds outstanding, including underlying issues and bonds alive in the sinking fund.

It is estimated that at maturity of this issue, underlying bonds and bonds of this issue of the face amount of $38,000,000 will have been so retired.

Security—The General and Refunding Mortgage is a lien on all of the properties now owned by the Company (and all extensions thereto, as well as any other property acquired by means of such bonds) subject only to the lien of the underlying bonds; also on all shares and interest in the capital stock of the corporations enumerated in the following table, now owned by the Pacific Company as therein shown or which may hereafter be acquired:

	Par Value of Capital Stock		
	Authorized	Outstanding	Amount Owned by P. G. & E. Co.
San Francisco Gas & Electric Co.	$20,000,000	$15,848,433	$15,848,433
Berkeley Electric Lighting Co.	100,000	98,040	98,040
Bay Counties Power Co.	5,000,000	3,600,000	3,600,000
Valley Counties Power Co.	2,500,000	2,500,000	2,500,000
The Standard Electric Co. of California	5,000,000	5,000,000	5,000,000
Sacramento Electric, Gas & Railway Co.	2,500,000	1,858,400	1,858,400
United Gas & Electric Co.	2,500,000	2,228,600	2,228,600
California Central Gas & Electric Co.	1,500,000	1,500,000	1,500,000
California Gas & Electric Corp.	50,000,000	45,000,000	45,000,000
Pacific Gas Improvement Co.	5,000,000	3,500,000	3,500,000
Edison Light & Power Co.	800,000	133	133
Mutual Electric Light Co.	500,000	500,000	499,591
Northern California Power Co., Consolidated	10,000,000	10,000,000	10,000,000

The Pacific Gas & Electric Co. has acquired, by deed, all the properties formerly belonging to the above named companies, and these properties are directly subjected to the lien of the mortgage securing the General & Refunding bonds, subject only to the lien of the underlying bonds. The General & Refunding bonds are also secured under the mortgage and deed of trust of the Pacific Gas & Electric Co., by any and all bonds, or other obligations heretofore or hereafter refunded or otherwise retired by the Pacific Company or any subsidiary company, or any predecessor or any successor, grantee or assignee of either thereof, and as security held by or which by the terms of the indenture ought to be delivered to the corporate Trustee, or held by or which ought to be delivered to the Trustee under some mortgage or other instrument securing an issue of old obligations.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal Opinion—Bryne, Cutcheon & Taylor, New York.

Legal for Savings Banks in Maine, Massachusetts and California.

Original Offering—First publicly offered ($20,000,000) in Jan., 1912, at 92½ and interest. In Feb., 1916, $1,900,000 additional were offered at 93½ and interest. In Jan. and Feb., 1917, $3,060,000 additional General and Refunding 5s were publicly offered at 93¾ and interest, yielding nearly 5½%, and in Dec., 1918, a further $3,500,000 were offered.

Listed—New York, Los Angeles and San Francisco Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104⅞	101½	98⅜	95	93¼	94⅞	91	83
Low	99⅝	97½	93⅝	90¾	88½	86¾	74½	72½

(24)

$20,000,000 PACIFIC GAS AND ELECTRIC COMPANY FIRST & REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE DECEMBER 1, 1941

Dated December 1, 1921.

Interest Payable June and December 1, at The National City Bank, New York, and American Trust Co., San Francisco.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable with fully registered bonds of $1,000, $5,000 and $10,000 each.

Trustees—American Trust Co., San Francisco and The National City Bank of New York.

Provisions of Issue—Authorized under First and Refunding Mortgage unlimited, outstanding, at Dec. 31, 1927, $20,000,000 6s, Series "B," $45,000,000 5½s, Series "C," $20,000,000 5s, Series "D" and $15,000,000 4½s, Series "E." In addition $20,000,000 4½s Series "E" have been issued since Dec. 31, 1927; reserved against underlying issues, $70,462,700.

The First and Refunding Mortgage permits the issue of bonds as the stockholders of the Company may authorize, in series of the same or different date, maturity, interest rate and redemption provisions as may be determined by the Board of Directors of the Company at the time of the original issuance of bonds of each series, subject, however, with respect to all bonds issued thereunder, to the restrictive provisions of the mortgage. Bonds of any series may be issued from time to time in the future in principal amounts equal to and for (1) the acquisition or retirement of underlying bonds; (2) the redemption or retirement of bonds of another series under the mortgage; and (3) 75% of actual and reasonable expenditures for permanent extensions, enlargements and additions to the plant and the properties, provided that the consolidated net earnings for twelve consecutive calendar months, ending not more than sixty days prior to the application for the issuance of bonds, shall have been not less than 1¾ times the annual interest charges on all underlying bonds outstanding in the hands of the public and all First and Refunding Mortgage bonds outstanding and for the issuance of which application is then made.

Callability—Series "B" bonds are not callable.

Sinking Fund—The First and Refunding Mortgage requires the Company to deposit semi-annually on Feb. and Aug. 1, with one of the Trustees, as a sinking fund, an amount in cash equal in each case to the excess, if any, of ½% of the aggregate principal amount of all underlying bonds outstanding in the hands of the public, and First and Refunding Mortgage bonds issued and outstanding after deduction of sinking fund payments made as required by underlying mortgages. The moneys thus paid into the sinking fund of the First and Refunding Mortgage may only be utilized in the acquisition or redemption and retirement of bonds issued thereunder.

General Reserve Fund—The First and Refunding Mortgage also requires the Company, annually, either to expend or in lieu thereof to deposit cash with one of the Trustees in the aggregate not less than 4% of the total amount of underlying bonds outstanding in the hands of the public and First and Refunding Mortgage bonds issued and outstanding at June 30 of each year. This amount may only be expended for maintenance, repairs, replacements and renewals, for the purchase of underlying bonds or First and Refunding Mortgage bonds or for extensions, enlargements and additions, or retained in the business as additional working capital, but on account of which in any case no bonds shall have been or may be issued.

Security—The First and Refunding Mortgage constitutes a direct first mortgage on the entire properties (including the new Pit River power plants and high tension transmission line) of the Mount Shasta Power Corp., the entire capital stock of which is owned by the Pacific Gas & Eletcric Co. and which joined with the latter in execution of the mortgage, and a direct mortgage on the entire properties of the Pacific Gas & Electric Co. now owned and hereafter acquired, subject to the prior liens of underlying mortgages. As additional security, the Company has agreed that its General & Refunding Mortgage will be closed as to the issuance of additional bonds to the public, but kept open to the extent that bonds shall be issued under it and pledged with the Trustees of this First & Refunding issue.

At Dec. 31, 1927, $37,673,497 had been expended on the Pit River developments, on which the First and Refunding issue is a first mortgage, and on the same date $59,598,000 of General and Refunding mortgage bonds had been deposited as additional collateral behind the issue.

Upon merger of the Western States Gas and Electric Co. and the Coast Valleys Gas and Electric Company, the properties of these companies will be subjected to the lien of the First and Refunding Mortgage, subject to prior mortgages of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property taxes in California.

Legal Opinion—Shearman & Sterling, New York, Goodfellow, Eells, Moore & Orrick and William B. Bosley, San Francisco.

Legal for Savings Bank in Massachusetts, Maine, New Hampshire Vermont and California.

Original Offering—First publicly offered ($10,000,000) in Jan., 1922, at 99½ and interest to yield about 6.05% by The National City Company, E. H. Rollins & Sons and Mercantile Trust Co. of California, San Francisco.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	114	108⅞	107¼	104	104⅜
Low	108	106⅜	103½	101	100½

(25)

$45,000,000 PACIFIC GAS AND ELECTRIC COMPANY FIRST & REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "C"; DUE DECEMBER 1, 1952

Dated December 1, 1922.

Interest Payable June and December 1, at The National City Bank of New York, and American Trust Co., San Francisco.

Denominations—Coupon, $500 and $1,000, registerable as to principal only and interchangeable. Fully registered bonds in denominations of $1,000, $5,000 and $10,000 each.

Trustees—The National City Bank, New York, and American Trust Co., San Francisco.

Callability—Series "C" bonds are subject to call in whole or in part on any interest date before maturity upon 60 days' prior notice at 105.

Provisions of Issue, Sinking Fund, Security, Etc.—See under description of Series "B" bonds in paragraph 24.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property taxes in California.

Legal Opinion—Shearman & Sterling, New York and Goodfellow, Eells, Moore & Orrick, San Francisco.

Legal for Savings Banks in Massachusetts, Maine New Hampshire, Vermont and California.

Original Offering—First publicly offered ($10,000,000) in Feb., 1923, at 98½ and accrued interest, to yield over 5.6%; $10,000,000 in Sept., 1923, at 95½ and interest, to yield over 5.80%; $12,500,000 in April, 1924, at 96 and interest, to yield 5.78%, and $12,500,000 in Aug. 1924, at 98 and interest, to yield 5.64%, all by The National City Company, E. H. Rollins & Sons, Mercantile Securities Co. of California, and Blyth, Witter & Co.

Listed—San Francisco and Los Angeles Stock Exchanges.

Price Range—

	1927	1926	1925	1924
High	105⅜	104⅝	102¼	98½
Low	103⅜	101¼	97⅞	95

(26)

$20,000,000 PACIFIC GAS AND ELECTRIC COMPANY FIRST & REFUNDING 5% GOLD BONDS, SERIES "D"; DUE JUNE 1, 1955

Dated June 1, 1925.

Interest Payable June and December 1, at National City Bank, New York, American Trust Co., San Francisco, and in Chicago.

Denominations—Coupon (principal may be registered), $500 and $1,000; interchangeable with fully registered bonds in denominations of $1,000; $5,000 and $10,000.

Trustees—The National City Bank of New York and American Trust Company, San Francisco.

Provisions of Issue, Sinking Fund, Security, Etc.—See description of Series "B" bonds in paragraph No. 24.

Callability—Subject to call in whole or in part, on any interest date upon 60 days' prior notice at 105 and accrued interest if redeemed on or before June 1, 1950, and thereafter at 100 and accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property taxes in California.

Legal for Savings Banks in Massachusetts, Maine, New Hampshire, Vermont and California.

Original Offering—First publicly offered ($10,000,000) in June, 1925, at 95¼ and interest, yielding over 5.30%, by The National City Co., E. H. Rollins & Sons, Blyth, Witter & Co., New York, and Mercantile Securities Co. of California, San Francisco. $10,000,000 additional Series "D" publicly offered in April, 1926, at 98½ and interest yielding about 5.10%, by the same bankers.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925
High	103½	99½	98½
Low	99½	95¾	94

(27-a)

$15,000,000 PACIFIC GAS AND ELECTRIC COMPANY FIRST AND REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES "E"; DUE JUNE 1, 1957

NOTE—$20,000,000 additional Series "E" bonds have been issued since December 31, 1927, see paragraph (27-b) below.

Dated June 1, 1927.

Interest Payable June and December 1, at The National City Bank of New York, and American Trust Co., San Francisco.

Denominations—Coupon, $500 and $1,000, registerable as to principal only, and interchangeable with fully registered bonds in denominations of $1,000, $5,000 and $10,000 each.

Trustees—The National City Bank of New York, and American Trust Company, San Francisco.

Provisions of Issue, Sinking Fund, Security, Etc.—See description of Series "B" bonds in paragraph 24.

Purpose of Issue—Proceeds of this issue were to be applied to the retirement of $10,720,000 Pacific Gas & Electric Company's First and Refunding Mortgage Series "A" 7% bonds and also to the redemption of three relatively small bond issues of subsidiary companies.

Callability—Series "E" bonds are subject to call as a whole or in part on any interest date on or before June 1, 1952, on 60 days' prior notice at 105; thereafter at 100.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from all personal property taxes in California.

Legal for Savings Banks in Maine, New Hampshire and Vermont and application has been made in California and Massachusetts to so certify Series "E" bonds.

Original Offering—First publicly offered ($15,000,000) in September, 1927 at 96 and interest, to yield 4.75 by National City Co., American National Co., Blyth, Witter & Co., H. M. Byllesby & Co., Inc., E. H. Rollins & Sons, New York, etc., and Peirce, Fair & Co., San Francisco, etc.

BONDS ISSUED SINCE DECEMBER 31, 1927

(27-b)

$20,000,000 PACIFIC GAS AND ELECTRIC COMPANY FIRST AND REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES "E", DUE JUNE 1, 1957

(These bonds are in addition to the $15,000,000 Series "E" 4½% Gold Bonds described in paragraph (27-a) above).

Dated June 1, 1927.

Purpose of Issue—Proceeds of this issue will be applied to retirement of entire outstanding funded debt of the Western States Gas and Electric Company and the Coast Valleys Gas and Electric Company, whose properties, having an appraised value exceeding $33,000,000 will be merged with those of the Pacific Gas and Electric Company and will thereupon be subjected to the lien of the Pacific Gas and Electric Company First and Refunding Mortgage, subject to prior mortgages of the Company.

Public Offering—Publicly offered ($20,000,000) in February, 1928, at 99 and interest, to yield 4.56%, by National City Co., American National Co., Blyth, Witter & Co., H. M. Byllesby & Co., Inc., E. H. Rollins & Sons, New York, etc., and Peirce, Fair & Co., San Francisco, etc

BOND REDEMPTIONS

All First & Refunding Mortgage 7% Gold bonds, Series "A", due Dec. 1, 1940 were called for redemption on December 1, 1927 at 110 and interest at Company's office, San Francisco, or at Bankers Trust Co., New York.

All the Metropolitan Gas Corp. First Mortgage 5% Sinking Fund 30-Year Gold bonds, due Dec. 1, 1941, were called for redemption on December 1, 1927 at par and interest at American Trust Co., San Francisco.

All the Sacramento Valley Power Co. First & Refunding Mortgage 5% Gold bonds, due July 1, 1941 were called for redemption on January 1, 1928 at 105 and interest at Anglo-California Trust Co., San Francisco.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Pacific Gas & Electric Co. and Subsidiary Companies)

	**1927	1926	1925	1924	*1923	1922
Gross Operating Revenues—						
Electric department	$33,851,104	$31,390,566	$28,301,331	$26,684,097	$24,066,783	$23,774,223
Gas department	19,271,711	17,518,527	17,360,878	15,757,335	13,240,656	12,861,214
Water department	492,768	845,599	793,020	750,480	744,176	730,043
Street Ry. department	683,640	712,998	733,416	746,320	783,075	798,430
Steam sales department	412,122	380,734	431,270	412,688	418,736	429,652
Other operating revenue	7,882	112,147	109,164	100,666	68,110	.....
Total	$54,719,227	$50,960,571	$47,729,079	$44,451,586	$39,321,536	$38,593,562
Operating and administrative expenses	24,805,345	$19,836,466	19,034,002	19,698,550	14,414,368	14,851,485
Taxes		4,470,387	4,495,600	3,922,678	4,029,887	3,690,213
Maintenance	2,981,091	3,511,077	3,529,129	2,946,463	3,442,979	3,117,531
Uncollectible accounts and casualties reserves	1,096,137	582,447	584,507	389,008	436,221	663,064
Rental for lease of other plant	1,292,880	1,254,098	1,255,474	1,246,397	1,169,955	1,094,583
Total expenses	$30,175,453	$29,654,475	$28,898,712	$28,203,096	$23,493,410	$23,416,876
Net earnings	24,543,774	21,306,096	18,830,367	16,248,490	15,828,126	15,176,686
Add: Miscellaneous income	901,817	165,419	337,818	483,833	650,206	611,043
Total	$25,445,591	$21,471,515	$19,168,185	$16,732,323	$16,478,332	$15,787,729
Bond and other interest	9,077,587	7,926,006	7,078,183	6,262,264	6,165,817	5,148,614
Bond discount and expense	467,819	457,419	430,654	384,293	331,464	449,757
Balance	$15,900,185	$13,088,090	$11,659,348	$10,085,766	$9,981,051	$10,189,358
Reserve for depreciation	4,929,934	4,228,850	3,807,991	3,057,417	3,224,757	3,602,199
Surplus	$10,970,251	$8,859,240	$7,851,357	$7,028,349	$6,756,294	$6,587,159
Preferred dividends	3,969,059	3,488,880	3,265,434	3,244,608	3,103,847	2,574,157
Common dividends	4,892,352	4,119,970	3,624,337	3,040,123	2,310,498	1,820,431
Balance	$2,108,840	$1,250,390	$961,586	$743,618	$1,341,949	$2,192,571
†Times Interest Earned	2.75	2.65	2.64	2.61	2.61	2.97
Earnings Per Share—						
Preferred	‡§$16.58	‡$15.23	‡$14.43	$12.90	$12.44	$12.87
Common	§‡11.45	‡10.42	‡10.12	‡9.95	10.25	11.57

*Figures for 1923 include operations of the California Telephone & Light Co. for the eight months—May 1 to Dec. 31. †Before special reserve for depreciation. ‡Based on average amount of Common stock outstanding during the year. §For comparative purposes these figures are based on $100 par value of stock. **1927 income account includes operations of Pacific Gas & Electric Company and of its wholly owned subsidiaries. It includes all of the Pacific Company's carying charges arising out of the acquisition as of May 1, 1927 of controlling interests in the Western States Gas & Electric Company, Coast Valleys Gas & Electric Co. and certain other companies, but excludes the operations of these controlled companies except that their surplus earnings during the last eight months of the year applicable to the Pacific Company's investment in these affiliated corporations, amounting to $361,104, are included in miscellaneous income.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Balance, January 1, 1927, $11,390,080; net income before deducting dividends, $10,970,251—total, $22,360,331. Deduct: Preferred dividends (6%), $3,969,059; Common dividends (8%), $4,892,352; net profit and loss charges, $272,390—total, $9,133,881. Balance to balance sheet, Dec. 31, 1927, $13,226,530.

Maintenance and Depreciation—The amounts set aside by the Company for depreciation of properties are in accordance with orders of the Railroad Commission of the State of California, Ample provision is made for both maintenance and depreciation, the amount expended for maintenance and reserved for depreciation in the past twelve years averaging over 16% of gross revenues.

GENERAL BALANCE SHEET, DECEMBER 31

(1922 Figures Comprise Pacific Gas & Electric Co. and Mt. Shasta Power Corp. and later Figures, in Addition to the Foregoing, Include the California Telephone and Light Co.)

Assets—	1927	1926	1925	1924	1923	1922
Plants and properties	$300,434,895	$291,301,100	$273,815,668	$249,178,252	$219,020,176	$200,250,87
Disc. and exp. on capital stock issued	9,256,694	9,208,619	9,001,485	9,104,812	8,587,300	8,326,09
Investments	13,972,704	153,125	194,725	1,355,850	1,219,461	1,680,34
Sinking funds	369,808	437,134	377,064	228,507	174,021	176,07
Materials and supplies	5,294,073	5,148,530	6,222,202	4,983,996	4,704,338	3,709,04
Installments receivable from sub. to stock	1,876,927	468,104	342,763	436,143	222,420	1,155,69
Bills and accts. receiv., less reserve for bad debts	5,207,681	8,668,678	7,026,144	4,771,986	4,539,884	3,881,79
Cash	11,802,145	5,164,019	1,542,158	11,489,576	11,405,741	5,762,99
Deferred charges	8,907,538	8,814,475	8,831,645	8,446,732	7,089,379	5,827,44
Interest accrued on investments	27,438	1,474	664	6,784	37,455	6,14
Total	$357,149,903	$329,365,258	$307,354,518	$290,002,638	$257,000,176	$230,776,49
Liabilities—						
Common stock issued	$64,631,898	$68,652,348	$79,113,415	$74,502,799	$67,327,752	$66,380,90
Less—owned by subsidiary companies	48,433	15,848,433	31,696,867	31,696,867	31,696,867	31,696,86
	$64,583,465	$52,803,915	$47,416,548	$42,805,932	$35,630,885	$34,684,03
Common stock subscriptions	1,130,700	61,200	714,300	.....	.....	.....
First Preferred stock	70,131,082	61,865,432	54,456,032	54,464,412	54,274,984	51,178,27
First Preferred stock subscriptions	1,635,000	1,564,500	460,500	.....	.....	.....
Original Preferred stock	.....	.....	.....	.....	24,100	37,10
Cap. stock of sub. cos. & unpaid divds. thereon	1,306	2,037	16,304	18,775	18,553	20,58
Funded debt	170,070,000	170,209,800	161,852,800	153,357,300	129,592,600	111,700,70
Bonds called but not yet redeemed	3,516,010	.....	.....	.....	.....	.....
Accounts payable and unaudited bills	1,585,328	1,466,513	2,194,627	2,041,556	2,323,815	1,886,97
Drafts outstanding	444,506	393,638	501,529	457,015	596,451	592,01
Meter and line deposits	880,299	823,540	759,474	731,018	847,774	699,09
Unpaid coupons	411,498	438,110	447,757	464,516	366,033	303,26
Interest accrued, not due	1,883,831	1,894,148	1,856,672	1,818,304	1,705,871	1,600,10
Taxes accrued, not due	4,025,496	2,399,224	2,581,676	2,189,470	2,343,255	2,101,63
Dividends declared	1,305,537	1,068,844	959,123	839,663	712,149	520,20
Reserves (see below)	22,680,419	22,984,277	22,556,895	21,053,717	19,292,101	16,859,13
Surplus:						
Invested in sinking funds	12,865,426	11,390,080	10,580,281	$1,077,914	1,077,914	1,077,91
Balance unappropriated				8,683,046	8,193,691	7,515,47
Total	$357,149,903	$329,365,258	$307,354,518	$290,002,638	$257,000,176	$230,776,49

Reserves—Depreciation reserve $19,540,005. Insurance and casualty fund, $1,309,062; reserve for amounts charged to consumers in excess of rates allowed by City Ordinances, $183,381; reserve for Northern California Power Company, Consolidated, plant adjustments and accrued depreciation $1,647,970. Total $22,680,419.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$5,294,073	$5,148,530	$6,222,202	$4,983,996	$4,704,338	$3,709,04
Bills and accounts receivable (less reserve for uncollectible accounts)	5,207,681	4,839,315	5,298,989	4,771,987	4,539,883	3,881,79
Due on stock subscriptions	1,876,927	468,105	342,763	436,143	222,420	1,155,69
Bonds bought in advance for sinking fund	1,199,000	925,000	306,500	278,000	439,000	541,50
General and refund. 5% bonds issued against construction	975,000	975,000	1,000,000	1,000,000	1,000,000	1,000,00
Cash	11,802,145	5,145,947	1,538,865	8,779,321	10,234,619	5,300,71
Advances to construction account including construction materials and supplies	5,424,590	8,285,446	13,664,996	4,505,252	4,433,122	6,956,58
Funds available for construction	4,452,783	3,829,363	1,727,155	2,705,847	1,152,275	383,49
Interest accrued on investments	27,438	1,474	664	6,784	37,455	6,14
Other investments	131,668	153,125	194,725	1,458,450	1,219,461	1,680,34
Total	$36,391,305	$29,771,305	$30,296,859	$28,925,780	$27,982,573	$24,615,31
Current Liabilities—						
Bonds called but not redeemed	$3,516,010	.....	.....	.....	.....	.....
Accounts payable	1,585,328	$1,466,513	$2,194,627	$2,041,556	$2,323,815	$1,886,97
Drafts outstanding	444,506	393,638	501,529	457,015	596,451	592,01
Meter and line deposits	880,299	823,540	759,474	731,017	847,773	699,09
Unpaid coupons	411,498	438,110	447,757	464,516	366,033	303,26
Interest accrued, not due	1,883,832	1,894,149	1,856,672	1,818,304	1,705,871	1,600,10
Taxes accrued, not due	4,025,495	2,399,224	2,581,676	2,189,470	2,343,255	2,101,63
Dividends declared	1,305,537	1,068,844	959,123	839,663	712,149	520,20
Total	$14,052,505	$8,484,018	$9,300,858	$8,541,541	$8,895,347	$7,703,28
Net Working Capital	$22,338,800	$21,287,287	$20,996,001	$20,384,239	$19,087,226	$16,912,02

Officers: A. F. Hockenbeamer, Pres.; F. A. Leach, Jr., V-P. & Gen. Mgr.; John P. Coghlan, 2nd V-P. & Asst. to Pres.; D. H. Foote, 3d V-P., Sec. & Treas.; P. M. Downing, V-P.; A. H. Markwart, V-P.; W. G. Vincent, V-P.; W. S. Yard, V-P.; R. E. Fisher, V-P.; C. L. Barrett, Asst. Sec. & Asst. Treas.; E. W. Hodges, Compt.; J. H. Hunt, Pur. Agt.

Directors: F. B. Anderson, Allen L. Chickering, W. H. Crocker, Charles H. Dickey, A. B. C. Dohrmann, John S. Drum, F. T. Elsey, D. H. Foote, A. F. Hockenbeamer, F. A. Leach, Jr., N. B. Livermore, John D. McKee, J. A. McCandless, C. O. G. Miller, San Francisco, Cal.; John J. O'Brien, Chicago.

Office, 245 Market St., San Francisco, Cal.

CALIFORNIA TELEPHONE AND LIGHT COMPANY

(Controlled by Pacific Gas & Electric Co.)

History and Property—Incorporated Nov. 23, 1911, in Cal., for purpose of serving telephone, telegraph and electric service in the State of California. Company is consolidation of the Clear Lake Consolidated Telephone & Telegraph Co., Healdsburg Telephone Co., Northwestern Electric Co., Russian River Light & Power Co. and Sonoma Valley Light & Power Co. On June 13, 1913 purchased the property of Cloverdale Light and Power Co. On January 1, 1918 purchased the property of Calistoga Electric Co. On Nov. 28, 1919, purchased the property of the Mt. Konocti Light & Power Co. (see 1919 Public Utilit

anual, page 1278). Property consists of electric ght and power distributing systems at Cloverdale, sti, Geyserville, Windsor, Sonoma, Guerneville, onte Rio, Duncans Mills, Lakeport, Calistoga and burban sections adjacent to the towns mentioned. n Dec. 31, 1927, operated 740 miles electric light d power lines serving 9,602 consumers. On Febru-y 1, 1927 the telephone properties were sold to the orthern California Telephone Co.

CAPITAL STOCK

Authorized, $6,000,000 Common and $4,000,000 6% mulative Pfd.; outstanding, $764,850 Common and 50,031.91 Pfd.; par, $100. Transfer Agent and Reg-trar: American Trust Co., San Francisco. Pfd. vidends of 6% each paid in 1912, 1913, 1914 and 1915; on Dec. 31, 1921 paid all back dividends of 36% in Pfd. stock at $80 per share equal to 45% stock dividend. In 1922 paid Pfd. dividends quarterly at rate of 6% per annum; in 1923, 1½% was paid on Pfd. for first quarter; no dividends paid on Common. All outstanding stock now owned by Pacific Gas & Electric Co., which has operated these properties since May 1, 1923.

FUNDED DEBT

$725,300 First Gold 6s. For full description, see Funded Debt statement of Pacific Gas & Electric Co., paragraph 25.

Income Account—Earnings subsequent to May 1, 1923, are included in Pacific Gas & Electric Co. income account.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
lant and equipment	$3,028,982	$3,112,892	$2,847,033	$2,449,227	$2,239,636	$2,077,059
iscount on Preferred stock issued	48,493	48,493	48,493	48,493	48,493	48,493
ash on hand, etc.	106,469	138,787	35,450	127,887	113,325	61,279
pecial deposits	516	1,149	3,618	480	2,521	2,603
ills receivable	100,000	.....	510	510	.....	9
laterials and supplies	923	482	72,782	78,218	59,559	63,200
larketable securities	480	480	480	480	480	480
ccounts receivable, less reserve for bad debts	27,881	44,583	45,458	57,462	43,788	36,236
eferred charges	27,293	39,420	42,936	54,958	43,603	54,955
rustees of sinking fund	1,730	522	392	657	.....	.....
Total	$3,342,767	$3,386,808	$3,097,152	$2,815,372	$2,551,405	$2,344,314
Liabilities—						
apital stock	$1,314,882	$1,314,882	$1,314,882	$1,314,882	$1,314,882	$1,314,882
unded debt	†1,452,300	†1,459,100	*930,600	937,600	742,400	747,900
ccounts payable	211,757	218,355	496,304	254,902	210,118	28,763
eter and line deposits	29,013	28,734	25,336	29,484	44,119	44,301
ervice charges	.....	.....	.....	4,920	2,719	2,020
ustomers' deposits	.....	.....	.....	.....	2,310	2,165
Matured interest and dividends unpaid	516	1,149	1,131	480	2,520	2,452
Dividends accrued, not due	.....	.....	.....	.....	.....	8,247
axes accrued, not due	11,555	7,864	10,390	8,332	8,847	11,042
nterest accrued, not due	21,784	21,887	13,959	14,064	11,136	11,219
ervice billed in advance	.....	1,235	1,150	.....	5,452	4,220
epreciation reserves	149,532	212,464	201,486	174,564	142,621	114,813
Other deferred credits	.....	.....	.....	.....	.....	64
Surplus	151,428	121,138	101,914	76,144	64,281	52,226
Total	$3,342,767	$3,386,808	$3,097,152	$2,815,372	$2,551,405	$2,344,314

*Includes $193,000 bonds alive in sinking fund. †Includes $326,000 bonds alive in sinking fund and 401,000 in treasury of arent company.

Officers: A. F. Hockenbeamer, Pres.; F. A. Leach, r., V-P.; D. H. Foote, Sec. & Treas.; L. H. Susman, Gen. Counsel, San Francisco, Cal.

Directors: P. M. Downing, D. H. Foote, A. F. Hockenbeamer, F. A. Leach, Jr., L. H. Susman, A. H. Markwart, F. T. Elsey, San Francisco, Cal.

General Office, 245 Market St., San Francisco, Cal.

COAST VALLEYS GAS AND ELECTRIC COMPANY

(Controlled by Pacific Gas & Electric Co.)

History and Property—Incorporated March 19, 1912, n Cal. Acquired properties of Monterey Gas & Elec-ric Co., the Monterey County Gas & Electric Co., Salinas Water, Light & Power Co., and King City Water, Light & Power Co. Does the entire electric and gas business in the towns of Monterey, Salinas and Pacific Grove; also owns the water system of Salinas, the electric and water business of King City and electric distributing lines in Salinas Valley. Has steam electric plants in Monterey, Salinas and King City, total capacity, 1,842 h.p.; has 188 miles transmission lines and 716 miles of primary and secondary distributing lines. Gas generated from crude petroleum, total daily capacity of two plants 2,563,200 cu. ft.; holders' combined capacity, 352,000 cu. ft.; 80 miles of mains. Water system supplied from five deep wells; one 200,000 and one 50,000-gallon tank, 29.4 miles of water mains. Population served, about 26,000.

Operating Statistics, year ended Dec. 31, 1927—No. of electric customers, 12,215; total lighting load, 21,728 h.p.; total power load, 38,795 h.p.; total connected load, 60,523 h.p. No. of gas customers, 5,083. No. of water customers, 1,989.

Change in Control—Proposed Merger—On April 28, 1927, conclusion of arrangements was announced whereby Pacific Gas & Electric Co. took over from Standard Gas & Electric Co. effective May 1, 1927, the properties of Coast Valleys Gas & Electric Co. The company will be liquidated in the near future.

CAPITAL STOCK

Authorized, $3,000,000 Common, $500,000 6% cumulative Pfd., Series "A" and $2,500,000 7% cumulative Pfd., Series "B"; outstanding, $3,000,000 Common, $422,900 6% Pfd., and $1,762,300 7% Pfd.; par, $100. The entire outstanding Common stock and practically all of the 7% Pfd. stock is owned by Pacific Gas & Electric Co. The 7% Pfd. stock is redeemable at any time at 110 and dividends. Both Class "A" and Class "B" Pfd. stocks have equal preference for assets and dividends, being entitled in the event of liquidation to $100 per share and accrued dividends.

Transfer Agent—Anglo-California Trust Co., San Francisco.

Registrar—Bank of Italy, San Francisco.

Original Offering—$250,000 7% Pfd. stock, Series "B" publicly offered in Sept., 1924, at $100 flat per share, by Hunter, Dulin & Co., Los Angeles, etc.

Annual Meeting—Second Wednesday in March.

Dividends—Dividends have been paid regularly on both classes of Pfd. stock since issuance; payments quarterly, J, A, J & O 1. Initial dividend on 7% Pfd. stock was paid Oct. 1, 1924.

FUNDED DEBT

None.

Bond Redemption—All of the First Mortgage Gold 6s, due March 1, 1952, were called for redemption at 105 and interest on March 1, 1928, at American Trust Co., San Francisco, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1926	1925	1924	1923	1922
Gross earnings	$1,260,220	$1,057,925	$886,504	$792,496	$668,24
Operating expenses, maintenances and taxes	806,212	676,476	593,173	500,768	472,85
Net earnings	$454,008	$381,449	$293,331	$291,728	$195,39
Interest	110,285	101,333	95,223	85,784	85,22
Net income	$343,723	$280,116	$198,108	$205,944	$110,16
Preferred dividends paid	108,062	52,715	31,537	27,778	25,88
Balance for retirement reserves, Com. divds., amortiz. & surplus	$235,661	$227,401	$166,571	$178,166	$84,27
Times Interest Earned	4.12	3.76	3.08	3.40	2.2
Earnings Per Share—					
Pfd. (6% and 7%)	$10.78	$25.34	$32.52	$42.56	$24.91

*For later figures see below.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(Not comparable with figures for previous years given above)

Gross operating revenues	$1,454,470	Deduct:	
Operating expense, maintenance & taxes	870,603	Int. on bonds, etc., less int. charged to construction	$106,24
Depreciation	121,339	Amortization of bond discount and expense	5,25
Net operating revenue	$462,528	Total	$111,50
Miscellaneous income	1,349	Surplus after charges	$352,37
		Preferred dividends	164,43
		Common dividends	67,50
Total income	$463,877	Surplus after dividends	$120,44

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Plant, prop. rights & fran..	$5,058,004	$7,553,679	$6,827,405	Common stock	$3,000,000	$3,000,000	$3,000,00
Disc. & exp. on Cap. stocks	3,067,540	.....	.....	Preferred stock	2,495,150	2,185,200	1,105,50
Materials and supplies	.....	144,055	107,656	Funded debt	1,778,000	1,837,000	1,866,00
Unexp. ins. & prepaid accts.	.....	5,576	4,356	Subscription to Pfd. stock	.....	95,300	178,00
Cash	115,899	98,577	43,746	Standard Gas & Electric Co.	.....	.....	218,31
Sink. fund & other deposits	994	.....	145	Pacific Gas & Electric Co..	36,458	.....	.....
Accts. & notes receiv. (net)	112,652	101,626	108,594	Accounts payable	10,071	119,883	106,08
Due from affiliated cos.	.....	75,989	.....	Consumers' deposits	88,711	19,755	53,20
Pfd. stock subscrips. receiv.	3,662	.....	.....	Accrued interest	35,775	36,740	37,32
Receiv. from secur. sales	.....	123,446	134,966	Accrued for taxes	78,074	67,288	56,18
Deferred charges	65,479	104,312	108,550	Accrued for dividends	25,640	59,528	.....
				Retirement reserve	382,332	307,550	287,43
				Other reserves	44,848	148,201	109,19
				Surplus	449,171	330,814	318,18
Total	$8,424,230	$8,207,260	$7,335,418	Total	$8,424,230	$8,207,260	$7,335,41

Officers: A. F. Hockenbeamer, Pres.; F. A. Leach, Jr., V-P. & Gen. Mgr.; D. H. Foote, Sec. & Treas.; James F. Pollard, V-P. & Mgr.

Directors: A. F. Hockenbeamer, F. A. Leach, Jr., D. H. Foote, L. H. Susman, P. M. Downing, W. S. Yard R. E. Fisher, James F. Pollard, W. G. Vincent.

Offices, Salinas, Cal., and 245 Market St., San Francisco, Cal.

SIERRA & SAN FRANCISCO POWER CO.

(Operated Under Lease and Controlled by Pacific Gas & Electric Co.)

History and Property—Incorporated May 29, 1909, in Cal. On Sept. 21, 1909, took over (under Plan of Reorganization shown in the Manual for 1909, page 2083) the properties of the Stanislaus Electric Power Co. and the Tuolumne Water Power Co. Purchased North Beach power plant of the United Railroads of San Francisco, and has contract with that Company (now Market Street Ry. Co.), extending to 1954, to supply power for its operation. In July, 1917, purchased the La Grange Division properties of the Yosemite Power Co. Charter extends to May 29, 1959.

Lease—The operative properties of the Company have been leased to the Pacific Gas & Electric Co. for a term of fifteen years from Jan. 1, 1920. During this period, the Pacific Gas & Electric Co. agrees to properly maintain and operate the properties and pay the cost of such maintenance and operation; pay all taxes and governmental charges; pay annually $30,000 into a fund to amortize bond discount and expense, this amount to be increased if additional bonds are issued by the Sierra & San Francisco Power Co. for stated purposes; pay into a special depreciation fund an amount equal to 2% of the gross revenues obtained by the Pacific Gas & Electric Co. from the leased properties, or such other amount as may be fixed by the Railroad Commission; pay bond interest and pay as rental $50,000 during the first year of the lease, $50,000 during the second, $100,000 during the third and $150,000 annually during the remaining life of the lease.

Properties consist of hydro-electric and steam-electric generating plants, transmission and distributing lines, with accompanying substations and equipment together with water storage facilities and water rights with Government permits for the use thereof, and large amounts of real estate, including valuable timber tracts, all the foregoing being located in the State of California, extending from the site of its storage reservoirs and hydro-electric power plants on the Stanislaus River, in Tuolumne County, a distance of 140 miles, to San Francisco.

The principal hydro-electric generating plant at Stanislaus has a developed generating capacity of 36,448 h.p. and in addition to this plant the Company has a hydro-electric plant at Phoenix of 2,010 h.p. capacity, another at Spring Gap of 8,040 h.p. generating capacity. The main transmission line of the Company consists of two circuits carried on steel towers from the Stanislaus plant to the San Francisco City line, a distance of 140 miles. The capacity of these two circuits at 104,000 volts is approximately 40,000 k.w. A branch transmission line extends from Port Marion to Salinas, a distance of 73 miles, the capacity of which is about 6,000 k.w.

The Company owns a steam generating plant on the north water front of San Francisco Bay with a turbine rated capacity of 28,944 h.p. In San Francisco the Company owns and leases an overhead pole line distributing system and also has 26,300 h.p. rated

capacity of motor generator sets located in four sub-stations belonging to the Market Street Ry. Co.

Under its water rights the Company collects in storage reservoirs the rain fall and melted snow from water sheds in its territory which has an area of about 405 sq. miles. The total storage capacity of the reservoirs now constructed amounts to 1,605,451,600 cu. ft. Aside from power house and sub-station sites, the Company owns 2,106 acres of timber land in which 440 acres contain approximately 6,827,000 board ft. and in addition owns 1,680 acres of gold bearing gravel deposits in Calaveras County.

Melones Dam Hydro-Electric Power Development—For the use of the hydro-electric facilities created by the Melones Dam, the Pacific Gas & Electric Company and the Sierra & San Francisco Power Co., agreed, upon completion of the dam, to pay to the Oakdale Irrigation District and the South San Joaquin Irrigation District in equal proportions, the sum of $5,175,000, at rate of $129,375 per year, in semi-annual installments. This dam has been completed and was dedicated Nov. 11, 1926. The power companies agreed to erect a power plant, to be called the Melones plant, to cost $2,500,000 and to be capable of generating 40,000 h.p. electric energy, at a point about 1 mile down stream from the dam and to be operated by water diverted thereat. The estimated output of electric energy from the Melones plant is placed at 100,000,000 k.w.h. per annum. This plant was completed June 1, 1927. For further details see description of Melones Dam Hydro-Electric Power Development (see General Index).

Change in Control—As of May 1, 1927 Pacific Gas & Electric Co. acquired from Standard Gas & Electric Co. all of the $20,000,000 capital stock of Sierra & San Francisco Power Co. The lease of the properties details of which are given above, is still in effect.

CAPITAL STOCK

Authorized and issued, $20,000,000; par, $100. Annual meeting, last Wednesday in February, at San Francisco.

FUNDED DEBT

(1)

$10,500,000 FIRST GOLD 5s; DUE AUGUST 1, 1949

Dated August 1, 1909.

Interest Payable February and August 1, at United States Mortgage and Trust Co. of New York.

Denominations—Coupon (principal may be registered), $1,000; and registered, $5,000 and multiples thereof; interchangeable.

Trustee—United States Mortgage and Trust Co., of New York.

Provisions of Issue—Authorized issue, $10,500,000, but may be increased from time to time to an aggregate of $30,000,000 in the manner provided by the mortgage. Above $9,500,000 the unissued bonds are available for betterments, improvements, extensions and additions, at not to exceed 80% of the actual cost of replacement value thereof, or for the acquisition, to an amount not to exceed 80% of the actual cost thereof, either of first mortgage bonds or the entire capital stock and indebtedness of other companies. None of such unissued bonds shall be issued, however, except when the property covered by the mortgage (excluding receipts from the San Domingo Mine) for the twelve months next preceding shows a clear net income over operating expenses and taxes equivalent to twice the interest on the first mortgage bonds then actually outstanding or to be issued.

Callability—Subject to call as a whole, but not in part, at 110 and interest on any interest date, upon 4 weeks' notice.

Security—A first mortgage on property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($6,500,000) in July, 1901, at 93½ and interest; $1,000,000 additional were offered in Oct., 1916, at 92½ and interest; and a further $1,000,000 in Feb., 1922, at 86 and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102⅝	98½	94¾	92	86	86¾	86	65
Low	95	91½	90	83¾	85	85¼	83	bid

(2)

$1,000,000 (ENTIRE ISSUE) SECOND GOLD 6s, SERIES "A"; DUE JANUARY 1, 1949

Dated January 1, 1909.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date.

Security—Series "A" bonds have priority over series "B" as to interest only.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925
High	103½	95½	93½
Low	93	90	87

(3)

$8,456,000 (ENTIRE ISSUE) SECOND GOLD 5s, SERIES "B"; DUE JANUARY 1, 1949.

Dated January 1, 1909.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York. Upon each and every interest date prior to July 1, 1916, the company had the right to pay semi-annual interest either in cash or additional Second Mortgage bonds, Series "B"; or partly in both, and no dividends shall be paid on the stock unless interest on these bonds is paid wholly in cash. The July 1, 1916, and subsequent coupons have been paid in cash.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922
High	98½	82¾	80	75	67½	72
Low	81	75½	74¾	63½	60½	62

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

	Gross Earnings	Operating Expenses	Net Earnings
1918	$1,943,909	$964,806	$979,104
1919	2,485,373	1,761,019	724,354
1920	51,343	32,645	18,697
1921	60,844	50,494	10,350
1922	112,061	49,501	62,560
1923	163,880	46,456	117,424
1924	175,267	47,427	127,840
1925	171,907	54,402	117,505
1926	171,471	52,999	118,472
1927	——see below——		

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross operating revenue	$1,269,032
Operating expenses & taxes	35,922
Depreciation	58,762
Net operating revenue	$1,174,348
Deduct:	
Interest on bonds	$1,007,975
Amortization of bond discount and expense	34,443
Total	$1,042,418
Net income	$131,930
Dividends	30,000
Surplus after dividends	$101,930

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant, property, rights, etc.	$44,495,280	$39,069,549	$38,998,395
Unamort. debt disc. & exp.	378,083	480,723	501,206
Insurance unexpired & prepaid accounts	*610	2,925	2,488
Deferred accts. in process of amortization	.....	9,670	1,353
Spec. deposit in lieu of mtge. property sold	.....	725	725
Sinking funds & other deposits	23,095	.....	.....
Contracts receivable	194,186	.....	.....
Cash	.....	50,613	21,767
Cash on depos. for bond int.	.....	.....	11,330
Accounts receivable—net	.....	533,880	554,319
Due from affiliated cos.	.....	222,423	321,630
Materials and supplies	.....	.....	8,187
Total	$45,090,034	$40,370,508	$40,421,409

Liabilities—	1927	1926	1925
Capital stock	$20,000,000	$20,000,000	$20,000,000
First Mtge 5% Gold bonds, due 1949	10,500,000	10,500,000	10,500,000
Second Mtge. 6% Gold bonds, Ser. "A," due 1949	1,000,000	1,000,000	1,000,000
Second Mtge. 5% Gold bonds, Ser. "B," due 1949	8,456,000	8,456,000	8,456,000
Pacific Gas & Electric Co. advances for construction	4,288,932	.....	.....
Accounts payable	.....	5,108	1,75
Accrued for interest	.....	.....	11,33
Accrued for dividends	8,813	.....	100,00
Retirement reserve	607,396	142,601	142,67
Other reserves	.....	143,139	93,83
Surplus	228,893	123,660	115,81
Total	$45,090,034	$40,370,508	$40,421,40

*Credit.

Officers: J. J. O'Brien, Pres.; R. J. Graf, V-P.; B. W. Lynch, V-P.; Samuel Kahn, V-P.; A. L. Chickering, V-P.; Alma L. Ferguson, Sec.; M. A. Morrison, Asst. Sec. & Asst. Treas.; William G. Pohl, Asst. Sec. & Asst. Treas.; J. J. Madden, Asst. Sec. & Asst. Treas.; B. B. Stith, Treas; Anna Cattermole, Asst. Sec.

Directors: J. J. O'Brien, R. J. Graf, H. F. Jackson H. L. Jackman, Samuel Kahn, H. H. Jones, George N Rooker, Allen L. Chickering, Halford Erickson.

Offices, 58 Sutter St., San Francisco, Cal., and 23 South La Salle St., Chicago, Ill.

MELONES DAM HYDRO-ELECTRIC POWER DEVELOPMENT

(Properties Leased Jointly to The Pacific Gas & Electric Co. and the Sierra & San Francisco Power Co.)

The Pacific Gas & Electric Co. and the Sierra & San Francisco Power Co., entered into an agreement on January 2, 1925, with the Oakdale and South San Joaquin Districts which has as its object the joint utilization and control of the Stanislaus River for both hydro-electric and irrigation purposes. Under the terms of this contract, the Districts agreed to construct a concrete arch dam on the Stanislaus River at Melones. This dam has been completed and was dedicated Nov. 11, 1926.

For the use of the hydro-electric facilities that will be created by the Melones Dam, the Pacific Gas & Electric Co. and the Sierra & San Francisco Power Co. have agreed, upon completion of the dam, to pay to the Oakdale and the South San Joaquin Districts, in equal proportions, the sum of $5,175,000. This sum will be paid to the districts at the rate of $129,375 each year, in semi-annual installments. These payments will constitute an operating charge of the power companies, extend beyond the life of the bonds of the Districts and will be in excess of the maximum requirements for principal and interest.

The water impounded behind Melones Dam will be used by the power companies to generate hydro-electric power by means of a 30,000 k.w. plant which they will erect at their own expense on a site to be provided by the districts. This plant which is located within 100 miles of San Francisco, Oakland and Berkeley, will have an annual output estimated at over 100,000,000 k.w.h. Construction was completed June 1, 1927.

FUNDED DEBT

(1)

$1,095,000 Oakdale Irrigation District 5% Gold Bonds; dated June 21, 1925; due serially, Jan. 1, 1928 to 1965; interest payable January and July 1, at First National Bank, New York, Anglo & London Paris National Bank, San Francisco or at office of the Treasurer, Oakdale, California. Coupon, $1,000. Bonds are not subject to call. These bonds, in addition to being secured by hydro-electric power revenues are direct obligations of the Oakdale Irrigation District, principal and interest being payable out of unlimited taxes levied against all the lands within the District, including cities and towns, on an ad valorem basis. They are secured by a tax lien against the land ranking equally with City and County taxes and prior to all first mortgages including those which secure Federal Land Bank and Joint Stock Land Bank bonds.

Original Offering—First publicly offered ($1,100,000) in July, 1925, at prices yielding from 4.50% to 4.75% by Rutter & Co., New York, Anglo London Paris Co., San Francisco and New York, the First Securities Co., Los Angeles, J. R. Mason & Co., San Francisco and Freeman, Smith & Camp, San Francisco and Portland (Ore.)

(2)

$900,000 South San Joaquin Irrigation District 5% Gold Bonds; dated June 21, 1925; due serially Jan. 1, 1927 to 1962; interest payable January and July at First National Bank, New York City, Anglo & London Paris National Bank, San Francisco or at office of the Treasurer, Manteca, California. Coupon $1,000. Bonds are not subject to call. These bonds in addition to being secured by hydro-electric power revenues are direct obligations of the South San Joaquin Irrigation District, principal and interest being payable out of unlimited taxes levied against all the lands within the District, including cities and towns on an ad valorem basis. They are secured by a tax lien against the land, ranking equally with City and County taxes and prior to all first mortgages including those which secure Federal Land Bank and Joint Stock Land Bank bonds.

Original Offering—First publicly offered ($900,000) in July, 1925, at prices to yield from 4.50% to 4.75% by the same bankers that offered the Oakdale Irrigation District bonds above.

WESTERN STATES GAS AND ELECTRIC COMPANY OF DELAWARE

(Controlled by Pacific Gas & Electric Co.)

History—Incorporated March 24, 1911, in Del. A holding company. Its holdings consist exclusively of a controlling interest in the Common stock, and a substantial amount of the Pfd. stock of Western States Gas & Electric Co. of California, and its earnings vary merely in proportion to the dividends paid by the California company.

Change in Control—Proposed Merger—As of May 1, 1927 Pacific Gas & Electric Company acquired $3,253,200 of the $3,503,000 outstanding Common stock of this Company from Standard Gas & Electric Co. and has since acquired substantially all of the Common and over 90% of the Preferred stock. The Pacific Company plans the liquidation of this sub

diary and the physical merger of the properties of Western States Gas & Electric Co. of California which controls.

CAPITAL STOCK

Authorized, $5,000,000 Common and $10,000,000 7% cumulative Pfd.; outstanding, $3,503,000 Common and $2,125,000 Pfd.; par, $100. Pacific Gas & Electric Co. owns substantially all of the Common and over 90% of the Pfd. stock. There is also outstanding $6,695,500 Pfd. stock of Western States Gas & Electric Co. of Cal.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends; is subject to call at 115 and accrued dividends on 60 days' notice. Is entitled to receive $100 per share and accrued dividends in event of liquidation. Additional Preferred stock can only be issued when surplus earnings for twelve months are at least double Pfd. dividend requirements.

Transfer Agents—Continental National Bank & Trust Co., Chicago, and Brooklyn Trust Co., Brooklyn, N. Y.

Registrars—Standard Trust & Savings Bank, Chicago, and American Exchange Irving Trust Co., New York.

Annual Meeting—February 15, at Wilmington, Del.

Price Range—

Preferred—	1927	1926	1925	1924	1923
High	105	99	92	85½	85
Low	92	89	82	78	78

Dividends—Pfd. dividends payable quarterly, J, A, J & O 15, at office of Pacific Gas & Electric Co., 245 Market St., San Francisco, Cal., to stockholders of record on the last day of the preceding months, respectively. Dividends at rate of 7% have been paid on Pfd. stock since organization of Company.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross income	$148,750
Operating expenses and taxes	1,442
Net income	$147,308
Preferred dividends	148,750
Deficit for year	$1,342

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Preferred stock owned	$2,125,000	$2,125,000	$2,125,000
Common stock owned	3,500,000	3,500,000	3,500,000
Pfd. stock divds. receivable	37,187	37,187	37,187
Organization expense	6,037	6,037	6,037
Total	$5,668,224	$5,668,224	$5,668,224

Liabilities—	1927	1926	1925
Common stock	$3,503,000	$3,503,000	$3,503,000
Preferred stock	2,125,000	2,125,000	2,125,000
Standard Gas & Electric Co.		1,492	1,092
Pacific Gas & Electric Co.	2,934		
Accrued divds. on Pfd. stock	37,187	37,187	37,187
Accrued taxes			400
Surplus	103	1,545	1,545
Total	$5,668,224	$5,668,224	$5,668,224

*Par value, $3,230,000.

Officers: A. F. Hockenbeamer, Pres.; F. A. Leach, Jr., V-P. & Gen. Mgr.; D. H. Foote, Sec. & Treas.

Directors: Charles L. Barrett, P. M. Downing, R. E. Fisher, D. H. Foote, A. F. Hockenbeamer, F. A. Leach, Jr., L. H. Susman, W. G. Vincent, W. S. Yard.

Executive Office, 245 Market St., San Francisco, Cal.

WESTERN STATES GAS AND ELECTRIC COMPANY OF CALIFORNIA

(Controlled by Western States Gas & Electric Co. of Del.)

History and Properties—Incorporated Nov. 30, 1910, in Cal., as a consolidation of Humboldt Gas & Electric Co., Stockton Gas & Electric Corp., Richmond Light & Power Co., The American River Electric Co., Arcata Light & Power Co., Fortuna Lighting Co. and Ferndale Electric Light Co.

Owns and operates electric, gas and hydro-electric properties in California, serving thirty-nine communities in 8 counties, viz., Amador, Calaveras, Contra Costa, El Dorado, Humboldt, Sacramento, San Joaquin and Trinity. The principal cities served are Stockton, Richmond and Eureka. The territory served has a population estimated at more than 129,000, and includes both manufacturing and distributing centres of importance and some of the richest agricultural sections of the United States.

The company owns three hydro-electric power plants, with an aggregate normal generating capacity of 44,337 h.p. Also owns two steam turbine plants in Eureka and Stockton, with a normal capacity of 2,064 h.p. and 2,011 h.p. respectively.

Gas service is supplied in Stockton and Eureka, the combined daily manufacturing capacity being 6,512,702 cu. ft. Holder capacity, 3,170,000 cu. ft. The gas supply at Stockton is augmented with natural gas obtained from a number of wells within the city limits. North of Stockton a large area is supplied by electric power for irrigation pumping.

In Feb., 1924, the California R. R. Commission, authorized the Company to purchase the plant, property and distribution system of the Central Natural Gas Co. of Stockton, Cal.

Franchises—The Company operates under favorable franchises. The principal franchise rights were obtained under the Constitution of California as it existed prior to 1911 and are unlimited as to time. The other franchises are of long duration.

Proposed Merger—As of May 1, 1927 Pacific Gas & Electric Company acquired from Standard Gas & Electric Company controlling interest in Western States Gas & Electric Co. of Del., which in turn owns controlling interest in Western States Gas & Electric Co. of California. Pacific Gas & Electric Company plans physical merger of the properties and liquidation of this company.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918
Electric customers	40,832	39,773	38,266	36,392	34,456	31,719	29,740	27,503	24,574	22,425
Total k.w. lighting load	*36,402	43,334	39,280	39,099	35,128	32,151	29,572	27,666	25,196	22,877
Total k.w. power load	*76,862	63,566	59,376	50,504	45,274	41,379	39,246	34,953	31,225	28,314
Total k.w. railway load	*5,734	3,727	1,630	1,650	1,680	1,567	1,480	1,698	1,412	1,180
Total k.w. connected	*118,998	110,627	100,286	91,253	82,082	75,097	70,298	64,317	57,833	52,371
Miles transmision and other lines	2,222	1,787	1,863	1,701	1,525	1,352	1,245	1,112	1,008	938
Gas customers	15,786	15,499	14,569	13,887	13,314	12,614	12,159	11,604	10,973	10,368
Miles of gas mains	253	253	242	217	201	187	175	166	158	156

*1927 figures given in h. p. units.

CAPITAL STOCK

Authorized, $5,000,000 Common and $10,000,000 7% cumulative Pfd.; outstanding, $3,981,500 Common and $6,695,500 Pfd.; par, $100. Western States Gas & Electric Co. of Del. owns $3,230,000 of the Common stock and $2,125,000 of the Pfd. and entire remaining Common stock is owned by Pacific Gas & Electric Co.

FUNDED DEBT

None.

BOND REDEMPTIONS

All outstanding First & Refunding Mortgage 5% Gold bonds, due June 1, 1941, were called for redemption on June 1, 1928 at 105 and interest at Girard Trust Co., Philadelphia, Pa., Trustee.

All outstanding First & Unified Mortgage 6% Gold bonds, Series "A," due March 1, 1947, were called for redemption on March 1, 1928 at 107½ and interest a Bank of California, San Francisco, or Guaranty Trus Co. of New York.

All outstanding Fifteen-Year 6% Gold notes, Serie "A", due October 1, 1937, were called for redemptio on March 1, 1928 at 102½ and interest at Wells Farg Bank & Union Trust Co., San Francisco, Trustee, o Guaranty Trust Co. of New York.

COMBINED OPERATIONS OF CONSOLIDATED COMPANIES, YEARS ENDED DECEMBER 31

	*1926	1925	1924	1923	1922	1921
Gross earnings	$3,407,593	$3,240,057	$3,246,113	$2,984,670	$2,697,384	$2,547,16
Operating expenses, maintenance and taxes	1,603,023	1,589,071	1,789,407	1,931,932	1,775,854	1,685,98
Net earnings	$1,804,570	$1,650,986	$1,456,706	$1,052,738	$921,530	$861,18
Interest charges	981,422	1,006,071	930,555	554,960	464,707	420,37
Net income	$823,148	$644,915	$526,151	$497,778	$456,823	$440,80
Preferred dividends	459,320	364,169	278,438	232,902	213,969	196,81
Balance for retirement reserves, Common dividends, amortization and surplus	$363,828	$280,746	$247,713	$264,876	$242,854	$243,99
Times Interest Earned	1.84	1.64	1.56	1.90	1.98	2.0

*For later figures see below.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Not comparable with figures for earlier years shown above.)

Gross operating revenue	$3,681,532	Deduct:	
Operating exp. & taxes	1,561,354	Interest charges	$986,20
Depreciation	402,156	Amortization of bond disc. & exp.	110,24
Net operating revenue	$1,718,022	Total deductions	$1,096,4
Miscellaneous income	7,503	Surplus after charges	$629,0
		Preferred dividends	470,4
Total income	$1,725,525	Surplus for year	$158,6

CONDENSED GENERAL BALANCE SHEET, DECEMBER 31

Assets	1927	1926	1925	1924	1923	1922
Plant, property, rights, franchises, etc.	$27,079,752	$26,525,796	$25,820,049	$24,494,039	$23,005,548	$17,771,7
Discount & exp. on capital stocks	250,550	.....	.....	.....	.....	.....
Unamortized discount and expense	1,570,525	1,677,901	1,784,835	2,019,351	1,975,283	1,293,9
Sinking funds	135,257	135,275	135,196	135,307	136,277	132,9
Investments	8,565	33,165	33,165	32,065	32,065	32,0
Materials and supplies	.....	384,237	446,296	470,374	346,112	259,4
Unexpired insurance	.....	5,482	5,903	2,575	2,042	1,7
Cash on deposit with Trustee	.....	.....	.....	.....	475,248	1,337,7
Cash	388,544	627,499	939,570	298,194	334,730	473,1
Receivable from securities sales	.....	.....	228,775	123,939	.....	.....
Due from affiliated companies	.....	.....	78,537	511,851	.....	.....
Notes and accounts receivable (net)	246,924	351,066	342,197	411,395	364,935	300,4
Pfd. stock subscriptions receivable	3,656	.....	.....	.....	.....	.....
Prepaid accounts	617	1,383	2,498	.....	.....	.....
Deferred charges	.....	39,782	14,936	16,246	17,197	66,1
Total	$29,684,390	$29,781,586	$29,831,957	$28,515,336	$26,689,437	$21,669,4
Liabilities—						
Common stock	$3,981,500	$3,981,500	$3,981,500	$3,981,500	$3,231,500	$3,231,5
Preferred stock	6,750,000	6,695,500	6,172,700	4,398,000	3,448,000	3,148,0
Funded debt	16,827,500	17,182,500	17,447,500	17,720,000	17,160,000	9,326,0
Ten- year 6% notes	.....	.....	.....	.....	.....	2,668,0
Five-year notes, due 1923	.....	.....	.....	.....	.....	1,199,0
Notes and accounts payable	44,158	238,752	652,011	1,033,897	844,556	819,8
Consumers' deposits, etc.	59,960	80,662	68,303	76,976	75,942	65,3
Standard Gas & Elec. Co.	.....	20,486	.....	.....	717,773	173,7
Pacific Gas & Elec. Co.	124,360	.....	.....	.....	.....	.....
Interest and taxes accrued	390,629	483,476	493,001	380,751	351,468	280,3
Dividends accrued	118,125	117,171	108,022	76,895	60,340	55,0
Retirement reserve	947,161	756,474	687,056	717,225	610,750	534,5
Other reserves	142,901	79,587	76,386			
Surplus	298,096	145,478	145,478	130,092	189,107	167,5
Total	$29,684,390	$29,781,586	$29,831,957	$28,515,336	$26,689,437	$21,669,4

Officers: A. F. Hockenbeamer, Pres.; F. A. Leach, Jr., V-P. & Gen. Mgr.; D. H. Foote, Sec. & Treas.

Directors: P. M. Downing, R. E. Fisher, D. H. Foote, A. F. Hockenbeamer, F. A. Leach, Jr., A. I. Markwart, L. H. Susman, W. G. Vincent, W. S. Yard

Executive Office, 245 Market St., San Francisco, Ca

Local Offices, Stockton, Eureka, and Richmond, Ca

THE YUBA RIVER POWER COMPANY

(Operated under Lease by Pacific Gas & Electric Co.)

History and Property—Incorporated June 30, 1895, in Cal., as the Marysville & Nevada Power & Water Co.; name changed to Yuba Development Co. later and to present title July 23, 1923. The Company plans the development of the North Fork of the Yuba River and of the main Yuba River at the Narrows for power, irrigation and mining in several units. The first unit developed, known as the Bullard's Bar Project, an electric power plant and full equipment (already completed and now in operation by the Pacific Gas & Electric Co.) is located on the North Yuba River, having an installed capacity of 6,500 k. w. A 60,000 volt transmission line, approximately 33,000 ft. in length, connects this plant with the Colgate Power House of the Pacific Gas & Electric Co. where that company receives the power generated by the Bullard's Bar Project.

Lease Agreement—The company has entered into a Original Lease Agreement with the Pacific Gas Electric Co., extending beyond the life of the bonds described below, whereby the latter company has assumed the complete operation and maintenance

he power plant. The Pacific Gas & Electric Co. is required to pay to the trustee under this bond issue he specific amount of $92,000 annually, in semi-annual nstallments in advance, throughout the life of the ease.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,250,070; par, $10. No dividends paid. Annual meeting, third Wednesday in May.

FUNDED DEBT

$1,056,000 FIRST MORTGAGE (CLOSED) SERIES GOLD 6s; DUE SERIALLY OCTOBER 1, 1928 TO 1948, INCLUSIVE (SEE BELOW)

Dated October 1, 1923.

Interest Payable April and October 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles, or at Anglo & London Paris National Bank, San Francisco.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles.

Maturities—The bonds mature on October 1 of each of the following years: 1928, $27,000; 1929, $30,000; 1930, $30,000; 1931, $33,000; 1932, $35,000; 1933, $37,000; 1934, $39,000; 1935, $41,000; 1936, $44,000; 1937, $47,000; 1938, $50,000; 1939, $52,000; 1940, $56,000; 1941, $59,000; 1942, $63,000; 1943, $67,000; 1944, $71,000; 1945, $75,000; 1946, $80,000; 1947, $84,000, and 1948, $36,000.

Callability—Subject to call as a whole or in part on any interest date, on 60 days' notice, at 100 and interest plus a premium of ½ of 1% for each unexpired year, or fraction thereof, of the respective maturities, but not exceeding in any case a premium of 5%. If redeemed in part, the company will call for payment bonds of the latest maturities outstanding at premiums as stated above.

Security—These bonds are secured by a direct first closed mortgage on the dam, power house of 6,500 k. w. present generating capacity, transmission line and all appurtenant structures comprising the Bullard's Bar Project. They are further secured by the deposit with the Trustee of all the rights and interest of this company in and to the Original Lease Agreement with the Pacific Gas & Electric Co., by the deposit of all of the company's water rights which are appurtenant to the present developments, and the permits and licenses granted by the Federal Power Commission, State Division of Water Rights and California Debris Commission, insofar as they pertain to the Bullard's Bar Project.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Personal Property Tax in California.

Original Offering—First publicly offered ($1,150,000) in March, 1924, at prices to yield from 6% to 6.50%, according to maturities, by First Securities Co., Los Angeles, and The Anglo London Paris Co., San Francisco.

OFFICERS AND DIRECTORS

Officers: R. E. Phelan, Pres.; J. W. Bringhurst, V-P.; Geo. A. Rose, Sec.; A. P. Seybold, Treas.

Directors: J. W. Bringhurst, R. P. Hasenauer, R. E. Phelan, C. V. Whitney, R. H. Channing, Jr., Geo. A. Rose, A. P. Seybold.

General Office, 725 Standard Oil Bldg., San Francisco, Cal.

OGDENSBURG STREET RAILWAY COMPANY

History and Property—Incorporated Dec. 22, 1885, in N. Y. Owns and operates 7 miles of track in Ogdensburg, N. Y. Gauge, standard. Rails 52 lbs. Motor passenger cars, 15; work cars, 2; snow plow, 1; sweeper, 1.

Receivership—James E. Kelly was appointed Receiver Aug. 12, 1922.

CAPITAL STOCK

Authorized and issued, $150,000; par, $100. No dividends paid.

FUNDED DEBT

$150,000 (entire issue) First Mortgage Gold 6s; dated July 27, 1895; due Sept. 2, 1925, but still outstanding at Dec. 31, 1926. Interest March and Sept. 2. Coupon, $500 and $1,000. Secured on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Operating revenues	$34,998	$39,607	$41,272
Operating exp. & taxes	38,599	41,144	38,661
Depreciation	.....	2,466	2,460
Operating income	*$3,601	*$4,003	$151
Other income	248	277	74
Total income	*$3,353	*$3,726	$225
Bond interest	9,000	9,000	9,000
Other interest, etc.	1,530	1,455	1,399
Total charges	$10,530	$10,455	$10,399
Deficit for year	$13,883	$14,181	$10,174

*Loss.

RECEIVER'S BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed cap., materials & sup.	$153,097	$154,050	$155,215
Investment	5,954	6,351	.....
Cash	.....	232	7,472
Notes & accounts receiv.	2,154	431	525
Prepayments	549	866	147
Profit and loss	112,745	98,863	84,682
Total	$274,499	$260,793	$248,041
Liabilities—			
Funded debt	$150,000	$150,000	$150,000
Unmatured paving assess.	.....	12,609	14,251
Pav. assess. due unpaid, including int. & fees accrd.	.....	19,988	16,891
Bond int. matured unpaid	76,500	67,500	58,500
Accounts payable	1,267	544	713
Accrued interest	6,709	.....	.....
Reserve for taxes	16,437	.....	.....
Deferred credits	10,968	.....	.....
Retirement and other res.	12,619	10,152	7,686
Total	$274,499	$260,793	$248,041

Officers: James E. Kelly, Receiver; F. A. Stoughton, Pres.; Paul B. Murphy, Sec. & Treas., Potsdam, N. Y.; J. M. Daly, Mgr., Ogdensburg, N. Y.

General Office, Potsdam, N. Y. **Branch Office,** Ogdensburg, N. Y.

INDEPENDENCE WATERWORKS COMPANY

History and Property—Incorporated in 1892, in Missouri. Supplies water to the city of Independence, Mo. and since the acquisition of the Interurban Water Co., it supplies that section of Jackson County, Mo., adjacent to Kansas City, Mo., and lying between that city and Independence. Population served, about 30,000. Company secures its water from the system which supplies Kansas City, Mo., with an auxiliary plant on the Missouri River. Miles of mains, 75.

CAPITAL STOCK

Authorized, 3,217 Common shares of no par value and $300,000 6% cumulative Pfd.; par, $100; outstanding, 3,217 Common shares and $213,500 Pfd.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 15; initial dividend paid April 1. 1926.

FUNDED DEBT

$450,000 FIRST MORTGAGE GOLD 5½s; DUE SEPTEMBER 1, 1945

Dated September 1, 1925.

Interest Payable March and September 1 at The First National Bank, Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The First National Bank, Boston.

Provisions of Issue—Authorized, $1,500,000; issued, $450,000 to provide for retiring Company's short term indebtedness and to refund outstanding bonds at a lower interest rate. Additional bonds may only be issued under careful restrictions.

Callability—Subject to call on 30 days' notice up to September 1, 1935, at 103 and interest, the redemption price decreasing ½ of 1% each two years thereafter.

Sinking Fund—Company covenants that so long as any of these bonds are outstanding it will pay to the Trustee on September 1, 1928, and semi-annually thereafter and until September 1, 1935, a sum in cash amounting to ½ of 1% and from that date to maturity semi-annually ¾ of 1% of the greatest aggregate amount of bonds of this series theretofore issued and outstanding at any time. Trustee will apply such funds to purchase or redemption of these bonds, bonds purchased to be kept alive and interest on same added to the fund.

Security—A direct first mortgage on all the properties of Company now owned and hereafter acquired. Stone & Webster, Inc. of Boston appraised the completed properties as having a reproduction value as of October 1, 1924, of over $1,100,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will reimburse holders upon proper application for income taxes not exceeding 6% or personal property taxes not exceeding 4½ mills when held by residents of any of the New England States, Pennsylvania, or Maryland.

Legal Opinion—Storey, Thorndike, Palmer & Dodge, Boston, and Gossett, Ellis, Deitrich & Tyler, Kansas City, Mo.

Original Offering—First publicly offered ($450,000) in August, 1925, at 97 and interest to yield about 5.75%, by Putnam & Storer, Inc., Boston, Mass., and Minnesota Loan & Trust Co., Minneapolis, Minn.

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

	1927	1926	*1925
Gross revenue	$153,455	$146,955	$123,389
Oper. exps. & taxes	93,602	95,637	77,933
Depreciation	11,975	11,295	.....
Net earnings	$47,878	$40,023	$45,456
Bond interest	24,750	24,750	.....
Other charges	7,286	5,504	.....
Surplus after charges	$15,842	$9,769	.....
Pfd. dividends	11,178	6,691	.....
Surplus for year	$4,664	$3,078	.....

*12 months ended June 30, 1925.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties	$919,570	$830,813
Materials and supplies	3,779	
Cash	4,214	
Notes receivable	182	41,904
Accounts receivable	29,103	
Other current assets	1,006	
Bond discount, etc.	81,149	79,857
Total	$1,039,003	$952,574
Liabilities—		
Common shares of no par value	$150,508	$146,191
Preferred stock	213,500	161,200
Funded debt	450,000	450,000
Notes & accts. payable	59,663	49,320
Int. & divds. accrued	10,878	9,629
Unadjusted credits	23,617	21,521
Reserve for depreciation	97,679	114,713
Other reserves	33,158	.....
Total	$1,039,003	$952,574

Officers: Alfred N. Gossett, Pres.; H. A. Gallagher, V-P. & Supt.; Claude S. Gossett, Sec., Kansas City, Mo.; T. Russell Robinson, Treas. & Gen. Mgr., Boston, Mass.

Office, Independence, Mo.

ASSOCIATED PUBLIC UTILITIES CORPORATION

History—Incorporated in 1925, in Delaware, and through its operating companies furnishes water supply for domestic and industrial purposes to 14 communities of New Jersey, West Virginia, Ohio, Indiana, California and Oklahoma. Controls Benwood & McMechen Water Company, Bartlesville Water Company, The Delaware River Water Company, The Jackson Mutual Water Company, The Frankfort Water Works Company and Pacific Water Company supplying Benwood, McMechen and Boggs Run, W. Va., Bartlesville, Okla., Riverside, Beverly, Edgewater Park, Beverly Township and Delran Township, all suburban to the city of Camden, N. J., Jackson, Ohio, Frankfort, Ind., South San Francisco, San Mateo and Los Altos, Cal. Population of the territory served is about 100,000.

Since Jan. 1, 1928 the Corporation has purchased all the stock of another small company operating near the plants of Pacific Water Company and has three California and one Indiana property under contract. It also has several other properties under investigation.

CAPITAL STOCK

Authorized, 20,000 Common shares, 50,000 Pfd. shares and 50,000 Special shares, all without par value; outstanding, 20,000 Common shares and 10,000 $7 Series Pfd. shares. The shares of the 7% Pfd. stock previously authorized and outstanding were authorized by shareholders on Dec. 15, 1927 to be converted into shares of new $7 Series Pfd. stock.

Preferred Stock Provisions—Of the 50,000 Pfd. shares authorized, 10,000 shares are outstanding, 10,000 shares are to be of the same series as those now outtanding and the remaining 30,000 shares may be classified differently in respect of the rate of dividends and other provisions. All preferred shares are, however, to rank as one class in respect of the priority and preferences over the Common shares and the Special shares.

Callability—The $7 Series Pfd. shares are redeemable in whole or in part at $110 and accrued dividends on any dividend date.

Transfer Agent (Both Classes)—Empire Trust Co., New York.

Registrar (Both Classes)—Guaranty Trust Co. of New York.

Legal Opinion—Jenkins, Carpenter & Day.

Original Offering—A block of 7% Pfd. stock was publicly offered in Sept., 1926, at 94½ and accrued dividend, each share of Pfd. carrying with it one-half share of Common stock, by G. V. Grace & Co., New York.

Dividends—Pfd. dividends payable quarterly, J, A, J & O 1.

FUNDED DEBT

$2,870,000 FIRST LIEN TWENTY-YEAR 5% GOLD BONDS, SERIES "A"; DUE JULY 1, 1947

Dated July 1, 1927.

Interest Payable January and July 1, at The Bank of America, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Bank of America, New York.

Provisions of Issue—Authorized amount, not limited. Outstanding, May 1, 1928, $2,870,000 Series "A" 5s. Additional bonds may be issued under the Trust Indenture in series on the following basis, provided that net consolidated earnings as defined in the Trust Indenture, for twelve consecutive calendar months within fifteen calendar months immediately prior to the application for such additional bonds, shall have been not less than 10% of the principal amount of all bonds then outstanding under the Trust Indenture and on all additional bonds then proposed to be issued, and then only under further restrictions of the Trust In-

denture, some of which are that they may be issued (a) in an amount not exceeding 80% of the cost or fair value, whichever is lower, of betterments, improvements, extensions, additions or enlargements to or of the existing properties of the operating companies or of subsequently acquired properties which shall be represented by capital stock or other securities, all of which shall be pledged under the Trust Indenture; (b) in an amount not exceeding 80% of the cost or fair value, whichever is lower, of the capital stocks of public utility companies, provided the Corporation or its subsidiaries own or are concurrently acquiring not less than 90% of the voting stock of such companies; (c) in an amount sufficient to retire a like principal amount of bonds previously issued under the Trust Indenture.

Purpose of Issue—Proceeds were used to acquire the stocks of certain of the operating companies, to retire all funded indebtedness against the properties outstanding in the hands of the public, to complete certain improvements then in progress, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any date on 30 days' notice at 100, plus a premium of ¼ of 1% for each full year or portion thereof of unexpired life, not exceeding 3%.

Sinking Fund—None provided.

Maintenance and Improvement Fund—Associated Public Utilities Corporation has covenanted to cause each subsidiary to create a maintenance and improvement fund equal to 9% of its gross revenue derived from the operations of its properties, which may be expended only for purposes and under restrictions provided in the Trust Indenture, but no bonds may be issued under the Trust Indenture against maintenance, betterments, improvements, extensions, additions or enlargements to or of the existing properties provided through such fund. This is estimated to establish ample depreciation charges and adequate provisions for the proper maintenance of the operating properties.

Security—Secured by a direct first lien, through pledge with the Trustee of all outstanding stock (except directors' and officers' qualifying shares) and all bonds (or cash sufficient for the redemption thereof) of all the companies acquired in connection with the issue of bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut, Pennsylvania and California personal property taxes not exceeding 4 mills, Maryland tax not exceeding 4½ mills per annum, District of Columbia tax not exceeding 5 mills and Massachusetts income tax not exceeding 6% on the interest, refunded to resident holders upon application within 60 days after payment.

Original Offering—First publicly offered ($2,800,000) in Aug., 1927, at 91 and interest to yield about 5¾% by E. H. Rollins & Sons, Bond & Goodwin, Inc. and G. V. Grace & Co., Inc., New York.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31 (Associated Public Utilities Corp. and Subsidiaries, during period of ownership, in case of subsidiaries acquired after January 1)

	1927	1926
Gross operating revenue	$330,952	$104,658
Operating expenses	103,062	38,899
Maintenance	23,303	5,012
Taxes	32,864	12,168
Total operating expenses	$159,229	$56,079
Net earnings	171,723	48,479
Non-operating revenues	3,816	795
Gross income	$175,539	$49,374
Funded debt interest	57,111	17,534
Miscellaneous interest	11,223	1,814
Balance	$107,205	$30,026
Depreciation	23,945	10,714
Federal taxes	1,810	441
Amortization	6,634	1,556
Miscellaneous	.....	1,710
Balance for dividends	$74,816	$14,421

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant & equipment, as appraised	$5,424,539
Special cash deposits:	
For retiring subsidiary Co. bonds	130,237
Depreciation & construction funds	20,613
Cash	30,489
Accounts receivable	100,491
Materials and supplies	23,642
Unamortized debt discount & expense	472,498
Prepayments, etc.	8,135
Total	$6,210,644
Liabilities—	
Funded debt	$2,800,000
Bonds of subsidiary cos. (called for redemption)	110,000
Notes payable	56,500
Accounts payable	30,275
Accrued interest & taxes	28,342
Consumers' deposits	52,180
Retirement reserve	493,804
Other reserves	181,112
Deferred credits—prepaid water	7,490
7% cum. Pfd. stock (now $7 Series, no par value)	1,000,000
Common stock and surplus	*1,450,941
Total	$6,210,644

*Book equity for 20,000 shares of no par value Common stock.

Officers: G. Vincent Grace, Pres.; J. Earl Albert, V-P.; A. Arthur Jenkins, V-P. & Sec.; P. K. Leather, V-P.; Albert F. Ritter, V-P.; Charles M. Carpenter, Asst. Sec.: J. M. Woodford, Treas.; J. C. L. Dreier, Asst. Treas.; W. D. McVey, Aud.

Directors: J. Earl Albert, G. Vincent Grace, A. Arthur Jenkins, P. K. Leather, Albert F. Ritter, Rupert E. Shotts, J. M. Woodford.

Executive Office, 34 Pine St., New York.

BARTLESVILLE WATER COMPANY

(Controlled by Associated Public Utilities Corp.)

History and Property—The Company, and its predecessors, have been engaged in supplying water to the City of Bartlesville, Okla., for domestic, municipal and industrial use since 1909. Population served, 20,000. Operates under an indeterminate permit from the State of Oklahoma and under the regulation of the Corporation Commission of the State as to rates and service. The system includes pumping plant, settling basins, filtration and treating plants, clear water storage and about 26½ miles of cast iron mains and about 3,000 service connections.

CAPITAL STOCK

Authorized and outstanding, 3,000 shares Common stock and 2,000 shares Pfd. stock, all without nominal or par value. All the stock is owned by Associated Public Utilities Corp.

FUNDED DEBT

$330,000 FIRST MORTGAGE 6% GOLD BONDS (SERIES OF JANUARY, 1927); DUE JANUARY 1, 1947 BUT CALLED FOR REDEMPTION JANUARY 1, 1928.

Officers: S. E. Stern, Pres.; J. E. Albert, V-P.; A. Arthur Jenkins, V-P. & Sec.; M. R. Stern, V-P.; W. D. McVey, Treas. & Aud.; R. D. Heusel, Asst. Treas.; Charles M. Carpenter, Asst. Sec.

Directors: J. E. Albert, J. M .Woodford, A. Arthur Jenkins, W. D. McVey, A. F. Ritter, M. R. Stern, S. E. Stern.

Offices, 34 Pine St., New York, and Bartlesville, Okla.

BENWOOD & McMECHEN WATER COMPANY

(Controlled by Associated Public Utilities Corp.)

History and Property—Incorporated in 1922 in West Virginia and supplies cities of Benwood, McMechen and Boggs Run, W. Va., with water for domestic service and hydrant service for fire protection, serving a population of about 12,000. Plant consists of a complete electric power pumping equipment. Reproduction cost of the property placed at $285,949. Extensions and improvements costing $10,000 were

made to the property during 1926. Company has about 2,000 consumers, a large percentage being metered.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $40,000 7% cumulative Pfd.; par, $50. All owned by Associated Public Utilities Corp.

FUNDED DEBT

None.

Officers: S. E. Stern, Pres.; M. R. Stern, V-P.; J. E. Albert, V-P.; W. D. McVey, Treas.; A. Arthur Jenkins, Sec.; R. D. Heusel, Asst. Treas.; Charles M. Carpenter, Asst. Sec.

Directors: J. E. Albert, A. Arthur Jenkins, A. F. Ritter, M. R. Stern, S. E. Stern.

Offices, 34 Pine St., New York, and Benwood, W. Va.

THE DELAWARE RIVER WATER COMPANY

(Controlled by Associated Public Utilities Corp.)

History—Incorporated Oct. 22, 1901, in N. J., and on April 21, 1902, merged with the Riverside Water Co. and the Beverly Water Co. and began water service operations on July 1, 1902. Supplies water without competition to Beverly, Riverside, Edgewater Park, Beverly Township and Delran Township, N. J. Estimated population served is in excess of 15,000. Daily pumping capacity, 3,000,000 gallons; maximum daily requirements, 700,000 gallons. No. of consumers, 2,853; fire hydrants, 175; miles of mains, 34.7.

CAPITAL STOCK

Outstanding, 4,000 shares of no par value (changed from 4,000 shares of $50 par value in 1925). All owned by Associated Public Utilities Corp. Annual meeting, first Wednesday in April, at Camden, N. J.

FUNDED DEBT

None.

Officers: S. E. Stern, Pres.; J. E. Albert, V-P.; A. Arthur Jenkins, V-P. & Sec.; M. R. Stern, V-P.; W. D. McVey, Treas.; R. D. Heusel, Asst. Treas.; Charles M. Carpenter, Asst. Sec.

Directors: J. E. Albert, G. Vincent Grace, A. Arthur Jenkins, W. D. McVey, A. F. Ritter, M. R. Stern, S. E. Stern.

Executive Office, 36 Pine St., New York.

THE FRANKFORT WATER WORKS COMPANY

(Controlled by Associated Public Utilities Corp.)

History—The territory served by this Company is the City of Frankfort, county seat of Clinton County, located 40 miles northwest of Indianapolis, Ind.

CAPITAL STOCK

Outstanding, 2,000 shares Common stock of $50 par and 466 shares Pfd. stock of $100 par; all owned by Associated Public Utilities Corp.

FUNDED DEBT

None.

Officers: S. E. Stern, Pres.; J. E. Albert, V-P.; A. Arthur Jenkins, V-P. & Sec.; M. R. Stern, V-P.; W. D. McVey, Treas.; R. D. Heusel, Asst. Treas.; Charles M. Carpenter, Asst. Sec.

Directors: H. O. Garman, Jesse B. Marvin, A. R. Stern, M. R. Stern, S. E. Stern.

Offices, Frankfort, Ind., and 34 Pine St., New York.

THE JACKSON MUTUAL WATER CO.

(Controlled by Associated Public Utilities Corporation)

History—Incorp. Nov. 15, 1921, in Ohio, and took over the plant and property of the Jackson Water Supply Co., supplying without competition the City of Jackson, O., with water for domestic use and hydrant service for fire protection. Property consists of complete water plant and supply system, comprising about 20 miles of mains, etc. The Company has 900 consumers, about 700 of same being metered. Population served is about 7,000. Annual output, over 61,000,000 gallons. Reproduction value of property placed at $299,461 by Philip Burgess, Eng., Columbus Ohio.

CAPITAL STOCK

Authorized and outstanding, $21,000 Common and $42,000 7% cumulative Pfd.; par, $100. All owned by Associated Public Utilities Corp.

FUNDED DEBT

$110,000 FIRST MORTGAGE 6½% GOLD BONDS; DUE FEBRUARY 1, 1937 BUT CALLED FOR REDEMPTION FEBRUARY 1, 1928.

Officers: S. E. Stern, Pres.; J. E. Albert, V-P.; A. Arthur Jenkins, V-P. & Sec.; M. R. Stern, V-P.; W. D. McVey, Treas.; R. D. Heusel, Asst. Treas.; Charles M. Carpenter, Asst. Sec.

Directors: E. E. Eubanks, A. Arthur Jenkins, A. F. Ritter, M. R. Stern, S. E. Stern.

Offices, Jackson, Ohio, and 34 Pine St., New York.

PACIFIC WATER COMPANY

(Controlled by Associated Public Utilities Corporation)

History—Incorporated in California, and has consolidated the ownership of the properties of South San Francisco Water Company, the water works property of William H. Howard Estate Company, and the properties of Peninsula Water Company, serving the Cities of South San Francisco and San Mateo and the adjacent areas on the San Francisco peninsula.

CAPITAL STOCK

Authorized, $600,000 Common; outstanding, $550,700 Common; par, $100. All owned by Associated Public Utilities Corp.

FUNDED DEBT

$800,000 First Mortgage bonds, all owned by Associated Public Utilities Corp and pledged under its First Lien 5% Gold bonds due July 1, 1947.

Officers: S. E. Stern, Pres.; Walter C. Fox, Jr., V-P.; G. Vincent Grace, V-P.; C. R. Wayland, Treas.; Maxwell Nichols, Sec.; A. De Martini, Asst. Sec.; A. Arthur Jenkins, Asst. Sec.

Directors: S. E. Stern, Blair S. Shuman, Maxwell Nichols, Walter C. Fox, Jr., A. De Martini, Stephen C. Duhring, C. R. Wayland.

Offices, South San Francisco, Cal., and 34 Pine St., New York.

STETTIN PUBLIC UTILITIES COMPANY

(Oeffentliche Werkbetriebe Der Stadt Stettin, G. m. b. H.)

History and Properties—Organized in March, 1926, in Germany. Controls all the utility companies supplying the City of Stettin, Germany, with electric light and power, gas, tramway and water services. The City of Stettin is the capital and largest city of the Province of Pommerania, and has a present population of over 258,600. One of these utility companies—Stettin Power Corporation—also supplies, indirectly, electrical energy in several adjacent counties which have a total population of approximately 550,000. These utility companies are—

Company	Service Rendered	Pct. of Stock Owned by Company
Stettin Power Corp.	Electric Generating	*66 2-3%
Stettin Electric Corp.	Electric Distributing	†60%
Stettin Tramways Corp.	Electric Tramway	†63.5%
City Gas & Water Corp.	Gas and Water	100%
Stettin Harbor & Electric Co.	Electric Distributing	100%

*Balance owned in part by Province of Pommerania and in part by three counties. †Balance owned by public.

The electric generating properties, all of which are owned by Stettin Power Corporation, consist of two power stations with a combined present installed capacity of 48,800 k.w. The company is installing an additional 25,600 k.w. unit, which, upon completion in the latter part of 1926, will give it a total installed generating capacity of 74,000 k.w. During the year 1925 this company sold over 82,000,000 k.w.h. of electricity at wholesale. The two electric distributing subsidiaries purchase their entire electrical requirements from Stettin Power Corp. and distribute electricity throughout the City of Stettin to over 54,000 customers. For the year 1925 their combined sales amounted to over 4,000,000 k.w.h. The Stettin Tramway Corp., with 14 miles of track, does the entire electric railway business of Stettin and certain adjacent suburban communities. A new gas generating plant was completed in the Fall of 1926 with a capacity of 2,100,000 cubic feet per day of coal gas. There are over 40,500 gas customers, including those served in several adjacent communities. The water customers number 6,235.

CAPITAL STOCK

R M. 15,000,000; all owned by the City of Stettin.

FUNDED DEBT

$2,925,000 FIRST (CLOSED) MORTGAGE SINKING FUND 7% GOLD BONDS; DUE APRIL 1, 1946

Dated April 1, 1926.

Interest Payable April and October 1 at Harris, Forbes & Co., New York, or Harris Trust & Savings Bank, Chicago, in U. S. gold coin.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Deutsche Treuhand Gesellschaft, Berlin, Trustee; Harris Trust & Savings Bank, Chicago, Co-Trustee.

Provisions of Issue—Authorized and issued, $3,000,000 of which $75,000 retired through sinking fund. Proceeds were used to reimburse Company and its subsidiaries for expenditures made and to be made on account of additions to the properties, particularly to the electric and gas generating facilities.

Callability—Bonds may be redeemed through operation of the sinking fund at 100 and interest on any interest date and are subject to call as a whole or in part by lot on any interest date on 6 weeks' notice to and including April 1, 1931 at 102½ and interest and thereafter at 100 and interest.

Sinking Fund—The indenture provides for sinking fund payments to Harris, Forbes & Co. as Sinking Fund Agent, commencing Jan. 15, 1927, sufficient to retire 2½% of the entire amount of this issue annually. These payments are calculated to retire 50% of this issue of bonds by maturity. The Company may in any year, at its option, increase the annual sinking fund payments to an amount sufficient to retire not to exceed 5% of the entire amount of this issue. All sinking fund payments are to be applied to the purchase or redemption of these bonds at not exceeding par and interest.

Security—These bonds are the direct obligations of Company and are secured by a direct first (closed) mortgage or deed of trust on substantially all the fixed properties of the operating subsidiaries of the Company now owned or hereafter acquired subject with respect to one of the subsidiary properties to prior charges under the Dawes Plan estimated as not exceeding $250,000 principal amount. The aggregate maximum annual charges under the Dawes Plan and the German Laws enacted to carry the Dawes Plan into effect, for all the operating subsidiaries are estimated as not exceeding $54,100. Upon completion of this financing, none of the subsidiary operating companies will have any funded debt.

Valuation—Present reproduction value of the properties, based on estimates of an independent American engineer, amounts after liberal depreciation to over 4½ times this issue of $3,000,000 bonds.

Legal Opinion—Sullivan & Cromwell, New York City; Dr. Heinrich F. Albert and G. A. Westrick, Berlin, Germany.

Original Offering—First publicly offered ($3,000,000) in June, 1926 at 94½ and interest to yield about 7.55%, by Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris, Forbes & Co., Ltd., Montreal; and Harris Trust & Savings Bank, Chicago.

Listed—Boston Stock Exchange.

EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross income	$5,352,685
Operating expenses, maintenance, taxes and maximum estimated Dawes charges	3,744,811
Net income	$1,557,874
*Bond interest	210,000
Balance	$1,347,874

*On $3,000,000 First Mortgage S. F. 7% bonds.

Officers: Dr. Xaver Mayer and Wilhelm Duhmer, Managing Directors.

Office, Stettin, Germany.

THE LOCKPORT AND NEWFANE POWER AND WATER SUPPLY COMPANY

History and Property—Incorporated in 1900 in New York and has acquired the business and property of Middleport Gas & Electric Light Company and the Newfane Electric Company, which furnish electricity for domestic and power purposes in Middleport, Gasport, Newfane, Burt, Olcott, Appleton and rural territories adjacent to these communities in the towns of Royalton, Hartland and Newfane of Niagara County, N. Y., having a population of over 10,000. There are 2,200 power and light customers.

The Company owns a dam and a hydro-electric plant on Eighteen Mile Creek, at Burt, N. Y. This development consists of a concrete dam about 325 feet long capable of delivering water under a 50 foot head to two 1,650 h.p. units, and a third unit of 3,000 h.p. The power house will have a present capacity of 3,300 h.p., which, with a favorable long-term contract, for a minimum of 550 h.p., with the Niagara, Lockport & Ontario Power Company, will bring the total combined capacity of the system to 3,850 h.p.

CAPITAL STOCK

Authorized, $500,000; outstanding December 31, 1927, $389,500; par $100. No dividends paid.

Stock Increase—As of March 9, 1928 the authorized capital stock of Company was increased from 5,000 shares par $100 to 25,000 shares of no par value.

FUNDED DEBT

$269,500 FIRST MORTGAGE 6% GOLD BONDS, DUE NOVEMBER 1, 1954

Dated November 1, 1924.

Interest Payable May and November 1, at Marine Trust Co., Buffalo, N. Y., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized and issued, $300,000; outstanding, $269,500. Issued to provide funds for the construction of the dam and power house at Burt, N. Y. and for other additions, improvements, and extensions of the Company's plant and properties.

Callability—Subject to call as a whole, but not in part except for the sinking fund, on any interest date upon 30 days' notice, at 105 and interest on or before Nov. 1, 1934; premium being reduced 1% at the end of each five year period, after Nov. 1, 1934.

Sinking Fund—On or before Sept. 1, 1925 and on or before each succeeding Sept. 1, the Company will pay to the Trustee, a sum equal to at least 3% of the principal of all the bonds issued under this mortgage, which amount is to be applied to the retirement of these bonds; bonds retired by the sinking fund shall be cancelled.

Security—A direct first closed mortgage on all the tangible and physical properties, plants, transmission lines, improvements, water and other rights, franchises, etc., now owned or hereafter acquired by the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Kenefick, Cooke, Mitchell & Bass, Buffalo.

Original Offering—First publicly offered in Nov., 1924, at 98½ and interest, to yield about 6.10% by Schoellkopf, Hutton & Pomeroy, Inc., Buffalo and Rochester, N. Y. and Frontier Finance Corp., Niagara Falls, N. Y.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$176,039	$136,279	$113,500
Oper. exp., deprec. & taxes	89,090	76,085	78,943
Operating income	$86,949	$60,194	$34,557
Other income	578	512	.....
Gross income	$87,527	$60,705	$34,557
Bond interest	16,693	17,190	†
Other interest	17,394	14,369	†
Other deductions	5,073	4,061	†
Net income	$48,367	$25,085	†

†Figures not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties	$1,006,323	$986,705
Bonds owned	5,100	41,525
Other investments	.....	1,000
Materials and supplies	12,802	6,270
Cash	12,417	14,470
Notes receivable	.....	35
Accounts receivable	27,020	29,900
Other current assets	500	.....
Special deposits	500	.....
Unadjusted debits	58,590	82,751
Unamortized debt discount	32,485	32,637
Total	$1,155,737	$1,195,293
Liabilities—		
Common stock	$389,500	$389,500
Funded debt	269,500	279,500
Notes payable	285,494	324,719
Accounts payable	11,710	45,056
Interest accrued	2,909	2,922
Consumers' deposits	848	.....
Reserve for taxes	5,748	5,793
Reserve for depreciation	86,026	91,802
Other reserves	2,482	1,780
Surplus	101,520	54,221
Total	$1,155,737	$1,195,293

Officers: Edgar Knapp, Pres.; E. J. Lewis, V-P.; R. L. Wheeler, Sec.; F. S. Tracey, Treas. & Gen. Mgr.; F. P. Fermoile, Aud., Middleport, N. Y.

Directors: George F. Thompson, E. Knapp, E. J. Lewis, R. L. Wheeler, Chas. D. Jackson, P. J. Fermoile, Clifford McDonal, F. S. Tracey, Middleport, N. Y.; Howard Babcock, Niagara Falls, N. Y.

Office, Middleport, N. Y.

FREEPORT WATER WORKS COMPANY

History—Incorporated Jan. 1, 1883, in Pa. Supplies water to the towns of Freeport, Lanesville, and vicinity in Armstrong County, Pa. The largest industrial consumer is the Pennsylvania R. R., which is supplied with water, under a long time contract, for its engines and other purposes, at Butler and Kiskimetas Junctions. Company draws its supply of water from the Allegheny River. No. of consumers, 885. Population served, 4,800.

Receiver Appointed, etc.—Following default in payment of interest on $250,000 6% Gen. Mtge. bonds of Company The Armstrong County Trust Co., Kittanning, Pa., was appointed as receiver. The property and franchises of the Company, subject to $200,000 First Mtge. bonds, was sold at public sale by The Armstrong County Trust Co. as of January 31, 1928.

CAPITAL STOCK

Authorized, $100,000; outstanding, Dec. 31, 192 $30,000; par $50. Stock is closely held.

FUNDED DEBT

(1)

$200,000 First Mortgage Gold 5s; dated October 1914; due Oct. 1, 1939; int. April and Oct. 1, at Pen sylvania Trust Co., Pittsburg, Pa., Trustee. Coupo $1,000; principal may be registered. Authorized ar issued, $200,000; mortgage closed. Subject to call a whole or in part by lot on 30 days' published noti on any interest date at 103. Secured by a first lien c entire property. Pennsylvania four mill tax refunde Company pays Normal Federal Income Tax up 2%.

Legal Opinion—Reed, Smith, Shaw & Beal, Pitt burg, Pa.

(2)

$250,000 6% General Mortgage Bonds, dated Apr 1, 1921; due April 1, 1946. Interest payable April ar October 1. The Armstrong County Trust Co., Ki tanning, Pa., Trustee. All closely held. No detai available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$51,019	$52,105	$45,3
Oper. expenses and taxes	24,647	29,512	24,2
Net earnings	$26,371	$22,593	$21,1
Other income	481	343	5
Total income	$26,852	$22,936	$21,6
Interest charges	25,000	25,000	25,0
Amort. of debt disc. & exp.	4,998	4,998	4,9
Deficit for year	$3,146	$7,062	$8,3

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$423,760	$422,022	$421,7
Less depreciation	20,607	20,622	20,6
Balance	$403,153	$401,400	$401,1
Reacquired stock	70,000	70,000	70,0
Special deposits	.....	.....	2
Cash	36,989	21,729	9,4
Accounts receivable	3,275	3,651	3,3
Materials and supplies	2,050	1,934	1,7
Unamort. debt. disc. & exp.	79,013	84,011	89,0
Profit and loss—deficit	31,021	27,775	20,6
Total	$625,501	$610,500	$595,5
Liabilities—			
Capital stock	$100,000	$100,000	$100,0
Funded debt	450,000	450,000	450,0
Accounts payable	26,000	26,000	26,0
Int. matured on funded debt	43,250	28,250	13,2
Int. accrd. on funded debt.	6,251	6,250	6,2
Total	$625,501	$610,500	$595,5

Officers: E. N. Gillespie, Pres.; J. R. Miller, V-P J. R. Taylor, Sec. & Treas.

Directors: The above and E. J. Ladley, Pittsburg Pa.

Office, Freeport, Pa.

BERWICK GAS CO.

History and Property—Incorporated early in 191 in Pa.; reorganization of the Berwick Consolidate Gas Co.; (see Manual for 1911, page 1491, or appl to our Information Department.) Has exclusiv right to manufacture and sell gas in Berwick, Wes Berwick, East and North Berwick, Nescopeck an Salem Township, Pa. Population served, 16,00 Miles of mains, 17; number of meters, 1,271. Annu production approximately 35,000,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $402,400, consistin of $300,000 Common and $102,400 5% non-cumula tive Pfd.; par, $50. Annual meeting, first Monday i May. No dividends paid.

FUNDED DEBT

$137,500 FIRST MORTGAGE GOLD 5s; DUE JAN. 1, 1941

Dated January 1, 1911.

Interest Payable January and July 1, at agency of the Company in Philadelphia. Coupon, $250, $500 and $1,000; principal may be registered. Guarantee Trust & Safe Deposit Co., Philadelphia, Trustee. Authorized issue, $300,000.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$42,583	$42,589	$37,395
Oper. exp. & taxes	31,466	34,171	29,544
Net earnings	$11,117	$8,418	$7,851
Other income	822	2,980	2,313
Total income	$11,939	$11,398	$10,164
Interest charges	6,906	6,769	7,629
Other deductions	.....	.....	237
Surplus for year	$5,033	$4,629	$2,297

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$596,004	$591,924	$587,029
Cash	5,486	2,620	4,174
Accounts receivable	12,482	12,315	9,483
Materials and supplies	10,413	11,871	8,988
Prepaid items	967	1,209	1,605
Deferred charges	.....	.....	8,818
Total	$625,352	$619,939	$620,098
Liabilities—			
Capital stock	$402,400	$402,400	$410,000
Funded debt	137,500	137,500	132,500
Customers' deposits	791	763	789
Other accounts payable	2,367	3,111	375
Res. for renewals & replacements	50,983	46,144	41,234
Surplus	31,311	30,021	35,200
Total	$625,352	$619,939	$620,098

Officers: Dr. E. S. Snyder, Pres.; T. H. Doan, V-P.; A. A. Whitlock, Sec. & Gen. Mgr.; B. D. Freas, Treas.

Directors: Dr. E. S. Snyder, W. S. Taylor, B. T. Brandt, Lancaster, Pa.; Harvey Doan, Harry Farringer, C. E. Ferris, Berwick, Pa.

General Office, 119 So. 4th St., Philadelphia, Pa.

JOHNSTOWN WATER COMPANY

History and Property—Incorporated April 11, 1866, in Pa., and provides practically the entire domestic water supply of the City of Johnstown and vicinity, from five reservoirs varying in capacity from 30 up to 813 million gallons. To provide for the steady increasing demand authority was given by the stockholders for an issue of not over $1,500,000 5% bonds, the proceeds of which were used for increased reservoir or storage capacity. Planning to begin work on the construction of a reservoir of 900,000,000 gallons capacity, about eleven miles from Johnstown on the North Fork of Bens Creek, a mountain stream of good minimum flow and great purity. The plant is to be operated on the gravity system. Company controls the **Conemaugh & Franklin Water Co.**

CAPITAL STOCK

Authorized, $600,000; outstanding, $375,000; par, $100. The Cambria Iron Co. owns $189,300 of the stock. Transfer Agent: Treasurer of Co., Johnstown, Pa. Dividends paid Feb. and Aug. 1, at the rate of 7½% per annum in 1924, 1925, 1926 and 1927. Annual meeting, second Tuesday in March.

Proposed Recapitalization—Pres. Grace of Bethlehem Steel Corp., in letter being forwarded to stockholders of Johnstown Water Co., stated that at an informal meeting of stockholders of Company held on Feb. 9, 1928, Bethlehem Steel Corp. submitted a plan for recapitalization of Company through a new corporation under plan outlined as follows: (1) A new corporation is to be organized with an authorized capital stock of 21,000 shares of 6% cumulative Pfd. stock, par $100, and 21,000 shares of no par Common stock. (2) The new corporation will acquire all the outstanding capital stock of Company as follows: 1,893 shares of stock owned by Cambria Iron Co. for all authorized Common stock of new company; 1,857 shares of stock of Company owned by others at price of $1,100 per share, payable in Pfd. stock of new company at par—that is 11 shares of such Pfd. stock for each of the 1,857 shares of capital stock of Johnstown Water Co.

FUNDED DEBT

$655,900 FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1929

Dated March 1, 1909.

Interest Payable March and September 1, at Johnstown Trust Co., Johnstown, Pa.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Johnstown Trust Co., Johnstown, Pa.

Provisions of Issue—Authorized, $1,500,000; issued, $690,000, of which $34,100 reacquired to Dec. 31, 1927, leaving $655,900 outstanding as of that date.

Callability—Subject to call five years after date of issue or at any interest period thereafter.

Sinking Fund—Sinking fund is provided sufficient to retire bonds at maturity.

Security—Secured by a first lien on the entire plant.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$655,801	$553,291	$507,127
Oper. expenses & taxes	301,119	290,107	257,265
Net earnings	$354,681	$263,184	$249,862
Other income	45,405	51,544	43,709
Total income	$400,086	$314,728	$293,571
Interest charges	33,934	33,423	33,545
Net income	$366,153	$281,305	$260,026
Dividends	28,125	28,125	28,125
Surplus for year	$338,028	$253,180	$231,901

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$4,554,785	$4,133,080	$3,869,145
Less depreciation	525,471	465,693	405,366
Balance	$4,029,314	$3,667,387	$3,463,779
Investments	241,327	256,327	185,000
Reacquired securities	34,100	22,000	21,100
Special deposits	500,000	530,000	545,000
Cash	40,833	39,096	58,302
Accounts receivable	26,802	34,279	24,233
Interest & rents receivable	5,235	7,013	4,853
Materials & supplies	20,317	21,187	23,652
Accrued assets	60,852	57,528	44,036
Prepaid insurance	.....	304	1,371
Total	$4,958,780	$4,635,121	$4,371,326
Liabilities—			
Capital stock	$375,000	$375,000	$375,000
Funded debt	690,000	690,000	690,000
Accounts payable	12,105	9,012	7,647
Interest accrued	11,500	11,500	11,500
Taxes accrued	63,088	55,922	46,364
Other accrd. liabilities	16,819	10,201	7,054
Operating reserves	4,383	1,945	5,400
Appropriated surplus	500,000	500,000	500,000
Unappropriated surplus	3,285,885	2,981,541	2,728,360
Total	$4,958,780	$4,635,121	$4,371,326

Officers: H. E. Lewis, Pres., Bethlehem, Pa.; J. C. Davies, V-P.; Frank L. DeFrehn, Sec. & Treas.; Charles W. Kunkle, Supt., Johnstown, Pa.

Directors: H. E. Lewis, Bethlehem, Pa.; J. C. Davies, Frank Howard, P. A. Rose, M. G. Moore, D. M. Stackhouse, Ralph Byron, Harry Tredennick, L. R. Custer, Johnstown, Pa.

General Office, Johnstown, Pa.

GREENVILLE (PA.) WATER CO.

(Controlled by H. E. Pollock Corp.)

History—Incorporated Nov. 17, 1883, in Pa., and supplies water to Greenville, Pa. Population served, about 9,000. Miles of mains, 26. No. of consumers, 2,514.

CAPITAL STOCK

Authorized and outstanding, $84,000; par, $50. Transfer Agent: Union Trust Co., Pittsburgh, Pa. Annual meeting, in November. No dividends, earnings being put into property.

FUNDED DEBT

$350,000 First Gold 5s; of which $125,000 dated Sept 1, 1902; due Sept. 1, 1932; int. March and Sept. 1, and $225,000 dated July 1, 1912; due July 1, 1942; int. on both issues payable at Union Trust Company, Pittsburgh, Pa., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $350,000. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$51,457	$49,740	$49,806
Operating expenses	38,883	38,249	39,040
Net income	$12,574	$11,491	$10,766
Other income	528	330	681
Total income	$13,102	$11,821	$11,447
Deductions:			
Interest	$18,525	$18,492	$18,962
Amortization, etc.	633	633	633
Total deductions	$19,158	$19,125	$19,595
Deficit for year	$6,056	$7,304	$8,148

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and equipment	$504,647	$501,732	$497,348
Less depreciation	146,800	134,709	122,690
Balance	$357,847	$367,023	$374,659
Special deposits	5,675	5,950	5,650
Cash	684	2,807	4,635
Accounts receivable	13,915	3,472	1,506
Materials and supplies	2,861	3,295	3,394
Prepaid insurance	610	250	327
Unamortized debt discount and expense	9,183	9,817	10,450
Deficit	82,166	76,082	68,598
Total	$472,941	$468,696	$469,219
Liabilities—			
Capital stock	$84,000	$84,000	$84,000
Funded debt	350,000	350,000	350,000
Mortgages	7,000	7,000	7,000
Notes payable	9,050	9,050	12,050
Consumers' deposits	1,445	1,365	1,266
Accounts payable	8,109	8,043	5,907
Matured interest unpaid	5,675	5,950	5,650
Service billed in advance	4,375		
Accrued liabilities	3,287	3,288	3,346
Total	$472,941	$468,696	$469,219

Officers: H. E. Pollock, Pres. & Gen. Mgr.; T. A. Mellon, Sec. & Treas., Pittsburgh, Pa.; C. P. Masters, Supt., Greenville, Pa.

Directors: H. E. Pollock, T. A. Mellon, E. B. McNaughton, Pittsburgh, Pa.

Offices, Greenville, Pa., and 2112 Oliver Bldg., Pittsburg, Pa.

NORRISTOWN WATER CO.

History—Incorporated April 6, 1925, in Pa., as successor to Norristown Insurance & Water Co., incoprated in 1847 in Pa. Franchise perpetual. Population served, 38,000. Miles of mains, 50. No. of meters, 1,300. Daily capacity, 6,000,000 gals.

CAPITAL STOCK

Authorized and outstanding, $660,000; par, $50. Transfer office, Norristown. Annual meeting, in September.

Dividends—8% per annum regularly paid, first Monday in March and September.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$210,484	$202,686	$207,9
Operating expenses	119,389	97,633	106,4
Operating income	$91,095	$105,053	$101,4
Non-operating income	10,848	11,651	10,9
Gross income	$101,943	$116,704	$112,4
Interest deductions	3,246	3,517	2,5
Net income	$98,697	$113,187	$109,9
Dividends paid	52,800	52,800	52,8
Surplus for year	$45,897	$60,387	$57,1

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total fixed capital	$884,204	$830,889	$765,0
Investment securities	57,838	57,837	57,8
Insurance & reserve fund	40,000	40,000	40,0
Cash	11,745	4,228	4,3
Notes receivable	8,000	8,000	8,0
Accounts receivable	257,409	243,519	107,6
Matured int. & rents rec.	6,260	6,725	6,2
Materials and supplies	8,816	21,358	14,8
Prepaid taxes & accounts	45	56	5
Total	$1,274,317	$1,212,612	$1,004,5
Liabilities—			
Capital stock	$660,000	$660,000	$660,0
Notes payable	95,000	80,000	90,0
Other accounts payable	11,219	9,841	4,3
Service billed in advance	156,143	152,895	
Reserve for insurance	40,000	40,000	40,0
Unappropriated surplus	311,955	269,876	210,2
Total	$1,274,317	$1,212,612	$1,004,5

Officers: W. H. Slingluff, Pres.; R. E. Romberger, Treas.; John Rex, Sec.; B. Russel, Supt.

Directors: W. H. Slingluff, Frederick B. Little, John Rex, T. L. Bean, M. L. March, Louis M. Childs, 2nd, S. D. Crawford, W. F. Zimmerman, R. E. Romberger, Norristown, Pa.

Office, Norristown, Pa.

MIDDLE STATES POWER COMPANY

History and Property—Incorporated March 12, 192 in Delaware. Owns the entire capital stocks of th Menomonie Gas Co., Light Ice Water Co., Durand Light & Power Co., and Weimar Power & Light Co Through these subsidiaries Company owns and operates without competition a number of electric light power, water and gas properties located in the northwestern section of Wisconsin, and in the Colorado Valley of Texas, serving gas to Menomonie, Wis., electricity to Durand, Eau Galle and Arkansaw, Wis and Weimar and La Grange, Texas, and water and ic to La Grange, Texas. Estimated population served 22,000. Number of meters—electric, 1,807; gas, 723 water, 471—total, 3,001. Electricity is generated through the Company's Diesel and hydro generating plants, and in addition power is purchased from the Texas Power & Light Co.

CAPITAL STOCK

Authorized, 5,000 shares Common of no par value and $1,000,000 7% cumulative Preferred, par $100 outstanding, 5,000 shares Common and $200,000 Preferred. Pfd. stock has preference for assets and dividends and is subject to call on any dividend date at 105 and accrued dividends. Transfer Agent, Chicago Trust Co., Chicago. Registrar, Central Trust Co. of Illinois, Chicago. Annual meeting, third Tuesday in March.

Dividends—Pfd. dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

$870,000 ONE-YEAR 5% SECURED GOLD NOTES; DUE MARCH 15, 1929

Dated March 15, 1928.

Interest Payable March and September 15, at Chicago Trust Co., Chicago, Ill.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Authorized and outstanding, $870,000. Issued to acquire the above mentioned capital stocks, for capital expenditures, and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice at par and interest.

Sinking Fund—None provided.

Security—A direct obligation of Company and secured by pledge of all the capital stocks of the subsidiary companies mentioned above. No mortgages can be placed upon any of the properties above mentioned unless provision is made for the retirement of these notes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Hyde, Hennings, Thulin, Westbrook and Watson, Chicago.

Original Offering—First publicly offered ($370,000) in March, 1928, at 99 and interest to yield over 6% by Packer, Cooke & Co., Chicago, etc. An additional $500,000 offered in April, 1928, at the same price and by the same bankers.

EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$159,088
Oper. exps., maint. & taxes (excl. of Fed.)	71,863
Balance for interest charges	$87,225
Annual int. requirements on 5% Gold notes	43,500
Balance for deprec., divds. & Fed. taxes	$43,725

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of equipment	$937,771
Materials and supplies	14,711
Cash	229,816
Accounts receivable	7,016
Total	$1,189,314
Liabilities—	
Common stock	$111,056
Preferred stock	200,000
Funded debt	870,000
Notes payable	3,100
Accounts payable	1,141
Deposits	3,328
Unadjusted credits	689
Total	$1,189,314

Officers: J. H. Dawes, Pres., Menomonie, Wis; Chas. R. Danielson, V-P.; H. L. Miller, V-P.; R. H. Krammes, Sec. & Treas., Chicago, Ill.

Directors: J. H. Dawes, Menomonie, Wis.; Chas. R. Danielson, R. H. Krammes, Chicago.

General Office, 208 S. La Salle St., Chicago, Ill. **Corporate Office,** Dover, Del.

TEXAS WATER UTILITIES COMPANY

History and Property—Incorporated March 13, 1928, in Delaware with a perpetual charter. Owns and operates properties supplying water without competition for domestic, municipal and industrial purposes to communities located in the Central and Western section of Texas, including Memphis, Cameron, McGregor, Moody, Italy, Hempstead, Sealy, Estelline and Post, Texas. Artificial ice plants are operated in connection with the water service at Italy and Moody; in addition ice manufacturing plants are owned and operated at Comanche, Gorman, DeLeon and Rising Star, Texas; all without competition. Estimated population served, 40,000. Physical properties consist of water systems having 70 miles of mains and an aggregate reservoir and tank capacity in excess of 5,000,000 gallons; also artificial ice plants having a manufacturing capacity of 150 tons daily. Supply of water, principally obtained from artesian wells, is in excess of the present demand. The water system at Memphis, Texas, is a gravity system having spring wells and three storage reservoirs of a total capacity of approximately 465,000 gallons located about 300 feet above the city.

CAPITAL STOCK

Authorized and outstanding, 5,000 shares Common of no par value. Annual meeting, first Tuesday in September.

FUNDED DEBT

(1)

$1,000,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1948

Dated March 1, 1928.

Interest Payable March and September 1, at Chicago Trust Co., Chicago, and Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable; principal may be registered.

Trustees—Chicago Trust Co., Chicago, and Harold K. Townsend.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, $1,000,000 Series "A" 6s. Proceeds were used for the acquisition of certain properties, for capital expenditures and other corporate purposes.

Additional bonds may be issued for not in excess of 80% of cost or fair value, whichever is lower, of permanent improvements, extensions or additions to properties provided net earnings, as defined in Indenture for 12 consecutive calendar months within 15 calendar months immediately prior to issuance of such additional bonds, have been at least 1¾ times interest charges on all bonds outstanding under Indenture, including those then proposed to be issued. Indenture provides that bonds may also be issued for refunding par for par bonds outstanding under Indenture or underlying bonds on hereafter acquired properties.

Callability—Series "A" bonds are subject to call as a whole or in part, on 30 days' notice, to and including March 1, 1933 at 103 and interest; thereafter to and including March 1, 1938 at 102 and interest; thereafter to and including March 1, 1943 at 101 and interest; thereafter to maturity at par and interest.

Sinking Fund—None provided.

Security—A direct first mortgage on all fixed properties of Company consisting of land, buildings, water mains, reservoirs, pumping stations, ice plants and other equipment. Based upon appraisals by independent public utility engineers and appraisers combined properties have a value in excess of $1,500,000. Of present value of properties 78% is represented by water and 22% by ice.

Maintenance and Improvement Fund—Company agrees, among other things, to set aside annually out of its earnings, an amount equal to at least 10% of its gross operating earnings. Such reserve may be expended for maintenance of its properties or for improvements, additions or extensions against which no bonds may be issued.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and agrees under certain conditions to refund to holders of these bonds within 60 days after payment thereof, to residents of such states respectively, certain Minnesota taxes not to exceed 3 mills, Pennsylvania and Connecticut taxes not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Virginia and District of Columbia and Michigan exemption tax not to exceed 5 mills and Massachusetts income tax not to exceeed 6%.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($1,000,000 Series "A" 6s) in March, 1928 at par and interest, by F. N. Kneeland & Co., Davis, Longstaff & Co., Chicago, Howard F. McCandless & Co., San Francisco, etc., and Seattle Title & Trust Co., Seattle, Wash.

Listed—Chicago Stock Exchange.

(2)

$300,000 ONE-YEAR 5% GOLD NOTES; DUE MARCH 1, 1929

No details available.

EARNINGS, YEARS ENDED DECEMBER 31
(After Giving Effect To Non-recurring Charges Of $6,397 In 1927 And $7,204 In 1926)

	1927	1926
Gross earnings	$273,362	$255,271
Oper. exps., maint. & taxes (excl. Fed.)	147,934	150,633
Net earnings available for int., deprec. & Fed. taxes	$125,428	$104,638
Annual int. required for First Mtge. bds.	60,000	.....
Annual int. required for 1-yr. notes	15,000	.....
Balance	$50,428	.....

PROJECTED BALANCE SHEET, DECEMBER 31, 1927
(After Giving Effect To Proposed Financing And Acquisitions)

Assets—	
Plant & franchises	$1,748,423
Cash	6,672
Employees working funds	375
Notes & accounts receivable	3,152
Materials and supplies	2,289
Prepayments	407
Special deposit	220
Total	$1,761,538
Liabilities—	
Common stock	$100,000
Funded debt	1,300,000
Due affiliated cos.	7,646
Current liabilities	3,293
Reserve for depreciation	173,872
Surplus	176,727
Total	$1,761,538

Officers: J. G. Hix, Pres.; F. N. Kneeland, V-P.; V. A. Robinson, V-P.; W. G. Dunckel, Sec.; L. E. Garber, Treas. & Asst. Sec.

Directors: F. N. Kneeland, R. M. Fisher, W. G. Dunckel, J. G. Hix.

Executive Office, 111 West Monroe St., Chicago, Ill.

MIDDLETOWN & ROYALTON WATER COMPANY

History—Reorganized Jan. 1, 1924, in Pa., as successor to Middletown & Swatara Consolidated Water Company (see 1924 Public Utility Manual, page 1206). Supplies water to Middletown and Royalton, Pa. Population served, about 9,000. Miles of mains, 16. Franchise perpetual and exclusive.

CAPITAL STOCK

Authorized, $50,000; outstanding, $49,600. Annual meeting, first Monday in January.

FUNDED DEBT

$202,000 First Mortgage Thirty-Year Gold 6s; dated 1924; due 1944; int. Jan. and July 1, at Commonwealth Trust Co., Harrisburg, Pa., Trustee. Authorized, $225,000. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$39,203	$39,382
Operating expenses	22,516	20,453
Operating income	$16,687	$18,929
Other income	420	619
Total income	$17,107	$19,548
Funded debt interest	12,120	12,120
Other deductions	928	916
Net income	$4,059	$6,511

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$291,117	$290,045
Depreciation	16,000	12,000
Balance	$275,117	$278,045
Cash	1,097	629
Accounts receivable	9,600	9,675
Prepaid insurance	434	539
Total	$286,248	$288,886
Liabilities—		
Capital stock	$49,600	$49,600
Funded debt	202,000	202,000
Notes payable	.....	5,000
Accounts payable	44	1,659
Surplus	34,604	30,627
Total	$286,248	$288,886

Officers: E. E. Brunner, Pres., York Haven, Pa.; J. H. Freeland, Sec. & Treas., Harrisburg, Pa.

Directors: E. E. Brunner, J. H. Freeland, S. F. Dunkle, J. Lloyd Hartman, J. M. Smyser.

Office, Harrisburg, Pa.

MECHANICSBURG GAS & WATER CO.

History and Property—Incorporated in 1856, in Pa. Supplies Mechanicsburg, Pa. Population served, 4,469 Miles of mains, 8. Capacity of holder, 57,000 cu. ft. No. of meters, 1,109; stoves, 500; heaters, 100. Prices, lighting, gross, $1.50; fuel, $1.20. Combination rate, $1.35. Annual sales, about 20,000,000 cu. ft. gas and 109,500,000 gals. of water.

CAPITAL STOCK

Authorized and issued, $100,000; par, $20.

FUNDED DEBT

$206,500 First 5s; dated April 1, 1908; due April 1, 1958; int. A & O 1, at Farmers' Trust Co., Carlisle, Pa. Coupon, $500 and $1,000; principal may be registered. A first lien on both the gas and water plants of Company. The larger part of the issue is in connection with water plant. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenues	$63,467	$59,718
Operating expenses	39,107	35,370
Gross earnings	$24,359	$24,348
Other income	32	164
Total income	$24,391	$24,513
Interest on funded debt	10,325	10,325
Other interest	977	295
Balance for dividends	$13,090	$13,893
Dividends	6,000	6,000
Surplus for year	$7,090	$7,893

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property and equipment	$478,874	$458,426
Cash	2,979	277
Accounts receivable	7,522	7,237
Deferred charges	1,874	1,874
Total	$491,249	$467,815
Liabilities—		
Capital stock	$100,000	$100,000
Funded debt	206,500	206,500
Notes payable	28,000	18,000
Customers' deposits	702	355
Dividends payable	4	5
Reserve for renewals and replacements	101,637	95,639
Surplus	54,406	47,316
Total	$491,249	$467,815

Officers: H. L. King, Pres. & Gen. Mgr.; J. R. Henry, Sec. & Treas., Mechanicsburg, Pa.

Directors: The above and V. S. Bowman, Mechanicsburg, Pa.

General Office, Mechanicsburg, Pa.

POTTSTOWN GAS AND WATER COMPANY

History—Incorporated April 2, 1869, in Pa., with perpetual franchise to supply water. Does water business only, serving Pottstown, Pa., and its vicinity; source of supply, Schuylkill River. Miles of mains, 42¾.

CAPITAL STOCK

Authorized $1,000,000; outstanding, $625,000; par, $50. Transfer Agent and Registrar: G. H. Baer, Treas., Pottstown, Pa. Annual meeting; first Monday in June.

Dividends—Paid 8% in 1924 and 1925; in 1926, 3% cash and 25% stock dividend; 1927, 6½%; payments, Jan. and July 1, by check.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$135,648	$115,030	$105,668
Operating expenses	62,371	57,620	45,604
Operating income	$73,277	$57,410	$60,064
Other income	500	627	.....
Total income	$73,777	$58,037	$60,064
Dividends	40,625	*18,750	40,000
Reserves	.....	.....	9,126
Surplus for year	$33,152	$39,287	$10,938

*In addition a stock dividend of $125,000 was paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total fixed capital	*$677,742	*$647,121	$518,782
Investment securities	13,155	13,155	13,155
Miscellaneous property	10,000	10,000	10,000
Advs. to affiliated cos.	14,427	13,586	11,673
Cash	26,698	25,305	10,481
Materials and supplies	2,844	2,836	2,396
Total	$744,865	$712,003	$566,487
Liabilities—			
Capital stock	$625,000	$625,000	$500,000
Matured funded debt	.....	.....	4,789
Notes payable	6,000	6,000	.....
Other accounts payable	4,226	4,517	.....
Unappropriated surplus	109,639	76,486	61,698
Total	$744,865	$712,003	$566,487

*After depreciation of $78,624 in 1927 and $71,644 in 1926.

Officers: Jno. W. Storb, Pres.; J. B. Lessig, V-P.; O. B. Lessig, Sec.; G. H. Baer, Treas.; F. Y. Slonaker, Supt., Pottstown, Pa.

Directors: Jno. W. Storb, George H. Baer, O. B. Lessig, J. B. Lessig, J. B. Evans, Dr. J. E. Porter, Edward J. Storb, Pottstown, Pa.

Office, Pottstown, Pa.

MOTOR TRANSIT CORPORATION

History—Incorporated Sept. 20, 1926, in Delaware, and through its subsidiary companies operates motor bus lines radiating from Chicago and serving the principal cities of the middle west. The subsidiaries operate 325 coaches, consisting of Will, Fageol, Yellow and other standard makes. Coaches are of modern inter-city parlor cars and observation parlor car models, of uniform type and color, and designated "Greyhound Line". Corporation holds long term leases on two garage properties in Chicago where the servicing and repair of coach equipment is centralized. A new bus terminal at Wabash and 12th Street, Chicago, is controlled by Corporation jointly with associated bus interests. Garages, service stations, and terminals are also maintained in the principal cities along the routes.

Motor Transit Corp. owns all of the capital stock of the following bus operating subsidiaries, reaching the principal cities indicated and serving intervening and adjacent territory:

Interstate Stages, Inc., operating from Chicago to Detroit via South Bend (see appended statement).

Greyhound Lines of Indiana, operating from Chicago to Indianapolis to Cincinnati, and from Detroit to Toledo to Cincinnati.

Southwestern Michigan Motor Coach Co., operating from Chicago to Detroit via Kalamazoo.

Royal Rapid Transit Co., operating from Chicago to Madison and Dubuque.

Northern Illinois Service Co., operating from Chicago to Davenport via Rochelle.

Mohawk Stage Lines, operating from Chicago to Davenport via Joliet.

The Interstate Stage Lines Co., operating from Kansas City to Topeka and St. Joseph.

Southland Transportation Co., operating from Cincinnati to Louisville.

Cardinal Stage Lines, operating from Chicago to Toledo to Cleveland to Pittsburgh to Philadelphia.

The Corporation owns all of the Common stock and part of the Preferred stock of Safety Motor Coach Lines, operating from Chicago to Muskegon, Ludington, and other points in Michigan (see appended statement).

The Corporation jointly with Pickwick Corporation of California (see General Index) owns Greyhound Lines, Inc., operating from St. Louis to Chicago, Kansas City, Memphis, Indianapolis, and Pittsburgh (see appended statement).

The Corporation owns all of the Capital stock of the following subsidiaries which furnish auxiliary services:

Motor Transit Management Co., supplying supervisory, engineering, and management services;

Transportation Securities Co., supplying financial services.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(Motor Transit Corp. and Subsidiaries)

	Gross Earnings	Net Earnings	Passengers Carried	Miles Operated
1924	$28,105	$4,631	24,878	117,350
1925	498,853	72,350	484,292	1,903,700
1926	1,714,371	186,419	1,310,069	5,810,624
1927	1,840,974	182,344	*1,226,713	*6,356,140

*First 9 months.

CAPITAL STOCK

Authorized, 325,000 shares Common, 20,000 shares Preferred "A", 25,000 shares Participating Preference, and 100,000 shares Preferred "B", all shares of no par value; outstanding Dec. 31, 1927, 135,121 shares Common, 9,000 shares Preferred "A" Series 1 (entitled to cumulative dividends of $7 per share per annum), and 50,504 shares Preferred "B" (entitled to non-cumulative dividends of $3.50 per share per annum).

Preferred "A" Stock Provisions—Has preference over Participating Preference, Preferred "B" and Common for dividends and to assets in liquidation of $100 per share and accrued dividends, and is subject to call on 60 days' notice at 110 and accrued dividends. Additional shares of Preferred "A" $7 Series 1, or other series with such dividend rates and redemption prices as shall be determined, may be issued, but Preferred "A" stock in excess of 10,000 shares shall not be issued unless during the preceding year the combined net earnings of the Corporation and subsidiaries, as defined, shall have aggregated not less than 3 times annual dividend requirements on total Preferred stock outstanding and that to be issued. No dividend shall be declared on any other stock of Corporation unless after payment of such dividend there shall remain net tangible assets, as defined at least equal to $200 for each share of Preferred "A" stock then outstanding.

Transfer Agent and Registrar (Preferred "A")—Northern Trust Co., Duluth, Minn.

Original Offering—First publicly offered 5,500 shares Pfd. "A" stock Series 1, in units of 5 shares Pfd. "A" Series 1, 1 share Pfd. "B" and 10 shares Common at $500 per unit, by Lane, Piper and Jaffray, Inc., Minneapolis, Minn., in May, 1927. In Oct., 1927, the same bankers offered 3,000 shares Pfd. "A" Series 1, in units of 5 shares Pfd. "A" Series 1, 1 share Pfd. "B" and 5 shares Common at $500 per unit. The proceeds from the sale of this stock were used to purchase stocks of subsidiary companies (including Royal Rapid Transit Co.), to provide additional working capital and for other corporate purposes.

Participating Preference Stock Provisions—Has preference over Pfd. "B" and Common stock for dividends up to $8 per share per annum, cumulative from July 1, 1928, and for assets in liquidation up to $100 per share and accrued dividends; it is subject to redemption at $105 and accrued dividends plus one share of Common stock; and is entitled to receive participating dividends equal share for share with any dividends paid from time to time on the Common stock. Corporation has offered Participating Preference stock in exchange for Preferred "B" stock in the ratio of 1 share Participating Preference stock and 4 shares

Common stock for each 4 shares of Preferred "B" stock. No stock had been exchanged or issued up to Dec. 31, 1927.

Preferred "B" Stock Provisions—Has preference over Common for non-cumulative dividends of $3.50 per share per annum and for assets in liquidation of $50 per share; and is subject to redemption on 60 days' notice at $55 per share. Corporation has offered the holders of the Pfd. "B" stock the opportunity to exchange their stock in the ratio of four shares of Pfd. "B" stock for 1 share of Participating Preference stock and 4 shares of Common stock.

Annual Meeting—Third Monday in January in Chicago, Minneapolis or Duluth.

Dividends—Dividends on Pfd. "A" Series 1 regularly paid from date of issuance to April 1, 1928. No dividends paid on Pfd. "B" or Common stocks.

FUNDED DEBT

Corporation has no funded debt but subsidiary companies have Equipment obligations outstanding April 1, 1928 in the following amounts:

$204,000 Interstate Stages, Inc., Equipment Mortgage 6% Gold Notes; due serially to Nov. 1, 1930.

$210,000 Safety Motor Coach Lines Equipment Mortgage 6% Gold Notes; due serially to July 1, 1930.

$189,000 Greyhound Lines, Inc., Equipment Mortgage 6% Gold Notes; due serially to Nov. 1, 1930.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Motor Transit Corp. and Subsidiary Companies more than 50% Owned)

Gross revenues	$1,840,973
Operating expenses	1,611,852
Net earnings	$229,121
Other income	211,255
Total income	$440,376
Interest paid	68,114
Bond discount and expense	7,122
Depreciation	170,629
Other charges	940
Reserve for Federal taxes	11,227
Net income	$182,344
Dividends	52,382
Surplus for year	$129,961

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Motor Transit Corp. and Subsidiary Companies more than 50% Owned)

Assets—	
Fixed assets	*$1,260,162
Invest. in stocks of other corp.	45,200
Franchises, organization and development	843,141
Good will	766,273
Deposit under contract	15,000
Deposits with sinking fund trustees	66,883
Cash	251,445
Accounts receivable	256,564
Notes receivable	309,387
Inventories of supplies, parts, etc.	60,478
Prepaid insurance, int., etc.	78,869
Invests. in and advances to affil. cos.	765,904
Unamortized bond discount and expense, etc.	47,617
Total	$4,766,923
Liabilities—	
Common stock and surplus	†$149,057
Preferred "A," Series 1	‡900,000
Preferred "B"	§1,767,640
Capital stock subscriptions	367,500
Pfd. stock of sub. in hands of public	270,760
Equip. mtge. notes of subs. due serially	456,000
Negotiable gold notes	282,500
Accounts payable	330,775
Notes payable	112,155
Accrued payroll, taxes, etc.	43,504
Provision for Federal Income tax	11,227
Due to affiliated cos.	30,281
Building purchase contract	17,868
Unearned revenue	18,713
Reserved for major overhauling	8,943
Total	$4,766,923

*After deducting $451,442 reserve for depreciation. †Represented by 135,121 no par shares. ‡Represented by 9,000 shares at $100 per share. §Represented by 50,504 shares at $35 per share.

Officers: C. E. Wickman, Chrm. of Board and Pres.; O. S. Caesar, V-P. & Gen. Mgr.; G. W. Traer, Jr., F. G. Sullivan, V-Ps.; C. A. Steen, Sec. & Treas.; F. G. Beamsley, Asst. Treas. & Asst. Sec.; E. F. Rumpf, Asst. Treas. & Asst. Sec.

Directors: C. E. Wickman, Chrm.; R. F. Pack, G. W. Traer, Jr., F. W. Sullivan, R. L. Griggs, O. S. Caesar, Chauncy McCormick, R. Floyd Clinch, W. R. Dawes.

General Office, 514 East 34th Place, Chicago, Ill. **Corporate Office,** 1234 First National-Soo Line Bldg., Minneapolis, Minn.

INTERSTATE STAGES, INC.

(Controlled by Motor Transit Corp.)

History—Organized in Feb., 1926, and owns and operates the "Oriole" bus lines running between Chicago and Detroit, and serving the intervening territory. Company regularly operates 10 or more buses daily each way between Chicago and Detroit, as well as furnishing service on shorter runs. In addition to its interstate business, Company operates in Michigan under permits issued by the Michigan Public Utilities Commission granting to it the exclusive right to carry intrastate business on the routes covered in that state. Motor bus equipment consists of 33 passenger buses of the latest standard parlor car and observation parlor car types, all but 5 of which are Fageol buses. Fully equipped garages are maintained in Chicago and Detroit, at which points the equipment is serviced and maintained. Centrally located passenger depots are operated in the principal cities served, including depots at Congress Hotel, Chicago, and the Hotel Tuller, Detroit. Number of passengers carried for the 10 months ended Oct. 31, 1927, 180,073. Bus, miles operated, 1,627,799.

CAPITAL STOCK

Outstanding, $140,000; par, $100. All owned by Motor Transit Corp.

FUNDED DEBT

$204,000 EQUIPMENT MORTGAGE 6% GOLD NOTES; DUE $34,000 EACH MAY 1 AND NOVEMBER 1, 1928 TO 1930, INCLUSIVE

Dated November 1, 1927.

Interest Payable May and November 1, at Northern Trust Co., Duluth, Minn.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Northern Trust Co., Duluth, Minn.

Co-Trustee—Stanley L. Yonce, Duluth, Minn.

Provisions of Issue—Authorized and outstanding April 1, 1928, $204,000.

Callability—Subject to call as a whole or in part on 21 days' notice at par and interest, plus a premium of ½% for each 6 months or fraction thereof between the date of redemption and date of maturity.

Sinking Fund—Company covenants that, in November of each year starting in 1928, it will pay to the Trustee an amount equal to 3 cents for each mile the mortgaged equipment has been operating during the 12 calendar months immediately preceding, first deducting a sum equal to the principal amount of the notes maturing on the last two preceding interest dates. All funds so paid are to be used in the redemption of the notes at their redemption price.

Security—Secured by a first mortgage on entire motor bus equipment of Company, which equipment on Oct. 31, 1927, had a depreciated value of $302,853.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Lancaster, Simpson, Junell & Dorsey.

Original Offering—First publicly offered ($204,000) in Dec., 1927, at prices to yield 5.50% for the 1928 maturities and 6% for the 1929 and 1930 maturities, by Lane, Piper & Jaffray, Inc., Minneapolis, Lane, Roloson & Co., Inc., Chicago, and Northern Trust Co., Duluth, Minn.

EARNINGS, STATED PERIOD

	10 mos. to Oct. 31, '27	11 mos. to Dec. 31, '26
Gross revenues	$556,499	$203,981
Operating expenses, maintenance and taxes (except income taxes)	414,448	177,181
Net earnings for int., depreciation and income taxes	$142,051	$26,800

NOTE—Depreciation charged on motor bus equipment and other property during the 10 months ended Oct. 31, 1927, was $47,426.

GENERAL BALANCE SHEET, OCTOBER 31, 1927
(After giving effect to the issuance of $204,000 Equipment Mortgage Notes and the sale of 800 shares of Capital stock at $100 per share)

Assets—	
Fixed assets (at cost less depreciation)	$308,315
Franchises and permits	72,519
Cash	16,751
Accounts and notes receivable	13,000
Inventories	1,500
Deferred charges	31,403
Total	$443,488
Liabilities—	
Capital stock	$140,000
Equipment mortgage notes	204,000
Accounts payable	19,723
Earned surplus	79,765
Total	$443,488

Officer: O. S. Caesar, Pres.
General Office, 514 East 34th Place, Chicago, Ill.

SAFETY MOTOR COACH LINES

(Controlled by Motor Transit Corp.)

History and Property—Incorporated in Michigan and owns and operates the "Greyhound" bus lines running between Chicago, Ill., and Muskegon, Grand Rapids, Grand Haven and other intermediate points and adjacent territory in Michigan. Motor bus equipment consists of 61 passenger buses, of which 55 are the latest standard parlor car and observation parlor car types, and 6 are inter-city type. Of these buses 57 are Fageol buses. Fully equipped garages are maintained in Chicago, Grand Rapids and Muskegon, at which points all bus equipment is serviced and maintained. Centrally located passenger depots are maintained in the principal cities served including a depot at the Congress Hotel, Chicago. Number of passengers carried year ended June 30, 1927, 664,327; bus miles operated, over 2,849,000.

CAPITAL STOCK

Outstanding, 39,870 shares Common "B" stock of no par value, and $287,560 Preferred "A"; par $40. All the Common stock and part of the Preferred stock are owned by Motor Transit Corp.

FUNDED DEBT

$210,000 EQUIPMENT MORTGAGE 6% GOLD NOTES; DUE $42,000 SEMI-ANNUALLY FROM JULY 1, 1928 TO JULY 1, 1930, INCLUSIVE

Dated July 1, 1927.

Interest Payable January and July 1, at Northern Trust Co., Duluth, Minn.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Northern Trust Co., Duluth, Minn.

Co-Trustee—Stanley L. Yonce, Duluth, Minn.

Provisions of Issue—Authorized and issued, $252,000, of which $42,000 retired to April 1, 1928.

Callability—Subject to call as a whole or in part on 21 days' notice at par and interest, plus a premium of ½% for each 6 months or fraction thereof between date of redemption and date of maturity.

Sinking Fund—Company covenants that, in July of each year starting in 1928, it will pay to the Trustee an amount equal to 3 cents for each mile the mortgaged equipment has been operated during the preceding 12 calendar months, first deducting a sum equal to the principal amount of notes maturing on the two last preceding interest dates. All funds so paid are to be used in the redemption of the notes at their redemption price.

Security—Secured by a closed first mortgage on entire motor bus equipment of Company, which equipment had, on June 30, 1927, a depreciated value of $450,333.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Lancaster, Simpson, Junell & Dorsey.

Original Offering—First publicly offered ($252,000) in September, 1927, at prices to yield 5.50% for the 1928 maturities and 6% for the 1929 and 1930 maturities, by Lane, Piper and Jaffray, Inc., Minneapolis, etc.

EARNINGS, YEAR ENDED JUNE 30, 1927

Gross revenues	$822,403
Operating expenses, maintenance and taxes (except income taxes)	692,342
Net earnings for int., deprec. & income taxes	$130,061

NOTE—Depreciation charged on motor bus and other property during the above period was $95,085.

GENERAL BALANCE SHEET, JUNE 30, 1927
(After giving effect to the issuance of $252,000 Equipment Mortgage Notes and after eliminating appreciation of certain assets)

Assets—	
Fixed assets at cost, less depreciation	$498,657
Franchises and permits	315,304
Cash	90,239
Accounts and notes receivable	62,267
Inventories	19,814
Deferred charges	57,519
Total	$1,043,800
Liabilities—	
Common "B" stock and surplus	$410,188
Preferred "A" stock	287,560
Equip. mortgage notes	252,000
Accounts payable	85,913
Provisions for Federal income taxes	8,139
Total	$1,043,800

Officer: C. E. Wickman, President.
General Office, 514 East 34th Place, Chicago.

GREYHOUND LINES, INC.

(Controlled by Motor Transit Corp. and Pickwick Corporation)

History and Property—Incorporated in March, 1926, and owns and operates motor bus lines running between Chicago, St. Louis and Kansas City, and serving intervening and adjacent territories. The lines are known as the Purple Swan Division of the Greyhound System. In addition to its interstate business, Company operates under intrastate permits issued by the Public Service Commission of Missouri covering its operations between St. Louis and Kansas City; and intrastate permits have been likewise applied for covering all other portions of its lines. Motor bus equipment consists of 34 passenger buses, all but 3 of which are Fageol buses of the latest standard parlor car and observation parlor car types. Fully equipped garages are maintained in Chicago, St. Louis, and Kansas City, at which points the equipment is carefully serviced and maintained. Centrally located passenger depots are operated in the principal cities served, including depots at the Congress Hotel, Chicago, the new Union Market Bus Depot, St. Louis, and the Union Bus Terminal, Kansas City, in all of which stations Company has an interest. Number of passengers carried, 8 months ended Nov. 30, 1927, 192,133; number of bus miles operated, over 1,759,811.

Acquisition—Announcement was made in January 1928 that Company had acquired the Southland Transportation Co., operating a bus line between Cincinnati and Louisville.

CAPITAL STOCK

Outstanding, 20,000 shares Common of no par value, $100,000 First Pfd., par $100, and $140,000 Participating Pfd., par $10. All owned by Motor Transit Corp. and Pickwick Corp.

FUNDED DEBT

$189,000 EQUIPMENT MORTGAGE 6% GOLD NOTES; DUE $31,500 EACH MAY 1, AND NOVEMBER 1, 1928 TO 1930, INCLUSIVE

Dated November 1, 1927.

Interest Payable May and November 1, at American Trust Co., St. Louis, and First Minneapolis Trust Co., Minneapolis, Minn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., St. Louis, Mo.

Co-Trustee—C. D. Cowdery, St. Louis, Mo.

Provisions of Issue—Authorized and outstanding April 1, 1928, $189,000.

Callability—Subject to call as a whole or in part on 21 days' notice at par and interest plus a premium of ½% for each 6 months or fraction thereof between date of redemption and date of maturity.

Sinking Fund—Company covenants that, in November of each year starting 1928, it will pay to the Trustee an amount equal to 3 cents for each mile the mortgaged equipment has been operated during the 12 calendar months immediately preceding, first deducting a sum equal to the amount of these notes, maturing during the calendar year in which such payment is made. All funds so paid are to be used in the redemption of the notes at their redemption price.

Security—Secured by a first closed mortgage on entire motor bus equipment of Company, which equipment on Oct. 31, 1927, had a depreciated value of $278,085.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Junell, Dorsey, Oakley and Driscoll.

Original Offering—First publicly offered ($189,000) in March, 1928, at prices to yield 5.50% for the 1928 maturities and 6% for the 1929 and 1930 maturities, by Lane, Piper and Jaffray, Inc., Minneapolis, Minn., Lane, Roloson & Co., Inc., Chicago, and Northern Trust Co., Duluth, Minn.

EARNINGS, STATED PERIODS

	8 mos. to Nov. 30, 1927	12 mos. to Mar. 31, 1927
Gross revenues	$495,484	$485,157
Oper. exp., incl. maint. and taxes (except income taxes)	419,668	411,218
Net earnings for interest, depreciation and income taxes	$75,816	$73,939

GENERAL BALANCE SHEET, NOVEMBER 30, 1927
(After giving effect to the issuance of $189,000 Equipment Mortgage Notes and to changes being effected in the outstanding capitalization of the Corp.)

Assets—	
Fixed assets, at cost less depreciation	$286,201
Franchises and permits	150,718
Investments	1,085
Contract deposit	5,868
Cash	39,612
Accounts receivable	19,325
Inventories	12,524
Deferred charges and prepaid items	34,958
Total	$550,291
Liabilities—	
Common stock and surplus	*$52,083
First Pfd. stock	100,000
Participating Pfd. stock	140,000
Equipment mortgage notes	189,000
Due Motor Transit Corp.	44,000
Accounts payable	10,508
Accrued liabilities	14,700
Total	$550,291

*Represented by 20,000 no par value shares.

Officer: O. S. Caesar, President.

General Office, 514 East 34th Place, Chicago, Ill.

UNION UTILITIES, INC.

History and Property—Incorporated March 22, 1928, in Delaware and through its subsidiaries, Texas Cities Gas Co., Galveston Gas Service Co., and Council Bluffs Gas Co., owns and operates gas manufacturing and gas distributing systems in the cities of El Paso, Galveston, Waco, Paris and Brenham, Texas, and Council Bluffs, Iowa, serving a combined population in excess of 300,000. The properties include 6 artificial gas manufacturing plants with a total daily capacity in excess of 16,500,000 cu. ft.; 14 gas holders with an aggregate storage capacity of 3,707,000 cu. ft., and distribution systems consisting of 480.4 miles of city mains and 43,599 consumers' meters.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Miles of Mains	Consumers	Estimated Population	Gross Income
1924	412.5	37,288	270,115	$1,798,8
1925	431.3	38,348	278,031	1,878,2
1926	468.8	40,449	286,904	2,002,3
1927	480.4	43,599	303,780	*2,166,7

*Year ended Feb. 29, 1928.

CAPITAL STOCK

Authorized, 100,000 shares Class "A" Common, 250,000 shares Class "B" Common, and 100,000 shares $ cumulative First Pfd., all shares of no par value; outstanding, 250,000 shares Class "B" Common and 7,5 shares First Pfd. Annual meeting, first Thursday in March.

FUNDED DEBT

$1,300,000 5.50% GOLD DEBENTURES, SERIES OF 1928; DUE MAY 1, 1948

Dated May 1, 1928.

Interest Payable May and November 1, at office or agency of Company in New York or Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Chemical National Bank of New York, N. Y.

Provisions of Issue—Authorized amount unlimited; issued and outstanding, $1,300,000 5.50% Series of 192 Proceeds from the sale of these debentures were used to reimburse corporation for expenditures in connection with the acquisition of properties and for other corporate purposes.

Indenture provides that no additional debentures may be issued, except for refunding outstanding debentures, unless the net consolidated income, as defined in the debenture agreement, for 12 consecutive months within the 15 calendar months preceding the application for such debentures shall have been at least 2½ times the annual interest charges on the aggregate amount of debentures then outstanding and to be issued.

Callability—Series of 1928 5.50s are subject to call in whole or in part on 30 days' notice at 105 on or before May 1, 1932; thereafter to and including May 1936, at 103; thereafter to and including Nov. 1, 194 at 101; and thereafter to maturity at 100; plus accrued interest in each case.

Maintenance Fund—Company covenants in the Indenture that through its subsidiaries it will reserve or expend for maintenance, together with renewals, replacements and/or depreciation, an amount equal to not less than 10% of the annual gross earnings, as defined in the Indenture, of the operating properties against which reserves or expenditures no additional bonds may be issued.

Security—A direct obligation of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund holders upon proper application for certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, Oregon, Pennsylvania, Virginia and Washington taxes.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($1,300,000) in April, 1928, at 98 and interest, to yield about 5.65%, by P. W. Chapman & Co., Inc., New York and Chicago.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED

	Feb. 29, '28	Feb. 28, '27
Gross revenues	$2,166,765	$2,172,221
Operating expenses, taxes, etc.	1,496,833	1,537,156
Balance	$669,932	$635,065
Deduct:		
Interest	$120,295	$123,983
Depreciation	49,869	37,898
Federal taxes	27,109	18,736
Other deductions	79,296	81,496
Balance	$393,363	$373,051
Dividends	181,966	136,000
Surplus for year	$211,397	$237,051

Officers: H. G. Scott, Pres.; B. L. Johnson, V-P.; E. F. Berberich, Sec.; P. B. Preston, Treas.

Directors: H. G. Scott, B. L. Johnson, M. D. Redmond, J. H. Canning, H. J. Herrlich, New York.

General Office, 46 Cedar St., N. Y. C.

COUNCIL BLUFFS GAS COMPANY

(Controlled by Union Utilities, Inc.)

History and Property—Incorporated April 14, 1928, in Delaware and acquired the gas properties formerly owned by the Citizens Gas & Electric Co. of Council Bluffs (see General Index). Owns and operates the gas manufacturing and distributing systems in Council Bluffs, Iowa, serving an estimated population of 45,000. Properties include a gas manufacturing plant with a daily capacity in excess of 4,500,000 cu. ft., and 2 gas holders with an aggregate storage capacity of 300,000 cu. ft. Distribution system consists of 94.3 miles of city mains, and 8,361 consumers meters.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Miles of Mains	Consumers	Estimated Population	Gross Income
1924	90	7,686	37,000	$298,699
1925	91	7,970	39,000	307,431
1926	93	8,293	41,000	318,841
1927	94.3	8,361	45,000	*329,258

*Year ended Feb. 29, 1928.

CAPITAL STOCK

Authorized, $150,000 Common, and $550,000 6% cumulative Pfd., par, $100; outstanding, $150,000 Common. Stock control held by Union Utilities, Inc. Annual meeting, first Thursday in March.

FUNDED DEBT

(1)

$1,200,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES OF 1928; DUE MAY 1, 1948

Dated May 1, 1928.

Interest Payable May and November 1, at office of Company or offices of P. W. Chapman & Co., Inc., in New York or Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Chemical National Bank of New York, N. Y.

Provisions of Issue—Authorized amount unlimited, issued and outstanding, $1,200,000 5% Series of 1928. Proceeds were used for the acquisition of the properties and for other corporate purposes.

Additional bonds may be issued for not in excess of 80% of the actual cost or fair value, whichever is lower, of physical property additions, as defined in the mortgage, provided the net income of Company, as defined in mortgage, for 12 consecutive calendar months within the 15 calendar months immediately preceding the application for such bonds, shall have been at least 1¾ times the annual interest charges on all bonds outstanding including those to be issued. The mortgage will also provide for the issuance of bonds for the purpose of refunding bonds previously issued thereunder.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice to and including May 1, 1932 at 105; thereafter to and including May 1, 1936 at 103; thereafter to and including Nov. 1, 1947 at 101; and thereafter at par; plus accrued interest in each case.

Security—A first mortgage on the entire physical properties of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, Oregon, Pennsylvania, and Virginia taxes.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($1,200,000 5% Series of 1928) in May, 1928, at 98½ and interest to yield about 5.10% by P. W. Chapman & Co., Inc., New York, and Chicago.

(2)

$550,000 TWO YEAR 5½% GOLD NOTES; DUE MAY 1, 1930

Dated May 1, 1928.

Interest Payable May and November 1, at office or agency of the Company, in either New York City or Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Chemical National Bank of New York.

Provisions of Issue—Authorized and issued, $550,000.

Purpose of Issue—Proceeds were used to reimburse the Company for expenditures in connection with the acquisition of properties and for other corporate purposes.

Callability—Subject to call as a whole or in part, on any interest date, on 30 days' notice to and including May 1, 1929, at 102 and accrued interest; thereafter, to and including Nov. 1, 1929, at 101 and interest, and thereafter at par and accrued interest.

Sinking Fund—None provided.

Security—Notes are a direct obligation of the Company, and are issued under a Trust Agreement which provides that no additional mortgage bonds shall be issued pursuant to the conservative restrictions of the first mortgage indenture, and that, other than current bank loans, no additional notes may be issued, except for refunding purposes, unless for twelve consecutive months out of the preceding fifteen months available earnings (as defined in the Trust Agreement) have been at least twice the annual interest charges on all such notes outstanding including those proposed to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, Oregon, Pennsylvania and Virginia taxes, refunded upon timely and proper application.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($550,000) in May, 1928, at 99½ and interest to yield about 5.75% by P. W. Chapman & Co., New York, etc.

INCOME ACCOUNT

	12 mos. ended Feb. 29, '28	12 mos. ended Feb. 28, '27
Operating revenues	$329,258	$321,831
Operating expenses, taxes, etc.	204,615	198,608
*Net earnings	$124,643	$123,223

*Before depreciation, Federal taxes, interest, etc.

Officers: H. G. Scott, Pres.; B. L. Johnson, V-P.; E. F. Berberich, Sec.; P. B. Preston, Treas.

Directors: H. G. Scott, B. L. Johnson, M. D. Redmond, J. H. Canning, H. J. Herrlich, New York.

Operating Office, Council Bluffs, Iowa.

TEXAS CITIES GAS COMPANY

(Controlled by Union Utilities, Inc.)

History and Property—Incorporated December 10, 1927, in Texas, and acquired the properties formerly owned by El Paso Gas Co. and Galveston Gas Co.,

also owns and operates the gas properties of the Texas Power & Light Co. (see General Index), as well as the gas manufacturing and gas distributing systems in El Paso, Galveston, Waco, Paris and Brenham, Texas, serving a population in excess of 255,000. The properties include 5 modern gas manufacturing plants with a daily capacity in excess of 12,000,000 cu. ft., and 12 gas holders with an aggregate storage capacity of 3,407,000 cu. ft. The distribution system consists of 386.1 miles of city mains and 32,156 meters. Annual sales of gas about 1,642,500,000 cu. ft.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Miles of Mains	Consumers	Estimated Population	Gross Income
1924	322.5	29,602	224,263	$1,500,113
1925	340.3	30,378	238,237	1,570,840
1926	375.8	32,156	248,303	1,683,481
1927	386.1	35,238	258,780	*1,837,507

*Year ended Feb. 29, 1928.

CAPITAL STOCK

Authorized, 200,000 shares Common and 100,000 shares $6 cumulative First Pfd., both shares of no par value; outstanding, 200,000 shares Common. Stock control is held by Union Utilities, Inc. Annual meeting, third Thursday in March.

FUNDED DEBT

(1)

$5,400,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES OF 1928; DUE MAY 1, 1948

Dated May 1, 1928.

Interest Payable May and November 1, at office of Company or offices of P. W. Chapman & Co., Inc., New York and Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Chemical National Bank, New York.

Provisions of Issue—Authorized open; issued $5,400,000. The mortgage securing these bonds provides that additional bonds may be issued thereunder but not in excess of 80% of actual cost or fair value, whichever is lower, of physical property additions, provided net income of Company for the 12 consecutive calendar months within the 15 calendar months immediately preceding application for such bonds, shall have been at least 1¾ times annual interest charges on all bonds outstanding under the mortgage together with those proposed to be issued. The mortgage also provides for issuance of bonds for purpose of refunding an equal principal amount of bonds previously issued thereunder.

Purpose of Issue—Proceeds from sale of $5,400,000 First Mortgage 5% Gold bonds, Series of 1928 were used to reimburse Company for expenditures in connection with acquisition of properties and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time, on 30 days' notice, to and including May 1, 1932 at 105 and interest; thereafter to and including May 1, 1936, at 103 and interest; thereafter to and including Nov. 1, 1947 at 101 and interest; and thereafter at par and interest.

Security—These bonds are a direct obligation of Company and are secured by a first mortgage on its entire fixed physical properties.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Refund of certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, Oregon, Pennsylvania and Virginia taxes, upon timely and proper application as provided in Mortgage.

Legal Opinion—Chapman and Cutler, Chicago.

Original Offering—First publicly offered ($5,400,000 First Mortgage 5% Gold bonds, Series of 1928) in May, 1928, at 98½ and interest, to yield about 5.10% by P. W. Chapman & Co., Inc., New York.

(2)

$2,500,000 2-YEAR 5.50% GOLD NOTES; DUE MAY 1, 1930

Dated May 1, 1928.

Interest Payable May and November 1, at office or agency of Company in New York or Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Chemical National Bank of New York, N. Y.

Provisions of Issue—Authorized and issued $2,500,000.

Purpose of Issue—Proceeds were used to reimburse Company for expenditures for the acquisition of properties and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice, to and including May 1, 1929 at 102; thereafter to and including, Nov. 1, 1929 at 101; and thereafter at par; plus accrued interest in each case.

Sinking Fund—None provided.

Security—A direct obligation of Company which covenants that no additional mortgage bonds shall be issued except pursuant to the restrictions of the first mortgage, and that, other than current bank loans, no additional notes may be issued, except for refunding purposes, unless for 12 consecutive months out of the preceding 15 months available earnings, as defined in Trust Agreement, have been at least twice the annual interest charges on all such notes outstanding, including those to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund upon proper application certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, Oregon, Pennsylvania, and Virginia taxes.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($2,250,000) in April, 1928, at 99¾ and interest to yield about 5.63% by P. W. Chapman & Co., Inc., New York and Chicago.

CONSOLIDATED INCOME ACCOUNT

	12 mos. ended Feb. 29, '28	12 mos. ended Feb. 28, '27
Gross revenues	$1,837,507	$1,850,390
Operating expenses, taxes, etc.	1,292,218	1,338,549
Balance	$545,289	$511,842
Deduct:		
Interest	$120,295	$123,983
Depreciation	49,869	37,898
Federal taxes	27,109	18,736
Other deductions	79,296	81,396
Balance	$268,720	$249,829
Dividends	181,966	136,000
Surplus for year	$86,754	$113,829

Officers: H. G. Scott, Pres.; B. L. Johnson, V-P.; E. F. Berberich, Sec.; P. B. Preston, Treas.; H. Lyons, Auditor.

Directors: H. G. Scott, B. L. Johnson, J. H. Canning, H. J. Herrlich, New York; H. E. Danner, Dallas, Texas.

Operating Office, Dallas, Texas.

GEORGIA SECURITIES COMPANY

History—Incorporated in January, 1926, under the laws of Maine as a holding company for the purpose of effecting the acquisition of Georgia Railway & Power Co. by the Southeastern Power & Light Co. through exchange of securities.

The holders of a large percentage of shares of the Common stock or voting trust certificates therefor of Georgia Railway & Power Co., including shares issued originally as Second Pfd. stock, but which became Common stock on Jan. 1, 1926, agreed to exchange their shares for shares of Georgia Securities Co. on the basis of one share of Georgia Railway Common stock for one share of Pfd. and one share of Common stock

Georgia Securities Co. The Southeastern Power & Light Co. offered to accept the Common stock of Georgia Railway & Power Co., held by the Securities Co. and issue in exchange therefor shares of the Southeastern Co. on such a basis that for each share of the Pfd. stock issued by the Securities Co. it would receive one share of Common and 1.633 shares of cumulative participating Pfd. stock of the Southeastern Co. This went into effect in February, 1926, and resulted in the control of Georgia Railway & Power Co. by Southeastern Power & Light Co. through ownership of practically all the Common stock. In effect Common stockholders of the former company are entitled to receive for each share held one share of Common and 1.633 shares of Participating Pfd. stock of the Southeastern Co.

The Irving Bank-Columbia Trust Co. (now American Exchange Irving Trust Co.), New York, was appointed depositary for Common, Voting Trust Common and Voting Trust Second Pfd. stock of Georgia Railway & Power Co., exchanged for securities of Southeastern Power & Light Co.

The Georgia Securities Co. owns approximately 3,348 shares of no par value Common and about 8,128.136 shares of no par value cumulative Participating Pfd. stock of the Southeastern Power & Light Co., constituting its only assets.

CAPITAL STOCK

Authorized, 250,000 shares Common, par $1, and 250,000 shares Pfd. of no par value; outstanding, 23,342 shares Common and 23,342 shares Pfd.

Preferred Stock Provisions—Pfd. holders have the right at their option, at any time to exchange their stock for that of the Southeastern Power & Light Co., on the basis of one share of Pfd. (together with one share of Common) for one share of Common and 1.633 shares of Participating Pfd. stock of the Southeastern Co., and until the Pfd. stock of Company is so exchanged the holders thereof will be entitled to receive from time to time dividends of the same amount as the dividends paid by Southeastern Power & Light Co. on each share of its Common and on 1.633 shares of its Participating Pfd. stock. After Dec. 31, 1928, the expenses of the Georgia Securities Co. may be deducted from the dividends received by it. Upon liquidation, Pfd. stock is entitled to receive, in preference to Common stock, one share of Common and 1.633 shares of Participating Pfd. stock of Southeastern Power & Light Co., or the proceeds thereof. To facilitate such exchange Pfd. stock certificates of company also represent an equal number of shares of its Common stock.

Fractional scrip certificates will not be issued, for fractions of shares of the Southeastern Power & Light Co. Participating Pfd. stock, but arrangements have been made such that each stockholder of Georgia Securities Co. may, after consolidating all fractions of Participating Pfd. stock of the Southeastern Co. to which he may be entitled into integral shares, either sell any remaining fraction or buy an additional fraction large enough with such remaining fraction to make an integral share. The price on either such purchase or sale will be at the rate of $80 per integral share of Participating Pfd. stock.

Transfer Agent (Both Classes)—American Exchange Irving Trust Co., New York.

Annual Meeting—Second Wednesday in July at Portland, Me.

Dividends—Pfd. dividends were paid on July 1, 1926, and Oct. 1, 1926, at the rate of $1.633 per share each.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Dividends from investment	$733,489	$428,246
Pfd. dividends paid	734,278	427,394
Surplus for year	*$789	$852

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Stocks owned	$2,895,152	$12,899,968
Cash	2,577	86
Accounts receivable	1,800	2,258
Unadjusted debits	223,671	143,779
Total	$3,123,200	$13,046,091
Liabilities—		
Common stock	$246,950	*$246,695
Preferred stock	2,871,066	12,763,833
Accounts payable	4,376	2,344
Liability for stock issue	744	32,364
Unadjusted credits		3
Profit and loss	64	852
Total	$3,123,200	$13,046,091

*Includes stock turned in and endorsed to Treasurer.

Officers: S. T. Bodine, Pres., Philadelphia, Pa.; H. M. Atkinson, V-P., Atlanta, Ga.; R. F. Young, V-P.; I. W. Morris, Treas.; G. W. Curran, Sec.; A. B. Farnham, Clerk.

Directors: Samuel T. Bodine, Garfield Scott, Marshall S. Morgan, William W. Bodine, Philadelphia, Pa.; C. Elmer Smith, York, Pa.; H. M. Atkinson, Atlanta, Ga.; Frederick Ayer, Boston, Mass.

Office, 281 St. Johns St., Portland, Me.

EAST COAST UTILITIES COMPANY

History—Incorporated in April, 1926, in Delaware, and owns all the capital stock of the Virginia East Coast Utilities, Inc., and the Maryland East Coast Utilities, Inc., except directors' qualifying shares, and all the capital stock of Hermitage Ice & Storage, Inc., of Richmond, Va. At the time of its organization, Company, through its subsidiaries, owned and operated a total of seven plants. Since the date of its incorporation it has, through various subsidiaries, from time to time, added additional properties and has developed its holdings to the point where it now owns and operates 24 electric light and power plants and distribution systems and three ice plants, all located in Virginia, and two electric light and power plants and two ice plants in Maryland. It also owns an ice and cold storage plant in the city of Richmond, known as the Hermitage Ice & Storage, Inc.

Company operates in the so-called Tidewater section of Virginia and Maryland and serves a population, exclusive of the city of Richmond, estimated at more than 50,000.

Virginia East Coast Utilities, Inc.—This subsidiary of the East Coast Utilities Co. owns and operates the following properties which, before consolidation, were known as: Chincoteague Light Co., Chincoteague Ice Manufacturing Co., Peoples Light, Heat & Power Corporation, Communities Light & Power Corporation, Urbana Light and Water Company and Irvington Light & Ice Company.

The Chincoteague Light Co. provides electric light and power service to the city of Chincoteague and in addition by means of a distribution system serves the following municipalities with electric light and power: Saxis Island, Sanford, Makemie Park, Temperanceville, Atlantic, Wattsville, Lekato, Hursley, Oak Hall, Horntown, and New Church. This high tension line also serves as a connecting link between the Chincoteague light plant and the Pocomoke City light plant.

The Chincoteague Ice Mfg. Co. provides ice to the city of Chincoteague, at wholesale only, operating the plant twelve months a year.

The Peoples Light, Heat & Power Corp. serves the city of West Point and Fort Richmond.

The Communities Light & Power Corp. does the entire electric light and power business in the cities of Waverly, Dendron, Surry, Claremont, Ivor and Zuni. Through a contract completed in May, 1927, for the purchase of power for wholesale for this division, it is expected that the operating expenses will be reduced by at least 33 1/3%. This available and un-

limited amount of power is obtained at a price that warrants the addition of substantial power business not now connected.

Urbana Light & Water Co. serves the cities of Urbana, Saluda and Remlik with electric light and power and Urbana with water.

Irvington Light & Ice Co. serves the cities of Irvington, Kilmarnock, Weems and White Stone with electric light and power and also operates an ice plant at Irvington, which distributes ice at wholesale only. There is now constructed one alternating current plant, which is of sufficient size to take care of this immediate territory and eliminates the operating expenses of two of the three present plants. The Electric Installation Corp. was organized in order to contract for house wiring and work of similar character.

Maryland East Coast Utilities, Inc.—This subsidiary of East Coast Utilities Co. owns and operates: (1) The Deal Island Electric Co., which supplies all the electric light and power for the city of Deal Island and a considerable amount of surrounding territory, having approximately 25 miles of high tension line, and (2) The Electric & Ice Manufacturing Co., which does the entire electric light business and the ice business (at wholesale only) in Pocomoke City and a considerable part of surrounding territory. By means of a high tension line this latter property is now being connected with the Chincoteague plant. With the acquisition of the Electric & Ice Mfg. Co., the company installed an additional 360 h.p. crude oil engine with generating capacity of approximately 300 k.w. giving a capacity to the plant of 675 k.w. In addition, the installation of another 10-ton ice plant being made, the output of which is practically entirely contracted for.

Hermitage Ice & Storage, Inc.—This subsidiary was organized to acquire the former Hermitage Building Corporation, owning a cold storage plant of approximately 800,000 cu. ft. capacity, and an ice manufacturing plant with a capacity, after giving effect to the new equipment now installed, of 100 tons per day. The property is located on the main line of the Seaboard Air Line Railway and the Richmond, Fredericksburg & Potomac Railroad, and negotiations have been closed in respect to the icing of refrigerator cars used by these railroads in this territory to the full capacity of the plant.

Acquisition, New Company—During April 1928, announcement was made that Company had purchased the properties of Burnsville Light, Heat & Power Co., which serve the towns of Burnsville, Bakersville, Toe Cane and Micaville, North Carolina. Northwest Carolina Utilities, Inc., has been organized to handle the business.

Franchises—The franchises under which the various subsidiaries operate are, in the opinion of Company's counsel, entirely satisfactory and carry no burdensome restrictions. For the major part they all have a maturity of at least ten years from May, 1927 and arrangements have been completed and agreed to in respect to securing new franchises covering the one or two minor franchises which expire within the next five years ending 1932.

CAPITAL STOCK

Authorized, 12,500 shares of no par value Common and $2,000,000 7% cumulative Preferred, par $100; outstanding, Jan. 31, 1928, 12,500 shares Common and $257,570 Preferred.

Dividends—Dividends of 7% regularly paid on Pfd. shares.

FUNDED DEBT

(1)

$1,425,000 FIRST MORTGAGE COLLATERAL 5½% GOLD BONDS, SERIES "A"; DUE AUGUST 1, 1937

Dated August 1, 1927.

Interest Payable February and August 1, at Central Trust Co. of Illinois, Chicago, or at the principal office of Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000, inter changeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount, not limited; issued, $1,425,000. Additional bonds may, from time to time, be issued on account of permanent additions made to subsidiary properties or in order to acquire new subsidiaries. Such bonds, however, may not exceed 75% and in certain cases may not exceed 50% of the cost or fair value (whichever is the lower) of additions or new property acquired, the applicable percentage being dependent upon the character of the property owned or to be acquired by the subsidiary and such bonds may be issued only provided the annual net earnings of the Company as defined in the Indenture shall have been not less than twice the annual interest charges as so defined. Additional bonds may also be issued, par for par, for the refunding of bonds of a prior series, or of underlying bonds of any subsidiary.

Purpose of Issue—Proceeds were used to reimburse the Company for expenditures in the acquisition of new properties and improvements; to provide funds for further extensions and additions to existing properties, and for other corporate purposes.

Callability—Subject to call as a whole on 30 days' notice to and including Aug. 1, 1935, at 102.50 and accrued interest; thereafter and prior to maturity at 100 and accrued interest. Subject to call in part on any interest date to and including Aug. 1, 1932 at 105 and accrued interest; thereafter to and including Aug. 1, 1935, at 103 and accrued interest and thereafter and prior to maturity at 101 and accrued interest.

Sinking Fund, Etc.—Provision is made for maintenance and depreciation fund and the Indenture also provides that after deduction of all operating expenses and other charges as defined in the Indenture, an amount equal to 50% of the net profit remaining shall be applied to the retirement of bonds, for which credit may be taken by the Company in its charges for depreciation during the subsequent year.

Security—Bonds are the direct obligation of the Company and are secured by deposit of first mortgages on the fixed properties of subsidiaries on the basis of 125% of subsidiary first mortgages for each $1,000 par value of First Mortgage Collateral bonds issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Property taxes not in excess of five mills per dollar levied under any jurisdiction under the sovereignty of the United States of America and the Michigan exemption tax and the Massachusetts Income tax, refunded upon timely and proper application.

Legal Opinion—Chapman & Cutler (for the Bankers) and Cutting, Moore & Sidley, Chicago and Franl P. Pulley, Jr., Waverly, Va. (for the Company).

Original Offering—First publicly offered ($1,000,000) in Oct., 1927, at 97 and interest to yield over 5.90% by P. W. Chapman & Co., Inc., New York. $425,000 additional offered by the same bankers in April, 1928, at 98 and interest to yield over 5.75%.

(2)

$650,000 ONE-YEAR 5% COUPON GOLD NOTES; DUE APRIL 1, 1929

Dated April 1, 1928.

Interest Payable April and October 1, at Central Trust Co. of Illinois, Chicago, or in New York.

Denominations—Coupon, $500 and $1,000.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized $1,000,000; issued $650,000. Additional notes may be issued from time to time provided that, after deduction of all other indebtedness, the value of properties, as determined under the indenture, shall not be less than two times the amount of notes then outstanding, together with those proposed to be issued, and that net earnings applicable to the payment of interest on these notes shall not be less than two and one-half times the

aximum annual interest requirements on all notes itstanding, together with those proposed to be is-ied.

Purpose of Issue—Proceeds from the sale of these otes were to be used to complete the purchase of roperties, provide payment for extensions and addi-ons and for other corporate purposes.

Callability—Subject to call upon 30 days' notice at 0 and accrued interest.

Security—A direct obligation of the Company, but ot secured by mortgage.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chi-ago, (for the Bankers) and Cutting, Moore & Sidley, hicago, and Frank P. Pulley, Jr., Waverly, Va. (for ie Company).

Original Offering—First publicly offered ($650,-00) in April, 1928, at 99 and interest to yield over 6%, y P. W. Chapman & Co., Inc., New York and Chi-ago, etc.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED JANUARY 31

	1928	1927
ross earnings	$377,561	$317,483
perating expenses, maintenance & taxes (not including Federal Income)	215,431	194,339
Net earnings	$162,130	$123,144
ond interest	78,375	.....
ote interest	32,500	.....
Net income	$51,255	.....

GENERAL BALANCE SHEET, JANUARY 31, 1928

Assets—	
roperty account	$3,137,981
ranchises	1
aterials and supplies	21,661
ash	63,457
ccounts receivable	23,647
nadjusted debits, etc.	239,037
Total	$3,485,784
Liabilities—	
ommon stock (12,500 shares no par)	$10,500
referred stock	257,570
unded debt	2,075,000
ccounts payable	61,040
iterest accrued	7,500
onsumers' deposits	151
etirement reserve	292,539
rofit and loss	781,484
Total	$3,485,784

Officers: W. F. Stevens, Pres. & Treas.; H. L. arker, V-P.; H. F. Strow, Jr., V-P. & Sec., Chicago, l.; Robert K. Turner, Aud., Richmond, Va.; H. L. imon, Asst. Sec. & Asst. Treas., Chicago, Ill.

Directors: H. L. Harker, W. F. Stevens, K. K. Cox, . M. Barr, H. F. Strow, Jr., Chicago, Ill.

Offices, Richmond, Va., and 168 W. Monroe St., Chi-ago, Ill.

THE SUBURBAN LIGHT & POWER COMPANY

History and Property—Incorporated in 1925 in hio, and owns all the outstanding securities (except irectors' qualifying shares) of The Suburban Power ompany and The General Light & Power Company. uring 1927 the properties of The Suburban Public ervice Company were merged with The Suburban ower Company.

These companies own and operate electric light and ower properties in the suburban districts surrounding ich cities as Youngstown, Canton, Marion, Newark, ucyrus, Columbus, Findlay, Warren, Lima, Cam-ridge and other communities in the north central and astern parts of the state of Ohio, and distribute elec-icity for power and light to over 10,900 customers in ver 100 towns and communities, including Ada, loomville, Buffalo, Danville, Deerfield, Dresden, Fair-view, Frazeysburg, Freeport, Gambier, Holloway, Jen-era, LaRue, Malta, Marlboro, McConnelsville, Milton Lake, Mt. Blanchard, Mt. Victory, New Castle, New Milford, North Benton, North Bloomfield, Payne, Peoria, Ridgeway, Utica, Vanlue, Waldo and Zanes-field in the state of Ohio.

The property comprises over 1,000 miles of transmis-sion and distribution lines, necessary sub-station equip-ment, street lighting systems and other necessary equipment. Population served estimated to be in excess of 140,000. It has valuable long term contracts and franchises with the various communities served.

CAPITAL STOCK

Authorized, 50,000 shares Common stock of no par value, $2,500,000 7% cumulative First Pfd., and $175,-000 7% cumulative Second Pfd.; par, $100; outstand-ing, 40,014 shares Common, $1,500,000 First Pfd. and $175,000 Second Pfd. In addition there are unexercised rights to purchase 9,986 shares of Common stock.

First Preferred Stock Provisions—Has preference for assets and dividends over Second Pfd. and Com-mon stock, and is entitled in liquidation to $100 per share and dividends, plus a premium of $10 per share if such liquidation be voluntary.

Company shall not, without consent of holders of 2-3 of outstanding First Pfd. stock: (1) Authorize or issue any stock or class of stock having priority or preference over First Pfd., (2) amend the provision relating to First Pfd. stock so as to effect adversely any of the preference and other rights given to First Pfd. stock. Without the consent of at least a majority of outstanding First Pfd. stock, Company shall not increase the authorized amount of said stock. Except as above First Pfd. stock has no voting rights unless Company shall fail to pay any quarterly dividend and shall not on or before the 8th succeeding quarterly dividend payment date pay in full said dividend and all subsequent accumulated dividends. Until dividends are paid in full, First Pfd. stockholders shall have one vote for each share of such stock. Additional First Pfd. stock may be issued as determined by Directors, but only when consolidated net earnings of Company for 12 consecutive months out of the 15 preceding cal-endar months shall have been not less than twice the dividend requirements on First Pfd. stock outstanding and additional amount proposed to be issued. Holders of Pfd. stock are not entitled to subscribe for addi-tional stock of any class.

Callability—Subject to call in whole or in part at any time, at 110 and dividends.

Stock Purchase Warrants—Each share of the $500,-000 7% cumulative First Pfd. stock offered in Oct. 1926, was accompanied by a Warrant entitling holder for a period of 5 years to purchase 1 share of Common stock of Company at the following prices: $35 per share if exercised before Oct. 1, 1927; $37.50 per share before Oct. 1, 1928; $42.50 per share before Oct. 1, 1929; $47.50 per share before Oct. 1, 1930 and $55 per share before Oct. 1, 1931.

Transfer Agent (First Pfd.)—The Seaboard Nation-al Bank, New York.

Registrar (First Pfd.)—Chatham Phenix National Bank & Trust Co., New York.

Legal Opinion (First Pfd.)—Miller, Thompson & Dunbar, Columbus, O. (for the Company); Masten & Nichols, New York (for the bankers).

Public Offering—Publicly offered ($500,000) 7% cumulative First Pfd., par $100, with Stock Purchase Warrants) in October, 1926, at 95 and dividend, to yield about 7.37%, by Vought & Co., Inc., New York, etc.; $500,000 additional offered in May, 1927, at the same price, by Vought & Co., Inc., and Chas. D. Rob-bins & Co., New York.

Dividends—First Pfd. and Second Pfd. dividends payable quarterly M, J, S & D 1. None paid on Com-mon.

FUNDED DEBT

$2,500,000 FIRST MORTGAGE COLLATERAL 5½% GOLD BONDS, SERIES "A"; DUE MAY 1, 1952.

Dated May 1, 1927.

Interest Payable May and November 1, at The Seaboard National Bank of New York.

Denominations—Coupon, $500 and $1,000; interchangeable; principal may be registered.

Trustee—The Seaboard National Bank of New York.

Provisions of Issue—Authorized amount, not limited; issued, Series A, $2,500,000. Additional bonds may be issued in one or more series with interest rates, maturity dates, redemption and sinking and improvement fund provisions and other terms and conditions to be determined as new series are created. Additional bonds may be issued under the terms of the indenture for other than refunding purposes only when First Mortgage bonds of a subsidiary (namely, a company of which at least 75% of the outstanding voting stock is owned by The Suburban Light & Power Company and pledged under the Trust Indenture) secured by a first mortgage on all its permanent utility property, and/or cash, have been deposited in like principal amount and only when the aggregate principal amount of bonds so deposited does not exceed 75% of the cost or fair value, whichever is less, of new or additional properties or additions, extensions and improvements to the property, of such subsidiary company acquired or constructed subsequent to March 31, 1927 and made the basis for the issuance of additional bonds, or when the aggregate principal amount of bonds so deposited (together with other bonds of the same issue, if any, outstanding) does not exceed 75% of the net depreciated value of all permanent utility property subject to the lien of such mortgage, or when the bonds so deposited are issued to refund outstanding obligations of such subsidiary company. The Trust Indenture provides, that except for refunding purposes, additional bonds can only be issued when the consolidated net earnings available for interest shall not be less than twice the annual interest charges on bonds issued and to be issued.

Purpose of Issue—Proceeds together with the proceeds from the sale of 5,000 shares of First Pfd. stock, were used for the retirement of $1,000,000 First Mortgage Bond Secured 6% Gold Notes, due Dec. 1, 1928, for the acquisition of new properties, for additional property improvements and for other corporate purposes.

Callability—Subject to call as a whole or in part after 30 days' notice at 105 through May 1, 1932 and thereafter decreasing 1% for each five year period, plus accrued interest in each case.

Maintenance, Improvement and Depreciation Reserve—Company covenants to cause each subsidiary, whose stock is pledged hereunder, to create a maintenance, improvement and depreciation reserve, and either to expend for maintenance, improvements and additions (against which no bonds may be issued) or to credit yearly to such fund at least 12½% of the gross revenues from the sale of electricity for light and power of such subsidiary company.

Security—Secured by deposit and pledge with the Trustee of First Mortgage Bonds of the Suburban Power Co. which will constitute the total funded debt of that company and/or cash, in an aggregate principal amount equal to at least 100% of the total amount of First Mortgage Collateral Gold Bonds to be outstanding. Under the terms of the Indenture, additional bonds can only be issued when there shall have been pledged an equal principal amount of First Mortgage bonds of a subsidiary and/or cash that this ratio must always be maintained. Bonds will be further secured by deposit and pledge with the Trustee of the entire outstanding voting stocks (except directors' qualifying shares) of The Suburban Power Co. and The General Light & Power Co. the latter company having no funded debt, and it cannot issue any without immediately pledging same under this indenture. The Company covenants that it will not sanction or permit during the continuance of the pledge under the Trust Indenture of the stock or bonds of any subsidiary (a) the issue of additional shares of voting stock of such subsidiary, unless such additional shares be forthwith pledged and deposited with the Trustee; or (b) the creation of any lien, encumbrance or charge on any of the property or assets of such subsidiary, except taxes for the then current year or not yet due, and liens existing on property at the date of acquisition thereof by such subsidiary, or the increase in the indebtedness secured by any encumbrance now existing on the property or assets of such subsidiary or existing thereon at the date of becoming such subsidiary, unless all obligations to be so secured and all obligations representing such increase of indebtedness be, when issued, forthwith pledged and deposited with the Trustee; or (c) the issue or creation by such subsidiary of any debt, unless such debt when issued or created be forthwith pledged and deposited with the Trustee, providing, however, that nothing shall prevent any subsidiary company from creating in the ordinary and current conduct of its business, debts maturing not later than one year from the date thereof.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will refund upon proper and timely application the Pennsylvania and Connecticut 4 mills tax, Maryland 4½ mills tax, District of Columbia and Kentucky 5 mills tax, California taxes not exceeding in the aggregate 5 mills, Michigan 5 mill exemption tax, and the Massachusetts Income tax not exceeding 6% per annum.

Legal Opinion—Miller, Thompson & Dunbar, Columbus, Ohio, (for the Company) and Masten & Nichols, New York, (for the Bankers).

Original Offering—First publicly offered ($2,500,000) in May, 1927, at 96 and interest to yield over 5.80% by Love, Macomber & Co., New York.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenue	$921,7
Operating expenses and taxes	436,5
Net revenue	$485,2
Other income—net	7,0
Net income	$492,2
Interest on funded debt	91,6
Depreciation	104,7
Reserve for Federal Income taxes	4,1
Balance	$291,6
Preferred dividends	99,7
Balance to surplus	$191,9
Times Interest Earned (after deprceiation)	3.7
Earnings Per Share (1st Pfd.)	$19.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927 (The Suburban Light & Power Co. and Subsidiaries)

Assets—	
Fixed assets, less reserve for depreciation	$4,239,7
Cash & U. S. Liberty bonds	199,4
Accounts & notes receivable, less reserve	236,5
Materials and supplies	119,3
Notes receivable—long term	35,2
Investments	32,4
Miscellaneous accounts receivable	3,7
Deferred charges	489,0
Total	$5,355,5
Liabilities—	
First Preferred stock	$1,500,0
Second Preferred stock	175,0
Funded debt	2,500,0
Notes payable	299,0
Accounts payable	64,0
Consumers' credit balances	3,6
Accrued salaries & wages	7,7
Federal Income and other taxes	24,0
Interest on bonds & consumers' deposits	23,7
Consumers' deposits	21,0
Reserve for contingencies	16,6
Common stock & earned surplus represented by 40,014 shares unexercised rights to purchase 9,986 shares	389,8
Surplus arising from appraisal	330,7
Total	$5,355,5

Officers: Everett W. Sweezy, Pres.; George B. Macomber, V-P.; Homer F. Crowe, Treas.; Lawrence A. Sifert, Sec.; O. Karl Ayers, Asst. Sec.

Directors: Joseph M. Durant, Dudley F. King, Edward L. Love, George B. Macomber, Charles T. Reed, Everett W. Sweezy, Henry L. Wheeler, Francis L. White.

General Office, Alliance First National Bank Bldg., Alliance, Ohio.

SWISS-AMERICAN ELECTRIC COMPANY

History—Incorporated under the laws of Switzerland on April 4, 1928 for the purpose of acquiring substantial interests mainly in the securities of selected electric power and light corporations primarily in South America. The charter under which the Company is organized empowers it to acquire and operate public utility properties throughout the world and to purchase, hold and deal in their securities. The Company was formed by two Swiss companies, Motor-Columbus Corporation for Electrical Enterprises and South American Electric Company. These two companies have taken a prominent part in the development of public utilities in South America and have organized this Company to facilitate their operations there and to enable them to take fuller advantage of the many opportunities for further expansion which the steadily growing demand for electric power and light gives them. Swiss-American Electric Company will acquire principally holdings in companies which are under the management or control of "Motor-Columbus" or South American Electric Company.

"Motor-Columbus" was organized in Switzerland in November, 1923, by merger of two companies which had been established and began business respectively in 1895 and 1913. It is one of the most important European companies engaged in the financing, construction and development of electric power and light enterprises and in their management and operation. The Company has large, and in many cases controlling interests in public utility properties in Europe and South America. It controls the Usines Electriques Olten-Aarbourg, S. A., at Olten, Switzerland, the Officine Elettriche Ticinesi, S. A., at Bodio, Switzerland, the Italo-Argentine Electric Company at Buenos Aires, Argentine, and various other companies: the combined capacity of the plants of the companies controlled being 345,000 h.p., while the current generated during 1927 aggregated 800,000,000 k.w.h.

In addition, the Company has important interests in various other companies including the Societa Generale Italiana Edison di Elettricita at Milan and Societa Meridionale di Elettricita at Naples. The capacity of the plants of the companies in which "Motor-Columbus" has an important interest and is represented on the Board aggregates 1,767,000 h.p. and the current generated during 1927 by these plants aggregated over 4,500,000,000 k.w.h. It has outstanding a capital stock of 75,000,000 Swiss Francs divided into 150,000 shares of a par value of 500 Frs. each. This stock is paying dividends at the rate of 10% per annum.

South American Electric Company was organized in 1926 with a capital of 30,000,000 Swiss Francs (about $5,791,000) and has acquired important holdings in various South American power and light companies.

Assets—Swiss-American Electric Company will acquire from "Motor-Columbus" and South American Electric Company the following securities: 100,000 shares Capital stock Italo-Argentine Electric Company; 40,000 shares Capital stock Bahia Blanca Electric Company; 18,000 shares Capital stock Compania Americana de Luz y Traccion.

The two organizing companies and the Swiss-American Electric Company will own a substantial majority of the outstanding Capital stocks of each of the above companies.

The value of the above securities (on the basis of current quotations for the shares of Italo-Argentine Electric Company and par value for those of the two other companies) is in excess of $13,500,000, in addition to which the Company, upon completion of its financing, will have cash in its Treasury aggregating $13,000,000 giving it total net assets of over $26,500,000 or $265 per share of Preferred stock issued.

The stocks of the Italo-Argentine Electric Company and Compania Americana de Luz y Traccion are paying regular annual dividends of 10% and 7% respectively, and it is anticipated that the earnings of Bahia Blanca Electric Company for the current year will warrant the payment of a dividend of 7% on its capital stock.

Italo-Argentine Electric Company (Compania Italo-Argentina de Electricidad)—This Company was organized under the laws of Argentine in October, 1911, and does a large part of the electric light and power business in the City of Buenos Aires, the capital of Argentine, and the largest and most important city in South America. Buenos Aires has a population of over 2,000,000 and is one of the world's principal seaports.

Company owns and operates oil burning steam turbine plants aggregating 100,000 k.v.a. capacity and a distributing system comprising about 1,375 miles of transmission lines. The concession under which it operates covers the entire city of Buenos Aires and extends to Dec. 31, 1962, at which period the constructions made in the first three years of the company's existence (aggregating $7,640,000) will revert without payment to the city, while for constructions and installations made in following years, the city will reimburse the Company on the basis of cost of construction less an amortization charge of 2% per annum. As an alternative, however, the city has the right to extend the concession twenty-five years, in which case it will be entitled to a 15% interest in the annual net profits of the Company, and at the end of the extended concession all the plants, equipment, transmission system and all installations covered by the concession will revert to the city without payment.

The Company has no funded debt, its entire capitalization consisting of 500,000 shares of 100 Pesos each or 50,000,000 Pesos ($21,220,000).

The development of the business and earning power of the Company is indicated by the following table. The net earnings as given below are after all operating expenses, taxes and other charges, as certified by Deloitte, Plender, Griffiths & Co., Public Accountants:

Years ended Dec. 31	Current Generated in K.W.H.
1923	89,000,000
1924	97,000,000
1925	100,000,000
1926	108,000,000
1927	115,000,000

	*Gross Revenues	*Net Earnings before Amortization	*Amortization of Fixed Assets	*Net Earnings after deducting Amortization
1923	$3,862,786	$1,363,166	$575,828	$787,338
1924	4,288,971	1,835,605	599,688	1,235,917
1925	5,274,369	2,368,195	723,949	1,644,246
1926	5,671,291	2,649,492	811,808	1,837,684
1927	6,432,562	3,157,992	932,563	2,225,429

*Converted at average telegraphic rate of exchange for each year.

The Company has paid dividends on its Capital stock since 1917. At present the stock is receiving dividends at the rate of 10% per annum, equal to $4.24 per share, which rate has been maintained since 1922.

Swiss-American Electric Company and "Motor-Columbus" together hold 61% of the outstanding Capital stock of the Company assuring a continuation of the present control and management.

Bahia Blanca Electric Company (Empresas Electricas de Bahia Blanca)—This Company was organized in Buenos Aires in October, 1927 by South American Electric Company to take over the electric light, power and street railway properties of Bahia Blanca, owned by the Buenos Aires-Great Southern Railway Company. Operations were begun on Dec. 1, 1927.

The City of Bahia Blanca is one of the most important cities in Argentine, its population, which has more than doubled

during the last twenty years, at present aggregates about 90,000 inhabitants.

Company owns a modern steam electric plant with a capacity of 6,000 k.v.a., a gas plant with a capacity of 6,000 cubic meters per day and a street railway system of approximately 16 miles of track. Sales of electrical energy of the properties totaled 11,900,000 k.w.h. in 1927 as against 6,900,000 k.w.h. in 1922. Gas sales for 1927 aggregated 800,000 cubic meters and during the year 2,200,000 passengers were transported by the street railway. The concession under which the Company operates extends to 1947, at which time the city has the privilege of purchasing the entire plants and properties of the Company or to purchase only the installations and equipment used for public lighting.

The Company has no funded debt, its entire capitalization consisting of 10,000,000 pesos divided into 100,000 shares of a par value of 100 Pesos each. The Company has but recently taken over the operation of these properties, but on the basis of the results of recent months it is estimated that the earnings of the Company for the year 1928, after liberal allowance for depreciation, will warrant the payment of a dividend of 7% on its Capital stock. The Company is controlled by South American Electric Company which, together with Swiss-American Electric Company, will hold 80% of its Capital stock, the balance being held by the Buenos Aires-Great Southern Railway Company.

Compania Americana De Luz Y Traccion—This Company was organized in Buenos Aires in 1918 under the laws of Argentine and does the entire electric light, power and street railway business in the City of Asuncion, the capital of Paraguay. Capacity of the power plant aggregates 4,300 k.v.a. and the energy generated during 1927 totalled about 5,658,000 k.w.h. against 4,634,860 k.w.h. in 1926 and 3,686,780 k.w.h. in 1925. The street railway system comprises twenty miles of track and in 1927 transported 5,200,000 passengers against 4,636,418 in 1926 and 3,970,862 in 1925.

Asuncion has a population of approximately 100,000 and is developing steadily and requiring a constantly increasing amount of electrical energy. The concession under which the Company operates extends to August, 1971, at which time the city has the right to purchase all or part of the properties covered by this concession, the purchase price being based on the earnings of the property.

The Company also operates under lease extending to 1936 the electric light, power and water service systems in the City of 25 de Mayo, Argentine.

The capitalization of the Company consists of 1,231,000 Pesos 7% Debentures due 1940 and 50,000 shares of capital stock of 100 Pesos each or 5,000,000 Pesos, the Capital stock having been recently increased to this amount from 1,876,076 Pesos. Dividends at the rate of 7% per annum have been paid on the Capital stock in 1926 and 1927 and it is expected that a dividend of 7% will also be declared in 1928 on the increased amount of Capital stock outstanding. The Company is under the management of South American Electric Company which together with Swiss-American Electric Company own 72% of its Capital stock.

CAPITAL STOCK

Authorized, 200,000 shares Class "A" Common stock (par value 200 Swiss Francs), 525,000 shares Class "B" Common stock (nominal value 1 Swiss Franc), and $10,000,000 $6 cumulative Pfd. stock ($100 par value); outstanding, 200,000 shares Class "A" Common, 400,000 shares Class "B" Common and $10,000,000 $6 Pfd. There are also outstanding options to purchase 125,000 shares of Class "B" Common stock on or before May 31, 1934. Over 90% of the Class "B" Common stock is owned by "Motor-Columbus" and South American Electric Company.

Stock Provisions—The Pfd. stock is fully paid and non-assessable. It is entitled to cumulative preferential dividends at the rate of $6 per share per annum, payable semi-annually through A. Iselin & Co., New York, Fiscal Agents, on the first days of May and November before any dividends are paid on or set aside for the Class "A" Common stock or Class "B" Common stock. It is preferred as to assets and in case of liquidation, whether voluntary or involuntary, and entitled to a payment of $110 per share, together with all accumulated and unpaid dividends before any distribution is made on the Class "A" Common stock or Class "B" Common stock.

Dividend payments and payments on redemption or liquidation are payable through A. Iselin & Co., New York, Fiscal Agents for the Company, in United States gold coin of the present standard of weight and fineness without deduction for any present or future Swiss taxes. All classes of stocks will have equal voting rights, each share being entitled to one vote.

In case any change is made in the articles of incorporation of the Company affecting the rights and privileges of the Pfd. stock, the approval of a special meeting of the Pfd. stockholders given pursuant to the provisions of the articles of incorporation governing such meetings shall be required. Without similar approval of a Pfd. stockholders' special meeting the Company shall not—

(a) Issue any additional Pfd. stock unless upon completion of such issuance the net assets of the Company are at least twice the amount paid in for the Pfd. stock then outstanding, including the new issue, and unless income available for Pfd. stock dividends for the preceding fiscal year (including income from assets to be acquired through issuance of such additional stock) is at least twice the amount of annual dividend requirements of the Pfd. stock, including the new issue.

(b) Issue any bonds, debentures or other funded obligations unless the net income (before deduction of interest requirements for all outstanding bonds or other obligations) of the Company for the preceding fiscal year (including income from assets to be acquired through issuance of these bonds of other funded obligations) shall have been equal to at least one and one-half times the sum of the annual dividend requirements on the Pfd. stock and the annual interest requirements on the outstanding bonds, debentures and other funded obligations of the Company, including interest on the bonds then to be issued.

(c) Issue any bonds, debentures or other funded obligations unless upon the completion of such issuance the outstanding bonds or other funded obligations of the Company are less than one and one-half times the amount paid in for the Capital stock outstanding plus the capital surplus and reserves as shown in the Company's published balance sheet.

Out of the net income remaining after payment or provision for payment of the Pfd. dividends, the Class "A" Common stock will be entitled to a non-cumulative dividend of 6% per annum before any payment is made on the Class "B" Common stock. Out of the remaining net earnings in any fiscal year (which ends April 30) dividends of 5 Swiss Francs per share may be paid on the Class "B" Common stock. The remainder of any net profits, after providing for directors dividends, may be applied to the payment of further dividends equally per share upon the Class "A" and Class "B" Common stocks.

Callability—Pfd. stock is subject to redemption in whole or in part at $110 per share and accumulated and unpaid dividends at any time at the option of the Company on two months' notice.

Transfer Agent—Central Union Trust Co. of New York.

Registrar—The Farmers' Loan & Trust Co., New York.

Dividends—Pfd. dividends payable semi-annually May and November 1, through A. Iselin & Co., New York.

Legal Opinion (Pfd. stock)—Curtis, Mallet-Prevost Colt & Mosle, New York, and Dr. Arthur Curti Zurich, Switzerland.

Stock Purchase Warrants—Each certificate representing a share or shares of the present issue of Pfd stock was accompanied by a warrant entitling the holder thereof to purchase on or before April 30, 193 a number of shares of Class "B" Common stock o Swiss-American Electric Company equal to the number of shares of Pfd. stock represented by the certificate to which such warrant shall originally be attached at the following prices plus interest at the rate of 4% per annum on such prices calculated from the preceding Aug. 1: $30 per share on or before April 30, 1930 thereafter, $33 per share up to and including April 30 1932; thereafter $36 per share up to and including April 30, 1934. Unless the Pfd. stock should be called for redemption or unless previously exercised, war-

rants will be non-detachable prior to April 30, 1931 except at the option of the Company. Provision will be made for safeguarding the interests of the warrant holders in case of additional issues of Class "B" Common stock at prices, less than the purchase price for Class "B" Common stock stated in the warrants.

Original Offering—First publicly offered (100,000 shares $6 Pfd. stock) in April, 1928 at $98.50 per share with warrant (see previous paragraph) yielding about 6.10%, by A. Iselin & Co., 36 Wall St., New York.

FUNDED DEBT

None.

Officer: Agostino Nizzola, Chrm. of Board of Directors, Baden, Switzerland.

Directors: Dr. Walter Boveri, C. J. Brupbacher, Dr. Hans Dietler, Zurich, Switzerland; Juan Carosio, Buenos Aires; Dr. Rudolf Ernst, Winterthur, Switzerland; Jean Ehrensperger, Fritz Funk, Agostino Nizzola, Baden, Switzerland; Dr. Carlo Feltrinelli, Alberto Pirelli, Milan, Italy; Prentiss N. Gray, Ellery S. James, A. H. Mosle, John J. Rudolf, New York; Aymon Pictet, Geneva, Switzerland; Dr. Alfred Sarasin, Basle, Switzerland.

General Office, Zurich, Switzerland. **Fiscal Agent,** A. Iselin & Co., 36 Wall St., New York.

ELECTRIC POWER & LIGHT CORPORATION

(Supervised by Electric Bond and Share Company)

History—Incorporated March 11, 1925, in Maine, as a holding company. The Corporation was formed to take over certain stock and other securities of public utility companies owned by Electric Bond and Share Company and to take over under a plan of reorganization of Utah Securities Corporation all the physical assets of Utah Securities Corporation subject to all its liabilities. Under the provisions of the plan, Utah Securities Corporation distributed to the holder of each share of its capital stock $10 in cash, plus four shares of Common stock of the Electric Power & Light Corporation.

The Corporation, in accordance with the terms of its certificate of organization, may purchase or otherwise acquire, real and personal property of every sort and description and wheresoever situated, including stocks, bonds and other evidences of indebtedness of any corporation and may issue in exchange or in payment therefor, its stocks, bonds or other securities or evidences of indebtedness.

The Corporation's principal business and objects are directly and through subsidiaries, the development and operation of public utility properties.

Subsidiary Companies—Corporation owned on Dec. 31, 1927, all Common stock, except directors' shares of Arkansas Power & Light Company, Gas and By-Products Company, Inter-City Terminal Railway Company, The Mississippi Power and Light Company (which owns all outstanding Common stock of The Mississippi Central Power Company), The Louisiana Power & Light Company, Texas Interurban Railway and Utah Power & Light Company (which owns all issued securities of The Western Colorado Power Company and all capital stock, except directors' shares, of Utah Light and Traction Company). It also owned substantially all and in no case less than 90% of the Common stock of New Orleans Public Service Inc., and Dallas Railway & Terminal Company, and a substantial majority of the Common stock of Dallas Power & Light Company and Power Securities Corporation, the latter owning all Common stock, except directors' shares, of Idaho Power Company. In addition to its Common stock holdings, Electric Power & Light Corporation also owned in some cases varying amounts of Preferred and Second Preferred stocks, as well as certain indebtedness of subsidiaries. (For details regarding to acquisition of subsidiaries see 1926 Public Utility Volume, pages 1745 and 1946).

Properties and Service of Operating Subsidiaries, as of Dec. 31, 1927—The operating subsidiaries of the Electric Power & Light Corporation on Dec. 31, 1927, served approximately 625 communities in the ten states of Arkansas, Colorado, Idaho, Louisiana, Mississippi, Nevada, Oregon, Texas, Utah and Wyoming. The aggregate population served was estimated to be in excess of 2,263,000.

Arkansas Power & Light Company owns and/or operates installed electric generating capacity of 51,551 kilowatts, 1,690 miles of transmission lines (not including 247 miles of additional transmission lines under construction), 1,285 miles of distribution system, 55 miles of electric railway track and 212 miles of water mains. It supplies electric power and light service in 135 communities in Arkansas, including the cities of Little Rock, North Little Rock (wholesale), Pine Bluff, El Dorado, Russellville, Stuttgart, Newport and Malvern and supplies electric railway service in Little Rock and Pine Bluff and water service in Pine Bluff, El Dorado and 17 other communities, and does some ice and miscellaneous business. Total population of the territory served is estimated at 290,000.

Inter-City Terminal Railway Company owns and operates an electric railway system in North Little Rock, Ark., with 7 miles of track and supplies certain local motor coach service in connection therewith. It purchases all electric energy from Arkansas Power & Light Co. Total population of territory served is estimated at 16,000.

The Mississippi Power and Light Company and its subsidiary, The Mississippi Central Power Company own and/or operate electric, gas, railway and water properties. Properties owned, together with those leased from an associated company, include 16,340 kilowatts installed electric generating capacity and 1,450 miles of electric transmission and distribution lines. The companies supply electric power and light service in 100 communities in Mississippi, including Jackson, Vicksburg and Greenville. In the three communities mentioned The Mississippi Power and Light Company also supplies electric railway service, and in addition supplies manufactured gas in Jackson. Water service is supplied in four communities and an ice business is done in six communities. Total population of the territory served is estimated at 179,000.

The Louisiana Power & Light Co. owns 31,157 kilowatts installed electric generating capacity (not including 60,000 kilowatts under construction) and 811 miles of transmision and distribution lines. The principal electric generating station owned is at Sterlington in the heart of the Monroe gas field and uses natural gas as fuel. It has an initial installed capacity of 25,000 kilowatts and is so located as to serve the Arkansas, Mississippi and Louisiana associated properties through high voltage transmission lines. These companies supply with electric power and light service 65 communities in the northeastern portion of Louisiana and supply also water service in four communities, natural gas service in one community and do an ice business in two communities. Total population of the territory served is estimated at 108,000.

Gas and By-Products Company owns all Common capital stock and all funded debt of Natural Gas Producing Company of Louisiana, Panola Oil and Gas Company, Excelsior Pipeline Company, Morehouse Natural Gas Company, Inc., and United States Carbon Company. These subsidiaries lease and operate extensive natural gas producing properties (including a substantial acreage in proven territory) located in the Monroe gas field, situated in northern Louisiana, extending northwestward toward the El Dorado oil fields of Arkansas, and also properties located in the Bethany

gas field in Panola County, Texas, and own pipe lines and properties producing by-products of natural gas. The subsidiaries are engaged in the production, transportation and/or distribution and sale of natural gas and/or in the refining of natural gas and the manufacture and sale of the by-products thereof.

New Orleans Public Service Inc., owns installed electric generating capacity of 114,200 kilowatts, 753 miles of transmission and distribution lines, gas works capacity of 28,124,000 cubic feet per day, 582 miles of gas mains and 207 miles of electric railway track. It supplies the entire electric power and light, gas and electric railway service in New Orleans, La., except in a small portion of the city supplied with electric power and light and electric railway service by other subsidiaries of Electric Power & Light Corporation. Total population of the territory served is estimated at approximately 445,000.

Dallas Power & Light Company owns installed electric generating capacity of 57,500 kilowatts, 62 miles of transmission lines and 633 miles of electric distribution system. Supplies electric power and light service in Dallas. Total population of the territory served by Company and the Dallas Railway & Terminal Co. is estimated to exceed 275,000.

Dallas Railway & Terminal Company owns a combined office and terminal building in Dallas and leases terminal facilities to all interurban lines entering the city. Also owns about 86 miles of electric railway track and leases 29 miles of additional track. Supplies electric railway service in Dallas.

Texas Interurban Railway owns important interurban railway properties with 65 miles of track interconnecting Dallas and Denton and Dallas and Terrell, supplying high speed electric railway service for both freight and passengers.

Utah Power & Light Company, together with its subsidiary, The Western Colorado Power Company, owns 2,059 miles of transmission lines, 2,956 miles of electric distribution system. The total installed generating capacity of the plants owned and leased (including the Cutler plant and 28,300 kilowatts capacity leased from Utah Light & Traction Company) is 236,917 kilowatts, of which 198,627 kilowatts (or approximately 84% of the total) is hydro-electric and 38,290 kilowatts is steam. Utah Power & Light Company and its subsidiary, The Western Colorado Power Company supply electric power and light service in 252 communities in Utah, southwestern Wyoming and southeastern Idaho and in a section of southwestern Colorado; also gas service in Ogden, Utah. The company's subsidiary, Utah Light and Traction Company, in addition to owning certain electric and gas properties leased to Utah Power & Light Company, also owns and operates an electric railway system with 135 miles of track, supplying the entire street railway service in Salt Lake City and vicinity. Total population of the territory served is estimated at 42,500.

Idaho Power Company (operating subsidiary of Power Securities Corporation) owns installed hydro-electric generating capacity of 71,500 kilowatts, 1,623 miles of transmission lines and 895 miles of electric distribution system. Company supplies the entire electric power and light service in a wide territory in southern and central Idaho and eastern Oregon, including the cities of Boise, Twin Falls, Pocatello, Caldwell and Nampa, and, through its subsidiary, Nevada Power Company, in the mining district adjacent to Jarbridge, Nevada. Total population of the territory served is estimated at 150,000.

Supervision—Electric Bond and Share Company is identified in a supervisory capacity (under the direction and control of the Boards of Directors of the respective companies) with the operations of Electric Power & Light Corporation and its subsidiary companies.

Statistical Data—The growth of the business and property of the subsidiaries is indicated in the following tabulation:

	1926	1925
Population served	1,733,000	1,636,000
Number of communities served:		
with electric power & light	524	402
" electric railway	33	30
" gas	4	4
" water	24	19
" ice	15	11
" miscellaneous service	4	4
Total communities	533	411
Number of consumers served:		
with electric power & light	367,279	322,768
" gas	72,702	69,584
" water	18,735	16,089
" miscellaneous service	276	259
Total consumers	458,992	408,690
Pass. carried during 12 months	276,339,282	277,602,440
Kilowatts gen. sta. capac. installed	488,887	488,114
Kilowatts gen. capac. under construc.	97,000	55,000
Kilowatt-hours gen. station output (incl. power purchased) for 12 mos.	1,760,570,100	1,552,338,400
Miles of trans. lines (11,000 volts and over) in opera., irrespective of the number of circuits carried	5,676	4,795
Miles of trans. lines (11,000 volts and over) under construction	365	67
Miles of elec. distribution system (less than 11,000 volts) in service	7,685	7,024
Total miles of transmission & distribution sys'm (all voltages) in oper.	13,361	11,819
Gas works capacity (thousand cubic feet) per day	29,624	23,710
Gas holder capacity (thousand cu. ft.)	8,020	8,040
Gas sendout (thousand cu. ft.) for twelve months	3,346,958	3,156,970
Miles of gas mains	646	610
Miles of water mains	232	200
Miles of electric railway (single track equivalent)	689	720
Ice plant capacity (tons) per day	403	250

NOTE—Service and property of subsidiaries of Gas and By-Products Company not included in above.

CAPITAL STOCK

The total authorized capital stock is 4,020,000 shares without a par or face value, divided into 3,000,000 shares Common, 800,000 shares $7 cumulative Preferred, 120,000 shares $7 cumulative Second Preferred Series "A," and 100,000 shares $7 cumulative Second Preferred, Series "AA"; outstanding, Dec. 31, 1927 1,776,206 shares Common, 476,683 shares Preferred and 110,741 shares Second Preferred, Series "A". In addition there were uncalled subscriptions to 43,06 shares Preferred stock amounting to $4,306,100.

There were also outstanding at the same date 762,648 of the 800,000 Option Warrants originally acquired by Electric Bond and Share Company as part of the consideration for the sale by it of certain assets to Electric Power & Light Corporation and in connection with the purchase for $11,280,000 cash of the entire issue of 120,000 shares of Second Pfd. stock, Series "A," of the Corporation. A total of 37,352 Option Warrants had been surrendered against the receipt of Common stock at December 31, 1927.

The stock of the Corporation is full-paid and non assessable and no personal liability attaches to stockholders. No personal liability attaches to the holder of the Preferred Stock Allotment Certificates for the payment of additional amounts which may be called for payment by the Corporation, but all rights of an Allotment Certificate holder, at the Corporation's option, will be treated as surrendered upon failure to pay any instalment on or before the date fixed for payment in notices to be mailed by the Corporation not later than 30 days before the due date.

Provisions of Preferred Stock Allotment Certificates—The Preferred Stock Allotment Certificate provide that upon payment in full of the allotment price of $100 per share, but not earlier than June 1 1925, Allotment Certificate holders shall be entitled to receive Certificates for the number of full-paid shares of Pfd. stock without nominal or par value called for by the several Allotment Certificates, to

ether with Certificates for half the number of full-aid shares of Common stock of the Corporation ithout nominal or par value.

Payments of the $100 allotment price are callable s follows: 40% on allotment, subsequent calls to e at intervals of not less than 180 days, and no ngle call to be for more than 10% of the allotment rice. No call shall be made before 1926. Purchasers ave the option, however, to anticipate payment in hole or in part and upon full payment to receive, t not before June 1, 1925, the certificates for the fd. stock so paid for, and in addition ½ share of ommon stock for each share of Pfd. stock so re-eived. To all payments must be added proportion-te accrued dividends.

All payments on the Preferred Stock Allotment ertificates must be made in New York funds at the ffice or agency of the Corporation, 2 Rector Street, ew York City. At the time of each such payment, ie Allotment Certificate must be presented at said ffice for endorsement of such payment thereon by ie Corporation and for counter-signature by the ansfer agent.

There have been lodged with Bankers Trust Com-any, of New York, as depositary, for the proportion-te benefit of the holders of the Preferred Stock Allot-ient Certificates, certificates representing the number f full-paid shares of Pfd. stock which have been paid or at the allotment price by the aggregate amount aid in against the allotment price on the Preferred tock Allotment Certificates; and as additional mounts are paid in upon the Preferred Stock Allot-ient Certificates, or any of them, certificates for addi-onal full-paid shares of Pfd. stock will be lodged ith the depositary so that at all times there will be dged with the depositary a certificate or certificates or the number of shares of Pfd. stock so paid for. here have also been lodged with the Bankers Trust ompany, certificates representing 200,000 shares of ommon stock of the corporation.

Whenever the Corporation shall declare a dividend n its Pfd. stock, the holder of record of each Allot-ient Certificate upon the date fixed by the Corpora-ion for taking the record of stockholders for the pur-ose of such dividend will be entitled to receive on he date when the company pays such dividend, a um equal to the dividend payable upon such number f shares of Pfd. stock and/or fractions thereof as the ggregate amount theretofore paid upon the aggre-ate allotment price under the holder's Allotment ertificate would suffice to pay for at the allotment rice; and in case of the declaration of a dividend pon the Common stock, will be entitled to receive sum equal to the dividend payable upon a number f shares of Common stock equal to one-half the num-er of shares of Pfd. stock represented by said Allot-ient Certificate.

Provisions of Option Warrants—For each Option Warrant the Corporation promises to deliver to the egistered holder thereof a certificate for one share f its full-paid Common stock as it may exist at the ime of such delivery at its office or agency in New ork City, upon surrender thereof at any time (with-ut limit) and payment in cash for such stock at the ate of $25 per share; the Corporation agrees that it ill, in lieu of cash, accept one share of its Second Pfd. tock, Series "A," together with four Option Warrants, payment for each four shares of its Common stock eliverable under the terms of the option warrants so urrendered and pay to the registered holder of the econd Pfd. stock, Series "A," so accepted a sum equal o the amount of dividends, if any, accrued on said hare or shares of Second Pfd. stock, Series "A," to he time of such acceptance.

Preferred Stock Provisions—The Pfd. stock is pre-erred as to dividends and assets over the Second Pfd. nd Common stocks and is entitled, in case of liqui-ation, to $100 per share and accrued dividends. It is redeemable as a whole or in part on 30 days' mailed notice, upon vote of not less than a majority of the outstanding Common stock, at $110 per share and accrued dividends. Each share entitles holder to one vote.

The Second Pfd. stock, Series "A" and Series "AA" is preferred as to dividends and assets over the Common stock and is entitled, in case of liquidation to $100 per share and accrued dividends. It is redeemable as a whole or in part on 30 days' mailed notice, upon vote of not less than a majority of the outstanding Common stock, at $105 per share and accrued dividends.

Transfer Agent for Allotment Certificates—Bankers Trust Co., New York.

Registrar for Allotment Certificates—Central Union Trust Co. of New York.

Transfer Agent for Stock—Guaranty Trust Co. of New York.

Registrar for Stock—Bankers Trust Co., New York.

Annual Meeting—Second Wednesday in March, at Augusta, Me.

Legal Opinion (Pfd. stock)—Winthrop & Stimson, New York, and Simpson, Thacher & Bartlett, New York.

Original Offering—First publicly offered (400,000 shares Pfd. stock) in March, 1925, at $100 per share, plus accrued dividends from April 1, 1925, by Bonbright & Co., Inc., New York. (Initial payment $40 per share, plus accrued dividends on amount paid). Each share of Pfd. stock offered, when fully paid, carries ½ share of Common stock.

Listed (Allotment Certificates, Pfd. and Common Stocks)—New York Stock Exchange.

Price Range—

	1927	1926	1925
Common—			
High	29½	34½	40⅛
Low	16¾	15¼	17⅜
Preferred—			
High	109	98¼	94¾
Low	96	89½	89⅞
Pfd. Stock Allotment Ctfs. (fully paid)—			
High	111¾	110½	110¼
Low	108½	102½	100½
Pfd. Stock Allotment Ctfs. (40% paid)—			
High	122¼	115	110
Low	103⅞	99½	100
Second Preferred "A"—			
High	104½	91¼	..
Low	89⅛	85½	..
Option Warrants—			
High	..	8	..
Low	..	5½	..

FUNDED DEBT

None.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1, initial dividend of $1.75 having been paid July 1, 1925. Second Pfd. dividends regularly paid quarterly F, M, A & N 1, initial dividend of $1.75 having been paid Aug. 1, 1925. An initial quarterly dividend of 25 cents per share was paid on the Common stock, May 1, 1928.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926
(Of Electric Power & Light Corp. and balance applicable to Company from operations of its subsidiaries)

Electric Power & Light Corp.:	
Gross earnings	$5,641,311
Expenses	779,993
Net earnings	$4,861,318
Interest	454,857
Net income	$4,406,461
Dividends:	
On Preferred stock	$2,923,025
On Second Preferred stock	776,986
Balance after dividends	$706,450
Subsidiary Companies:	
Undistributed income for year of sub. cos. before renewal and replacement (depreciation) appropriations	$5,998,900
Renewal and replacement (depreciation) appropriations	4,070,876
Proportionate deduction for minority Com. stocks	58,805
Balance from operations of sub. cos. applicable to Corporation	$1,869,219
Combined undistributed income	$2,575,669

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Electric Power & Light Corp. and Subsidiaries)

	1927	1926	1925
Gross earnings of subs.....	$52,629,116	$49,843,877	$44,614,878
Net earnings of subsidiaries	23,705,513	21,651,872	18,417,861
*Gross earnings of Electric Power & Light Corp., and undistributed income of sub. cos. applicable to Corp. after renewal and replacement appropriations	$8,948,077	$7,510,530	$4,360,543
Expenses of corporation...	695,801	779,993	421,559
Interest of corporation....	523,623	454,857	17,964
Bal. applicable to corporation dividends	$7,728,653	$6,275,680	$3,921,020
Preferred dividends	3,242,318	2,923,025	1,676,881
Balance applicable to corp. 2nd Pfd. divds. ..	$4,486,335	$3,352,655	$2,244,139
Second Pfd. dividends	774,837	776,986	608,226
Combined undistributed income	$3,711,498	$2,575,669	$1,635,913
Earnings Per Share—			
Preferred	$16.21	$13.88	$9.72
Second Pfd.	40.51	30.27	20.06
Common	2.09	1.45	1.01

*Renewal and replacement (depreciation) appropriations for years ended December 31 were as follows: 1925, $3,637,068; 1926, $4,070,876; 1927, $4,083,384.

Depreciation Policy—With respect to depreciation, the policy of the Corporation and subsidiary operating companies will be to make charges against income or surplus from time to time for the purpose of providing a reserve, which, in addition to the amount expended for current repairs and maintenance will be, in the judgment of the directors, adequate for recurring renewals and replacement, and in accordance with standard public utility practice as prescribed by governmental authorities having jurisdiction.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Investments	$96,995,060	$98,380,951	$88,034,0
Cash	4,483,887	1,378,375	1,402,0
Notes and loans receivable—subsidiaries	5,112,720	2,782,227	5,095,3
Notes and loans receivable—other	.....	270,000	982,3
Accounts receivable—subsidiaries	1,726,372	700,538	842,0
Accts. receivable—other..	586,054	398,412	96,2
Reacquired capital stock.	101,892	97,556	68,5
Subscribers to Pfd. stock	4,306,110	6,763,770	.....
Prepaid taxes	.....	.....	9,9
Total.....	$113,312,095	$110,771,829	$96,530,6
Liabilities—			
Capital stk. (no par value)	*$103,147,375	$100,649,275	$92,086,5
Loans payable	.....	.....	2,510,0
Dividends declared	1,025,452	940,789	897,0
Accounts payable	1,401,477	970,576	291,0
Accrued accounts	22,418	27,761	32,3
Subscriptions to Pfd. stock	4,306,100	6,763,400	.....
Surplus	3,409,273	1,420,028	713,5
Total.....	$113,312,095	$110,771,829	$96,530,6

*Represented by 476,683 shares $7 Pfd., 110,741 shar Second Pfd. and 1,776,206 shares Common.

NOTE—At Dec. 31, 1927, there were outstanding Optic Warrants, entitling the holders to purchase an aggregate 762,648 shares of Common stock without limitation as time at $25 per share.

Officers: S. Z. Mitchell, Chrm.; C. E. Groesbec Pres.; H. C. Abell, A. S. Grenier, D. F. McGee, E. V Hill, V-Ps.; E. P. Summerson, Sec.; A. C. Ray, Treas H. L. Martin, Asst. Sec.; Alexander Simpson, Ass Treas.; G. J. Hickman, Asst. Treas.; A. E. Smit Compt.; W. C. Lang, Asst. Compt., New York.

Directors: H. C. Abell, Irving W. Bonbrigh Charles Martin Clark, Rollin P. Grant, C. E. Groe beck, Charles Hayden, S. Z. Mitchell, William Potter, Frederick Strauss, A. A. Tilney, E. B. Trac G. H. Howard, M. H. Aylesworth, W. W. Seymou New York; H. C. Couch, Pine Bluff, Ark.

Office, 2 Rector Street, New York.

ARKANSAS POWER & LIGHT COMPANY

(Controlled by Electric Power & Light Corporation)
(Supervised by Electric Bond and Share Company)

History—The Arkansas Power & Light Company, organized under the laws of Arkansas, came into existence November 24, 1926 as the result of a consolidation and merger of Arkansas Light and Power Company, Arkansas Central Power Company, The Pine Bluff Company (for last published statements see 1926 Public Utility Manual, pages 1948 to 1953 inclusive), East Arkansas Power & Light Company and Arkansas Power & Light Company (old company). In connection with the merger, the retirement of all outstanding issues of bonds of the constituent companies was effected, except for two underlying issues of the Arkansas Central Power Company which mature in 1933 and 1938, respectively, and the Preferred stocks of Arkansas Light and Power Company, The Pine Bluff Company and Arkansas Central Power Company were exchanged for Preferred stock of Arkansas Power & Light Company.

The Company supplies electric power and light service to 135 communities in the prosperous agricultural, industrial and mining regions in the State of Arkansas, including such cities as Little Rock, North Little Rock (wholesale), Pine Bluff, El Dorado, Camden, Newport, Russellville, Stuttgart, Morrillton, Malvern, Arkadelphia, Bauxite, Clarendon, Fordyce, Smackover, Wynne and McGehee. Company also owns and operates the street railway systems in Little Rock and Pine Bluff; supplies steam heat service in the business district of Little Rock, and water service in Pine Bluff, El Dorado and 17 other communities; and does an ice business in 9 communities. In all the Company serves 135 communities with a population estimated at 290,000.

Physical property owned and operated includes electric generating stations having a present installed generating capacity of 51,551 kilowatts, including 19,9 kilowatts in the Little Rock steam electric generatir station, 11,450 kilowatts in the Pine Bluff steam ele tric generating station, and 9,000 kilowatts in th Remmel hydro-electric plant; also 1,690 miles of hig voltage transmission lines and 1,285 miles of electr distribution system. Company's power supply supplemented by electrical energy, delivered by mea of a 110,000-volt line, from the new Sterlington stea electric generating station of The Louisiana Pow Company located in the Monroe natural gas field. Th latter station has a present installed capacity of 25,0 kilowatts and is designed for an ultimate capacity 135,000 kilowatts.

The Remmel Dam hydro-electric plant, placed operation in January, 1925, and the first major ge erating plant to be constructed on the Ouachita Rive has an initial installed generating capacity of 9,000 k.v The contemplated development of other sites on th river will provide upon completion a total installe generating capacity of approximately 95,000 kilowatt

The transmission system of the Company, upon con pletion of the 244 miles of additional lines now und construction, will interconnect all communities serve with the exception of a few isolated communities which properties were recently acquired. Importa transmission lines owned include 110,000-volt lines t ing together the Remmel hydro-electric generatir plant and the Little Rock and Pine Bluff steam ele tric generating stations, a 110,000-volt line extendir from North Little Rock northeast to Walnut Ridge v

ewport, a 110,000-volt line extending southeast from ewport to West Memphis, a 110,000-volt line extend- g northeast from Crossett to the Mississippi state ie at Greenville, Mississippi, and a 110,000-volt line :tending from Pine Bluff to the Louisiana state line id effecting an interconnection with the Sterlington ation. The principal lines under construction include 0,000-volt lines from Pine Bluff to Camden, a dis- nce of 78 miles; Pine Bluff to Dixie substation (near orth Little Rock), 48 miles; Newport to Batesville, ; miles; and a line from Camden to the Louisiana ate line, 47 miles in length, which will form a part of line approximately 76 miles long and which will fect a second interconnection between the Company's stem and the Sterlington station.

The Company's electric properties are interconnected high voltage transmission lines with those of the ouisiana Power & Light Company and the Mississippi Power & Light Company, both of which com- anies, as well as the Arkansas Power & Light Com- any, are subsidiaries of the Electric Power & Light orporation. The Company's transmission system is so interconnected at the Arkansas-Tennessee state ne near West Memphis, Arkansas, with the lines of ie Memphis Power & Light Company, with which ompany power is interchanged, and with those of the itizens Electric Company at Hot Springs, Arkansas, s well as with those of the Arkansas-Missouri Power ompany, at Walnut Ridge, Arkansas, to both of hich companies electrical energy is sold at wholesale. hrough these various interconnections the electric stem of the Company forms an important part of an tensive interconnected system serving a large part of rkansas and wide areas in the three adjoining states Louisiana, Mississippi and Tennessee.

Franchises—The franchises under which the Com- any operates in the various municipalities are gener- ly satisfactory from a business standpoint and con- in no burdensome restrictions. The majority of the ompany's electric franchises were granted for periods hich extend to 1956 or beyond. The street railway anchises in Little Rock and Pine Bluff expire in 951.

Control and Supervision—All the Common stock except directors' shares) of Company is owned by ie Electric Power & Light Corporation. Electric ond and Share Company supervises (under the di- ection and control of the Boards of Directors of the espective companies) the operations of the Electric ower & Light Corporation and the Arkansas Power Light Company.

Service and Property—The total number of con- mers served by the Company, together with the hysical equipment at December 31, 1927, and the out- ut for twelve months for all the properties owned by rkansas Power & Light Company at December 31, 927, compared with the two previous years, follow:

	1927	1926	1925
lectric consumers	52,324	47,155	39,370
/ater consumers	17,987	17,166	14,753
team heat consumers	70	65	64
otal consumers	70,381	64,386	54,187
ass. carried during 12 mos.	19,193,315	19,455,844	19,834,743
ilowatts generating station capacity installed	51,551	50,757	49,455
ilowatt-hours generating station output (including power purchased) for 12 mos.	183,843,000	151,908,800	123,107,000
iles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	1,690	1,276	757
iles of transmission lines under construction	247	173	35
iles of distribution system (less than 11,000 volts) in service	1,285	1,086	842
iles of electric railway (single track equivalent)	55	55	55
iles of water mains	212	203	163
e capacity (tons) per day	256	246	111

CAPITAL STOCK

Authorized 1,300,000 shares Common of no par value, 150,000 shares $7 cumulative Preferred of no par value, and 100,000 $6 cumulative Preferred of no par value; outstanding, 1,000,000 shares Common and 96,113 shares $7 cumulative Preferred. All of the Common stock (except directors' shares) is owned by the Electric Power & Light Corp.

$7 Preferred Stock Provisions—Preferred as to cumulative dividends at rate of $7 per share per annum and as to assets over Common, being entitled to $100 per share and accrued dividends in case of liquidation. It is subject to call at $110 per share and accrued dividends.

Transfer Agents—Union Trust Co., Little Rock, Ark., and American Exchange Irving Trust Co., New York.

Registrars—Bankers Trust Co., Little Rock, Ark., and Bankers Trust Co., New York.

Price Range—

Preferred—	1927	1926
High	108	103
Low	97¾	94

Dividends—On the $7 Pfd. initial dividend of $1.75 a share was paid Jan. 3, 1927, and at same rate quarterly thereafter; payments J, A, J & O 1.

FUNDED DEBT

(1)

$982,000 LITTLE ROCK RAILWAY AND ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1933

Dated April 1, 1903.

Interest Payable April and October 1, at Canal Bank & Trust Co., New Orleans.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Canal Bank & Trust Co., New Orleans.

Provisions of Issue—Authorized issue, $2,000,000, of which $440,000 held in sinking fund, $578,000 pledged under the First Lien and Refunding Mortgage leaving, $982,000 outstanding in hands of public Dec. 31, 1927. Mortgage is closed.

Callability—Subject to call at 107½ and interest on any interest date upon 60 days' notice.

Sinking Fund—½% annually of bonds outstanding on July 31, 1908 to July 31, 1917; thereafter 1% per annum, to purchase bonds at not above 107½; bonds callable by lot. Bonds so purchased are to continue to draw interest, which shall be reinvested.

Security—A first lien on all property (except as specifically exempted by the mortgage) formerly owned by Little Rock Railway & Electric Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102½	102½	100¼	100	97	100	86	86
Low	99½	100	97⅛	95¾	94¼	85½	75	80

(2)

$1,018,500 LITTLE ROCK RAILWAY & ELECTRIC CO. REFUNDING AND EXTENSION MORTGAGE GOLD 6s, DUE APRIL 1, 1938

Dated April 1, 1908.

Interest Payable April and October 1, at Guaranty Trust Co. of New York, and Bank of Commerce & Trust Co., Memphis, Tenn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Bank of Commerce & Trust Co., Memphis, Tenn.

Provisions of Issue—Authorized issue, $5,000,000. In addition to the $1,018,500 bonds outstanding $1,760,000 are pledged under the First Lien and Refunding Mortgage, and $221,500 were held alive in sinking fund Dec. 31, 1927. Mortgage is closed.

Sinking Fund—An annual sinking fund of ½% of bonds outstanding, commenced Aug. 1, 1913, to purchase bonds of this issue not higher than 4½% basis;

bonds so purchased to continue to draw interest, which shall be reinvested.

Security—Secured by a second mortgage on property described under First 5s (paragraph 1). This issue underlies Arkansas Central Power Co. First Lien & Refunding Mortgage which provides for their retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104	103	101	99½	98	97	82	75
Low	102½	101½	98½	98¼	94½	83	64	60

(3)

$21,000,000 ARKANSAS POWER & LIGHT COMPANY FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1956; DUE OCTOBER 1, 1956

Dated October 1, 1926.

Interest Payable April and October 1, in New York City.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered bonds in denominations of $1,000, $5,000 and authorized multiples.

Trustee—Guaranty Trust Co. of New York, N. Y.

Provisions of Issue—Authorized amount, unlimited; issued, 5% Series due 1956, $21,000,000. Additional bonds either of this series, or of other series, having such rates of interest, maturity dates and other provisions as the Board of Directors of the Company may determine, may be authenticated (a) for refunding an equal principal amount of outstanding underlying or prior lien bonds (as defined in the Mortgage) or bonds of any Series authenticated under the mortgage; (b) for cash to be deposited with the Trustee and (c) for not more than 75% of the cost or fair value, whichever is less, of property additions (as defined in the Mortgage) made subsequent to Nov. 30, 1926. Additional bonds may not be authenticated, however, except for refunding purposes, unless net earnings (as defined in the Mortgage) for 12 out of the 15 months immediately preceding the application for authentication shall have been equal to either (1) twice the actual annual interest requirements on, or (2) 12% of the principal amount of, all outstanding, underlying and prior lien bonds and all Bonds outstanding under the Mortgage including those to be authenticated. The Mortgage contains certain provisions, permitting on conditions stated therein, the modification or alteration of the Bonds or the Mortgage or of any supplemental indenture, in any particular, with the assent of the Company and of th holders of not less than 85% in aggregate principa amount of the outstanding Bonds, not including an Bonds owned by the Company; provided, that an such modification or alteration shall not permit, with out the consent of the holders affected, (a) the ex tension of the maturity of any Bond, or the reductio in the rate of interest thereon, or any modificatio in the terms of payment of such principal or interes or (b) the creation by the Company of any mortgag lien ranking prior to or on a parity with the lien o this mortgage with respect to any of the propert covered thereby.

Callability—Subject to call on the first day of an month in whole or in part on 45 days' notice throug Sept. 1, 1936, at 105 and interest; thereafter at pr miums reducing ¼ of 1% each year to 100¼ and i terest on Oct. 1, 1954 and through Sept. 1, 1955, an thereafter at 100 and interest.

Sinking Fund—None provided.

Security—Secured by a first mortgage on the majo portion of the Company's physical property, and by direct mortgage on the remainder of its physic property, subject to two closed issues of underlyin divisional bonds, aggregating $2,000,500 of Dec. 3 1927, and certain minor real estate mortgages.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%. Pennsylvania Four Mills Ta refunded to resident holders upon timely applicatio

Legal Opinion—Sullivan & Cromwell (for the ban ers) and Simpson, Thacher & Bartlett, New Yo (for the Company).

Original Offering—First publicly offered ($18,00 000) in Dec., 1926, at 95¾ and interest, by Harri Forbes & Co., New York, etc. $3,000,000 addition bonds were offered in Nov., 1927, at 99 and intere to yield over 5.06% by Harris, Forbes & Co., W. Langley & Co., Bonbright & Co., Inc., New Yor etc.; Tucker, Anthony & Co., Old Colony Corp Harris, Forbes & Co., Inc., Boston; Harris Trust Savings Bank, Chicago and Harris, Forbes & Co., Ltd Montreal.

Price Range—

	1927	192
High	99¼	96
Low	93½	95

Segregation of Gross Earnings—The gross earnin of the Company and former constituent compani for the years 1924 to 1927, inclusive, as shown belo were derived from various classes of business amounts and approximate percentages as follows:

	1927 Amount	1927 Pct.	1926 Amount	1926 Pct.	1925 Amount	1925 Pct.	1924 Amount	1924 Pc
Electric power and light	$4,745,602	74	$4,298,257	73	$3,556,654	70	$2,936,466	66
Street railway	921,028	14	939,903	16	960,160	19	1,038,863	23
Water	541,604	8	484,909	8	437,580	8	371,001	8
Ice	164,621	3	149,075	2	90,430	2	72,605	2
Miscellaneous	40,110	1	48,090	1	46,464	1	44,204	1
Total	$6,412,965	100	$5,920,234	100	$5,091,288	100	$4,463,139	100

***INCOME ACCOUNT, YEARS ENDED DECEMBER 31**

	1927	1926	1925	1924
Gross earnings from operation	$6,412,965	$5,920,234	$5,091,288	$4,463,1
Operating expenses, including taxes	3,380,925	3,213,413	2,912,342	2,682,3
Net earnings from operation	$3,032,040	$2,706,821	$2,178,946	$1,780,7
Other income	196,825	173,950	91,178	68,9
Total income	$3,228,865	$2,880,771	$2,270,124	$1,849,0
Interest on funded debt	1,028,491	885,825	820,685	618,0
Other interest and deductions	100,680	195,201	93,914	105,7
Balance	$2,099,694	$1,799,745	$1,355,525	$1,125,2
Dividends on Preferred stock	672,342	493,890	411,111	308,7
Balance	$1,427,352	$1,305,855	$944,414	$816,5
Renewal and replacement reserve	320,706	312,814	373,323	229,5
Balance	$1,106,646	$993,041	$571,091	$587,0
†Times Funded Debt Interest Earned	3.14	3.25	2.76	2
‡Earnings Per Share—				
Preferred	$21.84	$18.74		

*A statement of earnings of the present Arkansas Power & Light Co. and former constituent companies, for years end December 31, 1926 and 1927 with comparable figures for the same companies for two previous years. †Before other interest a deductions. ‡Before Renewal & Replacement reserve.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Plant and investments	$45,409,464	$41,099,423	Capital stock (no par value)	*$19,611,237	*$19,602,900
Cash	386,947	618,635	Subscriptions to Pfd. stock	7,959	.....
Notes & loans receivable	438,554	645,879	Funded debt	23,000,500	20,000,500
Accounts receivable	1,033,478	848,854	Dividend payable	348,196	168,028
Material and supplies	833,748	926,112	Contracts & loans payable	293,640	156,433
Prepaid accounts	32,026	26,345	Accounts payable	217,992	294,768
Special deposits	14,205	13,209	Consumers' deposits	256,995	213,247
Sinking fund cash		18,752	Accrued accounts	1,032,972	878,900
Unamortized debt disc. & exp.	139,680	.....	Deferred credits	245	.....
Deferred debits	18,045	25,556	Reserves	1,356,705	1,266,251
			Surplus	2,179,707	1,621,738
Total	$48,306,148	$44,202,765	Total	$48,306,148	$44,202,765

*Represented by 96,029 shares $7 cumulative Preferred stock and 1,000,000 shares Common stock, all of no par value in 1926, and 96,113 shares Pfd. and 1,000,000 shares Common in 1927.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	Current Liabilities—	1927	1926
Cash	$386,947	$618,635	Dividend payable	$348,196	$168,028
Notes & loans receivable	438,554	645,879	Contracts & loans payable	293,640	156,433
Accounts receivable	1,033,478	848,854	Accounts payable	217,992	294,768
Material and supplies	833,748	926,112	Consumers' deposits	256,995	213,247
Prepaid accounts	32,026	26,345	Accrued accounts	1,032,972	878,900
Total	$2,724,753	$3,065,825	Total	$2,149,795	$1,711,376
Net Working Capital				$574,958	$1,354,449

Officers: H. C. Couch, Pres.; C. J. Griffith, V-P.; E. W. Hill, V-P.; J. L. Longino, V-P.; F. G. Bridges, V-P.; L. H. Parkhurst, V-P.; L. Garrett, Sec. & Asst. Treas.; W. E. Baker, Treas.; E. P. Summerson, H. L. Martin, O. C. Eiland, Asst. Sec's; A. C. Ray, Alexander Simpson, G. J. Hickman, Asst. Treas's; W. J. Tharp, Asst. Treas. & Asst. Sec.

Directors: H. C. Abell, C. E. Groesbeck, New York; W. Noel Adams, Arkadelphia, Ark.; J. F. Boyle, D. H. Cantrell, C. J. Griffith, Roy Thompson, Little Rock, Ark.; H. C. Couch, L. Garrett, J. L. Longino, Pinchback Taylor, F. M. Wilkes, Pine Bluff, Ark.; W. C. Ribenack, Thornton, Ark.; R. E. Lee Wilson, Wilson, Ark.; J. M. Workman, Conway, Ark.

Operating Office, Little Rock, Ark, **New York Office,** 2 Rector Street.

DALLAS POWER & LIGHT COMPANY

(Controlled by Electric Power & Light Corp.)

(Electric Bond and Share Co. is identified with Dallas Power & Light Co. in a supervisory capacity)

History—Incorporated under the laws of Texas, Sept. 22, 1917. It acquired by purchase on Sept. 29, 1917, all the properties of the Dallas Electric Light & Power Co., which had been conducting an electric power and light business in Dallas, Tex., for 16 years. Also at the same time acquired from the City of Dallas a satisfactory new franchise, under which it operates. The Company does the entire electric power and light business in Dallas, Texas, serving a population estimated at about 275,000.

The Company's main power plant, situated within the City of Dallas, is well located on the main line of the Missouri, Kansas & Texas Ry. and adjacent to the tracks of the St. Louis Southwestern Ry. The plant has a total installed generating capacity of 57,500 k.w., consisting of five Curtis steam turbine units. Oil and gas are used as fuel, but the plant is also arranged and completely equipped for burning coal and gas.

A power contract has been closed, under which connection has been made with the transmission lines of the Texas Power & Light Co. at Norwood and through these lines with that Company's 12,000 k. w. power station at Waco and the Fort Worth Power & Light Company's 44,000 k. w. power station at Fort Worth. This permits interchange of power between the stations and gives the benefits of additional reserve capacity.

Franchise—The new franchise under which the Company operates was approved by popular vote of the city on April 3, 1917. It is believed to be equitable both to the City and the Company. The following are some of its important features:

1. It fixes a definite Property Value upon which a return of 9% per annum is now permitted. The total net earnings of the Company are first available for the payment of this return. This authorized rate of return is increased automatically by specified percentages if and when the maximum rate for lighting is reduced. The principle of permitting a reasonable return upon the Property Value is thus recognized, together with an increasing profit to the Company with each reduction in rates.

2. The rates for service are under the jurisdiction of the city authorities, but the maximum rate cannot be reduced below six cents per kilowatt hour (the present rate) unless the Company has earned an amount sufficient and available for payment of the authorized return on the then Property Value and in addition has accumulated out of earnings the following Reserves:

A Surplus Reserve of not less than 12% of the Property Value; an Accident Reserve of not less than 2½% of the gross receipts during the preceding twelve months; a Maintenance and Depreciation Reserve of not less than 6% of the Property Value.

3. The duration of the franchise is indeterminate, except that at any time after ten years from April 3, 1917, the City or its licensee may purchase the property, in which event the franchise provides that the City shall pay the Company at least 105%, or the City's licensee shall pay at least 110%, of the then Property Value.

4. Reasonable provisions are made for the arbitration of any disputed matters between the City and the Company.

The total number of consumers served by the Company and its physical properties as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with the two previous years follow:

	1927	1926	1925
Population served	275,000	265,000	250,000
Elec. pow. & light customers	60,171	57,228	53,534
Kilowatts gen. sta. capacity installed	57,500	32,500	35,500
Kilowatts gener. capacity under construction	.....	25,000	25,000
Kilowatt-hours generating station output (including power purchased), for 12 months	171,926,000	159,430,800	144,739,400
Miles of transmission lines in opera. (11,000 volts and over)	62	56	48
Miles of electric distribution system (less than 11,000 volts) in service	633	617	575

CAPITAL STOCK

Authorized and outstanding, $3,500,000 Common, par, $20, and $3,500,000 7% cumulative Pfd., par, $100.

Preferred Stock Provisions—The Pfd. stock has preference as to assets and dividends over Common stock and is redeemable at option of the Company at 110% and accrued dividends.

Transfer Agents—Registrar & Transfer Co., Jersey City, N. J., and Dallas Union Trust Co., Dallas, Tex.

Registrars—The Corporation Trust Co., Jersey City, N. J., and the Southwest National Bank, Dallas, Tex.

Annual Meeting—Second Tuesday in March, at Dallas, Tex.

Legal Opinion—(Pfd. Stock) Templeton, Beall, Williams & Worsham, Dallas, Tex., and Simpson, Thacher & Bartlett, New York.

Dividends—Company has paid dividends on Pfd. stock at rate of 7% per annum since Aug. 1, 1919, the date of the initial dividend; payments quarterly, F, M, A & N 1.

FUNDED DEBT

(1)

$6,000,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE JULY 1, 1949

Dated July 1, 1919.

Interest Payable January and July 1, at Old Colony Trust Co., Boston, and Bankers Trust Co., New York.

Denominations—Coupon bonds in denominations of $500 and $1,000, registerable as to principal only, and fully registered bonds of $1,000 and in such multiples as the board of directors of the Company may approve; interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provision of Issue—Authorized issue, unlimited. Outstanding, $6,000,000 Series "A" 6s, $1,100,000 Series "B" 7½s, and $4,000,000 Series "C" 5s and $1,000,000 Series "D" 5½s. Bonds in addition to the $12,100,000 outstanding, may only be issued to the extent of 80% of the cost of extensions, betterments and improvements as approved by the City authorities, and no additional bonds may be issued unless net earnings, as defined in the franchise for a period of 12 consecutive months within the 15 months preceding the application for the issue, are equal to at least 1¾ times the interest charges upon all bonds then outstanding, plus those then to be issued. Otherwise the authorized issue is not limited as to amount. Bonds may be issued in series having such interest rates, redemption dates and such other provisions as may be determined by the board of directors.

Callability—Series "A" bonds are subject to call as a whole or in part on any interest date prior to Jan. 1, 1945, and thereafter at any time on 30 days' notice, at 107½ and interest up to and including July 1, 1924; 106½ and interest through July 1, 1929; 105½ and interest through July 1, 1934; 104½ and interest through July 1, 1939; 103 and interest through July 1, 1948; 101 and interest thereafter. All bonds due forthwith if Company's property is taken by eminent domain.

Sinking and Improvement Fund—The Deed of Trust provides for an annual sinking and improvement fund beginning in July, 1924, of an amount equal 1½% of the face amount of bonds outstanding, including any that may have been retired by the sinking fund. Moneys in the sinking and improvement fund shall be expended for additions and improvements to the mortgaged properties and no bonds of this issue may be certified against such expenditures. Any moneys not so expended within 3 years from the date of their payment into the fund shall be used to purchase bonds of this issue at the lowest price obtainable, but not exceeding the call price then prevailing, and if a sufficient number of bonds cannot be so purchased to exhaust the funds available, bonds of this issue shall be called at the redemption price then prevailing, and bonds thus acquired shall be cancelled and none issued in their place.

Security—A direct first mortgage on all property, rights and franchises of the Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Simpson, Thacher & Bartlett, New York, and Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered ($4,500,000) in July, 1919, at 100 and interest, to yield 6%, by Lee, Higginson & Co., Boston, etc., and Harris, Forbes & Co., New York, etc. $500,000 additional offered by the same firms in Nov., 1921; $1,000,000 additional offered in Aug., 1923. at 100 and interest, by the same firms and Coffin & Burr.

(2)

$1,100,000 FIRST MORTGAGE GOLD 7½s, SERIES "B," DUE JULY 1, 1949

Dated July 1, 1919.

Interest Payable January and July 1, at Old Colony Trust Co., Boston, and Bankers Trust Co., New York.

Denominations—Coupon bonds in denominations of $500 and $1,000, registerable as to principal only, and fully registered bonds of $1,000 and in such multiples as the Board of Directors of the Company may approve; interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue, Sinking and Improvement Fund, Security, Legal Opinion, etc.—See Series "A."

Callability—Not callable prior to July 1, 1930. On and after July 1, 1930, subject to call as a whole or in part, on any interest date, on 30 days' notice, at 107½ and interest, through Jan. 1, 1935; 106 and interest through Jan. 1, 1940; 104 and interest through Jan. 1, 1945; 103 and interest, through Jan 1, 1947; 102 and interest through Jan. 1, 1948; 101 and interest thereafter.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($700,000) in July, 1920, at 98½ and interest, yielding over 7⅛%, by Lee, Higginson & Co., Boston, etc., and Harris, Forbes & Co., New York, etc.; $400,000 additional offered by the same firms in Feb. 21, 1921 at 100 and interest.

(3)

$4,000,000 FIRST MORTGAGE GOLD 5s, SERIES "C," DUE JULY 1, 1952

Dated July 1, 1922.

Interest Payable January and July 1, at Old Colony Trust Co., Boston, and Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000, registerable as to principal only and fully registered bonds of $1,000 and in such multiples as the Board of Directors of the Company may approve; interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue, Sinking and Improvement Fund, Security, Legal Opinion, etc.—See Series "A."

Callability—Subject to call as a whole or in part on any interest date on 4 weeks' notice at 105 and accrued interest on or before July 1, 1927. Thereafter through July 1, 1932, at 104 and interest; through July 1, 1937, at 103 and interest; through July 1, 1942, at 102 and interest; through July 1, 1947, at 101 and interest and at 100½ and interest thereafter prior to maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,000,000) in Oct., 1922, at 94 and interest, by Lee, Higginson & Co., Boston, etc., Harris, Forbes & Co., New York, etc., and Coffin & Burr, New York, etc. $2,000,000 additional offered in Sept., 1926, at par and interest by Lee, Higginson & Co. and Harris, Forbes & Co., New York; Coffin & Burr, Inc.; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank Chicago, and Harris, Forbes & Co., Ltd., Montreal. $1,000,000 additional offered in May, 1927, at par and interest, by Harris, Forbes & Co., New York, etc.

(4)

1,000,000 FIRST MORTGAGE GOLD 5½s, SERIES "D," DUE JANUARY 1, 1954

Dated January 1, 1924.

Interest Payable January and July 1, at Old Colony Trust Co., Boston, and Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000, registerable as to principal only and fully registered bonds of $1,000 and in such multiples as the Board of Directors of the Company may approve; interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue, Sinking and Improvement Fund, Security, Legal Opinion, etc. See Series "A"

Callability—Subject to call as a whole or in part on four weeks' notice at 104 and interest up to and including Jan. 1, 1929; thereafter at 103 and interest through Jan. 1, 1934; thereafter at 102 and interest through Jan. 1, 1939; thereafter at 101 and interest through Jan. 1, 1944, and thereafter at 100½ and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,000,000) in March, 1924, 96½ and interest, yielding about 5¾%, by Lee, Higginson & Co. and Harris, Forbes & Co., New York, Boston, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	*1925	1924	1923	1922
Gross earnings from operation	$4,405,844	$4,041,841	$3,663,753	$3,274,523	$3,078,961	$2,770,051
Operating expenses and taxes	2,241,358	2,007,135	1,804,019	1,850,548	1,895,181	1,743,721
Net earnings	$2,164,486	$2,034,706	$1,859,734	$1,423,975	$1,183,780	$1,026,330
Other income	24,854	4,927	13,773	7,982	17,416	18,548
Total income	$2,189,340	$2,039,633	$1,873,507	$1,431,957	$1,201,196	$1,044,878
Bond interest	$678,332	$567,222	$547,500	$529,191	$438,818	$386,540
Other interest, etc.	26,827	52,373	23,925	22,420	14,670	13,477
Total charges	$705,159	$619,595	$571,425	$551,611	$453,488	$400,017
Net income	$1,484,181	$1,420,038	$1,302,082	$880,346	$747,708	$644,861
Preferred dividends paid	245,000	245,000	221,307	153,893	109,278	105,000
Balance	$1,239,181	$1,175,038	$1,080,775	$726,453	$638,430	$539,861
Renewal and replacement reserve	442,000	670,500	650,000	389,500	354,000	‡
Balance	$797,181	$504,538	$430,775	$336,953	$284,430	$539,861
†Times Bond Interest Earned	3.22	3.60	3.42	2.70	2.74	2.70
†Earnings Per Share—Preferred	$42.40	$40.57	$37.20	$32.01	$37.38	$42.99

*Note.—This statement shows actual earnings. The franchise now permits a return of 9% per annum upon the Property Value, whch on Dec. 31, 1925, was $13,510,000. On this basis the amount available for payment of interest charges and dividends on the Pfd. and Common stocks for the twelve months ended Dec. 31, 1925, was $1,215,900 instead of $1,873,507 as shown in the statement of actual earnings. The excess of net earnings beyond the permitted return on Property Value is retained by the company and carried to certain reserves. †Based on actual earnings—see note under Income Account above. ‡Not available.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant	$19,372,814	$17,385,280	$13,710,061	$10,477,911	$9,764,849	$9,187,991
Construction expenditures			1,517,395	3,304,817	1,625,934	475,066
Construction contract advances	*	*	1,515	12,944	60,983	.....
Cash	1,090,456	180,261	300,612	155,192	118,165	111,660
Demand loans receivable	.....	.....	.....	527,000	561,000	633,000
Notes receivable	2,389	130,971	4,090	4,078	6,215	7,887
Accounts receivable	387,613	424,413	375,680	277,351	253,514	255,638
Materials & supplies	426,591	463,028	452,060	382,626	363,339	367,181
Prepaid accounts	51,305	24,018	26,942	39,744	17,238	9,728
Trust funds	.....	.....	.....	.....	.....	280,000
Subscribers to capital stock	.....	.....	.....	750,000	500,000	.....
Special deposits	9,478	1,763	.....	.....	.....	.....
Unamortiz. commission & expense	816,737	810,375	771,150	722,804	588,183	508,603
Deferred debits	4,643	15,264	36,877	19,115	115,509	121,573
Total	$22,162,026	$19,435,374	$17,196,382	$16,673,582	$13,974,929	$11,958,327
Liabilities—						
Common stock	$3,500,000	$2,500,000	$2,500,000	$2,500,000	$2,000,000	$2,000,000
Preferred stock	3,500,000	3,500,000	3,500,000	2,750,000	2,000,000	1,500,000
Funded debt	12,100,000	11,100,000	9,100,000	9,100,000	8,100,000	7,100,000
Loans payable	.....	.....	184,000	.....	.....	.....
Accounts payable	71,985	125,383	96,780	235,296	254,651	214,285
Customers' deposits	398,460	431,350	423,367	335,471	255,066	188,108
Accrued accounts	787,617	323,632	312,896	145,561	131,393	104,123
Matured interest funded debt	4,954	.....	.....	.....	.....	.....
Reserves	1,167,470	1,068,398	706,799	509,424	428,805	565,362
Subscriptions to capital stock	.....	.....	.....	750,000	500,000	.....
Surplus	631,540	386,611	372,540	347,830	305,014	286,449
Total	$22,162,026	$19,435,374	$17,196,382	$16,673,582	$13,974,929	$11,958,327

*Included in accounts receivable.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Current Assets—						
Cash	$1,090,456	$180,261	$300,612	$155,192	$118,165	$111,660
Demand loans receivable	.....	.....	.....	527,000	561,000	633,000
Notes receivable	2,389	130,972	4,090	4,078	6,215	7,888
Accounts receivable	387,613	424,413	375,680	277,351	253,514	255,638
Materials & supplies	426,591	463,028	452,060	382,626	363,238	367,181
Total	$1,907,049	$1,198,674	$1,132,442	$1,346,247	$1,302,132	$1,375,367
Current Liabilities—						
Loans payable	.....	.....	$184,000	.....	.....	.....
Accounts payable	$71,985	$125,383	96,780	$235,296	$254,651	$214,285
Customers' deposits	398,460	431,350	423,367	335,471	255,066	188,108
Accrued accounts	787,617	323,632	312,895	145,561	131,393	104,123
Total	$1,258,062	$880,365	$1,017,042	$716,328	$641,110	$506,516
Net Working Capital	$648,987	$318,309	$115,400	$629,919	$661,022	$868,851

Officers: W. B. Head, Chairman of Board; C. E. Calder, Pres.; E. W. Hill, A. S. Grenier and H. L. Seay, V-Ps.; C. W. Davis, V-P. & Gen. Mgr.; J. A. Worsham, V-P. & Gen. Counsel; J. B. Walker, Sec. & Treas.; E. P. Summerson, H. L. Martin, Asst. Sec's; G. J. Hickman, Alexander Simpson and A. C. Ray, Asst. Treas's; H. B. Parris, Asst. Sec. & Asst. Treas.

Directors: Frank E. Austin, C. E. Calder, Ralph B Feagin, E. L. Flippen, A. S. Grenier, W. B. Head A. A. Jackson, T. E. Jackson, C. R. Jones, Geo. W Loudermilk, L. R. Munger, C. L. Sanger, H. L. Seay C. W. Davis, Edw. Titche, J. B. Walker, J. A. Worsham.

Office, Dallas, Tex. **New York Office,** 2 Rector St

DALLAS RAILWAY & TERMINAL COMPANY

(Controlled by Electric Power & Light Corp.)

History and Property—Incorporated Sept. 22, 1917, in Texas as the Dallas Railway Company, the name having been changed to the present one on Aug. 2, 1926. In 1923, purchased the property and franchise of Dallas Standard Traction Co. (see 1923 Public Utility Manual, page 1120). Owns and operates the street railway property formerly owned by the Dallas Electric Light & Power Co. and supplies the entire street railway service in the cities of Dallas and Highland Park, Texas, and vicinity. The Company leases, with the right to purchase for $2,000,000 the street railway lines in a portion of Dallas known as Oak Cliff. Property consists of 89 miles of electric railway owned and 29 miles controlled under lease. Company also owns a modern office and terminal building located near business center of Dallas. Energy purchased from Dallas Power & Light Co. The estimated population served by Dallas Railway & Terminal Company as of Dec. 31, 1927, the miles of track then in use, and the total number of passengers carried and certain other traffic data for the twelve months ended Dec. 31, 1927, compared with the two previous years, follow:

	1927	1926	1925
Population served	235,000	235,000	230,000
Passengers carried during twelve months	58,604,913	62,962,307	64,242,643
Car miles	9,875,016	9,872,698	9,433,677
Car hours	1,032,110	1,058,884	1,005,138
Average number of cars operated	127	134	124
Miles of electric railway (single track equivalent)	118	115	114

Franchise—Co. operates under franchise granted April 3, 1917, and approved by vote of majority of the people of Dallas. Franchise runs to April 3, 1927, and thereafter until property purchased by City at 105% of the then property value or by licensee of City at 110%.

Control and Supervision—Electric Power & Light Corp. owns over 90% of the Common stock and a substantial amount of the Pfd. stock. The Electric Bond and Share Company is identified in a supervisory capacity (under the direction and control of the Board of Directors of the Company) with the operations of the Company.

CAPITAL STOCK

Authorized and outstanding, $3,250,000 Common and $1,500,000 Pfd. Electric Power & Light Corp. owns over 90% of the Common stock and a substantial amount of the Pfd. The Pfd. stock was entitled to 7% non-cumulative dividends up to Sept. 30, 1920, and since that date is entitled to 7% cumulative dividends. It is redeemable on 60 days' written notice at 110% and accrued dividends.

Annual Meeting—Second Tuesday in March.

Dividends—Company has paid dividends on Pfd. stock for the period since Oct. 1, 1920, at the rate of 7% per annum; payments quarterly, F, M, A & N 1.

FUNDED DEBT

$5,000,000 FIRST MORTGAGE GOLD BONDS, 6% SERIES; DUE JULY 1, 1951

Dated July 1, 1926.

Interest Payable January and July 1, at office or agency of Company in New York and Boston.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Issued $5,000,000 6% Series due 1951. Mortgage provides for issuance of bonds thereunder in series bearing same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by directors, subject, however, to restrictive provisions of mortgage. Mortgage also provides that additional bonds of 6% Series due 1951 or other series, may be issued thereunder (a) for acquisition or retirement of bonds of any series or prior lien bonds on properties hereafter acquired; (b) for cash deposited with Trustee under provisions of Mortgage; (c) for not exceeding 65% of cost or fair value of property additions made or acquired on or subsequent to June 1, 1926, less principal amount of prior liens outstanding thereon; (d) against property as it existed on May 31, 1926, to a total of not exceeding $500,000 of bonds. Additional bonds may not be issued except for refunding purposes unless net earnings of Company of twelve consecutive months within fifteen calendar months immediately preceding shall have been at least equal to two and one-quarter times annual interest requirements on all prior liens with public and on all bonds issued and outstanding under Mortgage, including those to be issued. Mortgage contains certain provisions permitting modification or alteration thereof or of any supplemental indenture or of bonds in any particular, with assent of holders of 85% in aggregate principal amount of outstanding bonds, not including any bonds owned by Company; provided that nothing shall permit extension of maturity of any bonds or reduction in rate of interest thereon, or any other modification in terms of payment of such interest, without consent of holder thereof.

Purpose of Issue—The proceeds of these bonds, together with issuance of $1,000,000 of Preferred stock and $1,000,000 of Common stock were used to retire outstanding mortgage notes and other debt of Company and for other corporate purposes.

Callability—Subject to call in whole or in part at any time on 30 days' notice before July 1, 1930, at 106 and interest, and at a premium decreasing 1% each four-year period thereafter, the bonds being redeemable at 100% on and after July 1, 1950.

Maintenance and Renewal Fund—Mortgage provides for a maintenance and renewal fund under which Company will pay to Trustee for purposes of such fund on April 1 of each year, beginning with 1927, an amount of money equivalent to 15% of gross operating revenues of Company for calendar year next preceding, less an amount of actual expenditures during any such year for maintenance, repairs, renewals and replacements or for permanent additions to property. This fund may be withdrawn to reimburse Company for expenditures made for further maintenance, repairs, renewals and replacements or permanent additions against which no bonds may thereafter be issued under mortgage. Any unused balance may be used for retirement of bonds issued under Mortgage and any such balance amounting to $50,000 or over remaining after thirty-six months shall be so used.

Security—Secured by a direct first mortgage on all Company's property and equipment, including terminal building, now owned or hereafter acquired subject to prior lien bonds, if any, on hereafter acquired property. The principal amount of these $5,000,000 bonds was less than 60% of value of Company's wholly owned

property as of May 31, 1926, as established under the franchise for rate-making purposes.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania 4 mills tax refundable.

Legal Opinion—Simpson, Thacher & Bartlett, New York.

Original Offering—First publicly offered ($5,000,000) in July, 1926, at 96½ and interest, to yield over 6.25%, by Tucker, Anthony & Co., Halsey, Stuart & Co., Inc., Old Colony Corp. and W. C. Langley & Co., New York, etc.

Listed—Boston Stock Exchange.

Price Range—	1927	1926
High	*100¾	96½
Low	*96	96½

*High and low bid prices.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant	$10,014,931	$9,866,605
Cash	64,324	57,796
Notes and loans receivable	.....	90,000
Accounts receivable	68,390	138,014
Material and supplies	138,378	230,970
Prepaid accounts	19,381	15,067
Cash on deposit for matured interest funded debt	3,117	.....
Unamortized discount, commission and expense	623,249	636,483
Deferred debit	7,130	41,226
Total	$10,938,900	$11,076,161

Liabilities—	1927	1926
Common stock	$3,250,000	$3,250,000
Preferred stock	1,500,000	1,500,000
Funded debt	5,000,000	5,000,000
Notes payable	150,000	.....
Accounts payable	165,711	231,116
Accrued accounts	197,655	170,931
Matured interest funded debt	3,117	.....
Leased property disposed of	4,000	4,000
Reserves	196,231	457,353
Surplus	472,186	462,761
Total	$10,938,900	$11,076,161

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$3,261,004	$3,454,409	$3,429,297
Oper. exp., incl. Federal & other taxes	2,434,900	2,639,259	2,578,077
Net revenue from oper.	$826,104	$815,150	$851,220
Interest on bonds	$300,000	$277,491	$267,421
Other int. & deductions	25,471	72,898	73,688
Balance	$500,633	$464,761	$510,111
Divds. on Pfd. stock	105,000	46,472	35,000
Balance	$395,633	$418,289	$475,111
Approp. for renewal & replacement reserve	178,452	185,819	267,520
Net profit	$217,181	$232,470	$207,591

Officers: J. W. Carpenter, Pres., Dallas, Tex.; E. W. Hill, V-P.; A. S. Grenier, V-P., New York; C. B. Humphrey, V-P., Boston; Richard Meriwether, V-P. & Gen. Mgr.; J. A. Worsham, V-P. & Gen. Counsel; J. B. Walker, Sec. & Treas., Dallas, Tex.; E. P. Summerson and H. L. Martin, Asst. Sec's, New York; W. S. Burns, Asst. Sec. & Asst. Treas., Dallas, Tex.; W. R. Emerson, Asst. Treas. & Asst. Sec., Boston; G. J. Hickman, Asst. Treas., New York; A. C. Ray, Asst. Treas., New York.

Directors: J. W. Carpenter, Richard Meriwether, Sam P. Cochran, W. R. Ellis, J. B. Walker, J. K. Hexter, Dallas, Tex.; A. S. Grenier, New York; S. W. King, J. H. McDonough, W. S. Mosher, H. A. Olmsted, J. T. Owens, M. B. Shannon, R. D. Suddarth, Orville Thorp, G. A. Trumbull, C. F. Weiland, F. E. Johnston, J. A. Worsham, Dallas, Tex.

Office, Dallas, Tex. **New York Office,** 2 Rector Street.

GAS AND BY-PRODUCTS COMPANY

(Controlled by Electric Power & Light Corporation)

History—Incorporated March 30, 1923, in Delaware. This is a public utility holding company engaged through subsidiaries in the production, transportation and/or distribution and sale of nautral gas and/or in the refining of natural gas and the manufacture and sale of the by-products thereof.

The Company owns all of the outstanding Common stocks and all the funded debt of the following companies:

Natural Gas Producing Co. of La.
Excelsior Pipeline Company
Morehouse Natural Gas Co., Inc.
Panola Oil & Gas Company
U. S. Carbon Company

Gas and By-Product's Co's. subsidiaries lease and operate extensive natural gas producing properties (including substantial acreage in proved territory), located in the Monroe gas field, which is one of the most extensive and richest in the United States and is situated in northern Louisiana, extending northwestward toward the El Dorado oil field of Arkansas, and also properties located in the Bethany gas field in Panolo County, Tex. They also own pipe lines and properties producing by-products of natural gas.

CAPITAL STOCK

Authorized, $10,000,000 Common and $6,300,000 7% cumulative Pfd.; outstanding $7,499,000 Common and $2,943,600 Pfd.; par, $100. In addition, $26,000 Common and $356,400 Pfd. is held in Company's treasury All the stock is owned by Electric Power & Light Corp.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is subject to redemption in whole or in part at any time at 110 and accrued dividends.

Annual Meeting—Fourth Tuesday in January, at New York.

Dividends—Pfd. dividends paid quarterly, J, A, J & O 1 to April 1, 1926, incl.; none since.

FUNDED DEBT

None.

EARNINGS, YEARS ENDED DECEMBER 31

(Latest Available)

	1925	1924	1923
Gross earnings	$4,629,817	$4,237,312	$3,299,028
Operating exp., main., taxes and prior fixed charges	4,006,523	3,663,948	2,840,353
Net earnings	$623,294	$573,364	$458,675

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1925	1924
Plant, property, franchises, etc.	$18,955,333	$18,925,773
Special funds & deposits	652	19,719
Investments	.....	1,000
Deferred charges & prepaid accounts	275,655	314,445
Cash and working funds	236,874	69,122
Accounts receivable	406,254	350,273
Notes receivable	34,894	2,886
Materials and supplies	282,825	240,094
Total	$20,192,488	$19,923,312

Liabilities—	1925	1924
Capital stock:		
Gas & By-Products Co. Common	$7,474,000	$7,467,800
Nat. Gas Prod. Co. of La. Common	25,000	30,000
Gas & By-Products Co. Preferred	2,769,600	2,700,000
Dallas Gas Co. Preferred	73,700	45,800
Funded debt	5,662,000	5,774,500
8% Conv. Gold Notes, Nat. Gas Prod. Co. of La.	.....	5,500
Customers' deposits	776,563	616,815
Notes & accts. payable	1,699,703	233,721
Accrued liabilities	141,202	352,228
Reserve for renewals & replacements	1,202,430	902,643
Surplus	368,290	1,794,305
Total	$20,192,488	$19,923,312

LOUISIANA POWER & LIGHT COMPANY

(Controlled by Electric Power & Light Corporation)

History and Property—Incorporated June 25, 1927, to acquire by purchase electric power and light and other properties in Louisiana previously owned and operated by The Louisiana Power and Light Company (old company), The Central Louisiana Power Company, The Louisiana Power Company, South New Orleans Light & Traction Company, West New Orleans Light & Traction Company and Gretna Light & Power Co., Inc. (see 1927 Public Utility Manual) and, in addition, certain other properties. The Company supplies electric power and light and other public utility service to 66 communities, including Algiers, Metairie (manufactured gas only), Gretna, Hammond, Bastrop, Haynesville, Ponchatoula, West Monroe, Amite, Kentwood, Westwego, Independence and Winnsboro. One of the principal sources of earnings is from the sale of power at wholesale to associated electric power and light companies. Company owns and operates electric railway systems in Algiers, Gretna and two other communities; supplies manufactured gas in Gretna and two other communities, natural gas service in Bastrop and two other communities and water service in Bastrop and three other communities and owns ice manufacturing plants in Haynesville and Amite. The total population served is estimated at 108,000.

Properties—The principal electric generating station owned by Company is the Sterlington station located in the Monroe natural gas field in northeastern Louisiana. This station was built to utilize natural gas as fuel. It is designed and has been partially built for an ultimate generating capacity of 150,000 kilowatts. The initial installation consisted of two 12,500-kilowatt turbo-generators, which were placed in operation in November, 1925. Early in 1927, construction was begun on two more units, each of 30,000 kilowatts, one of which it is expected will be in operation in May, 1928, and the other in July, 1928. This additional installation will give the station an installed generating capacity of 85,000 kilowatts. Other physical property includes steam electric generating capacity aggregating 6,396 kilowatts, 811 miles of electric transmission and distribution lines, 41 miles of gas mains, 20 miles of water mains and 9 miles of electric railway track. Electrical energy distributed over the Company's lines in the vicinity of New Orleans, is purchased from New Orleans Public Service Inc. (an associated company). The electric system of the Company will be increased by 35 miles of transmission lines now under construction, including a 110,000 volt line about 28 miles in length extending from the Sterlington generating station to the Arkansas state line to effect a second interconnection with the transmission system of the Arkansas Power & Light Company. The transmission system of the Company is interconnected with the lines of other subsidiaries of the Electric Power & Light Corporation, thus assuring consumers of an uninterrupted supply of electrical energy and, in addition, provides the means for the advantageous distribution and sale of the large amount of energy generated at the Sterlington station.

The franchises under which the Company operates are, generally, satisfactory from a business standpoint and free from burdensome restrictions.

The number of communities and consumers served by the Company, together with the physical equipment at Dec. 31, 1927, and the output for twelve months for all the properties owned by the Company at Dec. 31, 1927, compared with the two previous years, follows:

No. of communities served:	1927	1926	1925
Electric power and light	65	41	21
Electric railway	4	4	4
Manufactured gas	3	.....	.....
Natural gas	3	1	.....
Water	4	3	.....
Ice	2	2	2
Total communities	66	41	21
No. of consumers served:			
Electric power and light	15,250	12,759	9,950
Manufactured gas	584	.....	.....
Natural gas	1,095	821	.....
Water	1,503	1,054	.....
Total consumers	18,432	14,634	9,950
Pass. carried during 12 mos.	3,522,861	3,517,575	3,383,154
Kilowatts gen. station capac.	31,157	31,085	*30,591
Kilowatts gen. capac. under construction	60,000	.....	.....
K.w.h. gen. station output (incl. power purch.) for 12 months	250,542,000	159,726,000	31,068,000
Miles of elec. lines (11,000 volts or over) in oper.	452	297	171
Miles of elec. lines (11,000 volts or over) under constr.	35	.....	.....
Miles of elec. lines (less than 11,000 volts) in service	359	289	204
Mfg. gas sendout (thousand cu. ft.) for 12 months	15,209	.....	.....
Natural gas sendout (thousand cu. ft.) for 12 mos.	87,148	21,137	.....
Total gas sendout (thousand cu. ft.) for 12 mos.	102,357	21,137	.....
Miles of gas mains	41	17	.....
Miles of elec. railway (single track equivalent)	9	9	9
Miles of water mains	20	14	.....
Ice plant capac. (tons) per day	37	37	37

*Includes 25,000 kilowatts capacity at Sterlington placed in operation in Nov., 1925.

CAPITAL STOCK

Authorized, 1,500,000 shares Common and 250,000 shares Pfd. of which 50,000 shares have been subordinated as $6 cumulative Second Pfd. and 200,000 shares are $6 cumulative Pfd., all of no par value; outstanding, 1,000,000 shares Common, 30,000 shares Pfd. and 35,000 shares Second Pfd. All of the $6 Second Pfd. and the Common stock is owned by Electric Power & Light Corp. Subsequent to the issuance of the Second Pfd. stock and when certain earnings requirements are met, any of the Second Pfd. stock may become $6 Pfd. stock.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends over the Second Pfd. and Common stocks and is entitled, in preference to the Second Pfd. and Common stocks, to $100 per share and accrued dividends in case of liquidation. Pfd. stock is subject to redemption at any time as a whole or in part at $110 per share and accrued dividends upon vote of a majority of the outstanding Common stock.

Transfer Agents (Preferred)—Hibernia Bank and Trust Co., New Orleans, La., and The National Park Bank of New York.

Registrars (Preferred)—Whitney-Central Trust & Savings Bank, New Orleans, La., and Guaranty Trust Co. of New York.

Original Offering—First publicly offered (30,000 shares $6 Pfd.) at $95 per share and dividend from Nov. 1, 1927, to yield 6.32% by Moore, Hyams & Co., Inc., New Orleans.

Tax Provisions—Exempt from present Normal Federal Income Tax.

Dividends—Pfd. dividends paid quarterly, F, M, A and N 1, initial dividend having been paid Feb. 1, 1928.

FUNDED DEBT

$8,000,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES DUE 1957; DUE DECEMBER 1, 1957

Dated December 1, 1927.

Interest Payable June and December 1, at the office or agency of the Company in the City of New York.

Denominations—Coupon, $500 and $1,000; interchangeable; principal may be registered. Fully registered bonds in the denominations of $1,000 and $5,000 and authorized multiples thereof. Fully registered bonds and coupon bonds of the denominations of $1,000, interchangeable.

Trustee—The National Park Bank of New York.

Provisions of Issue—Authorized amount, unlimited; issued, 5% Series due 1957, $8,000,000.

The Mortgage provides for the authentication of bonds thereunder in series up to a maximum of $500,000,000 in aggregate principal amount at any one time outstanding, as defined in the Mortgage, bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by the Board of Directors of the Company, subject, however, to the restrictive provisions of the Mortgage. The Mortgage also provides that additional bonds of the 5% Series due 1957, or other series, may be authenticated thereunder (a) for refunding an equal principal amount of bonds of any series, or outstanding prior lien bonds, as defined in the Mortgage; (b) for cash; (c) for not exceeding 75% of the cost, as defined in the Mortgage, or fair value to the Company, whichever is less, of property additions, as defined in the Mortgage, made or acquired after Nov. 30, 1927, less the principal amount of any outstanding prior lien bonds thereon, and (d) against the property as it will exist on Nov. 30, 1927, to a total of not exceeding $1,500,000 of bonds in addition to this issue. Additional bonds may not be authenticated, except for refunding purposes, unless net earnings, as defined in the Mortgage, for twelve consecutive months within the fifteen calendar months immediately preceding the month in which the application for authentication is made shall have been at least equal to either (1) twice the actual annual interest requirements on, or (2) 12% of the principal amount of all bonds issued and outstanding under the Mortgage, including those proposed to be authenticated, and on outstanding prior lien bonds, all as defined in the Mortgage. The Mortgage contains certain provisions permitting, on conditions to be stated therein, the modification or alteration of the bonds or the Mortgage or of any supplemental indenture, with the assent of the Company and of the holders of not less than 85% in the aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided that any such modification or alteration shall not permit, without the consent of the holders affected (a) the extension of the maturity of any bond, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest, or (b) the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of the Mortgage with respect to any of the property covered thereby. As more fully provided in the Mortgage, bonds authenticated under the Mortgage against such property additions subject to prior liens, as defined in the Mortgage, as shall have continued to be subject to such prior liens, are limited to 25% of all bonds theretofore authenticated under the Mortgage, including those applied for, and no property additions subject to prior liens, as defined in the Mortgage, may be made the basis for the issue of bonds under the Mortgage if the amount of such prior liens exceeds 50% of the cost, as defined in the Mortgage, or fair value to the Company, whichever is less, of such property additions.

Callability—Subject to call as a whole or in part, on at least 30 days' notice, at 105 before Dec. 1, 1934; at ¼% less each succeeding year, up to and including Nov. 30, 1952; thereafter at 100¼ up to and including Nov. 30, 1955; and thereafter at 100, plus accrued interest in each case.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all the fixed properties now owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon proper application.

Legal Opinion—Seibert & Riggs, New York (for the Bankers) and Simpson, Thacher & Bartlett, New York (for the Company).

Original Offering—First publicly offered ($8,000,000) in Dec., 1927, at 97¾ and interest by W. C. Langley & Co., John Nickerson & Co., Guaranty Co. of New York, Old Colony Corp., J. G. White & Co., Inc., and Rogers Caldwell & Co., New York.

SEGREGATION OF GROSS EARNINGS, YEARS ENDED DECEMBER 31

	1927 Amount	%	1926 Amount	%	1925 Amount	%
Electric power and light..	$2,634,358	90	$1,816,970	89	$573,589	75
Elec. railway	170,356	6	170,272	8	166,935	22
Gas	57,415	2	14,459	1	.....	..
Water	26,043	1	11,168	1	1,524	..
Ice	38,204	1	34,731	1	24,124	3
Total	$2,926,376	100	$2,047,600	100	$766,172	100

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings from oper.	$2,926,376	$2,047,600	$766,172
Oper. exp., incl. taxes.....	1,693,318	1,150,772	524,321
Net earnings from oper.	$1,233,058	$896,828	$241,851

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and investments	$21,094,852
Cash	501,456
Notes and loans receivable	16,557
Accounts receivable	339,982
Material and supplies	309,110
Prepaid accounts	16,350
Special deposits	2,987
Unamortized bond discount and expense	41,384
Deferred debits	3,575
Total	$22,326,253
Liabilities—	
Capital stock	$11,500,000
Funded debt	8,000,000
Notes and loans payable	1,369,874
Accounts payable	182,664
Consumers' deposits	100,083
Accrued accounts	127,265
Reserves	753,326
Surplus	293,041
Total	$22,326,253

Officers: H. C. Couch, Pres.; Walter J. Suthon, V-P.; L. H. Parkhurst, V-P.; E. W. Hill, V-P.; E. P. Summerson, Sec.; A. C. Ray, Treas.; R. M. Salvant, Asst Treas. & Asst. Sec.; J. J. Davidson, Asst. Sec.; H. L. Martin, Asst. Sec.; Alexander Simpson, Asst. Treas.; G. J. Hickman, Asst. Treas.

General Office, Baltimore, Md. **New York Office,** 2 Rector St.

MISSISSIPPI POWER & LIGHT COMPANY

(Controlled by Electric Power & Light Corporation)

History—Incorporated October 3, 1927, and acquired by purchase the electric power and light and other properties formerly owned and operated by The Mississippi Power and Light Company (old company) (see 1927 Public Utility Manual, page 1815), The Mississippi Central Power Company (old company) and Mississippi Delta Power & Light Company, together with certain other properties. The Company also owns all capital stock of the new **Mississippi Central Power Company** which supplies electric power and light service to McComb, Magnolia and Summit (wholesale), Miss. The Company supplies electric power and light service to 101 communities (1 at wholesale) including Jackson, Vicksburg, Greenville, Brookhaven and Grenada. Company also owns and operates electric railway systems in Jackson, Vicksburg and Greenville, supplies gas service in Jackson

and water service in Hazlehurst, Osyka, Wesson and Raymond, and owns ice manufacturing plants in Greenwood, Brookhaven, Indianola, and three other communities. The total population served is estimated to exceed 179,000.

Properties—The physical property owned by the Company (together with certain minor property owned by a subsidiary, Mississippi Central Power Company) includes electric generating stations having an aggregate installed capacity of 16,340 kilowatts, 1,002 miles of high voltage transmission lines, 448 miles of electric distribution system, gas generating capacity of 900,000 cubic feet per day, 28 miles of gas mains and 25 miles of electric railway track. A substantial portion of the Company's power supply is purchased under favorable contract from Louisiana Power & Light Company (an associated company). The transmission systems are interconnected with those of associated companies to assure consumers an adequate and uninterrupted supply of electrical energy.

The total number of communities and consumers served by the Company (including the Mississippi Central Power Company), together with the physical equipment of all the properties at Dec. 31, 1927, and the output for twelve months ended on that date, compared with corresponding data for the two previous years, follow:

	1927	1926	1925
Number of communities served:			
with elec. power & light	100	60	50
" electric railway	3	3	3
" manufactured gas	1	1	2
" water	4	3	7
" ice	6	5	5
Total communities	101	60	51
Number of consumers served:			
with elec. power & light	25,582	22,294	14,950
" gas	1,742	1,571	1,395
" water	592	515	430
Total consumers	27,916	24,380	16,775
Pass. carried during 12 mos.	3,479,000	3,968,863	4,074,170
Kilowatts generating station capacity installed	16,340	15,658	11,645
Kilowatt-hours generating station output (including power purch.) for 12 mos.	61,132,000	43,500,200	23,101,900
Miles of elec. lines (11,000 volts or over) in operation, irrespective of the number of circuits carried	1,002	490	134
Miles of elec. lines (11,000 volts or over) under construction	57	29	32
Miles of elec. lines (less than 11,000 volts) in service	448	379	318
Gas works capacity (thousand cu. ft.) per day	900	900	900
Gas holder capacity (thousand cu. ft.)	220	200	200
Gas sendout (thousand cu. ft.) for 12 months	109,591	90,452	71,436
Miles of gas mains	28	24	23
Miles of water mains (leased)	17	12	12
Miles of electric ry. (single track equivalent)	25	25	25
Ice plant capacity (tons) per day	220	120	110

CAPITAL STOCK

Authorized, 1,500,000 shares Common of no par value and 150,000 shares Pfd. of no par value, of which 50,000 shares were authorized to be issued as $6 Second Pfd.; outstanding, 1,000,000 shares Common, 25,000 shares $6 cumulative Pfd. and 35,000 shares $6 cumulative Second Pfd. All of the outstanding $6 Second Pfd. and the Common stock is owned by Electric Power & Light Corp. Subject to the issuance of the Second Pfd. and when certain earnings requirements are met, any of the Second Pfd. may become $6 Pfd. stock.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends over the Second Pfd. and Common stocks and is entitled, in preference to the Second Pfd. and Common stocks, to $100 per share and accrued dividends in case of liquidation. Pfd. stock is subject to redemption at any time as a whole or in part at $110 per share and accrued dividends upon vote of a majority of the outstanding Common stock.

Transfer Agents (Preferred)—The Merchants Bank and Trust Company, Jackson, Miss., and American Exchange Irving Trust Co., New York.

Registrars (Pfd.)—Jackson-State National Bank, Jackson, Miss., and Guaranty Trust Co. of New York, New York.

Original Offering—First publicly offered ($6 Pfd. stock of no par value) in December, 1927, at $95 per share and accrued dividends from Nov. 1, 1927, to yield 6.35%, by Moore, Hyams & Co., Inc., New Orleans.

Tax Provisions—Exempt from Normal Federal Income Tax.

Dividends—Pfd. dividends are paid quarterly, F, M, A & N 1, initial dividend having been paid Nov. 1, 1927.

FUNDED DEBT

$9,000,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES DUE 1957; DUE DECEMBER 1, 1957

Dated December 1, 1927.

Interest Payable June and December 1, at office or agency of the Company in the city of New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered. Fully registered bonds in denominations of $1,000 and $5,000 and authorized multiples thereof. Fully registered bonds and coupon bonds of denomination of $1,000 interchangeable.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued, 5% Series due 1957, $9,000,000. The mortgage provides for the authentication of bonds thereunder in series bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by the Board of Directors of the Company, subject, however, to the restrictive provisions of the mortgage. The mortgage also provides that additional bonds of the 5% Series due 1957, or other series, may be authenticated thereunder (a) for refunding an equal principal amount of bonds of any series, or outstanding prior lien bonds, as defined in the mortgage; (b) for cash; (c) for not exceeding 75% of the cost, as defined in the Mortgage, or fair value to the Company, whichever is less, of property additions, as defined in the mortgage, made or acquired after Nov. 30, 1927, less the principal amount of any outstanding prior lien bonds thereon, and (d) against the property as it will exist on Dec. 1, 1927, to a total of not exceeding $250,000 of bonds in addition to this issue. Additional bonds may not be authenticated, except for refunding purposes, unless net earnings, as defined in the mortgage, for twelve consecutive months within the fifteen calendar months immediately preceding the month in which the application for authentication is made shall have been at least equal to either (1) twice the actual annual interest requirements on, or (2) 12% of the principal amount of, all bonds issued and outstanding under the mortgage, including those proposed to be authenticated, and on outstanding prior lien bonds, all as defined in the mortgage. The mortgage contains certain provisions permitting, on conditions to be stated therein, the modification or alteration of the bonds or the mortgage or of supplemental indenture, with the assent of the Company and of the holders of not less than 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided that any such modification or alteration shall not permit, without the consent of the holders affected, (a) the extension of the maturity of any bond, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest, or (b) the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of the mortgage with respect to any of the property covered thereby. As more fully provided in the mortgage, bonds authenticated under the mortgage against

such property additions subject to prior liens, as defined in the mortgage, as shall have continued to be subject to such prior liens, are limited to 25% of all bonds theretofore authenticated under the mortgage, including those applied for, and no property additions subject to prior liens, as defined in the Mortgage, may be made the basis for the issue of bonds under the mortgage if the amount of such prior liens exceeds 50% of the cost, as defined in the mortgage, or fair value to the Company, whichever is less, of such property additions.

Callability—Subject to call at any time on at least 30 days' notice, at 105 before Dec. 1, 1934; at ¼% less each succeeding year, up to and including Nov. 30, 1952; thereafter at 100¼ up to and including Nov. 30, 1955; and thereafter at 100, plus accrued interest in each case.

Sinking Fund—None provided.

Security—Secured by a first mortgage on all the fixed properties now owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded on proper application.

Legal Opinion—Seibert & Riggs, New York (for the Bankers) and Simpson, Thacher & Bartlett, New York (for the Company).

Original Offering—First publicly offered ($9,000,000) in Nov., 1927, at 97¼ and interest by W. C. Langley & Co., John Nickerson & Co., Guaranty Co. of New York, Old Colony Corp., J. G. White & Co., Inc., and Rogers Caldwell & Co., Inc., New York.

BONDS CALLED

All of the Vicksburg Light & Traction Co. First Mortgage 5% Gold bonds due July 1, 1932, were called for redemption on July 1, 1927, at 105 and interest at Central Trust Co. of Illinois, Chicago, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Income of the present Mississippi Power & Light Company for the year ended Dec. 31, 1927 with comparable figures for the two previous years)

	1927	1926	1925
Gross earnings from operations	$2,638,310	$2,126,596	$1,481,427
Operating expenses, including taxes	1,628,161	1,381,615	949,665
Net earnings from operations	$1,010,149	$744,981	$531,762

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and securities	$20,790,431
Cash	353,428
Notes and loans receivable	71,398
Accounts receivable	594,116
Materials and supplies	408,153
Prepaid accounts	28,983
Special deposits	11,055
Total	$22,257,564
Liabilities—	
Capital stock	$11,000,000
Funded debt	9,000,000
Contractural liabilities	474,800
Loans and contracts payable	381,636
Accounts payable	293,419
Consumers' and employees' deposits	94,835
Accrued accounts	291,413
Deferred credits	426
Reserves	524,466
Surplus	196,569
Total	$22,257,564

Officers: H. C. Couch, Pres.; L. V. Sutton, V-P.; L. H. Parkhurst, V-P.; E. W. Hill, V-P.; E. P. Summerson, Sec.; A. C. Ray, Treas.; Alexander Simpson, Asst. Treas.; G. J. Hickman, Asst. Treas.; H. L. Martin, Asst. Sec.

General Office, Pine Bluff, Ark. **New York Office**, 2 Rector St.

NEW ORLEANS PUBLIC SERVICE INC.

(Controlled by Electric Power & Light Corp.)

History—New Orleans Public Service Inc., came into existence Sept. 27, 1922, as a merger of the New Orleans Public Service, Inc., the New Orleans Ry. & Light Co., the New Orleans & Carrollton Railroad, Light & Power Co., the New Orleans & Pontchartrain R.R. Co. and the Orleans R.R. Co. New Orleans Public Service, Inc., was incorporated Aug. 18, 1922, under the laws of Louisiana. (The only change of name of the New Orleans Public Service Inc. is the dropping of the comma between the words Service and Inc.) New Orleans Public Service Inc., later acquired the properties of the St. Charles Street Railroad Co., the New Orleans Gas Light Co., New Orleans.

The Citizens Light & Power Co., New Orleans, La., and the Consumers Electric Light & Power Co. (see 1925 Public Utility Manual) were merged into New Orleans Public Service Inc., as of Jan. 1, 1925.

New Orleans Public Service Inc. controls the following companies:

Jefferson & Lake Pontchartrain Ry. Co. through ownership of $99,300 of its $100,000 issued and outstanding capital stock.

Railways Realty Co. through ownership of 25 shares of its 30 shares of issued and outstanding capital stock.

Property and Service—The property of the Company includes electric generating stations having a present aggregate installed capacity of 114,200 kilowatts, and 753 miles of electric transmission and distributing systems; gas works with a manufacturing capacity of 28,124,000 cu. ft. per day, holder capacity of 7,580,000 cu. ft. and 582 miles of gas mains; and 207 miles of electric railway and 787 cars, including 699 passenger cars. During the year ended Dec. 31, 1927, the electric output was 319,842,000 kilowatt-hours, while the gas sendout amounted to 3,121,833,000 cu. ft.

There are more than 82,700 electric consumers and more than 68,300 gas consumers, and during the year ended Dec. 31, 1927, there were carried 144,968,556 electric railway passengers. The total population served is approximately 445,000.

Agreement with the City of New Orleans—In 1921 a settlement was effected with the City of New Orleans, by which a definite basis was agreed upon between the company and the city, governing their mutual relations. Under this settlement, a sum of $44,700,000 was agreed upon as the value of the properties in the system for purposes of the settlement as of Dec. 31, 1920, to be increased by future investments in the property. The City agreed, effective Oct. 1, 1922, to permit such rates for the various services of the company as would enable it to earn 7½% return on values as determined from time to time, after operating expenses, taxes and reserve for renewals and replacements. The agreed rate base is now Dec. 31, 1927) more than $79,000,000.

On this rate base the present allowed return is about $7,072,500, including renewal and replacement reserve appropriations at the rate of $1,800,000 per annum, which are now being set up. This allowed return of about $7,780,000 compares with actual net revenues of $7,015,571 for the year ended Dec. 31, 1927. In addition to the allowed return on the rate base, the settlement provides for indeterminate permits; for the approval by the Commission Council of the City of the issue of securities; and for the settlement of various other points to be considered in a comprehensive understanding between the city and the company.

Statistical Data—The total number of consumers served by Company and the physical equipment of the properties operated as of Dec. 31, 1927, together with the kilowatt-hours output, the gas sendout and the number of passengers carried during the twelve months

ended on that date, compared with corresponding data for the two previous years, follow:

	1927	1926	1925
Electric consumers	82,762	81,582	64,155
Manufactured gas consumers	68,399	67,242	64,454
Total consumers	151,161	148,824	128,609
No. of street ry. passengers carried during year	144,968,556	148,488,286	145,676,056
Kilowatts generating capacity installed	114,200	91,700	90,200
Kilowatts generating capacity under construction	.....	30,000	.....
Kilowatt-hours generating station output for year	319,842,000	281,329,800	252,735,500
Miles of transmission lines (11,000 volts or over), irrespective of the number of circuits carried	101	101	90
Miles of distributing system (less than 11,000 volts) in service	652	1,747	1,580
Gas works capacity (thousand cu. ft.) per day	28,124	28,124	22,124
Gas holder capacity (thousand cu. ft.)	7,580	7,580	7,580
Gas sendout (thousand cu. ft.) for year	3,121,833	3,136,671	2,971,641
Miles of gas mains	582	564	542
Miles of street ry. (single track equivalent)	*207	*209	219

*Decrease due to certain track removed by reason of system reconstruction.

Segregation of Gross Earnings—The gross earnings of the Company for the years 1924 to 1927 inclusive, as shown below, were derived from three classes of business in approximate percentages as follows:

	1927	1926	1925	1924
	%	%	%	%
Street railway	41	43	48	50
Electric power & light	40	38	32	29
Manufactured gas	19	19	20	21
Total	100	100	100	100

CAPITAL STOCK

Authorized 1,025,000 shares Common and 150,000 shares ($7 per share) cumulative Pfd., both issues of no par value; outstanding, 754,028 shares Common and 79,177½ shares Pfd. Electric Power & Light Corp. owns a substantial amount of the Common stock. In Sept., 1924, the Common stock was changed to no par value stock, the basis of exchange being four shares of no par value stock for each share of $100 par value stock.

Preferred Stock Provisions—Has preference for assets and dividends ,being entitled to cumulative dividends of $7 per share per annum and $100 per share and accrued dividends in liquidation; it is non-voting; and is redeemable at $110 a share and accrued dividends. Stock is free from City, Parochial and State Taxes in Louisiana and dividends exempt from Normal Federal Income Tax.

Transfer Agents—Hibernia Bank and Trust Co., New Orleans, La., and Registrar and Transfer Co., Jersey City, N. J., for Pfd. and Chase National Bank, New York for Common.

Registrars (Pfd.)—Whitney-Central Trust & Savings Bank, New Orleans, La., and Corporation Trust Co., Jersey City, N. J.

Annual Meeting—Third Wednesday in February.

Price Range—

	1927	1926	1925	1924	1923	1922
Preferred—						
High	109	104¼	100½	100	88	75¼
Low	102⅝	98	95	90	73⅝	67
Common						
High	40	28⅛	37	..	..	..
Low	28	27	35½	..	..	..

Dividends—Company has paid dividends on Pfd. stock for the period since Oct. 1, 1922, at the rate of 7% per annum; payments quarterly, J, A, J & O 1. Dividends on Common stock have been paid as follows; $8 per share in 1923 and $9 per share in 1924 on stock of $100 par value. On Jan. 2, 1925, a dividend of $0.56¼ per share was paid on no par value stock; regular quarterly payments since at that rate, J, A, J & O 1.

FUNDED DEBT

(1)

$645,000 CANAL & CLAIBORNE RAILROAD CO. CONSOLI DATED (NOW FIRST) MORTGAGE GOLD 6s, DUE MAY 1 1946

Dated May 1, 1896.

Interest Payable May and November 1, at Whitney Central National Bank, New Orleans. Coupon $50(and $1,000. Authorized $800,000; issued $749,000, o which $104,000 retired to Dec. 31, 1927, leaving $645, 000 outstanding. Mortgage closed. Sinking fund $15,000 per annum from 1920. Company pays Norma Federal Income Tax up to 2%. Listed on New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	112	107	108	108	108	110	101	101
Low	108½	106	106	106	104¼	101½	96	100

(2)

$2,020,000 EDISON ELECTRIC COMPANY OF NEW ORLEANS FIRST MORTGAGE GOLD 5s; DUE JANUARY 2, 1929

Dated January 2, 1899.

Interest Payable January and July 1, at American Trust Co., Boston, or Harris, Forbes & Co., New York and Boston, or Harris Trust & Savings Bank, Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized and issued, $2,- 500,000, of which $480,000 retired by sinking fund to Dec. 31, 1927.

Sinking Fund—1% of bonds outstanding Jan. 1 of each year.

Security—A first mortgage on plants supplying electricity to a part of New Orleans, La. This mortgage covers all of the plant acquired up to 1905.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered at 106 and interest, by N. W. Harris & Co., Boston, and Harris, Forbes & Co., New York.

Listed—New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100½	100	99¾	99⅝	98¼	97	90	87
Low	99	99¼	99⅛	98¾	94½	90	76½	75

(3)

$300,000 MERCHANTS' ELECTRIC LIGHT & POWER CO., LTD. FIRST (CLOSED) MORTGAGE GOLD 5s, DUE JULY 1, 1929

Dated July 1, 1899.

Interest Payable January and July 1, at Illinois Merchants Trust Co., Chicago, Trustee. Coupon, $500; principal may be registered. Authorized, $500,000; issued and outstanding, $300,000. Subject to call at 102 and interest on four weeks' notice. Company pays Normal Federal Income Tax up to 2%. Listed on New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99¾	99½	99⅝	98½	93	86	75	63
Low	99	98½	98	97¼	91⅞	86	67½	63

(4)

$1,378,500 NEW ORLEANS & CARROLTON RAILROAD CO. CONSOLIDATED (NOW FIRST) MORTGAGE GOLD 5s, (CLOSED MORTGAGE); DUE FEBRUARY 1, 1933

Dated February 1, 1899.

Interest Payable February and August 1, at Whitney-Central National Bank, New Orleans. Coupon, $500 and $1,000. Authorized and issued, $2,000,000, of which $621,500 retired by sinking fund to Dec. 31, 1927, leaving $1,378,500 outstanding. Sinking fund, $30,000 per annum. Company does not pay Normal Federal Income Tax. Listed on New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102	98½	100½	98½	99	100	90	85
Low	98⅜	96	96½	94½	93	90½	75	73

(5)

$375,000 ST. CHARLES STREET RAILROAD CO. FIRST MORTGAGE GOLD 4s, DUE JANUARY 1, 1952

Dated January 1, 1902.

Interest Payable January and July 1, at Whitney-Central National Bank, New Orleans. Coupon, $1,000. Authorized, $600,000; issued $375,000 (mortgage closed). Company does not pay Normal Federal Income Tax. Listed on New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	89½	86	85	84	86½	87½	65	72
Low	84	84	84	84	86½	82½	61	62

(6)

$2,146,000 NEW ORLEANS CITY & LAKE RAILROAD CO. CONSOLIDATED FIRST MORTGAGE GOLD 5s, DUE JANUARY 1, 1943

Dated January 2, 1893.

Interest Payable January and July 1, at Interstate Trust & Banking Co., New Orleans, La., and New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity & Columbia Trust Co., Louisville, Ky.

Provisions of Issue—Authorized, $5,000,000; issued, $3,000,000, of which $854,000 retired by sinking fund to Dec. 31, 1927, leaving $2,146,000 outstanding. Mortgage closed.

Callability—Subject to call for sinking fund at 110 and interest.

Sinking Fund—Annually July 1, $30,000 for the purchase or redemption of these bonds at not over 110 and interest. Bonds acquired to be cancelled.

Security—Secured by a first mortgage on all property rights and franchises formerly owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102½	98½	99	98	99	98	87	87½
Low	97¾	96	96	95	93¾	85½	80	75

(7)

$200,000 (ENTIRE ISSUE) NEW ORLEANS POWER HOUSE CO., LTD. FIRST MORTGAGE GOLD 5s, DUE JULY 1, 1943

Dated July 1, 1901.

Interest Payable January and July 1, at Interstate Trust & Banking Co., New Orleans. Coupon, $1,000. Fidelity & Columbia Trust Co., Louisville, Trustee. Subject to call at 105 and interest on three months' notice. A first lien on entire property of former New Orleans Power House Co., Ltd. Company pays Normal Federal Income Tax up to 2%. Listed on New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99	98¾	95	95	91	88	55	67½
Low	98	98½	bid	bid	88	88	55	50

(8)

$3,200,000 NEW ORLEANS CITY RAILROAD CO. GENERAL MORTGAGE GOLD 5s; DUE JULY 1, 1943

Dated January 1, 1899.

Interest Payable January and July 1, at Interstate Trust & Banking Co., New Orleans; at New York Trust Co., New York, and Fidelity & Columbia Trust Co., Louisville, Ky.

NOTE—Interest on these bonds was payable at the rate of 4% up to and including July 1, 1903.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity & Columbia Trust Co., Louisville, Ky.

Provisions of Issue—Authorized, $3,250,000; issued and outstanding, $3,200,000. Mortgage closed.

Security—These bonds are a first lien on all property, rights and franchises of the New Orleans City Railroad Co., and a direct mortgage lien on property on which the New Orleans City & Lake R.R. Co. Consolidated First Mortgage bonds and the New Orleans Power House Co., Ltd. First Mortgage bonds are a first lien.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101½	98	97	95½	96	96½	77	87½
Low	95¾	93½	92½	92½	93¾	79½	72	68½

(9)

$1,885,000 CONSUMERS ELECTRIC LIGHT & POWER COMPANY FIRST 5s, DUE JANUARY 1, 1936

Dated January 1, 1911.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $100 and $500; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $2,500,000; issued, $1,885,000. Mortgage closed.

Callability—Subject to call at 105 and interest on any interest date.

Security—A first lien on entire property formerly owned by Consumers Electric Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in February, 1911, at 93 and interest.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	100¾	99¾	96½	94½	86	82	86
Low	99	96	93	82	81	bid	bid

(10)

$12,000,000 NEW ORLEANS PUBLIC SERVICE INC. FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "A," DUE OCTOBER 1, 1952

Dated October 1, 1922.

Interest Payable April and October 1, at The Chase National Bank of the City of New York. and Hibernia Bank & Trust Co., New Orleans, La.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered bonds of $1,000 and $10,000 exchangeable for coupon bonds.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized, $500,000,000, but not more than $100,000,000 may be out until General Lien 4½% bonds are retired. In addition to the present $12,000,000 issue, $11,867,000 principal amount of bonds may be certified against property owned at the time of execution of the mortgage (Oct. 1, 1922), subject only to earnings qualifications, but of such $11,867,000 of bonds not exceeding $3,000,000 may be issued before the General Lien 4½% Gold bonds of the Company, which mature in 1935, are paid off. Sufficient of these bonds may be certified for the purpose of refunding the underlying bonds. Additional bonds may be certified for a principal amount not exceeding 80% of the cash cost or fair value, whichever is less, of permanent additions, but only when net earnings as defined in the mortgage for 12 consecutive months of the 15 months immediately preceding have been not less than twice the annual interest charges on all bonds of this and underlying issues outstanding, as defined in the mortgage, and the bonds applied for (or, at the Company's option, 12% of such amount). Subject to this requirement as to earnings, bonds may be certified against deposit with the Trustee of an equal amount of cash to an amount up to $3,000,000 or 10% of all First & Refunding Mortgage bonds then outstanding, whichever is greater. The mortgage further provides that the terms and provisions thereof may be changed and modified by affirmative vote of at least 80% in amount of the bonds then outstanding, at a meeting of the bondholders specially called for that purpose.

Callability—Subject to call as a whole or in part on six weeks' notice at 105 and interest on or before Oct. 1, 1927; at 104 and interest in the next five years; at 103 and interest in the next five; at 102 and interest in the next five; at 101 and interest in the next five, and at 100½ and interest thereafter prior to maturity.

Renewal and Improvement Fund—The mortgage provides for an annual Renewal and Improvement Fund, beginning 1924, equal to 5% of all underlying bonds and First & Refunding Mortgage bonds from time to time outstanding in the hands of the public less certain deductions and allowances as outlined in the mortgage, such Fund to be expended for additions or improvements to the mortgaged property, against which expenditures no bonds can be issued; for repairs, renewals, replacements and maintenance; or, at the option of the Company, for the purchase or call of First & Refunding Mortgage bonds.

Security—Under rate settlement with the City of New Orleans (see under "History") effected in 1921, a basis of valuation for rate making purposes was fixed, which together with subsequent additions amounted, as at Dec. 31, 1927, to more than $79,000,000, including property of the Railways Realty Company. The direct first mortgage lien of the First and Refunding Mortgage bonds covers properties having a present value, as determined in accordance with the settlement ordinance, of about $20,250,000 and the direct general mortgage lien extends over additional properties valued at more than $51,300,000, subject only to divisional issues of $12,149,500; and such bonds are further secured by pledge of all stock, except directors' shares, of Railways Realty Company, whose property is valued at about $525,000. Since the issue of the Series "A" bonds in 1922, the Company, through consolidation proceedings, has brought under the direct lien of the First and Refunding Mortgage bonds the properties of all of the former constituent companies, with one minor exception, theretofore controlled through stock ownership, and certain other properties. The properties upon which the First and Refunding Mortgage bonds are a first mortgage lien have thus been increased by approximately $15,000,000, and the properties upon which such bonds are a direct mortgage lien have been increased by about $36,000,000. Included in the properties on which such bonds are secured by a direct first mortgage are important electric power and light and street railway properties and all the gas properties. The mortgage provides that underlying bonds, as defined in the mortgage, can not be increased in amount and must be paid by maturity without extension. First and Refunding Mortgage bonds are reserved under the mortgage to refund these underlying bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of 4 mills refunded.

Original Offering—First publicly offered ($12,000,000) in Oct., 1922, at 90 and interest, to yield about 5.70%, by Dillon, Read & Co., and Electric Bond and Share Co., New York.

Listed—Listed on New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	100	96¼	94½	88	92	90
Low	93⅝	90¾	86½	78	81	90

(11)

$13,000,000 NEW ORLEANS PUBLIC SERVICE INC. FIRST & REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "B," DUE JUNE 1, 1955

Dated June 1, 1925.

Interest Payable June and December 1, at The Chase National Bank of the City of New York, or at Hibernia Bank & Trust Co., New Orleans, La.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered bonds of $1,000 and $10,000 exchangeable for coupon bonds.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Same as Series "A."

Callability—Subject to call as a whole or in part on six weeks' notice at 105 and interest on or before June 1, 1930; at 104 and interest in the next five years; at 103 and interest in the next five; at 102 and interest in the next five; at 101 and interest in the next five, and at 100½ and interest thereafter prior to maturity.

Renewal and Improvement Fund—Same as for Series "A."

Security—Same as Series "A."

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund Pennsylvania State 4 mill Tax.

Original Offering—First publicly offered ($5,000,000) in June, 1925, at 94½ and interest, to yield about 5.37%, by Dillon, Read & Co., New York. $8,000,000 additional offered in January, 1927, at 96 and interest to yield over 5¼% by the same bankers.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	100	96½	92¾
Low	93⅝	90¼	88⅞

(12)

$12,960,700 NEW ORLEANS PUBLIC SERVICE INC. GENERAL LIEN 4½% GOLD BONDS, DUE JULY 1, 1935

Dated July 1, 1922.

Interest Payable January and July 1, at Hibernia Bank & Trust Co., New Orleans, La., or New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized, $13,876,500; issued $13,856,250; retired, $895,550; outstanding, $12,960,700.

Callability—Subject to call as a whole or in part at any time at 105 and accrued interest on six weeks published notice.

Sinking Fund—$100,000 to be paid trustee prior to disbursement, in any fiscal year, to junior securities and further sum of $50,000 prior to disbursements, in any fiscal year, by way of dividends on Pfd. and Common stock, money to be used to retire bonds, all bonds so retired to be cancelled.

Improvement Fund—In addition to cash deposited with Trustee as provided for in Sinking Fund, the Company agrees to invest or set apart for investment in betterments and improvements, which shall not be made the basis of the issue of any bonds secured by lien prior to the lien of these bonds, not less than $100,000 prior to disbursement, in any fiscal year, to junior securities, and further sum of at least $50,000 prior to disbursements, in any fiscal year, by way of dividends on Pfd. and Common stock.

Security—Secured by general lien on all property, rights and franchises (other than property specifically exempted) now owned or hereafter acquired, subject to underlying issues and to First and Refunding mortgage and all bonds issued and to be issued thereunder.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Public Offering—$1,650,000 of these bonds were publicly offered in Aug., 1924, at 86½ and interest, yielding about 6.25%, by Jackson & Curtis, New York, Boston, etc.

Price Range—

	1927	1926	1925	1924	1923	1922
High	94¾	91⅝	88½	84½	75¾	75
Low	90	86¾	83½	75	71½	65⅞

(13)

$4,778,700 NEW ORLEANS PUBLIC SERVICE INC., 6% INCOME BONDS, SERIES "A," DUE NOVEMBER 1, 1949

Dated September 1, 1922.

Interest Payable June and December 1, at American Exchange Irving Trust Co., New York, and at Hiber-

nia Bank & Trust Co., New Orleans. Interest on these bonds is cumulative and is payable if earned and declared by Board of Directors as follows: On or before May 1, 1923, for period Sept. 1, 1922 to Feb. 28, 1923, and on or before each May and Nov. 1; thereafter for six months ended Feb. 28 and Aug. 31. If surplus income is insufficient to pay ½ of 1%, no interest need be paid.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Hibernia Bank & Trust Co., New Orleans, La.

Provisions of Issue—Authorized, $4,916,500; issued and outstanding, $4,778,700. Sufficient of these bonds are reserved to retire the outstanding francs Income 6s, Series "B" (described below) on the basis of $63.21 principal amount of Series "A" bonds for each 500 franc principal amount of Series "B" bonds prior to Jan. 1, 1924, and thereafter on basis approved by Board or Executive Committee, but not exceeding $96.50 principal amount Series "A" bonds for 500 franc principal amount Series "B" bonds. Any excess of principal amount of Series "A" to be issued over exchange value of Series "B" bonds presented will be paid in cash by Series "B" bondholders.

Callability—Subject to call on four weeks' notice at 100 and interest.

Security—Secured equally with the Series "B" bonds described below on the entire property of the company, subject to the underlying bonds, and to the First & Refunding Mortgage and the General Lien Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922
High	100½	95⅜	94	93½	80	76
Low	95	91½	88½	74¼	72	70

(14)

$1,460 (FRANCS 36,500) NEW ORLEANS PUBLIC SERVICE INC. 6% INCOME BONDS, SERIES "B," DUE SEPTEMBER 1, 1949

Dated September 1, 1922.

Interest Payable June and December 1, at American Exchange Irving Trust Co., New York, or at Hibernia Bank & Trust Co., New Orleans, La., Trustee. Interest paid under the same conditions as for the Income "A" 6s (see above paragraph). Convertible into Series "A" 6s, on terms outlined in above paragraph. Coupons, francs 500; principal may be registered. Authorized, $60,700 (representing 1,517,500 French francs taken at 4 cents per franc); issued, $60,700; retired, $59,240; outstanding, $1,460. Secured equally with Series "A" 6s (see above). Company pays Normal Federal Income Tax up to 2%.

BONDS CALLED

All of the Railways Realty Co. First Mortgage Gold 6s, due March 1, 1931, were called for redemption on March 1, 1927, at 102½ and interest at Hibernia Bank & Trust Co., New Orleans, La., Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$18,442,108	$17,624,514	$15,575,437	$14,870,840	$14,407,601	$14,595,194
Operating expenses and taxes	11,426,537	11,180,993	10,271,182	10,036,508	9,804,116	9,707,080
Net earnings from operation	$7,015,571	$6,443,521	$5,304,255	$4,834,332	$4,603,485	$4,888,114
Other income	272,018	102,416	176,707	150,643	152,094	
Total income	$7,287,589	$6,545,937	$5,480,862	$4,984,975	$4,755,579	
Interest on bonds	2,685,137	2,345,039	2,155,488	$2,065,099	$2,103,293	Not
Other interest and deductions	178,514	183,222	137,684	121,508	100,763	Available
Balance	$4,423,938	$4,017,676	$3,187,690	$2,798,368	$2,551,523	
Dividends on preferred stock	554,243	554,243	301,500	374,089	299,166	
Balance	$3,869,695	$3,463,433	$2,886,190	$2,424,279	$2,252,357	
Appropriation for renewal and replacement reserve	1,800,000	1,650,000	1,416,000	1,320,000	1,200,000	1,200,000
Net profit	$2,069,695	$1,813,433	$1,470,190	$1,104,279	$1,052,357	.....
*Times Bond Interest Earned	2.72	2.79	2.54	2.41	2.26	.....

*Before deducting renewal and replacement reserve.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923
Assets—					
Plant	$81,159,837	$75,296,108	$59,258,094	$51,336,927	$49,635,830
Construction expenditures			4,085,747	6,050,269	3,541,047
Construction contract advances			3,661,202	5,597,272	2,146,940
Investments			222,021	220,360	220,110
Current Assets—					
Cash	$2,172,933	$2,634,937	$1,590,887	$1,268,263	$653,058
Notes and loans receivable	40,851	56,918	101,555	121,283	385,165
Accounts receivable	1,651,719	1,786,118	1,191,485	1,006,518	959,797
Materials and supplies	1,137,484	1,212,833	1,163,988	1,251,620	1,200,408
Prepaid accounts	51,015	111,741	69,457	71,393	60,347
Accrued accounts receivable	.....	.....	.....	5,375	14,881
Total current assets	$5,054,002	$5,802,547	$4,117,372	$3,724,452	$3,339,656
Special deposits	207,837	79,119	186	80,497	796,150
Trust funds			55,209	60,257	41,790
Unamortized discount & exp.	2,865,433	2,351,589	2,360,855	1,952,895	2,023,637
Deferred debits	341,178	203,461	173,512	336,034	171,672
Total	$89,628,287	$83,732,824	$73,934,198	$69,358,963	$61,916,832
Liabilities—					
Common stock	*$26,768,450	*$26,363,050	$22,033,350	$21,261,200	$8,756,000
Preferred stock					4,273,800
Funded debt	54,890,360	47,140,780	45,548,300	41,156,432	41,812,007
Current Liabilities—	.....	.....	.....	.....	$1,000
Matured fund. debt unpaid	$562,701	$553,580	$474,161	$470,390	15,044
Dividends payable		3,700,000	1,200,000	1,000,000	1,000,000
Notes and loans payable	2,218,725	1,414,357	607,609	623,786	710,669
Accounts payable	.....	.....	.....	.....	795,642
Matured interest unpaid	920,503	867,613	690,685	632,502	588,512
Customers' and employees' deposits	1,626,350	1,564,028	1,162,973	969,750	1,110,320
Accrued accounts payable					
Total current liabilities	$5,328,279	$8,099,578	$4,135,428	$3,696,428	$4,221,187

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923
Def. paving assessments	$71,510	$80,874	$73,069	$41,489	$17,670
Matured interest & divds. unpaid (funds on deposit)	126,406	.....	.....	80,497	.....
Deferred credits	13,976	.....	.....	144,066	162,242
Reserves	1,286,813	1,244,778	1,541,616	2,291,080	1,833,945
Surplus	1,142,493	803,764	602,435	687,771	839,981
Total	$89,628,287	$83,732,824	$73,934,198	$69,358,963	$61,916,832

*Represented by 79,177½ shares Pfd. stock and 737,312 shares Common stock, all of no par value in 1926, and 79,177¼ shares Pfd. and 754,028 shares Common, all of no par value in 1927.

Officers: H. B. Flowers, Pres., New Orleans, La.; E. W. Hill, V-P.; W. C. Lang, V-P., New York City; A. B. Patterson, V-P.; E. T. Colton, Sec. & Treas., New Orleans, La.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec.; Alexander Simpson, Asst. Treas.; A. C. Ray, Asst. Treas., New York City; A. B. McCoard, Comptroller; E. J. Armbruster, Gen. Aud., New Orleans, La.; L. S. Murray, Asst. Sec. & Asst. Treas.

Directors: R. S. Hecht, Chairman; J. P. Butler, T. F. Cunningham, D. D. Curran, Lynn H. Dinkins, H. B. Flowers, A. M. Lockett, Bernard McCloskey, W. Irving Moss, Harold W. Newman, J. D. O'Keefe, A. D. Parker, W. S. Penick, Paul H. Saunders, W. P. Simpson, New Orleans, La., M. N. Buckner, G. M. Dahl, S. Z. Mitchell, H. C. Abell, C. E. Groesbeck, New York City.

General Office, New Orleans, La. **Executive Office,** 2 Rector Street, New York City.

POWER SECURITIES CORPORATION

(Controlled by Electric Power & Light Corp.)

(Supervised by Electric Bond and Share Company)

History—Incorporated June 25, 1919, under the laws of New Hampshire, and began business the following day through acquisition of the assets formerly held by the National Securities Corporation (see 1919 Public Utility Manual, pages 1020 and 2328).

Power Securities Corporation controls the Idaho Power Company, which in turn controls the Boise Valley Traction Company and the Nevada Power Company. Through these subsidiaries it serves with electric power and light an extensive territory in the Snake River district extending across south and central Idaho and into eastern Oregon. Electric power is also supplied for mining operations in Jarbidge, Nevada, and in northwestern Utah.

Electric power and light service is supplied to 62 communities, the principal ones being Boise, Pocatello, Twin Falls, Nampa, Caldwell, Idaho, Nyssa and Huntington, Oregon.

The properties of the system include electric generating stations, all hydro-electric, having an aggregate installed generating capacity of 71,500 kilowatts, 1,623 miles of electric transmission lines and 834 miles of distribution system.

More than 40,688 consumers are served with electric power and light. The total population served is estimated at 150,000.

Snake River Hydro-Electric Developments.—The Snake River, one of the principal rivers of the United States, flows through the territory served by the Company. This river falls nearly 2,500 feet in its approximately 400 miles of winding course between the upper and lower generating plants of the Company. Advantage has been taken of this fall by the construction of five hydro-electric developments at various points on the river, extending from Southeastern Idaho to Eastern Oregon. A sixth hydro-electric development is at Thousand Springs, the waters of which flow into the Snake River. Two additional hydro-electric plants are located on the Malad and Payette Rivers, both rivers being tributary to the Snake.

Interconnection of Properties by Transmission Lines—All except one of the generating plants owned and leased by the Company are interconnected by a comprehensive system of transmission lines and are operated in one group. This interconnected group supplies all the electric power and light service of the Company, except that supplied in the territory in and about Pocatello, American Falls and Blackfoot. When conditions justify, these two groups will be interconnected and the entire property will then be operated as a single system. The transmission system supplying the territory in and about Pocatello, American Falls and Blackfoot is interconnected with the transmission system of the Utah Power & Light Co. The Company's present transmission lines aggregate 1,472 miles, including the line to the Jarbidge, Nevada, mining section, served by the Nevada Power Co.

CAPITAL STOCK

Authorized, 300,000 shares Common, 100,000 shares Pfd., and 150,000 shares non-cumulative Second Pfd., all of no par value; outstanding, 150,000 shares Common and 58,054 shares Second Pfd. None of the Pfd. shares has been issued. Electric Power & Light Corp. owns a substantial majority of the Common stock and also a large amount of the Second Pfd. stock.

Dividends—No dividends have been paid on any class of stock.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	64⅞	..	..	..	..	..	..	..
Low	40	..	..	..	..	..	..	..
Second Preferred—								
High	60	28½	55	44	13	5¼	2	2
Low	28	20	10	bid	bid	bid	bid	bid
Common—								
High	13½	12	26	17⅜	2	.75	..	..
Low	6	5⅞	7	bid	bid	bid	..	..

FUNDED DEBT

(1)

$2,263,100 COLLATERAL TRUST GOLD BONDS AMERICAN 6% SERIES, DUE JUNE 1, 1949

Dated June 1, 1919.

Interest Payable June and December 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000 (principal may be registered), and registered, $1,000 and multiples. Coupon bonds (in amounts of $1,000 and multiples) and registered bonds interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, unlimited; issued, to Dec. 31, 1927, $2,263,100. Additional bonds may be issued at not exceeding 80% of the cash cost

We specialize in the Securities of
POWER SECURITIES CORP.
Charles E. Doyle & Co.
49 Wall Street New York City

of additional property, stocks, bonds, notes, etc., and then only when the net income from pledged collateral and from additional securities for each of two consecutive years within the 27 consecutive calendar months immediately preceding, shall have been twice the interest charges upon the Collateral Trust bonds then outstanding and those proposed to be issued.

Callability—Subject to call at 101 and interest on any interest date on four weeks' published notice.

Security—These bonds are secured by certain collateral consisting of stock of Idaho Power Co. and all collateral hereafter acquired and have a priority in lien and right of payment over the Secured Income bonds described below, but said Secured Income bonds shall nevertheless be paid at the maturity thereof if the Corporation is not then in default under the provisions of the trust agreement, after the payment of all Collateral Trust bonds then or theretofore maturing, and without awaiting the maturity of any Collateral Trust Gold bonds then outstanding and thereafter maturing.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	97	92	88	91	79	67	50	35
Low	bid	bid	bid	bid	bid	bid	bid	bid

(2)

$2,399,000 SECURED INCOME BONDS; DUE JUNE 1, 1949

Dated November 29, 1919.

Interest Payable (not exceeding 6%, if earned) February and August 15, at Bankers Trust Co. in New York (in each instance for six months ended May 31 or the Nov. 30 next preceding the date of payment), but only if and to the extent that the surplus income of the Corporation, as defined in the trust agreement, shall suffice for such payment. Interest shall not be cumulative, and no interest for one year shall be payable from the income of any subsequent year. During 1920, 1% was paid; in 1921 and 1922, 2% for each year was paid. On Aug. 15, 1923, 3% was paid, which semi-annual rate since maintained.

Denominations—Registered bonds in denominations of $100, $500 and $1,000. Bonds of $500 or $1,000 denominations may be exchanged for $100 bonds, and bonds of the lower denominations may be exchanged for one or more bonds of the larger denominations.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized and issued $3,785,700; outstanding, Dec. 31, 1927, $2,399,000.

Callability—Subject to call at 101 and accrued interest upon any interest day upon four weeks' notice, provided all Collateral Trust Gold Bonds have been redeemed.

Convertibility—Convertible in lots of not less than $100,000 into Collateral Trust Gold bonds, when net income for each of the 2 years next preceding any June or Dec. 1 equals twice interest on all Collateral Trust Gold bonds outstanding and on the amount of Secured Income Bonds to be converted.

Security—Secured upon the same collateral as the Collateral Trust 6% bonds, but subject thereto.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	93	85½	78	78	59	33	18
Low	bid	bid	bid	bid	bid	bid	bid

EARNINGS, YEARS ENDED DECEMBER 31
(Power Securities Corporation)

	1927	1926	1925	1924	1923	1922
Gross earnings	$569,076	$386,040	$337,006	$303,866	$546,944	$398,746
Expenses	18,405	25,256	28,365	60,853	69,095	75,336
Net earnings	$550,671	$360.784	$308,641	$243,013	$477,849	$323,410
Interest:						
National Securities Corp. Prior Lien 6% Gold Notes	.....	.....	.....	.....	$91,250	$186,990
Collateral Trust 6% Gold Bonds	$135,786	$134,354	$80,318	$52,584	52,584	52,584
Floating debt	26,308	51,185	3,390	4,140	13,533	8,620
Total	$162,094	$185,539	$83,708	$56,724	$157,367	$248,194
Premium on Prior Lien Gold Notes retired	.....	.....	.....	.....	30,855	.....
Balance	$388,577	$175,245	$224,933	$186,289	$289,627	$75,216

INCOME AVAILABLE FOR INTEREST ON INCOME BONDS AND INTEREST PAYMENTS THEREON
(Power Securities Corp. and Subsidiaries)

	1927	1926	1925	1924	1923	1922
Surplus income end of each year as above	$388,577	$175,245	$224,933	$186,289	$289,627	$75,216
Reserve forward from prior periods	.....	.....	.....	.....	4,700	5,596
Total available for income bond interest	$388,577	$175,245	$224,933	$186,289	$294,327	$80,812
Interest paid upon income bonds	143,940	148,344	203,370	227,142	227,142	75,714
Balance	$244,637	$26,901	$21,563	*$40,853	$67,185	$5,098
Reserved for future income bond interest	.....	.....	.....	.....	.....	4,700
Balance to corporate surplus	$244,637	$26,901	$21,563	*$40,853	$67,185	$398

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31
(Power Securities Corporation.)

	1927	1926	1925	1924	1923	1922
Assets—						
Trust assets	$10,478,755	$10,478,255	$10,478,255	$10,478,255	$10,478,255	$13,624,559
Investment stocks	.....	500	500	595	82,682	141,277
Cash	52,593	4,191	23,426	147,265	37,302	20,350
Notes and loans receivable	798,189	1,599,247	1,025,000	511,500	754,500	299,956
Accounts receivable	16,535	.....	.....	77	124,227	17,985
Accrued dividends and interest receivable	.....	5,373	3,535	3,603	7,509	5,073
Prepaid taxes	.....	.....	868	644	418	165
Total	$11,346,072	$12,087,566	$11,531,584	$11,141,939	$11,484,893	$14,109,365
Liabilities—						
*Capital stock	$6,105,400	$6,105,400	$6,105,400	$6,105,400	$6,105,400	$6,105,400
Funded debt	4,662,100	4,662,100	4,662,100	4,662,100	4,662,100	7,778,600
Accounts payable	121	457	1,005	896	10,956	6,144
Accrued interest payable	91,454	91,001	105,619	124,646	123,686	46,955
Notes payable	.....	986,247	442,000	55,000	348,000	.....
Reserve for interest on income bonds	.....	.....	.....	.....	.....	4,700
Reserve	77,940	77,941	77,941	77,941	77,941	77,941
Surplus	409,057	164,420	137,519	115,956	156,810	89,625
Total	$11,346,072	$12,087,566	$11,531,584	$11,141,939	$11,484,893	$14,109,365

*Represented by 58,054 shares Second Pfd. stock and 150,000 shares Common stock, all of no par value.

COMBINED STATEMENT OF EARNINGS, YEARS ENDED DECEMBER 31
(Idaho Power Co and its Subsidiary, Nevada Power Co.)
(Inter-Company Charges Eliminated)

	1927	1926	1925	1924	1923
Gross earnings from operation	$3,149,822	$2,876,588	$2,834,457	$2,808,389	$2,520,281
Operating expenses, including taxes	1,501,094	1,414,345	1,401,203	1,388,724	1,237,411
Net earnings from operation	$1,648,728	$1,462,243	$1,433,254	$1,419,665	$1,282,870
Other income	107,402	87,401	67,234	55,168	91,404
Total income	$1,756,130	$1,549,644	$1,500,488	$1,474,833	$1,374,274
Interest on bonds	631,000	610,000	610,000	670,442	642,889
Other interest and deductions	71,595	72,188	77,661	95,789	122,123
Balance	$1,053,535	$867,456	$812,827	$708,602	$609,262
Dividends on Preferred stock	264,151	262,095	258,545	238,000	141,931
Balance	$789,384	$605,361	$554,282	$470,602	$467,331
Renewal and replacement appropriation	240,000	235,000	205,000	205,000	200,000
Balance	$549,384	$370,361	$349,282	$265,602	$267,331

NOTE: The above statement is exclusive of earnings and expenses of Boise Valley Traction Co.

Officers: S. Z. Mitchell, Chairman; C. E. Groesbeck, Pres.; D. F. McGee, V-P.; E. W. Hill, V-P.; Reginald B. Lanier, V-P.; E. P. Summerson, Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Treas.; G. J. Hickman, Asst. Treas.; Alexander Simpson, Asst. Treas.; A. E. Smith, Compt.; W. C. Lang, Asst. Compt., New York.

Directors: C. E. Groesbeck, Reginald B. Lanier, D. F. McGee, S. Z. Mitchell, A. A. Tilney, William T. Wallace, George H. Howard, E. P. Summerson, H. L. Martin, New York.

Office, 2 Rector St., New York.

IDAHO POWER COMPANY

(Controlled by Power Securities Corp.)
(Supervised by Electric Bond and Share Co.)

History and Property—Incorporated May 6, 1915, in Maine.

Idaho Power Co. owns and operates electric power and light properties in an extensive territory in southern and central Idaho and in eastern Oregon, supplying electric power and light service to 67 cities and towns, and supplies electric power for mining operations at Vipont in northwestern Utah. It also owns all the issued capital stock, except directors' shares, of the Boise Valley Traction Co. and the Nevada Power Co., which latter company supplies electric power for mining operations in the Jarbidge, Nevada, district. The population served is estimated at 150,000.

The Snake River, one of the major rivers of the United States, flows through the field of the Company's operations and presents unusual opportunities for the development of hydro-electric power at low cost. The present hydro-electric plants owned by the Company have an installed generating capacity of 71,500 k.w.

With the abundance of additional hydro-electric power which can be cheaply developed as needed the Company is in a position to meet the demands for future power at an unusually low development cost. All of this Company's electrical energy is generated by water power.

Franchises—Of the numerous franchises which the company owns, three, in the opinion of counsel (including a Boise franchise) are without time limit. The franchises under which the Company is operating in ten of these municipalities expire at various dates prior to 1950, but all the remainder of its franchises are for terms extending beyond that date. The Company owns county franchises entitling it to operate in the unincorporated communities served. The Company's franchises in general are satisfactory from a business standpoint.

Service and Property—The number of consumers served by the Idaho Power Co., including its subsidiary, Nevada Power Co., and the physical equipment of properties as of Dec. 31, 1927, and the kilowatt-hours output for the twelve months ended on that date, compared with the five previous years, follow:

	1927	1926	1925	1924	1923	1922
Electric consumers	40,688	42,285	40,290	38,808	40,020	38,067
Kilowatts installed generating capacity all hydro-electric	71,500	59,500	59,500	59,500	53,500	49,940
Kilowatts generating capacity under construction—hydro-electric	.....	12,000	.....	.....	.....	.....
Kilowatt-hour generating station output (including power purchased) for 12 months	352,253,000	266,320,000	198,959,000	218,464,000	222,590,000	212,237,000
Miles of electric distributing system (less than 11,000 volts) in service	895	834	807	778	771	761
Miles of high voltage transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	1,623	1,472	1,455	1,431	1,473	1,442
Miles of transmission lines (11,000 volts and over) under construction	.....	81	.....	.....	.....	.....

CAPITAL STOCK

Authorized, $15,000,000 Common, $5,000,000 7% cumulative Pfd., par $100; 10,000 shares $6 cumulative Pfd. of no par value, and $1,000,000 7% non-cumulative Second Pfd., par $100; outstanding Dec. 31, 1927, $15,000,000 Common, $3,800,000 7% Pfd., and 8,299 shares $6 Pfd. All of the Common stock (except directors' shares) is owned by Power securities Corporation.

Pfd. Stock Provisions—The 7% and $6 Pfd. stocks are entitled to cumulative dividends at rate of 7% and $6 per annum, respectively. Have preference over the Second Pfd. and Common stock in case of liquidation and are redeemable on any dividend date at 110 and accrued dividends.

Transfer Agents (Pfd. Stock)—Bankers Trust Co., New York, and Boise Trust Co., Boise, Ida.

Registrars (Pfd. Stock)—Guaranty Trust Co. of New York, and Boise City National Bank, Boise, Ida.

Dividends—Initial dividend of 3½% on the 7% Pfd. stock was paid Feb. 1, 1917, for the six months' period ended Jan. 31, 1917; at the rate of 7% per annum thereafter. Initial quarterly dividend of $1.50 per share was paid on the $6 Pfd. stock on Feb. 1, 1928. Dividends on both classes of Pfd. are declared the second Thursday of J, A, J & O and are paid F, M, A & N 1.

FUNDED DEBT

$13,000,000 FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1947

Dated January 2, 1917.

Interest Payable January and July 1, at Bankers Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered; exchangeable for fully registered bonds.

Trustees—Bankers Trust Co., New York, and F. I. Kent, New York.

Provisions of Issue—Authorized, $100,000,000; issued, $12,200,000. The remaining $87,000,000 escrow bonds may only be issued to a par value not exceeding 80% of the cash cost of permanent improvements, extensions or additions when net earnings for twelve consecutive months within the fourteen months immediately preceding have been at least equal to twice the interest on all bonds outstanding, together with those proposed to be issued.

Callability—Subject to call at 105 and interest on any interest date.

Sinking and Improvement Fund—The mortgage provides for the payment to a special fund of the following amounts: Jan. 1, 1921 to 1926, incl., ½% of outstanding bonds; Jan. 1, 1927 to 1932, incl., 1%; Jan. 1, 1933 to 1946, incl., 1½%. The fund so created may only be used either (1) to pay for the acquisition of additional property or for permanent extensions and improvements which might otherwise have been made (and may not thereafter be made) the basis for the issue of bonds; or (2) for the retirement of bonds of this issue, which shall be forthwith cancelled.

Security—Secured by a first lien on all the property, rights and franchises of the Company, now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Sullivan & Cromwell and Simpson, Thacher & Bartlett, New York.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($4,500,000) in March, 1917, at 93½ and interest, to yield about 5.45%, by Harris, Forbes & Co., New York, Harris, Forbes & Co., Inc., Boston, Harris Trust & Savings Bank, Chicago, Coffin & Burr, Boston and New York, and Ames, Emerich & Co., Chicago; $1,000,000 additional offered by the same firms in May, 1919, and $500,000 in Aug., 1919; $3,200,000 in March, 1923, the latter amount at 89½ and interest, yielding over 5.80%, and $3,000,000 in July, 1924, at 93½ and interest, yielding over 5.50%. $800,000 additional bonds were offered in June, 1927, at par and interest by Harris, Forbes & Co., New York; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc. and Coffin & Burr, Inc., Boston and Harris, Forbes & Co., Ltd., Montreal.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Idaho Power Co. Proper.)

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$3,146,573	$2,869,474	$2,829,258	$2,805,556	$2,516,130	$2,446,253
Operating expenses and taxes	1,492,544	1,407,224	1,394,665	1,381,309	1,230,624	1,142,796
Net earnings from operation	$1,654,029	$1,462,250	$1,434,593	$1,424,247	$1,285,506	$1,303,457
Other income	107,402	87,401	67,234	57,231	93,302	91,826
Total income	$1,761,431	$1,549,651	$1,501,827	$1,481,478	$1,378,808	$1,395,283
Interest on bonds	631,000	610,000	610,000	670,442	642,889	530,000
Other interest and deductions	71,597	72,189	77,660	95,789	122,123	177,502
Balance	$1,058,834	$867,462	$814,167	$715,247	$613,796	$687,781
Dividends on Preferred stock	264,151	262,095	258,545	238,000	141,931	90,545
Balance	$794,683	$605,367	$555,622	$477,247	$471,865	$597,236
Depreciation reserve	240,000	235,000	205,000	205,000	200,000	250,000
Balance for surplus	$554,683	$370,367	$350,622	$272,247	$271,865	$347,236
†Times Bond Interest Earned	2.79	2.54	2.46	2.21	2.14	2.58
*Earnings Per Share—						
Preferred	$22.87	$22.83	$21.71	$19.86	$19.33	$53.17

*Before deducting depreciation reserve. †Before deducting other interest and deductions.

GENERAL BALANCE SHEET, DECEMBER 31
(Idaho Power Co. Proper.)

	1927	1926	1925	1924	1923	1922
Assets—						
Plants and investments	$32,103,200	$29,521,261	$29,291,125	$29,082,212	$29,684,652	$28,997,528
Construction—contract advances	.....	.....	.....	.....	788,072	.....
Cash	990,736	29,036	54,119	81,704	111,978	80,847
Notes and loans receivable	236,167	1,237,694	736,999	55,315	101,431	73,197
Advances to affiliated cos.				248,600	558,900	161,850
Accounts receivable	839,852	805,595	876,487	946,698	741,671	805,419
Material and supplies	321,471	261,845	282,429	331,570	281,315	285,557
Reacquired stock (Pfd.)	61,400	25,200	5,500	.....	.....	.....
Prepaid accounts	10,930	6,156	19,354	26,528	20,642	5,293
Special deposit (contra)	1,425	.....	.....	.....	.....	.....
Unamortized discount, commission and expense	1,207,312	1,450,061	1,516,725	1,583,390	1,457,847	868,533
Deferred debits	50,787	51,506	111,545	97,248	.....	204,402
Total	$35,823,280	$33,388,354	$32,894,283	$32,453,265	$33,746,508	$31,482,627
Liabilities—						
Common stock	$15,000,000	$15,000,000	$15,000,000	$15,000,000	$15,000,000	$15,000,000
7% Preferred stock	3,800,000	3,800,000	3,750,000	3,600,000	3,176,400	1,293,500
$6 Preferred stock	829,900	.....	.....	.....	.....	.....
Funded debt	13,000,000	12,200,000	12,200,000	12,200,000	12,200,000	12,299,000
Notes and loans payable	.....	.....	.....	.....	.....	6,600
Advances from affiliated cos.	.....	.....	.....	.....	.....	120,000
Accounts payable	211,167	200,399	156,522	105,222	167,361	447,851
Sewer & Paving assessments	.....	.....	.....	339	486	639
Consumers' deposits	302,867	265,297	247,166	240,332	262,305	233,544
Accrued accounts	628,525	220,889	174,342	135,732	115,176	20,884
Subscriptions to Pfd. stock	103,800	.....	.....	49,000	.....	.....
Deferred credits	.....	.....	.....	.....	601,948	.....
Matured interest funded debt (contra)	1,425	.....	.....	.....	.....	.....
Reserves	984,379	803,440	557,041	383,139	1,205,038	1,108,431
Surplus	961,217	898,329	809,212	739,840	1,017,794	952,178
Total	$35,823,280	$33,388,354	$32,894,283	$32,453,265	$33,746,508	$31,482,627

Officers: F. F. Johnson, Pres.; W. R. Putnam, V-P. & Gen. Mgr., Boise, Ida.; Wm. T. Wallace, V-P., E. W. Hill, V-P., D. F. McGee, V-P., New York; James L. Boone, Sec., Boise, Ida.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York; A. E. Janssen, Treas., Boise, Ida.; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas., New York; R. W. Miller, Asst. Treas., Boise, Ida.

Directors: F. F. Johnson, Chairman; J. W. Cunningham, W. R. Putnam, R. B. King, James L. Boone, A. E. Janssen, Boise, Ida.; Geo. A. Bremer, Jerome, Ida. C. E. Groesbeck, D. F. McGee, Wm. T. Wallace, New York; W. P. Lyon, Caldwell, Ida.; D. W. Standrod, Pocatello, Ida.; E. J. Ostrander, Twin Falls, Ida.; E. H. Dewey, Nampa, Ida.; H. J. Ward, Nyssa, Ore.; Nathan Sommer, Weiser, Ida.

General Office, Boise, Ida. **New York Office,** 2 Rector Street.

BOISE VALLEY TRACTION COMPANY

(Controlled by Idaho Power Company)

History and Property—Incorporated Aug. 12, 1915, in Maine, to acquire the holdings of the Idaho Traction Co. Company owns and operates a street railway system in Boise and an interurban railway system connecting Boise with Nampa, Caldwell, Middleton and other communities in the Snake River Valley, serving a population estimated at 40,000. The Company's interurban lines aggregate 64 miles of single track equivalent and are located on private right of way, except in cities and towns, while the city lines aggregate 12 miles of single track equivalent. Electric power for the operation of the lines is purchased from Idaho Power Co.

TRAFFIC STATISTICS, DECEMBER 31

	1927	1926	1925
Total passengers carried	888,371	1,261,614	1,670,878
Car miles	770,032	934,554	953,843
Car hours	49,117	70,278	72,094
Average number of cars operated	8	12	13
Miles of track (single track equivalent)	64	69	83

CAPITAL STOCK

Authorized and outstanding, $1,000,000. All owned by Idaho Power Co., except directors' qualifying shares.

FUNDED DEBT

$964,000 Boise & Interurban Ry. Co., Ltd., First Mortgage 5s; dated Apr. 1, 1906; due April 1, 1946; int. April and Oct. 1, at Colonial Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000; principal may be registered. Sinking fund of $9,000 per annum began April 1, 1914. Subject to call in whole or in part on any interest date, at 110 and int. A first lien on the line between Boise and Caldwell and certain other property. Company pays Normal Federal Income Tax up to 2%.

Interest Default—Interest due April 1, 1923 and subsequently defaulted.

Bondholders' Committee—In May, 1924, the following committee was formed for the protection of the First Mortgage bondholders: J. L. Porter, Chrm.; Gerald Ronon, R. G. Jennings, with J. W. Chalfont as Secretary and the Colonial Trust Co., Pittsburgh, as Depositary.

$750,000 Boise Valley Traction Co., Ten-Year First Mortgage 5% Notes; due Aug. 24, 1925. All owned by Idaho Power Co. No interest has been paid on this issue since Jan. 1, 1925.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$192,238	$234,450	$246,619	$250,627	$296,101	$340,051
Operating expenses and taxes	219,434	241,380	252,296	258,989	281,830	311,632
Loss from operations	$27,196	$6,930	$5,677	$8,362	*$14,271	*$28,419
Other income	325	14	17	.....	545	3,156
Total net loss	$26,871	$6,916	$5,660	$8,362	*$14,816	*$31,575
Interest on bonds and notes	†85,700	†85,700	†85,700	†85,700	†85,700	85,880
Other interest and deductions	13,958	14,803	17,001	15,385	16,047	10,101
Deficit	$126,529	$107,419	$108,361	$109,447	$86,931	$64,406
Renewal and replacement reserve	3,134	6,140	6,140	6,140	6,140	6,140
Deficit	$129,663	$113,559	$114,501	$115,587	$93,071	$70,546
Times Total Interest, Etc., Earned	Nil	Nil	Nil	Nil	Nil	0.27

*Net earnings. †Represents 12 months' interest on $750,000 10-Yr. First Mortgage 5% Notes and $964,000 Boise & Interurban Ry. Co., Ltd. First Mortgage 5% bonds. Interest on the latter issue was defaulted April 1, 1923.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant	$2,670,961	$2,751,494	$2,801,127
Cash	795	436	761
Notes receivable	.....	187	188
Accounts receivable	4,512	5,582	7,058
Materials and supplies	41,315	43,249	40,145
Prepaid accounts	398	151	151
Sinking fund	29,380	28,979	28,979
Deficit	863,525	659,088	502,426
Total	$3,610,886	$3,489,166	$3,380,835

Liabilities—	1927	1926	1925
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	964,000	964,000	964,000
10-year 1st Mtge, 5% notes	*750,000	*750,000	*750,000
Advances from affil. cos.	193,600	193,600	193,600
Accounts payable, Tickets outstanding	40,245	17,846	17,127
Matured interest unpaid	415,271	329,571	243,871
Paving assessments	62,818	68,090	68,455
Accrued accounts	102,972	87,004	72,122
Reserves	81,980	79,055	71,661
Total	$3,610,886	$3,489,166	$3,380,835

*All owned by Idaho Power Co.

Officers: E. H. Dewey, Pres. & Chairman, Nampa, Ida.; W. R. Putnam, V-P. Boise, Ida.; D. F. McGee, V-P.; James L. Boone, Sec.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York; A. E. Janssen, Treas., Boise, Ida.; A. C. Ray, Asst. Treas., New York; R. B. King, Gen. Mgr., Boise, Ida.

Directors: E. H. Dewey, Chairman, Nampa, Ida.; C. A. Barton, C. T. Coughlin, Leo J. Falk, F. F. Johnson, R. B. King, W. R. Putnam, Boise, Ida.; J. Galligan, Caldwell, Ida.; T. H. McDermott, J. H. Oakes, Meridian, Ida.; J. E. Roberts, Star, Ida.

Offices, Boise, Ida., and 2 Rector Street, New York.

UTAH POWER & LIGHT COMPANY

(Controlled by Electric Power & Light Corporation)
(Supervised by Electric Bond and Share Company)

History—Inc. September 6, 1912, in Maine. Owns nd operates electric power and light properties in Utah, Idaho and Wyoming, and also owns all the ssued securities of **The Western Colorado Power Co.,** hich owns and operates electric power and light roperties in southwestern Colorado, and all the capital stock, except directors shares, of the Utah Light & raction Co. (see statement appended).

Utah Light & Traction Co. owns the electric power nd light and street railway properties in Salt Lake ity and vicinity and electric power and light and as properties in Ogden, including those formerly wned by the Utah Light & Ry. Co. The electric ower and light and gas properties of the Utah ight & Traction Co. are leased to the Utah Power t Light Co. for 99 years from Jan. 1, 1915. These roperties are operated by the Utah Power & Light o. in connection with its own properties in Salt ake City and Ogden. Utah Light & Traction Co. perates its street railway property.

The more important plants owned by the Utah ower & Light Co. are those at Cutler, Soda, Grace, ove, Oneida and Olmsted, all of which except the lmsted plant, are located on Bear River. This river ows into Great Salt Lake and drains large areas in Utah, Wyoming and Idaho. The flow of Bear River is ubstantially controlled and equalized by the use f Bear Lake as a storage reservoir and by the neida and Soda reservoirs. It is estimated that the ombined storage capacity of the lake and the artificial eservoirs is sufficient substantially to equalize the easonal variations in the flow of Bear River as well as he variations between wet and dry years.

The Soda hydro-electric plant on the Bear River f 14,000 k.w. capacity was placed in operation Jan. , 1925. A new hydro-electric plant at Cutler, Utah, ocated near Cache Junction, which has recently been laced in operation with a capacity of 30,000 k.w. in wo units, the first 15,000 k.w. having been installed t the beginning of 1927, and the second unit was laced in operation in April, 1927.

Electric power and light service is supplied to 52 communities including the cities of Salt Lake ity, Ogden, Provo, Logan, Bingham, Eureka, Park ity, Lehi and American Fork, Utah; Idaho Falls, reston, Rexburg, St. Anthony and Montpelier, daho; Evanston, Wyoming; and Durango, Montose, Delta, Telluride and Ouray, Colorado. Gas ervice is also supplied to Ogden. The total population served is estimated at 425,000.

Service and Property—The total number of consumers served by the Utah Power & Light Co. and The Western Colorado Power Co., and the physical equipment of their properties, including properties eased from the Utah Light & Traction Co. and ther leased properties, as of Dec. 31, 1927, and the output for the twelve months ended on that date, compared with the two previous years, follow:

	1927	1926	1925
Population served	425,000	409,000	384,000
No. of communities served:			
With electric pwr. & light	252	249	207
With manufactured gas	1	1	1
Total communities	252	249	207
No. of consumers served:			
With electric pwr. & light	104,719	101,821	96,733
With manufactured gas	2,799	2,889	3,159
Total consumers	107,518	104,710	99,892
Kilowatts generating station capacity installed—hydro-electric	198,627	168,627	169,402
Kilowatts generating station capacity installed—steam	38,290	38,290	38,290
Kilowatts generating station capacity installed—total	236,917	206,917	207,692
Kilowatts generating capacity under construction		30,000	30,000
Service & Prop. Dec. 31 (Cont.):	1927	1926	1925
Kilowatt-hours generating station output (including power purchased) for 12 months	825,554,000	847,069,000	786,441,000
Miles of 130,000-volt, steel-tower transmission lines in operation	138	133	133
Miles of 130,000-volt, wood pole lines in operation	226	144	144
Miles of other transmission lines (11,000 volts or over) in operation	1,695	1,701	1,700
Total miles of transmission lines (11,000 volts or over) in operation, irrespective of the number of circuits carried	2,059	1,978	1,977
Miles of electric distribution system (less than 11,000 volts) in service	2,956	2,725	2,591
Gas works capacity (1,000 cubic feet) per day	600	600	600
Gas holder capacity (1,000 cubic feet)	240	240	240
Gas sendout (1,000 cubic feet) for 12 months	92,683	98,653	102,906
Miles of gas mains	40	40	42

Franchises—The Utah Light & Traction Co.'s franchise in Salt Lake City, under which the Utah Power & Light Co. operates as lessee, extends to 1955. The electric light, power and gas franchises under which the Utah Power & Light Co. operates in Ogden extend to 1965. The Company's franchise in Provo extends to 1940, in Logan to 1936, in Bingham to 1953, in Lehi to 1962, and in Preston to 1956. The other franchises under which the Company operates in the smaller cities, towns and communities expire on various dates, and contain no burdensome restrictions.

CAPITAL STOCK

Authorized, 3,000,000 shares Common, 300,000 shares $7 per share cumulative Pfd., and 210,000 shares $6 per share cumulative Pfd., all of no par value; outstanding 3,000,000 shares Common, 210,564 shares $7 Pfd., and 20,000 shares $6 Pfd. All the outstanding Common stock is owned by the Electric Power & Light Corporation.

Change in Par Value—Stockholders on April 5, 1927, voted to change the then existing Pfd. stock, Second Pfd. stock and Common stock from shares of $100 par to no par shares on the following basis: One share of $7 Pfd. without par value for each $100 7% share; one share of $6 Pfd. without par value for each $100 Second Pfd. share, and ten shares of Common without par value for each Common share of $100 par value.

Preferred Stock Provisions—Both the $6 and $7 Pfd. stock have preference pari passu over Common stock as to assets and dividends. The $6 Pfd. stock is entitled, pari passu with $7 Pfd. stock, to $100 per share and accrued dividends in case of liquidation. The $7 Preferred stock is redeemable, upon vote of majority in interest of Common stock, at $115 per share and accrued dividends on any dividend date on 30 days' notice. The $6 Preferred stock is redeemable, upon vote of majority in interest of Common stock, at $110 per share and accrued dividends on 30 days' notice.

Customer Ownership—The Company, through customer ownership campaigns, has sold a large amount of $7 Preferred stock to customers and employes and to residents of the territory served. There are now approximately 8,700 holders of the Company's Preferred stock living in Utah, Idaho, Colorado and Wyoming. These stockholders own approximately 106,500 shares, or an average of about 12 shares per holder.

Transfer Agents (Both Classes Pfd. Stock)—Guaranty Trust Co., of New York and Utah Savings & Trust Co., Salt Lake City, Utah.

Registrars (Both Classes Pfd Stock)—Bankers Trust Co., New York, and Tracy Loan & Trust Co., Salt Lake City, Utah.

Original Offering—20,000 shares of $6 cumulative Pfd. stock was publicly offered in June, 1927, by Ross Beason & Co., Salt Lake City; price not stated.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
$6 Preferred:								
High	104	...	...	...	...	...	...	...
Low	97	...	...	...	...	...	...	...
$7 Preferred:								
High	109	103½	102	97	93⅝	93	85	85
Low	105	99	96½ bid		93⅝	bid	bid	bid

Dividends—Dividends on the $7 Pfd. stock are being paid regularly at the rate of $7 per share per annum and have been paid at this rate since the issuance of the stock in 1913. Dividends on the $6 Pfd. stock have been regularly paid since July 1, 1927. Payments on both classes quarterly J, A, J & O 1.

FUNDED DEBT

(1)

$27,847,000 FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1944

Dated February 2, 1914.

Interest Payable February or August 1, at Guaranty Trust Co., of New York.

Denominations—Coupon (principal may be registered), and fully registered, $1,000. The mortgage provides that bonds may be issued in $100, $500 and $1,000 denominations, but the bonds so far issued are in $1,000 denominations only.

Trustee—Guaranty Trust Co., of New York.

Provisions of Issue—Authorized issue, $100,000,000; issued $33,347,000, of which $27,847,000 are outstanding and $5,500,000 are pledged under the First Lien & General Mortgage bonds, described below. Bonds may be issued in one or more series. Those so far issued are known as American series. The remaining bonds may be issued at 80% of the cash cost of permanent improvements, extensions or additions when the net earnings for twelve consecutive months within the fourteen months immediately preceding shall have been at least equal to twice the interest on all bonds outstanding, together with those proposed to be issued.

Callability—Subject to call as a whole on any interest date, or in part by lot by purchase through the sinking fund, at 105 and interest upon 4 weeks' notice.

Sinking Fund—The mortgage provides for the payment as a sinking fund to the Trustee on Dec. 31 of each year as follows: 1% of the amount of bonds outstanding from 1916 to 1918, incl., 2% from 1919 to 1933, incl., and 2½% from 1934 to 1943, incl. The funds so received may be used either to retire bonds at not more than 105 and interest, or for permanent improvements, extensions or additions to the property which might otherwise have been made the basis of the issuance of bonds. If bonds for redemption, as stipulated in the sinking fund provision, are not obtainable in the market at 105 and interest, or at a lower price, they may be called by lot at 105 and interest.

Security—Secured by a direct first mortgage on all of the property, franchises and rights of the company located in the States of Utah, Wyoming and Idaho, and through the deposit of all the issued securities of The Western Colorado Power Co., by a first lien on the property located in Colorado. The mortgage thus covers the Colorado properties as a first collateral lien. No additional bonds or stock of The Western Colorado Power Co. can be issued except to Utah Power & Light Co. and must then be deposited under its First Mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($10,000,000) in Feb., 1914, at 95 and interest by Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston, and Harris Trust & Savings Bank, Chicago. $2,847,000 additional offered in Dec. 1918, at 89½ and interest by the same firms; and a further $2,156,000 in Jan., 1923, at 91½ and interest, yielding about 5.70% by the same firms; $2,000,000 additional in March, 1927, at 98 and interest, yielding about 5.18% by Harris, Forbes & Co., Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102¼	99¾	98½	94	92½	94½	89¼	85
Low	97⅜	95	91	87¼	85¾	87½	76	70

(2)

$5,500,000 FIRST LIEN & GENERAL GOLD 6s; DUE FEBRUARY 1, 1944

Called for redemption on April 1, 1928, at 104 and interest at Guaranty Trust Co. of New York, Trustee.

(3)

$5,500,000 FIRST LIEN AND GENERAL MORTGAGE GOLD BONDS, SERIES OF "4½s DUE 1944"; DUE FEBRUARY 1, 1944

Dated February 1, 1928.

Interest Payable February and August 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—The mortgage securing these bonds provides that additional bonds may be issued thereunder upon the pledge with the Trustee of an equal principal amount of the Company's First Mortgage 5% bonds, provided, however, that the net earnings of the Utah Power & Light Co. for the twelve months within the fourteen months immediately preceding shall have been equal to at least 1¾ times the annual interest charges on all First Mortgage bonds in the hands of the public and all First Lien & General Mortgage bonds outstanding, including those proposed to be issued. The mortgage also provides that First Lien and General Mortgage bonds may be issued thereunder in different series, provided, however, that no series may be issued maturing earlier than any then existing series.

Callability—Subject to call as a whole or in part on the first day of any month on four weeks' notice through Jan. 1, 1933 at 102½ and interest, with successive reductions in the redemption price of ¼ of 1% on Feb. 1, 1933 and on each Feb. 1, thereafter, to and including Feb. 1, 1941, and on and after Feb. 1, 1942 at 100 and interest.

Sinking Fund—None.

Security—The $5,500,000 First Lien & General Mortgage bonds are secured by deposit with the Trustee of an equal principal amount of the Company's First Mortgage 5% bonds, due 1944. They are further secured by a general mortgage on the entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sullivan & Cromwell, and Simpson Thacher & Bartlett.

Original Offering—First publicly offered ($5,500,000) in March, 1928, at 96¾ and interest to yield 4.79%, by Harris, Forbes & Co., Coffin & Burr, Inc., New York, etc.; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston and Harris, Forbes & Co., Ltd., Montreal.

(4)

$5,000,000 6% GOLD DEBENTURES, SERIES "A"; DUE MAY 1, 2022

Dated May 1, 1922.

Interest Payable May and November 1, at Central Union Trust Co. of New York.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000; interchangeable. Fully registered, $1,000 and $5,000. Coupon and registered bonds interchangeable.

Trustee—Central Union Trust Co., of New York.

Provisions of Issue—These bonds are issued under an Agreement dated May 1, 1922, which provides that Gold Debenture bonds may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights and limitations permitted by the Agreement as the Company may determine prior to the issue thereof. The Agreement also provides among other things, that no additional Gold Debenture bonds may be issued under said Agreement unless the net income (including that of The Western Colorado Power Co.) applicable to interest charges of the Utah Power & Light Co., as defined in the Agreement, for twelve consecutive calendar months within the preceding fifteen calendar months, shall have been not less than twice the annual interest charges upon all indebtedness of the Company, including the Gold Debenture bonds then to be issued, but excluding indebtedness to be concurrently paid off through use of the proceeds of the sale of capital stock or of the sale of such issue of Gold Debenture bonds. The Gold Debenture bonds will be and become immediately due and payable in case of liquidation or dissolution of the Company, irrespective of the due date specified in any series.

Purpose of Issue—The $5,000,000 issued Debentures were sold to provide funds for the retirement of floating debt and for other corporate purposes.

Callability—These Debentures are not redeemable prior to May 1, 1947. On and after that date, and up to and including Oct. 31, 2016, they are redeemable as a whole or in part at any time upon 60 days' notice at 110 and interest; thereafter at par and interest.

Security—These bonds are a direct obligation of the Utah Power & Light Co., but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application.

Original Offering—First publicly offered ($5,000,000) in May, 1922, at 91 and interest, to yield about 6.60%, by Bonbright & Co., Inc., Hayden, Stone & Co., and Electric Bond and Share Co., New York.

Price Range—

	1927	1926	1925	1924
High	107¼	99½	94½	90
Low	100½	88½	88½	85

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Utah Power & Light Co., The Western Colorado Power Co. and Utah Light and Traction Co.)
(Inter-company charges eliminated.)

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$12,228,627	$12,101,991	$11,430,910	$10,913,901	$10,135,955	$8,840,905
Operating expenses and taxes	5,743,134	5,700,729	5,481,344	5,390,831	4,965,218	4,472,492
Net earnings from operation	$6,485,493	$6,401,262	$5,949,566	$5,523,070	$5,170,737	$4,368,413
Other income	337,525	415,493	259,261	323,317	148,704	165,666
Total income	$6,823,018	$6,816,755	$6,208,827	$5,846,387	$5,319,441	$4,534,079
Interest on bonds	2,852,711	2,799,100	2,799,100	2,799,100	2,696,683	2,407,875
Other interest and deductions	198,215	185,216	189,914	190,578	213,626	297,832
Balance	$3,772,092	$3,832,439	$3,219,813	$2,856,709	$2,409,132	$1,828,372
Dividends on Preferred stock	1,555,315	1,464,987	1,359,629	1,142,945	867,837	786,402
Dividends on Second Preferred stock	†17,500	70,000	70,000	70,000	216,930	216,930
Balance	$2,199,277	$2,297,452	$1,790,184	$1,643,764	$1,324,365	$825,040
Renewal and replacement (depreciation) reserves	750,000	775,000	725,000	725,000	725,000	600,000
Surplus	$1,449,277	$1,522,452	$1,065,184	$918,764	$599,365	$225,040
Times Bond Interest Earned	2.32	2.37	2.15	2.02	1.87	1.75
Earnings Per Share—						
7% Preferred	*$16.36	$18.20	$15.28	$15.82	$16.55	$15.29

*On combined $7 and $6 Preferred stocks. †Second Pfd. stock converted into Pfd. stock in April, 1927.

SEGREGATION OF GROSS EARNINGS

The gross earnings for the calendar years 1922 to 1927, as shown above, were derived from various classes of service as follows:

	1927 Percentage	1926 Percentage	1925 Percentage	1924 Percentage	1923 Percentage	1922 Percentage
Electric power and light	83	82	82	81	79	74
Railway	15	15	16	17	18	23
Manufactured gas	1	1		1	1	1
Water and heating	1	2	2	1	2	2
Total	100	100	100	100	100	100

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Utah Power & Light Co. and The Western Colorado Power Co.)
(Inter-company accounts eliminated.)

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$10,637,206	$10,502,803	$9,354,500	$9,331,444	$8,543,405	$7,125,089
Operating expenses, including taxes	5,150,943	5,021,882	4,848,211	4,716,022	4,253,372	3,612,341
Net earnings	$5,486,263	$5,480,921	$5,006,289	$4,615,422	$4,290,033	$3,512,748
Other income	492,166	493,568	364,067	386,140	183,749	201,219
Total income	$5,978,429	$5,974,489	$5,370,356	$5,001,562	$4,473,782	$3,713,967
Interest on bonds	2,010,960	1,957,350	1,957,350	1,957,350	1,854,933	1,574,919
Other interest and deductions	179,860	169,202	181,995	173,346	194,532	286,312
Balance	$3,787,609	$3,847,937	$3,231,011	$2,870,866	$2,424,317	$1,852,736
Dividends on Preferred stock	1,555,315	1,464,987	1,359,629	1,142,945	867,837	786,402
Dividends on Second Preferred stock	17,500	70,000	70,000	70,000	216,930	216,930
Balance	$2,214,794	$2,312,950	$1,801,382	$1,657,921	$1,339,550	$849,404
Renewal and replacement (depre.) reserve	750,000	775,000	725,000	725,000	725,000	600,000
Balance	$1,464,794	$1,537,950	$1,076,382	$932,921	$614,550	$249,404

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Utah Power & Light Co. and The Western Colorado Power Co.)
(Inter-company accounts eliminated)

Assets—	1927	1926	1925	1924	1923	1922
Plants, leaseholds & securities	$89,020,298	$85,980,701	$84,277,181	$82,330,912	$78,636,828	$76,154,2
Construction—contract advances	3,260,491	4,128,989	2,280,971	804,392	1,829,570	743,0
Cash	829,948	843,134	923,826	851,960	783,730	635,5
Notes and loans receivable	3,159,722	2,317,730	3,742,221	2,543,939	872,207	597,5
Accounts receivable	2,159,329	1,803,857	2,494,642	2,175,960	1,524,075	1,436,9
Material and supplies	827,248	838,741	812,983	760,410	746,270	643,1
Prepaid accounts	32,896	48,397	21,316	34,263	40,530	15,0
Trust funds	.....	.....	.....	.....	2,360,000	.....
Guaranty-The Progress Co. Note (contra)	.....	.....	.....	30,000	30,000	30,0
Guaranty-Utah Light & Trac. Co. bonds and notes (see contra)	13,872,000	14,077,000	13,872,000	13,872,000	14,022,000	14,017,0
Unamortized discount commission and expenses	3,116,350	3,188,976	3,337,905	4,187,314	3,984,137	3,598,0
Deferred debits	.....	.....	.....	12,777	16,034	2,1
Property abandoned	255,953	355,953	.....	.....	.....	.....
Total	$116,534,235	$113,583,478	$111,763,045	$107,603,927	$104,845,381	$97,872,7
Liabilities—						
Capital stock	†$53,016,400	.....	.....	.....	.....	.....
Common stock	.....	$30,000,000	$30,000,000	$30,000,000	$30,000,000	$30,000,0
7% Pfd. stock	.....	21,056,400	21,056,400	18,056,400	14,556,400	11,957,4
7% 2nd Pfd. stock	.....	1,000,000	1,000,000	1,000,000	1,000,000	3,099,0
Funded debt	38,347,000	*36,847,000	36,847,000	36,847,000	36,847,000	31,847,0
Notes and loans payable	.....	545,000	.....	.....	603,500	488,0
Dividends declared	398,487	385,987	535,987	333,487	272,237	263,4
Advances from affiliated companies	.....	.....	.....	.....	680,500	416,0
Accounts payable	483,458	475,909	454,141	621,762	551,330	369,4
Consumers' deposits	560,271	530,783	456,489	458,946	502,199	444,4
Accrued accounts	1,915,257	1,527,255	1,199,872	1,123,886	1,064,050	1,216,9
Guaranty-The Progress Co. Note (contra)	.....	.....	.....	30,000	30,000	30,0
Guaranty-Utah Light & Trac. Co. bonds and notes (contra)	13,872,000	14,077,000	13,872,000	13,872,000	14,022,000	14,017,0
Deferred credits	20,000	28,278	27,695	.....	.....	.....
Reserves	4,284,472	3,697,941	3,291,170	2,722,723	3,113,436	2,737,8
Surplus	3,636,890	3,411,925	3,022,291	2,537,723	1,602,729	986,1
Total	$116,534,235	$113,583,478	$111,763,045	$107,603,927	$104,845,381	$97,872,7

*Of which $500,000 First Lien and General Mortgage Gold Bonds, Series "7s due 1941" called for redemption May 1, 19.
†Represented by 3,000,000 shares Common, 210,564 shares $7 Preferred and 20,000 shares $6 Preferred of no par value.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Utah Power & Light Co. and The Western Colorado Power Co.)

Current Assets—	1927	1926	1925
Cash	$829,948	$843,134	$923,826
Notes & loans receivable	3,159,722	2,317,730	3,742,221
Accounts receivable	2,159,329	1,803,857	2,494,642
Material and supplies	827,248	838,741	812,983
Prepaid accounts	32,896	48,397	21,316
Total	$7,009,143	$5,851,859	$7,994,988
Net Working Capital			

Current Liabilities—	1927	1926	1925
Notes and loans payable	.....	$545,000	.....
Dividends declared	$398,487	385,987	$535,9
Accounts payable	483,458	475,909	454,1
Consumers' deposits	560,271	530,783	456,4
Accrued accounts	1,915,247	1,527,255	1,199,8
Total	$3,357,473	$3,464,934	$2,646,4
	$3,651,670	$2,386,925	$5,348,4

Officers: S. Z. Mitchell, Chairman of the Board, New York; Lafayette Hanchett, Pres.; D. C. Green, V-P. & Gen. Mgr.; John F. MacLane, V-P., Salt Lake City, Utah; E. W. Hill, V-P.; S. R. Inch, V-P.; D. F. McGee, V-P., New York; Geo. B. Thomas, Sec. & Treas., Salt Lake City, Utah; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York; R. H. Jones, Asst. Sec. & Asst. Treas., Salt Lake City, Utah; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas., New York.

Directors: H. S. Auerbach, L. H. Farnsworth, D. Green, Lafayette Hanchett, J. C. Howard, Stephen Love, C. P. Castle, C. W. Nibley, Salt Lake Ci Utah; A. P. Bigelow, Ogden, Utah; J. W. Funk, Ric mond, Utah; S. Z. Mitchell, C. E. Groesbeck, Cha Hayden, S. R. Inch, New York; C. E. Loose, Prov Utah; C. H. Solier, Evanston, Wyo.; G. G. Wrig Idaho Falls, Idaho.

Offices, Salt Lake City, Utah, and 2 Rector Stre New York.

UTAH LIGHT AND TRACTION COMPANY

(Controlled by Utah Power & Light Company)
(Supervised by Electric Bond and Share Company)

History and Property—Incorporated Sept. 18, 1914, in Utah. Owns the electric power and light and street railway properties in Salt Lake City and vicinity and the electric power and light and gas properties in Ogden formerly owned by the Utah Light & Ry. Co. (see Manual for 1914, page 3619). The electric power and light and gas properties are leased for 99 years from Jan. 1, 1915, to the Utah Power & Light Co., which company owns all the outstanding capital stock, except directors' shares, of the Utah Light and Traction Company.

The street railway property in Salt Lake City and vicinity are operated by the Utah Light and Traction Company. The mileage comprises 121 miles of single track equivalent. The Company's tracks thoroughly cover Salt Lake City and extend into the important suburbs and suburban towns, serving a population estimated at 156,000.

Franchises—The electric power and light and stre railway franchises of the company in Salt Lake Ci extend to 1955, and in Ogden to 1965.

TRAFFIC STATISTICS, AT DECEMBER 31

	1927	1926	192
Population served	156,000	155,000	153,0
Total passengers carried	31,043,678	32,191,522	34,750,2
Car miles	6,016,105	5,959,358	5,887,6
Car hours	586,915	590,491	605,2
Average no. of cars oper.	81	81	8
Miles of track (single track equivalent)	*121	*135	1

*Decrease due to abandonment of certain track in suburb districts in Davis County.

CAPITAL STOCK

Authorized, $10,000,000; issued, $1,150,875. A owned by Utah Power & Light Co., except directo qualifying shares.

FUNDED DEBT

(1)

$16,000 UTAH LIGHT & POWER CO. PRIOR LIEN GOLD 5s; DUE JANUARY 1, 1930

Dated January 1, 1900.

Interest Payable January and July 1, at 2 Rector reet, New York.

Denomination—Coupon, $1,000; principal may be gistered.

Trustee—Central Union Trust Co., of New York.

Provisions of Issue—Authorized and issued, $750,-0, of which $4,000 pledged under the Utah Light and raction Co., First & Refunding Mortgage.

Callability—Subject to call at par and interest on y interest date.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
gh	*100½	*100	99¼	99	95	96	80	75
ow	96½	99	bid	bid	bid	bid	bid	bid

*High and low bid prices.

(2)

$113,000 UTAH LIGHT & POWER CO. CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1930

Dated January 1, 1900.

Interest Payable January and July 1, at 2 Rector reet, New York.

Denomination—Coupon, $500; principal may be gistered.

Trustee—Equitable Trust Co., of New York.

Provisions of Issue—Issued, $2,600,000, of which ,113,000 are held by the public, $1,485,000 are held r the Equitable Trust Co., of New York for Utah ight & Ry. Co. Consolidated Mortgage bonds, and ,000 are deposited under the Utah Light and Trac-on Co. First & Refunding Mortgage bonds. The ortgage is closed.

Callability—Subject to call at par and interest on ıy interest date.

Tax Provisions—Company pays Normal Federal ıcome Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
igh	*98¼	96½	94½	92½	87	86	87	87
ow	96⅞	bid	bid	bid	bid	bid	bid	bid

*High and low bid price.

(3)

$1,401,000 (ALL PLEDGED) CONSOLIDATED RY. & POWER CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1921

Dated September 1, 1901.

Interest Payable January 1, and July 1, at Equita-e Trust Co. of New York.

Denomination—Coupon, $1,000.

Trustee—Equitable Trust Co. of New York.

Provisions of Issue—Outstanding, $1,401,000, all of hich were paid at maturity, July 1, 1921 but have een kept alive and are deposited under Utah Light & y. Co. Consolidated Mortgage. Mortgage is closed.

Security—Secured by a first lien on properties rmerly owned by the Consolidated Ry. & Power Co.

Tax Provisions—Company pays Normal Federal ıcome Tax up to 2%.

(4)

$86,000 UTAH LIGHT & RY. CO. CONSOLIDATED MORTGAGE GOLD 5s; DUE JANUARY 2, 1934

Dated January 2, 1904.

Interest Payable January and July 2, at 2 Rector treet, New York.

Denomination—Coupon, $1,000; principal may be gistered.

Trustee—Equitable Trust Co. of New York.

Provisions of Issue—Issued, $4,959,000, of which 486,000 are held by the public, $2,073,000 have been tired, $999,000 are pledged under Utah Light and raction Co. First & Refunding Mortgage, and $1,-01,000 are pledged under Utah Light & Traction o. First Mortgage Collateral 8% bonds.

Callability—Subject to call at par and interest on any interest date.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$12,471,300 UTAH LIGHT AND TRACTION CO. FIRST & REFUNDING 5s SERIES "A," DUE OCTOBER 1, 1944

Dated September 18, 1914.

Interest Payable April and October 1, at Bankers Trust Co., New York.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000, and fully registered, $1,000. Coupon bonds in denominations of $1,000 and fully registered bonds interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued, $12,524,300 of which $12,471,300 are outstanding and $53,000 have been retired. Of the outstanding bonds, $300 are owned by the Utah Power & Light Co. Additional bonds may be issued only to reimburse the Company for not exceeding 80% of the cost of permanent additions, improvements, etc.

Bonds may be issued in one or more series. Those so far issued are known as Series "A." Under the terms of the mortgage the interest rate on any subsequent issue of bonds cannot exceed 6%. At the election of the Board of Directors of the Company the bonds may be expressed in one or more foreign languages, and principal and interest may be made payable in foreign moneys in Europe at fixed rates of exchange.

Callability—Subject to call as a whole on any interest date, or in part for the Sinking Fund since Dec. 31, 1917, at 105 and interest.

Sinking Fund—The sinking fund requires payment on the total amount of bonds outstanding on Dec. 31 of each year as follows: 1% from 1917 to 1919, incl.; 2% from 1920 to 1934, incl. and 2½% from 1935 to 1943, incl. Money in the sinking fund may be used for redemption of bonds at not more than 105 and interest, or it may be used to reimburse the Company for the cost of permanent additions, improvements, etc., which might otherwise have been made the basis for the issuance of bonds. If bonds for redemption, as stipulated in the Sinking Fund provision, are not obtainable in the market at 105 and interest, or a lower price, they may be called by lot on any interest date on four weeks' notice at 105 and interest.

Security—Secured by a first lien on all properties, rights and franchises of the Company now owned or hereafter acquired, subject to the underlying bonds as listed above and are further secured by the deposit of $999,000 Utah Light & Ry. Co. 5% Consolidated Mortgage bonds; $4,000 Utah Light & Power Co. 5% Prior Lien bonds, and $2,000 Utah Light & Power Co. 4% Consolidated Mortgage bonds

Guaranty—Of the $12,471,300 outstanding, $12,-471,000 are unconditionally guaranteed as to principal and interest, by the Utah Power & Light Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($12,471,-000) in May, 1922, at 91 and interest, by E. H. Rollins & Sons, Harris, Forbes & Co., and the National City Co., New York.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	98½	94¼	91½	87¾	91¾	89½
Low	93⅜	86⅛	83⅛	80	78	87

(6)

$1,401,000 UTAH LIGHT AND TRACTION CO. FIRST MTGE. COLLATERAL GOLD 8s, DUE JANUARY 1, 1934

Dated July 1, 1921.

Interest Payable January and July 1, at U. S. Mortgage & Trust Co., New York and First National Bank of Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized and issued, $1,401,000.

Callability—These bonds were not subject to call before Jan. 1, 1927; thereafter redeemable as a whole or in part on 30 days' notice, as follows: during 1927, at 106; during 1928, at 105; during 1929, at 104; during 1930, at 103½; during 1931, at 103; during 1932, at 102½; during 1933, at 102; interest to the date of redemption to be added in each case.

Sinking Fund—None.

Security—Originally secured, through collateral (of an aggregate lien of $2,886,000) by (a) a first mortgage on the 16,000 k.w. Jordan steam station, on the Weber hydro-electric station, on the steel tower transmission lines interconnecting the Weber, Pioneer and Jordan power plants of the system, and on substantially the entire street railway system of the Utah Light and Traction Co.; (b) a lien, subject only to $1,859,0 bonds outstanding with the public, on substantially the remaining electric power and light and gas prope ties of the system.

Guaranty—Unconditionally guaranteed as to pri cipal and interest by endorsement by the Utah Pow & Light Co.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%. Pennsylvania four mills t refunded on application.

Original Offering—First publicly offered ($1,40 000) in Aug., 1921, at 99½ and interest, yielding ov 8%, by Tucker, Anthony & Co., New York and Bo ton; Robert Garrett & Sons, Baltimore, and Brool Stokes & Co., Philadelphia.

Price Range—

	1927	1926	1925	1924	1923	19
High	*106¼	*107	107¼	107½	104¼	10
Low	104	106	bid	bid	bid	bi

*High and low bid prices.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	192
Gross earnings	$1,865,661	$1,871,689	$1,841,060	$1,852,762	$1,857,747	$1,979,
Operating expenses and taxes	1,459,356	1,483,450	1,447,310	1,479,155	1,467,590	1,498,
Net earnings	$406,305	$388,239	$393,750	$373,607	$390,157	$480,
Other income	595,782	585,191	560,080	536,755	495,998	382,
Total income	$1,002,087	$973,430	$953,830	$910,362	$886,155	$863,
Interest on bonds	$841,765	$841,765	$841,765	$924,522	$901,342	$888,
Other interest & deductions	175,838	147,170	123,261	82,757	59,577	
Total charges	$1,017,603	$988,935	$965,026	$924,522	$901,342	$888,
Deficit for year	$15,516	$15,505	$11,196	$14,160	$15,187	$24,
*Times Bond Interest Earned	1.19	1.15	1.13	0.98	0.98	

*Before deducting interest and other deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plants and investments	$24,051,339	$23,724,923	$23,400,310
Cash	166,420	195,385	148,119
Accounts receivable	48,201	37,976	73,928
Materials and supplies	188,445	164,897	116,829
Prepaid accounts	6,180	9,500	2,824
Trust funds	45,732	26,586	9,991
Funds deposited with Trustee for redemption of Con. Ry. & Power Co. First 5s	.....	.....	1,000
Unamort. disc. & expense	135,289	150,806	165,166
Deferred debits	.....	.....	1,414
Total	$24,641,606	$24,310,073	$23,919,581

Liabilities—	1927	1926	1
Capital stock	$1,150,875	$1,150,875	$1,150,
Funded debt	16,217,300	16,217,300	16,218,
Advances from affil. Co.	2,969,852	2,234,147	2,103,
Notes & loans payable		205,000	
Accounts payable	220,802	218,666	279,
Accrued accounts	742,275	664,087	482,
Reserves	1,462,342	1,722,524	1,755,
Surplus	1,878,159	1,897,474	1,929,
Total	$24,641,606	$24,310,073	$23,919,

Officers: E. O. Howard, Pres. & Chairman of Board; D. C. Green, V-P., Salt Lake City, Utah; S. R. Inch, V-P.; D. F. McGee, V-P., New York; Geo. B. Thomas, Sec. & Treas.; John F. Scheib, Asst. Sec. & Asst. Treas., Salt Lake City, Utah; E. P. Summerson, Asst. Sec.; G. J. Hickman, Asst. Treas., New York; Edward A. West, Gen. Mgr.

Directors: J. M. Bidwell, James J. Burke, Heber Grant, D. C. Green, W. J. Halloran, E. O. Howa O. J. Salisbury, F. C. Schramm, David A. Smi John H. Tonkin, Salt Lake City, Utah; S. R. In New York; Jos. Scowcroft, Ogden, Utah.

Offices, Salt Lake City, Utah, and 2 Rector Stre New York.

AMERICAN POWER & LIGHT COMPANY

(Supervised by Electric Bond and Share Company)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	†Ear per a
$6 Cumulative Pfd. (no par)	J, A, J & O 1	500,000 shs.	238,513 shs.	Yes	$10,157,070	$6	$1,430,879	$4.
Common (no par)	M, J, S & D 1	2,300,000 shs.	‡1,872,937.48 shs.	...	8,726,191	*	2,518,408	

*Present rate is $1.00 per share per annum in cash on the non-par value stock and stock dividends amounting to 2/5 share per annum. †Based on earnings applicable to American Power & Light Company Preferred and Common stocks cluding undistributed income, after renewal and replacements reserves of controlled companies), and on amount of st outstanding at Dec. 31, 1927. ‡Includes 1,846.48 shares of scrip.

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Gold Deb. Bonds, Amer. 6% Ser.	Mar. 1, 2016	M & S 1	†	$45,791,100	‡	Yes	Not pd. by

Total Bonded Debt, at Dec. 31, 1927, $45,810,500. Interest and Discounts of A. A. P. & L. Co. itself applicable to 1 $2,991,118.

***Amount Applicable for Interest and Discounts** in 1927, $13,148,188. **Times Interest & Discounts Earned** in 1927, 4.3

*Of American Power & Light Co., including undistributed income of subsidiaries, after renewals and replacement appropa tions. †Governed by restrictions of the mortgage. ‡Though not convertible, Debenture bonds may be used in lieu of cash o gether with option warrants to purchase Common stock.

History and Properties—Incorporated Sept. 20, 1909, under laws of Maine, as a holding company for electric power and light, railway and gas companies. Organized by the Electric Bond and Share Co., of New York, which company supervises (under the direction and control of the respective boards of directors) operations of the American Power & Light Co. its subsidiaries.

American Power & Light Co. on Dec. 31, 19 owned **substantially all the Common stocks** (and

ome cases various amounts of Preferred and Second Preferred stocks as well as certain indebtedness) of ne following companies and also of some less important companies:

Kansas Gas and Electric Co., supplying electric ower and light and gas service in Wichita, Pittsburg, Newton and 64 other communities in Kansas, having a otal population estimated at 238,000.

Pacific Power & Light Co., supplying electric power nd light service in 90 communities and manufactured as service in 6 communities in Washington, Idaho and Oregon, and water service in 3 communities in Washington, having a total population estimated at 147,000

Portland Gas & Coke Co., supplying manufactured as service in Portland, Oregon, Vancouver, Wash., nd 21 communities adjacent to Portland having a otal population estimated in excess of 392,000.

Nebraska Power Co., supplying electric power and ght service in Omaha, Nebraska and several subrbs, and, through a subsidiary, all of the electric ower and light and manufactured gas service in Council Bluffs, Iowa, having a total combined popuation estimated at 274,000.

Minnesota Power & Light Co., supplying, directly or ndirectly, electric power and light service in an extensive territory in northern and eastern Minnesota, ncluding Duluth, Hibbing, Virginia, Cloquet, Brainrd, Chisholm, Eveleth, Little Falls, Ely and 90 other ommunties, and in Superior and Oliver, Wis., at wholesale. The aggregate population served is estinated to be in excess of 326,000.

Superior Water, Light and Power Company, supplying electric power and light, gas and water service in Superior, Wisconsin, having a population estimated at 42,000. (All power requirements are supplied to the Company by Minnesota Power & Light Company).

Florida Power & Light Co., supplying electric power and light service in 137 communities in Florida, ncluding Miami, Miami Beach, St. Augustine, Palata, Sanford, Bradenton, Palm Beach, West Palm Beach, Fort Lauderdale, Sarasota, Fort Myers, and Daytona; gas service in 4 communities, and doing an ce business in 22 communities. Subsidiaries of Florda Power & Light Co. supply water service in Miami, Coral Gables and Stuart and street railway service in Miami, Miami Beach, Coral Gables and St. Augustine. The street railway system in Miami is owned by the city but operated under agreement with the City of Miami by The Miami Beach Railway Co. The total permanent population served is estimated to be in exess of 482,000.

Central Arizona Light and Power Co., supplying electric power and light and gas service in Phoenix, Arizona, and vicinity, serving a population estimated n excess of 50,000.

Northwestern Electric Company, supplying electric power and light service in a large part of Portland, Oregon, and Vancouver, Washington, and in addition n 10 other communities in this district. The population of the communities in which Company operates s estimated to be in excess of 355,000.

Southwestern Power & Light Co., which owns substantially all the Common stocks (and in some cases all Preferred stock and bonds) of Texas Power & Light Co., Fort Worth Power & Light Co., Texas Electric Service Co., El Paso Gas Co., Galveston Gas Co., Oil Belt Power Co., Paris Transit Co., Texas Public Utilities Corp. and other companies supplying utility service in 293 communities in Texas, having a total population estimated at 1,108,000.

The operating subsidiaries serve a total of 790 communities in Arizona, Florida, Idaho, Iowa, Kansas, Minnesota, Nebraska, Oregon, Texas, Washington and Wisconsin. The total population served is estimated at 3,062,000. Approximately 749,266 consumers are served, of whom about 545,981 are supplied with electric power and light service.

The properties owned by the operating subsidiaries include electric generating stations having a total installed generating capacity of 620,581 kilowatts, 8,866 miles of high voltage transmission lines and 9,918 miles of electric distributing system.

Acquisition of Washington Water Power Co.—Through acquisition of the Common stock of the Washington Water Power Co. (see page 966) the American Power & Light Co. acquired control of this company in 1928. Under a Plan and Agreement of Reorganization dated Jan. 24, 1928, the American Power & Light Co. offered to Common stockholders of Washington Water Power Co. the opportunity to exchange their stock for American Power & Light Co. $6 cumulative Pfd. in the ratio of 2.2 shares of $6 Pfd. of American Power & Light Co. for each share of Common of Washington Water Power Co. The time limit for the deposit of stock was set for June 1, 1928. At the close of business on May 2, 1928, there had been deposited 250,076 shares out of a total of 254,180 shares outstanding. Depositary, Old Colony Trust Co., Boston.

Acquisition of Montana Power Co.—Under a Plan and Agreement of Reorganization dated April 5, 1928, the American Power & Light Co. acquired control of the Montana Power Co. (see page 789) through exchange of stock. Under the Plan, the American Power & Light Co. issued its $5 Pfd. stock, Series "A," in exchange for the Common stock of The Montana Power Co. on the basis of 2 shares of such $5 Pfd., Series "A," for each share of said Common stock. The time limit for the deposit of stock was set for May 23, 1928. At the close of business on May 2, 1928, there had been deposited 437,434 shares out of a total of 496,333 shares of Common stock outstanding. Depositary, Guaranty Trust of New York. The Plan was declared operative May 8, 1928.

Service and Property—The total estimated population and the total number of communities and consumers served by all the operating companies subsidiary to the American Power & Light Company and the Southwestern Power & Light Company, and the physical equipment of the properties of these subsidiaries as of Dec. 31, 1927, togehter with the kilowatt-hours output, the gas sendout and the number of passengers carried for the twelve months ended on that date, compared with corresponding statistics reported for the three previous years, follow:

	1927	1926	1925	1924
Population served	3,062,000	2,925,000	2,670,000	2,387,000
Number of communities served:				
with electric power and light	761	631	508	440
" electric railway	4	5	4	4
" manufactured gas	41	40	40	39
" natural gas	2	2	1	5
" water	15	15	14	8
" ice	49	42	36	24
Total communities	790	659	536	472
Number of consumers served:				
with electric power and light	545,981	513,935	451,442	363,519
" manufactured gas	160,346	157,526	154,775	138,173
" natural gas	12,014	11,451	†9,047	37,970
" water	29,979	29,533	33,659	18,016
" miscellaneous service	946	937	920	329
Total consumers	749,266	713,382	649,843	558,007

SERVICE AND PROPERTY, DECEMBER 31 (Continued):

	1927	1926	1925	1924
Passengers carried during twelve months	14,770,871	13,045,689	12,397,361	5,063,38
Kilowatts generating station capacity installed	620,581	570,905	487,350	356,07
Kilowatts generating capacity under construction	24,400	61,640	100,928	118,0(
Kilowatt-hours generating station output (incl. power purchased) for 12 months	2,132,357,200	1,948,991,600	1,656,753,500	1,336,495,1(
Miles of trans. lines (11,000 v. and over) in oper., irrespective of no. circuits carried	8,866	7,166	5,464	4,4(
Miles of electric distribution system (less than 11,000 volts) in service	9,918	8,985	7,374	5,9
Total miles transmission and distribution system (all voltages) in operation	18,784	16,151	12,838	10,3(
Miles of transmission lines (11,000 volts and over) under construction	314	240	492	3
Gas works capacity (thousand cubic feet) per day	57,463	52,343	49,638	41,0(
Gas holder capacity (thousand cubic feet)	22,284	22,284	19,481	13,7(
Manufactured gas sendout (thousand cubic feet) for twelve months	6,940,838	6,747,779	6,582,897	5,744,9
Natural gas sendout (thousand cubic feet) for twelve months	1,104,926	†1,141,359	†3,892,670	4,353,9
Total gas sendout (thousand cubic feet) for twelve months	8,045,764	7,889,138	10,475,567	10,098,9
Miles of gas mains	2,827	2,717	†2,465	2,5
Miles of water mains	570	433	435	2(
Miles of electric railway (single track equivalent)	*41	*52	*39	*
Ice plant capacity (tons) per day	2,802	2,719	2,578	1,6

*Including 17 miles at Dec. 31, 1924, 21 miles at Dec. 31, 1925, 35 miles at Dec. 31, 1926, and 28 miles at Dec. 31, 1927, owne by the city of Miami, Florida, but operated by The Miami Beach Railway Company. †Decrease due to sale of natural gas di tributing systems formerly owned by Kansas Gas and Electric Company.

CAPITAL STOCK

Authorized, 4,000,000 shares Common, 1,000,000 shares $6 cumulative Pfd., 1,000,000 shares $5 cumulative Pfd. and 1,200,000 shares $5 cumulative Pfd., Series "A," all of no par value; outstanding, April 30, 1928 (after giving effect to the acquisition of the Common stocks of the Washington Water Power Co. and of The Montana Power Co. through exchange for stock of American Power & Light Co.), 1,872,937.48 shares Common (including scrip for fractional shares aggregating the equivalent of 1,228.48 full shares), 788,687.2 shares $6 Pfd. and 874,868 shares $5 Pfd., Series "A."

Capital Stock Changes—The authorized capital stock was increased from 4,000,000 shares Common and 2,000,000 shares Pfd. both of no par value to the amounts stated above on April 24, 1928. On Feb. 4, 1928, the authorized capital stock was increased from 2,300,000 shares Common and 500,000 shares Pfd. By authority of the stockholders given at meeting held Sept. 10, 1924, the capital stock was increased from 400,000 shares of $100 par value to 2,200,000 shares of no par value and all of the $100 par value 6% Pfd. shares of the Company were made exchangeable for a like number of Pfd. shares without par value, carrying $6 per share per annum cumulative dividend, and each $100 par Common share was made exchangeable for ten shares of Common stock without par value. Capital stock was again increased at meeting of stockholders held Oct. 29, 1924 from 2,200,000 shares to 2,800,000 shares (500,000 shares of Pfd. and 2,300,000 shares Common).

Preferred Stock Provisions—The $5 Series "A," the $5 Pfd. and $6 Pfd. rank pari passu as to cumulative dividends and in case of dissolution or liquidation of the Company to $100 per share and accumulated dividends, and are subject to redemption on any dividend date on 30 days' notice, the $5 Series "A" Pfd. at $110 per share and accrued dividends and the $6 Pfd. at $115 per share and accrued dividends. The $5 Pfd. stock, Series "A," is entitled to dividends at the rate of $2.50 per share per annum for the period ending Dec. 31, 1928; at the rate of $3.00 per share per annum for the period beginning Jan. 1, 1929, and ending Dec. 31, 1929; at the rate of $3.50 per share per annum for the period beginning Jan. 1, 1930, and ending Dec. 31, 1930; at the rate of $4.00 per share per annum for the period beginning Jan. 1, 1931, and ending Dec. 31, 1931; and at the rate of $5.00 per share per annum after Dec. 31, 1931. Such dividends are cumulative from and after April 1, 1928, or in the case of stock issued after April 1, 1928, from the first day of the current dividend period within which such $5 Pfd. stock, Series "A," shall be issued. All $5 Pfd. stock, Series "A," shall on Jan. 1, 1932, be and become $5 Pfd. stock, subject however, as to all $5 Pfd. stock, Series "A" outstanding on Dec. 31, 1931, to the foregoing rates and provisions with respect to dividends thereon for periods prior to Jan. 1, 1932. All three classes have equal voting power, share for share with Common.

$5 Preferred Stock, Series "A," Stamped Certificate—200,000 shares of the $5 Pfd., Series "A" stock wer offered in May, 1928, stamped with the followin agreement: The National City Bank of New Yo will pay to the registered owner of the stock certifica of record at the dates below specified, for the perio set forth respectively, an amount for each of sa periods equal to the difference between the amount the dividends at the rates called for by the stock certi cates for said periods respectively and an amount equ to dividends for such periods at the rate of $5 p share per annum; that is to say, The National Ci Bank of New York will pay for the period beginnir April 1, 1928 and ending Dec. 31, 1928 at the rate $2.50 per share per annum; for the period beginnir Jan. 1, 1929, and ending Dec. 31, 1929, at the rate $2 per share per annum; for the period beginning Ja 1, 1930, and ending Dec. 31, 1930, at the rate $1.50 per share per annum; for the period beginnir Jan. 1, 1931 and ending Dec. 31, 1931, at the rate of per share per annum; said amounts to be payable qua terly for the preceding quarterly period on the fir days of July, October, January and April in each yea payment to be made to the registered owner of reco at the close of business on the respective dates fix by the Board of Directors of the American Power Light Co. in the resolution declaring the quarter dividends in said periods, and if no date is so fixe then to holders of record at the close of business sev days prior to said quarterly dividend date.

Transfer Agent ($6 and $5 Pfd.)—Registrar Transfer Co., New York. Transfer and Paying Age ($5 Pfd., Series "A," Stamped Certificates), The N tional City Bank of New York.

Registrar (Preferred)—The Corporation Trust C New York.

Original Offering—200,000 shares $5 Pfd. stoc Series "A," Stamped Certificates, were publicly offer in May, 1928, at $95 per share to yield 5.25% by Bo bright & Co., Inc., White, Weld & Co. and Natior City Co., New York.

Option Warrants—At March 6, 1928, there remain Option Warrants entitling the registered holders ther of to subscribe at any time on or before March 1, 19 to an aggregate of 9,070 shares of the Company's pre ent no par Common stock.

Annual Meeting—Third Tuesday in February, Augusta, Me.

Listed—Common shares are listed on New Yo Stock Exchange.

Price Range—

	1927	1926	1925	1924	19
$6 Preferred—					
High	109¾	99¼	98	92	8
Low	97½	92	94	84	8(
Common—					
High	73⅜	72½	68½	69	18
Low	54	50¾	48½	33	14

Dividends—Quarterly dividends have been paid the $6 Pfd. stock regularly since the organization of te Company in 1909; payments, J, A, J & O 1. Dividen

n the $5 Series "A" Pfd. will be payable quarterly J. , J & O 1, cumulative from April 1, 1928.

Dividends on the Common stock have been paid regarly since 1913. The rate from 1913 to and including 921 was 4% per annum. In 1922 two quarterly dividends of 1½% each and two of 2% each were paid, aking a total of 7% for the year.

Dividends on the Common stock in 1924 continued the same rate as in 1923, when payments aggregating 10% in cash and 4% in stock were made on the ien $100 par value shares. Due to the conversion in ie last quarter from par value into no-par shares, ie December payment was 25 cents in cash and one-tieth of a share in Common stock, which on the new o-par shares is the equivalent of $10 in cash and 4% stock per annum paid on the old $100 par shares. ayments on Common stock have been regularly made nce, at rate of 25 cents cash per share quarterly M, J, S & D 1) and stock dividends of 1/50th of a iare each in Common stock, paid June and Decem-er 1.

FUNDED DEBT
(As of December 31, 1927)

5,810,500 GOLD DEBENTURE BONDS, AMERICAN 6% SERIES; DUE MARCH 1, 2016

Dated March 1, 1916.

Interest Payable March and September 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000, gisterable as to principal only and interchangeable. ully registered bonds in denominations of $1,000 ich. Coupon bonds aggregating $1,000 and fully registered bonds interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—The Agreement under which ese bonds are issued provides that Gold Debenture nds may be issued in series bearing such rates of terest (not exceeding 6% per annum), redeemable n such terms, and containing such other rights and nitations permitted by the Agreement as the Comny may determine prior to the issue thereof. The greement also provides among other things, that no dditional Gold Debenture bonds may be issued under id Agreement unless net income of the Company fter deducting expenses, including rentals, license harges and taxes) for 12 consecutive calendar months ithin the preceding 14 calendar months, shall have een not less than 2½ times the interest charges for a ce period on all indebtedness of the Company outanding at the close of said period, including the Gold ebenture bonds then to be issued, but excluding debtedness subsequently cancelled or to be cancelled or covered by deposit as provided in the Agreement.

Callability—Subject to call as a whole on any interest day at 110 and accrued interest.

Option Warrants—There were outstanding Option Warrants, as of March 6, 1928, entitling registered holders thereof to subscribe, at any time up to Mar. 1, 1931, at $10 per share, to an aggregate of 9,070 shares of the Common stock of the Company of no par value. Any of the Company's Gold Debenture bonds now outstanding will be accepted by the Company to the extent of the principal amount thereof in lieu of cash payment for shares of Common stock of no par value subscribed to in exercise of the rights given by these Option Warrants. The Company will pay in cash, interest on Debentures so applied, accrued to the date of delivery of same to it.

Tax Provisions—Company does not pay Normal Federal Income Tax. Pennsylvania four mill tax refunded upon timely application.

Legal Opinion—Murray, Aldrich & Roberts, New York.

Original Offering—First publicly offered in Feb., 1916, to holders of Pfd. stock, Voting Trust Certificates and of Option Warrants, to extent of 50% of their holdings at 93 and interest. About $6,984,300 were subscribed for under this offer. $5,000,000 additional offered in March, 1923, by Bonbright & Co., Inc., New York, etc., at 95½ and interest; $5,000,000 each in Aug. and Oct., 1924, at 94½ and interest, to yield 6.35%; $8,000,000 in March, 1925, at 95½ and interest, to yield over 6.25%; $5,000,000 in September, 1925, at 96 and interest to yield 6.25%; $10,000,000 in April, 1926, at 98 and interest to yield over 6.10%, all by Bonbright & Co., Inc., New York.

Price Range—

	1927	1926	1925	1924	1923
High	108¾	101⅜	98½	95	98
Low	100	96	95⅜	94	91

Segregation of Gross Earnings—The gross earnings of the operating subsidiaries for the years 1923 to 1927, as shown above, were derived from various classes of business in approximate percentages as follows:

	1927	1926	1925	1924	1923
	%	%	%	%	%
Electric power and light	77	76	74	72	76
Manufactured gas	13	13	16	16	16
Natural gas	1	1	*	5	6
Water	2	2	2	1	1
Transportation	2	2	1	1	..
Ice and miscellaneous	5	6	7	5	1
Total	100	100	100	100	100

*Gas distributing systems formerly owned by Kansas Gas and Electric Company were sold in 1925.

GROSS AND NET EARNINGS OF OPERATING SUBSIDIARIES, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
oss earnings	$62,786,765	$59,411,694	$50,519,120	$42,078,837	$31,799,862	$28,695,707
et earnings	28,443,082	26,005,381	22,813,173	17,562,926	12,948,297	11,808,920

NOTE—The above statement shows the earnings of all properties owned.

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(American Power & Light Co. and Subsidiaries)

	1927	1926	1925	1924	1923
oss earnings of subsidiaries	$62,786,765	$59,411,694	$50,519,120	$42,078,837	$31,799,862
Net earnings of subsidiaries before renewals and replacement (depreciation) appropriations	28,443,082	26,005,381	22,813,173	17,562,926	12,948,297
*Gross earnings of American Power & Light Company and undistributed income of subsidiary Companies applicable to American Power & Light Co. after renewals and replacement (depreciation) appropriations	$13,497,520	$12,583,457	$10,766,692	$7,688,275	$5,153,673
xpenses of American Power & Light Company	349,332	364,433	443,481	489,129	407,390
terest and discounts of American Power & Light Company	2,991,118	2,796,020	1,912,451	834,477	716,965
Bal. applicable to American Power & Light Company divds.	$10,157,070	$9,423,004	$8,410,760	$6,364,669	$4,029,318
referred dividends	1,430,879	1,426,407	1,356,820	1,060,109	844,425
Bal. applicable to American Power & Light Company Common dividends	$8,726,191	$7,996,597	$7,053,940	$5,304,560	$3,184,893
mmon dividends	2,518,408	2,332,878	2,223,296	2,027,196	1,626,651
Combined undistributed income	$6,207,783	$5,663,719	$4,830,644	$3,277,364	$1,558,242
mes Interest and Discounts Earned		4.38	5.39	8.62	6.62
rnings Per Share—					
Preferred stock out at end of each period	$42.58	$39.51	$35.67	$29.04	$28.46
Common stock out at end of each period	4.66	4.62	4.28	3.39	2.41
Average Common stock out during each period	4.85	4.77	4.42	3.68	.....

*Renewal and replacement (depreciation) appropriations for the twelve months ended Dec. 31, 1927 were $3,531,900; 1926, ,524,808; 1925, $3,078,591; and 1924, $2,701,616.

COMBINED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Including Washington Water Power Company and Montana Power Company)

Gross earnings of subsidiaries	$82,421,594	Proportion of above balance accruing to Company	$17,929,47
Operating expenses, maintenance and taxes of subsidiaries	40,162,391	Other income, net	288,1
Net earnings of subsidiaries	$42,259,203	Total income of Company	$18,217,6
Interest to public and other deductions of subsidiaries	13,727,971	Interest and discount of Company	2,991,1
Pfd. dividend to public, of subsidiaries	5,158,150	Balance	$15,226,5
Balance	$23,373,082	Annual dividend requirement on 788,687.2 shares of Pfd. stock ($6) and dividend requirement for 12 months period beginning April 1, 1928, at stipulated rate on 874,868 shares of $5 Pfd. stock, Series "A"	$7,028,6
Renewal and replacement reserves, of subsidiaries	4,871,054		
Balance	$18,502,028		

INCOME ACCOUNT OF AMERICAN POWER & LIGHT CO. AND THE BALANCE APPLICABLE TO THE COMPANY FRO THE OPERATIONS OF ITS SUBSIDIARIES FOR THE YEARS ENDED DECEMBER 31

American Power & Light Co.:	1927	1926	1925	1924	1923	1922
Gross earnings	$10,176,831	$9,189,212	$7,203,897	$5,114,163	$4,209,161	$4,255,6
Expenses	349,332	364,433	443,481	489,129	407,390	1,604,5
Net earnings	$9,827,499	$8,824,779	$6,760,416	$4,625,034	$3,801,771	$2,651,0
Interest and discounts	2,991,118	2,796,020	1,912,451	834,477	716,965	1,018,1
Net income	$6,836,381	$6,028,759	$4,847,965	$3,790,557	3,084,806	$1,632,9
Less dividends paid:						
Preferred stock dividends	$1,430,879	$1,426,407	$1,356,820	$1,060,109	$844,425	$314,8
Common stock dividends	2,518,408	2,332,878	2,223,296	2,027,196	1,626,651	632,4
Balance after dividends	$2,887,094	$2,269,474	$1,267,849	$703,252	$613,730	$685,6
Subsidiary Companies:						
Undistributed income of subsidiary companies before Renewal and Replacement (Depr.) Reserves	$6,851,979	$6,919,053	$6,641,386	$5,275,728	$2,999,703	$2,636,9
Appropriation to Renewal and Replacement (Depreciation) Reserves	3,531,290	3,524,808	3,078,591	2,701,616	2,055,191	1,840,0
Balance from operations of subsidiary companies applicable to Amer. Pow. & Light Co.	$3,320,689	$3,394,245	$3,562,795	$2,574,112	$944,512	$796,8
Combined undistributed income	$6,207,783	$5,663,719	$4,830,644	$3,277,364	$1,558,242	$1,482,4

NOTE—The above earnings for the year 1922 are after the deduction of $647,664 being the net amount of discount a expense theretofore unamortized but absorbed in the current year in the retirement on Nov. 1, 1922, of American Power Light Co. Twenty-Year 8% Secured Gold bonds (due 1941) and certain 8% bonds of subsidiary companies.

GENERAL BALANCE SHEET, DECEMBER 31
(American Power & Light Co.)

Assets—	1927	1926	1925	1924	1923	1922
Investments	$74,408,659	$82,073,763	$62,532,100	$52,453,993	$37,417,714	$29,923,5
Cash	17,094,836	1,624,133	2,231,735	6,095,548	2,183,083	432,0
Loans & accts. receivable—subsidiaries	3,691,311	7,983,829	3,646,809	4,191,942		662,8
Loans and accounts receivable—others	1,582,868	168,945	11,144,364	732,535	1,684,096	1,782,9
Accrued accounts receivable	.....	.....	.....	.....		20,4
Prepaid accounts	.....	.....	.....	17,498	14,401	5,1
Unamortized discount and expense	4,143,127	4,188,756	3,592,738	2,396,751	812,287	602,5
Deferred debits	.....	169,565	168,904	327,411	372,817	117,9
Total	$100,920,801	$96,208,991	$83,316,650	$66,215,678	$42,484,398	$33,547,5
Liabilities—						
Common stock	†$42,523,492	$41,085,945	$40,008,689	$37,053,072	$13,239,456	$9,494,4
Preferred stock					16,248,100	13,138,1
Gold Debenture Bonds	45,810,500	45,791,100	35,922,100	23,089,000	7,755,300	5,650,1
Subscription to Gold Debenture Bonds	.....	37	37	37	445	
Contractual liabilities	894,725	1,360,975	1,845,975	2,349,725	2,872,225	.....
Loans and notes payable	.....	.....	.....	.....	.....	3,232,1
Accounts payable	1,158,677	107,857	137,819	496,279	115,989	174,8
Dividends declared	357,740	357,704	353,002	317,129	221,176	180,0
Accrued accounts payable	934,718	933,664	734,264	477,888	155,126	17,2
Reserve	418,679	636,534	636,534	.....	.....	.....
Surplus	8,822,270	5,935,175	3,678,230	2,432,548	1,876,581	1,659,5
Total	$100,920,801	$96,208,991	$83,316,650	$66,215,678	$42,484,398	$33,547,5

†Represented by 238,513 shares Pfd. stock (no par value), 1,871,091 shares Common stock (no par value) and 1,846 48/1 scrip certificates for Common stock.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	192
Cash	$17,094,836	$1,624,133	$2,231,735	$6,095,548	$2,183,083	$432,0
Loans and accounts receivable—subsidiaries	3,691,311	7,983,829	3,646,809	4,191,942		662,8
Loans and accounts receivable—others	1,582,868	168,945	11,144,364	732,535	1,684,096	1,782,9
Accrued accounts receivable	.....	.....	.....	.....		20,4
Prepaid accounts	.....	.....	.....	17,498	14,401	5,1
Total	$22,369,015	$9,776,907	$17,022,908	$11,037,523	$3,881,580	$2,903,0
Current Liabilities—						
Subscrib. to Gold Debenture Bonds	.....	$37	$37	$37	$445	$
Loans and notes payable	.....	.....	.....	.....	.....	3,232,1
Accounts payable	$1,158,677	107,857	137,819	496,279	115,989	74,8
Dividends payable	357,740	357,704	353,002	317,129	221,176	180,0
Accrued accounts payable	934,718	933,664	734,264	477,888	155,126	117,2
Total	$2,451,135	$1,399,262	$1,225,122	$1,291,333	$492,736	$3,604,5
Net Working Capital	$19,917,880	$8,377,645	$15,797,786	$9,746,190	$3,388,844	†$701,5

†Debit.

Officers: C. E. Groesbeck, Pres.; A. S. Grenier, E. Ray, Treas.; Alexander Simpson, Asst. Treas.; G. W. Hill, S. R. Inch, V-Ps.; E. P. Summerson, Sec.; Hickman, Asst. Treas.; W. C. Lang, Asst. Comp A. E. Smith, Compt.; H. L. Martin, Asst. Sec.; A. C. B. H. Brewster, Gen. Aud.

Directors: S. Z. Mitchell, Chairman; Irving W. Bonbright, George N. Tidd, Charles M. Clark, Frederick A. Farrar, A. S. Grenier, C. E. Groesbeck, E. B. Tracy, F. C. Walcott, Henry H. Wehrhane, New York; H. P. Wright, Kansas City, Mo.

General Office, 2 Rector Street, New York.

CENTRAL ARIZONA LIGHT AND POWER COMPANY

(Controlled by American Power & Light Co.)

(Supervised by Electric Bond and Share Company)

History—Incorporated Feb. 16, 1920, in Ariz., and acquired as of Nov. 1, 1920, all business, property franchises, etc., of Pacific Gas & Electric Co., Phoenix, Ariz., and assumed all obligations, including mortgage and debenture obligations, the latter have since been retired (see 1920 Public Utility Manual, page 1075). Company supplies the electric power and light service in Phoenix, Arizona and immediately adjacent territory, and the entire gas service in Phoenix, and gas at wholesale in Tempe, serving a population estimated at 52,000. Gas franchise extends to 1947 and electric franchise to 1936.

Service and Property—The total number of consumers served by the Company and the physical equipment of its property as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with the four previous years, follow:

	1927	1926	1925	1924	1923
Electric consumers	15,075	13,326	11,995	10,878	9,635
Manufactured gas consumers	9,709	8,676	8,219	7,746	7,071
Total consumers	24,784	22,002	20,214	18,624	16,706
Kilowatt-hours generating station output for twelve months (including power purchased)	42,384,000	37,799,800	33,214,000	31,668,889	25,393,455
Miles of transmission lines (11,000 volts and over) in operation irrespective of the number of circuits carried	137	137	136	136	136
Miles of electric distributing system (less than 11,000 volts) in service	252	228	196	185	171
Gas works capacity (cubic feet per day)	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
Gas holder capacity (cubic feet)	660,000	660,000	660,000	360,000	360,000
Gas sendout for twelve months (cubic feet)	391,690,000	386,112,000	353,334,000	317,781,000	284,318,000
Miles of gas mains	198	177	160	130	122

*Company purchases power, owning at present only 700 kilowatts installed electric generating capacity.

CAPITAL STOCK

Authorized, 300,000 shares Common, 25,000 shares $ cumulative Pfd. and 25,000 shares $6 cumulative Pfd.; outstanding 200,000 shares Common and 7,445 shares $7. Pfd.; all classes of no par value. Capital stock changed from 40,000 shares no par Common and $2,000,000 8% Pfd., par of Pfd., $100, in Feb., 1927. In '24, the then outstanding 7,150 shares of Common of par $100 each were exchanged for 28,600 shares of no par Common. American Power & Light Co. owns all the Common shares, except Directors' qualifying shares. All of the 8% Pfd. stock previously outstanding was called for redemption on Feb. 1, 1927 at 110 and dividend at the Company's office, Phoenix, Ariz.

Preferred Stock Provisions—The $7 Pfd. stock, pari passu with the $6 Pfd. stock, is entitled to preference over Common as to dividends and assets. Both classes are subject to redemption at $110 per share and accumulated dividends upon affirmative vote of a majority of the outstanding Common stock. Pfd. stocks are entitled to $100 per share and accumulated dividends in the event of liquidation.

Transfer Agent—The Phoenix Savings Bank & Trust Co., Phoenix, Ariz.

Registrar—The Valley Bank of Phoenix, Ariz.

Annual Meeting—First Monday in May.

Price Range—1927: High, 100; low, 95.

Dividends—Dividends on 8% Pfd., previously outstanding regularly paid to date of redemption. Dividends on $7 no par Pfd., payable F, M, A & N 1.

FUNDED DEBT

(1)

$4,800 PACIFIC GAS & ELECTRIC CO. (PHOENIX, ARIZ.) FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1931

Dated January 3, 1911.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Central Union Trust Co. of New York, Augustus W. Kelley, New York, Co-Trustee.

Provisions of Issue—Authorized, $1,250,000; issued, $1,250,000, of which $328,200 retired by sinking fund and $17,000 held in treasury Dec. 31, 1927.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—Sinking fund, 2% of outstanding bonds until 1920: 3% 1921 to 1930, inclusive; to be invested in bonds of this issue by call at 105 and interest. If bonds purchased up to the following Jan. 15 are not sufficient to exhaust moneys in fund, Trustee may invest remaining cash in such other bonds as approved by Company.

Security—Secured by a first mortgage on all property, rights and franchises owned by the old Pacific Gas and Electric Co.

Assumed by Central Arizona Light and Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in 1911, by E. H. Rollins & Sons, Boston and New York, at 101 and interest. $246,000 offered in April, 1920, by E. H. Rollins & Sons, and Bonbright & Co., Inc., at 91½ and interest.

(2)

$500,000 CENTRAL ARIZONA LIGHT AND POWER CO. FIRST & REFUNDING MORTGAGE GOLD 6s, SERIES "B"; DUE NOVEMBER 1, 1942

Dated November 1, 1922.

Interest Payable May and November 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles.

Denominations—Coupon, $500 and $1,000; bonds of $1,000 denominations registerable as to principal.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Authorized amount not limited under mortgage except as Company may limit any particular series. Authorized issue of Series "B" bonds, $1,000,000, of which $100,000 have been cancelled.

Additional Series "B" bonds may be issued for 75% of the actual cash cost of permanent extensions and additions to the company's properties when net earnings for 12 consecutive months, out of the 14 months preceding the application for certification of bonds, shall have been not less than 1¾ times the total annual interest charges on all bonds outstanding including those for which certification has been requested.

Callability—Subject to call on any interest date, on 30 days' notice, at 105 and interest up to and including May 1, 1937; less 1% for each year following to and including May 1, 1941, and at par and interest thereafter.

Sinking Fund—Under the terms of the Trust Indenture securing these bonds, the Company is obliged

to expend annually in permanent improvements to its properties an amount not less than 2% of the maximum amount of these Series "B" bonds outstanding, during preceding year, against which expenditures, so long as any Series "B" bonds are outstanding, no additional bonds may be issued. In lieu of such expenditures the Company may deposit with the Trustee a sum of money equal to 2% of the maximum amount of Series "B" bonds outstanding, to be used by the Trustee as a sinking fund for the purchase of bonds of this issue at the lowest price obtainable, but in no event to exceed 105 and interest.

Depreciation and Renewal Fund—The Trust Indenture and supplements thereto securing these bonds provide that the Company shall expend and/or set up out of earnings in a reserve account for maintenance and/or depreciation, during each year in which any of Series "B" bonds are outstanding, an amount not less than 4% of the maximum face value of underlying and Series "B" bonds outstanding during such year.

Security—Secured by a first mortgage on all the property of Company now owned or hereafter acquired, subject only to the underlying issue of bonds on a portion of the system.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Choate, Larocque & Mitchell, New York, and Gibson, Dunn & Crutcher, Los Angeles, Cal.

Original Offering—First publicly offered ($500,000) in Dec., 1922, at 97 and interest, yielding over 6¼%, by First Securities Co. and E. H. Rollins & Sons, Los Angeles.

(3)

$1,300,000 FIRST AND REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "C"; DUE JANUARY 1, 1947

Dated January 1, 1927.

Interest Payable January and July 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles, or at Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000; bonds of $1,000 registerable as to principal.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles.

Provisions of Issue—Issued, Series "C," $1,300,000. Additional bonds of this series or other series, which shall have such rates of interest, maturity dates and other provisions as the Board of Directors of the Company may determine, may be authenticated (a) against not more than 75% of the cost or reasonable valu whichever is less, of additions or extensions to i plants and system or in acquisition of new propert and (b) for acquisition of bonds or other corpora obligations of other corporations in Arizona supplyi light, heat or power, providing the consent of t Supt. of Banks of the State of California is obtaine and (c) for refunding an equal principal amount underlying bonds or bonds of any series authenticat under the mortgage; and (d) upon the deposit of ca with the trustee as provided in the mortgage. Ad tional bonds may not be authenticated, however, e cept for refunding purposes, unless net earnings i 12 out of 14 months immediately preceding the app cation for authentication shall have been equal to o and three-quarters times the total annual intere charges upon all outstanding underlying bonds, t outstanding bonds under the mortgage and those pr posed to be issued.

Purpose of Issue—Proceeds were used to reimbu the Company for expenditures made for additions property and for other corporate purposes.

Callability—Subject to call as a whole or in part any interest date on 30 days' notice at principal amou thereof and accrued interest to date of redemption, gether with a premium of 5% of the principal amou thereof if redeemed on or before Jan. 1, 1932, and redeemed after Jan. 1, 1932, and on or before Jan. 1937, together with a premium of 4½% of the princi amount thereof, and if redeemed after Jan. 1, 1937 a on or before Jan. 1, 1945, with said premium of 4½ decreased by ½ of 1% for each full year elapsed af Jan. 1, 1936, and with no premium if redeemed af Jan. 1, 1945 and before maturity.

Sinking Fund—None provided.

Security—Secured equally and ratably with te Series "B" bonds by a first mortgage on certain electo property and by a direct mortgage on the remainc of the Company's physical property, subject to ce closed issue of underlying bonds due in 1931.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Legal for Savings Banks in California.

Legal Opinion—Gibson, Dunn & Crutcher, L Angeles.

Original Offering—First publicly offered ($1,3 000) in Jan., 1927, at 100 and interest to yield 5½ by First Securities Co., Los Angeles, Cal.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	192
Gross earnings from operation	$1,886,064	$1,638,722	$1,449,614	$1,328,165	$1,146,
Operating expenses and taxes	1,144,428	1,055,180	950,802	881,016	751,
Net earnings from operation	$741,636	$583,542	$498,812	$447,149	$394,
Other income	43,742	34,050	10,273	10,635	6,
Total income	$785,378	$617,592	$509,085	$457,784	$401,
Interest on bonds	152,665	86,075	86,076	87,326	92,
Other interest and deductions	9,452	44,265	6,901	18,613	18,
Balance	$623,261	$487,252	$416,108	$351,845	$290,
Dividends on Preferred stock	44,494	52,556	52,942	51,054	48,
Balance	$578,767	$434,696	$363,166	$300,791	$242,
Renewal & replacement reserve	181,100	164,691	141,523	96,130	.....
Balance for surplus	$397,667	$270,005	$221,643	$204,661	$242,

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and investments	$5,532,683	$5,132,371	$4,463,559
Cash	319,264	82,769	27,831
Notes and loans receivable	7,944	9,184	18,474
Accounts receivable	286,870	201,158	177,092
Materials and supplies	197,600	140,903	131,337
Prepaid accounts	15,932	16,594	11,475
Reacquired stock (Pfd.)	3,700	11,600	10,200
Trust funds & special dep.	10,794	7,112	218
Unamort. disc. & expense	193,772	138,289	153,675
Deferred debits	4,025	1,229	835
Total	$6,572,584	$5,741,209	$4,994,696

Liabilities—	1927	1926	19
Common stock	‡$2,024,674	*$1,285,000	$715
Preferred stock		668,000	668
Subscriptions to Pfd. stock	5,532	.....	.....
Funded debt	2,704,800	1,434,100	1,434
Notes and loans payable	.....	†767,000	380
Accounts payable	95,087	77,751	84
Consumers' deposits	138,609	123,970	110
Accrued accounts	147,671	76,719	44
Matured int. funded debt	2,382	.....	.....
Street & paving assessments	5,324	5,725	6
Reserves	1,105,130	991,109	882
Surplus	343,375	311,835	668
Total	$6,572,584	$5,741,209	$4,994

*Represented by 40,000 shares of no par value. †Represents largely advances for construction expenditures not yet fun
‡Represented by 200,000 shares Common and 7,445 shares $7 Pfd., both of no par value.

Officers: H. L. Aller, Pres.; L. P. Hammond, V-P., w York; E. H. Coe, V-P. & Gen. Mgr., Phoenix, iz.; E. W. Hill, V-P.; E. P. Summerson, Sec.; H. Martin, Asst. Sec., New York, N. Y.; C. A. Hulse, eas. & Asst. Sec.; W. C. Hornberger, Asst. Sec.; oenix, Ariz.; A. C. Ray, Asst. Treas.; Alexander Simpson, Asst. Treas.; G. J. Hickman, Asst. Treas., New York, N. Y.

Directors: C. E. Groesbeck, Frank Silliman, Jr., L. P. Hammond, S. W. Murphy, H. L. Aller, New York.

Offices, Phoenix, Ariz., and 2 Rector Street, New York, N. Y.

FLORIDA POWER & LIGHT COMPANY

(Controlled by American Power & Light Company)

(Supervised by Electric Bond and Share Company)

History—Incorp. Dec. 28, 1925, in Fla. Owns and erates properties formerly owned by Miami Electric ght & Power Company, Miami Gas Company, ami Beach Electric Company, Southern Utilities mpany, Daytona Public Service Company, Ormond pply Company, Lakeland Gas Company, St. Johns ctric Company and Southern Holding Company l other properties. Statements of Southern Utili- s Co., Daytona Public Service Co. and St. Johns ctric Co. (less Railway Dept.) were shown in the 5 Public Utility Manual. It supplies electric power d light service in 137 communities among them sev- l of the most important and rapidly growing cities the State, including Miami, Miami Beach, Fort uderdale, Palm Beach, West Palm Beach, Coral bles, Hollywood, Melbourne, Stuart, Titusville, tona Beach, Ormond and St. Augustine on the east ast; Fort Myers, Punta Gorda, Arcadia and Braden- n in the western part, and Okeechobee, Sanford, latka and Live Oak in central and northern parts of e State.

The electric and gas earnings are derived from prop- ies for which franchises extend to 1954 or later and, gether with the ice business for which no franchises e required, contribute a very substantial portion of e gross earnings of the Company.

The Company also owns gas works and distributing stems in Miami, Daytona Beach, Lakeland and latka, and ice manufacturing plants in Miami, St. gustine, West Palm Beach, Pensacola and 18 other ies. Florida Power & Light Company, in addition, ns the stock of the Companies distributing water in iami, Coral Gables and Stuart, and The Miami Beach ilway Company, which, in addition to operating its n lines in Miami Beach, operates under 30-year reements a co-ordinated electric street railway and otor coach transportation system in Miami, owned the city of Miami.

The total permanent population served is estimated excess of 482,000 and this population is augmented many thousands during the winter months.

Property—Company operates electric generating tions with a total installed generating capacity of 8,031 kilowatts, and has 3,289 miles of transmission d distributing lines serving more than 99,776 electric nsumers.

The total installed capacity includes the two 25,000- owatt units (one of which was placed in operation ring Dec. 1926, and the other during Feb. 1927) the new Lauderdale station, the new Sanford sta- n placed in operation in November, 1926, and the w Punta Gorda station recently placed in operation. he Company now owns 1,158 miles of high voltage nsmission lines, including transmission lines recent- completed, and 2,131 miles of electric distribution stem.

The Lauderdale steam electric generating station, w in operation, is located on the New River and is signed and partially built for an ultimate capacity 150,000 kilowatts. The initial installation will con- t of two 25,000-kilowatt units, one of which was aced in operation in Dec., 1926, and the other early 1927. This station, which is the largest owned by e Company, is a high pressure steam turbine sta- tion of the most modern type and has been designed to burn either coal or fuel oil, and both rail and water transportation are available for fuel deliveries. Fuel oil is now being used.

The new Sanford steam electric generating station, located on the St. Johns River, is designed and has been partially built for an ultimate capacity of 100,000 kilowatts, the initial 10,000-kilowatt unit having been placed in operation in Nov., 1926. This station is a high pressure steam turbine station of the most modern type and has been designed to burn either coal or fuel oil. Fuel oil is now being used. Transportation both by rail and by water is available for fuel deliveries.

Another large generating station of Company now in operation is at Miami, having installed generating capacity of 34,000 k.w. Other principal generating plants include those at Miami Beach, with present installed generating capacity of 8,500 k.w.; at West Palm Beach, with present installed generating capacity of 5,100 k.w.; at Daytona Beach with present installed generating capacity of 5,000 k.w.; at St. Augustine with present installed generating capacity of 5,500 k. w. and at Bradenton with a present installed capacity of 3,514 k. w.

Company in addition owns gas works and distribution systems in Miami, Daytona Beach, Palatka and Lakeland, and ice plants in 20 cities, including Miami, Fort Lauderdale, West Palm Beach, Daytona Beach, Fort Myers, Sanford, St. Augustine and Pensacola. The gas system has 225 miles of mains, serves more than 14,500 consumers, has a holder capacity of 4,890,000 cu. ft., a daily capacity of 11,450,000 cu. ft. and a yearly output at present exceeding 734,068,000 cu. ft.

The ice plants have an aggregate daily manufacturing capacity of about 2,153 tons per day.

Interconnection of Properties by Transmission Lines—As a result of construction recently completed, the physical interconnection by high voltage transmission lines of the Company's electric generating stations and distribution systems, except a few isolated ones, in all communities served has been effected. All of the electric properties of the Company, with the exceptions noted, will now be operated as one unified system.

This interconnected transmission system of more than 850 miles now in operation extends from St. Augustine, the northernmost point served by the Company on the east coast, south of the Miami district, tying in the properties at Palatka, Daytona Beach, Sanford, Titusville, Cocoa, Melbourne, Stuart, West Palm Beach, Palm Beach, Del Ray, Fort Lauderdale, Hollywood, Miami and Miami Beach, and all intervening points served by the Company. In the southwestern section of the State the line extends from Bradenton, through Sarasota and Venice, to Punta Gorda and Fort Myers. A transmission line extending across the State from Punta Gorda, through Arcadia and Okeechobee, to Fort Pierce on the east coast completes the interconnection.

Service and Property—The estimated population and total number of consumers served by Company, and its physical equipment as of December 31, 1927, together with the kilowatt-hours output and the gas

sendout for the twelve months ended on that date, compared with the two previous years, follow:

	1927	1926	1925
Population served	482,000	482,000	363,000
Number of communities served:			
With electric power and light	137	110	58
With manufactured gas	4	4	4
With ice	22	20	15
Total communities	139	112	60
Electric power and light consumers	99,776	99,951	68,817
Gas consumers	14,574	15,122	14,959
Total consumers	114,350	115,073	83,776
Kilowatts generating station capacity	138,031	113,257	69,513
Kilowatts generating capacity under construction	.....	26,380	60,250
Kilowatt-hours generating station output (including power purchased) for twelve months	214,169,000	200,411,600	114,284,600
Miles of transmission lines (11,000 volts and over) in operation	1,158	877	232
Miles of transmission lines (11,000 volts and over) under construction	18	102	205
Miles of distributing system (less than 11,000 volts) in service	2,131	1,997	1,195
Gas works capacity (thousand cu. ft. per day)	11,450	11,450	8,775
Gas holder capacity (thousand cu. ft.)	4,890	4,890	2,190
Gas sendout (thousand cu. ft.) for twelve months	734,068	955,911	667,721
Miles of gas mains	225	248	149
Ice plant capacity (tons) per day	2,153	2,093	2,000

Supervision—Company is controlled through ownership of all its Second Pfd. and Common stocks by the American Power & Light Company. Electric Bond and Share Company supervises (under the direction and control of the boards of directors of the respective companies) the operations of the American Power & Light Company and the Florida Power & Light Company and of the subsidiaries of those companies.

CAPITAL STOCK

Authorized, 5,000,000 shares Common; 500,000 shares $7 cumulative Preferred; 500,000 shares $6 cumulative preferred and 100,000 shares Second Preferred; shares of all classes having no par value; outstanding, 2,500,000 shares Common, 153,000 shares $7 Preferred, 10,000 shares $6 Pfd., and 20,000 shares $7 Second Preferred. Of the Second Pfd. 50,000 shares have been issued and 30,000 shares converted into $7 Preferred. All the Common and Second Preferred shares are owned by American Power & Light Company.

Preferred Stock Provisions—$6 and $7 Pfd. stocks have preference for assets and dividends over Second Pfd. and Common stocks. Both are entitled to $100 per share and accrued dividends in the event of liquidation and are subject to call as a whole or in part at $110 per share and accrued dividends on 30 days' notice. Pfd. stocks have no voting power.

Transfer Agents ($7 Preferred)—Biscayne Trust Co., Miami, Fla., and Guaranty Trust Co. of New York.

Registrars ($7 Preferred)—The City National Bank & Trust Co. of Miami, Fla., and American Exchange Irving Trust Co., New York.

Dividends—Initial dividend on the $7 Pfd. stock was paid on April 1, 1926, and dividends at the rate of $7 per share per annum have been paid since; payments quarterly, J, A, J & O 1. Dividends on the $6 Pfd. are payable quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$52,000,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES; DUE JANUARY 1, 1954

Dated January 1, 1926.

Interest Payable January and July 1 at office agency of Company in New York.

Denominations—Coupon, $100, $500 and $1,00 interchangeable; fully registered in denominations $1,000 and $5,000; coupon bonds in denomination $1,000 and fully registered bonds interchangeable.

Trustees—Bankers Trust Co., New York, and Fl rida National Bank, Jacksonville, Fla.

Provisions of Issue—Authorized amount unlimite Issued, $52,000,000 5% Series.

The Mortgage provides that bonds may be issu thereunder in series, bearing such rates of intere maturing on such dates, redeemable on such tern and containing such other rights, limitations and pr visions permitted by mortgage as Directors of Co pany may determine prior to issue thereof. Mortga also provides that additional bonds of 5% Series d 1954 or other series may be issued thereunder (for refunding an equal principal amount of bonds any series; (b) for cash, and (c) to no exceeding 75 of cost or fair value, whichever is less, of proper additions and improvements, as defined in mortga made subsequent to December 31, 1925. No bon may be issued against property additions subje to any prior lien, as defined in mortgage unle adequate provision is made for satisfaction of su prior lien. Additional bonds may not be issued, exce for refunding purposes, unless net earnings, as d fined in mortgage for 12 consecutive calendar mont within 15 calendar months immediately preceding da of application for issue shall have been at least equ to twice annual interest requirements on (or 12% principal amount of) all bonds issued and outstan ing under the mortgage, including those proposed be issued and all outstanding obligations of Compan as defined in mortgage, secured by any lien prior lien of this mortgage. Not more than 20% of su net earnings shall consist in the aggregate of (a) n non-operating income, and (b) net income deriv from properties not directly subject to lien of mo gage.

Callability—Subject to call as a whole or in pa at any time, on 30 days' notice at 105 and interest to and including Dec. 31, 1930; at ¼ of 1% less ea succeeding year up to and including Dec. 31, 194 thereafter at par and interest.

Security—Bonds are secured by a direct first mo gage on the entire physical property of Compan now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%. Pennsylvania 4 mills tax r fundable upon application within 60 days after pa ment.

Legal Opinion—Withrop & Stimson, New Yor (for the bankers), Simpson, Thacher & Bartlett, Ne York (for the Company).

Original Offering—First publicly offered ($30,00 000 5% Series due 1954) in January, 1926, at 93½ a interest, to yield 5.45% by Bonbright & Co., Inc., Ha ris, Forbes & Co., J. G. White & Co., Inc., Tuck Anthony & Co., New York, etc., and Old Colony Tru Co., Boston. Additional offering ($12,000,000 5 Series due 1954) in July 1, 1926, at 95 and interest yield about 5.35% by Bonbright & Co., Inc., Harr Forbes & Co., J. G. White & Co., Inc., Old Colo Corp., Tucker, Anthony & Co., New York; Harr Forbes & Co., Boston; Harris, Forbes & Co., Lt Montreal, and Harris Trust & Savings Bank, Chicag Additional offering ($10,000,000) in Dec., 1927, at 97 and interest to yield over 5.15% by the same banke

(2)

$22,000,000 6% GOLD DEBENTURES; DUE DECEMBER 31, 19

Dated December 31, 1926. All owned by the Ame ican Power & Light Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926		1927	1926
oss earnings from operations	$12,605,701	$13,101,520	Preferred dividends	$864,557	$699,805
erating expenses, including taxes	7,010,241	8,223,194	Second Pfd. dividends	280,000	350,000
Net earnings from operation	$5,595,460	$4,878,326	Balance	$3,018,387	$2,700,996
her income	2,407,596	1,232,240	Renewal and replacement reserve	400,000	500,000
Total income	$8,003,056	$6,110,566			
terest on bonds	3,420,000	1,767,207			
her interest and deductions	420,112	592,558			
Balance for dividends	$4,162,944	$3,750,801	Balance	$2,618,387	$2,200,996
imes Bond Interest Earned				2.34	3.12
arnings Per Share—					
Preferred				$25.54	$37.52
Second Preferred				164.92	61.02
ommon				1.21	1.08

*Before deducting renewal and replacement reserve.

EARNINGS, YEARS ENDED DECEMBER 31
(Gross and net earnings of properties owned by Florida Power & Light Company)

	1927	1926	1925	1924	1923	1922
oss earnings	$12,605,701	$13,101,520	$8,774,301	$5,788,273	$4,473,337	$3,823,906
erating expenses, including taxes	7,010,241	8,223,194	5,148,206	3,492,699	2,816,535	2,660,877
Net earnings	$5,595,460	$4,878,326	$3,626,095	$2,295,574	$1,656,802	$1,163,029

SEGREGATION OF GROSS EARNINGS, YEARS ENDED DECEMBER 31
(Properties owned by Florida Power & Light Company)

	1927 Amount	Approximate Percentage of Total	1926 Amount	Approximate Percentage of Total	1925 Amount	Approximate Percentage of Total
ectric power and light	$9,713,080	77	$9,556,340	73	$5,436,805	62
anufactured gas	1,108,490	9	1,393,455	11	1,017,562	12
ectric railway, ice & miscel.	1,784,131	14	2,151,725	16	2,319,934	26
Total	$12,605,701	100	$13,101,520	100	$8,774,301	100

EARNINGS OF FLORIDA POWER & LIGHT COMPANY AND SUBSIDIARIES, YEARS ENDED DECEMBER 31
(Inter-company items eliminated)

	1927	1926	1925	1924	1923
oss earnings from operation	$14,187,365	$14,915,825	$9,840,162	$6,334,028	$4,890,049
perating expenses and taxes	8,293,842	9,650,265	5,769,856	3,893,273	3,113,852
Net earnings from operation	$5,893,523	$5,265,560	$4,070,306	$2,440,755	$1,776,197

Segregation of Gross Earnings—The gross earnings of the properties for the twelve months ended Dec. 31, 1927, 1926 and 25, as shown above, were derived from various classes of business as follows:

	1927 Amount	Approximate Percentage of Total	1926 Amount	Approximate Percentage of Total	1925 Amount	Approximate Percentage of Total
ectric power and light	$9,577,121	68	$9,376,926	63	$5,262,436	54
anufactured gas	1,108,490	8	1,393,455	9	1,017,562	10
ectric railway	1,050,874	7	1,300,886	9	605,752	6
ater	607,894	4	583,998	4	399,028	4
e and miscellaneous	1,842,986	13	2,260,560	15	2,555,384	26
Total	$14,187,365	100	$14,915,825	100	$9,840,162	100

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
ant and investments	$116,446,847	$104,410,282	Capital stock	$48,230,388	$44,996,655
sh	3,937,853	2,203,241	Funded debt	74,000,000	64,000,000
tes and loans receivable	2,503,655	2,249,560	Dividends declared	1,052,750	639,327
counts receivable	2,816,786	3,485,698	Contracts and loans payable	.....	696,500
aterial and supplies	2,203,892	2,535,147	Accounts payable	447,105	578,511
epaid accounts	53,461	47,369	Consumers' deposits	1,546,465	1,516,742
namortized bond discount and exp.	1,702,705	1,124,951	Accrued accounts	1,617,611	1,271,078
ndisposed of expenditures account			Matured interest funded debt	12,815	.....
storm damage	1,059,395	1,145,127	Reserves	1,367,186	1,384,129
ecial deposits	13,954	864	Surplus	2,559,979	2,191,592
eferred debits	95,751	72,295			
Total	$130,834,299	$117,274,534	Total	$130,834,299	$117,274,534

Officers: S. R. Inch, Pres.; Joe H. Gill, V-P. & Gen. gr.; E. W. Hill, V-P.; L. H. Parkhurst, V-P.; E. P. mmerson, Sec.; H. L. Martin, Asst. Sec.; M. B. cDonald, Asst. Sec.; A. C. Ray, Treas.; Alexander mpson, H. E. Simpson, G. J. Hickman, Asst Treas's.; A. Leddy, Asst. Sec.; J. W. King, Asst. Sec. & sst. Treas.

Directors: C. E. Groesbeck, S. R. Inch, S. Z. Mitchell, S. W. Murphy, E. P. Summerson, W. C. Lang, New York; Joe H. Gill, Miami, Fla.

General Office, Miami, Florida. **New York Office,** 2 Rector St.

KANSAS GAS AND ELECTRIC COMPANY

(Controlled by American Power & Light Co.)
(Supervised by Electric Bond and Share Company)

History—Incorporated Dec. 11, 1909, in W. Va. for term of 50 years, for the purpose of producing, anufacturing and distributing electric and gas light, at and power.

The company supplies electric power and light rvice to Wichita, Pittsburg, Newton and 44 other ies and towns in Kansas, and electric power and light service at wholesale to 23 cities and towns, serving in all 67 communities with a total population estimated to exceed 238,000.

The company's principal electrical generating plants are at Wichita and Neosho. The former has a present installed capacity of 30,000 k.w. and the latter is a new steam electric generating station on the Neosho

River in eastern Kansas, the first 15,000-kilowatt unit an additional 25,000 k.w. unit was added in 1927. The Neosho plant is designed for an ultimate capacity of 70,000 k.w. In 1923, a 132,000-volt heavy double-circuit, steel-tower transmission line, about 106 miles in length, consolidating the eastern and western properties of the Company into one inter-connected system was completed and placed in operation. The Company has contracts for supplying power to the Arkansas Valley Interurban Ry. Co., the Joplin & Pittsburg Ry. Co. and the Wichita Ry. & Light Co., the last named company operating the entire street railway lines in Wichita. The Company also has important contracts for supplying electric energy to flour mills and elevators, meat packing plants, coal mine and other diversified industries and for pumping oi in the extensive oil fields in the El Dorado Distric and contiguous territory.

The natural gas distributing systems in Wichita Pittsburg, Hutchinson and Newton were disposed o in 1925.

Franchises—Franchises in the principal cities serve extend to 1956 or later.

Service and Property—The total number of con sumers served by the Company and the physica equipment of its property as of Dec. 31, 1927, and th output for the twelve months ended Dec. 31, 1927 compared with the five previous years, follow:

	1927	1926	1925	1924	1923	1922
Electric consumers	55,312	52,949	51,004	48,773	45,698	41,64
Kilowatts generating capacity	75,740	50,740	50,740	44,740	34,115	34,11
Kilowatts generating capacity under construction	.....	25,000	.....	.....	.....	.....
Kilowatt-hours generating station output (including power purchased) for 12 months	221,118,000	194,417,500	177,590,000	163,783,700	160,464,200	39,167,20
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	932	826	762	700	601	45
Miles of transmission lines (11,000 volts and over) under construction	13	7	29	7	57	15
Miles of electric distributing system (less than 11,000 volts) in service	801	778	720	680	665	63

NOTE: The statistics shown above do not reflect gas distributing systems in Wichita, Pittsburg, Hutchinson and New ton, formerly owned by the Company but sold in 1925.

CAPITAL STOCK

Authorized, $10,000,000 Common and $10,000,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $3,-000,000 Common and $6,649,600 Pfd.; par of both issues, $100. All the Common stock is owned by the American Power & Light Co.

Preferred Stock Provisions—Pfd. stock has preference both as to assets and dividends, and is redeemable at option of Company on any dividend date at 115 and accrued dividends.

Transfer Agents—Guaranty Trust Co. of New York and The Guarantee Title & Trust Co., Wichita, Kans.

Registrars—American Exchange Irving Trust Co., New York, and The Fourth National Bank, Wichita, Kans.

Price Range—

Preferred—	1927	1926	1925	1924	1923
High	108	103½	103	97	97
Low	104	99	94	92	92

Dividends—Dividends on Pfd. have been regularly paid at rate of 7% per annum since the issuance of the stock, the first dividend having been paid July 1, 1910; payments quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$14,000,000 FIRST MORTGAGE SINKING FUND 6% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1952

Dated March 1, 1922.

Interest Payable March and September 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Coupon bonds and fully registered bonds of $1,000 interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Mortgage provides for the issue of bonds in series with interest rates, maturity dates, redemption provisions and other terms and conditions to be determined from time to time, as series are issued. Additional bonds of any series may be certified only at par for not exceeding 75% of the cash cost or fair value of additions to properties, whichever is lower, as certified by engineers to the Trustee, and only when net earnings, as defined in the mortgage, in twelve of the fifteen months preceding any application for additional bonds, shall have been either at least twice interest charges on all outstanding bonds under the mortgage, including those to be certified; or at least 12% of the principal amount of such bonds, as the company may elect. Mortgage further provides that the terms and provisions thereof may be changed and modified by affirmative vote of at least 80% in amount of the bonds then outstanding, at a meeting o the bondholders specially called for that purpose.

Callability—Subject to call as a whole or in part on any interest date on four weeks' notice at 107½ and interest, to and including March 1, 1927; at 106 and interest, to and including March 1, 1932; at 104½ and interest, to and including March 1, 1937; at 103 and interest, to and including March 1, 1942; at 101½ and interest, to and including March 1, 1950, and thereafte at 100½% and interest, prior to maturity.

Sinking Fund—The mortgage provides for an an nual sinking fund for series "A" bonds, beginning Jan. 1, 1925, to be used by the company during th next ensuing three months, in the purchase of serie "A" bonds, if offered at or under par and interest, an unexpended balance reverting to the company. Th sinking fund is to be 1½% of all Series "A" bond outstanding Dec. 31 of each preceding year from Jan 1, 1925, to Jan. 1, 1937, both inclusive, and thereafte 2%. Bonds so purchased are to be cancelled.

Renewal and Improvement Fund—The mortgag provides that the company shall on April 1, of each year, beginning April 1, 1923, pay into a Renewal an Improvement Fund a sum equal to 4% of the bond outstanding at the close of the preceding calenda year, less the amount expended within such year fo repairs, maintenance, renewals and replacements Sums so paid may be used to reimburse the com pany for excess expenditures for repairs, maintenance renewals and replacements, to call or redeem bonds, o to reimburse the company for property addition against which no bonds may be certified.

Security—Secured by direct first mortgage lien on properties and franchises of the company now owne and also on the Company's interests in physical prop erties and franchises hereafter acquired.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%. Pennsylvania Four Mill Tax re funded.

Original Offering—First publicly offered ($8,000,-000) in March, 1922, at 96½ and interest, to yield over 6.25%, by Dillon, Read & Co., New York; $3,500,00 by the same firm in May, 1923, at 95½ and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	106½	106⅛	103½	99½	96⅜	100¼
Low	103¾	101⅜	98¼	93	89½	95

(2)

,000,000 6% GOLD DEBENTURE BONDS; DUE SEPTEMBER 1, 2022

Dated September 1, 1922.

Interest Payable March and September 1, at Cen-al Union Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000, egisterable as to principal only, and interchangeable. ully registered bonds of $1,000 and $5,000. Coupon onds of $1,000 denomination and fully registered onds interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—These bonds are the direct obgations of Kansas Gas and Electric Co. and are isued under an Agreement which provides that Gold)ebenture bonds may be issued in series bearing such ates of interest, maturing on such dates, redeemable n such terms, and containing such other rights and mitations permitted by the Agreement as the Comany may determine prior to the issue thereof. The greement also provides, among other things, that no dditional Gold Debenture bonds may be issued under said Agreement unless net income applicable to nterest charges, as defined in the Agreement, for 12 onsecutive calendar months within the preceding 15 alendar months, shall have been not less than twice ll annual interest charges, as defined in the Agreeent, including interest on the Gold Debenture bonds then to be issued, but excluding interest on indebtedness to be concurrently paid off through use of the proceeds of the sale of Capital stock and/or of the sale of such issue of Gold Debenture bonds. Upon liquidation or dissolution of the Company, these Series "A" bonds may become due and payable during the first 95 years at 110% and thereafter at their principal amount as provided in the Agreement.

Callability—Not redeemable prior to Sept. 1, 1947. On and after that date, and prior to Sept. 1, 2017, redeemable as a whole or in part at option of Company at any time upon 30 days' published notice, at 110 and accrued interest; thereafter at par and accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded upon application.

Legal Opinion—Simpson, Thacher & Bartlett, New York (for the Company); Murray, Prentice & Aldrich, New York (for the Bankers).

Original Offering—First publicly offered ($3,000,000) in Sept., 1922, at 90½ and accrued interest, to yield over 6.60%, by Bonbright & Co., Inc., New York, etc.

Price Range—

	1927	1926	1925	1924	1923	1922
High	102	94¼	94½	86	89½	90¾
Low	97½	93⅝	86½	85½	84	86½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,992,451	$4,569,533	$5,219,483	$5,651,591	$5,558,121	$5,111,157
Operating expenses and taxes	2,918,811	2,668,971	3,312,970	3,967,992	3,988,244	3,373,411
Net earnings	$2,073,640	$1,900,562	$1,906,513	$1,683,599	$1,569,877	$1,737,746
Other income	318,520	317,986	249,871	375,309	201,290	31,942
Total income	$2,392,160	$2,218,548	$2,156,384	$2,058,908	$1,771,167	$1,769,688
Interest on bonds	1,020,000	1,020,000	1,020,000	1,020,000	915,500	652,748
Other interest and deductions	141,965	86,164	129,568	117,682	73,662	145,196
Balance	$1,230,195	$1,112,384	$1,006,816	$921,226	$782,005	$971,744
Preferred dividends	463,170	456,451	364,846	354,337	275,019	184,529
Balance	$767,025	$655,933	$641,970	$566,889	$506,986	$787,215
Renewal and replacement reserve	350,000	350,000	350,000	200,000	200,000	200,000
Balance for surplus	$417,025	$305,933	$291,970	$366,889	$306,986	$587,215
Times Bond Interest Earned	2.34	2.18	2.11	2.02	1.93	2.71
Earnings Per Share—						
Preferred	$18.50	$16.82	$17.04	$17.89	$17.05	$32.11

†Before deducting Other Interest and Deductions.

NOTE—Gross and net earnings of the gas distributing properties in Wichita, Pittsburg, Newton and Hutchinson, formerly wned by the Company but sold in 1925, are included in the above statements for all periods prior to June 1, 1925.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Inter-company accounts eliminated)

Assets—	1927	1926	1925	1924	1923	1922
Plants, investments	$28,450,330	$26,326,044	$24,894,890	$23,882,814	$17,088,639	$16,138,799 / 19,000
Construction expenditures	.....	.....	.....	.....	4,530,104	644,513
Construction contract advances	.....	.....	.....	.....	681,490	.....
Cash	266,859	275,798	300,720	387,160	313,264	222,058
Notes and loans receivable	11,423	9,853	9,976	360,598	266,665	666,970
Accounts receivable	1,053,215	888,518	767,378	861,242	717,355	748,156
Materials and supplies	675,333	629,493	713,900	845,692	697,151	555,486
Prepaid accounts	32,785	14,792	21,255	22,761	30,678	49,848
Trust funds and special deposits	15,101	10,054	22,004	19,503	27,091	.....
Reacquired Pfd. stock	5,300	11,500	3,600	700	35,800	.....
Treasury stock	.....	.....	.....	.....	10,800	27,300
Unamortized bond discount and expense	1,717,132	1,771,842	2,096,903	2,162,464	2,172,229	1,642,402
Deferred debits	170	52,490	126,895	.....	149,074	91,496
Total	$32,227,648	$29,990,384	$28,957,521	$28,542,936	$26,720,340	$20,806,028
Liabilities—						
Common stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Preferred stock	6,649,600	6,610,700	5,905,300	5,150,000	4,596,000	3,026,000
Subscriptions to Pfd. stock	300	.....	.....	.....	.....	.....
The Home Light & Heat Co. capital stock	.....	.....	.....	.....	500	500
First sinking fund 6s, Ser. "A"	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	10,000,000
Gold Debenture 6s, Ser. "A"	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Notes and loans payable	2,300,000	668,000	662,000	1,131,000	500	1,000
Dividends declared	176,368	175,624	162,797	150,129	139,630	112,477
Accounts payable	427,341	408,662	409,334	468,480	581,850	474,241
Consumers' deposits	178,811	161,242	149,612	210,069	192,937	179,744
Accrued accounts	601,664	530,059	473,829	477,543	414,416	354,849
Matured interest funded debt	14,770	.....	.....	.....	.....	.....
Deferred credits	16,922	.....	.....	77,970	.....	.....
Reserves	969,803	718,649	529,074	258,708	326,495	179,339
Surplus	892,069	717,448	665,575	619,037	468,012	477,878
Total	$32,227,648	$29,990,384	$28,957,521	$28,542,936	$26,720,340	$20,806,028

Officers: H. P. Wright, Pres., Kansas City, Mo.; L. O. Ripley, V-P., Wichita, Kan.; Frank Silliman, Jr., V-P.; E. W. Hill, V-P., New York; Chas. H. Smyth, Sec.; H. S. Sladen, Gen. Mgr., Asst. Sec. & Asst. Treas.; P. F. Gow, Treas., Wichita, Kan.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas.; Alexander Simpson, Asst. Treas., New York.

Directors: Frank Silliman, Jr., S. Z. Mitchell, E. W Hill, New York; H. P. Wright, F. G. Crowell, A. C Jobes, J. F. Downing, John A. Prescott, Kansas City Mo.; L. O. Ripley, Howard E. Case, Chas. H. Smyth Wichita, Kan.; E. L. Copeland, Topeka, Kan.; A. H. Denton, Arkansas City, Kan.; Ernest Sewell, Independence, Kan.; E. V. Lanyon, Pittsburg, Kansas.

General Office, Wichita, Kan. **New York Office,** 2 Rector Street.

MINNESOTA POWER & LIGHT COMPANY

(Controlled by American Power & Light Co.)

(Supervised by Electric Bond and Share Company)

History—Incorporated Feb. 24, 1906, in Minn., as the Duluth Edison Electric Co., successor to the Duluth General Electric Co. (see Manual for 1923, page 1334); name changed to present title in Oct., 1923. Owns and operates the properties formerly owned by the Duluth Edison Electric Company, The Minnesota Utilities Company, the General Light & Power Company, The Little Falls Water Power Company of Minnesota, the Cuyuna Range Power Company and the Royalton Power Company, and the electric properties formerly owned by the St. Louis River Power & Improvement Corporation. In 1927, Company acquired the properties of the Great Northern Power Company, the capital stock of which was formerly owned by the Minnesota Power & Light Co. which operated the properties under lease.

Minnesota Power & Light Company supplies, directly or indirectly, the entire commercial electric power and light service in an extensive territory in Eastern and Northern Minnesota, including Duluth, Chisholm, Eveleth, Ely, Cloquet, Little Falls, Brainerd, Wadena, Staples and 93 other communities. Superior, Wis., is also served at wholesale. The total population served is estimated at 326,000.

Property—The property owned and/or operated by the Company includes electric generating plants having a total installed capacity of 107,215 k.w. of which 94,865 k.w. or about 88%, is hydro-electric and 12,350 k.w. is steam; 1,118 miles of high voltage transmission lines and 778 miles of electric distributing system.

The total installed electric generating capacity owned by the Company aggregates 47,515 k.w., consisting of 39,515 k.w. hydro-electric generating capacity and 8,000 k.w. steam electric generating capacity.

The Fond du Lac hydro-electric plant, completed and placed in operation by the Minnesota Power & Light Company in July, 1924, with an initial capacity of 12,000 k.w. and to have an ultimate capacity of 24,000 k.w., is also located on the St. Louis River immediately below the Thomson plant.

Included in the property owned is the new plant at Blanchard Rapids on the Mississippi River which was placed in operation during 1925. This plant has a present installed capacity of 12,000 k.w. and is designed and partially built for an estimated capacity of 18,000 k.w.

The principal generating station acquired by the Minnesota Power & Light Company from the Great Northern Power Company is the Thomson hydro-electric plant on the St. Louis River, which has a present installed generating capacity of 55,350 k.w. and a proposed ultimate capacity of 68,000 k.w.

Properties of Great Northern Power Co. included Island Lake, White Face Reservoir, Fish Lake, Boulder Lake and Rice Lake, all located in Minnesota and having an aggregate water storage capacity of 337,900 acre feet. These large bodies of water serve as reservoirs for the storage of water of the St. Louis River and its tributaries and for the regulation of the flow of the St. Louis River on which are situated the Thomson, the Fond du Lac, the Knife Falls and the Scanlon hydro-electric plants. They will be similarly used in connection with the operation of additional developments on power sites owned by the Company on the St. Louis and Cloquet Rivers.

All of the properties operated by the Company are interconnected by a system of transmission lines aggregating 1,118 miles in length, including a 110,000-volt line approximately 206 miles long extending from the new Blanchard Rapids plant on the Mississippi River northeast to and through the Cuyuna Range to the properties of the Company on the Mesaba Range, and thence southeast connecting with the Thomson and Fond du Lac hydro-electric plants and the Company's properties in Duluth.

Franchises—The franchises under which the company operates are generally satisfactory and free from burdensome restrictions. A large part of the company's power business is outside of the cities served, and is with industries so located and served that no franchises are required in connection therewith. The company's right to operate in Duluth, the most important city served, is without time limit.

Service and Property—The number of consumers served by Minnesota Power & Light Co. (including leased properties) and the physical equipment of their property as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with four previous years, follow:

	1927	1926	1925	1924	1923
Electric consumers	47,198	46,772	46,364	46,528	39,105
Kilowatts generating station capacity installed	107,215	108,115	109,315	97,115	80,845
Kilowatts generating capacity under construction	.....	.....	.....	*12,000	24,000
Kilowatt-hours generating station output (including purchased power) for 12 months	401,856,000	399,825,300	364,574,000	336,127,138	270,803,179
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	1,118	1,070	1,028	880	681
Miles of transmission lines (11,000 volts and over) under construction	9	21	.....	126	81
Miles of electric distributing system (less than 11,000 volts) in service	778	764	757	734	645

*Placed in operation subsequent to Jan. 1, 1925.

CAPITAL STOCK

Authorized, $20,000,000 Common, par $10; $12,500,000 7% cumulative Pfd., par $100, of which amount $3,510,000 has been subordinated to Pfd. and is designated as Second Pfd. stock, $190,000 6% cumulative Pfd., par $100, and 73,000 shares $6 cumulative Pfd. of no par value; outstanding, April 4, 1928, $20,000,000 Common, $8,447,400 7% Pfd., $167,000 6% Pfd., 32,305 shares $6 Pfd., and $3,510,000 7% Second Pfd. All the Common and Second Pfd. stocks, except directors' shares, are owned by the American Power & Light Co.

The Second Pfd. stock shall cease to be subordinated to both the 6% Pfd. stock and the 7% Pfd. stock on vote of the board of directors whenever net earnings in excess of fixed charges and operating expenses for twelve consecutive months within the immediately

ceding fifteen months shall be in the aggregate not s than 2¼ times the annual dividend requirements the 6% Pfd. and 7% Pfd. and the amount of Sec- 1 Pfd. so ceasing to be subordinated. The amount ceasing to be subordinated may thereafter be ex- nged either for 7% Pfd. or $6 Pfd. stock on basis provided, and upon such exchange the amount of the horized Second Pfd. stock is thereby proportion- ly decreased, and the amount of the authorized class which such stock has been exchanged is propor- nately increased. A total of $2,990,000 Second Pfd. ck has been so exchanged for $6 Pfd. stock.

Preferred Stock Provisions—The $6, 6% and 7% d. stocks have preference as to assets and dividends er Second Pfd. stock and Common stock. The 7% d. stock is redeemable at option of the Company at and unpaid accumulated dividends. The 6% Pfd. ck is redeemable at any time as a whole or in part not less than 30 nor more than 60 days' notice at % and accrued dividends. The $6 Pfd. is redeem- le at any time at $110 per share and accrued divi- nds. The 6% Pfd. stock is convertible into the 7% d. stock of Company on the basis of 9/10ths of a are of 7% Pfd. stock for each share of 6% Pfd. stock. e right to convert has no time limit.

Transfer Agents—Registrar & Transfer Co., Jer- y City, N. J., and The First National Bank, Duluth, nn., for the 7% and $6 Pfd., and the Guaranty ust Co. of New York, for the 6% Pfd.

Registrars—The Corporation Trust Co., Jersey City, J., and Northern Trust Co., Duluth, Minn., for the % and $6 Pfd., and the Guaranty Trust Co. of New rk, for the 6% Pfd.

Legal Opinion—Simpson, Thacher & Bartlett, New rk and Washburn, Bailey & Mitchell, Duluth.

Public Offering—$2,200,000 7% cumulative Pfd. ock was publicly offered in Oct., 1924, at 98 and crued dividend per share, to yield 7.14% by Tuck- e Anthony & Co., and Bonbright & Co., Inc., New rk, etc.

A block of $6 cumulative Pfd. shares of no par value as publicly offered in Nov., 1927, at $100 and divi- nds by Northern Trust Co., Howze, Spencer & Co., nerican Exchange National Bank, Edward F. apin & Co., Inc., City National Bank and First Na- nal Bank, Duluth, Minn.

Price Range—

7% Preferred—	1927	1926	1925	1924
High	109	105½	102	100
Low	106½	102	96½	95

Dividends—Initial quarterly dividend of 1¾% on e 7% Pfd. stock paid Jan. 2, 1924, and at rate of 7% r annum thereafter; payments quarterly, J, A, J & 1. Initial quarterly dividend of $1.50 per share was id on the $6 Pfd. stock Jan. 3, 1928; payments quar- rly, J, A, J & O 1. Initial dividend of 1½% paid on cond Pfd., on Oct. 1, 1906, at the rate of 6% per nnum thereafter; payments quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$1,300,000 MINNESOTA POWER & LIGHT COMPANY FIRST & REFUNDING MORTGAGE GOLD BONDS, 6% SERIES DUE 1950; DUE NOVEMBER 1, 1950

All of the outstanding bonds were called for re- mption on May 1, 1928 at 105¾ and interest at nerican Exchange Irving Trust Co., New York, ustee.

(2)

$10,700,000 MINNESOTA POWER & LIGHT COMPANY FIRST & REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1955; DUE JUNE 1, 1955

Dated June 1, 1925.

Interest Payable June and December 1.

Denominations—Coupon, $500 and $1,000; princi- l may be registered; fully registered bonds (inter- angeable with coupon bonds of $1,000), $1,000, $5,- 0 and multiples thereof.

Trustees—American Exchange Irving Trust Co., ew York, and George E. Warren, New York.

Provisions of Issue—Authorized amount, unlimited; outstanding May 1, 1928, $10,700,000 5% Series due 1955 and $14,000,000 4½% Series due 1978.

Additional bonds either of this series, or of other series which shall have such rates of interest, maturity dates and other provisions as the Company may determine, may be issued as follows: (a) for the purpose of refunding an equal principal amount of underlying or prior lien bonds or bonds of any series issued under the mortgage; or (b) for not more than 75% of the cost or fair value, whichever is less, of construction or acquisition, subsequent to Nov. 22, 1923, of property additions as defined in the mortgage.

In the event of the acquisition of property of Great Northern Power Co. there shall be issuable: (a) against the property in Minnesota, as it existed on Nov. 22, 1923, a total of not exceeding $11,120,000 bonds less the principal amount of all obligations then outstanding secured by lien on the property acquired ($7,747,000 First (closed) Mortgage 5% bonds, of Feb. 1, 1935, outstanding with public May 1, 1928); (b) additional bonds for not more than 75% of the cost or fair value, whichever is less, of property additions, as defined in the mortgage, to the Great Northern Power Co.'s property made subsequent to Nov. 22, 1923.

No additional bonds may be issued, except for refunding purposes, unless net earnings, as defined in the Mortgage, for 12 consecutive calendar months within the 15 calendar months immediately preceding application for issue shall have been at least equal to either (1) twice the actual annual interest requirements on, or (2) 12% of the principal amount of, any underlying or prior lien bonds which may be outstanding and all bonds issued and outstanding under the mortgage, including those proposed to be issued. Not more than 15% of such net earnings shall consist in the aggregate of net non-operating income and/or net income derived from leased properties and/or properties not directly subject to the lien of the mortgage.

The Indenture contains certain provisions permitting the modification or alteration thereof or of any supplemental indenture, in any particular, with the assent of the holders of 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided that nothing shall permit the extension of the maturity of any bonds or the reduction in rate of interest thereon, or any other modification in the terms of payment of such interest, without the consent of the holder thereof, nor the creation by the Company of any lien ranking prior to or on a parity with the lien of any bonds outstanding under the mortgage with respect to the property covered thereby.

Callability—Subject to call on any interest date on 60 days' notice at 105 and interest through Dec. 1, 1934; thereafter at 104 and interest through Dec. 1, 1939; thereafter at 103 and interest through Dec. 1, 1944; thereafter at 102 and interest through Dec. 1, 1949; thereafter at 101 and interest through Dec. 1, 1952; thereafter at 100¾ and interest through Dec. 1, 1953, and thereafter prior to maturity at 100½ and interest.

Security—Secured by a direct first mortgage on the entire physical property owned by the Company, including electric generating plants, and an extensive system of transmission and distribution lines. With respect to the property acquired from the Great Northern Power Co., these bonds are subject to the prior lien of that Company's $7,747,000 First Mortgage bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded upon application to holders resident in that State.

Legal Opinion—Sullivan & Cromwell, New York, and Simpson, Thacher & Bartlett, New York.

Original Offering—First publicly offered ($3,500,000) in May, 1925, at 97 and interest yielding about 5.20%, and $3,000,000 additional in December, 1925 at 96½ and interest yielding about 5.23%, by Harris, Forbes & Co., Inc., Tucker, Anthony & Co., Bonbright & Co., Inc., and Coffin & Burr, Inc., New York, Boston, etc. Additional offering ($2,700,000) in Dec., 1926 at 99 and interest, to yield over 5.05%, by Harris, Forbes & Co. and Bonbright & Co., Inc., New York; Tucker, Anthony & Co., Coffin & Burr, Inc., Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris Forbes & Co., Ltd., Montreal. $1,500,000 additional bonds were offered in June, 1927, at 99¼ and interest to yield 5%, by the same bankers.

Price Range—	1927	1926	1925
High	102¾	99½	97⅞
Low	98	95½	95½

(3)

$14,000,000 MINNESOTA POWER & LIGHT COMPANY FIRST & REFUNDING MORTGAGE GOLD BONDS, 4½% SERIES DUE 1978; DUE MAY 1, 1978

Dated May 1, 1928.

Interest Payable May and November 1 at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered; fully registered bonds in denominations of $1,000 and $5,000. Coupon bonds of $1,000 denomination and fully registered bonds interchangeable.

Trustees—American Exchange Irving Trust Co., New York, and George E. Warren.

Provisions of Issue, Security, Etc.—See description of 5% Series, due 1955, above.

Callability—Subject to call as a whole or in part, on the first day of any month on 4 weeks' notice at 102 and interest through May 1, 1934; the premium decreasing ¼ of 1% during each six-year period elapsed thereafter to and including May 1, 1976 and thereafter at 100 and interest.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($14,000,000) in April, 1928, at 97¼ and interest to yield 4.6% by Harris, Forbes & Co., Bonbright & Co., I... Tucker, Anthony & Co., Coffin & Burr, Inc., N... York; Harris, Forbes & Co., Inc., Boston; Har... Forbes & Co., Ltd., Montreal and Harris Trust... Savings Bank, Chicago.

(4)

$7,747,000 GREAT NORTHERN POWER COMPANY FI... MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1935

Dated February 1, 1905.

Interest Payable February and August 1, at Am... ican Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000; principal may ... registered.

Trustee—American Exchange Irving Trust ... New York.

Provisions of Issue—Authorized and issued, $... 000,000, of which $1,982,000 are held in sinking f... and $271,000 in the treasury. The treasury F... Mtge. bonds reserved for extensions and improveme... at not exceeding 85% of cost, but issuable only wh... net earnings over and above all charges (including ... terest on outstanding bonds and notes, and sink... fund) for preceding year, shall have equalled tw... the interest charges on bonds proposed to be issu...

Callability—Subject to call as an entire issue or... on any interest date at 110 and interest.

Sinking Fund—A cumulative sinking fund, beg... in 1912, and provides for the purchase of bonds in ... open market at not exceeding 105 and int. If bon... cannot be purchased at such price, the fund shall ... applied to the purchase of bonds constituting a le... investment for savings banks in the State of N... York.

Security—A first lien on entire property, rights a... franchises formerly owned by Company.

Tax Provisions—Company pays Normal Federal ... come Tax up to 2%.

Price Range—	1927	1926	1...
High	100¼	100½	10...
Low	99½	98½	9...

CONSOLIDATED EARNINGS, YEARS ENDED DECEMBER 31
(Earnings of all properties operated by the Minnesota Power Light Company)

	1927	*1926	*1925	*192...
Gross earnings from operations	$5,860,629	$5,523,347	$5,122,527	$4,569,...
Operating expenses, including taxes	2,223,509	2,253,139	2,222,233	2,392,...
Net earnings from operations	$3,637,120	$3,270,208	$2,900,294	$2,176,...
Other income	229,311	249,330	249,973	368,...
Total income	$3,866,431	$3,519,538	$3,150,267	$2,544,...
Interest on bonds	1,620,555	1,454,456	1,223,609	1,028,...
Other interest and deductions	68,934	273,364	318,047	281,...
Balance for dividends	$2,176,942	$1,791,718	$1,608,611	$1,234,...
Preferred dividends	639,487	598,222	471,469	281,...
Second Preferred dividends	409,500	455,000	455,000	455,...
Balance	$1,127,955	$738,496	$682,142	$498,...
Renewal and replacement reserve	225,000	225,000	200,000	200,...
Balance	$902,955	$513,496	$482,142	$298,...

*Includes Great Northern Power Co. leased in these years, but merged in 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Minnesota Power & Light Co.)
(Latest Available)

	1926	1925	1924	1923	192...
Gross earnings	$3,915,117	$3,705,348	$2,970,686	$2,252,397	$1,871,...
Operating exp. & taxes	1,861,828	1,791,409	1,658,546	1,353,770	1,141,...
Net earnings	$2,053,289	$1,913,939	$1,312,140	$898,627	$730,...
Other income	1,078,914	848,775	845,278	406,330	373,...
Total income	$3,132,203	$2,762,714	$2,157,418	$1,304,957	$1,104,...
Bond interest	$1,067,121	$836,056	$640,667	$145,202	$99,...
Other interest & deductions	273,364	318,047	281,778	132,782	46,...
Total charges	$1,340,485	$1,154,103	$922,445	$277,984	$145,...
Balance	$1,791,718	$1,608,611	$1,234,973	$1,026,973	$958,...
Pfd. dividends paid	598,222	471,469	281,461	111,177	69,...
Balance	$1,193,496	$1,137,142	$953,512	$915,796	$889,...
Dividends on Second Pfd. stock	455,000	455,000	455,000	.....	.....
Balance	$738,496	$682,142	$498,512	.....	.....
Renewal & replacement reserve	225,000	200,000	200,000	.....	.....
Balance	$513,496	$482,142	$298,512	.....	.....
Times Bond Int. Earned	2.93	3.30	3.37	8.99	11...

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923
ssets—					
nts and securities	$70,548,990	$58,178,227	$57,078,797	$50,776,041	$42,171,041
h	830,273	585,924	653,027	588,561	593,984
es and loans receivable	11,436	1,253,451	1,564,745	832,102	828,341
ounts receivable	895,457	831,720	1,011,424	1,212,693	747,110
terial and supplies	613,339	688,675	800,340	540,655	343,843
paid accounts	334,534	332,431	341,895	314,325	15,161
amortized debt discount and expense	702,767	654,034	535,104	27,702	.....
cquired capital stock (Preferred)	95,000	27,400	47,500	.....	†22,200
st funds and special deposits	42,204	15	500	.....	.....
erred debits	21,335	5,977	33,052	227,221	103,816
otal	$74,095,335	$62,557,855	$62,066,385	$54,519,301	$44,825,496
iabilities—					
mmon stock	$20,000,000	$20,000,000	$20,000,000	$20,000,000	$20,000,000
Preferred	8,447,400	8,444,700	8,204,800	6,206,400	1,500,000
Preferred	167,000	180,000	247,000	254,000	1,150,000
Preferred	3,000,000	.....	.....	.....	.....
ond Preferred	3,510,000	6,500,000	6,500,000	6,500,000	6,500,000
ded debt	30,747,000	22,200,000	22,200,000	*15,700,000	11,700,000
idends declared	259,091	263,939	259,937	226,172	157,250
ns payable	.....	.....	.....	1,400,000	245,000
ounts payable	158,749	169,404	232,724	222,338	371,609
rued accounts	1,356,903	1,138,323	976,980	860,438	504,413
sumers' deposits	92,977	82,698	69,298	63,027	49,834
ferred credits	1,075	.....	.....	.....	.....
serves	4,385,368	2,000,137	1,914,529	1,699,250	1,549,287
plus	1,969,772	1,578,653	1,461,117	1,387,676	1,098,103
otal	$74,095,335	$62,557,855	$62,066,385	$54,519,301	$44,825,496

*Not including $301,500 First and Refunding 6s held in treasury. †Common stock.

Officers: C. E. Groesbeck, Pres.; D. F. McGee, V-P.; W. Hill, V-P., New York; A. W. Hartman, V-P.; S. Robertson, V-P. & Gen. Mgr.; W. S. Hodgson, c. & Treas., T. B. Hawkes, Asst. Sec. & Asst. Treas., luth, Minn.; E. P. Summerson, H. L. Martin, Asst. cs.; A. C. Ray, G. J. Hickman, Asst. Treas's, New rk.

Directors: A. W. Hartman, T. B. Hawkes, George W. Welles, W. S. Hodgson, Oscar Mitchell, W. S. Robertson, George H. Crosby, Seth Marshall, A. C. Weiss, H. C. Hornby, W. S. Heald, H. J. Underhill, Duluth, Minn.; C. E. Groesbeck, D. F. McGee, S. Z. Mitchell, New York.

Office, Duluth, Minn. **New York Office,** 2 Rector Street.

NEBRASKA POWER COMPANY

(Controlled by American Power & Light Co.)

(Supervised by Electric Bond and Share Company)

History—Incorporated April 23, 1917, in Me. as a ccessor company to the Omaha Electric Light & wer Co. (see 1917 Manual, Public Utility Section, ge 1752). Company supplies substantially all the ctric power and light service in Omaha and 34 jacent communities, and, through its subsidiary, the tizens Gas & Electric Co. of Council Bluffs, the en- e electric power and light and gas service in Council uffs, Iowa. Nebraska Power Company controls the tizens Gas & Electric Co. of Council Bluffs through wnership of all its capital stock, except directors' ares. The population served by the Nebraska Pow- Company (not including Council Bluffs) is esti- ated at 233,000.

Franchise Decision—A decision of the United States Supreme Court has held that the Company possesses a franchise right, unlimited in time, to distribute electricity for light, heat and power purposes. This franchise, in the opinion of counsel, covers territory from which the Company derives the very major portion of its revenue. The franchises of the Citizens Gas & Electric Co. of Council Bluffs extend to 1948.

Service and Property—The total number of consumers served by the Company and the physical equipment of its property as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with the five previous years, follow:

	1927	1926	1925	1924	1923	1922
ectric consumers	61,443	56,623	55,238	52,912	49,691	46,275
lowatts generating capacity	73,691	73,000	73,000	53,000	53,000	53,000
lowatts generating capacity under construction	.....	.....	.....	20,000	20,000	.....
lowatt-hours generating station output for twleve months	201,094,100	187,052,800	177,233,500	166,110,700	160,624,600	140,272,500
iles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	252	115	91	78	69	68
iles of electric distributing system (less than 11,000 volts) in service	816	637	*602	609	577	552

*Part of system rebuilt for operation at 13,200 volts.

CAPITAL STOCK

Authorized, 2,000,000 shares Common of no par alue, $15,000,000 7% cumulative Pfd. of $100 par alue, and $10,000,000 6% cumulative Pfd. of $100 par alue; outstanding, 1,000,000 shares Common and $5,- 0,000 7% Pfd. of $100 par value. Stockholders on eb. 8, 1926, voted to change authorized capital stock om $6,000,000 Common, $10,000,000 7% cumulative fd. and $2,000,000 Second Pfd. to present authorized nounts and to issue 20 shares Common of no par alue for each share of old Common of $100 par value. merican Power & Light Co. owns a substantial ma- rity of the Common stock.

Preferred Stock Provisions—Both classes of Pfd. rank alike for dividends and assets. Each Pfd. issue is subject to redemption at 110 and accrued dividends on the vote of a majority of the Common stock.

Transfer Agents—Registrar & Transfer Co., New York, and United States Trust Co., Omaha, Neb.

Registrars—Guaranty Trust Co. of New York, and First National Bank of Omaha, Omaha, Neb.

Legal Opinion (Pfd. Stock)—Simpson, Thacher & Bartlett, New York.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	111	109	104	99	98	92	88	83½
Low	107½	102	96	89	89	bid	bid	bid

Dividends—Dividends on the Pfd. stock have been regularly paid since the issuance of the stock in 1917; payments quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$9,600,000 FIRST MORTGAGE GOLD 5s; SERIES "A"; DUE JUNE 1, 1949

Dated June 2, 1919.

Interest Payable June and December 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000. Coupon bonds of $1,000 denomination registerable as to principal and interchangeable with fully registered bonds of $1,000 denomination and authorized multiples.

Trustees—Guaranty Trust Co. of New York and F. J. H. Sutton, New York.

Provisions of Issue—The authorized amount of First Mortgage bonds is not limited, but under the terms of the Trust Indenture additional bonds may be issued for only 80% of the actual cash cost and fair value of permanent additions, extensions, etc., made subsequent to April 1, 1919, to the mortgaged property or (to the extent of not more than 10% of the outstanding bonds) of similar additions, extensions, etc., to the property of subsidiaries, all of whose mortgage bonds and stocks are pledged with the Trustees; and no bonds may be issued in either case unless the net earnings for twelve consecutive months within the fifteen consecutive months immediately preceding the date of applications for such bonds shall have been not less than twice the annual interest charge on all First Mortgage bonds outstanding, together with those proposed to be issued.

The mortgage provides for the issuance of bonds thereunder in different series, all such series being equally and ratably secured thereby. Bonds of different series may have such rates of interest, redemption prices, etc., as may be authorized by the Board of Directors, provided, however, that all such bonds shall be payable June 1, 1949.

Callability—Subject to call on four weeks' notice, at 105 and interest, on any date from June 1, 1924, to June 1, 1939, incl., and thereafter at 102½ and interest.

Improvement or Sinking Fund—The mortgage provides that beginning June 1, 1924, the Company shall pay annually to the corporate trustee as a special fund the following amounts: June 1, 1924, to 1928, inclusive, 1% of all First Mortgage bonds outstanding; June 1, 1929, to 1948, inclusive, 1½% of all First Mortgage bonds outstanding. The fund so created may only be used either (1) to pay for the acquisition of additional property or for permanent additions, extensions, etc., which might otherwise have been made (and may not thereafter be made) the basis for the issuance of bonds, or (2) for the purchase of bonds of this issue, bonds so purchased to be forthwith cancelled.

Security—Upon the retirement of the Omaha Electric Light & Power Co. bonds in July, 1919, these First Mortgage bonds became a first lien upon the entire physical property, rights and franchises of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded.

Legal Opinion—Sullivan & Cromwell, New York.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($5,600,000) in June, 1919, at 90 and interest, by Harris, Forbes & Co., New York and Boston, Harris Trust & Savings Banks, Chicago, and Coffin & Burr, Inc., Boston; $2,000,000 additional offered in Feb. 1925, at 98½ and interest, yielding about 5.11%, by Harris, Forbes & Co., New York, and Harris Trust & Savings Bank, Chicago; $1,000,000 additional offered in Oct., 1926, at 101½ and interest to yield 4.88%, by Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Bosto Harris, Forbes & Co., Ltd., Montreal, and Unit States Trust Co., Omaha, Neb.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	104¼	103	100½	98½	93	90½	87½	74
Low	101	99	97	91	87	bid	bid	bid

(2)

$1,950,000 FIRST MORTGAGE GOLD 6s, SERIES "B"; DU JUNE 1, 1949

Dated June 2, 1919.

Interest Payable June and December 1, at Guaran Trust Co. of New York.

Denominations—Coupon, $500 and $1,000. Coup bonds of $1,000 denomination registerable as to pri cipal and interchangeable with fully registered bon of $1,000 denomination and authorized multiples.

Trustees—Guaranty Trust Co. of New York and J. H. Sutton, New York.

Provisions of Issue—All provisions, except rate interest and callability, same as Series "A" bonds.

Callability—Subject to call on four weeks' notice 105 and interest on any interest date from June 1, 19 to June 1, 1935, inclusive, and thereafter at 102½ ar interest.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%. Pennsylvania Four mill tax r funded upon application.

Legal Opinion—Sullivan & Cromwell, New Yor

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,60 000) in Oct., 1920, at 84½ and interest yielding abo 7.30%, by Harris, Forbes & Co., New York and Bo ton, Harris Trust & Savings Bank, Chicago, and Coffi & Burr, Inc., Boston.

Price Range—

	1927	192
High	*106	*105
Low	102	104

*High and low bid prices.

(3)

$3,500,000 6% GOLD DEBENTURE BONDS, SERIES "A"; DU SEPTEMBER 1, 2022

Dated September 1, 1922.

Interest Payable March and September 1, at Unite States Mortgage & Trust Co., New York.

Denominations—Coupon, $100, $500, $1,000 and $5 000; registerable as to principal only, and interchang able. Fully registered bonds of $1,000 and $5,00 Fully registered bonds and coupon bonds aggregatin $1,000 or multiples of $1,000, interchangeable.

Trustee—United States Mortgage & Trust Co New York.

Provisions of Issue—These bonds are the direct ob ligations of the Company and were issued under a agreement which provides that Gold Debenture bond may be issued in series bearing such rates of interes maturing on such dates, redeemable on such term and containing such other rights and limitations per mitted by the agreement as the Company may de termine prior to the issue thereof. The agreemen also provides, among other things, that no additiona Gold Debenture bonds may be issued under sai agreement unless the net income applicable to inte est charges, as defined in the agreement, for 12 con secutive calendar months within the preceding 15 cal endar months, shall have been not less than twice a annual interest charges, as defined in the agreement including interest on the Gold Debenture bonds the to be issued, but excluding interest on indebtednes to be concurrently paid off through use of the pro ceeds of the sale of capital stock and/or of the sale o such issue of Gold Debenture bonds. Upon liquida tion or dissolution of the Company, these Series "A bonds may become due and payable during the firs 95 years at 110% and thereafter at their principa amount, as provided in the agreement.

Callability—Not redeemable prior to Sept. 1, 1947 On and after that date, and up to and including Feb 28, 2017, redeemable as a whole or in part at option o

company at any time upon 30 days' published notice, at 110 and accrued interest; thereafter at par and accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill tax refunded upon application.

Legal Opinion—Simpson, Thacher & Bartlett, New York (for the Company); Murray, Prentice & Aldrich, New York (for the Bankers).

Original Offering—First publicly offered ($3,500,000) in Sept., 1922, at 90½ and interest, to yield over 6.60% by Bonbright & Co., Inc., W. C. Langley & Co., and Tucker, Anthony & Co., New York, etc.

Price Range—

	1927	1926	1925	1924	1923	1922
High	110	102½	97½	86½	86¾	89
Low	102½	98¾	89½	86	84	82½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$4,876,387	$4,397,178	$4,165,173	$3,939,010	$3,807,567	$3,503,765
Operating expenses, including taxes	2,533,381	2,260,645	2,183,855	2,107,858	2,174,883	2,159,319
Net earnings from operation	$2,343,006	$2,136,533	$1,981,318	$1,831,152	$1,632,684	$1,344,446
Other income	179,655	204,793	226,100	144,445	78,070	75,082
Total income	$2,522,661	$2,341,326	$2,207,418	$1,975,597	$1,710,754	$1,419,528
Interest on bonds	807,000	767,553	740,053	632,000	607,000	529,060
Other interest and deductions	131,506	80,095	77,906	45,002	50,830	91,553
Balance	$1,584,155	$1,493,678	$1,389,459	$1,298,595	$1,052,924	$798,915
Dividends on Preferred stock	364,000	363,738	358,069	335,747	280,000	218,750
Balance	$1,220,155	$1,129,940	$1,031,390	$962,848	$772,924	$580,165
Renewal and replacement reserve	300,000	300,000	300,000	300,000	300,000	150,000
Balance for surplus	$920,155	$829,940	$731,390	$662,848	$472,924	$430,165
Times Bond Interest Earned	3.12	3.05	2.98	3.12	2.82	2.68
Earnings Per Share—						
Preferred	$27.79	$26.20	$24.37	$25.46	$26.32	$22.83

*Before deducting Other Interest and Deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plants				$19,799,631	$19,275,733	$18,144,958
Investments	$24,628,349	$24,203,078	$23,602,994			525,823
Construction expenditures				1,342,362	620,582	476,029
Construction contract advances				1,100,127	.....	.....
Cash	262,647	388,411	405,016	484,841	223,466	238,558
Notes and loans receivable	1,377,833	1,610,011	1,286,558	728,722	350,497	265,115
Accounts receivable	746,986	666,067	669,332	575,384	601,243	843,765
Materials and supplies	585,044	484,444	450,313	366,107	325,748	322,692
Prepaid accounts	128,617	117,163	45,246	53,980	61,975	82,344
Trust funds	1,156	973	.....	26,744	.....	.....
Unamortized bond discount and expense	1,771,197	1,831,530	1,869,129	1,813,527	1,770,178	1,807,908
Deferred debits	3,524	35,536	43,332	44,219	27,657	19,106
Total	$29,505,353	$29,337,212	$28,371,920	$26,335,644	$23,257,079	$22,726,298
Liabilities—						
Common stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Preferred stock, 7%	*5,700,000	*5,700,000	*5,700,000	*5,600,000	*4,500,000	*4,000,000
Second Preferred stock, 7%	.....	.....	.....	.....	.....	500,000
First Mortgage bonds	11,550,000	11,550,000	10,550,000	8,550,000	7,550,000	7,550,000
6% Debenture bonds	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Notes and loans payable	.....	.....	500,000	765,000	200,000	200,000
Accounts payable	119,546	78,268	109,862	140,253	159,254	161,966
Consumers' deposits	41,323	37,525	44,547	59,683	93,597	127,954
Accrued accounts	450,048	385,519	311,864	285,899	235,012	187,985
Reserves	1,599,429	1,663,898	1,563,583	1,674,134	1,506,105	1,233,206
Surplus	1,545,007	1,422,002	1,092,063	760,675	513,111	265,187
Total	$29,505,353	$29,337,212	$28,371,920	$26,335,644	$23,257,079	$22,726,298

*$5,200,000 Preferred stock in hands of public in 1925, 1926 and 1927, $5,100,000 in 1924, $4,000,000 in 1923, and $3,500,000 in 1922.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$262,647	$388,411	$405,016	$484,841	$223,466	$238,558
Notes and loans receivable	1,377,833	1,610,011	1,286,558	728,722	350,497	265,115
Accounts receivable	746,986	666,067	669,332	575,384	601,243	843,765
Materials and supplies	585,044	484,444	450,313	366,107	325,748	322,692
Prepaid accounts	128,617	117,163	45,246	53,980	61,975	82,344
Total	$3,101,127	$3,266,096	$2,856,465	$2,209,034	$1,562,929	$1,752,474
Current Liabilities—						
Notes and loans payable	.....	.....	$500,000	$765,000	$200,000	$200,000
Accounts payable	$119,546	$78,268	109,862	140,253	159,254	161,966
Consumers' deposits	41,323	37,525	44,547	59,683	93,598	127,954
Accrued accounts	450,048	385,519	311,864	285,899	235,012	187,985
Total	$610,917	$501,312	$966,273	$1,250,835	$687,864	$677,905
Net Working Capital	$2,490,210	$2,764,784	$1,890,192	$958,199	$875,065	$1,074,569

Officers: Walter W. Head, Pres.; J. E. Davidson, V-P. & Gen. Mgr., Omaha, Neb.; E. W. Hill, V-P.; A. S. Grenier, V-P., New York; S. E. Schweitzer, Sec. & Treas.; F. J. Moylan, Asst. Sec. & Asst. Treas., Omaha, Neb.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas.; New York.

Directors: Thomas B. Coleman, Joseph Barker, Harley G. Conant, J. E. Davidson, Gould Dietz, W. W. Head, Ford E. Hovey, J. A. C. Kennedy, Dan A. Johnson, Glen C. Wharton, John W. Welch, Roy Page, A. W. Gordon, Omaha, Neb.; A. S. Grenier, C. E. Groesbeck, New York.

General Office, Omaha, Neb. **New York Office,** 2 Rector Street.

CITIZENS GAS AND ELECTRIC COMPANY OF COUNCIL BLUFFS

(Controlled by Nebraska Power Co.)

(Supervised by Electric Bond and Share Company)

History—Incorporated Nov. 13, 1900 in N. J. In Jan., 1904, absorbed the Council Bluffs Gas & Electric Co. Franchises expire in 1948. Supplies the entire electric power and light and gas service in Council Bluffs, Ia. Population served, is estimated at 41,000.

The total number of consumers served by the Company and the physical equipment of its property as of Dec. 31, 1927 and the output for the twelve months ended Dec. 31, 1927, compared with the five previous years, follow:

	1927	1926	1925	1924	1923	1922
Electric consumers	10,916	10,775	10,973	10,642	10,199	9,55(
Gas consumers	8,361	8,293	7,970	7,686	7,130	6,84(
Total consumers	19,277	19,068	18,943	18,328	17,329	16,40(
Miles of transmission lines (11,000 volts & over) in operation, irrespective of the number of circuits carried	24	23	17	16	14	1
Miles of electric distributing system (less than 11,000 volts) in service	124	123	123	119	116	11(
Gas works capacity (thousand cu. ft. per day)	2,800	2,800	2,800	2,800	1,000	1,00(
Gas holder capacity (thousand cu. ft.)	300	300	300	300	300	30(
Manufactured gas sendout (thousand cu. ft.) for 12 months	262,054	258,586	257,325	230,486	217,174	209,226
Miles of gas mains	94	93	91	90	72	7(

NOTE—The Company buys all its electrical energy from the Nebraska Power Company.

CAPITAL STOCK

Authorized and outstanding, 25,000 shares of no par value. All, except directors' shares, owned by Nebraska Power Co. Annual meeting, third Wednesday in October.

FUNDED DEBT

$139,000 The Council Bluffs Gas and Electric Co. First 5s; dated Nov. 1, 1898; due Nov. 1, 1928; int. May and Nov. 1, at New York Trust Co., Trustee. Authorized, and issued $300,000, of which $161,000 retired, leaving $139,000 outstanding. Coupon, $1,000. Sinking fund, $5,000 per annum. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$957,300	$885,475	$826,125	$784,462	$752,083	$711,817
Operating expenses, including taxes	709,989	656,288	625,828	627,157	597,998	564,281
Net earnings from operation	$247,311	$229,187	$200,297	$157,305	$154,085	$147,536
Other income	5,109	5,380	11,884	10,051	95	95
Total income	$252,420	$234,567	$212,181	$167,356	$154,180	$147,631
Interest on bonds	6,950	6,973	15,763	28,513	28,908	29,309
Other interest and deductions	83,675	80,719	68,784	32,766	14,627	10,331
Balance	$161,795	$146,875	$127,634	$106,077	$110,645	$107,991
Renewal and replacement reserve	40,000	40,000	40,000	30,000	30,000	30,000
Balance for surplus	$121,795	$106,875	$87,634	$76,077	$80,645	$77,991
***Times Bond Interest Earned**	36.32	33.63	13.46	5.87	5.34	5.04

*Before deducting other interest and deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant	$2,504,448	$2,379,881	$2,265,523
Cash	30,355	32,494	33,335
Notes and loans receivable	3,205	247	.....
Accounts receivable	139,561	148,306	161,245
Materials and supplies	57,778	71,783	76,347
Funds on deposit with trustee	4,200	.....	117,000
Deferred debits	1,013	3,654	13,046
Prepaid accounts	11,038	8.385	3,176
Total	$2,751,598	$2,644,750	$2,669,671

*Due Nebraska Power Co.

Liabilities—	1927	1926	1925
Capital stock	$500,000	$500,000	$500,000
Funded debt	139,000	139,000	257,000
Notes and loans payable	*1,367,000	*1,332,000	*1,282,000
Accounts payable	54,179	49,123	55,601
Consumers' deposits	23,144	29,374	32,119
Accrued accounts	68,077	65,120	53,358
Reserves	355,069	342,645	348,981
Surplus	245,129	187,488	140,612
Total	$2,751,598	$2,644,750	$2,669,671

Officers: F. F. Everest, Pres., Council Bluffs, Ia.; J. E. Davidson, V-P. & Gen. Mgr., Omaha, Neb.; A. S. Grenier, V-P., New York; S. E. Schweitzer, Sec. & Treas., Omaha, Neb.; H. L. Martin, Asst. Sec.; A. C. Ray, Asst. Treas., New York; F. J. Moylan, Asst. Sec. & Asst. Treas., Omaha, Neb.

Directors: J. E. Davidson, Omaha, Neb.; F. F. Everest, Pusey McGee, Emmet Tinley, J. Chris Jensen, T. D. Metcalf, Council Bluffs, Iowa.

Offices, 2 Rector Street, New York, and Council Bluffs, Iowa.

NORTHWESTERN ELECTRIC COMPANY

(Controlled by American Power & Light Co.)

(Supervised by Electric Bond and Share Co.)

History and Properties—Incorporated Jan. 7, 1911, in Wash. Company supplies electric power and light service in a large part of Portland, Ore., and in Vancouver, Wash., and ten adjacent communities; also conducts a steam heating business in the down-town business district of Portland. The population of the communities served is estimated to exceed 355,000.

During 1926 Company leased and now operates the electric properties in Ridgefield and La Center, Wash., formerly operated by the Ridgefield Light & Power Company, and in addition the electric properties in Rainier, Ore., and Woodland and Kalama, Wash. All of these properties are located in a territory that is capable of extensive development.

The Company's generating stations have a combined capacity of 53,333 h.p. (34,500 k.w.) of which 20,000 h.p. is installed in the Condit hydro-electric generating plant, located on the White Salmon River about 65 miles from Portland.

Franchises—Sept. 25, 1912 Co. was granted a 25-yr. franchise to supply electric light and power; this franchise was ratified at a city election on Nov. 2, 1912.

Service and Property—The estimated population and the consumers served by the Company and its

Physical equipment (including properties operated but not owned) as of Dec. 31, 1927, and kilowatt-hours output for the twelve months ended on that date, compared with the two previous years, follow:

	1927	1926	1925
Population served	355,000	328,000	325,000
Electric power & light consumers	26,226	24,429	21,432
Steam heat consumers	593	579	563
Total consumers	26,819	25,008	21,995
Kilowatts generating station capacity installed	34,500	34,500	34,500
Kilowatt-hours generating station output (including power purchased) for 12 months	255,766,000	237,403,000	196,911,800
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	228	220	163
Miles of electric distribution system (less than 11,000 volts) in service	524	452	292

Control—In October, 1925, all the Common stock of Company, except directors' shares, was acquired by American Power & Light Co.

CAPITAL STOCK

Authorized, $10,000,000 Common, $2,000,000 6% cumulative Original Pfd., and $10,000,000 7% cumulative First Pfd.; outstandnig, Dec. 31, 1927, $10,000,000 Common, $111,600 6% Original Pfd. and $4,707,300 7% First Pfd.; par, $100. Substantially all the Common stock is owned by American Power & Light Co.

Annual Meeting—Third Wednesday in March at Vancouver, Wash.

Price Range—

	1927	1926	1925	1924	1923
6% Preferred—					
High	94	90½	.....	.....	.....
Low	bid	90⅜	.....	.....	.....
7% Preferred—					
High	107	104	102½	98¾	95
Low	101	100⅛	96¾	94	92

Dividends—Dividends on both classes of Pfd. stock regularly paid quarterly, J, A, J & O 1.

FUNDED DEBT

$7,130,800 FIRST MORTGAGE GOLD 6s; DUE MAY 1, 1935

Dated May 1, 1915.

Interest Payable May and November 1, at Harris Trust & Savings Bank, Chicago, and in New York and San Francisco.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago. Howard W. Fenton, Co-Trustee.

Provisions of Issue—Authorized, $10,000,000; issued, $8,001,700 of which $870,900 held uncancelled in sinking fund.

The remaining $1,998,300 escrow bonds, which may bear a lower rate of interest than 6%, may be issued from time to time for not to exceed 80% of the cost of further extensions and additions to the property, provided the net earnings for 12 months have been equal to at least 10% of all bonds outstanding and those proposed to be issued.

Callability—Subject to call in whole or in part on any interest date at 103 and accrued interest.

Sinking Fund—Sinking fund, began May 1, 1918, 1% of bonds issued, to be used in purchasing in the open market or redeeming by lot bonds of this issue bearing the highest rate of interest of any of those outstanding. Bonds so acquired are to be kept alive and interest thereon added to the sinking fund. Of the $7,875,400 bonds issued $744,600 are held uncancelled in the sinking fund. In addition to the sinking fund the mortgage provides that there shall be deposited with the trustee on Jan. 1, annually from 1920 to 1930 an amount in cash equal to 1% and from 1931 to 1934, 2% of the aggregate amount of bonds that have been issued.

Security—A first lien on the entire physical property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Theodore S. Chapman, Chicago, and Goodfellow, Eells, Moore & Orrick, San Francisco.

Original Offering—First publicly offered ($3,000,000) in June, 1915, at par and interest; $596,000 additional offered in March, 1918, at 95 and interest, yielding about 6.5%; a further $300,000 in March, 1919, at 97 and interest, and $700,000 in April, 1924, by Harris Trust & Savings Bank, Chicago, and E. H. Rollins & Sons. San Francisco, etc., at 100 and interest.

Price Range—

	1927	1926	1925	1924
High	103½	104	102¾	96¾
Low	102½	102	101½	96½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$3,198,333	$2,827,282	$2,495,464	$2,346,865	$2,052,355	$1,883,713
Operating expenses, including taxes	1,805,531	1,671,627	1,433,003	1,313,497	1,081,051	1,074,862
Net earnings from operation	$1,392,802	$1,155,655	$1,062,461	$1,033,368	$971,304	$808,851
Other income	31,193	61,643	41,376	32,933		
Total income	$1,423,995	$1,217,298	$1,103,837	$1,066,301		
Interest on bonds	427,848	428,558	429,577	416,113		
Other interest and deductions	138,721	99,016	44,336	55,749		
Balance	$857,426	$689,724	$629,924	$594,439		
Dividends on Preferred stock	335,773	334,236	317,790	241,380		
Balance	$521,653	$355,488	$312,134	$353,059		
Renewal and replacement reserve	225,000	200,000	200,000	200,000		
Balance	$296,653	$155,488	$112,134	$153,059		
*Times Bond Interest Earned	3.33	2.84	2.56	2.56		
Earnings Per Share—						
Preferred	$17.79	$14.35	$13.26	$15.47		
Common	5.22	3.55	3.12	3.53		

*Before deducting other interest and deductions, renewal and replacement reserve.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant	$24,165,119	$23,202,690	$22,527,081	$21,073,589	$19,858,257	$18,752,223
Investments				266,707	278,288	252,038
Sinking fund assets	.....	.....	.....	521,818	424,285	332,831
Cash	218,016	171,403	177,530	219,470	90,693	184,212
Accounts receivable	697,420	686,039	529,061	565,226	425,310	406,772
Treasury bonds	.....	.....	.....	.....	4,000	.....
Notes and loans receivable	6,133	7,654	103,359	446,404	408,993	426,196
Materials and supplies	385,419	415,857	335,182	217,130	169,663	147,910
Interest receivable	†	†	†	113,119	96,309	80,821
Prepaid accounts	30,632	13,430	13,246	45,749	50,675	79,748
Reacquired stock (Pfd. 7%)	.....	3,200	200	.....	.....	.....
Trust funds	30,189	7,446	6,365	.....	.....	.....
Unextinguished discount on Pfd. stock	271,829	441,033	548,562	416,180	367,709	335,074
Unamortized discount on funded debt				560,308	572,125	607,597
Deferred debits	6,497	5,617	12,126	.....	.....	.....
Total	$25,811,255	$24,954,369	$24,252,712	$24,445,700	$22,746,307	$21,605,422

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Capital stock	$14,818,900	$14,807,700	$14,748,600	$14,027,439	$13,263,552	$12,792,621
Funded debt	7,130,800	7,130,800	7,143,800	7,678,000	6,900,500	6,820,500
Subscription to Pfd. stock	4,000	.....	.....	.....	.....	.....
Dividends declared	84,034	83,854	82,814	.....	.....	.....
Notes and loans payable	1,054,992	*635,000	44,000	175,000	340,000	160,000
Accounts payable	153,740	193,690	230,790	428,238	326,709	166,398
Accrued accounts	578,731	446,993	368,632	363,356	358,791	309,053
Matured interest funded debt	21,480	.....	.....	.....	.....	.....
Consumers' deposits	14,872	14,441	9,237	8,948	10,153	10,515
Reserve for uncollectible accounts	.....	.....	.....	8,889	6,485	8,924
Depreciation reserve	1,229,154	1,027,313	1,091,185	684,193	511,595	445,250
Surplus	720,551	614,578	533,654	1,071,637	1,028,522	892,161
Total	$25,811,255	$24,954,369	$24,252,712	$24,445,700	$22,746,307	$21,605,422

*Represents largely advances for construction expenditures not yet funded. †Included in accounts receivable.

Officers: Guy W. Talbot, Pres.; John A. Laing, V-P. & Gen. Attorney; L. T. Merwin, V-P. & Gen. Mgr., Portland, Ore.; Frank Silliman, Jr., V-P., New York; C. W. Platt, Sec. & Treas.; M. J. Wilkinson, Asst. Sec. & Asst. Treas., Portland, Ore.

Trustees: Guy W. Talbot, Herbert Fleishhacker, John A. Laing, M. M. Conner, L. H. Hoffman.

Office, Portland, Ore. **New York Office,** 2 Rector Street.

PACIFIC POWER & LIGHT COMPANY

(Controlled by American Power & Light Co.)

(Supervised by Electric Bond and Share Company)

History—Incorporated June 16, 1910, in Maine to own and operate electric power and light, electric street railway and gas and water properties.

Pacific Power & Light Company supplies electric power and light service at wholesale or retail to 85 communities in the states of Washington, Oregon and Idaho. It supplies electric power and light service to all of these including 5 at wholesale, gas service to 6 communities, and water service to 3 communities. Among the principal communities served are Astoria and Pendleton, Ore., Yakima and Walla Walla, Wash., and Lewiston, Ida., which are supplied with electric power and light and gas service; Kennewick, Wash., which is supplied with electric power and light and water service; and Pasco, Wash., and The Dalles and Hood River, Ore., which are supplied with electric power and light service. The total population served is estimated at 147,000.

Franchises—A substantial majority of the franchises under which the Company operates are indeterminate or extend to 1950 or later years.

Service and Property—The total number of consumers served by the Pacific Power & Light Co. and the physical equipment of the properties as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with the five previous years, follow:

	1927	1926	1925	1924	1923	1922
Electric consumers	48,731	46,008	42,250	36,002	34,992	33,262
Gas consumers	7,940	7,442	7,249	8,557	8,520	8,783
Water consumers	2,245	†2,226	8,741	6,666	7,296	7,568
Total consumers	58,916	55,676	58,240	51,225	50,808	49,613
Kilowatts generating capacity	33,782	34,325	35,550	28,650	29,040	23,340
Kilowatt-hour generating station output (including power purchased) for 12 months	171,611,000	166,214,500	155,586,000	137,304,900	116,676,395	88,997,828
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	748	748	700	619	558	549
Miles of electric distributing system (less than 11,000 volts) in service	1,288	1,158	986	944	899	861
Gas works capacity (thousand cu. ft. per day)	1,460	1,460	1,460	1,460	1,410	1,340
Gas holder capacity (thousand cu. ft.)	688	688	643	668	675	655
Manufactured gas sendout (thousand cu. ft.) for 12 months	214,656	201,423	*198,764	232,501	225,965	243,476
Miles of gas mains	143	140	*135	163	155	154
Miles of water mains	71	†74	137	73	86	85

*Decrease due to disposal of Vancouver property to Portland Gas & Coke Co. †Decrease due to sale of water properties at Prosser and Yakima, Wash.

CAPITAL STOCK

The authorized capital stock is $14,000,000, consisting of $7,000,000 Common, $7,000,000 7% cumulative Pfd. of which amount $2,500,000 issuable as 7% cumulative Second Pfd. Outstanding Dec. 31, 1927, $11,753,100, consisting of $5,755,000 Common (excluding $345,000 in treasury), $5,808,100 Pfd. and $190,000 Second Pfd.; par of all issues, $100. All outstanding Common stock, except directors' qualifying shares, and all of the outstanding Second Pfd. stock is owned by the American Power & Light Co.

Preferred Stock Provisions—The Pfd. stock is entitled to cumulative dividends at the rate of 7% per annum; it has preference over both Second Pfd. and the Common stocks, as to assets in case of liquidation, and is subject to redemption at 115 and accrued dividends on any dividend date.

The Second Pfd. is entitled to cumulative dividends at the rate of 7% per annum, paid since Jan. 1, 1913. It is subject to redemption at any time at par and accrued dividends, and is convertible, at any time, in lots of 1,000 shares or more, into Pfd. stock, par for par, whenever in any twelve consecutive months the earnings applicable to dividends during such period shall have been at least two and one-half times the dividend requirements upon the Pfd. stock then outstanding, plus two and one-half times the dividend requirements upon the additional Pfd. stock which it is then proposed to issue in exchange for Second Pfd. stock.

Transfer Agents—American Exchange Irving Trust Co., New York, and Security Savings & Trust Co., Portland, Ore.

Registrars—Brooklyn Trust Co., New York and First National Bank, Portland, Ore.

Annual Meeting—Third Tuesday in October, at Augusta, Me.

Price Range—

7% Preferred—	1927	1926	1925	1924
High	105	87	101	100
Low	102	86⅞	96	93

Dividends—Quarterly dividends at the authorized rate have been regularly paid on the Pfd. stock since issuance in 1910; payments quarterly, F, M, A & N 1.

FUNDED DEBT

$19,000 FIRST & REFUNDING (NOW FIRST) GOLD 5s; DUE AUGUST 1, 1930

Dated August 1, 1910.

Interest Payable February and August 1, at United States Mortgage & Trust Co., New York, and in Paris, London, Berlin and Amsterdam at the fixed rates of exchanges. (Bonds payable in foreign countries are designated as International Series).

Denominations—Coupon, $1,000 (or in case of International Series bonds, £205.4.2, M. 4,200, fr. 5.175 and fl. 2,480); principal may be registered; registered, $1,000 (or £1,026.0.10, M. 21,000 fr. 25,875 and fl. 12,-40) and multiples thereof; interchangeable (in case of International Series).

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $30,000,000 of which $9,119,000 held by public and $1,250,000 held free in treasury. The $19,631,000 unissued bonds are reserved to provide for improvements of or additions to the property, including purchase of bonds and stocks of other companies, but acquired bonds and stocks of other companies shall at no time stand as security for more than 15% of the total issue of these bonds. Issues of these bonds for improvements or additions can only be made to the extent of 80% of the cost of such improvements or extensions and then only provided the net earnings for 12 consecutive months in the thirteen preceding calendar months have been at least twice the interest on all bonds outstanding including those ought to be issued.

Callability—Subject to call as a whole on any interest date upon 4 weeks' notice at 105 and interest up to Dec. 31, 1925, at 104 and interest during 1926, at 103 and interest during 1927, at 102 and interest during 1928, and 101 and interest from Jan. 1, 1929, to July 31, 1930, inclusive. A portion of the issue may be redeemed by lot on the above basis by the use of moneys in the Improvement Fund.

Improvement Fund is provided which requires the company to pay the trustee of the First and Refunding Mortgage bonds on Aug. 1, from 1915 to 1919, inclusive, 1% each year; from 1920 to 1924, incl., 2% each year; from 1925 to 1929, incl., 3% each year of all the bonds outstanding, including underlying bonds, and outstanding bonds of corporations two-thirds of whose capital stock is at the time owned by the mortgagor and pledged under the mortgage. In case the net earnings of the company for the twelve months ending May 31st in any of the years from 1925 to 1929, inclusive, equal or exceed three times the interest charges on all bonds outstanding, then the amount required to be paid into the improvement fund on the next succeeding Aug 1, need be equivalent to only 2% instead of 3%. Funds in the improvement fund may be used for improvements and betterments to the property, or for the redemption of bonds of this issue.

Security—Secured by a first lien on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in 1910 at 94 and interest, by White, Weld & Co. and Clark, Dodge & Co., New York; also offered in 1911, by White, Weld & Co., and William A. Read & Co., New York, at 89¾ and interest; about $250,000 offered in Nov., 1915, by Ames, Emerich & Co., and Illinois Merchants Trust Co., Chicago, at 93½ and interest, and a block in Dec., 1918, by William A. Read & Co. and White, Weld & Co., New York, at 89¾ and interest.

Listed—$5,904,000 of the $9,119,000 outstanding bonds are listed on the New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105½	101½	100	102	94	95½	89	77⅜
Low	99¾	99⅛	98	92½	89⅞	87¾	73¾	75½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$3,764,552	$3,751,266	$3,545,421	$3,181,736	$3,127,068	$3,007,058
Operating expenses, including taxes	2,197,974	1,985,709	2,009,701	1,758,254	1,642,088	1,616,496
Net earnings from operation	$1,566,578	$1,765,557	$1,535,720	$1,423,482	$1,484,980	$1,390,562
Other income	9,957	30,127	17,693	26,848	22,748	33,216
Total income	$1,576,535	$1,795,684	$1,553,413	$1,450,330	$1,507,728	$1,423,778
Interest on bonds	455,951	524,814	555,950	555,950	555,950	555,948
Other interest and deductions	315,585	279,834	229,633	176,928	133,823	112,774
Balance	$804,999	$991,036	$767,830	$717,452	$817,955	$755,056
Dividends on Preferred stock	405,663	404,372	390,095	339,514	312,676	292,245
Balance	$399,336	$586,664	$377,735	$377,938	$505,279	$462,811
Renewal and replacement reserve	375,000	350,000	350,000	260,000	320,000	200,000
Balance for surplus	$24,336	$236,664	$27,735	$117,938	$185,279	$262,811
Times Bond Interest Earned	3.46	3.42	2.79	2.61	2.71	2.56
Earnings Per Share—						
Preferred (outstanding Dec. 31)	$13.86	$17.11	$14.11	$13.66	$17.44	$17.45

*Before deducting other interest and deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plants, Investments, Construction expenditures	$23,124,575	$22,669,164	$22,644,833	$21,997,190 272,750	$21,600,201 133,116	$19,805,768 24,481 566,134
Construction contract advances	.....	.....	.....	.....	243,368	.....
Cash	201,521	163,479	148,791	153,642	133,808	110,634
Notes and loans receivable	32,140	66,443	254,383	153,962	122,778	28,196
Accounts receivable	631,388	600,954	540,679	470,212	445,876	435,639
Materials and supplies	351,166	337,788	392,213	325,507	314,650	243,803
Prepaid accounts	21,315	6,022	11,728	16,544	5,485	5,629
Reacquired Preferred stock	1,300	6,400	3,300	.....	500	400
Treasury stock—Common	.....	.....	.....	345,000	345,000	345,000
Treasury bonds pledged	.....	.....	.....	*1,250,000	*1,250,000	*1,250,000
Trust fund	450	100	.....	.....	.....	114,780
Unamortized bond discount and expense	254,601	318,149	355,928	432,810	509,879	586,323
Deferred debits	1,904	9,778	10,386	132,032	21,677	5,412
Total	$24,620,360	$24,178,277	$24,362,241	$25,549,649	$25,126,338	$23,522,199

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	192
Common stock	$5,755,000	$5,755,000	$5,755,000	$6,100,000	$6,100,000	$6,100,0
Preferred stock, 7%	5,808,100	5,793,400	5,784,200	5,253,600	4,687,600	4,326,1
Second Preferred stock, 7%	190,000	190,000	190,000	190,000	190,000	190,0
First and Refunding 5% bonds	9,119,000	9,119,000	9,119,000	10,369,000	10,369,000	10,369,0
First Lien and General Mortgage 8% bonds	.....	.....	1,250,000	1,250,000	1,250,000	1,250,0
Notes and loans payable	1,556,000	1,348,314	677,166	951,000	1,140,821	128,2
Accounts payable	190,399	223,531	197,953	145,865	249,931	161,5
Customers' deposits	203,567	188,026	159,074	136,912	127,755	111,6
Accrued accounts	657,465	608,859	572,922	545,153	499,479	452,6
Subscriptions to Preferred stock	1,900	.....	.....	92,600	.....	.....
Deferred credits	15	.....	.....	.....	.....	.....
Reserves	704,109	533,287	308,123	184,465	170,236	119,5
Surplus	434,805	418,860	348,803	331,055	341,516	313,4
Total	$24,620,360	$24,178,277	$24,362,241	$25,549,649	$25,126,338	$23,522,1

*Pledged with Trustee under First Lien and General Mortgage Trust Indenture.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$201,522	$163,479	$148,791	$153,643	$133,808	$110,6
Notes and loans receivable	32,140	66,443	254,383	153,962	122,778	28,1
Accounts receivable	631,388	600,954	540,679	470,212	445,876	435,6
Materials and supplies	351,166	337,789	392,213	325,507	314,650	243,8
Prepaid accounts	21,315	6,022	11,728	16,544	5,485	5,6
Total	$1,237,531	$1,174,686	$1,347,794	$1,119,868	$1,022,597	$823,9
Current Liabilities—						
Notes and loans payable	$1,556,000	$1,348,314	$677,166	$951,000	$1,140,821	$128,2
Accounts payable	190,399	223,532	197,953	145,865	249,931	161,5
Customers' deposits	203,567	188,026	159,074	136,912	127,755	111,6
Accrued accounts	657,465	608,859	572,922	545,153	499,479	452,6
Total	$2,607,431	$2,368,730	$1,607,115	$1,778,930	$2,017,986	$854,1
Net Working Capital (Debit)	$1,369,900	$1,194,044	$259,321	$659,062	$995,389	$30,2

Officers: Guy W. Talbot, Pres.; John A. Laing, V-P.; Edward Cookingham, V-P.; Lewis A. McArthur, V-P. & Gen. Mgr., Portland, Ore.; A. S. Grenier, V-P.; E. W. Hill, V-P.; Frank Silliman, Jr., V-P., New York; C. W. Platt, Sec. & Treas.; Geo. L. Meyers, Asst. to Pres., Portland, Ore.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York; M. J. Wilkinson, Asst. Sec. & Asst. Treas.; B. C. Stearns, Asst. Treas.; J. G. Hawkins, Asst. Sec., Portland, Ore.; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas., New York.

Directors: S. Z. Mitchell, Chairman, New Yorl J. C. Ainsworth, Edward Cookingham, J. A. Lain C. Hunt Lewis, C. W. Platt, Guy W. Talbot, L. A McArthur, Geo. L. Meyers, Portland, Ore.; Fred Fogg, Tacoma, Wash.; S. S. Gordon, Astoria, Ore A. S. Grenier, Frank Silliman, Jr., New York; H. Lucas, Olympia, Wash.; Josiah Richards, Spokan Wash.

General Office, Portland, Ore. **New York Offic** 2 Rector Street.

PORTLAND GAS & COKE COMPANY

(Controlled by American Power & Light Co.)

(Supervised by Electric Bond and Share Company)

History—Incorporated Jan. 10, 1910, in Ore.; successor to Portland Gas Co. and East Portland Gas Light Co. Company supplies gas, without competition, in Portland, Oregon, and Vancouver, Wash. and 21 other communities in Oregon in the vicinity of Portland. Total population served is estimated at 392,000.

Service and Property—The total number of consun ers served by the Company and the physical equi ment of its property as of Dec. 31, 1927, and the ou put for the twelve months ended Dec. 31, 1927, con pared with the five previous years, follows:

	1927	1926	1925	1924	1923	192
Manufactured gas consumers	91,790	90,861	87,879	83,807	78,157	73,8
Gas works capacity (thousand cu. ft. per day)	29,000	24,000	24,000	20,000	16,000	16,0
Gas holder capacity (thousand cu. ft.)	11,339	11,339	11,281	8,256	8,256	8,1
Gas sendout (thousand cu. ft.) for twelve months	4,362,441	3,998,203	4,130,818	3,887,222	3,329,937	3,166,7
Miles of gas mains	1,685	1,620	1,521	1,383	1,326	1,2

Franchises—Franchises in Portland are unlimited as to time; none of franchises in the other communities served expire prior to 1938.

CAPITAL STOCK

Authorized, 600,000 shares Common of no par value, $6,000,000 7% cumulative Pfd., par $100, and $5,000,000 6% Pfd., par $100; outstanding, 300,000 shares Common and $5,449,500 7% Pfd. Entire Common stock, except directors' shares, is owned by American Power & Light Co.

Capital Stock Changes—Stockholders on Feb. 21, 1928 voted to change the par value of the Common stock from $100 to shares of no par value, one new share being issued for each share held. Stockholders also voted to create an issue of $5,000,000 6% Pfd. stock, par $100 and approved a proposal to designate the Pfd. stock now authorized 7% Pfd. stock instead of Pfd. stock. Stockholders also approved the sale of the 300,000 additional Common shares authorized for $3,000,000 cash.

7% Preferred Stock Provisions—The 7% Pfd. stoc has preference as to assets as well as to dividends, an is subject to redemption on any dividend date at 11 and accrued dividends.

Transfer Agents—American Exchange Irving Tru Co., New York, and Security Savings & Trust Co Portland, Ore.

Registrars—Brooklyn Trust Co., New York, an First National Bank, Portland, Ore.

Annual Meeting—Third Monday in February.

Legal Opinion (7% Pfd. Stock)—Simpson, Thache & Bartlett, New York.

Price Range—

7% Preferred—	1927	1926	1925	1924	192
High	107	106	102	100	100
Low	102	100	96	95	95

Dividends—Dividends on 7% Pfd. stock have bee regularly paid quarterly, since the issuance of the stoc in 1910; payments, F, M, A & N 1.

FUNDED DEBT

(1)

$1,000 PORTLAND GAS COMPANY FIRST MORTGAGE GOLD ...s; DUE AUGUST 1, 1951

Dated August 1, 1901.

Interest Payable February and August 1, at Secur- ... Savings & Trust Co., Portland, Ore., and Bank of ...nerica, Brooklyn, N. Y. Original issue, $750,000, ... which $379,000 have been paid off and deposited as ...ditional security for below described First & Re- ...nding Gold 5s; mortgage closed. Assumed by Port- ...nd Gas & Coke Co.

Tax Provisions—Company pays Normal Federal In- ...me Tax up to 2%.

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925	1924	1923	1922
...gh	99	99	98½	99	95	92½
...w	bid	bid	bid	bid	bid	ask

(2)

$6,674,000 PORTLAND GAS & COKE COMPANY FIRST & REFUNDING MORTGAGE GOLD 5s; DUE JANUARY 1, 1940

Dated January 1, 1910.

Interest Payable January and July 1, at United ...ates Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be ...gistered.

Trustee—United States Mortgage & Trust Co., New ...ork.

Provisions of Issue—Authorized issue, $15,000,000, ...fficient being reserved to retire the Portland Gas Co. ...irst 5s (see paragraph 1), and the balance are issu- ...ble for not exceeding 75% of the actual cash cost of ...ermanent additions, improvements, etc. provided the ...et earnings for 12 consecutive months within the 13 ...onths immediately preceding are at least 1¾ times ...ne interest on all bonds outstanding, together with ...ose proposed to be issued. Of the $8,724,000 bonds ...sued, $1,050,000 are pledged with Trustee under ...irst Lien & General Mortgage Trust Indenture, and ...,000,000 are held in the treasury, leaving $6,674,000 ...tstanding as of Dec. 31, 1927.

Callability—Subject to call as a whole (or in part ...r improvement fund) at 110 and interest on Jan. 1, ...920, or on any interest date thereafter upon four ...eeks' notice.

Improvement Fund—The Mortgage provides that ...ne company shall pay to the Trustee for a special im- ...rovement fund on Jan. 1 of each year from 1915 to ...919, incl., 1%; 1920 to 1924, incl., 2% and 1925 to ...939, incl., 3%, in each case of the total amount of ...onds of the company then outstanding. If the net ...arnings for the 12 months ended on Nov. 30 of any of ...ne years 1924 to 1938, both inclusive, shall equal or ...xceed three times the interest charges on all the First ...nd Refunding Mtge. bonds and Portland Gas Co. ...onds outstanding, then only 2% instead of 3% need ...e paid into the improvement fund annually 1925 to ...939. This improvement fund may be used either as ... sinking fund for the purchase of bonds outstanding ...nder the mortgage at not exceeding 110 and inter- ...st or to pay for permanent extensions and improve- ...ents against which no bonds can be issued.

Security—Secured by first lien on all property now ...wned or hereafter acquired, subject only to the bonds ...f the Portland Gas Co. (see paragraph 1).

Tax Provisions—Company pays Normal Federal In- ...ome Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($2,500,- 000) in Jan., 1910, at par and interest, by N. W. Harris & Co., and White, Weld & Co., New York and Boston.

Price Range—

	1927	1926	1925	1924	1923
High	101½	100½	99	96½	92½
Low	99¼	98	95	91	89

(3)

$1,050,000 PORTLAND GAS & COKE COMPANY FIRST LIEN & GENERAL MORTGAGE GOLD BONDS, SERIES OF "7s, DUE 1940"; DUE JANUARY 1, 1940

All of the outstanding bonds were called for redemption on Feb. 1, 1928, at 105 and interest at Bankers Trust Co., New York, Trustee.

(4)

BONDS ISSUED SINCE DECEMBER 31, 1927

$3,000,000 PORTLAND GAS & COKE COMPANY FIRST LIEN AND GENERAL MORTGAGE GOLD BONDS, SERIES OF "4½s, DUE 1940"; DUE JANUARY 1, 1940

Dated January 1, 1928.

Interest Payable January and July 1 at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Bankers Trust Co., New York and B. W. Jones.

Provisions of Issue—The mortgage securing these bonds provides that additional bonds may be issued thereunder upon the pledge with the Trustee of an equal amount of First & Refunding Mortgage 5% bonds or cash in lieu thereof, provided, however, that the net earnings of the Company for the preceding twelve months shall have been equal to at least 1¾ times the annual interest charges on all First & Refunding Mortgage bonds and underlying bonds in the hands of the public, and all First Lien & General Mortgage Bonds outstanding, including those proposed to be issued. The mortgage also provides that First Lien & General Mortgage bonds may be issued thereunder in different series, the "7s, due 1940" being the present series; provided, however, that no new series may be issued maturing earlier than any then existing series, if the aggregate principal amount of earlier maturing series would then exceed 25% of the total principal amount of all First Lien & General Mortgage bonds then to be outstanding.

Callability—Subject to call as a whole or in part on the first day of any month on four weeks' notice up to and including Jan. 1, 1929, at 102½ and interest, with successive reductions in the redemption price of ¼ of 1% on Feb. 1, 1929, and on each Feb. 1 thereafter to and including Feb. 1, 1937; and on and after Feb. 1, 1938, at 100 and interest.

Security—Secured by deposit with the Trustee of an equal principal amount of Company's First and Refunding Mortgage 5% bonds, due 1940. Further secured by a general mortgage on the entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($3,000,- 000) in January, 1928, at 97.75 and interest, yielding 4.75%, by Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., New York; Harris, Forbes & Co., Ltd., Montreal, and Harris, Forbes & Co., Inc., Boston, Mass.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$4,492,156	$4,191,150	$4,037,896	$3,748,510	$3,402,192	$3,383,536
Operating expenses, including taxes	2,937,083	2,744,017	2,660,737	2,423,898	2,218,457	2,186,496
Net earnings from operation	$1,555,073	$1,447,133	$1,377,159	$1,324,612	$1,183,735	$1,197,040
Other income	31,040	30,099	45,283	42,413	39,187	10,088
Total income	$1,586,113	$1,477,232	$1,422,442	$1,367,025	$1,222,922	$1,207,128

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	192
Interest on bonds	$425,750	$425,750	$425,750	$425,748	$425,748	$420,2
Other interest and deductions	261,312	219,544	128,179	41,340	23,338	23,6
Balance	$899,051	$831,938	$868,513	$899,937	$773,836	$763,2
Dividends on Preferred stock	380,923	379,012	375,376	356,868	293,319	226,8
Balance	$518,128	$452,926	$493,137	$543,069	$480,517	$536,4
Renewal and replacement reserve	250,000	200,000	250,000	350,000	200,000	325,0
Balance for surplus	$268,128	$252,926	$243,137	$193,069	$280,517	$211,4
*Times Bond Interest Earned	3.72	3.47	3.34	3.21	2.87	2.8
Earnings Per Share—						
Preferred	$16.49	$15.29	$16.07	$16.86	$16.20	$20.0

*Before deducting other interest and deductions.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Portland Gas & Coke Co. and Northwest Gas & Electric Equipment Co., with inter-company accounts eliminated)

Assets—	1927	1926	1925	1924	1923	1922
Plants and investments / Construction expenditures	$21,283,007	$20,444,930	$19,811,526	$16,583,493 / 477,607	$15,622,329 / 546,630	$14,858,28 / 125,3
Cash	214,674	347,496	133,151	35,526	61,595	127,78
Notes, loans and accounts receivable	963,775	910,764	846,768	858,676	710,047	638,03
Materials and supplies	423,505	395,198	401,435	362,309	341,554	299,26
Prepaid accounts	23,656	7,626	18,904	9,505	6,097	8,72
Reacquired securities (Pfd. stock)	1,900	2,000	1,300	.....	.....	.....
Treasury bonds	.....	.....	.....	†2,050,000	†1,870,000	†1,125,00
Trust funds & special deposits	2,325	200	4,633	.....	.....	.....
Unamortized bond discount and expense	287,790	310,348	335,514	377,008	380,507	399,61
Deferred debits	49	15,119	7,425	66,522	90,942	59,33
Total	$23,200,681	$22,433,681	$21,560,656	$20,820,646	$19,629,431	$17,641,37
Liabilities—						
Preferred stock	$5,449,900	$5,441,900	$5,402,300	$5,338,500	$4,771,700	$3,815,40
Common stock	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,00
Northwest Gas & Electric Equipment Co. stock	300	300	300	300	300	30
Subscriptions to Pfd. stock	7,700	.....	.....	.....	.....	.....
Funded debt	8,095,000	8,095,000	8,095,000	10,145,000	9,965,000	9,220,00
Notes and loans payable	*4,231,800	*3,561,000	*2,857,000	257,950	47,000	8,41
Accounts payable	403,246	315,323	480,016	487,215	462,946	343,20
Consumers' deposits	80,394	76,496	132,240	137,995	138,947	139,43
Accrued accounts	571,652	694,553	407,179	359,110	338,077	309,74
Deferred credits	187	.....	.....	.....	.....	.....
Reserves	1,003,524	917,621	771,898	681,736	444,009	391,80
Surplus	356,978	331,488	414,723	412,840	461,452	413,06
Total	$23,200,681	$22,433,681	$21,560,656	$20,820,646	$19,629,431	$17,641,37

†Of this amount, $1,050,000 pledged with Trustee under First Lien & General Mortgage Trust Indenture. *Represent largely advances for construction expenditures not yet funded.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$214,674	$347,496	$133,151	$35,526	$61,595	$127,78
Notes, loans and accounts receivable	963,775	910,764	846,768	858,676	710,047	638,03
Materials and supplies	423,505	395,198	401,435	362,309	341,554	299,26
Prepaid accounts	23,656	7,626	18,904	9,505	6,097	8,72
Total	$1,625,610	$1,661,084	$1,400,258	$1,266,016	$1,119,293	$1,073,81
Current Liabilities—						
Notes and loans payable	$4,231,800	$3,561,000	$2,857,000	$257,950	$47,000	$8,41
Accounts payable	403,246	315,323	480,016	487,215	462,946	343,20
Customers' deposits	80,394	76,496	132,240	137,995	138,947	139,43
Accrued accounts	571,652	694,553	407,179	359,110	338,077	309,74
Total	$5,287,092	$4,647,372	$3,876,435	$1,242,270	$986,970	$800,80
Net Working Capital	*$3,661,482	*$2,986,288	*$2,476,177	†$23,746	†$132,323	†$273,00

*Debit. †Credit.

Officers: Guy W. Talbot, Pres.; Geo. L. Myers, Asst. to the Pres.; John A. Laing, Vice-President; Hilmar M. Papst, V-P. & Gen. Mgr., Portland, Ore.; E. W. Hill, A. S. Grenier and Frank Silliman, Jr., V-Ps., New York; C. W. Platt, Sec. & Treas., Portland, Ore. E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York; M. J. Wilkinson, Asst. Sec. & Asst. Treas.; B. C. Stearns, Asst. Sec. & Asst. Treas., Portland, Ore.; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas New York; J. G. Hawkins, Asst. Sec.

Directors: C. F. Adams, Chairman of the Board Guy W. Talbot, D. T. Honeyman, J. A. Laing, C. W Platt, D. C. O'Reilly, R. L. Sabin, H. L. Corbett, Port land, Ore.; E. W. Hill, S. Z. Mitchell, Frank Sillimar Jr., New York.

Office, Portland, Ore. **New York Office,** 2 Recto Street.

SOUTHWESTERN POWER & LIGHT COMPANY

(Controlled by American Power & Light Co.)
(Supervised by Electric Bond and Share Company)

History—Incorporated July 30, 1912, in Maine. This company does not operate any properties. It controls the Texas Power & Light Co., through ownership of all its Common stock, except directors' shares; the Fort Worth Power & Light Co. through ownership of more than 93% of its Common stock, and all the outstanding securities, except directors' shares of stocks of **El Paso Gas Co., Texas Electric Service Co., Eagle Pass Water Co., Crystal Ice & Cold Storage Co., Terrell Electric Light Co.,** and the **Texas Public Utilities Corp.**

The service supplied by the principal operating sub sidiaries at the close of 1927 was as follows: Texa Power & Light Co. supplied electric power and ligh service in 244 communities in Texas, including Waco Denison, Sherman, Paris, Tyler, Temple, Brownwood Palestine, Gainesville, Waxahachie and Mineral Wells It also did the gas business in Waco, Paris and Bren ham. The total population served was estimated to b 545,000.

Fort Worth Power & Light Co. supplied the entire electric power and light service in Fort Worth, Texas, having a population estimated to be 195,000.

Texas Electric Service Co. supplied electric power and light service in 43 communities in Texas, including Electra, Sweetwater, Ranger, Burkburnett, Breckenridge, Eastland, Graham, Wichita Falls and Eagle Pass. It also served Piedras Negras, opposite Eagle Pass, in Mexico. The total population served was estimated to be 195,000.

Eagle Pass Water Co. operated water systems in Eagle Pass, Texas, and sold water at wholesale for distribution in Piedras Negras, Mexico, having an aggregate population estimated to be 13,000.

El Paso Gas Co. supplied manufactured gas in El Paso, Texas, and in Juarez, Mexico, having an aggregate population estimated to be 105,000.

Crystal Ice and Cold Storage Co. operated ice plants in Sweetwater and Eastland, Texas, having a total population estimated to be 14,500.

Texas Public Utilities Corp. operated ice plants in 20 communities in Texas, including Mineral Wells, Weatherford, Brenham, Eagle Pass, San Marcos, Sulphur Springs and Colorado. Water systems were also operated in Lockhart, Bastrop and Llano. The total population served was estimated to be 83,000.

All of the companies controlled by the Southwestern Power & Light Company operate as separate units. They serve a total of 293 communities, supplying electric power and light service to 288 communities (including wholesale service to 20 communities), gas service to 4 communities, water service to 5 communities, and ice service to 22 communities. The total population of the communities served is estimated at 1,108,000.

The total number of consumers served by the companies controlled by the Southwestern Power & Light Co. and the physical equipment of properties as of Dec. 31, 1927, and their output for the twelve months ended Dec. 31, 1927, compared with the five previous years, follow:

	1927	1926	1925	1924	1923	1922
Electric consumers	161,377	143,733	129,972	114,635	100,069	91,428
Manufactured gas consumers	21,292	20,705	21,335	20,332	19,728	20,430
Natural gas consumers	12,014	11,451	9,047	8,987	8,119	7,344
Water consumers	2,183	2,173	1,756	922	917	959
Total consumers	196,866	178,062	162,110	144,876	128,833	120,161
Number of street railway passengers carried during twelve months	.....	568,851	691,711	759,222	832,742	502,899
Kilowatts generating capacity installed	150,513	149,949	110,722	100,414	97,516	90,682
Kilowatts generating capacity under construction	.....	260	40,678	46,000	100	6,000
Kilowatt-hours generating station output (including power purchased) for twelve months	635,517,100	543,733,500	465,126,200	443,339,842	396,950,102	301,253,714
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	*3,898	*2,840	*2,306	*1,914	*1,353	*1,251
Miles of transmission lines (11,000 volts and over) under construction	200	104	248	217	166	.....
Miles of electric distributing system (less than 11,000 volts) in service	2,807	2,542	2,350	1,916	1,674	1,544
Gas works capacity (thousand cubic feet per day)	9,153	9,153	9,003	9,003	8,744	8,744
Gas holder capacity (thousand cubic feet)	3,407	3,407	3,407	3,407	3,357	3,357
Manufactured gas sendout (thousand cubic feet) for twelve months	757,679	737,298	770,914	756,231	725,129	730,242
Natural gas sendout (thousand cubic feet) for twelve months	1,104,926	1,141,359	937,834	811,048	646,650	506,386
Total gas sendout (thousand cubic feet) for twelve months	1,862,605	1,878,657	1,708,748	1,567,279	1,371,779	1,236,628
Miles of gas mains	415	374	347	330	316	308
Miles of street railway lines in operation	.....	5	5	5	5	5
Miles of water mains	31	31	24	12	12	12
Ice plant capacity (tons) per day	632	626	563	249	.....	.....

*Includes 95 miles of lines owned by Texas Power & Light Company, but carried on poles of Texas Electric Railway.

Franchises—Only one of the franchises under which the subsidiary companies operate expires prior to 1934, while most of them extend until 1950 or later and some are unlimited as to time.

CAPITAL STOCK

Authorized, $20,000,000 Common and $15,000,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $15,125,000 Common and $8,387,000 Pfd.; par, $100. All of the Common stock, except directors' shares, is held by the American Power & Light Co. Of the $15,000,000 authorized Pfd., $3,000,000 was issuable as Second Pfd., and of this latter amount $2,447,000 was issued as Second Pfd., which has been converted to Pfd. stock, thus leaving only one class of Pfd. outstanding.

Preferred Stock Provisions—Pfd. stock is preferred as to assets and dividends over Common stock and is redeemable on any dividend date at 115 and accrued dividends.

Transfer Agent—Registrar & Transfer Co., Jersey City, N. J.

Registrar—Corporation Trust Co., Jersey City, N. J.

Annual Meeting—Third Tuesday in February (or first business day following, if that should be a legal holiday), at Augusta, Me.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	115	104½	102	98	94	91½	85	78
Low	104	99¼	90	90	90	bid	bid	bid

Dividends—Dividends on Pfd. stock have been regularly paid at the rate of 7% per annum for the period from Nov. 1, 1912; payments quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$13,797,000 FIRST LIEN 30-YEAR GOLD 5s; DUE JUNE 1, 1943

Dated June 1, 1913.

Interest Payable June and December 1, at Bankers Trust Co., New York.

Denominations—Coupon (principal may be registered) $100, $500 and $1,000; and registered, $1,000 and multiples thereof, interchangeable with $1,000 coupon bonds.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue unlimited. The mortgage securing the First Lien bonds provides, among other things, that additional bonds may be issued for 80% of the aggregate cash cost of permanent additions or improvements to the property of the Company or its subsidiary companies (not including Texas Power & Light Co. or Fort Worth Power & Light Co.), and, under the restrictions as provided in the Mortgage, for acquisition of all the outstanding capital stock (except directors' shares) of corporations engaged in the public utility business.

Bonds may be issued, as stated above, only when for twelve consecutive months within the fifteen immediately preceding months, net earnings, as defined in the Mortgage, of the Company and its subsidiary companies (not including the Texas Power & Light Co. or Fort Worth Power & Light Co.) shall have been

twice the annual interest charges on (1) all First Lien bonds outstanding and about to be issued, and on (2) any unpledged bonds and certain other indebtedness as defined in the Mortgage of or secured by lien upon the properties of such subsidiary companies, and on (3) all outstanding prior lien indebtedness of the Company, if any.

Callability—Subject to call as a whole (or in part for sinking fund) at 105 and interest on any interest date on six weeks' published notice.

Sinking Fund—The mortgage provides for sinking fund payments on total amount of bonds outstanding on June 1 of each year as follows: 1%, 1918 to 1922 inclusive; 1½%, 1923 to 1927 inclusive and 2%, 1928 to 1942 inclusive. If company's earnings are equal to at least three times interest charges on all bonds outstanding, sinking fund payments for any of the years, 1928 to 1942, inclusive, need only be 1½%. Fund to be applied to the purchase of bonds at not to exceed 105 and interest and if not purchasable at that price bonds may be called by lot at 105 and interest; or fund may be used to reimburse the company for the cost of permanent additions, improvements, etc., which might otherwise have been made the basis for the issuance of bonds.

Security—Secured by deposit with the Trustee of all outstanding stocks, except directors' qualifying shares, and bonds of subsidiary companies, as follows: El Paso Gas Co., Galveston Gas Co., Paris Transit Co., Oil Belt Power Co., Texas Electric Service Co., Eagle Pass Water Co., Crystal Ice & Cold Storage Co. These deposited bonds are secured by first mortgages on the properties of the respective subsidiary companies. No additional stocks or bonds of these subsidiary companies may be issued unless they are deposited with the Trustee of the mortgage. The First Lien bonds are additionally secured by pledge with the Trustee of all the Common stock, except directors' qualifying shares, of Texas Power & Light Co. and more than 93% of the outstanding Common stock of Fort Worth Power & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Winthrop & Stimson, New York, and Simpson, Thacher & Bartlett, New York.

Original Offering—First publicly offered ($933,000) in Oct., 1913, at 91½ and interest, by N. W. Halsey & Co., New York, etc.; $3,500,000 in April, 1924, at 88¾ and interest, to yield about 6%, by Bonbright & Co., Inc., and Halsey, Stuart & Co., Inc., New York; $3,500,000 additional in Sept., 1924, at 91½ and accrued interest, to yield 5.75%, by the same firms; $3,000,000 additional in Aug., 1927, at 99 and interest to yield about 5.10% by Bonbright & Co., Inc., Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York, etc.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99½	97½	97	91½	84	88	84½	68
Low	97	94	90	86	bid	bid	bid	bid

(2)

$5,000,000 6% GOLD DEBENTURE BONDS, SERIES "A"; DUE MARCH 1, 2022

Dated March 1, 1922.

Interest Payable March and September 1, at Central Union Trust Co. of New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; registerable as to principal only. Fully registered bonds of $1,000 and $5,000. Coupon and fully registered bonds interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—These bonds are the direct obligations of Southwestern Power & Light Co. and are issued under an Agreement dated March 1, 1922, providing that Gold Debenture bonds may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights and limitations permitted by the agreement as the Company may determine prior to the issue thereof. The agreement also provides, among other things, that no additional Gold Debenture bonds may be issued under said agreements unless the net income applicable to interest charges of the Southwestern Power & Light Co., as defined in the agreement, for twelve consecutive calendar months within the preceding fifteen calendar months shall have been not less than twice the annual interest charges upon all indebtedness of the Company, including the Gold Debenture bonds to be issued, but excluding indebtedness to be concurrently paid off through use of the proceeds of the sale of capital stock or of the sale of such issue of Gold Debenture bonds.

Callability—Not redeemable prior to March 1, 1947. On and after that date, and up to and including Sept. 1, 2016, redeemable as a whole or in lots of not less than $1,000,000 at the option of the Company on any interest date upon thirty days' public notice, at 110 and accrued interest; thereafter at par and accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded upon application.

Legal Opinion—Murray, Aldrich & Roberts, New York.

Original Offering—First publicly offered ($3,000,000) in March, 1922, at 89 and accrued interest, to yield over 6.70%, by Bonbright & Co., Inc., New York; $2,000,000 additional in Feb., 1925, at 91½ and accrued interest, to yield about 6.55%, by the same firm.

Price Range—

	1927	1926	1925	1924	1923	1922
High	109	99¾	94½	91	90½	87
Low	99¾	97¼	88½	86½	84	bid

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Southwestern Power & Light Company and Subsidiaries)

	1927	1926	1925	1924	1923	1922
Gross earnings of all subsidiaries	$17,658,210	$15,953,070	$13,828,675	$12,617,472	$11,161,374	$9,865,586
Operating expenses, including taxes	9,227,749	8,191,994	7,037,755	6,656,595	5,941,349	5,136,898
Net earnings of all subsidiary companies	$8,430,461	$7,761,076	$6,790,920	$5,960,877	$5,220,025	$4,728,688
Non-operating revenue	269,110	462,902	264,306	.....	.....	.....
Total income	$8,699,571	$8,223,978	$7,055,226	.....	.....	.....
Gross earnings of Southwestern Power and Light Co., and undistributed income of subsidiaries applicable to S. P. & L. Co. after renewal and replacement (depreciation) appropriation	$5,025,503	$5,194,772	$4,063,492	$2,664,499	$3,001,213	$2,609,699
Expenses of S. P. & L. Co.	32,453	30,283	31,569	27,708	36,370	34,604
Interest and discounts of S. P. & L. Co.	1,018,943	1,339,133	941,548	964,416	870,654	†1,286,623
Balance for dividends—S. P. & L. Co.	$3,974,107	$3,825,356	$3,090,375	$2,672,375	$2,094,189	$1,288,472
Pfd. dividends—S. P. & L. Co.	587,090	587,090	542,212	409,990	307,090	307,090
Balance for Common dividends S. P. & L. Co.	$3,387,017	$3,238,266	$2,548,163	$2,262,385	$1,787,099	$981,382
*Times Interest and Discounts Earned	4.90	3.86	4.28	2.73	3.40	†2.00
*Earnings Per Share—						
Preferred	$47.38	$45.61	$36.85	$36.18	$47.74	$29.37

*Southwestern Power & Light Co. †Includes the unamortized discount and expense on the 8% Secured Gold bonds, Series "A" (due 1941) retired during the year.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
vestments	$38,685,328	$38,042,111	$29,936,008	$29,936,008	$29,836,008	$29,111,603
ish	248,649	96,438	94,869	259,705	358,598	26,113
ans & accounts receivable—subsidiaries	6,481,353	1,049,149	10,679,588	4,509,925	1,703,592	1,132,432
ans & accounts receivable—others	2,373	1,451,660	892,651	281,067	536,555	347,786
epaid accounts	.....	.....	.....	4,706	3,498	2,890
nds on deposit	667	.....	.....	*2,456,666	.....	.....
easury bonds pledged	.....	.....	.....	.....	†8,500,000	†8,500,000
easury bonds	.....	.....	.....	.....	1,125,000	400,000
amortized discount and expense	2,557,835	2,516,737	2,620,702	2,567,439	1,324,414	1,424,229
eferred debits	.....	.....	5,860	.....	.....	.....
Total	$47,976,205	$43,156,095	$44,229,677	$40,015,516	$43,387,665	$40,945,053
Liabilities—						
eferred stock	$8,387,000	$8,387,000	$8,387,000	$7,387,000	$4,387,000	$4,387,000
mmon stock	15,125,000	15,125,000	15,125,000	15,125,000	15,125,000	15,125,000
nded debt	18,797,000	15,797,000	15,797,000	16,047,000	20,672,000	19,947,000
tes and loans payable	680,000	226,582	2,676,907	58,085	2,072,702	769,990
vidends declared	.....	.....	.....	151,250	302,500	.....
counts payable	13,731	97	565,638	147	83	909
crued accounts	213,079	200,988	155,819	202,428	150,521	149,416
tstanding drafts	.....	.....	.....	233,000	9,000	22,300
serve	.....	.....	.....	539	561	781
rplus	4,760,395	3,419,428	1,522,314	811,067	668,298	542,657
Total	$47,976,205	$43,156,095	$44,229,677	$40,015,516	$43,387,665	$40,945,053

*Funds on deposit with Trustee for redemption Jan. 2, 1925, of $2,250,000 20-Year 8% Bond Secured Gold Notes, Series ". †All pledged to secure Gold notes.

Officers: A. S. Grenier, Pres.; E. W. Hill, H. L. ller, and Frank Silliman, Jr., V-Ps.; E. P. Summer- n, Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Treas.; . J. Hickman, Asst. Treas.; Alexander Simpson, sst. Treas.; A. E. Smith, Compt.; W. C. Lang, Asst. mpt., New York.

Directors: Frank Silliman, Jr., E. W. Hill, A. S. Grenier, H. C. Abell, A. E. Smith, W. C. Lang, E. P. Summerson, C. M. Hamilton, C. E. Groesbeck.

New York Office, 2 Rector Street.

FORT WORTH POWER & LIGHT COMPANY

(Controlled by Southwestern Power & Light Co.)

(Supervised by Electric Bond and Share Company)

History—Incorporated July 14, 1911, in Tex., and quired all the electric power and light properties and ghts of the companies that previously operated in ort Worth. Franchise, without time limit. Com- ny supplies the entire electric power and light ser- ce in Fort Worth, Texas. The population served is timated to be in excess of 195,000.

The Company owns and operates one of the largest id most modern electric generating stations in the Southwest. It is located on the banks of the Trinity River, from which ample water for condensing purposes is obtainable from a poundage dam built for the purpose.

Service and Property—The number of consumers served by the Company and the physical equipment of its property as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with the five previous years, follow:

	1927	1926	1925	1924	1923	1922
ectric consumers	34,326	32,012	29,584	27,804	25,908	23,492
ilowatts generating station capacity installed	44,000	44,000	44,000	44,000	44,000	44,000
lowatt-hours generating station output for 12 months	140,230,200	155,794,500	183,622,500	257,756,600	240,662,700	178,790,374
iles of electric distributing system (less than 11,000 volts) in service	441	422	403	379	348	309
iles of transmission lines (11,000 volts and over) in operation irrespective of the number of circuits carried	86	72	68	60	53	53

NOTE—Decrease in kilowatt-hour output in 1925 and 1926 was due to reduced sales at wholesale.

CAPITAL STOCK

Authorized, $4,174,500 Common and $2,350,000 7% mulative Pfd.; outstanding, $4,174,500 Common and ,350,000 Pfd. (of which $2,297,600 outstanding in nds of the public); par of Com., $25 and of Pfd., 00. The Southwestern Power & Light Co. owns large majority of the Common stock.

Preferred Stock Provisions—Pfd. stock is preferred to assets as well as to dividends and is redeemable 115 and accrued dividends on any dividend date.

Transfer Agents—Guaranty Trust Co. of New York, id First National Bank, Fort Worth, Tex.

Registrars—American Exchange Irving Trust Co., ew York, and The Fort Worth National Bank, Fort Worth, Tex.

Price Range—

eferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	114	108	104½	103	96½	99	88	82
Low	108	104½	99	97	bid	bid	bid	bid

Dividends—Pfd. dividends have been regularly paid uarterly (F, M, A & N 1) since Nov. 1, 1911.

FUNDED DEBT

$3,490,000 FIRST MORTGAGE GOLD 5s; DUE AUG. 1, 1931

Dated August 1, 1911.

Interest Payable February and August 1, at Union rust Co., Cleveland.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Union Trust Co., Cleveland.

Provisions of Issue—Authorized, $10,000,000; issued, $3,730,000, of which $240,000 held in treasury as at Dec. 31, 1927. Balance issuable from time to time to extent of 80% of cash cost of permanent extensions and improvements, providing the net earnings for 12 consecutive months within the 13 months immediately preceding have been at least equal to twice the interest charges on all bonds outstanding, including those proposed to be issued.

Callability—Subject to call as a whole, or in part for sinking fund, at 105 and interest on any interest date upon 6 weeks' notice.

Sinking Fund—The mortgage provides for a sinking fund beginning Aug. 1, 1914, providing for the payment to the trustee of 1% of the amount of the bonds outstanding each year from 1914 to 1916; 1½% from 1917 to 1919; and 2% from 1920 to 1930. The funds so received are to be either invested in permanent extensions and improvements which might otherwise have been made the basis of the issuance of bonds, or are to be used to retire outstanding bonds at not exceeding 105 and interest. Bonds retired through sinking fund to be cancelled. If bonds for redemption,

as stipulated in the sinking fund provision, are not obtainable in the market at 105 and interest, or at a lower price, they may be called by lot at 105 and interest.

Security—Secured by first lien on entire property, rights and franchises, now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,500,000) in Aug., 1911, at 97 and interest, by Harris Forbes & Co., Inc., New York, etc.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100½	99¾	100½	99	95½	95½	88	80
Low	99¼	99½	99	95	92½	88	82	75

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$3,001,279	$2,862,832	$2,838,824	$3,070,510	$3,000,224	$2,562,5
Operating expenses, including taxes	1,551,632	1,430,562	1,469,564	1,682,247	1,725,293	1,279,5
Net earnings from operation	$1,449,647	$1,432,270	$1,369,260	$1,388,263	$1,274,931	$1,282,9
Other income	21,424	26,500	32,249	36,146	43,304	50,0
Total income	$1,471,071	$1,458,770	$1,401,509	$1,424,409	$1,318,235	$1,333,0
Interest on bonds	174,500	174,500	174,500	174,500	174,500	174,5
Other interest and deductions	30,811	32,257	27,805	33,915	49,922	48,0
Balance	$1,265,760	$1,252,013	$1,199,204	$1,215,994	$1,093,813	$1,110,4
Dividends on Preferred stock	160,832	160,822	160,040	139,446	124,418	112,0
Balance	$1,104,928	$1,091,191	$1,039,164	$1,076,548	$969,395	$998,4
Renewal and replacement reserve	200,000	180,000	180,000	180,000	200,000	250,0
Balance for surplus	$904,928	$911,191	$859,164	$896,548	$769,395	$748,4
***Times Bond Interest Earned**	8.43	8.36	8.03	8.16	7.55	7.
Earnings Per Share—						
Preferred	$53.86	$53.28	$51.03	$54.18	$61.49	$62.

*Before deducting Other Interest and Deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and investments	$11,974,244	$11,544,037	$11,245,660	$10,624,486	$8,516,128	$8,337,2
Construction expenditures	.....	.....	.....	208,200	2,006,299	1,749,2
Cash	291,789	140,392	43,368	92,456	153,926	35,6
Notes & loans receivable	5,451	6,123	5,547	217,373	306,806	24,4
Accounts receivable	289,997	329,014	461,334	319,144	277,380	334,5
Materials & supplies	452,434	492,341	481,933	412,243	383,530	382,3
Prepaid accounts	25,252	10,959	24,552	13,580	43,447	53,8
Treasury bonds	.....	.....	.....	240,000	240,000	240,0
Deferred debits	15,502	74,916	53,995	80,108	8,743	
Unamortized disc. & exp.	61,307	78,416	95,525	112,634	129,743	146,8
Total	$13,115,976	$12,676,198	$12,411,914	$12,320,225	$12,066,002	$11,304,3
Liabilities—						
Preferred stock	*$2,350,000	*$2,350,000	*$2,350,000	*$2,300,000	*$1,850,000	*$1,850,0
Common stock	4,174,500	4,174,500	4,174,500	4,174,500	4,174,500	3,339,6
Funded debt	3,490,000	3,490,000	3,490,000	3,730,000	3,730,000	3,730,0
Notes & loans payable	.....	.....	.....	.....	385,000	570,0
Dividends declared	.....	.....	.....	.....	32,375	.....
Accounts payable	7,804	55,255	70,663	79,804	85,204	148,0
Consumers' deposits	226,637	213,773	196,300	186,739	180,590	144,2
Accrued accounts	485,312	425,469	386,380	285,403	193,448	155,2
Reserves	1,685,250	1,420,756	1,273,917	1,117,889	1,030,524	831,4
Surplus	696,473	546,445	470,154	445,889	404,361	535,6
Total	$13,115,976	$12,676,198	$12,411,914	$12,320,225	$12,066,002	$11,304,3

*$2,297,600 Pfd. stock in the hands of the public in 1927, 1926 and 1925; $2,244,100 in 1924; $1,778,800 in 1923, and $1,774,9 in 1922.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	192
Cash	$291,789	$140,392	$43,368	$92,456	$153,926	$35,6
Notes & loans receivable	5,451	6,123	5,547	217,373	306,806	24,4
Accounts receivable	289,997	329,014	461,334	319,144	277,380	334,5
Materials and supplies	452,433	492,341	481,933	412,243	383,530	382,3
Prepaid accounts	25,252	10,959	24,552	13,580	43,447	53,8
Total	$1,064,922	$978,829	$1,016,734	$1,054,796	$1,165,089	$830,8
Current Liabilities—						
Notes and loans payable	.....	.....	.....	.....	$385,000	$570,0
Dividends declared	.....	.....	.....	.....	32,375	.....
Accounts payable	$7,804	$55,255	$70,663	$79,804	85,204	148,0
Consumers' deposits	226,637	213,773	196,300	186,739	180,590	144,2
Accrued accounts	485,312	425,469	386,380	285,403	193,448	155,2
Total	$719,753	$694,497	$653,343	$551,946	$876,617	$1,017,3
Net Working Capital	$345,169	$284,332	$363,391	$502,850	$288,472	*$186,4

*Debit.

Officers: A. J. Duncan, Pres. & Gen. Mgr., Fort Worth, Tex.; H. R. Kingman, V-P.; A. S. Grenier, V-P., H. L. Aller, V-P., New York; T. B. Yarbrough, V-P. & Treas.; J. W. Mitchell, Sec., Fort Worth, Tex.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York; W. T. Scott, Asst. Sec. & Asst. Treas., Fort Worth, Tex.; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas., New York.

Directors: J. R. Nutt (Chairman); Warren Bickne, Cleveland, Ohio; A. J. Duncan, John P. King, W. Stripling, T. B. Yarbrough, Wm. Bryce, W. E. Co nell, R. E. Harding, Fort Worth, Tex.

Office, Fort Worth, Tex. **New York Office**, 2 Rect Street.

TEXAS POWER & LIGHT COMPANY

(Controlled by Southwestern Power & Light Co.)
(Supervised by Electric Bond and Share Company)

History—Incorporated May 27, 1912, in Texas. Company does the entire electric power and light business in 226 communities, including Waco, Denison, Sherman, Paris, Cleburne, Tyler, Palestine, Temple, Gainesville, Brownwood, Waxahachie and Mineral Wells. It also supplies at wholesale electrical energy for the electric power and light companies in Corsicana, Terrell and 16 other communities. It also does the gas business in Waco, Paris and Brenham. In all the company serves 244 communities with a total population estimated at 545,000.

Contracts—The Company does the entire municipal lighting in practically all of the communities served. It has many favorable contracts for supplying electrical energy for street and interurban railway operation, and also supplies electrical energy for such miscellaneous industries as cotton gins, cottonseed-oil mills, cotton mills, flour mills, brick yards and railroad shops, and for municipal lighting and pumping of water. It also has a contract to supply power for one of the largest cement plants in the country.

The most important power contracts are the two between the Texas Power & Light Co. and the Texas Electric Railway. Under the terms of these contracts the Texas Power & Light Co. supplies to the Texas Electric Railway all the electrical energy it requires for the operation of its interurban lines between Dallas and Waco, Dallas and Corsicana, and between Dallas and Denison, including its traction systems in Waco, Corsicana and Waxahachie. The interurban system covers about 246 miles, in addition to the local systems.

The contracts with the Texas Electric Railway give the Texas Power & Light Co. a perpetual easement ahead of Texas Electric Railway mortgages to erect and maintain electric transmission lines on the right-of-way of the interurban railway. The contract covering the supply of electrical energy for the operation of the lines between Waco and Dallas, and between Dallas and Corsicana, and the traction systems in Waco, Corsicana and Waxahachie extends for 50 years from 1912, while the contract covering the supply of electrical energy for the operation of the lines extending between Dallas and Denison covers a period of 30 years from 1914.

Electrical energy is also supplied by the Company to the street railway system in Paris and to the Texas Interurban Railway connecting Denton and Terrell with Dallas.

The transmission systems of the Texas Power & Light Co. are connected with the systems of the Fort Worth Power & Light Co. (which has a modern plant with present installed generating capacity of 44,000 k. w.), the Dallas Power & Light Co. (which has 32,500 k. w. installed generating capacity, including a new 20,000 k. w. unit recently placed in operation), the Texas Electric Service Co. (which has a present installed capacity of 11,020 k. w.) and the Oil Belt Power Co. (which has 18,000 k. w. installed generating capacity, with each of which companies it has contracts for the purchase and sale of power.

Physical Property—The property now owned includes electric generating stations having a present installed generating capacity of 69,293 kilowatts (2,000 kilowatts additional capacity is leased); 2,775 miles of high voltage transmission lines; distribution systems, which include 1,885 miles of lines, in the 226 communities served at retail; and gas works and distribution systems in three communities.

The principal electric generating station is the Trinidad station located in the lignite fields about 75 miles northeast of Waco. This station was placed in operation in July, 1926, with an initial installed generating capacity of 40,000 kilowatts, consisting of two 20,000 kilowatt units. It is designed and partially built for an ultimate capacity of 160,000 kilowatts. There has been developed in connection with the Trinidad station a reservoir approximately one and one-half miles in length and three-quarters of a mile in width, having an area of about 800 acres, which is used as storage for condensing water. The water for this reservoir is obtained from the Trinity River by means of electrically-driven pumps.

The Trinidad station is equipped with four high-pressure, high super-heat boilers, each having 20,000 square feet of heating surface. It has been constructed to burn lignite which is available in abundance in the immediate vicinity and at favorable prices. Provision has also been made in the design of the station so that oil or gas burning equipment may readily be installed should a change of fuel in later years be found desirable.

The Company's modern steam electric generating station at Waco has been designed and partially built for an ultimate capacity of 50,000 kilowatts and has a present installed capacity of 12,000 kilowatts. Other electric generating stations include those at McKinney, Paris, Brownwood and Tyler.

The Company's high voltage transmission systems, including 262 miles recently acquired, aggregate 2,775 miles of lines, of which 95 miles are carried on poles not owned. Transmission lines under construction aggregate 75 miles. Local distribution systems in all but 4 of the 244 communities supplied with electric power and light service are connected (two of them through the lines of another company) with the Company's principal high voltage transmission system.

The transmission lines owned and operated by the Company extend, with numerous important branches, from San Marcos on the south to Denison on the north, an air line distance of about 275 miles, and from Brownwood on the west to Lufkin on the east, an air line distance of about 260 miles. By means of this network of transmission lines in connection with the distributing systems in the many communities served, a large part of the entire district between these points is supplied with electric power and light by the Company. The Company now owns and operates one of the largest electric transmission systems in the country.

Franchises—The franchises under which the Company operates in the various municipalities are generally satisfactory from a business standpoint and have no unusual or burdensome requirements. The majority of the franchises are without time limit or extend beyond 1956.

Service and Property—The total number of consumers served by the Company and the physical equipment if its property as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927 compared with the four previous years, follow:

	1927	1926	1925	1924	1923
Electric consumers	92,849	83,991	65,730	62,160	55,501
Manufactured gas consumers	307	‡301	1,285	1,186	1,192
Natural gas consumers	12,014	11,451	9,047	8,897	8,119
Total consumers	105,170	95,743	76,062	72,333	64,812
Kilowatts generating capacity	69,293	71,235	26,073	26,073	25,470
Kilowatt-hours generating station output (including power purchased) for twelve months	*355,707,000	*339,468,000	*264,399,000	*262,187,000	*225,453,000
Miles of electric distributing system (less than 11,000 volts) in service	1,885	1,698	1,224	1,113	1,004

SERVICE AND PROPERTY, DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	†2,775	†2,218	†1,633	†1,385	†964
Miles of transmission lines (11,000 volts and over) under construction	75	104	132	166	.....
Gas works capacity (thousand cubic feet per day)	2,033	2,033	1,774	1,774	1,774
Gas holder capacity (thousand cubic feet)	547	547	497	497	497
Manufactured gas output (thousand cubic feet) for twelve months	9,553	‡9,084	57,641	49,612	44,886
Natural gas output (thousand cubic feet) for twelve months	1,104,926	1,141,359	937,834	811,048	646,650
Total gas output (thousand cubic feet) for twelve months	1,114,479	1,150,443	995,475	860,660	691,536
Miles of gas mains	169	163	134	118	114

*Includes power purchased largely from subsidiaries of Southwestern Power & Light Co. as follows: 1927, 103,438,000 k.w.h.; 1926, 247,110,000 k.w.h.; 1925, 183,497,000 k.w.h.; 1924, 169,822,000 k.w.h.; 1923, 153,906,000 k.w.h. †Includes 95 miles of lines owned by Texas Power & Light Co., but carried on poles of Texas Electric Railway. ‡Decrease due to change from manufactured gas to natural gas in Paris.

Supervision—Electric Bond and Share Company supervises (under the direction and control of the board of directors of the Company) the operation of the properties of the Texas Power & Light Company.

CAPITAL STOCK

Authorized and outstanding, 4,000,000 shares Common of no par value and $6,500,000 7% cumulative Pfd. of $100 par value. Common stock was changed from 500,000 shares of $20 par value to 4,000,000 shares of no par value during 1926. The Southwestern Power & Light Co. owns the entire outstanding issue of Common stock except directors' shares.

Preferred Stock Provisions—Pfd. stock is subject to call at 115 and accrued dividends on any dividend date, and has preference as to assets and dividends over Common stock.

Transfer Agents—Old Colony Trust Co., Boston, and Dallas Union Trust Co., Dallas, Tex.

Registrars—State Street Trust Co., Boston, and North Texas National Bank, Dallas, Tex.

Legal Opinion (Pfd. Stock)—Simpson, Thacher & Bartlett, New York.

Price Range—

First Pfd.—	1927	1926	1925	1924	1923	1922	1921	1920
High	113¾	108½	102	99	98	90½	88	70
Low	107	101½	98	92	92	90½ bid		bid

Dividends—Dividends on Pfd. stock have been paid regularly at the rate of 7% per annum since the issuance of the stock, the first dividend having been paid Aug. 1, 1912. Payments quarterly, F, M, A & N 1.

FUNDED DEBT

(1)

$15,005,000 FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1937

Dated June 1, 1912.

Interest Payable June and December 1, at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $30,000,000; outstanding, Dec. 31, 1927, $15,005,000. The remaining bonds may be issued from time to time only to a principal amount of 80% of the cash cost or fair value, whichever is less, of permanent extensions and additions to the property, provided that the net earnings for twelve consecutive months within the fourteen preceding months have been at least equal to twice the interest on all bonds outstanding, including those proposed to be issued. No additional First Mortgage bonds can be issued except for pledge under the First and Refunding Mortgage.

Callability—Subject to call as a whole at 105 and interest on any interest date, or by sinking fund by lot at any time, on six weeks' published notice, at same rate.

Sinking Fund—1% per annum of outstanding bonds, June 1, 1915 to 1917; 1½%, 1918 to 1920, and 2%, 1921 to 1936. The funds deposited with the Trustee may be used either to retire bonds or for extensions and additions which might otherwise have been made the basis of issuance of bonds. All bonds retired by sinking fund shall be cancelled.

Security—A first lien on certain properties, rights and franchises of the Company now owned or hereafter acquired and a second lien on other important property consisting of more than 40,000 k.w. electric generating capacity and over 600 miles of transmission and distribution system.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($2,100,000) in Oct., 1912 at 97 and interest, by Harris, Forbes & Co., Inc., New York, Harris Trust & Savings Bank, Chicago, and N. W. Harris & Co., Inc., and Perry, Coffin & Burr, Boston; $700,000 additional offered by the same firms in Dec., 1914, at 91 and interest; $1,250,000 offered in December, 1918, by Harris, Forbes & Co., Inc., New York, and Harris Trust & Savings Bank, Chicago; $1,300,000 offered in Feb., 1924, at 93½ and interest, yielding about 5.70%, by Harris, Forbes & Co., Inc., and Coffin & Burr, Inc., New York; $1,500,000 offered in June, 1924, by the same bankers, at 95 and interest, yielding 5.55%; $2,000,000 offered in Feb., 1925, by the same bankers at 97½ and interest yielding 5.28%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102	102	96⅝	97¾	90	90	82	75
Low	99½	98½	96⅝	92	90	89	82	bid

(2)

$20,000,000 FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1956; DUE NOVEMBER 1, 1956

Dated November 1, 1926.

Interest Payable May and November 1, in New York City.

Denominations—Coupon, $500 and $1,000; principal may be registered; and fully registered bonds in denominations of $1,000, $5,000 and authorized multiples.

Trustee—Bankers Trust Company, New York.

Provisions of Issue—Authorized amount, unlimited; issued, $20,000,000 5% Series due 1956. Additional bonds, either of this series or other series, which shall have such rates of interest, maturity dates and other provisions as the Board of Directors of the Company may determine, may be issued (a) against the property as existing on Dec. 10, 1926, to a total of not exceeding $1,000,000 principal amount; (b) for refunding an equal principal amount of underlying or prior lien bonds (to be defined in the Mortgage) or bonds of any series authenticated under the Mortgage; and (c) for not more than 75% of the cost or fair value whichever is less, of property additions (to be defined in the Mortgage) made subsequent to Dec. 10, 1926. Additional Bonds may not be authenticated, however, except for refunding purposes, unless net earnings (as defined in the Mortgage) for 12 out of the 15 months immediately preceding application for the authentication shall have been equal to either (a) twice the actual annual interest requirements on, or (b) 12% of the principal amount of, underlying and prior lien bonds held by the public and all bonds outstanding under the Mortgage, including those proposed to be authenticated. The Mortgage contains certain provisions permitting, on conditions stated therein, the modification or alteration of the bonds or the mortgage, or of any supplemental indenture, with the assent of the Company and of the holders of not less than 85% in

he aggregate principal amount of the outstanding Bonds, not including any Bonds owned by the Company; provided that any such modification or alteration shall not permit, without the consent of the holders affected (a) the extension of the maturity of any Bond, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest or (b) the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of this Mortgage with respect to any of the property covered thereby.

Purpose of Issue—Issued in connection with the acquisition of the Trinidad steam electric generating station and other important property, also to provide funds to reimburse the Company for additions to property and for other corporate purposes.

Callability—Subject to call on the first of any month in whole or in part on 45 days' notice through Oct. 1, 1931, at 105 and interest; thereafter through Oct. 1, 1936 at 104½; thereafter through Oct. 1, 1940 at 104 and interest; thereafter at a premium reducing ¼% each year to 100¼ and interest on Nov. 1, 1954 and through Oct. 1, 1955, and thereafter prior to maturity at 100 and interest.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on a substantial portion of the Company's property and by a mortgage on the balance of the physical property subject to $15,005,000 First Mortgage Bonds. No additional First Mortgage Bonds can be issued except for pledge under the First and Refunding Mortgage. The properties on which these Bonds are secured by a direct first mortgage include electric generating stations with a combined installed generating capacity of more than 40,000 kilowatts (including initial installation at the new Trinidad station) and more than 600 miles of transmission and distribution system.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax refunded to resident holders.

Legal Opinion—Sullivan & Cromwell (for the Bankers), and Simpson, Thatcher and Bartlett (for the Company).

Original Offering—First publicly offered ($16,000,000) in Nov., 1926, at 97 and interest to yield about 5.20%, by Harris, Forbes & Co., and Bonbright & Co., Inc., New York, etc.; Coffin & Burr, Inc., Lee, Higginson & Co., Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago; and Harris, Forbes & Co., Ltd., Montreal. $4,000,000 additional bonds were offered in Sept., 1927 at 98 and interest to yield 5.13% by the same bankers.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
High	102½	96¾
Low	95¼	bid

(3)

$2,000,000 6% GOLD DEBENTURE BONDS, SERIES "A"; DUE JULY 1, 2022

Dated July 1, 1922.

Interest Payable January and July 1, at The Equitable Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000, registerable as to principal only and interchangeable. Fully registered bonds of $1,000 and $5,000. Fully registered bonds and $1,000 coupon bonds interchangeable.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—These bonds are the direct obligations of Texas Power & Light Co., and are issued under an Agreement which provides that Gold Debenture bonds may be issued in Series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights and limitations permitted by the Agreement as the company may determine prior to the issue thereof. The Agreement also provides among other things, that no additional Gold Debenture bonds may be issued under said Agreement, unless the net income applicable to interest charges of the company as defined in the Agreement, for 12 consecutive calendar months within the preceding 15 calendar months, shall have been not less than twice the annual interest charges on all indebtedness of the company, including the Gold Debenture bonds then to be issued. Upon liquidation or dissolution of the company, the Gold Debenture bonds may become due and payable during the first 95 years at 110% and thereafter at 100% of their principal amount, as provided in the Agreement.

Purpose of Issue—Proceeds from the sale of the Gold Debenture bonds were used to provide funds for the retirement of all the General Mortgage 8% Gold bonds of the Company and for other corporate purposes.

Callability—Not redeemable prior to July 1, 1947. On and after that date and up to and including Dec. 31, 2016, redeemable as a whole or in part at option of the company at any time upon 30 days' published notice, at 110 and accrued interest; thereafter at par and accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mill tax refunded upon application.

Legal Opinion—Simpson, Thacher & Bartlett, New York (for the Company); Murray, Prentice & Aldrich, New York (for the Bankers).

Original Offering—First publicly offered ($2,000,000) in July, 1922, at 90½ and accrued interest, to yield over 6.60%, by Bonbright & Co., Inc., N. Y.

Price Range—

	1927	1926	1925	1924	1923	1922
High	107½	101½	97½	90	85	87½
Low	101½	95½	90	bid	bid	bid

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$9,382,286	$7,794,378	$6,898,306	$6,446,693	$5,604,125	$4,918,148
Operating expenses, including taxes	5,251,421	4,460,034	4,026,540	3,713,466	3,322,535	2,960,404
Net earnings from operation	$4,130,865	$3,334,344	$2,871,766	$2,733,227	$2,281,590	$1,957,744
Other income	138,982	73,132	139,951	110,596	54,709	70,928
Total income	$4,269,847	$3,407,476	$3,011,717	$2,843,823	$2,336,299	$2,028,672
Interest on bonds	1,713,583	936,917	854,972	723,139	630,250	674,052
Other interest and deductions	142,638	178,253	126,055	106,319	75,597	91,884
Balance	$2,413,626	$2,292,306	$2,030,690	$2,014,365	$1,630,452	$1,262,736
Dividends on Preferred stock	455,000	455,000	441,389	358,696	314,874	283,063
Balance	$1,958,626	$1,837,306	$1,589,301	$1,655,669	$1,315,578	$979,673
Renewal and replacement reserve	350,000	350,000	350,000	300,000	300,000	100,000
Balance for surplus	$1,608,626	$1,487,306	$1,239,301	$1,355,669	$1,015,578	$879,673
***Times Bond Interest Earned**	2.49	3.63	3.52	3.93	3.71	3.01
Earnings Per Share—						
Preferred	$37.13	$35.26	$31.24	$33.57	$36.23	$28.06

*Before deducting Other Interest and Deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plants, Investments, Construction expenditures	$62,812,649	$58,461,887	$32,883,348	$27,734,968 2,130,037	$25,412,717 739,796	$24,978,998 12,300 61,370
Cash	909,339	280,336	225,389	306,518	124,725	170,852
Notes and loans receivable	46,791	859,265	415,954	1,022,121	264,696	580,810
Accounts receivable	1,782,570	1,463,651	1,098,493	796,957	672,548	601,801
Materials and supplies	1,113,640	1,050,233	699,545	668,471	468,898	535,400
Prepaid accounts	168,223	159,356	143,873	123,650	130,008	137,485
Treasury bonds	.....	.....	.....	.....	200,000	200,000
Trust funds and special deposits	19,666	169,482	17,920	13,187	118	1,583
Deferred debits	52,466	48,269	39,423	37,828	34,422	15,954
Unamortized discount commission and exp.	1,690,663	1,541,406	1,625,931	1,553,196	1,195,813	1,248,130
Total	$68,596,007	$64,033,885	$37,149,876	$34,386,933	$29,243,741	$28,544,684
Liabilities—						
Preferred stock	$6,500,000	$6,500,000	$6,500,000	$6,000,000	$4,500,000	$4,500,000
Common stock	*20,000,000	*20,000,000	*10,000,000	10,000,000	10,000,000	10,000,000
Funded debt	37,005,000	33,005,000	17,005,000	15,005,000	12,405,000	12,405,000
Notes and loans payable	50,000	150,000	.....	.....	.....	13,784
Accounts payable	314,418	130,633	290,153	343,282	222,122	217,726
Consumers' deposits	380,655	324,649	262,328	235,326	222,177	163,452
Accrued accounts	996,120	876,861	514,388	482,530	333,684	277,608
Deferred credits	4,200	.....	.....	.....	.....	.....
Reserves	1,372,839	1,489,810	1,114,477	901,820	698,840	522,448
Surplus	1,972,775	1,556,932	1,463,530	1,418,975	861,918	444,666
Total	$68,596,007	$64,033,885	$37,149,876	$34,386,933	$29,243,741	$28,544,684

*Represented at Dec. 31, 1926 and 1927, by 4,000,000 shares no par value; at Dec. 31, 1925, by 500,000 shares of $20 par value.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$909,339	$280,336	$225,389	$306,518	$124,725	$170,852
Notes and loans receivable	46,791	859,265	415,954	1,022,121	264,696	580,810
Accounts receivable	1,782,570	1,463,651	1,098,493	796,957	672,548	601,801
Materials and supplies	1,113,641	1,050,233	699,545	668,471	468,898	535,400
Prepaid accounts	168,222	159,356	143,873	123,650	130,007	137,485
Total	$4,020,563	$3,812,841	$2,583,254	$2,917,717	$1,660,874	$2,026,348
Current Liabilities—						
Notes and loans payable	$50,000	$150,000	.....	.....	.....	$13,784
Accounts payable	314,418	130,633	$290,153	$343,282	$222,122	217,726
Consumers' deposits	380,655	324,649	262,328	235,326	222,177	163,452
Accrued accounts	996,120	876,861	514,388	482,530	333,684	277,608
Total	$1,741,193	$1,482,143	$1,066,869	$1,061,138	$777,983	$672,570
Net Working Capital	$2,279,370	$2,330,698	$1,516,385	$1,856,579	$882,891	$1,353,778

Officers: J. W. Carpenter, Pres.; Dallas, Tex.; A. S. Grenier, V-P.; E. W. Hill, V-P.; Ralph B. Feagin, V-P., New York; J. E. Van Horn, Sec. & Treas., Dallas, Tex.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York, G. D. Gorman, Asst. Sec.; W. G. Burnett, Asst. Sec. & Asst. Treas., Dallas, Tex.; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas., New York; O. G. Osburn, Asst. Sec.; C. S. Foster, Asst. Treas.

Directors: W. B. Head, Chairman; R. A. Ferris, J. W. Carpenter, M. H. Wolfe, Harry L. Seay, Lynn P. Talley, E. S. Owens, R. B. Hincks, F. M. Ryburn, J. A. Worsham, Dallas, Tex.; W. J. Neale, Waco, Tex.; A. S. Grenier, S. Z. Mitchell, E. W. Hill, Ralph B. Feagin, New York; W. R. Brents, Sherman, Tex.; E. L. Ashcroft, Sulphur Springs, Texas; Francis H. Welch, Taylor, Tex.; Howell E. Smith, McKinney, Tex.; Geo. W. Coleman, Waxahachie, Tex.; G. F. Taylor, Tyler, Tex.

New York Office, 2 Rector Street.

SUPERIOR WATER, LIGHT & POWER COMPANY

(Controlled by American Power & Light Co.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated Aug. 22, 1889, in Wis., to supply water, electric light, power and gas service in Superior, Wis. Gas is supplied by Zenith Furnace Co., Duluth, Minn. (by-product coke oven gas). Company operates its electric power and light and gas and water properties under indeterminate franchises. Population served is in excess of 42,000.

Service and Property—The total number of consumers served by the Company, and the physical equipment of its property as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927 compared with the two previous years, follow:

	1927	1926	1925
Electric consumers	10,047	9,811	9,766
Gas consumers	6,680	6,427	6,164
Water consumers	8,167	8,071	8,081
Total consumers	24,894	24,309	24,011
Kilowatts generating station capacity	*1,750	*1,750	*1,750
Kilowatt-hours generating station output (including power purchased) for twelve months	11,700,000	10,969,600	10,425,400
Miles of electric distributing system (less than 11,000 volts) in service	125	122	121
Gas works capacity (thousand cu. ft. per day)	800	800	800
Gas holder capacity (thousand cu. ft.)	1,000	1,000	1,000
Gas sendout (thousand cu. ft.) for twelve months	219,250	210,246	204,021
Miles of mains	67	65	62
Miles of water mains	92	90	90

*Company purchases all its electric power requirements.

CAPITAL STOCK

Authorized, $750,000 Common and $750,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $500,000 Common, and $500,000 7% cumulative Pfd.; par, $100. Entire Common stock owned by American Power & Light Co.

Transfer Agent—Empire Trust Co., New York.

Registrar—United States Mortgage & Trust Co., New York.

Annual Meeting—Fourth Tuesday in April.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922
High	94	91	80	85	70	60
Low	bid	bid	bid	bid	bid	bid

Dividends—Pfd. dividends are paid quarterly, J, A, J & O 1, the initial dividend on the 7% Pfd. stock was paid Jan. 1, 1923.

FUNDED DEBT

(1)

$1,346,000 FIRST MORTGAGE GOLD 4s; DUE MAY 1, 1931

Dated May 1, 1901.

Interest Payable May and November 1, at United States Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; issued, $1,900,000, o fwhich $512,000 retired and held alive in sinking fund as of Dec. 31, 1927, and $42,000 in treasury, leaving outstanding in hands of public, $1,346,000. Unissued bonds reserved for additions, improvements, etc.

Callability—Subject to call as a whole on any interest date at 103 and interest.

Sinking Fund—1% of outstanding bonds, to be applied to purchase of bonds at not exceeding 103 and int., or to their redemption at that figure. Bonds so purchased to be kept alive and interest added to the fund.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	97½	96	95	93½	84	83½	78	65
Low	95	94¼	93	bid	bid	bid	bid	bid

(2)

$1,500 (CLOSED MORTGAGE) REFUNDING MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1929

Dated September 1, 1909.

Interest Payable March and September 1, at United States Mortgage & Trust Co., New York.

Denominations—Coupon, $250, $500 and $1,000.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Originally issued, $200,000, of which all except $59,000 (of which $500 are treasury funds) have been exchanged for First Consolidated 5s (see below).

Security—Secured by a closed mortgage on entire property of Company, subject to the First Mortgage 4s of 1931.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$109,000 FIRST CONSOLIDATED GOLD 5s; DUE NOVEMBER 1, 1965

Dated November 1, 1915.

Interest Payable May and November 1, at United States Mortgage & Trust Co., New York.

Denominations—Coupon, $100 and $1,000; principal may be registered; coupon and registered bonds are interchangeable.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $7,500,000, of which $200,000 have been issued for the retiring of $200,000 Refunding 5% bonds, and as of Dec. 31, 1927, $141,000 of the said Refunding bonds had been so exchanged $59,000 are reserved to retire an equal amount of Refunding 5% bonds and $28,500 have been reacquired. The remaining bonds may be issued at various interest rates not exceeding 6%, as follows: $200,000 to reimburse treasury for improvements, betterments and additions to plant and property, $2,000,000 to provide for the retirement of the First Mortgage 4% bonds, and the remaining $5,100,000, together with any part of the $2,200,000 reserved for refunding purposes as may not be required therefor, may be issued for not exceeding 90% of the cost of additional properties, improvements, betterments, etc.

Callability—Subject to call as a whole or in part at 103 and interest on any interest date upon three months' notice.

Sinking Fund—Sinking fund, ½% annually on May 1, from 1924 to 1933, incl., and 1% annually thereafter, to be used in the purchase of bonds at not exceeding 103 and interest, or in their redemption at that price.

Security—A lien on entire property of company subject to the First 4s of 1931 and Refunding 5s of 1929.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$882,366	$844,869	$807,496	$762,320	$733,128	$705,750
Operating expenses, including taxes	550,674	520,746	480,260	451,730	441,786	421,671
Net earnings from operation	$331,692	$324,123	$327,236	$310,590	$291,342	$284,079
Other income	3,235	.....	656	2,523	2,244	2,374
Total income	$334,927	$324,123	$327,892	$313,113	$293,586	$286,453
Interest on bonds	62,215	62,215	62,632	63,709	79,443	79,530
Other interest and deductions	7,376	7,035	6,482	6,553	1,027	1,481
Balance	$265,336	$254,873	$258,778	$242,851	$213,116	$205,442
Dividends on Pfd. stock	35,000	35,000	34,953	35,000	33,366	31,146
Balance	$230,336	$219,873	$223,825	$207,851	$179,750	$174,296
Renewal and replacement reserve	43,400	42,500	27,680	39,240	37,260	37,320
Balance	$186,936	$177,373	$196,145	$168,611	$142,490	$136,976
Times Bond Interest Earned	5.38	5.21	5.23	4.91	3.69	3.60
Earnings Per Share—						
Preferred	$53.07	$50.97	$51.75	$48.57	$42.62	$41.08

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property and plant, Investments	$4,397,435	$4,222,827	$4,142,938	$4,015,960 / 34,500	$3,846,802 / 94,689	$3,768,304 / 69,880
Treasury bonds	.....	.....	.....	110,000	110,000	110,000
Sinking fund	.....	.....	.....	420,944	387,744	354,215
Cash	75,240	113,720	41,932	90,988	46,147	61,779
Notes & loans receivable	1,870	1,870	1,919	.....	.....	.....
Accounts, bills and interest receivable	130,389	105,494	101,542	89,362	93,781	93,858
Materials and supplies	43,096	34,927	28,151	33,711	31,934	36,411
Deposits upon deposits	.....	.....	.....	1,377	2,040	1,887
Prepaid accounts	2,662	3,933	1,733	5,552	74,272	3,640
Unamortized bond discount	24,255	29,874	34,401	40,851	5,142	10,604
Dividends	.....	.....	.....	21,250	17,483	15,000
Trust funds	13,758	12,753	12,439	.....	.....	.....
Deferred debits	2,277	19,205	25,170	.....	.....	.....
Total	$4,690,982	$4,544,603	$4,390,225	$4,862,396	$4,710,034	$4,525,578

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,00
Preferred stock	500,000	500,000	500,000	500,000	500,000	500,00
Funded debt	1,513,500	1,513,500	1,513,500	2,100,000	2,100,000	2,100,00
Sinking fund capital	.....	.....	.....	420,944	387,744	354,21
Accounts payable	42,960	38,258	35,485	111,644	100,869	37,30
Dividends declared	42,500	42,500	8,750	42,500	34,975	30,00
Consumers' deposits	15,607	15,875	13,958	16,473	17,177	17,54
Accrued accounts	189,364	164,983	129,214	1,378	2,602	14,70
Notes and loans payable	19,885	.....	.....	.....	.....	.....
Deferred credits	2,588	.....	.....	.....	.....	.....
Reserves	599,698	552,474	516,888	550,898	511,568	481,0
Profit and loss surplus	1,264,880	1,217,013	1,172,430	618,559	555,099	490,78
Total	$4,690,982	$4,544,603	$4,390,225	$4,862,396	$4,710,034	$4,525,57

Officers: D. F. McGee, Pres.; W. S. Robertson, V-P. & Gen. Mgr.; W. H. Winslow, V-P.; C. E. Groesbeck, V-P.; W. S. Hodgson, Sec. & Treas.; A. N. Anderberg, T. B. Hawkes, Asst. Sec's. & Asst. Treas's.; E. P. Summerson, H. L. Martin, Asst. Sec's.; A. C. Ray, G. J. Hickman, Asst. Treas's.

Directors: C. R. Fridley, W. H. Winslow, Superio Wis.; C. E. Groesbeck, D. F. McGee, S. Z. Mitchel New York; W. S. Hodgson, W. S. Robertson, Dulut Minn.

General Office, Superior, Wis. **New York Offic** 2 Rector Street.

ALLENTOWN & READING TRACTION CO.

History and Property—Incorporated April 25, 1898, in Pa., as the Allentown & Kutztown Traction Co.; name subsequently changed to above. On Feb. 6, 1902, leased for 290 years the Kutztown & Fleetwood St. Ry. Co. Controls through stock ownership the **Kutztown Light, Heat & Power Co.** By connection with the United Traction Co. tracks from Reading, a through line is formed from Allentown to Reading. Length of line owned, 25½ miles; operated, 22 miles; total owned and operated, 47½ miles. Gauge, standard. Rail, 65 lbs., T. Cars, 38; snow plows, 3; other work cars, 3. Company owns Fairview Grove and Dorney Park.

CAPITAL STOCK

Authorized, $750,000; outstanding, $250,000; par, $50. Annual meeting in January. No dividends paid.

FUNDED DEBT

(1)

$300,000 First Consolidated Gold 5s; dated July 1, 1902; due July 1, 1932; int. Jan. and July 1, at Integrity Title Ins. & Trust Co., Philadelphia, Trustee. Coupon and registered, $500 and $1,000. Authorized issue, $750,000, of which $450,000 are reserved to retire $250,000 Allentown & Kutztown Traction Co. bonds and $200,000 Kutztown & Fleetwood Street Ry. Co. bonds. Subject to call at par. Company pays Normal Federal Income Tax up to 2%.

(2)

$163,000 Second Consolidated 5s; dated May 1, 1907; due May 1, 1937; int. May and Nov. 1. Coupon and registered, $500 and $1,000. Berks County Trust Co., Reading, Pa., Trustee. Authorized issue, $300,000. Company pays Normal Federal Income Tax up to 2%.

(3)

$250,000 Allentown & Kutztown Traction Co. First Gold 5s; dated July 1, 1900; due July 1, 1930; int. Jan. and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Coupon, $100, $500 and $1,00 Subject to call at par. Company pays Normal Federa Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$303,177	$318,346	$304,1
Operating expenses	215,273	223,183	235,6
Net earnings	$87,904	$95,163	$68,5
Interest	35,782	38,611	46,0
Rentals and other charges	34,217	36,724	32,6
Total charges	$69,999	$75,335	$78,6
Surplus for year	$17,905	$19,828	*$10,1

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$840,901	$837,250	$830,8
Other investments	249,766	249,553	205,8
Cash	11,248	6,676	*38,1
Bills & accts. receivable	1,866	2,157	5,0
Special deposits	52,582	48,413	21,3
Sinking fund	.....	.....	16,0
Total	$1,156,364	$1,144,050	$1,117,2
Liabilities—			
Capital stock	$250,000	$250,000	$250,0
Funded debt	713,000	713,000	713,0
Current liabilities	8,536	8,536	8,5
Unadjusted credits	.....	7,485	.....
Reserve for depreciation	126,207	121,434	116,8
Surplus	58,621	43,595	28,8
Total	$1,156,364	$1,144,050	$1,117,2

*Includes other current assets.

Officers: Geo. B. Schaeffer, Pres., Reading, Pa Sol. K. Hoffman, V-P., Hamburg, Pa.; W. D. Moh Treas., Mohnton, Pa.; I. A. Diener, Sec., Hambur Pa.; M. Heffner, Supt., Kutztown, Pa.

Directors: F. S. Kinsey, G. B. Schaeffer, W. Ahrens, W. H Miller, Jr., Reading, Pa.; I. A. Diene S. K. Hoffman, F. R. Wagner, Hamburg, Pa.; W. I Mohn, Mohnton, Pa.

Office, Reading, Pa.

KUTZTOWN & FLEETWOOD STREET RAILWAY

(Leased to Allentown & Reading Traction Co.)

History—Incorporated June 1, 1899, in Pa. Leased to Allentown & Reading Traction Co. on Feb. 6, 1902, for 290 years, the lessee guaranteeing the principal and interest of the bonds. Length of line, 14.6 miles.

CAPITAL STOCK

Authorized and issued, $200,000; par, $50.

FUNDED DEBT

$200,000 (entire issue) First Gold 5s; dated Jan. 1, 1902; due Jan. 1, 1932; int. Jan. and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Guaranteed principal and intere by Allentown & Reading Traction Co. Company pays Norm Federal Income tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Geo. B. Schaeffer, Pres.; Chas. T. Nagle, V-P Geo. D. Snyder, Sec. & Treas., Reading, Pa.

Directors: W. A. Rosen, G. B. Schaeffer, W. B. Ahrens, Ge D. Snyder, Chas. T. Nagle, Reading, Pa.; S. K. Hoffman, R. Wagner, Hamburg, Pa.; W. D. Mohn, Mohnton, Pa.;

Office, Reading, Pa.

ELECTRIC PUBLIC UTILITIES COMPANY

History and Property—Incorporated February 7, 1927, in Delaware, primarily as a holding company. Owns the entire Common stocks of Chicago Artificial Ice Co., Louisiana Ice & Utilities, Inc., The Wooster Electric Company and Electric Public Service Company (see appended statements). Operates, directly or indirectly through its subsidiaries, a group of ele tric, gas, electric railway, ice and water properties over 100 communities located in the states of Colorad Illinois, Kansas, Louisiana, Maryland, Mississipp Ohio, Oklahoma and Texas. Serves a population more than 350,000. Electric energy for light ar

ver is supplied to 81 communities in six of these tes. Natural gas is supplied to two cities in Oklana, and a district hot water heating system is rated in conjunction with electric service in Findlay, io. Electric railway freight and passenger service provided between Findlay and Toledo, Ohio. In uisiana, Mississippi and Texas, 36 communities, ring an urban population in excess of 200,000, are ved with ice. About 65% of the net revenue is deed from the sale of electricity and gas, about 32% m ice and approximately 3% from electric railway l miscellaneous sources.

n Ohio, one group of electric properties serves idlay and 14 surrounding communities, and the secl group serves the city of Wooster, and 18 other nmunities. In Maryland electric energy is supplied 7 communities and their environs located in the thwestern and north central sections of the state he vicinities of Cumberland and Hagerstown. Elecity is generated in a hydro-electric plant and addinal power is purchased. In Louisiana, Company plies electric energy in 14 communities, and imtant extensions have been planned. The main power nt is located at Bunkie, La. Ice business is transed in the states of Mississippi, Louisiana and Texas. e more important towns served include Biloxi, Gulfrt and Pascagoula, Miss.; Alexandria, Baton Rouge l Bunkie, La., and Wichita Falls, Denton and Comrce, Texas. The Oklahoma territory includes the vns of Blackburn, Bristow, Burbank, Cleveland, pan, Drumright, Fairfax, Gray Horse, Hominy, ston and Skedee, which are served with electric ht and power or gas. In Kansas the towns of Caney l Havana are served with electric light and power. ese towns adjoin the Oklahoma territory served by mpany. The Colorado territory, served with elecity, includes the towns of Englewood, Evergreen, rt Logan, Fort Lupton, Golden, Hudson, Indian lls, Johnstown, Keenesburg, Littleton, Milliken, rrison, Platteville, Sheridan, Starbuck and Troutle.

There are five electric power stations and 460 miles high tension transmission lines serving the distributi systems. Natural gas is provided from two dependle sources of supply and distributed through 102 les of gas mains. Twenty-three ice plants, seven ld storage warehouses and four ice cream plants are ned and operated.

Over 44,000,000 k.w.h. of electricity were distributed ring the year ended March 31, 1927; of this approxitely 25,000,000 k.w.h. were generated in the Comny's power stations and 19,000,000 k.w.h. were purased under favorable contracts. The total gas outt for this period exceeded 2,000,000,000 cu. ft. The ily manufacturing capacity of the ice plants is about 00 tons and cold storage warehouse capacity is over 0,000 cu. ft.

The Company serves approximately 25,000 electric stomers, 3,490 gas customers and 192 heating customers.

CAPITAL STOCK

Authorized, 200,000 shares Common and 100,000 ares Pfd., all shares of no par value; outstanding, 0,000 shares Common and 20,000 shares $7 Dividend ries Preferred.

Preferred Stock Provisions—Has preference for ass and dividends and is subject to redemption as a ole or in part on the first day of any calendar nth at $105 and accrued dividends per share. Shall entitled to $100 and accrued dividends per share in ent of dissolution or liquidation, and if such dissolun or liquidation is voluntary to the further sum of per share. No other class of stock (other than additnal shares and series of the Pfd. stock) senior to or an equality with this issue may be created or aulorized. Additional Pfd. stock, of this or any other ries, may not be issued unless the consolidated net rnings, as defined in the amended certificate of incorporation, for a period of 12 consecutive calendar months, during the 16 consecutive calendar months immediately preceding the calendar month in which the additional shares shall be issued, shall be equal to at least 2½ times the annual dividend requirements of all Pfd. stock (of all series) at the time outstanding and the additional shares to be issued. Pfd. stock has equal voting power with Common in the event of default of eight consecutive quarterly dividends on Pfd.

Transfer Agents—Central Trust Co. of Illinois, Chicago, and Old Colony Trust Co., Boston.

Registrars—The Northern Trust Co., Chicago, and The First National Bank, Boston.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—$7 Pfd. stock first publicly offered (20,000 shares) in June, 1927, at $96.50 and dividend to yield about 7.25%, by Stanley & Bissell, Inc., New York, etc. and A. L. Chambers & Co., Inc., Buffalo, N. Y.

Annual Meeting—First Tuesday in February.

Dividends—Initial quarterly dividend of $1.75 a share on $7 Dividend Series Pfd. was paid Oct. 1, 1927, which quarterly rate maintained to date; payments J, A, J & O 1. No dividends on Common.

FUNDED DEBT

(1)

$4,000,000 FIFTEEN-YEAR 6% SECURED GOLD BONDS, SERIES JUNE 1, 1927; DUE JUNE 1, 1942

Dated June 1, 1927.

Interest Payable June and December 1 at Guaranty Trust Company of New York, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York, N. Y.

Provisions of Issue—Authorized amount, unlimited; issued, Series June 1, 1927, $4,000,000. Proceeds were used to provide funds for the acquisition of properties and for general corporate purposes.

Additional bonds may be issued from time to time for not exceeding 80% of the value, as determined by a competent engineer, of additional securities, acquired under the restrictions of the agreement, provided, earnings applicable to bond interest as defined in the agreement, for the period of 12 consecutive calendar months within the 16 calendar months immediately preceding the date of application for issuance of bonds, shall have been not less than 2½ times the annual interest charges on all bonds outstanding under the agreement and those proposed to be issued.

Callability—Subject to call as a whole or in part on the first day of any calendar month, on 30 days' notice, at 105 to and including June 1, 1932; at 103 to and including June 1, 1937; at 101 to and including June 1, 1941, and thereafter at 100; plus accrued interest in each case.

Sinking Fund—None provided.

Security—Bonds are the direct obligation of the Company and are secured by pledge of all the Common stocks of Electric Public Service Co., Louisiana Ice & Utilities, Inc., and The Wooster Electric Co..

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Personal Property tax of any state under any present law, not in excess of five mills, and the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum, refundable to resident holders upon timely and appropriate application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($4,000,000) in June, 1927, at 97½ and interest to yield over 6.25% by Stanley & Bissell, Inc., New York, etc., and A. L. Chambers & Co., Inc., Buffalo, N. Y.

Listed—Boston Stock Exchange.

Price Range—1927: High, 99; low, 95.

(2)

$3,000,000 THREE-YEAR 5% GOLD NOTES; DUE MAY 1, 1931

Dated May 1, 1928.

Interest Payable May and November 1 at Guaranty Trust Co. of New York, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York, N. Y.

Provisions of Issue—Authorized and outstanding, $3,000,000. Issued to retire maturing obligations and for general corporate purposes.

Callability—Subject to call at 101 and interest on 30 days' notice prior to May 1, 1930; thereafter at par and interest.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Personal property tax of any state under any present law not exceeding 5 mills and Massachusetts 6% Income tax, refunded.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($3,000,000) in May, 1928, at 97¼ and interest, to yield over 6%, by Stanley & Bissell, Inc., Cleveland, etc., and G. E. Barrett & Co., New York, etc.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(Embracing all properties now owned and to be acquired bringing out the net income, after giving effect to the elimination of non-recurring expenses in the amount of $96,602, available for retirement reserve, depletion, amortization of debt discount and expense, Federal income tax and interest on the debt and dividends on the stock of the holding company)

Operating revenues:	
Electric	$1,727,306
Ice and cold storage	2,449,303
Gas	391,362
Railway	317,781
Water	18,921
Hot water heat	42,585
Ice cream and dairy	272,897
Coal and wood	88,716
Miscellaneous	63,391
Profit on merchandise & jobbing sales	22,642
Total operating revenues	$5,394,904
Non-operating income	185,020
Gross income	$5,579,924
Operating expenses	3,429,819
Uncollectible bills	16,838
Taxes, general	186,897
Net earnings	$1,946,370
Deduct:	
Interest and dividends on securities of subsidiaries in hands of public	990,293
Net earnings available for retirement reserve, depletion, amortization of debt discount and expense, Federal income tax and interest on debt and dividends on stock of the holding Company	$956,077
Annual interest requirement on:	
$4,000,000 15-Year bonds	240,000
$3,000,000 3-Year 5% Gold notes	150,000

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

(After giving effect to proposed financing of May 1, 1928 and the acquisition of properties in connection therewith)

Assets—	
Plant, property, leaseholds and equipment as appraised at net sound value, plus subsequent additions at cost and including going concern val..	$23,898,44
Cash (including balance of proceeds from sale of Gold notes)	1,562,85
Notes receivable	17,37
Accounts receivable (net)	465,88
Interest and dividends receivable	1,89
Marketable securities	50,00
Materials and supplies	221,82
Prepayments	30,04
Subscribers to capital stock	4,57
Unbilled income	63,55
Investments in affiliated companies	92,86
Miscellaneous investments	28,56
Special deposits	33,27
Unamortized debt disc. and exp.	399,04
Work in progress	2,41
Miscellaneous deferred debits	14,22
Reacquired securities	50
Total	$26,887,32
Liabilities—	
Preferred stock	$2,000,00
Common stock	421,65
Capital stock of subsidiaries in hands of public:	
Electric Pub. Serv. Co. 7% Pfd.	1,529,30
Louisiana Ice & Utilities, Inc., 8% Pfd.	850,00
Louisiana Ice & Utilities, Inc., 7% Pfd.	150,00
Toledo, Bowling Green & S. Tr. Co. 5% Pfd.	1,76
Toledo, Bowling Green & S. Tr. Co. Common..	1,77
Electric Pub. Serv. Co. 7% Pfd. subscribed but not issued	7,00
Funded debt:	
Electric Pub. Utilities Co. 6% bonds	4,000,00
Electric Pub. Utilities Co. 5% notes	3,000,00
Electric Pub. Serv. Co. Series "A" 6s, 1941	700,00
Electric Pub. Serv. Co. Series "B" 6s, 1941	3,000,00
Electric Pub. Serv. Co. Series "C" 5½s, 1942	1,400,00
Elec. Pub. Serv. Co. 6% debentures, 1936	850,00
Electric Pub. Serv. Co. 6% debentures, 1937	1,400,00
Louisiana Ice & Util., Inc., Convertible 6s	2,500,00
Louisiana Ice & Util., Inc., 6% notes	600,00
Chicago Artificial Ice Co. First 6s, 1938	1,250,00
Chicago Artifiicial Ice Co. 6% notes	850,00
Colorado Central Power Co. First 5½s, 1946	850,00
Toledo B. G. & So. Traction Co. Consol. 6s	178,00
Toledo & Findlay Ry. Co. First 5s, 1935	20,50
Notes payable	21,10
Accounts payable	216,20
Consumers' deposits	80,58
Miscellaneous current liabilities	11,51
Taxes accrued	137,68
Interest accrued	204,34
Miscellaneous accrued liabilities	39,60
Retirement reserve	259,86
Reserve for depletion	65,18
Contributions for extensions	31,72
Miscellaneous reserve	33,71
Miscellaneous unadjusted credits	60,53
Minority interest in surplus of subsidiaries	1,03
Surplus	164,23
Total	$26,887,32

Officers: R. A. Pratt, Pres. & Treas.; R. R. Mallard V-P.; E. F. Nolting, Sec.

Directors: R. A. Pratt, R. R. Mallard, E. F. Nolting

General Office, 29 South La Salle St., Chicago, Ill.

CHICAGO ARTIFICIAL ICE COMPANY

(Controlled by Electric Public Utilities Company)

History—Incorporated April 9, 1928 in Delaware as successor to a company of the same name incorporated in Illinois. Business originally established in 1900. Business principally consists of the manufacture and wholesale distribution of ice, and includes service through contracts to more than 6,000 accounts in the Loop District of Chicago. A substantial volume of business at wholesale direct to delivering agencies, small ice companies and retail distributors is also done. Properties include three modern ice plants with daily manufacturing capacities of 145 tons, 190 tons, and 265 tons, respectively, a total of 600 tons daily capacity. In addition to the manufacturing facilities the plants include ice storage capacity of approximately 18,000 tons. Sales of ice in tons in years ended Dec. 31 were as follows: 1923, 122,017; 1924, 124,470; 1925, 149,974; 1926, 131,468; 1927, 143,454.

CAPITAL STOCK

Authorized, 5,000 shares Common and 5,000 shares $7 Dividend Series Pfd., both of no par value; outstanding, 5,000 shares Common. All the Common, except directors' qualifying shares, owned by Electric Public Utilities Co.

FUNDED DEBT

(1)

$1,250,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS; DUE MAY 1, 1938

Dated May 1, 1928.

Interest Payable May and November 1 at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized, $5,000,000; outtanding, $1,250,000. Additional bonds may be issued or refunding purposes and for not in excess of 75% f the actual cost or fair value, whichever is lower, of dditions and extensions, as defined in the mortgage, o property of Company, provided the net earnings, as efined in the mortgage, for the 12 months ended within 90 days immediately prior to the issuance of he new bonds have been equal to at least twice the nnual interest charges on all bonds outstanding, including those proposed to be issued.

Callability—Subject to call in whole or in part on ny interest payment date, on 30 days' notice at 105, o and including May 1, 1932; at 103 to and including lay 1, 1935; at 101 to and including May 1, 1937; nd thereafter at 100; plus accrued interest in each ase.

Sinking Fund—Beginning May 1, 1929, and annully thereafter, Company will pay to Trustee for the etirement of these bonds, through purchase or reemption, an amount in cash or in bonds of this issue quivalent to 2% of the amount of bonds of this issue heretofore authenticated. Bonds may be purchased with sinking fund moneys at not to exceed the then urrent redemption price.

Security—A first lien on all the fixed assets of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property tax of any tate under any present law not in excess of 5 mills er annum in any case, and the Massachusetts Income ax on the interest not exceeding 6% of such interest er annum, refunded to resident holders on appropriate pplication.

Legal Opinion—Chapman and Cutler, Chicago.

Original Offering—First publicly offered ($1,250,000) in April, 1928, at 98 and interest to yield about 6¼%, by Stanley & Bissell, Inc., New York, etc., Warren A. Tyson & Co., Inc., and Fitch, Crossman & Co., Philadelphia.

Listed—Chicago Stock Exchange.

(2)

$850,000 THREE-YEAR 6% GOLD NOTES; DUE MAY 1, 1931

Dated May 1, 1928.

Interest Payable May and November 1 at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized and outstanding, $850,000.

Callability—Subject to call in whole or in part at any time on 30 days' notice at 101 and interest to and including May 1, 1930, and thereafter at 100 and interest.

Sinking Fund—None provided.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property tax of any state under any present law not in excess of 5 mills per annum in any case, and the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum refunded to resident holders upon appropriate aplication.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($850,000) in April, 1928, at 98½ and interest to yield over 6.50%, by Stanley & Bissell, Inc., New York, etc., Warren A. Tyson & Co., Inc., and Fitch, Crossman & Co., Philadelphia.

EARNINGS, YEARS ENDED DECEMBER 31
(After eliminating certain non-recurring charges)

	1927	1926	1925	1924	1923
Gross earnings	$780,950	$716,673	$752,451	$649,670	$670,725
Operating costs and expenses, including maintenance and local taxes	477,559	452,633	514,012	436,918	472,262
Balance available for interest retirement reserve and Federal taxes	$303,391	$264,040	$238,439	$212,752	$198,463
Annual interest requirements on mortgage bonds	75,000	.....	.....	.....	.....
Balance	$228,391	.....	.....	.....	.....
Annual interest requirements on notes	51,000	.....	.....	.....	.....
Balance	$177,391	.....	.....	.....	.....

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Giving effect to Proposed Acquisition of Properties and issue of Securities therefor on May 1, 1928)

Assets—		Liabilities—	
Property, plant and equipment	$2,100,000	Common stock	*$99,931
Cash	74,560	First Mortgage bonds	1,250,000
Notes receivable	2,750	3-year Gold notes	850,000
Accounts receivable, net	33,898	Notes payable	2,635
Interest and dividends receivable	1,545	Accounts payable	6,972
Materials and supplies	7,714	Accrued taxes	28,550
Prepayments	5,105	Accrued interest	4,023
Marketable securities	50,000	Miscellaneous liabilities	14,537
Miscellaneous investments	500	Contingency reserve	19,424
Total	$2,276,072	Total	$2,276,072

*5,000 shares of no par value.

Officers: Paul B. Hunt, Pres.; Chester P. Wilson, J. R. Hall, Louis Olsen, V-Ps.; E. F. Nolting, Sec. & Treas.

Directors: R. A. Pratt, C. B. Stanley, E. F. Nolting, Paul B. Hunt, J. R. Hall.

General Office, 29 So. La Salle St., Chicago, Ill.

ELECTRIC PUBLIC SERVICE COMPANY

(Controlled by Electric Public Utilities Company)

History and Properties—Incorporated in 1925 in Delaware. Owns the entire capital stock of the following companies: North Baltimore Service Company, North Baltimore, Ohio; The Rudolph Light & Power Co., Rudolph, Ohio; South West Pipe Line Co., Bristow, Okla.; Oklahoma Utilities Co., Hominy, Okla.; Colorado Central Power Co., Golden, Colo.; Southwest Production Co.; The Caney Electric Co.; Utilities Management Co., and over 99.8% of the Common and 99.7% of the Pfd. stock of The Toledo, Bowling Green & Southern Traction Co., also owns 85% of the latter company's First Mortgage Consolidated 6s and over 99% of The Toledo & Findlay Ry. Co. First 5s.

Territory and Business—The Company supplies electric energy for light and power, without competition, through its subsidiaries, to 41 communities in

Ohio, Kansas, Oklahoma and Colorado. Natural gas is supplied to two cities in Oklahoma and a district hot water heating system is operated in conjunction with electric service at Findlay, Ohio. Electric railway freight and passenger service is provided between Findlay and Toledo, Ohio. A population of approximately 100,000 will be served with electric light and power and/or gas.

There are four electric power stations the combined capacity of which is about 20,000 h.p. Natural gas is provided from two dependable sources of supply. Over 33,000,000 k.w.h. of electricity were distributed during the year ended Jan. 31, 1927; of this total, approximately 25,000,000 k.w.h. were generated in the Company's power stations and 8,000,000 k.w.h. were purchased under contracts. The total gas output exceeded 2,000,000,000 cu. ft. Company serves 16,250 electric customers, 3,486 gas customers, and 192 heating customers.

The territory in Ohio, which is served with electricity, is located between Columbus and Toledo and includes the towns of Bairdstown, Benton Ridge, Bloomdale, Cygnet, Findlay, Galatea, Hammansburg, Jerry City, McComb, Mermill, Mortimer, North Baltimore, Rudolph and Van Buren.

The Oklahoma territory is in the North Central part of the State in the general vicinity of Tulsa and includes the towns of Blackburn, Bristow, Burbank, Cleveland, Copan, Drumright, Fairfax, Gray Horse, Hominy, Ralston and Skedee, which are served with electric light and power or gas.

In Kansas the towns of Caney and Havana are served with electric light and power. These towns adjoin the Oklahoma territory served by the company.

The Colorado territory, served with electricity, is located in the vicinity of Denver and includes the towns of Englewood, Evergreen, Fort Logan, Fort Lupton, Golden, Hudson, Indian Hills, Johnstown, Keenesburg, Littleton, Milliken, Morrison, Platteville, Sheridan, Starbuck and Troutdale.

CAPITAL STOCK

Authorized, 25,000 shares Common, of no par value, and $1,600,000 7% cumulative Preferred of $100 par value; outstanding, 25,000 shares Common and $1,529,300 Preferred. All the Common stock is owned by Electric Public Utilities Co.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to redemption as a whole or in part at 105 and accrued dividends. Additional Pfd. stock may not be issued unless net earnings before deduction for depreciation, amortization and income or profit taxes for 12 consecutive calendar months within 15 calendar months immediately preceding the issuance thereof, shall have been at least two and one-half times the annual dividend requirements on the entire amount of Pfd. stock already issued and then outstanding together with that proposed to be issued.

Transfer Agent—Central Trust Co. of Illinois, Chicago.

Registrar—The Northern Trust Co., Chicago.

Tax Provisions (Pfd. Stock)—Massachusetts 6% Income Tax, Maryland 4½ Mills Securities Tax, Pennsylvania 4 Mills Personal Property Tax, refunded upon application within 60 days after payment.

Legal Opinion (Pfd. Stock)—Chapman, Cutler & Parker, Chicago.

Original Offering—Preferred stock first publicly offered ($100,000) in April, 1926, at 96½ and dividend, to yield about 7.25%, by Stanley & Bissell, Inc., New York and Chicago; $1,400,000 additional in 1926 by the same bankers at the same price.

Dividends—Pfd. dividends have been paid quarterly, J, A, J & O 1; initial dividend of $1.75 per share paid July 1, 1926, to stock of record June 20, 1926.

FUNDED DEBT

(1)

$700,000 15-YEAR 6% SECURED GOLD BONDS, SERIES "A"; DUE APRIL 1, 1941

$3,000,000 15-YEAR 6% SECURED GOLD BONDS, SERIES "B"; DUE AUGUST 1, 1941

Dated, Series "A," April 1, 1926; Series "B," Aug. 1, 1926.

Interest Payable Series "A," April and October 1, and Series "B," February and August 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited; issued, $700,000 Series "A" 6s, to retire short-term indebtedness of Company and for other corporate purposes, and $3,000,000 Series "B" 6s, to provide in part funds for acquisitions and for general corporate purposes. Proper safeguards for the issuing of additional bonds are contained in the indenture. In addition $500 Series "B" 6s are held in the treasury.

Callability—Subject to call as a whole or in part, on any interest date on 30 days' notice at 103 and interest to and including April 1, 1931, at 102 and interest to and including April 1, 1936, at 101 and interest to and including April 1, 1940, and thereafter at 100 and interest.

Security—These bonds constitute the senior secured funded debt of Electric Public Service Co. and are the direct obligation of the Company. They are secured by deposit and pledge with the Trustee of all outstanding bonds and stocks of the operating companies, excepting and subject to $1,092,500 par value of bonds and less than ¾ of 1% of subsidiary and directors' qualifying shares. No mortgage liens may be created on any of the properties of subsidiary companies as defined in the indenture in excess of the cost of additions and betterments to its properties made subsequent to April 1, 1926, as to present subsidiaries and, to subsidiaries thereafter acquired, in excess of the cost of additions and betterments thereto made subsequent to the date of acquisition thereof.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax, Connecticut 4 Mills Tax, and Massachusetts 6% Income Tax, refunded upon application.

Legal Opinion—Chapman Cutler & Parket, Chicago.

Original Offering—First publicly offered ($700,000 Series "A" 6s) in April, 1926, at 96 and interest, to yield over 6.40% by Stanley & Bissell, Inc., New York and Chicago; $2,000,000 Series "B" 6s were offered in August, 1926, at 98 and interest, to yield over 6.20%, by Stanley & Bissell, Inc., Henry D. Lindsley & Co., New York, etc., and R. E. Wilsey & Co., Inc., Chicago, etc. Additional offering ($1,000,000 Series "B") in November, 1926, at 98 and interest, to yield over 6.20%, by Stanley & Bissell, Inc., Henry D. Lindsley & Co., E. R. Diggs & Co., Inc., New York, etc., and R. E. Wilsey & Co., Inc., Chicago.

(2)

$1,400,000 FIRST LIEN COLLATERAL 5½% GOLD BONDS, SERIES "C"; DUE APRIL 1, 1942

Dated April 1, 1927.

Interest Payable April and October 1 at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Callability—Subject to call, in whole or in part, on the first day of any calendar month, on 30 days' notice at 103 and interest to and including April 1, 1932, at 102 and interest to and including April 1, 1937, at 101 and interest to and including April 1, 1941, and thereafter at 100 and interest.

Security—These bonds, together with $3,700,000 15-year 6% Secured Gold bonds (Series "A" and "B"),

onstitute a first lien on the constituent properties hrough deposit and pledge with the Trustee of all outtanding bonds and stocks of the operating companies, xcepting and subject to $1,092,250 par value of bonds nd less than ¾ of 1% of subsidiary stocks, and directors' qualifying shares. No mortgage lien may be reated on any of the properties of subsidiary companies as defined in the indenture, subsequent to the late of their acquisition, unless such mortgage indebtedness is pledged under this indenture. Further, o mortgage lien may be created except for additions nd betterments and then not in excess of 80% of the ost thereof.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property tax of any tate under any present law, not in excess of five mills n any case, and the Massachusetts Income Tax on the nterest not exceeding 6% of such interest per annum, efunded to resident holders.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,400,000 Series "C" 5½s), in April, 1927, at 95 and interest to ield over 6%, by Stanley & Bissell, Inc., E. R. Diggs & Co., Inc., and Henry D. Lindsley & Co., New York, tc.

Price Range—1927: High, 95; low, 95.

(3)

$850,000 TEN-YEAR 6% SINKING FUND GOLD DEBENTURE BONDS; DUE DECEMBER 1, 1936

Dated December 1, 1926.

Interest Payable June and December 1, at Guaranty Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Purpose of Issue—Proceeds were used to provide in part, funds for the acquisition of additional property, and for general corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' notice at 102 and interest to and including Dec. 1, 1929, at 101 and interest to and including Dec. 1, 1932, at 100½ and interest to and including Dec. 1, 1935, and thereafter at 100 and interest.

Sinking Fund—Indenture provides for payment annually, beginning Dec. 1, 1928, of a sinking fund equal to 5% of the net earnings as defined in the indenture, which sinking fund will be applied to the retirement of these bonds.

Security—Bonds are the direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property tax of any state under any present law, not in excess of 5 mills in any case, and the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum, refundable to resident holders upon timely and appropriate application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($850,000) in Nov., 1926, at 95 and interest to yield over 6.68% by Stanley & Bissell, Inc., New York and Chicago, and E. R. Diggs & Co., New York.

(4)

$1,400,000 TEN-YEAR 6% SINKING FUND GOLD DEBENTURE BONDS; DUE APRIL 1, 1937

Dated April 1, 1927.

Interest Payable April and October 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Company of New York.

Purpose of Issue—Proceeds from sale of these bonds provided in part funds for the acquisition of additional properties, and for general corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any calendar month on 30 days' notice at 102 and interest to and including April 1, 1930, at 101 and interest to and including April 1, 1933, at 100½ and interest to and including April 1, 1936 and thereafter at 100 and interest.

Security—These Debenture bonds are the direct obligation of Company, but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal Property Tax of any state under any present law, not in excess of five mills in any case, and the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum, refundable to resident holders upon timely and appropriate application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,400,000) in April, 1927, at 95 and interest to yield over 6.68% by Stanley & Bissell, Inc., E. R. Diggs & Co., Inc., and Henry D. Lindsley & Co., New York, etc.

COMPARATIVE INCOME ACCOUNT YEARS ENDED
(Electric Public Service Co. and Subsidiaries)

	†Dec. 31, 1927	‡Jan. 31, 1927	‡Sept. 30, 1926
Operating revenues:			
Natural gas	$391,362	$462,876	$477,662
Electric	1,171,484	1,123,361	964,278
Railway	317,781	360,176	429,556
Hot water	42,585	39,462	.....
Miscellaneous	20,164	24,280	.....
Total operat. revenues	$1,943,376	$2,010,155	$1,871,496
Non-operating revenues	152,813	26,594	.....
Total revenues	$2,096,189	$2,036,749	$1,871,496
Oper. exps., taxes (other than Fed. Inc.), cost of gas & electricity purch., etc.	1,189,063	1,097,301	*1,123,653
Net rev. from oper. before int., divds. on sub. co. stock, amort. of debt dis. & exp., deprec., deple. & Fed. Income taxes	§$907,126	$939,448	$747,843

*Includes depletion. †Includes earnings from January 1, 1927 to date of purchase, accruing to predecessor owners, but gives effect to elimination of non-recurring expenses in the amount of $14,959. ‡Includes subsidiaries owned or about to be acquired. §For 1927, bond and debenture interest amounted to $434,000, and other interest and dividends to $58,543.

PROJECTED CONSOLIDATED BALANCE SHEET
(Electric Public Service Co. and Subsidiaries)

Assets—	Dec. 31, 1927	*Jan. 31, 1927	*Dec. 31, 1926
Plant property & franchises	$9,909,744	$9,536,913	$9,544,339
Holding company's valuation of investments in sub. cos. in excess of underlying net assets valuation & other intangibles	1,884,700	1,970,698	1,970,695
Cash	392,316	744,519	824,647
U. S. Government securities at cost	.....	200,969	200,969
Notes & warrants receivable	6,581	1,800	1,800
Accounts receivable	244,215	262,918	247,631
Merchandise, materials & supplies	120,327	99,226	104,572
Int. & divds. receivable	17	6,924	2,132
Insurance premiums—unexpired portion	.....	16,197	14,835
Miscellaneous investments	25,100	600	600
Special deposits	23,771	.....	.....
Unamortized disct. & expense on funded debt	87,114	94,988	95,565
Other deferred charges	2,238	374	1,447
Prepayments	9,631	.....	.....
Subscribers to capital stock	4,571	.....	.....
Unbilled income	51,406	.....	.....
Advances to affiliated Cos.	390,006	.....	.....
Reacquired securities	200	.....	.....
Total	$13,151,937	$12,936,126	$13,009,232

PROJECTED CONSOLIDATED BALANCE SHEET (Continued):

Liabilities—	Dec. 31, 1927	*Jan. 31, 1927	*Dec. 31, 1926
Capital stock:			
Common, Elec. Pub. Service Co.	$421,659	$421,659	$421,659
Preferred, Elec. Pub. Service Co.	1,529,300	1,500,000	1,500,000
Com. Tol., Bowling Gr. & So. Tr. Co.	1,775	8,600	8,600
Pfd. Tol., Bowling Gr. & So. Tr. Co.	1,762	7,300	7,300
Pfd. stock subscribed	7,000	.....	.....
Funded debt in hands of public:			
Electric Public Serv. Co.	7,350,000	7,350,000	7,350,000
Toledo, Bowling Gr. & So. Trac. Co.	198,500	242,250	242,250
Colorado Central Power Co.	850,000	850,000	850,000
Notes payable	.....	10,874	10,874
Accounts payable	97,900	69,528	57,092
Dividends accrued	7	130	21,130
Injury claims payable in 1927	.....	.....	1,591
Accrued interest	134,793	53,893	124,795
Accrued state & county tax.	68,077	50,465	69,854
Accrued salaries and wages	.....	435	11,794
Fed. Income taxes (predecessor cos.)	.....	28,268	28,268
Meter and sundry deposits.	68,338	64,942	65,471
Sundry current liabilities	17,041	482	2,037
Retirement reserve	174,668	.....	.....
Reserve for depletion	65,180	.....	.....
Other reserves	11,430	11,703	9,468
Contributions for extensions	14,097	16,565	17,033
Miscel. unadjusted credits	20,729	.....	.....
Minority interest in earned surplus of subsidiaries	1,035	.....	.....
Surplus arising from appreciation through appraisals of fixed assets	2,044,816	2,156,455	2,155,378
Surplus arising from operations	73,830	92,577	54,638
Total	$13,151,937	$12,936,126	$13,009,232

*Giving effect, as of respective dates, to proposed acquisitions and financing.

Officers: R. A. Pratt, Pres. & Treas.; R. R. Mallard, V-P.; E. F. Nolting, Sec.; Chester P. Wilson, Chicago, Ill.

Directors: R. R. Mallard, R. A. Pratt, E. F. Nolting, Chicago, Ill.

General Office, 29 S. La Salle St., Chicago, Ill.

COLORADO CENTRAL POWER COMPANY

(Controlled by Electric Public Service Co.)

History and Property—Incorporated Oct. 29, 1926, in Delaware, and took over the properties of The Municipal Properties Investing Company including Arapahoe Electric Light & Power Co., The Fort Lupton Light & Power Co., and The Jefferson County Power & Light Co. (see 1926 Public Utility Manual, page 14). Company owns and operates an electric light and power business in the vicinity of Denver, Colo. The territory served includes the following communities: Englewood, Evergreen, Fort Logan, Fort Lupton, Golden, Hudson, Indian Hills, Johnstown, Keenesburg, Littleton, Milliken, Morrison, Petersburg, Plattesville, Starbuck and Troutdale. The Company serves a population of approximately 25,000. Electric light and power service is furnished to 6,598 customers.

For the year ended Sept. 30, 1926, the energy distributed and sold was in excess of 7,000,000 kilowatt hours.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares Common stock of no par value. All owned by Electric Public Service Co.

FUNDED DEBT

$850,000 FIRST MORTGAGE 5½% SINKING FUND GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1946

Dated December 1, 1926.

Interest Payable June and December 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized amount, unlimited. Issued, $850,000. Additional bonds may be issued for 80% of the cost or fair depreciated value, whichever is lower, of additions, extensions or improvements, provided, however, that net earnings, as defined in the indenture, for a period of twelve months, within the fifteen months preceding the application have been not less than twice the annual interest charges on all bonds outstanding, including those to be issued.

Purpose of Issue—Proceeds were used in part for the acquisition of electric light and power properties in the vicinity of Denver and for general corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest.

Sinking Fund—Indenture provides for a sinking fund sufficient to retire annually on Dec. 1, 1928 and to and including Dec. 1, 1932, 1% of the maximum amount of bonds of Series "A" from time to time outstanding, and thereafter 2% of the maximum amount of said bonds from time to time outstanding.

Security—Secured by a direct first mortgage on all of the fixed property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property tax of any state under any present law, not in excess of 5 mills in any case, and the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum, refundable to resident holders upon timely and appropriate application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($850,000) in Nov., 1926, at 96 and interest to yield over 5.83%, by Stanley & Bissell, Inc., New York and Chicago.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Operating revenues	$416,142
Operating expenses, taxes, etc.	268,818
Operating income	$147,324
Other income	2,954
Total income	$150,278
Deduct:	
Interest	$47,599
Retirement reserve	23,325
Net income	$79,354
Dividends	80,000
*Deficit for year	$646

*Before Federal income taxes for which no provision was made for 1927.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property and equip., net	$1,227,298
Cash	63,349
Notes and accounts receivable	82,031
Materials and supplies	32,119
Prepayments	945
Unbilled income	16,015
Advances to affiliated companies	39,102
Deferred debits	758
Total	$1,461,617
Liabilities—	
Capital stock	$456,195
Funded debt	850,000
Accounts payable	15,765
Consumers' deposits	14,110
Taxes accrued	20,200
Other accrued items	7,683
Advances from affiliated companies	37,000
Reserves	32,145
Unadjusted credits	20,369
Surplus	8,150
Total	$1,461,617

Officers: R. A. Pratt, Pres. & Treas.; Chester P. Wilson, V-P.; E. A. Phinney, V-P.; E. F. Nolting, Sec.

Directors: R. A. Pratt, E. F. Nolting, Chicago, Ill.; Chester P. Wilson.

General Office, 29 So. La Salle St., Chicago, Ill.

Operating Office, Golden, Colo.

THE TOLEDO, BOWLING GREEN & SOUTHERN TRACTION COMPANY

(Controlled by Electric Public Service Co.)

History and Property—Incorporated Apr. 5, 1901, Ohio; consolidation of Findlay Street Ry., Toledo, wling Green and Fremont Ry. and the Hancock ht & Power Co. In 1909 absorbed the Toledo & dlay Ry., which succeeded the Toledo, Urban & erurban Ry., sold under foreclosure Aug. 6, 1909. ns and operates an electric road extending from edo to Findlay, O. Owned, 48 miles; trackage ts, 4.46 miles; total track, 52.46 miles. Gauge, ndard. Rails, 60 lb. and 72 lb. T and girder. Cars: erurban, (passenger, motor, wood, 6; passenger, tor, steel, 4; passenger, trailers, wood, 4; freight, tor, wood, 4; freight, motor, steel, 2; freight, trail-, wood, 13; miscellaneous, 15), 48; city passenger, tor, steel, 1; city passenger, motor, wood, 6—total Rates of fare: Cash, 10 cts.; two tickets for 15 cts., seven tickets for 50 cts. Company furnishes light- and hot water heat in Findlay, O.

CAPITAL STOCK

Authorized, $1,500,000 Common and $750,000 non-mulative Pfd.; outstanding, $1,125,000 Common and 0,000 Pfd.; par, $100. Electric Public Service Co. ns $1,123,225 Common and $748,237.50 Pfd., leaving 775 Common and $1,762.50 Pfd. in the hands of the lic. Voting power is shared equally by both classes tock.

Transfer Office—29 South La Salle St., Chicago, Ill.
Registrar—The Central Trust Co., Cincinnati, O.
Annual Meeting—Fourth Tuesday in February.

Dividends—Dividends on Pfd. at rate of 5% per annum were regularly paid, quarterly Feb. 1, from Aug., 1910, to Aug., 1914, inclusive; none thereafter until Dec. 21, 1923, when 1¼% was paid, which quarterly rate maintained to date; payments now M, J, S & D 1. None reported on Common.

FUNDED DEBT

(1)

$20,500 The Toledo & Findlay Railway Company First Mortgage 5s; dated January 1, 1910; due January 1, 1935; interest January and July 1, at Fifth Third Union Trust Co., Cincinnati, Trustee. Coupon, $250, $500 and $1,000. In addition to the amount shown above, Electric Public Service Co. owns $459,500. A first lien on the property of the former Toledo, Urban & Interurban Ry. Company does not pay Normal Federal Income Tax.

(2)

$178,000 The Toledo, Bowling Green & Southern Traction Co. First Mortgage Consolidated Gold 6s; dated May 1, 1901; due May 1, 1921, but extended to May 1, 1941, interest being increased from 5%; int. May and Nov. 1, at The Central Trust Co., Cincinnati, Trustee. Denomination, $500 and $1,000. Authorized and issued, $1,500,000, of which $178,000 are outstanding with public and $1,037,000 are owned by Electric Public Service Co. Company does not pay Normal Federal Income Tax.

Listed—Cincinnati Stock Exchange.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
erating revenues	$876,282	$864,448	$830,972	$835,527	$835,857	$744,312
erating expenses, reserves and taxes	603,499	562,790	673,539	652,729	620,734	*501,954
et earnings	$272,783	$301,658	$157,433	$182,798	$215,123	$242,358
er income	637	.....	.....	5,814	13,488	.....
ross income	$273,420	$301,658	$157,433	$188,612	$228,611	$242,358
preciation	38,805	87,160	.....	.....	.....	.....
erest charges (net)	97,985	96,132	97,285	96,004	94,680	†147,259
eral income taxes	‡	13,000	.....	.....	.....	.....
et income	$136,630	$105,366	$60,148	$86,794	$133,931	$95,098
ferred dividends paid	40,625	‡	37,500	37,435	9,375	.....
mon dividends	140,000	‡	‡	‡	‡	‡
es Interest Earned	2.39	2.23	1.62	1.96	2.41	1.65

*Taxes included with interest charges. †Includes taxes. ‡Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

ssets—	1927	1926	1925	1924	1923	1922
t property & franchises	$4,684,627	$4,690,605	$4,629,150	$4,457,681	$4,331,894	$4,244,617
terials and supplies	23,265	30,663	17,592	19,609	27,662	15,892
h and investments	38,998	36,732	72,499	68,161	65,561	13,204
rent accounts	77,815	73,914	.....	.....	.....	.....
from affiliated cos	96,158	134,979	.....	.....	.....	.....
cellaneous assets, prepayments, etc.	3,753	8,755	12,237	.....	.....	.....
otal	$4,924,616	$4,975,649	$4,731,478	$4,545,451	$4,425,117	$4,273,712
iabilities—						
mon stock	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000	$1,125,000
ferred stock	750,000	750,000	750,000	750,000	750,000	750,000
ded debt	1,695,000	1,695,000	1,695,000	1,695,000	1,711,500	1,758,500
rent liabilities	46,326	23,165	71,911	12,165	9,966	11,804
rued liabilities	51,814	76,958	.....	27,550	23,481	13,400
erves	10,180	5,144	483,160	351,976	276,584	121,458
ital surplus	528,593	528,684	.....	.....	.....	.....
fit and loss surplus	717,703	771,698	606,406	580,760	528,586	493,550
otal	$4,924,616	$4,975,649	$4,731,478	$4,545,451	$4,425,117	$4,273,712

Officers: R. A. Pratt, Pres. & Treas.; R. R. Mallard, VP.; E. F. Nolting, Sec., Chicago, Ill.

Offices, Findlay, Ohio, and 29 So. La Salle St., Chicago, Ill.

LOUISIANA ICE & UTILITIES, INC.

(Controlled by Electric Public Utilities Company)

History and Property—Incorporated February 19, 6, in Louisiana to purchase and consolidate under management, ice and utilities properties located in isiana, Mississippi and Texas. Engaged principally he manufacture and sale of artificial ice; also manu- tures and sells ice cream and owns and operates electric light and power plants in 19 communities and owns and operates water utilities in 4 towns. Ice manufacturing plants, located at Baton Rouge, Lutcher, Alexandria and Bunkie, La.; Gulfport, Biloxi and Pascagoula, Miss.; Wichita Falls, Commerce, Sanger and Denton, Tex., have a combined daily

capacity of approximately 1,260 tons, with ice storage capacity of 18,000 tons and refrigerated warehouse capacity of 700,000 cu. ft. Ice cream manufacturing plants are located at Alexander, Baton Rouge and Bunkie, La., and Commerce, Texas. Most of the Company's products are distributed through its own delivery system, which serves 29 communities, having a population of over 200,000, with ice at retail. Company also does considerable icing or re-icing of cars for the Missouri Pacific, Texas & Pacific and Gulf Coast Lines, and the American Refrigerator Transit Co. Volume of business in 1926 approximately 200,000 tons of ice and 100,000 gallons of ice cream.

CAPITAL STOCK

Authorized, 15,000 shares Common of no par value, $1,000,000 8% cumulative Pfd. "A" and $150,000 cumulative 7% Pfd. "B" (changed from 20,000 shares Common of no par value and $1,000,000 Pfd. in Jan., 1927); outstanding, 15,000 shares Common, $850,000 8% Pfd. "A" and $150,000 7% Pfd. "B," par of Pfd., $100. All of the Common stock except directors' qualifying shares is owned by Electric Public Utilities Co.

Preferred Stock Provisions—Pfd. "A" stock has equal preference with Pfd. "B" as to assets and dividends. In liquidation Pfd. stocks are entitled to par and dividends. Both classes of Pfd. are subject to call on 30 days' notice, the Pfd. "A" at 105 and Pfd. "B" at 103, in both cases with accrued dividends. Pfd. "A" stock has no voting power.

Transfer Agent & Registrar (Pfd. stocks)—Rapides Bank & Trust Co., Alexandria, La.

Annual Meeting—Second Monday in January.

Dividends—On both classes of Pfd. dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

$2,500,000 FIRST MORTGAGE GOLD BONDS, CONVERTIBLE 6% SERIES "A"; DUE APRIL 1, 1946

Dated April 1, 1926.

Interest Payable April and October 1, at Chicago Trust Co., Chicago, Liberty Central Trust Co., St. Louis and Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Liberty Central Trust Co., St. Louis.

Provisions of Issue—Authorized $15,000,000; issued, $2,500,000. Additional bonds may be issued from time to time in series to reimburse the Company for 70% of the cost or fair value, whichever is less, of additions, betterments and improvements. It is also provided that bonds may be issued against additional property acquired or constructed subject to liens prior to or equal to the lien of the mortgage under which these bonds are issued, provided that the Trustee shall reserve bonds equal at least to the principal amount of such prior liens for the purpose of retiring them on or before maturity, and also that such underlying bonds shall never exceed in par amount outstanding 25% of bonds of this issue then outstanding. It is further provided that no additional bonds can be issued unless the net earnings (as defined in the Mortgage) before bond interest and depreciation for any twelve consecutive months out of the next preceding fourteen calendar months, shall have been at least three times the annual interest requirements on any prior liens, all First Mortgage bonds then outstanding and those to be issued.

Purpose of Issue—The proceeds from the sale of $2,500,000 Series "A" bonds were used to provide funds for the acquisition of properties, for betterments and extensions and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date at 105 and interest up to and including April 1, 1931; thereafter up to and including April 1, 1936 at 104 and interest; thereafter at 103 and interest.

Sinking Fund—Annual sinking fund beginning April 1, 1929, provides for the payment to the Trustee of an amount equivalent to 3% of the principal amount of bonds outstanding on April 1, preceding. Sinkin fund is calculated to retire approximately 40% of th issue before maturity. Bonds retired through the sinl ing fund will be cancelled.

Convertibility—These bonds are convertible at th holders' option into Class "A" Common stock of th Commonwealth Utilities Corp. on the following basi Up to Dec. 31, 1927, 20 shares of stock for each $1,0(of bonds and up to Dec. 31, 1936, 16 shares of stoc for each $1,000 of bonds.

Security—Secured by a direct first mortgage on a the fixed assets of the company now owned and to l acquired with the proceeds of these bonds; also a fixed assets hereafter acquired will, as provided in th indenture, be subjected to the lien of the First Mor gage. The depreciated replacement value of the mor gaged property as of Sept. 30, 1926, was $5,822,919.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%. Pennsylvania, Connecticı and California taxes not in excess of four mills, Mar land four and one-half mills tax, Kentucky five mil tax on the principal and the Massachusetts Incon Tax not in excess of 6% on the interest, refundable.

Legal Opinion—Fisher, Boyden, Kales & Bell, Ch cago and Fordyce, Holliday & White, St. Louis.

Original Offering—First publicly offered ($2,00(000) in May, 1926, by Liberty Central Trust Co., S Louis, Chicago Trust Co., Chicago, and John Nicke son & Co., New York, at 97½ and interest, to yie about 6.25%. $500,000 additional bonds were offer in Jan., 1927, at 98 and interest to yield about 6.20 by Liberty Central Trust Co., St. Louis, Chicag Trust Co., Chicago and John Nickerson & Co., Ne York, etc.

Listed—Chicago Stock Exchange.

Price Range—

	1927	192
High	97½	99
Low	95⅞	97

There were also outstanding, $600,000 6% Seri Gold notes, due $100,000 each January 1, 1929 to 193 inclusive, all owned by the Commonwealth Utiliti Corporation. No further details available.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Giving effect to the elimination of certain non-recurring expenses)

Operating revenue	$2,189,4
Operating expenses, taxes, etc.	1,663,1
Balance	$526,3
Other income	20,3
Total income	$546,7
Interest on funded debt and notes	186,0
Bal. avail. for res., Fed. taxes, Pfd. divds. & surp.	$360,7

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, franchises, etc., net	$8,089,4
Cash	196,(
Notes and accounts receivable	114,8
Materials and supplies	75,1
Prepayments	14,(
Unbilled income	9
Investments in affiliated companies	92,8
Miscellaneous investments	12,3
Deferred debits	307,2
Total	$8,902,9
Liabilities—	
Common stock	$2,593,9
8% Pfd. stock	850,(
7% Pfd. stock	150,(
First Mortgage bonds	2,500,(
Serial gold notes	600,(
Accounts payable	87,9
Consumers' deposits	9,7
Accrued taxes	19,2
Other current liabilities	54,1
Advances from parent company	880,9
Retirement reserve	72,1
Other reserves	2,8
Unadjusted credits	39,(
Earned surplus	106,6
Capital surplus	936,1
Total	$8,902,9

Officers: R. A. Pratt, Pres.; Chester P. Wilson, V-P.; Edwin Harding, V-P.; Jos. E. Egan, Sr., V-P.; E. F. Nolting, Sec. & Treas.; C. J. Pope, Asst. Sec.
Directors: R. A. Pratt, R. R. Mallard, Chester P. Wilson, E. F. Nolting, Edwin Harding, Jas. E. Egan, Sr., C. J. Pope, J. W. Bolton, John H. Overton, D. F. Clark, W. P. Connell.
General Office, Alexandria, La.

WOOSTER ELECTRIC COMPANY

(Controlled by Electric Public Utilities Co.)

History—Incorporated in 1886, in Ohio. Population served, 11,000. Miles of mains, 55. No. of meters, 3,000. Prices: 5c. to 10c. per k. w. h. Has city contract for 121 arcs at $67.50 per annum and 48 tungsten, 120-w., at $24 per annum.

CAPITAL STOCK

Authorized, $225,000 Common and $275,000 6% Pfd.; outstanding Dec. 31, 1927, $224,000 Common; par $100. All owned by Electric Public Utilities Co. The outstanding Pfd. stock was redeemed July 1, 1927. Annual meeting, May 1.

Dividends—Dividends at rate of 6% per annum regularly paid on Pfd. until retirement in 1927. On Common: 1925, 6%; 1926, 8%; 1927, $59,610, including special dividend of $50,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$366,957	$274,905	$220,794
Oper. exp., taxes & dep.	253,844	205,970	164,573
Net earnings	$113,113	$68,935	$56,221
Other income	.....	.....	1,146
Total income	$113,113	$68,935	$57,367
Pfd. dividends paid	7,419	9,574	8,102
Common dividends paid	59,610	14,000	10,500
Surplus for year	$46,084	$45,361	$38,765

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$727,365	$521,335	$451,726
Materials and supplies	11,497	8,645	7,465
Cash	9,964	6,779	12,310
Notes receivable	.....	180	35,900
Accounts receivable	51,481	39,439	
Other current assets	100	100	
Unadjusted debits	846	.....	.....
Total	$801,253	$576,478	$507,401

Liabilities—	1927	1926	1925
Capital stock	$224,000	$345,800	$325,850
Accounts payable	16,103	32,166	29,010
Dividends accrued	.....	2,450	
Other current liabilities	741	224	
Unadjusted credits	27,672	506	.....
Deferred credits	1,079	.....	.....
Reserve for taxes	15,102	15,986	5,029
Depreciation reserve	98,780	91,064	92,261
Other reserves	16,660	.....	.....
Profit and loss	401,115	88,281	55,251
Total	$801,253	$576,478	$507,401

Officers: W. A. Harris, Pres., Wooster, Ohio; D. J. Hard, V-P. Cleveland, Ohio; C. L. Allis, Sec. & Treas., Wooster, Ohio. **Office,** Wooster, Ohio.

PENN-OHIO SECURITIES CORPORATION

History—Incorporated in 1925 in Del. as a holding company. As at Dec. 31, 1927, the Corporation owned 270,000 shares of Penn-Ohio Edison Company Common stock out of 375,962.66 shares (including scrip) outstanding at that date.

Republic Railway & Light Co. Dissolved—Penn-Ohio Securities Corporation formerly owned a large majority of both classes of stock of Republic Railway & Light Company, which latter Company was dissolved as of March 1, 1927. Penn-Ohio Securities Corporation accepted offer of Republic Railway & Light Co. to exchange Republic Pfd. stock share for share for Penn-Ohio Securities Corp. $6 Pfd. plus $34.50 cash per share. Penn-Ohio Securities Corp. later redeemed its own Pfd. by exchanging this $6 Pfd. of Penn-Ohio Edison share for share. Holders of Republic Common received 4½ shares Penn-Ohio Edison Company Common plus rights to subscribe to 1½ shares Penn-Ohio Edison Common at $26.75 per share, for each share of Republic Common.

CAPITAL STOCK

Authorized, 1,000,000 shares Common of no par value; outstanding, 810,000 shares Common. The 6% Pfd. formerly outstanding was redeemed Nov. 30, 1926 by exchange of Penn-Ohio Edison Company $6 Pfd. stock, share for share.

Market—Common shares are dealt in on New York Curb Market.

Price Range—

	1927	1926
High	15	10⅜
Low	8¾	6½

Dividends—Dividends were regularly paid on Pfd. stock formerly outstanding to date of redemption Nov. 30, 1926. On May 3, 1927 initial quarterly dividend of 18 cts. per share was paid on Common, which rate has been regularly paid since; payments F, M, A & N 2.

OFFICERS AND DIRECTORS

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas. & Asst. Sec.; F. A. Bain, Asst. Treas.
Directors: R. P. Stevens, Henry L. Bogert, Herbert L. Dillon, Alfred L. Loomis, Clarence L. Harper, George Roberts, Horace S. Scarritt, John T. Harrington.
President's Office, 120 Broadway, New York, N. Y.

PENN-OHIO EDISON COMPANY

(Controlled by Penn-Ohio Securities Corporation)

History—Incorporated in June, 1923, in Delaware. Through ownership of Common stocks it controls a group of companies supplying the entire electric power and light, street and interurban railway business in an important industrial district of eastern Ohio and western Pennsylvania. The population of the territory served, which includes the cities of Youngstown and Salem, Ohio and Sharon, New Castle and Farrell, Pa., is estimated at over 410,000. More than 90% of the net earnings is derived from electric power and light business.

Control of the Penn-Ohio System, as now simplified, centers in Penn-Ohio Edison Company, owning the Common stocks of the four major subsidiary units of the System. These are:

The Pennsylvania-Ohio Power & Light Company, which owns or leases the major power generating facilities of the System, distributes electricity in the Ohio territory of the System and sells electricity at wholesale to Pennsylvania Power Company. The distributing territory of The Pennsylvania-Ohio Power & Light Company includes Youngstown, Hubbard, Girard, Salem and Struthers.

Pennsylvania Power Company owns two reserve power generating stations and purchases practically all of its energy requirements from The Pennsyl-

vania-Ohio Power & Light Company for distribution in the Pennsylvania territory of the System. This territory includes New Castle, Sharon, Farrell and Greenville. In addition Pennsylvania Power Company supplies electricity at wholesale to a group of utility properties operating to the south of its distribution territory.

Ohio River Edison Company owns the new Toronto Power House and leases this property for operation to The Pennsylvania-Ohio Power & Light Company.

Pennsylvania-Ohio Public Service Corporation controls practically all of the transportation properties of the System.

Acquisition of Stock of The Northern Ohio Power Co. Approved—Stockholders on May 1, 1928, approved the Plan and Agreement of Reorganization, dated April 12, 1928, under which Penn-Ohio Edison Co. is to acquire at least a majority of the capital stock of The Northern Ohio Power Co. through an exchange of stock whereby for each share of stock of The Northern Ohio Power Co. there will be delivered 2-3 share of Common stock of Penn-Ohio Edison Co. and 1-3 of an Option Warrant, Series "B," entitling the holder to purchase 1 share of Common stock of the Penn-Ohio Edison Co. as such Common stock may be constituted at the time of the exercise thereof, at $50 per share on or prior to Dec. 31, 1928; at $55 per share during the calendar year 1929; and at $60 per share thereafter, but on or prior to the expiration date of the Option Warrant, Nov. 1, 1935.

Common stock and Option Warrants, Series "B," will only be issued for full shares and full Option Warrants, Series "B", and scrip certificates will be issued for fractions. Scrip certificates will not bear dividends or entitle the holders to any rights as stockholders.

The plan was to become operative upon deposit of 70% of the capital stock of The Northern Ohio Power Co. on or before May 15, 1928, but the Penn-Ohio Edison Co. reserved the right to declare the plan operative upon deposit of at least a majority of the stock of The Northern Ohio Power Co. Accordingly the plan was operative on May 15, 1928, a majority of the stock having been deposited. Holders of the capital stock of The Northern Ohio Power Co. were requested to deposit their stock certificates with the Bankers Trust Co., New York, N. Y., Depositary under the Plan on or before June 11, 1928.

In furtherance of the above plan stockholders of the Penn-Ohio Edison Co. on May 1, 1928, increased the authorized number of Common shares from 500,000 to 2,000,000.

SUBSIDIARY COMPANIES COMPRISED IN PENN-OHIO EDISON SYSTEM

(Indentation indicates subsidiary relationship)

The Pennsylvania-Ohio Power & Light Company
- The Mahoning County Light Company
- Shenango Valley Traction Company
- The Northeast Coal Company
- Penn-Ohio Realty Company

Ohio River Edison Company
- The Ohio River Transmission Company

Pennsylvania Power Company
- Ellwood City Hydroelectric Company
- Boston Mining Company

Pennsylvania-Ohio Public Service Corporation
- The Akron-Youngstown Bus Company
- Cleveland-Mahoning Valley Coach Company
- The East End Traction Company
- New Castle Electric Street Railway Company
- The New Castle and Lowell Railway Company
- The New Castle Traction Company
- Pennsylvania and Mahoning Valley Railway Company
- The Pennsylvania-Ohio Coach Lines Company
- The Pennsylvania-Ohio Tourist Company
- The Youngstown Municipal Railway Company
- The West End Traction Company

New Castle and Lowell Realty Company

The Pennsylvania-Ohio Electric Company, formerly controlled by The Penn-Ohio Edison Co., having sold its subsidiary, The Youngstown Gas Company, to East Ohio Gas Co. (see page 594) in September, 1927, redeemed its Preferred stock at par and was liquidated as of February 29, 1928. For last published statement see 1927 Public Utility Volume, page 1479.

OPERATING STATISTICS, DECEMBER 31

(The following statistics show the volume of business done by the combined properties of subsidiaries of the Penn-Ohio Edison Company)

Electrical Department	1927	1926	1925	1924	1923	1922
No. of generating stations	6	6	7	5	5	3
Kilowatt generating capacity	177,750	144,750	144,885	78,750	78,750	73,250
K. w. h. feeder output for 12 months	541,391,907	513,875,028	405,947,325	341,178,388	340,381,755	270,738,326
Miles of high voltage transmission lines in operation	586	542	486	385	332	250
Miles of electric distributing lines in service (overhead)	2,400	2,100	1,910	1,626	1,454	975
Miles of electric distributing lines in service (underground conduit)	41	41	41	41	41	31
No. of electric customers	86,686	81,029	76,298	68,801	59,102	47,563
Transportation Department						
Miles of track	149.21	159.68	176.90	178.86	178.86	178.86
No. of busses	118	121	85	80	57	17
Car miles operated	7,373,244	7,733,898	7,974,205	7,968,274	8,323,495	8,627,362
Bus miles operated	5,100,553	4,690,982	3,787,274	3,139,805	1,744,694	312,624
No. of passengers carried by cars	37,261,218	40,786,996	41,854,531	41,727,759	43,614,575	46,542,961
No. of passengers carried by busses	13,368,777	13,477,471	11,093,056	9,710,792	3,933,097	697,544

CAPITAL STOCK

Authorized 2,000,000 (increased from 500,000 May 1, 1928) shares of no par value Common, $15,000,000 7% cumulative Prior Preference and 51,914 no par value shares $6 cumulative (since Jan. 15, 1926) Pfd.; outstanding, Dec. 31, 1927, 375,962.66 shares Common (including scrip), $8,145,900 Prior Preference and 49,229 shares Pfd.; par of Prior Preference, $100. The $6 cumulative Pfd. stock is subject to redemption at 110. Penn-Ohio Securities Corp. owns 270,000 shares Common.

Provisions of Prior Preference Stock—Prior Preference stock has preference for dividends and assets over the Pfd. and Common stocks of Company and is subject to redemption as a whole on any dividend date upon 30 days' notice at 110 and accrued dividends. In case of liquidation or dissolution this stock is entitled to par and accrued dividends before any payment is made to holders of other stock of Company. The Prior Preference stock, unless as required under the Delaware law, has no voting power except upon failure of Company to pay when due four successive quarterly dividends, in which case the Prior Preference stock is entitled to one vote for each share so long as such failure to pay dividends continues; but such voting power ceases upon subsequent payment by Company of all such accumulated and unpaid dividends, subject, however, to renewal on similar failure to pay dividends. Company agrees to refund from its surplus to holders residing in Pennsylvania, the Pennsylvania 4 Mill tax on application within 60 days after payment.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—The New York Trust Co., New York.

Legal Opinion (Prior Preference Stock)—Winthrop & Stimson, New York, and Kellogg, Emery, Inness-Brown & Cuthell, New York.

Original Offering (Prior Preference Stock)—First publicly offered ($1,000,000) in December, 1925, at 96½ and accrued dividend by Bonbright & Co., Inc.,

tman, Dillon & Co., W. C. Langley & Co., New k, etc., and Harper & Turner, Philadelphia.

nnual Meeting—Fourth Tuesday in June.

rice Range—

	1927	1926	1925
Preference—			
gh	110¾	97½	96½
w	97¾	95⅞	95
referred—			
gh	97	..	..
w	80⅛	..	..

ividends—Prior Preference dividends regularly quarterly, M, J, S & D 1. Initial dividend of 0 a share on $6 Pfd. paid April 15, 1926; which terly rate maintained to date; payments J, A, J & 5. Initial quarterly dividend of 25 cents cash and)th of a share in Common stock paid on Common k May 2, 1927; 25 cents cash quarterly and 1/50th share in Common stock semi-annually continued larly since; payments in cash F, M, A & N 1, and tock, M & N 1.

FUNDED DEBT

(1)

9,000 6% GOLD DEBENTURES, SERIES "A"; DUE NOEMBER 1, 1950

)ated November 1, 1925.

nterest Payable May and November 1 at office or ncy of Company in New York.

)enominations—Coupon, $100, $500 and $1,000 (inhangeable) and fully registered, $1,000 and aurized multiples. Coupon debentures in denomiions of $1,000 and fully registered Debentures are rchangeable.

'rustee—Central Union Trust Co. of New York.

'rovisions of Issue—Issued, $6,000,000 Series "A," proceeds from sale of which were to be applied he retirement of the $3,250,000 Secured 6½% Gold es of Company and certain funded indebtedness of sidiary companies, and for other corporate purses. Series "A" Debentures were issued under an eement dated Nov. 1, 1925, which provides that itional Debentures may be issued in one or more es, bearing such rates of interest, maturing on h dates and redeemable on such terms, and conring all such rights and limitations as the Board Directors may determine, prior to the issue thereof. e Agreement also provides, among other things, t no additional Debentures may be issued thereder, except for refunding Debentures of another es, par for par, unless the consolidated net income, defined in the Agreement, of the Company and its sidiaries after deducting all operating expenses l taxes and all interest and dividends on securities subsidiary companies held by the public, for 12 secutive months within the 15 preceding calendar nths, shall have been at least 2½ times the annual erest charges on all the indebtedness of Company, luding the Debentures then to be issued, but exding charges on indebtedness subordinate to the bentures and excluding indebtedness to be concurrently paid off through the proceeds from the sale of capital stock, or of the sale of such issue of Debentures.

Callability—Series "A" Debentures are subject to call as a whole or in part at any time upon at least 30 days' notice, at 105 on or before October 31, 1940, at ½% less each succeeding year up to and including October 31, 1949, and thereafter at par, in each case with accrued interest.

Security—These debentures are the direct obligations of Penn-Ohio Edison Company. Company covenants that as long as any Debentures are outstanding it will not issue (1) any unsecured evidences of indebtedness maturing more than five years from the date of issuance thereof, except under the Agreement, or (2) any secured evidences of indebtedness maturing more than five years from the date of issuance thereof, without equally securing these Debentures.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills tax and Massachusetts Income Tax not exceeding 6% per annum refundable upon application within 60 days after payment.

Legal Opinion—Winthrop & Stimson and Kellogg, Emery, Inness-Brown & Cuthell, New York.

Original Offering—First publicly offered ($6,000,000 with Com. stock Purchase Warrants) in November 1925, at 96½ and interest, to yield over 6.25%, by Bonbright & Co., Inc., Eastman, Dillon & Co., New York, and Harper & Turner, Philadelphia.

Option Warrants—This issue of Debentures was accompanied by Option Warrants, in the ratio of 20 warrants to each $1,000 Debenture. Each Option Warrant entitles the holder to purchase one share of the Com. stock of Company at any time at $25 a share, up to and including November 1, 1935, and these Debentures will be accepted at their principal amount and accrued interest in lieu of cash in payment for such stock.

Listed—Boston Stock Exchange and New York Curb Market.

Price Range—

	1927	1926	1925
High	103⅞	118½	98⅞
Low	95¼	98	96¾

GUARANTEED BONDS

(2)

In addition company guarantees, principal and interest, an issue of $6,827,500 6% First Mortgage Sinking Fund Gold Bonds, Series of 1923, and $3,921,500 5% First Mortgage Sinking Fund Gold Bonds, Series of 1926, of the Ohio River Edison Co. For description of these bonds see subsequent page.

NOTE REDEMPTION

All of Company's $3,370,000 6½% Gold Notes, due July 1, 1953, formerly owned by The Pennsylvania-Ohio Electric Co. were retired in connection with the liquidation of that company.

CONDENSED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	*1924	*1923	*1922
ss income	$13,032,066	$12,733,256	$11,313,974	$10,546,267	$9,935,924	$8,405,882
erating expenses and taxes	7,536,692	7,470,829	7,037,695	6,993,632	6,655,552	5,726,102
et earnings	$5,495,374	$5,262,427	$4,276,279	$3,552,635	$3,280,372	$2,679,780
erest and discount	2,433,044	2,626,106	2,230,162	2,013,210	1,973,868	1,631,529
Net income available for retire. reserve and divds.	$3,062,330	$2,636,321	$2,046,117	$1,539,425	$1,306,504	$1,048.251
preciation	609,649	583,765	.....	.....	.....	.....
ds. on Pfd. stock of sub. cos. in hands of public	896,937	695,869	791,058	836,882	608,557	490,889
idends on Penn-Ohio Edison Co. stock:						
On 7% Prior Preference	558,955	403,228	79,598	.....	.....	.....
On $6 Preferred	296,045	298,506	.....	.....	.....	.....
On Common in cash	474,776	.....	.....	.....	.....	.....
On Com. in stock at stated value of $5 per share	72,928	.....	.....	.....	.....	.....
alance	$153,040	$654,953	$1,175,461	$702,543	$697,947	$557,362
nes Fixed Charges Earned	2.00	1.78	†1.91	†1.76	†1.66	†1.64
rnings Per Share—						
rior Preference	$19.09	$20.86	.....	.....	.....	.....
6 Preferred	20.25	18.36	.....	.....	.....	.....
ommon	1.86	1.90	.....	.....	.....	.....

*These figures (1922-1924) are the consolidated earnings of Republic Railway & Light Co. and are shown merely for purpose comparison. †Before depreciation.

DETAILED CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Penn-Ohio Edison Company and Subsidiaries)

Operating Revenues:		Deduct Charges of Sub. Cos.—	
Electric	$8,606,759	Interest on funded debt	$2,093,(
Railway	2,651,408	Interest on unfunded debt	45,(
Motor bus	1,404,841	Amort. of debt disc., premium and expense	227,(
Steam heating	101,554	Dividends of Preferred stock	896,(
Gas, park and real estate	138,428		
Total	$12,902,990	Total	$3,263,(
Other income	129,075	Less—Interest charged to construction	328,(
Gross income	$13,032,065	Total charges	$2,935,(
Operating expenses	6,602,132	Net income available for retirement reserves and charges of P.-O. E. Co.	2,560,(
Taxes	934,560	Deduct Charges of P.-O. E. Co.—	
		Interest on funded debt	$359,(
		Interest on unfunded debt	1,(
		Amort. of debt disc. & exp.	33,(
		Total	$394,(
Net earnings	$5,495,373	Net income for retirement reserve, divds. on P.-O. E. Co. stock, etc.	2,165,(

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1927
(Penn-Ohio Edison Co. and Subsidiaries)

Surplus Balance—Jan. 1, 1927	$1,604,978	Deduct:	
Net income available for retirement reserve, etc. (as above)	2,165,394	Appropriation for retirement reserve based on fixed percentages of operating revenues, less actual maintenance charges, as specified by Board of Directors	$609,(
		Amortization of lease and certificate of convenience	20,(
		Dividends on Penn-Ohio Edison Co. stock:	
		On 7% Prior Preference	$558,(
		On $6 Preferred	296,(
		On Common—cash dividends	474,(
		On Common—stock dividends at stated value of $5.00 a share	72,(
		Loss on liquidation of sub. cos.—net	49,(
		Discount and expense on bonds retired	26,(
		Amortization of premium and discount on Preferred stock retired	41,(
		Sundry items—net	5,(
Total	$3,770,372	Total deductions	$2,156,(
		Surplus Dec. 31, 1927	$1,613,(

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Penn-Ohio Edison Co. and Subsidiaries)

Assets—	1927	1926	Liabilities—	1927	192
Property, plant franchise, etc.	$70,463,850	$62,791,207	Common stock	†$1,879,813	$2,409,(
Advances for construction and acquisition of prop.	402,240	592,323	Prior Preference stock	8,154,200	6,505,(
Funds available for Ohio River Edison Co. construction	930,195	2,863,660	Preferred stock	4,922,900	5,191,(
Deposits for retirement of bonds, int. payments, etc.	692,473	1,051,875	Capital stock of subsidiaries in hands of public	17,170,514	11,160,(
Sinking fund and other deposits	337,571	77,993	Funded debt—Penn-Ohio Edison Co.	5,999,000	6,000,(
Investment in bonds and notes of other cos.	260,600	391,500	Funded debt—sub. cos.	37,793,000	38,509,(
Sundry investments	17,285	12,369	Funded debt being retired, int., etc., covered by deposits	692,473	1,051,(
Cash and working funds	2,366,013	1,725,949	Notes payable	12,943	163,(
U. S. Treasury Ctfs. at cost	1,365,310	.....	Accounts payable	321,729	447,(
§Accounts, notes and interest receivable, less reserves	970,632	1,020,774	Accrued taxes	1,085,438	833,(
Due on subscriptions to Pfd. stock	171,859	250,546	Accrued interest	78,050	84,(
Materials and supplies	1,477,251	1,335,009	Accrued Pfd. dividends	210,380	163,(
*Suspense Assets—			Reserve for Common dividends	62,626	.....
Operating expenses, plus stipulated return on agreed valuation in excess of revenues prior to Dec. 31, 1921	614,496	614,496	Sundry current liabilities	91,380	83,(
Paving assessments chargeable to future operating costs	168,892	169,132	Consumers' deposits and accrued int.	848,748	819,(
Bond discount, premium and expense in process of amortization	6,266,245	6,538,631	Paving assessment obligations	175,875	173,(
Stock discount of Ohio subsidiary cos.	369,700	698,005	Car trust and coach purchase notes	.....	181,(
Premium & discount on Preferred stock retired in process of amortization	735,187	.....	Retirement reserve	1,555,740	998,(
Deferred charges and prepaid accts.	167,072	227,756	Other reserves	138,211	117,(
			Discount on Pfd. stock reacquired	53,700	.....
			Capital surplus	4,916,597	3,862,(
			Surplus	1,613,554	1,604,(
Total	$87,776,871	$80,361,224	Total	$87,776,871	$80,361,(

*Arising from operation of Youngstown City Lines under service-at-cost franchise. †Represented by 375,692 66/100 shares (including scrip) of no par value at stated value of $5 per share. §After deducting reserve of $33,154 in 1927 and $37,312 in 1926.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Penn-Ohio Edison Co. and Subsidiaries)

Current Assets—	1927	1926	Current Liabilities—	1927	1926
Cash and working funds	$2,366,013	$1,725,948	Notes payable	$12,943	$163,(
U. S. Treasury certificates at cost	1,365,310	.....	Accounts payable	321,729	447,(
*Accounts, notes and interest receiv.	970,632	1,020,774	Accrued taxes	1,085,438	833,(
Due on subscriptions to Pfd. stock	171,859	250,546	Accrued interest	78,050	84,(
Materials and supplies	1,477,251	1,335,009	Accrued dividends on Pfd. stock	210,380	163,(
			Reserve for divds. on Common stock	62,626	.....
			Unredeemed tickets and sundry items	91,380	83,(
Total	$6,351,065	$4,332,277	Total	$1,862,546	$1,775,(
Net Working Capital				$4,488,519	$2,556,(

*After deducting reserve of $33,154 in 1927 and $37,312 in 1926.

fficers: R. P. Stevens, Pres.; H. A. Clarke, V-P., v York, N. Y.; John T. Harrington, V-P.; C. S. Calla, V-P., Youngstown, Ohio; E. W. Freeman, as. & Asst. Sec.; Frederick P. Smith, Sec., New k; F. A. Bain, Asst. Treas.

Directors: Henry L. Bogert, Jr., Herbert L. Dillon, Clarence L. Harper, John T. Harrington, Alfred L. Loomis, George Roberts, Horace S. Scarritt, R. P. Stevens.

President's Office, 120 Broadway, New York, Corporate Office, 8 West 10th St., Wilmington, Del.

THE PENNSYLVANIA-OHIO POWER & LIGHT COMPANY

(Controlled by Penn-Ohio Edison Co.)

istory—Incorporated May 27, 1926, in Ohio, to solidate old company of same name with East Ohio ver & Light Co. (see 1926 Public Utility Manual, e 1849). In 1926, sold its electric properties in State of Pennsylvania to Pennsylvania Power npany. Controls the Mahoning County Light npany, Shenango Valley Traction Company and Northeast Coal Company. This latter Company incorporated July 12, 1923 with a nominal capiof $500, to take over between 8,000 and 10,000 acres oal lands in Jefferson County, O., along the Ohio er in connection with the power development there.

roperty and Business—Operations of the Company race the production of the greater part of the n-Ohio Edison Company System's power output the retail distribution of electric energy throughthe System's territory in the State of Ohio. This itory covers an area of 760 square miles and a ulation of 250,000. The principal cities served are ngstown, Girard, Struthers and Campbell; other portant communities are Hubbard, Salem, Columna, Leetonia and Lisbon.

The Pennsylvania-Ohio Power & Light Company es for a period of 999 years the new power plant Ohio River Edison Company, the capacity of which ultimately be 350,000 h.p. and which is now be- increased from 132,000 h.p. to 176,000 h.p. The wellville Power Station, with an installed capacity 30,000 h.p., is directly owned by the Pennsylvania-Ohio Power & Light Company. In the downtown ter of Youngstown the Company owns the North enue Station of 16,000 h.p. which is operated prinally to supply steam heat in the business section he city. In addition a smaller steam plant of 4,000 capacity at Salem is held in reserve for emergency vice. All told, the Company owns power plants h 100,000 h.p. installed generating capacity and es 132,000 h.p. additional, making its total resources ,000 h.p. There are 339 miles of high tension transsion lines and 1,300 miles of distributing lines. Elecrailway lines consist of 61.94 miles of track, 49.35 es of which is interurban, approximately 40 miles ng on private right of way.

CAPITAL STOCK

Authorized, 400,000 shares Common of no par value creased from 240,000 shares in 1927), $3,250,000 8% mulative Pfd. of $100 par value, $5,750,000 7% cumtive Pfd. of $100 par value, $2,000,000 7.2% cumulaPfd. of $100 par value, $4,000,000 6.6% cumulative Pfd. of $100 par value, and 100,000 shares $6 cumulaPfd. of no par value (authorized June 21, 1927); standing Dec. 31, 1927, 240,400 shares Common, 47,300 7% Pfd., $484,400 7.2% Pfd., $932,900 6.6% Pfd. and 79,502 shares $6 no par Pfd. The previously standing 8% Pfd. was called for payment on Aug. 1, 7 at $115 and accrued dividend per share. The n-Ohio Edison Company owns all the Common and $1,007,300 7% Pfd. (These amounts are included he stocks shown as outstanding Dec. 31, 1927).

Preferred Stock Provisions—All classes of Pfd. stock rank equally, except as to dividend rates and redemption and voluntary dissolution prices, have preference as to dividends and assets over Common, and are callable as a whole or in part on any dividend date on 30 days' notice, the $100 par 7% Pfd., 7.2% Pfd., and 6.6% Pfd. at $115 and accrued dividend, and the no par $6 Pfd. at $110 a share and accrued dividends.

In voluntary liquidation or dissolution the 7.2%, 7%, and 6.6% Pfd. are entitled to $115 a share and accrued dividends and the $6 Pfd. to $110 per share and accrued dividends before any distribution can be made to Common.

The total authorized amount of the no par Pfd. stock is 100,000 shares, and additional shares may be issued from time to time bearing such dividend rates not in excess of $6 per share per annum as may be determined.

No additional Pfd. stock may be issued unless net earnings available for dividends on all series of Pfd. for 12 months ending within 90 days preceding such additional issues are equal to at least twice the annual dividend requirements on all Pfd. outstanding including that to be issued.

No Pfd. stock or stock of any other character shall be issued which shall have priority with respect to dividends or upon liquidation or dissolution to the present authorized Pfd.

Pfd. has no voting rights unless and so long as three quarterly dividends are in default. Holders of Pfd. have no right to subscribe for any new or additional Pfd. or Common stock or securities convertible into such stock.

Transfer Agents—Bankers Trust Co., New York and Mahoning National Bank, Youngstown, Ohio.

Registrars—The New York Trust Co., New York, and Mahoning Savings and Trust Co., Youngstown, Ohio.

Legal Opinion ($6 Preferred stock)—Winthrop, Stimson, Putnam & Roberts, New York.

Original Offering—$6 Preferred stock first publicly offered (35,000 shares of no par value) in July, 1927, at $98.50 per share and dividend to yield 6.90% by Bonbright Co., Inc., W. C. Langley & Co., Eastman, Dillon & Co., New York, etc., and Harper & Turner, Philadelphia, Pa. 35,000 additional shares of this stock publicly offered in October, 1927, at $99 and dividend to yield about 6.05%, by the same bankers.

Annual Meeting—Second Monday in February.

Price Range—

	1927	1926	1925	1924	1923
7% Preferred—					
High	110	100	105	96	90
Low	109	94	99½	84	84
6.6% Preferred—					
High	102	..	..	..	..
Low	100	..	..	..	..
$6 Preferred—					
High	101	..	..	..	..
Low	96	..	..	..	..

Dividends—All Preferred dividends regularly paid since issuance. Initial dividend on 8% Pfd. stock paid Feb. 1, 1921; regularly paid to Aug. 1, 1927, when it was redeemed. Initial payment on 7% Pfd. made May 1, 1923; payments quarterly, F, M, A & N 1. Initial payment on 7.2% Pfd. made Dec. 1, 1924; payments monthly, Jan. 1, etc., at the rate of 60 cents per share. Dividends at rate of 55 cents per share are being regularly paid each month on the 6.6% Pfd.; payments, Jan. 1, etc. Initial quarterly dividend of $1.50 on $6 Pfd. stock was paid Aug. 1, 1927; payments quarterly, F, M, A & N 1. Dividends paid on Common but rate not stated.

FUNDED DEBT

(1)

$1,135,000 YOUNGSTOWN-SHARON RY. & LIGHT CO. FIRST SINKING FUND GOLD 5s; DUE JAN. 1, 1931

Dated December 31, 1900.

Interest Payable January and July 1, at The New York Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized and issued, $2,500,000, of which $60,000 are pledged as collateral for The Pennsylvania-Ohio Power and Light Co. First and Refunding Mortgage, and $1,305,000 are held alive in sinking fund.

Callability—Subject to call as a whole or in part at 115 and interest on any interest date upon two weeks' notice.

Sinking Fund—1% annually of the face value of bonds outstanding from Jan. 1, 1906 to 1915, inclusive; 1½% annually since. Sinking fund is to be invested in the bonds, providing they can be obtained at a price to net not less than 3½% on the investment, bonds so purchased to be held alive in sinking fund.

Security—A first lien on the entire property, including substantially all of the stocks and bonds of the underlying companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in 1901, at 102 and interest.

Price Range—

	*1927	*1926	1925	1924	1923	1922
High	101	100	96	96	90	93
Low	98	98	bid	bid	bid	bid

*High and low bid.

(2)

$114,000 SHARON & NEW CASTLE RAILWAYS CO. FIRST LIEN SINKING FUND GOLD 5s; DUE JULY 1, 1931

Dated July 1, 1901.

Interest Payable January and July 1, at New York Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized and issued $500,000, of which $150,000 are pledged as collateral for The Pennsylvania-Ohio Power & Light Co. First and Refunding Mortgage and $236,000 have been acquired for the sinking fund.

Callability—Subject to call at 115 and interest on any interest date.

Sinking Fund—Sinking fund provides that amount equal to 1% of outstanding bonds be set apart annually for ten years from Jan. 1, 1906, and 1½% annually thereafter, to purchase bonds at prices to yield at least 3½%; bonds so purchased to be kept alive in the fund.

Security—A first lien on the entire property by pledge of the entire capital stock of Sharon & New Castle Street Railway Co. (of Pa.) and of Sharon & New Castle Railway Co. (of Ohio) and all the bonds of said companies, viz., $120,000 7s due 1931 of the former and $380,000 5s, due 1931, of the latter.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$19,000,000 THE PENNSYLVANIA-OHIO POWER & LIGHT CO. FIRST & REFUNDING GOLD 5½s, SERIES "A"; DUE JULY 1, 1954

Dated July 1, 1924.

Interest Payable January and July 1, at Lee, Higginson & Co., New York, Boston and Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered; fully registered bonds, $1,000 and authorized multiples; interchangeable.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Issued, together with the $2,700,000 15-Year Gold Debenture 6s, to provide funds for the retirement of all the First and Refunding Mtge. Sinking Fund 7½s, due Nov. 1, 1940, all the 3-Yr. 6% Secured Notes, due June 1, 1926, and all the 10-Yr. 8% Bond Secured Notes due Nov. 1, 1930, and also to provide additional working capital to reimburse the treasury for expenditures for additions made and for further additions to the company's property.

Further series may bear interest at such rates, m ture at such dates, and may have such provisions to callability, sinking fund, conversion, etc., as may b determined by the Board of Directors at the time creation of each series. The total authorized issue not limited in amount, but is restricted by provisio that no further bonds may be issued except (a) par f par to retire the $1,545,000 Underlying Bonds now ou standing and (b) for not exceeding 75% of the cost additional properties acquired directly or throug subsidiaries and of future additions, extensions ar improvements to the properties of the company its subsidiaries, but only when net earnings of th company's system for twelve months ending with sixteen months of the date of application for add tional bonds, shall have been at least 1¾ times all i terest charges on First & Refunding Mtge. Bonds ar Underlying Bonds, excluding interest on bonds held sinking funds of divisional mortgages. Mortgage pr vides that its terms and provisions, with certain e ceptions may be modified upon vote of 80% of th bonds outstanding.

Callability—Subject to call, as a whole or in par at any time on 30 days' notice, at 105 and interest pri to July 1, 1930, the premium thereafter decreasin 1% each six years to maturity.

Improvement and Sinking Fund—Mortgage pr vides for an annual Improvement and Sinking Fun at the rate of 1% per annum of total First & R funding Bonds issued, of all series then outstandin except bonds retired through issuance of other bon or securities, to be used, at the company's option f additions and improvements which could otherwi be made the basis for the issuance of First & Refun ing Mtge. Bonds, or for retirement of Underlyin Bonds, or for retirement of First & Refundin Bonds.

Security—These bonds are secured by a direct fir mortgage on the company's power plant at Lowel ville; a first collateral lien, through pledge of all ou standing securities, upon the properties of th Pennsylvania Power Co., owning a hydro-electr power and light plant with a capacity of 1,675 h.p. Ellwood City, Pa.; a first lien on all the high tensio transmission lines and a large part of the distributio systems; and a mortgage, subject only to $1,545,0 Underlying Divisional Bonds, on all other properti and securities now owned by the company. The mor gage provides that it shall also cover all properti thereafter acquired with proceeds of First & Refun ing Mortgage Bonds. The mortgage further provide that while any of the First & Refunding Mtge. Bon are outstanding, none of the subsidiary companies sha issue any securities (except Pfd. stock, which, toget er with the total funded debt of any such subsidia outstanding in the hands of the public, shall not e ceed 40% of its property value) or incur any indeb edness, other than ordinary operating accounts, u less such securities and indebtedness are acquired ar pledged under this mortgage.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%. Pennsylvania four mills t refunded.

Legal Opinion—Ropes, Gray, Boyden & Perkin Boston (for the Bankers) and Sullivan & Cromwe New York (for the Company).

Original Offering—First publicly offered ($19,000 000) in June, 1924, at 98 and interest yielding abo 5.65%, by Lee, Higginson & Co., National City C and Bonbright & Co., Inc., New York, and Reill Brock & Co., and Graham, Parsons & Co., Philade phia.

Price Range—

	1927	1926	1925	19
High	104	101¾	99½	95
Low	100½	98½	95	bid

(4)

,700,000 THE PENNSYLVANIA-OHIO POWER & LIGHT CO. IFTEEN-YEAR GOLD DEBENTURE 6s; DUE JULY 1, 1939

Dated July 1, 1924.

Interest Payable January and July 1, at Lee, Higinson & Co., New York, Boston and Chicago.

Denominations—Coupon, $500 and $1,000; princiil may be registered; fully registered debentures ,000 and authorized multiples; interchangeable.

Trustee—The National City Bank, New York.

Provisions of Issue—The proceeds from the sale of ese Debentures, together with the $19,000,000 First Refunding Gold 5½s, were used to retire all the irst & Refunding Mtge. Sinking Fund 7½s, due Nov. 1940, all the 3-Yr. 6% Secured Notes, due June 1, 926, and all the 10-Yr. 8% Bond Secured Notes, due ov. 1, 1930, and also to provide additional working pital, to reimburse the treasury for expenditures for ldditions made, and for further additions to the comny's property.

Callability—Subject to call as a whole or in part, at ıy time on 30 days' notice, at 105 and interest during ıe first three years, the premium thereafter decreasıg 1% each three years to maturity.

Security—A direct obligation of Company but not secured by mortgage.

The Indenture provides that so long as any of these debentures are outstanding, the company will not create any further mortgage or pledge of its property, other than the issuance of additional bonds under the company's First & Refunding Mortgage without equally securing this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mills tax refunded.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the Bankers) and Sullivan & Cromwell, New York (for the Company).

Original Offering—First publicly offered ($2,700,000) in June, 1924, at 97½ and interest, yielding over 6¼%, by Lee, Higginson & Co., National City Co., and Bonbright & Co., Inc., New York, and Reilly, Brock & Co. and Graham, Parsons & Co., Philadelphia.

Price Range—

	1927	1926	1925	1924
High	101¾	100	99½	..
Low	99	97	94	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Pennsylvania-Ohio Power & Light Co. and Sub. Cos.)
(Inter-Company Items Eliminated)

	1927	§1926	1925	1924	1923
ross earnings	$7,437,827	‡$7,053,134	$5,654,558	$5,078,418	$5,059,702
perating expenses & taxes	4,115,624	3,935,867	3,653,645	2,931,250	2,962,898
Net earnings	$3,322,203	$3,117,267	$2,000,913	$2,147,168	$2,096,804
ther income	.....	.....	824,870	563,446	518,293
Total income	$3,322,203	$3,117,267	$2,825,783	$2,710,614	$2,615,097
ıterest on funded debt	1,278,201	1,285,143	1,286,149	1,333,759	1,343,198
ther interest	19,953	113,821	75,941	†18,451	4,665
iscount on bonds	153,482	155,297	153,257	145,885	127,312
Total charges	$1,451,636	$1,554,262	$1,515,347	$1,416,193	$1,475,175
alance for dividends	$1,870,567	$1,563,006	$1,310,436	$1,249,421	$1,139,922
referred dividends paid	576,845	468,636	365,013	332,448	295,387
Balance for depreciation & Common stock dividend	$1,293,722	$1,094,370	$945,423	$916,973	$844,535
Times Bond Int. Earned	2.46	2.21	2.13	2.03	1.94
Earnings Per Share—					
Preferred	$15.83	$21.79	$27.09	$28.30	$27.35

*Before depreciation. †Credit. ‡Includes other income. §Earnings of The Pennsylvania Ohio Power & Light Co. as now onstituted.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923
Assets—					
roperty, franchises, etc.	$34,897,815	$31,503,381	$31,707,810	$28,672,980	$27,269,851
ash	195,004	103,505	146,164	186,434	209,425
pecial funds and deposits	2,287,293	730,984	754,510	336,530	177,432
eceivables	1,874,845	4,117,641	2,420,918	2,610,762	1,669,403
laterials and supplies	1,217,905	1,079,519	879,425	672,800	862,821
repayments, etc.	396,967	269,239	385,681	564,760	205,720
namortized debt discount and expense	4,328,174	4,453,615	4,199,630	4,310,340	1,502,998
spense, etc.	402,384	343,800	283,943	299,326	279,242
Total	$45,600,387	$42,601,684	$40,778,081	$37,653,932	$32,176,892
Liabilities—					
ommon stock	$6,010,000	$6,010,000	$6,000,000	$6,000,000	$6,000,000
referred stock	12,145,857	7,173,100	4,903,600	4,415,400	4,128,800
fd. stock subscriptions	250,710	27,200	104,500	257,300	90,000
unded debt	23,022,000	23,131,000	23,245,000	23,328,000	19,228,900
oans and notes payable	53,973	21,660	2,269,707	444,151	109,988
ccounts payable	877,610	2,852,147	1,017,424	669,697	568,094
ccruals, etc.	1,063,191	1,341,130	593,791	504,994	624,693
onsumers' deposits	642,479	687,093	579,570	447,557	419,010
eserves	923,847	725,080	930,193	832,516	639,410
urplus	610,720	633,274	1,134,296	754,317	367,997
Total	$45,600,387	$42,601,684	$40,778,081	$37,653,932	$32,176,892

Officers: John T. Harrington, Pres. & Gen. Counsel; Clifford S. MacCalla, V-P. & Gen. Mgr.; H. A. Clarke, V-P.; H. M. Billingsley, V-P. & Sec.; E. G. Dunlap, V-P., Treas. & Asst. Sec.; E. W. Freeman, Asst. Sec.; F. A. Bain, Asst. Treas.; A. R. Hughes, Asst. Treas. & Asst. Sec.; F. E. Wilkin, Aud.

Directors: Clifford S. MacCalla, J. T. Harrington, H. A. Clarke, Union C. DeFord, John M. Rowland, Charles F. Smith, Philip H. Schaff, W. H. Foster, E. G. Dunlap, A. R. Hughes, F. E. Wilkin.

Office, Youngstown, Ohio.

OHIO RIVER EDISON COMPANY

(Controlled by Penn-Ohio Edison Co.)

History and Property—Incorporated June 26, 1923 n Del. under a perpetual charter. In March, 1925, Company completed construction of a modern steam electric power plant on the Ohio River near Toronto, Ohio, with an initial installed capacity of 88,000 h.p. In November, 1927 construction of a third turbine unit

of 44,000 h.p. was completed. A fourth turbine unit of 44,000 h.p. was expected to be ready for operation about Sept. 1, 1928. The completion of this work will bring the capacity of the Toronto Power Station up to 176,000 h.p., exactly half of the ultimate capacity of the station. The output is distributed by The Pennsylvania-Ohio Power & Light Co. in the important industrial district lying between Pittsburgh and Cleveland, centering at Youngstown, Ohio, and Sharon and New Castle, Pennsylvania. The new plant is connected with the transmission lines of The Pennsylvania-Ohio Power & Light Co., near Boardman, Ohio, by a high voltage steel tower transmission line of approximately 39 miles, which has been constructed and is owned by a subsidiary of Ohio River Edison Co., **The Ohio River Transmission Co.** The Ohio River Edison Co. has also constructed a substation at the new plant.

The plant, transmission line and substations have been leased to The Pennsylvania Ohio Power & Light Co. for a term of 999 years at an unconditional annual rental, which, after deducting all charges, will leave a balance for dividends on the Common stock. The lessee shall maintain the plant, transmission line and substations in good condition and shall pay all taxes assessed against them.

CAPITAL STOCK

Authorized, 600,000 shares Common of no par value (increased from 300,000 shares Oct. 26, 1927, $6,000,000 7% cumulative guaranteed Pfd., par, $100, and $6,000,000 6% Preferred (authorized Oct. 26, 1927); outstanding, 230,000 shares Common and $4,600,000 7% guaranteed Pfd. The entire Common stock outstanding is owned by the Penn-Ohio Edison Co., which Company unconditionally guarantees the dividends and liquidation price of the Pfd. stock by endorsement.

Preferred Stock Provisions—The Pfd. stock has preference as to assets and dividends and is entitled in the event of dissolution or liquidation, whether voluntary or involuntary, to $110 per share and unpaid and accrued dividends before any amount shall be paid to the holders of Common stock. Redeemable as a whole on any dividend date, on at least 30 and not more than 60 days' notice, at $110 per share and accrued dividends. The sole voting power is vested in the Common stock, but in the event of default in payment of any one quarterly dividend on the Pfd. stock for a period of 30 days, and so long as such default shall continue, voting power shall pass from the Common stock to the 7% cumulative guaranteed Pfd. The Certificate of Incorporation provides that, without the consent or affirmative vote of holders of 70% of the Pfd. stock, the company shall not (a) lease its property and the property of its subsidiary for a net rental less than twice the annual interest charges on all the bonds of the company then outstanding, and which, after deducting the annual interest requirements for such bonds and any sinking fund obligation on account of the same, shall leave a sum less than twice the annual dividend requirements of the Pfd. stock then outstanding; (b) consent to the cancellation of such lease or leases to be made nor to any reduction in the rent thereof to an amount less than the minimum in the foregoing statement; (c) incur any debt other than that represented by the First Mortgage Sinking Fund Gold Bonds in excess of the aggregate sum of $500,000 at any one time outstanding, and that the company shall not amend its Certificate of Incorporation in any particular except that with the consent of such percentage of the holders of Pfd. stock as is required by law (now 51%), the authorized Pfd. stock may be increased to $15,000,000.

The issue of Pfd. stock, however, is subject to the condition that the par value of Pfd. stock in excess of $3,000,000 at any time outstanding shall not exceed 45% of the principal amount of First Mtge. bonds issued subsequent to Dec. 31, 1923, for additions, betterments, improvements and new construction, and that simultaneously with or prior to the issue of Pfd. stock in addition to $3,000,000 par value thereof, the company shall have received from the sale of Common stock in excess of 150,000 shares an amount in cash equal to at least 50% of the par value of such additional Pfd. stock issued and to be issued.

Transfer Agent—Bankers Trust Co., New York.

Registrar—Central Union Trust Co., New York.

Legal Opinion—Winthrop & Stimson, New York (for the Bankers); and Beekman, Menken & Griscom, New York (for the Company).

Annual Meeting—Fourth Tuesday in June.

Price Range—

7% Preferred—	1927	1926
High	109½	105
Low	103	98½

Dividends—Dividends on the 7% Preferred stock are paid quarterly J, A, J & O 1. On Common, dividends at the rate of 70c. per share per annum paid quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$6,827,500 FIRST MORTGAGE GOLD SINKING FUND 6% SERIES OF 1923; DUE JULY 1, 1948

Dated July 2, 1923.

Interest Payable January and July 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; registered bonds, $1,000, $5,000 and $10,000; interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $35,000,000; authorized amount of Series of 1923, $7,500,000; issued, $7,000,000 6% Series of 1923, of which $172,500 held in sinking fund at Dec. 31, 1927. These 6% Series of 1923 bonds were issued, together with $3,000,000 7% cumulative Pfd. and 150,000 shares Common of no par value, to provide funds for the erection of a steam electric power plant on the Ohio River and for the construction of substations and transmission lines. Any excess amount remaining in the hands of the Trustee upon the completion of the initial construction may be applied to the redemption of the Series of 1923 bonds.

Bonds may be issued in series, bearing such rates of interest, maturity dates, redemption terms, and containing such other rights and limitations as the Board of Directors may determine. Additional bonds may be issued only for refunding outstanding series, par for par, and for 70% of the cost of new construction, and of additions, betterments or extensions to the power plants and sub-stations of the company, and the transmission lines of its subsidiaries, but only if the total annual rental shall be not less than twice the interest charges on the bonds then outstanding, including the bonds in any sinking fund and those about to be issued. The 6% Series of 1923 is limited to $7,500,000, the $500,000 in excess of the present issue being issuable only on account of any amount of the construction cost of the new plant paid by The Pennsylvania-Ohio Power & Light Co.

Callability—Subject to call in whole or in part on any interest date, upon 30 days' notice, at 107½ on or before Jan. 1, 1934, and thereafter at ½% premium for each year, or any part thereof, of unexpired life, plus accrued interest in each case.

Sinking Fund—A sinking fund of $87,500 per annum is provided payable in quarterly installments beginning Jan. 1, 1926. The fund will be used for the purchase of bonds of this series at prices not exceeding the redemption price, or to their call by lot at the redemption price. All bonds so acquired are to be

ld alive in the sinking fund and interest on them ded to the fund.

Security—Secured by a direct first mortgage on all e property of the Ohio River Edison Co., now owned hereafter acquired. In addition the entire capital ock and bonds of the subsidiary company, The Ohio iver Transmission Co., which will own the transmis- on line, is pledged under the mortgage. No further curities of said company shall be issued unless im- ediately acquired by the Ohio River Edison Co. and edged under this mortgage.

Guaranty—Guaranteed unconditionally as to prin- pal, interest and sinking fund payments, by endorse- ent, by Penn-Ohio Edison Co.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%. Pennsylvania and Connecticut Mills Tax and Massachusetts Income Tax not ex- eding 6% per annum refunded.

Legal Opinion—Winthrop & Stimson, New York or the Bankers) and Beekman, Menken & Griscom, ew York (for the Company).

Original Offering—First publicly offered ($7,000,- 00) in September, 1923, at 95 and interest, to yield ver 6.40%, by Bonbright & Co., Inc., and Eastman, illon & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
igh	107⅝	106¼	104	102	96
ow	104½	101¼	98½	98½	95

(2)

,921,500 FIRST MORTGAGE SINKING FUND GOLD BONDS, 5% SERIES OF 1926; DUE JUNE 1, 1951

Dated June 1, 1926.

Interest Payable June and December 1, at Bankers rust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; rincipal may be registered and fully registered, 1,000, $5,000 and $10,000. Coupon and fully regis- ered bonds, and the several denominations in either orm, interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions and Purpose of Issue—Issued, $4,000,- 00 5% Series of 1926, of which $78,500 held in sink- ng fund at Dec. 31, 1927. The proceeds from sale f these 5% Series of 1926 bonds, together with hose from sale of $1,600,000 Preferred stock and 0,000 shares of no par value Common stock provided unds for extensive additions to Company's plant, ncluding the installation of an additional 44,000 h.p. f generating capacity.

Callability—Subject to call as a whole or in part n any interest date upon 30 days' notice, at a remium of 5% on or before December 1, 1941, and hereafter at ½% premium for each year, or any art thereof, of unexpired life, in each case with ac- rued interest.

Sinking Fund—Bonds of this series will have the enefit of a sinking fund of $50,000 each year payable n quarterly installments beginning September 1, 1926, aid fund to be applied to purchase or redemption of onds of this series at prices not exceeding the re- demption price. All bonds so acquired are to be held live in the sinking fund and the interest on them dded to the fund.

Security, Guaranty and Tax Provisions are the same as for the 6% Series of 1923 bonds described above.

Original Offering—First publicly offered ($4,000,- 000) in June, 1926 at 93½ and interest to yield about 5½% by Bonbright & Co., Inc. and Eastman, Dillon & Co., New York.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926
High	101¼	95⅜
Low	97	94½

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED (Ohio River Edison Co. and The Ohio River Transmission Co.)

	Dec. 31, 1927	Dec. 31, 1926	Mar. 31, 1926
Rental income (see note)	$1,271,600	$1,070,000	$1,070,000
Interest and other income	66,209	94,731	40,972
Total	$1,337,809	$1,164,731	$1,110,972
Expenses and taxes	25,484	30,733	14,112
Net earnings	$1,312,325	$1,133,998	$1,096,861
Deductions—			
Interest on funded debt	‡$376,586	*$421,845	$419,706
Amortization of debt disc. & other interest	70,995	62,979	45,862
Total deductions	$447,581	$484,824	$465,568
Balance for dividends	864,744	649,174	631,292
Preferred dividends	322,000	266,000	210,000
Common dividends	†460,000	†473,750	105,000
Surplus for year	$82,744	$383,174	$316,292
Times Fixed Charges Earned	2.93	2.69	2.67
Earnings Per Share—Pfd.	$18.80	$14.11	$21.04

*Interest on funded debt, $522,221; less interest charged to construction, $100,376—balance, $421,845. †Paid from surplus. ‡Interest on funded debt, $609,211; less interest charged to construction, $232,625—balance, $376,586.

NOTE—Includes only four months' rental of $50,400 per month on the third and part of a fourth generating unit, for the construction of which the company issued $4,000,000 of First Mortgage 5% Bonds, $1,600,000 par amount of 7% Pfd. stock, and 80,000 shares of no par value Common stock.

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31

	1927	1926
Balance Jan. 1	$82,404	$192,382
Surplus for year ended Dec. 31	542,743	383,174
Provision for Federal Income tax during 1926 restored to surplus	7,500	.....
Total	$632,647	$575,556
Deduct:		
Dividends on Common stock	$460,000	$473,750
Premium on bonds retired through sinking fund	6,148	2,622
Bond disc. and expense applicable to bonds retired	20,320	16,780
Balance Dec. 31	$146,179	$82,404

CONSOLIDATED BALANCE SHEET

	Dec. 31, 1927	Dec. 31, 1926	Mar. 31, 1926
Assets—			
Property, plant & equip.	$15,392,180	$12,040,772	$10,298,343
Deposits avail. for construc.	930,195	2,863,660	.....
Organization expense	118,317	118,213	112,434
Bond discount and expense in process of amortization	1,509,884	1,593,251	1,101,274
Sinking fund deposits	28,614	26,451	22,582
Prepaid accounts and deferred charges	728	722	504
Advances for construction	200,000	200,000	25,000
Notes & accounts receiv.	13,945	*1,179,126	620,675
Cash	112,113	90,875	11,287
Total	$18,305,976	$18,113,070	$12,192,099
Liabilities—			
Common stock	$2,300,000	$2,300,000	$1,500,000
Preferred stock	4,600,000	4,600,000	3,000,000
Funded debt	10,749,000	10,890,500	6,979,000
Due to affiliated company	.....	.....	70,000
Accrued interest	16,667	16,666	104,979
Accrd. Federal Inc. taxes	.....	7,500	.....
Accrued general taxes	4,730	.....	.....
Reserved for divds. on Com.	115,000	.....	.....
Deferred income—advance rental receiv. under lease	374,400	216,000	270,000
Surplus	146,179	82,404	268,120
Total	$18,305,976	$18,113,070	$12,192,099

*This item was reduced to $610,000 shortly after Jan. 1, 1927.

Officers: C. S. MacCalla, Pres.; John T. Harrington, V-P. & Gen. Counsel; H. A. Clarke, V-P.; E. W. Freeman, Treas. & Asst. Sec.; Frederick P. Smith, Sec.; F. A. Bain, Asst. Treas.

Directors: H. A. Clarke, C. S. MacCalla, H. M. Billingsley, E. W. Freeman, C. L. Harper.

General Office, Wilmington, Del. **New York Office,** 120 Broadway.

PENNSYLVANIA POWER COMPANY

(Controlled by Penn-Ohio Edison Co.)

History and Property—Incorporated in 1890, as the Shenango Valley Electric Light Co.; name changed to present title in 1926. Controls **Ellwood City Hydro-**

electric Company and **Boston Mining Company.** The Company acquired the entire electric properties located in Pennsylvania of the Penn-Ohio Edison Company's system with the sole exception of Ellwood City Hydroelectric Company, of which it owns all of the outstanding securities. Electric power and light service is supplied without competition to an area of about 840 square miles in Pennsylvania, including the cities of New Castle, Farrell, Sharon, Greenville, Mercer and Sharpsville. The total population served exceeds 150,000.

Pennsylvania Power Company is exclusively an electric subsidiary operating in the Pennsylvania territory of the System and purchases the bulk of its energy from The Pennsylvania-Ohio Power & Light Company. At Greenville, however, it owns a steam electric central station of 3,360 h.p. capacity which is held in reserve for emergency service and, at Ellwood City, a water power plant of 1,675 h.p. which operates economically during a part of the year when the water supply is adequate.

The high tension transmission lines of the Company total 145 miles and include the important interconnection of the Penn-Ohio System with Duquesne Light Company, while the distribution lines aggregate over 600 miles serving about 28.900 electric customers.

CAPITAL STOCK

Authorized, 200,000 shares Common, 50,000 shares $6.60 cumulative Pfd., 50,000 shares $7.20 cumulative Pfd., and 50,000 shares $6 cumulative Pfd., all of no par value; outstanding, Dec. 31, 1927, 56,500 shares Common, 10,721 shares $6.60 Pfd. and 5,047 shares $6 Pfd. Penn-Ohio Edison Co. owns all the Common stock.

FUNDED DEBT

(1)

$3,800,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES OF 1956; DUE JULY 1, 1956.

Dated July 1, 1926.

Interest Payable—January and July 1, at office or agency of Company in New York City.

Denominations—Coupon, $500 and $1,000, interchangeable; fully registered $1,000 and $5,000. Coupon bonds in denominations of $1,000 and fully registered bonds interchangeable.

Trustee—The National City Bank of New York.

Provisions of Issue—Issued $3,800,000 5% Series of 1956. Mortgage provides for issuance of bonds thereunder in series bearing same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by Directors, subject, however, to restrictive provisions of mortgage. The mortgage will also provide that additional bonds of 5% series of 1956, or other series, may be issued thereunder (a) for refunding an equal principal amount of bonds of any series, or prior lien bonds; (b) for cash; (c) to not exceeding 75% of cost or fair value, of property additions, to properties of Company and/or its subsidiaries. Under terms of mortgage "subsidiary company" shall include Ellwood City Hydroelectric Co. and any other company all of whose bonds, except as provided in the mortgage, and all of whose stock, shall be owned by Company and pledged under mortgage. No bonds may be issued against property of a subsidiary corporation unless not less than an equal principal amount of mortgage bonds of said subsidiary corporation are simultaneously pledged with Trustee. Additional bonds may not be issued except for refunding purposes, unless combined net earnings of Company and its subsidiaries for twelve consecutive months within fifteen calendar months immediately preceding date of application for issue, shall have been at least equal to twice annual interest requirements on all bonds issued and outstanding under mortgage, including those proposed to be issued, and on all prior lien bonds, but excluding bonds to be concurrently cancelled, of Company and its subsidiaries. Not more than 15% of such net earnings shall consist in aggregate of (a) net non-operating income; (b) net income derived from properties not directly subject to lien of mortgage or to lien of a subsidiary corporation mortgage all bonds outstanding under which are owned by Company and pledged under mortgage.

Purpose of Issue—These bonds, together with $6.60 Pfd. stock and Common stock, were issued to pay for constituent properties, to cancel indebtedness of Company and to reimburse Company for construction expenditures.

Callability—Subject to call at any time, in whole or in part, on at least 30 days' notice, prior to July 1, 1931, at 105; on July 1, 1931 and thereafter prior to July 1, 1935 at 104½; on July 1, 1935 and thereafter prior to July 1, 1940 at 104; at ¼% less during each succeeding year prior to July 1, 1955, and, on July 1, 1955 and thereafter prior to maturity at 100, plus accrued interest in each case.

Security—Secured by a direct first mortgage on entire fixed assets of Company and by a first lien, through pledge of all outstanding securities, on properties of the Ellwood City Hydroelectric Co.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Pennsylvania 4 mills tax, and Massachusetts income tax up to 6%, refundable.

Legal Opinion—Winthrop & Stimson, New York.

Original Offering—First publicly offered ($3,800,000) in June, 1926, at 98 and interest, to yield 5.13%, by Bonbright & Co., Inc., Eastman, Dillon & Co., New York, and Harper & Turner, Philadelphia.

Price Range—

	*1927	*1926
High	102⅝	97½
Low	97¼	95

*High and low bid.

(2)

$50,000 REAL ESTATE MORTGAGE 5¾%; DUE JUNE 3, 1936

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross income	$3,490,115	$3,266,605
Operating expenses & taxes	2,484,436	2,331,261
Net earnings	$1,005,679	$935,344
Interest on funded debt	192,875	
Other interest	6,467	
Amortization of debt disc. & exp.	1,942	
Total deductions	$201,284	
Balance	$804,395	
Preferred stock dividends	70,899	
Balance for retire. res. & Com. divds.	$733,496	

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Pennsylvania Power Co. and Subsidiaries)

Assets—	1927	1926
Property, franchises, etc.	$7,045,195	$5,981,617
Investments	117,391	
Sinking funds		5,331
Cash	250,653	230,217
Receivables	127,110	1,202,620
Material and supplies	94,324	66,907
Prepayments, etc.	3,091	72,123
Unamortized bond discount & exp.	53,564	54,506
Suspense, etc.	3,100	48,522
Total	$7,694,428	$7,661,843
Liabilities—		
Common stock	$565,000	$565,000
Preferred stock	1,453,554	866,600
Funded debt	3,800,000	3,800,000
Real estate mortgage	70,000	50,000
Notes payable	105,009	
Accounts payable	169,927	1,188,620
Accruals	222,906	98,666
Consumers' deposits, etc.	138,483	146,356
Reserves	210,981	310,649
Surplus	958,568	635,952
Total	$7,694,428	$7,661,843

Officers: C. S. MacCalla, Pres.; E. G. Dunlap, V-P. & Treas.; H. A. Clarke, V-P.; F. E. Wilkin, Sec.

Directors: C. S. MacCalla, E. G. Dunlap, F. E. Wilkin, Rufus Moses, Thomas Flanigan.

Office, Youngstown, Ohio.

PENNSYLVANIA-OHIO PUBLIC SERVICE CORPORATION

(Controlled by Penn-Ohio Edison Company)

History and Property—Incorp. Aug. 25, 1927, in Nev. ntrols practically all the transportation properties of e Penn-Ohio System. The Company's operating bsidiaries are: The Akron-Youngstown Bus Com- ny; Cleveland-Mahoning Valley Coach Company; ie East End Traction Company; New Castle Electric reet Railway Company; The New Castle and Lowell ilway Company; The New Castle Traction Com- ny; Pennsylvania and Mahoning Valley Rail- y Company; The Pennsylvania-Ohio Coach Lines mpany; The Pennsylvania-Ohio Tourist Company; ie Youngstown Municipal Railway Company; The est End Traction Company.

The transportation service furnished by the Penn- io System is supplied principally by the above med operating subsidiaries of the Pennsylvania-Ohio blic Service Corporation. The service so rendered nsists of both electric railway and bus facilities in the ies of Youngstown, New Castle and Sharon. Elec- c interurban railway lines traverse the territory m northwest to southeast from Leavittsburg rough Warren, Niles, Girard, Youngstown, Camp- ll, Struthers and Lowellville to New Castle. A cond route extends northeast from Youngstown to aron. DeLuxe interurban motor coaches operate tween important cities of the Penn-Ohio territory d extend their service to Akron and Cleveland.

The major portion of the System's investment in nsportation facilities is centered at Youngstown here the operations are conducted under a "service cost" franchise. A franchise of this character per- its adjustment of the rate of fare at reasonable in- rvals so that revenues may cover the cost of pro- ding the transportation service. As defined in the anchise, "cost" is understood to include a fair re- rn (7%) on the value of the property devoted to nsportation service.

Operates a total of 116 miles of track. At Dec. 31, 27, the System had 118 buses and interurban coaches.

A new fare schedule became effective Feb. 26, 1928, in Youngstown. Under the new rate cash fares are advanced to 10 cents with six tickets for 50 cents, free transfers and a weekly pass costing $1.50. This compared with previously existing rate of 8 cents cash, seven tickets for 50 cents, 1 cent for transfer and no weekly pass.

CAPITAL STOCK

All Common stock owned by Penn-Ohio Edison Company.

FUNDED DEBT

$170,000 THE POLAND STREET RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1933

Dated June 1, 1913.

Interest Payable June and December 1, at Union Trust Co., Pittsburgh, Pa.

Denomination—Coupon, $1,000.

Trustee—Union Trust Co., Pittsburgh, Pa.

Provisions of Issue—Authorized, $200,000; outstanding, $170,000.

Callability—Subject to call at par and interest on any interest date upon 30 days' notice.

Security—A first lien on land, equipment, right-of-way, etc., of The Poland Street Ry. Co. in Mahoning County, Ohio.

Guaranty—Guaranteed, principal and interest, by Penn-Ohio Edison Co., assumed by Penn-Ohio Public Service Corp.

Tax Provisions—Company does not pay Normal Federal Income Tax.

OFFICERS AND DIRECTORS

Officers: R. P. Stevens, Pres.; H. A. Clarke, V-P.; C. S. MacCalla, V-P.; E. G. Dunlap, V-P.; H. M. Billingsley, Sec.; E. W. Freeman, Treas. & Asst. Sec.

Directors: H. M. Billingsley, H. A. Clarke, F. L. Farr, E. W. Freeman, R. P. Stevens.

Offices, Youngstown, Ohio and 120 Broadway, New York.

THE WEST END TRACTION CO.

(Controlled by Pennsylvania-Ohio Public Service Corp.)

History and Properties—Incorporated Jan. 11, 1923, in Ohio, r the purpose of acquiring the interurban properties of The ennsylvania-Ohio Electric Co., running from Girard through arren and Niles, Leavittsburg and Mineral Ridge, together ith branches.

CAPITAL STOCK

Authorized, $380,000; outstanding, $369,500; par value, $100. ll owned by Pennsylvania-Ohio Public Service Corp.

FUNDED DEBT

$948,000 First Mtge. 7s; dated 1923; due July 1, 2023; int. J & J 1. Lawrence Savings & Trust Co., New Castle, Pa., Trustee. Authorized, $2,000,000. None outstanding in hands of public.

Officers: C. S. MacCalla, Pres.; John T. Harrington, V-P. & Gen. Counsel; H. A. Clarke, V-P.; E. G. Dunlap, Treas. & Asst. Sec.; F. E. Wilkin, Sec. & Aud.; A. R. Hughes, Asst Treas.

Directors: The above except A. R. Hughes.

THE EAST END TRACTION CO.

(Controlled by Pennsylvania-Ohio Public Service Corp.)

History and Property—Incorporated Jan. 11, 1923, in Ohio, r the purpose of acquiring the interurban properties of The ennsylvania-Ohio Electric Co., running from East Youngs- wn to the State Line at Lowellville, with branches.

CAPITAL STOCK

Authorized, $125,000; outstanding, $114,900; par, $100. All wned by Pennsylvania-Ohio Public Service Corp.

FUNDED DEBT

$278,000 First Mtge. 7s; dated 1923; due July 1, 2023; int. J & J 1. Lawrence Savings & Trust Co., New Castle, Pa., Trustee. Authorized, $1,000,000. None outstanding in hands of public.

Officers: C. S. MacCalla, Pres.; John T. Harrington, V-P. & Gen. Counsel; H. A. Clarke, V-P.; E. G. Dunlap, Treas. & Asst. Sec.; F. E. Wilkin, Sec.; A. R. Hughes, Asst. Treas.

Directors: The above except A. R. Hughes.

THE PEOPLES NATURAL GAS CO.

History and Properties—Incorporated June 26, 1885, i Pa. In 1908, the Pittsburg Natural Gas Co. was erged. In June, 1912, the Conemaugh Gas Co. was bsorbed, and in 1920 the Rock Run Fuel Gas Co. was bsorbed. Company holds leases for oil and gas and wns properties for similar purposes; also owns and aintains pipe lines from wells in Armstrong, West- oreland, Clarion, Indiana, Greene, Beaver, Washing- on and Allegheny counties. Supplies natural gas to cities of Pittsburg, Altoona, Belle Vernon, Greensburg, Jeannette, Latrobe, New Kensington, Turtle Creek, Verona, Wilkinsburg and Woodlawn, and several small towns in Pennsylvania.

Proposed Merger—Stockholders of American Natural Gas Co. on Jan. 7, 1926, ratified plan to transfer that Company's natural gas properties, valued at $14,000,000 to its subsidiary, Columbia Natural Gas Co. which in turn will be merged with Peoples Natural

Gas Co. Proposed merger with The Peoples Natural Gas Co. had not been completed to May 1, 1928.

CAPITAL STOCK

Outstanding, December 31, 1927, $13,200,000 Common, par $100, and $11,280,000 5% Pfd., par, $50. Annual meeting, first Tuesday in June.

Dividends—Dividends on Pfd. stock regularly paid since issuance in 1926. On Common, 10% per annum in 1925, 1926 and 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Operating revenues	$10,327,571	$10,919,140	$9,510,782	$341,71
Operating expenses	8,640,156	9,023,924	7,964,184	219,45
Operating income	$1,687,415	$1,895,216	$1,546,598	$122,25
Non-operating income	808,732	998,099	240,230	*6,96
Gross income	$2,496,147	$2,893,315	$1,786,828	$115,29
Interest on unfunded debt	27,264	26,718	23,466	3,13
Other deductions	105,591	96,797	141,187	39,94
Net income	$2,363,292	$2,769,800	$1,622,175	$72,20
Dividend appropriations	1,884,000	†2,685,812	1,320,000	.....
Surplus for year	$479,292	$83,988	$302,175	$72,20

*Debit. †Includes $160,848 paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924
Total fixed capital	$25,026,419	$24,190,744	$23,231,164	$21,935,65
Investment securities	11,845,702	11,846,542	569,240	570,29
Other investments	1,567,957	1,582,055	1,582,757	1,314,75
Cash	3,677,536	2,821,852	1,992,417	2,037,17
Notes receivable	350	.....	973	4,33
Accounts receivable from consumers	652,850	814,238	732,821	733,29
Accounts receivable from affiliated companies	88,123	174,054	38,076	85,37
Other accounts receivable	198,019	182,747	327,500	299,92
Materials and supplies	654,660	643,097	636,023	492,59
Other assets	2,927	1,482	12,883	13,57
Unmatured interest and rents receivable	917	917	917	91
Prepaid insurance	10,335	7,910	8,218	9,68
Prepaid taxes	.....	.....	7,914	7,87
Other prepaid accounts	4,550	15,945	11,883	6,82
Total	$43,730,345	$42,281,583	$29,152,786	$27,512,28
Liabilities—				
Capital stock	$24,480,000	$24,480,000	$13,200,000	$13,200,00
Consumers' deposits	492,669	474,843	432,792	386,06
Accounts payable to affiliated companies	669,704	567,099	.....	.....
Other accounts payable	770,360	775,793	541,845	562,11
Other current liabilities	52,968	41,619	22,744	10,97
Accrued taxes	185,000	399,000	264,000	239,50
Unmatured accrued interest on unfunded debt	90,743	82,956	.....	.....
Other accrued liabilities	.....	.....	76,147	71,21
Depreciation reserve	10,538,405	9,663,772	8,798,516	7,986,84
Amortization of other capital reserve	2,578,022	2,362,332	2,221,725	1,748,55
Other reserves	260,000	250,000	215,000	185,00
Unappropriated surplus	3,612,474	3,184,169	3,380,017	3,122,00
Total	$43,730,345	$42,281,583	$29,152,786	$27,512,28

NOTE—Valuation of Natural Gas Deposits for 1927, $4,715,780; for 1926, $5,008,750; for 1925, $5,316,163 and fo 1924, $5,588,901 are not included in the assets of the company; depletion surplus is omitted in the liabilities which offsets th amounts mentioned above.

Officers: Christy Payne, Pres., New York; John B. Tonkin, V-P. & Gen. Mgr.; S. E. W. Burnside, Sec.; R. D. Beardsley, Treas.; E. W. Williamson, Asst. Mgr.; F. O. LeRoy, Pur. Agt., Pittsburgh, Pa.

Directors: Christy Payne, New York; J. B. Tonkin E. W. Williamson, R. D. Beardsley, S. E. W. Burnside, Pittsburgh, Pa.

General Office, 545 William Penn Way, Pittsburgh Pa.

CITIES SERVICE COMPANY

(See Accompanying Chart)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
$6 cumulative Pfd. (no par)	First of each month	1,500,000 shs	1,034,951 shs	Yes	$29,412,832	$6.00	$6,807,906	*$4.3
60c cum. Pref. "B" (no par)	to holders of	4,000,000 shs	375,240 shs	Yes		.60		
$6 cum. Pref. "BB" (no par)	record 15th of	600,000 shs	62,895 shs	Yes		6.00		
Common (par, $20)	month preceding	20,000,000 shs	4,250,229 shs	...	22,604,926	§6.00	‡	†27.3

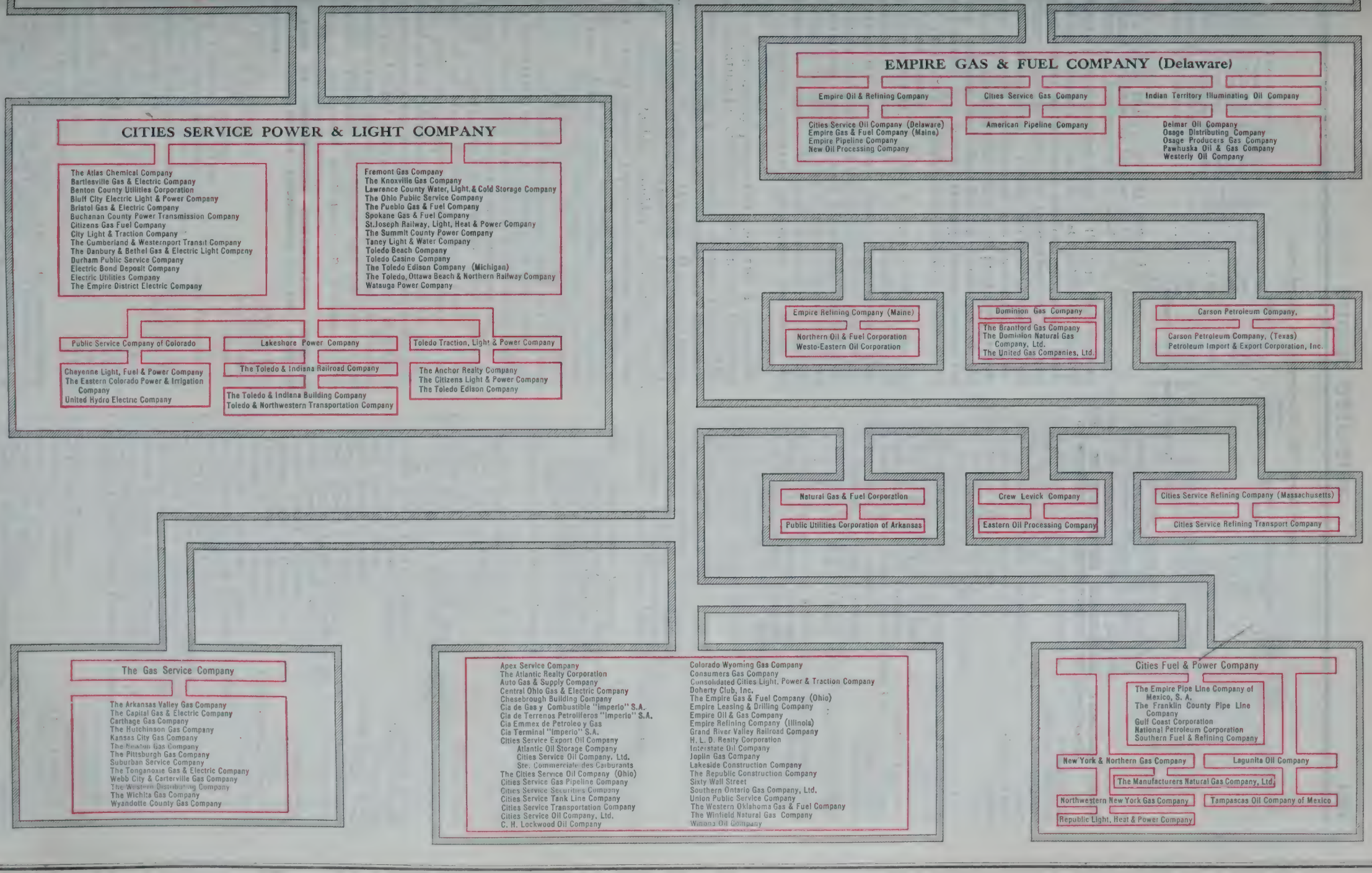
*Times Pfd. dividend earned. †Per Cent of earnings on average Common stock outstanding. ‡Not available. §6% cas and 6% in stock.

CITIES SERVICE COMPANY SECURITIES

Henry L. Doherty & Company

60 Wall Street Securities Department New York

CITIES SERVICE COMPANY



Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
nvertible Debenture 5s Series "A"	Jan. 1, 1966	J & J 1	Closed	$14,356	†No	Yes	Pd. by Co.
nvertible Debenture 7s Series "B"	Jan. 1, 1966	.....	.....	*20,240	...	...	.....
nvertible Debenture 7s Series "C"	Jan. 1, 1966	.....	.....	*19,350	...	...	.....
nvertible Debenture 7s Series "D"	Jan. 1, 1966	.....	.....	*21,520	...	...	.....
nvertible Debenture 8s Series "E"		.....	.....	*22,520	...	...	.....
efunding 6% Debentures	Jan. 1, 1966	M & N 1	Unlimited	18,902,200	No	Yes	Pd. by Co.
efunding 5% Debentures	Jan. 1, 1966	M & S 1	Unlimited	15,863,300	No	Yes	Pd. by Co.
Issued Since December 31, 1927							
Gold Debentures	Apr. 1, 1958	A & O 1	50,000,000	50,000,000	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $34,863,486. **Interest Accrued** in 1927, $2,540,120.
Amount Available for Interest in 1927, $31,952,952. **Times Interest Earned** in 1927, 12.57.
†Conversion privilege expired on all Cities Service Co. Convertible Debentures. *Called for payment.

History—Incorporated Sept. 2, 1910, in Delaware as holding company to acquire securities of electric ght and power, natural and artificial gas, steam heat- g, water, electric street and interurban railway and ndred corporations. Cities Service Company has ecome, through subsidiaries and associated corpo- tions, an important factor in the oil producing, trans- rting, refining and distributing industries of the nited States, and is now, through these, among the rgest producers of high-grade refinable crude oil in ie United States.

On December 31, 1927, the Company owned directly indirectly a majority of the Common stocks of ore than 60 gas, electric light, heat, power, elec- ic railway and water and more than 30 oil producing, ansportation, refining and marketing subsidiaries, erating in 33 states of the United States, and in the ominion of Canada. Through associated companies id subsidiaries important properties are being de- eloped in Mexico.

The public utility properties comprise a diversified roup operating in seventeen states and the Dominion f Canada, serving a population of more than 4,000,- 00 in over 700 communities, including such important ities as Toledo, Sandusky, Warren, Massillon, Elyria, orain, Alliance and Mansfield, Ohio; Danbury, onn.; Denver, Pueblo, Boulder and Greeley, Colo.; ansas City, St. Joseph, Joplin and Sedalia, Mo.; Kan- as City and Topeka, Kan.; Spokane, Wash.; Knox- ille, Tenn.; Adrian, Mich.; Durham, N. C.; Bartles- ille, Okla.; Bristol, Va.; Cheyenne, Wyo.; and num- rous others. These companies, having an installed apacity of over 700,000 horsepower, sold in 1927 more an 1,307,000,000 kilowatt hours of electric energy for ght and power, and distributed in excess of 71,000,- 00,000 cubic feet of manufactured and natural gas.

The oil properties had an average daily production uring 1927 of about 77,000 barrels of crude oil and perate more than approximately 900 miles of pipe nes and seven refineries. The reserves of oil and gas nds are among the largest under any single manage- ent in the United States. They are located in what is ommonly called the Mid-Continent field in Kansas, klahoma, Arkansas and Texas, and the natural gas usiness is conducted principally in Kansas, Okla- oma, Missouri and Arkansas.

HE LIST OF PROPERTIES CONTROLLED THROUGH STOCK OWNERSHIP AT DECEMBER 31, 1927 ARE AS FOLLOWS:

- pex Service Co. — Toledo, Ohio
- tlantic Realty Corporation — Toledo, Ohio
- uto Gas & Supply Co. — Winona, Minn.
- arson Petroleum Company — Chicago, Ill.
  - Carson Petroleum Co. (Texas)
  - Petroleum Import & Export Co. — New Orleans, La.
- entral Ohio Gas & Electric Company
- hesebrough Building Company — New York, N. Y.
- H. Lockwood Oil Co. — Kenosha, Wis.
- ities Fuel & Power Company
  - Empire Pipeline Co. of Mex., S. A. — Mexico
  - Franklin County Pipeline Co. — Kansas
  - Gulf Coast Corporation — Mexico
  - Lagunita Oil Co. — Mexico
  - Tampascas Oil Co. — Mexico
  - National Petroleum Corporation — Mexico
- New York & Northern Gas Co.
  - Manufacturers Natural Gas Co., Ltd. — Hamilton, Ontario
  - Northwestern New York Gas Co. — Fredonia, N. Y.
  - Republic Light, Heat & Power Co. — Batavia, Westfield & many other communities in N. Y.
- Southern Fuel & Refining Co. — Mexico

LIST OF PROPERTIES CONTROLLED THROUGH STOCK OWNERSHIP AT DECEMBER 31, 1927 (Continued):

- Cities Service Export Oil Company — Chicago, Ill.
  - Atlantic Oil Storage Co. — Antwerp, Belgium
  - Cities Service Oil Co., Ltd. — England
  - Ste. Commerciale des Carburants — France
- Cities Service Gas Pipeline Co. — Kansas-Texas
- Cities Service Oil Co., Ltd. — Canada
- Cities Service Oil Company — Ohio
- Cities Service Power & Light Company
  - Atlas Chemical Company — Toledo, Ohio
  - Bartlesville Gas & Electric Company — Bartlesville, Oklahoma
  - Benton County Utilities Corp. — Missouri
  - Bluff City Electric Light & Power Co. — Tennessee
  - Bristol Gas & Electric Company — Bristol, Va.-Tenn.
  - Buchanan County Power Transmission Co. — Missouri
  - Citizens Gas Fuel Company — Adrian, Mich.
  - City Light & Traction Company — Sedalia, Mo.
  - Cumberland & Westernport Transit Co. — Cumberland, Md., and many other communities in Maryland.
  - Danbury & Bethel Gas & Electric Light Co. — Danbury, Conn.
  - Durham Public Service Company — Durham, N. C.
  - Electric Bond Deposit Company
  - Ozark Power and Water Company
  - Electric Utilities Co. — Missouri
  - Empire District Electric Company — Joplin, Mo.
  - Fremont Gas Company — Fremont, Neb.
  - Knoxville Gas Company — Knoxville, Tenn.
  - Lake Shore Power Co. — Toledo, Ohio
    - Toledo & Indiana RR. Co.
    - Toledo & Indiana Building Co.
    - Toledo & Northwestern Transit Co.
  - Lawrence County Water, Light & Cold Storage Co. — Aurora, Mo.
  - Ohio Public Service Company — Alliance, Lorain, Elyria, Sandusky, Massillion, Warren, Mansfield and numerous other communities in Ohio.
  - Public Service Company of Colorado — Denver, Boulder and many other communities in Colorado.
  - Cheyenne Light, Fuel & Power Company — Cheyenne, Wyo.
  - Eastern Colorado Power & Irrigation Co.
  - United Hydro Electric Co.
  - Green & Clear Lake Co.
- Pueblo Gas & Fuel Company — Pueblo, Colo.
- St. Joseph Ry., Light, Heat & Power Company — St. Joseph and Savannah, Mo., and other communities in Missouri.
  - Spokane Gas & Fuel Company — Spokane, Wash.
  - Summit County Power Company — Dillon, Colorado
  - Taney Light & Water Co. — Branson, Mo.
  - Toledo Beach Company — Toledo Beach, Mich.
  - Toledo Casino Company — Toledo, Ohio
  - Toledo Edison Co. (Michigan) — Adrian, Mich.
  - Toledo Ottawa Beach & Northern Ry. Co. — Toledo, Ohio
  - Toledo Traction, Light & Power Co.
    - Anchor Realty Company — Toledo, Ohio
    - Citizens Light & Power Co. — Adrian, Mich.
    - Toledo Edison Company — Toledo, Ohio
  - Watauga Power Company — Elizabethton, Tennessee
- Cities Service Refining Company — Boston, Mass.
  - Cities Service Refining Transport Company
- Cities Service Securities Co.
- Cities Service Tank Line Co.
- Cities Service Transportation Company
- Compania de Gas y Combustible "Imperio" S. A. — Mexico
- Cia. de Terrenos Petroliferos "Imperio" S. A. — Mexico
- Compania Emmex de Petroleo y Gas — Mexico
- Compania Terminal "Imperio" S. A. — Mexico
- Colorado-Wyoming Gas Co. — Colorado & Wyoming
- Consolidated Cities Light, Power & Traction Co. — New York, N. Y.
- Consumers Gas Co. — Kansas-Oklahoma
- Crew Levick Company — Philadelphia, Pa.
  - Eastern Oil Processing Co. — Petty Island, N. J.
- Doherty Club, Inc. — New York, N. Y.
- Dominion Gas Company
  - Brantford Gas Company — Ontario
  - Dominion Natural Gas Company, Ltd. — Ontario
  - United Gas Companies, Ltd. — Ontario

LIST OF PROPERTIES CONTROLLED THROUGH STOCK OWNERSHIP AT DECEMBER 31, 1927 (Continued):

Empire Gas and Fuel Company (Delaware)	
Cities Service Gas Co.	Kansas and Oklahoma
American Pipeline Co.	Kansas and Oklahoma
Empire Oil & Refining Co.	Kansas and Oklahoma
Cities Service Oil Company (Delaware)	
Kansas, Missouri, Oklahoma, Texas and Colorado	
Empire Gas & Fuel Company (Maine)	Texas
Empire Pipeline Company	Kansas, Oklahoma and Texas
New Oil Processing Co.	Oklahoma
Indian Territory, Illuminating Oil Company	Oklahoma, Texas and La.
Delmar Oil Company	Oklahoma, Montana and Texas
Osage Distributing Co.	Oklahoma
Osage Producers Gas Company	Oklahoma
Pawhuska Oil & Gas Company	Oklahoma
Westerly Oil Company	Oklahoma
Empire Gas and Fuel Company	Ohio
Empire Leasing and Drilling Company	Kansas and Oklahoma
Empire Oil & Gas Company (Inc.)	Kentucky
Empire Refining Company (Ill.)	
Empire Refining Company (Maine)	
Northern Oil & Fuel Corporation	New York
Westo-Eastern Oil Corporation	New York
Gas Service Company	
Arkansas Valley Gas Co.	Arkansas City, Kan.
Capital Gas & Electric Co.	Topeka, Kansas
Carthage Gas Co.	Carthage, Mo.
Hutchinson Gas Co.	Hutchinson, Kan.
Kansas City Gas Co.	Kansas City, Mo.
Newton Gas Co.	Newton, Kan.
Pittsburgh Gas Co.	Pittsburg, Kan.
Suburban Service Co.	Oklahoma
Tonganoxie Gas & Electric Co.	Kansas
Webb City & Carterville Gas Co.	Webb City, Mo.
Western Distributing Co.	Kansas
Wichita Gas Co.	Wichita, Kan.
Wyandotte County Gas Co.	Kansas City, Kan.
Grand River Valley R.R. Co.	Grand Junction, Colorado
H. L. D. Realty Corporation	New York, N. Y.
Interstate Oil Company	La Crosse, Wisc.
Joplin Gas Company	Joplin, Missouri
Lakeside Construction Company	New York, N. Y.
Natural Gas & Fuel Corp.	Arkansas and Louisiana
Public Utilities Corp. of Arkansas	Arkansas
Republic Construction Company	New York, N. Y.
Sixty Wall Street	New York, N. Y.
Southern Ontario Gas Co., Ltd.	Ontario
Union Public Service Company and Subsidiaries	Kansas and Oklahoma
Western Oklahoma Gas & Fuel Company	Oklahoma
Winfield Natural Gas Co.	Kansas
Winona Oil Co.	Winona, Minn.

Management—The management of the subsidiary companies is supervised (under the direction and control of the respective boards of directors of the Companies) by Henry L. Doherty & Co., New York.

Subsidiary Corporations—The more important public utility operating subsidiaries (owned through Cities Service Power and Light Company, organized to acquire the Common stocks, formerly owned by Cities Service Company, of its principal public utility properties) are the Public Service Company of Colorado (a merger of several companies, including The Denver Gas & Electric Light Company), The Ohio Public Service Company, The Toledo Edison Company, (a subsidiary of Toledo Traction Light and Power Company), The Empire District Electric Company, and St. Joseph Railway, Light, Heat & Power Company. Among the larger cities served by these and other subsidiaries are Toledo, Sandusky, Warren, Massillon, Elyria, Lorain, Alliance and Mansfield, Ohio; Denver, Pueblo, Boulder and Greeley, Colo.; St. Joseph, Joplin and Sedalia, Mo.; Spokane, Wash.; Knoxville, Tenn.; Durham, N. C.; Bartlesville, Okla.; Bristol, Va.-Tenn.; Danbury, Conn.; and Cheyenne, Wyo. These localities represent a wide diversity of industrial and agricultural activities which tends to stabilize the earning power of the group as a whole.

The principal oil subsidiary is the Empire Gas and Fuel Company (Delaware) which through its subsidiary companies, comprises one of the most important producers of high grade refinable crude oil in the country and in addition owns and operates a very important natural gas system. Its oil properties are located principally in what is commonly called the Mid-Continent field in Kansas, Oklahoma and Texas, and the natural gas business is conducted principally in Kansas, Oklahoma and Missouri. Its business combines the four essentials which constitute a complete unit in the oil industry, namely: Production, transportation, refining and marketing, and the natural gas operations include production and trunk line distribution to numerous markets. The Company's reserves of oil and gas lands are among the largest under any single management in the United States. The following are the subsidiary companies of Empire Gas and Fuel Company (Delaware): Cities Service Gas Company, American Pipeline Co., Empire Oil & Refining Company, Cities Service Oil Co. (Delaware), Empire Gas & Fuel Co. (Maine), Empire Pipeline Co., New Oil Processing Co., Indian Territory Illuminating Oil Co., Delmar Oil Company, Osage Distributing Co. Osage-Producers Gas Co., Pawhuska Oil & Gas Co. and Westerly Oil Company.

Crew Levick Co. operates two refineries having a present capacity of 6,000 bbls. per day; and operates about 100 tank and service stations in 7 states.

All refining subsidiaries, located in Pennsylvania Oklahoma, Texas and Massachusetts, have a daily capacity of 36,500 barrels of crude oil, while total storage capacity is approximately over 20,000,000 barrels.

Acquisitions in 1927—During 1927 the established policy of expanding present properties by acquisition of other systems in adjoining territory was carried forward in a substantial way.

SUMMARY OF CAPITAL STOCK AND FUNDED DEBT OF ALL SUBSIDIARY COMPANIES, AT DECEMBER 31

	1927	1926	1925	1924	1923
Common Stocks:					
Owned directly by Cities Service Company	$156,248,189	$178,549,165	$180,324,067	$176,896,036	$169,637,81
*Inter-company, being securities owned by sub-holding companies	210,728,914	148,071,901	154,364,293	147,654,113	90,483,32
Outstanding in the hands of the public	5,280,891	5,157,925	7,409,043	7,232,178	7,289,48
Total Common stocks	$372,257,994	$331,778,991	$342,097,403	$331,782,327	$267,410,62
Preferred Stocks:					
Owned directly by Cities Service Company	$9,641,900	$24,243,952	$26,627,721	$43,154,221	$33,136,71
*Inter-company, being securities owned by sub-holding companies	16,086,055	12,740,871	11,333,375	11,172,045	1,356,50
Outstanding in the hands of the public	117,702,732	70,454,102	57,815,687	41,903,726	23,170,44
Total Preferred stocks	$143,430,687	$107,438,925	$95,776,783	$96,229,992	$57,663,65
Bonds and Funded Notes:					
Owned directly by Cities Service Company	$3,439,351	$7,984,351	$19,570,651	$28,405,751	$5,488,14
*Inter-company, being securities owned by sub-holding companies	14,397,684	7,572,451	8,207,500	11,251,194	11,300,20
Bonds in sinking fund	5,942,900	5,983,422	5,507,666	4,955,624	4,406,98
Outstanding in the hands of the public	274,422,555	237,951,160	223,559,738	209,044,107	180,474,44
Total Bonds & Funded Notes	$298,202,490	$259,491,383	$256,845,555	$253,656,676	$201,669,76

*The securities of operating companies which are owned by sub-holding companies are referred to above as inter company securities. Such sub-holding companies are Cities Service Power & Light Company, Empire Gas & Fuel Co (Del.), etc.

CAPITAL STOCK

The authorized capital stock is 26,100,000 shares consisting of 20,000,000 shares of Common, par, $20; 1,500,000 shares $6 cumulative Pfd., no par; 4,000,000 shares 60 cent cumulative Preference "B", no par; and 600,000 shares $6 cumulative Preference "BB", no par; outstanding, Dec. 31, 1927, 4,250,229 shares Common, 1,034,951 shares $6 cumulative Pfd., 375,240 shares 60 cent cumulative Preference "B" and 62,895 shares $6 cumulative Preference "BB." The Company has the right to redeem all or any part of the $6 cumulative Pfd. stock at $112; the Preference "BB" at $106, and the Preference "B" at $10.60.

Par Value of Stock Changed—Stockholders at annual meeting held April 28, 1925, authorized a change in the Common stock by reducing the par value of the shares from $100 to $20 a share each, five new shares of the latter being issued in exchange for one share of the former. Cities Service Bankers' shares in denomination of $10 are exchangeable on the basis of two of said shares for one of the new $20 par value Common stock of the Cities Service Company.

Additional Common Stock Offered—Under date of March 9, 1928, holders of Common stock of record March 28, 1928, received the right to subscribe for additional shares of Common stock, par $20, at the price of $45 per share, in the proportion of one share of such stock for each ten shares held, being approximately 431,331 shares. The period for this subscription privilege expired at the close of business on April 17, 1928. Holders of the Preferred and Preference stocks of the Company were invited to subscribe for any of the Common shares so offered to the holders of Common stock which were not purchased by the latter.

Transfer Agents—All Classes: Henry L. Doherty & Co., 60 Wall St., New York; The Huntington National Bank, Columbus, O., Old Colony Trust Co., Boston, and Commerce Trust Co., Kansas City, Mo. Pfd. and Common: The International Trust Co., Denver, Colo., and Bank of Italy National Trust and Savings Association, San Francisco.

Registrars—All Classes: The Commercial National Bank, Columbus, Ohio, State Street Trust Co., Boston, and New England National Bank, Kansas City, Mo. Pfd. and Common: Guaranty Trust Co. of New York, The First National Bank, Denver, Colo., and Crocker First Federal Trust Co., San Francisco, Cal. Preference "B" and "BB": Bankers Trust Co., New York.

Annual Meeting—Last Tuesday in April, at Dover, Del.

Listed—The company's stocks are listed on the Stock Exchanges in Boston, Cincinnati, Columbus, Cleveland, Detroit, Indianapolis, Louisville, Minneapolis, St. Louis, and Toledo; also listed in Amsterdam, London, Belfast, Birmingham, Bradford, Leeds and Manchester.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High ...	95⅜	92⅝	85⅛	82⅞	70	72	71	74
Low	87	82⅜	80¼	67¾	64¼	51	35	62
Pref. "B"—								
High ...	8⅞	8⅜	8	7¾	6⅜	6¾	6½	7¼
Low	7⅜	7⅜	7¼	6⅛	5⅞	4¾	3½	7¼
Pref. "BB"—								
High	88¾	83	80½	79	64	67	..	..
Low	80½	74	75	64	63½	66	..	..
Old Common—								
High ...	..	...	212	190	195	242	256	412
Low	..	..	175	132	128	158	101	233
New Common—								
High ...	58¾	51	43	..	..	..	..	..
Low	40¼	37½	35	..	..	..	..	..

DIVIDENDS

Preferred Stock—Dividends on the $6 cumulative Pfd. stock commenced with date of organization Sept. 2, 1910 and were paid monthly at the rate of $6 per annum until Aug. 1, 1914. Beginning with the dividend payable Sept. 1, 1914, payments were deferred but were resumed on Feb. 1, 1916. On Dec. 31, 1915, the Company issued to Pfd. stockholders, in lieu of cash, warrants for Convertible Debenture 5% bonds, series A, in principal amount equivalent to 9% of their holdings, thereby liquidating the accumulated dividends. Dividends were regularly paid on Pfd. stock from Feb. 1, 1916 through June 1, 1921. Beginning with July 1, 1921 and continuing through August 1, 1922, dividends were paid at the rate of $6 per annum in scrip. The company resumed cash dividends on the Pfd. Sept. 1, 1922, after all scrip theretofore issued as dividends on stock had been redeemed. Dividends on the Pfd. stock have been paid regularly thereafter to date in cash at the rate of $6 per annum. Dividends on Pfd. stock are payable on the first day of each month to stockholders of record of the 15th day of the preceding month.

Holders of the Pfd. stock were given the option of accepting for the redemption of scrip dividends either cash or debenture bonds known as 8% Convertible Gold Debentures, Series E.

Preference B and Preference BB Stocks—The initial dividend on Preference B was paid Jan. 1, 1920 and on the Preference BB Nov. 1, 1922. Beginning July 1, 1921 and continuing through Sept. 1, 1922, dividends were paid at the rate of 60 cents per annum in scrip. The company resumed cash dividends on the Preference "B" stock beginning Oct. 1, 1922, after all scrip theretofore issued as dividends on the stocks had been redeemed. Dividends on the Pref. stocks have been paid regularly monthly thereafter to date in cash at the rate of $6 on the Preference "BB" and 60 cents on the Preference "B" per annum. Dividends on the Pref. stocks are payable on the first day of each month to stockholders of record of the 15th of the preceding month.

Holders of Preference "B" stock were given the option of accepting for the redemption of scrip dividends either cash or debenture bonds, known as 8% Convertible Gold Debentures, Series E.

Common Stock—Cash dividends on the Common stock began with the date of organization, Sept. 2, 1910 and were paid monthly up to and including July 1, 1914, at the following annual rates: 1910, 3%; 1911, 3%; 1912, 4%; 1913, 5%; 1914, 6% (first six months). Dividends were then suspended until Jan. 1, 1916. At this time the company issued to stockholders, warrants for Convertible Gold Debenture 5% Bonds, Series A, in the principal amount of 9% of their holdings. On July 1, 1916, a dividend of 3% in similar warrants was paid. From Aug. 1, 1916 up to and including June 1, 1921, dividends were paid in cash on the Common stock at the rate of 6% per annum. Beginning July 1, 1921 and up to and including Feb. 1, 1925, dividends were paid in cash scrip at the rate of 6% per annum. On March 1, 1925, dividends were resumed (after all scrip had been redeemed) at the rate of 6% per annum and have been paid regularly in cash to date.

On Sept. 1, 1916, a dividend of 2% in Common stock was paid, and on Dec. 1, 1916, a dividend of 4% in Common stock was paid. During 1917, the company declared a dividend of 6% payable in Common stock; in 1918, 9% in Common stock and 1919, 12% in Common stock. On February 1, 1920, a dividend of 1¼% in Common stock was paid placing the stock dividend at an annual rate of 15% which was continued until Feb. 1, 1925. From July 1, 1921, up to and including Feb. 1, 1925, the stock dividend was paid in stock scrip. On March 1, 1925, all stock scrip was redeemed. Since that time stock dividends have been paid monthly at the rate of 6% per annum.

Dividends on the Common stock are payable on the first day of each month to stockholders of record on the 15th day of the preceding month.

CITIES SERVICE BANKERS' SHARES
(Representing Cities Service Company Common Stock)

Under an Agreement with Bankers' Trust Co., New York, Depository, dated March 1, 1919, there were de-

posited 30,000 shares, par value $100 each, of Cities Service Company Com. stock. The agreement provides, among other things, for the issuance of non-voting Certificates, in registered form, to be known as Bankers' Shares, against the Cities Service Company Common stock so deposited, each such Bankers' Share representing a one-tenth interest in a share of Cities Service Company Common stock of $100 par value.

The agreement provides that Cities Service Company or Henry L. Doherty & Co. shall have the exclusive right to deposit additional shares of Common stock from time to time against which additional Bankers' Shares may be issued.

Stockholders of Cities Service Company at annual meeting held April 28, 1925 changed the par value of company's Common stock from $100 to $20 a share each, five new shares being issued in exchange for one old share. Cities Service Bankers' shares in denomination of $10 are exchangeable on the basis of two shares for one share of Cities Service Company's stock of the par value of $20 per share.

The agreement provides for the sale of all stock dividends received on the deposited Cities Service Company Common stock, and the disbursement of the proceeds from such sale, together with the cash dividends received on the deposited stock, in the form of a cash distribution to the holders of Bankers' Shares. Distributions to holders of Bankers' Shares are payable, under the present dividend policy of Cities Service Company, on the first of each month to holders of record on the fifteenth day of the preceding month.

Distributions on Bankers' Shares—With the payment of the distribution on Cities Service Company Bankers' Shares June 1, 1921, there had been made twenty-seven monthly distributions on these shares, as the first distribution was made April 1, 1919. The total of the twenty-seven distributions on each Bankers' Share was $11.96 these monthly distributions having been as follows:

April 1, 1919,	39.6 cts.		June 1, 1920	49.0	cts.
May 1, 1919,	41.1 cts.		July 1, 1920,	46.25	cts.
June 1, 1919,	41.0 cts.		Aug. 1, 1920,	45.62	cts.
July 1, 1919,	42.8 cts.		Sept. 1, 1920,	42.0	cts.
Aug. 1, 1919,	42.6 cts.		Oct. 1, 1920,	40.75	cts.
Sept. 1, 1919,	49.1 cts.		Nov. 1, 1920,	41.5	cts.
Oct. 1, 1919,	51.0 cts.		Dec. 1, 1920,	43.5	cts.
Nov. 1, 1919,	52.7 cts.		Jan. 1, 1921,	39.0	cts.
Dec. 1, 1919,	51.4 cts.		Feb. 1, 1921,	34.0	cts.
Jan. 1, 1920,	46.1 cts.		Mar. 1, 1921,	36.87	cts.
Feb. 1, 1920,	55.925 cts.		April 1, 1921,	35.0	cts.
Mar. 1, 1920,	54.75 cts.		May 1, 1921,	35.0	cts.
Apr. 1, 1920,	50.25 cts.		June 1, 1921,	35.5	cts.
May 1, 1920,	53.875 cts.				

From July 1, 1921, to Dec. 1, 1921, 30 cents in cash scrip and 75 cents in stock scrip: 1922, 1923 and 1924, 60 cents in cash scrip and $1.50 in stock scrip each; Jan. and Feb., 1925, 10 cents in cash scrip and 25 cents in stock scrip. Payments on a cash basis were resumed March 1, 1925, as follows:

Mar. 1, 1925,	15.1 cts.		Nov. 1, 1926,	16.21875	cts.
Apr. 1, 1925,	15.1 cts.		Dec. 1, 1926,	17.00	cts.
May 1, 1925,	13.75 cts.		Jan. 1, 1927	17.25	cts.
June 1, 1925,	14.0 cts.		Feb. 1, 1927,	17.625	cts.
July 1, 1925,	14.50 cts.		Mar. 1, 1927,	18.75	cts.
Aug. 1, 1925,	14.6875 cts.		Apr. 1, 1927,	19.50	cts.
Sept. 1, 1925,	14.84375 cts.		May 1, 1927,	17.90625	cts.
Oct. 1, 1925,	14.5625 cts.		June 1, 1927,	16.625	cts.
Nov. 1, 1925,	14.40625 cts.		July 1, 1927,	16.5	cts.
Dec. 1, 1925,	14.71875 cts.		Aug. 1, 1927,	16.34375	cts.
Jan. 1, 1926,	14.675 cts.		Sept. 1, 1927,	16.34375	cts.
Feb. 1, 1926,	14.5 cts.		Oct. 1, 1927,	17.09375	cts.
Mar. 1, 1926,	14.625 cts.		Nov. 1, 1927,	17.4375	cts.
Apr. 1, 1926,	15.125 cts.		Dec. 1, 1927,	17.5	cts.
May 1, 1926,	15.0625 cts.		Jan. 1, 1928,	17.90625	cts.
June 1, 1926,	15.28125 cts.		Feb. 1, 1928,	18.90625	cts.
July 1, 1926,	15.125 cts.		Mar. 1, 1928,	18.8125	cts.
Aug. 2, 1926,	15.40625 cts.		Apr. 1, 1928,	19.00	cts.
Sept. 1, 1926,	15.375 cts.		May 1, 1928,	19.25	cts.
Oct. 1, 1926,	16.09375 cts.		June 1, 1928,	20.375	cts.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	29¼	25¾	22	19	19½	24⅞	31½	44⅛
Low	22½	19	17⅝	13¼	12⅝	16¾	11¼	29

FUNDED DEBT

(1)

$14,356 (CLOSED ISSUE) CONVERTIBLE GOLD DEBENTURE 5% BONDS, SERIES "A"; DUE JANUARY 1, 1966

Dated January 1, 1916.

Interest Payable on Coupon bonds Jan. and July 1 on registered bonds ($100, $500, $1,000 and $5,000) by check, monthly, quarterly (J, A, J & O 1), semi-annually (Jan. and July 1), or annually (Jan. 1), on written instructions to Company at time of issue of bonds; on registered bonds ($10 or multiples thereof, less than $100), annually by check.

Denominations—Coupon, $1,000, and registered $10 (and multiples thereof less than $100), $100, $500 $1,000 and $5,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Original issue, $5,000,000.

Callability—Subject to call on any interest date on 30 days' notice at 102 and interest.

Convertibility—These bonds were convertible up to Jan. 1, 1923, on the basis of one share of Pfd. stock and one-quarter share of Common stock (par, $100) of Cities Service Co. for each $100 par value of these debenture bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—	1927	1926
High	91⅞	90
Low	88	89

(2)

$18,902,200 REFUNDING 6% GOLD DEBENTURE BONDS; DUE JANUARY 1, 1966

Dated May 1, 1925.

Interest Payable May and November 1 in New York and Chicago.

Denominations—Coupon $100, $500 and $1,000 principal may be registered.

Trustee—Chatham Phenix National Bank and Trust Co., New York.

Provisions of Issue—Issued, $25,000,000; outstanding, Dec. 31, 1927, $18,902,200. Issued to refund debentures of other series, bearing higher interest rates and funded debt of subsidiaries.

Additional debentures of this or other funded debt of company may not be issued, unless the net earnings for twelve consecutive months within the fifteen calendar months immediately preceding such issuance shall have been not less than two times the annual interest charges on the entire funded debt of company then outstanding and including those proposed to be issued, all as defined in the indenture.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 104 on or before May 1, 1962, and thereafter at 1% less each year or part thereof, plus accrued interest in each case.

Sinking Fund—Agreements heretofore made provided for sinking funds, for benefit of these Debenture bonds, aggregating $500,000 per annum operating $125,000 quarterly, and Supplemental Agreement of Feb. 1, 1926, contained further provisions under which such sinking funds upon issuance of $5,000,000 principal amount of Debenture bonds issued in June, 1926 were increased by an additional $125,000 per annum operating $31,250 quarterly beginning Aug. 1, 1926. These funds, aggregating $625,000 per annum, are to be used for retirement of these Debenture bonds, by purchase, if obtainable at not exceeding par and interest. All such bonds so purchased must be cancelled. Any such quarterly sinking fund amounts which are not so applied at end of any quarter revert to Company.

Security—These bonds are a direct obligation of company, which, under the terms of the indenture covenants that no additional Debentures of this issue or other funded debt of company may be issued unless the net earnings of company for 12 consecutive calendar months within the 15 calendar months immediately preceding such issuance, shall have been not less

an two times the annual interest charges on the entire funded debt of company then outstanding in the hands of the public and on any then proposed to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax, Connecticut four mills tax, Massachusetts Income tax on the interest up to 6%, Maryland 4½ mills Securities tax and California tax up to four mills refundable to resident holders in these States on application to company within 60 days.

Legal Opinion—Chadbourne, Stanchfield & Levy, Hobbe, Thatcher, Frederick Earle & Hoar, and Frueauff, Robinson & Sloan, New York.

Original Offerings—First publicly offered ($10,000,000) in May, 1925, at 91 and interest, to yield about 6.65% by A. B. Leach & Co., Inc., H. M. Byllesby & Co., Inc., Henry L. Doherty & Co., New York, and the Federal Securities Corp. and Pearsons-Taft Co., Chicago; $10,000,000 additional were offered in Jan., 1926, at 93¼ and interest to yield over 6.45% and $5,000,000 additional in June, 1926, at the same price, both offerings by the above bankers.

Price Range—

	1927	1926	1925
High	103¾	98⅜	93¼
Low	99⅜	91	90

(3)

$5,863,300 REFUNDING 5% GOLD DEBENTURE BONDS; DUE JANUARY 1, 1966

Dated March 1, 1927.

Interest Payable March and September 1 in New York, Chicago and San Francisco.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Issued, $15,000,000 under agreement of May 1, 1925. Company agrees, among other things, that so long as any of these Debentures are outstanding no additional bonds, notes, debentures or other indebtedness of Company maturing more than one year from date of issue thereof, may be issued unless net earnings of Company for 12 consecutive calendar months within the 15 calendar months immediately preceding such issuance shall have been not less than two times the annual interest charges on the entire funded debt of Company then outstanding in the hands of the public and on any then proposed to be issued, all as defined and set forth in said Agreement.

Purpose of Issue—Company entered into an agreement that at least $15,000,000 total principal amount of Convertible Debentures and/or Debenture Bonds of Company issued and outstanding in the hands of the public as of Jan. 31, 1927, would be retired during 1927. The outstanding Series "B," "D" and "E" Debentures were called for payment April 21, 1927.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, at 103 on or before March 1, 1962 and thereafter at 1% less each year, or part thereof, to and including March 1, 1965, and thereafter at 100, plus accrued interest in each case.

Sinking Fund—The Agreement under which these Debenture bonds are issued provides for a sinking fund equivalent to $375,000 per annum, operating $93,750 quarterly beginning March 1, 1928, and for ratable increase thereof as additional Refunding 5% Gold Debenture bonds are issued. Such fund is to be used for the retirement of Refunding 5% Gold Debenture Bonds, by purchase, if obtainable at not exceeding par and accrued interest. All such bonds, so purchased, must be cancelled. Any quarterly sinking fund amounts which are not so applied at the end of any quarter revert to the treasury of the Company.

Security—These Debenture bonds are direct obligations of Company, not issued under a mortgage.

Tax Provisions—Company pays normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax, Connecticut 4-Mills Tax, Massachusetts Income Tax on interest up to 6%, Maryland 4½-Mills Securities Tax, and California Tax up to 4 Mills refundable to resident holders in these states on application to the Company within 60 days.

Legal Opinion—Chadbourne, Stanchfield & Levy, and Frueauff, Robinson & Sloan, New York.

Original Offering—First publicly offered ($15,000,000) of which $14,000,000 were offered in February, 1927 at 91¾ and interest by A. B. Leach & Co., Inc. and Henry L. Doherty & Co., New York, etc.; Federal Securities Corp. and Pearsons-Taft Co., Chicago; and $1,000,000 were reserved for distribution in Europe by Heldring & Pierson, The Hague.

(4)

$50,000,000 CITIES SERVICE COMPANY 5% GOLD DEBENTURES; DUE APRIL 1, 1958

Dated April 2, 1928.

Interest Payable April and October 1, at agency of the company in New York City, Chicago or Boston.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—The Equitable Trust Company of New York.

Purpose of Issue—The entire proceeds were used for the retirement of funded debt of the Company and for the retirement or acquisition of funded debt or Pfd. stocks of subsidiaries outstanding on Dec. 31, 1927, thereby effecting a substantial saving in interest and dividend charges.

Callability—Subject to call as a whole or in part on any interest date on 30 days notice at 105 through April 1, 1938, with a reduction in the redemption price of ½ of 1% at the beginning of each successive two year period thereafter including the two year period ending April 1, 1956, and at 100 thereafter until maturity plus accrued interest in each case.

Purchase Fund—Company agrees in the Indenture to make available semi-annually beginning April 1, 1929, funds sufficient to retire 1¼% of these debentures at the time outstanding, if obtainable during specified periods by purchase at or below 100% of the principal amount and accrued interest.

Security—Indenture provides, among other things, that the Company shall not pledge any of its securities owned without equally and ratably securing these debentures except in the case of purchase money liens and except in the case of pledge of certain assets in the ordinary course of business to secure current borrowings; and that the Indenture may be amended in certain respects with the consent of the holders of not less than 85% of the outstanding debentures.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills tax, Maryland 4½ mills tax, California 5 mills tax, and Massachusetts Income Tax not exceeding 6% per annum, refundable to resident holders in these states upon application to the Company.

Original Offering—First publicly offered ($50,000,000) in April, 1927, at 98 and interest to yield 5.13%, by Halsey, Stuart & Co., Inc., Harris, Forbes & Co., National City Co., Bonbright & Co., Inc., E. H. Rollins & Sons, A. B. Leach & Co., Inc., Henry L. Doherty & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris, Forbes & Co., Ltd., Montreal; Harris Trust & Savings Bank, Pearsons-Taft Co., and Federal Securities Corp., Chicago.

DEBENTURES REDEEMED

All the outstanding Series "C" convertible 7% Gold Debentures, dated Jan. 1, 1919 and due Jan. 1, 1966, were called for payment May 12, 1926, at 102 and interest at Bankers Trust Co., New York, Trustee. The conversion privilege of these bonds expired May 12, 1926. All the outstanding Series "B" and Series "D" Convertible 7% Gold Debentures, due Jan. 1, 1966 and all the outstanding

Series "E" Convertible 8% Gold Debentures, due Jan. 1, 1966, were called for payment April 21, 1927, the Series "B" and "D" at 102 and interest and the Series "E" at 106 and interest at the offices of the Trustees. The conversion privilege on these issues expired Apr. 21, 1927.

GENERAL STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Electric Properties:						
Kilowatt-hours sold	1,307,719,522	1,307,477,634	1,212,541,098	1,004,181,394	993,913,613	862,066,09
Kilowatts installed capacity	536,419	541,770	508,277	454,945	410,204	390,39
Kilowatts connected load	.....	964,365	933,814	929,798	770,428	711,45
Number of customers	381,852	366,142	344,099	331,180	289,628	247,96
Population served	1,770,000	1,600,000	1,450,000	1,450,000	1,450,000	1,450,00
Electric Railways:						
No. of passengers carried	.....	*74,104,439	76,165,319	84,077,050	97,199,484	93,492,40
Miles of track	.....	330	320	342	372	30
Number of cars	.....	*661	606	688	822	77
Population served	.....	*565,000	550,402	650,000	650,000	650,00
Manufactured Gas:						
Sales in cubic feet	8,831,101,000	8,392,616,000	8,067,240,600	7,166,345,000	6,908,051,000	5,957,786,80
24-hour capacity in cu. ft.	37,780,000	32,510,000	32,462,000	30,753,000	27,093,000	24,495,00
Number of customers	134,092	126,441	128,223	120,077	111,203	103,53
Miles of mains on 3-inch basis	2,063	1,876	1,920	1,851	1,776	1,72
Population served	1,097,000	1,150,000	1,100,000	1,100,000	1,100,000	1,100,00
Natural Gas:						
Gas sold in cubic feet	62,217,547,000	64,902,813,000	64,389,149,000	43,278,540,000	40,491,897,000	38,606,628,00
No. of gas wells owned	1,749	1,766	1,933	2,178	2,158	2,19
Miles of gas mains owned	8,437	7,727	7,691	7,103	5,678	5,60
Casinghead gasoline produced (gals.)	46,443,046	23,393,717	17,526,263	10,222,563	5,218,693	4,863,06
Population served	1,751,000	1,640,000	1,700,000	1,700,000	1,700,000	1,650,00
Oil and Refineries:						
Barrels of oil produced (domestic)	28,300,731	12,065,749	10,912,211	9,308,239	11,286,253	10,044,64
Number of oil wells owned	4,681	4,456	4,003	3,918	3,858	3,81
Daily refining capacity (bbls. crude oil)	36,500	33,600	31,500	32,000	31,500	24,40
Oil storage capacity in bbls	20,513,494	8,728,874	7,719,579	7,816,000	7,385,000	7,102,00
No. of tank cars owned and leased	3,040	3,022	3,083	2,956	2,293	2,24
Communities served by distributing stations	3,770	2,681	2,580	2,256	1,337	81
Marine equip. capacity (bbls.)	674,000	674,000	634,000	.....	.....	.....

*Includes buses.

COMBINED STATEMENTS OF EARNINGS, YEARS ENDED DECEMBER 31
(Cities Service Company and Subsidiaries)
(With Inter-company earnings eliminated)

	1927	1926	1925	1924	1923	1922
Gross earnings	$158,028,258	$140,309,835	$127,107,864	$117,207,692	$109,982,157	$99,194,39
Operating expenses, maint. and taxes	97,910,265	94,002,927	86,859,249	82,452,638	79,368,931	71,604,91
Net earnings	$60,117,993	$46,306,908	$40,248,615	$34,755,054	$30,613,226	$27,589,48
Interest charges	18,859,312	18,966,539	18,557,850	17,214,829	15,629,215	14,490,57
Net to stock and reserves	$41,258,681	$27,340,369	$21,690,765	$17,540,225	$14,984,011	$13,098,90
Preferred stock dividends	12,946,590	10,304,362	8,070,202	7,281,699	6,162,210	5,796,49
*Net to Common stocks and reserves	$28,312,091	$17,036,007	$13,620,563	$10,258,526	*$8,821,801	*$7,302,41
Times Interest Charges Earned	3.19	2.44	2.16	2.02	1.96	1.9

*Includes proportion to minority stocks not owned by Cities Service Co., and to stocks not owned for the full year.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Cities Service Company)

	1927	1926	1925	1924	1923	1922
Earnings—						
Public utilities	$12,877,601	$12,475,529	$12,255,184	$11,559,318	$11,278,508	$8,347,54
Oil operations	20,183,461	12,962,834	7,509,792	5,903,900	5,324,054	6,311,42
Total earnings	$33,061,062	$25,438,363	$19,764,976	$17,463,218	$16,602,562	$14,658,97
Expenses	1,108,111	975,701	775,905	689,473	508,946	453,29
Net earnings	$31,952,951	$24,462,662	$18,989,071	$16,773,744	$16,093,616	$14,205,67
Interest and discount	2,540,120	2,658,390	2,252,142	1,927,971	2,624,856	2,358,55
Net to stock and reserves	$29,412,831	$21,804,272	$16,736,930	$14,845,774	$13,468,760	$11,847,11
Dividends on Preferred stock	6,807,906	6,192,806	5,240,030	5,109,697	4,987,977	4,917,51
Net to Common stock and reserves	$22,604,925	$15,611,466	$11,496,900	$9,736,077	$8,480,783	$6,929,60
Times Interest & Discount Earned	12.57	9.20	8.43	8 70	6.13	6.0
Times Preferred Dividend Earned	4.32	3.52	3.19	2.90	2.70	2.4
% Of Earnings On Average Amount of Common Stock Outstanding	27.34	20.03	*15.24	21.14	18.28	14.8

*Represents percentage on the increased amount of Common stock which became outstanding as the result of th redemption at par of $25,341,182 stock Scrip.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Cities Service Co. and Subsidiaries)
(Inter-Company items eliminated)

Assets—	1927	1926	1925	1924	1923	1922
†Plant and investment	$650,510,512	$558,503,410	$512,853,009	$466,219,378	$417,621,347	$378,868,74
Sinking fund	6,267,174	7,043,247	6,874,975	5,856,180	4,854,302	4,365,47
Cash deposit for retirement of subsidiary securities	14,204,973	.....	.....	.....	.....	.....
Employees' subscriptions to stock	.....	.....	.....	.....	.....	783,68
Cash	29,485,485	24,505,844	19,040,513	13,697,726	13,082,660	12,189,88
Miscellaneous investments	1,027,329	436,577	499,726	540,189	756,228	540,96
Receivable for subsidiary Co. securities sold	.....	.....	.....	.....	.....	8,258,45
Bills receivable	1,190,353	1,731,442	2,301,130	950,934	854,625	1,793,53
Accounts receivable	32,595,471	21,107,365	20,437,769	22,440,458	17,417,967	17,957,75
Oil in stock	26,940,088	12,961,472	15,632,721	10,728,990	9,487,089	7,838,10
Materials and supplies	10,997,069	9,893,442	9,455,261	9,050,506	9,396,256	9,496,54
Payments made in advance	993,207	5,515,660	3,653,731	3,636,065	3,242,300	3,253,14
Discount on bonds, debentures, etc.	28,572,486	21,234,155	17,986,664	16,348,041	14,238,670	14,169,11
Deferred charges	4,976,822	.....	.....	.....	.....	.....
Notes & accounts receivable (not current)	1,027,680	.....	.....	.....	.....	.....
Special deposits	247,708	195,875	646,197	3,612,255	366,271	685,28
Total	$809,036,357	$663,128,487	$609,381,697	$553,080,722	$491,317,715	$460,200,68

CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
ities Service Co. Pfd. stock	$103,495,124	$102,963,577	$85,900,796	$80,308,046	$80,112,611	$78,805,115
ities Service Co. Pref. "B" stock	10,041,985	{4,137,925	4,174,079	4,591,920	3,586,740	3,452,220
ities Service Co. Pref. "BB" stock		{5,630,534	2,610,419	1,082,500	282,500	80,000
ities Service Co. Common stock	85,004,586	80,067,462	75,417,420	46,045,854	46,155,494	46,594,161
fd. stocks of sub. Companies	117,702,732	70,454,102	57,815,687	41,903,726	23,170,442	17,059,226
ommon stocks of subsidiary Companies	5,280,891	5,157,924	7,409,043	7,232,178	7,289,489	6,396,159
ities Service Co. convertible debentures	97,986	9,403,766	22,674,776	26,895,416	25,867,329	36,508,342
ities Service Co. Ref. Gold Deb. bonds	34,765,500	24,545,500	10,000,000	.....	.....	.....
ubsidiary bonds and funded notes	274,422,555	237,951,160	223,559,738	‡209,044,107	180,474,443	154,988,623
ubsidiary securities in sinking fund	5,942,900	5,983,422	5,507,666	4,955,624	4,406,983	3,637,777
ills payable	29,068,936	11,452,215	18,579,826	14,710,624	13,140,045	10,481,347
ccounts payable	12,921,604	6,466,063	8,624,194	7,127,529	6,052,711	5,704,842
axes, royalties & miscell. accruals	3,829,016	3,284,810	2,686,462	2,891,033	2,001,417	1,899,068
nterest accrued	4,476,587	4,122,453	3,248,306	3,309,593	2,767,967	2,459,094
ther current liabilities	.....	.....	61,478	204,917	78,192	85,052
fd. cash scrip	.....	*9,769	*14,665	{ 17,170	25,819	100,718
ommon cash scrip				{9,906,473	7,139,359	4,416,232
tock scrip	.....	*21,996	*35,006	24,766,182	17,848,398	11,040,581
ustomers' deposits	3,229,212	2,805,062	2,714,214	2,428,614	1,614,156	1,485,163
epreciation and other reserves	73,858,858	52,250,073	48,162,175	36,013,090	36,399,101	32,949,142
urplus	44,897,885	35,444,943	30,185,747	29,646,125	32,904,518	42,057,821
Total	$809,036,357	$663,128,487	$609,381,697	$553,080,722	$491,317,715	$460,200,683

*Not presented for payment. †Represents cost of fixed property. (All inter-company securities deducted at par). ‡Does ot include $20,000,000 of bonds of Cities Service Power & Light Company, the proceeds of which were not received until after ne close of the year.

Contingent Liability—Guarantee by Cities Service Co. of $2,320,000 Cities Service Tank Line Co. 5% Equipment Trust Certificates, due serially to 1935.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Cities Service Co. and Subsidiaries)
(Inter-company items eliminated)

Current Assets—	1927	1926	1925	1924	1923	1922
ash	$29,485,485	$24,505,844	$19,040,513	$13,697,726	$13,082,660	$12,189,883
Miscellaneous investments	1,027,329	436,577	499,726	540,189	756,228	540,961
Receivable for Sub. Co. securities sold	.....	.....	.....	.....	.....	8,258,450
Bills receivable	1,190,353	1,731,442	2,301,130	950,934	854,625	1,793,536
Accounts receivable	32,595,471	21,107,365	20,437,769	22,440,458	17,417,967	17,957,759
Oil in stock	26,940,088	12,961,472	15,632,721	10,728,990	9,487,089	7,838,101
Materials and supplies	10,997,069	9,893,442	9,455,261	9,050,506	9,396,256	9,496,548
Total	$102,235,795	$70,636,141	$67,367,120	$57,408,803	$50,994,825	$58,075,238
Current Liabilities—						
Bills payable	$29,068,936	$11,452,215	$18,579,826	$14,710,624	$13,140,045	$10,481,346
Accounts payable	12,921,604	6,466,063	8,624,194	7,127,529	6,052,711	5,704,842
Taxes, etc., accrued	3,829,016	3,284,810	2,686,462	2,891,033	2,001,417	1,899,068
Interest accrued	4,476,587	4,122,453	3,248,306	3,309,593	2,767,967	2,459,094
Pfd. and Com. scrip (not presented)	.....	9,769	14,665	17,170	25,819	100,718
Unclassified items	.....	.....	61,478	204,917	78,192	85,052
Total	$50,296,143	$25,335,311	$33,214,931	$28,260,866	$24,066,151	$20,730,120
Net Working Capital	$51,939,652	$45,300,830	$34,152,189	$29,147,937	$26,928,674	$37,345,118

Officers: Henry L. Doherty, Pres.; W. Alton Jones, 1st V-P.; Ernest H. Johnston, V-P.; Thomas I. Carter, V-P.; Paul R. Jones, Sec.; Louis F. Musil, Treas.; E. E. McWhiney, Asst. Sec.; G. G. Brownell, Asst. Sec. & Asst. Treas., New York; T. W. Bonnet, Asst. Sec., London, Eng.; Chas. B. Wedum, Asst. Sec.; T. A. Wallace, T. P. Lyon, D. B. Carson and Jas. J. Burke, Asst. Treas'rs; Frueauff, Robinson & Sloan, Gen. Counsel, New York.

Directors: Henry L. Doherty, Warren W. Foster, John M. McMillin, Chas. A. Frueauff, Thomas I. Carter, Louis F. Musil, Paul R. Jones, Watson B. Robinson, Ernest H. Johnston, W. Alton Jones, Merlin H. Aylesworth, New York; Frank R. Coates, Toledo, Ohio; Leslie M. Shaw, Washington, D. C.; Edward W. Rollins, Boston, Mass.; Burton G. Tremaine, Cleveland, O.; Geo. A. Archer, Columbus, O.; Herbert R. Straight, Bartlesville, Okla.; John Gribbel, Philadelphia; Thos. St. John Bashford, London, Eng.

General Office, 60 Wall St., New York. **London Office,** 9 Moorgate St., E. C.

APEX SERVICE COMPANY

(Controlled by Cities Service Company)

History—Incorporated March 13, 1926, in Ohio. Company does retail electric business in rural territory northeast of Toledo, Ohio.

CAPITAL STOCK

Authorized, $10,000 Common; outstanding, $1,000; par, $100. All owned by Cities Service Company.

Annual Meeting—Second Tuesday in January.

FUNDED DEBT

None.

Officers: C. L. Proctor, Pres. & Gen. Mgr.; T. I. Carter, V-P.; H. T. Ledbetter, Sec. & Treas.

Directors: C. L. Proctor, H. T. Ledbetter, C. H. L. Thompson, J. F. O'Connor, T. I. Carter.

Office, Toledo, Ohio.

ATLANTIC REALTY CORPORATION

(Controlled by Cities Service Company)

History—Incorporated August 6, 1925, in Ohio. Company is engaged in the real estate business in the vicinity of Toledo, Ohio.

CAPITAL STOCK

Authorized and outstanding, $10,000 Common; par, $100. All owned by Cities Service Company.

Annual Meeting—Second Tuesday in January.

FUNDED DEBT

None.

Officers: E. J. O'Brient, Pres.; F. J. Derge, V-P.; C. W. Fischer, Sec. & Treas.

Directors: R. E. Zachman, F. J. Derge, C. I. Ide, C. W. Fischer, E. J. O'Brient.

Office, Toledo, Ohio.

AUTO GAS & SUPPLY COMPANY

(Controlled by Cities Service Company)

History and Property—Incorporated Nov. 12, 1918, in Minn. Company markets refined oil products. Owns and operates tank and service stations in 51 towns in the states of Minnesota and Wisconsin.

CAPITAL STOCK

Authorized, $500,000 Common; outstanding, $30,000 Common, par $25. All owned by Cities Service Company.

Annual Meeting—Second Tuesday in January.

FUNDED DEBT

None.

Officers: H. D. Frueauff, Pres.; W. H. Merritt, V-P.; F. A. Sheehan, Gen. Mgr.; F. L. Smock, Sec. & Treas.

Directors: H. D. Frueauff, W. H. Merritt, F. A. Sheehan.

Office, Winona, Minn.

CARSON PETROLEUM COMPANY

(Controlled by Cities Service Company)

History—Incorporated February 22, 1922, under the laws of Del. Owns the entire capital stocks of Petroleum Import & Export Co. and Carson Petroleum Co. (Texas). Owner and operator of Petroleum Import & Export Co. plant at St. Rose, La., private wharf, dock and railroad facilities. Storage capacity in excess of 42,000,000 gallons; also manufacturers of cans and cases. Marketer and distributor of refined products, tank car lots, handling outputs of large refineries in Oklahoma, Louisiana and Texas.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,942,950; par, $25. All owned by Cities Service Company.

FUNDED DEBT

None.

Officers: C. W. Cahoon, Pres.; H. D. Frueauff, V-P.; H. E. Brandli, V-P. & Gen. Mgr.; Chas. Ephgrave, Sec.; J. V. Koons, Treas.

Directors: C. W. Cahoon, E. B. Carson, Chas. Ephgrave, H. D. Frueauff, W. A. Jones, H. E. Brandli, L. F. Musil, H. O. Caster, F. R. Coates.

Office, Chicago, Ill.

CARSON PETROLEUM CO. (TEXAS)

(Controlled by Carson Petroleum Company)

History—Incorporated April 19, 1921, in Texas, for a period of 50 years, to store, transport, buy and sell oil, gas oil, brine and other mineral solutions.

CAPITAL STOCK

Authorized and outstanding, $5,000; par, $25. All owned by Carson Petroleum Co., Del. Annual meeting, first Tuesday in February.

Officers: C. W. Cahoon, Sr., Pres.; H. E. Brandli, V-P.; C. W. Cahoon, Jr., Sec. & Treas.

Directors: C. W. Cahoon, Sr., C. W. Cahoon, Jr., Chicago, Ill.; H. E. Brandli, New York, N. Y.

Office, Dallas, Tex.

PETROLEUM IMPORT & EXPORT CO.

(Controlled by Carson Petroleum Company)

History—Incorp. Jan. 29, 1921, under the laws of Louisiana, Wholesale plant at St. Rose, La., with private wharf and docks, railroad facilities for importing and exporting refined petroleum in bulk, barrels and cases. Operates can and casing manufactory and has large storage facilities. Also jobber of petroleum products.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,700,000; par, $25. All owned by Carson Petroleum Company. Annual meeting, second Tuesday in January.

Officers: C. W. Cahoon, Pres.; H. E. Brandli, V-P., Gen. Mgr. & Treas.; J. V. Koons, Sec.

Directors: C. W. Cahoon, H. E. Brandli, J. V. Koons, H. D. Frueauff, F. R. Coates.

Office, New Orleans, La.

CENTRAL OHIO GAS & ELECTRIC CO.

(Controlled by Cities Service Company)

History—Incorporated September 15, 1914 under the laws of Delaware, as a holding company for gas, electric and kindred properties. Owns $4,875,000 (7.5%) Common stock of Cities Service Power & Light Company.

CAPITAL STOCK

Authorized and outstanding, $2,500,000; par, $100. Cities Service Company owns $2,497,900 (99.916%) of the stock. Annual meeting, second Tuesday in September.

Officers: Henry L. Doherty, Pres.; T. I. Carter, V-P.; R. G. Griswold, 2nd V-P.; E. E. McWhiney, Sec.; L. F. Musil, Treas., New York.

Directors: Henry L. Doherty, T. I. Carter, W. A. Jones, R. G. Griswold, Paul R. Jones, Louis F. Musil, R. E. Burger, New York.

Office, 60 Wall St., New York.

CHESEBROUGH BUILDING COMPANY

(Controlled by Cities Service Company)

History—Incorporated June 3, 1899, in New York. Owns Chesebrough Building at State and Pearl Sts., Battery Park Building, at Bridge, State and Pearl Sts., and the Maritime Building at Bridge and Pearl Sts., all located in New York City. Also a one-half stock interest in No. 8 State Street Realty Corp., as well as other real estate in New York. On Sept. 1, 1920, control of Company was acquired by Cities Service Company. In Dec., 1923, the American Gateway Realty Corp. and Battery Park Land Corp. were merged with the Chesebrough Building Co.

CAPITAL STOCK

Authorized and outstanding, $1,200,000, par, $100. Cities Service Company owns $1,199,300 (99.942%) of the stock. Annual meeting, fourth Monday in May.

FUNDED DEBT

$3,426,000 CHESEBROUGH BUILDING FIRST MORTGAGE 25-YEAR 6% SINKING FUND GOLD LOAN; DUE OCTOBER 1, 1948

Dated October 1, 1923.

Interest Payable April and October 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Union Trust Co., of New York.

Provisions of Issue—Authorized $3,500,000; outstanding Dec. 31, 1927, $3,426,000; retired by sinking fund, $74,000.

Callability—Subject to call as a whole or in part on any interest date, on 30 days' notice, at 105 and accrued interest during the first ten years; thereafter during the next ten years at 102½ and accrued interest, and thereafter during each succeeding year at ½ of 1% less each year or part thereof, and accrued interest.

Sinking Fund—The mortgage provides for a sinking fund of $50,000 per annum, payable semi-annually beginning Oct. 1, 1926, for the reduction of this loan by purchase or call. This sinking fund will retire over $1,000,000 of this loan by maturity.

Security—This loan is secured by an absolute first (closed) mortgage upon the following lands and buildings owned in fee: Battery Park Building, having a rentable space of 110,000 square feet; Maritime Building, total rentable space of 93,000 square feet; Maritime Annex Buildings, with total rentable space of 29,000 square feet; Chesebrough Building and adjoining building, with total rentable space of 95,860 square feet. These properties are located in lower Manhattan, New York City, and are contiguous to or face on Battery Park. The properties have been appraised as follows: Joseph P. Day, Inc., $5,451,000; Charles F. Noyes Company, $5,348,250.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from personal property tax in New York.

Legal Opinion—Frueauff, Robinson & Sloan, and Carle & Hoar, New York.

Original Offerings—First publicly offered ($3,500,000) in Oct., 1923, at 99½ and interest, to yield over 6%, by A. B. Leach & Co., Inc., and Halsey, Stuart & Co., Inc., New York, etc.

STATEMENT OF EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$1,156,825	$924,512
Operation and maintenance	440,866	451,717
Net earnings from operation	$715,959	$472,795
Non-operating income		200,995
Net earnings for interest & reserve	$715,959	$673,790
Bond interest	213,027	215,643
Balance	$502,932	$458,147

Officers: H. L. Doherty, Pres.; A. H. Fromm, V-P.; A. J. Hopper, Sec.; E. H. Johnston, Treas., New York.

Directors: H. L. Doherty, W. B. Robinson, A. H. Fromm, A. J. Hopper, L. F. Musil, E. H. Johnston, W. A. Jones, New York.

Office, 60 Wall Street, New York.

C. H. LOCKWOOD OIL COMPANY

(Controlled by Cities Service Company)

History and Property—Incorporated Feb. 23, 1922, in Wisconsin. Acquired by Cities Service Company, June 30, 1927. Owns and operates tank and service stations in Wisconsin and Minnesota. Serves a population of about 100,000.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common; par, $100. $99,700 (99.7%) owned by Cities Service Company.

Annual Meeting—Second Tuesday in January.

FUNDED DEBT

None.

Officers: C. H. Lockwood, Pres., Gen. Mgr. & Treas.; N. L. Zust, V-P.; H. D. Frueauff, V-P.; O. E. Severtson, Sec.

Directors: C. H. Lockwood, N. L. Zust, H. D. Frueauff.

Office, Kenosha, Wis.

CITIES FUEL & POWER COMPANY

(Controlled by Cities Service Company)

History—Incorporated Nov. 28, 1917, in Del., under a perpetual charter. Controls through stock ownership the following companies: Empire Pipeline Co. of Mexico, S. A., Franklin County Pipeline Co., Gulf Coast Corporation, Holden Evans Steamship Co., Lagunita Oil Co., Tampascas Oil Co., National Petroleum Corp., New York & Northern Gas Co., Northwestern New York Gas Co., Republic Light, Heat & Power Co., Manufacturers Natural Gas Co., Ltd., and Southern Fuel & Refining Co.

CAPITAL STOCK

Authorized and outstanding, $10,000,000; par, $100. All owned by Cities Service Company. Annual meeting, first Tuesday after first Monday in April.

FUNDED DEBT

None.

Officers: E. H. Johnston, Pres.; V. R. Garfias, V-P.; Thos. I. Carter, V-P.; E. E. McWhiney, Sec.; L. F. Musil, Treas.

Directors: W. P. Lehrer, E. E. McWhiney, Thos. I. Carter, T. A. Wallace, E. H. Johnston, C. B. Wedum, T. L. Blackburn, D. B. Carson, V. R. Garfias, New York.

Office, 60 Wall Street, New York.

EMPIRE PIPELINE CO. OF MEXICO, S. A.

(Controlled by Cities Fuel & Power Company)

History—Organized Nov., 1917, under the laws of Mexico. Owns leases on oil acreage in the Panuco Field of Mexico.

CAPITAL STOCK

Authorized and outstanding, 50,000 pesos; par, 100 pesos. All owned by Cities Fuel & Power Co. Annual meeting, within 90 days after Jan. 1, at Tampico, Mex.

FUNDED DEBT

None.

Officers: Vacancy, Pres.; E. P. Heiles, V-P.; Enrique Garza, Sec. & Treas., Tampico, Mex. F. Musil, Treas., New York.

Directors: E. P. Heiles, Enriqui Aguerrevere, E. Garza, Tampico, Mex.

New York Office, 60 Wall St.

FRANKLIN COUNTY PIPELINE CO.

(Controlled by Cities Fuel & Power Company)

History—Incorporated March 15, 1916, in Kansas. Company owns 14 miles of gas pipeline on a 3 inch basis.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $1. Cities Fuel & Power Company owns $99,995 (99.995%) of the stock. Annual meeting, third Wednesday in June.

FUNDED DEBT

None.

Officers: H. R. Straight, Pres.; F. C. Brown, V-P.; C. E. Murray, Sec.; D. W. Harris, Treas., Bartlesville, Okla.

Directors: H. R. Straight, F. C. Brown, H. J. Coosland, N. M. Hutchinson, J. G. Dickinson, Bartlesville, Okla.

Office, Ottawa, Kan.

GULF COAST CORPORATION

(Controlled by Cities Fuel & Power Company)

History—Incorporated Nov. 2, 1910, in Virginia. Company was formerly controlled by Empire Transporation & Oil Corp., but in 1925 was acquired by the Cities Fuel & Power Co. Company owns leases on oil lands in the Panuco oil fields, near Tampico, Mex.

CAPITAL STOCK

Authorized and outstanding, $850,000; par, $5. Cities Fuel & Power Co. owns $836,025 (98.356%) of the stock. Annual meeting, fourth Thursday in January at Richmond, Va.

Officers: H. L. Doherty, Pres.; V. R. Garfias, V-P.; T. Carter, V-P.; P. R. Jones, Sec.; L. R. Musil, Treas., New York.

Directors: V. R. Garfias, F. R. Coates, H. L. Doherty, W. A. Jones, H. O. Caster, New York.

New York Office, 60 Wall St.

LAGUNITA OIL COMPANY

(Controlled by Cities Fuel & Power Company)

History—Organized Nov. 1, 1912 in W. Virginia. Formerly controlled by Empire Transportation & Oil Corp., but in 1925 was acquired by the Cities Fuel & Power Co. A holding company, owning the entire capital stock of Tampascas Oil Co., operating in Mexico.

CAPITAL STOCK

Authorized and outstanding, $600,000 Common and $100,000 8% Pfd.; par, $100. The Cities Fuel & Power Co. owns entire Pfd. stock and $493,500 (82.25%) Common stock. Annual meeting, second Tuesday in February at New York.

Officers: H. L. Doherty, Pres.; F. R. Coates, V-P.; V. R. Garfias, V-P.; E. E. McWhiney, Sec.; L. F. Musil, Treas., New York.

Directors: H. O. Caster, F. R. Coates, V. R. Garfias, W. A. Jones, H. L. Doherty, New York.

New York Office, 60 Wall St.

TAMPASCAS OIL COMPANY

(Controlled by Lagunita Oil Company)

History and Property—Organized Sept. 19, 1912, in West Virginia. Company owns leases on oil lands in the Panuco oil field, north of Panuco, Mex.

CAPITAL STOCK

Authorized and outstanding, $20,000; par, $100. All owned by Lagunita Oil Co. Annual meeting, second Tuesday in February at New York.

Officers: H. L. Doherty, Pres.; V. R. Garfias, V-P.; F. R. Coates, V-P.; P. R. Jones, Sec.; L. F. Musil, Treas., New York; R. V. Whetsel, Acting Mgr., Tampico, Mex.

Directors: F. R. Coates, V. R. Garfias, H. L. Doherty, W. A. Jones, H. O. Caster, New York.

New York Office, 60 Wall St.

NATIONAL PETROLEUM CORPORATION

(Controlled by Cities Fuel & Power Company)

History—Organized Nov. 15, 1911, in Delaware. Formerly controlled by Empire Transportation & Oil Corp., but in 1925 was acquired by the Cities Fuel & Power Co. Company is inactive.

CAPITAL STOCK

Authorized, $895,100 Common and $100,000 7% Pfd.; outstanding, $595,000 Common; par, $10. Cities Fuel & Power Co. owns $574,850 (96.613%) of the Common stock. No Pfd. stock outstanding. Annual meeting, second Tuesday in February at Wilmington, Del.

Officers: H. L. Doherty, Pres.; V. R. Garfias, V-P.; F. R. Coates, V-P.; L. F. Musil, Treas., New York; E. P. Heiles, Sec.; R. V. Whitsel, Mgr., Tampico, Mex.

Directors: V. R. Garfias, F. R. Coates, H. L. Doherty, W. A. Jones, H. O. Caster, New York.

New York Office, 60 Wall St.

NEW YORK & NORTHERN GAS COMPANY

(Controlled by Cities Fuel & Power Company)

History—Incorporated Nov. 22, 1922, in Del. as Ohio and Northern Gas Co., for the purpose of associating certain natural gas properties of Cities Service Co. for their more efficient operation, and to facilitate the financing of their capital requirements; name changed to present title Oct. 21, 1925. Controls through stock ownership the Manufacturers Natural Gas Co., Ltd., and Northwestern New York Gas Co., which in turn controls the Republic Light, Heat & Power Co. The company is also associated with (through ownership of bonds) the Dominion Gas Co. and Southern Ontario Gas Co., Ltd. (see appended statements). All these companies, either directly or through subsidiaries, distribute natural and artificial gas without competition at retail to about 49 communities, including Dunkirk, Batavia, Tonawanda and Fredonia, New York, and Hamilton, Ontario.

CAPITAL STOCK

Authorized and outstanding, $10,000,000; par, $100. All owned by Cities Fuel & Power Company. Annual meeting, second Tuesday after first Monday in November.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P.; W. A. Jones, V-P.; F. R. Coates, V-P.; E. E. McWhiney, Sec.; E. H. Johnston, Treas.; C. B. Wedum, Asst. Sec.; T. A. Wallace, Asst. Treas., New York.

Directors: H. O. Caster, T. I. Carter, H. L. Doherty, E. H. Johnston, W. A. Jones, E. E. McWhiney, T. A. Wallace, C. B. Wedum, F. R. Coates, New York.

New York Office, 60 Wall St.

MANUFACTURERS NATURAL GAS CO., LTD.

(Controlled by New York & Northern Gas Company)

History—Incorporated in June, 1906, in Ont. Sells natural gas principally to industrial plants in Hamilton. Company purchases its supply of natural gas at wholesale from the Southern Ontario Gas Co., Ltd. and The Dominion Natural Gas Co., Ltd. Sales in 1927, 49,882,000 cu. ft. compared with 45,349,000 cu. ft. in 1926, 68,432,000 cu. ft. in 1925 and 75,599,000 cu. ft. in 1924. Distributing mains 17.92 miles on a 3-inch basis.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. New York & Northern Gas Co. owns $199,300 (99.65%) of the stock. Annual meeting, first Monday in February.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres., New York; S. B. Severson, V-P. & Gen. Mgr.; F. R. Coates, V-P.; H. O. Caster, V-P.; J. A. Richie, Sec. & Treas., Buffalo, N. Y.

Directors: J. A. Richie, S. B. Severson, D. P. Spencer, Buffalo, N. Y.; H. L. Doherty, H. O. Caster, W. A. Jones F. R. Coates, New York.

Office, Hamilton, Ont.

NORTHWESTERN NEW YORK GAS CO

(Controlled by New York & Northern Gas Company)

History—Incorporated in May, 1906, under the laws of Delaware, as the Frost Gas Company; name changed to present title in 1922. Existence perpetual. Controls through stock ownership the Republic Light, Heat & Power Co., Inc. The Company produces natural gas from its own wells, numbering 19. Leases about 1,482 acres in Chautauqua County, N. Y. Distributes at Fredonia, Sheridan, Stockton, Cassadaga and Lily Dale Assembly, N. Y., serving a population of over 14,000. No. of customers, 2,632. No. of meters, 2,649. Production in 1927, 43,698,000 cu. ft. compared with 70,227,000 cu. ft. in 1926, 96,018,000 cu. ft. in 1925 and 127,079,000 cu. ft. in 1924.

CAPITAL STOCK

Authorized, $100,000; outstanding, $99,600; par $100. All owned by New York & Northern Gas Co. Annual meeting, first Monday in May.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$143,180	$149,288	$126,783
Operating exp., maint. and taxes	125,270	145,627	115,275
Net earnings	$17,910	$3,661	$11,508
Other income	398,779	598,347	360,168
Total income	$416,689	$602,008	$371,676
Fixed charges	†291,203	487,423	386,477
Surplus for year	‡$125,486	$114,585	*$14,801

*Deficit. †Interest charges only. ‡Balance for stock and reserves.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$356,996	$359,009	$399,492
Securities owned	3,595,661	3,595,661	3,596,064
Cash on hand	11,705	11,071	8,697
Accounts receivable	32,232		
Earnings receivable	1,453,983	1,512,068	852,448
Earnings receivable reserve	1,064,633		
Bad debts receivable	689		
Other assets	.....	45	45
Prepayments	877	1,343	1,633
Profit and loss	.....	.....	18,966
Total	$6,516,776	$5,479,197	$4,877,345
Liabilities—			
Capital stock	$99,600	$99,600	$99,600
Premium on capital stock	.....	1,050	1,050
Notes payable—H. L. D. & Co.	3,250,579	3,167,741	3,169,951
Accounts payable—H. L. D. & Co. and inter-company	1,608,103	1,492,746	1,389,066
Current liabilities	31,740	1,173	.....
Interest & taxes accrued	5,206	78,921	67,310
Consumers' deposits	19,895	19,026	18,366
Subsidiary surplus reserve	1,064,633		
Replacement reserve	153,289	123,322	131,693
Other reserves	1,850		
Unadjusted credits	.....	.....	309
Surplus	281,880	495,618	.....
Total	$6,516,776	$5,479,197	$4,877,345

Officers: H. L. Doherty, Pres., New York; S. B. Severson, V-P. & Gen. Mgr.; J. A. Richie, Sec. & Treas., Buffalo, N. Y.

Directors: The above and F. R. Coates, H. O. Caster, W. D. Creveling, New York; Frank Montague, D. P. Spencer, Harry D. Williams, Friend Fair, Buffalo, N. Y.

Office, Buffalo, N. Y.

REPUBLIC LIGHT, HEAT & POWER CO.

(Controlled by Northwestern New York Gas Co.)

History—Inc. July 31, 1918, in N. Y., for a period of 1 years, and acquired the following public utility properties as of July 1, 1919: South Shore Natural Gas & Fuel Co., Silver Creek Gas & Improvement Co., Fredonia Natural Gas Light Co., The Aldenatavia Natural Gas Co., Akron Natural Gas Co., Attica Natural Gas Co., Ontario Gas Co., North Buffalo Natural Gas Fuel Co., and Niagara Light, Heat & Power Co. As of Jan. 1, 1922, acquired the Brocton Gas & Fuel Co. (see 1922 Public Utility Manual, page 51, or apply to our Information Department).

Company has 246 producing wells and 769.22 miles of gas pipe line on 3 inch basis. No. of customers, 4,708. Company supplies natural or by-product gas in the following communities serving a population of 31,320: Dunkirk, Forestville, Sheridan, Portland, Silver Creek, Irving, Farnham, Westfield, Mayville, Chautauqua, Batavia, Alden, Corfu, Alexander, East Pembroke, Akron, Clarence, Mill Grove, Attica, Honeoye Falls, Lima, E. & W. Bloomfield, Bristol, North Buffalo, Brant, Arkwright, Holcomb, Town Line, and other numerous communities.

Production in 1927, 574,964,000 cu. ft., compared with 1,310,207,000 cu. ft. in 1926, 1,198,721,000 cu. ft. in 1925 and 1,156,654,000 cu. ft. in 1924. Sales in 1927, 743,522,000 cu. ft., compared with 1,537,598,000 cu. ft. in 1926, 1,508,237,000 cu. ft. in 1925 and 1,442,861,000 cu. ft. in 1924.

The Tonawanda Branch (formerly the property of the Niagara Light, Heat & Power Co.) distributes coke oven gas (purchased from Semet-Solvay Co.) in the towns of Tonawanda and North Tonawanda and wholesales to village of Kenmore; and distributes natural gas in Town of Amherst. Population served, about 35,350. No. of customers, 8,946. Miles of mains, 96.66 on a 3 in. basis. Sales in 1927: Artificial gas, 19,206,700 cu. ft., compared with 477,412,100 cu. ft. in 1926, 332,253,700 cu. ft. in 1925 and 243,317,600 cu. ft. in 1924.

CAPITAL STOCK

Authorized, $4,000,000; outstanding, $3,374,600; par, $100. All owned by Northwestern New York Gas Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,543,296	$1,406,919	$1,206,578
Oper. exp., maint. & taxes	1,197,641	1,070,765	983,650
Net earnings	$345,655	$336,154	$222,928
Other income	75,953	83,500	70,998
Total income	$421,608	$419,654	$293,926
Bond interest	4,167	12,500	15,067
Other fixed charges	18,673	20,467	33,191
Net income	$398,768	$386,687	$245,668
Common dividends	134,984	134,984	.....
Balance for reserves	$263,784	$251,703	$245,668

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$5,670,589	$4,538,204	$4,356,138
Securities owned	1,100	1,100	1,100
Materials and supplies	185,441	177,831	125,471
Cash on hand	154,466	222,037	82,933
Notes & accts. receivable	337,243	.....	.....
Accts. receivable, interco.	395,229	.....	.....
Bad debts receivable	21,376		
Current accounts	.....	1,570,669	1,347,548
Special deposits	10	.....	.....
Prepayments	3,618	14,040	16,421
Suspended expenses	172,446	57,089	13,034
Total	$6,941,518	$6,581,302	$5,942,645
Liabilities—			
Capital stock	$3,374,600	$3,374,600	$3,374,600
Funded debt	.....	250,000	250,000
Consumers' deposits	137,483	119,534	110,197
Loans and notes payable	257,500	287,500	262,640
Accounts payable	318,739	60,165	104,559
Interest accrued	124,044	*332	890
Taxes accrued		134,215	58,089
Reserves for replace., etc.	1,275,169	870,427	948,513
Profit and loss surplus	1,453,983	1,484,861	833,157
Total	$6,941,518	$6,581,302	$5,942,645

*Debit.

Officers: H. L. Doherty, Pres., New York; S. B. Severson, V-P. & Gen. Mgr.; J. A. Richie, Sec. & Treas., Buffalo, N. Y.

Directors: H. L. Doherty, New York; J. A. Richie, S. B. Severson, Buffalo, N. Y.

Office, Buffalo, N. Y.

SOUTHERN FUEL & REFINING COMPANY

(Subsidiary of Cities Fuel & Power Co.)

History—Incorporated November 15, 1911 in Delaware with a perpetual charter. Has production in the Panuco district in Mexico.

CAPITAL STOCK

Authorized and outstanding, $995,000; par $10. Cities Fuel & Power Co. owns $664,850 (95.662%) of the capital stock. Annual meeting, second Tuesday in February at Wilmington, Del.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P.; V. R. Garfias, V-P.; R. V. Whetsel, Mgr.; E. P. Heiles, Sec.; L. F. Musil, Treas., New York.

Directors: H. L. Doherty, F. R. Coates, W. A. Jones, V. R. Garfias, H. O. Caster.

Office, Wilmington, Del.

CITIES SERVICE EXPORT OIL COMPANY

(Controlled by Cities Service Company)

History—Incorporated in 1922 under the laws of Delaware Company, is a marketer and exporter of gasoline, kerosene, fuel and gas oil, lubricating oil and

greases in bulk, barrels, cans and cases. Has export facilities through connections at New Orleans for handling of western, mid-continent and Gulf Coast crude oils and refined oils, and at Philadelphia for high grade Pennsylvania lubricating oils. Owns the entire capital stock of Atlantic Oil Storage Co. (formerly The Cities Service Oil Storage Co.) Also controls Cities Service Oil Co., Ltd., England, and Ste. Commerciale des Carburants.

CAPITAL STOCK

Authorized, $2,000,000 (increased from $5,000 July 1, 1925); outstanding, $1,074,100; par, $100 (increased from $25 July 1, 1925). All owned by Cities Service Company.

FUNDED DEBT

None.

Officers: C. W. Cahoon, Pres. & Treas.; H. D. Frueauff, V-P.; H. E. Brandli, V-P. & Gen. Mgr.; H. H. Eagle, V-P.; J. V. Koons, Sec.

Directors: C. W. Cahoon, H. D. Frueauff, H. E. Brandli, J. V. Koons, H. H. Eagle, W. B. Robinson, F. R. Coates, W. A. Jones, L. F. Musil.

Offices, 60 Wall St., New York, and Dover, Del.

ATLANTIC OIL STORAGE COMPANY

(Controlled by Cities Service Export Oil Company)

History—Incorp. Dec. 21, 1922, under the laws of Belgium, as Cities Service Oil Storage Company. Name changed to present title April 25, 1927. Company owns oil works and storage with a capacity of 25,000 tons; also tank cars and tank barges, etc., with depots throughout Belgium.

CAPITAL STOCK

Authorized, 250,000 shares of no par value; outstanding, 125,000 shares. All owned by Cities Service Export Oil Company. Annual meeting, second Monday in May, at Antwerp, Belgium.

FUNDED DEBT

None.

Officers: Fernand Petit, Pres. & Gen. Mgr.; F. Nicolas, Sec., Antwerp, Belgium.

Directors: H. L. Doherty, H. D. Frueauff, W. A. Jones, H. H. Eagle New York; Fernand Petit, Antwerp, Belgium; Albert Perin, Ghlin, Belgium; Georges Simonis, Liege, Belgium; C. W. Cahoon, Chicago, Ill.; H. E. Brandli, New York.

Executive Office, 60 Wall Street, New York. **Corporate Office,** Antwerp, Belgium.

CITIES SERVICE GAS PIPELINE COMPANY

(Controlled by Cities Service Company)

History and Property—Incorporated June 10, 1927 in Del. as the Kansas Texas Pipeline Company; name changed in Dec., 1927 to Cities Service Gas Pipeline Company. The Company owns a gas pipeline approximately 250 miles in length together with gathering system, compressor stations and other facilities of transportation of natural gas from the Texas Panhandle to the connection with the inter-state pipeline system of the Cities Service Gas Company at Wichita, Kans. The pipeline system was placed in operation Dec. 30, 1927.

Lease—The properties of the Cities Service Gas Pipeline Co. are leased to the Cities Service Gas Co. until retirement of the First Mortgage Pipeline 6% Gold bonds, with provision for payment of net amounts sufficient to meet semi-annual interest and Purchase Fund requirements upon these bonds. The Cities Service Gas Co. agrees to purchase the leased property on Jan. 1, 1943 for a sum not less than the principal amount of all bonds then outstanding.

CAPITAL STOCK

Outstanding, $251,000 Common, no par. Cities Service Company owns $250,000 (99.601%) of the Common stock.

Annual Meeting—Last Tuesday in April, at Dover Del.

FUNDED DEBT

$12,000,000 FIRST MORTGAGE PIPELINE 6% GOLD BONDS DUE JANUARY 1, 1943

Dated January 1, 1928.

Interest Payable January and July 1, at Halsey Stuart & Co., Inc., Chicago or at the agency of the Company in New York City.

Denominations—Coupon, $100, $500 and $1,000 interchangeable; principal may be registered; interchangeable with fully registered bonds of $1,000 and multiples.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $12,000,000.

Purpose of Issue—Proceeds were used to reimburse the Company for the cost of constructing the new pipeline, compressor stations, telephone system and other facilities required for the transportation of gas from the Texas Panhandle to Wichita, Kans. and also in the acquisition of gas rights.

Callability—Subject to call as a whole or in part at any time upon 60 days' notice, at 105 to and including Jan. 1, 1931; thereafter the premium decreasing 1% of the principal amount for each three year period elapsed after Jan. 1, 1928, but during the last year at the principal amount; plus accrued interest in each case.

Purchase Fund—The Company covenants to provide $500,000 annually, in semi-annual installments commencing Jan. 1, 1929, each installment to be applied during the ensuing 60 days, from time to time by and in the discretion of Halsey, Stuart & Co., Inc. to the purchase of bonds so far as obtainable at or below par and accrued interest. The bonds purchased in this manner shall be cancelled.

Security—Secured by a direct first mortgage lien on the pipeline, compressor stations, gas rights and all other fixed property of the Company. Additionally secured by pledge of the lease of the properties to Cities Service Gas Co. The Cities Service Gas Co. further agrees to purchase on Jan. 1, 1943, the property of the Company for a sum not less than the principal amount of the bonds then outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Company agrees to reimburse resident holders of these bonds upon proper request within 60 days after payment, for the Pennsylvania and Connecticut personal property taxes not in excess of 4 mills per annum on the taxable value, the California personal property tax not in excess of 5 mills per annum on the taxable value; the Maryland securities tax not in excess of 4½ mills per annum on the taxable value; the Virginia personal property tax not in excess of 5½ mills per annum, and for the Massachusetts income tax on the interest not exceeding 6% thereof per annum.

Original Offering—First publicly offered ($12,000,000) in Jan., 1927, by Halsey, Stuart & Co., Inc., Hallgarten & Co., E. H. Rollins & Sons, Spencer Trask & Co., Cassatt & Co., A. B. Leach & Co., Inc., Paine, Webber & Co., A. G. Becker & Co., Hill, Joiner & Co., Inc., Henry L. Doherty & Co., New York and Federal Securities Corp., Chicago.

Listed—Boston Stock Exchange.

OFFICERS AND DIRECTORS

Officers: H. L. Doherty, Pres.; F. R. Cotes, H. O. Caster, H. R. Straight, F. C. Brown, V-P.'s; C. E. Murray, Sec.; D. W. Harris, Treas.

Directors: H. L. Doherty, F. R. Coates, W. A. Jones, H. O. Caster, L. F. Musil, J. M. McMillin, F. C. Brown, H. R. Straight, T. A. Wallace, E. E. McWhiney, C. A. Frueauff.

Executive Office, 60 Wall St., New York. **Statutory Office,** Dover, Del.

TIES SERVICE OIL COMPANY, LTD.

(Controlled by Cities Service Company)

History—Incorp. Feb. 11, 1921, under laws of Prov-e of Ontario, Canada. Formerly operated under se the Great Lakes Oil Refining Co.'s complete re-ery of 500 bbls. daily capacity, at Wallaceburg, Ont., ere crude oil was received from the Empire Gas Fuel Co. and refined. In July, 1923, this lease was ncelled and operation of the plant stopped. On c. 1, 1924, the entire capital stock of the Anglo Oil mpany, Limited, of Toronto was purchased and ce then company has operated a general gasoline, rosene and lube oil distributing business in Toronto d vicinity together with a general lube oil business ough the province of Ontario, and in addition a neral brokerage business of tank car products oughout Ontario.

CAPITAL STOCK

Authorized and outstanding, $350,000; par, $100. ies Service Company owns $349,300 (99.8%) of the ital stock.

Annual Meeting—Second Monday in May.

OFFICERS AND DIRECTORS

Officers: H. R. Straight, Pres., New York; P. M. skell, V-P.; F. C. Brown, V-P. Bartlesville, Okla.; M. Wofford, V-P. & Gen. Mgr.; C. D. Prentis. Sec. Treas., Toronto, Canada.

Directors: H. D. Frueauff, H. R. Straight, F. C. own, D. W. Harris, C. E. Murray, P. M. Miskell, M. Wofford.

General Office, Toronto, Canada.

HE CITIES SERVICE OIL COMPANY (OHIO)

(Controlled by Cities Service Company)

History—Inc. May 27, 1921, in Ohio; acquired the perty of the Lubric Oil Co., an Ohio corporation. mpany markets all petroleum products through its n 79 tank and service stations in Ohio and Michi-gn.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $837,200; par, 00. Cities Service Company owns $836,300 (9.8925%) of the stock. Annual meeting, fourth ednesday in January.

FUNDED DEBT

5,000 10-YEAR FIRST LIEN 8% GOLD NOTES, DUE APRIL , 1931

Dated April 1, 1921.

Interest Payable April and Oct. 1, at office or agency i City of New York, or office of company in Cleve-nd, O.

Denominations—Coupon, $100, $500 and $1,000: ncipal may be registered.

Provisions of Issue—Authorized issue, not limited. utstanding, $405,000, of which $332,351 is owned by ties Service Company. Additional notes may issued provided herein that the Trustees shall thenticate such additional notes only to the extent 60% of the additional or increased gross assets of s company acquired since April 1, 1921, deducting m such 60%, however, this amount of any secured tes or secured obligations given or assured in the rchase of such gross assets.

Trustee—The Guardian Savings & Trust Co., Cleve-nd, O., Trustee.

Callability—Redeemable in whole or in part by lot, upon 30 days' notice by payment of principal and accrued interest with premiums as follows: On or before April 1, 1922, at 105; on or before April 1, 1923, at 104½; on or before April 1, 1924, at 104; on or before April 1, 1925, at 103½; on or before April 1, 1926, at 103; on or before April 1, 1927, at 102½; on or before April 1, 1928, at 102; on or before April 1, 1929, at 101½; on or before April 1, 1930, at 101; on or before March 31, 1931, at 100½.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: H. L. Doherty, Pres., New York; C. E. Foster, V-P., Philadelphia, Pa.; H. D. Frueauff, V-P., New York; J. C. Willing, V-P.; L. G. Hoberecht, Sec. & Treas., Cleveland, O.

Directors: H. L. Doherty, Harry D. Frueauff, F. R. Coates, New York; J. C. Willing, J. W. McLarty, L. G. Hoberecht, T. O. Kennedy, H. B. Fuller, Cleveland, Ohio; C. E. Foster, Philadelphia, Pa.

Office, Cleveland, Ohio.

CITIES SERVICE POWER & LIGHT COMPANY

(Controlled by Cities Service Company)

History—Incorporated Nov. 3, 1924, in Delaware, and acquired from Cities Service Company its entire holdings of Common stocks of electric power and light companies and substantially all its holdings of Common stock of gas distributing and street railway companies. These companies comprise a diversified group of public utility operations in 17 states, serving a population of more than 2,100,000 in over 600 communities. Among the larger cities served are Toledo, Sandusky, Warren, Massillon, Elyria, Lorain, Alliance and Mansfield, O.; Denver, Boulder, Pueblo, and Fort Collins, Colo.; Joplin, Sedalia and St. Joseph, Mo. Other cities served are Bartlesville, Okla., Danbury and Bethel, Conn., Durham, N. C., Knoxville, Tenn., Bristol, Va.-Tenn., Spokane, Wash., and Adrian, Mich.

The subsidiary companies own electric generating plants having an installed capacity of over 500,000 k.w.

The principal subsidiaries of Cities Service Power & Light Company are as follows:

(a) Public Service Company of Colorado
Cheyenne Light, Fuel & Power Company
(b) Empire District Electric Company
St. Joseph Railway, Light, Heat & Power Company
City Light and Traction Company
Lawrence County Water, Light & Cold Storage Co.
Benton County Utilities Company
Buchanan County Power Transmission Company
Electric Utilities Company
Taney Light and Water Company
(c) Toledo Edison Company
Ohio Public Service Company
Citizens Light and Power Company
Lake Shore Power Company

OUTPUT AND CUSTOMERS OF SUBSIDIARIES, YEARS ENDED JUNE 30

	1927	1926	1925
Total electric sales in k.w.h.	1,307,492,401	1,306,972,603	1,086,819,014
Total gas sales in cu. ft.	12,475,837,900	20,135,265,900	14,879,316,000
No. of elec. customers	381,115	357,000	328,401
No. of gas customers	153,634	194,000	261,188

CITIES SERVICE POWER & LIGHT COMPANY $6 DIVIDEND
CUMULATIVE PREFERRED STOCK

Henry L. Doherty & Company

60 Wall Street Securities Department New York

CAPITAL STOCK

Authorized, $65,000,000 Common and 500,000 shares of Pfd. of no par value; outstanding at June 30, 1927, $65,000,000 Common, 95,000 shares $7 Pfd. and 75,000 shares $6 Pfd. The Cities Service Company owns $60,123,500 (92.4977%) of the Common stock, and $4,875,000 (7.5%) Common is owned by subsidiary companies of Cities Service Company. Cities Service Company also owns 11,000 shares of $7 Pfd.

Preferred Stock Provisions—Both the $7 dividend and $6 dividend cumulative Pfd. stocks have preference over the Common stock as to assets and cumulative dividends. The $7 dividend Pfd. stock is redeemable as a whole or in part on any dividend date upon 30 days' notice at $110 per share and accrued dividends, and has preference as to assets in case of involuntary liquidation at $100 per share and accrued dividends. The $6 dividend cumulative Pfd. stock is redeemable as a whole or in part at any time upon 30 days' notice at $105 per share and accrued dividends and has preference over the Common stock as to assets in case of involuntary liquidation at $100 per share and accrued dividends. Additional Preferred stock of any other series may be issued from time to time with such rights and restrictions as the Board of Directors may determine. Without the prior consent of the holders of at least 66 2/3% in interest of all Pfd. then outstanding, no additional Pfd. of any series may be issued, while any of these issues are outstanding, unless (a) for the period of 12 consecutive months out of the 15 preceding calendar months, the net earnings of Company and its subsidiaries after depreciation and all other charges prior to Pfd. dividends shall have been at least three times the annual dividend requirements on all Pfd. stock to be outstanding after the proposed issue, and (b) for the same period as in (a) above, the annual rate of income paid in cash, of the Company, after all charges prior to dividends on Pfd. stock (but not including undistributed earnings of subsidiaries), shall have been at least twice the annual dividend requirements on all Pfd. stock of all series to be outstanding after the proposed issue; all as defined and more fully provided in the certificate of incorporation, as amended. Without the prior consent of the holders of at least 66 2-3% of all Pfd. stock then outstanding, no Pfd. stock ranking prior to the present Pfd. stock may be issued. In the event that Company fails to pay dividends on any Pfd. stock in an aggregate amount equal to one year's full dividends, the holders of Pfd. stock as a class shall be entitled to representation on the Board of Directors to be elected by a majority vote of Pfd. stockholders represented at a meeting at which at least 51% of the outstanding Pfd. stock is represented.

Transfer Agents—Henry L. Doherty & Co., New York, Illinois Merchants Trust Co., Chicago, and The First National Bank, Boston.

Registrars (Pfd.)—Bank of the Manhattan Co., New York, Union Trust Co., Chicago, and Federal National Bank, Boston.

Legal Opinion (Pfd.)—Chadbourne, Stanchfield & Levy, New York, and Frueauff, Robinson & Sloan, New York.

Original Offering—$10,000,000 7% cumulative Pfd. stock was publicly offered in Dec., 1925, at 98¾ flat, to yield over 7%, by Federal Securities Corp., and Pearsons-Taft Co., Chicago, and A. B. Leach & Co., Inc., and H. M. Byllesby & Co., Inc., New York, etc. In June, 1927, 75,000 shares $6 dividend Pfd. stock was publicly offered at $92.75 per share to yield abou 6.47%, by the same bankers.

Annual Meeting—Last Tuesday in November a Dover, Del.

Listed (Preferred)—Boston Stock Exchange.

Price Range—

	1927	1926	192
7% Preferred—			
High	106⅝	101	98
Low	100⅝	95	97
6% Preferred—			
High	95½	..	..
Low	90	..	..

Dividends—Dividends on the $7 and $6 cumulativ Pfd. stocks are regularly paid on the fifteenth day each month to stockholders of record on the first the month. Initial dividend on $6 Pfd. paid July 1 1927.

FUNDED DEBT

(1)

$23,812,500 20-YEAR 6% SECURED SINKING FUND GOL BONDS, SERIES "A"; DUE NOVEMBER 1, 1944, BU CALLED FOR PAYMENT NOVEMBER 1, 1927, AT 105 AN INTEREST

(2)

$46,000,000 5½% GOLD DEBENTURES, DUE 1952; DUE NO 1, 1952.

Dated November 1, 1927.

Interest Payable May and November 1 at agenc of the Company in New York City, or at Harri Forbes & Co., New York, or at Harris, Forbes & Co Inc., Boston, or at Harris Trust & Savings Ban Chicago, Ill.

Denomination—Coupon, $1,000; principal may b registered.

Trustee—Central Union Trust Co. of New York.

Purpose of Issue—Approximately $2,000,000 of th proceeds from these Debentures were used to provic additional working capital and the entire balance wa used to provide funds or to reimburse the Company fo the acquisition or retirement subsequent to June 3 1927, of funded debt of this Company and of funde debt or Pfd. stocks of subsidiaries.

Callability—Subject to call as a whole or in part o any interest date on 30 days' notice at 105 up to an including Nov. 1, 1932; with a reduction in the r demption price of 1% during each successive five-ye period thereafter up to and including Nov. 1, 194 at 101 thereafter up to and including Nov. 1, 1950, an at 100 thereafter until maturity, plus accrued intere in each case.

Purchase Fund—The Company agrees to make avai able semi-annually beginning May 1, 1929, funds su ficient to retire 1% of these Debentures at any tim outstanding if obtainable during specified periods b purchase at or below 100 and interest.

Provisions of Issue—Debentures are the dire obligation of the Company and are issued under Trust Indenture which provides that the Compan shall not pledge any of its assets without equally an ratably securing these Debentures except in the ca of purchase money liens and except in the case pledge of certain assets in the ordinary course of bus ness as security for temporary loans. The Indentu further provides that no additional funded debt of th Company may be created except for refunding funde debt of the Company or a subsidiary, unless at lea one of the following conditions is met, viz: (a) Th consolidated net earnings of the Company and of a subsidiary companies before depreciation for a perio of twelve consecutive months out of the preceding si teen calendar months shall have been at least equal t

CITIES SERVICE POWER & LIGHT COMPANY 5 1-2% GOLD DEBENTURES

Henry L. Doherty & Company

60 Wall Street Securities Department New York

¾ times the aggregate of all interest and cumulative dividends paid or accrued during said twelve months' period on consolidated funded debt and Preferred stocks of subsidiary companies and the annual interest charges on all funded debt of the Company, including any then proposed to be issued; or (b) that the consolidated annual requirements for interest on the funded debt of the Company, including any then proposed to be issued and all subsidiary companies and cumulative dividends on the Preferred stock of all subsidiary companies then outstanding (whether or not such funded debt and Preferred stocks have been outstanding for the full twelve months) shall not have exceeded 60% of the consolidated net earnings of the Company and all subsidiary companies before depreciation for a period of twelve consecutive months out of the preceding sixteen calendar months; or (c) that the total additional funded debt of the Company, including any then proposed to be issued, created subsequent to the issue of these $45,000,000 Debentures shall not have been in excess of the total actual consideration received by the Company from the sale of additional Pfd. stock since the date of these Debentures.

The Indenture will contain certain provisions permitting, on conditions stated therein, the modification or alteration of the Debentures, or the Indenture or of any Supplemental Indenture, in any particular with the assent of the Company and of the holders of not less than 85% in aggregate principal amount of the outstanding Debentures, not including any Debentures owned by the Company; provided that any such modification or alteration shall not permit, without the consent of the holders affected, the extension of the maturity of any Debenture or the reduction in rate of interest thereon or any modification in the terms of payment of such principal and interest.

Provision for Maintenance and Replacements—The Indenture requires provision to be made each year for maintenance, renewals and replacements in an amount equal to 8% of combined gross operation revenue (as defined in the Indenture) from hydro-electric operations, 12% of that from other electric operations, 5% of that from water utility operations, 25% of that from transportation operations, 7% of that from steam heating operations, and 10% of that from gas, ice and other operations. These percentages, which are to be subject to adjustment at three-year intervals, will adequately provide for maintaining the operating properties of the subsidiaries at a high standard of operating efficiency.

Certain of the terms herein above used are defined in the Indenture.

Tax Provisions—Company pays Normal Federal Income Tax up 2%. Pennsylvania 4 mills tax, Maryland 4½ mills tax, Connecticut 4 mills tax, California 5 mills tax, and Massachusetts Income Tax not exceeding 6% per annum, refunded upon application.

Legal Opinion—Sullivan & Cromwell, New York (for the Bankers) and Frueauff, Robinson & Sloan, New York (for the Company).

Original Offering—First publicly offered ($45,000,000) in Nov., 1927, at 98 and interest to yield 5.65% by Harris, Forbes & Co., Guaranty Co. of New York, National City Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings from oper.	$51,600,517	$49,779,308	$46,773,911
Oper. exps. & main.	32,145,874	30,510,578	28,929,376
Net earnings	$19,454,643	$19,268,730	$17,844,535
Other income	1,046,083	986,994	1,010,938
Total income	$20,500,726	$20,255,724	$18,855,473
Int., disc. & Fed. taxes	10,333,032	10,210,154	10,006,952
Net inc. before replace.	$10,167,694	$10,045,570	$8,848,521
Surplus forward	3,772,192	1,820,214	.....
Total	$13,939,586	$11,865,784	$8,848,521
Deduct—			
Provision for replace. in accordance with Holding Company indenture as to maintenance and deprec.	$2,040,799	$1,876,800	$1,453,486
Miscellaneous adjustments —net	*381,568	44,823	.....
Divds. on Pfd. stocks of subsidiaries and proportion of inc. applicable to Com. stocks not owned by Holding Co.	2,884,319	2,734,469	2,316,488
Divds. paid or accrued by Holding Co.:			
Preferred stocks	734,583	729,167	875,000
Common stock	2,600,000	2,708,333	2,383,333
Total deductions	$7,878,133	$8,093,592	$7,028,307
Surplus at end of year	$6,061,753	$3,772,192	$1,820,214
Times Int., Disc. & Fed. Taxes Earned	1.98	1.98	1.88
Earnings Per Share (Holding Co.)—			
Preferred stock	$55.27	$54.34	$50.79

*Credit.

CONSOLIDATED BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
Real est., bldgs., mach., equip., miscell. invests. etc.	$279,190,729	$267,114,809	$266,986,083
Discount & exp. on Pfd. stocks of subsidiaries	987,869	.....	.....
Investments:			
The Community Traction Co.	7,534,674	7,820,530	8,089,530
Cities Service Co. Pref. "B" stock	700,000	700,000	700,000
Other investments	.....	109,971	270,803
Sinking fund assets	2,327,180	3,097,248	2,705,391
Inventories (cost)	4,899,129	4,473,351	3,515,626
Marketable securities	1,227,713	1,201,805	1,186,792
Due from affil. Cos.	331,916	54,687	138,782
Due from fiscal agents	140,262	244,095	.....
Accts. and notes rec., less reserves	10,581,022	9,624,555	9,373,118
Due from other Cos. for advances, etc.	10,764	355,191	.....
Due on installment sales of Cub. Cos. Pfd. stocks	572,185	946,313	1,424,694
Prepaid ins., taxes, int., etc.	361,943	276,669	.....
Accrued int. & divds.	203,567	202,239	325,701
Cash in banks & on hand	2,781,203	1,700,446	2,598,408
Cash with fiscal agents.	3,889,543	3,051,543	1,591,134
Injury and damage fund	90,935	17,595	.....
Accts. & notes receivable (not current)	643,387	.....	.....
Deferred charges:			
Unamort. discount on bonds	7,044,787	6,420,937	5,749,780
Misc. suspended accts.	10,206	33,910	1,580,530
Excess of cost over amount realized on sale of property (to be amortized)	1,549,740	1,693,472	.....
Other deferred charges	1,479,457	1,253,340	.....
Borrowed secur. (contra)	1,346,800	1,851,151	1,759,300
Total	$327,905,011	$312,243,857	$307,995,672
Liabilities—			
Cities Service Power & Light Co. Pfd. stock	$17,000,000	$10,000,000	$10,000,000
Cities Service Power & Light Co. Com. stock	65,000,000	65,000,000	65,000,000
Minority interest in capital stock & surplus of subsidiary companies:			
Preferred stock	48,537,257	41,008,451	36,833,335
Com. stock & surplus	1,406,539	1,837,055	2,288,971
Funded debt:			
Cities Service Power & Light Co. 6s, due 1944	23,500,000	24,125,000	24,750,000
Sub. cos.—bonds and notes less held in treasury and pledged	130,096,713	121,971,674	124,359,588
Two Year 6% notes pay. Cities Service Co.	.....	4,000,000	1,000,000
Accounts payable	2,132,130	2,408,740	1,453,645
Notes payable	1,377,227	2,264,026	2,102,790
Salaries & wages payable	.....	.....	471,431
Due fiscal agents	85,629	121,792	.....
Accrued int. & taxes	5,587,723	5,674,314	5,644,980
Dividends payable	516,624	625,191	426,660
Due to affil. companies	595,033	885,421	1,243,955
Accts. pay. (not current)	683,612	.....	.....

CONSOLIDATED BALANCE SHEET, JUNE 30 (Continued):

	1927	1926	1925
Deferred liabilities:			
Customers' deposits, advances for line extension, employees' savings, etc.	$2,149,149	$2,094,306	$2,213,699
Paving assessments	238,714	249,472	196,176
Undelivered securities	.....	.....	1,308,560
Divds. accrd. on Pfd. stocks of sub. cos.	.....	.....	145,877
Borrowed securities	1,346,800	1,851,151	1,759,300
Reserves:			
For replacements	19,332,180	15,285,363	13,394,004
For injuries & damages	780,725	722,074	601,568
Miscellaneous	795,088	729,853	312,451
Surplus res. of subs.	682,115	688,255	711,202
Surplus of subs. acquired	6,061,753	6,929,527	9,957,266
Surplus		3,772,192	1,820,214
Total	$327,905,011	$312,243,857	$307,995,672

CONSOLIDATED STATEMENT OF WORKING CAPITAL, JUNE 30

Current Assets—	1927	1926	1925
Inventories (cost)	$4,899,129	$4,473,351	$3,515,626
Marketable securities	1,227,713	1,201,805	1,186,792
Due from affiliated cos.	331,916	54,687	138,782
Due from fiscal agents	140,262	244,095	.....
Accts. & notes receivable	10,581,022	9,624,555	9,373,118
Due from other cos. for advances, etc.	10,764	355,191	.....
Due on installment sales of sub. cos. Pfd. stocks	572,185	946,313	1,424,694
Prepaid ins., taxes, int., etc.	361,943	276,669	.....
Accrued int. & dividends	203,567	202,239	325,701
Cash in banks & on hand	2,781,203	1,700,446	2,598,408
Cash with fiscal agents	3,889,543	3,051,543	1,591,134
Total	$24,999,247	$22,130,894	$20,154,255
Current Liabilities—			
Accounts payable	$2,132,130	$2,408,740	$1,453,645
Notes payable	1,377,227	2,264,026	2,102,790
Salaries & wages payable	.....	.....	471,431
Due fiscal agents	85,629	121,792	.....
Accrued int. & taxes	5,587,723	5,674,314	5,644,980
Dividends payable	516,624	625,191	426,660
Due to affiliated companies	595,033	885,421	1,243,955
Total	$10,294,366	$11,979,484	$11,343,461
Net Working Capital	$14,704,881	$10,151,410	$8,810,494

Officers: H. L. Doherty, Pres.; W. A. Jones, F. R. Coates, T. I. Carter, J. M. McMillin, L. F. Musil, Vice-Presidents; R. E. Burger, Gen. Mgr.; Paul R. Jones, Sec.; E. H. Johnston, Treas.; E. E. McWhiney, Asst. Sec.; C. B. Wedum, Asst. Sec.; T. A. Wallace, Asst. Treas.; C. E. Weger, Asst. Treas., New York

Directors: R. E. Burger, T. I. Carter, F. R. Coates, Henry L. Doherty, W. W. Foster, C. A. Frueauff, E. H. Johnston, P. R. Jones, W. A. Jones, A. B. Leach, J. M. McMillin, L. F. Musil, H. M. Addinsell, F. S. Burroughs, New York; P. R. Clark, Chicago, Ill.

Office, 60 Wall St., New York.

BARTLESVILLE GAS & ELECTRIC COMPANY

(Controlled by Cities Service Power & Light Co.)

History—Incorporated Dec. 8, 1905, in Indian Ty., now State of Okla., as the Bartlesville Interurban Ry. Co. (see 1919 Public Utility Manual, page 2081, or apply to our Information Department). Effective Oct. 1, 1919, name of company was changed and property of the Bartlesville Gas & Oil Co. was acquired. As of same date, company transferred its railway property to the Bartlesville Interurban Co. Company distributes natural gas in City of Bartlesville and does the entire electric light and power business in the cities of Bartlesville and Dewey, Okla. Population served, about 20,000. The franchise for electric light service in Bartlesville expires in 1956; for gas service, franchise in Bartlesville granted in 1923. The Dewey electric franchise expires in 1937.

Plant capacity, 3,425 k.w., with 60.52 miles of distributing system. No of electric consumers, 4,613. Connected load, 7,383 k.w. Sales in 1927, 5,006,961 k.w.h., compared with 4,426,591 k.w.h. in 1926, 5,041,515 k.w.h. in 1925 and 3,777,209 k.w.h. in 1924. Gas department operates 44.877 miles of distributing mains. No. of gas consumers, 3,572. Sales in 1927, 537,811,000 cu. ft. compared with 526,592,000 cu. ft. in 1926, 478,373,900 cu. ft. in 1925, and 526,723,000 cu. ft. in 1924.

CAPITAL STOCK

Authorized and outstanding, $443,550; par, $25. Cities Service Power & Light Company owns $443,275 (99.938%) of the stock. Annual meeting, fourth Tuesday in July.

FUNDED DEBT

$689,000 FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1947

Dated January 1, 1920.

Interest Payable January and July 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $250, $500 and $1,000; principal may be registered.

Trustee—Colonial Trust Co., Philadelphia.

Provisions of Issue—Authorized $1,500,000. Additional bonds may be issued at 85% of the cost of permanent improvements and extensions when net earnings are twice the interest charges on all bonds outstanding, including those proposed to be issued.

Callability—Subject to call in whole or in part at 102 and interest on any interest date upon four weeks' published notice. Bonds when purchased by the Company may be kept alive and draw interest.

Sinking Fund—Sum equal to 1% of outstanding bonds, must be set aside on Dec. 1 of each year until and including 1936, and thereafter 2%, for the purchase of bonds at not more than 102 or call at that figure. In lieu of cash payments, bonds secured hereby, with unmatured coupons attached, will be equivalent to a cash payment of 102 and accrued interest; or sinking fund may be satisfied by investing in property or construction, a sum per annum (commencing previous year) equal to 2% of all bonds outstanding; or part in cash and part in property, in above named proportion. Bonds to be kept alive in sinking fund. $67,500 bonds held in sinking fund Dec. 31, 1927.

Security—A first lien on all property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes refunded.

INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Gross earnings	$614,881	$582,800	$524,863
Oper. exp., maint. & taxes.	441,535	439,730	403,889
Net earnings	$173,346	$143,070	$120,974
Other income	5,621	.....	.....
Total income	$178,967	$143,070	$120,974
Bond interest	41,340	41,220	38,130
*Balance	$137,627	$101,850	$82,844

*Available for dividends, depreciation and other reserves.

Officers: Henry L. Doherty, Pres., New York; R. W. Curran, V-P. & Gen. Mgr., Bartlesville, Okla.; Thos. I. Carter, V-P.; H. R. Straight, V-P., New York; J. W. Fulton, Sec. & Treas., Bartlesville, Okla.

Directors: Henry L. Doherty, R. E. Burger, Thos. I. Carter, C. E. Murray, New York; G. B. Keeler, H. R. Straight, Nevlin Campbell, J. W. Fulton, R. W. Curran, Bartlesville, Okla.; H. V. Foster, A. D. Morton.

Office, Bartlesville, Okla.

BENTON COUNTY UTILITIES CORPORATION

(Controlled by Cities Service Power & Light Company)

History—Incorporated Feb. 12, 1926, in Arkansas. Became a subsidiary of Cities Service Power & Light Co. June 3, 1927. Distributes electricity in Decatur, Gentry, Gravette and Sulphur Springs, Ark. Population served, over 3,000.

CAPITAL STOCK

Authorized and outstanding, $30,000 Common and 7,500 Pfd.; par, $100. All owned by Cities Service Power & Light Co.

Annual Meeting—Second Monday in March.

FUNDED DEBT

None.

Officers: A. E. Spencer, Pres.; J. P. Morris, V-P. & Treas.; P. C. Rawson, Sec.

Directors: A. E. Spencer, P. C. Rawson, J. P. Morris, S. S. Evans.

Office, Gravette, Ark.

BUCHANAN COUNTY POWER TRANSMISSION CO.

(Subsidiary of Cities Service Power & Light Company)

History—Incorporated December 24, 1925, in Delaware with a perpetual charter. Became a subsidiary of Cities Service Power & Light Co. June 3, 1927. Operates in Missouri.

CAPITAL STOCK

Authorized, 5,000 shares of no par value; outstanding, $32,800 stated value. Cities Service Power & Light Company owns 99.8% ($32,734) of the stock. Annual meeting, first Tuesday after first Monday in April, at Dover, Del.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P.; F. M. Sprague, V-P. & Gen. Mgr.; E. E. McWhiney, Sec. & Treas., New York.

Directors: H. L. Doherty, R. E. Burger, T. I. Carter, W. A. Jones, F. M. Sprague.

Office, St. Joseph, Missouri.

CITIZENS GAS FUEL COMPANY

(Controlled by Cities Service Power & Light Co.)

History—Incorporated May 22, 1926 in Michigan; successor to Lenawee County Gas & Electric Company (see Public Utility Manual for 1926, page 1449), sold at receiver's sale in Jan., 1926. Supplies Adrian, Mich., with manufacturerd gas, serving a population of about 13,000. Franchise perpetual. Gas sales in 1927, 93,284,600 cu. ft., compared with 86,021,000 cu. ft. in 1926. Miles of mains, 42.77. No. of consumers, 3,053. No. of gas stoves, about 3,800.

CAPITAL STOCK

Authorized and outstanding, $228,323 (stated value). Shares of no par value. Cities Service Power & Light Company owns $228,270 of the stock. Annual meeting, first Monday in January. No dividends paid.

FUNDED DEBT

$386,000 FIRST (CLOSED) GOLD 5½% BONDS; DUE JULY 1, 1935

Dated July 1, 1925.

Interest Payable January and July 1, at Detroit Trust Co., Detroit, Mich.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Detroit Trust Co., Detroit, Mich.

Purpose of Issue—Issued par for par in exchange for Lenawee County Gas & Electric Company First 5½s, due 1927.

Callability—Subject to call on any interest date on 30 days' notice during the first five years at par and thereafter at 102½ plus accrued interest in each case.

Sinking Fund—Sinking fund provides that 10% of gross receipts of the Company shall be paid semi-annually to the Trustee. Trustee shall pay the Company from this sinking fund amounts equal to their expenditures for maintenance or extensions or shall utilize it for the purchase of bonds at not more than the then existing redemption price.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Michigan.

OFFICERS AND DIRECTORS

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P., New York; D. E. Byerly, V-P. & Gen. Mgr.; Roy McPhail, Sec. & Treas., Toledo, Ohio.

Directors: Roy McPhail, C. E. Baldwin, D. E. Byerly, F. A. Lane, H. L. Doherty, T. I. Carter, H. A. Wing.

General Office, Adrian, Mich.

CITY LIGHT & TRACTION COMPANY

(Controlled by Cities Service Power & Light Co.)

History—Inc. July 23, 1912, in Mo.; successor to Sedalia Light & Traction Co.—see Manual for 1912, page 2250, or apply to our Information Department. Subsequently the Sedalia Ice, Light & Fuel Co. was added to the group under the charter as amended Dec. 12, 1912. Population served, about 33,500. The gas franchise was renewed in 1926 for a period of 20 years and the electric and street railway franchises were granted in 1890 for 50 year periods. Company does the entire artificial gas, electric light and power, and electric railway business in the City of Sedalia; also manufactures and sells ice.

Gas Department—Miles of gas mains, 41.35. Number of gas meters, 2,689. Number of customers, 2,461. Gas sales in 1927, 64,124,500 cu. ft., compared with 60,410,900 cu. ft. in 1926, and 60,461,400 cu. ft. in 1925.

Railway Department—Operaters 8.10 miles of track in Sedalia, Mo. Cars: Motor passenger, 28; trail, 6. Gauge, standard. Rail T and girder 50 to 70 lbs. Revenue passengers carried in 1927, 799,902, compared with 970,346 in 1926, 1,173,126 in 1925, and 1,022,818 in 1924.

Electric Department—Generating capacity, 4,000 k.w. Connected load, 11,587 k.w. Miles of distributing system, 62.20. Number of electric meters, 5,361. Number of consumers, 5,340. Sales in 1927, 7,466,582 k.w.h., compared with 7,108,740 k.w.h. in 1926, and 6,358,168 k.w.h. in 1925. Prices: City lighting: 18 incandescents, 400 cp., $52.50 per year; 290 incandescents, 250 cp., $35 per year; 156 incandescents, 80 cp., $22.50 per year.

Ice Department—Company sold 9,200 tons of ice in 1927, compared with 8,933.56 tons in 1926, and 5,985.2 tons in 1925.

CAPITAL STOCK

Authorized, $1,000,000 Common and $500,000 cumulative Pfd.; outstanding, $1,000,000 Common; par, $100. Cities Service Power & Light Company owns $999,300 (99.93%) of the stock. Annual meeting, third Monday in January.

FUNDED DEBT

(1)

$1,395,000 FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JUNE 1, 1952

Dated August 1, 1912.

Interest Payable June and December 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $250, $500 and $1,000; principal may be registered.

Trustees—New York Trust Company, New York, and Sedalia Trust Company, Sedalia, Mo.

Provisions of Issue—Authorized, $2,500,000. The remaining unissued bonds are reserved for 85% of the cost of improvements.

Callability—Subject to call at 105 and interest on any interest date on four weeks' notice.

Sinking Fund—Sinking fund, 1% of outstanding bonds, commenced June 1, 1922, for purchase of bonds at not more than 105 or call at that price. In lieu of cash payment, bonds secured hereby with unmatured coupons attached will be equivalent to a cash payment of 105% and accrued interest, or sinking fund may be satisfied by investing a sum equal to 2% in construction, additions or betterments; or half in

money on basis of 1% and half in construction, etc., on basis of 2%. As of Dec. 31, 1927, $94,000 bonds were held alive in sinking fund.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,000,000 ONE-YEAR 5% GOLD NOTES; DUE MAY 31, 1928

Dated June 1, 1927.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Interest Payable December 1 and May 31 at the Company's office or agency in New York.

Trustee—Fidelity Trust Co. of New York.

Provisions of Issue—Closed at $1,000,000.

Callability—Subject to call at option of the Company in whole or in part by lot at any time, before Dec. 1, 1927, at 100¼, thereafter at 100 plus accrued interest in each case.

Security—A direct obligation of the Company, but not secured by a mortgage.

Tax Provision—Company pays Normal Federal Income tax up to 2%.

INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Mar. 31, 1927	Mar. 31, 1926
Gross earnings	$551,012	$550,763	$540,638
Oper. exp., maint. & taxes	365,301	367,077	368,830
Net earnings	$185,711	$183,686	$171,808
Non-operating income	11,475	.....	.....
Total income	$197,186	$183,686	$171,808
Deduct:			
Interest on bonds	$69,750	$69,750	$69,750
Interest on notes	43,750	35,000	35,000
Total interest charges	$113,500	$104,750	$104,750
Net income	$83,686	$78,936	$67,058

Officers: H. L. Doherty, Pres., New York; H. C. Feuers, V-P., Treas. & Gen. Mgr., Sedalia, Mo.; T. I. Carter, V-P., New York; Allen O'Bannon, Sec., Sedalia, Mo.

Directors: H. L. Doherty, W. A. Jones, T. I. Carter, New York; H. C. Feuers, G. F. Longan, Allen O'Bannon, S. A. Lipscombe, Sedalia, Mo.

Office, Sedalia, Mo.

CUMBERLAND & WESTERNPORT TRANSIT CO.

(Controlled by Cities Service Power & Light Co.)

History—Incorporated Aug. 27, 1926 in Maryland successor to Cumberland & Westernport Electric Railway Co. (see 1926 Public Utility Manual, page 1441), which was sold at Trustee's sale on July 27, 1926. Under the plan and agreement of reorganization, dated July 22, 1925 and prepared by a committee consisting of R. H. Koch (Chairman), F. Brooke Whiting and Paul L. Hitchins, holders of the Frostburg, Eckhart & Cumberland Railway First Mortgage 5% bonds, due 1926, of Westernport and Lonaconing Railway First Mortgage 5% bonds, due 1928, and Lonaconing, Midland and Frostburg Railway First Mortgage 5% bonds, due 1926, received 3 shares of Pfd. stock and 2 shares of Common stock of the present company for each $500 of bonds deposited; stockholders of the Cumberland & Westernport Electric Ry. Co. received one share of Common stock of present company for each two shares held; and all general creditors of the defunct company received one share of Common stock of the present company for each $100 in principal amount of their claims. Bondholders, stockholders and general creditors who did not deposit their securities received no securities of the present company.

Company owns and operates bus lines in Alleghany County, Maryland, connecting Cumberland, Frostburg, Grahamtown, Borden Shaft, National, Ocean, Midland, Gilmore, Lonaconing, Pekin, Barton, Reynolds, Franklin, Westernport, Eckhart, Clarysville, La Vale, Cresaptown, Carlos Junction, Moscow and Narrows Park, also Piedmont, W. Va., serving a population of 56,360. Revenue bus passengers carried in 1927, 1,004,738, compared with 643,868 in 1926.

CAPITAL STOCK

Authorized, 9,755 shares Common and 3,930 shares Pfd.; outstanding, 9,565 shares Common and 3,645 shares Pfd.; both classes of no par value. Cities Service Power & Light Company owns 1,860 shares Pfd. and 6,878 (71.908%) shares of Common.

FUNDED DEBT

None.

Officers: R. F. Carbutt, Pres., Cumberland, Md.; David D. Price, V-P. & Gen. Mgr.; J. T. Chambers, Sec. & Treas., Frostburg, Md.

Directors: D. D. Price, J. T. Chambers, Frostburg, Md.; R. F. Carbutt, W. C. Capper, P. L. Hitchins, F. B. Whiting.

Office, Frostburg, Md.

THE DANBURY & BETHEL GAS & ELECTRIC LIGHT CO.

(Controlled by Cities Service Power & Light Co.)

History—Incorporated in May, 1854, in Connecticut, as Danbury Gas Light Co.; name changed to present title by Special Act, approved April 13, 1887. Company does the gas and electric light and power business in the City of Danbury and the town of Bethel; also does the electric light and power business in the town of Brookfield. Population served, about 31,500. Franchises: Company operates under State charter granted by the Legislature May, 1854, duration unlimited. This charter was amended permitting the company to sell electrical energy in the town of Brookfield. Company purchases energy from Connecticut Light & Power Co. (energy transmitted over high tension line from hydro-electric station at Stevenson on Housatonic River). In October, 1927 acquired the property and franchise of the Danbury Power & Transportation Co.

Generating capacity, 1,000 k.w.; purchased energy capacity, 4,600 k.w., connected load, 12,151.6 k.w. No. of commercial arcs, 2. No. of municipal arc lamps, 92. No. of municipal incandescents, 629. No. of commercial incandescent lamps (100 Watt equivalent), 14. No. of consumers (gas, 5,935; electric, 8,169), 14,104. No. of meters (gas, 6,327, electric, 8,195), 14,522. Miles of gas mains, 74.32. Miles of distributing system, 144.28. Miles of transmission system, 16.

SALES, YEARS ENDED DEC. 31

	Gas (cu. ft.)	Electricity (k.w.h.)
1923	125,212,500	6,473,280
1924	135,149,000	6,934,293
1925	155,110,900	8,632,590
1926	170,135,100	10,107,471
1927	187,172,900	10,413,282

CAPITAL STOCK

Authorized and outstanding, $600,000 Common and $400,000 7% cumulative Pfd.; par, $25. Cities Service Power & Light Company owns $599,725 (99.954%) of the Common. Annual meeting, third Saturday in March.

Dividends—Pfd. dividends regularly paid. On Common 10% paid in 1927.

FUNDED DEBT

(1)

$150,000 FIRST REFUNDING (NOW FIRST) GOLD 5s; DUE DECEMBER 1, 1953

Dated December 1, 1903.

Interest Payable June and December 1, at South Norwalk (Conn.) Trust Co., Trustee, or office or agency of Company, Danbury, Conn. Denomination, $1,000; registered and coupon registerable as to principal. Sum must be set aside yearly, beginning Dec. 1, 1923, for purchase of $5,000 of bonds at not exceeding par and accrued interest. A first lien on entire

perty now owned or hereafter acquired. Legal for nnecticut savings banks. Company does not pay rmal Federal Income Tax. Tax free in Connecticut.

(2)

,000 25-YEAR 6% MORTGAGE GOLD BONDS, SERIES "A"; UE AUGUST 1, 1948

Dated August 1, 1923.

nterest Payable February and August 1, at Henry Doherty & Co., New York.

Denominations—Coupon, $500 and $1,000; princi- may be registered.

Trustee—Chatham Phenix National Bank and Trust , New York.

Provisions of Issue—Authorized amount, unlimited. tstanding, $600,000 Series "A" 6s.

Additional bonds in series, having such rates of in- est, maturity dates, call provisions, sinking fund enants, or other provisions, as the directors may ermine, may be issued par for par for refunding poses, and/or for 75% of the cost or fair value, ichever is less, of permanent improvements, addi- ns, betterments, and/or additional plants or prop- ies, made or acquired subsequent to Aug. 1, 1923, l then only provided net earnings for twelve conse- ve months within the fifteen months immediately ceding have been equal to at least twice the annual erest requirements on all bonds issued under this ist Deed and on all prior lien bonds, including the rtgage bonds then proposed to be issued.

Callability—Subject to call as a whole or in part, 30 days' notice, until Aug. 1, 1930, at 110, thereafter il Aug. 1, 1933, at 107; thereafter decreasing ½ of each year or part thereof, plus accrued interest in h case.

Sinking Fund—Beginning Aug. 1, 1924, an amount ual to 1% of bonds of this issue outstanding. Pro- ds to be used for the retirement of these bonds by chase in the market at not exceeding the then re- mption price and accrued interest or if not so ob- inable, by call by lot at the then redemption price l accrued interest; or the company may, at its op- n, expend in any one year an amount equal to 2% the bonds then outstanding for permanent improve- nts, additions or betterments against which no nds may be issued.

Security—Secured by a direct mortgage on all the mpany's properties, rights and franchises, now ned or hereafter acquired, subject to the above de- ibed prior lien.

Tax Provisions—Company pays Normal Federal In- ne Tax up to 2%. Massachusetts Income Tax on the erest, not exceeding 6% per annum, Pennsylvania 4 mills tax and Connecticut 4 mills tax refunded.

Legal Opinion—Frueauff, Robinson & Sloan, New rk.

Legal for Savings Banks in Connecticut.

Original Offering—First publicly offered ($600,000 Series "A" 6s) in Aug., 1923, at par and interest by A. B. Leach & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	*$874,810	*$802,170	$890,325
Oper. expenses & taxes	563,071	523,623	710,213
Net earnings	$311,739	$278,547	$180,112
Other income	.....	.....	8,844
Gross income	$311,739	$278,547	$188,956
Bond interest	43,500	43,500	43,501
Other charges	4,430	4,180	12,232
Net income	$263,809	$230,867	$133,224
Preferred dividends	28,000	28,000	28,000
Common dividends	60,000	60,000	60,000
Surplus for year	$175,809	$142,867	$45,224

*Including other income.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$2,111,347	$1,803,299	$1,762,332
Securities owned	8,841	9,041	9,120
Materials and supplies	137,178	125,863	81,889
Cash	13,918	9,538	4,792
Notes & accts. receivable	209,625	426,358	322,227
Special deposits	79	.....	.....
Prepaid expenses	4,095	4,684	2,398
Suspended expenses (incl. bond discount)	66,101		
Accts. receivable—affil. cos.	198	77,969	95,347
Accts. receivable parent co.	45,489		
Total	$2,596,871	$2,456,752	$2,278,106
Liabilities—			
Common stock	$600,000	$600,000	$600,000
Preferred stock	400,000	400,000	400,000
Funded debt	750,000	750,000	750,000
Notes payable	16,000	36,000	16,000
Accounts payable	56,592	45,109	42,728
Interest and taxes accrued	46,037	60,320	47,581
Customers' and line extension deposits	51,011	19,068	.....
Other current liabilities	.....	.....	30,412
Replacement reserve	304,713	230,323	152,827
Other reserves	19,388	46,003	41,298
Unadjusted credits	.....	17,572	.....
Accts. payable—affil. cos.	1,518	.....	.....
Dividends accrued	5,519	.....	.....
Surplus	346,093	252,359	197,258
Total	$2,596,871	$2,456,752	$2,278,106

Officers: H. L. Doherty, Pres., New York; C. E. Carter, V-P. & Gen. Mgr.; Danbury, Conn.; W. A. Jones, V-P.; T. I. Carter, V-P.; G. E. Cowperthwaite, Sec. & Pur. Agt.; H. N. Beckett, Treas., Danbury, Conn.

Directors: C. E. Carter, G. W. Merritt, G. E. Cowperthwaite, Henry C. Wilson, Thos. A. Settle, Ray E. Landers, H. N. Beckett, Danbury, Conn.; Isaiah F. Terry, Danbury, Conn.; Henry L. Doherty, Thos. I. Carter, W. A. Jones, New York.

Office, Danbury, Conn.

BLUFF CITY ELECTRIC LIGHT & POWER COMPANY

(Subsidiary of Cities Service Power & Light Company)

History—Incorporated Dec. 15, 1905, in Tennessee. Distributes electricity in Bluff City, Tenn.

CAPITAL STOCK

Authorized and outstanding, $3,000 Common; par, $). All owned by Cities Service Power & Light Com- pny.

FUNDED DEBT

None.

Officers: T. I. Carter, Pres.; C. E. Ide, V-P. & Gen. Mgr.; J. C. York, Sec. & Treas.

Directors: T. I. Carter, R. E. Burger, C. J. St. John, J. C. York, C. E. Ide.

Office, Bluff City, Tenn.

DURHAM PUBLIC SERVICE COMPANY

(Controlled by Cities Service Power & Light Company)

History—Incorp. Jan. 29, 1901, in N. C., as Durham Traction Co., name changed to present title early in 121. Owns city lines in Durham, N. C. Franchise ex- pires in 1951. Also does electric lighting and power business, operates bus lines, and manufactures ice. Population of district served, 52,200. Miles of track, 77. Gauge, standard. Rail, 60 and 80 lb. T and girder; 20 motor passenger and 2 other (1 motor) cars. Revenue passengers carried in 1927, 2,817,896, compared with 2,608,592 in 1926, 2,198,602 in 1925, 1,929,605 in 1924, and 2,075,044 in 1923. Has city contract for street lighting; 361 municipal arcs and 219 incandescents. Capacity of generating station, 3,100 k.w. Miles of distributing lines, 179. Number of customers, 8,437.

No. of meters, 8,356. Sales of electricity in 1927, 12,508,576 k.w.h., compared with 229,454 k.w.h. in 1926, 9,835,694 k.w.h. in 1925, 6,357,406 k.w.h. in 1924 and 5,828,499 k.w.h. in 1923. Connected load, 31,297 k.w. Ice sales in 1927, 23,784 tons, compared with 14,030 tons in 1926, 13,309 tons in 1925, 12,258.35 tons in 1924, and 11,358 tons in 1923.

CAPITAL STOCK

Authorized, $1,000,000 Com. and $2,000,000 6% Pfd.; outstanding, $300,000 Common and $300,000 Pfd.; par, $100. Cities Service Power & Light Company owns $299,100 (99.7%) of the Common. Registrar: Maryland Trust Co., Baltimore. Annual meeting, first Tuesday in February.

FUNDED DEBT

(1)

$400,000 DURHAM TRACTION CO. FIRST GOLD 5s; DUE MARCH 1, 1941

Dated March 1, 1901.

Interest Payable March and Sept. 1, at Maryland Trust Co., Baltimore, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $400,000. Not subject to call. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,500,000 DURHAM PUBLIC SERVICE CO. REFUNDING GOLD 7s, SERIES "A"; DUE APRIL 1, 1949

Dated April 1, 1924.

Interest Payable April and October 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon (principal may be registered), $500 and $1,000; and registered, $1,000 and multiples thereof.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Outstanding, $1,500,00 Series "A" 7s. Additional bonds in series, having such rates of interest, maturity dates, call provisions, sinking fund covenants, or other provisions as the directors may determine, may be issued par for par for refunding purposes; for 75% of the cost or fair value, whichever is less, of permanent improvements, additions, betterments and/or additional plants or properties, made or acquired subsequent to April 1, 1924, and then only if net earnings for twelve consecutive months within the fifteen months immediately preceding, shall have been equal to at least 1¾ times the annual interest requirements on all bonds outstanding under this Trust Deed an on all underlying bonds, including the bonds the proposed to be issued.

Callability—Subject to call in whole, or in part, o any interest date on 60 days' notice, to and includin April 1, 1929, at 107½; thereafter to and includin April 1, 1934, at 105, thereafter to and including Apr 1, 1939, at 102½, and thereafter at 102½ less ¼ of 1 for each year or part thereof expired, plus accrued i terest in each case.

Sinking Fund—Beginning April 1, 1925, there sha be set aside as an annual sinking fund, a sum equal 1% of the aggregate of the largest principal amount these bonds and of any underlying bonds outstandin in the hands of the public. This sinking fund is to b used, at the option of the company, for the retir ment of Refunding Mortgage bonds and/or any u derlying bonds by purchase in the market, or by ca by lot. At its option, the company may expend in an one year an amount equal to 2% of the aggrega principal amount of such bonds for permanent in provements, additions or betterments against whic no bonds may be issued. This sinking fund, howeve shall not duplicate the sinking funds of any underl ing bonds. Indenture provides that the compar shall pay no cash dividend on its Common stock, u less there has been expended or reserved out of ear ings annually (cumulative) for maintenance and/ depreciation beginning April 1, 1924, at least 10 of the gross operating revenues from the electric d partment, 20% of those from the street railway d partment and 7% of those from the ice department.

Security—Secured by a direct mortgage on all t physical properties, rights and franchises of the cor pany, now owned or hereafter acquired, subject on to the prior lien of $400,000 First Mortgage 5% Go Bonds (closed issue) now outstanding and non-ca able.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%. Pennsylvania 4 mills tax, Mar land 4½ mills tax, and Massachusetts 6% income t refundable.

Legal Opinion—Frueauff, Robinson & Sloan, Ne York.

Original Offering—First publicly offered ($1,50 000) in May, 1924, at 99½ and accrued interest, yield over 7%, by A. B. Leach & Co., Inc., and P. V Chapman & Co., Inc., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,080,072	$896,656	$828,955	$734,041	$663,832	$617,4
Operating expenses, maintenance and taxes	715,104	581,333	556,328	476,471	404,107	377,7
Net earnings	$364,968	$315,323	$272,627	$257,570	$259,725	$239,7
Bond interest	*125,000	*125,000	*125,000	*125,000	.....	.....
Balance for reserves, etc.	$239,968	$190,323	$147,627	$132,570	.....	.....

*Annual interest charges on funded debt.

GENERAL BALANCE SHEET, DECEMBER 31, 1925

(Latest Available)

Assets—		Liabilities—	
Real estate, buildings, machinery, equipment, etc.	$2,392,970	Common stock	$300,0
Securities owned	5,183	Preferred stock	300,0
Pfd. stock for resale	60,930	Funded debt	1,900,0
Cash	21,443	Accounts payable	59,5
Accounts receivable	238,252	Notes payable	85,0
Due from Cities Service Power & Light Co.	218,899	Accrued items	64,5
Subscribers to Pfd. stock	44,996	Customers' and line extension deposits and unredeemed tickets	22,3
Materials and supplies (cost)	110,325	Paving assessments	123,2
Accrued interest	750	Undelivered securities (Pfd. stock)	59,1
Unamortized bond discount & expense	214,080	Reserve for replacements	190,7
Prepayments	39,414	Reserve for injuries and damages	16,5
		Surplus	226,0
Total	$3,347,242	Total	$3,347,2

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P., New York; R. L. Lindsey, V-P. & Gen. Mgr.; A. W. Grady, Sec. & Treas., Durham, N. C.

Directors: R. H. Wright, R. L. Lindsey, W. L. Foushee, C. McD. Carr, W. J. Halloway, C. C. Thom Durham, N. C.; H. L. Doherty, T. I. Carter, Ne York.

Office, Durham, N. C.

ELECTRIC BOND DEPOSIT COMPANY

(Controlled by Cities Service Power & Light Company)

History—Incorporated in Feb., 1912, in Del., to purchase and hold securities of electric and gas enterprises, and to sell them when the market value of the securities has been established. Formerly controlled the Ozark Power and Water Co., the property of which was acquired and merged into the Empire District Electric Co. early in 1927.

CAPITAL STOCK

Authorized, $5,000,000 Common and $10,000,000 6% cumulative Pfd.; outstanding, $1,500,000 Common and $500,000 Pfd.; par, $100. Cities Service Power & Light Company owns $1,497,300 (99.82%) of the Common and $1,499,500 of the Pfd. Annual meeting, second Thursday in July, at Dover, Del.

Dividends—The Pfd. stock pays monthly dividends of ½ of 1% on the first of each month, and these dividends are guaranteed by the Gas Securities Co. of New York until such time as the Ozark Power & Water Co. shall have earned, for one full year, the interest upon its outstanding bonds and dividends upon its outstanding Pfd. stock. Dividends paid to July 1, 1914. Resumed June 1, 1915, at rate of ¾ of 1% monthly until all deferred dividends were paid.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P.; E. E. McWhiney, Sec.; T. A. Wallace, Treas., New York.

Directors: H. L. Doherty, F. L. Blackburn, L. F. Musil, E. H. Johnston, T. A. Wallace, W. P. Lehrer, W. A. Jones, T. I. Carter, E. E. McWhiney, New York.

General Office, 60 Wall St., New York.

ELECTRIC UTILITIES CO.

(Subsidiary of Cities Service Power & Light Co.)

History—Incorporated Feb. 24, 1926 in Missouri, to acquire Indian River Power Co. and Anderson Light & Power Co., and the electric properties of Joel Mill & Power Co. Effective June 3, 1927 became a subsidiary of Cities Service Power & Light Co. Sells electricity in Anderson, Goodman, Lonagan, and Southwest City, Missouri; also sells at wholesale in Sulphur, Arkansas, through Benton County Utilities Co. Population served over 9,044. Number of customers, 1,264. Sales of electricity in 1927, 948,393 k.w.h., compared with 189,394 k.w.h. in 1926.

CAPITAL STOCK

Authorized and outstanding $100,000 (stated value). Shares of no par value. Cities Service Power & Light Company owns all except 7 directors' qualifying shares. Annual meeting first Wednesday in November.

FUNDED DEBT

None.

Officers: J. E. Harsh, Pres.; A. E. Spencer, V-P.; R. H. Flick, Sec.; C. F. Ratliff, Treas., Joplin, Mo.

Directors: J. E. Harsh, C. F. Ratliff, A. E. Spencer, R. H. Flick, M. L. Margeneau.

Office, Joplin, Missouri.

THE EMPIRE DISTRICT ELECTRIC COMPANY

(Controlled by Cities Service Power & Light Company)

History—Incorp. in Oct., 1909, in Kansas, as a consolidation of the Consolidated Light, Power & Ice Co. (which had acquired Missouri Ice & Cold Storage Co. and Southwest Missouri Light Co.), Joplin Light, Power & Water Co., both of Joplin, Mo., and Galena Light & Power Co., of Galena, Kansas. Has since acquired Columbus Electric Co., Weir City Light & Water Co., Spring River Power Co., Galena, Kan., Neosho Electric Light Co., Empire Electric Power & Supply Co., of Cathage, Mo. and Baxter Springs Electric Co. In 1922 merged The Empire District Electric Co. of Oklahoma (see 1922 Public Utility Manual, page 2169). Early in 1927, Company acquired the property of The Ozark Power & Water Co. (see 1926 Public Utility Manual, page 1444, or apply to our Information Department). Company formerly controlled the Webb City & Carterville Gas Co. and Carthage Gas Co., but the stock of both of these companies is now owned by Gas Service Company (see General Index).

The Empire District Electric Company supplies substantially all of the electric light and power requirements of the Empire District, embracing portions of Southwest Missouri, southeast Kansas and northeast Oklahoma. Electric light and power is supplied directly or indirectly to over 50 cities and communities in this territory having a population in excess of 163,000, including such cities as Joplin and Springfield, Mo.; Columbus, Kansas, and Picher, Okla. In addition, the company supplies electric current at wholesale to a number of public utility companies serving adjacent territory.

The power plants of the company have a total installed developing capacity of 82,760 k.w. of which approximately 15,050 k. w. is hydro-electric. The sales in 1927 were 215,621,360 k.w.h. to 22,890 consumers, as compared with sales in 1926 of 206,382,703 k.w.h. Company's properties are interconnected by 428.3 miles of high tension transmission lines, 498 miles of distribution lines and 42 sub-stations. The principal hydro-electric generating station has an installed capacity of 15,050 k.w. and the principal steam generating station is located at Riverton, Kansas, having a capacity of 66,500 k.w.

The company's most important franchises are unlimited in time and contain no burdensome restrictions.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

Years	K. W. H. Electricity	Electric Customers	Gross Earnings	*Net Earnings
1923	150,328,044	13,367	2,969,814	$1,270,151
1924	144,966,111	15,449	2,929,835	1,353,263
1925	169,831,364	17,354	3,547,198	1,746,020
1926	206,382,703	19,479	4,091,739	1,687,577
1927	215,621,360	22,890	4,326,364	2,066,011

*Before interest and depreciation.

CAPITAL STOCK

Authorized, $7,000,000 Common and $20,000,000 6% cumulative Pfd.; outstanding, Dec. 31, 1927, $3,000,000 Common and $7,382,000 Pfd.; par, $100. All the Common stock, except directors' qualifying shares, are owned by Cities Service Power & Light Co. Capital stock was changed early in 1927 from an authorized amount of $9,000,000, consisting of $3,000,000 Common and $6,000,000 6% Pfd.

Preferred Stock Provisions—Preferred stock has preference over Common stock as to assets and dividends, in case of liquidation at $100 a share and accrued dividends, and has no voting rights.

Callability—Pfd. stock is redeemable as a whole or in part at any time at $120 a share and accrued dividends.

Transfer Agents—Henry L. Doherty & Co., 60 Wall St., New York.

Registrar—Fidelity Trust Co., New York.

Public Offering—$3,500,000 6% Pfd. stock was offered in May, 1927, at $95 a share to yield 6.32% by

Dillon, Read & Co., A. B. Leach & Co., Inc. and Federal Securities Corporation, New York.

Dividends—Monthly dividends on Common stock of ¾ of 1% were begun on Pfd. on Jan. 1, 1911. Commencing on March 1, 1913, rate was ½ of 1% monthly, which rate was maintained to July 1, 1914. Dividends resumed on Oct. 1, 1915, at rate of ¾ of 1%, this rate being maintained until April, 1918, when all back dividends were paid up. Present dividends ½% monthly. Dividends are paid on the Pfd. stock (½%) on the first day of each month to stockholders of record on the 15th day of the preceding month.

FUNDED DEBT

(1)

$1,509,000 OZARK POWER AND WATER COMPANY 40-YEAR FIRST MORTGAGE SINKING FUND GOLD 5s; DUE MARCH 1, 1952

Dated March 1, 1912.

Interest Payable March and September 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $250, $500 and $1,000; principal may be registered.

Trustees—Empire Trust Co., New York, and Mississippi Valley Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized, $6,000,000; issued, $2,670,000. As of Dec. 31, 1927, $66,400 were held alive in the sinking fund and $1,161,000 were pledged under Empire District Electric Co. First 5s of 1952, leaving $1,509,000 outstanding in the hands of the public. Additional bonds may be drawn for 85% of money expended in the acquisition of additional property or for improvements, etc., provided, however, that the Trustee shall not deliver bonds, when the total amount of bonds outstanding, including those to be requested, shall be in excess of the authorized capital stock of the company.

Callability—Subject to call on any interest date at 105 and accrued interest; bonds when purchased by company, may be kept alive and draw interest.

Sinking Fund—Sinking fund, 1% of outstanding bonds, commencing March 1, 1922, for the purchase of bonds at not more than 105, or call at that figure. In lieu of cash payment, bonds secured hereby, with unmatured coupons attached, will be equivalent to a cash payment of 105 and accrued interest, or sinking fund may be satisfied by investing a sum equal to 2% in construction, additions or betterments, or half in cash and half in construction, etc. Bonds are to be kept alive in sinking fund.

Security—A first lien on entire property formerly owned by Ozark Power and Water Co.

Assumed—Assumed by Empire District Electric Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Maryland Taxes refunded.

Original Offering—First publicly offered ($2,000,000) in April, 1912, at 76 and interest, by A. B. Leach & Co., Inc., New York, etc.

(2)

$9,400,000 THE EMPIRE DISTRICT ELECTRIC COMPANY FIRST MORTGAGE AND REFUNDING GOLD BONDS, 5% SERIES; DUE MARCH 1, 1952

Dated March 1, 1927.

Interest Payable March and September 1, at office of Halsey, Stuart & Co., Inc., Chicago, and at the agency of the Company in New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable; principal may be registered.

Trustees—Central Union Trust Co., New York, and Concord Trust Co., Joplin, Mo.

Provisions of Issue—Authorized amount, not limited; issued, $9,400,000 5% Series. Additional bonds with the same or other provisions may be issued par for par against the deposit of cash or United States obligations or against the deposit of divisional bonds or to refund bonds of other series issued under the Trust Indenture, and to the extent of 75% of the expenditures made for additions and extensions and of the cost or fair value (whichever is less) of purchased property as set forth in the Indenture. Bonds may be issued for 75% of the expenditures made for stock of a subsidiary company, as defined in the Trust Indenture, for additions and betterments to its properties, and for 75% of the cost or fair value (whichever is less) of purchased properties acquired by a subsidiary, and to refund, par for par, the indebtedness of such subsidiary, provided that the total amount of bonds issued under the Trust Indenture in respect of any subsidiary together with the principal amount of all mortgage indebtedness upon such subsidiary shall not exceed 75% of the cost or fair value, whichever is less, of the properties of such subsidiary. No bonds are to be issued except for refunding purposes unless net earnings of the Company and any subsidiaries, as defined in the Trust Indenture, during the twelve consecutive calendar months ending within 60 days next preceding the date of application shall have been at least one and three-quarters times the annual interest charges on all divisional and subsidiary bonds outstanding and on all First Mortgage and Refunding bonds outstanding, including bonds proposed to be issued.

Purpose of Issue—Proceeds were used to retire or refund outstanding bonds, to reimburse the Company for capital expenditures heretofore made and for other corporate purposes.

Callability—Subject to call as a whole or in part on 60 days' notice at 105 less ¼ of 1% for each expired 12 month period from March 1, 1932, and at the principal amount during the last year, plus accrued interest in each case.

Maintenance and Depreciation Fund—Company covenants that no cash dividends will be paid on its Common stock unless there has been expended or reserved anually (cumulative) for maintenance and/or depreciation beginning with March 1, 1928, at least 12% of the gross electric operating revenue. This percentage will be subject to arbitration and adjustment at five-year intervals.

Improvement Fund—Trust Indenture obligates the Company to set aside in a special fund annually, on March 1, beginning with March 1, 1928, an amount equal to 2% of the principal amount of First Mortgage and Refunding bonds outstanding, which amount may be used for permanent improvements, additions or betterments to the properties (against which no bonds may be issued), or 1% for the purchase and retirement of any series of outstanding First Mortgage and Refunding bonds as provided in said Trust Indenture. All bonds so purchased and redeemed shall be cancelled. This provision shall not operate as a duplication of equal sinking funds operating on bonds now or hereafter pledged under the Trust Indenture.

Security—Secured by a first mortgage on the property owned by the Company prior to its acquisition of Ozark Power & Water Co., and by a direct mortgage on the balance of the property subject to the $1,442,600 divisional lien bonds described above. Through the pledge of $1,161,000 (over 43%) of said divisional bonds these bonds share ratably in the first mortgage on this latter property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut, and California Personal Property taxes, not exceeding four mills and Massachusetts Income Tax on the interest not exceeding 6% per annum, refunded upon request within 60 days after payment.

Legal Investment For Savings Banks in Massachusetts, Connecticut, New Hampshire, Vermont, Maine and New Jersey.

Original Offering—First publicly offered ($9,400,000) in April, 1927, at 98½ and interest, to yield over 10%, by Halsey, Stuart & Co., Inc., Arthur Perry & Co., and A. B. Leach & Co., Inc., New York, etc.

PROFIT AND LOSS ACCOUNT, YEAR ENDED DEC. 31, 1927

Gross operating revenue	$4,233,565
Operating expenses, maintenance & all taxes	2,260,353
Net operating revenue	$1,973,212
Non-operating revenue	92,799
Total income	$2,066,011
Interest on funded debt	540,383
Interest on floating debt & discount	145,798
Balance carried to surplus	$1,379,830
Surplus Dec. 31, 1926	534,823
Total	$1,914,653
Allocation of surplus:	
Reserve for replacements	$458,974
Preferred dividends	345,668
Common dividends	165,000
Miscellaneous adjustments (credit)	193,892
Total deductions	$775,750
Surplus, Dec. 31, 1927	$1,138,903

GENERAL BALANCE SHEET, DEC. 31, 1927

Assets—	
Plant and investment	$21,413,915
Securities owned	55,850
Sinking fund	72,349
Stores and supplies	631,917
Accounts receivable (less reserve for bad debts)	636,116
Accounts receivable from affiliated cos.	493,073
Accounts receivable from parent Co.	634,002
Notes and interest receivable	13,589
Prepaid insurance (credit)	545
Cash	222,249
Injury and damage fund	51,937
Unamortized discount on bonds	1,183,486
Suspended expenses	154,947
Total	$25,562,885
Liabilities—	
Common stock	$3,000,000
Preferred stock	7,382,000
Funded debt	10,909,000
Liability for liquidating of bonded indebtedness on purchased property	17,000
Accounts payable	109,617
Accounts payable to affiliated cos.	20,190
Notes payable	57,899
Accrued interest and taxes	444,480
Customers' and line extension deposits	125,440
Injury and damage fund (contra)	51,937
Replacement reserve	1,326,009
Other reserves	41,452
Capital surplus	938,957
Earned surplus	1,138,904
Total	$25,562,885

Officers: Henry L. Doherty, Pres.; T. I. Carter, V-P., New York; A. S. Wilson, 2d V-P., Galena, Kans.; J. E. Harsh, 3rd V-P. & Gen Mgr.; David D. Hoag, V-P., R. H. Flick, Sec.; C. F. Ratliff, Treas., Joplin, Mo.

Directors: Henry L. Doherty, Thomas I. Carter, W. A. Jones, New York; Leslie M. Shaw, A. E. Spencer, D. D. Hoag, R. H. Flick, R. H. Barratt, C. F. Ratliff, F. C. Pratt, G. A. Montgomery, A. S. Wilson, J. E. Harsh, G. B. Barnett, Joplin, Mo.; B. P. Pickett, Galena, Kans; I. C. Perkins.

Office, Joplin, Mo.

FREMONT GAS COMPANY

(Controlled by Cities Service Power & Light Company)

History and Property—Incorporated July 18, 1910, in Del., as the Fremont Gas, Electric Light & Power Co.; name changed to present title Jan. 6, 1926. Supplies gas to Fremont, Neb., under franchise unlimited in point of time. Disposed of electric distribution system as of Dec. 31, 1921, to the City of Fremont. Population served, 9,750. Water gas plant with generating capacity of 210,000 cu. ft. per day; holder capacity, 110,000 cu. ft. Miles of gas mains, 23.96. No. of customers, 1,651. No. of meters, 1,655. Gas sales in 1927, 47,239,000 cu. ft., compared with 44,181,800 cu. ft. in 1926, 42,727,500 cu. ft. in 1925, 40,142,800 cu. ft. in 1924, and 37,439,300 cu. ft. in 1923.

CAPITAL STOCK

Authorized, $500,000; outstanding, $137,300; par, $100. Cities Service Power & Light Company owns $97,300 (70.867%) of the stock. Annual meeting, first Tuesday after first Monday in January.

FUNDED DEBT

$41,000 Fremont Gas, Electric Light & Power Co. First Gold 6s; dated Aug. 1, 1910; due June 1, 1950; interest June and Dec. 1, at Peters Trust Co., of Omaha, Neb., Trustee. Coupon, $500; principal may be registered. Authorized issue, $500,000; balance reserved for 85% of future extensions and improvements. Subject to call, upon four weeks' published notice, on any interest date at 105 and int. Bonds when purchased by Company, may be kept alive and draw interest.

Sinking Fund—Sinking fund, ½% of bonds outstanding until June 1, 1920; 1% thereafter, for purchase of bonds at not more than 105 or call at that figure; or sinking fund may be satisfied by investing in construction, addition or betterments, a sum equal to 1% from 1915 to 1920, and 2% thereafter; or part in cash and part in property in above named proportion. Bonds cancelled in sinking fund. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED JUNE 30, 1925

(Latest Available)

Operating revenue	$80,309
Operating expenses, maintenance and taxes	66,941
Net earnings	$13,368
Other income	436
Total income	$13,804
Interest charges	43,894
Balance	*30,091
Replacement appropriation	3,613
Balance	*33,704

*Deficit.

Officers: Henry L. Doherty, Pres.; New York; R. W. McGinnis, 1st V-P., F. A. Woodworth, 2nd V-P. & Gen. Mgr.; J. A. Slobb, Sec. & Treas., Fremont, Neb.

Directors: Henry L. Doherty, E. H. Johnston, L. F. Musil, W. A. Jones, T. A. Wallace, R. E. Burger, E. E. McWhiney, New York; R. W. McGinnis, F. A. Woodworth, Fremont, Neb.

Office, Fremont, Neb.

KNOXVILLE GAS COMPANY

(Controlled by Cities Service Power & Light Company)

History—Inc. in March, 1903, in Tenn.; successor to Knoxville Gas Light Co. Supplies artificial gas without competition in Knoxville, Tenn., and Oakwood, Park City and other suburban territory now within corporate limits of the City of Knoxville. Franchise expires Sept., 1953. Population served, about 102,000. Sales in 1927, 240,062,100 cu. ft., compared with 220,109,800 cu. ft in 1926, 200,703,300 cu. ft. in 1925, 196,248,400 cu. ft. in 1924, and 179,432,300 cu. ft. in 1923. Miles of mains, 128.66 No. of customers, 5,873.

CAPITAL STOCK

Authorized and outstanding, $300,000 Common and $100,000 6% cumulative Pfd.; par, $100. Cities Service Power & Light Company owns $258,500 (86.166%) of the Common. Annual meeting, last Friday in January.

FUNDED DEBT

$400,000 First Mortgage Gold 5s; dated Oct. 1, 1903; due Oct. 1, 1933; interest April and Oct. 1, at office of H. L. Doherty & Co., New York. Coupon, $1,000.

U. S. Mortgage & Trust Co., New York, Trustee. Authorized issue, $600,000. Additional bonds may be issued in exchange for $100,000 Pfd. stock when net earnings for the fiscal year preceding in excess of operating expenses and taxes, are not less than $40,000. Subject to call as a whole or in part at 103 and interest on any interest date upon 60 days' notice. In lieu of a sinking fund, $5,000 of bonds must be retired by call at 103, on Oct. 1 of each year up to and including Oct. 1, 1922; and $10,000 thereafter up to and including Oct. 1, 1932. A first lien on plant and equipment. First publicly offered ($300,000) in Oct., 1903, at 101 and interest. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Gross earnings	$338,459	$322,397	$301,177
Operating expenses, exclusive of depreciation	284,211	293,468	226,382
Net earnings	$54,248	$28,929	$74,795
Bond interest	20,375	20,875	21,625
Miscellaneous interest	29,672	19,767	12,668
Balance for divds. and res.	$4,201	*$11,713	$40,502
Preferred dividends	†	6,000	6,000
Bal. for Com. divds. & res.		*$17,713	$36,502

*Deficit. †Figures not furnished.

GENERAL BALANCE SHEET, JUNE 30, 1925
(Latest Available)

Assets—		Liabilities—	
Capital assets	$1,041,445	Common stock	$300,000
Cash	6,360	Preferred stock	100,000
Accounts receivable	106,831	Funded debt	430,000
Materials and supplies (cost)	30,841	Accounts payable	158,383
Prepaid accounts	48,798	Notes payable	71,783
Borrowed securities (contra)	52,300	Preferred dividends accrued	31,500
		Interest, taxes, etc. accrued	21,523
		Customers' deposits	8,661
		Deferred credits	31,684
		Borrowed securities (contra)	52,300
		Surplus	80,741
Total	$1,286,575	Total	$1,286,575

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P., New York; H. G. Bonner, V-P. & Gen. Mgr.; J. E. Hood, Treas.; H. Scott, Sec., Knoxville, Tenn.

Directors: T. I. Carter, H. L. Doherty, R. E. Burger, W. A. Jones, New York; H. G. Bonner, Knoxville, Tenn.

Office, Knoxville, Tenn.

THE LAKE SHORE POWER COMPANY

(Controlled by Cities Service Power & Light Co.)

History and Property—Incorporated Feb. 28, 1924, in Ohio and acquired and consolidated into a single operating system a number of long established electric light and power properties in the states of Ohio and Indiana, located in the district extending westerly from the suburban district of Toledo, for a distance of 63 miles along the main line of the New York Central Railroad. The company furnishes without competition, electric light and power service in 31 communities; gas service in one community and in addition, supplies electricity at wholesale to four communities, and to the Toledo & Indiana R.R. Co., which latter company operates an electric railroad extending from Toledo to Bryan, O. The population of the communities served is about 22,297 with 4,712 connected meters in service. The company operates under the jurisdiction of the Ohio Public Utilities Commission.

In June, 1924, company acquired control of the stock of the Toledo and Indiana R.R. Co., which in turn controls Toledo and Indiana Building Co. and Toledo and Northwestern Transportation Co., and also the assets of the Central Light & Power Co. and the Wauseon Light & Power Co. In 1925, Company acquired the Edan Power & Light Co., the Pittsville Light & Power Co. and the Ohio Gas Light & Coke Co. The latter company has since been sold to Great Lakes Utilities Co. (see General Index).

CAPITAL STOCK

Authorized, 10,000 shares Common stock of no par value and $500,000 7% cumulative Pfd.; par, $100; outstanding, 10,000 shares Common and $483,400 Pfd. Cities Service Power & Light Co. owns all, except directors' qualifying shares of the Common and $315,-100 Pfd.

Transfer Agent and Registrar for Preferred Stock—The Home Bank & Trust Co., Toledo, Ohio.

Preferred Stock Provisions—Preferred stock has preference as to assets as well as dividends and is subject to redemption on any dividend date at 110. Company agrees that it will set aside annually, in a sinking fund reserve, from its net earnings, after payment of all taxes and governmental charges, bond interest and Preferred stock dividends, 20% of remaining net earnings, said reserve to be accumulated until it equals the par value of the Preferred stock of the Company outstanding.

Dividends—Pfd. dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$273,000 TOLEDO AND INDIANA TRACTION CO. (CLOSED) FIRST MORTGAGE GOLD 5s; DUE JANUARY 2, 1931

Dated January 2, 1911.

Interest Payable January and July 2, at American Exchange Irving Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Subject to call at 102½ and interest on any interest date. A first lien on entire property of Toledo and Indiana R.R. Co. First publicly offered, ($400,000) in May, 1911, at par and interest, by Engineering Securities Corp., New York, and Spitzer, Rorick & Co., New York, etc.

Assumed by Lake Shore Power Co. in 1924.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,005,000 THE LAKE SHORE POWER COMPANY FIRST AND REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE JULY 1, 1950

Dated July 1, 1925.

Interest Payable January and July 1, at Home Bank & Trust Co., Toledo, or The Chicago Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable denominations.

Trustee—Home Bank & Trust Company, Toledo.

Provisions of Issue—Additional bonds are issuable at not to exceed 80% of the cash cost or fair value, whichever is less, of improvements, additions and acquisitions, provided net earnings for 12 months out of the preceding 14 months have been equal to at least twice the interest requirement upon all outstanding bonds and bonds proposed to be issued, except that

ith the express consent of the trustee and bankers, ich ratio may be 1¾ times interest requirement.

Callability—Subject to call as a whole or in part n 45 days' notice on ony interest date, at par and ccrued interest plus a premium of 6% to July 1, 930; 5% to July 1, 1935; 4% to July 1, 1940; 3% to ily 1, 1945 and 2% thereafter.

Maintenance Fund—As a maintenance and improvement fund, the mortgage provides that the Company must expend 10% of its gross earnings for maintenance, improvements or additions to the properties against which no bonds can be issued, or for ne retirement of the Company's funded debt.

Security—The bonds are the direct obligation of ne Company, and are secured by a mortgage lien pon the electric light, power and gas properties of ne Company, subject only to 273,000 underlying % bonds (closed mortgage) of an original issue of 400,000.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%. Pennsylvania Four Mill tax, Connecticut Personal Property tax not exceeding our mills per annum, Maryland Securities tax not xceeding four and one-half mills refunded.

Original Offering—First publicly offered ($845,-00) in July, 1925, at 99 and accrued interest, by Chicago Trust Co., Chicago, Ill

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$334,669	$328,491	$268,995
Oper. exp., taxes, main., etc.	218,051	199,022	136,966
Net earnings	$116,618	$129,469	$132,029
Non-operating income	*29,240	.....	.....
Total income	$87,378	$129,469	$132,029
Interest on bonds	73,950	72,096	43,013
Other interest & charges	6,456	4,908	55,951
Total charges	$80,406	$77,004	$98,964
Net income	$6,972	$52,465	$33,065
Preferred dividends	33,547	33,660	21,025
Surplus for reserves	*$26,575	$18,805	$12,040

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Plant and investment	$1,805,657	$1,752,555
Securities owned	291,007	339,446
Notes and accounts receivable	66,661	63,003
Stores and supplies	41,533	36,433
Expenses paid in advance	2,108	4,997
Cash	6,737	14,385
Accts. & notes rec.—affiliated cos.	157,642	87,845
Earnings receivable	*76,793	.....
Bad debts receivable	472	.....
Special cash deposits	8,362	.....
Suspended expenses	23,917	1,526
Bond & stock discount and expense	128,172	138,580
Earnings receivable reserve	21,086	.....
Total	$2,476,550	$2,438,770
Liabilities—		
Common stock	$10,000	$10,000
Preferred stock	483,400	483,400
Funded debt	1,278,000	1,278,000
Notes and accounts payable	7,164	60,710
Interest and taxes accrued	11,670	15,560
Accts. pay.—affiliated companies	155,044	.....
Customers' & line extension deposits	21,302	3,028
Dividends accrued	†291	.....
Subsidiary surplus reserve	21,086	.....
Replacement reserve	96,868	80.446
Bad debts reserve	5,883	.....
Capital surplus	409.723	455,236
Profit and loss surplus	†23,299	52,390
Total	$2,476.550	$2,438,770

*Credit. †Debit.

Officers: H. L. Doherty, Pres.; C. L. Proctor, V-P. & Gen. Mgr.; T. I. Carter, V-P.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas.

Directors: Carroll L. Proctor, Henry T. Ledbetter, Albert C. Van Driesen, G. W. McIver, John F. O'Connor, Toledo, Ohio; Thomas I. Carter, Henry L. Doherty, New York.

Office, 714 Washington St., Toledo, Ohio.

TOLEDO & INDIANA RAILROAD CO.

(Controlled by The Lake Shore Power Co.)

History and Property—Incorporated Jan., 1911, in Ohio; successor as of June 28, 1911, to Toledo & Indiana Traction Co., which was itself successor to Toledo & Indiana Ry. (see Manual for 1910, page 2245). Franchises perpetual, with exception of one for road crossings in Fulton County, expiring 1935. Owns and operates an electric railway connecting Bryan and Toledo; built entirely on private right of way. Also sells electric light and power to the wayside communities. Total population served, 315,-979. Has traffic agreement to enter Toledo over lines of the Community Traction Co. Length of line, 51.68 miles; sidings, etc., 4.90 miles; trackage rights, 4.09 miles; total track, 60.67 miles. Gauge, standard. Rail, 70 lb. T. Cars: Motor passenger, 9; other motor cars, 6; other cars, 14; electric locomotive, 1.

Company owns all the Common stock of Toledo & Indiana Building Co. and Toledo & Northwestern Transportation Co. (see statements appended).

CAPITAL STOCK

Authorized and outstanding, $697,061. Stock control is held by The Lake Shore Power Co.

FUNDED DEBT

See statement of The Lake Shore Power Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925	1924
Gross earnings	$235,947	$243,786	$291,244
Oper. exp. taxes & deprec.	253,942	241,239	315,337
Loss from operation	$17,995	*$2,547	$24,092
Interest charges	3,784	6,751	9,170
Other charges	1,230	12,101	.....
Deficit for year	$23,009	$16,305	$33,262

*Income.

Officers: H. L. Doherty, Pres., New York; C. L. Proctor, V-P. & Gen. Mgr.; Toledo, Ohio; T. I. Carter, V-P., New York, N. Y.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas., Toledo, Ohio.

Directors: C. L. Proctor, H. T. Ledbetter, A. C. Van Driesen, G. W. McIver, J. F. O'Connor, Toledo, Ohio; T. I. Carter, H. L. Doherty, New York, N. Y.

Office, Toledo, Ohio.

TOLEDO & INDIANA BUILDING COMPANY

(Controlled by Toledo & Indiana Railroad Company)

History—Incorporated May 26, 1922, in Ohio for a period of 25 years. Company is engaged in buying and selling real estate and erecting and maintaining thereon buildings and other structures.

CAPITAL STOCK

Authorized and outstanding, $9,000 Common; par, $100. All owned by Toledo & Indiana Railroad Company.

Annual Meeting—Third Tuesday in January.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P.; C. L. Proctor, V-P. & Gen. Mgr.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas.

Directors: H. L. Doherty, T. I. Carter, C. L. Proctor, H. T. Ledbetter, J. F. O'Connor, A. C. Van Driesen, G. W. McIver.

Office, Toledo, Ohio.

TOLEDO & NORTHWESTERN TRANSPORTATION COMPANY

(Controlled by Toledo & Indiana Railroad Company)

History—Organized Oct. 8, 1924, in Ohio.

CAPITAL STOCK

Authorized and outstanding, 500 shares Common stock of no par value. All owned by Toledo & Indiana Railroad Company.

Annual Meeting—Second Tuesday in January.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P.; C. L. Proctor, V-P. & Gen. Mgr.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas.

Directors: H. L. Doherty, T. I. Carter, C. L. Proctor, H. T. Ledbetter, J. F. O'Connor, A. C. Van Driesen, G. W. McIver.

Office, Toledo, Ohio.

LAWRENCE COUNTY WATER, LIGHT & COLD STORAGE CO.

(Controlled by Cities Service Power & Light Co.)

History and Property—Incorporated Aug. 9, 1909, in Mo.; consolidation of The Aurora Electric & Cold Storage Co. and The Lawrence County Water Co., both of Aurora, Mo. Effective June 3, 1927 became a subsidiary of Cities Service Power & Light Co. Owns water works at Aurora and Verona, Mo., and electric, ice and cold storage plant at Aurora, Mo., and water and electric plant at Marionville, Mo. Also supplies Crane, Mo. Population served, 10,069. No. of electric meters, 2,354. Miles of water mains, 22. Water consumers, 1,501. Company not generating electric current at present, purchasing same from The Empire District Electric Co.

Franchises—Aurora water franchise expires Feb., 1931; Aurora electric franchise, July 1, 1932; Marionville water and electric franchises, Jan. 23, 1931; Crane, June 1, 1942; Billings, May 7, 1940; Republic, July 18, 1943.

CAPITAL STOCK

Authorized and outstanding, $250,000 Common and $100,000 Pfd.; par, $100. Cities Service Power & Light Co. owns all the Common.

Annual Meeting—First Tuesday in April.

FUNDED DEBT

(1)

$125,000 Lawrence County Water Co. First Gold 6s; (formerly 5s); dated July 1, 1906; due July 1, 1936; int. Jan. and July 1, at Real Estate Trust Co., Philadelphia. Missouri-Lincoln Trust Co., St. Louis, Mo., Trustee. Company pays Normal Federal Income Tax up to 2%.

(2)

$40,000 Aurora Electric & Cold Storage Co. First Gold 6s; dated Aug. 1, 1909; due Aug. 1, 1929; int. Feb. and Aug 1, at Commonwealth Title Insurance & Trust Co., Philadelphia, Pa. Mercantile Trust Co., St. Louis, Mo., Trustee. Company pays Normal Federal Income Tax up to 2%.

(3)

$60,000 Lawrence County Water, Light & Cold Storage Co. First Refunding Gold 6s (formerly 5s); dated Sept. 1, 1909; due Sept. 1, 1939; int. March and Sept. 1, at Commonwealth Title Insurance & Trust Co., Philadelphia, Pa. Coupon, $1,000; principal may be registered. St. Louis Union Trust Co., St. Louis, Mo., Trustee. Authorized issue, $250,000. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$147,319	$144,511
Expenses	96,196	90,015
Net earnings	$51,123	$54,496
Bond interest	13,500	13,500
Other interest & bond discount	4,230	3,400
Net income	$33,393	$37,596
Preferred dividends	8,000	8,000
Balance to Common stock & reserves	$25,393	$29,596

Officers: J. E. Harsh, Pres.; A. E. Spencer, V-P.; R. H. Flick, Sec.; C. F. Ratliff, Treas.

Directors: J. E. Harsh, A. E. Spencer, C. F. Ratliff, F. C. Pratt, G. B. Barnett, R. A. Barrett, R. H. Flick, Aurora, Mo.

General Office, Aurora, Mo.

THE OHIO PUBLIC SERVICE COMPANY

(Controlled by Cities Service Power & Light Company)

History—Incorporated Oct. 11, 1921, in Ohio, for the purpose of combining and connecting with high tension transmission lines, several public service properties in that State. The following properties were acquired: The Alliance Gas & Power Co.; The Lorain County Electric Co.; The Massillon Electric & Gas Co.; The Trumbull Public Service Co. and The Utilities Construction Co. (for statements of these several companies see 1921 Public Utility Manual). As of Feb. 1, 1922, acquired The Ashland Gas & Electric Light Co. and The Richland Public Service Co. (see 1922 Public Utility Manual). In Sept., 1924, acquired the properties of The Sandusky Gas & Electric Company, The Northwestern Ohio Railway & Power Company, The Port Clinton Electric Light & Power Company and The Central Ohio Gas Company (see 1923 Manual, pages 2079, 2081, 2082 and 1654 respectively, or apply to our Information Department). In 1925, acquired the Marblehead Power Co. In 1926 acquired The Bayard Electric Light Co., The New Franklin Electric Lighting Co., The Stark Electric Service Co., The North Brewster Light Co., the property of S. H. Bruce in Garrettsville and the property of The Lake Erie Power & Light Co. in Sheffield Village.

Business and Territory Served—Company is engaged in the business of producing, distributing and selling gas and electricity for lighting, heating and power purposes, supplying, without competition, electricity in Warren, Alliance, Massillon, Ashland, Mansfield, Elyria, Lorain, Sandusky, Port Clinton and 82 other communities in the vicinity of these cities in Ohio; also supplies electricity at wholesale to other companies supplying 126 communities around the same territory. Street railway service is supplied at Mansfield and interurban railway service from Mansfield to Shelby, and from Marblehead through Port Clinton, Oak Harbor, Genoa, and Ryan, to Toledo. In all, Company supplies directly or indirectly 248 communities, embracing a territory of over 4,100 sq. miles, with a total estimated population of 400,000.

The Company's properties includes steam electric generating stations located 1 each at Alliance, Warren, Massillon, Mansfield, Sandusky and Port Clinton and Lorain, with a combined installed generating capacity of 149,475 k.w. High tension transmission lines operating at 132,000 volts and under, connect Warren, Alliance, and Massillon, forming the eastern system and Mansfield, Ashland, Elyria, Lorain, Sandusky, and Port Clinton forming the western system. A 132,000 volt transmission line was completed from Canton to Massillon, Ohio, connecting eastern and western systems. A 132,000 volt transmission line from Sandusky to Toledo, interconnecting the Toledo Edison Company and the Ohio Public Service Company is under construction. Interconnection with other companies exist at Niles with The Penn-Ohio Power & Light Co. at Canton and Mansfield with The Ohio Power Co., at Lorain with The Cleveland Electric Illuminating Co., and at Wendt Siding with The Toledo Edison Co., pooling in all an electric generating capacity of more than 1,500,000 h.p. The transmission system consists of 512 miles of lines of which 128 miles is 132,000 volts.

Another proposed project is the construction of a ram-electric generating station in the coal fields on the Ohio River, with transmission lines to tie it into the completed system near Massillon. The plant site has already been purchased at Dilles Bottom, opposite Moundsville, W. Va. The design of the plant is now in progress and contemplates an initial installation of 15,000 h.p. of generating capacity with subsequent additions as conditions require to an ultimate capacity of 535,000 horse-power.

The railway department consists of 70.80 miles of owned track, 2.67 miles of track operated but not owned, and 41 cars. A bus system is also operated, and the total number of passengers carried in 1927 was 3,426,634.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	No. of Electric Customers	Electricity Sales (k.w.h.)
1923	53,323	403,220,687
1924	59,878	394,743,195
1925	65,960	465,349,872
1926	71,551	476,245,645
1927	74,568	437,796,349

Franchises—All franchises under which the Company operates contain no burdensome restrictions and in part are unlimited as to time. Application will be made in due course to extend the few franchises which expire prior to the maturity of the issue of First Mortgage & Refunding 7½% Gold bonds, Series "A."

CAPITAL STOCK

Authorized $15,000,000 Common and $25,000,000 First Pfd.; outstanding Dec. 31, 1927, $7,689,000 Common, $7,790,900 7% cumulative First Pfd. Series "A," and $5,640,500 6% Series cumulative First Pfd.; par, $100. The Cities Service Power & Light Company owns $7,687,300 (99.978%) of the Common stock.

Preferred Stock Provisions—The First Pfd. stock has preference for assets as well as dividends and in the event of voluntary dissolution or liquidation the 7% Series is entitled to receive $115 and accrued dividends per share, and the 6% Series is entitled to receive $110 and accrued dividends per share; both the 7% and 6% Series are entitled to par in the event of involuntary liquidation or dissolution. The First Pfd. stock is entitled to cumulative dividends at the rate of 7% and 6% respectively per annum.

No additional First Pfd. stock may be issued unless net earnings, after providing for maintenance, equal in the aggregate to 10% of gross electric earnings plus 7½% of gross gas earnings after deducting from such gas earnings the purchase price of purchased gas plus 18% of gross railway earnings, and after deducting interest charges, for twelve consecutive months out of the preceding sixteen months are at least twice the dividend requirements on the First Pfd. stock outstanding, and that proposed to be issued. The provision for maintenance mentioned above will obtain until Dec. 31, 1927. If, at that time or at three year intervals thereafter, it shall be deemed by the Company that the provision for maintenance then existing is in excess of reasonable maintenance, the Company may make request to the trustee of the largest bond issue of the Company outstanding to select an engineer who shall decide as to the amount of any reduction. The Company will be allowed 60 days after each of the above specified dates in which to file such request or apply for such arbitration.

No such First Pfd. stock shall be issued by the Company if such issuance shall reduce its net assets below an amount equivalent to $125 per share of First Pfd. stock. In determining the value of the property all property valued by a Public Service Commission or other public authority having jurisdiction shall be taken at the amount fixed by such public authority plus the cost of subsequent additions and improvements. The net assets shall be determined by deducting from the total assets of the Company all indebtedness ahead of such Preferred stock, as set forth in the certificate of stock. In addition the required approval of the Public Utilities Commission of Ohio to the issuance of such additional Pfd. stock must be obtained.

Such additional Preferred stock may be issued in series and the dividend rate, redemption provisions, par value, voting rights, etc. determined by the Board of Directors of the Company for each series.

In the event that twelve months' dividend payments shall be in arrears the holders of the First Pfd. stock, entitled to vote shall be entitled to vote on such a basis that the First Pfd. stock of all series, entitled to vote, voting as a class will have a voting power equal in the aggregate to the voting power of all other classes of stock, entitled to vote, in the aggregate. These voting rights shall continue only so long as the dividends are so in arrears. The vote of the First Pfd. stock, voting as a class, shall be determined by the majority vote, of such stock entitled to vote, at a meeting convened for that purpose at which at least two thirds in amount of such stock entitled to vote is represented.

Callability—The First Pfd. stock is subject to redemption in whole or in part on the first day of any month on thirty days' notice, the 7% at 115 and accrued dividends and the 6% at 110 and accrued dividends.

Transfer Agents—National Bank of the Republic, Chicago, and company's office, Cleveland, Ohio.

Registrars—Chatham Phenix National Bank and Trust Co., New York, The Guardian Trust Co., Cleveland, and Continental National Bank & Trust Co., Chicago.

Legal Opinion—Frueauff, Robinson & Sloan, New York (for the Company), and Henry M. Earle, New York (for the bankers).

Public Offering—$3,265,600 7% cumulative First Pfd. stock, Series "A" was publicly offered in Oct., 1922, at $94 per share to yield 7.40%, by A. B. Leach & Co., Inc., and Bodell & Co., New York, etc.; $3,000,000 additional publicly offered in Jan., 1925, at par and interest, by Dillon, Read & Co., and A. B. Leach and Co., Inc., New York, and Federal Securities Corp., Chicago.

Annual Meeting—Second Tuesday after first Monday in October, at Warren, Ohio.

Price Range—

	1927	1926	1925	1924	1923
7% Pfd.—					
High	109	105	100	100	93
Low	104	101	97	86	86
6% Pfd.—					
High	102	94	93	..	..
Low	95	93	88	..	..

Dividends—Dividends on First Pfd. stock, Series "A" and 6% Series are paid the first of each month to stockholders of record on the fifteenth of the month preceding.

FUNDED DEBT

(1)

$87,200 ASHLAND GAS & ELECTRIC LIGHT CO. FIRST MORTGAGE GOLD 5% BONDS; DUE JULY 1, 1929

Dated July 1, 1909.

Interest Payable Jan. and July 1, at Union Trust Co., Cleveland, Ohio, Trustee, or its fiscal agency in New York. Coupon, $100, $500 and $1,000; principal may be registered. Authorized, $100,000; mortgage closed; $87,200 outstanding. Subject to call upon four weeks' notice, at 105 and accrued interest. Sinking fund, sum equal to 1% of outstanding bonds, must be set aside yearly, commencing with Oct. 1, 1914, for purchase of bonds at not more than par and accrued interest, or call at that figure. Bonds cancelled held in sinking fund. Assumed by Ohio Public Service Co. A first lien on all property formerly owned by Ashland Gas & Electric Light Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$326,000 THE ALLIANCE GAS & POWER CO. FIRST AND REFUNDING (NOW FIRST) MORTGAGE GOLD 5% BONDS; DUE JUNE 1, 1932, BUT CALLED FOR PAYMENT JUNE 1, 1928 AT 107½.

(3)

$565,000 THE MASSILLON ELECTRIC & GAS CO. FIRST GOLD 5s; DUE JULY 1, 1956

Dated July 1, 1916.

Interest Payable January and July 1, at office of Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $250, $500 and $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; mortgage closed; outstanding, $565,000, of which $60,000 held alive in sinking fund.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' published notice. Bonds when purchased by Company may be kept alive and draw interest.

Sinking Fund—Sinking Fund: Sum equal to 1% of outstanding bonds must be set aside yearly, beginning July 1, 1917, for purchase of bonds at not more than 105, or call at that figure. In lieu of cash payments, bonds secured hereby, with unmatured coupons attached, will be equivalent to a cash payment of 105 and accrued interest; or an investment of 2% of the amount of bonds outstanding must be made in additional property or improvements, against which no bonds can be issued, or part in cash and part in property in above-named proportion. Bonds acquired by sinking fund to be kept alive and draw interest for the benefit of the fund.

Security—A first lien on entire property formerly owned by The Massillon Electric & Gas Co.

Assumed by Ohio Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded.

Legal for Savings Banks in Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

(4)

$731,500 THE RICHLAND PUBLIC SERVICE CO. FIRST AND REFUNDING (NOW FIRST) SINKING FUND GOLD 5s; DUE OCTOBER 1, 1937

Dated October 1, 1917.

Interest Payable April and October 1, at The Union Trust Co., Cleveland, Ohio, and Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Union Trust Co., Cleveland.

Provisions of Issue—Authorized, $8,000,000; mortgage closed at $731,500 outstanding.

Callability—Subject to call in whole or in part on any interest date at 102 and accrued interest upon four weeks' published notice.

Sinking Fund—Sum equal to 1% of outstanding bonds must be set aside yearly, beginning Oct. 1, 1920, for purchase of bonds at not more than 102, or call at that figure. In lieu of cash payments, bonds secured hereby with unmatured coupons attached, will be equivalent to a cash payment of 102 and accrued interest; or commencing Oct. 1, 1919, sinking fund may be satisfied by investing in property or construction, a sum per annum equal to 2% of all bonds outstanding on Sept. 1 of each year; or part in cash and part in property in above named proportion. Bonds cancelled in sinking fund.

Security—Secured by a direct first lien on entire property formerly owned by The Richland Public Service Co.

Assumed by Ohio Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

(5)

$37,000 THE SANDUSKY GAS & ELECTRIC CO. FIRST GOL 5s; DUE MAY 1, 1929

Dated May 1, 1899.

Interest Payable May and Nov. 1, at Guaranty Trus Co. of New York, Trustee. Denomination, $1,00 Original issue, $500,000, of which $463,000 deposite with trustee under First Refunding & Improvemen Mortgage due March 1, 1945. Secured by a first lie on entire property formerly owned by The Sandusk Gas & Electric Co. Assumed by Ohio Public Servic Co. Company pays Normal Federal Income Tax u to 2%.

(6)

$1,283,000 THE SANDUSKY GAS & ELECTRIC CO. FIRST RE FUNDING AND IMPROVEMENT GOLD 5s; DUE MARCH 1 1945

Dated March 1, 1915.

Interest Payable March and Sept. 1, at Fidelity Philadelphia Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may b registered.

Trustee — Fidelity-Philadelphia Trust Co., Phila delphia.

Provisions of Issue—Authorized, $2,000,000; issued $1,504,000; outstanding (including $199,000 held alive in sinking fund), $1,283,000.

Callability—Subject to call as a whole or in part a 103 and accrued interest on any interest date upon four weeks' notice.

Sinking Fund—Sinking fund, from Jan. 1, 1918, and annually thereafter 1% on all bonds outstanding including those in sinking fund, provided the aggregate face value is less than $1,000,000 and 1½% if face value of all bonds outstanding including those in sinking fund equals or exceeds $1,000,000.

Security—Secured by a lien on entire property formerly owned by The Sandusky Gas & Electric Co. subject to $37,000 First Mortgage bonds, described in No. 5, to retire which bonds of this issue are reserved.

Assumed by Ohio Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax refunded.

Legal for Savings Banks in Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

(7)

$1,084,800 THE TRUMBULL PUBLIC SERVICE CO. FIRST SINKING FUND GOLD 6s; DUE JUNE 1, 1929

Dated June 1, 1911.

Interest Payable June and December 1, at First National Bank, New York, and The Union Trust Co., Cleveland, Ohio.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Union Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized and issued, $1,500,000; retired, $359,100; held in treasury, $56,100; in hands of public, $1,084,800; mortgage closed.

Callability—Subject to call as a whole or in part by lot, at 105 and interest on any interest date, upon 4 weeks' notice; also in part for sinking fund at 102 and interest.

Sinking Fund—Sinking fund provides that a sum equal to 2% of bonds issued must be set aside each year in monthly payments, and when the sum of $2,500 has been accumulated, it shall be applied for the purchase of bonds at not more than 102, or call at that figure. Company may deposit bonds prior to June 1, at 100, instead of cash. Bonds to be cancelled in sinking fund.

Security—A first lien on entire property formerly owned by The Trumbull Public Service Co.

Assumed by Ohio Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, ew Hampshire, Rhode Island and Vermont.

(8)

IE OHIO PUBLIC SERVICE CO. FIRST AND REFUNDING MORTGAGE

$4,682,600 7½% Series "A" Bonds

ited Oct. 1, 1921; due Oct. 1, 1946; interest Apr. & Oct. 1

$3,714,100 7% Series "B" Bonds

ated Feb. 1, 1922; due Feb. 1, 1947; interest Feb. and Aug. 1

$4,637,600 6% Series "C" Bonds

ated March 1, 1923; due March 1, 1953; interest March and Sept. 1

$10,490,700 5% Series "D" Bonds

ated Sept. 1, 1924; due Sept. 1, 1954; interest March and Sept. 1

Interest Payable as above at Halsey, Stuart & Co., ic., Chicago, and at Company's office, 60 Wall St., ew York.

Denominations—Coupon bonds in interchangeable enominations of $100, $500 and $1,000 (the $1,000 de- omination being exchangeable for fully registered onds); principal may be registered. Coupon and gistered bonds interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. n addition to the amounts shown outstanding above 350,000 Series "B" 7s are pledged as collateral for ne $250,000 U. S. Government Loan.

Additional bonds in series, bearing such rates of nterest and maturing at such times as the Board of irectors may determine, may be issued par for par or refunding purposes, for 75% of the cost, or fair alue, whichever is less, of permanent improvements, dditions or betterments, and then only provided that et earnings as defined in the trust deed for twelve onsecutive months within the preceding fifteen onths, have been at least twice the annual interest equirements on all divisional bonds outstanding in ne hands of the public, and on all First Mortgage & efunding bonds outstanding, including those pro- osed to be issued.

The Series "A" bonds were issued in connection ith the acquisition of the properties of The Alliance as & Power Co., The Lorain County Electric Co., he Massillon Electric & Gas Co., The Trumbull ublic Service Co. and The Utilities Construction Co. he Series "B" bonds were issued in connection with cquisition of property of The Richland Public Serv- e Co. and the Ashland Gas & Electric Light Co. eries "C" bonds were issued for the construction of igh tension transmission lines, for additions to gener- ting stations, for refunding and for other corporate urposes. Series "D" bonds, together with certain unior securities, were issued for the acquisition of he properties of The Sandusky Gas & Electric Com- any, The Port Clinton Electric Light & Power Com- any, The Northwestern Ohio Railway & Power Com- any and The Central Ohio Gas Company, and for ther corporate purposes.

Callability—Subject to call as a whole or in part on hirty days' notice at the following prices and accrued nterest:

Series "A," after Oct. 1, 1931, to and including Oct. , 1936 at 110, and thereafter decreasing 1% each year o maturity.

Series "B," at 120 to and including Feb. 1, 1932, at 10 to and including Feb. 1, 1937, and thereafter de- reasing 1% each year to maturity.

Series "C," at 110 to and including March 1, 1933, hereafter decreasing ½% each year to March 1, 1952 nd thereafter at 100 to maturity.

Series "D" at 105 to and including March 1, 1932, hereafter at 104, less 1% for each five year period to March 1, 1952 and thereafter at par.

Maintenance and Depreciation Fund—The Trust Deed provides for an annual maintenance and depre- iation fund amounting to 12% of gross electric earnings, plus 7½% of gross gas earnings (less the cost of purchased gas), plus 18% of the gross railway earnings, for the purposes herein stated: To the extent that such amount is not expended in any year for maintenance, renewals or replacements of the company's property, the company may receive credit for any maintenance done in excess of this requirement in any previous year, and/or for permanent improvements, additions or betterments, none of which shall be used as a basis for the issuance of bonds, except upon reimbursing the fund to an amount in cash equal to the fair value at the time of issuance of such bonds, of the permanent improvements, additions or betterments, or their actual cash cost, whichever is less; and/or moneys in the fund may be used at any time for maintenance, renewals, replacements and for other corporate purposes, or may be invested in and used for the retirement of First Mortgage and Refunding bonds. This maintenance and depreciation covenant is subject to arbitration at five year periods.

Improvement Fund—The Company also covenants in the Trust Deed to set aside in a special fund annually, beginning Oct. 1, 1922, 1% of the gross earnings which may be used for permanent improvements, addition or betterments to the property (against which no bonds may be issued) or may be used for the purchase and retirement of outstanding First Mortgage and Refunding Bonds.

In addition to the present provision in the Trust Deed for an improvement fund of 1% of the gross earnings, the Company will covenant (so long as any Series "D" bonds are outstanding), either to cancel annually (beginning September 1, 1925), $200,000 principal amount of First Mortgage and Refunding Bonds, or to create additional property in the amount of $265,000 against which no bonds may be issued; or partly one and partly the other, and this provision shall be operated cumulatively.

Security—Secured by an absolute mortgage lien upon a portion of the property of the Company, and by a direct mortgage lien on all property now owned or hereafter acquired subject to only divisional bonds now outstanding (mortgage closed).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax and Massachusetts 6% Income tax refunded.

Legal for Savings Banks in Maine, Massachusetts, Rhode Island and Vermont.

Original Offerings—Series "A" 7½% bonds first publicly offered ($5,100,000) in Oct., 1921, at 97¼ and accrued interest to yield over 7.75%, by Halsey, Stuart & Co., Inc., New York, etc., and Arthur Perry & Co., Boston, etc.; Series "B" 7% bonds first publicly offered ($4,000,000) in Feb., 1922 at 100 and interest to yield 7%, by Halsey, Stuart & Co., Inc., New York, etc.; Series "C" 6% bonds first publicly offered ($2,675,000) in March, 1923, at 97.29 and interest, yielding 6.20% by the same bankers; an additional $2,400,000 Series "C" 6% bonds offered by the same bankers in Nov., 1923, at 94½ and interest; Series "D" 5% first publicly offered in Oct., 1924, at 89 and interest, yielding 5¾% and $1,300,000 Series "D" 5s in Jan. 1926, at 94 and interest, yielding over 5.40%, by the same bankers.

Listed (Series "A" 7½s and Series "B" 7s)—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
Series "A"—						
High	117¼	116½	112¾	110¾	108	103½
Low	114	112	108	102¾	101	103
Series "B"—						
High	116½	119	111⅝	109	105¼	100½
Low	113¾	110⅜	107⅜	100¼	99¾	100
Series "C"—						
High	109½	108¼	101½	..	..	..
Low	107¾	101	99	..	..	..
Series "D"—						
High	102¼	101¼	93	86	..	..
Low	99	93¾	87	bid	..	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	*1924	1923	1922
Gross operating revenue	$11,225,246	$11,503,273	$11,315,432	$10,525,813	$8,949,525	$6,982,95
Operating exp., maintenance and taxes	§7,051,944	7,118,335	6,928,394	6,667,347	6,579,120	4,504,54
Net operating revenues	$4,173,302	$4,384,938	$4,387,038	$3,858,466	$2,370,405	$2,478,41
Non-operating income	26,117	14,459	29,262	55,139	8,836	4,01
Gross income	$4,199,419	$4,399,397	$4,416,300	$3,913,605	$2,379,241	$2,482,42
Fixed charges—						
Interest on funded debt	$1,618,350	$1,621,788	$1,730,724	$1,530,062	$981,351	$822,28
Interest on floating debt	.....	.....			†68,074	101,77
Amortization of bond and note discount	‡63,815	‡109,657	116,142	94,088	59,035	47,60
Total	$1,682,165	$1,731,445	$1,846,866	$1,624,150	$972,312	$971,66
Balance to surplus	$2,517,254	$2,667,952	$2,569,434	$2,289,455	$1,406,929	$1,510,76
Allocation of surplus:						
Reserve for replacements	$775,999	$1,224,994	.....	.....	.....	.....
Property amortization	172,108	71,481	.....	.....	.....	.....
Preferred dividends	837,029	732,027	.....	.....	.....	.....
Common dividends	538,230	576,675	.....	.....	.....	.....
Miscellaneous adjustments	†161,041	21,686	.....	.....	.....	.....
Total deductions	$2,162,325	$2,626,863	.....	.....	.....	.....
Surplus for year	$354,929	$41,089	.....	.....	.....	.....
Surplus from previous year	844,718	803,629	.....	.....	.....	.....
Total earned surplus at end of year	$1,199,647	$844,718	.....	.....	.....	.....
Times Interest Earned	$2.55	$2.71	$2.55	$2.50	$2.54	$2.6

*Includes full twelve months' earnings of properties acquired during year. †Credit. ‡Includes floating debt interest. §Including $223,156 for Federal Income taxes.

Depreciation Policy—The general policy of company provides for the setting aside of amounts which have been greater than those required by the mortgage and are in conformity with the rules of the Public Utilities Commission of Ohio. These amounts are percentages of the estimated reproduction value of the depreciable property of the respective departments of the company. The percentages are based on the sinking fund method and the probable life of the property of the respective departments. Expenditures for maintenance of all departments are charged direct to the operating expenses of such department.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and investment	$48,194,759	$45,652,359	$46,928,136	$44,884,289	$26,518,906	$22,824,135
Discount on capital stock	467,030	461,853	341,225	221,022	737,633	.....
Unexpended construction fund	.....	.....	.....	135,362	.....	.....
Preferred stock in treasury	.....	126,100	48,400	2,006,600	.....	.....
Securities owned	13,243	25,608	12,744	9,162	6,512	10,967
Sinking fund	289,837	259,155	221,518	181,075	35,275	.....
Stores and supplies	761,493	905,069	741,217	668,119	421,160	546,070
Notes receivable	176,008	139,191	98,480	19,164	13,549	19,205
Customers' accounts receivable (current month)	872,254	875,947	979,461	919,790	732,741	
Merchandise sales and securities sales and other accts. receiv. (less reserve for bad debts)	1,213,725	1,606,057	970,289	1,010,617	1,067,726	1,827,026
Special cash deposits (current)	.....	.....	.....	.....	115,000	105,000
Cash	684,552	497,109	577,812	682,599	232,368	116,450
Accounts receivable—affiliated companies	2,720	32,938	96,332	425	.....	.....
Accounts receivable—parent co.	.....	305,489	.....	.....	.....	.....
Property amortization account	1,463,686	1,635,794	.....	.....	.....	.....
Special cash deposit (paving fund, etc.)	1,860	7,375	1,900	1,900	1,300	667,269
Suspended expenses	238,717	.....	.....	.....	.....	.....
Prepayments	65,751	227,506	164,325	47,947	62,416	10,843
Discount on bonds	1,937,688	2,029,469	2,119,390	2,225,195	1,736,713	1,155,446
Securities for resale	.....	.....	.....	.....	382,256	753,571
Securities borrowed	.....	1	1	1	1	1,352,000
Endorsement recourse	.....	300	300	300	300	.....
Claim against U. S. government	.....	.....	.....	6,308	6,308	6,308
Fiscal accounts receivable	.....	.....	.....	233,251	1,421,216	.....
Total	$56,383,323	$54,787,320	$53,301,530	$53,253,126	$33,491,379	$29,394,290
Liabilities—						
Common stock	$7,689,000	$7,689,000	$7,689,000	$7,689,000	$5,000,000	$5,000,000
Preferred stock	13,431,400	12,823,200	10,294,100	10,159,900	4,500,000	4,500,000
Funded debt	27,639,500	27,664,034	27,712,048	29,349,420	17,188,800	12,086,400
U. S. Government loan	250,000	250,000	250,000	250,000	250,000	250,000
Loan from steel companies	.....	.....	.....	.....	160,000	160,000
Municipal paving assessment	16,969	26,228	33,077	40,666	34,978	49,298
Notes and acceptances payable	.....	150,000	535,000	560,000	868,911	1,003,771
Notes receivable discounted	250	3,229	2,879	8,386	7,226	.....
Accounts payable	479,644	520,395	843,359	521,389	603,283	521,994
Federal taxes accrued	252,393	267,249	216,494	191,109	333,054	122,607
Interest, other taxes, etc., accrued	846,262	1,162,938	904,232	939,147	518,182	442,140
Sandusky Preferred stock called for redemption	.....	.....	.....	259,900	.....	.....
Customers' and line extension deposits	367,278	295,473	296,022	270,026	181,885	157,276
H. L. Doherty & Co.	.....	.....	.....	.....	.....	149,549
Accts. payable—affiliated companies	52,378	27,357	134,734	35,971	.....	.....
Accounts payable—parent company	521,296	.....	610,352	.....	.....	.....
Securities borrowed	.....	1	1	1	1	1,352,000
Undelivered securities	.....	.....	.....	.....	626,674	616,872
Mortgages payable	.....	.....	.....	.....	4,275	.....
Endorsement liability	.....	300	300	300	300	.....
Claim against U. S. Government	.....	.....	.....	6,308	6,308	6,308
Replacement reserve	3,305,402	2,880,600	2,625,381	1,761,393	1,841,224	1,269,688
Injuries and damage reserve	45,820	.....	10,881	43,501	38,054	965,520
Capital surplus	286,084	182,599	340,041	340,041	340,041	.....
Earned surplus	1,199,647	844,718	803,629	826,668	988,183	740,867
Total	$56,383,323	$54,787,320	$53,301,530	$53,253,126	$33,491,379	$29,394,290

Officers: H. L. Doherty, Pres., New York; E. L. ranklin, V-P., Warren, Ohio; H. H. Ross, V-P., assillon, Ohio; F. A. Chamberlain, V-P., Mansfield, hio; J. B. Johnson, V-P., Elyria, Ohio; T. I. Carter, -P., New York; I. L. Neely, V-P., Wooster, Ohio; . O. Kennedy, V-P. & Gen. Mgr., Cleveland, Ohio; . C. Henderson, V-P., Alliance, Ohio; C. B. Wilcox, -P., Sandusky, Ohio; J. C. McClendon, V-P., Ashnd, Ohio; A. H. Heitzler, V-P., Lorain, Ohio; H. A. Cowgill, V-P., Port Clinton, Ohio; R. E. Cuthbertson, Sec.; H. A. Fountain, Treas., Cleveland, Ohio.

Directors: H. L. Doherty ,T. I. Carter, W. A. Jones, New York; H. H. Ross, Massillon, Ohio; F. A. Chamberlain, Mansfield, Ohio; R. E. Cuthbertson, T. O. Kennedy, H. A. Fountain, Cleveland, Ohio; E. L. Franklin, J. B. Johnson, C. E. Henderson, E. E. Quantrell, C. B. Wilcox, H. A. Cowgill, J. C. McClendon, A. H. Heitzler, I. L. Neely.

General Office, Cleveland, Ohio.

PUBLIC SERVICE COMPANY OF COLORADO

(Controlled by Cities Service Power & Light Company)

History—Inc. Sept. 3, 1924, in Colorado, as a consolidation of the Colorado Power Company and the ublic Service Company of Colorado (incorporated ugust 2, 1923). Under the terms of the consolidaion the Common stock of the Colorado Power Comany was exchanged on the basis of $37 par value 7% umulative First Preferred stock of the Public Servce Company of Colorado for each share of Common tock of the Colorado Power Company. The Public ervice Company of Colorado, incorporated August 2, 923, succeeded the Denver Gas & Electric Light ompany, incorporated November 29, 1909, and the Western Light & Power Company, incorporated July 914 (see 1925 Public Utility Manual, page 1276).

Company owns all the capital stock of the follow-ng companies: Cheyenne Light, Fuel & Power Com-pany ($1,500,000 Common); **Eastern Colorado Power & Irrigation Co.** ($10,000 Common and $10,000 Pfd.); United Hydro-Electric Company ($200,000 Common nd $200,000 Pfd.). The latter company in turn owns he entire $25,000 outstanding Common stock of the **Green & Clear Lakes Company.** Company acquired n 1926; Federal Gas Co.; Poudre Valley Gas Co.; nd several small distribution systems in Colorado. Statements are appended for the Cheyenne and United ompanies. The electric, gas and ice plants and elec-ric distribution systems, which were formerly owned by either the Grand River Valley Ry. Co. or the Grand Junction Electric, Gas & Manufacturing Co. (see 1926 Public Utility Manual) were acquired in 1926 by the Public Service Company of Colorado and the railway formerly owned is now operated by the Grand River Valley RR. Co. which is a subsidiary of Cities Service Co. (see statement on a preceding page). In 1927 acquired the distribution system at Big Springs, Neb., and the hydro-electric plant and distribution system of the Clear Creek Power & Development Co.

Business and Territory—Company is the largest gas and electric company in the State of Colorado and supplies without competition the commercial electric light and power service in a number of cities and communities, including the cities of Denver (and its suburbs), Boulder, Leadville, Sterling, Salida and Fort Collins, and also supplies electric, gas and steam heating service through a subsidiary, Cheyenne Light, Fuel & Power Co. to the city of Cheyenne, Wyo. The Company also supplies electrity at wholesale to Greeley, Longmont, Englewood, Golden, Littleton, Petersburg, Arvada, Sheriden, Fort Logan and other communities in Colorado. In addition the Company supplies gas and steam heating service to the City of Denver, Colo., and owns and operates the street railway system in Boulder, Colo. Total population served directly and indirectly is estimated at 450,000.

Property—Company owns 4 hydro-electric stations with an installed capacity of 31,190 k.w., and 8 steam stations with an installed capacity of 88,805 k.w., or a total capacity of 115,995 k.w. This includes the new 45,000 k.w. steam station at Valmont, designed for an ultimate capacity of 200,000 k.w. There are over 1,800 miles of transmission and distribution lines. The gas manufacturing capacity is 24,000,000 cu. ft. daily.

OPERATING STATISTICS (CONSOLIDATED) YEARS ENDED DECEMBER 31

	Kw. Hours Output	Electric Consumers	M. Cubic Feet Gas Sold	Gas Consumers
1918	157,756,933	55,538	1,564,077	48,105
1919	170,865,776	58,503	1,630,952	50,438
1920	183,215,700	62,429	1,827,588	52,961
1921	164,802,852	66,800	2,054,933	53,685
1922	180,569,738	73,757	2,068,763	56,822
1923	213,081,119	93,360	2,448,911	60,517
1924	222,574,937	102,847	2,910,283	65,276
1925	251,835,133	106,599	3,129,946	69,971
1926	276,796,392	118,329	3,195,799	75,847
1927	294,868,544	120,486	3,790,875	79,451

CAPITAL STOCK

Authorized, $25,000,000 (increased from $15,000,000 in 1924) Common, and $25,000,000 cumulative First Pfd.; outstanding Dec. 31, 1927, $20,800,000 Common, $6,429,886 7% Pfd. and $3,585,300 6% Pfd.; par, $100. Cities Service Power & Light Company owns $20,-797,900 (99.989%) of the Common stock.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to call as a whole or in part on 45 days' notice at 110 for the 7% Series and 106 for the 6% Series and accrued dividends in each case. It is non-voting, unless dividends become in arrears for 12 months.

Transfer Offices—Company's office, Denver, and Henry L. Doherty & Co., New York.

Registrars—Chatham Phenix National Bank and Trust Co., New York and International Trust Co., Denver.

Annual Meeting—Third Tuesday in November.

Dividends—Pfd. dividends regularly paid monthly on the first to stockholders of record the 15th of preceding month.

FUNDED DEBT

(1)

$4,061,100 THE COLORADO POWER COMPANY FIRST GOLD 5s; DUE MAY 1, 1953

Dated May 1, 1913.

Interest Payable May and November 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon (principal may be registered) $100, $500 and $1,000. Registered $1,000, $5,-000 and multiples. Company may also issue International series payable principal and interest either in London at £205 4s. 2d.; in Berlin, at 4,200 marks, or in Amsterdam at 2,480 guilders; also English series, par £200; French series, par 500 francs; German series, 1,000 marks; Netherland series, 1,000 guilders.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized amount of mortgage unlimited. Issued, $5,766,200; outstanding Dec. 31, 1927, $4,061,100, retired, $336,100. In addition $1,369,000 pledged under Public Service Co. of Colorado First Mortgage and Refunding bonds.

Callability—Subject to call as a whole or in part for sinking fund on any interest date on 60 days' notice at 105 and interest.

Sinking Fund—Sinking fund commenced in 1918, amounts to ½ of 1% of outstanding bonds for eight years to and including 1925 and from 1926 to 1952 inclusive 1% per annum.

Security—A first lien on entire property and franchises formerly owned by The Colorado Power Company.

Assumed by Public Service Co. of Colorado.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$5,983,300 DENVER GAS & ELECTRIC CO. GENERAL (NOW FIRST) GOLD 5s; DUE MAY 1, 1949

Dated May 1, 1903.

Interest Payable May and November 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $250, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized and issued, as of Dec. 31, 1927, $8,000,000, of which $5,983,300 outstanding, $1,081,700 have been retired by sinking fund and $935,000 have been pledged under Public Service Company of Colorado First Mortgage and Refunding bonds.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date on three months' notice.

Sinking Fund—By supplemental mortgage dated Sept. 1, 1908 a sinking fund was created beginning April 25, 1910, equal to 1% per annum of bonds outstanding to be used in redemption of bonds by lot at 105 and interest on May 1 of each year.

Security—A first lien on the property formerly owned by Denver Gas & Electric Co. comprising the gas plants and a substantial portion of the electric properties of The Denver Gas & Electric Light Co.

Assumed by Public Service Co. of Colorado.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Cleveland, Cincinnati and Columbus Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	103⅝	100¼	100	98	96
Low	99	98	97½	93¾	92

(3)

$9,324,000 THE DENVER GAS & ELECTRIC LIGHT CO. FIRST AND REFUNDING GOLD 5s; DUE MAY 1, 1951

Dated May 1, 1911.

Interest Payable May and November 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $25,000,000; issued, $10,609,000, of which $1,285,000 pledged under Public Service Company of Colorado First Mortgage and Refunding bonds, and $9,324,000 outstanding. Of the outstanding amount $1,147,100 are held alive in sinking fund. Mortgage now closed except that additional bonds may be issued and pledged under Public Service Company of Colorado First Mortgage and Refunding bonds.

Callability—Subject to call at 105 and interest on any interest date, subject to notice in a newspaper published in each of the cities of New York and Denver, once in each week for four successive weeks, commencing not more than 40 days prior to such date of call. Bonds when purchased may be kept alive and draw interest.

Sinking Fund—Sum equal to 1% of outstanding bonds must be set aside on May 1 of each year for purchase of bonds at not exceeding 105, or call at that figure; or for purchase of underlying bonds. In lieu of cash payments, bonds of this issue, with all unmatured coupons attached, will be equivalent to a cash payment of 105 and accrued interest; or sinking fund may be satisfied by investing in property or construction a sum per annum equal to 2% of all bonds outstanding; or part in cash and part in property in above-named proportion upon basis set forth in Trust Indenture. Bonds to be kept alive in sinking fund.

Security—A first mortgage on steam heating properties formerly owned by The Denver Gas & Electric Light Co., and on portion of electric properties; and mortgage on all the company's gas and electric property and franchises, subject to The Denver Gas & Electric Co. First 5s due 1949, for the retirement of which bonds are set aside; also a first lien on certain valuable real estate acquired as a site for a future gas works.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—$4,269,000 were publicly offered in 1916 at 92½ and interest to yield 5½%; $3,000,000 publicly offered in Feb., 1922 at 85½ and interest to yield 6.10% and $353,000 publicly offered in Feb., 1923 at 89 and interest to yield 5.80%, both by Halsey, Stuart & Co., Inc., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	102⅛	98⅞	97	93	90	91½
Low	98	94	92½	84½	83¼	84¼

(4)

$3,541,900 PUBLIC SERVICE COMPANY OF COLORADO FIRST MORTGAGE AND REFUNDING GOLD BONDS, SERIES "A" 6% BONDS; DUE SEPTEMBER, 1, 1953

Dated September 1, 1923.

$11,833,100 SERIES "B" 5½% BONDS; DUE SEPT. 1, 1954

Dated September 1, 1924.

Interest Payable March and September 1, at Halsey, Stuart & Co., Inc., Chicago and at company's office, 60 Wall Street, New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered. Exchangeable for fully registered bonds, in denominations of $1,000 and multiples thereof. Coupon and registered bonds interchangeable.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited. Issued and outstanding, $3,541,900 Series "A" 6s and $11,833,100 Series "B" 5½s. In addition $1,833,100 Series "A" 6s have been retired.

Additional bonds of series, bearing such rates of interest, maturing at such times, and having such other provisions as the directors at the time of issuance may determine, may be issued par for par against the deposit of cash or United States obligations or against the deposit of divisional bonds, or to refund bonds of other series issued under the trust deed. Bonds are also issuable to the extent of 75% of expenditures made for additions and extensions, and to the extent of 75% of the cost or fair value (whichever is less) of purchased property. Bonds may also be issued for 75% of the expenditures made for stock of a subsidiary company, for additions and betterments to the properties, and for 75% of the cost or fair value (whichever is less) of purchased properties, acquired by a subsidiary, and to refund, par for par, the indebtedness of such subsidiary, provided that the total amount of bonds issued under the trust deed in respect of any subsidiary together with the principal amount of all mortgage indebtedness upon such subsidiary shall not exceed 75% of the cost or fair value (whichever is less) of the properties of such subsidiary.

No bonds after the issue of Series "A" are to be issued for any purpose, except to refund another series theretofore issued under this Trust Deed, or to refund outstanding divisional and subsidiary bonds, unless the net earnings of the company and any subsidiaries, during the twelve consecutive calendar months ending within 60 days next preceding the date of application shall have been at least two times the annual interest charges on all divisional and subsidiary bonds outstanding, and on First Mortgage & Refunding bonds outstanding, including bonds proposed to be issued.

Callability—Subject to call as a whole or in part on 30 days' notice, Series "A" at 105 and accrued inter-

st to and including Sept. 1, 1933; thereafter decreasing ¼% each year to Sept. 1, 1952; and thereafter at par and accrued interest to maturity. Series "B" at 05 and interest to and including Sept. 1, 1932; thereafter decreasing 1% each expired 5-year period or fraction thereof, to Sept. 1, 1952, and thereafter at par and interest to maturity.

Maintenance and Depreciation—The Company covenants that no cash dividends will be paid on its Common stock unless there has been expended or reserved annually (cumulative) for maintenance and/or depreciation, beginning with Sept. 1, 1923, at least 12% of the gross operating revenue from electric department, 10% of that from the gas department, 7½% of that from the heating department and 20% of that from the street railway department. This maintenance and depreciation covenant is subject to arbitration and adjustment at five-year intervals.

Improvement Fund—There is to be set aside in a special fund annually, beginning with Sept. 1, 1923, an amount equal to 2% of the principal amount of First Mortgage and Refunding Mortgage bonds outstanding which amount may be used for permanent improvements, additions or betterments to the properties (against which no bonds may be issued), or an amount equal to 1% of the principal amount of such bonds to be used for the purchase and retirement of any series of outstanding First Mortgage and Refunding Bonds. This provision shall not operate as a duplication of equal sinking funds operating on bonds pledged under the trust deed.

Security—Secured by a first mortgage lien on the steam generating station at Valmont and transmission lines connecting this station with other stations and a direct mortgage lien on substantially all of the remainder of the company's properties now owned or hereafter acquired, subject to $18,221,300 divisional bonds outstanding with the public. In addition, $3,589,000 of divisional bonds which share in the First Mortgage Lien covering the most important of the company's physical properties, are pledged as further security for First Mortgage & Refunding bonds, and any divisional bonds hereafter issued (not including outstanding divisional bonds of companies that may be hereafter acquired) must be likewise pledged.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mills Tax, Connecticut Four Mills Personal Property Tax and Massachusetts Income Tax, not exceeding 6%, refunded.

Original Offerings—$5,000,000 Series "A" 6s first publicly offered in October, 1923 at 93 and interest, yielding about 6.55% by Halsey, Stuart & Co., Inc., and A. B. Leach & Co., Inc., New York, etc.; $10,000,000 Series "B" 5½s first publicly offered in September, 1924 at 93 and interest, yielding over 6%, and $1,500,000 Series "B" 5½s in Jan. 1926, at 96½ and interest, yielding over 5¾%, by the same bankers.

(5)

$5,775,200 PUBLIC SERVICE COMPANY OF COLORADO TWENTY-YEAR 6% GOLD DEBENTURES; DUE MAY 1, 1946

Dated May 1, 1926.

Interest Payable May and November 1, at Company's office, 60 Wall St., New York, and in Chicago.

Denominations—Coupon, $100, 500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York, New York.

Provisions of Issue—Authorized and issued, $6,000,000, of which $224,800 have been retired to Dec. 31, 1927. Issued under a Trust Agreement which provides among other things, that while any of these Debentures are outstanding Company will authorize no additional mortgage on its properties, other than bonds to be issued under mortgage securing First Mortgage and Refunding Gold bonds, unless these Debentures are ratably secured by the lien thereof, and will issue no additional Debentures or other evidences of indebtedness (except bonds secured by any such mortgage) extending more than one year from date of issue, unless net earnings for twelve consecutive months within fifteen months immediately preceding are equal to at least 1¾ times annual interest requirements on Company's total outstanding funded debt, including securities proposed to be issued; except that Company may incur indebtedness in ordinary conduct of its current business and acquire properties subject to existing liens or mortgages and assume same. The Trust Agreement provides for modification of its terms and of the Debentures issued thereunder with approval of Company upon vote of not less than 80% (in certain cases not less than 90%) of Debentures outstanding with public.

Purpose of Issue—Proceeds were used to retire an issue of 7% Debentures, for acquisition of additional properties, to reimburse treasury for properties already acquired, for additions and betterments made and to be made, and for other corporate purposes.

Callability—Subject to call as a whole or in part by lot at any time, on thirty days' notice, at following prices and interest: At 103 up to and including May 1, 1931; thereafter at 102 up to and including May 1, 1936; thereafter at 101 up to and including May 1, 1941; thereafter at 100½ up to and including May 1, 1945 and at par thereafter to maturity.

Sinking Fund—Provision is made for a sinking fund of $300,000 per annum operating $75,000 quarterly beginning May 1, 1927, for retirement of Debentures by purchase in market, if obtainable at not exceeding par and interest. All such Debentures so purchased must be cancelled. Any quarterly sinking fund amounts which are not so applied at end of any quarter shall be released to Company.

Security—These debentures are direct obligations of Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Connecticut, Pennsylvania and California Personal Property taxes up to 4 mills and Massachusetts Income tax up to 6%, refundable.

Legal Opinion—Frueauff, Robinson & Sloan, and Kobbe, Thatcher, Frederick & Hoar, New York.

Original Offering—First publicly offered ($6,000,000) in July, 1926, at 99 and interest, to yield over 6%, by A. B. Leach & Co., Inc., Federal Securities Corp., Halsey, Stuart & Co., and Henry L. Doherty & Co., Chicago, etc.

CONSOLIDATED INCOME ACCOUNT AND PROFIT AND LOSS STATEMENT, YEARS ENDED

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Gross operating revenue ..	$11,372,947	$10,856,668	$9,778,564
Operating exp., maintenance & taxes	‡6,655,221	6,137,183	5,478,419
Net operating revenues..	$4,717,726	$4,719,485	$4,300,145
Non-operating income	115,783	138,033	141,289
Total income	$4,833,509	$4,857,518	$4,441,434
Deduct:			
Interest on funded debt....	$2,133,468	$2,059,791	$2,037,567
Interest on floating debt & disc.	139,363	182,540	156,493
Total deductions	$2,272,831	$2,242,331	$2,194,060
Balance carried to surplus.	$2,560,678	$2,615,187	$2,247,374
Surplus forward	2,779,945	2,428,681	2,126,175
Total surplus	$5,340,623	$5,043,868	$4,373,549
Deduct:			
Reserve for replacements ..	$558,166	$1,568,870	$1,248,134
Dividends on Pfd. stock...	640,678	543,562	465,065
Dividends on Com. stock ..	416,000	411,500	615,211
Miscel. adjustments(credit)	119,970	9,359	54,014
Total deductions	$1,494,874	$2,514,573	$2,274,395
Surplus at end of year	$3,845,749	$2,529,295	$2,099,153
†Times Int. Earned on Funded Debt	2.20	2.27	2.10
*Earnings Per Share—			
Preferred stock	$19.99	$10.93	$14.11

*After reserve for replacement. †Before replacement reserve. ‡Including Federal Income tax of $214,661.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Public Service Company of Colorado and Subsidiaries)

Assets—	
Plant and investments	$72,906,658
Sinking funds	1,186,483
Stock discount	175,015
Stores and supplies	834,281
Notes receivable	38,272
Accounts receivable, less reserve	4,095,958
Securities owned	16,911
Interest receivable	26,902
Cash	399,470
Prepaid items	30,288
Suspended expense	251,636
Bond discount and expense	2,203,231
Special deposits	48,382
Total	$82,213,487
Liabilities—	
Common stock	$20,800,000
7% Preferred stock	6,429,886
6% Preferred stock	3,585,300
Funded debt	40,642,300
Notes payable	229,518
Accounts payable	455,316
Interest accrued	518,538
Federal taxes accrued	194,615
Other taxes accrued	728,042
Deposits by customers	394,459
Miscellaneous liabilities	11,751
Replacement reserve	4,361,774
Injuries and damages reserve	16,238
Surplus	3,845,750
Total	$82,213,487

Officers: H. L. Doherty, Chm. of Board and Pres., New York; Clare N. Stannard, V-P. & Gen. Mgr.; Guy W. Faller, V-P., Denver, Colo.; T. I. Carter, V-P., New York; J. E. Loiseau, Sec.; H. T. Hughes, Treas.; John E. Barker, Pur. Agt., Denver, Colo.

Directors: Henry L. Doherty, T. I. Carter, New York; C. N. Stannard, H. T. Hughes, H. C. James, Chas. S. Thomas, F. E. Shepard, Thomas B. Stearns, Godfrey Schirmer, G. H. Shaw, James C. Burger, Guy W. Faller, Denver, Colo.; E. W. Rollins, Dover, N. H.; P. W. Lee, J. A. Davis, Boulder, Colo.; V. L. Board, W. V. Hodges, J. E. Loiseau, W. B. Lowry; one vacancy.

Office, Denver, Colo.

CHEYENNE LIGHT FUEL & POWER COMPANY

(Controlled by Public Service Co. of Colorado)

History—Incorporated May 21, 1900 in Wyoming. Company supplies electricity, gas and heat in Cheyenne, and sells electricity wholesale to Ft. D. A. Russell, Wyoming, serving a population of about 18,000. Electricity sold in 1927, 7,938,504 k.w.h., compared with 7,306,688 k.w.h. in 1926, and 7,061,282 k.w.h. in 1925. Number of electric customers in 1927, 4,316. Gas sold in 1927, 139,981,000 cu. ft., compared with 22,149,400 cu. ft. in 1926, and 45,123,100 cu. ft. in 1925.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $100. Public Service Co. of Colorado owns all of the stock except directors' qualifying shares. Annual meeting, first Tuesday in August in Cheyenne, Wyo.

FUNDED DEBT

None

Officers: H. L. Doherty, Pres., New York; C. N. Stannard, V-P., Denver, Colo.; G. W. Faller, H. V. Lacey, V-P's., Boulder, Colo.; T. I. Carter, V-P.; New York; J. E. Loiseau, Sec.; H. T. Hughes, Treas., Denver, Colo.

Directors: H. L. Doherty, C. N. Stannard, H. V. Lacey, A. H. Marble, G. W. Faller, J. C. Keegan, T. I. Carter.

Office, Cheyenne, Wyo.

EASTERN COLORADO POWER & IRRIGATION COMPANY

(Controlled by Public Service Company of Colorado)

History—Incorporated May 13, 1907, in Colorado for twenty years under the name of Eastern Colorado Power Company. Name changed to present title in 1910.

CAPITAL STOCK

Authorized and outstanding, $10,000 Common and $10,000 Pfd., par, $100. Both Common and Pfd. owned by Public Service Company of Colorado.

Annual Meeting—Third Tuesday in June.

FUNDED DEBT

None.

Officers: C. N. Stannard, Pres.; J. E. Loiseau Sec. H. T. Hughes, Treas.

Directors: C. N. Stannard, G. W. Faller, H. T Hughes, J. E. Loiseau, J. Connell.

Office, Denver, Colo.

UNITED HYDRO ELECTRIC CO.

(Controlled by Public Service Company of Colorado)

History—Incorporated Jan. 22, 1906, in Colo. Controls Green & Clear Lakes Co. (see statement appended). Company supplies light to Georgetown, Idaho Springs, Silver Plume and Lawson in Clear Creek County, Colo.

CAPITAL STOCK

Outstanding, $200,000 Common and $200,000 Pfd. par, $100. All owned by Public Service Company of Colorado. Annual meeting, third Saturday in January.

FUNDED DEBT

None.

Officers: C. N. Stannard, Pres.; G. W. Faller, V-P. J. E. Loiseau, Sec.; H. T. Hughes, Treas., Denver Colo.

Directors: C. N. Stannard, J. E. Loiseau, John Connell, Virgil Board, H. T. Hughes, Guy W. Faller, G B. Buck, Denver, Colo.

General Office, 828 Symes Bldg., Denver, Colo.

GREEN & CLEAR LAKES COMPANY

(Controlled by United Hydro Electric Company)

History—Incorporated Nov. 13, 1886, in New York Stores and sells water for mining, domestic, municipal and agricultural purposes.

CAPITAL STOCK

Authorized and outstanding, $25,000 Common and Pfd.; par, $10. Owned by United Hydro Electric Company.

Annual Meeting—First Tuesday in December.

FUNDED DEBT

None.

Officers: C. N. Stannard, Pres.; T. I. Carter, V-P. J. E. Loiseau, Sec.; H. T. Hughes, Treas.

Directors: C. N. Stannard, J. Connell, H. T. Hughes J. E. Loiseau, T. I. Carter.

Office, New York, N. Y.

THE PUEBLO GAS & FUEL COMPANY

(Controlled by Cities Service Power & Light Company)

History—Inc. July 31, 1902, in Colo.; successor to Pueblo Gas Light Co. Controls entire artificial gas business in City of Pueblo. Franchise of 1911 expires in 1936. Population served, 53,283. Sales in 1927 118,510,600 cu. ft., compared with 116,943,700 cu. ft. in 1926, 116,924,200 cu. ft. in 1925 and 119,821,000 cu. ft. in 1924. Miles of mains, 83.46. No. of meters, 4,322 No. of customers, 3,170. Rates: $1.40 per 1,000 cu. ft. with a service charge of $1.00. This rate is the result of a decree handed down in favor of the company by the Federal Court at Pueblo, Colo.

CAPITAL STOCK

Authorized, $300,000 Common and $2,000,000 6% umulative Pfd.; outstanding, $300,000 Common and 402,300 Pfd.; par, $100. Cities Service Power & Light Company owns all the Pfd. and $299,500 (99.833%) of he Common. Pfd. stock was issued to holders of the Second Mortgage 5% bonds and to holders of notes. Annual meeting, second Saturday in January.

FUNDED DEBT

$637,600 FIRST SINKING FUND GOLD 5s, SERIES "A"; DUE SEPTEMBER 1, 1942

Dated September 1, 1922.

Interest Payable March and September 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Chatham Phenix National Bank and Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $637,600 Series "A" 5s, of which $315,330 owned by Cities Service Power & Light Company. Issued to refund at par the outstanding principal amount, plus accrued interest to Sept. 1, 1922, of Pueblo Gas & Fuel Co. First Extended 5s due Sept. 1, 1922.

Additional bonds may be issued to finance a portion of the cost of further extensions and additions to the property made subsequent to Sept. 1, 1922, at not exceeding 80% of the actual cost or fair value (whichever is less), of such extensions and additions, provided, that the current net earnings as defined in the Indenture shall be equal to at least 1¾ times the interest charges on all bonds outstanding including those to be issued. Such additional bonds may be the same as Series "A" or may be of another series having different provisions as to maturity date, interest rate, redemption price, and such other terms as the Board of Directors shall from time to time determine and as may be permitted by the Trust Indenture. The Indenture also provides that the company must adequately maintain and preserve the property.

Callability—Subject to call as a whole or in part at 30 days' notice at 105 and interest during the first ten years and thereafter at 105 less ½% for each expired year.

Sinking Fund—Indenture provides for the payment to the trustee annually beginning Sept. 1, 1923, of sums amounting to 1% of the bonds outstanding at the time of such payment, to be used to (1) reimburse the company for expenditures in acquiring or constructing extensions and betterments to the property of the kind and character which might be made the basis for the issuance of additional bonds, but in respect to which no bonds shall thereafter be issued, or (2) to purchase bonds in the open market or by call by lot at not exceeding the redemption prices then in effect.

Security—A first lien on entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Frueauff, Robinson & Sloan, New York and Adams & Gast, Pueblo, Colorado.

INCOME ACCOUNT, YEAR ENDED JUNE 30, 1925
(Latest Available)

Gross operating revenue	$186,634
Operating exp., maintenance and taxes	170,036
Net operating revenue	$16,598
Non-operating loss	3,802
Total net income	$12,796
Interest on funded debt	32,195
Other interest and discount	6,515
Deficit for year	$25,914

GENERAL BALANCE SHEET, JUNE 30, 1925
(Latest Available)

Assets—	
Real estate, plant and equipment	$1,083,125
Sinking fund and securities owned	6,664
Cash	5,411
Accounts receivable	24,744
Materials and supplies	18,358
Other assets	28,088
Deficit	328,791
Total	$1,495,181
Liabilities—	
Preferred stock	$402,300
Common stock	300,000
Funded debt	643,900
Notes and accounts payable	24,027
Interest and taxes accrued	25,319
Reserves, etc.	99,635
Total	$1.495.181

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P., New York; A. M. Talbott, Treas. & Gen. Mgr.; C. G. Keeler, Sec., Pueblo, Colo.

Directors: H. L. Doherty, T. I. Carter, New York; C. G. Keeler, A. M. Talbott, Pueblo, Colo.; Clare N. Stannard, Denver, Colo.

Office, 122 West 5th St., Pueblo, Colo.

ST. JOSEPH RY., LIGHT, HEAT & POWER COMPANY

(Controlled by Cities Service Power & Light Co.)

History and Property—Incorp. Nov. 8, 1895, in Mo.; consolidation of St. Joseph Traction & Lighting Co., People's Ry., Light & Power Co., Citizens' Ry. Co., Union Ry. Co., St. Joseph & Lake Ry. Co. and Wyatt Park Ry. Co. The St. Joseph & Savannah Interurban Ry. Co. was acquired in Sept., 1916, (see Manual for 1916, page 1602, or apply to our Information Department). Embraces entire electric railway system of St. Joseph, Mo., also operates bus lines and does the entire commercial electric light and power and central heating business in St. Joseph, Mo.; also owns and operates the electric light and power system in Savannah and the system of the St. Joseph & Savannah Interurban Ry. line between the cities of St. Joseph and Savannah. Population served, 102,880. Owns park containing 250 acres on Lake Contrary. Company wholesales electrical energy to the United Utilities Co. for Amazonia, Forest City, Oregon, and other communities in Missouri and Kansas.

Franchises—Principal street railway franchises in heart of city, and the electric light and power franchises are unlimited in point of time; other street railway franchises expire from 1935 to 1958. Heating franchise granted March, 1894, for fifty years.

Miles of track on single track basis, 59.48 miles, Gauge, standard. Rail (T and girder), 50 to 70 lbs. Passenger cars, 113, (97 with electric equipment); miscellaneous, 6 (5 with electric equipment). Revenue passengers carried in 1927, 13,493,731 including bus passengers, as compared with 14,685,338 in 1926, 16,147,187 in 1925 and 12,717,502 in 1924. Total system generating capacity, 22,600 k.w. Sales in 1927, 59,802,328 k.w.h., as compared with 51,481,349 k.w.h. in 1926, 51,481,349 k.w.h. in 1925 and 47,941,366 k.w.h. in 1924. No. of customers, 25,181. Miles of distributing lines, 238.42; miles of transmission lines, 23.28. Heating service: Meters, 300; No. of customers, 297; miles of mains, 3.14.

CAPITAL STOCK

Authorized, $3,500,000 Common and $2,500,000 5% cumulative non-Participating Pfd.; outstanding, $3,500,000 Common and $1,560,000 Pfd.; par, $100. Cities Service Power & Light Company owns $3,329,100 (95.1171%) Common and $30,600 Pfd.

Annual Meeting—Third Tuesday in January.

Price Range—

	1927	1926	1925
Preferred—			
High	75	70	65
Low	70	60	60

Dividends—Dividends on Pfd. have been paid at the rate of 5% per annum, quarterly, J, A, J & O 1, since Jan. 1, 1903. Dividends on Pfd. stock guaranteed by Cities Service Co.

FUNDED DEBT

(1)

$5,000,000 FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1937

Dated November 1, 1902.

Interest Payable May and November 1, at Company's office, St. Joseph, Mo., and at Henry L. Doherty & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—The Equitable Trust Co. of New York, and Missouri Valley Trust Co., St. Joseph, Mo.

Provisions of Issue—Authorized and outstanding, $5,000,000.

Callability—Not subject to call

Sinking Fund—See description of First and Refunding Mortgage bonds below.

Security—A first lien on the entire property, (except the line from Savannah to St. Joseph, Mo.), including railways, real estate, buildings and all property, real, personal or mixed, now owned or hereafter acquired by company, and all its present and future rights and franchises. For sinking fund provisions, see description of First & Refunding bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($3,500,000) in January, 1903, at 102½ and interest, by Redmond & Co., New York, and Graham & Co., Philadelphia.

Listed—New York, Philadelphia and Louisville Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	99	97⅝	93	85¼	79¾
Low	95⅝	91¼	85⅛	76¾	76

(2)

$695,000 FIRST AND REFUNDING GOLD 5s; DUE JULY 1, 1946

Dated July 1, 1916.

Interest Payable January and July 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Bankers Trust Co., New York, and Mississippi Valley Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized, $15,000,000, of which $751,000 issued ($56,000 thereof being retired by sinking fund), $5,000,000 reserved to retire the above described First Gold 5s, and the remaining $9,249,000 may be issued only for 85% of the cost of additions, improvements or betterments, when the net earnings are 1¾ times the total annual interest charges on all bonds outstanding and those to be requested, and on the First Mortgage 5% bonds outstanding; or for 85% of the First Mortgage bonds retired, through the supplemental sinking fund.

Callability—Subject to call on any interest date on four weeks' notice, at 102½ and interest; bonds when purchased by company must be kept alive and draw interest.

Sinking Fund—Sum equal to 1% of outstanding bonds must be set aside on July 1 of each year for purchase of First Mortgage 5% bonds, due 1937, at not more than 105, or bonds of this issue at not more than 102½, or call at these figures. Company may deposit bonds of this issue at 102½ or First Mortgage bonds at 105 instead of cash; or invest 2% of bonds in additions, extensions and improvements to property or part in cash on 1% basis and part in property on 2% basis. Bonds of this issue cancelled, but First mortgage 5% bonds kept alive until all bonds have been deposited with the Trustee.

So long as any First Mortgage bonds are outstanding and not held by the Trustee an additional sum of 1% of outstanding bonds must be set aside to be applied as hereinbefore provided. Payments of the additional sum may be satisfied by deposit of First Mortgage bonds, or bonds of this issue; or by investment of 1% of bonds in additions, extensions and improvements.

Security—A first lien upon the electric railway, running between St. Joseph and Savannah, Mo., 11.5 miles and general mortgage on remainder of the property of Company including the street railway system and electric light and power plant and a central heating station serving St. Joseph, Mo., subject to $5,000,000 First 5s, due 1937.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($751,000) in October, 1916 at 94½ and interest, yielding about 5-3/8%, by A. B. Conant & Co., Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,650,896	$2,633,096	$2,599,936	$2,485,423	$2,521,868	$2,430,816
Operating expenses and taxes	1,825,112	1,833,746	1,837,164	1,858,846	1,922,735	1,932,428
†Net earnings	$825,784	$799,350	$762,772	$626,577	$599,133	$498,387
Bond interest	284,750	284,750	284,750	284,750	284,779	284,750
Other interest	.....	.....	178,714	179,099	162,056	.....
Balance	$541,034	$514,600	$299,307	$162,727	$152,298	$213,637
Pfd. dividends	‡	‡	78,000	78,000	.....	.....
Balance for depreciation, dividends, etc.	.....	.....	$221,307	$84,727	.....	.....

†Before depreciation. ‡Not reported.

Officers: H. L. Doherty, Chairman of the Board & Pres.; T. I. Carter, V-P., New York; C. A. Semrad, V-P. & Gen. Mgr.; F. R. Harrington, Sec. & Treas., St. Joseph, Mo.

Directors: H. C. Potter, S. B. Irelan, F. R. Harrington, St. Joseph, Mo.; H. L. Doherty, T. I. Carter, C. A. Semrad, R. E. Burger, Charles H. Mayer, W. A. Jones.

Office, St. Joseph, Mo.

SPOKANE GAS & FUEL COMPANY

(Controlled by Cities Service Power & Light Company)

History—Inc. Nov. 15, 1909, in Wash., for 50 years, to succeed the Union Gas Co., which company formerly owned all the Preferred and Common stock of the Spokane Falls Gas Light Co. The Union Gas Co. (see 1924 Manual, page 1704, or apply to our Information Department) was disincorporated Oct. 23, 1924 and its bonds assumed by Spokane Gas & Fuel Company. Controls the entire gas supply of the city of Spokane, Wash. Franchise expires in 1945. Population served, about 104,437. Miles of mains, 156.37. No. of customers, 8,730. Ranges, 6,603. Sales in 1927, 314,931,700 cu. ft., compared with 298,209,700 cu. ft. in 1926, 269,523,300 cu. ft. in 1925 and 276,419,100 cu. ft. in 1924.

CAPITAL STOCK

Authorized and outstanding, $2,000,000 Common and $300,000 6% cumulative Pfd.; par, $100. Cities Serv-

e Power & Light Company owns $1,998,200 (99.91%) ommon and $271,700 Pfd. Annual meeting, second uesday in January.

FUNDED DEBT

(1)

50,000 UNION GAS CO. FIRST AND COLLATERAL TRUST GOLD 5s; DUE JULY 1, 1935

Dated July 1, 1905.

Interest Payable January and July 1, at National ity Bank, New York.

Denomination—Coupon (principal may be regis-ered) and registered, $1,000.

Trustees—United States Mortgage & Trust Co., lew York, and G. M. Cumming, Irvington, N. Y.

Provisions of Issue—Authorized, $1,000,000; issued nd outstanding, $550,000. Further sum of $115,000 f bonds may be issued when net earnings for the welve months preceding are equal to twice the annual nterest on all bonds outstanding and those to be re-uested. Additional bonds may be drawn for 80% f improvements, etc., when net earnings are in the bove-named ratio.

Sinking Fund—Sinking fund provides that a sum qual to 2% of outstanding bonds must be set aside n July 1 of each year for the purchase of bonds at ot more than 110. If bonds cannot be purchased at his figure, the money must be invested in United tates, State or Municipal, or any railroad mortgage onds listed upon the N. Y. Stock Exchange, which ay be purchased at a price to yield not less than ½% if bonds were held until maturity. Bonds to be ept alive in sinking fund. $260,000 held alive in sink-ng fund.

Security—Secured on all property formerly owned y Union Gas Co.

Tax Provisions—Company pays Normal Federal In-ome Tax up to 2%.

Original Offering—First publicly offered ($400,000) n Dec., 1905, at par and interest.

(2)

1,093,000 SPOKANE GAS & FUEL CO. FIRST AND REFUND-ING GOLD 5s; DUE AUGUST 1, 1944

Dated December 1, 1909.

Interest Payable February and August 1, at Henry ., Doherty & Co., New York.

Denominations—Coupon, $1,000; principal may be egistered; and registered, $100, $1,000, $5,000, $10,-000 and multiples thereof.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized issue, $5,000,000; sufficient reserved to retire the Union Gas Co. First nd Collateral Trust 5s. Additional bonds may be drawn for 85% of betterments, improvements and additions to the plant or properties of the Company, or for new property acquired.

Callability—Subject to call at 105 and interest on ny interest date on four weeks' notice. Bonds when purchased by company must be held alive and draw nterest.

Sinking Fund—Sinking fund provides that a sum equal to 1% of outstanding bonds must be set aside on July 1 of each year for purchase of bonds at not more than 105, or call at that figure; or for the pur-chase of underlying bonds at not more than 105. Company has option to pay the funds into sinking fund of underlying bonds. In lieu of cash payments, bonds of this issue, with all unmatured coupons at-tached, will be equivalent to a cash payment; or sink-ing fund may be satisfied by investing in property or construction, a sum per annum equal to 2% of all bonds outstanding. Bonds of this issue cancelled but underlying bonds kept alive in sinking fund, $260,000 held alive in sinking fund.

Security—A lien on entire property now owned or hereafter acquired, subject to Union Gas Co. First and Collateral Trust 5s.

Tax Provisions—Company pays Normal Federal In-come Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Gross operating revenue ..	$449,204	$450,842	$474,904
Operat. exp. maint. & taxes	338,158	337,497	358,477
Net earnings	$111,046	$113,345	$116,427
Non-operating revenue	13,621	12,227	601
Total income	$124,667	$125,572	$117,028
Deduct:			
Interest on funded debt ...	$82,150	$82,150	$72,448
Interest on floating debt ...	.....	.....	51,997
Amort. of bond disc. & exp.	.....	.....	2,365
Bal. for depre., divd., etc.	$42,517	$43,422	*$9,782

*Deficit.

Officers: H. L. Doherty, Pres.; T. I. Carter, 1st V-P., New York; J. L. Stone, 2d V-P., Treas. & Gen. Mgr.; M. W. Thernes, Sec., Spokane, Wash.; R. A. Hoffman and C. J. Melrose, Supts., Spokane, Wash.

Directors: H. L. Doherty, T. I. Carter, W. A. Jones, New York; R. R. Rogers, A. A. Salmon, R. A. Hoffman, M. W. Thernes, W. V. Stenton, Chas. Jolley, W. H. Farnham, H. I. Peyton, S. Ramage, B. H. Kizer, F. M. Smith, Walter C. Coakley, J. L. Stone, B. H. Hoke, C. J. Melrose, R. E. Burger, Spokane, Wash.

Office, Spokane, Wash.

THE SUMMIT COUNTY POWER COMPANY

(Controlled by Cities Service Power & Light Co.)

History—Incorp. July 31, 1907, in Colo. Supplies electrical energy principally to mines and mills in the Snake River and Breckenridge districts in Summit County, Colo. Furnishes light and power service in the towns of Dillon and Montezuma, Colo, Has water power plant located one mile from Dillon, Colo., with equipment consisting of 2 generating units driven by Pelton wheels totaling 1,000 k. w. capacity; also a relief steam plant of 650 k. v. a. capacity; purchases energy to the extent of 1,200 k.w.; transmission lines, 49 miles; distribution lines, 1.75 miles.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Cities Service Power & Light Company owns $380,-900 (76.18%) of the stock. Annual meeting, second Monday in September, at Denver.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED JUNE 30, 1925

(Latest Available)

Operating revenues	$45,729
Operating exp., maint. & taxes	29,146
Net earnings	$16,583
Interest charges	21,564
Balance	*$4,981
Replacement appropriation	10,284
Balance	*$15,265

*Deficit.

Officers: W. C. Sterne, Pres. & Gen. Mgr., Denver, Colo.; H. L. Doherty, V-P., New York; C. N. Stannard, V-P.; H. T. Hughes, Sec., Denver, Colo.; E. H. Johnston, Treas., New York.

Directors: H. L. Doherty, T. I. Carter, Paul R. Jones, New York; V. L. Board, G. H. Shaw, C. N. Stannard, R. J. Bardwell, H. H. Kerr, H. T. Hughes, Denver, Colo.

Office, Denver, Colo.

TANEY LIGHT & WATER COMPANY

(Subsidiary of Cities Service Power & Light Co.)

History—Incorporated March 9, 1920 in Missouri. Company sells electricity in Branson, Forsyth and Hollester, Mo., serving a population of 1,825. As of Dec. 31, 1927, Company had 334 customers.

CAPITAL STOCK

Authorized and outstanding, $25,000; par, $100. Cities Service Power & Light Company owns $24,100 (96.4%) of the stock.

Annual Meeting—Second Friday in January, in Branson, Mo.

FUNDED DEBT

None.

Officers: J. E. Harsh, Pres.; P. J. Sargeant, V-P.; C. F. Ratliff, Treas.; R. H. Flick, Sec., Joplin, Mo.
Directors: J. E. Harsh, C. F. Ratliff, P. J. Sargeant, S. S. Evans, S. C. Card, R. H. Flick.
Office, Branson, Mo.

TOLEDO BEACH COMPANY

(Subsidiary of Cities Service Power & Light Co.)

History—Incorporated Feb. 4, 1907, in Mich., for a period of thirty years. An amusement company operating at Toledo Beach, Mich.

CAPITAL STOCK

Authorized and outstanding, $5,000; par, $25. Cities Service Power & Light Company owns $4,925 (98.5%) of the stock. Annual meeting, first Monday in February.

FUNDED DEBT

None.

Officers: F. R. Coates, Pres.; C. L. Proctor, V-P. & Gen. Mgr.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas., Toledo, Ohio.
Directors: F. R. Coates, C. L. Proctor, A. C. Van Driesen, Toledo, Ohio.
Office, Toledo, Ohio.

THE TOLEDO CASINO COMPANY

(Subsidiary of Cities Service Power & Light Co.)

History—Incorporated July 22, 1896, in Ohio. Existence perpetual. Company operates at Point Place, Ohio, and owns Lake Erie Park and Casino.

CAPITAL STOCK

Authorized and outstanding, $4,000; par, $100. Cities Service Power & Light Company owns $3,500 (87.5%) of the stock. Annual meeting, second Tuesday in October.

FUNDED DEBT

None.

Officers: C. L. Proctor, Pres.; J. F. O'Connor, V-P.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas., Toledo, Ohio.
Directors: C. L. Proctor, A. C. Van Driesen, H. T. Ledbetter, J. F. O'Connor, W. A. Marshall, Toledo, Ohio.
Office, Toledo, Ohio.

THE TOLEDO EDISON COMPANY (MICHIGAN)

(Controlled by Cities Service Power & Light Co.)

History and Property—Incorporated Feb. 18, 1927 in Michigan, and on June 1, 1927 acquired electric properties of Toledo, Ottawa Beach & Northern Railway Co. in Michigan. Distributes electricity in Bolles Harbor, Erie, Lakeside, Lakewood, LaSalle, Lambertville, North Shores, Samoria, Temperance and Whiteford Center, Mich. Population served about 3,300. Electricity sold in 1927, 11,719,414 k.w.h. No. of customers, 1,169. Current purchased from Toledo Edison Co. (Ohio).

CAPITAL STOCK

Authorized and outstanding, $285,000 Common of no par value. All owned by Cities Service Power & Light Co.
Annual Meeting—February 15th.

FUNDED DEBT

None.

Officers: C. L. Proctor, Pres.; J. F. O'Connor, V-P.; T. I. Carter, V-P.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas.
Directors: C. L. Proctor, H. T. Ledbetter, J. F. O'Connor, G. W. McIver, A. C. Van Driesen.
Office, Adrian, Mich.

THE TOLEDO OTTAWA BEACH & NORTHERN RY. CO.

(Subsidiary of Cities Service Power & Light Company)

History—Incorporated Oct. 27, 1906, in Ohio; consolidation of Toledo & Point Place Ry. Co. and Ottawa Beach & Southern Ry. Co. Operates an electric railway between City of Toledo and Toledo Beach, Mich., also operates a branch line connecting City of Toledo with Point Place, Ohio. Miles of single track, 14.9 of which 9.84 miles operated under trackage rights. Gauge, standard. Rail, T, 60 lbs. Cars leased (except 2 gasoline cars). Supplies energy for light and power service along right of way. Number of customers, 1,752. Revenue passengers carried: 1923, 907,265; 1924, 872,484; 1925, 574,577; 1926, 520,808; 1927, 500,097. Sales of electricity (k.w.h.): 1923, 1,333,812; 1924, 1,867,807; 1925, 2,616,754; 1926, 1,872,523; 1927, 905,406.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $100. Cities Service Power & Light Company owns $1,499,500 (99.967%) of the stock. Annual meeting, third Thursday in January.

FUNDED DEBT

$450,000 First Gold 5s; dated Nov. 1, 1906; due Nov. 1, 1936; interest May and Nov. 1, at office of H. L. Doherty & Co., New York. Guaranty Trust Co., New York, Trustee. Denomination, $1,000. Registered bonds, and coupon bonds, registered as to principal. Authorized, $1,500,000, of which $1,000,000 are reserved for future extensions and improvements. Subject to call at 105 on any interest date upon four weeks' published notice. All owned by Cities Service Power & Light Company. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$95,274	$184,330	$187,5
Oper. exp. and taxes	98,606	216,779	193,1
Operating deficit	$3,332	$32,449	$5,5
Interest charges	22,500	22,500	33,1
Other charges	2,951	9,243	2,2
Total charges	$25,451	$31,743	$35,3
Deficit for year	$28,783	$64,192	$40,9

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$1,913,9
Stocks owned	1
Materials and supplies	
Cash	12,1
Accounts receivable	264,5
Other current assets	8,7
Unadjusted debits	7,9
Deferred debit items	
Profit and loss	123,7
Total	$2,331,3
Liabilities—	
Common stock	$1,500,0
Funded debt	450,0
Accounts payable	13,2
Interest accrued	176,2
Other current liabilities	3,7
Reserve for taxes	7
Unadjusted credits	13,8
Reserve for depreciation	187,3
Other reserves	*13,8
Total	$2,331,3

*Credit.

Officers: F. R. Coates, Pres.; C. L. Proctor, V-P. & Gen. Mgr.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas., Toledo, Ohio.
Directors: F. R. Coates, A. C. Van Driesen, J. O'Connor, H. T. Ledbetter, C. L. Proctor, Toledo, Ohio.
Office, Toledo, Ohio.

TOLEDO TRACTION LIGHT & POWER COMPANY

(Controlled by Cities Service Power & Light Company)

History—Incorporated Jan. 30, 1913, in Maine, to acquire the stock and bonds of the Toledo Rys. & Light Co. and its subsidiaries, in connection with the reorganization of the Toledo Rys. & Light Co. (now Toledo Edison Co.) Effective Dec. 1, 1919, Toledo Traction, Light & Power Co. disposed of its holdings in the following companies to Cities Service Co.: Adrian Street Ry. Co., Maumee Valley Railways & Light Co., Toledo Beach Co., The Toledo Casino Co., Toledo, Ottawa Beach & Northern Ry. Co., and Toledo & Western R. R. Co. Control of all but the Maumee Valley Rys. & Light Co. and Toledo & Western R. R. Co. has been acquired by Cities Service Power & Light Company.

The Toledo Traction Light & Power Co. owns the following: $13,587,900 (97.9308%) Toledo Edison Co. Common stock; $6,375,000 The Community Traction Co. First Mortgage 6% Gold bonds; $1,011,690 The Community Traction Co. 8% cumulative Pfd. stock; $74,300 (99.07%) Common and $25,000 7% cumulative Pfd. stock of the Citizens Light and Power Co., and $9,500 (95%) Common stock of The Anchor Realty Co.

The Toledo Edison Co. (formerly the Toledo Rys. & Light Co., name changed on Oct. 10, 1921) does the entire commercial electric light and power business in Toledo, Ohio and certain suburbs, serving directly a population in excess of 325,000, and also supplies electric power at wholesale to companies serving other neighboring communities, the total population thus served directly and indirectly being estimated to exceed 450,000. In addition, the company does the artificial gas distributing business and a hot water heating business in Toledo.

CAPITAL STOCK

Authorized, $9,200,000 Common and $8,000,000 Pfd. (6% cumulative since Jan. 1, 1914); issued, $9,082,843 Common and $8,000,000 Pfd., of which $1,233,750 Common and $1,276,975 Pfd. held in treasury, leaving $7,849,093 Common and $6,723,025 Pfd. outstanding; par, $100. The stock was formerly deposited in a holding Trust which expired on Jan. 1, 1918. Cities Service Power & Light Company owns $7,757,422 (98.832%) of the Common and $6,542,295 of the Pfd.

Annual Meeting—Second Tuesday in February.

FUNDED DEBT

$7,910,000 FIVE-YEAR 5½% SECURED GOLD NOTES; DUE JULY 15, 1930

Dated July 15, 1925.

Interest Payable January and July 15, in New York or Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized, $12,000,000; outstanding Dec. 31, 1927, $7,910,000.

Callability—Subject to call as a whole or in part on the 15th of any month, on 30 days' notice, to and including July 15, 1926, at 103 and interest; thereafter to and including July 15, 1927, at 102½ and interest; thereafter to and including July 15, 1928, at 102 and interest; thereafter to and including July 15, 1929, at 101½ and interest; and thereafter prior to maturity at 101 and interest.

Sinking Fund—Sinking fund of not less than $200,000 per annum, payable in semi-annual installments, beginning Feb. 1, 1926, is to be used for retirement of these notes by purchase at or below the call prices, or, if not so obtainable, by redemption at the call prices.

Security—These notes are the direct obligation of Toledo Traction, Light and Power Co. and are specifically secured by pledge under a Trust Indenture of $13,500,000 par value Common stock of The Toledo Edison Company, $6,375,000 First Mortgage 6% Bonds of The Community Traction Company, and all the capital stock (except directors' qualifying shares) of The Citizens Light and Power Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will reimburse owners resident in the respective states, upon appropriate and timely request, the following taxes paid by or on behalf of the owners: The Four Mills Tax in Pennsylvania; any Securities Tax in Maryland not exceeding in the aggregate Four and One-Half Mills on each dollar of assessed value in any year; any Personal Property or Exemption Tax in the State of Connecticut not exceeding Four Mills per dollar per annum; and any Massachusetts Income Tax not exceeding in any year 6% of the interest on such notes.

Legal Opinion—Patterson, Eagle, Greenough & Day, New York (for the Bankers) and Frueauff, Robinson & Sloan, New York (for the Company).

Original Offering—First publicly offered ($8,500,000) in July, 1925, at 99 and interest, to yield 5.73%, by Harris, Forbes & Co. and The National City Co. of New York and Harris Trust & Savings Bank, Chicago.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	101¼	99⅞	99⅜
Low	98¾	98	97⅝

CONSOLIDATED INCOME AND SURPLUS ACCOUNT, YEARS ENDED

(Toledo Traction, Light & Power Co. and Subsidiaries)

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Gross operating revenue	$10,769,247	$10,122,681	$9,062,707
Operating exp., mainte. & all taxes	6,585,695	6,092,571	5,301,051
Net operating revenue	$4,183,552	$4,030,110	$3,761,656
Non-operating income	834,807	892,715	847,441
Gross income	$5,018,359	$4,922,825	$4,609,097
Deductions:			
Interest on funded debt	$1,701,693	$1,720,525	$1,681,430
Interest on floating debt	171,092	104,810	64,915
Amortization of bond disc. and exp.	56,362	128,379	189,230
Total deductions	$1,929,147	$1,953,714	$1,935,575
Surplus at end of year	$6,359,973	$6,038,334	$4,637,179

	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Balance carried to surplus	$3,089,212	$2,969,111	$2,673,522
Surplus forward	6,038,333	4,942,114	1,916,995
Adjustment to surplus for excess reserves created in prior years	.....	650,000	3,000,000
Total surplus	$9,127,545	$8,561,225	$7,590,517
Allocation of Surplus:			
Reserves for replacements	$1,272,395	$1,128,202	$1,032,605
Toledo Edison Co. divids.:			
Prior Preferred	141,090	188,120	188,120
Preference	595,976	489,121	337,973
Minority int. Common	17,410	17,833	46,466
Toledo Traction, Light & Power Co. dividends:			
Preferred	403,381	403,381	403,382
Common	470,946	353,209	824,155
Sundry adjustments	*133,626	*56,976	7,349
Minority stockholders interest in subsidiary	.....	.....	113,288
Total deductions	$2,767,572	$2,522,891	$2,953,338

*Credit.

CONSOLIDATED BALANCE SHEET
(Toledo Traction, Light & Power Co. and Subsidiaries)

Assets—	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Real estate, bldgs., mach., equip., etc.	$52,331,491	$50,153,195	$46,155,945
Investments — Community Traction Co.	7,386,690	7,679,530	8,089,530
Other investments	170,000	174,660	177,045
Sinking fund	108,110	146,750	13,370
Cash	1,624,380	1,469,446	585,534
Accts. & notes receivable	*3,177,484	2,885,651	2,021,280
Accts. receiv.—C. S. Pwr. & Lt. Co.	2,358,038	4,512,803	4,822,968
Due from subscribers to Pfd. stock	171,535	390,710	235,440
Notes receivable	.....	190,465	192,186
Coupons and dividends	187,394	369,381	181,686
Materials & supplies (cost)	1,074,082	1,022,731	765,860
Accts. and notes receivable (not current)	729,895	.....	.....
Preferred dividends accrued	.....	.....	80,922
Unamortized disc. on bonds	724,473	790,873	549,612
Discount, on Pfd. stock	602,923	211,045	.....
Payments made in advance	56,365	395,337	187,609
Other deferred charges	352,104	.....	.....
Securities borrowed	.....	905,000	905,000
Total	$71,054,964	$71,297,576	$64,963,987

*Less reserve of $307,744.

Liabilities—	Dec. 31, 1927	Dec. 31, 1926	June 30 1925
Toledo Traction, Light & Power Co.:			
Preferred stock	$6,723,025	$6,723,025	$6,723,02
Common stock	7,849,093	7,849,093	7,849,09
Toledo Edison Co.:			
Prior Preferred stock	16,100	2,351,500	2,351,50
Pref.—7% Series "A"	10,226,100	5,996,700	5,995,80
Pref.—6% Series		2,034,800	.....
Common stock	287,100	291,000	415,08
Funded debt	27,617,100	27,923,400	26,599,90
Accounts payable	435,809	504,036	439,28
Accts. payable (C. S. Pwr. & Lt. Co.)	1,231,373	915,809	133,91
Notes payable	438,975	421,738	507,15
Salaries & wages payable	97,471	95,380	97,19
Accrued interest & taxes	1,680,301	1,703,441	1,556,28
Indus. commission awards	.....	.....	33,65
Dividends accrued	100,845	100,845	.....
Customers' and line extension deposits	508,723	475,388	402,59
Undelivered securities of subsidiary	.....	573,300	363,40
Reserve for replacements	4,466,890	3,407,168	2,959,96
Res. for injuries & damages	53,851	29,997	36,28
Unclaimed dividend checks	16,571	11,961	.....
Securities borrowed	.....	905,000	905,00
Capital surplus	2,510,725	2,510,725	2,510,72
Special surplus reserve	434,937	434,937	446,95
Profit and loss surplus	6,359,974	6,038,334	4,637,17
Total	$71,054,964	$71,297,576	$64,963,98

CONSOLIDATED STATEMENT OF WORKING CAPITAL

Current Assets—	Dec. 31, 1927	Dec. 31, 1926	June 30, 1925
Cash	$1,624,380	$1,469,446	$585,533
Accts. & notes receivable	*3,177,484	2,885,651	2,021,280
Accts. receiv.—C. S. Pwr. & Lt. Co.	2,358,038	4,512,803	4,822,968
Due from subscribers to Pfd. stock	171,535	390,710	235,440
Notes receivable	.....	190,465	192,186
Coupons & dividends	187,394	369,381	181,686
Materials and supplies	1,074,081	1,022,731	765,860
Total	$8,592,912	$10,841,187	$8,804,953
Net Working Capital			

*Less reserve of $307,744.

Current Liabilities—	Dec. 31, 1927	Dec. 31, 1926	June 30 1925
Accounts payable	$435,809	$504,036	$439,28
Accts. payable—C. S. Pwr. & Lt. Co.	1,231,373	915,809	133,91
Notes payable	438,976	421,738	507,15
Salaries & wages payable	97,471	95,380	97,19
Accrued int. & taxes	1,680,301	1,703,441	1,556,28
Industrial comm. awards	.....	.....	33,65
Dividends accrued	100,845	100,845	.....
Total	$3,984,775	$3,741,249	$2,767,48
	$4,608,137	$7,099,938	$6,037,46

Officers: H. L. Doherty, Pres.; F. R. Coates, 1st V-P.; D. B. Carson, 2nd V-P.; L. F. Musil, Treas.; E. E. McWhiney, Sec., New York.

Directors: H. L. Doherty, R. E. Burger, F. R Coates, D. B. Carson, W. A. Jones, J. M. McMillan, R F. Carbutt, New York.

Office, 60 Wall St., New York.

THE ANCHOR REALTY COMPANY

(Controlled by Toledo Traction, Light & Power Co.)

History—Incorporated Sept. 23, 1921, in Ohio.

CAPITAL STOCK

Authorized and outstanding, $10,000; par, $100. Toledo Traction, Light & Power Co., owns $9,500 (95%) of the stock.

Officers: C. L. Proctor, Pres. & Gen. Mgr.; J. F O'Connor, V-P.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas., Toledo, Ohio.

Directors: C. L. Proctor, E. F. Schmidt, H. T. Ledbetter, J. F. O'Connor, A. C. Van Driesen, Toledo, Ohio.

Office, Toledo, Ohio.

THE CITIZENS LIGHT & POWER COMPANY

(Controlled by The Toledo Traction, Light & Power Co.)

History—Incorp. July 31, 1903, in Mich., and absorbed the Electric Light & Power Co., Ltd., of Adrian. Effective March 1, 1927 became a subsidiary of Toledo Traction, Light & Power Co. In Aug., 1903, secured franchise for 30 years to operate in Adrian. Furnishes light, heat and power for public and private use in and about the City of Adrian and County of Lenawee, Mich.

CAPITAL STOCK

Authorized and outstanding, $75,000 Common and $25,000 6% Pfd.; par, $100. The Toledo Traction, Light & Power Co. owns $74,300 (99.07%) of the Common and all the Pfd.

Officers: H. L. Doherty, Pres.; D. E. Byerley, V-P & Gen. Mgr., Toledo, O.; T. I. Carter, V-P., New York; Roy McPhail, Sec. & Treas., Adrian, Mich.

Directors: D. E. Byerley, F. A. Lane, Toledo, O. T. I. Carter, Henry L. Doherty, New York; C. E Baldwin, H. E. Wing, Roy McPhail, Adrian, Mich.

Office, Adrian, Mich.

THE TOLEDO EDISON COMPANY

(Controlled by Toledo Traction, Light & Power Co.)

History—Incorporated July 1, 1901, in Ohio, under the name of The Toledo Railways & Light Co., as a reorganization of The Toledo Traction Co. On June 1, 1907, absorbed the property of The Toledo Gas, Electric & Heating Co., which succeeded to the properties and franchises of The Toledo Heating & Lighting Co., The Citizens Gas Light Co., and the Toledo Gas Light & Coke Co. In October, 1921, acquired the generating

ation and other property of the Acme Power Co. ee 1921 Public Utility Manual, page 1582) and anged its name to The Toledo Edison Company. In ept., 1924, acquired the properties of The Defiance as & Electric Company, The Swanton Light & Power ompany (see 1924 Manual, pages 1513 and 1514), and he Holgate Light & Power Company. During 1926, ompany acquired The Beverly Service Co., The Ore- on Power Co., The Jewell Electric Co., The Dixie ight & Power Co., The Northwestern Light & Power o., that portion of the distributing system between oledo and Wendt Siding east of Toledo, formerly perated by the Ohio Public Service Co. and the sys- m of Arps & Long, all of which companies were rmerly supplied wholesale. Effective March 1, 1927 bsorbed The Toledo Suburban Electric Co., and on ne 1, 1927, acquired all electric property of the oledo, Ottawa Beach & Northern Ry. Co. in Ohio.

Business and Territory—The company does the en- re commercial electric light and power business in oledo, Ohio, and certain suburbs, serving directly a opulation in excess 325,000, and also supplies elec- ic power at wholesale to companies serving the eighboring communities, the total population thus erved directly and indirectly being estimated to ex- ed 450,000. In addition, the company does the arti- cial gas distributing business and a hot water heat- g business in Toledo. The company no longer owns r operates any street railway property, although it supplying at wholesale, under a long-term contract, ll the power required by The Community Traction Co. which now owns and operates the electric street railway properties in Toledo, formerly owned by The Toledo Rys. & Light Co

Toledo Edison power is distributed radially in all directions from Toledo, 20 miles north, 65 miles west, 72 miles south and 50 miles east.

Property—Company owns and operates two large electric generating stations in Toledo, having a total installed generating capacity of 132,130 k.w. The Acme Power Plant, which has a present installed capacity of 70,000 k. w., is designed for an ultimate generating capacity of from 200,000 to 300,000 k. w. and is planned to be eventually the main source of supply of electric power for Toledo and vicinity. A contract has been entered into for the supplying of power to the Ohio Public Service Co., via the lines of the Ohio Power Co. with a tie in at Pemberville, Ohio. A steel tower line encircles the city, carrying energy to the large industrial and domestic customers on the outskirts.

The electric distributing systems are modern and adequate, the business district being served through an underground system. Company has 174 miles of transmission system and 1,066 miles of distribution system. Heating system comprises three heating plants with an installed boiler capacity of 6,836 h.p., serving an area of 3 sq. m., involving approximately 815 buildings with a connected radiation demand of 910,455 sq. ft. These three plants pump over 2,000,000,000 gallons of water in a heating season.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Electric department—						
ilowatt-hours sold	316,515,978	293,410,630	293,499,070	235,441,088	234,878,220	182,358,530
nstalled generating capacity (k.w.)	132,130	132,180	133,455	130,130	125,080	98,080
onnected load (k.w.)	.....	213,778	182,120	169,244.95	150,785.59	143,767.41
umber of meters	97,526	85,602	83,129	68,551	63,042	57,628
umber of customers	90,974	84,201	81,533	75,285	62,610	54,197
unicipal arc lamps	3,839	4,299	4,264	4,078	4,078	3,795
Gas department—						
ales in thousand cu. ft.	2,472,785	2,335,387	2,221,141	1,916,450	1,812,573	1,615,672
wenty-four hour capacity in cu. ft.	965,000	1,040,000	1,030,000	1,030,000	850,000	850,000
umber of customers	13,754	12,574	12,923	11,696	8,939	7,255
umber of meters	16,002	13,564	13,883	10,729	9,190	7,615
Heating department—						
umber of customers	720	721	732	761	794	776

New Franchise—The voters of Toledo by a large ajority voted in 1921 the adoption of the plan proosed by the representatives of The Toledo Railways Light Company in conference with the city offiials. The adoption of this franchise places the operaion of the Toledo street railway lines on a service-atost basis, these lines being acquired by The Comunity Traction Co. Power is being furnished to the Community Traction Co. by The Toledo Edison Co.

CAPITAL STOCK

Authorized, $15,000,000 Common, $3,000,000 8% umulative Prior Pfd., Series "A", $3,000,000 6½% umulative Prior Pfd. Series "B", $10,000,000 7% cumlative Preference, Series "A", and $5,000,000 6% cumlative Preference; outstanding Dec. 31, 1927, $13,875,00 Common, $16,100 8% cumulative Prior Pfd., Series A," $5,870,100 7% cumulative Preference, Series "A," nd $4,356,000 6% cumulative Preference; par of all lasses, $100. None of the 6½% cumulative Prior Pfd., eries "B," has been issued. The Toledo Traction ight & Power Co. on Dec. 31, 1927, owned $13,587,900 97.9308%) of the Common stock. The authorized % Preference stock Series "A" was increased from 4,000,000 to $10,000,000 and $3,000,000 of the unissued % Prior Pfd. Series "A" was changed into 6½% Prior fd. Series "B," by stockholders on May 29, 1924.

8% Prior Preferred, Series "A" Stock Called—The % cumulative Prior Pfd. stock, Series "A," was called or redemption on Oct. 1, 1927, at $115 per share and ccrued dividend at office of H. L. Doherty & Co. At ec. 31, 1927, all of the stock except $16,100 par value ad been redeemed.

Preference Stock Provisions—Preference stock has preference for assets and dividends over Common and is entitled to 110 for the 7% and 106 for the 6% in any voluntary dissolution and to 100 in any involuntary dissolution, plus accrued dividends, before any payment on Common. The 7% Preference is subject to redemption on any dividend date on thirty days' notice at 110 and accrued dividends and 6% Preference is subject to redemption at 106. Neither Prior Preferred nor Preference stocks have any voting rights, except that if dividends for two quarterly periods become in arrears on the Prior Pfd. Series "A," holders of both the Prior Pfd. and Preference stocks will be vested with voting powers until all such accrued dividends are paid in full. In the event that five quarterly dividend payments on the Prior Pfd. Series "A" become in arrears, holders of both Prior Pfd. and Preference stocks shall have the exclusive right to elect the Board of Directors, each class to elect one-half. The Preference stock is further protected under the terms of the First Mortgage, which requires that the company make liberal provisions for replacement reserves before paying any cash dividend on Common stock. In addition the issuance of all securities of Company is subject to the approval of the Public Utilities Commission of Ohio.

Transfer Agents—Common: New York Trust Co., New York. Prior Pfd.: The Union Trust Company, Cleveland and National City Bank, New York. Preference: Company's office Toledo, and Henry L. Doherty & Co., New York.

Registrars—Common: Guaranty Trust Co., New York. Prior Pfd.: The Union Trust Co., Cleveland

and Chatham Phenix National Bank and Trust Co., New York. Preference: The Ohio Savings Bank & Trust Co., Toledo and The Bank of Manhattan Co., New York.

Public Offering—15,000 shares 7% cumulative Preference stock Series "A" publicly offered in August, 1924 at 98 and dividends to yield 7.14%, by Henry L. Doherty & Co., New York.

Tax Provisions—Prior Pfd. and Preference stocks tax free in Ohio.

Annual Meeting—Third Tuesday in February.

Price Range—

7% Pfd. Series "A"—	1927	1926	1925	1924	1923	1922
High	111⅛	104½	101½	95	93½	..
Low	104⅝	101	94	87	87	..

Dividends—The following Preferred dividends have been paid by the Company and its predecessor: On Prior Pfd. stock and 7% and 6% Preference stock the full dividends have been paid since issuance; payments on the first of each month to stockholders of record the fifteenth of the month preceding.

FUNDED DEBT

(1)

$906,600 DEFIANCE GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1942

Dated September 1, 1912.

Interest Payable March and September 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $1,500,000, of which $593,400 pledged as collateral to secure an equal amount of First Lien & Refunding Gold 7s Series "A" described below.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—Beginning July 1, 1927 and semi-annually thereafter, on January 1 and July 1, the Mortgagor shall pay to the Trustee a sum equal to ½% of the aggregate principal amount of bonds outstanding on preceding June 1 and December 1. It is provided however, in lieu of semi-annual payment, that on January 1, 1928 and annually thereafter, the Trustee receive a sum equal to 1% of the aggregate principal amount of bonds outstanding on preceding December 1. Such moneys shall be applied to reimburse the Mortgagor for expenditures made within previous five years for purposes for which bonds were issued. Unless the Trustee shall have been directed to hold such moneys in Sinking Fund for above purpose, then, at any time within 4 months after receipt of payment, the Trustee may purchase at not more than 105 or may call at that figure, bonds of this issue. If at the expiration of 4 months the Trustee has not purchased bonds sufficient to reduce below $5,000 the amount in Sinking Fund, applicable to such purchase, the Trustee shall call by lot, such bonds at 105 upon 30 days published notice. Bonds to be kept alive in Sinking Fund.

Security—A first lien on entire property, rights and franchises formerly owned by Defiance Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$13,500,000 TOLEDO EDISON CO. FIRST MORTGAGE 7% BONDS; SERIES DUE SEPTEMBER 1, 1941, BUT CALLED FOR PAYMENT MARCH 1, 1928 AT 107½ AND INTEREST AT BANKERS TRUST CO., NEW YORK

$3,245,200 TOLEDO EDISON CO. FIRST MORTGAGE 5% BONDS; SERIES DUE MARCH 1, 1947

Dated September 1, 1921.

Interest Payable March and September 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $500 and $1,000; principa may be registered. Interchangeable with fully regis tered bonds in denominations of $1,000 and author ized multiples.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited Issued, $16,745,200, of which $3,245,200 5% Series du 1947 outstanding. $13,500,000 7s due 1941 were calle for payment March 1, 1928.

Additional bonds in different series having suc interest rates, due dates and other terms as the Boar of Directors shall from time to time determine, ma be issued for not exceeding 75% of the cash cost o fair value, whichever is less, of permanent extension and additions to the mortgaged property made subse quent to June 30, 1921, provided, however, that ne earnings of the mortgaged property, for a period c twelve consecutive months out of the preceding fiftee months shall have been equal to at least (a) 1¾ time the annual interest charges on all outstanding Firs Mortgage bonds, including those proposed to be is sued and divisional bonds, or (b) 10% of the principa amount of all such bonds, whichever is the greate amount. Bonds may also be issued to refund a equal amount of any other series of First Mortgag bonds as a whole, or to refund the $3,375,400 Divisiona Closed Mortgage bonds.

Callability—The 5% Series is callable as a whol or in part on any interest date at 107.38 and interes upon four weeks' notice up to September 1, 1922 an thereafter with premium on such principal as woul make, except for such redemption, the yield basis 4½% to the date of maturity.

Sinking and Improvement Fund Provisions—In denture provides for payments to the Trustee sem annually, beginning Sept. 1, 1922, of sums amountin to 1% per annum of the amount of First Mortgag bonds outstanding, such funds to be used for the pu chase of First Mortgage bonds at or below 103 and ac crued interest, or if not so obtainable, must be use to reimburse the company for extensions and add tions to the mortgaged property, which might othe wise be made the basis for the issuance of additiona First Mortgage bonds. The Indenture provides fu ther that, initially, amounts totalling 12% of the gros operating revenue from the electric department, 20% of that from the gas department, and 25% of tha from the heating department shall be either expende or appropriated from each year's earnings for mai tenance and replacements. These percentages ar subject to arbitration and adjustment at five-year in tervals. Sinking fund payments in any one year ma be used as a credit to the maintenance and replace ment account, but only to the extent that actual cu rent maintenance expenditures in that year are les than the prescribed total requirements.

Security—Secured by a direct first mortgage on th entire electric light and power properties except fo a very minor part of the electric distributing systen including the Acme Power plant, and by a supple mental mortgage on the gas and heating propertie (including the property above excepted) subject onl to $3,375,400 divisional closed mortgage bonds. N First Mortgage bonds are issuable against any ga or heating property unless such property is covere by the indenture as a direct first mortgage.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%. Pennsylvania four mills tax re funded.

Legal Opinion—Patterson, Eagle, Greenough & Day, New York (for the Bankers); Frueauff, Robin son & Sloan, New York (for the Company).

Original Offering—5% Series due 1947 first pub licly offered (($786,000) in June, 1923 at 91 and in terest to yield about 5.68%, by Harris, Forbes & Co., New York, etc., and Harris Trust & Saving Bank, Chicago; $1,050,000 additional 5% Series du

)47 offered in June 1923, at 91 and interest, yield-g 5.70% by Harris, Forbes & Co. and National ity Co., New York, etc., and Harris Trust & Savings ank, Chicago. $900,000 5% Series due 1947 were fered in Oct. 1923 at 90 and interest yielding 5.80%, Harris, Forbes & Co., New York, etc., and Harris rust & Savings Bank, Chicago.

(3)

,875,400 TOLEDO GAS, ELECTRIC & HEATING CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE OCT. 1, 1935

Dated September 11, 1905.

Interest Payable April and October 1 at Ohio Sav-igs Bank & Trust Co., Toledo and at National Bank Commerce, New York.

Denominations—Coupon (principal may be regis-red), and registered $100, $500 and $1,000.

Trustee—Ohio Savings Bank & Trust Co., Toledo.

Provisions of Issue—Authorized and issued, $2,500,-00, of which $624,600 retired and cancelled.

Security—Secured by a mortgage on all property ormerly owned by The Toledo Gas, Electric & Heat-ig Co., including plants supplying gas and steam eat in Toledo and suburbs, and a small part of the lectric property in Toledo.

Guaranty—Guaranteed principal and interest by en-orsement by Toledo Railways & Light Co. (now he Toledo Edison Company).

Tax Provisions—Company does not pay Normal ederal Income Tax.

(4)

393,400 DEFIANCE GAS & ELECTRIC CO. FIRST LIEN & REFUNDING SINKING FUND GOLD 7% BONDS, SERIES "A"; DUE SEPTEMBER 1, 1942

Dated February 1, 1922.

Interest Payable March and September 1 at The Equitable Trust Co., New York and Harris Trust & Savings Bank, Chicago.

Denominations—Coupon $100, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co., of New York.

Provisions of Issue—Authorized and outstanding, $593,400. Mortgage closed.

Callability—Subject to call on any interest date on 60 days' notice at 110 and interest from Sept. 1, 1932 to Sept. 1, 1937, inclusive, and subsequently at 1% premium for each year of unexpired time to maturity.

Sinking Fund—Beginning Jan. 1, 1928 an amount equal to 2% annually of bonds outstanding is to be used for purchase of bonds at not to exceed 110 and interest, or the redemption price if subject to redemption. During the period when these bonds are not callable, amounts which cannot be used to purchase bonds in the open market up to 110 and interest, may be reinvested in the property.

Security—A general mortgage on the entire property formerly owned by Defiance Gas & Electric Co. and additionally secured by pledge of $593,400 Defiance Gas & Electric Co. First Mortgage Bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($525,-900) in Feb. 1922 at 97½ and interest, to yield about 7.25%, by Elston, Allyn & Co., Chicago.

NEW BOND ISSUE AUTHORIZED

The Ohio Public Utility Commission on Jan. 13, 1928 authorized Company to issue $16,500,000 Thirty-Year 4½% First Mortgage bonds at not less than 88. To May 10, 1928, none of these new bonds had been issued.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross operating revenue	$10,407,686	$9,638,747	$9,231,219	$8,015,230	$7,491,890	$6,585,960
Operating expenses, maintenance and taxes	6,328,928	5,771,534	5,380,634	4,841,996	4,471,756	3,997,472
Net operating revenue	$4,078,758	$3,867,231	$3,850,585	$3,173,234	$3,020,134	$2,588,488
Non-operating revenue	130,888	125,890	173,450	111,048	63,308	81,199
Gross income	$4,209,646	$3,993,121	$4,024,035	$3,284,282	$3,083,442	$2,669,687
Interest on funded debt	1,281,500	1,260,138	1,260,080	1,193,965	1,109,830	1,059,037
Other interest, etc.	97,581	70,942	129,741	144,068	110,343	78,594
Total fixed charges	$1,379,081	$1,331,080	$1,389,821	$1,338,331	$1,220,173	$1,137,631
Balance to surplus	$2,830,565	$2,662,041	$2,634,214	$1,946,249	$1,863,269	$1,532,056
Previous surplus	6,835,514	§6,763,916	5,868,443	§6,434,773	2,877,988	2,418,223
Total surplus	$9,666,079	$9,425,957	$8,502,657	$8,381,022	$4,741,257	$3,950,279
Deduct:						
Reserve for replacements	$1,237,908	$1,082,785	$947,157	$855,433	$730,294	$686,738
Pfd. and Preference dividends	745,498	677,241	609,083	408,396	307,271	302,500
Common dividends	832,500	832,500	832,500	1,248,750	277,500	69,375
Adjustment of accounts	‖144,405	‖2,083	.....	.....	.....	13,678
Total deductions	$2,671,501	$2,590,443	$2,388,740	$2,512,579	$1,315,065	$1,072,291
Balance surplus Dec. 31	$6,994,578	6,835,514	6,113,917	5,868,443	3,426,192	2,877,988
Times Interest Earned	3.05	2.99	2.89	2.45	2.65	2.35

‡Before replacement reserve. §After crediting adjustments to surplus (being excess replacement reserves set aside in previous years), $650,000 in 1926 and $3,008,582 in 1924. ‖Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and investment	$53,035,431	$50,527,625	$48,599,427	$45,832,190	$40,779,007	$38,824,140
Uncompleted job orders	.....	7,877	24,660	93,388	16,380	1,261
Securities owned	.....	4,660	7,045	6,645	200	200
Sinking fund	107,818	.....	.....	.....	399,034	2,025
Stores & Supplies (market value)	1,036,440	971,625	1,042,153	771,444	717,169	597,002
Bills receivable	4,712	3,950	5,222	9,348	12,565	15,208
Accounts receivable	3,230,540	3,294,137	2,788,538	2,333,047	2,086,489	1,885,869
Cash	390,133	305,338	388,753	281,689	114,347	125,863
Advance payments	54,041	331,165	394,598	176,228	120,715	301,757
Bond & stock discount and expense	1,052,964	621,982	571,350	532,192	530,941	.....
Fiscal agent account receivable	.....	.....	1,015,757	1,906,883	2,650,670	1,708,776
Parent company account rec.	33,753	1,270,162	.....	.....	.....	.....
Community Industrial Guarantee	1	.....	.....	.....	.....	.....
Suspended expense	231,687	.....	.....	.....	.....	.....
Treasury sec. for sale	.....	.....	9,000	193,100	323,165	163,894
Securities borrowed (contra)	.....	905,000	905,000	1,305,000	1,025,000	675,000
Total	$59,177,521	$58,243,522	$55,751,503	$53,441,154	$48,775,682	$44,300,995

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$13,875,000	$13,875,000	$13,875,000	$13,875,000	$13,875,000	$13,875,000
8% Prior Pfd., Series "A"	16,100	2,351,500	2,351,500	2,351,500	2,377,500	2,450,000
7% Preference stock, Series "A"	5,870,100	5,996,700	5,867,800	5,185,700	2,133,800	1,500,000
6% Cumulative stock	4,356,000	2,034,800	496,700	.....	.....	.....
Funded debt	20,120,600	19,565,400	19,565,400	19,565,400	18,093,400	16,143,40
Bills and accept. payable	438,975	421,738	620,737	774,650	741,392	699,29
Bills receivable disc.	1,586	.....	400	1,675	2,764	7,69
Accounts payable	516,689	564,332	683,534	404,040	510,401	558,86
Interest accrued	420,880	413,967	414,312	411,591	384,203	351,44
Taxes accrued	971,981	981,065	822,198	662,719	687,553	483,22
Line extension deposits / Customers' deposits	497,655	439,463	429,822	308,415 / 55,726	264,817 / 48,382	315,87 / 41,22
Unclaimed checks	16,726	12,003	8,852	5,362	.....	.....
Maintenance reserve	.....	.....	.....	.....	2,898,686	2,898,68
Replacement reserve	4,081,121	3,013,586	2,803,776	2,211,844	1,504,229	990,45
Other reserves	52,543	260,154	214,919	221,660	206,253	184,92
Fiscal agent notes payable	.....	.....	.....	.....	84,032	84,03
Toledo Trac., Lt. & Pr. agency account	.....	.....	7,437	30,713	188,912	.....
Undelivered securities	.....	573,300	570,200	193,100	323,164	163,89
Community Industrial Guarantee	1	.....	.....	.....	.....	.....
Parent Co. account payable	946,985	.....	.....	.....	.....	.....
Sec. borrowed (contra)	.....	905,000	905,000	1,305,000	1,025,000	675,00
Dividends accrued	.....	.....	.....	8,616	.....	.....
Surplus	6,994,579	6,835,514	6,113,916	5,868,443	3,426,191	2,877,98
Total	$59,177,521	$58,243,522	$55,751,503	$53,441,154	$48,775,682	$44,300,99

Officers: H. L. Doherty, Chairman of Board; F. R. Coates, Pres.; D. B. Carson, V-P., New York; C. L. Proctor, V-P. & Gen. Mgr.; Rathbun Fuller, V-P.; H. T. Ledbetter, Sec.; A. C. Van Driesen, Treas., Toledo. O.

Directors: H. L. Doherty, D. B. Carson, New York F. R. Coates, Rathbun Fuller, H. T. Ledbetter, A. C Van Driesen, G. D. Welles, J. F. O'Connor, C. W Wallace, C. W. McIver, C. L. Proctor, H. R. Cran ford, Toledo, Ohio.

Office, Toledo, Ohio.

CITIES SERVICE REFINING COMPANY (MASS.)

(Controlled by Cities Service Company)

History—Incorporated July 16, 1923, in Mass. Owns and operates a modern complete oil refinery on Boston Harbor, located on about 91 acres of land fronting on the Weymouth Fore River, which has sufficient draft for ocean going vessels. The refinery has a daily capacity of 10,000 bbls. of crude oil. Plant is equipped to manufacture a complete line of refined oil products including gasoline, kerosene, lubricating oils, gas oil, paraffine wax, fuel oil and flux. Owns all the Common stock of the Cities Service Refining Transport Company. Formerly owned all the Common stock of the Puritan Petroleum Co., but this latter Company was dissolved Dec. 31, 1926.

CAPITAL STOCK

Authorized, 75,000 Common shares of no par value and $5,000,000 6% Participating Preferred, par, $100; outstanding, $1,797,975 (stated value) Common and $2.385,000 Pfd. Cities Service Company owns $1,070,049 (59.514%) of the Common stock and $409,600 Pfd

Listed (Common)—Boston Stock Exchange.

Dividends—None paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31, 1927

Gross revenues	$8,461,14
Cost of goods sold	6,714,48
Gross earnings	$1,746,66
Operating expenses, maintenance and taxes	1,829,76
Net earnings for interest and reserves (loss)	$83,10
Interest charges	469,93
Net profits available for divds. and reserves (loss)	$553,03

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Plant and investment	$8,015,693	Common stock	$1,797,97
Securities owned (permanent)	450	Preferred stock	2,385,00
Stores and supplies	116,422	Pfd. and Com. stock (contract liability—oil)	615,85
Accrued and refined oils	1,612,827	Mortgage notes	2,00
Oil in transit	10,897	Contractural obligations—tank cars	93,37
Bills receivable	19,781	Contractural liability—oil	161,26
Accounts receivable	702,272	Accounts payable	162,02
Contract to purchase oil	785,055	Bills payable	1,140,10
Cash	180,921	Fiscal Agents—account payable	7,593,92
Special cash deposits	25	Unredeemed coupons	90
Prepaid interest, insurance, etc.	33,795	Subsidiary surplus reserve	111,58
Surplus earnings and reserves due from subsidiary	456,114	Other reserves (debit)	48,17
Prepaid taxes	15,966	Ticket stock (contra)	30,24
Suspended expenses	31,896	Surplus deficit and reserve	2,022,42
Accounts receivable—affiliated companies	11,305		
Ticket stock	30,245		
Total	$12,023,664	Total	$12,023,66

Officers: H. L. Doherty, Pres.; H. D. Frueauff, V-P.; W. A. Jones, V-P.; T. I. Carter, V-P.; J. S. Cordell, V-P. & Gen. Mgr.; John D. Griffin, Sec.; L. F. Musil, Treas.

Directors: H. L. Doherty, H. D. Frueauff, W. A. Jones, L. F. Musil, P. R. Jones, A. F. Ray, J. S Cordell, Frank R. Coates, H. O. Caster.

Office, 60 Wall Street, New York.

CITIES SERVICE REFINING TRANSPORT COMPANY

(Controlled by Cities Service Refining Company (Mass.)

History—Incorporated Dec. 31, 1923, in Del. Company owns tank steamer "Shreveport".

CAPITAL STOCK

Authorized and outstanding, 10,000 shares of no par value. All owned by Cities Service Refining Company (Mass.). Annual meeting, first Monday in May, at Dover, Del.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; W. A. Jones, V-P.; H. D. Frueauff, V-P.; E. H. Johnston, V-P.; C. Story, Jr., Gen. Mgr.; C. L. Butler, Sec. & Treas., New York.

Directors: H. L. Doherty, W. A. Jones, H. D. Frueauff, . R. Jones, E. H. Johnston, C. Storey, Jr., Frank R. Coates, ew York.
Executive Office, 60 Wall St., New York. Corporate Office, over, Del.

CITIES SERVICE SECURITIES COMPANY

(Controlled by Cities Service Company)

History—Incorporated March 17, 1927, in Delaware.

CAPITAL STOCK

Authorized and outstanding, $15,000,000 Common; ar, $100. All owned by Cities Service Company.
Annual Meeting—Last Tuesday in April.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; W. A. Jones, V-P.; F. Musil, V-P.; J. M. McMillin, V-P.; R. C. Russum, -P.; P. R. Jones, Sec.; E. J. Johnston, Treas.
Directors: H. L. Doherty, W. A. Jones, J. M. McMillin, R. C. Russum, E. H. Johnston, P. R. Jones, . A. Frueauff, T. I. Carter.
Office, Dover, Del.

CITIES SERVICE TANK LINE COMPANY

(Controlled by Cities Service Company)

History—Incorporated May 12, 1921, in Delaware, s the Empire Tank Line Company; present title dopted March 9, 1925. Existence perpetual.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par $100. ll owned by Cities Service Company. Annual meetng first Tuesday after first Monday in April at)over, Del.

FUNDED DEBT

(1)

$38,000 EMPIRE TANK LINE COMPANY 6% EQUIPMENT TRUST NOTES, SERIES 1924; DUE SERIALLY IN VARIED AMOUNTS TO 1931

Dated April 15, 1924.
Interest Payable quarterly J, A, J & O 15, at Amerian Exchange Irving Trust Co., New York, Trustee.
Denomination—Coupon, $1,000.
Callability—Subject to call as a whole or in part on ny maturity date upon three weeks' published notice t 105 and accrued interest to and including April 15, 925, and thereafter decreasing ½ of 1% in each subseuent year to maturity.
Security—A direct obligation of Empire Tank Line ompany and are secured by a direct lien on 370 new tandard steel tank cars, the title to which is vested in ie Trustee for the benefit of noteholders. The cars re leased by the Trustee to Empire Tank Line Co. t a rental sufficient to pay the face amount of these otes and interest thereon and other charges as they ecome due. Under the terms of the lease Empire ank Line Co. covenants to maintain and keep the quipment in good order and repair and to replace ny of it that may be worn, lost or destroyed.
Guaranty—Guaranteed by endorsement by Cities ervice Company.
Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded.

(2)

$2,320,000 CITIES SERVICE TANK LINE COMPANY 5% EQUIPMENT TRUST GOLD CERTIFICATES; DUE $290,000 ANNUALLY MARCH 1, 1928 TO 1935

Dated March 1, 1925.
Interest Payable March and September 1 at Halsey, Stuart & Co., Inc., Chicago and Henry L. Doherty Co., New York.
Denominations—Coupon $500 and $1,000; principal ay be registered.
Trustee—Bankers Trust Co., New York.
Provisions of Issue—Original issue, $2,900,000 of hich $580,000 redeemed to Dec. 31, 1927.
Callability—Subject to call, as a whole or in part, at any time on three weeks' notice at the principal amount and accrued dividends, plus a premium of ½ of 1% for each full year, or fraction thereof, of unexpired life of the respective maturities.
Security—Issued under the Philadelphia Plan and secured on 2,274 Standard Steel tank cars having an estimated replacement cost new, less depreciation, in excess of $3,450,000 of which cars 783 will be new equipment, which may be delivered subsequent to the issuance of the certificate, and the remainder have been in service over varying periods. Certificates will be issued against cars at the rate of $1,275 per car or cash for the principal amount of the certificates. Title to the equipment is vested in the Trustee which leases the same to the Company at a rental sufficient to pay the certificates and dividend warrants and other charges as they mature.
Guaranty—Unconditionally guaranteed, principal and interest, by endorsement by Cities Service Company.
Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut four mills tax, Maryland four and one-half mills tax and Massachusetts Income tax, not exceeding 6% per annum, refunded.
Original Offering—First publicly offered, ($2,900,000), in March 1925 at prices to yield 4.75% to 5.40% according to maturity, by Halsey, Stuart & Co., Inc., New York, etc.

OFFICERS AND DIRECTORS

Officers: H. L. Doherty, Pres.; C. E. Foster, V-P., Philadelphia, Pa.; F. R. Coates, V-P.; E. E. McWhiney, Sec. & Treas., New York.
Directors: H. D. Frueauff, W. A. Jones, H. L. Doherty, F. R. Coates, New York; C. E. Foster, Philadelphia, Pa.
Office, 60 Wall St., New York.

CITIES SERVICE TRANSPORTATION COMPANY

(Controlled by Cities Service Company)

History—Incorporated April 7, 1923, in Del. Company owns the steamships Halo, Hagood, Watertown, Hadnot, Cities Service Petrol (formerly the S. S. Agwisea), and Cities Service Fuel.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 (increased from $101,000 in 1926); par, $100. Cities Service Company owns $999,300 (99.93%) of the stock.

FUNDED DEBT

$2,400,000 FIRST MORTGAGE MARINE EQUIPMENT GOLD 6s; DUE MARCH 1, 1936

Dated March 1, 1926.
Interest Payable March 1 and September 1 in New York.
Denominations—Coupon, $500 and $1,000; principal may be registered.
Trustee—Empire Trust Company, New York.
Provisions of Issue—Authorized, $5,000,000; outstanding Dec. 31, 1927, $2,400,000.
Callability—Subject to call as a whole or in part at any time on 60 days notice (30 days' notice for sinking fund) at 103½, less ½ of 1% for each expired year or part thereof to March 1, 1933 and at par thereafter, plus accrued interest to date fixed for redemption.
Sinking Fund—A sinking fund is provided sufficient to retire $100,000 principal amount of bonds per annum, operating $25,000 quarterly, beginning March 1, 1927, by redemption at the then current redemption price and/or purchase in the market. All bonds purchased for the sinking fund will be cancelled. A ratable increase will be made in the sinking fund in the event of the issuance of any additional bonds.
Security—These bonds are secured by a first mortgage on the tank steamers Hagood, Halo, Hadnot, Wa-

tertown, Cities Service Fuel and Cities Service Petrol. The present market value of these tank steamers is approximately $3,500,000; and reproduction cost new would exceed $5,000,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse resident holders for payment of Pennsylvania, California and Connecticut 4 mills tax, Maryland 4½ mills securities tax, Michigan 5 mills tax and Massachusetts Income tax on interest not exceeding 6% per annum, upon proper application within 60 days after payment.

Legal Opinion—Chadbourne, Stanchfield & Levy, and Frueauff, Robinson & Sloan, New York.

Original Offering—First publicly offered ($2,500,000) in March, 1926, at 98¾ and interest, to yield about 6.15%, by Pearsons-Taft Co., Chicago, and Henry L. Doherty & Co., New York.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
High	98⅛	98½
Low	95	94

EARNINGS YEAR ENDED DECEMBER 31, 1927

Gross revenue	$2,640,148
Operating exp., maintenance & taxes	1,772,861
Net earnings available for int. & res.	$867,257
Annual interest charges on bonds	147,250

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and investment	$4,488,909
Stores and supplies	118,975
Accounts receivable	64,673
Expenses paid in advance	20,075
Cash	145,512
Suspended expenses	195
Earnings suspended	171,267
Bond discount and expense	191,939
Notes & accts. receivable, affiliated cos.	53,047
Total	$5,254,592
Liabilities—	
Common stock	$1,000,000
Funded debt	2,400,000
Accounts & notes payable	30,542
Interest and taxes accrued	152,373
Expenses suspended	97,901
Replacement reserve	498,535
Other reserves	253,951
Surplus	821,290
Total	$5,254,592

Officers: H. L. Doherty, Pres.; W. A. Jones V-P.; H. D. Frueauff, V-P.; C. Storey, Jr., Gen. Mgr.; C. L. Butler, Sec. & Treas.

Directors: Henry L. Doherty, H. D. Frueauff, F. L. Musil, C. Storey, Jr., W. A. Jones, D. C. Bailey, Jr., P. R. Jones.

Office, 60 Wall St. New York.

COMPANIA DE GAS Y COMBUSTIBLE "IMPERIO" S. A.

(Controlled by Cities Service Company)

History—Incorporated June 5, 1919, under the laws of Mexico for a period of 99 years. Company develops acreage owned by various subsidiaries and markets the production. It owns marine equipment consisting of barges, launches and towboats for river use.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. Cities Service Company owns $99,700 (99.7%) of the stock. Annual meeting, during first three months of each year on date selected by Board of Directors.

FUNDED DEBT

None.

Officers and Directors: B. R. E. Poinsett, Pres.; U. H. Benderman, V-P.; Enrique Garza, Sec. & Treas., Tampico, Mexico.

Consulting Board: V. R. Garfias, D. C. Bailey, Jr., T. I. Carter, New York.

Office, Tampico, Mexico.

CIA. DE TERRENOS PETROLIFEROS "IMPERIO" S. A.

(Controlled by Cities Service Company)

History—Incorp. Jan. 15, 1921, under the laws o Mexico. The Company was organized solely for th purpose of acquiring oil lands.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $50. Al owned by Cities Service Company.

FUNDED DEBT

None.

Officers: Theodore Chapin, Pres.; Manuel R. Mor ano, V-P.; John J. C. Jaye, Sec. & Treas.

Directors: Theodore Chapin, Manuel R. Morano John J. C. Jaye.

Consulting Board: E. H. Johnston, T. I. Carter an V. R. Garfias.

Office, Tampico, Mex.

COMPANIA EMMEX DE PETROLEO Y GAS

(Controlled by Cities Service Company)

History—Incorporated Jan. 9, 1918, under the law of Mexico, for a period of 50 years. Company own gas, oil and mineral leases in Mexico.

CAPITAL STOCK

Authorized, $52,500; outstanding, $50,000; par, $5 All owned by Cities Service Company.

FUNDED DEBT

None.

Officers: Theodore Chapin, Pres.; M. R. Moranc V-P.; John J. C. Jaye, Sec. & Treas.

Directors: Theodore Chapin, John J. C. Jaye, Man uel R. Morano.

Office, Laredo, Tamaulipas, Mexico.

COMPANIA TERMINAL "IMPERIO" S. A.

(Controlled by Cities Service Company)

History—Incorp. Feb. 23, 1920, under the laws o Mexico. Owns and operates an oil terminal locate on the Panuco River, about five miles down the Rive from Tampico. Has large storage facilities for oi which is exported by tankers to the United State and other countries.

CAPITAL STOCK

Authorized and outstanding, $50,000 Common "A" par, $5. Cities Service Company owns $49,985 (99. 97%) of the stock. Annual meeting, during first thre months of year.

FUNDED DEBT

None.

Officers: Enrique Aguerrevere, Pres.; Enrique Gar za, Sec.; U. H. Benderman, Treas.

Directors: Enrique Aguerrevere, Enrique Garza and U. H. Benderman.

Consulting Board: V. R. Garfias, E. H. Johnston T. I. Carter.

Office, Mexico City, Mex.

COLORADO-WYOMING GAS COMPANY

(Subsidiary of Cities Service Company)

History—Incorporated December 1, 1925 in Dela ware. Company distributes natural gas at wholesal in Cheyenne, Wyo., through the Cheyenne Light Fuel and Power Co., and in Fort Collins, Wyo through the Public Service Co. of Colorado, servin

directly a population of about 32,000. Miles of gas ains, 46. Sales of gas in 1927, 592,083,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding 1,000 shares of no par lue. Cities Service Company owns 99.8% of the ock. Annual meeting, first Tuesday after first Mon- y in April at Dover, Delaware.

Officers: H. L. Doherty, Pres.; J. D. Creveling, V-P.; F. R. Coates, V-P., New York; C. J. Shortess, V-P. & Gen. Mgr.; H. P. Davis, Sec., Fort Collins, Colo.; L. F. Musil, Treas., New York.

Directors: H. L. Doherty, J. D. Creveling, H. O. Caster, F. R. Coates, New York; C. J. Shortess, Fort Collins, Colo.

Office, Ft. Collins, Colo.

CONSOLIDATED CITIES LIGHT, POWER & TRACTION CO.

(Controlled by Cities Service Company)

History—Incorporated June 14, 1912, in Del., as a lding company for public utilities. It acquired the ocks of a number of gas, electric and kindred prop- ties, and the securities were deposited as collateral secure the First Lien 5% Gold Bonds of the Com- ny, due July 1, 1962. Subsequently, Cities Service ompany purchased securities of the various public ilities previously owned by Consolidated Cities ght, Power & Traction Co., and guaranteed pay- ent of the latter Company's bonds, which are se- red by lien on the said securities. The bonds are direct obligation of Consolidated Cities Light, Power Traction Co., guaranteed by Cities Service Com- ny and secured by deposit with the Trustee of cer- in securities as indicated below.

CAPITAL STOCK

Authorized, $10,000,000 Common; outstanding, 51,100; par, $100. Cities Service Company owns 50,000 (99.562%) of the stock. Annual meeting, st Tuesday in June.

FUNDED DEBT

$10,000,000 FIRST LIEN GOLD 5s; DUE JULY 1, 1962

Dated July 1, 1912.

Interest Payable January and July 1, at Company's fice, 60 Wall St., New York, and at Lloyd's Bank, td., London, Eng. (in sterling at fixed rate of $4.86 3 to the £1).

Denominations—Coupon, $100, $500 and $1,000, incipal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Issued and outstanding, $10,- 0,000. The aggregate principal amount of bonds au- orized, together with all other indebtedness of the ompany secured by lien upon its property, real or ersonal, shall at no time exceed five times the author- ed capital stock of the Company.

Additional bonds may only be issued when the net rnings of the Company (including the net earnings any property to be acquired from the proceeds of nds to be issued) shall, for twelve months preceding, ve equaled at least 1½ times annual interest charges all bonds of this issue outstanding and to be issued.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date upon not less than 3 months' notice.

Sinking Fund—Sinking fund, beginning Jan. 1, 1919, 1% per annum of outstanding bonds on previous Jan. 1, to be applied in purchasing bonds at or under 105 or in redeeming bonds (by drawings) at that price, or in purchasing bonds of any of the companies whose stocks form part of the security for these bonds; or the Company may deposit bonds of this issue which will be accepted in lieu of cash as the equivalent to a payment of 105 and interest. Bonds in the sinking fund are to be kept alive and draw interest for the benefit of the fund. As of Dec. 31, 1927, $1,269,900 held alive in sinking fund.

Security—Secured by deposit and pledge with the trustee of bonds and stocks of the following companies:

Bonds—	Par Value
Dominion Gas Co. 5% coll. tr. bonds	$2,000,000
So. Ontario Gas Co., Ltd., 1st Mtge. 5% bonds	1,250,000
Common Stock—	
Central Ohio Gas & Electric Co.	2,497,900
Chesebrough Building Co.	1,200,000
Dominion Gas Co.	3,000,000
New York & Northern Gas Co.	10,000,000
Southern Ontario Gas Co., Ltd.	4,708,000

Guaranty—Unconditionally guaranteed, principal and interest, by endorsement, by Cities Service Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Maryland 4½ mills and Pennsylvania 4 mills tax refunded.

Original Offering—First publicly offered in London ($7,000,000) in June, 1912, at 90; $3,000,000 additional offered in U. S. in Jan., 1917, at 92½ and interest to yield about 5.45,% by Brooke, Stokes & Co., and Klemm & Keen, Philadelphia.

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	91	89	82½	76½	78	82½	82¾	90
Low	87½	80	75½	64	72½	73	64	59½

EARNINGS STATEMENT, YEARS ENDED DECEMBER 31

(Showing the amount accruing to the stocks and bonds deposited under the mortgage)

(1923 Figures not Available)

	1927	1926	1925	1924	1922	1921
oss earnings	$5,031,242	$5,635,064	$5,138,533	$5,201,747	$11,326,271	$10,122,408
Operating expenses, maintenance and taxes	2,666,532	2,878,760	2,684,761	2,352,131	7,431,788	7,287,179
Net available for interest and reserve	$2,364,710	$2,756,304	$2,453,772	$2,849,616	$3,894,483	$2,835,229
terest charges of subsidiaries	807,288	747,952	839,063	1,329,000	2,047,277	1,913,778
Net to stocks and reserves	$1,557,422	$2,008,352	$1,614,709	$1,520,616	$1,847,206	$921,451
vidends on subsidiary companies Pfd. stocks and amounts accruing to minority Common stocks	‡1,113	*134	*1,796	*34,665	196,877	97,636
Net to Common stocks and reserves	$1,558,535	$2,008,218	$1,612,913	$1,485,951	$1,650,329	$823,814
ld interest on bonds included in collateral, this being part of above deduction for subsidiary int.	162,500	162,500	162,500	168,500	162,500	167,500
Total earnings accruing to securities pledged to secure the Consolidated Cities Light, Power & Traction Co. bonds	$1,721,035	$2,170,718	$1,775,413	$1,654,451	$1,812,829	$991,314
nnual interest on outstanding Consolidated Cities Light, Power & Traction Co. 5% bonds	†$434,905	†$444,275	†$450,575	$457,925	$472,775	$478,925

*Amounts accruing to minority Common stocks only. †Outstanding Dec. 31, 1925, $9,001,500; Dec. 31, 1926, $8,885,550; ec. 31, 1927, $8,698,100. ‡Credit.

Officers: E. H. Johnston, Pres.; T. I. Carter, V-P.; P. R. Jones, Sec.; W. P. Lehrer, Treas., New York.
Directors: C. A. Frueauff, Warren W. Foster, Henry L. Doherty, L. F. Musil, T. I. Carter, Paul R. Jones, E. H. Johnston, C. B. Wedum, W. P. Lehrer, E. E. McWhiney, New York; Leslie M. Shaw, Washington, D. C.
Office, 60 Wall Street, New York.

CONSUMERS GAS COMPANY

(Controlled by Cities Service Company)

History and Property—Incorporated October 31, 1907, under the laws of Indian Territory, now the State of Oklahoma, for a period of twenty years. Supplies natural gas in the City of Miami and towns of Commerce, Blue Jacket, Picher, Douthat, North Miami, Cardin and Welch, Okla.; and towns of Chetopa, Edna and Bartlett, Kan. Population served, about 31,246. Franchises expire at various dates from Oct., 1927, to March, 1934. Miles of gas pipeline, 65.84 on 3 inch basis. No. of customers, 4,236. Sales in 1927, 410,157,000 cu. ft., compared with 883,057,000 cu. ft. in 1926, 1,682,980,000 cu. ft. in 1925, 1,679,483,000 cu. ft. in 1924 and 1,711,488,000 cu. ft. in 1923.

CAPITAL STOCK

Authorized, $300,000; outstanding, $60,000; par, $25. $59,875 (99.7917%) owned by Cities Service Co.
Annual Meeting—Second Tuesday in February.

FUNDED DEBT

None.

Officers: B. C. Adams, Pres., Kansas City, Kan.; R. D. Garver, V-P., Kansas City, Mo.; Harry Warner, Sec. & Treas.; J. L. Parker, Pur. Agt.; C. L. Bullock, Supt., Bartlesville, Okla.
Directors: B. C. Adams, H. A. Russell, Kansas City, Kan.; R. E. Holland, Miami City, Mo.; R. D. Garver, Kansas City, Mo.; E. F. Lohmann.
General Office, Kansas City, Mo.

CREW LEVICK COMPANY

(Controlled by Cities Service Company)

History—The Crew Levick Company business was founded in 1862 and was first incorporated in Pennsylvania in 1890. The present Crew Levick Company was incorporated in Pennsylvania in Sept., 1916, and is the successor of the former Crew Levick Company, Combination Oil Company, Lawrence Company, Muir Oil Company, Pemrick Company and Muir & Sheasley Company; also Bessemer and Muir Pipe Line Companies. Crew Levick Co. is engaged in producing, refining and marketing petroleum and its products, principally marketing, including importing and exporting. Controls **Eastern Oil Processing Co.**

Company owns about 100 acres of land on Petty's Island, in the Delaware River, opposite Philadelphia, where it operates a refinery and compounding plant for the handling of petroleum products for export. The maximum storage capacity is in excess of 970,000 bbls., including 55,000 and 80,000 bbl. tanks and others ranging from 5,000 to 30,000 gallons. Operates two refineries with a capacity of 6,000 bbls. per day, making all petroleum products.

The company also has its own pipeline system, comprising 200 miles of main and gathering lines, and oil production in Pennsylvania and Ohio, where it operates about 732 wells. Company also has a compounding plant, 2 export stations near Philadelphia and at Chester, Pa., and distributing stations in Delaware, Connecticut, Pennsylvania, New York, Maryland, Massachusetts and New Jersey. Company leases tank cars from Cities Service Tank Line Company.

CAPITAL STOCK

Authorized, $3,500,000 Common and $3,500,000 Pfd.; outstanding, $3,001,500 Common and $3,500,000 Pfd.; par, $100. Cities Service Company owns $3,000,40 (99.963%) of the Common stock. Annual meeti fourth Monday in January.

FUNDED DEBT

(1)

$2,552,500 FIRST MORTGAGE 6% GOLD BONDS; DUE AU UST 1, 1931

Dated August 1, 1916.
Interest Payable February and August 1, at Hen L. Doherty & Co., New York.
Denominations—Coupon, $100, $500 and $1,0 principal may be registered.
Trustee—Commercial Trust Co., Philadelphia.
Provisions of Issue—Authorized, $15,000,000; sued, $4,894,500, of which $2,342,000 retired by sinki fund to Dec. 31, 1927. Additional bonds can be issu only for 75% of the cost of betterments, improveme and the acquisition of new property, and then on when the net earnings of Company, including i earnings, on the property, if any, to be acquired, the twelve months preceding have been at least times total interest charges on the bonds outstandi and those to be issued.
Callability—Subject to call as a whole but not part (except for sinking fund) at 107 and interest, on two weeks' published notice. The mortgage p vides for an annual sinking fund of 5% of the ma mum amount of bonds issued and certified by Trustee.
Sinking Fund—The sinking fund operates semi-a nually, Feb. and Aug. 1, and will retire bonds at and accrued interest, or call at that figure on t weeks' published notice. Company may submit bo to the Trustee for acceptance instead of cash.
Security—Secured by a first mortgage on all pro erty owned by the Company in fee or hereafter quired, and by pledge of oil leases.
Tax Provisions—Company pays Normal Federal come Tax up to 2%.
Original Offering—First publicly offered ($3,0 000) in Sept. 1916, at par and interest, by Elkins, M ris & Co., and Montgomery, Clothier & Tyler, Phi delphia, and Kissel, Kinnicutt & Co., New Yo $376,000 additional offered at same price in Feb., 19 $1,500,000 offered in May, 1921, by Shonnard, Mills Co., New York.

(2)

$1,500,000 THREE-YEAR 6% GOLD NOTES; DUE JULY 1, 19

Dated July 1, 1925.
Interest Payable January and July 1, in New Yo or Philadelphia.
Denominations—Coupon, $500 and $1,000; princi may be registered.
Trustee—Franklin Trust Company, Philadelphia.
Callability—Subject to call as a whole or in p on 30 days' notice at 102 and accrued interest on before July 1, 1926; thereafter up to and includi July 1, 1927, at 101 and accrued interest; thereafter to and including January 1, 1928, at 100½ and accru interest; thereafter, at 100 and accrued interest.
Security—These notes are a direct obligation Crew Levick Co. The indenture provides that additional mortgage debt may be created or the pr ent mortgage debt increased by the company wh any of these notes are outstanding, except purch money mortgages and then existing mortgages properties hereafter acquired, unless the proce thereof are applied to the retirement of notes of t issue.
Tax Provisions—Company pays Normal Fede Income Tax up to 2%. Free of the present Penns vania Four Mill Tax.
Legal Opinion—Frueauff, Robinson & Sloan, N York, N. Y.
Original Offering—First publicly offered ($1,50 000) in July, 1925, at 98 and interest, to yield abo 6.75%, by Henry L. Doherty & Co., New York.

EARNINGS, YEARS ENDED DECEMBER 31

	Gross Revenue	Net Earnings Available for Interest & Reserves
18	$8,772,641	$874,750
19	7,880,582	409,267
20	11,842,380	882,702
21	6,392,358	*457,988
22	7,575,060	*148,761
23	9,333,655	*33,999
24	8,521,917	118,166
25	10,681,879	548,430
26	10,825,762	588,896
27	12,038,066	101,376

During 1921, 1922 and 1923, owing to the adverse conions then prevailing in the petroleum industry generally, operations of these years resulted in deficits in the amounts own.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
oss earnings	$12,038,066	$10,825,762
erating expenses	11,936,690	10,315,294
Net earnings from operation	$101,376	$510,468
n-operating income	.....	78,428
Net earnings	$101,376	$588,896
terest on bonds	158,046	172,733
Balance	*$56,670	$416,163

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
ant and investment	$10,974,548
curities owned	283,091
ude and refined oils	2,320,086
nker fuel	220,657
erating stores and supplies	82,911
tes and acceptances receivable	13,109
rketable securities	1,000
counts receivable	824,702
penses paid in advance	57,504
sh	499,807
d debts receivable	30,255
spended expense	62,980
nd discount and expense	131,255
counts receivable—affiliated cos.	150,360
tes receivable—affiliated cos.	8,065
rnings receivable	*42,833
ficit	474,142
Total	$16,091,639
Liabilities—	
mmon stock	$3,001,500
eferred stock	3,500,000
nds outstanding	2,552,500
ld notes outstanding	1,500,000
ortgage notes outstanding	163,700
tes payable	1,726,194
uchers payable	352,450
neral ledger account payable	2,638
terest payable accrued	73,662
xes accrued	76,491
placement reserve	230,858
d debts reserve	99,475
counts payable—affiliated cos.	19,307
counts payable—fiscal agants	2,768,470
juries and damages reserve	†5,035
her reserve	29,429
Total	$16,091,639

*Credit. †Debit.

Officers: H. L. Doherty, Pres.; A. M. McBurney, -P.; R. M. Shanklin, V-P.; C. E. Foster, V-P.; H. D. ueauff, V-P.; W. W. Martin, Sec.; Edw. J. Hasse, reas.

Directors: C. E. Foster, Edw. J. Hasse, R. M. anklin, H. O. Caster, Henry L. Doherty, A. M. McBurney, W. W. Martin, L. F. Musil, Paul R. Jones, D. Frueauff, W. A. Jones, F. R. Coates.

General Office, 219 North Broad St., Philadelphia, a.

ASTERN OIL PROCESSING COMPANY

(Controlled by Crew Levick Company)

History—Incorporated Sept. 22, 1925, in Delaware, perpetuity to engage in oil production, refining and arketing. Crew Levick Co. acquired all of the Comon stock except directors' qualifying shares in Sept., 25. Company operates cracking stills on Petty's land.

CAPITAL STOCK

Authorized and outstanding, $258,500 Common; par $100. All owned, except directors' qualifying shares, by Crew Levick Company.

Annual Meeting—First Tuesday after Monday in April.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; F. R. Coates, V-P.; W. A. Jones, V-P.; C. E. Foster, V-P.; E. E. McWhiney, Sec.; T. A. Wallace, Treas.

Directors: C. E. Foster, W. A. Jones, H. L. Doherty, F. R. Coates, H. O. Caster, H. D. Frueauff, R. G. Griswold.

Office, Dover, Del.

DOMINION GAS COMPANY

(Controlled by Cities Service Company)

History—Incorporated in June, 1912, in Maine. Is a holding company, owning over 99% of the stock of The Dominion Natural Gas Co., Ltd.; over 86% of the stock of The Brantford Gas Co., and 96% of the stock of The United Gas Cos., Ltd.; also 4.75% of stock of Southern Ontario Gas Co.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par, $100. Cities Service Company owns $2,999,500 (99.983%) of the stock. Annual meeting, first Monday in October.

FUNDED DEBT

$5,000,000 COLLATERAL TRUST GOLD 5s; DUE JULY 1, 1952

Dated July 1, 1912.

Interest Payable January and July 1, at Henry L. Doherty & Co., New York.

Denominations—Coupon, $100, $250, $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized issue, $5,000,000; additional bonds may be drawn for corporate purposes upon resolution by Board of Directors. Of the outstanding bonds, $1,454,000 are owned by New York & Northern Gas Company; $2,000,000 are owned by Consolidated Cities Light, Power & Traction Company and pledged under its first lien 5s of 1962, and $1,108,000 held in sinking fund Dec. 31, 1927.

Callability—Subject to call in whole or in part by lot upon 3 months' notice on any interest date at 105 and accrued interest.

Sinking Fund—Beginnning Jan. 1, 1919, a sum must be set aside yearly, equal to 2% of all bonds outstanding on Jan. 1 of previous year, for purchase of bonds at not exceeding 105, or call at that figure. In lieu of cash payments, bonds secured hereby, with all unmatured coupons attached, will be equivalent to a cash payment of 105 and accrued interest. Bonds to be kept alive in sinking fund. On Dec. 31, 1927, $1,108,000 principal amount of bonds was held in sinking fund.

Security—Secured by pledge of the following securities: $105,380 Common stock and $16,200 First Mtge. 5% bonds, due 1929 of The Brantford Gas Co.; $1,375,600 Common stock of The Dominion Natural Gas Co., Ltd.; $275,100 Common stock of The United Gas Cos., Ltd.; and $279,300 Common stock of the Southern Ontario Gas Co., Ltd. All securities or property hereafter acquired must likewise be pledged.

Tax Provisions—Company does not pay Normal Federal Income Tax.

OFFICERS AND DIRECTORS

Officers: H. L. Doherty, Pres.; Louis F. Musil, V-P.; E. H. Johnston, Sec. & Treas., New York.

Directors: Louis F. Musil, E. H. Johnston, H. L. Doherty, T. A. Wallace, F. L. Blackburn.

Office, 60 Wall St., New York.

THE BRANTFORD GAS COMPANY

(Controlled by Dominion Gas Company)

History—Incorporated March 25, 1854, in Ont. Supplies gas obtained from Southern Ontario Gas Co., Ltd., through over 61.33 miles of distributing mains, to 3,400 consumers in the city of Brantford, Ont. Population served, over 28,000. Sales of gas (cu. ft.): 1923, 110,791,700; 1924, 101,782,000; 1925, 90,590,000; 1926, 97,589,000; 1927, 106,951,000.

CAPITAL STOCK

Authorized, $200,000; outstanding, $121,820; par, $20. Dominion Gas Company owns $105,520 (86.62%) of the stock. Annual meeting, first Tuesday in May.

FUNDED DEBT

$85,000 First Gold 5s; dated Aug. 1, 1904; due Aug. 1, 1929; int. Feb. and Aug. 1, at Standard Bank of Canada, Brantford, Ont. Coupon, $200 and $500; principal may be registered. Toronto General Trusts Corp., Trustee. Authorized, $150,000. A first lien on entire property.

Officers: H. L. Doherty, Pres.; T. I. Carter, V-P.; New York; S. B. Severson, V-P. & Gen. Mgr.; J. A. Richie, Sec. & Treas., Buffalo, N. Y.

Directors: A. J. Wilkes, Brantford, Ont.; J. A. Richie, D. P. Spencer, Buffalo, N. Y.; S. B. Severson, H. L. Doherty, T. I. Carter, New York; Mayor of Brantford, Ont.

Office, Brantford, Ont.

THE DOMINION NATURAL GAS COMPANY, LTD.

(Controlled by Dominion Gas Company)

History and Properties—Incorporated in Oct. 12, 1904, under Ontario laws; absorbed People's Natural Gas Co., Ltd., Citizens' Natural Gas Co., Ltd., and Mohawk Natural Gas Co., Ltd. In 1915 the following companies were merged with Dominion Natural Gas Co., Ltd.: Enterprise Gas Co., Ltd., Port Rowan Natural Gas Co. Ltd., Norfolk Gas Co., Ltd., Producers Natural Gas Co., Ltd., and Waines & Root Gas Co., Ltd. In 1917 the Thorold Natural Gas Co., Ltd., was absorbed (see 1917 Public Utility Volume, page 1352). On Sept. 1, 1925, The Ingersoll Gas Light Co. and Woodstock Gas Light Co. were merged (see 1925 Public Utility Manual, page 1294).

Leases gas acreage in Norfolk, Haldimand, Wentworth, Elgin, Lincoln, Waterloo and Brant Counties, Ont. Distributes in the following communities: Canboro, Cayuga, Delhi, Dundas, Dunnville, and Mt. Hamilton (part of the City of Hamilton), Eden, Galt, Hagersville, Ingersoll, Jarvis, Lynedoch, Paris, Port Burwell, Port Dover, Port Rowan, Selkirk, Simcoe, St. George, St. Williams, Straffordville, Tilsonburg, Vienna, Vittoria, Woodstock and numerous other communities and cities in Ontario. Company also sells gas to local distributing companies in Brantford, Hamilton and Onondaga. Company has 734 producing gas wells, a system of more than 761.33 miles of pipe lines and distribution mains serving a population of about 228,404. Distributes directly to 14,838 consumers.

OPERATING STATISTICS, YEARS ENDED DECEMBER

	Gas Production (Cubic Feet)	Gas Sale (Cubic Fe
1923	1,575,109,000	1,945,142,(
1924	1,150,979,000	1,458,759,(
1925	1,113,409,000	1,506,045,(
1926	1,041,263,000	1,832,396,(
1927	965,400,000	1,501,337,(

CAPITAL STOCK

Authorized and outstanding, $1,376,120; par, $100. Domini Gas Company owns $1,375,600 (99.964%) of the stock. Annu meeting, fourth Wednesday in January.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; F. R. Coates, V-P., Ne York; S. B. Severson, V-P. & Gen. Mgr.; J. A. Richie, Sec. Treas., Buffalo, N. Y.

Directors: H. L. Doherty, J. D. Creveling, F. R. Coates, Ne York; S. B. Severson, J. A. Richie, Buffalo, N. Y.

Office, Buffalo, N. Y.

THE UNITED GAS COMPANIES, LTD

(Controlled by Dominion Gas Company)

History and Property—Incorporated July 8, 1903, in On as The St. Catharines & Niagara Power & Fuel Co., L Name changed in June, 1907. Acquired Niagara Peninsul Power & Gas Co., Ltd., and St. Catharines Drilling C Leases gas acreage in Haldimand, Lincoln and Welland counties, in Ontario, Canada. Company has 75 producin gas wells. Distributes in City of St. Catharines and followin communities: Thorold, Fenwick and Pelham. Populati served, about 41,407. Miles of mains, 91.783. Number customers, 5,373. Number of meters, 5,319. Gas productio (cu. ft.): 1923, 7,391,900; 1924, 84,113,000; 1925, 78,116,00 1926, 81,419,000; 1927, 65,548,000. Gas sales (cu. ft.): 19 285,370,000; 1924, 268,107,000; 1925, 262,231,000; 1926, 292,28 000; 1927, 287,008,000.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Domini Gas Company owns $294,802 (98.301%) of the stock. Annu meeting, January 25.

Officers: H. L. Doherty, Pres.; F. R. Coates, V-P., Ne York; S. B. Severson, V-P. & Gen. Mgr.; J. A. Richie, Sec. Treas., Buffalo, N. Y.

Directors: H. L. Doherty, F. R. Coates, New York; H. Hall, Hamilton, Ont.; S. B. Severson, J. A. Richie, Buffal N. Y.

Office, St. Catharines, Ont.

EMPIRE GAS & FUEL COMPANY (DELAWARE)

(Controlled by Cities Service Company)

History—Incorporated Sept. 13, 1912, in Del., as Western Gas & Fuel Co.; name changed to Empire Gas & Fuel Co. Oct. 3, 1912. Existence perpetual. In April, 1916 acquired property of the Continental Oil and Gas Company. On June 12, 1919, the present company was formed by consolidation of the old company of the same name and Southwestern Industries Company. Effective July 1, 1919, acquired the property of the Empire Gas and Fuel Company, Inc., and the Common stocks of Empire Gas and Fuel Company (Maine), Empire Gas and Pipeline Company, Empire Gasoline Company, Empire Petroleum Company, Empire Refining Company (Delaware), Kansas Natural Gas Company and Empire Natural Gas Company. Effective November 30, 1926, the Company segregated its natural gas and oil interests, except Indian Territory Illuminating Oil Company, into two new corporations, Cities Service Gas Company and Empire Oil and Refining Company.

The following companies are controlled throug ownership of stock:

Name of Company	% of Outstandi Stock Own
Cities Service Gas Company	100
American Pipeline Company	100
Empire Oil & Refining Company	100
Cities Service Oil Co., Delaware	100
Empire Gas & Fuel Co., Maine	100
Empire Pipeline Company	100
New Oil Processing Company	100
Indian Territory Illuminating Oil Company	68.22
Delmar Oil Company	100
Osage Producers Gas Company	100
Pawhuska Oil & Gas Company	100
Westerly Oil Company	87.5

Business—A petroleum and natural gas holdin company, owning all of the Common stocks, excep directors' qualifying shares, of Cities Service Ga Company and Empire Oil & Refining Company an 68% of the Common stock of Indian Territory Illum nating Oil Company. The Empire Gas and Fu

EMPIRE GAS AND FUEL COMPANY 7% CUMULATIVE PREFERRED STOCK

Henry L. Doherty & Company

60 Wall Street Securities Department New York

ompany and its subsidiaries comprise an organiza-on which is a complete unit in the petroleum in-ustry, comprising the four essential steps—produc-on, transportation, refining and marketing. It is one the largest producers of high grade refinable petro-um with its producing properties located principally the Mid-Continent Field (Kansas, Oklahoma and issouri). In addition, the Empire organization ranks one of the most important single factors in the tural gas industry.

Petroleum—The oil producing properties are located incipally in the states of Kansas, Oklahoma and exas including holdings in the most important dis-icts in the Mid-Continent field with over 3,700 oil ells which produced in 1927 26,744,755 barrels of oil compared with 10,636,021 in 1926 and 8,973,708 in 25. Transportation of crude oil is provided by a bsidiary owning about 900 miles of pipeline con-cting various producing wells owned by the com-ny and others with its refineries. Approximately 300 tank cars are operated under lease from affiliated mpanies. Four refineries are owned and operated ith a daily capacity of approximately 20,000 barrels crude oil located at Ponca City, Okmulgee, Cushing, klahoma and Gainesville, Texas. Over 480 tank and soline stations located in 12 states are owned rough subsidiaries and distribute petroleum pro-icts.

Natural Gas—The natural gas subsidiaries handle average of more than 118,000,000 cubic feet of gas ily through 2,700 miles of pipeline supplying natural s at wholesale to local companies, serving over 135 mmunities in Kansas, Oklahoma and Missouri, terri-ry thus served having population of approximately 300,000. In addition to its own gas production the mpany purchases gas under favorable contracts m other producers. The wells to which the system connected have an aggregate daily open flow capa-y of approximately 1,250,000,000 cubic feet.

Natural Gas-Gasoline—The company through sub-diaries owns and operates 19 absorption and com-essor gasoline plants which in 1927 produced 40,-2,671 gallons of natural gas-gasoline.

CAPITAL STOCK

Authorized, $75,000,000 (increased from $62,500,-0 July 5, 1922) Common, $500,000,000 8% and 70,000,000 7% Pfd.; outstanding, Dec. 31, 1927, 7,405,357 (750,000 shares no par), Common, $28,726,-6 8% cumulative Pfd. and $25,697,700 7% cumulative d.; par, $100. Since Dec. 31, 1927, there has been sued $5,000,000 6½% cumulative Pfd. stock. Cities rvice Co. owns $37,403,113 (99.994%) of the Com-on stock and $4,350,700 Pfd. as of Dec. 31, 1927.

Pfd. Stock Provisions—Has preference for assets d dividends; has no voting rights unless dividends e in arrears for two years. This Pfd. stock is issued bject to an authorized amount of $150,000,000 nded debt which the Company is authorized maintain as senior to this stock under the provisions verning the issue thereof; additional funded debt ay be created in an amount not exceeding one-half the expenditures of the Company for capital account. eyond $75,000,000, Pfd. stock is authorized to be sued only in amounts equal at par to the reduction any funded indebtedness authorized under the pro-sions governing the Pfd. stock to stand ahead of it, d in the event of the subsequent re-establishment of ch indebtedness the Pfd. stock will be proportionate-ly reduced, and in addition, the Company is authorized to issue Pfd. stock in an amount equal to 2/3 of the additional expenditures for capital account in the property of the Company or its subsidiaries which have not been capitalized by bonds or Pfd. stock of the Company having a claim on the assets of the Company senior to, or equal with, that of this Pfd. stock.

Under the provisions authorizing the Pfd. stock, the Company is to retire each year 5% of the par amount of Pfd. stock outstanding, unless there shall have been expended for capital account of the Company or of its subsidiaries, an amount equivalent to 7½% of the par amount of Pfd. stock outstanding, which expenditures have not been capitalized by bonds or Pfd. stock having a claim on the assets of the Company senior to, or equal with, that of this stock, which provision shall be cumulative. The Company shall have credit with reference to this sinking fund per annum for any additional property it has created in the satisfaction of any of its mortgage provisions.

Callability—The Pfd. stock is subject to call as a whole or in part at any time on 60 days' notice at 115 for the 8%, 107 for the 7% and 105 for the 6½%, plus accrued dividends in each case.

Transfer Agents (7% and 8% Pfd.)—Henry L. Doherty & Co., New York, Northern Trust Co., Chicago, Empire Gas and Fuel Co., Bartlesville, Okla., and Wells Fargo Bank & Union Trust Co., San Francisco. (6½% Pfd.)—Henry L. Doherty & Co., New York, Illinois Merchants Trust Co., Chicago, Empire Gas & Fuel Co., Bartlesville, Okla., and Wells Fargo Bank & Union Trust Co., San Francisco.

Registrars (All Classes of Pfd.)—Empire Trust Co., New York, Union Trust Co., Chicago, Union National Bank, Bartlesville, Okla., and Crocker First Federal Trust Co., San Francisco.

Annual Meeting—First Tuesday in September.

Listed (Pfd.)—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
7% Pfd.—					
High	101	95	..	..	..
Low	92½	91	..	..	..
8% Pfd.—					
High	111¾	98	98	93	95
Low	101	91¾	90	85	84

Dividends—Pfd. Dividends are paid monthly, on the first of each month, to holders of record on the 15th of the preceding month. Initial monthly dividend of 54 1/6 cents per share on the 6½% Pfd. stock was paid May 1, 1928.

FUNDED DEBT

$18,000,000 5% SERIAL GOLD NOTES; DUE $6,000,000 EACH JUNE 1, 1928, 1929 AND 1930

Dated June 1, 1927.

Interest Payable June and December 1, at office of Halsey, Stuart & Co., Inc., Chicago, and at agency of the Company in New York.

Denominations—Coupon, interchangeable denominations of $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Purpose of Issue—Proceeds from the sale of these notes and of Empire Oil and Refining Company First Mortgage and Collateral Trust 5½% Gold Bonds, Series of 1927, and of Cities Service Gas Company First Mortgage Pipeline 5½% Gold bonds, Series of 1927, were to be used for the retirement of all the out-

EMPIRE GAS AND FUEL COMPANY, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit

San Francisco Minneapolis Philadelphia

standing bonds of Empire Gas and Fuel Company and of Kansas-Oklahoma Gas Company, and for other corporate purposes.

Callability—Subject to call as a whole or in part on 60 days' notice at a premium of ¼ of 1% for each year of unexpired life or part thereof, plus accrued interest in each case; the series shall be redeemed in the inverse order of their respective maturities.

Security—On completion of present financing Company will have no funded indebtedness except these notes which constitute a direct obligation of the Company. The Indenture provides that while any of these notes are outstanding, Empire Gas and Fuel Company will not pledge any of the Common stocks of Empire Oil and Refining Company, Cities Service Gas Company or Indian Territory Illuminating Oil Company without equally and ratably securing these notes, but these subsidiaries may mortgage their own properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse resident holders of these notes, upon proper request within 60 days after payment, for the Pennsylvania, Connecticut and California personal property taxes, not exceeding four mills per annum on the taxable value, and for th Massachusetts Income Tax on the interest, not exceed ing 6% thereof per annum.

Original Offering—First publicly offered ($18,000 000) in May, 1927, by Halsey, Stuart & Co., Inc., Hall garten & Co., E. H. Rollins & Sons, Spencer, Trask & Co., Cassatt & Co., A. B. Leach & Co., Inc., W. C Langley & Co., Paine, Webber & Co., Hill, Joiner & Co., Inc., Federal Securities Corp. and Henry L Doherty & Co., at the following prices: 1928 maturit 100⅛ to yield about 4⅞%; 1929 maturity, 99¾ t yield about 5⅛% and the 1930 maturity at 99¼ t yield about 5¼%.

CONSOLIDATED PROFIT AND LOSS ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Surplus as at Nov. 30, 1926 (majority stockholder $66,338,767; minority stockholders, $1,813,334), $68 152,101; less adjustments to surplus applicable to pre vious years, $994,604—adjusted surplus, $67,157,49 Add: Balance of 1927 income, as above, $9,847,449 total surplus as at Nov. 30, 1927, $77,004,946 of whic to majority stockholders, $72,781,744; minority stock holders, $4,223,202.

CONSOLIDATED BALANCE SHEET, NOVEMBER 30
(Empire Gas & Fuel Co. (Del.) and Subsidiary Companies)

Assets—	1927	1926	1925	1924	1923
Oil and gas properties, leaseholds pipelines, refineries, service stations, organization, etc.	$262,216,386	$275,688,483	$264,550,613	$264,464,833	$262,744,5
Miscellaneous investments	158,579	162,583	224,606	172,618	201,5
Trustee release account funds	.....	192,266	60,472	122,517	187,4
Cash	7,638,133	6,580,867	4,430,493	3,427,722	2,891,2
Stores and supplies	4,663,283	3,829,816	3,920,373	4,586,369	5,211,9
Crude & refined oils (market value)	17,718,036	7,103,726	8,973,256	6,691,458	5,033,3
Notes, accounts and interest receivable	568,084	889,438	.....	461,542	391,9
Customers' accounts receivable	2,382,206	2,957,906	2,840,504	2,611,241	2,626,0
Security sales accounts receivable	.....	.....	.....	318,412	115,0
Accounts receivable from sundry & affiliated Companies	773,089	1,264,274	1,713,974	884,061	1,483,0
Due from affiliated companies (not current)	.....	221,341	1,858,857	4,078,339	3,346,0
Oil & gas accounts receivable suspended	.....	.....	48,712	611,222	629,5
Oil & gas accounts, in litigation	256,569	266,499	293,183	368,481	1,165,7
Accounts receivable—collection deferred	.....	.....	.....	218,857	246,5
Bad debts receivable reserved for in full	.....	.....	.....	905,192	.....
Prepaid accounts	527,235	434,521	381,761	423,747	423,7
Expenses of oil in storage	2,021,472	.....	.....	.....	.....
Bond discount & expense	6,509,215	5,717,962	4,952,326	5,331,440	6,081,3
Other deferred charges	52,664	.....	57,864	108,565	108,9
Securities borrowed	.....	.....	1	1	
Crude & refined oil price reserve	.....	.....	.....	2,845,598	2,761,2
Uncompleted job orders for property in course of abandonment	3,109,889	3,059,685	2,874,642	2,740,423	.....
Pfd. stock subscription installment	.....	.....	49,843	.....	.....
Total	$308,594,941	$308,369,368	$297,231,480	$301,372,638	$295,658,1
Liabilities—					
Common stock	$37,405,357	$75,000,000	$75,000,000	$75,000,000	$75,000,0
Preferred stock	54,424,676	34,426,688	30,638,599	30,357,270	25,354,7
Funded debt	54,543,700	58,731,400	49,109,300	61,427,700	59,281,0
5% Serial Gold notes	18,000,000	.....	.....	.....	.....
Mortgages & purchase money obligations	.....	76,836	1,920,947	2,899,913	398,1
Fiscal agents Notes payable 1927	.....	.....	9,440,000	.....	.....
Notes payable	9,959,099	2,863,525	9,651,335	8,824,216	4,882,3
Accounts payable	1,842,098	1,371,125	1,305,806	1,708,056	1,446,3
Accrued interest, royalties, taxes, etc.	2,477,209	1,247,548	1,034,682	971,033	803,3
Wages, salaries & commissions accrued	400,409	339,308	228,447	.....	.....
Dividends on Pfd. stock	341,635	205,913	204,094	169,049	169,0
Federal Income taxes in dispute	653,686	.....	.....	.....	.....
Customers' deposits	107,759	173,967	183,422	169,776	146,3
Due to parent company	4,411,529	220,248	856,806	821,631	667,4
Fiscal agents accounts payable	240,883	7,461	2,245,029	77,234	3,495,1
Deferred payments on lease purchase obligations	.....	968,707	345,594	268,386	425,7
Sundry deferred items	.....	87,293	97,278	91,440	75,4
Securities pledged	.....	.....	1	1	
Consolidated reserve	.....	.....	.....	68,904,293	70,889,2
Appreciation or revaluation of properties	.....	50,418,059	55,264,988	.....	.....
Reserve for depreciation and depletion	.....	10,040,347	9,335,626	.....	.....
Reserve for inventories	43,306,323	1,062,032	397,751	.....	.....
Possible loss on notes & accounts receivable	17,002	348,933	401,607	1,149,771	489,3
Oil & gas earnings in suspense	321,645	.....	48,712	617,297	1,556,1
Injuries and damages reserve	.....	109,801	87,230	79,938	71,6
Reserve for price fluctuation on crude and refined oils	97,043	.....	.....	3,163,539	.....
Reserve for conversion of Series "C" bonds	.....	.....	687,400	.....	.....
Capital reserve	.....	183,700	.....	.....	.....
Miscellaneous reserves	775,186	58,480	23,769	.....	.....
Minority stockholders interest in subsidiary cos.	6,487,957	4,089,232	4,699,150	3,910,389	3,650,9
Surplus	72,781,745	66,338,767	44,023,907	40,761,706	46,855,7
Total	$308,594,941	$308,369,368	$297,231,480	$301,372,638	$295,658,1

INCOME ACCOUNT, YEARS ENDED NOVEMBER 30
(Empire Gas & Fuel Co. (Del.) and Subsidiary Companies)

	1927	1926	1925	1924	1923	1922
ss earnings	$66,037,811	$61,203,495	$53,618,920	$47,290,727	$44,662,880	$40,193,701
ration and maintenance	34,550,098	41,382,984	36,778,921	36,567,203	33,932,475	29,543,074
et earnings from operation	$31,487,713	$19,820,511	$16,839,999	$10,723,524	$10,730,405	$10,650,627
n-operating income	1,065,850	515,702	469,376	449,997	596,579	657,514
et earnings	$32,553,563	$20,336,212	$17,309,375	$11,173,521	$11,326,984	$11,308,141
ixed Charges—						
rest on funded debt	$4,781,681	$4,057,397	$3,805,608	$4,125,514	$4,097,260	$2,678,407
rest on floating debt		603,205	1,406,895	1,093,344	620,464	824,089
ortization of bond and note discount	673,945	707,319	871,608	1,097,011	1,132,261	605,977
dry deductions	.....	.....	.....	.....	149,135	.....
vision for Federal taxes	544,220	.....	.....	.....	.....	.....
ority stockholders interest in subsidiaries	.....	531,733	414,261	323,148	135,000	253,965
otal	$5,999,846	$5,899,653	$6,498,372	$6,639,017	$6,134,121	$4,362,438
alance	$26,553,717	$14,436,560	$10,811,003	$4,534,504	$5,192,863	$6,945,702
reciation and depletion	13,645,016	.....	4,838,896	4,456,526	4,050,617	3,397,157
alance	$12,908,701	.....	$5,972,107	$77,978	$1,142,247	$3,548,545
ferred dividends	3,061,252	.....	2,432,264	2,028,581	2,011,286	1,661,532
alance	$9,847,449	.....	$3,539,843	†$1,950,603	†$869,039	$1,887,013
nes Interest and Discount Earned	5.42	3.79	3.40	1.77	1.93	2.75
rnings Per Share—						
referred	$48.79	$41.93	$35.28	$14.94	$20.48	.....

*Before depreciation and depletion. †Deficit.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, NOVEMBER 30

	1927	1926	1925	1924	1923
urrent Assets—					
h	$7,638,133	$6,580,867	$4,430,493	$3,427,722	$2,891,249
entories of crude and refined oils	17,718,036	7,103,726	8,973,256	6,691,458	5,033,328
counts receivable—customers	2,382,206	2,957,906	2,840,504	2,611,241	2,626,035
tes, accounts and int. receivable from affiliated companies	773,089	1,264,274	1,486,241	884,061	1,483,012
tes, accounts and int. receivable—sundry	568,084	889,438	227,733		
tes and acceptances receivable	.....	.....	.....	461,542	391,906
urity sales accounts receivable	.....	.....	.....	318,412	115,041
collected installments on subscriptions to Pfd. stock	.....	.....	49,843	.....	.....
terials and supplies	4,663,283	3,829,816	3,920,373	4,586,369	5,211,927
otal	$33,742,831	$22,626,027	$21,928,443	$18,980,805	$17,752,497
urrent Liabilities—					
tes payable	$9,959,099	$2,863,525	$9,651,335	$8,824,216	$4,882,315
counts payable	1,842,098	1,230,468	1,305,806	1,708,056	1,446,361
counts payable—affiliated companies	240,882	140,657	.....	.....	.....
ges, salaries and commissions accrued	400,410	339,308	228,447	.....	.....
crued interest royalties and taxes	2,477,209	1,247,548	1,034,682	971,033	803,347
vidends on Pfd. stock	341,635	205,912	204,095	169,049	169,032
deral Income taxes in dispute	653,686	.....	.....	.....	.....
otal	$15,915,019	$6,027,418	$12,424,365	$11,672,355	$7,301,054
t Working Capital	$17,827,812	$16,598,609	$9,504,078	$7,308,450	$10,451,443

Officers: H. L. Doherty, Pres.; F. R. Coates, V-P.; T. I. Carter, V-P., New York; H. R. Straight, V-P. & Gen. Mgr.; H. O. Caster, V-P.; F. C. Brown, V-P.; I. W. Harris, Treas.; C. E. Murray, Sec., Bartlesville, Okla.

Directors: Henry L. Doherty, W. W. Foster, W. A. Jones, T. I. Carter, L. F. Musil, H. D. Frueauff, W. A. Sinsheimer, F. R. Coates, New York; H. R. Straight, F. C. Brown, H. O. Caster, Bartlesville, Okla.; John M. McMillin, R. C. Russum, Casimir I. Stralem, H. L. Stuart.

Office, Bartlesville, Okla.

CITIES SERVICE GAS COMPANY

(Controlled by Empire Gas and Fuel Company Delaware)

History and Property—Incorporated April 26, 1927 in Delaware, successor by change of name to Empire Natural Gas Co. Company acquired, directly or through subsidiaries, the entire gas pipeline system and substantially all the other natural gas properties formerly owned by Empire Gas and Fuel Company (Delaware) and subsidiaries, except Indian Territory Illuminating Oil Company (for statements of these companies see General Index).

These combined properties constitute one of the largest gas pipeline systems in the United States. The system consists of over 2,700 miles of pipelines and 13 compressor stations. Gas is sold to local companies serving over 135 cities and communities, including Kansas City and Joplin, Mo.; Bartlesville, Okla.; and Kansas City, Leavenworth, Atchison, Hutchinson, Ottawa, Topeka and Wichita, Kan. Gas so handled averages more than 118,000,000 cubic feet daily.

Management—The management of Cities Service Gas Company is supervised (under the direction and control of the Board of Directors of the Company) by Henry L. Doherty & Company.

CAPITAL STOCK

Authorized and outstanding, 250,000 shares Common stock of no par value. All owned except directors' qualifying shares, by Empire Gas and Fuel Company (Delaware).

FUNDED DEBT

$24,843,700 FIRST MORTGAGE PIPELINE 5½% GOLD BONDS, SERIES OF 1927; DUE MAY 1, 1942

Dated May 1, 1927.

Interest Payable May and November 1, at Halsey, Stuart & Co., Inc., Chicago, and at the agency of the Company in New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; registerable as to principal and interchangeable with fully registered bonds of $1,000 and multiples.

Provisions of Issue—Authorized amount, not limited; issued, Series of 1927, $25,000,000. Indenture provides that while any bonds of the Series of 1927 are outstanding, additional bonds may only be issued to the extent of 70% of the cost or fair value, which-

ever may be less, of property additions and improvements (to be defined in the Indenture) made subsequent to Nov. 30, 1926, to the property of the company and only if the Indenture will be a first lien thereon; provided net earnings before depreciation and depletion, for 12 months out of the immediately preceding 14 months are equivalent to 2½ times the total annual interest charges on all outstanding bonds issued under the Indenture including those proposed to be issued, or that the average annual net earnings for 24 months out of the immediately preceding 26 months are equivalent to 2¼ times such annual interest charges, or that the average annual net earnings for 36 months out of the immediately preceding 38 months are equivalent to 2 times such annual interest charges. Such additional bonds may be issued in other series, with different maturity dates, interest rates, call provisions and other differences, and any series, including this series, may be refunded into another series of like principal amount, less deductions in certain instances, and when such additional bonds are issued, provision must be made so that the sinking funds of all series will aggregate at least 2½% per annum of the principal amount of the bonds to be outstanding upon the issuance of such additional bonds, or additional property will be acquired of twice that amount, or partly the one and partly the other.

Purpose of Issue—Proceeds were used by Empire Gas & Fuel Co. toward retirement of outstanding bonds.

Callability—Subject to call as a whole or in part (except for sinking fund and property replacement fund) at any time on 60 days' notice at the following prices: prior to May 1, 1932, at 103; thereafter and prior to May 1, 1937, at 102; thereafter and prior to May 1, 1941, at 101, and at the principal amount during the last year, plus accrued interest in each case. Redeemable through sinking fund and property replacement fund only, at any time on 30 days' notice at 101 prior to May 1, 1937, and thereafter at the principal amount, plus accrued interest in each case.

Sinking Fund—Company covenants to provide a sinking fund, beginning Nov. 1, 1927, and operating quarterly through Halsey, Stuart & Co., Inc. for the retirement of bonds of the Series of 1927, at the annual rate of 2½% ($625,000) of these bonds by purchase in the market at up to and including 101 prior to May 1, 1937 and thereafter at the principal amount, or call by lot for redemption at such sinking fund call price, on 30 days' notice, plus accrued interest in each case. Company has the right to anticipate its sinking fund obligation or to surrender bonds in satisfaction thereof.

Property Replacement Fund—Company covenants that while any bonds of the Series of 1927 are outstanding, it will provide a fund of not less than $375,000 per annum (in addition to the annual sinking funds), which shall be applied to: (1) The redemption of bonds of this series if such amount of this series is then outstanding, through purchase in the open market or redemption at the sinking fund call prices then in effect, or (2) the making of capital expenditures of the kind for which bonds may be issued, but which expenditures shall not thereafter constitute the basis for further issuance of bonds, or (3) temporary investment in assets to be pledged with the Trustee until applied as provided in (1) or (2). These requirements may be anticipated to accumulate a credit which may be drawn upon by the Company in any future period. If this fund should become in arrears no cash dividends may be paid by the Company on its Common stock until the deficiency is made up.

Security—Secured by a direct first mortgage lien on all the pipelines and compressor stations of the company owned and hereafter acquired (subject only to purchase money and existing liens, if any, on hereafter acquired property).

Tax Provisions—Company pays Normal Federal I come Tax up to 2%. Company agrees to reimbur resident holders upon proper request within 60 da after payment, for Pennsylvania, Connecticut ar California personal property taxes, not exceeding mills per annum on the taxable value, and for th Massachusetts income tax on the interest not excee ing 6% per annum.

Original Offering—First publicly offered ($25,00 000) in May, 1927, by Halsey, Stuart & Co., Inc., H. Rollins & Sons, A. B. Leach & Co., Inc., A. Becker & Co., Spencer Trask & Co., W. C. Langley Co., Cassatt & Co., Paine, Webber & Co., Henry Doherty & Co. and Hallgarten & Co., New York; Fe eral Securities Corp. and Hill, Joiner & Co., Inc., Ch cago.

Listed—New York Curb Market.

Price Range—1927: High, 96½; low, 93.

CONSOLIDATED PROFIT AND LOSS ACCOUNT, YEA ENDED NOVEMBER 30, 1927
(Cities Service Gas Co. and Subsidiaries)

Gross earnings	$10,671,9
Operating expenses and maintenance	5,390,3
Net earnings	$5,281,5
Non-operating income	105,7
Total income	$5,387,2
Interest on funded & floating debt	1,393,9
Amortization of bond discount and expense	190,5
Balance	$3,802,7
Provision for Federal taxes	35,9
Net income before providing for depre. & deple.	$3,766,8

CONSOLIDATED BALANCE SHEET, NOVEMBER 30
(Cities Service Gas Company and Subsidiaries)

Assets—	1927	*1926
Pipelines, compressor stations, leaseholds and gas properties	$56,204,112	$52,829,8
Miscellaneous investments	16,912	18,6
Cash in banks and on hand	1,064,004	711,3
Accounts receivable:		
Customers	351,568	300,4
Current accts. of affiliated companies	644,451	743,5
Notes, accts. & int. receiv.—sundry	35,579	372,2
Materials and supplies	567,174	459,6
Advances to parent company	3,384,192	
Prepaid insurance, rentals & taxes	39,032	2,953,8
Bond discount & expense	2,763,176	
Other deferred charges	11,450	
Property in course of replacement	703,379	675,0
Total	$65,805,029	$59,064,7
Liabilities—		
Common stock (250,000 shares no par)	$25,000,000	$25,000,0
Funded debt	24,843,700	25,000,0
Notes payable	5,000,000	
Accounts payable	370,199	380,6
Wages, salaries & commissions accrued	58,925	33,7
Accrued interest & taxes	396,736	600,7
Customers' deposits	44,808	53,8
Minority stockholders' interest (since acquired)		22,9
Reserves:		
Depreciation and depletion	7,822,068	7,924,4
Bad and doubtful accounts	21,516	19,9
Miscellaneous	41,648	28,3
Surplus	2,205,429	
Total	$65,805,029	$59,064,7

*After giving effect as at that date to the provisions of a agreement dated May 9, 1927, including the acquisition of th capital stocks of certain companies and all or part of the asse of certain other companies, subject to certain liabilities, and th issue of $25,000,000 of 5½% Gold bonds and 250,000 shares Common stock without par value in connection therewith.

Officers: Henry L. Doherty, Pres.; F. R. Coate V-P.; H. O. Caster, V-P.; H. R. Straight, V-P. & Ge Mgr.; F. C. Brown, V-P.; W. A. Jones, V-P.; H. I Montgomery, V-P.; C. E. Murray, Sec.; D. W. Harri Treas.

Directors: H. L. Doherty, F. R. Coates, W. A. Jone H. O. Caster, L. F. Musil, F. C. Brown, H. R. Straigh P. R. Jones, H. L. Montgomery.

Office, 60 Wall St., New York.

AMERICAN PIPELINE COMPANY

(Controlled by Cities Service Gas Co.)

History—Incorporated in June, 1910, in West Virginia. Control of that company was acquired by Empire Gas & Fuel Co. (Del.) from Cities Fuel & Power Co. on March 1, 1926. Effective July 6, 1927 became a subsidiary of Cities Service Gas Co.

Company owns and operates a pipeline from Emporia, Kansas, into Chase County. Sells natural gas wholesale to distributing companies in Emporia. Effective Nov. 30, 1926 the Company sold its interstate gas pipeline to Cities Service Gas Company and its oil and gas leases to Empire Oil & Refining Company.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Gas Production (cu. ft.)	Gas Sales (cu. ft.)
1923	1,157,553,000	1,131,454,000
1924	1,076,740,000	1,020,330,000
1925	783,074,000	24,394,000
1926	492,939,000	9,763,000
1927	50,432,000	590,481,000

CAPITAL STOCK

Authorized and outstanding, $50,000 Common; par, $100. All owned by Cities Service Gas Co. Annual meeting, first Monday in January.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; F. R. Coates, V-P., New York; F. C. Brown, V-P.; H. R. Straight, V-P.; E. Murray, Sec.; D. W. Harris, Treas., Bartlesville, Okla.

Directors: H. L. Doherty, F. R. Coates, New York; C. Brown, H. R. Straight, H. L. Montgomery, Bartlesville, Okla.

Office, Bartlesville, Okla.

EMPIRE OIL AND REFINING COMPANY

(Controlled by Empire Gas & Fuel Company) (Delaware)

History and Properties—Incorporated April 26, 1927, Delaware. Company was organized and acquired directly or through subsidiaries, substantially all the oil properties heretofore owned by Empire Gas and Fuel Company (Delaware) and its subsidiaries, except Indian Territory Illuminating Oil Company. Company controls Cities Service Oil Co. (Del.), Empire Gas & Fuel Co. (Maine), Empire Pipeline Co. and New Oil Processing Co. During 1927 acquired the American Eagle Oil Co., Empire Petroleum Co., Empire Refineries, Inc. (Del.), 59 Osage Oil Co., Midland Oil Co., and Steyner Oil Co. The business is a complete unit of the oil industry, including the four essentials—production, transportation, refining and marketing.

The oil producing properties are located principally in the States of Kansas, Oklahoma and Texas, including holdings in most of the important districts in the Mid-Continent Field, with over 3,200 wells, the gross production of which, during 1927, averaged 33,000 barrels of crude oil daily.

Four refineries, with a daily capacity of approximately 20,000 barrels of crude oil, are located at Ponca City, Okmulgee and Cushing, Oklahoma, and Gainesville, Texas.

Nineteen absorption and compression gasoline plants are operated, which produced 40,372,671 gallons of high grade gasoline during 1927.

Transportation of crude oil is provided through a subsidiary owning over 850 miles of oil pipe lines, connecting various producing wells owned and also wells of others with the above-mentioned refineries. Approximately 2,300 tank cars are operated under lease from affiliated companies.

Company owns 480 tank and gasoline service stations, located in 12 States, which distribute petroleum products. In addition, a well established and extensive wholesale business is conducted.

CAPITAL STOCK

Authorized and outstanding, 700,000 shares of no par value. All of the Common stock of Company, except directors' qualifying shares, is owned by Empire Gas and Fuel Company (Delaware).

FUNDED DEBT

$29,400,000 FIRST MORTGAGE AND COLLATERAL TRUST 5½% GOLD BONDS, SERIES OF 1927; DUE APRIL 1, 1942

Dated April 1, 1927.

Interest Payable April and October 1, at Halsey, Stuart & Co., Inc., Chicago, and at the agency of the Company in New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; registerable as to principal and interchangeable with fully registered bonds of $1,000 and multiples.

Provisions of Issue—Issued, $30,000,000 5½% Gold Bonds, Series of 1927. The indenture provides that while any bonds of the Series of 1927 are outstanding, additional bonds may only be issued to the extent of 50% of capital expenditures in well drilling or acquisition of leaseholds and/or to the extent of 65% of the cost of other capital expenditures (defined in Indenture) made subsequent to November 30, 1926; provided, net earnings (defined in the Indenture) before depreciation and depletion, for 12 months out of the immediately preceding 14 months are equivalent to 4 times the total annual interest charges on all outstanding bonds issued under the indenture plus those proposed to be issued, or that the average annual net earnings for 24 months out of the immediately preceding 26 months are equivalent to 3½ times such annual interest charges, or that the average annual net earnings for 36 months out of the immediately preceding 38 months are equivalent to 3 times such annual interest charges.

As provided in the Indenture, such additional bonds may be issued in other series, with different maturity dates, interest rates, call provisions, and other differences, and any series, including Series of 1927, may be refunded into another series of like principal amount, less deductions in certain instances; and when such additional bonds are issued, provision must be made so that the sinking funds of all series will aggregate at least 3% per annum of the principal amount of the bonds to be outstanding upon issuance of such additional bonds, or additional property will be acquired of twice that amount, or partly the one and partly the other.

The Indenture contains provisions effective so long as any bonds of the Series of 1927 are outstanding, limiting borrowing by subsidiary companies under restrictions as therein stated; and titles to oil and gas leases and rights of way may be subject to farm mortgages.

Callability—Series of 1927 bonds are subject to call as a whole or in part (except for sinking fund and property replacement fund) at any time on 60 days' notice at the following prices: Prior to April 1, 1932, at 103 thereafter and prior to April 1, 1937, at 102; thereafter and prior to April 1, 1941, at 101, and at the principal amount during the last year, plus accrued interest in each case. Redeemable through sinking fund and property replacement fund only, at any time on 30 days' notice, at 101 prior to April 1, 1937, and thereafter at the principal amount, plus accrued interest in each case.

Sinking Fund—Company obligates itself to provide a sinking fund, beginning October 1, 1927, and operating quarterly through Halsey, Stuart & Co., Inc., for the retirement of bonds of the Series of 1927, at the annual rate of 4% ($1,200,000) of these bonds by purchase in the market at up to and including 101 prior to April 1, 1937, and thereafter at the principal amount or call by lot for redemption at such sinking fund call

price, plus accrued interest in each case. Company has the right to anticipate its sinking fund obligation or to surrender bonds in satisfaction thereof. It is calculated that through the operation of this sinking fund 58% of the bonds of the Series of 1927 will be retired before maturity.

Property Replacement Fund—Company covenants that while any bonds of the Series of 1927 are outstanding, it will provide a fund of not less than $2,000,000 per annum (in addition to the annual sinking funds), which shall be applied to: (1) The redemption of bonds, to be of the Series of 1927 if such amount of this series is then outstanding, through purchase in the open market or redemption at the sinking fund call prices then in effect, or (2) the making of capital expenditures of the kind for which bonds may be issued, but which expenditures shall not thereafter constitute the basis for further issuance of bonds, or (3) temporary investment in assets to be pledged with the Trustee until applied as provided in (1) or (2). These requirements may be anticipated to accumulate a credit which may be drawn upon by the Company at any future period. If this fund should become in arrears no cash dividends may be paid by the Company on its Common stock until the deficiency is made up.

Security—Secured (subject only to purchase money and existing liens, if any, on hereafter acquired property) by a direct first mortgage on all the fixed properties of Empire Oil and Refining Company, now owned and hereafter acquired and by a first lien upon all the stocks of subsidiaries now owned and hereafter acquired by Empire Oil and Refining Company. The Indenture contains special provisions designed to facilitate the conduct of the business for the release and disposition of leasehold properties for such consideration, if any, as the Company may determine.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse resident holders of these bonds, upon proper request within 60 days after payment, for the Pennsylvania, Connecticut and California personal property taxes, not exceeding four mills per annum on the taxable value, and for the Massachusetts Income Tax on the interest, not exceeding 6% thereof per annum.

Original Offering—First publicly offered ($30,000,000 Series of 1927) in May, 1927, at 96 and interest, yielding over 5.90% by Halsey, Stuart & Co., E. H. Rollins & Sons, A. B. Leach & Co., Inc., A. G. Becker & Co., Spencer Trask & Co., W. C. Langley & Co., Hallgarten & Co., Cassatt & Co., Paine, Webber & Co., Hill, Joiner & Co., Inc., and Henry L. Doherty & Co., New York, etc. and Federal Securities Corp., Chicago, Ill.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED NOVEMBER 30, 1927
(Empire Oil and Refining Co. and Subsidiaries)

Gross earnings	$39,252,17
Operation and maintenance	28,822,22
Net earnings	$10,429,94
Non-operating income	594,73
Total income	$11,024,67
Interest on funded and floating debt	1,954,01
Amortization of bond discount & expense	223,73
Balance	$8,846,93
Provision for Federal taxes	88,95
Net income before providing for deprec. & depl.	$8,757,98

CONSOLIDATED BALANCE SHEET, NOVEMBER 30, 1927
(Empire Oil and Refining Company and Subsidiary Companies

Assets—	
Oil properties, pipelines, refineries, leaseholds and service stations	$118,175,23
Miscellaneous investments	126,54
Cash in banks and on hand	5,611,48
Inventories of crude and refined oils at market	7,835,59
Accounts receivable—customers	1,674,59
Current accounts of affiliated companies	108,97
Notes, accounts & interest receivable—sundry	273,37
Materials and supplies	3,599,15
Accounts in litigation	205,33
Bond discount & expense	3,219,33
Expenses of oil in storage	1,036,40
Property in course of replacement	2,383,00
Total	$144,717,53
Liabilities—	
Capital stock (700,000 shares no par value)	$70,000,00
Funded debt	29,700,00
Notes payable	4,850,57
Accounts payable	1,157,75
Wages, salaries and commissions payable	307,68
Accrued interest & taxes	757,29
Customers' deposits	29,36
Advances from parent company	7,962,99
Sundry deferred items	101,25
Reserves:	
Depreciation and depletion	26,656,86
Inventories	17,00
Bad and doubtful accts.	295,06
Injuries and damages	73,06
Miscellaneous	30,22
Surplus	2,778,39
Total	$144,717,53

Officers: Henry L. Doherty, Pres.; H. D. Frueauf V-P.; H. R. Straight, V-P.; F. C. Brown, V-P.; F. F Coates, V-P.; D. W. Harris, Treas.; C. E. Murray Sec.

Directors: H. L. Doherty, Louis F. Musil, W. A Jones, W. A. Sinsheimer, H. D. Frueauff, F. R. Coates New York; H. R. Straight, F. C. Brown, Bartlesville Okla.

Office, Bartlesville, Okla.

CITIES SERVICE OIL COMPANY (DELAWARE)

(Controlled by Empire Oil & Refining Co.)

History—Incorporated July 11, 1917 in Delaware. Company acquired the properties of Cities Service Oil Co. of Texas, Cities Service Oil Co. of Colorado, Crew Levick Co. (Del.) and C. A. Stannard Co.; also the marketing division of Producers Refining Co. Effective Dec. 31, 1926 absorbed Cities Service Oil Co., Illinois, and Cities Service Oil Co. (W. Va.). On July 6, 1927 became a subsidiary of Empire Oil & Refining Company. The company imports Mexican fuel oil through bulk receiving station at Galveston, Tex., supplying Mexican fuel oil throughout that territory. The company owns and operates tank wagon and filling stations in the states of Missouri, Kansas, Texas, Colorado, Oklahoma, Illinois, Michigan, Minnesota, Wisconsin, Iowa, North and South Dakota.

CAPITAL STOCK

Authorized and outstanding, $800,000; par, $10 All owned by Empire Oil & Refining Company.

Officers: H. L. Doherty, Pres.; P. M. Miskell, V-P W. H. Merritt, Gen. Mgr.; H. R. Straight, H. I Frueauff, V-Ps.; C. E. Murray, Sec.; D. W. Harri Treas.

Directors: H. D. Frueauff, P. M. Miskell, H. I Doherty, W. A. Jones, F. R. Coates, H. O. Caster, I F. Musil, Paul R. Jones, New York; H. R. Straigh Bartlesville, Okla.

Office, Fort Worth, Tex.

EMPIRE GAS & FUEL COMPANY (MAINE)

(Controlled by Empire Oil & Refining Co.)

History—Incorporated July 17, 1916, under laws of the State of Maine. Effective Nov. 30, 1926, absorbed Planet Petroleum Co., Empire Gas & Fuel Co., Colo., and Empire Gas & Fuel Co. (Ky.). As o same date became a subsidiary of Empire Oil & Re fining Company. Licensed to operate in Texa

xistence perpetual. Has developed production in the razos (Palo Pinto County), Breckenridge (Stephens ounty), Ranger (Eastland County), Desdemona Comanche County), Brownwood (Brown County), id Gulf Coast (Liberty County) fields in which disicts it holds large acreage. Has 295 producing oil ells. Oil production in 1927, 1,683,211 bbls., comared with 1,389,825 bbls. in 1926, 516,633 bbls. in 925, 621,122 bbls., in 1924, and 422,316, bbls. in 1923.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common, ar, $100. All owned by Empire Oil & Refining Comany.

Annual Meeting—Second Tuesday in June at Augusta, Me.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; P. R. Jones, V-P.; J. A. Jones, V-P., New York; D. W. Harris, Treas.; E. R. Straight, V-P.; F. C. Brown, V-P., C. E. Murray, Sec., Bartlesville, Okla.

Directors: H. L. Doherty, P. R. Jones, H. O. Caster, F. R. Coates, L. F. Musil, H. D. Frueauff, W. A. Jones, New York; H. R. Straight, F. C. Brown, Bartlesville, Okla.

Office, Bartlesville, Okla.

EMPIRE PIPELINE COMPANY

(Controlled by Empire Oil & Refining Company)

History—Incorporated August 16, 1916 in Delaware. Effective July 6, 1927 became a subsidiary of Empire Oil & Refining Co. Licensed to operate in Kansas, Oklahoma and Texas. Existence perpetual. Company owns and operates more than 850 miles of oil pipelines, including gathering and main trunk lines in Kansas, Oklahoma and Texas.

Company's pipelines serve refineries at Eldorado, Augusta, Arkansas City, Kan., and at Cushing, Okla., many of which are practically dependent on the Company's pipelines for their crude supply.

Its pipelines also supply the Okmulgee and other refineries of the Empire Oil & Refining Co. Their main pipeline is strategically located, tapping the principal Kansas and Northern Oklahoma fields, and terminating at Cushing, Okla., which is the converging and radiating point of all principal pipelines operating in the mid-continent fields, thereby giving connections with other large trunk lines operating between Gulf ports and the Atlantic Seaboard.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by Empire Oil & Refining Co.

Annual Meeting—First Tuesday after first Monday in April, at Dover, Del.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; W. A. Sinsheimer, V-P.; F. R. Coates, V-P.; H. R. Straight, V-P.; F. C. Brown, V-P.; F. K. Haskell, Gen. Mgr.; D. W. Harris, Treas.; C. E. Murray, Sec.

Directors: H. L. Doherty, H. O. Caster, W. A. Sinsheimer, W. A. Jones, F. R. Coates, New York; H. R. Straight, F. C. Brown, Bartlesville, Okla.

Office, Bartlesville, Okla.

NEW OIL PROCESSING COMPANY

(Controlled by Empire Oil & Refining Company)

History—Incorporated March 4, 1922, in Delaware. Effective as of Nov. 30, 1926 acquired the properties of Star Oil Processing Company. The Company is engaged in the refining (cracking process) of oil.

CAPITAL STOCK

Authorized and outstanding, $1,400,700 Common; par, $100. All owned by Empire Oil & Refining Company.

Annual Meeting—First Tuesday after First Monday in April.

FUNDED DEBT

None.

Officers: F. R. Coates, Pres.; W. A. Jones, V-P.; H. D. Frueauff, V-P.; P. M. Miskell, V-P.; H. R. Straight, V-P.; E. E. McWhiney, Sec.; T. A. Wallace, Treas.

Directors: W. A. Jones, D. G. Brandt, P. M. Miskell, H. D. Frueauff, H. O. Caster, H. R. Straight, F. R. Coates.

Office, Dover, Del.

INDIAN TERRITORY ILLUMINATING OIL COMPANY

(Controlled by Empire Gas & Fuel Company) (Del.)

History—Incorporated December 11, 1901, in N. J. Company is engaged in the production and sale at wholesale of natural gas, and also produces oil, leasing oil and gas lands in Osage County, Okla., upon which there are 193 producing gas wells, and 348 producing oil wells. Company controls, through ownership of entire capital stock, Delmar Oil Company, Osage Distributing Co., Osage Producers Gas Co., Pawhuska Oil & Gas Co., and Westerly Oil Co., operating in Oklahoma, Montana, and Texas (see appended statements). Company supplies gas to Osage Producers Gas Co., Smelter Gas Co., American Pipeline, and Empire Natural Gas Co.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Gas Production (cu. ft.)	Gas Sales (cu. ft.)	Oil Production (barrels)
1923	7,275,600,000	10,317,557,000	222,676
1924	8,441,373,000	12,712,085,000	207,533
1925	6,744,336,000	8,325,582,000	499,456
1926	6,356,373,000	7,992,248,000	916,277
1927	6,828,874,000	8,300,522,000	14,366,260

CAPITAL STOCK

Authorized, $9,500,000; outstanding, $7,090,037; par, $1. Empire Gas & Fuel Company (Delaware) owns $4,836,823 (68.22%) of the stock. Annual meeting, first Tuesday in December at Jersey City, N. J.

Officers: H. V. Foster, Pres., Bartlesville, Okla.; D. W. Harris, V-P.; A. V. Hoenig, V-P.; C. H. Caldwell, V-P. & Treas.; Burdette Blue, Gen. Mgr.; R. L. Gordon, V-P.; E. B. Emenhiser, Sec., Bartlesville, Okla.

Directors: H. V. Foster, H. R. Straight, A. V. Hoenig, C. H. Caldwell, Burdette Blue, H. L. Montgomery, D. W. Harris, R. L. Gordon, Bartlesville, Okla.; H. L. Doherty, T. I. Carter, F. R. Coates, New York.

Office, Bartlesville, Okla.

DELMAR OIL COMPANY

(Subsidiary of Indian Territory Iluminating Oil Company)

History—Incorporated Jan. 23, 1913, in Oklahoma, for a period of 20 years. Owns oil leases in Washington County and Osage Nation and in Texas and Louisiana. Has 81 producing oil wells. Production in 1927, 229,033 bbls., compared with 202,360 bbls. in 1926, 312,015 bbls. in 1925, 776,751 bbls. in 1924 and 310,447 bbls. in 1923.

CAPITAL STOCK

Authorized and outstanding, $10,000; par, $1. All owned by Indian Territory Illuminating Oil Company. Annual meeting, first Tuesday in February.

FUNDED DEBT

None.

Officers: H. V. Foster, Pres.; Burdette Blue, V-P. & Gen. Mgr., Bartlesville, Okla.; F. R. Coates, V-P., New York; C. H. Caldwell, V-P., E. B. Emenhiser, Sec. & Treas., Bartlesville, Okla.

Directors: H. V. Foster, C. H. Caldwell, Burdette Blue, Bartlesville, Okla.; F. R. Coates, R. L. Gordon, New York.

General Office, Bartlesville, Okla.

OSAGE DISTRIBUTING COMPANY

(Subsidiary of Indian Territory Illuminating Oil Co.)

History—Incorporated Feb. 23, 1926 in Oklahoma. Company distributes natural gas. Miles of mains, 9.64. Number of customers, 677. Sales in 1927, 65,354,000 cu. ft. of gas. Population served, about 3,000.

CAPITAL STOCK

Authorized and outstanding, $77,000; par, $100. All owned by Indian Territory Illuminating Oil Co. Annual meeting, First Tuesday in February at Bartlesville, Okla.

FUNDED DEBT

None.

Officers: H. V. Foster, Pres.; B. Blue, V-P. & Gen. Mgr.; Bartlesville, Okla.; F. R. Coates, V-P., New York; R. L. Gordon, V-P.; C. H. Caldwell, V-P. & Treas.; E. B. Emenhiser, Sec., Bartlesville, Okla.

Directors: H. V. Foster, B. Blue, C. H. Caldwell, R. L. Gordon, F. R. Coates.

Office, Bartlesville, Okla.

OSAGE PRODUCERS GAS COMPANY

(Subsidiary of Indian Territory Illuminating Oil Company)

History—Inc. Nov. 29, 1912, in Okla., for 20 years. Company distributes natural gas in Oklahoma, and sells direct from field lines. Has 81.87 miles of gas pipeline. Sales in 1927, 1,501,620,000 cu. ft. of gas compared with 810,234,000 cu. ft. in 1926, and 776,113,000 cu. ft. in 1925. No. of customers, about 114. Population served, about 7,816.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $1. All owned by Indian Territory Illuminating Oil Company. Annual meeting, second Tuesday in December.

FUNDED DEBT

None.

Officers: H. V. Foster, Pres.; Burdette Blue, V-P. & Gen. Mgr.; R. L. Gordon, V-P.; F. R. Coates, V-P.; C. H. Caldwell, V-P.; E. B. Emenhiser, Sec. & Treas.; H. D. Patridge, Pur. Agt., Bartlesville, Okla.

Directors: H. V. Foster, Burdette Blue, C. H. Caldwell, R. L. Gordon, Bartlesville, Okla.; F. R. Coates, New York.

General Office, Bartlesville, Okla.

PAWHUSKA OIL & GAS COMPANY

(Subsidiary of Indian Territory Illuminating Oil Company)

History—Incorporated July 16, 1903, under the laws of Oklahoma Territory, now the State of Oklahoma, for 20 years. Charter renewed for 20 years in 1923. Company produces natural gas—8 wells. Leases gas acreage in Osage County, Okla. Supplies City of Pawhuska, which has a population of about about 7,000. Production in 1927, 229,017,000 cu. ft., compared with 219,451,000 cu. ft. in 1926, and 173,685,000 cu. ft. in 1925. Sales in 1927, 431,368,000 cu. ft. compared with 464,995,000 cu. ft. in 1926, and 295,555,000 cu. ft. in 1925. No. of customers, about 1,685.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $1. All owned by Indian Territory Illuminating Oil Company. Annual meeting, 13th of July.

FUNDED DEBT

None.

Officers: H. V. Foster, Pres.; Burdette Blue, V-P. & Gen. Mgr., Bartlesville, Okla.; F. R. Coates, V-P., New York; C. H. Caldwell, V-P.; R. L. Gordon, V-P.; E. B. Emenhiser, Sec. & Treas., Bartlesville, Okla.

Directors: H. V. Foster, C. H. Caldwell, Burdette Blue, Bartlesville, Okla.; F. R. Coates, R. L. Gordon, New York.

Office, Bartlesville, Okla.

WESTERLY OIL COMPANY

(Subsidiary of Indian Territory Illuminating Oil Company)

History—Incorporated Jan. 23, 1913, in Oklahoma, for a period of 20 years. Company has 19 producing oil wells. Leases acreage in Payne and Pawnee Counties, Okla. Production of oil in 1927, 58,722,000 bbls., compared with 123,695 bbls. in 1926, 122,386 bbls. in 1925, 36,763 bbls. in 1924 and 39,750 bbls. in 1923. Gas produced in 1926, 91,740,000 cu. ft. compared with 394,671,000 cu. ft. in 1925.

CAPITAL STOCK

Authorized and outstanding, $10,000; par, $1. Indian Territory Illuminating Oil Company owns $8,750 (87.5%) of the stock. Annual meeting,first Tuesday in February.

FUNDED DEBT

None.

Officers: H. V. Foster, Pres.; Burdette Blue, V-P. & Gen. Mgr., Bartlesville, Okla.; F. R. Coates, V-P., New York; C. H. Caldwell, V-P.; R. L. Gordon, V-P.; E. B. Emenhiser, Sec. & Treas., Bartlesville, Okla.

Directors: H. V. Foster, C. H. Caldwell, Burdette Blue, Bartlesville, Okla.; F. R. Coates, R. L. Gordon, New York.

General Office, Bartlesville, Okla.

EMPIRE GAS & FUEL COMPANY (OHIO)

(Controlled by Cities Service Company)

History and Properties—Incorporated Oct. 1(1917, under laws of Ohio. Existence perpetual. Con pany has 90 producing oil and gas wells in the Bere Warsaw and Shreve fields in the State of Ohio. Op erates three plants, at Granville, Mansfield and Utic Ohio, for the extraction of gasoline from natural ga Produced 279,000 gallons of gasoline in 1927.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $10(Cities Service Company owns $1,999,500 (99.97%) o the stock. Annual meeting, first Tuesday after firs Monday in April.

FUNDED DEBT

None.

Officers: T. I. Carter, Pres.; F. R. Coates, V-P New York; Ira L. Neely, V-P.; N. E. Shupe, Sec. Treas., Wooster, Ohio.

Directors: T. I. Carter, F. R. Coates, New York Ira L. Neely, Fenwick Ewing, N. E. Shupe, Wooste Ohio.

Office, Wooster, Ohio.

EMPIRE LEASING AND DRILLING COMPANY

(Controlled by Cities Service Company)

History and Properties—Incorporated March 6 1920, under the laws of Delaware. Company is in active.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100 All owned by Cities Service Company. Annual meet ing, last Tuesday in December at Dover, Del.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres.; W. A. Sinsheimer V-P., New York; H. R. Straight, V-P. & Gen. Mgr. F. C. Brown, V-P., Bartlesville, Okla.; D. W. Harris Treas.; C. E. Murray, Sec., Bartlesville, Okla.

Directors: H. L. Doherty, F. R. Coates, W. A. Sin sheimer, New York; H. R. Straight, F. C. Brown Bartlesville, Okla.

Office, Bartlesville, Okla.

EMPIRE OIL & GAS COMPANY (INC.)

(Controlled by Cities Service Company)

History and Properties—Incorporated June 6, 1917 under the laws of the State of Delaware. Licensed to operate in Kentucky. Existence perpetual. Charter amended Dec. 29, 1917, to provide for an authorized capital stock of 100,000 shares of Common stock, par value, $100. Company owns and leases producing oil lands located in State of Kentucky. Has 33 producing oil wells. Production in 1927, 4,114 bbls., compared with 5,136 bbls. in 1926, 5,408 bbls. in 1925, and 5,993 bbls. in 1924.

CAPITAL STOCK

Authorized, $10,000,000 Common; outstanding, $3,000,000; par, $100. All owned by Cities Service Company. Annual meeting, first Tuesday after first Monday in June at Dover, Del.

FUNDED DEBT

None.

Officers: F. R. Coates, Pres.; W. A. Sinsheimer, V-P. & Gen. Mgr.; H. O. Caster, V-P.; I. L. Neely, V-P.; E. E. McWhiney, Sec.; E. H. Johnston, Treas., New York.

Directors: E. E. McWhiney, F. R. Coates, I. L. Neely, H. O. Caster, T. A. Wallace, C. B. Wedum, E. H. Johnston, W. A. Sinsheimer, New York.

Office, 60 Wall St., New York.

EMPIRE REFINING COMPANY (ILLINOIS)

(Controlled by Cities Service Company)

History—Incorporated Nov. 18, 1919, in Ill. Existence perpetual. Acquired acreage for refinery site at Louis, Mo.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. ties Service Company owns $499,300 (99.86%) of e capital stock. Annual meeting, first Tuesday after st Monday in March, at Mt. Vernon, Ill.

FUNDED DEBT

None.

Officers: H. R. Straight, Pres.; P. M. Miskell, V-P. Gen. Mgr., Tulsa, Okla.; H. D. Frueauff, V-P., H. O. ster, V-P., New York; C. E. Murray, Sec.; D. W. arris, Treas., Bartlesville, Okla.

Directors: H. R. Straight, Bartlesville, Okla.; P. M. iskell, Tulsa, Okla.; W. A. Jones, F. R. Coates, H. D. ueauff, H. O. Caster, New York; Harman Gilbert, t. Vernon, Ill.

Office, 60 Wall St., New York.

EMPIRE REFINING COMPANY (MAINE)

(Controlled by Cities Service Company)

History and Properties—Incorporated Aug. 27, 1919, ıder the laws of Maine. Existence perpetual. Lisnsed to operate in Louisiana. Company has acıired acreage for a refinery site at New Orleans, ı. In Feb., 1925, acquried a controlling interest in esto-Eastern Oil Corp. and Northern Oil & Fuel ɔrp. (see appended statements).

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. ll owned by Cities Service Company. Annual meetg, second Tuesday in Sept., at Augusta, Me.

Officers: H. L. Doherty, Pres.; H. D. Frueauff, -P.; W. A. Jones, V-P.; E. E. McWhiney, Sec.; L. F. usil, Treas., New York.

Directors: T. I. Carter, E. H. Johnston, W. A. Jones, rank R. Coates, L. F. Musil, H. D. Frueauff, Henry Doherty, P. R. Jones, H. O. Caster, New York.

Office, 60 Wall St., New York.

NORTHERN OIL & FUEL CORPORATION

(Subsidiary of Empire Refining Co.) (Maine)

History—Incorporated Dec. 1, 1914, in New York. ompany owns tank and filling stations in Watertown, . Y.

CAPITAL STOCK

Authorized, $500,000 Common; outstanding, $145,-50 Common; par $100. Empire Refining Co. (Maine), wns $75,100 (51.74%) of the Common stock. Annual ieeting, third Thursday in November in Watertown, . Y.

FUNDED DEBT

None.

Officers: H. D. Frueauff, Pres.; C. E. Foster, V-P., R. McCarthy, Sec. & Treas.

Directors: H. D. Frueauff, J. R. McCarthy, C. E. oster, W. W. Martin, C. R. Johnson.

Office, Watertown, N. Y.

VESTO-EASTERN OIL CORPORATION

(Subsidiary of Empire Refining Co.) (Maine)

History—Incorporated Oct. 11, 1919, in New York. ompany owns service stations in Pulaski and Gouverneur, N. Y.

CAPITAL STOCK

Authorized, 5,000 shares Common of no par value; utstanding, 2,844 shares. Empire Refining Co. (Maine) owns 52.215% of Common stock. Annual meeting, third Thursday in November at Watertown, N. Y.

FUNDED DEBT

None.

Officers: H. D. Frueauff, Pres.; C. E. Foster, V-P.; J. R. McCarthy, Sec. & Treas.

Directors: H. D. Frueauff, J. R. McCarthy, C. E. Foster, W. W. Martin, C. R. Johnson.

Office, Watertown, N. Y.

GAS SERVICE COMPANY

(Controlled by Cities Service Company)

History and Properties—Incorporated August 22, 1925, in Delaware as a holding company and controls through ownership of all the Common stock, the Arkansas Valley Gas Co., Capital Gas & Electric Co., Carthage Gas Company, Hutchinson Gas Co., Kansas City Gas Co., Newton Gas Co., Pittsburgh Gas Co., Suburban Service Co., Tonganoxie Gas & Electric Co., Webb City & Carterville Gas Co., Western Distributing Co., Wichita Gas Co., and Wyandotte County Gas Co. The subsidiary companies distribute natural gas in Oklahoma, Missouri and Kansas. During 1927 the subsidiary companies sold 14,757,182,000 cubic feet of gas to 171,910 customers. As of December 31, 1927, Co. had 1,598 miles of mains.

CAPITAL STOCK

Authorized and outstanding, $50,000 (stated value) Common stock of no par value, all owned by Cities Service Company, and $5,000,000 5% Pfd., all owned by Cities Service Power & Light Co. Annual meeting, first Tuesday after first Monday in September.

Officers: Henry L. Doherty, Pres.; B. C. Adams, V-P. & Gen. Mgr.; F. R. Coates, V-P.; R. D. Garver, V-P.; Harry Warner, Sec. & Treas.

Directors: Henry L. Doherty, B. C. Adams, F. R. Coates, Harry Warner, H. O. Caster, T. J. Strickler, R. D. Garver, H. D. Hancock, J. R. Abercrombie.

Office, 60 Wall St., New York.

THE ARKANSAS VALLEY GAS COMPANY

(Controlled by Gas Service Co.)

History—Incorp. in April, 1906, in Kansas. Supplies natural gas to Arkansas City, Kan. Population served, about 14,000. Miles of pipe line, 50.80. Gas sales in 1927, 571,516,000 cu. ft., compared with 872,355,000 cu. ft., in 1926, 1,099,854,000 cu. ft. in 1925 and 800,379,000 cu. ft. in 1924. No. of customers, 3,710.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. The Gas Service Company owns all of the stock. Annual meeting, first Tuesday in February.

FUNDED DEBT

None.

Officers: B. C. Adams, Pres.; R. D. Garver, V-P.; Harry Warner, Sec. & Treas.

Directors: Harry Warner, R. D. Garver, B. C. Adams, H. A. Russell, W. H. McKenzie, G. J. Swan, W. J. Hinchey, Kansas City, Kan.

Office, Kansas City, Mo.

CAPITAL GAS & ELECTRIC COMPANY

(Controlled by Gas Service Co.)

History—Incorporated Feb. 13, 1924, in Kansas, for a term of 50 years; successor to the Consumers Light, Heat & Power Co. (see 1923 Public Utility Manual, page 262, or apply to our Information Department). Supplies natural gas to Topeka, Kansas. Population served, about 60,000. Gas purchased from Cities Service Gas Co. Sales in 1927, 918,007,000 cu. ft., compared with 904,540,000 cu. ft. in 1926, 640,968,200 cu. ft. in 1925 and 643,889,000 cu. ft. in 1924.

CAPITAL STOCK

Authorized, 10,000 Common shares of no par value and $2,500,000 7% Pfd. (par, $100); outstanding, $1,063,085.98 (stated value) Common shares and $500,000 Pfd. The Gas Service Co. owns all of the Common and Pfd. Annual meeting, first Tuesday in February.

FUNDED DEBT

$1,000,000 10-Year First Mortgage Gold Bonds; dated Jan. 1, 1924; due Jan. 1, 1934; interest Jan. and July 1, at Henry L. Doherty & Co., New York, at the rate of 6% per annum from Jan. 1, 1924 to Jan. 1, 1925, and 7% per annum from Jan. 1, 1925 to Jan. 1, 1926, and 8% per annum from Jan. 1, 1926 to maturity. Coupon, $100, $500 and $1,000. Central Union Trust Co., New York, Trustee. Subject to call at option of the Company in whole or in part on any interest date at par and accrued interest. Company pays Normal Federal Income T up to 2%.

Officers: B. C. Adams, Pres.; F. R. Coates, V-P.; H. Caster, V-P.; R. D. Garver, V-P.; E. B. Smith, Sec. & Tre G. J. Swan, Gen. Mgr.

Directors: F. R. Coates, H. O. Caster, W. A. Jones, W. Hinchey, T. F. Garver, B. C. Adams, Kansas City, Kan.; H. Russell, G. J. Swan, E. B. Smith.

Office, Topeka, Kansas.

CARTHAGE GAS COMPANY

(Controlled by Gas Service Co.)

History—Incorporated April 24, 1906, in Mo., successor to property and franchises of Carthage Light, Heat & Power Co. Control of this Company, formerly held by The Empire District Electric Co., was acquired by Gas Service Co. early in 1927. Distributes natural gas purchased from the Cities Service Gas Co. Population served, about 10,438. No. of meters, 2,415. Sales of gas in 1927, 163,645,000 cu. ft., compared with 189,648,000 cu. ft. in 1926, 175,283,000 cu. ft. in 1925, 169,277,000 cu. ft. in 1924, and 167,169,000 cu. ft. in 1923. Miles of gas pipe line, 35.38.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $100,000 6% cumulative Pfd.; par, $100. All owned by Gas Service Co. Annual meeting, first Tuesday in November.

FUNDED DEBT

$75,000 General Lien 6% Gold Bonds; dated Jan. 3, 1911; due Nov. 1, 1940; int. May and Nov. 1, at office or agency of Company, New York. Coupon, $1,000; principal may registered. Conqueror Trust Co., Joplin, Mo. Trustee. A thorized issue, $200,000; balance issuable to cover 85% of c of improvements. Subject to call at par and interest on a interest date upon four weeks' published notice. Bor numbered 136-200, inclusive ($65,000) are to be retired at rate of $5,000 a year beginning May 1, 1928. Secured by fi mortgage on all property owned. Company does not Normal Federal Income Tax.

Officers: B. C. Adams, Pres., New York; H. O. Cast V-P. R. D. Garver, V-P., Kansas City, Mo.; Harry Warn Sec. & Treas., Joplin, Mo.

Directors: B. C. Adams, R. D. Garver, H. O. Caster, W. Hinchey, Harry Warner.

Office, Kansas City, Mo.

HUTCHINSON GAS COMPANY

(Controlled by Gas Service Co.)

History—Incorporated April 3, 1925 in Kansas, for a period of fifty years, for the production and distribution of natural and artificial gas and electricity. The company is engaged in the distribution of natural gas in the city of Hutchinson, Kansas. Population served about 25,970. Number of customers, 4,552. Miles of main—3 inch basis, 63.38. Gas sold in 1927, 1,199,763,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $550,000 Common; par $100. All owned by Gas Service Company.

Annual Meeting—First Tuesday in February.

FUNDED DEBT

None.

Officers: B. C. Adams, Pres.; R. D. Garver, V-P.; H. Caster, V-P.; H. Warner, Sec. & Treas.

Directors: B. C. Adams, E. B. Smith, G. J. Swan, H. Caster, R. D. Garver, H. A. Russell, W. J. Hinchey.

Office, Hutchinson, Kansas.

KANSAS CITY GAS COMPANY

(Controlled by Gas Service Co.)

History and Property—Incorporated Dec. 5, 1906, in Mo. In 1920, purchased the property of the Kansas City Missouri Gas Co. (see 1920 Public Utility Manual). Became a subsidiary of Gas Service Co. in 1927. Supplies natural gas in Kansas City, Mo., and vicinity, operating without competition, serving an estimated population of about 400,000. The property of the Company includes gas holders with an aggregate capacity of 7,000,000 cubic feet, regulator stations, pumping apparatus and a distributing system with 605 miles of high and low pressure mains.

Prior to 1907 Company supplied artificial gas. Since that time, it has furnished natural gas which it obtains at rates fixed by the Public Service Commission from production and transportation companies operating in the Mid-Continent Gas Field.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Number of Meters	Gas Sales
1925	91,272	4,063,870,000 cu. ft.
1926	92,466	4,454,512,000 cu. ft.
1927	94,861	5,112,191,000 cu. ft.

Franchises and Commission Regulation—The Company has the right and privilege, under the general laws of the State of Missouri, to furnish natural or manufactured gas, and to lay and maintain mains and pipes in the streets of Kansas City for such purposes, without limitation as to time, subject to reasonable regulation by the Public Service Commission as to rates and service, extensions and betterments and the issuance of securities, and by municipal authorities as to the laying of mains in the streets.

CAPITAL STOCK

Authorized and outstanding, $812,500 Common, $4,217,000 6% cumulative (after April, 1922) First Pfd. and $1,600,000 non-cumulative Second Pfd.; par, $100. Gas Service Company owns $753,700 (92.763%) of the Common stock and $773,360 of the Pfd. The First Pfd. has preference as to assets and 6% cumulative dividends. Second Pfd. is inferior to Common as to dividends. All classes of stock are transferred at company's office.

Annual Meeting—Third Thursday in January.

Dividends—Dividends of 8% per annum paid on Common stock and 6% on First Pfd. and Second Pfd.; payments on all classes of stock quarterly J, A, J & O 1. Dividends are declared quarterly M, J, S & D.

FUNDED DEBT

$2,412,500 FIRST MORTGAGE GOLD 6s, SERIES "A"; DU FEBRUARY 1, 1942

$1,376,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES; DU FEBRUARY 1, 1946

Dated, Series "A," February 1, 1922; 5% Series, Feb. 1, 19

Interest Payable February and August 1, at The Nation City Bank of New York, and Commerce Trust Co., Kans City, Mo.

Denominations—Coupon, $500 and $1,000 (principal may registered); interchangeable with fully registered bonds denominations of $1,000, $5,000 and $10,000.

Trustees—The National City Bank of New York, and Co merce Trust Co., Kansas City, Mo.

Provisions of Issue—The First Mortgage provides for t issuance of bonds thereunder, in series, bearing the same different rates of interest, dates, maturities, redemption pri leges and such other distinguishing features with respect each particular series, as may be determined by the Board Directors of the Company at the time of the original issue each series, subject always to the restrictive provisions of t mortgage. Bonds of any series may be issued from time time in the future, in principal amounts equal to and for t acquisition or retirement of another series of bonds issu under the First Mortgage, or for not exceeding 75% of t actual and reasonable expenditures made after the date of t mortgage for permanent extensions and additions to the pro erties, provided that net earnings for 12 consecutive calend months ending not more than 60 days prior to the applicati for the issuance of bonds, shall have been not less than twi the annual interest charges on all First Mortgage bonds ou standing in the hands of the public, together with those th to be issued.

Callability—Series "A" bonds are not redeemable prior maturity. The 5% Series are subject to call as a whole in part, on any date upon 60 days' notice at 103 to and i cluding Feb. 1, 1931; thereafter at 102½ to and includi Feb. 1, 1936; thereafter at 102 to and including Feb. 1, 194 thereafter at 101½ to and including Feb. 1, 1945; and ther after at 100; plus accrued interest in each case.

Purchase or Sinking Fund—The mortgage provides for Purchase or Sinking Fund requiring cash payments to t New York Trustee semi-annually, equal in each case to least ½ of 1% of the total aggregate bonded indebtedness the Company, then outstanding in the hands of the publi Such moneys shall be applied: first, to the purchase of Fir

ortgage bonds of any series, at or below certain specified rchase prices, which, in the case of the 5% Series due 1946, l be the same as the then current redemption prices; and, cond, to the redemption of First Mortgage bonds of such ries as are subject to redemption on the next succeeding erest date. In the event that no First Mortgage bonds are such interest date redeemable and the sinking fund moneys not exhausted by the purchase of bonds within the price nits specified, the balance of any such moneys remaining expended shall revert to the Company. Bonds acquired by sinking fund shall be cancelled.

Maintenance and Improvement Provisions—For the purse of maintaining a substantial equity, junior to the First ortgage bonds, the mortgage provides for a General Reserve nd, the effect of which is substantially to require the Comny each year, either to make expenditures for the purposes reinafter mentioned, or, in lieu thereof, to deposit with the ew York Trustee, an amount in cash equal to not less than % of the aggregate bonded indebtedness of the Company tstanding on December 31 of such year, less the amounts such expenditures made during the year. Such expenditures must be, and such General Reserve Fund may be utilized only, for actual expenses of maintenance, repairs, renewals and replacements, for the purchase of First Mortgage bonds, or for extensions, improvements and additions on account of which no bonds shall have been or may be issued.

Security—Both series are equally secured by a direct first mortgage upon the entire fixed property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mill tax refunded. On the 5% Series, the California and Pennsylvania 4 mills tax and Massachusetts Income tax up to 6% are also refunded.

Legal Opinion (Series "A")—Sherman & Sterling, New York, and H. M. Langworthy, Kansas City, Mo. (5% Series): Chadbourne, Stanchfield & Levy and Frueauff, Robinson & Sloan, New York.

Original Offering—First publicly offered ($2,500,000 Series "A") in Feb., 1922, at 97½ and interest, yielding over 6.20%, by National City Co., New York, etc. The 5% Series was first publicly offered ($1,416,000) in April, 1926, at 95 and interest to yield over 5.40% by A. B. Leach & Co., Inc., and Halsey, Stuart & Co., Inc., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
oss earnings (including other income)	$4,556,718	$4,278,748	$3,941,115	$4,015,177
perating expenses, maintenance & taxes	3,528,093	3,392,160	3,167,081	3,122,032
Net earnings	$1,028,625	$886,588	$774,034	$893,145
ond interest	213,807	187,025	145,597	146,985
ther interest & discount	34,192	45,461	33,665	24,181
Total charges	$247,999	$232,486	$179,262	$171,166
Balance available for dividends & reserves	$780,626	$654,102	$594,772	$721,979

Officers: Geo. E. Nicholson, Pres.; J. J. Strickler, V-P. & en. Mgr.; T. I. Carter, V-P.; B. C. Adams, V-P.; M. J. arry, Sec.; Harry Warner, Treas.

Directors: Geo. E. Nicholson, Chrm. of Board; W. S. McLucas, C. W. Green, J. M. Kemper, B. C. Adams, Harry Warner, C. H. Mayer, F. R. Coates, W. H. McKenzie, W. D. Pratt, R. D. Garver, C. H. Waring, T. J. Strickler.

Office, 910 Grand Ave., Kansas City, Mo.

NEWTON GAS COMPANY

(Controlled by Gas Service Co.)

History—Incorporated April 3, 1925, in Kansas, for the ren- ring of artificial and natural gas service and the production id distribution of electricity. The Company is engaged in e distribution of natural gas in the city of Newton, Kansas. Population served, about 9,831. Number of customers, 2,531. iles of mains, 40.78 on 3 inch basis. Gas sold in 1927, 304,- 01,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $250,000 Common; par $100. ll owned by Gas Service Company.

Annual Meeting—First Tuesday in February.

FUNDED DEBT

None.

Officers: B. C. Adams, Pres.; R. D. Garver, V-P.; H. O. Caster, V-P.; H. Warner, Sec. & Treas.

Directors: B. C. Adams, E. B. Smith, G. J. Swan, H. O. Caster, R. D. Garver, H. A. Russell, W. J. Hinchey.

Office, Newton, Kansas.

PITTSBURG GAS COMPANY

(Controlled by Gas Service Co.)

History—Incorporated May 6, 1925, in Kansas, for the purose of providing and distributing electricity and gas service. ompany is engaged in the distribution of natural gas in the ity of Pittsburg, Kansas. Population served about 19,182. umber of customers, 4,219. Miles of mains, 57.67 on 3 inch asis. Gas sold in 1927, 180,998,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common; par $100. All wned by Gas Service Co.

Annual Meeting—First Tuesday in February.

FUNDED DEBT

None.

Officers: B. C. Adams, Pres.; R. D. Garver, V-P.; H. O. Caster, V-P.; H. Warner, Sec. & Treas.

Directors: B. C. Adams, E. B. Smith, G. J. Swan, H. O. Caster, R. D. Garver, H. A. Russell, W. J. Hinchey.

Office, Pittsburg, Kansas.

SUBURBAN SERVICE COMPANY

(Controlled by Gas Service Co.)

History—Incorporated Aug. 11, 1923, in Delaware. Company roduces natural gas. Gas produced and sold in 1927, 10,614,000 u. ft. Number of gas wells owned, 3.

CAPITAL STOCK

Authorized and outstanding, $25,050 Common and $2,500 Pfd., all of no par value. The Gas Service Co. owns $16,575 66.68%) of the Common and all of the Pfd.

Annual Meeting—First Monday in August.

FUNDED DEBT—None.

Officers: B. C. Adams, Pres.; R. D. Garver, V-P.; H. Warner, Sec. & Treas.

Directors: B. C. Adams, H. Warner, J. R. Abercrombie, R. D. Garver, F. H. Rice.

Office, Dover, Del.

TONGANOXIE GAS & ELECTRIC COMPANY

(Controlled by Gas Service Co.)

History—Incorporated Sept. 21, 1905, in Kansas. Company roduces natural gas in Tonganoxie, Kansas. Miles of main, 43 on 3-inch basis. Gas sold in 1927, 2,679,000 cu. ft. Number of customers, 281.

CAPITAL STOCK

Authorized and outstanding, $20,000 Common; par, $100. All owned by Gas Service Co.

Annual Meeting—First Tuesday in February.

FUNDED DEBT

None.

Officers: B. C. Adams, Pres.; R. D. Garver, V-P.; H. Warner, Sec. & Treas.

Directors: B. C. Adams, R. D. Garver, C. E. Waring, W. H McKenzie, H. Grigsby.

Office, Tonganoxie, Kansas.

WEBB CITY AND CARTERVILLE GAS COMPANY

(Controlled by Gas Service Co.)

History—Incorporated March 9, 1905, in Mo. Control of this company, formerly held by The Empire District Electric Co., was acquired by Gas Service Co. early in 1927. Does all gas business in Webb City and Carterville, Mo., supplying natural gas for light, heat, fuel and power. Natural gas is purchased from the Cities Service Gas Co. Population served,

over 10,000. No. of meters, 2,038. Sales in 1927, 162,701,000 cu. ft., compared with 170,783,000 cu. ft. in 1926, 144,343,000 cu. ft. in 1925, 134,371,000 cu. ft. in 1924, and 126,986,000 cu. ft. in 1923. Miles of mains, 43.25.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. All owned by Gas Service Co. Annual meeting, first Tuesday in Nov.

FUNDED DEBT

$145,000 First General Lien Gold 6s; dated Jan. 3, 1911; due Nov. 1, 1940; int. Feb. and Aug. 1, at Henry L. Doherty & Co., New York. Coupon, $1,000; principal may be registered. Authorized issue, $300,000; $50,000 reserved for construction of artificial gas plant; balance issuable to cover 85% of actual cost of improvements. Trustee: The Conqueror Trust Co., Joplin, Mo. Subject to call at par on any int. date upon four weeks' published notice. A direct first mortgage on entire property. Company pays Normal Federal Income Tax up to 2%.

Officers: B. C. Adams, Pres., New York; R. D. Garver, V-P., Kansas City, Mo.; H. O. Caster, V-P., New York; Harry Warner, Sec. & Treas., Kansas City, Mo.
Directors: B. C. Adams, R. D. Garver, H. O. Caster, W. J. Hinchey, Harry Warner.
Office, Kansas City, Mo.

THE WESTERN DISTRIBUTING COMPANY

(Controlled by Gas Service Co.)

History—Incorp. July 13, 1906, in W. Va. Supplies natural gas to 25 communities in Kansas, with a total population of approximately 24,653, including Eldorado, Sedgwick, Oxford, Cambridge, New Salem, Towanda, etc. Miles of gas pipe line, 112.54 on a 3-inch basis. No. of customers, 6,957. Sales in 1927, 668,635,000 cu. ft., compared with 643,800,000 cu. ft. in 1926, and 584,072,000 cu. ft. in 1925.

CAPITAL STOCK

Authorized and outstanding, $175,000; par, $100. All of the stock is owned by the Gas Service Co. Annual meeting, first Tuesday in February.

Officers: B. C. Adams, Pres., New York; R. D. Garver, V-P.; Harry Warner, Sec. & Treas.; Kansas City, Mo.
Directors: W. J. Hinchey, H. O. Caster, Harry Warner, R. D. Garver, B. C. Adams, W. H. McKenzie, H. A. Russell.
Office, Kansas City, Mo.

WICHITA GAS COMPANY

(Controlled by Gas Service Co.)

History—Incorporated April 3, 1925, in Kansas, for the purpose of supplying gas and electricity. The company is engaged in the distribution of natural gas in the city of Wichita, Kansas. Serves a population of about 92,500. Number of customers, 20,748. Miles of main, 359.52 on 3-inch basis. Gas sold in 1927, 4,379,490,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $2,500,000 Common, par $100. All owned by Gas Service Co.
Annual Meeting—First Tuesday in February.

FUNDED DEBT

None.

Officers: B. C. Adams, Pres.; R. D. Garver, V-P.; H. O. Caster, V-P.; H. Warner, Sec. & Treas.
Directors: B. C. Adams, E. B. Smith, G. J. Swan, H. O. Caster, R. D. Garver, H. A. Russell, W. J. Hinchey.
Office, Wichita, Kansas.

THE WYANDOTTE COUNTY GAS COMPANY

(Controlled by Gas Service Co.)

History—Incorp. July 30, 1906, in Kan.; successor to Wyandotte Gas Co. Supplies Kansas City, Kan. Population served, 118,337. Miles of mains, 445.40 on 3-inch basis.

SALES OF GAS, YEARS ENDED DECEMBER 31

	Cubic Feet
1923	962,735,300
1924	946,249,700
1925	930,039,000
1926	970,355,000
1927	1,092,656,000

CAPITAL STOCK

Authorized, $187,500 Common, $412,500 6% First Pfd., and $400,000 Second Pfd.; outstanding, $187,500 Common, $300,000 First Pfd., and $400,000 Second Pfd.; par $100. Gas Service Co. owns $174,700 (93.1733%) of the Common and $185,300 of the Pfd. Common stock has preference over Second Pfd. stock. Annual meeting, third Wednesday in February.

Dividends—Dividends on First Pfd. stock regularly paid quarterly. On Second Pfd. 4½% was paid in 1924 and 6% each in 1925, 1926 and 1927.

FUNDED DEBT

$1,548,000 First Gold 6s; dated Nov. 1, 1908; due Nov. 1924, but extended to Nov. 1, 1930; interest May and Nov. at Girard Trust Co., Philadelphia, Trustee. Coupon, $1,00 principal may be registered. Authorized, $1,548,000. Subject call on any interest date at 105 and interest. Company pa Normal Federal Income Tax up to 2%.

Officers: G. E. Nicholson, Pres., Kansas City, Mo.; C. V Green, V-P.; W. H. McKenzie, V-P. & Gen. Mgr.; B. Adams, V-P., Kansas City, Kans.; H. O. Caster, V-P., Ne York; M. J. Barry, Sec., Kansas City, Mo.: C. B. Albrigi Asst. Sec., Kansas City, Kan.; E. F. McWhiney, Asst. Se New York; Harry Warner, Treas., Kansas City, Mo.; T. Wallace, Asst. Treas., New York.
Directors: G. E. Nicholson, Harry Warner, Kansas Cit Mo.; C. L. Brokaw, W. J. Breidenthal, T. A. Bigger, Kans City, Kan.; Chas. H. Mayer, B. C. Adams, F. R. Coates, H. Caster, New York.
Office, 820-22 Minnesota Ave., Kansas City, Kansas.

THE GRAND RIVER VALLEY RAILROAD COMPANY

(Controlled by Cities Service Company)

History and Property—Incorporated November 2 1926, as successor to The Grand River Valley Railwa Company (see 1926 Public Utility Manual, page 18 or apply to our Information Department). Lines i operation: Grand Junction to Fruita, 22.09 miles. Rai 60 lbs. Motor cars: passenger, 6; non-motor, 4; bo cars, 14; electric locomotive, 1; sub-station, 1.

CAPITAL STOCK

Outstanding, $563,385, stated value of Commo Cities Service Co. owns 99.99%.

FUNDED DEBT

None.

Officers: Clare N. Stannard, Pres., Denver, Colo Guy W. Faller, V-P.; T. I. Carter, V-P., New Yor City; Charles Rump, V-P. & Gen. Mgr., Grand Junc tion, Colo.; John E. Loiseau, Sec.; H. T. Hughe Treas.; Earle E. Sherman, Aud., Denver, Colo.; Ca B. Luscombe, Supt., Grand Junction, Colo.; Georg W. Cook, Pur. Agt., Denver, Colo.
Directors: C. N. Stannard, Guy W. Faller, Cha Rump, J. E. Loiseau, Denver, Colo.; T. I. Carter, Ne York City.
General Office, 900-15th Street, Denver, Colo.

H. L. D. REALTY CORPORATION

(Subsidiary of Cities Service Co.)

History—Incorporated June 25, 1920, in New Yor with a perpetual charter.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $10 All owned by Cities Service Co. Annual meeting, sec ond Tuesday in July, in New York.

FUNDED DEBT

$500,000 Mortgage Notes.

Officers: W. B. Robinson, Pres., New York; A. H Fromm, V-P., A. J. Hopper, Sec.; E. H. Johnston Treas.
Directors: W. B. Robinson, A. H. Fromm, A. J Hopper, E. H. Johnston, R. B. Sloan, New York City
Office, New York City.

INTERSTATE OIL COMPANY

(Controlled by Cities Service Company)

History—Incorporated Aug. 24, 1912 under th laws of Wisconsin as a marketing company. Com pany serves La Crosse, Antigo, Clintonville, Cran don, Dodgeville, Minocqua, Minnesota Junction, Mus coda, Neillsville, Norwalk, Portage, Tomahawk, Vero qua, Willard and Whitehall, Wis.

CAPITAL STOCK

Authorized, $450,000 Common, and $50,000 8% Pfd. outstanding, $442,775 Common; par of both issues $25. The entire outstanding Common stock is owned

Cities Service Company. No Pfd. stock issued. nnual meeting, first Tuesday after first Monday in nuary at La Crosse, Wis.

FUNDED DEBT

None.

Officers: H. L. Doherty, Pres., New York; W. H. Merritt, V-P., St. Paul, Minn.; W. L. Zust, V-P. & en. Mgr.; A. R. Thorson, Sec. & Treas., La Crosse, Wis.

Directors: W. L. Zust, E. H. Johnston, H. L. Doherty, W. A. Jones, H. D. Frueauff, W. H. Merritt, L. Zust, J. C. Rau, F. D. Weatherwax.

General Office, La Crosse, Wis.

JOPLIN GAS COMPANY

(Controlled by Cities Service Co.)

History—Incorporated May 18, 1900, in Mo., as successor to the Joplin Illuminating Co. Supplies natural as purchased from Cities Service Gas Co. to Joplin, Mo. Franchise perpetual. No. of customers, 7,617.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. All (except 9 directors' qualifying shares) owned by Cities Service Co. Annual meeting, fourth Thursday in February.

FUNDED DEBT

$300,000 First Gold 6s; dated June 1, 1900; due June 1, 1930; int. June and Dec. 1, at Union Trust Co., Detroit, Trustee. A. H. Rogers, Joplin, Mo., Co-Trustee. Coupon, $1,000; principal may be registered. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Officers: H. L. Doherty, Pres., New York; B. C. Adams, V-P., Kansas City, Mo.; F. R. Coates, V-P., New York; R. D. Garver, V-P., Harry Warner, Sec. & Treas., Kansas City, Mo.

Directors: B. C. Adams, R. D. Garver, W. J. Hinchey, H. L. Doherty, F. R. Coates, Harry Warner, H. O. Caster.

Office, Kansas City, Mo.

LAKESIDE CONSTRUCTION COMPANY

(Controlled by Cities Service Company)

History—Incorporated April 20, 1923, in Delaware. Company is engaged in the construction of power plants, gas plants, transmission lines, pipelines, etc.

CAPITAL STOCK

Authorized and outstanding, $10,000 Common; par $100. All owned by Cities Service Company.

Annual Meeting—First Tuesday after first Monday in April.

FUNDED DEBT

None.

Officers: R. E. Burger, Pres.; R. G. Griswold, V-P.; G. W. Saathoff, V-P.; P. R. Jones, Sec.; L. F. Musil, Treas.

Directors: R. E. Burger, G. W. Saathoff, W. A. Jones, R. G. Griswold, H. L. Doherty.

Office, Dover, Del.

NATURAL GAS & FUEL CORP.

(Controlled by Cities Service Company)

History—Incorporated January 20, 1925 in Delaware to drill for oil and gas; to conduct a general oil and gas business, including production, transportation, refining and marketing of oil and gas and all its products; to conduct a public utility business of any description and to acquire the properties and assets of other companies. On Feb. 27, 1925 purchased the assets of Natural Gas & Petroleum Corp. (see 1925 Manual, page 2314). Controls Public Utilities Corp. of Arkansas (see statement appended). Owns and operates casinghead gasoline plant at El Dorado, Ark., also producing properties in La Salle and Winn Parishes, La., and in the Urania field; pipe lines and storage tanks.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $958,504 (stated value) stock of no par value. Cities Service Co. owns $638,715 (66.636%) of the stock. Transfer Agent and Registrar, American Exchange Irving Trust Co.

FUNDED DEBT

$2,000,000 First Mortgage 8% Gold bonds; due Jan. 1, 1935. All owned by Cities Service Company.

Officers: T. H. Barton, Pres.; J. D. Creveling, V-P.; W. A. Sinsheimer, V-P.; H. O. Caster, V-P.; H. F. Nash, V-P., New York; Joseph Zeppa, Sec. & Treas., El Dorado, Ark.

Directors: T. H. Barton, W. A. Sinsheimer, Joseph Zeppa, J. D. Creveling, F. R. Coates, W. A. Jones, H. O. Caster, H. F. Nash, L. F. Musil.

Offices, El Dorado, Ark., and 60 Wall St., New York.

PUBLIC UTILITIES CORPORATION OF ARKANSAS

(Controlled by Natural Gas & Fuel Corp.)

History—Incorporated June 21, 1926, in Delaware. Company distributes natural gas in Eldorado, Louann, and Smackover, Arkansas, serving a population of about 34,100. Number of customers, 1,300. Miles of main, 105 on 3-inch basis Gas sold in 1927, 333,352,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $44,740 Common, no par value. All owned by Natural Gas & Fuel Corp.

Annual Meeting—Third Monday in June.

FUNDED DEBT

None.

Officers: T. H. Barton, Pres.; H. R. Dickerson, V-P.; H. F. Nash, V-P.; H. O. Caster, V-P.; J. Zeppa, Sec. & Treas.

Directors: T. H. Barton, H. R. Dickerson, J. Zeppa, J. Davis, H. F. Nash.

Office, Dover, Del.

REPUBLIC CONSTRUCTION COMPANY

(Controlled by Cities Service Company)

History—Incorporated July 15, 1906, in Ohio. Company is engaged in construction of power plants, transmission lines, gas plants, etc.

CAPITAL STOCK

Authorized, $10,000 Common; outstanding, $1,300; par $100. All owned by Cities Service Company.

Annual Meeting—September 15 or next business day.

FUNDED DEBT

None.

Officers: G. W. Saathoff, Pres.; R. G. Griswold, V-P.; M. J. C. Ferguson, V-P. & Gen. Mgr.; B. H. Wigbells, Sec. & Treas.

Directors: R. E. Burger, G. W. Saathoff, M. J. C. Ferguson, R. G. Griswold, G. L. Hadden.

Office, Mansfield, Ohio.

SIXTY WALL STREET

(Controlled by Cities Service Company)

History—Incorporated April 4, 1903 in New York. Owns real estate in New York City, including 60 Wall Street.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All owned by Cities Service Co. Annual meeting, third Monday in January.

FUNDED DEBT

There were outstanding Dec. 31, 1927, $3,562,500 Mortgage Notes.

Officers: H. L. Doherty, Pres.; A. H. Fromm, V-P.; W. A. Jones, Sec.; F. H. Alder, Sec.; E. H. Johnston, Treas.

Directors: H. L. Doherty, A. H. Fromm, W. A. Jones, W. B. Robinson, K. B. Conger, A. H. Hopper, L. F. Musil.

Office, 60 Wall St., New York.

SOUTHERN ONTARIO GAS CO., LTD.

(Controlled by Cities Service Company)

History—Incorporated April 22, 1913, in Ontario. In 1922 acquired Glenwood Natural Gas Co. and Beaver Oil & Gas Co., Ltd. Company operates 347.65 miles of natural gas pipe lines in the Province of Ontario. Sells wholesale to the municipality in Leamington, Ontario.

Distributes natural gas without competition, serving 3,940 customers in Leamington, Ontario, with a population of over 4,000. Owns 94 producing gas wells. Gas production in 1927, 1,558,626,000 cu. ft., compared with 1,709,421,000 cu. ft. in 1926, 1,422,903,000 cu. ft. in 1925 and 1,426,835,000 cu. ft. in 1924. Gas sales in 1927, 763,105,000 cu. ft., compared with 1,426,835,000 cu. ft. in 1926, 1,374,854,000 cu. ft. in 1925 and 1,404,235,000 cu. ft. in 1924.

CAPITAL STOCK

Authorized, $15,000,000; outstanding, $4,987,800; par, $100. Cities Service Company owns $4,000,000 Cities Fuel & Power Company owns $750,000 (15.04%), and Dominion Gas Company owns $237,300 (4.75%) of the stock. Annual meeting, fourth Wednesday in January at Hamilton, Ont.

FUNDED DEBT

$4,000,000 FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1953

Dated October 1, 1913.

Interest Payable April and October 1, at Henry L. Doherty & Co., New York, and in Province of Ontario.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized issue, $10,000,000, the unissued bonds being reserved for 85% of the cost of improvements, etc. Of the outstanding bonds, $915,000 are owned by New York & Northern Gas Co. and $1,150,000 are owned by Consolidated Cities Light, Power & Traction Co. and pledged under its First lien 5s of 1962.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' published notice. Bonds when purchased by company may be kept alive and draw interest.

Sinking Fund—1% of outstanding bonds must be set aside on April and Oct. 1, of each year for purchase of bonds at not more than 105, or call at that figure. Company may deposit bonds at 105 in lieu of cash. Bonds kept alive in sinking fund. $1,351,000 bonds are held in sinking fund.

Security—A first lien on entire property.

Tax Provisions—Company does not pay United States Normal Income Tax.

OFFICERS AND DIRECTORS

Officers: Henry L. Doherty, Pres.; J. D. Creveling, V-P., New York; S. B. Severson, V-P. & Gen. Mgr.; J. A. Richie, Sec. & Treas., Buffalo, N. Y.

Directors: Edmund Sweet, Brantford, Ont.; H. L. Doherty, J. D. Creveling, New York; J. A. Richie, S. B. Severson, Buffalo, N. Y.

Office, Buffalo, N. Y.

UNION PUBLIC SERVICE COMPANY

(Controlled by Cities Service Company)

Incorporated Sept. 21, 1914, in Delaware. A holding company, owning the entire capital stocks of the following public utilities:

Tri-City Gas Co., Cherryvale and Altoona, Kan., and Chelsea, Okla.
Miami County Gas Co., Paola and Osawatomie, Kan.
Ottawa Gas & Electric Co., Ottawa, Kan.
Dewey Gas Co., Dewey, Okla.

The properties owned and operated extend from Kansas City on the north, to Beggs, Oklahoma on the south. Population served is about 54,000.

New Control—During the month of March, 1924, a majority of the stock of the Union Public Service Co. was purchased by Cities Service Company, and on March 18, 1924, the management and operation of the business was taken over.

CAPITAL STOCK

Authorized and outstanding, $200,000 Common $100,000 5% First Pfd. and $35,000 Second Pfd.; par $100. Cities Service Company owns $197,500 (98.75%) of the Common and $58,000 of the Pfd.

Annual Meeting—Third Thursday in January.

FUNDED DEBT

(1)

$884,000 UNION PUBLIC SERVICE CO. COLLATERAL TRUST GOLD 6s; DUE DECEMBER 1, 1939

Dated October 1, 1914.

Interest Payable June and December 1, at Chicago Trust Co., Chicago, and Bankers Trust Co., New York.

Denominations—Coupon, $100 and $500; principal may be registered.

Trustee—Chicago Trust Co., Chicago.

Provisions of Issue—Authorized issue, $1,500,000 outstanding, December 31, 1927, $884,000. Additional bonds may be issued for 85% of the cost of extensions additions and improvements to the properties, or at par for purchasing new properties or for purchasing the majority of the capital stock of other companies providing such purchase is approved by an engineer satisfactory to the trustee.

Callability—Subject to call on any interest date on 60 days' notice at 102 and interest.

Security—Secured by pledge of all stocks, bonds and other securities now owned or that may hereafter be acquired by the Company. The mortgage provides that underlying bonds of the subsidiary Companies may be exchanged par for par for the Collateral Trust bonds of the Union Public Service Co.; $44,086 thereof have already been exchanged. Bonds so exchanged must be kept alive and deposited as additional security for the Collateral Trust bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

UNDERLYING BONDS

(2)

$3,000 Baldwin Gas Co. Second 6s; issued under and secured by second mortgage, dated July 14, 1909; interest Feb. and Aug. 1, at Banking Trust Co., Kansas City, Kans., Trustee. Denomination, $500. Original issue, $20,000; retired, $13,000; held by Company, $3,000. All owned by the Union Public Service Co. and pledged under Collateral Trust issue of that company.

(3)

$6,000 Dewey Gas Co. First 7s; dated April 1, 1919; due $1,500 on Jan. 15 and July 15, each year until paid; interest Jan. and July 15, at H. M. Brent, Trustee, First National Bank, Dewey, Okla. Original issue, $37,000, of which $25,000 paid and retired, and $6,000 held in treasury.

(4)

$6,000 Dewey Gas Co. Second 7s; dated Jan. 10, 1922; due $1,000 on Jan 10 each year until paid; interest Jan. and July 10, at H. M. Brent, Trustee, First National Bank, Dewey, Okla. Original issue, $7,000; paid and retired, $1,000; in treasury, $6,000.

(5)

$32,000 Ottawa Gas & Electric Co. First 6s; issued under, and secured by the mortgage dated Oct. 12, 1905; interest April and Oct. 1, at Banking Trust Co., Kansas City, Kansas, Trustee. Guaranteed principal and interest by Union Public Service Co. Of these bonds $32,000 are now held by the Trustee in sinking fund, and $43,000 have been retired. Company pays Normal Federal Income Tax up to 2%.

(6)

$21,000 Tri-City Gas Co. Gold 6s; dated April 1, 1917; due $10,500 annually; interest April and Oct. 1,

American Trust Co., Boston, Mass., Trustee. Coupon, $500. Original issue, $126,000, of which $105,000 paid and retired. Subject to call on any semi-annual interest date, on 60 days' notice, at 101 and interest. Guaranteed, principal and interest, by the Union Public Service Co. A first lien on entire property of Trinity Gas Co. of Altoona and Cherryvale, Kans., and Chelsea, Okla. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: B. C. Adams, Pres.; Kansas City, Mo.; R. D. Garver, V-P., Kansas City, Mo.; H. O. Caster, V-P., New York.; Harry Warner, Sec. & Treas., Kansas City, Mo.

Directors: H. A. Russell, B. C. Adams, Harry Warner, R. D. Garver, H. O. Caster.

Office, 615-617 Commerce Bldg., Kansas City, Mo.

WINFIELD NATURAL GAS COMPANY

(Subsidiary of Cities Service Company)

History—Incorporated June 23, 1909 in Kansas for period of fifty years. Company has 40.05 miles of gas pipe line. Company not operating.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Cities Service Co. owns $99,300 (99.3%) of the capital stock. Annual meeting, first Tuesday in February, in Winfield or Wichita, Kan.

FUNDED DEBT

None.

Officers: B. C. Adams, Pres., Kansas City, Kan.; R. D. Garver, V-P., Topeka, Kan.; Harry Warner, Sec. & Treas.; J. L. Parker, Pur. Agt., Bartlesville, Okla.

Directors: Harry Warner, R. D. Garver, B. C. Adams, H. A. Russell, W. H. McKenzie, G. J. Swan, W. J. Hinchey.

Office, Kansas City, Mo.

WINONA OIL COMPANY

(Controlled by Cities Service Company)

History—Incorporated November 16, 1910, in Minnesota. Company markets refined oil products. Owns and operates tank and service stations in 50 communities in the states of Wisconsin and Minnesota, serving population of about 197,399.

CAPITAL STOCK

Authorized $500,000 Common and $500,000 Pfd., outstanding, $300,000 Common and $250,000 Pfd.; par, $100. Cities Service Co. owns all of the Common and $223,600 of the Pfd.

Annual Meeting—Second Tuesday in February.

FUNDED DEBT

None.

Officers: H. D. Frueauff, Pres.; W. H. Merritt, V-P.; F. A. Sheehan, Gen. Mgr., Sec. & Treas.

Directors: H. D. Frueauff, W. H. Merritt, F. A. Sheehan.

Office, Winona, Minn.

GAS & ELECTRIC SECURITIES CO.

(Affiliated with Cities Service Co.)

History—Incorporated July 15, 1910, in Del., as an underwriting company to finance and deal in the properties and securities of public utility companies. Financed the organization of Cities Service Company, and also the development of several of Cities Service Company subsidiaries including the Massillon Electric & Gas Co., The Knoxville Gas Co., Cumberland & Westernport Electric Ry. Co., Bristol Gas & Electric Co., and The Summit County Power Co. Principal holdings of the Company are stocks of Cities Service Company.

CAPITAL STOCK

Authorized, $4,000,000 Common and $1,000,000 7% cumulative Pfd.; outstanding, $1,932,061 Common and $1,000,000 Pfd.; par, $100.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends, and is redeemable at 120 and accrued dividend.

Transfer Agent—H. L. Doherty & Co., New York.

Registrar—Bankers Trust Co., New York.

Annual Meeting—First Tuesday after first Monday in January.

Listed—Columbus Stock Exchange.

Dividends on Preferred Stock—Cash dividends on Pfd. stock were paid monthly up to July 1, 1914, at the rate of 7% per annum. Beginning with dividend payable Aug. 1, 1914, payments were deferred but were resumed July 1, 1916 when the Company paid a cash dividend of 14% to holders of record June 15, 1916, this constituting full payments of accumulated dividends. From that time up to and including June 1, 1921, dividends on Pfd. stock were paid in cash at the rate of 7% per annum.

On June 20, 1921, directors voted that future dividends on both classes of stock be paid at prevailing rates in scrip instead of cash and stock. This plan was followed until Jan. 15, 1926 when the Company redeemed all scrip theretofore issued as dividends on the Pfd. stock, and resumed the payment of cash dividends, at the rate of 7% per annum, payable monthly on the first.

Dividends on Common Stock—Cash dividends on Common stock were paid monthly at the rate of 6% per annum from Feb. 1, 1913 up to and including July 1, 1914. Beginning with dividend payable Aug. 1, 1914 payments were deferred but were resumed July 1, 1916 when the Company paid a cash dividend of 12%, thus liquidating deferred dividends. From that time up to and including June 1, 1921, cash dividends on Common stock were paid monthly at the rate of 6% per annum. Beginning July 1, 1921 up to and including Jan. 1, 1926 dividends were paid in cash scrip at the same rate. On Feb. 1, 1926 cash dividends, payable monthly, were resumed at the rate of 6% per annum after all scrip had been redeemed.

On Dec. 1, 1919, Company paid a dividend of 3% in Common stock; in 1920, 6%. On Jan. 1, 1921, a dividend of ¾ of 1% was paid, placing the stock dividend at an annual rate of 9%. From July 1, 1921 up to and including Jan. 1, 1926, dividends were paid monthly in non-interest bearing scrip at the rate of 75c par value stock scrip per share. Since Feb. 1, 1926, stock dividend paid at the rate of ¾% monthly in Common stock, all stock scrip having been previously redeemed. Payments monthly on the first.

FUNDED DEBT

$1,194,400 COLLATERAL TRUST SERIES 6% NOTES; DUE EACH AUGUST 1 AND FEBRUARY 1, FROM FEBRUARY 1, 1928, TO AUGUST 1, 1930, INCLUSIVE

Dated August 1, 1919.

Interest Payable February and August 1, on coupon notes, and monthly on fully registered notes on the first of each month, at office of H. L. Doherty & Co., New York.

Denominations—Coupon (principal may be registered), $1,000; and fully registered notes, $100, $500 and $1,000.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $3,000,000, issuable in series to consist of notes in the aggregate principal amount, not exceeding $250,000. As any outstanding series is paid or retired, company may issue subsequent series bearing such date, maturing at such dates respectively (provided no series shall bear a maturity date less than 6 months after the maturity of the series then outstanding last to mature, and no two series shall mature at intervals of less than six months), bearing interest at such rate, and having such security as is stipulated at time of issuance of each respective series.

Callability—Redeemable at the option of the Company in whole or in part by lot upon 30 days' published notice, on the first day of any month prior to maturity, at a premium of ¼ of 1% for each year, and/or fraction thereof between the redemption date and the date of maturity of the note.

Collateral—Secured by pledge with Trustee of the following securities:

$30,000 Brantford (Ont.) Gas Co. First Mtge. 5s, due 1929.
3,000 shs. Cities Service Co. 6% cum. Pfd. stock.
500,000 Southern Ontario Gas Co., Ltd., First Mtge. Gold 5s, due 1935.
250,000 Spokane Gas & Fuel Co. First & Refunding 5s, due 1954.
11,500 shs. Empire Gas & Fuel Co. 8% cum. Pfd. stock.

The Indenture provides that securities may be deposited from time to time, until the full authorized amount of $3,000,000 of Notes is issued, provided, that the total valuation (as defined in Note Indenture) of the securities pledged shall not be less than one and one-third times the aggregate principal amount of all notes of all series then outstanding and those to be requested.

Release and Substitution of Collateral—Collateral pledged may be released by deposit of cash in an amount equal to 81%, or by deposit of notes of this issue equal to 75%, of the valuation of the collateral requested to be released; or by deposit of stocks, bonds or other securities of a subsidiary of Cities Service Co. of a value equal to the value of the securities then requested to be released subject, however, to certain restrictions as set forth in Note Indenture.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,061,799	$813,824	$770,557
Expenses, taxes, etc.	13,584	12,219	25,949
Net earnings	$1,048,215	$801,605	$744,608
Interest and discount	118,574	96,361	53,942
Balance for dividends	$929,641	$705,244	$690,666
Preferred dividends	70,000	70,000	.....
Bal. for divds. on Com.	$859,641	$635,244	.....

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	*1923	1922	1921
Securities owned	$13,001,731	$10,415,579	$7,740,780	$5,207,516	$5,362,152	$5,814,268
Bills and accounts receivable	52,865	44,678	10,838	1,707	3,547	11,299
Cash	263,868	347,459	416,881	206,078	214,315	24,085
Collateral trust note discount	14,830	23,914	5,770	21,601	17,260	19,010
Total	$13,333,294	$10,831,630	$8,174,269	$5,436,902	$5,597,274	$5,868,662
Liabilities—						
Common stock	$1,932,062	$1,766,382	$1,143,562	$1,143,562	$1,143,561	$1,143,561
Preferred stock	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Collateral trust notes	1,194,400	1,536,700	803,300	916,700	737,900	612,325
Coupons accrued	27,827	37,805	19,825	22,686	18,186	15,312
Scrip, dividends payable	.....	.....	†1,106,548	623,723	382,319	140,943
Bills and accounts payable	665,428	701,928	.....	202,636	500,667	701,456
Taxes accrued	.....	.....	941	.....	.....	.....
Surplus	8,513,577	5,788,814	4,100,093	1,527,595	1,814,641	2,255,065
Total	$13,333,294	$10,831,630	$8,174,269	$5,436,902	$5,597,274	$5,868,662

*1924 figures not available. †Since redeemed.

Officers: H. L. Doherty, Pres.; W. A. Jones, V-P.; Thos. I. Carter, V-P.; T. A. Wallace, Sec.; L. F. Musil, Treas., New York.

Directors: H. L. Doherty, W. A. Jones, T. I. Carter, L. F. Musil, New York; one vacancy.

Executive Office, 60 Wall St., New York.

GAS SECURITIES COMPANY

(Affiliated with Cities Service Co.)

History—Incorporated Jan. 8, 1906, in New York, as a holding company for the purpose of acquiring securities of gas, electric light and power and kindred corporations. Securities owned by the Company consist of large amounts of Cities Service Co. Common stock and Gas & Electric Securities Co. Common stock, with substantial amounts of American Gas & Electric Co. Common stock and American Light & Traction Co. Common stock. The Company also has holdings of other securities and assets, represented by various unfinished syndicate operations.

CAPITAL STOCK

Authorized, $500,000 Common and $1,000,000 6% cumulative Pfd.; outstanding, $365,000 Common and $487,800 Pfd.; par, $100.

Transfer Agent—H. L. Doherty & Co., New York.

Registrar—American Exchange Irving Trust Co., New York.

Annual Meeting—Third Wednesday in January.

Dividends on Preferred Stock—In Jan., 1909, all accrued accumulated dividends from date of incorporation to Dec. 31, 1908, were paid, at the rate of 6% per annum, in Pfd. stock. Cash dividends on Pfd. stock were then paid monthly from Feb. 1, 1909 up to and including July 1, 1914, at the rate of 6% per annum. Beginning with dividend payable Aug. 1, 1914, payments were deferred but were resumed July 1, 1916, when the Company paid a cash dividend of 12%, to holders of record June 15, 1916, this constituting full payment of accumulated dividends. From that time up to and including June 1, 1921, dividends on Pfd. stock were paid in cash at the rate of 6% per annum.

On June 20, 1921, directors voted that future dividends on both classes of stock be paid in scrip instead of cash. This plan was followed until Jan. 15, 1926, when the Company redeemed all scrip theretofore issued as dividends on the Pfd. stock and resumed on February 1, 1926, the payment of cash dividends at the rate of 6% per annum. Payments monthly on the first.

Dividends on Common Stock—An initial cash dividend of 1% was paid on Common stock, Aug. 1, 1909. On Sept. 1, 1909, a dividend of 1% was paid; thereafter up to and including July 1, 1914, cash dividends were paid monthly at the rate of 6% per annum. Beginning with the dividend payable Aug. 1, 1914, payments were deferred, but were resumed July 1, 1916, when the Company paid a cash dividend of 12%, thus liquidating deferred dividends. From that time up to and including June 1, 1921, cash dividends on Common stock were paid monthly at the rate of 6% per annum. Since July 1, 1921, dividends have been paid monthly at the same rate in non-interest bearing scrip.

On Sept. 1, 1909, a dividend of 100% in Common ock was paid and on April 1, 1911, a dividend of 25% Common stock was paid, increasing the amount of at stock outstanding to $365,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
oss earnings	$1,356,648	$716,429	$334,405
penses, taxes, etc.	2,868	12,417	27,259
Net earnings	$1,353,780	$704,012	$307,146
terest & discount	60,000	40,000	15,991
Net to stock	$1,293,780	$654,012	$291,155
eferred dividends	29,268	29,628	*
Net to Common	$1,264,512	$634,384	.....

*Pfd. dividends paid in scrip, redeemed Jan. 15, 1926. Cash vidends resumed Feb. 1, 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
curities owned	$11,640,422	$8,436,973	$6,868,470
ash	96,584	56,777	29,707
lls and accts. receivable	1,222,406	1,209,189	2
Total	$12,959,412	$9,702,939	$6,898,179
Liabilities—			
ommon stock	$365,000	$365,000	$365,000
referred stock	487,800	487,800	487,800
rip. dividends payable	144,175	122,275	100,375
fd. scrip. dividend (since redeemed)	.....	.....	134,145
ills payable	1,100,000	1,000,000	.....
ccounts payable	11,749	64,802	38,575
urplus	10,850,688	7,663,062	5,772,284
Total	$12,959,412	$9,702,939	$6,898,179

Officers: H. L. Doherty, Pres.; W. A. Jones, V-P.; F. Musil, V-P. & Treas.; F. L. Blackburn, Sec., New York.

Directors: Louis F. Musil, W. A. Jones, H. L. Doherty, New York.

Executive Office, 60 Wall St., New York.

DOHERTY SECURITIES COMPANY

History—Incorporated Dec. 20, 1909, in Me., to hold nd deal in securities. Existence perpetual.

CAPITAL STOCK

Authorized, $1,000,000 Common, $1,000,000 6% umulative First Pfd., $1,000,000 6% Second Pfd., and 6,000,000 6% Class C Pfd.; outstanding, $1,000,000 Common, $1,000,000 First Pfd., $992,750 Second Pfd., nd $3,542,416 Class C Pfd.; par, $100. Annual meeting, Dec. 10, at Augusta, Me. Dividends not reported.

FUNDED DEBT

None.

Officers: Henry L. Doherty, Pres.; W. A. Jones, V-P.; Thos. I. Carter, V-P.; L. F. Musil, Sec. & Treas., New York.

Directors: Henry L. Doherty, W. A. Jones, L. F. Musil, Thos. I. Carter (one vacancy).

General Office, 60 Wall St., New York.

THE KITTANNING TELEPHONE COMPANY

History—Incorporated Aug. 31, 1896, in Pa. No. of exchanges, 6; 'phones, 7,068. Annual rental, $21.60 to $57.40.

CAPITAL STOCK

Authorized $1,000,000; outstanding $600,050 (increased from $576,300 in 1926 and from $543,800 in 1925); par, $25. Annual meeting, last Wednesday in January.

Dividends—8% per annum regularly paid until 1920; in 1921, 4% was paid; 1922 not reported; 1923, 4% in cash and 40% ($120,600) in stock; 1924, 5½%; 1925, 7½%; 1926 and 1927, 8% each; payments quarterly, J. A. J & O.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross receipts	$269,267	$242,749	$228,068
Operating expenses, taxes & depreciation reserve	200,130	188,612	169,134
Net earnings	$69,137	$54,137	$58,934
Interest and rentals	2,340	3,866	3,408
Net income	$66,797	$50,271	$55,526
Dividends paid	48,005	47,530	39,996
Surplus for year	$18,792	$2,741	$15,530
Earnings Per Share	$2.78	$2.09	$2.40

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Property account	$849,745	$834,018	$821,967
Materials and supplies	8,142	8,567	7,312
Cash	31,846	9,862	9,315
Accounts receivable	29,479	26,051	25,088
Deferred debit items	1,585	2,543	2,828
Total	$920,797	$881,041	$866,510
Liabilities—			
Capital stock	$600,050	$600,075	$576,300
Notes payable	21,633	36,633	64,633
Other current liabilities	22,219	12,147	15,514
Reserve for taxes	13,001	11,292	10,227
Depreciation reserve	189,531	157,307	146,960
Premium on capital stock	22,975	22,975	15,046
Surplus	51,387	40,612	37,829
Total	$920,797	$881,041	$866,510

Officers: C. E. Meals, Pres.; F. C. Monks, V-P.; Edw. S. Hutchison, Treas.; K. B. Schotte, Sec., Gen. Mgr. & Pur. Agt., Kittanning, Pa.

Directors: H. E. Montgomery, C. E. Meals, K. B. Schotte, Chas. Neubert, F. C. Monks, E. S. Hutchison, Kittanning, Pa.; R. M. Trollinger, Rural Valley, Pa.

General Office, Kittanning, Pa.

COMMONWEALTH TELEPHONE COMPANY (PA.)

History—Incorporated April 26, 1907, in Pa. Owns and operates a complete system of exchange and toll lines supplying telephone service in Wyoming, Sullivan and Susquehanna Counties, and parts of Luzerne, Lackawanna and Bedford Counties, Pennsylvania, and connects these rural districts with Scranton and Wilkes-Barre. Effective July 1, 1925 purchased the property of the Merchants' Telephone Company. Number of exchanges, Jan. 1, 1928, 22. No. of stations, 7,459. Miles of wire (single) 6,985. Annual rental, $24 to $48.

Contract with Bell Telephone Company of Pennsylvania—Company has a contract with Bell Telephone Company of Pennsylvania, in effect since 1912, whereby the latter agrees to give Commonwealth Telephone Company exclusive territorial rights and to prorate toll charges on interline business, and to furnish it engineering service and advice free of charge. Commonwealth Telephone Company connects with the American Telephone & Telegraph Company's long distance lines and the New York Telephone Company.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 Pfd.; outstanding, $238,067.66 Common and $270,900 7% cumulative Pfd.; par, $20. Annual meeting, Tuesday following third Monday in February.

Preferred Stock Provisions—Preferred stock is preferred as to cumulative dividends, and as to assets up to the par value in case of liquidation. It is not redeemable. It is full paid and non-assessable. Free from Pennsylvania State Tax.

Preferred Stock Offering—A block of $150,000 Preferred stock was publicly offered in December, 1926, at par, $20, and dividend, by Edward Lowber Stokes & Co., Philadelphia.

Dividends—Dividends on Pfd. have been regularly paid; on Common—1913 and 1914, 8%; 1915, 4%; none thereafter until 1922 when dividends were resumed at 4% which annual rate has been paid to date. Payments on both classes, Feb. and Aug. 1, to stock of record Jan. 20 and July 20.

FUNDED DEBT

$850,000 FIRST MORTGAGE SERIES "A" SINKING FUND GOLD 5½s; DUE NOVEMBER 1, 1945

Dated November 1, 1925.

Interest Payable May and November 1, at Franklin Trust Company of Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Franklin Trust Company of Philadelphia.

Provisions of Issue—Bonds of Series "A" shall be limited to $850,000. Bonds of additional series may be issued up to but not exceeding the total aggregate issue of all Series of $5,000,000. Additional bonds can only be issued subject to following restrictions: (a) Additional bonds shall be issued only against permanent improvements, extensions or additions, made after November 1, 1925, to the fixed properties of Company. No bonds shall be so issued for exceeding 75% of total cost or fair value, whichever is lower, of such additions, extensions or improvements. (b) No bonds shall be issued unless net earnings after depreciation and taxes for 12 consecutive months shall equal at least 1¾ times interest charges on the then outstanding bonds of all series and on the additional bonds proposed to be issued; (c) No bonds of any subsequent series shall mature prior to November 1, 1946. Proceeds of Series "A" bonds were to be used to retire entire outstanding funded debt of Company, to make payment for property of the Merchants' Telephone Company, and to provide capital for additions and extensions.

Callability—Series "A" bonds are subject to call as a whole or in part on 30 days' notice on November 1, 1930, and thereafter on any interest date to and including November 1, 1935, at 105 and interest, and thereafter at a price successively decreasing ½ of 1% each year until maturity when any bonds of this issue then outstanding will be payable at their face value.

Sinking Fund—Company will pay to the Trustee in each year commencing on and after November 1, 1927, 2% of total amount of Series "A" bonds to be used by Trustee for purchase of these bonds at not exceeding 105. If Trustee is unable to purchase bonds below 105 or if the current redemption price is less than said redemption price, the Trustee shall draw by lot sufficient bonds to exhaust said funds at 105 or at the redemption price. All bonds purchased for sinking fund shall be cancelled. Company may purchase Series "A" bonds in the open market and tender same to the Trustee in lieu of cash at current redemption price and accrued interest.

Security—Secured by a direct first mortgage on all present property of Company and the property of Merchants' Telephone Company acquired, including land, buildings, equipment, conduits and franchises, and by a direct lien on property hereafter acquired. On November 11, 1924, Ford, Bacon & Davis, Inc., reported the estimated Reproduction Cost New of the property of Commonwealth Telephone Company, as of September 30, 1924, to be not less than $1,300,000 and the Reproduction Cost New less Deterioration, not less than $1,050,000. After investigating all additions and retirements since that date of the Commonwealth property and estimating the value of the property of the Merchants' Telephone Company based on an inventory made in 1920, and additions and retirements since then, and taking present cost values, this engineering firm in a report dated October 15, 1925, has given the following estimates as of September 30, 1925: Commonwealth Telephone Company Reproduction Cost New, $1,455,000; Merchants Telephone Company Reproduction Cost New, $745,000—total, $2,200,000. Commonwealth Telephone Company Reproduction Cost New Less Depreciation, $1,201,500; Merchants Telephone Company Reproduction Cost New Less Depreciation, $430,000—total, $1,631,500.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Bonds are free from Pennsylvania Four Mill Tax.

Legal Opinion—Henry, Pepper, Bodine & Stoke Philadelphia.

Original Offering—First publicly offered ($600,00 in October, 1925, at 99 and interest, to yield abo 5.58%, by Edward Lowber, Stokes & Co., Philade phia, Boston, New York, and Reading (Pa.)

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$304,718	$294,583	$200,8
Operating exp. & taxes	178,792	170,388	148,3
Depreciation	53,876	27,491	
Net earnings	$72,050	$96,704	$52,4
Interest charges	46,750	46,528	28,0
Rents, etc.	10,335	7,631	3,7
Total charges	$57,085	$54,159	$31,7
Net income	14,965	42,545	20,6
Dividends paid	30,666	15,348	9,6
Surplus for year	*$15,701	$27,197	$11,0

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,377,533	$1,306,238	$1,144,1
Materials and supplies	44,813	49,420	43,4
Cash	21,544	69,563	149,4
Current assets	79,941	49,335	37,6
Prepayments	1,289	1,242	7
Unamortized debt discount	47,161	49,982	51,5
Unexting. disc. on cap. stock	11,250	11,250	
Other suspense	3,722	3,153	
Total	$1,542,440	$1,540,185	$1,426,9
Liabilities—			
Common stock	$238,068	$238,068	$208,0
Preferred stock	270,900	268,860	71,3
Funded debt	850,000	850,000	850,0
Loans & notes payable	21,249	39,680	187,5
Current liabilities	11,011	9,559	8,0
Reserve for taxes	9,192	6,216	4,8
Deferred credit items	150	150	1
Depreciation reserve	121,120	88,645	89,3
Profit and loss surplus	20,750	39,007	7,4
Total	$1,542,440	$1,540,185	$1,426,9

Officers: A. J. Sordoni, Pres., Kingston, Pa.; W. L Gay, V-P., Center Moreland, Pa.; Neil Chrisman, Sec Wilkes-Barre, Pa.; A. T. Glahn, Treas., Forty Fort, Pa

Directors: A. J. Sordoni, Kingston, Pa.; A. T. Glahn R. P. Walter, E. F. Roan, Forty Fort, Pa.; W. D. Gay Center Moreland, Pa.; Ray Waltman, Neil Chrisman Wilkes-Barre, Pa.; W. Standley Stokes, Philadelphia E. W. Thompson, Factoryville, Pa.; R. R. Van Horn Plymouth, Pa.; Enoch Thomas, Warrior Run, Pa. Fred B. Jennings, Tunkhannock, Pa.

General and Corporate Office, 45 Owen St., Fort Fort (Kingston P. O.), Pa.

THE IRWIN HERMINIE TRACTION CO

History—Incorporated Aug. 2, 1910, in Pa., wit 99-year franchise, to own and operate line of road be tween Irwin and Herminie, Pa.; 5.63 miles in operatio Jan. 1, 1928. Projected, 22 miles, of which all bu 1¾ miles to be on private right of way. Motor cars Passenger, 3; other cars and equipment, 4. Gauge, ft. 2½ in. Rail, 70 lbs. Power purchased from Wes Penn Electric Co.

CAPITAL STOCK

Authorized, $125,000; outstanding, $102,400; par $50. Annual meeting, second Monday in January.

Dividends—Dividends at rate of 5% per annum paid; 3% in 1918; none paid since.

FUNDED DEBT

$48,000 First Gold 6s; dated Nov. 1, 1912; due Nov 1, 1937; int. May and Nov. 1, at Colonial Trust Co. Pittsburgh, Pa., Trustee. Denomination, $500 and $1, 000. Authorized, $500,000, of which $250,000 have been issued, $48,000 have been sold and balance are held by the Trustee. No additional bonds can be issued to exceed $30,000 per mile of railway actually constructed and in operation. First publicly offered ($250,000) in Dec., 1912, at 99 and interest. Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
·oss earnings	$35,317	$35,649	$31,630
perating expenses	36,022	30,664	30,779
Net earnings	*$705	$4,985	$851
ther income	.....	47	393
Total income	*$705	$5,032	$1,244
terest paid	3.881	4,222	2,835
iscellaneous taxes	534	.....	.....
Total charges	$4,415	$4,222	$2,835
eficit for year	$5,120	*$810	$1,591

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
roperty and equipment	$239,269	$239,269	$239,269
aterials and supplies	917	917	916
ash	256	630	361
iscellaneous assets	263	193	193
Total	$240,705	$241,009	$240,739
Liabilities—			
apital stock	$102,400	$102,400	$102,400
unded debt	48,000	48,000	48,000
otes payable	15,645	16,245	17,075
ccounts payable	6,541	2,617	4,337
eserve for taxes	282	1,137	1,059
epreciation reserve	23,553	21,206	19,275
rplus	44,284	49,404	48,593
Total	$240,705	$241,009	$240,739

Officers: C. H. Bolton, Pres. & Gen. Mgr., Irwin, 'a.; R. A. Troop, V-P., Pittsburgh, Pa.; L. H. Tay-)r, Treas.; Jas. I. Marsh, Sec. & Aud., Irwin, Pa.

Directors: John N. Weddell, Rillton, Pa.; C. H. Bol-)n, L. H. Taylor, J. K. Vance, James I. Marsh, Irwin, a.; F. H. Rea, A. Frank, R. A. Troop, A. Bertolina, 'ittsburgh, Pa.

Office, Irwin, Pa.

SCRANTON, MONTROSE AND BINGHAMTON R.R.

History—Incorp. Aug. 25, 1919, in Pa., as successor n title to Scranton & Binghamton R. R. Co. (see 920 Public Utility Manual, page 2253). Owns the ntire capital stock of the Scranton & Binghamton 'raction Co. and a controlling interest in the capital tock of the Northern Electric Ry. of N. Y. (inc. May , 1906, in N. Y., with $1,200,000 capital stock), which n turn owns entire stock of the Northern Electric St. Ry. of Pa., the last named road being leased to the 'raction Co. for 900 years from July 1, 1910. Under greement dated March 8, 1914, the Scranton & Bing-amton R. R. acquired 90% of the capital stock of the Binghamton Ry. Co. This stock, however, was dis-)osed of in 1925. The company at present controls pproximately 45 miles of street and interurban ailway.

Company furnishes electricity in the sections trav-rsed, lighting machinery having been added to the)ower house at Dalton for the purpose. Has right o carry freight and express. Owns entire capital tock of the Lake Winola Park Co., and over 90% f the capital stock of the Lake Winola Association. Gauge, 4 ft. 8½ inches. Passenger cars, 22; other cars, . Company furnishes power to the Binghamton Ry. o.

Franchise—The Company has a perpetual charter, ight of eminent domain, and the right to carry freight nd express. It has perpetual (or beyond the life of ts bond issue in 1960), franchises through the various owns and villages through which its interurban line)asses. Through the Northern Boulevard Co., it con-rols the only available entrance into Scranton from he west, except at prohibitive cost.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, only directors' qualifying shares. No dividends paid.

FUNDED DEBT

$1,800,000 First Sinking Fund Gold 6s; dated Oct. , 1919; due Oct. 1, 1949; int. April and Oct. 1. The Miners Bank of Wilkes-Barre, Pa., Trustee. Authorized issue, $10,000,000. Outstanding Dec. 31, 1927, $1,800,000. In addition $60,000 were pledged as Collateral at that date. Secured by first lien on property of Company and by pledge of certain securities. Interest on these bonds is in default. Company does not pay Normal Federal Income Tax.

Officers: Vacancy, Pres.; R. W. Day, V-P. & Gen. Mgr.; A. Widdowfield, Sec., J. J. Moffat, Asst. Sec., Asst. Treas. & Aud., Scanton, Pa.

Directors: A. Widdowfield, C. C. Ferber, R. W. Day, J. J. Moffat, Scranton, Pa.; F. L. Fuller, Binghamton, N. Y.

General Office, 233 Wyoming Ave., Scranton, Pa.

SCRANTON & BINGHAMTON TRACTION CO.

(Controlled by Scranton, Montrose & Binghamton R. R.)

History—Incorporated Oct. 15, 1910, in Pennsylvania. Leases The Northern Electric St. Ry. (see appended statement) for 990 years from March 30, 1910, at rental of interest on bonds.

CAPITAL STOCK

Authorized and outstanding, $10,000. All owned by Scranton, Montrose & Binghamton RR. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: E. H. Ripple, Jr., Pres.; R. L. Koehler, V-P.; J. J. Moffat, Sec & Treas.; R. W. Day, Gen. Mgr.; Scranton, Pa.

Directors: E. H. Ripple, Jr., R. L. Koehler, A. W. Widdowfield, J. J. Moffat, F. M. Francis, Scranton, Pa.

General Office, Scranton, Pa.

THE NORTHERN ELECTRIC STREET RY.

(Leased to Scranton & Binghamton Traction Co.)

History—Incorporated Jan. 20, 1904, in Pa. Leases the Dalton Street Ry. for 999 years and owns its capital stock; also owns all the capital stock of the Abington Turnpike & Plank Road Co. and the Northern Boulevard Co. An overhead trolley line built entirely on private right of way, except through cities and towns, where franchises are perpetual. Road extends from Scranton Pa., to Factoryville and Lake Winola, passing through Chinchilla, Clark's Summit, Glenburn, Dalton, etc., 20 miles, of which 2½ miles are owned by this company and 17½ miles by the Dalton Co. Gauge, standard. Rail, 70 lb. T. Also does a general lighting business in Dalton and Clark's Summit. Power station, equipped with two generating engines. Leased March 30, 1910, for 990 years to Scranton & Binghamton Traction Co., which pays interest on the bonds.

CAPITAL STOCK

Authorized and outstanding, $15,000; par, $50. Annual meeting, third Tuesday in January.

FUNDED DEBT

$820,000 FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1957

Dated June 1, 1907.

Interest Payable June and December 1, at Anthracite Savings Bank, Wilkes-Barre, Pa.

Default—Interest on these bonds for 1924, 1925 and 1926, is in default.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Anthracite Savings Bank, Wilkes-Barre, Pa.

Provisions of Issue—Authorized $1,200,000; outstanding Dec. 31, 1927, $820,000. In addition $380,000 were pledged as collateral at that date.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—Sinking fund provides that $10,000 be paid to Trustee on Dec. 1, each year, since 1911.

Security—A first lien on all property. Additionally secured by pledge of entire capital stocks of controlled companies.

Tax Provisions—Company does not pay Normal Federal Income Tax.

OFFICERS AND DIRECTORS

Officers: E. H. Ripple, Jr., Pres.; J. J. Moffat, Sec. & Treas.; R. W. Day, Gen. Mgr.; R. L. Koehler, Supt. & Pur. Agt., Scranton, Pa.

Directors: E. H. Ripple, Jr., F. M. Francis, A. Widdowfield, R. W. Day, J. J. Moffat, R. L. Koehler, Scranton, Pa.

General Office, Scranton, Pa.

SOUTH PENN TELEPHONE CO.

History—Incorporated June 17, 1903, in Pa., as South Penn Telephone & Telegraph Co.; name subsequently changed to above. Operates six exchanges; 'phones, 3,522. Prices, $24 to $87. 2,596 miles of wire.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Annual meeting, January 1.

Dividends—Dividends in 1906, 3½%; in 1907, 6%; in 1908, 3½%; year 1909-10, 1%; year 1910-11, 2%; 1913-14, 6%; 1914-15, 3%; 1915-16, 4%; 1917, 4%; 1918, 4%; 1919, 3%; none thereafter until 1923, when 4% was paid; 1924, 5%; 1925, 6%; 1926, 5%; 1927, 6%.

FUNDED DEBT

$118,000 FIRST MORTGAGE 6% BONDS; DUE JUNE 1, 1937

Dated June 1, 1922.

Interest Payable June 1 and Dec. 1. Bonds may be retired by purchase or drawn by lot at any time since June 1, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$125,388	$112,414	$107,609
Operating expenses & taxes	86,317	79,545	86,621
Net earnings	$39,071	$32,869	$20,988
Other income	477	148	.....
Total income	$39,548	$33,017	$20,988
Interest charges	7,459	7,500	.....
Other charges	2,328	4,068	900
Total charges	$9,787	$11,568	$900
Net income	29,761	21,449	20,088
Dividends paid	18,000	15,000	18,000
Surplus for year	$11,761	$6,449	$2,088

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$440,014	$426,016	$412,619
Materials and supplies	3,223	3,316	1,914
Cash	11,561	13,310	12,294
Current assets	16,734	15,525	17,944
Unamortized debt discount	6,860	7,580	8,300
Sinking fund	2,036	4,050	3,850
Prepayments	1,401	1,401	1,583
Profit and loss deficit	7,456	22,735	28,764
Total	$489,285	$493,933	$487,268
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	118,000	125,000	125,000
Current liabilities	4,693	6,206	3,239
Interest accrued	3,590	3,625	625
Dividends accrued			3,000
Taxes accrued	6,802	5,122	4,445
Depreciation reserve	54,754	49,855	47,735
Sinking funds	1,446	4,125	3,224
Total	$489,285	$493,933	$487,268

Officers: J. N. Scott, Pres.; W. J. Kyle, V-P.; C. W. Waychoff, Sec. & Treas.; Waynesburg, Pa.

Directors: W. J. Kyle, C. W. Waychoff, J. N. Scott, Eli G. Baily, L. T. Laidley, R. L. Baily, C. W. Summersgill, E. V. S. King.

General Office, Waynesburg, Pa.

THE COLUMBIA TELEPHONE CO.
(Columbia, Pa.)

History—Incorporated May 6, 1895, in Pa. Four exchanges; 2,822 'phones. 150 miles of pole line.

CAPITAL STOCK

Authorized, $400,000 (increased from $125,000 in January, 1928); outstanding, $125,000; par, $25. Annual meeting, third Wednesday in July.

Dividends—Dividends paid: in 1906, 4½%; in 1907, 6%; none in 1908 and 1909; in 1910, 4½% cash and $7,075 in stock; in 1911, $5,458 was paid, and in 1912 $5,970; later increased to 6% per annum; 1924 and 1925, not reported; 1926, 7½%; 1927, 8%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$105,989	$101,771	$92,708
Oper. expenses and taxes	68,762	69,500	53,342
Net earnings	$37,227	$32,271	$39,366
Other income	390	17	2,159
Total income	$37,617	$32,288	$41,525
Interest charges	.....	246	1,013
Other fixed charges	424	67	8,079
Net income	$37,193	$31,975	$32,433
Dividends paid	10,000	9,375	*
Surplus for year	$27,193	$22,600	$32,433

*Amount not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$251,556	$246,270	$237,160
Securities	37,678	6,056	.....
Materials and supplies	2,538	2,326	1,980
Cash	2,418	6,208	3,210
Other current assets	2,325	2,473	2,340
Sundries	177	342	340
Total	$296,692	$263,675	$245,050
Liabilities—			
Capital stock	$125,000	$125,000	$125,000
Current liabilities	2,033	4,123	14,310
Depreciation reserve	45,951	37,987	30,320
Profit and loss surplus	123,708	96,565	75,408
Total	$296,692	$263,675	$245,050

Officers: Esther F. Young, Pres., Lebanon, Pa. C. E. Taylor, Sec. & Treas.; S. W. Hinkle and C. E. Lenig, Auds.; H. A. Oberdorf, Gen. Mgr., Columbia, Pa.

Directors: Horace Detwiler, S. W. Hinkle, C. E. Lenig, S. S. Mann, C. E. Taylor, Esther F. Young, H. A. Oberdorf, Columbia, Pa.

Office, Columbia, Pa.

LANCASTER & YORK FURNACE STREET RAILWAY

History and Property—Incorporated originally July 22, 1901, in Pa., for 999 years. The Company ceased operations Jan. 2, 1916, and went into hands of receivers. All its property and assets were sold to a Committee of Bondholders for $125, subject to a bond issue of $150,000. New company was incorporated in Pa., under the same name, May 15, 1916, and operations resumed May 19, 1916, (see 1916 Manual page 399). Owns line between Lancaster, Millersville and Pequea, Pa. Length of line, 12½ miles; sidings, ¼ mile; total track, 12¾ miles. Gauge, 5 ft. 2½ in. Rail, 70 lb. Passenger cars, 5; other cars, 4.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. Annual meeting, first Monday in May. No dividend paid.

FUNDED DEBT

$150,000 (entire issue) First Gold 5s; dated Jan. 1 1908; due Jan. 1, 1928; int. Jan. and July 1, at Northern Trust Co., Lancaster, Pa., Trustee. Coupon, $100 $500 and $1,000; principal may be registered. No sinking fund and bonds cannot be called. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$17,963	$18,319	$22,113
Operating expenses & taxes	16,815	18,765	24,476
Loss from operation	*$1,148	$446	$2,363
Interest charges	7,500	7,500	7,500
Deficit for year	$6,352	$7,946	$9,863

*Profit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$150,000	$150,000	$150,000
Cash	.....	1,425	.....
Corporate deficit	175,122	168,771	160,825
Total	$325,122	$320,196	$310,825
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	150,000	150,000	150,000
Current liabilities	75,122	70,196	60,825
Total	$325,122	$320,196	$310,825

Officers: E. H. Myers, Pres. & Treas.; H. M. Stauffer, V-P. & Gen. Supt.; J. H. Myers, Sec., Millersville, Pa.

Directors: J. H. Myers, M. H. Myers, Lancaster, Pa.; J. B. Harnish, New Danville, Pa.; E. H. Myers, Willow St., Lancaster County, Pa.; H. M. Stauffer, Millersville, Pa.

General Office, Lancaster, Pa.

LANCASTER, EPHRATA & LEBANON STREET RY. CO.

History—Incorporated in Pa., and purchased the properties of the Ephrata & Lebanon Stret Ry. Co. and the Ephrata & Lebanon Traction Co. sold under foreclosure in Jan., 1924 for $100,000, to Gifford K. Wright of Pittsburgh, representing the bondholders.

CAPITAL STOCK

Outstanding, $80,000 Common and $220,000 Pfd.

FUNDED DEBT

$230,000; no details available

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$58,344	$66,288	$61,798
Oper. exp. & taxes	50,578	55,309	51,883
Net earnings	$7,767	$10,979	$9,915
Bond interest	13,800	13,800	12,650
Deficit for year	$6,033	$2,821	*$2,735

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Property account	$530,000	$530,000	$530,000
Cash	10,994	11,896	10,384
Accounts receivable	1,704	1,715	1,688
Materials and supplies	3,728	.....	.....
Prepaid items, etc.	720	.....	.....
Unadjusted debits	88	1,236	522
Profit and loss deficit	6,790	4,559	1,739
Total	$554,023	$549,406	$544,333
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	230,000	230,000	230,000
Current liabilities	9,036	8,647	8,662
Tax reserve	4,265	3,693	2,410
Deferred credit items	.....	1,944	788
Insur. and casualty reserves	3,264	.....	.....
Reserve for depreciation	7,457	5,122	2,473
Total	$554,023	$549,406	$544,333

Officers and Directors: Not reported.

General Office, Lebanon, Pa.

PEOPLE'S STREET RAILWAY CO. OF NANTICOKE & NEWPORT

History—Incorporated Sept. 27, 1892, in Pa. Line of road connects Nanticoke, Newport, Glen Lyon and Wanamie, Pa. Length of line owned 8.66 miles. Gauge, standard. Rail, 56 lbs. Motor cars, 10; other cars, 2; snow plow, 1.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. Annual meeting, second Monday in January.

Dividends—Dividends: In 1912, 12%; 1913, 17%; 1914, 16%; 1915, 16%; 1916, 16%; 1917, 14%; 1918, 6%; 1919, 9%; 1920, 9%; 1921 to 1926, 8% each year; 1927, 10%.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$117,486	$118,808	$105,161
Oper. exp. & taxes	102,030	95,588	103,997
Net earnings	$15,456	$23,220	$1,164
Other income	547	.....	2,657
Total income	$16,003	$23,220	$3,821
Interest charges	.....	2,335	4,410
Surplus after charges	$16,003	$20,885	*$589
Dividends	10,000	8,000	8,000
Surplus for year	$6,003	$12,885	*$8,589

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$287,601	$283,956	$283,956
Cash	7,185	4,516	2,445
Loans, etc., receivable	10,000	.....	.....
Securities owned	.....	.....	54,026
Total	$304,786	$288,472	$340,427
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	.....	.....	73,500
Accounts payable	1,804	1,866	1,375
Interest accrued	.....	.....	2,205
Depreciation reserve	149,063	138,690	128,316
Appropriated surplus	53,919	47,916	35,031
Total	$304,786	$288,472	$340,427

Officers: K. M. Smith, Pres., Alden Station, Pa.; W. A. Wilkinson, V-P., Philadelphia; L. E. Hess, Sec., Berwick, Pa.; Wm. Willis, Treas., Nanticoke, Pa.; Irving Ruckle, Supt., Wanamie, Pa.

Directors: K. M. Smith, Alden Station, Pa.; W. A. Wilkinson, Philadelphia; L. E. Hess, Berwick, Pa.; S. G. Morgan, Nanticoke, Pa.; Q. A. Gates, Wilkes-Barre, Pa.

Office, Wanamie, Pa.

PENNSYLVANIA & MARYLAND STREET RAILWAY CO.

History and Property—Incorporated in July, 1906, in Pa. Absorbed the Somerset County St. Ry. Co. Owns and operates electric line from Salisbury, Pa., via Meyersdale, to Garrett, Pa., 12 miles, First section of road—7 miles—put in operation in Nov., 1907, and remaining 5 miles in Dec., 1908. Gauge, standard. Passenger cars, 4; service car, 1. Power station, 1. Extensions are proposed from Garrett, via Berlin, to Somerset, Pa., and from Rockwood, via Somerset to the Johnstown line.

Sales—The corporate franchise of company was to be offered for public sale through Receiver H. S. Wilhelm at Seneca, Pa., on Feb. 4, 1928 pursuant to the decree of the Court of Common Pleas. The sale was for the purpose of satisfying the mortgage securing the below described bonds.

CAPITAL STOCK

Authorized, $410,000; outstanding, $190,800; par, $50. No dividends paid.

FUNDED DEBT

$216,000 First Gold 5s; dated Aug. 22, 1908; due Jan. 1, 1928; int. Jan. and July 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $500 and $1,000; principal may be registered. Subject to call at 102 and int. Authorized, $1,000,000. Limited to $18,000 per mile of road built, equipped and in operation. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$3,068	$7,462	$10,355
Operating expenses and taxes	6,751	9,758	19,923
Loss from operation	$3,683	$2,296	$9,568
Other income	750	3,000	.....
Gross income	*$2,933	$704	*$9,568
Bond interest	7,200	10,800	.....
Other interest	678	313	.....
Deficit for year	$10,811	$10,409	$9,568

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$158,690	$195,076	$194,602
Good will, franchises, etc.	216,000	216,000	216,000
Cash	.....	.....	397
Other current assets	139	581	.....
Other unadjusted debits	10,403	10,670	.....
Corporate deficit	128,197	82,406	71,997
Total	$513,429	$504,733	$482,996
Liabilities—			
Capital stock	$190,800	$190,800	$190,800
Funded debt	216,000	216,000	216,000
Loans and notes payable	12,150	12,150	5,996
Accounts & wages payable	.....	270	.....
Miscell. accts. payable	5,498	3,803	.....
Matured int., etc., unpaid	88,200	81,000	70,200
Accrued liabilities	781	243	.....
Accrued depreciation	.....	467	.....
Total	$513,429	$504,733	$482,996

Officers: W. A. Reiber, Pres.; P. P. Harner, V-P.; G. C. Savering, Sec.; G. Altemus, Treas.

Directors: W. A. Reiber, F. Karr, G. C. Savering, G. Altemus, D. W. Hanson, P. P. Harner, M. L. Dunmyer, Johnstown, Pa.

Office, Johnstown, Pa.

TRENTON, BRISTOL & PHILADELPHIA STREET RAILWAY CO.

History—Incorporated Sept. 22, 1909, in Pa.; successor to Philadelphia, Bristol & Trenton St. Ry. (see Manual for 1909, page 1641). Line of road: Torresdale to Morrisville, including sidings, 18 miles. Gauge, 5 ft. 2½ in. Rail: 60 and 90 lb. girder and 70 lb. T. Passenger cars, 11; work cars, 2; snow plows, 2.

CAPITAL STOCK

Authorized, $500,000; outstanding, $410,800; par, $50. Annual meeting in May. No dividends paid.

FUNDED DEBT

$413,800 First Gold 5s; dated March 1, 1913; due March 1, 1943; int. March and Sept. 1, at Union Trust Co. of Maryland, Baltimore. Coupon, $100, $500 and $1,000; principal may be registered. Authorized, $750,000; issued, $544,500, of which $130,700 held in treasury. Subject to call at 105 and interest on any interest date after 56 days' notice. No sinking fund. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Interest Default—The coupons dated March 1, 1925, from the First Mortgage Gold 5s of 1943, were defaulted. In June, 1925, it was stated that a plan of reorganization was then being worked out, but was at that time in an indefinite state. The company obtained waivers from a number of the larger bondholders, under which the bondholders agreed not to apply for an immediate receivership pending the plans which the company is trying to work out.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$60,497	$55,809	$68,989
Oper. exp., taxes & dep.	72,217	100,299	88,843
Loss from operation	$11,720	$44,490	$19,854
Bond interest	20,690	20,690	20,690
Other int. & discount	6,975	6,300	5,840
Total charges	$27,665	$26,990	$26,530
Deficit for year	$39,385	$71,480	$46,384

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road & equipment	$849,787	$849,787	$852,0
Materials and supplies	12,776	12,776	12,7
Cash	2,639	718	1,7
Other current assets	304	190	1
Unadjusted debits	373	363	2,3
Discount on bonds	25,323	26,993	29,2
Profit and loss	211,232	171,847	100,3
Total	$1,102,433	$1,062,674	$998,6
Liabilities—			
Capital stock	$410,800	$410,800	$410,8
Funded debt	413,800	413,800	413,8
Bills payable	88,818	87,918	67,5
Current liabilities	61,446	47,410	67,9
Accrued accounts	68,966	53,923	4,9
Suspense account	2,094	2,099	.....
Reserve for deprec., etc.	56,509	46,723	33,5
Total	$1,102,433	$1,062,674	$998,6

Officers: Carl N. Martin, Pres., Philadelphia, Pa John Redwood, V-P., Baltimore, Md.; M. J. Hill, Se & Treas., Bristol, Pa.

Directors: C. N. Martin, R. H. Rush Toland, Shipley Dixon, Philadelphia, Pa.; John Redwood, W T. Shackelford, Baltimore, Md.; M. J. Hill, Bristol, P

General Office, 1411 Walnut St., Philadelphia, Pa.

SOUTHERN CAMBRIA RAILWAY

History—Incorporated July 25, 1905, in Pa., for 99 years; successor to Johnstown Terminal St. R Line of road; Johnstown to South Fork, Pa., Con maugh, Park Hill, Cascade, Echo, Brookdale, We Point and Mineral Point, 12 miles; put in operatio during 1910. Extension from Brookdale to Eben burg, 11 miles; put in operation, Jan., 1912. Branc Woodland Park to Nanty-Glo, 3.5 miles, put in ope ation Sept., 1914. Total mileage owned and operate Dec. 31, 1927, 26.23. Rails, 70 to 83 lb. T and girde Operated by high voltage overhead trolley. Fra chises perpetual; all lines on private right of wa except in Johnstown, Conemaugh, Ebensburg an South Fork. Equipment: cars, 13; power statio 1; engines to generate power, 2.

Stock Control May be Acquired—It was announce in April, 1928, that the application of the Johnstow Traction Co. to purchase the controlling stock of Con pany and Traction Bus Co. of Cambria, Somerse Westmoreland and Indiana Counties, was heard b Public Servcie Commission of Pennsylvania witho protest.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $5 Registrar: Fred Krebs, Johnstown, Pa. Annu meeting, second Monday in January. No dividen paid.

FUNDED DEBT

(1)

$600,000 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1939

Dated May 1, 1909.

Interest Payable May and November 1, at En pire Trust Co., New York, Trustee. Coupon, $10 $500 and $1,000; principal may be registered. A thorized, $750,000. Subject to call on and after Ma 1, 1919, at 105. Issued to provide funds for co structing and equipping railway. A first lien on e tire property.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

(2)

$684,500 GENERAL MORTGAGE GOLD 5s; DUE JUNE 1, 19

Dated June 1, 1909.

Interest Payable June and December 1, at En pire Trust Co., New York, Trustee. Coupon, $10 $500 and $1,000; principal may be registered. Su ject to call on any interest date at 105. Authorize and issued, $750,000, of which $65,500 held in trea ury. A lien on entire property, subject to first mor gage.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.
Interest Default—The interest due Dec. 1, 1923, and bsequent coupons are in default.

(3)

$94,200 INCOME 5s; DUE JANUARY 1, 1929

Dated January 1, 1919.
Interest Payable January and July 1, at Farmers ust & Mortgage Co., Johnstown, Pa., Trustee. upon, $50, $100 and $500; principal may be regis- red. Authorized issue, $100,000. During the xth year, one-fifth of the bonds outstanding are to retired and one-fifth each year thereafter until all nds are retired. These bonds were issued in pay- ent of damage claims resulting from a wreck on mpany's property in August, 1916. No interest being paid on these bonds. A lien on entire operty, subject to the First and General Mort- ge bonds.
Tax Provisions—Company pays Normal Federal come Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
oss earnings	$157,015	$194,639	$205,744
perating expenses & taxes	154,982	173,776	177,376
Net earnings	$2,033	$20,863	$28,368
nd interest, etc.	71,099	70,794	71,258
Deficit for year	$69,066	$49,931	$42,890

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
ad and equipment	$2,176,668	$2,176,668	$2,176,668
aterials and supplies	*283	*1,117	*489
sh	724	5,097	808
counts receivable	20,458	19,496	13,480
her assets	*2,110	*2,518	*925
adjusted debits	.....	.....	11,075
scount on stock	266,119	266,119	266,120
rporate deficit	334,307	265,240	215,310
Total	$2,795,883	$2,728,986	$2,670,972
Liabilities—			
pital stock	$1,000,000	$1,000,000	$1,000,000
nded debt	1,378,700	1,378,700	1,378,700
tes payable	45,000	47,500	48,500
counts payable	16,036	6,784	7,802
atured funded debt unpaid	182,987	144,709	106,414
epreciation	154,480	136,481	118,481
her liabilities	18,680	14,813	.....
Total	$2,795,883	$2,728,986	$2,670,972

*Credit.

Officers: P. J. Little, Pres., Ebensburg, Pa.; G. M. Wertz, V-P.; Thomas Larimer, Sec.; Fred Krebs, reas., Johnstown, Pa.; **A. V. Little, Gen. Supt.,** bensburg, Pa.
Directors: P. J. Little, A. V. Little, Ebensburg, Pa.; . M. Wertz, J. E. Ogle, A. H. Walters, John W. Walters, James P. Thomas, Fred Krebs, Geo. A. Fos- r, Johnstown, Pa.
General Office, Johnstown, Pa.

PITTSBURGH, BUTLER & HARMONY CONSOLIDATED RY. & POWER CO.

History—Incorporated July 17, 1919, in Del. Con- ols through stock ownership the Pittsburgh, Har- ony, Butler & New Castle Ry. Co. and Pittsburgh, lars & Butler Ry. Co. (see statements appended). lso owns 2,300 shares of the 3,285 shares capital tock of the **North Pittsburgh Realty Co.** and a sub- tantial interest in the **Harmony Electric Co.,** the llwood Koppel Bridge Co., The Ohio Harmony Elec- ic Co., Harmony Short-Line Motor Transportation o., and the Harmony Realty Co.

CAPITAL STOCK

Authorized, $4,500,000 Common and $2,000,000 6% mulative Pfd.; outstanding, $4,500,000 Common and 1,837,000 Pfd.; par, $100. Pfd. stock is not subject call. Registrar: Corporation Trust Co. of N. J.
Annual Meeting—Third Monday in January, at Vilmington, Del.

Dividends—Dividends on Pfd. have been paid as follows 1920, 3%; 1921, 6%; 1922, 3%; none since. On Common 1920, 1%; 1921, 2.55%; 1922, 33⅓ cents; none since. Dividends payable J & J 15 at Pittsburgh, Pa.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Furnished)

	1924	1923	1922
Gross earnings	$26,388	$12,205	$82,473
Oper. exp. & taxes	26,464	1,336	14,933
Net earnings	*$76	$10,869	$67,540
Common dividends	.....	.....	$15,000
Preferred dividends	.....	.....	55,122
Surplus for year	*$76	$10,869	*$2,582

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Furnished)

Assets—	1924	1923	1922
Organization	$1,436	$1,436	$1,436
Securities owned	6,377,252	6,377,252	6,367,252
Cash	22	182	111
Notes receivable	177,000	27,000	27,000
Accounts receivable	194,252	109,226	100,530
Total	$6,749,963	$6,515,096	$6,496,329
Liabilities—			
Common stock	$4,500,000	$4,500,000	$4,500,000
Preferred stock	1,837,000	1,837,400	1,837,400
Accounts payable	405,522	166,275	158,377
Profit and loss surplus	7,441	11,421	552
Total	$6,749,963	$6,515,096	$6,496,329

Officers: David I. McCahill, Pres., Pittsburgh, Pa.; H. Etheridge, V-P.; Harmony, Pa.; R. M. Glick, Sec. & Treas.; S. C. Bednar, Aud., Pittsburgh, Pa.
Directors: David I. McCahill, Marie Kaye McCahill, S. S. McCahill, E. O. Tabor, Pittsburgh, Pa.; H. Etheridge, Zelienople, Pa.
General Office, 606 Benedum-Trees Bldg., Pittsburgh, Pa.

PITTSBURGH, HARMONY, BUTLER AND NEW CASTLE RAILWAY

(Controlled by Pittsburgh, Butler & Harmony Consolidated Ry. & Power Co.)

History—Incorporated June 1, 1906, in Pa.; consolidation of a company of the same name with the Butler & Harmony St. Ry., Callery & Evans City St. Ry., Elwood City & Hazeldell St. Ry., Elwood City Electric St. Ry., Evans City St. Ry., New Castle & Harmony St. Ry., Pittsburgh & Harmony St. Ry., Thorn Hill St. Ry. and Wayne Electric St. Ry. Owns approximately 75 miles of road outside of Greater Pittsburgh, 12½ of which is double-tracked, and serves an interurban population of 100,000 in addition to that of Greater Pittsburgh. It has a direct route from the city of Pittsburgh to the center of the business district of New Castle, and a branch from Evans City to the centre of the business district of Butler. Total line owned, 82 miles; operated under trackage rights, 6 miles—total line operated, 88 miles. Gauge, 5 ft. 2½ in. Rail, 80 lb. T. Passenger cars, 25; freight cars, 30; miscellaneous equipment, 40. Through an operating agreement with the Pittsburgh Rys., the cars of this company enter Pittsburgh, having a terminal at Liberty Ave. and Market St.

The operations of this Co. and the Pittsburgh, Mars & Butler Ry. Co. have been consolidated in the City of Butler each operating over the same tracks into the Union Passenger and Freight Terminals. The Harmony-Short Line Passenger Terminal was constructed and put in operation July 25, 1921, costing together with real estate and tracks approximately $100,000.

CAPITAL STOCK

Authorized, $3,000,000 Common and $500,000 Pfd.; outstanding, $3,000,000 Common; par, $50. No Pfd. has been issued. Stock control held by Pittsburgh

Butler & Harmony Consolidated Ry. & Power Co. Annual meeting, second Monday in January.

Dividends—A Common dividend of 3% was paid July 15, 1920; 7% in 1921; 2.6% in 1922; none since.

FUNDED DEBT

$2,900,000 First Mtge. 5% Gold Bonds; dated June 1, 1906; due June 1, 1936; int. June and Dec. 1, at Union Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Authorized, $3,500,000, of which $600,000 are reserved for extensions and can only be issued with the consent of the Trustee. Secured by a first lien on all property and franchises (running 999 years) now owned or hereafter acquired. First publicly offered ($2,500,000) in June, 1906 at 102½ and interest. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$801,758	$903,512	$898,555
Operating expenses	772,057	836,073	777,476
Net earnings	$29,701	$67,439	$121,079
Interest, taxes, etc.	167,609	185,380	178,190
Deficit for year	$137,908	$117,941	$57,111

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$6,572,808	$6,555,055	$6,544,768
Stocks owned	35,000	35,000	35,000
Materials and supplies	18,500	14,796	12,811
Cash	9,263	17,270	34,674
Notes receivable	.....	150,470	150,470
Accounts receivable	98,449	180,130	247,494
Other current assets	1,325	1,325	73,825
Deferred debit items	.....	11,432	15,405
Prepaid expenses	2,412	2,310	.....
Deficit	99,774	62,577	.....
Total	$6,837,531	$7,030,365	$7,114,447
Liabilities—			
Capital stock	$3,000,000	$3,000,000	$3,000,000
Funded debt	2,900,000	2,900,000	2,900,000
Notes payable	14,500	114,500	290,500
Accounts payable	357,770	339,570	197,198
Interest accrued	.....	.....	72,500
Reserve for taxes	13,000	15,493	968
Deferred credit items	2,364	110,802	117,917
Depreciation reserve	549,897	550,000	480,000
Profit and loss	.....	.....	55,364
Total	$6,837,531	$7,030,365	$7,114,447

Officers: David I. McCahill, Pres., Pittsburgh, Pa.; Harry Etheridge, V-P. & Gen. Mgr., Harmony, Pa.; R. M. Glick, Sec. & Treas.; S. C. Bednar, Aud., Pittsburgh, Pa.; C. L. Osborne, Supt., Harmony, Pa.; Jas. B. Campbell, Pur. Agt., Pittsburgh, Pa.

Directors: David I. McCahill, S. S. McCahill, E. O. Tabor, R. M. Glick, Pittsburgh, Pa.; H. Etheridge, G. A. Rodda, F. M. Campbell, H. J. Leonberg, Harmony, Pa.

Office, 606 Benedum-Trees Bldg., Pittsburgh, Pa.

PITTSBURGH, MARS AND BUTLER RAILWAY CO.

(Controlled by Pittsburgh, Butler & Harmony Consolidated Ry. & Power Co.)

History—Inc. May 30, 1917, in Pa., as successor to the Pittsburgh & Butler Street Ry., the interurban division of the Pittsburgh & Butler Ry., which was sold at foreclosure May 9, 1917 (see Manual for 1917, Public Utility Section, page 481). The old Butler Passenger Ry., the city division of the Pittsburgh & Butler Ry., was taken over by the First Mortgage bondholders and reorganized as the Butler Railways Co. (for statement see General Index.) Line connects Pittsburgh, Mars and Butler. Length of line, operated 39.42 miles, of which about 33 miles is owned. Gauge, 5 ft. 2½ inches. Motor passenger cars, 11; other motor cars, 2; non-motor cars, 6.

The operations of this Company and the Pittsburgh, Harmony, Butler & New Castle Ry., have been consolidated in the City of Butler, each operating over the same tracks into the Union Passenger and Freight terminals. The Harmony Short Line Passenger Terminal was constructed and put in operation July 25 1921, costing together with real estate and track approximately $100,000.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $5(Stock control held by Pittsburgh, Butler & Harmon Consolidated Ry. & Power Co. Annual meeting, sec ond Monday in January. Dividend of 4% paid i 1921; none since.

FUNDED DEBT

$600,000 First Mortgage 6% Gold bonds; dated Sep 1, 1917; due Sept. 1, 1947; int. March and Sept. 1, a Dollar Savings & Trust Co., Pittsburgh, Pa., Trustee Coupon, $1,000; principal may be registered. Author ized issue, $1,250,000. Subject to call on any interes date on or after Sept. 1, 1922, and before Sept. 1, 1937 at 102 and accrued interest and also on any interes date on or after Sept. 1, 1937 and prior to Sept. 1, 194 at 101 and accrued interest. Guaranteed, principa and interest, by Pittsburgh, Harmony, Butler & Nev Castle Ry. Co. A first lien on entire property. Com pany does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$280,777	$320,370	$343,64
Operating expenses & taxes	296,959	319,777	291,43
Net earnings	*16,182	$593	$52,20
Interest charges	55,420	56,586	56,49
Deficit for year	$71,602	$55,993	$4,28
Times Interest Earned	Nil	0.01	0.9
Earnings Per Share	Nil	Nil	N

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$2,148,867	$2,146,760	$2,146,75
Materials and supplies	15,954	18,264	16,29
Cash	6,321	3,592	12,57
Accts. & notes receiv.	8,165	118,341	115,89
Deferred debit items	.....	145	24,87
Other current assets	.....	.....	8,40
Unadjusted debits	.....	860	1,70
Deficit	84,218	45,285	.....
Total	$2,263,525	$2,333,247	$2,326,49
Liabilities—			
Capital stock	$1,000,000	$1,000,000	$1,000,00
Funded debt	600,000	600,000	900,00
Notes payable	314,500	341,500	41,50
Accounts payable	49,333	54,186	34,21
Reserve for taxes	2,000	10,793	15,43
Reserve for depreciation	295,176	295,176	280,00
Unadjusted credits	2,516	24,392	36,23
Interest accrued	.....	7,200	8,40
Surplus	.....	.....	10,70
Total	$2,263,525	$2,333,247	$2,326,49

Officers: David I. McCahill, Pres., Pittsburgh, Pa. Harry Etheridge, V-P. & Gen. Mgr.; Harmony, Pa. R. M. Glick, Sec. & Treas., Pittsburgh, Pa.; W. F Adair, Supt., Mars, Pa.; Jas. B. Campbell, Pur. Agt. S. C. Bednar, Aud., Pittsburgh, Pa.

Directors: David I. McCahill, S. S. McCahill, R. M Glick, Jas. B. Campbell, E. O. Tabor, Pittsburgh, Pa. Harry Etheridge, R. W. Miller, G. E. Hagberg, Har mony, Pa.; J. P. McCafferty, W. E. Staff, Mars, Pa.

General Office, 606 Benedum-Trees Bldg., Pitts burgh, Pa.

PENNSYLVANIA-NEW JERSEY RAILWAY COMPANY

History—Incorporated May 13, 1913, in Pa., as th Bucks County Interurban Ry. Co.; name changed t present title May 15, 1917. The Bucks County Inter urban Ry. Co. was a consolidation of the Trentor New Hope & Lambertville St. Ry., Yardley, Morris ville & Trenton St. Ry., Newtown & Yardley St. Ry and Bucks County Electric Ry. (See Manual fo 1913). The combined mileage of the above roads i 22.69 miles, extending from the end of the Trento City Bridge in Morrisville, through Yardley, Pa

) New Hope, Pa., and Lambertville, N. J., and to ewtown, Pa. The three lines first mentioned were ormerly part of the New Jersey & Pennsylvania raction Co., which was discharged from the hands f receivers on March 31, 1913, and retained the own-ship of its lines in the City of Trenton, and of the ree underlying corporations comprising the Prince-on Division running between Trenton and Prince-on.

Control of the Bucks County Electric Co., formerly wned, was relinquished, and control is now held by ie American Gas Co. Control of all other subsidiary ompanies was relinquished by Pennsylvania-New ersey Ry. Co. in 1923. Equipment: Passenger cars, ; freight car, 1; work cars, 2; snow plow, 1.

CAPITAL STOCK

Authorized, $100,000 Common and $500,000 6% cumulative Pfd.; outstanding, $99,450 Common and $500,000 Pfd.; par, $50. Authorized Common stock was reduced to $100,000 Dec. 15, 1923, by surrender and cancellation of $400,000 (8,000 shares, par $50). Annual meeting, second Tuesday in March.

Dividends—Dividend paid Aug. 15, 1918, on Pfd. tock 6% from date of issue June 20, 1917, to July , 1918 (1 year and ⅓ month), $30,833.33; none ince.

FUNDED DEBT

00,000 FIRST MORTGAGE BONDS; DUE JANUARY 1, 1954

Dated January 1, 1924.

Interest Payable January and July 1, at Northern rust Co., Philadelphia, Trustee. Authorized issue, 500,000.

Interest on these bonds has been paid in full to date n accordance with the terms of the mortgage.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
ross earnings	$63,977	$65,146	$65,855
per. exp. & taxes	48,761	52,347	57,494
Net earnings	$15,216	$12,799	$8,361
ther income	13	10	25
Total income	$15,229	$12,809	$8,386
nterest, rentals, etc.	21,548	22,024	956
Deficit for year	$6,319	$9,215	*$7,430

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
oad and equipment	$322,347	$322,347	$322,520
ash on hand	.....	201	946
urrent accounts	2,648	916	316
ther unadjusted debits	346	.....	.....
rofit and loss deficit	548,961	542,643	521,428
Total	$874,302	$866,108	$855,210
Liabilities—			
ommon stock	$99,450	$99,450	$99,450
referred stock	500,000	500,000	500,000
tock liability	550	550	550
unded debt	200,000	200,000	200,000
lotes & accts. payable	60,321	53,565	32,815
axes	1,340	800	.....
ccrued liabilities	.....	30	66
Inadjusted credits	390	1,451	1,091
eserves	12,251	10,262	11,244
Total	$874,302	$866,108	$855,210

Officers: Carl N. Martin, Pres.; M. J. Hill, V-P.; H. B. Eastburn, Sec. & Treas.

Directors: Carl N. Martin, J. M. Morrisey, Phila., Pa.; H. B. Eastburn, M. J. Hill, E. Harrison, Bristol, Pa.

General Office, Bristol, Pa.

ST. CLAIR INCLINE PLANE CO.

History—Incorporated Sept. 9, 1885, in Pa. Operates an incline plane by cable from Josephine Street to Arlington Avenue, South Side, Pittsburg, Pa., about 4-10ths of a mile. Gauge, 5 ft. 8-in. Rail, 60 lb. Cars, 2. Power purchased from Duquesne Light Co.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. Annual meeting, second Wednesday in January. No dividends paid.

FUNDED DEBT

$75,000 First Mortgage 5s; due Nov. 1, 1929; int. May and Nov. 1, at Hill Top Savings Bank, Pittsburgh, Pa. Union Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$19,122	$18,740	$19,951
Oper. exp., taxes & deprec.	14,857	13,694	16,735
Net earnings	$4,265	$5,046	$3,216
Other income	634	678	651
Total income	$4,899	$5,724	$3,867
Bond interest	3,750	3,750	3,750
Other interest	3,360	3,360	3,360
Additional taxes	.....	994	1,025
Total charges	$7,110	$8,103	$8,135
Deficit for year	$2,210	$2,379	$4,268

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$230,210	$230,210	$230,210
Cash	1,082	1,807	826
Corporate deficit	59,789	57,578	55,199
Total	$291,081	$289,595	$286,235
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Funded debt	75,000	75,000	75,000
Loans and notes payable	56,000	56,000	56,000
Matured int., etc., unpaid	10,081	8,595	5,235
Total	$291,081	$289,595	$286,235

Officers: T. P. Cochran, Pres.; Albert Perret, V-P. & Supt.; August Sprung, Sec. & Treas., Pittsburgh, Pa.

Directors: T. P. Cochran, Albert Perret, August Sprung, Christ Kohler, Pittsburgh, Pa.

General Office, 2227 Salisbury St., 16th Wd., Pittsburgh, Pa.

BUTLER RAILWAYS CO.

History and Property—Incorporated July 1, 1917, in Pa., as successor to the Butler Passenger Ry., the city division of the Pittsburgh & Butler Ry. (the interurban division of which was sold under foreclosure May 9, 1917, and reorganized as the Pittsburgh, Mars & Butler Ry). The property of the Butler Passenger Ry. was taken over by the holders of $500,000 First Mortgage 5% bonds, due 1936, and reorganized. Operates 13.28 miles of track in Butler, Pa., Rail, 65 lb. Gauge, 5 ft. 2 inches.

CAPITAL STOCK

Authorized, $300,000; outstanding, $250,000; par, $50.

FUNDED DEBT

$250,000 First Gold 5s; dated Jan. 1, 1918; due Jan. 1, 1948; int. Jan. and July 1, at Butler County Trust Co., Butler, Pa., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized issue $300,000. Bonds are not subject to call and no sinking fund is provided. A direct first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$106,061	$100,236	$99,718
Oper. exp. & taxes	107,392	101,538	101,102
Loss from operations	$1,331	$1,302	$1,384
Other income	953	943	6,304
Total income	*$379	*$359	$4,922
Bond interest	12,500	12,500	12,500
Other interest	.....	157	.....
Deficit for year	$12,879	$13,016	$7,578

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Road and equipment	$594,856	$593,909	$583,668
Materials and supplies	6,250	8,317	8,286
Cash	.....	1,127	5,205
Current accounts	8,285	18,234	20,164
Special deposits	10,073	.....	.....
Prepaid items	720	.....	.....
Unadjusted debits	.....	585	686
Profit and loss deficit	100,796	87,917	74,901
Total	$720,980	$710,089	$692,910
Liabilities—			
Capital stock	$250,000	$250,000	$250,000
Funded debt	250,000	250,000	250,000
Current liabilities	1,136	7,026	1,826
Reserve for taxes	2,501	1,001	1,002
Insurance & casualty res.	1,909	.....	.....
Unadjusted credits	.....	1,909	5,209
Depreciation reserve	215,433	200,153	184,873
Total	$720,980	$710,089	$692,910

Officers: A. L. Reiber, Pres.; Peter Duffy, Sec. & Treas.; R. E. Sprenkle, Gen. Mgr., Butler, Pa.

General Office, Butler, Pa.

STROUDSBURG TRACTION CO.

History and Property—Incorporated in July, 1917, in Pa. Leases the Stroudsburg Passenger Ry. Co. and leases and owns all the stock of Stroudsburg Water Gap & Portland Ry. Co. Both leases are for 999 years. Road extends from East Stroudsburg to Stroudsburg, passing through Delaware Water Gap, to Portland, Pa., 13 miles. Gauge, 4 ft. 8½ inches. Rail, T., 70 and 90 lbs. Operated by overhead trolley. Nearly all franchises are perpetual; 3 miles of line on private right of way. Electric cars, 9; other cars, 2. Power purchased. Company on May 18, 1925 started a bus service with one bus; in the fall of 1925 purchased another bus and now operates a regular bus service through the towns.

Default—Company has not paid the interest on Stroudsburg, Water Gap & Portland Ry. Co. bonds since 1923; the principal of the Stroudsburg Traction Co. First Mortgage 6% bonds due Nov. 1, 1927 remains unpaid. The interest due Oct. 1, 1927 on these bonds was paid, but that due April 1, 1928, is in default.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $100,000 6% cumulative Pfd.; par, $100. Pfd. stock is redeemable at any interest period. Transfer Agent: Scranton Lackawanna Trust Co. Annual meeting, second Monday in February.

Dividends—No dividends are being paid on either class of stock. No dividends have been paid on the Pfd. since 1922.

FUNDED DEBT

(1)

$164,000 Stroudsburg, Water Gap & Portland Ry. First Gold 5s; dated April 1, 1911; due April 1, 1936; interest April and Oct. 1, at Bangor (Pa.) Trust Co., Trustee. Interest in default since 1923. Coupon, $500; principal may be registered. Authorized issue, $200,000. Subject to call at par and interest. Guaranteed, principal and interest, by Stroudsburg Traction Co. A first lien on entire property of Stroudsburg, Water Gap & Portland Ry. Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$84,000 Stroudsburg Traction Co. First Gold 6s; dated Nov. 1, 1917; due Nov. 1, 1927; interest April and Oct. 1, at Scranton Lackawanna Trust Co., Scranton, Pa., Trustee. Coupon, $500; principal may be registered. Authorized issue, $100,000. Subject to call after three years at par. No sinking fund. Secured by first mortgage on leasehold of Stroudsburg Passenger Ry. Co. and all the capital stock and all the $100,000 Consolidated Mortgage bonds of the Stroudsburg, Water Gap & Portland Ry. Co. Company does not pay Normal Federal Income Tax.

Default—Principal of above issue due Nov. 1, 1927, remains unpaid; also interest due April 1, 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$21,367	$31,561	$43,798
Oper. exp. and taxes	16,388	28,011	37,349
Net earnings	$4,979	$3,550	$6,449
Interest charges	19,762	12,216	12,062
Other charges	17,050	6,511	11,787
Total charges	$36,812	$18,727	$23,849
Deficit for year	$31,832	$15,177	$17,400

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$489,004	$499,953	$498,000
Other investments	30,570	20,098	23,207
Materials and supplies	.....	334	314
Cash	168	828	556
Accounts receivable	995	3,468	723
Other current assets	1,329	.....	.....
Profit and loss deficit	128,137	96,304	80,300
Total	$650,203	$620,985	$603,100
Liabilities—			
Capital stock	$270,000	$270,000	$270,000
Funded debt	248,000	229,000	229,000
Loans and notes payable	1,750	26,305	20,750
Accounts payable	551	1,635	2,555
Int. & divds. accrued	68,066	54,816	41,566
Depreciation reserve	39,229	39,229	39,229
Other unadjusted credits	22,605	.....	.....
Total	$650,203	$620,985	$603,100

Officers: A. A. Holbrook, Pres., Gen. Mgr. & Pur. Agt.; C. R. Bensinger, V-P.; Harry E. Sweeney, V-P. Sec. & Treas.; J. F. Geiser, Supt., Stroudsburg, Pa.

Directors: Pierce Reynolds, Wilkes-Barre, Pa.; A. A. Holbrook, A. Mitchell Palmer, Harry E Sweeney, C. R. Bensinger, Stroudsburg, Pa.

General Office, Stroudsburg, Pa.

LEWISBURG, MILTON & WATSONTOWN PASSENGER RAILWAY

History and Property—Incorporated Sept. 3, 1897 in Pa. Passed from control of Railways Co. General to present ownership in Jan. 4, 1910. Owns electric railway 9.61 miles in length, connecting the points named in title; total track, including 11 miles operated under lease from Lewisburg & Tyrone RR. Co., 20.61 miles. Gauge, standard. Rail, 60 lb. T. Passenger cars, 11; work car, 1; combination car, 1. Engines to generate power, 2. Power rented from Northumberland County Gas & Electric Co.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. Annual meeting, second Monday in January. No dividends paid.

FUNDED DEBT

$175,000 First Gold 5s; dated Feb. 1, 1910; due Feb. 1, 1940; interest February and Aug. 1, at Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $500; principal may be registered. Authorized issue, $300,000; balance reserved for extensions and improvements at 80% of cost. Subject to call as a whole on any interest date at par. A first lien on entire property of Company. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$29,919	$33,587	$38,055
Oper. exp. & taxes	33,249	35,023	34,758
Net earnings	*$3,330	*$1,436	$3,297
Other income	309	269	250
Total income	*$3,021	*$1,167	$3,547
Bond interest	8,750	8,750	8,750
Other interest, etc.	.....	2,970	4,312
Total charges	$8,750	$11,720	$13,062
Deficit for year	$11,771	$12,887	$9,515

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
oad and equipment	$376,351	$376,351	$376,352
ther investments	750	750	750
aterials and supplies	3,431	3,431	3,558
ash	*737	199	140
otes & accts. receivable	909	300	780
ther assets	500	657	285
rofit and loss deficit	61,593	49,822	36,935
Total	$442,797	$431,510	$418,800
Liabilities—			
apital stock	$150,000	$150,000	$150,000
unded debt	175,000	175,000	175,000
otes payable	22,880	22,880	23,881
ccounts payable	17,163	14,415	14,497
ther current liabilities	42,890	34,352	21,583
eserve for taxes	3,566	3,566	2,543
epreciation reserve	31,297	31,297	31,296
Total	$442,797	$431,510	$418,800

*Overdraft.

Officers: J. F. Whittaker, Pres., Harrisburg, Pa.; . G. Brown, V-P., York, Pa.; D. L. Diehl, Sec. & reas.; C. F. Shelenbarger, Asst. Sec., Harrisburg, Pa.

Directors: J. F. Whittaker, D. L. Diehl, Harrisburg, a.; L. G. Brown, York, Pa.; C. A. Simpler, Philadelhia; W. W. Wilson, R. M. Wilson, Milton, Pa.; . C. Norris, Clearfield, Pa.

Office, Milton, Pa.

SUSQUEHANNA TRACTION CO.

History and Property—Incorporated June 1, 1900, in a., for 999 years, as successor to the Lock Haven raction Co., whose property was sold under foreosure March 28, 1900. Owns and operates a 5.5 ile line, Lock Haven to Mill Hall, Pa. Cars, motor, ; snow sweeper, 1; work cars, 2. Power station, 1. perates Lock Haven Electric Ry. under a 999-year ease from March 25, 1895.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $50. nnual meeting in Jan. No dividends paid.

FUNDED DEBT

$150,000 (entire issue) First Refunding Gold 5s; ated July 1, 1924; due July 1, 1944; int. Jan. and uly 1, at Lock Haven Trust Co., Lock Haven, Pa., rustee. Coupon, $1,000; principal may be registered. ompany pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)	1924	1923	1922
ross earnings	$48,543	$54,459	$51,829
per. exp. & taxes	39,618	45,204	48,810
Net earnings	$8,925	$9,255	$3,019
ther income	300	300	987
Total income	$9,225	$9,555	$4,006
nterest charges	5,999	6,868	3,172
Surplus for year	$3,226	$2,687	$834

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available) Assets—	1924	1923	1922
roperty account	$356,794	$356,793	$354,863
laterials and supplies	.....	.....	1,800
ash	116	83	131
eficit	2,590	.....	1,598
Total	$364,500	$356,876	$358,392
Liabilities—			
apital stock	$200,000	$200,000	$200,000
unded debt	150,000	100,000	100,000
nfunded debt	.....	.....	11,334
otes payable	14,500	26,014	42,058
ther current liabilities	.....	28,333	5,000
urplus	.....	2,529	.....
Total	$364,500	$356,876	$358,392

Officers: P. P. Griffin, Pres.; Sedgwick Kistler, V-.; M. M. Maley, Treas.; Henry Hipple, Sec., Lock Haven, Pa.

Directors: Sedgwick Kistler, M. M. Maley, A. M. Maley, M. T. Maley, P. P. Griffin, Lock Haven, Pa.

Office, Lock Haven, Pa.

POTTSTOWN TRANSIT CO.

History and Property—Incorporated Oct. 23, 1922 in Pa., as a reorganization of Pottstown & Phoenixville Rail Way Co., sold under foreclosure at receiver's sale July 26, 1922, and purchased by a bondholders' committee (see 1922 Public Utility Manual, page 2008 or apply to our Information Department). Leases for 999 years the Pottstown Passenger Ry. Co. Line of road extends from Stowe to Linfield, passing through Pottstown, Bramcote and Sanatoga, Pa. Length of line (owned, 6 miles; owned but not operated, 3 miles; leased, 6½ miles) 15½ miles; gauge, 4 ft. 8½ in. Rails, 80 to 110 lbs. Operated by overhead trolley. Franchise perpetual; 8 miles on private right-of-way owned in fee simple. Passenger motor cars, 10; service cars, 2.

CAPITAL STOCK

Authorized, $150,000; outstanding, $150,000; par $25. Annual meeting, in October at Philadelphia, Pa.

FUNDED DEBT

$100,000 First & Refunding 6s; dated April 1, 1923; due April 1, 1963; int. April and Oct. 1, at North Philadelphia Trust Co., Philadelphia, Pa., Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $300,000. Subject to call at any time at par. No sinking fund. These bonds were issued to purchase the property of Pottstown & Phoenixville Rail Way at foreclosure sale. Secured by a first lien on entire property and by lease of Pottstown Passenger Ry. Co. Company pays Normal Federal Income Tax up to 2%.

There were also outstanding at December 31, 1927, $5,000 Car Trust Certificates.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$77,924	$86,965	$91,423
Operating exp. & taxes	54,510	62,149	64,370
Net earnings	$23,414	$24,816	$27,053
Interest, rentals, etc.	21,951	22,245	22,857
Surplus for year	$1,463	$2,571	$4,196

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$287,106	$287,106	$287,106
Current assets	7,181	6,096	4,333
Unadjusted debits	1,757	950	805
Profit and loss	1,521	.....	.....
Total	$297,565	$294,152	$292,244
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Funded debt	105,000	100,000	100,000
Current liabilities	30,306	35,023	29,473
Unadjusted credits	2,510	2,362	2,324
Miscellaneous reserves	9,750	6,500	6,250
Profit and loss	.....	266	4,197
Total	$297,565	$294,152	$292,244

Officers: John J. Tyler, Pres.; A. B. Millett, V-P.; Charles W. Rambo, Sec., Treas. & Gen. Mgr.

Directors: John J. Tyler, Albert C. Millett, Lee Sowden, Philadelphia, Pa.; Charles W. Rambo, Pottstown, Pa.

General Office, Pottstown, Pa. **Philadelphia Office,** 414 Harrison Building.

POTTSTOWN PASSENGER RY.

(Operated by Pottstown Transit Co. under Lease)

History—Inc. July 3, 1890, in Pa., and on Jan. 14, 1905, was leased for 999 years to the Pottstown & Reading St. Ry.; lease assumed by Pottstown & Phoenixville Ry. in 1912. Line of road: Sanatoga Park to Stowe, 6.5 miles. Gauge, standard. Rail, T and girder, 66 and 86 lbs. Cars, 13.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. S. H. Fridy, Sec., acts as Transfer Agent and Registrar. Dividends of 8% per annum are guaranteed under the lease.

FUNDED DEBT

$100,000 (entire issue) First 5s; dated Dec. 1, 1904; due Dec. 1, 1934; int. June and Dec. 1 at Securities Co., Pottstown, Pa., Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%.

Officers: John Healy, Pres.; S. H. Fridy, Sec. & Treas., Pottstown, Pa.

Office, Pottstown, Pa.

WESTMORELAND COUNTY RAILWAY COMPANY

History—Incorporated Dec. 27, 1904, in Pa.; consolidation of the Blairsville and Derry St. Ry. Co. and the Bradenville & Derry St. Ry. Co. Operates a line from Latrobe to Derry, Pa. Length of line, 6.9 miles; second track, 0.1 mile; total track, 7 miles. Gauge, 5 ft. 2 in. Closed passenger cars, 4; work car, 1.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $50. Annual meeting, second Monday in January, at Derry, Pa. No dividends have ever been paid.

FUNDED DEBT

$167,700 First Gold 5s; dated March 1, 1905; due March 1, 1935; int. March and Sept. 1, at East End Savings & Trust Co., Pittsburgh Trustee. Coupon, $100; principal may be registered. Authorized, $250,000, of which $78,000 are in the treasury. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$47,427	$52,253	$50,344
Operating expenses & taxes	47,777	49,370	47,617
Net earnings	*$350	$2,883	$2,727
Other income	821	77	2,331
Total income	$471	$2,960	$5,058
Interest charges	9,851	10,075	9,662
Deficit for year	$9,380	$7,115	$4,604

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$731,185	$734,185	$734,185
Treasury bonds		78,300	78,300
Investments in affil. cos.	25,000	25,000	25,000
Notes receivable	21,000	21,000	21,000
Cash	5,082	6,790	9,294
Other current assets	79,407	1,848	1,776
Discount on funded debt	10,000	10,000	10,000
Total	$871,675	$877,123	$879,554

Liabilities—	1927	1926	1925
Capital stock	$500,000	$500,000	$500,000
Funded debt	245,700	250,000	250,000
Notes and accounts payable	22,946	23,185	27,104
Interest accrued	2,795	2,862	2,858
Reserve for depreciation	95,932	87,394	78,796
Other reserves	3,500	3,500	3,500
Profit and loss	802	10,182	17,296
Total	$871,675	$877,123	$879,554

Officers: John E. Potter, Pres.; F. William Rudel, V-P.; Harry S. Calvert, Sec., Treas. & Gen. Mgr.; A. Hawthorne, Asst. Treas., Pittsburgh, Pa.; S. F. Schwerdt, Supt., Derry, Pa.

Directors: J. G. Vilsack, Harry S. Calvert, Stephen Stone, J. E. Roth, F. William Rudel, Pittsburgh, Pa.

General Office, 1737 Oliver Bldg., Pittsburgh, Pa. **Operating Office**, Derry, Pa.

SCHUYLKILL RAILWAY COMPANY

History—Incorporated July 20, 1903, in Pa.; successor to Schuylkill Traction Co. On April 12, 1905, acquired under Bill of Sale from Schuylkill Traction Co. 5,985 shares out of outstanding capital stock of 6,000 shares of Mahanoy City, Shenandoah, Girardville & Ashland St. Ry. Co.; 1,185 shares out of outstanding capital stock of 1,200 shares of Ashland, Locustdale & Centralia Electric Ry. Co.; 2,600 shares out of outstanding capital stock of 5,000 shares of Lakeside Ry. Co. and 4,995 shares out of outstanding capital stock of 5,000 shares of Shenandoah & Pottsville St. Ry. Co., together with certain equipment leases. On the same date acquired by deed the entire properties of said railway companies, as well as properties of the Lakeside Ry. Co., subject to the reservation of 5% of the gross receipts of said railway, and $100 for expenses of organization. The stock of the Mahanoy City, Shenandoah, Girardville & Ashland St. Ry. Co., and the Ashland, Locustdale & Centralia Electric Ry. Co. is pledged under Schuylkill Traction Co. First Mortgage and the Schuylkill Traction Co. First Consolidated mortgage; and the stock of the Lakeside Ry. Co. and the Shenandoah & Pottsville St. Ry. Co. is pledged under Schuylkill Traction Co. First Consolidated mortgage. The Schuylkill County Ry. Co. was organized in 1913 with $275,000 stock and $375,000 First Mortgage 5% 30-Year bonds, both of which were issued and are outstanding. This line extending from Shenandoah to Pottsville, 12.42 miles, is operated by Schuylkill Ry. Co. under lease. Upon consummation of the Reorganization Plan noted below, the Schuylkill Ry. Co. became the owner of the entire outstanding capital stock of the Schuylkill County Ry. Co.

Properties—Schuylkill Ry. Co. operates 37.16 miles of properties in four divisions as follows: Between Mahanoy City and Girardville, 8.91 miles; between Shenandoah and Locustdale, 10.90 miles; between Mahanoy City and Shenandoah, 4.93 miles, and between Shenandoah and Pottsville, 12.42 miles. Aggregate mileage, including turnouts and sidings, 39.56 miles. Rail, T, 60 and 70 lbs. Operated by overhead trolley. All-steel double truck air controlled Brill cars, 13; Brill semi-convertible, double truck air controlled steel and wooden cars, 8; work cars, 4; sweepers, 3. Duplex equipped rotary converter sub-stations, 3. Power purchased from Pennsylvania Power & Light Co.. Sub-stations located at Wiggans, Girardville, Frackville and Mahanoy City, Pa.

Reorganization Plan—Under date of June 10, 1918, President Powell Evans presented a plan of reorganization to the holders of the $640,000 First Consolidated Mtge. 5% bonds of 1905 (see 1923 Public Utility Manual, page 1220, for details). Stockholders on Jan. 20, 1919, approved the plan and ordered its adoption, after its approval and adoption by more than 95% of the holders of all outstanding Consolidated bonds.

Receivers Appointed—On Sept. 20, 1927, Arthur L. Shay and James D. Evans were appointed Receivers for Company.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $50. Annual meeting, second Monday in January, at Girardville, Pa. No dividends paid.

FUNDED DEBT

(1)

$500,000 Schuylkill Traction Company First Mortgage Gold 5s; dated April 1, 1893; due April 1, 1943; int. April and Oct. 1, at Continental-Equitable Title & Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000; principal may be registered. Sinking fund, $10,000 per annum through which bonds may be purchased at 105 and accrued int. Secured by first lien on 22½ miles of road, on power house, cars and equipment. Additionally secured by deposit of stock of leased companies (see above). Company pays Normal Federal Income Tax up to 2%.

Interest Default—Interest due April 1, 1927 and subsequently in default.

(2)

$150,000 Lakeside Ry. First Gold 6s (formerly 4s); dated Nov. 1, 1893; originally due Nov. 1, 1923, but renewed for a period of 20 years on a 6% basis by agreement with the holders. Interest May and Nov. 1, at Continental-Equitable Title & Trust Co., Philadelphia, Trustee. The face of the outstanding bonds amount to $200,000, but by agreement stamped, each was reduced to three-fourths of par. A first lien on 5½ miles of road, Mahanoy to Shenandoah, Pa. Company pays Normal Federal Income Tax up to 2%.

Interest Default—Interest due Nov. 1, 1927, and subsequently in default.

(3)

105,000 Schuylkill Traction Co. Consolidated Gold s; dated July 1, 1901; due July 1, 1951; int. Jan. l July 1, at Fidelity-Philadelphia Trust Co., Philaphia, Trustee. Coupon, $1000; principal may be regred. Subject to call at 105 and int. at any time. king fund, 1% per annum of outstanding bonds. A on property of Company, subject to prior liens; adonally secured by deposit of stock of leased comies (see above). Company pays Normal Federal ome Tax up to 2%.

nterest Default—Interest due January 1, 1920, and sequently in default.

(4)

640,000 Schuylkill Ry. Co. First Consolidated Gold dated April 1, 1905; due April 1, 1935; int. April l Oct. 1, at Fidelity-Philadelphia Trust Co., Philaphia, Trustee. Coupon, $500 and $1,000; principal y be registered. Authorized, $1,450,000. Of the $640,000 bonds outstanding, $180,000 are in hands of the public, and the remaining $460,000 are held by Powell Evans, as Manager. Subject to call at par and int. on any int. date. Secured upon entire property, including further acquisitions. Company pays Normal Federal Income Tax up to 2%.

The last interest payment on these bonds was made April 1, 1925, being at the rate of three-eighths of the face value of the coupons under the Plan of Reorganization dated June 10, 1918.

(5)

$150,000 Schuylkill Ry. Income 5s; dated Dec. 30, 1913; due Jan. 1, 1944; int. Jan. and July 1. No interest has ever been paid on these bonds. This entire issue now deposited with Depositary under the Reorganization Plan.

(6)

There are also outstanding $5,000 miscellaneous underlying bonds on Lakeside Barn, Mahanoy City.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
ss earnings	$403,362	$405,736	$508,657	$494,525	$450,542	$583,713
erating expenses and taxes	389,938	390,828	385,731	362,607	339,643	414,130
preciation	.....	.....	32,067	31,835	31,499	27,866
let earnings	$13,425	$14,908	$75,859	$100,083	$79,400	$141,717
ier income	1,356	2,623	.....	4,112	.....	5,285
otal income	$14,781	$17,531	$75,859	$104,195	$79,400	$147,002
erest charges	77,643	56,670	76,293	71,510	70,676	73,216
ntals, etc.	12,249	42,742	14,342	12,116	11,842	23,168
otal charges	$89,892	$99,412	$90,635	$83,626	$82,518	$96,384
icit for year	$75,111	$81,881	$14,776	*$20,569	$3,118	*$50,618

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
ssets—						
id and equipment	$2,873,428	$2,161,783	$2,812,417	$2,853,440	$2,783,645	$2,773,076
cks owned	31,984	285,000	10,000	10,000	10,000	.....
ier investments	.....	38,448	30,345	24,221	13,244	.....
terials and supplies	36,550	38,449	27,947	31,391	28,900	28,387
h	5,053	4,460	21,095	27,480	27,304	21,922
counts receivable	3,702	840	81,224	2,878	5,033	16,846
ier current assets	.....	.....	37,864	.....	.....	.....
adjusted debits	121,252	107,129	130,724	106,838	116,824	124,942
fit and loss deficit	208,738	248,490	39,655	5,166	15,618	203,720
otal	$3,280,708	$2,870,028	$3,191,272	$3,061,413	$3,000,568	$3,168,893
abilities—						
pital stock	$400,000	$400,000	$400,000	$400,000	$400,000	$400,000
ided debt	2,269,550	1,855,550	2,279,550	2,215,050	2,215,050	2,215,050
tes payable	50,606	55,032	90,558	84,594	57,000	63,500
counts payable	76,991	68,287	90,126	83,627	90,492	76,947
erest, etc., accrued	93,810	.....	33,445	29,911	24,861	21,588
ier current liabilities	29,000	243,286	6,219	660	.....	119,680
serve for taxes	33,254	15,218	14,449	14,436	13,151	41,508
adjusted credits	15,858	23,668	53,566	15,590	13,820	11,414
king fund reserves	60,000	.....	.....	.....	.....	.....
erating reserves	11,525	.....	.....	.....	.....	.....
serve for depreciation	240,114	208,987	178,360	180,046	156,193	219,206
propriated surplus	.....	.....	45,000	37,500	30,000	.....
otal	$3,280,708	$2,870,028	$3,191,272	$3,061,413	$3,000,568	$3,168,893

Receivers: Arthur L. Shay and James D. Evans, ardsville, Pa.

Officers: Powell Evans, Pres.; James D. Evans, 1st P. & Pur. Agt.; Thos. Evans, 2nd V-P.; C. E. nna, Sec. & Treas.; Erwin Suransky, Aud., Philelphia, Pa.; C. Sims Bailey, Gen. Mgr.; T. J. McIrews, Supt., Girardville, Pa.

Directors: Powell Evans, James D. Evans, C. E. Hanna, Thos. Evans, O. H. Pohlke, Erwin Suransky, Philadelphia, Pa.; N. S. Farquhar, Dr. R. M. Biddle, Pottsville, Pa.; J. S. Mieldazis, Shenandoah, Pa.

General Office, Girardville, Pa. **Executive Office,** 2035 Washington Ave., Philadelphia, Pa.

NORTH AMERICAN LIGHT & POWER COMPANY

History—Incorporated in 1924 in Delaware as the rth American Light & Power Corporation, is succssor to a Maine Corporation of the same name; reganized under present title in August, 1926. As part of the reorganization plan, Company issued its $5,000,000 Series "A" 5½% Debentures. The plan ovided that a portion of the Debentures could be ued to former shareholders of the North American ght & Power Company (Maine) in which case the mpany would receive cash on account of Common stock equal to the cash it would have received had such Debentures been sold by the Company. The proceeds of the Debentures sold by the Company (and cash received for any Common stock so issued) were used to retire the entire issue of North American Light & Power Corporation 7% Secured notes and the Pfd. stock of North American Light & Power Company (Maine), to furnish additional working capital and for other purposes in connection with the reorganization of the Company. All former securities of North Amer-

ican Light and Power Company (of Maine) and North American Light and Power Corp. (Delaware) were retired in the reorganization.

Arrangements were made whereby, on completion of the reorganization of the Company, the Middle West Utilities Company and the North American Company each acquired a substantial interest in its Common stock.

Company controls entire Common stock of Illinois Power and Light Corporation, Kewanee Public Service Co. and Western Illinois Ice Co. and owns entire Common stocks of Missouri Power & Light Company (see appended statements); also owns 95% of the Common stock of The United Power & Light Corporation (Kansas).

The following companies are the operating subsidiaries of the North American Light & Power Company group, by reason of the ownership of all their Common stocks. All of their accounts, except as below noted, are included in the Consolidated Balance Sheet and Consolidated Income Statement of North American Light & Power Company.

Illinois Power and Light Corporation
Its Subsidiaries:
Illinois Traction, Inc.
Cairo and St. Louis Railway Company
The St. Louis, Troy and Eastern Railroad Company
St. Louis and Illinois Belt Railway
St. Louis Electric Terminal Railway Company
Des Moines Electric Light Company
Iowa Power and Light Company
The Kansas Power and Light Company
Missouri Power and Light Company
Kewanee Public Service Company
Western Illinois Ice Company

Controlled Company
The United Power & Light Corporation (of Kansas)
(95% of the Common stock of this Company was owned at Dec. 31, 1927).

Properties—The properties of the North American Light & Power Company serve a population of over 1,525,000 in over 740 municipalities in the States of Illinois, Iowa, Missouri and Kansas. The territory served comprises a large portion of the richest agricultural and coal areas of the middle west, a business field of the most substantial characteristics, which is growing rapidly and evidencing a large demand for power and light service. The power and light properties of the Company include electric generating stations with an aggregate capacity of 405,300 h.p. and a purchase capacity of 70,650 k.v.a. (94,200 h.p.) at this time, over 4,800 miles of high tension transmission lines and 12,800 miles of distributing lines serving 334,532 customers. Over 80% of the net earnings are derived from the power and light properties.

The gas properties include artificial gas plants with an aggregate daily capacity of 32,735,000 cubic feet serving 109,199 customers.

The electric interurban railroad properties consist of 550 miles of main trunk line. The trunk line system is a modern, standard gauge railroad equipped with automatic block signal systems, repair shops, car barns and 1,382 freight and passenger cars. The system connects the cities of Peoria, Springfield, Bloomington, Danville, Urbana, Champaign, Decatur, with Edwardsville, Granite City, Madison, Venice, Illinois, and St. Louis, entering St. Louis over a steel toll bridge owned in fee, into its own terminal in the heart of St. Louis. Another system connects the cities of Joliet, Ottawa, Marseilles, Peru and Princeton, Illinois. Of the gross revenues of the electric railroad well over one-half are derived from freight, express, power and miscellaneous non-passenger sources.

The city railway and bus properties, comprising over 235 miles of routes, serve a number of important cities in Illinois and Kansas.

CAPITAL STOCK

Authorized, 600,000 shares Common of no par value and 150,000 shares $6 cumulative Preferred of no par value; outstanding December 31, 1927, 600,000 shares Common and 134,439 shares Preferred. North American Company (New Jersey) and Middle West Utilities Company own a substantial portion of outstanding Common stock. Common shareholders are entitled to one vote per share.

Preferred Stock Provisions—Preferred stock has preference as to assets to the extent of $100 per share in event of liquidation, dissolution or winding up of affairs of Company or in distribution of its capital whether voluntary or involuntary. It has preference as to $6 dividends per share per year, but no more. Is subject to call at $105 per share on any dividend date in whole or from time to time in part on 30 days' notice. Preferred stock has no voting power except in event of default in four quarterly dividends. No additional class of Preferred shall be authorized having priority or preference over existing Preferred, if majority dissent after 30 days' previous written notice.

Transfer Agent (Pfd. Stock)—Company's office, Illinois Merchants Bank Bldg., Chicago, Ill.

Registrar (Pfd. Stock)—Illinois Merchants Trust Co., Chicago, Ill.

Annual Meeting—First Thursday after first Monday in March.

Listed—Pfd. stock is listed on New York Curb Market.

Price Range (Pfd.)—1927: High, 93; low, 90.

Dividends—On Pfd. stock initial quarterly dividend of $1.50 was paid October 1, 1926; regular quarterly payments at that rate since; payments J, A, J & O 1. Dividend of 75 cents per share paid on Common stock during 1927.

FUNDED DEBT

(1)

$15,000,000 30-YEAR SINKING FUND GOLD DEBENTURES SERIES "A," 5½%; DUE JULY 1, 1956

Dated July 1, 1926.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York, or Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Issued, $15,000,000 Series "A" 5½s. These Debentures contain the following restrictions: (a) Requiring as a condition to the issuance of additional debentures that consolidated net income, as defined in the Debenture Agreement, shall be at least equal to two and one-half times annual interest charge of all funded debt of Company, including debentures proposed to be issued; and (b) limiting creation of additional funded debt (excepting additional debentures in the amount of $5,000,000 which may be issued against an equal amount of additional assets) to approximately 85% of additional assets.

Purpose of Issue—Proceeds used for refunding purposes, for additional working capital, and for other purposes in connection with reorganization of Company.

Callability—Subject to call at any time on 60 days' notice at 103 and interest up to and including July 1, 1931, and thereafter redemption price will decrease ½% for each succeeding 5-year period and/or remaining fraction of unexpired term.

Sinking Fund—A cumulative sinking fund beginning July 1, 1931, of $150,000 annually, payable semi-annually, may be used, at option of Company to purchase and retire debentures of this issue and/or to purchase stocks, bonds or other securities of constituent or other companies which shall be pledged with Trustee. The income on all debentures retired or securities purchased by sinking fund will be added to sinking fund. It is estimated that operation of this sinking fund will retire 40% of this issue before maturity and/or correspondingly increase security therefor.

Tax Provisions—Company pays Normal Federal ome Tax up to 2%, and agrees to reimburse holders the Pennsylvania, Connecticut and California per- al property tax not exceeding 4 mills, and Massa- setts income tax not exceeding 6% per annum.

Legal Opinion—Defrees, Buckingham & Eaton, cago (for the Company), and Pam & Hurd, Chi- o (for the bankers).

Original Offering—First publicly offered ($15,000,-) in August, 1926, at 94½ and interest, to yield ut 5.90%, by E. H. Rollins & Sons, Marshall Field, re, Ward & Co.; Spencer Trask & Co.; Blyth, tter & Co., and J. G. White & Co., Inc., New York, , and Illinois Merchants Trust Co., Chicago.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
h	96½	96
	92½	94¼

(2)

30,000 30-YEAR SINKING FUND GOLD DEBENTURES, SERIES "B" 5½%; DUE JULY 1, 1956

Dated July 1, 1926.

Interest Payable January and July 1, at American change Irving Trust Co., New York, or at Central ist Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; principal y be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Open indenture; outstanding, $3,500,000 Series "B" 5½%. For other provisions, see description of Series "A" 5½s above.

Callability—Subject to call at any time on 60 days' notice at 103 and accrued interest up to and including July 1, 1931, and thereafter the redemption price will decrease ½% for each succeeding five-year period.

Sinking Fund—Cumulative sinking fund beginning July 1, 1931 of 1% per annum of the principal amount of debentures, Series "B" issued, payable semi-annually, which may at option of Company be used to retire Debentures of this Series and/or to purchase stocks, and/or obligations of the constituent or other companies, which shall be pledged with Trustee. The income on all Debentures retired or securities purchased by this sinking fund will be added to the sinking fund.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and will reimburse upon timely application the holders of these Debentures, for the Pennsylvania, Connecticut and California personal property tax not exceeding 4 mills, and for the Massachusetts income tax not exceeding 6% per annum.

Listed—Boston Stock Exchange.

Original Offering—First publicly offered ($3,500,- 000) in Nov., 1927, at 96½ and accrued interest, to yield about 5.75%, by Marshall Field, Glore, Ward & Co., Spencer Trask & Co., Blyth, Witter & Co., and Illinois Merchants Trust Co.

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED DECEMBER 31
(North American Light & Power Company and Subsidiaries)

	1927	‡1926	‡1925	‡1924	‡1923
oss earnings:					
lectric light and power	$21,969,379	$18,298,072	$16,523,911	$14,928,435	$12,869,242
lectric and steam railroads	5,760,163	5,971,273	5,902,051	5,287,432	5,687,563
ity railway and bus lines	3,740,512	4,256,419	4,215,416	4,221,637	4,564,426
as	4,277,897	3,623,606	3,695,030	3,876,854	3,450,288
eat	723,391	799,564	754,956	776,388	670,609
ridge	733,640	682,945	647,446	643,324	613,966
e	560,447	342,576	354,564	508,814	458,527
Vater	353,669	201,232	188,663	164,961	100,191
Miscellaneous	958	214	21,816	1,240	116,239
ombined gross earnings	$38,120,056	$34,175,901	$32,303,853	$30,409,085	$28,531,051
s inter-company items	502,496	487,445	188,145	451,248	245,393
ross earnings from operation	$37,617,560	$33,688,456	$32,115,708	$29,957,837	$28,285,658
penses, maintenance and taxes	22,117,031	20,551,778	20,058,863	19,823,000	18,559,392
Net earnings from operation	$15,500,529	$13,136,678	$12,056,845	$10,134,837	$9,726,266
ner income	236,738	169,310	486,980	850,752	†27,436
Total net earnings	$15,737,267	$13,305,988	$12,543,825	$10,985,589	$9,698,830
erest on bonds, etc. & amortization of bond discount	8,246,941	7,140,231	6,718,828	6,293,348	5,151,236
idend on Pfd. stocks of Sub. Cos.	3,390,176	2,727,870	2,051,152	1,471,870	1,099,361
owance for minority stock interest	43,945	1,456	3,845	49,090	339,229
Total	$11,681,062	$9,869,557	$8,773,825	$7,814,308	$6,589,826
alance	$4,056,205	$3,436,431	$3,770,000	$3,171,281	$3,109,004
propriated for depreciation retirements, etc.	2,007,129	1,870,408	2,289,517	2,096,223	2,043,980
al. avail. for dividends on North American Lt. & Pr. Co. stocks	$2,049,076	$1,566,023	$1,480,483	$1,075,058	$1,065,024
idends on Preferred stock	721,281	405,469	301,492	298,744	267,259
urplus after Preferred dividends	$1,327,795	$1,160,554	$1,178,991	$776,314	$797,765
nes Interest & Amortization of Disc. Earned	1.91	1.86	1.87	1.74	1.88
nings per share on Pfd. stock (no par)	$15.24	$18.42	.....	.....	.....

*After reclassification of inter-company items eliminated for 1923,1924 and 1925. †Debit. ‡Statements do not include earnings of Kewanee Public Service Co. or United Power & Light Corp. (of Kansas).

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
perty, franchises, etc.	$222,039,799	$201,025,643
cks, bonds & other investments	7,128,036	1,338,775
terials and supplies	2,936,515	2,836,858
sh	4,585,268	4,909,751
tes & accts. receivable	4,293,137	4,372,298
count on securities	8,998,050	5,847,368
ferred debit items	120,777	279,280
asury securities	2,340,668	1,863,083
paid accounts	169,462	.....
sh held by trustee	576,615	.....
cial deposits	78,950	.....
king funds	69,619	.....
Total	$253,336,896	$222,473,056

Liabilities—	1927	1926
Common stock	$15,000,000	$15,000,000
Preferred stock	12,820,000	8,500,000
Preferred stock—sub. cos.	52,966,817	43,404,750
Funded debt	151,014,400	131,473,500
Purchase money obligations	.....	600,000
Notes payable	284,800	2,481,510
Accounts payable	2,567,155	2,264,179
Customers' deposits	849,021	686,243
Interest accrued	1,579,764	1,353,111
Reserve for taxes	1,178,240	1,036,436
Deferred credit items	1,246,721	1,407,512
Reserve for depreciation	10,090,129	11,713,841
Other reserves	1,191,466	1,000,113
Minority interest	135,598	18,042
Surplus	2,412,002	1,533,819
Total	$253,336,896	$222,473,056

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	Current Liabilities—	1927	1926
Materials and supplies	$2,936,515	$2,836,858	Notes payable	$284,800	$2,481,510
Cash	4,585,268	4,909,751	Accounts payable	2,567,155	2,264,179
Notes and accts. receivable	4,293,137	4,372,298	Customers' deposits	849,021	686,243
			Interest accrued	1,579,764	1,353,111
			Reserve for taxes	1,178,240	1,036,436
Total	$11,814,920	$12,118,907	Total	$6,458,980	$7,821,479
Net Working Capital				$5,355,940	$4,297,428

Officers: Clement Studebaker, Jr., Pres.; H. L. Hanley, V-P.; Geo. T. Buckingham, V-P. & Gen. Counsel; L. E. Fischer, V-P.; D. H. Holmes, Sec.; P. L. Smith, Treas.; A. J. Berta, Asst. Treas.; F. G. Sutherland, Compt., Chicago, Ill.

Directors: Geo. T. Buckingham, H. L. Hanley, Samuel Insull, Martin J. Insull, Clement Studebaker, Jr., B. E. Sunny, L. E. Fischer, Chicago, Ill.; Frank L. Dame, Edwin Gruhl, New York.

General Office, 231 So. La Salle Street, Chicago, Ill.

MISSOURI POWER & LIGHT COMPANY

(Controlled by North American Light & Power Company)

History—Organized in 1911, in Missouri; present name adopted in 1924. Company is successor to Missouri Utilities Co. (see 1923 Public Utility Manual page 1608), Jefferson City Light, Heat & Power Co., Jefferson City Bridge & Transit Co., North Missouri Light & Power Co. (see 1923 Public Utility Manual, page 2575), and Franklin Electric Co. As of Aug. 1, 1924, the properties of the North Missouri Power Co. were purchased as an entirety (see 1924 Public Utility Manual, page 322), and Adair County Light, Power & Ice Co., Missouri Heat, Light & Power Co., La Plata Light, Heat & Ice Co., Huntsville Light & Power Co., Boonville Light, Heat & Power Co., Citizens Electric Light Co., and Moberly Light & Power Co. as of Jan. 1, 1925.

Company disposed of its Oklahoma properties in 1925.

Missouri Power & Light Company directly owns and operates electric power and light, gas, heating, water and street railway properties in 151 cities and towns in Missouri. The total population served is estimated at 151,800.

The company furnishes electricity without competition to 151 cities and towns in Missouri, including Jefferson City, the capital of the State, Moberly, and important railroad division points and Mexico, the center of a rich agricultural community, also Kirksville, Boonville, Huntsville, Brookfield, Excelsior Springs, Edina, Clinton, Centralia, Montgomery City and Vandalia.

Properties—The power and light properties of the company comprise steam electric generating stations with an aggregate installed capacity of 24,500 h.p., together with 763 miles of transmission lines and distributing systems in the communities served. The gas properties serve also without competition over 7,030 customers in the following cities: Jefferson City, Moberly, Mexico, Boonville and Excelsior Springs, Missouri. The artificial gas generating plants of the Company have installed daily capacity of over 2,435,000 cu. ft.

In addition the Company does a heating, water and ice business in a portion of the territory served. The Company operates one street railway system consisting of six miles of line, serving Jefferson City, Mo. Approximately 75% of the net earnings are derived from the sale of electricity, 10% from the sale of gas, 6% from railway, bridge and bus operation and 9% from the sale of ice and miscellaneous sources.

CAPITAL STOCK

Authorized, 35,000 Common shares of no par value and $3,200,000 (increased from $200,000 in July, 1925) 7% cumulative Pfd.; par, $100; outstanding, Dec. 31, 1927, 35,000 shares Common and $2,853,550 Pfd. The North American Light & Power Co. owns all the Common stock.

Stock Increase—Stockholders at meeting Nov. 3, 1925, authorized an increase in the Common stock to 60,000 shares and in the Preferred stock to $5,700,000. However, this increase had not been certified to the Secretary of State of Missouri up to May 1, 1928 and was not in effect.

Preferred Stock Provisions—The following provisions have been adopted to make all classes of Pfd. uniform:

Dividends cumulative at the rate of 7% per annum payable quarterly; in the event of any liquidation, dissolution or winding up, whether voluntary or involuntary, of the Corp., the holders of the Pfd. stock shall be entitled to be paid in full the par amount of their shares and the unpaid cumulative dividends accrued thereon before any payment shall be made to the holders of the Common stock; that the holders of the Pfd. stock shall not be entitled to vote the same at any meeting of the Corp., nor be entitled to notice of stockholders' meeting, unless such meeting shall be called to vote upon any proposition to change the name, place of business or objects of or to dissolve the Corp., or to increase or decrease its authorized capital stock, or to consolidate the Corp. with any other Corp., or to sell its property and business as an entirety, and provided further that if at any time there shall be four quarterly dividends on the Pfd. stock in arrears and unpaid, the holders of the Pfd. stock shall have the right to elect a majority of the directors of the Corp. until, and only until, all arrearages of dividends on the Pfd. stock shall have been earned and paid; that the shares of Pfd. stock are purchasable or redeemable upon any dividend payment date upon 30 days' previous notice, by the payment of the par value of the shares, together with all accrued and unpaid dividends thereon and in addition thereto, a premium of $5 per share; and that said Pfd. stock may (without first offering the same to the stockholders) be issued and disposed of from time to time by the directors upon such terms and conditions and for such lawful considerations as they may deem expedient.

Dividends—Pfd. dividends have been paid regularly since issuance, beginning in 1919, on stock outstanding of Missouri Power & Light Co., and that under former names. Payments are now made quarterly, J, A, J & O 1, to stockholders of record the 20th of the preceding month.

FUNDED DEBT

$6,500,000 FIRST MORTGAGE SERIES "A" GOLD 5½s; DUE SEPTEMBER 1, 1955

Dated September 1, 1925

Interest Payable March and September 1, at Central Trust Company of Illinois, Chicago, or The Chase National Bank of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable denominations.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount, unlimited. Issued, $6,500,000 Series "A" to refund all previous funded debt of Company and for property additions. Additional bonds, of such maturity date and bearing such rates of interest and otherwise of such tenor as the Board of Directors may from time to time deter-

ne, may be issued only (1) for not exceeding 80% of h cash cost or fair value, whichever is less, of addi- ns, extensions, improvements or new acquisitions to subjected to the lien of the mortgage, either directly through pledge of securities, and of permanent im- vements, additions or betterments to properties s subjected to the lien thereof, provided that net nings, as defined in the mortgage, for 12 consecutive nths within the 15 months immediately preceding application for the issuance of additional bonds ll have been not less than 1¾ times the annual rest charges on all bonds of the Company, includ- the bonds requested to be certified and on all in- tedness secured by a lien or liens prior to the lien he mortgage securing these bonds if any; or (2) to nd underlying bonds, if any; or (3) for the refund- of bonds of other series.

allability—Subject to call as a whole or in part n 60 days' notice on any interest date up to and uding September 1, 1950, at 105 and accrued rest with successive reductions in redemption price % during each year thereafter.

Maintenance and Improvement Fund—The Deed of st provides for the payment to the Trustee annu- of a sum equal to 25% of gross operating revenues ived from city railways and 12½% from other ity properties during the preceding calendar year the amount expended for maintenance and to sfy the sinking fund requirements of underlying ds, if any. Funds so deposited shall be employed ier for the retirement of underlying bonds, if any, first mortgage bonds or for renewals and replace- nts or for additions, improvements or acquisitions ich shall not be made the basis for the certification additional bonds. The above percentages are sub- to periodical redetermination.

ecurity—Secured by a first mortgage on the entire d property of Company now owned or hereafter uired, subject to underlying bonds, if any, on here- r acquired property.

ax Provisions—Company pays Normal Federal In- e Tax not exceeding 2%, and agrees to reimburse ders of these bonds, if requested within 60 days r payment, for the Connecticut, Pennsylvania and ifornia Personal Property Tax not exceeding 4 ls, and the District of Columbia 5 Mills taxes and the Maryland Securities tax not exceeding 4½ mills per $1 per annum, and for the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($6,500,000) in October, 1925, at 98.50 and interest, yielding 5.60%, by E. H. Rollins & Sons, H. M. Byllesby & Co., Inc., Hambleton & Co., New York, and the Federal Securities Corp., Chicago.

COMPARATIVE STATEMENT OF GROSS INCOME, YEARS ENDED DECEMBER 31
(Missouri Power & Light Co.)
(1926 and 1927 Accounts Audited by Arthur Andersen & Co.)

Gross Earnings from Operations:	1927	1926	1925
Electric light and power	$2,031,471	$1,837,212	$1,661,341
City railway and bus lines	56,881	57,620	56,114
Gas	303,356	287,813	277,529
Heat	76,896	86,915	82,561
Bridge	69,868	64,906	57,755
Ice	79,085	81,347	34,148
Water	90,435	91,044	86,198
Total earnings	$2,707,992	$2,506,857	$2,255,646
Operating expenses	$1,497,007	$1,474,002	$1,310,491
Taxes	100,933	95,393	55,928
Total expenses and taxes	$1,597,940	$1,569,395	$1,366,419
Net operating income	$1,110,052	$937,462	$889,227
Non-operating income	.....	1,799	52,329
Gross income	$1,110,052	$939,261	$941,556

ACTUAL INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Missouri Power & Light Co.)

	1927	1926	1925
Gross revenue	$2,707,992	$2,506,857	$3,211,651
Operating exp. and taxes	1,597,940	1,569,395	2,131,230
Net earnings from oper.	$1,110,052	$937,462	$1,080,421
Other income	.....	1,799	52,329
Total net income	$1,110,052	$939,261	$1,132,750
Interest & bond discount	363,088	368,783	601,277
Balance	$746,964	$570,478	$531,473
Pfd. stock dividends	197,340	203,915	149,064
Balance	$549,624	$366,563	$382,409
Depreciation	162,571	148,516	155,737
Balance	$387,053	$218,047	$226,672
Profit from sale of subs.	.....	.....	220,788
Balance	$387,053	$218,047	$447,460
Dividends on Com. stock	245,000	175,000	210,000
Surplus	$142,053	$43,047	$237,460

CONSOLIDATED BALANCE SHEET, DECEMBER 31

ssets—	1927	1926	1925
perty and plant	$10,239,461	$9,730,607	$8,126,808
litions since January 1	690,822	508,854	1,603,799
ion payments and exp. connection with the acquisition of additional roperties	.....	.....	55,217
estments	9,550	1,450	2,950
h with trustee	.....	.....	32,095
d discount & expense	415,977	431,012	429,817
h	316,162	221,657	221,732
es and accts. receivable	372,741	354,570	324,567
terials and supplies	210,219	205,941	196,288
paid accounts	2,172	13,157	4,073
erred debits	.....	25,729	88,765
otal	$12,257,104	$11,492,977	$11,086,111

Liabilities—	1927	1926	1925
Capital stock—Common	$1,050,000	$478,500	$478,500
Capital stock—Preferred	2,853,550	2,879,250	2,600,000
Bonds, Mo. Pr. & Lt. Co. 1st Mtge. 5½s Ser. "A"	6,500,000	6,500,000	6,500,000
Consumers' deposits	90,997	76,579	68,187
Notes payable	20,000	280,000	30,000
Accounts payable	95,165	148,152	108,588
Due affiliated companies	533,388	69,293	60,468
Accrued interest	119,218	119,167	119,167
Accrued taxes	3,762	5,364	5,030
Deferred debits	13,244	8,055	34,148
Depreciation reserve	312,817	357,865	479,099
Miscellaneous reserves	50,425	19,017	36,302
Surplus	614,538	551,735	566,622
Total	$12,257,104	$11,492,977	$11,086,111

Officers: Clement Studebaker, Jr., Pres.; H. L. nley, V-P.; Geo. T. Buckingham, V-P.; L. E. ischer, V-P.; E. R. Locke, V-P.; L. A. Pettit, Jr., erating V-P.; D. H. Holmes, Sec.; P. L. Smith, eas.; A. J. Berta, Asst. Treas.

Directors: Clement Studebaker, Jr., H. L. Hanley, L. E. Fischer, D. H. Holmes, P. L. Smith, L. A. Pettit, Jr., Geo. T. Buckingham, R. R. Arnold, S. W. Henderson, E. R. Locke, Thos. L. Price.

General Offices, Illinois Merchants Bank Bldg., Chicago, Ill., and Board of Trade Bldg., Kansas City, Mo.

ILLINOIS TRACTION COMPANY

(Controlled by North American Light & Power Company)

istory—Inc. May 13, 1904, in Me., with perpet- u charter. Owns all the Common stock of the Illin- o Power & Light Corp. (which in turn controls the Inois Traction, Inc., Des Moines Electric Light Co., Te Kansas Power and Light Company, St. Louis, Toy & Eastern RR. Co., St. Louis & Illinois Belt Ry., and other companies which were formerly controlled direct by the Illinois Traction Co.), Western Illinois Ice Co. and Kewanee Public Service Co.

CAPITAL STOCK

Authorized, $15,000,000 Common and $10,000,000 6% cumulative Pfd.; outstanding, Dec. 31, 1927, $11,-

572,300 Common and $62,000 Pfd. Par of both issues, $100. An equal amount of Illinois Power & Light Corp. 7% Pfd. stock is held to exchange share for share for Illinois Traction Co. Pfd. stock. Stock control is held by the North American Light & Power Company.

Transfer Agent—Stock transferred at Company's office.

Annual Meeting—In August.

Dividends at the rate of 6% per annum are being regularly paid on the Pfd. quarterly, J, A, J & O 1. An additional amount sufficient to make the combined payment equivalent to 7% per annum for the quarter ended July 1, 1923, was paid to shareholders who had exchanged their Illinois Traction Co. Pfd. stock for the Pfd. stock of the Illinois Power & Light Corp. Initial Common dividend of ¾% was paid May 15, 1913, and quarterly dividends were regularly paid at same rate to and including Feb. 15, 1918; 50 cents per share Oct. 15, 1923; $2. per share Jan. 1, 1924; $1.50 April 1 and July 1, 1924; July 31, 1924, $1 extra; Oct. 1, 1924, $1 regular and $1.50 extra; April 1, 1925, $1; July 1, 1925, $2.50; Oct. 1, 1925, $1; Jan. 1, 1926, $2.50; April 1, 1926, $3; July 1, 1926, $2; Oct. 1, 1926, $1.50; Jan. 1, 1927, $2.50; April 1, 1927, $1; July 1, 1927, $3; Oct. 1, 1927, $4.

FUNDED DEBT

None.

Officers: Clement Studebaker, Jr., Pres.; H. L. Hanley, V-P.; Geo. T. Buckingham, V-P.; D. H. Holmes, Sec.; P. L. Smith, Treas.

Directors: Clement Studebaker, Jr., H. L. Hanley, Geo. T. Buckingham, Stephen E. Hurley, E. L. Harding, P. L. Smith, D. H. Holmes, J. J. Seerley, A. J. Berta.

General Office, 231 So. La Salle St., Chicago, Ill.

ILLINOIS POWER AND LIGHT CORPORATION

(Controlled by Illinois Traction Co.)

History—Incorporated May 28, 1923, in Illinois. Acquired and merged an extensive group of public service enterprises, and directly owns and operates or controls electric power and light, gas, heat, and city railway properties in a large number of the most populous municipalities in Illinois. The corporation has acquired the properties of the following companies:

St. Louis Electric Bridge Co.
The Argenta-Warrensburg Electric Co.
Bloomington & Normal Ry. & Light Co.
Central Illinois Electric Co
Cerro Gordo Electric Co.
Citizens Lighting Co.
Citizens Pure Ice Co.
Clinton Gas & Electric Co.
Consumers Water & Light Co. of Marseilles
Danville Consumers Coal Co.
Danville Street Ry. & Light Co.
Danville & Eastern Illinois Ry. Co.
Danville & Northern R. R. Co.
Danville & So. Eastern Ry. Co.
Decatur Railway & Light Co.
Galesburg Ry., Lighting & Power Co.
Galva Electric Light Co.
Granite City Gas, Light & Fuel Co.
Jacksonville Ry. & Light Co.
Kerens-Donnewald Coal Co.
Madison County Light & Power Co.
Monmouth Public Service Co.
Monticello Electric Light Co.
Mound City Light & Water Co.
Northern Illinois Light & Trac. Co.
*Peoples Traction Co.
Peoria Railway Co.
Quincy Railway Co.
Spring Valley Utilities Co.
Urbana & Champaign Ry., Gas & Electric Co.
Urbana Light, Heat & Power Co.
Utility Gas Coal Co.
Southern Illinois Light & Power Co.
Western Illinois Utilities Co.
Dupo Electric Light & Power Co.
Hoyleton Electric Co.
Twin City Electric Co.
Bordon Bus Co.
Twin City Light, Heat & Power Co.
Cairo Electric & Traction Co.
Cairo City Gas Co.
Cahokia Gas & Oil Co.
LeRoy Electric Light, Power & Heating Co.

*Peoples Traction Co. properties being taken over by Galesburg Ry., Lighting & Power Co.

Illinois Power & Light Corp. owns entire capital stock of the **St. Louis Electric Terminal Ry. Co.** and of **Illinois Traction, Inc.,** which Company is a merger of Bloomington, Decatur & Champaign R.R., Danville, Urbana & Champaign Ry. Co., Illinois Central Traction Co., St. Louis, Springfield & Peoria Ry. Co. and Chicago, Ottawa & Peoria Ry. Co. Company formerly owned the entire capital stock of Omaha & Lincoln Ry. & Light Co. which property was sold to Nebraska Power Co. in Feb. 1927.

Illinois Power and Light Corp. is acquiring the entire capital stock of Illinois Terminal Company, a steam railroad, for the purpose of consolidating this property with those of Illinois Traction, Inc. through leases into a single operating system.

In 1925, the Cairo Ry. & Light Co., Cairo Electric & Traction Co. and Cairo City Gas Co. were merged into the Illinois Power and Light Corp., and the bonds of each company called for payment. Illinois Power and Light Corp. owns all the capital stock of Cairo and St. Louis Ry. Co.

Illinois Power and Light Corp. also owns all the capital stock of the St. Louis, Troy and Eastern R.R. and the St. Louis and Illinois Belt Ry., which were purchased in 1925 (for statements of these companies see Steam Railroad Volume).

The Kansas Power and Light Company (all of the stock of which company is owned by Illinois Power and Light Corp.), has acquired the physical property and assets of The Kansas Public Service Co., Topeka Edison Co., Topeka Railway Co. and The Union Power Company.

The entire capital stock of the Des Moines Electric Light Co. (formerly Des Moines & Central Iowa Electric Co.) is also owned by Illinois Power and Light Corp. The Des Moines Electric Light Co. is a consolidation of the properties of the following former companies: Colfax Electric Light Co., Des Moines Electric Co., Mills County Power Co., Montezuma Electric Light, Power & Heating Co., New Valley Junction Water and Light Co., Oskaloosa Light and Fuel Co., and Oskaloosa Traction and Light Co. The Des Moines Electric Light Co., controls through stock ownership the Mills County Power Co (holding company), Iowa Power and Light Co., and Iowa Transmission Line Co.

Illinois Power and Light Corp. formerly owned all the capital stocks of Wichita RR. and Light Co., a West Virginia corporation incorporated in January 1920, which property was sold in March, 1927.

25 BROAD STREET
NEW YORK

Branch Offices
Albany Boston
Chicago Providence
Philadelphia

ILLINOIS POWER & LIGHT CORPORATION
Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange

Illinois Terminal Co.—This Company was authorized in April, 1928, by the Interstate Commerce Commission to acquire control of four other steam and electrical lines serving St. Louis and the East Side, the St. Louis Troy & Eastern RR., St. Louis & Illinois Belt Ry., St. Louis Electric Terminal Ry., and the lines comprising the main division of the Illinois Traction, Inc. Following the Interstate Commerce Commission's action, the Illinois Power & Light Corp. purchased all the stock of the Illinois Terminal Co. for $3,500,000.

Operating Data—Kilowatt hours generated and purchased in 1927, 653,669,853; electric meters installed, Dec. 31, 1927, 258,852. Cubic feet of gas generated and purchased, 3,147,459,000; gas meters installed, 92,236.

Property and Territory Served—The business of the Corporation includes service rendered to more than 70 municipalities. The electric power and light properties, with an electric generating capacity of 317,000 h.p. and large purchased capacity (65,300 k.v.a.), serve without competition over 258,800 customers. The gas properties, with a generating capacity of over 27,480,000 cubic feet of artificial gas a day, serve, also without competition, over 92,200 customers. The city railway and bus properties have over 235 miles of routes. The principal portion of the electric trunk line railroad system, which has over 550 miles of main line track, connects the cities of Peoria, Springfield, Bloomington, Danville, Urbana, Champaign and Decatur with St. Louis, which it enters over its steel toll bridge to its own terminal in the heart of the city.

CAPITAL STOCK

Authorized, 600,000 (increased from 400,000 in 1927) shares Common of no par value, 600,000 shares $6 cumulative Pfd. of no par value and 70,000 shares of 7% cumulative Pfd. of $100 par value; outstanding upon completion of financing about May 1, 1928, 550,000 shares Common of no par value, 364,740 shares $6 cumulative Pfd. of no par value, and 46,500 shares of 6% cumulative Pfd. of $100 par value. Capital stock was changed in early 1928 from authorized amounts of $33,000,000 7% Pfd., $7,000,000 6% Pfd. and $1,875,300 6% cumulative Participating Pfd. in connection with the refunding of the 7% Pfd. and 6% Participating Pfd., both of which were called for payment on July 1, 1928 (see below).

7% Cumulative Pfd. and 6% Participating Pfd. Called—All the outstanding 7% cumulative Pfd., par $100, and all the outstanding 6% cumulative Participating Pfd., par $50, was called for payment on July 1, 1928, at Central Trust Co. of Illinois, Chicago, the 7% Pfd. at $105 per share and accrued dividend and the 6% Pfd. at $52.50 per share and accrued dividend. An exchange offer for the new $6 cumulative Pfd. was available (subject to prior sales and exchanges) to holders of both classes on the basis of $100 per share for the new stock. Holders of the 7% Pfd. could receive in place of redemption price, one share of new $6 Pfd. (based on a price of $100 per share) bearing dividends from May 1, 1928, plus $5.75 per share in cash (being cash premium of $5 per share plus adjustment of dividends to July 1, 1928).

Preferred Stock Provisions—Holders of Cum. Pfd. stock shall be entitled to dividends at rate of $6 per share per annum, provided net earnings are equal to 1% or more on then outstanding Cum. Pfd. stock after paying interest charges and providing for 14% maintenance and depreciation funds as provided in the charter. No dividend shall be paid on any share of other capital stock until all current and accumulated dividends on all outstanding shares of Cum. Pfd. stock shall have been paid in full.

Voting Rights—Every share of Cum. Pfd. stock, whether heretofore or hereafter issued, shall have equal voting rights and powers, share for share, with every other share of capital stock of Corporation at time outstanding.

Liquidation Price—In event of involuntary liquidation each share of Cum. Pfd. stock shall be entitled to receive $100 and no more; or, if liquidation is voluntary, $110 and dividends (the liquidation price of the 6% par $100 Pfd. being increased from $105) and no more, before any distribution can be made upon any other class of capital stock of Corporation.

Callability—Cum. Pfd. is subject to call as a whole or by lot in amounts of 5,000 shares or any multiple thereof on any dividend date, on 60 days' notice, at $110 and accrued dividends (the callable price of the 6% par $100 Pfd. being increased from $105).

Issue of Additional Shares—Any number of shares of Cum. Pfd. stock additional to any shares thereof already issued (and including shares of Cum. Pfd. stock authorized or hereafter to be authorized) may be hereafter created and/or issued by Corp., and when so created and/or issued shall have the same parity, quality and status as any shares of Cum. Pfd. stock already issued except as to differences attributable to respective dividend dates, fixed dividend rates, redemption prices and prices on voluntary liquidation. Such additional shares, however, shall be paid up in full, and may be issued only for purpose of providing additional working capital, or refunding or discharging bonds, notes, stock or other obligations of Corporation and/or of its subsidiary corporations, and/or of refunding expenditures for, and/or financing additions, extensions, betterments and improvements, and acquisition of additional property, by Corporation and/or by any of its subsidiary corporations.

Such additional shares may be issued only upon express conditions precedent: (a) that combined net earnings of Corp. and its subsidiary corporations (on basis of a consolidated statement) after providing for all operating expenses, interest, and current amortization of bond discount, and other charges against income which rank ahead of Cum. Pfd. stock, including an allowance for maintenance and depreciation at the rate of 14% of combined gross earnings of Corporation and its subsidiary corporations (on basis of a consolidated statement), shall have been for 12 months ending within 90 days next preceding the date of issuance (but including earnings of such full 12 months' period of any plant or subsidiary then owned by Corp. which may have been so owned for a less period) not less than twice annual dividend requirements on Cum. Pfd. stock then outstanding and on further amounts proposed to be issued and further; (b) that for each share of Cum. Pfd. stock then outstanding, and then proposed to be issued, there shall be assets of Corporation including consideration to be received for additional Cum. Pfd. stock so to be issued (over and above its debts) of not less than $125.

Creation of New Stock and Bonds—Other than shares of Cum. Pfd. stock now authorized or hereafter authorized, no capital stock having rank equal or superior to Cum. Pfd. stock shall at any time be created, if upon notice the holders of 1/5 of aggregate amount of then outstanding shares of Cum. Pfd. shall, within 60 days, in writing, object thereto. Other than First

ILLINOIS POWER AND LIGHT CORPORATION

E. H. Rollins & Sons

Founded 1876

Boston New York Philadelphia Chicago
Denver San Francisco Los Angeles London

and Refunding Mortgage Gold bonds, as they may from time to time be outstanding and 5½% Sinking Fund Debenture Gold bonds now outstanding, no bonds, notes, debentures or similar obligations which are prior to or senior to Cum. Pfd. stock shall be hereafter created or issued, if upon prior notice holders of 1/5 of all such then outstanding shares shall, within 60 days, in writing object thereto, except that this restriction shall not apply to (a) obligations of predecessor corporations assumed by Corp. or obligations of corporations, the properties and/or capital stock of which have been heretofore acquired by and vested in Corporation; (b) temporary loans having a maturity of not longer than one year from its date, but in an aggregate amount not exceeding 20% of gross earnings of Corporation and its subsidiary corporations for 12 calendar months ending within 90 days next preceding date of incurring or becoming liable for such indebtedness.

Tax Provisions—Dividends are free from present Normal Federal Income tax and tax free in Illinois.

Legal Opinion ($6 Pfd. no par)—Defrees, Buckingham & Eaton, Chicago (for the Corporation), and Breed, Abbott and Morgan, New York (for the bankers).

Public Offering—290,000 shares $6 Cum. Pfd. stock, no par, (74,740 shares having been reserved for exchange or sale directly by Corp. less such of said shares as may be issued in exchange for outstanding 7% Cum. Pfd. stock of Corp.) were publicly offered in May, 1928, at $100 and dividend by Blyth, Witter & Co., Field, Glore & Co., Utility Securities Corp. and E. H. Rollins & Sons, New York.

Transfer Office ($6 and 6% Pfd.)—Corporation's Office, 231 South La Salle St., Chicago, Ill.

Registrar ($6 and 6% Pfd.)—Central Trust Co. of Illinois, Chicago.

Annual Meeting—In March, at Chicago, Ill.

Dividends—Initial dividends on both the 7% and 6% Participating Pfd. stock paid Oct. 1, 1923, and quarterly thereafter to date of redemption. On the 6% cumulative Pfd. initial dividend paid Oct. 1, 1926, and quarterly thereafter; payments, J, A, J & O 1. Dividends on $6 no par Pfd. are payable quarterly F, M, A & N 1, the initial dividend being expected to be paid Aug. 1, 1928.

FUNDED DEBT

(In hands of public December 31, 1927)

(1)

$24,000 JACKSONVILLE GAS LIGHT & COKE CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1931

Dated January 1, 1901.

Interest Payable January and July 1, at Illinois Merchants Trust Co., Chicago, Trustee.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized issue, $200,000; issued, $175,000, of which $151,000 had been retired by sinking fund to Dec. 31, 1927.

Callability—Subject to call as a whole or in part at 103 and interest on any interest date. As a sinking fund, the company covenants to pay the trustee for the redemption of these bonds the following amounts: Dec. 15, 1910 to 1914, inclusive, $5,150 per annum; 1915 to 1919, inclusive, $8,240 per annum; 1920 to 1924, inclusive, $10,300 per annum; 1925 to 1929, inclusive, $12,360 per annum and 1930, $25,750.

Security—A first lien on property formerly owned by the company. Assumed by Jacksonville Ry. & Light Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—McCulloch & McCulloch, Chicago.

Original Offering—First publicly offered ($150,000) in Jan., 1901, at 102½ and interest, by Devitt, Tremble & Co., Chicago.

(2)

$137,000 CLINTON GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 6s; DUE NOVEMBER 30, 1937

Dated November 30, 1907.

Interest Payable June and December 1, at Colonial Trust Co., Philadelphia, Trustee. Coupon, $500. Subject to call at 106 and interest on any interest date. A sinking fund of $2,000 per annum commenced Dec. 1, 1917; $26,500 held by Trustee in sinking fund. A first lien on property of former Clinton Gas & Electric Co. Company pays Normal Federal Income Tax up to 2%.

(3)

$778,000 GALESBURG RAILWAY & LIGHT CO. FIRST & CONSOLIDATED GOLD 5s; DUE JULY 1, 1934

Dated July 1, 1904.

Interest Payable January and July 1, at Fidelity Trust Co., Portland, Me., Trustee.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized, $1,500,000, of which $778,000 are outstanding and $719,000 pledged under Galesburg Ry., Lighting & Power Co. Consolidated & Refunding Mortgage.

Callability—Subject to call on any interest date at 105 and interest.

Security—A first mortgage on 18 miles of electric railway in Galesburg, Ill., and vicinity, and on plants supplying gas and electricity in the same territory. Underlies Galesburg Ry., Lighting & Power Co., Consolidated & Refunding 5s of 1934, and Illinois Power and Light Corp. First & Refunding Mortgage and Debentures. Bonds are reserved under the Illinois Power and Light Corp. to retire this issue.

Assumed by the Galesburg Ry., Lighting & Power Co., and Illinois Power and Light Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$590,000 MADISON COUNTY LIGHT & POWER CO. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1936

Dated December 1, 1906.

Interest Payable June and December 1, at Agency Bank of Montreal, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Trust Co., of Illinois, Chicago.

Provisions of Issue—Authorized, $1,000,000; mortgage closed; issued, $911,000, of which $227,000 retired by sinking fund or otherwise, $94,000 pledged with trustee under Illinois Power and Light Corp. First and Refunding Mortgage (of which $25,000 can be used for sinking fund), leaving balance of $590,000 outstanding with public.

Callability—Subject to call at 105 on any interest date upon four weeks' notice.

Sinking Fund—1½% per annum of bonds certified; first payment Feb. 1, 1916. The trustee may purchase bonds for the sinking fund at the lowest price offered, not exceeding 105 and accrued interest at which price they may be called.

Security—A first mortgage on all property formerly owned by the company. Underlies Illinois Power and Light Corp. First & Refunding Mortgage under which bonds are reserved to retire this issue. Assumed by Illinois Power and Light Corp.

Guaranty—Guaranteed principal and interest, by Illinois Traction Co., by endorsement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in March, 1916, at 96 and interest by Bodell & Co., Providence, R. I.

Legal Opinion—Burton & Hamilton, Peoria, Ill., and Hawkins, Delafield & Longfellow, New York.

(5)

$574,000 QUINCY RAILWAY COMPANY FIRST & REFUNDING (NOW FIRST) GOLD 5s; DUE FEBRUARY 1, 1932

Dated February 1, 1912.

Interest Payable February and August 1, at Fidelity Trust Co., Portland, Me., Trustee. Coupon,

000. Authorized, $1,500,000; mortgage closed. $8,-
) pledged with Trustee under Illinois Power and
ght Corp. First & Refunding Mortgage.
Callability—Subject to call at 105 and interest on any
erest date.
Security—A first mortgage on entire property of
mer Quincy Railway Co. including the street rail-
y system of Quincy, Ill., consisting of about 18½
les of track. Assumed by Illinois Power and Light
rp. Underlies Illinois Power and Light Corp. First
Refunding Mortgage and Debenture 7s. Bonds
reserved under the Illinois Power and Light Corp.,
rtgage to retire this issue.
Guaranty—Guaranteed, principal and interest, by
Western Railways & Light Co., and assumed
the Illinois Power & Light Corp.
Tax Provisions—Company pays Normal Federal
come Tax up to 2%.

(6)

,000 UNITED GAS & ELECTRIC CO. FIRST & REFUNDING OLD 5s; DUE NOVEMBER 1, 1937

Dated November 1, 1907.
Interest Payable May and November 1, at Mer-
ntile Trust Co., St. Louis, Mo., Trustee. Coupon,
000; principal may be registered. Authorized is-
, $200,000. Subject to call at 105 and interest.
cured on a gas works, electric plant, real and per-
nal property and franchises of the former United
s & Electric Co. Company pays Normal Federal
come Tax up to 2%.

(7)

00 MOUNT VERNON, ILLINOIS, 6% WATER FUND CER-IFICATES; DUE SERIALLY TO OCTOBER 1, 1930

Dated October 1, 1900.
Interest Payable April and October 1, at Central
ust Co., of Illinois, Chicago, Trustee. Coupon, $500.
ued, $55,000 of which $47,500 have been retired.
cured on water works at Mt. Vernon, Ill.

(8)

33,000 CAHOKIA MANUFACTURERS' GAS CO. (FORMER-Y ST. CLAIR COUNTY GAS & ELECTRIC CO.) CONSOLI-DATED MORTGAGE GOLD 5s; DUE MARCH 1, 1959

Dated March 1, 1909.
Interest Payable March and September 1, at Cen-
l Trust Co., of Illinois, Chicago.
Denomination—Coupon, $1,000; principal may be
gistered.
Trustee—Central Trust Co., of Illinois, Chicago.
Provisions of Issue—Closed mortgage; outstand-
g, $1,233,000.
Security—A first mortgage on the gas plant of
mpany located between East St. Louis and Belle-
le, Ill. and on the plants for the distribution of
s in those cities, and on the plant supplying Belle-
le with electricity. Assumed by Illinois Power and
ght Corp. Underlies Southern Illinois Light and
wer Co. First Mortgage and Illinois Power and
ght Corp. First and Refunding Mortgage, under
ich latter mortgage bonds are reserved to retire
s issue.
Guaranty—Guaranteed, principal and interest, by
American Gas Company, which guarantee was as-
med by Illinois Power and Light Corp.
Tax Provisions—Company pays Normal Federal
come Tax up to 2%.
Original Offering—First publicly offered in Sept.,
09, at 93½ and interest by Spencer Trask & Co.,
w York, etc. and Wurts, Dulles & Co., Phila-
lphia.

(9)

14,500 SOUTHERN ILLINOIS LIGHT AND POWER CO. IRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1931

Dated April 1, 1913.
Interest Payable January and July 1, at Continental
tional Bank & Trust Co., Chicago.
Denominations—Coupon, $100, $500 and $1,000;
incipal may be registered.
Trustee—Continental National Bank & Trust Co.,
icago.

Provisions of Issue—Authorized issue, $5,000,000, issued, $3,714,900, of which $576,000 retired through sinking fund and $1,224,400 pledged with Trustee under Illinois Power and Light Corp. First and Refunding Mortgage.
Callability—Subject to call at 105 and interest on any interest date on 30 days' notice.
Sinking Fund—1% per annum to 1915 and 2% thereafter of outstanding bonds to be applied to the purchase or redemption of bonds of this issue at not exceeding 105 and interest. Bonds so acquired to be cancelled.
Security—Secured by a first mortgage on plants supplying electricity in Hillsboro, Raymond, Schram City, O'Fallon, and a number of other communities in the central part of Western Illinois, and on property of former Saline Electric Co., on street railway systems in Hillsboro, Taylor Springs, and Schram City; on gas plants in Hillton, Schram City, Litchfield and Mt. Vernon; steam heating plants in Hillsboro and Morrisonville and ice plant in Hillsboro. Also a second mortgage on the property in Litchfield covered by the United Gas & Electric Co. Refunding & Improvement 5s and Cahokia Manufacturers' Gas Co. Consolidated 5s of 1959. Underlies Illinois Power and Light Corp. First & Refunding Mortgage, under which latter mortgage, bonds are reserved to retire this issue and prior liens thereto.
Tax Provisions—Company pays Normal Federal Income Tax up to 2%.
Legal Opinion—Pam & Hurd, Chicago.
Original Offering—First publicly offered ($500,-000) in May, 1913, at par and interest, by E. H. Rollins & Sons, Boston.

(10)

$594,000 JACKSONVILLE RAILWAY & LIGHT CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE JANUARY 1, 1931

Dated January 1, 1906.
Interest Payable January and July 1, at Agency Bank of Montreal, New York.
Denomination—Coupon, $1,000; principal may be registered.
Trustee—Central Trust Co., of Illinois, Chicago.
Provisions of Issue—Authorized, $1,000,000; Mortgage closed. Outstanding, $594,000; $101,000 pledged under Illinois Power and Light Corp. First & Refunding Mortgage.
Callability—Subject to call at 105 and interest on any interest date.
Sinking Fund—An annual sinking fund of 2% of outstanding bonds began Jan. 1, 1907, to be invested in bonds at lowest possible price, or funds expended for construction and betterments.
Security—A first mortgage on seven miles of street railway in Jacksonville, Ill., and a lien, subject to the Jacksonville Gas Light & Coke Co. First 5s (paragraph 1), on plants supplying that city with gas and electricity. Assumed by Illinois Power and Light Corp. and underlies the First & Refunding Mortgage of that company, under which bonds are reserved to retire this issue.
Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(11)

$819,500 GALESBURG RAILWAY, LIGHTING & POWER CO. CONSOLIDATED & REFUNDING MORTGAGE GOLD 5s; DUE OCTOBER 1, 1934

Dated March 1, 1916.
Interest Payable April and October 1, at Old Colony Trust Co., Boston.
Denominations—Coupon (principal may be registered), $500 and $1,000; and registered, $1,000, $5,000 and $10,000 or other multiples of $1,000.
Trustee—Old Colony Trust Co., Boston.
Provisions of Issue—Authorized, $5,000,000; issued, $1,790,000, of which $431,000 retired by sinking fund or otherwise, $539,500 pledged under Illinois Power

and Light Corp. First and Refunding Mortgage, and $819,500 are outstanding with public.

Callability—Subject to call at 104 and interest on any interest date.

Sinking Fund—April 1, 1917, and annually thereafter, 1½% of Consolidated and Refunding bonds certified and underlying bonds outstanding not pledged hereunder.

Security—A lien on entire property now owned or hereafter acquired, subject to the Galesburg Railway & Light Co., First & Consolidated 5s of 1934 (paragraph 3). Additionally secured by pledge of $719,000 of this later issue. Underlie Illinois Power and Light Corp. First & Refunding mortgage, under which bonds are reserved to retire this issue and prior liens. Assumed by Illinois Power & Light Corp.

Guaranty—Guaranteed principal and interest by Illinois Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(12)

$4,000 CHICAGO, BLOOMINGTON & DECATUR RY. CO. FIRST MORTGAGE 5s; DUE OCTOBER 1, 1936

Interest Payable April and October 1, at Central Trust Co., of Illinois, Chicago, Trustee. Authorized, $2,000,000; outstanding, $4,000; retired by sinking fund, $1,184,000. Subject to call at 105 on any interest date. Secured by a first closed mortgage on property of former Chicago, Bloomington, and Decatur Ry. Guaranteed by Illinois Traction Company. Underlie $71,700 Illinois Power and Light Corp. First & Refunding Mortgage, which mortgage provides for retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(13)

$539,500 ILLINOIS VALLEY RAILWAY FIRST MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1935

Dated December 1, 1909.

Interest Payable March and September 1, at Fidelity Trust Company, Portland, Me., Trustee. Coupon, $500 and $1,000. Authorized, $2,000,000; issued, $1,500,000, of which $960,500 held in sinking fund. Subject to call for sinking fund since March 1, 1906, at 105; for other purposes since March 1, 1910. Sinking fund, 1½% per annum of amount of bonds certified. Secured by a first (closed) mortgage on property of Company. Underlie $71,700,000 Illinois Power and Light Corp. First & Refunding Mortgage, which mortgage provides for retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(14)

$138,000 CHICAGO, OTTAWA & PEORIA RAILWAY FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1937

Dated December 1, 1907.

Interest Payable June and December 1, at Agency Bank of Montreal, New York. Coupon, $1,000; principal may be registered. Central Trust Company of Illinois, Chicago, Trustee. Authorized, $5,000,000; issued, $3,494,000, of which all but $138,000 are pledged under Illinois Traction, Inc. First & Refunding 6s, except $32,000 pledged under Illinois Power and Light Corp. First & Refunding Mortgage. Secured by a first (closed) mortgage on about 47 miles of line from Joliet to Seneca and from Ottawa to Streator, Ill., and by a direct mortgage on the remaining properties subject to $539,500 Illinois Valley Ry. First 5s of 1935. Underlie $71,700,000 Illinois Power and Light Corp. First & Refunding Mortgage, which mortgage provides for retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(15)

$957,000 ILLINOIS CENTRAL TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1933

Dated December 1, 1903.

Interest Payable June and December 1, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Old Colony Trust Co., Boston. Philip Stockton, Boston, Co-Trustee.

Provisions of Issue—Authorized, $2,000,000; issued $1,469,000, of which $512,000 were held alive, only for purposes of collecting interest, in sinking fund Dec 31, 1927.

Callability—Subject to call as a whole or in part at 107½ and interest on any interest date on 60 days notice.

Sinking Fund—10% of net earnings, not to be less than 1% of bonds certified. Bonds retired by sinking fund are held alive, and continue to draw interest for the benefit of the fund.

Security—A first lien on entire property of the former Illinois Central Traction Co. Underlie $71,700,000 Illinois Power and Light Corp. First & Refunding Mortgage, which mortgage provides for retirement.

Guaranty—Guaranteed, principal and interest, by endorsement, by Illinois Traction Co., assumed by Illinois Power and Light Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,300,000) in April, 1906, at par and interest, by Julius Christensen & Co., Philadelphia.

(16)

$280,000 PEORIA, BLOOMINGTON & CHAMPAIGN TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 193

Dated November 1, 1906.

Interest Payable May and November 1, at Agency Bank of Montreal, New York. Coupon, $1,000; principal may be registered. Central Trust Co. of Illinois, Chicago, Trustee. Authorized issue, $3,000,000 issued, $2,000,000, of which $1,720,000 have been retired. Mortgage is closed. Subject to call as a whole or in part at 105 and interest on any interest date upon 30 days' notice. A first lien on property of former Peoria, Bloomington & Champaign Traction Co. Underlie $71,700,000 Illinois Power and Light Corp. First & Refunding Mortgage, which mortgage provides for retirement. Guaranteed, principal and interest, by endorsement by Illinois Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(17)

$140,000 SPRINGFIELD & NORTHEASTERN TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1936

Dated December 1, 1906.

Interest Payable June and December 1, at Agency Bank of Montreal, New York. Coupon, $1,000; principal may be registered. Authorized issue, $1,500,000 issued, $800,000, of which $655,000 have been retired and $5,000 pledged under Illinois Power and Light Corp. First & Refunding Mortgage, leaving $140,000 outstanding Dec. 31, 1927. Mortgage is closed. Subject to call at 105 and interest upon any interest date upon 4 weeks' notice. A first lien on property formerly owend by company. Assumed by Illinois Power and Light Corp. and underlie that Company's First & Refunding Mortgage of $71,700,000, which provides for retirement.

Guaranty—Guaranteed, principal and interest, by endorsement, by Illinois Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(18)

$39,200,000 ILLINOIS POWER AND LIGHT CORPORATION FIRST & REFUNDING MORTGAGE GOLD 6s, SERIES "A" DUE APRIL 1, 1953

Dated April 2, 1923.

Interest Payable April and October 1, in New York or Chicago.

Denominations—Coupons, $100, $500 and $1,000; principal may be registered; or fully registered bonds of $1,000 $5,000 and $10,000 denominations; interchangeable with respect to denominations and registration.

Trustees—Harris Trust & Savings Bank, Chicago, H. MacLean, Co-Trustee.

Provisions of Issue—Authorized, open mortgage. nds of this or any other series in excess of $30,000,-) maturing not more than 30 years from the date certification thereof, and bearing such rate or rates interest, not exceeding 7% and otherwise of such ior as the Board of Directors may from time to ie determine, may only be issued (a) for not exceed- in par value 75% of the cash cost or fair value, ichever is less, of additions, extension and improve- nts or new acquisitions; or (b) par for par for the re- ding, acquisition or retirement of divisional bonds, the refunding of bonds of other series, or for cash posited with trustee. All bonds of whatever series all be equally and ratably secured by the mortgage; cept that sinking funds may be established for the clusive benefit of one or more particular series. additional bonds may be issued except under (b) less earnings applicable to bond interest for 12 nsecutive months of the 15 months immediately eceding request for issuance shall have been not s than 10% of the principal amount or 1¾ times e annual interest requirement, whichever is greater all outstanding mortgage bonds including division- bonds and those requested to be certified.

Callability—Subject to call on any interest date at 5 and accrued interest to and including Oct. 1, 1943, d thereafter at par and accrued interest plus a emium of ½% for each year or portion of a year of expired term.

Improvement Fund—The Deed of Trust provides the payment to the Trustee on June 1 of each ar a sum equal to 25% of gross operating revenues rived from electric railroads and city railways and ½% from other utility properties during the preced- g calendar year less the amount be expended for aintenance and to satisfy the sinking fund require- ents of divisional mortgages. Funds so deposited all be employed either for the retirement of under- ing bonds or bonds of this issue, or for renewals and placements, or for additions, improvements or acqui- ions, which shall not be made the basis for the rtification of additional bonds. The above percen- ges are subject to periodical redetermination.

Purpose of Issue—In the acquisition of the proper- s by Illinois Power and Light Corporation, the pro- eds of the original $30,000,000 of these bonds and 0,000,000 Debenture bonds were used to provide in rt for the retirement of more than $50,000,000 se- rities of the companies formerly constituting the linois Traction Co. System and to provide additional orking capital.

Security—Secured by a direct first mortgage on the operties doing the entire electric power and light, siness in the cities of Bloomington, Danville, rbana, Champaign, Decatur, La Salle, Ottawa, Mar- illes, Cairo, Mound City, Monticello, Galva and sur- unding territories; on gas and street railway proper- es in Bloomington, Danville, La Salle, Cairo, Peru, ecatur, Urbana and Champaign, on street railway roperties in Peoria, and on various miscellaneous cilities such as heating, ice and water in a portion of e cities. Also a direct first mortgage on the "McKin- y Bridge" over the Mississippi River which con- itutes the entry of the railroad system into St. Louis, d first collateral lien through deposit of all securities f St. Louis Electric Terminal Ry. Co.

Also secured by deposit with the Trustee of all e capital stock and $3,156,000 (the entire issue) irst and Refunding Mortgage bonds of Illinois Trac- on, Inc., which owns the trunk line electric railroad ystem. These pledged bonds are a direct first mort- age on an important link in the railroad system and re further secured by the deposit of $6,666,000 of a tal of $13,207,000 mortgage bonds of other portions f the railroad system.

Futhermore, these bonds are secured by direct mortgage, subject to underlying liens, on the Corporation's other electric light, gas, heating and city railroad properties in Illinois, and by pledge with the Trustee of all the capital stock of the Des Moines Electric Light Co., The Kansas Power and Light Co., St. Louis, Troy and Eastern RR., and certain other properties of lesser importance which it is not legally possible or expedient for the Corporation to own in fee, and will cover all properties of the Corporation subject only to divisional bonds closed for issuance to the public and all properties hereafter to be acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Corporation agrees to reimburse the holders of these bonds, if requested within sixty days after payment, for the Pennsylvania four mills and Maryland four and one-half mills taxes and the Connecticut and District of Columbia Personal Property taxes not exceeding four mills per $1.00 per annum, and for the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

Original Offerings—First publicly offered ($30,-000,000) in March, 1923, at 98.50 and accrued interest, to yield over 6.10%, by E. H. Rollins & Sons, Harris, Forbes & Co., and Halsey, Stuart & Co., Inc., Spencer, Trask & Co., Blyth, Witter & Co. and Marshall Field, Glore, Ward & Co., New York, etc., $5,000,000 additional offered in November, 1923, at the same price, by the same firms; $5,000,000 additional offered in April, 1924, at the same price and by the same firms.

(19)

$16,000,000 ILLINOIS POWER AND LIGHT CORPORATION FIRST & REFUNDING MORTGAGE GOLD 5½s, SERIES "B"; DUE DECEMBER 1, 1954

Dated December 1, 1924.

Interest Payable June and December 1, in Chicago or New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; or fully registered bonds in denominations of $1,000, $5,000 and $10,000; interchangeable with respect to denominations and registration.

Provisions of Issue, Security, Tax Provisions, Etc. —See Series "A" (paragraph 18).

Purpose of Issue—Proceeds of $5,000,000 bonds issued in December, 1924, were to be used to reimburse Treasury of Corporation in part for expenditures on account of additions, extensions and improvements which have been made or are to be made to the properties and for the retirement of $157,500 underlying bonds. Proceeds of $5,000,000 issued in June, 1925, were to reimburse Treasury in part for expenditures on account of additions, extensions and improvements and for the retirement of $285,600 underlying bonds. Proceeds of $6,000,000 issued in December, 1925, were to reimburse Treasury in part for expenditures on account of additions, extensions and improvements and for the retirement of $2,596,800 underlying bonds.

Callability—Subject to call on any interest payment date at 105 and accrued interest to and including June 1, 1945, and thereafter at par and accrued interest plus a premium of ½% for each year or portion of a year of unexpired term.

Original Offerings—First publicly offered ($5,000,-000) in December, 1924, at 97 and interest, to yield over 5.70%, by E. H. Rollins & Sons, Harris, Forbes & Co., Halsey, Stuart & Co., Inc., Spencer Trask & Co., Marshall Field, Glore, Ward & Co., and Blyth, Witter & Co., New York, etc., and Harris Trust & Savings Bank, Chicago. In June, 1925, $5,000,000 additional were offered at 99½ and interest, to yield over 5.50%, by the same bankers. In December, 1925, $6,000,000 additional were offered at 99 and interest, to yield over 5.50%, by the same bankers.

(20)

$16,500,000 FIRST AND REFUNDING MORTGAGE GOLD 5s, SERIES "C"; DUE DECEMBER 1, 1956

Dated December 1, 1926.

Interest Payable June and December 1 in Chicago or New York.

Denominations—Coupon, $100, $500 and $1,000, principal may be registered and fully registered bonds in denominations of $1,000, $5,000 and $10,000; interchangeable with respect to denominations and registration.

Trustees—Harris Trust & Savings Bank, Chicago and M. H. MacLean, Co-Trustee.

Callability—Subject to call on any interest date at 105 and interest to and including June 1, 1947, and thereafter at par and interest plus a premium of ½% for each year or portion of year of unexpired term.

Provisions of Issue, Security, Tax Provisions, Etc.—See Series "A," (paragraph 18).

Original Offering—First publicly offered ($7,500,000) in December, 1926, at 97 and interest to yield 5.20%, by Harris Trust & Savings Bank, Chicago, Harris, Forbes & Co., Boston and New York, and Harris, Forbes & Co., Ltd., Montreal; Halsey, Stuart & Co., Inc., Marshall Field, Glore, Ward & Co., and Spencer Trask & Co., etc.; $4,000,000 additional in June, 1927, at 97 to yield 5.20%, by Harris, Forbes & Co., Halsey, Stuart & Co., Inc., Marshall Field, Glore, Ward & Co. and Spencer Trask & Co.; a further $5,000,000 in Nov. 1927, at 98 and interest to yield about 5.13%, by Harris, Forbes & Co., Halsey Stuart & Co., Inc., Marshall Field, Glore, Ward & Co., E. H. Rollins & Sons and Spencer Trask & Co.

(21)

$9,416,000 THIRTY-YEAR 5½% SINKING FUND DEBENTURE GOLD BONDS; DUE MARCH 1, 1957

Dated March 1, 1927.

Interest Payable March and September 1, at Central Trust Co. of Illinois, Chicago and in New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized and issued, $9,500,000; outstanding, Dec. 31, 1927, $9,416,000; retired by sinking fund, $84,000.

Purpose of Issue—Entire proceeds were used to provide in part for the retirement of $9,614,800 principal amount of 30-year 7% Sinking Fund Debenture Gold bonds, which were called for redemption on April 1, 1927.

Callability—Subject to call on any interest date on 60 days' notice at 102½ and accrued interest, to and including March 1, 1937, and thereafter at par and interest, plus a premium of ½% for each five-year period or portion thereof of unexpired term.

Sinking Fund—Trust Agreement provides for the payment to the Trustee of $80,000 on each interest date during the life of this issue, to be used for the retirement of these Debentures by purchase or by call.

Security—Debentures (closed issue) are a direct obligation of the Corporation which covenants to place no additional mortgage on its properties (other than a mortgage in substitution for its existing First and Refunding Mortgage dated April 2, 1923) unless these Debentures are ratably secured by the lien thereof, and to issue no additional Debenture Bonds, if on notice by publication as provided in the agreement securing this issue, the holder of one-third of the principal amount of this issue object thereto. Additional bonds may, however, be issued under the conservative restrictions of the First and Refunding Mortgage or any such substitute mortgage. The Trust Agreement securing these Debenture Bonds provides that no such substitute mortgage shall permit the issuance of escrow bonds on ratios more favorable to the Company as between the cost or value of after-acquired property and bonds issuable against the same or as between annual interest charges and earnings applicable thereto than is permitted by the First & Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California personal property taxes, not exceeding 4 mills, Maryland Securities Tax, not exceeding 4½ mills, and Massachusetts Income Tax on the interest not exceeding 6% of such interest refunded upon application within 60 days after payment.

Original Offering—First publicly offered ($9,500,000) in January, 1927, at 96½ and interest, to yield about 5.75%, by Marshall Field, Glore, Ward & Co., Halsey, Stuart & Co., Inc., Harris, Forbes & Co., Spencer Trask & Co., and Blyth, Witter & Co., New York, etc.; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

(22)

$1,000,000 SPRING VALLEY UTILITIES CO. 30-YEAR FIRST & REFUNDING MORTGAGE 6s; DUE DECEMBER 1, 1943

Dated December 1, 1913.

Interest Payable June and December 1, at Bank of North American & Trust Co., Philadelphia.

Trustee—Bank of North America & Trust Co., Philadelphia.

Callability—Subject to call at 105.

Security—A first lien on property of former Spring Valley Utilities Co. Assumed by Illinois Power and Light Corp. March 1, 1925 whose First and Refunding Mortgage Bonds are reserved for refunding this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(23)

$79,100 LEROY ELECTRIC LIGHT, POWER & HEATING COMPANY FIRST REFUNDING MORTGAGE 6s; DUE JUNE 1, 1942

Dated June 1, 1922.

Interest Payable June and December 1.

Trustee—First Trust & Savings Bank, Bloomington, Ill.

Callability—Subject to call at 105 and interest.

Security—A first lien on property of former LeRoy Electric Light, Power & Heating Company. Assumed by Illinois Power and Light Corp. whose First & Refunding Mortgage Bonds are reserved for refunding this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(24)

$120,000 ST. LOUIS, TROY AND EASTERN R.R. CO. 6% EQUIPMENT TRUST CERTIFICATES; DUE $20,000 SEMI-ANNUALLY EACH APRIL AND OCTOBER 1, TO OCTOBER 1, 1930, INCLUSIVE

Dated October 1, 1923.

Interest Payable April and October 1, at Liberty Central Trust Co., St. Louis, Mo., Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $280,000, of which $160,000 have been redeemed.

Security—Issued under the Philadelphia Plan and secured on 200 new gondola type steel frame coal cars (50 ton capacity), costing $350,200, of which 20% paid in cash. Title to the equipment is vested in the Trustee, which leases same to the company at a rental sufficient to pay these certificates and dividend warrants and other charges as they mature. Illinois Power and Light Corp. First & Refunding Mortgage bonds are reserved for this issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($280,000) in Oct., 1923, at prices to yield 5.50% for the April, 1924, maturity, 5.75% for the Oct., 1924 maturity, and 6% for the other maturities.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross Earnings:					
Electric light and power	$17,224,224	$16,467,204	$14,602,312	$13,171,951	$11,940,969
Electric and steam railroads	5,726,719	5,971,273	5,902,051	5,287,431	5,687,563
City railway and bus lines	3,575,059	4,198,798	4,159,302	4,169,520	4,564,426
Gas	3,563,132	3,336,917	3,129,464	2,973,364	2,721,071
Heat	646,815	712,848	672,395	685,778	620,363
Bridge	663,772	618,038	589,691	591,241	613,966
Ice	230,893	261,305	254,670	169,027	127,184
Water	111,389	110,477	88,303	101,125	100,191
Miscellaneous	458	214	21,817	1,240	104,585
Combined gross earnings	$31,742,461	$31,677,074	$29,420,005	$27,150,677	$26,480,318
Less: Inter-Company items	502,496	487,445	515,948	451,248	245,393
Gross earnings from operations	$31,239,965	$31,189,629	$28,904,057	$26,699,429	$26,234,925
Expenses and taxes:					
Operating expense less inter-company items	$14,114,300	$14,334,148	$13,563,335	$12,954,016	$12,425,385
Maintenance	3,497,938	3,772,226	3,605,980	3,401,048	3,404,549
Taxes: Local and Federal	1,220,889	1,274,615	1,125,402	1,236,985	1,285,944
Total expenses and taxes	$18,833,128	$19,380,989	$18,294,717	$17,592,049	$17,115,878
Net operating revenue	$12,406,837	$11,808,640	$10,609,340	$9,107,380	$9,119,047
Other income	46,811	.....	203,445	500,586	.....
Total income	$12,453,648	$11,808,640	$10,812,785	$9,607,966	$9,119,047
Interest charges, etc.	6,029,248	5,850,034	5,352,717	4,975,923	4,135,582
Bond discount amortized	323,861	262,641	257,699	207,024	220,714
Net income	$6,100,539	$5,695,965	$5,202,369	$4,425,019	$4,762,751
Depreciation, etc.	1,670,995	1,721,892	2,133,779	1,891,680	2,000,000
Balance for dividends	$4,429,544	$3,974,073	$3,068,590	$2,533,339	$2,762,751
Preferred dividends	2,811,502	2,590,883	2,012,688	1,633,721	1,358,330
Common dividends	1,200,000	900,000	800,000	700,000	400,000
Surplus for year	$418,042	$483,190	$255,902	$199,618	$1,004,421
Times Interest Earned	1.96	1.93	1.99	1.93	2.11
Earnings Per Share—					
Preferred	$11.34	$11.00	$10.85	$10.65	$11.42
Participating Preferred	62.53	53.21	31.85	27.62	39.25

*Before depreciation.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923
Assets—					
Property account	$173,413,520	$161,551,001	$142,334,368	$129,331,474	$122,836,915
Additions during year	10,755,451	11,862,519	20,158,976	11,284,363	7,327,067
Less property sold	8,716,413	.....	.....	.....	.....
Balance	$175,452,558	$173,413,520	$162,493,344	$140,615,837	$130,163,982
Cash held by trustee	569,012	.....	322,044	964,209	4,127,550
Cash and due from banks	3,753,422	4,383,213	2,423,271	4,294,030	.....
Notes and accounts receivable	3,270,083	4,119,881	3,253,126	3,569,328	2,803,519
Materials and supplies	2,394,944	2,595,067	2,619,096	2,121,254	2,095,252
Prepayments	134,739	116,729	187,517	334,762	241,897
Accounts with affiliated cos.	137,810	.....	.....	.....	.....
Investment account	5,668,367	134,217	1,057,482	1,583,506	2,695,993
Sinking funds	57,619	75,447	62,967	124,639	.....
Special deposits	68,062	.....	.....	.....	.....
Undistributed accounts	.....	.....	4,196	92,831	121,221
Unamortized bond discount	7,404,237	5,293,383	4,259,746	3,942,219	2,972,407
Miscellaneous deferred debits	98,835	56,486	29,876	165,763	201,383
Treasury stock—					
7% Pfd.	781,850	755,550	2,238,950	360,000	539,100
6% Pfd.	562,752	484,150	50,350	44,900	.....
6% Participating Pfd.	516,000	.....	.....	.....	.....
Pfd. stock—Iowa Power and Light Corp. & Kansas Power and Light Co.	204,200	117,300	.....	.....	.....
Debenture bonds	.....	159,736	.....	.....	.....
Underlying bonds	229,416	325,597	.....	.....	.....
Total	$201,303,906	$192,030,276	$179,001,965	$158,213,278	$145,962,304
Liabilities—					
Common stock	*$22,060,105	†$20,928,161	†$21,041,853	†$20,614,091	†$20,798,813
7% cumulative Pfd. stock	33,000,000	33,000,000	30,000,000	24,156,350	20,000,000
6% participating Pfd. stock	1,875,300	1,875,300	1,875,300	1,875,300	1,875,300
6% cumulative Pfd. stock	4,500,000	1,500,000	.....	.....	.....
Underlying bonds	21,140,100	27,821,700	34,568,600	34,646,800	36,146,100
First & Refunding Mortgage bonds, Series "A"	39,200,000	40,200,000	40,200,000	40,200,000	35,200,000
First & Refunding Mortgage bonds, Series "B"	16,000,000	16,000,000	10,000,000	5,000,000	.....
First & Refunding Mortgage bonds, Series "C"	16,500,000	7,500,000	.....	.....	.....
Underlying Pfd. stock & bonds	18,761,100	12,034,600	7,677,700	716,800	.....
Debenture bonds	9,416,000	9,614,800	9,731,800	9,842,900	9,949,800
Car trust notes	.....	.....	.....	323,412	.....
Notes payable	14,800	1,551,510	4,083,190	1,801,248	3,331,028
Accounts payable	2,268,905	2,011,607	2,065,578	2,754,559	3,407,419
Consumers' deposits	595,428	605,242	530,842	409,377	342,006
Accrued taxes	990,455	1,007,356	1,334,881	1,249,894	1,206,187
Accrued interest and dividends	1,283,110	1,219,424	1,205,767	1,151,991	1,272,222
Accounts with affiliated cos.	12,040	.....	.....	.....	.....
Deferred accounts	947,845	562,577	556,255	621,866	944,273
Advances on Pfd. stock sales	237,839	731,952	612,949	390,920	.....
Unadjusted credits	.....	75,060	263,514	41,533	182,817
Retirement reserve	8,882,172	11,276,705	11,659,148	10,875,364	9,830,146
Miscellaneous reserve	434,436	523,052	86,547	288,734	441,234
Surplus	2,384,271	1,991,230	1,508,041	1,252,139	1,034,958
Total	$201,303,906	$192,030,276	$179,001,965	$158,213,278	$145,962,304

*Represented by 430,000 shares no par value. †Represented by 400,000 shares no par value.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923
Current Assets—					
Cash	$3,753,422	$4,383,213	$2,423,271	$4,294,030	$4,127,550
Notes and accts. receivable	3,270,083	4,119,881	3,253,126	3,569,328	2,803,520
Materials and supplies	2,394,944	2,595,067	2,619,096	2,121,254	2,095,252
Prepaid accounts	134,739	116,729	187,517	334,762	241,897
Total	$9,553,187	$11,214,890	$8,483,010	$10,319,374	$9,268,219
Current Liabilities—					
Notes payable	$14,800	$1,551,510	$4,083,190	$1,801,248	$3,331,028
Accounts payable	2,268,905	2,011,607	2,065,578	2,754,559	3,407,419
Consumers' deposits	595,428	605,242	530,842	409,377	342,006
Accrued taxes	990,455	1,007,356	1,334,881	1,249,894	1,206,187
Accrued int. & dividends	1,283,110	1,219,424	1,205,767	1,159,991	1,272,223
Total	$5,152,698	$6,395,139	$9,220,258	$7,375,069	$9,558,863
Net Working Capital	$4,400,489	$4,819,751	*$737,248	$2,944,305	*$290,644

*Debit.

Officers: Clement Studebaker, Jr., Pres.; H. L. Hanley, Exec. V-P.; L. E. Fischer, V-P. in Charge of Operations; Geo. T. Buckingham, V-P. & Gen. Counsel; D. H. Holmes, Sec.; P. L. Smith, Treas. & V-P. to sign documents; J. E. Johnson, V-P. in Charge of Illinois Properties; F. G. Sutherland, Compt.; Herbert Haase, Gen. Attorney; A. J. Berta, Asst. Treas.; L. L. Campbell, Gen. Aud.; H. E. Johnson, Gen. Accountant.

Executive Committee: Clement Studebaker, Jr., George T. Buckingham, H. L. Hanley, L. E. Fischer, P. L. Smith.

Finance Committee: Clement Studebaker, Jr., L. E. Fischer, H. L. Hanley.

Directors: George T. Buckingham, O. N. Custer, L. E. Fischer, H. L. Hanley, Edward N. Hurley, Stephen E. Hurley, J. E. Otis, P. L. Smith, Clement Studebaker, Jr., George M. Studebaker.

Principal Office, Illinois Merchants Bank Bldg., Chicago, Ill.

ILLINOIS TRACTION, INC.

(Controlled by Illinois Power and Light Corporation)

History and Property—Incorporated May 23, 1923, in Ill., as a merger of the Bloomington, Decatur & Champaign R.R., Danville, Urbana & Champaign Ry. Co., Illinois Central Traction Co., St. Louis, Springfield & Peoria Ry. Co., and Chicago, Ottawa & Peoria Ry. Co.

The lines owned and operated, are approximately as follows: Bloomington to Champaign Ill., 92.84 miles, with 4.67 miles operated under trackage rights; Champaign to Urbana and Danville, with branches to Georgetown, Homer and Catlin, 61.92 miles, with 1.45 miles operated under trackage rights, and 12.65 miles of industrial track and sidings; Decatur to Springfield, with an extension from Buffalo to Mechanicsburg, 42.87 miles, with 2.71 miles operated under trackage rights, and 6.96 miles of sidings, etc.; St. Louis to Granite City, 9.47 miles, and 2.04 miles of trackage rights in Granite City; and a high-speed electric line of standard steam railroad construction, connecting Peoria and Bloomington, Ill., with the city of St. Louis, 210.49 miles, with 10.10 miles belt line, 0.29 mile second track, and 30.65 miles sidings, etc.

Illinois Terminal Co.—See under Illinois Power & Light Corp. on a preceding page.

CAPITAL STOCK

Authorized and outstanding, $22,921,300 Common. All owned by Illinois Power and Light Corp.

FUNDED DEBT

(1)

$4,843,000 ST. LOUIS, SPRINGFIELD & PEORIA R.R. FIRST & REFUNDING MORTGAGE GOLD 5s; DUE DEC. 1, 1939

Dated December 1, 1909.

Interest Payable June and December 1, at Illinois Merchants Trust Co., Chicago, at Chase National Bank, New York, and at London Joint Stock Bank, Ltd., London, Eng.

Denominations—Coupon (principal may be registered), $1,000; and registered, $1,000 and multiples; interchangeable.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized, $15,000,000; issued, $8,387,000, of which $4,843,000 are outstanding and $3,342,000 pledged under $3,156,000 Illinois Traction Inc. First & Refunding 6s.

Callability—Subject to call at 105 and interest on any interest date.

Security—Secured by a first lien on all the property and equipment formerly owned by company. Retirement provided for under Illinois Power and Light Corp. First & Refunding Mortgage.

Guaranty—Guaranteed, principal and interest, by endorsement, by Illinois Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Isham, Lincoln & Beale, Chicago.

Original Offering—First publicly offered, ($1,600,000) in Jan., 1910, at 99 and interest, by N. W. Halsey & Co., New York, Chicago, etc.

Listed—Chicago and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	92¾	92	87½	85½	81
Low	91	85½	84	79	77

(2)

$1,446,000 BLOOMINGTON, DECATUR & CHAMPAIGN R. R. FIRST & REFUNDING MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1940

Dated November 1, 1910.

Interest Payable May and November 1 at Illinois Merchants Trust Co., Chicago and Chase National Bank, New York.

Denominations—Coupon, (principal may be registered) $1,000; and registered, $1,000 and multiples; interchangeable.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized, $15,000,000, of which $1,446,000 are outstanding, and $50,000 pledged under Illinois Power and Light Corp. First & Refunding Mortgage.

Callability—Subject to call at 105 and interest on any interest date.

Security—Secured by a first mortgage on entire property of former company. Retirement provided for under Illinois Power and Light Corp. First & Refunding Mortgage.

Guaranty—Guaranteed, principal and interest, by endorsement, by Illinois Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,500,000) in Jan., 1911 at 97½ and interest, by Milwaukee Trust Co., Milwaukee, Wis.

Price Range—

	1927	1926
High	89½	87
Low	86	82½

(3)

LINOIS TRACTION, INC. (NONE OUTSTANDING) FIRST & REFUNDING MORTGAGE 6s

Pledged—None outstanding with public. Entire sue of $3,156,000 pledged under Illinois Power and ight Corp. First & Refunding Mortgage.

Provisions of Issue—Additional bonds may be issued r the refunding of underlying liens and for addi- onal improvements to the properties of the com- any, but such bonds must be pledged forthwith un- r the Illinois Power Power and Light Corp. First & efunding Gold Mortgage.

Security—Secured by a direct first mortgage on the roperties formerly owned by Danville, Urbana and hampaign Railway, and by a direct mortgage, sub- ct to underlying bonds, on all the properties of the rmer Bloomington, Decatur and Champaign Ry., linois Central Traction Co., St. Louis, Springfield & eoria R. R. Co. and Chicago, Ottawa and Peoria Ry. o.

OFFICERS AND DIRECTORS

Officers: Clement Studebaker, Jr., Pres.; H. L. Ianley, Executive V-P.; D. W. Snyder, Jr., V-P.; ieo. T. Buckingham, V-P. & Gen. Counsel; D. H. Iolmes, Sec.; P. L. Smith, Treas.; F. G. Sutherland, ompt.

Directors: Clement Studebaker, Jr., H. L. Hanley, ieo. M. Studebaker, Geo. T. Buckingham, L. E. ischer, D. W. Snyder, Jr., P. L. Smith, Edward N. lurley, J. E. Otis, Herbert Haase, E. W. Fowler,). H. Holmes.

Office, Chicago, Ill.

THE KANSAS POWER AND LIGHT COMPANY

(Controlled by Illinois Power and Light Corp.)

History and Property—Incorporated Dec. 22, 1923 n Kansas. In 1927 acquired physical property and ther assets of The Kansas Public Service Co., The opeka Edison Company, The Topeka Railway Com- any and The Union Power Company (for latest tatements see 1927 Public Utility Manual). Company wns and operates electric light and power, gas, ice, eating and street railway properties in northeastern Kansas, including the cities of Topeka and Atchison. The communities served directly with electric light nd power have a population estimated to exceed 00,000.

The Company has a modern steam generating plant t Tecumseh (near Topeka) with an installed gen- rating capacity of 33,750 k.w., and auxiliary plants in ther cities with 14,000 k.w. capacity. The Tecumseh ower house is designed for an ultimate installation of 0,000 k.w. The Company's system is interconnected vith The United Power & Light Corporation (of Kansas) and The St. Joseph (Missouri) Railway, Light, Heat & Power Company, to which companies ubstantial amounts of power are sold.

CAPITAL STOCK

Authorized, $5,000,000 Common, par, $10; $2,000,000 7% cumulative Pfd., par, $100 and $3,000,000 6% cumu- ative Pfd., par, $100; outstanding, $3,000,000 Com- non, $1,695,400 7% Pfd. and $1,398,000 6% Pfd. The 6% Pfd. and 7% Pfd. stocks rank equally except for ate of dividends. Entire Common stock is owned by Illinois Power and Light Corp.

FUNDED DEBT

(1)

2,100,000 THE KANSAS POWER AND LIGHT CO. FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE MAY 1, 1955

Dated May 1, 1925.

Interest Payable May and Nov. 1, at Guaranty Trust Co., New York and Harris Trust & Savings Bank, Chicago.

Denominations—Coupon (principal may be regis- tered), $500 and $1,000; interchangeable.

Trustees—Harris Trust & Savings Bank, Chicago; Co-Trustee, H. M. MacLean.

Provisions of Issue—Open mortgage. Issued, $2,- 100,000. Additional bonds of this or any other series maturing not more than thirty years from date of each series, and bearing such rate or rates of interest, not exceeding 7%, and otherwise of such tenor as direc- tors may from time to time determine, may only be issued, (a) par for par for the refunding, acquisition or retirement of underlying bonds, if any, or for refund- ing bonds of this or other series; (b) for not exceed- ing in par value 75% of the cash cost or fair value, whichever is less (as defined in the mortgage) of addi- tions, extensions and improvements or new acquisi- tions and/or acquiring control (through stock owner- ship) of subsidiary corporations; or (c) par for par against the deposit of cash. All bonds of whatever series shall be equally and ratably secured by the mortgage; except that sinking funds may be estab- lished for the exclusive benefit of one or more particu- lar series. No additional bonds (except for the pur- poses specified in clause (a) aforesaid) may be issued unless earnings applicable to bond int., as defined in the mortgage, for 12 consecutive months of the 15 months immediately preceding request for issuance shall have been not less than 1¾ times the annual interest requirements of all outstanding mortgage bonds, including underlying bonds, if any, and those requested to be certified.

Callability—Subject to call in whole or in part on 60 days' notice on any interest date to Nov. 1, 1945, at 105 and interest, with successive reductions in re- demption price on each May 1, thereafter of ½ of 1%.

Improvement Fund—The Deed of Trust provides for the payment to the Trustee on May 1, 1926, and each year thereafter, of a sum equal to 2½% of the cost or fair value (whichever is the lesser) of all prop- erty against which bonds have been issued, less the amount of the sinking fund requirements of underly- ing issues, if any. Funds so deposited shall be em- ployed either for the retirement of underlying bonds, if any, or bonds of this issue, or for renewals and replacements, or for additions, improvements or ac- quisitions which shall not be made the basis for the certification of additional bonds.

Security—These bonds are secured by a first mort- gage on the entire fixed property of Company now owned or hereafter acquired, subject to underlying bonds. The amount of First Mtge. bonds (this issue) issuable against the initial installation mentioned above is limited to $2,100,000 par value.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and will reimburse the holders of these bonds, if requested within 60 days after payment, for the Connecticut, Pennsylvania and California 4 mills and the District of Columbia 5 mills taxes and for the Maryland securities tax not ex- ceeding 4½ mills per $1. per annum and for the Massachusetts income tax on the interest not ex- ceeding 6% of such interest per annum.

Original Offering—First publicly offered ($2,100,- 000) in June, 1925, at par and interest by E. H. Rol- lins & Sons, Harris, Forbes & Co., Halsey, Stuart & Co., Inc., Spencer Trask & Co. & Marshall Field, Glore, Ward & Co., New York, and Harris Trust & Savings Bank, Chicago.

(2)

$3,286,000 THE KANSAS POWER AND LIGHT CO. FIRST MORTGAGE GOLD 5s, SERIES "B"; DUE MAY 1, 1957

Dated May 1, 1927.

Interest Payable May and November 1, at Guaranty Trust Co., New York, and Harris Trust & Savings Bank, Chicago.

Denominations—Coupon, $500 and $1,000 (denom- inations interchangeable); principal may be registered.

Provisions of Issue—Open mortgage outstanding, Series "B" 5s, $3,286,000.

Callability—Subject to call on any interest date on 60 days' notice at 105 to Nov. 1, 1947, inclusive, and at ½% less each May 1 thereafter.

Security—Secured equally with $2,100,000 Series "A" 6s of 1955 (No. 1).

Other Provisions—See Series "A" (No. 1).

Purpose of Issue—Series "B" issued in part to acquire physical properties at Topeka and Atchison and other communities and for additions and extensions.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California not exceeding 4 mills, Maryland 4½ mills and District of Columbia not exceeding 5 mills taxes and Massachusetts Income tax not exceeding 6% refunded.

Original Offering—First publicly offered ($3,286,000) in June, 1927 at 97½ and interest, yielding over 5.15%, by Harris, Forbes & Co., Halsey, Stuart & Co., Inc., Marshall Field, Glore, Ward & Co., and Spencer Trask & Co., New York, etc.

(3)

$1,161,200 TOPEKA RAILWAY & LIGHT CO. FIRST LIEN & REFUNDING MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1933

Dated August 1, 1916.

Interest Payable February and August 1, at The New York Trust Co., New York.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000; and registered, $1,000, $5,000 and multiples, interchangeable with coupon bonds of $1,000 denomination.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized issue, $7,500,000. In addition to the bonds outstanding as shown above, $188,000 are owned by Illinois Power and Light Corp. and pledged under its First & Refunding Mortgage, $37,000 are held alive in sinking fund and $254,800 held in Maintenance and Depreciation Fund. Sufficient are reserved to acquire or retire underlying bonds, and the remainder may be issued to the extent of 80% of the cash cost of additions and improvements to the properties of the subsidiary companies and then only when net earnings for the preceding twelve months shall have equalled at least 1¾ times the annual interest charges on all bonds outstanding and proposed to be issued, including all the underlying bonds outstanding in the hands of the public.

Callability—Subject to call at 105 and interest.

Sinking Fund—On Aug. 1, 1917, and annually thereafter to and including 1929, cash payments amounting to 1½%, and in each year thereafter 1% of the total amount of these and underlying issues outstanding with the public, less a sum equal to the amounts paid on account of the sinking fund requirements of the underlying mortgages. This sinking fund is applicable toward the acquisition of underlying bonds at not exceeding 100 and interest, and the balance (if any) must be used in the purchase of outstanding bonds of this issue at not exceeding 105 and interest. Bonds acquired by the sinking fund continue to draw interest which is to be added to the fund. At Dec. 31, 1927, this fund held $263,000 Topeka Ry. First Mortgage bonds, $69,000 Topeka Edison Co. First Mortgage bonds and $37,000 Topeka Ry. & Light Co. bonds.

Maintenance and Depreciation Fund—Beginning with the two-year period ending May 31, 1918, and during each two-year period thereafter, the Company covenants under this mortgage to cause the subsidiary companies to provide for maintenance and depreciation an amount averaging 12% of their combined annual gross earnings. Any part of this amount not actually expended must be deposited in cash with the Trustee as a special fund to be used subsequently for maintenance, repairs or renewals. Pending such expenditure, the moneys in the fund may be invested in bonds of this issue. At Dec. 31, 1927, this fund held $254,800 Topeka Ry. & Light Co. bonds.

Security—Secured by a mortgage on property of former Topeka Edison Co. and Topeka Railway Co. subject to lien of Topeka Edison Co. First 5s of 1930 and Topeka Railway Co. First 5s of 1930. Mortgage is now closed. Underlies $5,386,000 Kansas Power and Light Co. First Mortgage. Retirement provided for under The Kansas Power and Light Co. First Mortgage.

Guaranty—Guaranteed as to principal and interest by the Illinois Traction Co., and assumed by The Kansas Power and Light Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$570,500 ATCHISON RAILWAY, LIGHT & POWER CO. FIRST & REFUNDING MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1935

Dated November 1, 1910.

Interest Payable May and November 1, at Federal Trust Co., Boston, Trustee. Coupon and registered, $1,000. Authorized issue, $1,500,000. Subject to call at 105 and accrued int. on two weeks' published notice in Boston and Montreal newspapers. Sinking fund, $5,000 annually for five years and $10,000 each year after 1920, so long as any of bonds outstanding. In addition to the $570,500 bonds described above, $179,500 were held in sinking fund Dec. 31, 1927, and $106,000 pledged under Illinois Power and Light Corp. First & Refunding Mortgage. A first lien on property of former Atchison Ry., Light & Power Co., which did the entire gas, electric lighting and street railway business in Atchison, Kans. Underlies $5,386,000 The Kansas Power and Light Co. First Mortgage. Retirement is provided for under The Kansas Power and Light Co. First Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$578,000 TOPEKA EDISON CO. FIRST MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1930

Dated September 1, 1905.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized, $1,250,000; issued, $986,000, of which $69,000 are held in sinking fund of Topeka Ry. & Light Co. First & Refunding Bonds and $46,000 pledged under same issue. An additional $293,000 have been retired by the sinking fund; mortgage is now closed.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—A payment is required to be made to the Trustee annually of an amount sufficient to retire $15,000 of bonds at 105 and interest.

Security—A first lien on entire property of former Topeka Edison Co. Underlies $1,161,200 Topeka Ry. & Light Co. First & Refunding Mortgage and $5,386,000 The Kansas Power and Light Co. Mortgage. Retirement is provided for under The Kansas Power and Light Co. First Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($700,000) in September, 1905, at par and interest, by E. H. Rollins & Sons, Boston, etc.

(6)

$672,000 TOPEKA RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1930

Dated December 31, 1904.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago. Co-Trustee, Frank H. Jones, Chicago.

Provisions of Issue—Authorized and issued, $1,250,-(0, of which $263,000 are held in sinking fund of ›peka Ry. & Light Co. First & Ref. bonds; $15,000 ledged under same issue and $300,000 retired by ıking fund.

Callability—Subject to call as a whole or in part r sinking fund at 105 and interest on any interest te.

Sinking Fund to retire $15,000 of bonds annually 105 and interest began Jan. 1, 1909.

Security—A first lien on entire property of former ›peka Railway Co. Underlies $1,161,200 Topeka y. & Light Co. First & Refunding Mortgage and ,386,000 The Kansas Power and Light Co. Mortgage.

Tax Provisions—Company pays Normal Federal ıcome Tax up to 2%.

Original Offering—First publicly offered ($1,000,-)0) in February, 1905, at 101 and interest by E. H. ollins & Sons, Boston, and American Trust & Sav-gs Bank, Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
ross earnings	$3,057,417	$479,193	$314,139
perating expenses	1,343,799	282,142	187,260
aintenance	224,516	24,620	16,491
axes	194,830	22,484	8,849
Net earnings	$1,294,272	$149,947	$101,539
ease rental—power station and lines	.....	522,261	.....
ther income	.....	.....	72,800
Total income	$1,294,272	$672,208	$174,339
nt. on underlying bonds	170,118	16,632	20,211
nt. on First Mtge. bonds	214,996	126,000	.....
ther interest (net)	154,280	65,731	1,236
ond discount	23,913	4,407	.....
ivd. on underlying Pfd. stock	.....	4,130	4,140
Total fixed charges	$563,307	$216,900	$25,587
alance	730,965	455,308	148,752
ividend on Pfd. stock	166,052	106,774	20,745
etirement reserve	147,052	45,573	8,022
Surplus	*$417,860	*$302,961	*$119,985

*Declared as dividends on Common stock.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
roperty account	$14,978,118	$5,154,448
dditions 1926	.....	1,024,683
Total	$14,978,118	$6,179,131
ash held by trustee	567,234	.....
liscellaneous investments	610	.....
ash	204,801	52,154
lotes and accounts receivable	308,052	86,411
laterials and supplies	287,856	41,599
Inamortized bond discount	450,936	114,949
repaid accounts	428	.....
liscellaneous deferred accounts	2,261	306
inking fund	9,787	4,775
Total	$16,810,083	$6,479,326
Liabilities—		
% cumulative Preferred stock	$1,695,400	$1,638,600
% cumulative Preferred stock	1,398,000	.....
ommon stock	3,000,000	500,000
Inderlying Preferred stock	.....	59,000
irst mortgage bonds	5,386,000	2,100,000
Inderlying bonds	3,275,700	237,000
ccounts payable	127,200	97,953
onsumers' deposits	83,107	.....
ccrued taxes	68,299	3,571
ccrued interest and dividends	8,659	26,592
eferred liabilities	148,473	48,765
etirement reserves, etc.	648,532	64,372
urplus	.....	3,798
ccounts with affiliated companies	970,713	1,699,675
Total	$16,810,083	$6,479,326

Officers: A. M. Patten, Pres.; H. L. Hanley, L. E. Fischer, Geo. T. Buckingham, V-Ps.; D. H. Holmes, Sec.; P. L. Smith, Treas.; A. J. Berta, Asst. Treas.

Directors: Clement Studebaker, Jr., H. L. Hanley, L. E. Fischer, D. H. Holmes, P. L. Smith, A. M. Patten, T. F. Doran, C. B. Merriam, W. P. Waggener, F. W. Freeman.

Offices, Chicago Ill., and Topeka, Kan.

DES MOINES ELECTRIC LIGHT COMPANY

(Controlled by Illinois Power and Light Corp.)

History—Incorp. July 29, 1909, in Me., as the Des Moines Ry. & Light Co., its name being changed to Des Moines & Central Iowa Electric Co. in 1913, and to present title in 1924. Company has acquired the properties of the Colfax Electric Light Co., Des Moines Electric Co., Montezuma Electric Light, Power and Heating Co., New Valley Junction Water and Light Co., Oskaloosa Traction and Light Co., Mills County Power Co., and Oskaloosa Light and Fuel Co., and controls through stock ownership the Mills County Power Co. (holding company), Iowa Power and Light Co., and Iowa Transmission Line Co. The Company and its controlled companies do the electric light and power business in Adel, Colfax, Des Moines, Glenwood, Knoxville, Montezuma, New Valley Junction, New Sharon, Oskaloosa and Prairie City, and other neighboring communities. Population served, over 200,000.

CAPITAL STOCK

Authorized, $3,000,000 Common, $150,000 6% cumulative Pfd., and $150,000 7% Series "B" Pfd.; par, $100; outstanding, $2,000,000 Common, $150,000 6% Pfd. and $150,000 7% Series "B" Pfd. All issued stock owned by Illinois Power and Light Corp.

FUNDED DEBT

(1)

$3,689,000 DES MOINES ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1938

Dated November 2, 1908.

Interest Payable May and November 1, at American Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized issue, $5,000,000; unissued bonds reserved for future additions, extensions and improvements at 80% of cost, but only when net earnings are double interest charges on bonds outstanding and those to be issued.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—1% per annum of bonds outstanding from Nov. 1, 1914 to 1921; 1½% to Nov. 1, 1931, and 2% to Nov. 1, 1937, said fund to be invested in the bonds at not exceeding 105 and interest.

Security—A first lien on entire property of former Des Moines Electric Co. Underlie $1,190,000 Des Moines & Central Iowa Electric Co. bonds described below. Retirement provided for under Illinois Power and Light Corp. First & Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,250,-000) in Nov., 1908, by Whicher, Young & Conant, Boston; $958,000 offered in April, 1922, at 94½ and interest yielding over 5.50%, by The Northern Trust Co., Chicago, First Wisconsin Co., Milwaukee, and Emery, Peck & Rockwood, Chicago, etc.

(2)

$1,031,000 DES MOINES & CENTRAL IOWA ELECTRIC CO. COLLATERAL LIEN & TRUST MORTGAGE GOLD 6s, SERIES "A"; DUE SEPTEMBER 1, 1937

$42,500 DES MOINES & CENTRAL IOWA ELECTRIC CO. COLLATERAL LIEN & TRUST MORTGAGE GOLD 5s, SERIES "B"; DUE SEPTEMBER 1, 1937

$116,500 DES MOINES & CENTRAL IOWA ELECTRIC CO. COLLATERAL LIEN & TRUST MORTGAGE GOLD 6s, SERIES "C"; DUE SEPTEMBER 1, 1937

Dated (All Issues) September 1, 1913.

Interest Payable March and September 1, at Central Trust Co., of Illinois, Chicago, and at First National Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co., of Illinois, Chicago.

Provisions of Issue—Authorized, $10,000,000. In addition to bonds held by public as shown above $1,938,000 are owned by Illinois Power and Light Corp. and pledged under its First & Refunding Mortgage. The unissued bonds (which may be issued at a rate not exceeding 6%) are issuable for 80% of the cost of improvements, betterments and extension to subsidiary companies, including 80% of excess cost of the Des Moines Electric Co. improvements over the amount which may be funded by its 5% bonds, but only when the combined net earnings of the subsidiary companies for the previous year are twice the total interest charges of this issue of bonds, including the interest charge on bonds proposed to be issued, and including interest charges on subsidiary bonds not pledged and rentals and other charges constituting a prior or equal lien. No bonds can be issued against securities of future subsidiary companies unless at least 75% of the indebtedness and 75% of stocks of such companies are pledged.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—An annual sinking fund of 1½% of the bonds outstanding began Sept. 1, 1914, which is to be applied to the purchase or redemption of bonds at not exceeding 105 and interest.

Security—Secured by a closed lien or mortgage on all properties formerly owned by the Des Moines Electric Co., Colfax Electric Light Co., Mills County Power Co., Montezuma Electric Light, Power & Heating Co., New Valley Junction Water & Light Co., Oskaloosa & Buxton Electric Ry. Co., Oskaloosa Light & Fuel Co., Oskaloosa Traction & Light Co., subject only to $3,689,000 Des Moines Electric Co. First 5s of 1938. Retirement provided for under Illinois Power and Light Corp. First & Refunding Mortgage.

Guaranty—Guaranteed, principal and interest and sinking fund by endorsement, by Illinois Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Green, Hinckley & Allen, Providence, R. I.

Original Offering—First publicly offered ($1,250,000 "A") in Nov., 1908, at 100 and interest, by Bodell & Co., Providence, etc.; $958,000 additional offered in April, 1922, at 94½ and interest, yielding over 5.50% by the same firm.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$3,533,678	$3,367,706	$3,283,36
Operating expenses	1,525,533	1,544,728	1,607,66
Net earnings	$2,008,125	$1,822,978	$1,675,70
Power house rental	790,157	658,159	147,80
Interest on bonds	481,290	460,427	429,38
Other interest	11,739		
Bond discount	38,235	37,667	33,64
Depreciation	105,802	110,026	166,39
Total charges	$1,427,223	$1,266,279	$777,22
Net profit (available for dividends)	$580,902	$556,699	$898,47

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed property	$10,900,50
Cash	124,39
Accounts receivable	480,42
Materials and supplies	303,03
Sinking funds	51
Special deposits	20,87
Common stock of subsidiaries	30,00
Notes receivable, affiliated cos.	800,00
Bond discount and expense	413,10
Total	$13,072,85
Liabilities—	
Common stock	$2,000,00
Preferred stock	300,00
Funded debt	8,616,50
Accounts payable	179,88
Deposits	94,43
Accrued taxes	164,34
Accrued interest	15,86
Paving assessments, levied but not due	4,14
Due holding companies:	
Open account	236,59
Notes	267,90
Reserve for retirements	1,083,88
Miscellaneous reserves	32
Surplus	109,88
Total	$13,072,85

Officers: Clement Studebaker, Jr., Pres.; H. L. Hanley, L. E. Fischer, C. A. Leland, Jr., V-Ps.; D. H. Holmes, Sec.; P. L. Smith, Treas.; A. J. Berta, Asst. Treas.

Directors: Clement Studebaker, Jr.; H. L. Hanley, L. E. Fischer, C. A. Leland, Jr., D. H. Holmes, P. L. Smith, A. J. Berta.

Office, Des Moines, Iowa.

IOWA POWER AND LIGHT COMPANY

(Controlled by and Majority of Property Leased to Des Moines Electric Light Co.)

History—Organized under the laws of Iowa, and is controlled through the ownership of its Common stock by the Des Moines Electric Light Company, which is a subsidiary of the Illinois Power and Light Corporation. The Company owns on the Des Moines River, just southeast of the City of Des Moines, a modern 60,300 k.v.a. steam electric generating station and transmission lines connecting the new plant with the distribution system of Des Moines Electric Light Company, in the City of Des Moines, and with its transmission lines running to Oskaloosa and other communities. The ultimate capacity proposed is 166,200 k.v.a.

The above property of the Company has been leased to the Des Moines Electric Light Company for a period of fifty years. The terms of this lease provide for a fixed annual rental equal to 12% of the cost of the plant and new transmission lines, which rental will constitute an operating charge of the Des Moines Electric Light Company. The rental is subject to readjustment after thirty years, under conservative restrictions. The cost of the steam electric generating station and transmission lines is approximately $6,600,000.

Acquisitions—Company has acquired and operates directly the electric utility systems and property formerly operated by the Adel Light & Power Co. and the Marion County Electric Co. (see statement of latter in 1925 Public Utility Volume, page 288). Also owns a majority of the outstanding Common stock of Des Moines Gas Co. which was acquired early in 1928 (see statement appended).

CAPITAL STOCK

Authorized, $1,000,000 Common, par $10, $3,500,000 7% cumulative Pfd., par $100, and $1,500,000 6% cumulative Pfd., par $100; outstanding, $1,800,000 Common, $3,000,000 7% Pfd. and $1,500,000 6% Pfd. Entire Common stock is controlled by Des Moines Electric Light Co. through the Mills County Power Company.

Preferred Stock Provisions—The 6% cumulative Pfd. stock together with 7% cumulative Pfd. stock have preference as to assets and dividends and in event of liquidation, dissolution or winding up of Company holders of Pfd. stock shall be entitled to be paid $10 and accrued dividends if such liquidation be involuntary, or $105 and accrued dividends if such liquidation

voluntary. If and whenever Company shall be in ears in payment of dividends aggregating twice rly dividend rates of Pfd. stock, each share of Pfd. ck shall be entitled, in respect of election of direc- s, to same voting power as each share of Common ck until all arrears of dividends shall have been d. Except as otherwise stated above or as pro- ed by law, entire voting power is vested in Com- n stock. The 6% Pfd. stock is subject to call as a ole or in part on any dividend date, on 30 days' tice, at 105 and accrued dividends. The 6% and Pfd. stocks are of equal rank and identical in all pects except as to dividend rate.

Purpose of Issue—The proceeds of the sale of 000,000 6% cumulative Pfd. stock in April, 1928, ether with $1,000,000 in cash paid into Company its Common stockholders were used toward re- bursing Company for extensions and improvements, quisition of properties and the purchase of Common ck and a portion of Pfd. stock of Des Moines Gas .

Transfer Agent—Stock is transferred by Company elf.

Registrar—Central Trust Co. of Illinois, Chicago.

Legal Opinion (6% Pfd.)—Defrees, Buckingham & ton, Chicago, and Bradshaw, Schenk & Fowler, s Moines.

Offering—During April 1928, $1,000,000 6% Pfd. ck was offered at par and accrued dividends by arry H. Polk & Co., Inc., New York, etc.

Annual Meeting—Second Wednesday in April, at s Moines, Iowa.

Dividends—Pfd. dividends are payable quarterly, J. J & O 1.

FUNDED DEBT

(1)

000,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE AY 1, 1955, BUT CALLED FOR PAYMENT MAY 1, 1928, T 105 AND INTEREST

(2)

000,000 FIRST MORTGAGE GOLD 5½s, SERIES "B," DUE AY 1, 1956, BUT CALLED FOR PAYMENT MAY 1, 1928, AT 05 AND INTEREST

(3)

000,000 IOWA POWER AND LIGHT CO. FIRST MORTGAGE OLD BONDS, SERIES "A" 4½%; DUE MARCH 1, 1958

Dated March 1, 1928.

Interest Payable March and September 1, at Guar- ty Trust Co. of New York, and Harris Trust & Sav- gs Bank, Chicago.

Denominations—Coupon, $500 and $1,000 (inter- angeable denominations); principal may be regis- red.

Trustees—Harris Trust & Savings Bank, Chicago, d M. H. McLean.

Provisions of Issue—Open mortgage. Outstanding, ,000,000 Series "A" 4½%. Additional bonds of this any other series maturing not more than thirty ars from date of each series, and bearing such rate rates of interest not exceeding 7%, and otherwise such tenor as the Board of Directors may from time time determine, may only be issued (a) par for par r the refunding, acquisition or retirement of fundable derlying securities, if any, or for refunding bonds of is or other series; (b) after the expenditure by the mpany of $500,000 for fundable acquisitions (as de- ed in the mortgage) against which no bonds may be sued, for not exceeding in par value 75% of the cash st or fair value, whichever is less, of additions, exten- ns and improvements or new acquisitions, and/or quiring or enlarging control as defined in the mort- ge (through stock ownership) of subsidiary corpora- ns; or (c) par for par against the deposit (as pro- ded in the mortgage) of cash. All bonds of whatever series shall be equally and ratably secured by the mortgage; except that sinking funds may be established for the exclusive benefit of one or more particular series. No additional bonds (except for the purposes specified in clause (a) aforesaid) may be issued unless earnings applicable to bond interest, as defined in the mortgage, for twelve consecutive months of the fifteen months immediately preceding request for issuance shall have been not less than 1¾ times the aggregate of the annual interest requirements of all outstanding mortgage bonds, including bonds requested to be certified, and the annual interest and dividend charges on fundable underlying securities, if any.

Purpose of Issue—The proceeds from the sale of these bonds were used to retire $2,000,000 First Mortgage 6% bonds and $3,000,000 First Mortgage 5½% bonds on May 1, 1928, for additions and extensions to the Company's properties, and for other corporate purposes.

Callability—Subject to call in whole or in part on 60 days' notice on any interest date up to and including Sept. 1, 1945, at 103 and accrued interest, with successive reductions in the premium on each March 1, thereafter of ¼ of 1% of the principal, the bonds being redeemable on March 1, 1957, and thereafter at par.

Improvement Fund—The Mortgage provides for the payment to the Trustee on March 1, 1929, and each year thereafter of a sum equal to 2% of all bonds and fundable underlying securities, if any, less the amount of the sinking fund requirements of underlying issues, if any. Funds so deposited shall be employed either for renewals and replacements, or for fundable acquisitions (as defined in the mortgage) which shall not be made the basis for the certification of additional bonds, or for the retirement of bonds outstanding under the mortgage or of fundable underlying securities, if any.

Security—Secured by a first mortgage on the new power station, transmission lines and all other fixed property owned by the Company, and will be a first mortgage on property hereafter acquired subject to underlying bonds, if any. The mortgage contains provisions permitting its modification (except in certain important particulars) with the assent of the Trustee and the holders of 80% in aggregate principal amount of bonds outstanding thereunder.

Legal Opinion—Pam & Hurd, Chicago (for the Bankers), and Defrees, Buckingham & Eaton, Chicago (for the Company).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($6,000,000) in March, 1928, at 95¼ and interest, yielding 4.80%, by Harris, Forbes & Co., Halsey, Stuart & Co., Inc., Field, Glore & Co., E. H. Rollins & Sons and Spencer Trask & Co.

Listed—Chicago Stock Exchange.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$290,012	$280,378	$64,616
Operating expenses	130,948	117,798	29,973
Maintenance	10,235	7,733	1,568
Taxes	9,619	6,055	1,250
Net earnings	$139,210	$148,792	$31,825
Lease rental, power station	790,157	658,158	147,801
Total income	$929,367	$806,950	$179,626
Interest on bonds	$285,000	$218,083	$35,000
Other interest (net)	†22,093	35,725	11,350
Bond discount	9,995	7,714	778
Total fixed charges	$272,903	$261,522	$47,128
Balance	$656,464	$545,428	$132,498
Dividends on Pfd. stock	215,407	178,874	31,882
Retirement reserves	83,892	39,380	13,717
Surplus	*$357,165	*$327,174	*$86,899

*Declared as dividends on Common stock. †Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	*1927	1927	1926
Property account	$9,011,803	$8,395,901	$6,203,813
Additions 1926	.....	115,901	2,192,088
Total fixed capital	$9,011,803	$8,511,802	$8,395,901
Cash	11,904	11,904	60,046
Notes and accts. receivable	40,626	40,626	35,624
Materials and supplies	12,391	12,391	5,377
Unamortized bond discount	1,070,526	280,526	289,571
Accounts with affiliated cos.	165,427	455,428	251,256
Total	$10,312,677	$9,312,677	$9,037,775

Liabilities—	*1927	1927	1926
7% cumulative Pfd. stock	$3,000,000	$3,000,000	$3,000,000
6% cumulative Pfd. stock	300,000	300,000	.....
Common stock	800,000	800,000	800,000
Funded debt	6,000,000	5,000,000	5,000,000
Accts. payable & customers' deposits	40,892	40,892	36,104
Accrued taxes	7,717	7,717	5,326
Accrued int. & dividends	.....	.....	47,500
Advances on Pfd. stock sales	45,674	45,674	100,328
Retirement reserves	116,865	116,865	47,261
Other reserves	739	739	1,256
Deferred liabilities	790	790	.....
Total	$10,312,677	$9,312,677	$9,037,775

*After giving effect to new financing.

Officers: Clement Studebaker Jr., Pres.; H. L. Hanley, L. E. Fischer, C. A. Leland, Jr., V-P's; D. H. Holmes, Sec.; P. L. Smith, Treas.; A. J. Berta, Asst. Treas.

Directors: Clement Studebaker, Jr., H. L. Hanley, L. E. Fischer, C. A. Leland, Jr., D. H. Holmes, P. L. Smith, C. S. Bradshaw, Herbert Bellamy, C. S. Manly.

Office, Des Moines, Iowa.

DES MOINES GAS COMPANY

(Controlled by Iowa Power & Light Co.)

History—Incorporated Feb. 28, 1906, in Iowa. Population served, 152,800. Owns and operates a gas plant with daily capacity of 4,000,000 cu. ft. Gas storage holder capacity, 3,900,000 cu. ft. Miles of mains, 336.54. Number of meters, 30,722.

Gas Rate Effective March 1, 1927—First 20,000 cu. ft., $1.15 per M.; next 30,000 cu. ft., $1.10 per M.; next 50,000 cu. ft., $1.000 per M.; all over 100,000 cu. ft., $.90 per M. Minimum, $1.00. An additional sum of 10 cents per M. cu. ft. or 10 cents on each minimum bill may be charged for all persons who fail to pay their bills within 10 days after rendered.

GAS SALES, YEARS ENDED DECEMBER 31

1924	1,043,299,812 cu. ft.
1925	1,027,537,689 cu. ft.
1926	1,000,702,200 cu. ft.
1927	1,054,322,200 cu. ft.

CAPITAL STOCK

Authorized, $2,250,000 Common and $1,250,000 cumulative Pfd.; outstanding, $2,250,000 Common, $500,000 8% Pfd. and $250,000 7% Pfd.; par, $50. More than 90% of the outstanding Common stock is owned by The Iowa Power & Light Co. Annual meeting, first Tuesday in April.

Dividends—Pfd. dividends paid quarterly, J, A, J & O 1.

FUNDED DEBT

$2,179,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES; DUE MARCH 1, 1956

Dated March 1, 1926.

Interest Payable March and Sept. 1, at Bank of North America & Trust Co., Philadelphia.

Denominations—Coupon, $500, and $1,000; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia.

Provisions of Issue—The mortgage provides that additional bonds may be issued thereunder in unlimited amount, in one or more series, in such amounts and bearing such rates of interest and having maturity dates and such other provisions as the Directors may from time to time determine.

Purpose of Issue—The proceeds of these bonds were used to pay at maturity (March 1, 1926) the then outstanding $1,500,000 bonds, to reimburse Company for additions and betterments to its property and for other corporate purposes.

Callability—Subject to call on any interest date at 105 and interest on or before March 1, 1946, the premium reducing ½% beginning Sept. 1, 1946, with a like additional reduction beginning Sept. 1 each year thereafter. The bonds being redeemable at 100 and interest on Sept. 1, 1955.

Sinking Fund—The mortgage provides for the payment by the Company as a sinking fund semi-annually on June 1 and Dec. 1 in each year, commencing Dec. 1, 1926, of a sum equal to ½ of 1% of the total amount of bonds of this series outstanding at the time such payment is made, the moneys to be applied by the Trustee to the purchase of bonds of this series at or below the redemption price existing at the next ensuing interest date, or, if not so purchasable, to their call by lot at such redemption price on such interest date. All bonds so purchased or redeemed are to be cancelled.

Security—Secured by a first mortgage on entire property of Company (except shares of stock, bonds and other securities unless specifically pledged) now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four-mill tax refunded.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia (for the Bankers).

Original Offering—First publicly offered ($2,200,000) in Feb., 1926, by Drexel & Co., Philadelphia, at 98½ and interest, yielding about 5.10%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$1,236,594	$1,170,339	$1,197,445	$1,215,431	$1,129,285
Operating expenses	675,482				
Taxes	202,748	925,598	945,647	946,176	891,766
Retirement expense	34,886				
Net earnings	$323,478	$244,741	$251,798	$269,255	$237,519
Income deductions	116,556	111,738	88,318	83,118	77,74.
Net income	$206,922	$133,003	$163,480	$186,137	$159,77.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed assets	$6,153,058	$5,937,067	$5,731,611
Investments	4,800	4,800	5,300
Notes receivable	6,753	8,923	2,387
Materials and supplies	152,002	151,264	152,387
Accounts receivable	136,174	120,261	125,992
Cash	8,411	136,530	28,780
Suspense accounts	119,963	128,317	3,378
Prepaid accounts	7,143	303	2,115
Sinking fund trustee	11,549	919	.....
Total	$6,599,853	$6,488,384	$6,051,950

Liabilities—	1927	1926	1925
Common stock	$2,250,000	$2,250,000	$2,250,000
Preferred stock	750,000	750,000	745,100
Funded debt	2,179,000	2,190,000	1,500,000
Notes payable	50,000	.....	200,000
Accounts payable	140,155	111,727	190,12.
Accrued accounts	199,995	196,115	184,19.
Reserves	496,960	58,534	58,74.
Profit and loss	533,743	932,008	923,78.
Total	$6,599,853	$6,488,384	$6,051,95.

Officers: Clement Studebaker, Jr., Pres., Chicago, ..; C. A. Leland, Jr., V-P., Des Moines, Iowa; H. L. anley, V-P.; L. E. Fischer, V-P., Chicago, Ill.; H. R. errett, V-P., Des Moines, Iowa; D. H. Holmes, Sec., hicago, Ill.; Ira Steele, Asst. Sec., Des Moines, Iowa; L. Smith, Treas., Chicago, Ill.; F. J. Larsh, Asst. eas., Des Moines, Iowa.

Directors: Clement Studebaker, Jr., H. L. Hanley, E. Fischer, Chicago, Ill.; C. A. Leland, Jr., B. F. auffman, C. S. Bradshaw, J. G. Gamble, Alex. Fitzgh, J. M. Burrows, H. R. Sterrett, Des Moines, wa.

Office, Des Moines, Iowa.

ST. LOUIS ELECTRIC TERMINAL RY. CO.

(Controlled by Illinois Power and Light Corp.)

History—Inc. March 8, 1906, in Mo., to build terml stations for freight and passengers in St. Louis for ie Illinois Traction Co. Franchise granted for 50 ears from April, 1907. In 1910 absorbed the Citizens' y. of Venice. Company owns and operates street ilway and busses in Madison, Granite City and enice. Line of road owned: St. Louis to Granite ity, Ill., 9.47 miles; trackage (in Granite City), 04 miles—total 11.51 miles. Owns 30 cars. Gauge, tandard. Local service between St. Louis and the ri-Cities was established in 1910.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common and 1,000,000 5% Pfd.; par, $100. All owned by Illinois ower and Light Corp.

FUNDED DEBT

TEMPORARY FIRST GOLD 5s; DUE DECEMBER 1, 1929

Dated December 1, 1913.

Interest Payable February and Aug. 1, at Bank of Montreal, New York. Coupon, $1,000. Authorized ssue, $3,500,000. Subject to call at par and interest n any interest date. Guaranteed, principal and interest, by Illinois Traction Co. Secured on all proprty. At Dec. 31, 1927, all the outstanding bonds, 1,724,000, were owned by the Illinois Power and ight Corp. Company pays Normal Federal Income ax up to 2%.

OFFICERS AND DIRECTORS

Officers: J. E. Johnson, Pres.; J. H. Mitchell, V-P.; as. A. Knowlton, Sec.; H. E. Johnson, Treas.

Directors: J. E. Johnson, J. H. Mitchell, N. L. Harry, E. A. Roehry, Carl Bauer, H. G. Squires, A. L. Wallis.

Office, Chicago, Ill.

KEWANEE PUBLIC SERVICE COMPANY

(Controlled by Illinois Traction Co.)

History and Property—Incorporated Feb. 29, 1924, in Ill., to acquire the properties of the Consolidated Light & Power Co., which was organized in 1913 as a consolidation of the Galva Gas, Light & Coke Co., Kewanee Light & Power Co. and Lighting & Heating Co. of Kewanee. Through its subsidiary, the Kewanee and Galva Ry. Co., the company also operates a short interurban line between Kewanee and Galva.

The electric properties include a generating station in Kewanee with a capacity of 3,000 k.w. The cities of Kewanee, Sheffield and Neponset are connected by a transmission line 16 miles in length, serving over 4,700 customers. Transmission line connection was completed in 1927 with line of Illinois Power and Light Corp. from Keokuk to Galesburg and Galva.

The gas properties consist of a water gas plant with daily capacity of 1,200,000 cu. ft. and holder capacity of 350,000 cu. ft., with 67 miles of gas mains serving 4,550 customers in Kewanee and Galva. The street railway property comprises approximately 7 miles of track located witnin the city of Kewanee. The interurban railroad operates over its own right-of-way, 9 miles in length connecting Kewanee and Galva.

CAPITAL STOCK

Authorized, 10,000 Common shares, of no par value, and $700,000 7% cumulative Pfd., par, $50; outstanding, 10,000 Common shares and $350,000 Pfd. All the Common stock is owned by Illinois Traction Co.

Dividends—Pfd. dividends are regularly paid semi-annually.

FUNDED DEBT

(1)

$1,200,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE JULY 1, 1949

Dated July 1, 1924.

Interest Payable January and July 1, at The Peoples Trust & Savings Bank, Chicago, or The Equitable Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Peoples Trust & Savings Bank, Chicago.

Provisions of Issue—Additional bonds may be issued in series, bearing such rates of interest and such redemption prices, and maturity on such dates (not earlier than July 1, 1949) as the board of directors at the time of issuance may determine, for 80% of the actual cost or then fair value of permanent improvements, additions or betterments, and then only provided net earnings for 12 consecutive months within the 15 months last past, shall have been at least twice the annual interest requirements on all First Mortgage bonds outstanding, including those proposed to be issued.

Callability—Subject to call as a whole or in part on 30 days' notice, on any interest date on or before July 1, 1934, at 105 and accrued interest; thereafter on or before July 1, 1939, at 104 and accrued interest; thereafter on or before July 1, 1944, at 102 and accrued interest, and thereafter on or before Jan. 1, 1949, at 100½ and accrued interest.

Sinking Fund—On Jan. 1 of each year, beginning in 1928, the company is required to pay to the trustee for account of sinking fund a sum in cash equal to at least 1% of the aggregate principal amount of the bonds, including the bonds held in the sinking fund, which shall be applied to the purchase of bonds at not exceeding the then prevailing call price and accrued interest or, if sufficient bonds are not obtainable by purchase, to their redemption by drawings at the price. All bonds purchased or redeemed by the sinking fund shall be kept alive and the interest thereon shall be added to and applied as a part of the sinking fund.

Security—These bonds are secured by a direct nrst mortgage on the entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refundable.

Legal Opinion—Cutting, Moore & Sidley, Chicago (for the bankers); P. B. Warren, Springfield, Ill. (for the Company).

Original Offering—First publicly offered ($1,200,000) in July, 1924, at 95 and accrued interest, yielding over 6.40%, by Spencer Trask & Co., New York, etc.

(2)

$230,000 5½% TWO-YEAR NOTES; DUE APRIL 15, 1928

Dated April 15, 1926.

Interest Payable April 15 and October 15, at Peoples Trust & Savings Bank, Chicago, Trustee.

Denomination—$1,000.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating income	$530,521	$470,061	$465,633
Operating expenses & taxes	314,729	325,429	313,126
Net income	$215,792	$144,632	$152,507
Fixed charges, includ. amort.	99,902	93,237	77,921
Avail. for divds. & deprec.	$115,890	$51,395	$74,586

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$2,311,754	$2,243,191	$2,047,897
Other investments	106,429	105,919	100,100
Materials and supplies	33,763	35,850	43,556
Cash	6,881	23,818	64,637
Notes and accounts receiv.	127,886	100,855	107,353
Other current assets	.....	.....	3,054
Bond discount, etc.	113,741	122,973	123,423
Deferred debit items	2,523	3,118	14,229
Sinking fund	12,000	.....	.....
Total	$2,714,977	$2,635,724	$2,504,249
Liabilities—			
Common stock	$500,000	$500,000	$500,000
Preferred stock	350,000	350,000	350,000
Funded debt	1,480,000	1,480,000	1,200,000
Notes and accts. payable	68,854	115,455	175,942
Interest accrued	3,438	3,438	36,720
Other current liabilities	4,665	11,537	12,131
Reserve for taxes	23,703	22,516	12,415
Reserve for depreciation	107,128	68,464	57,994
Res. for uncollectible bills	3,026	2,290	1,371
Unadjusted credits	2,304	916	.....
Due to affiliated cos.	58,518	.....	.....
Surplus	113,342	81,108	157,676
Total	$2,714,977	$2,635,724	$2,504,249

Officers: Clement Studebaker, Jr., Pres.; H. L. Hanley, V-P.; L. E. Fischer, V-P.; D. H. Holmes, Sec.: P. L. Smith, Treas., Chicago, Ill.

Directors: Clement Studebaker, Jr., H. L. Hanley, L. E. Fischer, P. L. Smith, D. H. Holmes.

General Office, Kewanee, Ill. **Executive Office,** 1513 Illinois Merchants Bank Bldg., Chicago, Ill.

THE UNITED POWER & LIGHT CORPORATION

(Of Kansas)

(Controlled by North American Light & Power Company)

History and Properties—Incorporated Jan. 21, 1924, in Kansas. The United Power & Light Corp. is a reorganization and change of name of the Riverside Light, Power & Gas Co., and a consolidation with:

The Central Kansas Power Co.
The Home Gas Co.
The Junction City Gas Co.
The Manhattan Gas & Electric Co.
The Marshall County Power & Light Co.
The Pawnee Power & Water Co.
The Peabody Electric Co.
The Republican River Power Co.
The Rocky Ford Milling & Power Co.
The Union Light & Power Co.
The United Traction Co.

This reorganization was consummated under an order from the Kansas Public Utilities Commission and company began business as of Jan. 1, 1924 (for latest published statements of several of the merged companies, see 1923 Public Utility Manual, or apply to our Information Department).

As of April 1, 1924, corporation acquired from the Cities Service Co., and merged the entire properties of The United Water, Gas & Electric Co. of Hutchinson, Kan., and The Salina Light, Power & Gas Co. of Salina, Kan. (for last published statement, see 1923 Public Utility Manual, pages 1714 and 1702, or apply to our Information Department).

Company supplies electricity to 128 towns and 600 farms in central Kansas through 35,381 meters; capacity of generating stations, about 63,800 k.v.a.; miles of electric transmission lines, 1,252. In all incorporated towns served, has contract or agreement for street lighting. Supplies artificial gas to Abilene, Junction City, Manhattan and Salina, Kan., the four plants having a daily capacity of 1,620,000 cu. ft. No. of gas meters: Abilene, 844; Junction City, 711; Manhattan, 1,844; Salina, 1,984—total, 5,383. Miles of high pressure gas mains, 32.5; low pressure mains, 84 miles. Operates ice plants at Junction City, Manhattan and Peabody, Kan., with a combined daily capacity of 113 tons; and supplies water to city of Hutchinson, Kan., through 4,922 water meters, the system having a capacity of 7,000 gals. per minute.

Also operates local street car system in cities of Manhattan and Junction City, Kan., with local interurban line between the two points, a distance of 24 miles. It also operates automobile stage line for passenger and freight service between Junction City and Abilene, Kan., a distance of 25 miles. Motor car equipment: Closed passenger cars, 15; freight car, 1; service cars, 2. Also operates retail merchandise stores for electrical equipment and appliances at all important towns served by the electrical operating department. Total population served, over 128,000.

PRODUCTION, YEARS ENDED DECEMBER 31

	1927	1926	1925
Electricity (k.w.h.)	82,266,401	74,957,608	63,003,373
Gas (M. cu. ft.)	176,217	168,075	166,827
Ice manufactured (tons)	11,555	12,461	12,578
Water supplied (M. gals.)	772,953	979,558	950,069

CAPITAL STOCK

Authorized, $4,000,000 Common and $8,000,000 7% cumulative Pfd. (increased from $3,000,000 Common and $6,000,000 Pfd. in 1925); outstanding, $2,215,350 Common and $5,983,600 Pfd. In addition $31,499 capital stock saving certificates were outstanding Dec. 31, 1927. Stock transferred at company's office. North American Light & Power Co. owns 95% of the Common stock.

Annual Meeting—First Thursday after third Monday in March.

Dividends—Initial dividend of 1¾% on Pfd. stock paid April 1, 1924, which quarterly rate maintained to date; payments, J, A, J & O 15. Paid $4 per share on Common stock Dec. 31, 1926; $10 per share Dec. 31, 1927.

FUNDED DEBT

(1)

$212,000 HUTCHINSON WATER, LIGHT & POWER CO. FIRST GOLD 4s; MATURED AND PAID JANUARY 1, 1928

(2)

$950,000 SALINA LIGHT, POWER & GAS CO. FIRST SINKING FUND GOLD 6s, SERIES "A"; DUE APRIL 1, 1943

Dated April 2, 1923.

Interest Payable April and October 1, at Union Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Chicago.

Provisions of Issue—Mortgage closed; outstanding, $950,000.

Callability—Series "A" bonds are subject to call as a whole or in part on any interest date on thirty days' notice at 115 to April 1, 1928, thereafter at 110 to April 1, 1933, thereafter at 108 to April 1, 1935, thereafter at 106 to April 1, 1937, and thereafter and until April 1, 1942, at 106, less 1% for each year or fraction thereof expired between the date of redemption and April 1, 1937; and at par after April 1, 1942; accrued interest added in each case.

Sinking Fund—Sinking fund, commenced April 1, 1924, amounts to a sum sufficient to retire 1½% of bonds certified to be used to purchase bonds in the open market at not exceeding par and interest. In the event that the fund has not been so exhausted, the balance shall be returned to the company, provided the company has expended 1 1-7 of the balance in additions and improvements to its properties. The sinking fund may be satisfied by a deposit of bonds at par or by investing in construction an amount equal to 2% of the total amount of bonds issued.

Security—Secured by a first lien on all property of the former Salina Light, Power & Gas Co. So long as any bonds are outstanding, company will expend and/or appropriate out of the gross operating revenues for repairs, maintenance and depreciation a sum equal to 10% of its gross operating revenues, which

ll be cumulative. No cash dividends can be paid the Com. stock in any one year unless the foregoing intenance fund has been provided for in each year ceding the declaration of such cash dividends and he year in which the dividend is declared.

Assumed—Assumed by The United Power & Light p., April 1, 1924.

Tax Provisions—Company pays Normal Federal In- e Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chi- o.

Original Offering—First publicly offered ($950,000 ies "A" 6s) in March, 1923, at 96⅝ and interest, to ld 6.30%, by Taylor, Ewart & Co., and Henry L. herty & Co., New York, etc.

(3)

$93,600 UNITED WATER, GAS & ELECTRIC CO. FIRST & EFUNDING GOLD 5s; DUE SEPTEMBER 1, 1941

Dated September 1, 1916.

Interest Payable March and September 1, at First tional Bank, Boston.

Denominations—Coupon, $100, $500 and $1,000; ncipal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Mortgage closed at $1,593,600.

Callability—Subject to call at 105 and interest on interest date on 40 days' notice. Bonds when pur- sed must be kept alive and draw interest.

Sinking Fund—Beginning Sept. 1, 1918, a sinking d of 1½% of the total amount of bonds of this issue standing became operative. The Company has the ion of either purchasing bonds at not exceeding or investing the same amount of money in new perty against which no bonds can be issued. Bonds celled in sinking fund.

Security—Secured by a lien on the entire property the former United Water, Gas & Electric Co., sub- t to $212,000 prior lien bonds, described in No. 1.

Assumed—Assumed by The United Power and ht Corp., April 1, 1924.

Tax Provisions—Company pays Normal Federal In- e Tax up to 2%.

Original Offering—First publicly offered ($972,000) Nov., 1916, at 96 and interest, yielding about 5.30%; ,000 were publicly offered in Oct., 1922, at 87 and rest, yielding 6.10%, by Henry L. Doherty & Co., w York, St. Louis, etc.

(4)

00,000 UNITED POWER & LIGHT CORP. FIRST MORT- AGE 6% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 44

Dated January 1, 1924.

Interest Payable January and July 1, at Harris Trust Savings Bank, Chicago, and at Harris, Forbes & , New York.

Denominations—Coupon, $500 and $1,000; principal y be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized amount of mort- e, unlimited; issued and outstanding Feb. 1927, 00,000 Series "A" 6s, and $1,000,000 Series "B" 5s e below). Additional bonds may be issued for 75% the cost of additions and extensions to the proper- , provided the net earnings for the preceding year ll have amounted to at least twice the annual inter- charge on the company's bonded debt, including st Mortgage bonds then proposed to be issued. row bonds may also be issued at the option of the pany, without further expenditures, to a total not exceed $500,000, provided the net earnings for the ceding year shall have amounted to 2¼ times the ual interest charge on the company's bonded debt, luding the First Mortgage bonds then proposed to issued; but in the event this right is exercised the o between net earnings and annual interest charge, the purpose of issuing further bonds, shall there- r be maintained at not less than 2¼ times. Future ies of bonds may be of various series, bearing dif- nt rates of interest, with different call features and for different maturities not exceeding twenty years from date of issue, etc.; and bonds of one series may be issued to refund bonds of an earlier issue.

Callability—Series "A" bonds are subject to call on any interest date at 105 and interest to and including Jan. 1, 1934; the premium thereafter decreasing ½% each year or portion of year, the bonds being redeemable July 1, 1943, at 100 and interest.

Maintenance, Depreciation and Sinking Fund—Company covenants to deposit with the Trustee, on April 1 in each year, commencing with April 1, 1928, an amount in cash equal to 12½% of its gross earnings from the operation of its properties during the preceding calendar year, less the amounts actually expended during such year for maintenance and repairs and for renewals and replacements of property. The money so deposited may be withdrawn: (1) For further maintenance, repairs, renewals and replacements; (2) to pay for extensions and additions to the properties, which shall not be made the basis for issuing First Mortgage bonds; or (3) for the retirement of outstanding bonds.

Security—Secured by a direct first mortgage on entire property of company, subject only to $2,755,600 closed mortgage prior lien bonds (described above).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mills Tax refunded.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($3,250,000 Series "A" 6s) in Feb., 1924, at 97½ and interest, yielding about 6.20%, by Arthur Perry & Co., Boston, etc., Harris Trust & Savings Bank, Chicago, Peters Trust Co., Omaha, Neb., and E. H. Rollins & Sons, New York; $1,350,000 additional Series "A" 6s were publicly offered in May, 1924, at the same price and by the same syndicate.

(5)

$1,000,000 UNITED POWER & LIGHT CORP. FIRST MORTGAGE 20-YEAR 5% GOLD BONDS, SERIES "B"; DUE FEB. 1, 1947

Dated February 1, 1927.

Interest Payable February and August 1, at Harris Trust & Savings Bank, Chicago, and at Harris, Forbes & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue, Security and Tax Provision—See description of Series "A" 6s above.

Callability—Subject to call on any interest date at 105 and interest to and including Feb. 1, 1937; the premium thereafter decreasing ½% each year or portion of year, the bonds being redeemable Aug 1, 1946, at 100 and interest.

Original Offering—First publicly offered ($1,000,000 Series "B" 5s) in March, 1927, at 96 and interest, yielding over 5.30%, by Harris, Forbes & Co., E. H. Rollins & Sons, New York; Harris Trust & Savings Bank, Chicago; Peters Trust Co., Omaha; Arthur Perry & Co., Harris Forbes & Co., Inc., Boston, and Harris Forbes & Co., Ltd., Montreal.

(6)

$767,000 UNITED POWER & LIGHT CORP. 6½% DEBENTURE GOLD NOTES; DUE $125,000 SEMI-ANNUALLY TO MAY 1, 1931

Dated May 1, 1924.

Interest Payable May and November 1, at The First National Bank of Boston, Hanover National Bank, New York or the Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The First National Bank of Boston.

Provisions of Issue—Authorized, $2,250,000; issued, $1,750,000 ($250,000 6% and $1,500,000 6½%), of which $250,000 6% matured and paid off May 1, 1925,

and $733,000 6½% retired to Dec. 31, 1927. The indenture provides that $500,000 additional notes may be issued (bearing interest at 6½% per annum and maturing $125,000 each May 1 and Nov. 1, from Nov. 1, 1931, to and including May 1, 1933), provided net earnings for twelve consecutive months in the fifteen months' period preceding shall be at least 1¾ times the annual interest charges on company's total funded debt including these notes and the notes then to be issued. The proceeds from the sale of the outstanding notes were used to acquire the Hutchinson and Salina properties and for construction of interconnecting transmission lines and other corporate purposes.

Callability—Subject to call as a whole or in part by whole series on any interest date on 30 days' notice at a premium of ¼ of 1% for each six months of unexpired life. Company proposes to retire these notes before maturity through the sale of Pfd. and Common stocks in the territory served.

Sinking Fund—None.

Security—These notes are the direct obligation of the United Power & Light Corp. of Kansas, which covenants that it will not create any lien on its property which shall rank prior to or in equality with these notes without ratably securing these notes, except that additional First Mortgage bonds may be issued under the restrictive provisions of the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,750,000) in April, 1924, at prices ranging from 100 to 97.94 and interest, yielding from 6% to 6⅞%, according to maturities, by Arthur Perry & Co., Boston, etc.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Revised)

	1927	1926	1925
Gross revenue	$3,048,638	$2,870,333	$2,689,714
Operating expenses & taxes	1,798,995	1,706,139	1,663,212
Net earnings	$1,249,643	$1,164,194	$1,026,502
Fixed charges	584,493	552,429	589,742
Depreciation	82,114	119,486	13,498
Net income	$583,036	$492,279	$423,262
Preferred dividends	400,051	399,242	348,759
Common dividends	221,535	88,614	.....
Surplus	*$38,550	$4,423	$74,503
†Times Fixed Chgs. Earned	1.99	1.89	1.71
Earnings Per Share—			
Preferred	$9.74	$8.58	$7.73
Common	8.25	4.20	3.36

*Deficit. †After depreciation.

GENERAL BALANCE SHEET, DECEMBER 31
(Revised)

Assets—	1927	1926	1925
Plant, equipment, etc.	$17,432,104	$16,667,153	$16,145,073
Cash	42,589	125,608	189,286
Bills & accts. receivable	374,622	397,923	484,694
Materials and supplies	297,589	433,762	412,683
Investments	2,340	4,409	9,351
Deposit to retire bonds due Jan. 1, 1928	212,000	.....	.....
Special deposits	41,967	.....	.....
Prepayments, etc.	23,688	39,712	17,829
Unamortized debt disct., etc.	761,371	735,813	803,579
Unadjusted debits	.....	15,610	15,365
Trustees' deposits	68,235	68,235	97,397
Total	$19,256,505	$18,488,225	$18,175,257
Liabilities—			
Preferred stock	$5,985,300	$5,738,800	$5,473,400
Pfd. stock savings ctfs.	31,499	30,522	27,064
Common stock	2,215,350	2,215,350	2,215,350
Funded debt	9,122,600	8,362,600	8,551,600
Bills & accts. payable	382,413	564,707	444,532
Customers' deposits	171,781	146,578	119,834
Accrued taxes	149,287	146,380	169,262
Accrued dividends	100,673	189,004	93,837
Accrued interest, etc.	69,953	51,737	54,645
Depreciation reserve	727,921	699,409	667,993
Other reserves	79,879	79,423	92,745
Purchase money obligations	58,931	67,510	71,213
Surplus	157,655	196,205	191,782
Total	$19,256,505	$18,488,225	$18,175,257

Officers: C. L. Brown, Pres., Abilene, Kan.; A. M. Patten, V-P., Topeka, Kan.; L. E. Fischer, V-P.; H. L. Hanley, V-P.; D. H. Holmes, Sec.; P. L. Smith, Treas.; A. J. Berta, Asst. Treas., Chicago, Ill.; M. C. Beamer, Asst. Sec. & Compt.

Directors: C. L. Brown, L. O. Verckler, W. M. Irwin, Abilene, Kan.; A. M. Patten, T. F. Doran, Topeka, Kan.; A. C. Malloy, Hutchinson, Kan.; B. I. Litowich, Salina, Kan.; W. D. Haines, Manhattan, Kan.

General Office, Abilene, Kan.

SAND SPRINGS RAILWAY COMPANY

History—Incorporated Feb. 6, 1911, in Okla.; successor to Sand Springs Interurban Ry. Co. Franchise extends 25 years. Line of road: Tulsa to Sand Springs, Okla., 16.67 miles. Sidings, etc., 17.83 miles. Gauge, standard. Rail, 75 lbs. Steam locomotives, 2; electric locomotives, 3. Cars, 58.

Valuation—Interstate Commerce Commission has placed a final valuation of $646,323 on Company's property as of June 30, 1918.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $10. Annual meeting, in January, at Tulsa, Okla. No dividends paid.

FUNDED DEBT

$300,000 First Gold 6s; dated July 1, 1912; due July 1, 1929; int. June and Dec., 1, at Tulsa, Okla. Coupon $1,000. Commerce Trust Co., Kansas City, Mo. Trustee. Authorized and issued $300,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$509,161	$447,649	$416,34
Oper. exp. & taxes	432,936	405,627	451,13
Net earnings	$76,225	$42,022	*$34,78
Interest charges	21,588	22,146	23,96
Other deductions	12,718	12,185	13,18
Total charges	$34,306	$34,331	$37,14
Surplus for year	$41,919	$7,691	*$71,93

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road	$686,778	$670,577	
Equipment	200,014	171,196	$802,65
General misc. property	18,557	8,978	
Bonds owned	300,000	300,000	300,00
Misc. physical property	38,540	45,727	31,95
Cash	57,104	22,232	12,07
Misc. accounts receivable	14,398	27,203	18,11
Misc. debits	309,614	143,867	87,60
Clearing account	*7,192	38,897	76,25
Total	$1,617,813	$1,428,677	$1,328,65
Liabilities—			
Capital stock	$300,000	$300,000	$300,00
Funded debt	300,000	300,000	300,00
Traffic balances	128,119	123,074	105,71
Payroll	5,706	3,862	7,31
Bills payable	40,000	60,000	70,00
Vouchers payable	22,277	111,398	61,40
War tax on freight	132	132	1
Judgments	13,650	14,250	14,85
Misc. accts. payable	216,171	.....	.....
Accrued depreciation	252,516	230,638	203,62
Res. for bond retirement	186,000	174,000	162,00
Profit and loss surplus	153,242	111,323	103,62
Total	$1,617,813	$1,428,677	$1,328,62

*Debit.

Officers: T. H. Steffens, Pres., Tulsa, Okla.; E. M. Monsell, V-P. & Treas., Sand Springs, Okla.; C. F. Tingley, Sec., Tulsa, Okla.; R. J. Guillan, Aud., Sand Springs, Okla.; H. T. Morrison, Gen. Mgr. of Oper., Tulsa, Okla.; H. J. Miller, Supt.; P. A. Smith, Pur. Agt., San Springs, Okla.

Directors: E. A. Page, E. M. Monsell, Sand Springs, Okla.; T. H. Steffens, C. F. Tingley, P. E. Esti, Tulsa, Okla.

General Office, Sand Springs, Okla.

CENTRAL STATES ELECTRIC COMPANY

History and Property—Incorporated April 10, 1915, Iowa, as the Iowa Falls Electric Co.; name changed present title early in 1925. The company and its bsidiary, Iowa Electric Service Corp. (see appended atement), serve 81 cities and towns in Iowa and Min- sota. It has added to its properties by the purchase many smaller utilities and municipal systems and the development of communities not previously rved. The Company now controls the properties of e Central States Electric Company of Nebraska, e Northwood-Kensett Electric Company and several aller utilities through the ownership of a majority the capital stock. The operating statements shown low do not include earnings of subsidiaries, and in- ude solely owned properties only for that period dur- g which they were operated as a part of the Central ates Electric Company (Iowa) system.

The Company now owns and regularly operates a eam electric generating plant at Iowa Falls and dro-electric plants at Iowa Falls and Eldora, and s plants at Iowa Falls, Knoxville, Oelwein, Iowa, d Fairmont, Minn. Plants at Armstrong, Britt, El- ra, Fenton, Garner and Lone Rock are maintained reserve plants. The Company has over 500 miles high tension transmission lines serving 81 cities and wns.

CAPITAL STOCK

Authorized, $1,200,000 Common, $800,000 Class "A" mmon, and $2,500,000 7% cumulative Pfd.; out- anding, Dec. 31, 1927, $875,783.34 Common, $186,420 lass "A" and $1,042,142.42 Pfd.; par, $100.

Transfer Office—Stock transferred at Company's fice, Cedar Rapids, Iowa.

Annual Meeting—First Tuesday in May.

Dividends—Pfd. dividends are regularly paid; pay- ents quarterly, J, A, J & O 1. On Common, divi- ends have been paid as follows: 1916 and 1917, 7½%; 18, 1919, 1920 and 1921, 4% each; 1922, 6%; 1923, % regular and 8% extra to compensate in part for nservative dividend policy followed in certain prior ears; 1924, 7¼%; 1925, 7¾%; 1926, 7%; 1927, 6¾%.

FUNDED DEBT

(1)

9,000 IOWA RIVER LIGHT & POWER CO. FIRST MORTGAGE 6% GOLD BONDS; DUE MAY 1, 1936

This issue was called for payment on May 1, 1928 at 05 and interest at First Minneapolis Trust Co., Minneapolis, Minn.

(2)

573,900 IOWA FALLS ELECTRIC CO. FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1937

Dated June 1, 1922.

Interest Payable June and December 1, at Harris rust & Savings Bank, Chicago, or at office of Harris, orbes & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; rincipal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized, $3,000,000; outtanding, $573,900. The unissued bonds were reerved to be issued at 75% of the cost of permanent exensions and additions and for acquiring other public tility corporations in its territory provided that the et earnings of the Company for the twelve months nding not more than sixty days prior to the filing of uch certificate were not less than 14% of the aggregate rincipal amount of all bonds as stated in such cerificate. The issue is now closed.

Callability—Subject to call on any interest date on 0 days' notice at 105 and interest, ½% for each year ully expired from and including Dec. 1, 1926, to the ate of redemption thereof.

Sinking Fund—On the first day of June and of December in each year beginning with the year 1923 so long as any bonds shall be outstanding cash or principal amount of bonds of any series issued hereunder, with all unmatured coupons thereto appertaining equal to at least 1% of the aggregate principal amount of bonds outstanding hereunder on the first day of May or November preceding each such first day of June and December respectively, provided, however, that the company may at its option discharge its obligations in respect of any such Sinking Fund deposit to the extent of one-half thereof by the appropriation of expenditures theretofore made and constituting a proper basis for the authentication of bonds hereunder, but against which no bonds have been or shall be authenticated.

Cash so deposited shall be held by the Trustee as a part of the mortgaged property, and shall be paid out from time to time upon orders drown by the Company for either of the following purposes: (a) the purchase in the open market, or the redemption of bonds issued and outstanding hereunder at a price not exceeding par and a premium upon the principal amount thereof not exceeding the premium, if any, at which bonds can at the time be called for redemption; or (b) the payment of, or to reimburse the Company for the reasonable cost of permanent extensions and additions made or acquired of and to the properties of the Company and constituting a basis for the authentication of bonds hereunder but against which no bonds have been or shall be authenticated; provided, however, that at least one-half of the amount of each semi-annual Sinking Fund requirement shall be effective for retirement of bonds issued hereunder.

Security—Secured by a direct first mortgage on the entire property, rights, franchises, etc., formerly owned and operated as the Iowa Falls Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($600,000) in Aug., 1922, at 97½ and int., yielding 6¼%, by Harris, Forbes & Co., New York, etc., and Harris Trust & Savings Bank, Chicago.

(3)

$1,637,000 CENTRAL STATES ELECTRIC CO. FIRST MORTGAGE & REFUNDING GOLD 6s, SERIES "A"; DUE MARCH 1, 1950

Dated March 1, 1925.

Interest Payable March and September 1, at Chicago Title & Trust Co., Chicago.

Denominations—Coupon (interchangeable denominations), $100, $500 and $1,000; principal may be registered.

Trustees—Chicago Title & Trust Co. and Abel Davis, Chicago.

Provisions of Issue—Authorized amount unlimited; outstanding, $1,637,000 Series "A" 6s and $381,300 Series "B" 5½s. The unissued bonds are reserved to be issued at 80% of the actual cash expenditures made for physical property additions to the system made or acquired subsequent to Dec. 31, 1924, provided net earnings for the period of 12 calendar months ending not more than 90 days preceding the filing of such certificate shall have been at least 1¾ times the annual interest charge on all bonds outstanding, including the bonds of "controlled" companies, and also including the bonds applied for.

Callability—The Series "A" bonds are subject to call as a whole or in part on 30 days' notice on any interest date from March 1, 1925, to and including March 1, 1930, at 105; thereafter and including March 1, 1935, at 104; thereafter and including March 1, 1940, at 103; thereafter and including March 1, 1945, at 102; thereafter and including March 1, 1949, at 101; and no premium if such redemption be effected on Sept. 1, 1949.

Sinking Fund—On or before the first day of May of each year beginning May 1, 1926, and continuing so

long as any bonds shall be outstanding under the said indenture, the Company will deposit with the Trustee in the Special Trust Fund the amount by which, if any, (1) an amount equal to twelve per cent of the gross consolidated earnings shall exceed (2) the actual cash expenditures made for maintenance, repairs, renewals and replacements (provided cost does not exceed original cost). This fund may be used for the payment of maintenance, repairs, renewals and replacements of the plants and properties of the system made subsequent to December 31, 1924, not used in the computation of amount deposited, or to pay for permanent extensions and additions to the property for which no bonds can be issued, the purchase from time to time of bonds issued hereunder, or of underlying bonds, at not exceeding par, and not including accrued interest, which bonds shall be delivered to the trustee to be by it held uncancelled as part of such fund.

Security—In order to make the issue an effective first Mortgage, titles to its more recent major acquisitions have been taken in the name of a subsidiary, Iowa Electric Service Corporation. The indenture securing the issue is executed by the Company and the Corporation jointly, and in the opinion of counsel constitutes a first mortgage on all the properties, rights, franchises, profits and issues of the said Company and Corporation, subject to the prior lien and charge of $573,900 Iowa Falls Electric Co. First 6s, Series "A," due June 1, 1937.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($460,000) in March, 1925, at 99 and interest to yield about 6.08% by The Minnesota Loan & Trust Co., Minneapolis; $250,000 additional offered in Nov., 1926, at par and interest, by Arthur Perry & Co., Boston, etc.

(4)

$381,300 CENTRAL STATES ELECTRIC CO. FIRST MORT. & REFUNDING 5½% GOLD BONDS, SERIES B; DUE MARCH 1, 1952

Dated March 1, 1927.

Interest Payable March and September 1, at Chicago Title & Trust Co., Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustees—Chicago Title & Trust Co. and Abel Davis.

Callability—Subject to call in whole or in part on 30 days' notice on any interest date on or before March 1, 1932, at 105; thereafter on or before March 1, 1937 at 104; thereafter on or before March 1, 1942 at 103; thereafter on or before March 1, 1947, at 102; thereafter on or before March 1, 1951, at 101. Redeemable Sept. 1, 1951, without premium.

Maintenance and Renewal Fund, Security, Etc.—See description of Series A, 6s (paragraph 3).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($250,000) in April, 1927, by Arthur Perry & Co., Boston; price not stated.

(5)

There are also outstanding $58,000 Collateral Notes secured by $67,000 First Mortgage and Refunding 6% Gold Bonds. No further details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue	$871,205	$739,311	$586,771	$344,892	$318,689	$267,308
Operating expenses	503,834	430,825	355,027	198,767	170,690	152,979
Taxes accrued	27,662	48,237	36,840	26,866	17,071	15,826
Net operating revenue	$339,709	$260,249	$194,904	$119,259	$130,928	$98,503
Interest	168,010	121,197	92,704	50,071	45,302	40,671
Balance	$171,699	$139,052	$102,200	$69,188	$85,626	$57,832
Times Interest Earned	2.02	2.14	2.10	2.36	2.83	2.42

NOTE—The foregoing statement includes acquired properties only for periods during which they were owned and operated as a part of the system.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Including Iowa Electric Service Corporation)

Assets—	1927	1926	1925	1924	1923
Property account	$5,105,552	$3,794,614	$2,889,183	$1,334,267	$1,158,428
Investments	335,741	66,386	129,709	122,980	59,714
Class "A" Common treasury stock	324,913	.....	.....	.....	.....
Materials and supplies	83,332	114,993	101,058	45,673	51,722
Cash	51,223	43,649	42,085	19,531	23,078
Current accounts and notes receivable	334,534	222,058	117,758	148,928	90,835
Miscellaneous items	7,280	49,208	13,268	72,119	1,673
Deferred debit items	153,974	140,034	112,196	53,753	59,483
Total	$6,396,549	$4,430,942	$3,405,257	$1,797,251	$1,444,933
Liabilities—					
Capital stock	$2,429,259	$1,485,275	$969,481	$699,787	$555,673
Funded debt	2,641,200	2,262,200	1,676,300	614,400	614,100
Other funded debt	140,700	100,650	135,500	60,800	71,107
Loans and notes payable	176,800	177,800	132,975	142,400	80,200
Current liabilities	196,663	171,248	323,999	189,425	57,145
Accrued liabilities	97,670	94,935	66,415	31,875	26,282
Miscellaneous credits	11,539	9,852	2,732	16,899	6,342
Reserves	126,048	113,258	85,566	35,691	28,698
Surplus	55,287	15,724	12,289	5,974	5,386
Capital surplus	521,383	.....	.....	.....	.....
Total	$6,396,549	$4,430,942	$3,405,257	$1,797,251	$1,444,933

Officers: Isaac B. Smith, Pres.; Sutherland Dows, V-P.; John A. Reed, V-P. & Gen. Mgr.; Chas. H. Foy, V-P.; C. S. Woodward, Sec. & Treas.; Carl B. Meyers, Gen. Aud.; Ray Ingham, Gen. Supt., Cedar Rapids, Iowa.

Directors: Isaac B. Smith, John A. Reed, Sutherland Dows, Robert Armstrong, J. M. Drabelle, Van Vechten Shaffer, Don Barnes, Ernest R. Moore, Charles H. Foy, Lumir Severa, E. E. Pinney, J. W. Smiley, Harry T. Hedges, Frank Filip, Cedar Rapids, Iowa.

General Office, Cedar Rapids, Iowa.

IOWA ELECTRIC SERVICE CORPORATION

(Controlled by Central States Electric Co.)

History—Incorp. in March, 1925, in Iowa, as successor to Iowa Gas Co., Britt Light & Power Co., Emmett County Light & Power Co., Rolfe Light & Power Co. and Iowa River Light & Power Co. (see 1924 Public Utility Manual), serving 30 communities in Iowa and Minnesota, the principal towns being Armstrong, Britt and Eldora, Iowa, and Welcome, Minn.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. All owned by Central States Electric Co. Annual meeting, first Tuesday in May.

FUNDED DEBT

The property of Company is pledged under Central States Electric Company mortgage to secure First Mortgage & Refunding Gold bonds.

Officers and Directors: See statement of Central States Electric Co.

General Office, Cedar Rapids, Iowa.

NORTHUMBERLAND COUNTY RAILWAY CO.

History—Incorporated July 24, 1918, in Pa., as the Northumberland County Ry. Co. Road extends from Sunbury to Northumberland, Pa., 4.28 miles. Franchise perpetual. Gauge, 4 ft. 8½ in. Rail, T, 85 lbs. Operated by overhead trolley. Passenger cars, 7; other motor cars, 3. Energy purchased from Pennsylvania Power & Light Co.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $100. Annual meeting, first Monday in May. Dividends 2% paid in September, 1923; 1924 and 1925, 2½%; 1926, 3%; 1927, 2%.

FUNDED DEBT

$49,000 6% 20-Year First Mortgage Gold Bonds, dated July 1, 1923. Issued to take up floating indebtedness and provide funds for various purposes.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$55,505	$58,978	$61,597
Oper. exp., taxes & deprec.	46,790	48,904	48,738
Net earnings	$8,715	$10,074	$12,859
Other income	734	682	.....
Total income	$9,449	$10,756	$12,859
Interest charges	2,940	2,940	2,940
Other charges	468	233	545
Total charges	$3,408	$3,173	$3,485
Net income	$6,042	$7,583	$9,970
Dividends paid	8,000	12,000	10,000
Deficit after dividends	$1,958	$4,417	$30

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$534,278	$533,749	$533,938
Stocks owned	17,935	16,435	4,600
Other investments	.....	.....	11,335
Materials and supplies	3,749	3,836	4,268
Cash	4,834	4,610	4,433
Accounts receivable	2,216	1,476	868
Deferred debit items	773	623	336
Total	$563,785	$560,730	$559,778

Liabilities—	1927	1926	1925
Capital stock	$400,000	$400,000	$400,000
Funded debt	49,000	49,000	49,000
Other current liabilities	425	472	703
Accounts payable	7,296	9,645	11,912
Unadjusted credits	.....	64	21,952
Reserves	94,385	86,911	57,157
Surplus	12,679	14,637	19,054
Total	$563,785	$560,730	$559,778

Officers: J. Simpson Kline, Pres., Sunbury, Pa.; Walton B. Geiger, V-P., Williamsport, Pa.; Mary Fisher Curtis, Sec. & Acting Treas.; T. A. Saxon, Supt., Sunbury, Pa.

Directors: W. W. Hepburn, Philadelphia, Pa.; John L. Hall, Walton B. Geiger, William Beeber, Williamsport, Pa.; J. Simpson Kline, Sunbury, Pa.

General Office, Masonic Temple, Sunbury, Pa.

IOWA ELECTRIC COMPANY

History and Properties—Incorporated June 1, 1914, in Iowa. As of that date the Company purchased and took title to the real estate and plants of the Eastern Iowa Consolidated Light and Power Company and the Marengo Electric Light and Power Company. Since that time the Company has purchased and taken title to numerous other properties located for the most part in Eastern and Southern Iowa (see 1927 Manual, page 1315).

The Company owns and operates hydro-electric generating plants at Anamosa, Oxford Junction, Manchester (2), Monticello, Hopkinton, Redfield and Tanora. Through stock ownership it controls the Eastern Iowa Power Company, which operates a modern hydro-electric plant at Maquoketa, Iowa. Gas plants are operated at Fairfield and Atlantic. The Company also owns steam generating plants at Guthrie Center, Marengo, Maquoketa and Fairfield, which are maintained as reserve plants. The Company has constructed and acquired high tension transmission lines totaling approximately 750 miles, serving over 100 cities and towns.

CAPITAL STOCK

Authorized, $1,500,000 Common and $2,000,000 Pfd.; outstanding, Dec. 31 1927, $478,825 Common, $1,476,-655.22 Series "A" 7% cumulative Pfd., and $150,783.40 Series "B" 6½% cumulative Pfd., par $100. Outstanding Common stock includes a conversion of Gold Debenture Notes at March 1, 1928 amounting to $187,500.

Preferred Stock Provisions—Has preference for assets and cumulative dividends and is subject to call at 103 and dividend on any dividend date.

Transfer Agent—Company's office, Cedar Rapids, Iowa.

Annual Meeting—Last Tuesday in January.

Dividends—Dividends on Pfd. have been fully paid to date; payments made quarterly, J, A, J & O 1. Dividends on Common have been paid as follows: 1914, 1¼%; 1915, 3%; 1916, 23¾%; 1917, 5%; 1918, 3%; none in 1919, 1920 and 1921; 1922, 4⅓%; 1923, 7⅓%; 1924, 10 1/3%; later dividends not reported.

FUNDED DEBT

(1)

$1,166,500 IOWA ELECTRIC COMPANY FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1934

Dated July 1, 1914.

Interest Payable January and July 1, at the Chicago Title and Trust Co., Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000, principal may be registered.

Trustee—Chicago Title and Trust Co., Chicago, Ill.

Provisions of Issue—Authorized amount, unlimited; issued, $2,843,400, of which $1,662,700 pledged under First Lien and Refunding Mortgage and $1,166,500 outstanding with public Dec. 31, 1927. Additional bonds may be issued from time to time to reimburse the Company up to 80% of the cost of permanent extensions and additions, and for acquiring other public utility corporations in its territory, provided the net earnings of the Company for the period of 12 consecutive calendar months ending not more than 60 days prior to the date of such application shall

have been at least 1¾ times the annual interest charge on all bonds outstanding, including those to be issued. All bonds which are issuable subsequent to May 1, 1924, are to be pledged under the First Lien and Refunding Mortgage.

Callability—These bonds were callable on any interest payment date during the years 1915 to 1919, inclusive, at 103 and accrued interest; during the years 1920 to 1924, inclusive, at 102 and accrued interest; and may be called during the years 1925 to 1929, inclusive, at 101 and accrued interest; and during the year 1930 and thereafter without premium.

Sinking Fund—On the first day of March in each of the years 1918 to 1923, inclusive, cash equal in each case to 1%; on the first day of March in each of the years 1924 to 1928, inclusive, cash equal to 2%; and on the first day of March in each of the years 1929 to 1933, inclusive, cash equal in each case to 3% of the aggregate par value of all bonds of the issue secured by said indenture (1) which on said respective dates of deposit shall have been outstanding for a period of 90 days prior thereto, and (2) which may be reserved with the Trustee under the provisions of the said indenture for the purpose of retiring bonds or other evidences of indebtedness secured by a lien or liens prior to that of the said indenture on the mortgaged property or any part thereof. Said payment may be made by the Company in cash or the deposit of bonds, the payment of which is secured by the Trust Indenture, said bonds to be accepted at par and accrued interest.

Said Special Trust Fund shall be held by the Trustee as part of the mortgaged property and shall be paid out from time to time, upon checks or drafts drawn by the Company for any of the following purposes: (a) The purchase, payment, or redemption of bonds hereby secured at a price not exceeding par, accrued interest and a premium upon the principal thereof not to exceed the premium at which bonds can be called for redemption upon that date; such bonds so purchased, paid or redeemed, to be cancelled by the Trustee and delivered to the Company; or (b) the payment of the reasonable cost of permanent extensions and additions made or acquired of and to the plants, properties and equipment of the Company, including renewals and replacements of property to the extent only that the cost thereof shall exceed the original cost of the property renewed or replaced, excluding expenditures previously made the basis for the issuance of bonds or the withdrawal of cash under any provision of said indenture.

Security—These bonds are secured by a first mortgage on all steam electric generating plants, hydro-electric generating plants, gas plants, transmission lines, distribution systems and all other property, rights, franchises, etc., which the Company may own or acquire under the terms of the indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Andrew Cooke and Theodore S. Chapman, both of Chicago, and John A. Reed, of Cedar Rapids, Iowa.

Original Offering—First publicly offered ($100,000) June 1, 1915, by Lawrence Mills & Co., Chicago, at 99 and interest; additional block offered in March, 1917, by the same firm at 102 and interest.

(2)

$72,500 HAWKEYE ELECTRIC POWER COMPANY FIRST MORTGAGE 7% FIVE-YEAR GOLD BONDS, SERIES "A"; MATURED AND PAID OFF MARCH 1, 1928

(3)

$1,780,500 IOWA ELECTRIC COMPANY FIRST LIEN AND REFUNDING MORTGAGE SERIES "A" 6% GOLD BONDS; DUE MAY 1, 1949

Dated May 1, 1924.

Interest Payable May and November 1, at Central Trust Company of Ill., Chicago, Ill.

Denominations—Coupon $100, $500 and $1,000 principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorization unlimited, and may be issued in series with varying provisions in respect to maturity, rate of interest, redemption, premium and payment of income taxes. Outstanding a Dec. 31, 1927, $1,780,500 Series "A" 6s and $368,50(Series "B" 5s. Additional bonds may be issued from time to time to reimburse the Company up to 80% of the actual cash expenditures made for physica property additions to the system made or acquire subsequent to April 30, 1924, provided the net earnings of the Company for the 12 consecutive calenda months ending not more than 90 days prior to th date of such application shall have been at least 1¾ times the annual interest charge on all bonds out standing, including those applied for.

Callability—Subject to call on any interest paymen date on 30 days' published notice at par and accrue interest, plus a premium of 5% less 1% for each pe riod of five years elapsed subsequent to and includin May 1, 1924, but without premium on and subsequen to May 1, 1947.

Sinking Fund—On the first day of May in each yea beginning May 1, 1925, and continuing so long as an bonds shall be outstanding under said indenture, cas in an amount by which, if any (1) an amount equa to 12½% of the gross earnings as shall exceed th total actual cash expenditures made during such pe riod for maintenance, repairs, renewals, or replace ments of the plants and properties constituting th System, not including, however, that part of any ex penditures for renewals or replacements which is i excess of the original cost of the property renewe or replaced. The Trustee is authorized and empow ered on its initiation or on that of the Company, b agreement with the Company, and not otherwis from time to time to revise and redetermine the pe centage of gross earnings and to fix for succeedin calendar years a new and different percentage of gro earnings, either greater or less than 12½%, or grea er or less than any subsequently determined percen age. No revision shall be made prior to November 1928 and no revision shall be made thereafter withi five years from the last previous revision.

The Special Trust Fund shall be held by the Tru tee as part of the mortgage property and shall b paid out from time to time, upon checks or draf drawn by the Company for any of the following pu poses:

(a) Maintenance, repairs, renewals and replac ments of the plants and properties of the system mad subsequent to Dec. 31, 1923, not including that pa of any expenditure for renewals and replacement which is in excess of the orginal cost of the propert renewed or replaced, provided, however, that suc expenditures have not previously been made the bas for the issuance of bonds or the withdrawal of cas under this article, and have not previously been use in calculating the amounts to be paid to the sa special trust fund as provided by this article;

(b) Reimbursement to the Company for net bon able expenditures made subsequent to April 30, 192 except that cash may be withdrawn for the fu amount of such expenditures and without regard earnings, provided, however, that such expenditur have not previously been made the basis for the i suance of bonds or the withdrawal of cash under an of the provisions of this indenture;

(c) The purchase from time to time of bonds i sued under said indenture at not exceeding par, an not including accrued interest, which bonds shall b delivered to the Trustee to be held by it uncancell as part of such fund;

(d) The purchase or redemption, at not exceedin par and including accrued interest of bonds issu under said indenture, on account of which no bon

all have been issued, credit taken or cash withdrawn under any provision of said indenture, such nds so purchased or redeemed to be cancelled by the ustee and delivered to the treasurer of the Company upon his order.

(e) The purchase or the redemption of underlying nds, at not exceeding par, and not including accrued erest, on account of which no bonds shall have en issued, credit taken or cash withdrawn under y provisions of said indenture, bonds so purchased redeemed to be cancelled;

(f) Payments made to retire or to provide for the irement of underlying bonds under the sinking nd provisions of the mortgages securing such bonds ot including any part of any such payment exceeding par of the bonds retired or intended so to be, and t including any accrued interest on such bonds) on count of which no bonds shall have been issued, dit taken or cash withdrawn under any provision this indenture; or

(g) Payments made to any fund established for te maintenance, repair, renewal and replacement of operties constituting any part of the system under y other underlying mortgage.

Security—Secured by a mortgage on all the properties of the Company, subject, however, to the prior n and charge of the First Mortgage of the Company to Chicago Title & Trust Co., dated July 1, 1914, and all indentures supplemental thereto, and further by the deposit of $1,662,700 Iowa Electric Co. First Gold 6s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago, Ill.

(4)

$368,500 IOWA ELECTRIC COMPANY FIRST LIEN AND REFUNDING MORTGAGE SERIES "B" 5% GOLD BONDS; DUE DECEMBER 1, 1950

Dated December 1, 1925.

Interest Payable June and December 1, at Central Trust Company of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Same as for Series "A" 6s described above.

Callability—Subject to call on any interest payment date upon 30 days' published notice plus a premium of 5% in case of redemption of any such bonds prior to Dec. 1, 1930; thereafter to and including Dec. 1, 1940, of 3%; and without premium in case of any such redemption on or subsequent to Dec. 1, 1940.

Sinking Fund, Security, Tax Provisions and Legal Opinion—Same as for Series "A" 6s described above.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
oss earnings	$1,193,660	$1,136,941	$972,068	$802,349	$758,608	$701,674
erating expenses and taxes	698,124	659,081	626,740	511,884	503,292	491,899
Net operating revenue	$495,536	$477,860	$345,328	$290,465	$255,316	$209,775
erest charges	239,333	229,965	208,428	167,722	148,346	147,826
t income	$256,203	$247,895	$136,900	$122,743	$106,970	$61,949
eferred dividends	109,553	92,168	59,914	35,473	26,763	22,060
rplus for Common dividends, etc.	$146,658	$155,727	$76,986	$87,270	$80,207	$39,889
nes Interest Earned	2.07	2.07	1.66	1.70	1.72	1.42

NOTE—The foregoing statement includes earnings from properties acquired only for that portion of the years during ich they constituted a part of the system of the Company.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
operty accounts	$4,929,079	$4,615,909	$4,318,505	$3,477,642	$2,957,178	$2,634,027
king funds	.....	10,000	.....	1,339	2,562	1,171
cks, bonds and other investments	785,650	76,009	45,498	34,039	47,461	33,373
aterials and supplies	142,125	169,528	161,833	141,954	147,106	99,815
sh	*15,082	169,392	97,213	54,592	65,724	48,474
counts and notes receivable	296,529	988,172	636,052	378,632	159,195	103,964
scellaneous items	39,884	17,830	23,378	62,265	34,137	8,774
ferred debit items	233,263	234,903	217,803	200,781	125,932	120,628
Total	$6,411,448	$6,281,743	$5,500,282	$4,351,244	$3,539,295	$3,050,226
Liabilities—						
pital stock	†$2,106,074	$1,853,278	$1,391,772	$884,007	$725,018	$546,861
nded debt	3,388,000	3,226,800	2,834,300	2,227,900	1,677,000	1,538,700
her funded debt	42,873	76,567	170,862	175,667	157,812	122,000
ans and notes payable	†351,260	623,110	690,735	628,560	567,310	453,950
rrent liabilities	231,429	183,697	164,842	193,635	200,664	240,479
crued liabilities	95,262	107,302	97,590	77,057	62,616	60,465
scellaneous items	18,678	7,496	6,198	18,077	21,163	19,679
serves	122,619	141,043	101,116	110,754	82,184	42,637
rplus	55,253	62,450	42,867	35,587	45,528	25,455
Total	$6,411,448	$6,281,743	$5,500,282	$4,351,244	$3,539,295	$3,050,226

*Overdraft. †Giving effect to conversion of $187,500 Gold Debenture Notes into Common stock at March 1, 1928.

Officers: Isaac B. Smith, Pres.; Sutherland Dows, -P.; John A. Reed, V-P. & Gen. Mgr.; Charles H. oy, V-P.; C. S. Woodward, Sec. & Treas.; Carl B. yers, Gen. Aud.; Ray Ingham, Gen. Supt., Cedar apids, Iowa.

Directors: Isaac B. Smith, John A. Reed, Sutherland Dows, Chas. H. Foy, Ernest R. Moore, C. S. Woodward, Lumir Severa, H. J. Lamb, R. S. Cook, Robert I. Safely, S. G. Armstrong, Cedar Rapids, Iowa.

General Office, Cedar Rapids, Iowa.

EASTERN IOWA POWER COMPANY

(Controlled by Iowa Electric Company)

History—Incorporated March 16, 1922 in Iowa as aquoketa Hydro-Electric Power Co. for the purpose acquiring and developing the water power at Lakeirst, near Maquoketa, Ia.; name subsequently anged to above. Company owns and operates a foot dam and a modern 1500 k.v.a. capacity hydroectric plant and transmission line tying in with the wa Electric Co. transmission system, near Maquoketa, constructed during 1923 and placed in operation Feb. 10, 1924. Company has a contract with Iowa Electric Co. for the sale of all electrical energy generated.

CAPITAL STOCK

Authorized, $150,000 Common and $300,000 (increased from $150,000 in 1927) 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $108,100 Common and

$44,650 Pfd. Majority of the stock owned by Iowa Electric Co.

Dividends—Pfd. dividends regularly paid since issuance.

FUNDED DEBT

$310,000 First (closed) Mortgage Gold 6½s; dated March 1, 1923; due March 1, 1943; int. March and Sept. 1, at Illinois Merchants Trust Co., Chicago, Trustee, or at office of Ames, Emerich & Co., New York.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Callability—Subject to call on 30 days' notice, on or after March 1, 1933, at 105 and accrued interest, plus ½ of 1% for each year or fraction thereof subsequent to such date and prior to Sept. 1, 1942, and thereafter at par and accrued interest.

Guaranty—Payment of both principal and interest on these bonds in case of default is unconditionally guaranteed by the Iowa Electric Co.

Security—Secured by a first mortgage on entire equipment and property of company at the Lakehurst plant.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago, Ill.

Original Offering—First publicly offered ($350,000) in July, 1923, at 97½ and interest, to yield 6.75%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$44,904	$61,868	$52,3
Operating expenses & taxes	13,319	14,762	11,0
Net earnings	$31,585	$47,106	$41,2
Interest charges	19,361	23,313	28,4
Net income	$12,224	$23,794	$12,8
Preferred dividends	3,168	2,879	2,5
Surplus	$9,056	$20,915	$10,2

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property	$497,607	$448,313	$446,3
Investments	3,870	.....	.....
Current assets	921	27,528	11,5
Cash	4,404	3,642	4,8
Deferred debit items	23,195	24,673	27,3
Borrowed securities pledged	.....	.....	27,0
Total	$529,997	$504,156	$517,2
Liabilities—			
Capital stock	$154,750	$152,750	$105,6
Funded debt	310,000	310,000	310,0
Loans and notes payable	4,600	5,400	32,2
Current liabilities	43,406	408	23,4
Accrued liabilities	8,371	10,274	8,3
Reserves	8,870	25,324	10,5
Borrowed securities	.....	.....	27,0
Total	$529,997	$504,156	$517,2

Officers: A. A. Hurst, Pres.; C. L. Ely, V-P.; E. I Brown, V-P.; J. E. Anderson, Sec. & Treas.; H. I Hubbell, Asst. Treas.; W. L. Keck, Counsel.

Office, Maquoketa, Iowa.

THE UNITED GAS IMPROVEMENT COMPANY

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	*Earning per Sha
Common (par, $50)	J, A, J & O 15	$300,000,000	†$106,504,375	$12,934,457	8	$8,144,072	‡$6.2

*After adding profit from operation of Philadelphia Gas Works. †Includes $14,475 scrip certificates for fractional share of stock. ‡Based on average capital stock outstanding.

History—On June 1, 1882, United Gas Improvement Company was incorporated under the general corporation act of Pennsylvania. On May 2, 1885 the purchasers of the franchises and rights of "Union Contract Company," a Pennsylvania company organized under a special act approved Dec. 31, 1870, organized a Pennsylvania corporation named "Union Company." On April 16, 1888, the name of the "Union Company" was changed to "The United Gas Improvement Company" and on March 31, 1889 the business and property of "United Gas Improvement Company" was sold and transferred to "The United Gas Improvement Company." On Aug. 21, 1925, "The American Gas Company," a Pennsylvania corporation owning more than a majority of the shares of stock of "The American Gas Company," a New Jersey corporation was merged into "The United Gas Improvement Company."

The nature and character of the business transacted by the Company may be generally described as follows: investments in securities of gas, electric, street railway and other companies; the management and operation of gas and electric properties; and general engineering work of all kinds in connection with such properties.

ADDITIONAL INTERESTS RECENTLY ACQUIRED

In accordance with policy of Directors to consolidate or group properties, and sell or exchange isolated properties, considerable has been accomplished as evidenced by the following transactions:

Day and Zimmermann, Inc.—At stockholders meeting Sept. 15, 1927, authorized capital stock of The United Gas Improvement Company was increased from 2,036,528 shares of $50 par value to 2,130,088 of the same par value. Of this additional stock 55,099 shares were issued in exchange for 58,980 shares of the no par value Common stock and 2,017 shares of the no par value Pfd. stock of Day and Zimmermann, Inc. By this exchange Company acquired a controlling interest in Day and Zimmermann, Inc.

The Connecticut Gas & Coke Securities Co. and The Hartford Gas Company—The balance of the additional stock authorized Sept. 15, 1927, 38,461 share was issued in exchange for 3,656 shares of The Hartford Gas Co. and for 204,481 shares, or 68.3% of th no par value Common stock and 8,361 shares of th no par Pfd. stock of The Connecticut Gas & Coke Securities Co., which owns practically all of the Capital stock of New Haven Gas Light Company and 14 000 shares of the Common stock of The Hartford Ga Company. The United Gas Improvement Compan also acquired 300 additional shares of the Commo stock of The Hartford Gas Company by purchase i connection with the exchange and 660 shares throug stock subscription rights.

The Philadelphia Electric Company.—Committee appointed by directors of The United Gas Improvement Company and directors of The Philadelphi Electric Company agreed upon a plan providing fo exchange of stock of The Philadelphia Electric Com pany for the stock of The United Gas Improvemer Company on the basis of two shares, par $25 of th stock of The Philadelphia Electric Company for on share, par $50, of the stock of The United Gas Improvement Company. At a meeting on Dec. 7, 192 authorized stock of The United Gas Improvemen Company was increased from 2,130,088 shares to 6 000,000 shares, and the issuance of 1,859,061 share or any part thereof, in exchange for the stock of Th Philadelphia Electric Company on the basis abov stated was authorized. The Public Service Commis sion of Pennsylvania gave its approval to the acquisi tion by Company of more than a majority of the share of stock of The Philadelphia Electric Company; th plan has been consummated and 3,553,464 shares, o more than 95% of the stock of The Philadelphia Elec tric Company has been exchanged for the stock o Company.

Delaware Electric Power Company—There was ac quired in February, 1928, from the American Electri Power Corp., the Delaware Electric Power Compan and several small affiliated companies adjacent theret and operated by the Delaware Company, on a basis o exchange and other considertion for properties i

Iwa, namely, Sioux City Gas & Electric Co. and subsiaries, and Iowa Public Service Co.

Jnited Engineers & Constructors Inc.—Incorporad January 31, 1928, in Delaware, comprising the sosidiaries engaged in the handling of engineering ad construction work of the following companies: Je United Gas Improvement Company (The U. G. I. Ontracting Co.), Public Service Corp. of New Jersey (ublic Service Production Company), and Day and Zmmermann, Inc. (Day and Zimmermann, Engineerig and Construction Co.) Negotiations resulted in the aquisition of controlling interest in Dwight P. Robson & Co., Inc., which also became a part of the new Ompany. Participation in the United Engineering & Onstructors Inc., is on a basis which gives to The Jnited Gas Improvement Company a controlling interest.

HOLDINGS DISPOSED OF

(During Year 1927)

New England Power Association—Common stock Holdings were sold.

Rockford (Illinois) Gas Light & Coke Co.—Controlling interest was sold to Central Public Service Corp.

(Since January 1, 1928)

National Public Service Corp.—Minority interest in Class "B" Common stock sold.

Bangor (Maine) Gas Light Co.—Holdings were sold to American Commonwealths Power Corp.

Des Moines (Iowa) Gas Co.—Holdings sold to North American Light & Power Co.

The Petersburg (Virginia) Gas Co.—Holdings sold to American Electric Power Corp.

Pensacola (Florida) Gas Co.—Holdings sold in exchange for securities of Southeastern Power & Light Co.

St. Augustine (Florida) Gas & Electric Light Co.—Holdings sold to American Commonwealths Power Corp.

Savannah (Georgia) Gas Co.—Holdings sold to American Commonwealths Power Corp.

Iowa Public Service Co. and Sioux City (Iowa) Gas & Electric Co. and subsidiaries—Exchanged for Delaware Electric Power Co. and certain other subsidiaries of American Electric Power Corp.

CONSOLIDATIONS AND MERGERS

The Counties Gas & Electric Co. and Philadelphia Suburban Gas & Electric Co.—These two properties and sixteen smaller companies, furnishing gas and electric service principally in Bucks, Montgomery, Chester and Delaware Counties, Eastern Pennsylvania, were merged into Philadelphia Suburban-Counties Gas & Electric Co. and placed under one operating organization as of May 3, 1927.

Central Iowa Power & Light Co. and Iowa Light, Heat & Power Co.—These companies, serving electric light and power to 200 communities in western and north central Iowa, were acquired by Iowa Public Service Co. as of May 1, 1927, which Company was organized for that purpose. Holdings in the Iowa Public Service Company were subsequently disposed of as previously referred to.

The Company is interested in the following public utility holding and operating companies as of April 2, 1928:

Allentown-Bethlehem (Pa.) Gas Company
Controlling:
Highland Gas Company, Quakertown, Pa.
American Gas Company (The), Philadelphia, Pa.
Controlling:
Burlington (Vt.) Light and Power Company
Luzerne County Gas and Electric Corporation, Kingston, Pa.
American Power Company, Delaware City, Delaware
American Public Utilities Company, Chicago, Illinois
Controlling:
Albion (Mich.) Gas Light Company
Central Indiana Power Company
Holland (Mich.) Gas Works
Utah Gas and Coke Company, Salt Lake City, Utah
American Superpower Corporation, New York City
Chester County Light and Power Company, Kennett Square, Pa.
Concord (N. H.) Gas Company
Connecticut Electric Service Company (The), Hartford, Conn.
Controlling:
Connecticut Light and Power Company (The)
Eastern Connecticut Power Company (The)
Ousatonic (Conn.) Water Power Company
Connecticut Gas and Coke Securities Company (The), New Haven, Conn.
Controlling:
New Haven (Conn.) Gas Light Company
Consumers Gas Company, Reading, Pa.
Delaware Bus Company, Wilmington, Delaware
Delaware Electric Power Company, Wilmington, Delaware
Controlling:
Chester and Eddystone Street Railway Company
Delaware Electric Transmission Company
Peoples Railway Company
Southern Pennsylvania Traction Company
Wilmington Amusement Parks Company
Wilmington Light and Power Company
Wilmington, New Castle and Delaware City Railway Company
East Penn Gas Light Company, Emaus, Pa.
Harrisburg (Pa.) Gas Company (The)
Hartford (Conn.) Gas Company (The)
Kansas City (Mo.) Gas Company
Lebanon Valley (Pa.) Gas Company
Manchester (N. H.) Gas Company
Midland Utilities Company, Chicago, Illinois
Controlling:
Berrien Gas and Electric Company
East Chicago Gas Company
Chicago, South Shore and South Bend Railroad
Gary Railways Company
Hillsdale County Electric Company
Indiana Service Corporation
Kokomo Gas and Fuel Company
Northern Indiana Public Service Company
Rockford Light and Power Company
West Ohio Gas Company
Minneapolis (Minn.) Gas Light Company
Mohawk Hudson Power Corporation, Albany, New York
Controlling:
Eastern New York Utilities Corporation
New York Power and Light Corporation
Seneca River Power Company
Syracuse Lighting Company Inc. (The)
Utica Gas and Electric Company
Nashville (Tenn.) Gas and Heating Company
New Castle County Electric Company, Wilmington, Delaware
Northeastern Power Corporation, New York City
Controlling:
Oswego River Power Corporation
Power Corporation of New York
Philadelphia (Pa.) Electric Company (The)
Controlling:
Philadelphia Electric Power Company
Delaware County Electric Company
Susquehanna Utilities Company
Philadelphia Suburban-Counties Gas and Electric Company, Norristown, Pa.
Controlling:
Wayne (Pa.) Steam Heat Company
Philadelphia (Pa.) Gas Works Company (The)
Public Service Corporation of New Jersey, Newark, New Jersey
Controlling:
Public Service Electric and Gas Company
Public Service Co-ordinated Transport
Public Service Stock and Bond Company
Southeastern Power and Light Company, Birmingham, Ala.
Controlling:
Alabama Power Company
Georgia Power Company
Gulf Electric Company
Mississippi Power Company
South Carolina Power Company
Southeastern Fuel Company
Southern Pennsylvania Bus Company, Chester, Pa.
Wyandotte County (Kansas) Gas Company (The)

The Company, in addition to its interests in the companies previously shown, operates under agreement:
Philadelphia Gas Works (owned by the City of Philadelphia)
Northern Liberties Gas Company, Philadelphia, Pa.
Erie County (Pa.) Electric Company.

Owns a controlling interest in the following companies:
Welsbach Company, Gloucester, New Jersey (see Industrial Manual).

Manufacturers of gas mantles, gas heaters, gas water heaters, street lamps, electric refrigerators, etc.

United Engineers & Constructors, Inc., Philadelphia, Pa. (see Industrial Manual).
Controlling:
U. G. I. Contracting Company (The)
Day and Zimmermann Engineering and Construction Company
Public Service Production Company
Dwight P. Robinson & Company, Incorporated
Which companies do an extensive construction and general engineering business, including plans and construction of gas, electric and industrial plants; government construction; a wide variety of general structures such as hotels, hospitals, apartments and port terminal development; construction and maintenance of highways and bridges and dams and hydro-electric developments.
Ugite Sales Corporation, Philadelphia, Pa.
Purchases and sales of residuals of coal by-products.
Day and Zimmermann, Incorporated, Philadelphia, Pa.
Controlling:
Day and Zimmermann Securities Corporation
Day and Zimmermann Foreign, Incorporated
The Day and Zimmermann Securities Corporation holds substantial stock interest in the following utility companies, management of which is supervised by the Day and Zimmermann organization:
General Public Utilities Company, Miami, Florida.
Controlling:
Consolidated Power and Light Company of South Dakota
Dakota Power Company (The)
Gothenburg (S. D.) Light and Power Company
Gulf Public Service Company (La.)
Nebraska Light and Power Company
Southwestern Public Service Company (N. M. & Ariz.)
Southern Ohio Public Service Company, Zanesville, Ohio.

The Philadelphia Gas Works Company Charter—During 1927 The United Gas Improvement Company caused The Philadelphia Gas Works Company to be chartered and assigned to it The United Gas Improvement Company's lease with the City of Philadelphia, which became effective January 1, 1928, for the management of the municipal gas works of the City of Philadelphia. The United Gas Improvement Company owns all the stock of The Philadelphia Gas Works Company and the operation of The Philadelphia Gas Works through this subsidiary is arranged for in the contract between The United Gas Improvement Company and the City of Philadelphia.

The Equitable Illuminating Gas Light Compan controlled by The United Gas Improvement Co. is r longer operating. Its First Mortgage 5% Gold bond due January 1, 1928, were paid off at maturity, leavin it without funded debt. For last published statemer see 1927 Public Utility Manual, page 2215.

CAPITAL STOCK

Authorized, $300,000,000 (increased from $101,826 400 to $106,504,400 Sept. 15, 1927 and to $300,000,0 on Dec. 7, 1927); outstanding, Dec. 31, 1927, $10 489,900 (increased to $195,189,550 as of March 1, 192 par, $50. In addition, there were also outstanding c Dec. 31, 1927, $14,475 scrip certificates for fraction shares, representing scrip issued in connection wit payment of stock dividend which on Dec. 21, 1927, ha not been converted into stock.

Transfer Office—Board and Arch Streets, Phil delphia, Pa.

Registrar—Fidelity-Philadelphia Trust Co., Phil delphia.

Annual Meeting—First Monday in May.

Listed—Philadelphia Stock Exchange.

Price Range—

Common—	1927	1926	1925	1924	1923	1922	1921	192
High	118½	144½	124⅞	90⅞	59⅛	55¾	41½	57
Low	89	81¼	90½	58⅝	47¼	38	29	26

Dividends—The initial quarterly Preferred dividen of 1¾% was paid September 15, 1920, and continue at the same rate to June 15, 1925, when this stock wa redeemed. Common dividends were paid at 6% in 18 and 1886; 7% in 1887; 8% from 1888 through 1920; 4 was paid in 1921 and 1922; 6% in 1923; 7% in 1924; 8 from 1925 through 1927; 2% each in January and Apri 1928; payments quarterly, J, A, J & O 15.

An extra dividend of 15% was paid on Jan. 15, 189 in convertible scrip, and 10% extra dividend in th same on March 1, 1910. An extra cash dividend of 2% representing $1 per share, was paid on April 14, 192 and 3% representing $1.50 per share, was paid on Jul 15, 1925. A stock dividend of 25% was paid on No 15, 1926, to holders of record Oct. 15, 1926.

COMPARATIVE STATEMENT OF PROFIT AND LOSS, YEARS ENDED DECEMBER 31

Earnings—	1927	1926	1925	1924	1923	1922
From regular sources	$12,124,365	$10,320,578	$9,955,285	$9,326,510	$8,483,135	$7,767,3
Profit from sale of securities	1,814,926	742,233	37,466	235,933	18,288	....
Total earnings	$13,939,291	$11,062,811	$9,992,751	$9,562,443	$8,501,423	$7,767,3
Expenses—						
Taxes, salaries and expenses	$1,633,846	$1,964,803	$1,476,620	$1,310,707	$1,247,346	$1,093,4
Disc. int. and prem. on gold notes	.....	.....	.....	.....	.....	344,2
Total expenses	$1,633,846	$1,964,803	$1,476,620	$1,310,707	$1,247,346	$1,437,6
Profits or year before deduction of loss or additions to income from operation of Philadelphia Gas Works	$12,305,445	$9,098,007	$8,516,131	$8,251,736	$7,254,077	$6,329,7
Profit from oper. of Philadelphia Gas Works	629,012	244,607	†414,455	†154,480	†820,121	†895,6
Net profits for year	$12,934,457	$9,342,614	$8,101,676	$8,097,256	$6,433,956	$5,434,0
Preferred dividends	.....	.....	$231,417	$427,236	$427,237	$427,2
Common dividends	$8,144,072	$6,516,888	*$5,250,665	$4,272,204	$3,661,788	$2,441,1
Total dividends	$8,144,072	$6,516,888	$5,482,082	$4,699,440	$4,089,025	$2,868,4
Balance to undivided profit account	$4,790,385	$2,825,726	$2,619,594	$3,397,816	$2,344,931	$2,565,6
‡Earnings Per Share—						
Preferred	§	§	§	$66.33	$52.71	$44.
Common	‖$6.28	‖$5.55	‖$5.93	6.28	4.92	4.

*$5,291,010, less interest adjustment on Capital stock subscriptions, $40,345—balance, $5,250,665. ‡After including profit loss from operations of Philadelphia Gas Works. †Loss or deficit. §All retired. ‖Based on average amount of capital sto outstanding.

NOTE—The above net profits do not include the proportionate interest of The U. G. I. Co. in the undistributed n profits of Companies in which it owns a majority of the Common stock, which were not paid out in dividends but we retained as undivided profits by such Companies and their subsidiaries.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Stocks, bonds and other investments at cost	$97,983,920	$89,899,783	$86,768,991	$72,716,320	$73,466,567	$70,547,1
Invest. in Philadelphia Gas Works, exclusive of working capital	24,241,947	23,095,942	21,923,467	20,769,410	19,312,729	18,194,7
Working capital, Philadelphia Gas Lease	6,517,901	5,992,159	6,026,601	5,681,248	5,208,815	4,349,1
Liberty bonds and Treasury notes	.....	.....	.....	786,338	785,338	1,843,2
Real estate	.....	35,342	68,713	1,001,260	1,050,412	1,075,6
Cash	6,451,684	7,787,169	8,094,365	7,495,153	4,440,883	6,356,1
Accounts and bills receivable	1,922,367	1,803,793	2,849,523	1,409,781	1,606,728	1,388,8
Coupons and guar. divds. (accrued, not due)	647,396	628,099	590,713	500,117	696,894	532,5
Storeroom material	53,630	46,354	43,232	46,196	46,204	94,1
Philadelphia Gas Lease sinking fund securities	25,158,540	23,150,100	20,857,400	18,357,080	15,979,200	13,712,2
Total	$162,977,385	$152,438,741	$147,223,005	$128,762,903	$122,602,770	$118,093,7

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Capital stock	$106,489,900	$101,784,700	$81,461,100	$67,132,800	$67,132,800	$67,132,800
Scrip ctfs. for fractional shares of stock	14,475	41,675	.....	.....	.....	.....
Taxes (accrued but not due)	590,886	575,000	190,000	339,001	287,240	279,179
Sundry accounts	151,268	1,602,459	1,560,914	242,743	62,800	69,714
Philadelphia Gas Lease accrued rental	1,673,060	1,690,302	1,629,141	1,583,390	1,552,536	1,503,350
Philadelphia Gas Lease sundry creditors	1,210,465	696,065	1,086,497	848,332	726,447	879,730
Philadelphia Gas Lease reserve to retire plant investment	25,158,540	23,150,100	20,857,400	18,357,080	15,979,200	13,712,200
Philadelphia Gas Lease uninvested accretions of sinking fund	10	44	8	12	18	22
Undivided profits	27,688,781	22,898,396	40,437,945	40,259,545	36,861,729	34,516,798
Total	$162,977,385	$152,438,741	$147,223,005	$128,762,903	$122,602,770	$118,093,793

NOTE—The Company is guarantor of the bonds of the following Companies: New Gas Light Co. of Janesville, Wis., $8,500; Nashville Gas & Heating Co., $1,976,000—total, $2,204,500. A majority of the capital stock of the latter company is owned by The United Gas Improvement Co. and represents a substantial equity in both the investment and earning value of this property. Holdings of the capital stock in the former company were sold.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$6,451,684	$7,787,169	$8,094,365	$7,495,153	$4,449,883	$6,356,102
Accounts and bills receivable	1,922,367	1,803,793	2,849,523	1,409,781	1,606,728	1,388,843
Coupons and guaranteed dividends (accrued but not yet due)	647,396	628,099	590,713	500,117	696,894	532,562
Storeroom material	53,630	46,354	43,232	46,196	46,204	94,144
Liberty bonds and Treasury notes	.....	.....	.....	786,338	785,338	1,843,266
Total	$9,075,077	$10,265,415	$11,577,833	$10,237,585	$7,585,047	$10,214,917
Current Liabilities—						
Taxes accrued	$590,886	$575,000	$190,000	$339,001	$287,240	$279,179
Sundry accounts	151,268	1,602,459	1,560,914	242,743	62,800	69,714
Total	$742,154	$2,177,459	$1,750,914	$581,744	$350,040	$348,893
Net Working Capital	$8,332,923	$8,087,956	$9,826,919	$9,655,841	$7,235,007	$9,866,024

Officers: Arthur W. Thompson, Pres.; Paul Thompson, V-P. (Pres., The Philadelphia Gas Works Co.); Philip H. Gadsden, V-P. (in charge of public relations and publicity); William W. Bodine, V-P. (in charge of finance and Chairman management group); James C. Hutchings, V-P. (in charge of engineering development); Fred J. Rutledge, V-P. (in charge of promotion and sales); George W. Curran, V-P. (in charge of accounting), Compt. & Sec.; Joshua A. Pearson, V-P. (in charge of purchases and general purchasing agent of subsidiary companies); John B. Klumpp, V-P. in charge of special reports and investigations); Joseph A. Perry, Mgr. gas and electric operations; Garfield Scott, Gen. Counsel; I. Wistar Morris, Treas.; E. E. Hamilton, Asst. V-P.; Edward Porter, Gen. Aud.

Directors: Samuel T. Bodine, Chairman of Board; Morris L. Clothier, Charles Day, Thomas S. Gates, Effingham B. Morris, Jr., Edward T. Stotesbury, Morris W. Stroud, Arthur W. Thompson, William Wood, Philadelphia, Pa.; William C. Dickerman, New York City; Thomas N. McCarter, Newark, N. J.; Richard B. Mellon, Pittsburgh, Pa.

Office, N. W. Corner Broad and Arch Sts., Philadelphia, Pa.

ALLENTOWN-BETHLEHEM GAS COMPANY

(Controlled by The United Gas Improvement Co.)

History and Property—Incorporated Dec. 10, 1913, by Agreement of Merger and Consolidation between Bethlehem Consolidated Gas Company and The Allentown Gas Company. Controls the Highland Gas Company.

Company supplies artificial gas in the following communities: Allentown, Bethlehem, Catasauqua, Coplay, Fountain Hill, Fullerton, Salisbury Township, West Catasauqua, Bingen, Hellertown, Hokendauqua, Boro of Northampton, Lower Saucon Township, Freemansburg, North Catasauqua, Mountainville and Spring Valley.

Population served, 201,700. Franchises are perpetual, and except possibly in one or two minor instances, are exclusive.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Miles of mains	268.60	254.05	240.01
Output (cu. ft.)	1,140,689,900	1,104,237,700	975,758,300
No. of customers	34,904	33,085	31,284

CAPITAL STOCK

Authorized, $2,500,000 Common and $2,500,000 7% Cumulative Pfd.; outstanding, Dec. 31, 1927, $2,057,000 Common and $1,000,000 Pfd.; par of both issues, $50. Annual meeting, fourth Friday in January.

Dividends—On Pfd. stock 7% was paid in 1926 and 1927.

FUNDED DEBT

$1,430,500 FIRST MORTGAGE GOLD 5½s; DUE APRIL 1, 1954

Dated April 1, 1924

Interest Payable April and October 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized, open mortgage; issued $2,500,000 of which $2,430,500 outstanding Dec. 31, 1927. Additional bonds of this series as well as bonds of any other series subsequently authorized may be issued only for the purposes and under the conservative restrictions provided in the mortgage, which include the following: (a) For a principal amount not exceeding 75% of the cost or fair value, whichever is less, of physical plants or properties hereafter acquired by the company and of permanent additions, extensions, betterments and improvements, to the properties of the company now owned or hereafter acquired; provided that net earnings of the company as defined in the mortgage, for 12 consecutive calendar months out of the 15 next preceding calendar months shall have been not less than 1¾ times the annual interest charges on all underlying bonds (if any) and first mortgage bonds then outstanding together with those proposed to be issued. (b) To refund in whole or in part before, at, or after maturity, an equal principal amount of (1) bonds of this or other series issued under this mortgage; (2) bonds secured by prior mortgage or mortgages (closed except for pledge under this first mortgage) on property hereafter acquired by the company. Not more than 25% of the total amount of bonds at any time outstanding under this mortgage shall have been issued with respect to any plant or property or betterments thereto, as to which this mortgage is not at the time a first lien.

Callability—Subject to call as a whole or in part and for the sinking fund on any interest date on not less than 30 days' notice at premium of 6% on or before April 1, 1934; thereafter at premium of 5% on or before April 1, 1944; said premium to be reduced by one-half of 1% commencing Oct. 1, 1944, with a like additional reduction commencing on Oct. 1 of each year thereafter, the bonds being redeemable at par on Oct. 1, 1953; in each case with accrued interest.

Sinking Fund—Semi-annually, beginning Jan. 1, 1925, a sum equal to ½ of 1% of the total amount of bonds of this series outstanding for their purchase or redemption at not exceeding the prevailing call price. Bonds so acquired are to be cancelled.

Purpose of Issue—The proceeds from the sale of these $2,500,000 bonds were applied to the redemption or payment at maturity of $2,030,000 bonds, and (as to $470,000) to the retirement of a portion of the Company's floating debt incurred for past betterments and additions.

Security—A first mortgage on entire property of Company (except shares of stock, bonds and other securities unless specifically pledged) now owned and subject to existing prior liens (if any) on property hereafter acquired, for which additional bonds may be issued under the conservative restrictions contained in the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

Original Offering—First publicly offered ($2,500,000) in March, 1924 at 97 and interest, yielding over 5.70%, by Drexel & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,424,714	$1,368,336	$1,216,849	$1,135,583	$1,070,651	$947,034
Operating exp., taxes & retirement exp.	840,017	783,748	757,691	751,529	772,887	708,531
Net earnings	$584,697	$584,588	$459,158	$384,054	$297,764	$238,503
Income deductions	155,519	142,829	164,304	199,520	154,093	118,889
Net income	$429,178	$441,759	$294,854	$184,534	$143,671	$119,614
Preferred dividends	70,006	69,850	*	*	*	*
Balance available for divds. on Common stock & other corporate purposes	$359,172	$371,909	*	*	*	*

*Not previously reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$6,044,868	$5,342,363	$5,116,546	Common stock	$2,057,000	$2,057,000	$1,870,000
Investments	399,667	400,917	399,667	Preferred stock	1,000,000	1,000,000	981,400
Accounts receivable	104,305	108,927	90,858	Funded debt	2,430,500	2,453,500	2,477,000
Cash	44,266	55,032	26,417	Notes payable	410,000	.....	.....
Materials and supplies	79,825	82,401	76,612	Cash loans	180,000	.....	.....
Prepaid accounts	.....	1,308	2,238	Current liabilities	166,849	148,671	122,406
Unamortized debt discount	268,090	156,002	163,276	Accrued accounts	42,779	81,337	43,633
Deferred charges		121,962	143,951	Retirement reserves, etc.	425,461	465,511	440,464
Subs. to Pfd. capital stock	.....	.....	9,214	Pfd. capital stock subscrip.	.....	.....	9,214
Other assets	2,834	.....	.....	Profit and loss	231,266	62,893	84,662
Total	$6,943,855	$6,268,912	$6,028,779	Total	$6,943,855	$6,268,912	$6,028,779

Officers: J. A. Frick, Pres. & Gen. Mgr.; J. A. Perry, V-P.; J. T. Hutchings, V-P.; F. J. Rutledge, V-P.; I. W. Morris, Treas.; G. W. Curren, Sec., Philadelphia.

Directors: J. A. Frick, Allentown, Pa.; W. W. Bodine, J. B. Klumpp, Paul Thompson, P. H. Gadsden, Philadelphia.

Office, Allentown, Pa.

HIGHLAND GAS COMPANY

(Controlled by Allentown-Bethlehem Gas Co.)

History—Incorporated June 30, 1909, in Pa. Supplies Perkasie, Sellersville and Quakertown, Pa., with artificial gas. Population served, 13,100.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Miles of mains	42	41.4	.....
Sales (cu. ft.)	46,333,600	42,861,900	36,634,500
Number of customers	1,911	1,783	1,606

CAPITAL STOCK

Authorized, $500,000; outstanding, $444,500; par, $50. Annual meeting, third Tuesday in January.

Dividends—In 1927 $2.50 per share was paid.

FUNDED DEBT

$150,000 First Mortgage Gold 5s; dated July 1, 1911 due July 1, 1935; interest Jan. and July 1, at Quakertown Trust Co., Quakertown, Pa.; Trustee. Coupon $100 and $500. Authorized and issued, $150,000. Subject to call on any interest date at 105 and interest. A first lien on entire property. Company pays Norma Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$75,714	$68,522	$58,864	$53,183	$55,42
Operating expenses and taxes	35,114	35,588	32,378	29,305	34,21
Retirement expense	6,950	4,286	2,941	5,312	2,88
Net earnings	$33,650	$28,648	$23,545	$18,566	$18,32
Bond interest	7,500	7,500	7,500	7,500	7,20
Other deductions	1,101	980	978	975	1,55
Total charges	$8,601	$8,480	$8,478	$8,475	$8,76
Surplus for year	$25,049	$20,168	$15,067	$10,091	$9,56

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$713,220	$707,282	$694,929	Capital stock	$444,500	$444,500	$444,50
Materials and supplies	1,637	1,801	2,108	Funded debt	150,000	150,000	150,00
Cash	9,781	27,629	14,711	Accounts payable	3,292	2,877	2,11
Notes receivable	20,000	.....	.....	Other current liabilities	1,186	665	70
Account receivable	4,811	4,709	4,096	Reserve for depreciation	38,421	35,475	31,19
Other current assets	1,967	1,672	527	Other reserves	2,429	1,888	1,30
Deferred debit items	8,222	9,298	10,270	Surplus	119,810	116,986	96,81
Total	$759,638	$752,391	$726,641	Total	$759,638	$752,391	$726,64

Officers: J. A. Frick, Pres., Allentown, Pa.; F. J. ıtledge, V-P.; J. A. Perry, V-P.; G. W. Curran, :c., Phila., Pa.; H. F. Frey, Treas., Allentown, Pa.; R. Lewis, Supt., Quakertown, Pa.

Directors: W. W. Bodine, J. T. Hutchings, P. H. Gadsden, Paul Thompson, Philadelphia, Pa.; J. A. Frick, Allentown, Pa.

General Office, Allentown, Pa. **Operating Office,** Quakertown, Pa.

THE AMERICAN GAS COMPANY

(Controlled by The United Gas Improvement Company)

History—Incorporated Dec. 12, 1892, in New Jersy, under perpetual charter, to own, construct and erate gas and electric light plants.

Company formerly controlled and operated the following companies, interest in which was disposed of in 27 or early in 1928:

Bangor (Maine) Gas Light Company—Holdings ld to American Commonwealths Power Corp.

Iowa Public Service Co.—Securities exchanged for curities of Delaware Electric Power Company and rtain other subsidiaries of American Electric Power orp.

The Petersburg (Virginia) Gas Company—Holdings ld to American Electric Power Corp.

Philadelphia Suburban Gas & Electric Co.—Merged ith Counties Gas & Electric Co. and other smaller mpanies into Philadelphia Suburban Counties Gas Electric Co.

Rockford (Illinois) Gas Light & Coke Co.—Controlling interest sold to Central Public Service Corp.

As of April 2, 1928 Company controlled through wnership of all the Common stock the following comnies described under their own headings following is statement:

rlington (Vt.) Gas Light Co.
rlington (Vt.) Light & Power Co.
zerne County Gas & Electric Corp.

Business and Territory—Company's subsidiaries wn public utility properties in the States of Pennsylnia and Vermont. The principal communities rved include Plymouth and Hazleton, Pa.; Burlingn, Winooski, Essex Junction, Vt., and surrounding rritory.

The franchises under which the companies operate e satisfactory.

CAPITAL STOCK

Authorized $15,000,000 Common, par, $100, and 100,000 shares Preferred of no par value (created April 3, 1923); outstanding Dec. 31, 1927, $14,016,607.50 Common (including $3,307.50 scrip).

Transfer Office—Camden, N. J.

Registrar—New Jersey Corporation Guaranty & Trust Co., Camden, N. J.

Annual Meeting—First Tuesday in April at Camden, N. J.

Dividends—Dividends on capital stock (now Common) are now on an 8% basis and are declared the third Tuesday of M, J, S & D, and paid J, A, J & O 15.

FUNDED DEBT

None.

BOND REDEMPTION

All the One-Hundred Year 6% Gold bonds, Series "A", due January 1, 2016, were called for redemption on Jan. 1, 1928 at 110 and interest at Girard Trust Co., Philadelphia, Trustee.

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31
(The American Gas Company Proper)

Earnings:	1927	1926
Dividends	$1,387,068	$1,118,835
Interest	352,324	601,333
Miscellaneous	11,579	331,441
Total earnings	$1,750,971	$2,051,609
Expenses	158,086	373,871
Gross income	$1,592,885	$1,677,738
Income deductions	180,000	280,948
Net income	$1,412,885	$1,396,790
Dividends	1,121,012	1,119,284
Balance to undivided profit account	$291,873	$277,506

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available Consolidated Figures)

	1926	1925	1924	1923	1922	1921
oss earnings, affiliated companies	$13,271,511	$11,802,052	$10,573,097	$10,230,821	$9,539,604	$9,708,236
perating expenses, affiliated cos.	6,519,914	5,675,356	5,147,126	5,298,393	5,279,139	5,889,588
Net earnings, affiliated companies	$6,751,597	$6,126,696	$5,425,972	$4,932,428	$4,260,465	$3,818,648
iscellaneous income, affiliated cos.	260,090	160,337	123,179	106,330	89,017	68,616
Total income, affiliated cos.	$7,011,687	$6,287,033	$5,549,151	$5,038,758	$4,349,482	$3,887,264
xed charges, affiliated cos.	2,538,303	2,260,823	1,827,028	1,485,023	1,391,973	1,538,864
epreciation and maintenance, affiliated cos.	1,597,339	1,433,898	1,617,834	1,601,560	1,174,705	1,091,657
mortization of debt, discount, and expenses affiliated cos.	.....	.....	.....	.....	137,656	130,422
Net income, affiliated cos.	$2,876,045	$2,592,311	$2,104,288	$1,952,175	$1,645,149	$1,126,321
ess dividends on Pfd. stock of Sub. Cos.	1,135,296	847,869	517,033	157,546	59,761	10,866
rplus reserved	518,715	200,000	237,577	97,000	.....	.....
Net income as to Amer. Gas Co.	$1,222,034	$1,544,442	$1,349,678	$1,697,629	$1,585,388	$1,115,455
ndry income items, Amer. Gas Co.	829,575	1,210,573	729,538	369,692	326,580	499,676
Total rev., Amer. Gas Co.	$2,051,609	$2,755,015	$2,079,216	$2,067,321	$1,911,968	$1,615,131
ond interest, Amer. Gas Co.	275,708	401,101	544,344	401,368	441,091	543,225
terest on loans	5,240	3,154	46,466	113,292	62,273	111,779
eneral expenses, Amer. Gas Co.	373,871	541,997	462,052	398,834	328,647	234,732
Total deductions	$654,819	$946,252	$1,052,862	$913,494	$832,011	$889,736

American Gas Co. and Underlying Securities
Bought, Sold and Quoted
BIOREN & CO.
410 Chestnut Street Established 1865 Philadelphia

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1926	1925	1924	1923	1922	1921
Surplus	$1,396,790	$1,808,763	$1,026,354	$1,153,827	$1,079,957	$725,395
Less deferred charges applicable to current year	.....	.....	.....	.....	82,629	228,569
Dividends, Amer. Gas Co.	1,119,284	¶820,500	487,741	486,246	78,041	.....
Transferred to contingent reserve	.....	.....	.....	63,000	.....	.....
Net surplus	$277,506	$988,263	$538,613	$622,581	$919,287	$496,826
Times Bond Interest Earned	6.06	5.51	2.62	3.87	3.45	2.33
Earnings Per Share	$9.97	§$14.37	*$14.20	$14.78	$12.78	$6.37

*Based on average amount of stock outstanding. §Before deducting $200,000 surplus reserved by subsidiaries. ¶Excluding stock dividend of 22½% totaling, $2,542,208 paid April 15, 1925.

COMBINED BALANCE SHEET, DECEMBER 31

(The American Gas Co. and Subsidiary Companies)

(Latest available consolidated figures)

Assets—	1926	1925	1924	1923	1922	1921
Plant—less depreciation	$90,462,497	$85,447,710	$69,620,298	$59,444,954	$49,735,095	$54,888,183
Cash	3,705,019	3,657,225	2,168,332	1,569,945	1,374,844	953,337
Accounts and notes receivable	4,317.416	3,965,768	2,101,339	1,649,525	1,008,376	1,060,790
Trustee account	.....	1,274,954	5,084,263	.....	.....	.....
Interest and dividends receivable	.....	.....	.....	146,357	136,332	197,271
Investment—stocks and bonds	2,546,936	2,869,887	2,863,431	3,287,195	3,730,455	2,595,975
Investment—real estate	.....	375,024	389,318	.....	.....	.....
Investment—sundry	.....	137,078	105,064	71,711	140,917	162,736
Material and supplies	1,568,294	1,576,513	1,708,897	1,966,070	1,260,620	1,283,589
Deposit and prepaid accounts	13,907	343,155	20,864	71,433	29,791	51,846
Sinking funds	112,541	101,176	70,881	47,749	39,226	185,769
Maintenance authorization	.....	69,342	121,506	141,969	163,849	273,490
Miscellaneous accounts	.....	.....	130,673	834,458	120,342	139,267
Suspense	199,487	383,556	145,118	39,814	213,338	.....
Sundries	.....	174,825	351,769	215,006	386,808	421,283
Unamortized debt discount and expense	693,166	739,094	.....	.....	.....	.....
Total	$103,619,263	$101,115,307	$84,881,754	$69,486,186	$58,339,992	$62,213,530
Liabilities—						
Capital stock—American Gas Co.	$14,016,608	$13,980,508	$9,443,000	$7,804,100	$7,804,100	$7,804,100
Capital stock—Preferred Subsidiary Cos.	13,697,871	12,448,849	8,023,814	6,159,811	1,557,610	241,700
Capital stock—Common, Subsidiary Cos.	16,892,750	12,975,250	10,032,790	9,534,700	9,530,700	13,946,500
Preferred stock subscriptions	.....	71,676	61,554	19,868	34,055	.....
Funded debt—American Gas Co.	3,000,000	5,758,400	7,768,700	6,139,000	6,139,000	8,217,100
Funded debt—subsidiary companies	43,805,900	43,798,900	39,375,400	28,846,300	27,360,800	25,091,300
Mortgages on real estate	.....	174,000	175,000	.....	10,000	10,000
Accounts and notes payable	1,525,630	733,657	2,536,160	5,283,637	1,947,391	3,960,048
Customers' deposits	.....	820,409	705,277	606,918	480,259	471,859
Taxes, interest, etc., accrued	1,610,283	1,573,928	1,472,244	1,129,927	1,087,871	989,530
Reserves	4,897,102	4,716,546	1,546,915	543,698	294,429	257,371
Miscellaneous	.....	98,658	.....	450,000	.....	.....
Contribution for extensions	.....	368,380	247,350	156,386	75,461	.....
Surplus	4,173,119	3,596,146	3,493,551	2,811,841	2,018,315	1,224,028
Total	$103,619,263	$101,115,307	$84,881,754	$69,486,186	$58,339,992	$62,213,530

GENERAL BALANCE SHEET, DECEMBER 31

(The American Gas Co. Proper)

Assets—	1927	1926	1925	1924	1923	1922
*Equity in subsidiaries	$19,499,013	$15,172,540	$15,051,941	$16,071,022	$10,254,028	$9,882,753
Bond and stock investment		1,680,719	2,860,487	4,305,666	8,018,180	5,262,690
Sundry investments		195,813	132,478	80,964	286,717	256,926
Cash	1,527,418	1,922,878	2,373,322	1,193,154	886,875	805,338
Accounts receivable	195,539	2,349,632	3,785,923	1,224,515	1,451,240	867,165
Treasury capital stock	3,307	.....	.....	.....	.....	.....
Miscellaneous	389,289	222,530	219,826	2,913	3,780	3,969
Deferred accounts	.....	.....	.....	285,766	244,617	270,798
Total	$21,614,566	$21,544,112	$24,423,977	$23,164,000	$21,145,437	$17,349,639
Liabilities—						
Capital stock	$14,016,607	$14,016,608	$13,980,508	$9,443,000	$7,804,100	$7,804,100
Funded debt	.....	3,000,000	5,758,400	7,768,700	6,139,000	6,139,000
Notes payable	.....	.....	.....	800,000	3,117,816	618,500
Accounts payable	281,352	59,276	147,045	89,061	24,455	17,201
Accrued accounts	292,552	62,495	461,408	371,378	368,395	303,244
Miscellaneous	79,305	179,397	231,416	76,757	504,812	.....
Stock scrip outstanding	3,307	4,408	.....	.....	.....	.....
Reserves	2,278,401	1,113,833	1,199,561	1,435,593	545,962	449,278
Surplus	4,663,042	3,108,095	2,645,639	3,179,510	2,640,897	2,018,315
Total	$21,614,566	$21,544,112	$24,423,977	$23,164,000	$21,145,437	$17,349,639

*Equity (over and above bonds issued) in the gas and electric light plants, including original cost and cash advanced for betterments, represented by the capital stock of the various companies owned by The American Gas Company.

Officers: Morris W. Stroud, Pres.; W. W. Bodine, V-P.; Johns Hopkins, Sec.; Jos. B. Townsend, 3rd, Treas., Philadelphia.

Directors: Samuel T. Bodine, Morris W. Stroud, E. B. Robinette, Arthur W. Thompson, P. H. Gadsden.

Offices, 104 Market St., Camden, N. J., and N. W. Cor. Broad & Arch Streets, Philadelphia, Pa.

BURLINGTON LIGHT AND POWER COMPANY

(Controlled by The American Gas Co.)

History and Properties—Incorporated Nov. 15, 1902, in Vt. in perpetuity to own and operate electric plants near Burlington. Company operates under direct franchises from the Legislature of the State of Vermont. Operates in the northern part of the State of Vermont furnishing electricity to the municipalities of Essex and Richmond and the Consolidated Lighting Co. under a long-term contract for resale in Montpelier and Barre, Vt., and also furnishes gas and electricity in the cities of Burlington and Winooski

ough a long-term lease from the Burlington Gas ht Co., which lease expires on Jan. 1, 1953. Oper- s two modern hydro-electric plants of 6,300 k.w. al capacity, located on the Winooski River in Ver- nt and auxiliary steam plant of 2,500 k.w. capacity.

PERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
tric consumers	6,904	6,669	6,268
s of electricity (k.w.h.)	15,383,238	15,658,053	14,459,599
consumers	7,121	6,852	6,610
s of gas (cu. ft.)	160,440,600	153,913,400	139,111,400

CAPITAL STOCK

uthorized, $2,000,000 Common and $2,000,000 7% mulative Pfd.; outstanding, $550,000 Common and 0,000 Pfd.; par, $100. All the Common stock is ned by The American Gas Co. Pfd. stock has ference for assets and dividends and is subject to emption at 105. Transferred at Company's office. gistrar: City Trust Co., Burlington, Vt.

nnual Meeting—First Friday after Fourth Wed- day in May, at Burlington, Vt.

Dividends—Pfd. dividends are regularly paid, rterly, M, J, S & D 15.

FUNDED DEBT

0,000 FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1942

Dated January 2, 1922.

nterest Payable January and July 1, at Fidelity- ladelphia Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be istered.

Trustee—Fidelity-Philadelphia Trust Co., Phila- phia.

Provisions of Issue—Authorized, $4,000,000; the re- ning unissued $2,800,000 bonds may be issued for % of the cost or value of any new additions and im- vements to the plant and property of the Company enever the earnings, after deducting operating expenses, maintenance, taxes and rentals, shall be equal to 1½ times the interest charges on all bonds outstanding and those proposed to be issued.

Callability—Subject to call on any interest date at 105 and accrued interest.

Security—Secured by a first lien on entire property of Company; further secured by deposit and pledge under the mortgage of a lease of all the property of the Burlington Gas Light Co. to this Company, together with the issued and outstanding capital stock of the Burlington Gas Light Co.

Guaranty—Unconditionally guaranteed, principal and interest, by The American Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill Tax refunded.

Legal Opinion—Townsend, Elliott & Munson, Philadelphia.

Original Offering—First publicly offered ($1,200,000) in Jan., 1922, at 91½ and interest, yielding 6¾%, by Bioren & Co., Stroud & Co., Inc., Janney & Co., and E. B. Smith & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$682,561	$659,315
Operating exp., taxes & retirement expense	373,972	348,020
Net earnings	$308,589	$311,295
Income deductions	*205,134	196,872
Surplus after charges	$103,455	$114,422
Preferred dividends	35,000	35,000
Balance available for dividends on Common stock and other corporate purposes	$68,455	$79,422
Times Income Deductions Earned	1.50	1.58

*Includes interest on bonds, $72,000; interest on notes, $61,227; rental, $63,241; amortization, $8,667.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
t and equipment	$2,325,295	$2,157,518	$2,141,761
ounts receivable	130,645	134,810	122,232
h	72,175	11,864	24,155
erials and supplies	76,709	86,709	78,340
paid accounts	124	32	.....
estments	310,750	310,750	310,750
pense accounts	196,867	209,837	206,037
otal	$3,112,565	$2,911,520	$2,883,275

Liabilities—	1927	1926	1925
Common stock	$550,000	$550,000	$550,000
Preferred stock	500,000	500,000	500,000
Funded debt	1,200,000	1,200,000	1,200,000
Notes pay. to Holding Co.	398,081	346,278	292,281
Accounts payable	113,837	33,955	31,054
Deposits	1,432	1,617	7,924
Accrued liabilities	18,545	43,266	58,037
Renewal and conting. res.	211,746	192,787	187,428
Other reserves	34,136	8,195	5,487
Profit and loss	84,788	35,422	51,064
Total	$3,112,565	$2,911,520	$2,883,275

Officers: D. W. Jardine, Pres.; F. J. Rutledge, V-P.; A. Perry, V-P.; I. W. Morris, Treas.; Jos. B. wnsend, 3rd., Asst. Treas.; E. MacMorris, Asst. as.; G. W. Curran, Sec.; Johns Hopkins, Asst. .; D. W. Jardine, Mgr.; H. R. Prior, Clerk.

Directors: Wm. W. Bodine, J. T. Hutchings, F. J. Rutledge, Philadelphia, Pa.; D. W. Jardine, C. H. Darling, Burlington, Vt.

Offices, Burlington, Vt. and N. W. Corner Broad & Arch Sts., Philadelphia, Pa.

BURLINGTON (VERMONT) GAS LIGHT COMPANY

(Controlled by The American Gas Co. and operated under lease by Burlington Light & Power Co.)

History—Incorporated Nov. 5, 1852, in Vt.; on c. 6, 1906, absorbed the Vermont Electric Co. and Consolidated Electric Co. Franchise perpetual. s water gas plant at Burlington, Vt., and electric ver station on the Winooski River. Also owns adonal flowage rights on the Winooski River. All company's properties are operated by Burlington ht & Power Co. under lease at a rental sufficient interest on funded debt and expense of amortizan of debt discount.

CAPITAL STOCK

uthorized and outstanding, $100,000; par, $25; lowned by The American Gas Co. Annual meeting, t Monday in July at Burlington, Vt.

Dividends—None paid.

FUNDED DEBT

1,243,000 First Gold 5s; dated April 1, 1905; due . 1, 1955; int. Jan. and July 1, at American Trust , Boston. Coupon, $1,000; principal may be regred. American Trust Co., Boston, Trustee. Authorized and issued, $1,250,000, of which $7,000 are in hands of Trustee not subject to call. Guaranteed, principal and interest, by endorsement by The American Gas Co. A first lien on property. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Storey, Thorndike, Palmer & Thayer, Boston.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$2,334,943	$2,136,006	$2,037,774
Accounts receivable	701	689	822
Miscellaneous	6,815	7,000	7,000
Suspense accounts	29,851	30,772	31,877
Total	$2,372,310	$2,174,467	$2,077,473
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	1,250,000	1,250,000	1,250,000
Notes pay.—to Holding Co.	722,310	524,467	427,473
Accts. payable—to Burling. Light & Power Co.	300,000	300,000	300,000
Total	$2,372,310	$2,174,467	$2,077,473

Officers: D. W. Jardine, Pres. & Clerk, Burlington, Vt.; F. J. Rutledge, V-P.; J. T. Hutchings, V-P.; W. H. Taylor, V-P.; I. W. Morris, Treas.; Jos. B. Townsend, 3d, Asst. Treas.; G. W. Curran, Sec.; Johns Hopkins, Asst. Sec.; Philadelphia, Pa.

Directors: W. W. Bodine, J. T. Hutchings, F. J. Rutledge, Philadelphia; C. H. Darling, D. W. Jardine, Burlington, Vt.

Offices, Burlington, Vt. and N. W. Cor. Broad & Arch Sts., Philadelphia.

LUZERNE COUNTY GAS AND ELECTRIC CORPORATION

(Controlled by The American Gas Company)

History and Property—Inc. Dec. 22, 1924, in Pa., acquired the property of Luzerne County Gas and Electric Company, which was incorporated Aug. 24, 1908, as a merger of Wyoming Valley Gas & Electric Co. and Hazleton Gas Light Co. The Company supplies, without competition, gas and electricity in Wyoming, West Wyoming, Swoyersville, Forty Fort, Dorranceton, Luzerne, Courtdale, Pringle, Kingston, Edwardsville, Larksville, Plymouth, Nanticoke, Warrior Run and Sugar Notch; and the townships of Hanover, Newport, Kingston, Jackson, Plymouth, Hunlock and Union. It supplies electricity in Dallas, Shickshinny, Lehman, Lake and Conyngham. It supplies gas in Hazleton, West Hazleton and Hazle Township. The population of the above territory is approximately 205,000.

Company owns and operates two modern steam stations, one in the Borough of Plymouth and one in Hunlock Township with a total installed capacity in steam turbines of 59,000 kilowatts. Substations are located at convenient points for local supply of electricity for domestic and municipal use within the various boroughs supplied. Miles of high tension transmission lines, 155. Distributing lines, 532 miles. No. of consumers, 31,092.

The manufactured gas department includes two works located near the center of distribution at Nanticoke and Hazleton, having a daily capacity of 2,710,000 cubic feet. The distribution of gas is made through 120 miles of mains, with services and meters to 7,888 consumers. Annual output, 165,188,300 cu. ft.

Franchises—Franchises under which the Company operates are perpetual, while those applicable to gas are both perpetual and exclusive.

Valuation—The value of the Corporation's property is $18,701,903, based upon value fixed by Pennsylvania Public Service Commission as of Dec. 31, 1920, plus additions to date and value of construction work now under way included at cost.

GROWTH OF BUSINESS

	Sales		Customers	
Year	Gas cu. ft.	Electric kw. hr.	Gas	Electric
1919	99,807,900	34,102,870	6,770	10,953
1920	105,125,100	43,494,573	6,278	12,201
1921	105,953,200	48,795,809	6,090	14,333
1922	113,262,400	48,314,317	6,036	16,625
1923	128,674,300	61,899,510	6,276	19,925
1924	139,273,800	70,523,318	6,510	23,679
1925	154,335,400	75,038,103	6,930	26,609
1926	165,188,300	92,614,482	7,487	29,327
1927	172,529,400	104,383,425	7,888	31,092

CAPITAL STOCK

Authorized, 176,694 (increased from 36,152 shares in 1927) Common shares of no par value, 30,000 shares First Pfd. no par value ($7 per share per annum); outstanding, 176,694 shares Common and 27,490 shares First Pfd. All the outstanding Common shares are owned by The American Gas Co. All of the Second Pfd. stock was exchanged for Common stock in March 1927.

First Preferred Stock Provisions—First Pfd. stock is redeemable at $105 and accrued dividends, and is entitled to $100 per share on division of assets.

Annual Meeting—First Tuesday in April, at Philadelphia, Pa.

Dividends—Dividends on First Pfd. stock are paid quarterly, F, M, A & N 15.

FUNDED DEBT

(1)

$23,000 HAZLETON GAS LIGHT CO. (CLOSED MORTGAGE) FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1932

Dated April 1, 1902.

Interest Payable April and October 1, at Miners Bank, Wilkes-Barre, Pa., Trustee.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

Legal for Savings Banks in Maine.

(2)

$3,477,000 LUZERNE COUNTY GAS & ELECTRIC COMPANY FIRST REFUNDING AND IMPROVEMENT GOLD 5s; DUE OCTOBER 1, 1948

Dated October 1, 1908.

Interest Payable April and October 1, at Girard Trust Co., Philadelphia.

Denominations—Coupon, $100, $200, $500, and $1,000; principal may be registered.

Provisions of Issue—Authorized issue, $3,500,000; mortgage closed.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date upon 60 days' notice.

Security—Secured by direct first lien on entire property, subject only to the $23,000 Hazleton Gas Light Co. bonds described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

Legal Opinion—Townsend, Elliott & Munson, Philadelphia.

Legal for Savings Banks in Maine.

(3)

LUZERNE COUNTY GAS & ELECTRIC COMPANY TWENTY-YEAR SINKING FUND GOLD 7s; DUE APRIL 1, 1942

Dated April 1, 1922.

Interest Payable April and October 1, at United States Mortgage & Trust Co., New York, Trustee.

By arrangement with the Trustee the indenture covering these bonds has been satisfied by the deposition with the Trustee of U. S. Liberty bonds to cover the amount outstanding and cash to cover interest to maturity.

(4)

$2,971,000 LUZERNE COUNTY GAS & ELECTRIC COMPANY TWENTY-YEAR 7% SINKING FUND CONVERTIBLE GOLD BONDS; DUE JULY 1, 1944

Dated July 1, 1924.

Interest Payable January and July 1, at The New York Trust Co., New York, Trustee.

Denominations—Coupon, $500 and $1,000; registerable as to principal only and interchangeable.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized and issued, $3,000,000, outstanding $2,971,000. The indenture provides among other things that neither the Company nor any successor corporation will create any mortgage indebtedness upon its properties in addition to the mortgage bonds now outstanding, except for permanent additions, betterments and improvements, or the acquisition of new plants or systems, and then only in an amount not in excess of 70% of the cost or value of the same, whichever is less.

The indenture also provides that no additional unsecured funded debt may be created by the Company except for the purpose of refunding these Convertible bonds, or underlying bonds of the Company, at par for par, unless the net income as defined in the indenture

12 consecutive months within the preceding 15 nths shall have been at least 1¾ times the annual erest charges on all funded indebtedness of the mpany, including that about to be created, exclud- charges on indebtedness subordinated to these nvertible bonds and on indebtedness the payment which is concurrently provided for.

Callability—Subject to call as a whole or in part, at e option of the Company, at any time on thirty ys' notice at 105 and accrued interest.

Sinking Fund—On January 1, 1926, and on January f each year thereafter, the Company will pay to the ustee as a sinking fund the sum of $30,000. For a riod of sixty days after such payments the money all be used by the Trustee to purchase bonds at not ceeding the call price and accrued interest, and any ney not so used at the end of each period will vert to the Company for general corporate purposes, will be provided in the indenture.

Convertibility—Bonds are convertible at any time, er July 1, 1934, at the option of the holder, into no r value $7 per share cumulative Pfd. stock, at the te of eleven shares of Pfd. stock for each $1,000 e value of the bonds, with adjustments for accrued erest and dividends, as will be provided in the denture.

Guaranty—Unconditionally guaranteed as to prin- pal and interest by endorsement by The American as Company.

Tax Provisions—Company pays Normal Federal In- me Tax up to 2%. Also agrees to assume the Penn- lvania State Tax not exceeding four mills annually bonds held by residents of Pennsylvania, to refund e State Tax in Connecticut up to four mills annually, e Maryland Securities Tax not exceeding four and e-half mills per annum and the Massachusetts In- me Tax not exceeding 6% per annum on income rived from the bonds, all as to be provided in the denture, but will not refund more than one such ate tax on the same bond for the same year.

Original Offering—First publicly offered ($3,000,- 0) in July, 1924, at 99 and interest to yield 7.09%, by roud & Co., Inc., New York and Philadelphia, and oren & Co., Philadelphia.

(5)

,953,500 LUZERNE COUNTY GAS & ELECTRIC CORPORA- TION FIRST AND REFUNDING MORTGAGE GOLD BONDS, 6% SERIES DUE 1954; DUE SEPTEMBER 1, 1954

Dated September 1, 1924.

Interest Payable March and September 1, at Bank North America & Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; princi- l may be registered.

Trustee—Bank of North America & Trust Co., Phil- lelphia.

Provisions of Issue—Open authorization; outstand- g, $5,953,500.

The First and Refunding Mortgage provides that lditional bonds may be issued thereunder in an un- mited amount in one or more series, in such amounts d bearing such rates of interest and having matur- y dates and such other provisions within the limita- ons of the Mortgage as the Board of Directors of the orporation may from time to time determine.

These bonds are part of the 6% Series due 1954, hich is unlimited in principal amount. Additional nds of this Series, or of any series subsequently thorized, may be issued only for the purposes and nder the conservative restrictions provided in the ortgage, which include the following:

(a) To refund in whole or in part at or before ma- rity an equal principal amount of—(1) Present nderlying bonds outstanding; (2) bonds of this or ther series issued under the Mortgage; (3) under- ing bonds secured by closed first mortgage on prop- ty hereafter acquired by the Corporation subject to e lien of the Mortgage.

(b) For not in excess of 70% of the cost of the ir value whichever is less, of physical plants and properties hereafter acquired by the Corporation, and of permanent additions, extensions, betterments and improvements made subsequent to June 1, 1924 (and not provided for by the present financing), to the properties of the Corporation to be owned upon its organization as well as those to be hereafter acquired, provided that net earnings of the Corporation, as defined in the Mortgage, for twelve consecutive calendar months out of the fifteen next preceding calendar months shall have been not less than 1¾ times the annual interest charges on all First and Refunding Mortgage bonds and underlying bonds then outstanding, together with those proposed to be issued.

The Mortgage contains provisions permitting the modification or alteration thereof, or of any supplemental indenture thereto, in any particular, with the assent of the Corporation and of the holders of not less than 85% of the aggregate principal amount of outstanding bonds, not including any bonds owned by the Corporation, provided that any such modification or alteration shall not permit: (a) the extension of the maturity of any bonds, the reduction of the rate of interest thereon, or any other modification in the terms of payment, without the consent of the holder thereof; (b) the creation of any mortgage lien ranking prior to or on a parity with the lien of the First and Refunding Mortgage as to any property covered thereby.

Callability—Subject to call as a whole or in part and for the Sinking Fund on any interest date on not less than 30 days' notice at a premium of 7½% on or before Sept. 1, 1934; thereafter at a premium of 5% on or before Sept. 1, 1944; said premium to be reduced by ½ of 1% commencing March 1, 1945, with a like additional reduction commencing on March 1 of each year thereafter, the bonds being redeemable at par on March 1, 1954; in each case with accrued interest.

Sinking Fund—The Mortgage provides for payments by the Corporation as a sinking fund semi-annually on Jan. 1 and July 1 in each year, beginning Jan. 1, 1927, of a sum equal to ½ of 1% of the total amount of bonds of this Series outstanding, the moneys to be applied by the Trustee to the purchase of bonds of this Series at or below the redemption price existing at the next ensuing interest date, or, if not so purchasable, to their call by lot at such redemption price on such interest date; all bonds purchased or retired by the sinking fund are to be cancelled.

Security—The First and Refunding Mortgage bonds are secured by first mortgage on properties costing over $5,000,000, including new power plant, on the Susquehanna River in Hunlock Township, Luzerne County, and transmission lines, and on subsequent additions to such properties. They are further secured by direct mortgage, subject to $3,500,000 underlying (closed mortgage) bonds, on the remaining property of the Corporation and subsequent additions thereto.

Guaranty—Unconditionally guaranteed as to principal and interest by endorsement by The American Gas Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Also agrees to pay interest without deduction for Federal Income Taxes not exceeding 2% per annum, to assume the Pennsylvania State tax not exceeding four mills annually, to refund the State Tax in Connecticut up to four mills annually, the Maryland Securities tax not exceeding four and one-half mills per annum and the Massachusetts Income tax not exceeding 6% per annum on income derived from the bonds; all as provided in the mortgage, but will not refund more than one such State tax on the same bond for the same year.

Legal Opinion—Dickson, Beitler & McCouch (for the Bankers); Townsend, Elliott & Munson (for the Company).

Original Offering—First publicly offered ($6,000,000) in July, 1924, at 98 less discount yielding about 6.15%, by Drexel & Co., Stroud & Co., Inc., and Bioren & Co., Philadelphia.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	†$2,958,073	$2,685,431	$2,319,493	$2,063,156	$1,784,842	$1,488,000
Operating expense	1,213,064					
Taxes	163,155	1,438,734	1,158,790	1,247,433	1,210,805	1,085,615
Retirement expense	209,694					
Net earnings	$1,372,160	$1,246,697	$1,160,703	$815,723	$574,037	$402,385
Fixed charges	760,901	713,320	*385,000	374,010	345,217	277,667
Balances	$611,259	$533,377	$775,703	$441,713	$228,820	$124,718

*$360,000 Interest on First and Refunding 6s charged to construction. †Gross revenue includes: Gas, $345,403; electric, $2,612,670.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$18,964,653	$18,701,903	$17,692,378	$13,026,319	$9,246,253	$8,062,990
Notes and accounts receivable	487,410	440,526	317,790	289,911	212,421	202,636
Cash	708,008	872,630	258,463	92,346	97,644	69,575
Materials and supplies	283,151	237,405	241,854	237,503	239,470	176,783
Investments	.....	.....	.....	21,558	10,163	15,000
Prepaid items	1,050	1,824	1,564	2,715	1,949	935
Suspense accounts	530,049	608,713	614,434	633,664	877,638	901,256
Miscellaneous	347,728	347,728	383,303	328,272	.....	.....
Trustee account	.....	.....	1,274,954	4,756,013	.....	.....
Total	$21,322,049	$21,210,729	$20,784,740	$19,388,302	$10,685,538	$9,429,175
Liabilities—						
Common stock	$4,417,350	$2,987,250	$2,987,250	$2,095,090	$2,091,000	$2,090,000
First Pfd. stock	2,614,485	2,552,187	1,634,637	560,501	291,757	182,910
Second Pfd. stock	.....	1,430,100	1,430,100	1,430,100		
Preferred stock subscription	1,434	3,160	18,703	21,725	16,051	12,903
Funded debt	12,424,500	12,471,000	12,500,000	12,500,000	6,186,000	5,500,000
Notes payable to Holding Co.	.....	.....	.....	735,991	1,012,068	
Notes payable (misc.)	.....	.....	.....	.....	186,534	1,116,337
Accounts payable	89,902	63,676	190,932	138,083	170,165	
Accrued items	354,188	338,168	283,252	310,463	138,335	93,626
Deposit accounts	146,547	137,136	140,136	114,250	134,362	142,292
Miscellaneous	38,012	.....	.....	.....	.....	.....
Reserves	812,292	769,231	684,050	763,211	243,206	172,906
Extension contribution account	.....	22,210	17,328	.....	5,618	.....
Surplus	423,339	436,611	898,352	718,888	210,442	120,201
Total	$21,322,049	$21,210,729	$20,784,740	$19,388,302	$10,685,538	$9,429,175

Officers: A. J. Llewellyn, Pres.; F. J. Rutledge, V-P.; J. A. Perry, V-P.; I. W. Morris, Treas.; Joseph B. Townsend, 3rd, Asst. Treas.; E. MacMorris, Asst. Treas.; G. W. Curran, Sec.; Johns Hopkins, Asst. Sec., Philadelphia, Pa.

Directors: Morris W. Stroud, W. W. Bodine, P. H. Gadsden, J. T. Hutchings, J. B. Klumpp, A. J. Llewellyn, Paul Thompson, Philadelphia, Pa.

Office, Kingston, Pa.

CONCORD GAS COMPANY

(Controlled by The United Gas Improvement Co.)

History—Incorporated Jan. 25, 1921, in N. H. for manufacture and sale of gas. Consolidation of Concord Light & Power Co. and Concord Gas Light Co. (see 1920 Public Utility Manual). Population served, 17,500.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Miles of mains	40.15	39.05	38.70
Number of customers	4,807	4,844	4,780
Sales (cu. ft.)	161,359,000	158,274,000	145,717,155

CAPITAL STOCK

Authorized, $250,000 Common and $500,000 Pfd.; outstanding, $250,000 Common and $395,000 Pfd.; par, $100. Transfer office, Concord, N. H. Annual meeting, second Tuesday in February.

FUNDED DEBT

Company was authorized by the New Hampshire Public Service Commission Jan. 31, 1928 to issue $100,000 of 5½% Five-Year Gold Notes, callable at option of Company at any interest date prior to maturity. Proceeds are to be used for plant additions and extensions already made.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$227,518	$224,211	$213,062
Operating expenses	172,246	172,199	157,875
Net earnings	$55,272	$52,012	$55,187
Income deductions	2,977	485	15
Net income	$52,295	$51,527	$55,172
Preferred dividends	27,650	27,650	*
Balance available for Com. dividends, etc.	$24,645	$23,877	*

*Not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed assets	$792,004	$727,289	$692,353
Investments	500	500	500
Materials and supplies	21,989	22,413	28,459
Accounts receivable	27,470	27,286	23,764
Cash	1,576	1,525	3,041
Prepaid accounts	1,876	1,926	2,150
Total	$845,415	$780,939	$750,267

Liabilities—	1927	1926	1925
Common stock	$250,000	$250,000	$250,000
Preferred stock	395,000	395,000	395,000
Notes payable	94,000	34,000	19,000
Accounts payable	12,877	19,238	12,050
Accrued accounts	10,431	10,117	7,820
Reserves	38,931	33,053	30,743
Profit and loss	44,176	39,531	35,654
Total	$845,415	$780,939	$750,267

Officers: B. C. White, Pres.; A. B. Cross, V-P.; J. Smith, Mgr. & Clerk; B. W. Couch, Treas.; W. Curran, Compt.; I. W. Morris, Asst. Treas.
Directors: B. C. White, B. W. Couch, A. B. Cross, J. Smith, H. W. Stevens, H. H. Dudley, W. L. Stevens, H. G. Emmons, Concord, N. H.; G. W. Curran, Philadelphia, Pa.

Offices, Concord, N. H., and N. W. Cor. Broad and Arch Sts., Philadelphia, Pa.

THE CONNECTICUT ELECTRIC SERVICE COMPANY

(Controlled by The United Gas Improvement Co. through Connecticut Electric Syndicate)

History and Property—Incorporated June 15, 1925, i Connecticut, with charter powers broad enough th amendment of charter June 20, 1927, to cover te generation and distribution of electric current ad gas over the entire State, the ownership of the pital stocks of companies engaged in a similar busiss and the connection by transmission lines of the faities of such companies.

The Company acquired all the Common stock of he Connecticut Light and Power Co. and The Eastn Connecticut Power Company, all the stock of The eriden Gas Light Co., The Meriden Electric Light ., The New Milford Electric Light Co., The Woodry Electric Co. and The Westport Electric Co., in change for 550,000 shares of no par Common stock; 000 shares no par Common stock and 90,000 shares par Pfd. stock were sold to provide cash for workg capital and to purchase substantially all the capital ock of the Bristol and Plainville Electric Co. and all te Second Pfd. stock of The Connecticut Light and wer Co.

On April 30, 1926, the Second Pfd. stock of The nnecticut Light and Power Company was retired. he Connecticut Electric Service Company purchased f cash at par $2,800,000 Common stock of The Conrcticut Light & Power Co.

In 1927, The Connecticut Electric Service Company quired through purchase all the capital stock of the iddletown Gas Light Co., and all the capital stock the Ousatonic Water Power Co. and all but ten ares of the Capital stock of The Gaylordsville Elecc Co.

In October, 1927, the trolley property owned by he Bristol and Plainville Electric Company was gregated and transferred into a separate corporation ganized for the purpose, and known as The Bristol action Company, all the capital stock of which is ned by The Connecticut Light and Power Comny.

On March 10, 1926, The Meriden Electric Light mpany, The Meriden Gas Light Company, The New ilford Electric Light Company, The Woodbury lectric Company and The Westport Electric Comny were merged into and with The Connecticut ght and Power Company.

On November 30, 1927, The Middletown Gas Light mpany and The Bristol and Plainville Electric Comny were merged into The Connecticut Light and wer Company.

These Mergers were effected by issuing Common ock of The Connecticut Light and Power Company i lieu of the Capital stock of the companies which ere merged.

The Connecticut Electric Service Company now ns all the Common stock of The Connecticut Light d Power Company, The Eastern Connecticut Power mpany, all the Capital stock of the Ousatonic ater Power Company (see appended statements) d all but ten shares of the Capital stock of **The aylordsville Electric Company.**

The operating companies owned, serve electricity ectly or indirectly to 83 cities and towns of Conrcticut, having an estimated population of over 1,000. The territory served includes the manuturing district of the Naugatuck Valley, the cities Waterbury, New Britain, Meriden, Norwalk, Putm and Bristol, and at wholesade the entire eastern ction of the State, including the city of New London. Power is also supplied to the N. Y., N. H. & H. RR. Co., and The Connecticut Company for trolley purposes. They serve gas directly to 10 cities and towns of Connecticut, having an estimated population of over 154,000.

Nine electric plants of the operating companies have a generating capacity of 157,950 k.w. of which 18% is hydro-electric. Gas is manufactured at 5 plants having a total capacity of 6,300,000 cu. ft. per day.

There are 395 miles of transmission lines, extensive distribution lines, 300.33 miles of gas mains and 13 miles of railway transportation lines.

There is in the course of construction 40 miles of electric transmission lines extending from The Connecticut Light and Power Co. lines near Meriden to The Eastern Connecticut Power Co. lines at Montville, tying together the Devon and Montville plants, thus linking eastern and western Connecticut, and insuring uninterrupted service. There is also under construction a high pressure gas main from New Haven to Hartford, connecting with a branch line to Bristol, which line will supply gas to Meriden, Middletown, Bristol and Hartford.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Electrical Operations—	1927	1926
Number of customers	102,045	95,775
Kilowatt hours sold	360,823,178	334,319,568
Electricity generated (k.w.h.)	387,118,160	347,449,106
Electricity purchased (k.w.h.)	42,138,598	47,710,724
Population served (estimated)	651,436	638,407
Gas Operations—		
Number of customers	30,100	26,068
Sales (M. cu. ft.)	869,282	774,911
Manufactured (M. cu. ft.)	958,766	863,807
Number of holders	13	9
Capacity of holders (M. cu. ft.)	3,146	2,692
Miles of mains	300.33	230.58
Population served (estimated)	154,354	127,007

CAPITAL STOCK

Authorized and outstanding, 625,055 shares of Common stock of no par value and 89,945 shares of $4 cumulative Convertible Pfd. stock of no par value. 515,000 of the Common shares are owned by the Connecticut Electric Syndicate. All of the Common stock is held by voting trustees.

Preferred Stock Provisions—Has preference for cumulative dividends at the rate of $4 per share per annum and in liquidation or dissolution, if voluntary for $68 per share and accrued dividends, and if involuntary to $62.50 and accrued dividends; it is subject to call on any dividend date at $68 per share and accrued dividends; and is convertible share for share into Common Stock Voting Trust Certificates representing Common stock and upon dissolution of the Voting Trust to shares of Common stock of Company. It has no voting power.

Original Offering—Preferred stock first publicly offered (90,000 shares of no par value) in December, 1925, at $62.50 per share flat, to yield 6.40% by Estabrook & Co., Boston, New York, etc., and Putnam & Co., Hartford, Conn., etc.

Transfer Agents (Preferred stock and Voting Trust Certificates for Common stock)—The Hartford-Connecticut Trust Co., Hartford, Conn.

Registrars (Preferred Stock)—The Hartford National Bank & Trust Co. of Hartford, Conn.

Annual Meeting—Third Tuesday in March.

Voting Trust—All of the Common stock has been placed in a voting trust, for a five-year period from Dec.

30, 1925, with privilege of extending the Voting Trust Agreement for five years. Voting Trustees are R. A. C. Smith, Richard Sutro, New York; Paul Thompson, G. W. Curran, Philadelphia; Irvin W. Day, Waterbury, Conn.; J. Henry Roraback, William H. Putnam, Hartford, Conn. Agent for Voting Trust: Hartford-Connecticut Trust Co., Hartford, Conn.

Dividends—Quarterly dividends of $1 per share on Preferred payable J, A, J & O 1, to holders of record M, J, S & D 15. Quarterly dividends on Common stock were paid in 1926 as follows: March 31, 25 cts.; June 30, 40 cts.; Sept. 30, 45 cts.; Dec. 31, 50 cts.; in 1927: 50 cts. per share quarterly on last days of M, J, S & D.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(The Connecticut Electric Service Company and Subsidiary Companies)

	1927	1926
Operating revenue	$11,239,586	$10,539,3
Oper. exps. (including replac. res.)	6,802,656	6,455,3
Operating income	$4,436,930	$4,084,0
Income from non-oper. properties	97,167	146,1
Gross corporate income	$4,534,097	$4,230,2
Deductions from gross corporate inc.	1,598,221	1,538,0
Net income	$2,935,876	$2,692,1
Divds. on Pfd. stock of sub. cos. in hands of public	1,312,708	1,189,5
Balance	$1,623,168	$1,502,6
Applicable to Common stock of subs. held by public	306	2
Balance	$1,622,862	$1,502,4

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Inter-company items eliminated)

Assets—	1927	1926	1925
Fixed capital	$78,180,698	$67,916,348	$64,597,368
Investments	170,955	414,291	118,085
Sinking & other specific funds	65,841	39,858	31,359
Cash	8,770,429	6,946,958	1,485,356
Special deposits for bond int. and dividends	257,650	353,689	211,549
Notes & accts. receivable	1,899,605	1,735,604	1,487,803
Materials and supplies	1,540,907	1,227,240	1,309,369
Unamort. debt disc. & exp.	2,117,862	2,210,281	1,579,859
Prepaid & deferred accounts	240,173	92,586	165,014
Employees' welfare fund (contra)	122,134	92,664	85,508
Total	$93,366,254	$81,029,519	$71,071,270

Liabilities—	1927	1926	1925
Capital stock:			
Conn. Elec. Service Co.	$30,625,000	$30,625,000	$30,625,0
Pfd. stock of subs. in hands of public	25,500,000	19,006,000	12,619,4
Common stock of subs. in hands of public	2,700	2,200	16,0
Funded debt	24,286,100	24,411,000	16,761,0
Notes payable	5,000,000		
Accounts payable	942,455	795,221	4,118,2
Accrued accounts	1,225,303	1,147,043	1,224,0
Unadjusted credits	235,927	125,724	58,9
Reserve for retirements	1,659,913	1,692,208	
Other reserves	439,109	330,018	2,603,3
Employees' welfare reserve (contra)	122,134	92,664	85,5
Surp.—Conn. Elec. Serv. Co.	3,326,476	2,801,595	
Surp.—applicable to minority interests	1,137	846	2,959,8
Total	$93,366,254	$81,029,519	$71,071,2

Officers: J. H. Roraback, V-P.; Irvin W. Day, V-P.; R. H. Knowlton, V-P.; C. L. Campbell, Sec. & Treas.; C. J. Allen, Asst. Sec.; T. H. Blaikie, Asst. Treas.

Directors: Houghton Bulkeley, C. L. Campbell, William H. Putnam, J. H. Roraback, Hartford, Conn.; G. W. Curran, James T. Hutchings, Paul Thompson, Philadelphia, Pa.; Irvin W. Day, Waterbury, Conn W. E. S. Griswold, R. A. C. Smith, Greenwich, Conn William Loeb, Oyster Bay, N. Y.; Robert W. Perkin Norwich, Conn.; George L. Shearer, New York Richard Sutro, Glenville, Conn.

Office, 36 Pearl St., Hartford, Conn.

THE CONNECTICUT LIGHT AND POWER COMPANY

(Controlled by The Connecticut Electric Service Company)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
5½% Cumulative Pfd. (par $100)	M, J, S & D 1	$15,000,000	$6,500,000	Yes	$2,415,107	5½%	$29,792	*$16.
6½% Cumulative Pfd. (par $100)	M, J, S & D 1	6,500,000	6,500,000	Yes		6½%	422,500	
7% Cumulative Pfd. (par $100)	M, J, S & D 1	4,500,000	4,500,000	Yes		7%	315,000	
8% Cumulative Pfd. (par $100)	M, J, S & D 1	4,000,000	40,000,000	Yes		8%	320,000	
Common (par $100)	M, J, S & D 1	40,000,000	21,850,000		1,327,815	8%	1,440,000	†7.

*In arriving at earnings per share (Preferred stock), the 65,000 shares of 5½% Preferred stock were not considered, as was not issued until Dec. 1, 1927. †In arriving at earnings per share (Common stock), 180,000 shares only were used, 38,500 shares of total of 218,500 shares were issued on Nov. 30, 1927.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Ta
Conn. Lt. & Power Co. 1st. & ref. 7s A	May 1, 1951	M & N 1	Unlimited	$6,042,500	No	‡	Pd. by Co.
Conn. Lt. & Power Co. 1st & ref. 5½s B	Feb. 1, 1954	F & A 1		5,705,000	No	Yes	Pd. by Co.
Conn. Lt. & Power Co. 1st & ref. 4½s C	July 1, 1956	J & J 1		7,923,000	No	Yes	Pd. by Co.
New Milford Electric Light Co. 1st 5s	Jan. 1, 1930	J & J 1	100,000	79,000	No	Yes	Pd. by Co.
New Milford Power Co. First 5s	Aug. 1, 1932	F & A 1		1,000,000	No	No	Pd. by Co.
Bristol & Plainville Tramway Co. 1st 4½s	Nov. 1, 1945	M & N 1	600,000	540,000	No	Yes	Not pd. by C

Total Funded Debt, at Dec. 31, 1927, $21,289,500.
Amount Available for Interest in 1927, $3,371,527.
Interest Accrued in 1927, $956,420.
Times Interest Earned in 1927, 3.52.

‡Subject to call for sinking fund purposes only.

History—Chartered in 1905 by Special Act of the General Assembly of Connecticut, under the name of The Rocky River Power Co.; present title adopted and operations commenced Aug. 9, 1917, upon acquiring by purchase all the property, rights, franchises an leases of the Housatonic Power Co., The United Ele tric Light & Water Co. and The Seymour Electri Light Co. The property acquired included The Ne

CONNECTICUT LIGHT & POWER CO. SECURITIES
The R. F. Griggs Company
Specialists in Connecticut Securities
With particular attention to those of Waterbury, New Britain, Meriden, Torrington and Bristol
WATERBURY 63 North Main Street CONNECTICUT

ilford Power Co., which had been acquired by the busatonic Power Co. on Dec. 31, 1909, and also in-ded subleases from The New York, New Haven & artford R. R. Co., of all the gas and electric lighting operties formerly operated by said Company under se from the Connecticut Railway & Lighting Co. This Company owns all of the capital stock of The istol Traction Company which owns and operates e trolley property formerly owned by The Bristol d Plainville Electric Company and all but 22 shares the capital stock of The Monroe Electric Light ompany, a small company organized on a co-opera-e basis to supply electric service in the Town of nroe.

Merger—On March 10, 1926, the following com-nies merged into this Company: The Meriden as Light Co., The Meriden Electric Light Co., The ew Milford Electric Light Co., The Woodbury ectric Co. and The Westport Electric Co. For est published statements, see 1926 Public Utility anual, pages 1074, 1075 and 1076. On Nov. 30, 1927, he Bristol and Plainville Electric Co. and The Mid-etown Gas Light Co. were merged into this Com-ny (see 1927 Public Utility Manual, pages 2210 and 213). These mergers were effected by issuing Com-on stock of The Connecticut Light and Power Co. i lieu of the stock of the merged Companies.

Property—The Company has steam power stations Devon, Waterbury and Bristol, Conn., and hydro wer stations at Bulls Bridge and Stevenson, Conn.; substations located at Waterbury, Oakville, New ritain, Beacon Falls, Woodbury, Seymour, Cheshire, orwalk, Branford, Greenwich, New Milford, Mianus, outhington, Meriden, Derby, Devon, Naugatuck, lainville and Stamford, Conn. The property oper-ed represents an installed generating capacity of 1,130 k.w., of which 25,950 k.w. is hydro-electric. he new Devon Station, completed in 1924, has three its of 25,000 kilowatts each and is laid out for an timate capacity of over 150,000 k.w.

The Company has now under construction at New ilford, Conn., a hydro-electric development of 24,000 w. capacity. In addition to the two present installed dro-electric developments on the Housatonic River, e Company owns undeveloped water power rights ving a potential capacity of 80,000 k.w. Of the total ectricity generated at its plants in the 12 months ded Dec. 31, 1927, 42% was from hydro-plants and % from steam plants. The Company operates about 9 miles of high tension transmission lines, and ectric distribution systems in about 35 cities and wns.

The leased properties include a steam electric plant Waterbury, used as a reserve, and distributing sys-ms in Waterbury, New Britain and twelve other ties and towns. They are part of properties owned The Connecticut Ry. & Lighting Co. and are leased The Connecticut Light and Power Co. for 999 years om 1906.

The Company has gas plants at Bristol, Meriden, d Norwalk, with a combined 24-hour capacity of 500,000 cu. ft. Gas service is supplied in Bristol, lainville, Meriden, Middletown, Cromwell, Cheshire, outhington and Norwalk.

Territory—Supplies electricity for light and power 35 cities and towns, with an estimated population over 397,000 including the following cities and wns: Berlin, Branford, Bethany, Bridgewater, Bris-l, Burlington, Cheshire, Greenwich, Guilford, Meri-n, Middlebury, Naugatuck, New Britain, New anaan, New Milford, Newington, Norwalk, Oxford, lainville, Plymouth, Redding, Roxbury, Seymour, nerman, Southington, Southbury, Warren, Washing-n, Waterbury, Watertown, Weston, Westport, Wil-n, Wolcott and Woodbury.

The Company also sells electric current to other ublic service companies doing business in 14 cities and towns, with an estimated population of over 90,-000 including Danbury, Bethel, Beacon Falls, Bethle-hem, Brookfield Wallingford, Derby, Ansonia, Shel-ton, Kent, Monroe, Morris, Litchfield and Ridgefield. Also supplies power to The Connecticut Company and The Bristol Traction Co. for the operation of trolleys in Waterbury, New Britain, Norwalk, Branford, Bris-tol and adjacent territory, also supplies power to N. Y., N. H. & H. RR. Co. for the operation of its electrified system. Company is now interconnected with other power companies in the State of Connecticut and these interconnections will be further extended so as to connect with the other operating companies of The Connecticut Electric Service Company.

The Company also supplies gas to a population of about 136,000 in Meriden, Norwalk, Southington, Cheshire, Bristol, Plainville, Middletown and Crom-well.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Electric Consumers—	1927	1926	1925
Power	2,426	2,354	1,885
Other	89,375	76,374	60,115
Total No. electric custom.	91,801	78,728	62,000
Electricity output (kw.h.)	354,047,654	287,025,026	287,165,218
Gas customers	28,221	17,974	6,391
Gas output (thousand cu. ft.)	916,916	558,393	248,583

CAPITAL STOCK

Authorized, $40,000,000 Common and $30,000,000 cumulative Pfd.; outstanding, Dec. 31, 1927, $21,850,000 Common, $6,500,000 5½% cumulative Pfd., $6,500,000 6½% cumulative Pfd., $4,500,000 7% cumulative Pfd., and $4,000,000 8% cumulative Pfd.; par, $100. All the Common is owned by The Connecticut Electric Ser-vice Co.

Stock Increase—Stockholders on Nov. 17, 1927 approved plan to increase the authorized capitalization of the company. The Plan provided as follows: (1) for changing the authorized and unissued $2,500,000 Second Preferred stock to a like amount of authorized Common stock, thereby making the total amount of authorized Common stock $21,000,000, par $100; (2) for increasing the authorized Common stock from $21,000,000 to $40,000,000, par $100; (3) for increasing the authorized Preferred stock from $15,000,000 to $30,000,000, par $100 and for fixing the dividend rates of the additional Preferred stock.

Preferred Stock Provisions—1. Preferred as to assets up to par and to its specified dividends over any other class of stock. In the event of voluntary dissolu-tion or liquidation is entitled to $120 per share and accrued dividends.

Except with consent of the holders of two-thirds of the Pfd. stock, no bonds, notes or other evidences of indebtedness maturing more than five years after date of their issue (other than the First and Refund-ing mortgage bonds and/or indebtedness secured by such bonds and other than purchase money mort-gages on property hereafter acquired) shall be issued or the payment thereof guaranteed and no transfer, lease or sale of any substantial part of company's property essential to its operation shall, after the dis-charge of the First and Refunding Mortgage (which prohibits any such transfer), be made.

No other class of stock shall be created having priority over the Pfd. stock and no indebtedness shall be created, the evidences of which shall be issued for distribution by way of dividends on any class of stock other than the Pfd. stock.

2. The authorized amount of this issue is $30,000,000 (par value $100 per share), which may not be increased without the consent of the holders of two-thirds of the Pfd. stock. The outstanding $4,000,000 8% Pfd. stock and the $4,500,000 7% Pfd. stock are callable as a whole or in part on any dividend date at $120 and ac-crued dividends, the $6,500,000 6½% Preferred stock, at $115 and accrued dividends and the $6,500,000 5½% Pfd. stock at $112 plus accrued dividends.

3. Subsequent issues of Preferred stock in addition to the present authorized issue of $30,000,000, when consented to by the holders of two-thirds of the Preferred stock, are issuable only under carefully drawn provisions respecting earnings and purpose of issue.

4. **Voting Power**—Except as above specifically provided the Pfd. stock shall have no voting power unless four quarterly dividends thereon shall be in arrears or unless there shall have occurred some default in the observance of any of the above provisions or some default on which action has been taken by bondholders or the trustee of any mortgage or indenture under which any of the indebtedness of the Company has been issued or unless the Company has been declared bankrupt or a receiver of its property has been appointed. In any of these events the Pfd. stock shall have the right to elect a majority of the Board of Directors, and shall have in all other matters full voting rights so long as any such default continues.

5. **No Subscription Rights**—The Pfd. stockholders shall have no pre-emptive right to subscribe for any issue of the capital stock of the Company, Common or Preferred, or for any issue of evidences of indebtedness that may be convertible into capital stock.

6. No dividends shall be paid on stock other than this Pfd. stock except out of surplus or net profits, earned after Dec. 31, 1920. In computing earnings available for the payment of dividends there shall be deducted, among other operating expenses, an allowance for the maintenance and replacement of the Company's property of not less than 10% of its gross operating revenues computed as provided, in the Company's First and Refunding mortgage.

7. Changes in the Pfd. stock provisions may be made only by the vote of the holders of 80% of the par value of Pfd. stock outstanding and of two-thirds of the par value of the Common stock outstanding. The dividend rate, the call price, and the amount payable on dissolution on outstanding Pfd. stock, cannot be reduced.

Transfer Agent (Pfd. stock)—Hartford-Connecticut Trust Co., Hartford, Conn.

Registrar (Pfd. stock)—The Colonial Trust Co., Waterbury, Conn.

Annual Meeting—Third Tuesday in October.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the Bankers).

Original Offering—The $4,000,000 8% Pfd. stock was publicly offered in Nov., 1921, at 98 and accrued dividend, yielding 8.16%, by Estabrook & Co., and Stone & Webster, Inc., New York and Boston; Putnam & Co., Hartford; Hincks Bros. & Co., Inc., Bridgeport; and Chas. W. Scranton & Co., New Haven. $4,500,000 7% Pfd. stock in Jan., 1923, at $100 per share, yielding 7% by Estabrook & Co., New York and Boston; Chas. W. Scranton & Co., New Haven, Hincks Bros. & Co., Inc., Bridgeport, and Putnam & Co., Hartford. The $5,500,000 6½% cumulative Pfd. stock was publicly offered in March, 1926 and an additional $1,000,000 6½% cumulative Pfd. stock in July, 1926, both at 102 and dividends, to yield about 6.37% by the same bankers which offered the 7% Pfd. stock.

The $6,500,000 5½% Pfd. stock was publicly offered in Dec., 1927, at $100 per share, yielding 5.50%, by Estabrook & Co., New York and Boston; Charles W. Scranton & Co., New Haven, Conn.; Hincks Bros. & Co., Inc., Bridgeport, Conn.; and Putnam & Co., Hartford.

Dividends—Dividends on the 5½%, 6½%, 7% and 8% Pfd. stock are regularly paid, M, J, S & D 1 to stockholders of record F, M, A & N 15. Initial quarterly dividend of 1⅜% on the 5½% Pfd. stock was paid March 1, 1928. On Common, dividends of 7½% were paid in 1922; 6% in 1923; 5% in 1924; 6% in 1925; 6½% in 1926; 8% in 1927; 1% on March 1, 1928; payments quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$1,000,000 NEW MILFORD POWER CO. FIRST MORTGAGE GOLD 5s; DUE AUGUST 1, 1932

Dated February 24, 1902.

Interest Payable Feb. and Aug. 1, at Central Union Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. A first lien on the property of the former New Milford Power Co., which was merged into the Housatonic Power Co. in 1909, these bonds being assumed. Latter company was acquired by the Connecticut Light & Power Co. in Aug., 1917. Legal for Maine savings banks. Company pays Normal Federal Income Tax up to 2%.

(2)

$79,000 NEW MILFORD ELECTRIC LIGHT CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1930

Dated January 1, 1910.

Interest Payable January and July 1, at First National Bank, New Milford. Coupon, $500 and $1,000; principal may be registered. New Milford Security Co., New Milford, Conn., Trustee. Authorized and issued, $100,000, of which $21,000 retired through sinking fund. Subject to call at par. Sinking fund, 2% of outstanding bonds per annum began in 1915. Secured by a first mortgage on the property of the former New Milford Electric Light Co., merged into The Connecticut Light & Power Co., March 10, 1926, and bonds assumed. Company does not pay Normal Federal Income Tax.

(3)

$540,000 The Bristol & Plainville Tramway Co. First Mtge. Gold 4½% Bonds; dated Nov., 1905, due Nov. 1, 1945; interest May and Nov. 1, at Bristol (Conn.) National Bank. Denominations, $500 and $1,000. Treasurer of State of Conn., Trustee. Authorized, $600,000. Subject to call at par. Secured by a first mortgage on the property of the former The Bristol & Plainville Electric Co., merged into The Connecticut Light and Power Co., Nov. 30, 1927, and bonds assumed. Company does not pay Normal Federal Income Tax.

(4)

$6,042,500 THE CONNECTICUT LIGHT & POWER CO. FIRST AND REFUNDING MORTGAGE SINKING FUND GOLD 7s, SERIES "A"; DUE MAY 1, 1951

$5,705,000 THE CONNECTICUT LIGHT & POWER CO. FIRST AND REFUNDING MORTGAGE SINKING FUND GOLD 5½s, SERIES "B"; DUE FEBRUARY 1, 1954

$7,923,000 THE CONNECTICUT LIGHT & POWER CO. FIRST AND REFUNDING MORTGAGE SINKING FUND GOLD 4½s, SERIES "C"; DUE JULY 1, 1956

Dated, Series "A," May 1, 1921; Series "B," February 1, 1924; Series "C," July 1, 1926.

Interest Payable on Series "A," May and November 1, on Series "B," February and August 1, and on Series "C," January and July 1, at Bankers Trust Co., New York, Old Colony Trust Co., Boston, and Continental National Bank & Trust Co., Chicago.

Denominations—Coupon bonds, $500 and $1,000, registerable as to principal only, and fully registered bonds, $1,000 and multiples; interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue is not limited in amount except as follows: Bonds may be issued to refund, par for par, underlying bonds. Additional bonds may be issued for 75% of the cost or fair value, whichever is less, of additional water power, electric or gas properties in Connecticut, or of additions or improvements; and then only when net earnings, applicable to interest and rentals, for 12 months within 15 months immediately preceding the issue, shall have been at least 1¾ times the total annual interest and rental charges, including interest on the bonds sought to be issued. None of these bonds may be issued to

quire stocks or securities of other companies, except ntrolled companies organized for the purpose of ring water or developing water power to be used company in connection with its power develop- ents in Connecticut. Bonds of future series may ature at such date or dates, bear interest at such te or rates, be callable at such prices and have ch sinking fund provisions, convertible provisions d tax provisions as may be determined by the Di- ctors at the time of issue.

Issued $6,500,000 Series "A" 7s, $5,874,000 Series " 5½s and $8,000,000 Series "C" 4½s, of which 57,500 Series "A" bonds, $169,000 Series "B" bonds ld in Sinking Fund and $77,000 Series "C" have been tired and cancelled.

Callability—Series "A" bonds are subject to call for aking fund on any interest date prior to and includ- g Nov. 1, 1931, at 110, thereafter decreasing ½% nually to 100½ on Nov. 1, 1950. Series "B" bonds e subject to call in whole at any time on or after eb. 1, 1934, at 107½% up to and including Aug. 1, 39, and thereafter decreasing ½% annually to 01½ on Aug. 1, 1953; bonds may be called for sinking nd only beginning Aug. 1, 1925, at the same prices. eries "C" bonds are subject to call on any interest te for sinking fund purposes only, at 105%, and e subject to call as a whole at any time on or after ly 1, 1936, at 105, the premium thereafter de- easing ¼% annually to 100¼ on July 1, 1955.

Sinking Fund—Series "A" Bonds: Annual sinking nd, commenced Sept. 1, 1922, amounts to 1% of the tal bonds theretofore certified plus 1% on the $1,- 00,000 New Milford Power Co. bonds, or on any bonds issued to refund the latter. This amount (less any amount not exceeding $10,000 per annum, required under any sinking fund established for the New Milford bonds, or any bonds issued to refund them) is to be paid to the Trustee to be applied to the purchase or call of bonds; bonds so acquired to be kept alive and interest thereon added to the fund. Series "B" Bonds: Annual sinking fund, beginning June 1, 1925, amounts to 1% of bonds outstanding, including those held alive in sinking fund. Series "C" Bonds: Annual sinking fund, beginning Nov. 1, 1927, amounts to 1% of bonds issued; bonds purchased for the sinking fund to be cancelled.

Security—Secured by mortgage which covers substantially all property now or hereafter owned by the Company, except securities (if any) hereafter acquired and not made the basis of issue of these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Connecticut. Pennsylvania Four Mills tax and Massachusetts Income tax not exceeding 6% per annum refunded.

Legal for Savings Banks in Connecticut, Maine and Massachusetts.

Original Offering—First publicly offered ($6,500,000 Series "A" 7s) in May, 1921, at 95 and interest, yielding about 7.40%, by Lee, Higginson & Co., and Estabrook & Co., New York, Boston, etc., Hincks Bros. & Co., Inc., Bridgeport, and Chas. W. Scranton & Co., New Haven; $5,874,000 Series "B" 5½s were publicly offered in Feb. 1924, at 96½ and interest, yielding about 6¾%, by the same syndicate. $8,000,000 Series "C" 4½s were publicly offered in July, 1926, at 95¼ and interest, by the same syndicate.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ross operating revenue	$8,284,750	$7,570,709	$6,488,238	$5,656,131	$5,151,859	$4,426,621
perating expenses	4,641,499	4,289,017	3,712,701	3,427,794	3,375,457	2,779,731
Operating income	$3,643,251	$3,281,692	$2,775,537	$2,228,337	$1,776,402	$1,646,890
on-operating revenue	181,549	119,962	41,198	112,109	441,498	160,777
Gross income	$3,824,800	$3,401,654	$2,816,735	$2,340,446	$2,217,900	$1,807,667
Deductions—						
ent of leased property	$402,354	$402,355	$402,355	$402,355	$402,355	$402,354
nterest charges	956,420	875,114	939,340	685,408	512,881	511,957
iscellaneous deductions	50,919	43,094	43,094	32,879	25,581	.....
Total income deductions	$1,409,693	$1,320,563	$1,384,789	$1,120,642	$940,817	$914,312
et income	$2,415,107	$2,081,091	$1,431,946	$1,219,804	$1,277,083	$893,356
imes Interest Earned	3.52	3.38	2.52	2.78	3.49	2.74
arnings Per Share—						
Preferred	‡$16.10	$13.87	$16.84	$14.35	$15.02	$22.33
Second Preferred	*	†47.21	31.87	23.39	25.68	*
Common	§7.37	6.00	7.03	4.53	5.21	6.75

*None outstanding in these years. †April 30, 1926. ‡In arriving at earnings per share (1927) Preferred stock, 65,000 shares 5½% Preferred stock was not considered, as it was not issued until Dec. 1, 1927. §In arriving at earnings per share (1927) ommon stock, 180,000 shares only were used as 38,500 shares of total of 218,500 shares were issued on Nov. 30, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Connecticut Light and Power Company including earnings of companies merged during the year)

	1927	1926		1927	1926
perating revenues	$9,500,906	$9,110,576	Deductions	$1,439,345	$1,345,832
perating expenses	5,666,120	5,505,398			
Operating income	$3,834,786	$3,605,178	Surplus after charges	$2,583,365	$2,385,813
ncome from non-opera. properties	187,924	126,467	Dividends on Pfd. stock	1,057,500	1,000,868
Gross corporate income	$4,022,710	$3,731,645	Bal. available for Common dividends	$1,525,865	$1,384,945

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
roperty investment	$58,758,677	$46,143,363	$33,733,311	$32,499,568	$28,751,489	$19,780,894
nvest. in affiliated companies	3,256,393	1,057,988	34,201	25,201	23,001	19,901
inking and other spec. funds	58,264	39,230	28,845	14,155	10,505	8,325
ash	8,188,096	6,452,964	800,437	616,329	897,965	1,670,051
lotes & accts. receivable	1,575,982	1,435,506	1,019,835	999,495		
pecial deposits for bond interest and divids	228,284	234,055	209,462	206,949		
laterials and supplies	1,202,727	909,513	757,948	928,175	1,027,577	545,739
repaid accounts	80,811	45,806	1,274,957	1,280,135	704,137	684,066
)ef. charges to operations	1,888,421	1,926,881				
mployees' welfare fund (contra)	122,134	92,664	85,508	71,490	73,028	62,161
liscellaneous investments	48,187	48,884	71,000	.....	.....	.....
Total	$75,407,976	$58,386,854	$38,015,504	$36,641,497	$31,487,702	$22,771,137

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$21,850,000	$18,000,000	$8,486,000	$8,486,000	$8,486,000	$8,486,000
8% Preferred stock	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
7% Preferred stock	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	.....
6½% Preferred stock	6,500,000	6,500,000	.....	.....	.....	.....
5½% Preferred stock	6,500,000	.....	.....	.....	.....	.....
*8% 2nd Pfd. stock	.....	.....	2,500,000	2,500,000	2,500,000	.....
Funded debt (less sinking fund)	21,289,500	20,966,000	13,025,000	13,159,500	7,364,000	7,436,000
Notes and accounts payable	5,751,909	509,297	3,859,858	2,532,558		
Interest and dividends declared unpaid	23,042	27,030	22,927	20,414	3,933,181	2,191,656
Accrued interest, rents and taxes	1,071,399	892,620	684,852	657,688		
Unadjusted credits	235,108	196,752	28,000	38,500	.....	.....
Reserves	1,500,546	965,082	163,551	91,200	.....	.....
Employees' welfare fund reserve (contra)	122,134	92,664	85,508	71,490	73,028	62,161
Surplus	2,064,338	1,737,409	659,808	584,147	631,493	595,320
Total	$75,407,976	$58,386,854	$38,015,504	$36,641,497	$31,487,702	$22,771,137

*Retired April 30, 1926.

Officers: J. H. Roraback, Pres.; Irvin W. Day, V-P.; R. H. Knowlton, V-P.; C. L. Campbell, Sec. & Treas.; C. J. Allen, Asst. Sec.; T. H. Blaikie, Asst. Treas.; R. K. Linsley, Aud.

Directors: W. W. Bodine, Fred J. Rutledge, W. H. Taylor, G. W. Curran, James T. Hutchings, Paul Thompson, Philadelphia, Pa.; J. Henry Roraback, Wm. H. Putman, Hartford, Conn.; Irvin W. Day, Waterbury, Conn.; R. A. C. Smith, Greenwich, Conn.; Richard Sutro, Glenville, Conn.; William Loeb, New York; George T. Kimball, New Britain, Conn.; Robt. W. Perkins, Norwich, Conn.

General Office, 36 Pearl St., Hartford, Conn.

THE BRISTOL TRACTION COMPANY

(Controlled by The Connecticut Light and Power Company)

History and Business—Incorporated July 12, 1927, in Connecticut. Acquired the railway system of The Bristol and Plainville Electric Co. Line of road connects Bristol with Plainville, Compounce, Terryville and Oaklawn. Line owned: Main line, 12.876 miles; sidings and turnouts, 0.867 mile—total owned and operated, 13.743 miles. Operated by overhead trolley. Equipment—Motor cars: passenger (open, 18; closed, 12; combination, 7); service and other cars, 4—total, 41.

CAPITAL STOCK

Authorized and outstanding, $750,000; par, $100. All owned by The Connecticut Light and Power Company.

Annual Meeting—Third Tuesday in April at Bristol, Conn.

Earnings—Operations for three months ended Dec. 31, 1927. Gross earnings, $38,465; operating expenses, taxes, etc., $38,077; net earnings, $388; other income, $44; total net income, $432.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Cost of road and equipment	$741,283	Capital stock	$750,000
Materials and supplies	9,824	Accounts payable	4,615
Cash	7,547	Other current liabilities	2,911
Accounts receivable	1,350	Unadjusted credits	475
Other current assets	2,179	Reserve for depreciation	2,950
		Other reserves	801
		Surplus	431
Total	$762,183	Total	$762,183

Officers: J. Henry Roraback, Pres.; C. L. Campbell, Sec. & Treas.; C. J. Allen, Asst. Sec.; T. H. Blaikie, Asst. Treas.; R. K. Linsley, Aud., Hartford, Conn.; G. E. Cockings, Gen. Mgr., Bristol, Conn.

Directors: J. Henry Roraback, C. L. Campbell, R. H. Knowlton, Hartford, Conn.; Irvin W. Day, Waterbury, Conn.; G. E. Cockings, Bristol, Conn.

General Office, 36 Pearl St., Hartford, Conn. **Operating Office,** Bristol, Conn.

THE MONROE ELECTRIC LIGHT COMPANY

(Controlled by The Connecticut Light and Power Co.)

History—Organized under Special Act of Connecticut. Commenced business January 7, 1922. Authorized to distribute and sell electricity in the town of Monroe, Connecticut.

CAPITAL STOCK

Authorized, $25,000; outstanding, December 31, 1927, $7,600; par $100. $5,400 of the stock is owned by The Connecticut Light and Power Co.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$8,344	$7,608	$6,669
Operating expenses	4,883	4,023	3,625
Operating income	$3,461	$3,585	$3,044
Non-operating income	28	30	20
Gross income	$3,489	$3,615	$3,064
Deductions	2,433	2,418	2,066
Net income	$1,056	$1,197	$998

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Fixed capital	$44,070	$41,761	$40,530	Capital stock	$7,600	$6,700	$6,700
Subscribers to capital stock	.....	.....	365	Capital stock subscribed	.....	900	900
Cash	259	2,827	187	Notes payable	32,000	32,000	29,000
Accounts receivable	2,929	2,255	2,142	Accounts payable	1,143	1,882	2,757
				Accrued liabilities	723	695	607
				Reserves	2,055	1,985	1,397
				Surplus	3,737	2,681	1,863
Total	$47,258	$46,843	$43,224	Total	$47,258	$46,843	$43,224

Officers: Irvin W. Day, Pres., Waterbury, Conn.; C. L. Campbell, Sec. & Treas.; C. J. Allen, Asst. Sec.; T. H. Blaikie, Asst. Treas., Hartford, Conn.

Directors: Irvin W. Day, Waterbury, Conn.; C. L. Campbell, R. H. Knowlton, Hartford, Conn.

General Office, 36 Pearl St., Hartford, Conn.

THE EASTERN CONNECTICUT POWER COMPANY

(Controlled by The Connecticut Electric Service Company)

History and Properties—Incorporated Aug. 28, 1917, under the general laws of Conn., and by Act of the General Assembly of said State approved May 8, 1919, and accepted by the Company Aug. 22, 1919, it became a specially chartered light and power company with perpetual rights. Company purchased the power business of the Shore Line Electric Ry. Co., and holds through purchase of its securities, controlling interest in The Uncas Power Co., and the West Glocester Light & Power Co.

Merger—On July 26, 1927, the following companies were merged into the Company: The Putnam Light and Power Co., The Danielson and Plainfield Gas & Electric Co. (see 1927 Public Utility Volume, pages 2213 and 2214), and The Lyme Electric Power Co. Practically all the securities and captial stock of these companies had been owned by this Company. This merger was effective by cancelling the stock of the above merged companies.

Property—The Company's most important station is a steam generating plant located at Montville on the Thames River about four miles north of New London, with a generating capacity of 32,500 k.w., and building large enough for one additional 10,000 k.w. turbine and with land and condensing water available for further extension to a capacity of 500,000 k.w.

The Company owns another steam plant at Mechanicsville, near Putnam, with installed capacity of 1,600 k.w. and two hydro-electric stations, one located at Lafts, on the Quinnebaug River, near Norwich, with present installed capacity of 800 k.w. These stations are by the necessary transmission lines and transformer equipment, tied in to the general transmission system.

The Company owns extensive distribution lines and a high tension three phase 60 cycle transmission system ranging from 66,000 to 11,000 volts radiating from the Montville Power Station. The system extends north about 50 miles to the Massachusetts state line, where it connects with the lines of the New England Power Company, east about 22 miles to the Rhode Island state line, and west along the shore of Long Island Sound for about 41 miles. The total circuit mile distance is approximately 163.

Territory—Supplies electricity for light and power to 20 cities and towns with an estimated population of 72,000 including the following cities and towns: Woodstock, Thompson, Pomfret, Putnam, Killingly, Brooklyn, Hampton, Plainfield, Sterling, Sprague, Griswold, Voluntown, Occum, Preston, No. Stonington Ledyard, Waterford, Lyme, East Lyme, Old Lyme.

The Company also sells electric current to other public service companies doing business in 14 cities and towns with an estimated population of about 97,000 including New London, Groton, Stonington, Chester, Saybrook, Essex, Old Saybrook, Westbrook, Clinton, Madison, Lisbon, Montville, Westerly, Windham. Also supplies power to The Connecticut Company and The Groton and Stonington Traction Company for the operation of trolleys in New London, Norwich, Willimantic, Groton, Westerly and adjacent territory.

The Company supplies gas to an estimated population of 18,000 in the town of Killingly and Putnam.

CAPITAL STOCK

Authorized, $4,500,000 Common, $3,000,000 7% cumulative First Pfd. and $2,500,000 6% Second Pfd.; outstanding, $3,000,000 Common, $1,500,000 7% First Pfd., and $2,500,000 6% Second Pfd.; par, $100. All of the Common stock is owned by The Connecticut Electric Service Company.

First Preferred Stock Provisions—First Pfd. stock has preference for assets up to par and for its specified dividends over any other class of stock. In the event of voluntary or involuntary dissolution or liquidation entitled to receive $100 per share plus accrued and unpaid dividends before any distribution is made upon any other class of stock.

Except with the consent of the holders of two-thirds of the First Pfd. stock represented at a meeting duly called for the purpose no bonds, notes or other evidences of indebtedness maturing more than five years after date of their issue (other than the first mortgage bonds and/or indebtedness secured by such bonds and other than purchase money mortgages on property hereafter acquired) shall be issued or the payment thereof guaranteed and no transfer or sale of any substantial part of the Company's property essential to its operation shall, after the discharge of the Company's First Mortgage (which prohibits any such transfer), be made.

The authorized amount of this issue is $3,000,000, which amount may not be increased without the consent of the holders of two-thirds of the First Pfd. stock represented at a meeting duly called for the purpose.

First Pfd. stock is callable as a whole or in part at the option of the Company on any dividend day at $120 per share and accrued and unpaid dividends.

Shares of the First Pfd. stock, in addition to an initial issue of 15,000 shares, may from time to time be issued to an amount not exceeding 15,000 shares, but only when the net earnings for the preceding twelve months are equal to twice the dividends required upon the shares of said First Pfd. stock issued and to be issued and the dividends on the additional shares so issued may be fixed by a two-thirds vote of all outstanding stock at a higher or lower rate than upon the shares of First Pfd. stock so heretofore authorized.

The holders of the First Pfd. stock are not entitled to voting rights or notices of stockholders meetings except whenever four full quarterly dividends on said stock shall be in arrears or the Company shall have defaulted in the observance of conditions creating said stock or when action based upon the Company's default shall have been taken by the bondholders or the Trustee under any mortgage of the Company or the Company shall have been declared bankrupt or a Receiver of its property appointed, when the holders of the First Pfd. stock shall have the right to elect a majority of the Board of Directors, and except as otherwise provided in the conditions creating said stock.

The First Pfd. stockholders shall not have any preemptive right to subscribe to any future issues of stock of any class now or hereafter authorized, nor any future issue of bonds, notes, or other evidences of indebtedness which may be convertible into capital stock.

Changes in the First Pfd. stock provisions may be made only by the vote of the holders of 80% of the par value of First Pfd. stock outstanding and of two-thirds of the par value of the Second Pfd. and Common stock outstanding. The dividend rate, the call price, and the amount payable on dissolution on outstanding First Pfd. stock, cannot be reduced without the consent of holders thereof.

Transfer Agent and Registrar (Common stock)—The Company, 36 Pearl Street, Hartford, Conn. (First and Second Pfd.)—The Hartford-Connecticut Trust Co., Hartford, Conn.

Annual Meeting—Third Tuesday in May.

Legal Opinion (Pfd. Stock)—Robinson, Robinson & Cole, Hartford (for the Bankers); Day, Berry & Reynolds, Hartford, and C. B. Whittlesey, New London (for the Company).

Dividends—Payments on First Pfd. stock made quarterly, F, M, A & N 1 to holders of record J, A, J & O 15. Payments on Second Pfd. stock made quarterly M, J, S & D 1 to holders of record F, M, A & N 26. Payment on Common stock made Nov. 1, 1927.

FUNDED DEBT

$2,870,500 FIRST MORTGAGE SINKING FUND GOLD 5s, SERIES "A"; DUE APRIL 1, 1948

Dated April 1, 1923.

Interest Payable April and October 1, at Hartford-Connecticut Trust Co., Hartford, Conn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Hartford-Connecticut Trust Co., Hartford, Conn.

Provisions of Issue—Issued, $3,000,000 Series "A," of which $129,500 held in sinking fund Dec. 31, 1927. In addition to the original issue of $3,000,000, bonds in the amount of $750,000 may be issued against present property (including additions to power plant which were under construction at time of bond issue), and further bonds may be issued for 75% of the cost or fair value, whichever is less, of additional electric, water, power or gas properties, or of securities of subsidiary companies or of additions and improvements, but only when net earnings applicable to interest for twelve months within fifteen months next preceding, shall have been at least 1¾ times the total annual interest charges, including interest on the bonds proposed to be issued. Bonds of future series may mature at such date, bear interest at such rate, be callable at such prices, and have such sinking fund provisions, and tax provisions as may be determined by the Board of Directors at the time of issue.

Purpose of Issue—The proceeds of the $3,000,000 "A" bonds provided the funds for extension of the steam plant at Montville, and for the purchase of the securities of The Lyme Electric Power Co. and The Danielson & Plainfield Gas & Electric Co.; and for the retirement of floating debt caused by the purchase of The Putnam Light & Power Co. (The companies named above were merged into The Eastern Connecticut Power Company in July, 1927.)

Callability—Subject to call as a whole or in part for sinking fund on any interest date prior to and including April 1, 1938, at 105, thereafter decreasing ½% annually to 100½ on April 1, 1947.

Sinking Fund—The mortgage requires an annual sinking fund payment for the benefit of Series "A" bonds equal to 1% of the total amount of Series "A" bonds, the first payment to be made on Aug. 1, 1924. The sinking fund is to be applied to the purchase or call of Series "A" bonds. Bonds acquired for the sinking fund are to be kept alive in the hands of the trustee and interest thereon added to the sinking fund. This sinking fund will be sufficient to retire by maturity at least 40% of the total amount of Series "A" bonds issued.

Security—The bonds are secured by a first mortgage which will cover substantially all property now owned or hereafter acquired; and will be additionally secured by deposit of securities of subsidiary companies now owned or hereafter acquired, provided bonds under this mortgage are issued to acquire such properties or securities. Series "A" bonds will be secured by a first mortgage on properties having an appraised value, after completion of extension under construction at time of bond issue, and including property of subsidiary companies subsequently merged into The Eastern Connecticut Power Co. of about $7,500,000. They are also secured by deposit with the Trustee of securities having an appraised value of about $1,500,000 including all the securities of The Putnam Light & Power Co., The Lyme Electric Power Co. and The Danielson & Plainfield Gas & Electric Co. It is agreed that subsidiary companies shall not issue securities unless they be taken by the parent company and pledged with the trustee of this mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The bonds are free of tax when held by residents of Connecticut. The company agrees to refund to bondholders in any state, property or income taxes assessed by state or local authorities, to an amount not exceeding 4 mills per dollar as to such property tax, or 6% of the interest as to such income tax.

Legal Opinion—Robinson, Robinson & Cole, Hartford, Conn. (for the bankers); and Day, Berry & Reynolds, Hartford, Conn. (for the Company).

Original Offering—First publicly offered ($3,000,000) in March, 1923, at 91 and accrued interest, to yield about 5.70%, by Estabrook & Co., Lee, Higginson & Co., and Bonbright & Co., Inc., New York, Boston, etc., and Putnam & Co., Hartford, Conn.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Eliminating Inter-Company Transactions)

	1927	1926	1925	1924	1923	1922
Gross operating revenue	$1,503,946	$1,367,722	$1,461,343	$1,288,485	$1,410,452	$1,231,797
Operating expenses, maintenance and taxes	934,579	884,906	900,217	820,043	881,131	757,699
Total operating income	$569,367	$482,816	$561,126	$468,442	$529,321	$474,098
Non-operating income	15,083	15,118	11,382	19,740	9,886	7,317
Gross income	$584,450	$497,934	$572,508	$488,182	$539,207	$481,415
Interest on bonds	150,000	150,000	150,000	150,000	150,000	150,000
Other deductions	67,360	54,295	44,551	35,426	13,217	.....
Total deductions	$217,360	$204,295	$194,551	$185,426	$163,217	$150,000
Net income	$367,090	$293,639	$377,957	$302,756	$375,990	$331,415
Preferred dividends	255,208	255,777	*	*	*	*
Balance available for Common	$111,882	$37,862	*	*	*	*

*Not reported.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$11,046,885	$10,895,224	$10,809,353
Miscellaneous investments	114,843	92,143	79,143
Sinking funds	668	629	874
Cash	195,065	164,717	161,506
Special deposits	26,250	26,250	.....
Notes & accts. receivable	245,018	203,825	236,331
Materials and supplies	323,291	214,183	254,482
Prepaid accounts	14,864	17,178	30,788
Deferred charges to oper.	367,494	390,333	409,888
Total	$12,334,378	$12,004,482	$11,982,365

Liabilities—	1927	1926	1925
Preferred stock 7%	$1,500,000	$1,500,000	$1,500,000
Preferred stock 6%	2,500,000	2,500,000	2,500,000
Danielson & Plainfield G. & E. Pfd.	.....	6,000	19,400
Common stock	3,000,000	3,000,000	3,000,000
Funded debt	2,870,500	2,905,000	2,938,000
Notes & accts. payable	983,902	750,148	695,890
Matured int. & divds. unpaid	26,250	28,500	.....
Accrd. int., rentals & taxes	149,407	144,006	153,646
Reserves	494,897	450,800	617,254
Surplus	809,422	720,028	558,175
Total	$12,334,378	$12,004,482	$11,982,365

Officers: R. W. Perkins, Pres., Norwich, Conn.; F. de C. Sullivan, V-P., New York; C. L. Campbell, Sec.; C. J. Allen, Asst. Sec., Hartford, Conn.; E. A. Harris, Treas., Norwich, Conn.; T. H. Blaikie, Asst. Treas., Hartford, Conn.; H. D. Larrabee, Gen. Mgr., Norwich, Conn.

Directors: F. de C. Sullivan, New York; R. W. Perkins, Norwich, Conn.; J. H. Roraback, Wm. H. Putnam, Hartford, Conn.; Irvin W. Day, Waterbury, Conn.

General Office, 36 Pearl Street, Hartford, Conn.

THE UNCAS POWER COMPANY

(Controlled by The Eastern Connecticut Power Company)

History and Property—Incorporated in 1905 under ıe laws of Connecticut. Owns hydro-electric plant n the Shetucket River, near Windham, Conn. Supplies power under contract to the City of Norwich, onn., for sale to private consumers and to supply city treet lighting system, also to The Rockville-Willimantic Lighting Co. and The Eastern Connecticut ower Co. Capacity of plant, 1,200 k.w. Population erved, 29,000.

CAPITAL STOCK

Authorized and outstanding, $50,000 Common, par, 25, and $100,000 6% Pfd.; par, $100. Controlling interest held by The Eastern Connecticut Power Co. nnual meeting, third Monday in March.

Dividends—Pfd. dividends regularly paid quarterly since June 1, 1924.

FUNDED DEBT

$200,000 (entire issue) First Gold 5s; due Dec. 1, 1928; int. June and Dec. 1, at Federal National Bank, Boston, Trustee. Coupon, $500 and $1,000. Subject to call at any time at 115. A first lien or entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Operating revenue	$58,628
Operating expenses	25,186
Net income	$33,442
Interest charges, etc.	17,226
Surplus after charges	$16,216

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
ixed capital	$594,382	Capital stock	$150,000
ash	4,594	Funded debt	200,000
ccounts receivable	5,841	Notes & accts. payable	131,286
aterials and supplies	331	Miscellaneous accruals	4,381
ther assets	1,190	Retirement reserve	58,600
		Surplus	62,071
Total	$606,338	Total	$606,338

Officers: R. W. Parkins, Pres.; F. deC. Sullivan, V-P.; C. L. Campbell, Sec.; C. J. Allen, Asst. Sec.; E. A. Harris, Treas.; T. H. Blaikie, Asst. Treas.

Directors: F. deC. Sullivan, Robert W. Perkins, J. H. Roraback, Irvin W. Day, W. H. Putnam.

General Office, Norwich, Conn.

WEST GLOCESTER LIGHT & POWER COMPANY

(Controlled by The Eastern Connecticut Power Company)

History—Incorporated April 19, 1918, in Rhode sland. Purchases power from The Eastern Connecticut Power Co. for resale in the Town of West Glocester.

CAPITAL STOCK

Authorized and outstanding, $2,500; par, $100. All owned by The Eastern Connecticut Power Co.

FUNDED DEBT

None.

Officers: R. W. Perkins, Pres.; H. D. Larrabee, V-P. & Gen. Mgr.; E. A. Harris, Sec. & Treas.

Directors: R. W. Perkins, E. A. Harris, H. D. Larrabee.

General Office, 362 Main Street, Norwich, Conn.

OUSATONIC WATER POWER COMPANY

(Controlled by The Connecticut Electric Service Co.)

History—Incorporated in 1864, in Conn. Supplies water for power in Derby and Shelton, Conn.

CAPITAL STOCK

Authorized and outstanding, $750,000; par, $100. All owned by The Connecticut Electric Service Co. Annual meeting, third Tuesday in January.

FUNDED DEBT

$126,100 Mortgage Gold 6% bonds; dated Oct. 1, 1914; due Oct. 1, 1934; int. April and Oct. 1, at Birmingham National Bank, Derby, Conn. Coupon, $100, $500 and $1,000. Authorized issue, $500,000. Company does not pay Normal Federal Income Tax.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Plant and property	$1,118,964	$941,784	Capital stock	$500,000	$500,000
Miscellaneous investments	10,425	179,634	Long term debt	126,100	126,100
Cash	48,926	21,298	Accounts payable	54,172	10
Notes and accounts receivable	79,777	40,544	Matured interest unpaid	405	.....
Special deposits	405	.....	Miscellaneous accruals	10,750	.....
Miscellaneous assets	66	29,891	Reserves	95,170	97,047
			Surplus	471,966	489,994
Total	$1,258,563	$1,213,151	Total	$1,258,563	$1,213,151

Officers: J. H. Roraback, Pres.; Irvin W. Day, V-P.; C. L. Campbell, Sec. & Treas.; C. J. Allen, Asst. Sec.; T. H. Blaikie, Asst. Treas.

Directors: J. H. Roraback, Irvin W. Day, R. H. Knowlton, C. L. Campbell, Robt. W. Perkins.

Office, Hartford, Conn.

CONNECTICUT GAS AND COKE SECURITIES COMPANY

(Controlled by The United Gas Improvement Company)

History—Incorporated October 11, 1926 in Connecticut. A holding company owning practically all of the capital stock of New Haven Gas Light Company (see statement on page 648) and 16,333 shares of Common stock of The Hartford Gas Company.

Control—On Sept. 15, 1927 stockholders of The United Gas Improvement Company authorized the issuance of 38,461 shares of capital stock (par $50) in exchange for 3,656 shares of The Hartford Gas Company and for 204,481 shares, or 68.3% of the no par value Common stock and 8,361 shares of the no par Preferred stock of The Connecticut Gas and Coke Securities Co.

CAPITAL STOCK

Authorized, 300,000 shares Common of no par value and 200,000 shares $3 cumulative Preferred of no par value; outstanding, 299,201 shares Common and 198,402 shares Preferred.

Preferred Stock Provisions—Pfd. stock carries preferential dividends at rate of $3 per annum. It is subject to redemption at $65 per share and accrued dividends on any dividend date upon 60 days' notice. In case of

liquidation or dissolution of Company the stock is entitled to receive $60 per share.

Transfer Agent—Company's office, New Haven, Conn.

Registrar—Union & New Haven Trust Co., New Haven, Conn.

Annual Meeting—Second Monday in February.

Dividends—Preferred dividends regularly paid quarterly, J, A, J & O 1. None paid on Common to date.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Dividends on Hartford Gas Co. Common stock	$35,000
Divd. on New Haven Gas Light Common stock	599,477
Interest on bank deposits	149
Interest on subscription payments	418
Total	$635,044
Operating expenses	1,846
Balance	$633,198
Preferred dividends ($3)	593,852
Surplus for year	$39,346

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Investments	$15,234,45
Cash in dividend account	191,14
Cash	50
Dividend receivable	14,00
Interest receivable	41
Total	$15,440,51
Liabilities—	
Preferred stock of no par value	$9,920,10
Common shares no par value	5,256,03
Due U. G. I. Company	15,91
Dividend payable	148,80
Notes payable U. G. I. Co.	58,32
Profit and loss	41,34
Total	$15,440,51

Officers: A. W. Thompson, Pres.; Wm. W. Bodine V-P., Philadelphia, Pa.; J. Arnold Norcross, V-P.; T R. Sucher, Sec., New Haven, Conn.; I. W. Morris Treas.; G. W. Curran, Compt., Philadelphia, Pa.

Directors: Clarence Blakeslee, New Haven, Conn. Paul Thompson, P. H. Gadsden, Garfield Scott, A. W Thompson, Philadelphia, Pa.; J. J. McKeon, New Haven, Conn.; W. H. Putnam, Hartford, Conn.

General Office, 80 Crown St., New Haven, Conn.

CONSUMERS GAS COMPANY

(Controlled by The United Gas Improvement Co.)

History—Incorporated Feb. 27, 1913, in Pa. Supplies Reading, Birdsboro, Pa., and adjacent territory. Population served, 138,000. Leases the property of the Reading Gas Co. for a period of 99 years from Nov. 1, 1885.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Miles of mains	215	199	181
Number of meters	30,887	29,552	27,811
Sale of gas (cu. ft.)	1,076,842,000	1,022,493,100	864,133,200

CAPITAL STOCK

Authorized, $3,500,000; outstanding, $2,949,750; par $25. Transfer office, Broad and Arch Sts., Philadelphia. Annual meeting, second Friday in March.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,354,375	$1,299,422	$1,119,889	$1,066,662	$1,006,125	$884,55
Operating expense	672,002					
Taxes	104,056	678,426	732,866	730,401	707,352	703,39
Retirement expense	32,303					
Net earnings	$546,014	$620,996	$387,023	$336,261	$298,773	$181,15
Income deductions	39,816	37,410	37,229	37,077	37,070	42,14
Balance available for dividends, etc.	$506,198	$583,586	$349,794	$299,184	$261,703	$139,00

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Fixed assets	$3,574,545	$3,223,114	$2,931,162	Capital stock	$2,949,750	$2,949,750	$2,565,00
Investments	20,400	45,025	45,025	Accounts payable	78,880	65,243	68,90
Materials and supplies	71,278	89,133	89,994	Accrued accounts	25,500	21,672	3,93
Accounts receivable	131,853	124,190	111,131	Reserves	478,445	441,930	429,69
Cash	24,295	75,439	26,578	Profit and loss	291,482	80,254	137,91
Prepaid accounts	1,686	1,948	1,556				
Total	$3,824,057	$3,558,849	$3,205,446	Total	$3,824,057	$3,558,849	$3,205,44

Officers: J. A. Keppelman, Pres. & Counsel; J. A. Perry, A. C. Taylor, J. T. Hutchings and F. J. Rutledge, V-Ps.; I. W. Morris, Treas.; G. W. Curran, Sec.; Johns Hopkins, Asst. Sec.; E. MacMorris, Asst. Treas.; C. L. Hoffman, Asst. Sec.; J. A. Pearson, Pur. Agt.

Directors: P. H. Gadsden, James T. Hutchings W. W. Bodine, Paul Thompson, J. B. Klumpp, Philadelphia; J. A. Keppelman, Charles T. Nagle, Reading Pa.

Office, Reading, Pa.

EAST PENN GAS LIGHT COMPANY

(Operations Supervised by The United Gas Improvement Company)

History—Incorporated Dec. 8, 1913, in Pennsylvania. Supplies Borough of Emaus and Salisbury Township with gas, serving population of about 6,700.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Miles of gas mains	11.7	11.5	10.9
Number of meters	715	628	543
Sales (cu. ft.)	13,539,100	11,887,000	8,579,700

CAPITAL STOCK

Authorized, $200,000; outstanding, $175,000; par, $50. Annual meeting, second Monday in January.

FUNDED DEBT

$94,000 First Mortgage Gold 5s; dated Dec. 15, 1913; due Nov. 1, 1943; int. May and Nov. 1, at Emaus National Bank, Emaus, Pa. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $400,000; outstanding, $94,000. Lehigh Valley Trust Co. Allentown, Pa., Trustee. Subject to call at 105 and accrued interest. No sinking fund. Secured by a first mortgage on all property now owned or hereafter acquired.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$22,583	$19,936	$14,73
Operating expenses	12,677	10,264	8,80
Net earnings	$9,906	$9,672	$5,93
Interest and other charges	4,763	4,724	4,70
Net income	$5,143	$4,948	$1,23

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
roperty account	$274,453	$271,553	$264,250	Capital stock	$175,000	$175,000	$175,000
aterials and supplies	535	650	700	Funded debt	94,000	94,000	94,000
ash	5,694	2,323	1,779	Current liabilities	1,343	2,315	409
ccounts receivable	2,815	2,389	1,951	Reserve accounts	4,632	1,971	953
ther current assets	2	3	48	Other accrued liabilities	1,227	1,478	1,159
rofit and loss	.....	.....	2,793	Profit and loss	7,297	2,154	.....
Total	$283,499	$276,918	$271,521	Total	$283,499	$276,918	$271,521

Officers: J. A. Frick, Pres., Allentown, Pa.; F. J. utledge, V-P.; J. A. Perry, V-P.; G. W. Curran, ec.; Johns Hopkins, Asst. Sec., Philadelphia; H. F. rey, Treas., Allentown, Pa.; J. A. Pearson, Pur. Agt., hiladelphia.

Directors: W. W. Bodine, P. H. Gadsden, J. T. Hutchings, Paul Thompson, Philadelphia, Pa.; J. A. Frick, Allentown, Pa.

Office, Emaus, Pa.

THE HARRISBURG GAS COMPANY

(Controlled by The United Gas Improvement Co.)

History—Incorporated Oct. 2, 1924, in Pa. Supplies as to Harrisburg, Steelton and vicinity. Population erved, 136,500.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
iles of mains	232.77	222.4	.....
umber of meters	30,611	29,869	28,790
ales (cu. ft.)	1,190,521,500	1,125,902,600	1,000,112,200

CAPITAL STOCK

Authorized, $3,000,000 Common and $3,000,000 Pfd.; utstanding, $1,973,000 Common and $500,000 7% fd.; par, $10. Annual meeting, first Wednesday in pril.

Dividends—On Pfd. stock 7% was paid in 1926 and 927.

FUNDED DEBT

(1)

1,750,000 (ENTIRE ISSUE) HARRISBURG GAS CO. FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1928

Dated February 2, 1903.

Interest Payable February and August 1, at Harrisburg Trust Co., Harrisburg, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Security—Secured by a first mortgage on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

(2)

$850,000 THE HARRISBURG GAS CO. 5% GOLD NOTES; DUE FEBRUARY 1, 1928

Dated August 1, 1925.

Interest Payable February and August 1, at Company's office, Philadelphia, Pa.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized, $1,000,000; outstanding, $850,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ross earnings	$1,266,764	$1,119,811	$991,429	$966,840	$935,107	$812,188
perating expenses	734,629					
axes	39,931	778,761	689,859	688,061	609,257	505,236
etirement exp.	107,147					
Net earnings	$385,057	$341,050	$301,570	$278,779	$325,850	$306,952
ncome deductions	131,186	137,588	104,310	128,196	116,240	116,237
Net income	$253,871	$203,462	$197,260	$150,583	$209,610	$190,715
referred dividends	35,000	34,970	*	*	*	*
Balance for Common dividends, etc.	$218,871	$168,492	*	*	*	*

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
ixed assets	$5,776,351	$5,617,671	$5,352,028	Common stock	$1,973,000	$1,973,000	$1,973,000
Materials and supplies	84,357	95,907	93,560	Preferred stock	500,000	500,000	496,900
Accounts receivable	85,252	82,380	222,191	Funded debt	2,600,000	2,600,000	2,325,000
Cash	120,542	128,090	202,363	Accounts payable	102,812	117,564	390,033
Other assets	16,445	20,215	1,796	Accrued accounts	62,304	64,076	59,297
				Reserves	572,749	478,572	427,310
				Profit and loss	272,082	211,051	200,398
Total	$6,082,947	$5,944,263	$5,871,938	Total	$6,082,947	$5,944,263	$5,871,938

Officers: L. S. Williams, Pres. & Gen. Mgr.; Harisburg, Pa.; Edward Bailey, V-P., Harrisburg; J. A. Perry, V-P.; F. J. Rutledge, V-P.; G. W. Curran, Sec.; I. W. Morris, Treas., Philadelphia.

Directors: L. S. Williams, Harrisburg, Pa.; P. H. Gadsden, Paul Thompson, W. W. Bodine, J. T. Hutchings, Philadelphia; Edward Bailey, George R. Bailey, Harrisburg.

Office, Harrisburg, Pa.

MANCHESTER GAS COMPANY

(Operations Supervised by The United Gas Improvement Co.)

History—Incorporated under laws of New Hampshire, Dec. 28, 1921. Supplies Manchester, N. H. Population served, 69,720.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Miles of mains	103.11	100.12	97.47
Number of customers	15,708	15,684	15,790
Sales (cu. ft.)	383,521,600	377,898,400	388,252,500

CAPITAL STOCK

Authorized and outstanding, $900,000 Common and $900,000 Pfd.; par, $100. Transfer office, Manchester, N. H. Annual meeting, last Tuesday in January.

Dividends—7% was paid on Pfd. in 1926 and 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$541,236	$537,988	$554,080	$577,800	$590,246
Operating expenses	300,915				
Taxes	67,835	387,460	416,820	393,320	414,051
Retirement expense	21,601				
Net earnings	$150,885	$150,528	$137,260	$184,480	$176,195
Preferred dividends	63,000	63,000	*	*	*
Balance for Common dividends, etc.	$87,885	$87,528	*	*	*

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Fixed assets	$2,176,135	$2,113,841	$2,055,823	Common stock	$900,000	$900,000	$900,000
Investments	.....	.....	30,000	Preferred stock	900,000	900,000	900,000
Materials and supplies	110,724	93,358	134,682	Accounts payable	63,670	63,809	116,018
Accounts receivable	46,360	42,107	80,725	Accrued accounts	39,260	38,491	46,277
Cash	25,942	52,575	15,770	Reserves	278,503	237,855	207,789
Prepaid accounts	255	372	1,308	Profit and loss	177,983	162,098	148,224
Total	$2,359,416	$2,302,253	$2,318,308	Total	$2,359,416	$2,302,253	$2,318,308

Officers: A. M. Heard, Pres.; T. R. Varick, V-P., Manchester, N. H.; James T. Hutchings, V-P., Philadelphia; W. M. Africa, Treas., Clerk & Mgr., Manchester, N. H.; G. W. Curran, Compt., Philadelphia.

Directors: W. M. Africa, A. M. Heard, T. R. Varick, Nathan P. Hunt, A. L. Clough, Manchester, N. H.; G. W. Curran, Philadelphia.

Office, Manchester, N. H.

NASHVILLE GAS & HEATING COMPANY

(Controlled by The United Gas Improvement Co.)

History—Incorporated July 5, 1911, in Tenn. Supplies gas to city of Nashville, Tenn., for lighting and power. Population served, 150,000.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Miles of mains	237.22	215.66	203.16
Number of meters	14,753	13,839	13,118
Sales (cu. ft.)	494,958,500	473,247,400	426,599,300

CAPITAL STOCK

Authorized, $1,600,000 Common and $1,500,000 6% cumulative Pfd.; outstanding, $1,600,000 Common and $800,000 Pfd.; par, $100. Pfd. stock is subject to call at 105 and accrued dividends and possesses voting power only in case 18% in dividends thereon shall remain unpaid. Annual meeting, third Tuesday in January.

Dividends—6% was paid on Pfd. in 1927 and 12% in 1926.

FUNDED DEBT

$2,341,000 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1937

Dated May 1, 1912.

Interest Payable May and November 1, at Girard Trust Company, Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Authorized, $6,000,000; additional bonds may be issued for improvements or new property, at not more than 85% of cost, but only when net earnings, after taxes and rentals, shall be not less than one and one-half times the interest on all bonds of this issue outstanding, and those to be issued.

Callability—Subject to call as a whole on any interest date at 105 and interest.

Sinking Fund—Annual sinking fund of $25,000 begins March 1, 1927, bonds to be drawn by lot at 10[illegible] and interest, if not purchasable for less. Bonds so acquired to be kept alive in sinking fund.

Security—A first lien on entire property.

Guaranty—$1,976,000 of these bonds are guaranteed by The United Gas Improvement Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in May 1912, by Brown Bros. & Co., New York, etc., and Drexel & Co., Philadelphia, at 98 and interest; $200,000 offered in April, 1925, at 96.50 and interest to yield 5.40%, by Caldwell & Co., Nashville, Tenn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$792,808	$759,262	$694,220	$699,552	$633,98
Operating expenses	404,567				
Taxes	130,296	535,127	506,873	496,248	449,27
Retirement expense	53,624				
Net earnings	$204,321	$224,135	$187,347	$203,304	$184,71
Income deductions	129,461	120,716	114,405	103,182	100,07
Net income	$74,860	$103,419	$72,942	$100,122	$84,63
Preferred dividends	48,000	96,000	*	*	*
Balance for Common dividends, etc.	$26,860	$7,419	*	*	*

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Fixed assets	$5,111,495	$4,906,902	$4,770,160	Common stock	$1,600,000	$1,600,000	$1,600,00
Materials and supplies	119,899	100,431	116,394	Preferred stock	800,000	800,000	800,00
Accounts receivable	186,425	170,078	131,186	Funded debt	2,341,000	2,365,000	2,265,00
Cash	14,274	4,155	13,100	Notes payable	222,000	.....	.....
Suspense accounts	27,286	75,213	82,844	Accounts payable	66,351	108,529	100,92
Prepaid accounts	3,346	3,554	2,487	Accrued accounts	122,696	96,516	73,29
Other assets	1,162	.....	.....	Reserves	58,005	74,725	80,80
				Profit and loss	253,835	215,563	196,14
Total	$5,463,887	$5,260,333	$5,116,172	Total	$5,463,887	$5,260,333	$5,116,17

Officers: S. E. Linton, Pres.; J. A. Perry, V-P.; F. J. Rutledge, V-P.; I. W. Morris, Treas.; E. MacMorris, Asst. Treas.; G. W. Curran, Sec.; Johns Hopkins, Asst. Sec.

Directors: Wm. W. Bodine, S. E. Linton, Paul Thompson, P. H. Gadsden, J. T. Hutchings.

Office, Nashville, Tenn.

NORTHERN LIBERTIES GAS COMPANY

(Operated by The United Gas Improvement Co. as Agent under Agreement)

History—Incorporated April 13, 1844, in Pa. Furnishes the Northern Liberties District of Philadelphia with gas, serving an estimated population of 33,000. The United Gas Improvement Co. operates as Agent under Agreement dated July 2, 1900.

CAPITAL STOCK

Authorized and outstanding, $475,000; par, $25. Dividends of 8% per annum are paid semi-annually March and Sept. 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Earnings from rental of property	$40,348	$40,336	$45,768	$45,718	$45,673
Expenses	1,966	1,933	7,844	7,388	7,458
Net income	$38,382	$38,403	$37,925	$38,330	$38,215
Dividends	38,000	38,000	38,000	38,000	38,000
Surplus for year	$382	$403	*$75	$330	$215
Surplus forward	46,095	45,692	45,767	45,438	45,223
Profit and loss surplus	$46,477	$46,095	$45,692	$45,768	$45,438

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed assets	$481,134	$481,134	$481,134
Cash	43,010	42,628	42,225
Total	$524,144	$523,762	$523,359

Liabilities—	1927	1926	1925
Capital stock	$475,000	$475,000	$475,000
Ground rent	2,667	2,667	2,667
Profit and loss	46,477	46,095	45,692
Total	$524,144	$523,762	$523,359

Officers: George Fales Baker, Pres.; George E. Schaut, Sec. & Treas., Philadelphia, Pa.

Trustees: George Fales Baker, Wm. W. Fitler, W. H. Rossmassler, Miers Busch, C. C. Febiger, John M. Scott, H. S. Ehret, Wm. Henry Holmes, J. F. Lewis, Simon Walter, Thos. S. Boyle, Ira J. Williams, Philadelphia, Pa.

Office, Philadelphia, Pa.

PHILADELPHIA SUBURBAN-COUNTIES GAS AND ELECTRIC COMPANY

(Controlled by The United Gas Improvement Company)

History—Incorporated in Pennsylvania, as a consolidation, effective May 3, 1927, of Philadelphia Suburban Gas and Electric Company, The Counties Gas & Electric Company, Bucks County Public Service Co. (for latest published statements, see 1926 Manual, pages 1056, 1080 and 21 respectively), Bryn Athyn Gas Co., Bryn Athyn Electric Co., Bryn Athyn Heat & Fuel Co., Spring City Electric Co., Warminster Township Gas Co., Warminster Township Heat and Fuel Co., South Coventry Township Electric Co., Royersford Electric Co., Newton Square Gas Co., Newton Square Heat and Fuel Co., New Hope Electric Co., Langhorne Electric Light and Power Co., Bucks County Gas & Fuel Co., The Doylestown Gas Co., and Bucks County Southern Gas Co. These companies served, without competition, contiguous territories comprising substantially all the southeastern part of Pennsylvania adjacent to and within a radius of 35 miles of Philadelphia.

Under the terms of the merger and consolidation, stock of the present Company was issuable in exchange for stock of constituent companies as follows: One share of new Common stock for each share of Common stock, one share of new $8 Preferred stock for each two shares of 8% Preferred stock and one share of $6.50 Preferred stock for each two shares of 6½% Preferred stock of The Counties Gas and Electric Company; two shares of new Common stock for each share of Common stock and one share of $7 Preferred stock for each share of 7% Preferred stock of Philadelphia Suburban Gas and Electric Company; one share of new Common stock for each five shares of capital stock of Langhorne Electric Light and Power Company; one share of new Common stock for each two shares of capital stock for Bucks County Public Service Company and of Bucks County Gas and Fuel Company; one share of new Common stock for each share of capital stock of The Doylestown Gas Company; and two shares of new Common stock for each share of capital stock of each of the other constituent companies.

Territory and Business—The territory, now served by Philadelphia Suburban-Counties Gas and Electric Co. is within a radius of 35 miles of the City of Philadelphia and embraces an area of about 1,400 square miles and extends from the New Jersey state line at Trenton on the Northeast to Pottstown and Coatesville on the west and to the Delaware state line on the southwest. Among the more important centers of population which are served with electricity or gas, or both, are Morrisville, Bristol, Langhorne, Doylestown, Jenkintown, Ambler, Conshohocken, Norristown, Phoenixville, Pottstown, Chester, West Chester, Coatsville, and the "Main Line" district, which forms a continuous community along the main line of the Pennsylvania Railroad west of Philadelphia, including Ardmore, Bryn Mawr, Villa Nova, Wayne, Devon and Paoli. The total population served is estimated at 600,000.

Gas service is furnished in practically all of this territory; and electric service is furnished in substantially all of it, including the so-called "Main Line" residential section and the Schuylkill Valley industrial area, but excepting the district along the Delaware River between Philadelphia and the Delaware State line.

Property—The properties of the Company include two large modern electric generating stations with an aggregate generator capacity of 77,500 k.w. and three auxiliary electric plants with an aggregate generator capacity of 11,775 k.w.; two large modern gas plants with a daily capacity of 11,500,000 cu. ft., a recently constructed coke oven plant at Chester with a capacity of 2,500,000 cu. ft. and three other gas plants with an aggregate daily capacity of 3,900,000 cu. ft.; 267 circuit miles of 33,000 volt electric transmission lines (voltage under 33,000 considered) distribution of which there are 2,099 circuit miles exclusive of secondary and street light series; and 1,471 miles of gas mains, together with adequate gas holders, electric substations, transformers and other equipment. To supplement its own output, the Company purchases electricity from The Philadelphia Electric Company, and gas from Rainey-Wood Coke Company at West Conshohocken under advantageous contracts. Its electric system is also interconnected with the lines of Metropolitan Edison Company and Pennsylvania Power and Light Company, serving adjacent territories to the north and west.

Company's franchises, with minor exceptions, are unlimited as to time, and contain no burdensome restrictions.

GROWTH OF BUSINESS, DECEMBER 31

		Consumers		Sales	
Year	Gross Revenue	Electric	Gas	Electric kw. hrs.	Gas Cu. ft.
1928 ...	$3,896,931	17,178	61,546	46,468,171	2,100,157,400
1919 ...	4,421,281	19,590	65,166	55,597,453	2,108,646,800
1920 ...	5,805,216	23,602	67,843	76,489,820	2,455,259,000
1921 ...	6,589,501	27,323	68,626	70,802,354	2,383,151,500
1922 ...	7,087,673	32,613	72,135	89,921,440	2,511,964,700
1923 ...	8,660,776	44,957	79,436	129,495,925	2,834,760,100
1924 ...	9,250,169	54,547	84,563	130,863,406	2,966,024,100
1925 ...	10,214,017	64,546	91,975	153,926,737	3,188,344,700
1926 ...	11,901,644	73,249	99,948	183,137,988	3,802,908,900
1927 ...	12,936,406	81,044	107,116	226,125,157	4,116,339,400

CAPITAL STOCK

Authorized, 400,000 shares Common of no par value and 250,000 shares Pfd. of no par value; outstanding December 31, 1927, 383,264 shares Common, 34,328 shares of Pfd. $6 Cumulative, 10,000 shares Pfd. $6.50 Cumulative, 69,371 shares $7 Cumulative and 10,800 shares Pfd. $8 Cumulative. The United Gas Improvement Co. owns a substantial majority of the Common stock. 35,000 shares of Pfd. $6 Cumulative were offered to customers in June, 1927, of which 34,328 shares are outstanding and balance subscribed for.

Annual Meeting—Third Monday in January.

Dividends—Initial quarterly dividend of $1.75 on $7 Pfd. was paid Aug. 1, 1927; regular payments since, F, M, A & N 1.

FUNDED DEBT

(1)

$295,000 CHESTER COUNTY PUBLIC SERVICE CO. (MORTGAGE CLOSED) FIRST MORTGAGE 5% GOLD BONDS; DUE JUNE 1, 1941

Dated June 1, 1911.

Interest Payable June and December 1, at Chester County Trust Co., West Chester, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Chester County Trust Co., West Chester, Pa.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date upon 4 weeks' notice.

Sinking Fund—A sinking fund of 1% per annum of outstanding bonds is provided (payable semi-annually until Dec. 1, 1921; thereafter at the rate of 1½% per annum. Fund is to be applied to purchase or redemption of bonds at not exceeding 105 and interest, bonds so purchased or redeemed to be held alive in fund. The outstanding amount includes $66,500 held alive in sinking fund.

Security—A first lien on property formerly owned by Chester County Public Service Co. Assumed by Philadelphia Suburban-Counties Gas and Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

Original Offering—First publicly offered in June, 1911, at 97½ and interest, together with a bonus of 25% in Common stock.

(2)

$150,000 THE CONSOLIDATED SCHUYLKILL GAS CO. FIRST MORTGAGE 5% GOLD BONDS; DUE OCTOBER 1, 1929

Dated October 2, 1899.

Interest Payable April and October 1, at Real Estate Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Mortgage closed. Not subject to call. A first lien on property formerly owned by Company. Assumed by Philadelphia Suburban-Counties Gas and Electric Co. Company pays Normal Federal Income Tax up to 2%.

(3)

$2,213,000 COUNTIES GAS & ELECTRIC CO. (MORTGAGE CLOSED) GENERAL MORTGAGE 5% FIFTY-YEAR GOLD BONDS; DUE OCTOBER 1, 1962

Dated October 1, 1912.

Interest Payable April and October 1, at Bank of North America & Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia.

Provisions of Issue—Authorized, $7,500,000; issued, $4,783,000; outstanding, $2,213,000. Mortgage closed.

Callability—Subject to call on any interest date at 105 and interest on eight weeks' notice.

Security—Secured by a first closed mortgage on gas plants at Ardmore and Norristown, Pa.; and electric plants at Wayne and Norristown, Pa. Assumed by Philadelphia Suburban-Counties Gas and Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$275,000 HUNTINGDON VALLEY LIGHT & POWER CO. FIRST MORTGAGE 5% THIRTY-YEAR GOLD BONDS; DUE JUNE 1, 1947

Dated June 1, 1909.

Interest Payable June and December 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Pa., Trustee. Coupon, $500 and $1,000. Mortgage closed. The outstanding amount includes $38,500 held alive in sinking fund. Subject to call at 102½ and interest. Assumed by Philadelphia Suburban-Counties Gas and Electric Co. Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

(5)

$373,000 JENKINTOWN & CHELTENHAM GAS CO. FIRST REFUNDING MORTGAGE 5% GOLD BONDS; DUE OCTOBER 1, 1933

Dated October 1, 1903.

Interest Payable April and October 1, at Real Estate Trust Co., Philadelphia, Trustee. Coupon, $1,000. Mortgage closed. Secured on all property and franchises of the former Jenkintown & Cheltenham Gas Co. Assumed by Philadelphia Suburban-Counties Gas and Electric Co. Company pays Normal Federal Income Tax up to 2%.

(6)

$1,234,000 MERION & RADNOR GAS & ELECTRIC CO. (MORTGAGE CLOSED) FIRST MORTGAGE 5% FIFTY-YEAR GOLD BONDS; DUE MAY 1, 1954

Dated May 2, 1904.

Interest Payable May and November 1, at Bank of North America & Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia.

Provisions of Issue—Authorized, $2,000,000; issued, $1,317,000; outstanding, $1,234,000. Mortgage closed.

Callability—Subject to call at 105 and interest.

Security—A first lien on property of former Merion & Radnor Gas & Electric Co.

Assumed by Philadelphia Suburban-Counties Gas and Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(7)

$49,000 THE PHILADELPHIA SUBURBAN GAS CO. FIRST MORTGAGE 5% GOLD BONDS; DUE MARCH 1, 1931

Dated March 1, 1901.

Interest Payable March and September 1, at Real Estate Trust Co., Philadelphia, Trustee. Coupon, $1,000. Mortgage closed. Assumed by Philadelphia Suburban-Counties Gas and Electric Co. A sinking fund is provided. Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

(8)

$1,423,000 SUBURBAN GAS CO. OF PHILADELPHIA (MORTGAGE CLOSED) FIRST MORTGAGE 5% GOLD BONDS; DUE APRIL 1, 1952

Dated April 1, 1902.

nterest Payable April and October 1, at Real Es-
a: Trust Co., Philadelphia.
)enomination—Coupon, $1,000; principal may be
istered.
'rustee—Real Estate Trust Co., Philadelphia.
allability—Subject to call at 108 and interest.
inking Fund—Sinking fund, 1% of all bonds issued,
an April 1, 1907.
ecurity—Secured on all property and franchises of
former Suburban Gas Co.
ssumed by Philadelphia Suburban-Counties Gas
Electric Co.
'ax Provisions—Company pays Normal Federal In-
ie Tax up to 2%. Free of Pennsylvania State Tax.

(9)

13,000 PHILADELPHIA SUBURBAN GAS & ELECTRIC CO. (MORTGAGE CLOSED) FIRST MORTGAGE AND REFUNDING GOLD 5s; DUE FEBRUARY 1, 1960

)ated February 1, 1910.
nterest Payable February and August 1, at Gir-
Trust Co., Philadelphia.
)enominations—Coupon, $500 and $1,000; principal
y be registered.
'rustee—Girard Trust Co., Philadelphia.
allability—Subject to call at 105 and interest on
interest date upon sixty days' notice.
ecurity—A first lien on new gas plant at Jenkin-
n, Pa., and secured on other properties formerly
ned by Philadelphia Suburban Gas & Electric Co.,
ject to $2,270,000 prior liens described in Nos. 2, 4,
, and 8.
ssumed by Philadelphia Suburban-Counties Gas
Electric Co.
uaranty—Guaranteed, principal and interest, by
orsement by The American Gas Co.
'ax Provisions—Company pays Normal Federal In-
ie Tax up to 2%. Free of Pennsylvania State Tax.
)riginal Offering—First publicly offered ($900,000)
Feb., 1911, at 92½ and interest.

(10)

000,000 PHILADELPHIA SUBURBAN-COUNTIES GAS AND LECTRIC COMPANY FIRST AND REFUNDING MORTGAGE OLD BONDS 4½% SERIES, DUE 1957; DUE MAY 1, 1957

)ated May 1, 1927.
nterest Payable May and November 1, at Fidelity-
Iladelphia Trust Co., Philadelphia, Pa.
)enominations—Coupon, $500 and $1,000; principal
y be registered.
Trustee—Fidelity-Philadelphia Trust Company,
Iladelphia, Pa.
Provisions of Issue—The First and Refunding Mort-
ge is dated May 1, 1927, and provides that bonds
y be issued thereunder in an unlimited amount, in
or more series, in such amounts and having such
es of interest, maturity dates and such other provi-
ins within the limitations of the mortgage as the
Bard of Directors may from time to time determine.
e bonds of the 4½% Series due 1957 are unlimited
principal amount are outstanding in the amount of
,000,000, the proceeds of which were used to re-
urse Company for its expenditures in retiring
ds of constituent companies, for additions and im-
vements to its properties and for other corporate
poses. In addition to the $20,000,000 outstanding,
255,500 are issuable against the property of the
mpany as it existed May 3, 1927.
Further bonds of 4½% Series or other series may be
ued in accordance with the terms of the Mortgage
d the Supplement to the Mortgage dated May 1,
7: (a) To refund, in whole or in part, an equal
ncipal amount of (1) present underlying bonds
standing, (2) bonds of this or other series issued
der the Mortgage, or (3) bonds secured by mort-
ges (if any) on property hereafter acquired; (b) in principal amounts not exceeding 75% of the cost or fair value of plants or property acquired by the Company, after May 3, 1927, and of permanent additions, extensions, betterments and improvements to property of the Company now owned or hereafter acquired, provided that net earnings of the Company, as defined in the Mortgage, for twelve consecutive months out of the fifteen preceding months shall have been at least 1¾ times the annual interest charges on all First and Refunding Mortgage bonds and all underlying bonds, secured by mortgage on any portion of the Company's property, then outstanding together with those then proposed to be issued; (c) to provide money to be deposited with the Trustee for any of the foregoing purposes.

Callability—Bonds of the 4½% Series due 1957 are subject to call as a whole or in part and for the sinking fund on any interest date on 30 days' notice at premium of 5% on or before May 1, 1937; thereafter, said premium to be reduced by ¼ of 1% commencing Nov. 1, 1937, with a like additional reduction commencing Nov. 1, of each year thereafter, the bonds to be callable at par on Nov. 1, 1956, in each case with accrued interest.

Sinking Fund—Under the provisions of the Supplemental Mortgage, Company agrees to pay as a sinking fund semi-annually, beginning March 1, 1928, a sum equal to ½ of 1% of the total amount of bonds of the 4½% Series due 1957 outstanding at the time of payment. The moneys in the sinking fund are to be applied by the Trustee to the purchase and cancellation of bonds of this series at or below the redemption price existing at the next ensuing redemption date, or, if not so purchasable, to their call by lot at such redemption price.

Security—Secured by a first mortgage on properties valued at over $11,650,000, including the Barbadoes Island electric plant at Norristown, the gas system in West Chester and vicinity, and the gas system in Doylestown, Morrisville and neighboring communities. Also secured by a direct lien on the remaining property of the Company valued at over $68,054,000, subject to $13,245,000 underlying bonds, closed for further issuance to the public.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Interest on bonds of the 4½% Series due 1957 is payable without deduction for Pennsylvania State Taxes (except estate, inheritance and succession taxes) not exceeding $4 per $1,000 bond annually. Connecticut, Maryland or Massachusetts Taxes (other than estate, inheritance and succession taxes) not exceeding in each year $4, $4.50 or $2.70 per $1,000 bond, respectively, will be refunded as provided in the Supplemental Mortgage, but the Company will not assume or refund more than one such State Tax on the same bond for the same year.

Legal Opinion—Morgan, Lewis & Bockius.

Original Offering—First publicly offered ($10,000,000) in May, 1927, at 95 and interest, to yield about 4.82% by Drexel & Co., Stroud & Co., Inc., and Bioren & Co., Philadelphia, Pa., a second issue of $10,000,000 was publicly offered in November, 1927, at 98 and interest to yield about 4⅝% by the same bankers.

BOND REDEMPTIONS

All of the Philadelphia Suburban Gas & Electric Co. First & Consolidated Mortgage 6% Gold bonds, due December 1, 1943 were called for redemption on December 1, 1927, at 107½ and interest at Bank of North America & Trust Co., Philadelphia, Pa., Trustee.

All of the Philadelphia Suburban Gas & Electric Co. First & Consolidated 5½% Gold bonds, due February 1, 1955 were called for redemption on Feb. 1, 1928, at 106 and interest at Bank of North America & Trust Co., Philadelphia, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenue:		
Electric	$7,119,241	
Gas	5,600,865	$11,758,376
Other	216,300	
Total	$12,936,406	$11,758,376
Operating & maintenance	6,374,469	
All taxes	623,238	6,815,077
Renewals & replacements	774,836	
Total	$7,772,543	$6,815,077
Net earnings	$5,163,863	$4,943,299
Income deductions	1,728,689	1,708,809
Surplus after charges	$3,435,174	$3,234,490
Preferred dividends	721,748	672,692
Balance	$2,713,426	$2,561,798
Times Income Deductions Earned	2.98	2.89
Earnings Per Share—		
Preferred	$27.59	*
Common	7.07	*

*Not available.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and equip., including real estate	$66,610,997
Accounts receivable	1,460,053
Materials and supplies	1,327,968
Cash on hand, in banks and with fiscal agents	1,393,959
Other current assets	528,750
Unamortized debt disc. & exp.	1,852,845
Advance accounts	47,695
Sinking fund trustee	111,349
Total	$73,333,616
Liabilities—	
Preferred stock ($8.00)	$1,080,000
Preferred stock ($7.00)	6,539,330
Preferred stock ($6.50)	1,000,000
Preferred stock ($6.00)	3,432,800
Common stock	19,163,200
Total capital stock	$31,215,330
Funded debt	33,245,000
Notes payable	784,558
Accounts payable	1,672,839
Accrued accounts	677,591
Reserve for retirements	3,370,283
Other reserves	1,278,918
Installment payments on $6 Pfd. stock	39,343
Profit and loss	1,049,754
Total	$73,333,616

STATEMENT OF WORKING CAPITAL, DECEMBER 31, 1927

Current Assets—	
Accounts receivable	$1,460,053
Materials and supplies	1,327,968
Cash	1,393,959
Other current assets	528,750
Total	$4,710,730
Current Liabilities—	
Notes payable	$784,558
Accounts payable	1,672,839
Accrued accounts	677,591
Total	$3,134,988
Net Working Capital	$1,575,742

Officers: A. W. Thompson, Pres.; H. H. Ganser, V-P. & Gen. Mgr.; F. J. Rutledge, J. A. Perry, V-P's.; G. W. Curran, Sec. & Compt.; I. W. Morris, Treas.; E. MacMorris, Asst. Sec. & Asst. Treas.; Johns Hopkins, E. G. Windle, Asst. Sec's; Jos. B. Townsend, 3rd, Clifford Winner, A. S. Corson, Asst. Treas's; J. A. Pearson, Pur. Agt.

Directors: Wm. W. Bodine, J. T. Hutchings, Thomas Newhall, E. B. Robinette, M. W. Stroud, A. W. Thompson, Paul Thompson.

Office, Norristown, Pa.

UNITED ENGINEERS & CONSTRUCTORS INC.

(Controlled by The United Gas Improvement Company, Public Service Corporation of New Jersey and Day & Zimmermann, Inc.)

History and Business—Incorporated January 3 1928 in Delaware. Controls The U. G. I. Contracting Company, Philadelphia (see appended statement Day & Zimmermann Engineering & Construction Co Philadelphia, Public Service Production Co., Newar N. J., and Dwight P. Robinson & Co., Inc., New Yor City (see Industrial Manual). These companies c an extensive construction and general engineerin business, including plans and construction of ga electric and industrial plants; government constru tion; a wide variety of general structures such hotels, hospitals, apartments and port terminal d velopment; construction and maintenance of highwa and bridges and dams and hydro-electric develo ments.

CAPITAL STOCK

Ownership of the stock of this company is divid between The United Gas Improvement Compan Public Service Corporation of New Jersey and Day Zimmermann, Inc. of Philadelphia.

OFFICERS

Dwight P. Robinson, Pres.; George W. Curra Sec.; Weston J. Hibbs, Treas.; Harry E. Essle Compt.

OFFICES

Principal Office, N. W. Corner Broad and Ar Sts., Philadelphia. **Other Offices,** New York, Newar Chicago, Los Angeles, Atlanta, Pittsburgh, Houst Montreal, Rio de Janeiro and Buenos Aires.

THE U. G. I. CONTRACTING COMPAN

(Controlled by United Engineers & Constructors In

History—Incorporated March 5, 1919, in Del., a took over all the contruction business formerly handl by The United Gas Improvement Co. and The J. A. Crisfield Contracting Co. Designs, furnishes and erec "U. G. I." water-gas apparatus, vertical retorts, p ducers, waste heat boilers, and auxiliaries for g plants of various kinds; steam and hydro-electric po er plants, power plants for public utilities and ind trial purposes; transmission lines, sub-stations, ext sions and improvements to existing buildings; ind trial buildings of all kinds, including sewerage plan etc., as well as building locks, dams, etc.

CAPITAL STOCK

Authorized, $4,000,000; outstanding, $3,500,0 par, $100. All owned by United Engineers & C structors Inc.

FUNDED DEBT

None.

Officers: Dwight P. Robinson, Pres.; W. L. Chew ing, V-P.; D. J. Collins, V-P.; C. W. Hunter, V- D. N. Ogden, Sec.; Elmer Smalling, Asst. Sec.; MacMorris, Asst. Sec.; Weston J. Hibbs, Treas.; H. Callingham, Asst. Treas.; L. B. Schnerr, As Treas.; Harry E. Essley, Compt.

Directors: Dwight P. Robinson, W. L. Chewni D. J. Collins, W. H. Marshall, W. J. Serrill.

Office, 112 North Broad St., Philadelphia, Pa.

THE PHILADELPHIA ELECTRIC COMPANY

(Controlled by The United Gas Improvement Co.)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid— Rate	Dividends Paid— Amount	Earn per sh
Common (par, $25)	M, J, S & D 15	$150,000,000	$92,953,025	$10,853,031	8%	$7,170,662	$2

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
t Mortgage Sinking Fund Gold 4s	Oct. 1, 1966	A & O 1	$60,000,000	$1,671,700	No	Yes	Pd. by Co.
t Mortgage Sinking Fund Gold 5s	Oct. 1, 1966	A & O 1		36,663,300	No	Yes	Pd. by Co.
t Lien & Refunding Gold 5½s, 1947	June 1, 1947	J & D 1		7,148,700	No	Yes	Pd. by Co.
t Lien & Refunding Gold 5½s, 1953	Nov. 1, 1953	M & N 1	Unlimited	9,630,000	No	Yes	Pd. by Co.
t Lien & Refunding Gold 5s, 1960	Jan. 1, 1960	J & J 1		12,257,500	No	Yes	Pd. by Co.
t Lien & Refunding Gold 4½s, 1967	Nov. 1, 1967	M & N 1		35,000,000	No	Yes	Pd. by Co.
l Estate Mortgages				30,500	..	..	....

Total Funded Debt, at Dec. 31, 1927, *$102,401,700. **Interest and Amortization Accrued** in 1927, $4,280,548.
Amount Available for Interest and Amortization in 1927, $16,053,373. **Times Interest Earned** in 1927, 3.75.
*Excludes $44,665,000 pledged bonds.

History—Incorporated Oct. 27, 1902, in Pa., and acred all of the assets of Philadelphia Electric Co., New Jersey), now dissolved, in accordance with Plan of Exchange of Stock, dated Sept. 25, 1917.

The Philadelphia Electric Company does the entire tral station electric light and power business in the and county of Philadelphia. It likewise owns the ire capital stock of the Delaware County Electric , which conducts the entire commercial electric t and power business in the highly important manfacturing and ship-building district extending southst from Philadelphia along the Delaware River for proximately fifteen miles, through the city of Chesto the Delaware State line. The properties of The iladelphia Electric Co. and the Delaware County ctric Co. form a single inter-connecting system ich serves a total population estimated at approxitely 2,200,000.

The Philadelphia Electric Company system includes generating stations, having installed an aggrege rated capacity of 596,750 k.w. Current is disbuted through 127 substations (90 of which are priely owned industrial substations) over 17,020 miles electrical conductors. The underground system nprises 3,453 duct miles of conduit. The system well designed and constructed and the physical perty is in excellent operating condition, a substanl portion of the physical property value of the sysn having been created within the past five years.

The Company furnishes a large part of the power quired for transportation purposes by The Philadlphia Rapid Transit Co. and all of the power reired by the Pennsylvania R. R. Co. for the electrid portion of its main line, Philadelphia to Paoli, and e Chestnut Hill Branch of the New York Division ad for its West Jersey & Seashore R. R. electrified e.

In addition, the company controls directly or indectly through stock ownership the following comnies:

Electric Realty Corporation
The Susquehanna Electric Co.
Philadelphia Electric Power Co.
The Susquehanna Power Co.
Susquehanna Power Co.
Susquehanna Utilities Co. and its subsidiaries:
Southern Pennsylvania Power Co.
The Northern Maryland Power Co.
Delta Water Power Co.
Lower Chanceford Electric Light, Heat and Power Co.
Delta Electric Power Co.
The Conowingo Electric Light and Power Co.

The subsidiaries of the Susquehanna Utilities Comny render service in York and Chester Counties, nnsylvania, and in Harford and Cecil Counties, aryland.

Electric Realty Corporation, the entire capital stock which is owned by The Philadelphia Electric Co., as incorporated in 1925. Property acquired through e channel of this realty company will be held by it til such time as it is to be used in connection with e generation, transmission or distribution of energy, hen title to such property will be transferred to The iladelphia Electric Company and made subject to s mortgages.

Conowingo Development—This development was gun in 1926. Philadelphia Electric Power Co., and he Susquehanna Power Co. (see appended statements) have jointly been granted a license by the ederal Power Commission to construct a hydro-electric development near Conowingo, Md., on the Susquehanna River.

To finance the construction of this development, together with its 220,000 volt transmission line, there have been issued and sold $36,000,000 face value Philadelphia Electric Power Co. First Mortgage Gold bonds, 5½% Series due 1972, and there have also been underwritten by The Philadelphia Electric Co. $12,000,000 par value of 8% cumulative Pfd. stock, the right to subscribe to which was offered through allotment warrants to holders of the Common stock of The Philadelphia Electric Co., and, all having been subscribed, payments are now being made in installments as called. Such other funds as may be required to complete the project will be obtained through the issue and sale of additional securities.

The length of the dam, including the power station intake, is 4,500 feet and the reservoir elevation of 108.5 feet above sea level supplies an 89 foot head of water to the water wheels. The reservoir will have an area of approximately 8,100 acres, be about 13 miles long and have a maximum depth of 100 feet.

The initial installation will consist of 7 vertical shaft water wheels each rated at 54,000 h.p., aggregating 378,000 h.p., the energy from which will be transmitted at 220,000 volts over two 65 mile circuits to the City of Philadelphia.

On March 8, 1926, construction work was started. The work as a whole is being maintained with the schedule. Initial installation was practically completed early in 1928 and the first energy from the plant was delivered to Philadelphia, March 1, 1928.

The Philadelphia Electric Co., having agreed to lease directly or indirectly the project for the 50-year term of the Federal License and any renewals thereof, will receive the entire delivered annual output of the plant, estimated at 1,150,000,000 k.w.h., except such amount of energy as may be needed to supply local power requirements. This agreement and lease has been approved by the Federal Power Commission and the Public Service Commissions of Pennsylvania and Maryland, to the extent required by their respective jurisdictions.

In order to take full advantage of over-all economy and conservation of natural resources, an agreement dated Feb. 20, 1926 for a period of 50-years, was entered into with the Pennsylvania Water and Power Co. whereby, through additional head available at the Conowingo plant, approximately 94,000,000 k.w.h. annually will be added to the generated output.

The Philadelphia Electric Company System—Includes: Companies operating in Philadelphia and territory adjacent thereto, The Philadelphia Electric Co., Delaware County Electric Co., Electric Realty Corp. Companies operating in Southern Pennsylvania and Northern Maryland (owned by Susquehanna Utilities Co.): Southern Pennsylvania Power Co., Delta Electric Power Co., Delta Water Power Co., Lower Chanceford Electric Light, Heat and Power Co., The Northern Maryland Power Co., The Conowingo Electric Light and Power Co. Companies engaged in Conowingo project: Philadelphia Electric Power Co., The Susquehanna Power Co. and The Susquehanna Electric Co.

Franchises—The Company operates under an Ordinance of Select and Common Councils of the City of

Philadelphia, dated 1902, whereby permission is granted to it, its successors and assigns, to enter upon, open and use all the streets and alleys of the City of Philadelphia, for the purpose of constructing, maintaining and operating underground conduits, erecting poles and wires overhead, etc., for the purpose of furnishing light, heat or power, derived from electricity, to the public and to private individuals and corporations in the City of Philadelphia. This ordinance contains no limit as to time. The franchises of the subsidiary companies are also, with a single negligible exception, unlimited as to time.

Lease of Conduits—To extend its underground system, The Philadelphia Electric Co. on Feb. 10, 1915, entered into an agreement with The Keystone Telephone Co. of Philadelphia, for the use of all of the unused ducts in their conduit system not needed for the requirements of their business, for a period of 21 years, with renewal privileges of two periods of 15 years each. The rental price to be paid is four cents per duct foot per annum—the minimum rental for the first year being $25,000—with an ascending scale of annual minimum rentals for seven years until the sum of $100,000 is reached, which thereafter shall be the annual minimum rental for the first two periods. Under the terms of the agreement, The Philadelphia Electric Co. has the right to purchase these ducts at the expiration of either of the first two periods, the price to be fixed by arbitration as provided for in the agreement. If, for any reason, the purchase of the ducts cannot be made, the agreement provides that The Philadelphia Electric Co. shall have the option of extending the lease for a further period of 15 years, at an annual minimum rental for such extended period of $125,000. It is the purpose to utilize these conduits whenever they can be used to advantage in conjunction with the present distributing system.

The Pennsylvania Public Service Commission in July, 1917, approved the lease.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Connected Load K.W.	K.W.H. Sales	Gross Revenue	Number of Customers
1916	269,206	361,848,303	$9,921,966	82,761
1917	309,689	502,396,589	12,160,769	96,920
1918	358,754	582,228,515	14,503,851	104,015
1919	404,472	613,730,575	16,279,239	124,808
1920	476,856	789,129,914	20,043,336	157,517
1921	505,828	756,899,083	21,573,189	196,260
1922	571,288	824,741,942	23,807,746	241,386
1923	701,393	999,648,832	28,022,014	305,644
1924	808,341	1,150,946,587	30,296,117	360,677
1925	914,292	1,342,188,678	33,526,985	412,104
1926	1,050,396	1,550,948,014	36,817,550	453,170
1927	1,135,060	1,663,010,683	39,806,287	490,699

During 1927 there were 37,529 new customers added to the System, bringing the total as of December 31, 1927 to 490,699, an increase of 8.3% over 1926; Sales of energy amounted to 1,663,010,683 k.w.h., an increase of 112,062,669 or 7.2% over 1926; connected load increased 84,664 kilowatts to a total of 1,135,060 kilowatts, an increase of 8.1% over 1926.

New Control—Believing it to be advantageous to both stockholders and customers to unify electric service in this rapidly growing area, committees on behalf of The United Gas Improvement Company and The Philadelphia Electric Company toward the close of 1927 surveyed the possibilities under which a closer relationship might be accomplished, with the result that under the plan agreed upon, stockholders of The Philadelphia Electric Company were offered the privilege of exchanging their holdings on the basis of two shares (par $25) for one share (par $50) of The United Gas Improvement Company. Under this offering The Philadelphia Electric Company stockholders had exchanged as of February 14, 1928, over 95% of their holdings and had become stockholders of The United Gas Improvement Company.

CAPITAL STOCK

Authorized, $150,000,000 (increased from $100,000,000 by vote of stockholders Jan. 26, 1927); outstanding Dec. 31, 1927, $92,953,025 (3,718,121 shares); par, $25. Over 95% of the outstanding stock is owned by The United Gas Improvement Co. The 8% Pfd. stock formerly outstanding was converted into Common under conversion privilege following announcement of Company's intention to retire all Pfd. outstanding as of Sept. 15, 1925.

Stock Allotments—Common stockholders of record May 18, 1923, received the right to subscribe, for cash at par, to 410,358 shares of Common stock, par $25, aggregating $10,258,950, to the amount of 28% of their respective holdings, payable $12.50 per share on June 15, 1923 and Sept. 15, 1923. The right to subscribe at par to a further issue of 391,612 shares of Common stock was given to Common stockholders of record May 16, 1924, to the amount of 20% of their holdings, payable in two installments of $12.50 each on June 1 and Sept. 15, 1924. On October 27, 1925, the Company made a further stock allotment of 22½% amounting to 585,360 shares to stockholders of record November 17, payable in two installments of $12.50 each, Dec. 15, 1925, and March 15, 1926. Stockholders of record, March 20, 1926, were given right to subscribe on or before April 15, 1926, for 8% cumulative non-voting Pfd. of Philadelphia Electric Power Co. at par ($25 per share) on basis of about 14% of their holdings of Common. Subscriptions were due 10% each on April 15, 1926 (initial), Sept. 15, 1926, Jan. 15, 1927, May 15, 1927, Sept. 15, 1927, Dec. 15, 1927 and March 15, 1928. The remaining 30% is yet to be paid. Stockholders of record Feb. 15, 1927, had the right to subscribe to $13,279,000 additional Common stock at par to the extent of 16 2/3% of their holdings. Payment was due in full, $25 a share, on March 15, 1927.

Transfer Agent—The Real Estate-Land Title & Trust Co., Philadelphia, Pa.

Registrar—Continental-Equitable Title & Trust Co., Philadelphia, Pa.

Annual Meeting—Second Wednesday in April.

Listed—Philadelphia Stock Exchange.

Price Range—

Common—	1927	1926	1925	1924	1923	1922	1921	192
High	58⅝	67⅛	58	40⅝	33⅞	32¾	24¾	27⅝
Low	46¼	41¾	37⅝	29	27¾	22¾	21	26

Dividends—Initial dividend on Pfd. stock (formerly outstanding) of 45 cts. paid Dec. 15, 1920, covering period Sept. 24 to Dec. 15, 1920, and 50 cts. per share quarterly regularly paid to date of conversion. Dividends on Common stock were paid at rate of 6% per annum from June, 1902, to March, 1913; at rate of 7% per annum from April, 1913, to March, 1922, and at rate of 8% per annum from April, 1922, to date; payments quarterly, M, J, S & D 15. In addition an extra dividend of 2% was paid Sept. 15, 1926. For dividends paid by predecessor company, see 1917 Manual—Public Utility Section, page 1858.

FUNDED DEBT

(1)

$1,671,700 FIRST MORTGAGE GOLD 4s; DUE OCTOBER 1, 19[illegible]
$36,663,300 FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1966

Dated (Both Issues), October 1, 1916.

Interest Payable April and October 1, at Real Estate-Land Title & Trust Co., Philadelphia.

Denominations—Coupon (principal may be registered), $100, $500 and $1,000, and registered bonds without coupons of like denominations. Coupon bonds and registered bonds without coupons of the denomination of $1,000 interchangeable. $500 and $100 bonds (coupon or registered), in amounts aggregating $1,000 are exchangeable for coupon or registered bonds in $1,000 denomination.

Trustee—Real Estate-Land Title and Trust Co., Philadelphia.

Provisions of Issue—Authorized issue, $60,000,000; mortgage now closed. In addition to the $38,335,000 bonds outstanding, $21,665,000 additional 5s are

ged as part collateral security for the First Lien Refunding Mortgage described below.

allability—Subject to call as a whole, or in part, 10 for the 5% bonds, and at 105 for the 4% bonds, ny interest date, on six weeks' notice.

nking Fund—The mortgage provides that on Aug. 1921, and on Aug. 15 in each succeeding year to including the year 1965, the Company shall pay he Trustee for the purpose of the sinking fund ',000, to be invested in bonds of this issue, of which unt $205,000 shall be invested in the 5% bonds at ice not to exceed 105% of their face value and ac- d interest to the date of purchase, and $7,000 in- ed in 4% bonds, at a price not exceeding their value and accrued interest to the date of purchase. bonds so purchased shall be kept alive for the poses of the sinking fund, and all accumulations eon shall be applied to the purchase of 5% and bonds of this issue, respectively. In the event of Trustee being unable to purchase the 5% and 4% ds in the manner as stated, they shall be called the purpose of the sinking fund at 105 and ac- d interest for the 5% bonds, and face value and ued interest for the 4% bonds, in the manner as ribed in the mortgage. At Dec. 31, 1926, $1,738,300 t Mortgage 5s and $70,000 First Mortgage 4s were alive in sinking fund.

ecurity—Secured by a first mortgage on all the perty of Company, real and personal, now owned hereafter acquired.

ax Provisions—Company pays Normal Federal In- e Tax up to 2% and Pennsylvania 4 mill tax.

egal Opinion—John G. Johnson and Morgan, Lew- Bockius, Philadelphia, Pa.

egal for Savings Banks in Maine.

riginal Offering—First publicly offered (5s) in ., 1917, by Brown Brothers & Co. and Drexel & at prices to yield about 4.85%; $1,500,000 addi- al 5s offered in June, 1918, by Harris, Forbes & at 93 and interest; $1,500,000 5s offered in Feb., 9, by Drexel & Co., Philadelphia and Brown thers & Co., New York, etc., at 94 and interest.

isted—Philadelphia Stock Exchange.

rice Range—

	1927	1926	1925	1924	1923	1922	1921	1920
gh	93½	88½	87	85¼	82¼	85	72	75½
w	87½	84	81½	80	79	77½	64	75½
gh	109	105	103⅝	103½	103	101⅛	95	86
w	103½	102	100	96½	96	93	78	83½

(2)

8,700 FIRST LIEN AND REFUNDING MORTGAGE GOLD ⅛% SERIES; DUE JUNE 1, 1947

ated June 1, 1922.

nterest Payable June and December 1, at Girard st Co., Philadelphia.

enominations—Coupon, $100, $500 and $1,000; ncipal may be registered.

rustee—Girard Trust Co., Philadelphia.

rovisions of Issue—The First Lien and Refunding rtgage provides that additional bonds may be is- d from time to time in one or more series, unlimited s to the aggregate principal amount of each such es, maturing at such dates and bearing interest at h rates respectively as the Board of Directors of Company, prior to the issue thereof, may ermine.

dditional First Lien and Refunding Mortgage ds may be issued in accordance with the terms of mortgage:

1) By the pledge of alike principal amount of ad- ional First Mortgage bonds of The Philadelphia ctric Company, due 1966;

2) to the extent of 75% of the face value of the aware County Electric Company First Mortgage nand bonds pledged;

3) after the exhaustion or maturity of the First rtgage bonds of The Philadelphia Electric Company, for not to exceed 75% of the actual cost or fair value, whichever is less, of extensions and additions to its property;

(4) to refund par for par at or before maturity First Mortgage bonds of The Philadelphia Electric Company outstanding in the hands of the public, or to refund par for par at or before maturity First Lien and Refunding Mortgage bonds of this or other series; provided in all the above cases the combined net earnings for twelve out of the preceding fourteen months shall have been equal to at least 1¾ times the interest on all bonds outstanding, together with those proposed to be issued.

Callability—Subject to call only for the sinking fund on any interest date on 30 days' notice, to and including June 1, 1927, at 107½ and interest; thereafter callable as a whole or in part and for the sinking fund at 107½ and interest to and including June 1, 1932 and thereafter at a premium of ½ of 1% for each year of unexpired life or fraction thereof.

Sinking Fund—The Mortgage provides for an annual sinking fund payment equivalent to 1% of the face value of all bonds of this series then outstanding. Moneys in the sinking fund are to be applied to the purchase of bonds of this series at or below the redemption price existing at the next ensuing redemption date, or, if not so purchasable, to their call by lot at such redemption price. Bonds purchased or redeemed by the sinking fund are to be cancelled.

Security—The mortgage constitutes a lien on all the property in the Commonwealth of Pennsylvania owned by the Company, or in which it had any interest on the date of the mortgage, or which may thereafter be acquired by it, in said Commonwealth, subject to the First Mortgage dated Oct. 1, 1916, under which there are now outstanding in the hands of the public $34,925,000 5% and $1,601,700 4% First Mortgage Sinking Fund Gold bonds; and is further secured by deposit with the Trustee of the following securities: $21,665,000 The Philadelphia Electric Company First Mortgage Sinking Fund 5% Gold bonds, due 1966, and all of the outstanding $23,000,000 First Mortgage Demand bonds and all of the capital stock (excepting directors' shares) of the Delaware County Electric Company. No additional First Mortgage bonds of the Delaware County Electric Company shall be issued except for pledge under the indenture securing the First Lien and Refunding Mortgage bonds. The mortgage securing The Philadelphia Electric Company First Mortgage Sinking Fund Gold 5% and 4% bonds is now closed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of 4 mills assumed on bonds held by residents of Pennsylvania.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($7,500,000) in May, 1922, at 99½ and interest, yielding about 5.53%, by Drexel & Co., Brown Brothers & Co., and Harris, Forbes & Co.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	107¾	107⅞	107	104¾	103⅝	103⅜
Low	104⅞	106⅝	103½	98¾	97⅝	99¼

(3)

$9,630,000 FIRST LIEN AND REFUNDING MORTGAGE GOLD 5½% SERIES; DUE NOVEMBER 1, 1953

Dated November 1, 1923.

Interest Payable May and November 1, at Girard Trust Co., Philadelphia.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—See under description of First Lien and Refunding Mortgage Gold 5½% Series, due 1947 (paragraph 2).

Callability—Subject to call in whole or in part on not less than 30 days' notice on any interest date and for the sinking fund on Nov. 1, at a premium of 7½% on or before Nov. 1, 1927; thereafter at a premium of 7% on or before Nov. 1, 1931; thereafter at a premium of 6½% on or before Nov. 1, 1935; thereafter at a premium of 6% on or before Nov. 1, 1939; thereafter at a premium of 5½% on or before Nov. 1, 1943; at a premium of 5% on May 1, 1944; said premium to be reduced by ½ of 1% commencing Nov. 1, 1944, with a like additional reduction commencing on Nov. 1 of each year thereafter until maturity.

Sinking Fund—The mortgage provides for an annual sinking fund equivalent to 1% of the face value of all bonds of this series then outstanding. Moneys in the sinking fund are to be applied to the purchase of bonds of this series at or below the then redemption price, or if not so purchasable to their call by lot at the then redemption price. Bonds purchased or redeemed by the sinking fund are to be cancelled.

Security—See details under description of First Lien and Refunding Mortgage Gold 5½% Series, due 1947 (paragraph 2).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of 4 mills assumed on bonds held by residents of Pennsylvania.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia.

Original Offering—First publicly offered ($10,000,000) in Nov., 1923, at 98½ and interest, yielding about 5.60%, by Drexel & Co., Brown Brothers & Co., and Harris, Forbes & Co.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	107⅞	107⅞	107½	106¾	99¾
Low	105	106¾	104½	94¼	95½

(4)

$12,257,500 FIRST LIEN AND REFUNDING MORTGAGE GOLD 5s SERIES; DUE JANUARY 1, 1960

Dated January 1, 1925.

Interest Payable January and July 1, at Girard Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—See details under description of First Lien and Refunding Mortgage Gold 5½% Series, due 1947 (paragraph 2).

Callability—Subject to call as a whole or in part on not less than 30 days' notice on any interest date, and for the sinking fund on Jan. 1 of any year, in both cases at a premium of 5% on or before Jan. 1, 1947; said premium to be reduced by ½ of 1% commencing July 1, 1947, with a like additional reduction commencing July 1 of each year to and including July 1, 1956, on which date and subsequent interest dates to maturity, the bonds shall be callable at par, in each case with accrued interest.

Sinking Fund—The First Lien and Refunding mortgage provides for an annual sinking fund payment equivalent to 1% of the face value of all bonds of this series then outstanding. Moneys in the sinking fund are to be applied to the purchase of bonds of this series at or below the redemption price existing at the next ensuing redemption date, or, if not so purchasable, to their call by lot at such redemption price. Bonds purchased or redeemed by the sinking fund are to be cancelled.

Security—For details see under description of First Lien and Refunding Mortgage Gold 5½% Series, due 1947 (paragraph 2).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of 4 mills assumed on bonds held by residents of Pennsylvania.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia.

Original Offering—First publicly offered ($12,500,000) in Dec. 1924, at 99½ and interest, to yield abou 5.03%, by Drexel & Co., Brown Brothers & Co., an Harris, Forbes & Co.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	192
High	106½	103¼	101
Low	102¾	101¼	99

(5)

$35,000,000 FIRST LIEN AND REFUNDING MORTGAGE GOL 4½% SERIES; DUE NOVEMBER 1, 1967

Dated November 1, 1927.

Interest Payable May and November 1 at Girar Trust Co., Philadelphia.

Denominations—Coupon (principal may be regi tered), $500 and $1,000; and fully registered, $1,0 and authorized multiples. Coupon bonds in denomin tion of $1,000 and fully registered bonds interchang able. Coupon bonds in denomination of $500 are e changeable for like principal amounts of $1,000 bond but $1,000 bonds are not exchangeable for $500 bond

Trustee—Girard Trust Co., Philadelphia, Pa.

Provisions of Issue—See under description of Fir Lien and Refunding Mortgage Gold 5½% Series, d 1947 (paragraph 2).

Purpose of Issue—Proceeds of these bonds we used to reimburse Company in part for expenditur in retiring on Dec. 1, 1927, all of the outstanding Fir Lien and Refunding Mortgage bonds, 6% Series d 1941, and for expenditures theretofore made for add tions and improvements to the properties of the Co pany and Delaware County Electric Company.

Callability—Subject to call as a whole or in part, 30 days' notice on any interest date, and for the sin ing fund on November 1 of any year, in both cases a premium of 5% on or before Nov. 1, 1932; thereaft at premium of 4½% on or before November 1, 193 thereafter at premium of 4% on or before Nov. 1, 194 said premium to be reduced by ¼ of 1% commenci May 1, 1950, with a like additional reduction commen ing May 1 of each year thereafter; the bonds a callable at par on and after May 1, 1965; in each ca with accrued interest.

Sinking Fund—The First Lien and Refunding Mo gage provides for annual sinking fund payments 1% of the face value of all bonds of each series th outstanding. The moneys in the sinking fund for th series will be applied to the purchase of bonds of th series at or below the redemption price existing the next ensuing redemption date; or, if not so pu chasable, to call bonds by lot at such redemptio price. The bonds so purchased or redeemed by t sinking fund are to be cancelled.

Security—See details under description of First Li and Refunding Mortgage Gold 5½% Series, due 19 (paragraph 2).

Tax Provisions—Company pays Normal Federal I come Tax up to 2% and agrees to pay interest witho deduction for Pennsylvania taxes not exceeding per $1,000 bond on bonds held by residents of Pennsy vania.

Legal Opinion—Morgan, Lewis & Bockius, Phil delphia.

Legal for Savings Banks in Connecticut.

Original Offering—First publicly offered ($35,00 000) in October, 1927 at 98½ and interest, to yie over 4.58% by Drexel & Co., Philadelphia; Brow Brothers & Co., Harris, Forbes & Co., New Yor Harris Trust & Savings Bank, Chicago; Harris, Forb & Co., Inc., Boston, and Harris, Forbes & Co., Lt Montreal.

Listed—Philadelphia Stock Exchange.

Price Range—1927: High, 103; low, 98½.

BONDS REDEEMED

All First Lien and Refunding Gold 6% Series d December 1, 1941, were called for redemption on D 1, 1927 at 107½ and interest at Girard Trust C Philadelphia, Trustee.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Philadelphia Electric Company, Delaware County Electric Company and Electric Realty Corporation)

	1927	1926	1925
rating revenue	$39,622,960	$36,706,585	$33,203,769
perating Expense:			
ration	$23,752,914	$15,364,376	$14,101,774
ntenance		2,344,992	2,040,290
es		2,661,696	2,280,839
erve for renewals & placements		2,100,000	2,100,000
otal operating expense	$23,752,914	$22,471,064	$20,522,903
rating income	$15,870,046	$14,235,521	$12,680,866
-operating income	183,327	110,965	323,216
ross income	$16,053,373	$14,346,486	$13,004,082
es Interest and Amortization Charges Earned			
nings Per Share (Common)			

	1927	1926	1925
Int. charges & amort. of debt disc. & exp.	$4,280,548	$4,084,136	$4,890,541
Net income	$11,772,825	$10,262,350	$8,113,541
Net income appropriations:			
Sinking fund reserve	$761,719	$701,570	$674,650
Insurance reserve	158,075	150,649	122,021
Total net inc. approp.	$919,794	$852,219	$796,671
Bal. avail. for divds.	$10,853,031	$9,410,131	$7,316,870
Divds. on Common stock	7,170,662	7,954,044	5,203,755
Surplus for year	$3,682,369	$1,456,087	$2,113,115
	3.75	3.51	2.61
	$2.92	$2.95	$2.81

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Philadelphia Electric Company System)

	1927	1926	1925	1924	1923	1922
rating revenue	$39,794,340	$36,776,659	$33,203,769	$29,853,403	$27,609,190	$23,520,612
rating expense:						
peration	$16,632,029	$15,394,795				
aintenance	2,149,643	2,344,992	$20,522,903	$19,212,490	$17,612,529	$15,477,396
axes	2,973,425	2,663,859				
es. for renewals & replacements	2,116,032	2,105,605				
Total operating expenses	$23,871,129	$22,509,251	$20,522,903	$19,212,490	$17,612,529	$15,477,396
rating income	$15,923,211	$14,267,408	$12,680,866	$10,640,913	$9,996,661	$8,043,216
-operating income	167,656	111,004	323,216	442,714	412,824	287,134
ss income	$16,090,867	$14,378,412	$13,004,082	$11,083,627	$10,409,485	$8,330,350
charges and amort. of debt disc. and exp.	4,307,985	4,085,753	4,890,541	3,845,356	3,604,225	3,050,442
et income	$11,782,882	$10,292,659	$8,113,541	$7,238,271	$6,805,260	$5,279,908
rop. for insurance fund reserve	158,075	150,648	$122,021	$143,925	$128,589	$86,696
rop. for sinking fund reserve	761,719	703,404	674,649	543,871	455,470	396,663
referred dividends	7,170,662	7,954,044	5,203,756	537,665	798,614	1,143,065
ommon dividends				4,265,105	3,182,264	2,325,758
plus for the year	$3,692,426	$1,484,563	$2,113,115	$1,747,705	$2,240,323	$1,327,726
rious surplus	9,493,707	9,412,071	10,982,768	9,316,457	7,079,590	5,797,084
ustments (dr.)	‡1,297,711	1,402,927	131,421	81,394	3,456	45,220
Total surplus, Dec. 31	$11,888,422	$9,493,707	$12,964,462	$10,982,768	$9,316,457	$7,079,590
es Interest Earned	3.73	3.52	2.61	2.88	2.89	2.73
nings Per Share—						
referred	†	†	†	$28.52	$18.99	$8.04
ommon	$2.92	$2.96	$2.81	2.53	2.88	3.03

†Retired or converted into Common as of Sept. 15, 1925. ‡Includes $900,000 transferred to reserve for renewals and replacements.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(The Philadelphia Electric Company, Delaware County Electric Company and Electric Realty Corporation)

Assets—	1927	1926	1925
t investment	$188,900,982	$178,387,488	$165,460,146
ks & bonds of other os.	156,535	67,370	82,150
er investments	2,906,287	1,371,235	597,565
cquired securities	241,832	529,427	786,653
ding fund P. E. Co. t 4s & 5s	1,806,676	1,503,974	1,216,826
fund P. E. P. 1st L R 5s, 5½s	122,710	125,083	125,671
rance fund	1,542,605	1,384,530	1,233,882
rest deposits	360,172	381,944	389,837
er special deposits	321,873	389,291	171,950
scrip. to warrants, P. P. Co. Pfd. stock	4,805,085	9,516,415	.....
loyee subscrips. to arrants, P. E. P. Co. d. stock	314,370	114,945	.....
scrip. to Com. stock	9,850	15,700	332,475
tomers' unbilled in- allment accts., not due	1,199,146	1,273,057	912,757
n	22,765,731	5,172,909	12,538,816
es receivable	33,392	29,443	14,510
ounts receivable	8,840,355	4,602,092	3,539,501
erials & supplies	3,718,681	4,067,114	4,183,702
nat. int. & accts. rec.	7,000	.....	270
paid accounts	51,560	42,299	33,674
mort. debt disc. & exp.	3,141,608	2,119,678	2,238,865
er deferred charges	744,404	689,812	1,630,800
otal	$241,990,854	$211,783,806	$195,490,050

Liabilities—	1927	1926	1925
Common stock	$92,953,025	$79,674,025	$65,040,025
Instals. paid on Com. stk.	.....	.....	14,301,525
Com. stock subscribed	.....	.....	332,475
Warrants subscribed P. E. P. Co. Pfd. stock	4,805,085	9,516,415	.....
Instals. paid on warrants	.....	84,145	.....
P. E. Co. 1st Mortgage 4% bonds	1,671,700	1,671,700	1,671,700
P. E. Co. 1st Mortgage 5% bonds	36,663,300	36,663,300	36,663,300
P. E. Co. 1st L. & R. 6s, 1941	.....	11,921,400	12,033,800
P. E. Co. 1st L. & R. 5½s, 1947	7,148,700	7,215,900	7,283,700
P. E. Co. 1st L. & R. 5½s, 1953	9,630,000	9,721,400	9,811,800
P. E. Co. 1st L. & R. 5s, 1960	12,257,500	12,377,000	12,500,000
P. E. Co. 1st L. & R. 4½s, 1967	35,000,000	.....	.....
Real estate mtges.	30,500	69,000	65,000
Consumers' deposits	557,730	556,293	481,106
Notes payable	.....	5,000,000	.....
Accounts payable	3,076,836	2,999,552	4,079,179
Employees subscriptions to warrants for P. E. P. Co. Pfd. stock	262,919	114,935	.....
Matured int. on fund. debt	360,172	381,944	389,838
Unmatured int. accrued	858,548	659,413	659,521
Taxes accrued	3,100,101	3,294,110	2,452,801
Other accrued liabilities	635,700	590,068	519,459
Res. for renew. & replac.	15,025,190	14,650,679	10,130,187
Insurance & other reserv.	1,737,370	1,589,340	1,436,007
Deferred credits	642,293	571,771	304,339
Appropriated surplus	3,786,528	3,049,345	2,369,826
Surplus unappropriated	11,787,657	9,412,071	12,964,462
Total	$241,990,854	$211,783,806	$195,490,050

CONSOLIDATED STATEMENT OF WORKING CAPITAL DECEMBER 31

(The Philadelphia Electric Company, Delaware County Electric Company and Electric Realty Corporation)

Current Assets—	1927	1926	1925
Cash	$22,765,731	$5,172,909	$12,538,816
Notes receivable	33,392	29,443	14,510
Subscriptions to stock	9,850	15,700	332,475
Employes subscriptions to P. E. P. Co. Pfd. stock	314,370	114,945	.....
Accounts receivable	8,840,355	4,602,092	3,539,501
Material and supplies	3,718,681	4,067,114	4,183,702
Total	$35,682,379	$14,002,203	$20,609,004

Current Liabilities—	1927	1926	1925
Notes payable	.....	$5,000,000	.....
Accounts payable	$3,076,836	2,999,552	$4,079,17
Consumers' deposits	557,730	556,293	481,10
Instalments paid on warrants for P. E. P. Co. Pfd. stock	.....	84,145	.....
Employes subscriptions to warrants for P. E. P. Co. Pfd. stock	262,919	114,935	.....
Unmatured interest accrued	858,548	659,413	659,52
Taxes accrued	3,100,101	3,294,110	2,452,8
Other accrued liabilities	635,700	590,068	519,45
Total	$8,491,834	$13,298,516	$8,192,0
Net Working Capital	$27,190,545	$703,687	$12,416,93

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Philadelphia Electric Company System)
(With all Inter-Company items eliminated)

Assets—	1927	1926	1925	1924	1923	1922
Plant investment	$235,613,640	$199,228,899	$165,460,146	$140,850,269	$122,654,402	$109,340,27
Other investments	4,734,861	1,541,886	597,565	28,754	16,110	16,11
Stocks & bonds of other companies	11,635	7,370	82,150	36,450	37,972	47,25
Reacquired securities	241,831	529,427	786,653	28,998	25,345	80,28
Pledged bonds	.....	.....	.....	*36,665,000	36,665,000	36,665,00
Cash	23,371,916	5,908,165	12,538,816	7,504,831	12,063,647	5,295,6
Accounts receivable	4,297,079	3,912,910	3,539,501	2,998,171	3,619,866	2,696,6
Notes receivable	35,780	29,443	14,510	18,945	26,292	35,9
Subscriptions to stock	.....	.....	332,475	180,597	.....	.....
Subscriptions to warrants (P. E. P. Co. Pfd. stock)	4,805,085	9,516,415	.....	.....	.....	.....
Customers unbilled installment accts. (not due)	.....	.....	912,757	1,173,102	.....	.....
Materials and supplies	3,770,722	4,069,132	4,183,702	3,924,328	3,969,512	2,552,9
Other current assets	324,220	130,904	.....	.....	.....	.....
Prepaid accounts	56,847	42,449	33,674	99,262	126,412	86,1
Unamortized debt discount and expense	4,930,231	3,804,276	2,238,865	3,652,347	4,216,790	4,184,7
Deferred charges	2,145,009	1,962,317	1,630,800	998,464	1,742,908	1,000,2
Unmatured interests and rents receivable	.....	.....	270	1,970	2,020	1,2
Interest special deposits	371,092	398,094	389,837	79,566	79,507	83,0
Other special deposits	1,072,040	18,057,568	.....	.....	.....	.....
Sinking fund, amortization account	.....	.....	.....	680,013	587,787	500,0
Trustees deposits	.....	.....	171,950	173,000	207,672	209,2
Insurance and other reserve funds	1,542,605	1,384,530	1,233,882	1,075,334	907,440	806,6
Sinking fund the P. E. Co. 1st Mtge. 4s and 5s	1,929,386	1,630,977	1,216,826	960,570	712,318	471,6
Sinking fund the P. E. Co. 1st Lien and Ref. Mtge. 5½s and 6s			125,671	416	421	
Total	$289,253,979	$252,154,762	$195,490,050	$201,130,387	$187,661,421	$164,073,3
Liabilities—						
Common stock	$92,953,025	$79,674,025	$65,040,025	$59,307,450	$47,069,650	$30,095,4
Common stock subscribed	.....	.....	332,475	.....	.....	.....
Preferred stock	†1,350,000	.....	.....	5,741,800	8,189,300	14,904,5
Installments paid on Common stock	.....	.....	14,301,525	.....	.....	.....
Warrants subscribed (P. E. P. Co. Pfd. stock)	12,000,000	12,000,000	.....	.....	.....	.....
P. E. Co. 1st Mtge. 4% bonds			1,671,700	1,671,700	1,671,700	1,671,7
P. E. Co. 1st Mtge. 5% bonds			36,663,300	36,663,300	36,663,300	36,663,3
P. E. Co. 1st Lien & Ref. 6s, Ser. 1941	139,571,200	115,600,600	12,033,800	12,146,600	12,261,400	12,380,4
P. E. Co. 1st Lien & Ref. 5½s, Series 1947			7,283,700	7,353,100	7,425,900	7,500,0
P. E. Co. 1st Lien & Ref. 5½s, Series 1953			9,811,800	9,905,000	10,000,000	.....
P. E. Co. 1st Lien & Ref. 5s, Series 1960			12,500,000	.....	.....	.....
Pledged bonds	.....	.....	.....	*36,665,000	36,665,000	36,665,0
Real estate mortgages	30,500	69,000	65,000	60,000	110,000	70,0
Notes payable	.....	5,000,000	.....	.....	.....	1,175,0
Consumers' deposits	564,528	556,293	481,106	426,654	352,040	288,0
Accounts payable	3,495,382	3,380,882	4,079,179	3,023,069	2,649,822	2,810,7
Matured interest on funded debt	371,092	398,094	389,838	79,581	79,522	83,6
Other current liabilities	262,919	114,935	.....	.....	.....	.....
Unmatured interest accrued	1,695,548	1,484,466	659,521	661,208	663,916	574,8
Taxes accrued	3,108,237	3,296,034	2,452,801	1,752,514	1,596,843	1,243,9
Other accrued liabilities	638,896	591,007	519,459	450,116	396,675	23,6
Reserves for renewals and replacements	15,126,257	14,670,129	10,130,187	9,869,581	8,781,357	7,883,6
Insurance and other reserves	1,738,974	1,589,340	1,436,007	2,204,434	2,859,552	2,340,7
Deferred credits	643,396	1,177,572	304,339	452,944	596,287	499,2
Appropriated surplus	3,815,603	3,061,000	2,369,826	1,713,568	312,700	119,6
Surplus unappropriated	11,888,422	9,491,385	12,964,462	10,982,768	9,316,457	7,079,5
Total	$289,253,979	$252,154,762	$195,490,050	$201,130,387	$187,661,421	$164,073,3

*Consists of The P. E. Co. 1st Mtge. Sinking Fund Gold Bonds 5% (pledged with Girard Trust Co., Trustee, account 1st Lien & Ref. Mtge. Gold Bonds), $21,665,000, and First Mortgage Demand Bonds of Delaware County Electric Co. (pledg with Girard Trust Co., Trustee, account of 1st Lien & Refunding Mtge. Gold bonds, $15,000,000—total, $36,665,000. †Includ Susquehanna Utilities Co. First Pfd., $550,000 and Second Pfd., $800,000.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$23,371,916	$5,908,165	$12,538,816	$7,504,831	$12,063,647	$5,295,6
Notes receivable	35,780	29,443	14,510	18,944	26,293	35,9
Subscriptions to stock	.....	.....	332,475	180,597	.....	.....
Accounts receivable	4,297,079	3,912,910	3,539,501	2,988,171	3,619,866	2,696,6
Materials and supplies in stock	3,770,722	4,069,132	4,183,702	3,924,328	3,969,512	2,552,9
Other current assets	324,220	130,904	.....	.....	.....	.....
Total	$31,799,717	$14,050,554	$20,609,004	$14,626,871	$19,679,318	$10,581,2

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31 (Continued):

urrent Liabilities—	1927	1926	1925	1924	1923	1922
es payable	.....	$5,000,000	.....	.....	.....	$1,175,000
ounts payable	$3,495,382	3,380,882	$4,079,179	$3,023,069	$2,649,822	2,810,736
sumers' deposits	564,528	556,293	481,106	426,654	352,040	288,073
ired interest on funded debt	371,092	398,094	389,838	79,581	79,522	83,692
r current liabilities	262,919	114,935	.....	.....	.....	.....
natured interest accrued	1,695,548	1,484,466	659,521	661,208	663,916	574,884
es accrued	3,108,237	3,296,034	2,452,801	1,752,514	1,596,843	1,243,975
r accrued liabilities	638,896	591,007	519,459	450,116	396,675	23,692
tal	$10,136,602	$14,821,711	$8,581,904	$6,393,141	$5,738,818	$6,200,052
Working Capital	$21,663,115	*$771,157	$12,027,100	$8,233,730	$13,940,500	$4,381,227

*Debit.

fficers: William H. Taylor, Pres.; Arthur B. Huey, or, V-P.; Chas. J. Russell, V-P. in Charge of Comcial Dept.; H. P. Liversidge, V-P. & Gen. Mgr.; E. Long, V-P. & Controller; A. V. R. Coe, Sec. sst. Treas.; J. Morton Fultz, Asst. Sec.; J. B. all, Jr., Asst. Sec.; H. C. Lucas, Treas.; H. R. n, Asst. Treas.; H. K. Mohr, Asst. Treas.

Directors: Arthur W. Thompson, Chrm. of Board; Jeremiah J. Sullivan, Chas. E. Ingersoll, John T. Windrim, Sidney F. Tyler, Horatio G. Lloyd, William A. Law, Martin V. Bergen, Morris R. Bockius, Thomas Newhall, Samuel T. Bodine, William H. Taylor, Thos. N. McCarter.

General Office, 1000 Chestnut Street, Philadelphia, Pa.

DELAWARE COUNTY ELECTRIC COMPANY

(Controlled by The Philadelphia Electric Company)

istory—Incorp. July 21, 1909, in Pa.; consolida- of Citizens' Electric Light & Power Co., Delaware nty; Farraday Heat, Power & Light Co.; Media tric Light, Heat & Power Co., and Philadelphia urban Electric Co. In 1917, all of the companies in ware County, including the Beacon Light Co., h embraces the entire territory from the Philahia County line to the State of Delaware, were ged into the Delaware County Electric Co. Com- conducts the entire commercial electric light power business in the manufacturing and shipling district extending southwest from Philadelalong the Delaware River for approximately fifmiles, through the city of Chester to the Delaware e line.

CAPITAL STOCK

utstanding, $3,692,800; all owned by The Philahia Electric Co. (except directors' qualifying shares) and pledged as part collateral for the First Lien and Refunding Mortgage of The Philadelphia Electric Co. Annual meeting, first Tuesday in March.

FUNDED DEBT

$15,000,000 6% First Mortgage Demand Bonds, dated Dec. 1, 1921 and $8,000,000 6% First Mortgage Demand Bonds dated Nov. 1, 1927; all pledged as part collateral for the First Lien and Refunding Mortgage of The Philadelphia Electric Co.

Officers: Wm. H. Taylor, Pres.; Albert R. Granger, C. J. Russell, W. E. Long, V-Ps.; A. V. R. Coe, Sec. & Asst. Treas.; H. C. Lucas, Treas.; H. R. Kern and H. K. Mohr, Asst. Treasurers; J. Morton Fultz, Asst. Sec.

Directors: A. R. Granger, Arthur B. Huey, Wm. H. Taylor, W. E. Long, H. P. Liversidge.

General Office, Chester, Pa.

PHILADELPHIA ELECTRIC POWER COMPANY

(Controlled by The Philadelphia Electric Company)

istory and Property—Incorporated in Pennsyla, as the Susquehanna Water Power Company. ame subsequently changed to Philadelphia Electric er Company. Owns entire capital stock of The quehanna Power Company (see appended statet). Company and its subsidiary have jointly been ted a license by the Federal Power Commission onstruct a hydro-electric development near the th of the Susquehanna River and has obtained all r necessary approvals from governmental authoriestherefor. Construction started in March, 1926, Conowingo, Md., of dam, power plant, and ching stations, and of the transmision lines necesto deliver power to The Philadelphia Electric pany system. The initial installation of the er plant, approximately 378,000 h.p., will be the est hydro-electric development in the United es, excepting Niagara Falls. Additional units can nstalled, when required, to bring capacity up to oximately 500,000 h.p. The dam, power plant, smission lines, etc., will be leased in part directly he Philadelphia Electric Company and in part to ubsidiary, The Susquehanna Electric Company; of the latter is owned by The Philadelphia Elec- Company and its rental obligation will be guaran- by that Company. Both leases will be for the 50- term of the Federal License and any renewals or nsions thereof. The Philadelphia Electric Com- will be responsible for payment of all operating maintenance expenses, taxes and retirement res of the mortgaged property, and of net annual als equal to 7% of the cost of property, subject to ion by public authorities having jurisdiction.

For details as to the progress of the development see statement of The Philadelphia Electric Co. on a preceding page.

CAPITAL STOCK

Outstanding, $50,000 Common and $12,000,000 8% cumulative Pfd. (of which Pfd. is 70% paid, see below); par of both classes, $25. Entire Common stock owned by The Philadelphia Electric Company.

Preferred Stock Warrants—Pfd. stock was issued in allotment receipts of which 70% ($17.50 per share) was paid in as follows: April 15, 1926, the initial payment, 10%; Sept. 15, 1926, 10%; Jan. 15, 1927, 10%; May 15, 1927, 10%; Sept. 15, 1927, 10%; Dec. 15, 1927, 10%; March 15, 1928, 10%.

Market—Dealt in on Unlisted Department of Philadelphia Stock Exchange.

Price Range (Pfd. Part Paid)—1927: High, 49¼; low, 46¼.

FUNDED DEBT

$36,000,000 FIRST MORTGAGE GOLD BONDS 5½% SERIES; DUE FEBRUARY 1, 1972

Dated February 1, 1926.

Interest Payable February and August 1, at Fidelity-Philadelphia Trust Co., Philadelphia, and in New York.

Denominations—Coupon $500 and $1,000; registerable as to principal and exchangeable for fully registered bonds.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Mortgage provides that bonds issuable thereunder shall be limited in principal amount to not exceeding $60,000,000; issued, $38,000,-

000, of which $2,000,000 held in Company's Treasury. In addition to $38,000,000 bonds issued of 5½% Series due 1972, bonds of other Series may be issued under mortgage from time to time, bonds of each of such other series respectively to bear such rates of interest to mature on such dates, to be redeemable on such terms and to have such rights and limitations as may be permitted by mortgage and as determined by Directors prior to issue and, also, subject to approval of all governmental authorities having jurisdiction. So long as any bonds of 5½% Series, due 1972, are outstanding, no bonds of any other series may be issued unless either they mature subsequent to Feb. 1, 1972, or a semi-annual sinking fund sufficient to retire all such bonds at or before maturity is provided. Additional bonds of series other than the 5½% Series, due 1972, may be issued only for purposes and under restrictions provided in mortgage, which includes following: (a) in principal amounts not exceeding 75% of cost or fair value, whichever is less of permanent additions, provided that such additions shall be leased to Philadelphia Electric Co. or to its subsidiary, Susquehanna Electric Co., and leases pledged under mortgage, and provided further that total net rentals to be paid to mortgagors under all leases pledged under mortgage, shall, so long as any bonds of the 5½% Series, due 1972, are outstanding, be at an annual rate of not less than 7% per annum on actual investment in the property, unless governmental authorities shall require changes in rate or basis of calculation of such rentals; (b) for refunding outstanding First Mortgage Bonds, par for par, not including, so long as any bonds of 5½% Series, due 1972, are outstanding, any bonds retired by sinking fund provided for such Series; (c) to provide money to be deposited with Trustee for any foregoing purposes.

Provision is made in mortgage for modification of its provisions with the written consent of Trustee and of holders of 85% of outstanding bonds.

Callability—Subject to call as a whole or in part and for sinking fund on any interest date on 30 days' notice at a premium of 6% on or before Feb. 1, 1941; thereafter at a premium of 5½% on or before Feb. 1, 1951; thereafter at a premium of 5% on or before Feb. 1, 1961; said premium to be reduced by ½ of 1% commencing Aug. 1, 1961, with a like additional reduction commencing Aug. 1 of each year thereafter, bonds to be callable at par on and after Aug. 1, 1970; in each case with accrued interest.

Sinking Fund—Mortgage provides a sinking fund to retire by maturity all of the $38,000,000 5½% Series due 1972. Such retirements, commencing Feb. 1, 1930, are to be semi-annual and at a graduated rate increasing in substantial proportions to interest charges on bonds retired by sinking fund. Company will be permitted to tender bonds of this series for retirement at not more than the then applicable redemption price in lieu of cash. Any cash payments are to be used by Trustee to call by lot bonds of this series at the then applicable redemption price.

Security—Bonds are direct obligations of Philadelphia Electric Power Company, unconditionally guaranteed as to principal and interest by The Susquehanna Power Company, and are secured by their joint first mortgage on new dam, power plant and transmission lines and on all property (except shares of stock, bonds and other securities, unless specifically pledged) of both Companies now owned or hereafter acquired, including the leases under which property will be leased in part directly to The Philadelphia Electric Company and in part to its subsidiary, The Susquehanna Electric Company.

Guaranty—Unconditionally guaranteed, princip and interest, by endorsement, by The Susquehan Power Company.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%, and Pennsylvania Taxes not e ceeding $4 per $1,000 bond annually. Connectic Maryland or Massachusetts taxes refundable.

Legal Opinion—Dickson, Beitler & McCouch, Ph adelphia, and Venable, Baetjer & Howard, Baltimo (for the Bankers); Morgan, Lewis & Bockius, Phi delphia (for the Company).

Original Offering—First publicly offered ($36,00 000) in March, 1926, at par and interest, by Drexel Co., Philadelphia, Brown Bros. & Co., and Harr Forbes & Co., New York, etc.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	192
High	106¼	10
Low	102¾	10

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Philadelphia Electric Power Co. and The Susquehanna Power Co.)
(Inter-company items eliminated)

Assets—	
Plant invest. incl. constr. work in progress	$46,386,
Special deposits for coupon int. on funded debt	10,
Other special deposits	719,
Subscription to Pfd. stock	4,800,
Cash	576,
Accounts receivable	
Prepaid accounts	3,
Unamortized debt discount and expense	1,647,
Total	$54,145,
Liabilities—	
Common stock	$50,
Installments paid on Pfd. stock	7,200,
Preferred stock subscribed	4,800,
Funded debt	36,000,
Accounts payable to Phil. Elec. Co.	4,610,
Other accounts payable	17,
Matured int. on funded debt	10,
Unmatured int. accrued on funded debt	825,
Deferred credits	
Unadjusted credits	631,
Total	$54,145,

GENERAL BALANCE SHEET, DECEMBER 31
(Philadelphia Electric Power Co.)

	1927	192
Assets—		
Fixed capital	$9,919,667	$3,757,
Investments	4,235,529	16,176,
Special deposit	728,101	17,676,
Cash	568,760	692,
Accounts receivable	31,210,353	
Capital stock subscriptions	4,800,000	9,600,
Accrued assets	2,539	
Deferred charges	1,647,859	1,684,
Total	$53,112,808	$49,588,
Liabilities—		
Pfd. stock installments	$7,200,000	$2,400,
Common stock	50,000	50,
Capital stock subscribed	4,800,000	9,600,
Funded debt	36,000,000	36,000,
Accounts payable	4,226,891	697,
Matured interest on funded debt	10,917	15,
Unmatured interest accrued	825,000	825,
Total	$53,112,808	$49,588,

Officers: Wm. H. Taylor, Pres.; A. B. Huey, C. Russell, H. P. Liversidge, V-Ps.; Jos. B. McCall, Sec.; W. E. Long, Treas.; C. M. Breitinger, As Treas., Philadelphia, Pa.

Directors: M. R. Bockius, C. E. Ingersoll, W. Law, H. G. Lloyd, Thomas Newhall, S. F. Ty J. T. Windrim, S. A. Williams, J. J. Sullivan, Wm. Taylor.

General Office, Philadelphia, Pa.

SOUTHERN PENNSYLVANIA POWER COMPANY

(Controlled by Susquehanna Utilities Co.)

History and Property—Incorporated Jan. 30, 1920 in Pennsylvania, as Oxford Electric Co.; name changed to present title on May 13, 1925. Supplies electric light and power in Oxford, Russellville, Cochranev and Nottingham, Pa. Owns all of the bonds and Co mon stock of The Northern Maryland Power Co

y, which supplies the cities and towns of Rising , Port Deposit, Elkton, Chesapeake City, North- , Perryville, Havre de Grace, Aberdeen and other munities in the state of Maryland with electric t and power. These companies own and operate 65 miles of main transmission lines and own and ate a small hydro-electric plant at Gilpins Falls, , and two auxiliary steam plants at Havre de ce, Md., and Oxford, Pa. Company also purchases er from the Delaware Electric Power Co. and the son Electric Company of Lancaster. Population ed, about 40,000.

CAPITAL STOCK

uthorized, 20,000 shares of no par value; outstand- 10,000 shares. Susquehanna Utilities Co. (a sub- ary of The Philadelphia Electric Co.) owns the re outstanding capital stock. Company acts as its transfer agent and stock is not registered. An- meeting, third Wednesday in April, at Oxford, Pa. ividends—None paid.

FUNDED DEBT

0,000 FIRST MORTGAGE AND COLLATERAL TRUST 6% NDS, SERIES "A"; DUE MAY 1, 1955

ated May 1, 1925.

nterest Payable May and November 1, at The nsylvania Company for Insurances on Lives and nting Annuities, Philadelphia.

enominations—Coupon, $100, $500 and $1,000; cipal may be registered.

rustee—The Pennsylvania Company for Insur- s on Lives and Granting Annuities, Philadelphia.

rovisions of Issue—Outstanding, $1,200,000. Ad- nal bonds may be issued from time to time for rovements, acquisitions and betterments to the nsylvania and Maryland properties, under the re- tions in the mortgages of these companies.

allibility—Subject to call as a whole or in part on interest date upon 60 days' public notice at 103.

inking Fund—A minimum cash sinking fund op- ing semi-annually, beginning in 1928, will retire % of the gross amount of Series "A" bonds out- ding for the first five years; 2% for the next five s and 2½% thereafter.

curity—Secured by an absolute first mortgage on f the property, transmission lines, etc., owned and ated in the state of Pa. and also a first mort- e, by deposit with the trustee, of all of the bonds Common stock of The Northern Maryland Power npany, which owns and operates the properties in state of Md.

ax Provisions—Company pays Normal Federal me Tax up to 2%. Free of Pennsylvania Personal perty Tax not exceeding 4 mills. Maryland State tax nded to resident holders upon proper application.

egal Opinion—S. R. Zimmermann, Lancaster Pa. the Company); and Ballard, Spahr, Andrews & leira, Philadelphia, (for the bankers).

riginal Offering—First publicly offered ($1,200,- in May, 1925, at 98 and interest, to yield over 6% by Schibener, Boenning & Co., (now Boenning & Co.) Philadelphia.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31 (Southern Pennsylvania Power Co. and Northern Maryland Power Co.)

	*1927	1926	1925
Earnings from operations..	$79,330	$321,005	$264,050
Expenses—			
Operating and maintenance	$59,206	$201,860	{$160,014
Taxes			{ 15,114
Depreciation	4,996	14,878	28,255
Other deductions	.....	.....	9,090
Total	$64,202	$216,738	$212,472
Net earnings	$15,128	$104,267	$51,578
Other income	58,419	11,951	4,486
Total income	$73,547	$116,218	$56,064
Deductions—			
Bond interest	$72,000	$72,000	$41,475
Other interest	4,166	5,532	6,062
Amortization of bond disc. & expense	4,446	5,078	3,378
Total deductions	$80,612	$82,611	$50,915
Net income	†$7,065	$33,607	$5,149

*Southern Pennsylvania Power Co. †Deficit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Southern Pennsylvania Power Co. and Northern Maryland Power Co.)

Assets—	*1927	1926	1925
Fixed capital	$412,742	$1,698,502	$1,512,878
Stocks & bonds of affil. cos.	†1,325,038	700	700
Cash	3,157	9,856	13,739
Notes receivable	2,387	5,802	.....
Accounts receivable	15,048	42,239	39,853
Interest receivable	.....	2,278	.....
Special deposits	219	79,234	200,000
Materials and supplies	9,008	39,869	33,965
J. H. Ware Engineering Co.	.....	48,742	.....
Other assets	8,199	171	4,714
Deferred charges	121,612	169,189	149,718
Unadjusted debits	.....	.....	47,742
Corporate deficit	.....	.....	9,908
Total	$1,897,410	$2,096,582	$2,013,217
Liabilities—			
Common stock	$488,213	$294,720	$488,213
Preferred stock	.....	.....	345,900
Funded debt	1,200,000	1,200,000	1,200,000
Notes payable	.....	87,500	15,000
Accounts payable	65,674	43,314	49,641
Consumers' deposits	11	6,803	3,847
Accrued taxes	5,856	14,831	10,985
Accrued interest, etc.	12,264	12,412	12,000
Retirement reserve	50,965	58,310	59,319
Reserve for bad debt	1,095	1,482	1,634
Other reserve	73,092	.....	.....
Eastern Power Co.	.....	.....	172,578
Surplus	240	31,310	.....
Total	$1,897,410	$2,096,582	$2,013,217

*Southern Pennsylvania Power Co. †Northern Maryland Power Co.

Officers: Wm. H. Taylor, Pres.; C. J. Russell, A. R. Granger, A. B. Huey, V-Ps.; W. E. Long, Treas.; J. B. McCall, Jr., Sec.; C. M. Breitinger, Asst. Treas.; Neale Smith, Asst. Sec.

Directors: Wm. H. Taylor, W. E. Long, C. J. Russell, J. H. Ware, Jr.

General Office, 1000 Chestnut St., Philadelphia, Pa.

THE SUSQUEHANNA POWER COMPANY

(Controlled by Philadelphia Electric Power Company)

istory and Property—Incorporated October 29, 9, in Maryland. Federal license issued, Feb. 19, 5. Owns and controls land and extensive charter water rights in the States of Maryland and Penn- ania.

ompany is joint mortgagor with Philadelphia Elec- Power Company under latter Company's mort- e of Feb. 1, 1926, to Fidelity Trust Company, stee, securing issue of $36,000,000 First Mortgage ds 5½% Series, due 1972.

onstruction work is in progress on the develop- t and construction of a hydro-electric plant at owingo, Md., to consist of a dam and power plant n an initial installation of 378,000 h.p., together with essary transmission line equipment and appur- tenances, estimated cost of which is approximately $52,220,000. Output of plant will be taken by The Philadelphia Electric Company. Further details given in the statement of The Philadelphia Electric Co. on a preceding page.

CAPITAL STOCK

Authorized, 135,000 shares Class "A" Common and 135,000 Class "B" Common, of no par value; outstanding, 110,500 shares Class "A" and 135,000 shares Class "B." Entire capital stock owned by Philadelphia Electric Power Company. Annual meeting, first Friday after the second Wednesday in April.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$36,466,583	$17,013,276	$5,788,279
Other investments	1	21,308	121,265
Cash	7,802	15,538	7,422
Other assets	3,814	61,139	7,076
Total	$36,478,200	$17,111,261	$5,924,042

Liabilities—	1927	1926	1925
Capital stock	$4,866,886	$4,866,886	$4,866,8
Funded debt	.....	.....	1,0
Real estate mortgages	.....	.....	2,0
Notes and accounts payable	31,611,314	12,244,375	1,053,5
Total	$36,478,200	$17,111,261	$5,924,0

Officers: Wm. H. Taylor, Pres.; A. B. Huey, C. J. Russell, H. P. Liversidge, V-Ps.; W. E. Long, Treas.; J. B. McCall, Jr., Sec.; C. M. Breitinger, Asst. Sec. & Asst. Treas.; Neale Smith, Asst. Sec.

Directors: M. R. Bockius, C. E. Ingersoll, Wm. H. Taylor, W. A. Law, H. G. Lloyd, Thomas Newha, S. F. Tyler, S. A. Williams, L. M. R. Willis, J. Windrim, A. W. Thompson.

General Office, Bel Air, Md. **Philadelphia Offic** 1000 Chestnut St., Philadelphia, Pa.

SUSQUEHANNA UTILITIES COMPANY

(Controlled by The Philadelphia Electric Company)

History—Incorporated August 5, 1927, in Delaware, as a holding company for the purpose of acquiring capital stocks of operating companies. On Sept. 1, 1927, acquired either directly or indirectly all of the outstanding capital stocks of the following companies:

Southern Pennsylvania Power Company
The Northern Maryland Power Company
Delta Electric Power Company
Delta Water Power Company
The Conowingo Electric Light & Power Company
Lower Chanceford Electric Light, Heat & Power Co.

These companies distribute electric energy, a some steam heat, in the section of northeastern Mar land and southeastern Pennsylvania, in and abo Conowingo on both sides of the Susquehanna Riv

CAPITAL STOCK

Authorized, $1,800,000. All outstanding stock owned by The Philadelphia Electric Company.

OFFICE

1000 Chestnut St., Philadelphia, Pa.

MIDDLE WEST UTILITIES COMPANY

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnin per Sh
7% Cum. Prior Lien (par $100)	M, J, S & D 15	$70,000,000	$30,578,100	$9,618,506	*$8	$2,387,564	$27.
Cum. Prior Lien (no par)	M, J, S & D 15	250,000 shs.	44,863 shs.		6	85,984	
7% Cum. Pfd. (par $100)	J, A, J & O 15	70,000,000	$40,000,000	7,144,958	†7	2,771,656	12.
Cum. Pfd. (no par)	J, A, J & O 15	250,000 shs.	160,000 shs.		6	577,839	
Common (no par)	F, M, A & N 15	750,000 shs.	462,079 shs.	3,795,462	‡6	2,272,014	8.

*Including 7% regular and 1% additional dividend. †Effective April 15, 1928, 7% regular and 1% additional dividen ‡Beginning May 15, 1928 at rate of $7 per share per annum.

History—Incorporated in May, 1912, in Delaware, to acquire public utility properties, particularly in the smaller cities and towns, and to organize and own subsidiary companies to take over and operate the properties acquired in their respective states.

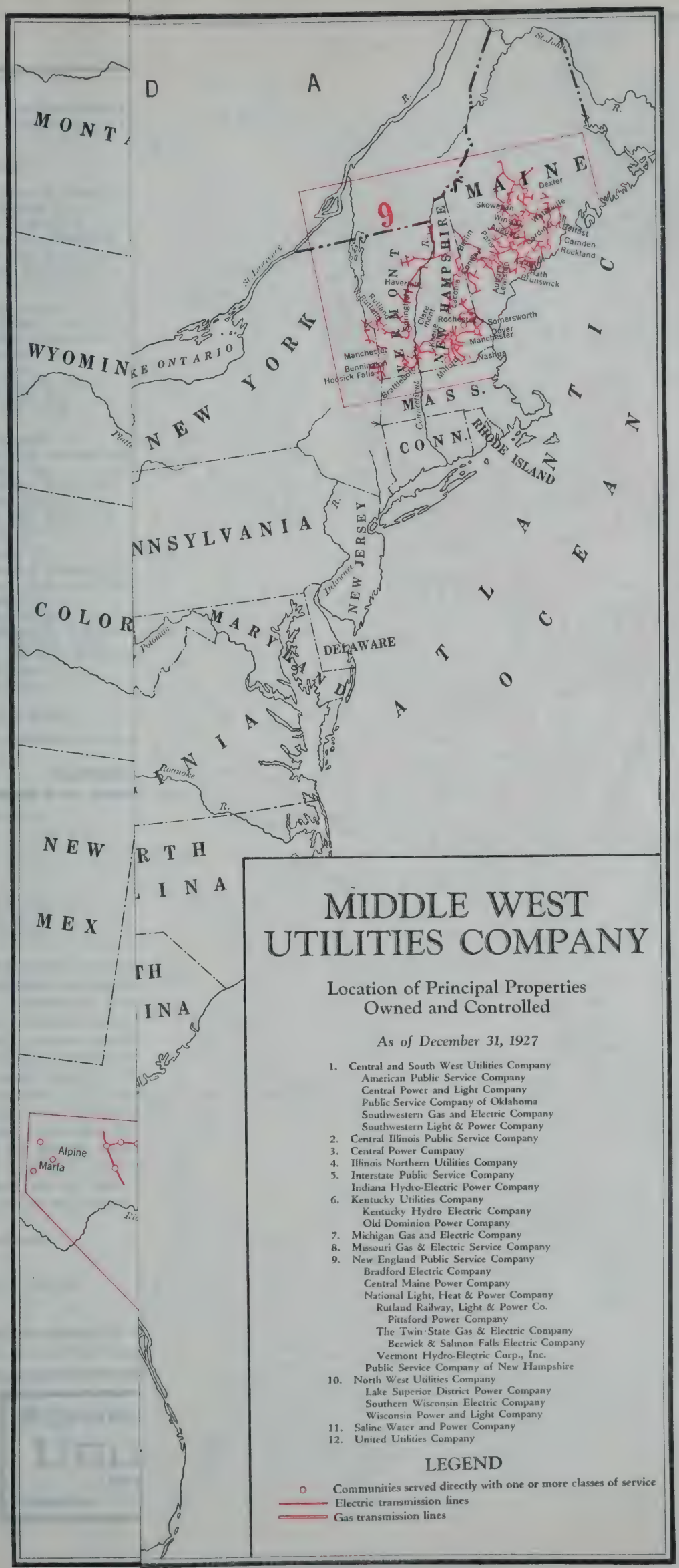
A merger and consolidation of the Middle West Utilities Co. and Middle West Securities Co. was effected on June 15, 1920, the consolidated company being incorporated under the laws of Delaware. The new company (retaining the name of Middle West Utilities Co.) issued $4,000,000 in par amount of 7% prior lien stock, $15,564,720 par value of Pfd. stock and 126,450 shares of Common stock without par value. As provided in the agreement of merger and consolidation, the new Pfd. stock was exchanged for the old Pfd. stock of Middle West Utilities Co. on the basis of $120 par value of the new stock for $100 par value of the old stock. The additional 20% was provided out of surplus of the old Company; balance of the surplus was carried into the contingency reserve account of the new company. New Common stock (without par value) was exchanged share for share for the old Common stock of the Middle West Utilities Co.

Business and Territory—The subsidiaries of the Middle West Utilities Co. operate in nineteen states in three distinct sections of the United States—the three New England states of Maine, New Hampshire, Vermont, together with the adjoining corner of Ne York; Kentucky and western Virginia, Indiana, Wi consin, Illinois and sections of Michigan, Nebrask Missouri and Tennessee, in the central states; lar areas of the states of Oklahoma and Texas, the nort western corner of Louisiana, and sections of Arkansa Mississippi, and Kansas. The subsidiaries serve wi one or more classes of public utility service an aggr gate estimated population of 3,668,768 people in 2,0 communities, supplying electricity to 2,003, gas 121, water to 71, ice to 241, heat to 7, railway to and bus to 11 communities.

The large function of the operating companies ser icing these communities is making available electr energy for employment in every known utilization, b complementing the generation and distribution power, they conduct at high standard the business of manufacturing and merchandising ice, the produ tion and distribution of gas and the supply of publ heating, water and transportation.

One million sixty-two thousand seven hundred se enty-three customers, from great industries in pop lous cities to small farms in remote places, range t circumstances of diversity which favor the operati companies, but their foundational strength remai the average electrical customer in the average Amer can community—the customer for whom the Midd West Utilities Company was organized to provi an adequate electric service.

CANADIAN
Orders executed in
MIDDLE WEST UTILITIES CO.
JENKS, GWYNNE & CO.
Telephone 7474 Hanover
Members New York Stock and Cotton Exchanges and New York Curb Market
Private Wires to Boston, Chicago, Dallas, Hartford, Montreal, Quebec, Toronto & Tulsa
30 Broad St. New York City
Standard Oil, Tobacco, and Unlisted Securities
SECURITIES



MIDDLE WEST UTILITIES COMPANY

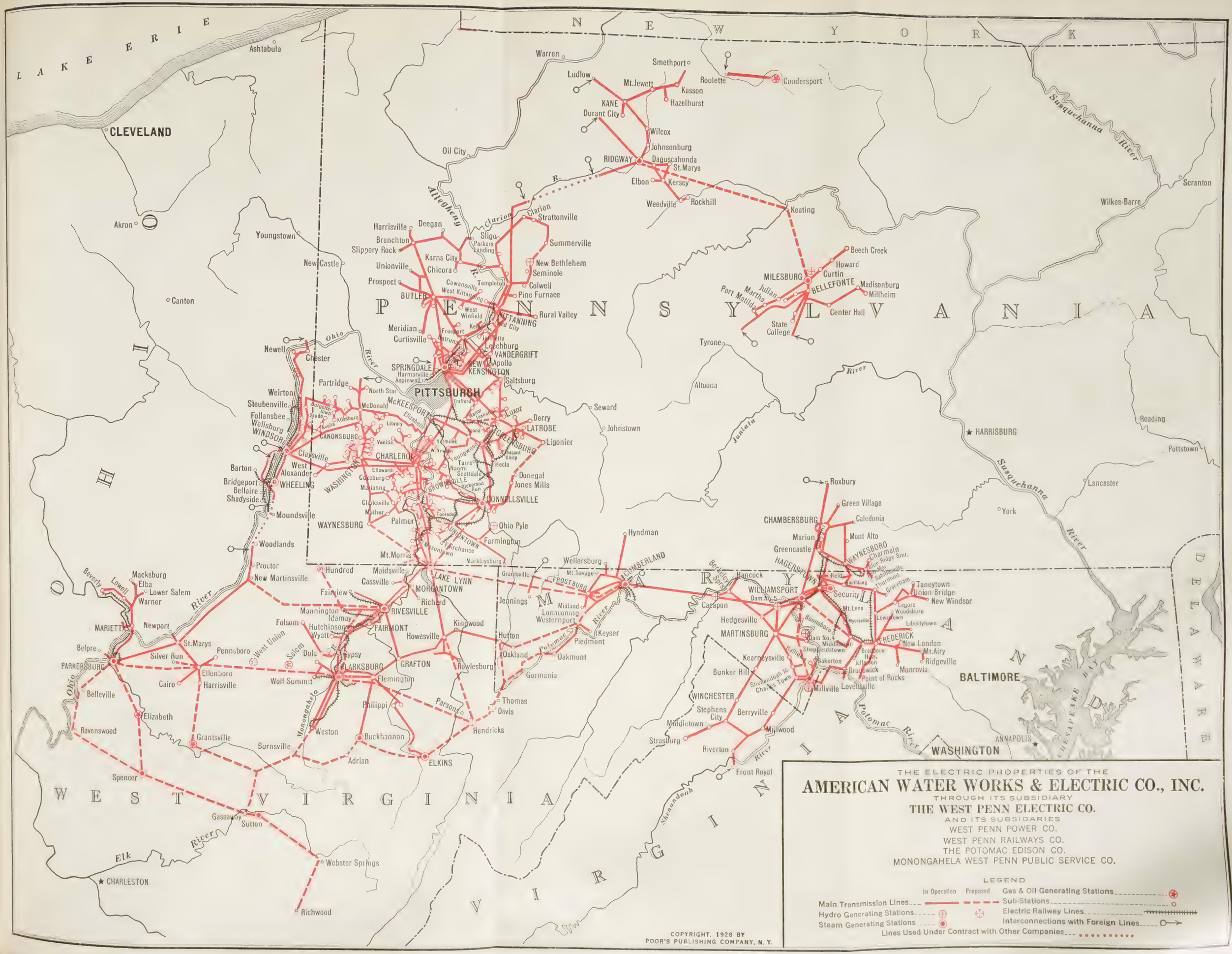
Location of Principal Properties Owned and Controlled

As of December 31, 1927

1. Central and South West Utilities Company
   - American Public Service Company
   - Central Power and Light Company
   - Public Service Company of Oklahoma
   - Southwestern Gas and Electric Company
   - Southwestern Light & Power Company
2. Central Illinois Public Service Company
3. Central Power Company
4. Illinois Northern Utilities Company
5. Interstate Public Service Company
   - Indiana Hydro-Electric Power Company
6. Kentucky Utilities Company
   - Kentucky Hydro Electric Company
   - Old Dominion Power Company
7. Michigan Gas and Electric Company
8. Missouri Gas & Electric Service Company
9. New England Public Service Company
   - Bradford Electric Company
   - Central Maine Power Company
   - National Light, Heat & Power Company
     - Rutland Railway, Light & Power Co.
       - Pittsford Power Company
     - The Twin-State Gas & Electric Company
       - Berwick & Salmon Falls Electric Company
     - Vermont Hydro-Electric Corp., Inc.
   - Public Service Company of New Hampshire
10. North West Utilities Company
    - Lake Superior District Power Company
    - Southern Wisconsin Electric Company
    - Wisconsin Power and Light Company
11. Saline Water and Power Company
12. United Utilities Company

LEGEND

- Communities served directly with one or more classes of service
- Electric transmission lines
- Gas transmission lines



THE ELECTRIC PROPERTIES OF THE

AMERICAN WATER WORKS & ELECTRIC CO., INC.

THROUGH ITS SUBSIDIARY

THE WEST PENN ELECTRIC CO.

AND ITS SUBSIDARIES

WEST PENN POWER CO.

WEST PENN RAILWAYS CO.

THE POTOMAC EDISON CO.

MONONGAHELA WEST PENN PUBLIC SERVICE CO.

LEGEND

	In Operation	Proposed
Main Transmission Lines	———	- - -
Hydro Generating Stations	⊕	⊕
Steam Generating Stations	◉	◉
Gas & Oil Generating Stations	⊛	⊛
Sub-Stations	○	○
Electric Railway Lines	———	———
Interconnections with Foreign Lines	——→	——→
Lines Used Under Contract with Other Companies	·····	·····

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The number of communities served and the classes of public utilities furnished by the subsidiary companies of the Middle West Utilities Co. as of Dec. 31, 1927 is given in the following table:

SUBSIDIARY COMPANIES	STATES	Communities Served	CLASSES OF SERVICE						*Estimated Population
			Electric	Gas	Water	Ice	Heat	Railway and Bus	
ntral and South West Utilities Co.									
American Public Service Co.	Texas	101	99	2	2	35		3	203,680
Central Power and Light Co.	Tex., Miss.	124	110	3	19	89		3	322,623
Public Service Co. of Oklahoma	Oklahoma	82	81		1	15			267,615
Southwestern Gas and Electric Co.	Tex.La.Miss.Ark.	89	75	26	1	24		1	316,577
Southwestern Light & Power Co.	Oklahoma	63	59	8		8			124,257
ntral Illinois Public Service Co.	Illinois	367	359	11	9	23	5	6	478,273
ntral Power Co.	Nebraska	25	24	4	1				59,895
ty Ice Co. of Kansas City	Mo., Kan.	2				2			
inois Northern Utilities Co.	Illinois	96	93	9	1			1	129,280
diana Hydro-Electric Power Co.	Indiana								
terstate Public Service Co.	Indiana	161	160	15	17			3	313,600
entucky Utilities Co.	Ky. Va. Tenn.	148	147	4	12	26		2	249,520
Kentucky Hydro Electric Co.	Kentucky								
Old Dominion Power Co.	Virginia	20	20						20,840
Old Dominion Ice Corp.	Virginia					14			
ncaid Water Co.	Illinois				1				
ichigan Gas and Electric Co.	Michigan	32	26	9					92,284
issouri Gas & Electric Service Co.	Missouri	34	33	2		5			33,524
orth West Utilities Co.									
Lake Superior District Power Co.	Wis. Mich.	37	37	1				7	58,509
Southern Wisconsin Electric Co.	Wisconsin	16	16						20,000
Wisconsin Power and Light Co.	Wisconsin	200	199	9	3		2	6	273,272
ew England Public Service Co.									
Bradford Electric Co.	Vt., N. H.	20	20						10,339
Central Maine Power Co.	Maine	269	269	9	2			1	293,475
National Light, Heat & Power Co.									
Rutland Railway, Light and Power Co.	Vermont	7	7	1					25,387
Pittsford Power Co.	Vermont								
The Twin State Gas & Electric Co.	Me. N.H. Vt. N.Y.	54	54	3				1	123,897
Berwick & Salmon Falls Electric Co.	Maine	8	8						10,205
Vermont Hydro-Electric Corp.	Vermont	24	24						37,744
Public Service Co. of New Hampshire	New Hampshire	72	72	5				1	192,693
uline Water and Power Co.	Missouri	2			2				4,201
nited Utilities Company	Illinois	11	11						7,078
TOTAL SUBSIDIARIES		2,064	2,003	121	71	241	7	35	3,668,768

*Not including communities served with ice only.

STATISTICS OF SUBSIDIARY OPERATING COMPANIES, DECEMBER 31

Following is a statement of the number of customers and electrical connecting load at the end of each of the last six fiscal periods)

No. of customers—	1927	1926	1925	1924	1923	1922
lectric	810,970	742,497	637,696	428,654	362,050	296,798
as	190,681	186,710	162,198	80,084	72,049	64,811
Vater	61,122	55,579	48,580	34,663	28,456	27,038
Total	1,062,773	984,786	848,474	543,401	462,555	388,647
onnected load in horse-power	2,194,640	1,981,156	1,605,293	1,109,600	921,528	715,902
lectrical output (k.w.h.)	2,354,241,555	2,054,497,637	1,498,057,571	1,009,585,853	887,054,084	711,950,821
ransmission lines (miles)	17,273	14,454	11,432	8,481	6,734	5,783

Properties—The subsidiary companies have in operation 206 steam generating stations, 130 hydro-electric stations, 62 gas generating plants, 187 ice making plants, 7 heating plants, steam turbines of 663,000 horsepower capacity, water turbines of 285,500 horsepower capacity, 174 gas holders of 14,254,000 cubic feet capacity. Gas mains total 2,734 miles and electric transmission lines total 17,273 miles.

The principal business of the subsidiary companies is the generation, transmission and distribution of electrical energy for power, light and heat, providing in the 1927 fiscal year 69% of their gross earnings.

A complete analysis of their total gross earnings is shown in the following table:

lectric earnings	$57,685,056	69.0%
ailway and bus earnings	5,438,764	6.5%
as earnings	9,168,096	10.9%
ce earnings	9,308,685	11.0%
Water, heat and other earnings	1,950,317	2.6%
Total	$83,550,918	100.0%

New Properties Acquired in 1927—The number of communities served by subsidiaries of the Middle West Utilities Company at Dec. 31, 1927 was 2,064, compared with 1,834 at the beginning of the year. This increase was made up altogether of acquisitions by present subsidiaries. Two of the operating companies of the Central and South West Utilities Company acquired the electric properties of the Dierks Lumber and Coal Company in the adjoining corners of the states of Arkansas and Oklahoma, the Southwestern Gas and Electric Company taking over the properties in Arkansas and the properties in Oklahoma being absorbed by the Public Service Company of Oklahoma. In connecting the new properties, these two companies effected an interconnection with each other.

The Central Illinois Public Service Company acquired the properties of seven small electric companies and three municipal plants. The Wisconsin Power and Light Company acquired the Lindsay Light and Power Company of Maniwa, and a number of rural electric companies in the vicinity of Prairie du Sac whose owners were impelled by the company's new rural service regulations to become customers of the company.

Representing Middle West Utilities Company
UTILITY SECURITIES COMPANY
New York CHICAGO St. Louis
Louisville Indianapolis Milwaukee Minneapolis Richmond

Corporate Rearrangements—For the purpose of improving operating organization and financial structures, and in pursuance of the Company's policy of unifying, so far as possible, its properties within each state, a number of corporate rearrangements were made among certain of the companies during the year. The East Texas and Oklahoma properties of the American Public Service Company were transferred to other subsidiaries of the Central and South West Utilities Company occupying adjacent territories. The Public Service Company of Oklahoma took over the properties of the Oklahoma Power Company, formerly the American Public Service Company's subsidiary, and the properties of the East Texas Public Service Company and other subsidiaries of the American Public Service Company in East Texas were taken over by the Southwestern Gas and Electric Company. The West Texas Utilities Company, remaining subsidiary of the American Public Service Company acquired the properties of the Quanah Light and Ice Company in northern Texas and the northwest Texas properties of the Central Power and Light Company. The properties of the Chickasha Gas & Electric Company were conveyed to the Southwestern Light & Power Company.

The properties of the Quincy Gas, Electric & Heating Company and Mattoon Gas, Light and Coke Company were conveyed to the Central Illinois Public Service Company, which previously had owned all of their capital stocks. In Nebraska the properties of the Water and Light Company of Nebraska City, formerly owned by Nebraska City Utilities Company (inactive) were conveyed to the Central Power Company.

The assets of the Conway Electric Light and Power Company and the Southern New Hampshire Hydro Electric Corporation were conveyed to the Public Service Company of New Hampshire. The properties of the Western Maine Power Company, Bethel Electric Light Company, Black Stream Electric Company, and Fryeburg Electric Company were taken over by the Central Maine Power Company.

New Line Up of Controlled Companies—The Company announced in April, 1928, that during the preceding quarter it had acquired a controlling interest in National Electric Power Company, controlling subsidiary companies operating in 18 states, principally the East. The properties include companies operating in southeastern Maine, central Pennsylvania, parts of Ohio, Indiana and eastern Michigan, and in the West, South Dakota, Nebraska, Kansas, Oklahoma and Arkansas. Through the National Public Service Corp., also controlled by the National Electric Power Co., parts of 10 states are served, these in New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, Georgia, Florida, West Virginia and Ohio. Following this acquisition, New England Public Service Co., theretofore directly controlled by Middle West Utilities Co., was transferred to National Electric Power Co.; and Kansas Electric Power Co., Southwest Power Co., and Northwestern Public Service Co. were transferred from National Electric Power Co. to the direct control of Middle West Utilities Co. Middle West Utilities Co. and the National Electric Power Co. have acquired a majority of the Com. stock of Inland Power & Light Corp., whose subsidiaries' properties are in Missouri, Arkansas, Kansas and Michigan.

Improvements in Financial Structures—The Central Illinois Public Service Company issued during the year 1927 $4,619,000 5% Bonds and retired $2,000,000 Series Gold Notes and several issues of underlying bonds. Shortly after the close of the fiscal year, Dec. 31, 1927, the Company issued $29,000,000 4½% First Mortgage bonds and called for redemption all of its previously outstanding funded debt as well as that of its subsidiaries, with the exception of the First Mortgage Series "E" 5% Bonds of the Central Illinois Public Service Company. The Central Illinois Public Service Company's entire funded debt, as a result, is now secured by a direct first mortgage, with substantial reduction in the fixed charges.

The Wisconsin Power and Light Company issued $6,350,000 5% Bonds using a great part of the proceeds to retire a number of prior issues bearing higher interest rates.

The Southwestern Gas and Electric Company First Mortgage 5% Bonds were issued in an aggregate amount of $18,500,000, and all previously outstanding funded debt, bearing higher interest rates, retired. The entire previously outstanding funded debt of the Southwestern Light & Power Company also was retired through an issue of 5% First Mortgage bonds, with considerable saving in interest. In the transfer of certain of its properties to affiliated companies the American Public Service Company retired its funded debt, and the properties affected were in each case refinanced at lower interest rates.

The Central Maine Power Company issued $2,000,000 First and General Mortgage 4½% Bonds, Series "E." The Public Service Company of New Hampshire sold $500,000 First and Refunding Mortgage 5% Bonds, Series "A," and $1,800,000 Series "B" bearing an interest rate of 4½%.

Financial Plan—The subsidiaries are independently financed by selling their senior securities and some of their Pfd. stocks. The balance of the junior securities of the subsidiary companies are owned by the Middle West Utilities Co. and represent its permanent equity in them. Such senior securities of the subsidiary companies as may at times be taken over for advances by the Middle West Utilities Co. are used for the purpose of any collateral trust issues that it may put out until they can be otherwise disposed of. In addition to the income from the securities of its subsidiaries the Middle West Utilities Co. has, and will continue to receive considerable profit from financing, engineering, and supervising its subsidiary companies, which profits as a general rule do not go to holding companies, but rather to the large engineering or promoting firms that control them. It is the policy of the directorate of the Middle West Utilities Co. that whatever profits are made in any operation affecting the Company, shall go directly into its treasury whether they be made from financing, underwriting, engineering, construction, management or supervision.

CAPITAL STOCK

Authorized, 750,000 shares Common of no par value; 950,000 shares Prior Lien stock of which 700,000 shares are 7% cumulative Prior Lien stock of $100 par value and 250,000 shares are cumulative Prior Lien stock of no par value, and 950,000 shares Preferred stock of which 700,000 shares of 7% cumulative Pfd. of $100 par value and 250,000 shares are cumulative Pfd. of no par value; outstanding, 462,079 shares Common; $30,578,100 7% cumulative Prior Lien stock, par $100; 44,863 shares $6 dividend series Prior Lien stock of no par value; $40,000,000 7% cumulative Pfd., par $100 and 160,000 shares $6 dividend series cumulative Pfd of no par value.

Authorized capital stock was increased from $50,000,000 Prior Lien, and $50,000,000 Pfd. to above amounts at annual meeting of stockholders March 29 1927.

Subscription Privileges—Holders of Prior Lien stock, Pfd. stock and Common stock of record May 15, 1925, were given the opportunity to subscribe until June 15, 1925 to Common stock at $72.50 a share to the extent of 10% of their holdings. Holders of Prior Lien stock, Pfd. stock and Common stock of record April 20, 1926, received the right to subscribe until May 15, 1926, to Common stock at $100 a share to the extent of 20% of their holdings.

Holders of Prior Lien stock, Pfd. stock and Common ck of record March 2, 1928 received the right to sub- ibe to Common stock at $110 a share to the extent 10% of their holdings. Subscription privilege ex- ed May 15, 1928.

Description of Prior Lien Stock—All shares of Prior n stock, whether with or without par value and ether or not issuable in series, shall constitute one ss of stock. No dividend shall at any time be paid set apart for any share (whether with or without value) of any class of stock of the corporation un- s a uniform percentage of the full annual dividend paid or set apart for all shares of such class then standing, but provision requiring the payment of additional dividend of 1% under certain specified ntingencies to holders of Prior Lien stock shall not applicable to any shares without nominal or par ue, but shall be applicable only to shares of such ck of $100 par value. Prior Lien stock is preferred to assets and dividends over the Pfd. and Common ck, being entitled to the sum of $100 for each share l unpaid dividends accrued thereon in the event of idation, dissolution or winding up. No additional or Lien stock of any kind or series may be issued ess net earnings of the Corporation (including the nings of other corporations applicable to stocks of h corporations owned by the corporation) for 12 nths' period ending on some date in the 60 day iod immediately preceding the issuance of the ad- ional stock shall have been at least twice a sum ficient to pay all regular cumulative dividends for year on all shares of Prior Lien stock of all kinds l series at the time outstanding and the additional ck so issued. Prior Lien shares are full paid and n-assessable, and have equal voting power with Pfd. and Common stocks, and at all elections of ectors shall have the right of cumulative voting.

Prior Lien shares of $100 par value are entitled to 7 cumulative dividends and no cash dividend in ess of $5 per share shall be paid in any calendar r on the Common stock unless the Board of Di- tors shall have declared and shall have made pay- e at one time or from time to time, in such year, additional to the regular 7% per annum on the or Lien shares of $100 par value. It is subject to at any time at $125 (increased from $115 by stock- ders on March 30, 1926) per share and all unpaid rued dividends upon 30 days' notice.

Prior Lien shares of no par value may be issued as Board of Directors of the corporation may auth- ze from time to time in one or more of seven series. e shares of each of said series shall bear some one che designations shown below and shall entitle the der thereof to receive regular dividends per share year at the rate of, but never exceeding, the num- of dollars stated in the designation of such shares, ich dividends shall be cumulative and payable be- e any dividends shall be paid upon any Pfd. or mmon stock of the corporation, and shall be re- mable at the prices shown below, together with unpaid accrued dividends.

Name	Call Price Per Share
cumulative non par Prior Lien stock	$105
½ cumulative non par Prior Lien stock	107.50
cumulative non par Prior Lien stock	110
½ cumulative non par Prior Lien stock	115
cumulative non par Prior Lien stock	120
½ cumulative non par Prior Lien stock	120
cumulative non par Prior Lien stock	125

Description of Preferred Stock—All shares of Pre- ed stock, whether with or without par value and ether or not issuable in series, shall constitute one s of stock. No dividend shall at any time be paid set apart for any share (whether with or without value) of any class of stock of the corporation ess a uniform percentage of the full annual divi- dend be paid or set apart for all shares of such class then outstanding, but provision requiring the pay- ment of an additional dividend of 1% under certain specified contingencies to holders of Preferred stock shall not be applicable to any shares without nominal or par value, but shall be applicable only to shares of such stock of $100 par value. The regular divi- dends payable in respect of the Preferred stock of all kinds and series shall be cumulative and shall be pay- able before any dividends on the Common stock shall be paid or set apart. Preferred stock shall be entitled to be paid out of assets in event of liquidation, dissolu- tion or winding up, after payment in full to holders of Prior Lien stock, the sum of $100 for each share and unpaid dividends accrued thereon.

Preferred shares of $100 par value are entitled to 7% cumulative dividends and no cash dividend in excess of $6 per share shall be paid in any calendar year on the Common stock unless the Board of Directors shall have declared and shall have made payable at one time or from time to time in such year, 1% addi- tional to the regular 7% per annum on the Pfd. stock. These shares are callable at any time at $120 per share and accrued dividends (increased from $105 by stock- holders on March 30, 1926).

Preferred shares of no par value may be issued as the Board of Directors of the Corporation may auth- orize from time to time in one or more of seven series. The shares of each of said series shall bear one of the designations shown below and shall entitle the holder thereof to receive regular dividends per share per year at the rate of, but never exceeding, the num- ber of dollars stated in the designation of such shares, which dividends shall be cumulative and payable be- fore any dividends shall be paid upon Common stock, and shall be redeemable at the prices shown below together with all unpaid accrued dividends.

Name	Call Price Per Share
$5 cumulative non par Preferred stock	$105
5½ cumulative non par Preferred stock	107.50
6 cumulative non par Preferred stock	110
6½ cumulative non par Preferred stock	115
7 cumulative non par Preferred stock	120
7½ cumulative non par Preferred stock	120
8 cumulative non par Preferred stock	125

Stockholders Rights to Future Stock Issues Changed—At annual meeting held March 30, 1926, stockhold- ers amended the Company's Charter of Incorporation so that any and all shares of Prior Lien stock and Pfd. stock of Company, at any time authorized, may in the discretion of the Board of Directors, either be offered or sold to the holders of any one or more classes of stock of Company to the exclusion of any other class or classes, or may be issued and disposed of in such manner to such persons and for such con- sideration as may be determined by said board, and without being first offered to any class of stock or stockholders; and that shares of Common stock of Company may be disposed of to such persons and for such consideration as may be determined, subject to the restriction, however, that any shares of Com. stock, before being otherwise issued and disposed of, shall be offered to all holders of stock of the Company of all classes, pro rata, in accordance with their respec- tive holdings, at the price therefore fixed by said Board.

Transfer Agents—Middle West Stock Transfer Co., 72 West Adams St., Chicago, and Bankers Trust Co., New York.

Registrars—Continental National Bank & Trust Co., Chicago and Chase National Bank, New York.

Legal Opinion—Ralph D. Stevenson (for the Com- pany), and White & Case, New York (for the Bank- ers).

Public Offerings—10,000 shares 7% Prior Lien stock were offered in Aug., 1924, at $97 per share and

accrued dividends to yield about 7.22%, by Pynchon & Co., New York, Chicago, etc.,; 20,000 additional shares 7% Prior Lien stock in Oct., 1924, at $98 per share and accrued dividend, to yield about 7.14%, by Pynchon & Co., New York, Chicago, etc., West & Co., Philadelphia and New York and Middle West Utilities Corp., New York; 17,500 additional shares 7% Prior Lien stock were offered in Feb., 1926 at market and accrued dividend, by Hill, Joiner & Co., Inc., New York, Chicago, etc.; Old Colony Trust Co., Boston and Central States Securities Corp., New York.

$2,500,000 7% Pfd. stock was offered in June, 1925 at $96.50 per share and accrued dividend, to yield 7.25%, by A. B. Leach & Co., Inc., New York, Chicago, etc. 70,000 additional shares were offered in July, 1926, and 20,000 additional shares were offered in Dec., 1926, both at market and accrued dividends, yielding about 6.50%, by Central States Securities Corp., Hill, Joiner & Co., Inc., Tucker, Anthony & Co., Paine, Webber & Co., Emery, Peck & Rockwood, New York, etc., and Utility Securities Co., Chicago.

$6 cumulative Pfd. stock was publicly offered (150,000 shares) in May, 1927, at $92.75 per share plus accrued dividend, to yield 6.46% by Bonbright & Co., A. B. Leach & Co., Inc., Paine, Webber & Co., H. M. Byllesby & Co., Inc., Hill, Joiner & Co., Inc., Tucker, Anthony & Co., Kelley, Drayton & Converse, and Old Colony Corporation, New York, etc. and Utility Securities Co., Emery, Peck & Rockwood and Russell, Berwster & Co., Chicago.

Annual Meeting—Last Tuesday in March, at Wilmington, Del.

Listed—All classes listed on the Chicago Stock Exchange; Common stock, 7% Pfd. stock, 7% Prior Lien stock and $6 non-par Prior Lien stock listed on the Amsterdam Bourse; Common stock, 7% Pfd. stock and 7% Prior Lien stock admitted to dealings on the London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Prior Lien—								
High	127	123½	108	98½	105	106	83	..
Low	117½	106½	98	97¼	93½	82	80	..
$7 Preferred—								
High	119	111½	99½	98	86½	88½	54	50
Low	105	94½	91½	90½	81½	53	24¼	22¾
$6 Preferred—								
High	95½	..	..	..	..	..	..	..
Low	90½	..	..	..	..	..	..	..
Common—								
High	125⅝	134½	125	93	53	53¾	24	22
Low	108	108	82½	50	36⅞	27	15½	11

Dividends—Dividends on the old Pfd. stock were regularly paid from organization of the Company to and including June 1, 1918; payments quarterly, March, June, Sept. & Dec. 1, to stockholders of record about the middle of each preceding month respectively. Initial quarterly cash dividend of ½% and semi-annual dividend of 1% in Common stock were paid on the old Common stock April 2, 1917. Quarterly cash dividends at the same rate were also p for the balance of the year 1917, together with other semi-annual stock dividend of 1%; on April 1918, a cash dividend of 50 cents and $1 in Comm stock per share was paid, the cash dividend cover the quarter ended Feb. 15, 1918, and the stock d dend covering the half year ended Feb. 15, 1918; n thereafter paid on Common stock of present compa until May 15, 1925, when $1.25 per share was p which quarterly rate maintained to Feb. 15, 1926; M 15, 1926 to Feb. 15, 1928, inclusive, $1.50 per share e quarter; May 15, 1928, $1.75 per share; payme F, M, A & N 15, to stock of record the last days J, A, J & O.

Quarterly dividends of 1¾% each on the Pr Lien stock (par $100) were regularly paid quarte from 1920 to Dec. 15, 1925; March 15, 1926, 2 which quarterly rate since maintained to date. Init quarterly dividend of $1.50 per share was paid on $6 Dividend Series Prior Lien stock, Dec. 15, 19 Payments on both classes of Prior Lien stock M, S & D 15, to stock of record the last days of F, A & N.

On May 14, 1921, a dividend of 1½% was p on the cumulative Pfd. stock for the first half of year, starting June 15, 1920; a further 1½% was p on Nov. 15, 1921; 1% on Feb. 15, 1922; 1% each May 1, July 15 and Oct. 2, 1922; 1¼% paid Dec. 1922, March 1, May 15 and Aug. 1, 1923; and 1¼ each quarter from and including July 15, 1924; C 15, 1924, to Jan. 15, 1928, inclusive, 1¾% each quart April 15, 1928, 2%. Initial quarterly dividend $1.50 paid on the $6 Dividend Series Pfd. stock Ju 15, 1927, which rate has been paid to date. Payme on both classes of Pfd. J, A, J & O 15, to stock record the last days of M, J, S & D.

FUNDED DEBT

None.

Surplus and Reserve Accounts—The various s plus accounts belonging to the Company as of Dec. 1927 aggregated $27,430,872.99, made up as follow Surplus on the books of the Company, $6,987,954.9 reserve accounts carried on the books of the Compa $1,500,000.00; Co.'s proportion of the Insurance Fu held by insurance trustees, $1,879,436.70, Compan proportion of the aggregate surplus carried on t books of the subsidiary companies, $17,063,481.34 total, $27,430,872.99. Of the aggregate surplus, $1, 761,785.30 after all adjustments due to consolidati of properties, etc., has accrued since the formation the Middle West Utilities Company.

COMBINED EARNINGS (ALL PROPERTIES), YEARS ENDED DECEMBER 31

	†1927	†1926	†1925	1924	1923	1922
Gross earnings	$96,659,078	$86,340,418	$60,489,856	$41,402,607	$36,185,182	$29,870,7
Operating expenses and taxes	*60,707,697	*55,269,398	40,555,550	27,421,087	24,735,338	20,766,0
Net earnings	$35,951,381	$31,071,020	$19,934,306	$13,981,520	$11,449,844	$9,104,6
Rentals of leased properties	360,605	373,772	340,618	344,768	237,362	278,3
Balance	$35,590,776	$30,697,248	$19,593,688	$13,636,752	$11,212,482	$8,826,2
Net earnings of subsidiary construction cos accruing to Middle West Utilities Co	287,319	218,462	288,687	287,628	110,937	135,7
	$35,878,095	$30,915,710	$19,882,375	$13,924,380	$11,323,419	$8,961,9
Bond, debenture and other interest paid or accruing to outside holders	$12,347,406	$11,188,803	$7,581,391	$5,130,705	$4,165,192	$3,451,6
Amortization of discount on outstanding secur	1,503,824	1,175,392	808,994	586,498	480,459	366,5
Dividends on stock and proportion of undistributed earnings to outside holders	12,465,289	10,186,643	5,390,817	2,582,633	1,741,723	1,095,3
Total	$26,316,519	$22,550,838	$13,781,202	$8,299,836	$6,387,374	$4,913,5
Total earn. accruing to Middle West Util. Co.	$9,561,576	$8,364,872	$6,101,173	$5,624,544	$4,936,045	$4,048,4

*Includes retirement appropriation of $3,011,095 in 1926 and $4,120,360 in 1927. †Above statement includes earnings new companies, from dates of acquisition.

COMPARATIVE INCOME AND SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31

(Accounts Audited by Arthur Young & Co. and Deloitte, Plender, Griffiths & Co.)

Income—	1927	1926	1925	1924	1923	1922
terest received and accrued on bonds, deben- tures, notes receivable, etc.	$1,075,205	$435,545	$587,036	$1,046,711	$1,377,034	$1,480,498
ivds. received & accrued on stocks of sub. cos	5,977,189	5,129,336	3,546,841	3,025,095	2,417,008	1,679,274
ivds. receiv. & accrued on stocks of outside cos	517,824	511,050	212,337	80,332	45,250	214,110
et profit from the sale of securities to sub. cos and others for cash	3,248,488	3,043,229	3,265,583	1,062,088	735,233	555,583
et profit from sale of property	.....	.....	.....	329,522	42,418	.....
t. on bank bals. and other sundry int., etc.	60,054	174,577	81,402	99,848	53,577	16,948
ofits from revaluation of securities and from valuation of securities hitherto carried at nominal vals.—vals. determined by directors	.....	.....	.....	.....	75,000	.....
es for engineering & other serv. to sub. cos	343,541	276,662	282,645	236,985	175,026	101,761
iscellaneous income	94,544	92,688	.....	.....	.....	.....
Total	$11,316,825	$9,663,087	$7,975,844	$5,880,581	$4,920,546	$4,048,174
Expenditures—						
dministration expense	$1,102,758	$944,843	$1,123,543	$865,575	$913,868	$535,483
iscellaneous charges	170,634	161,295	149,170	35,355	37,275	23,307
terest on collateral notes and bonds	.....	48,021	364,862	848,109	1,033,672	1,249,097
her interest	73,203	277,439	202,178	204,077	193,025	130,406
ovision for taxes	351,724	.....	.....	.....	.....	.....
emium on collateral notes and bonds retired	.....	.....	294,029	.....	.....	.....
Net income for year	$9,618,506	$8,231,489	$5,842,062	$3,927,466	$2,742,706	$2,109,881
alance forward	5,862,581	4,470,994	3,233,240	2,064,417	1,304,459	813,048
Total	$15,481,087	$12,702,483	$9,075,302	$5,991,883	$4,047,165	$2,922,929
From which deduct—						
ividends paid and accrued:						
On Prior Lien stock	$2,473,548	$2,365,546	$1,726,610	$1,298,664	$994,699	$808,814
On Preferred stock	3,349,496	2,445,179	1,832,173	1,304,979	851,799	689,656
On Common stock	2,272,014	2,046,666	1,032,560	.....	.....	.....
ppropriated toward writing off the discount on co's. own securities	.....	.....	.....	155,000	136,250	120,000
djustment	.....	.....	*251,094	.....	.....	.....
emium received on sale of prior lien and Pfd. stocks less Common stock financing expense	†22,995	†617,490	.....	.....	.....	.....
ppropriated for contingencies	294,485	300,000	264,059	.....	.....	.....
ppropriated to reserve for financing	126,584	300,000	.....	.....	.....	.....
Total	$8,493,132	$6,839,902	$4,604,308	$2,758,643	$1,982,748	$1,618,470
urplus, as per General Balance Sheet	$6,987,955	$5,862,581	$4,470,994	$3,233,240	$2,064,417	$1,304,459
arnings Per Share—						
Prior Lien	$27.43	$27.05	$22.01	$16.82	$17.14	$16.23
Preferred	12.75	14.66	13.72	12.12	9.90	7.80
Common	8.21	7.85	8.08	6.55	5.00	5.82

*Credit adjustment resulting from absorbing all organization and development expenses and the unamortized remainder of e discount and expense on Company's own securities out of the appreciation in value of certain investments conservatively lued by the Board of Directors. †Credit.

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

(Accounts Audited by Arthur Young & Co. and Deloitte, Plender, Griffiths & Co.)

Assets—	1927	1926	1925	1924	1923	1922
vestments, being securities of sub. cos. and other investments	$124,610,883	$104,117,006	$76,712,877	$66,272,900	$59,397,221	$57,759,904
ess: reserve against discount and expenses on co's. own securities	.....	.....	.....	1,225,000	1,070,000	933,750
Total	$124,610,883	$104,117,006	$76,712,877	$65,047,900	$58,327,221	$56,826,154
otes and accounts receivable: Being advances to sub. cos. for construction, etc.	4,801,571	4,477,001	1,510,874	2,566,853	2,132,318	2,579,754
dvance on account of unclosed contracts	859,789	907,674	724,638	73,392	222,242	464,173
terest accrued but not due, and accrued divi- dends not declared, etc.	1,129,361	1,584,594	988,321	749,786	625,698	660,696
inking fund	.....	.....	.....	.....	.....	7,300
ue from subscribers to Common stock	.....	506,167	176,645	.....	.....	.....
ash in hands of trustees on account of bond and note coupons	.....	.....	.....	161,278	98,827	97,437
ash in banks and on hand	2,452,684	2,560,295	2,182,365	1,072,641	758,282	782,039
repaid expenses and deferred charges	74,273	84,656	72,762	176,203	130,456	48,199
Total	$133,928,561	$114,237,393	$82,368,482	$69,848,053	$62,295,044	$61,465,752
Liabilities—						
ommon stock	$35,041,542	$35,041,542	$17,342,342	$11,966,950	$10,864,800	$10,496,100
rior lien stock	34,722,674	30,434,800	26,547,500	23,347,500	16,000,000	13,000,000
referred stock	54,145,000	40,000,000	30,000,000	21,687,520	17,662,520	16,662,520
ommon stock scrip	.....	.....	.....	459	459	459
unded debt	.....	.....	1,204,000	5,765,600	12,603,300	17,884,600
eferred payments on purchase contracts	.....	250,000	1,168,750	2,256,450	913,463	755,568
fd. stock dividends 6% Ten-Year certificates	.....	.....	.....	.....	99,755	122,096
ccounts payable	17,824	12,431	4,337	1,537	765	711
ayments on stock subscriptions	.....	.....	.....	386,828	1,075,981	28,118
ommon stock dividends accrued	1,188,566	306,002	169,284	.....	.....	.....
fd. stock dividend accrued, but not due		819,329	604,604	432,599	283,590	240,674
rior lien dividend accrued		101,430	77,156	67,326	45,056	37,033
ccrued charges for interest	.....	59,277	29,515	216,101	194,997	298,905
axes accrued	325,000	.....	.....	.....	.....	.....
eserve for financing	300,000	300,000	.....	.....	.....	.....
eserve for contingencies	1,200,000	1,050,000	750,000	485,941	485,941	534,509
urplus	6,987,955	5,862,582	4,470,994	3,233,240	2,064,417	1,304,459
Total	$133,928,561	$114,237,393	$82,368,482	$69,848,053	$62,295,044	$61,465,752

COMPARATIVE STATEMENT OF WORKING CAPITAL, DECEMBER 31

	1927	1926	1925	1924	1923	192
Current Assets—						
Interest and dividends accrued, not due	$1,129,361	$1,584,594	$988,321	$749,786	$625,698	$660
Cash in banks and on hand	2,452,683	2,560,295	2,182,365	1,072,641	758,283	782
Cash to pay coupons	.....	.....	.....	161,278	98,827	97
Due from subscribers to Common stock	.....	506,167	176,645	.....	.....	.....
Total	$3,582,044	$4,651,056	$3,347,331	$1,983,705	$1,482,808	$1,540
Current Liabilities—						
Accounts payable	$17,824	$12,432	$4,337	$1,537	$765	$
Accrued interest	.....	59,277	29,515	216,101	194,996	298
Accrued Common dividends	1,188,566	306,002	169,284	.....	.....	.....
Accrued Pfd. and Prior Lien dividends		920,759	681,760	499,926	328,646	277
Taxes accrued	325,000	.....	.....	.....	.....	.....
Total	$1,531,390	$1,298,470	$884,896	$717,564	$526,407	$577
Net Working Capital	$2,050,654	$3,352,586	$2,462,435	$1,266,141	$956,401	$962

Officers: Samuel Insull, Chairman; Martin J. Insull, Pres.; John F. Gilchrist, V-P.; E. V. Graham, V-P.; W. C. Sharp, V-P.; G. W. Hamilton, V-P.; A. J. Authenrieth, V-P.; D. F. Burritt, V-P.; Oliver E. McCormick, Treas.; Eustace J. Knight, Sec.; H. J. Ludwig, Asst. Sec.; G. E. Olmsted, Asst. Treas.; E. A. Davis, Aud.; Ralph D. Stevenson, Counsel, Chicago.

Executive Committee: John F. Gilchrist, John H. Gulick, William A. Fox, Martin J. Insull, Samuel Insull, Edward P. Russell, B. E. Sunny.

Directors: B. E. Sunny, Edward J. Doyle, Louis Ferguson, William A. Fox, John F. Gilchrist, John Gulick, Martin J. Insull, Samuel Insull, Samuel sull, Jr., Britton I. Budd, Edward P. Russell, Marsh E. Sampsell, Walter S. Brewster, L. E. Myers, E. Lloyd, Chicago, Ill.

Offices, 72 West Adams St., Chicago, and 3018 Pont Bldg., Wilmington, Del.

CENTRAL AND SOUTH WEST UTILITIES COMPANY

(Controlled by Middle West Utilities Co.)

History—Incorporated July 31, 1925, in Del. A holding company owning substantially all of the Common stock of American Public Service Company, Central Power and Light Company, Public Service Company of Oklahoma, Southwestern Gas and Electric Company and Southwestern Light & Power Company (see appended statements).

Corporate Rearrangements—An improved grouping of properties from an operating standpoint and a simplified corporate structure resulted from rearrangement of properties among subsidiaries during 1927. The East Texas operating companies of the American Public Service Company conveyed their assets to the Southwestern Gas and Electric Company, and as a result a comprehensive inter-connected electric system in the contiguous territory of Texas, Arkansas and Louisiana is now being operated as a unit. The Oklahoma Power Company, also hitherto an operating subsidiary of the American Public Service Company, conveyed its assets to the Public Service Company of Oklahoma and this has unified the properties controlled by the Central and South West Utilities Company in eastern Oklahoma. The West Texas Utilities Company, remaining subsidiary of the American Public Service Company, acquired the properties of the Quanah Light and Ice Company, formerly a subsidiary of the Southwestern Light & Power Company, and the Northwest Texas properties of the Central Power and Light Company.

A unification of properties in western Oklahoma was accomplished by the conveyance to the Southwestern Light & Power Company of the properties of its subsidiary, the Southwestern Gas & Fuel Company, and the properties of the Chickasha Gas & Electc Company.

New Property Acquired During 1927—The Southwestern Gas and Electric Company acquired the electric properties formerly owned by the Dierks Lumb and Coal Company in Southwestern Arkansas. Tl includes the towns of DeQueen, Nashville, Horat Mineral Springs, Dierks, Murfreesboro, Hartfiel Gilliham, Winthrop, Lockesburg, Foreman and Ce ter Point. The Public Service Company of Oklaho acquired the electric properties of the Dierks Compa in southeastern Oklahoma, including the towns Idabel, Broken Bow, Valliant, Talihina, Pine Valle Albion and Wright City.

Territory Served—The territory served by the op ating subsidiaries of the Central and South West Ut ities Company embraces considerable portions of t states of Texas and Oklahoma, and parts of Louisia Arkansas and Mississippi The American Public Se vice Company, through its operating subsidiary, T West Texas Utilities Company, serves 101 commu ties in western Texas with one or more classes of se vice. 124 communities, located mainly in southe Texas, including the lower Rio Grande Valley, a served by the Central Power & Light Compan Shreveport and Texarkana are the largest of 89 co munities served by the Southwestern Gas and Electr Company. The Public Service Company of Oklaho provides electric service in Tulsa and a number f other communities in Northeast Oklahoma, besid supplying ice in several communities. In southwe Oklahoma 63 communities are served by the Sout western Light & Power Company.

COMMUNITIES SERVED

	Communities Served	Electric	Gas	Water	Ice	Railway	Estimat Popu
American Public Service Co.	101	99	2	2	35	1	203,6
Public Service Co. of Okla.	82	81	..	1	15	..	267,6
Central Power and Light Co.	124	110	3	19	89	2	*322,6
Southwestern Gas & Electric Co.	89	75	26	1	24	1	316,5
Southwestern Light & Power Co.	63	59	8	..	8	..	124,2
Total subsidiaries	459	424	39	23	171	4	1,234,7

*Not including population of San Antonio and Houston, served with ice.

CENTRAL & SOUTHWEST UTILITIES CO., SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit

San Francisco Minneapolis Philadelphia

OPERATING DATA, DECEMBER 31
(Central & South West Utilities Co. Subsidiaries)

	1927	1926	1925
Total k.w. capacity of electric plants in operation	145,615	117,801	96,535
Total k.w. capacity of standby electric plants	32,392	25,518	10,572
Total miles of transmission lines in operation and under construction	5,296	3,785	2,068
Daily cu. ft. capacity of gas plants:			
Coal gas	400,000	400,000	415,000
Water gas	2,850,000	2,850,000	2,225,000
Total	3,250,000	3,250,000	2,640,000
Cubic ft. capacity of gas holders	1,409,000	1,559,000	1,429,000
Total miles of gas mains	1,065	1,033	941
Tons daily capacity of ice plants:			
Steam driven	629	861	831
Electric driven	3,699	2,783	2,308
Oil engine	29	167	.....
Hydro	89	8	.....
Combination drive	84	393	.....
Total	4,530	4,212	3,139
Total miles of railway track	34	33.9	37
Total miles of water main	258	.....	.....

NOTE—At Dec. 31, 1927, there were 279,231 electric, gas and water customers; total connected electric load, 385,176 k.w.; electrical output in 1927, 472,613,917 k.w.h.

CAPITAL STOCK

Authorized, 600,000 shares Common, 300,000 shares Prior Lien Pfd. and 300,000 shares Pfd.; outstanding, Dec. 31, 1927, 510,000 shares Common, 117,000 shares Prior Lien Pfd. $7 Dividend Series, and 133,250 shares cumulative Pfd. $7 Dividend Series, all of no par value. Prior Lien Pfd. and Pfd. are cumulative. Substantially all the Common stock is owned by Middle West Utilities Co.

Prior Lien Pfd. Stock Provisions—The Prior Lien Pfd. stock of the $7 dividend Series has preference as to assets and dividends over Pfd. and Com. stocks. It is preferred over the Pfd. and Common stocks as to assets in the event of liquidation or dissolution at the rate of $100 per share and accrued dividends and if such liquidation or dissolution is voluntary, to an additional premium of $20 per share. This series is subject to redemption at any time in whole or in part on 30 days' notice at $120 and accrued dividends. It will have voting power only in the event and during the time that dividends are in arrears to an amount exceeding $3.50 per share. After 100,000 shares of Prior Lien Pfd. stock shall have been issued additional Prior Lien Pfd. stock shall not be issued unless for a period of 12 consecutive months ending within 60 days immediately preceding the issuance of the additional stock, the net earnings shall have been at least twice annual dividend requirements on all Prior Lien Pfd. stock outstanding and to be issued.

Preferred Stock Provisions—The Pfd. stock of the $7 dividend Series has preference as to assets and dividends over Com. It is preferred over Com. as to assets in the event of liquidation or dissolution at the rate of $100 per share and unpaid accrued dividends and if such liquidation or dissolution is voluntary, to an additional premium of $20 per share. This series is subject to redemption at any time in whole or in part on 30 days' notice at $120 and accrued dividends. It will have voting power only in the event and during the time that dividends are in arrears to an amount exceeding $3.50 per share.

Transfer Agents (Both Classes of Preferred)—Middle West Stock Transfer Co., Chicago, and Bankers Trust Co., New York.

Registrars (Both Classes of Preferred): First Trust & Savings Bank, Chicago, and The Chase National Bank, New York.

Legal Opinion—Ralph D. Stevenson (for the Company) and Isham, Lincoln & Beale, Chicago (for the Bankers).

Original Offerings—Prior Lien Pfd. stock (100,000 shares) was first publicly offered in September, 1925, at $98.50 per share and accrued dividends, to yield 7.11% by A. B. Leach & Co., Inc., Tucker, Anthony & Co., Howe, Snow & Bertles, Inc., and Pearsons-Taft Co., New York, Chicago, etc. Pfd. stock (65,000 shares entitled to stock option warrant described above) was first publicly offered in September, 1925, at $96 and accrued dividends to yield 7.29% by A. B. Leach & Co., Inc., Tucker, Anthony & Co., Howe, Snow & Bertles, Inc., Pearsons-Taft Co., and Hornblower & Weeks, New York, etc. 35,000 shares $7 Dividend Series Pfd. were publicly offered in April 1927, by A. B. Leach & Co., Inc., Old Colony Corp., Howe, Snow & Bertles, Inc., Tucker, Anthony & Co., New York, etc., and Utility Securities Co., Hill, Joiner & Co., Inc., Emery, Peck & Rockwood Co., Chicago.

Listed (All Classes)—Chicago Stock Exchange.

Price Range—

	1927	1926	1925
Prior Lien Pfd.—			
High	105½	100	100
Low	96	92	97½
Preferred—			
High	99½	95	100
Low	88½	89½	88
Common—			
High	79¼	59⅛	..
Lok	56¼	47½	..

Dividends on both the Prior Lien Pfd. and Pfd. stocks regularly paid since issuance; payments quarterly, F. M. A & N 15. Initial semi-annual dividend of $1.00 a share was paid on Common Aug. 2, 1926; Feb. 2, 1927, $1.50 a share; April 15, 1927, to April 16, 1928, inclusive, 75 cents a share each quarter. Payments now quarterly, J, A, J & O 15.

FUNDED DEBT

None

CONSOLIDATED EARNINGS STATEMENT OF SUBSIDIARIES, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$28,047,641	$23,763,366
Operating expenses & taxes	16,876,638	14,541,376
Retirement appropriation	1,364,403	1,061,778
Net earnings	$9,806,600	$8,160,212
Rentals of leased properties	14,700	50,589
Interest charges paid or accruing to outside holders	2,832,405	2,397,360
Amortization of disc. on sec.	533,424	480,529
Divds. on stock & proportion of undistributed earnings to outside holders	2,390,288	1,606,212
Total earnings accruing to C. & S. W. U. Co.	*$4,035,783	$3,625,522

*Of which amount $239,376 was received by or accrued to Central and South West Utilities Co. as general interest on bonds and debentures and $2,760,047 was received by or accrued to said company as dividends on stock—a total of $2,999,423 leaving the balance, $1,036,361 Central and South West Utilities Co.'s proportion of surplus carried to aggregate surplus account of the subsidiary companies on their own books.

INCOME ACCOUNT
(Central and South West Utilities Co.)

	12 mos. to Dec. 31, 1927	17 mos. to Dec. 31, 1926
Interest receivable from sub. companies	$265,847	$244,896
Other interest	14,251	8,967
Divds. on stocks of subsidiaries	2,760,046	2,644,124
Profit on sale of securities & properties to outsiders	.....	46,710
Profit on sale of securities & prop. to affiliated cos.	907,254	429,896
Fees for engineering and other services to sub. cos.	195,647	118,345
Miscellaneous income	208	7,816
Total income	$4,143,253	$3,500,754
Expenses—		
Administrative expenses	$136,614	$63,503
Miscellaneous charges	85,520	60,205
Federal and State franchise taxes	54,198	15,182
Total	$276,332	$138,890
Net earnings	3,866,921	3,361,864
Interest on notes	109,420	140,890
Net income for the period	$3,757,501	$3,220,974
Prior Lien Pfd. dividends	819,000	1,041,250
Pfd. dividends	880,712	695,703
Common dividends	1,530,000	1,129,761
Surplus Dec. 31	$527,789	$354,260

Surplus and Reserve Accounts, Dec. 31, 1927—Surplus of company, $682,050; reserve for contingencies, $200,000; company's proportion of aggregate surpls of subsidiary companies, $3,984,313—total $4,866,3

GENERAL BALANCE SHEET, DECEMBER 31
(Central and South West Utilities Co.)

Assets—	1927	1926
Stocks of sub. cos. & other investments	$37,200,182	$32,562,268
Adv. to sub. cos. for construction, etc.	1,972,220	1,690,758
Adv. on account of unclosed contracts	221,669	974,225
Int. accrued but not due & accrued dividends not declared, etc.	110,445	618,113
Cash in banks and on hand	618,686	646,124
Prepaid expenses	101,838	122,206
Total	$40,225,040	$36,613,694

*133,250 shares in 1927 and 95,750 shares in 1926.

Liabilities—	1927	192
Common stock—510,000 shares	$14,304,230	$14,304,2
Cum. Prior Lien Pfd. stock $7 divd. series—124,500 shares	12,055,000	12,055,0
Cum. Pfd. stock $7 divd. series	*12,249,375	*8,930,6
Notes and accounts payable	82,917	17,6
Accrued dividends	601,468	951,1
Unadjusted credits	50,000	
Reserve for contingencies	200,000	
Surplus	682,050	354,2
Total	$40,225,040	$36,613,6

Officers: Samuel Insull, Chairman; Martin J. Insull, Pres., Chicago; James C. Kennedy, V-P., Dallas, Texas; Fred W. Insull, V-P., Tulsa, Okla.; George W. Fry, V-P., Abilene, Texas; W. C. Sharp, V-P.; E. V. Graham, V-P., Chicago; F. A. Tate, Sec.; R. H. Hunter, Asst. Sec.; C. C. Herrmann, Treas.; K. D. Carpenter, Asst. Treas., Dallas, Texas; H. J. Ludwig, Asst. Sec., Chicago; H. K. Stark, Aud., Dallas, Texas.

Directors: George W. Fry, Abilene, Texas; A. Liberman, Texarkana, Tex.-Ark.; James C. Kenned, Dallas, Tex.; E. B. Neiswanger, San Antonio, Texa; Fred W. Insull, Tulsa, Okla.; Samuel Insull, Martin Insull, Samuel Insull, Jr., Chicago, Ill.; Earl R. Errberger, Oklahoma City, Okla.

General Office, Dallas, Texas.

AMERICAN PUBLIC SERVICE COMPANY

(Controlled by Central and South West Utilities Co.)

History—Incorporated Oct. 11, 1912 in Del. One or more classes of public utility service are supplied to 101 communities through the operations of four subsidiary companies; 99 communities are served with electric light and power; 35 with ice, 2 with gas, 2 with water, and 1 with street railway service. Among the larger towns served are Abilene, Cisco, Ballinger and San Angelo. Physical property of Company includes 24 electric generating stations with a generating capacity of 19,783 k.w., transmission lines of 1,670 miles, gas mains of 105 miles and 42 miles of water mains. Ice plants numbering 25 have a daily capacity of 815 tons.

Corporate Rearrangements—During 1927 the operations of the Company's subsidiaries have been concentrated in a group of west Texas properties entirely interconnected as the result of rearrangement and unification of properties. These changes included the sale of its east Texas and Oklahoma subsidiaries to other utility companies, and the acquisition of additional properties in northwest Texas and considerable expansions to the south and southwest by the West Texas Utilities Company, the Company's subsidiary. This has had the net result that 101 communities are now served in west Texas as compared with 64 communities in 1926.

All of the company's west Texas properties excepting the Abilene Traction Co. and the Roby and Northern Railroad Company have been unified within the West Texas Utilities Company.

OPERATING STATISTICS, DECEMBER 31

	Gross Earnings	Connected Load (in h.p.)	Transmission Lines (miles)	Electric Customers
1920	$2,088,065	29,286	173	14,936
1921	2,665,304	32,966	206	15,782
1922	2,850,229	37,900	462	19,732
1923	3,288,847	44,400	615	25,135
1924	4,009,191	70,300	956	34,671
1925	5,391,000	91,200	1,177	42,353
1926	6,790,866	116,800	1,679	53,779
1927	6,085,977	114,800	1,670	47,240

Franchises—The franchises under which the constituent companies of the American Public Service Co. operate are, indeterminate or for long periods with provisions favorable to the Company's operations.

CAPITAL STOCK

Authorized, $15,000,000 Common and $15,000,0 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $ 644,708 Common (including scrip) and $9,249,20 Pfd.; par, $100. The Central & South West Utiliti Co. owns a controlling interest in the stock. Authoriz Pfd. stock was increased from $10,000,000 to $15,00 000 in April, 1926. The 8% Pfd. stock of the Sa Angelo Water Light & Power Co. mentioned in th 1927 Public Utility Manual was called for redemptic Feb. 1, 1928, at 105 and accrued dividends.

Preferred Stock Provisions—Preferred as to asse and dividends over Common stock. No Pfd. stoc shall be authorized entitled to share in the assets the corporation in priority to, or at a higher rate tha this stock. Redeemable on any dividend date upo 30 days' notice at 110% and accrued dividends.

Transfer Agent (Both Classes)—Middle West Stoc Transfer Co., Chicago.

Registrar—Central Trust Co. of Illinois, Chicag Ill.

Annual Meeting—Third Wednesday in April, Wilmington, Del.

Listed—Pfd. stock listed on Chicago Stock E change.

Price Range—

	1927	1926	1925	1924	192
Preferred—					
High	104	98	97¾	95	97
Low	94	92	89	84	83
Common—					
High	75	80	90	..	..
Low	65	45	45	..	..

Dividends—Dividends on Pfd. stock at rate of 7 per annum have been paid by the Company since i organization; payments quarterly, J, A, J & O 1. dividend of $239,660 on the Common stock was pai in stock from the accumulated surplus earnings of th Company in Dec., 1922. Common dividends of 10 each paid in stock in 1923 and 1924, and 8% in 192 and 8% cash in 1926 and 1927.

FUNDED DEBT

$422,500 SAN ANGELO WATER, LIGHT & POWER CO. FIRS MORTGAGE SINKING FUND 6% GOLD BONDS; DUE FE RUARY 1, 1934

Called for redemption Feb. 1, 1928 at 105 and in terest at Continental National Bank & Trust Co Chicago, Trustee.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(American Public Service Company)

Interest received and accrued on bonds, notes receivable, etc.:		Deductions:	
Of subsidiary companies	$651,681	Interest on funded debt	$324,511
Of outside companies	8,944	Interest on notes and accounts	142,973
Interest on bank balances	12,746	Amortization of debt discount and expense	60,015
Dividends on stock of subsidiary companies	1,070,361		
Dividends on stock of outside companies	303,310	Total deductions	$527,499
Total income	$2,047,042	Balance for dividends	$1,550,442
Profit on sale of securities to affiliated companies	187,500	Preferred dividends	652.595
		Common dividends	755,420
Total	$2,234,542		
Administrative expense	94,699		
Miscellaneous charges	61,902		
Balance	$2,077,941	Surplus for year	$142,427

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(The American Public Service Co. and Subsidiaries)

	*1927	1926	1925	1924	1923	1922
Operating revenue	$6,085,976	$6,790,866	$4,887,006	$4,009.191	$3,288,848	$2,804,705
Operating exp. and taxes, incl. retirement reserve	4,142.189	4,501,447	3,201,004	2,716,540	1,971,971	1,586,352
Net earnings	$1,943,787	$2,289,419	$1,686,003	$1,292,651	$1,316,877	$1,218,353
Other income (net)	.....	155,718	60,085	281,157	198,954	60,515
Total income	$1,943,787	$2,445,137	$1,746,088	$1,573,808	$1,515,831	$1,278,868
Holding company expenses—net	.....	.....	.....	.....	114,077	90,383
Balance	$1,943,787	$2,445,137	$1,746,088	$1,573,808	$1,401,753	$1,188,485
Deduct:						
Interest on funded debt		$927,186	$741,207	$649,706	$532,975	$476,894
Reserve for depreciation in accordance with terms of First Lien Bond mortgage		.....	.....	.....	162,010	142,010
Sundry interest, amortization, etc		163,304	116,454	112,787	148,291	67,822
Preferred dividends (San Angelo Water, Lt. & Power Co.)		1,996	1,162	.....	.....	.....
Total deductions		$1,092,486	$858,823	$762,493	$843,276	$686,726
Net income		$1,352,651	$887,265	$811,315	$558,477	$501,759
Dividends on Pfd. stock paid and accrued		$578,475	$471,406	$368,311	$312,726	$185,839
Dividends on Common stock		673,360	‡445,728	‡389,850	‡263,550	.....
Balance		$100,816	†$29,869	$53,154	†$17,799	$315,920

*Subsidiary Company figures only. †Deficit. ‡Paid in stock.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(The American Public Service Co. and Subsidiaries)

(Latest Available)

Assets—	1926	1925	1924	1923	1922
Fixed capital	$32,722,389	$25,481,042	$19,730,194	$15,957,258	$13,137,473
Property abandoned	235,654	31,884	.....	.....	50,046
Cash	745,079	365,675	248,056	256,088	183,203
Accounts receivable (less reserves for bad debts)	854,260	674,408	398,591	329,184	351,340
Notes receivable	375,141	27,946	29,943	33,061	10,471
Materials & supplies	596,197	433,348	292,357	248,781	135,821
Special deposits	175,885	26,674	21,987	28,460	23,229
Accrued interest & dividend receivable	.....	11,247	19,875	18,871	13,437
Reacquired securities (at cost)	55,600	196,437	170,887	312,020	977,896
Sundry investments	300,757	280,445	276,525	913,342	744,704
Prepaid accounts	21,000	29,313	40,463	45,187	24,528
Other assets	24,739	12,480	.....	.....	.....
Unamortized debt discount & expense	2,897,303	2,210,423	1,975,440	1,865,675	1,640,135
Other deferred charges	91,549	81,759	96,312	74,234	25,583
Work in progress	502,229	.....	.....	.....	.....
Due from associated companies	.....	92,001	128,581	.....	.....
Suspense accounts	.....	70,858	17,846	11,730	16,477
Total	$39,597,782	$30,025,940	$ 23,447,056	$20,093,891	$17,334,343
Liabilities—					
Common stock (incl. scrip.)	$8,844,108	$6,919,108	$4,290,380	$2,900,530	$2,636,980
*Preferred stock	9,412,600	7,212,600	5,737,600	5,187,600	4,827,200
Funded debt	17,721,000	13,036,900	11,126,500	10,074,300	7,849,600
Notes payable	46,073	36,876	18,188	155,490	24,401
Accounts payable	266,325	580,471	366,678	404,645	449,996
Accrued interest & dividends	102,417	218,867	170,038	176,082	120,623
Taxes accrued	246,197	.....	.....	.....	14,504
Other accrued liabilities	.....	.....	.....	11,635	1,054
Consumers' deposits	218.313	152,706	112,569	90,334	71,289
Dividends declared	162,878	.....	.....	.....	.....
Advances for construction of customers' lines	.....	20,051	11,511	11,168	10,147
Deferred accounts payable	12,369	1,580	.....	.....	.....
Coupons & tickets unredeemed	.....	11,532	9,554	8,361	5,705
Collections on acct. of sales of Pfd. stock	5,371	19,792	113,045	133,631	443,347
Contributions for line extensions	31,458	7,036	.....	.....	.....
Suspense account	.....	.....	.....	.....	2,560
Reserve for injuries, etc.	94,865	10,876	7,739	6,347	3,738
Retirement reserve	2,106,226	1,537,175	1,296,554	800,220	676,854
Contingency reserve	85,445	136,524	32,986	32,986	32,985
Miscellaneous unadjusted credits	17,475	.....	.....	.....	.....
Surplus account	224,662	123,846	153,715	100,562	118,360
Total	$39,597,782	$30,025,940	$23,447,056	$20,093,891	$17,334,343

*Including $25,000 San Angelo Water, Light & Power Co. Pfd. stock in hands of public.

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(American Public Service Company)

Assets—	
Investments	$18,211,768
Notes and accounts receivable—advances to subsidiary companies for construction, etc.	285,186
Interest and dividends receivable	310,064
Cash	397,734
Special deposits	9,431
Prepaid expenses	12,396
Discount and expense on Pfd. stock	635,020
Total	$19,861,599

Liabilities—	
Common stock (including scrip)	$9,644,73
Preferred stock	9,387,60
Accounts payable	39,1
Dividends declared on Pfd. stock	164,2
Accrued taxes	25,7
Reserve for contingencies	232,9
Surplus	367,0
Total	$19,861,5

Officers: Samuel Insull, Chairman; Martin J. Insull, Pres., Chicago; James C. Kennedy, V-P., Dallas, Tex.; W. C. Sharp, V-P., Chicago; C. C. Herrmann, Treas.; K. D. Carpenter, Asst. Treas., Dallas, Tex.; G. E. Olmsted, Asst. Treas., Chicago; F. A. Tate, Sec.; R. D. Hunter, Asst. Sec., Dallas, Tex.; N. Siljestrom, Asst. Sec., Chicago; H. K. Stark, Aud., Dallas, Tex.

Directors: G. W. Fry, Abilene, Tex.; C. C. Herrmann, Dallas, Tex.; Fred W. Insull, Tulsa, Okla.; Martin J. Insull, Samuel Insull, Chicago; James C. Kennedy, W. C. Sharp, Dallas, Tex.; E. B. Neiswanger, San Antonio, Tex.

Executive Office, Allen Bldg., Dallas, Tex.

Corporate Office, 3018 du Pont Bldg., Wilmington, Del.

WEST TEXAS UTILITIES COMPANY

(Controlled by American Public Service Company)

History—Incorporated under the laws of Texas, for the purpose of acquiring, constructing and operating electric and gas properties, street railways and other public utilities. In 1927 acquired the electric and ice properties in Turkey and Quitague of Quanah Light and Ice Company and the northwest Texas properties of Central Power and Light Company. This, together with the expansion to the south and southwest, has had the net result that 100 communities are now served in west Texas with an increase in connected load of 51,702 k.w. in 1927 to 85,624 k.w. in 1927.

Properties—Company operates under favorable franchises in central west Texas, serving 100 communities with one or more classes of public utility service. Electric light and power is supplied to 99 communities, gas to 2, water to 2 and ice in 35 communities. Among the larger cities served are Abilene, Cisco, Ballinger and San Angelo. Physical property of company includes 24 electric generating stations with a generating capacity of 19,783 k.w., transmission lines of 1,670 miles, gas mains of 105 miles and 42 miles of water mains. Ice plants numbering 25 have a daily capacity of 815 tons. Land was purchased and work started on the construction of a new generating station at Lake Pauline near Quanah, a station in which will be installed at once one 15,000 kilowatt steam turbine unit with ultimate plans for a 45,000 kilowatt capacity.

OPERATING STATISTICS, DECEMBER 31, 1927

K.w.h. generated	66,903,856
Gas sold (M. cu. ft.)	708,109
Customers, gas, electric and water	58,884
Tons ice manufactured	97,722

CAPITAL STOCK

Authorized, 175,000 shares Common and 125,000 shares $6 cumulative Pfd., both of no par value; outstanding, 171,175 shares Common and 101,360 shares Pfd. A majority of the Preferred and all of the Common stock are owned by American Public Service Company.

Preferred Stock Provisions—The $6 cumulative Pfd. stock is entitled in liquidation to $100 per share and accrued dividends. Is subject to call on 30 days' notice at $100 and accrued dividends, plus a premium of $10 per share. The shares of $6 Pfd. are on an equality in all respects, except only as to dividend rate and redemption price with all shares at any time issued of the Company's Pfd. stock, which consists of shares without par value issuable in series with varying dividend rates, redemption prices and designations as specified in the Company's charter. No stock can be issued, over or equal to the Pfd. unless the holders of a majority of the Pfd. or Common vote it so. Pfd. stock is entitled to full voting power on default if dividend is in arrears to exceed $3 per share; then and long as it remains in arrears, Pfd. will have equal voting power with the Common.

Transfer Agents (All Classes)—Middle West Stock Transfer Company, 72 West Adams St., Chicago, Ill. and (Preferred) Seaboard National Bank, New York.

Registrars (Preferred)—First Trust and Saving Bank, Chicago, Ill., and New York Trust Co., New York.

Original Offering—First publicly offered (25,000 shares $6 cumulative Pfd.) in March, 1928, at $96 per share and accrued dividends to yield 6.25% by Utilities Securities Co., Old Colony Corp., Hill, Joiner & Co., Inc., Emery, Peck and Rockwood Co. and A. E. Leach & Co., Inc., New York, etc.

Annual Meeting—Last Tuesday in March at Abilene, Texas.

Dividends—Pfd. dividends payable quarterly, J, A, J & O 1, initial dividend having been paid Jan. 1, 1928. On Common 50 cents a share was paid Jan. 1, 1928; April 1, 1928, 75 cents a share.

FUNDED DEBT

(1)

$12,500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES A; DUE OCTOBER 1, 1957

Dated October 1, 1927.

Interest Payable April and October 1 at The New York Trust Co., New York, and at office of Company, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000 interchangeable; principal may be registered.

Trustees—The New York Trust Co., New York and Boyd G. Curts.

Provisions of Issue—Authorized amount, unlimited; issued, Series A, $12,500,000. Additional bonds with such provisions as may be determined by the Board of Directors at the time of issuance may be issued (a) par for par against the deposit of cash or United States government obligations, or to refund, pay or cancel bonds of other series issued under the mortgage; (b) to the extent of 75% of the cost or value, whichever is less, of additions, betterments or purchased property. No bonds may be issued on account

WEST TEXAS UTILITIES COMPANY, SECURITIES

Howe Snow & Co.
Incorporated
New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

additions, betterments, or purchased property unss net earnings as defined in the Mortgage, during consecutive months ending within 60 days next preding the date of issuance, shall have been at least ¼ times the interest charges on all bonds then issued nd outstanding and those then proposed to be issued; nd provided further that such additions, betterments purchased property shall be subjected to the first en of the mortgage.

Purpose of Issue—Issued to retire all underlying nd divisional bonds, for acquisition, for additions and nprovements and for other corporate purposes.

Callability—Subject to call as a whole or in part on) days' notice at the following prices and accrued inrest: To Oct. 1, 1932 at 105; on and from Oct. 1, 1932 Oct. 1, 1937, at 103; on and from Oct. 1, 1937 to Oct. 1942 at 102½; on and from Oct. 1, 1942 to Oct. 1, 947, at 102; on and from Oct. 1, 1947 to Oct. 1, 1952 t 101; on and from Oct. 1, 1952 to Oct. 1, 1956 at 00½; on Oct. 1, 1956 and thereafter to maturity at 00.

Maintenance and Renewal Fund—The Company grees to expend during each calendar year unless redited with excess expenditures during previous ears, an amount, which for five years shall not be less han 10% per annum of gross earnings derived during uch year from operation of physical property upon hich this mortgage is a lien, for the making of exensions and the purchase of additional property, the aking of repairs, renewals and replacements, or for he redemption or purchase and cancellation of bonds ecured by the mortgage. The mortgage provides for edetermination of percentage at five year intervals. No additional first mortgage bonds may be issued on ccount of any expenditures made in compliance with he provision of the mortgage.

Security—Secured by a first mortgage on all of the ixed properties, right and franchises of the Company ow owned, and on all such property hereafter acquired against which any bonds may be issued under he Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Pennsylvania and Connecicut 4 mills tax and the Massachusetts Income tax not exceeding 6% refunded, if requested, within 60 days fter payment.

Original Offering—First publicly offered ($12,500,000) in Oct., 1927, at 97½ and interest yielding over 5.15% by Halsey, Stuart & Co., Inc., A. B. Leach & Co., Inc. and Howe, Snow & Co., New York, etc.

(2)

$57,000 BALLINGER MUNICIPAL SERIES 6% BONDS

Interest Payable April and October 1, at Chase National Bank, New York. Assumed by West Texas Utilities Company.

BONDS CALLED

All of the San Angelo Water, Light & Power Co. First Mortgage 6% Sinking Fund Gold bonds, due Feb. 1, 1934, were called for redemption on Feb. 1, 1928 at 105 and interest at Continental National Bank & Trust Co., Chicago, Trustee.

EARNINGS AND EXPENSES, YEAR ENDED DECEMBER 31, 1927
(West Texas Utilities Company, as then constituted)

Gross earnings, including other income	$5,535,491
Oper. exps., maint., taxes and rentals	3,380,822
Net earnings	$2,154,669
Bond and note interest	686,300
Other deductions	408,445
Net income	$1,059,924

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital	$28,650,391
Cash	292,424
Notes receivable	42,090
Accounts receivable	587,878
Installments receivable	308,444
Material and supplies	566,722
Prepayments	14,361
Miscellaneous investments	342,988
Special deposits	4,166
Unamortized debt discount and expense	1,053,125
Other suspense accounts	25,880
Sundry securities	31,925
Total	$31,920,394
Liabilities—	
Common stock	*$8,558,750
Preferred stock	†8,860,800
Funded debt	12,500,000
Municipal bonds	57,000
Notes payable	230,723
Accounts payable	63,839
Consumers' deposits	167,880
Interest accrued	166,979
Taxes accrued	135,913
Dividends accrued	234,021
Inter-company payables	‡59,316
Retirement reserve	814,591
Other reserves	113,857
Surplus	75,357
Total	$31,920,394

*Represented by 171,175 shares of no par value. †Represented by 101,360 shares of no par value. ‡Debit.

Officers: G. W. Fry, Pres., Abilene, Tex.; W. C. Sharp, V-P.; E. V. Graham, V-P., Chicago, Ill.; Price Campbell, V-P.; R. M. Wolfe, Sec. & Treas.; H. A. Lepper, Aud.; C. C. Sellers, Asst. Treas.; Oliver E. McCormick, Asst. Treas.; N. Siljestrom, Asst. Sec.

Directors: Martin J. Insull, W. C. Sharp, Chicago, Ill.; James C. Kennedy, Dallas, Texas; G. W. Fry, Price Campbell, J. M. Wagstaff, W. G. Swenson, P. W. Campbell, Abilene, Texas.

Operating Office, Abilene, Texas.

CENTRAL POWER AND LIGHT COMPANY

(Controlled by Central and South West Utilities Co.)

History—Incorporated Nov. 2, 1916, in Mass., for the purpose of acquiring, constructing and operating electric and gas properties, street railways and other utilities. Company became an operating company in 1926 when it acquired the properties of Texas Central Power Co., Valley Electric and Ice Co., and Southern Railway and Light Co. Subsidiaries include Nueces Ry. Co., Laredo Electric and Ry. Co. and Matamoras Electric Co.

Properties acquired during 1927 include the electric, ice and water properties at Rio Grande City, Falfurrias and La Pryor; the electric properties at Palacios and Waelder, and the electric and ice properties at Flatonia. In addition to these purchases the Company brought electric service to 18 towns which previously had no service. Retail ice sale stations were built and service extended to 9 towns.

CENTRAL POWER & LIGHT COMPANY, SECURITIES

Howe Snow & Co.
Incorporated
New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

The portion of the Company's property located in the northern part of Texas was sold to the West Texas Utilities Company as a means of effecting greater economies for this group of properties. Interconnection was made with the West Texas Utilities Company which will facilitate coordination and interchange of power.

As of Dec. 31, 1927, the Company was supplying electric light and power service to 45,464 customers in 110 communities, water service to 12,406 customers in 19 communities, gas service to 1,038 customers in 3 communities, and street railway service to 2 communities, and in addition was supplying ice to 89 communities. In all, Company serves retail 124 communities with a total population estimated at 322,623 (exclusive of San Antonio and Houston which are served with ice only).

The electric properties include 56 electric generating stations with a capacity of 42,022 k.w. (with additional capacity available through inter-connection with other companies), and 1,154 miles of transmission lines; and the 58 ice plants (practically all electrically driven), have a daily capacity of 2,240 tons. Ice production in 1927 amounted to 485,981 tons, an increase of 16,590 over 1926.

Franchises—The franchises under which the company operates, at its different properties, are for long periods, or perpetual, and are satisfactory, containing no burdensome features.

CAPITAL STOCK

Authorized, 150,000 (increased from 100,000 in 1926) shares Common of no par value and $15,000,000 7% cumulative Pfd., par, $100; outstanding, 117,180 Common shares and $9,081,500 Pfd. The Common stock is all owned by the Central & South West Utilities Company.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends, and is callable as a whole on any dividend payment date at 105 and accrued dividend or in any part thereof at 110 and accrued dividend upon 30 days' written notice. No additional Pfd. stock can be issued unless the net earnings (after interest on prior lien obligations) available for the previous 12 months, ending not more than 60 days prior to the issuance of such stock, shall be at least 2½ times the annual dividend requirements of the then outstanding Pfd. stock including that to be issued

Transfer Agent—Middle West Stock Transfer Co., Chicago, and Bankers Trust Co., New York.

Registrars—First Trust & Savings Bank, Chicago, and The Equitable Trust Co., of New York.

Tax Provisions—Tax exempt in Massachusetts.

Legal Opinion (Pfd. stock)—Storey, Thorndike, Palmer & Dodge, Boston.

Public Offering—$1,250,000 Pfd. stock publicly offered in July, 1924, at 92½ and accrued dividend to yield 7.57%, by Howe, Snow & Bertles, Inc., Pynchon & Co., H. L. Nason & Co., Inc., Moors & Cabot, and A. L. Chambers & Co., Inc. $3,000,000 was offered in June, 1926, at 97½ and dividend and $1,750,000 additional was offered in Dec., 1926, by Howe, Snow & Bertles, Inc., Tucker, Anthony & Co., A. B. Leach & Co., Inc., and Hill, Joiner & Co., Inc., New York, etc.

Price Range—

Preferred—	1927	1926	1925	1924
High	102⅝	102¼	96½	93
Low	102½	97¼	88	77

Dividends—Dividends on Pfd. regularly paid quarterly since original issue in May, 1919; payments, F, M, A & N 1. Quarterly dividends at rate of $8 per share per annum were paid on Common to 1926, inclusive; 1927, $10 per share.

FUNDED DEBT

$18,564,500 FIRST MORTGAGE 5% GOLD BONDS, 1956 SERIES; DUE AUGUST 1, 1956

Dated August 1, 1926.

Interest Payable February and August 1, at First Trust & Savings Bank, Chicago, and Central Union Trust Co. of New York.

Denominations—Coupon, $100, $500, and $1,000; interchangeable; principal may be registered. Fully registered bonds in denomination of $1,000 or authorized multiples thereof. Coupon and registered bonds interchangeable.

Trustees—First Trust and Savings Bank, Chicago, and Melvin A. Traylor.

Provisions of Issue—Authorized amount, unlimited; issued 1956 Series, $18,564,000. Mortgage provides that subject to the limitations thereof additional bonds of this series (or other series bearing such rates of interest, maturing at such times, and having such other provisions as the Board of Directors at the time of issuance may determine) may be issued against the deposit, par for par, of cash or United States obligations or to refund bonds of other series issued under the Mortgage, and to the extent of 75% of expenditures made by the Company or any subsidiary for permanent improvements, betterments or extensions and 75% of the cost or value, (whichever is less) of purchased property acquired by the Company or any subsidiary, provided that all such extensions and purchased property, made or acquired by the Company, shall be subject to the Mortgage as a first mortgage thereon, and that if bonds are issued on account of extensions or purchased property made or acquired by a subsidiary, first mortgage bonds of such subsidiary shall be pledged with the Trustee under the mortgage in principal amount at least equal to all bonds issued under this Mortgage in respect of extensions or additions made by such subsidiary. Subsidiary corporations are the certain corporations specified in the Mortgage, and all of whose stock and outstanding bonds, if any, are pledged under the Mortgage. Bonds shall not be issued on account of expenditures made by the Company or any subsidiary for improvements, betterments, extensions or purchased property, or to refund at a higher rate of interest, bonds of other series under the Mortgage, unless net earnings, as defined in the Mortgage, of the Company and its subsidiaries during 12 consecutive months ending within 90 days next preceding the date of issuance shall have been at least twice the annual interest charges on all bonds then issued and outstanding under the Mortgage and those proposed to be issued.

Purpose of Issue—Proceeds were used for the redemption of the 6½% Bonds of the Company, for reimbursing the Treasury for expenditures made and to be made on account of additions and improvements to properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time, upon 30 days' notice at the following prices and accrued interest: On or before July 31, 1931 at 105 less ½ of 1% for each five-year period to and including July 31, 1941; thereafter less 1% for each five-year period to and including July 31, 1951; thereafter to and including July 31, 1955 at 101 thereafter at 100.

Maintenance and Renewal Fund—Mortgage provides that during each calendar year the Company shall expend or cause to be expended by its subsidiaries an amount not less than 12½% of the sum of the gross earnings derived from operation of its mortgaged properties and the properties of its subsidiaries, for (a) the making of repairs, renewals and replacements; (b) the making of extensions or the acquisition of properties on account of which the Company would otherwise be entitled to issue additional bonds; or (c) the redemption or the purchase and cancellation of any bonds issued under and secured by the Mortgage.

Security—Bonds are the direct obligation of the Company and are secured by an absolute first mortgage on all of the permanent property, rights and

anchises of the Company now owned or hereafter quired and additionally secured by deposit with the rustee under the mortgage of all capital stocks and nds at any time outstanding of the subsidiaries ecified in the mortgage.

Tax Provisions—Company pays Normal Federal come Tax up to 2%. Connecticut, Pennsylvania d California personal property taxes not exceeding mills, Maryland tax not exceeding 4½ mills, District of Columbia tax not exceeding 5 mills and assachusetts Income Tax on the interest of the nds not exceeding 6% of such interest, per annum, funded to resident holders upon application within days after payment.

Legal Investment For Savings Banks in Rhode land, Vermont and New Hampshire.

Listed—Boston Stock Exchange.

Legal Opinion—R. D. Stevenson, Chicago (for the ompany), and Isham, Lincoln & Beale, Chicago (for e Bankers).

Price Range—

	1927	1926
igh	*98	96
ow	94¾	94½

*High and low bid prices.

Original Offering—First publicly offered ($14,500,00) in July, 1926, at 96 and interest to yield over 25% by Howe, Snow & Bertles, Inc., A. B. Leach & Co., Inc., Halsey, Stuart & Co., Inc., Hill, Joiner & Co., Inc. and Tucker, Anthony & Co., New York, etc. $4,000,000 additional bonds were offered in Oct., 1927, at 97 and interest to yield 5.20% by the same bankers.

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Central Power and Light Co. and Subsidiaries)

	1927	1926	1925
Operating revenues	$7,338,189	$6,756,412	$5,301,450
Oper. exp., taxes & rentals	4,209,103	4,248,267	3,896,675
Retirement expense	343,528	*96,635	
Operating income	$2,785,558	$2,411,510	$1,404,775
Other income	65,969	67,800	255,883
Gross income	$2,851,527	$2,479,310	$1,660,658
Miscel. int., amortiz., etc.	122,739	218,657	209,416
Balance	$2,728,788	$2,260,653	$1,451,242
Bond interest	807,106	604,075	626,951
Net income	$1,921,682	$1,656,578	$824,291
Preferred dividends	648,401	386,433	264,087
Balance	$1,273,281	$1,270,145	$560,204
Common dividends	1,171,800	755,780	350,000
Balance to surplus	$101,481	$514,365	$210,204
Times Bond Int. Earned	3.38	3.74	2.31
Earnings Per Share—			
Preferred	$21.16	$22.04	$20.53

*$150,000 Additional appropriated from surplus.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Central Power and Light Co. and Subsidiaries)

Assets—	1927	1926	1925
ixed capital	$33,123,790	$28,166,740	$20,294,981
ash	368,425	255,589	114,494
otes receivable	1,348,309	117,118	80,757
ccounts receivable	932,588	890,155	485,266
nterest & dividends receiv.	4,336	600	.....
aterials and supplies	760,731	785,646	319,154
repayments	59,262	61,692	101,048
ubscribers to capital stock	11,994	3,480	.....
iscellaneous investments	230,232	156,973	149,211
pecial deposits	10,127	1,204	1,062,138
nstall. receivable on sale of prop.	141,000	144,000	147,000
namortized debt disc. and expense	2,291,824	2,082,427	1,574,449
obbing accounts	48,114	44,292	.....
Vork in progress	47,043	61,654	.....
Miscel. deferred debits	165,461	134,929	.....
eacquired securities	.....	493,400	.....
Total	$39,543,236	$33,399,899	$24,328,498

Liabilities—	1927	1926	1925
*Common stock	$8,902,350	$7,400,850	$4,199,750
Preferred stock	9,081,500	7,515,000	4,015,000
Pfd. stock subscribed	24,800	4,900	.....
Funded debt	18,564,500	14,500,000	9,960,500
Notes payable	19,450	300,802	2,400,444
Accounts payable	442,255	773,255	677,350
Consumers' deposits	230,680	156,825	155,455
Divds. declared on Com. stk.	105,951	382,920	150,000
Miscel. current liabilities	6,617	10,607	10,978
Taxes accrued	555,448	313,050	229,112
Interest accrued	401,352	315,137	223,499
Miscel. accrued liabilities	5,038	82,544	46,842
Retirement reserve	574,172	1,060,989	1,080,466
Contributions for extensions	1,705	250	.....
Miscel. reserves	38,810	65,101	40,595
Miscel. unadjusted credits	.....	30,543	.....
Surplus	588,608	487,127	1,138,507
Total	$39,543,236	$33,399,899	$24,328,498

*Represented by 117,180 shares in 1927, 95,730 shares in 1926 and 50,000 shares in 1925 of no par value.

Officers: Martin J. Insull, Chrm., Chicago, Ill.; ames C. Kennedy, Pres., Dallas, Tex.; E. B. Neisranger, V-P., San Antonio, Tex.; W. C. Sharp, V-P., hicago; W. D. Boone, Treas. & Sec., San Antonio, ex.; C. C. Herrmann, Asst. Treas., Dallas, Tex.; . E. McCormick, Asst. Treas., Chicago; E. B. hodes, Asst. Treas.; G. Menger, Aud., San Antonio, Tex.; N. Siljestrom, Asst. Sec., Chicago; Francis V. Barstow, Clerk, Boston, Mass.

Directors: E. B. Neiswanger, S. M. Udden, H. C. Loehr, W. D. Boone, San Antonio, Tex.; Martin J. Insull, W. C. Sharp, Chicago, Ill.; James C. Kennedy, Dallas, Tex.

General Office, San Antonio, Tex.

PUBLIC SERVICE CO. OF OKLAHOMA

(Controlled by Central & South West Utilities Co.)

History and Property—Inc. May 28, 1913, in Okla. As of Dec. 31, 1927, Company supplied electric light nd power service to 81 communities and ice service to communities, the principal communities being supplied with both electric and ice service are: Afton, Antlers, Atoka, Broken Arrow, Coalgate, Coweta, Grove, Henryetta, Hugo, Okemah, Okmulgee, Pryor, Tulsa and Vinita, Oklahoma; electric light and power ervice: Adair, Alluwe, Big Cabin, Boley, Boswell, Bromide, Broken Bow, Bryant, Canadian, Caney, Carondale, Castle, Catoosa, Choate Prairie, Choteau, Clarita, Coalton, Coody's Bluff, Crowder, Dawson, Dewar, Dustin, Fort Towson, Garden City, Garnett, Grant, Hanna, Indianola, Inola, Keota, Kinta, Kusa, Lehigh, Le Quire, McCurtain, Morris, Nowata, Oakhurst, Oneta, Ologah, Owasso, Papoose, Pharoah, Phillips, Porter, Preston, Quinton, Red Bird, Salem, Salina, Sawyer, Schulter, Soper, Spavinaw, Spelter City, Strang, Stringtown, Talala Tushka, Vernon, Wapanucka, Idabell, Locust Grove, Pine Valley, Talihina, Valliant, Wright City, and ice service to Chelsea. Estimated population served, 267,615.

The properties as of Dec. 31, 1927, consisted of electrical generating stations with a combined capacity of 58,745 k.w. which radiate their electrical energy over 749 miles of high tension transmission lines and adequate distribution lines. The Company's ice plants are 15 in number and have a daily manufacturing capacity of 737 tons and storage vault facilities for the peak loads of midsummer demand.

During 1926 the erection of a generating station at Weleetka was started. The first unit of 15,000 k.w. was completed in Oct., 1927, and the ultimate capacity of the plant will be 45,000 k.w.

In April, 1927, Company acquired the Oklahoma Power Co., formerly a subsidiary of American Public Service Co., an affiliated company; also the electric properties of the Dierks Lumber & Coal Co. in southeastern Oklahoma.

OPERATING STATISTICS, DECEMBER 31

	No. of Electric Customers	Connected Load (k.w.)	Electricity Sales (k.w.h.)
1921	17,375	.....	27,340,567
1922	19,837	34,247	29,147,469
1923	23,020	39,961	35,947,167
1924	25,493	.....	44,248,641
1925	29,872	69,466	77,914,801
1926	33,030	80,049	86,795,329
1927	47,613	111,652	135,199,859

CAPITAL STOCK

Authorized, $10,000,000 Common, $1,000,000 6% cumulative Pfd., $6,000,000 7% cumulative Prior Lien, and $6,000,000 6% cumulative Prior Lien; outstanding, Feb. 28, 1928, $7,089,400 Common, $3,280,000 6% Prior Lien and $3,216,200 7% Prior Lien; par $100. A majority of the Common stock is owned by Central & South West Utilities Co.

Capital Stock Changes—Stockholders at annual meeting March 21, 1928, approved the proposal to increase the authorized capital stock from $18,000,000 to $23,000,000 the additional $5,000,000 to consist of $2,500,000 6% Prior Lien stock and $2,500,000 Common stock. On March 16, 1927, the authorized capital stock was increased from $12,00,000 to $18,000,000, the additional $6,000,000 stock consisting of $3,500,000 6% Prior Lien stock, which is on an equality with the 7% Prior Lien stock except as to rate of dividends, and $2,500,000 Common stock. The capital stock had been increased on March 17, 1926, from $4,000,000 Common, $800,000 6% Pfd. and $3,200,000 7% Prior Lien to $5,000,000 Common, $1,000,000 6% Pfd. and $6,000,000 7% Prior Lien respectively. The $257,200 6% cumulative Pfd. outstanding Dec. 31, 1926, was retired early in 1927.

A substantial block of 6% Prior Lien stock was privately sold in April, 1927 at 93½ and dividend, to yield 6.42%, by A. B. Leach & Co., Inc., New York, Chicago, etc.

Prior Lien and Preferred Stock Provisions—Prior Lien stock has preference for assets and dividends over the Pfd. and Common stocks. Both Prior Lien and Pfd. stocks subject to call on 30 days' notice at $110 and amount of any dividends accumulated and unpaid.

Transfer Agent—Middle West Stock Transfer Company, 72 West Adams St., Chicago and Company's office, Tulsa, Okla.

Registrars—The National Bank of the Republic, Chicago and Exchange Trust Co., Tulsa, Okla.

Annual Meeting—Third Wednesday in March.

Price Range—

7% Prior Lien Preferred—	1927	1926	1925	1924	1923
High	103	100	95	100	100
Low	90	92	87	90	90

Dividends — Dividends are declared the third Wednesdays of F, M, A & N, and have been paid as follows: On Pfd. and Prior Lien quarterly, J, A, J & O 1. Initial quarterly dividend of 1½% was paid on the 6% Prior Lien stock, July 1, 1927. On Common, 1% in 1915; 1¼% in 1916; 3% in 1917; 1½% in 1918; 4¾% in 1919; 5½% in 1920; 8% per annum, 1921 to date. Payments on Common quarterly J, A, J & O 1.

FUNDED DEBT

(1)

$4,750,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "C"; DUE SEPTEMBER 1, 1961

$9,500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "D"; DUE MAY 1, 1957.

Dated Series "C," September 1, 1926; Series "D," May 1, 1927.

Interest Payable—March and September 1 on Series "C" and May and November 1 on Series "D," at Halsey, Stuart & Co., Chicago and New York, interest paying agents.

Denominations—Coupon, $100, $500 and $1,00 (interchangeable); principal may be registered.

Trustees—Central Trust Company of Illinois, Chicago. Aksel K. Bodholdt, co-trustee.

Provisions of Issue—Authorized amount unlimite subject to indenture restrictions. Outstanding $14 250,000 ($4,750,000 Series "C" 5s and $9,500,000 Seri "D" 5s). The proceeds of the $4,750,000 Series "C bonds were used to retire the previously outstandi funded debt of company, and for other corporate pu poses. The proceeds of Series "D" bonds were used the acquisition of additional property and for oth corporate purposes.

Additional bonds with such provisions as may b determined by Board of Directors at the time their issuance may be issued (a) par for par again the deposit of cash, or deposit or discharge of unde lying bonds, or to refund, pay or cancel bonds other series issued under the mortgage; and (b) to th extent of 75% of expenditures for additions and be terments and of purchased property.

Bonds issued on account of additions or bette ments or purchased property of the Company, or refund at a higher rate of interest bonds of other seri issued under this mortgage, may not be issued u less the net earning of the Company, during 12 co secutive months ending within 60 days next prece ing the date of issuance, shall have been at least 1 times the interest charges on all bonds then issu and outstanding under the mortgage, and those th proposed to be issued, and on all bonds, if any, th outstanding in the hands of the public.

Callability—Series "C" bonds are subject to call whole or in part on 30 days' notice at the followir prices and accrued interest: To Sept. 1, 1930 at 105; Sept. 1, 1930 at 104½ less ½ of 1% for each full fo year period elapsed after Aug. 31, 1930 to Sept. 1, 195 on and from Sept. 1, 1958 to Sept. 1, 1959 at 101; and from Sept. 1, 1959 to Sept. 1, 1960 at 100½; on Sep 1, 1960 and thereafter to maturity at 100.

Series "D" bonds are subject to call as a whole or part upon 30 days' notice at the following prices ar accrued interest: to May 1, 1932 at 105; on and fro May 1, 1932 to May 1, 1937 at 103; on and from Ma 1, 1937 to May 1, 1942 at 102½; on and from May 1942 to May 1, 1947 at 102; on and from May 1, 1947 May 1, 1952 at 101; on and from May 1, 1952 to May 1956 at 100½; on May 1, 1956 and thereafter to matu ity at 100.

Maintenance and Renewal Fund—The Compar covenants that so long as any bonds are outstandir under the mortgage, it will expend during each cale dar year, unless credited with excess expenditur during previous years, an amount not less than 12½ of the gross earnings derived during such year fro the operation of the physical property upon whic this mortgage is a lien for the following purposes: mal ing of repairs, renewals and replacements, or making extensions and the purchase of additional propertie or for the redemption and cancellation of bon secured by the mortgage. No additional First Mor gage Gold bonds may be issued on account of any e penditures made in compliance with this provision the mortgage.

Security—Secured by a first mortgage on all the fixed properties, rights and franchises of the Con pany, now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federa Income Tax up to 2%. Pennsylvania and Connecticu 4 mills taxes and Massachusetts Income Tax on th interest of the bonds not exceeding 6% of suc interest per annum refunded upon request within 6 days after payment.

Legal Investment for Savings Banks in Rhod Island, Maine, Vermont and New Hampshire.

Original Offering—First publicly offered ($4,750 000 Series "C" 5s in Aug., 1926, at 98 and interest t

ield over 5.10% by Halsey, Stuart &Co., Inc., A. B. .each & Co., Inc. and Hill, Joiner & Co., Inc., New 'ork, etc. $8,500,000 Series "D" 5s were offered in .pril, 1927, at 97½ and interest, to yield over 5.15% by he same firm.

Price Range—

	1927	1926
eries "C"—		
High	*99¼	*96¾
Low	95¼	95¼
eries "D"—		
High	*99½	..
Low	95¼	..

*High and low bid prices.

(2)

$2,200 OKEMAH MUNICIPAL 6% BONDS; DUE NOVEMBER 1, 1929

Interest Payable May and November 1 at Chatham Phenix National Bank & Trust Co., New York, Trustee. Assumed by Public Service Company of Oklahoma.

(3)

$30,000 OKEMAH MUNICIPAL 5% BONDS; DUE 1928-1942

Interest Payable March and September 1 at Chatham Phenix National Bank & Trust Co., New York, Trustee. Assumed by Public Service Company of Oklahoma.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$4,495,746	$3,116,005	$2,796,690	$1,932,303	$1,867,366	$1,710,299
Operating expenses and taxes	2,483,615	2,030,134	1,858,378	1,328,428	1,280,610	1,129,839
Retirement expense	291,570	175,000	125,000	.....	.....	.....
Net earnings	$1,720,561	$910,871	$813,312	$603,875	$586,756	$580,460
Interest charges	515,182	$255,829	$279,750	$278,992	$235,908	$208,900
Other deductions	44,822	20,511	27,385	21,024	17,514	32,172
Total charges	$560,004	$276,340	$307,135	$300,016	$253,422	$241,072
Balance for dividends	$1,160,557	$634.531	$506,177	$303,859	$333,334	$339,388
Dividends paid	788,877	433,580	366,046	218.088	230,073	214,661
Surplus for year	$371,680	$200,951	$140,131	$85,771	$103,261	$124,727
Times All Interest Earned	*3.25	*3.48	*2.81	2.16	2.41	2.62

*After retirement expense.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant, real estate and franchise	$28,757,042	$11,186,017	$10,276,151	$8,208,694	$7,593,129	$6,970,066
Less: Reserve	.....	.....	.....	.....	296,114	219,359
	$28,757,042	$11,186,017	$10,276,151	$8,208,694	$7,297,015	$6,750,707
Discount and expense on securities	1,625,365	886,617	373,555	398,340	299,964	371,409
Sinking funds	.....	.....	.....	.....	448	1,463
Sundry investments	213,203	35,003	26,933	22,095	20,204	4,002
Treasury securities	678,013	.....	.....	.....	.....	.....
Inter-Co. accounts and notes receivable	1,919	.....	.....	12,475	4,346	20,190
Material and supplies	245,447	120,118	118,617	95,329	87,741	76,298
Accounts and notes receivable	523,880	359,504	230,656	162,462	165,909	137,447
Cash	340,800	301,154	212,604	124,590	80,485	94,541
Deferred charges	27,579	23,870	36,987	61,817	40,082	18,957
Subscriptions to capital stock	36,228	29,716	58,364	39,301	.....	.....
Prepayments	7,244	6,463	5,393	4,755	.....	.....
Total	$32,456,720	$12,948,462	$11,339,260	$9,129,858	$7,996,194	$7,475,014
Liabilities—						
Capital stock	$13,922,300	$6,031,800	$5,078,400	$3,137,200	$2,758,600	$3,013,600
Deferred payments on prior lien stock subscriptions	59,900	43,900	149,900	57,900	9,449	22,275
Funded debt	14,282,200	4,750,000	4,518,400	4,806,400	4,532,500	3,904,800
Due to associated companies	3,905	.....	.....	33,594	34,618	80,621
Notes payable	.....	.....	100,000	132,359	105,000	3,000
Accounts payable	426,287	308,795	235,187		154,485	78,987
Consumers' deposits	264,171	188,627	147,474	97,225	89,514	77,317
Other current liabilities	33,332	3,968	4,171	256,734	15,817	17,733
Accrued taxes, interest, etc.	657,490	241,405	215,767		114,090	90,871
Dividends declared	241,185	85,198	.....	.....	.....	.....
Reserves	1,686,746	787,245	583,389	442,004	1,450	8,400
Surplus	879,204	507,524	306,572	166,442	180,671	177,410
Total	$32,456,720	$12,948,462	$11,339,260	$9,129,858	$7,996,194	$7,475,014

Officers: Fred W. Insull, Pres., Tulsa, Okla.; Martin J. Insull, V-P., Chicago, Ill.; C. H. Kretz, V-P.; R. F. Frank, Sec.; E. E. Ehret, Treas.; C. H. Meyer, Asst. Sec. & Asst. Treas., Tulsa, Okla.; Oliver E. McCormick, Asst. Sec., Chicago, Ill.; W. E. Slaughter, Aud..

Directors: Samuel Insull, Martin J. Insull, Chicago; Fred W. Insull, R. F. Frank, J. A. Whitlow, Tulsa, Okla; Earl R. Ernsberger, Oklahoma City, Okla.; James C. Kennedy, Dallas, Tex.

General Office, Tulsa, Okla.

SOUTHWESTERN GAS & ELECTRIC COMPANY

(Controlled by Central and South West Utilities Co.)

History and Properties—Incorporated July 1, 1912, in Del. During 1927 acquired the properties of the East Texas Public Service Co., East Texas Ice Co., Longview Ice Co. and Marshall Ice Co.; franchises of Gulf Public Service Co. in Mooringsport, Oil City and Vivian, La.; and the electrical system of the Dierks Lumber Co., comprising twelve communities in Arkansas.

The Company does the entire gas and electric business in Shreveport, La., and its suburbs, and the entire gas, electric light, power and street railway business in Texarkana, Texas and Arkansas. In Beaumont, Tex., natural gas is provided (first introduced Nov. 15, 1925). On the Gulf Coast gas is manufactured and distributed in Biloxi, Miss., and the neighboring towns of Pass Christian and Gulfport.

At Dec. 31, 1927, Company was serving 89 communities, supplying electricity to 75, gas to 26; ice to 24, railway service to 1 and water to 1; total estimated population, 316,000.

Power plants have a total installed generating capacity of 42,245 k.w., which includes a new 37,500 k.v.a. generating station located on a 40-acre tract within three-quarters of a mile from the business center of Shreveport. Miles of transmission lines, 823. The gas property at Beaumont comprises a manufacturing

plant with a daily capacity of 1,750,000 cu. ft. and a distribution system of 102.5 miles of mains. At present natural gas is being supplied at Beaumont. The artificial gas plant at Biloxi has a daily capacity of 1,250,000 cu. ft. per day and gas is distributed through 102.3 miles of mains. Natural gas is distributed through 622.3 miles of mains. The street railway property at Texarkana includes 12.5 miles of track, the necessary car barns, shops and transportation equipment.

Acquisition—During 1928 Company acquired the gas and electric properties at Natchez, Mo., of The Central Power and Light Company.

Franchises—The natural gas franchises run beyond the life of all the bonds issued by the Company; the artificial gas and electric franchises in Shreveport run until 1987; and the artificial gas, electric and street railway franchises in Texarkana run until 1952.

Control—The Central and South West Utilities Co. owns practically all of the Common stock of the Southwestern Gas & Electric Company. This control was acquired in July, 1925.

OPERATING STATISTICS, DECEMBER 31

	No. of Gas Customers	Gas Sales (M cu. ft.)	No. of Electric Customers	Electric Sales (k. w. h.)
1922	18,899	8,375,114	14,431	25,663,260
1923	21,039	9,624,762	16,208	32,885,510
1924	33,039	10,822,407	17,936	37,997,730
1925	36,558	11,180,447	19,510	44,789,401
1926	37,091	11,772,511	21,378	50,567,724
1927	40,748	12,267,534	40,270	51,930,912

CAPITAL STOCK

Authorized, $10,000,000 Common and $11,000,000 cumulative Pfd.; outstanding Dec. 31, 1927, $5,970,000 Common, $737,900 8% cumulative Pfd. and $8,565,900 7% cumulative Pfd.; par, $100. A majority of the Common stock is owned by Central and South West Utilities Co. Authorized capital stock was increased by stockholders May 9, 1927 from $7,500,000 Common and $8,500,000 Pfd. to above amounts. On July 9, 1926, the authorized capital stock was increased from $3,500,000 Common and $5,000,000 Pfd. to $7,500,000 Common and $8,500,000 Pfd.

Preferred Stock Provisions—7% and 8% Pfd. stocks have preference for assets as well as dividends, being entitled to payment at $100 per share and accrued dividends in the event of liquidation or dissolution before any payment to Common. Pfd. stock is subject to redemption on any interest date upon 30 days' notice, the 8% Pfd. being redeemable at par and the 7% at 107 and accrued dividends. Pfd. stock has no voting power except that in the event of four quarterly dividend payments are in arrears, each share of Pfd. shall be entitled, until such arrears are paid, to full voting power in respect of the election of directors. Additional Pfd. stock in excess of $2,650,000 may be issued only when all accrued dividends on all of the outstanding Pfd. have been paid or provided for and only when consolidated net earnings of Company and subsidiaries, as defined in the amended certificate of incorporation, covering a period of 12 consecutive months within 14 months immediately preceding the date of the resolution of the Board of Directors authorizing the issunace of such additional stock, shall have been at least 2 times the annual dividend requirements on all cumulative Pfd. stock then outstanding and that proposed to be issued. Company shall not, without the consent of holders of two-thirds of the outstanding Pfd. stock (a) increase the authorized Pfd. stock, or (b) create any other stock having a preference over or on a parity with the now authorized Pfd., or (c) without the consent of two-thirds of each class of Pfd. outstanding, make any other amendment to its certificate of incorporation diminishing the rights as defined in such certificate of the holders of the now authorized Pfd.

Transfer Agent—Central Trust Co. of Illinois, Chicago.

Registrar—First Trust & Savings Bank, Chicago.

Legal Opinion (7% Pfd.)—Isham, Lincoln & Beale Chicago (for the Bankers) and Pam & Hurd, Chicag (for the Company).

Public Offering—In July, 1925, $1,834,000 7% cumulative Pfd. stock was publicly offered by A. B. Leach & Co., Inc., New York, etc. at 96 and accrued dividends, to yield 7.29%. In June, 1926, $1,650,000 7% Pfd. stock was publicly offered by Hill, Joiner & Co Inc., Chicago, etc. In April, 1927, $2,250,000 7% Pfd stock was sold at 97½ flat, by A. B. Leach & Co., Inc Hill, Joiner & Co., Inc., Old Colony Corp., New York etc., Utility Securities Co. and Emery, Peck & Rockwood Co., Chicago, etc.

Annual Meeting—Last Tuesday in March at Wilmington, Del.

Listed (7% Pfd.)—Chicago Stock Exchange.

Price Range—

7% Preferred—	1927	1926	1925
High	102	98	99
Low	94½	92	96

Dividends—Dividends on the 7% and 8% Pfd. ar regularly paid quarterly, J, A, J & O 1. On Common 4% in 1918; 6% in 1919; 2% in 1920; 1¼% in 1921 1½% in 1922; 2½% in 1923; 6% in 1924; 6% each i 1925 and 1926; 10% in 1927.

FUNDED DEBT

$12,500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A" DUE JANUARY 1, 1957

$6,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B" DUE MAY 1, 1957

Dated, Series "A", January 1, 1927; Series "B", Ma 1, 1927.

Interest Payable January and July 1 on Series "A and May and November 1, on Series "B", at Centra Trust Co. of Illinois, Chicago, and Bankers Trust Co. New York.

Denominations—Coupon, $100, $500 and $1,000, in terchangeable; principal may be registered. Serie "B" bonds are also issued in fully registered denomi nations of $1,000 or authorized multiples, which ar interchangeable with coupon bonds.

Trustees—Central Trust Co. of Illinois and Akse K. Bodholdt, Chicago, Ill.

Provisions of Issue—Authorized amount, unlimite subject to restrictions below stated. Outstanding $18,500,000 ($12,500,000 Series "A" and $6,000,000 Ser ies "B".)

Mortgage provides that, subject to the limitation thereof, additional bonds of this series (or of othe series bearing such rates of interest, maturing at suc times and having such other provisions as the Boar of Directors at the time of issuance may determine may be issued against the deposit, par for par, o cash or United States obligations or to refund bond of other series issued under the mortgage, and t the extent of 75% of expenditures made by the Com pany for additions, improvements, betterments or ex tensions and 75% of the cost or value (whichever i less) of purchased property acquired by the Compan provided that all such extensions and purchased prop erty, made or acquired by the Company, shall b subject to the mortgage as a first mortgage thereon Bonds shall not be issued on account of expenditure made by the Company for such extensions or pur chased property or to refund at a higher rate of in terest bonds of other series under the mortgage un less the net earnings, as defined in the mortgage, o the Company during the 12 consecutive calenda months ending within 60 days next preceding th date of issuance shall have been at least 1¾ time the annual interest charges on all bonds then issue and outstanding under the mortgage and those ther proposed to be issued, less an amount of such bond equal to the amount of cash deposited under the mort gage against the issuance of bonds.

Purpose of Issue—Proceeds from sale of $12,500,00 Series "A" 5s were used for the redemption o all underlying and divisional bonds, for the acqui

tion of property, for partially reimbursing the Treasry for expenditures made on account of additions and nprovements to the properties, and for other cororate purposes. The proceeds from the sale of the 5,000,000 Series "B" 5s were used in part for the cquisition of property and for other corporate purposes.

Callability—Series "A" is callable in whole or in part t any time upon 30 days' notice at the following rices and accrued interest: On or before Dec. 31, 931 at 105; after Dec. 31, 1931, but on or before)ec. 31, 1936 at 103 after Dec. 31, 1936, but on or efore December 31, 1941 at 102½; after Dec. 31, 941, but on or before Dec. 31, 1946 at 102; after)ec. 31, 1946, but on or before Dec. 31, 1951 at 101; fter Dec. 31, 1951, but on or before Dec. 31, 1955 t 100½; after Dec. 31, 1955 at 100.

Series "B" is callable in whole or in part, at any ime, upon 30 days' notice, at the following prices nd accrued interest: on or before April 30, 1932, t 105; after April 30, 1932, but on or before April 30, 937 at 103; after April 30, 1937, but on or before \pril 30, 1942, at 102½; after Apri 30, 1942, but on r before April 30, 1947 at 102; after April 30, 1947, ut on or before April 30, 1952 at 101; after April 0, 1952, but on or before April 30, 1956 at 100½; fter April 30, 1956 at par.

Maintenance and Renewal Fund—The Mortgage provides that during each calendar year, Company hall expend an amount not less than 10% of the gross arnings derived from operation of its mortgaged roperties (a) the making of repairs, renewals and replacements; (b) the making of extensions or the acquisition of properties on account of which the Company would otherwise be entitled to issue additional bonds; or (c) the redemption or the purchase and cancellation of any bonds issued under and secured by the mortgage.

Security—These bonds are a direct obligation of Company, secured by an absolute first mortgage on all the permanent property, rights and franchises of Company now owned and all such property hereafter acquired on account of which bonds are issuable under the Mortgage.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania and Connecticut 4 mills taxes and Massachusetts 6% Income tax on interest refundable if requested within 60 days after payment.

Legal Opinion—R. D. Stevenson (for the Company) and Isham, Lincoln & Beale, Chicago (for the Bankers).

Legal Investment for Savings Banks in New Hampshire.

Original Offering—First publicly offered ($12,500,000 Series "A"), in January, 1927, at 96 and interest to yield over 5.25%, by Hill, Joiner & Co., Inc., A. B. Leach & Co., Inc., Halsey, Stuart & Co., Inc., Old Colony Corp., Tucker, Anthony & Co., New York, etc. 5,000,000 Series "B" 5 were offered in April, 1927, at 96½ and interest, to yield about 5.23%, by the same bankers.

Price Range—Series "A," 1927: High, 102; low, 94¾.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	*1923	1922
Gross earnings	$6,069,666	$4,640,731	$4,091,658	$3,781,043	$3,363,213	$2,535,374
Operating expenses, maintenance and taxes	3,933,163	3,022,296	2,812,964	2,736,431	2,452,668	1,893,751
Net earnings	$2,136,503	$1,618,435	$1,278,694	$1,044,612	$910,545	$641,623
Interest charges	837,050	526,018	564,765	505,885	461,543	354,134
Amortization bond discount	148,948	65,719	65,353	.....	.....	.....
Net income	$1,150,505	$1,026,699	$648,846	$538,727	$449,002	$287,489
Preferred dividends	528,273	321,285	181,140	.....	.....	.....
Common dividends	568,600	354,500	183,000	.....	.....	.....
Surplus for year	$53,632	$350,914	$284,706	.....	.....	.....

*Earnings for 1923 include those of Beaumont Gas Light Co., and Gulf Cities Gas Co. from January 1, to July 31.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property account	$32,173,980	$19,995,319	$17,289,590	$15,420,606	$14,476,804	$11,819,506
Reacquired securities	34,600	41,433	.....	.....	.....	.....
Materials and supplies	406,828	292,083	229,054	233,287	235,139	138,510
Other investments	55,063	48,079	44,119	.....	.....	.....
Cash	212,278	287,180	213,654			
Notes receivable	46,529	3,425	5,244	360,156	434,528	333,592
Accounts receivable	959,076	627,696	336,739			
Other current assets	33,518	50,864	172,918			
Unadjusted debits	.....	.....	4,945	38,414	40,184	35,421
Deferred debit items	3,351,352	1,695,007	32,193	67,185	70,462	84,249
Total	$37,273,224	$23,041,086	$18,328,457	$16,119,648	$15,257,117	$12,411,278
Liabilities—						
Common stock	$5,970,000	$4,550,000	$3,050,000	$5,104,100	$4,854,300	$4,246,000
Preferred stock	9,338,400	5,086,800	3,270,800			
Stock subscribed	16,500	35,600	26,900	.....	.....	.....
Funded debt	18,500,000	10,841,000	10,004,500	9,344,500	8,991,400	6,989,000
Notes payable	9,480	229,959	205,000			
Accounts payable	458,513	379,653	389,340	448,151	484,881	543,210
Interest accrued	365,476	159,360	133,852			
Reserve for taxes	107,520	44,095	104,316			
Reserve for depreciation	929,381	486,986	341,292	566,790	355,369	170,198
Other reserves	98,730	100,445	57,967			
Unadjusted credits	262,428	148,172	16,876	.....	.....	.....
Miscellaneous liabilities	186,146	67,822	.....	.....	.....	.....
Consumers' deposits	239,012	173,188	288,394	217,374	160,349	113,592
Profit and loss surplus	791,638	738,006	387,092	438,733	410,818	349,278
Total	$37,273,224	$23,041,086	$18,328,457	$16,119,648	$15,257,117	$12,411,278

Officers: James C. Kennedy, Pres., Dallas, Tex.; A. Lieberman, V-P.; Texarkana, Tex.; W. C. Sharp, V-P., Chicago, Ill.; M. T. Walker, V-P.; E. H. Wilson, Sec.; H. J. Ludwig, Asst. Sec.; H. L. Nickerson, Treas., Shreveport, La.; C. C. Herrmann, Asst. Treas., Dallas, Tex.; L. R. Williams, Aud., Shreveport, La.

Directors: Martin J. Insull, W. C. Sharp, Chicago, Ill.; James C. Kennedy, Dallas, Tex.; A. Lieberman, Texarkana, Tex.; M. T. Walker, L. R. Williams, Shreveport, La.; W. E. Bann, Texarkana, Tex.-Ark.

General Office, Shreveport, La. **Corporate Office,** 3018 Dupont Bldg., Wilmington, Del.

SOUTHWESTERN LIGHT & POWER COMPANY

(Controlled by Central and South West Utilities Co.)

History and Property—Incorporated Feb. 18, 1925, in Del., for the purpose of taking over all assets and property of Southwestern Cities Electric Co., which was effected March 31, 1925, by exchange of securities. At March 31, 1925, 11 communities were served with light and power through owned distribution systems and 7 through wholesale contracts; 2 communities were served with natural gas; and 5 ice plants with a capacity of 85 tons per day were owned.

At the above date communities served with light and power were interconnected in part by 230 miles of transmission lines.

Since organization, through purchases and by construction, additional communities and properties have been added until at Dec. 31, 1927, 59 communities were served with light and power through distribution systems owned, and 16 through wholesale contracts; these communities are interconnected by transmission lines, with a total mileage of 823 miles; 8 communities are served with natural gas, using 153 miles of gas mains and 36 miles of gas transmission lines; and 10 ice plants with a capacity of 295 tons per day.

The principal generating plants are Lawton steam turbine plant, Chickasha hydro and steam turbine with smaller plants properly distributed over the territory as standby equipment, combined capacity of all plants 15,212 k.w. As a further guaranty of continuous service the system is interconnected to other large generating properties on both the north and south.

Total generated output of own plants in 1927 exceeded 42,000,000 k.w.

Electric consumers served by distributing systems owned, 21,983; gas consumers, 10,636 at Dec. 31, 1927.

Franchises—All franchises under which the properties are operated are in satisfactory form.

CAPITAL STOCK

Authorized, 125,000 shares Common, no par, $1,200,000 Common Class "A", par, $100, and 75,000 shares Pfd., no par; outstanding Dec. 31, 1927, 77,814 shares Common, $357,500 Common Class "A," and 46,000 shares Pfd. Capital stock was changed by stockholders Feb. 25, 1927 from authorized amounts of $1,200,000 Common Class "A," par, $100, 25,000 shares Common Class "B," no par and 25,000 shares Pfd., no par. Stock control is held by Central and South West Utilities Co.

$6 Preferred Stock Provisions—Pfd. stock bears dividends cumulative from March 1, 1925 and is subject to redemption in whole or in part on any interest date at $110 per share and accrued dividends; is entitled upon liquidation or dissolution to $100 and accrued dividends before any payment to the holders of the Common stock and is non voting (except that in the event the dividends are in arrears for one year, in which event the Pfd. stock shall vote equally with the Common stock so long as such default shall continue).

Class "A" Common Stock Provisions—The Class "A" Common shares were entitled to dividends at the rate per share of $3 in the year 1925, $4 in the year 1926 and $5 in the year 1927. All such dividends have been paid. Beginning Jan. 1, 1928, the Class "A" Common stock shall be entitled to cumulative dividends at the rate of $6 per annum before any dividend shall be payable upon the Common stock. Upon any liquidation or dissolution, the Class "A" Common stock shall be entitled to $100 per share plus any accrued unpaid dividends thereon before any payments to the Common stock, which shall be entitled pro rata to all the assets then remaining. Class "A" Common stock has no voting power except that no mortgage or other lien (except purchase money mortgages) may be created without the consent of a majority of Class "A" and Common stocks.

Common shares are entitled to sole and exclusive voting power except when Pfd. dividends are in defaul as above provided.

Transfer Agents—Pfd: Middle West Stock Transfer Co., Chicago, Guaranty Trust Co., New York, an Company's office, Oklahoma City, Okla. Class "A Common: Middle West Stock Transfer Co., Chicag and National Shawmut Bank, Boston. Common Middle West Stock Transfer Co., Chicago.

Registrars—Pfd.: The First Trust & Savings Bank Chicago, The American National Bank, Oklahom City, Okla., and New York Trust Co., New York Class "A" Common: The First Trust & Savings Bank Chicago, and First National Bank, Boston. Common The First Trust & Savings Bank, Chicago.

Offering—17,500 additional shares $6 cumulativ Pfd. stock were publicly offered in May, 1927, at $89.5 per share and accrued dividends to yield 6.7% b Utilities Securities Co. and Emery, Peck & Rockwood Chicago, and Kelley, Drayton & Converse, New York

Annual Meeting—Second Tuesday in March.

Listed (Preferred)—Chicago Stock Exchange (Class "A" Common)—Boston Stock Exchange.

Price Range—

	1927	1926	1925
Preferred—			
High	91	82	80
Low	87	78	bid
Common "A"—			
High	70	60	56
Low	60	52	52
Common—			
High	65	58	42½
Low	60	38	31½

Dividends—Pfd. dividends regularly paid quarterly J, A, J & O 1; initial dividend of $2 covering fou months paid July 1, 1925. On Class "A" Commo initial dividend of $1.50 paid July 6, 1925; Dec. 2(1925, $1.50 a share; 1926, $4 a share; 1927, $5 a share 1928, $6 a share.

FUNDED DEBT

$6,500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A" DUE FEBRUARY 1, 1957

$1,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B" DUE OCTOBER 1, 1957

Dated, Series "A," February 1, 1927; Series "B, October 1, 1927.

Interest Payable, Series "A", February and Augus 1; Series "B" April 1 and October 1, at Centra Trust Co. of Illinois, Chicago, and at Bankers Trus Co., New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered; denominations inter changeable. Fully registered bonds in denomination o $1,000 or other authorized amounts. Coupon and regis tered bonds interchangeable.

Trustees—Central Trust Co. of Illinois and Akse K. Bodholdt, Chicago, Ill.

Registrar—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized, $100,000,000; out standing, $6,500,000 Series "A" 5s and $1,000,000 Serie "B" 5s. Proceeds were used for the retirement of al bonds on Company's property, for the acquisition o property, for partially reimbursing the treasury fo expenditures made on account of additions and im provements to the properties and for other corporat purposes.

Mortgage provides that, subject to the limitation thereof, additional bonds of this series (or of othe series bearing such rates of interest, maturing at such times and having such other provisions as the Board of Directors at the time of issuance may determine may be issued against the deposit, par for par, of cash or United States obligations or to refund bonds o other series issued under the Mortgage, and to the extent of 75% of expenditures made by the Company for additions, improvements, betterments or extensions and 75% of the cost or value (whichever is less) of

rchased property acquired by the Company provided at all such extensions and purchased property, made acquired by the Company, shall be subject to the ortgage as a first mortgage thereon. Bonds shall t be issued on account of expenditures made by the mpany for such extensions or purchased property to refund at a higher rate of interest bonds of other ries under the Mortgage unless the net earnings, defined in the Mortgage, of the Company during e 12 consecutive calendar months ending within days next preceding the date of issuance shall have en at least 1¾ times the annual interest charges all bonds then issued and outstanding under the ortgage and those then proposed to be issued, less amount of such bonds equal to the amount of cash posited under the mortgage against the issuance bonds.

Callability—Series "A" bonds are subject to call as whole or in part at any time upon 30 days' notice at e following prices and interest: On or before Jan. , 1932 at 105; after Jan. 31, 1932, but on or before nuary 31, 1937 at 103; after January 31, 1937, but n or before January 31, 1942 at 102½; after January 1, 1942, but on or before January 31, 1947 at 102; ter January 31, 1947, but on or before January 31, 52, at 101; after Jan. 31, 1952, but on or before Jan. , 1956, at 100½; after Jan. 31, 1956, at 100.

Series "B" bonds are subject to call as a whole or part at any time, on 30 days' notice on or before ept. 30, 1932 at 105 and interest; thereafter on or be- re Sept. 30, 1937 at 103 and interest; thereafter and n or before Sept. 30, 1942 at 102½ and interest; there- fter and on or before Sept. 30, 1947 at 102 and in- erest; thereafter and on or before Sept. 30, 1052 at 01 and interest; thereafter and on or before Sept. 0, 1956 at 100½ and interest; thereafter at par and nterest.

Maintenance and Renewal Fund—The Mortgage provides that during each calendar year, Company shall expend an amount not less than 10% of the gross earnings derived from operation of its mortgaged properties for (a) maintenance and/or renewal or replacement of its properties; (b) the making of extensions or the acquisition of properties on account of which the Company would otherwise be entitled to issue additional bonds; or (c) the redemption or the purchase and cancellation of any bonds issued under and secured by the Mortgage.

Security—Secured by an absolute first mortgage on all of the permanent property, rights and franchises of Company now owned and on all such property hereafter acquired on account of which bonds are issuable under the Mortgage.

Tax Provisions—Company pays normal Federal Income Tax up to 2%. The Pennsylvania and Connecticut 4 Mills Taxes, and the Massachusetts 6% Income Tax on interest refundable if requested within 60 days after payment.

Legal Opinion—Ralph D. Stevenson (for company) and Isham, Lincoln & Beale, Chicago (for the bankers).

Legal Investment for Savings Banks in Vermont and New Hampshire.

Original Offering—First publicly offered ($6,500,000) Series "A" bonds in February, 1927 at 97 and interest to yield about 5.20% by Hill, Joiner & Co., Inc., Halsey, Stuart & Co., Inc., Kelley, Drayton & Converse, New York, etc., and Emery, Peck & Rockwood, Chicago. During Sept. 1927, the same firms offered $1,000,000 Series "B" bonds, price on application.

Listed (Series "A")—Chicago Stock Exchange.

Price Range (5s due Feb. 1, 1957)—1927, High: 98; low, 93.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including Chickasha Gas & Electric Co. acquired Jan. 1, 1927)

	1927	*1926	1925	1924	1923	1922
Gross revenue	$2,419,387	$2,159,059	$1,269,809	$960,917	$828,485	$745,178
Operating expenses, including taxes and maint.	1,541,655	1,442,496	736,488	552,815	545,173	545,057
Net operating revenue	$877,732	$716,563	$533,321	$408,102	$283,312	$200,121
Other income	25,854	13,149	8,864	5,237	2,093	4,615
Gross income	$903,586	$729,712	$542,185	$413,339	$285,405	$204,736
Bond interest	314,539	179,752	142,999	183,437	159,541	136,570
Amortization of bond discount	45,200	16,628	15,494	31,315	25,343	21,963
General interest, etc.		110,208	56,379	29,050	24,123	13,847
Net income for reserves & dividends	$543,847	$423,124	$327,313	$169,537	$76,398	$32,356
Preferred dividends	188,329	†	†	†	†	†
Class "A" Common dividends	60,000	†	†	†	†	†
Surplus for year	$295,518	†	†	†	†	†

*Adjusted for the calendar year 1926, only, for other sales and purchases of properties acquired as of Jan. 1, 1927. †Not available.

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	March 1, 1927
Property, plant equip., franchises, etc.	$14,793,930	$12,959,222
Cash	351,872	412,603
Accounts and notes receivable	885,208	369,761
Merchandise for resale & materials & supplies	257,323	171,321
Prepayments	7,035	19,608
Receivables—Holding Company	.....	9,258
Receivables—other utilities	.....	2,886
Miscellaneous investments	9,409	1,679
Special deposits	6,128	6,385
Work in progress	.....	4,502
Deferred capital charges	.....	32,738
Apportionment accounts	.....	12,739
Unamortized debt discount & expense	902,012	801,819
Subscribers to capital stock	81,736	.....
Miscellaneous deferred debits	64,609	.....
Total	$17,359,262	$14.804.521

Liabilities—	Dec. 31, 1927	March 1, 1927
Pfd. stock	$3,948,390	$1,931,298
Common, Class "A"	357,500	1,200,000
Common	3,544,566	2,702,066
Capital stock subscribed	114,058	72,108
Funded debt	7,500,000	6,500,000
Purchase money obligations	5,000	.....
Mortgage payable	10,000	.....
Purchase contracts	.....	93,625
Accounts & bills payable	162,296	145,741
Customers adv. billing & prepaid accts.	.....	2,438
Unredeemed ice coupons	.....	2,274
Consumers' deposits	192,869	161,870
Accrued bond interest	166,166	27,083
Accrued general interest		12,807
Accrued taxes	132,677	75,855
Accrued dividends	68,031	21,952
Miscellaneous current liabilities	2,833	.....
Miscellaneous unadjusted credits	2,354	.....
Advances by Holding Company	.....	700,000
Retirement reserve	638,276	837,263
Other reserves	6,526	18,943
Contributions for extensions	33,734	27,882
Surplus	473,986	271,316
Total	$17,359,262	$14,804,521

Officers: Earl R. Ernsberger, Pres.; Fred W. Insull, V-P.; S. I. McElhoes, V-P.; F. E. Kruesi, V-P.; E. V. Graham, V-P.; W. C. Sharp, V-P.; F. W. Kappler, Sec.; A. M. McKinney, Treas.; Myrl Melson, Asst. Sec.; H. J. Ludwig, Asst. Sec.; A. K. Pittman, Asst. Treas.

Directors: S. I. McElhoes, Earl R. Ernsberger, Fred W. Insull, W. C. Sharp, James C. Kennedy, A. M. McKinney, C. H. Kretz.

General Office, 517 Braniff Bldg., Oklahoma City, Okla. **Chicago Office,** 1500 Edison Bldg.

CENTRAL ILLINOIS PUBLIC SERVICE COMPANY

(Controlled by Middle West Utilities Co.)

History—On September 1, 1923, the present corporation, Central Illinois Public Service Co., was formed under the laws of Illinois, through the consolidation of the former corporation, Central Illinois Public Service Co., and of Middle West Power Co., both Illinois corporations (see 1923 Public Utility Manual, pages 1565 and 1602). Prior to the consolidation, the predecessor corporation, Central Illinois Public Service Co., purchased the entire Pfd. capital stock, except 60 shares, and all the Common capital stock of Middle West Power Co.; the entire capital stock of Canton Gas & Electric Co., Lewistown Electric Co., Striffler Ice & Coal Co., and Striffler Brothers Ice & Cold Storage Co.; the property and assets of the Fasig Ice Co.; and the municipal electric properties at Grand Tower, Donovan, Athens and Orient.

As a result of the consolidation Sept. 1, 1923, and of certain conveyances made to the Middle West Power Co. just prior thereto and in anticipation thereof, the consolidated corporation, Central Illinois Public Service Co., now owns by direct title all the property and assets of the predecessor corporation, Central Illinois Public Service Co., and of the Middle West Power Co., as well as all the property and assets of Central Illinois Power Co., Mattoon Clear Water Co. and of all the other corporations above mentioned.

As of Jan. 5, 1926 Company purchased the entire capital stock, except directors' qualifying shares, of the Quincy Gas, Electric & Heating Co., Chicago & Joliet Electric Railway Co., and Chicago & Joliet Transportation Co. These companies serve the city of Quincy, Ill., with electricity, gas and heat, and furnish street railway service in Joliet, Ill., and interurban railroad service from Joliet to the city of Chicago. Also purchased the entire capital stock, except directors' qualifying shares, of the Dellwood Park Co.

During 1926, Company purchased the physical properties of the West Salem Ice and Light Co., Noble Electric Light and Power Co., Cambria Light, Heat and Power Co., Strawn Electric Light Co., Alvin Grain and Electric Co., Rossville Electric Co., New Holland Light and Power Co., Cobden Light and Power Co., Liberty Electric Co., Paloma Electric Light Co., Mendon Electric Light and Power Co., Sadorus Light and Power Co., Farina Electric Light Co., Anchor Electric Light Co., Inc.; the Electric utilities in Vergennes, Fisher Belleflower and Littleton; the municipal Electric properties of Grayville, Clay City, Brookport, Cypress, Creal Springs, Divernon, Middletown, Sibley and Kinmundy; the Mattoon municipal street lighting system, and the electric distribution system of Ashland. Electric service was also furnished to 31 other communities heretofore not enjoying such service.

The Company also purchased during 1926 the ice manufacturing property and ice business of the Glenridge Ice and Coal Co., Marion County Coal Co., Centralia Ice and Cold Storage Co., Home Ice Co., Illinois Ice and Cold Storage Co., Herrin Ice and Cold Storage Co., Benton Ice Cream and Bottling Co., Christopher Ice and Bottling Co., Zeigler Ice and Bottling Co., Lawrenceville Ice and Cold Storage Co., Chrisman Ice and Fuel Co., and the ice business at Virden.

During the year 1927 the Company purchased the physical properties of the Cisne Electric Light Company, Perry Light and Power Company, Chesterfield Electric Company, Wythe Farmers Electric Company, Ohlman Electric Light and Power Company, Hardin Electric Light and Power Company, and Pittsburg Light and Service Company; the electric utilities in Brereton and Fowler; the municipal electric properties of Louisville, Willow Hill and Roberts; the Par municipal street lighting system and the property of the Queen City Gas Company of Shelbyville. Electric service was also furnished during the year to twenty two other communities heretofore not enjoying such service.

The company also purchased during the year 192 the ice manufacturing property and the ice business of the Hamilton Ice Company, Cairo Food Product Company, Metropolis Ice Manufacturing Company, Winter Brothers Ice and Coal Company and the ice business at Carterville.

The Company also acquired in 1927, in connection with the refunding of all its underlying and certain other bonds, the entire physical properties of the Quincy Gas, Electric and Heating Company and Mattoon Gas Light and Coke Company. All of the outstanding capital stock of these companies, except directors' qualifying shares, was owned by the Company.

For acquisitions during 1923, 1924 and 1925 see 1926 Public Utility Volume, page 1540.

The Company supplies without competition electrical energy for lighting and power purposes to 35 communities with an estimated combined population of 550,000 in central and southern Illinois. Also wholesales electrical energy to 11 independently operated utility companies, which serve a total of 6 communities. In addition serves 11 communities with gas, 13 (9 retail and 4 wholesale) with water, 5 with heating, 3 with electric railway service, 5 with bus service, 163 (23 retail and 140 wholesale) with ice and operates interurban railways connecting Mattoon and Charleston, Eldorado with Carrier Mills, and Joliet with Chicago. The Company also operates 2 ice plants with a combined daily capacity of about 1,197 tons.

Construction work has been completed on the Company's Grand Tower generating station, acquired from Middle West Power Co. This plant on the Mississippi River, with 50,000 k.w. capacity, combines the desirable features of readily accessible coal and abundant condensing water. The Company also operates other central generating stations and has 9 in reserve for standy-by purposes, and in addition has contracts for the purchase of power from 9 central stations, including the great hydro-electric station at Keokuk Iowa.

From its own stations, including the capacity of the Grand Tower Station, and through its contracts for the purchase of power, the Company has a total available capacity of 127,425 k. w. The total connected load on the Company's system is now approximately 246,891 k.w. The main generating stations are located practically at the mouth of some of the largest and best mines in the coal fields in central and southern Illinois, and thus the company is assured both an adequate fuel supply and offered an opportunity for the sale of electric power for mining purposes, from which source a considerable income is now being derived. The Company now serves 109 coal mines, having a total connected load of 92,575 h.p. and 22 drainage districts having a total connected load of 6,710 h.p.

The Company now has in service 2,643 miles of gh voltage transmission lines radiating throughout er 16,900 square miles of territory served and in- rconnecting 359 communities. Into these transmis- on lines there were fed during the year 1927 a total 301,548,168 k.w.h., compared with 278,626,089 in 26, an increase for the year of 8.2%.

OPERATING STATISTICS, DECEMBER 31

No. of customers	1927	1926	1925	1924
ectric	140,522	134,335	124,931	107,885
s	22,777	21,843	21,189	11,551
ater	9,323	9,071	9,866	9,205
at	921	893	897	613
Total	173,543	166,142	156,883	129,254
ectric output k.w.h.)	301,548,168	278,626,089	247,311,779	202,871,988

CAPITAL STOCK

Authorized, 350,000 (increased from 250,000 in Feb., 28) Common shares of no par value, 350,000 (in- eased from 225,000 in Feb., 1928) cumulative ($6 per are) Pfd. shares of no par value, and $2,500,000 6% mulative Pfd.; par, $100. Outstanding, Dec. 31, 27, 203,895 Common shares; 200,945 Pfd. shares no par value and $715,600 6% Pfd. stock of $100 par lue including $2,100 Pfd. stock (old) of $100 par lue. In addition to the amount outstanding at Dec. 1927, Company had received subscriptions for 2,175 ditional shares, $6 per share Pfd. stock. The Com- on stock is all owned or controlled by Middle West ilities Co.

Preferred Stock Provisions—$6 per share Pfd. ock has preference for assets and dividends over ommon stock and has equal voting power with the ommon stock. It is redeemable at $110 per share d accrued dividend.

Registrar—Illinois Merchants Trust Co., Chicago.

Annual Meeting—Last Wednesday in February.

Listed—The no par value Pfd. stock is listed on icago Stock Exchange.

Public Offerings—10,000 shares of $6 per share Pfd. ock of no par value were publicly offered in Sept., 24, at $85 a share and accrued dividends to yield 06%, by W. C. Langley & Co., New York, and Old olony Trust Co., Boston; 7,000 additional shares fered in May, 1925, at $88 a share and accrued divi- nds to yield over 6.80%, by W. C. Langley & Co., ew York; 6,000 additional shares offered in Dec., 26, at $89 and dividend to yield over 6.74% by Old olony Corp., Boston, etc., and W. C. Langley & Co., ew York.

Price Range—

eferred—	1927	1926	1925	1924	1923	1922
High	100	91	91½	88	90	90
ow	88½	87	84	84	82½	83

Dividends—Pfd. dividends are declared the fourth uesdays of F, M, A & N and are paid quarterly, J, A, & O 15, by check. Common dividends of $524,132 in 23, $648,465 in 1924, $752,416 in 1925, $929,204 in 26 and $1,114,365 in 1927 have been paid.

FUNDED DEBT

(1)

7,000 CENTRAL ILLINOIS UTILITIES CO. (MORTGAGE LOSED) FIRST 6s; DUE $25,000 EACH OCTOBER 1, 1928 O 1930, INCLUSIVE, AND BALANCE OCTOBER 1, 1932

Called for redemption on Aug. 1, 1928 at 103 and erest at Continental National Bank & Trust Co., icago, Trustee.

(2)

0,500 CITY GAS & ELECTRIC COMPANY FIRST MORT- AGE GOLD 5s; DUE OCTOBER 1, 1935

Called for redemption at 105 and interest on April 1928, at American Exchange Irving Trust Co., New rk, Trustee.

(3)

$250,000 EASTERN ILLINOIS UTILITIES CO. FIRST MORT- GAGE GOLD 6s; DUE AUGUST 1, 1936

Called for redemption on Jan. 16, 1928, at 103 and interest at Continental National Bank & Trust Co., Chicago, Trustee.

(4)

$166,500 HOOPESTON GAS & ELECTRIC COMPANY FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1936

Called for redemption on Jan. 1, 1929, at 105 and interest at Continental National Bank & Trust Co., Chicago, Trustee. Holders may present their bonds at any time prior to Jan. 1, 1929, and receive therefor 105 and interest to date of redemption, less discount at the rate of 4% per annum from date of payment to Jan. 1, 1929.

(5)

$556,000 SOUTHERN ILLINOIS RAILWAY & POWER CO. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1942

Called for redemption on April 1, 1928 at 105 and interest at Continental National Bank & Trust Co., Chicago, Trustee.

(6)

$600,000 QUINCY GAS & ELECTRIC CO. FIRST GOLD 5s; DUE SEPTEMBER 1, 1929

Funds for the payment of these bonds with interest due September 1, 1929, have been deposited with Illinois Merchants Trust Co., Chicago, Ill., Trustee.

(7)

$1,400,000 QUINCY GAS, ELECTRIC & HEATING CO. CONSOLI- DATED GOLD 5s; DUE SEPTEMBER 1, 1935

Called for redemption on March 1, 1928 at 105 and interest at Union Trust Co., Detroit, Trustee.

(8)

$7,595,000 CENTRAL ILLINOIS PUBLIC SERVICE COMPANY (FORMER COMPANY) (MORTGAGE CLOSED) FIRST & RE- FUNDING GOLD 5s; DUE AUGUST 1, 1952

Called for redemption on Aug. 1, 1928, at 105 and interest at Continental National Bank & Trust Co., Chicago, Trustee.

(9)

$3,850,000 CENTRAL ILLINOIS PUBLIC SERVICE COMPANY (ISSUED UNDER TITLE OF MIDDLE WEST POWER COM- PANY) FIRST MORTGAGE & REFUNDING GOLD 6½s, SE- RIES "A"; DUE MAY 1, 1943

Called for redemption on May 1, 1928 at 107½ and interest at Illinois Merchants Trust Co., Chicago, Trustee.

(10)

$8,000,000 CENTRAL ILLINOIS PUBLIC SERVICE COMPANY FIRST MORTGAGE & REFUNDING GOLD 6s, SERIES "C"; DUE JANUARY 1, 1944

Called for redemption on Jan. 16, 1928, at 107½ and interest at Illinois Merchants Trust Co., Chicago, Trustee.

(11)

$4,600,000 CENTRAL ILLINOIS PUBLIC SERVICE CO. FIRST MORTGAGE & REFUNDING 5½% GOLD BONDS, SERIES "D"; DUE JUNE 1, 1950

Called for redemption on Jan. 16, 1928, at 105 and interest at Illinois Merchants Trust Co., Chicago, Ill., Trustee.

(12)

$8,274,000 FIRST MORTGAGE & REFUNDING 5% GOLD BONDS, SERIES "E"; DUE MAY 1, 1956

Dated May 1, 1926.

Interest Payable May and November 1, at office of Halsey, Stuart & Co., Inc., Chicago and New York.

Denominations—$100, $500 and $1,000; interchange- able; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—The Mortgage provides among other things that bonds of any series (other than Series "A") bearing such rates of interest, maturing at such times and having such other provisions as the Board of Directors at the time of issuance may de- termine may be issued par for par against the deposit

of cash or United States obligations, or against the deposit or discharge of underlying bonds, if any, or to refund bonds of other series issued under the mortgage. Bonds will also be issuable to the extent of 75% of expenditures for additions and betterments, and to the extent of 75% of the cost or value (whichever is less) of purchased property. Bonds will also be issuable to 75% of expenditures made for stock of a subsidiary, as defined in the mortgage, and for additions and betterments to its property, and of the cost or value (whichever is less) of purchased property, acquired by a subsidiary; and to refund par for par its indebtedness, provided bonds secured by mortgage upon the property of such subsidiary shall be pledged in an amount equal to all such expenditures made or indebtedness discharged, and also provided that the total amount of bonds issued under the mortgage in respect of any subsidiary, together with the principal amount of all mortgage indebtedness upon such subsidiary outstanding in the hands of the public, shall not exceed 75% of the value of the property of such subsidiary. Bonds issued on account of additions or betterments or purchased property of the Company or of any subsidiary, or the stock of any subsidiary, or to refund bonds of other series issued under this mortgage bearing a lower rate of interest or the indebtedness of a subsidiary may not be issued, unless the net earnings, as defined in the mortgage of the Company and its subsidiaries during the 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the interest charges on all First Mortgage bonds then issued and outstanding and those then proposed to be issued, and on all bonds if any, then outstanding in the hands of the public prior in lien on any part of the property of the Company or any of its subsidiaries.

At Dec. 31, 1927, $20,874,000, $8,000,000 Series "C" 6s, $4,600,000 Series "D" 5½s and $8,274,000 Series "E" 5s) bonds were outstanding under the mortgage.

Callability—Subject to call as a whole or in part on 30 days' notice at the following prices and accrued interest: To May 1, 1936, at 105; on and from May 1, 1936, to May 1, 1946, at 103; on and from May 1, 1946 to May 1, 1951, at 102½; on May 1, 1951, at 102 and thereafter at 102 less ½ of 1% for each full year elapsed after April 30, 1951. Subsequent to April 30 1955, they will be redeemable at 100.

Security—Secured by a first mortgage on all of the fixed properties, rights and franchises of the Company, now owned, and on all such property hereafter acquired against which any bonds may be issued under the Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 Mills Tax and Maryland 4½ Mills Tax and the District of Columbia Personal Property taxes, not exceeding 5 mills per $1.00 per annum, and Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum refunded upon request within 60 days after payment.

Original Offering—First publicly offered ($1,230,000) in June, 1926, at 96 and interest to yield 5½%, by Halsey, Stuart & Co., Inc., Chicago, etc; $2,425,000 additional offered in Oct., 1926, at 97 and interest yielding about 5.20% by the same bankers. $4,642,000 additional bonds were offered in Aug., 1927, at 97 and interest to yield about 5.20% by the same bankers.

Price Range—

	1927	1926
High	99	*96⅞
Low	95¼	92

*High and low bid price.

(13)

$29,600,000 FIRST MORTGAGE 4½% GOLD BONDS, SERIES F; DUE DECEMBER 1, 1967

Dated December 1, 1927.

Interest Payable June and December 1 at Halsey, Stuart & Co., Inc., Chicago or New York.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—See under Series "E" bond above.

Purpose of Issue—Proceeds were applied toward the retiring of $10,930,000 in principal amount of underlying divisional bonds and $16,450,000 in principal amount of First Mortgage and Refunding bonds carrying higher interest coupons (thus affecting a substantial saving in interest charges), and toward reimbursing the Company for extensions and additions to its property.

Callability—Subject to call as a whole or in part on 30 days' notice at the following prices and accrued interest: On or before Nov. 30, 1932 at 105; after Nov. 30, 1932 and on or before Nov. 30, 1937, at 104; after Nov. 30, 1937 and on or before Nov. 30, 1942 at 103; after Nov. 30, 1942 and on or before Nov. 30, 1947 at 102½; after Nov. 30, 1947 and on or before Nov. 30, 1952, at 102; after Nov. 30, 1952 and on or before Nov. 30, 1957 at 101½; after Nov. 30, 1957 and on or before Nov. 30, 1962, at 101; after Nov. 30, 1962 and on or before Nov. 30, 1966 at 100½; and after Nov. 30, 1966 to maturity at 100.

Security—Secured by a first mortgage on all of the fixed properties, rights and franchises of the Company, now owned, and on all such property hereafter acquired against which any bonds may be issued under the Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills and Maryland 4½ mills taxes and District of Columbia personal property taxes not exceeding 5 mills per $1.00 per annum and Massachusetts income tax not exceeding 6% of such interest per annum, refunded upon request within 60 days after payment.

Original Offering—First publicly offered ($29,000,000) in Dec., 1927 at 94¾ and interest to yield about 4.80% by Halsey, Stuart & Co., Inc., New York, etc.

(14)

$4,200,000 SERIAL 4½% GOLD NOTES; DUE $1,400,000 EACH JANUARY 1, 1929 TO 1931, INCLUSIVE

Dated January 1, 1928.

Interest Payable January and July 1 at Halsey, Stuart & Co., Inc., Chicago and New York.

Denominations—Coupon, $1,000; principal may be registered.

Security—Notes are the direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($4,200,000) in Dec., 1927, at prices to yield 4.25%, 4.50% and 4.75% according to maturity, by Halsey, Stuart & Co., Inc., New York, etc.

BONDS CALLED FOR REDEMPTION

All of the Central Illinois Power Co. First Mortgage Gold 7s, due March 1, 1942, were called for redemption on Sept. 1, 1927 at 107½ and interest at Continental National Bank & Trust Co., Chicago, Trustee.

All of the Charleston Illuminating Co. Refunding & Improvement Gold 4½s, due March 1, 1935, were called for redemption on Sept. 1, 1927 at 105 and interest at American Exchange Irving Trust Co., New York, Trustee.

All of the Hamilton Utilities Co. First Mortgage 6s due May 1, 1936, were called for redemption on Nov. 1, 1927 at 103 and interest at Standard Trust & Savings Bank, Chicago, Trustee.

All of the Jerseyville Illuminating Co. Refunding & General Gold 5s, due Feb. 1, 1935, were called for redemption on Aug. 1, 1927 at 105 and interest at Columbia office of American Exchange Irving Trust Co., New York, Trustee.

All of the Pana Gas & Electric Co. First Mortgage old 5s, due June 1, 1935, were called for redemption Dec. 1, 1927 at 105 and interest at American Exchange Irving Trust Co., New York, Trustee.

All of the peoples Water & Light Co. First Mortgage 6s, due Oct. 1, 1934, were called for redemption on Oct. 1, 1927 at par and interest at Chicago Title & Trust Co., Chicago.

All of the Taylorville Gas & Electric Co. First Mortgage 5s, due Feb. 1, 1935, were called for redemption on Aug. 1, 1927 at 105 and interest at American Exchange Irving Trust Co., New York, Trustee.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Central Illinois Public Service Co. and Subsidiaries)

	1927	1926	1925	1924	1923
erating revenues	$13,133,809	$12,704,609	$11,591,261	$8,862,901	$8,057,239
erating expenses	7,592,027	7,495,366	7,106,622	5,451,622	5,130,658
Net operating revenue	$5,541,782	$5,209,243	$4,484,639	$3,411,279	$2,926,581
collectible revenues	36,350	40,450	35,758	31,302	28,097
xes	622,631	601,341	404,077	376,600	319,512
Net operating income	$4,882,801	$4,567,452	$4,044,804	$3,003,377	$2,578,972
n-operating income	310,904	39,469	35,357	39,067	133,115
Gross income	$5,193,705	$4,606,921	$4,080,161	$3,042,444	$2,712,087
Deductions:					
erest on funded debt	$2,024,302	$1,780,752	$1,673,625	$1,164,923	$1,114,417
her interest	.....	120,170	175,935	.....	79,067
nortization of debt, discount and expense	201,129	153,289	146,810	111,086	108,564
tirement reserve	466,337	399,112	391,835	306,577	298,166
scellaneous amortization chargeable to income	4,417	1,551	1,134	22,381	.....
her deductions	.....	.....	.....	.....	11,964
Total	$2,696,185	$2,454,874	$2,389,339	$1,604,967	$1,612,178
t income	2,497,520	2,152,047	1,690,822	1,437,477	1,099,909
eferred dividends	1,193,944	1,058,844	898,574	660,366	469,925
mmon dividends	1,114,365	929,204	752,416	648,465	524,132
lance to surplus	$189,210	$163,999	$39,832	$128,646	$105,851
nes Funded Debt Interest Earned	2.56	2.59	2.44	2.61	2.43
arnings Per Share—					
Preferred	$12.58	$12.23	$11.82	$13.46	$14.88

*Based on average number of shares outstanding during year.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Central Illinois Public Service Co. and Subsidiaries)

Assets—	1927	1926	1925	1924	1923
ant, real estate and franchises	$72,637,580	$67,561,273	$60,427,905	$48,375,001	*$45,077,694
bscription to capital stock	121,502	239,201	382,503	602,478	594,814
iscellaneous investments	40,089	9,476	5,962	21,336	1,111,836
aterials and supplies	896,260	991,668	845,045	560,854	638,398
sh	3,417,246	1,231,036	1,128,481	853,667	584,887
tes and accounts receivable	1,923,614	1,928,555	1,779,065	1,624,695	1,443,627
king funds	2,105	5,149	3,881	8,379	3,374
epaid insurance, expenses, etc.	49,684	7,675	11,554	17,530	310,205
rtgage requirement	.....	.....	.....	.....	1,258,640
acquired securities at cost	18,934	.....	.....	.....	.....
amortized debt disc. & exp.	3,020,259	2,682,153	2,487,733	2,645,804	.....
operty abandoned	119,348	227,514	275,044	*167,836	.....
bbing accounts	21,067	27,864	.....	.....	.....
amortized storm & tornado exp.	132,705	105,120	191,497	.....	.....
her deferred debits	498,485	405,986	417,794	303,648	.....
Total	$82,898,878	$75,422,670	$67,956,465	$55,181,228	$51,023,475
Liabilities—					
mmon stock	$17,675,850	$15,959,100	$13,067,250	$11,365,725	$9,724,725
eferred stock (par, $100)	715,600	757,200	851,400	1,020,700	703,900
eferred stock (no par)	18,519,974	16,752,907	14,349,008	10,773,833	8,190,610
pital stock subscribed	196,025	383,929	554,735	1,069,392	934,988
nded debt	36,159,000	33,954,500	30,391,000	26,738,000	25,222,000
r trust certificates	48,000	56,000	64,000	.....	4,350
rial notes	.....	2,000,000	3,600,000	.....	.....
rchase contract obligations	164,000	209,258	162,500	167,500	243,720
dvances received on contract covering sale of $4,200,000 in principal amount of Serial 4½% Gold notes dated Jan. 1, 1928	4,102,140	.....	.....	.....	.....
ortgage payable	.....	39,000	39,000	.....	.....
tes payable	.....	.....	12,000	306,510	1,733,765
counts payable	457,981	529,143	520,325	352,986	1,146,484
nsumers deposits	328,901	343,201	352,389	370,343	.....
her current liabilities	28,864	25,273	25,678	13,587	.....
xes accrued	438,502	338,281	252,612	208,011	634,947
terest accrued	359,490	634,601	621,313	593,270	
vidends accrued	312,387	284,156	244,557	185,973	137,694
iscellaneous accrued liabilities	58,799	73,574	89,693	.....	.....
rtgage requirement	.....	.....	.....	.....	1,258,640
e to Middle West Utilities Co.	.....	.....	.....	.....	12,582
ntributions for extensions	126,818	85,914	51,871	18,744	.....
tirement reserve	1,560,938	1,493,606	1,358,948	781,308	
sualty reserve	23,272	20,843	46,951	11,409	59,735
iscellaneous reserves	114,019	123,685	106,734	48,552	
rplus	1,508,318	1,358,500	1,194,501	1,155,385	1,015,335
Total	$82,898,878	$75,422,670	$67,956,465	$55,181,228	$51,023,475

*Plant, real estate and franchises, etc., $45,556,781; less reserve for depreciation, etc., $479,087—balance, $45,077,694

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(After giving effect to the issue of $29,000,000 First Mortgage 4½% Gold Bonds, $4,200,000 Serial 4½% Gold Notes, 3,309 shares of Preferred Capital stock without par value, and $610,000 Notes Payable and applying the proceeds to the retirement of $10,879,000 in principal amount of underlying divisional bonds and $17,006,000 in principal amount of First Mortgage and First Mortgage and Refunding bonds and adding the remainder to cash)

Assets—	
Fixed capital	$72,637,580
Cash	637,145
Notes receivable	152,679
Account receivable	1,770,935
Materials and supplies	896,261
Prepayments	49,684
Subscribers to capital stock	121,502
Miscellaneous investments	40,089
Sinking funds	2,105
Unamortized debt discount and expense	7,775,961
Property abandoned	119,348
Jobbing accounts	21,067
Unamortized storm and tornado expense	132,705
Miscellaneous deferred debits	498,485
Reacquired securities at cost	18,934
Total	$84,874,480
Liabilities—	
Common stock	$17,675,850
Preferred stock (par $100)	715,600
Preferred stock (no par)	18,844,256
Capital stock subscribed	196,025
Funded debt	37,274,000
Serial 4½% Gold notes	4,200,000
Purchase contract obligations	164,000
Car trust certificates	48,000
Notes payable	610,000
Accounts payable	457,981
Consumers' deposits	328,901
Miscellaneous current liabilities	28,864
Taxes accrued	438,502
Interest accrued	187,950
Dividends accrued	312,387
Miscellaneous accrued liabilities	58,799
Retirement reserve	1,560,938
Casualty and insurance reserve	23,272
Contributions for extensions	126,818
Miscellaneous reserves	114,019
Surplus	1,508,318
Total	$84,874,480

Officers: Samuel Insull, Chairman; Marshall E. Sampsell, Pres. & Gen. Mgr., Chicago; J. Paul Clayton, V-P., Springfield, Ill.; Geo. W. Hamilton, V-P.; Leroy J. Clark, Sec., Chicago; C. E. Cripe, Treas.; J. L. Gray, Aud.; R. B. Tulpin, Asst. Sec.; C. L. Nash, Asst. Treas. & Asst. Sec.; C. E. Packman, Asst. Sec.; Charles M. Fox, Asst. Aud., Springfield, Ill.

Executive Committee: Samuel Insull, Chairman; Martin J. Insull, J. Paul Clayton, Marshall E. Sampsell.

Directors: Samuel Insull, Chairman; Walter S. Brewster, Martin J. Insull, J. F. Gilchrist, Marshall E. Sampsell, G. W. Hamilton, Chicago; J. Paul Clayton, Springfield, Ill.

Executive Office, Public Service Building, Springfield, Ill.

CENTRAL ILLINOIS TRACTION COMPANY

(Controlled by Central Illinois Public Service Company)

History—Incorporated Feb. 10, 1903, in Ill., and on July 1, 1912, purchased the property of the Paris Traction Co. Line of road: In Paris, Ill., 3.15 miles; Charleston to Mattoon, Ill., 11.09 miles—total 14.24 miles. Sidings, etc., 0.98 mile. Passenger cars, 5; work cars, etc., 3; snow plow, 1.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. All owned by Central Illinois Public Service Co., except directors' qualifying shares, and pledged under the latter company's First and Refunding Mortgage. Annual meeting, first Wednesday in April.

FUNDED DEBT

$361,000 First & Refunding 5s; dated Aug. 1, 1912; due Aug. 1, 1952; int. Feb. and Aug. 1. A first lien on entire property. All owned by Central Illino Public Service Co. and pledged under that company First and Refunding Mortgage. Company pays No mal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross earnings	$34,439	$33,933	$47,1
Oper. exp. & taxes	50,298	43,872	53,8
Net earnings	*$15,859	*$9,939	*$6,6
Bond interest	18,050	18,050	18,0
Other interest	7,737	5,884	3,8
Total charges	$25,787	$23,934	$21,9
Deficit for year	$41,647	$33,873	$28,6

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$2,393,343	$2,381,160	$2,389,3
Cash	1,148	1,409	2,8
Current assets	214	1,143	6
Unadjusted debits	6,299	5,782	7
Corporate deficit	124,964	83,316	49,4
Total	$2,525,968	$2,472,810	$2,443,0
Liabilities—			
Capital stock	$2,000,000	$2,000,000	$2,000,0
Funded debt	361,000	361,000	361,0
Current liabilities	151,469	96,531	67,0
Reserve for depreciation	1,913	1,896	2,2
Interest & taxes accrued	11,586	13,383	12,7
Total	$2,525,968	$2,472,810	$2,443,0

Officers: Marshall E. Sampsell, Pres., Chicago, Ill J. Paul Clayton, V-P., Springfield, Ill.; Leroy Clark, Sec., Chicago, Ill.; C. E. Cripe, Treas.; J. L Gray, Aud.; D. R. Truax, Pur. Agt., Springfield, Il

Directors: Marshall E. Sampsell, Leroy J. Clark Chicago, Ill.; J. Paul Clayton, R. B. Tulpin, J. L Roberts, Springfield, Ill.

Office, Springfield, Ill.

CHICAGO & JOLIET ELECTRIC RAILWAY COMPANY

(Controlled by Central Illinois Public Service Co.)

History and Property—Incorporated Jan. 15, 190 under the laws of Illinois; consolidation of Chicago Joliet Rapid Transit Co.; Joliet Street Ry. Co., an Joliet R. R. Co. Under order of Illinois Public Util ties Commission, acquired all of the property of th Chicago & Desplaines Valley Electric Ry. as of Jur 30, 1921. Length of line owned, 49.45 miles. Tot track owned, 80 miles. Cars: Passenger, 67; freigh express, etc., 18—total cars, 85. Power purchase from Public Service Co. of Northern Illinois.

CAPITAL STOCK

Authorized, $3,500,000 Common and $1,500,000 Pfd outstanding, $3,078,600 Common and $1,350,000 Pfd par, $100. All owned by Central Illinois Public Ser ice Company. The authorized capital stock wa changed from $2,500,000 Common and $2,500,000 t the amounts stated above in 1927.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross earnings	$898,357	$908,149	$898,6
Oper. exp. & taxes	740,155	753,767	772,9
Depreciation	24,000	34,800	34,8
Net earnings	$134,202	$119,582	$90,9
Other income	280,326		
Total income	$414,528	$119,582	$90,9
Bond interest	206,619	122,000	122,0
Other interest, etc.		59,282	32,9
Total charges	$206,619	$181,282	$154,9
Deficit for year	*$207,909	$61,700	$64,0
Times All Interest Earned		0.34	0.5

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
ad and equipment	$6,453,279	$6,498,533	$6,016,137
ased equipment	110,000	110,000	121,942
terials and supplies	70,149	75,163	75,343
sh	42,081	33,053	32,960
counts receivable	27,278	36,518	80,266
her current assets	.....	125,150	2,135
adjusted debits	145,391	64,609	60,361
scount on funded debt	.....	23,039	26,530
rporate deficit	.....	177,832	134,132
Total	$6,848,178	$7,143,897	$6,549,806
Liabilities—			
mmon stock	$3,078,600	$2,300,000	$2,300,000
eferred stock	1,350,000	1,350,000	1,350,000
nded debt	.....	2,000,000	2,000,000
e affiliated cos.	2,061,553	1,142,104	498,604
uipment obligations	48,000	56,000	64,000
counts payable	93,461	55,242	88,868
erest accrued	3,129	56,191	57,059
her current liabilities	17,556	14,689	17,208
serve for taxes	32,535	25,837	32,504
adj. & deferred credits	58,289	73,063	89,049
serve for depreciation	42,921	41,839	41,141
her reserves	32,058	28,932	11,373
plus	30,076	.....	.....
Total	$6,848,178	$7,143,897	$6,549,806

Officers: Marshall E. Sampsell, Pres., Chicago; J. ul Clayton, V-P., Springfield, Ill.; J. R. Balckll, V-P., Joliet, Ill.; Leroy J. Clark, Sec., Chicago; E. Cripe, Treas.; R. B. Tulpin, Asst. Sec.; C. L. ash, Asst. Sec. & Asst. Treas., Springfield, Ill.

Directors: Martin J. Insull, Marshall E. Sampsell, eroy J. Clark, Chicago; J. Paul Clayton, Springld, Ill.; J. R. Balckhall, George Woodruff, William edmond, Joliet, Ill.

Office, Joliet, Ill.

CHICAGO & JOLIET TRANSPORTATION COMPANY

Controlled by Central Illinois Public Service Co.)

History—Incorporated Oct. 18, 1922, in Ill. Operes in Joliet, Ill.

CAPITAL STOCK

Authorized and outstanding, $150,000. All owned Central Illinois Public Service Co.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
oss earnings	$73,929	$67,367	$30,351
er. exps. & taxes	86,420	86,331	37,855
Net deficit	$12,491	$18,964	$7,504
terest charges	4,740	5,520	1,753
Deficit for year	$17,231	$24,484	$9,257

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
operty account	$67,215	$80,512	$58,722
sh	4,046	2,037	4,355
her current assets	4,522	5,012	9,154
spense	.....	.....	1,030
rporate deficit	54,000	36,768	12,284
Total	$129,783	$124,329	$85,545
Liabilities—			
pital stock	$80,300	$15,000	$15,000
counts payable	.....	14,329	12,381
tes payable	.....	.....	12,000
e affiliated companies	44,000	93,950	44,850
her current liabilities	4,500	746	692
terest & taxes accrued	91	304	622
serve for depreciation	892	.....	.....
Total	$129,783	$124,329	$85,545

Officers: Marshall E. Sampsell, Pres., Chicago; J. aul Clayton, V-P., Springfield, Ill.; Leroy J. Clark, c., Chicago; C. E. Cripe, Treas.; R. B. Tulpin, sst. Sec.; C. L. Nash, Asst. Sec. & Asst. Treas., pringfield, Ill.

Directors: Marshall E. Sampsell, Chicago; J. Paul ayton, Springfield, Ill.; John R. Balckhall, Wilam H. Heun, Henry J. Yost, Joliet, Ill.

Office, Joliet, Ill.

DELLWOOD PARK COMPANY

(Controlled by Central Illinois Public Service Co.)

History—Incorporated Feb. 13, 1906, in Ill. Owns 63 acres at "Dellwood," 3 miles from Joliet, Ill.

CAPITAL STOCK

Authorized and outstanding, $150,000; all owned by Central Illinois Public Service Co. Annual meeting, Monday after third Thursday in March.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$42,021	$35,506	$42,957
Oper. exp. & taxes	46,520	50,690	50,685
Depreciation	.....	.....	2,400
Loss from operation	$4,499	$15,184	$10,128
Other income	.....	2,308	20,832
Total income	*$4,499	*$12,876	$10,704
Fixed charges	2,307	8,862	7,473
Surplus for dividends	*$6,806	*$21,738	$3,231

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$275,432	$275,432	$275,072
Cash	3,012	1,293	1,596
Accounts receivable	502	199	19
Other current assets	246	.....	1,350
Due from affiliated cos.	.....	.....	18,000
Deferred debits	.....	.....	932
Deficit	35,984	29,178	.....
Total	$315,176	$306,102	$296,969
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Due affiliated co.	146,281	136,481	116,860
Accounts payable	763	1,349	696
Other current liabilities	800	510	531
Reserves for taxes	.....	430	990
Reserve for depreciation	17,332	17,332	17,332
Surplus	.....	.....	10,560
Total	$315,176	$306,102	$296,969

Officers: Marshall E. Sampsell, Pres., Chicago; J. Paul Clayton, V-P., Springfield, Ill.; Leroy J. Clark, Sec., Chicago; C. E. Cripe, Treas.; R. B. Tulpin, Asst. Sec.; C. L. Nash, Asst. Sec. & Asst. Treas., Springfield, Ill.

Directors: Marshall E. Sampsell, Chicago; J. Paul Clayton, Springfield, Ill.; J. R. Balckhall, Joliet, Ill.

General Office, Joliet, Ill.

SOUTHERN ILLINOIS RAILWAY & POWER CO.

(Controlled by Central Illinois Public Service Co.)

History—Incorporated April 12, 1912, in Illinois, Charter granted Sept., 1913, for fifty years. Owns and operates an interurban electric railway, connecting Eldorado, Wasson, Muddy, Harrisburg, Dorrisville, Ledford and Carrier Mills, Ill., a distance of 17 miles over, which it conducts an interurban passenger, mail and express business, and both local and interstate freight business, the latter being partly under an interchange traffic agreement with the Illinois Central R.R., and a similar arrangement with the Louisville & Nashville R.R. Motor passenger cars, 5, trail passenger cars, 3; electric locomotive, 1; other cars, 13.

CAPITAL STOCK

Authorized and outstanding, $254,900 Common and $427,100 6% cumulative Pfd.; par, $100. All owned by Central Illinois Public Service Co. Annual meeting, in January.

FUNDED DEBT REDEMPTION

All outstanding First Mortgage 5% Gold bonds, due Oct. 1, 1942 were called for redemption April 1, 1928 at Continental National Bank & Trust Co., Chicago.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,267,797	$1,264,518	$1,264,518
Materials and supplies	5,934	5,824	6,379
Cash	5,388	11,228	8,451
Notes receivable	90,000	110,000	130,000
Accounts receivable	1,494	1,025	6,336
Unadjusted debits	8,267	5,950	6,915
Profit and loss deficit	119,826	70,106	13,018
Total	$1,498,706	$1,468,651	$1,435,617
Liabilities—			
Common stock	$254,900	$254,900	$254,900
Preferred stock	427,100	427,100	427,100
Funded debt	568,000	588,000	608,000
Notes payable	183,942	139,420	88,231
Accounts payable	6,069	3,909	4,232
Interest accrued	7,100	7,350	7,600
Other current liabilities	2,788	2,090	2,059
Reserve for taxes	5,312	2,387	.....
Depreciation reserve	33,386	33,386	33,386
Insurance reserve	10,109	10,109	10,109
Total	$1,498,706	$1,468,651	$1,435,617

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$91,838	$90,467	$109,43
Oper. exps. & taxes	108,176	115,647	136,69
Net earnings	*$16,338	*$25,180	*$27,15
Other income	6,270	7,315	8,79
Total income	*$10,068	*$17,865	*$18,35
Bond interest	29,150	30,150	31,10
Other interest	10,502	9,073	5,73
Total charges	$39,652	$39,223	$36,93
Deficit for year	$49,720	$57,088	$55,29

*Loss.

Officers: Marshall E. Sampsell, Pres., Chicago, Ill.; J. Paul Clayton, V-P., Springfield, Ill.; Leroy J. Clai Sec., Chicago; C. E. Cripe, Treas.; C. L. Nash, As Treas.; J. L. Gray, Aud.; R. B. Tulpin, Asst. Sec.; R. Truax, Pur. Agt., Springfield, Ill.

Directors: Martin J. Insull, Chairman of Boar Marshall E. Sampsell, E. V. Graham, G. W. Ham ton, Chicago, Ill.; J. Paul Clayton, Leroy J. Cla C. E. Cripe, Springfield, Ill.

Offices, Springfield, Ill., and Chicago, Ill.

CENTRAL POWER COMPANY

(Controlled by Middle West Utilities Co.)

History and Properties—Incorporated Dec. 26, 1914. in Del., at which time it acquired the properties of Grand Island Electric Co. (see 1914 Manual, page 2230) and other utility plants in the vicinity of Grand Island, Nebraska. Shortly thereafter it began the development of its properties, extending its transmission lines to nearby towns and constructing a hydro-electric plant on the Loup River, some 25 miles northwest of Grand Island. It later acquired the properties of the Kearney Water & Electric Power Co. (see 1919 Public Utility Manual, page 1935) and the Midway Gas Co., operating in Kearney, Neb., and vicinity.

In 1924, it acquired the Ravenna Electric Light, Heat and Power Co. and the Grand Island Gas Co. and on Jan. 2, 1925 the Hastings Gas Co. (see 1924 Public Utility Manual, page 184) was acquired.

As of May 1, 1927, it acquired the entire property of The Water & Light Company of Nebraska City, operating electric, gas and water utilities.

The result of this development and the acquisition of properties is that the Company now owns an electric generating and distributing system entirely interconnected and serving directly or indirectly 55 communities having a total population of about 60,000. It also supplies Kearney, Grand Island, Hastings and Nebraska City with gas. The Company operates seven electric generating stations, 408 miles of transmission lines, four gas plants, and 17 miles of combined irrigation and power canals.

The electric generating stations comprise two hydro-electric plants, at Kearney on the Platte river, and Boelus on the Loup river. These are the largest in the State and generate 40% of all water power energy produced in Nebraska. The Platte river development has an installed capacity of 3,200 electrical h.p., and the Loup river 2,680 h.p. The effective head secured at the Kearney plant is 57 feet, and 26 feet at Boelus.

The steam generating plants have a total capacity of more than 10,300 h.p. Ravenna with 300, Kearney with 1,000, and the Pine Street Station at Grand Island with 3,000 are held in reserve and operated only in an emergency. The Riverside station at Power, at present 5,000 h. p. capacity generates about 25% of the total output. A new 5,000 h. p. unit was under construction at the Riverside station in the latter part of 1927.

The system of transmission lines is the second largest in the State, and the Company is the third largest distributor of electricity. With the exception of a few of the smaller branch lines, the system is operated at 33,000 volts. The lines are inter-connected with other systems to the east, west and south so that a continuous power system is created extending from central Nebraska eastward to central Iowa and down in northern Missouri.

The four gas plants at Grand Island, Kearne Hastings and Nebraska City, are modern and up-t date in every respect. The daily gas making capaci of the four plants exceeds 1,900,000 cubic feet. Stora capacity is 672,000 cubic feet. The distribution sy tems comprise 115 miles of mains, of which 11 mil are operated under high pressure.

The Company also operates a water plant at Ne raska City with 28 miles of mains and two millio gallons daily capacity.

Electric output (k.w.h.): 1926, 17,462,590; 192 27,260,000. Gas output (cu. ft.): 1924, 57,551,00 1925, 134,876,000; 1926, 157,927,000; 1927, 187,000,00

CAPITAL STOCK

Authorized, $3,500,000 Common and $2,000,000 7 cumulative Pfd.; issued, Jan. 1, 1928, $2,980,100 Co mon and $1,300,000 Pfd.; of which $373,500 Comm and $109,900 held in the treasury; par, $100. Majori of Common stock owned by Middle West Utilities C

Transfer Agents (Pfd.)—Middle West Stock Trar fer Co., 72 West Adams St., Chicago, and Securi Transfer & Registrar Co., New York.

Registrars (Pfd.)—Continental National Bank Trust Co., Chicago, and Bankers Trust Co., Ne York.

Annual Meeting—Third Wednesday in April.

Dividends—Pfd. dividends regularly paid quarterl J, A, J & O 15.

Price Range (Preferred)—1927: High, 90; low, 86

FUNDED DEBT

$3,200,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES DUE JULY 1, 1957

Dated July 1, 1927.

Interest Payable January and July 1, in New Yo or Chicago.

Denominations—Coupon, $100, $500 and $1,000, i terchangeable; principal may be registered. Coup and registered bonds interchangeable.

Trustees—Continental National Bank & Trust C and William P. Kopf, Chicago.

Provisions of Issue—Additional bonds of this other series, having such provisions as the directo at the time of issuance may determine, may be issue to the extent of 75% of cash expenditures for plan equipment or other permanent property, or to refur bonds issued under the mortgage, and then only pr vided the net earnings (as defined in the mortgag during the twelve consecutive months ending with the sixty days next preceding the date of certificatio and delivery thereof, shall have been at least 1 times the interest for one year on all bonds then ou

tanding, and those then proposed to be issued under ıe mortgage.

Purpose of Issue—Proceeds were used to refund the 'irst Mortgage 6% bonds, Series "B" and "C," for ıe acquisition of properties, for partially reimbursing ıe treasury for expenditures made on account of addi-.ons and improvements to properties, and for other orporate purposes.

Callability—Subject to call as a whole or in part, at ny time, on 30 days' notice at the following prices nd accrued interest: On or before June 30, 1932 at 05; after June 30, 1932, but on or before June 30, 937 at 103; after June 30, 1937, but on or before June 0, 1942 at 102½; after June 30, 1942, but on or be-ore June 30, 1947, at 102; after June 30, 1947, but on r before June 30, 1952, at 101; after June 30, 1952, ut on or before June 30, 1956 at 100½; after June 0, 1956 at 100.

Maintenance and Depreciation Fund—The Com-any covenants that it will set aside during each cal-ndar year, so long as any bonds shall be outstanding nder the mortgage, a Maintenance, Replacement and)epreciation Fund, which shall not be less than 2½% of the total gross income derived during such ear from the operation of the mortgaged properties.

Security—Secured by first mortgage on all of the xed properties, rights and franchises now owned or ereafter acquired by the Company.

Tax Provisions—Company pays Normal Federal In-ome Tax up to 2%. The Company will reimburse the olders of these bonds, if requested within 60 days fter payment, for the Pennsylvania 4-mills tax, for he Connecticut Personal Property tax, not exceeding mills per dollar, for the Maryland 4½-mills taxes, or the District of Columbia Personal Property taxes not exceeding 5 mills per $1.00 per annum, and for the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($3,200,-000) Series "D" 5s in Sept., 1927, at 96¼ and interest to yield about 5.25% by Hill, Joiner & Co., Inc., Hal-sey, Stuart & Co., Inc., New York, etc.

BONDS CALLED

All of the First Mortgage 6% Gold Bonds, Series "B"; due January 1, 1942, and the First Mortgage 6% Gold bonds, Series "C," due June 1, 1944, were called for redemption on Oct. 1, 1927, at 105 and interest at Continental National Bank & Trust Co., Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$1,120,752	$920,575	$877,370
Operating expenses	693,000	607,168	
Retirement expenses	39,513	11,063	661,991
Taxes & uncollectible bills	43,159	36,739	
Operating income	$345,080	$265,605	$215,379
Rentals	3,310	2,913	3,310
Net operating income	$341,770	$262,692	$212,069
Non-operating income	3,973	3,821	2,823
Gross income	$345,743	$266,513	$214,892
Interest on funded debt	151,776	140,652	130,960
Misc. int., amortization, etc.	38,192	17,369	26,635
Provision for Fed. Inc. tax	9,200	.....	.....
Net income	$146,575	$108,492	$57,297
Pfd. dividends	70,536	59,141	43,706
Surplus for year	$76,039	$49,351	$13,591
Times Funded Debt Interest Earned	1.96	1.77	1.44
Earnings Per Share—Preferred	$11.27	$11.53	$8.36

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
ixed capital assets	$6,688,841	$5,224,706	$5,340,585
ash	96,524	52,016	29,837
otes receivable	8,266	2,704	1,352
ccounts receivable	173,124	155,842	163,160
it. & divds. receivable	.....	33	56
laterials and supplies	89,412	78,900	94,430
repayments	4,807	1,288	2,242
ubscribers to cap. stock	7,817	15,309	.....
iscellaneous investments	200	.....	.....
pecial deposits	953	1,400	6,778
namortized debt discount and expense	587,117	219,840	266,859
ther deferred debits	26,923	37,307	36,202
eacquired securities	483,400	.....	2,500
Total	$8,167,384	$5,789,345	$5,944,001

Liabilities—	1927	1926	1925
Common stock	$2,980,100	$1,941,500	$2,405,000
Preferred stock	1,300,000	941,100	685,000
Funded debt	3,200,000	2,455,200	2,335,200
Preferred stock subscribed	13,600	24,900	.....
Accounts payable	56,359	30,864	41,459
Consumers' deposits	19,810	15,921	14,034
Accrued liabilities	100,699	40,389	48,456
Other current liabilities	20,827	.....	15,449
Advances from affil. cos.	.....	295	130,625
Misc. unadjusted credits	7,907	11,444	.....
Retirement reserve	218,675	161,993	155,020
Contributions for extensions	18,187	4,016	2,429
Miscellaneous reserves	7,505	3,887	1,620
Surplus	223,715	157,836	109,709
Total	$8,167,384	$5,789,345	$5,944,001

Officers: C. W. Amidon, Pres. & Treas., Grand sland, Neb.; W. C. Sharp, V-P., Chicago, Ill.; J. C. Hoge, V-P., Grand Island, Neb.; C. L. Paullin, V-P., Nebraska City, Neb.; V. M. Johnson, Sec. & Aud., Grand Island, Neb.; H. J. Ludwig, Asst. Sec., Chicago, Ill.; Howard Kyle, Asst. Treas., Grand Island, Neb.

Directors: Martin J. Insull, W. C. Sharp, Chicago, Ill.; C. W. Amidon, Wm. Suhr, Grand Island, Neb.; J. G. Lowe, R. F. Pfeiffer, Kearney, Neb.; A. W. Bor-den, Hastings, Neb.

General Office, 385 N. Pine St., Grand Island, Neb. **Corporate Office**, Wilmington, Del.

ILLINOIS NORTHERN UTILITIES COMPANY

(Controlled by Middle West Utilities Co.)

History and Properties—Incorporated July 31, 1916, n Ill., as the result of the consolidation of the old Illinois Northern Utilities Co. (organized in April, 912), Freeport Railway & Light Co. and the Tri-County Light & Power Co., all Illinois corporations see Manual for 1916, pages 4393, 4394 and 4407). t has acquired and now owns in fee all the properties ormerly belonging to about thirty separately oper-ted companies, of which some of the more import-nt are:

Belvidere Gas & Electric Co.
Sterling Gas & Electric Co.
Oregon Power Co.
Mendota Light & Heat Co.
Freeport Ry. & Light Co.
Lee County Lighting Co.
DeKalb County Gas Co.
Morrison Gas & Electric Co.
Plano Heat, Light & Power
Tri-County Light & Power Co.

The Sterling, Dixon & Eastern Electric Ry. Co. all the outstanding bonds and stock of which were owned by Illinois Northern Utilities Co., was aban-doned in 1925. Arrangement was made with Middle West Utilities Co. whereby $700,000 capital stock was reacquired to offset the net loss resulting from the abandonment of this railway.

On Nov. 1, 1923, purchased the properties of the Northern Counties Power Co., which operated in Stockton and Kent. During 1925 acquired the proper-ties of Steward Electric Light & Waterworks Co. and Lee Power & Light Co. During 1926 acquired the properties of the Citizens Utilities Co., serving 518 customers in Durand, Davis, Dakota and Rock City; and the Marengo Public Service Co., serving 893 cus-tomers.

Territory Served and Property—The company sup-plies electric service to 95 communities (including two

wholesale), gas to 9, and water to one, all located in the following counties in the western half of northern part of State of Illinois: Kane, La Salle, Whiteside, Jo Davies, De Kalb, Ogle, Lee, Boone, Kendall, Bureau, Henry, Knox, Mercer, Warren, Carroll, McHenry, Winnebago and Stephenson. Total population served is estimated at about 145,000. Contracts for street lighting have been made with many towns in these counties, for a period varying from five to ten years.

There are 7 electric generating stations, located: 2 in Dixon, 2 in Sterling, 2 in Freeport and 1 in Oregon. The total installed capacity, including the new turbine at Dixon of 12,500 k.w., is 23,875 k. w. Gas plants are maintained and operated in De Kalb, Sterling, Belvidere, Geneseo, Mendota, and gas substations in Rock Falls, Sycamore, Dixon and Morrison. The combined capacity of the five gas generating stations is 1,760,000 cu. ft. per day.

In September, 1914, leased the hydro-electric plant of the Rock River Light and Power Co.

OPERATING STATISTICS, DECEMBER 31

	Miles of Transmission Lines	Number of Customers	Output — Electricity k. w. h.	Output — Gas cu. ft.
1922	606.25	40,522	35,360,839	272,983,000
1923	643.85	43,648	40,050,168	291,519,000
1924	663.25	45,939	45,577,301	322,949,300
1925	690.75	48,108	51,820,715	336,407,000
1926	750.20	51,584	57,709,479	355,100,400
1927	793.80	53,291	67,058,523	390,828,500

NOTE—Miles of gas mains as of Dec. 31, 1927, aggregated 197.16.

CAPITAL STOCK

Authorized, at Dec. 31, 1927, $10,000,000 Common, par, $100, $6,000,000 6% cumulative Pfd., par $100 and 40,000 shares Junior $7 per share cumulative Pfd. without par value; outstanding, $5,250,000 Common, $3,765,800 6% Pfd., and 8,365 shares ($810,540) Junior cumulative Pfd. In addition, $3,400 6% cumulative Pfd. and $640,000 Common was held in treasury. Also 34 shares 6% Pfd. was subscribed for on installment plan.

Preferred Stock Provisions—The 6% Preferred stock has preference for assets and dividends, and is subject to call at any time at 110.

Transfer Agent—Stock transferred at office of Middle West Stock Transfer Co., 72 West Adams St., Chicago, Ill.

Registrar—Central Trust Co. of Illinois, Chicago.

Annual Meeting—Last Monday in February.

Listed—Pfd. stock listed on Chicago Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923
High	100¼	93¾	92¾	87	87
Low	92	89¼	85	82	82¾

Dividends—Dividends on both classes of Pfd. stock regularly paid quarterly, F, M, A & N 1. On Common, 8% per annum; payments quarterly, F, M, A & N 1.

FUNDED DEBT

(1)

$140,000 FREEPORT RAILWAY & LIGHT COMPANY FIRST & CONSOLIDATED MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1935

Dated November 1, 1910.

Interest Payable May and November 1, at Continental National Bank & Trust Co., Chicago, Trustee. Coupon, $100, $500 and $1,000; principl may be registered. Authorized, $2,000,000; issue $539,500, of which $364,000 deposited as collateral f First & Refunding 5% Gold bonds, due April 1, 195 $35,500 are held in treasury, and $140,000 are outstan ing with public. Subject to call at 102½ and intere on 30 days' notice.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

(2)

$9,136,000 ILLINOIS NORTHERN UTILITIES COMPANY FIR AND REFUNDING MORTGAGE GOLD 5s; DUE APRIL 1, 19

Dated April 1, 1912.

Interest Payable April and October 1, at Illinc Merchants Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may l registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized issue, unlimite The mortgage provides that bonds secured thereu der may be issued, in addition to those now outstan ing, as follows:

(a) $140,000 in par amount for the acquisition, f fundment or redemption of the underlying bonds no outstanding.

(b) In exchange, par for par, for mortgage indet edness, existing thereon at the time of acquisitio of any properties, acquired by the Company in t future.

(c) For expenditures made by the Company in a quiring additional property, bonds may be issued on to the extent of 75% of the cost thereof.

Callability—Subject to call at 105 and interest up 60 days' notice. Company may call bonds and ho them as a free asset.

Depreciation Reserve Fund—Under the terms f the mortgage the Company is required to place ann ally to the credit of a Depreciation Reserve Fund, sum equal to 2% of the par value of all bonds whi shall have been outstanding under the First and R funding Mortgage for a period of not less than s months.

Security—The First & Refunding Mortgage cove as a first lien the Company's system of transmissi lines and other property and is a direct lien on t balance of the Company's property subject only to t lien of $140,000 Freeport Ry. & Light Co. First & Co solidated 5s, due Nov. 1, 1935.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

Original Offering—First publicly offered in 1912 95 and interest, by N. W. Halsey & Co., and Russe Brewster & Co., New York, etc. $2,500,000 were pu licly offered in Dec., 1925, at 92½ and interest, to yie over 5.50%, by Halsey, Stuart & Co., Inc., New Yor etc. $1,250,000 additional were offered in April, 192 at 97½ and interest to yield over 5.15%, by the sa bankers.

Price Range—

	1927	1926	1925	1924	192
High	98¼	96½	91½	84¾	78
Low	95½	94½ bid	bid	bid	bid

NOTE—The previously outstanding Tri-County Light Power Co. First and Refunding Mortgage 6s, due Nov. 15, 19 Sterling Gas & Electric Light Co. First Mtge. 5s and DeKa County Gas Co. First Mtge. 5s, were acquired by Illinc Northern Utilities Co. during 1926 and 1927, and the mortgag released.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,296,872	$3,073,446	$2,757,773	$2,501,712	$2,344,643	$2,129,2
Oper. exp., deprec. & taxes	1,865,329	1,770,893	1,674,488	1,540,352	1,489,623	1,421,5
Net earnings	$1,431,543	$1,302,553	$1,083,285	$961,360	$855,020	$707,6
Other income	5,628	5,308	5,656	5,460	.....	.....
Total income	$1,437,171	$1,307,861	$1,088,941	$966,820	$855,020	$707,6
Fixed charges	533,622	479,122	*433,210	423,408	407,057	406,8
Net income	$903,549	$828,739	$655,731	$543,412	$447,963	$300,8
Pfd. and Com. dividends	639,998	621,939	489,121	474,479	353,753	189,3
Surplus for year	$263,551	$206,800	$166,610	$68,933	$94,210	$111,4
Times Fixed Charges Earned	2.70	2.73	2.51	2.27	2.10	1.

*Includes $19,388 net loss from operations of Sterling, Dixon & Eastern Electric Ry. Co. from Jan. 1 to Dec. 23, 1925.

COMBINED BALANCE SHEET, DECEMBER 31
(Illinois Northern Utilities Co. and Sterling, Dixon & Eastern Elec. Ry.)

	*1927	*1926	1925	1924	1923	1922
Assets—						
ant, real estate, etc.	$18,606,114	$17,757,523	$16,557,770	$15,750,626	$15,078,402	$14,456,939
her investments	33,775	33,775	33,775	114,553	121,277	33,775
ecial deposits	6,242	3,270	45,000	7,325	300	.....
llateral securities	.....	.....	.....	.....	.....	20,000
sh	298,721	257,019	215,644	178,786	120,197	109,179
cts. & bills receivable	419,117	386,999	351,599	318,958	292,546	253,108
paid subscriptions to Pfd. stock	2,033	1,169	36,817	56,849	84,161	88,556
aterials in storerooms	142,645	127,247	106,159	110,926	115,998	89,910
el (coal, oil, etc., in storage)	34,903	71,462	54,348	53,768	53,237	33,431
siduals on hand	12,867	.....	.....	.....	9,076	3,548
epaid ins., taxes and exp.	5,531	10,059	10,996	13,000	155,687	149,284
amortized debt discount and expense on unded debt and capital stock	900,720	884,867	736,199	653,558	699,261	600,299
scellaneous deferred debits	192,052	237,438	140,850	166,495	.....	.....
Total	$20,654,729	$19,770,828	$18,289,157	$17,424,844	$16,730,142	$15,838,030
Liabilities—						
eferred stock	$3,762,400	$3,759,500	$3,735,000	$3,763,700	$3,414,800	$3,094,000
ior Preferred stock	810,540	810,540	602,808	230,688	250,000	250,000
d. stock sold and undelivered	3,400	4,500	59,501	91,392	165,100	154,600
mmon stock	4,610,000	4,535,000	4,885,000	4,885,000	4,635,000	4,635,000
nded debt	9,276,000	8,875,500	7,475,000	6,845,000	6,769,000	6,523,000
ferred payments on purchase contract	.....	.....	.....	.....	60,675	.....
tes payable	.....	.....	96,930	278,425	366,916	231,001
counts payable	41,795	88,161	158,880	132,664	192,324	231,797
stomers' deposits, etc.	38,167	35,346	29,364	26,688	37,640	40,086
scellaneous current liabilities	800	800	15,812	60,845	.....	.....
erest accrued	120,379	112,626	93,481	89,883	90,343	80,403
xes accrued	237,386	222,647	148,196	151,300	124,987	82,192
her accrued liabilities	111,277	94,920	96,439	9,758	13,441	989
vances from affiliated companies	.....	.....	.....	129,934	.....	.....
adjusted credits	18,195	14,003	.....	.....	.....	.....
preciation reserve	405,041	292,178	185,490	116,471	63,568	71,955
ntributed reserve	92,020	63,891	53,140	44,498	27,254	27,354
her reserves	2,854	300	.....	2,417	21,846	12,617
rplus	1,124,466	860,916	654,116	566,181	497,248	403,038
Total	$20,654,720	$19,770,828	$18,289,157	$17,424,844	$16,730,142	$15,838,030

*Illinois Northern Utilities Co.

Officers: Samuel Insull, Chairman; Martin J. Insull, Pres.; E. D. Alexander, V-P.; Philip L. Reilly, st. to V-P.; John H. Gulick, Sec. & Treas.; J. A. Connell, Asst. Sec. & Asst. Treas.; L. E. Jacobson, st. Treas.; E. J. Knight, Asst. Sec.; C. E. Packman, st. Sec.; J. C. Graff, Aud.

Executive Committee: Samuel Insull, Martin J. Insull, J. H. Gulick.

Directors: John H. Gulick, Samuel Insull, Martin J. Insull, E. D. Alexander, William A. Fox, Walter S. Brewster, G. W. Hamilton.

General Office, Dixon, Ill.

INTERSTATE PUBLIC SERVICE COMPANY

(Controlled by Middle West Utilities Co.)

History and Properties—Incorporated Sept. 4, 1912, Ind. Leases the Indianapolis, Columbus & Southn Traction Co. for 999 years from Sept. 7, 1912, at ntal of $150,380 per annum, being at rate of 5% on pital stock and interest on bonds of lessor (see tement appended). As of Jan. 1, 1923, the follow- properties were absorbed: The Indianapolis & uisille Traction Ry. Co., The Southern Indiana wer Co., the Hydro-Electric Light & Power Co., e Hawks Electric Co., the Winona Electric & ater Co., the Middlebury Electric Co. and the Elec- Transmission Co. of northern Indiana (see 1923 blic Utility Manual). During the year 1923, the mpany also purchased the electric properties of the ntinental Utilities Co., the electric properties in the vns of Claypool and Silver Lake, and the water perty of the Jeffersonville Water, Light & Power . During 1924 purchased the municipally owned ht and power property at North Vernon, and the ctric light and power property at Leesburg. In adion, it acquired 59.3 miles of 33,000 volt transmisn line from the Winona Service Company from ich five communities are served wholesale; also the s plants and distribution systems of Goshen and arsaw, the latter also supplying Winona Lake, were rchased.

During 1925 company acquired full ownership of, d now operates under the name of the Interstate blic Service Company, the Indiana Power Co. (see 25 Manual, page 2120), the Knox & Sullivan County ght and Power Co. and the Consumers Power Co. ese three companies served 44 communities in the uthwestern part of Indiana, and are now served from t company's Edwardsport generating station.

Also acquired in 1925, the Orange County Public Service Co. (serving six communities and 1,934 consumers); Brownstown Water & Light Co. and Jackson County Transmission Co. (serving five communities and 965 consumers); The Mentone Electric Co., Mentone, Ind. (serving 260 customers); the Vernon Hydro Electric Co., Vernon, Ind. (serving 123 customers); and the Municipal Lighting Co., Loogootee, Ind. (serving 374 customers).

In May, 1926, Company purchased the French Lick & West Baden Water, Light, Heat & Power Co. New communities, added during 1926, were as follows: French Lick, West Baden, Shoals, Pine Village, Lanesville, Graysville, Johnstown, Lynnville, New Lebanon, Pennville, Seafield, Star City, all in Indiana.

On Dec. 31, 1927, the Company served a total of 161 communities: Electricity to 160, gas to 15, water to 17, street railway service to three, suburban railway service to three and interurban railway service to 29. Electric, gas and water connections were established, at the end of the year, with 131,708 customers. In addition electric energy is sold at wholesale to 95 other communities, a total of 227 communities with a combined population in excess of 387,110. The Company also operates the interurban railway between Indianapolis and Louisville, a distance of 114 miles, the suburban railway between Louisville, New Albany and Jeffersonville; and the city car lines in Jeffersonville, New Albany and Columbus. The company has acquired by purchase all of the competing bus lines operating in the territory served, which has placed it in exclusive control of the interurban and bus transportation facilities between Indianapolis and Louisville. Forty-one buses are in regular daily operation.

The Company operates 1,573.5 miles of high tension transmission lines, inter-connected with its generating stations for furnishing service to the various towns and cities. There are 308.2 miles of gas mains and 181.1 miles of water mains.

Interstate Car Trust Equipment Co.—The Interstate Public Service Co. owned the entire Common stock of this company (see 1926 Public Utility Manual, page 1557), which called for redemption on Feb. 1, 1927, its remaining outstanding Pfd. stock. The Interstate Car Trust Equipment Co. has been dissolved.

OPERATING STATISTICS, DECEMBER 31

	Communities Served	No. of Customers	Connected Load (K.W.)	Output (K. W. H.)
1921	39	58,982	49,567	54,073,502
1922	40	63,542	54,235	80,759,173
1923	71	83,039	91,328	96,632,681
1924	73	86,494	97,958	111,003,271
1925	136	116,050	141,794	146,203,730
1926	151	123,963	149,102	225,812,630
1927	161	131,708	165,611	237,227,562

CAPITAL STOCK

Authorized, $7,500,000 Common, par, $100, 125,000 shares Common of no par value, $7,500,000 6% cumulative Pfd., par, $100, and $10,000,000 7% Prior Lien stock, par, $100; outstanding, Dec. 31, 1927, $6,310,300 Common (par, $100), 81,572 shares Common of no par value, $6,095,100 Pfd. and $9,011,000 Prior Lien stock. In addition $124,700 Common (par, $100) and $51,200 Pfd. held in treasury. Also $22,100 Prior Lien stock and $32,600 Pfd. stock subscribed. The 7% Prior Lien stock is callable at $110 and accrued dividend.

Annual Meeting—First Monday in March.

Price Range—

	1927	1926	1925	1924	1923
7% Prior Lien—					
High	104	99½	100	100	100
Low	98	96½	90	90	90
6% Preferred—					
High	90	..	..	..	..
Low	82	..	..	..	..

Dividends—Quarterly dividends of 1¾% on Prior Lien stock regularly paid J, A, J & O 15. On Pfd. stock quarterly dividends of 1½% were paid in 1923, 1924, 1925, 1926 and 1927; payments, F, M, A & N 15. On Common, dividends of $4 per share were paid in January, 1926, covering the preceding calendar year; $3 per share in 1927, quarterly, J, A, J & O.

FUNDED DEBT

(1)

$8,551,900 INTERSTATE PUBLIC SERVICE CO. FIRST MORTGAGE & REFUNDING GOLD 6s, SERIES "A"; DUE FEBRUARY 1, 1948

Called for redemption on March 22, 1928 at 105 and interest at Union Trust Co. of Indianapolis, Ind.

(2)

$2,661,700 INTERSTATE PUBLIC SERVICE CO. FIRST MORTGAGE & REFUNDING GOLD 6½s, SERIES "B"; DUE JANUARY 1, 1949

(3)

$2,838,500 INTERSTATE PUBLIC SERVICE CO. FIRST MORTGAGE & REFUNDING GOLD 5½s, SERIES "C"; DUE OCTOBER 1, 1950

Called for redemption on March 22, 1928 at 105 and interest at Union Trust Co. of Indianapolis, Ind.

(4)

$10,000,000 INTERSTATE PUBLIC SERVICE CO. FIRST MORTGAGE & REFUNDING GOLD 5s, SERIES "D"; DUE DECEMBER 1, 1956

(5)

$750,000 INTERSTATE PUBLIC SERVICE CO. FIRST MORTGAGE & REFUNDING GOLD 5s, SERIES "E"; DUE SEPTEMBER 1, 1957

Purchased and cancelled since December 31, 1927

(6)

$12,554,000 INTERSTATE PUBLIC SERVICE CO. FIRST MORTGAGE & REFUNDING GOLD 4½s, SERIES "F"; DUE MARCH 1, 1958

Dated Series "B," January 1, 1924; Series "D," December 1, 1926; Series "F," March 1, 1928.

Interest Payable January and July 1 on Series "B," June and December 1 on Series "D" and March and September 1 on Series "F," at Halsey, Stuart & Co., Inc., Chicago and New York.

Denominations—Coupon (interchangeable denominations), $100, $500 and $1,000; principal may be registered.

Provisions of Issue—At March 31, 1928, there were outstanding under the mortgage $25,215,700 ($2,61[illegible]700 Series "B," $10,000,000 Series "D," and $12,554,00 Series "F") bonds. The proceeds of $10,000,000 Seri "D" 5s were used in part to refund the followi underlying issues: Indiana Public Service Co. First 5 due Jan. 1, 1931; Franklin Water, Light & Power C First 5s, due Apr. 1, 1929; Shelby County Water, G & Electric Co. First Sinking Fund 5s, due March 1930; Central Indiana Lighting Co. First & Refundi 5s, due May 1, 1927; United Gas & Electric Co. Co solidated 5s, due serially to July 1, 1942; Indianapo & Louisville Traction Co. First 5s, due Apr. 1, 194 Jeffersonville Water, Light & Power Co. First 5s, d serially to Feb. 1, 1930; Warsaw Gas Co. First Cons lidated 5s, due Apr. 1, 1943; Goshen Gas Co. First 6 due June 1, 1929, Goshen Gas Co. First Consolidated 5 due Dec. 1, 1942; Orange County Public Service C First & Refunding 6s, due Apr. 1, 1936; Indiana Pow Co. First & Refunding 6s, due Nov. 1, 1944; Indian Power Co. First Lien & General 6½s Series "B" d Nov. 1, 1941; Indiana Power Co. Sinking Fund 7½ due Nov. 1, 1941; Indiana Power Co. 3-year 5½% Go Notes, due Feb. 1, 1928; Indiana Power & Water C First Sinking Fund 6s, due Sept. 1, 1936; Brownstow Water & Light Co. First 6s, due 1926 to 1931; Ci of North Vernon Refunding 4½s, due Jan. 1, 192 and City of North Vernon Electric Light & Water 5 due June 15, 1929. All the foregoing issues we called for redemption on the next interest date aft Dec. 15, 1926.

The proceeds from the issue of Series "F" bon were used to refund the First Mortgage & Refundi Gold 6s, Series "A," due Feb. 1, 1948 and 5½s, Seri "C," due Oct. 1, 1950, and for other corporate purpos

Additional bonds of these series (or other seri bearing such rates of interest, maturing at such tim and having such other provisions as the Directors t the time of issuance may determine) may be issu against the deposit, par for par, of cash or Unit States obligations or underlying bonds (as defined the mortgage), or to refund underlying bonds a bonds of other series issued under the mortgage, a to the extent of 75% of expenditures for permane improvements, betterments or extensions, and of t cost or value (whichever is less) of purchased pro erty. Bonds may also be issued to the extent of 75 of expenditures made for stock of a subsidiary and f additions and betterments to its property and of t cost or value (whichever is less) of purchased pro erty acquired by a subsidiary, and to refund par f par its indebtedness, provided bonds secured by mo gage upon the property of such subsidiary shall pledged in an amount equal to all such expenditur made or indebtedness refunded, and provided that t total amount of bonds issued under the mortgage respect of any subsidiary together with the princip amount of all mortgage indebtedness upon the pro erty of such subsidiary outstanding in the hands the public (except any bonds for the retirement which the necessary moneys shall have been dep ited under the mortgage securing the same) shall n exceed 75% of the value (as defined in the mortgag of the permanent property of such subsidiary. Bon issued on account of expenditures made for additio or betterments or purchased property of the Co pany or of any subsidiary or for the stock of any su sidiary or to refund the indebtedness of a subsidia may not be issued unless the net earnings of the Co pany and its subsidiaries, if any, during the twel consecutive calendar months ending within sixty da next preceding the date of issuance shall have be at least 1¾ times the interest charges on all bon then issued and outstanding and those then propos to be issued under the mortgage, and on all bon

nderlying in the case of the Company) then outanding in the hands of the public and secured by ortgage on any property of the Company or any bsidiary, except any bonds for the retirement of hich the necessary moneys shall have been depos-d under the mortgage securing the same.

Series "B" bonds are callable in whole or in part at y time subsequent to Dec. 21, 1933, upon thirty ys' published notice at the following prices and ac-ued interest: 107½% if redeemed during the five ars ending Dec. 31, 1938; 105 if redeemed during e five years ending Dec. 31, 1943, and if redeemed bsequent to Dec. 31, 1943, but on or before Dec. , 1947, at 102½ less one-half of 1% for each year or rt thereof elapsed after Dec. 31, 1944, and if re-emed after Dec. 31, 1947, at par.

Series "D" bonds are callable as a whole or in part on 30 days' notice, at the following prices and in-rest: To Dec. 1, 1936 at 105; on and from Dec. 1, 36 to Dec. 1, 1946 at 103; on and from Dec. 1, 1946 Dec. 1, 1951 at 102½; on Dec. 1, 1951 at 102 and reafter at 102 less ½ of 1% for each full year psed after Nov. 30, 1951. Subsequent to Nov. 30, 55, redeemable at 100.

Series "F" bonds are callable as a whole or in part on 30 days' notice at the following prices and crued interest: To March 1, 1938 at 105; on and om March 1, 1938 to March 1, 1943 at 104; on and om March 1, 1943 to March 1, 1948 at 103; on and om March 1, 1948 to March 1, 1953 at 102; on and om March 1, 1957 at 101, and on March 1, 1957 and reafter to maturity at 100.

Maintenance Fund—The Company covenants that long as any bonds are outstanding under this mort-ge, it will expend annually an amount equal to not s than 12½% of the gross earnings for such year, maintenance, new property and permanent addi-ns, extensions and improvements, in connection th its own property or property of a subsidiary, or the redemption and cancellation of First Mortgage d Refunding Gold Bonds. No additional bonds ay be issued on account of any expenditures made compliance with this provision of the mortgage.

Security—The First Mortgage and Refunding Gold nds are a direct obligation of the Company, and are cured by a mortgage covering as a direct lien all ed property now owned or hereafter acquired. The ortgage is a first mortgage on electric, gas and ter properties, valued at an amount largely in excess the First Mortgage and Refunding Gold bonds at esent outstanding. The mortgage is also a direct n on the balance of the Company's property subject $1,774,900 closed prior liens outstanding in hands of blic Dec. 31, 1927. The 999-year lease of the Indian-olis, Columbus & Southern Traction Co. is pledged der the mortgage. Under the terms of this lease, part of the rental, the Company pays the interest on e leased company's closed issue of $973,000 25-ar First Mortgage 6% Gold Bonds, due February 1948.

Tax Provisions—Company pays Normal Federal come Tax up to 2% and agrees to reimburse holders these bonds if requested within sixty days er payment for the Pennsylvania 4 mills and Mary-nd 4½ mills taxes and for the Connecticut and Dis-ct of Columbia personal property taxes not ex-eding 4 mills (5 mills in case of Series "D" bonds) r $1.00 per annum, and for the Massachusetts In-me Tax on the interest not exceeding 6% of such erest per annum.

Original Offering—First publicly offered ($7,192,-0 Series "A" 6s) in July, 1923, at 91½ and interest, Halsey, Stuart & Co., Inc., A. B. Leach & Co., Inc., d E. H. Rollins & Sons, New York, etc.; $2,750,000 ries "B" 6½s were publicly offered in January, 1924, 98 and interest and $2,825,000 Series "C" 5½s in tober, 1925, at 97¼ and interest, to yield over 0% by the same bankers. $10,000,000 Series "D" 5s first publicly offered in December, 1926 by A. B. Leach & Co., Inc., New York, etc., Halsey, Stuart & Co., Inc. and Hill, Joiner & Co., Inc., Chicago.

$12,554,000 Series "F" bonds were first publicly offered in March, 1928, at 94½ and interest to yield about 4.85% by Halsey, Stuart & Co., Inc., A. B. Leach & Co., Inc., E. H. Rollins & Sons and Hill, Joiner & Co., Inc., New York, etc.

(7)

$72,500 PEOPLES GAS, ELECTRIC & HEATING CO. FIRST MORTGAGE 5s; DUE JUNE 1, 1931

Interest Payable June and December 1, at Continental National Bank & Trust Co., Chicago.

Sinking Fund—The bonds are being retired by annual payments from sinking fund.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(8)

$460,000 UNITED GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE SERIALLY TO JULY 1, 1942

Dated July 1, 1902.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago, and Eliot National Bank, Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized issue, $750,000, but mortgage is closed.

Callability—Subject to call at 105 and interest.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(9)

$1,242,400 INDIANA POWER COMPANY FIRST LIEN AND GENERAL MORTGAGE GOLD BONDS, SERIES "A" 7½s; DUE NOVEMBER 1, 1941

Dated November 1, 1921.

Interest Payable May and November 1, at Continental National Bank & Trust Co. Chicago and The First National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Continental National Bank & Trust Co., Chicago. W. P. Kopf, Co-Trustee.

Provisions of Issue—Authorized issue, $15,000,000, but mortgage is closed.

Callability—Bonds are not subject to call prior to maturity.

Maintenance and Improvement Fund—The company covenants to set aside a Maintenance and Improvement Fund equal to 15% of the gross earnings of the company, to be handled as follows: Immediately after receipt by the company of its operating statement for the previous month, but not later than 30 days after the close of such month, a credit will be set up on the books of the company equal to 15% of the gross earnings. The company may charge into this fund maintenance and repairs, and any balance remaining may be used for additions and improvements to the property for which no additional bonds under this indenture or any other indenture of the company may be issued, or it may use any portion of the balance remaining for retirement of outstanding bonds of this issue.

Security—The First Lien & General Mortgage Gold bonds are secured by a direct mortgage on entire property of Company now owned or hereafter acquired. Bonds of Series "A" are additionally secured by pledge with the Trustees of an equal amount of company's First and Refunding Mortgage Gold bonds, thereby sharing in a first lien on a substantial portion of the property of the Company, and are also a lien on the balance of the property subject to the closed issue of Indiana Power & Water Co. 6% bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Mayer, Meyer, Austrian & Platt, Chicago (for the Company); Seibert & Riggs, New York (for the bankers).

Original Offering—First publicly offered ($1,100,000 Series "A" 7½s) in Dec., 1921, at par and accrued interest, to yield 7½%, by W. C. Langley & Co., New York, and King, Hoagland & Co., Chicago.

Price Range—

	1927	1926	1925	1924	192
High	111	.....	.....	104	10
Low	107½	.....	.....	101	10

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$9,991,303	$9,721,901	$8,916,454	$6,800,039	$6,421,594	$4,426,7
Operating expenses	5,820,799	5,683,682	5,391,629			
Retirement reserve	253,137	281,651	248,466	4,961,942	4,825,177	3,307,8
Taxes	630,440	625,197	546,255			
Uncollectible bills	29,269	19,356	27,700	.....	.....	.....
Operating income	$3,257,658	$3,112,015	$2,702,404	$1,838,097	$1,596,417	$1,118,9
Rent for leased lines	164,884	165,215	171,296	181,810	.....	.....
Net operating income	$3,092,774	$2,946,800	$2,531,108	$1,656,287	$1,596,417	$1,118,9
Non-operating income	29,074	28,708	38,502	60,250	.....	.....
Gross income	$3,121,848	$2,975,508	$2,569,610	$1,716,537	$1,596,417	$1,118,9
Interest on funded debt	1,470,792	1,405,349	1,264,582	832,244	‡910,761	‡716,6
Amortization of debt discount and expense	102,940	72,233	95,817	48,475		
*Other charges	.....	.....	36,934	.....	.....	.....
Miscellaneous interest	6,033	.....	54,433	.....	.....	.....
Net income	$1,542,083	$1,497,926	$1,117,844	$835,818	$685,656	$402,8
Dividends paid and accrued—						
Prior lien stock	$631,376	$633,163	$584,936	$345,649	$250,461	$65,8
Preferred stock	365,972	366,513	222,186	313,800	298,108	283,0
Common stock	411,525	374,025	385,416	.....	.....	.....
Surplus for year	$133,210	$124,225	†$74,694	$176,369	$137,087	$53,9

*Dividends paid on Pfd. stock of Indiana Power Co. to date of purchase of property. †Deficit. ‡Includes rents.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$52,160,960	$50,270,799	$47,471,949
Cash	458,543	425,794	215,336
Notes receivable	5,706	79,892	41,321
Accounts receivable	1,058,207	1,142,830	1,097,225
Interest and dividends rec.	645	363	.....
Materials and supplies	578,638	640,978	745,058
Prepayments	17,200	19,343	22,150
Subscribers to capital stock	25,751	72,862	230,468
Miscellaneous current assets	.....	9,750	8,325
Investments in affil. cos.	601,718	421,165	443,610
Miscellaneous investments	136,454	5,355	10,706
Sinking funds	26,104	23,388	125,296
Special deposits	14,716	14,364	24,705
Replacement fund	.....	257	301
Unamor. debt disct. & exp.	2,455,070	2,517,163	1,700,649
Misc. deferred debits	215,681	247,613	322,328
Discount on capital stock	853,563	856,773	929,311
Reacquired securities at cost	111,495	.....	.....
Total	$58,720,451	$56,748,689	$53,388,738

Liabilities—	1927	1926	192
Common stock	$6,310,300	$6,310,300	$6,310,0
Com. stock without par val.	6,117,900	4,617,900	2,493,8
Prior Lien 7% Pfd. stock	9,073,300	9,001,500	9,045,0
Pfd. 6% cumulative	6,146,300	6,082,100	6,245,0
Prior Lien 7% Pfd. stock subscribed	22,100	33,500	168,0
6% Pfd. stock subscribed	32,600	92,400	160,0
Funded debt	26,577,000	26,039,600	23,136,0
Unmatured liability under purchase contract	.....	.....	795,0
Notes & accounts payable	591,652	490,337	1,101,8
Consumers' depos. & misc.	248,189	225,681	221,0
Dividends declared	266,199	531,551	.....
Misc. current liabilities	6,080	.....	.....
Taxes accrued	546,097	507,185	420,7
Interest accrued	330,185	422,550	402,8
Other accrued liabilities	30,260	31,036	31,6
Misc. deferred obligations	4,000	29,358	
Dividends accrued	60,951	60,821	606,1
Advances from affil. cos.	.....	.....	60,0
Reserves:			
Retirement reserve	1,256,110	1,274,805	1,418,6
Casualty reserve	14,728	11,865	2,8
Other reserves	20,454	26,458	29,2
Contributions for extensions	76,288	62,584	32,3
Misc. unadjusted credits	319	3,819	5,9
Surplus	989,439	893,339	790,2
Total	$58,720,451	$56,748,689	$53,388,8

Officers: E. Van Arsdel, Pres.; I. L. Oppenheimer, V-P., in charge of Electric, Gas and Water Operations; L. M. Brown, V-P. in charge of Railway Operations; W. Marshall Dale, V-P. in charge of Finances and Treas.; A. D. Jones, V-P. & Aud.; Lois Allen, Sec.; A. E. Irwin, Asst. Treas.; W. S. Campbell, Pur. Agt., Indianapolis, Ind.

Directors: E. Van Arsdel, W. Marshall Dale, L. Brown, I. L. Oppenheimer, C. C. Argabrite, A. Jones, Indianapolis, Ind.; L. B. Herrington, Louisville, Ky.

Office, Indianapolis, Ind.

INDIANAPOLIS, COLUMBUS & SOUTHERN TRACTION CO.

(Leased to Interstate Public Service Co.)

History and Property—Incorporated in 1895 under the laws of Indiana as the Indianapolis, Greenwood and Franklin R. R.; name changed to present title in Jan., 1903. Leased to Interstate Public Service Co. for 999 years from Sept. 7, 1912. Owns 58 miles of track, located chiefly on private right of way, between Indianapolis and Seymour, through the towns of Greenwood, Franklin, Edinburg and Columbus, Ind. All franchises were surrendered in 1917 and indeterminate permits received from the State of Indiana under the provisions of the Public Service Commission law. Gauge, standard. Rail, 60 and 80 lb. T. Motor cars, 22. Connects at Seymour with the tracks of the Interstate Public Service Co. for joint through service between Indianapolis and Louisville.

CAPITAL STOCK

Authorized and outstanding, $1,840,000 (increased from $910,000, in Sept., 1912); par, $100. Stock transferred at Sec'y's office. Annual meeting, third Tuesday in January. Dividends under lease, 5% per annum.

FUNDED DEBT

$973,000 FIRST MORTGAGE GOLD 6s; DUE FEB. 1, 1948

Dated February 1, 1923.

Interest Payable February and August 1, at Fletcher American National Bank, Indianapolis, and Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fletcher American National Bank, Indianapolis.

Provisions of Issue—Authorized and issued, $973,000; mortgage closed. These bonds were issued to refund an issue of First Mortgage 5% bonds which matured Feb. 1, 1923, the proceeds of this issue being used for that purpose.

Callability—Subject to call on any interest date upon 60 days' notice at 105 and interest on or before Feb. 1, 19[illegible] from Feb. 1, 1928 to Feb. 1, 1933, at 104 and interest; from Feb. 1, 1933, to Feb. 1, 1938, at 103 and interest; from F[illegible]

1938, to Aug. 1, 1946, at 102 and interest and thereafter at and interest.
Security—Secured by a closed first mortgage on all property Company now owned or hereafter acquired. This property ludes in addition to the 58 miles of main track described ove, four miles of sidings and all sub-stations, overhead nstruction, transmission lines, rolling stock and other prop- y needful to the operation of a modern traction system.
Tax Provision—Company pays Normal Federal Income x up to 2%.
Legal Opinion—Smith, Remster, Hornbrook & Smith, In- napolis.
Original Offering—First publicly offered ($973,000) in Dec., 2, at 100 and interest, to yield 6%, by Illinois Merchants ust Co., Chicago, and Fletcher American Co., Indian- olis.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
oss earnings	$675,186	$706,317	$680,404
er. exp. taxes, etc.	510,824	361,026	380,027
Net earnings	$164,362	$345,291	$300,377
nd interest	58,380	58,380	58,380
Net income	$105,982	$286,911	$241,997

Officers: William G. Irwin, Pres.; Linnie Irwin Sweeney, P.; H. T. Miller, Sec. & Treas., Columbus, Ind.
Directors: H. T. Miller, W. G. Irwin, Z. T. Sweeney, Linnie Sweeney, Nettie S. Miller, Columbus, Ind.
Office, Columbus, Ind.

INDIANA HYDRO-ELECTRIC POWER CO.

(Operated by Interstate Public Service Co.)

History—Inc. in 1921, in Ind., for the purpose of veloping hydro-electric power on the Tippecanoe ver, and has acquired all the properties and rights the Tippecanoe Hydraulic Co. and the Tippecanoe ectric & Power Co. The company has acquired rpetual rights to use the entire flow of the Tippe- noe River at three power sites in the vicinity of onticello in Northern Indiana; the ultimate capac- of these developments is estimated to be 31,000 . The company has now in operation at Norway, d., a modern hydro-electric power station with an stalled capacity of 8,720 h.p., and has completed a cond development at Oakdale which has an installed pacity of 16,750 h.p. The company will dispose of e output of the Norway and Oakdale plants to two the Middle West Utilities Co. subsidiaries, the In- rstate Public Service Co. in Indiana and the Central inois Public Service Co. in Illinois, under contracts proved by the Public Service Commissions of In- ana and Illinois. The properties of the Indiana Hy- o-Electric Power Co. are being operated by the terstate Public Service Co. Company began opera- ns Sept. 1, 1923. The other site owned and avail- le for future development is Springboro, 8,500 h.p., e ultimate development of 31,000 h.p. being esti- ated to produce about 75,000,000 k.w.h. annually.

CAPITAL STOCK

Authorized, $3,500,000 Common and $2,150,000 7% mulative Pfd.; outstanding, $3,500,000 Common and ,993,400 Pfd.; par, $100. Stock control held by Mid- e West Utilities Co. The Pfd. stock is subject to demption at par and accumulated dividends and has eference for assets.

Dividends—Pfd. dividends regularly paid M, J, S & D 15. No dividends on Common.

FUNDED DEBT

$1,205,200 FIRST MORTGAGE SINKING FUND GOLD 7s, SERIES "A"; DUE DECEMBER 1, 1951
$1,686,100 FIRST MORTGAGE SINKING FUND GOLD 6s, SERIES "B"; DUE DECEMBER 1, 1951

All of the outstanding Series "A" bonds and Series "B" First Mortgage bonds were called for redemption on June 1, 1928 at 107½ and interest at Continental National Bank & Trust Co., Chicago, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$572,034	$494,354	$183,879
Oper. exps. & taxes	158,621	138,375	52,611
Depreciation	20,000	20,000	10,000
Net earnings	$393,413	$335,979	$121,268
Other income	4,479	577	62,013
Total income	$397,892	$336,556	$183,281
Bond interest	188,390	192,050	96,250
Other interest	1,315	6,738	10,403
Amort. of debt disc. & exp.	12,577	12,575	6,424
Total charges	$202,282	$211,363	$113,077
Surplus after charges	195,610	125,193	70,204
Preferred dividends	138,372	123,216	69,947
Surplus for year	$57,238	$1,977	$257

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property & equipment	$8,020,752	$8,006,657	$7,897,705
Materials and supplies	.....	1,272	.....
Cash	136,577	123,461	93,131
Accounts receivable	73,985	40,523	78,631
Other current assets	103	41,013	131,670
Sinking funds	5,053	.....	.....
Special deposit	931	.....	.....
Discount on capital stock	26,408	.....	.....
Deferred debit items	302,378	345,927	354,365
Total	$8,566,187	$8,558,853	$8,555,502
Liabilities—			
Common stock	$3,500,000	$3,500,000	$3,500,000
Preferred stock	1,993,400	1,893,200	1,548,200
Capital stock subscribed	100	46,600	233,300
Funded debt	2,891,300	2,949,600	3,000,000
Notes payable	.....	.....	18,058
Accounts payable	6,620	64,411	170,019
Interest accrued	15,461	15,771	16,252
Dividends accrued	11,628	11,044	9,031
Reserve for taxes	29,044	27,688	29,670
Reserve for depreciation	54,641	40,000	20,000
Reserve for contingencies	52,300	.....	.....
Surplus	11,693	10,539	10,972
Total	$8,566,187	$8,558,853	$8,555,502

Officers: Samuel Insull, Chairman, Chicago, Ill.; E. Van Arsdel, Pres.; I. L. Oppenheimer, V-P.; W. Marshall Dale, Sec. & Treas.; Lois Allen, Asst. Sec.; A. E. Irwin, Asst. Treas.; A. D. Jones, Aud., Indianapolis, Ind

Directors: Samuel Insull, F. E. Kruesi, Chicago, Ill.; E. Van Arsdel, W. Marshall Dale, A. D. Jones, L. M. Brown, F. A. Dale, Indianapolis, Ind.

General Office, 1000-1100 J. F. Wild Bldg., Indianapolis, Ind.

THE KANSAS ELECTRIC POWER COMPANY

(Controlled by Middle West Utilities Company)

History—Incorporated June 16, 1922, in Kansas, as ccessor to the Kansas Electric Utilities Company. 1922 The Kansas Electric Power Company ac- ired the properties of the Leavenworth Light, Heat Power Company and Bonner Springs Electric & anufacturing Company. In 1926 acquired property Eastern Kansas Power Co. (see 1926 Public Utility olume page 1647) Supplies electric light and wer to the cities of Leavenworth, Lawrence, Em- ria, Council Grove, Bonner Springs, Parsons, Kans., d adjacent territory; natural gas to Leavenworth; d operates street railway and bus transportation systems in Lawrence and Emporia. Through Ohio Electric Power Co. the Company supplies electric light and power to 50 communities in Indiana and Ohio. Street railway in Parsons was abandoned in 1918. Permission was granted by the City of Emporia to convert the street railway system to bus operation. Company formerly controlled, but now owns 40% of capital stock of Ohio Electric Power Co., the controlling interest being held by National Electric Power Company. Ohio Electric Power Co. in turn owns entire capital stock of Union City (Ind.) Electric Company. Number of consumers, including customers of these

two companies—Electric, 35,795; gas, 5,454. Miles of transmission lines, 777. Power plant capacity, 27,091 k.v.a. Has two principal power plants and five reserves. Total k.w.h. output in 1927, 75,699,320 k.w.h., compared with 70,944,714 k.w.h. in 1926. Sub-station capacity, 20,067 k.v.a. Miles of gas mains, 51. Gas sold in 1927, 248,195,700 cu. ft. compared with 235,799,550 cu. ft. in 1926. Number of communities served (including those served by the two companies mentioned above), 119.

CAPITAL STOCK

Authorized, 52,500 shares Common of no par value and $5,000,000 7% cumulative Pfd., of $100 par value; outstanding 52,500 shares Common and $2,085,800 Pfd. The National Electric Power Company formerly owned the entire Common stock, but transferred this early in 1928 to the Middle West Utilities Company.

Preferred Stock Provisions—Subject to call, as a whole or in part at option of the Company, upon at least 30 days' notice, at 115 and unpaid dividends, and has preference both as to assets and dividends over the Common stock. No additional Pfd. stock can be issued unless earnings applicable to preferred dividends are equal to at least three times dividend requirements on the outstanding Pfd. stock, together with proposed additional stock. Further provided that net earnings after taxes shall equal 1½ times interest charges on funded debt and Pfd. dividend requirements. No superior preference stock shall be issued, except with the consent of 80% of the Pfd. stock then outstanding.

After July 1, 1922, no cash dividends on the Common stock shall be paid in excess of $100,000 per annum until the Company shall have accumulated a surplus from its net earnings at least equal to the dividend requirements for a period of two years on all Pfd. stock outstanding, but, if and when the amount of the company's surplus from its net earnings shall have reached an amount equal to the dividend requirements for a period of two years on all of its Pfd. stock outstanding, then no cash dividends shall thereafter be declared or paid on the Common stock which shall reduce its surplus below that amount.

The Company covenants with the trustee to expend and/or set aside annually, so long as any of the Pfd. stock is outstanding, at least 8% of gross operating revenue for the maintenance, renewal and replacement of the physical properties owned and operated by it. Any part not used for such purposes may be expended for additions, extensions and improvements to the properties.

Transfer Agent (Pfd. Stock)—The Seaboard National Bank, New York. Common stock transferred at office of Company.

Registrar (Pfd. Stock)—The American Exchange Irving Trust Co., New York.

Annual Meeting—First Monday in January.

Legal Opinion (Pfd. Stock)—R. F. Rice, Lawrence, Kan. (for the Company), Seibert & Riggs, New York (for the bankers).

Price Range—

Preferred—	1927	1926
High	104	98½
Low	98	95½

Dividends—Initial dividend of 1¾% paid on Pfd. stock Jan. 2, 1923 and at same rate quarterly since; payments J, A, J & O 1, to stock of record about M, J, S & D 20. Common dividends paid at rate of 7% per annum to Dec. 31, 1924; in 1925, $8.33 per share; in 1926, $5.50 per share; in 1927, $6.00 per share.

FUNDED DEBT

(1)

$3,000,000 FIRST MORTGAGE 6% SERIES "A" GOLD BONDS; DUE JUNE 1, 1937

Dated June 1, 1922.

Interest Payable June and December 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered. Bonds in denomination of $1,000 may be fully registered. Coupon and fully registered bonds interchangeable.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Bonds of Series "A" are limited to $3,000,000. Bonds of other series may be issued bearing such rates of interest and having such maturity dates as the Board of Directors of the Company may determine. Additional bonds may only be issued for not more than 80% of the cost price or fair value of new property additions, betterments and improvements, and only when the net earnings of the company for twelve of the next preceding fifteen months shall have been at least double the interest charges on bonds outstanding under this mortgage and on those bonds proposed to be issued.

Callability—Series "A" bonds cannot be called prior to maturity.

Maintenance and Renewal Fund—Company covenants to expend or set aside annually, beginning on or before Aug. 1, 1922, at least 8% of gross operating revenue for maintenance, or for renewals and replacements to the properties. Any part not used for such purposes may be expended for additions, extensions and improvements to the properties, but such expenditures may not be used as the basis for issuing additional bonds.

Security—Secured equally with the Series of 19[illegible] by a direct first mortgage upon the entire property of company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The present Pennsylvania and Connecticut annual 4 mill tax refunded upon application.

Original Offering—First publicly offered ($3,000,000) in June, 1922, at 97 and interest, by Bonbright & Co., Inc., and W. C. Langley & Co., New York, etc.

Price Range—

	1927	1926	1925	19[illegible]
High	105½	104½	102	99
Low	104	100	97¾	94

(2)

$1,500,000 FIRST MORTGAGE GOLD 6s, "SERIES OF 1943" DUE JUNE 1, 1943

Dated June 1, 1923.

Interest Payable June and December 1, at The American Exchange Irving Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered. Fully registered bonds in denomination of $1,000. Coupon and fully registered bonds of $1,000 interchangeable.

Trustee—The American Exchange Irving Trust Co., New York.

Provisions of Issue—Additional bonds may be issued in series bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by the Board of Directors of the company, in the aggregate principal amount of $25,000,000, subject, however, to the restrictive provisions of the mortgage. Additional bonds (other than bonds of Series "A" which are limited to $3,000,000) may be issued for not exceeding 80% of the cost or fair value of hereafter acquired property or of additions, extensions and improvements to the properties of the company, provided net earnings are at least twice the annual interest charges on all bonds outstanding and those proposed to be issued.

Callability—Subject to call in whole or in part at the option of the Company on any interest date prior to maturity on at least three weeks' published notice at 105 and accrued interest.

Maintenance and Renewal Fund.—Company covenants to expend for maintenance, renewals and replacements a sum equal to at least 8% of its gross operating revenue for each calendar year or to pay to the trustee annually as a Maintenance and Improvemen

ind, a sum equal to 8% of its gross operating revenue r each calendar year less the actual expenditures for aintenance, renewals and replacements during such riod. This fund may be drawn upon for further exnditures for maintenance, renewals and replaceents. No expenditures made in accordance with this venant may be used as the basis for the issuance of nds under the mortgage.

Security—Secured equally with the Series "A" nds, by a direct first mortgage on all the property the Company. All the outstanding capital stocks subsidiary companies (except directors' qualifying ares) are pledged under the indenture.

Tax Provisions—Company pays Normal Federal Inme Tax up to 2%. The present Pennsylvania and onnecticut annual 4 mill tax refunded upon applition.

Original Offering—First publicly offered ($1,000,-0) in Sept., 1923, at 96 and interest, by Bonbright & ., Inc., and W. C. Langley & Co., New York, etc.

Price Range—

	1927	1926	1925	1924	1923
gh	104½	104¼	102	99	96
w	103½	99¾	97¾	89½	89½

(3)

000,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES OF 951; DUE JUNE 1, 1951

Dated June 1, 1926.

Interest Payable June and December 1, at The merican Exchange Irving Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; incipal may be registered. Fully registered bonds in denominations of $1,000. Coupon and fully registered bonds of $1,000 interchangeable.

Trustee—The American Exchange Irving Trust Co., New York.

Provisions of Issue, Maintenance and Renewal Fund—See under description of First Mortgage Gold 6s, Series of 1943 above.

Purpose of Issue—Proceeds from sale of these bonds used to pay for extensions, additions and improvements to plants and properties of Company and for other corporate purposes.

Callability—Subject to call as a whole or in part, on any interest date, on 3 weeks' notice, to June 1, 1936, at 105 and interest, thereafter to June 1, 1949 at ¼ of 1% less for each year, and thereafter at par and interest.

Security—Bonds are secured by a direct first mortgage on all property of Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Pennsylvania and Connecticut 4 mills Personal Property taxes and Maryland 4½ mills Security tax refundable.

Legal Opinion—Seibert & Riggs, New York, and R. F. Rice, Lawrence, Kans.

Original Offering—First publicly offered ($1,000,-000) in September, 1926, at 96 and interest, to yield about 5.30%, by W. C. Langley & Co., Bonbright & Co., Inc., and A. C. Allyn & Co., Inc., New York, etc.

Price Range—

	1927	1926
High	*98¾	*95
Low	*94	*94

*High and low bid prices.

COMPARATIVE EARNINGS STATEMENT, YEARS ENDED DECEMBER 31
(The Kansas Electric Power Company)

	1927	1926	1925	1924	1923	1922
oss earnings	$2,377,684	$2,361,448	$2,094,484	$1,820,920	$1,561,776	$1,295,367
erating expenses and taxes	1,404,759	1,416,295	1,314,366	1,219,291	1,040,542	868,120
t earnings	$972,925	$945,153	$780,118	$601,629	$521,234	$427,247
xed charges, etc.	320,000	295,749	270,000	255,917	193,015	138,153
rplus and reserves	$652,925	$649,404	$510,118	$345,712	$328,219	$289,094

COMPARATIVE BALANCE SHEET, DECEMBER 31
(The Kansas Electric Power Company)

Assets—	1927	1926	1925	1924	1923	1922
operty account	$10,135,386	$9,728,198	$7,357,354	$6,881,578	$6,381,083	$5,479,560
vestments	696,552	695,552	309,661	335,061	377,361	375,821
ecial deposit	.....	105,000	.....	.....	.....	.....
rrent assets	655,259	923,643	648,909	652,116	585,384	455,287
her assets	43,766	52,437	49,360	16,765	11,488	19,163
ferred charges	597,433	688,846	631,724	654,738	579,297	502,750
Total	$12,128,396	$12,193,676	$8,997,008	$8,540,258	$7,934,613	$6,832,581
Liabilities—						
pital stock	$2,085,800	$1,946,400	$2,817,600	$2,367,600	$2,200,000	$2,200,000
eferred stock subscribed but not issued	30,580	46,568	54,300	106,060	.....	.....
nded debt	5,500,000	5,500,000	4,500,000	4,500,000	4,000,000	3,000,000
rrent liabilities	82,486	155,320	491,340	291,149	321,999	328,193
crued liabilities	160,900	148,396	112,449	107,821	76,236	53,644
preciation reserve	616,416	637,504	625,957	854,121	1,054,694	947,082
her liabilities	162,888	256,465	260,761	271,417	250,489	298,126
rplus	3,489,326	3,503,023	134,601	42,090	31,195	5,536
Total	$12,128,396	$12,193,676	$8,997,008	$8,540,258	$7,934,613	$6,832,581

Officers: W. C. Blanchard, Pres.; Ralph T. Smalley, . F. Rice, V-Ps., Lawrence, Kans.; F. E. Kruesi, -P., Chicago; L. S. Purcell, Sec. & Treas.; R. S. Fox, sst. Sec. & Asst. Treas., Lawrence, Kans.; G. E. lmsted, Asst. Treas.; H. J. Ludwig, Asst. Sec., icago.

Directors: M. J. Insull, F. E. Kruesi, D. F. Burritt, Chicago; W. C. Blanchard, R. F. Rice, Ralph T. Smalley, J. T. Skinner, L. S. Purcell, Lawrence, Kans.; A. M. Patten, Topeka, Kans.

General Office, Lawrence, Kans.

KENTUCKY UTILITIES COMPANY

(Controlled by Middle West Utilities Co.)

History—Incorporated Aug. 26, 1912, in Ky., as one the operating companies of the Middle West tilities Co. The properties of the Paducah Electric mpany at Paducah, Ky., and of the Kentucky Light Power Company, which operated utilities at Fulton, ickman, Princeton and Dawson Springs, were conyed to the Kentucky Utilities Company during the ar 1926. These companies were formerly subsidiaries of Kentucky Utilities Company. On March 1, 1926, the Kentucky Utilities Company acquired all of the capital stock of the West Kentucky Electric Power Company, which owned a 9,000 h.p. modern generating station at the mouth of the coal mines at Earlington, two large lakes, a large tract of land and extensive transmission and distributing lines, serving several coal mines and towns in the western section

of the state. These properties were consolidated with the Kentucky Utilities Company on June 1, 1926.

In March, 1926, the Kentucky Utilities Company acquired all of the outstanding capital stock of the Old Dominion Power Company. The properties of the Electric Transmission Company of Virginia, theretofore a subsidiary of Kentucky Utilities Company, were conveyed to the Old Dominion Power Company, which also acquired from Kentucky Utilities Company the Common stock of the Old Dominion Ice Corporation. (For details of properties acquired previous to 1926, see earlier issues of the Manual).

During 1927, the Kentucky Utilities Co. offered to give two shares of its $50 par Junior Pfd. stock for one share of Kentucky Hydro-Electric Co. Pfd. stock. Under this offer $2,455,100 Pfd. stock of Kentucky Hydro-Electric Company were exchanged for a like par amount of Kentucky Utilities Co. Junior Pfd. stock.

Properties and Business—The Company, with its subsidiaries, was serving on Dec. 31, 1927, 168 cities and towns direct and selling power at wholesale to 16 other communities. It was also serving current for power and light to 197 coal mines. It was also serving 4 communities with gas, 12 with water, 40 with ice and 1 with street railway transportation, with an aggregate population of 300,000. The principal cities served are Middlesboro, Winchester, Richmond, Somerset, Mt. Sterling, Cynthiana, Shelbyville, Franklin, Morganfield, Central City, Glasgow, Harlan, Fulton, Pineville, Elizabethtown, Hickman, Princeton, Danville, Versailles, Greenville, Lancaster, London, Carlisle, Lebanon, Campbellsville, Springfield, Paducah, Paris, Burnside, Lawrenceburg, Madisonville, McHenry, Sturgis and Dawson Springs, Ky.; Big Stone Gap, Appalachia, Pennington Gap, Norton, Ramsey and Wise, Va.; and Cumberland Gap and Tazewell, Tenn.

The electric transmission lines traverse a large agricultural territory, extending through 40 counties, 14 of which are in the highly fertile "Blue Grass" region in the central part of Kentucky. This is a district of unusually large purchasing power. These properties also operate extensively in the heart of the rich mining region of southeastern Kentucky and western Virginia.

The Company has 11 power stations located near ample fuel and water supplies in various sections of Kentucky and Southwestern Virginia. The total generating capacity of these plants is 89,297 k.w., the equivalent of 119,062 electrical h.p. Current is transmitted through 1,544 miles of high voltage power lines, ranging from 66,000 volts to 2,300 volts. The Company's 15 electrically operated modern ice-making plants have a daily capacity of 450 tons.

At present (Dec. 31, 1927) the Company has two large transmission systems, forming "pools of power," and several smaller groups. One system covers Central and Southeastern Kentucky, extending from St. Paul, Va., to Louisville, Ky. The other covers a large section of Western Kentucky.

The Company operates a completely interconnected power transmission and distribution system covering the central and eastern sections of the state and extending over into southwestern Virginia, with large generating stations at Dix Dam, Pineville, and Varilla, Kentucky, and at Norton and Pocket, Virginia. All of the Company's steam stations supplying this system are located in the coal fields, and combine to great advantage with the water-power station on the Dix River. Another of its power transmission systems covers the western section of the state with modern generating stations at Graham, Earlington and Paducah and having an interconnection at the Ohio river near Morganfield with the Superpower system of the Central Illinois Public Service Company. Eventually these two large power transmission systems of the Company will be linked into a single state-wide system by the construction of two comparatively short transmission lines. Both are now interconnected with the transmission systems of other companies in Illinois, Indiana and Virginia, making available at all times a practically unlimited amount of power for industrial purposes.

STATEMENT OF GROWTH, YEARS ENDED DECEMBER 31

	Elec. Customers	Gas Customers	Water Customers	Total Customers	Connected Load In H.P.	Electric Output k.w.h.
1921	19,051	231	4,844	24,126	64,100	47,545,0
1922	21,555	228	5,171	26,954	78,400	56,361,2
1923	27,544	1,709	5,567	34,820	94,200	77,816,1
1924	33,134	2,668	6,364	42,166	111,000	98,393,1
1925	43,132	5,028	6,565	54,725	149,170	163,353,0
1926	52,982	5,272	7,286	65,540	197,500	227,612,0
1927	58,383	5,308	7,777	71,468	208,000	277,815,1

CAPITAL STOCK

Authorized $10,000,000 Common, $10,000,000 6% cumulative Pfd. and $10,000,000 7% Junior cumulative Pfd.; outstanding, $8,984,600 Common and $7,301,30 6% Pfd., par, $100, and $5,250,850 7% Junior cumulative Pfd., par, $50. The 6% Pfd. stock is callable at any time at $110 per share and accrued dividend. Stock control held by Middle West Utilities Company. Annual meeting, third Tuesday in March.

Listed (Junior Preferred)—Chicago Stock Exchange.

Price Range—

	1927	1926	1925	192
Preferred—				
High	101½	96½	95	9
Low	95	90	82	8
Junior Preferred—				
High	53¼	52½	..	
Low	50⅛	49	..	

Dividends—Dividends of 6% are regularly paid on Pfd., payments quarterly J, A, J & O 15, and 7% paid on Junior cumulative Pfd.; payments quarterly F, M, A & N 20. On Common: 1½% in 1915; ½% in 191; 1½% in 1917; none in 1918; 1% in 1919; 15% in 192; 10% in 1921, 1922, 1923 and 1924; 12½% in 1925; 8% in 1926; 9% in 1927. In addition a dividend in Common stock of 150% ($1,500,000) was paid on Comm in 1921, increasing the outstanding Common stock from $1,000,000 to $2,500,000.

FUNDED DEBT

(1)

$644,800 KENTUCKY UTILITIES COMPANY FIRST MORTGAGE LIEN GOLD 6s, SERIES "C"; DUE MAY 1, 1952

Dated May 1, 1922.

Interest Payable May and November 1, at Illinois Merchants Trust Co., Chicago, or at Chase National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Bonds may be issued in series bearing such rate or rates of interest, maturing at such time or times, and having such redemption privileges as the Board of Directors may determine from time to time as the bonds are issued. Additional bonds may be issued for not exceeding 75% of the actual cash cost or fair value of permanent improvements, betterments or extensions made or new or additional property acquired by the Company. No additional bonds may be issued unless the net earnings of the Company shall have been not less than 1¾ times the annual interest charges on all bonds outstanding under the mortgage, including those applied for.

Maintenance Fund—Beginning with the year ending Dec. 31, 1920, and annually thereafter, the Company, in accordance with the mortgage provision, shall expend an amount equal to not less than 12½% of the combined gross income derived from the operation of the physical properties upon which the First Mortgage Lien bonds shall be a direct or indirect first lien, for maintenance, additions, extensions and improvements made as a permanent investment in said properties, of for the redemption and cancellation of first mortgage lien bonds. No first mortgage lien

nds may be issued on account of any expenditures ade in compliance with this provision of the mort- ge.

Security—Secured by a direct first mortgage upon of the fixed properties, rights and franchises now wned by the Company or which may be hereafter quired with the proceeds of these bonds. Addi- nal bonds may be issued under the Company's mort- ge only on account of property upon which it is a rect first mortgage.

Callability—Subject to call as a whole or in part at y time subsequent to April 30, 1927, at 105 during e years ending April 30, 1932; at 104 during five ars ending April 30, 1937; at 103 during five years ding April 30, 1942; at 102 during five years end- g April 30, 1947; at 100 during last five years.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Original Offering—First publicly offered in May, 22, at 96 and interest, by Halsey, Stuart & Co., icago, etc.

(2)

236,900 KENTUCKY UTILITIES COMPANY FIRST MORTGAGE LIEN GOLD 6½s, SERIES "D"; DUE SEPTEMBER 1, 1948

Dated September 1, 1923.

Interest Payable May and November 1, at Illinois erchants Trust Co., Chicago, or at Chase National ank, New York.

Denominations—Coupon, $100, $500 and $1,000; incipal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Callability—Subject to call as a whole or in part at y time subsequent to Aug. 31, 1933, upon thirty ys' published notice at the following prices and crued interest: 107½ if redeemed during the five ars ending Aug. 31, 1938; 105 if redeemed during e five years ending Aug. 31, 1943, and if redeemed bsequent to Aug. 31, 1943, but on or before Aug. 31, 47, at 102½ less one-half of 1% for each year or rt thereof elapsed after Aug. 31, 1944, and if re- emed after Aug. 31, 1947, at par.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Original Offering—First publicly offered ($2,265,- 0) in Oct., 1923, by Halsey, Stuart & Co., Chicago, c.; $2,000,000 additional offered in Jan., 1924, by the me firm at 98½ and interest.

Price Range—

	1927	1926
igh	*107	*106½
w	*104	*104¾

*High and low bid prices.

Further Details are shown under description of irst Mortgage Lien Gold 6s, Series "C" above.

(3)

,000,000 KENTUCKY UTILITIES CO. FIRST MORTGAGE LIEN GOLD 5½s, SERIES "F"; DUE OCTOBER 1, 1955

Dated October 1, 1925.

Interest Payable April and October 1, at Illinois erchants Trust Co., Chicago, or at Chase National ank, New York.

Denominations—Coupon, $100, $500 and $1,000; incipal may be registered; denominations inter- angeable.

Trustee—Illinois Merchants Trust Co., Chicago.

Callability—Subject to call as a whole or in part pon 30 days' notice at the following prices and ac- ued interest: To October 1, 1935, at 105; on and om October 1, 1935, to October 1, 1945, at 103; on nd from October 1, 1945, to October 1, 1950, at 102½; n October 1, 1950, at 102 and thereafter at 102 less ½ f 1% for each full year elapsed after September 30, 950. Subsequent to September 30, 1954, they are re- eemable at par.

Tax Provisions—Company pays Normal Federal In- ome Tax up to 2%, and agrees to reimburse olders of Series "F" bonds if requested within 60 ays after payment of the tax, for the Pennsylvania and Connecticut 4 Mills and Maryland 4½ Mills Taxes, and for the District of Columbia Personal Property Taxes not exceeding 5 Mills per dollar per annum, and for the Massachusetts Income Tax on interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($2,000,- 000) in December, 1925, at 98½ and interest yielding about 5.60%, by Halsey, Stuart & Co., Inc., New York, etc.

Price Range—

	1927	1926	1925
High	*101	*102	98½
Low	100	*96½	98

*High and low bid prices.

Further Details are shown under description of First Mortgage Lien Gold 6s, Series "C" above.

(4)

$4,000,000 KENTUCKY UTILITIES COMPANY FIRST MORTGAGE LIEN GOLD 5s, SERIES "G"; DUE FEBRUARY 1, 1961

Dated February 1, 1926.

Interest Payable February and Aug. 1, at Illinois Merchants Trust Co., Chicago, or at Chase National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Illinois Merchants Trust Company, Chicago.

Callability—Subject to call as a whole or in part upon 30 days' notice at the following prices and accrued interest: To February 1, 1936, at 105; on and from February 1, 1936 to February 1, 1946, at 104; on and from February 1, 1946 to February 1, 1956, at 103; on February 1, 1956, at 102½, less ½ of 1% for each full year elapsed after January 31, 1956 to February 1, 1960; on February 1, 1960 and thereafter to maturity at 100.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse holders of Series "G" bonds if requested within 60 days after payment of the tax for the Pennsylvania and Connecticut 4-Mills and Maryland 4½-Mills Taxes, and for the District of Columbia Personal Property Taxes not exceeding 5 Mills per dollar per annum, and for the Massachusetts Income Tax on the interest of the bonds not exceeding 6% of such interest per annum.

Price Range—

	1927	1926
High	99¼	97
Low	95	96

Further Details are shown under description of First Mortgage Lien Gold 6s, Series "C" above.

(5)

$7,800,000 KENTUCKY UTILITIES CO. FIRST MORTGAGE 5% GOLD BONDS, SERIES "H"; DUE FEBRUARY 1, 1961

Dated February 1, 1926.

Interest Payable February and August 1, at Illinois Merchants Trust Co., Chicago or at Chase National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Purpose of Issue—Proceeds were used for refunding, which would effect a substantial savings in interest charges, for extensions, improvements and additions and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice at the following prices and accrued interest; To Feb. 1, 1936 at 105; on and from Feb. 1, 1936 to Feb. 1, 1946 at 104; on and from Feb. 1, 1946 to Feb. 1, 1956 at 103; on Feb. 1, 1956 at 102½ less ½ of 1% for each full year elapsed after Jan. 31, 1956 to Feb. 1, 1960; on Feb. 1, 1960 and thereafter to maturity at 100.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, and District of Columbia personal property taxes not exceeding 5

mills, and Massachusetts Income Tax on the interest not exceeding 6% of such interest, refunded upon request within 60 days after payment of tax.

Original Offering—First publicly offered ($6,250,000) in Oct., 1926, at 97 and interest to yield 5.20% by Halsey, Stuart & Co., Inc., New York, etc.

Price Range—

	1927	19
High	99¼	97
Low	95	9(

Further Details are shown under description of Fir Mortgage Lien Gold 6s, Series "C" above.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenues	$5,942,432	$5,119,767	$4,521,204	$3,671,198	$2,935,680	$2,282,6
Oper. exp., taxes & retirement appropriation	3,778,061	3,113,445	2,662,881	2,111,878	1,689,902	1,400,2
Net earnings	$2,164,371	$1,906,322	$1,858,323	$1,559,320	$1,245,778	$882,3
Other income	401,740	457,742	40,676	21,738	13,740	2,2
Total income	$2,566,111	$2,364,064	$1,898,999	$1,581,058	$1,259,518	$884,6
Interest and amortization	1,059,423	1,038,706	842,351	710,544	506,199	442,9
Net income	$1,506,688	$1,325,357	$1,056,648	$870,514	$753,319	$441,6
Preferred dividends paid	438,565	420,156	276,689	131,777	111,932	63,5
Junior Pfd. dividends paid	207,581	213,759	170,389	27,044	.....	.....
Common dividends paid	762,614	599,326	608,530	503,678	450,000	250,0
Surplus for year	$97,928	$92,116	$1,040	$208,015	$191,386	$128,1
Times Fixed Charges Earned	2.42	2.28	2.25	2.22	2.81	2.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$30,470,360	$28,767,336	$22,282,647
Cash	520,655	439,906	443,914
Notes receivable	558,577	26,792	10,160
Accounts receivable	703,931	725,069	632,761
Interest & divds. receiv.	411	.....	40,376
Materials and supplies	328,127	272,848	210,549
Prepayments	12,728	16,688	10,770
Subscribers to capital stock	4,802	48,185	167,363
Invests. in affiliated cos.	7,748,107	5,084,796	4,276,929
Miscellaneous investments	2,602	1,102	13,600
Special deposits	35,762	19,348	20,297
Unamort. debt disc. & exp.	2,477,812	2,451,997	1,162,340
Work in progress	23,786	11,909	14,754
Misc. deferred debits	18,562	28,158	24,274
Discount on capital stock	539,563	546,323	459,903
Total	$43,445,784	$38,440,457	$29,770,638

Liabilities—	1927	1926	1925
Common stock	$8,984,600	$7,984,600	$5,225,0
Pfd. 6% cumulative stock	7,301,300	7,330,000	5,484,3
Junior Pfd. 7% cumulative	5,250,850	3,001,250	2,862,5
Junior Pfd. 7% cum. sub.	2,300	29,100	213,7
Funded debt	18,681,700	17,131,700	13,624,3
Notes payable	.....	.....	200,0
Accounts payable	209,958	363,659	228,4
Consumers' deposits	79,090	64,630	224,9
Dividends declared	379,060	269,633	212,4
Miscel. current liabs.	11,938	12,177	8,1
Taxes accrued	295,741	148,224	170,3
Interest accrued	390,366	345,731	182,3
Dividends accrued	60,239	34,431	32,8
Miscel. accrued liabs.	.....	4,300	1,1
Retirement reserve	662,697	665,502	319,7
Casualty reserve	17,619	16,038	.....
Contributions for extens.	40,000	30,878	18,9
Miscellaneous reserves	25,112	19,433	10,5
Misc. unadjusted credits	163,102	187,081	.....
Surplus	890,112	802,090	750,8
Total	$43,445,784	$38,440,457	$29,770,6

Officers: Samuel Insull, Chrm.; L. B. Herrington, Pres.; A. A. Tuttle, Sec. & Treas.; B. K. Yewell, Asst. Sec.; A. M. Cruse, Aud.

Directors: Martin J. Insull, Samuel Insull, L. W McLellen, L. B. Herrington, A. A. Tuttle, G. T. Bog ard, Louisville, Ky.; R. M. Watt, Pineville, Ky.

General Office, Louisville, Ky.

KENTUCKY HYDRO-ELECTRIC COMPANY

(Controlled by Kentucky Utilities Co.)

History—Incorporated in Delaware with a perpetual charter, and is engaged in the generation, transmission and sale of electric energy. Operates a 22,500 k.w. hydro-electric generating station on the Dix River, near its confluence with the Kentucky River about 20 miles southwest of Lexington, and 65 miles southeast of Louisville, Ky. Flowage and other necessary rights have been acquired for a dam which floods the gorge of the river for a distance of about 36 miles. The plant was fully placed in operation the latter part of 1926 and its output for the year amounted to 64,357,000 k.w.h. Company has 95 miles of double circuit, 66,000 volt steel tower transmission line connecting with the transmission lines of Interstate Public Service Co. at the Ohio River in the vicinity of Louisville, Ky., and with those of the Lexington Utilities Co., at Lexington, Ky.

In 1926 the Federal Power Commission granted company a license to build and operate a hydro-electric power plant at Government Lock and Dam No. 7 on the Kentucky River about one mile below Highbridge and about 3 miles from the Dix Dam Hydro-Electric Plant. The license is effective for 50 years. Preliminary work began in the fall of 1926 and plans called for the erection of a 2,500 h. p. generating station, an outdoor transformer substation and 3 miles of transmission lines for connection with the Dix Dam Power House. The plant will have an estimated output of 10,000,000 k.w.h. per year, and was to be ready for pro duction in April, 1928. This plant's location belo the Dix Dam is such that, in addition to using th waters of the Kentucky River, it will re-use the store waters of the dam after these waters have generate kilowatt hours at the Dix Station.

CAPITAL STOCK

Authorized, 100,000 Common shares of no par valu and $10,000,000 7% cumulative Pfd., par $100; out standing, 67,000 Common shares and $4,250,000 Pfc All the Common stock is owned by the Kentucky Util ities Co.

Exchange of Stock—During 1927, the Kentuck Utilities Co. offered to give two shares of its $50 pa Junior Preferred stock for one share of Kentucky Hy dro-Electric Co. Pfd. stock. Under this offer $2,455,10 Pfd. stock of this Company was exchanged for a lik par amount of Kentucky Utilities Co. Junior Pfd. stock

Preferred Stock Provisions—The 7% cumulativ Pfd. stock is fully paid and non-assessable and is pre ferred as to both assets and dividends over the Com mon stock. It is subject to call for redemption upo 30 days' notice, at any time, at $110 per share and ac crued dividends.

Transfer Agent—Middle West Stock Transfer Com pany, 72 West Adams St., Chicago.

Registrar—Continental National Bank & Trust Co. Chicago.

Annual Meeting—Last Tuesday in March at Wilmington, Del.

Listed—Pfd. stock listed on Chicago Stock Exchange.

Dividends—Pfd. dividends are regularly paid quarterly M, J, S & D 20.

Dividends Guaranteed—The Middle West Utilities Company and the Kentucky Utilities Company have jointly and severally guaranteed the payment of dividends, to December 31, 1928, on the outstanding Preferred stock, of the Company.

Price Range—

Preferred—	1927	1926	1925
High	104	96¾	94
Low	93½	91½	85¾

FUNDED DEBT

$4,000,000 FIRST GOLD 6s, SERIES "A"; DUE JUNE 1, 1949

Dated June 2, 1924.

Interest Payable June and December 1, at office of Halsey, Stuart & Co., Inc., Chicago and New York.

Denominations—Coupon (interchangeable denominations $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Additional bonds to the extent of $1,000,000 may be issued in series, other than Series "A," with such provisions as at the time of issuance may be authorized will be issuable to the extent of 75% of the lower of cost or value of additions, betterments or new property upon which the mortgage will be a direct first lien, provided, however, that the net earnings as defined in the mortgage, shall have been at least twice interest charge on all First Mtge. bonds to be outstanding after such issuance.

Callability—Subject to call as a whole or in part upon 30 days' published notice at the following prices and accrued interest: to June 1, 1929, at 105; on and from June 1, 1929, to June 1, 1934, at 104; on and from June 1, 1934, to June 1, 1939, at 103; on and from June 1, 1939, to June 1, 1944, at 102½; on June 1, 1944, at 102; and thereafter at 102 less ½ of 1% for each full year elapsed after May 31, 1944. Subsequent to May 31, 1948, they will be redeemable at 100.

Sinking Fund—The company covenants to pay annually beginning June 1, 1930, cash in amounts sufficient to purchase and cancel $53,000 of Series "A" bonds at not exceeding their prevailing redemption price and accrued interest or, if not so purchasable to be applied to their redemption by lot.

Security—Secured by a direct first mortgage on all of its permanent property and rights now owned, or hereafter acquired with the proceeds of First Mortgage bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Company agrees to reimburse holders of Series "A" bonds if requested within 60 days after payment for the Pennsylvania and Connecticut 4 Mills and Maryland 4½ Mills taxes, and for the district of Columbia Personal Property taxes not exceeding 5 Mills per dollar per annum, and for the Massachusetts Income tax on the interest of these bonds not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($4,000,000) in June, 1924, at 94 and interest, yielding nearly 6½%, by Halsey, Stuart & Co., Chicago, etc.

Price Range—

	1927	1926	1925	*1924
High	104½	104½	101	96¾
Low	103½	99½	99½	91

*High and low bid price.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$936,362	$786,453	$361,040
Operating expenses	169,814	128,348	188,334
Net operating income	$766,548	$658,105	$172,706
Other income	6,768	951	394,940
Total income	$773,316	$659,056	$567,646
Taxes	84,900	60,001	18,051
Bond interest	240,000	240,000	240,000
Miscellaneous deductions	1,389	10,323	9,576
Balance	$447,027	$348,732	$300,019
Preferred dividends	297,498	295,985	256,194
Surplus for year	$149,529	$52,747	$43,825

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$11,574,855	$11,361,131	$11,411,589
Special deposits	4,900	4,900	4,900
Materials and supplies	4,604	3,774	.....
Cash	205,764	99,746	32,518
Accounts receivable	66,123	82,052	59,826
Prepayments	478	299	350
Stock subscriptions	.....	1,220	10,211
Deferred charges	23,740	.....	145
Total	$11,880,464	$11,553,122	$11,019,539

Liabilities—	1927	1926	1925
Preferred stock	$4,250,000	$4,247,600	$4,190,900
*Common stock	2,806,730	2,806,730	2,806,730
Funded debt	4,000,000	4,000,000	4,000,000
Subscribed stock	.....	1,900	23,400
Notes and accts. payable	42,428	8,420	10,576
Accruals	110,809	105,002	154,204
Miscell. unadjusted credits	.....	5,660	8,667
Advances from affil. cos.	407,606	.....	.....
Reserves	28,657	.....	.....
Surplus	234,234	377,810	325,062
Total	$11,880,464	$11,553,122	$11,019,539

*Represented by 67,000 shares of no par value.

Officers: Samuel Insull, Chairman, Chicago, Ill.; L. B. Herrington, Pres.; A. A. Tuttle, V-P., Sec. & Treas.; H. K. Yewell, Asst. Sec., Louisville, Ky.; H. K. Ludwig, Asst. Sec., Chicago, Ill.; A. M. Cruse, Aud., Louisville, Ky.

Directors: L. B. Herrington, Louisville, Ky.; Martin J. Insull, Samuel Insull, Chicago, Ill.; G. A. McRoberts, Danville, Ky.; G. T. Bogard, Louisville, Ky.

General Office, Starks Bldg., Louisville, Ky. **Corporate Office,** Wilmington, Del.

OLD DOMINION POWER COMPANY

(Controlled by Kentucky Utilities Co.)

History—Incorporated May 8, 1926 in Virginia, and acquired the properties of a company of the same name, incorporated in Virginia in 1916 (see 1926 Public Utility Manual page 1579, or apply to our Information Department), and Electric Transmission Company of Virginia (see 1926 Public Utility Manual, page 1560, or apply to our Information Department). Owns all the capital stock of Old Dominion Ice Corp., which was acquired during 1926.

Company supplies electric light and power service to 20 communities in Wise, Lee and Russell counties, Virginia, and through Old Dominion Ice Corp., ice to 14 communities. In addition it supplies electrical power to 30 coal corporations operating in the coal mining sections of southwestern Virginia. The principal communities served are Norton, Big Stone Gap, Appalachia, Pennington Gap, Wise and Coeburn. Total population estimated at 20,840.

The properties include two steam electric generating stations having combined installed capacity of 22,000 h. p. These stations are located practically at mouth of mine, and are interconnected through 131.9 miles of high voltage transmission lines with the 40,000 h. p. steam generating station of the Kentucky Utilities

Co. near Pineville, Ky., and with the 30,000 h. p. Dix River hydro-electric power station of the Kentucky Hydro Electric Co.

Old Dominion Ice Corp. operates two modern electric driven artificial ice plants at Appalachia and Norton, Va., having combined daily capacity of 60 tons and storage capacity of 2,000 tons of ice.

CAPITAL STOCK

Outstanding 30,000 shares Common of no par value and 7,000 shares $7 Dividend Series Pfd. of no par value. All owned by Kentucky Utilities Co.

FUNDED DEBT

$2,650,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MAY 15, 1951

Dated May 15, 1926.

Interest Payable May and November 15, in New York or Chicago.

Trustee—Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; fully registered bonds in denomination of $1,000, or authorized multiples thereof; interchangeable.

Provisions of Issue—Authorized amount, $10,000,000 subject to restrictions below stated. Outstanding, $2,650,000 Series "A" 5s.

Additional bonds of this series, or bonds of other series, having such provisions as directors at time of issuance may determine, may be issued (a) par for par against deposit of cash or U. S. Government obligations, or against deposit or discharge of underlying bonds, or to refund, pay or cancel bonds of other series issued under mortgage, (b) to extent of 75% of expenditures for additions, betterments and improvements, and to extent of 75% of expenditures for or of value of purchased property, and (c) in case of a subsidiary to extent of 75% of expenditures made for stock of such subsidiary, and for additions and betterments to its property, and for purchased property acquired by such subsidiary, and to refund par for par its indebtedness, provided bonds secured by mortgage upon property of subsidiary shall be pledged in an amount equal to all expenditures made or indebtedness discharged in respect of subsidiary, and provided also that total amount of bonds issued under mortgage in respect to such subsidiary, together with principal amount of all mortgage indebtedness (other than underlying bonds of Company) upon the property of such subsidiary, outstanding in the hands of the public, shall not exceed 75% of value of property of such subsidiary. Bonds issued on account of additions or betterments or purchased property of Company or of any subsidiary, or stocks of any subsidiary, or to refund at a higher rate of interest bonds of other series issued under mortgage, or to refund indebtedness of a subsidiary, may not be issued unless net earnings of Company and its subsidiaries, during 12 consecutive calendar months ending within 60 days next preceding date of issuance, shall have been at least 1¾ times annual interest charges on all bonds then issued and outstanding under mortgage and those then proposed to be issued, and on all bonds, if any, then outstanding in hands of public prior in lien on any part of property of Company, and on all mortgage indebtedness then outstanding in hands of public and secured by lien upon property of its subsidiaries. Bonds for payment of which the necessary moneys are deposited under mortgage securing same are not considered as outstanding in hands of public.

Maintenance and Renewal Fund—Mortgage also provides that during each calendar year, beginning with 1927, the Company shall expend or cause to be expended by its subsidiaries an amount not less than 8% of sum of gross earnings derived from operation of its mortgaged properties and properties of its subsidiaries, for (a) **making of repairs, renewals and replacements**; (b) making of extensions or acquisition of properties on account of which Company would otherwise be entitled to issue additional bonds; or (c) redemption or purchase and cancellation of any bonds issued under and secured by mortgage, or of any underlying bonds.

Callability—Subject to call as a whole or in part, at any time on 30 days' notice at following prices and interest: On or before May 14, 1931, at 105; after May 14, 1931, but on or before May 14, 1936, at 103; after May 14, 1936, but on or before May 14, 1941, at 102; after May 14, 1941, but on or before May 14, 1946, at 101; after May 14, 1946, but on or before May 14, 1950, at 100½; after May 14, 1950, at 100.

Security—Bonds are a direct obligation of Company and are secured by a first mortgage on all property rights and franchises of Company (with certain exceptions as noted in mortgage) now owned or hereafter acquired, subject to underlying bonds, if any, on hereafter acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of Series "A" bonds, if requested within 60 days after payment of tax, for Pennsylvania and Connecticut 4 mills taxes, and for Massachusetts income tax on interest of bonds not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($2,500,000) in May, 1926, at 94 and interest, yielding about 5.45% by Hill, Joiner & Co., Chicago and Halsey, Stuart & Co., Inc., New York.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926
High	*98⅛	95
Low	*93½	94

*High and low bid price.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	*1926
Gross revenue	$1,018,161	$939,8[illegible]
Oper. exp., taxes & depreciation	548,972	503,3[illegible]
Net operating revenue	$469,189	$436,5[illegible]
Fixed charges	150,759	143,1[illegible]
Balance	$318,430	$293,4[illegible]

*Includes earnings of properties acquired from Jan. 1, 19[illegible] to date of acquisition.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Fixed capital	$5,082,650	$4,962,2[illegible]
Cash	163,724	57,6[illegible]
Notes and accounts receivable	102,349	114,2[illegible]
Interest receivable	1,101	1,1[illegible]
Materials and supplies	42,926	47,3[illegible]
Marketable securities	50,000	50,0[illegible]
Miscellaneous investments	8,500	14,8[illegible]
Deferred charges, etc.	394,543	417,1[illegible]
Prepayments	2,439	3,3[illegible]
Total	$5,848,232	$5,667,8[illegible]
Liabilities—		
*Common stock	$1,650,000	$1,650,0[illegible]
*Preferred stock	665,000	665,0[illegible]
Funded debt	2,650,000	2,650,0[illegible]
Accounts payable	40,326	53,7[illegible]
Consumers' deposits	17,900	13,6[illegible]
Accrued interest and taxes	105,693	223,9[illegible]
Advances affiliated cos.	195,000	37,4[illegible]
Dividends declared	72,250	12,2[illegible]
Retirement reserve, etc.	322,212	317,3[illegible]
Unadjusted credits	.....	3,9[illegible]
Surplus	129,851	40,4[illegible]
Total	$5,848,232	$5,667,8[illegible]

*Represented by 30,000 shares Common and 7,000 shares Preferred, both of no par value.

Officers: L. B. Herrington, Pres.; A. A. Tuttle, V-P, Sec. & Treas.; G. T. Bogard, Pres., Louisville, Ky.

Directors: Martin J. Insull, Chicago; L. B. Herrington, A. A. Tuttle, G. T. Bogard, L. W. McLellen, A. M. Cruse, James Harmon, Louisville, Ky.

Offices, Norton, Va., and 465 So. Fourth St., Louisville, Ky.

MICHIGAN GAS & ELECTRIC COMPANY

(Controlled by Middle West Utilities Co.)

History—Incorporated Oct. 1, 1904, in Michigan as the Houghton County Gas & Coke Co. Name changed to Michigan Gas & Electric Co., Feb. 14, 1917. Effective Jan. 1, 1917, the Company acquired the properties of the companies heretofore operated under the following names: Marquette County Gas & Electric Co. (excepting the street railway), Constantine Hydraulic Co., Three Rivers Gas Co., Three Rivers Light & Power Co., and Milling & Power Co. For latest published statements of these several companies see 1916 Manual.) On June 30, 1924, acquired through direct purchase the property and equipment of the City Gas Company of Marquette. In the latter part of 1925 secured control of the electric property of Munising, Mich., which was taken over during 1926, adding about 915 customers to the Company's lines. On Dec. 1, 1926 acquired the properties of Niles Gas Light Co. (see 1926 Public Utility Manual, page 1568). which served over 2,522 customers in Niles and Buchanan.

The Marquette County Electric Ry. Co. was organized with $25,000 of capital stock. Its property is leased to the Michigan Gas & Electric Co. under a general contract, which provides for payment of operating expenses and natural up-keep, and its entire capital stock, except directors' qualifying shares, is owned by Michigan Gas & Electric Co.

Company owns and operates a group of public utility properties supplying, without competition electric light, heat and power service to twenty-six communities and manufactured gas to nine communities in Michigan. In addition it wholesales electrical energy to the cities of Sturgis and Dowagiac, Michigan. An interurban line 4½ miles long is also operated between Ishpeming and Negaunee. The communities served are: Cassopolis, Constantine, Goble's, Bloomingdale, Jones, Lawton, Schoolcraft, Paw Paw, Three Rivers, Vandalia, Vicksburg, White Pigeon, Hancock, Hougton, Ishpeming, Negaunee, Palmer, Decatur, North Lake, Winthrop, Marcellus, Richmond, Matawan, Moorepark, Sturgis, Mottville, Munising, Marquette, Niles, Buchanan, Ripley, Adamsville, Berlamont and Edwardsburg, Mich. Estimated population served Jan. 1, 1928, 92,284.

There are in service 180 miles of transmission lines and in addition to hydro-electric energy purchased, company operates 5 modern power stations, 3 of which are hydro-electric. The gas plants have a daily rated capacity of over 1,000,000 cu. ft. and holder capacity of 846,000 cu. ft.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	—Gas Department—		—Electric Department—	
	No. of Customers	Sales Cubic Feet	No. of Customers	Sales K.W.H.
1922	3,878	77,768,000	7,900	7,197,336
1923	3,898	79,971,500	8,370	11,163,657
1924	5,471	96,335,000	8,931	11,424,531
1925	5,569	112,902,000	9,739	13,469,677
1926	8,077	113,741,100	11,234	16,840,160
1927	8,474	174,870,000	11,789	17,024,012

CAPITAL STOCK

Authorized, $1,600,000 Common, $400,000 6% cumulative Pfd. and $1,000,000 7% Prior Lien stock; outstanding, April 15, 1928, $1,556,000 Common, $400,000 Pfd., and $897,000 Prior Lien Stock; par, $100. All the Common stock is owned by Middle West Utilities Co.

Dividends—Dividends on Pfd. at rate of 6% per annum and on Prior Lien stock at rate of 7% per annum have been regularly paid quarterly, Feb., May, Aug. and Nov. 1. On Common stock dividends of $38,250 were paid in 1926 and 6% in 1927.

FUNDED DEBT

$1,734,800 FIRST MORTGAGE & REFUNDING (NOW FIRST) GOLD 6s, SERIES "A"; DUE SEPTEMBER 1, 1943
$661,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE DECEMBER 1, 1956

Dated, Series "A" September 1, 1923 and Series "B," December 1, 1926.

Interest Payable on Series "A" March and September 1, and on Series "B" June and December 1, at Central Trust Co. of Illinois, Chicago, or at Bankers Trust Co., New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered. Fully registered bonds, $1,000 and authorized multiples thereof. Coupon and registered bonds interchangeable.

Trustees—Central Trust Co. of Illinois, and Aksel K. Bodholt, Chicago.

Provisions of Issue—Authorized amount unlimited except as to restrictions below stated; outstanding, $2,395,800 ($1,734,800 Series "A" 6s and $661,000 Series "B" 5s). The Series "B" 5s were issued under a supplemental indenture dated Dec. 1, 1926, and the proceeds applied for the redemption of all underlying divisional bonds, for the acquisition of property and other corporate purposes.

The Mortgage provides that, subject to the limitations thereof, additional bonds of Series "B" (or of other series bearing such rates of interest, maturing at such times and having such other provisions as the Board of Directors at the time of issuance may determine) may be issued, par for par, against the deposit of cash or United States obligations or to refund bonds of other series issued under the mortgage, and to the extent of 75% of expenditures made for additions, improvements, betterments or extensions and to the extent of 75% of the cost or value (whichever is less) of purchased property acquired provided that all such extensions and purchased property shall be subject to the mortgage as a first mortgage thereon. Bonds shall not be issued on account of expenditures made for such extensions or purchased property or to refund at a higher rate of interest bonds of other series issued under the mortgage unless the net earnings, as defined in the mortgage, of the Company during the 12 consecutive months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the annual interest charges on all bonds then issued and outstanding and those then proposed to be issued.

Callability—Subject to call as a whole or in part on 30 days' published notice at the following prices and accrued interest:

Series "A" bonds on and from Sept. 1, 1933, to Sept. 1, 1938, at 105, thereafter prior to Sept. 1, 1942, at 102½, less ½ of 1% per annum for each year or fraction thereof elapsed after Aug. 31, 1939; on and after Sept. 1, 1942, at par.

Series "B" bonds on or before Nov. 30, 1931 at 105; after Nov. 30, 1931, but on or before Nov. 30, 1936 at 103; after Nov. 30, 1936, but on or before Nov. 30, 1941 at 102½; after Nov. 30, 1941, but on or before Nov. 30, 1946 at 102; after Nov. 30, 1946, but on or before Nov. 30, 1951, at 101; after Nov. 30, 1951, but on or before Nov. 30, 1955 at 100½; after Nov. 30, 1955 at 100.

Maintenance Fund—The Company covenants that so long as any of these bonds are outstanding, it will expend annually an amount equal to not less than 7½% of the gross earnings during each of the calendar years, 1924 to 1928, inclusive, and during each such year thereafter not less than 10% of such gross earnings, for (a) the making of repairs, renewals and replacements; (b) the making of extensions or the acquisition of properties on account of which Company

would otherwise be entitled to issue additional bonds; or (c) the redemption or the purchase and cancellation of any bonds issued under and secured by the mortgage.

Security—A first mortgage on all of the permanent property, rights and franchises of the Company now owned and on all such property hereafter acquired on account of which bonds are issuable under the Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of Series "A" and "B" bonds, if requested within 60 days after payment, for the Pennsylvania four mill tax, the Connecticut personal property tax not exceeding four mills per $1.00 per annum, and Massachusetts income tax not exceeding 6% of the interest per annum.

Original Offering—First publicly offered ($1,100,000 Series "A" 6s) in Dec., 1923, at 91½ and interest, by Hill, Joiner & Co., Inc., Chicago, Halsey, Stuart & Co., Inc., Chicago, and A. H. Bickmore & Co., New York. $661,000 Series "B" 5s were offered in Dec. 1926, at 97 and interest, to yield about 5.20%, by Hill Joiner & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings, incl. merchandise sales	$1,147,476	$1,026,769	$881,115	$742,428	$722,713	$607,71
Operating exp., taxes, etc.	783,651	731,279	669,041	525,908	533,663	462,37
Net earnings	$363,825	$295,490	$212,074	$216,520	$189,050	$145,34
Other income	832	252	980	105	.....	2,79
Total income	$364,657	$295,742	$213,054	$216,625	$189,050	$148,13
Bond interest	137,138	118,335	$109,159	$98,736	$66,016	$64,11
Other interest	18,080	20,194	4,167	37,515	35,530	25,59
Bond discount & exp., etc.	16,006	13,672	11,684	9,465	6,656	5,19
Net income	$193,433	$143,541	$88,044	$70,909	$80,848	$53,24
Prior lien dividends	62,449	57,943	39,599	19,154	17,194	11,44
6% Pfd. stock dividends	24,000	24,000	24,000	24,000	24,000	24,00
Common dividends	93,360	38,250	.....	.....	.....	.....
Surplus for year	$13,624	$23,348	$24,445	$27,755	$39,654	$17,80

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant, real estate and equipment	$5,163,428	$5,035,071	$4,558,148	$4,227,123	$3,682,15
Organization expenses	.....	.....	.....	.....	7,91
Investments	6,244	152,194	68	.....	.....
Special deposits	557	10,768	.....	.....	.....
Sinking Fund	.....	.....	25	317	43
Subscribers to capital stock	2,874	4,199	29,174	8,677	5,56
Materials and supplies	144,847	159,054	118,979	95,895	99,66
Notes and accounts receivable	178,118	194,443	147,156	113,459	99,23
Cash	112,457	92,649	43,819	35,010	27,05
Due from affiliated companies	143,816	.....	.....	.....	.....
Reacquired securities	5,100	.....	.....	.....	.....
Deferred charges and prepaid items	61,247	67,068	125,336	118,213	89,44
Unamortized discount and expense on sec.	241,686	251,405	186,328	178,384	143,06
Total	$6,060,374	$5,966,851	$5,209,033	$4,777,078	$4,154,51
Liabilities—					
Common stock	$1,556,000	$1,556,000	$1,275,000	$1,125,000	$775,00
7% Prior Lien stock	902,100	875,600	641,800	543,500	257,50
6% Preferred stock	400,000	400,000	400,000	400,000	400,00
Funded debt	2,395,800	2,395,800	2,085,800	1,837,100	1,465,00
Purchase money contract notes	.....	5,800	5,800	14,905	24,27
Due to Middle West Utilities Co.	.....	.....	.....	.....	635,13
Prior Lien stock subscription	4,200	7,100	63,800	12,200	9,90
Notes payable	.....	.....	33,830	27,744	266,40
Accounts payable & customers' deposits	60,540	60,146	91,569	94,484	70,29
Miscellaneous current liabilities	46,680	.....	.....	3,159	.....
Advances from affiliated cos.	226,000	268,894	275,940	404,154	.....
Accrued interest, taxes, etc.	97,054	92,796	84,690	104,497	64,20
Accrued dividends	18,083	17,769	15,349	.....	11,06
Miscellaneous unadjusted credits	2,080	.....	.....	.....	.....
Reserves	186,454	34,736	10,399	6,854	.....
Surplus	165,383	252,210	225,056	203,481	175,72
Total	$6,060,374	$5,966,851	$5,209,033	$4,777,078	$4,154,51

Officers: L. E. Myers, Pres.; W. C. Sharp, W. J. Hodgkins and Roy Campbell, V-Ps.; N. Siljestrom, Sec.; E. D. Shaylor, Asst. Sec.; Joseph W. Denison, Treas.

Directors: Roy Campbell, Martin J. Insull, L. E. Myers, John F. Gilchrist, G. W. Hamilton, W. C Sharp, W. J. Hodgkins.

General Office, Three Rivers, Mich. **Chief Operating Offices:** Northern Division, Ishpeming, Mich.; Southern Division, Three Rivers, Mich.

MISSOURI GAS & ELECTRIC SERVICE COMPANY

(Controlled by Middle West Utilities Co.)

History and Property—Incorporated under laws of Mo. in 1912. On Jan. 1, 1913, acquired the utility properties operating in Marshall and Lexington, Mo. Company has since acquired a number of other properties and supplies electric service without competition to 33 communities as follows: Amory, Camden Point, Camden, Dearborn, Dover, Edgerton, Faucett, Farley, Ferrelview, Fleming, Hardin, Henrietta, Lexington, Liberty, Linkville, Missouri City, Myrick, Nashua, Napoleon, New Market, Norborne, Old Albany, Orrick, Paradise, Platte City, Richmond, Swanwick, Smithville, Tracey, Trimble, Wellington, Waterloo, and Weston. Gas service is furnished to Lexington and Marshall and ice service to Marshall, Lexington, Myrick, Henrietta and Norborne. Power is furnished at wholesale to the Missouri Power & Light Company at Excelsior Springs, Mo. Power is purchased from the Kansas City Power & Light Company under a long term contract. Population served directly and indirectly is estimated at 55,000. No. of electric customers, 7,558; no. of gas customers 1,374; connected load (electric), 12,311 k.w. Output

. k.w.h.; 1924, 9,686,224; 1925, 11,585,968; 1926, 13,-56,785; 1927, 13,890,084.

CAPITAL STOCK

Authorized, 7,000 shares Common of no par value, 500,000 7% cumulative Prior Lien stock of $100 par alue and 4,000 shares $6 cumulative Pfd. of no par alue; outstanding, 5,600 shares Common of no par alue, $521,400 7% cumulative Prior Lien of $100 par alue and 3,000 shares $6 cumulative Pfd. of no par alue. The Common and Pfd. stocks were changed om $100 par value to shares of no par value Sept. 2, 927, and new stock was exchanged for old on a share r share basis. Controlled by Middle West Utilities o. through stock ownership.

Prior Lien and Preferred Stock Provisions—Have reference in order named for assets and dividends ver Common and are both callable at 110 and accrued ividends on 30 days' notice. Have no voting power xcept in default in payment of dividends.

Transfer Office (All Classes)—Company's office at 2 West Adams St., Chicago.

Annual Meeting—Third Monday in March.

Dividends—Prior Lien dividends have been regular- paid since issuance in 1920; payments quarterly J, , J & O 15. Pfd. dividends have been regularly paid except in 1923, payment for that year having been ade in 1924) quarterly J, A, J & O 20. No dividends n Common.

FUNDED DEBT

(1)

49,000 MARSHALL LIGHT, HEAT & POWER CO. FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JUNE 1, 1935

Dated June 1, 1905.

Interest Payable June and December 1, at American xchange Irving Trust Co., New York, Trustee. Coupon, $500. Mortgage closed. In addition to the $49,-00 outstanding with the public, $58,000 are pledged s collateral for the Missouri Gas & Electric Service o. First Mortgage and Refunding Gold bonds, Series B," and $2,500 have been retired through sinking fund. inking fund, 2% of bonds outstanding. Bonds are ubject to call at 105 and interest.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%.

(2)

85,000 LEXINGTON GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1935

Dated October 1, 1905.

Interest Payable April and October 1, at Central Union Trust Co. of New York, Trustee. Coupon, 500 and $1,000; principal may be registered. Authorized and issued, $150,000, of which $85,000 are ledged as collateral under the Missouri Gas & Electric Service Co. First Mortgage & Refunding Gold onds, Series "B," and $65,000 are outstanding in the ands of the public. Subject to call at 105 and interest.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%.

(3)

$712,000 MISSOURI GAS & ELECTRIC SERVICE COMPANY FIRST MORTGAGE & REFUNDING 6% GOLD BONDS, SERIES "A"; DUE SEPTEMBER 1, 1944

$473,200 MISSOURI GAS & ELECTRIC SERVICE COMPANY FIRST MORTGAGE & REFUNDING 5% GOLD BONDS, SERIES "B"; DUE JULY 1, 1957

Dated, Series "A," September 1, 1924; Series "B," uly 1, 1927.

Interest Payable March and September 1, at Cen-ral Trust Co. of Illinois, Chicago, and in New York.

Denominations—Coupon, $100, $500 and $1,000 (in-erchangeable denominations); principal may be reg-stered.

Trustee—Central Trust Co. of Illinois, Chicago, and ohn H. Holliday.

Provisions of Issue—Outstanding, Dec. 31, 1927, $712,000 Series "A" 6s and $473,200 Series "B" 5s. Additional bonds of Series "A" or other series having such provisions as the Board of Directors at the time of issuance may determine, may be issued (a) par for par against the deposit of cash or U. S. Government obligations, or against the deposit or discharge of underlying bonds, or to refund, pay or cancel bonds of other series issued under the Mortgage, (b) to the extent of 75% of expenditures for additions and betterments, and to the extent of 75% of expenditures for or the value of purchased property (whichever is less), and (c) in the case of a subsidiary to the extent of 75% of expenditures made for the stock of such subsidiary, and for additions and betterments to its property, and for purchased property acquired by such subsidiary, and to refund par for par its indebtedness, provided bonds secured by mortgage upon the property of the subsidiary shall be pledged in an amount equal to all expenditures made or indebtedness discharged in respect of the subsidiary, and provided also that the total amount of bonds issued under the mortgage in respect of such subsidiary, together with the principal amount of all mortgage indebtedness upon the property of such subsidiary outstanding in the hands of the public, shall not exceed 75% of the value of the property of such subsidiary. Bonds issued on account of additions or betterments or purchased property of the Company or of any subsidiary, or the stocks of any subsidiary or to refund at a higher rate of interest bonds of other series issued under the mortgage, or to refund the indebtedness of a subsidiary, may not be issued, unless the net earnings of the Company and its subsidiaries, during the 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the annual interest charges on all bonds then issued and outstanding under the Mortgage and those then proposed to be issued, and on all bonds, if any, then outstanding in the hands of the public prior in lien on any part of the property of the Company, and on all mortgage indebtedness then outstanding in the hands of the public and secured by lien upon the property of its subsidiaries.

Callability—Series "A" bonds are subject to call as a whole or in part, at any time, upon thirty days' published notice at the following prices and accrued interest: prior to Sept. 1, 1929, at 105; on and from Sept. 1, 1929, to Sept. 1, 1934, at 104; on and from Sept. 1, 1934, to Sept. 1, 1939, at 103; thereafter to March 1, 1944, at 102½ less ½ of 1% for each full year elapsed after Aug. 31, 1939; on and from March 1, 1944, at 100. Series "B" bonds are subject to call as a whole or in part at any time, on 30 days' notice, on or before June 30, 1932, at 105 and interest; thereafter and on or before June 30, 1937, at 103 and interest; thereafter and on or before June 30, 1942, at 102½ and interest; thereafter and on or before June 30, 1947, at 102 and interest; thereafter and on or before June 30, 1952, at 101 and interest; thereafter and on or before June 30, 1956, at 100½ and interest, and thereafter at par and interest.

Maintenance and Renewal Fund—The Mortgage provides that during each calendar year, beginning with 1925, the Company shall expend or cause to be expended by its subsidiaries an amount equal to not less than 10% of the gross earnings from operation of its mortgaged properties and the properties of its subsidiaries, for (a) the making of repairs, renewals and replacements; (b) the making of extensions, or the acquisition of properties on account of which the Company would otherwise be entitled to receive additional bonds; or (c) the redemption or purchase and cancellation of any bonds issued under and secured by this mortgage, or of any underlying bonds.

Security—Secured by a mortgage covering as a direct lien all of the permanent property, rights and franchises of the Missouri Gas & Electric Service Company now owned or hereafter acquired, subject now to only $257,000 of divisional bonds described

above, of which $143,000 are pledged as additional security under the Series "B" bonds, the mortgages of which have been closed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse the holders of Series "A" Bonds, if requested within 60 days after payment, for the Pennsylvania and Connecticut 4-Mills and Maryland 4½-Mills Taxes, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($500,000 "A" 6s) in Dec., 1924, at 96½ and interest, yielding over 6.30%, by Hill, Joiner & Co., Inc., Chicago, New York, etc. Series "B" 5% bonds were first publicly offered in December, 1927, at 97½ and interest, by the same firm.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	19
Gross earnings, including merchandise sales	$633,484	$616,048	$564,
Oper. exp., incl. cost of merchandise sales	478,182	475,023	458,
Net earnings	$155,302	$141,025	$105,
Other income	1,605	1,784	1,
Total income	$156,907	$142,809	$107,
Interest charges	84,853	73,156	51,
Amort. of debt disc., etc.	5,004	4,932	4,
Net income	$67,050	$64,721	$51,
Divids. on 7% Prior Lien stock	36,498	36,261	26,
Divds. on 6% Pfd. stock	18,000	18,000	18,
Surplus for year	$12,552	$10,460	$7,

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant, real estate, etc.	$2,820,892	$2,619,951	$2,381,321
Misc. investments	.....	17,682	1,800
Special deposits	.....	1,000	10,000
Cash	77,468	52,889	67,852
Notes receivable	11,850	2,432	2,521
Accts. receivable, less res.	94,711	100,323	80,699
Interest receivable	74	109	1,012
Subscribers to capital stock	2,676	4,051	6,830
Unbilled income	.....	17,806	16,004
Uncompleted job work	141	371	2,120
Inventories	55,628	82,841	94,090
Prepaid items	4,432	4,917	4,104
Unamort. disc. & expense.	103,245	66,513	69,592
Deferred debit items	55,905	81,497	109,550
Total	$3,227,022	$3,052,382	$2,847,595

Liabilities—	1927	1926	192
Common stock	$560,000	$560,000	$560,
Prior Lien 7% stock	521,400	521,100	490,
Preferred 6% stock	.....	300,000	300,
Preferred $6 stock	300,000	.....	.....
Capital stock subscribed	4,100	8,800	12,
Funded debt	1,299,200	971,500	973,
Due to Middle West Utilities Co.	377,308	536,800	291,
Misc. current liabilities	514	.....	.....
Notes payable	.....	10,633	34,
Accounts payable	41,317	34,217	78,
Customers' deposits, etc.	11,352	16,937	15,
Accrued interest and taxes.	27,747	17,518	17,
Accrued dividends	13,625	13,625	22,
Reserves	9,765	11,900	10,
Surplus	60,694	49,352	40,
Total	$3,227,022	$3,052,382	$2,847,

Offcers: Martin J. Insull, Pres.; W. C. Sharp, V-P., Chicago, Ill.; Worth Bates, V-P., Lexington, Mo.; Eustace J. Knight, Sec., Chicago; Verna Kull, Treas., John H. Holliday, Asst. Sec., Lexington, Mo.

Directors: Martin J. Insull, W. C. Sharp, E. A. Davis, Chicago, Ill.; J. H. Holliday, S. W. Fordyc Jr., Walter R. Mayne, St. Louis, Mo.; Worth Bat Lexington, Mo.

General Office, St. Louis, Mo. **Main Operating C** fice, Lexington, Mo.

NORTH WEST UTILITIES COMPANY

(Controlled by Middle West Utilities Co.)

History—Incorporated in Dec., 1918, in Del., for the primary purpose of acquiring and holding the securities of companies operating public utilities properties.

The companies owned and controlled by the North West Utilities Co. include the Lake Superior District Power Co., Southern Wisconsin Electric Co. and Wisconsin Power and Light Company.

At the close of the year 1927, subsidiary companies served 253 communities in Wisconsin having combined population of 351,781. Every community except one receives electric light and power service, ten are served with gas, two with heat, three with water, eleven with railway and two with bus.

The subsidiary companies also supply electrical energy at wholesale for distribution in 63 other Wisconsin communities. Exclusive of Milwaukee—where the electrical energy requirements for street and interurban railway operations are partially supplied by the company's subsidiaries—the total population of the communities served under wholesale contracts is 117,000.

The hydro-electric plants of the Wisconsin Power and Light Co. are located at Prairie du Sac and Kilbourn, both on the Wisconsin River; and the most important hydro-electric development of the Lake Superior District Power Co. is at Big Falls on the Flambeau River. Their combined present capacity is 54,250 horse power, and they are capable of exceeding their present combined annual electric output at nominal increased operating expense. The Wisconsin River plants supply, at wholesale, approximately all of the electric energy requirements for the operation of the interurban and street railways in and around the City of Milwaukee and the entire light and power requirements of Madison.

OPERATING STATISTICS, DECEMBER 31

	Number of Customers	Connected Load (k.w.)	Electri Output (k.w.h.
1921	19,306	59,881	*
1922	22,498	74,858	*
1923	62,703	154,544	246,896,9
1924	73,619	173,001	237,690,0
1925	101,155	201,883	319,303,7
1926	116,357	221,313	329,800,3
1927	121,827	230,761	358,368,3

*Not available.

CAPITAL STOCK

Authorized, 200,000 Common shares of no p value, $10,000,000 7% cumulative Prior Lien Pfd., $ 500,000 6% cumulative Prior Lien Pfd., $7,500,000 8 cumulative Pfd., and $10,000,000 7% cumulative Pfc outstanding, Dec. 31, 1927, 164,143 Common share $4,400,000 7% Prior Lien Pfd., and $5,000,000 7 Pfd.; par of all Pfd. issues, $100. Entire Comm stock is owned by Middle West Utilities Co.

Prior Lien Preferred Stock Provisions—All Pri Lien Pfd. stock at any time outstanding shall be e titled to the same rights and preferences except ra of dividends. It has preference as to assets and div dends over Pfd. and Common stocks; is entitled cumulative dividends; and has equal voting powe with both Pfd. and Common, and is entitled to vo upon all questions voted upon at stockholders' mee ings including the election of directors.

The 7% Prior Lien Pfd. stock is subject to call $110 per share and accrued dividends on 30 day notice.

Preferred Stock Provisions—All Preferred stock any time outstanding shall be entitled to the sam rights and preferences except rate of dividend. Th 7% cumulative Pfd. stock has a par value of $100 p share, is entitled to cumulative dividends, has prefe

nce over the Common stock both as to dividends and s to assets in liquidation, is fully paid and non-as-essable, and is subject to the prior rights of the Prior ien Pfd. stock.

The 7% cumulative Pfd. stock is subject to redemp-on at any time, on 30 days' published notice at $110 er share and accrued dividends, and in the event of quidation or dissolution is entitled to $100 per share nd accrued dividends.

The Preferred stock has equal voting powers with ne Prior Lien Pfd. and Common stock, and is entitled o vote upon all questions voted upon at Stockholders neetings, including the election of Directors.

Transfer Agent—Middle West Stock Transfer Com-any, 72 W. Adams St., Chicago.

Registrar—Continental National Bank & Trust Co., hicago.

Annual Meeting—Third Wednesday in April, at Vilmington, Del.

Listed—The 7% Prior Lien Pfd. stock and the 7% cumulative Pfd. stock are listed on the Chicago Stock Exchange.

Price Range—

	1927	1926	1925
7% Prior Lien Pfd.—			
High	105	100	95
Low	97½	91	90
7% Preferred—			
High	101	97	..
Low	94¼	90	..

Dividends—Pfd. dividends have been regularly paid quarterly, as follows: On Prior Lien Pfd., J, A, J & O 1; on 7% Pfd., F, M, A & N 15. On Common dividends of $193,279 in cash and $721,600 (18,040 shares at $40 each) in stock were paid in 1926; $293,786 paid in cash in 1927.

FUNDED DEBT

None.

HOLDING COMPANY INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
nterest & divds. receiv. and profit from sale of securities	$1,041,294	$916,810	$702,368	$614,936	$690,002
Expenses	43,151	41,397	46,417	14,319	13,158
Net earnings	$998,143	$875,413	$655,951	$600,617	$676,844
Collateral note interest	.....	2,250	36,000	43,500	51,000
Other interest	745	4,554	7,276	27,341	109,741
Total charges	$745	$6,804	$43,276	$70,841	$160,741
Net income	$997,398	$868,609	$612,675	$529,776	$516,103
Dividends paid and accrued:					
7% Prior Lien Pfd. stock	$271,532	$266,633	$231,659	$166,702	.....
8% Preferred stock	.....	.....	52,213	62,656	.....
7% Preferred stock	350,919	296,733	174,650	81,859	.....
Common dividends	293,786	*914,880	.....	.....	.....
Balance after Common dividends	$81,161	†$609,636	$154,152	$218,559	.....
Earnings Per Share—					
Prior Lien Pfd.	$22.67	$22.27	$15.71	$17.66	$34.41
Preferred	14.51	12.67	12.70	9.6	10.87

*Includes $193,280 cash and $721,600 stock (represented by 18,040 shares at $40 each). †Deficit.

CONSOLIDATED EARNINGS STATEMENT OF SUBSIDIARIES, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Gross earnings	$10,637,415	$10,316,288	$8,944,797	$7,157,012
Oper. expenses, including taxes	*6,881,286	*6,756,890	5,931,536	4,653,440
Net earnings from operations	$3,756,129	$3,559,398	$3,013,261	$2,503,572
Rentals of leased properties	24,309	49,719	99,506	90,575
	$3,731,820	$3,509,679	$2,913,755	$2,412,997
Bond, deben. & other int. charges paid or accruing to outside holders	$1,451,925	$1,438,248	$1,271,755	$1,270,463
Amortization of discount on securities	102,627	141,294	107,952	87,005
Divds. on stock & proportion of undis. earnings to outside holders	878,978	762,511	625,494	379,858
Total earnings accruing to North West Utilities Co.	$1,298,290	$1,167,626	$908,553	$675,671
Of the above amt. N. W. Utilities Co. received and accrued as int. on bonds & debs.	1,834	1,850	1,850	1,887
Received and accrued general interest	813	33,403	13,610	17,032
Received and accrued divds. on stock	1,020,489	818,936	644,980	296,113
North West Utilities Co's. proportion of the surplus carried to the aggregate surplus account of the subsidiary companies on their own books	$275,154	$313,437	$248,114	$360,639

NOTE—Previous to 1924 the Company followed the accounting plan of taking over as Earnings Receivable its proportion of the earnings accruing on the Common stocks of the companies in which the North West Utilities Company held the controlling interest. This plan has been discontinued and the Company is now showing in its earnings only such dividends as were paid or declared upon these stocks by the companies within the fiscal year.

*Includes retirement appropriation of $319,656 in 1926 and $481,447 in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

(North West Utilities Co. Proper)

Assets—	1927	1926	1925	1924	1923
Securities of subsidiary and other companies	$17,995,093	$16,556,045	$14,485,254	$11,385,276	$9,440,702
Treasury securities	.....	.....	415,733	109,381	*646,389
Due from affiliated cos.	.....	.....	142,704	208,287	216,669
Due from Middle West Util. Co.	.....	.....	.....	.....	545
Earnings receivable from sub. cos.	.....	.....	.....	.....	1,064,628
Cash	343,882	358,847	426,272	211,828	713
Interest, and dividends, etc., receivable	272,986	203,864	13,244	118,871	4,267
Prepaid expenses	2,871	2,870	4,518	1,172	70
Discount and expense on company's own securities	708,292	675,363	409,565	351,771	127,725
Total	$19,323,124	$17,796,989	$15,897,291	$12,386,585	$11,501,708

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923
Common stock	†$9,170,425	†$8,480,425	$7,533,825	$3,633,825	$3,633,82
7% Prior Lien Pfd. stock	4,400,000	3,900,000	3,500,000	3,000,000	1,500,00
8% Preferred stock	.....	.....	.....	783,200	783,20
7% Preferred stock	5,000,000	4,750,000	3,000,000	3,000,000	3,000,00
Stock subscriptions	.....	.....	9,160	114,303	.....
6% Collateral Trust Notes	.....	.....	600,000	725,000	850,00
Deferred payments on purchase contracts	.....	.....	.....	.....	893,82
Notes payable	.....	.....	.....	.....	20,00
Accounts payable	2,811	2,239	1,798	.....	.....
Accrued interest & dividends	138,418	134,016	112,563	120,464	53,62
Deferred credits	.....	.....	.....	24,000	.....
Surplus	611,470	530,309	1,139,945	985,793	767,23
Total	$19,323,124	$17,796,989	$15,897,291	$12,386,585	$11,501,70

*Represented by 11,635 shares 7% cumulative Pfd. stock (par value, $1,163,500). †Represented by 146,893 shares of no pa value in 1926 and 164,143 shares in 1927.

Officers: Samuel Insull, Chairman of Board; Martin J. Insull, Pres.; E. V. Graham, V-P.; Oliver E. McCormick, Treas.; G. E. Olmsted, Asst. Treas.; Eustace J. Knight, Sec., H. J. Ludwig, Asst. Sec.; E. A. Davis, Aud., Chicago, Ill.

Executive Committee: Martin J. Insull, Samue Insull, Marshall E. Sampsell.

Directors: Walter S. Brewster, Britton I. Budd Martin J. Insull, Samuel Insull, Samuel Insull, Jr L. E. Myers, Marshall E. Sampsell.

General Office, 72 West Adams St., Chicago, Ill.

LAKE SUPERIOR DISTRICT POWER COMPANY

(Controlled by North West Utilities Co.)

History and Properties—The Lake Superior District Power Co. (formerly the Big Falls Water Power Co.) acquired as of June 1, 1922, all property and business of the Ashland Light, Power & Street Railway Co. and the Ironwood & Bessemer Ry. & Light Co. (see 1922 Public Utility Manual, pages 2095 to 2098). In Nov., 1923, the Mellen Water & Light Co. was acquired (see 1923 Public Utility Manual, page 1550). On Jan. 1, 1924, acquired the Washburn Light & Power Co., and the Medford Light, Heat and Power Co. In 1926 purchased distribution systems and plants at Athens, Prentice, Hayward and Hawkins, Wis. The Company's water distribution system in Hurley, Wis., was purchased by that city early in 1923. In 1927 the Company purchased the distribution system and plant at Glidden, Wis. and the distribution system at Morse, Wis

The Company owns and operates a group of public utilities properties in Northern Wisconsin and Upper Michigan, supplying without competition, electric light, heat and power service to 38 communities including the cities and towns of Ashland, Hurley and Washburn, Wis., and Ironwood, Bessemer and Wakefield, Mich. Ashland is also furnished with gas. Street railway service is supplied to 7 communities including Ashland, Ironwood and Bessemer, and intervening points. The population served is estimated to exceed 68,600 and the territory embraces the well known Gogebic Iron Mining region.

The properties include 11 central electric generating stations having combined capacity of 30,330 k.w. (40,650 h.p.) and of which 13,860 k.w. capacity is in hydro-electric stations. There are distributed throughout the system 48 sub-stations interconnected by more than 430 miles of high voltage transmission lines. The Big Falls hydro-electric station on Flambeau River in Wisconsin with 12,000 h.p. capacity, operates under a 52-foot head and is connected with the northern district by a steel tower double circuit 88,000-volt transmission line over 87 miles long. The Company also owns a number of valuable undeveloped hydro-electric power station sites. The gas plant located at Ashland, Wis., has a daily rated manufacturing capacity of 250,000 cu. ft, and holder capacity of 200,000 cu. ft.

Franchises—In Wisconsin the Company operates under indeterminate permits. In Michigan, the franchises are free from burdensome restrictions and extend to 1940 and beyond.

OPERATING STATISTICS, DECEMBER 31

	Number of Customers	Electric Output (k.w.h.)
1923	11,311	56,246,39
1924	13,070	56,546,93
1925	13,724	63,775,52
1926	15,365	70,642,40
1927	15,686	74,290,95

CAPITAL STOCK

Authorized, $5,000,000 Common and $5,000,000 7% cumulative Pfd.; outstanding, $2,457,800 Common an $2,465,900 Pfd.; par, $100. During 1927 the authorize capital stock was increased from $2,500,000 Commo and $2,500,000 7% Pfd. A large stock interest is hel by North West Utilities Co.

Preferred Stock Provisions—Has preference for as sets ($100 per share in liquidation) and dividends an is callable at any time at $110 and accrued dividend Has voting rights.

Annual Meeting—Second Monday in March.

Price Range—

	1927	192
High	100	95
Low	96	92

Dividends—Pfd. dividends have been regularly pai quarterly, M, J, S & D 1. Dividends of 8% each pai on Common in 1924, 1925, 1926 and 1927.

FUNDED DEBT

(1)

$1,260,000 IRONWOOD & BESSEMER RAILWAY & LIGHT C FIRST MORTGAGE SINKING FUND GOLD 5s; DUE FEBRU ARY 1, 1936

Dated February 1, 1911.

Interest Payable February and August 1, at Amer ican Trust Co., Boston.

Denominations—Coupon, $1000; principal may b registered.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized, $2,500,000; issue $2,348,000, of which $1,260,000 are outstanding, $177 000 have been redeemed, $791,000 are pledged unde the First & Refunding Mortgage and $120,000 are hel in the treasury. Mortgage now closed.

Sinking Fund—Sinking fund, 1% of outstandin bonds, began Feb. 1, 1916, to be invested in bond of the company, if purchasable in the open market a less than 104 and accrued interest. If bonds canno be purchased in the open market at this price, th Trustee must call them by lot at 104 and accrued in

Security—Secured by a first mortgage on all th former properties, rights and franchises of the Iron

wood & Bessemer Ry. & Light Co. in the State of Wisconsin. Also a first lien on the property in Michigan owned by the former Gogebic & Iron Counties Ry. & Light Co.

(2)

$677,000 ASHLAND LIGHT, POWER & STREET RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1939

Dated January 1, 1909.

Interest Payable January and July 1, at Chicago Trust Co., Chicago, Ill., and in New York and Boston.

Denomination—Coupon and registered, $1,000.

Trustees—Chicago Trust Co., Chicago, Ill. Leverett Thompson, Chicago, co-Trustee.

Provisions of Issue—Authorized, $1,000,000; issued, $1,000,000 of which $677,000 are outstanding, $131,000 have been redeemed, $159,000 are pledged under First and Refunding Mortgage and $33,000 held in treasury.

Callability—Subject to call at 104 and interest on any interest date.

Sinking Fund—Jan. 1, each year, 1% of bonds outstanding to be used for the retirement and cancellation of these bonds.

Security—A first lien on property of former Ashland Light, Power & St. Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$3,534,000 LAKE SUPERIOR DISTRICT POWER COMPANY FIRST MORTGAGE & REFUNDING 5% GOLD BONDS, SERIES "B"; DUE DECEMBER 1, 1956

Dated December 1, 1926.

Interest Payable June and December 1, at Continental National Bank & Trust Co., Chicago or at First National Bank, New York City.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; registerable as to principal. Fully registered bonds in denominations of $1,000 or multiples thereof. Coupon and registered bonds interchangeable.

Trustee—Continental National Bank & Trust Co., Chicago, and William P. Kopf, Chicago.

Provisions of Issue—Authorized amount unlimited except as to restrictions stated below; outstanding, $3,534,000 Series "B" 5s, the proceeds of which were used for the redemption of the Series "A" 6½s (called for payment Jan. 3, 1927, at 105 and interest), and for other corporate purposes. Additional bonds of this series (or of other series bearing such rates of interest, maturing at such times and having such other provisions as the Board of Directors at the time of issuance may determine) may be issued, par for par, against the deposit of cash or underlying bonds, and to refund underlying bonds or bonds of other series issued under the Mortgage, and to the extent of 75% of the actual cost or the fair value (whichever is less) of additions, extensions, betterments and improvements, and permanent property acquired for public utility purposes. Bonds shall not be issued hereafter on account of additions, extensions, betterments and improvements or acquired property unless the net earnings, as defined in the Mortgage, during the 12 consecutive calendar months ending within 90 days next preceding the date of the request for authentication thereof shall have been at least equal to 1¾ times the annual interest charges on all bonds then outstanding under the Mortgage and those then proposed to be issued, and on all bonds, if any, then outstanding in the hands of the public prior in lien on any part of the property of the Company.

Callability—Subject to call as a whole or in part, at any time on 60 days' notice at the following prices and accrued interest; on or before Nov. 30, 1936 at 105; after Nov. 30, 1936, but on or before Nov. 30, 1946 at 103; after Nov. 30, 1946, but on or before Nov. 30, 1951, at 102½; after Nov. 30, 1951 but on or before Nov. 30, 1955 at 102, less 1/2 of 1% per annum for each full year elapsed after Nov. 30, 1951; after Nov. 30, 1955, at 100.

Maintenance and Reserve Fund—The mortgage provides that during each calendar year, so long as any bonds are outstanding, Company shall expend an amount which shall not be less than 12½% of the gross earnings derived from operation of the mortgaged properties for (a) the making of repairs, renewals and replacements; (b) the construction or acquisition of additions, extensions, betterments or improvements to its plants, equipment or other property, or the acquisition of new or additional property as and for a part of its permanent and fixed investment on account of which the Company would otherwise be entitled to receive additional bonds; (c) the redemption or purchase and cancellation of any bonds issued under and secured by the mortgage.

Security—These bonds are a direct obligation of the company, and are secured by an absolute first mortgage lien on the Big Falls hydro-electric plant and upon the steel tower construction 88,000 volt transmission line, approximately 85 miles in length, connecting said plant with the other properties, and by a direct mortgage lien on all property now owned or hereafter acquired, subject only to $1,937,000 divisional bonds now outstanding, the mortgages securing same having been closed; and, in addition, divisional first mortgage bonds of issues above mentioned, aggregating $950,000 principal amount, have been deposited and pledged with the Trustee as further security for this issue.

Legal for Savings Banks in Massachusetts.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will reimburse holders of Series "B" Bonds, if requested within 60 days after payment of the tax, for Pennsylvania and Connecticut 4 mills taxes and for the Massachusetts Income Tax on the interest of the bonds not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($3,500,000) in Nov., 1926 at 98 and interest yielding over 5⅛% by Hill, Joiner & Co., Inc., and Halsey, Stuart & Co., Inc., Chicago, etc. Bonbright & Co., Inc., Old Colony Corp. and Tucker, Anthony & Co., New York.

Price Range—1927: High, 101 bid; low, 96¾ bid.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$1,718,429	$1,488,605	$1,359,492	$1,268,213	$1,158,187
Operating expenses and taxes	881,652	646,395	690,255	609,257	633,148
Depreciation	70,443	50,266	46,778	32,737	20,665
Bad debts	1,738	5,470	565	2,314	.....
Net after taxes and depreciation	$764,596	$786,474	$621,894	$623,905	$504,384
Other income	9,694	5,807	17,067	2,794	33,430
Total income	$774,290	$792,281	$638,961	$626,699	$537,814
Interest on funded debt	270,059	272,293	273,295	273,592	268,746
Amortization of bond discount	40,931	29,025	26,669	28,222	32,975
Other interest	.....	24,676	11,219	26,548	25,823
Miscellaneous deductions	2,940	.....	.....	.....	.....
Net income	$460,360	$466,287	$327,779	$298,337	$210,270

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923
Preferred dividends	$169,794	$162,421	$150,022	$73,870	$43,47
Common dividends	184,624	218,880	149,088	143,508	.....
Surplus for year	$105,942	$84,986	$28,669	$80,959	$166,79
Balance forward (adjusted)	434,012	350,380	303,268	213,784	234,11
Total surplus, Dec. 31	$539,954	$435,366	$331,937	$294,743	$400,90
Times Funded Debt Interest Earned	2.70	2.71	2.2	2.09	1.7
Earnings Per Share—					
Preferred	$18.67	$20.10	$14.31	$21.43	$21.5

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant, real estate, equipment, etc.	$10,202,145	$9,804,082	$9,106,515	$8,413,139	$7,861,6
Unamortized discount and exp.	758,615	795,943	438,084	465,087	522,5
Stock subscriptions	15,857	7,468	90,634	102,683	172,61
Investments	178,475	178,475	181,148	6,248	3,3
Sinking fund	9,774	988	9,462	1,364	5
Special deposits	18,791	59,468	.....	.....	.....
Treasury securities	500	.....	.....	28,400	28,4
Cash	213,848	196,901	280,803	186,344	134,8
Notes receivable	.....	.....	295	19,591	17,7
Accounts receivable	246,261	259,982	256,674	246,531	206,9
Materials and supplies	99,454	129,993	116,928	85,037	64,81
Prepayments	10,758	8,748	6,612	.....	.....
Deferred charges	27,337	36,397	3,305	5,970	27,3
Total	$11,781,815	$11,478,445	$10,490,460	$9,560,394	$9,040,8
Liabilities—					
Common stock	$2,457,800	$2,257,800	$1,998,800	$1,890,000	$1,750,0
Preferred stock	2,465,900	2,319,900	2,333,100	1,392,500	976,1
Funded debt	5,471,000	5,606,000	4,693,000	4,688,000	4,724,0
Equip. Trust Certificates	.....	.....	.....	50,000	60,0
Pfd. stock subscribed	20,000	11,000	.....	.....	.....
Premium on capital stock	7,405	.....	.....	.....	.....
Deferred payments on purchase contracts	56,444	61,919	67,161	18,000	19,0
Advance from affil. cos	.....	.....	318,195	313,919	.....
Notes payable	21,500	.....	25,551	118,364	340,4
Accounts payable	62,572	113,406	83,334	49,592	193,6
Consumers' deposits, etc.	22,944	21,182	30,119	38,166	29,8
Accruals	109,075	134,404	159,273	174,777	166,8
Dividends payable	14,382	13,571	.....	125,466	.....
Miscellaneous unadjusted credits	12,923	12,435	.....	.....	.....
Contrib. for extensions	27,980	21,551	14,404	4,519	1,9
Retirement reserve	491,522	469,912	435,586	402,348	378,1
Miscellaneous reserves	414	.....	.....	.....	.....
Surplus	539,954	435,365	331,937	294,743	400,9
Total	$11,781,815	$11,478,445	$10,490,460	$9,560,394	$9,040,8

Officers: L. E. Myers, Pres.; Martin J. Insull, V-P., Chicago, Ill.; W. J. Hodgkins, V-P. & Gen. Mgr., Ashland, Wis.; N. Siljestrom, Sec. & Asst. Treas., Chicago, Ill.; E. J. Shaylor, Treas. & Asst. Sec., Ashland, Wis.

Directors: L. E. Myers, Samuel Insull, Martin Insull, B. E. Sunny, Britton I. Budd, W. C. Shar Chicago, Ill.; W. J. Hodgkins, Ashland, Wis.

General Office, Ashland, Wis. **Chicago Office,** 11 Monadnock Bldg.

SOUTHERN WISCONSIN ELECTRIC COMPANY

(Controlled by North West Utilities Co.)

History and Properties—Incorporated Nov. 23, 1915, in Wis., for production, transmission and delivery and furnishing electric current and gas for heat, power and electric lighting, etc. Company operates under indeterminate permits granted by the State of Wisconsin. Furnishes without competition electric current to 16 communities including Lake Geneva, Delavan, Delavan Lake, Genoa City, Williams Bay, Fontana, Walworth, Clinton, Sharon, Darien, Allens Grove, Zenda, Twin Lakes, Powers Lake, Bassett and Slades Corners, Wis. The Company also furnishes energy under contract to the Chicago, Harvard & Geneva Lake Ry. Co., an interurban line operating 12.83 miles of track running from Harvard, Illinois, through Walworth to Fontana. The population served is estimated at 20,000.

The Company purchases all its power under a contract from the Wisconsin Gas & Electric Co., running until June 1, 1936, with provision for five-year renewal periods thereafter. Transmission lines have been built connecting all of the communities served by the company. Miles of high tension transmission lines, 36; miles of distribution lines, 217.

Operating Statistics, Dec. 31—No. of customers in 1927, 8,602; 1926, 7,823. Total connected load in 1927, 15,180 k.w.; 1926, 12,995 k.w. Output in 1927, 8,900,824 k.w.h.; 1926, 7,527,252 k.w.h.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 7% cumulative Pfd. (increased from $250,000 Commo and $250,000 Pfd. in 1926); outstanding $266,500 Con mon and $203,000 Pfd.; par, $100. Stock control hel by North West Utilities Co. Annual meeting, fir Thursday in April.

Dividends—Dividends of 8% per annum paid o Common stock and 7% on Pfd.; payments on bot classes, quarterly, J, A, J & O 15. In addition extr dividends have been paid on Common stock as fo lows: Jan. 26, 1926, 4%; Jan. 26, 1927, 2%; Jan. 2 1928, 2%. Dividends are declared third Monday in M J, S & D.

FUNDED DEBT

$590,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A DUE DECEMBER 1, 1956

Dated December 1, 1926.

Interest Payable June and December 1, in Chicag

Denominations—Coupon, $100, $500 and $1,000, (i terchangeable) principal may be registered; fully re istered bonds in denomination of $1,000 and multiple thereof; coupon and registered bonds interchangeabl

Trustee—Central Trust Company of Illinois, Ch cago.

Provisions of Issue—Authorized amount unlimited issued, Series "A," $590,000. Mortgage provides tha

subject to the limitations thereof, additional bonds of this series (or of other series bearing such rates of interest, maturing at such times and having such other provisions as the Board of Directors at the time of issuance may determine) may be issued against the deposit, par for par, of cash or United States obligations or to refund bonds of other series issued under the Mortgage, and to the extent of 75% of expenditures made by the Company for additions, improvements, betterments or extensions and 75% of the cost or value (whichever is less) of purchased property acquired by the Company provided that all such extensions and purchased property, made or acquired by the Company, shall be subject to the Mortgage as a first mortgage thereon. Bonds shall not be issued on account of expenditures made by the Company for such extensions or purchase property or to refund at a higher rate of interest bonds of other series under the Mortgage unless net earnings, as defined in the Mortgage, of the Company during the 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the annual interest charges on all bonds then issued and outstanding under the mortgage and those then proposed to be issued.

Purpose of Issue—Proceeds were used for the redemption of the outstanding First Mortgage 6% Gold bonds, due Jan. 1, 1936 (called for payment on Dec. 1, 1926 at 102½ and interest), for reimbursing the Treasury, in part, for expenditures made and to be made on account of additions and improvements to the properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part, at any time, upon 30 days' notice at the following prices and accrued interest: On or before Nov. 30, 1936 at 105; after Nov. 30, 1936, but on or before Nov. 30, 1946 at 103; after Nov. 30, 1946 but on or before Nov. Nov. 30, 1951, at 102½; after Nov. 30, 1951, but on or before Nov. 30, 1955, at 102, less ½ of 1% per annum for each full year elapsed after Nov. 30, 1951; after Nov. 30, 1955 at 100.

Maintenance and Renewal Fund—The Mortgage provides that during each calendar year, the Company shall expend an amount not less than 10% of the gross earnings derived from operation of its mortgaged properties for (a) the making of repairs, renewals and replacements; (b) the making of extensions or the acquisition of properties on account of which the Company would otherwise be entitled to issue additional bonds; or (c) the redemption or the purchase and cancellation of any bonds issued under and secured by the Mortgage.

Security—Bonds are the direct obligation of the Company and are secured by an absolute first mortgage on all of the permanent property, rights and franchises of the Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sanborn & Blake, Madison, Wis.

Original Offering—First publicly offered ($590,000) in Nov., 1926 at 98 and interest, yielding over 5⅛% by Hill, Joiner & Co., Inc., New York, Chicago, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$571,660	$539,373	$436,221
Oper. expenses & taxes	432,530	411,497	322,621
Retirement expense	41,592	36,092	33,942
Net earnings	$97,538	$91,784	$79,658
Other income	2,041	4,802	2,513
Gross income	$99,579	$96,586	$82,171
Fixed charges	32,790	31,108	28,429
Net income	$66,789	$65,478	$53,742
Pfd. dividends	11,284	8,358	8,358
Common dividends	26,650	22,930	22,668
Surplus for year	$28,855	$34,190	$22,716
Times Fixed Ch'ges Earned	3.04	3.10	2.92

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Fixed capital	$1,201,391	$1,124,683	$924,217
Invest. in affiliated cos.	55,976	.....	34,735
Miscellaneous investments	40,000	.....	.....
Materials and supplies	36,140	39,236	30,999
Cash	117,075	83,164	68,024
Notes and accts. receivable	80,192	84,369	65,973
Special deposits	392	377	.....
Prepayments	249	220	180
Deferred debits	1,941	48,852	2,620
Discount & exp., on bonds	64,322	60,162	20,992
Total	$1,597,678	$1,441,063	$1,147,740
Liabilities—			
Common stock	$266,500	$266,500	$188,900
Preferred stock	203,000	119,400	119,400
Funded debt	590,000	590,000	462,100
Premium on Pfd. stock	2,680	.....	.....
Accounts payable	23,915	24,708	22,937
Dividends declared	14,213	12,750	13,424
Consumers' deposits	10,506	9,853	15,182
Taxes accrued	38,746	36,008	31,750
Interest accrued	2,458	2,458	.....
Unadjusted credits	5,423	.....	.....
Retirement reserve	245,403	217,255	189,322
Miscellaneous reserves	3,604	4,148	516
Contrib. for extensions	41,753	37,361	17,778
Surplus	149,477	120,622	86,431
Total	$1,597,678	$1,441,063	$1,147,740

Officers: L. E. Myers, Pres.; Chicago; Jas. G. Allen, V-P. & Gen. Mgr.; G. B. Burdick, Treas. & Pur. Agt., Lake Geneva, Wis.; N. Siljestrom, Sec., Chicago, Ill.

Directors: L. E. Myers, Martin J. Insull, Geo. W. Hamilton, Marshall E. Sampsell, W. C. Sharp, Chicago, Ill.; J. J. Phoenix, Delavan, Wis.; James G. Allen, Lake Geneva, Wis.

General Office, Lake Geneva, Wis. **Chicago Office**, 72 W. Adams Street.

WISCONSIN POWER AND LIGHT COMPANY

(Controlled by North West Utilities Co.)

History and Property—Incorporated Feb. 21, 1917, in Wisconsin, as the Eastern Wisconsin Electric Company; name changed to present title on April 14, 1924. During the early part of 1924 a merger was effected including the following companies:

Wisconsin Power, Light & Heat Co.
Janesville Electric Company
Mineral Point Public Service Company
Middle Wisconsin Power Company
Wisconsin Utilities Company
Badger Electric Service Company

In addition to the properties acquired by the company in 1924 through the consolidation above mentioned, the Company purchased the electric distribution systems in the villages of Hancock, Plainfield and Almond and a transmission line extending from Wautoma to Hancock, and the bus equipment heretofore operated by the Eastern Wisconsin Transportation Company between Fond du Lac and Madison and from Madison to Prairie du Sac. These bus lines are

WISCONSIN POWER & LIGHT CO.
Paine, Webber & Co
ESTABLISHED 1880
NEW YORK BOSTON CHICAGO
Members New York, Boston, Chicago, Detroit and Hartford Stock Exchanges

operated supplemental to and as feeders for the Company's interurban service.

Acquisitions in 1926—During the year 1926 the Company purchased all the property and assets of:

Wisconsin River Power Company
Southern Wisconsin Power Company
Beloit Water, Gas & Electric Company
Central Wisconsin Power Company

Also purchased in this period the local electric distribution systems and high voltage transmission lines and plants and other property of

McFarland Electric Company
Cambridge-Albion Electric Company
Friendship Light & Power Company
Delton Electric Company
Columbia Light & Power Company
Caroline Electric Company
Trenton Light & Power Company
Marion Light & Power Company
Iola Light, Power & Manufacturing Company
Scandinavia Electric Company

and the municipal properties serving Blanchardville and Milton Junction.

The Company also purchased during the year 1926 all the outstanding capital stock of The New Gas Light Company of Janesville. For acquisitions previous to 1926, see Public Utility Manual for 1926, page 1573.

Acquisitions in 1927—During the year 1927 the Company purchased all of the property and assets of the Sauk-Prairie Light and Power Company, the Lodi Utilities Light and Power Company, the Sauk County Utilities Company, the Halfway Prairie Electric Company, the New Gas Light Company of Janesville, and the distribution system in the village of Kendall. The Company also purchased during the year all of the outstanding Common stock of the Lindsey Light and Power Company of Maniwa.

The Company owns and operates 44 generating stations, of which 10 are steam and 34 hydro-electric. In addition, owns and operates 7 gas plants, among which, the Fond du Lac and Beloit plants are among the largest in the State of Wisconsin. The total rated daily capacity of the Company's gas plants exceed 3,630,000 cubic feet.

The Company also owns and operates street railway systems serving the cities of Sheboygan, Fond du Lac and Oshkosh, two interurban lines, and 14 bus lines with a mileage of 502 miles, operating 52 auto buses interconnecting and serving these and many other important cities and villages located in the Company's territory.

The Company serves the following number of Communities with the kind of service shown; Electric—Retail, 199; wholesale (direct, 28; indirectly, 37), 65; electric railway—urban, 4; interurban, 4; gas, 9; water, 3; heat, 2; auto bus—urban, 2; interurban, 65. The number of customers served as of Dec. 31, 1927, was as follows: Electric service (retail and wholesale), 68,647; gas service (retail), 20,933; water service (retail), 6,702; heating service (retail), 181.

The Company owns and operates 2,287 miles of high tension transmission lines, with distribution systems in all communities receiving retail electric service; 85 miles of electric railway line, 34 water power electric generating stations, 10 steam power electric generating stations, and 7 gas plants. The output in 1927 was 275,376,599 k. w. h. electricity and 668,355,726 cubic feet of gas, compared with 171,285,104 k.w.h. and 607,098,225 cu. ft., respectively, in 1926. The electric railway urban and interurban passengers carried during 1927 were 4,650,385, urban and interurban auto bus passengers, 2,179,739 compared with 5,363,077 and 1,507,609 respectively, in 1926.

Franchises—The entire business of the Company is conducted under indeterminate permits as provided by the Wisconsin Public Utilities Law, in accordance with which, subject to the supervision of the Railroad Commission, it is protected from competitio from any other company doing a similar public utilit business

Management—The property is under control o Middle West Utilities Co.

CAPITAL STOCK

Authorized, $12,500,000 Common and $12,500,000 7% cumulative Pfd.; outstanding, $10,605,000 Commo and $10,739,300 Pfd.; par, $100. The Pfd. stock ha preference for assets and dividends and is redeemabl at option of the Company at $110 per share and ac crued dividends. Annual meeting, second Wednesda in March.

Public Offering—In Oct., 1924, 8,000 shares of 7% Pfd. stock were publicly offered at 98 and accrued div dends to yield 7.14%, by Paine, Webber & Co., Ne York, Boston and Chicago.

Price Range—

Preferred—	1927	1926	1925	1924	1923	192
High	102½	99	97	85	86	86
Low	bid	bid	bid	bid	bid	bid

Dividends—Dividends on Pfd. stock were begun i June, 1917; payments are made quarterly, M, J, S D 15. Paid dividends of 6% each on Common in 192 and 1924; 1925, 1926 and 1927, 8% each.

FUNDED DEBT

(1)

$2,000,000 BELOIT WATER, GAS & ELECTRIC CO. FIRS MORTGAGE SINKING FUND GOLD 5s; DUE MARCH 1, 19

Dated March 1, 1912.

Interest Payable March and September 1, at Th Fifth Third Union Trust Company, Cincinnati, Ohi Trustee, and at office of Spencer Trask & Co., Ne York. Coupon, $100, $500 and $1,000; principal ma be registered.

Provisions of Issue—Authorized, $3,000,000; uni sued bonds reserved for new property, extensions an improvements, at 80% of cost, and then only when th net earnings for the preceding twelve months sha have been twice the annual interest charge, inclu ing bonds proposed to be issued. Sinking fund 1% of outstanding bonds began Jan. 1, 1916, for whic bonds may be purchased in the open market, drawn by lot at 103 and interest. All bonds pu chased for the sinking fund are to be kept alive an interest accruing thereon is to be used in the pu chase of additional bonds.

Security—A first lien on entire property now owne or hereafter acquired.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%.

Legal Opinion—Masten & Nichols, New York (f the bankers); Olin, Butler, Stebbins & Stroud, Mad son, Wis. (for the company).

Original Offering—First publicly offered ($900,00 in June, 1912, on a 5.30% basis.

(2)

$516,400 MINERAL POINT PUBLIC SERVICE COMPAN FIRST & REFUNDING (NOW FIRST) GOLD 6s; DUE JA UARY 1, 1934

Dated January 1, 1914.

Interest Payable January and July 1, at First Wi consin Trust Co., Milwaukee, Wis.

Denominations—Coupon, $100, $500 and $1,00 principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee.

Provisions of Issue—Authorized issue, $1,000,000.

Callability—Subject to call on any interest date 105 and interest on 30 days' notice.

Sinking Fund—Sinking fund, begun in 1916, pr vides for an amount equal to 10% of net earnings, be used for the retirement of not less than $5,0 bonds annually.

Security—A first lien on entire property former owned by Mineral Point Public Service Company.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

Original Offering—First publicly offered ($125,000) in April, 1914, at par and interest, by John E. DeWolf Co., Milwaukee.

(3)

$1,306,000 WISCONSIN POWER, LIGHT & HEAT CO. FIRST & REFUNDING MORTGAGE GOLD 5s; DUE JUNE 1, 1946

Dated June 1, 1916.

Interest Payable June and December 1, at First Wisconsin Trust Co., Milwaukee.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee.

Provisions of Issue—In addition to the $1,306,000 bonds outstanding, $651,500 are in the company's treasury.

Callability—Subject to call at 102 and interest on any interest date, on 60 days' notice.

Sinking Fund—Sinking fund beginning June 1, 1922, 1% annually of outstanding bonds.

Security—A first lien on property of former Wisconsin Power, Light & Heat Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$598,500 JANESVILLE ELECTRIC COMPANY FIRST AND REFUNDING MORTGAGE (NOW FIRST) GOLD 5s, DUE $10,000 ANNUALLY JULY 1, 1928 TO AND INCLUDING JULY 1, 1942, $7,000 JULY 1, 1943, $4,000 JULY 1, 1944, AND $442,000 JULY 1, 1945

Dated July 1, 1915.

Interest Payable January and July 1, at Merchants Trust Co., Janesville, Wis.

Denomination—Coupon, $500; principal may be registered.

Provisions of Issue—In addition to the $598,500 bonds outstanding, $4,500 are held in treasury.

Callability—Subject to call as a whole or in part upon 60 days' published notice on any interest date at 102 and accrued interest.

Security—A first lien on property of former Janesville Electric Company.

(5)

$44,600 MIDDLE WISCONSIN POWER COMPANY FIRST MORTGAGE 6s; DUE MAY 1, 1943

Interest Payable May and November 1, at Continental National Bank & Trust Co., Chicago.

Provisions of Issue—In addition to the $44,600 outstanding, $1,100 are held in the treasury.

Security—A first lien on property of former Middle Wisconsin Power Company.

(6)

$131,000 RIPON LIGHT & WATER COMPANY FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1930

Dated April 1, 1910.

Interest Payable April and October 1, at Continental National Bank & Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized issue, $150,000; outstanding, $131,000 and $1,000 held in treasury.

Callability—Subject to call at 105 and interest upon four weeks' notice.

Sinking Fund—Sinking fund, 1% annually of outstanding bonds.

Security—A first lien on property of former Ripon Light & Water Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(7)

$73,000 CENTRAL WISCONSIN UTILITIES COMPANY FIRST & REFUNDING GOLD 5s; DUE JANUARY 1, 1938.

Dated January 1, 1918.

Interest Payable January and July 1, at First Wisconsin Trust Co., Milwaukee, Wis.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Provisions of Issue—Issued, $111,000, of which $38,000 are deposited as collateral for the Wisconsin Power, Light and Heat Company First and Refunding Mortgage bonds.

(8)

$1,445,500 SHEBOYGAN ELECTRIC CO. REFUNDING AND IMPROVEMENT MORTGAGE GOLD 5s; DUE JULY 1, 1946

Dated July 1, 1916.

Interest Payable January and July 1, at First Wisconsin Trust Co., Milwaukee, and in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee.

Provisions of Issue—Authorized, $5,000,000. In addition to the $1,445,500 bonds outstanding, $10,000 held in treasury, and balance reserved for future issuance.

Callability—Subject to call at 105 and interest on July 1, 1921, or any interest date thereafter.

Sinking Fund—Sinking fund, payable on Jan. and July 1, 1% annually, 1920 to 1930; 1½%, 1931 to 1940, and 2%, 1941 to 1945.

Security—Secured by a direct first mortgage on property of former Sheboygan Electric Co., comprising electric lighting, power and street railway properties in Sheboygan, Wis., and the interurban line from Sheboygan to Plymouth, in all 33 miles of track.

Legal for Savings Banks in Maine.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,236,000) in Sept., 1916, at 96½ and interest, yielding 5¼%, by Wisconsin Trust Co., Milwaukee.

(9)

$2,101,000 SOUTHERN WISCONSIN POWER CO. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1938

Dated October 1, 1908.

Interest Payable April and October 1, at Continental National Bank & Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized $2,500,000; issued $2,446,000; $336,000 retired by sinking fund to Dec. 31, 1927, and $9,000 held in treasury; balance reserved to cover 80% of cost of additions and improvements.

Sinking Fund—1% annually to June 20, 1923, incl., and 1½% annually thereafter to 1937, incl.

Security—A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(10)

$3,878,000 WISCONSIN RIVER POWER CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1941

Dated May 1, 1911.

Interest Payable May and November 1, at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago, Ill.

Provisions of Issue—Authorized and issued, $5,000,000, of which $483,000 have been retired by sinking fund, $639,000 held in treasury, and the remaining $3,878,000 are outstanding.

Callability—Subject to call on and after May 1, 1921 at 105 and interest.

Sinking Fund—1% yearly, 1917 to 1926; thereafter 1½%.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(11)

$229,000 NEW GAS LIGHT COMPANY OF JANESVILLE FIRST MORTGAGE 5s; DUE JUNE 1, 1934

Dated June 1, 1894.

Interest Payable June and December 1 at Real Estate-Land Title & Trust Co., Philadelphia.

Denomination—Coupon, $500.

Provisions of Issue—Issued, $250,000, of which $21,000 held in treasury.

Security—Secured upon all the property and franchises formerly owned by New Gas Light Company of Janesville.

Guaranty—Guaranteed by United Gas Improvement Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(12)

$2,043,400 EASTERN WISCONSIN ELECTRIC CO. FIRST LIEN & REFUNDING GOLD 6s, SERIES "A"; DUE DECEMBER 1, 1942

Dated December 1, 1922.

Interest Payable June and December 1, at Continental National Bank & Trust Co., Chicago, or First National Bank, New York.

Denomination—Coupon (interchangeable denominations), $100, $500 and $1,000; principal may be registered.

Provisions of Issue—In addition to the $2,043,400 outstanding, $4,600 are held in treasury. The mortgage provides among other things that additional bonds of this series (or other series bearing such rates of interest, maturing at such times, and having such other provisions as the directors at the time of issuance may determine) may be issued par for par against the deposit of cash or United States obligations, or against the deposit or discharge of underlying bonds, or to refund bonds of other series issued under the mortgage. Bonds may also be issued to 75% of expenditures for additions and betterments, and, of the cost or value (whichever is less) of purchased property. Bonds may also be issued to 75% of expenditures made for stock of a subsidiary and for additions and betterments to its property, and of the cost or value (whichever is less) of purchased property, acquired by a subsidiary; and to refund par for par its indebtedness, provided bonds secured by mortgage upon the property of such subsidiary shall be pledged in an amount equal to all such expenditures made or indebtedness discharged, and provided that the total amount of bonds issued under the mortgage in respect of any subsidiary, together with the principal amount of all mortgage indebtedness upon such subsidiary not pledged under the mortgage, shall not exceed 75% of the value of the property of such subsidiary. Bonds issued on account of additions or betterments or purchased property of the Company or of any subsidiary, or the stocks of any subsidiary, or to refund at a higher rate of interest bonds of other series issued under the mortgage, or to refund the indebtedness of a subsidiary, may not be issued, unless the net earnings, as defined in the mortgage of the company and its subsidiaries, during the 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the annual interest charges on all First Lien and Refunding bonds then issued and outstanding and those then proposed to be issued, and on all bonds, if any, then outstanding in the hands of the public prior in lien on any part of the property of the Company, and on all mortgage indebtedness then outstanding in the hands of the public and secured by lien upon the property of its subsidiaries.

Callability—Subject to call as a whole or in part on or after Dec. 1, 1932, and prior to Dec. 1, 1937, at 105 and accrued interest, and thereafter prior to Dec. 1, 1941, at 102½ and accrued interest, less ½ of 1% per annum for each year or fraction thereof elapsed after Nov. 30, 1938; if redeemed on or after Dec. 1, 1941, at 100 and interest.

Maintenance and Renewal Fund—The mortgage also provides that during each calendar year, beginning 1923, the Company shall expend an amount equal to not less than 10% of the gross earnings from operation of the mortgaged properties, to (a) the making of repairs, renewals and replacements; (b) the making of extensions, or the acquisition of properties on account of which the Company would otherwise be entitled to receive additional bonds; or, (c) the redemption and cancellation of any bonds issued under and secured by this mortgage.

Security—The First Lien and Refunding Mortgage Bonds are secured by mortgage covering as a direct lien all of the property, rights and franchises of the company now owned or hereafter acquired, subject to the underlying bonds outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of the Series "A" bonds, if requested within sixty days after payment for the Pennsylvania four mill tax, for the Connecticut Personal Property tax not exceeding four mills per dollar per annum, and for the Massachusetts income tax on the interest not exceeding 6% per annum.

Original Offering—First publicly offered ($1,917,000) in Jan., 1923, at 92½ and interest, yielding over 6.65%, by Hill, Joiner & Co., Chicago, etc., Paine Webber & Co., and Halsey, Stuart & Co., Inc., New York, Chicago, etc.

Price Range—

	1927	192
High	107	102
Low	102½ bid	

(13)

$1,182,000 EASTERN WISCONSIN ELECTRIC CO. FIRST LIEN & REFUNDING GOLD 6½s, SERIES "B"; DUE SEPTEMBER 1, 1948

Dated September 1, 1923.

Interest Payable March and September 1, at Continental National Bank & Trust Co., Chicago or First National Bank, New York.

Denominations—Coupon (interchangeable denominations), $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Provisions similar in all respects to those shown in description of Series "A" bonds.

Callability—Subject to call as a whole or in part at any time on or after Sept. 1, 1933, on 30 days' published notice at the following prices and accrued interest: On and from Sept. 1, 1933 to Sept 1, 1938, at 107½; on and from Sept. 1, 1938 to Sept. 1, 1943, at 105; on and from Sept. 1, 1943, at 102½, less ½ of 1% per annum for each year or fraction thereof elapsed after Aug. 31, 1944; on or after Sept. 1, 1947, at 100.

Maintenance and Renewal Fund and Security—See details in description of Series "A" bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of the Series "B" bonds, if requested within 60 days after payment, for the Pennsylvania four mill tax for the Connecticut Personal Property tax, not exceeding four mills per dollar per annum, and for the Massachusetts Income tax on the interest not exceeding 6% per annum.

Original Offering—First publicly offered ($1,150,000) in Sept, 1923, at 97 and interest, to yield 6¾% by Hill, Joiner & Co., Inc., Chicago, Paine, Webber & Co., Boston, etc., and Halsey, Stuart & Co., Inc. Chicago, etc.

Price Range—

	1927	1926
gh	110½	103½
w	107	bid

(14)

,350,000 WISCONSIN POWER & LIGHT CO. FIRST LIEN & REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE MAY 1, 1956

Dated May 1, 1926.

Interest Payable May and November 1, at Conti-ntal National Bank & Trust Co., Chicago, or at ankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000 (in-rchangeable); principal may be registered. Fully gistered bonds in denomination of $1,000 or author-ed multiples thereof.

Trustee—Continental National Bank & Trust Co., hicago.

Provisions of Issue—Provisions similar in all re-pects to those shown in description of Series "A" nds.

Purpose of Issue—Proceeds from the $2,000,000 itial issue were used to reimburse the treasury in rt, for additional property acquired, for expenditures ade on account of additions and improvements to ie properties and for other corporate purposes.

Proceeds from sale of the remaining $6,350,000 nds were used for the redemption of the Series 6% and Series D 5½% bonds and the First and efunding Mortgage 5% bonds, to reimburse the easury, in part, for additional property acquired, for xpenditures made on account of additions and im-rovements to the property, and for other corporate urposes.

Callability—Subject to call as a whole or in part, at ny time, upon 30 days' notice at the following prices nd accrued interest: On or before April 30, 1936 at 05; after April 30, 1936, but on or before April 30, 946, at 103; after April 30, 1946, but on or before April 0, 1951, at 102½; after April 30, 1951 but on or before April 30, 1955 at 102, less ½ of 1% per annum for each full year elapsed after April 30, 1951; after April 30, 1955 at 100.

Maintenance and Renewal Fund and Security—See description of Series "A" bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes and Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum refunded upon request within 60 days after payment.

Legal for Savings Banks in Massachusetts.

Original Offering—First publicly offered ($1,000,-000) in June, 1926, at 95 and interest to yield over 5.33% by Hill, Joiner & Co., Inc., Halsey, Stuart & Co., Inc. and Paine, Webber & Co., New York, etc.; $1,000,000 additional offered in Nov., 1926, at 96½ and interest to yield over 5.20%, by the same bankers. $6,350,000 additional bonds were offered in Dec., 1927, at 101½ and interest to yield over 4.90% by the same bankers.

Price Range—

	1927	1926
High	*101⅛	*95½
Low	*95¼	*93¾

*High and low bid prices.

BONDS CALLED FOR REDEMPTION

All the Eastern Wisconsin Electric Co. First and Refunding Mortgage Gold 5s, due March 1, 1947, were called for redemption on March 1, 1928, at 105 and interest at First Wisconsin Trust Co., Milwaukee, Trustee.

All the Wisconsin Power & Light Co. First Lien and Refunding Gold 6s, Series "C," due May 1, 1944, were called for redemption on Jan. 17, 1928 at 105 and interest at Continental National Bank & Trust Co., Chicago, Trustee.

All the Wisconsin Power & Light Co. First Lien and Refunding Gold 5½s, Series "D," due Dec. 1, 1955, were called for redemption on Jan. 17, 1928 at 105 and interest at Continental National Bank & Trust Co., Chicago, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
perating earnings	$7,990,941	$6,948,679	$4,924,677	$4,157,845	$1,764,045
perating expenses and taxes	*5,314,660	*4,788,413	3,595,829	2,899,998	1,177,228
Net earnings	$2,676,281	$2,160,266	$1,328,848	$1,257,847	$586,817
ther income	189,093	108,394	292,552	21,219	39,991
Total income	$2,865,374	$2,268,660	$1,621,400	$1,279,066	$626,808
ond interest	1,135,878	854,228	596,140	560,755	325,142
ther interest, etc.	117,101	210,807	161,072	186,252	90,884
Total charges	$1,252,979	$1,065,035	$757,212	$747,007	$416,026
et income	$1,612,395	$1,203,625	$864,188	$532,059	$210,782
ividends paid	1,497,991	1,191,769	768,155	405,480	175,465
Surplus for year	$114,404	$111,856	$96,033	$126,579	$35,317
imes Fixed Charges Earned	2.28	2.13	2.14	1.71	1.65
arnings Per Share—					
Preferred	$15.01	$14.71	$15.61	$12.66	$12.36

*Includes retirement reserve of $216,648 in 1926, and $358,612 in 1927.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
eal estate, plant and equipment	$44,041,187	$39,886,226	$19,835,788	$17,511,482	$8,865,827
ecurities owned	616,587	690,904	3,009,981	713,723	106,100
laterials and supplies	483,175	531,895	361,851	292,473	134,614
ash	705,212	611,060	435,994	316,983	95,300
otes receivable	17,830	18,582	25,553	4,933	6,250
ccounts receivable	927,539	882,119	658,215	522,132	179,079
nterest and dividends receivable	8,729	8,304	4,401	13,272	.....
arnings receivable	.....	.....	95,553	.....	.....
inking fund and special deposits	320,250	713,317	179,008	10,208	15,038
fd. stock subscriptions receivable	83,156	87,019	136,992	109,336	51,727
nstallments receivable on sale of property	85,000	90,000	.....	.....	.....
namortized discount and expense on securities	1,210,106	871,259	1,045,479	731,500	448,697
repaid accounts and deferred charges	186,085	257,032	301,989	391,187	139,203
Total	$48,684,856	$44,647,717	$26,090,804	$20,617,228	$10,041,835

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	192
Common stock	$10,605,000	$9,703,800	$5,802,400	$3,543,400	$1,150
Preferred stock	10,739,300	8,182,100	5,534,000	4,201,200	1,705
Funded debt	23,898,400	22,056,600	11,907,000	10,710,900	5,871
Due on purchase contract	93,772	513,327	257,156	.....	....
Equipment obligations	.....	.....	.....	.....	205
Premium on capital stock	56,453	.....	.....	.....	....
Notes payable	6,000	25,750	12,750	28,395	578
Accounts payable	325,385	545,732	658,874	368,216	295
Consumers' deposits	84,562	78,029	76,471	67,920	....
Interest accrued	202,307	264,106	92,424	155,124	98
Miscellaneous accrued accounts	20,145	42,410	.....	.....	....
Dividends accrued	62,646	241,805	32,282	24,326	13
Other current liabilities	228,376	22,786	9,000	7,000	30
Reserve for taxes	70,941	324,526	71,789	27,233	76
Advances from affiliated companies	.....	40,094	.....	.....	....
Subscriptions to Pfd. stock—unissued	152,900	446,800	227,400	134,300	44
Reserves	984,158	1,025,113	501,691	526,562	47
Miscellaneous unadjusted credits	41,682	125,935	.....	.....	....
Surplus	1,112,829	1,009,004	907,567	822,652	110
Total	$48,684,856	$44,647,717	$26,090,804	$20,617,228	$10,041

Officers: Marshall E. Sampsell, Pres., Chicago, Ill.; G. C. Neff, V-P. & Gen. Mgr., Madison, Wis.; Leroy J. Clark, Sec. & Asst. Treas., Chicago, Ill.; Douglas Shaw, Treas. & Asst. Sec.; Otis Gerke, Asst. Treas., Madison, Wis.; C. E. Packman, Asst. Sec., Chicago, Ill.; Joseph E. Gray, Aud.; M. A. McNulty, Asst. Aud.; J. H. Verheyden, Pur. Agt., Madison, Wis.

Executive Committee: Britton I. Budd, W. C. Sh... Marshall E. Sampsell.

Directors: Britton I. Budd, Martin J. Insull, Le... J. Clark, Morris F. LaCroix, G. C. Neff, W. C. Sh... Marshall E. Sampsell.

General Office, Madison, Wis.

NORTHWESTERN PUBLIC SERVICE COMPANY

(Controlled by Middle West Utilities Company)

History—Incorporated Nov. 27, 1923, in Del., and acquired by purchase all of the property of Aberdeen Light & Power Company; Columbus Heat, Light & Power Co.; North Platte Light & Power Co., and Union Power & Light Co. It has since acquired by purchase all the property of Huron Light & Power Co.; Mitchell Power Co.; Consumers Utilities Co.; The Yankton Division of the Eastern Dakota Electric Company; Springfield Light & Power Co., Aberdeen Gas Co. and numerous other independent small companies and municipal plants.

Serves 105 communities in South Dakota and Nebraska, including the cities of North Platte, Columbus, Huron, Aberdeen, Mitchell, Yankton, Wagner and Redfield, serving a population estimated at 130,000.

Miles of transmission lines, 1,203. K. w. h. generated, 32,460,239. Gas generated, 201,489,440 cu. ft. No. of consumers—Electric, 26,750; gas, 8,087. Capacity of generating stations, 18,454 k.v.a.; of substations, 15,100 k.v.a. Has six principal electric generating stations, 65 substations and four gas manufacturing plants. Operates 90 miles of gas distribution mains. Street lights 4,223.

CAPITAL STOCK

Authorized, 40,000 shares (increased from 30,000 shares Feb. 25, 1927) Common (of no par value) and $5,000,000 7% cumulative Pfd. (par, $100); outstanding 35,000 shares Common and $2,711,800 Pfd.. All of the Common shares were owned by National Electric Power Co., but were transferred early in 1928 to the Middle West Utilities Company.

Preferred Stock Provisions—Pfd. stock has preference for assets and 7% cumulative dividends. Company reserves the right to retire any part of the Pfd. at a premium of 10% on 30 days' written notice. The holders of the Pfd. stock shall not be entitled to vote unless the Company shall be in arrears in the payment of four quarterly dividends. Authorized Pfd. stock shall not be increased nor any other Pfd. stock having a priority over or on a parity with the now authorized stock be created, or shall any amendment be made to the Certificate of Incorporation, diminishing the rights of the holders of the now authorized Pfd. stock without the assent of the holders of a majority in amount of the Pfd. stock at the time outstanding. Whenever all cumulative dividends on preferred stock for all previous years shall have been declared and paid and the accrued quarterly installments for the current year shall have been declared and paid, or there shall h... been set aside from the surplus and/or net profit... the company a sum sufficient for the payment the... a dividend may be declared and paid on the Comm... stock out of the remaining surplus and/or net pr... of the company.

Transfer Agents—Seaboard National Bank of N... York, and State Street Trust Co. of Boston, Mas...

Registrars—The First National Bank of Bos... Mass., and American Exchange Irving Trust Co., N... York.

Annual Meeting—Second Tuesday in January.

Dividends—Pfd. dividends are paid quarterly, M... S & D 1. No dividends paid on Common to Dec. 3... 1924; $1.66 2/3 per share paid in 1925; 1926, no... 1927, $5 per share.

FUNDED DEBT

(1)

$258,000 HURON LIGHT & POWER CO. FIRST MORTG... GOLD 6s; DUE MAY 1, 1932

Dated May 1, 1912.

Interest Payable May and November 1, at F... Minneapolis (Minn.) Trust Co., or National B... Bank, New York.

Denomination—Coupon, $1,000; principal may b... registered.

Trustee—First Minneapolis Trust Co., Minneapo... Minn.

Provisions of Issue—Authorized and issued, $... 000, of which $42,000 have been retired through s... ing fund, which provides for retirement of about ... of issue before maturity.

Callability—Not subject to call.

Security—Secured by first mortgage on entire p... erty of former Huron Light & Power Co. Und... $6,670,000 Series "A" 5% bonds due Jan. 1, 1957.

Tax Provisions—Company pays Normal Federal I... come Tax up to 2%.

(2)

$6,670,000 NORTHWESTERN PUBLIC SERVICE COMP... FIRST MORTGAGE GOLD BONDS, SERIES "A" 5%; ... JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable January and July 1, at The E... able Trust Co. of New York and at National Ban... the Republic, Chicago.

Denominations—Coupon, $100, $500 and $1,000 i... terchangeable; principal may be registered.

Provisions of Issue—Issued, $6,670,000 Series "A" Additional First Mortgage Gold bonds may be issued from time to time to a principal amount not exceeding 75% of the cost or fair value, whichever is the lesser, of permanent additions and improvements made or acquired subsequent to December 31, 1926, or upon deposit of cash, provided earnings applicable to bond interest for twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of application for issuance of bonds, shall have been not less than twice the annual interest charges on all First Mortgage Gold bonds outstanding, including those proposed to be issued, and the Huron Light & Power Co. First Mortgage Gold 6s then outstanding, if any, all as defined in the mortgage. First Mortgage Gold bonds may also be issued to refund equal principal amounts of other series of bonds issued under the Mortgage and the Huron Light & Power Co. First Mortgage Gold 6s now outstanding. First Mortgage Gold bonds may be issued from time to time in such series as may be determined by the Board of Directors. The bonds of additional series may bear such dates, rates of interest, mature at such times, and carry such redemption, sinking fund and tax refund provisions, and such other varying or distinguishing provisions as may be determined by the Board of Directors, subject to the restrictions of the mortgage, but, except as to sinking funds which may be established for the exclusive benefit of a particular series, all bonds of all series shall be equally and ratably secured by the mortgage.

Purpose of Issue—The original $5,800,000 Series "A" 5s were issued in February, 1927 to retire all bonds then outstanding against the property of Company (bearing interest rates higher than that of this series of First Mortgage bonds) except the Huron Light & Power Co. First Mortgage Gold 6s, due May 1, 1932, to reimburse its treasury for construction expenditures and to provide an adequate medium for future financing. $870,000 additional Series "A" 5s were issued in September, 1927 for acquisitions and extensions.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at a premium of 5% of the principal amount and accrued interest to and including Jan. 1, 1937, this premium decreasing ¼ of 1% of the principal on each July 1 thereafter, the bonds being redeemable on July 1, 1956 at 100 and accrued interest.

Maintenance and Depreciation Fund—Company covenants while any bonds of Series "A" are outstanding, commencing immediately upon their issuance, to expend for maintenance and renewals or replacements and/or to set aside as a reserve for depreciation, 10% of its gross operating revenues, in the manner provided by the mortgage.

Security—Secured by a direct first mortgage on all of the fixed property of Company now owned and hereafter acquired, subject only to $258,000 Huron Light & Power Co. First Mortgage Gold 6s, due May 1, 1932, now outstanding on a part of the property only, and for the retirement of which bonds of this issue are reserved.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Connecticut Four Mill Tax, Maryland Four and One-Half Mill Tax, Pennsylvania Four Mill Tax, California Personal Property Tax at a rate not in excess of four mills per annum, and Massachusetts 6% Income Tax refundable to holders resident in those states as provided in the Mortgage.

Original Offering—First publicly offered ($5,800,000 Series "A" 5s) in February, 1927, at 96¼ and interest, to yield about 5.25% by A. C. Allyn & Co., Inc. and A. B. Leach & Co., Inc., New York. $870,000 additional Series "A" 5s were publicly offered in September, 1927, at 96¼ and interest, to yield 5.25% by A. C. Allyn & Co., A. B. Leach & Co., Inc., New York, and Whitaker & Co., St. Louis.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Northwestern Public Service Co. and Predecessor Cos.)

	1927	1926	1925	*1924	1923	1922
Gross earnings	$2,428,666	$2,250,398	$1,949,370	$1,578,530	$861,363	$804,162
Operating expenses and taxes	1,578,916	1,435,048	1,280,390	980,663	507,960	507,004
Net earnings	$849,750	$815,350	$668,980	$597,867	$353,403	$297,158

*Includes companies acquired during the year 1924.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property investment	$10,992,325	$9,290,820	$7,162,029
Investments	39,320	23,246	17,750
Cash	86,194	179,074	135,273
Sinking fund deposits	7,985	5,257	1,853
Notes & accounts receivable	332,868	355,435	332,403
Material and supplies	281,185	256,259	167,634
Pfd. stock subscriptions receivable	140,875	49,254	82,619
Deferred charges	1,645,226	660,246	594,340
Total	$13,525,978	$10,819,591	$8,493,901

Liabilities—	1927	1926	1925
Preferred stock	$2,711,800	$1,462,600	$1,177,300
Pfd. stock subscribed but not issued	202,500	75,000	131,000
Funded debt	6,928,000	5,940,000	4,835,000
Notes & accounts payable	100,464	558,152	479,982
Due to affiliated cos.	152,071	.....	.....
Consumers' deposits	88,187	72,004	57,323
Accrued interest, taxes, dividends, etc.	130,648	156,865	111,823
Depreciation reserve, etc.	747,112	838,367	246,470
Surplus:			
*Earned	97,659	113,568	38,891
*Capital	2,367,537	1,603,035	1,416,112
Total	$13,525,978	$10,819,591	$8,493,901

*Represented by 35,000 shares of Common stock without par value.

Officers: T. T. Parker, Pres.; C. J. Strike, W. H. Frost, V-P's., Huron, S. D.; F. E. Kruesi, V-P., Chicago, Ill.; C. L. Sandstedt, Sec. & Treas., Huron, S. D.; G. E. Olmsted, Asst. Treas.; H. J. Ludwig, Asst. Sec., Chicago, Ill.

Directors: M. J. Insull, F. E. Kruesi, D. F. Burritt, Chicago, Ill.; T. T. Parker, C. J. Strike, W. H. Frost, C. L. Sandstedt, O. C. Stokke, Huron, S. D.; C. W. Amidon, Grand Island, Neb.

General Office, Huron, S. D. **Executive Office,** 57 William St., New York.

SOUTHWEST POWER COMPANY

(Controlled by Middle West Utilities Company)

History—Inc. April 23, 1924, in Del., and acquired by purchase all the property of the Choctaw Power & Light Co. and Coal District Power Co. (see 1923 Public Utility Manual, pages 1947 and 1101 respectively.) Subsequently acquired all the properties of Southwestern Utilities Company, Fayetteville Gas & Electric Co., Rogers Light & Water Co., Springdale Light & Power Co., and Inter County Power & Light Co. (see 1924 Public Utility Manual). It also owns the entire capital stock and bonds of the **Pittsburg Coun-**

ty Railway Company. During 1927 the Company took over properties of McAlester Gas & Coke Co., McAlester, Oklahoma.

Properties located in Okla. and Ark. Generating capacity 16,987 k.v.a. manufactures rating boiler horsepower, 7,150. Miles of transmission lines, 250. Miles of distribution lines, 1,618. Substation capacity, 15,774 k.v.a. No. of street lights, 1,936. Serves with electric light and power, McAlester, Alva and Hartshorne, Okla., Fayetteville, Rogers, Springdale, Eureka Springs, Harrison, Booneville and Huntington, Ark., and 61 other communities in these states. In addition the company supplies electricity at wholesale to the Public Service Company of Oklahoma for retail distribution in Atoka, Coalgate, Lehigh and Phillips, Okla., operates ice plants in Eureka Springs and Harrison, Ark. Through a subsidiary, the Pittsburg County Railway Company, street railway service is furnished in McAlester and interurban and freight service to Krebs, Hartshorne and Haileyville, Okla. The company also operates the water plant and distribution system in the City of Rogers, Ark. Total population served, 77,868. Output in 1927, 30,738,092 k.w.h.; in 1926, 26,452,247 k.w.h. No. of consumers in 1927: Electric, 13,048; gas, 2,776; water, 984.

CAPITAL STOCK

Authorized, 100,000 shares Common, no par value, (increased from 25,000 shares in 1927) and $5,000,000 7% cumulative Pfd., par, $100; outstanding, 74,983 Common shares and $1,934,500 Pfd. A controlling interest in the Common stock was acquired early in 1928 from the National Electric Power Company.

Preferred Stock Provisions—Has preference over Common for assets and cumulative dividends, and is subject to redemption at 110 and accrued dividends on 30 days' notice. The Company shall not, without the written consent of the holders of two-thirds of the outstanding Pfd. stock, create or issue any shares of stock which shall have any preference over the Pfd., nor shall any amendment to the Charter be made diminishing the rights of the Pfd. stockholders without like consent. The Corp. shall not issue any Pfd. in excess of 5,000 shares unless the net profits for 12 consecutive months out of the 15 months immediately preceding the date of issue shall be equivalent to at least three times the amount of the annual dividend upon the Pfd. stock outstanding, together with that to be issued. Full voting power is vested in the Common stock unless four quarterly dividends are in arrears, in which event Pfd. has voting power.

Transfer Agent (Both Classes)—The Seaboard National Bank, New York.

Registrar (Both Classes)—American Exchange Irving Trust Co., New York.

Annual Meeting—Second Tuesday in January.

Original Offering—In Sept. 1924, $500,000 Pfd. stock was publicly offered at 92 and accrued dividends to yield 7.61%, by Curtis, Stephenson & Co., Inc., Boston.

Dividends—Pfd. dividends are regularly paid quarterly, J, A, J & O 1 to stockholders of record the 15th day of the month preceding.

FUNDED DEBT

$4,080,000 SOUTHWEST POWER COMPANY FIRST MORTGAGE GOLD BONDS, 5% SERIES; DUE MARCH 1, 1957

Dated March 1, 1927.

Interest Payable March and September 1, at The Seaboard National Bank of New York.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; $1,000 bonds registerable as to principal only.

Trustee—The Seaboard National Bank of New York.

Provisions of Issue—Issued $4,080,000 5% Series due 1957. Additional First Mortgage Gold bonds may be issued from time to time (a) to a principal amount not exceeding 80% of the cost or fair value (whichever is less) of permanent additions, less the princi amount of prior liens outstanding thereon, if any, (b) against the deposit of bonds of the Pittsbu County Railway Company for a principal amount in excess of the principal amount of such bonds deposited, or (c) against the deposit of cash, provi earnings applicable to bond interest for twelve c secutive calendar months within the fifteen calen months immediately preceding the date of applicat for authentication and delivery of bonds, shall h been at least equivalent to twice the annual inter requirements upon all First Mortgage Gold bo outstanding, including those proposed to be issu and all outstanding prior lien bonds, if any, all defined in the mortgage, and subject to the rest tions thereof; or additional First Mortgage G bonds may be issued, to a principal amount not ceeding 75% of the cost or fair value of any such p manent additions, if such earnings applicable to bo interest shall have been at least equivalent to one a three-fourths times such interest requirements. Fi Mortgage Gold bonds may also be issued to refu equal principal amounts of the same or other ser of bonds issued under the mortgage or prior liens defined in the mortgage.

First Mortgage Gold bonds may be issued from ti to time in series with such provisions as may be termined by the Board of Directors, subject to restrictions of the mortgage. The bonds of additio series may bear such dates, rates of interest, matu at such times and carry such redemption, sinki fund, tax refund provisions, and such other varying distinguishing provisions as may be determined the Board of Directors, subject to the restrictions the mortgage, but, except as to sinking funds wh may be established for the exclusive benefit of a p ticular series, all bonds of all series shall be equa and ratably secured by the mortgage.

Purpose of Issue—Bonds of the 5% Series due 19 were issued to provide in part for the retirement all bonds at the time outstanding against the prope of the Company (bearing interest rates higher th that of this series of First Mortgage Gold bonds), the reimbursement of its treasury for construction penditures and for the acquisition of new property.

Callability—Subject to call as a whole or in part any interest date on 30 days' notice, at 105 and terest to and including March 1, 1937, this premium 5% of the principal decreasing at the rate of ¼ 1% of the principal on each September 1 thereaft the bonds being redeemable on September 1, 19 at par and accrued interest.

Maintenance and Depreciation Fund—Compa covenants, while any bonds of the 5% Series due 19 are outstanding, to use annually for maintenance penditures and/or to set aside as a reserve for dep ciation, 10% of the gross operating revenues from t physical property of the Southwest Power Compa and of the Pittsburg County Railway Company, in the manner provided by the mortgage.

Security—The First Mortgage Gold bonds are cured by a direct first mortgage on all the fix property of the Company. Further secured by pled with the Trustee of all outstanding bonds and sto (less Directors' qualifying shares) of the Pittsbu County Railway Company. Based on appraisals property by independent public utility engineers a appraisers plus additions and betterments to date cost, the value of the physical property owned by t Company and its subsidiary is largely in excess of t total funded debt of the Company outstanding.

Tax Provisions—Company pays Normal Federal come Tax up to 2%. Connecticut Four Mill Ta Maryland Four and One-Half Mill Tax; Pennsylva Four Mill Tax, California Personal Property Tax not to exceed Four Mills per Dollar of the taxable val and Massachusetts 6% Income tax refundable

nely and proper application, to holders resident in ose states, as provided in the mortgage.

Legal Opinion—Seibert & Riggs, New York.

Original Offering—First publicly offered ($4,080,-0 5% Series due 1957) in April, 1927, at 96 and erest, to yield over 5.25% by A. C. Allyn & Co., c., Old Colony Corp., New York; Arthur Perry & , Boston, and West & Co., Philadelphia.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
nt and equipment	$8,236,278	$6,569,915	$5,763,092
estments	2,000	2,000	.....
l. stock subscrip. receiv.	72,627	8,510	98,760
sh & special deposits	150,964	70,635	152,240
counts receivable	259,617	197,057	171,154
terials and supplies	135,179	132,354	115,970
ferred charges	1,061,911	461,044	458,853
Total	$9,918,576	$7,441,515	$6,760,069

Liabilities—	1927	1926	1925
Preferred stock	$1,934,500	$1,068,000	$1,038,500
Pfd. stock subscribed but not issue	102,100	18,200	136,700
Funded debt	4,080,000	3,828,000	3,650,000
Notes & accts. payable	72,884	294,894	103,526
Accrued taxes & int.	177,772	117,317	102,720
Reserves	483,308	442,870	170,424
*Surplus	3,068,012	1,672,236	1,558,199
Total	$9,918,576	$7,441,515	$6,760,069

*Represented by 21,000 shares Common stock without par value, increased to 74,983 shares in June, 1927.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenue	$1,533,635	$1,318,011	$1,143,950
Operating expenses & taxes	870,668	827,532	683,545
Net operating revenue	$662,967	$490,479	$460,405
Bond interest	215,701	240,068	208,767
Balance	$447,266	$250,411	$251,638

Officers: James C. Kennedy, Pres., Dallas, Tex.; Lieberman, V-P., Texarkana, Tex.; Fred W. Insull, -P., Tulsa, Okla.; G. W. Skow, V-P., McAlester, kla.; E. V. Graham, V-P., Chicago, Ill.; C. C. Herrnn, Treas.; F. A. Tate, Sec., Dallas, Tex.; J. W. erce, Asst. Treas.; M. M. Schene, Asst. Sec., McAlester, Okla.; H. J. Ludwig, Asst. Sec., Chicago.

Directors: James C. Kennedy, F. A. Tate, G. A. Mills, C. O. Dunton, C. C. Herrmann, H. K. Stark, Dallas, Tex.; A. Lieberman, Texarkana, Tex.; Fred W. Insull, Tulsa, Okla.; G. W. Skow, McAlester, Okla.

General Office, McAlester, Okla.

UNITED UTILITIES COMPANY

(Controlled by Middle West Utilities Co.)

History—Incorporated Jan. 30, 1907, in Ill. Owns all pital stock and bonds of Wisconsin Utilities Co. rnishes Lena and ten other communities in Illinois ith electricity. Miles of transmission lines, 74.5; disibution lines, 39. Franchises expire 1942 to 1945. opulation served, about 7,078. No. of meters, elec-ic, 2,471. Sales of electricity in k.w.h.: 1924, 1,590,-'3; 1925, 1,521,433; 1926, 1,665,598; 1927, 1,815,849.

CAPITAL STOCK

Authorized, 8,000 Common shares, no par value, 000 Pfd. shares, no par value, and $300,000 7% cuulative Pfd.; par, $100. The Pfd. stock is redeemle at any time at $110 per share. Annual meeting Feb., at Lena, Ill. Stock control held by Middle Vest Utilities Co. Pfd. dividends payable semi-anually March and Sept. 1. Dividends on Common have een paid as follows: 1925, $3.50; 1926 and 1927, $3; ayments quarterly, M, J, S & D 1.

FUNDED DEBT

$300,000 (entire issue) First Mortgage and Colateral Lien Gold 7s; dated July 1, 1922; due July 1, 937; interest Jan. and July 1, at Continental Naonal Bank & Trust Co., Chicago, Ill., Trustee. oupon, $100, $500 and $1,000; principal may be regisered. Subject to call on July 1, 1932, at 105, and at % less each year thereafter. No sinking fund, but an improvement fund is provided, beginning July 1 1923, and each year thereafter, of 2% deposit with Trustee of bonds outstanding. Can be withdrawn to make improvements. Secured by a first mortgage and collateral lien on all property. There is deposited as collateral under this mortgage $155,000 capital stock and $283,500 First Mortgage 7% Series "A" bonds of Wisconsin Utilities Company. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$146,266	$130,733	$121,958
Oper. exp. and taxes	92,996	84,263	73,570
Depreciation	7,872	5,188	4,817
Net earnings	$45,398	$41,282	$43,571
Other income	35,403	36,614	35,157
Total income	$80,801	$77,896	$78,728
Bond interest	$21,000	$21,000	$21,000
Other interest, etc.	2,904	2,807	3,213
Total charges	$23,904	$23,807	$24,213
Net income	$56,897	$54,089	$54,515
Pfd. dividends paid	20,627	20,790	20,790
Common dividends paid	24,000	24,000	27,000
Surplus for year	$12,270	$9,299	$6,725
Surplus forward	83,268	73,969	67,244
Total surplus	$95,538	$83,268	$73,969

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
ost of property	$335,200	$324,595	$310,448
ess reserve for deprec.	69,067	60,650	55,461
Balance	$266,133	$263,945	$254,987
ther investments	438,500	438,500	438,500
laterials and supplies	7,600	6,484	8,443
ash	51,508	47,846	41,610
otes receivable	.....	.....	543
ccounts receivable	14,561	12,654	12,167
nt. and dividends receiv.	14,255	14,255	.....
repayments	94	400	609
eferred debit items	6,260	355	3,554
ue from affiliated cos.	3,181	3,082	5,814
namortized debt discount & expense	25,055	27,755	30,455
Total	$827,147	$815,276	$796,684

Liabilities—	1927	1926	1925
Common stock	$75,000	$75,000	$75,000
Preferred stock	294,200	297,000	297,000
Funded debt	300,000	300,000	300,000
Accounts payable	11,447	7,911	8,909
Dividends accrued	6,865	12,930	6,930
Reserve for taxes	12,570	8,462	6,651
Contributed for line extension	25,695	24,810	23,155
Other reserves	762	825	.....
Suspense	5,070	5,070	5,070
Profit and loss	95,538	83,268	73,969
Total	$827,147	$815,276	$796,684

Officers: Martin J. Insull, Pres., Chicago, Ill.; E. D. Alexander, V-P., Dixon, Ill.; J. A. O'Connell, Sec., Chicago, Ill.; L. E. Jacobson, Treas.; J. C. Graff, Asst. Treas.; C. E. Packman, Asst. Sec., Dixon, Ill.

Directors: Martin J. Insull, John H. Gulick, W. C. Sharp, Frank E. Kruesi, Chicago, Ill.; E .D. Alexander, Dixon, Ill.

General Office, Dixon, Ill. **Operating Office,** Lena, Ill.

NATIONAL ELECTRIC POWER COMPANY

(See Accompanying Map)

(Properties of operating subsidiaries operated under general supervision and management of Electric Management and Engineering Corporation, New York)

History—Incorporated, March 3, 1925, in Maine, as a holding company, and acquired over 99% of the Common stock of the Cumberland County Power & Light Company of Portland, Maine, and all outstanding Common stock of the Northwestern Public Service Company. Later acquired all the Common stock except directors' qualifying shares of the following operating companies: Penn Central Light and Power Company, The Kansas Electric Power Company, Southwest Power Company, Michigan Electric Power Company and Ohio Electric Power Company. Also acquired all of the capital stock of Electric Management and Engineering Corporation. Early in 1928, the Company acquired a controlling interest in the New England Public Service Co. and also a substantial interest in the Class "B" Common stock of National Public Service Corp. and in the Common stock of the Commonwealth Light & Power Co.

Operating utility properties located in the states of Maine, Pennsylvania, Ohio, Indiana, Michigan, South Dakota, Nebraska, Kansas, Oklahoma, and Arkansas, serving with electric light and power, territories with an estimated population exceeding 1,200,000, embracing over 512 communities. Gas is manufactured and/or distributed in fourteen communities. The street railway system in and about Portland, Maine, is operated under a lease expiring in the year 2011. Small street railways are also operated at McAlester, Oklahoma; Lawrence, Kansas; Lewistown, Pa., and a bus line at Emporia, Kansas. Companies have a total normal installed generating capacity of 181,038 k.w. of which 27,000 k.w. is hydro-electric. The combined length of the high tension transmission lines is 3,458 miles. For the twelve months ended December 31, 1927 the combined output of the electric generating plants of the subsidiary companies including purchased power was 496,789,755 k.w.h. The total number of gas and electric consumers is 199,772 of which 176,690 are electric light and power consumers.

Transfer of Properties—Early in 1928, the National Electric Power Company transferred to the direct control of Middle West Utilities Company the following companies: The Kansas Electric Power Company, Northwestern Public Service Company and Southwest Power Company.

New Control—Early in 1928 the Middle West Utilities Company acquired a controlling interest in the National Electric Power Company.

CAPITAL STOCK

Authorized, 500,000 shares Common Class "A" (no par value), 1,000,000 shares Common Class "B" (no par value), and $50,000,000 (increased from $12,000,000 in 1928) Pfd., par, $100; outstanding, 312,145 shares Common Class "A"; 620,065 shares Common Class "B"; $4,785,000 7% cumulative Pfd. and $7,825,000 6% cumulative Pfd.

Preferred Stock Provisions—The Pfd. stock has first preference as to assets and cumulative dividends. The 7% Pfd. callable on any dividend date on 30 days' notice at 110 and accrued dividends. The 6% Pfd. stock is callable on any dividend date on 30 days' notice at 107½ and accrued dividends. Has no voting power unless four quarterly dividends are in arrears when it will have equal voting power with Comm No prior stock may be created, nor any rights holders be diminished without consent of 75% of P outstanding. Additional Pfd. may be issued in ser for corporate purposes provided consolidated net come for twelve consecutive months within fift preceding months equal 2½ times annual dividend quirements on Pfd. outstanding and to be issued.

Class "A" Common Stock Provisions—Has no v ing power. Has preference over Class "B" Comm stock as to annual non-cumulative dividends of $1 per share and on liquidation or dissolution has pref ence over Class "B" Common up to $33.00 per sha Participates equally with Class "B" Common on dividends in excess of $1.80 per share per annum.

Voting Power—Class "B" Common stock has s voting power.

Transfer Agents—For 7% cumulative Pfd.: T Seaboard National Bank of New York, Central Tr Co. of Illinois, Chicago, and State Street Trust Boston. For 6% cumulative Pfd.: The Seaboard N tional Bank of New York, Old Colony Trust Co., B ton and Middle West Stock Transfer Co., Chica For Class "A" Common: The Seaboard National Ba of New York and Central Trust Co. of Illinois, C cago. The Common Class "B" shares are transfer at office of Company.

Registrars—For 7% cumulative Pfd.: The Eq table Trust Co. of New York, The Northern Trust Chicago, and First National Bank, Boston. For cumulative Pfd.: The Equitable Trust Co. of N York, American Trust Co., Boston and The North Trust Co., Chicago. For Class "A" Common: T Equitable Trust Co. of New York and The North Trust Co., Chicago. The Class "B" shares are reg tered at office of Company.

Tax Provisions—The Pfd. stock is exempt fr present Normal Federal Income Tax. Massachuse 6% Income Tax and California Personal Property T not in excess of 4 mills per annum, refunded.

Original Offering—$1,500,000 7% cumulative P offered in March, 1925, at 95 and accrued dividend yield over 7.35% by A. C. Allyn & Co., Inc., Ho Snow & Bertles, Inc., R. E. Wilsey & Co., Inc., a Curtis, Stephenson & Co., Inc.; $2,000,000 additio 7% Pfd. offered in Aug., 1925, and a further $1,000, in Oct., 1925, at 95 and accrued dividend to yi 7.36%, by A. C. Allyn & Co., Inc., Howe, Snow Bertles, Inc., and G. E. Barrett & Co., Inc., New Yo etc.; 140,000 shares Class "A" Participating st offered in July, 1925, at $23.75 per share to yi 7.57%, by Howe, Snow & Bertles, Inc., and A. Allyn & Co., Inc., New York, etc.; 65,000 additio Class "A" shares offered in Oct., 1925, at $26.50 share by the same concerns.

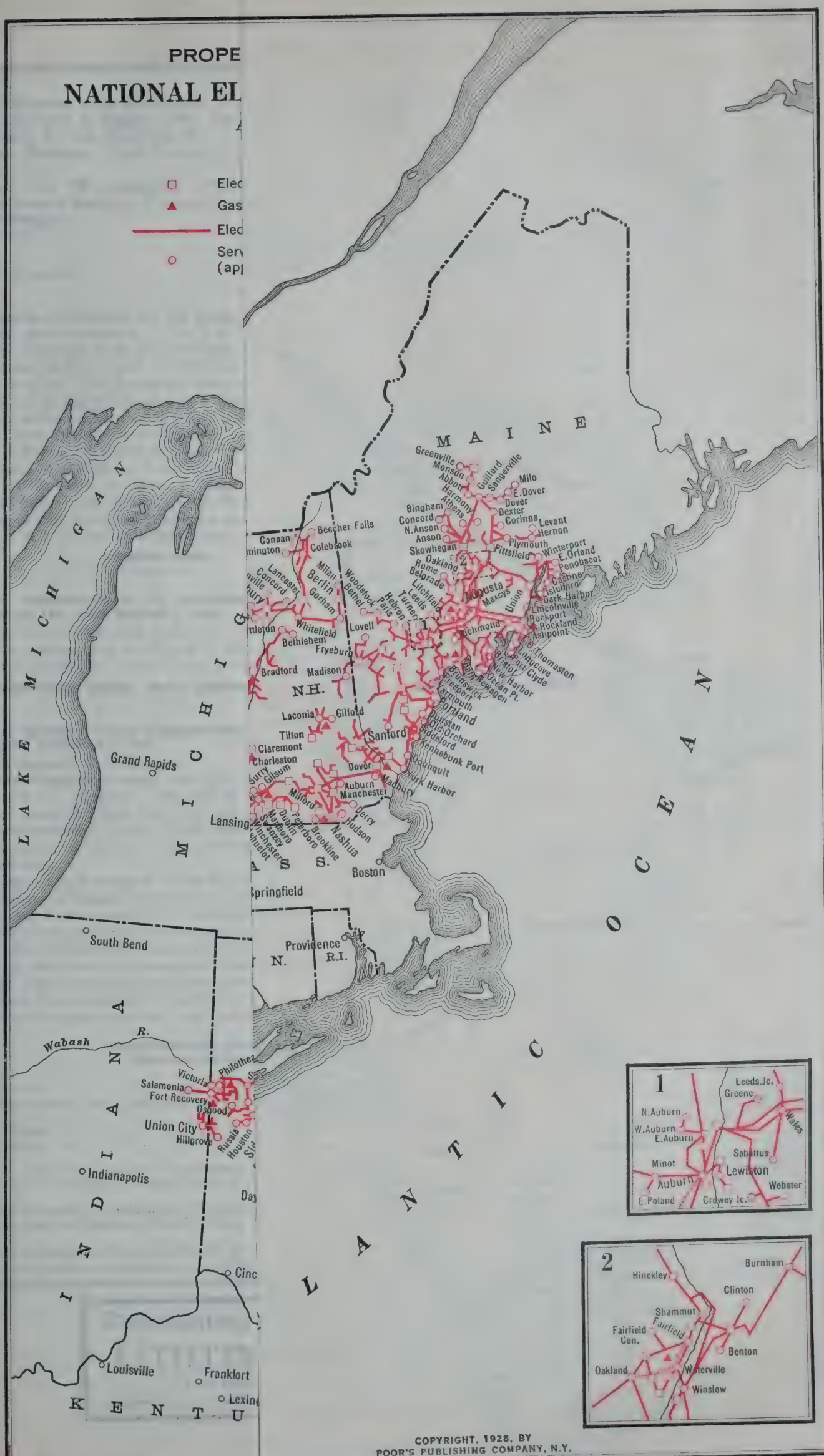
$5,000,000 6% Pfd. offered in Jan., 1928, at 94½ a dividend to yield 6.35% by A. C. Allyn & Co., I Howe, Snow & Co., Old Colony Corp., New Yo Emery, Peck & Rockwood Co. and Utility Securi Co., Inc., Chicago. $2,500,000 additional 6% Pfd. w publicly offered in Feb., 1928, at the same price, by same concerns.

NATIONAL ELECTRIC POWER CO., SECURITIES

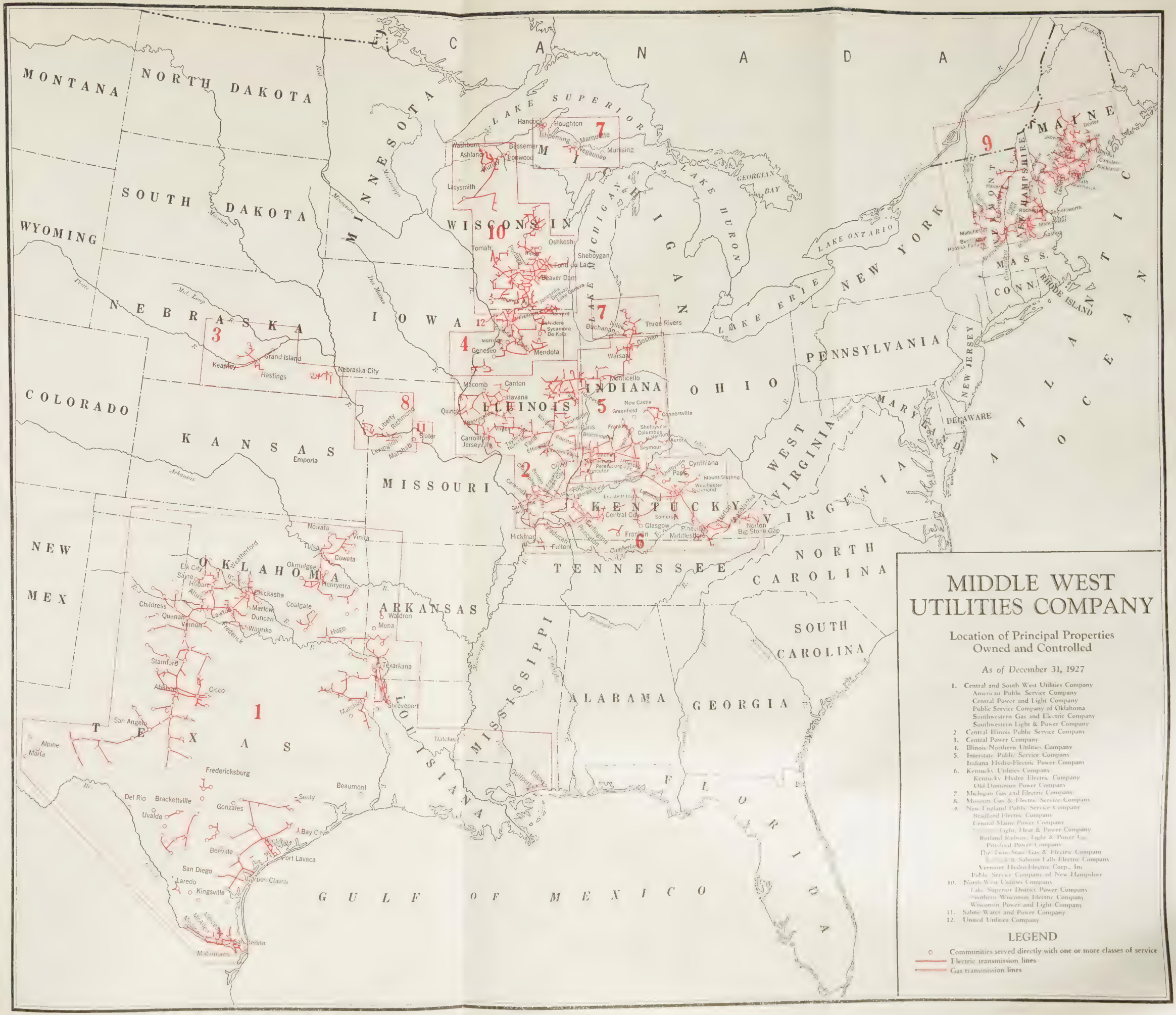
Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia



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MIDDLE WEST UTILITIES COMPANY

Location of Principal Properties Owned and Controlled

As of December 31, 1927

1. Central and South West Utilities Company
   - American Public Service Company
   - Central Power and Light Company
   - Public Service Company of Oklahoma
   - Southwestern Gas and Electric Company
   - Southwestern Light & Power Company
2. Central Illinois Public Service Company
3. Central Power Company
4. Illinois Northern Utilities Company
5. Interstate Public Service Company
   - Indiana Hydro-Electric Power Company
6. Kentucky Utilities Company
   - Kentucky Hydro Electric Company
   - Old Dominion Power Company
7. Michigan Gas and Electric Company
8. Missouri Gas & Electric Service Company
9. New England Public Service Company
   - Bradford Electric Company
   - Central Maine Power Company
   - [illegible] Light, Heat & Power Company
   - Rutland Railway, Light & Power Co.
   - Pittsford Power Company
   - The Twin State Gas & Electric Company
   - [illegible] & Salmon Falls Electric Company
   - Vermont Hydro-Electric Corp., Inc.
   - Public Service Company of New Hampshire
10. North West Utilities Company
    - Lake Superior District Power Company
    - [illegible] Southern Wisconsin Electric Company
    - Wisconsin Power and Light Company
11. Saline Water and Power Company
12. United Utilities Company

LEGEND

- Communities served directly with one or more classes of service
- Electric transmission lines
- Gas transmission lines

Legal Opinion (7% cumulative Pfd. and Common ocks)—Seibert & Riggs, New York, and Verrill, ale, Booth & Ives, Portland, Me.

Annual Meeting—First Monday in April at Portnd, Me.

Listed—The 7% cumulative Pfd. and Class "A" ommon stocks listed on Chicago Stock Exchange.

Price Range—

	1927	1926	1925
% Preferred—			
High	104	100¼	97½
Low	93½	93	92
lass "A" Common—			
High	29½	26⅛	25¾
Low	22	15½	25

Dividends—Dividends on 7% cumulative Pfd. stock gularly paid quarterly, J, A, J & O 1. An initial uarterly dividend of $1.50 per share was paid on the % cumulative Pfd. April 2, 1928; payments J, A, J & 1. On Class "A" Common, quarterly, F, M, A & 1; initial dividend of 45 cts. a share paid Nov. 2, 925, and same amount on Feb. 1, May 1 and Aug. 2, 926. These dividends were also made payable at ption of the stockholders in Class "A" Common stock t the rate of 1/50th of a share for each share held. ov. 1, 1926, Feb. 1, May 2, Aug. 1 and Nov. 1, 927 and Feb. 1 and May 1, 1928, 45 cents a share in ash only. Similar dividends were paid on Class "B" ommon in 1927 and in 1928 to date.

FUNDED DEBT

(1)

8,662,500 TWENTY-YEAR 6% SECURED GOLD BONDS, SERIES OF 1945; DUE MARCH 1, 1945

All of the outstanding bonds of this issue were alled for redemption on March 1, 1928, at 104¾ and nterest at Equitable Trust Co. of New York, Trustee.

DEBENTURES ISSUED SINCE DECEMBER 31, 1927

(2)

10,000,000 SECURED GOLD DEBENTURES, 5% SERIES DUE 1978; DUE JANUARY 1, 1978

Dated January 1, 1928.

Interest Payable January and July 1 at The Equitble Trust Co. of New York and at the Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; debentures of $1,000 registerable as to principal only.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited. ssued, 5% Series due 1978, $10,000,000. Additional lebentures may be issued from time to time as authorzed by the Board of Directors or the Executive Committee of the Company, provided that the amount of arnings applicable to debenture interest, as defined in aid Trust Indenture, for a period of twelve consecuive calendar months within the fifteen calendar months immediately preceding the date of the application therefor, shall have been at least equivalent to twice the interest requirements for a period of one year upon all Debentures then outstanding (as defined in the Indenture) thereunder, and upon those applied for; and additional Debentures may also be issued to refund Debentures previously issued subject to the restrictions of the Indenture. The Indenture provided that Debentures may be issued in series which may bear such dates, rates of interest, mature at such times and carry such redemption, sinking fund, tax refund and such other varying or distinguishing provisions as may be determined by the Board of Directors or Executive Committee not inconsistent with the provisions of the Trust Indenture.

Purpose of Issue—Proceeds from the sale of these Debentures and the $5,000,000 6% cumulative Pfd. stock were used for retiring the Company's 6% Secured Gold bonds and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice to and including Jan. 1, 1938, at 105 and interest; thereafter to and including Jan. 1, 1943, at 104½ and interest; thereafter to and including Jan. 1, 1948, at 104 and interest; thereafter to and including Jan. 1, 1953, at 103½ and interest; thereafter to and including Jan. 1, 1958, at 103 and interest; thereafter to and including Jan. 1, 1963, at 102½ and interest; thereafter to and including Jan. 1, 1968, at 102 and interest; thereafter to and including Jan. 1, 1973, at 101½ and interest; thereafter to and including Jan. 1, 1977, at 101 and interest, and thereafter at par and interest.

Sinking Fund—None provided.

Security—Debentures are a direct obligation of the Company and are secured by deposit with the Trustee under and subject to the provisions of the Indenture, of entire Common stock now issued and outstanding (except directors' qualifying shares) of Penn Central Light & Power Co., Ohio Electric Power Co., Michigan Electric Power Co. and of 85,000 shares of Common stock of New England Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mill tax, Connecticut 4 mill tax, Maryland 4½ mills tax, California personal property tax not in excess of 4 mills per annum, and Massachusetts 6% income tax refundable to holders resident in those states, upon timely application, as provided in the Indenture.

Legal Opinion—Seibert & Riggs, New York.

Original Offering—First publicly offered ($10,000,000) in January, 1928, at 94½ and interest to yield over 5.30%, by A. C. Allyn & Co., Inc., Howe, Snow & Co., Inc., Old Colony Corp., E. H. Rollins & Sons, Hill, Joiner & Co., Inc., Tucker, Anthony & Co., and A. B. Leach & Co., Inc., New York, etc.

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED DECEMBER 31
(National Electric Power Company and Subsidiaries and Leased Properties)

	1927	1926	1925
Gross earnings	$18,088,731	$17,251,682	$15,648,351
Operating expenses, taxes, insurance, maintenance & depreciation	11,243,917	10,735,290	9,825,799
Net earnings	$6,844,814	$6,516,392	$5,822,552
Fixed charges, etc.	4,267,050	3,989,953	3,713,238
Balance avail. for int. & divds. on National Electric Power Co. securities	$2,577,764	$2,526,439	$2,109,314
Annual interest charges on funded debt of National Electric Power Co	520,027	525,000	525,000
Balance available for dividends on National Electric Power Co. Pfd. and Common stocks	$2,057,737	$2,001,439	$1,584,314
Dividends paid on National Electric Power Co. 7% Cum. Pfd. stock	354,200	348,320	*315,000
Balance available for National Electric Power Co. Class "A" and Class "B" Com. stocks	$1,703,537	$1,653,119	$1,269,314

*Annual dividend requirement on 45,000 shares National Electric Power Co. 7% cumulative Pfd. stock.

Representing National Electric Power Company
UTILITY SECURITIES COMPANY
New York CHICAGO St. Louis
Louisville Indianapolis Milwaukee Minneapolis Richmond

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(National Electric Power Company)

	1927	1926
Interest, dividends, etc., received	$2,255,918	$1,996,754
Expenses	61,652	75,630
Balance	$2,194,266	$1,921,124
Deductions:		
Interest on secured bonds	$520,027	$525,000
Other interest	38,077	80,488
Total	$558,104	$605,488
Balance for dividends	$1,636,162	$1,315,6
Preferred dividends	354,200	348,3
Class "A" Common dividends	531,088	313,2
Class "B" Common dividends	942,997	
Surplus for year	*$192,123	$654,1

*Deficit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(National Electric Power Co. and Subsidiaries and leased property)

Assets—	1927	1926
Plant and property	$104,855,074	$92,209,390
Investments	2,500,992	567,792
Sinking fund & other deposits	12,896	369,048
Cash	1,301,752	2,914,469
Accounts receivable	2,533,351	2,070,088
Pfd. stock subscriptions receiv.	286,149	254,629
Inventories	1,641,202	1,647,964
Cost of Pfd. stock sales	383,838	240,259
Prepaid insurance, taxes, etc.	142,681	77,428
Unamortized debt disc. and exp.	9,162,964	4,433,145
Deferred charges	252,127	177,938
Total	$123,073,026	$104,962,150

Liabilities—	1927	1926
Common stock	*$15,808,930	*$9,171,7
Preferred stock	5,060,000	5,060,0
Funded debt	65,638,600	62,867,5
Current liabilities	1,025,263	823,7
Accrued liabilities	1,554,315	1,508,1
Stocks of sub. & leased properties	23,457,228	19,866,7
Reserves	6,244,346	971,9
Earned & capital surp. of leased props.	3,000,690	3,431,8
Earned surplus	1,283,654	1,260,2
Total	$123,073,026	$104,962,1

*Represented by 244,002 shares Class "A" Common and 460,000 shares Class "B" Common in 1926, and 312,145 shares Cla "A" Common and 620,065 Class "B" Common in 1927.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926
Cash	$1,301,752	$2,914,469
Accounts receivable	2,533,351	2,070,088
Accts. receiv. from Pfd. stock subscrips.	286,149	254,629
Inventories	1,641,202	1,647,964
Total	$5,762,454	$6,887,150

Current Liabilities—	1927	1926
Current liabilities	$1,025,263	$823,79
Accrued liabilities	1,554,315	1,508,17
Total	$2,579,578	$2,331,97
Net Working Capital	$3,182,876	$4,555,17

Officers: Samuel Insull, Chrm. of Board; Martin J. Insull, Vice-Chariman of Board, Chicago, Ill.; Harry Reid, Pres.; C. B. Zeigler, V-P. & Treas.; Alan E. Burns, Phillips B. Shaw, Leo Loeb, New York; F. E. Kruesi, Chicago, V-Ps.; Willett R. Porter, Special V-P.; W. W. Bell, Sec. & Asst. Treas.; R. L. Hook, Asst. Sec., New York; H. J. Ludwig, Asst. Sec., Chicago.

Executive Committee: Martin J. Insull, Chicago Ill.; Harry Reid, C. B. Zeigler, New York.

Directors: Samuel Insull, Martin J. Insull, Chicago Ill.; Harry Reid, Victor Emanuel, C. B. Zeigler, William H. Seibert, Royal E. T. Riggs, C. D. Makepeace New York; Walter S. Wyman, Augusta, Me.

Executive Office, 57 William street, New York.

ELECTRIC MANAGEMENT AND ENGINEERING CORPORATION

(Controlled by National Electric Power Company)

History—Incorporated July 10, 1925, in Delaware. As of August 1, 1925, took over the general supervision and management of public utility properties of companies formerly operated by Albert Emanuel Company, Inc. (see 1925 Public Utility Manual, page 1188).

The following companies are under the general supervision and management of Electric Management and Engineering Corporation:

Penn Central Light and Power Company, (Pennsylvania).
Cumberland County Power and Light Company, (Maine).
Portland Railroad Company, (Maine).
Union City Electric Company, (Indiana).
Ohio Electric Power Company, (Ohio).
Michigan Electric Power Company, (Michigan).
Pittsburg County Railway Company, (Oklahoma).
Watertown Public Service Company, (South Dakota)
Michigan Public Service Co., (Michigan).
Emporia Gas Co., (Kansas).

Annual Meeting—Second Tuesday in January.

Officers: Martin J. Insull, Chairman; Harry Reid Pres.; C. B. Zeigler, V-P. & Treas.; A. E. Burns P. B. Shaw, Leo Loeb, V-P.'s; W. W. Bell, Sec. & Asst. Treas.; R. L. Hook, Asst. Sec.

Directors: Martin J. Insull, Harry Reid, J. P Mailler, C. B. Zeigler, A. E. Burns, P. B. Shaw, Leo Loeb, W. W. Bell, T. E. Roach.

Executive Office, 57 William St., New York.

PENN CENTRAL LIGHT AND POWER COMPANY

(Controlled by National Electric Power Company)

History—Incorporated October 26, 1915 in Pennsylvania under the name of United Lighting Company; name changed to present title Oct. 27, 1925. Under date of Oct. 27, 1925, purchased all of the property of the Penn Central Light and Power Co. (see 1925 Public Utility Manual, page 1835), originally incorporated May 29, 1902 in Pennsylvania as the Citizens' Electric Light, Heat and Power Co. In Sept., 1927, the Pennsylvania Hydro-Electric Co. and The Raystown Water Power Co. were merged with

PENN CENTRAL LIGHT & POWER COMPANY, SECURITIES

Howe Snow & Co.
Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

he company (for last published statements see 1927 ublic Utility Manual, page 2178).

The Penn Central Light and Power Co. serves lectric light and power in an important industrial ining and agricultural territory with an area of 5,500 quare miles in central and north western Pennsylva- ia. The territory served by the company includes Blair, Cambria, Huntingdon, Mifflin Counties and arts of Indiana, Bedford, Franklin, Juniata, Erie and rawford Counties with a total population estimated t 350,000. Altoona, Hollidaysburg, Juniata, Ebens- urg, Patton, Mount Union, Lewistown and Albion are he more important of the communities served. Arti- cial gas is supplied in Lewistown and Huntingdon nd steam heat is furnished in Ebensburg, Pa. The en- ire territory served is also served by the main line of he Pennsylvania Railroad and parts of it by the New ork Central Railroad, The Bessemer and Lake Erie, nd the Huntingdon and Broad Top Mountain Rail- oad.

The Company owns and operates two modern elec- ic generating plants located near Saxton and Wil- amsburg, Pa. on the Juniata River with an aggregate te of capacity of 73,750 kilowatts. The Saxton sta- on was put in operation the latter part of 1923. The otal plant capacity of the Company is 77,750 k.w., of hich 73,750 is steam and 4,000 hydro-electric. In ddition to the local distributing system, the Penn entral Light and Power Company has 492 miles of igh tension transmission lines, a large part being all eel tower construction, practically all located on rivate right of way and one-third of which has been onstructed during the last two years. It also has rtificial gas plants at Huntingdon and Lewistown, a. with an aggregate manufacturing capacity of 000,000 cubic feet daily with 49 miles of distributing ains. There are 47,036 electric consumers connected the company's system, and 2,982 gas consumers.

The Company has power interchange agreements ith the Penn Public Service Co., the Potomac-Edison ompany, the Keystone Power Corp. and the Colver lectric Co. The Company owns and operates the ewistown and Reedsville Electric Railway Co. which tter company together with its subsidiary, the ewistown Transportation Company, furnishes trolley d bus service in Lewistown, Pa. The company also wns a coal property with about 10,000,000 tons of ndeveloped coal which furnishes the fuel require- ents for the Saxton station.

Management—Properties are operated under gen- al supervision and management of the Electric Man- gement and Engineering Corporation, of New York.

Franchises—All important franchises are unlimited to time and are free from burdensome restrictions.

CAPITAL STOCK

Authorized 156,000 shares Common stock of no par lue, and 150,000 shares cumulative Pfd. stock $5 ries, of no par value; outstanding, 156,000 shares mmon and 125,369 shares $5 cumulative Series Pfd. ll the outstanding Common shares are owned by ational Electric Power Co.

New Series of Pfd. Stock Authorized—Company s authorized a new series of 25,000 Pfd. shares to be signated as $2.80 Series, which have all the rights d privileges of the $5 Series except as to price, divi- nd, liquidation and call value. The liquidation price $50 per share; call value $52.50 per share.

Subscription Privilege—Holders of $5 Series cumu- ive Pfd. stock of record April 2, 1928, were offered e right to subscribe at $45.50 per share for 25,000 ares of $2.80 Series cumulative Pfd. stock of no par lue, to the extent of 15% of their holdings. Right subscribe expired May 7, 1928. The unsubscribed rtion of the 25,000 $2.80 Series Pfd. shares was of- ed to the public at $47 per share.

Preferred Stock Provisions—Is preferred over the mmon stock both as to assets and dividends, and fully paid and non-assessable. Stock of the $5 Series may be retired at the option of Company on any dividend date on 30 days' prior notice, at $80 per share and accrued dividends, and is preferred in liquidation over the Common stock to the extent of $75 per share and accrued dividends.

Transfer Agents (Pfd. Stock)—Central Trust Company of Illinois, Chicago, and The Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia.

Registrars—The Northern Trust Company Chicago and Fidelity-Philadelphia Trust Company, Philadelphia.

Tax Provisions (Pfd Stock)—Dividends exempt from present Normal Federal Income Tax. Free of Pennsylvania State Four-Mill Tax.

Legal Opinion (Pfd. Stock)—Seibert & Riggs, New York (for the Bankers); Brooks, English & Quinn, Erie, Pa. (for the Company).

Annual Meeting—First Tuesday in March.

Listed—Pfd. stock listed on Philadelphia and Chicago Stock Exchanges.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	80	73½	72	60⅛	61	57	50	42
Low	71½	70¾	60	57	54½	48½	40	39½

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1; initial dividend paid Jan. 2, 1926. Dividends on old Pfd. were paid regularly from date of issue. On Common, $3.15 per share was paid in 1927.

FUNDED DEBT

(1)

$89,500 LEWISTOWN & REEDSVILLE ELECTRIC RAILWAY COMPANY FIRST MORTGAGE GOLD 5s (NOW 6s); DUE JULY 1, 1919, BUT EXTENDED TO JULY 1, 1929, AND INTEREST INCREASED FROM 5% TO 6%

Dated July 1, 1899.

Interest Payable January and July 1, at Merchants Union Trust Co., (Integrity Trust Co.), Philadelphia, Trustee. Coupon, $500 and $1,000. Authorized and issued, $150,000; outstanding, $89,500.

Security—Secured by a first mortgage on entire property of the company

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

(2)

$24,000,000 PENN CENTRAL LIGHT AND POWER COMPANY FIRST MORTGAGE GOLD BONDS, 4½% SERIES; DUE NOVEMBER 1, 1977

Dated November 1, 1927.

Interest Payable May and November 1 at The Seaboard National Bank of New York; at First Trust & Savings Bank, Chicago, and at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000, interchangeable; $1,000 bonds registerable as to principal.

Trustee—The Seaboard National Bank of New York.

Provisions of Issue—Authorized amount unlimited; issued $24,000,000 4½% Series due 1977. Additional First Mortgage bonds may be issued from time to time to a principal amount not exceeding 75% of the cost or value (whichever is less) of permanent additions made or acquired subsequent to Nov. 1, 1927, or upon the deposit of cash, provided earnings applicable to bond interest for twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of application for issuance of bonds shall have been at least equivalent to twice the annual interest requirements upon all First Mortgage Gold bonds outstanding, including those proposed to be issued, all as defined in the mortgage and subject to the restrictions thereof. First Mortgage bonds may also be issued to refund equal principal amounts of the same or other series of bonds issued under the mortgage. First Mortgage bonds may be issued from time to time in series with such provisions as may be determined by the Board of Directors,

subject to the restrictions of the mortgage. The bonds of additional series may bear such dates, rates of interest, mature at such times and carry such redemption, sinking fund, tax refund provisions and such other varying or distinguishing provisions as may be determined by the Board of Directors, subject to the restrictions of the Mortgage, but, except as to sinking funds which may be established for the exclusive benefit of a particular series, all bonds of all series shall be equally and ratably secured by the mortgage.

Purpose of Issue—The $24,000,000 4½% bonds due 1977 were issued to provide part of the funds necessary to retire all bonds at the time outstanding against the property of the Company (bearing interest rates higher than that of this series of First Mortgage Gold bonds), and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest payment date on 30 days' notice to and including Nov. 1, 1937 at 105 and interest; thereafter to and including Nov. 1, 1947, at 104 and interest; thereafter to and including Nov. 1, 1957 at 103 and interest; thereafter to and including Nov. 1, 1967 at 102 and interest; thereafter to and including Nov. 1, 1976 at 101 and interest and thereafter at par and accrued interest.

Maintenance, Renewal and Replacement Reserve—Company covenants to expend in each year subsequent to the date of the mortgage, while any of the bonds of the 4½% Series due 1977 are outstanding, for maintenance and/or the renewal or replacement of its properties and/or to set aside as a reserve for depreciation 10% of the gross operating revenues from its fixed property all in the manner provided by the mortgage, which reserve may be used for expenditures for property against which no bonds may be issued.

Security—Secured by a direct first mortgage on all of the fixed property of the Company now owned and that hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Interest payable without deduction for Pennsylvania taxes not exceeding $4 per $1,000 bond annually on bonds held by residents of Pennsylvania. Connecticut 4 mill tax, Maryland 4½ Mill tax, California Personal Property tax not to exceed 4 mills per Dollar of the taxable value and Massachusetts 6% Income tax refundable on timely and proper application, to holders resident in those states, as provided in the mortgage.

Legal Opinion—Seibert & Riggs, New York, an Brooks, English & Quinn, Erie, Pa.

Legal for Savings Banks in Maine, New Hampshir and Vermont.

Original Offering—First publicly offered ($24,000 000) in November, 1927 at 96 and interest, to yiel over 4.70% by A. C. Allyn & Co., Inc., Bonbright Co., Inc., Howe, Snow & Co., Inc., A. B. Leach & Co Inc., Halsey Stuart & Co., Inc., Hill Joiner & Co Inc., Old Colony Corp. and W. C. Langley & Co New York, etc.

Listed—New York Curb.

Price Range—1927: High, 96⅛; low, 96.

BONDS CALLED

All of the outstanding Mifflin County Gas & Elec tric Co. First Mortgage Gold 5s, due April 1, 193(were called for redemption on Oct. 1, 1927.

All of the Raystown Water Power Company Firs Mortgage Gold 5s, due April 1, 1938, were called fo redemption on Oct. 1, 1927 at 105 and interest a Grange Trust Co., Huntingdon, Pa., Trustee.

All of the Cove Electric Co. First Mortgage 6s, du Oct. 1, 1941, were called for redemption on Oct. 1 1927 at 105 and interest.

All of the Newton Electric Co. First Mortgage 6s due Jan. 1, 1940, were called for redemption on Jul 1, 1927 at 105 and interest.

All of the Penn Central Light & Power Co. Firs and Refunding Mortgage Gold bonds 6% Series, du Dec. 1, 1953, were called for redemption at 105 an interest on Dec. 1, 1927 at Pennsylvania Company for Insurances on Lives and Granting Annuities Philadelphia, or Seaboard National Bank of New York

All of the Penn Central Light & Power Co. Firs and Refunding Mortgage Gold bonds, 5½% Series due July 1, 1964, were called for redemption on Dec 1, 1927, at 105 and interest at The Pennsylvania Co for Insurances on Lives and Granting Annuities Philadelphia, or at Seaboard National Bank of New York.

All of the Penn Central Light & Power Co. Firs and Refunding Mortgage 5% Gold bonds, due Apri 1, 1950, were called for redemption on April 1, 1928 at 105 and interest at The Pennsylvania Co. for In surances on Lives and Granting Annuities, Philadel phia, Trustee.

All of the Penn Central Light & Power Co. Firs and Refunding Mortgage Gold 5½s, Series of 1925 due October 1, 1975, were called for redemption or April 1, 1928 at 105 and interest at Seaboard Nationa Bank, New York, Trustee.

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(All Inter-Company Items Eliminated.)

	1927	1926	†1926	1924	1923	1922
Gross earnings	$5,002,795	$4,954,499	$4,614,155	$3,689,337	$3,329,354	$2,481,064
Operating expenses and taxes (excluding Federal Income Tax)	2,164,016	2,254,740	2,293,285	1,848,632	1,862,855	1,422,342
Gross income	$2,838,779	$2,699,759	$2,320,870	$1,840,705	$1,466,499	$1,058,722
Bond interest	1,238,055	1,199,373	904,778	801,846	376,931	335,530
Other interest	39,542	943	55,445	7,244	26,713	10,023
Other charges				48,490	17,853	13,312
Renewal reserve	341,774	355,429	286,744	249,017	327,919	228,574
Federal Income Tax	117,872	155,690	134,042	89,298	91,734	58,773
Total charges	$1,737,243	$1,711,435	$1,381,009	$1,195,895	$841,150	$646,218
Balance to surplus	$1,101,536	$988,324	$939,861	$644,810	$625,349	$412,504
*Times All Interest Earned	‡2.29	‡2.25	2.56	2.27	3.58	3.06

*Before deducting Renewal Reserve, Federal Income Tax and other income deductions. †12 months ended Feb. 28 1926. ‡Times bond interest earned.

COMPARATIVE CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	†1926	1924	1923	1922
Plant, property, etc.	$39,128,069	$37,770,521	$34,872,812	$20,299,726	$15,085,339	$8,789,990
Cash and special deposits	380,663	1,403,282	1,200,797	672,339	319,725	338,098
Materials and supplies	589,104	598,162	541,377	535,094	491,824	284,438
Accounts and notes receivable	631,912	1,072,275	1,019,124	572,409	730,772	504,478
Subscriptions to capital stock	41,664	166,120	.....	101,593	178,641	.....
Advances to affiliated companies	233,441	.....	28,999	.....	2,057,358	2,062,292
Prepaid accounts	49,367	86,325	31,508	9,656	20,699	8,954
Other assets	4,079,595	910,698	768,649	1,131,752	474,739	286,778
Investments	88,298	.....	.....	.....	.....	.....
Treasury securities	.....	.....	.....	.....	1,107,900	1,233,975
Total	$45,222,113	$42,007,383	$38,463,266	$23,322,569	$20,466,997	$13,509,003

COMPARATIVE CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	†1926	1924	1923	1922
mmon stock	.....	.....	.....	$1,534,145	$1,528,875	$1,528,500
tock of subsidiaries	.....	.....	.....	650,000	.....	.....
eference stock	$8,900,078	$7,653,065	$6,247,780	4,164,206	3,905,005	1,712,007
pital stock subscribed	74,963	305,432	.....	134,928	292,036	.....
nded debt	24,089,500	22,693,300	19,860,300	14,403,800	10,355,500	7,332,500
ls payable	.....	.....	1,000,000	.....	1,922,083	350,000
counts payable	115,548	350,743	275,551	331,485	380,833	134,411
crued interest, taxes, etc.	479,223	512,527	870,446	309,276	267,138	315,649
e to affiliated cos.	246,059	.....	.....	.....	.....	.....
her liabilities	.....	.....	3,554	20,758	184,445	205,045
serves	2,757,348	2,968,709	2,945,966	982,923	678,973	1,059,539
rplus	‡8,559,394	‡7,523,607	‡7,259,669	791,048	952,109	871,352
Total	$45,222,113	$42,007,383	$38,463,266	$23,322,569	$20,466,997	$13,509,003

*Deposited as collateral under First and Refunding Mortgage dated April 1, 1910. †Balance sheet as of Feb. 28, 1926.
epresents 33,000 shares no par Common stock in 1926 and 156,000 shares in 1927.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	†1926	1924	1923	1922
sh and special deposits	$380,663	$1,403,282	$1,200,797	$672,339	$319,725	$338,098
terials and supplies	589,104	598,162	541,377	535,094	491,824	284,438
counts and notes receivable	631,912	1,072,275	1,019,124	572,409	730,772	504,478
Total	$1,601,679	$3,073,719	$2,761,298	$1,779,842	$1,542,321	$1,127,014
Current Liabilities—						
ls payable	.....	.....	$1,000,000	.....	$1,922,083	$350,000
counts payable	$115,548	$350,743	275,551	$331,485	380,833	134,411
crued taxes, interest, etc.	479,223	512,527	870,446	309,276	267,138	315,649
e to affiliated cos.	246,059	.....	.....	.....	.....	.....
Total	$840,830	$863,270	$2,145,997	$640,761	$2,570,054	$800,060
t Working Capital	$760,849	$2,210,449	$615,301	$1,139,081	*$1,027,733	$326,954

*Debit. †As of Feb. 28, 1926.

Officers: Samuel Insull, Chairman; M. J. Insull, ce Chairman, Chicago; Harry Reid, Pres.; A. E. rns, P. B. Shaw, Leo Loeb, W. R. Porter, V-Ps.; w York; J. H. Schearer, V-P. & Gen. Mgr., Altoona, .; C. B. Zeigler, Treas.; W. W. Bell, Sec. & Asst. eas.; R. L. Hook, Asst. Sec., New York; M. A. Mil-, Asst. Sec. & Asst. Treas., Altoona, Pa.

Directors: Samuel Insull, M. J. Insull, Chicago, Ill.; Harry Reid, C. B. Zeigler, New York; J. H. Schearer, J. E. Shute, M. A. Miller, B. F. Cleaves, W. H. Wade, Altoona, Pa.

Management—Electric Management and Engineering Corp., 57 William Street, New York.

General Office, Altoona, Pa.

LEWISTOWN & REEDSVILLE ELECTRIC RAILWAY

(Controlled by Penn Central Light & Power Co.)

History and Property—Incorporated March 24, 1892, i Pa. Owns and operates an electric railway line m Lewistown Junction Station, through Lewis-wn, Burnham, and Reedsville, and a branch to the rks of the Standard Steel Co. Length of line, 7.48 les; second track, 1.22 miles; sidings, 0.75 mile: al track, 9.45 miles. Rail, 60 and 70 lb. T and 70 girder. Gauge, standard. Closed cars, 22; mis-laneous, 2; snow plow, 1.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50, all owned by Penn Central Light & Power Co. Annual meeting, second Monday in January.

Funded Debt—First Extended Gold 6s, due July 1, 1929. For details, see statement of Penn Central Light & Power Co.

Office, Lewistown, Pa.

CUMBERLAND COUNTY POWER & LIGHT COMPANY

(Controlled by National Electric Power Company)

History—Incorporated March 14, 1907, in Maine. Feb. 1, 1912 it leased for ninety-nine years the rtland Railroad Company. In July, 1912, it ac-ired the rights, properties and franchises of the nsolidated Electric Light Co. of Maine; Portland ghting & Power Co. and Portland Electric Co., ich it had previously controlled through stock nership. On Dec. 18, 1912, the Company acquired t stock of the Ossipee Valley Power Co. and the rk Light & Heat Co. and in April, 1913, these prop-ies were succeeded by the York County Power Co., ich company, together with the Westbrook Elec-t Co. were merged in June, 1923, the Cumberland unty Power & Light Co. assuming all the obliga-ns, contracts and liabilities. The Company does the ire electric light and power business of Portland d vicinity. Through leased railroad it operates t street railway system of Portland and South Port-d and the communities adjacent thereto. Also the ctric light and power business of Biddeford, Saco, nnebunkport, Old Orchard, York Harbor, Alfred, nford, Springvale, and the gas business of Bidde-d and Saco. The estimated population served by t system is 150,000.

Properties are operated under the general super-ion of Electric Management and Engineering Cor-ration of New York.

Franchises—The franchises under which the company and its subsidiaries operate are very liberal and contain no burdensome restrictions. Many franchises are unlimited as to time.

Equipment—Power plants comprise five hydro-electric stations with total normal capacity of 26,500 kva., and a steam plant with normal capacity of 28,125 kva. Total hydro and steam capacity 54,625 kva. Operates 321 miles of transmission lines. Substation capacity 75,805 kva. Serves fifty-five communities. Under its lease from the Portland Railroad Company it operates 133 cars. Miles of track, single track basis, 101.2.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Number of K. W. H. sold	77,973,000	69,831,000	62,996,030
Number of light & power customers	44,650	42,249	40,232

CAPITAL STOCK

Authorized, 41,000 shares Common of no par value, and $4,024,000 (increased from $2,530,000 in April, 1923) 6% cumulative Pfd.; outstanding, 40,989 shares Common of no par value, 11 shares Common of $50 par value and $4,024,000 Pfd., par, $100. Over 99% of the Common stock owned by National Electric Power Company.

Preferred Stock Provisions—Pfd. stock has preference both for assets and 6% cumulative dividends, and is subject to redemption at option of company, at any time, at 120 and accrued dividends.

Transfer Agents—Old Colony Trust Co., Boston, for Pfd., and Fidelity Trust Co., Portland, Me., for non-par Common.

Registrar (Pfd. Stock)—First National Bank, Boston.

Annual Meeting—First Tuesday in April, or within 60 days thereafter.

Listed—Pfd. stock listed on Boston Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	98	92½	89	85	83	75	58	52
Low	97¼	88	81	83	78½	75	55	30

Dividends—Full dividends of 6% on Pfd. were paid quarterly from Feb. 1, 1912, to May 1, 1918; none thereafter until Feb. 15, 1921, when 6% was paid on account of accumulations; May 1, 1921 to date, 1½% quarterly; payments, F, M, A & N 1, by check, to stock of record about Jan. 20, etc. The May 1, 1918, dividend on Pfd. stock was paid in scrip. Preferred stockholders of record Jan. 15, 1922, received a 10% stock dividend and ½% in cash on account of accumulated dividends then in arrears. All dividends on Pfd. have now been paid in full to date. On Common stock the first dividend of $1.00 per share was paid Dec. 1, 1916; 1917, $3 per share; none paid thereafter until 1923 when $4.00 per share was paid; 1924, $5 per share; 1925 and 1926, $8 per share each; 1927, $10 per share; payments quarterly, J, A, J & O 1.

FUNDED DEBT

$9,000,000 FIRST MORTGAGE GOLD BONDS, 4½% SERIES, DUE 1956; DUE JUNE 1, 1956

Dated June 1, 1926.

Interest Payable June and December 1, in New York, Chicago and Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized amount unlimited; issued, $9,000,000 4½% Series, due June 1, 1956. Additional First Mortgage bonds may be issued from time to time to a principal amount not exceeding 75% of the cost or value of permanent additions made or acquired subsequent to June 1, 1926, less the principal amount of prior liens outstanding thereon, or upon the deposit of cash, provided earnings applicable to bond interest for 12 consecutive calendar months within the 15 calendar months immediately preceding date of application for issuance of bonds shall have been not less than twice the annual interest charges on all first mortgage bonds outstanding, including those proposed to be issued and all outstanding prior lien bonds, if any, all as defined in the mortgage. First Mortgage bonds may also be issued to refund equal principal amounts of the same or other series of bonds issued under the mortgage, or prior liens, as defined in the mortgage. The mortgage contains no provision for the issuance of First Mortg bonds against railway property.

First Mortgage bonds may be issued from time time in such series as may be determined by Directo Bonds of additional series may bear such dates, ra of interest, mature at such times not longer than years from the date of their issuance and carry su redemption, sinking fund and tax refund provisio and such other provisions as may be determined Directors, subject to restrictions of the mortgage, b except as to sinking funds which may be establish for the exclusive benefit of a particular series, all bor of all series shall be equally and ratably secured the mortgage.

Purpose of Issue—Proceeds from sale of these bor were used to retire all bonds then outstanding again property of Company, and its former subsidiar (bearing interest rates higher than that of this ser of First Mortgage Gold bonds), to reimburse its tre ury for construction expenditures and to provide adequate medium for future financing.

Callability—Subject to call on any interest date 60 days' notice to and including June 1, 1936 at 1 and interest, and at ¼ of 1% less each June 2 the after, bonds being redeemable on Dec. 1, 1955 at p and interest.

Sinking Fund—Company covenants to pay to Tru tee on June 1, 1928 and on each June 1 thereafter and including June 1, 1955 an amount equivalent to 1 of the principal amount of First Mortgage 4½% Ser due 1956, outstanding on date of such payment. T sinking fund money shall be applied to purchase redemption of bonds of this series at not exceedi their then redemption price plus accrued interest. A bonds acquired for the sinking fund shall be cancelle Company may tender to Trustee bonds of 4½% Seri due 1956 in lieu of cash at the principal amount there or at cost to Company, whichever is less.

Security—Secured by a direct first mortgage on of fixed property of Company. Based on an apprais by independent engineers depreciated reproductio value of mortgaged properties is largely in excess principal amount of this issue. In 1912 the Compar leased the property of the Portland Railroad Co. f 99 years. The railroad property, its earnings and th lease are not subject to the lien of the mortgage secu ing this issue, and, in the opinion of counsel, all the obligations of the Cumberland County Pow and Light Co. under the lease are subordinate to the bonds.

Tax Provisions—Company pays Normal Federal I come tax up to 2%; Pennsylvania Personal Proper tax up to 4 mills, refundable.

Original Offering—First publicly offered ($9,000 000) in June, 1926, at 94½ and interest, yieldi 4.85%, by Harris, Forbes & Co., A. C. Allyn & C Inc., Old Colony Corp., New York; Harris, Forbes Co., Inc., Boston; Harris, Forbes & Co., Ltd., Mo treal, and Harris Trust & Savings Bank, Chicago.

Price Range—

	1927	192
High	96	94
Low	91¼	91

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Cumberland County Power & Light Co., and Portland R.R. Co.)

	1927	1926	1925	1924	1923	1922
Gross revenues	$4,312,597	$4,026,673	$3,892,442	$3,857,706	$3,771,968	$3,467,5
Oper. exp. and taxes	2,425,622	2,140,585	2,016,033	2,110,585	2,208,526	2,006,3
Depreciation	370,200	370,200	356,200	328,200	265,200	229,2
Net earnings	$1,516,775	$1,515,888	$1,520,209	$1,418,921	$1,298,242	$1,231,9
Interest and lease rentals	719,349	730,530	758,056	746,589	747,341	719,4
Net income	$797,426	$785,358	$762,153	$672,332	$550,901	$512,5
Preferred dividends paid	241,416	241,416	241,416	199,419	159,549	159,6
Common dividends paid	402,000	320,000	257,500	139,744	107,872	.....
Surplus	$154,010	$223,942	$263,237	$333,169	$283,480	$352,8
*Times Interest and Rentals Earned	2.11	2.07	2.00	1.90	1.74	1.7
*Earnings Per Share—						
Preferred	$19.81	$19.51	$18.94	$16.70	$18.22	$20.2

*After depreciation.

GENERAL BALANCE SHEET, DECEMBER 31
(Cumberland County Power & Lt. Co. only)

Assets—	1927	1926	1925	1924	1923	1922
nt and property	$16,512,443	$16,172,981	$15,462,106	$15,002,157	$13,571,425	$9,984,167
curities owned	592,251	591,228	591,778	592,078	1,533,957	1,579,635
scount on securities sold	1,525,879	1,581,956	443,525	478,535	448,960	355,227
nking funds	.....	.....	29,518	5,064	9,847	2,413
pplies	341,721	†	404,141	340,986	413,019	232,155
epaid accounts	33,792	27,589	7,861	9,179	10,200	10,308
ls and accounts receivable	407,834	†	296,990	307,634	276,639	196,345
adjusted debits	10,069	.....	13,384	12,977	62,734	53,833
sh	124,754	‡798,920	351,876	94,715	16,275	83,665
posits in lieu of mortgaged property	.....	.....	3,563	3,563	3,563	3,563
operty abandoned	80,000	.....	.....	.....	.....	.....
Total	$19,628,743	$19,172,674	$17,604,742	$16,846,888	$16,346,619	$12,501,311
Liabilities—						
mmon stock	¶$550	.....	$900	$1,575,800	$1,348,400	$1,348,400
eferred stock	4,024,000	$4,024,000	4,024,000	4,024,000	4,024,000	2,530,000
nded debt	9,000,000	9,000,000	8,253,000	8,304,500	8,406,500	6,997,500
counts payable	20,783	399,381	151,576	301,712	265,172	99,697
rtland R.R. Co. a/c construction, etc.	639,842	494,696	207,254	195,197	236,133	369,837
crued accounts	232,371	§	414,094	264,041	250,584	202,360
her current liabilities	108,535	.....	.....	.....	.....	.....
serve for depreciation, etc.	1,041,481	820,375	898,987	744,083	591,094	406,554
adjusted credits	574	29,884	15,758	35,569	37,830	25,976
rplus	*4,560,607	*4,404,338	*3,639,173	1,401,986	1,186,906	520,987
Total	$19,628,743	$19,172,674	$17,604,742	$16,846,888	$16,346,619	$12,501,311

*Applicable to Common shares of no par value: 35,000 shares in 1925; 40,000 shares in 1926 and 40,989 shares in 1927. †Included with cash. ‡Cash and current assets. §Included in Accounts Payable. ¶11 shares of $50 par value.

STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Cumberland County Power & Lt. Co. only)

Current Assets—	1927	1926	1925	1924	1923	1922
pplies	$341,721		$404,141	$340,986	$413,019	$232,155
lls and accounts receivable	407,834	$798,920	296,990	307,634	276,639	196,345
sh	124,754		351,876	94,715	16,275	83,664
Total	$874,309	$798,920	$1,053,007	$743,335	$705,933	$512,164
Current Liabilities—						
counts payable	$20,783	$399,381	$151,576	$301,712	$265,172	$99,697
crued accounts	232,371		414,094	264,041	250,584	202,360
her current liabilities	108,535	.....	.....	.....	.....	.....
Total	$361,689	$399,381	$565,670	$565,753	$515,756	$302,057
t Working Capital	$512,620	$399,539	$487,337	$177,582	$190,177	$210,107

Officers: Harry M Verrill, Chrm. of Bd.; Walter S. yman, Pres.; Fred D. Gordon, V-P. in Charge of erations; Frank D. True, V-P.; George Otis Spen-r, V-P.; C. F. Berry, Treas. & Clerk.

Directors: Harry Reid, New York City; H. M. Verrill, Frank D. True, Robert Braun, Portland, Me.; Philip Dana, Westbrook, Me.; George O. Spencer, Augusta, Me.; Fred D. Gordon, E. H. Maxcy.

General Office, 443 Congress St., Portland, Me.

PORTLAND RAILROAD COMPANY

(Operated under lease by Cumberland County Power & Light Co.)

History—Incorporated March 19, 1860, in Maine, as e Portland & Forest Avenue R. R. Co.; name subquently changed to present title. During years of 99 to 1901 acquired the entire capital stocks of the rtland & Cape Elizabeth Railway, the Westbrook, indham & Naples Railway and the Cape Elizabeth reet Railway; also the entire capital stock and bonds the Portland and Yarmouth Electric Railway. In 12 acquired the stock of the Cape Shore Railway. ese controlled companies, formerly operated under se, were merged in 1915 in the Portland Railroad mpany.

The Portland R. R. is leased to the Cumberland unty Power & Light Co. for 99 years from Feb. 1, 12, the lease providing for the payment of all inter-t and other current charges and the payment of 5% vidends on the $1,999,000 outstanding capital stock.

The Cumberland County Power and Light Com-ny is obligated to provide a purchaser of such new curities as may be issued by the Portland Railroad mpany to refund at maturity the First Mortgage due 1945 and Consolidated 3½% bonds due 1951 scribed below. Portland Railroad Company owns e entire street railway systems of Portland and uth Portland, Me., with suburban lines to West-ook, Gorham, South Windham, Cape Elizabeth, co, Old Orchard and Yarmouth, at which latter ace connection is made with the lines of The droscoggin & Kennebec Ry. Co. Franchises covering the main part of the system are of long duration, and contain no burdensome restrictions. Many franchises are unlimited as to time. Population served (estimated), about 113,000.

Miles of track (single track basis), 101.2. Cars owned—Possenger, 133; freight, 2; plows, 18; service, 22; total—175. Operates one steam generating plant with installed capacity of 1,600 k.w. Number of substations, 7.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,999,000; par, $100. Annual meeting, first Wednesday in September. Treasurer of Company acts as Transfer Agent.

Dividends—Dividends have been paid as follows: 1895 to 1899, 6%; 1900, 5%; 1901, 6%; 1902 to 1905, 3%; 1906, 3½%; 1907 to Feb. 1, 1912, 4%. Thereafter a dividend of 5% per annum was guaranteed and has been paid under the terms of the lease by the Cumberland County Power & Light Co., payable Feb. and Aug. 1. Stock transferred by company at Portland, Me.

FUNDED DEBT

(1)

$1,600,000 FIRST CONSOLIDATED (NOW FIRST) GOLD 3½s; DUE JULY 1, 1951

Dated July 1, 1901.

Interest Payable January and July 1, at Portland Trust Company, Portland, Me., Trustee.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized issue $3,000,000, of which $1,600,000 are outstanding and $1,400,000 are pledged as security for the First Lien and Consolidated 5s of 1945 described below.

Callability—Subject to call at par and interest on any interest date after July 1, 1931.

Security—Secured by a first mortgage on all property, rights, franchises, etc. of the Portland R. R. Co. This issue underlies $2,045,000 Portland R. R. Co. First Consolidated 5s of 1945 which provide for its retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$2,045,000 FIRST LIEN AND CONSOLIDATED GOLD 5s, SERIES "A"; DUE NOVEMBER 1, 1945

Dated November 1, 1915.

Interest Payable May and November 1, at The New York Trust Company, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The New York Trust Company, N York.

Provisions of Issue—Authorized issue, $7,500,000 which $2,045,000 issued, $1,600,000 are reserved to tire Portland RR. Co. First Consolidated 3½s of 19 and $3,855,000 reserved for future extensions.

Callability—Subject to call as a whole or in part 105 on any interest date on 60 days' notice.

Security—Secured by a direct mortgage on en property of company subject only to the First C solidated (now First Mortgage) 3½% bonds, which, however, $1,400,000 are pledged as security this issue, leaving $1,600,000 outstanding in hands public.

Tax Provisions—Company pays Normal Federal come Tax up to 2%.

Original Offering—First publicly offered, ($1,00 000) in Oct., 1915, at 97 and interest, by A. B. Le & Company, New York, etc., and Charles H. Gilm and Co., Maynard S. Bird & Co., Merrill Trust Co pany and Fidelity Trust Company, all of Portland, M

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	192
Gross income	$1,296,424	$1,402,767	$1,451,902	$1,582,264	$1,703,459	$1,668,8
Operating expenses and taxes	1,120,729	1,183,031	1,178,574	1,294,781	1,396,808	1,325,4
Net earnings	$175,695	$219,736	$273,328	$287,483	$306,651	$342,3
Fixed charges	247,598	247,598	247,598	247,598	247,598	247,8
Net income	*$71,903	*$27,862	$25,730	$39,885	$59,053	$95,7
Dividends paid	99,950	99,950	99,950	99,950	99,950	99,9
Deficit for year	$171,853	$127,812	$74,220	$60,065	$40,897	$4,3
Times Fixed Charges Earned	0.70	0.88	1.10	1.16	1.24	1

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant account	$5,263,234	$5,429,170	$5,387,692
Accounts & bills receivable	.....	59,146	59,146
Cash	5,362	4,976	4,359
Cumberland County Power & Light Co.	639,842	494,697	207,254
Unamortized discount on securities	86,317	91,165	96,013
Total	$5,994,755	$6,079,154	$5,754,464

Liabilities—	1927	1926	192
Capital stock	$1,999,000	$1,999,000	$1,999,0
Funded debt	3,645,000	3,645,000	3,645,0
Accrued interest	16,325	17,042	17,0
Unadjusted credits	4,510	4,510	4,3
Depreciation reserve	240,005	324,073	.....
Surplus	89,915	89,529	88,5
Total	$5,994,755	$6,079,154	$5,754,4

Officers: Fred N. Dow, Pres.; Chas. F. Berry, Treas. & Clerk, Portland, Me.

Directors: Fred N. Dow, Chas. F. Berry, Maynard S. Bird, Henry Lewis, Walter G. Davis, Portlar Me.; Henry W. Cushman, Bangor, Me.

Office, Portland, Me.

EMPORIA GAS COMPANY

(Controlled by National Electric Power Company)

History—Incorporated in 1881, in Kansas, as the Emporia Electric & Gas Light Co.; reorganized in 1912 and name changed to present title. Control acquired by Central Power & Light Co. in 1924 and by National Electric Power Co. in 1927. Supplies artificial gas to Emporia, Kan., serving a population of about 13,500. Output for the year 1927 totaled 597,773,000 cu. ft. Number of gas consumers, 1,853. Miles of mains, 26.63.

CAPITAL STOCK

Authorized, $500,000; outstanding, $175,000; par $100. All owned by National Electric Power Company. Annual meeting, third Tuesday in January.

FUNDED DEBT

$166,000 FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1952

Dated October 1, 1912.

Interest Payable April and October 1, at First Trut & Savings Bank, Chicago, Ill.

Denominations—Coupon, $500 and $1,000; princip may be registered.

Provisions of Issue—Authorized, $500,000; ou standing, $166,000. Additional bonds may be issue for 80% of the cost of betterments. All owned b National Electric Power Company.

Callability—Subject to call at 102½.

Security—Secured by a first mortgage on all th property, plant, real estate, franchises, etc. owned b Company.

Tax Provision—Company pays Normal Federal I come Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$188,510	$91,332	$85,407	$93,796	$91,682	$61,6
Operating expenses & taxes	164,543	62,957	67,754	64,109	70,158	43,3
Net earnings	$23,967	$28,375	$17,653	$29,687	$21,524	$18,2
Other income	2,205	170	.....	.....	.....	2,1
Total income	$26,172	$28,545	$17,653	$29,687	$21,524	$20,4
Bond interest	692	8,300	8,300	8,300	8,300	8,3
Other interest	7,906	1,286	474	672	501	1,4
Depreciation	5,535	2,942	16,266	9,792	10,860	5,6
Provision for Federal taxes	991	598	.....	.....	.....	.....
Surplus	$11,048	$15,419	*$7,387	$10,923	$1,863	$5,0

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Property, plant and equipment	$521,586	$464,344	Capital stock	$175,000	$175,000
Cash, accts. receivable, etc.	59,147	27,351	Funded debt	166,000	166,000
Prepayments and deferred items	459	1,580	Current & accrued liabilities	23,511	9,549
Deficit	9,124	18,619	Advances from affiliated Cos.	160,463	97,897
			Reserves for depreciation	65,342	63,448
Total	$590,316	$511,894	Total	$590,316	$511,894

Officers: W. C. Blanchard, Pres.; R. F. Rice, Sec.; S. Purcell, Treas.

Directors: R. T. Smalley, L. S. Purcell, E. M. Lause, G. H. Frith, O. H. Weddle, J. T. Skinner, E. C. Love, W. C. Blanchard, R. F. Rice.

General Office, Emporia, Kansas.

MICHIGAN ELECTRIC POWER COMPANY

(Controlled by National Electric Power Company)

History and Property—Incorporated in Dec., 1924, Michigan, and acquired by purchase, the Great Lakes Power Company, the Central Power Company, the Lapeer Gas-Electric Company, and Consumers Heating Company (see 1924 Public Utility Manual). Engaged in the light and power business.

The company serves 69 communities, with a population of about 39,090, in the counties of Sanilac, Huron, Tuscola, Lapeer and Genesee. Also operates steam heating systems in Bad Axe and Lapeer. Serves 4105 electric customers and 1,952 street lights. Miles of transmission lines, 405. Hydro-electric plant at Caro on the Cass River is equipped with one 312.5 G. E. unit and one 312.5 Westinghouse unit, with automatic control.

Management—Properties are operated under the supervision and management of Electric Management and Engineering Corporation, of New York.

CAPITAL STOCK

Authorized 40,000 Common shares of no par value and $1,000,000 7% cumulative Pfd.; par, $100. Outstanding, Dec. 31, 1927, 30,000 Common shares and 9992,300 Pfd. Stock is registered at office of company.

In March, 1928 the Manual was informed that an issue of 6% cumulative Preferred stock was being publicly offered by the Company at par, $100 per share, payable either in cash at time of purchase or $10 per share with subscription and $10 per share per month. Interest at 5% on partial payments will be paid by the Company to the subscriber as soon as final payment has been made.

7% Pfd. Stock Provisions—Has preference over common stock both as to assets and cumulative dividends. It has voting power only in case of default of four quarterly dividends. Redeemable at 105 and accrued dividends on 30 days' notice.

Transfer Agent (6% and 7% Pfd. Stock)—Seaboard National Bank, New York.

Registrar (6% and 7% Pfd. Stock)—Chatham Phenix National Bank & Trust Co., New York.

Dividends—Pfd. dividends are paid quarterly, J, A, J & O 1. Initial quarterly dividend of 1½% on 6% Pfd. was paid April 2, 1928.

FUNDED DEBT

(1)

$1,000,000 CENTRAL POWER COMPANY FIRST (CLOSED) MORTGAGE GOLD 7s; DUE JULY 1, 1940

Dated July 1, 1920.

Interest Payable January and July 1, at Security Trust Company, Detroit, Mich., Trustee. Authorized, $1,050,000; issued and outstanding, $95,000. Subject to call at 101 on 30 days' notice. Assumed by Michigan Electric Power Company. Secured by first closed mortgage on entire property formerly owned by Central Power Company. This issue underlies $1,165,000 Michigan Electric Power Company First Mortgage 6s Series "A," which provide for retirement.

(2)

$1,000,000 GREAT LAKES POWER COMPANY FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE APRIL 1, 1943

Dated April 1, 1923.

Interest Payable April and October 1, at First National Bank, Bay City, Mich., or at National City Bank of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—First National Bank, Bay City, Mich.

Security—Secured by first closed mortgage on entire property formerly owned by Great Lakes Power Company, consisting of a hydro-electric plant at Caro, including a reinforced concrete dam together with all the water and storage rights belonging thereto, and about 142 miles of transmission lines. This issue underlies $1,165,000 Michigan Electric Power Company First Mortgage 6s Series "A" which provide for retirement.

Assumed by Michigan Electric Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Campbell, Bulkley & Ledyard.

Original Offering—First publicly offered ($320,000) in May, 1923 at 97½ and interest to yield about 6¼%, by Hughes, Gordon & Co., Detroit.

(3)

$1,165,000 MICHIGAN ELECTRIC POWER COMPANY FIRST AND REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE DECEMBER 1, 1944

Dated December 1, 1924.

Interest Payable June and December 1, at Security Trust Company, Detroit, Mich., or at The Seaboard National Bank of New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000, registerable as to principal only.

Trustee—Security Trust Company, Detroit, Mich.

Provisions of Issue—Authorized (all series) open; authorized Series "A," $1,580,000; outstanding, $1,165,000. Of Series "A" authorized, $415,000 are deposited with trustee to refund $320,000 Great Lakes Power Company and $95,000 Central Power Company First Mortgage Bonds outstanding.

Additional First Mortgage bonds may be issued from time to time in series at 80% of the cost or fair value (whichever is less) of additional property acquired or constructed provided earnings applicable to bond interest, for 12 consecutive calendar months out of the 15 calendar months preceding, shall have been not less than 1¾ times annual interest charges on all bonds outstanding and to be issued.

Callability—Subject to call as a whole or in part on 55 day's notice at 105 and accrued interest, to Dec. 1, 1925, less ¼ of 1% each year thereafter to June 1, 1943, and on June 1, 1944 at par.

Security—Secured by a direct first mortgage on all the fixed property of the Company, subject only to $415,000 par value of divisional bonds outstanding on a part of the property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, Connecticut 4 mill tax, Maryland 4½ mill tax, and Massachusetts 6% Income Tax refundable to holders resident in those states.

Legal Opinion—Pam & Hurd, Chicago, (for the bankers), and Seibert & Riggs, New York, (for the Company).

Original Offering—First publicly offered ($585,000), in Feb., 1925, at 97 and accrued interest, to yield about 6.25%, by Kuechle & Co., Milwaukee.

Price Range—

	1927	1926	1925
High	*101	97	98
Low	*98	bid	96

*High and low bid prices.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property investments	$2,934,834	$2,662,927	$2,056,998
Current assets	176,551	236,486	235,173
Unamortized debt discount and expense	142,236	150,410	128,314
Deferred charges	42,809	30,344	19,881
Total	$3,296,430	$3,080,167	$2,440,366

*Represented by 20,000 no par Common shares.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$675,312	$555,660	$406,2
Oper. expenses and taxes	427,870	342,604	254,0
Net earnings	$247,442	$213,056	$152,1

Liabilities—	1927	1926	1925
Preferred stock	$892,300	$758,450	$589,5
Preferred stock subscribed —not issued	12,600	3,300	27,4
Funded debt	1,580,000	1,580,000	1,200,0
Notes and accounts payable	140,760	208,255	388,4
Accrued liabilities	44,459	40,050	28,4
Reserves	154,721	141,302	12,2
*Surplus	471,590	348,810	194,4
Total	$3,296,430	$3,080,167	$2,440,3

Officers: Harry Reid, Pres.; C. B. Zeigler, V-P.; Leo Loeb, V-P.; A. E. Burns, V-P., New York; E. L. Edwards, Sec. & Treas., Bad Axe, Mich.; W. W. Bell, Asst. Sec. & Asst. Treas.; F. R. Merris, Asst. Treas., Sidney, Ohio.

Directors: Harry Reid, Leo Loeb, C. B. Zeigler, A. E Burns, New York; Norman J. Frost, John C. Clarl Bad Axe, Mich.; C. W. Smith, Lapeer, Mich.

General Office, Bad Axe, Mich. **Executive Offic** 57 William St., New York.

OHIO ELECTRIC POWER COMPANY

(Controlled by National Electric Power Company)

History and Property—Incorporated August 12, 1924, in Ohio, and acquired by purchase the properties of the Ravenna Gas and Electric Light Company and the Oberlin Gas and Electric Company, (see 1924 Public Utility Manual, page 1249). On Oct. 1, 1925, acquired by purchase the property of the Ohio Electric Service Co. In 1926 acquired by purchase the properties of the Miami Valley Electric Company and the Union City (Ohio) Electric Company, also Coldwater Lighting Company. Owns entire capital stock of Union City (Indiana) Electric Company.

Supplies electric light and power in Oberlin, Ravenna, Sidney, Mantua, DeGraff and in an extensive territory in Mercer, Auglaize, Shelby and Dark Counties, Ohio. The total number of communities served is 51. Gas is also furnished at retail in the city of Oberlin. Through its subsidiary furnishes without competition electric light and power in Union City, Indiana. The estimated population served is 70,000. Serves 11,162 electric consumers and 1,881 gas consumers and 1,298 street lights; owns 243 miles of transmission lines, 714 miles of distribution lines, 23 substations with a rated capacity of 9,042 k.v.a. Output in 1927 was 18,501,075 k.w.h. electricity and 85,673.7 M. cu. feet of gas; in 1926 was 16,232,229 k.w.h. of electricity and 75,932.5 M. cubic feet of gas sold.

Management—Properties operated under the general supervision and management of Electric Management and Engineering Corporation, of New York.

CAPITAL STOCK

Authorized 45,000 shares (increased in 1927 from 20,000 shares) Common of no par value and $1,000,000 7% cumulative Pfd., par, $100; outstanding, 45,000 Common shares and $768,800 Pfd. A controlling interest is held by National Electric Power Company, while the Kansas Electric Power Company owns 40% of the capital stock of Company.

Preferred Stock Provisions—Pfd. stock is callable in whole or in part on any dividend date on 30 days' notice at 110 and accrued dividends. Full voting power is vested in the Common unless four quarterly dividends are in arrears, in which case, the Pfd. has voting power.

Additional Pfd. stock may be issued from time to time for proper corporate purposes, subject to the consent and approval of the Public Utilities Commission of Ohio, provided the net profit of the corporation for 12 consecutive months out of the 15 months immediately preceding the date of issue thereof, shall be equivalent to at least 2½ times the amount of the annual dividends upon the Pfd. stock outstanding, together with that to be issued. Net profits, as defined in the Articles of Incorporation, shall be ascertained by deducting from the earnings of the corporation from a sources, interest, taxes, including Federal Income Ta and all operating expenses (excluding depreciatio and amortization), including in operating expenses th amount reserved or expended for maintenance, exclu sive of the amounts expended for maintenance out c funds theretofore reserved for such purpose.

The corporation shall not, without the affirmativ vote or written consent of the holders of two-thirds i amount of the outstanding Pfd stock, create or issu any shares of stock which shall have any preferenc or priority over the Pfd. stock, nor shall any amend ment to the charter of the corporation be made di minishing the rights of the holders of the Pfd. stoc without like vote or written consent.

Transfer Agent (For Pfd. Stock)—The Seaboar National Bank of New York.

Registrar (For Pfd. Stock)—American Exchang Irving Trust Co., New York.

Dividends—Pfd. dividends are payable quarterly J, A, J & O 1.

FUNDED DEBT

$2,100,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES; DU JUNE 1, 1957

Dated June 1, 1927.

Interest Payable June and Dec. 1, at The Seaboar National Bank of New York, and at The Nationa Bank of the Republic of Chicago.

Denominations—Coupon, $100, $500 and $1,000, in terchangeable; $1,000 bonds registerable as to principa only.

Trustee—The Seaboard National Bank of Nev York.

Provisions of Issue—Authorized issue, unlimited issued, $2,100,000. Additional First Mortgage bond may be issued from time to time (a) to a principa amount not exceeding 80% of the cost or fair valu (whichever is less) of "permanent additions," less th principal amount of "prior liens" outstanding thereon if any, or (b) against the deposit of cash, provide "earnings applicable to bond interest" for twelve con secutive calendar months within the fifteen calenda months immediately preceding the date of applica tion for authentication and delivery of bonds, shal have been at least equivalent to twice the annua interest requirements upon all First Mortgage Gol bonds "outstanding," including those proposed to b issued, and all "outstanding prior lien bonds," if any all as defined in the mortgage, and subject to the restrictions thereof; or additional First Mortgage Gold bonds may be issued, (a) to a principal amount no exceeding 75% of the cost or fair value (whichever

less) of any such "permanent additions," or (b) ainst the deposit of cash, if such "earnings applicable bond interest," shall have been at least equivalent 1¼ times such interest requirements. First Mort-ge Gold bonds may also be issued to refund equal incipal amounts of the same or other series of bonds sued under the mortgage or "prior liens" as defined the mortgage.

First Mortgage Gold bonds may be issued from time time in series with such provisions as may be deter-ined by the Board of Directors, subject to the restric-ns of the mortgage. The bonds of additional series ay bear such dates, rates of interest, mature at such nes and carry such redemption, sinking fund, tax fund provisions, and such other varying or dis-guishing provisions as may be determined by the ard of Directors, subject to the restrictions of the rtgage, but, except as to sinking funds which may established for the exclusive benefit of a particular ries, all bonds of all series shall be equally and tably secured by the mortgage.

Purpose of Issue—Proceeds of these bonds were to used to provide in part for the retirement of all nds at the time outstanding against the property of e Company (bearing interest rates higher than that this series of First Mortgage Gold bonds), and in rt for the reimbursement of its treasury for moneys pended for the acquisition of properties.

Callability—Subject to call as a whole or in part on y interest date on 30 days' notice at 105 and interest and including June 1, 1937, this premium of 5% the principal decreasing at the rate of ¼ of 1% the principal on each Dec. 1 thereafter, the bonds being redeemable on Dec. 1, 1956, at par and accrued interest.

Security—Secured by a direct first mortgage on all the fixed property of the Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Connecticut 4 mill tax, Maryland 4½ mill tax, Pennsylvania 4 mill tax, California personal property tax not to exceed 4 mills per dollar of the taxable value, and Massachusetts 6% Income tax, refundable on timely and proper application, to holders resident in those states, as provided in the mortgage.

Legal Opinion—Siebert & Riggs, New York.

Original Offering—First publicly offered ($2,100,000) in June, 1927, at 96 and interest, to yield over 5.25%, by A. C. Allyn & Co., Inc., New York.

Price Range—1927: High, 95; low, 93½.

BOND REDEMPTIONS

All of the First Mortgage Series "A" 6½% Gold bonds, due July 1, 1944, of which $932,300 were outstanding on Dec. 31, 1926, were called for redemption on July 1, 1927 at 105 and interest at Seaboard National Bank of New York.

All of the First Mortgage Series "B" 6% Sinking Fund Gold bonds, due Jan. 1, 1946, of which $647,000 were outstanding on Dec. 31, 1926, were called for redemption on July 1, 1927, at 104¾ and interest, at Seaboard National Bank of New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,004,616	$872,751	$495,631
Operating expenses & taxes	674,237	626,703	370,275
Net earnings	$330,379	$246,048	$125,356

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
operty	$3,266,006	$3,019,469	$1,491,416
rrent assets	416,611	382,221	132,150
ferred charges	498,565	206,145	109,758
Total	$4,181,182	$3,607,835	$1,733,324

Liabilities—	1927	1926	1925
Preferred stock	$787,200	$513,600	$253,400
Funded debt	2,100,000	1,927,100	949,000
Current and accrued liabil.	170,454	322,285	319,300
Reserves	342,973	339,636	40,075
Surplus	*780,555	*505,214	*171,549
Total	$4,181,182	$3,607,835	$1,733,324

*Represented by 2,000 shares Common stock without par value in 1925; by 20,000 shares in 1926 and by 45,000 shares in 1927.

Officers: Harry Reid, Pres.; A. E. Burns, V-P.; B. Shaw, V-P.; Leo Loeb, V-P., New York; J. A. ard, V-P., Sidney, Ohio; W. R. Porter, V-P.; C. B. igler, V-P. & Treas., New York; L. B. Fauver, Sec., yria, Ohio; F. R. Merris, Asst. Sec. & Asst. Treas., Sidney, Ohio; W. W. Bell, Asst. Sec. & Asst. Treas.; R. L. Hook, Asst. Sec., New York.

Directors: Martin J. Insull, Chicago, Ill.; Harry Reid, C. B. Zeigler, A. E. Burns, P. B. Shaw, Leo Loeb, New York; J. A. Ward, Sidney, Ohio.

Executive Office, 57 William Street, New York.

UNION CITY ELECTRIC COMPANY

(Controlled by Ohio Electric Power Co.)

History—Incorporated April 10, 1913, in Indiana. pplies electric light and power to Union City, Ind., d Union City, Ohio, serving a population of between 00 and 7,000. Number of consumers: 1926, 1,719; 27, 1,756.

Management—Properties operated under the gen-al supervision and management of Electric Manage-ent and Engineering Corporation, of New York.

CAPITAL STOCK

Authorized, 5,000 shares of no par value; outstand-g, 3,100 shares. Authorized capital stock was anged from 1,000 shares of $100 par value each to 00 shares of no par value in 1927, 5 shares of no r value being exchanged for each share of $100 par lue. All owned by the Ohio Electric Power Co. nual meeting, April 17.

Dividends—1921, 65%; 1922, 45%; 1923, 21%; 1924, %; 1925, 22%; 1926, 24%; 1927, $9.00 per share on 00 shares of no par value.

FUNDED DEBT

$82,600 First and Refunding Gold 6s; dated Jan. 1, 16; due Jan. 1, 1936; int. Jan. and July 1, at City ust & Savings Bank, Dayton, O., Trustee. Coupon, 00, $500 and $1,000; principal may be registered. uthorized issue, $200,000. Subject to call at 102½ d accrued interest on any interest date on 30 days' notice. Sinking fund: 1921-1924, 1%; 1925-1930, 1½% and 1931 to maturity, 2%. Secured by first lien on entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenues	$88,738	$98,765	$91,941
Operating exp. and taxes.	58,673	64,964	62,066
Net operating revenue	$30,065	$33,801	$29,875
Interest charges	5,202	5,315	5,245
Balance	$24,863	$28,486	$24,630

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$351,267	$323,984	$226,290
Current assets	40,703	68,550	31,484
Deferred charges	8,872	9,853	11,556
Total	$400,842	$402,387	$269,330

Liabilities—	1927	1926	1925
Capital stock	$62,000	$62,000	$62,000
Funded debt	82,600	83,100	89,100
Current liabilities	11,902	8,045	12,892
Accrued charges	7,822	7,372	5,569
Reserve for deprec., etc.	23,534	21,338	94,216
Surplus	212,984	220,532	5,553
Total	$400,842	$402,387	$269,330

Officers: Harry Reid, Pres.; Alan E. Burns, V-P.; C. B. Zeigler, Treas.; W. W. Bell, Sec. & Asst. Treas.; R. L. Hook, Asst. Sec., New York; F. R. Merris, Asst. Treas., Sidney, Ohio.

Directors: Harry Reid, C. B. Zeigler, Alan E. Burns, Leo Loeb, New York; L. L. Stahler, Union City, Ind.

General Office, Union City, Ind. **Executive Office,** 57 William Street, New York.

NEW ENGLAND PUBLIC SERVICE COMPANY

(Controlled by National Electric Power Company)

History—Incorporated Aug. 27, 1925 in Maine, as a holding corporation with a perpetual charter to hold and deal in public utility property and securities of companies owning or operating or controlling such properties and property and rights useful for such purposes.

At its inception, the New England Public Service Co. acquired practically all of the Common stock of the Central Maine Power Co., and of the Manchester Traction, Light and Power Co., and a substantial majority of the Common stock of the National Light, Heat and Power Co., through which latter company it controlled the Twin State Gas & Electric Co., Berwick & Salmon Falls Electric Co., Vermont Hydro-Electric Corp., Rutland Railway, Light and Power Co., Realty Development Corp., Southern New Hampshire Hydro-Electric Corp., and Pittsford Power Co. Through exchange for its own securities, or by purchase for cash, Company has since acquired additional Common stock of the aforesaid companies so that as of Dec. 31, 1927, there were outstanding in the hands of the public only .047% of the Central Maine Power Co.; .041% of the Rutland Railway, Light and Power Co. and 0.5% of the National Light, Heat and Power Co.

During 1926 Company purchased the Keene Gas & Electric Co., Ashuelot Gas & Electric Co., Souhegan Valley Electric Co., Laconia Gas & Electric Co., the Western Maine Power Co., Fryeburg Electric Light Co., Conway Electric Light and Power Co., Swans Falls Co., and Bradford Electric Co. (see appended statements).

In January, 1928, the Company acquired the Middlebury Electric Co. and the Windsor Electric Light Company, and in February, 1928, Company acquired controlling interest in Utility Power Company, and Tilton Electric Light & Power Co. and purchased Franklin Light and Power Co. During May, 1928, acquired control of Cumberland County Power & Light Company.

In furtherance of Company's policy of having, for economy in operation, the fewest possible number of subsidiaries in each state, the Manchester Traction, Light and Power Co., Keene Gas and Electric Co., Ashuelot Gas and Electric Co., Laconia Gas and Electric Co. and Souhegan Valley Electric Co. were consolidated, with the approval of the Public Service Commission of New Hampshire, to form the Public Service Co. of New Hampshire (see appended statement).

The operating companies, with their subsidiaries, serve at retail a total of 454 industrial and farming communities having an estimated combined population of 693,740 in the states of Maine, New Hampshire, Vermont and New York, and in Canada. Electric service is supplied to 454, gas to 19, water to 2 and railway to 21. An important part of the vast water-power resources of New England is controlled by the Company. Plants of the subsidiaries of this company have a generating capacity of over 137,300 k.w., of which about 74% is hydro-electric. The ultimate capacity of the undeveloped water-power sites controlled is estimated to be several times that of the existing hydro-electric stations.

CAPITAL STOCK

Authorized, 400,000 shares Common, 200,000 shares cumulative Prior Lien Pfd., and 200,000 shares cumulative Pfd., all of no par value; outstanding, March 1 1928, 287,889 shares Common, 80,000 shares $7 Dividend Series Prior Lien Pfd., 40,000 shares $7 Dividend Series Pfd., 25,000 shares $6 Dividend Series Pfd., and 8,604 shares Adjustment Series Pfd. In addition 1,11 shares Common were held in treasury. Stock contro held by National Electric Power Company. The Adjustment Series Pfd. was offered in exchange, share fo share, for National Light, Heat & Power Co. 5% Pfc stock.

Prior Lien Preferred Stock Provisions—Prior Lie Pfd. stock is fully paid and non-assessable and ha preference for assets and dividends over Pfd. and Com mon. It has no voting power unless payment of mor than one-half of the annual dividend requirement shal have been in arrears except as expressly provided i the charter or as may be required by Maine laws. It i issuable in series, alike in all rights and preference except rate of dividend, redemption price and prefer ences in voluntary liquidation, but no stock in additio to the 80,000 shares $7 Dividend Series may be issue unless during twelve months ending within sixty day prior to such issue, net income (as defined in the char ter) shall have been at least twice the annual dividen requirement of the Prior Lien Pfd. outstanding, and o the additional issue.

The $7 Dividend Series is entitled to cumulativ dividends at the rate of $7 per share per annum; t $120 a share and accrued dividends in voluntary liqui dation and to $100 a share and accrued dividends i involuntary liquidation; and is redeemable as a whol or in part on 60 days' notice at $120 a share and ac crued dividends.

Preferred Stock Provisions—Pfd. stock is fully paid and non-assessable, and has preference for assets and dividends over Common. It has no voting power unless and only so long as, dividends exceeding one-half of the annual dividend requirement shall be in arrears and except as expressly provided in the charter or as may be required by Maine laws. It is issuable in series, alike in all rights and preferences except rate of dividend, redemption price, and preferences in voluntary liquidation. No additional Pfd. shares may be issued unless, during 12 mos. ending within 60 days prior to such issue, net income (as defined in the charter) after deducting dividends for one year payable on all outstanding Prior Lien Pfd. stock, shall have been at least one and three-quarters times the annual dividend requirement of the Pfd. stock outstanding and then to be issued. No additional class of stock having a preference over or equal rank with the Pfd. stock shall be created without the consent of the holders of two-thirds of the outstanding shares of Pfd. stock. No mortgage or indenture securing obligations of the company maturing more than two years from the date of such obligations shall be created by the Company without the affirmative vote of the holders of a majority of those outstanding shares of each class of stock which shall be represented and voted at a meeting called for the purpose of authorizing such mortgage or indenture.

The $7 Dividend Series is entitled to dividends of $7 per share annually, is redeemable as a whole or in part by lot at any time on 60 days' notice at $120 per share and accrued dividends, and is entitled to $120 per share and accrued dividends in voluntary liquidation and to $100 per share and accrued dividends in involuntary liquidation.

The $6 Dividend Series Pfd. stock is entitled to dividends at rate of $6 per share per annum, is redeemable as a whole or in part by lot at any time on 60 days' notice at $110 per share and accrued dividends, and is entitled to preference over the Common to the extent of $110 per share and accrued dividends in voluntary liquidation and of $100 per share and accrued dividends in involuntary liquidation.

On Jan. 15, 1926, the holders of record on Dec. 31, 1925, of the original issue of 40,000 shares of $7 Divi-

nd Series Pfd. stock received warrants, entitling em to subscribe within a year for a like amount of ommon stock at $30 a share. 1,894 of these warrants ere exercised prior to Dec. 31, 1926 and the balance is since been taken up.

The Adjustment Series Pfd. stock will pay divinds at the rate of $5.50 per share for the first year, .00 to Sept. 30, 1927, increasing annually by 50c. r share per year until the dividend rate becomes $7 r share per year.

Legal Details (Prior Lien Pfd. and Pfd.)—Ralph D. evenson, for Company, and Seibert & Riggs, New ork, for Bankers.

Original Offering—First publicly offered (80,000 ares of Prior Lien Pfd. $7 Dividend Series) in Sept., 25, at $98 a share and dividends, to yield 7.14%, by ld Colony Trust Co., Boston, and Tucker, Anthony Co., Bonbright & Co., Inc., Edward B. Smith & Co., d Spencer Trask & Co., New York; 40,000 shares of Dividend Series Pfd. was offered in Oct., 1926, at 6.50 a share and dividends, to yield 7.25%, by the me syndicate with the exclusion of Old Colony ust Co., Boston.

First publicly offered (25,000 shares $6 Dividend ries Pfd.) in Feb., 1928, at $96.50 per share and acued dividend to yield over 6.20% by Old Colony orp., Tucker, Anthony & Co., Bonbright & Co., Inc., lward B. Smith & Co., Spencer Trask & Co., New ork, etc. and Utility Securities Co., Chicago, etc. An ditional 45,000 shares of $6 dividend Series Pfd. as offered by the same firms in April, 1928, at $97.50 d dividends per share, to yield 6.15%.

Transfer Agents—Old Colony Trust Co., Boston, d Middle West Stock Transfer Co., 72 West Adams ., Chicago.

Registrars—American Trust Co., Boston, and linois Merchants Trust Co., Chicago.

Annual Meeting—Last Wednesday in March at ugusta, Me.

Listed ($7 Dividend Series Prior Lien Pfd. and $7 vidend Series Pfd.)—Boston Stock Exchange.

Price Range—

	1927	1926	1925
or Lien $7 Divd.—			
High	105	101	99
ow	97¼	95	97½
ferred $7 Divd.—			
High	102⅛	97	97
ow	93	85	95½
nmon—			
High	58½	..	..
ow	46	..	..

Dividends—Initial quarterly dividend of $1.75 a are on Prior Lien Pfd. $7 Dividend Series was paid c. 15, 1925, which quarterly rate maintained to de; payments M, J, S & D 15. Initial quarterly divind of $1.75 a share on Pfd. $7 Dividend Series paid n. 15, 1926, which quarterly rate maintained to date; yments, J, A, J & O 15. Initial quarterly dividend $1.50 paid on the $6 Dividend Series Pfd. April 16, 28; payments, J, A, J & O 15. Initial quarterly dividd of $1.375 a share on Pfd. Adjustment Series paid n. 15, 1926, which rate paid to July 15, 1926; Oct. 15, 6, $1.41 a share (two months at $5.50 annual rate a one month at $6 annual rate); Jan., April and July 1927, $1.50 per share each; Oct. 15, 1927, $1.54 per are (two months at $6 annual rate and one month a $6.50 annual rate); Jan. 15, 1928, $1.65 per share; yments, J, A, J & O 15. Initial Common dividend 75 cts. a share was paid Sept. 15, 1926; Dec. 31, 1926, cents a share; March 31, 1927, 45 cents a share and arterly thereafter to March 31, 1928. Dividends are yable at Augusta Trust Co., Augusta, Me., Contintal National Bank & Trust Co., Chicago, Ill., or Old ony Trust Co., Boston.

FUNDED DEBT

None.

STATISTICS OF SUBSIDIARY OPERATING COMPANIES, YEAR ENDED DECEMBER 31, 1927

Gross operating revenue:		Per Cent.
Electric	$9,768,829	83.10
Railway and bus	981,017	8.35
Gas	992,296	8.44
Water	13,090	.11
Total	$11,755,232	100.00
Non-operating revenue	304,376	
Merchandise sales and jobbing work	1,429,005	
Residual sales	81,330	
Total gross earnings	$13,569,943	

CONSOLIDATED EARNINGS STATEMENT OF SUBSIDIARIES, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$13,569,943	$12,825,767
Operating expenses & taxes	6,009,127	7,019,510
Maintenance	808,432	.....
Retirement appropriation	915,241	788,448
Net earnings from oper.	$5,837,143	5,017,809
Rentals of leased properties	16,052	10,691
Operating income	$5,821,091	$5,007,118
Interest charges paid or accruing to outside holders	1,870,912	1,814,572
Amort. of disc. on securities	171,528	150,707
Federal taxes	259,367	.....
Divds. on Prior Lien & Pfd. stocks paid or accruing to outside holders	1,550,882	1,264,014
Divds. on Com. stock paid to outside holders	1,302	3,300
Proportion of undistributed earn. to outside holders	870	1,831
Total earnings accruing to New Eng. Pub. Ser. Co.	$1,966,230	$1,772,694

INCOME ACCOUNT
(New England Public Service Co.)

	12 mos. Ended Dec. 31, 1927	15 mos. Ended Dec. 31, 1926
Interest receiv. from subsidiary cos.	$218,463	$154,395
Other interest	3,991	56,676
Dividends:		
Subsidiary cos.	1,081,675	1,084,827
Outside cos.	57,600	55,000
Profit on sale of securities to asso. cos. and others	126,250	72,685
Fees for engineering & other serv. to sub. cos., etc.	158,599	120,114
Total income	$1,646,578	$1,543,697
Expenses:		
Administration expenses	$153,026	$50,794
Miscellaneous charges	26,528	(26,892
Federal and State franchise taxes		(21,180
Interest on notes and accounts	38,795	.....
Net income for the period	$1,428,229	$1,444,831
Prior Lien Pfd. dividends	560,000	723,333
Preferred dividends	280,000	389,996
Preferred Adjustment Series dividends	52,896	.....
Common dividends	516,406	297,292
Surplus	$18,927	$34,210

GENERAL BALANCE SHEET, DECEMBER 31
(New England Public Service Co.)

Assets—	1927	1926
Stocks of sub. cos. and other investments	$18,452,238	$16,904,814
Advances to sub. cos. for construction, etc.	4,372,976	2,949,753
Advances on acct. of unclosed contracts	.....	247,956
Int. accrued but not due & dividends declared subsequently received	226,796	170,987
Cash	506,567	274,476
Prepaid expenses	65,363	34,388
Total	$23,623,940	$20,582,374
Liabilities—		
Common stock	$7,698,670	$6,554,860
Prior Lien Pfd. stock, $7 Divd. Series	7,840,000	7,840,000
Preferred Stock:		
$7 Divd. Series	3,860,000	3,860,000
Adjustment Series	645,300	640,433
*Bank loan	.....	1,000,000
Demand loans due associated companies	2,050,000	.....
Due on purchase contract	1,047,219	220,000
Accounts payable	36,294	40,531
Accrued dividends	93,318	92,339
Surplus	353,138	334,211
Total	$23,623,940	$20,582,374

*Since repaid with proceeds from sales of Common stock.

Officers: Samuel Insull, Chairman of Board; Martin J. Insull, Vice-Chairman; Walter S. Wyman, Pres.; William A. Buttrick, V-P.; W. C. Sharp, V-P.; E. V. Graham, V-P.; Geo. Otis Spencer, Treas.; Everett H. Maxcy, Secy.-Clerk; C. C. Herrmann, Asst. Treas.; H. J. Ludwick, Asst. Sec.; John S. Everett, Aud.

Directors: William A. Buttrick, Boston; Martin Insull, Samuel Insull, Samuel Insull, Jr., E. P. Russell, Chicago; J. A. Ryan, New York; W. B. Skelton, Lewiston, Me.; Geo. Otis Spencer, Walter S. Wyman, Augusta, Me.

Office, 9 Green St., Augusta, Me.

CENTRAL MAINE POWER COMPANY

(Controlled by New England Public Service Company)

History—Incorporated Mar. 7, 1905, in Maine, as Messalonskee Electric Co. Name changed to present title Jan. 25, 1910. Company is a consolidation of about 60 electric, gas and railway companies formerly operating independently in the central part of Maine (for recent acquisitions, see 1921 Public Utility Manual, page 2218). On Dec. 27, 1923, the entire property, franchises and assets of the Lincoln County Power Co., Inc. (see Manual for 1923, page 114) was sold by Special Master to the Central Maine Power Co. under receivership proceedings brought to foreclose mortgage. Company also controls and operates the Androscoggin Electric Co. and Waterville, Fairfield & Oakland Ry. These combined companies now serve with electric energy 269 cities, towns and communities and more than 400 industrial establishments in 12 of the 16 counties of the State. The territory directly served contains approximately 293,475 inhabitants. Among the better known communities served are Augusta, Auburn, Bath, Belfast, Belgrade, Brunswick, Bucksport, Dexter, Dover-Foxcoft, Gardiner, Greenville, Lewiston, Mechanic Falls, Norway, Poland, Rockland, Skowhegan, Thomaston and Waterville.

Gas service is rendered in four general localities. Gas generating plants are situated in Augusta, Bath, Rockland and Waterville and serve these cities and some adjoining towns, through about 84 miles of gas mains.

Railway service is rendered by three seperate systems and are known as the Portland-Lewiston Inter-Urban (owned by Androscoggin Electric Co.); Rockland, Thomaston & Camden St. Ry. (owned by Central Maine Power Co.); and Waterville, Fairfield & Oakland Ry. (controlled by Central Maine Power Co.). The three systems have a combined total of over 62 miles of track, about 50% of which is on private rights of way.

The following public utilities purchase a part of their power from the Company: Franklin Power Co., Turner Electric R. R. Co., Milo Electric Light & Power Co., Madison Village Corp., and Cumberland County Power & Light Co.

Acquisitions During 1927—During the year the Company acquired the properties of the Western Maine Power Company (see 1927 Public Utility Manual, page 1289) and the Fryeburg Electric Company. The assets of the Black Stream Electric Company and the Bethel Light Company, previously controlled through stock ownership, were conveyed to the Company.

The Central Maine Power Company system owns and operates 23 hydro-electric plants and 2 steam reserve stations, of a combined rated capacity of 97,737 h.p. The plants are located principally on the Kennebec River and its tributaries the Massalonskee and Sebasticook, and on the Androscoggin River and one of its tributaries, the Little Androscoggin. The steam stations are located at Farmingdale and Lewiston.

In addition thereto the Company purchases energy from Cumberland County Power and Light Company at West Falmouth, from Pejepscot Paper Company near Brunswick, from the Milo Electric Light and Power Company at Milo, Bangor Hydro-Electric Co. and Swans Falls Co. The hydro-electric plants are distributed throughout the territory served in such a way as to use efficiently the power available on the various rivers. All of the generating stations are interconnected by approximately 896 miles of transmission lines, most of which are 33,000 volt lines. In addition to the water power properties already developed the Company controls valuable undeveloped hydro-electric sites on the upper waters of the Kennebec River and on the Androscoggin River having a potential total capacity of over 200,000 h.p.

Control Acquired—During 1925, the Middle West Utilities Co. purchased all the Common stock of the Central Maine Power Co. at $140 a share, and subsequently transferred control to New England Public Service Co.

OPERATING STATISTICS, DECEMBER 31

	1927	1926
Electric meters	66,627	61,34
Gas meters	6,160	6,02
Kilowatt hours generated	219,845,306	183,268,48
Connected load (k.w.)	180,203	161,34

CAPITAL STOCK

Authorized, $5,000,000 Common and $20,000,00 Pfd.; outstanding, Dec. 31, 1927, $2,500,000 Common $660,800 6% cumulative Pfd., $780,400 $6 Dividend Series Pfd., and $12,422,700 7% cumulative Pfd.; par $100. The New England Public Service Co. owns over 99½% of the Common stock.

Preferred Stock Provisions—All classes of Pfd have equal preference as to assets and dividends The 6% Pfd. stock is entitled to one vote for each share of stock and to the ordinary rights of stock holders. The 7% Pfd. has no voting power, except upon failure of company for a period of six months to pay regular dividends on all the 7% Pfd. outstanding. When all dividends are fully paid up, the right to vote then ceases until subsequent default. In case of dissolution the 6% Pfd. has preference over Common. The 7% Pfd. stock may be called on any dividend date at $120 per share plus accrued dividends on not less than 30 days' notice. The $6 Dividend Series Pfd. has no voting power, and is subject to redemption on 30 days' notice at $107.50 per share and accrued dividends.

Transfer Agent—Treasurer of Company acts as transfer agent.

Registrar—State Street Trust Co., Boston.

Original Offering—The $6 Dividend Series Pfd. stock was publicly offered ($600,000) in Sept., 1927 at 96 and dividend to yield 6.25% by the Company itself.

Annual Meeting—Last Wednesday in March.

Dividends—All classes of Pfd. are paid quarterly J, A, J & O 1. Initial dividend of 1% was paid on Common Nov. 1, 1919, which rate has been maintained semi-annually to 1924; 1925, 3%; 1926, 8%; 1927, 10%

FUNDED DEBT

(1)

$325,000 BATH & BRUNSWICK LIGHT & POWER COMPANY FIRST AND REFUNDING 5s; DUE JULY 1, 1930

Dated July 1, 1910.

Interest Payable January and July 1, at Fidelity Trust Co., Portland, Me., Trustee. Coupon, $500 and $1,000. No provisions for registration. Subject to call in whole or in part at 102 and interest on any interest date. Authorized, $750,000; outstanding, $325,000. A first lien on all property formerly owned by the Brunswick Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$175,000 OXFORD ELECTRIC COMPANY FIRST & REFUNDING MORTGAGE 5s; DUE JANUARY 1, 1936

Interest Payable January and July 1, at Portland National Bank, Portland, Me., Trustee. Authorized, $250,000. Coupon, $500 and $1,000; principal may be registered. Subject to call at 102 on any interest date. Issued to provide funds for purchase of Mechanic Falls Electric Light Co. and to retire bonds. A first lien on all property of former Oxford Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$4,337,000 CENTRAL MAINE POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1939

Dated November 1, 1909.

Interest Payable May and November 1, at State Street Trust Co., Boston.

Denomination—Coupon (principal may be registered) and registered, $1,000.

Trustee—State Street Trust Co., Boston.

Provisions of Issue—Authorized issue, $5,000,000, of which $295,000 are reserved for exchange for prior liens (which if issued must be pledged under the Company's First and General Mortgage) and $368,000 retired by sinking fund.

Callability—Subject to call for sinking fund only at 105 and interest on any Nov. 1, commencing in 1920, upon 3 weeks' notice.

Sinking Fund—The company must pay anuually to the trustee, from Sept. 15, 1920 to 1929, inclusive, a sum equal to 1% and from Sept. 15, 1930, to 1939, inclusive a sum equal to 2% of the total funded debt outstanding. The same shall be invested in bonds of this issue at not exceeding 105 and interest, either or purchase in the open market or by call at 105 for payment on the following Nov. 1, all such bonds to be cancelled.

Security—Secured by first lien on entire property of the company owned on Nov. 1, 1909, and on all property thereafter acquired. Subject to the following underlying liens: $325,000 Bath & Brunswick Light & Power Co. First & Refunding 5s, and $175,000 Oxford Electric Co. First 5s. They underlie the First and General Mortgage bonds on all properties of the company except properties acquired by the company from Knox County Electric Co., Yarmouth Electric Co., Oxford Electric Co., Readfield Light & Power Co., Maine Power Corp. and Robinson Land Co. Under provisions of the First & General Mortgage, bonds may be issued to refund this issue and all underlying liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Legal for Savings Banks in Maine, New Hampshire and Vermont.

Original Offering—First publicly offered ($1,100,000) in March, 1910, at 98½ and interest, by N. W. Harris & Co., and Perry, Coffin & Burr, Boston, Harris, Forbes & Co., New York, and Harris Trust & Savings Bank, Chicago; $500,000 additional offered by same firms in Sept., 1911, at 97½ and interest; a further block offered by the above and Parkinson & Burr, in Jan., 1916, at 96½ and interest.

(4)

$11,500 CENTRAL MAINE POWER COMPANY FIRST & GENERAL MORTGAGE GOLD 6s, SERIES "B"; DUE JANUARY 1, 1942

Dated January 2, 1922.

Interest Payable January and July 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $500 and $1,000 (principal may be registered), and fully registered, $1,000 and multiples. Coupon and registered bonds interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—The First and General Mortgage bonds are issuable as the Directors may determine in the above series or other series. Other series may bear such dates, interest rates, tax provisions, redemption prices, dates of maturity, etc. as may be determined, but no bonds may mature after the year A. D. 2000, nor later than thirty years from their date of issue. Bonds may be issued to a principal amount not in excess of 75% of the cost or fair value, whichever is less, of additional physical property constructed or acquired by the Company subsequent to June 1, 1921, provided that the net earnings of the Company for a consecutive twelve months' period within the fourteen months next preceding the application for bonds are not less than the greater of (a) 1¾ times the annual interest charge on all bonds outstanding and those proposed to be issued, including all divisional lien bonds not deposited with the Trustee, or (b), 10% of the principal amount of such bonds, provided that this amount is not greater than twice said interest charge. Bonds may be issued to refund bonds of any series issued under this mortgage or under the First Mortgage of the Company, or under any divisional lien.

Restrictive provisions prevent the issue of bonds for other securities.

Callability—Non-callable during the first seven years; thereafter callable in whole or in part on any interest date on 6 weeks' notice from Jan. 1, 1929, to Dec. 31, 1929, inclusive at 110 and at a premium reduced by ¾ of 1% for each calendar year thereafter to and including 1940 and at 100½ in 1941.

Maintenance—The mortgage provides that there shall be expended or appropriated annually, for maintenance, repairs, renewals and replacements, an amount not less than 15% of the gross operating revenues of the electric light and power and gas business of the Company, and 25% of the gross railway revenues. Such sums are to be included in the operating expenses of the Company in calculating the net earnings against which bond interest must be figured in connection with the issue from time to time of additional bonds. At not less than three-year intervals, if it is found that for any reason these percentages as now set up do not operate equitably as between the interests of the Company and the bondholders, they may be re-established by the decision of a carefully created Board of Arbitration whose decision is final and binding and whose creation is dependent not upon proof of need of revision being established, but automatically at the request of the Company, the Trustee, or not less than 10% of the bonds outstanding hereunder.

Security—Secured by a first mortgage on the electric, gas and railway properties in Rockland, Thomaston and Camden, together with a few local distributing systems and on real estate controlling valuable water power sites of over 50,000 h.p.; and also by a mortgage on the entire remaining property of the company subject to the outstanding First Mortgage and Divisional bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered ($811,500) in March, 1922, at 98½ and interest, yielding 6⅛%, by Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Coffin & Burr, New York and Boston.

(5)

$1,550,000 CENTRAL MAINE POWER COMPANY FIRST & GENERAL MORTGAGE GOLD 5½s, SERIES "C"; DUE AUGUST 1, 1949

Dated August 1, 1924.

Interest Payable February and August 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $500 and $1,000, and fully registered, $1,000 and multiples. Coupon bonds may be registered as to principal and coupon bonds and registered bonds are interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue, Security, Etc.—See description of Series "B" 6s, paragraph 4.

Callability—Non-callable during the first five years; thereafter callable in whole or in part on any interest date, on six weeks' notice, at 105 and interest on Aug. 1, 1929; at 104¾ and interest during 1930 and reducing ¼ of 1% for each calendar year thereafter to 100 and interest in 1949.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered ($1,550,000) in July, 1924, at 99 and interest, yielding about 5.57%, by the same firms which offered the Series "B" bonds.

(6)

$7,000,000 CENTRAL MAINE POWER COMPANY FIRST & GENERAL MORTGAGE GOLD 5s, SERIES "D"; DUE JULY 1, 1955

Dated July 1, 1925.

Interest Payable January 1 and July 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $500 and $1,000, and fully registered, $1,000 and multiples. Coupon bonds may be registered as to principal and coupon bonds and registered bonds are interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue, Security, Etc.—See description of Series "B" 6s, paragraph 4.

Callability—Subject to call in whole or in part on any interest date from July 1, 1929 to July 1, 1935, inclusive, at 105 and interest on six weeks' notice; during 1936 at 104.75 and interest, and thereafter on any interest date at ¼ of 1% less premium for each calendar year thereafter to 1955, when the bonds are callable at par and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,500,000) in June, 1925, at 97 and interest, yielding about 5.20%, by the same firms which offered the Series "B" and "C" bonds; $2,500,000 additional bonds were sold in July, 1925; $3,000,000 additional bonds were offered in Oct. 1926, at par and interest by Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., New York; Harris, Forbes & Co. Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.

(7)

$2,000,000 CENTRAL MAINE POWER COMPANY FIRST GENERAL MORTGAGE GOLD 4½s, SERIES E; DUE DECEMBER 1, 1957

Dated December 1, 1927.

Interest Payable June and December 1 in Boston.

Denominations—Coupon, $1,000; principal may be registered and fully registered. Exchangeable for $1,000 and multiples thereof, interchangeable.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue, Security, Etc.—See description of Series "B" 6s, paragraph 4. This series was issued to reimburse the Company in part for cost and additions made to its property, and for the acquisition of Western Maine Power Co., Fryeburg Electric Light Co., Black Stream Electric Co., Bethel Light Co., and other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date, on six week's notice, at 103 to and including June 1, 1932, reducing ½ of 1% for each five year period thereafter to 100.50 on June 1, 1957.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Massachusetts.

Original Offering—First publicly offered ($2,000,000) in Dec., 1927, at 98 and interest to yield about 4.62% by Harris, Forbes & Co., Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Central Maine Power Co., Androscoggin Electric Co. and Waterville, Fairfield & Oakland Ry.)

	1927	1926	1925	1924	1923	1922
Gross income	$5,784,989	$4,357,396	$4,160,486	$3,877,708	$3,736,969	$3,342,83
Operating expenses and taxes	2,530,504	1,505,897	1,479,063	1,433,592	1,604,818	1,895,96
Maintenance	743,921	676,682	642,707	618,780	606,856	
Net earnings	$2,510,564	$2,174,817	$2,038,716	$1,825,336	$1,525,295	$1,446,86
Interest on funded and unfunded debt and guaranteed dividends on stock of subsidiaries	1,156,142	1,006,904	1,060,262	1,013,504	916,428	931,38
Net income	$1,354,422	$1,167,913	$978,454	$811,832	$608,867	$515,48
Preferred dividends	906,787	822,761	710,418	612,965	506,718	405,34
Balance	$447,635	$345,152	$268,036	$198,867	$102,149	$110,14
Times Fixed Charges Earned	2.05	2.16	1.92	1.80	1.66	1.5
Earnings Per Share—						
Preferred	$9.76	$9.43	$8.97	$8.61	$7.56	$7.8

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$31,136,662	$28,090,876	$24,216,018
Cash	448,215	570,165	502,497
Notes and accounts receiv.	1,053,265		
Merchdse. material & suppl.	399,842	3,157,909	2,959,884
Inter-company receivables.	1,758,711		
Investments in affil. cos...	1,177,800		
Miscellaneous investments.	1,119,866	1,782,985	1,488,013
Prepaid accounts	92,019	70,856	146,107
Unamortized debt discount and expense	869,373		
Unadjusted debits	1,601,843	2,295,399	1,890,956
Miscellaneous assets	49,313		
Total	$39,706,909	$35,968,190	$31,200,475

Liabilities—	1927	1926	1925
Common stock	$2,500,000	$2,500,000	$2,500,00
6% Pfd. stock	660,800	660,800	660,80
$6 Divd. Series Pfd. stock	780,400		
7% Pfd. stock	12,422,700	11,727,500	10,254,10
7% Pfd. stock subscribed.	87,700	225,200	277,00
$6 Dividend Series Pfd. stock subscribed	68,100		
Premium on capital stock.	988,838	915,659	779,06
Funded debt	16,198,500	14,240,500	12,382,50
Loan, New England Public Service Co.	2,970,000		
Accounts payable	335,904	3,779,670	2,411,31
Dividends payable	290,812		
Taxes and interest accrued not due	268,939	262,214	440,43
Reserve for depreciation	1,022,520		
Contributions for extensions	81,743		
Other reserves	140,392	1,656,647	1,495,26
Surplus	889,561		
Total	$39,706,909	$35,968,190	$31,200,47

Officers: Walter S. Wyman, Pres.; George S. Williams, V-P. & Gen. Mgr.; George Otis Spencer, V-P., Augusta, Me.; W. B. Skelton, V-P., Lewiston, Me.; Harold D. Jennings, Treas.; Irving R. Fossett, Asst. Treas., Augusta, Me.; Geo. D. Hegarty, Clerk, Waterville, Me.

Executive Committee: Martin J. Insull, Walter S. Wyman, William B. Skelton, Harold C. Payson, William A. Buttrick.

Directors: Martin J. Insull, Chairman, Chicago; Carroll N. Perkins, Waterville, Me.; William A. Buttrick, Boston, Mass.; Harold C. Payson, Portland, Me.; Geo. S. Williams, Walter S. Wyman, Geo. Otis Spencer, Augusta, Me.; W. B. Skelton, Lewiston, Me.; Roy L. Marston, Skowhegan, Me.

Main Office, Augusta, Me.

ANDROSCOGGIN ELECTRIC COMPANY

(Controlled by Central Maine Power Co.)

History—Incorporated Oct. 26, 1914, in Me.; consolidation of the Lewiston & Auburn Electric Light Co. (see Manual for 1914, page 2339), and the Portland-Lewiston Interurban R. R. Co. Owns and operates the entire electric light and power properties serving, without competition, the cities of Lewiston, Auburn, Greene, Leeds, New Gloucester, Wales and Webster, Me. The population of the territory directly served is in excess of 53,000. Owns and operates 30.76 miles of high speed interurban road between Lewiston and Portland, located on its own right of way.

The company and the Central Maine Power Co., of which it is a subsidiary, furnish the entire supply of electric energy used by the Androscoggin & Kennebec Ry. The company also wholesales energy to the Turner Electric R. R. Co.

The electric generating properties of the Company include hydro-electric plants of 10,987 H. P. aggregate capacity. The Deer Rips Plant located on the Androscoggin River, a short distance above Lewiston, has a present generating capacity of 9,252 H. P. and is capable of further development to 18,000 H. P. In addition to the hydro-electric plants, the Company owns a steam generating station in Lewiston with a present installed capacity of 8,000 H. P. The Androscoggin Electric Company is directly connected by transmission lines with the Central Maine Power Company, forming the most extensive light and power system in the State of Maine.

CAPITAL STOCK

Authorized and outstanding, $100,000 Common and $500,000 6% cumulative Pfd.; par, $100. Entire common stock controlled by Central Maine Power Co. through Androscoggin Corp. and pledged with State Street Trust Co., Trustee, to secure an issue of Pfd. stock of the Androscoggin Corporation, the entire capital stock of which is owned by Central Maine Power Co.

Preferred Stock Provisions—The Pfd. stock has preference as to assets and cumulative dividends at the rate of 6% per annum, but has no voting power. Dividends on the Pfd. stock are guaranteed by Central Maine Power Co. If at any time the Androscoggin Electric Co. sells, assigns, merges or consolidates its physical properties or any substantial part thereof, the principal and all accrued dividends are guaranteed by Central Maine Power Co.

Annual Meeting—Second Wednesday in April.

Dividends—Pfd. dividends are regularly paid quarterly, F, M, A & N 1.

FUNDED DEBT

(1)

$2,200,000 LEWISTON & AUBURN ELECTRIC LIGHT CO. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE JUNE 1, 1939

Dated June 1, 1909.

Interest Payable June and December 1, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Callability—Subject to call as an entirety, but not in part, at 105 and interest on any interest date on 30 days' notice.

Sinking Fund—None provided.

Security—Secured by an absolute first mortgage on properties of former Lewiston & Auburn Electric Light Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered in July, 1909, at 102 and interest.

(2)

$2,946,500 ANDROSCOGGIN ELECTRIC COMPANY FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE OCTOBER 1, 1934

Dated October 26, 1914.

Interest Payable April and October 1, at Portland National Bank, Portland, Me.

Denominations—Coupon, $500 and $1,000.

Trustee—Portland National Bank, Portland, Me.

Provisions of Issue—Authorized issue, $5,000,000, of which $1,200,000 are reserved to retire the Lewiston & Auburn Electric Light Co. 5s; balance can be issued only on basis of 80% of cost of additions and extensions when net earnings are equal to 1¾ times interest charges on bonds issued and to be issued, including any underlying bonds on the mortgaged properties. No sinking fund and bonds cannot be called.

Security—Secured by a first mortgage on the entire electric railway property of the Company and by a mortgage on all other property of the Company, including the hydro-electric and steam generating plants and distributing system, subject only to $1,200,000 Lewiston & Auburn Electric Light Co. closed first mortgage bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, New Hampshire, and Vermont.

(3)

$500,000 ANDROSCOGGIN ELECTRIC COMPANY FIVE-YEAR 6% GOLD COUPON NOTES; DUE MAY 1, 1930

Dated May 1, 1925.

Interest Payable May and November 1, in Boston.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized, $1,000,000; issued, $500,000.

Callability—Subject to call on any interest date after 1925 as a whole only on 30 days' notice in 1926 at 102 and interest and thereafter at premiums reducing ½ of 1% each year.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($500,000) in April, 1925, at 100 and interest, yielding 6%, by Coffin & Burr, Inc., Boston, New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$1,038,855	$1,067,293	$1,054,243
Oper. exp. & deprec.	567,105	614,859	614,842
Net earnings	$471,750	$452,434	$439,401
Interest charges	288,532	255,753	250,888
Net income	$183,218	$196,681	$188,513
Preferred dividends	30,000	30,000	30,000
Balance	$153,218	$166,681	$158,513
Times Interest Earned	1.63	1.77	1.75
Earnings Per Share—Preferred	$36.64	$39.34	$37.70

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant account	$7,097,485	$6,977,441	$6,894,082
Cash	86,712	84,688	104,170
Accounts receivable	108,257	117,341	126,469
Accts. receivable—inter-co.	1,231	.....	.....
Material and supplies, etc.	125,756	170,780	155,650
Fuel supplies	4,554	1,728	4,250
Unamortized discount on bonds and notes	104,453	122,521	140,558
Prepaid accounts	.....	309	1,529
Suspense accounts	20,642	9,252	9,749
Reacquired securities	20,000	.....	.....
Jobbing	2,538	1,717	530
Automobiles	.....	7,165	8,936
Total	$7,571,628	$7,492,942	$7,445,923

Liabilities—	1927	1926	1925
Common stock	$1,500,000	$1,500,000	$1,500,0
Preferred stock	500,000	500,000	500,0
Funded debt	4,146,500	4,146,500	4,146,5
Debenture notes	500,000	500,000	500,0
Due Cent. Me. Power Co.	.....	36,831	49,3
Accounts pay.—inter-company	89,764	.....	.....
Other accounts payable	5,226	14,752	17,6
Dividends accrued	27,500	27,500	27,5
Consumers' deposits	19,848	17,266	14,3
Accrued interest	46,581	46,831	46,8
Accrued taxes	46,209	40,564	15,7
Depreciation reserve	421,408	371,265	322,3
Other reserves	27,689	27,399	35,3
Surplus	240,902	264,034	270,3
Total	$7,571,628	$7,492,942	$7,445,9

Officers: W. S. Wyman, Pres.; H. D. Jennings, Treas.; G. S. Williams, Gen. Mgr.; E. H. Maxcy, Clerk, Augusta, Me

Directors: W. S. Wyman, W. B. Skelton, G. S. Williams, G. O. Spencer, E. H. Maxcy.

General Office, Augusta, Me.

WATERVILLE, FAIRFIELD & OAKLAND RY.

(Controlled by Central Maine Power Co.)

History—Incorporated April 1, 1903 under the laws of Maine as the Waterville and Oakland Street Railway. Name changed to present title Nov. 28, 1911, at which time the company purchased the street railway property of the Waterville & Fairfield Ry. & Light Co. Line of road: Fairfield, via Waterville to Oakland, 12 miles. Gauge, standard. Cars—Motor: closed passenger, 12; open passenger, 4; work, 3; snow plows, 2—total, 21.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by the Central Maine Power Co. Annu meeting, last Tuesday in January.

FUNDED DEBT

None.

Officers: Walter S. Wyman, Pres., Waterville, Me Harvey D. Jennings, Treas.; E. H. Maxcy, Cler Augusta, Me.; N. R. Longfellow, Gen. Mgr., Wate ville, Me.

Directors: Geo. D. Hegarty, Waterville, Me.; Walt S. Wyman, Harold D. Jennings, Augusta, Me.

Office, Augusta, Me.

BRADFORD ELECTRIC LIGHT COMPANY, INC.

(Controlled by New England Public Service Company)

History—Incorporated May 13, 1897, in Vermont. Supplies electricity to 24 communities, including Bath, Bradford, Conicut, East Haverhill, East Thetford, Ely, Fairlee, Haverhill, Lyme Center, Newbury, Northboro, North Haverhill, Orford, Piermont, Pike, Post Mills, Thetford Hills, Thetford Center, West Fairlee, Bethlehem, Lisbon, Littleton, and Woodsville, in New Hampshire and Vermont, serving directly or indirectly, an estimated population of 23,683. Franchises are unlimited as to time. Miles of transmission lines, 58.4. Miles of distribution lines, 21.9. Number of electric meters, 1,541. Sales of electricity, 2,882,771 k.w.h.

CAPITAL STOCK

Authorized, $150,000 Common and $850,000 7% cumulative Pfd.; outstanding, $33,400 and $547,300 Pfd.; par, $100. Stock control held by New England Public Service Co. Preferred stock has preference for assets and dividends and is subject to call on 30 days' notice at 110 and accrued dividend. Stock transferred and registered at Company's office.

Dividends—Dividends on Pfd. stock of 1¾% quarterly are being paid J, A, J & O 1.

FUNDED DEBT

$25,000 First Mortgage 6% bonds; dated Jan. 1909; due Jan. 1, 1929; interest payable Jan. and Jul 1, at Orleans Trust Co., Newport, Vt., Trustee. Co pon, $1,000; principal may be registered. Authorize and outstanding, $25,000. Not subject to call. N sinking fund provided.

A first lien on the entire property, including electr plant and water rights. Company does not pay No mal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$104,796	$93,913	$55,5
Operating expenses & taxes	69,566	68,904	33,3
Depreciation reserve	6,557	3,294	.....
Net earnings	$28,673	$21,715	$22,1
Other income	1,384	2,272	.....
Total income	$30,057	$23,987	$22,1
Int. & other fixed charges	11,569	8,423	6,2
Net income	$18,488	$15,564	$15,8
Preferred dividends	38,311	37,625	15,5
Deficit for year	$19,824	$22,061	*$3

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Fixed capital	$744,892	$733,139
Other investments	14,200	14,200
Materials and supplies	13,192	12,102
Cash	20,371	9,296
Notes and accounts receivable	10,273	16,383
Unadjusted debits	33,412	34,437
Prepayments	55	1,009
Total	$836,395	$820,566

Liabilities—	1927	1926
Common stock	$33,400	$33,40
Preferred stock	547,300	547,30
Funded debt	25,000	25,00
One year 7% notes	.....	6,70
Inter-Co. notes & accts. payable	141,056	97,08
Notes and accounts payable	16,776	42,95
Tax liability	2,890	1,80
Consumers' deposits	572	40
Depreciation reserve	63,630	56,86
Miscellaneous reserves	584	56
Profit and loss	5,187	8,50
Total	$836,395	$820,56

Officers: W. A. Buttrick, Pres.; W. Johnston, Jr., V-P.; C. A. Forrest, Sec. & Pur. Agt.; Richard Howarth, Treas.; B. L. Kenney, Asst. Treas., Boston, Mass.; L. A. Bill, Clerk, St. Johnsbury, Vt.

Directors: W. A. Buttrick, Concord, Mass.; W Johnston, Jr., Medford, Mass.; W. S. Wyman Augusta, Me.; L. A. Bill, St. Johnsbury, Vt.; S. W Keith, Bradford, Vt.

Office, 131 State St., Boston, Mass.

NATIONAL LIGHT, HEAT & POWER CO.

(Controlled by New England Public Service Company)

History and Properties—Incorporated Dec. 30, 1904, n Maine, to deal in securities of public service cororations, and to construct, own, manage, lease and perate works for the manufacture, distribution and uppy of heat, light and power by gas, electricity or therwise, and generally to carry on any business inidental thereto or connected therewith. The Naonal Light, Heat & Power Co. formerly controlled ıe Charleston Illuminating Co., City Gas & Electric o., Paris, Ill., Jerseyville Illuminating Co., Pana Gas Electric Co. and the Taylorville Gas & Electric o. (see Manual for 1912, page 2019), all Illinois cororations, but disposed of its holdings in 1912 to the entral Illinois Public Service Co., a subsidiary of ıe Middle West Utilities Co.. It also formerly conolled the Marshall Light, Heat & Power Co. and ıe Lexington Gas & Electric Co. of Mo., which were old to the Missouri Gas & Electric Service Co. At resent the National Light, Heat & Power Co. conols the Twin State Gas & Electric Co., Vermont ydro Electric Co., Rutland Railway Light & Power o., and Pittsford Power Co., operating in New Engnd.

Control was transferred by Middle West Utilities o. to New England Public Service Co. in 1925.

CAPITAL STOCK

Authorized, $3,000,000 Common and $2,000,000 5% imulative Pfd.; outstanding, $1,758,595 Common id $1,597,334 Pfd.; par, $100. In addition $402 Comon and $1,105 Pfd. held in treasury. The New Engnd Public Service Co. owns 99% of the Common ock.

Transfer Agent—New England Public Service Co., ugusta, Me.

Annual Meeting—First Monday in January at ugusta, Me.

Dividends—Pfd. dividends regularly paid quarterly 1919; 1920, 3¾%; 1921, 2½%; 1922, 6¼%; 1923, %; 1924, 7½%; 1925 and 1926, 5% each; payments, A, J & O 1. 5% paid on Common in 1926; 1927, ½%.

FUNDED DEBT

(1)

$22,000 COLLATERAL TRUST GOLD SERIES "A" 5s; DUE SERIALLY TO NOVEMBER 1, 1935

Dated November 1, 1908.

Interest Payable May and November 1, at Empire Trust Co., New York, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized $600,000; but limited to amount now outstanding. Subject to call at 102 and interest. Secured by pledge of bonds of subsidiary companies at 84.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$479,500 COLLATERAL TRUST 7% NOTES; DUE DECEMBER 1, 1931

Dated December 1, 1921.

Interest Payable June and December 1, at Central Union Trust Co., New York. Authorized issue, $500,000. Secured by deposit of 200% Twin State Gas & Electric Co. Pfd. stock or 166% Central Illinois Public Service Co. Pfd. stock.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$500,000 COLLATERAL TRUST 7% NOTES; DUE MAR. 1, 1938

Dated March 16, 1923.

Interest Payable March and September 1, at Central Union Trust Co. of New York, Trustee. Secured by deposit of Preferred stocks of affiliated companies in ration of 160% (or bonds in ratio of 120%).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Massachusetts tax refunded.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Int. divds., etc., received	$357,532	$394,618	$323,464
Expenses and taxes	27,972	19,892	26,154
Net earnings	$329,560	$374,726	$297,310
Fixed charges	132,638	129,901	192,521
Net income	$196,922	$244,825	$104,789
Preferred dividends	103,798	119,883	79,932
Surplus for Common	$93,124	$124,942	$24,857
Times Fixed Chgs. Earned	2.48	2.96	1.54
Earnings Per Share—			
Preferred	$12.32	$15.32	$6.56

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
curities at book value	$5,384,750	$5,831,485	$5,517,203
otes receivable	215,000	.....	.....
ccounts receivable	.....	132,921	4,283
ther current assets	.....	99,043	.....
rniture and fixtures	.....	.....	646
isc. on securities issued	.....	57,312	63,312
easury securities	.....	1,507	11,407
sh in banks, etc.	9,256	19,770	87,065
sh deposited with trustee	8,022	.....	400
t. and divds. receiv.	82,600	.....	18,845
spense	.....	.....	33,859
eferred charges	49,477	.....	4,971
Total	$5,749,105	$6,142,038	$5,741,991

Liabilities—	1927	1926	1925
Common stock outstanding	$1,758,595	$1,759,700	$1,759,700
Pfd. stock outstanding	1,597,334	1,598,737	1,598,737
Collateral trust bonds	22,000	37,000	47,000
Collateral trust notes	979,500	1,036,400	1,088,600
Notes and accts. payable	784,112	1,129,177	720,500
Interest payable	14,647	20,206	24,072
Scrip dividends	.....	.....	1,019
Dividends accrued	158,219	103,875	19,974
Disc. on treasury stock	.....	1,105	7,839
Surplus	434,698	455,838	474,551
Total	$5,749,105	$6,142,038	$5,741,991

Officers: W. S. Wyman, Pres.; Everett H. Maxcy, -P. & Sec.; Geo. Otis Spencer, Treas.; H. D. Jenngs, Asst. Treas.; John S. Everett, Aud.; N. W. Wilon, Asst. Sec.; Everett H. Maxcy, Clerk, Augusta, e.

Directors: W. S. Wyman, Geo. Otis Spencer, E. H. Maxcy, J. S. Everett, H. D. Jennings, Augusta, Me.

Office, 9 Green St., Augusta, Me.

PITTSFORD POWER COMPANY

(Controlled by National Light, Heat & Power Company)

History and Property—Incorporated Dec. 24, in 913, in Mass., for the purpose of conducting a general ower business. All of its power is sold at switchoard to the Vermont Hydro-Electric Corp. and its ock is controlled by the Rutland Railway, Light & ower Co. The Company has a hydro-electric power ation of 3,000 kilowatts capacity, located at East ittsford, Vt. The water supply is obtained through pipe line from the Chittenden reservoir, which is wned by the Rutland Railway, Light & Power Co.

CAPITAL STOCK

Authorized and outstanding, $300,000 Common and $200,000 6% cumulative Pfd.; par, $100. National Light, Heat & Power Co. owns $75,000 of the Common stock and Rutland Ry. Light & Power Co. owns the remaining $225,000.

Preferred Stock Provisions—Pfd. stock is callable at option of Company on any dividend date at $110 per share. Sinking fund payments, annually beginning Jan. 1, 1934, sufficient to retire all Pfd. stock by May 1, 1964.

Transfer Agents—Moors & Cabot, Boston.
Registrar—State Street Trust Co., Boston.
Annual Meeting—First Tuesday in February, at Boston.
Dividends—6% per annum on Pfd. stock guaranteed by National Light, Heat & Power Co.; payments quarterly, F, M, A & N 1.

FUNDED DEBT

$273,000 First Mortgage Sinking Fund Gold 5s; dated Jan. 1, 1914; due Nov. 1, 1933; int. May and Nov. 1, at The Equitable Trust Co., New York, Trustee and Registrar. Denominations, $100, $500 and $1,000. Subject to call on any interest date upon 40 days' notice at 105 and accrued interest. Sinking fund, ½% of bonds outstanding May 1, 1916, and semi-annually to Nov. 1, 1919, 1% May 1, 1920, and semi-annually to maturity. Guaranteed principal and interest by National Light, Heat & Power Co

Tax Provisions—Company pays Normal Federal Income Tax not exceeding 1%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Oper. rev. (incl. other inc.)	$47,468	$46,537	$46,604
Oper. exp. and taxes	14,554	13,384	13,583
Total income	$32,914	$33,153	$33,021
Bond interest	13,650	13,650	13,650
Retirement expense	4,400	4,400	*4,833
Net income	$14,864	$15,103	$14,538
Preferred dividends paid	12,000	12,000	12,000
Balance	$2,864	$3,103	$2,538

*Charged on previous year to surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$777,493	$777,433	$777,433
Sinking fund	76,002	67,070	58,626
Cash & special deposits	4,275	4,275	4,290
Accounts receivable	.....	350	46
Prepaid items	.....	53	61
Deferred charges	726	726	.....
Total	$858,496	$849,907	$840,456

Liabilities—	1927	1926	1925
Preferred stock	$200,000	$200,000	$200,000
Common stock	300,000	300,000	300,000
Funded debt	273,000	273,000	273,000
Due to affiliated cos.	9,709	9,282	8,304
Current liabilities	.....	.....	2,696
Accrued liabilities	5,983	5,325	4,275
Depreciation reserve	51,133	46,733	42,333
Other reserves	2,000	2,000	2,000
Surplus	16,671	13,567	7,848
Total	$858,496	$849,907	$840,456

Officers: W. A. Buttrick, Pres.; W. H. Lawson, Gen. Mgr.; Richard Howarth, Treas.; C. A. Forrest, Sec. & Clerk, R. J. Harley, Asst. Treas.; C. E. Packman, Asst. Sec.

Directors: W. A. Buttrick, J. A. Ryan, W. S. Wyman, C. A. Forrest, W. Johnston, Jr

Corporate Office, Boston, Mass.

RUTLAND RAILWAY, LIGHT AND POWER COMPANY

(Controlled by National Light, Heat & Power Co.)

History—Incorporated March 17, 1908, in Vt.; consolidation of Rutland St. Ry., Peoples's Gas Light Co., Chittenden Power Co. and Vermont Internal Improvement Co. Company controls the Pittsford Power Co. which supplies power to the Vermont Hydro-Electric Corp. The Rutland Railway, Light & Power Co. supplies gas to 2 communities, and electric light and power service to 7 communities, including Rutland, Wallingford, Pittsford, West Rutland and Castleton, Vt. Estimated population served, 25,387.

OPERATING STATISTICS, DECEMBER 31

	No. of Gas Customers	Gas Sales (Cu. ft.)	No. of Electric Customers	Electricity Sales (k.w.h.)
1923	3,005	60,520,000	4,499	9,229,944
1924	3,037	62,649,000	4,910	10,351,183
1925	3,045	61,813,900	5,279	9,758,098
1926	3,128	68,827,300	5,532	9,873,217
1927	3,218	76,056,900	5,888	11,906,238

CAPITAL STOCK

Authorized, $2,000,000 Common and $150,000 7% cumulative Pfd.; outstanding, $1,700,500 Common and $111,200 Pfd.; par, $100. Stock control held by National Light, Heat & Power Co. The Pfd. stock is callable at the Company's option on any dividend date at $110 per share.

Transfer Agent—Baxter National Bank, Rutland, Vt.

Annual Meeting—Second Monday in April, at Rutland, Vt.

Dividends—Pfd. dividends are paid quarterly, J. A, J & O 1.

FUNDED DEBT

$1,814,000 FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1946

Dated March 1, 1906.

Interest Payable March and September 1, at The Chase National Bank of the City of New York.

Denomination—Coupon (principal may be registered), and registered, $1,000.

Trustee and Registrar—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized and issued, $2,000,000 of which $186,000 retired and cancelled.

Callability—Subject to call as a whole or in amounts of not less than $50,000, at 110 and interest on any interest date, upon three weeks' notice.

Sinking Fund—Sinking fund is as follows: ½% annually from March 1, 1916, to March 1, 1923; 1% yearly, 1923, to 1930; 1½%, 1930, to 1938, and 2% annually March 1, 1938, to 1946, of all bonds outstanding at any time during the year preceding payment. Bonds purchased or redeemed by the fund are to be cancelled.

Security—Secured by a first lien on entire property

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,500,000) in Dec., 1908, at 95 and interest, by Redmond & Co., and W. A. Read & Co., New York, and Warner, Tucker & Co., Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue and other income	$672,448	$651,266	$513,928	$565,943	$567,389	$593,130
Operating expenses, taxes and rentals	390,459	372,173	309,543	401,401	410,664	446,237
Total income	$281,989	$279,093	$204,385	$164,542	$156,725	$146,893
Fixed charges	134,976	143,588	117,252	94,175	95,523	96,298
Net income	$147,013	$135,505	$87,133	$70,367	$61,202	$50,595
Preferred dividends	7,784	7,774	7,784	7,784	7,784	7,784
Balance	$139,229	$127,731	$79,349	$62,583	$53,418	$42,811
Times Fixed Charges Earned	2.09	1.94	1.74	1.75	1.64	1.53
Earnings Per Share—						
Preferred	$132.21	$122.19	$78.35	$63.27	$55.03	$45.41
Common	8.19	7.05	4.66	3.68	3.14	2.52

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$4,302,693	$4,222,938	$4,194,770
Securities owned	*1	301	601
Sinking fund	640	21	91,817
Cash	76,350	29,186	74,438
Notes and accts. receivable	84,536	87,208	39,930
Due from affiliated Cos.	182,315	.....	.....
Materials and supplies	52,940	58,000	45,691
Other assets	.....	230,883	30,870
Undistributed debit items	36,462	27,389	17,914
Total	$4,735,937	$4,655,926	$4,496,031

Liabilities—	1927	1926	1925
Preferred stock	$111,200	$110,900	$111,200
Common stock	1,700,500	1,700,500	1,700,500
Funded debt	1,814,000	1,832,000	1,852,000
Rent received in advance	53,285	54,765	56,245
Notes and accts. payable	35,448	37,339	12,268
Other liabilities	.....	11,450	38,207
Accrued liabilities	72,524	45,168	37,773
Reserve for depreciation	466,712	493,908	429,871
Due to affiliated cos.	117,615	67,500	.....
Other reserves	8,110	6,196	21,478
Surplus	356,543	296,200	236,489
Total	$4,735,937	$4,655,926	$4,496,031

*$225,000 par value stock of subsidiary Pittsford Power Co. carried on the books at $1.

Officers: W. A. Buttrick, Pres.; J. A. Ryan, V-P.; W. Johnston, Jr., V-P.; W. H. Lawson, Gen. Mgr. & Clerk; Richard Howarth, Treas.; C. A. Forrest, Sec.; F. L. Kenney, Asst. Treas. & Asst. Sec.; R. J. Harley, Asst. Treas.; C. E. Packman, Asst. Sec.

Directors: W. A. Buttrick, Geo. O. Spencer, W. Johnston, Jr., C. D. Spencer, W. H. Lawson, J. A. Ryan, W. S. Wyman.

Main Office, Rutland, Vt.

THE TWIN STATE GAS AND ELECTRIC COMPANY

(Controlled by National Light, Heat & Power Co.)

History and Properties—Incorporated Aug. 26, 1906, in Conn. The Company controls Berwick & Salmon Falls Electric Co., and has acquired the properties of The Berlin Electric Co., the Cascade Light & Power Co., the St. Johnsbury Electric Co., the Bennington Gas Light Co. and the Cloutman Gas & Electric Co. During 1925 purchased the Jones & Linscott Electric Co.

This Company and its subsidiary, the Berwick & Salmon Falls Electric Co., supply 62 communities in industrial sections of Maine, New Hampshire, Vermont, and southeastern New York with electric light and power and gas and bus service, serving a population of 150,000. Berwick, South Berwick and Lebanon, Maine; Somersworth, Dover, Berlin, Lancaster and Salmon Falls, New Hampshire; St. Johnsbury, Bennington and Brattleboro, Vermont and Hoosick Falls, New York, are among the communities where service is rendered.

On Dec. 31, 1927, Company was serving 27,314 electric customers, an increase over the previous year of 248; the number of gas customers increased from 331 to 5,446, making a total of 32,760 customers served. The total connected electrical load at Dec. 31, 1927, was 72,214 h.p., to which there was distributed and sold over 55,000,000 kilowatt hours. The gas department's output for 1927 was 119,116,219 cu. ft.

The Company owns efficient hydro-electric plants at Gorham, Brattleboro, Bennington and St. Johnsbury; also at Milton, N. H.; South Berwick and Great Falls, Me., and at Hoosick Falls, N. Y., and a steam turbine plant at Dover, N. H. In addition the company controls a number of valuable water powers which it has not yet developed. All the principal franchises are unlimited as to time.

OPERATING STATISTICS, DECEMBER 31

	No. of Customers	Gas Output	Connected Load (h.p.)	Electric Output (k.w.h.)
1922	24,739	83,112,100	53,160	31,358,631
1923	26,600	84,379,100	56,282	31,943,587
1924	28,104	84,778,700	59,133	33,830,680
1925	30,811	92,727,200	63,700	37,780,107
1926	31,397	99,449,700	70,791	49,173,714
1927	27,314	119,116,700	70,850	55,944,550

CAPITAL STOCK

Authorized, $2,500,000 Common, $2,500,000 5% non-cumulative Pfd. and $5,000,000 (increased from $3,000,000 in Nov., 1925), 7% cumulative Prior Lien stock; outstanding, $1,792,900 Common, $1,552,500 Pfd., and $2,517,300 Prior Lien stock; par, $100. The National Light, Heat & Power Co. owns a controlling interest in the stock.

Preferred Stock Provisions—The Prior Lien 7% stock is prior in lien as to both assets and earnings to the 5% Pfd. stock and Common stock, and is redeemable at option of Company, in whole or in part, at 110 and accrued dividends to the date of redemption. So long as dividends are paid quarterly the Prior Lien stock shall have no voting power, but in event of any dividend or dividends remaining unpaid for a period of one year, then and so long as any dividend remains unpaid this stock shall have the same voting power as belongs to the Preferred and Common stocks, such power to cease when all dividends have been paid.

Annual Meeting—First Monday in April, at Hartford, Conn.

Dividends—Prior Lien and Pfd. dividends have been regularly paid to date. On Common: 2% in years 1907, 1908 and 1909; 3% each in 1910, 1911, 1912; none in 1913, 1914 and 1915; 2% in 1916; 1% in 1917; 1918, 1919, 1920 and 1921, 2%; 1922, 3%; 1923, 5%; 1924, 8%; 1925 and 1926, 8% each; 1927, 7%. Dividends on all classes of stock paid quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$36,000 HOOSICK FALLS ILLUMINATING COMPANY REFUNDING & IMPROVEMENT MORTGAGE GOLD 5s; DUE APRIL 1, 1935

Dated April 1, 1905.

Interest Payable April and October 1, at American Exchange Irving Trust Co., New York, Trustee, Coupon, $500. Authorized issue, $150,000. In addition to the $36,000 outstanding, $39,500 are deposited as collateral to First and Refunding Mortgage 5s. Guaranteed, principal and interest, by National Light, Heat & Power Co. Subject to call at 105 and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$56,500 BENNINGTON ELECTRIC COMPANY REFUNDING & IMPROVEMENT MORTGAGE GOLD 4½s; DUE MARCH 30, 1935

Dated March 30, 1905.

Interest Payable March and September 30, at American Exchange Irving Trust Co., New York, Trustee. Coupon, $500. Guaranteed, principal and interest, by National Light, Heat & Power Co. Authorized, $175,000. In addition to the $56,500 outstanding, $42,000 are deposited as collateral to First and Refunding Mortgage 5s. Subject to call at 105 and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$65,000 HOOSICK FALLS ELECTRIC COMPANY GENERAL GOLD 5s; DUE OCTOBER 1, 1930

Dated October 1, 1900.

Interest Payable April and October 1, at Old Colony Trust Co., Boston, Trustee.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$80,000 ST. JOHNSBURY ELECTRIC COMPANY FIRST 5s; DUE MARCH 1, 1929

Dated March 20, 1909.

Interest Payable March and September 1, at Citizens Savings Bank & Trust Co., St. Johnsbury, Vt., Trustee.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$4,000 BERWICK & SALMON FALLS ELECTRIC COMPANY FIRST & REFUNDING MORTGAGE GOLD 5s; DUE OCTOBER 1, 1953

Dated October 1, 1913.

Interest Payable April and October 1, at office of Berwick & Salmon Falls Electric Co., Dover, N. H.

Denomination—Coupon, $1,000; principal may be registered; coupon and registered bonds interchangeable.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized issue open; outstanding, $4,000; $37,000 deposited under the First & Refunding Mortgage and $184,000 deposited under First Lien & Refunding Mortgage of Twin State Gas and Electric Co. Additional bonds can be issued to the extent of 80% of capital expenditures, or par for par in exchange for mortgage indebtedness on acquired property; provided net earnings for nine months ending within 90 days preceding certification shall have been 1½ times interest.

Callability—Subject to call on any interest date at 105 and interest, on 60 days' notice.

Depreciation Reserve Fund—At the end of each year there shall be placed to the credit of a depreciation reserve fund a sum equal to 5% of the gross earnings for the year. This fund may be used for additions and for the redemption of bonds, but not as a basis for the issuance of any bonds.

Security—A first lien on entire property of Berwick & Salmon Falls Electric Company. This issue underlies Twin State Gas & Electric Co. First & Refunding 5s of 1953, which provides for retirement, and Twin State Gas & Electric Co. First Lien & Refunding 5½s of 1945.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$2,005,000 THE TWIN STATE GAS AND ELECTRIC COMPANY FIRST AND REFUNDING 5s; DUE OCTOBER 1, 1953

Dated October 1, 1913.

Interest Payable April and October 1, at Guaranty Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized issue, $10,000,000, of which sufficient are reserved to retire underlying bonds. No additional First & Refunding Mortgage bonds can be issued except for pledge as further security for the First Lien & Refunding Mortgage Gold bonds.

Callability—Subject to call on Oct. 1, 1923, or any interest date thereafter, at 105 and interest, upon 60 days' notice.

Depreciation Reserve Fund—A depreciation reserve fund, amounting to 5% of the annual gross earnings of the Company began on Dec. 31, 1918, is established by the mortgage.

Security—Secured by a mortgage covering as a direct lien all fixed property now owned or hereafter acquired by the Company. This mortgage is a first lien on important parts of the Company's property, including the property formerly belonging to the Bennington Gas Light Co., the Berlin Electric Co., the Berwick & Salmon Falls Electric Co. (through pledge of all its stock and bonds) and (excepting its underlying bonds) the St. Johnsbury Electric Co. and the Cascade Light & Power Co., and is a direct lien, subject to outstanding prior liens, on the balance of the Company's property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Ralph D. Stevenson, Chicago, and John C. Rowe, New York.

(7)

$2,435,200 THE TWIN STATE GAS AND ELECTRIC COMPANY FIRST LIEN AND REFUNDING MORTGAGE GOLD 5½ SERIES "A"; DUE MARCH 1, 1945

Dated March 2, 1925.

Interest Payable March and September 1, in New York or Chicago.

Denominations—Coupon (interchangeable denominations), $100, $500 and $1,000; principal may be registered. Fully registered bonds in denomination of $1,000 and authorized multiples thereof. Coupon and registered bonds interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Issued, $2,435,200 Series "A" 5½s. Additional bonds of this or other series having such provisions as Bd. of Directors at the time of issuance may determine, may be issued (a) par for par against the deposit of cash or United States Government obligations, or against the deposit or discharge of underlying bonds, or to refund, pay or cancel bonds of other series issued under the mortgage, (b) to the extent of 75% of expenditures for additions, betterments or improvements, and to the extent of 75% of expenditures for or the value of purchased property (whichever is less), and (c) in the case of a subsidiary, as defined in the mortgage, to the extent of 75% of expenditures made for the stock of such subsidiary and for additions and betterments to its property and for purchased property acquired by such subsidiary, and to refund par for par its indebtedness, provided bonds secured by mortgage upon the property of the subsidiary shall be pledged in an amount equal to all expenditures made or indebtedness discharged in respect of the subsidiary, and provided also that the total amount of bonds issued under the mortgage in respect of such subsidiary, together with the principal amount of all mortgage indebtedness upon the property of such subsidiary outstanding in the hands of the public (other than underlying bonds of the Company), shall not exceed 75% of the value of the property of such subsidiary. Bonds issued on account of additions or betterments or purchased property of the Company or of any subsidiary, or the stocks of any subsidiary, or to refund at a higher rate of interest bonds of other series issued under the Mortgage, or to refund the indebtedness of a subsidiary, may not be issued, unless the net earnings of the Company and its subsidiaries, during the 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the annual interest charges on all bonds then issued and outstanding under the mortgage and those then proposed to be issued, and on all bonds, if any, then outstanding in the hands of the public prior in lien on any part of the property of the Company, and on all mortgage indebtedness then outstanding in the hands of the public and secured by lien upon the property of its subsidiaries. So long as any of the Company's First and Refunding Mortgage 5% Gold Bonds, due 1953, shall be outstanding with the public, no additional bonds may be issued under the mortgage except to retire such First and Refunding bonds and/or to refund bonds of other series issued under the mortgage, unless there be pledged with the Trustee such First and Refunding bonds as provided by the mortgage.

Callability—Subject to call as a whole or in part at any time, upon thirty days' published notice at the following prices and accrued interest: prior to March 1, 1930 at 105; on and from March 1, 1930 to March 1, 1935 at 104; on and from March 1, 1935 to March 1, 1940 at 103; on March 1, 1940 and thereafter to

Sept. 1, 1944 at 102½, less ½ of 1% for each full year elapsed after Feb. 29, 1940; on and after Sept. 1, 1944, at 100.

Maintenance and Renewal Fund—The Mortgage provides that during each calendar year, beginning with 1925, the Company shall expend or cause to be expended by its subsidiaries an amount equal to not less than 10% of the gross earnings from the operation of its mortgaged properties and the properties of its subsidiaries, for (a) the making of repairs, renewals and replacements; (b) the making of extensions, or the acquisition of properties on account of which the Company would otherwise be entitled to issue additional bonds; or (c) the redemption or purchase and cancellation of any bonds issued under and secured by this mortgage, or of any underlying bonds.

Security—These bonds, in addition to being secured by a mortgage covering as a direct lien all the property, rights and franchises of the Company now owned or hereafter acquired, will, together with all other bonds issued under the mortgage, be secured by pledge with the Trustee, of First and Refunding Mortgage 5% Gold bonds, due 1953, of the Company, as required by the Mortgage provisions. No additional First and Refunding Mortgage bonds, due 1953, of which there are $2,005,000 outstanding with the public, can be issued except for pledge as further security for the First Lien and Refunding Mortgage Gold bonds. The First and Refunding Mortgage is a First Mortgage on all property now owned by the Company except certain portions subject to only $241,500 divisional bonds, the mortgages of which have been closed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of Series "A" Bonds, if requested within 60 days after payment, for the Pennsylvania and Connecticut 4-Mills and Maryland 4½-Mills Taxes, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($1,900,000) in June, 1925, at 95½ and interest, yielding over 5⅞%, by Hill, Joiner & Co., Inc., Chicago, etc.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Twin State Gas & Electric Co. and Berwick & Salmon Falls Electric Co.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,010,357	$1,908,669	$1,705,770	$1,548,377	$1,486,706	$1,389,271
Operating expenses, taxes and depreciation	1,198,694	1,194,283	1,056,560	949,538	959,335	866,744
Net earnings	$811,663	$714,386	$649,210	$598,839	$527,371	$522,527
Fixed charges	298,514	292,123	258,100	244,187	254,812	237,918
Net income	$513,149	$422,263	$391,110	$354,652	$272,559	$284,609
Dividends paid—						
Prior Lien Preferred stock	176,059	171,929	164,622	140,429	.....	.....
Preferred stock	77,625	77,625	77,625	77,625	.....	.....
Common stock	125,503	143,432	143,432	133,391	.....	.....
Surplus for year	$133,962	$29,277	$5,431	$3,207	.....	.....

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(The Twin State Gas & Electric Co. and Berwick & Salmon Falls Electric Co.)

Assets—	1927	1926	1925	1924	1923	1922
Plant account	$10,288,380	$9,764,291	$9,367,605	$9,020,097	$8,476,466	$7,912,481
Materials and supplies	133,282	111,179	108,321	108,403	127,989	85,954
Accounts and notes receivable	434,774	341,148	282,392	294,316	587,189	523,815
Cash	173,332	136,976	101,477	45,615	81,880	55,611
Investments	33,775	35,735	46,096	31,455	230,430	244,380
Sinking fund and suspense	912,223	994,464	1,008,869	649,416	611,023	638,069
Total	$11,975,766	$11,383,793	$10,914,760	$10,149,302	$10,114,977	$9,460,311
Liabilities—						
Capital stock	$5,862,700	$5,860,800	$5,771,000	$5,572,300	$5,176,875	$4,502,925
Funded debt	4,681,700	4,589,600	4,347,200	4,019,800	4,204,100	4,481,400
Accounts and notes payable	253,926	126,610	308,820	182,742	386,832	192,652
Due affiliated cos.	310,000	.....	.....	.....	.....	.....
Reserves	478,843	378,742	278,394	198,687	146,883	113,668
Accrued items	135,978	313,284	123,866	95,724	112,998	91,282
Other liabilities	3,900	.....	.....	.....	.....	.....
Surplus	248,719	114,757	85,480	80,049	87,289	78,384
Total	$11,975,766	$11,383,793	$10,914,760	$10,149,302	$10,114,977	$9,460,311

Officers: W. A. Buttrick, Pres.; W. Johnston, Jr., V.-P.; Richard Howarth, Treas.; C. A. Forrest, Sec.; F. L. Kenney, Asst. Sec. & Asst. Treas.; J. F. Reilly, Asst. Sec.; C. E. Packman, Asst. Treas.

Directors: Martin J. Insull, W. C. Sharp, Chicago, Ill.; C. A. Forrest, W. A. Buttrick, Concord, Mass.; W. Johnston, Jr., Medford, Mass.

Main Office, 131 State Street, Boston, Mass. **Other Office,** Hartford, Conn.

BERWICK & SALMON FALLS ELECTRIC CO.

(Controlled by The Twin State Gas and Electric Company)

History—Incorporated Nov. 29, 1889, in Maine. Supplies electricity to 9 communities, including Acton, Berwick, North Berwick, South Berwick, and Lebanon, Maine, serving an estimated population of 10,000. Franchises are unlimited as to time. Number of electric meters, 1,289. Annual sales of electricity, 3,977,101 kw.h.

CAPITAL STOCK

Authorized, $250,000; outstanding, $244,250; par, $25. Stock control held by The Twin State Gas and Electric Company. Stock transferred and registered at company's office.

Dividends—Dividends paid in recent years as follows: 1923, 12%; 1924, 10½%; 1925, 10%; 1926, 9%; payments semi-annually, June 30 and Dec. 31; 1927, 8% (paid in January, 1928).

FUNDED DEBT

$225,000 First and Refunding Mortgage 5% Gold bonds; dated Oct. 1, 1913; due Oct. 1, 1953. Authorized amount unlimited; outstanding, $225,000, of which $4,000 in hands of the public, $184,000 pledged under The Twin State Gas and Electric Co. First Lien and Refunding Mortgage, and $37,000 pledged under The Twin State Gas and Electric Co. First and Refunding Mortgage. For complete description, see funded statement of The Twin State Gas and Electric Co. No. 5.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$82,165	$72,635
Operating expenses, taxes, etc.	36,346	34,531
Depreciation	1,638	1,447
Net earnings	$44,181	$36,657
Other income	396	66
Total income	$44,577	$36,723
Interest and other fixed charges	14,147	14,238
Net income	$30,430	$22,485
Dividends	19,540	21,983
Surplus for year	$10,890	$502

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Fixed capital	$511,281	$502,392
Stocks owned	.....	1,960
Cash	6,347	4,182
Accounts receivable	10,653	8,238
Deferred debit items	26,329	25,936
Total	$554,610	$542,708
Liabilities—		
Common stock	$244,250	$244,250
Funded debt	225,000	225,000
Accounts payable	891	916
Due affiliated cos.	21,992	.....
Interest accrued	2,813	2,813
Dividends accrued	19,540	500
Taxes accrued	3,998	2,186
Other current liabilities	.....	42,282
Unadjusted credits	500	509
Depreciation reserve	12,183	11,392
Uncollectible revenue reserve	87	290
Profit and loss	23,356	12,570
Total	$554,610	$542,708

Officers: W. A. Buttrick, Pres.; C. A. Forrest, Sec. & Pur. Agt.; Richard Howarth, Treas., Boston.

Directors: W. A. Buttrick, Concord, Mass.; W. Johnston, Jr., Medford Mass.; C. A. Forrest, Boston; R. M. McGillivray, Dover, N. H.; W. S. Wyman, Augusta, Me.

Office, 131 State St. Boston, Mass.

PUBLIC SERVICE CORPORATION OF VERMONT

History—Incorporated October 18, 1926 in Vermont and purchased all the assets of Hortonia Power Company (see Manual for 1926, page 95) at receiver's sale. Company owns and has in operation 7 hydro-electric plants with a total capacity of 8,874 h.p. Corporation has no competition and holds perpetual franchises in all the cities, towns and villages in which it operates. The operations of the Corporation extend through the principal manufacturing, mining and quarrying sections of the central part of Vermont. Population served directly or indirectly, 23,030. In addition to its retail business, Corporation has lor term contracts for municipal lighting in Brando Bristol, Bethel and other towns.

CAPITAL STOCK

Stated value, Dec. 31, 1927, $5,000, represented b shares of no par value.

FUNDED DEBT

At December 31, 1927, there was outstandir $8,500 long term debt.

INCOME ACCOUNT

	12 mos. ended Dec. 31, 1927	3 mos. Dec. 3 192
Operating revenue	$320,457	$96,6
Operating expenses and taxes	178,659	54,9
Net earnings	$141,798	$41,6
Other income	2,213	5
Total income	$144,011	$42,1
Interest on long term debt	790	2
Other interest	116,488	27,3
Rentals	3,000	1,5
Net income	$23,733	$13,1

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Fixed capital	$3,549,156	$3,094,5
Cash	17,865	46,9
Notes receivable	687	1,4
Accounts receivable	36,289	47,6
Material & supplies	12,033	10,5
Prepayments	427	2,0
Investments in affiliated companies	.....	200,0
Special deposits	.....	1,0
Miscellaneous suspense	13,842	207,8
Other assets	.....	1
Accounts receivable—inter Co.	520	.....
Total	$3,630,819	$3,612,1
Liabilities—		
Capital stock	$5,000	$5,0
Long term debt	8,500	19,0
Notes payable	946,866	3,500,0
Notes payable—inter Co.	2,568,133	.....
Accounts payable	5,740	9,5
Consumers' deposits	1,839	1,4
Consumers' advanced billing	9,108	20,6
Miscellaneous current liabilities	.....	7
Accrued taxes	2,639	3,1
Accrued interest	.....	27,8
Retirement reserve	30,058	10,3
Other reserves	16,097	1,2
Surplus	36,839	13,1
Total	$3,630,819	$3,612,1

Officers: W. A. Buttrick, Pres.; Richard Howarth Treas.; W. H. Lawson, Clerk; C. A. Forrest, Sec.

Directors: W. A. Buttrick, W. Johnston, Jr., W. H Lawson, Walter S. Wyman, P. T. Hanscom, Georg O. Spencer, C. D. Spencer.

General Office, Rutland, Vermont.

VERMONT HYDRO-ELECTRIC CORPORATION

(Controlled by National Light, Heat & Power Co.)

History—Incorporated under the laws of Vermont in Feb., 1913, as the Colonial Power & Light Co. (see 1919 Public Utility Manual, page 1469), and in October, 1919, acquired the properties of the Western Vermont Power & Light Co. of Rutland: the Claremont Power Co. of Claremont, N. H., and the Clarendon Power Co., of Clarendon, Vt.

Territory—The Corporation serves electric light and power directly or indirectly to 55 communities located in southern Vermont, southwestern New Hampshire and eastern New York, and supplies electrical energy for the entire light and power requirements of the Rutland Railway Light & Power Co.

The communities served include Springfield, Windsor, Woodstock, Chester, Ludlow, Londonderry, Cavendish, Manchester, Poultney, South Poultney, West Pawlet, Fair Haven, Hydeville and surrounding villages in Vermont; Claremont, West Claremont, and adjacent villages in New Hampshire and Hampton, N. Y. The population of the territory served i estimated at 61,599.

Plants—The corporation owns and operates seve generating stations, having a total capacity of 6,41 k.w. (exclusive of Pittsford), located at Carver' Falls, N. Y., Cavendish, Hydeville and Perkinsvill Vt., Claremont, N. H., the Glenn and Patch station located on the outskirts of Rutland, Vt., and the Park insonville station, north of Springfield, Vt. The corpo ration also operates under a 50-year lease, a powe plant at Mendon and controls, through a long ter contract, the entire output of the Pittsford Power Co.' plant at Pittsford, Vermont.

The power stations are inter-connected throug a system of 157 miles of high tension transmissio lines, including several miles of leased wires. Ther are 193 miles of distribution lines. The system ha line connections which enable it to exchange curren with other New England power systems.

Water Supply—All Power stations are hydro-electric and are located on the water sheds of the Connecticut River and Lake Champlain. Chittenden reservoir, owned by the Rutland Railway, Light & Power Company, provides the chief water supply. It drains an area of nineteen square miles and has a storage capacity of more than 8,000,000,000 gallons. This water, which is further conserved in the 1,-350,000,000-gallon Pittsford reservoir and augmented by the flow of East Creek, is used successively at power levels by the East Pittsford, Mendon, Glenn and Patch stations to generate power. In addition to the reservoirs, pipe lines conducting water from station to station permit the careful regulation and conservation of water.

Water from Lake Bomoseen, with a drainage area of forty square miles, is used at the Carver's Falls and Hydeville stations. The lake can be lowered five feet and this right is controlled by the Vermont Hydro-Electric Corporation through a fifty-year lease.

The water which drives the generators at Cavendish and Perkinsville stations is stored in the five Tyson chain lakes, of which Amherst Lake is controlled by the Vermont Hydro-Electric Corporation.

The corporation owns rights on two additional water sites, and there are opportunities for several more hydro-electric developments in the vicinity of the present system.

Business—The total customers served Dec., 31 of the last three years follow:

	1927	1926	1925	1924
Customers	7,076	6,506	5,778	5,321
K.W.H. sold ..	35,811,886	32,847,697	31,738,047	31,562,524

CAPITAL STOCK

Authorized, $1,000,000 Common and $1,000,000 7% Cumulative Participating Pfd.; outstanding, $650,000 Common and $681,800 Pfd.; par, $100. $75,700 Pfd. is held in treasury. National Light, Heat & Power Co. owns the entire Common stock.

Preferred Stock Provisions—Pfd. stock is callable at option of Company on 30 days' notice at $110 per share and accumulated dividends. Whenever, in any calendar year, there shall have been declared dividends of 7% on the Preferred stock and 10% on the Common stock, any additional amount declared in dividends during the same calendar year, shall be divided equally between the Preferred and Common stocks.

Transfer Agent—Seaboard National Bank, of the City of New York.

Registrar—Guaranty Trust Co. of New York, New York.

Annual Meeting—Third Monday in March, at Rutland, Vt.

Dividends—Quarterly dividends (J, A, J & O 1), at the rate of 7% per annum have been paid regularly on the Pfd. stock since its issuance in 1919. Recent dividends paid on Common stock have been as follows: 1920, 4%; 1921, 3⅓%; 1922, 4%; 1923, 5%; 1924, 7%; 1925, 5% (paid in 1926); 1926, 5%; 1927, 7½%.

FUNDED DEBT

(1)

$1,831,500 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1929

Dated October 1, 1919.

Interest Payable April and October 1, at The Seaboard National Bank of the City of New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Seaboard National Bank of the City of New York.

Provisions of Issue—Authorized amount of mortgage, unlimited. Outstanding, $1,831,500 Series "A" 6s (issue closed) and $505,000 Series "B" 6s (see below).

Callability—Series "A" bonds are subject to call at 101 and accrued interest on any interest date upon 40 days' notice.

Sinking Fund—1% Oct. 1, 1922 and annually thereafter of Series "A" bonds outstanding at the time of payment.

Maintenance and Depreciation Fund—Under the terms of the mortgage, the Company is required to maintain its property in good operating condition and provide for a maintenance and depreciation fund beginning in 1920 and continuing annually thereafter, amounting to 8% of the gross earnings. Whenever this fund shall exceed $20,000, it is provided that such excess shall be transferred to the sinking and improvement fund.

Security—Secured by a first mortgage on all the properties, rights and franchises now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of 4 mills refundable.

(2)

$505,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE JULY 1, 1953

Dated July 1, 1923.

Interest Payable January and July 1, at The Seaboard National Bank of the City of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—The Seaboard National Bank of the City of New York.

Callability—Subject to call as a whole or in part on any interest date on 40 days' notice from Jan. 1, 1924 to and including July 1, 1931 at 107½, Jan. 1, 1932 and July 1, 1932 at 107 and on any interest date in each succeeding calendar year at percentages decreasing ½% for each calendar year to and including 1939; on Jan. 1, 1940, and on July 1, 1940, and on any interest date in each succeeding calendar year at percentages decreasing ¼% for each calendar year to and including 1951; on Jan. 1, 1952 at 100¼; on July 1, 1952 and on any interest date thereafter at 100 and accrued interest to date of redemption.

Sinking Fund—The Corporation covenants to establish and maintain a sinking fund and to pay to the Trustee July 1, 1924 to July 1, 1933, 1% of Series "B" bonds outstanding at time of payment and on July 1, 1934 to July 1, 1943, 1½%; July 1, 1944 to July 1, 1952, 2%; to be used for the purchase or redemption of bonds of this series, or for the acquisition of additional property, improvements, betterments, etc.

Security—Secured equally with Series "A" bonds, by a first mortgage on all the properties, rights, and franchises now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and refunds Pennsylvania State Tax of 4 mills, Massachusetts Income Tax not exceeding 6%, and Connecticut State Taxes (other than succession or inheritance taxes) not in excess of 4 mills.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue (incl. other income).....	$856,582	$872,054	$709,074	$710,936	$746,002	$586,756
Operating expenses, taxes and rentals	521,660	479,258	363,593	427,308	462,362	342,617
Operating income	$334,922	$392,796	$345,481	$283,628	$283,640	$244,139
Bond and other interest and amortization.....	161,208	233,471	203,387	161,222	149,746	140,090
Net income	$173,714	$159,325	$142,094	$122,406	$133,894	$104,049

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	192
Preferred dividends	$47,726	$49,515	$52,943	$48,623	$45,631	$45,5
Common dividends	48,750	32,500	*32,500	45,500	39,000	26,0
Balance	$77,238	$77,310	$56,651	$28,283	$49,263	$32,5
Times Fixed Charges Earned	2.07	1.70	1.69	1.76	1.89	1
Earnings Per Share—						
Preferred	$25.48	$23.37	$18.76	$16.22	$20.52	$16.
Common	19.38	16.89	13.70	11.35	13.58	9.

*Charged against surplus in 1926.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$4,180,995	$4,114,045	$3,899,908	$3,824,876	$3,472,588	$3,202,2
Special deposit	.....	.....	.....	.....	11,600	.....
Cash	97,571	67,908	79,108	39,419	41,422	52,4
Notes & accounts receivable	85,559	88,252	50,869	68,190	62,279	64,8
Materials & supplies	35,473	26,894	13,532	14,049	14,207	12,5
Securities owned	65,476	65,476	65,276	63,045	.....	.....
Prepayments	892	1,004	30,041	1,663	1,625	1,6
Deferred charges	287,875	211,533	164,316	155,000	160,847	196,7
Sinking fund	20,133	10,100	23,865	.....	.....	.....
Total	$4,773,974	$4,585,212	$4,326,915	$4,166,242	$3,764,568	$3,530,3
Liabilities—						
Preferred stock	$681,800	$681,800	$757,500	$754,900	$652,500	$650,0
Common stock	650,000	650,000	650,000	650,000	650,000	650,0
Funded debt	2,336,500	2,336,500	2,386,500	2,386,500	2,206,500	1,881,5
One-Year Notes	.....	.....	.....	.....	.....	100,0
Real estate mortgages	.....	.....	2,750	.....	.....	.....
Notes & accounts payable	289,544	264,163	117,585	126,305	96,403	109,9
Advances from affiliated companies	269,500	.....	.....	.....	.....	.....
Accrued liabilities	43,982	59,095	57,587	36,480	40,480	41,4
Other liabilities	3,836	178,591	43,691	34,012	28,273	24,5
Reserves	236,283	229,772	170,821	110,432	50,577	39,0
Surplus	262,529	185,291	140,481	67,613	39,835	33,8
Total	$4,773,974	$4,585,212	$4,326,915	$4,166,242	$3,764,568	$3,530,3

Officers: W. A. Buttrick, Pres.; J. A. Ryan, V-P.; W. Johnston, Jr., V-P.; W. H. Lawson, Gen. Mgr. & Clerk; R. Howarth, Treas.; C. A. Forrest, Sec.; J. F. Reilly, Asst. Sec. & Asst. Treas.

Directors: W. A. Buttrick, G. O. Spencer, W. Johnston, Jr., W. S. Wyman, J. A. Ryan, W. H. Lawson, C. D. Spencer.

Offices, Rutland, Vt.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

(Controlled by New England Public Service Co.)

History—Incorporated Aug. 16, 1926, in New Hampshire and on Nov. 1, 1926, acquired by merger and consolidation the physical properties of Manchester Traction, Light & Power Co., Keene Gas and Electric Co., Laconia Gas & Electric Co., Ashuelot Gas & Electric Co. and Souhegan Valley Electric Co. For statements of first three named companies see 1926 Public Utility Manual, pages 1586, etc. The Ashuelot Gas & Electric Co. was formerly leased to Keene Gas & Electric Co.

As of Dec. 31, 1927, the Conway Electric Light & Power Company, the Southern New Hampshire Hydro Electric Corp. and the hydro portion of the Salmon Falls Mfg. Co. were merged with the Company (see 1927 Public Utility Manual, pages 1279 and 1289).

Company owns all the capital stock of the Manchester & Nashua Street Ry. and Manchester Street Ry. (see appended statements).

Company is the largest Public Utility in New Hampshire supplying electricity to the manufacturing district along the Merrimack River, including Manchester and Nashua, as well as to 75 other communities including Keene, Laconia, Hudson, Milford, Conway, Colebrook and Lakeport. In addition Company wholesales electric energy to the Derry Electric Co. Gas is furnished to Nashua, Hudson, Keene and Laconia. Through subsidiary railway companies it furnishes local street railway service in Manchester, suburban service between Manchester and Goffstown, and interurban service between Manchester and Nashua. In all, company serves 77 communities with a total estimated population of 194,000.

Company owns and operates 15 hydro-electric generating stations with a total capacity of 23,970 k.w. and 2 steam stations and one Diesel engine station of 20,550 k.w. capacity; 239 miles of transmission lines connect the principal plants of the company and provide for an interchange of power with associated companies. Valuable rights for future developmer on the Merrimack and Contoocook Rivers are als owned. The gas plants have a daily capacity of 2 580,000 cu. ft., of which 720,000 cu. ft. is coal gas an 1,860,000 cu. ft. is water gas, together with 115 mile of gas mains. The total miles of railway track oper ated is 57, of which 37 is city and 20 is interurban.

CAPITAL STOCK

Authorized, 200,000 shares Common of no par valu and 400,000 shares of Pfd. of no par value; outstandin Dec. 31, 1927, 100,000 shares Common and 49,69 shares of $6 cumulative Dividend Series Pfd. All th Common stock is owned by New England Publi Service Co.

Preferred Stock Provisions—Has preference for as sets and dividends. The $6 Dividend Series is subjec to call at $107.50 per share and accrued dividend a any time on 30 days' notice; and in the event of liquida tion is entitled to $100 per share and accrued divi dends, and if such liquidation is voluntary, to a prem ium of $7.50 a share. Additional Pfd. stock of the $ Dividend Series Class or other series, bearing othe rates of dividends and having other redemption prices may be issued from time to time, subject however t the approval of the Public Service Commission of Ne Hampshire.

Transfer Agent (Pfd.)—New England Public Serv ice Co., Augusta, Maine.

Registrar (Pfd.)—Old Colony Trust Co., Boston Mass.

Public Offering—34,100 shares of $6 Dividend Serie Pfd. were publicly offered in October, 1926, at $95 an dividends per share to yield 6.32%, by Tucker, An thony & Co., and Old Colony Corp., New York, etc.

Legal Opinion (Pfd.)—Gaston, Snow, Saltonstall & Hunt, for the Bankers, and Demond, Woodworth, Sul loway & Rogers, for the Company.

Dividends—Initial dividend of 75c a share was paid on the $6 Dividend Series Pfd. Dec. 15, 1926, covering period from Nov. 1, to Dec. 15; March 15, 1927, $1.50 per share, the present quarterly rate; payments, M, J, & D 15.

FUNDED DEBT

(1)

$4,239,500 MANCHESTER TRACTION, LIGHT & POWER CO. FIRST REFUNDING (CLOSED) MORTGAGE GOLD 5s; DUE AUGUST 1, 1952

$461,000 MANCHESTER TRACTION, LIGHT & POWER CO. FIRST REFUNDING (CLOSED) MORTGAGE GOLD 7s; DUE AUGUST 1, 1952

Dated August 1, 1917.

Interest Payable February and August 1, at American Trust Co., Boston, Mass.

Denominations—Coupon, $500 and $1,000; principal may be registered, or fully registered bonds of $5,000.

Trustee—American Trust Co., Boston, Mass.

Provisions of Issue—Authorized issue, $15,000,000; mortgage closed. In addition to the $4,239,500 5% bonds outstanding in hands of the public, $461,500 are held in sinking fund, making a total of $4,701,000 5s issued. Supplemental mortgage dated Feb. 3, 1921, contained provision for the inclusion in the First Refunding Mortgage of an agreement for additional interest. Under the supplemental mortgage $914,000 7% bonds were issued in Feb., 1921.

Callability—Subject to call at 105 and interest as a whole or in part for the sinking fund.

Sinking Fund—Annual sinking fund of 1% of bonds outstanding on each Aug. 1, beginning 1919, to be applied by Trustee to purchase of bonds at not to exceed 105 and interest. Bonds purchased by the sinking fund will be held alive and the interest therefrom added to the sum annually invested in bonds.

Security—Secured by a first mortgage lien on all physical property formerly owned by Manchester Traction, Light & Power Co. Further secured by deposit of the entire outstanding capital stocks of the Manchester Street Ry. and the Manchester & Nashua Street Ry. The 7% bonds are equally secured with the 5% bonds except that the promise to pay the additional 2% interest is a secondary lien upon the property and earnings under a supplemental mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt, Boston (for the Bankers); Demond, Woodworth, Sullaway and Rogers, Concord, N. H. (for the Company).

Legal for Savings Banks (both 5s and 7s) in Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

Original Offering—First publicly offered ($902,000 7% bonds) in Aug, 1917, at 95 and interest to yield about 5.30%, $914,000 7% bonds in Feb., 1921, at 96¼ and interest to net about 7.30%, and $1,000,000 additional 5s in Dec., 1924, at 95 and interest to yield about 5.35%, by Dillon, Read & Co., New York, etc., and Tucker, Anthony & Co., Boston, etc.

(2)

$3,650,000 PUBLIC SERVICE CO. OF NEW HAMPSHIRE FIRST AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1956

$1,800,000 PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE FIRST AND REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES "B"; DUE OCTOBER 1, 1957

Dated—Series "A," November 1, 1926; Series "B," October 1, 1927.

Interest Payable, Series "A," May and November 1; Series "B," April and October 1 at Old Colony Trust Co., Boston, Mass.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Fully registered bonds in denominations of $1,000 or authorized multiples thereof.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Issued, $3,650,000 Series "A" and $1,800,000 Series "B." Indenture provides that the Company may issue under carefully guarded restrictions additional bonds of the above or other series to refund underlying bonds outstanding or to an amount not exceeding 75% of the value of additions and extensions or of acquired property, provided that earning for 12 consecutive months ending within 90 days of the authentication date shall have been at least 1¾ times interest on all bonds issued or to be issued and on any underlying securities.

Purpose of Issue—Proceeds of Series "A" bonds were used to reimburse the Company for the retirement of $1,168,500 bonds of constituent companies, for extensions to plant and equipment already completed, and for other corporate purposes. Proceeds of Series "B" bonds were used to reimburse Company for extensions to plant and equipment already completed, and for corporate purposes.

Callability—Series "A" bonds are subject to call as a whole or in part at any time on 30 days' notice at 105 through Oct. 31, 1936; thereafter at 102½ through Oct. 31, 1946; thereafter at 102 through Oct. 31, 1952; thereafter at 101½ through Oct. 31, 1953; thereafter at 101 through Oct. 31, 1954; thereafter at 100½ through Oct. 31, 1955; and thereafter at 100 through Oct. 31, 1956. Accrued interest to be included in all cases.

Series "B" bonds are subject to call at any time on 30 days' notice at 105 through Sept. 30, 1932; thereafter at 103 through Sept. 30, 1937; thereafter at 102½ through Sept. 30, 1942; thereafter at 102 through Sept. 30, 1947; thereafter at 101 through Sept. 30, 1952; thereafter at 100½ through Sept. 30, 1956 and thereafter at 100 through Sept. 30, 1957. Accrued interest to be included in all cases.

Maintenance and Renewal Fund—Indenture provides that there shall be appropriated annually an amount not less than 12½% of (a) the gross earnings of the Company, derived during such year from the operation of the physical properties upon which this Mortgage is a lien, and (b) the gross earnings of all subsidiaries derived during such year from the operation of their respective physical properties, for one or more of the following purposes: (1) Maintenance of its properties and/or (2) the making of extensions or additions thereto (on account of which no bonds shall be authenticated) and/or (3) the acquirement and cancellation of any bonds issued or secured by this Mortgage, or of any underlying bonds.

Security—Secured by a direct first mortgage on all the Company's physical property at Laconia, Milford, Keene, Hillsboro, Conway, Colebrook and several surrounding towns and upon the hydro-electric development recently completed. The book value of the property on which these bonds are a first mortgage amounts to $6,666,720. They are further secured by a direct mortgage lien on all the physical property of the Company subject to $5,153,500 underlying divisional (closed) mortgage bonds outstanding. The total book value of the property on which these bonds are secured by a direct lien is $17,751,770.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, Maryland 4½ mills tax, Connecticut 4 mills tax, Massachusetts Income Tax not exceeding 6% refundable upon timely and appropriate request.

Legal Investment for Savings Banks in Massachusetts, New Hampshire and Maine.

Original Offering—Series "A" 5s first publicly offered ($3,150,000) in Nov., 1926, at 99 and interest to yield over 5.06% by Tucker, Anthony & Co. and Old Colony Corporation, Boston, and Hill, Joiner & Co., Inc., Chicago, etc. Series "B" 4½s first publicly offered ($1,800,000) about December, 1927, by Tucker, Anthony & Co., Boston.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross operating revenue	$3,536,711	$3,389,120
Operating expenses & taxes	1,773,833	1,946,174
Net operating revenue	$1,762,878	$1,442,946
Non-operating revenue (net)	95,795	238,399
Gross income	$1,858,673	$1,681,345
Interest charges	455,171	441,299
Depreciation	308,113	234,548
Balance	$1,095,389	$1,005,498
Preferred dividends	274,942	70,839
Balance available for Common stock	$820,447	$934,659
Times Interest Charges Earned	3.40	3.27
Earnings Per Share—		
Preferred	$22.04	*
Common	8.20	$9.35

*Not available.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property plant & equipment	$18,133,522	$18,197,887
Investments in sub. cos.	2,283,758	.....
Sinking fund	475,460	401,601
Other investments	27,173	61,704
Materials & supplies	414,712	428,309
Accounts receivable	484,485	563,732
Cash	501,368	215,665
Notes receivable	48,881	.....
Reacquired securities	92,000	.....
Advance payments	109,091	75,894
Discount on capital stock	383,289	343,796
Suspense	42,918	51,033
Unextinguished discount on securities	901,139	782,674
Total	$23,897,796	$21,163,953
Liabilities—		
Common stock	$4,074,462	$8,452,712
Preferred stock	4,969,800	
Funded debt	11,065,000	8,765,000
Notes payable	.....	200,000
Accounts payable	191,501	206,059
Accounts not yet due	425,673	498,199
Reserves	1,481,881	1,364,586
Surplus	1,689,479	1,677,397
Total	$23,897,796	$21,163,953

Officers: Martin J. Insull, Chairman of Board, Chicago, Ill.; Walter S. Wyman, Pres., Augusta, Me.; J. Brodie Smith, V-P. & Gen. Mgr.; Avery R. Schiller, V-P. in charge of operations, Manchester, N. H.; George O. Spencer, V-P., Augusta, Me.; Thomas L. Skinner, Treas.; Grace A. Phillips, Asst. Treas.; Allan M. Wilson, Clerk & Sec., Manchester, N. H.; Everett H. Maxcy, Asst. Sec.; H. D. Jennings, Asst. Treas, Augusta, Me.

Executive Committee: Martin J. Insull, Walter S. Wyman, George O. Spencer, J. Brodie Smith, Edward K. Woodworth.

Directors: Martin J. Insull, Chicago, Ill.; Walter S. Wyman, George O. Spencer, Augusta, Me.; J. Brodie Smith, Albert O. Brown, Wm. Parker Straw, John A. Sheehan, Manchester, N. H.; Wm. A. Buttrick, Boston, Mass.; Edward K. Woodworth, Allen Hollis, Concord, N. H.; Wallace L. Mason, Philip H. Faulkner, Keene, N. H.; Elbert Wheeler, L. F. Thurber, Nashua, N. H.; T. P. Cheney, Laconia, N. H.; F. W. Ordway, Milford, N. H.

Offices, Manchester, N. H., and Augusta, Me.

MANCHESTER & NASHUA STREET RAILWAY

(Controlled by Public Service Co. of New Hampshire)

History—Inc. March 1, 1903, in N. H., as Goff's Falls, Litchfield & Hudson St. Ry.; name changed to present title in 1907. Owns an electric line connecting Manchester, Litchfield and Hudson. Length of line, 12.38 miles; second track, 0.65 mile; sidings, 1.30 miles; total track, 14.33 miles. Gauge, standard. Ra 70 lb. T. Passenger cars, 6; snow plow, 1; work car,

CAPITAL STOCK

Authorized and outstanding, $240,000; par, $100; owned by Public Service Co. of New Hampshire. A- nual meeting, second Friday in September.

FUNDED DEBT

None.

Officers: Walter S. Wyman, Pres., Augusta, M Thomas L. Skinner, Treas.; J. Brodie Smith, V-P. Gen. Mgr.; Allan M. Wilson, Clerk & Sec.; Avery Schiller, Asst. Treas., Manchester, N. H.

Directors: Walter S. Wyman, Augusta, Me.; W. Buttrick, Boston, Mass.; J. Brodie Smith, W. Park Straw, Manchester, N. H.; Elbert Wheeler, Nashu N. H.

General Office, Manchester, N. H.

MANCHESTER STREET RAILWAY

(Controlled by Public Service Co. of New Hampshir)

History—Inc. July 16, 1864, in N. H. Length of lin Single track, 28.784 miles; second track, 10.212 mile sidings, etc., 3.816 miles; total track operated, 42.8 miles. Gauge, standard. Rails, 70 to 90 lbs. T. a girder. Passenger cars, closed, 55; open, 54; sno plows, 7; work cars, 4; miscellaneous equipment, Franchise perpetual.

CAPITAL STOCK

Authorized and outstanding, $1,219,500; par, $1 All owned by Public Service Co. of New Hampshi Annual meeting, second Friday in September.

Dividends—6% per annum, 1901 to 1917, inclusiv 5% in 1918; none in 1919 and 1920; 4% in 1921 a 1922; 1923, 3%; none thereafter until 1927 when 5 was paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross earnings	$495,348	$553,824	$567,0
Operating expenses & taxes	437,283	464,904	473,9
Net earnings	$58,065	$88,920	$94,0
Interest charges	212	389	1,4
Balance	$57,853	$88,531	$92,6
Depreciation	19,814	22,113	22,7
Balance for res. & divds	$38,039	$66,418	$69,9

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	192
Property, plant, equipment	$1,609,661	$1,575,8
Material & supplies	41,094	48,0
Accounts receivable	7,973	4,1
Cash	12,854	44,8
Advance payments	17,187	12,1
Suspense	12	4,4
Total	$1,688,781	$1,688,8
Liabilities—		
Capital stock	$1,219,500	$1,219,5
Notes payable	15,000	.....
Accounts payable	27,160	30,0
Accounts not yet due	12,048	8,0
Reserves	148,064	140,1
Surplus	267,009	289,9
Total	$1,688,781	$1,688,8

Officers: Walter S. Wyman, Pres., Augusta, M Thomas L. Skinner, Treas.; J. Brodie Smith, Ge Mgr.; Allan M. Wilson, Clerk; Avery R. Schiller, As Clerk, Manchester, N. H.; Robert J. Harley, As Treas.

Directors: Walter S. Wyman, Augusta, Me.; W. Buttrick, Boston, Mass.; J. Brodie Smith, Albert Brown, Avery R. Schiller, Manchester, N. H.

General Office, 1087 Elm St., Manchester, N. H

SWANS FALLS COMPANY

(Controlled by New England Public Service Co.)

History—Company was formerly operated by an individual (Charles G. Moulton) but was purchased by New England Public Service Co. and is now (May, 1927) in the process of becoming a Common La Trust. Property consists of a hydro-electric plant 800 h.p. capacity on the Saco River at Swans Fa

ear Fryeburg, Me. The plant is connected with the nes of Western Maine Power Co., Fryeburg Electric ight Co., and Conway Electric Light & Power Co., l of which companies are controlled by New England ublic Service Co.

FUNDED DEBT

$50,000 First Mortgage Hydro-Electric 6% Gold nds, dated July 1, 1924; due July 1, 1929; interest n. and July 1, at Fidelity Trust Co., Portland, Me.; rustee. Coupon, $1,000. Authorized, $75,000; outanding, $50,000. Subject to call at 102½ to July 1, 25; at 102 to July 1, 1926; at 101½ to July 1, 1927; 101 to July 1, 1928; and thereafter at 100½. Commencing June 1, 1925 Trustee will buy in the market or call by lot $5,000 par value of these bonds semi-annually making the total bonds maturing in 1929, $35,000. A first lien on entire property of company. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$21,363	$17,601
Operating expenses and taxes	7,661	5,955
Depreciation	5,021	5,021
Net earnings	$8,681	$6,625
Interest and other fixed charges	5,383	6,049
Surplus for year	$3,298	$576

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
ant investment	$159,025	$157,750	Funded debt	$50,000	$60,000
nking funds	6,050	6,089	Notes payable	6,100	6,100
upon fund	.....	1,800	Accounts payable	30,755	28,768
sh	1,473	541	Interest accrued	152	2,008
counts receivable	10,571	10,236	Depreciation reserve	15,063	10,042
eferred and unadjusted debits	2,492	4,860	Profit and loss	77,541	74,358
Total	$179,611	$181,276	Total	$179,611	$181,276

Trustees: W. S. Wyman, Geo. Otis Spencer, Geo. S. Williams, E. H. Maxcy, Augusta, Me.; W. B. Shelton, ewiston, Me.

General Office, Augusta, Me. **Operating Office,** Fryeburg, Me.

UTILITIES POWER COMPANY

(Controlled by New England Public Service Company)

History—Incorporated May 11, 1922, in N. H., with uthority to construct a dam and develop hydro-elecic power for sale to public utilities, municipalities and rporations. The Company has completed hydroectric power plant on the Pemigewasset River. The am is built across the Pemigewasset River at the rtherly or up-stream end of Ayer's Island, in e towns of Bristol and New Hampton, in New ampshire. The power house has a generating capacy of 7,500 h.p., and this energy is distributed by eans of 50 miles of transmission lines at a voltage 33,000 with six sub-stations. Power is wholesaled public utilities, municipalities and corporations in aconia, Bristol, Meredith, Ashland, Plymouth, Tufnboro, Beebe River, and adjacent towns.

CAPITAL STOCK

Authorized, 5,000 shares Common stock of no par alue, and $700,000 7% cumulative Pfd., par, $100; utstanding, 5,000 Common shares and $510,000 Pfd. ll of the Common stock and 90% of the Pfd. stock is wned by New England Public Service Company.

Preferred Stock Provisions—Has preference for ass and 7% cumulative dividends up to 110 in event of oluntary liquidation or dissolution, and, in the event involuntary liquidation, sale, or dissolution, to 100. edeemable as a whole on any dividend date, at 110 id dividends on not less than 30 days' nor more than) days' notice. Common stock has exclusive votg power except in event of default in the preferred ock provisions, or of two semi-annual preferred divinds being in arrears, or payment of two semi-anual preferred dividends out of the sinking fund and ie more semi-annual dividend being in arrears, when xclusive voting right shall pass to the Preferred stock ntil all defaults have been remedied. Ten per cent. net earnings after interest and preferred stock divends but not less than $3,500, shall be set aside each ear, beginning in 1924, to insure and guarantee Prerred stock dividends, any excess over amount quired for one full year's dividends to purchase Prerred stock at not over 110 and dividends or for inestment in capital assets. Without the consent of vo-thirds of outstanding Preferred stock, company all not increase the present amount of authorized referred, nor authorize any stock prior to or on a rity with this issue, nor issue any bonds beyond the esent authorized issue of $2,000,000 First Mortgage eries "A" 6s.

Registrar (Both Classes)—Beacon Trust Company, oston, Mass.

Annual Meeting—Last Tuesday in June.

Dividends—Preferred dividends are regularly paid, semi-annually, June and Dec. 1. None paid on Common.

FUNDED DEBT

$600,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE NOVEMBER 1, 1942

Dated November 1, 1922.

Interest Payable May and November 1, at Beacon Trust Co., Boston, Mass.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Beacon Trust Co., Boston, Mass.

Provisions of Issue—Authorized, $2,000,000 Series "A" bonds are limited in amount to $600,000. The remaining $1,400,000 may be issued (a) subsequent to the completion of the original plant at Ayer's Island, including also its transmission lines, and after this plant has been put into operation and the cost thereof fully paid; (b) for payment of cost of extending, enlarging or bettering the original plant and system or acquiring by purchase or otherwise additional plants or systems; (c) if net earnings of the properties for 12 calendar months next preceding the date of the vote authorizing the issue of any of these bonds shall have been at least 150% of the annual interest requirements of the bonds then outstanding and those to be issued; (d) and subject to the approval of the Public Service Commission of New Hampshire, or other body exercising its functions, and then only to a principal amount not exceeding 75% of cost or fair value, whichever is lower, of the added property.

Callability—Subject to call as a whole only at 107½ and accrued interest at any time on 60 days' notice, except as otherwise redeemed by sinking fund.

Sinking Fund—A sum equal to 1% of the total principal amount outstanding at the close of each fiscal year beginning with 1924, for the redemption of these bonds at not exceeding 107½ and accrued interest.

Security—Secured by a first mortgage on all plants and other properties and property rights now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income tax up to 2%.

Legal Opinion—Putnam, Bell, Dutch & Santry, Boston (for the bankers); Murchie & Murchie, Concord, N. H. (for the company).

Original Offering—First publicly offered ($600,000) in Oct., 1922, at 95¾ and interest to yield 6⅜%, by Richardson, Hill & Co., Boston, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925
Earnings from operations	$61,861	$43,356
Miscellaneous earnings	2,301	120
Total	$64,162	$43,475
Oper. and maint. exp. and taxes	34,544	29,301
Net earnings from operations	$29,618	$14,174
Times Bond Interest Earned		

Deductions:	1926	192
Bond interest	$36,000	$36,0
Other interest	10,296	2,1
Total deductions	$46,296	$38,1
Deficit	16,678	24,7
Preferred dividends	*35,700	23,3
Deficit for year	$16,678	$48,0
	0.54	0

*From surplus—donated.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of equipment	$1,314,753	$1,297,458	$1,267,042
Cash	5,561	2,077	24,316
Accounts receivable	13,956	8,034	6,164
Unadjusted debits	76,957	76,137	73,074
Deferred debits	5,504	4,131	3,987
Sinking fund	18,000	18,000	12,000
Deficit	41,165	41,215	24,537
Total	$1,475,896	$1,447,053	$1,411,119

Liabilities—	1927	1926	192
Common stock	$100,000	$100,000	$100,0
Preferred stock	510,000	510,000	510,0
Funded debt	600,000	600,000	600,0
Notes payable	216,317	204,117	145,0
Accounts payable	20,782	7,078	13,1
Interest accrued	4,677	1,857	
Taxes accrued	120		
Bond interest account	6,000	6,000	6,0
Sinking fund reserve	18,000	18,000	12,0
Appropriated surplus		1	24,5
Total	$1,475,896	$1,447,053	$1,411,1

Officers: Herbert B. Rust, Chairman, Pres. & Gen. Mgr.; Frank R. Prescott, Sec.; Bertram Blaisdell, Treas., Meredith, N. H.; Arthur F. Wilband, Aud., Boston, Mass.

Directors: Herbert B. Rust, Frank R. Prescott, Bertram Blaisdell, C. M. Turner, Meredith, N. H.; Fred D. Jordan, V. C. Bruce Wetmore, Boston, Mass; Ellsworth H. Rollins, Laconia, N. H.; Gordon B. Pevey, Ashland, N. H.; L. L. Sanborn, Centre Harbo N. H.

General Office. Meredith, N. H.

NATIONAL PUBLIC SERVICE CORPORATION

(Controlled by National Electric Power Company, and is a part of the System of the Middle West Utilities Company)

(See Accompanying Map)

History—Incorporated March 5, 1923, in Virginia as Jersey Central Power & Light Corporation (see 1924 Manual, page 2133, or apply to our Information Department); name changed to present title March 24, 1925, through amendment to original charter.

Subsidiary Companies—At Dec. 31, 1927, the National Public Service Corporation (Holding Company) controlled the following:

Kennett Gas Co.
Eighty-Four William Street Corp.
Florida West Coast Ice Co.
Virginia Public Service Co.
  Newport News Distilled Ice Company
  The Hampton Towing Corporation
  Railway Home Corporation.
  Citizens Rapid Transit Corporation
  Charlottesville and Albermarle Railway Company
  Virginia Northern Ice Corporation
  Middle Virginia Power Company
  The Citizens Appliance Corporation
Eastern Shore Public Service Company (Del.)
  The Eastern Shore Public Service Co. of Maryland
  Eastern Shore Public Service Co. of Virginia
    Exmore Ice & Storage Company, Inc.
  The Consumers Public Service Company
  The Delmarva Power Company
  Eastern Mine Coal Company
Tide Water Power Company
  North State Beach Development Company
  Coast City Transit Company
  Florida Power Corporation
  West Florida Power Company
Jersey Central Power and Light Company
  Agincourt Land Corporation
  Lakewood Water Company
Municipal Service Company (Holding Company)
  The Citizens Traction Company
  The Reno Bridge Company
  Citizens Light and Power Company
  The Monarch Park Hotel Company
  The Big Rock Bridge Company
  Citizens Transit Company
Georgia Power and Light Company
Chester Valley Electric Company
Titusville Light and Power Company
York Railways Company
  York Suburban Land Company
  York Steam Heating Company
  Edison Light and Power Company
Glen Rock Electric Light and Power Company
  Railroad Electric Light and Power Company
  Deer Creek Water and Water Power Company
  Stewartstown Electric Light Company
  Fawn Light and Power Company
The Youngstown and Suburban Railway Company
  The Interurban Realty Company
  The Youngstown and Suburban Transportation Co.
    The Youngstown and Suburban Tourist Lines, In
    The Columbia Bus Company
Keystone Public Service Corporation (Holding Company)
  Logan Valley Bus Company
  The Carbondale Gas Company
  Scranton Bus Company
  Scranton Railway Company
  The Altoona and Logan Valley Electric Company
    Home Electric Light and Steam Heating Compan
    Logan Light and Power Company

Jersey Central Power & Light Company owns an operates electric power, light and gas properties i New Jersey, including a portion of the great metro politan district tributary and suburban to New Yor City, as well as a section of the New Jersey coas communities, and through a subsidiary operates th water service in Lakewood.

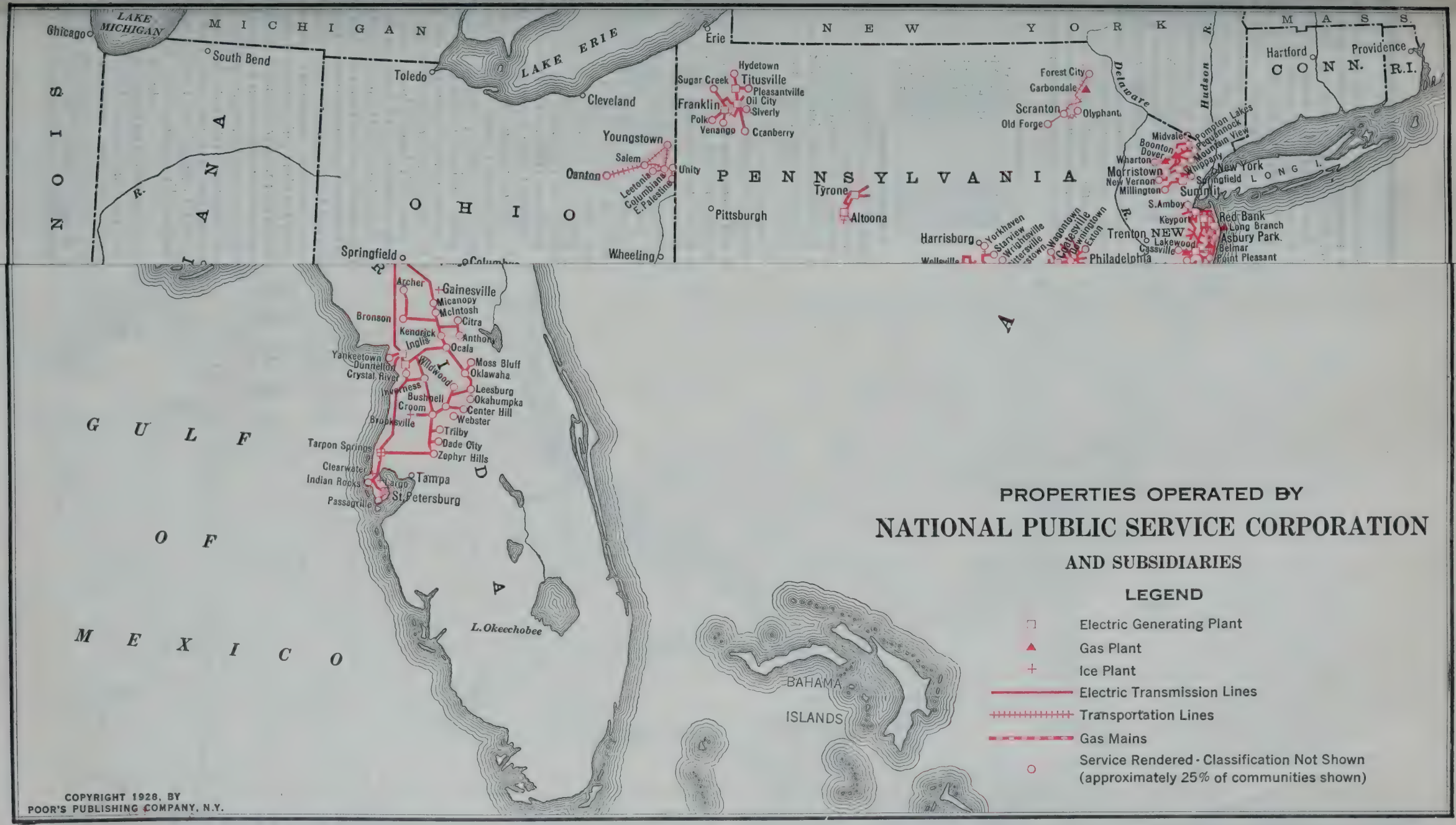
Tide Water Power Company operates the electri power and light, gas and street railway business i Wilmington, N. C., and surrounding territory, an through a subsidiary, the Florida Power Corp operates electric power and light business in S Petersburg and in various other rapidly growing com munities in Florida.

NATIONAL PUBLIC SERVICE CORPORATION, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia



PROPERTIES OPERATED BY
NATIONAL PUBLIC SERVICE CORPORATION
AND SUBSIDIARIES

LEGEND

- Electric Generating Plant
- Gas Plant
- Ice Plant
- Electric Transmission Lines
- Transportation Lines
- Gas Mains
- Service Rendered - Classification Not Shown (approximately 25% of communities shown)

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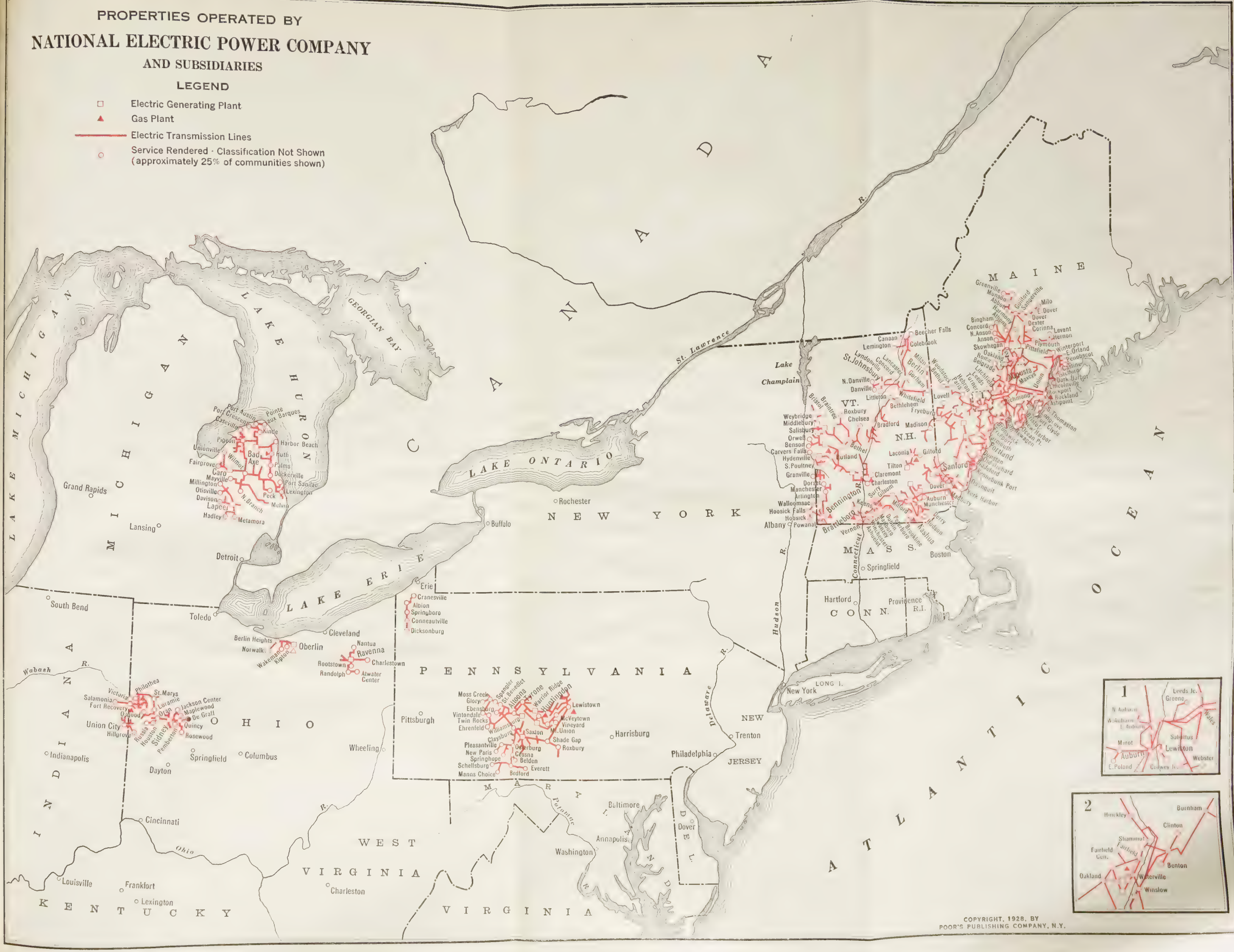
PROPERTIES OPERATED BY

NATIONAL ELECTRIC POWER COMPANY

AND SUBSIDIARIES

LEGEND

- Electric Generating Plant
- Gas Plant
- Electric Transmission Lines
- Service Rendered · Classification Not Shown (approximately 25% of communities shown)



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Municipal Service Company owns or controls local operating public utility companies serving with electric light and power, gas, ice or steam, communities in Pennsylvania, Maryland and Georgia, operates electric railways and bus lines in Pennsylvania and Ohio and controls Keystone Public Service Corporation which, through its subsidiaries, operates the street railways and bus lines in and around Scranton and Altoona, Pa., and also the electric light and steam heating business in Tyrone, Pa., and the gas business in Carbondale, Pa.

The Virginia Public Service Co. owns and operates electric power and light and gas properties in Virginia and West Virginia.

Through these local operating companies, National Public Service Corporation furnishes electric light and power, gas, steam, bus, street railway and/or water to a population estimated at over 2,062,000 in 52 communities, serving 221,753 electric, and 42,963 gas customers. The electric railway and bus systems serve 144 communities.

Properties—The electrical system of the Corporation has an installed generating capacity of 196,010 k.w., and transmission systems of 2,720 miles of high tension lines. The gas properties include generating plants of a daily capacity of 20,140,000 cubic feet, with 749 miles of gas mains. The water properties have a capacity of 4,350 G. P. M. and a distributing system consisting of 36 miles of water mains. The electric railway properties consist of 356 equivalent miles of single track. During the year ended Dec. 31, 1927, the total electric output of the properties was 493,141,438 k.w.h. and there were manufactured 1,806,254,000 cu. ft. of gas.

Management—The Corporation and its subsidiaries are managed by the Electric Management and Engineering Corporation, 57 William St., New York City.

OPERATING STATISTICS

	Earnings		Customers		Elec. Output	Gas Output	Railway	Railway
	Gross	Net	Electric	Gas	K.W.H.	Cu. Ft.	Car Miles	Passengers
1920	$12,599,447	$3,394,029	60,508	18,547	147,181,246	825,492,000	11,007,276	79,987,018
1921	13,774,341	4,137,323	69,285	19,917	151,922,170	894,398,000	10,918,937	78,625,755
1922	14,276,150	4,812,780	81,270	20,363	170,172,096	957,328,000	10,470,153	71,885,460
1923	15,803,741	5,941,535	110,139	21,425	196,723,793	956,662,000	10,708,398	75,619,656
1924	16,871,348	6,476,473	131,622	27,619	237,438,215	967,246,000	10,758,714	73,547,836
1925	19,380,998	7,651,079	156,828	34,761	296,411,870	1,089,614,000	10,550,459	71,535,849
1926	26,640,546	9,632,313	201,478	39,314	435,030,736	1,640,072,000	12,206,733	80,609,958
1927	30,557,898	11,043,976	221,753	42,963	493,141,438	1,806,254,000	11,656,925	77,863,609

CAPITAL STOCK

Authorized, 500,000 shares Common Class "A," no par value, 500,000 shares Common Class "B," of no par value, $1,000,000 7% cumulative Participating Pfd., par, $100, and $20,000,000 7% cumulative Series "A" Pfd., par, $100; outstanding, Dec. 31, 1927, 338,952 shares Class "A" Common, 431,257 shares Class "B" Common, $15,700 7% cumulative Participating Pfd., and $12,909,400 7% cumulative Series "A" Pfd.

Preferred Stock Provisions—The Participating Pfd. and Series "A" Pfd. are identical except that in certain events the Participating Pfd. is entitled to participate in dividends to an amount in excess of 7% per annum, equal to 3%, which participating dividend is non-cumulative. All Pfd. stock has preference for dividends and assets over Class "A" and Class "B" Common; is subject to call as a whole or in part on any dividend date on 30 days' notice at $115 per share and accrued dividends, stock so acquired to be retired and not reissued; and in dissolution or liquidation is entitled to $100 per share and accrued dividends in preference over Common.

The authorized amount of Pfd. stock cannot be increased or any other class of stock having priority over, or on a parity with, Pfd. stock either as to assets or dividends, or having voting power when Pfd. stock has exclusive voting power, be created except with the consent of two-thirds of the outstanding Pfd.; also no additional Pfd. stock may be issued unless all accrued Pfd. dividends shall have been paid or set apart and the consolidated net earnings available for depreciation or dividends for 12 successive calendar months ending within 90 days immediately preceding such issuance shall have been at least three times the aggregate dividend requirements on the Pfd. stock outstanding and that proposed to be issued.

Pfd. stock has no voting power unless two quarterly dividends are in default in which event Pfd. will have equal voting rights share for share with Common. Whenever 8 quarterly dividends shall be in default, Pfd. shall have full and exclusive right and will be entitled to elect the Board of Directors, which voting rights will cease when all accrued dividends have been paid in full.

Stock Purchase Option Warrants—Certain shares of Series "A" Pfd. stock will carry a detachable stock purchase warrant entitling the holder thereof to purchase one share of National Public Service Corporation Class "B" Common stock during the period July 15, 1925, to July 15, 1926, both dates included, at $20 per share, thereafter to and including July 15, 1927, at $25 per share, and thereafter to and including July 15, 1928, at $30 per share.

Legal Opinion—Participating Pfd.: Chapman, Cutler & Parker, Chicago, for the bankers, and Chadbourne, Hunt, Jaeckel & Brown, New York, for the corporation. Series "A" Pfd.: Campbell, Harding & Pratt, New York, for the bankers, and Chadbourne, Hunt, Jaeckel & Brown, New York, for the corporation.

Public Offerings—$1,250,000 7% Participating Pfd. (Jersey Central Power & Light Corp.) was publicly offered in April, 1924, at 92½ and accrued dividends, yielding over 7½%, by A. E. Fitkin & Co., Frederick Peirce & Co., and R. E. Wilsey & Co., Inc., New York; $2,500,000 7% Series "A" Pfd. (National Public Service Corp.) publicly offered in June, 1925, at $96 per share and accrued dividends, to yield 7.29%, by A. E. Fitkin & Co., Howe, Snow & Bertles, Inc., A. L. Chambers & Co., R. E. Wilsey & Co., and G. F. Barrett & Co., New York; $1,250,000 additional 7% Series "A" Pfd. was publicly offered in February, 1926, by Howe, Snow & Bertles, Inc., New York, etc.; $3,500,000 additional 7% Series "A" Pfd. was offered in January, 1927, at 96 and accrued dividend yielding over 7.29%, by Howe, Snow & Bertles, Inc., Stroud & Co., A. E. Fitkin & Co., Hornblower & Weeks, Pearsons-Taft Co., and R. E. Wilsey & Co.

Class "A" Common Stock Provisions—Subject to the rights of the Pfd. stock, Class "A" Common is entitled to priority as to dividends to the extent of $1.60 per share per annum over Class "B" Common, cumulative to the extent earned in any calendar year, and shares equally as a class with Class "B" Common as a class, regardless of the number of shares of either outstanding, after the Class "B" Common as a class shall receive an amount equal to $1.60 per share on the outstanding Class "A" Common or $300,000, whichever is greater. In liquidation or dissolution Class "A" Common has priority over Class "B" Common up to $30 a share plus dividends at the rate of $1.60 per share to the extent earned but unpaid, and, after distribution to Class "B" Common of an amount equal to $30 per share on the Class "A" Common, excluding the dividends, is entitled to receive as a class one-half of the remaining assets. Class "A" Common is not redeemable.

Legal Opinion—Campbell, Harding & Pratt, New York, for the bankers, and Chadbourne, Hunt, Jaeckel & Brown, New York, for the Corporation.

Public Offering—120,000 shares Class "A" Common publicly offered in April, 1925, at $21 per share, by A. E. Fitkin & Co., Howe, Snow & Bertles, Inc., and A. L. Chambers & Co., Inc., New York, H. L. Nason & Co., Boston, and Mark C. Steinberg & Co., St. Louis; 100,000 shares additional Class "A" stock offered in March, 1927, by Howe, Snow & Bertles, Inc., Eastman, Dillon & Co., A. E. Fitkin & Co., Stroud & Co., Inc., New York, etc., and R. E. Wilsey & Co., Chicago.

Transfer Agents—Participating Pfd. and Series "A" Pfd.; The Equitable Trust Co. of New York. Class "A" and "B" Common: Central Union Trust Co. of New York.

Registrar (All Classes)—The New York Trust Co., New York.

Annual Meeting—First Monday in February.

Dividends—Dividends on Participating Pfd. at the rate of 7% per annum regularly paid quarterly J, A, J & O 1, to stock of record the 17th day of Dec., March, June and Sept. Dividends on the Series "A" Pfd. are payable J, A, J & O 1, to stock of record the 17th day of Dec., March, June and Sept., initial dividend of 1¾% having been paid Oct. 1, 1925. Initial dividend of 40 cents a share on Class "A" Common was paid June 15, 1925; Sept. 15, 1925 and quarterly to date, 40 cents per share; payments M, J, S & D 15.

FUNDED DEBT

(1)

$14,111,500 30-YEAR 6½% SINKING FUND COLLATERAL TRUST GOLD BONDS, SERIES "A," DUE FEBRUARY 1, 1955, BUT CALLED FOR PAYMENT ON APRIL 1, 1928 AT 105 AND INTEREST

DEBENTURES ISSUED SINCE CLOSE OF FISCAL YEAR

(2)

$20,000,000 NATIONAL PUBLIC SERVICE CORP. SECURED GOLD DEBENTURES, 5% SERIES DUE 1978; DUE FEBRUARY 1, 1978

Dated February 1, 1928.

Interest Payable February and August 1, at The New York Trust Co. of New York, and at Illinois Merchants Trust Co., Chicago, Ill.

Denominations—Coupon debentures in interchangeable denominations of $500 and $1,000. Debentures in denomination of $1,000 registerable as to principal only.

Trustee—New York Trust Co. of New York.

Provisions of Issue—Open issue; outstanding, $20,000,000 5% Series due 1978. As provided in the Trust Indenture, additional Debentures may be issued from time to time as authorized by the Board of Directors or the Executive Committee of the Company, provided that the earnings on the deposited collateral, applicable to debenture interest, as defined in the said Trust Indenture, for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of the application therefor, shall have been at least equivalent to twice the annual interest requirements upon all Debentures then outstanding thereunder, and upon those applied for. Additional Debentures may also be issued to refund Debentures previously issued subject to the restrictions of the Trust Indenture. The Trust Indenture also provides that Debentures may be issued in Series which may bear such dates, rates of interest, mature at such times and carry such redemption, sinking fund, tax refund and such other varying or distinguishing provisions as may be determined by the Board of Directors or Executive Committee not inconsistent with the provisions of the Trust Indenture.

Purpose of Issue—The proceeds from the sale of these Debentures will be used to retire the Company's 30-year 6½% Sinking Fund Collateral Trust Gold Bonds called for payment April 1, 1928 and for other corporate purposes.

Callability—Subject call as a whole or in part at any time on 30 days' prior published notice to and including Feb. 1, 1938 at 105 and accrued interest; thereafter to and including Feb. 1, 1943 at 104½ and accrued interest; thereafter to and including Feb. 1, 1948 at 104 and accrued interest; thereafter to and including Feb. 1, 1953 at 103½ and accrued interest; thereafter to and including Feb. 1, 1958 at 103 and accrued interest; thereafter to and including Feb. 1, 1963 at 102½ and accrued interest; thereafter to and including Feb. 1, 1968 at 102 and accrued interest; thereafter to and including Feb. 1, 1973 at 101½ and accrued interest; thereafter to and including Feb. 1, 1977 at 101 and accrued interest, and thereafter at par and accrued interest.

Sinking Fund—No provision.

Security—These Debentures are a direct obligation of National Public Service Corporation and, in addition, will be originally secured by the deposit with the Trustee under and subject to the provisions of the Trust Indenture, of the following stocks of all of its principal and important subsidiaries, namely, the entire outstanding Common stock (except directors' qualifying shares) of Jersey Central Power & Light Company, Municipal Service Company, Virginia Public Service Company, Eastern Shore Public Service Company, and Florida West Coast Ice Company, and over 99% of the Common stock of Tide Water Power Company.

The Trust Indenture provides that withdrawals of or substitutions for deposited collateral may be made so long as the earnings (as defined in the Trust Indenture) on the collateral held on deposit after any such withdrawal or substitution, are not less than twice the annual interest requirements; provided, however, that in the case of the securities initially deposited as collateral in connection with this issue or any substitutions for any thereof, withdrawals or substitutions may be made only if the earnings on the collateral held on deposit after any such withdrawal or substitution for twelve consecutive calendar months within the fifteen calendar months immediately preceding, shall have been not less than $2,500,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, Pennsylvania 4 mill tax, Connecticut 4 mill tax, Maryland 4½ mill tax, California Personal Property tax not in excess of 4 mills per annum, and Massachusetts 6% Income tax refundable to holders resident in those States, upon timely application as provided in the Indenture.

Legal Opinion—Chadbourne, Hunt, Jaeckel & Brown, New York (for the Company), and Campbell, Harding & Goodwin, New York (for the Bankers).

Original Offering—First publicly offered ($20,000,000) in Feb., 1928, at 93½ and accrued interest to yield over 5.35% by E. H. Rollins & Sons, Howe, Snow & Co., Inc., Old Colony Corp., Hill, Joiner & Co., Inc., Blyth, Witter & Co., H. M. Byllesby and Company, Inc., Federal Securities Corp., Eastman, Dillon & Co., and Emery, Peck & Rockwood Co.

Listed—New York Curb Market.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(National Public Service Corp. and Subsidiaries)

	1927	1926	1925
Gross earnings	$30,557,898	$26,640,546	$19,380,999
Operating expenses and taxes	17,171,279	14,746,506	9,905,408
Maintenance expenditures	2,342,643	2,261,727	1,824,512
Retirement appropriation	1,396,563	1,495,746	1,374,663
Total	$20,910,485	$18,503,980	$13,104,583
Net earnings	$9,647,413	$8,136,566	$6,276,416

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31 (Continued):

	1927	1926	1925
ond and other interest charges paid or accruing to outside holders	$5,106,064	$3,853,371	$2,803,141
mortization of debt discount & expense	559,249	447,572	342,309
ividends on stock and proportion of undistributed earnings to outside holders	1,550,009	1,328,630	980,303
Total	$7,215,322	$5,629,573	$4,125,753
Balance available for interest and dividends on National Public Service Corporation Securities	$2,432,091	$2,506,993	$2,150,663
iterest charges on National Public Service Corporation 30-year 6½% Collateral Trust Gold Bonds	920,713	.....	.....
Balance available for dividends on National Public Service Corp. 7% cum. Pfd. stock	$1,511,378	.....	.....
ividends paid on National Public Service Corporation 7% cumulative Pfd. stock	867,537	.....	.....
Balance of net earnings available for National Public Service Corporation Class "A" and Class "B" Common stocks	$643,841	.....	.....
imes Interest Earned	2.64	.....	.....
arnings Per Share (Preferred)	$11.69	.....	.....
arnings Per Share (Class "A")	1.89	.....	.....

CONSOLIDATED BALANCE SHEET
(National Public Service Corp. and Subsidiaries)

Assets—	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	Feb. 28, 1925
iant and property	$163,088,093	$149,984,602	$100,048,218	$86,652,757
iscellaneous investments	1,858,740	864,991	1,006,701	
ecial deposits	1,068,417	900,173	*383,438	*1,299,302
nking fund—cash and accrued interest	148,612	47,020	.....	.....
ash	2,344,854	3,220,535	2,800,246	
arketable securities	16,779	31,779	38,715	
otes and accounts receivable	4,653,815	4,361,247	2,114,934	
aterials and supplies	3,050,790	2,896,933	1,884,102	5,707,367
ccrued interest receivable	22,580	.....	.....	
repayments	115,279	.....	.....	
iscellaneous current assets	.....	.....	5,002	
namortized debt discount and expense	8,117,417			
iscellaneous deferred debits	351,498	11,148,015	9,609,763	223,436
ommission and expense on capital stocks	3,525,936			
Total	$188,362,810	$173,455,295	$117,891,119	$93,882,862
Liabilities—				
ommon stock, Class "A" and "B"	$6,747,935	†$9,603,890	†$6,141,164	†$3,782,592
ommon stock equity of subsidiary companies	83,683	316,319	393,201	279,939
% Pfd. stock, Series "A"	12,909,400	9,133,400	4,000,000	6,716,700
% Pfd. stock, Participat.	15,700	374,300	3,923,300	
ibscriptions to Pfd. stock Series "A"	65,567	.....	.....	.....
d. stock of sub. cos.	24,516,650	22,312,010	15,796,810	10,065,700
nded debt—Nat. Public Service Corp.	14,111,500	14,226,500	12,750,000	60,427,939
nds of subsidiary companies	98,357,750	89,362,750	57,963,144	
otes & accts. payable	9,099,656	9,520,392	2,721,267	2,299,331
ccrd. int., tax., divds., etc.	2,454,231	2,745,605	1,631,159	
nsumers' and line extension deposits	1,135,971	1,050,272	792,589	360,162
nredeemed tickets	45,533	.....	.....	29,828
stallments paid in Pfd. stock of Va. West. Pwr. Co.	.....	.....	.....	20,588
eserves	15,463,249	14,809,857	11,778,485	9,900,083
rplus	3,111,625	.....	.....	.....
Total	$188,362,810	$173,455,295	$117,891,119	$93,882,862

*Includes sinking fund. †Includes surplus.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	Current Liabilities—	1927	1926	1925
ash	$2,344,854	$3,220,535	$2,800,246	Notes and accounts payable	$9,099,656	$9,520,392	$2,721,267
arketable securities	16,779	31,779	38,715	Consumers' & line extension deposits	1,135,971	.....	.....
otes and accounts receivable	4,653,815	4,361,247	2,114,934	Unredeemed carfare & ice coupons	45,532	.....	.....
aterials and supplies	3,050,790	2,896,933	1,884,102	Accrued interest, taxes, divds., etc.	2,454,231	2,745,605	1,631,159
ccrued interest receivable	22,580	.....	.....				
repayments	115,279	.....	.....				
Total	$10,204,097	$10,510,494	$6,837,997	Total	$12,735,390	$12,265,997	$4,352,426
et Working Capital					*$2,531,293	*$1,755,503	$2,485,571

*Debit.

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. . Zeigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns, -P., Maplewood, N. J.; Leo Loeb, V-P., Upper Montair, N. J.; P. B. Shaw, V-P., Summit, N. J.; W. R. orter, Special V-P., Hollis, N. Y.; W. W. Bell, Sec. Asst. Treas., Forest Hills, N. Y.; R. L. Hook, Asst. ec., New York.

Directors: A. E. Burns, Maplewood, N. J.; B. A. Howe, Clearwater, Fla.; R. C. Hunt, T. J. Walsh, New York; Martin J. Insull, Samuel Insull, Jr., Chicago, Ill.; Leo Loeb, Upper Montclair, N. J.; Harry Reid, Bronxville, N. Y.; P. B. Shaw, Summit, N. J.; Walter S. Wyman, Augusta, Me.; C. B. Zeigler, Teaneck, N. J.

General Office, 57 William St., New York.

EASTERN SHORE PUBLIC SERVICE COMPANY

(Controlled by National Public Service Corp.)

History and Properties—Incorporated May 10, 1915 Delaware as Eastern Shore Gas and Electric Comny; name changed to present title in October, 1927.

As of Dec. 31, 1927, the Eastern Shore Public Service Company system consisted of Eastern Shore Public Service Co. of Del., Eastern Shore Public Service

EASTERN SHORE PUBLIC SERVICE COMPANY, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

Co. of Md., Eastern Shore Public Service Co. of Virginia, Eastern Mine Coal Co., Exmore Ice & Cold Storage Co., Inc., and The Consumers Public Service Co. and Delmarva Power Co. The Kent County Electric Co. was merged during 1927.

The Company owns and operates stations with a capacity of 6,690 k.w. and 312 miles of high tension transmission lines. The principal franchises are perpetual or run for long terms. Supplies electricity without competition in 78 towns in Maryland, Virginia and Delaware, serving a population of about 88,000. In addition the Company supplies gas in Cambridge through a plant of 150,000 cu. ft. capacity and 13 miles of mains.

Management—Company is under the supervision of the Electric Management and Engineering Corp., 57 William St., New York.

The Eastern Shore Public Service Co. of Maryland—As of Jan. 1, 1920, the Cambridge Gas, Electric Light & Power Co., Salisbury Light, Heat & Power Co., Idlewild Electric Light, Heat & Power Co., and the Peninsular Light & Power Co. and in 1927 the Delmarva Utilities Co. were merged into The Eastern Shore Gas & Electric Co. of Maryland (now Eastern Shore Public Service Co. of Md.). All of the capital stock ($412,000) of this Company is owned by the Eastern Shore Public Service Co. (Del.). The Eastern Shore Public Service Co. of Maryland had outstanding, as of Dec. 31, 1927, an issue of $1,006,500 Refunding Mortgage 6% Gold bonds, all of which are owned by the Eastern Shore Public Service Co. (Del.) and pledged by it under its First Mortgage and First Lien. The Refunding Mortgage bonds of the Eastern Shore Public Service Co. of Maryland are dated June 1, 1920, and are due June 1, 1954; interest payable June and Dec. 1, at the Fidelity-Philadelphia Trust Co., Philadelphia, Trustee.

Consumers Public Service Co.—Incorporated under laws of Maryland in December, 1910, as Consumers Ice Co. The company has authorized capital stock of $250,000. There is issued and outstanding $211,000 par value of Common stock all of which is owned by the Eastern Shore Public Service Company (Delaware) and pledged by it under its mortgage. The Consumers Public Service Company owns and operates the electric light and power serving Crisfield, Md. and also manufactures ice.

Eastern Shore Gas and Electric Co. of Virginia—This Company, recently incorporated, has acquired the properties of the Exmore Light & Power Co., Inc., and owns 100% of the capital stock of the Exmore Ice & Cold Storage Co., Inc.

The Delmarva Power Co.—Incorporated in Maryland and will own and operate a steam generating station now under construction at Vienna, Md. (see statement appended).

CAPITAL STOCK

Authorized, 100,000 shares of no par value Common and 50,000 shares cumulative Pfd. of no par value; outstanding, Dec. 31, 1927, 74,000 shares Common and 15,078 shares $6.50 Series Pfd. Pfd. stock has preference for assets and dividends and is entitled to $100 per share in dissolution. Common stock is all held by National Public Service Corp.

Change in Preferred Stock—Stockholders on Oct. 13, 1927, voted to revise Company's charter, to authorize recapitalization of Pfd. stock, and to provide for issuance of 50,000 additional Pfd. shares.

Callability—Pfd. stock is subject to call, in whole or in part, at any time, at $106.50 and dividends.

Transfer Agent—Fidelity-Philadelphia Trust Co., Philadelphia.

Registrar—The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Annual Meeting—First Monday in March, in Philadelphia.

Tax Provisions—Company will refund any present or future taxes imposed by the States of Maryland, Virginia and Pennsylvania up to 4½ mills per annum provided claim is made within 60 days after payment of such tax.

Dividends—Initial quarterly dividend of $1.62½ on Pfd. stock, paid Dec. 1, 1927, to stock of record Nov. 21, 1927; payments, M, J, S & D 1.

FUNDED DEBT

$3,300,000 FIRST MORTGAGE AND FIRST LIEN TWENTY-YEAR 5½% GOLD BONDS, SERIES "A," DUE SEPTEMBER 1, 1947

Dated September 1, 1927.

Interest Payable March and September 1, at the Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Issued $3,300,000 Series "A" 5½s, due 1947. Additional bonds bearing such designation, interest rates, maturities, etc., as the Board of Directors may prescribe, may be issued under the Indenture for, (a) not over 75% of the cost or fair value (whichever is less) of betterments, additions, plants and properties made or acquired by the Company or its subsidiaries subsequent to August 31, 1927 (b) par for par for the refunding, acquisition or retirement of bonds of other series or the bonds of after acquired subsidiaries, provided in any case that the consolidated net earnings as defined in the Indenture for 12 consecutive months of the 15 months next preceding shall have been not less than 10% of the face amount of all bonds outstanding, including those proposed to be issued.

Purpose of Issue—Proceeds from the sale of these bonds and shares of Preferred and Common stock were to be used for the retirement of outstanding funded debt of Company, to reimburse the treasury of Company and its subsidiaries for recent additions and betterments and for other corporate purposes.

Callability—Subject to call at any time on 30 days notice as a whole or in part at 100 and accrued interest plus a premium of ¼ of 1% for each year or portion thereof of unexpired life, the premium not to exceed 4%.

Improvement Fund—The Indenture provides for a maintenance and improvement fund, under the terms of which the Company and its subsidiaries shall expend not less than 12½% of gross operating revenues for one or more of the following purposes: (a) Maintenance, renewals and replacements; (b) additions and betterments against which no bonds may be issued (c) retirement of bonds issued under the indenture at not more than the redemption price.

Security—Secured by a first mortgage on electric power and light properties recently appraised at a depreciated value of over $1,763,000, including working capital and going concern value, and a first lien on all outstanding stocks and bonds, except directors' qualifying shares, of the following subsidiaries: The Eastern Shore Public Service Co. of Maryland, The Consumers Public Service Co. and Eastern Shore Gas & Electric Co. of Virginia. The properties of these subsidiaries were recently appraised with additions to August 31, 1927 at a depreciated value of over $3,267,000, including working capital and going concern value.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse the resident holders of these bonds, if requested within 60 days after payment, in the manner provided in the Trust Indenture for the personal property tax in the States of Connecticut, Pennsylvania, Maryland, California and the District of Columbia at rates not exceeding the rates in each case as existing on September 1, 1927, (but in the case of California not exceeding four mills per annum) and also for the income tax

ot exceeding 6%, on the interest thereon in the State f Massachusetts.

Legal Opinion—Glenn & Ganter, New York (for the ankers) and Chadbourne, Hunt, Jaeckel & Brown, lew York (for the Company), and Woodcock & Vebb, Salisbury, Md. (as to titles, franchises and onformity with local laws).

Original Offering—First publicly offered ($3,300,-00) in October, 1927 at par and interest by E. H. ollins & Sons, H. M. Byllesby & Co., Inc., Howe, now & Co., Inc., Blyth, Witter & Co., and Eastman, illon & Co., New York, etc.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Eastern Shore Public Service Co. and Subsidiaries)

ross earnings	$1,382,961
perating expenses, maintenance & taxes	922,898
etirement appropriation	37,327
Net earnings	$422,736
ond & other interest charges	203,673
mortization of debt discount & expense	11,686
Net income for the year	$207,377

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Eastern Shore Public Service Co. and Subsidiaries)

Assets—	
lant and property at reproduction cost new per appraisal, plus additions at cost	$6,225,202
ash	103,044
ccounts receivable	207,647
otes receivable	1,660
ventories	277,677
epayments	539
iscellaneous investments	4,501
ecial deposits	853,324
namortized debt discount & expense	590,237
iscellaneous deferred debits	30,978
mmission & expense on capital stock	75,102
Total	$8,369,911
Liabilities—	
mmon stock (74,000 shares no par)	$925,000
eferred stock (15,076 shares no par)	1,306,050
nded debt	4,150,000
otes payable	45,000
ccounts payable	79,542
nsumers' & line extension deposits	24,938
xes accrued	11,398
terest accrued	71,225
iscellaneous accrued liabilities	1,997
e to affiliated companies	314,403
tirement reserve	265,817
ther reserves	69,718
rplus	1,104,822
Total	$8,369,911

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. B. eigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns, -P., Maplewood, N. J.; Leo Loeb, V-P., Upper Montair, N. J.; P. B. Shaw, V-P., Summit, N. J.; J. H. rake, V-P., Salisbury, Md.; W. R. Porter, Special -P., Hollis, N. Y.; W. W. Bell, Sec. & Asst. Treas., orest Hills, N. Y.; R. L. Hook, Asst. Sec., New York; A. Mitchell, Asst. Sec. & Asst. Treas., Salisbury, d.

Directors: W. W. Bell, Forest Hills, N. Y.; A. E. urns, Maplewood, N. J.; T. H. Chambers, Federalsurg, Md.; Martin J. Insull, Chicago, Ill.; Leo Loeb, pper Montclair, N. J.; J. P. Mailler, Madison, N. J.; . D. Price, Salisbury, Md.; Harry Reid, Bronxville, . Y.; T. E. Roach, Forest Hills, N. Y.; C. B. Zeigler, eaneck, N. J.; P. B. Shaw, Summit, N. J.

Offices, Salisbury, Md., and 57 William St., New ork.

THE DELMARVA POWER COMPANY

Conotrolled by Eastern Shore Public Service Co.)

History—Incorporated in 1927, in Maryland, and ll own and operate a steam electric generating staon now under construction at Vienna, Md. The staon is designed for an ultimate installation of 12,000 w. in two units, of which the initial unit of 6,000 k.w. s expected to be in operation by April 1, 1928, and ll furnish power to the Eastern Shore Public Serce Company and its subsidiaries.

Power Contract—The Eastern Shore Public Service Company of Maryland, a wholly owned subsidiary of Eastern Shore Public Service Company, the guarantor company, will contract to purchase power from The Delmarva Power Company, at rates which, it is estimated, will yield in excess of one and one-half times the interest on the bonds after deducting all operating expenses, maintenance and local taxes. The station is being constructed to take care of the growing demands for additional service made on The Eastern Shore Public Service Company of Maryland and its affiliated companies.

CAPITAL STOCK

All owned, except directors' qualifying shares, by Eastern Shore Public Service Co. (Del.).

FUNDED DEBT

$850,000 FIRST MORTGAGE GUARANTEED 5% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1929

Dated October 1, 1927.

Interest Payable June and December 1.

Denomination—Coupon, $1,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—The indenture is closed to the issuance of any additional bonds so long as any Series "A" bonds are outstanding.

Callability—Subject to call at any time on 30 days' notice as a whole or in part at 100 plus accrued interest.

Security—Secured by a first mortgage on the steam electric generating station under construction.

Guaranty—Guaranteed as to principal and interest by endorsement by Eastern Shore Public Service Co.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. The personal property taxes in the States of Connecticut, Pennsylvania, Maryland, California and the District of Columbia at rates not exceeding the rate in each case as existing on Oct. 1, 1927 (but in the case of California not exceeding four mills per annum) and also the income tax, not exceeding 6% on the interest thereon in the State of Massachusetts, refunded to resident holders if requested within 60 days after payment.

Original Offering—First publicly offered ($850,000) in Jan., 1928, by Blyth, Witter & Co., New York, etc.

Officers and Directors: Not reported.

Offices, Salisbury, Md., and 57 William St., New York.

FLORIDA WEST COAST ICE CO.

(Controlled by National Public Service Corporation)

History and Property—Incorporated Dec. 6, 1926, in Florida, and acquired the ice properties and business of Pinellas Ice & Cold Storage Company and Citizens Ice & Cold Storage Company. Supplies ice to St. Petersburg, Tarpon Springs, Clearwater, and Seven other communities on the Pinellas peninsula, serving a population of approximately 105,000. Owns ten ice manufacturing plants with daily capacity of 672 tons. It also furnishes in St. Petersburg a small amount of cold storage for the convenience of its patrons.

CAPITAL STOCK

Authorized, 50,000 shares Common and 50,000 shares $7 Series Pfd., both of no par value; outstanding, 50,000 shares Common. All of the Common shares are owned by the National Public Service Corporation. None of the Pfd. stock is issued.

Annual Meeting—First Tuesday in January.

FUNDED DEBT

$1,871,000 FIRST MORTGAGE SINKING FUND 20-YEAR 6% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1946

Dated December 1, 1926.

Interest Payable June and December 1, at Guaranty Trust Co. of New York, and Central National Bank & Trust Co., St. Petersburg, Fla.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustees—Guaranty Trust Co. of New York and The Central National Bank & Trust Co., St. Petersburg, Fla.

Provisions of Issue—Authorized, $10,000,000; issued, $1,900,000 Series "A" 6s; outstanding, Dec. 31, 1927, $1,871,000. Additional bonds (in excess of $2,000,000) may be issued under the restrictions provided in the Trust Indenture to reimburse the Company for permanent improvements, extensions, additions, plants or property acquired or constructed by the Company in the State of Florida, subsequent to Dec. 20, 1926, to a principal amount not exceeding 66 2/3% of the cost or fair value thereof (whichever is less) if the Trust Indenture shall constitute a first mortgage thereon, and to a principal amount not exceeding 40% of the cost or fair value (whichever is less) if the same are fixtures to real property leased to the Company. For the issuance of such additional bonds the Trust Indenture requires that the net earnings of the Company available for bond interest, as defined in the Trust Indenture, for twelve consecutive calendar months within the 15 months next preceding shall have been equal to 2¾ times the annual interest requirements on all bonds then outstanding under the Trust Indenture, and those then to be issued. Such additional bonds may bear such rate of interest, have such maturity date, sinking fund, redemption provisions or conversion provisions, as may be authorized by the Board of Directors of the Company at the time of the authorization of such bonds.

Purpose of Issue—Proceeds were used as part of the purchase price of the properties acquired and for other corporate purposes.

Callability—Subject to call at any time as a whole or in part on 30 days' notice at 103 and accrued interest, reducing ¼ of 1% on the first day of Dec. 1935 and of each Dec. thereafter up to maturity.

Sinking Fund—Trust Indenture provides for equal semi-annual payments which are to be applied, first to the payment of interest on outstanding bonds of Series "A" and the balance to the retirement of bonds of Series "A" by purchase or by call. It is estimated these payments will retire at least 40% of the bonds of Series "A" by maturity.

Special Fund—Company covenants that in each year beginning with 1927 it will expend not less than 14% (except as such percentage may hereafter be revised) of its gross operating revenue for one or more of the following purposes: (a) maintenance, renewals and replacements; (b) retirement (by sinking fund or otherwise) of First Mortgag bonds, and (c) additions to property in respect of which no First Mortgage bonds can be authenticated or cash withdrawn under the Trust Indenture.

Security—Secured by a direct first mortgage o plants and properties owned by the Company.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%. Pennsylvania, Connecticut, Cal fornia, Maryland, Massachusetts or the District Columbia taxes levied by said States or District on t bonds or income derived therefrom, but not exceedin the personal property or income taxes in effect there on Dec. 1, 1926, refunded.

Original Offering—First publicly offered ($1,900 000) in Jan., 1927, at 97 and interest to yield 6.25 by E. H. Rollins & Sons and Howe, Snow & Bertle Inc., New York, etc., and Stroud & Co., Inc., Phil delphia, Pa.

EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$783,7
Operating expenses, maintenance & taxes	518,3
Retirement appropriation	65,4
Net earnings	$199,9
Bond and other interest charges	145,5
Amortization of bond discount and expense	9,7
Net income for year	$44,6

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property at reproduction cost new per appraisal, plus additions at cost	$3,911,1
Cash	18,6
Accounts receivable	37,6
Materials and supplies	5,3
Prepayments	3,4
Sinking funds	4
Unamortized debt discount and expense	183,6
Miscellaneous deferred debits	10,7
Total	$4,170,9
Liabilities—	
Common stock (50,000 shs. no par)	$1,200,0
Funded debt	1,871,0
Notes payable	20,0
Accounts payable	21,5
Accrued interest	9,3
Unredeemed tickets & coupons	8,4
Miscellaneous accrued liabilities	8
Due to affiliated cos.	865,9
Reserve for depreciation	106,1
Surplus	67,5
Total	$4,170,9

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. E Zeigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns V-P., Maplewood, N. J.; E. A. Olsen, V-P., St. Peters burg, Fla.; W. W. Bell, Sec. & Asst. Treas., Fores Hills, N. Y.; R. L. Hook, Asst. Sec., New York; J. C McClellan, Asst. Sec. & Asst. Treas., St. Petersburg Fla.

Directors: A. E. Burns, Maplewood, N. J.; Harr Reid, Bronxville, N. Y.; C. B. Zeigler, Teaneck, N. J.

Offices, 57 William St., New York.

JERSEY CENTRAL POWER & LIGHT COMPANY

(Controlled by National Public Service Corporation)

History—Organized Feb. 9, 1925, in New Jersey with approval of the Board of Public Utility Commissioners of New Jersey, by the merger of the following New Jersey electric, power and light and gas companies: The Central Jersey Power & Light Company, Consolidated Gas Company of New Jersey (see 1924 Manual, page 2136), Lakewood & Coast Electric Company, The Coast Gas Company (see 1924 Manual, page 999), Monmouth Lighting Co. (see 1925 Manual page 716). Shore Lighting Co. (see 1925 Manual, page 2235), Toms River Electric Company Tri-County Electric Company, The Lakewood Ga Company (see 1924 Manual, page 999), City Gas Ligh Company (see 1924 Manual, page 998), and the Shor Gas Company (see 1924 Manual, page 1000).

On July 1, 1925, the Millburn Electric Compan (see 1923 Manual, page 1170) was acquired an merged. In May, 1926, Company acquired control o Boonton Gas Light & Improvement Co., New Jerse Gas & Electric Co., and Wildwood Gas Co., all o

NATIONAL PUBLIC SERVICE CORPORATION
(Jersey Central Power & Light Co.)
E. H. Rollins & Sons
Founded 1876
Boston Denver New York San Francisco Philadelphia Los Angeles Chicago London

/hich companies were subsequently merged. For ıtest published statements, see 1926 Public Utility lanual, pages 2300 and 1693.

The company owns all the outstanding securities f the **Lakewood Water Company,** which furnishes ater service in Lakewood and vicinity.

Territory—Company furnishes, without competi- on, electric power and light service to 195 communi- es and gas service to 77 communities in northern nd eastern New Jersey. The territory served in- ludes a portion of the Metropolitan District tribu- ry and suburban to New York City as well as a sec- on of the New Jersey coast communities and has n aggregate population of 360,000. Among the com- unities are Asbury Park, Keyport, Lakewood, Long anch, Millburn, Morristown, Red Bank, South Am- oy, Spring Lake, Summit, Dover and Boonton.

Property—The electric power and light system in- ludes steam electric generating stations with a to- l installed capacity of over 39,230 k.w. (including the ew steam electric generating station at Whippany, N. J.), and 272 miles of high tension transmission lines, with distributing systems aggregating 2,553 miles of line, serving 54,652 consumers. All the territory served is, or is about, to be interconnected with electric transmission lines, the connection between the northern and southern territory to be through the Public Service Electric and Gas Company of New Jersey.

The gas properties include plants for the generating of artificial gas with an aggregate daily generating capacity of 13,755,000 cu. ft. and 538 miles of gas mains, serving 32,375 consumers. During the year ended Dec. 31, 1927, 108,467,430 k.w.h. of electric energy and 1,320,686,000 cu. ft. of gas were generated. All the territory supplied with gas, except Ocean City, is interconnected with gas transmission lines to the gas plants located at Long Branch, Belmar and Lakewood.

Control and Management—Company is controlled, through stock ownership, by National Public Service Corporation and is under the supervision and management of Electric Management and Engineering Corporation, 57 William St., New York.

OPERATING STATISTICS

	Earnings		Customers		Miles of		Gas Output	Elec. Output
	Gross	Net	Gas	Electric	Gas Main	Elec. Line	Cu. Ft.	Kw. Hrs.
920	$2,417,793	$517,397	13,768	18,684	269	684	658,143,000	26,237,855
921	2,964,885	801,406	15,076	23,233	281	775	744,502,000	31,926,385
922	3,379,973	1,062,030	15,042	26,232	290	872	807,437,000	36,648,082
923	3,778,256	1,485,600	16,591	30,926	297	963	796,094,000	43,706,486
924	4,054,539	1,747,318	19,116	35,324	314	1,213	817,597,000	51,042,500
925	4,682,486	2,094,854	21,319	41,226	319	2,468	887,968,000	64,201,930
926	5,923,543	2,601,016	26,201	48,960	448	2,629	1,172,006,000	85,720,364
927	7,178,784	2,895,678	32,375	55,652	538	2,825	1,320,686,000	108,467,430

*Year ended Nov. 30.

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value nd $10,000,000 cumulative Pfd., par $100; outstand- g Dec. 31, 1927, 192,800 shares Common, $7,100,- 0 cumulative Pfd. 7% Series, and $503,000 cumulative fd. 6% Series. All the Common stock is owned by ational Public Service Corporation; $7,500,000 of fd. 7% Series and $1,000,000 of Pfd. 6½% Series has en authorized.

Preferred Stock Provisions—The 7% series has pre- rence for dividends at the rate of 7% per annum er Com. and in involuntary liquidation is entitled $110 per share and accrued dividends and in in- oluntary liquidation is entitled to $100 per share nd accrued dividends. It is subject to call as a whole in part after three years of issuance, at $110 per are and accrued dividends. Has no voting rights. The remaining $1,000,000 authorized but unissued vidend Pfd. may be issued in series, with definite vidend rates and redemption prices, provided surplus t earnings, before depreciation and amortization, for consecutive calendar months within the 15 calendar onths immediately preceding the issuance, shall ve been at least three times the annual dividend quirements on the entire amount of Pfd. outstand- g including that proposed to be issued. The charter company provides that without the consent of ⅔ the holders of Pfd. outstanding, no other issue of d. stock ranking prior to, or on a parity with, this d. shall be issued.

Legal Opinion—Campbell, Harding & Pratt, New ork, (for the bankers) and Chadbourne, Hunt, eckel & Brown, New York (for the Company).

Tax Provisions—Tax exempt in New Jersey.

Public Offering—First publicly offered ($4,000,000 % Series) in March, 1925, at 97 and accrued dividends, yielding over 7.20% by E. H. Rollins & Sons, Blyth, Witter & Co., Eastman, Dillon & Co. and H. M. Byllesby & Co., Inc., New York, and Federal Securities Corp., Chicago.

Transfer Agents (Preferred)—Guaranty Trust Co. of New York and company's office, New York.

Registrar (Pfd.)—The Bank of America, New York.

Annual Meeting—First Tuesday in March.

Dividends—Dividends on 7% Series Pfd. and 6% Series Pfd. regularly paid quarterly, J, A, J & O 1. Initial payment of 1¾% on 7% Pfd. made July 1, 1925, and initial payment of 1½% on 6% Pfd. made Oct. 1, 1927.

FUNDED DEBT

(1)

$1,000,000 CONSOLIDATED GAS COMPANY OF NEW JERSEY FIRST CONSOLIDATED 5s, DUE JANUARY 1, 1936

Dated January 1, 1896.

Interest Payable January and July 1, at Company's office, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized and outstanding, $1,000,000.

Callability—Subject to call at 110 and interest on any interest date on six weeks' notice.

Security—A first lien on the entire property formerly owned by Consolidated Gas Company of New Jersey.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

JERSEY CENTRAL POWER & LIGHT CO., SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

(2)

$1,000,000 CONSOLIDATED GAS COMPANY OF NEW JERSEY FIRST REFUNDING 5s, DUE APRIL 1, 1965

Dated April 1, 1915.

Interest Payable April and October 1, at Company's office, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Bankers Trust Co., and F. N. B. Close, New York.

Provisions of Issue—Authorized, $5,000,000; issued and outstanding, $1,000,000; mortgage closed.

Callability—Subject to call as a whole or in part at 110 and interest on any interest date upon six weeks' published notice.

Security—Secured by a general lien on the entire property formerly owned by Consolidated Gas Company of New Jersey subject to the $1,000,000 First 5s described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($700,000) in Nov., 1915, at 96½ and interest.

(3)

$45,500 THE LAKEWOOD GAS COMPANY FIRST MORTGAGE 5% GOLD BONDS, DUE MAY 1, 1939

Dated May 1, 1899.

Interest Payable May and November 1, at Lakewood Trust Co., Lakewood, N. J.

Denomination—Coupon, $500; principal may be registered.

Trustee—Lakewood Trust Co., Lakewood, N. J.

Security—A first lien on entire property formerly owned by The Lakewood Gas Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(4)

$761,000 MONMOUTH LIGHTING COMPANY FIRST AND COLLATERAL TRUST GOLD 5s, DUE JUNE 1, 1946

Dated June 1, 1916.

Interest Payable June and December 1, at Freehold Trust Co., Freehold, N. J.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Freehold Trust Co., Freehold, N. J.

Provisions of Issue—Authorized, $3,000,000; outstanding $761,000; mortgage closed.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—No sinking fund provided.

Security—A first lien on entire property formerly owned by Monmouth Lighting Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$400,000 SHORE LIGHTING COMPANY FIRST MORTGAGE 5% GOLD BONDS, DUE APRIL 1, 1951

Dated April 1, 1911.

Interest Payable April and October 1, at Fidelity Union Trust Co., Newark, N. J.

Denomination—Coupon, $500.

Trustee—Fidelity Union Trust Co., Newark, N. J.

Provisions of Issue—Authorized and outstanding, $400,000. Issued, $341,500 to take up an equal amount of Shore Electric Co. bonds and $58,500 to take up $46,800 Citizens Light & Fuel Company bonds.

Security—A first lien on the property formerly owned by Shore Lighting Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$17,933,000 JERSEY CENTRAL POWER & LIGHT COMPANY FIRST MORTGAGE AND REFUNDING 20-YEAR 5½% SINKING FUND GOLD BONDS, SERIES "A," DUE FEBRUARY 1, 1945

$2,300,000 JERSEY CENTRAL POWER & LIGHT COMPANY FIRST MORTGAGE AND REFUNDING 20-YEAR 5% GOLD BONDS, SERIES "B"; DUE AUGUST 1, 1947

Dated—Series "A", February 2, 1925; Series "B", August, 1927.

Interest Payable February and August 1, at Ba of America, New York.

Denominations—Coupon $500 and $1,000; principal may be registered. Denominations interchangeable.

Trustee—Bank of America, New York.

Provisions of Issue—Authorized amount unlimite issued and outstanding, $17,933,000 Series "A" 5½ and $2,300,000 Series "B" 5s.

Additional bonds may be issued: (a) par for p for the refunding of divisional bonds and bonds other series or for the acquisition of bonds of su sidiary companies, and (b) for 75% of the cost betterments and additions to the property of t company and its subsidiaries made subsequent Jan. 1, 1925, provided the net earnings of the co pany for 12 consecutive months of the 15 months immediately preceding shall be not less than twice t annual interest charges on or 10% of the princip amount of underlying bonds and all bonds outstaning under this mortgage, together with those proposed to be issued, whichever shall be less.

Callability—Series "A" 5½s are subject to call a whole or in part at any time on 30 days' notice 105 and interest, reducing ¼ of 1% for each ye elapsed from Jan. 31, 1925 up to maturity. Seri "B" 5s are subject to call at any time on 30 day notice as a whole or in part at 104 and accrued i terest, reducing ¼ of 1% for each year elapsed fro July 31, 1930 up to maturity.

Maintenance and Sinking Fund—The Deed Trust provides for a maintenance and sinking fun under the terms of which the company and its subsidiaries shall expend not less than 12½% of the gross operating revenues from electric, gas and wat business on maintenanace, retirement of division bonds and bonds issued under this mortgage and a ditions and betterments against which no bonds ma be issued, and further provides that, from such fund amount, annually, equal to 1¼% of such gross operating revenue or 1% of the principal amount of Series "A" bonds at the time outstanding, whichever less, shall be used for the purchase and retireme of Series "A" bonds at not exceeding the redemptio price.

Security—Secured by a direct first mortgage certain electric power and light and gas properti valued at $18,209,385 and a direct mortgage, subje to $3,206,500 divisional bonds, on remaining properti valued at $10,777,230. Further secured by deposit all the bonds and stock of Lakewood Water Compan valued at $1,197,953.

The Deed of Trust contains provisions permittin the modification or alteration thereof, or of any su plemental indenture with the assent of the Com pany and of the holders of not less than 75% aggregate principal amount of the outstanding Bond not including any bonds owned by the Company provided amongst other conditions that any su modification or alteration shall not permit (a) th extension of the maturity of any bond, or the r duction in the rate of interest thereon or any oth modification in the terms of payment of such princ pal or interest, without the consent of the holder such bond; or (b) the creation by the Company any lien ranking prior to or on a parity with the lie of this First Mortgage and Refunding Deed of Tru with respect to any of the properties mortgaged ther under.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%. Company agrees to refund resident holders, on proper application, for the mi tax in the States of Connecticut, Pennsylvania, Mary land, and District of Columbia at rates not exceedin the rates in each case as existing on Aug. 1, 1927, fo the California personal property tax not exceedin four mills per annum, and also for the income ta

ot exceeding 6%, on the interest thereon in the ommonwealth of Massachusetts.

Legal Opinion—Campbell, Harding & Pratt, New ork, (for the bankers) and Chadbourne, Hunt, ieckel & Brown, New York, (for the Company).

Original Offering—First publicly offered ($11,500,-)0 Series "A" 5½s) in March, 1925, at 97½ and in-rest, yielding over 5.70%, by E. H. Rollins & Sons, lyth, Witter & Co., Eastman, Dillon & Co. and H. [. Byllesby & Co., Inc., New York, and Federal Se-urities Corp., Chicago; $1,000,000 additional offered i April, 1926, at 97½ and interest, to yield over 5.70% y the same bankers. $3,500,000 additional Series A" 5½s offered in Aug., 1926, at 98 and interest, to eld over 5.65%, by the same bankers; also $2,300,000 eries "B" 5s in Sept., 1927, at 96½ and interest to eld over 5.25%, also by the same bankers.

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED DECEMBER 31
(Jersey Central Power & Light Co. and Subsidiaries)

	1927	1926	1925
ross earnings	$7,178,784	$5,923,543	$4,998,714
per. exp., includ. maint. & local taxes	*4,628,305	3,322,527	2,813,988
Gross income	$2,550,479	$2,601,016	$2,184,726
ond & other int. charges	1,145,425	.....	.....
mortization of bond disc. and expense	113,785	.....	.....
Net income	$1,291,269	.....	.....

*Including retirement appropriation, $345,199.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Jersey Central Power & Light Co. and Subsidiaries)

Assets—	1927	1926
ant & property at reproduction cost new, plus additions at cost	$34,294,102	$30,497,742
ash	358,688	472,390
ccounts receivable	1,005,380	997,571
otes receivable	1,062	.....
ventories	913,031	925,874
repayments	14,421	.....
ue from affiliated cos.	1,689,292	693,089
iscellaneous investments	1,000	1,000
nking funds	343	.....
ecial deposits	2,482	310,348
namortized debt disc. & exp.	1,874,403	1,713,077
iscellaneous deferred debits	26,189	86,426
ommission & expense on Capital stock	46,293	.....
Total	$40,226,686	$35,697,517
Liabilities—		
mmon stock	$1,928,000	$1,237,100
% Preferred stock	7,100,000	7,100,000
% Preferred stock	503,000	.....
ayment on 6% Pfd. stk. subscriptions	57,739	.....
nded debt	23,439,500	20,156,500
otes payable	823,500	1,173,500
ccounts payable	175,308	358,564
nsumers' & line extension deposits	528,890	497,283
terest accrued	479,731	562,525
iscell. accrued liabilities	38,171	
etirement reserve	3,211,951	3,275,015
ther reserves	469,641	176,078
rplus	1,471,255	1,260,952
Total	$40,226,686	$35,697,517

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. . Zeigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns, -P., Maplewood, N. J.; P. B. Shaw, V-P., Summit, . J.; T. R. Crumley, V-P., Asbury Park, N. J.; W. . Porter, Special V-P.; Hollis, N. Y.; W. W. Bell, ec. & Asst. Treas., Forest Hills, N. Y.; R. L. Hook, sst. Sec., New York; L. H. Fetter, Asst. Sec. & Asst. reas., Asbury Park, N. J.

Directors: W. W. Bell, Forest Hills, N. Y.; A. E. Burns, Maplewood, N. J.; T. R. Crumley, Asbury Park, N. J.; Martin J. Insull, Chicago, Ill.; Leo Loeb, Upper Montclair, N. J.; J. P. Mailler, Madison, N. J.; Harry Reid, Bronxville, N. Y.; P. B. Shaw, Summit, N. J.; C. B. Zeigler, Teaneck, N. J.

General Office, Asbury Park, N. J. **New York Office,** 57 William Street.

KENNETT GAS COMPANY

(Controlled by National Public Service Corporation)

History—Incorporated July 11, 1905, in Pa.; reorganized Dec. 7, 1907. Franchise perpetual. Supplies Kennett Square, Avondale, West Grove and Toughkenamon, Pa.; population served, 8,000. Output in 1927, 23,880,000 cu. ft. Miles of mains, 16, serving 641 consumers. Gas holder capacity, 450,000 cu. ft.

CAPITAL STOCK

Authorized and issued, $100,000; par, $50. All owned by National Public Service Corporation. Annul meeting, first Monday in May, at Kennett Square. Pa. No dividends paid.

FUNDED DEBT

$80,000 First Gold 5s; issued in 1908; int. Feb. and Aug. 1, at Farmers & Mechanics' Trust Co., West Chester, Pa., Trustee. Authorized and issued, $80,000 all owned by National Public Service Corp. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$46,413	$33,301	$34,178
Oper. exp., maint., taxes & retirement appropriation.	35,827	28,921	25,554
Net earnings	$10,586	$4,380	$8,624
Bond interest	13,610	12,552	3,999
Other interest			8,048
Total charges	$13,610	$12,552	$12,047
Deficit for year	$3,024	$8,172	$3,423

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and property	$278,206	$248,432	$240,409
Materials and supplies	7,236	6,310	5,777
Cash	2,490	3,927	8,965
Accounts receivable	7,603	6,136	4,495
Prepayments	47	176	149
Miscellaneous investments	100	.....	.....
Corporate deficit	135,014	158,069	150,552
Total	$430,696	$423,050	$410,347
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	80,000	80,000	80,000
Due to affiliated cos.	239,285	133,947	217,596
Accounts payable	1,576	3,588	2,831
Accrued taxes, etc.	1,278	68,505	.....
Inter-company liabilities	.....	28,130	.....
Due meter depositors	758	519	725
Reserves	7,798	8,361	9,195
Total	$430,696	$423,050	$410,347

Officers: J. H. Shearer, Pres.; F. P. Duggan, V-P.; M. A. Miller, Sec. & Treas., Altoona, Pa.

Directors: F. P. Duggan, M. A. Miller, J. H. Shearer, J. E. Shute, Altoona, Pa.; W. H. Rudisill, Coatesville, Pa.

Offices, Kennett Square, Pa., and 57 William St., New York.

MUNICIPAL SERVICE COMPANY

(Controlled by National Public Service Corp.)

History—Incorporated Feb. 14, 1912, in Maine, as a olding company. Owns or controls local operating public utility companies, serving with electric light and power, gas, ice, railway, bus or steam in 304 com-

MUNICIPAL SERVICE COMPANY, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

munities in Pennsylvania, Maryland, Delaware, Virginia, Ohio and Georgia, as follows:

Chester Valley Electric Co.
Citizens Traction Co. and subsidiaries
Georgia Power and Light Co.
Glen Rock Electric Light and Power Co. and subsidiaries.
Titusville Light and Power Co.
York Railways Co. and subsidiaries
Youngstown and Suburban Railway Co. and subsidiaries
Keystone Public Service Corporation and subsidiaries

Properties—The electric light and power properties comprise electric generating stations with an aggregate installed capacity of 37,910 k.w. The Company also has contracts for the purchase of power adequate to meet increasing demands. Electric light and power are furnished without competition to a population estimated to exceed 1,079,000.

OPERATING STATISTICS, YEAR ENDED DECEMBER 31, 1927

Electric customers	62,086
Electric output (k.w.h.)	141,835,582
Gas output (cu. ft.)	40,499,000
Miles of transmission lines	525
Miles of track	269

Territory Served—In eastern Pennsylvania the group consisting of York Railways Co., and subsidiaries and the Glen Rock Electric Light & Power Co., furnishes the steam heating and electric light and power business to the city of York and several of the adjacent boroughs. These companies have valuable contracts for street and highway lighting. The York Railways Co. also owns and operates the local street railway lines in the City of York and the interurban lines to other towns in the vicinity.

Adjacent to the city of Philadelphia, the Chester Valley Electric Co. serves with electric light and power Coatesville, Downington, Parkesburg, Pomeroy and other communities. The Company has satisfactory street lighting contracts, covering the entire territory served.

The Keystone Public Service Corporation operates, through subsidiaries, the street railway and bus lines in and around Scranton and Altoona, the gas business in Carbondale, Pa., and the electric power and light and the steam heating business in Tyrone, Pa.

In western Pennsylvania, the Citizens Light and Power Co., the Titusville Light & Power Co., and The Citizens Traction Co. furnish electricity for light, heat and power in Titusville, Pleasantville, Oil City and Franklin, Pa., and the boroughs and towns of Reno, Siverly, Rouseville and West End. Street railway lines are operated in Oil City, Siverly and West End Boroughs and a bus line between Oil City and Franklin, and in Franklin.

In Ohio, The Youngstown and Suburban Railway Co. operates an electric interurban high-speed passenger and freight service between Youngstown and Leetonia, providing connections with other interurban roads and the Pennsylvania Railroad. It also operates bus lines under the corporate name of the Youngstown & Suburban Transportation Co. and Youngstown & Suburban Tourist Lines, Inc., and Columbiana Bus Co.

In Georgia the Georgia Power and Light Co. serves Valdosta, Waycross and vicinities with electric light, power and ice.

Control and Management—The National Public Service Corp. owns over 99% of the Common stock. The management of the Company is under the supervision of the Electric Management and Engineering Corp., 57 William St., New York.

CAPITAL STOCK

Authorized, 100,000 shares no par value Common, and $5,000,000 6% cumulative Pfd.; par, $100; outstanding, Dec. 31, 1927, 73,500 shares Common and $4,428,300 Pfd. Of the issued Pfd. stock $552,400 is entitled to additional dividends of 2½% per annum until Nov. 1, 1931. Pfd. stock has preference for assets and dividends.

Transfer Agent—Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia

Annual Meeting—First Monday in October, at Poland, Me.

Dividends—Full Pfd. dividends are regularly paid quarterly, F, M, A & N 1, by check.

FUNDED DEBT

(1)

$4,428,300 FIRST LIEN COLLATERAL TRUST GOLD 5s; DUE MARCH 1, 1942

Dated March 1, 1917.

Interest Payable March and September 1, at Merchants National Bank, Boston, and Fidelity-Philadelphia Trust Co., Philadelphia.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized, $20,000,000; issued and outstanding, $4,428,300. Additional bonds may be issued only for acquiring and placing under the mortgage at least an equal amount of the mortgage bonds of the subsidiaries now outstanding, or further, at the rate of 85% for those issued by subsidiaries for further construction in the future but under stringent earning requirements.

Callability—Subject to call in whole or in part at 103 and interest on any interest date.

Sinking Fund—Sinking fund, from March 1, 1918 to and including 1924, a sum equal to 6%, and annually thereafter up to and including the year 1941, a sum equal to 5% of the aggregate net earnings applicable to interest, renewal reserve, dividends and surplus of subsidiaries less sinking funds paid by subsidiaries. Bonds are redeemable through sinking fund at 103 and interest.

Security—Secured by pledge of mortgage bonds of the subsidiary companies and substantially all the capital stocks of these companies. No securities of any kind hereafter issued by the present subsidiary companies can be disposed of except to the Municipal Service Co. There were $16,664,500 bonds of subsidiary companies outstanding in hands of the public as of Dec. 31, 1927.

Dividends can only be paid by subsidiaries after providing for renewal reserve of 7½% of gross earnings of railway properties and 5% of gross earnings of other properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

(2)

$5,422,000 THIRTY-YEAR SINKING FUND COLLATERAL TRUST GOLD 6s, SERIES "A"; DUE FEBRUARY 1, 1956

Dated February 1, 1926.

Interest Payable February and August 1 in New York or Philadelphia.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issues—(Authorized amount, unlimited). Issued $5,500,000 Series "A"; outstanding Dec. 31, 1927, $5,422,000. Additional bonds may be issued under conservative restrictions.

The Trust Indenture will contain provisions permitting the modification or alteration thereof, or of any supplemental indenture, with the assent of the Company and of the holders of not less than 75% in aggregate principal amount of the outstanding bonds not including any bonds owned by the Company; provided among other conditions that any such modification or alteration shall not permit (a) the extension of the maturity of any bond, or the reduction in the rate of interest thereon, or any other modification in the terms of payment of such principal or interest without the consent of the holder of such bond; or (b

ıe creation by the Company of any lien ranking prior ɔ or on a parity with the lien of this Indenture with ɛspect to any of the securities pledged thereunder.

Callability—Subject to call as a whole or in part, ın the first day of any month, on 30 days' notice, at)5 and interest, premium reducing ¼ of 1% for each ɛar elapsed from Jan. 31, 1936 to maturity.

Sinking Fund—A sinking fund of $202,500 is pro-ɔded payable semi-annually to the Trustee beginning eb. 1, 1927. The balance remaining after the pay-ent of interest on outstanding bonds of this issue ust be used for the purpose of sinking fund for the ɛtirement of bonds, which, it is estimated, will retire ıis entire issue on or before maturity. Additional sues of bonds with a maturity of 5 years or more will ave a sinking fund sufficient to retire the entire issue ı or before maturity.

Security—Bonds are a direct obligation of Company, ɛcured by a direct first lien upon the entire Common ock of Keystone Public Service Corp. and all stock York Rys. Co. owned by Municipal Service Co. hey are further secured by a secondary lien on the ɔnds and stocks of other subsidiary companies edged and deposited under the Collateral Trust 5% ɔnd agreement of the Company, subject to the lien ıereof.

Tax Provisions—Company pays Normal Federal ıcome Tax up to 2%. The personal property tax of ıe States of Connecticut, Pennsylvania and California ɔt exceeding 4 mills, per annum, of the State of Mary-ınd not exceeding 4½ mills per annum, and of the ıistrict of Columbia not exceeding 5 mills per annum ıd for the Massachusetts Income Tax on the interest ɔt exceeding 6% of such interest per annum, refunded ɔon application.

Original Offering—First publicly offered ($5,500,000 ɛries "A" 6s) in March, 1926, by E. H. Rollins & ɔns, Blyth, Witter & Co., H. M. Byllesby & Co., Inc., Howe, Snow & Bertles, Inc., and Eastman, Dillon & Co., New York, etc., at 96 and interest, to yield about 6.30%.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Municipal Service Co. and Subsidiaries)

	1927	1926	1925
Gross earnings from operations and other income..	$10,245,718	$10,660,522	$10,166,694
Operating exp., incl. maintenance and taxes	6,659,997	6,956,195	6,536,923
Retirement appropriation ..	452,534	573,099	.....
Net earnings	$3,133,187	$3,131,228	$3,629,772
Bond and other interest charges paid or accruing to outside holders	1,053,318		
Amortization of debt discount and expense	105,970	1,250,111	.....
Dividends on stock & proportion of undistributed earnings to outside holders	84,777		
Total.....	$1,244,065	$1,250,111	.....
Balance available for interest & dividends on Municipal Service Co. securities	$1,889,122	$1,881,117	.....
Interest charges on Municipal Service Co. 1st Lien Coll. Trust 5s	222,166	553,725	.....
On 30-Yr. 6% Coll. Trust bonds	326,894		
Balance available for dividends on Municipal Service Co. Pfd. & Common stocks	$1,340,062	$1,327,392	.....
Dividends paid on Municipal Service Co. Pfd. stock	198,123	224,190	.....
Balance available for dividends on Municipal Service Co. Com. stock	$1,141,939	$1,103,202	.....
Times Bond Int. Earned...	3.44	3.39	.....

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Municipal Service Co. and Subsidiaries)

Assets—	1927	1926	1925	1924	1923	1922
ant and property at reproduction new, per ap-praisals, plus additions at cost	$53,868,479	$56,766,256	$52,343,974	$20,789,909	$19,057,825	$10,237,539
arketable securities	7,329	.....	.....	.....	294,870	.....
sh	594,087	676,340	425,765	466,085	370,824	117,827
ecial cash deposits	31,856	481,642	.....	85,935	76,231	64,751
counts receivable	647,667	865,632	1,136,793	489,459	391,941	374,144
aterials and supplies	714,308	890,784	644,257	471,515	494,614	240,465
crued interest receivable	580	.....	.....	.....	.....	.....
tes receivable	4,282	.....	.....	.....	.....	.....
epayments	35,654	.....	.....	.....	.....	.....
ıe from affiliated companies	154,750	.....	.....	.....	.....	.....
scellaneous investments	105,676	131,679	124,134	.....	.....	.....
ıking funds	11,850	.....	.....	.....	.....	.....
her current assets	.....	.....	228,897	.....	.....	.....
ıamortized discounts, etc.	1,610,149	2,238,982	.....	1,187,587	1,042,861	1,078,054
her deferred items	159,301	96,748				
mmissions & expense on capital stocks.....	166,562	.....	.....	.....	.....	.....
Total	$58,112,530	$62,148,063	$54,903,820	$23,490,490	$21,729,166	$12,112,780
Liabilities—						
mmon stock	$2,685,000	$2,891,700	$2,685,000	$1,200,000	$1,000,000	$810,000
eferred stock	3,969,000	5,841,010	3,108,100	2,932,800	2,909,200	2,379,033
ck of sub. in hands of public	1,609,000		1,814,250	1,814,600	1,900,850	25,800
yments on 6% Pfd. stock subscription	37,463	.....	.....	.....	.....	.....
mmon stock equity of sub. cos.	95,950	.....	.....	.....	.....	.....
llateral trust bonds	9,850,300	9,974,500	4,527,700	4,514,700	3,868,500	4,014,000
upon notes	.....	.....	3,550,000	1,025,000	678,000	1,240,000
nds of sub. cos. in hands of public	17,965,000	20,965,000	19,322,825	6,535,000	6,474,000	1,619,500
her capital	.....	.....	673,000	45,034	2,198	6,555
posits, tickets, etc.	127,731	80,953	213,081	.....	.....	.....
tes payable	1,295,000	1,077,000	75,000	686,343	210,000	260,000
counts payable	520,087	719,783	643,120		473,260	436,027
crued interest, taxes, etc.	581,626	931,947	635,695	423,295	390,814	214,265
e to affiliated cos.	1,124,436	430,219	.....	.....	.....	.....
serves	7,218,599	7,448,824	6,747,205	2,594,200	2,199,114	706,742
rplus	11,032,838	11,787,126	10,908,844	1,716,518	1,623,230	400,857
Total	$58,112,530	$62,148,063	$54,903,820	$23,490,490	$21,729,166	$12,112,780

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. B. ɛigler, V-P. & Treas.; Teaneck, N. J.; A. E. Burns, P., Maplewood, N. J.; J. H. Shearer, V-P., Altoona, .; W. W. Bell, Sec. & Asst. Treas., Forest Hills, Y.; W. R. Porter, Special V-P., Hollis, N. Y.; L. Hook, Asst. Sec., New York; M. A. Miller, Asst. ɔ; & Asst. Treas., Altoona, Pa.

Directors: W. W. Bell, Forest Hills, N. Y.; A. E. Burns, Maplewood, N. J.; Leo Loeb, Upper Montclair, N. J.; Harry Reid, Brownville, N. Y.; P. B. Shaw, Summit, N. J.; J. H. Shearer, Altoona, Pa.; C. B. Zeigler, Teaneck, N. J.

General Office, 57 William St., New York.

CHESTER VALLEY ELECTRIC COMPANY

(Controlled by Municipal Service Co.)

History—Incorporated January 19, 1911 in Pennsylvania; leased and purchased a number of electric light and power plants in Chester County, including Chester Valley Electric Light, Heat & Power Co., Coatesville Electric Light, Heat & Power Co., Consumers Electric Light, Heat & Power Co. and Parkesburg Electric Light, Heat & Power Co. Company has perpetual franchises and satisfactory street lighting contracts. Population supplied about 48,000 comprising Coatesville, Downingtown, Pomeroy and Parkesburg, Pa. Operates a large central power plant in Coatesville, with a total capacity of 3,000 k.w. Under an unlimited franchise, a modern exhaust steam heating plant has been installed in the business district of Coatesville.

Management—Properties are managed and operated by the Electric Management and Engineering Corp., 57 William St., New York.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares Common stock of no par par value. (Changed from $150,000 Common and $100,000 Pfd. in 1924). All owned by Municipal Service Co.

Annual Meeting—Second Wednesday in Jan.

FUNDED DEBT

$1,399,500 REFUNDING (NOW FIRST) MORTGAGE GOLD 6s; DUE MARCH 1, 1942

Dated March 1, 1918.

Interest Payable Mar. & Sept. 1, at The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, Trustee.

Denomination—Coupon, $1,000. Authorized issue, $2,000,000. Secured by first lien on entire property. Muncipal Service Co. owns all of issue. Deposited in trust with Fidelity-Philadelphia Trust Co. as collateral to Municipal Service Co. First Lien 5% Gold bonds.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$939,530	$817,053
Operating expenses, maint. and taxes	634,289	560,795
Retirement appropriation	60,338	56,259
Net earnings	$244,903	$199,999
Bond & other interest charges	74,638	
Amortization of debt disc. and expense	8,033	86,323
Net income	$162,232	$113,676

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property	$2,093,641	$2,151,791
Cash	14,421	19,155
Accounts receivable	160,488	156,840
Materials and supplies	76,654	67,172
Prepayments	1,573	.....
Miscellaneous investments	400	.....
Inter-company assets	.....	210,127
Expenditures applicable to future oper.	.....	6,673
Bond discount and refinancing expense	113,796	121,829
Miscell. deferred debits	37	.....
Total	$2,461,010	$2,733,587
Liabilities—		
Common stock	$250,000	$250,000
Funded debt	1,399,500	1,399,500
Notes payable	.....	38,000
Accounts payable	147,810	158,662
Accrued interest, taxes, etc.	11,458	39,169
Due to affiliated cos.	158,606	.....
Consumers' deposits	11,176	6,706
Reserve for depreciation, etc.	316,039	301,466
Surplus	166,421	540,084
Total	$2,461,010	$2,733,587

Officers: J. H. Shearer, Pres., Altoona, Pa.; W. H. Rudisill, V-P., Coatesville, Pa.; M. A. Miller, Sec. & Treas., Altoona, Pa.

Directors: B. F. Cleaves, F. F. Hennaman, M. A. Miller, J. H. Shearer, J. E. Shute, W. H. Wade, Altoona, Pa.; W. H. Rudisill, Coatesville, Pa.

Offices, 57 William St., New York., and Coatesville, Pa.

THE CITIZENS TRACTION COMPANY OIL CITY, PA.

(Controlled by Municipal Service Co.)

History—Incorporated Nov. 20, 1899, in Pa. Owns and operates the **Citizens Light & Power Co., Citizens Transit Co., the Reno Bridge Co., Big Rock Bridge Co.** and **Monarch Park Hotel Co.** In 1918 the Franklin Electric Co. was merged with the Citizens Light & Power Co. (for latest published statement of Franklin Electric Co. see 1918 Public Utility Manual page 20). The Citizens Light & Power Co. supplies electricity for light, heat and power in Oil City, and Franklin, Pa., and the boroughs and towns of Reno, Siverly, Rouseville and West End, serving a population of over 47,000.

Management—Company is under the supervision of the Electric Management and Engineering Corp., 57 William St., New York.

CAPITAL STOCK

Authorized, $1,000,000 Common and $1,000,000 6% cumulative Pfd.; outstanding, $1,000,000 Common and $600,000 Pfd., par, $50. All owned by Municipal Service Co. and deposited in trust with Fidelity-Philadelphia Trust Co. as collateral to Municipal Service Co. First Lien Collateral Trust 5% Gold bonds. The $400,000 remaining Pfd. is held in treasury of Company. Annual meeting, second Monday in January.

FUNDED DEBT

(1)

$1,257,000 CITIZENS TRACTION CO. (OIL CITY, PA.) FIRST MORTGAGE SINKING FUND GOLD 5s; DUE APRIL 1, 19

Dated April 1, 1912.

Interest Payable April and October 1, at The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Authorized, $2,500,000; mortgage closed.

Callability—Subject to call in whole, on any interest date, on and after April 1, 1917, or in part for sinking fund after July 1, 1918, at 105 and interest upon 60 days' notice.

Sinking Fund—Sinking fund, commenced July 1, 1918 amounts to 1% per annum of outstanding bonds, to be applied to the purchase of these bonds at not over 105 and interest. Bonds so acquired to be cancelled.

Improvement Fund—Improvement fund commenced Jan. 1, 1923, amounts to ½ of 1% semi-annually on outstanding bonds, to be deposited with the Trustee for improvements, etc.

Security—Secured on entire property, and additionally by pledge of the entire capital stock and such bonds as may have been issued from time to time of the Citizens Light & Power Co., 95 shares Monarch Park Hotel Co., 95 shares Reno Bridge Co. and 19 shares Big Rock Bridge Co.,

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,263,000 CITIZENS TRACTION CO. (OIL CITY, PA.) REFUNDING MORTGAGE GOLD 6s; DUE MAY 1, 1942

Dated May 1, 1917.

Interest Payable May and Nov. 1. The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee. Authorized issue, $2,500,000, of which sufficient reserved to retire First Mortgage 5% bonds. All bonds issued under this mortgage are held by Municipal Service Co. and pledged under its First Lien & Collateral Trust, dated March 1, 191

(3)

$806,500 THE CITIZENS LIGHT & POWER CO. REFUNDING MORTGAGE GOLD 6s; DUE OCTOBER 1, 1944

All owned by Municipal Service Co. and deposited in trust with The Pennsylvania Co. for Insurances on Lives and Granting Annuities as collateral to Citizens Traction Co. First 5s.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Citizens Traction Co. and Subsidiaries)

	1927	1926
Gross earnings	$1,187,006	$1,056,234
Operating exp., maint. and taxes	*661,303	542,780
Net earnings	$525,703	$513,454
Interest charges	138,865	147,694
Amort. of debt discount and expense	17,643	.....
Net income	$369,195	$365,761

*Including retirement appropriation, $80,409.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property	$4,544,846	$5,876,092
Special deposits	31,073	26,813
Marketable securities	7,329	22,329
Cash	69,456	58,020
Accounts receivable	105,921	98,607
Materials and supplies	88,240	114,982
Due from affiliated cos.	229,913	396,486
Notes receivable	1,002	.....
Accrued interest receivable	283	.....
Prepayments	2,064	.....
Sinking funds	11,440	.....
Expenditures applicable to future oper.	101,689	135,562
Bond discount expense	167,966	177,371
Total	$5,361,222	$6,906,262
Liabilities—		
Common stock	$1,000,000	$1,000,000
Preferred stock	600,000	600,000
Funded debt	2,520,000	2,531,000
Notes payable	.....	125,000
Accounts payable	28,546	60,160
Accrued interest, taxes, etc.	37,676	69,218
Due to affiliated companies	146,826	30,835
Consumers' deposits	20,841	18,004
Unredeemed coupons and tickets	8,049	.....
Reserve for retirement, etc.	492,892	1,312,731
Surplus	506,392	1,159,313
Total	$5,361,222	$6,906,262

Officers: J. H. Shearer, Pres., Altoona, Pa.; V. A. Redfield, V-P., Oil City, Pa.; M. A. Miller, Sec. & Treas., Altoona, Pa.

Directors: B. F. Cleaves, F. F. Hennaman, J. H. Shearer, J. C. Scholl, J. E. Shute, M. A. Miller, M. H. Parkinson, W. H. Wade, Altoona, Pa.; V. A. Redfield, Oil City, Pa.; Harry Reid, Bronxville, N. Y.; C. B. Zeigler, Teaneck, N. J.

Offices, 57 William St., New York, and Oil City, Pa.

GEORGIA POWER AND LIGHT COMPANY

(Controlled by Municipal Service Co.)

History and Property—Incorporated May 21, 1927, in Georgia, through consolidation of the Valdosta Lighting Company, Ware County Light & Power Company and Bainbridge Ice Co. (see 1927 Public Utility Manual, page 2117). Furnishes without competition, all the electric light and power in the cities of Valdosta and Waycross, Ga., and 28 other communities. It also operates ice plants of an aggregate daily capacity of 295 tons serving 50 communities. Electric plants have a capacity of 6,575 k.w., with 316 miles of high tension transmission lines.

Management—Managed by Electric Management and Engineering Corporation, 57 William St., New York.

CAPITAL STOCK

Authorized, 20,000 shares; outstanding, 15,819 shares; all owned by Municipal Service Company. Annual meeting, third Tuesday in January.

FUNDED DEBT

$3,198,000 First Mortgage 6% Bonds; due June 1, 1947. All owned by Municipal Service Company.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$1,074,343
Operating expenses, maintenance & taxes	783,662
Retirement appropriations	47,698
Net earnings	$242,983
Bond & other interest charges	169,191
Amortization of bond discount & expense	6,507
Net income for the year	$67,285

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and property	$4,755,717
Cash	27,294
Accounts receivable	110,148
Inventories	106,994
Prepayments	12,103
Due from affiliated companies	213
Unamortized debt discount & expense	117,094
Miscellaneous deferred debits	24,634
Total	$5,154,197
Liabilities—	
Common stock (15,819 shares no par)	$1,054,600
Funded debt	3,207,500
Accounts payable	108,643
Consumers' & line extension deposits	27,653
Unredeemed tickets & coupons	503
Accrued liabilities	3,955
Due to affiliated companies	318,322
Retirement reserve	307,499
Other reserves	20,185
Surplus	105,336
Total	$5,154,197

Officers: Harry Reid, Pres., Bronxville, N. Y.; A. E. Burns, V-P., Maplewood, N. J.; C. B. Zeigler, V-P. & Treas., Teaneck, N. J.; H. A. Neil, V-P., Valdosta, Ga.; E. A. Olsen, V-P., St. Petersburg, Fla.; W. W. Bell, Sec. & Asst. Treas., Forest Hills, N. Y.; R. L. Hook, Asst. Sec., New York; W. A. Raybon, Asst. Sec., Valdosta, Ga.; J. G. McClellan, Asst. Sec. & Asst. Treas., St. Petersburg, Fla.

Directors: A. E. Burns, Maplewood, N. J.; Leo Loeb, Upper Montclair, N. J.; Harry Reid, Bronxville, N. Y.; P. B. Shaw, Summit, N. J.; C. B. Zeigler, Teaneck, N. J.

Offices, Valdosta, Ga., St. Petersburg, Fla., and 57 William St., New York.

GLEN ROCK ELECTRIC LIGHT & POWER COMPANY

(Controlled by Municipal Service Co.)

History—Incorporated in Pa., May 2, 1908. Company controls the **Railroad Electric Light & Power Co., Deer Creek Water & Water Power Co., Stewartstown Electric Light Co.,** and **Fawn Light & Power Co.** Supplies the Boroughs of Glen Rock, New Freedom and Stewartstown with electric light and power. Also operates a 10-ton ice plant in Glen Rock.

CAPITAL STOCK

Authorized and outstanding $100,000 Common and $50,000 6% cum. Pfd.; par value, $50. All owned by Municipal Service Co.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Glen Rock Electric Light & Power Co. and Subsidiaries)

	1927	1926	1925
Gross earnings	$190,312	$163,618	$131,078
Oper. exp., maint. & taxes	101,951	88,942	73,257
Retirement appropriation	14,090	13,885	14,208
Net operating revenue	$74,271	$60,791	$43,613
Other income	.....	.....	1,095
Total income	$74,271	$60,791	$44,708
Interest charges	2,676	8,132	2,169
Net income	$71,595	$52,659	$42,539

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Glen Rock Electric Light & Power Co. and Subsidiaries)

Assets—	1927	1926	1925
Plant and property	$456,061	$495,232	$315,455
Miscellaneous investments	.....	1,000	.....
Cash	32,783	19,082	6,512
Accounts receivable	20,883	30,090	17,892
Inventories	6,968	8,139	9,811
Prepayments	189	.....	.....
Due from affiliated cos.	32,707	.....	10,329
Deferred assets	.....	338	637
Total	$549,591	$553,881	$360,636
Liabilities			
Common stock	$100,000	$100,000	$100,000
Preferred stock	50,000	50,000	50,000
Accounts payable	1,662	2,499	76,829
Notes payable	.....	10,000	.....
Accrued taxes	1,779	1,666	768
Due to affiliated cos.	172,552	138,322	.....
Line extension deposits	.....	.....	13,282
Reserves	137,402	66,039	82,855
Surplus	86,196	185,355	36,902
Total	$549,591	$553,881	$360,636

Officers: J. H. Shearer, Pres., Altoona, Pa.; J. E. Wayne, V-P., York, Pa.; M. A. Miller, Sec. & Treas., Altoona, Pa.

Directors: B. F. Cleaves, M. A. Miller, J. H. Shearer, J. E. Shute, Altoona, Pa.; J. E. Wayne, York, Pa.

New York Office, 57 William St.

TITUSVILLE LIGHT & POWER COMPANY

(Controlled by Municipal Service Co.)

History—Incorporated March 9, 1911, in Pa. Supplies the city of Titusville and the borough of Pleasantville, Pa., with electric light and power. Current is received from the Citizens Traction Co's. plant at Oil City, Pa., over high-tension transmission line. This company was formerly under independent control (see 1923 Manual, page 209, or apply to our Information Department), but in Jan., 1924, Municipal Service Co. acquired the entire outstanding capital stock. Population served, Dec. 31, 1927, 12,000.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. All owned by Municipal Service Co. and deposited as Collateral to said company's First Lien 5% Gold bonds. Annual meeting, second Monday in February.

FUNDED DEBT

(1)

$15,000 TITUSVILLE ELECTRIC LIGHT & POWER CO. FIRST MORTGAGE 4s; DUE MARCH 1 1929

Interest Payable March and Sept. 1, at Oil City Trust Co., Oil City, Pa., Trustee. Coupon, $1,000. No sinking fund and bonds cannot be called. A first lien on property. Company does not pay Normal Federal Income Tax.

(2)

$102,000 TITUSVILLE LIGHT & POWER CO. FIRST & REFUNDING MORTGAGE GOLD 5s; DUE MAY 1, 1941

Interest Payable May and Nov. 1, at Colonial Trust Co., Philadelphia, Trustee. Coupon, $1,000. Sinking fund, 1927 to 1930, $3,000 annually; 1931 to 1934, $3,500; 1935 to 1940, $4,000, to purchase bonds at not exceeding 102. Secured by second mortgage on property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$232,155	$194,710
Oper. exp., maint & taxes	124,841	114,970
Retirement appropriation	20,926	18,803
Net earnings	$86,388	$60,937
Interest deductions	8,212	7,235
Amortization of debt discount and exp.	223	.....
Net income	$77,953	$53,702

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property	$417,341	$490,12
Cash	25,621	9,54
Accounts receivable	24,089	26,49
Materials and supplies	5,663	6,81
Due from affiliated cos.	259,953	98,93
Prepayments	148	.....
Special deposits	783	.....
Expenditures applicable to future oper.	.....	2,20
Bond discount & refinancing exp.	2,974	3,16
Total	$736,572	$637,27
Liabilities—		
Common stock	$150,000	$150,00
Funded debt	117,000	117,00
Notes payable	.....	60,00
Accounts payable	1,004	4,68
Accrued interest, taxes, etc.	3,398	4,46
Consumers' deposits	3,032	2,50
Due to affiliated cos.	229,913	.....
Depreciation reserve	141,952	90,77
Other reserves	2,272	2,32
Surplus	88,001	205,52
Total	$736,572	$637,27

Officers: J. H. Shearer, Pres., Altoona, Pa.; V. A. Redfield, V-P., Oil City, Pa.; M. A. Miller, Sec. & Treas., Altoona, Pa.

Directors: B. F. Cleaves, M. A. Miller, J. H. Shearer, W. H. Wade, Altoona, Pa.; V. A. Redfield, Oil City, Pa.

Offices, Titusville, Pa., and 57 William St., New York.

YORK RAILWAYS COMPANY

(Controlled by Municipal Service Co.)

History—Incorporated Nov. 15, 1907, in Pa.; a consolidation of properties of the following companies operating in York and vicinity: York St. Ry. Co., Wrightsville & York St. Ry. Co., York & Dover Electric Ry. Co., York & Dallastown Ry. Co., York Haven St. Ry. Co., Red Lion & Windsor St. Ry. Co. and Hanover & York St. Ry. Co.

Property—Owns the local lines in York and interurban lines to other towns in the vicinity. Length of line, 73.86 miles; second track, 5.28 miles; sidings, 5.47 miles—total 84.61 miles. Gauge, standard. Franchises perpetual. Contracts with the City of York and three adjacent Boroughs, for lighting the streets and highways, expired during 1915 and were renewed in the City of York for ten years, in the Borough of West York for ten years and in the Boroughs of Red Lion and Dallastown for five years. In 1923, new contracts were entered into with the Borough of Wellsville for a period of five years. Population served, approximately 126,000. Connected customers Dec. 31, 1927, 25,972, compared with 24,055 at Dec. 31, 1926; output, 55,183,047 k.w.h., an increase of 20% over previous year.

Owns entire capital stock of York Suburban Land Co., York Steam Heating Co., York Transit Co. and Edison Light & Power Co. The latter company does a majority of the light, heat and power business in York and vicinity (see statement appended). York Transit Co. discontinued bus operations in Nov., 1926, but retained title to busses; certificate only sold.

Power Contract—A new contract was entered into with the York Haven Water & Power Co. at the expiration of the old contract on Sept. 1, 1921, to continue for twelve years until Sept. 1, 1933. This contract provides for the supply of water power from the York Haven Company and the supply of steam power to the York Haven Company at a price based on the cost of fuel. A new contract was entered into with the Pennsylvania Water & Power Co. for ten years from April 1, 1924, for a supply of water power from said company.

Management—Company is under supervision of the Electric Management and Engineering Corp., 57 William St., New York.

CAPITAL STOCK

Authorized, $2,500,000 Com. and $2,000,000 5% cumulative Pfd.; outstanding, $2,500,000 Com. and $1,600,000 Pfd.; par, $50. The Municipal Service Co. owns majority of the outstanding Common stock.

Preferred Stock Provisions—Has preference for assets and dividends.

Transfer Agent (Both Classes)—Fidelity-Philadelphia Trust Co., Philadelphia.

Registrar (Both Classes)—The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Annual Meeting—Second Monday in January.

Listed (Both Classes)—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	42½	38½	38	35⅞	36½	37½	32	32
Low	34¾	34	35	33½	34	31¾	28¾	29
Common—								
High	90	50	65	45½	31½	32	9½	12
Low	bid	bid	46	31	31	9	7	8¼

Dividends—Pfd. dividends have been paid as follows: July, 1911, 1%; Jan. and July, 1912, 2% each; 1913 and 1914, 5% each; 1915, 2½% cash and ½% in scrip (bearing 5% interest and maturing Jan. 1, 1918; paid Jan. 31, 1916); Jan. and July, 1916, 1½% each; Oct. 30, 1916, 1¼%; Jan. 30, 1917, 1¼% and in addition the deferred dividend of 2½% was paid at the same time, being all the accrued and unpaid dividends on the Pfd. stock. Pfd. dividends have been regularly paid quarterly from Oct. 30, 1916 to date; payments J, A, J & O 30 at Bank of North America & Trust Co., Philadelphia.

On Com., initial dividend of 1% paid July 15, 1922; Oct. 15, 1922, to July 15, 1924, incl., at rate of 4% per annum; Oct. 15, 1924 and quarterly to date 1½% each; payments quarterly J, A, J & O 15, at Bank of North America & Trust Co., Philadelphia, Pa. In addition an extra dividend of 25% was paid on Com. on Oct. 15, 1927.

FUNDED DEBT

$4,938,000 FIRST GOLD 5s; DUE DECEMBER 1, 1937

Dated December 2, 1907.

Interest Payable June and December 1, at Brown Bros. & Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guarantee Trust & Safe Deposit Co., Philadelphia, Pa.

Provisions of Issue—Authorized, $10,000,000; issued, $6,116,000 of which $1,178,000 held in treasury of York Railways Co.

Callability—Subject to call on any interest date on four weeks' notice at 110 and interest.

Sinking Fund—None.

Security—Secured by a first lien on entire property and by deposit of stocks owned as specified under history, except York Transit Co. Common stock.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100⅛	96½	95¾	93¼	92	90½	83	83
Low	93½	91¾	92½	86	86	86	83	75

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(York Railways Co. and Subsidiaries)

	1927	1926	1925
Gross income	$2,744,128	$2,460,101	$2,307,072
Operating exp. (including maint. & local taxes)	1,571,722	1,425,006	1,339,492
Net earnings	$1,172,406	$1,035,095	$967,580
Interest on funded debt	246,900		
Other interest	5,565		
Amort. of bond disc. & exp.	5,295	490,191	477,945
Provision for depreciation & retirements	149,743		
Total charges	$407,503	$490,191	$477,945

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31, (Continued):

	1927	1926	1925
Earnings available for dividends & Fed. Inc. taxes.	$764,902	$544,904	$489,635
Preferred dividends	80,000	80,000	80,000
Common dividends	775,000	150,000	150,000
Surplus for year	*$90,097	$314,904	$259,635
Times Fixed Chrgs. Earned	2.87	2.11	2.02
Earnings Per Share (Pfd.)	$23.90	$17.03	$15.30

*Deficit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(York Railways Co. and Subsidiaries)

Assets—	1927	1926	1925
Property plant & equip.	$9,700,857	$9,554,000	$9,341,184
Good will, franchises, etc.	1,356,661	1,356,661	1,356,661
Miscellaneous investments	7,726	5,976	5,976
Cash	178,325	74,432	30,988
Accounts & notes receiv.	1,241,936	1,599,855	1,073,925
Materials & supplies	210,709	182,483	165,251
Prepaid accounts	3,755	3,133	9,642
Unamort. debt disc. & exp.	52,509	57,804	63,098
Total	$12,752,478	$12,834,344	$12,046,726
Liabilities—			
Common stock	$2,500,000	$2,500,000	$2,500,000
Preferred stock	1,600,000	1,600,000	1,600,000
Funded debt	4,938,000	4,938,000	4,938,000
Accounts & notes payable	211,581	236,519	81,724
Accrd. int., taxes., Pfd. divds., etc.	248,765	146,395	119,893
Consumers' deposits	17,744	12,416	7,155
Unredeemed tickets	6,769	11,878	11,884
Reserves	1,863,575	1,789,898	1,554,880
Capital surplus	102,192	102,192	102,192
Earned surplus	1,263,851	1,497,046	1,130,998
Total	$12,752,478	$12,834,344	$12,046,726

Officers: J. H. Shearer, Pres.; J. E. Wayne, V-P. & Gen. Mgr.; M. A. Miller, Sec. & Treas.; W. W. Bell, Asst. Sec. & Asst. Treas.; M. G. Stees. Asst. Sec.; E. A. Barnitz, Asst. Treas.; S. H. Ludwig, Aud.; George S. Schmidt, Gen. Counsel.

Directors: J. H. Shearer, J. E. Shute, B. F. Cleaves, M. A. Miller, W. H. Wade, M. H. Parkinson, Altoona, Pa.; Harry Reid, C. B. Zeigler, New York; J. E. Wayne, York, Pa.

Offices: York, Pa., and 57 William St., New York.

EDISON LIGHT & POWER COMPANY

(Controlled by York Railways Co.)

History—Incorporated May 29, 1913, in Pa.; merger (effective June 1, 1913) of the following companies; Edison Electric Light Co., York & Windsor Electric Light Co., Dover Electric Light Co., Manchester Electric Light Co., Hallam Electric Light Co., Mt. Wolf Electric Light Co., West York Electric Light Co., North York Electric Light Co., Springgarden Township Light, Heat & Power Co., Springetsbury Township Light, Heat & Power Co., Hallam Township Light, Heat & Power Co., Manchester Township Light, Heat & Power Co., East Manchester Township Light, Heat & Power Co., West Manchester Township Light, Heat & Power Co., Dover Township Light, Heat & Power Co., and York Township Light, Heat & Power Co. The following companies operating in the vicinity of York were merged into the Edison Light & Power Co., on June 28, 1915 (effective July 1, 1915); Edison Light & Power Co., Merchants Electric Light, Heat & Power Co., Spring Grove Light, Heat & Power Co., Jackson Township Light, Heat & Power Co., Heidelberg Township Light, Heat & Power Co., Windsor Township Light, Heat & Power Co. and the Lower Windsor Light, Heat & Power Co.

CAPITAL STOCK

Authorized and outstanding $1,301,000; par, $100. All owned by York Rys. Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: J. H. Shearer, Pres.; Altoona, Pa.; J. E. Wayne, V-P., York, Pa.; L. C. Mayer, Engineering V-P.; M. A. Miller, Sec. & Treas., Altoona, Pa.

Directors: B. F. Cleaves, F. F. Hennaman, M. A. Miller, M. H. Parkinson, J. C. Scholl, J. H. Shearer, J. E. Shute, W. H. Wade, Altoona, Pa.; J. E. Wayne, York, Pa.

Office, York, Pa.

THE YOUNGSTOWN & SUBURBAN RAILWAY CO.

(Controlled by Municipal Service Co.)

History and Property—Incorporated in January, 1916, in Ohio, and in Sept., 1916, took over the properties of the Youngstown & Southern Railway

Co. (see Manual for 1916, page 1549, or apply to our Information Department), sold under foreclosure for $650,000. The predecessor Company had been operating since 1903, originally as a steam road, but later extended and operated as an electric road. Company owns the only suburban line running southerly out of Youngstown, and it extends in a general southerly and easterly direction through North Lima and Columbiana, to Leetonia, where connection is made with the Youngstown & Ohio River Ry., and it also connects with the Pennsylvania lines at Youngstown and at Columbiana. Length of line, about 19.57 miles. Sidings, etc, 4.14 miles. Total length line operated, about 23.71 miles. Gauge, standard. Operated by overhead trolley. The road is practically all on private right of way, except for short distance in Youngstown. Also operates busses. Population served, 335,000.

Management—Company is under supervision of the Electric Management and Engineering Corp., 57 William St., New York.

CAPITAL STOCK

Authorized, $750,000 Common and $750,000 6% cumulative Pfd.; outstanding, $350,000 Common and $500,000 Pfd.; par, $100. Practically all of the stock ($342,200 Common and $461,000 Pfd.) is owned by Muncipal Service Co. Of the $500,000 Pfd. stock issued $30,000 is owned by Company. Pfd. stock was non-cumulative for three years to Sept., 1919, and cumulative thereafter.

Transfer Agent—Stock transferred by Company.

Annual Meeting—Last Tuesday in January.

Dividends—No dividends paid.

FUNDED DEBT

$790,500 FIRST MORTGAGE GOLD 5s, DUE SEPTEMBER 1, 1936

Dated Sept. 1, 1916; int. March and Sept. 1, at Guaranty Trust Co., New York, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $1,500,000. Subject to call at 102½ and accrued interest on any interest date. Sinking fund, $5,000 annually, begins Sept. 1, 1919. A first lien on entire property. The Municipal Service Co. owns $577,500 of the outstanding bonds. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—John T. Harrington, of Arrel, Wilson, Harrington & De Ford.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Youngstown & Suburban Ry. Co. and Subsidiaries)

	1927	19
Gross earnings	$325,254	$361
Oper. exp., maint., taxes & deprec.	254,040	266,
Net earnings	$71,214	$94
Interest charges	63,372	85,
Amortization of debt disc. & expense	2,426	2,
Net income	$5,416	$7,

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Youngstown & Suburban Ry. Co. and Subsidiaries)

Assets—	1927	19
Plant and property	$2,018,238	$2,310,
Special deposits	.....	1,
Cash	15,488	24,
Accounts receivable	4,376	.....
Notes receivable	3,280	4,
Materials and supplies	16,815	16,
Accrued interest receivable	134	.....
Prepayments	3,110	.....
Sinking funds	466	.....
Deferred debits	24,030	.....
Other assets	.....	34,
Deficit	153,088	11,
Total	$2,239,025	$2,403,
Liabilities—		
Common stock	$350,000	$350,
Preferred stock	470,000	470,
Funded debt	790,500	798,
Notes & accts. payable	16,074	65,
Consumers' deposits	25	.....
Accrued int., taxes, etc.	8,855	25,
Due to affiliated cos.	400,532	342,
Reserve for depreciation	178,339	320,
Other reserves	24,700	31,
Total	$2,239,025	$2,403,

Officers: J. H. Shearer, Pres.; J. E. Shute, V-P., Altoona, Pa.; Fred Todd, V-P., Youngstown, Oh. M. A. Miller Sec. & Treas., Altoona, Pa.

Directors: W. H. Barr, C. H. Kennedy, E. Shryock, Fred Todd, Youngstown, Ohio; M. A. Mill, M. H. Parkinson, J. H. Shearer, J. E. Shute, W. Wade, Altoona, Pa.

Offices, Youngstown, Ohio, and 57 William St., New York.

KEYSTONE PUBLIC SERVICE CORPORATION

(Controlled by Municipal Service Company)

History—Incorporated in March, 1925, in Delaware and controls the following companies: Scranton Railway Company, Altoona & Logan Valley Electric Ry. Co., Carbondale Gas Company, **Scranton Bus Company, Logan Valley Bus Company, Logan Light & Power Co.,** and **Home Electric Light & Steam Heating Co.** Company furnishes street railway and bus transportation service to 33 communities surrounding Scranton, Altoona, Dunmore and Pittston, Pa.; gas service to Carbondale, Pa., and electricity and steam heat service to Tyrone, Pa. At Dec. 31, 1927, there were 132 miles of street railways. Electric plant capacity, 5,500 k.w.h.; gas plant capacity, 600,000 cu. ft.

Management—Company is under the supervisi and management of the Electric Management a Engineering Corporation, 57 William St., New Yo

CAPITAL STOCK

Authorized and outstanding, 25,000 shares of par value. All owned by Municipal Service Company

FUNDED DEBT

None.

Officers: Harry Reid, Pres.; A. E. Burns, V-P.; B. Zeigler, V-P. & Treas.; W. W. Bell, Sec.

Directors: A. E. Burns, Harry Reid, C. B. Zeigl

General Office, 57 William St., New York.

ALTOONA & LOGAN VALLEY ELECTRIC RAILWAY COMPANY

(Controlled by Keystone Public Service Corp.)

History and Property—Incorporated Aug. 5, 1903, in Pa.; consolidation of the Altoona & Logan Valley Electric Ry. Co., the City Passenger Ry. Co. of Altoona, and the Tyrone Electric Ry. Co. Owns all the $65,000 stock of the **Lakemont Park Co.** and $58,000 of the $59,000 stock of the **Home Electric Light & Steam Heating Co.,** of Tyrone and leases its property for 99 years from July 1, 1903, at guaranteed rental of 6% on stock. Early in 1912, acquired the **Logan Light & Power Co.,** which is operated in conjunction with the Home Electric Light & Steam Heating Co. of Tyrone. **Has exclusive right to operate a double-**track road from Hollidaysburg to Altoona, and fro Altoona to Tyrone. Length of line, 42.93 miles; tot track, 55 miles. Gauge, 5 ft. 3 in. Cars, 124. Pow station, 1.

Management—The Company is under the supe vision of the Electric Management and Engineeri Corp., 57 William St., New York.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $ All owned by Keystone Public Service Corp. Annu meeting, third Tuesday in March.

FUNDED DEBT

(1)

$43,000 LOGAN LIGHT & POWER CO. FIRST 5s

Interest Payable April and Oct. 1, at Bank of North America & Trust Co., Philadelphia. Authorized issue, $50,000. Guaranteed principal and interest by Altoona & Logan Valley Electric Ry. Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,000,000 ALTOONA & LOGAN VALLEY ELECTRIC RY. CONSOLIDATED (NOW FIRST) GOLD 4½s; DUE AUGUST 5, 1933

Dated August 15, 1903.

Interest Payable February and August 15, at Continental-Equitable Title & Trust Co., Philadelphia, Trustee. Coupon and registered $500 and $1,000. Guaranteed, principal and interest, by endorsement by The American Rys. Co. (now American Electric Power Co.). In 1925 this guarantee was assumed by National Public Service Corp. Secured by first lien on entire property owned, and additionally by pledge of $54,000 stock of the Home Electric Light & Steam Heating Co. Authorized, $4,000,000; mortgage closed. Listed on Philadelphia Stock Exchange. First publicly offered in 1907, at 97½ and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including Home Electric Light & Steam Heating Co.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,322,296	$1,386,822	$1,187,850	$1,421,916	$1,425,537	$1,310,307
Operating expenses and taxes	868,181	915,954	935,558	960,577	914,534	923,026
Depreciation	36,148	.....	.....	64,584	47,593	35,100
Net earnings	$417,967	$470,868	$252,292	$396,755	$463,410	$352,181
Other income	.....	.....	307,982	64,718	6,422	3,522
Total income	$417,967	$470,868	$560,274	$461,473	$469,832	$355,703
Bond and other interest	$226,810	$197,004	$182,162	$183,886	$182,150	$173,465
Amortization of debt discount and expense	12,142	28,248	41,863	24,960	20,337	19,560
Total charges	$238,952	$225,252	$224,026	$208,846	$202,487	$193,025
Net income	$179,015	$245,616	$336,248	$252,627	$267,345	$162,678
Times Fixed Charges Earned	1.75	2.09	2.50	2.21	2.32	1.84

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Altoona & Logan Valley Electric Ry. Co. and Subsidiary)

Assets—		Liabilities—	
Plant and property	$6,794,971	Common stock	$1,500,000
Cash	48,736	Common stock equity of subsidiary	1,075
Accounts receivable	35,541	Funded debt	4,043,000
Material and supplies	90,936	Notes payable	255,667
Prepayments	2,484	Accounts payable	44,200
Due from affiliated companies	175,373	Consumers' and line extension deposits	6,520
Miscellaneous investments	89,870	Unredeemed tickets and coupons	5,599
Unamortized debt discount and expense	64,924	Accrued liabilities	88,683
Miscellaneous deferred debits	14,576	Due to affiliated companies	896,830
		Retirement reserve	127,859
		Other reserves	52,445
		Surplus	295,533
Total	$7,317,411	Total	$7,317,411

Officers: J. H. Shearer, Pres., Altoona, Pa.; S. S. Kline, V-P., Carbondale, Pa.; M. A. Miller, Sec. & Treas., Altoona, Pa.

Directors: B. F. Cleaves, M. A. Miller, M. H. Parkinson, J. H. Shearer, J. E. Shute, W. H. Wade, Altoona, Pa.; Harry Reid, Bronxville, N. Y.; C. B. Zeigler, Teaneck, N. J.

Offices, Altoona, Pa., and 57 William St., New York.

CARBONDALE GAS COMPANY

(Controlled by Keystone Public Service Corp.)

History—Incorporated April 13, 1859, in Pa. Supplies Carbondale, serving a population of 20,000. No. of customers, 1,535.

Management—The company is under the supervision of the Electric Management and Engineering Corp., 57 William St., New York.

CAPITAL STOCK

Authorized and issued, $100,000; par, $25. All owned by Keystone Public Service Corp. Annual meeting, first Tuesday in March, at Carbondale, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$77,584	$76,519	$67,239
Oper. exp., maint. & taxes	58,516	54,954	64,104
Depreciation	274	.....	.....
Net earnings	$18,793	$21,565	$3,135
Bond & other interest	18,453	12,463	8,268
Net income	$340	$9,102	*$5,133

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Plant & property	$388,504	$386,234	Common stock	$100,000	$100,000
Materials and supplies	6,763	6,269	Funded debt	165,000	165,000
Cash	6,393	4,818	Accounts payable	1,796	3,927
Accounts receivable	12,376	12,498	Interest & taxes accrued	679	1,320
Prepayments	110	.....	Due to affiliated cos.	238,023	229,345
Deferred debits	3,873	4,999	Consumers' & line extension deposits	3,330	2,720
Corporate deficit	91,409	86,914	Reserves	600	†579
Total	$509,428	$501,732	Total	$509,428	$501,732

†Credit.

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. B. Zeigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns, V-P., Maplewood, N. J.; J. H. Julian, Jr., V-P., Carbondale, Pa.; W. W. Bell, Sec. & Asst. Treas., Forest Hills, N. Y.; R. L. Hook, Asst. Sec., New York; C. E. Gamble, Asst. Sec. & Asst. Treas., Scranton, Pa.

Directors: A. E. Burns, Maplewood, N. J.; Harry Reid, Bronxville, N. Y.; J. H. Shearer, J. E. Shute, Altoona, Pa.; C. B. Zeigler, Teaneck, N. J.

Offices, Carbondale, Pa., and 57 William St., New York.

SCRANTON RAILWAY COMPANY

(Controlled by Keystone Public Service Corp.)

History and Property—Incorporated Dec. 26, 1896, in Pa.; consolidation of Valley Passenger Ry., the Scranton Passenger Ry., Dunmore St. Ry., the Scranton Suburban Ry. and the Scranton Ry. In 1910 absorbed the Pittston & Scranton St. Ry. Co., the Carbondale Ry. Co., and the Olyphant & Winton St. Ry. Co., and in 1911, the Lackawanna Valley Traction Co., the Scranton & Carbondale Traction Co., the Scranton Traction Co. and the Scranton & Pittston Traction Co. Franchises are perpetual. Length of line owned, 77 miles. Gauge, standard.

Valuation Upheld—The Pennsylvania Supreme Court, at Scranton, on April 17, 1923, upheld the ruling of the Pennsylvania Public Service Comm. in placing a valuation of $9,000,000 on the property of Company as a basis for 8c fares.

Management—Company is under supervision of the Electric Management and Engineering Corp., 57 William St., New York.

CAPITAL STOCK

Authorized, $4,500,000; outstanding, $2,000,000; par, $50. In addition to the $2,000,000 outstanding stock $60,200 is held in treasury of company. Registrar: Provident Trust Co., Philadelphia. The Keystone Public Service Corp. owns $1,999,350 of the stock. Annual meeting, third Tuesday in March.

FUNDED DEBT

(1)

$150,000 (ENTIRE ISSUE) CARBONDALE TRACTION CO. FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1942 (EXTENDED FROM JULY 1, 1922)

Dated July 1, 1892.

Interest Payable January and July 1, at Central Union Trust Co., New York, Trustee. Coupon and registered, $500 and $1,000; coupon bonds may be registered as to principal. Sinking fund of $2,500 per annum from July 1, 1895, but bonds cannot be called. A first lien on 16.06 miles of former Carbondale Traction Co. Assumed by Scranton Ry. Co., and retirement provided for by that company's First & Refunding 5s of 1947. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,000,000 (ENTIRE ISSUE) SCRANTON TRACTION CO. FIRST MORTGAGE GOLD 6s; DUE NOVEMBER 1, 1932

Dated November 1, 1892.

Interest Payable May and Nov. 1, at Integrity Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized and outstanding, $1,000,000. Assumed by Scranton Ry. Co. A first lien on property of former Scranton Traction Co. Retirement provided for by Scranton Ry. Co. First & Refunding of 5s of 1947. Company pays Normal Federal Income Tax up to 2%.

(3)

$150,000 SCRANTON & CARBONDALE TRACTION CO. FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1938 (EXTENDED FROM JAN. 1, 1923)

Dated April 1, 1893.

Interest Payable January and July 1, at Lackawanna Trust & Safe Deposit Co., Scranton, Pa., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $1,000,000, but mortgage now closed. Of the $150,000 outstanding $131,000 are owned by National Public Service Corp. and in its treasury. Assumed by Scranton Ry. Co. A first lien on five miles of road, Scranton to Archbald, Pa. Retirement provided for by Scranton Ry. Co. First & Refunding 5s of 1947. Listed on Philadelphia Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

(4)

$800,000 (ENTIRE ISSUE) CARBONDALE RY. GENERAL MORTGAGE GOLD 5s; DUE JANUARY 1, 1933

Dated December 1, 1909.

Interest Payable January and July 1, at Provident Trust Co., Philadelphia, Pa., Trustee. Coupon, $1,000. Subject to call on any interest date at 105 and accrued interest. Secured by mortgage on the line connecting Scranton with Carbondale and Forest City on the north, and Pittston and Duryea on the south, aggregating some 35 miles, and guaranteed, principal and interest, by Scranton Ry. Co., which has assumed the bonds. Retirement provided for by Scranton Ry. Co. First & Refunding 5s of 1947. First publicly offered ($800,000) in Dec., 1911, at 96 and interest. Company pays Normal Federal Income Tax up to 2%.

(5)

$1,100,000 SCRANTON RY. CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1932

Dated January 1, 1897.

Interest Payable January and July 1, at company office and at Integrity Trust Co., Philadelphia. Coupon, $1,000; principal may be registered. New York Trust Co., Trustee. Authorized, $3,500,000. Secured by consolidated lien upon the property owned at the time of the mortgage. Retirement is provided for by Scranton Ry. Co. First & Refunding 5s of 1947. Listed on Philadelphia Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

(6)

$4,095,000 SCRANTON RY. CO. FIRST & REFUNDING GOLD 5s; DUE FEBRUARY 1, 1947

Dated February 1, 1917.

Interest Payable February and August 1, at Integrity Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $15,000,000, of which sufficient are reserved for underlying bonds and the remainder for improvement under guarded restrictions. Of the $4,195,000 bonds issued, $1,000,000 are owned by National Public Service Corp. and deposited under Collateral Trust bonds, $100,000 are in treasury of Scranton Ry. Co. and $14,000 are owned by Home Electric Light & Steam Heating Co. Subject to call at 102½ and interest on any interest date. Guaranteed, principal and interest, by endorsement by The American Rys. Co. (now American Electric Power Co.) Secured on entire property subject to $4,300,000 prior liens, which by terms of the mortgage cannot be extended but are to be paid as they mature. First publicly offered ($2,500,000) in February, 1917, at 94 and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,092,046	$2,216,136	$2,278,720	$2,352,823	$2,439,419	$2,283,41
Operating expenses, maintenance and taxes	1,510,836	1,648,762	1,785,687	1,761,935	1,816,022	1,778,20
Depreciation	49,773	66,224	*	94,334	78,820	53,44
Net earnings	$531,437	$501,150	$493,033	$496,554	$544,577	$451,77
Other income	.....	19,879	4,086	270	377	14
Total income	$531,437	$521,029	$497,119	$496,824	$544,954	$451,91
Interest charges	$450,454	$427,951	$402,045	$433,124	$427,420	$426,90
Other deductions	20,011	22,555	31,041	37,246	35,983	33,98
Total charges	$470,465	$450,506	$433,086	$470,370	$463,403	$460,89
Net income	$60,972	$70,523	$64,033	$26,454	$81,551	†$8,98
Times Interest Earned	1.13	1.21	1.16	1.06	1.19	0.9
Earnings Per Share	$1.52	$1.76	$1.66	$0.66	$2.04	Ni

*Depreciation included with operating expenses. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant and property	$10,885,506	$13,784,370	$9,815,167	$9,531,630	$9,436,819	$9,317,335
Other investments	24,180	33,361	319,925	33,111	32,361	32,361
Materials and supplies	102,059	86,366	116,217	114,923	131,789	125,958
Cash	75,484	64,619	89,736	43,915	32,036	41,016
Notes receivable	.....	.....	.....	.....	3,573	1,000
Accounts receivable	18,537	19,933	17,159	11,477	16,739	33,261
Prepayments	4,936	.....	.....	.....	.....	.....
Due from affiliated cos.	2,434	.....	.....	.....	.....	.....
Other current assets	.....	220,460	134,250	.....	1,970	450
Unadjusted debits	.....	.....	397,467	146,067	88,047	120,600
Deferred debit items	11,426	11,821	.....	20,723	11,212	27,559
Discount on funded debt	342,605	362,616	.....	414,443	446,936	402,879
Total	$11,467,157	$14,583,006	$10,889,921	$10,316,289	$10,201,482	$10,102,419
Liabilities—						
Common stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Funded debt	7,753,690	7,777,490	7,884,722	7,395,000	7,395,000	7,395,500
Due affiliated companies	1,170,472	714,780	458,689	518,579	387,088	305,893
Notes payable	11,900	.....	.....	.....	.....	.....
Accounts payable	73,017	114,414	80,098	80,710	103,916	125,838
Unredeemed tickets and coupons	10,468	.....	.....	.....	.....	.....
Interest accrued	88,400	153,397	141,948	86,694	87,562	84,932
Other current liabilities	.....	65,205	8,920	7,547	6,940	3,997
Reserve for taxes	12,727	.....	32,745	51,896	46,978	48,555
Miscellaneous accrued liabilities	4,523	.....	.....	.....	.....	.....
Unadjusted credits	.....	.....	55,491	54,395	39,316	27,360
Deferred credit items	.....	.....	.....	.....	.....	13,083
Reserve for depreciation	51,077	1,377,812	100,574	92,546	128,436	92,180
Other reserves	91,237	352,601	.....	2,940	853	2,770
Surplus	199,646	2,027,307	126,734	25,982	5,392	2,401
Total	$11,467,157	$14,583,006	$10,889,921	$10,316,289	$10,201,482	$10,102,419

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. B. Zeigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns, V-P., Maplewood, N. J.; P. B. Shaw, V-P., Summit, N. J.; C. A. Brooks, V-P., New York; Henry H. Dartt, Operating V-P., Scranton, Pa.; W. W. Bell, Sec. & Asst. Treas., Forest Hills, N. Y.; R. L. Hook, Asst. Sec.; New York; C. E. Bramble, Asst. Sec. & Asst. Treas., Scranton, Pa.

Directors: A. E. Burns, Maplewood, N. J.; Henry H. Dartt, Scranton, Pa.; Harry Reid, Bronxville, N. Y.; J. H. Shearer, J. E. Shute, Altoona, Pa.; C. B. Zeigler, Teaneck, N. J.; P. B. Shaw, Summit, N. J.

Offices, Scranton, Pa., & 57 William St., New York.

TIDE WATER POWER COMPANY

(Controlled by National Public Service Corporation)

History and Property—Incorporated in Feb., 1907, in N. C., and has acquired through construction and purchase all the property used in furnishing electric light and power, gas and street railway service in Wilmington, N. C. In April, 1917, the Company acquired all the property of the Consolidated Rys., Light & Power Co., formerly controlled by stock ownership and leased (see Manual for 1917, page 2044). In October, 1922, acquired the St. Petersburg Lighting Co., and Clearwater Lighting Co., which companies were merged into the Pinellas County Power Co. in May, 1923. Company also acquired the municipal electric light system in Whiteville and Burgaw, N. C., and the electric and ice property in Chadbourne, N. C.

Company owns and operates, without competition, all the electric light, power, gas and street railway business in Wilmington, N. C., and through 294 miles of 33,000 volt transmission lines, furnishes electric light and power to over 67 communities, serving a population of over 80,000 in New Hanover, Duplin, Pender, New Brunswick and Columbus Counties, N. C.

The electric steam generating station at Wilmington, N. C., has a daily capacity of 11,500 k. w. The gas plant has coal and water gas apparatus of 1,685,000 cu. ft. daily capacity, with high pressure line to Wrightsville Beach, 12 miles, serving intermediate towns. The railway lines comprise 33.43 miles standard gauge track, rail 45 to 87½ pounds T; 50 cars. The company also owns and leases to Atlantic Coast Line RR. Co., until 1935, 1.5 miles of track. During 1924 the railway lines were augmented by automobile bus service.

The franchise rights are without time limit and the railway franchise is exclusive until 1937.

The Company's subsidiary, the Florida Power Corp. (see appended statement), furnishes all the electric light and power service in St. Petersburg, Fla., and through 531 miles of 33,000 and 60,000 volt transmission lines to 73 communities adjacent thereto including Clearwater and Tarpon Springs, serving a population of 175,000 in Pinellas, Pasco, Hernando, Sumter, Citrus, Levy and Marion Counties. The generating plant, located at St. Petersburg, is of 49,155 k.w. capacity, operated by steam. Oil is used as fuel, being delivered direct to this point by tank barges, making a considerable saving in freight rates and operating costs. An ice plant at Tarpon Springs has a daily capacity of 40 tons.

Management—The company is under the supervision of the Electric Management and Engineering Corporation, 57 William St., New York.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	No. Customers Electric	No. Customers Gas	KW Hrs. Generated	Cu. ft. Gas Made
1919	9,003	2,579	15,998,312	98,943,900
1920	10,799	2,832	19,213,894	126,593,400
1921	13,225	2,877	22,287,450	109,998,900
1922	16,051	2,882	24,743,456	117,459,000
1923	18,170	2,843	26,215,448	109,727,100
1924	25,716	2,856	30,846,187	115,477,000
1925	27,225	3,025	46,816,723	127,142,000
1926	35,271	3,154	80,238,213	133,930,000
1927	37,134	3,236	89,202,935	139,397,000

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value, $2,000,000 6½% Series Pfd., par $100, $6,000,000 7% Series Pfd., par $100, and $3,500,000 8% Pfd., par $100; outstanding, 38,563 shares Common; $1,993,300 7% Pfd., and $2,493,000 8% Pfd. There was outstanding Dec. 31, 1927, $2,100 7% Pfd. (old issue). The National Public Service Corp. owns over 99% of the Common stock.

Preferred Stock Provisions—The 7% Series Pfd. and the 8% Pfd. are redeemable on 30 days' notice as a whole or in part at $115 and accrued dividends. The old 7% Pfd. stock is not redeemable. The Company

shall not, without the written consent of the holders of at least two-thirds of outstanding 8% Pfd. stock: (a) increase the authorized amount of 8% Pfd. stock; (b) create any other stock having priority over or on a parity with the 7% or 8% Pfd. stock; (c) pay any dividends in money after the year 1922 upon the Common stock except out of surplus or net earnings earned after Nov. 22, 1922; (d) pay any stock dividends on Common stock if the payment reduces the surplus as shown by its books below $500,000; (e) issue any additional 8% Pfd. stock unless (a) all accrued dividends on both the 7% and 8% Pfd. shall have been paid and (b) unless the net earnings of the Company for a period of twelve calendar months preceding such issuance shall have been at least twice annual dividend requirements on the Pfd. stock; and (f) alter, change or amend in any manner the rights, preferences, designations and voting powers or restrictions or qualifications thereof of the Pfd. stock.

The Pfd. stock has no voting powers except that it shall have full voting rights equally with the holders of the Common stock, if (a) dividends shall be in arrears or (b) there shall have occurred some default in the observance of any of the provisions respecting the same.

Legal Opinion (7% and 8% Series Pfd.)—Chadbourne, Hunt, Jaeckel & Brown, New York, and Thomas W. Davis, Wilmington, N. C.

Transfer Offices—Central Union Trust Co. of New York, and Tide Water Power Co., Wilmington, N. C.

Registrar—Bank of America, New York.

Annual Meeting—Tuesday preceding last Wednesday in April.

Public Offering—$1,500,000 7% Series Pfd. stock was publicly offered in Oct., 1926, at 97½ and dividend by Stroud & Co., Inc., Philadelphia, etc.; and Eastman, Dillon & Co., and A. E. Fitkin & Co., New York, etc.

Dividends—On old 7% Pfd. prior to Jan., 1913, 5% per annum was paid, ½% monthly, omitting January and July. On Jan. 1, 1913, Company began paying 6% per annum (½% each month), which was continued to and including Oct., 1918; the Nov. and Dec., 1918, dividends were omitted, but were paid in May, 1919. 7% per annum paid since March 1, 1919, to date, payable ½% on the first day of each month, and ½% additional on May 1 and Nov. 1. Dividends on the 8% Series Pfd. regularly paid since issuance, payments of 50 cents a share being made the first of each month, except on Feb., May, Aug. and Nov. 1, when $1.00 each a share is paid to make $8 per share per annum.

Dividends on the 7% Series Pfd. regularly paid since issuance, payments 50 cents a share being made the first of each month, except on May and Nov. 1, when $1.00 each is paid to make $7 per share per annum. Dividends are now paid quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$267,950 CONSOLIDATED RYS., LIGHT & POWER CO. FIRST MORTGAGE 5% GOLD BONDS; DUE JULY 1, 1932

Dated July 1, 1902.

Interest Payable January and July 1, at Safe Deposit & Trust Co., Baltimore.

Denominations—Coupon, $50, $100, $500 and $1,000.

Trustee—Safe Deposit & Trust Co., Baltimore.

Provisions of Issue—Authorized and issued, $600,000, of which $332,050 held alive in sinking fund leaving $267,950 outstanding.

Sinking Fund—Sinking fund, 1½% of outstanding bonds until 1924 and 2% annually thereafter to 1932, for the purchase of bonds of this issue, or if not so used against 75% of the cost of additions.

Security—A first lien on property formerly owned by Consolidated Rys., Light & Power Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

(2)

$4,266,500 TIDE WATER POWER CO. FIRST LIEN AND REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1942

Dated October 2, 1922.

Interest Payable April and October 1, at The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; interchangeable and registerable as to principal.

Trustee—The New York Trust Co., New York.

Provisions of Issue—The mortgage authorizes the issue of bonds for an indeterminate amount; outstanding, $12,526,000 ($4,266,500 Series "A" 6s, $2,529,500 Series "B" 5½s, and $5,730,000 Series "C" 5s).

Bonds other than for refunding may be issued only to a principal amount not to exceed 75% of the cost or fair value, whichever is the lesser, of (a) extensions to the existing properties, or (b) other electric light and power or artificial gas properties, and under special restrictions street railway properties associated therewith, acquired in the future, located in the states of North and South Carolina, Virginia, Georgia, Alabama, Tennessee or Florida, as defined and restricted in the mortgage. In no event may further bonds be issued unless the consolidated net earnings as defined in the mortgage are at least twice the interest on the Consolidated Railways, Light & Power Co. bonds and bonds of this issue held by the public, together with those proposed to be issued.

Additional bonds may be issued in series having such interest rates, redemption terms, sinking fund terms, maturity dates, tax refund provisions, etc., as the directors may determine from time to time, as defined in the mortgage.

Callability—Subject to call only for sinking fund at 107½ and interest until Oct. 1, 1927, and thereafter as a whole or in part, at 107½ and interest through April 1, 1928, and at ½ of 1% less during each succeeding year to maturity.

Sinking Fund—An annual cash sinking fund began Dec. 1, 1924, amounting to 1% of all bonds previously certified under the mortgage, is created and operates as long as any of these Series "A" bonds remain outstanding. Payments are to be used for the purchase or redemption of bonds of all series outstanding pro rata at not exceeding the current redemption prices. All bonds so acquired are to be cancelled. In case any later series provides for a larger annual sinking fund payment, the payments for this series shall be correspondingly increased.

Security—Secured by a direct first mortgage on the Wilmington property, subject as to part of it to the Consolidated Rys., Light & Power Co. First (closed) mortgage. Further secured by the direct pledge of all the First (and only) Mortgage bonds of the Florida Power Corp. as well as of its voting control.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Massachusetts State Income Tax not in excess of 6½% and Pennsylvania, Maryland and Connecticut personal property taxes not exceeding four mills refunded.

Legal Opinion—Townsend, Elliott & Munson, Philadelphia, and Ropes, Gray, Boyden & Perkins, Boston, for the bankers; Chadbourne, Hunt, Jaeckel & Brown, New York, for the Company.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($3,000,000 Series "A" 6s) in Nov., 1922, at 96 and interest. to yield over 6.35%, and $1,070,500 additional Series "A" 6s, offered in June, 1924 at 97½ and interest, yielding over 6.20%, both by Hemphill. Noyes & Co., Stroud & Co., Inc., Otis & Co., and Coffin & Burr, Inc., New York, etc.

(3)

$2,529,500 TIDE WATER POWER CO. FIRST LIEN AND REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "B"; DUE APRIL 1, 1945

Dated April 1, 1925.

Interest Payable April and October 1, at The New York Trust Co., New York.

Callability—Subject to call for sinking fund only through April 1, 1927 at 105 and interest; thereafter callable as a whole or in part at 105 and interest through Oct. 1, 1940; at 104 and interest on April 1, 1941 and thereafter reducing 1% each year to maturity.

Denominations, Trustee, Provisions of Issue, Security, Etc.—See description of Series "A" bonds above.

Sinking Fund—An annual sinking fund of 1% of all bonds of Series A and Series B previously certified provides for the retirement of bonds. This amount shall be increased if later series provide larger sinking funds.

Original Offering—First publicly offered ($791,000) in August, 1925 at 98½ and interest, yielding about 5⅛%, by Coffin & Burr, Inc., New York, etc.; $1,000,000 additional were offered in December, 1925, by Hemphill, Noyes & Co., Coffin & Burr, Inc., Stroud & Co., Inc., and Otis & Co., at the same price.

(4)

$5,730,000 FIRST LIEN & REFUNDING MORTGAGE GOLD BONDS, SERIES "C" 5%; DUE AUGUST 1, 1929

Dated August 2, 1926.

Interest Payable February and August 1, at The New York Trust Co., New York.

Purpose of Issue—Proceeds from sale of $3,750,000 bonds, together with the proceeds from the issue of $2,500,000 General Lien 6% 20-year bonds, $1,500,000 Pfd. stock and 20,313 shares of Common stock without par value, were used for the acquisition of all of the physical property of the Florida Power Corporation and the entire capital stock of the West Florida Power Company, to proivde funds for the redemption of the Company's $1,461,900 7% Debenture bonds and in part for expenditures already made and additional expenditures presently to be made in connection with the Company's construction program. Proceeds from the sale of $2,000,000 additional bonds, together with 1,250 shares Common stock, were used for corporate purposes.

Callability—Subject to call on not less than six weeks' notice, as a whole or for sinking fund purposes, on the first day of any month, or in part on any interest payment date, at 102½% to July 31, 1927; thereafter at 101½% to July 31, 1928; and thereafter but prior to maturity a 100½%; in each case with accrued interest.

Denominations, Trustee, Provisions of Issue, Security, etc.—See description of Series "A" bonds above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund, upon proper application, the Pennsylvania, Connecticut and California taxes not in excess of 4 mills, the Maryland tax not in excess of 4½ mills, and the Massachusetts Income Tax on the interest not in excess of 6% per annum.

Original Offering—First publicly offered ($3,750,000) in September, 1926, at 98¾ and interest, to yield about 5.45%, by Hemphill, Noyes & Co., E. H. Rollins & Sons and Coffin & Burr, Inc., New York, etc.; Stroud & Co., Inc., Phila., etc., and Otis & Co., Cleveland, etc.; $2,000,000 additional Series "C" 5s were offered in January, 1927, at the same price and by the same bankers.

(5)

$2,500,000 GENERAL LIEN (CLOSED ISSUE) 20-YEAR 6% GOLD BONDS; DUE AUGUST 1, 1946

Dated August 2, 1926.

Interest Payable February and August 1, at Bank of America, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Bank of America, New York.

Provisions of Issue—Authorized and issued, $2,500,000. Indenture contains provisions permitting the modification or alterations thereof, with assent of Company and of holders of not less than 75% in aggregate principal amount of outstanding bonds, not including any bonds owned by Company; provided amongst other conditions that any such modification or alteration shall not permit (a) the extension of the maturity of any bond, or the reduction in the rate of interest thereon or any other modification in the terms of payment of such principal or interest, without the consent of the holder of such bond; or (b) the creation of any mortgage lien ranking prior to lien of this Indenture, except that Company may without such consent and upon the satisfaction of the First Lien & Refunding Mortgage issue other bonds ranking pari passu with these bonds. Indenture provides that, so long as the First Lien & Refunding Mortgage is outstanding, property may be released from the lien of this indenture upon compliance with the conservative restrictions relative to the release of property, including pledged securities, contained in said First Lien & Refunding Mortgage. Upon the satisfaction of such First Lien & Refunding Mortgage, whereupon this indenture will share in the first lien with any new mortgage, releases of property may only be had under this Indenture upon there being subjected to the Indenture property to the full value of the property released as therein provided.

Purpose of Issue—Proceeds of sale of these bonds were used, in part, for acquisitions, for plant construction and for refunding purposes.

Callability—Subject to call as a whole or in part, on 30 days' notice, at 103 and interest, on or before July 1, 1936; thereafter at 102 and interest, or or before July 1, 1941, and thereafter at 101 and interest, on or before July 1, 1946.

Sinking Fund—A sinking fund is provided beginning Aug. 1, 1928, sufficient in amount to retire $25,000 par value of bonds each year up to maturity. These payments shall be made in cash by the Company to the Trustee in the manner provided in the Indenture securing these bonds.

Improvement Fund—Indenture provides for a maintenance and improvement fund under the terms of which the Company and its subsidiaries shall expend not less than 25% of their gross operating revenues from street railway business, 10% of their gross operating revenues from gas business and 12½% of their gross operating revenues from electric and all other public utility businesses on maintenance, retirement of bonds of this issue and bonds senior thereto, and additions and betterments against which no bonds or obligations equal or senior to these bonds may be issued. The above percentages are subject to periodical redetermination. Bonds retired by sinking fund will be a credit on the payment provided to be made for the improvement fund.

Security—A direct obligation of Company, secured by a general lien on all properties, plants, buildings, etc., now owned or hereafter acquired and on all securities now and hereafter deposited as security for the First Lien & Refunding Mortgage bonds. These bonds will be subject in their general lien only to the First Lien & Refunding Mortgage, and underlying mortgage now outstanding. Additional First Lien & Refunding Mortgage bonds may be issued under the restrictions as set forth in that mortgage. Indenture further provides that, in event the present First Lien and Refunding Mortgage is satisfied and cancelled, Company may create a new first lien mortgage or a new first mortgage, provided these bonds shall rank pari passu with the bonds secured by such new mortgage.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and agrees to reimburse resident

holders of these bonds, if requested within 60 days after payment, for the personal property tax in Connecticut, Pennsylvania and California, not exceeding 4 mills, Maryland 4½ mills tax, Kentucky 5 mills tax, and the Massachusetts Income tax on the interest not in excess of 6% per annum.

Original Offering—First publicly offered ($2,500,000) in October, 1926, at 98½ and interest, to yield over 6%, by E. H. Rollins & Sons, Otis & Co. and Stroud & Co., Inc., New York, etc.

Bonds Redeemed—All the outstanding 15-Year 7% Gold Debenture Bonds, dated Oct. 2, 1922 and due Oct. 1, 1937, were called for payment on April 1, 1927 at 11 and interest, at Cleveland Trust Co., Cleveland, O.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$3,801,6
Operating expenses, maintenance & taxes	2,323,2
Retirement appropriation	158,0
Net earnings	$1,320,3
Bond and other interest charges	810,1
Amortization of debt discount & expense	193,8
Net income	$316,3

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Tide Water Power Co. and Subsidiaries)

	1927	1926	1925	1924	1923
Assets—					
Property valued at replacement cost new, plus additions to date, premiums paid on prop., acquired, bond disc., organization expenses and franchises	*$28,634,279	*$24,695,255	$13,136,350	$11,315,251	$9,098,6
Cash	221,960	318,175	374,315	252,200	176,3
Marketable securities	9,450	.....	.....	.....	.....
Accounts receivable	489,785	571,170	660,505	167,856	201,7
Notes receivable	3,110	.....	765	4,447	4,4
Accrued interest receivable	8,314	.....	.....	.....	.....
Materials and supplies	416,566	418,523	226,411	134,373	122,3
Special deposits	172,030	266,763	119,263	190,093	45,2
Prepaid insurance, taxes & interest	7,438	56,664	4,548	5,487	7,3
Other prepaid items			3,869	6,294	8,3
Due from affiliated companies	31,775	.....	.....	.....	.....
Investments	140,326	323,920	883,323	.....	.....
Sinking funds	134,242	.....	.....	.....	.....
Unamortized bond discount & refinancing expense	1,188,963	2,106,787	.....	.....	.....
Commissions & expenses on capital stock	483,920	.....	.....	.....	.....
Total	$31,942,158	$28,757,257	$15,409,349	$12,076,001	$9,664,4
Liabilities—					
Common stock	$2,865,650	$1,615,650	$600,000	$600,000	$600,0
Preferred stock:					
Tide Water Power Co.	5,991,100	5,883,300	2,492,600	1,903,800	1,231,8
Pinellas County Power Co.	.....	.....	617,200	.....	150,0
Payments on 7% Pfd. subscriptions	23,146	.....	.....	.....	.....
Funded debt	15,303,950	13,356,250	7,942,850	6,237,750	4,991,6
Mortgage payable	.....	.....	.....	60,000	.....
Due to affiliated companies	2,521,671	914,509	.....	.....	.....
Accounts payable	140,828	279,430	228,089	224,512	78,0
Notes payable	372,380	1,034,280	272,263	327,246	35,0
Unredeemed tickets and coupons	3,579	.....	.....	.....	.....
Accrued interest	282,954		116,010	99,097	74,3
Accrued taxes	18,288	294,102	22,614	30,338	78,8
Other accruals	6,549		8,689	14,639	9
Consumers' & line extension deposits	338,551	337,859	266,811	138,852	145,0
Retirement reserve	1,054,360	895,224	693,904	603,275	554,1
Other reserves	92,506	193,010	98,021	73,139	75,1
Surplus	2,926,646	3,953,643	2,050,298	1,768,353	1,649,3
Total	$31,942,158	$28,757,257	$15,409,349	$12,076,001	$9,664,4

*Excludes bond discount and refinancing expense which is shown separately.

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. B. Zeigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns, V-P., Maplewood, N. J.; Leo Loeb, V-P., Upper Montclair, N. J.; F. A. Matthes, V-P.; J. V. Grainger, V-P.; Raymond Hunt, V-P., Wilmington, N. C.; E. B. Robinette, V-P., Philadelphia, Pa.; W. W. Bell, Sec. & Asst. Treas., Forest Hills, N. Y.; R. L. Hook, Asst. Sec., New York; G. P. Wylly, Jr., Asst. Sec. & Asst. Treas., Wilmington, N. C.

Directors: A. E. Burns, Maplewood, N. J.; H. J. Corbett, J. H. Davis, T. W. Davis, J. V. Grainger, F. A. Matthes, Raymond Hunt, H. C. McQueen, Walke Taylor, Wilmington, N. C.; Leo Loeb, Upper Montclair, N. J.; Harry Reid, Bronxville, N. Y.; E. B. Robinette, Philadelphia, Pa.; C. B. Zeigler, Teaneck N. J.

Offices, Wilmington, N. C., and 57 William St., New York.

FLORIDA POWER CORPORATION

(Controlled by Tide Water Power Company)

History and Property—Incorporated in 1915 in Florida as St. Petersburg Lighting Company; name changed to Pinellas County Power Company May 21, 1923, at which time the Clearwater Lighting Co. (see 1923 Manual, page 2338, or apply to our Information Department), was merged. On Aug. 1, 1924, the electric light and ice property at Tarpon Springs, Fla., was acquired and merged. In April, 1926, purchased the electric lighting and distribution plant at Pass-A-Grille, Fla., from the town of the same name. In 1926, the Pinellas County Power Co. merged the Florida Power Corporation, and in February, 1927, changed its name to Florida Power Corporation. Company owns all the capital stock of West Florida Power Company, Florida West Coast Power Corp., Central Florida Power & Light Co., and Florida Power Co.

Company furnishes all the electric light and power service in St. Petersburg, Fla., and through 531 miles of 33,000 and 60,000 volt transmission lines to over 73 communities adjacent thereto, including Clearwater and Tarpon Springs, serving a population of 175,000 in Pinellas, Pasea, Harnada, Sumter, Citrus, Levy and Marion Counties. The steam generating plant at St. Petersburg, Fla., has a capacity of 49,155 k.w.; oil is used as fuel, being delivered direct to this plant by tank barges.

Management—Company is under the management of the Electric Management and Engineering Corp., 57 William St., New York.

CAPITAL STOCK

Authorized, 400,000 shares Common of no par value and $5,300,000 7% cumulative Pfd.; outstanding, 192,-

391 shares Common and $1,504,800 Pfd., of which $294,000 is of $50 par value and $1,210,800 is designated as Series "A" Pfd. of $100 par value. In addition $6,000 Pfd., $50 par, is held in the treasury.

Preferred Stock Provisions—The Series "A" 7% Pfd. stock (par, $100) is entitled to cumulative dividends at the rate of 7% per annum. $100 par Pfd. stock cannot be redeemed while any of the $50 par Pfd. is outstanding. If no $50 par Pfd. stock is outstanding Series "A" Pfd. stock is subject to redemption at $110 per share on 30 days' notice. Series "A" Pfd. stock has no voting power.

The 7% Pfd. stock (par, $50) has preference for assets and dividends and in dissolution or liquidation is entitled to par and accrued dividends over Common; it is subject to call as a whole or in part on 30 days' notice at $52.50 per share and accrued dividends; has no voting power except in default of payment of dividend for four months in which event and until remedied it has full voting power as possessed by Common. Except with the consent of two-thirds of Pfd. stock outstanding, company shall not increase the authorized amount of Pfd. nor issue any Pfd. unless all accrued dividends thereon shall have been paid or set aside and the net earnings available for depreciation and dividends for twelve consecutive calendar months immediately preceding such issuance shall have been at least one and one-half times the aggregate dividend requirements on Pfd. stock outstanding and that proposed to be issued.

Transfer Agent—Bank of America, New York.

Annual Meeting—Last Tuesday in September.

Dividends—Dividends on both classes of Pfd. stock have been regularly paid quarterly, M, J, S & D 1, to stock of record, F, M, A & N 15.

FUNDED DEBT

$5,175,000 PINELLAS COUNTY POWER CO. FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1942
$7,316,000 PINELLAS COUNTY POWER CO. FIRST MORTGAGE 4% GOLD BONDS, SERIES "B"; DUE OCTOBER 1, 1942

Series "A" Bonds are dated Oct. 2, 1922, and Series "B" Bonds are dated Aug. 2, 1926. All owned by Tide Water Power Co.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$2,344,483
Oper. exp., including maint. & taxes	1,483,960
Retirement appropriation	93,546
Net earnings	$766,977
Bond and other interest charges	470,312
Amortization of debt discount & expense	50,963
Net income	$245,702

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property at reproduction cost new, per appraisal, plus additions at cost	$21,773,617	$18,064,578
Special deposits	.....	128,102
Cash	148,572	142,350
Notes receivable	1,400	.....
Accounts receivable	324,105	275,828
Materials and supplies	282,375	286,642
Prepayments	2,625	.....
Expenditures applicable to future opera.	.....	41,192
Due from affiliated companies	31,886	.....
Unamortized debt discount and expense	1,778,420	1,455,019
Commission & expense on capital stock	261,628	
Total	$24,604,518	$20,393,711

Liabilities—	1927	1926
Common stock	$2,240,650	$2,240,650
Preferred stock	1,504,700	1,408,800
Payments on 7% Pfd. stock subscrip.	23,146	.....
Funded debt	12,501,000	9,942,000
Notes payable	167,500	718,750
Accounts payable	105,878	411,981
Accrued interest, taxes, etc.	6,008	46,090
Consumers' & line extension deposits	285,836	176,400
Unredeemed tickets and coupons	477	.....
Due to affiliated companies	5,117,213	2,265,617
Reserve for depreciation, etc.	517,436	407,285
Surplus	2,134,674	2,776,138
Total	$24,604,518	$20,393,711

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. B. Zeigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns, V-P., Maplewood, N. J.; P. B. Shaw, V-P., Summit, N. J.; E. A. Olsen, V-P.; R. W. Cryder, V-P., St. Petersburg, Fla.; W. R. Porter, Special V-P., Hollis, N. Y.; W. W. Bell, Sec. & Asst. Treas., Forest Hills, N. Y.; R. L. Hook, New York; J. G. McClellan, Asst. Sec. & Asst. Treas., St. Petersburg, Fla.

Directors: A. E. Burns, Maplewood, N. J.; Leo Loeb, Upper Montclair, N. J.; Harry Reid, Bronxville, N. Y.; P. B. Shaw, Summit, N. J.; C. B. Zeigler, Teaneck, N. J.

Offices, 57 William St., New York, and St. Petersburg, Fla.

VIRGINIA PUBLIC SERVICE COMPANY

(Controlled by National Public Service Corporation)

History—Incorporated in 1926 in Virginia and has acquired by merger the properties and other assets formerly owned by Alexandria Light & Power Co. (see 1925 Manual, page 500, or apply to our Information Department), Virginia Northern Power Co. (see 1926 Company acquired the Appomattox Light & (see 1925 Manual, page 1972), Virginia Central Light & Power Co., and Southside Virginia Power Co. In 1926 Company acquired the Appomattox Light & Power Co.

On January 3, 1927, the Newport News & Hampton Railway, Gas & Electric Co. was merged with the Virginia Public Service Company and upon completion of the merger the bonds of the Newport News & Hampton Railway, Gas & Electric Co. became liens of this company.

Virginia Public Service Co. owns all the Common stock of Charlottesville and Albermarle Railway Company, Virginia Northern Ice Corporation, Middle Virginia Power Co., The Citizens Appliance Corp., Newport News Distilled Ice Co., Citizens Rapid Transit Corp., The Hampton Towing Corp., and Railway Home Corp.

Business and Territory—Virginia Public Service Co. furnishes electric light and power service to Alexandria, Rosemont, Potomac and other cities in Alexandria and Fairfax Counties in Virginia; to the Piedmont District including the cities of South Boston, Alta Vista, Emporia, Lawrenceville, Chase City and Victoria; to cities and towns extending from Clifton Forge through to Lexington, and also from Charlottesville, Va., along the main line of the Chesapeake

VIRGINIA PUBLIC SERVICE COMPANY
E. H. Rollins & Sons
Founded 1876
Boston New York Philadelphia Chicago
Denver San Francisco Los Angeles London

& Ohio Ry. into Hinton, W. Va.; and also electric light and power and ice service to Warrenton, Orange, and Culpeper, Va. Through the Charlottesville and Albermarle Ry. Co., it operates a street railway system in Charlottesville and through its eastern division formerly Newport News and Hampton Railway Gas and Electric Co., provides electric light and power, railway, gas and ice service in the cities of Newport News, Phoebus, Hampton, Old Point and contiguous territory. The electric railway system of the latter division consists of 54 equivalent miles of single track.

A total of 188 communities is served with one or more kinds of service, the population being in excess of 263,000.

Properties—The combined properties of the system include electric generating stations with a total installed capacity of 51,525 k.w. and 786 miles of high-tension transmission lines serving 51,097 consumers. The street railway properties consist of 54 equivalent miles of single track. The gas properties include plants for generating artificial gas, with an aggregate daily generating capacity of 3,500,000 cu. ft. and 95 miles of mains serving 7,181 consumers. The ice plants have an aggregate daily capacity of 291 tons. During the year ended Dec. 31, 1927, 133,729,646 k.w.h. of electric energy and 262,089,000 cu. ft. of gas were generated.

Control and Management—Company is controlled, through ownership of 100% of the Common stock by National Public Service Corp., and is under the supervision and management of the Electric Management and Engineering Corp., 57 William St., New York.

OPERATING STATISTICS, DECEMBER 31

	Number of Customers		Total K.W. Hrs.	Total Cu. Ft.
	Electric	Gas	Generated	Gas Made
1922	34,493	6,825	77,244,904	252,447,000
1923	37,510	6,663	86,265,907	249,019,000
1924	39,508	6,466	90,395,358	241,026,000
1925	42,570	6,548	101,509,468	240,263,000
1926	46,700	6,800	117,730,934	254,137,000
1927	51,525	7,181	133,729,646	262,089,000

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value and $15,000,000 Preferred, of which $4,500,000 are authorized as the 7% Series; outstanding, 356,230 shares Common and $4,038,500 7% cumulative Pfd.; par of Pfd., $100. All of the Common stock is owned by National Public Service Corp. The authorized capital stock was increased from 300,000 shares Common of no par value and $3,000,000 Pfd. in 1927.

Preferred Stock Provisions—Has preference for dividends and to $100 per share and dividends in the event of involuntary liquidation, and to $107 per share and dividends in the event of voluntary liquidation. Subject to call as a whole or in part, at $107 per share and dividends.

The remaining $10,500,000 Pfd. may be issued in Series, with definite dividend rates and redemption prices, provided surplus net earnings, calculated as provided in the charter and before deduction for depreciation, amortization and income or profits taxes, for 12 consecutive calendar months within the 15 calendar months immediately preceding the issuance, shall have been at least three times the annual dividend requirements on the entire amount of Pfd. already issued and then outstanding together with that proposed to be issued. The charter also provides that no Pfd. stock entitled to cumulative dividends at a rate exceeding $8 per annum per share, and no capital stock of any class requiring the payment of dividends thereon r the distribution of assets thereto before payment to te Pfd. will at any time be created or issued if the holde of one-third or more of the outstanding Pfd. sto object thereto.

Pfd. stockholders are not entitled to vote and ha no right to subscribe to any issue of capital stock of t Company or for any issue of securities convertible in capital stock.

Transfer Agent (Pfd.)—Central Union Trust C New York.

Registrar (Pfd.)—Bank of America, New York.

Legal Opinion—Chadbourne, Hunt Jaeckel Brown, New York, (for the Company), and Townsen Elliot & Munson, Phila. (for the bankers).

Offering—During July 1926 A. E. Fitkin & Co., Ne York, etc., and Stroud & Co., Phila., offered $1,600,0 7% Cum. Pfd. stock, (par $100).

Annual Meeting—First Tuesday in February, Charlottesville, Va.

Dividends—Initial quarterly dividend of 1¾% Pfd. stock was paid July 1, 1926 to stock of reco June 15, 1926; dividends paid regularly quarterly ther after, J, A, J & O 1.

FUNDED DEBT

(1)

$12,450,000 VIRGINIA PUBLIC SERVICE CO. FIRST MORTGAGE AND REFUNDING TWENTY-YEAR 5½% GOI BONDS, SERIES A; DUE FEBRUARY 1, 1946

Dated February 1, 1926.

Interest Payable February and August 1, at Th New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; princip may be registered.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized amount of mor gage, $15,000,000. Issued and outstanding $12,450,0 Series "A" 5½s.

Additional bonds may be issued: (a) par for p for the refunding, acquisition or retirement of divi ional bonds of the Company and its subsidiaries ar bonds of other series, and (b) for 75% of the co of betterments and additions, made subsequent Jan. 1, 1926, provided the consolidated net earnin of the Company as defined in the Indenture for consecutive months of the 15 months immediate preceding shall have been not less than twice th annual interest charges on, or 10% of the princip amount of, whichever is less, underlying bonds the Company and all bonds outstanding under th mortgage, together with those proposed to be issue

The proceeds from these bonds, together with th proceeds from $5,000,000 6% Debenture bonds ar $3,000,000 7% Pfd. stock, were used for and in co nection with the merger and acquisition of properti and for the retirement of outstanding obligation of the companies which were parties to such merge and to furnish additional moneys to connect by trans mission lines the properties in western and souther Virginia, together with other additions and bette ments.

Callability—Subject to call on the first of any mont on thirty days' notice, as a whole or in part, at 10 and interest, reducing ¼ of 1% for each year elapse from Jan. 31, 1926 up to maturity.

Maintenance and Sinking—The Indenture provide for a maintenance and sinking fund, under the term of which the Company and its subsidiaries shall ex

VIRGINIA PUBLIC SERVICE CO., SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

pend not less than 12½% of their gross operating evenues from electric and gas business and 25% of heir gross operating revenue from street railway usiness on maintenance, retirement of divisional onds and Series "A" bonds issued under this mortage, and additions and betterments against which o bonds may be issued, and further provides that, rom such fund, an amount annually equal to 1¼% f such gross operating revenue or 1% of the prinipal amount of Series "A" bonds at the time outtanding, whichever is less, shall be used for the urchase and retirement of Series "A" bonds issued nder this mortgage at not exceeding the redemption rice.

Security—Secured by a direct first mortgage on lectric power and light and gas properties and a lien n merged properties subject to $8,180,500 divisional onds and further secured by pledge of all the Comon stock and Pfd. stock of Charlottesville and Alemarle Railway Company and all the Common stock f Virginia Northern Ice Corp.; also a secondary en on Common stock of Middle Virginia Power Co. he Indenture contains provisions permitting the odification or alteration thereof, or of any supplenental indenture, with the assent of the Company nd of the holders of not less than 75% in aggregate rincipal amount of the outstanding bonds, not inluding any bonds owned by the company; provided, mong other conditions that any such modification or lteration shall not permit (a) the extensions of the aturity of any bond, or the reduction in the rate of nterest thereon or any other modification in the terms f payment of such principal or interest, without the onsent of the holder of such bond; or (b) the creation y the Company of any lien ranking prior to or on parity with the lien of First Mortgage and Refunding ndenture with respect to any of the properties mortaged thereunder; or (c) in the opinion of the Trustee, ny impairment of security.

Tax Provisions—Company pays Normal Federal Inome Tax up to 2%, and agrees to reimburse the resient holders of these bonds, if requested, within 60 ays after payment, for the personal property tax in te States of Connecticut, Pennsylvania and California, ot exceeding four mills per annum, State of Maryand not exceeding four and one-half mills per annum, nd District of Columbia not exceedinig five mills er annum and also for the income tax, not exceeding %, on the interest thereon in the State of Massanusetts.

Original Offering—First publicly offered ($11,-00,000 Series "A" 5½s) in March 1926, at 97 and nterest, to yield about 5.75%, by E. H. Rollins & Sons, lyth, Witter & Co., H. M. Byllesby & Co., Inc., owe, Snow & Bertles, Inc., Eastman, Dillon & Co., nd A. E. Fitkin & Co., New York, etc.

(2)

,897,000 VIRGINIA PUBLIC SERVICE CO. 20-YEAR 6% SINKING FUND GOLD DEBENTURES; DUE FEB. 1, 1946

Dated February 1, 1926.

Interest Payable February and August 1 in New ork and Philadelphia.

Denominations—Coupon, $500 and $1,000; principal ay be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philalphia, Pa.

Purpose of Issue—The proceeds of these Debenres, together with the proceeds of $11,500,000 First Mortgage and Refunding Bonds and $3,000,000 7% Preferred Stock, were used for and in connection with the merger and acquisition of properties above described, and for the retirement of outstanding obligations of the companies which were parties to such merger, and to furnish additional moneys to connect by transmission lines the properties in western and southern Virginia, together with other additions and betterments.

Callability—Subject to call on the first of any month, on 30 days' notice, as a whole or in part, at 105 and interest, reducing ¼ of 1% for each year elapsed from Jan. 31, 1926 up to maturity.

Sinking Fund—Company agrees to retire through a sinking fund $50,000 principal amount of these Debentures every six months beginning Feb. 1, 1927, which will be sufficient to retire approximately 38% of the entire issue before maturity.

Exchange Privilege—National Public Service Corp. has agreed to exchange a limited number of these Debentures in Class "A" Common stock of National Public Service Corp., with a cash adjustment of accrued interest on the Debentures and accrued dividends on the said stock at the rate of $1.60 per share per annum on the following terms: Debentures up to but not exceeding $500,000 principal amount in each of the following years will be accepted in exchange for (a) 40 shares for each $1,000 principal amount of Debentures during the year ending April 30, 1927, (b) 35 shares for each $1,000 principal amount of Debentures during the year ending April 30, 1928, and (c) 30 shares for each $1,000 principal amount of Debentures during the year ending April 30, 1929. This privilege will extend to the Debentures first presented for exchange in each of said years and will expire at the end of each of said years to the extent not exercised by that time. This Class "A" Common stock, in addition to certain participating features, is entitled to priority as to dividends over Class "B" Common stock, to the extent of $1.60 per share per annum. Such dividends are cumulative to the extent earned in any calendar year, and have been paid regularly since issuance.

Security—A direct obligation of the Company, which covenants that if upon notice, as provided in the Trust Agreement, the holders of one-third in amount of the Debentures outstanding thereunder shall object thereto, it will not hereafter issue any bonds, debentures, notes or other obligations payable more than 12 months from the date of issuance thereof other than (1) purchase money obligations, as defined in the Trust Agreement, (2) First and Refunding Mortgage Bonds and (3) underlying bonds to be deposited under the First and Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the resident holders of these debentures, if requested within 60 days after payment, for the personal property tax in the States of Connecticut, Pennsylvania and California, not exceeding four mills per annum, State of Maryland not exceeding four and one-half mills per annum and District of Columbia not exceeding five mills per annum and also for the Massachusetts Income Tax, not exceeding 6%, on the interest.

Original Offering—First publicly offered ($5,000,-000) in April, 1926, at 96½ and interest, to yield about 6.30%, by E. H. Rollins & Sons, Blyth, Witter & Co., H. M. Byllesby & Co., Inc., Howe, Snow & Bertles, Inc., Eastman, Dillon & Co., and A. E. Fitkin & Co., New York, etc.

BOSTON Tel. Hancock 7320
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VIRGINIA PUBLIC SERVICE CO.

PYNCHON & CO.

Members of the New York Stock Exchange
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(3)

$900,000 NEWPORT NEWS & OLD POINT RY. & ELECTRIC CO. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1938

Dated November 1, 1898.

Interest Payable May and November 1, at Alex. Brown & Sons, Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Maryland Trust Co., Baltimore, Trustee.

Callability—Subject to call on any interest date on 60 days' notice.

Security—A first lien on 19.38 miles of line owned and on all other property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$52,000 CITIZENS RY., LIGHT & POWER CO. FIRST GOLD 5s; DUE MAY 1, 1940

Dated May 1, 1900.

Interest Payable May and November, at office of Alex. Brown & Sons, Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Maryland Trust Co., Baltimore.

Provisions of Issue—In addition to the bonds outstanding, $748,000 are deposited as collateral security for Newport News & Hampton Ry., Gas & Electric Co. First and Refunding 5s of 1944.

Callability—Subject to call on any interest date at 110, on 60 days' notice.

Security—In addition to being a first mortgage, these bonds are also secured by part of $75,000 Newport News Gas Co. First 6s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$37,000 NEWPORT NEWS & OLD POINT RY. & ELECTRIC CO. GENERAL (CLOSED) MORTGAGE GOLD 5s; DUE MARCH 1, 1941

Dated March 1, 1901.

Interest Payable March and September 1, at Alex. Brown & Sons, Baltimore, and company's agency in New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Maryland Trust Co., Baltimore.

Provisions of Issue—Authorized, $4,000,000; mortgage closed. In addition to the bonds outstanding $1,057,000 are deposited as collateral security for Newport News & Hampton Ry., Gas & Electric Co. First and Refunding 5s of 1944.

Security—In addition to being a second mortgage on the property, the bonds are also secured by deposit of the stock of Citizens Ry., Light & Power Co., and the Newport News Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$46,000 HAMPTON ROADS TRACTION CO. FIRST GOLD 4½s; DUE JANUARY 1, 1931

Dated December 30, 1905.

Interest Payable January and July 1, at office of Alex. Brown & Sons, Baltimore, Md.

Trustee—West End Trust Co., Philadelphia.

Provisions of Issue—Authorized, $700,000; mortgage closed. In addition to the bonds outstanding, $654,000 are deposited as collateral security for Newport News & Hampton Ry., Gas & Electric Co. First and Refunding 5s of 1944.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(7)

$3,745,500 NEWPORT NEWS & HAMPTON RAILWAY, GAS & ELECTRIC CO. FIRST AND REFUNDING GOLD 5s; DUE JANUARY 1, 1944

Dated February 2, 1914.

Interest Payable January and July 1, at office of Alex. Brown & Sons, Baltimore, Md., or at its agency in New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Maryland Trust Co., Baltimore, Md.

Provisions of Issue—Authorized, $7,500,000; issued, $4,778,500, of which $1,033,000 are held in treasury. Of the remaining bonds sufficient are reserved to retire prior liens, and the remainder are held in escrow to provide funds sufficient for the payment of improvements and extensions in the future.

Callability—Subject to call at 105 and interest on any interest day upon one month's notice.

Sinking Fund—None.

Security—Secured by deposit of $748,000 Citizens Ry., Light & Power Co. First 5s; part of $75,000 Newport News Gas Co. First 6s; $1,057,000 Newport News & Old Point Ry. & Electric Co. General Mortgage 5s, and $654,000 Hampton Roads Traction Co. First 4½s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ritchie, Janney & Griswold and Venable, Baetjer & Howard, Baltimore, and E. M. Braxton and S. Gordon Cumming, Hampton, Va.

Original Offering—First publicly offered ($2,000,000) in December, 1915, at 91 and interest, to yield 5.65%.

(8)

$2,000,000 SOUTHSIDE VIRGINIA POWER CO. FIRST GOLD 5s, SERIES A; DUE FEBRUARY 1, 1956

$1,400,000 SOUTHSIDE VIRGINIA POWER CO. FIRST GOLD SERIES B; DUE JANUARY 1, 1929

Dated February 1, 1926.

Interest Payable, Series A, February and August 1, at Bank of America, New York. Series B are non-interest bearing to January 1, 1927 and from Jan. 1, 1927 to Jan. 1, 1928 at 2½%; from Jan. 1, 1928 to maturity at 5%. Interest paid January and July 1 at Bank of America, New York.

Denominations—Coupon, $1,000 and multiples; principal may be registered.

Trustee—Bank of America, New York.

Provisions of Issue—Authorized and outstanding, $2,000,000 Series A and $1,400,000 Series B.

Callability—Subject to call on any interest date on 30 days' notice at par.

Security—Both series are secured equally by a first closed mortgage on entire property of the former Southside Virginia Power Co. Underlie $12,450,000 Virginia Public Service Co. First and Refunding 5½s of 1946, which mortgage provides for retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$5,890,584
Operating exp., maintenance and taxes	3,588,209
Retirement appropriations	321,361
Net earnings	$1,951,014
Bond & other interest charges	1,385,993
Amortization of debt discount & expense	78,145
Net income for year	$516,876

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property at reproduction cost new per appraisal, plus additions at cost	$32,580,888	$30,967,078
Miscellaneous investments	68,511	60,464
Special deposits	11,128	174,486
Cash	233,868	334,355
Notes and accounts receivable	853,462	779,315
Accrued interest receivable	1,174	.....
Materials and supplies	716,623	623,489
Prepayments	8,737	.....
Expenditures applicable to future opera.	.....	70,939
Sinking funds	846	.....
Unamortized debt discount & expense	1,412,508	1,610,784
Miscellaneous deferred debits	26,118	
Commission & expense on capital stock	236,074	
Total	$36,149,938	$34,620,910

CONSOLIDATED BALANCE SHEET, DEC. 31 (Continued)

Liabilities—	1927	1926
ommon stock	$1,482,328	$835,683
referred stock	4,038,500	3,487,700
ayments on 7% Pfd. stock subscrips.	102,643	.....
unded debt	25,527,500	24,630,500
otes payable	242,500	185,900
ccounts payable	175,375	432,420
ccrued interest, taxes, etc.	491,156	639,791
ue to affiliated companies	905,495	1,337,318
onsumers' & line extension deposits	146,496	133,658
nredeemed tickets & coupons	2,110	.....
etirement reserves	2,442,463	2,549,210
ther reserves	277,801	
urplus	315,571	388,730
Total	$36,149,938	$34,620,910

Officers: Harry Reid, Pres., Bronxville, N. Y.; C. B. eigler, V-P. & Treas., Teaneck, N. J.; A. E. Burns, -P., Maplewood, N. J.; Leo Loeb, V-P., Upper Mont- air, N. J.; P. B. Shaw, V-P., Summit, N. J.; F. W. ing, V-P. & Gen. Counsel; A. W. Higgins, Exec. -P., Charlottesville, Va.; W. R. Porter, Special V-P., follis, N. Y.; W. W. Bell, Sec. & Asst. Treas., Forest ills, N. Y.; R. L. Hook, Asst. Sec., New York; L. W. an Bibber, Asst. Sec. & Asst. Treas., Charlottesville, a.

Directors: A. E. Burns, Maplewood, N. J.; A. W. liggins, F. W. King, Charlottesville, Va.; P. B. Shaw, ummit, N. J.; Harry Reid, Bronxville, N. Y.; George Warfield, Alexandria, Va.; C. B. Zeigler, Teaneck, J. J.

Corporate Offices, Charlottesville and Newport ews, Va. **New York Office,** 57 William St.

NEWPORT GAS LIGHT COMPANY

History—Incorporated in 1853. Serves population f 30,000. Annual output, 214,000,000 cu. ft. Miles f mains, 73½. No. of meters, 6,000. Public lamps, 93. Prices: First 100 ft., 61 cts.; next 10,000 ft., 1.45 per 1,000; next 30,000 ft., $1.35 per 1,000; next 0,000 ft., $1.25 per 1,000; minimum charge, 50 cts. per ionth; discount, 10 cts. per 1,000 ft. for prompt pay- ient.

Litigation—Refusal of the management of Company o recognize the transfer of a large block of shares f Company said to have been acquired in May, 1927 y Utilities Power & Light Corp., to a group of indi- iduals said to be connected with or interested in Newport Electric Corp., a subsidiary of Utilities ower & Light Corp. at the annual meeting of Com- any on January 9, 1928, led to the election of two ets of officers and directors. The group of minority tockholders on Jan. 7, 1928 obtained a temporary njunction from Judge Capotosto in Superior Court n Providence, R. I., restraining Company from further eclining to make the transfers of stock. The matter as under litigation in May, 1928.

CAPITAL STOCK

Authorized and outstanding, $500,000; par. $100. Stock transferred at Company's office. Annual meet- ng, second Monday in January.

Dividends—Recent payments have been as follows: 924, 6%; 1925, 5%; 1926, 6%; 1927, 6%; payable uarterly J, A, J & O.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED NOVEMBER 30

(Latest Available)

	1926	1925	1924
Operat. income (net sales)	$246,717	$235,255	$223,142
Production expense (net)	112,682	116,654	128,493
Distribution & general exp.	45,841	41,010	41,544
Profit from operations	$88,194	$77,591	$53,105
Miscellaneous income	3,124	5,950	7,860
Total	$91,318	$83,541	$60,965
Interest	$11,223	$11,490	$10,538
Taxes	17,528	16,924	14,208
Depreciation	14,318	13,355	6,162
Reserve for bad debts	1,559	1,661	.....
Net profit for year	$46,690	$40,111	$30,057
Earnings Per Share	$9.33	$8.02	$6.00

GENERAL BALANCE SHEET, NOVEMBER 30

(Latest Available)

Assets—	1926	1925	1924
Plant, meters, equip., etc.	$890,157	$856,462	$829,455
Less depreciation	31,131	28,564	25,118
Balance	$859,026	$827,898	$804,337
Cash	7,606	6,748	7,566
Inventories	28,214	27,122	32,790
Accounts receivable	20,339	18,075	18,835
Investments	2,200	1,600	400
Prepaid int., etc.	867	893	2,832
Total	$918,252	$882,336	$865,760
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Mortgages	143,500	143,500	145,000
Notes & accts. payable	91,190	72,616	74,277
Customers' deposits	9,483	9,953	9,083
Accrued int. & payroll	3,907	4,227	3,595
Reserve for taxes	10,200	9,800	7,261
Surplus	159,972	142,240	126,544
Total	$918,252	$882,336	$865,760

Officers: Packer Braman, Pres.; Edward A. Sherman, Sec.; Geo. B. Austin, Treas., Newport, R. I.

Directors: Packer Braman, Edw. A. Sherman, J. K. Sullivan, Charles Tisdall.

Office, Newport, R. I.

MUNICIPAL RAILWAY OF SAN FRANCISCO

History—A municipal corporation operated under the direction of Board of Public Works, City and County of San Francisco.

Mileage (Single Track) June 30, 1927—Track owned and operated, 64.55 miles; track owned and operated jointly with Market St. Ry. Co., 5.15 miles—total operated track, 69.70 miles; non-operated track, sidings, turn-outs, etc., 4.42 miles—total single track, 74.12 miles. In addition company operates four bus routes, totaling 11.89 miles. Gauge, 4 ft. 8½ in. Rails, girder, 106 lbs. Operated by overhead trolley.

EQUIPMENT, YEARS ENDED JUNE 30

	1927	1926
No. of passenger cars owned	224	209
No. of work cars owned	6	6
No. of buses owned	19	13
Total No. of cars & buses owned	249	228

OPERATING STATISTICS, YEARS ENDED JUNE 30

	1927	1926
Revenue passengers carried	68,820,375	68,778,892
Free transfer passengers carried	14,240,492	14,062,150
Free pass. (employees, police, etc.)	542,785	549,866
Total passengers carried	83,603,652	83,390,908

CAPITAL STOCK

None.

FUNDED DEBT

(1)

$665,000 GEARY STREET 1910 ISSUE 4½% BONDS; DUE $95,000 ANNUALLY TO JULY 1, 1934

Dated July 1, 1910.

Interest Payable January and July 1.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—City Treasurer, San Francisco, Cal.

Provisions of Issue—Total issued, $1,900,000; outstanding June 30, 1927, $665,000.

Purpose of Issue—Issued to provide for construction.

Callability—Not subject to call.

Sinking Fund—None provided.

Guaranty—Guaranteed, principal and interest, by City and County of San Francisco.

Security—Secured by City and County of San Francisco taxing power of supervisors.

Tax Provisions—Bonds are tax free.

(2)

$30,000 MARKET STREET 1910 ISSUE 4½% BONDS; DUE $3,000 ANNUALLY TO JULY 1, 1934

Dated July 1, 1910.

Interest Payable January and July 1.

Provisions of Issue—Total issued, $81,000; outstanding June 30, 1927, $30,000.

Other details of this issue are the same as those of the Geary Street 1910 issue described above.

(3)

$2,600,000 MUNICIPAL 1913 ISSUE 5% BONDS; DUE $100,000 ANNUALLY TO DECEMBER 1, 1952

Dated December 1, 1913.

Interest Payable June and December 1.

Provisions of Issue—Total issued, $3,500,000; outstanding June 30, 1927, $2,600,000.

Other details of this issue are the same as those of the Geary Street 1910 issue described above.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926
Passenger revenue	$3,398,187	$3,395,950
Miscellaneous revenue	21,887	14,016
Total revenue	$3,420,074	$3,409,966
Interest on securities owned	46,642	43,467
Total income	$3,466,716	$3,453,433
Operating expenses:		
Way and structures	$144,876	$134,911
Equipment	212,598	200,366
Power	488,144	488,812
Conducting transportation	1,843,837	1,694,705
Traffic	424	
General and miscellaneous	190,027	186,352
Total operating expenses	$2,879,906	$2,705,146
Balance	586,810	748,287
Interest on funded debt	167,768	177,133
Provision for depreciation	247,362	398,789
Provision for accidents	84,955	106,088
Taxes	318,271	318,010
Fire insurance	5,138	4,952
Net charges and credits to income	3,544	
Total deductions	$827,038	$1,004,972
Deficit after charges	$240,228	$256,685

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926
Total property investment	$8,969,135	$8,570,281
Cash with Treasurer:		
Municipal Ry. bond redemption funds	101,100	97,100
Municipal Ry. operating fund	212,004	293,378
Municipal Ry. bond int. funds	26,260	29,470
Misc. accts. receivable	7,742	26,203
Materials and supplies	289,515	170,150
Accrued interest receivable	2,729	
Superintendent's contingent fund	4,000	4,000
Cash and securities with Treasurer:		
Accident reserve fund	125,094	109,739
Depreciation reserve fund	295,939	121,937
Depreciation fund	959,422	1,132,057
Compensation ins. fund	2,800	131,297
Unadjusted debits	84,428	154,041
Total	$11,080,168	$10,839,653
Liabilities—		
Funded debt	$3,295,000	$3,493,000
Audited accts. & wages payable	406,716	241,430
Misc. accounts payable	30,043	28,489
Matured int. unpaid	26,260	29,470
Matured funded debt unpaid	101,100	97,100
Accrued int.	10,833	11,250
Reserve for depreciation	3,834,891	3,631,178
Other reserves	183,833	194,287
Surplus	3,191,492	3,113,449
Total	$11,080,168	$10,839,653

Officer: F. Boeken, Supt.

Address, Board of Public Works, San Francisco, Cal.

THE CUCAMONGA WATER CO.

History and Properties—Incorporated Dec. 31, 1887, in Cal. This is a mutual water company, furnishing irrigation and domestic water to shareholders. Owns about 400 acres of water-bearing land, pumping plant, reservoirs and pipe lines. Franchise expires in 1937. Owns entire capital stock of **Cucamonga Investment Co.**

CAPITAL STOCK

Authorized, $500,000; outstanding, $444,430, par, $100. Annual meeting, third Monday in November.

FUNDED DEBT

$128,000 First Serial 6s; dated Jan. 1, 1923; due $8,000 anually on Jan. 1, until 1943; int. Jan. and July 1, at First National Bank, Los Angeles, Cal. Coupon $1,000; principal may be registered. Authorized an issued, $160,000, of which the above amount outstanc ing Oct. 31, 1927. Los Angeles-First National Trus & Savings Bank, Los Angeles, Cal., Trustee. A firs lien on land and water rights. Company does not pa Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED OCT. 31.

(1926 figures not reported)

	1927	1925	1924
Earnings from oper., etc.	$9,793	$5,957	$3,21
Assessments received	59,955	72,949	76,39
Total receipts	$69,748	$78,906	$79,61
Oper. exp. & taxes	38,069	52,564	61,73
Net earnings	$31,679	$26,342	$17,88
Bond interest	7,920	8,896	9,36
Other deductions	3,118	3,208	2,06
Surplus for year	$20,641	$14,238	$6,45

GENERAL BALANCE SHEET

(1926 figures not reported)

Assets—	*Oct. 31, 1927	Nov. 1, 1925	Nov. 1, 1924
Property and equipment	$699,107	$636,100	$607,18
Cucamonga Invest. Co. stock		15,250	15,25
Due from Cucamonga Investment Co.		58,328	59,79
Cash	6,254	3,935	4,06
Notes receivable	11,296		10
Accounts receivable	8,958		
Deferred charges	4,456	5,683	6,35
Total	$730,071	$719,296	$692,74
Liabilities—			
Capital stock	$444,430	$442,400	$436,97
Premium on capital stock	3,730	3,615	3,25
Funded debt	128,000	144,000	152,00
Notes payable	23,000	42,000	27,50
Accounts payable	62	15	
Profit and loss	130,849	87,266	73,02
Total	$730,071	$719,296	$692,74

*Consolidated Balance Sheet.

Officers: W. J. Kincaid, Pres. & Gen. Mgr.; F. A Lucas, V-P.; Ora C. Croswell, Sec.; First Nationa Bank, Cucamonga, Cal., Depositary; Edward Mot singer, Supt., Cucamonga, Cal.

Directors: F. A. Lucas, W. J. Kincaid, H. H Thomas, J. H. Klusman, F. B. Van Fleet, Cucamonga Cal.

Office, Cucamonga, Cal.

SOUTHERN STATES UTILITIES COMPANY

History—Incorporated in Delaware. Company through subsidiaries, operates a general telephone business in 34 counties in the states of North Carolina Virginia and West Virginia. The Company's sub sidiaries include the following: Horton Telephone Co., International Telephone Co., Randolph Tele phone Co., Granville Telephone & Electric Co. and Mocksville Telephone Co., all in North Carolina; Page County Farmers Mutual Telephone Co., Dan River Telephone Co., Victoria-Kenbridge Telephone Co. Farmville Telephone Co., Royal Telephone Co. Southside Telephone Co., Spottswood Telephone Co. Altavista Telephone Co. and South Hill Telephone Co. all of Virginia; South Branch Telephone Co. Lewis-Upshur Telephone Co., Salem-West Union Telephone Co. and Clay District Telephone Co., al in West Virginia, and Bachelors' Hall Telephone Co The communities served include North Wilkesboro Mount Airy, Leakesville-Spray, Ashboro, Mocksville in North Carolina; South Boston, Shenandoah, Farmville, Luray, Blackstone, Crewe, Front Royal, Victoria, Altavista, South Hill, in Virginia; Romney Weston, Buchanan, Adrian, Shinston, Salem, West Union, Moorefield, Petersburg, in West Virginia Total population served is estimated at 135,000 Number of exchanges, 67.

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value nd $1,500,000 6% cumulative Pfd., par $100; out-:anding, 25,000 shares Common and $600,000 Pfd. 'he Common stock is owned by John T. Johnston, Milwaukee. No further details available.

FUNDED DEBT

,500,000 ONE-YEAR 5% SECURED GOLD NOTES; DUE MARCH 15, 1929

Dated March 15, 1928.

Interest Payable September 15 and March 15 at ontinental National Bank & Trust Co., Chicago, or at irst National Bank of New York.

Denominations—Coupon, $500 and $1,000; princi-al may be registered.

Trustee—Continental National Bank & Trust Co., hicago.

Provisions of Issue—Authorized amount, unlimited; sued, $1,500,000. No additional notes may be issued nless a certificate, filed with the Trustee, covering period of 12 consecutive calendar months within ie 15 calendar months immediately preceding the ate of filing of the application for additional notes, nall disclose that the net consolidated earnings vhich are such earnings as defined of subsidiaries pplicable to securities deposited under the Trust greement) have been at least 2¼ times the annual terest charges on all notes issued under the Trust greement, including those applied for, plus the an-ual interest and dividend charges, if any, on obliga-ons evidencing funded indebtedness and Pfd. stock the subsidiaries not pledged under the Trust Agree-ent, all as defined in the Trust Agreement.

Purpose of Issue—Proceeds from the sale of these otes were used in part for acquisition of properties, r betterments and improvements and for other rporate purposes.

Callability—Subject to call at any time on 30 days' otice at 100½ and interest.

Security—Notes are the direct and primary obliga-on of the Company and are secured by deposit of Common and Pfd. stock of subsidiary companies. The Trust Agreement provides that no indebtedness of the present subsidiaries other than current indebtedness shall hereafter be created, and that any subsidiary hereafter constituted such, shall not, after the date of becoming a subsidiary, create any indebtedness other than current indebtedness, excepting, however, in each case indebtedness evidenced by obligations pledged under the Trust Agreement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman & Cutler, Chicago, (for the Bankers) and Glicksman & Gold, Milwaukee, (for the Company).

Original Offering—First publicly offered ($1,500,-000) in April, 1928, at 99 and accrued interest to yield over 6% by R. E. Wilsey & Co., Inc., Chicago and Beverley Bogert & Co., New York.

CONSOLIDATED EARNINGS, YEAR ENDED DECEMBER 31 1927

Gross income	$306,046
Operating expenses, including maintenance and local taxes and amount of earnings applicable to minority Common stock owners	136,688
Net operating revenues available for interest, depreciation and Federal taxes	$169,358

CONDENSED CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Upon completion of present financing)

Assets—	
Present value of going concern of plant & property	$2,390,337
Cash	82,481
Accounts receivable	16,112
Materials and supplies	16,000
Total	$2,504,930
Liabilities—	
Funded debt	$1,500,000
Notes and accounts payable and accrued items	38,112
Reserve for depreciation	346,120
Stockholders' equity and minority interests	620,698
Total	$2,504,930

Officer: John T. Johnston, Pres., Milwaukee, Wis.
General Office, Milwaukee, Wis.

NEW ENGLAND POWER ASSOCIATION

(See Accompanying Map)

History—The New England Power Association is voluntary association, formed by a declaration of ust dated January 2, 1926, as provided for under the ws of Massachusetts. It was formed pursuant to e Enlargement and Reorganization Plan and Agree-ent, dated Nov. 2, 1925 (see 1927 Manual, p. 2344). he plan was prepared by William W. Brooks, harles A. Harris and Arthur H. Lowe, constituting e committee, and approved by the various stock-lders of the New England Company on Jan. 18, 26 and thereby New England Power Association quired all the assets of The New England Company ee 1925 Manual, p. 1376).

The New England Power Association now controls ther by stock ownership or otherwise the following rporations:

ew England Power Group:
- New England Power Company
- The Connecticut River Power Co. of New Hampshire
- Rhode Island Power Transmission Company
- Bellows Falls Power Company
- Fall Mountain Electric Company
- Bellows Falls Electric Company
- Bellows Falls Canal Company
- Grafton County Electric Light & Power Company
- Hartford Water Company
- Seekonk Electric Company

The Rhode Island Public Service Group:
- The Narragansett Electric Company
- South County Public Service Company
- The Mystic Power Company
- Bristol County Gas & Electric Company
- United Electric Railways Company
- Lawrence Gas & Electric Company
- The Webster & Southbridge Gas & Electric Company
- The Lowell Electric Light Corporation
- Connecticut Valley Company

During 1927 The Narragansett Electric Company (formerly United Electric Power Co.) acquired the assets of and assumed the liabilities of the Narragansett Electric Lighting Company which company is in process of dissolution.

The Webster & Southbridge Gas & Electric Company and The Lowell Electric Light Corporation were acquired during the year of 1927.

For details of the acquisition of Lawrence Gas & Electric Co. see 1927 Manual, p. 2350. For details of acquisition of Narragansett Electric Lighting Co. and United Electric Railways Co., see statement of The Rhode Island Public Service Co. in the 1927 Manual p. 2352.

The New England Power System constitutes the largest power system in the New England states,

We deal in the Securities of
NEW ENGLAND POWER ASSOCIATION
C. D. PARKER & CO., Inc.
Reliable Investments Since 1896
PARKER BUILDING 150 CONGRESS ST., BOSTON

furnishing light and power to a territory in Massachusetts, Vermont, New Hampshire and Rhode Island, covering an area of about 9,000 square miles. Through its sale of power to local distributing companies, the system serves light and power to over 250 communities having a population in excess of 2,500,000.

As a result of its widespread network of transmission lines, the New England Power System not only distributes 1,000,000,000 kilowatt hours of electricity to its own customers, but is the medium which ties together the great power plants, steam and water, of southern New England and New York State.

The New England Power System is made up of the following companies and groups which are controlled through ownership of their entire Common stock, except in the case of the Lawrence Gas & Electric Co. and The Lowell Electric Light Corp. where a majority of the stock is controlled:

New England Power Co. is the major operating company, owning seven hydro plants and two storage reservoirs on the Deerfield River in Massachusetts and Vermont, and a steam plant at Uxbridge, Mass., in addition to lines, substations and other property in Massachusetts and Vermont. This company carries on a wholesale power business in these two states.

The Connecticut River Power Co. of N. H. owns the Vernon station on the Connecticut River, together with lines, substations, etc., in New Hampshire and Vermont, and does a wholesale business in these two states.

Rhode Island Power Transmission Co. owns substations and transmission lines in Rhode Island and serves electric utilities and large industrial users in this state.

Lawrence Gas & Electric Co., of which more than 87% capital stock is owned, does the entire gas and electric business in Lawrence, Mass. and vicinity.

The Rhode Island Public Service Co., a holding company, controls The Narragansett Electric Company, serving Providence and a large portion of Rhode Island, and the United Electric Railways Co., operating an extensive street railway system and bus lines in Rhode Island.

Bellows Falls Power Co. and subsidiaries operate in Bellows Falls and six surrounding towns in Vermont and New Hampshire. This group does both a wholesale and retail business.

Grafton County Electric Light & Power Co. supplies electricity for all purposes in White River Junction and seven surrounding towns in Vermont and New Hampshire. Hartford Water Company supplies water for White River Junction, Vt. and West Lebanon, N. H.

The Webster & Southbridge Gas & Electric Company does the entire gas and electric business in Webster, Southbridge and Dudley, and serves six other towns in the vicinity with electricity.

The Lowell Electric Light Corporation does the entire electric lighting and power business in Lowell, Mass., and also serves seven adjoining towns.

With the exception of the Grafton County Electric Light & Power Co., these companies form a complete power system physically interconnected. The combined generating capacity of the system is 608,000 h.p. The Association controls water rights capable of being developed to the extent of about 250,000 h.p. additional making a total of more than 850,000 h.p. with the existing plants. The system owns 917 miles of high tension transmission circuits, at 66,000 volts and higher. Distribution to customers at voltage from 13,000 to 44,000 is made over 508 miles of owned circuits.

In March, 1928 a new 60,000 h.p. hydro-electric plant at Bellows Falls, Vermont, was completed and placed in operation. This station will add about 135,000,000 k.w.h. per year to the System output. To bring this output to its point of distribution a 110,000 volt, double circuit line, 60 miles long, was constructed from Bellows Falls, Vt. to Pratts Junction, Mass., where a new substation of 51,000 k.v.a. capacity has been erected.

Acquisition of Water Rights—Shareholders of New England Power Association in the latter part of 1926 ratified the agreement for purchase of the properties of the Connecticut Valley Lumber Co. and the resale of its timber lands to a new corporation. New England Power retains the water rights permitting the development of approximately 200,000 h.p. on the upper Connecticut river.

GROWTH OF SYSTEM, DECEMBER 31

	Gross Earnings	Net Earnings	——Kilowatt Hour Production—— Generated	Purchased	Total	—Number of Customers— Electric	Gas	Total
1916	$4,754,558	$2,496,597	285,737,000	31,913,000	317,650,000	37,614	27,840	65,454
1917	5,770,482	2,294,168	334,032,000	48,279,000	382,311,000	41,513	29,710	71,223
1918	7,395,659	2,781,702	368,264,000	56,713,000	424,977,000	43,454	31,062	74,516
1919	8,645,254	3,199,892	396,041,000	73,361,000	469,402,000	48,984	31,647	80,631
1920	11,555,690	3,855,965	459,821,000	104,958,000	564,779,000	57,576	32,929	90,505
1921	19,243,786	5,508,455	531,840,000	60,567,000	592,407,000	67,286	33,510	100,796
1922	20,930,487	6,587,756	611,493,000	70,278,000	681,771,000	83,345	35,265	118,610
1923	23,211,431	6,783,526	715,920,000	98,866,000	814,786,000	99,739	36,983	136,722
1924	23,641,581	7,127,483	722,677,000	86,668,000	809,345,000	116,157	38,232	154,389
1925	24,741,606	8,721,940	805,131,000	140,360,000	945,491,000	129,771	38,282	168,053
1926	26,662,731	10,299,571	878,212,000	120,918,000	999,130,000	144,846	38,818	183,664
1927	28,778,661	12,645,717	982,269,000	122,249,000	*1,104,518,000	190,830	43,962	234,792

*K. W. H. figures include statistics for the whole of 1927 for Lowell Electric Light Corp. and The Webster & Southbridge Gas & Electric Co.

NOTE—In this table data of the newly acquired companies has been included for comparative purposes. Statistics of the United Electric Railways Co. date from 1921 only, when consolidation of the railway properties in Rhode Island was effected.

CAPITAL STOCK

Authorized, 1,200,000 shares Common of no par value and $53,025,000 6% cumulative Pfd., par, $100; (increased from 600,000 shares Common and $30,000,000 Pfd. Dec. 3, 1926); outstanding, 824,069 shares Common and $33,365,300 Pfd.

Preferred Stock Provisions—Has preference for assets and dividends and is entitled to cumulative dividends at the rate of $6 per share per annum; is subject to call in whole or in part on any dividend date on 30 days' notice at 105 a share and accrued dividends. It is non-voting except in the default in the payment of dividends to the extent of $6, when each share will be entitled to one vote. On liquidation or termination of Company, is entitled in priority to all other shares to $100 a share and accrued dividends, provided, that if upon such liquidation or termination all the assets of the Company are transferred to a new company which assumes all the liabilities of the Company and has at that time no other liabilities, and which at that time issues and will thereupon have outstanding Pfd. stock of at least equal rank with substantially like preferences and rights as these Pfd. shares, not exceeding in amount the Pfd. and other equal stocks of the Company and no stock senior thereto unless and to the extent that the Company then has senior stock outstanding, holders of new Pfd. shares will be entitled only to receive for each share so held one share of such Pfd. issued by the new company. Additional classes of stock having preference in dividends or in liquidation over present Pfd. shall be created only with the consent of 80% of outstanding present Pfd.; additional classes of stock ranking equally with present Pfd. as to dividends and in liquidation, in addition to the 530,250 shares now authorized, shall be created only with the consent of a majority of outstanding present Pfd., except in each such case as may be necessary in order to permit the conversion of the outstanding convertible bonds.

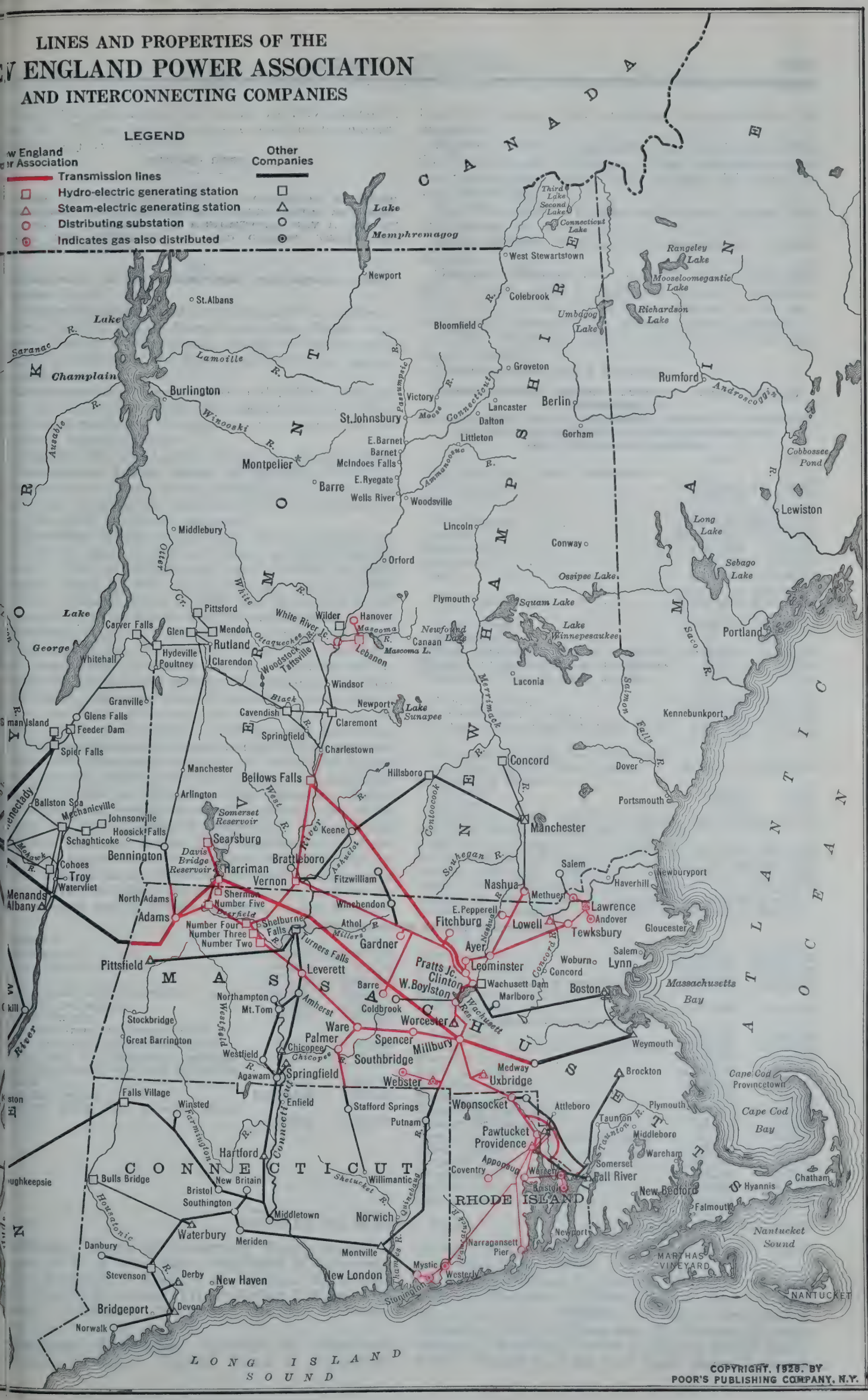
Transfer Agent—Old Colony Trust Co., Boston.

Registrar—First National Bank of Boston, Mass.

Annual Meeting—Second Tuesday in March.

Dividends—Initial dividend of $1.20 a share was paid on 6% Pfd. stock April 1, 1926, for the period Jan. 18, 1926, to date of payment. Regular quarterly dividends of $1.50 a share have been paid since to date; payments, J, A, J & O 1. Initial quarterly dividend of 37½ cents a share on Common stock was paid Oct. 15,

LINES AND PROPERTIES OF THE
V ENGLAND POWER ASSOCIATION
AND INTERCONNECTING COMPANIES



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926, which rate maintained to July 15, 1927 inclusive;)ct. 15, 1927 to date, 50 cents a share each quarter; ayments, J, A, J & O 15.

FUNDED DEBT

(1)

,026,000 NEW ENGLAND COMPANY 30-YEAR 6% SECURED SINKING FUND CONVERTIBLE GOLD BONDS; DUE MAY 1, 1952 BUT CALLED FOR REDEMPTION MAY 1, 1928, AT 104½ AND INTEREST AT OLD COLONY TRUST CO., BOSTON, TRUSTEE

(2)

$25,000,000 5% GOLD DEBENTURES, DUE APRIL 1, 1948

Dated April 1, 1928.

Interest Payable April and October 1 at office of arris, Forbes & Co., Boston and New York, or at arris Trust & Savings Bank, Chicago, or at the option the Association at the Association's office or agency said cities.

Denominations—Coupon, $500 and $1,000; principal ay be registered, and fully registered, $1,000 or ithorized multiples. Coupon and fully registered de- ntures interchangeable.

Trustee—The Old Colony Trust Co., Boston, Mass.

Provisions of Issue—Issued, $25,000,000. These de- ntures were issued for the retirement of short term ink loans and for the payment of other indebtedness id for other corporate purposes.

Callability—Subject to call as a whole or in part on ay interest date on 60 days' notice at 102½ through pril 1, 1932; at 102 through April 1, 1936; at 101½ rough April 1, 1940; at 101 through April 1, 1944; 100½ through April 1, 1947, and thereafter at 100 maturity; in each case with accrued interest.

Security—These debentures are a direct obligation the Association, but are not secured by mortgage. he Association covenants in the Indenture not to edge any of its assets without ratably securing these bentures, except in case of purchase money mort- ges and liens and except in case of pledges in the ual course of business as security for temporary ans and guarantees for terms not exceeding one year. also covenants not to issue any additional funded bt unless consolidated net earnings (consolidated id determined as defined in the Indenture) before preciation for twelve consecutive months, out of the teen months immediately preceding the calendar onth of the issue thereof, shall have been at least one id two-thirds times the aggregate of the annual in- rest charges on the Association's entire outstanding nded debt, including the proposed issue, and the an- ual interest and/or dividend charges on any bonds or Preferred stocks of the subsidiary companies held by the public.

Equity—Based on quotations on March 28, 1928 of the Common and Pfd. shares of the Association, there is a market value equity back of these debentures of over $96,000,000.

Tax Provisions—The Association pays Normal Federal Income tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered ($25,000,000) in April, 1928, at par and interest by Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., and Baker Young & Co., Boston; Harris, Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

Listed—Boston Stock Exchange.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Including From Date of Acquisition, Earnings of Subsidiaries, But Excluding Non-recurring Gains Resulting From Sale of Investment Securities)

	1927	1926
Gross oper. rev. (after elimination of inter-co. sales)	$27,378,252	$25,504,932
Other income	1,400,409	1,157,799
Total income	$28,778,661	$26,662,731
Expenses	$10,827,404	$10,574,126
Maintenance	2,782,269	3,679,273
Depreciation	2,687,084	1,392,153
Taxes	2,523,271	2,109,761
Total expenses, etc.	$18,820,028	$17,755,313
Net earnings	$9,958,633	$8,907,418
Deductions:		
Interest paid and amort. of discounts	$3,854,438	$3,581,871
Minority int. in earnings of subsidiaries	256,824	266,691
Preferred & Class A divds. of subs.	1,369,437	1,287,544
Total deductions	$5,480,699	$5,136,106
Net consolidated earnings	4,477,934	3,771,312
Pfd. divds.—New England Power Assn.	1,910,422	1,791,515
Net earnings applic. to Com. shares of New England Power Assn.	$2,567,512	$1,979,797
Earnings Per Share—		
Preferred	$13.42	$12.12
Common	*3.37	*3.34

*Based on yearly average of shares outstanding—761,310 shares in 1927 and 592,034 shares in 1926.

NOTE—Including, to the extent of the stock interests owned, earnings of subsidiaries controlled throughout 1927, earnings from June 1, 1927 of The Lowell Electric Light Corporation and earnings from July 1, 1927 of The Webster & Southbridge Gas & Electric Company; but excluding non-recurring gains resulting from sale of investment securities.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
pital assets	$181,310,871	$158,650,141
ork orders in progress	1,599,561	437,844
sh	4,771,322	5,390,490
counts and notes receivable	3,083,266	3,150,964
aterials and supplies	2,302,988	2,166,242
epaid charges	633,412	553,869
cts. rec. from employees under sav- ngs and stock subscription plans	248,593	249,821
ocks held for employees' subscrip.	100,100	124,500
stricted deposits and cash in sinking unds	394,016	1,859,594
curities owned	12,872,048	5,954,443
amort. bond disc. & other unadj. debits	2,920,929	2,931,031
Total	$210,237,106	$181,468,939

Liabilities—	1927	1926
Common stock	$41,717,847	$39,365,093
Preferred stock	33,365,300	31,108,500
Preferred and Class A stocks of subs.	22,407,870	18,576,130
Minority int. in Com. stock and surplus of subsidiaries	4,451,506	2,176,154
Bonds assumed by New England Pow. Association	1,080,200	2,805,200
Funded debt of subsid. cos. outstand.	57,719,088	59,529,500
Warrants payable	11,707	40,590
Notes payable	19,302,147	2,999,000
Accounts payable	4,074,723	3,391,797
Dividends payable	594,333	196,409
Reserve for depreciation	17,881,877	14,050,269
Reserve for casualties	665,436	650,035
Reserve for equalization and def. maint.		723,770
Other reserves	342,946	380,333
Suspense credits	3,214,758	3,283,637
Employees' stock subscriptions	423,250	367,400
Surplus paid in	1,500,000	1,500,000
Surplus earned	1,484,118	325,123
Total	$210,237,106	$181,468,939

Officers: Frank D. Comerford, Pres.; Samuel C. oore, V-P. & Gen. Mgr.; Archibald R. Graustein, -P.; Frederick S. Pratt, V-P.; William W. Brooks, -P.; Carl S. Herrmann, Treas.; Arthur E. Pope, Asst. eas.; Frederick J. Dunn, Sec.; Richard S. Pattee, st. Sec.

Executive Committee: Archibald R. Graustein, hairman; Floyd L. Carlisle, Frank D. Comerford, George O. Muhlfeld, Philip Young, Henry I. Harriman, John R. Macomber.

Directors: Floyd L. Carlisle, Chrm., New York; Henry I. Harriman, V-Chrm., Boston, Mass.; F. Higginson Cabot, Jr., William K. Dick, Archibald R. Graustein, Perry T. Hanscomb, H. Edmund Machold, George O. Muhlfeld, Charles E. Norris, Rudolf Pagenstecher, Bayard F. Pope, New York; James T. Hutch-

ings, Philadelphia, Pa.; Jacob F. Schoellkopf, Jr., Buffalo, N. Y.; Charles L. Ayling, George B. Baker, Frank D. Comerford, Charles L. Edgar, Harry H. Hunt, John R. Macomber, James J. Phelan, Frederick S. Pratt, Philip Young, Boston, Mass.; Edward B. Aldrich, Joseph J. Bodell, Luke C. Bradley, Walter R. Callender, Arnold B. Chace, Jr., Malcolm G. Chace, Louis C. Gerry, Providence, R. I.; John N. Carlisle, Watertown, Mass.; Samuel Ferguson, Hartford, Conn.; John Johnston, Pawtucket, R. I.; Samuel C. Moore, Worcester, Mass.

Office, 50 Congress St., Boston, Mass.

NEW ENGLAND POWER COMPANY (MASSACHUSETTS)

(Controlled by New England Power Association)

History and Properties—Consolidated April 27, 1916, in Massachusetts, as a consolidation of the New England Power Company and the Connecticut River Transmission Company, both Massachusetts corporations, following a decision rendered by the Board of Gas and Electric Light Commissioners of the Commonwealth of Massachusetts, March 29, 1916. The property of the company consits of seven generating plants on the Deerfield River, having a capacity of 125,000 h.p., two storage reservoirs of a capacity of approximately 61 billion gallons, and a transmission system of 765 miles of 66,000 and 110,000 volt circuits serving important cities and towns in central Massachusetts, and connecting with lines supplying important industrial centers in Vermont, New Hampshire, Connecticut and Rhode Island, serving a total population in excess of 1,000,000. The Company also has a steam auxiliary plant at Uxbridge, Mass., with a capacity of 23,500 h.p. and fifteen substations. The Company purchases power by contract from the Connecticut River Power Co., which owns a 40,000 h.p. hydro-electric plant on the Connecticut River and exchanges power in large quantities with New York Power & Light Corp., Turners Falls Power & Electric Co., Edison Electric Illuminating Co. of Boston, and other systems.

The Deerfield River falls over 1,800 feet between Wilmington, Vt., and its junction with the Connecticut River. The stations now in operation utilize approximately 1,130 feet of this fall, this company and the New England Power Association owning additional fall to the extent of about 670 feet.

The high tension lines built on private rights of way under perpetual rights and easements cover practically all of the State of Massachusetts west of Worcester, among other cities and towns served being Adams, North Adams, Fitchburg, Clinton, Gardner and Worcester. Connection is also made with extensive transmission systems in New Hampshire and Vermont, and with the affiliated system of the Rhode Island Power Transmission Company, reaching Providence, Woonsocket and Pawtucket, Rhode Island.

The Company serves large manufacturing interests in the above named section of Massachusetts and also supplies railroads, street railways, electric light companies and municipalities, the current sold being about equally divided between manufacturing companies and public utilities.

Control—Controlled by New England Power Association through ownership of entire Common stock.

CAPITAL STOCK

Authorized, $15,300,000 Common and $6,814,000 6% cumulative Pfd.; outstanding, $10,200,000 Common and $6,814,000 Pfd.; par $100. The authorized Preferred stock was decreased from $9,014,000 in 1926 and Common stock increased from $8,000,000 to $10,200,000. Authorized Common stock further increased to $15,300,000 about December, 1927. Entire Common stock owned by New England Power Association.

Preferred Stock Provisions—Pfd. stock has preference as to assets as well as dividends and is not subject to call.

Profit-right Certificates—Of the Pfd. stock, 12,500 shares (issued in 1921) are accompanied by transferable Profit-right Certificates, which entitle the holder to $2.50 additional per share per annum for ten years from July 1, 1921, payable quarterly, to be paid out of surplus or net earnings otherwise available for Common dividend.

Transfer Agent—Old Colony Trust Co., Boston, Mass.

Annual Meeting—Third Tuesday in January.

Dividends—Original company incorporated in 1911 and dividends of 6% on Pfd. stock have been regularly paid since that time; payments quarterly, J, A, J & O 1. Directors meet for dividend action on first Tuesday in M, J, S & D.

FUNDED DEBT

(1)

$12,223,000 (CLOSED MORTGAGE) FIRST SINKING FUND GOLD 5s, DUE JULY 1, 1951

Dated July 1, 1911.

Interest Payable January and July 1, at New England Trust Co., Boston, Mass., and Pennsylvania Co for Insurances on Lives and Granting Annuities Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New England Trust Co., Boston, Mass.

Provisions of Issue—Authorized and issued, $14,000,000, of which $680,000 cancelled by sinking fund and $1,097,000 held in the sinking fund uncancelled.

Callability—Subject to call as a whole or for sinking fund at 105 and interest on any interest date, and any portion callable for the sinking fund at the same price.

Sinking Fund—Sinking fund of 1% on bonds outstanding for five years, began July 1, 1917; beginning July 1, 1931 1½%. The company agrees to make additional payments (to be used only for purchase of bonds at not exceeding 105) so that the sum of the annual sinking fund and additional payments beginning July 1, 1917, will amount to 1% of bonds then outstanding, and beginning July 1, 1921, to 1½% on all bonds outstanding.

Security—Secured on all property, water rights and plants; also all transmission lines and sub-stations, etc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Taxes (other than inheritance or successor taxes) will be reimbursed upon written application within 60 days after the tax is paid.

Legal for Savings Banks in Maine, New Hampshire and Massachusetts.

Original Offering—$3,000,000 offered in 1912, by Baker, Ayling & Co.; $2,000,000 additional by Baker Ayling & Co and $1,000,000 by Kingsley & Adams Worcester, Mass., in May, 1916, at 98½ and interest; $2,800,000 offered in Sept., 1923, at 96¼ and interest to yield 5¼%, by Baker, Young & Co., Blodget & Co., and Arthur Perry & Co., Boston, etc.

(2)

$1,549,000 6% GOLD COUPON NOTES; MATURED AND PAID OFF FEBRUARY 1, 1927

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$6,152,052	$6,023,478	$6,088,13
Operating exp. & deprec.	3,105,650	3,044,674	3,429,84
Taxes	547,638	546,449	467,23
Net earnings	$2,498,764	$2,432,355	$2,191,05
Other income	105,530	78,768	31,51
Gross income	$2,604,294	$2,511,123	$2,222,57
Fixed charges	897,456	937,554	823,34
Net income	$1,706,838	$1,573,569	$1,399,22

Officers: H. I. Harriman, Pres.; A. E. Pope, V-P.; C. S. Herrmann, Treas.; W. C. Coburn, Aud.; F. J. Dunn, Clerk; S. C. Moore, Gen. Mgr., Boston, Mass.
Directors: G. B. Baker, A. E. Pope, H. I. Harriman, Philip Young, F. J. Dunn, F. S. Pratt, W. W. Brooks, S. C. Moore, F. D. Comerford, Boston, Mass.; A. B. Chace, Jr., Providence, R. I.; F. L. Carlisle, A. R. Graustein, New York.
General Office, 50 Congress St., Boston, Mass.

THE CONNECTICUT RIVER POWER COMPANY OF NEW HAMPSHIRE

(Controlled by New England Power Association)

History and Property—A consolidation of the Connecticut River Power Company (a Vermont Corporation) and the Connecticut River Power Company of New Hampshire (a New Hampshire corporation). This consolidation took place in June, 1907. Company owns and operates a dam and power house on the Connecticut River, between the towns of Vernon, Vt., and Hinsdale, N. H. The power house is equipped with eight units of 2,500 k.v.a. and two units of 6,000 k.v.a. capacity, 60 cycle current. The dam is built of concrete and the power house is also built of concrete and brick and forms the western end of the dam. The company owns a transmission line extending from its power house to the Massachusetts State line at Warwick; also a line located in Vermont, connecting with the Bellows Falls Power Companies; line extending from the power station to the Massachusetts State line at Leyden, part of the line connecting the plants of the New England Power Company located at Shelburne Falls, Mass.; also a line extending from the Massachusetts State Line to Nashua, N. H.

Control—Controlled by New England Power Association through ownership of the entire Common Stock.

CAPITAL STOCK

Authorized and outstanding, $3,200,000 Common and $1,200,000 6% cumulative Pfd.; par, $100. Entire Common stock owned by New England Power Association. Pfd. stock has preference as to assets as well as dividends, and is not subject to call. Transfer Agent: Old Colony Trust Co., Boston, Mass. Pfd. dividends payable semi-annually, June and December 1.

FUNDED DEBT

$1,541,000 (CLOSED MORTGAGE) FIRST GOLD 5s; DUE JUNE 1, 1937

Dated June 1, 1907.
Interest Payable June and December 1, at Merchants' National Bank, Boston, and West End Trust Co., Philadelphia.
Denomination—Coupon, $1,000; principal may be registered.
Trustee and Registrar—Old Colony Trust Co., Boston, Mass.
Provisions of Issue—Authorized and issued, $2,000,000, of which $459,000 retired by sinking fund.
Callability—Subject to call as a whole on any interest date at 107 and interest, or as a whole or in part for the sinking fund.
Sinking Fund—Sinking fund is provided consisting of a sum not less than 10% of the net income of the power company for the 12 months ending with April 1 immediately preceding the first day of June to be paid to the Trustee on June 1 in each of the years 1912 to 1936, both inclusive. The Trustee is to invest moneys comprising the sinking fund and the income thereof from time to time in the purchase of bonds at a price not exceeding 107 and int.; all bonds so purchased to be cancelled.
Security—Secured by first lien on all property, including dams, retaining walls, canals, gates, power houses, mills, works, buildings and other structures and appurtenances and all extensions thereof and additions thereto constructed or to be constructed or hereafter to be acquired. Also, upon all lands, rights of way, real and leasehold estate already or hereafter to be acquired; upon all machinery, water wheels, engines, boilers, dynamos, motors, equipment, wires, poles, etc., and upon all the franchises, rights and privileges now owned or which may hereafter be acquired.
Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Tax refunded.
Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	*101	*101½	99¾	98	98½	96	86	78½
Low	100	92¾ bid	bid	bid	ask	bid	bid	bid

*High and low bid prices.

OFFICERS AND DIRECTORS

Officers: C. A. Harris, Pres., Brattleboro, Vt.; A. E. Pope, V-P.; C. S. Herrmann, Treas.; H. Hanson, Asst. Treas.; W. C. Coburn, Aud., Boston, Mass.; H. E. Whitney, Sec.; Brattleboro, Vt.; E. J. Temple, Clerk, Hinsdale, N. H.; S. C. Moore, Gen. Mgr.; C. R. Oliver, Asst. Gen. Mgr., Boston, Mass.
Directors: C. A. Harris, H. E. Whitney, Brattleboro, Vt.; W. W. Brooks, Boston, Mass.; E. J. Temple, Hinsdale, N. H.; Philip Young, Boston, Mass.
Offices, Brattleboro, Vt., and 50 Congress St., Boston, Mass. **Operating Office,** 50 Congress St., Boston, Mass. **Corporate Office,** Hinsdale, N. H.

RHODE ISLAND POWER TRANSMISSION COMPANY

(Controlled by New England Power Association)

History—Incorporated in April, 1912, in Rhode Island. Company owns or controls all the transmission lines and sub-stations of the system in the State of Rhode Island. Two sub-stations at Pawtucket and Woonsocket, R. I., connecting various customers and to the lines of The Narragansett Electric Company, an affiliated company.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by New England Power Association. Annual meeting, first Thursday after first Tuesday in November.

Officers: M. G. Chace, Pres.; J. O. Ames, V-P., Providence, R. I.; A. E. Pope, V-P.; C. S. Herrmann, Treas.; H. Hanson, Asst. Treas., Boston, Mass.; R. S. Pattee, Clerk, Providence, R. I.; F. L. Hinckley, Asst. Clerk; S. C. Moore, Gen. Mgr.; W. C. Coburn, Aud., Boston, Mass.
Directors: J. O. Ames, M. G. Chace, F. L. Hinckley, Providence, R. I.; H. I. Harriman, Philip Young, Boston, Mass.
Corporate Office, Providence, R. I. **General Office** and **Operating Office,** 50 Congress St., Boston, Mass.

BELLOWS FALLS POWER COMPANY

(Controlled by New England Power Association)

History—Inc. 1912, in Mass. Owns all stock ($100,000) of the Bellows Falls Canal Company, and all the $490,000 bonds of that Company, all of the stock ($250,000) of the Bellows Falls Electric Company, which company has no funded indebtedness, and all of the stock ($125,000) of the Fall Mountain Electric Company, which has outstanding $65,000 bonds owned by New England Power Association.

CAPITAL STOCK

Authorized and outstanding, $150,000 Common and $650,000 5% cumulative Pfd.; par, $100. All the outstanding stock, both Common and Pfd., owned by New England Power Association. Pfd. stock is subject to call at 105 and has preference for assets. Transfer Agent: Baker, Young & Co., Boston, Mass. Pfd. dividends payable semi-annually, May and Nov. 1.

FUNDED DEBT

$559,000 Collateral Trust Sinking Fund Gold 5s; dated July 1, 1922; due July 1, 1942; int. Jan. and July 1, at Old Colony Trust Co., Boston, Trustee. Coupon

$1,000; principal may be registered. Authorized issue, $665,000. Subject to call on four weeks' notice at par and interest. Sinking fund of 1¼% of bonds certified beginning July 1, 1923, bonds so purchased to remain in sinking fund uncancelled. Secured by deposit of $112,500 stock and $490,000 bonds of Bellows Falls Canal Co., $125,000 Fall Mountain Electric Co. stock and $250,000 Bellows Falls Electric Co. stock. A first lien on entire property, subject only to $65,000 Fall Mountain Electric Co. bonds. First publicly offered ($600,000) in July, 1922.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31, 1926
(Latest Available)

Assets—	
Cash	$1,471
Accounts receivable	32,250
Securities	1,432,834
Total	$1,466,555
Liabilities—	
Capital stock	$800,000
Funded debt	568,000
Accounts payable	74,931
Accruals	23,624
Total	$1,466,555

Officers: G. B. Baker, Pres.; Samuel C. Moore, V-P.; C. S. Herrmann, Treas., Worcester, Mass.; R. S. Pattee, Sec. & Clerk, Boston, Mass.

Directors: G. B. Baker, W. W. Brooks, H. I. Harriman, Philip Young, S. C. Moore, Boston, Mass.

Operating Office, Bellows Falls, Vt. **Corporate Office,** 50 Congress St., Boston, Mass.

BELLOWS FALLS CANAL COMPANY (Controlled by Bellows Falls Power Company)—History—Owns a valuable water power site, dam and abutments, water rights, etc., at Bellows Falls, Vt., and operates under a charter granted in 1792. It is the second largest existing water power on the Connecticut River, having over 50 feet of fall. A new hydro-electric plant of 60,000 h.p. capacity and 135,000,000 k.w.h. annual output was completed in March, 1928.

CAPITAL STOCK

$112,500. All owned by Bellows Falls Power Company.

FUNDED DEBT

$490,000. All owned by Bellows Falls Power Company.

BELLOWS FALLS ELECTRIC COMPANY (Controlled by Bellows Falls Power Company)—History—Incorporated in Mass. Owns definite valuable water rights along the canal of the Bellows Falls Canal Company.

CAPITAL STOCK

$250,000. All owned by Bellows Falls Power Company.

FUNDED DEBT

None.

FALL MOUNTAIN ELECTRIC COMPANY (Controlled by Bellows Falls Power Company)—History—Incorporated in Mass. This company under liberal franchises does all the electric light and power business in the Towns of Bellows Falls, Westminster, Putney and Saxton's River, Vt., and Walpole, Charlestown and Alstead, N. H.

CAPITAL STOCK

$125,000. All owned by Bellows Falls Power Company.

FUNDED DEBT

Outstanding, $65,000 First Mortgage 5s; dated April 1, 1904; due 1924; int. April and Oct. 1, at National Bank of Bellows Falls, Vt. Company does not pay Normal Federal Income Tax. All owned by New England Power Association.

GRAFTON COUNTY ELECTRIC LIGHT & POWER CO.

(Controlled by New England Power Association)

History—Incorp. Sept. 10, 1912, in N. H. and has acquired the properties, rights and franchises of the Mascoma Electric Light & Gas Co. (see Manual for 1917, Public Utility Section, page 324, or apply to our Information Department) and the Lebanon Electric Light & Power Co. This company, operating under a franchise not limited in time, supplies, with electric light and power, the towns and surrounding villages of Lebanon, West Lebanon and Hanover, N. H., and White River Junction, Hartford, Wilder and Norwich, Vt. It also sells power to the companies supplying Canaan, Enfield and Meriden. Estimated populatio served, about 15,000.

CAPITAL STOCK

Authorized and outstanding, $260,000 Common an $325,000 Pfd.; par, $100. Transfer Agent for Commo stock, Secretary of Company. Transfer Agent fo Pfd. stock, Baker, Young & Co., Boston, Mass. Pf stock has preference as to assets and dividends, and redeemable at 105 and accrued dividend as a whole o in part. The entire Common stock is owned by Ne England Power Association. Annual meeting, secon Monday in January, at Lebanon, N. H.

Dividends—Pfd. dividends have been regularly pai to date; payments, quarterly, M, J, S & D 1; on Con mon: 1917, 4%; 1918 to 1924, inclusive 8% each; 192 7%; 1926, 16%; 1927, not reported.

FUNDED DEBT

$345,000 First Gold 5s; dated Aug. 1, 1917; due Au 1, 1942; int. Feb. and Aug. 1, at Old Colony Trust Co Boston, Trustee. Coupon, $500 and $1,000; princip may be registered. Authorized issue, $1,000,00 Further bonds under the mortgage in excess of $361 000 can be issued only under carefully guarded re trictions. Subject to call at 103 and accrued interes on any interest date. Sinking fund, beginning Sept. 1919, 3% of the gross annual income of Compan This fund is to be used in the purchase and retiremer of bonds of this issue at not exceeding 103 and interes or may be used as an improvement fund for permaner additions or improvements to Company's property. first lien on entire property rights and franchises of th company now owned or hereafter acquired. Compan pays Normal Federal Income Tax up to 2%.

Officers: Charles L. Ayling, Pres., Boston, Mass Charles LeBourveau, V-P., White River Junction, Vt R. S. Pattee, Sec., Boston, Mass.; Carl S. Herrmann Treas; W. C. Coburn, Aud., Worcester, Mass.; Flo ence M. Bixby, Clerk; T. C. Capistrom, Mgr Lebanon, N. H.

Directors: Charles L. Ayling, W. W. Brooks, S. C Moore, A. E. Pope, Boston, Mass.; C. LeBourveau White River Junction, Vt.; J. C. Smith, Lebanon N. H.; H. C. Edgerton, Hanover, N. H.

General Office, Lebanon, N. H. **Treasurer's Office** 50 Congress St., Boston, Mass.

HARTFORD WATER CO.

(Controlled by New England Power Association)

History—Incorporated Nov. 24, 1890, in Vt. Serve White River Jct., Vt., and West Lebanon, N. H., wit water.

CAPITAL STOCK

Authorized, $150,000 Common and $50,000 8% cumulative Pfd. (created 1923); outstanding, $100,80 Common and $23,000 Pfd. (issued Sept. 7, 1923); pa $100. Secretary of company acts as Transfer Agen The entire stock is owned by New England Powe Association. Annual meeting, second Tuesday i January.

Dividends—Dividends on Pfd. regularly paid sinc date of issue; payments quarterly, F, M, A & N 15.

FUNDED DEBT

$44,000 First Gold 5s; dated April 1, 1893; du April 1, 1933; interest April and October 1, at Firs National Bank of Boston, Trustee. Coupon, $500 Subject to call at 102 and interest. Company does no pay Normal Federal Income Tax.

Officers: Charles LeBourveau, Pres.; H. M. O'Neil Sec., White River Jct., Vt.; Alfred E. Watson, V-P Hartford, Vt.; Carl S. Herrmann, Treas.; H. Hanson Asst. Treas.; William C. Coburn, Aud., Boston, Mass

Directors: F. L. Davis, A. E. Watson, Hartford, Vt. C. LeBourveau, White River Jct., Vt.; G. Kibling West Lebanon, N. H.; S. C. Moore, Boston, Mass.

General Office, White River Junction, Vt. **Treasurer's Office,** 50 Congress St., Boston, Mass.

SEEKONK ELECTRIC COMPANY

(Controlled by New England Power Association)

History—Incorporated Nov. 3, 1911, in Massachusetts. Company purchases electricity from The Narragansett Electric Company and transmits it to Seekonk and Rehoboth, Mass. from the state line over a transmission line 2.22 miles in length. The distribution system consists of 270 miles of wire. Electricity is supplied to about 1,350 customers.

CAPITAL STOCK

Authorized $25,000; issued and outstanding, $5,000; par $100. All owned by New England Power Association.

FUNDED DEBT

None.

Officers: William C. Bell, Pres. & Gen. Mgr., Boston, Mass.; Carl S. Herrmann, Treas.; R. S. Pattee, Clerk, Boston, Mass.

Directors: W. C. Bell, F. J. Dunn, C. S. Herrmann, J. C. Moore, A. E. Pope, Boston, Mass.

Corporate and General Office, 50 Congress St., Boston, Mass. **Operating Office,** Turks Head Building, Providence, R. I.

THE RHODE ISLAND PUBLIC SERVICE COMPANY

(Controlled by New England Power Association)

History—Incorporated in July, 1926, in Rhode Island, as a holding company. Owns all of the stock of The Narragansett Electric Company and over 97% of the capital stock of the United Electric Railways Company.

Details of Acquisition of Controlled Company—Under the Plan and Agreement dated July 28, 1926, the Rhode Island Public Service Co. offered to such stockholders of the United Electric Railways Co. who deposited their stock on or before Nov. 15, 1926 (extended to Nov. 23, 1926), the privileges summarized as follows: (1) Depositing stockholders had the option to receive for each share of Railway Company stock either one share of Class A stock of the Service Company, or two shares of Pfd. stock of the Service Company when, as and if the plan was consummated and the new securities available for issue on or before March 15, 1927. Holders of certificates of deposit who failed to exercise their option within the time specified were entitled only to receive the Class A stock of the Service Company; (2) if at least 80% of the outstanding stock of the Railway Company was deposited by the date specified, and if the plan was consummated and the new securities available for issue on or before March 15, 1927, but not otherwise, the holders of certificates of deposit were to be entitled to receive in cash $1.00 for each share of deposited stock. The Rhode Island Hospital Trust Co., Providence, R. I., was Depositary. Over 95% of the stock had been deposited under the Plan. Holders of the Railway Company's General and Refunding Mortgage bonds were also given the opportunity to exchange their bonds at any time on or before Jan. 10, 1929, for Class A stock of the Service Company on the basis of nine shares for each $1,000 5% bond and seven shares for each $1,000 4½ bond, until the Service Company shall have acquired by exchange or purchase $5,500,000 of Prior Lien and/or General & Refunding Mortgage bonds and subordinated all such bonds so acquired to the remaining outstanding bonds of the Railway Company.

The Narragansett Electric Company incorporated in Rhode Island June 18, 1926, furnishes electric light and power in practically all of the state west and south of Providence, including that city, and also in several towns in southeastern Connecticut. Gas is also supplied to four cities in Connecticut and Rhode Island. There are more than 117,000 electric customers and 6,400 gas customers. The estimated population served is 470,000 in a territory of about 775 square miles., Its property includes a modern steam generating station located at tidewater in Providence, having a generator capacity of 210,000 horsepower. There are more than 115 miles of lines transmitting at 22,000 to 66,000 volts, which serve a comprehensive distribution system through thirty-four main substations and numerous customers' stations.

The Narragansett Electric Company acquired in Nov., 1927, all the property, franchises and assets of the Narragansett Electric Lighting Company.

The United Electric Railways Co. is a consolidation of the various railways in the state of Rhode Island, the present company having been formed and operation started in 1921. It serves a population of about 500,000, operating in the principal cities and towns in the state. There are nine substations, a steam generating plant of 67,700 horsepower capacity and about 300 miles of street railway lines and 200 miles of bus routes.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31

	Operating Revenue			No. of Customers	
	Electric	Gas	Railway	Electric	Gas
1920	$4,878,504	$162,034	$8,243,232	46,475	4,614
1921	5,152,384	189,206	7,673,529	54,345	4,682
1922	5,672,299	193,549	8,240,312	65,250	4,977
1923	6,738,252	208,081	8,006,202	77,590	5,338
1924	6,860,729	207,412	8,179,822	89,628	5,478
1925	7,063,600	225,472	8,159,446	99,498	5,775
1926	8,184,890	238,034	8,196,574	110,445	6,156
1927	8,687,668	243,345	7,876,423	117,260	6,406

CAPITAL STOCK

Authorized, 132,007 shares Class "A" stock, 1,000,000 shares Class "B" stock (or voting stock), and 1,000,000 shares $2 cumulative Pfd. stock, all of no par value; outstanding, 80,268 shares Class "A", 1,000,000 shares Class "B" and 500,000 shares Pfd. The New England Power Association owns all of the Class "B" or voting stock.

Preferred Stock Provisions—This stock is cumulative as to dividends of $2 per share per annum, and is preferred as to assets, in the event of liquidation or dissolution whether voluntary or involuntary, up to $33 per share and accrued dividends before any distribution is made to any junior stock. Redeemable on any dividend date at the option of the company, in whole or in part, upon 40 days' notice at $33 per share and accrued dividends. The Pfd. stock carries no voting rights, except if at any time the preferential accumulated dividends on the Pfd. stock are in arrears to the amount of $4 per share, then so long as the preferential dividends shall be in arrears or the Company shall not for at least three months have been in position to pay the same, the holders of the Pfd. stock as a class shall have the right to elect a majority of the entire Board of Directors. The authorized amount of Pfd. stock may be increased with the affirmative vote or consent in writing of the holders of a majority of the outstanding Pfd. stock and a majority of the outstanding Class "A" shares and a majority of the outstanding Class "B" shares. The rights and preferences of the Pfd. stock may be changed and any class of stock on a parity with or with priority over the Pfd. stock may be authorized with the affirmative vote or consent in writing of the holders of at least two-thirds in amount of the Pfd. stock then outstanding and not otherwise, provided that no holder of Pfd. stock shall be deprived of his right to priority as to dividends and in dissolution or liquidation over the junior stock, nor shall the amount of the preferential dividend to which he is entitled be reduced without his consent in writing or at a meeting of the Pfd. shareholders.

No holder of Pfd. stock shall be entitled as of right to purchase or subscribe for any unissued stock originally or thereafter authorized, or for any securities or obligations convertible into such stock, and such stock or securities or obligations may be disposed of by the

Board of Directors for such consideration and to such persons, firms, corporations or associations, and upon such terms as the Board of Directors may determine, without offering them to the holders of Pfd. stock or obligations exchangeable for Pfd. stock.

Transfer Agents—Industrial Trust Company, Providence, R. I. and The First National Bank of Boston.

Registrars—Rhode Island Hospital Trust Company, Providence, R. I., and The State Street Trust Company, Boston.

Tax Provisions—Exempt from present Rhode Island taxes. New England Power Association agrees to reimburse any Massachusetts Income tax to an amount not exceeding 6% of dividends received in any one year, upon proper application.

Original Offering—Pfd. stock was public offered in February, 1927, at $30 a share and accrued dividends yielding 6.66%, by Bodell & Co., F. L. Carlisle & Co., Inc., Stone & Webster and Blodget, Inc., and Baker, Young & Co.

Legal Opinion (Pfd. Stock)—Ropes, Gray, Boyden & Perkins, Boston, and Edwards & Angell, Providence.

Price Range (Preferred)—1927: High, 30⅝; low, 28¾.

Dividends—Initial quarterly dividends of $0.50 on Pfd. stock and $1 on Class "A" stock were paid May 2, 1927 to stock of record April 15, 1927 which quarterly rates have been maintained to date; payments F, M, A & N 1.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Nov. 30, 1926
Gross earnings, including other income	$17,270,916	$16,745,734
Operating expenses, maintenance and all taxes	11,321,895	*12,053,606
Net earnings	$5,949,021	†$4,692,128
Annual interest on outstanding funded debt	2,046,853	2,044,826
Balance	$3,902,168	$2,647,302
$2.00 dividend on 500,000 shares of Pfd. stock	1,000,000	1,000,000
Balance for depreciation, dividends, etc.	$2,902,168	$1,647,302

*Maintenance equals 17% of gross earnings shown above.

†It is anticipated that all or substantially all of the capital stock of Narragansett Electric Lighting Co. and United Electric Railways Co. will be acquired, and all calculations herein contained have been based on the assumption that acquisition of the entire capital stock will be effected. For the acquisition of the outstanding Common stock of the United Electric Railways Co. not acquired, The Rhode Island Public Service Co. will have authorized an equal number of shares of Class "A" stock. For the acquisition of the outstanding capital stock of the Narragansett Electric Lighting Co. not acquired, The Narragansett Co. has deposited with the Trustee of its Collateral Trust Bonds, cash equal to $87.00 for each share of such stock not owned by it. In the event that less than the entire capital stocks of the said companies are acquired the proportionate assets and earnings of the consolidated companies applicable to the holdings of The Rhode Island Public Service Co. will be reduced accordingly.

Officers: Luke C. Bradley, Pres.; Louis C. Gerry, V-P.; W. C. Bell, V-P., Providence, R. I.; C. S. Herrmann, Treas., Boston, Mass.; Frank P. Jackson, Jr., Sec. & Asst. Treas.; John W. Gale, Asst. Sec., Providence, R. I.

Directors: L. C. Bradley, L. C. Gerry, Eugene A. Kingman, Providence, R. I.; F. D. Comerford, S. C. Moore, Boston, Mass.

General Offices, Providence, R. I. and 50 Congress St., Boston, Mass.

THE NARRAGANSETT ELECTRIC COMPANY

(Controlled by The Rhode Island Public Service Company)

History—Incorporated June 18, 1926, in R. I. as United Electric Power Company; name changed to present title in December, 1927. In November, 1927 acquired the property, assets, franchises and privileges of Narragansett Electric Lighting Company (see 192 Public Utility Manual, page 2356.)

The Narragansett Company (see 1927 Manual, pag 2355) was incorporated in January, 1927 in R. I. A Dec. 31, 1926, owned 453,267 shares outstanding cap tal stock of Narragansett Electric Lighting Compan This company as of May, 1928 was in process of di solution, its $27,500,000 Collateral Trust 5% Gol bonds, Series "A", due Jan. 1, 1957 having been e changed for a like amount of The Narragansett Ele tric Company First Mortgage 5% Gold bonds, date Jan. 1, 1927.

The Narragansett Electric Company owns all ou standing capital stock of Bristol County Gas & Ele tric Company and South County Public Service Con pany, the latter owning all the outstanding capit stock of The Mystic Power Company. See appende statement of South County Public Service Compan

Company furnishes electric light and power Providence, East Providence, Cranston and twel other communities and through subsidiaries in ten a ditional communities. Estimated population served 470,000 in a territory of approximately 775 squa miles. Including subsidiaries, electricity and gas a furnished to 123,666 consumers. Company owns an operates a modern steam generating station locate at tide water in Providence, R. I., having a total ge erator capacity of 156,950 k.w. It has 67 miles high tension transmission lines and a comprehensi distribution system, the main business center in Prov dence being served through an extensive undergrou system. Service is rendered through 34 substatio and about 100 small industrial substations.

COMPARATIVE OPERATING STATISTICS, YEARS ENDE DECEMBER 31

	1927	1926	1925	1924	1923	192
No. of electric customers	117,260	110,445	99,498	89,628	77,590	65,2
KWH generated (M)	361,237	356,876	263,498	278,188	359,747	277,9
No. of gas customers	6,406	6,156	5,775	5,478	5,338	4,9
Gas sold (M. cu. ft.)	141,615	135,503	127,512	115,319	116,476	

CAPITAL STOCK

Authorized, $16,350,000; outstanding, Jan. 31, 192 $16,344,600; par $50. All owned by The Rhod Island Public Service Company which in turn is co trolled by the New England Power Association.

FUNDED DEBT

$27,500,000 FIRST MORTGAGE GOLD BONDS, SERIES "A" 5 DUE JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable January and July 1 at Rhode Islan Hospital Trust Co., Providence, R. I. or at office fiscal agency of company in Boston, New York Chicago.

Denominations—Coupon, $500 and $1,000; registe able as to principal and exchangeable in denominatio of $1,000 or multiples for fully registered bonds.

Trustee—Rhode Island Hospital Trust Co., Prov dence, R. I.

Provisions of Issue—Series "A" is closed with th issue of $27,500,000 5% bonds. Additional bonds ma be issued under this Indenture in subsequent serie having such rates of interest, maturities and other pr visions provided in the Indenture as the Board of D rectors may from time to time approve: (a) To refu a like principal amount of bonds issued under this I denture of this or other series, or to refund bonds present subsidiaries now outstanding, and (b) not excess of 75% of the cash cost or fair value (whichev is less) of additional property acquired subsequent August 1, 1926, by The Narragansett Electric Cor pany and/or its subsidiary corporations, when consol dated net earnings, as defined in the Indenture, of Th Narragansett Electric Company and its subsidiari for twelve consecutive months within the fifte

nths next preceding shall have been at least equal t twice the annual interest charge on all bonds out- nding under the Indenture including those for which plication is made.

Purpose of Issue—Issued in exchange for a like mount of The Narragansett Company Collateral ust Gold bonds, Series "A" 5%, due January 1, 1957.

Callability—Series "A" bonds are subject to call as whole or in part on any interest date on 30 days' tice, as follows: On or before Jan. 1, 1932 at 102½; reafter and on or before Jan. 1, 1937 at 102; there- er and on or before January 1, 1942 at 101½; there- er and on or before Jan. 1, 1947 at 101; thereafter l on or before Jan. 1, 1952 at 100½; and after Jan. 952 at 100; in all cases with accrued interest.

Sinking Fund—The Indenture provides for an annual king fund, commencing May 1, 1929, equal to ½ of 1 of the largest amount of Series "A" bonds at any e outstanding.

Security—Secured by a first mortgage on entire perty of Company, subject only to issues of divis- al bonds totaling $341,000 and consisting of $322,- 0 Westerly Light & Power Co. First Mortgage 5% old bonds, due June 1, 1937 and $19,000 Narragansett r Electric Light & Power Co. First Mortgage 5% nds, due April 1, 1939, both of which issues have n assumed by South County Public Service Com- ny. The entire outstanding stocks of Bristol County s & Electric Company and the South County Public Service Company are deposited with the Trustees un- this Indenture, as additional security.

Tax Provisions—Company pays Normal Federal In- me Tax up to 2% and agrees to reimburse holders dent in those states upon request, the Massachusetts ome Tax, not in excess of 6% of income from these nds, the Connecticut or Pennsylvania personal prop- y taxes not exceeding four mills, and the Maryland sonal property tax not exceeding 4½ mills on each lar of taxable value. But not more than one such te tax will be paid or refunded to any holder in any r.

Listed—Boston Stock Exchange.

Legal Opinion—Ropes, Gray, Boyden & Perkins, ston, and Edward and Augell, Providence, R. I.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(The Narragansett Electric Company and subsidiaries)

ss revenue, including other income	$9,179,005
rating expenses, maintenance & taxes	5,039,718
et after taxes	$4,139,287
reciation	931,714
alance avail. for int. and divds.	$3,207,573

NSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
Narragansett Electric Company and subsidiaries, after ng effect to issuance of 326,000 shares capital stock for cash ar, the call and payment on Jan. 31, 1928 of $12,845,296 6% enture notes and payment of obligations of the Narragansett tric Lighting Company assumed by The Narragansett Electric Company, formerly known as United Electric Power Company)

ssets—	
tal assets	$50,329,511
l	702,803
s & accts. receivable	1,312,896
rials and supplies	703,331
aid expense	180,462
rred charges	2,019,532
tal	$55,248,535
abilities—	
tal stock	$16,344,600
Mortgage 5% bonds, 1957	27,500,000
ls assumed by South County Public Service Co.	341,000
nture notes 6%, due Oct. 31, 1928	39,057
s payable	50,000
s. payable & other current liabs.	713,376
ued expenses & taxes	627,884
rve for retirements & obsolescence	5,591,195
r reserves	198,060
lus	3,843,363
tal	$55,248,535

Officers: Luke C. Bradley, Pres.; William W. Douglas, V-P.; Edwin A. Barrows, V-P.; William C. Bell, Gen. Mgr.; F. P. Jackson, Jr., Sec. & Treas.; Leslie F. Mowry, Asst. Treas.; J. W. Gale, Asst. Sec., Providence, R. I.

Directors: L. C. Bradley, W. C. Bell, E. A. Barrows, W. W. Douglas, Louis C. Gerry, R. H. I. Goddard, Russell Grinnell, W. S. Innes, Houghton P. Metcalf, S. M. Nicholson, Paul C. Nicholson, C. D. Owen, W. A. Viall, B. S. Watson, Providence, R. I.; Frank D. Comerford, S. C. Moore, Boston, Mass.

Office, Providence, R. I.

SOUTH COUNTY PUBLIC SERVICE COMPANY

(Controlled by The Narragansett Electric Co.)

History and Property—Incorporated in April, 1925, in Rhode Island as a consolidation of the Narragansett Pier Electric Light & Power Co. (see 1925 Manual, p. 473), the Westerly Light and Power Co. (see 1925 Manual, p. 473, or apply to our Information Department), and the Wickford Light and Water Co. Owns the entire $350,000 stock of the Mystic Power Co.

Supplies electric energy to Peace Dale, Wakefield, Narragansett Pier, Matunuc, Westerly, Watch Hill, Weekapaug, Ashaway, Pleasant View, Hope Valley, Wyoming, Hopkinton City, Canonchet, Shannock, Kenyon, and Carolina, R. I., and Pawcatuck, Stonington, Mystic and part of Groton, Conn.; also furnishes gas to Westerly and Pawcatuck, Conn. Current purchased from the Narragansett Electric Lighting Co. and Eastern Connecticut Power Co.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $100. All outstanding stock is owned by The Narragansett Electric Co. Annual meeting, fourth Wednesday in February.

Dividends—8% per annum.

FUNDED DEBT

$22,000 Narragansett Pier Electric Light and Power Co. First Gold 5s; dated April 1, 1888; due April 1, 1930; interest April and October 1, at First National Bank of Boston, Boston, Trustee. Coupon, $500; principal may be registered. Bonds may be retired before maturity, through operation of sinking fund. Of the $22,000 bonds outstanding $3,000 are held in treasury of The Narragansett Electric Company. Company does not pay Normal Federal Income Tax.

$322,000 Westerly Light and Power Co. First Gold 5s; dated June 1, 1907; due June 1, 1937; interest June and December 1, at Union Trust Co., Providence, Trustee. Coupon, $500; principal may be registered. Authorized issue, $500,000; issued $446,000 of which $124,000 held uncancelled in sinking fund. Subject to call at 105 and interest. Sinking fund of $5,000 per annum began July 1, 1912. Secured on all property. Company does not pay Normal Federal Income Tax.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Includes South County Public Service Co. and Mystic Power Co.)

	1927	1926	1925
Gross earnings	$874,006	$804,835	$612,593
Operating expenses, taxes & depreciation	703,141	682,088	507,169
Net earnings	$170,865	$122,747	$105,423
Interest	30,463	45,361	32,698
Balance for dividends	$140,402	$77,386	$72,725

Officers: L. F. Bell, Pres., Wakefield, R. I.; W. C. Bell, V-P.; F. P. Jackson, Jr., Sec. & Treas.; John W. Gale, Asst. Sec.; L. F. Mowry, Asst. Treas.; L. H. Blount, Aud., Providence, R. I.; W. C. Clarke, Gen. Mgr., Westerly, R. I.

Directors: L. F. Bell, Wakefield, R. I.; W. C. Bell, F. P. Jackson, Jr., E. A. Barrows, W. W. Douglas, H. W. Rathbun, L. C. Bradley, Providence, R. I.; W. C. Clarke, Westerly, R. I.; J. P. B. Pierce, Wickford, R. I.; F. D. Comerford, Boston, Mass.

Offices, Providence, R. I., and Westerly, R. I.

UNITED ELECTRIC RAILWAYS COMPANY

(Controlled by The Rhode Island Public Service Company)

History—The United Electric Railways Company was created by a Special Act of the General Assembly of the State of Rhode Island in Jan. 1919, and the Charter as amended at the 1920 Session, authorized the company to acquire the lines and property of the Union Railroad Co., Providence Cable Tramway Co., Pawtucket Street Ry. Co., Rhode Island Suburban Ry. Co. (formerly leased to The Rhode Island Company and controlled by the United Traction & Electric Co.), the lines and property owned by The Rhode Island Company, and the lines and properties formerly leased to The Rhode Island Company by the Sea View R. R. Co. and the Providence & Danielson Ry. Co. The company did not acquire the property of the Sea View R. R. Co. as it was scrapped by its owners.

Part of the property of Providence & Danielson Ry. was scrapped by its owners and the remaining portion was acquired by the company in October, 1921, restoring service to localities which had been without transportation facilities for over a year. (For statement of these various companies see 1921 Public Utility Manual).

The company serves a population in excess of 500,000, operating in the principal cities and towns in the State of Rhode Island, including the cities of Providence, Pawtucket, Central Falls, Cranston and Woonsocket, and the towns of Barrington, Bristol, Burrillville, Coventry, Cumberland, East Greenwich, East Providence, Gloucester, Johnson, Lincoln, North Providence, North Smithfield, Scituate, Smithfield, Warren, Warwick and West Warwick. The Company commenced to operate its properties on July 9, 1921 and in July 1922, bus service was started.

Property, Mileage and Equipment—Company owns 9 sub-stations and a central power plant of 67,700 h.p. generating capacity, which furnishes all of the power required to operate the road.

The railway lines as of Dec. 31, 1927, consisted of 230.99 miles of first main track, 58.07 miles of second main track and 32.66 miles of sidings, turnout and carhouse tracks—a total of 321.72 miles. The Company operates 130 miles of bus routes (round trip mileage). The total rail and bus lines aggregated 451.72 miles.

The equipment Dec. 31, 1927, consisted of 710 passenger cars, 40 freight and express cars, 125 miscellaneous cars, 3 electric locomotives and 60 motors buses.

Taxes—The General Assembly at its 1920 Session passed acts exempting the United Electric Railways Company from all taxes except the State tax of 1% of the gross earnings, and taxes imposed by cities and towns upon its land, buildings or other tangible property, freeing it from all franchise taxes and certain paving and street improvement obligations formerly imposed upon the predecessor companies.

Control—The Rhode Island Public Service Co. has acquired 80,269 shares of the outstanding capital stock of the United Electric Railways Co. For details, see statement of The Rhode Island Public Service Co.

COMBINED RAILWAY AND BUS OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Rev. pas. car miles operated	16,308,600	16,661,744	16,364,825
Revenue passengers carried	99,746,800	103,319,706	103,176,638
Rev. pass. per car mile	6.12	6.20	
Aver. fare per passenger, not including transfer rev.	7.51c	7.53c	7.46c
Passenger revenue	$7,490,603	$7,776,235	$7,695,452

CAPITAL STOCK

Authorized, $8,284,800; outstanding, $8,250,70(par, $100. The Rhode Island Public Service Compa at Dec. 31, 1927, owned $8,026,900 of the outstandi stock. Annual meeting, third Tuesday in March.

Dividends—Dividends have been paid as follow July 1, 1922, 1%; Oct. 2, 1922, 1½%; Jan. 2, 19 1½%; April 2, 1923, 1½%; July 2, 1923, 1%; no thereafter until 1927 when 2% was paid.

FUNDED DEBT

(1)

$1,000,000 PRIOR LIEN MORTGAGE 6s, SERIES "A," D JAN. 1, 1946

$1,956,300 PRIOR LIEN MORTGAGE 4s, SERIES "B"; D JAN. 1, 1946

Dated, Ser. "A", April 1, 1921, Ser. "B" January 1921.

Interest Payable—Series "A," April and October Series "B" January and July 1, at Industrial Trust C Providence, R. I.

Denominations—Coupon bonds of Series "A" $1,000 denominations only; Series "B," $100, $200, $5 and $1,000; denominations of $500 and $1,000 bei registerable as to principal. Bonds of the same ser interchangeable in total principal amount of $1,000 multiples. Fully registered bonds in denominations $1,000, $5,000 and $10,000.

Trustee—Industrial Trust Co., Providence, R. I.

Provisions of Issue—Authorized, $5,000,000; ou standing, $2,956,300, of which $1,000,000 are Series " 6s and $1,956,300 are Series "B" 4s.

Callability—Series "A" bonds are redeemable as whole or in part on any interest date before matur on 60 days' prior public notice, at 100% of the princi amount thereof, plus a premium of 5%, and Series " so redeemable at a premium of 1%.

Tax Provisions—Company pays Normal Fede Income Tax up to 2%.

Price Range—

	1927	1926	1925	1925	1923	192
Series "A"—						
High	*105					
Low	101					
Series "B"—						
High	*83	78	69	67	63	47
Low	80	bid	bid	bid	bid	bid

*High and low bid prices.

(2)

$3,040,200 GENERAL & REFUNDING MORTGAGE GOLD SERIES "A," DUE JAN. 1, 1951

$2,421,600 GENERAL & REFUNDING MORTGAGE GOLD SERIES "B," DUE JAN. 1, 1951

Dated January 1, 1921.

Interest Payable January and July 1, at Rhode I land Hospital Trust Co., Providence, R. I.

Denominations—Series "A" and "B" Coupon $100, $200, $500 and $1,000 denominations, denomin tions of $500 and $1,000 being registerable as to pri cipal. Bonds of the same series interchangeable total principal amount of $1,000 or multiples.

Trustee—Rhode Island Hospital Trust Co., Pro dence, R. I.

Callability—Series "A" redeemable as a whole or part on any interest date before maturity on 60 day prior public notice, at 105, and Series "B" so redeer able at 101.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%.

UNITED ELECTRIC RAILWAYS COMPANY
LIVINGSTON & CO.
Members New York Stock Exchange
111 Broadway New York
SPECIALISTS IN PROVIDENCE SECURITIES

Under the plan of acquisition of control by The Rhode Island Public Service Company holders of the above General and Refunding Mortgage bonds were given the opportunity to exchange their bonds at any time on or before Jan. 10, 1929, for Class "A" stock of the Service Company on the basis of 9 shares for each $1,000 5% bond and 7 shares for each $1,000 6% bond, until the Service Company shall have acquired by exchange or purchase $5,500,000 of Prior Lien and/or General and Refunding Mortgage bonds, and subordinated all such bonds so acquired to the remaining outstanding bonds of the Railway Company.

Price Range—

	1927	1926	1925	1924	1923	1922
Series "A"—						
High	*83¼	78	65	52	61	80
Low	80	bid	bid	ask	bid	bid
Series "B"—						
High	*72¾	66	55	43	50	66
Low	69	bid	bid	bid	bid	bid

*High and low bid prices.

CONDENSED INCOME AND SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Total revenue from all sources	$7,959,982	$8,244,683	$8,196,433	$8,196,694	$8,104,043	$8,329,543
Operating expenses	§6,388,099	§6,804,227	6,101,928	6,660,236	7,235,614	6,979,198
Depreciation and equalization reserves	.....	.....	798,691	861,699		
Taxes	396,383	403,084	356,514	336,571	341,619	366,492
Net earnings	$1,175,500	$1,037,372	$939,300	$338,188	$526,810	$983,853
Bond interest and other deductions	647,571	651,993	677,419	696,909	677,342	613,162
Net income	$527,929	$385,379	$261,881	*$358,721	*$150,532	$370,691
Miscellaneous adjustments	†16,960	†10,669	†118,164	†46,510	‡120,072	‡1,487
Balance	$510,969	$374,710	$143,717	*$405,231	*$30,460	$372,178
Dividends paid	165,014	.....	.....	.....	206,267	329,773
Surplus for year	$345,955	$374,710	$143,717	*$405,231	*$236,727	$42,405
Times Interest Earned	1.81	1.59	1.38	0.48	0.78	1.60
Earnings Per Share	$6.19	$4.54	$1.74	Nil	Nil	$4.48

*Deficit. †Debit. ‡Credit. §Includes depreciation.

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment and other investments	$27,353,690	$27,313,851	$26,547,130	$26,461,803	$26,202,194	$23,168,455
Less accrued depreciation	4,566,573	3,795,927	3,004,480	2,237,093	1,727,690	1,013,814
Balance	$22,787,117	$23,517,924	$23,542,650	$24,224,710	$24,474,504	$22,154,641
Deposit for mortgaged property sold	100,398	.....	.....	.....	.....	.....
Cash	935,729	1,466,528	1,252,721	569,226	419,174	1,982,876
Special deposits	115,687	314,477	321,469	320,300	319,095	1,321,107
Accounts receivable and notes receivable	1,560,527	142,254	101,608	136,812	81,130	113,521
Materials and supplies	667,645	670,714	662,853	793,727	916,651	788,890
Taxes, insurance, etc., paid in advance	250,610	10,720	309,440	401,987	272,669	261,878
Prior lien Series "C" bonds pledged to secure notes payable	.....	.....	.....	450,000	450,000	.....
Unadjusted debits	30,750	98,793	50,482	41,707	52,809	53,155
Deficit	.....	.....	226,196	.....	.....	.....
Total	$26,348,065	$26,321,808	$26,467,419	$26,938,469	$26,986,032	$26,676,068
Liabilities—						
Capital stock	$8,250,700	$8,250,700	$8,250,700	$8,250,700	$8,250,700	$8,274,700
Funded debt	13,418,100	13,714,000	13,941,200	14,391,200	14,391,200	13,992,300
Notes payable for equipment	.....	.....	.....	120,069	.....	.....
Accounts and wages payable	238,985	223,416	157,991	183,074	264,982	389,899
Taxes, interest and rent accrued	229,480	16,213	62,199	55,127	66,548	72,095
Fund interest accrued	310,529	303,430	325,321	323,327	322,003	308,073
Miscellaneous reserves	160,224	352,988	3,609,068	2,163,334	1,817,272	1,023,943
Notes payable secured by Prior Lien Series "C" bonds	.....	.....	.....	300,000	300,000	.....
Unadjusted accounts	3,179,250	3,298,645	120,940	79,869	107,637	867,601
Surplus	560,797	162,416	.....	1,071,769	1,465,690	1,747,457
Total	$26,348,065	$26,321,808	$26,467,419	$26,938,469	$26,986,032	$26,676,068

*Including Federal Income taxes for prior years.

Officers: A. E. Potter, Pres.; Luke C. Bradley, V-P.; Clifford Whipple, V-P.; H. B. Shaftoe, V-P. & Asst. Sec.; W. C. Slade, V-P.; H. A. Baker, Sec.; G. H. Newhall, Treas.; E. E. Worrall, Asst. Treas.; Thomas Tefft, Compt.; R. E. Nock, Asst. Compt.; J. R. Williams, Gen. Mgr.

Directors: Zenas W. Bliss and Geo. H. Newhall (appointed by the Governor of the State of Rhode Island); Harvey A. Baker (appointed by the Mayor of the City of Providence); Ralph S. Richards (appointed by the Trustee under the General & Refunding Mortgage); J. Cunliffe Bullock, Frederick S. Peck, and Albert E. Potter, Luke C. Bradley, Frank D. Comerford (elected by the stockholders).

Office, 100 Fountain Street, Providence, R. I.

LAWRENCE GAS AND ELECTRIC COMPANY

(Controlled by New England Power Association)

History and Properties—Incorporated Feb. 14, 1849, in Mass., as Lawrence Gas Company; name changed to present title in Feb., 1925. Does the entire commercial electric light and power and gas business in Lawrence, Andover, North Andover and Methuen, Mass., and also the electric light and power business in Boxford, Mass., serving a total population of over 135,000. The Company's power plant is located on the Merrimac River, less than one-half mile from the center of Lawrence. The present installed capacity is 19,825 k.v.a., of which 3,175 k.v.a. is hydro-electric. The transmission and distributing system includes 2,074 miles of overhead conductor and 153 miles underground cable. The gas plant has a daily manufacturing capacity of about 3,870,000 cu. ft., part coal gas and part water gas. The gas distributing system includes 226.4 miles of mains. The company purchases its water power from the Essex Company under a 999-year contract. No. of meters: Electric, 30,225; gas, 30,990. Company derives its right to do business from its charter, granted by the State of Massachusetts, which is without time limit. Locations for poles, conduits, mains, etc., on the public highways, are granted by local authorities. Effective July 1, 1924, Company

reduced gas rate to $1.35 net. Reduced electric lighting schedule Jan. 1, 1926, from 10 cents to 9.45 cents and in June, 1926 to 9 cents per k.w.h. and April 1, 1928 to 6 cents net for the first 50 k.w.h. and 4 cents a kilowatt thereafter.

Change in Control—Late in 1926 New England Power Association acquired more than 84% of the capital stock of Lawrence Gas and Electric Company. New England Power Association offered to give for each share of Lawrence Gas and Electric Company (1) one-half share of its 6% $100 par Pfd. and one half share of no-par Common, or (2) one-half share of Pfd. and $26 cash, or (3) 78/100ths of a share of Pfd. Time for acceptance of the offer expired December 23, 1926.

CAPITAL STOCK

Authorized and outstanding, $4,150,000; par $25 (changed from $100 in Feb., 1925).

Subscription Privilege—Stockholders of record May 14, 1925 were offered the right to subscribe to $800,000 new stock, par $25, at $30 a share on the basis of one new share for each four shares held.

Transfer Agent—The Atlantic National Bank of Boston.

Tax Provisions—Non-taxable in Massachusetts.

Annual Meeting—First Tuesday in February.

Dividends—Dividends paid without interruption since 1850 (except the year 1858) and since 1859 at the rate of 6% per annum or over. Dividend payments 1907 to 1917, inclusive, 8%; 1918, 7½%; 1919 to 1922 inclusive, 7%; 1923, 9%; 1924, and 1925, 8% each; 1926 and 1927, 10%; Feb. 1 and May 1, 1928, 2½% each; payments quarterly, F, M, A & N 1.

FUNDED DEBT

$1,500,000 LAWRENCE GAS CO. FIRST MORTGAGE GOLD 4½s, SERIES "B," DUE AUGUST 1, 1940

Dated August 2, 1920.

Interest Payable August and February 1, at Boston Safe Deposit & Trust Co., Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered, or fully registed.

Trustee—Boston Safe Deposit & Trust Co. of Boston.

Provisions of Issue—Under the terms of the mortgage indenture, the total amount of bonds which may at any time be outstanding under this mortgage is limited to the total amount of capital stock outstanding together with premium paid in on the same. Additional bonds may only be issued when net earnings for twelve consecutive months within the preceding fourteen months shall have been at least twice the annual interest charge on all First Mortgage bonds then outstanding including those proposed to be issued.

The proceeds from the sale of $1,500,000 Series "B" 4½% bonds were used to retire a like amount of Series "A" 7% bonds which were called for payment on Aug 1, 1925, at 109 and interest.

Callability—Subject to call as a whole only on any interest date on 60 days' notice, as follows: On or before Aug. 1, 1930, at 105 and accrued interest; after Aug. 1, 1930, and on or before Aug. 1, 1935, at 103½ and accrued interest; after Aug. 1, 1935, and on or before Aug. 1, 1938, at 102 and accrued interest; and thereafter at 101 and accrued interest.

Sinking Fund—No sinking fund provided.

Security—Secured by a first mortgage on entire property now owned, or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Warren, Garfield, Whiteside & Lamson, Boston.

Legal for Savings Banks in Massachusetts and other New England States.

Original Offering—First publicly offered ($1,500,000) in July, 1925, at 101.64 and interest, yielding 4.35%, by Curtis & Sanger, and Blodgett & Co., New York and Boston.

Price Range—

	1927	1926
High	*100¼	98½
Low	99	bid

*High and low bid prices.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,486,027	$2,348,314	$2,262,705	$2,176,091	$2,186,361	$1,952,523
Operating expenses, taxes, etc.	1,535,252	1,527,691	1,451,055	1,475,474	1,423,305	1,358,524
Net earnings	$950,775	$820,623	$811,650	$700,617	$763,056	$593,999
Other income	12,302	19,994	30,378	17,453	16,323	15,855
Total income	$963,077	$840,617	$842,028	$718,070	$779,379	$609,854
Interest, depreciation, etc.	301,683	283,471	540,559	412,768	358,908	401,571
Balance for dividends	$661,394	$557,146	$301,469	$305,302	$420,471	$208,283
Dividends paid	414,495	405,596	272,000	256,000	265,698	180,467
Surplus for year	$246,899	$151,550	$29,469	$49,302	$154,773	$27,816
Earnings Per Share	‡$3.98	‡$3.37	‡$1.88	$9.52	$13.14	$8.08

‡Par $25—$100 formerly.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$8,199,946	$8,003,771	$7,448,320	$6,827,178	$6,226,692	$5,688,652
General equipment	151,079	148,875	135,450	129,372	95,356	83,400
Other investments	897	.....	.....	.....	.....	21,750
Materials and supplies	436,067	404,806	533,551	575,744	492,809	375,911
Cash	228,304	195,827	133,713	78,008	123,253	246,416
Accounts receivable	316,275	365,610	365,506	368,310	361,591	366,857
Prepaid accounts	25,062	16,076	21,198	13,330	13,083	14,470
Discount on bonds	3,751	4,049	7,155	62,438	66,445	70,451
Total	$9,361,379	$9,139,014	$8,644,893	$8,054,380	$7,379,229	$6,867,907
Liabilities—						
Capital stock	$4,150,000	$4,129,825	$4,000,000	$3,200,000	$3,200,000	$2,578,100
Premium on capital stock	908,903	896,798	818,903	658,903	658,903	655,047
Funded debt	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Consumers' deposits	95,668	100,000	105,039	114,089	103,396	85,371
Notes payable	225,000	334,000	359,000	844,000	223,369	833,142
Accounts payable	109,982	85,136	121,535	153,797	310,833	153,957
Other current liabilities	14,619	19,461	5,930	.....	.....	.....
Interest accrued	32,578	32,633	31,960	52,836	46,918	56,395
Other accrued liabilities	18,144	16,865	14,019	12,769	12,270	10,937
Tax liability	86,453	84,280	47,034	63,151	70,830	47,410
Depreciation reserve	1,149,588	996,077	846,762	697,293	543,086	394,082
Unadjusted credits	6,644	39,452	7,700	.....	.....	.....
Reserve for bad bills	.....	.....	.....	.....	1,385	.....
Profit and loss	1,063,800	904,478	787,011	757,542	708,239	553,467
Total	$9,361,379	$9,139,014	$8,644,893	$8,054,380	$7,379,229	$6,867,907

Officers: Irvin McD. Garfield, Chrm. of Board & Gen. Counsel, Boston; Fred H. Sargent, Pres., Lawrence; Arthur E. Pope, V-P.; R. S. Pattee, Clerk; H. R. Beverly, Asst. Clerk; Carl S. Herrmann, Treas.; Harry Hanson, Asst. Treas., Boston, Mass.; Fred C. Harmon, Asst. Treas., Lawrence, Mass.; W. C. Coburn, Aud., Boston, Mass.

Directors: Irvin McD. Garfield, Thomas B. Gannett, Philip Young, Philip L. Spalding, Frederic P. Royce, Andrew B. Sutherland, Frank D. Comerford, G. William Kenison, Henry I. Harriman, Samuel C. Moore, Boston, Mass.; Fred H. Sargent, James H. Bride, Walter Coulson, Walter M. Lamont, Charles E. Trumbull, Lawrence, Mass.

Offices, 370 Essex St., Lawrence, Mass., and 50 Congress St., Boston, Mass.

THE LOWELL ELECTRIC LIGHT CORPORATION

(Controlled by New England Power Association)

History and Property—Incorporated in 1881 in Mass., to supply electric light and power. Does entire electric lighting and power business in Lowell, Mass., and also in adjoining towns of Billerica, Chelmsford, Dracut, Tewksbury and Westford. Also supplies a portion of the town of Tyngsboro and furnishes at wholesale the total power requirements to the town of Littleton, and has an interconnection with the system of the Lawrence Gas and Electric Co. Franchises perpetual. Estimated population served Jan. 1, 1928, 139,000. Power station located at Lowell; capacity, 35,400 k.w. No. of electric customers, 25,231.

New Control—Early in 1928, control of Company was secured by the New England Power Association.

CAPITAL STOCK

Authorized and outstanding, $4,186,400 (increased from $2,650,000 to $3,091,500 Feb. 6, 1924, to $3,864,375 Oct. 26, 1926 and to present amount, Nov. 15, 1926); par $25 (changed from $100 in 1924). Non-taxable in Massachusetts.

Transfer Agent—First National Bank of Boston.

Registrar—Old Colony Trust Co., Boston.

Annual Meeting—First Wednesday in February.

Subscription Privileges—Stockholders of record May 9, 1924, received the right to subscribe to $441,000 new stock (par $100), at $160 a share in the ratio of one new share for each six shares held.

Stockholders of record Sept. 28, 1925, received the right until Oct. 19, 1925, to subscribe to 30,915 additional shares of Capital stock at $47.50 a share on the basis of one new share for each four shares held. Payment was due in full Oct. 19, 1925.

Stockholders of record Oct. 2, 1926 were given the right until Nov. 15, 1926 to subscribe to 12,881 additional shares of capital stock at $47.50 a share, on the basis of one new share for each twelve shares held.

Voting Trust—In May, 1927, it was announced that directors had voted to recommend to the stockholders that they establish a voting trust under which the trustees will have authority to sell the deposited stock at not less than $90 a share.

Price Range—

	1927	1926	1925	1924
High	88½	68½	63½	55
Low	65	58	54¾	50¼

Dividends—Dividends to and including 1915, 8% annually; Feb. and May, 1916, 2% each; Aug. and Nov. 1916, 2½% each; 1917 to 1922, 2½% each quarter; 1923, 10% regular, and 5% extra on Nov. 1, 1923; 1924, 10% regular and 3% extra Dec. 31; 1925, 10% regular and 3% extra Dec. 31; 1926, 10% regular and 1% extra Dec. 31; 1927, 10%; Feb. 1 and May 1, 1928, 2½% each; payments quarterly, F, M, A & N 1.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,788,418	$1,728,755	$1,620,530	$1,541,362	$1,617,113	$1,363,077
Oper. exp., maintenance & taxes	‡1,174,464	1,121,655	1,054,766	1,008,742	1,057,425	896,070
Net earnings	$613,954	$607,100	$565,764	$532,620	$559,688	$467,007
Interest charges	2,648	14,967	3,290	19,113	9,273	9,801
Balance	$611,306	$592,133	$562,475	$513,507	$550,415	$457,206
Dividends paid	418,650	428,312	444,253	379,820	397,500	250,133
Balance for reserves & retirements	$192,656	$163,821	$118,221	$133,687	$152,914	$207,073
Earnings Per Share	†$3.65	†$3.54	†$3.64	†$4.15	$17.00	$17.26

*Before Reserve and Retirements. †Par, $25. ‡Includes operation, $740,210; maintenance, $128,987, and taxes, $305,267.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant	$7,516,002	$7,232,940	$6,521,862	$5,228,389	$4,953,771	$4,353,607
Materials and supplies	222,998	194,949	255,037	244,065	253,494	214,409
Advance payments	15,221	15,138	210,977	14,414	48,140	11,395
Accounts receivable	246,401	262,996	235,667	193,346	148,788	156,349
Cash	116,082	242,502	186,469	79,805	93,734	119,536
Unadjusted debits	.....	6,218	329	.....	.....	2,243
Total	$8,116,704	$7,954,743	$7,410,341	$5,760,019	$5,497,927	$4,857,539
Liabilities—						
Capital stock	$4,186,400	$4,186,400	$3,864,375	$3,091,500	$2,650,000	$2,650,000
Premium on sale of stock	1,891,266	1,891,266	1,600,875	903,949	638,707	638,707
Notes payable	.....	.....	200,000	75,000	575,000	.....
Accounts payable	40,513	5,329	25,442	16,997	24,257	73,398
Accounts not yet due	117,434	117,783	111,201	96,979	99,033	80,686
Dividends declared	.....	.....	.....	77,288	.....	.....
Contributions for extensions	817	.....	.....	.....	.....	.....
Retirement reserve	800,528	706,875	599,152	552,853	547,835	509,060
Reserves and surplus	1,079,746	1,047,090	1,009,296	945,453	963,095	905,688
Total	$8,116,704	$7,954,743	$7,410,341	$5,760,019	$5,497,927	$4,857,539

Officers: John A. Hunnewell, Pres., Lowell, Mass.; Richard S. Pattee, Clerk; Carl S. Herrmann, Treas.; Harry Hanson, Asst. Treas., Boston, Mass.

Directors: Edward B. Carney, Frederic Cameron Church, Joseph A. Gagnon, Elbert J. Gilmore, John A. Hunnewell, John C. Farrington, Chester M. Runnels, C. Brooks Stevens, Lowell, Mass.; Henry I. Harriman, Philip Young, Albert W. Rice, Philip L. Spalding, Boston, Mass.

Offices, Lowell, Mass., and 50 Congress St., Boston, Mass.

WEBSTER & SOUTHBRIDGE GAS & ELECTRIC COMPANY

(Controlled by New England Power Association)

History—Incorporated in 1907, in Mass.; consolidation of the Webster Electric Co., and the Southbridge Gas & Electric Co. Supplies electricity to Webster, Southbridge, Dudley, Oxford, Charlton, Sturbridge, Brimfield and Wales, and gas to Webster, Southbridge and Dudley. Population served, over 50,000. Miles of wire, 1,200. Miles of mains, approximately 55. No. of electric meters, 9,148. No. of gas meters, 6,566. Daily capacity, 50,000 k.w.h. electricity and 1,110,000 cu. ft. gas.

New Control—As of July 1, 1927, control of the Company was acquired by the New England Power Association.

CAPITAL STOCK

Authorized and outstanding, $800,000; par, $100. More than 98.5% of the capital stock is owned by New England Power Association. Annual meeting, third Tuesday in February,

Dividends—Regular dividends, 8% per annum payable quarterly, J, A, J & O 15. In addition 2% extra paid in 1925, 1926 and 1927.

FUNDED DEBT

$25,000 Webster Electric Co. First 5s; due April 1, 1929; int. April and October 1, at First National Bank of Boston, Boston. Legal for Massachusetts Savings banks.

$400,000 4½% Coupon Notes; dated Sept. 1, 1925, due Sept. 1, 1928; interest M & S 1.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$697,125	$685,888	$697,044
Oper. exp. & taxes	432,964	415,769	412,233
Depreciation	93,336	91,360	88,272
Net earnings	$170,825	$178,759	$196,549
Bond interest	1,250	1,250	1,250
Other charges	21,259	23,174	28,247
Total charges	$22,509	$24,424	$29,497
Balance for dividends	$148,316	$154,335	$167,052
Dividends paid	80,000	80,000	80,000
Surplus for year	$68,316	$74,335	$87,052

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,980,336	$1,892,056	$1,798,548
Materials and supplies	77,838	63,884	66,397
Cash	165,491	77,699	52,753
Accounts receivable	74,093	102,735	96,743
Prepaid accounts, etc.	7,495	4,637	4,474
Unadjusted debits	1,944	4,944	7,944
Total	$2,307,675	$2,145,954	$2,026,859
Liabilities—			
Capital stock	$800,000	$800,000	$800,000
Funded debt	425,000	425,000	425,000
Notes payable		20,000	75,000
Accounts payable	43,591	23,238	32,807
Interest accrued	6,313	6,313	6,312
Dividends accrued	24,000	32,000	32,000
Other current liabilities	20,046	18,614	2,718
Reserve for taxes	21,000	39,861	29,042
Depreciation reserve	519,582	439,038	356,430
Surplus	448,143	341,891	267,555
Total	$2,307,675	$2,145,954	$2,026,859

Officers: N. T. Hurlburt, Pres.; J. W. Dobbie, V-P.; A. E. Shaw, V-P. & Mgr., Webster, Mass.; Samuel C. Moore, V-P.; Carl S. Herrmann, Treas.; Harry Hanson, Asst. Treas.; Richard S. Pattee, Clerk, W. C. Coburn, Aud., Boston, Mass.

Directors: Spaulding Bartlett, J. W. Dobbie, N. T. Hurlburt, F. W. Johnson, A. E. Shaw, Phillip Pearl, John M. Crawford, Webster, Mass.; Samuel C. Moore, Carl S. Herrmann, Frederick J. Dunn, Richard S. Pattee, Boston, Mass.

Offices, Webster, Mass. and 50 Congress St., Boston. Mass.

GERMAN-ATLANTIC CABLE COMPANY

(Deutsch-Atlantische Telegraphengesellschaft)

History and Properties—Organized in 1922 in Germany; successor to German-Atlantic Cable Company of Cologne, German-South American Cable Company and East European Cable Company. Effective Jan. 11, 1927 took over the business of the German-Netherlands Telegraph Co.

The German-Atlantic Cable Company operates a cable crossing the North Sea connecting with the lines of the Eastern Telegraph Company (of England) through which messages are sent to and from South America, Africa, Asia and Australia, and two special telegraph circuits in the Anglo-German Government cables connecting at London with the lines of the Commercial Cable Company (Mackay) and the Western Union Telegraph Company through which messages are sent to and from North America, Mexico, Central America and the West Indies.

The New Emden-Azores Cable—To re-establish its Trans-Atlantic service, German-Atlantic Cable Company has constructed and put into operation on March 4, 1927 a new cable of modern design from the Island of Borkum (near Emden, Germany) to the Azores. The Emden-Azores cable, together with the New York-Azores cables of Commercial Cable Company (The Mackay System) and The Western Union Telegraph Company, constitutes the only direct cable connection now projected between the United States and Germany. The proceeds of the issue of $4,000,000 First Mortgage 7% bonds of 1945 were applied to the cost of the manufacture and laying of this new Emden-Azores cable.

Concessions—The German Government has granted the Company a concession permitting the landing of the cable in Germany and assuring the connection of the cable with the German Telegraph System. This concession is for a period of forty years from the placing of the cable in service and is free of burdensome restrictions.

The Government of the Republic of Portugal has also granted the Company a concession comprising the necessary landing and operating rights at the Azores. This concession is for a period of 25 years from Sept. 6 1924, and permits of the operation of the Azores end of the cable for the benefit of the Trustee.

CAPITAL STOCK

Authorized and outstanding, $1,688,095 Common and $4,761 Preferred. Conversions from German to U. S. currencies made at 4.2 gold marks to the dollar.

FUNDED DEBT

(1)

$3,778,500 FIRST MORTGAGE TWENTY-YEAR 7% SINKING FUND GOLD DOLLAR BONDS; DUE APRIL 1, 1945

Dated April 1, 1925.

Interest Payable April and October 1 in U. S. Gold at the office of W. A. Harriman & Co., Inc., New York City.

Denominations—Coupon, $500 and $1,000; interchangeable.

Trustee—The American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized and issued, $4,000,000, of which $221,500 called for redemption to April 1, 1928 by sinking fund at 110 and accrued interest. Bonds were issued in accordance with construction schedule and upon receipt by the Trustee of engineer's certificates.

Callability—Subject to call as a whole or in part on any interest date upon 6 months' notice at 110 on or before April 1, 1930; at 107½ thereafter on or before April 1, 1935; at 105 thereafter on or before April 1, 1940 and at 102½ thereafter.

Sinking Fund—Company has agreed to retire the entire issue by maturity through a progressively increasing Sinking Fund operative annually from April 1,

927, prior to which time payment is to be made to . A. Harriman & Co., Inc., in sufficient amount retire $107,500 principal amount of these bonds. roughout the life of these bonds, the annual Sink- Fund payments are to be increased by an amount proximately equal to the annual interest on bonds viously retired through operation of the Sinking nd. Sinking Fund moneys are to be used exclu- ely for the redemption of bonds at the then current demption price, after call by lot. Bonds so acquired to be cancelled.

Security—These bonds constitute the sole mort- ge obligation of Company and are secured by a first rtgage on the cable from the Island of Borkum to Azores, all land and equipment now owned or here- er acquired by the Company for operation of said ble, and certain rights and concessions now owned hereafter acquired in respect of said cable. Further ured by pledge of rights in traffic agreementts be- en the Company and the German Post Ministry and l Commercial and Western Union Companies, by the ms of which the latter companies have agreed to te over the Company's Emden-Azores cable all their ffic destined to Germany, these traffic agreements ering a minimum period of 25 years from the date which the new cable is placed in service.

Tax Provisions—Interest is payable without deduc- n for any German taxes.

Legal Opinion— Legal Department of Disconto Gellschaft, of Berlin (for the Company) and Dr. ert and Dr. Westrick, Berlin, Dr. Reis of Lisbon, Clark, Carr and Ellis and Henry A. Uterhart, New k City (for the Bankers).

Original Offering—First publicly offered ($4,000,-) in October, 1925, by W. A. Harriman & Co., Inc., w York, etc.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
H	106	99½
C	103¾	99½

(2)

***$385,321 4% DEBENTURE LOAN OF 1902**

(3)

DEUTSCH-SUDAMERIKANISCHE TELEGRAPHENGESELL- SCHAFT OBLIGATIONS ASSUMED BY COMPANY
(German-South American Cable Co.)

*$162,785 4½% Debenture Loan of 1909.
* $91,464 4½% Debenture Loan of 1910. (a)
*$113,571 4½% Debenture Loan of 1910. (b)
*$75,500 4½% Debenture Loan of 1912.

The German Post Ministry has assured payment of in- t and sinking fund to retire these debenture loans in a d of 20 years.

PROFIT AND LOSS ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross profit	$1,115,037
Balance Jan. 1, 1927	16,942
Total	$1,131,979
General expenses	214,753
Taxes	78,624
Reserve for upkeep of cables	73,404
Depreciation	139,000
Reserve for amortization & renewal of Emden-Azores cable	192,875
Bond interest	252,156
Balance	181,167
Total	$1,131,979

NOTE—All figures have been converted into U. S. Dollars at 4.2 Gold Marks to the Dollar.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cables	$5,066,576
Depreciation	108,996
	$4,957,580
Cables in stock	385,335
Depreciation	13,439
	$371,896
Real estate	31,507
Buildings ($69,190; less depreciation, $4,800)	64,390
Furniture ($79,765; less depreciation, $11,761)	68,004
Securities	588,001
Cash in banks	459,814
Accounts receivable	393,780
Cash	2,157
Participations	227,380
Total	$7,164,509
Liabilities—	
Common stock	$1,688,095
Preferred stock	4,761
Outstanding pre-war bonds	750,071
7% U. S. Dollar Loan	3,893,000
Legal reserve	154,761
Reserve for employees	28,571
Reserve for upkeep of cables	95,024
Reserve for amortization & renewal of Emden-Azores cables	192,876
Accounts payable	176,183
Profit and loss	181,167
Total	$7,164,509

NOTE—All figures have been converted into U. S. Dollars at 4.2 Gold Marks to the Dollar.

Officer: Dr. Georg Solmssen, Pres. of the Board of Directors.

General Office, Berlin, Germany.

URBAN WATER SUPPLY CO.

History—Inc. March 18, 1907, in N. Y. In 1911 ac- ed the property of Deep Well Water Co. which incorporated in 1910, and which acquired the erty of Woodside Water Co. Sells water at lesale to the factory district along Newtown Creek in and around Long Island City, N. Y. Fran- e, granted in 1892, and unlimited in point of time, rs whole of Second Ward in Queens County. pany also has an extension to Brooklyn, N. Y., but no business in that city. Has acquired control of Deep Well Water Co., through exchange of stock, e for share.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $991,250; par, $100. Annual meeting, second Tuesday in January. No dividends paid.

FUNDED DEBT

For details see statement of Deep Well Water Co., appended.

Officers: L. F. Musil, Pres.; E. H. Johnston, V-P.; F. H. Adler, Sec., New York; John McCulloch, Gen. Mgr. & Treas., Long Island City, N. Y.

Directors: L. F. Musil, E. H. Johnston, E. E. McWhiney, G. G. Brownell, F. L. Blackburn, F. H. Adler, New York; John McCulloch, Long Island City, N. Y.

Office, 60 Wall St., New York.

DEEP WELL WATER CO.

(Controlled by Urban Water Supply Co.)

History—Incorporated May 2, 1910, in New York; cessor to Woodside Water Co.

CAPITAL STOCK

e capital stock has been exchanged for Urban er Supply Co., share for share. Annual meeting, s Monday in October.

FUNDED DEBT

$677,000 First Mortgage 5% Gold bonds; dated July 1, 1910; due Jan. 1, 1950; int. Jan. and July 1, at office of H. L. Doherty & Co., New York. Coupon $1,000; principal may be registered. Central Union Trust Co., New York, Trustee. Authorized issue, $1,000,000. Subject to call on any interest date upon four weeks'

published notice at 102½ and int. Sinking fund of 1% of outstanding amount began June 1, 1915, for purchase of bonds at 102½, or call at that figure; company may deposit bonds instead of cash; or, beginning 1914, 2% is to be expended in improvements. Bonds kept alive in sinking fund. Secured by first lien on entire property, owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: W. B. Robinson, Pres., New York; B. W. Duncan, V-P., Long Island City, N. Y.; E. E. McWhiney, Sec.; L. F. Musil, Treas., New York.

Directors: W. B. Robinson, L. F. Musil, F. L. Blackburn, T. I. Carter, T. A. Wallace, E. E. McWhiney, New York; B. W. Duncan, Long Island City, N. Y.

General Office, 60 Wall St., New York.

PAUL SMITH'S ELECTRIC LIGHT & POWER & R.R. CO.

History and Properties—Incorporated July 10, 1905, in N. Y., as Paul Smith's Electric Light & Power Co.; name changed to present title on May 3, 1906. On Jan. 16, 1907, purchased all the property and franchises of the Saranac Lake Light, Heat & Power Co. Supplies electricity for Saranac Lake, Lake Placid and Tupper Lake, N. Y., and numerous towns and villages in the Adirondacks. Franchises extend from 38 to 47 years. Owns three hydro-electric plants, having installed capacity of 6,000 h.p., located at Saranac Lake, Franklin Falls and Union Falls. Dams are all constructed of solid concrete and the penstocks of steel; the plant at Franklin Falls being arranged so that capacity may be doubled at any time. The transmission lines are on private right of way. The Company owns and operates seven miles of standard gauge electric railways connecting Lake Clear Junction with Paul Smith's and with the St. Regis chain of lakes. Passenger cars, 3; freight car, 1; steam locomotive, 1. Also owns 20 miles of shore line adjacent to the watershed of the Saranac River, comprising 5,000 acres at Franklin and Union Lakes.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $500,000; par, $100. Annual meeting, in December, at Paul Smith's, N. Y.

Dividends—7½% paid in 1920; 15% in 1921; 8% in 1922; 10% annually from 1923 to 1927 inclusive; payments January and July. A stock dividend of $300,000 was paid in September, 1921.

FUNDED DEBT

$500,000 First Mortgage Gold 5s; dated Nov. 1, 1906; due Nov. 1, 1936; interest May and Nov. 1, at American Exchange Irving Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $500,000. Subject to call at 105 and interest on any interest date. Secured on general equipment, electric light and railroad properties of company. Company does not pay Normal Federal Income Tax.

Legal Opinion—Cantwell & Cantwell, Malone, N. Y.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$354,462	$343,382	$254,201
Oper. exp., taxes, etc.	152,115	143,161	97,462
Net earnings	$202,347	$200,221	$156,739
Other income	2,213	769	3,034
Total income	$204,560	$200,990	$159,773
Interest charges	25,160	24,664	25,142
Rentals, etc.	417	.....	149
Total charges	$25,577	$24,664	$25,291
Balance for dividends	$178,983	$176,326	$134,482
Dividends paid	50,000	50,000	50,000
Surplus for year	$128,983	$126,326	$84,482

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	192
Property account	$1,711,458	$1,474,470	$1,337,3
Other investments	9,600	12,600	12,6
Materials and supplies	61,455	58,618	68,7
Cash	44,340	93,263	102,8
Accounts receivable	21,322	50,552	15,4
Unadjusted debits	.....	.....	6,4
Coupon special deposits	6,250	6,250	7,1
Deferred debits	6,008	5,650	.....
Reacquired securities	.....	.....	10,0
Total	$1,860,433	$1,701,403	$1,559,8
Liabilities—			
Capital stock	$500,000	$500,000	$500,0
Funded debt	500,000	490,000	500,0
Accounts payable	37,350	27,971	12,1
Interest accrued	.....	4,167	4,0
Depreciation reserve	267,986	231,909	201,1
Consumers' deposits	5,736	5,333	5,0
Reserve for taxes	4,167	.....	.....
Profit and loss surplus	545,194	442,023	336,2
Total	$1,860,433	$1,701,403	$1,559,8

Officers: Phelps Smith, Pres. & Treas., Paul Smith's, N. Y.; John I. Mange, V-P., New York; John M. Cantwell, Sec., Malone, N. Y.; P. A. Gould, Mgr., W. J. Richardson, Aud., Saranac Lake, N. Y.

Directors: Phelps Smith, Paul Smith's, N. Y.; John I. Mange, New York; John M. Cantwell, John M. Cantwell, Jr., Malone, N. Y.; John Harding, Burlington, Vt.

Office, Saranac Lake, N. Y.

TRACY DEVELOPMENT COMPANY

History and Property—Incorporated Nov. 8, 19 in N. Y. Owns all the water rights and about acres of land on the Seneca River at Waterloo, N. about 6 miles below Seneca Lake. Plant consists a fully equipped hydro-electric development of 3,0 h. p. capacity, situated immediately opposite locks of the State Barge Canal. Company execu a lease running fifty years from Oct. 25, 1913, w the Central New York Gas & Electric Co. (now E pire Gas & Electric Co.), under which the latter to operate the plant to its full capacity, at a mi mum rental of $25,000 per annum, and a maxim of 7½ mills per k.w.h. for all power which can developed to the full capacity of the plant. T rental on the above lease is guaranteed by the E pire Coke Co., Geneva, N. Y.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100.

FUNDED DEBT

$237,000 First Mortgage Gold 6s; dated Oct. 1914; due Oct. 1, 1944; int. April and Oct. 1, Chatham Phenix National Bank and Trust Co., N York, Trustee. Coupon, $1,000. Guaranteed, prin pal and interest, by endorsement by the Central N York Gas & Electric Co. (now Empire Gas & Elec Co.). Subject to call at 102 and interest on any int est date. Sinking fund provides for the retirement one bond ($1,000) a year. A first lien on all prope now owned or hereafter acquired. Additionally s cured by the 50-year lease of the property to the E pire Gas & Electric Co. First publicly offered ($2 000) in 1915, at par and interest. Company does pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	19
Lease rental	$33,505	$25,777	$224
Oper. exp., taxes & deprec.	9,851	11,183	104
Net earnings	$23,654	$14,594	$11
Other income	.....	96	
Net income	$23,654	$14,690	$12
Bond interest	14,263	14,322	14
Other interest	.....	.....	5
Other charges	545	136	6
Total charges	$14,808	$14,458	$26
Surplus for year	$8,846	$232	*$14

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$545,875	$545,875	$545,874
Cash	4,352	635	162
Accounts receivable	10,780	2,090	120,135
Prepayments	.....	359	1,132
Unamort. debt disc. & exp.	9,143	9,658	9,774
Salvage—abandoned plant	9,298	9,298	9,298
Corporate deficit	33,150	41,996	161,997
Total	$612,598	$609,911	$848,372
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	237,000	238,000	239,000
Interest accrued	3,555	3,570	3,585
Accounts payable	5,879	2,177	1,609
Other current liabilities	.....	.....	8,000
Deferred credit items	.....	.....	120,135
Reserve for depreciation	66,164	66,164	66,163
Advs. by controlling Corp.	.....	.....	109,880
Total	$612,598	$609,911	$848,372

Officers: Frank J. Stoltz, Pres.; Elmer B. Sanford, Sec.; R. F. Van Doorn, Treas., New York.
Directors: Frank J. Stoltz, Elmer B. Sanford, R. F. Van Doorn.
Office, 50 Church St., New York.

HAMBURG RAILWAY COMPANY

History—Incorporated in March, 1895, in New York, for 999 years. The road was opened July 25, 1896, and throughout in 1901. On Jan. 1, 1907, it was merged with Buffalo and Lake Erie Traction Co. The latter company defaulted the interest on Hamburg Railway Co. First Mortgage 4s on May 1, 1920, and on Sept. 1, 1920, John F. Burke was appointed receiver of the Hamburg Ry. upon application of the bondholders' committee. The property of the former Hamburg Railway Co. is now being operated separately from the Buffalo and Lake Erie Traction Co. under its own name. Company operates 12.60 miles of railway (18.58 miles of track) from Lackawanna to Hamburg, N. Y. Company owns 13 passenger motor cars.

Bus Operation—In September, 1926, the receiver applied to New York P. S. Commission for permission to run buses via South Park Avenue and Camp Road, alternately on hourly schedule from Hamburg to Lafayette Square, charging a 40-cent fare to Hamburg and a zone rate that would convey residents of Lackawanna to downtown Buffalo for 20 cents. Bus operation started Oct. 25, 1926.

CAPITAL STOCK

No details available.

FUNDED DEBT

$750,000 First Mortgage 20-Year Gold 4s; dated November 1, 1906; due November 1, 1926; interest payable May and Nov. 1, at Bank of Buffalo, Buffalo, N. Y., Trustee. Coupon, $1,000; principal may be registered. Authorized, $750,000. A first lien on 12.60 miles of railway from Lackawanna to Hamburg, N. Y. Originally guaranteed by Buffalo & Lake Erie Traction Co.

Default—Interest due May 1, 1920, and subsequent in default; principal also in default.

Protective Committee—Under a Protective Agreement dated May 1, 1919, the following committee was formed: John F. Burke (Chairman), Elliott C. McDougal and Henry R. Hoffeld, with Paul Henrich, Sec., 600 Ellicott Square, Buffalo, N. Y. Depositary: Bank of Buffalo, Buffalo, N. Y.

RECEIVER'S INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Earnings from operation	$170,312	$200,298	$184,454
Operating expenses and taxes	149,914	176,120	161,355
Net earnings	$20,398	$24,178	$23,099
Interest on bonds	30,000	30,000	30,000
Other fixed charges	13,528	12,000	12,000
Deficit for year	$23,130	$17,822	$18,901

RECEIVER'S BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$969,012	$944,093	$888,307
Materials and supplies	3,604	1,745	1,724
Cash	24,117	.....	21,772
Notes receivable	.....	29,070	.....
Deferred debit items	11,557	14,095	12,514
Unadjusted debits	3,682	2,719	.....
Profit and loss—deficit	214,200	191,070	173,247
Total	$1,226,172	$1,182,792	$1,097,564
Liabilities—			
Funded debt	$750,000	$750,000	$750,000
Accounts payable	4,331	1,186	7,288
Notes payable	16,000	27,000	.....
Int. and divds. matured	250,142	220,142	190,142
Reserve for taxes	4,710	41,710	.....
Unadjusted credits and reserve for depreciation	112,989	103,754	86,134
Reserve for receiver's fees	88,000	76,000	64,000
Total	$1,226,172	$1,182,792	$1,097,564

Officers: John F. Burke, Receiver; William D. Allen, Mgr. for Receivers.
Office, 600-698 Ellicott Square, Buffalo, N. Y.

WEST SHORE GAS CO.

History—Incorporated Dec. 16, 1905, in N. Y., as successor to the Haverstraw Light & Fuel Co. Supplies gas to Haverstraw, West Haverstraw and Garnerville, N. Y. Population served, 8,500. Miles of mains, 10. No. of meters, 709; ranges, 600; heaters, 29; water heaters, 80. Annual output 13,500,000 cu. ft. Daily capacity, 150,000 cu. ft. Prices: Sliding scale with minimum charge of $1.00.

CAPITAL STOCK

Authorized, $45,000; outstanding, $42,600; par, $100. Annual meeting, third Monday in January. No dividends paid.

FUNDED DEBT

$40,000. No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$45,136	$44,130	$36,326
Oper. exp. & taxes	39,545	39,796	33,151
Net earnings	$5,591	$4,333	$3,175
Bond interest	2,000	1,625	1,250
Other interest	681	633	621
Total charges	$2,681	$2,258	$1,871
Surplus for year	$2,910	$2,075	$1,304

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$113,831	$108,182	$101,861
Materials and supplies	3,653	4,826	4,796
Cash	3,707	2,915	1,673
Accounts receivable	10,091	8,639	6,790
Profit and loss deficit	71,154	74,064	76,900
Total	$202,436	$198,626	$192,020
Liabilities—			
Capital stock	$42,600	$37,500	$15,500
Funded debt	40,000	40,000	25,000
Accounts payable	71,115	75,934	112,459
Interest accrued	11,000	11,000	9,375
Consumers' deposits	2,820	2,355	1,915
Other current liabilities	.....	.....	22,999
Reserve for taxes	5,078	5,511	4,772
Reserve for depreciation	29,823	26,327	.....
Total	$202,436	$198,626	$192,020

Officers and Directors: Edward C. Seed, Pres.; Allen H. Seed, Sec.; H. M. Balsam, Treas., Gen. Mgr. & Pur. Agt., Haverstraw, N. Y.
Office, Haverstraw, N. Y.

RAMAPO GAS CORPORATION

History—Incorporated in 1925 in New York, and acquired the properties of Suffern Gas Co., which were purchased in Aug., 1925, by John F. Barnard. Supplies gas to Suffern, N. Y. Population served, 3,000. Miles of mains, 6. No. of meters, 450. Plant has been entirely rebuilt, and change from water to coal gas made on March 1, 1926.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. No dividends paid.

FUNDED DEBT

Outstanding, $52,000; no details available

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$30,894	$8,477
Operating expenses & taxes	32,621	15,822
Loss from operation	$1,727	$7,345
Bond interest	2,910	.....
Other interest	947	.....
Other fixed charges	32	.....
Total deficit	$5,616	.....

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$175,026	$158,391
Materials and supplies	4,706	5,749
Cash	3,377	8,167
Accounts receivable	4,677	4,568
Unamortized debt & discount	506	187
Deficit	5,348	.....
Total	$193,640	$177,062
Liabilities—		
Common stock	$100,000	$100,000
Funded debt	52,000	45,000
Notes payable	.....	275
Miscellaneous current liabilities	20,674	14,254
Interest accrued	1,560	1,473
Consumers' deposits	480	465
Depreciation reserve	18,926	15,188
Profit and loss	.....	407
Total	$193,640	$177,062

Officers: John F. Barnard, Pres. & Gen. Mgr.; Emma S. Barnard, Sec., Suffern, N. Y.; Herbert Senger, Treas., Goshen, N. Y.

Offices, Suffern, N. Y., and Goshen, N. Y.

MONTEREY RAILWAY, LIGHT & POWER CO.

History and Properties—Incorporated Feb. 13, 1905, under Canadian laws as Monterey Electric & Gas. Co., Ltd.; name changed to present title, May 16, 1905. Owns the entire $2,000,000 capital stock and $3,745,000 First Mortgage 5% bonds of The Monterey Waterworks & Sewer Co., Ltd.; the entire outstanding $100,000 Pfd. and $400,000 Common stock of the Monterey Light & Power Co. and the $10,000 stock of Monterey Plumbing & Electrical Supply Co., Ltd. Co. owns directly 26 miles of street railway, under 99-year concession dated March 10, 1905. At the expiration of the concession, the State has the right to acquire the real and personal property of the Company as a going concern at a price to be determined by three appraisers. The terms of the concession provide that the capital invested and all the properties shall be free from State and municipal taxation until March 20, 1925; thereafter the State and municipal taxes are limited to 1% of the gross traffic receipts for the first ten years; to 2% for the next ten years, and thereafter not exceeding 3% per annum.

The power plants of the Railway Co. and the Light and Power Co. were amalgamated in 1910, and since June 1, 1910, all the power used by the Company for these services has been obtained from the central plant. The Company has a practical monoply for supplying electric light and power in and about the city of Monterey.

The Monterey Waterworks & Sewer Co., Ltd., operates waterworks and sewage and drainage works, under a concession granted by the State of Nuevo Leon, dated Oct. 19, 1904. This concession provides that if, during 99 years from the commencement of operations of the system, the gross revenue therefrom is in any year less than 10% of the invested capital as approved by the Government, the latter shall pay to the Waterworks Co. a sufficient sum to make up the 10%, out of which the Waterworks Co. is to pay the operating expenses and the cost of ordina maintenance. The guaranty stands good even shou the water supply be interrupted through scarcity water, etc., and no moneys paid under such guaran have to be repaid. All the revenue over and abo 10% on invested capital is to be divided equally b tween the Waterworks Co. and the Government. T concession is perpetual, but the Government has t right, after the system has been in operation for years, to purchase property for sum equal to 16 times the average annual net profits received Waterworks Co. during the three preceding yea After 40 years, this right may be exercised at t end of any 10 years' period up to 99 years from t commencement of operation. If this right be exe cised at expiration of the 99 years, the State mu pay the price in ten year 5% Government bonds. T company and all its stocks, bonds and properti shall be free from State and municipal taxes for years. The Railway Co. and the Waterworks C jointly own about 2,500 acres of land for a sewag farm. The system includes 72 miles of water mai and 52 miles of sewer.

Reorganization Plan—For details of Plan of R organization dated June 24, 1921, see 1924 Publ Utility Manual, or apply to our Information Depar ment.

CAPITAL STOCK

Authorized, $4,500,000 Common (or ordinary stock and $500,000 5% cumulative Preference; ou standing: $4,100,000 Common and $500,000 Prefe ence; par, $100. Transfer Agent: National Trus Co., Ltd., Toronto, Ont. Registrar: The British Em pire Trust Co., Ltd., London, Eng. Annual meetin at call of Board.

Dividends—No dividends have been paid on Ord nary shares. The Preference dividend has been pai to Nov. 1, 1913. No further dividends can be pai until one-half of the "C" Debenture stock has bee redeemed.

FUNDED DEBT

(1)

$2,202,258 5% "A" FIRST MORTGAGE DEBENTURE STOCK DUE AUGUST 1, 1962

Dated September 27, 1921.

Interest Payable February and August 1, at Brit ish Empire Trust Co., Ltd., London, Eng., and a office of the Company, in Toronto, Ont. Principa and interest are payable in Toronto or London a $4.86 to the £.

Trustees—The British Empire Trust Co., Ltd London, Eng., National Trust Co., Ltd., Toronto, an Hon. Gilbert Johnstone, London.

Provisions of Issue—Issued, $2,400,000; outstanding $2,202,258 (excluding $596,562 issued as collateral se curity). The Company can issue further stock ranking pari passu with that now outstanding, up t an amount not exceeding 75% of capital expenditur actually made or indebtedness incurred on Capita Account.

Sinking Fund—The Trust Deed provides for a sinking fund, accruing from Jan. 1, 1924, of 1% pe annum of the amount of stock at any time issued to be applied by purchase at or below par or by draw ings at par.

Security—Secured by a first mortgage on the street railway and on the securities held by the Company in The Monterey Waterworks & Sewer Co., Ltd., Monterey Light & Power Co., and Monterey Plumbing & Electrical Supply Co., Ltd., and as a floating charge on the undertakings and assets.

(2)

$2,400,000 5% "B" CUMULATIVE INCOME CHARGE DEBENTURE STOCK; DUE AUGUST 1, 1962

Dated September 27, 1921.

Interest Payable February and August 1, at British Empire Trust Co., Ltd., London, Eng., and at

fice of Company, Toronto. Interest (accruing from ug. 1, 1922) is payable only out of net profits after ovviding for annual repayment of loan from bankers n current account.

Trustees—The British Empire Trust Co., Ltd., ondon, Eng., National Trust Co., Ltd., Toronto, and on. Gilbert Johnstone, London.

Provisions of Issue—Authorized, $2,996,562; is- ied and outstanding $2,400,000 (excluding $596,562 sued as collateral security). Principal is payable in oronto or London at $4.86 to the £.

Sinking Fund—The Trust Deed provides for a nking fund of 1% per annum on the total amount "B" stock issued, which is to be set aside (out of ofits only) each year, commencing Jan. 1, 1924, d applied by purchase at or under par or by draw- gs at par.

Security—A lien on the same property, etc., as the \" Debenture stock, but subject thereto.

(3)

$2,674,957 "C" SINKING FUND DEBENTURE STOCK

Dated September 27, 1921.

Trustees—British Empire Trust Co., Ltd., Lon- n, Eng., National Trust Co., Ltd., Toronto, and on. Gilbert Johnstone, London, Eng.

Provisions of Issue—Authorized, $2,675,092; issued d outstanding, $2,674,957. Principal is payable in oronto or London at $4.86 to the £.

Sinking Fund—The "C" stock does not bear inter- t, but is redeemable by means of a non-cumulative nking fund (commencing Jan. 1, 1924), of not less an 6% per annum of the total amount of such ock, to be provided out of profits available for the rpose and applied by purchase at or under par or drawings at par.

Security—A lien on the same property, etc., as the \" and "B" Debenture Stock, but subject thereto.

(4)

$733,125 6% NOTES; DUE AUGUST 1, 1962

Issued September 1, 1921.

Interest Payable February and August 1.

Provisions of Issue—These notes were issued to nkers under the terms of the Reorganization Plan.

Security—Secured as to one-half by $366,562 "A" ebenture Stock and as to the other half by $366,- 2 "B" Debenture Stock. All principal sums re- ived in respect of such stocks shall be applied in paying the notes, which are redeemable at par on g. 1, 1962.

Earnings and Expenses, six months to June 30, 27—Gross earnings, $636,372; operating expenses, c., including provision for renewal and obsolescence $83,738; net earnings, $52,634.

OFFICERS AND DIRECTORS

Officers: W. H. Moore, Pres.; H. S. Gausby, Sec.; G. O. Thomson, Compt., Toronto, Ont.; E. F. ixas, Gen. Mgr., Monterey, Mexico.

Directors: W. H. Moore, J. A. C. Kemp, J. F. Lash, G. O. Thomson, R. A. Rumsey, Toronto; Sir H. S. olt, Montreal; R. M. Horne-Payne, London, Eng.

Head Office, Toronto, Ont.

MONTEREY LIGHT & POWER CO.

Controlled by Monterey Ry., Light & Power Co.)

History—Incorporated Feb. 9, 1904, in N. J. The siness of the Company is now conducted by the onterey Ry. Light & Power Co.

CAPITAL STOCK

Authorized and outstanding, $400,000 Common and 00,000 6% cumulative Pfd.; par, 100. Entire stock owned by the Monterey Ry. Light & Power Co.

FUNDED DEBT

$125,000 First Gold 6s; dated April 1, 1904; due ril 1, 1929; int. April and Oct. 1, at New York Trust Co., Trustee. Denomination, $1,000. Authorized issue, $400,000. Sinking fund, 3% per annum. Subject to call at 105 and interest.

Officers: W. H. Moore, Pres.; Sir Donald Mann, V-P; H. S. Gausby, Acting Sec., Toronto, Ont.

Directors: Sir Donald Mann, J. F. Lash, H. S. Gausby, J. A. C. Kemp, W. H. Moore, R. G. O. Thomson, Toronto, Ont.

Office, Monterey, Mex.

MEXICAN UTILITIES COMPANY

(To Be Controlled by American & Foreign Power Company, Inc.)

History—Organized in 1925 to acquire the Pfd. and Common stocks of The Guanajuato Power & Electric Co. and the Pfd. stock of Central Mexico Light & Power Co. and to finance those companies and their subsidiaries pursuant to a Plan dated Jan. 15, 1925, described in the 1925 Public Utility Volume, page 803, which see, or apply to our Information Department. Company now owns about 99½% of the Preferred and Common stock of The Guanajuato Power & Electric Co. and the Preferred stock of the Central Mexico Light & Power Co.

Plan For Acquisition of Company by American & Foreign Power Co., Inc.—A plan and agreement of reorganization, dated April 25, 1928, has been entered into under which American & Foreign Power Company, Inc., is to acquire Collateral Gold bonds, Pfd. stock and Common stock of Mexican Utilities Company by giving its $6 Pfd. stock in exchange for securities of Mexican Utilities Company on the following basis:

For each $100 principal amount of the Collateral Gold bonds of the Mexican Utilities Company, nine-tenths of a share of the $6 Pfd. stock of the American & Foreign Power Company, Inc., with a cash adjustment of accrued interest.

For each share of the Pfd. stock of the Mexican Utilities Company, 75/100ths of a share of the $6 Pfd. stock of the American & Foreign Power Company, Inc., with a cash adjustment of accrued dividends.

For each share of the Common stock of the Mexican Utilities Company, 35/100ths of a share of the $6 Pfd. stock of the American & Foreign Power Company, Inc.

The privilege of exchange is extended to all holders of Collateral Gold bonds, Pfd. stock and Common stock now outstanding of the Mexican Utilities Company who shall avail themselves thereof by depositing their holdings on or before June 1, 1928, or on or before any extended date. American Exchange Irving Trust Company, 60 Broadway, New York, is depositary under the plan.

Electric Bond and Share Company has offered to all depositors under the plan to purchase at the rate of $100 per integral share plus accrued dividends, if any, on integral shares only, such of the shares of the $6 Pfd. stock of American & Foreign Power Company, Inc. and scrip therefor to be received by holders of securities of Mexican Utilities Company who shall elect at the time of deposit under the plan to sell the stock to Electric Bond and Share Company. The obligation of Electric Bond and Share Company to purchase the $6 Pfd. stock is subject to the Plan becoming or being declared operative on or before June 1, 1928, or on or before such extended date as may be fixed by Electric Bond and Share Company and is limited to depositors who shall deposit and elect to sell on or before June 1, 1928, or any extended date under the Plan, not later, however, than June 25, 1928.

No fractional shares of the $6 Pfd. stock of American & Foreign Power Company, Inc., will be issued but in lieu thereof the American Company will issue non-dividend bearing and non-voting Scrip exchangeable in integral amounts for whole shares of such $6 Pfd. stock. Electric Bond and Share Company offers

for a period of 60 days after the Plan shall become operative to purchase at the rate of $100 per integral share any Scrip for fractional shares of the $6 Pfd. stock of American & Foreign Power Company, Inc., that may be offered to Electric Bond and Share Company for sale at said price, and also during said period to sell at said price to other holders of said Scrip any such Scrip that Electric Bond and Share Company may have available for sale to the extent necessary to make integral shares.

The Board of Directors of Mexican Utilities Company has considered and approved the Plan and has recommended it to the holders of securities of that Company, and the holders of large amounts of the Mexican Utilities Company securities have expressed the intention of accepting the exchange offered under the Plan.

CAPITAL STOCK

Authorized 250,000 shares Common and 50,000 shares $7 cumulative dividend Pfd.; both classes of stock of no par value; outstanding 35,000 shares Commonn and 30,812 3/5 shares Pfd.

Preferred Stock Provisions—Pfd. stock has preference for dividends at the rate of $7 per annum, cumulative from July 1, 1925, has preference as to principal on distribution at $100 per share and is redeemable at $105 per share. Both classes of stock have equal voting power.

Dividends—Initial dividend of $3.50 a share on Pfd. for the six months ended Dec. 31, 1925, was paid Jan. 15, 1926, which semi-annual rate has been regularly paid since.

FUNDED DEBT

$1,550,000 THIRTY-YEAR 8% COLLATERAL TRUST GOLD BONDS, SERIES "A"; DUE MAY 1, 1955

Dated May 1, 1925.

Interest Payable May and November 1.

Trustee—Bankers Trust Company, New York.

Provisions of Issue—Authorized, $25,000,000; issued as of Dec. 31, 1927, $1,550,000 Series "A" bonds of the several series are to be of such dates, maturities, interest rates, redemption privileges, tax exemptions, convertible privileges and other terms and conditions as the Indenture shall permit and as the Directors, from time to time, may determine. Bonds of series subsequent to Series "A" shall be issued only if the net income of the company available for the payment of interest on these bonds for twelve months within the fifteen months immediately preceding the authentication thereof shall have been not less than twice the annual interest charges upon all of the bonds outstanding and about to be issued.

Purpose of Issue—The proceeds from the sale of Series "A" bonds were used to purchase the notes or other obligations of The Guanajuato Power & Electric Co. and its subsidiaries; to provide funds to enable those companies to meet maturing obligations and sinking fund requirements and to pay the cost of acquisition or construction of improvements and additions to plants, lines and properties and other corporate purposes.

Callability—Subject to call in the first year at 105, the second year at 104, third year at 103, fourth year at 102 and the fifth year and thereafter at 101.

Security—Secured by pledge of approximately 99% of the Pfd. and Common stocks of The Guanajuato Power & Electric Co. and the Pfd. stock of Central Mexico Light & Power Co.

Tax Provisions—Principal and interest shall be payable without deduction for any taxes which the Company may be required or permitted to pay or deduc except inheritance and estate taxes and Federal In come Tax in excess of 2% per annum.

***COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31**
(Mexican Utilities Co., Guanajuato Power & Electric Co. and Subsidiaries)

	1927	1926	1925
Receipts power and light	$1,562,969	$1,516,218	$1,458,61
Miscellaneous income	11,580	15,969	10,19
Total	$1,574,549	$1,532,187	$1,468,80
Oper., admin. and gen. exp.	†645,482	†625,847	527,30
Maintenance and deprec.	214,666	200,604	277,64
Operating revenue	$714,401	$705,736	$663,85
Other income	31,036	53,158	33,56
Total	$745,437	$758,894	$697,42
Deductions:			
Taxes	†	†	$81,05
Interest on funded debt	$316,587	$319,063	249,28
Bond discount	11,843	11,342	12,16
Total deductions	$328,430	$330,405	$342,49
Net combined inc. for year	$417,007	$428,489	$354,92
Divds. declared on Pfd. stock:			
Mexican Utilities Co.	$215,660	$215,712	.....
Sub. Cos. (min. int.)	336	336	.....
Surplus for year	$201,011	$212,441	$354,92

*Mexican revenue and expenses have been converted at the rate of two pesos to the dollar. †Taxes included in operating etc., expenses.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Mexican Utilities Co.)
(1926-1927 Accounts Audited by Price, Waterhouse & Co.

	1927	1926	1925
Divds. rec. from sub. cos.	$287,664	$287,664	.....
Comm. and int. on loans to sub. cos.	160,533	93,555	142,78
Other interest received	9,186	11,321	1,08
Total	$457,383	$392,540	$143,86
Bond interest	124,000	115,996	25,96
Gen. & adm. expenses	5,550	3,549	.....
Balance for dividends	$327,833	$272,995	$117,90
Pfd. dividends	215,660	215,712	107,63
Surplus for year	$112,173	$57,283	$10,27

GENERAL BALANCE SHEET, DECEMBER 31
(Mexican Utilities Co.)
(1926-1927 Accounts Audited by Price, Waterhouse & Co.

Assets—	1927	1926	1925
Investments	$3,398,988	$3,127,287	$3,101,03
Loans & adv. to sub. cos.	1,385,800	1,336,201	675,00
Cash	34,705	44,052	229,62
Demand loans secured	200,000	400,000	.....
Deposit for mat. bond int.	254	2,828	.....
Total	$5,019,746	$4,910,368	$4,005,66
Liabilities—			
Common stock	$80,000	$80,000	$80,00
Pfd. stock	3,081,260	3,081,260	3,063,76
Funded debt	1,550,000	1,550,000	718,03
Accounts payable	.....	225	.....
Matured int. on bonds	254	2,828	.....
Pfd. dividend	107,835	107,831	107,63
Bond int. accrued	20,667	20,667	25,96
Surplus	179,730	67,557	10,27
Total	$5,019,746	$4,910,368	$4,005,66

Officers: Irving W. Bonbright, Pres.; O. B. Willcox, V-P.; George H. Howard, V-P.; L. P. Hammond, V-P.; S. E. Allen, Sec. & Treas.; J. H. P. Ritter, Asst. Sec. & Asst. Treas., New York, N. Y.; F. L Gilmore, Gen. Mgr., Guanajuato, Mexico.

Directors: Irving W. Bonbright, George H. Howard, O. B. Willcox, L. P. Hammond, S. E. Allen, New York, N. Y.

Office, 165 Broadway, New York, N. Y.

THE GUANAJUATO POWER AND ELECTRIC COMPANY

(Controlled by Mexican Utilities Company)

History and Property—Incorporated April, 1902, in Col., to transmit power by electricity from the Duero River, near Zamora, State of Michoacan, Mex., to the City of Guanajuato, and the neighboring mining districts. The company transmits power from its Platanal power station and the Brunel and Noriega power stations of the Michoacan Power Co., which it operates, through Guanajuato to San Luis Potosi. The distances between these points are as follows: Platanal power station of the Guanajuato Power & Electric

:o. to Guanajuato, 101 miles; Guanajuato to San Luis 'otosi, 87 miles; from the Noriega power station of he Michoacan Power Co. to Guanajuato, 84 miles om the Brunel power station of the Michoacan Power :o. to Guanajuato, 78 miles; Guanajuato Power & :lectric Co. transmission line from Guanajuato to 'ozos, 51 miles. Hydro-electric power station is lated at Zamora, about 100 miles from the City of uanajuato, and has a capacity of 7,500 h. p. Population served, about 200,000.

The Guanajuato Power & Electric Co. owns the ntire $1,000,000 capital stock of the Michoacan Power o. which was incorporated for the purpose of enaling bonds to be issued, secured by first mortgage on ie Brunel, Noriega and other developments, as the uthorized bond issue of the Guanajuato Co. was losed and second mortgage bonds would not be salble. The Guanajuato Co. guarantees the payment of ie principal and interest of the Michoacan Company's bonds, and is operating all of its plants and roperty under an agreement between the two companies which provides, in substance, that the Guanajuto Co. shall take all of the power generated by the Iichoacan Co.'s plants, and, in consideration therefor, ay all of that Company's operating and maintenance xpenses and fixed charges.

The Central Mexico Light & Power Co. (all but 500 of whose $1,500,000 Common stock is owned by ie Guanajuato Co.) was organized to take charge of ie lighting, small motor and other retail business ormerly conducted directly by this Co. at Irapuato, ilao and other points. Its operations have been large- extended through its acquisition of the properties f the Potosina Electric Co. at San Luis Potosi and the uilding of the Michoacan Power Co.'s transmission ne from Guanajuato to San Luis Potosi. In addition o its lighting and small motor business in the various owns where its plants are located it has found a large eld for the sale of power for pumping for irrigation, nd the prospects are that this will develop into a very rge power market at profitable rates. The Guanaiato Co. guarantees the payment of the principal and iterest of the bonds of the Central Mexico Light & ower Co.

The Noriega, or last plant of the Michoacan Power o., was placed in operation on June 1, 1911, so that the uanajuato Co. now controls an aggregate capacity in ie three plants of 20,000 h. p.

New Control—Mexican Utilities Company acquired ontrol in 1925 in accordance with the terms of the lan dated Jan. 15, 1925, described in 1925 Public 'tility Volume, page 803.

CAPITAL STOCK

Authorized and outstanding, $3,500,000 Common increased from $2,500,000 in Feb., 1910) and $1,500,00 6% cumulative Pfd.; par of both issues, $100. ecretary of company acts as Transfer Agent. Registrar: Colorado Title & Trust Co., Colorado Springs, olo. Annual meeting, fourth Tuesday in March. The lexican Utilities Co. owns 99½% of the Common and referred stock.

Dividends—Pfd. dividends have been paid (quarrly, February 1, etc.) from Nov. 1, 1908, to May 1, 918; none since. In April, 1911, a distribution of ommon stock was made, representing accumulated fd. dividends to the extent of 35%, which, with a ish dividend of eight-tenths, of 1 per cent, paid Aug. 1911, settled all arrears of dividends to that date.

FUNDED DEBT

$90,000 FIRST MORTGAGE GOLD 6s; DUE OCTOBER 1, 1932

Dated October 1, 1902.

Interest Payable April and October 1, at U. S. lortgage & Trust Co., New York. Interest on these onds is now being paid regularly when due.

Denomination—Coupon, $1,000; principal may be egistered.

Trustee—U. S. Mortgage & Trust Co., New York.

Provisions of Issue—Original issue, $1,500,000, of which $510,000 retired by sinking fund up to Dec. 31, 1927.

Callability—Subject to call in whole or in part, at 105 and interest when drawn by lot.

Sinking Fund—Sinking fund, 1907 to 1916, 1% of bonds issued; 1917 to 1926, 2%; 1927 to 1931, 4%. The sinking fund provision had been complied with up to Dec. 31, 1927.

Security—A first lien on entire property and franchises of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

CONSOLIDATED SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31

(The Guanajuato Power & Electric Co., Central Mexico Light & Power Co., The Michoacan Power Co. and Compania Hidroelectrica Guanajuatense, S. A.)

	†1927	1926	1925
Bal. at organization of Mex. Utilities Co. May 1, 1925	$897,942	$897,942	$897,942
Surplus subsequent thereto	319,927	250,665	.....
Net profit for year	376,837	443,158	*250,665
Total	$1,594,706	$1,591,765	$1,148,607
Deduct:			
Commission on loans from Mexican Utilities Co.	.....	$85,896	.....
Divds. on Pfd. stock (12%)	288,000	288,000	.....
Profit and loss surplus...	$1,306,706	$1,217,869	$1,148,607

*Net profit for full year 1925 was $322,912 of which $72,247 was earned prior to organization of Mexican Utilities Co. †Does not include Compania Hidroelectrica Guanajuatense, S. A.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(The Guanajuato Power & Electric Co., Central Mexico Light & Power Co., The Michoacan Power Co. and Compania Hidroelectrica Guanajuatense, S. A.)

Assets—	†1927	1926	1925
Investments:			
Concessions, rights and franchises	$7,391,697	$7,382,875	$7,246,130
Construction	6,014,244	5,609,603	5,166,753
General equipment	38,435	39,910	37,355
Total	$13,444,376	$13,032,388	$12,450,218
Compania Hidroelectrica Queretana, S. A., current account	62,660	.....	.....
Real estate & other invest. in Mexico.	63,541	330,560	65,691
Machinery for sale	19,468	19,644	23,782
Cash in sinking fund	327	327	327
Total	$13,590,342	$13,382,919	$12,540,018
Inventory of stores on hand	$312,609	$380,339	$254,833
Cash in banks and on hand	174,270	249,678	333,068
U. S. Govt. securities	.....	.....	304,185
Special deposits for interest	78,169	87,903	99,893
Accts. & notes receivable..	*199,805	*233,599	235,371
Deferred charges	96,808	89,651	201,375
Total	$14,452,003	$14,424,089	$13,968,743
Liabilities—			
Capital Stock:			
Guanajuato P. & E. Co. Pfd.	$1,500,000	$1,500,000	$1,500,000
Guanajuato P. & E. Co. Common	3,500,000	3,500,000	3,500,000
Central Mex. L. & P. Co. Pfd.	900,000	900,000	900,000
Funded debt:			
Guanajuato P. & E. Co...	990,000	1,050,000	1,188,000
Central Mex. L. & P. Co.	1,494,000	1,517,000	1,531,000
Michoacan Power Co. ...	600,000	700,000	800,000
Loans from Mex. Util. Co.	1,385,800	1,336,201	675,000
Customers' construct. adv.	.....	.....	61,343
Accounts payable	43,746	28,732	40,525
Accrued int. and taxes	58,730	62,375	55,949
Matured int. coupons	78,169	87,903	99,893
Customers' & emp. deposits	4,517	9,473	46,975
Reserve for depreciation ..	2,551,746	2,474,394	2,411,896
Deferred credits	38,588	40,142	9,555
Corporate surplus	1,306,707	1,217,869	1,148,607
Total	$14,452,003	$14,424,089	$13,968,743

*Less reserve of $103,516 in 1926, and $139,228 in 1927. †Does not include Compania Hidroelectrica Guanajuatense, S. A.

Officers: Irving W. Bonbright, Pres.; O. B. Willcox, V-P.; George H. Howard, V-P.; L. P. Hammond, V-P.; S. E. Allen, Sec. & Treas., New York; Norman D. Wanless, Asst. Sec., Colorado Springs, Colo.; J. H. P. Ritter, Asst. Sec. & Asst. Treas.; M. M. McCallister, Asst. Sec. & Asst. Treas., New York; F. L. Gilmore, Gen. Mgr., Guanajuato, Gto., Mex.

Executive Committee: Irving W. Bonbright (Chairman), S. E. Allen, O. B. Willcox, New York.

Finance Committee: Irving W. Bonbright, George H. Howard, L. P. Hammond, New York.

Directors: Irving W. Bonbright, O. B. Willcox, F. C. Walcott, George H. Howard, L. P. Hammond, S. E. Allen, J. H. P. Ritter, Irving W. Bonbright, Jr., New York; F. W. Stehr, Coreys, N. Y.

Main Office, 165 Broadway, New York.

CENTRAL MEXICO LIGHT AND POWER COMPANY

(Controlled by The Guanajuato Power and Electric Co.)

History and Property—Incorporated Dec. 18, 1909. in Me., for the purpose of purchasing, constructing, owning and operating electric light and power plants in the States of Guanajuato and Michoacan, Mexico. Purchased the electric light and power systems at Leon, Irapuato, Silao and Celaya-Salamanca, in the State of Guanajuato, with sufficient reserve for constructing plants at Valle de Santiago, Penjamo-Abasolo and Pozos in the same State, which have since been constructed. Also acquired the property of the Potosina Electric Co., at San Luis Potosi.

The Company purchases its power from the Guanajuato Power & Electric Co., and takes charge of all lighting, small motor and retail business in its territory in the interest of that company.

New Control—See statement of Mexican Utilities Company on a preceding page.

CAPITAL STOCK

Authorized and issued, $1,500,000 Common and $1,250,000 6% cumulative Pfd.; outstanding, $1,500,000 Common (all but $500 owned by Guanajuato Power & Electric Co.) and $900,000 Pfd.; par, $100. In addition to the $900,000 outstanding Pfd. stock, $350,000 is held in trust for benefit of Company. Stocks have equal voting power and are full paid and non-assessable. The Mexican Utilities Co. owns all the Pfd. stock except 12 shares.

Preferred Stock Provisions—Pfd. stock is cumulative from Jan. 1, 1913, and is redeemable, at option of the company, at 115 and unpaid cumulative dividends on sixty days' notice. It has also preference as to assets in the event of liquidation.

Transfer Agent—Secretary of Company acts as Transfer Agent.

Registrar—Colorado Title & Trust Co., Colorado Springs, Colo.

Annual Meeting—First Tuesday in March, at Augusta, Me.

Dividends—Dividends of 6% per annum on this stock beginning Jan. 1, 1913, are guaranteed by The Guanajuato Power & Electric Co. The dividends on this stock were paid to July 1, 1918; none since.

FUNDED DEBT

$1,494,000 FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1940

Dated January 1, 1910.

Interest Payable January and July 1, at Old Colony Trust Co., Boston, and in New York and London. Interest on these bonds is now regularly paid whe due.

Denominations—Coupon (principal may be regi tered), $500 and $1,000, and in sterling form, £1(14s. 10d. and £205 9s. 8d.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized issue, $2,500,00(outstanding, at Dec. 31, 1927, $1,494,000.

Callability—Subject to call at 105 and accrued i terest on Jan. 1, 1915, or on any interest date thereafte

Sinking Fund—Sinking fund is provided, consistir of a sum equivalent to 1% of the principal amount bonds outstanding, from 1915 to 1923; 2% from 192 to 1932, and 4% thereafter until maturity. Thes amounts to be deposited with the Trustee, on the 1 of Jan., each year, to form a sinking fund for the r demption of bonds at not more than 105 and accrue interest, bonds so purchased to be cancelled. All sinl ing fund defaults have been liquidated and the ou standing amount of bonds as of Dec. 31, 1927, was r duced to $1,494,000.

Security—Secured by first mortgage upon all pro erty of the company, now owned or hereafter acquire including lands, buildings, machinery, distributin systems, and all equipment pertaining thereto, and o all rights and concessions. Additionally secured b pledge of $200,000 First 6s of The Michoacan Power C

Guaranty—Guaranteed, principal and interest, b The Guanajuato Power & Electric Co.

Tax Provisions—Company pays Normal Federal Ir come Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Irving W. Bonbright, Pres.; O. B. Will cox, V-P.; George H. Howard, V-P.; L. P. Ham mond, V-P.; S. E. Allen, Sec. & Treas.; J. H. P. Ritte Asst. Sec. & Asst. Treas.; M. M. McCallister, Ass Sec. & Asst. Treas., New York; F. L. Gilmore, Ger Mgr., Guanajuato, Gto., Mexico.

Executive Committee: Irving W. Bonbright (Chair man), S. E. Allen, O. B. Willcox, New York.

Directors: Irving W. Bonbright, O. B. Willcox Geo. H. Howard, S. E. Allen, L. P. Hammond, Nev York.

Corporate Office, Augusta, Me. **Main Office,** 16 Broadway, New York. **Operating Office,** Guanajuato Mex.

THE MICHOACAN POWER COMPANY

(Controlled by The Guanajuato Power and Electri Co.)

History and Property—Incorporated Nov. 6, 1902 in Colo. Acquired, in the interest of the Guanajuato Power & Electric Co., two concessions from the Mexican Government to use the waters of the Angul River for power purposes. These rights are known as the Brunel Concession and the Noriega Concession At the former a hydro-electric plant with a capacity of 4,000 h. p. and a transmission line, 90 miles long, t Guanajuato, have been constructed. At the Noriega Concession a hydro-electric plant of 8,000 h. p. and a transmission line connected to the Brunel plant were completed and placed in operation June 1, 1911. The Brunel plant was completed in 1909, and is operated by the Guanajuato Power & Electric Co. The company has completed and put in operation another transmission line from Guanajuato to San Luis Potosi a distance of about 87 miles, which is operated by the Guanajuato Power & Electric Co.

We Make a Specialty of Dealing in
CENTRAL MEXICO LIGHT & POWER CO. SECURITIES
TELEPHONE Hubbard 0460
HOTCHKIN CO.
DEALERS AND SPECIALISTS IN INACTIVE SECURITIES
53 STATE ST. BOSTON

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100; ll owned by The Guanajuato Power & Electric Co. ecretary of Company acts as Transfer Agent. Regis- ar: The Colorado Title & Trust Co., Colorado prings, Colo. No dividends paid.

FUNDED DEBT

$800,000 FIRST MORTGAGE GOLD 6s; DUE $100,000 ANNUALLY TO JULY 1, 1937

Dated July 1, 1907.

Interest Payable January and July 1, at Old Colony rust Co., Boston. Interest on these bonds is now eing paid regularly when due.

Denominations—Coupon, $100, $500 and $1,000; rincipal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $2,000,000; issued, 1,800,000, of which $1,000,000 have been retired; unsued bonds reserved for extensions and improveents at 80% of cost. Of the $800,000 bonds outtanding, $200,000 are owned by Central Mexico ight & Power Co. and pledged under that Comany's mortgage.

Callability—Subject to call as an entirety on and fter July 1, 1923, at 105 and interest.

Security—A first lien on entire property and franhises.

Guaranty—Guaranteed, principal and interest, by he Guanajuato Power & Electric Co.

Tax Provisions—Company pays Normal Federal Inome Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Irving W. Bonbright, Pres.; O. B. Willox, V-P.; George H. Howard, V-P.; L. P. Hammond, -P.; S. E. Allen, Sec. & Treas.; J. H. P. Ritter, Asst. ec. & Asst. Treas.; M. M. McCallister, Asst. Sec. & sst. Treas., New York; Norman D. Wanless, Asst. ec., Colorado Springs, Colo.; F. L. Gilmore, Gen. gr., Guanajuato, Gto., Mexico.

Executive Committee: Irving W. Bonbright, S. E. llen, O. B. Willcox, New York.

Finance Committee: Irving W. Bonbright, Geo. H. oward, L. P. Hammond, New York.

Directors: Irving W. Bonbright, O. B. Willcox, Geo. I. Howard, S. E. Allen, F. W. Stehr, L. P. Hammond, . H. P. Ritter, New York.

Office, 165 Broadway, New York.

THE TEXAS PUBLIC SERVICE CO.

History and Property—Incorporated July 1, 1913, n Tex. In Dec., 1922, all the physical properties of ompany were sold to the Texas Electric & Ice Co. of ouston, Tex. The company is being kept alive until he first mortgage bonds are paid.

CAPITAL STOCK

$2,500 Common and $2,500 7% cumulative Pfd.; ar $100. Annual meeting, fourth Tuesday in January.

Dividends—Pfd. dividends 7% per annum, up to and ncluding July, 1918; none paid since. No dividends aid on Common.

FUNDED DEBT

$347,000 First Gold 6s; dated July 1, 1913; due July , 1933; int. Jan. and July 1, at The Spitzer-Rorick rust & Savings Bank, Toledo, Trustee. Coupon, 1,000; principal may be registered. Authorized, 500,000. No additional bonds can be issued without he written consent of Spitzer, Rorick & Co. Subject o call at 103 and interest on any interest date on 0 days' notice. Annual sinking fund of 2% began n 1917. Secured by a first mortgage on all property f company. First publicly offered ($375,000) in Nov. 914, at 101 and interest by Spitzer, Rorick & Co., New York, Toledo, etc. Company pays Normal Fedral Income Tax up to 2%.

Officers: Albert V. Foster, Pres.; F. R. Phillips, V-P.; J. W. Harbaugh, Sec. & Treas., Toledo, O.

Directors: Albert V. Foster, F. R. Phillips, J. R. Easton, J. W. Harbaugh, D. W. Drennan, Toledo, O.

Office, 215 Nicholas Bldg., Toledo, O.

MISSISSIPPI VALLEY ELECTRIC CO.

History and Property—Incorporated in June, 1910, in Ia., as the Iowa City Electric Ry., name changed as above in 1914; franchise expires Sept. 4, 1933. Line of road, 6.2 miles. Also owns and operates Mankato Electric Traction Co. and Fort Madison Street Ry. Co. Gauge, standard. Rail (T), 60 to 70 lbs. Motor cars, 9; other car, 1. Power purchased from Iowa Ry. & Light Co.

Receiver Appointed—Application for receivership for company demanded by stockholders, was granted on Sept. 11, 1926 by Judge Ralph Otto of the Johnson County District Court. Henry Negus was named receiver with instructions to continue the operation of the three street railway properties involved.

CAPITAL STOCK

Authorized, $1,000,000 Common and $450,000 Pfd.; outstanding, $265,000 Common and $200,000 Pfd.; par, $100. Annual meeting, second Tuesday in April. Dividends on Pfd. stock have been regularly paid. None paid on Common.

FUNDED DEBT

$94,000 Iowa City Electric Ry. First Gold 6s; dated Oct. 1, 1911; due Oct. 1, 1931; int. quarterly (Jan. 1), at Commercial Savings Bank, Iowa City. Coupon, $500; principal may be registered. Henry Negus, Iowa City, Trustee. Subject to call after Oct. 1, 1916, at 105 and accrued int. First lien on all property. Authorized, $100,000. Sinking fund: 2% to 3% of outstanding bonds each year after 1916. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED AUGUST 31.

(Latest Furnished)

	1925	*1923	1922
Gross earnings	$152,485	$169,856	$166,391
Oper. exp. & taxes	126,178	132,279	128,948
Net earnings	$26,307	$37,577	$37,443
Bond interest, etc.	14,770	12,220	12,540
Net income	$11,537	$25,357	$24,903
Dividends paid	.....	14,253	14,428
Surplus for year	$11,537	$11,104	$10,475

*1924 figures not reported.

Officers: Henry Negus, Receiver; J. O. Schulze, Pres., Gen. Mgr. & Pur. Agt.; J. H. Rohret, V-P. & Treas., Iowa City.

Directors: J. O. Schulze, J. H. Rohret, S. J. Morrison, Geo. A. Sueppel, Iowa City.

General Office, Iowa City.

FORT MADISON STREET RY.

(Controlled by Mississippi Valley Electric Co.)

History—Incorporated Jan. 17, 1888, in Ia., in perpetuity. Operates 4 miles of track in Fort Madison, Iowa. Gauge, standard. Rail, 56 lb. T. Cars, 10. Power rented from Fort Madison Electric Light Co. Controlled by Mississippi Valley Electric Co.

CAPITAL STOCK

Authorized, $150,000; outstanding, $80,000; par, $100. Dividends, 1920 to 1922 incl., 12%; later dividends not reported.

FUNDED DEBT

Authorized, $300,000; outstanding, $60,000, all held in treasury. No details furnished.

Officers: J. O. Schulze, Pres., Gen. Mgr. & Pur. Agt.; J. H. Rohret, V-P. & Treas., Iowa City, Ia.; Joseph Negus, Supt., Fort Madison, Ia.

Directors: J. O. Schulze, J. H. Rohret, S. T. Morrison, Geo. A. Sueppel, Iowa City, Ia.

Office, Fort Madison, Iowa.

MANKATO ELECTRIC TRACTION CO.

(Controlled by Mississippi Valley Electric Co.)

History—Inc. May 9, 1907, in W. Va. Operates 5.3 miles of electric lines in Mankato, Minn. Gauge, standard. Cars, 10. Power purchased from Consumers Power Co. Controlled by Mississippi Valley Electric Co.

CAPITAL STOCK

Authorized, $125,000 Common and $75,000 5% noncumulative Pfd.; outstanding, $80,300 Common and $28,800 Pfd.; par, $100.

FUNDED DEBT

$75,000 First Gold 5s; dated July 1, 1907; due July 1, 1927, but subject to call on 60 days' notice at 105; int. Jan. and July, at Northwestern Trust Co., St. Paul, Minn., Trustee. Coupon, $1,000. Authorized $400,000. Secured on road, car barn and equipment. Company pays Normal Federal Income Tax up to 2%.

Officers: J. O. Schulze, Pres. & Gen. Mgr.; J. H. Rohret, V-P. & Treas., Iowa City, Iowa.; A. Muell, Supt. & Pur. Agt., Mankato, Minn.

Directors: J. O. Schulze, J. H. Rohret, S. J. Morrison, Geo. A. Sueppel, Iowa City, Iowa.

General Office, Mankato, Minn.

THE EMPORIA TELEPHONE COMPANY

History and Property—Incorporated 1901, in Kansas, and serves, without competition, the cities of Emporia, Hartford, Neosho Rapids, Virgil, Plymouth, Howard, Hamilton, Yates Center, Humboldt, Moline, Severy and Reading. The company owns twelve exchanges, over 750 miles of toll line, completely covering Lyon County, and extending into Greenwood, Osage, Coffey, Woodson, Allen, Chase, Wilson, and Elk Counties, having a combined population of over 160,000, and on Jan. 1, 1928, had in service 9,475 telephones. Company operates under an agreement with the Southwestern Bell Telephone Co. of Mo., whereby the Emporia Co. does the entire toll business with nearby points and participates with the Bell Co. in the profits on long distance business.

CAPITAL STOCK

Authorized, $300,000 Common and $200,000 7% Pfd.; outstanding, $246,900 Common and $85,600 Pfd.; par, $100. Annual meeting, first Monday in February.

Dividends—On Common: In 1915, 5%; 1916, 6%; 1917, 6%; 1918, 6%; 1919 to 1923, incl., 8% each; 192 8% regular and 10% extra; 1925, 9½%; 1926 and 192 10% each. Preferred dividends are paid quarterly, A, J & O 1; Common dividends, M 31, J 30, S 30 & 31.

FUNDED DEBT

$39,100 First Mortgage Serial Gold 6% bonds; du serially to 1935, as follows: $60,000 annually 192 to 1930; $7,000 in 1931 and 1932; $8,000 in 19 and 1934, and $6,000 in 1935. Interest May an Nov. 15, at Mississippi Valley Trust Co., S Louis, Mo., Trustee. Coupon, $100 and $500, princip may be registered. Authorized and issued, $100,00 of which $60,900 retired to December 31, 1927. Sul ject to call at 105. Secured by a closed first mortgag on all the real estate, plants and equipment of th Co. First publicly offered ($100,000) in June, 191 the first four maturities at par and int.; all othe maturities, 98½ and interest. Company does not pa Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$257,756	$229,045	$218,474	$206,497	$201,616	$183,25
Operating expenses, taxes and depreciation	173,887	165,260	153,762	155,024	151,537	145,31
Net earnings	$83,869	$63,785	$64,712	$51,473	$50,079	$37,94
Interest charges	$15,304	$10,649	$10,200	$11,496	$13,144	$13,03
Rentals, etc.	.....	.....	755	.....	.....	3,48
Total charges	$15,304	$10,649	$10,955	$11,496	$13,144	$16,52
Balance for dividends	$68,565	$53,136	$53,757	$39,977	$36,935	$21,42
Dividends paid	30,470	29,950	28,404	*22,594	21,864	19,46
Surplus for year	$38,095	$23,186	$25,353	$17,383	$15,071	$1,95
Times Interest Earned	5.48	5.98	6.27	4.48	3.81	2.6
Earnings Per Share—						
Preferred	$80.10	$62.07	$62.80	$47.25	$44.66	$30.4
Common	25.35	19.61	20.13	16.11	15.04	8.0

* Does not include extra dividend of 10% ($21,130) paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$648,771	$604,500	$578,193	$545,384	$512,089	$478,99
Securities owned	66,030	1,710	1,710	1,710	2,760	1,55
Materials and supplies	7,845	7,516	10,319	8,986	17,320	4,97
Cash	30,586	21,698	13,613	32,437	26,255	76,44
Bills and accounts receivable	66,010	102,359	95,780	71,198	78,899	74,01
Other assets	6,286	7,281	8,489	8,258	8,223	11,46
Total	$825,528	$745,064	$708,104	$667,965	$645,546	$647,43
Liabilities—						
Capital stock	$332,500	$326,000	$322,900	$295,890	$292,820	$274,40
Funded debt	39,100	45,600	48,700	53,700	58,000	61,00
Advances from system corp.	129,438	96,438	96,438	96,438	96,438	101,43
Bills and accounts payable	18,819	15,147	14,310	35,138	14,319	68,11
Depreciation reserve	170,797	167,050	155,575	143,265	137,510	127,74
Accrued liabilities not due	17,554	16,100	14,638	13,345	12,522	.....
Benefit fund	10,400	5,000	5,000	5,000	5,000	.....
Surplus	106,920	73,729	50,543	25,189	28,937	14,74
Total	$825,528	$745,064	$708,104	$667,965	$645,546	$647,43

Officers: A. B. Elias, Chrm. of Board, St. Louis, Mo.; W. W. Finney, Pres., Gen. Mgr. & Pur. Agt., Emporia, Kan.; P. H. Hopkins, V-P.; J. P. Crowley, Sec., St. Louis, Mo.; Forrest Haynes, Treas.; J. E. Slyker, Gen. Aud.; J. F. Custenborder, Supt.; J. R. Carter, Supt. of Traffic, Emporia, Kan.

Directors: W. W. Finney, G. H. Frith, E. C. Ryan, Emporia, Kan.; C. A. Ulffers, Topeka, Kan.; F. M. Hoag, A. B. Elias, Jas. Noble, St. Louis, Mo.

General Office, Emporia, Kansas.

THIRD AVENUE RAILWAY COMPANY

Stock Issue, At June 30, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	Earnings per Share
Capital Stock (par, $100)		$16,590,000	$16,590,000	$276,816	None	None	$1.67

Bond Issues, At June 30, 1927, Summarized
(Entire System)

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
(1) Third Avenue R.R. First 5s	July 1, 1937	J & J 1	$5,000,000	$5,000,000	No	No	Pd. by Co.
(2) Dry Dock, E. B'way & Bty RR. Gen. 5s	Dec. 1, 1932	J & D 1	1,000,000	950,000	No	No	Not pd. by Co.
(3) 42d St., Man. & St. N. Ave. Ry. First 5s	Mar. 1, 1940	M & S 1	1,200,000	500,000	No	No	Pd. by Co.
(4) Southern Boulevard R.R. First 5s	July 1, 1945	J & J 1	250,000	250,000	No	No	Pd. by Co.
(5) Union Ry. Co. of N. Y. City First 5s	Aug. 1, 1942	F & A 1	2,000,000	2,000,000	No	No	Pd. by Co.
(6) Westchester Electric RR. First 5s	July 1, 1943	J & J 1	500,000	500,000	No	No	Not pd. by Co.
(7) Yonkers RR. First 5s	Apr. 1, 1946	A & O 1	1,000,000	992,000	No	No	Not pd. by Co.
(8) Dry Dk, E B'way & Bty RR Rf 5s Sr "C"	Jan. 1, 1960	J & J 1	1,300,200	649,361	No	No	Not pd. by Co.
(9) Third Avenue Ry. First Ref. 4s	Jan. 1, 1960	J & J 1	40,000,000	21,990,500	No	Yes	Pd. by Co.
(10) Third Ave. Ry. Adjustment Income 5s	Jan. 1, 1960	A & O 1	22,536,000	22,536,000	No	Yes	Pd. by Co.

Total Funded Debt of System, at June 30, 1927, *$55,454,861. **Interest Accrued** in 1927, $2,519,500.
Amount Available for Interest in 1927, $2,796,316. **Times Interest Earned** in 1927 (incl. Adjust. Mtge. Inc.) 1.10.
***This amount includes $87,000 New York City Interborough Ry. Co. bonds held in sinking fund.**

History—Incorporated April 19, 1910, in New York, and at midnight Dec. 31, 1911 (at which date the receiver, Frederick W. Whitridge, was discharged), succeeded to the property and franchises formerly belonging to The Third Avenue R. R. Co., sold at foreclosure, March 1, 1910, under decree of foreclosure and sale entered May 17, 1909 (see Manual for 1911, page 2423). By deed of April 18, 1910, the property was turned over to a purchasing committee, consisting of representatives of bondholders, which committee on Jan. 31, 1912, turned the property over to the Third Avenue Ry. Co. The litigation between the Public Service Commission, First District, and the Reorganization Committee was ended Nov. 21, 1911, by the Court of Appeals at Albany, reversing the decision of the Public Service Commission (which had refused to approve the amended plan of reorganization), declaring the reorganization effective upon the basis of the plan outlined in the Manual for 1912, page 2359. Information in back Manuals furnished on request to our Information Department.

The Third Avenue Railway Company now owns the following companies, which have respectively, the amount of mileage set opposite their names:

Name of Company:	Miles
Third Avenue Ry. Co.	27.435
Kingsbridge Ry. Co.	7.341
42d St., Man. & St. Nich. Ave. Ry. Co.	18.946
Bry Dock, E. B'way & Battery R. R. Co.	11.583
Belt Line Ry. Corporation	8.264
Mid-Crosstown Ry. Co., Inc.	4.217
Union Ry. Co. of New York City	108.371
Bronx Traction Co.	24.042
New York City Interborough Ry. Co.	31.640
Southern Boulevard R. R. Co.	9.224
Third Avenue Bridge Co.	.....
Westchester Electric R. R. Co.	39.755
Yonkers R. R. Co.	40.347
New York, Westchester & Connecticut Traction Co.	5.973
Pelham Park & City Island Ry. Co., Inc.	3.283
Hastings Ry. Co., Inc.	2.479
Total	342.900

During 1926 Company acquired control of the North Street Transportation Corporation (a bus company operating in Westchester County) through the purchase by the Yonkers RR. Co. of 310 shares of stock.

Also owns the total outstanding capital stock of the following companies: Eastchester Transportation Corp., Westchester Motor Transfer Co., Inc., Surface Transportation Corp. of New York, and Westchester Street Transportation Co., Inc., through purchase of stock by Union Railway Co., Dyckman Street Transportation Co., Warontas Press, Inc. and William Storage Warehouse Co.

Equipment—Cars owned, 1,135; controlled, 511—total 1,646.

MISCELLANEOUS OPERATING STATISTICS, YEARS ENDED JUNE 30

	1927	1926	1925
Revenue car miles	25,738,620	25,625,812	26,308,970
Revenue passengers	296,699,255	284,234,095	281,354,204
Transfers	62,211,280	61,107,929	62,688,167
Operating ratio, (per cent)	80.05	75.70	76.79

CAPITAL STOCK

Authorized and outstanding, $16,590,000; par $100.

Transfer Agent—Central Union Trust Co. of New York.

Registrar—United States Mortgage & Trust Co., New York.

Annual Meeting—Second Wednesday in November.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	42⅝	43	15⅝	12½	19¼	25⅝	20⅜	22¼
Low	29	13½	7½	8½	8½	13⅞	12½	9½

Dividends—Initial quarterly dividend of 1% paid Jan. 1, 1916; April 1, 1916, 1%; July 1, 1916, 1%; Oct. 1, 1916, 1%; none paid since.

FUNDED DEBT

(Third Avenue Railway System)
(Arranged in order of Mortgage Priority)

(1)	*Third Avenue RR. First 5s	Due July	1, 1937
(2)	*Dry Dock, E. B'way & Battery RR. General 5s	" Dec.	1, 1932
(3)	*Forty-Second St., Manhattanville & St. Nicholas Ave. Ry. First 5s	" Mar.	1, 1940
(4)	*Southern Boulevard RR. First 5s	" July	1, 1945
(5)	*Union Ry. Co. of New York City First 5s	" Aug	1, 1942
(6)	*Westchester Electric RR. First 5s	" July	1, 1943
(7)	*Yongers RR. First 5s	" Apr.	1, 1946
(8)	*Dry Dock, E. B'way & Battery RR. Refunding 5s, Series "C"	" Jan.	1, 1960
(9)	*Third Avenue Ry. First Refunding 4s.	" Jan.	1, 1960
(10)	Third Avenue Ry. Adjustment Mtge. Income 5s	" Jan.	1, 1960

NOTE—In the determination of interest payable on Third Avenue Ry. Adjustment Mortgage Income bonds the bond issues marked with an asterisk (*) are classed as prior liens.

(1)

$5,000,000 THIRD AVENUE RAILROAD CO. (FIRST CLOSED) MORTGAGE GOLD 5s; DUE JULY 1, 1937

Dated July 1, 1887.

Interest Payable January 1 and July 1, at Farmers' Loan & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Farmers' Loan & Trust Co., New York.

Callability—Not subject to call.

Sinking Fund—None.

Security—A first lien on entire property and franchises of Company, comprising street surface lines in New York City, real estate, power houses, depots, etc. Assumed by Third Avenue Ry. Co. The First Refunding mortgage provides for the retirement of this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100	98¾	96	95½	95¼	99	88⅛	84
Low	96½	92⅝	93½	93	90	88	75	74½

(2)

$950,000 THE DRY DOCK, EAST BROADWAY & BATTERY R. R. GENERAL MORTGAGE GOLD 5s; DUE DECEMBER 1, 1932

Dated December 1, 1892.

Interest Payable June 1 and December 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized, $1,000,000; outstanding, $950,000.

Callability—Not subject to call.

Sinking Fund—None.

Security—A first mortgage on the street railway line from Desbrosses Street Ferry to Grand Street Ferry, from Desbrosses Street Ferry through Grand Street and across the Williamsburg Bridge to Brooklyn; the Avenue B line between 34th Street Ferry and the East River, south on numerous streets, including East Broadway, from Grand Street to Chatham Square, with southern terminus at Chatham Square; the line between Grand Street Ferry and North Moore and Washington Sts. Additionally secured by an absolute first lien on valuable real estate, including car barns and other buildings thereon, all located in the Borough of Manhattan.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$500,000 FORTY-SECOND STREET, MANHATTANVILLE & ST. NICHOLAS AVENUE RY. CO. FIRST GOLD 5s; MATURED MARCH 1, 1910, BUT EXTENDED AT 5% BY SUPPLEMENTAL MORTGAGE TO MARCH 1, 1940

Dated March 1, 1880.

Interest Payable March and Sept. 1, at Central Union Trust Co., New York, Trustee. Coupon, $1,000.

Authorized, $1,200,000; outstanding, $500,000. Secured by a first lien on lines extending through 42d St. east and west, also south on First Ave. to 34th St. and through 34th St. to the Long Island Ferry; from Hancock Place to Manhattan Ave., St. Nicholas Ave., 110th St. and Lenox Ave. to Third Ave., from Amsterdam Ave. at 71st St. to 59th St. and Tenth Ave.; Tenth Ave. to 42d St.; also from 130th St. Ferry, North River, east on Manhattan St. to Broadway. Company pays Normal Federal Income Tax up to 2%.

(4)

$250,000 THE SOUTHERN BOULEVARD R. R. CO. FIRST (CLOSED) MORTGAGE GOLD 5s, DUE JULY 1, 1943

Dated July 1, 1893.

Interest Payable Jan. and July 1, at Central Union Trust Co., New York, Trustee. Coupon, $1,000. Guaranteed, principal and interest, by Union Ry. Co. of New York City. A first lien on entire property of Company. Company pays Normal Federal Income Tax up to 2%.

(5)

$2,000,000 UNION RAILWAY CO. OF NEW YORK CITY (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE AUGUST 1, 1942

Dated August 2, 1892.

Interest Payable Feb. and Aug. 1, at Central Union Trust Co., New York, Trustee.

Denomination—Coupon, $1,000.

Security—Secured by an absolute first and closed mortgage on all the property, rights and franchises of the Company, now owned or hereafter acquired, covering all improvements and additions, whether made by the Company itself or "by others." By this clause, all the improvements that have been made on the properties by the Third Avenue Ry. Co. are directly subject to the prior lien of the Union Railway First Mortgage 5% bonds of 1942. A sufficient amount of Third Avenue Ry. First Refunding Mortgage 4% bonds of 1960 are reserved to retire these bonds at maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$500,000 WESTCHESTER ELECTRIC R. R. CO. (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1943

Dated July 1, 1893.

Interest Payable Jan. and July 1, at Bankers Trust Co., New York, Trustee. Coupon, $500. Guaranteed, principal and interest, by Union Ry. Co. of New York City. A first lien on entire property of Company. Company does not pay Normal Federal Income Tax.

(7)

$992,000 THE YONKERS RAILROAD CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1946

Dated April 1, 1896.

Interest Payable April and Oct. 1, at Equitable Trust Co., New York. Coupon, $1,000. Bankers Trust Co., New York, Trustee. Authorized and issued, $1,000,000, of which $8,000 owned by companies in the system. Guaranteed, principal and interest, by Union Ry. Co. of New York City; guaranty assumed by Third Avenue Ry. Co. A first lien on entire property of Company. Company does not pay Normal Federal Income Tax.

(8)

$1,300,200 THE DRY DOCK, EAST BROADWAY & BATTERY R. R. 5% GENERAL REFUNDING MORTGAGE, SERIES "C" DUE JANUARY 1, 1960

Dated July 1, 1915.

Interest Payable January 1, at Central Union Trust Co. of New York, at rate of not exceeding 5% per annum if and when declared out of surplus income. On and after Jan. 1, 1926, these bonds bear interest at the fixed rate of 4%. Beginning with the year 1926, in addition to the fixed 4%, an amount not to exceed 1% will be paid, if earned. Coupon, $100, $500 and $1,000; principal may be registered. Authorized and issued, $1,300,200, of which $650,839 owned by Third Avenue Ry. Co. Of these bonds, one-half were issued in settlement of Third Avenue Ry. Co.'s claims and the other one-half to the holders of The Dry Dock, East Broadway & Battery R. R. Co's certificates of indebtedness. The bonds are junior as to lien, principal and interest to Refunding Mortgage Series "A" and "B" bonds, all the $528,000 outstanding "B" bonds being owned by the Third Avenue Railway Co., while none of the "A" bonds have been issued. Company does not pay Normal Federal Income Tax.

Interest Defaulted—The interest due Jan. 1, 1926 on the Series "C" bonds was defaulted.

Protective Committee—The following holders of bonds and representing bondholders requested all holders of bonds to deposit their holdings with the Bankers Trust Co., New York. Depositary: Nathan Hirsch, Chrm.; Charles O. Carnell, S. Jay Jacobs, with H. F. Linder, 50 Broad St., New York, Sec.. Wollman & Wollman, 20 Broad St., New York, and Theodore I. Waugh, 141 Broadway, New York, Counsel. Frank Loeb Schneider Co., New York, Aud.

(9)

$21,990,500 THIRD AVENUE RAILWAY CO. FIRST REFUNDING MORTGAGE GOLD 4s; DUE JANUARY 1, 1960

Dated December 20, 1911.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, (principal may be registered), $500 and $1,000; registered, $500, $1,000 and multiples of $1,000; bonds are interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $40,000,000; issued, $21,990,500, of which $2,839,500 including bonds in the Depreciation and Contingency Fund at the disposal of Company, are owned by companies in system. The unissued bonds are reserved to retire underlying bonds, including bonds of controlled companies, and for future extensions, betterments and improvements, under restrictions of the mortgage and subject to the approval of the Public Service Commission.

Callability—Subject to call at 105 and interest on any interest day on three months' notice.

Sinking Fund—None.

Security—Subject to the $5,000,000 First Mortgage nds of the Third Avenue R. R. Co., these bonds e a first lien on entire property, equipment, fran- ises, etc., now owned or hereafter acquired. Addi- nally secured by pledge of securities as as follows:

Name of Company	Issued	Pledged
nion Railway Co. of New York City stock	$2,000,000	$2,000,000
1 St., Manhattanville & St. Nicholas Ave. Ry. stock	2,500,000	2,471,300
1 St., Manhattanville & St. Nicholas Ave. Ry., 2d mortgage incomes	1,600,000	1,487,000
y Dock, East Broadway & Battery R. R. stock	1,200,000	1,198,000
ngsbridge Ry. Co. stock	8,600	8,600
nkers R. R. Co. stock	1,000,000	992,500
estchester Electric R. R. Co. stock	500,000	500,000
uthern Boulevard R. R. Co. stock	250,000	249,700
ird Avenue Bridge Co. stock	20,000	20,000
onx Traction Co. stock (owned by Union Ry.)	58,100	58,100
lt Line Ry. Corp. stock	734,000	734,000
lt Line Ry. Corp. First 5s	1,750,000	1,750,000
Y. City Interborough Ry. stock	5,000,000	4,521,900
Y. City Interborough Ry. First 4s	2,164,000	2,164,000
d-Crosstown Ry. Co., Inc.	150,000	150,000
w York, Westchester & Connecticut Traction Co. stock	$200,000	$200,000
w York, Westchester & Connecticut Traction Co. bonds	50,000	50,000
lham Park & City Island Ry. Co. stk.	45,000	45,000

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
gh	71	66¼	58½	61⅝	62	69¾	60	55
w	60¾	55½	51	51½	50½	56⅞	40¾	37½

(10)

1,536,000 THIRD AVENUE RAILWAY COMPANY (MORTGAGE CLOSED) ADJUSTMENT MORTGAGE INCOME GOLD 6s; DUE JANUARY 1, 1960

Dated December 20, 1911.

Interest Payable April and October 1, at United ates Mortgage & Trust Co., New York. Interest is te and payable when and as declared out of available rplus, as shown by consolidated income account, ter providing for interest on all the issues described the foregoing paragraphs (1 to 9), to be declared or before March 1 and Sept. 1, in each year, beginning with Sept. 1, 1912, in respect of the income r the preceding six months ending June 30, and Dec. respectively, the interest so declared being payable the next succeeding Oct. 1 and April 1. The deed trust provides that the interest after Dec. 31, 1912, all be cumulative. Initial payment of 1¼% made pril 1, 1913, for the six months ended Dec. 31, 1912; gular semi-annual payments of 2½% each were id to and including April, 1917. In Oct., 1917, paid 4% for the three months ended June 30, 1917; 1¼% r 6 months ended Dec. 31, 1921, on April 1, 1922; 3¾% on Oct. 1, 1922, making a total of 5% for the fiscal year ended June 30, 1922; 3% on April 2, 1923; 3% on Oct. 1, 1923; 2½% on April 1, 1924; 2½% on Oct. 1, 1924; 1¼% each on April 1, 1925, Oct. 1, 1925 April 1, 1926, Oct. 1, 1926, April 1, 1927, Oct. 1, 1927 and April 1, 1928. Total amount of accumulated and unpaid interest on April 2, 1928, aggregated 29%.

Denominations—Coupon (principal may be registered), $500 and $1,000, and registered $500 and $1,000 and multiples of $1,000; interchangeable.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized and outstanding, $22,536,000, of which $320,000 are owned by companies in system and held in the Depreciation and Contingency Fund.

Callability—Subject to call as a whole, but not in part, on the first day of any month, on three months' notice, at par and accrued interest.

Sinking Fund—None.

Voting Rights—Holders of registered Adjustment Mortgage Income bonds have full voting rights until full interest, including accumulated interest, shall have been paid for five consecutive years.

Security—Secured by lien on entire property, equipment, franchises, securities of controlled companies, etc., subject to First Mortgage bonds of Third Avenue R. R. Co., and First Refunding bonds of Third Avenue Ry. Co. In the determination of interest payable on these Adjustment Mortgage Income bonds the bonds of controlled companies are classed as prior liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	66¼	65⅞	50¾	57⅝	62¾	68¼	47½	37
Low	49¼	41½	34¼	39½	39	44½	25	19¼

NOTE—In addition to the bonds described above, the following obligations have been issued by the various companies of the system, all of which, with the exception of Dry Dock, East Broadway & Battery R. R. General Refunding 5s, Series "A," are owned by Third Avenue Ry. Co.

(a) Belt Line Ry. Corp. First 5s, due Jan. 1, 1943	$1,750,000
(b) Dry Dock, East Broadway & Battery R. R. General Refunding 4s, Series "B," due Jan. 1, 1960	528,000
(c) Dry Dock, East Broadway & Battery R. R. General Refunding 5s, Series "A," due Jan. 1, 1960..	*1,500,000
(d) Forty-Second St., Manhattanville & St. Nicholas Avenue Ry. Co. Second Mtge. Income 6s, due Jan. 1, 1915	1,487,000
(e) Forty-Second St., Manhattanville & St. Nicholas Avenue Ry. Co. 4% Notes, due Jan. 1, 2000	6,415,153
(f) Kingsbridge Ry. 4% Note, due Jan. 1, 2000	2,248,793
(g) New York City Interborough Ry. Co. First 4s, due May 1, 1928	2,164,000
(h) New York, Westchester & Connecticut Traction Co. General 4s, due May 1, 1950	50,000
(i) Westchester Electric R. R. 5% Notes, due Jan. 1, 2000	1,307,222

*Authorized amount; none issued.

APITALIZATION OF ALL COMPANIES IN SYSTEM AND AMOUNTS THEREOF OWNED BY THIRD AVENUE RAILWAY SYSTEM

Class of Bond—	Authorized	Outstanding	†Owned by Cos. in System
ird Avenue Ry. Co. stock	$16,590,000	$16,590,000	.....
First Refunding Mortgage 4s	40,000,000	21,990,500	$2,839,500
Old First Mortgage 5s (RR. Co.)	5,000,000	5,000,000	.....
Adjustment Mortgage Income 5s*	22,536,000	22,536,000	320,000
rty-second St., Manhattanville & St. Nicholas Ave. Ry. Co.:			
Stock	2,500,000	2,500,000	2,482,600
First Mortgage 5s	1,200,000	500,000	.....
Second Mortgage 6s	1,600,000	1,487,000	1,487,000
ry Dock, East Broadway & Battery RR. Co. stock	1,200,000	1,200,000	1,198,000
General Mortgage 5s	1,000,000	950,000	.....
Refunding Mortgage Series "B" 4s	528,000	528,000	528,000
Refunding Mortgage Series "C" 4s	1,300,200	1,300,200	650,839
elt Line Ry. Corp. stock	750,000	734,000	734,000
First Mortgage 5s	4,000,000	1,750,000	1,750,000
id-Crosstown Ry. Co., Inc. (no funded debt)	500,000	150,000	150,000
nion Ry. of New York stock	2,000,000	2,000,000	2,000,000
First Mortgage 5s	2,000,000	2,000,000	.....
outhern Boulevard RR. Co. stock	250,000	250,000	249,700
First Mortgage 5s	250,000	250,000	.....
ew York City Interborough Ry. stock	5,000,000	5,000,000	4,695,400
First Mortgage Sinking Fund 4s	5,000,000	2,164,000	2,164,000
elham Park & City Island Ry. Co., Inc. stock (no funded debt)	125,000	45,000	45,000
Westchester Electric RR. stock	500,000	500,000	500,000
First Mortgage 5s	500,000	500,000	.....

Capitalization of All Companies in System and Amounts thereof owned by Third Avenue Railway System (Continued):

Class of Bond—	Authorized	Outstanding	†Owned by Co. in Syst.
New York, Westchester & Connecticut Traction Co. stock	$600,000	$200,000	$200,0
General Mortgage 4s	2,500,000	50,000	50,0
Yonkers RR. Co. stock	1,000,000	1,000,000	992,0
First Mortgage 5s	1,000,000	1,000,000	8,0
Kingsbridge Ry. Co. stock (no funded debt)	1,000,000	8,600	8,0
Bronx Traction Co. stock (no funded debt)	585,100	58,100	58,0
Third Avenue Bridge Co. stock (no funded debt)	20,000	20,000	20,0
Hastings Ry. Co., Inc., stock (no funded debt)	73,500	2,000	2,0
North Street Transportation Corp. stock (no funded debt)	31,000	31,000	31,0
Eastchester Transportation Corp. stock (no funded debt)	500	500	
Westchester Motor Transfer Co., Inc. stock (no funded debt)	3,000	3,000	3,

*Interest payable at rate of 5% per annum if and when declared out of surplus income. †Including securities held sinking funds.

CONSOLIDATED INCOME ACCOUNT OF ALL COMPANIES IN SYSTEM, YEARS ENDED JUNE 30
(All intercompany duplication of charges and credits is eliminated)

	1927	1926	1925	1924	1923	1922
Transportation revenue	$14,858,229	$14,222,085	$14,111,026	$14,232,953	$14,008,415	$13,783,8
Revenue from other operations	474,320	444,913	431,483	416,312	398,369	358,5
Total operating revenue	$15,332,549	$14,666,998	$14,542,509	$14,649,265	$14,406,784	$14,141,3
Operating expenses	11,494,146	11,102,520	11,166,852	11,173,480	10,726,984	10,555,7
Net operating revenue	$3,838,403	$3,564,479	$3,375,657	$3,475,785	$3,679,800	$3,586,5
Taxes	988,461	1,036,624	1,044,377	988,048	968,044	964,0
Operating income	$2,849,942	$2,527,854	$2,331,280	$2,487,737	$2,711,756	$2,621,5
Interest revenue	222,714	197,435	252,532	276,603	287,349	261,7
Gross income	$3,072,656	$2,725,289	$2,583,812	$2,764,340	$2,999,105	$2,882,3
Deductions—						
Interest on First Mortgage bonds	$513,080	$513,080	$541,608	$548,080	$548,080	$548,0
Interest on Refunding Mortgage bonds	879,620	879,620	879,620	879,620	879,620	879,0
Interest on Adj. Mortgage Income bonds	1,126,800	1,126,800	1,126,800	1,126,800	1,126,800	1,126,8
Rents, etc.	27,789	27,442	26,713	22,480	22,307	24,1
Amortization	32,569	29,920	31,033	31,226	32,219	29,3
Sinking fund accruals	33,480	33,480	33,480	33,480	33,480	33,4
Miscellaneous	182,502	77,052	46,697	47,392	55,322	33,5
Total deductions	$2,795,840	$2,687,395	$2,685,951	$2,689,078	$2,697,829	$2,675,4
Net income	$276,816	$37,893	*$102,139	$75,262	$301,276	$207,4
Times Bond Interest Earned (excl. Adj. Mtge. Incomes)	2.01	1.95	1.72	1.80	2.02	1.5
Times Bond Interest Earned (incl. Adj. Mtge. Incomes)	1.11	1.08	0.96	1.04	1.13	1.0
Amount Earned Per Share	$1.67	$0.23	Nil	$0.45	$1.82	$1.5

*Deficit.

NOTE—Interest on Adjustment Mtge. Income bonds is included in the above table at the full rate of 5% per annum, it is cumulative, but no interest was paid in the years 1918 to 1921, inclusive. On April 1, 1922, 1¼% was paid, and on O. 1, 1922, 3¾%, making a total of 5% for the fiscal year ended June 30, 1922. On April 1 and Oct. 1, 1923, 3% each w paid, a total of 6% for the fiscal year ended June 30, 1923; on April and Oct. 1, 1924 2½% each, a total of 5% for the fisc year ended June 30, 1924, April 1 and Oct. 1, 1925, 1¼% each, or 3% for year ended June 30, 1925.

CONSOLIDATED BALANCE SHEET, JUNE 30
(Third Avenue Railway Company and Controlled Cos.)

Assets—	1927	1926	1925	1924	1923
Railroad and equipment	$81,552,466	$81,664,378	$81,264,826	$81,424,571	$80,941,2
Sinking funds	277,300	$267,271	$252,645	$240,601	$217,3
Fund for deprc. and contingencies—securities at cost	*2,626,887	2,626,887	3,126,137	3,662,772	3,683,4
Fund for injuries & damages, and contingencies—cash	.....	.....	31,903	34,000	236,9
Matured coupon interest	665,747	668,754	678,493	685,697	711,2
Deposit with State Industrial Commission	389,000	274,000	269,000	234,000	234,0
Deposit with City of New York	83,750	83,750	86,250	85,250	85,2
Lessees' deposits	26,814	37,157	36,404	43,893	43,1
Deposit in lieu of mtge. property sold	299,633	75,815	93,184	69,497	57,6
Miscellaneous	1,000	2,500	2,500	2,500	2,5
Cash	864,402	796,949	559,525	1,490,434	1,243,0
Accounts receivable	487,268	365,649	355,179	530,645	510,6
Materials and supplies	887,345	782,527	803,181	890,319	824,7
U. S. of America Treasury notes	.....	.....	.....	500,000	600,0
U. S. Liberty Loan bonds	204,250	344,250	.....	.....	.....
Unamortized debt discount & expense	1,058,776	1,083,075	1,105,526	1,127,978	1,149,8
Other deferred debit items	144,724	52,914	130,074	198,597	9,9
Corporate deficit	1,378,156	1,570,118	1,556,227	1,950,596	1,943,4
Total	$90,947,518	$90,695,993	$90,351,054	$93,071,350	$92,494,5
Liabilities—					
Capital stock	$16,590,000	$16,590,000	$16,590,000	$16,590,000	$16,590,0
Stock of controlled companies	331,800	331,800	331,800	375,600	390,6
Funded debt	49,526,500	49,526,500	49,526,500	49,526,500	49,526,5
Funded debt of controlled companies	5,928,361	5,928,361	5,928,361	6,628,361	6,628,3
Accounts and wages payable	474,789	846,168	625,318	1,346,538	476,0
Int. accrued (not including interest on Adjust. Mtge. bonds)	118,870	93,006	66,938	78,605	78,6
Taxes accrued	834,018	896,825	883,322	847,891	819,0
Interest matured on bonds	665,747	668,754	678,493	685,698	711,2
Interest on Adj. Mtge. Income bonds	6,467,440	5,904,040	5,340,640	5,058,940	5,171,6
Depreciation reserve	2,916,435	2,606,588	2,938,929	3,662,772	3,683,4
Res've for adjustments, etc.	5,619,903	5,794,455	5,863,108	6,517,652	6,473,3
Other reserves	.....	.....	31,903	34,000	236,9
Excess of book val. over cost of controlled companies' securities	1,473,655	1,509,495	1,545,742	1,718,792	1,708,8
Total	$90,947,518	$90,695,993	$90,351,054	$93,071,350	$92,494,5

*Includes Third Avenue Ry. Co. First Refunding Mortgage 4% bonds, $2,022,498; Third Avenue Ry. Co. Adjustmer Mortgage 5% Income bonds, $254,389; U. S. of America Liberty Loan bonds, $350,000—total, $2,626,887.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, JUNE 30
(Third Avenue Railway and Controlled Cos.)

	1927	1926	1925	1924	1923
Current Assets—					
Cash	$864,402	$796,949	$559,525	$1,490,434	$1,243,078
Liberty bonds and Treasury Certificates	204,250	344,250	.....	500,000	600,000
Special deposits	.....	.....	.....	.....	1,406,563
Accounts receivable	487,269	365,649	355,179	530,645	510,661
Material and supplies	887,345	782,527	803,181	890,319	824,752
Total	$2,443,266	$2,289,375	$1,817,885	$3,411,398	$4,585,054
Current Liabilities—					
Accounts and wages payable	$474,789	$846,168	$625,318	$1,346,538	$476,010
Int. accrued (not incl. int. on Adjust. Mtge. bonds)	118,870	93,006	66,938	78,605	78,605
Tax liability	834,018	896,825	883,322	847,891	819,006
Total	$1,427,677	$1,835,999	$1,575,578	$2,273,034	$1,373,621
Net Working Capital	$1,015,589	$453,376	$242,307	$1,138,364	$3,211,433

CONSOLIDATED BALANCE SHEET, MARCH 31, 1928
(Third Avenue Railway Company and Controlled Companies)

Assets—		Liabilities—	
Road and equipment	$82,246,817	Third Avenue Railway Co. stock	$16,590,000
Fund for depreciation and contingencies—securities at cost	2,385,687	Stock of controlled Cos. in hands of public	308,800
Sinking funds	277,301	Third Avenue Railway Co. bonds	49,526,500
Matured coupon interest	377,861	Bonds of controlled Cos. in hands of public	5,928,361
Deposit with State Industrial Commission	409,000	Accounts and wages payable	730,678
Deposit with City of New York	123,750	Interest accrued (exclusive of Adj. Mtge. int.)	399,021
Lessee's deposits	26,635	Taxes accrued	796,239
Deposit in lieu of mortgage property sold	25,315	Interest matured on bonds	377,861
Miscellaneous deposits	51,000	Interest on Adjustment Mtge. bonds	6,749,140
Cash	1,299,770	Reserves:	
Liberty Loan bonds	42,700	For depreciation	2,976,151
Accounts receivable	654,946	For injuries and damages	142,636
Material and supplies	890,051	For adjustments, etc.	5,667,116
Insurance premiums & rents—unexpired	72,835	Excess of book value over cost of controlled Co. securities owned	1,469,105
Unamortized debt discount and expense	1,069,852		
Miscellaneous deferred items	136,381		
Profit and loss deficit	1,571,707		
Total	$91,661,608	Total	$91,661,608

GENERAL BALANCE SHEET, JUNE 30
(Third Avenue Ry. Co. Proper)

Assets—	1927	1926	1925	1924	1923
Fixed capital	$34,310,226	$34,628,171	$34,203,515	$33,771,850	$33,575,564
Other investments:					
Adv. to assoc. cos.	15,990,361	16,742,708		16,742,708	
Sec. of assoc. cos.	16,742,708	15,991,861	32,815,569	15,988,416	32,777,880
Misc. Investments	295,250	423,250		446,000	
Cash	472,439	496,706	306,276	533,413	1,147,504
Sinking funds and other special deposits	3,424,745	3,431,748	3,967,647	4,820,003	4,703,905
Accounts receivable	224,992	168,802	1,225,364	248,350	1,112,921
Interest and dividends receivable	1,336,169	1,023,324		612,361	
Materials and supplies	754,888	710,163	688,832	780,807	740,940
Imp. advances to asso. cos.	10,188,367	9,312,215	7,934,230	6,878,520	5,969,414
Unamort. debt disc. and exp.	1,008,567	1,023,949	1,037,484	1,051,019	1,063,973
Other temp. debit items	47,645	45,496	157,897	84,445	29,714
Profit and loss	1,864,809	2,068,922	2,307,781	1,837,681	2,464,110
Total	$86,661,166	$86,067,317	$84,644,595	$83,795,573	$83,585,925
Liabilities—					
Capital stock	$16,590,000	$16,590,000	$16,590,000	$16,590,000	$16,590,000
Funded debt	49,526,500	49,526,500	49,526,500	49,526,500	49,526,500
Due associated cos.	8,341	108,340	108,284	258,284	49,768
Taxes accrued	140,807	154,811	155,132	229,110	154,815
Unmatured int., rents, dividends, etc.	7,250,680	7,123,523	6,296,155	5,723,288	6,176,811
Other current liabilities	243,574	68,766	79,025	481,800	44,000
Reserves	12,901,264	12,495,377	11,889,509	10,986,591	11,044,031
Total	$86,661,166	$86,067,317	$84,644,595	$83,795,573	$83,585,925

*After deducting accrued amortization, $73,719 in 1927, $26,685 in 1926, $325,478 in 1925, and $773,110 in 1924.

NOTE—This company has guaranteed the principal of the Belt Line Ry. Corp. bonds and has assumed contingent liability for obligations of controlled companies, as stipulated in the Adjustment Income Mortgage.

Officers: Slaughter W. Huff, Pres.; Leslie Sutherland, V-P.; W. E. Thompson, V-P.; G. T. Geer, Sec.; C. P. Segard, Asst. Sec.; A. D. Sage, Treas.; Walter Errington, Aud.; L. G. Monroe, Asst. Aud.; Fred'k. Kessel, Asst. Treas., New York.

Executive Committee: George W. Davison, Slaughter W. Huff, John W. Platten, W. Emlen Roosevelt, Adrian Iselin, Jr., James N. Jarvie.

Directors: James N. Jarvie, George W. Davison, Slaughter W. Huff, Ernest Iselin, John W. Platten, W. Emlen Roosevelt, Joseph H. Seaman, H. Palagano, L. F. Straus, Alex. S. Webb, Wm. Carnegie Ewen, New York; William M. Flook, Frederic J. Fuller.

Office, 2396 Third Avenue, New York.

BELT LINE RAILWAY CORPORATION

(Controlled by Third Avenue Railway Company)

History and Property—Incorporated December 4, 1912, in New York; reorganization of Central Park, North & East River R. R. Co. (see Manual for 1912, page 1556, or apply to Information Department), sold at foreclosure sale Nov. 14, 1912, and purchased by Edward Cornell. Operates underground electric railroad in 59th St., and in 10th Ave., between 11th St. and 59th St.; also storage battery lines, known as the Belt Line in 10th Ave. and West St., from West 59th St. to the Battery, and in South St., First Ave. and other streets and avenues between the Battery and East 59th St. in the Borough of Manhattan. Total track operated, 8.264 miles. Cars owned and leased, 74.

CAPITAL STOCK

Authorized, $750,000 (increased from $200,000 to $600,000 on March 12, 1913, and to present amount Nov. 7, 1913); outstanding, $734,000; par, $100. All owned by Third Avenue Railway Company.

FUNDED DEBT

$1,750,000 First Gold 5s; dated Jan. 21, 1913; due Jan. 1, 1943; int. Jan. and July 1, at Central Union Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $4,000,000. Subject to call at 105 and int. on any interest date upon sixty days' notice. Sinking fund: Proportionate amount of all discounts on sale of issue of bonds is to be paid to trustee each year until maturity; this is to constitute an amortization fund, which may be used for purchase of bonds at not exceeding 105 and int. A first lien on entire property. All owned by Third Avenue Railway Company.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross revenue	$450,588	$483,600	$498,006
Oper. exp. and taxes	371,666	377,486	414,961
Net earnings	$78,922	$106,114	$83,045
Other income	5,898	6,114	7,507
Total income	$84,820	$112,227	$90,552
Interest charges	92,549	91,682	92,380
Rent of cars, etc.	34,449	36,376	36,221
Total charges	$126,998	$128,057	$128,601
Deficit for year	$42,178	$15,830	$38,049

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
Fixed capital, less accrued amortization of capital	$1,794,244	$1,800,041	$1,803,080
Other investments	10,000	10,000	10,000
Cash	50,862	19,780	19,069
Current assets	60,636	50,147	40,452
Temp. advs. to assoc. cos.	20,368	116,715	118,410
Unamort. debt disc. & exp.	45,209	48,126	51,042
Prepayments	8,265	.....	3,969
Profit and loss	623,740	581,562	565,731
Total	$2,613,324	$2,626,371	$2,611,753
Liabilities—			
Capital stock	$734,000	$734,000	$734,000
Funded debt	1,750,000	1,750,000	1,750,000
Taxes accrued	17,777	20,830	20,155
Current & accrued liabilities	38,325	47,506	25,824
Due associated cos.	73,092	73,092	80,880
Reserves	130	943	894
Total	$2,613,324	$2,626,371	$2,611,753

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; W. E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; Walter Farrington, Aud.; L. G. Monroe, Asst. Aud., New York.

Directors: Slaughter W. Huff, W. Emlen Roosevelt, Adrian Iselin, Jr., J. W. Platten, H. Palagano, J. N. Jarvie, A. S. Webb, New York; G. W. Davison, Brooklyn, N. Y.

Office, 2396 Third Ave., New York.

THE DRY DOCK, EAST BROADWAY AND BATTERY RAILROAD COMPANY

(Controlled by Third Avenue Railway Company)

History—Inc. Dec. 8, 1863 in New York. On Feb. 1, 1908, Fred'k W. Whitridge was appointed receiver by Judge Lacombe in the U. S. Circuit Court, upon petition of a creditor. On the same day, interest on the $1,100,000 certificates of indebtedness was defaulted. On Nov. 23, 1917, the receivership was terminated by a decree of the U. S. District Court for the Southern District of New York. The Plan dated July 9, 1917 (see 1918 Public Utility Manual, page 627, or apply to our Information Department for refunding the entire debt of Company, except the General Mortgage bonds, was declared operative in Feb., 1918. Holders of deposit receipts of the Union Trust Co. representing 5% certificates of indebtedness received Series "C" Registered Refunding bonds and (or) scrip as described by the plan in the ratio of $59.10 par value Series "C" bonds for each $100 par value of certificates of indebtedness.

Company operates the Grand St. Electric Line from Desbrosses St. Ferry to Grand St. Ferry and from Desbrosses St. Ferry through Grand St. and across the Williamsburg Bridge to Brooklyn; the Avenue B line between the 34th St. Ferry and the East River, south on numerous streets, including East Broadway, from Grand St. to Chatham Sq., with southern terminus at Chatham Sq.; the Canal St. & Grand St. Ferry Line between Grand St. Ferry and North Moore and Washington Sts. Length of track, 11.583 miles. In addition, the company owns, but does not operate, 2.09 miles of track. On Oct. 25, 1912, the Public Service Commission authorized the company to electrify the road on Canal St., heretofore operated by storage battery. Gauge, standard. Rail, 60 to 113 lbs. Cars, 128.

Franchise Abandonment Approved—Stockholders of Company approved on April 11, 1927, a resolution to abandon the franchises covering a portion of Company's lines. The abandonment applies to sections of the lines which have not been operated for several years and on which the franchises were regarded as worthless. All Company's properties now in operation will be retained.

CAPITAL STOCK

Authorized and outstanding, $1,200,000; par, $100; of whi all but $2,000 is owned by the Third Avenue Railway Compar Company acts as Transfer Agent. Registrar: Central Uni Trust Co. of New York. Annual meeting, second Tuesday January.

FUNDED DEBT OUTSTANDING WITH PUBLIC

$950,000 General 6s, due Dec. 1, 1932 and $1,300,200 Gene Refunding Series "C," due Jan. 1, 1960. For complete descri tion see Nos. 2 and 8 respectively in Funded Debt Stateme of Third Avenue Railway Company.

Bond Interest Defaulted—See statement of Third Avenue I Co. on a previous page.

FUNDED DEBT NOT OUTSTANDING WITH PUBLIC

$1,500,000 (none issued) General Refunding Mortgage Series "A"; due Jan. 1, 1960; int. J & J 1. Of the $1,500,0 bonds authorized, $950,000 are reserved to retire an equ amount of General Mortgage 5s, due 1932, and $550,000 may issued to acquire additional property and for betterments, b only upon the joint consent of the holders of at least 75% the aggregate par value of Series "B" and Series "C" bon then outstanding, or after due notice and failure of more th 25% of Series "B" and "C" bonds to object thereto. Seri "A" bonds are a prior lien and are preferred as to princip and interest over Series "B" and "C" bonds.

$528,000 General Refunding 4s, Series "B"; due Jan. 1, 196 int. J & J 1. Authorized issue, $528,000. Series "B" bonds a a prior lien over, and preferred both as to principal and inte est, over Series "C" bonds. All owned by Third Avenue Ra way Company.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$695,617	$728,284	$776,3
Expenses and taxes	743,300	733,378	768,4
Net earnings	*$47,683	*$5,094	$7,9
Other income	1,178	1,081	1,0
Total	*$46,505	*$4,012	$9,0
Interest, rents, etc.	290,970	274,921	221,9
Deficit for year	$337,475	$278,933	$212,9

*Deficit.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
*Fixed capital installed	$3,950,595	$4,010,716	$3,978,0
Cash	16,139	8,766	8,5
Special deposits	9,530	7,183	7,5
Accounts receivable	66,954	84,310	84,0
Prepayments	9,776	57	2,6
Other investments	20,500	20,500	20,5
Temporary adv. to asso. cos.	38,453	38,154	37,9
Interest and divds. receiv.	178	178	.....
Profit and loss	2,216,079	1,831,164	1,533,9
Total	$6,328,204	$6,001,027	$5,673,2
Liabilities—			
Capital stock	$1,200,000	$1,200,000	$1,200,0
Funded debt	2,778,200	2,778,200	2,778,2
Due associated cos.	2,003,984	1,761,911	1,498,3
Taxes accrued	33,946	35,393	37,1
Reserves	10,039	9,708	9,6
Interest accrued on funded debt	122,734	57,866	104,6
Int. accrued on unfunded debt	121,964	106,855	.....
Other unfunded debt	3,070	.....	.....
Other current liabilities	54,267	51,095	45,2
Total	$6,328,204	$6,001,027	$5,673,2

*After deducting accrued amortization of capital.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-I W. E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Trea W. Farrington, Aud.

Directors: Adrian Iselin, Jr., L. F. Straus, W. E. Rooseve Geo. W. Davison, Slaughter W. Huff, J. N. Jarvie, J. Platten.

Office, 2396 Third Ave., New York.

THE 42ND ST., MANHATTANVILLE ST. NICHOLAS AVENUE RAILWAY COMPANY

(Controlled by Third Avenue Railway Company)

History and Property—Incorporated Aug. 29, 1878, in pe petuity. The lines owned extend through 42d St. east a west; from Hancock Place to Manhattan Ave., St. Nichol Ave., 110th St. and Lenox Ave. to Third Ave., from Amste dam Ave. at 71st St. to 59th St. and Tenth Ave.; Tenth Av to 42nd St.; also from 130th St. Ferry, North River, east Manhattan St. to Broadway. Length of track, 18.946 mile including Third Avenue Bridge Co. Gauge, standard. Ra 91 to 122 lbs. Passenger cars, 207.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $2,494,900; par, $100. ne Third Avenue Railway Company owns $2,471,300 of the ock. Company acts as Transfer Agent. Registrar: Guaranty ust Co., New York.

FUNDED DEBT

$500,000 First Gold 5s; dated March 1, 1880; due supplemental mortgage March 1, 1940; for complete scription see No. 3 of Funded Debt Statement of Third venue Railway Company.

$1,487,000 Second Mortgage Income 6s; dated July 1, 1885; e Jan. 1, 1915; int. payable as earned. Central Union Trust ., New York, Trustee. All owned by Third Avenue Railway ompany.

$6,415,152.98 4% Notes; payable to Third Avenue Railway ompany; dated April 30, 1907; due Jan. 1, 2000; no interest id. Issued in settlement of indebtedness.

INCOME ACCOUNT, YEARS ENDED JUNE 30

(Including Third Avenue Bridge Co.)

	1927	1926	1925
oss earnings	$2,284,283	$2,240,749	$2,243,035
per. expenses & taxes	1,813,242	1,815,864	1,840,053
Net earnings	$471,041	$424,885	$402,982
her income	1,843	1,303	18,654
Total income	$472,884	$426,188	$421,636
terest, rents, etc.	565,404	555,292	580,679
Deficit for year	$92,520	$129,105	$159,043

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
oad and equipment	$11,379,821	$11,415,879	$11,491,940
sh	21,900	29,666	21,109
ecial deposits	5,590	18,619	18,372
her current assets	27,227	13,793	21,472
mporary advances	24,092	23,999	24,895
epayments	11,042	.....	1,913
vestments	49,500	24,500	24,500
Total	$11,519,172	$11,526,457	$11,604,201
Liabilities—			
pital stock	$2,500,000	$2,500,000	$2,500,000
nded debt	1,987,000	1,987,000	1,987,000
nounts due asso. cos.	254,438	262,817	185,604
bligations for construction advances	6,415,153	6,415,153	6,415,153
rrent & accrued liabilities	270,127	168,388	164,062
serves	53,067	53,893	51,230
ofit and loss	39,387	139,205	301,152
Total	$11,519,172	$11,526,457	$11,604,201

*Less accrued amortization of capital.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; . Farrington, Aud.

Directors: Adrian Iselin, Jr., W. Emlen Roosevelt, J. H. aman, J. W. Platten, Harry Bronner, J. N. Jarvie, L. F. raus, A. S. Webb, Slaughter W. Huff, New York; G. W. avison, Brooklyn, N. Y.

Office, 2396 Third Ave., New York.

KINGSBRIDGE RAILWAY COMPANY

(Controlled by Third Avenue Railway Company)

History—Incorporated Jan. 25, 1898, in New York. On ay 1, 1906, the company entered into an agreement with the ew York City Ry. Co., whereby, from July 1, 1906, for a riod of 10 years the company was to operate its cars over e tracks of this company. This agreement was terminated the receivers of the Metropolitan Street Ry. Co. on Feb. 28, 08, and on March 1, 1908, the receiver of the Third Ave. R. Co. (now Third Ave. Ry.) as lessee, began operation of ad. There is no rental accruing to the company, as the proosed lease has not received the approval of the Public Service ommission. Line extends from Eighth Ave. and 145th St., est to Amsterdam Ave.; thence north to 162d St.; thence to ingsbridge Road to 170th St., and thence north on Broadway 221st St. Length of track, 7.341 miles. Gauge, standard. ails, 113 lbs.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $8,600; par, $100. Owned the Third Avenue Railway Company.

Note—$2,248,792.70 4% Note; issued to Third Ave. R. R. Co.; ted April 30, 1907; due Jan. 1, 2000. No interest paid.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; . E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; . Farrington, Aud.

Directors: L. F. Straus, W. E. Roosevelt, J. H. Seaman, aughter W. Huff, Wm. Carnegie Ewen, J. N. Jarvie, J. W. latten, New York; G. W. Davison, Brooklyn, N. Y.

Office, 2396 Third Ave., New York.

MID-CROSSTOWN RAILWAY COMPANY, INC.

(Controlled by Third Avenue Railway Company)

History and Property—Incorporated February 14, 1912, to acquire the property of the Twenty-eighth & Twenty-ninth Streets Crosstown R. R. Co. Property consists of 5.254 miles of electric storage battery lines in 28th and 29th Streets connecting on the west side with the 23rd Street Ferry and on the east side with the 34th Street Ferry, and has interests or rights in certain other streets in said Borough.

Operations Discontinued—On Aug. 8, 1919, the Company discontinued the running of cars, due to its inability to borrow needed funds. In Nov. 1919, judgments against the company, aggregating $231,188, had been entered in the Supreme Court by the Third Avenue Railway Company and certain of its subsidiaries.

CAPITAL STOCK

Authorized, $500,000; outstanding, $150,000; par, $100. Early in 1914, the Public Service Commission authorized the company to issue this $150,000 stock and also authorized the Third Avenue Railway Company to acquire the same, paying therefor with its 4% bonds, not exceeding $187,000. The stock is pledged under the Third Avenue Railway Company First Refunding mortgage as part security.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; W. Farrington, Aud., New York.

Directors: G. W. Davison, A. Iselin, Jr., W. E. Roosevelt, J. H. Seaman, Slaughter W. Huff, J. W. Platten, A. S. Webb.

Office, 2396 Third Ave., New York.

NEW YORK CITY INTERBOROUGH RAILWAY COMPANY

(Controlled by Third Avenue Railway Company)

History—Inc. March 24, 1902, to build surface lines in the Bronx to act as feeders for the subway and elevated lines, and to afford connection across the Harlem River bridges. Owns and operates 48.539 miles of track, including line across Washington Bridge and over various streets in Bronx Borough, New York; and across Central Bridge to 155th St. and Amsterdam Ave. On Oct. 21, 1911, opened a double-tracked line known as the 149th St. Crosstown Line. Gauge, standard. Rails, 107 lbs. Passenger cars, 86.

CAPITAL STOCK

Authorized and outstanding, $5,000,000; par, $100. The Third Avenue Railway Company owns $4,582,900 of the stock. Transfer Agent: Central Union Trust Co., New York. Registrar: United States Mortgage & Trust Co., New York.

FUNDED DEBT

$2,164,000 First Gold 4s; dated May 1, 1905; due May 1, 1928; int. May and Nov. 1, at U. S. Mortgage & Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $5,000,000; issued, $3,000,000, of which $836,000 are held in treasury, leaving $2,164,000 outstanding. All owned by Third Avenue Railway Company.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$1,545,689	$1,390,195	$1,317,361
Oper. exp. & taxes	1,220,996	1,175,642	1,089,779
Net earnings	$324,693	$214,553	$227,582
Other income	7,711	6,751	6,760
Total income	$332,404	$221,304	$234,342
Interest, rents, etc.	258,730	256,648	252,853
Surplus for year	$73,674	*$35,344	*$18,511

*Deficit.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
†Fixed capital	$6,746,059	$6,790,031	$6,700,603
Investments	86,000	86,000	.....
*Cost of reacquiring bonds	60,000	60,000	.....
Cash & special deposits	25,511	19,603	155,025
Current assets	2,793	5,888	3,578
Prepayments	245	.....	469
Unamort. debt disc. & exp.	5,000	11,000	17,000
Profit and loss	1,259,598	1,283,554	1,228,836
Total	$8,185,206	$8,256,076	$8,105,511
Liabilities—			
Capital stock	$5,000,000	$5,000,000	$5,000,000
Funded debt	*2,164,000	*2,164,000	*2,164,000
Due associated cos.	177,039	245,092	134,816
Int. & taxes accrued	92,710	102,488	93,094
Current liabilities	16,977	44,103	46,830
Reserves	734,480	700,393	666,771
Total	$8,185,206	$8,256,076	$8,105,511

*Includes $87,000 par value of bonds reacquired at a cost of $60,000. †After deducting accrued amortization of capital.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; W. E. Thompson, V-P.; G. T. Geer, Sec.; W. Farrington, Aud., New York.

Directors: Joseph H. Seaman, W. Emlen Roosevelt, Slaughter W. Huff, G. W. Platten, L. F. Straus, H. Palagano, J. N. Jarvie, Wm. Carnegie Ewen, New York; G. W. Davison, Brooklyn, N. Y.

Office, 2396 Third Ave., New York.

THE NEW YORK, WESTCHESTER & CONNECTICUT TRACTION COMPANY

(Controlled by Third Avenue Railway Company)

History—Incorp. Feb. 12, 1895, in N. Y. Total length of line operated, 5.973 miles. Gauge, 4 ft. 8½ in. Rail, 72 to 90 lbs.

CAPITAL STOCK

Authorized, $600,000; outstanding, $200,000; par, $100. All owned by Third Avenue Railway Company.

FUNDED DEBT

$50,000 General Gold 4s (reduced from $2,500,000 March 18, 1914); dated May 1, 1900; due May 1, 1950; int. May and Nov. 1, at Hamilton Trust Co., Brooklyn, N. Y., Trustee. Denomination, $1,000. Authorized $2,500,000. The bonds were issued under construction contracts. Interest payments have been waived by the Third Avenue Railway Company, which owns the entire issue.

INCOME ACCOUNT, YEARS ENDED JUNE 30

(1926 figures not reported)

	1927	1925	1924
Gross earnings	$79,839	$47,061	$45,353
Operating expenses	57,253	41,264	42,218
Taxes	2,373	2,541	2,535
Net earnings	$20,213	$3,256	$600
Other income	294	268	270
Gross income	$20,507	$3,524	$870
Fixed charges	21,243	19,522	17,657
Deficit for year	$736	$15,998	$16,787

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; W. E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; W. Farrington, Aud., New York.

Directors: Adrian Iselin, Jr., W. E. Roosevelt, J. H. Seaman, Slaughter W. Huff, J. W. Platten, L. F. Straus, New York; G. W. Davison, Brooklyn, N. Y.

Office, 2396 Third Ave., New York.

PELHAM PARK & CITY ISLAND RAILWAY COMPANY, INC.

(Controlled by Third Avenue Railway Company)

History and Property—Incorporated May 10, 1913, in N. Y., and acquired the properties and franchises of the Pelham Park R. R. Co. and the City Island R. R. Co. Line of franchise track extends from City Island Station of the N. Y., N. H. & H. R. R. to Belden's Point on City Island, in the Borough of the Bronx, about 3.283 miles.

Operations Suspended—On Aug. 8, 1919, the Company suspended operations.

CAPITAL STOCK

Authorized, $125,000; outstanding $45,000; par, $100. All owned by Third Avenue Railway Company. Annual meeting, fourth Wednesday in September.

FUNDED DEBT

None.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; W. Farrington, Aud., New York.

Directors: G. W. Davison, A. Iselin, Jr., W. E. Roosevelt, L. F. Straus, J. H. Seaman, Slaughter W. Huff, J. W. Platten, New York.

Office, 2396 Third Ave., New York.

THE SOUTHERN BOULEVARD RAILROAD COMPANY

(Controlled by Third Avenue Railway Company)

History—Incorporated June 27, 1885, in N. Y. Miles of track, 9.224. Gauge, standard. Rail, 90 lbs.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $100. The Third Avenue Railway Company owns $249,700 of the stock. Annual meeting, second Monday in January.

FUNDED DEBT

$250,000 First Gold 5s; due July 1, 1945; for complete description, see No. 4 of Funded Debt statement of Third Avenue Railway Company.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
Gross earnings	$566,613	$527,929	$490,15
Operating expenses	411,105	458,472	437,13
Taxes	31,574	31,009	29,44
Net earnings	$123,934	$38,448	$23,57
Other income	708	564	57
Gross income	$124,642	$39,012	$24,15
Interest, rents, etc.	80,550	79,640	92,44
Surplus for year	$44,092	*$40,628	*$68,28

*Deficit.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
*Fixed capital	$534,870	$544,021	$550,36
Special deposits	7,357	7,107	6,90
Cash	12,558	7,923	4,81
Current assets	976	564	32
Other investments	9,264	9,264	9,264
Profit and loss	597,507	645,624	604,99
Total	$1,162,532	$1,214,503	$1,176,668
Liabilities—			
Capital stock	$250,000	$250,000	$250,000
Funded debt	250,000	250,000	250,000
Due associated cos.	603,760	656,393	620,965
Accrued coupon interest	6,700	6,450	6,800
Current accounts	24,639	24,264	22,958
Accrued taxes	24,004	24,651	23,749
Reserves	3,429	2,746	2,196
Total	$1,162,532	$1,214,503	$1,176,668

*After deducting accrued amortization of capital.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; W. E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; W. Farrington, Aud.

Directors: G. W. Davison, L. F. Straus, W. E. Roosevelt, J. H. Seaman, Slaughter W. Huff, J. W. Platten, H. Palagano, J. N. Jarvie, Wm. Carnegie Ewen.

Office, 2396 Third Ave., New York.

UNION RAILWAY COMPANY OF NEW YORK CITY

(Controlled by Third Avenue Railway Company)

History and Property—Incorporated July 2, 1892, in New York. Company is a consolidation of the Harlem Bridge, Morrisania & Fordham Ry., Melrose & West Morrisania Ry. and North Third & Fleetwood Park Ry. On July 19, 1926, purchased at Referee's Sale the properties of the Westchester Street R.R. Co. (see 1926 Public Utility Manual, page 1028), pursuant to the foreclosure of mortgage on the property held by the Farmers' Loan & Trust Co. of New York, as Trustee. Total track operated (including Bronx Traction Co.), 108.371 miles. Gauge, standard. Rails, 107 lbs. Frederick W. Whitridge was appointed receiver by orders of the U. S. Circuit Court dated March 31, 1908, and April 6, 1908, but the receivership was terminated on May 1, 1912. Owns entire capital stock of Bronx Traction Co. and operates the property under agreement.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. All owned by Third Avenue Railway Company.

FUNDED DEBT

$2,000,000 First Gold 5s; due Aug. 1, 1942; for complete description see No. 5 of Funded Debt statement of Third Avenue Railway Company.

Guarantees—The company guarantees principal and interest of the following bonds: $500,000 Westchester Electric R. R. First 5s; $250,000 Southern Boulevard R. R. First 5s; $1,000,000 Yonkers R. R. First 5s.

INCOME ACCOUNT, YEARS ENDED JUNE 30

(Including Bronx Traction Co.)

	1927	1926	1925
Gross earnings	$4,661,785	$4,296,934	$4,124,186
Operating exp. & taxes	3,813,932	3,652,462	3,611,032
Net earnings	$842,853	$644,472	$513,154
Other income	5,000	56,917	53,259
Total income	$847,853	$701,389	$566,413
Interest, rents, etc.	826,731	790,952	778,471
Surplus for year	$21,122	*$89,563	*$212,058

*Deficit.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
*xed capital	$9,719,181	$9,819,539	$9,549,375
urities of associated cos.	184,210	112,710	
tes and accts. receivable			1,751,839
ontrolled companies	1,561,355	1,545,130	
cial deposits	124,858	11,020	8,539
h	120,294	96,032	67,536
ts. & int. receivable	90,873	89,292	87,012
terials and supplies	86,467	42,205	57,458
payments	6,770		
nporary adv. to assoc. cos.	679,337	539,825	512,121
er investments	129,000	95,150	
pense	21,000		
porate deficit	359,106	442,671	336,246
otal	$13,082,451	$12,793,575	$12,370,126
iabilities—			
ital stock	$2,000,000	$2,000,000	$2,000,000
ded debt	2,000,000	2,000,000	2,000,000
tes & accounts payable			
ontrolled companies	8,365,255	8,058,993	7,645,636
tured coupon int.		42,917	600
ounts payable	18,838	108,811	146,657
rued taxes	208,839	244,616	251,843
rued interest	300,017	230,219	238,921
er unfunded debt	37,898	28,976	21,875
erves	151,604	79,042	64,594
otal	$13,082,451	$12,793,575	$12,370,126

After deducting accrued amortization of capital.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; Farrington, Aud.

Directors: G. W. Davison, L. F. Straus, W. E. Roosevelt, H. Seaman, Slaughter W. Huff, J. W. Platten, J. N. Jarvie, n. Carnegie Ewen, H. Palagano.

Office, 2396 Third Ave., New York.

THE BRONX TRACTION COMPANY

(ntrolled by Union Railway Company of New York City)

History—Incorporated May 12, 1904 in New York. Comy is a consolidation of the West Farms & Westchester Tracin Co., the Wakefield & Westchester Trac. Co., the Wilsbridge & Westchester Traction Co., the Van Nest, West ms & Westchester Trac. Co., and the Suburban Trac. Co. ns line in the Borough of the Bronx to Westchester and in about Westchester, operated by the Union Railway Comy of New York City. Miles of track, 24.042.

CAPITAL STOCK

uthorized, $585,100; outstanding, $58,100; par, $100. All ed by Union Railway Company of New York City. An- meeting, second Monday in January.

FUNDED DEBT

None.

fficers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.: G. Geer, Sec.; A. D. Sage, Treas.; W. Farrington, Aud.

irectors: G. W. Davison, Adrian Iselin, Jr., W. E. Roose- J. H. Seaman, Slaughter W. Huff, J. N. Jarvie, J. W. tten, L. F. Straus.

ffice, 2396 Third Ave., New York.

ESTCHESTER ELECTRIC RAILROAD COMPANY

(Controlled by Third Avenue Railway Company)

istory—Incorporated March 21, 1891, in N. Y.; consolida- in 1893 of the Mt. Vernon & East Chester Ry. Co. and the Rochelle Ry. & Transit Co. Total length of line operated, 75 miles. Operates the New York, Westchester & Conicut Traction Co.

eceivership—On Jan. 20, 1908, upon application of the comy, J. Addison Young was appointed temporary receiver by ice Isaac N. Mills in the Supreme Court at White Plains. s receivership was terminated on July 13, 1912.

CAPITAL STOCK

uthorized and outstanding, $500,000; par, $100. All owned Third Avenue Railway Company.

FUNDED DEBT

00,000 First Gold 5s; due July 1, 1943; for complete deption see No. 6 of Funded Debt statement of Third Avenue way Company.

otes—$1,307,221.82 5% notes; issued to the Third Avenue . Co.; dated April 30, 1907; due Jan. 1, 2000.

41,007 Demand Note; due to Union Railway Company of York City.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925
ss earnings	$735,591	$731,686	$743,360
r exp. & taxes	721,887	603,764	643,279
et earnings	$13,704	$127,922	$100,081
er income	19,336	15,374	13,629
otal income	$33,040	$143,295	$113,710
rest, rents, etc.	263,233	253,460	234,239
eficit for year	$230,193	$110,165	$120,529

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925
*Fixed capital	$2,772,346	$2,723,354	$2,655,722
Miscellaneous investments	185,500	10,000	10,000
Materials and supplies	7,783	3,687	2,098
Cash	47,039	42,269	43,690
Current accounts	33,129	25,724	18,361
Special deposits	38,639	69,475	80,506
Temporary advances to associated cos.	233,258	201,835	225,763
Prepayments	847	150	1,071
Suspense		19,211	
Profit and loss	2,318,383	2,196,623	2,086,458
Total	$5,636,924	$5,292,327	$5,123,669
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	500,000	500,000	500,000
Due to associated cos.	3,843,902	3,578,360	3,362,634
Matured coupon int.		18,975	9,752
Current liabilities	15.134	11,840	
Accrued taxes	11,265	12,625	9,285
Accrued interest	751,691	665,917	721,767
Reserves	14,932	4,611	20,231
Total	$5,636,924	$5,292,327	$5,123,669

*After deducting accrued amortization of capital.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; W. E. Thompson, V-P.; G. T. Geer, A. D. Sage, Treas.; W. Farrington, Aud., New York.

Directors: Adrian Iselin, Jr., L. F. Straus, W. E. Roosevelt, J. H. Seaman, Slaughter W. Huff, J. N. Jarvie, J. W. Platten, New York, G. W. Davison, Brooklyn, N. Y.

Office, 2396 Third Ave., New York.

THE YONKERS RAILROAD COMPANY

(Controlled by Third Avenue Railway Company)

History—Incorporated March 30, 1896 in New York. Company is a consolidation of the Yonkers R. R. Co., the North and South Electric Ry. Co., and the Yonkers & Tarrytown Electric R. R. Co. On Jan. 20, 1908, upon application of the company, Leslie Sutherland was appointed temporary receiver by Justice Isaac N. Mills in the Supreme Court at White Plains. The company obtained possession of the property from the State Receiver July 13, 1912. Length of road operated, 42.826 miles. Gauge, standard. Rail, 90 lbs.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. All except $7,500 owned by Third Avenue Railway Company. Annual meeting, second Monday in January.

FUNDED DEBT

$1,000,000 First Gold 5s; due April 1, 1946; for complete description see No. 7 of Funded Debt statement of Third Avenue Railway Company.

INCOME ACCOUNT, YEARS ENDED JUNE 30

(1926 figures not reported)

	1927	1925	1924
Gross earnings	$1,344,303	$1,326,153	$1,324,595
Oper. exp. & taxes	953,424	1,073,199	1,093,963
Net earnings	$390,879	$252,954	$230,632
Other income	2,894	2,571	2,788
Gross income	$393,773	$255,525	$233,420
Fixed charges	417,343	351,825	327,389
Deficit for year	$23,570	$96,300	$93,969

GENERAL BALANCE SHEET JUNE 30

Assets—	1927	1926	1925
*Fixed capital	$3,343,126	$3,308,634	$3,315,073
Notes & accts. receiv., assoc. companies			4,530
Securities of assoc. cos.	34,500	33,000	
Other investments	14,500	14,500	
Matured coupon int. deps.			1,848
Special deposits	1,800	1,175	
Advance to assoc. cos.	85,379	67,016	
Deposit with State Industrial Commission			14,500
Cash	74,505	64,428	69,700
Accounts receivable	6,392	4,234	3,126
Int. & divds. receiv.	163		
Materials and supplies	38,208	26,472	24,260
Prepayments	3,157	440	1,300
Suspense items	21,000		
Profit and loss	1,809,166	1,785,596	1,670,815
Total	$5,431,896	$5,305,495	$5,105,152
Liabilities—			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	1,000,000	1,000,000	1,000,000
Due associated cos.	3,310,063	3,196,464	3,023,368
Current & accrued liabs.	117,288	106,600	50,479
Reserves	4,545	2,431	31,305
Total	$5,431,896	$5,305,495	$5,105,152

*After deducting accrued amortization of capital.

Officers: Slaughter W. Huff, Pres., New York; Leslie Sutherland, V-P.; W. E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas. W. Farrington, Aud., New York.
Directors: Adrian Iselin, Jr., W. Emlen Roosevelt, J. H. Seaman, G. W. Davison, Leslie Sutherland, Slaughter W. Huff, J. W. Platten, New York.
Office, 2396 Third Ave. New York.

HASTINGS RAILWAY COMPANY, INC.

(Controlled by The Yonkers Railroad Company)

History and Property—Incorporated Sept. 19, 1919 in New York. Operates in village of Hastings on Hudson, N. Y. Length of line, 1.339 miles; put in operation Jan. 1, 1920. Operated by overhead trolley. Controlled by Third Avenue Railway Company, through latter company's control of The Yonkers Railroad Company.

CAPITAL STOCK

Authorized, $73,500; outstanding, $2,000; par, $100. All owned by The Yonkers Railroad Company. Annual meeting, in September.

FUNDED DEBT

None.

Officers: Slaughter W. Huff, Pres.; L. Sutherland, V-P.; W. E. Thompson, V-P.; G. T. Geer, Sec.; A. D. Sage, Treas.; W. Farrington, Aud.
Directors: S. W. Huff, G. W. Davison, W. R. Roosevelt, J. H. Platten, A. Iselin, Jr., W. B. Wheeler, P. J. Gallagher, H. A. Carrigan.
Office, 2396 Third Ave., New York.

NORTH COUNTIES HYDROELECTRIC COMPANY

History and Property—Incorporated April 10, 1924, in Illinois, to acquire, own and operate hydro-electric developments. Constructed on the Fox River at Dayton, Ill., about 5 miles from Ottawa, Ill., a reinforced concrete dam and power house, creating a 30-foot head. The generating equipment consists of 3 modern direct-connected, vertical electric generating units with a combined capacity of 3,700 k. w. (5,300 waterwheel h. p.). The average marketable output of this water-power development is 19,000,000 k.w. hours per annum.

The **Company has sold its entire output when and** as generated, to the Illinois Power & Light Corp., under a 40-year contract, by which the latter agrees to purchase all available current at the switchboard of this hydro-electric development and to construct, equip and own its own substation and transmission lines. Under this arrangement the Corporation will construct a substation at Dayton and a high tension transmission line connecting with its main lines at La Salle, Ill. The plant began operation March 18, 1925.

CAPITAL STOCK

Authorized and outstanding, $250,000 Common. Annual meeting, second Monday in January. No dividends paid.

Transfer Agent and Registrar—Peabody, Houghteling & Co., Chicago.

FUNDED DEBT

(1)

$500,000 First (Closed) Mortgage Gold 6½s; dated April 1, 1924; due April 1, 1944; interest April and Oct. 1, at office of Peabody, Houghteling & Co., Chicago, Ill. Coupon, $100, $500 and $1,000. Chicago Title & Trust Co., Chicago, Trustee. Subject to call as a whole or in part on 60 days' notice at 102 and accrued interest until 1929, and thereafter at 101½ and accrued interest until 1934, and thereafter at 101 and accrued interest until 1939, and thereafter at 100 and accrued interest until maturity.

Sinking Fund—Company is required to pay into a sinking fund annually beginning Aug. 15, 1925, and ending Aug. 15, 1929, 1½% of the total amount of this issue, and annually beginning Aug. 15, 1930, and ending Aug. 15, 1943, 2% thereof. In addition to these fixed annual payments the mortgage further provides that the Company shall pay into said sinking fund annually on Feb. 15, following the end of its fiscal year, 33⅓% of the amount of its gross earnings in excess of $85,000. All sinking fund monies shall be applied to the retirement the bonds by redemption or purchase, before maturit

Security—Secured by a closed first mortgage on e tire property of Company, including land, water-pow development, power plant and flowage rights.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%.

Legal Opinion—Isham, Lincoln & Beale, and Hyc Hennings, Thulin, Westbrook & Watson.

Original Offering—First publicly offered ($500,00 in June, 1924, at 99 and accrued interest, to yie nearly 6.60%, by Peabody, Houghteling & Co., Ch cago.

(2)

$250,000 Series "A" 20-year 6½% Gold Bonds; dat June 15, 1925; due June 15, 1945; interest June a December 15.

Trustee—Chicago Title & Trust Co., Chicago, Ill.

Callability—Subject to call in whole or in part 30 days' notice at option of the Company.

OFFICERS AND DIRECTORS

Officers: Fred D. Breit, Pres. & Treas.; Edwa J. Keeley, R. D. Heldmann, Sec., Chicago, Ill.
Directors: Fred D. Breit, Edward J. Keeley, R. Heldmann, Chicago, Ill.
General Office, 1010 Fisher Bldg., Chicago, Ill.

LOMBARD ELECTRIC COMPANY

(Societa Lombarda per Distribuzione di Energia Elettrica)

History and Property—Incorporated in 1897. Su plies power in the industrial region of about 800 squa miles bounded by the Swiss frontier on the north, t Milan-Como line on the east, the Turin-Milan Railw on the south and the River Ticino on the west. T present capacity of the Company and its subsidiari in Italy aggregates approximately 162,000 h.p., a upon completion of plants now projected or under co struction the total capacity will be increased to a proximately 193,000 h.p. within about six months a to approximately 268,000 h.p. within about eighte months thereafter (about July, 1928). Of the prese installed capacity, approximately 75% is hydro-electr and 25% is steam power. The Company also ow 55% of the capital stock of **Societe Anonyme d Forces Motrices de Brusio,** a Swiss corporation ow ing hydro-electric plants of 57,000 h.p. capacity. T number of consumers is about 80,000 out of a tot population of over 500,000. The properties compri eight hydro-electric generating plants and one stea generating plant, with an aggregate installed capaci of 162,000 h.p., together with 8 principal independe sub-stations and approximately 625 miles of high te sion transmission and distribution lines.

Concessions—The concessions covering the use water under which the Company operates either not expire or by virtue of the law of Oct. 9, 1919, a renewable so as not to expire prior to 1977.

CAPITAL STOCK

Outstanding, Jan. 1, 1927, 130,000,000 lire Comm stock (500 lire par value shares), and 20,000,000 li Deferred stock (500 lire par value shares). Of t outstanding Common stock, 200,000 shares (100,000,0 lire) are fully paid. As to 60,000 shares recently so at 100% premium, 65% of such price has been paid a the balance is subject to call in the discretion of t directors. A majority of the stock is owned by t Societa Idroelettrica Piemonte (S. I. P.)

Stock Provisions—Each share of the Deferred sto has five votes as compared to one vote for each sha of Common stock, and is entitled to receive dividen only after the payment of a dividend of 5% on t Common stock; otherwise both classes of stock ha the same rights and rank pari passu as regards furth dividend distributions.

Dividends—Payments in recent years have been as ollows: 1916, 9.6%; 1917, 9.6%; 1918, 10%; 1919, 0%; 1920, 10.4%; 1921, 11%; 1922, 11½%; 1923 and 924, 12%; 1925, 14%.

FUNDED DEBT

,000,000 FIRST MORTGAGE 7% EXTERNAL SINKING FUND GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1952

Dated December 1, 1926.

Interest Payable June and December 1, in United tates gold coin of the present standard of weight and neness in New York City at the principal office of ither The Chase National Bank or Blair & Co., Inc.

Denominations—Coupon, $500 and $1,000; principal ıay be registered.

Trustee—The Chase National Bank of the City of lew York.

Fiscal Agent—Blair & Co., New York.

Provisions of Issue—Authorized, $15,000,000; outtanding, Series "A," $6,000,000. The balance of 9,000,000 First Mortgage bonds is reserved as follows: a) up to $4,000,000 (either as bonds of Series "A" r of other series) to reimburse the Company for the ost or fair value whichever is less of properties acuired or constructed subsequent to Dec. 1, 1926 and ubjected to the mortgage, and (b) the balance for dditions and improvements to the mortgaged property ıade subsequent to the date of the Trust Indenture ot in excess of 70% of the cost or fair value thereof hich is less. Reserved bonds may only be issued hen the consolidated net earnings of the Lombard lectric Co. and the Alto Brembo Co. as defined in the rust Indenture, for 12 consecutive months out of the 5 months next preceding the date of application thereor or the average for the two fiscal years preceding uch date shall have been equal to at least 2½ times nnual interest on the First Mortgage bonds outstandıg at the time of such proposed issue, including the onds proposed to be issued. All bonds issued under ıe Trust Indenture shall be equally and ratably ecured by the properties mortgaged but subsequent eries may vary as to rate of interest, maturity, sinking ınd, redemption price, etc.

Purpose of Issue—The proceeds of the Series "A" onds were used for the acquisition and construction y the Company and/or its subsidiary, the Alto Bremo o., of hydro-electric and thermo-electric plants, transıission and distribution systems, and other physical roperty, and for improvements, extensions and addions to their properties or for reimbursements of exenditures made for such purposes, or for other productive purposes.

Stock Purchase Warrants—Each $1,000 bond carries detachable stock purchase warrant issued by the anque Commerciale de Bale (Basle, Switzerland) as epositary entitling the holder to purchase 30 shares f full-paid issued capital stock of the Societa Idroelettica Piemonte (S. I. P.) of the par value of 125 lire ach at the price of $10 a share, but not less than the quivalent at the then current exchange rates of 125 re. Bonds of $500 denomination have similar warants for 15 shares. All rights under the warrants xpire on Dec. 1, 1931. The deposit agreement will ontain appropriate protective provisions with regard o changes in par value of the stock, issuance of additonal shares as a stock dividend or for a consideration ı cash or property less than the then exisitng purchase rice per share and under certain other circumstances.

Callability—Subject to call by operation of the sinkıg fund at 100 and interest. Subject to call, other ıan for sinking fund, in whole at any time, or in part n any interest date on 60 days' notice at 105 and inerest on or before Dec. 1, 1931, the premium decreasıg thereafter ¼% for each 12 months or part thereof lapsed after Dec. 1, 1931.

Sinking Fund—Indenture provides for a cumulative inking fund of approximately 1½% per annum, payble semi-annually on May and Nov. 1 in each year commencing May 1, 1927. The sinking fund payments are to be applied to the purchase of Series "A" bonds at not exceeding 100 and interest, or, if not so obtainable, to the redemption by lot of Series "A" bonds at not exceeding 100 and interest on the next succeeding Oct. 15 and April 15. Sinking fund is calculated to retire the entire issue of $6,000,000 Series "A" bonds at or prior to maturity. In the event of the issue of additional Series "A" bonds, the Company covenants to increase the semi-annual sinking fund payments so as to provide for the retirement at or prior to maturity of all Series "A" bonds issued.

Security—Secured by a first mortgage or first lien on all of the hydro-electric plants and other plants for the production and distribution of electric power, of the Company and its subsidiary, the Alto Brembo Co., including transmission lines, distribution systems, and all other fixed properties appurtenant thereto. These properties comprise eight hydro-electric generating plants and one steam generating plant, with an aggregate installed capacity of approximately 162,000 h.p., together with 8 principal independent sub-stations and approximately 625 miles of high tension transmission and distribution lines.

Tax Provisions—Free from any present or future taxes of the Kingdom of Italy, or of any taxing authority thereof or therein.

Legal Opinion—Cravath, Henderson & deGersdorff, New York and Giuseppe Bianchini, Milan, Italy.

Original Offering—First publicly offered ($6,000,000) in Jan., 1927, at 94 and interest to yield over 7.50% by Blair & Co., Inc., E. H. Rollins & Sons, Stone & Webster and Blodget, Inc., and Banca Commerciale Italiana Trust Co., New York.

***NET EARNINGS, YEARS ENDED DECEMBER 31**

1923	$663,042	1925	853,981
1924	744,182	1926 (part. estimat.)	1,383,220

*Net earnings (at the average rate of exchange for the period) as reported by Price, Waterhouse & Co., after deducting operating expenses, maintenances and taxes, available for interest, income taxes, depreciation and reserves, and including only dividends of subsidiaries actually received.

Officer: Rinaldo Panzarasa, Pres., Milan, Italy.

General Office, Milan, Italy.

TULSA STREET RAILWAY CO.

History—Incorporated in Sept., 1906, in Okla. Franchise, perpetual. Owns and operates the city lines in Tulsa, 15 miles of track. Gauge, standard. Rail, 72-lb. T. Cars—motor, 38; work, 1. Power purchased from the Public Service Co. of Okla.

Receivership—The property is in the hands of Clarence Kline, Tulsa, Okla., as Receiver.

CAPITAL STOCK

Authorized and outstanding, $580,000; par, $25. Annual meeting, second Tuesday in January.

FUNDED DEBT

(1)

$450,000 First Gold 6s; dated Feb. 1, 1917; due annually on Feb. 1, as follows: 1924, $15,000; 1925, $16,000; 1926, $17,000; 1927, $18,000; 1928, $19,000; 1929, $20,000; 1930, $22,000; 1931, $23,000; 1932, $25,000; 1933, $26,000; 1934, $28,000; 1935, $30,000; 1936, $32,500; 1937, $35,000; 1942, $175,000; int. Feb. and Aug. 1, at Illinois Merchants Trust Co., Chicago, Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,000,000; issued $575,000; outstanding, $450,000. A sinking fund is provided. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Interest Default—No interest has been paid on these bonds since Aug. 1, 1925.

(2)

$386,000 Second Gold 6s; dated May 1, 1919; due May 1, 1949; int. May and Nov. 1, at Dayton Savings & Trust Co., Dayton, O., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $2,000,-

000. A second lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Interest Default—The Nov. 1, 1924, and subsequent coupons are in default.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925
Gross revenue cars & buses	$349,020	$361,542
Operating expenses & taxes	302,432	340,169
Net before interest & depreciation	$46,588	$21,373
Depreciation	26,416	24,314
Balance for interest	$20,172	$7,059

RECEIVER'S BALANCE SHEET, APRIL 30, 1927

Assets—	
Road and equipment	$1,745,975
Less depreciation	232,955
	$1,513,020
Cash	33,959
Accounts receivable	5,002
Material & supplies	12,392
Unadjusted debits	31,315
Deficit	237,219
Total	$1,832,907
Liabilities—	
Capital stock	$580,000
Receivers' obligations	22,651
First Mortgage bonds	450,000
Accrued interest on First Mtge. bonds	47,250
Second Mortgage bonds	386,000
Accrued interest on Second Mtge. bonds	69,480
Secured notes payable	31,085
Unsecured notes payable	31,380
Accounts payable (pre-receivership)	65,649
Interest on unfunded debt	4,810
Contingent reserve	144,602
Total	$1,832,907

Officers: Clarence Kline, Receiver, Tulsa, Okla.; C. H. Bosler, Pres.; W. S. Carr, V-P.; D. W. Allaman, Sec. & Treas., Dayton, O.; B. Hilburn, Gen. Mgr., Tulsa, Okla.

Directors: C. H. Bosler, W. S. Carr, D. W. Allaman, W. B. Reeder, John Simpson, R. T. Bailey, B. C. Bosler, Dayton, O.; M. McGrath, C. F. Bruce, Tulsa, Okla.; C. Kline, Enid, Okla.

General Office, 222 N. Main St., Dayton, O.

WEST VIRGINIA LIGHT, HEAT & POWER COMPANY

History and Property—Incorporated in 1919 in W. Va. and does the entire electric light and power business in Sistersville, New Martinsville, Paden City, Brooklyn, Pursley and Middlebourne, in Tyler and Wetzel Counties, W. Va.

Owns an exclusive franchise granted by the State of West Virginia to operate buses on the State Highway between the cities of Wheeling and Parkersburg, in that State a distance of 94 miles. Power house capacity, 5,430 h.p. The Company recently sold to the State of West Virginia the right-of-way of the Sistersville and New Martinsville Traction Company, on which the State will build a modern highway. The above franchise was received as part of the consideration in this transaction. The Company operates under favorable franchises in all of its territory. Rates for both municipal and commercial light and power are subject to the supervision of the West Virginia Public Service Commission.

Management—Company is under the management of J. G. White Management Corp., New York, N. Y.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common and $250,000 7% Pfd.; par, $100.

Dividends—Pfd. dividends regularly paid since issuance. Common dividends not reported.

FUNDED DEBT

(1)

$386,900 FIRST MORTGAGE GOLD 6s; DUE JUNE 1, 1929

Dated July 1, 1919.

Interest Payable June and December 1, at First National Bank, Boston, Mass.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—First National Bank, Boston, Mass.

Provisions of Issue—Authorized, $2,000,000; outstanding, $386,900. Mortgage now closed.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—Sinking fund began Aug. 1, 1920, sufficient to retire each year 1% of outstanding bonds.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Massachusetts Income Tax and Personal Property Tax in Pennsylvania and Connecticut refunded.

(2)

$655,900 FIRST AND REFUNDING MORTGAGE 6% SINKING FUND GOLD BONDS; DUE NOVEMBER 1, 1955

Dated November 2, 1925.

Interest Payaable May and November 1, at Atlantic National Bank of Boston, and Chase National Bank of New York.

Denominations—Coupon, $100, $500 and $1,000, principal may be registered. Denominations interchangeable.

Trustee—Atlantic National Bank of Boston.

Provisions of Issue—Authorized, $2,000,000; outstanding, $655,900. Additional bonds may be issued to reimburse Company for improvements and betterments to the mortgaged property up to 80% of the cost or value thereof, whichever is lower, and then only when net income as defined in indenture for any 12 calendar months within the preceding 14 calendar months, shall have been not less than 1½ times the annual interest charges upon all Company's bonded indebtedness, including bonds proposed to be issued. Additional bonds may bear such rates of interest as may be determined.

Purpose of Issue—The proceeds from these bonds was used to reduce the outstanding First Gold 6s, due 1929, to $400,000, at which figure the First Mortgage will be closed, and the balance for corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest.

Sinking Fund—On November 1 in each year, commencing Nov. 1, 1927, Company shall pay in cash to Trustee an amount equal to 1% of the total amount of bonds then outstanding, but not including bonds for the purchase or redemption of which money has been deposited with Trustee. In lieu of cash, however, Company may deliver bonds at the par value thereof. Trustee shall expend moneys so deposited in the redemption or purchase and retirement of bonds at prices not to exceed 105 and interest. All bonds purchased or delivered to Trustee for account of Sinking Fund shall be cancelled.

WEST VIRGINIA LIGHT HEAT & POWER CO.

BOSTON Tel. Hancock 7320
PHILADELPHIA Tel. Rittenhouse 1530
BALTIMORE Tel. Plaza 7373
LONDON

PYNCHON & CO.
Members of the New York Stock Exchange
111 Broadway, New York Tel. Rector 0970
The Rookery, Chicago Tel. Wabash 7700

MILWAUKEE Tel. Broadway 306
PROVIDENCE Tel. Gaspee 8600
HARTFORD Tel. 3-0211
LIVERPOOL

Private wire connections to all important markets in the United States and Canada

Security—Secured by a lien on the entire property of Company now owned or hereafter acquired, subject only to the lien of $386,900 closed First Mortgage 6% bonds, due 1929.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%; 4 mills tax of Pennsylvania, Maine, New Hampshire, Vermont, Rhode Island, Connecticut and Massachusetts income tax not exceeding 5% per annum refundable upon application within 60 days of payment.

Legal Opinion—David J. Donahue, Boston (for the Company), and Davison & Maurice (for the bankers).

Original Offering—First publicly offered ($500,000) in January, 1926, at 98½ and interest to yield 6.15% by Pynchon & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Dec. 31, 1926	Oct. 31, 1925
Gross operating revenue	$197,059	$148,116	$183,207
Other income	.....	87,895	52,761
Total gross income	$197,059	$236,011	$235,968
Oper. exp., maint. & taxes	78,499	84,915	88,918
Net earnings	$118,560	$151,096	$147,050
Int. on funded debt	89,542	62,473	54,000
Other charges	15,958	34,721	.....
Balance	$13,060	$53,902	$93,050

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property, etc.	$1,002,987	$949,872
Stocks owned	250,500	250,500
Other investments	29,069	29,068
Receivable from affil. cos.	382,876	.....
Materials and supplies	15,193	19,113
Cash	34,844	25,201
Notes receivable	484,644	441,647
Accounts receivable	155,289	433,188
Other current assets	.....	116,659
Unadjusted debits	69,912	85,491
Deferred debit items	76,896	75,464
Total	$2,502,210	$2,426,203
Liabilities—		
Common stock	$500,000	$500,000
Preferred stock	250,000	250,000
Funded debt	1,042,800	1,003,500
Advances from affil. cos.	111,998	.....
Consumers' deposits	2,661	2,145
Notes payable	.....	35,001
Accounts payable	16,182	61,795
Interest accrued	18,295	8,318
Miscellaneous accrued liabs.		62,278
Other current liabilities	.....	50,000
Reserve for sinking fund	61,500	39,500
Depreciation reserve	338,134	335,197
Other reserves	114,137	.....
Profit and loss	46,503	78,469
Total	$2,502,210	$2,426,203

Officers: E. T. Edmonds, Pres., J. F. McKenna, V-P.; H. C. Fleck, V-P.; T. W. Moffat, Sec. & Treas., New York.

Directors: C. A. Dougherty, E. T. Edmonds, H. C. Fleck, J. F. McKenna, T. W. Moffat, New York, N. Y.

General Office, Sistersville, W. Va.

HOUSTON GULF GAS COMPANY

History—Incorporated July 31, 1925, in Delaware. Houston Gulf Gas Company and its subsidiaries produce, transport and distribute natural gas. In point of territory served, volume of gas sold, and extent of gas reserves, it is one of the leading natural gas systems in the United States. The Company, through its subsidiaries, (a) Houston Gas and Fuel Company, distributes gas in Houston, Texas; (b) Southern Gas Company supplies gas for distribution in San Antonio and distributes directly to many customers outside the limits of San Antonio; (c) Southern Gas Utilities, Inc., distributes gas in New Braunfels, Seguin, Hondo, D'Hanis and other communities west and northeast of San Antonio and serves important industrial enterprises in this territory; also supplies gas for distribution in Brownsville, San Benito and other communities along the lower Rio Grande Valley; (d) Western Gas and Fuel Company, supplies gas for distribution in Austin, the capital of Texas. The Company supplies gas directly, for boiler fuel to Houston Lighting and Power Company, the electric company in Houston, and supplies directly Sinclair Refining Company, Texas Portland Cement Company and other large industrial consumers in and around Houston. Population served, about 650,000.

Property—Houston Gulf Gas Company will own, upon completion of its financing, the entire Common stock of Houston Gas and Fuel Company and over 93% of the Common stock of Southern Gas Company, which owns over 83% of the Common stock of Southern Gas Utilities, Inc., and 100% of the stock of Western Gas and Fuel Company. The Company has valuable gas purchase contracts with Dixie Gulf Gas Company and others extensively augmenting and diversifying its gas resources, and together with its subsidiaries, has leases or gas purchase contracts covering over 300,000 acres of land in South Texas, has 232 producing wells in 14 separate gas fields with total proven gas reserves estimated in excess of 275,000,000,000 cubic feet and has 1,344 miles of pipe lines and 5 compressing stations, aggregating 6,260 h.p.

CAPITAL STOCK

Authorized, 600,000 Common shares of no par value, $1,000,000 7% cumulative Pfd., Series "A" and $1,500,000 7% cumulative Pfd., Series "B"; outstanding, 449,102½ Common shares, $1,000,000 7% Pfd., Series "A" and $1,500,000 7% Pfd., Series "B"; par of Pfd., $100.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends, being entitled to payment at $100 per share and all accrued dividends before any disbursement to Common shares in case of liquidation or dissolution, voluntary or involuntary. It is subject to redemption at 107 and accrued dividends on any dividend date upon three weeks' notice. It is non-voting except in the event that six consecutive quarterly dividend payments thereon are in arrears; in which event so long as these dividends and current dividends remain in arrears this stock is entitled to vote in the same manner as the Common stock. Beginning Jan. 1, 1931, and each three months thereafter the Company will set aside $50,000 ($200,000 per annum) for the purchase or call of its Series "A" Pfd. stock. This sinking fund will be sufficient to retire approximately all this Pfd. stock by Jan. 1, 1936.

Common Stock Purchase Warrants—The holder of each share of this Pfd. stock is entitled to purchase five shares of no par value Common stock of the company at the following prices: During the year 1926 at $9.00 a share; during 1927 at $10.00 a share; during 1928 at $11.00 a share; during 1929 at $12.00 a share; during 1930 at $13.00 a share; and thereafter for a period of five years at $15.00 a share.

Transfer Agents—Commonwealth Trust Co., Pittsburgh, State Street Trust Co., Boston, and The Equitable Trust Co., New York.

Registrars—Bank of Pittsburgh, N. A., Pittsburgh, Pa.; The First National Bank, Boston, and New York Trust Co., New York.

Legal Opinion—Patterson, Crawford, Miller & Arensberg, Pittsburgh (for the Bankers); Vinton, Elkins, Sweeton & Weems, Houston, Texas (for the Company).

Preferred Stock Offered—Goddard & Co., Pittsburgh, and Moore, Leonard & Lynch, Pittsburgh and New York, in June, 1926, offered and sold $1,000,000 7% cumulative Pfd. stock, Series "A," (par, $100), in blocks of one share of Pfd. stock and two shares of no par Common stock, carrying Common stock purchase warrants at $100 per block. Sale of this stock did not involve any new financing by Company.

Annual Meeting—Third Tuesday in March, at Houston, Texas.

Listed—Common shares listed on Boston Stock Exchange.

Dividends—Pfd. dividends are regularly paid quarterly, M, J, S & D 1, initial dividend being paid in June, 1926.

FUNDED DEBT

(1)

$11,000,000 FIRST MORTGAGE AND COLLATERAL 6% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1943

Dated April 1, 1928.

Interest Payable April and October 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Open mortgage; outstanding, $11,000,000 Series "A" 6s. The Indenture provides among other things that:

Additional bonds may be issued as Series "A" or as other series bearing such rates of interest, maturing on such dates, redeemable on such terms and containing such other rights, limitations and provisions permitted by the Indenture as the Board of Directors of the Company may determine prior to the issuance thereof.

Except for the refunding of bonds of the Company or of a subsidiary company, additional bonds under the Indenture may be issued up to 70% of the net tangible asset value, as defined in the Indenture, of securities of a subsidiary company pledged under the Indenture, and to the extent of 70% of the cost or fair value, whichever may be less, of property additions and improvements of the Company or a subsidiary company represented by securities pledged under the Indenture, and against the deposit of cash, provided net consolidated earnings, before depreciation and depletion, applicable to bond interest for 12 out of the 15 months immediately preceding, are at least twice the annual interest charges on all bonds issued and outstanding under this Indenture, including those proposed to be issued and bonds of subsidiary companies, all as defined in the Indenture.

Certain provisions of the Indenture or any supplement thereto may be modified in any part with the written assent of the holders of 80% in aggregate principal amount of bonds issue under this Indenture, not including any bonds owned or controlled by the Company, provided that nothing shall permit the extension of the maturity of any bonds or the reduction in rate of interest thereon or any other modification in the terms of payment of such interest without the consent of the holder thereof.

Purpose of Issue—Proceeds from the sale of these bonds, together with $8,000,000 Debentures and $1,500,000 Pfd. stock were used to retire the Company's then outstanding funded debt; to acquire the Common stocks of Houston Gas and Fuel Company and Southern Gas Company, and the properties of Houston Gulf Pipe Line Company; for working capital and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date at the option of the Company on not less than 30 days' published notice at 105 and accrued interest on or before April 1, 1933, the premium decreasing ½ of 1% for each twelve months or fraction thereof elapsed thereafter.

Sinking Fund—The Indenture provides for quarterly payments to the Sinking Fund for the retirement of Series "A" bonds. The first payment will be made Feb. 1, 1930, at the annual rate of $200,000 and in amounts gradually increasing to $800,000 for the year commencing Feb. 1, 1942. Such payments shall be used to retire Series "A" bonds by purchase in the open market at not to exceed the prevailing redemption price or by redemption of bonds of such series. In addition all money received by the Company from the exercise of Stock Purchase Privilege of its 6½% Gold Debentures due 1943 shall be paid into the Sinking Fund of Series "A" bonds. The proportion of the sinking fund attributable to the Company's 6½% Gold Debentures due 1943, which shall be released by the conversion of any Debenture into Pfd. stock, shall also be paid into the Sinking Fund of Series "A" bonds.

Security—Secured by a first mortgage on the fixed assets of the Company comprising 219 miles of trunk lines, 80 miles of gathering and distributing lines, gas rights on over 75,000 acres of land in 8 separate gas fields (subject to any farm mortgages and other liens) and 3 compressing stations of 5,760 h.p. capacity, all of which represent a value not less than $16,000,000. The are further secured through deposit with the Trustee of all the Common stock of Houston Gas and Fuel Company and over 93% of the present outstanding Common stock of Southern Gas Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund upon proper application all personal property and securities taxes in any State or in the District of Columbia not exceeding in any year six mills for each one dollar principal amount, and all income taxes of any such State or such District not exceeding in any year 6% of the income derived from the bonds.

Legal Opinion—White & Case, New York (for the Bankers), and Vinson, Elkins, Sweeton & Weems, Houston, Texas (for the Company).

Original Offering—First publicly offered ($11,000,000) in April, 1928, at 99½ and interest, yielding approximately 6.05%, by Blair & Co., Inc., G. E. Barrett & Co., Inc., and Estabrook & Co., New York

(2)

$8,000,000 6½% SINKING FUND GOLD DEBENTURES; DUE APRIL 1, 1943

Dated April 1, 1928.

Interest Payable April and October 1, at Guaranty Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized and issued, $8,000,000. The Indenture provides among other things that:

The Company shall issue no secured funded debt as defined in the Indenture (other than its First Mortgage and Collateral Gold bonds) unless the mortgage or pledge whereunder the same are issued shall by its terms secure in a like manner and to the same ratable extent all Debentures at the time outstanding under the Indenture.

Certain provisions of the Indenture or any supplement thereto may be modified in any part with the written assent of the holders of 80% in aggregate principal amount of Debentures issued under this Indenture, not including any Debentures owned or controlled by the Company, provided that nothing shall permit the extension of the mautrity of any Debentures or the reduction in rate of interest thereon or any other modification in the terms of payment of such interest without the consent of the holder thereof.

Purpose of Issue—Proceeds from the sale of these Debentures, together with $11,000,000 bonds and $1,500,000 Pfd. stock, were used to retire the Company's then outstanding funded debt; to acquire the common stocks, above referred to, of Houston Gas and Fuel Company and Southern Gas Company, and the properties of Houston Gulf Pipe Line Company; for working capital and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date at the option of the Company on not less than 30 days' published notice at 105 and accrued interest on or before April 1, 1933, the premium decreasing ½ of 1% for each 12 months or fraction thereof elapsed thereafter.

Sinking Fund—The Indenture provides for quarterly payments to the Sinking Fund for the retirement of these Debentures. The first payment will be made Feb. 1, 1930, at the annual rate of $200,000 and in amounts increasing to $800,000 for the year commencing Feb. 1, 1942. Payments shall be used to retire Debentures by purchase in the open market at not

) exceed the prevailing redemption price or by re-emption of Debentures. It is estimated that the peration of the Sinking Fund will retire all of these)ebentures by maturity. Upon conversion of any of ıe Debentures that part of the sinking fund payments roportional to the amount of Debentures converted ıto Pfd. stock will be paid into the sinking fund pro-ided for the Company's First Mortgage and Col-.teral 6% Gold bonds, Series "A."

Stock Purchase Privilege and Conversion—Each 1,000 Debenture ($500 denomination in proportion) ırries a non-detachable warrant entitling the holder) purchase prior to April 1, 1930, 5 shares of the ommon stock of the Company at $17.50 per share; r thereafter prior to April 1, 1932, at $20.00 per ıare; or thereafter prior to April 1, 1934, at $25.00 er share; or thereafter prior to April 1, 1936, at 30.00 per share; or thereafter prior to April 1, 1938, : $35.00 per share. In the event that the Debentures 'e called, the stock purchase privilege may be exer-sed prior to April 1 or October 1 next following ıe redemption date.

All money received by the Company from the exer-se of the Stock Purchase Privilege of these Deben-ıres shall be paid into the sinking fund of the Com-any's First Mortgage and Collateral 6% Gold Bonds, eries "A."

These Debentures are convertible at par into the ompany's 7% cumulative Pfd. stock, Series "B", ter January 1, 1931 (unless called for prior redemp-on) and the Company has covenanted to create a fficient amount of such Preferred stock for each ırpose prior to that date.

Security—A direct obligation of Company, but not :ecured by mortgage.

Tax Provisions—Company pays Normal Federal In-ome Tax up to 2%, and agrees to refund upon roper application all personal property and securi-es taxes in any State or in the District of Columbia, ot exceeding in any year six mills for each one dollar rincipal amount, and all income taxes of any such ate or such District not exceeding in any year 6% the income derived from the Debentures.

Legal Opinion—White & Case, New York (for the ankers), and Vinson, Elkins, Sweeton & Weens, ouston, Texas (for the Company).

Original Offering—First publicly offered ($8,000,000) in April, 1928, at 99 and interest (with stock purchase privilege), to yield approximately 6.60%, by Blair & Co., Inc., G. E. Barrett & Co., Inc., and Estabrook & Co., New York.

CONSOLIDATED EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

(Houston Gulf Gas Co. and Subsidiaries, as presently constituted)

Gros revenues (including other income)	$5,539,026
Operating expenses, maintenance and local taxes (including charges of $447,063 for abandoned wells and forfeited leases)	2,641,391
Balance	$2,897,635
Net earnings available for interest charges of Houston Gulf Gas Company after deducting bond interest and Preferred stock dividends on subsidiary companies together with earnings accruing to minority stock but before Federal taxes, amortization charges and reserves for depreciation, depletion, etc.	2,080,885
Annual interest on $11,000,000 First Mortgage and Collateral 6% Gold bonds	660,000
Balance	$1,420,885
Annual interest on $8,000,000 6½% Sinking Fund Gold Debentures	520,000
Balance	$900,885

NOTE—The above consolidated earnings include Houston Gulf Pipe Line Co. for the six months from date of organization to Dec. 31, 1927; Houston Gas and Fuel Co., Southern Gas Co. and Western Gas and Fuel Co. for the twelve months ended Jan. 31, 1928, and Southern Gas Utilities, Inc., for the nine months from date of organization to Jan. 31, 1928.

Officers: O. R. Seagraves, Pres.; W. L. Moody, 3d, V-P. & Treas., Galveston, Tex.; J. A. McKenna, Sec.; R. H. Hawn, Asst. Sec.; Warren J. Dale, Asst. Sec.; L. L. Thrasher, Aud.; R. A. Wolfe, Supt., Houston, Texas.

Directors: W. L. Moody, Jr., W. L. Moody, 3d., Galveston, Tex.; C. B. Ewart, New York; R. S. Lord, B. E. Hepler, Mt. Vernon, Ohio; O. R. Seagraves, J. A. Elkins, W. J. Dale, F. E. Wallace, Houston, Tex.; R. A. Crawford, E. C. Connor, Dallas, Tex.; H. H. Adams, Fort Worth, Tex.; W. J. Morris, Youngstown, Ohio.

General Office, Houston, Tex. **Corporate Office,** Wilmington, Del.

HOUSTON GAS & FUEL COMPANY

(Controlled by Houston Gulf Gas Co.)

History and Property—Incorporated March 26, 912, in Tex.; successor to Houston Gas Co. (see Manıl for 1912, page 1799, or apply to our Information epartment). Furnishes Houston, Houston Heights ıd Park Place, Tex., with gas. Population served, 30,000. Franchise expires July 1, 1955. Present ted daily capacity of plant, 10,000,000 cu. ft. Capaty of holders, 6,150,000 cu. ft. No. of customers, ,870. Miles of mains, 425. Output of gas, 1926, 882,855,000 cu. ft., compared with 1,608,319,000 cu. ft. 1925. Price for natural gas, 65 cents net.

CAPITAL STOCK

Authorized and outstanding, $1,500,000 Common ıd $1,050,000 7% cumulative Pfd.; par, $100. The ouston Gulf Gas Co. owns entire Common stock.

Preferred Stock Provisions—Pfd. stock has preferıce for assets and dividends and is subject to call at 0 and accrued dividends.

Transfer Agents—State Street Trust Co., Boston, ıd Guardian Trust Co., Houston, Texas.

Registrars—First National Bank, Boston, and So. exas Commercial & National Bank.

Annual Meeting—First Monday in November.

Dividends—Pfd. dividends are regularly paid, quarrly, M 31, J 30, S 30 & D 31. A dividend of 1% on ommon stock was paid March 27, 1918, none thereter until 1921, when 5% was paid; in 1922, 8%; in 23, 8% regular and 2% extra; 1924 and 1925, 12% each; 1926, 4%. Directors meet for dividend action second Wednesday of M, J, S & D.

FUNDED DEBT

$4,587,000 REFUNDING & IMPROVEMENT (NOW FIRST) MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1932

Dated September 1, 1912.

Interest Payable March and September 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia. William P. Gest, Co-Trustee.

Provisions of Issue—Authorized issue, $6,000,000 outstanding, $4,587,000. The proceeds of $1,200,000 of these bonds (sold in Feb., 1922) were used, in part, to retire the $900,000 Houston Gas Co. First Mortgage bonds, due 1923, by call at 100½ and interest on Sept. 1, 1922 and to fund floating indebtedness already incurred in making extensions and additions to the Company's property. Upon the retirement of the Houston Gas Co. bonds the Refunding and Improvement bonds become a direct first mortgage on all the property, rights and franchises of the Company.

Additional bonds may be issued to reimburse the Company for only 80% of the cost or fair value of extensions to the properties, provided net earnings are at least equal to twice the annual interest charges

on all bonds of this issue which will then be outstanding.

Callability—Subject to call at 105 and interest upon 6 weeks' notice.

Security—A first lien on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill Tax refunded.

Legal Opinion—Sullivan & Cromwell, New Yo

Public Offering—$1,200,000 bonds were publicly fered in Feb., 1922, at 91 and interest, yielding abo 6.18%; $800,000 in Dec., 1925, at 98½ and intere yielding 5.27%; $300,000 in Aug., 1926, at 98¾ a interest to yield about 5.25%, and $617,000 in De 1926, by Harris Forbes & Co., New York, Har Forbes & Co., Inc., Boston, and Harris Trust Savings Bank, Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Furnished)

	1926	1925	1924	1923	1922	1921
Gross earnings	$1,508,693	$1,589,545	$1,502,922	$1,322,848	$1,220,313	$1,071,8
Operating expenses	1,121,083	1,092,441	945,771	802,601	757,989	721,5
Net earnings	$387,610	$497,104	$557,151	$520,247	$462,324	$349,8
Fixed charges	208,898	149,656	199,652	$143,033	$169,991	$143,6
Net income	$178,712	$347,448	$357,499	$377,214	$292,333	$206,1
Preferred dividends	73,500	72,338	39,132	38,500	38,500	38,5
Amortization reserve	90,672	86,334	98,848	127,478	40,014	14,0
Surplus for Common	$14,540	$188,776	$219,519	$211,236	$213,819	$153,6
*Times Fixed Charges Earned	1.85	3.32	2.80	3.64	2.72	2.
*Earnings Per Share—						
Preferred	$17.02	$33.09	$44.68	$68.58	$53.15	$37.

*Before amortization reserve.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Furnished)

Assets—	1926	1925	1924	1923	192
Plant and equipment	$7,203,335	$6,299,734	$5,750,728	$4,890,055	$4,481,9
Investments	5	5	5	5	
Materials and supplies	201,798	128,153	125,528	93,459	60,0
Accounts receivable	225,691	150,743	122,105	99,529	82,1
Deposit—Bankers Trust Co.	.....	.....	.....	.....	15,0
Unamortized debt discount and expense	90,283	43,695	284,376	288,645	278,5
Suspense	76,121	10,403	3,189	1,684	1,1
Guaranty Trust Co. dividend account	.....	17,561	13,213	7,648	9,0
Special deposits	31,709	.....	.....	.....	2
Pay roll deposit	.....	4,393	3,119	2,291	.....
Prepayments	7,709	7,437	4,287	5,522	4,7
Coupon interest deposit	.....	1,620	1,645	720	1,2
Cash	723,445	831,551	235,950	236,674	100,5
Notes receivable	50,000	.....	50,000	.....	.....
Total	$8,610,097	$7,495,295	$6,594,145	$5,626,232	$5,035,6
Liabilities—					
Preferred stock	$1,050,000	$1,050,000	$800,000	$550,000	$550,0
Common stock	1,500,000	1,500,000	1,500,000	1,500,000	1,500,0
Funded debt	4,587,000	3,670,000	2,870,000	2,470,000	2,185,0
Accounts payable	164,102	69,561	66,975	46,302	48,9
Notes payable	.....	.....	25,000	.....	.....
Prepay meter accounts and meter & main deposits	460,578	408,977	304,197	207,911	124,1
Unclaimed and unpaid wages and salaries	5,964	12,167	5,915	2,290	1,7
Accrued accounts	159,562	255,216	120,107	113,427	90,5
Dividends declared and unpaid	25,595	17,561	16,331	7,648	9,6
Coupon interest matured and unpaid	1,375	1,620	1,645	720	2,1
Renewal, betterment and improvement reserve Renewal and replacement reserve	556,202	466,191	534,347	441,033	{204,3 {122,2
Other optional reserve	13,300	12,100	81,126	81,089	55,5
Pintsch accrued earnings	11,031	8,902	8,612	10,238	10,2
Surplus	75,387	23,000	259,890	195,574	131,9
Total	$8,610,097	$7,495,295	$6,594,145	$5,626,232	$5,035,6

Officers and Directors: Not reported.

Office, Houston, Tex.

McGRAW ELECTRIC COMPANY

History—Incorporated Nov. 17, 1926, in Delaware. Owns wholesale electrical supply houses at Sioux City, Iowa, and Omaha, Neb., formerly operated by The McGraw Co., established in 1900. Is an exclusive distributor of lines of Westinghouse companies and handles products of other manufacturers of electrical equipment and allied lines in the central western states. The engineering department prepares plans, specifications and estimates on electrical installations of all kinds. Construction is done on a percentage of cost basis for electrical, telephone and industrial companies.

Company also owns entire Common stock, except directors' qualifying shares, of Central West Public Service Co., which owns and operates public utilities serving 156 cities and towns in Iowa, Nebraska, Minnesota, South Dakota and North Dakota.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par valu $2,000,000 8% Prior Pfd. (divided into 15,000 share $100 par value and 50,000 shares of $10 par value) 50,000 shares $7 dividend Pfd. of no par value, an 10,000 shares Class "A" stock of no par value. Out standing, March 1, 1928, 10,000 shares Common, $180 240 8% Prior Pfd., 16,800 shares $7 dividend Pfd., an 10,000 shares Class "A" stock.

8% Prior Preferred Stock Provisions—Entitled t 115% of par value and accrued dividends in case o voluntary liquidation, or 100% of par value and ac crued dividends on involuntary liquidation. Callabl as a whole or in part on any dividend date on 30 days notice at 115% of par value and accrued dividends If dividend on Prior Pfd. and/or Pfd. stock are in ar rears for a period of 18 months, then the Prior Pfd.

fd. and Class "A" stock shall be entitled to full vot-g rights until such arrears are paid.

$7 Dividend Preferred Stock Provisions—Entitled to nual dividends of $7 per share per annum payable arterly on F, M, A & N 1. Cumulative except that vidends on original issue of 16,800 shares do not come cumulative until one year from the date of sue. Entitled to $110 per share on voluntary liquida-n or $100 per share if involuntary, plus accrued vidends. Redeemable at $110 per share and accrued vidends on any dividend date as a whole or in part 30 days' notice. Voting rights given under de-ription of Prior Pfd. stock.

Class "A" Stock Provisions—Entitled to annual vidends of $7 per share as declared; non-cumulative. titled to $100 per share in event of liquidation. llable as a whole or in part on any dividend date on days' notice at $100 per share. Voting rights given der description of Prior Pfd. stock.

Transfer Agent—First Trust & Savings Bank, Chi-go.

Annual Meeting—Fourth Wednesday in January.

Dividends—On 8% Prior Pfd. stock, cumulative, yable quarterly on F, M, A & N 1 for stock of 0 par value and annually on the first day of Janu-y for stock of $10 par value. The $7 dividend Pfd. ck is entitled to annual dividends of $7 per share yable quarterly on F, M, A & N 1. Cumulative cept that dividends on the original issue of 16,800 ares do not become cumulative until one year from date of issue. The Class "A" stock is entitled to nual dividends of $7 per share as declared; non-mulative.

FUNDED DEBT OUTSTANDING MARCH 1, 1928

(1)

79,500 THREE-YEAR 6½% SECURED GOLD NOTES; DUE OVEMBER 1, 1929

Dated November 1, 1926.

Interest Payable May and November 1.

Denominations—Coupon, $500 and $1,000 (inter-ngeable); principal may be registered.

Trustee—State Bank of Chicago, Chicago, Ill.

Provisions of Issue—Authorized and issued, $1,-),000, of which $20,500 retired. Proceeds from these es, together with other financing, were used to pro-e funds required in connection with the acquisition the entire outstanding Common stock of the Central st Public Service Co. and the electrical supply and gineering construction business formerly owned by e McGraw Company, for additional working capital for other corporate purposes.

Callability—Subject to call as a whole or in part 30 days' notice on any interest date at 103 and erest until Nov. 1, 1927; at 102 prior to Nov. 1, 8; and at 101 prior to Oct. 1, 1929.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the mpany and are further secured by deposit with the stee of the entire outstanding Common stock cept directors' qualifying shares) and all except ,000 par value of the outstanding 7% Pfd. stock, the Central West Public Service Company.

Tax Provisions—Company pays Normal Federal ome Tax up to 2%. Pennsylvania and Connecti-4 mills tax, Maryland 4½ mills tax, California Kentucky 5 mills tax, Kansas 2½ mills tax, ssachusetts 6% income tax on interest, New mpshire 3% income tax on interest, Iowa 6 mills and any similar taxes hereafter imposed in Maine exceeding 5 mills personal property tax or 6% me tax, refunded.

Legal Opinion—Newman, Poppenhusen, Stern & nston, Chicago (for the Bankers), and H. B. ter, Sioux City (for the Company).

Original Offering—First publicly offered ($1,400,-) in Nov., 1926, at 100 and interest to yield 6.50% by A. B. Leach & Co., Inc., New York, etc. and Porter Fox & Co., Inc., Chicago.

SALES AND EARNINGS, YEARS ENDED JULY 31
(Electrical Supply and Engineering Construction Business of McGraw Electric Company)

	Net Sales	Net Earnings Available for Int. & Depre.
1922	$1,520,240	$86,429
1923	2,174,774	88,329
1924	2,417,938	96,992
1925	2,325,620	90,237
1926	2,662,408	142,877

INCOME ACCOUNT, YEARS ENDED JULY 31

	1926	1925
Net sales of electrical supply and engineering construction business	$2,662,408	$2,325,620
Cost of sales	2,153,747	1,886,497
Operating revenue	$508,661	$439,123
Operating expenses, etc.	365,784	348,886
Net earnings	$142,877	$90,237
Depreciation	5,000	5,000
Net available for interest	$137,877	$85,237
Net available from Central West Public Service Co.	155,153	114,196
Total net available for interest	$293,031	$199,433

CONSOLIDATED BALANCE SHEET, JULY 31, 1926
(McGraw Electric Company & Subsidiaries)
(After Giving Effect to New Financing)

Assets—	
Plant, properties, etc. (less depreciation as appraised by Hagenah & Erickson)	$8,955,186
Cash	329,181
U. S. Liberty bonds and certificates	17,457
Notes and accounts receivable	472,255
Merchandise inventories	413,635
Other assets	18,390
Discount on securities	484,000
Organization expenses (estimated)	82,750
Prepaid insurance, etc.	23,123
Suspense items	13,018
Total	$10,808,995
Liabilities—	
Capital and surplus	*$3,216,433
Outstanding stock—	
Central West Pub. Serv. Co. Preferred	40,000
Hooper Electric Co. Common	2,500
Three-Year 6½% notes	1,400,000
Central West bonds	4,000,000
Central West debentures	1,800,000
Notes and accounts payable	277,780
Accrued taxes	24,083
Accrued interest	26,687
Customers' deposits	25,512
Total	$10,808,995

*Represented by 16,800 shares $7 dividend Pfd. stock, 10,-000 shares, Class "A" stock, and 10,000 shares Common stock.

Officers: Max McGraw, Pres., Chicago, Ill.; Arthur J. Cole, V-P., Omaha, Neb.; A. C. Ruble, V-P., Sioux City, Iowa; D. F. Campbell, V-P.; Judson Large, Sec., Chicago, Ill.; J. E. Smart, Treas., Omaha, Neb.

Directors: Max McGraw, Hamilton Allport, P. G. Fox, H. W. Bartling, D. F. Campbell, Chicago, Ill.

General Office, Sioux City, Iowa.

CENTRAL WEST PUBLIC SERVICE CO.

(Controlled by McGraw Electric Company)

History and Property—Incorporated June 28, 1926, in Delaware, to consolidated 18 formerly independent utility properties. Later in 1926, the Company acquired the properties of the Platte Valley Power & Light Co. and its subsidiaries, including the Platte Valley Power Company of Nebraska and the Dakota Public Service Company. Also acquired property of The Water, Light & Power Company, which furnished electricity and water to Hot Springs, S. D. (for latest published statement see 1927 Public Utility Manual, page 2274), and a number of other independent utilities.

Serves 156 cities and towns in Iowa, Nebraska, Minnesota, South Dakota and North Dakota. Proper-

ties supply 64 communities with electric, 99 with telephone, 5 with gas and 1 with water service and include 12 generating plants, 6 reserve stations, 490 miles of transmission lines with about 32 miles of additional lines under construction; 5 gas manufacturing plants with 55 miles of mains and annual sales of over 150,000,000 cu. ft. Total population served about 190,000; number of customers about 50,000. Included in the Company's territory are Norfolk and Columbus, Neb.; Sheldon, Iowa; Rapid City and Hot Springs, So. Dak., and Jamestown, No. Dak.

CAPITAL STOCK

Authorized, 105,000 shares Common, par value $1, $1,800,000 Series "A" Pfd., and $3,200,000 7% cumulative Series "B" Pfd., par of Pfd. stocks $100. Outstanding April 27, 1928, 105,000 shares Common (all except directors' qualifying shares owned by McGraw Electric Company), $131,500 Series "A" Pfd. and $86,600 Series "B" Pfd.

Preferred Stock Provisions—The Series "A" stock is reserved for conversion of 6% Debentures, and entitled to 7% cumulative dividends and two years after such conversion is entitled to 8% cumulative dividends. The Series "B" is entitled to 7% cumulative dividends. In all other respects both series rank equally. Redeemable on any dividend date on 30 days' notice at $115 and entitled in case of voluntary liquidation to $115 per share and accrued dividends or $100 and accrued dividends on involuntary liquidation. Preferred stock elects majority of board of directors in case six quarterly dividends on Pfd. stock are unpaid and until such arrears are made up.

Transfer Agent—Central Trust Company of Illinois, Chicago.

Annual Meeting—Third Thursday in January.

Dividends—Pfd. dividends are payable quarterly, F, M, A & N 1.

FUNDED DEBT OUTSTANDING APRIL 27, 1928

(1)

$4,000,000 FIRST LIEN COLLATERAL 30-YEAR 5½% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1956

Dated November 1, 1926.

Interest Payable May and November 1, at First Trust & Savings Bank, Chicago.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—First Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized, Series "A," $4,650,000; issued, $4,000,000. Trust Indenture provides that $650,000 additional Series "A" bonds may be issued at any time in face amounts equivalent to the cost or fair market value, whichever is less, (a) of acquisitions, additions, improvements, or extensions, permanent in character, to the physical properties of the Company or of subsidiaries, or (b) of securities of other utility companies whenever net earnings (as defined in the Indenture) are equal to at least twice the total annual interest requirements on all bonds then outstanding, including those to be issued. No bonds shall be issued in respect of any new subsidiary unless there shall be pledged with the Trustee not less than 95% of the outstanding stock having full voting power and not less than 75% of stock having any voting power, and unless there shall also be deposited bonds secured by first mortgage upon substantially all the permanent property of such subsidiary, the amount of such pledged bonds being further restricted by the Indenture. Bonds of later series, additional to $4,650,000 principal amount of Series "A" now authorized, may be issued in face amounts equivalent to 75% of the cost or fair market value, whichever is less, of new properties or securities.

Purpose of Issue—Proceeds from these bonds, together with other financing, provided funds required to retire the funded indebtedness of the Company and its subsidiaries, to acquire new properties and for additional working capital and other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date at 105.

Security—Secured by direct first mortgage on mortgageable property, rights and franchises now owned or hereafter acquired (except merchandise held for purposes of sale) and by first collateral lien on properties of all subsidiaries except two small companies. All bonds, mortgage notes and capital stock (except directors' shares) of pledged subsidiaries now outstanding are deposited and pledged with the Trustee, and all bonds, notes and stocks hereafter issued by said subsidiaries must be deposited as additional security under this mortgage.

Maintenance Fund—Company covenants to set aside as a fund for maintenance and/or depreciation in each calendar year beginning with 1927 a sum at least equal to 12½% of its gross operating earnings, not including the cost of telephone tolls and cost of electric current or gas purchased.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills tax, Maryland 4½ mills tax, California and Kentucky 5 mills tax, Iowa 6 mills tax, Kansas 2½ mills tax, Massachusetts 6% income tax on interest, New Hampshire 3% income tax on interest, and any similar taxes hereafter imposed in Maine not exceeding 5 mills personal property tax or 6% income tax on interest refunded.

Legal Opinion—Newman, Poppenhusen, Stern & Johnston, Chicago, and H. B. Carter, Sioux City.

Original Offering—First publicly offered ($4,000,000) in Dec., 1926, at 99 and interest to yield about 5.55% by A. B. Leach & Co., Inc., New York; Halsey, Stuart & Co., Inc., New York; and Porter Fox & Co., Inc., Chicago.

(2)

$1,668,500 TEN-YEAR CONVERTIBLE 6% DEBENTURES; DUE NOVEMBER 1, 1936

Dated November 1, 1926.

Interest Payable May and November 1 at Central Trust Company of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—Central Trust Company of Illinois, Chicago.

Provisions of Issue—Authorized and issued, $1,800,000.

Purpose of Issue—Proceeds, together with other financing, provided funds required to retire funded indebtedness of the Company and its subsidiaries, to acquire new properties, and for additional working capital and other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date at 110.

Convertibility—Convertible into Series A Preferred stock of the Company (par value $100) at the rate of one share of such stock for each $100 in principal amount of Debentures converted, such stock entitled to cumulative dividends at the rate of 7% per annum for two years after conversion, and 8% thereafter. Application for such conversion must be made prior to Nov. 1, 1936, or if the Debentures are called for redemption, application must be made at least 10 days prior to the redemption date.

Security—Debentures are a direct obligation of the Company and are issued under a Trust Agreement which provides that while any of these Debentures are outstanding, the Company will not authorize any mortgage or lien on any of its property other than the bonds issuable under the Trust Indenture securing the First Lien Collateral Gold bonds, and under mortgages collateral thereto, unless the Debentures are equally secured. Under the Trust Agreement, the $1,800,000 of Series A Pfd. stock now authorized will be reserved for the conversion of these Debentures and no issue of Pfd. stock ranking prior to the issue into which these Debentures are convertible can be authorized without the consent of the holders of a majority of the then outstanding Debentures.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills tax, California and Kentucky 5 mills tax, Iowa 6 mills tax, Kansas 2½ mills tax, Massachusetts 6% income tax on interest, New Hampshire 3% income tax on interest, and any similar taxes hereafter imposed in Maine not exceeding 5 mills personal property tax or 6% income tax on interest, refunded.

Legal Opinion—Newman, Poppenhusen, Stern & Johnston, Chicago and H. B. Carter, Sioux City, Iowa.

Original Offering—First publicly offered ($1,800,000) in Dec., 1926, at 97½ and interest to yield about 7.35% by A. B. Leach & Co., Inc., New York, and Porter Fox & Co., Chicago.

Listed—Chicago Stock Exchange.

INCOME ACCOUNT, YEARS ENDED JULY 31
(Latest Available)

	1926	1925
Gross income	$1,340,496	$1,285,611
Operating costs and expenses	686,886	681,760
Repairs and maintenance	80,599	72,789
Taxes	32,164	33,924
Net earnings	$540,847	$497,138
Total interest and dividends on securities in hands of public	$330,800	$330,800
Depreciation	54,984	52,142
Net available for dividends on stocks owned by McGraw Electric Co.	$155,153	$114,196

Officers: Max McGraw, Chairman of Board; Frank Milhollan, Pres.; D. F. Campbell, V-P.; William Saltmarsh, V-P.; Judson Large, Sec.; J. E. Smart, Treas.

Directors: Max McGraw, Frank Milhollan, Hamilton Lport, H. W. Bartling, P. G. Fox.

General Office, 117 North Thirteenth St., Omaha, Neb.

TEXAS POWER CORPORATION

History and Property—Incorporated in 1926, in Texas, for the purpose of constructing, maintaining and operating power plants with all necessary equipment and transmission lines, has under construction, three hydro-electric plants on the Guadalupe River between the towns of New Braunfels and Seguin and about 30 miles northeast of San Antonio. The three dams are to be of reinforced concrete in connection with which all lands, water and flowage rights have been acquired. Based upon extended investigations of rainfall and flowage conditions there will normally be sufficient supply of water to operate the installed capacity of 8,880 k.w. Actual construction work started Dec. 4, 1926. In Feb., 1928, the Manual was officially informed that the plants would start in complete operation March 1, 1928.

Power Contract—The Texas Power Corporation has entered into a thirty year contract expiring Dec. 31, 1957 with Comal Power Company a subsidiary corporation of American Light and Traction Company, and affiliated corporation of San Antonio Public Service Company, under the terms of which Comal Power Company agrees to purchase substantially all of the current which the Texas Power Corporation will be able to generate and deliver. It is estimated the average annual output will be 34,000,000 k. w. h. For the current received Comal Power Company is to pay at the rate of 7½ mills per k. w. h. with the proviso that during the first fifteen years, while the plants are in operation its annual payments to Texas Power Corporation shall be at least $165,000 with the understanding that any excess in payments made over the contract price of 7½ mills per k. w. h. shall be adjusted in succeeding months.

The Comal Power Company has just completed a steam station at New Braunfels with an initial installation of 30,000 k. w., and designed for an ultimate capacity of approximately 120,000 k. w.

The Comal Power Company's transmission lines will connect with and supply current to the lines of San Antonio Public Service Company and South Texas Public Service Company, subsidiaries of American Light & Traction Company, West Texas Utilities Company and Texas Central Power Company, controlled by Middle West Utilities Company and Texas Public Utilities Company, which is operated under supervision of Electric Bond and Share Company.

CAPITAL STOCK

Authorized, 10,000 shares Common and 5,000 shares $7 cumulative Pfd., both of no par value; outstanding, 10,000 shares Common and 4,000 shares Pfd.

Annual Meeting—First Tuesday in January.

FUNDED DEBT

(1)

$1,600,000 FIRST (CLOSED) MORTGAGE 30-YEAR 6% GOLD BONDS; DUE SEPTEMBER 1, 1956

Dated September 1, 1926.

Interest Payable March and September 1, at Continental National Bank & Trust Co., Chicago, or at The First National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable denominations); principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized and issued, $1,600,000; mortgage closed.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date on or before Sept. 1, 1932, at 105; thereafter on or before Sept. 1, 1938, at 104; thereafter on or before Sept. 1, 1944 at 103; thereafter on or before Sept. 1, 1950, at 102; thereafter on or before March 1, 1956, at 101; interest to be added in each case.

Sinking Fund—The Indenture provides for a sinking fund beginning Jan. 1, 1929 and extending in increasing amounts to Jan. 1, 1955. These sinking fund payments aggregate $801,000 and are to be used in redemption of the First Mtge. bonds through purchase or call. Sinking fund should retire one-half of this issue by maturity.

Security—Secured by a direct (closed) first mortgage on all Corporation's real property, dams, generating plants, flowage rights (subject to certain farm mortgages), and franchises, now owned or hereafter acquired, including power contract with Comal Power Company but excluding certain surplus lands not essential to the project nor included in the engineers' valuations.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%. Pennsylvania, California, Connecticut or Kansas 4 mills tax, Maryland 4½ mills tax, District of Columbia, Michigan, and Kentucky Personal Property Taxes not exceeding 5 mills per $1 per annum, Virginia Personal Property Tax not exceeding 5½ mills per $1 per annum and Massachusetts Income Tax on the interest not exceeding 6%, refundable.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,600,000) in October, 1926, at 99 and interest, yielding about 6.07%, by Emery, Peck & Rockwood and Taylor, Ewart & Co., Inc., Chicago, G. H. Walker & Co., St. Louis and Paine, Webber & Co., Boston.

(2)

$400,000 GENERAL MORTGAGE THIRTY YEAR 6½% GOLD BONDS; DUE SEPTEMBER 1, 1956

Dated September 1, 1926.

Interest Payable March and September 1, at The Northern Trust Co., Chicago or in New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable.

Trustee—The Northern Trust Co., Chicago.

Provisions of Issue—Authorized and issued, $400,000.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date on or before Sept. 1, 1932, at 105; thereafter on or before Sept. 1, 1938 at 104; thereafter on or before Sept. 1, 1944 at 103; thereafter on or before Sept. 1, 1950 at 102; thereafter on or before March 1, 1956 at 101.

Sinking Fund—Sinking fund is provided beginning Jan. 1, 1929 and extending in increasing amounts to January 1, 1955. Sinking fund payments aggregate $205,000 and are to be used in redemption of General Mortgage bonds through purchase or call.

Security—Secured by a direct closed mortgage subject to $1,600,000 First Mortgage 6% bonds on all the Company's real property, dams, generating plants, flowage rights (subject to certain farm mortgages), and franchises, now owned or hereafter acquired, including power contract but excluding certain surplus lands not essential to the project nor included in the engineer's valuations.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, California Connecticut or Kansas 4 mills and Maryland 4½ mills taxes, District of Columbia, Michigan, and Kentucky personal property taxes not exceeding 4 mills per $1.00 per annum, Virginia personal property tax not exceeding 5½ mills and Massachusetts Income tax on the interest not exceeding 6% of such interest per annum, refunded upon request within 60 days after payment.

Legal Opinion—Chapman, Cutler & Parker, and Church, Haft & Robertson, Chicago.

Original Offering—First publicly offered ($400,000) in Nov., 1926, at 99½ and interest yielding about 6.55% by Vought & Co., Inc. and L. D. Pierson & Co., Inc., New York.

OFFICERS AND DIRECTORS

Officers: F. H. Willmont, Chairman of Board, San Antonio, Tex.; H. H. Weinert, Pres., Seguin, Tex.; Edward P. Smith, V-P.; G. W. Peck, Treas., Chicago, Ill.; J. M. Abbott, Sec. & Asst. Treas., Seguin, Tex.; A. L. Gagnon, Asst. Sec., Chicago, Ill.

Directors: F. H. Willmont, Chairman; Fidelis G. Chamberlain, San Antonio, Tex.; H. H. Weinert, Seguin, Tex.; Edward P. Smith, G. W. Peck, A. L. Gagnon, Chicago, Ill.; H. S. Hunt, Jackson, Mich.

Offices, Seguin, Tex., and 208 So. La Salle St., Chicago, Ill.

UNTERELBE POWER & LIGHT COMPANY

(Elektricitaetswerk Unterelbe, Aktiengesellschaft)

History and Property—Organized Jan. 23, 1912, under the laws of Germany. Company supplies electric power and light, without competition, in the City of Altona, and certain nearby districts. In addition, Company acquired from the City of Altona the gas and water properties (exclusive of old administration building) which supply the entire requirements of the City and part of the surrounding territory. These gas and water properties will continue to be operated as heretofore through the Altona Gas & Water Company, (Altonaer Gas-und Wasserwerke G. m. b. H.) all of whose capital stock was acquired by the Unterelbe Power & Light Company from the city. The total population thus served directly and indirectly by the Company with electricity, gas and water is approximately 260,000. Sales of electric current, about 37,996,000 k.w.h. in the calendar year 1924 and 44,612,000 k.w.h. in the year 1925, have approximately doubled over a five year period. More than half the current sold in 1925 was delivered to industrial users. Sales of gas have shown normal increase and in the calendar years 1924 and 1925 were in excess of 741,000,000 cubic feet and 813,000,000 cubic feet respectively.

The electric properties owned and operated by the Company consist of a plant having an installed turbo generator capacity of 26,000 k.w. together with high tension lines for transmission of current to outlyi districts and a distribution network within the ci providing for a total connected load in excess of 60,0 k.w. New plant to be presently constructed will bri the total generating capacity to 60,000 k.w., as well extend the transmission and distribution system to ca for the rapidly increasing demand in the territo served.

The gas and water properties directly owned by t Company and operated through its wholly owned su sidiary consist of, (a) gas generating facilities capab of producing daily a total of 3,500,000 cubic feet of co gas (with by-products) and delivering gas to co sumers through about 47,000 meters, and (b) a wat filtration, central pumping and supply plant servi consumers through about 13,000 meters. The Co pany either owns or has the exclusive right to use g and water distributing systems appurtenant to the plants.

As the Company is municipally owned, it is not su ject to a capital charge under the Dawes Plan, and i property is, therefore, free from the so-called Daw Mortgage. However, in accordance with the laws the German Reich, enacted to put the Dawes Plan in effect, the Company is obligated to make annual pa ments, which on the basis of present assessments, a estimated at a maximum of about $35,000 per year.

CAPITAL STOCK

Authorized and outstanding, 20,000,000 R. M. pa value. All owned by the city of Altona.

FUNDED DEBT

(1)

$2,500,000 15-YEAR 7% SINKING FUND MORTGAGE GOL BONDS; DUE OCTOBER 1, 1941

NOTE—These bonds are to be retired from part of th proceeds of the new issue of 25-year 6% Sinking Fund Mor gage bonds described below.

(2)

$5,000,000 TWENTY-FIVE YEAR 6% SINKING FUND MOR GAGE GOLD BONDS, SERIES "A"; DUE APRIL 1, 1953

Dated April 1, 1928.

Interest Payable April and October 1, at the offic of A. G. Becker & Co., New York or Chicago, in gol coin of the United States of America of or equal to th standard of weight and fineness existing on April 1 1928.

Denominations—Coupon, $500 and $1,000; principa may be registered.

Trustees—First Trust & Savings Bank, Chicag Deutsche Warren-Treuhand, A. G., Hamburg, Germa Trustee.

Provisions of Issue—Authorized and issued, $5,000, 000.

Purpose of Issue—Proceeds were used to retire th $2,500,000 15-Year 7% Sinking Fund Mortgage Gol bonds, due Oct. 1, 1941, and for extensions and better ments.

Sinking Fund—Provision is made that the Company shall pay to the Fiscal Agent so long as any of thes Series "A" bonds are outstanding, $60,000 on April 1 1929 and on each April 1, thereafter to and including April 1, 1952 as a sinking fund and these sums are to be applied to the purchase of bonds by the Fisca Agent at public or private sale at a price not exceeding the principal amount and accrued interest to the date of purchase. If the Fiscal Agent shall not, prior to July 15, succeeding any payment into the sinking fund for Series "A" bonds have exhausted all moneys in such sinking fund in the purchase of Series "A" bonds, then any balance of money remaining, provided the amount is at least $5,000, shall be used in the next interest payment for the redemption of bonds at the face value and accrued interest to date of redemption.

Security—Secured by two joint and several land charges in favor of the German Trustee in the principal amount of 11,500,000 and 12,000,000 gold marks, respectively, upon all of the real estate of the Company, subject to a mortgage securing the indebtedness

the City of Altona, the amount of which does not ceed 590,000 Reichsmarks. The land upon which the terworks of the Company is situated is subject to right of repurchase for 10,000 Thalers, former Dan- currency, in case the waterworks should be re- oved. The bonds are further secured by a joint and veral land charge upon certain property of the city Altona in the principal amount of 590,000 gold rks, original running in favor of the Company, but signed by it to the German Trustee, and by a con- yance by way of security of the transmission lines, nsformers and pipelines of the Company and by dge with the German Trustee of the entire out- nding capital stock of Altonaer Gasund Wasser- rke G.m.b.H. of the aggregate par value of 500 ichsmarks.

Tax Provisions—Free from any charges, past, present future, of the German Reich or of any German State, nicipal or other government sub-division or Ger- n taxes. Provision is made that if the Company all be required by law to deduct any such taxes m any payment due thereunder, which the Com- ny may legally assume or pay, the amount of such yments shall be so increased that the net amounts yable after such deductions shall be equal to the l amounts respectively stipulated to be paid.

Listed—Boston Stock Exchange.

COMBINED EARNINGS, YEARS ENDED DECEMBER 31
(The properties now owned and operated by Unterelbe Power & Light Co. and its subsidiary, the Altona Gas & Water Co.)

	1926	1925
Gross earnings, including misc. income	$3,254,875	$3,262,229
Oper. exp., incl. maint., taxes not based on profits, charges under the Dawes Plan, etc.	1,681,540	1,826,026
Net earnings available for int., depre., royalties,* etc.	$1,573,335	$1,436,203
Debenture interest	.....	48
Royalties	.....	494,420
Street lighting	.....	94,933
Depreciation	.....	348,945
Amortization of concession for use of public thoroughfares	.....	7,143
Extraordinary expenses (net)	.....	41,141
Total charges	†	$986,630
Balance of income	†	$449,574

*The city has covenanted to subordinate royalty charges accruing to it for franchises held by the Company, to current interest and sinking fund charges on new bonds. †Not available.

NOTE—All conversions from German to U. S. currency have been made at the rate of 4.2 Reichsmarks or 4.2 Gold Marks to the dollar.

CONSOLIDATED BALANCE SHEET, JUNE 30, 1926

Assets—	
Properties and equipment	$7,187,663
Miscellaneous investment	143
Long term loan to consumer	18,095
City of Altona for outlays	162,228
Construction, repair and operating supplies	194,554
Inventories of gas, by-products of filtered water	48,955
Consumers' & other accts. receiv., less reserves	184,422
Cash	218,554
Other current assets	2,147
Deferred charges	563,005
Total	$8,579,766
Liabilities—	
Funded debt	$2,500,000
Deferred liability	357,143
Accounts payable and accrued	44,237
City of Altona for royalties	53,025
Consumers' advances and deposits	11,077
Employees' pension fund	102,053
Capital	4,761,904
Capital surplus	750,327
Total	$8,579,766

General Office, Flotbeker Chausseeg, 99, Altona, Germany.

PRODUCERS GAS CO.

History and Property—Incorporated Aug. 23, 1900; consolidation of Producers Gas Co. and Allegheny Gas Co. Charter extends for 50 years. Supplies natural gas to Olean, Westons Mills, Friendship, Belfast, Angelica, Portville and Belmont, N. Y., and to part of the city of Allegheny, N. Y. Wells drawn from, 200. Miles of pipe line, 45. Prices: 52 cts. per 1,000 cu ft. for first 10,000 cu. ft.; 57 cts. for next 5,000 cu. ft.; 62 cts. for next 5,000 cu. ft.; 67 cts. for next 5,000 cu. ft.; all over 25,000 cu. ft., 72 cts., with discount of 2 cts. for prompt payment.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $50. Annual meeting, third Tuesday in February.

Dividends—Dividends of 9% paid in 1914 and 1915; 10% in 1916; 8% in 1917; 8% in 1918; 11% each in 1919, 1920 and 1921; 6% each from 1922 to 1927, inclusive.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$181,119	$193,169	$182,727
Oper. exp. & taxes	174,746	170,509	146,537
Net earnings	$6,373	$22,659	$36,190
Other income	452	581	136
Total income	$6,825	$23,240	$36,326
Interest charges	206	.....	640
Net income	$6,619	$23,240	$35,686
Dividends paid	18,000	18,000	18,000
Surplus for year	*$11,381	$5,240	$17,686
Earnings Per Share	$1.10	$3.87	$5.94

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$558,062	$547,111	$538,625
Stocks owned	2,000	2,000	2,000
Materials and supplies	318	3,951	6,794
Current accounts	68,427	82,403	.....
Cash	25,870	8,015	15,698
Notes receivable	.....	.....	95,183
Total	$654,677	$643,481	$658,300
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Notes payable	.....	.....	35,000
Consumers' deposits	7,152	6,757	6,367
Current liabilities	66,240	60,284	62,554
Amortization of capital	216,100	199,874	183,053
Profit and loss surplus	65,185	76,566	71,326
Total	$654,677	$643,481	$658,300

Officers: E. J. Wilson, Pres.; G. S. Russell, V-P.; F. W. Herron, Sec. & Treas.

Directors: E. J. Wilson, G. S. Russell, W. A. Dusenburg, E. H. Wright and F. W. Herron.

Office, Olean, N. Y.

FRESNO TRACTION COMPANY

(Controlled by Southern Pacific Company)

History and Property—Incorporated Sept. 22, 1903, in Cal. Mileage, Dec. 31, 1927, (including Fresno City Ry. Co.), 31.60 miles, of which 16.01 miles is double track; sidings, spurs and other tracks, 2.19 miles. In addition, the Company owns 8.69 miles of single track which is leased to the Southern Pacific of single track which is leased to the Southern Pacific R. R. Co. Gauge, 4 ft. 8½ in. Rail (T), 75 lbs. Overhead trolley. Power purchased from San Joaquin Light & Power Corp. Operates in the City of Fresno and country adjacent thereto. Motor cars—passenger (owned, 5; leased, 30), 35; combination motor cars, 19; service cars, 2; miscellaneous, 4—total cars, 60.

CAPITAL STOCK

Authorized and outstanding, $5,000,000; par, $100. All owned by Southern Pacific Co. Annual meeting, first Wednesday in October, at San Francisco, Cal.

FUNDED DEBT

$619,000 First Gold 5s; dated July 1, 1904; due July 1, 1944; interest January and July 1, at Wells Fargo Bank and Union Trust Co., San Francisco, Trustee. Coupon, $1,000. Authorized issue, $5,000,000. Sinking

fund, 1917 and 1918, $5,000 yearly; 1919 to 1923, $7,500 annually; 1924 to 1928, $10,000 per annum; 1929 to 1933, $12,500 per year; 1934 to 1938, $15,000 annually; 1939 to 1943, $17,500 yearly. The Southern Pacific Co. owns $604,000 of the $619,000 outstanding bonds. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$324,072	$334,088	$345,871
Oper. exp. & taxes	332,999	337,447	349,928
Operating loss	$8,927	$3,359	$4,057
Other income	10,214	10,273	10,416
Total income	$1,287	$6,914	$6,359
Interest, rentals, etc.	51,196	48,818	49,997
Other deductions		3,101	2,786
Total charges	$51,196	$51,919	$52,783
Deficit for year	$49,909	$45,005	$46,424

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Read & equipment	$6,594,183	$6,596,097	$6,596,489
Other investments	11,039	3,742	4,107
Sinking funds	633		
Cash	12,929		
Accounts receivable	2,641	131,196	146,772
Material & supplies	116,178		
Deferred & unadj. items	43,787	47,283	50,953
Corporate deficit	26,549		
Total	$6,807,939	$6,778,318	$6,798,321
Liabilities—			
Capital stock	$5,000,000	$5,000,000	$5,000,000
Funded debt	619,000	630,000	642,000
Due to affiliated cos.	1,054,852	1,002,478	963,000
Current liabilities	39,265	31,015	35,309
Depreciation & other res.	92,274	91,272	88,956
Unadjusted credits	2,548	213	2,353
Profit and loss		23,340	66,703
Total	$6,807,939	$6,778,318	$6,798,321

Officers: W. F. Herrin, Pres.; Paul Shoup, V-P.; F. W. Webster, V-P. & Gen. Mgr., San Francisco, Cal.; G. L. King, Sec., San Francisco; L. A. Lovell, Asst. Sec. & Aud.; M. S. Wade, Treas., Los Angeles.

Directors: W. F. Herrin, Paul Shoup, Frank Mulk, San Francisco; A. G. Wishon, F. W. Webster, Fresno, Cal.

Principal Office, San Francisco, Cal.

FRESNO CITY RAILWAY COMPANY

(Leased to Fresno Traction Company)

History—Incorporated Sept. 25, 1901, in Cal., and absorbed the Fresno City, Belmont & Yosemite R. R. Co. Line owned: 7.35 miles of equivalent single track in Fresno, Cal., all leased to Fresno Traction Co. Gauge, standard. Rail 61 lb. T.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by the Southern Pacific Co., except $1,500 directors' qualifying shares.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross income	$16,7
Income charges	3
Net income	$16,4

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property investment	$646,84
Investment in affiliated cos.—advances	98,3
Total	$745,14
Liabilities—	
Capital stock	$500,0
Premium on capital stock	50,0
Accrued depreciation	12,44
Profit and loss	182,69
Total	$745,14

Officers: W. F. Herrin, Pres.; Paul Shoup, V-P.; G. L. King, Sec., San Francisco; L. A. Lovell, Asst. Sec. & Aud., Los Angeles, Cal.

Directors: W. F. Herrin, Paul Shoup, San Francisco; H. A. Culloden, Los Angeles, Cal.; A. G. Wishon, F. W. Webster, Fresno, Cal.

Office, Pacific Electric Bldg., Los Angeles, Cal.

PHILADELPHIA RAPID TRANSIT COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	Earnings per Share
7% Pfd. (par, $50)	M & N 1	*$23,000,000	$22,977,200	Yes	$3,782,185	7%	$1,369,531	$8.2
Common (par, $50)	J, A, J & O 31	30,000,000	29,996,235	...	2,412,654	8%	2,339,644	4.0

*Increased to $30,000,000 in Feb., 1928 and to be increased to $35,000,000 in June, 1928.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Collateral Trust Gold 5s	Feb. 1, 1957	F & A 1	$5,000,000	$4,015,000	No	Yes	Pd. by Co.
Sinking Fund Gold 5s	Mar. 1, 1962	M & S 1	10,000,000	556,000	No	Yes	Pd. by Co.
Sinking Fund Gold 6s	Mar. 1, 1962	M & S 1	10,000,000	8,893,000	No	Yes	Pd. by Co.
6% Equipment Trust Series "D"	*Feb. 28, 1929	F 28 & A 31	.....	18,000	No	Yes	Pd. by Co.
6% Equipment Trust Series "E"	*Oct. 14, 1929	A & O 14	.....	58,000	No	Yes	Pd. by Co.
6% Equipment Trust Series "F"	*Aug. 15, 1932	F & A 15	3,000,000	1,500,000	No	Yes	Pd. by Co.
5½% Equipment Trust Series "G"	*Aug. 1, 1933	F & A 1	4,750,000	2,850,000	No	No	Pd. by Co.
5½% Equipment Trust Series "H"	*Dec. 15, 1934	J & D 15	2,700,000	1,890,000	No	No	Pd. by Co.
5% Equipment Trust Series "J"	*Feb. 15, 1936	F & A 15	1,700,000	1,530,000	No	No	Pd. by Co.
5% Equipment Trust Series "K"	*Dec. 1, 1936	J & D 1	1,900,000	1,710,000	No	No	Pd. by Co.

†**Total Funded Debt,** at Dec. 31, 1927, $21,460,000. **Interest Accrued** in 1927, $1,354,828.
‡**Amount Available for Interest** in 1927, $5,137,013. **Times Interest Earned** in 1927, 3.79.

***Final maturity dates.** †In addition $3,500,000 Real Estate First Mortgage Gold 6s (of C. Benton Cooper) guaranteed principal and interest by Philadelphia Rapid Transit Co. were issued in 1924, of which there were outstanding at Dec. 31, 1927, $3,214,000. Total Funded Debt, Dec. 31, 1927, also includes $150,000 Real Estate Mortgage. ‡After rentals and sinking fund.

History—Incorporated May 1, 1902, in Pa., with power to "lease and operate the properties and franchises of street passenger railway companies, to supply them with motive power, and for this purpose to enter upon any streets upon which a street passenger railway track is laid (with the consent of the Passenger Railway Co. and of the municipal authorities), for the purpose of constructing the necessary and convenient apparatus and mechanical fixtures for supplying such power; and to invest its corporate funds in the shares of stock of Passenger Railway Companies."

Controlled Companies—The Philadelphia Rapid Transit Co. owns the entire capital stocks of the Broad Street Rapid Transit St. Ry. Co., the Broad Street & Boulevard St. Ry. Co., the Moyamensing & Southwark Rapid Transit St. Ry. Co., the Glenwood Rapid Transit St. Ry. Co., the Parkside Rapid Transit Co., the Cayuga & Torresdale St. Ry. Co., and the Mount Vernon, Shawmont & Roxborough St. Ry. Co. It also owns the entire $10,000 stock of the Motor Real Estate Co., which owns property costing approximately $7,800,000 at Dec. 31, 1927. In Sept., 1911, the Snyder Avenue St. Ry. was chartered in the interest St. Ry. Co., the Bustleton & Byberry Rapid Transit of the Philadelphia Rapid Transit Co., with $140,000 stock, to operate 2.895 miles of track on Snyder Ave., put in operation in Jan, 1912.

Yellow Cab Co. of Philadelphia—Public Service Commission on April 20, 1926, approved the agreement between the City of Philadelphia and P.R.T. authorizing P.R.T. to purchase the stock of Yellow Cab Co. of Philadelphia from the Yellow Taxi Corp of New

ork for approximately $3,000,000. Yellow Cab o. of Philadelphia commenced operation March 21, 21 with 25 cabs. As of Jan. 1, 1928 it operated about 85 cabs. In 1927 Yellow Cab carried approximately 1,131,744 passengers and had a gross revenue of $5,-76,664 and net revenue of $352,888; compared with proximately 12,125,675 passengers, gross revenue of $432,025 and net revenue of $198,339 in 1926; and th approximately 9,440,458 passengers, gross revenue $5,316,504 and net revenue of $434,115 in 1925.

Philadelphia Rapid Transit Air Service, Inc. was incorporated as a subsidiary of the Philadelphia Rapid Transit Co. in June, 1926, with share capital of $250,-00, par $100. Company operated an air service between Philadelphia, Washington and Norfolk between July 6 and Nov. 30, 1926. It was announced that Company retired permanently from air transport field with close of the Sesqui-Centennial Exposition on Nov. 30, 1926. Air mail contract was cancelled in February, 1927.

New Companies.—Since 1920 the following companies have been incorporated and are leased to the Philadelphia Rapid Transit Co. for 999 years:

Name	Date of Incorporation	—Capital Stock— Authorized	Paid in
Germantown Loop Ry. Co.	Mar. 31, 1920	*$23,000	*$23,000
Hasom St. Conect'g Ry. Co.	Nov. 18, 1920	10,000	10,000
Hamplost St. Con'g Ry. Co.	Jan. 10, 1923	10,000	10,000
Frankford St. Connec. Ry. Co.	May 25, 1923	20,000	20,000
Elham & Frank. St. Ry. Co.	May 25, 1923	99,000	99,000
Olga & Frank'd St. Ry. Co.	May 25, 1923	75,000	75,000
Wayne Junc. Connec'g Ry. Co.	May 25, 1923	30,000	30,000

*By authority of the stockholders at a meeting held Sept. 2 1921, the capital stock of the Germantown Loop Ry. Co. as reduced from $32,000 to $23,000 (from 640 shares to 460 shares, par $50).

Lease of Union Traction Co. and other Properties—On July 1, 1902, took over, under 999-year lease, the properties (including leased lines) of the Union Traction Co., at rental of all fixed charges, taxes etc., and dividends upon the capital stock at the rate of 3% for the first two years, 4% for the next two years, 5% for the next two years, and 6% from July 1, 1908, thereafter, the latter rate having been paid since 1909. The lease of the Continental Passenger Ry. Co. expires Jan. 1, 1979, and the balance of the lease is for terms ranging from 900 to 999 years, and expires on various dates beginning Jan. 1, 2784 and ending July 1, 2901. The lease of the Union Traction Co. provides that in case any difference shall arise at any time between the parties relative to the construction of the agreement or the proper performance of any of the covenants contained therein, the question shall be submitted to arbitration. The Union Traction Co. owns the entire capital stock (par, $750,000) of the Electric Traction Co. and ($6,000,-000) of the People's Traction Co. and controls under 999-year lease, from Oct. 1, 1895, the property of the Philadelphia Traction Co. (see next paragraph).

Transfer of Properties—On Feb. 28, 1911, stockholders voted to make an assignment and transfer to Union Traction Co., of Philadelphia, of all the equity and interest of the company in the Market Street Elevated Passenger Ry. Co., viz.: Capital stock, lease and all claims for advances by the Phila. Rapid Transit Co.; likewise all equity and interest in the Doylestown & Willow Grove Ry. Co. and the Darby & Yeadon St. Ry. Co., and in any other street railway properties which the Phila. Rapid Transit Co. had acquired since July 1, 1902 (all leaseholds, stocks, securities, etc., so assigned to the Union Traction Co. as owner, to be reassigned to the Phila. Rapid Transit Co. as lessee, without payment of any further rental or charge whatsoever to the Union Traction Co.), said transfer to be made only upon the condition and consideration that the Union Traction Co. shall guarantee the payment of the principal and interest of a proposed issue of $10,000,000 5% gold bonds of the Phila. Rapid Transit Co.; the Union Traction Co. having the right to require that not more than $2,000,000 of the bonds shall be issued in any one year without the consent of its Board of Directors, and that the proceeds shall be expended on the leased property, or if expended on any other property, such property shall become the property of the Union Traction Co., subject to the conditions of the lease, until the payment by the Phila. Rapid Transit Co. of all the bonds, when such other property shall be returned to and revested in latter Co., and the Union Traction Co. shall further pledge with the Trustee as additional security all of its equity and interest in the Market Street Elevated Passenger Ry. Co.

Motorbus and Trackless Trolley—The initial motorbus installation was made in Sept., 1923, when the Roosevelt Boulevard line connecting Frankford and the North Philadelphia section was placed in operation. Motorbus operations were extended in 1924 and in 1925, nine new routes were installed operating over 150 miles of city streets. This system has been further added to in 1926 by the installation of nine more new routes operating 101 miles over city streets —a net addition of 32% to P. R. T. route mileage accomplished within two years. In 1927 was operating 243 miles of city motorbus routes. The Philadelphia Rural Transit Co. was formed to take care of this new transit facility (see appended statement).

An experimental installation of the trackless trolley was made in 1923 on Oregon Ave., the Southernmost crosstown street, to serve the shipping industries on the Delaware River. To take care of this service the Pennsylvania Rapid Transit Co. was organized in Aug., 1923 (see appended statement).

Excise Tax—On Aug. 2, 1915, Judge Dickinson in the U. S. District Court held that the Company's subsidiaries operated under lease were not carrying on business within the meaning of the excise tax law of 1909 and, therefore, were not liable to the tax.

Franchises—The company acquired numerous franchises for new roads obtained by the Mack-Foerderer syndicate in 1901, some of which were merged with the Market Street Elevated Passenger Ry. Co. and others lapsed. An agreement was entered into with the city under date of July 1, 1907, affecting and regulating the powers, rights and liabilities of the City and the Philadelphia Rapid Transit Co. and its subsidiary companies and providing for the future management and extension of the street railway system controlled by the Philadelphia Rapid Transit Co.

Power—The Philadelphia Rapid Transit Co. purchases power under contracts, as follows:

59,000 Kilowatts from the Philadelphia Electric Co. for use at scattered locations over the system. This contract expires in 1931.

2,000 Kilowatts from The Philadelphia Hydro-Electric Co. for use in Philadelphia and Manayunk. This contract expires June 5, 1943.

In addition to the above purchased power, the Philadelphia Rapid Transit Co. operates its own steam plants in the City of Philadelphia, as follows: 963 Delaware Ave., 40,800 k.w.; 33rd and Market Sts., 11,000 k.w.; and it has 20 power sub-stations at various localities in the city.

Property Valuation—Philadelphia Rapid Transit property valuation has been found by the Public Service Commission of Pennsylvania to be substantially upwards of $200,000,000, and upon this amount the Commission has ruled the Company is entitled to earn a return of not less than 7% per annum or at least $14,000,000. This finding and ruling have been affirmed by Court decision and assures to the Company the right to continuously earn and pay its present fixed charges and dividend.

Income Tax Litigation—On July 15, 1918, the various leased line companies filed suits against the

Philadelphia Rapid Transit Co. to recover income and excess profits taxes paid by them under protest. On Nov. 20, 1918, a ruling was handed down by Common Pleas Court Number 3 (and in Feb., 1919, affirmed by the Pennsylvania Supreme Court) under which the Philadelphia Rapid Transit Co. is held responsible under the terms of the several leases for the payment to the Government of the income and excess profits taxes of the following leased line corporations; Philadelphia Traction Co., Germantown Passenger Ry. Co., 13th & 15th Sts. Passenger Ry. Co., Philadelphia City Passenger Co., Union Traction Co., Ridge Ave. Passenger Ry. Co., Frankford & Southwark Philadelphia City Passenger R.R. Co., Fairmount Park & Haddington Passenger Ry. Co., Citizens Passenger Ry. Co. and the Hestonville, Mantua & Fairmount Passenger R.R. Co. On the other hand however, it was ruled that the following companies must assume liability for their Federal taxes: Continental Passenger Ry. Co., Philadelphia & Darby Ry. Co. and Green & Coates Sts. Philadelphia Passenger Ry.

Employee Ownership—P. R. T. employees have been receiving each since 1922 a co-operative wage equalling from 5% to 10% of their pay. This, with additional deposits from their regular pay, has been deposited in a fund administered by trustees elected by the men. The fund now owns 487,245 shares of Pfd. stock and 78,100 shares of Common stock—par value $14,133,625 of Mitten Bank Securities Corporation, which owns a large amount of P. R. T. stock.

P. R. T. wages during 1925 were based on the rate of 77 cts. per hour. Commencing Jan. 1, 1926 wages were based on the purchasing power of the dollar, plus an added return for efficiency and economy. The basic wage for 1926 was by agreement, 73½c per hour in payment for average services as rendered elsewhere, and will be continued except as it may be adjusted to conform to the purchasing power of the dollar. 3½c of this wage will be invested in stock together with the difference between 73½c and 77c, or 3½c, per hour, the contingent wage dependent upon the continued efficiencies and economies of the men.

Fares—Effective Sept. 14, 1924, Company was authorized by the Pennsylvania Public Service Commission pending final determination to increase the rates in the City of Philadelphia from 6¼c-7c cash fare, to 7½c token—8c cash fare; eliminating the 3c exchange ticket outside the delivery district and establishing 5c as the rate for zones on suburban lines. This increase was upheld in Dec., 1924, by the Pennsylvania Superior Court. The Pennsylvania P. S. Comm. handed down its final determination Jan. 12, 1926, approving rates and fares set forth in temporary order of Sept. 8, 1924, from which no appeal has been taken.

Mileage and Equipment, Dec. 31, 1927—Total mileage, including all lines leased and operated is 703.304 miles, as follows: Philadelphia Traction Co., 334.287 miles; Electric Traction Co., 131.508 miles; Peoples Traction Co., 79.643 miles; Hestonville, Mantua & Fairmount Pass. R. R., 16.455 miles; Doylestown & Willow Grove Ry., 13.505 miles; Philadelphia & Willow Grove Ry., 15.596 miles; Market St. Subway & Elevated Pass. Ry. 23.358 miles; Darby, Media & Chester, 25.603 miles; Darby & Yeadon, 2.724 miles; Snyder Ave. St. Ry., 2.895 miles; Chester & Philadelphia Ry., 13.152 miles; Germantown Loop Ry. Co., 0.258 mile; Philadelphia Navy Yard, 1.220 miles; City of Philadelphia (Bustleton Surface Line, 7.421 miles; Frankford Elevated Ry., 15.453 miles), 22.874 miles; Champlost Street Connecting Ry., 0.535 mile; Northeastern Philadelphia Transit Co., 14.207 miles; Pelham & Frankford Street Ry. Co., 0.102 mile; Tioga & Frankford Street Ry. Co., 5.336 miles; Wayne Junction Connecting Ry. Co., 0.046 mile. Gauge, 5 ft. 2¼ inches. Rail, 90 to 141 lb. steel girder and T. Equipment: Closed cars, 3,029; trackless trolleys, 10; snow sweepers and plows, 173; freight cars, 15; miscellaneous, 95—total, all cars, 3,322.

The construction of the subway around the City Hall and on East Market Street was completed and trains were placed in operation to the eastern terminus, South Street, on Oct. 4, 1908, trains having been previously operated as far east as Second Street station.

City-Built Subways—P. R. T. was under contract in 1926 to pay 4% on city's construction costs of the Frankford Elevated. This city-company contract provided for an increase of 1% per annum until a maximum of 5% per annum was reached in 1927, at which time the rental paid by the company to the city approximated $780,000. Under the 30-year extension, the rental will continue to be $780,000 a year.

In October, 1926, an ordinance providing for 30-year extension of the Frankford Elevated operating agreement was signed by Mayor Kendrick of Philadelphia providing for increase of $125,000 in yearly rental to be paid by Company. The Philadelphia City Council on April 26, 1927, authorized the extension of the lease for 30 years until 1957.

P. R. T. has agreed to pay the city's carrying charges on the Chestnut Street surface car subway. Three years are expected to be consumed in construction. The carrying charges during the first year of actual operation will be added to the capital cost. P. R. T. will thereafter pay approximately $1,000,000 per annum on the $20,000,000 estimated cost of the company's portion of this city-built subway.

P. R. T., to meet the city's views, must undertake during 1928, the making of a contract with the city covering the operation of the $100,000,000 Broad St. subway, which, although built ahead of present needs, is now expected to be ready for operation in 1928.

P. R. T. is planning to supply seats for all passengers and to relieve over-congestion, to which end it will urge the early building of subways on Chestnut Street and on the Parkway from 29th St. to City Hall. $50,000,000 more of city money is required for these necessary subways and perhaps $100,000,000 additional for other subway plans.

P. R. T. stock, under the terms of the 1907 city-company agreement, is entitled to 6% dividends upon the $30,000,000 of paid-in capital cumulatively 1907 to 1957.

The 1907 city-company agreement also provides that P. R. T. stock shall have one-half of all P. R. T. earnings over 6% per annum.

Broad Street subway, if operated as part of P. R. T. system, will eat up P. R. T. earnings which would otherwise be divided 50-50 with the city in time to come. P. R. T. stockholders should be recompensed for this one-half of the estimated added earnings which would later accrue to them if P. R. T. did not now participate in the support of the city-built subways of which no mention is made in the 1907 agreement.

Operations in 1927—P. R. T. co-ordinates every phase of Philadelphia's public passenger transportation and now operates about 664 miles of surface track, 39 miles of elevated and subway track, 243 miles of city motor-bus routes, 1,285 taxicabs and a fast growing system of inter-city bus routes. Revenue and transfer passengers carried by P. R. T. in 1927 totaled 935,412,879, compared with 966,469,223 in 1926, and 926,928,994 in 1925. In 1926 P. R. T. acquired from Northeastern Philadelphia Transit Co. the Frankford, Tacony & Holmesburg Street Ry. (see 1926 Public Utility Manual, page 1895) for a price of $300,000 and operates the line as a feeder for the Frankford Elevated.

Passenger Revenue in 1927—Passenger revenue for the year, including subway-elevated, street cars, motor-buses and taxicabs, was $56,070,709. Operating expenses and taxes were $43,321,422. Surplus earnings after providing for all charges including 7% on Pfd. stock and 8% on Common stock amounted to $13,010.

FUNDED DEBT OF UNDERLYING COMPANIES, DECEMBER 31, 1927

(Formerly included in Balance Sheet of Philadelphia Rapid Transit Company, but now shown in this supplementary schedule, as the guarantee of the interest or principal of Leased Company Funded Debt, does not constitute a present liability of the Lessee.)

Company		Class of Security	Amount
Union Traction Co.	4%	Collateral Mortgage bonds	$1,022,000.00
Electric & Peoples Traction	4%	Stock Trust Certificates	29,730,114.00
Peoples Passenger Ry.	4%	Stock Trust Certificates	4,894,000.00
Union Passenger Ry.	4%	1st Mtge. bonds	500,000.00
Union Passenger Ry.	4%	2nd Mtge. bonds	250,000.00
Market St. Elevated Passenger Ry.	4%	1st Mtge. bonds	10,000,000.00
Philadelphia & Willow Grove St. Ry.	4½%	1st Mtge. bonds	1,000,000.00
Darby & Yeadon St. Ry.	4½%	1st Mtge. bonds	200,000.00
Peoples Passenger Ry.	4%	1st Mtge. bonds	219,000.00
Peoples Passenger Ry.	4%	2nd Mtge. bonds	285,000.00
Peoples Passenger Ry.	4%	Cons. Mtge. bonds	246,000.00
Philadelphia & Darby Ry.	4%	1st Mtge. bonds	100,000.00
Philadelphia City Passenger Ry.	4%	1st Mtge. bonds	200,000.00
Philadelphia City Passenger Ry.	5%	Debenture bonds	100,000.00
West Philadelphia Passenger Ry.	3½%	1st Mtge. bonds	246,000.00
West Philadelphia Passenger Ry.	5½%	2nd Mtge. bonds	750,000.00
Empire Passenger Ry.	3½%	1st Mtge. bonds	200,000.00
Continental Passenger Ry.	4%	1st Mtge. bonds	280,000.00
7th & 19th Sts. Passenger Ry.	5½%	1st Mtge. bonds	100,000.00
3th & 15th Sts. Passenger Ry.	6%	1st Mtge. bonds	400,000.00
3th & 15th Sts. Passenger Ry.	3½%	1st Mtge. bonds	36,000.00
Catherine & Bainbridge Sts. Pass. Ry.	6%	1st Mtge. bonds	150,000.00
Frankford & Southwark Phila. City Passenger R. R.	4%	bonds West End	132,100.00
Frankford & Southwark Phila. City Passenger R. R.	3½%	bonds Lombard & South	150,000.00
Jestonville, Mantua & Fairmount Passenger R. R.	5½%	Cons. Mtge. bonds	1,247,500.00
Doylestown & Willow Grove Ry.	4%	1st Mtge. bonds	500,000.00
Darby, Media & Chester St. Ry.	4½%	1st Mtge. bonds	991,000.00
Real Estate Mtge. & Ground Rents			4,689,365.31
			$58,618,079.31

PHILADELPHIA RAPID TRANSIT SYSTEM, CAPITALIZATION AND RETURN, DECEMBER 31, 1927

Company	Capital Stock Paid in	Funded Debt etc.	Rentals and Dividends	Interest, etc.
Phila. & Darby Ry.	$200,000.00	$100,000.00	$8,000.00	$4,000.00
Phila. City Pass. Ry.	475,000.00	300,000.00	150,000.00	13,000.00
West Phila. Pass. Ry.	750,000.00	996,000.000	150,000.00	49,860.00
Phila. & Grays Ferry Pass. Ry.	310,157.00	.....	49,552.00	.....
Ridge Ave. Pass. Ry.	420,000.00	.....	180,000.00	.....
3th & 15th Sts. Pass. Ry.	334,529.44	436,000.00	240,000.00	21,260.00
Continental Pass. Ry.	580,000.00	280,000.00	120,000.00	11,200.00
7th & 19th Sts. Pass. Ry.	.....	100,000.00	.....	5,500.00
Union Pass. Ry.	925,000.00	750,000.00	285,000.00	30,000.00
Empire Pass. Ry.	600,000.00	200,000.00	36,000.00	7,000.00
Catherine & Bainbridge Sts. Ry.	.....	150,000.00	.....	9,000.00
Citizens Pass. Ry.	192,500.00	.....	140,000.00	.....
Frankford & Southwark Phila. City Pass. R. R.	1,875,000.00	282,100.00	675,000.00	10,534.00
2d & 3rd Sts. Pass. Ry.	771,076.25	.....	254,448.00	.....
Lehigh Ave. Pass. Ry.	600,000.00	.....	60,000.00	.....
Germantown Pass. Ry.	572,860.00	.....	157,500.00	.....
Green & Coates Sts. Phila. Pass. Ry.	150,000.00	.....	60,000.00	.....
Mt. Park & Hadd. Pass Ry.	300,000.00	.....	18,000.00	.....
Phila. Traction	20,000,000.00	.....	1,600,000.00	.....
Electric Traction	8,297,920.00	.....	581,437.60	.....
Peoples Traction	6,000,000.00	.....	608,000.00	.....
Peoples Pass. Ry.	924,055.98	750,000.00	.....	228,113.34
West., Mant. & Fmt. Pass. R. R.	833,281.36	1,247,500.00	110,678.00	68,612.50
Union Traction	10,500,000.00	1,022,000.00	1,800,000.00	41,560.00
Market St. El. Pass. Ry.	.....	10,000,000.00	.....	400,000.00
Darby, Media & Chester St. Ry.	850,000.00	991,000.00	42,500.00	44,595.00
Phila. & Willow Grove St. Ry.	.....	1,000,000.00	.....	45,000.00
Darby & Yeadon St. Ry.	.....	200,000.00	.....	9,000.00
Doylestown & Willow Grove Ry.	.....	500,000.00	.....	20,000.00
Mortgages, ground rents, etc.	.....	4,785,802.91	.....	263,007.43
Maintenance of organizations, etc.	.....	.....	48,957.10	.....
	$56,461,380.03	$24,090,402.91	$7,375,072.70	$1,279,703.93
City of Philadelphia	.....	15,603,992.46	780,199.62	.....
	$56,461,380.03	$39,694,395.37	$8,155,272.32	$1,279,703.93
Philadelphia Rapid Transit	52,973,435.00	21,460,000.00	3,769,174.51	1,245,020.34
	$109,434,815.03	$61,154,395.37	$11,924,446.83	$2,524,724.27

CAPITAL STOCK

Authorized, $30,000,000 Common and $30,000,000 increased from $23,000,000 in Feb. 1928) 7% cumulative Pfd., par $50; outstanding, Dec. 31, 1927, 29,996,235 Common and $22,977,200 Pfd. On March 3, 1925, capital stock was changed from $30,000,000 to $30,000,000 Common and $3,000,000 7% Pfd.; on Jan. 20, 1926, stockholders increased Pfd. stock from $3,000,000 to $18,000,000; on Sept. 22, 1926, stockholders increased Pfd. stock from $18,000,000 to $23,000,000. Of the new $15,000,000 Pfd. stock, $10,000,000 was oversubscribed in Feb., 1926 (see below), and of the remaining $5,000,000, $3,000,000 was issued in connection with the purchase of the Yellow Cab Co. of Philadelphia and $2,000,000 will be used to purchase other taxicab interests operating in Philadelphia.

Proposed Stock Increase—Special meeting of stockholders was to be held June 18, 1928, to vote on increasing Pfd. stock from $30,000,000 to $35,000,000. Proceeds of the additional stock are to be used in relocating tracks of the Market Street subway and construction of car barn and bus terminal.

Subscription Privileges, Etc.—In order to comply with legal requirements, stockholders of record, April 1, 1925, were notified that they were entitled to subscribe to one share of new Pfd. for each 10 Common shares held. Stockholders, however, at the annual meeting had voted to waive their subscription

rights so that the new Pfd. shares might be offered to the car riding public in small lots at par.

Common stockholders of record Jan. 29, 1926, received the right to subscribe to $15,000,000 Pfd. stock, at par $50 per share, on the basis of one share of Pfd. for each two shares of Common. Subscription privilege expired Feb. 15, 1926, when payment in full was due. Stockholders, however, were requested to waive their subscription rights by refraining to make application, this being in continuation of the plan for car riders participation in ownership.

Common stockholders of record September 30, 1926, were offered the right until Oct. 14, 1926, to subscribe to Preferred stock at $50 a share in the ratio of one share for each six shares held. Stockholders were again requested to waive their rights so that stock could be offered to car riders.

Common stockholders of record Feb. 10, 1928, received the right to subscribe to $7,000,000 additional 7% Pfd. stock at $50 per share in the ratio of one new share for each 4 2/7 shares of Common stock held. Stockholders were again requested to waive their subscription rights.

Preferred Stock Provisions—Has preference for assets and dividends, and in dissolution or liquidation, whether voluntary or involuntary, is entitled to par and accrued dividends, plus 6% interest per annum, on any dividends in arrears. Pfd. stock has no voting power except in the default of two semi-annual dividend payments in which case it will have equal voting power share for share with Common. Without the consent of holders of Pfd. stock, no class of stock having priority or preference over present Pfd. shall be authorized or issued except for the purpose of acquiring or retiring securities having a prior claim including stocks and bonds of leased companies to which rental is paid. Present Pfd. stock may be increased and other classes of Pfd. stock with different preference, restrictions, etc., (except as above stated), may be issued without the consent of present Pfd. stock.

Callability—Pfd. stock is subject to redemption as a whole or in part on any dividend date on 60 days' notice at 110% and accrued dividends, plus 6% per annum on any dividends in arrears.

Transfer Agents—Stock transferred at the Company's office, Philadelphia, and by the Chemical National Bank of New York.

Registrars—The Real Estate-Land Title & Trust Co., Philadelphia and The Equitable Trust Co. of New York.

Annual Meeting—Third Wednesday in March.

Listed—New York and Philadelphia Stock Exchanges.

Price Range (Phila.)—

Common—	1927	1926	1925	1924	1923	1922	1921	1920
High	56	58	52	37⅛	37½	35¼	19⅜	28
Low	49¾	51	40	30½	30	17⅝	15¼	12½
Preferred—								
High	52½	..	..	..	..	..	..	..
Low	50	..	..	..	..	..	..	..

Dividends—Initial Com. divd. of $1 per share (2%) was paid Oct. 11, 1916; 2½% paid Jan. 31, 1917; 2½% July 31, 1917; 2½% Jan. 31, 1918; 2½% July 31, 1918; 2½% Jan. 31, 1919; 2½% July 31, 1919; 2½% Jan. 31, 1920. First and second quarterly dividends of 1½% each or a total of $1.50 per share paid July 31, 1922. Quarterly dividend No. 3 of 1½ %or 75 cts. per share paid Oct. 31, 1922; quarterly dividends Nos. 4, 5, 6 and 7 of 1½% each were paid J, A, J & O 31, 1923; 1924, 6%; Jan. 31, 1925, 1½%; April 30, 1925, 2%, which quarterly rate maintained to date.

Initial semi-annual dividend of 3½% on Pfd. stock paid Nov. 2, 1925, which rate paid to date.

Dividends on Pfd. stock are declared the third Mondays of March and Sept. and are paid May and Nov. 1. Dividends on Common stock are declared the third Mondays of M, J, S & D, and are paid J, A, J & O 31.

FUNDED DEBT

(1)

$4,015,000 COLLATERAL TRUST GOLD 5s; DUE FEBRUARY 1, 1957

Dated December 15, 1908.

Interest Payable February and August 1 at Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Pennsylvania Company for Insurances on Lives and Granting Annuities.

Provisions of Issue—Authorized and issued, $5,000,000, of which $985,000 have been retired by sinking fund.

Callability—Subject to call as a whole at 105 and int. on any int. date upon 6 months' notice to the Trustee, and for sinking fund at same figure at any interest period without such notice.

Sinking Fund—A sinking fund began Feb. 1, 191 to which is payable $34,300 annually, plus interest on bonds already cancelled, which fund is to be applied to redemption of bonds at 105, if not purchasable at lower price.

Security—Secured by deposit with the Trustee of the following securities, 7,859 shares of stock of West Philadelphia Pass. Ry., 6,046 shares of the Union Pass. Ry., 8,000 shares (entire issue) of Catherine & Bainbridge Sts. Ry., 705 shares of Philadelphia & Darby Ry., 81 shares of Philadelphia City Pass. Ry., 50 shares of Thirteenth & Fifteenth Sts. Pass. Ry., 92 shares of Philadelphia & Grays Ferry Pass. Ry., 5,900 shares of Empire Pass. Ry., 22,456 shares (entire issue) of Twenty-second St. & Allegheny Ave. Pass. Ry., 20,000 shares (entire issue) of Lehigh Ave. Ry., 1,200 shares (entire issue) of Philadelphia, Cheltenham & Jenkintown Pass. Ry., 4,780 shares of Pfd. stock and 294 shares of Com. of Hestonville, Mantua & Fairmount Pass. R. R., $234,698 certificates of indebtedness of Catherine & Bainbridge Sts. Ry., and $2,221,695 certificates of indebtedness of Twenty-second St. & Allegheny Ave. Pass. Ry. Some of these securities are owned by the Philadelphia Traction Co. and the Union Traction Co., and were borrowed for the purpose by the Philadelphia Rapid Transit Co., the latter company pledging to the two companies as collateral therefor the entire capital stock of the Market Street Elevated Passenger Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,500,000) in 1908 by Drexel & Co., Philadelphia, at 101 and interest.

Listed—Philadelphia Stock Exchange.

(2)

$556,000 5% AND $8,893,000 5% (WITH 1% ADDITIONAL INTEREST COUPON ATTACHED) SINKING FUND GOLD BONDS; DUE MARCH 1, 1962

Both Issues Dated March 1, 1912.

Interest Payable March and September 1 at Bank of North America & Trust Co., Philadelphia.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued $10,000,000, of which $469,000 5s and $82,000 6s had been retired by sinking fund as of Dec. 31, 1927.

Callability—Subject to call as a whole, or in part by lot for sinking fund, on March 1 in any year to maturity, at 105 and interest.

Sinking Fund—A sinking fund amounting to $35,000 per annum began Jan. 15, 1917, interest on bonds redeemed by sinking fund accruing for the benefit of the sinking fund.

Security—These bonds are secured on all the Philadelphia Rapid Transit Co. leasehold interests in or to, the property of the Market St. Elevated Passenger Ry.

Co., bearing date Jan. 19, 1903, and amended July 1, 1907, on all claims for advances heretofore made or that may hereafter arise by reason of future advances of the P. R. T. Co. or by Union Traction Co., the Market St. Elevated Passenger Ry. Co., and on all shares of the capital stock of the latter company, being 56,000 shares of the par value of $50 each, all of said shares being full paid and non-assessable. By supplemental indentures dated March 1, 1925, these bonds are additionally secured by direct mortgage lien on the Market Street Elevated Passenger Ry. Co. property, subject to $10,000,000 First (Closed) Mortgage 4s, due 1955, of that Company, and Philadelphia Rapid Transit Co. obligated itself to pay 1% additional interest annually on the $8,975,000 bonds sold in March, 1925.

Guaranty—Guaranteed as to principal and 5% interest by endorsement by Union Traction Co. of Philadelphia.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania Four Mill Tax.

Original Offering—First publicly offered ($2,000,000) in March, 1912, by Drexel & Co., Philadelphia. $8,975,000 5s (with 1% additional interest coupons attached) were publicly offered in March, 1925, by Dillon, Read & Co., at 99 and interest, to yield over 5.06%.

(3)

$88,000 EQUIPMENT TRUST 6% CERTIFICATES, SERIES "D"; DUE $9,000 EACH FEB. 28 TO 1929

Dated March 1, 1919.

Interest Payable February 28 and August 31, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee.

Original Issue—$88,000.

Callability—Subject to call at 102½ and interest.

Security—Secured on 25 double end safety cars costing about $148,125.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$58,000 EQUIPMENT TRUST 6% CERTIFICATES, SERIES "E"; DUE $29,000 EACH OCTOBER 14 TO 1929

Dated October 15, 1915.

Interest Payable April and October 14 at Bank of North America & Trust Co., Philadelphia, Trustee.

Original Issue—$288,000.

Callability—Subject to call at 102½ and interest.

Security—Secured on 30 double end, double truck vestibule cars costing about $421,148.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$1,500,000 EQUIPMENT TRUST 6% CERTIFICATES, SERIES "F"; DUE $150,000 EACH FEBRUARY AND AUGUST 15 TO AUGUST 15, 1932, INCLUSIVE

Dated August 15, 1922.

Interest Payable February and August 15 at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee.

Denominations—Coupon, $500 and $1,000.

Original Issue—$3,000,000.

Security—Secured on 500 double truck near side closed vestibule cars, and 100 double truck suburban closed cars costing about $3,103,025. Series "F" completes repayment of government advances during the war, and covers (as to the entire $3,000,000) 210 wartime U. S. Government cars and 500 near side cars formerly under Series "C", which has been retired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(6)

$2,850,000 EQUIPMENT TRUST 5½% CERTIFICATES, SERIES "G"; DUE SEMI-ANNUALLY IN EQUAL INSTALLMENTS FEBRUARY AND AUGUST 1 TO AUGUST 1, 1933, INCLUSIVE

Dated February 1, 1923.

Interest Payable February and August 1 at Bank of North American & Trust Co., Philadelphia, Trustee.

Denominations—Certificates in denominations of $500 and $1,000, which may be registered; interest warrants attached thereto payable to bearer.

Original Issue—$4,750,000. Issued under the Philadelphia Plan.

Callability—Certificates are not subject to call prior to maturity.

Security—These certificates are to be issued in part payment for new standard street railway equipment consisting of: 520 standard double truck closed vestibule street railway passenger cars; 34 double truck snow plows and sweepers; 20 double truck construction and supply cars; 1 double truck crane car for elevated-subway operation; and 1 double truck crane car for surface operation, to be constructed at a cost of not less than $6,500,000. Full title to this equipment is to be vested in the Trustee for the benefit of the Certificate holders, and the Philadelphia Rapid Transit Co. will lease the equipment during the life of these Certificates. Under the terms of the lease the Philadelphia Rapid Transit Co. will covenant to maintain and keep this equipment in good order and repair, to replace any of said equipment that may be worn out, lost or destroyed, and to pay rentals equal to the par value of maturing certificates, all dividends, and other charges of the trust.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Duane, Morris & Hecksher, Philadelphia, Pa.

Original Offering—First publicly offered ($4,750,000) in Jan., 1923, at prices to yield from 5.20% to 5.50% according to maturity, by Dillon, Read & Co., New York.

(7)

$1,710,000 5½% EQUIPMENT TRUST CERTIFICATES, SERIES "H"; DUE $270,000 ANNUALLY DECEMBER 15, 1928, TO DECEMBER 15, 1934, INCLUSIVE

Dated December 15, 1924.

Interest Payable June and December 15 at Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Trustee.

Denominations—Certificates of $1,000 denomination, which may be registered. Interest warrants attached thereto payable to bearer.

Original Issue—$2,700,000. Issued under the Philadelphia Plan.

Callability—Certificates are not subject to call prior to maturity.

Security—Secured on 100 standard double truck closed vestibule street railway passenger cars, 125 double deck motor coaches, 77 single deck motor coaches and 11 motorized service units. Cars will cost approximately $1,200,000. Motor equipment will cost approximately $2,572,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,700,000) in December, 1924, by Dillon, Read & Co., New York, at 100.75 and interest, yielding 4.75% for the 1925 maturity; 100.50 and interest, yielding 5.25% for the 1926 maturity and at par and interest for the remaining maturities.

(8)

$1,530,000 EQUIPMENT TRUST 5% CERTIFICATES, SERIES "J"; DUE $170,000 ANNUALLY FEB. 15, 1928 TO 1936

Dated February 15, 1926.

Dividends Payable February and August 15 at Fidelity-Philadelphia Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $1,700,000; outstanding, Dec. 31, 1927, $1,530,000. Issued under Philadelphia Plan.

Security—Secured on 50 standard double-truck vestibule street railway passenger cars, 75 double-deck motor coaches and 60 single-deck motor coaches, cost-

ing not less than $2,283,750 of which more than 25% paid in cash. Title to the equipment is vested in Trustee, for the benefit of certificate holders. The railway cars will be leased to Philadelphia Rapid Transit Co. and the motor vehicles to Philadelphia Rural Transit Co. at rentals sufficient to pay the certificates and dividend warrants and other charges as they mature.

Guaranty—The covenants of the Philadelphia Rural Transit Co., including the payment of rentals, will be guaranteed unconditionally by Philadelphia Rapid Transit Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,700,000) in Feb., 1926, at prices to yield 4.75% to 5.35% according to maturity, by Dillon, Read & Co., New York, etc.

(9)

$1,710,000 EQUIPMENT TRUST 5% CERTIFICATES, SERIES "K"; DUE $190,000 ANNUALLY, DECEMBER 1, 1928 TO 1936

Dated December 1, 1926.

Interest Payable June and December 1, at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Original Issue—$1,900,000; outstanding, Dec. 31, 1927, $1,710,000. Issued under the Philadelphia Plan.

Security—Secured on 100 single deck gas-electric motorbuses, 50 double deck gas-electric motorbuses, 51 gas-electric parlor car motorbuses, 17 gas-electric motor service units, costing about $2,720,000 of which Company paid about 30% in cash.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania 4 mills tax.

Original Offering—First publicly offered ($1,900,000) in February, 1927, by Dillon, Read & Co., New York, at price to yield from 4.75% to 5.30% according to maturity.

(10)

$150,000 REAL ESTATE MORTGAGE WAS ALSO OUTSTANDING AS OF DECEMBER 31, 1927

GUARANTEED BONDS

(11)

$3,214,000 (MORTGAGE CLOSED) REAL ESTATE FIRST GOLD 6s (OF C. BENTON COOPER); DUE JANUARY 1, 1944

Dated January 1, 1924.

Interest Payable January and July 1 at The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Authorized and issued $3,500,000; outstanding, Dec. 31, 1927, $3,214,000. Issued for the purpose of retiring existing liens on mortgage properties, for the financing in part of the construction of a new terminal which will cost at least $1,500,000, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice beginning Jan. 1, 1927 until Jan. 1, 1937, inclusive, at 105 and interest thereafter on any interest date at 102½ and interest.

Sinking Fund—A sinking fund is provided sufficient to retire $103,000 per annum, payable on Jan. 1 each year beginning Jan. 1, 1927, to be applied to the purchase of bonds in the open market, at or below the current redemption price, or if not so obtainable to call by lot at that price.

Security—Secured by a first mortgage on three modern car terminals of brick and concrete construction two of which were built in 1912 and 1913 and the third is to be constructed at a cost of at least $1,500,000, and on certain other properties in the City of Philadelphia used or held by the Philadelphia Rapid Transit Co. for the operation of its street railway system.

Guaranty—Guaranteed principal and interest by endorsement by the Philadelphia Rapid Transit Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company assumes Pennsylvania Four Mills State Tax and Personal Property Tax.

Legal for Trust Funds in Pennsylvania.

Original Offering—First publicly offered ($2,500,000) in Jan., 1924, at par and interest, by Dillon, Read & Co.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Philadelphia Rapid Transit System)

	1927	1926	1925
Gross passenger earnings	$56,070,709	$57,196,610	$49,911,70
Other operating revenue	857,437	830,943	691,88
Total revenues	$56,928,146	$58,027,553	$50,603,58
Maintenance and deprec.	8,958,699	9,278,332	8,760,90
Power operation	3,385,004	3,613,393	3,738,72
Conducting transportation	20,093,203	20,566,841	16,612,47
General	7,577,753	8,047,591	5,350,88
Taxes, including paving tax	3,306,762	3,409,098	3,070,88
Total expenses	$43,321,422	$44,915,255	$37,533,85
Operating income	$13,606,724	$13,112,298	$13,069,72
Non-operating income	980,918	707,506	416,85
Total income	$14,587,642	$13,819,804	$13,486,58
Rentals	8,490,429	8,544,695	
Interest	1,354,828	1,379,803	$10,064,95
Sinking fund—City contract	180,000	180,000	
Frankford Elevated rental	780,200	687,611	648,12
Total charges	$10,805,457	$10,792,109	$10,713,07
Surplus after charges	3,782,185	3,027,695	2,773,51
Divds. on P. R. T. stock:			
Preferred	$1,369,531	$607,766	$60,871
Common	2,399,644	2,399,644	2,399,639
Balance after dividends	$13,010	$20,285	$313,00
*Times Interest Earned	3.79	3.19	†
Earnings Per Share—			
Preferred	$8.23	$10.83	$105.24
Common	4.02	4.03	4.52

*After rentals and sinking fund—city contract. †Not available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(For later figures see Consolidated Income Account above)

	1925	1924	1923	1922	1921	1920
Gross passenger earnings	$48,827,952	$45,002,700	$44,249,361	$41,758,763	$41,514,830	$37,989,623
Other operating revenue	715,818	652,317	681,130	770,780	905,775	817,731
Railway operating revenue	$49,543,770	$45,655,018	$44,930,491	$42,529,543	$42,420,605	$38,807,354
Way and structure and equipment—maintenance, renewals and depreciation and operation	$8,136,800	$8,136,800	$8,136,800	$8,136,800	$8,136,800	$5,595,600
Power—maintenance, renewals & depre. & oper.	4,162,315	4,196,244	4,839,907	3,898,907	3,675,788	3,728,027
Conducting transportation	15,898,894	14,313,233	14,003,087	13,383,431	13,330,471	13,748,926
General	5,415,593	4,593,020	4,060,159	3,548,379	3,291,710	3,521,359
Taxes, including paving tax	3,030,825	2,760,904	2,695,708	2,586,000	2,798,820	2,601,254
Total expenses	$36,644,427	$34,000,200	$33,735,661	$31,553,517	$31,233,589	$29,195,166
Operating income	$12,899,343	$11,654,818	$11,194,830	$10,976,026	$11,187,016	$9,612,188
Non-operating income	817,798	560,471	621,539	706,429	490,435	592,987
Total income	$13,717,141	$12,215,289	$11,816,369	$11,682,455	$11,677,451	$10,205,175
Interest	$1,399,370	$1,371,252	$1,161,637	$1,020,090	$1,029,245	$976.463

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1925	1924	1923	1922	1921	1920
entals	$9,131,044	$8,853,672	$8,674,732	$8,683,087	$8,720,913	$8,726,647
nking fund—City Contract	180,000	180,000	180,000	150,000	120,000	120,000
Total fixed charges	$10,710,414	$10,404,924	$10,016,369	$9,853,177	$9,870,158	$9,823,110
Net income	$3,006,727	$1,810,365	$1,800,000	$1,829,278	$1,807,293	$382,065
Times Interest Earned	3.15	2.32	2.55	2.79	2.75	1.39
arnings Per Share—						
Preferred	†$114.09	.....	.....	.....	.....	.....
Common	‡4.93	$3.02	$3.00	$3.05	$3.02	$0.64

*After deducting rentals and sinking fund—City Contract. †Based on $1,317,700 Pfd. stock outstanding Dec. 31, 1925. after allowing 3½% ($46,120) on $1,317,700 Pfd. stock outstanding, Dec. 31, 1925.

GENERAL BALANCE SHEET, DECEMBER 31
(Philadelphia Rapid Transit Co. Proper)

Assets—	1927	1926	1925	1924	1923	1922
oad and equipment expense for leased lines						
real estate, sinking fund, etc.	$89,144,594	$74,757,269	$65,386,256	$61,722,361	$60,870,520	$54,134,439
pecial deposit for purchase Series "H" equip ment	.....	.....	.....	2,700,000	.....	.....
eserve fund for renewals	5,000,000	5,000,000	2,500,000	505,679	575,179	3,075,179
ash	1,536,912	7,212,757	2,644,140	2,191,786	839,491	1,410,119
aterial and supplies, accounts receivable, etc	4,073,082	3,648,430	2,182,795	2,238,619	2,784,472	1,940,617
eferred assets and unadjusted debits	1,280,505	1,823,478	1,077,568	1,648,034	1,773,906	2,521,022
Total	$101,035,093	$92,441,934	$73,790,759	$71,006,478	$66,843,568	$63,081,376
Liabilities—						
ommon stock	$29,996,235	$29,996,235	$29,996,235	$29,996,110	$29,991,660	$29,991,660
eferred stock	22,977,200	13,982,600	1,317,700	.....	.....	.....
nded debt	21,460,000	22,866,000	22,393,000	22,624,000	21,220,000	17,502,000
d. accounts and other current liabilities	3,472,645	4,307,760	1,549,323	1,614,887	1,854,144	1,210,555
ccrued rentals, interest and taxes	4,991,052	4,677,800	3,589,134	3,184,159	3,158,236	2,983,011
ividend payable	599,911	599,911	599,911	449,929	449,787	449,787
eserve accounts:						
Renewals and depreciation	8,073,768	7,174,062	6,358,507	6,342,824	3,866,900	4,737,993
Accident	2,256,142	2,165,109	1,631,875	981,806	541,549	444,631
Other reserves	200,703	183,269	176,157	160,181	144,459	121,075
rplus	7,007,437	6,489,188	6,178,917	5,652,582	5,616,833	5,640,664
Total	$101,035,093	$92,441,934	$73,790,759	$71,006,478	$66,843,568	$63,081,376

*Representing a continuing liability not to be presently met.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
ash	$1,536,912	$7,212,757	$2,644,140	$2,191,786	$839,491	$1,410,119
aterial and supplies, accounts receivable, etc	4,073,082	3,648,430	2,182,795	2,238,619	2,784,472	1,940,617
Total	$5,609,994	$10,861,187	$4,826,935	$4,430,405	$3,623,963	$3,350,736
Current Liabilities						
idited accounts, wages payable and other current liabilities	$3,472,645	$4,307,760	$1,549,323	$1,614,887	$1,854,145	$1,210,555
vidends payable	599,911	599,911	599,911	449,929	449,787	449,787
Total	$4,072,556	$4,907,671	$2,149,234	$2,064,816	$2,303,932	$1,660,342
t Working Capital	$1,537,438	$5,953,516	$2,677,701	$2,365,588	$1,320,031	$1,690,394
crued rentals, interest and taxes (representing a continuing liability not to be presently met)	$4,991,052	$4,677,800	$3,589,134	$3,184,159	$3,158,236	$2,983,011

Officers: R. T. Senter, Pres.; R. F. Tyson, V-P.; . M. Campbell, Compt.; R. C. Williams, Aud.; G. W. avis, Treas.; F. B. Ellis, Sec.

Executive Committee: W. K. Myers, Chrm.; A. A. itten, J. A. Queeney, R. T. Senter.

Directors: A. A. Mitten, Chrm. of Board; W. K. Myers, J. A. Queeney, R. T. Senter, R. F. Tyson, L. W. Hackett, J. P. McCartney, J. J. Haungs, Hon. Harry S. Mackey, Ernest T. Trigg, J. S. McCulloch.

General Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia, Pa.

CHESTER & PHILADELPHIA RAILWAY

(Controlled by Philadelphia Rapid Transit Co.)

History and Property—Inc. June 29, 1910, under the ws of Pennsylvania as successor to Philadelphia & hester Ry. sold under foreclosure May 31, 1910 (see anual for 1910, page 1785, or apply to our Informa- on Department). Franchises perpetual. Company vns a line of street railway, approximating 13.152 iles of track, including branches. The main line arts at Third and Market Streets, Chester, Pa., and ns to Bow Creek (Philadelphia City Line), where it nnects with the Philadelphia Rapid Transit Co., in der to give through service to Market Street Subay, City Hall terminus. The greater part of this ne is double-tracked. A branch line extends from e Delaware River at Essington, crossing the main ne, to Moore Station on the Pennsylvania R. R. perated by the Philadelphia Rapid Transit Co. under greement executed April 11, 1911, effective Feb. 14, 11, for a term of 30 years, by which the Chester & hiladelphia Ry. receives 35% of gross receipts. auge, standard.

CAPITAL STOCK

Authorized and outstanding, $485,000; par, $50. The Philadelphia Rapid Transit Co. owns 51% of the outstanding issue. Annual meeting, second Monday in January.

Dividends—Dividends in 1917: Jan. 17, 3¾%; April 16, 2%; July 14, 2%; Oct. 15, 2%; in 1918: Jan. 15, 6¼%; April 15, 2%; July 15, 2%; Oct. 15, 2%; in 1919: Jan. 15, 3%; April 15, 2%; July 15, 2%; Oct. 15, 2%; in 1920: Jan. 15, 11¼%; April 15, July 15 and Oct. 15, 2% each; in 1921: Jan. 15, 8¼%; April 15, July 15 and Oct. 15, 3% each; in 1922: Jan. 16, 3¼%; April 15, July 15 and Oct. 16, 2% each; in 1923: Jan. 15, 3¼%; April 16, July 16 and Oct. 15, 2% each; in 1924: Jan. 15, 6¾%; April 15, July 15 and Oct. 15, 2% each; in 1925: Jan. 15, 2¾%; April 15, July 15, and Oct. 15, 2% each; in 1926: Jan. 15, 2¼%; April 15, July 15 and Oct. 15, 2% each; in 1927, Jan. 17, 3¼%; April 15, July 15 and Oct. 15, 2% each.

FUNDED DEBT

$600,000 First Mortgage 5% Gold bonds; dated July 1, 1910; due July 1, 1940; int. Jan. and July 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized and issued, $600,000 of which $339,600 (on which interest is paid) had been reacquired by sinking fund to Dec. 31, 1927. Subject to call in whole or in part on any interest date on four weeks' notice, at 105 and interest. Sinking Fund: In accordance with the terms of the operating agreement with the Philadelphia Rapid Transit Co., after payment of the interest on the mortgaged debt and a dividend not exceeding 4% on the capital stock of the Company, 50% of the balance must be used either for the purchase or call of these bonds or for new construction which becomes subject to this mortgage. A first lien on the entire property now owned or here after acquired.

Listed—Philadelphia Stock Exchange.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%.

Legal Opinion—David Wallerstein, Philadelphia Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Rental received (35%)	$106,462	$113,059	$105,86
Other receipts	17,231	14,970	13,12
Total income	$123,693	$128,029	$118,99
Expenses, taxes & bond int.	49,475	49,759	46,32
Net earnings	$74,218	$78,270	$72,66

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Construction & equip.	$1,218,100	$1,218,100	$1,218,100
Cash	15,963	79,579	65,076
U. S. bonds & Certfs. of indebtedness	20,000	20,000	20,000
Accounts receivable	8,545	9,855	9,314
Interest receivable	8,667	6,327	5,587
Total	$1,271,275	$1,333,861	$1,318,077

Liabilities—	1927	1926	1925
Capital stock	$485,000	$485,000	$485,00
Funded debt	260,400	354,000	383,60
Taxes accrued	21,159	21,194	15,70
Dividend payable	10,912	15,762	10,91
Sinking fund reserve	347,905	257,792	229,68
Profit and loss	145,899	200,113	193,17
Total	$1,271,275	$1,333,861	$1,318,07

Officers: C. E. Ebert, Pres.; I. H. Silverman, V-P. & Treas.; H. S. Meredith, Sec.; F. B. Ellis, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: I. H. Silverman, Morris Wolf, F. B. Ellis, C. J. Kelley, C. E. Ebert, Benj. Wolf, H. S. Meredith, Philadelphia.

Office, Mitten Bldg., Northwest Cor. Broad & Locust Sts., Philadelphia, Pa.

DARBY & YEADON STREET RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Inc. June 15, 1904, in Pa. Leased to Philadelphia Rapid Transit Co. on June 15, 1904, for 999 years. Line of road: Philadelphia County line to Darby, 2.724 miles.

CAPITAL STOCK

Authorized, $15,000; par, $50; paid in $500, 100 shares at $5 each. All controlled by Philadelphia Rapid Transit Co. Annual meeting, second Monday in January.

FUNDED DEBT

$200,000 First Gold 4½s; dated Dec. 1, 1904; due Dec. 1, 1934; int. June and Dec. 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Subject to call at 105 on any int. date. Guaranteed, principal and interest, by endorsement, by the Philadelphia Rapid Transit Co., secured by a closed first mortgage on all the property, rights and franchises of the Company now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $500; funded debt, $200,000; Philadelphia Rapid Transit, $71,265—total, $271,765. Contra: construction and equipment, $271,765—total $271,765.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: The above and L. H. Freiling, Philadelphia.

Office, Mitten Bldg., N. W. Cor. Broad and Locust Sts., Philadelphia, Pa.

DARBY, MEDIA & CHESTER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorp. June 30, 1906 in Pa.; consolidation of Philadelphia, Morton & Swarthmore Ry. Co. and Media Middletown, Ashton & Chester Elec. Ry. Co. Leased to the Philadelphia Rapid Transit Co. for 999 years at a rental of $8,750 for the first year, $17,000 for the second and third years, $25,500 for the fourth year, $34,000 for the fifth year and $42,500 for the sixth year and each year thereafter. Line connects Philadelphia, Darby, Rutledge, Morton, Moylan, Media and Chester, Pa. Total track, 25.603 miles. Gauge, 5 ft. 2¼ in.

CAPITAL STOCK

Authorized and outstanding, $850,000; par, $50. Annual meeting, second Monday in January.

FUNDED DEBT

$991,000 First Gold 4½s; dated July 1, 1906; due July 1, 1936; int. Jan. and July 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized $1,500,000. Guaranteed, principal and interest by endorsement, by Philadelphia Rapid Transit Co. Subject to call as a whole or in part at 102½ and interest on any interest date upon four weeks' notice. Secured by a first mortgage on all the property, rights and franchises of the Company now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%. Pennsylvania tax exempt.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $850,000; funded debt, $991,000—total, $1,841,000, representing cost of construction and equipment.

Officers: Wm. H. Hammett, Pres.; David Wallerstein, V-P.; E. J. Hasse, Sec. & Treas., Philadelphia.

Directors: E. J. Hasse, R. A. Whiley, David Wallerstein, Wm. H. Hammett, Philadelphia; one vacancy.

Office, Philadelphia, Pa.

DOYLESTOWN & WILLOW GROVE PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorp. May 15, 1900, in Pa., as successor to the Bucks County Ry., sold under foreclosure March 14, 1900. Leased to the Philadelphia Rapid Transit Co. for 999 years, from July 1, 1902. Total track, 13.505 miles. Gauge, 5 ft. 2¼ in. Rail, 90-lb T.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $50. All ontrolled by Philadelphia Rapid Transit Co. Annual eeting, second Monday in January.

FUNDED DEBT

$500,000 First Gold 4s; dated 1900; due June 1, 930; int. June and Dec. 1, at The Real Estate-Land itle & Trust Co., Philadelphia, Trustee. Coupon, 1,000; principal may be registered. Interest guarnteed by Philadelphia Rapid Transit Co. Company ays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $500,000; funded debt, $500,000; adnces from other companies, $36,127—total, $1,036,-27. Contra: Construction and equipment, $1,031,936; ofit and loss, $4,191—total $1,036,127.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. . Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & sst. Treas., Philadelphia, Pa.

Directors: C. J. Kelley, G. W. Davis, L. H. Freiling, . S. Meredith, F. B. Ellis, Philadelphia, Pa.

Office, Mitten Bldg., N. W. Cor. Broad & Locust s., Philadelphia, Pa.

MARKET STREET ELEVATED PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated June 8, 1901, in Pa. On pril 8, 1903, absorbed the following companies, hich owned franchises granted in June, 1901: Market . Elev. Pass. Ry. Co., Germantown Ave., Elev. Pass. y. Co., Passyunk Ave. Elev. Pass. Ry. Co., Ridge ve. Elev. Pass. Ry. Co., Frankford Elev. Pass. Ry. . and Broad St. Subway Ry. Co. Owns an elevated d subway passenger railway from near the intersecon of Haverford, Road and Phila. & West Chester urnpike Road, in Delaware County, to Delaware ve. and South St., Philadelphia; total trackage, .358 miles. Steel passenger cars, 215; crane car, 1.

Leased Jan. 19, 1903, to the Philadelphia Rapid ransit Co., for 997 years, at an annual rental of 6% r annum on stock paid in; a supplemental agreement as made July 1, 1907, reducing the annual rental to .

CAPITAL STOCK

Authorized, $5,600,000; paid in, $2,800,000 all owned Union Traction Co. Annual meeting, third Mony in January.

FUNDED DEBT

$10,000,000 (entire issue) First Gold 4s; dated May 1905; due May 1, 1955, int. May and Nov. 1, at eal Estate-Land Title & Trust Co., Philadelphia, rustee. Coupon, $1,000; principal may be registered. bject to call on any interest date at 102½ and int. on 30 days' notice. Guaranteed, principal and inrest, by endorsement, by Philadelphia Rapid Transit . Secured by first lien on the subways and the eleted road on Market St. Listed on Philadelphia Stock xchange. First publicly offered ($10,000,000) in April, 05, at 101 and interest, by Drexel & Co., Philadelia. Company pays Normal Federal Income Tax up 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
igh	87¼	87¼	87	86¼	85	89	80	80
ow	87	86	85½	84	83	83½	75	71½

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
onstruction & equipment	$24,037,069	$23,703,096	$23,569,985
eal estate	653,733	626,802	626,460
Total	$24,690,802	$24,329,898	$24,196,445
Liabilities—			
apital stock	$2,800,000	$2,800,000	$2,800,000
unded debt	10,000,000	10,000,000	10,000,000
hila. Rapid Transit Co.	11,890,802	11,529,898	11,396,445
Total	$24,690,802	$24,329,898	$24,196,445

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas.

Directors: G. W. Davis, C. J. Kelley, H. S. Meredith, F. B. Ellis, L. H. Freiling, Philadelphia.

Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia, Pa.

PENNSYLVANIA RAPID TRANSIT COMPANY

(Controlled by Philadelphia Rapid Transit Co.)

History—Incorporated Aug. 6, 1923, in Pa., for the purpose of serving the shipping industries on the Delaware River, with a trackless trolley operated on Oregon Ave., the southernmost crosstown street. Mileage, operated Dec. 31, 1927, 5.61. Number of trackless trolleys in operation Dec. 31, 1927, 7. Operations began Oct. 14, 1923.

CAPITAL STOCK

Authorized $5,000; outstanding, $500; par, $100. All owned by Philadelphia Rapid Transit Co. Annual meeting, second Monday in January.

Officers: R. T. Senter, Pres.; W. K. Myers, V-P.; F. B. Ellis, Sec.; C. J. Kelley, Treas.

Directors: C. J. Kelley, F. B. Ellis, H. S. Meredith.

Corporate Office, Mitten Bldg., N. W. Cor., Broad and Locust Sts., Philadelphia, Pa.

PHILADELPHIA & WILLOW GROVE STREET RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorp. Jan. 8, 1901, in Pa. On Dec. 21, 1903, the Philadelphia & Willow Grove St. Ry. absorbed the Glenside & Willow Grove St. Ry. Co. Leased to Philadelphia Rapid Transit Co. for 990 years, from July 1, 1904. Owns a double-track road from intersection of Weaver St. or Cherry Lane with Montgomery County line to Willow Grove Park; total track, 15.596 miles.

CAPITAL STOCK

Authorized, $124,000; outstanding, $100,800; par, $50. All owned by Union Traction Co. Annual meeting, second Monday in January.

FUNDED DEBT

$1,000,000 First Gold 4½s; dated 1904; due July 1, 1934; int. Jan. and July 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Subject to call on any interest date at 105 and int. Sinking fund is $10,000 per annum for 5 years, from July 1, 1910; $15,000 per annum for following 5 years, and $20,000 per annum for ensuing 15 years. Guaranteed, principal and interest, by endorsement, by Philadelphia Rapid Transit Co. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Construction and equip.	$1,361,848	$1,361,848	$1,361,847
Organization expenses	457	457	460
Advances to other cos.	18,001	18,001	18,000
Sinking fund	421,685	381,357	341,959
Dep. in lieu of mtge. prop. sold	31,393	30,098	28,883
Total	$1,833,384	$1,791,762	$1,751,149
Liabilities—			
Capital stock	$100,800	$100,800	$100,800
Funded debt	1,000,000	1,000,000	1,000,000
Other liabilities	574,939	554,939	534,939
Sinking fund reserve	136,684	116,357	96,959
Misc. fund reserve	5,238	3,943	2,728
Profit and loss	15,723	15,723	15,723
Total	$1,833,384	$1,791,762	$1,751,149

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: The above, and L. H. Freiling, Philadelphia.

Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia, Pa.

PHILADELPHIA RURAL TRANSIT COMPANY

(Controlled by Philadelphia Rapid Transit Co.)

History—Incorporated June 25, 1923, in Pa. Operates motor buses over a system of routes in Philadelphia which totals 243 miles. Passengers carried in 1927 amounted to 32,283,239, compared with 33,526,061 in 1926, and 10,817,628 in 1925; average rate per passenger in 1927, 9.60 cents; in 1926, 9.34 cents; in 1925, 9.29 cents.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $100,000; par, $100. All owned by Philadelphia Rapid Transit Co. Annual meeting, second Monday in January.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Passenger revenue	$3,098,227	$3,231,848	$1,005,33
Other revenue	92,497		26,36
Total	$3,190,724	$3,231,848	$1,031,70
Operating exp. and taxes	3,204,086	3,288,471	1,135,36
Operating income (def.)	$13,362	$56,623	$103,65
Non-operating income	106,280	64,395	9,44
Total income	$92,918	$7,772	*$94,21
Fixed charges, etc.	425,260	282,019	134,77
Deficit for year	$332,342	$274,247	$228,98

*Deficit.

Officers: J. A. Queeney, Pres.; W. K. Myers, V-P. C. G. Hancy, V-P.; F. B. Ellis, Sec.; A. A. MacDonald, Treas.

Directors: C. J. Kelley, G. W. Davis, F. B. Ellis, H. S. Meredith, L. H. Freiling.

Corporate Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia, Pa.

UNION TRACTION COMPANY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated Sept. 6, 1895, in Pa., for the purpose of acquiring control by lease or by purchase of shares of the Philadelphia Traction Co., the Electric Traction Co. and the People's Traction Co., and giving to the shareholders of these three companies the privilege of subscribing for their pro rata share of Union Traction Co. stock. The Philadelphia Traction Co. was leased for 999 years from Oct. 1, 1895, and on or about that date the Union Traction Co. acquired all the shares of the Electric Traction Co. and the People's Traction Co. in exchange for which were issued collateral trust certificates secured by deposit of all the stock of these companies thus purchased. On July 1, 1896, the Electric Traction and the People's Traction systems were leased to the Union Traction Co. for 998 years and three months. Also leases the Hestonville, Mantua & Fairmount Passenger R.R. for 999 years from Jan. 1, 1898, and owns $239,000 of that company's Pfd. stock and $1,764,700 Com., which is pledged under the mortgage securing the Phila. Rapid Transit Co. collateral trust bonds. The Union Traction Co. owns the entire outstanding capital stock of Philadelphia & Willow Grove St. Ry. Co.

The Union Traction Co. is leased to the Philadelphia Rapid Transit Co. for 999 years from July 1, 1902, at an annual rental of 3% upon capital stock for the first two years; 4% for the next two years, 5% for the next two years and 6% thereafter. The 6% rate is now being paid. In addition to this rental, the Philadelphia Rapid Transit Co. assumes all fixed charges, taxes, etc., of every description of the Union Traction Co. or any of its leased lines. The stockholders of Union Traction were given the right to purchase 150,000 shares of Philadelphia Rapid Transit stock.

Guaranteed Bonds—On Feb. 28, 1911, the stockholders of this company voted to guarantee as to principal and interest $10,000,000 (authorized issue) of Philadelphia Rapid Transit Co.'s bonds, as same shall from time to time mature; the Union Traction Co., as guarantor, having the right to require that not more than $2,000,000 of such bonds shall be issued in any one year without the consent of its Board of Directors, and that proceeds of said bonds shall be expended solely on the property covered by lease dated July 1, 1902, or which shall have become subject to the terms of said lease, or, if expended on other property, such other property shall become the property of the Union Traction Co., subject to the conditions of said lease, until payment by Philadelphia Rapid Transit Co. of all of said bonds. As consideration for this guaranty, stockholders of Philadelphia Rapid Transit Co. voted to assign and transfer to the Union Traction Co., all its equity and interest in the Market St. Elevated Passenger Ry. Co., to wit: All of the capital stock of the Market St. Co., together with the lease of that company, and all claims for advances to that company by Philadelphia Rapid Transit (said property being subject to a mortgage of $10,000,000); likewise, all the equity and interest of the Philadelphia Rapid Transit Co. in the Doylestown & Willow Grove Ry., the Darby & Yeadon Street Ry. and in any other street railway properties acquired since July 1, 1902. The Union Traction Co. reassigned to the Philadelphia Rapid Transit Co., as lessee, all the interests and equities above referred to, without payment of any further rental.

CAPITAL STOCK

Authorized and outstanding, 600,000 shares; par $50; paid in $10,500,000 or $17.50 per share.

Registrar—The Real Estate Land Title & Trust Co. Philadelphia.

Annual Meeting—Third Wednesday in September.

Listed—On Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	39½	43⅝	44	40	44¼	43	37	37
Low	34½	38	38	37½	35	34	29½	23

Dividends at rate of $3.00 per annum are regularly paid; payments semi-annually J, & J 1.

FUNDED DEBT

(1)

$29,730,114 ELECTRIC TRACTION AND PEOPLES TRACTION 4% GOLD STOCK TRUST CERTIFICATES; DUE AT OPTION OF COMPANY ON AND AFTER OCT. 1, 1945

Dated 1895.

Interest Payable April and October 1, at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Denomination—$1,000.

Trustee—Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Callability—Subject to call at company's option on and after Oct. 1, 1945.

Security—These certificates are not a direct obligation of the Union Traction Co.; they were issued by the Pennsylvania Co. for Ins. on Lives and Granting Annuities to pay for shares of the Electric Traction and People's Traction companies purchased and are secured by deposit with the Trust company of all the shares of stock of these companies thus acquired.

The principal is due at any time upon default in payment of interest or taxes.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	63¾	69½	65	66	71½	74	63½	66
Low	48	50	57⅞	61	60	62	50	49⅞

(2)

1,022,000 UNION TRACTION COLLATERAL TRUST FIRST GOLD 4s; DUE JULY 1, 1952

Dated July 1, 1902.

Interest Payable January and July 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee.

Provisions of Issue—Original issue, $1,500,000, of which $478,000 had been retired by the sinking fund to Dec. 31, 1927. The bonds were issued to fund floating debt.

Callability—Subject to call for the sinking fund only at 105 and interest on any interest date upon 2 weeks' notice.

Sinking Fund—The Union Traction Co. agrees to pay to the trustee, annually, for interest and sinking fund purposes, the sum of $70,000. From this sum the balance, over and above interest requirements, is to be applied July 1st, annually, to the purchase, or call by lot, of bonds of this issue at 105 and interest.

Security—Secured by deposit of 35,000 shares of the Common stock of the Hestonville, Mantua & Fairmount Passenger R. R. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($500,000) in 1904, at 102½ and interest, by Drexel & Co., Philadelphia.

TREASURER'S REPORT, YEARS ENDED JUNE 30

Receipts—	1927	1926
Balance at beginning of year	$5,396	$24,866
Fixed charges	6,017,799	6,020,916
Maintenance P. R. T. Co.	13,000	13,000
Rental	1,800,000	1,800,000
Cash received, property sale	2,168	.....
Interest P. R. T. Co. bonds	9,115	7,025
Interest on mortgage	300	.....
Refund to maintenance	.....	28
Interest on deposits	164	371
Total	$7,847,942	$7,866,206
Disbursements—		
Fixed charges	$6,017,799	$6,020,916
Maintenance	13,284	12,923
Dividends	1,800,000	1,800,000
Interest P. R. T. bonds	9,097	6,971
Interest on mortgage	300	.....
Investment P. R. T. Equipment 5½s	4,000	20,000
Accrued interest	84	.....
Total	$7,844,564	$7,860,810
Balance at end of year	3,378	5,396
Total	$7,847,942	$7,866,206

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925	1924	1923	1922
Construction and equipment	$5,928,798	$5,928,798	$5,928,798	$5,928,798	$5,928,798	$5,928,798
Real estate	1,474,932	1,480,076	1,480,076	1,480,076	1,480,076	1,480,076
Sundry stocks, bonds and mortgages	5,118,518	5,108,518	5,108,518	5,108,518	5,108,518	5,108,518
Investment, Union Traction stock	23,887	23,887	23,887	23,887	23,887	23,887
Investment, P. R. T. 5% bonds	.....	.....	.....	46,709	159,709	159,709
Investment P. R. T. Equip. 5½s	49,000	45,000	25,000	.....	.....	.....
Interest P. R. T. bonds (accrued)	84	18	73	.....	.....	.....
Investment P. R. T. bonds due 1962	113,000	113,000	113,000	113,000	.....	.....
Advances to leased lines	3,350,482	3,404,602	3,457,362	3,508,762	3,558,962	3,608,002
Cash with Drexel & Co.	3,378	5,396	24,866	699	1,623	1,298
Maintenance of organization	.....	.....	.....	315	.....	.....
Redemption account—Union Traction bonds	478,000	444,000	410,000	380,000	351,000	323,000
Sinking fund Peoples Pass. Ry. Co.	542,000	517,000	492,000	467,000	442,000	417,000
Total	$17,082,080	$17,070,295	$17,063,580	$17,057,764	$17,054,573	$17,050,288
Liabilities—						
Capital stock	$10,500,000	$10,500,000	$10,500,000	$10,500,000	$10,500,000	$10,500,000
Funded debt	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Maintenance of organization	2,280	2,400	1,924	.....	609	284
Trustee account	120	120	120	120	120	120
Deposits of underlying companies	250,400	250,400	250,400	250,400	250,400	250,400
Open accounts due leased lines in 999 years without interest	1,030,743	1,030,742	1,030,742	1,030,742	1,030,743	1,030,742
Sinking fund	38,080	33,200	26,960	23,360	19,560	15,600
Profit and loss	3,760,457	3,753,433	3,753,433	3,753,141	3,753,141	3,753,141
Total	$17,082,080	$17,070,295	$17,063,580	$17,057,764	$17,054,573	$17,050,288

Officers: Jeremiah J. Sullivan, Pres.; A. B. Brehman, V-P.; T. M. Cleary, Sec & Treas., Philadelphia.

Directors: Joseph Gilfillan, James G. Balfour, A. B. Brehman, Jeremiah J. Sullivan, Wm. C. Gray, B. Frank Townsend, Jr., John M. Mason, John C. Gilpin, Henry Fernberger, E. M. Story, Arthur V. Morton, Frank Disston, John J. Sullivan.

General Office, 200-A Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia, Pa.

CATHERINE & BAINBRIDGE STREETS RAILWAY

(Leased to Union Traction Co.)

History—Incorp. May 14, 1889, in Pennsylvania. Leased to the Philadelphia Traction Co. for 99 years from March 1, 1890, and on Sept. 24, 1895, lease was amended to 999 years from March 1, 1890, at an annual rental of $24,000, payable March and Sept. 1, besides interest and taxes. Mileage, 5.248. Gauge, 5 ft. 2½ in. Electricity was substituted for horses Dec. 15, 1892.

CAPITAL STOCK

Authorized and outstanding, $400,000, par, $50. All owned by Philadelphia Traction Co. Annual meeting, second Monday in January. Dividends of 6% per annum are paid.

FUNDED DEBT

$150,000 First 5s; dated 1890; due April 1, 1930 (extended for ten years from April 1, 1920, at 6% per annum); int. April and Oct. 1, at Pennsylvania Co. for Ins. on Lives and Granting Annuities, Philadelphia, Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $400,000; funded debt, $150,000; due lessee; $234,698; profit and loss, $821—total, $785,519. Contra: Road and equipment, $782,350; open account, $3,169—total, $785,519.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: C. J. Kelley, G. W. Davis, F. B. Ellis, L. H. Freiling, H. S. Meredith, Philadelphia.

General Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia, Pa.

CENTENNIAL PASSENGER RAILWAY

(Leased to Union Traction Co.)

History—Incorporated May 20, 1889, in Pa. Leased to the People's Pass. Ry. Co. for 999 years from April 21, 1893. Length of track, 0.784 mile.

CAPITAL STOCK

Authorized and outstanding, $15,000; par, $50. Annual meeting, second Monday in January. Dividends 6% per annum.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.
Directors: The above and L. H. Freiling, Philadelphia.
Office, Philadelphia, Pa.

CITIZENS' CLEARFIELD & CAMBRIA STREET RAILWAY

(Leased to Union Traction Co.)

History—Incorporated May 10, 1894, in Pennsylvania; completed for operation in 1895. Leased to the Union Traction Co. for 999 years from July 1, 1896, at rental of 6% on stock actually issued. On July 1, 1902, lease was assigned to Philadelphia Rapid Transit Co. Company's track has been temporarily removed.

CAPITAL STOCK

$6,000; par, $50. Annual meeting, second Monday in January. Dividends, 6% per annum.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.
Directors: The above and L. H. Freiling, H. R. Ottey, Philadelphia.
Office, Philadelphia, Pa.

CITIZENS' EAST END RAILWAY

(Leased to Union Traction Co.)

History—Inc. May 10, 1894, in Pa.; completed for operation in 1896. Leased to the Union Traction Co. for 999 years from July 1, 1896, at rental of 6% on stock actually issued. On July 1, 1902, lease was assigned to Philadelphia Rapid Transit Co. Total track, .795 mile.

CAPITAL STOCK

$15,000; par, $50. Annual meeting, second Monday in January. Dividends, 6% per annum.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.
Directors: The above and L. H. Freiling, H. R. Ottey, Philadelphia.
Office, Philadelphia, Pa.

CITIZENS' PASSENGER RAILWAY

(Leased to Union Traction Co.)

History—Inc. March 25, 1858, in Pa. Leased to the Frankford & Southwark Phila. City Pass. R. R. Co. on April 1, 1892, for 999 years; rental, 1st year, $11.50 per share; 2d year, $12 per share; 3d and 4th years, $12.50 per share; 5th and 6th years, $13 per share, and 7th year and each year thereafter, $14 per share. Lease assumed by Electric Trac. Co. on Aug. 17, 1893 (effective from July 1, 1893); by Union Trac. Co. on July 1, 1896, and by Philadelphia Rapid Transit Co. on July 1, 1902. Total track, 12.243 miles. Gauge, 5 ft. 2¼ in. Rail, 90 to 141 lb. girder.

CAPITAL STOCK

10,000 shares; par, $50; paid in, $192,500, $20 per share on 8,500 shares, and $15 per share on 1,500 shares. Listed on Philadelphia Stock Exchange. Annual meeting, second Monday in January. Dividends 28% per annum, payable quarterly, J, A, J & O 1.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$527,735	$459,629	$459,629
Cash	477	341	307
Deposit in lieu of mortgaged property sold	22,425	90,230	90,848
Total	$550,637	$550,200	$550,784
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Surplus	50,637	50,200	50,784
Total	$550,637	$550,200	$550,784

Officers: Hon. Dimner Beeber, Pres.; Francis E. Brewster, V-P.; E. B. McCarthy, Sec. & Treas., Philadelphia.
Directors: John T. Windrim, Francis E. Brewster, S. C. Edmonds, J. K. McCarthy, Edgar Fries, Philadelphia.
General Office, 1201 Chestnut St., Philadelphia, Pa.

CONTINENTAL PASSENGER RAILWAY

(Leased to Union Traction Co.)

History—Incorporated Sept. 8, 1873, in Pa. Leased on Jan 1, 1880, to the Union Passenger Ry. for 99 years at rental of 12% on stock ($6 per share), besides interest, taxes and operating expenses. Lease assigned to Philadelphia Traction Co. on June 30, 1884; to Union Traction Co. on Oct. 1, 1895, and to Philadelphia Rapid Transit Co. on July 1, 1902. Mileage 16.417. Gauge, 5 ft. 2¼ in. Electricity was substituted for horses Jan. 22, 1895.

CAPITAL STOCK

Authorized, $1,000,000; par, $50; paid in, $580,000, or $2 per share. Annual meeting, second Monday in January. Dividends, 12% per annum (less income tax), payable Jan. and July.
Listed—Philadelphia Stock Exchange.
Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	62	68	76	76¼	70	78	70	74
Low	bid	bid	73	76¼	bid	78	68¼	74

FUNDED DEBT

$280,000 First 4s; dated June 30, 1879; matured July 1, 1909, but extended (interest reduced from 6%) to July 1, 1959; int. Jan. and July 1 at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000. Listed on Philadelphia Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $580,000; funded debt, $280,000; due lessee $672,261; profit and loss, $37,576—total, $1,569,837. Contra: Road and equipment, $969,687; stocks of other companies, $600,000; cash, $150—total, $1,569,837.
Officers: Lewis P. Geiger, Pres.; Geo. V. Neuber, Jr., Sec. & Treas., Philadelphia.
Directors: G. D. Widener, W. J. Elliott, J. E. Widener, William M. Kerr, Philadelphia.
General Office, 429 Land Title Building, Philadelphia, Pa.

ELECTRIC TRACTION CO. OF PHILADELPHIA

(Leased to Union Traction Co.)

History—Inc. May 8, 1893, in Pa., and on Aug. 17 of that year leased the Frankford & Southwark Philadelphia City Passenger RR. Co. for 999 years from July 1, 1893, this lease carrying with it control of the Second & Third Streets Ry. and the Citizens' Passenger Ry. Cos.

On or about Oct. 1, 1895, the Union Traction Co. acquired all the stock of this company at the rate of $85 per share for full paid, and $70 per share for $30 paid, and in exchange for same the Pennsylvania Co. for Insurances on Lives and Granting Annuites issued its trust certificates. These certificates are secured by deposit of all of the stock thus purchased. The principal is due at any time upon default in payment of interest or taxes. On July 1, 1896, the Union Traction Co. leased the property for 998 years and 3 months at an annual rental sufficient to meet all fixed charges. Lease assigned to Philadelphia Rapid Transit Co. on July 1, 1902. Mileage of track, 131.508.

CAPITAL STOCK

Authorized and issued, 175,000 shares; par, $50, of which **152,396 shares are full paid, and 22,604 shares $30 paid,** making total paid in capital, $8,297,920. Listed on Philadelphia Stock Exchange. Annual meeting, third Tuesday in October.

FUNDED DEBT

None

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $8,297,920; ground rents, $1,254; leased lines $135,488; profit and loss, $12,385; sundry advances, $7,200—total, $8,454,248. Contra: Road and equipment, $7,388,834; other assets, $1,065,414—total, $8,454,248.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.
Directors: F. B. Ellis, G. W. Davis, L. H. Freiling, H. S. Meredith, C. J. Kelley, Philadelphia.
General Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia.

EMPIRE PASSENGER RAILWAY

(Leased to Union Traction Co.)

History—Inc. Feb. 10, 1869, in Pa. Leased Dec. 26, 1873, to Citizens' Pass. Ry. Co. and Seventeenth & Nineteenth Street Passenger Ry. Co. for 999 years. The Citizens' Passenger Ry. Co. sold its interest in the lease on Dec. 28, 1887, and returned the proceeds to the stockholders in the shape of a dividend of $1 per share. Transferred Oct. 1, 1895, along with all rights to dividends on 6,090 shares of its stock then held by the Union Passenger Ry. Co., as trustee and lessee, by lease of Philadelphia Trac. Co. to the Union Trac. Co. Mileage, 11.812.

CAPITAL STOCK

Authorized and outstanding, $600,000; par, $50. All owned as follows: 6,090 shares by Continental Passenger Ry. Co.; 5,656 shares by Philadelphia Traction Co. and 254 shares by Union Traction Co. Annual meeting, second Monday in January. Dividends, 6% per annum.

FUNDED DEBT

$200,000 First Gold 3½s; dated March 1, 1900; due March 1, 1930; interest March and September at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000. These bonds were issued to retire a like amount of 7s, which matured July 1, 1900. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $600,000; funded debt, $200,000; current liabilities, $705,715; profit and loss, $135,231—total, $1,640,946. Contra: Road and equipment, $1,638,911; open accounts, $2,035—total, $1,640,946.

Officers: C. J. Kelley Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: The above and L. H. Freiling.

General Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia, Pa.

FAIRMOUNT PARK & HADDINGTON PASSENGER RAILWAY

(Leased to Union Traction Co.)

History—Incorporated July 28, 1892, in Pennsylvania. Leased to Hestonville, Mantua & Fairmount Pass. Railroad Co. on May 6, 1895, for 999 years, at an annual rental of 6% on the stock. Lease assigned to Union Traction Co. and subsequently to Philadelphia Rapid Transit Co. Mileage, 4.073. Gauge, 5 ft. 2¼ in. Rail, 90 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $50. Listed on Philadelphia Stock Exchange. Annual meeting, second Monday in January. Dividends, 6% per annum, payable Feb. and Aug.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$204,955	$204,955	$204,955
Other investments	1,629	1,629	1,629
Cash and current assets	102,475	102,315	102,144
Total	$309,059	$308,899	$308,728
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Real estate mortgage	5,000	5,000	5,000
Profit and loss surplus	4,059	3,899	3,728
Total	$309,059	$308,899	$308,728

Officers: Walter H. Jarden, Pres.; Walter A. Rigg, V-P.; Daniel Houseman, Sec. & Treas., Philadelphia.

Directors: Miers Busch, John M. Dredger, Jr., Walter A. Rigg, J. Roberts Foulke, Daniel Houseman.

General Office, 517 Chestnut St., Philadelphia.

FRANKFORD & SOUTHWARK PHILADELPHIA CITY PASSENGER RAILROAD

(Leased to Electric Traction Co.)

History—Inc. April 4, 1854, in Pa., as Philadelphia & Delaware River RR. Co.; name changed to present title by Act of Assembly April 9, 1858. Leased the Citizens' Pass. Ry. in April, 1892, and the Second & Third Streets Pass. Ry. in Jan., 1893, and in April, 1893, it acquired by exchange of stock the Lombard & South Streets Pass. Ry. Leased to the Electric Trac. Co. for 999 years from July 1, 1893, dividends being guaranteed as follows: 1st year, $12 per share; 2d year, $12.50; 3d year, $13; 4th year, $13.50; 5th year, $14; 6th year, $14.50; 7th year, $15; 8th year, $16; 9th year, $17; 10th year and thereafter, $18. The Electric Trac. Co. also guarantees the rentals of the Citizens' Pass. Ry. Co. and the Second & Third Streets Ry. Co. Total track, 71.217 miles. Gauge, 4 ft. 2¼ in. Rail, 90 to 141 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $1,875,000; par, $50. Listed on Philadelphia Stock Exchange. Annual meeting, second Monday in January. Present dividends paid under lease, $4.50 per share quarterly; payments J, A, J & O 1, at company's office.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	242	255¼	255¼	241	200	280	208¼	270
Low	220	245	240	226	200	218	207	270

FUNDED DEBT

(Company has no funded debt of its own but has assumed the bonds of the Lombard & South St. Pass. Ry. Co. and West End Pass. Ry. Co.)

$150,000 Lombard & South Sts. Pass. Ry. First Extended 3½s, dated Nov. 11, 1881; due Dec. 1, 1951; int. June and Dec. 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000. These bonds originally bore 5% interest, but at maturity, Dec. 1, 1901, they were extended for 50 years at 3½%. Company pays Normal Federal Income Tax up to 2%.

$132,100 West End Passenger Ry. First Extended 4s; dated Oct. 1, 1875; due Oct. 1, 1935; int. April and Oct. 1, at The Real Estate-Land Title & Trust Co., Philadelphia. Philadelphia Trust, Safe Deposit & Insurance Co., Trustee. Coupon, $100 and $500. These bonds originally bore 7% interest, but at maturity, Oct. 1, 1905, they were extended for 30 years at 4%. Authorized, $150,000. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$2,160,600	$2,160,600	$2,160,600
Securities owned	13,384	13,384	13,384
Cash	4,132	3,199	2,336
Total	$2,178,116	$2,177,183	$2,176,320
Liabilities—			
Capital stock	$1,875,000	$1,875,000	$1,875,000
Funded debt	285,600	285,600	285,600
Other current liabilities	74	74	74
Profit and loss	17,442	16,509	15,646
Total	$2,178,116	$2,177,183	$2,176,320

Officers: Jeremiah J. Sullivan, Pres.; John J. Sullivan, V-P.; H. E. Young, Treas.; Wm. J. Jamison, Sec. & Asst. Treas.; Chas. B. Zimmerling, Asst. Sec., Philadelphia.

Directors: E. Fries, G. S. Gandy, Upton S. Sullivan, Harvey Geiger, A. P. Smith, Edward Hopkinson, Jr., H. P. Lincoln, J. F. Sullivan, J. L. Clawson, John J. Sullivan, Harry M. Lipper Asa S. Wing.

General Office, 316 Chestnut St., Philadelphia, Pa.

GERMANTOWN PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorp. April 21, 1858, in Pa. On Feb. 15, 1866, the Fairmount Park & Delaware River Passenger Ry. was consolidated with this company. Leased, Oct. 1, 1881, to the People's Pass. Ry. Co. for 999 years at an annual rental of $135,000, besides fixed charges. By a supplemental lease the rental was increased to $142,500 Jan. 1, 1895, $150,000 Jan. 1, 1896, and $157,500 Jan. 1, 1897, and annually thereafter. The lease has been assigned to the Philadelphia Rapid Transit Co. Total track, 44.354 miles.

CAPITAL STOCK

Authorized, $1,500,000; par, $50; paid in, $572,860. Listed on Philadelphia Stock Exchange. Annual meeting, second Monday in June. Since Jan. 1, 1897, dividends of $5.25 per share per annum have been paid.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Construction & equip.	$3,577,783	$3,577,782	$3,577,783
Cash and current assets	3,970	6,358	4,637
Bonds & mortgages	29,200	24,557	24,557
Total	$3,610,953	$3,608,697	$3,606,977
Liabilities—			
Capital stock	$572,860	$572,860	$572,860
Lessee construction adv.	2,627,000	2,627,000	2,627,000
Profit and loss	411,093	408,837	407,117
Total	$3,610,953	$3,608,697	$3,606,977

Officers: Daniel Houseman, Pres.; Walter H. Jarden, V-P.; Wm. J. Jamison, Sec. & Asst. Treas.; H. E. Young, Treas.; Alan E. Holt, Asst. Sec., Philadelphia.

Directors: Clarence B. Moore, Walter A. Rigg, Edgar Fries, Walter H. Jarden, Henry Fernberger, Daniel Houseman.

General Office, 318 Chestnut Street, Philadelphia, Pa.

GIRARD AVENUE PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorp. May 17, 1894, in Pa. On June 22, 1896, was leased to the People's Pass. Ry. Co. for 999 years from May 30, 1895; lease assigned to Union Traction Co. on July 1, 1896; annual rental of 6% on stock actually issued. Lease assigned to Philadelphia Rapid Transit Co., July 1, 1902. Length of track, 2.358 miles.

CAPITAL STOCK

Authorized, $9,000; paid in, $5,000. Annual meeting, second Monday in January.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas, Philadelphia.

Directors: C. J. Kelley, F. B. Ellis, H. S. Meredith, G. W. Davis, L. H. Freiling.

General Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia.

GREEN & COATES STREETS PHILADELPHIA PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorp. April 21, 1858 under the laws of Pennsylvania with a perpetual charter. Leased for 999 years from Sept. 1, 1881, to the People's Pass. Ry., at an annual rental of $60,000 ($6 per share), interest on bonds and expenses of management. The bonds have since fallen due. The lease has been assigned to the Philadelphia Rapid Transit Co. Mileage, 4.048. Gauge, 5 ft., 2¼ in.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares; par, $50; paid in, $150,000, or $15 per share. Listed on Philadelphia Stock Exchange. Anuual meeting, second Monday in January. Dividends, 12% per annum on par (less tax deduction), paid quarterly, J, A, J & O.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Construction and equip.	$258,181	$258,181	$258,181
Reas estate	49,702	49,702	49,702
Liberty bonds	.....	2,003	2,003
Cash & current assets	23,343	21,392	21,036
Total	$331,226	$331,278	$330,922
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Interest bearing debt	7,333	7,333	7,333
Profit and loss	173,893	173,945	173,589
Total	$331,226	$331,278	$330,922

Officers: Daniel Houseman, Pres.; Walter H. Jarden, V-P.; John H. Fairlamb, Sec. & Treas., Philadelphia.

Directors: James F. Sullivan, S. Franklin Sharpless, William L. Allen, James M. Gregg, Edgar Fries, John M. Dredger, Jr., Walter H. Jarden, Clarence B. Moore, Edward Hopkinson, D. Hayes Solis-Cohen, Hiram J. Sullivan, Howard A. Stevenson.

General Office, 517 Chestnut Street, Philadelphia.

HESTONVILLE, MANTUA & FAIRMOUNT PASSENGER RAILROAD

(Leased to Union Traction Co.)

History—Incorporated April 6, 1859, under the laws of Pennsylvania. Absorbed the Fairmount & Arch St. Passenger Ry. on Dec. 29, 1864, and the Fairmount Passenger Ry. on Feb. 15, 1865. The Fairmount Park & Haddington Passenger Ry. was leased by this company on May 6, 1895, for 999 years, at a rental of 6% on the capital stock. The Hestonville, Mantua & Fairmount Pass. R. R. Co. was leased from Jan. 1, 1898, to the Union Traction Co. for 999 years at an annual rental of 6% on the Pfd. and 4% on the Com. stock. By the terms of the lease, the Fairmount Park & Haddington lease is assigned to the Union Traction Co., which assumed the dividends guaranteed on that stock. The Union Traction Co. assumed the funded debt of both companies. Length of track including leased line, 16.455. Gauge, 5 ft., 2¼ in. Rail, 90 lb (girder). Franchise perpetual.

CAPITAL STOCK

Authorized, $1,966,100 Common and $533,900 Pfd.; outstanding, $299,381 Common and $533,900 Pfd.; par, $50. Listed on Philadelphia Stock Exchange. Annual meeting, second Monday in January. Dividends of 4% on Common and 6% on Pfd. are paid Jan. and July 1, at The Real Estate-Land Title & Trust Co., Philadelphia.

FUNDED DEBT

$1,250,000 Consolidated Gold 3½% and 5% bonds; dated 1894; due May 1, 1924; $1,247,500 extended to May 1, 1934, at 5½%; int. May and Nov. at Girard Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000; principal may be registered. Of the $1,250,000 formerly outstanding, $199,500 were issued as 3½ per cents, to take up $124.500 of bonds of the Fairmount Pass. Ry. Co., which matured Jan. 1, 1901, and $75,000 Hestonville, Mantua & Fairmount Pass. R. R. Co. second 6s, which became due March 1, 1902. Listed on Philadelphia Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

Bond Extension—Holders of Consolidated 3½% and 5% were offered the privilege of extending their bonds for te years to May 1, 1934. Bonds not extended were redeemed o May 1, 1924, at par and interest. $2,500 were paid off an cancelled by reason of loss and mutilation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,804,644	$1,804,644	$1,804,64
Advances	270,754	270,727	270,70
Deposit with Girard Trust Co., Trustee	347,769	347,769	347,76
Total	$2,423,167	$2,423,140	$2,423,11
Liabilities—			
Capital stock	$833,281	$833,281	$833,28
Funded debt	1,247,500	1,247,500	1,247,50
Current liabilities	341,969	341,969	341,96
Profit and loss	417	390	36
Total	$2,423,167	$2,423,140	$2,423,11

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: The above and L. H. Freiling.

Office, Philadelphia, Pa.

HILLCREST AVENUE PASSENGER RAILWAY

(Leased to Union Traction Co.)

History—Incorporated Feb. 25, 1896, in Pa. and was leased to the Peoples Pass. Ry. Co. on June 22, 1896, for 999 years. Length of track, 1.727 miles. The road was constructed and equipped by the Union Traction Co.

CAPITAL STOCK

$10,000. Annual meeting, second Monday in January. Dividends, 6% per annum.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: The above and L. H. Freiling.

Office, Philadelphia, Pa.

HUNTINGDON STREET CONNECTING PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated Feb. 15, 1894, in Pennsylvania. Leased to Philadelphia Trac. Co. for 999 years from Oct. 1, 1895, at an annual rental of 6% on the par value of stock actually issued. Lessee pays all license fees and taxes. Length of track, 0.17 mile.

CAPITAL STOCK

$6,000. Annual meeting, second Monday in January. Dividends, 6% per annum, payable April and Oct. 1 at Philadelphia.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: C. J. Kelley, F. B. Ellis, G. W. Davis, H. S. Meredith.

Office, Philadelphia, Pa.

KESSLER STREET CONNECTING PASSENGER RY.

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated May 17, 1892, in Pennsylvania, and on July 1, 1892, was leased to the Union Pass. Ry. Co. for 999 years from that date; rental, $300 per annum and taxes. Lease was assigned to the Philadelphia Traction Co. on Sept. 16, 1895, to the Union Traction Co. on Oct. 1, 1895, and to the Philadelphia Rapid Transit Co. on July 1, 1902. Length of track, 0.16 mile.

CAPITAL STOCK

$5,000; par, $50. Annual meeting, second Monday in January. Dividends, 6% per annum, payable Jan. and July 1, at Philadelphia.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: C. J. Kelley, F. B. Ellis, G. W. Davis, H. S. Meredith.

Office, Philadelphia, Pa.

LEHIGH AVENUE RY. CO. OF PHILADELPHIA

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated December 18, 1873, in Pennsylvania. .eased for 995 years from July 1, 1889, to the Union Traction o.; lease assigned to Philadelphia Rapid Transit Co., July 1, 02. Length of track, 5.123 miles. Gauge, 5 ft. 2¼ in. Rail,) lbs.

CAPITAL STOCK

Authorized, $1,000,000; paid in, $600,000 (20,000 at $30); par, 0. Transfer Agent: F. B. Ellis, Sec. & Treas., Philadelphia, a. Registrar: Guarantee Trust & Safe Deposit Co., Philadelphia, Pa. Annual meeting, second Monday in January. ividends at rate of 6% per annum are paid on $1,000,000 mi-annually April and Oct. 1.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $600,000. Contra: Road and equipment, $546,-7; cash and current assets, $7,070; profit and loss, $46,753—tal, $600,000.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, ec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philelphia.
Directors: C. J. Kelley, H. S. Meredith, G. W. Davis, L. H. reiling, F. B. Ellis, Philadelphia, Pa.
Office, Philadelphia, Pa.

NORTHERN PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Inc. Sept. 29, 1890, in Pa. On June 22, 1896, the ad was leased to the Peoples Pass. Ry. Co. for 999 years, fective as of July 8, 1892. Total track, .891 miles. Gauge, 5 2¼ in. Rails, 90 lb. (tram). Electricity substituted for rsepower on Dec. 29, 1894.

CAPITAL STOCK

$15,000. Annual meeting, second Monday in January. Divinds, 6% per annum, payable Jan. and July 1.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, ec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philelphia.
Directors: The above and L. H. Freiling.
Office, Philadelphia, Pa.

PEOPLES PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Inc. April 15, 1873, in Pa. Leases the following ads: Green & Coates Streets Phila. Pass. Ry., Germantown ss. Ry., the Northern Pass. Ry., the Centennial Pass. Ry., e Girard Ave. Pass. Ry., the Hillcrest Ave. Pass. Ry., and e Philadelphia, Cheltenham & Jenkintown Pass. Ry.; for rms of leases, see separate statements of these companies. The Peoples Traction Co., in 1893, acquired the entire capl stock of this company at $70 per share, and on July 1, 96, the road was leased to Union Trac. Co. for 998 years d 3 months, at a rental of 10% per annum on the capital ock. The lease was assigned to the Philadelphia Rapid ansit Co. on July 1, 1902. Mileage, .627. Gauge, 5 ft. ¼ in. Rail, 90 lb.

CAPITAL STOCK

Common, 60,000 shares; Pfd., 23,000 shares; paid in, Comn, $740,000; Pfd., $184,056; par, $25. Annual meeting, secd Tuesday in January.

FUNDED DEBT

$219,000 First 4s; dated 1874; due Jan. 15, 1935; int. Jan. d July 15, at The Real Estate-Land Title & Trust Co., iladelphia. Coupon, $1,000. These bonds matured Jan. 15, 05, but $219,000 of the $250,000 were extended at 4% to 1935; e remaining $31,000 being cancelled. Secured on the People's ss. Ry., proper, known as the Callowhill St. division, and er franchises and all real estate now owned, or which may reafter be acquired. Company pays Normal Federal Income x up to 2%.

$285,000 Second 4s; dated 1881; due July 15, 1911, but exded to July 15, 1961, interest being reduced from 5%; int. n. and July 15, at Guarantee Trust & Safe Deposit Co., Philelphia, Trustee. Coupon, $1,000. Authorized issue, $500,000. Secured on the People's Pass. Ry. proper, known as the Callowhill St. division, and cover franchises and real estate now owned, or which may hereafter be acquired. Company pays rmal Federal Income Tax up to 2%.

$246,000 Consolidated 4s; dated 1882; due March 1, 1912, but tended to March 1, 1962, interest being reduced from 5%; i. Mar. and Sept. 1, at Guarantee Trust & Safe Deposit Co., iladelphia, Trustee. Coupon and registered, $1,000. Authori d, $1,125,000. In addition to the property securing the two ues above, these bonds are also secured on all leasehold inests, equipment, etc., but not on the stocks of other comnies owned. Company pays Normal Federal Income Tax to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$7,956,215	$7,941,214	$7,941,214
Deposit with the Land Title & Trust Co. Tr.	1,605	1,605	1,605
Total	$7,957,819	$7,942,819	$7,942,819
Liabilities—			
Capital stock	$924,056	$924,056	$924,055
Funded debt	750,000	750,000	750,000
Deferred liabilities	194,707	194,707	194,708
Due other companies	5,962,202	5,947,202	5,947,202
Profit and loss	126,854	126,854	126,854
Total	$7,957,819	$7,942,819	$7,942,819

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.
Directors: The above and L. H. Freiling, Philadelphia.
Office, Philadelphia, Pa.

PEOPLES TRACTION CO.

(Leased to Philadelphia Rapid Transit Co.)

History—Inc. March 6, 1893, in Pa., and acquired entire capital stock of the Peoples Pass. Ry. Co. In Oct., 1895, practically all the stock of the Peoples Trac. Co. was acquired by the Union Trac. Co. at $76 per share, the Pennsylvania Co. for Insurances on Lives & Granting Annuities issuing therefor its trust certificates. On July 1, 1896, the Union Traction Co. leased all the lines of this company's system for 998 years and 3 months, at an annual rental sufficient to meet all fixed charges. Lease assigned to the Philadelphia Rapid Transit Co. on July 1, 1902. Miles of track, 79.643.

CAPITAL STOCK

$6,000,000, full paid; par, $30. Annual meeting, third Tuesday in October.

FUNDED DEBT

$4,894,000 Peoples Passenger Ry. 4% Gold Trust Certificates; dated April 15, 1893; due Feb. 1, 1943; int. Feb. and Aug. 1, at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee. Denomination, $1,000. These trust certificates were issued by the Pennsylvania Co. for Insurance on Lives, etc., and are secured by pledge of the purchase stock of the People's Pass. Ry. Co., and are limited in issue to $1,000 for 14 2/7 shares of stock deposited. Certificates are guaranteed, principal and interest, by People's Traction Co. Sinking fund, $25,000 yearly, began Feb. 1, 1903. Certificates will be purchased at not above par, but they will not be drawn. Authorized issue, $5,810,000. Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	71	68½	68½	72	73	75	63½	72
Low	62	61¼	63½	67	65	64	50	53

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.
Directors: The above and L. H. Freiling.
Office, Mitten Bldg., N. W. Cor., Broad & Locust Sts., Philadelphia, Pa.

PHILADELPHIA & DARBY RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Inc. April 28, 1857, in Pa. Charter perpetual. Leased to Philadelphia City Pass. Ry. Co. for 999 years from Jan. 1, 1870, at an annual rental of $8,000 per annum and interest on bonds. Transferred under lease of Philadelphia Traction Co. of Oct. 1, 1895, to Union Traction Co. Length of track, 17.546 miles. Gauge, 5 ft. 2¼ in. Rail, 90 lb. (girder).

CAPITAL STOCK

$200,000; par, $50. Annual meeting, second Monday in January. Dividends, 4% per annum, payable Jan. and July 1, at Philadelphia.

FUNDED DEBT

$100,000 Extended 5¾s; due May 1, 1977; int. May and Nov. 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Interest rate was originally 7%, but was later reduced to 4%, and in 1927 raised to 5¾%. Coupon in form. Company pays Normal Federal Income Tax up to 2%.

Directors: G. Hamilton Colket, Franklin McAllister, Edgar S. McKaig, Beauveau Borie, E. Burton Colket, Holstein DeH. Fox.
Office, Philadelphia, Pa.

PHILADELPHIA & GRAY'S FERRY PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated April 9, 1858, in Pennsylvania. Charter perpetual. Acquired control of the Schuylkill River Pass. Ry. Co. on Dec. 29, 1866, and under date of Jan. 20, 1903, absorbed that company. Leased to Philadelphia Traction Co.

for 999 years from Jan. 1, 1891, at rental of $43,225, or $3.50 per share per annum for the first five years, and $49,400, or $4.00 per share per annum thereafter, until 1903, when through the merging of the Schuylkill River Passenger Ry. Co., the rental was increased to $49,552 per annum, the lessee to pay all taxes, expenses, etc. Lease assigned to Union Traction Co. on Oct. 1, 1895. Length of track. 10.038 miles. Gauge, 5 ft. 2¼ in.

CAPITAL STOCK

Authorized, $1,000,000; par, $50; paid in, $310,157. Listed on Philadelphia Stock Exchange. Dividends, 8% per annum, payable Jan. and July 7, at The Real Estate-Land Title & Trust Co., Philadelphia.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Construction & equip.	$299,514	$299,514	$299,514
Bonds of other companies	95	95	95
Cash and current assets	33,086	32,028	30,873
Other assets	1,200	1,200	1,200
Over-issued stock	10,000	10,000	10,000
Special sinking fund	35,195	35,195	35,195
Total	$379,090	$378,032	$376,877
Liabilities—			
Capital stock	$310,157	$310,157	$310,157
Special sinking fund acct.	35,227	35,227	35,227
Other indebtedness	176	172	168
Profit and loss	33,530	32,476	31,325
Total	$379,090	$378,032	$376,877

Officers: Edward Hopkinson, Pres.; Daniel Houseman, Sec. & Treas.; Philadelphia.

Directors: Harry T. Stoddard, Isaac W. Jeanes, Stevenson Crothers, E. C. Dale, E. S. Buckley, Jr., Charles Fearon.

Office, S. W. Cor. Broad & Chestnut Sts., Philadelphia, Pa.

PHILADELPHIA, CHELTENHAM & JENKINTOWN PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated Aug. 9, 1892, in Pa. Leased to Peoples Pass. Ry. Co. for 999 years from Jan. 24, 1895. Length of track, 24.446 miles.

CAPITAL STOCK

$60,000; par, $50. Annual meeting, second Monday in January. Dividends, 6% per annum.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: C. J. Kelley, H. S. Meredith, F. B. Ellis, G. W. Davis, H. R. Ottey, P. Gonnelli, L. H. Freiling.

Office, Philadelphia, Pa.

PHILADELPHIA CITY PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated March 26, 1859, in Pa. Charter perpetual. Leased the Philadelphia & Darby Ry. Co. from Jan. 1, 1870, on terms given in that company's statement. This company was leased to the West Philadelphia Passenger Ry. Co. for 900 years from Jan. 1, 1884, at rental of interest on bonds, $2.500 yearly for organization expenses and dividends of $7.50 per share on stock. Lease assigned to Philadelphia Traction Co. and by that company to the Union Traction Co. on Oct. 1, 1895. The road is now operated by the Philadelphia Rapid Transit Co. Length of track, 9.549 miles. Gauge, 5 ft. 2¼ in. Rail, 90 lb. (girder).

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $475,000; par, $50, of which $23.75 paid in. Annual meeting, second Monday in January. Dividends, 15% per annum, payable Jan. and July 10, at 207 Walnut Place, Philadelphia.

FUNDED DEBT

$200,000 First Extended 4s (formerly 5s); dated May 1, 1861; due Jan. 1, 1960; int. Jan. and July 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $500. Secured on the entire property of the company, real and personal. This issue matured Jan. 1, 1910, and was extended at 4%, as above. Company pays Normal Federal Income Tax up to 2%:

$100,000 5% Debentures; due March 1, 1935; int. March and Sept. 1, at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000. No sinking fund. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Construction & equipment	$875,843	$875,843	$875,843
Stocks of Penn. Corps.	13,800	13,804	13,805
Liberty bonds		4,000	4,000
Cash	84,661	80,316	80,108
Total	$974,304	$973,963	$973,756
Liabilities—			
Capital stock	$475,000	$475,000	$475,000
Funded debt	300,000	300,000	300,000
Other indebtedness	119,007	119,007	119,007
Surplus	80,297	79,956	79,749
Total	$974,304	$973,963	$973,756

Officers: E. B. Colket, Pres.; Chas. W. Evans, Sec. & Treas. Philadelphia.

Directors: C. C. Wilson, G. Hamilton Colket, Chas. Y. Fox, Tristram C. Colket, 2d, P. C. Colket, E. Burton Colket, Wm. P. Gest.

Office, 207 Walnut Place, Philadelphia, Pa.

PHILADELPHIA TRACTION COMPANY

(Leased to Philadelphia Rapid Transit Co.)

History—Inc. Aug. 22, 1883, in Penn. and leased the West Philadelphia Passenger Ry. Co. and its leased lines. Control of Union Pass. Ry. was acquired by this company on June 30, 1884. The Philadelphia Traction Co. owns the following securities, all of which are deposited under the mortgage securing the Phila. Rapid Transit Co.'s collateral bonds: $4,600 stock of the Phila. & Gray's Ferry Pass. Ry.; $2,500 stock of the Thirteenth & Fifteenth Sts. Pass. Ry.; $35,250 stock of the Phila. & Darby Ry.; $4,050 stock of the Phila. City Pass. Ry.; $392,950 stock of the West Phila. Pass. Ry.; $295,000 stock of the Empire Pass. Ry., and $302,300 stock of the Union Pass. Ry. On Sept. 26, 1895, the lines of this company's system were leased for 999 years from Oct. 1, 1895, to the Union Traction Co. The lease provides for dividends of $4 (8%) per share per annum, payable in gold, free of taxes. Included in lease of Union Traction Co. to Philadelphia Rapid Transit Co., July 1, 1902. Miles of track, 334.287.

CAPITAL STOCK

Authorized and outstanding, $20,000,000; par, $50. Annual meeting, last Tuesday in September. Dividends, 8% per annum, payable April and Oct. 1, at Philadelphia.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	60	65	63⅝	66	67	70	60	63
Low	53	56	56	58½	58	58	51	49¼

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$4,202,618	$4,202,618	$4,202,618
Securities owned	4,420,746	4,420,746	4,420,746
Materials and supplies	119,561	119,561	119,561
Cash on hand	4,310	5,113	6,280
Open accounts	16,120,916	16,120,999	16,121,071
Total	$24,868,151	$24,869,037	$24,870,276
Liabilities—			
Capital stock	$20,000,000	$20,000,000	$20,000,000
Current liabilities	4,381,185	4,381,185	4,381,185
Profit and loss	486,966	487,852	489,091
Total	$24,868,151	$24,869,037	$24,870,276

Officers: Lewis P. Geiger, Pres.; Geo. V. Neuber, Jr., Sec. & Treas., Philadelphia.

Directors: Alpheus G. Varney, Geo. D. Widener, Wm. P. Gest, Chas. H. Smith, J. E. Widener; one vacancy.

Office, 429 Land Title Bldg., Philadelphia, Pa.

RIDGE AVENUE CONNECTING RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated Sept. 6, 1892, in Pa. Leased for 999 years from Oct. 1, 1895, to the Philadelphia Traction Co. at annual rental of 6% on stock actually issued. Lessee also pays taxes and license fee. Mileage, 0.221.

CAPITAL STOCK

$6,000; par $50. Dividends, 6% per annum, payable April and Oct. 1, at Philadelphia.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: C. J. Kelley, F. B. Ellis, G. W. Davis, H. S. Meredith.

Office, Philadelphia, Pa.

RIDGE AVENUE PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorp. March 8, 1872, in Pa. Consolidation of ne Girard College Pass. Ry. Co. and the Ridge Ave. & Manaunk Pass. Ry. Co. into the Ridge Avenue Passenger Ry. Co. n March 8, 1872. Leased to the Philadelphia Traction Co. or 999 years from Sept. 1, 1892, at an annual rental of $10 er share per annum to Sept., 1895, and $12 per share thereafter. Lease assigned to Union Traction Co. on Oct. 1, 1895. otal trackage, 15.973 miles. Gauge, 5 ft. 2¼ in. Rail, 90 lb. tram). Electricity substituted for horse power in April, 894.

CAPITAL STOCK

Authorized and outstanding, $750,000; par, $50, of which 420,000 or $28 per share has been paid in. Listed on Philaelphia Stock Exchange. Annual meeting, second Monday in anuary. Dividends, 24% per annum. Payments quarterly, A, J & O 1, at Philadelphia.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
onstruction	$584,811	$584,811	$584,811
ocks and bonds owned	44,413	44,413	41,318
ash	5,415	2,584	3,370
Total	$634,639	$631,808	$629,499
Liabilities—			
apital stock	$420,000	$420,000	$420,000
rofit and loss	214,639	211,808	209,499
Total	$634,639	$631,808	$629,499

Officers: John M. Scott, Pres.; The Pennsylvania Co. for isurances on Lives & Granting Annuities, Sec. & Treas., hiladelphia.

Directors: A. J. D. Dixon, Owen J. Roberts, R. A. F. Pense, Jr., Henry Paul Busch, George Fales Baker.

Office, Ridge and Susquehanna Aves., Philadelphia, Pa.

SECOND & THIRD STREETS PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated April 10, 1858, in Pennsylvania. eased to Frankford & Southwark Pass. R. R. Co. for 999 ears from Jan. 1, 1893; rental, $8.50 per share the first year; .00 per share for the second and third years; $9.50 for fourth ar; $10.00 for fifth and sixth years; $10.50 for seventh and ghth years; $11.00 for ninth year; $12.00 for tenth and suceding years, and in addition $2,250 annually. Dividends for 96 and for the first half of 1897 were paid at the rate of .00 per share, instead of $9.50, the balance being applied to ayment of debt of $27,000 incurred for paving. Lease was sumed by the Electric Traction Co. on Aug. 17, 1893, effere from July 1, 1893. Mileage, 42.130. Gauge, 5 ft. 2¼ in. ail, 90 to 141 lb.

CAPITAL STOCK

Authorized and outstanding, 21,204 shares; par, $50; paid $771,076. Listed on Philadelphia Stock Exchange. Annual eeting, second Monday in January. Present dividends paid der lease, $3 per share, payable quarterly, J, A, J & O 1.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
lue of road	$1,057,572	$1,057,572	$1,057,572
ocks and bonds of other companies	8,044	8,044	8,044
sh & current assets	4,900	4,097	3,022
Total	$1,070,516	$1,069,713	$1,068,638
Liabilities—			
pital stock	$771,076	$771,076	$771,076
rnings to capital	286,496	286,496	286,496
her indebtedness	42	43	43
ofit and loss	12,902	12,098	11,023
Total	$1,070,516	$1,069,713	$1,068,638

Officers: John L. Clawson, Pres.; Henry E. Drayton, V-P.; J. Jamison, Sec. & Asst. Treas.; Howard E. Young, Treas.; as. B. Zimmerling, Asst. Sec., Philadelphia.

Directors: Henry E. Drayton, Harrison I. Potts, Samuel P. tan, Jeremiah J. Sullivan, Jr., Walter C. Janney, Geo. C. eeman, C. Berkley Taylor, E. T. Stotesbury, Edgar Fries, as. Y. Fox, Howard Longstreth, D. B. Cummins Catherod.

Office, Philadelphia, Pa.

SEVENTEENTH & NINETEENTH STREETS PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated April 12, 1859, in Pennsylvania. Leased to the Continental Passenger Railway Co. for 99 years from July 1, 1879, and leased by that company to the Union Pass. Ry. Co., which in turn assigned it to the Philadelphia Traction Co. Rental, a sum equal to 6% per annum on the capital stock, interest on bonds, taxes and organization expenses. On Oct. 1, 1895, the lease was assigned to the Union Traction Co., all rights of the Philadelphia Traction Co. to dividends on the 10,000 shares of stock of the Seventeenth & Nineteenth Streets Pass. Ry., which were then held by the Union Pass. Ry. Co. as trustee, being also transferred to the Union Traction Co. The lease was reassigned to the Philadelphia Rapid Transit Co. on July 1, 1902. Mileage, 14.189.

CAPITAL STOCK

Authorized, $500,000; par, $50; paid in, $250,000, or $25 per share. Stock all owned by Continental Passenger Ry. Annual meeting, second Monday in January. Dividends 6% per annum, payable Jan. and July 1, at Philadelphia.

FUNDED DEBT

$100,000 First 5s; dated 1876; due July 1, 1919, but extended for 10 years from July 1, 1919, at 5½%; int. Jan. and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia, substituted Trustee. Coupon, $500. Secured upon corporate franchises, all railroad, and real estate (except properties at N. E. cor. 19th and Market Sts. and S. E. cor. 12th St. and Montgomery Ave.). Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $250,0000; funded debt, $100,000; due lessee company, $554,289—total, representing cost of road and equipment, $904,289.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.

Directors: The above and L. H. Freiling.

Office, Mitten Bldg., N.W. Cor. Broad & Locust Sts., Philadelphia, Pa.

THIRTEENTH & FIFTEENTH STREETS PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated April 8, 1859 under the laws of Pennsylvania. On July 5, 1865, company absorbed the Navy Yard, Broad St. & Fairmount Ry. Co. Leased to the Philadelphia Traction Co. for 999 years from Jan. 1, 1892, at following rentals: From Jan. 1892, to Jan. 1894, $9.00 per share per annum, Jan. 1894, to Jan. 1897, $10.00 per share per annum; Jan. 1897, to Jan. 1900, $11.00 per share per annum; Jan. 1900, and thereafter, $12.00 per share per annum. Lessee also pays $1,200 for expenses and interest and taxes, and also agrees to pay mortgages as they become due. Lease was assigned to the Union Traction Co. on Oct. 1, 1895, and to Philadelphia Rapid Transit Co. on July 1, 1902. Mileage, 16.131. Gauge, 5 ft. 2¼ in. Rail, 90 lb. (tram).

CAPITAL STOCK

Authorized, $1,000,000; par, $50; paid in, $334,529. Listed on Philadelphia Stock Exchange. Annual meeting, second Monday in January. Dividends are payable as above on Jan. 2 and July 1 at Fidelity-Philadelphia Trust Co., Philadelphia, or checks mailed.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	155	173	178	168¼	175	195	153	190
Low	bid	165	165	160½	175	147	147	187½

FUNDED DEBT

$436,000 Consolidated 5% and 3½% bonds; dated 1894; due Jan. 1, 1934; interest Jan. and July, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Coupon, $1,000. Guaranteed, principal and interest, by the Philadelphia Traction Co. Of these bonds, $36,000 are 3½ per cents. There were originally $100,000 of 3½s, which were exchanged for old 7s of like amount, which became due Oct. 1, 1903, but $64,000 have been paid off, leaving $36,000 outstanding. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$433,170	$433,170	$433,170
Cash and current assets	556,346	555,843	555,404
Bonds of other cos	15,095	15,095	15,095
Total	$1,004,611	$1,004,108	$1,003,669
Liabilities—			
Capital stock	$334,529	$334,529	$334,529
Funded debt	491,000	491,000	491,000
Profit and loss	179,082	178,579	178,140
Total	$1,004,611	$1,004,108	$1,003,669

Officers: William R. Warner, Jr., Pres.; J. B. Bartow, Sec. & Treas., Philadelphia.
Directors: Henry M. Dubois, George H. Kyd, T. Ellis Barnes, Joseph Y. Jeanes, Joshua R. Morgan.
Office, 325 Chestnut St., Philadelphia, Pa.

TWENTY-SECOND ST. & ALLEGHENY AVE. PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated May 28, 1890, under the laws of Pennsylvania. Company was leased to Philadelphia Traction Co. for 99 years from March 1, 1894; lease amended Sept. 24, 1895, to run 999 years from March 1, 1894, at rental of $60,000 per annum; by reason of the merging of various companies the sum of $60,000 was increased to $67,368.

The following roads have been merged into this company: The Chelten Ave. Pass. Ry., the Germantown & Fairmount Pass. Ry., the Fisher's Lane Ry., the Fairmount & Frankford Ry., the Lindley Ave., Ry. and the Philadelphia & Trenton Rapid Transit St. Ry. companies. Mileage, 65.243.

CAPITAL STOCK

Authorized, $1,302,000; paid in, $561,400; par, $50. Annual meeting, second Monday in January. Dividends 6% per annum, payable March and Sept. 1, at Philadelphia.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Capital stock, $561,400; advances, $880,802; profit and loss, $1,406—total, $1,443,609. Contra: Construction and equipment, $1,404,952; advances to other companies, $38,657—total, $1,443,609.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.
Directors: The above and L. H. Freiling.
Office, Mitten Bldg., N. W. Cor. Broad & Locust Sts., Philadelphia, Pa.

UNION PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Inc. April 8, 1864. Leased to Philadelphia Trac. Co. for 999 years from June 30, 1884, at rental of $285,000, or $9.50 per share on stock, and interest, taxes, etc. Lease assigned to the Philadelphia Rapid Transit Co. on July 1, 1902. This company's lease of the Continental Pass. Ry. Co. was assigned to the Philadelphia Traction Co., and by the latter to the Union Traction Co. on Oct. 1, 1895. Holds as lessee and trustee, 6,090 shares of stock of the Empire Pass. Ry. Co. and 10,000 shares of the Seventeenth & Nineteenth Sts. Pass. Ry. Co. Length of track, 80.767 miles. Gauge, 5 ft. 2¼ in.

CAPITAL STOCK

Authorized and outstanding, 30,000 shares; par, $50; paid in, $925,000, or $30.83 1/3 per share, of which $302,300 is owned by the Philadelphia Traction Co. Annual meeting, second Monday in January. Dividends, 19% per annum (less income tax), payable Jan. and July 1, at Philadelphia.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	97¼	110½	112	110¼	105½	121¼	100½	85
Low	97¼	108	110	110	105½	121¼	83¼	83¼

FUNDED DEBT

$500,000 First 4s; dated March 21, 1881; due March 31, 1961; int. April and Oct. 1 at The Real Estate-Land Title & Trust Co., Philadelphia. Coupon, $100 and $500. Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, Trustee. Originally 5s, due March 31, 1911, but at maturity extended as above. Company pays Normal Federal Income Tax up to 2%.

$250,000 Second 4s; dated Feb. 2, 1884; due March 31, 1960; int. April and Oct. 1 at The Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $100 and $500. Originally 5s, due March 1, 1910, but at maturity extended as above. Company pays Normal Federal Income Tax up to 2%.

NOTE—The above mortgages are liens upon the road only, and do not include stations or other real estate.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$8,936,879	$8,936,879	$8,936,879
Other accounts	42,669	42,669	42,669
Total	$8,979,548	$8,979,548	$8,979,548
Liabilities—			
Capital stock	$925,000	$925,000	$925,000
Funded debt	750,000	750,000	750,000
Due lessee company	6,655,066	6,655,114	6,655,163
Profit and loss	649,482	649,434	649,385
Total	$8,979,548	$8,979,548	$8,979,548

Officers: Lewis P. Geiger, Pres.; Geo. V. Neuber, Jr., Sec. & Treas., Philadelphia.
Directors: J. E. Widener, Geo. D. Widener, Morris L. Clothier, W. P. Gest, Philadelphia; (one vacancy).
Office, 429 Land Title Bldg., Philadelphia, Pa.

WALNUT STREET CONNECTING PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated May 8, 1890, in Pennsylvania. Leased to Philadelphia Traction Co. for 999 years from Oct. 1, 1895, at an annual rental of 6% on the stock. Lessee also pays taxes and license fees. Mileage, 1.377.

CAPITAL STOCK

$50,000; par, $50. Dividends, 6% per annum, payable April and Oct. 1, at Philadelphia.

FUNDED DEBT

None.

Officers: C. J. Kelley, Pres.; G. W. Davis, V-P.; F. B. Ellis, Sec. & Treas.; H. S. Meredith, Asst. Sec. & Asst. Treas., Philadelphia.
Directors: The above, L. H. Freiling and H. R. Ottey.
Office, Mitten Bldg., N.W. Cor. Broad & Locust Sts., Philadelphia, Pa.

WEST PHILADELPHIA PASSENGER RAILWAY

(Leased to Philadelphia Rapid Transit Co.)

History—Incorporated May 14, 1857, in Pa. Leased to Philadelphia Traction Co. for 999 years effective from Jan. 1, 1884, at annual rental of $150,000, or 20% on the stock, and interest, taxes, etc. Lease assigned to Union Traction Co. on Oct. 1, 1895, and to Philadelphia Rapid Transit Co. on July 1, 1902. Mileage, 69.441 miles. Gauge, 5 ft. 2¼ in.

CAPITAL STOCK

$750,000; par, $50. The Philadelphia Traction Co. owns $392,950 of the stock. Annual meeting, second Monday in January. Dividends, 20% per annum (less income tax), payable Jan. and July 1, at Philadelphia.

FUNDED DEBT

$246,000 First Gold Extended 3½s; due April 1, 1956; int. April and Oct. 1. Girard Trust Co., Philadelphia, Trustee. Coupon, $100, $500 and $1,000. Pennsylvania Co. for Insurances April 1, 1906, but were extended for 50 years at 3½%. Authorized, $250,000. Company pays Normal Federal Income Tax up to 2%.

$750,000 Second Extended Gold 5½s; due May 1, 1956; int. May and Nov. 1, at The Real Estate-Land Title & Trust Co., Philadelphia. Coupon, $100, $500 and $1,000. Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee. These bonds were formerly 5s and matured May 1, 1926, but were extended for 30 years at 5½%. Extended bonds are subject to call on and after Nov. 1, 1926, at 102½ and interest. Car riders and patrons of the Philadelphia Rapid Transit Co. System were invited to subscribe to the extended bonds at par. Company pays Normal Federal Income Tax up to 2%. Listed on Philadelphia Stock Exchange.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Construction and equipment	$4,342,680	$4,342,680	$4,342,680
Open accounts	8,610	8,610	8,610
Total	$4,351,290	$4,351,290	$4,351,290
Liabilities—			
Capital stock	$750,000	$750,000	$750,000
Funded debt	996,000	996,000	996,000
Current liabilities	2,508,699	2,508,733	2,508,757
Open accounts	8,610	8,610	8,610
Profit and loss	87,981	87,947	87,923
Total	$4,351,290	$4,351,290	$4,351,290

Officers: Lewis P. Geiger, Pres.; Geo. V. Neuber, Jr., Sec. & Treas., Philadelphia.
Directors: Geo. D. Widener, J. E. Widener, P. A. B. Widener, Geo. Willing, Jr., Wm. P. Gest, Harry Lawson, Lewis P. Geiger; two vacancies.
Office, 429 Land Title Bldg., Philadelphia.

SARANAC RIVER POWER CORPORATION

History and Property—Incorporated in New York. Owns and operates a hydro-electric power plant, having a rated capacity of 3,600 h.p. located on the Saranac River, about 5 miles from Plattsburg, N. Y. Operations began July 1, 1924. Corporation has entered into a 15-year contract for the sale of its entire output to the Saranac Pulp & Paper Co. at a yearly rental of $75,000. The Corporation operates under a franchise and under the approval of the Public Service Commission of the State of New York.

CAPITAL STOCK

Authorized, 1,000 Common shares of no par value and $199,000 7% cumulative Pfd.; par, $100; outstand-

ıg, 1,000 Common shares and $199,000 Pfd. Annual .eeting, second Tuesday in July.

Dividends—Paid dividends on Pfd. of 7% each in)24, 1925, 1926 and 1927; none paid on Common.

FUNDED DEBT

$282,000 First Mortgage Gold 7s; dated July 1, 1923; ıe July 1, 1938; interest payable Jan. and July 1, at itizens Trust Co., Utica, N. Y. Coupon, $500 and ,000; principal may be registered. Coupon and gistered bonds interchangeable. Authorized and sued, $300,000; outstanding, Dec. 31, 1927, $282,000. ıbject to call as a whole only after July 1, 1933, at)5 and accrued interest, or in part for sinking fund ırposes only at 110 less ½ of 1% for each year or action thereof elapsed after Dec. 31, 1924. Sinking nd begins to operate Jan., 1925, at the rate of 1% of e total issue for the first two years, 2% for the next ree years and 3% for the next nine years, thus automatically retiring about 40% of the bonds before maturity. A first lien on all the property, power plant and transmission lines now owned or hereafter acquired. First publicly offered ($300,000) in June, 1923, at 100 and interest to yield 7%, by the Mohawk Valley Investment Corp. and Citizens Trust Co., Utica, N. Y. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Rental received	$75,000	$75,000	$75,000
Expenses	33,553	27,877	29,232
Taxes	2,591	3,030	2,116
Operating income	$38,856	$44,093	$43,656
Bond interest	20,160	20,615	20,790
Other charges	4,565	3,944	1,608
Net income	$14,131	$19,534	$21,258
Preferred dividends	13,930	13,930	13,930
Surplus for year	$201	$5,604	$7,328

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
xed capital	$465,201	$463,302	$463,302	Common stock	$1,000	$1,000	$1,000
sh	13	28	.....	Preferred stock	199,000	199,000	199,000
:counts receivable	73,407	69,485	59,103	Funded debt	282,000	288,000	297,000
iscellaneous assets	.....	.....	3,000	Notes payable	30,000	30,000	30,000
namortized debt discount	15,717	18,482	20,089	Retirement reserve	32,200	23,000	13,800
				Surplus	10,138	10,297	4,694
Total	$554,338	$551,297	$545,494	Total	$554,338	$551,297	$545,494

Officers: R. H. Guibord, Pres.; H. P. G. Norstrand, -P. & Gen. Mgr.; D. H. Guibord, Treas.; L. B. Norand, Sec., Plattsburg, N. Y.

Directors: J. W. Guibord, New York City; R. H. Guibord, Plattsburg, N. Y.; A. James Eckert, Utica, N. Y.

General Office, Plattsburg, N. Y.

UTILITIES POWER & LIGHT CORPORATION

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	*Earnings per Share
Cum. Pfd. (par, $100)	J, A, J & O 1	$30,000,000	$16,130,700	Yes	$2,640,034	$7.00	$793,162	$23.30
ıss "A" (no par)	J, A, J & O 1	1,000,000 shs	556,628 shs.	No	1,846,872	2.00	831,626	4.44
ıss "B" (no par)	J, A, J & O 1	1,000,000 shs	682,206.2 shs.	No	1,015,246	†1.41	831,626	1.84

*Based on average number of shares outstanding during year. †Includes 25 cents a share each April 1, July 1 and Oct. 1, %, and 66 cents a share Jan. 1, 1928. On April 1, 1928, 25 cents a share was paid.

History—Incorporated March 19, 1915, in Virginia, Utilities Development Corporation; name changed above on May 2, 1922. Controls through stock ownership the following subsidiaries:

dianapolis Power & Light Corporation (Del.)
ndianapolis Power & Light Co. (Ind.)
erstate Power Company (Del.)
East Dubuque Electric Company (Ill.)
Eastern Iowa Electric Company (So. Dak.)
nterstate Power Company of Nebraska (Del.)
nterstate Power Company of North Dakota (N. Dak.)
nterstate Power Company of Wisconsin (Wis.)
clede Gas and Electric Company (Del.)
The Laclede Gas Light Company (Mo.)
Phoenix Light, Heat and Power Co. (Mo.)
Laclede Power & Light Company (Mo.)
Venice Gas Company (Ill.)
Laclede Securities Company (Ill.)
Central States Utilities Corporation (Del.)
*Central States Power & Light Corp. (Del.), which controls Central States Pipe Line Corporation (Okla.)
Operates directly and through subsidiaries public utility perties in Ala., Ark., Iowa, La., Mich., Minn., Miss., Mo., la., N. Dak., Tex., and New Brunswick, Canada.
onial Gas and Electric Company (Del.)
Derby Gas & Electric Corporation (Del.)
The Derby Gas and Electric Company (Conn.)
The Wallingford Gas Light Company (Conn.)
Newport Electric Corporation (R. I.)
Colonial Coach Co. (R. I.)
Eastern New Jersey Power Company (N. J.)
New Jersey Water & Light Company (N. J.)
New Egypt Water Company (N. J.)
Coast Cities Railway Company (N. J.)
St. Louis Gas & Coke Corporation (Del.)
St. Louis Coal & Iron Company (Me.)
Utilities Building Corporation (Ill.)
Electric Building Corporation (N. J.)
Illinois and Missouri Pipe Line Company (Ill.)
The Management and Engineering Corporation (Del.)
Atlantic Coast Transportation Company (N. J.)
Yellow Cab Company of Monmouth and Ocean Counties (N. J.)

In April, 1926, the properties in Minnesota, Iowa, North Dakota, South Dakota, Nebraska and Oklahoma, were acquired and merged in Interstate Power Company. In Jan., 1927, the bonds and Preferred stocks of the companies controlling these properties were called, the companies were dissolved and the corporate structure was reconstituted as above.

On May 1, 1926, control of the Indianapolis Light and Heat Company was acquired. In January, 1927, the minority interest in this Company and the Merchants Heat and Light Company was acquired, and these two companies were merged as the Indianapolis Power and Light Company.

BOSTON Tel. Hancock 7320
PHILADELPHIA Tel. Rittenhouse 1530
BALTIMORE Tel. Plaza 7373
LONDON
Utilities Power & Light Corporation
PYNCHON & CO.
Members of the New York Stock Exchange
111 Broadway, New York Tel. Rector 0970
The Rookery, Chicago Tel. Wabash 7700
MILWAUKEE Tel. Broadway 306
PROVIDENCE Tel. Gaspee 8600
HARTFORD Tel. 3-0211
LIVERPOOL
Private wire connections to all important markets in the United States and Canada

In August, 1926, the Company also acquired The Derby Gas and Electric Company and The Wallingford Gas Light Company, through a subsidiary, Derby Gas & Electric Corporation (Del.).

In June, 1927, the Laclede Gas and Electric Co. was acquired. In December, 1927, control of the Central States Power Co. was acquired.

In addition to the foregoing public utilities properties, the stockholders of Utilities Power & Light Corp. have an equity in the following companies: **Utilities Building Corp.,** which owns and operates a modern 12-story office building at the corner of La Salle and Van Buren Streets, in the Chicago "loop"; the **Electric Building Corp.,** which owns a new 11-story office building in the business district of Asbury Park, New Jersey; the **St. Louis Gas & Coke Corp.,** which operates one of the largest combined merchant by-product coke and iron plants in the United States; the **Illinois and Missouri Pipe Line Co.,** which owns and operates a 12-inch pipe line for gas, connecting the refineries of the Standard Oil Company of Indiana and the Roxana Petroleum Corporation, at Wood River, Illinois, to the plants of The Laclede Gas Light Company, in St. Louis, Missouri; the **Yellow Cab Company of Monmouth and Ocean Counties** and the **Atlantic Coast Transportation Co.,** which operate cab and bus lines in the territory of the Eastern New Jersey Power Company; and **The Management and Engineering Corporation.**

Through its subsidiary and controlled companies the Company owns and operates public utility properties in 655 cities and towns in 18 states. Of the gross revenues received during 1927, 60.7% was from the sale of electric energy, 30.7% from gas, and 8.6% from miscellaneous sources.

COMBINED OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	*1927	1926	1925	1924
K.w.h. generated and purchased	585,888,394	378,203,042	88,316,121	64,728,09?
Gas produced and purchased	8,897,276,417	820,105,000	387,425,000	224,923,00(
Water pumped (gals.)	389,046,582	445,970,000	69,750,000	73,000,50(
Passengers carried	12,120,180	13,819,402	11,582,967	11,375,59(
Employes	5,155	2,626	2,300	1,04?

*Exclusive of Central States Utilities Corporation and its subsidiaries, which were taken over as of Jan. 1, 1928, and o St. Louis Gas & Coke Corporation and Missouri Pipe Line Company.

CAPITAL STOCK

Authorized, 1,000,000 shares of Class "A" stock without stated par value, 1,000,000 shares Class "B" stock without stated par value, and $30,000,000 7% cumulative Pfd., par, $100. Outstanding Dec. 31, 1927, 556,628 shares Class "A," 682,206.2 shares Class "B" and $16,130,700 Pfd.

Capital Stock Changes—Original capital of $500,000 Common and $500,000 Pfd., par, $100, was increased on April 18, 1918 to $1,000,000 Common, and $1,000,000 Pfd., par, $100. On Nov. 1, 1924, the capital stock changed to 300,000 shares Common of no par value, and $10,000,000 Pfd., par, $100. On Dec. 18, 1924, the Common stock was reclassified into 150,000 shares of Class "A" stock and 300,000 shares of Class "B" stock, both of no par value. On May 25, 1925, the two latter classes of stock were increased to 250,000 shares Class "A" stock, and 500,000 shares Class "B" stock. On Jan. 6, 1926, the Class "A" stock was increased to 400,000 shares. On May 18, 1927, the Pfd. stock was increased to $30,000,000, par, $100, and the Class "A" and Class "B" stocks each to 1,000,000 shares, the present authorized capital.

Preferred Stock Provisions—Has preference as to assets and accrued dividends and in liquidation is entitled to par and accrued dividends, if voluntary, and to 105 and accrued dividends, if involuntary. Has no voting power unless dividends for one year are in arrears, when as a class it may elect two directors. Without consent of majority of each class of stock, no mortgage or lien may be created, except purchase money mortgages and liens and mortgages on property hereafter acquired and pledges made for loans in usual course of business. Authorized amount may not be increased without consent of majority of Preferred and no prior preference stock may be created without consent of 66 2/3% of Preferred. Issued for acquisitions.

Callability—Subject to call as a whole or in part after three years from date of issue at 105 and accrued dividends.

Class "A" Stock Provisions—Has priority over Class "B" stock both as to assets and non-cumulative dividends of $2 per share. Participates equally as a class with Class "B" in all dividends after latter has received as a class an amount of dividends equal to total paid on Class "A" stock at rate of $2 per share. In liquidation entitled to $35 per share and participates equally as a class with Class "B" after latter has received an amount equal to the preferential payments on Class "A". Non-callable. Has no voting power unless four quarterly dividends are in default when it may elect two directors. No mortgage may be placed upon the property other than purchase money obligations without the consent of the owners of a majority of the preferred, Class "A" and "B" stock, each voting as a class. Issued for acquisitions and other corporate purposes.

Class "B" Stock Provisions—Has third preference as to assets and dividends; has sole voting power with restrictions (see above under Pfd. stock and Class "A" stock provisions). Held in voting trust agreement dated April 1, 1925, and to continue for ten years unless terminated by consent of 80% of the voting trust certificate holders.

Transfer Agents—American Exchange Irving Trust Co., New York, and at office of Company in Chicago.

Registrars—The Chase National Bank of the City of New York, and Continental National Bank and Trust Co., Chicago.

Annual Meeting—Fourth Wednesday in April, at Richmond, Va.

Original Offering—First publicly offered ($4,000,000 7% Pfd.) in May, 1925, at $99 per share and accrued dividend with a bonus of ½ share of Class "B," by Pynchon & Co., W. S. Hammons & Co., West & Co., and John Nickerson & Co. In May, 1925, 150,000 shares Class "A" stock were offered at $25 per share by John Nickerson & Co.

In April, 1926, $2,500,000 Pfd. was publicly offered at $95 per share and accrued dividends, to yield about 7.35%, by Pynchon & Co., W. S. Hammons & Co. West & Co., and John Nickerson & Co.

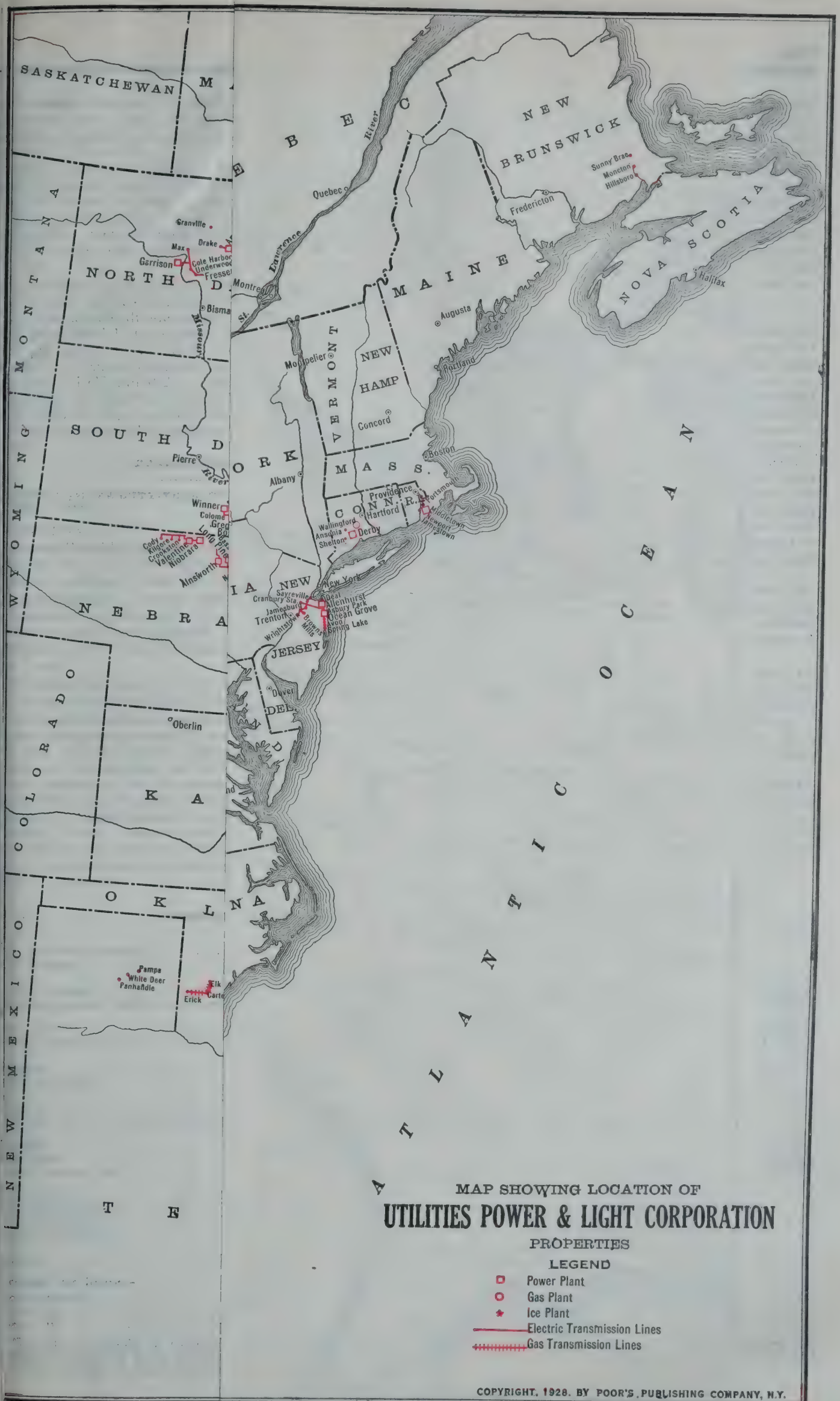
In June, 1927, $3,000,000 Pfd. offered at 98 and accrued dividend to yield 7.14% by Pynchon & Co. West & Co., John Nickerson & Co., Federal Securities Corp., H. M. Byllesby & Co., and W. S. Hammons & Co.

Legal Opinion—Rushmore, Bisbee & Stern, New York (for the Bankers), and Matthews & Koegel, Chicago (for the Corporation).

Listed (Class "A")—New York and Chicago Stock Exchanges. Voting Trust Certificates for Class "B" Chicago Stock Exchange.

Price Range—

	1927	1926	1925
Preferred—			
High	100	98	97
Low	93	92	90
Class "A"—			
High	34	37	36¼
Low	27	27⅝	22⅞
Class "B"—			
High	23⅞	18⅜	22
Low	13¼	13½	12



MAP SHOWING LOCATION OF

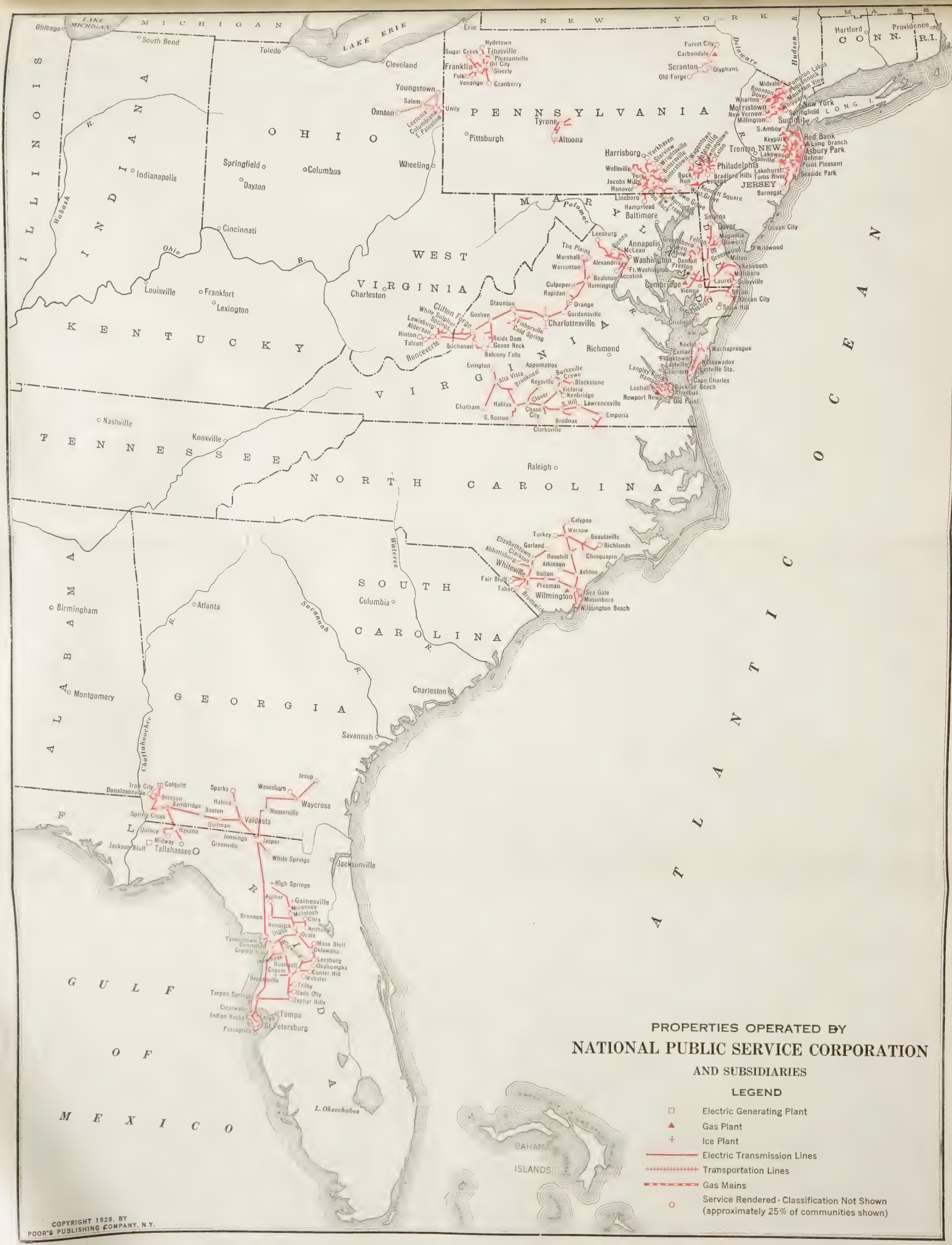
UTILITIES POWER & LIGHT CORPORATION

PROPERTIES

LEGEND

- Power Plant
- Gas Plant
- Ice Plant
- Electric Transmission Lines
- Gas Transmission Lines

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PROPERTIES OPERATED BY
NATIONAL PUBLIC SERVICE CORPORATION
AND SUBSIDIARIES
LEGEND
Electric Generating Plant
Gas Plant
Ice Plant
Electric Transmission Lines
Transportation Lines
Gas Mains
Service Rendered - Classification Not Shown
(approximately 25% of communities shown)
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Mass.
Long I.
Hydetown
Sugar Creek
Titusville
Pleasantville
Franklin
Oil City
Siverly
Polk
Venango
Cranberry
Forest City
Carbondale
Scranton
Old Forge
Olyphant
Delaware R.
Hudson R.
Pompton Lakes
Pequannock
Mountain View
Midvale
Boonton
Dover
Wharton
Whippany
Morristown
New Vernon
Millington
Springfield
Summit
S. Amboy
Keyport
Red Bank
Long Branch
Asbury Park
Belmar
Point Pleasant
Seaside Park
Youngstown
Salem
Canton
Unity
Leetonia
Columbiana
E. Palestine
Pennsylvania
Tyrone
Altoona
Pittsburgh
Ohio
Indiana
Illinois
Wabash R.
Springfield
Columbus
Dayton
Wheeling
Indianapolis
Cincinnati
Ohio R.
Harrisburg
Yorkhaven
Starview
Wrightsville
Bittersville
Wintersdown
Wellsville
York
Jacobs Mills
Hanover
Lineboro
Hampstead
Wagontown
Coatesville
Downingtown
Exton
Buck Run
Bradford Hills
Cedarbrook
Kennett Square
West Grove
Lawn Grove
New Freedom
Glen Rock
Norrisville
Trenton
Lakewood
Cassville
Lakehurst
Toms River
Philadelphia
New Jersey
Barnegat
Potomac R.
Maryland
Baltimore
Leesburg
Vienna
McLean
Annapolis
Greensboro
Queen Anne
Felton
Smyrna
Dover
Magnolia
Bowers
Greenwood
Milton
Rehoboth
Millsboro
Selbyville
Ocean City
Wildwood
Washington
Ft. Washington
Accotink
Denton
Preston
Laurel
Berlin
Snow Hill
Cambridge
Vienna
Salisbury
Crisfield
The Plains
Marshall
Warrenton
Alexandria
Bealeton
Remington
Culpeper
Rapidan
Orange
Gordonsville
Charlottesville
Staunton
Goshen
Clifton Forge
White Sulphur Springs
Lewisburg
Alderson
Hinton
Talcott
Ronceverte
Fisherville
Cold Spring
Reids Dam
Goose Neck
Buchanan
Balcony Falls
West Virginia
Charleston
Louisville
Frankfort
Lexington
Kentucky
Richmond
Keeler
Exmore
Franktown
Eastville
Cheriton
Wachapreague
Nassawadox
Eastville Sta.
Cape Charles
Buckroe Beach
Phoebus
Old Point
Newport News
Langley Field
Hampton
Leehall
Evington
Appomattox
Alta Vista
Brookneal
Burkeville
Crewe
Keysville
Blackstone
Victoria
Kenbridge
Clover
Halifax
Chatham
S. Boston
Chase City
S. Hill
Lawrenceville
Emporia
Brodnax
Clarksville
Nashville
Knoxville
Tennessee
North Carolina
Raleigh
Calypso
Warsaw
Turkey
Beaulaville
Richlands
Garland
Elizabethtown
Clarkton
Abbottsburg
Whiteville
Rosehill
Atkinson
Chinquapin
Bolton
Ashton
Fair Bluff
Tabor
Freeman
Wilmington
Sea Gate
Masonboro
Wilmington Beach
Brunswick
Waterce
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South Carolina
Birmingham
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Alabama
Montgomery
Georgia
Charleston
Savannah
Atlantic Ocean
Chattahoochee
Jesup
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Waycross
Sparks
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Homerville
Boston
Valdosta
Quitman
Jennings
Jasper
Iron City
Colquitt
Donalsonville
Brinson
Bainbridge
Spring Creek
Quincy
Havana
Midway
Tallahassee
Jackson Bluff
Greenville
White Springs
Jacksonville
High Springs
Archer
Gainesville
Micanopy
McIntosh
Citra
Bronson
Kendrick
Inglis
Ocala
Anthony
Yankeetown
Dunnellon
Crystal River
Moss Bluff
Oklawaha
Leesburg
Okahumpka
Center Hill
Webster
Bushnell
Croom
Brooksville
Trilby
Dade City
Zephyr Hills
Tarpon Springs
Clearwater
Indian Rocks
Largo
Tampa
St. Petersburg
Passagrille
Florida
Gulf of Mexico
L. Okeechobee
Bahama Islands

Dividends—Regular dividends at the rate of 7% per annum have been paid on Pfd. stock since incorporation; payments quarterly, J, A, J & O 1 to stock of record M, J, S & D 6.

Initial quarterly dividend of 50 cents a share paid on Class "A" stock April 1, 1925, which quarterly rate has been maintained to date; payments J, A, J & O 1 to stock of record M, J, S & D 6. For each dividend, stockholders were offered the option of receiving either 50 cents in cash or stock at the rate of 1/40th of a share.

No dividends were paid on Class "B" stock to Jan. 2, 1925, when a stock dividend of 1/10th of a share was paid. Initial cash dividends of 25 cents on Class "B" stock paid April 1, 1926, which quarterly rate paid to date; payments, J, A, J & O 1 to stock of record M, J, S & D 6. Extra dividends of 41 cents a share each paid Jan. 3, 1927 and 1928. Stockholders were offered the option of receiving all dividends subsequent to April, 1926, at the rate of 1/10th of a share of Class "B" stock for each $1 of dividends to which they were entitled.

FUNDED DEBT

$20,000,000 5½% TWENTY-YEAR GOLD DEBENTURES; DUE JUNE 1, 1947

Dated June 1, 1927.

Interest Payable June and December 1 at The Chase National Bank of New York, N. Y., and Continental National Bank and Trust Co., Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000; interchangeable; principal of bonds in the $1,000 denomination may be registered.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized amount, not limited; issued and outstanding Dec. 31, 1927, $20,000,000.

Additional debentures and/or any other bonds, notes or other obligations maturing more than one year after date may not be issued unless the consolidated net earnings of Corporation and its subsidiaries, as defined in the Indenture, for 12 consecutive months within 15 months next preceding such issue, shall have been at least 2½ times annual interest charges on all debentures, bonds, notes and other obligations of the Corporation maturing more than one year after their respective dates then outstanding, including those proposed to be issued.

Purpose of Issue—Proceeds were used in connection with the purchase of all the Common stock of Laclede Gas & Electric Co. and St. Louis Gas & Coke Corp., for the reduction of current indebtedness, to retire underlying securities, and for other corporate purposes.

Callability—Subject to call as a whole at any time, or in part on any interest date on 60 days' notice at 105 prior to June 1, 1931; at 104 on said date, and thereafter prior to June 1, 1935; at 103 on said date and thereafter prior to June 1, 1939; at 102 on said date and thereafter prior to June 1, 1943; at 101 on said date and thereafter prior to maturity, plus accrued interest in each case.

Sinking Fund—None provided.

Security—A direct obligation of the Corporation but not secured by mortgage. Corporation covenants not to create or permit any mortgage or other lien upon any of the fixed property of the Corporation, nor any pledge of voting or Common stock of a subsidiary necessary to qualify the subsidiary as such, except the pledge of shares of future subsidiaries (as defined in the indenture) hereafter acquired, to secure loans maturing not more than one year effected in connection with the acquisition of such shares, without at least equally securing these debentures. Corporation will not permit any subsidiary to issue any shares of voting stock unless the Corporation or another such subsidiary shall acquire a sufficient proportion thereof to cause the issuing corporation to continue to be a subsidiary as defined in the Indenture.

Maintenance, Renewals and Replacements—Corporation's policy is to set aside in the aggregate 13% of annual operating revenues of its public utilities subsidiaries and controlled companies for maintenance, renewals and replacements.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax and California 5 mills taxes and Massachusetts 6% income tax on interest, refundable upon proper application.

Legal Opinion—Rushmore, Bisbee & Stern, New York (for the Bankers) and Matthews & Koegel, Chicago (for the Corporation).

Original Offering—First publicly offered ($20,000,000) in June, 1927, at 94¼ and interest to yield about 6%, by H. M. Byllesby & Co., Inc., Pynchon & Co., John Nickerson & Co., W. S. Hammons & Co., New York; West & Co., Philadelphia, and Federal Securities Corp., Chicago.

Price Range—1927: High, 94¾; low, 91.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926	1925	1924
Gross operating revenue	$27,645,209	$14,515,690	.....	.....
Other revenue	1,534,936	1,378,593	.....	.....
Gross revenue	$29,180,145	$15,894,283	$7,630,895	$5,334,542
Operating expense, maintenance and taxes	14,706,253	7,567,079	3,904,958	2,406,079
Net earnings	$14,473,892	$8,327,204	$3,725,937	$2,928,463
Interest, amortization, etc.	6,693,616	2,773,194	1,422,828	1,100,226
Balance	$7,780,276	$5,554,010	$2,303,109	$1,828,237
Other deductions	993,614	1,309,859	25,923	.....
Balance	$6,786,662	$4,244,151	$2,277,186	†
Dividends on Pfd. stocks of subsidiaries	2,303,142	964,543	315,779	†
Balance	$4,483,520	$3,279,608	$1,961,407	†
Depreciation	1,518,978	758,322	401,879	286,826
Federal Income Tax	324,508	373,370	122,056	106,087
Net income	$2,640,034	$2,147,916	$1,437,472	†
Preferred dividends	793,162	498,277		
Class "A" dividends	831,626	569,033	900,185	†
Common dividends	831,626	565,853		
Balance	$183,620	$514,753	$537,287	.....
Earnings Per Share—				
7% Preferred	$23.30	$30.17	$27.93	.....
Class "A"	4.44	5.80	4.35	.....
Class "B"	1.84	2.72	1.48	.....

*Includes dividends on Common stocks of subsidiary and controlled companies paid prior to acquisition, surplus net earnings of properties prior to acquisition, and net income accruing to minority interests. †Figures not available. §Based on average number of shares outstanding during year.

COMPARATIVE CONSOLIDATED BALANCE SHEET, YEARS ENDED DECEMBER 31
(Utilities Power & Light Corporation and its Subsidiary and Controlled Companies)

	*1927	1926	1925	1924
Assets—				
Property, plant and equipment	$199,667,425	$103,863,503	$41,409,887	$29,512,04
Investments, etc.	5,990,579	972,453	662,638	593,04
Pledged stocks and bonds (contra)	2,269,000	.....	.....	.....
Cash	3,969,530	2,642,044	2,788,826	1,321,33
Marketable securities	301,158	2,097,951	.....	.....
Notes receivable	42,032	131,264	329,521	322,44
Accounts receivable	5,540,789	2,614,270	1,830,570	1,582,57
Due from employes on stock subscription	372,000	400,000	.....	.....
Materials and supplies	3,087,236	1,817,126	755,740	492,85
Life insurance cash value	73,361	60,642	51,721	39,82
Special deposits, etc. (contra)	701,495	101,300	108,914	.....
Due from affiliated companies (net)	637,236	80,402	.....	.....
Payments on investments	3,974,188	1,410,318	813,140	159,69
Unamortized bond discount	9,511,342	4,111,124	1,903,226	
Unamortized stock discount	2,945,479	1,328,702	659,050	1,896,48
Prepaid items, etc.	1,730,731	436,046	200,219	
Total	$240,813,581	$122,067,146	$51,513,452	$35,920,30
Liabilities—				
Preferred stock	$16,130,700	$8,747,000	$5,147,000	$1,000,00
Class "A" stock	†13,461,010	6,864,482	8,097,690	3,000,00
Class "B" stock	‡6,695,527	3,116,861		1,450,00
Preferred stocks of subsidiaries	32,955,783	17,642,739	6,256,498	2,864,39
Minority interests in Common stocks	4,237,195	1,250,025	436,612	71,26
Debentures	20,000,000	.....	.....	.....
Funded debt of subsidiaries	106,113,500	51,694,460	18,618,900	15,070,10
Secured notes (contra)	1,822,000	.....	.....	.....
Notes payable	1,143,714	2,252,401	1,551,686	2,201,37
Accounts payable	1,821,835	1,529,081	862,386	1,196,90
Accruals	2,215,575	1,384,289	251,624	.....
Purchase contracts payable, etc.	192,427	351,628	.....	.....
Dividends payable	467,308	307,798	157,457	.....
Divds. accepted in Class "A" stock & Class "B" Voting Trust Certificates	698,158	411,814	.....	.....
Consumers' deposits	884,069	603,829	252,914	200,463
Called bonds, etc. (contra)	415,709	101,300	108,914	.....
Deferred liabilities	1,443,647	638,188	477,209	240,757
Depreciation reserve	16,546,467	9,851,646	3,886,721	3,113,289
Reserve for Federal taxes, contingencies, etc.	2,057,475	1,173,522	529,193	451,379
Minority interest in surplus	4,328,543	7,339,816	4,878,648	5,060,372
Surplus—U. P. & L. Corp.	7,182,939	6,806,267		
Total	$240,813,581	$122,067,146	$51,513,452	$35,920,308

*Exclusive of Central States Utilities Corp. and its subsidiaries, which were taken over as of Jan. 1, 1928, and of St. Louis Gas & Coke Corp. and Illinois and Missouri Pipe Line Co., and other subsidiary and controlled companies that are not strictly public utilities. †Represented by 555,740 shares Class "A" stock. ‡Represented by 682,206 shares Class "B" stock.

Officers: Harley L. Clarke, Pres. & Treas.; W. A. Horner, V-P. & Sec.; J. N. Canavan, V-P.; W. C. Van Allen, V-P., Chicago, Ill.; D. H. Bender, H. E. Carver, F. W. Drury, H. T. Pritchard, V-Ps., New York; H. C. Orton, V-P., Dubuque, Iowa.

Directors: Harley L. Clarke, J. N. Canavan, O. E. Koegel, W. C. Van Allen, Francis E. Matthews, Charles W. Higley, F. R. Moulton, Chicago; Murray W. Dodge, W. F. Ingold, New York; Walter S. Hammons, Portland, Me.; William W. Watson, Jr., Philadelphia.

General Office, 327 South La Salle St., Chicago, Ill. **New York Office,** 100 Broadway.

INDIANAPOLIS POWER & LIGHT CORPORATION

(Controlled by Utilities Power & Light Corporation)

History—Incorporated May 4, 1926 in Del., and acquired 71.43% of the capital stock of Indianapolis Light and Heat Company. In Oct., 1926, the Company organized a subsidiary, Indianapolis Power & Light Company, an Indiana Corporation, which on Jan. 10, 1927, acquired the remaining 28.57% of the capital stock of the Indianapolis Light and Heat Co. and all of the capital stock and assets of the Merchants Heat and Light Co. of Indianapolis. These two companies were combined under the Indianapolis Power and Light Co. (Ind.) as an operating company, all of the Common stock of which is owned by the Indianapolis Power & Light Corp.

CAPITAL STOCK

Authorized, 120,000 shares Common and 100,000 shares $7 dividend cumulative First Pfd., both of no par value; outstanding, 120,000 shares Common and 40,000 shares $7 dividend First Pfd. All the Common stock is owned by Utilities Power & Light Corp. The previously outstanding $7 dividend Second Pfd. of no par value was retired in 1927.

First Preferred Stock Provisions—Has preference for assets and dividends and in involuntary liquidation or dissolution is entitled to $100 per share and accrued dividends, and in voluntary liquidation or dissolution to $105 per share and accrued dividends on or prior to May 1, 1931, and to $110 per share and accrued dividend thereafter.

Callability—Subject to call as a whole or in part, on any dividend date upon 30 days' notice at $105 per share on or prior to May 1, 1931, and at $110 per share thereafter, together with all accrued dividends.

The certificate of incorporation contains, among others, provisions to the effect that the Corporation, without the affirmative vote or written consent of at least two thirds of the shares of outstanding First Preferred stock, shall not: (1) Authorize or issue any stock or class of stock having priority or preference over the First Preferred stock as to earnings or assets. (2) Increase the number of shares of First Preferred stock authorized to be issued. (3) Amend the provisions relating to the First Preferred stock so as to affect adversely any of the preferences and other rights given to the First Preferred stock. (4) Issue any additional First Preferred stock (in excess of an amount of which the present issue is approximately 71.43%) unless the consolidated net earnings of the Corporation (as defined in the certificate of incorporation) for twelve consecutive calendar months out of the fifteen calendar months next preceding the issue of such additional First Preferred stock, shall have been not less than twice the annual dividend requirements upon the outstanding First Preferred stock, including that proposed to be issued.

Except as above the holders of First Preferred stock shall have no voting rights unless the Corporation

hall be in default in the payment of full cumulative ividends upon the First Preferred stock for a period f twelve consecutive months, in which event, until l accrued dividends are paid in full, the First Pre-rred stockholders voting as a class shall have the ght to elect two directors of the Corporation.

The balance of the First Preferred stock may be sued in one or more series with varying dividend tes and redemption prices, but in neither case above ie maximum for the $7 Dividend First Preferred ock.

Transfer Agents—First Pfd.: Utilities Power & ight Corp., Chicago, and The American Exchange ving Trust Co., New York.

Registrars—First Pfd.: The Chase National Bank of ie City of New York, and Continental National Bank id Trust Co., Chicago.

Annual Meeting—Third Tuesday in January.

Original Offering—$7 Dividend First Preferred ock first publicly offered (40,000 shares) in May, 26, at $95 per share and accrued dividend, to yield out 7.37% by West & Co., Philadelphia; Pynchon Co. and John Nickerson & Co., New York; Federal curities Corp., Chicago, and W. S. Hammons & ., Portland, Me.

Listed—First Pfd. shares listed on Chicago Stock xchange and quoted in New York.

Price Range—

rst Pfd.—	1927	1926
High	100	96
Low	95	95

Dividends—On $7 First Pfd. initial dividend paid Aug. 2, 1926 and quarterly thereafter to date; payments, F, M, A & N 1. Dividend on former $7 Second Pfd. regularly paid to date of redemption.

FUNDED DEBT

All the First Collateral Trust 6% Gold bonds, Series "A," due May 1, 1936, were called for payment on May 1, 1927 at 104 and interest.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926
Gross revenue	$8,974,207	$8,686,893
Operating expense	3,190,628	
Maintenance	701,343	5,067,015
Taxes (excl. Federal income)	649,568	
Net earnings	$4,252,668	$3,619,878
Interest on funded debt	1,485,703	
Interest on unfunded debt	22,927	1,570,000
Amort. of debt disc., 2% Normal tax, etc.	132,933	
Balance	$2,611,105	$2,049,878
Dividends in Pfd. stocks of subsidiary	715,000	†
‡Surplus net earnings of properties prior to acquisition	24,811	†
‡Minority interest in net income	71,060	†
Net income	$1,800,234	†
First Pfd. dividends	280,000	280,000
Second Pfd. dividends	250,027	264,268
Balance for depreciation, Federal taxes and Common dividends	$1,270,207	†

*Pro forma combined Indianapolis Light and Heat Co. and Merchants Heat and Light Co. †Figures not available. ‡After allowing for proportionate part of provision for depreciation and Federal income taxes.

CONSOLIDATED BALANCE SHEET

(Indianapolis Power & Light Corp. and Indianapolis Power & Light Company)

Assets—	Dec. 31, 1927	Jan. 31, 1927
operty, plant and equipment	$56,388,974	$55,934,968
vestments, etc.	232,216	110,219
sh	690,511	679,858
arketable securities	254,922	476,960
otes receivable	3,158	2,230
counts receivable	1,558,656	1,260,503
aterials and supplies	582,293	559,727
ie from affiliated companies	360,029	879,271
amortized debt discount and exp.	2,030,000	
amortized stock discount and exp.	960,000	3,097,727
epayments and other items	40,875	
Total	$63,101,634	$63,001,463

Liabilities—	Dec. 31, 1927	Jan. 31, 1927
First Pfd. stock (Ind. Pr. & Lt. Corp.)	$3,400,000	$3,400,000
Second Pfd. stock (Ind. Pr. & Lt. Corp.)		3,775,250
Common stock (Ind. Pr. & Lt. Corp.)	4,420,853	4,420,853
Preferred stock (Ind. Pr. & Lt. Co.)	12,000,000	12,000,000
Funded debt (Ind. Pr. & Lt. Co.)	30,000,000	30,000,000
Notes & accounts payable	415,229	707,737
Accruals	709,029	1,214,094
Consumers' deposits	207,291	239,069
Deferred liabilities	102,433	133,585
Deprec. renewals & replacement reserv.	4,709,396	
Federal income tax reserve	181,744	4,543,840
Contingencies and other reserves	126,365	
Surplus	6,829,294	2,567,035
Total	$63,101,634	$63,001,463

Officers: Harley L. Clarke, Chrm. of Board; J. N. anavan, Pres.; W. A. Horner, V-P., Chicago; H. E. rver, V-P.; H. T. Pritchard, V-P., New York; Nor-an A. Perry, Sec., Indianapolis, Ind.; D. H. Bender, eas., New York.

Directors: Harley L. Clarke, J. N. Canavan, O. E. Koegel, Francis E. Matthews, Chicago; D. H. Bender, New York.

Office, 48 Monument Circle, Indianapolis, Ind. **Chicago Office,** 327 South La Salle Street. **New York Office,** 100 Broadway.

INDIANAPOLIS POWER & LIGHT COMPANY

(Controlled by Indianapolis Power & Light Corp.)

History and Property—Incorporated Oct. 26, 1926 Ind., for the purpose of acquiring the electric light, wer and heating properties of Indianapolis Light d Heat Company and Merchants Heat and Light mpany (see 1926 Public Utility Manual, pages 204 d 1604, respectively). Indianapolis Light & Heat o. was incorporated under the laws of Indiana on ec. 1, 1904, as a consolidation of Indianapolis Light Power Corporation and Marion County Hot Water eating Company.

Merchants Heat and Light Company was incorpo-ed under the laws of Indiana in 1902 for the pur-se of supplying current for ornamental street light-g and service to a group of merchants in Indiana-lis, under a franchise which permitted the Company serve the public of Indianapolis on a competitive sis. The Company operates under the Indeterminate rmit provision of the Shively-Spencer Public Utility Act of 1913, and under the direct regulation of the Public Service Commission as to rates and security issues.

The new Company supplies without competition all the electric power and light service in the City of Indianapolis and in the remainder of Marion County, Ind. The total territory served by the Company covers more than 390 square miles, and has an estimated population in excess of 400,000.

Electric system includes 5 generating plants with a capacity of 104,780 k.w. and 2,529 miles of transmission and distributing lines. No. of communities served, 34; No. of customers, 103,899.

CAPITAL STOCK

Authorized, 750,000 shares Common of no par value and $15,000,000 6½% cumulative Pfd., par $100; outstanding, Dec. 31, 1927, 600,000 shares Common and $12,000,000 6½% Pfd. Indianapolis Power & Light Corporation owns all the Common stock.

Preferred Stock Provisions—Preferred as to assets and dividends. In liquidation entitled to $110 per share and dividends, if voluntary; to $100 per share and dividends, if involuntary. No additional Pfd. stock may be issued unless net earnings for 12 consecutive months out of the 15 calendar months next preceding have been not less than twice the dividend requirements on Pfd. stock outstanding and to be issued, except with the consent of 66 2/3% of the outstanding Pfd. Authorized amount of Pfd. may be increased by a vote of Common stock with consent of Public Service Commission of Indiana and provided at least 5 shares of additional no par Common stock are issued for each share of additional Preferred issued. Non-voting unless dividends are one year in arrears, when its voting powers become equal to those of the Common stock.

Callability—Subject to call as a whole or in part on any dividend date on 30 days' notice at $110 per share and accrued dividends.

Transfer Agents (Pfd. Stock)—Utilities Power & Light Corp., 327 South La Salle St., Chicago, and American Exchange Irving Trust Co., New York.

Registrars (Pfd. Stock)—Continental National Bank and Trust Co., Chicago, and The Chase National Bank, New York.

Original Offering—$12,000,000 6½% Pfd. stock was publicly offered in Jan., 1927, at 98 and dividend to yield over 6.63%, by Blair & Co., Inc., H. M. Byllesby & Co., Inc., Blyth, Witter & Co., Pynchon & Co., John Nickerson & Co., and A. B. Leach & Co., Inc., New York, etc.; Federal Securities Corp., Chicago; West & Co., Philadelphia; W. S. Hammons & Co., Portland, Me. and Fletcher American Co., Indianapolis.

Legal Opinion—Rushmore, Bisbee & Stern, New York, and Smith, Remster, Hornbrook & Smith, Indianapolis (for the Bankers), and Matthews & Koegel, Chicago (for the Company).

Price Range (6½% Pfd.)—1927: High, 103; low, 75½.

Dividends—Pfd. dividends paid quarterly, J, A, J & O 1, initial dividend of $1.62½ having been paid April 1, 1927.

FUNDED DEBT

$30,000,000 FIRST MORTGAGE GOLD BONDS, SERIES "A," 5%; DUE JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable January and July 1, at The Chase National Bank, New York, and at Continental National Bank and Trust Co., Chicago.

Denominations—Coupon bonds, interchangeable, $100, $500 and $1,000; the $1,000 denomination being registerable as to principal. Fully registered bonds in denominations of $1,000, $5,000, $10,000 and $25,000 or a multiple thereof. Coupon bonds of $1,000 denomination and registered bonds are interchangeable.

Trustee—The Chase National Bank, New York, and George A. Kinney.

Provisions of Issue—Open mortgage; outstanding, $30,000,000 Series "A" 5s of 1957. The mortgage provides for the issuance of bonds thereunder, in series, bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by the Board of Directors of the Company. Bonds in addition to the $30,000,000 Series "A" bonds, may be issued to the extent of 75% of the cost or fair value, whichever is less, of additional property, as defined in the mortgage, located in Indiana and acquired or constructed by the Company after October 1, 1926 (provided that if any property is acquired subject to any prior liens, no bonds shall be certified on the basis thereof until the prior liens are satisfied or provided for) or upon the deposit of moneys equal to their principal amount with the Corporate Trustee, subject to being drawn down for the above purposes in lieu of bonds; but no bonds shall be certified by the Corporate Trustee above stated unless the available net earnings as defined in the mortgage for twelve consecutive months within fifteen months immediately preceding the application therefor are equal to at least twice the annual interest requirements of all bonds outstanding under this mortgage (including bonds proposed to be certified) and any outstanding prior lien bonds. Bonds may also be certified for retirement of a like principal amount of bonds previously issued under the mortgage.

Purpose of Issue—The $30,000,000 Series "A" were issued to provide funds to be used in connection with the acquisition of the business and properties free of existing funded debt, of Indianapolis Light and Heat Company and Merchants Heat and Light Company.

Callability—Series "A" bonds are subject to call as a whole or in part on any interest date, on 60 days' published notice, with accrued interest in each case at 105, prior to Jan. 1, 1933, and at 1% less each 6-year period thereafter prior to Jan. 1, 1951 and at 101 thereafter.

Maintenance and Renewal and Replacement Reserves—The mortgage provides for a Maintenance Reserve and Renewal and Replacement Reserve, in which there shall be set aside in each year, beginning as of January 1, 1927, amounts at least equal respectively to 8% and 5% of the gross operating revenue, as defined in the mortgage, less charges for amounts actually expended for such purposes. Unused balances in these reserves must be deposited annually with the Corporate Trustee, subject to use for the acquisition or construction of additional property now made the basis for the issuance of additional bonds under the mortgage or for the purchase or redemption of First Mortgage Gold bonds.

Security—Secured by a direct first mortgage on all the fixed properties now owned and also a direct lien on all prior fixed properties hereafter acquired, subject to prior liens existing at times of acquisition on properties not used as the basis of issue of any bonds under the mortgage.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania 4 mills and California 5 mills taxes, Massachusetts 6% income tax on interest, Connecticut 4 mills tax, Maryland 4½ mill tax, Kentucky 5 mills tax, Maine 5 mills tax and/or 6% income tax on interest, and New Hampshire 3% income tax, refundable upon application within 90 days after payment.

Legal Opinion—Rushmore, Bisbee & Stern, New York, and Smith, Remster, Hornbrook & Smith, Indianapolis (for the Bankers), and Matthews & Koegel Chicago (for the Company).

Original Offering—First publicly offered ($30,000,000) in January, 1927, at 98 and interest, to yield over 5.13%, by Blair & Co., Inc., Blyth, Witter & Co., Pynchon & Co., A. B. Leach & Co., Inc. and John Nickerson & Co., New York, etc.; H. M. Byllesby & Co., Inc., Federal Securities Corp., Chicago; West & Co., Philadelphia; W. S. Hammons & Co., Portland, Maine; and Fletcher American Co., Indianapolis, Inc., etc.

Price Range—1927: High, 100½; low, 96½.

OFFICERS AND DIRECTORS

Officers: W. C. Marmon, Chrm. of Board; N. A. Perry, Pres.; C. N. Thompson, V-P.; E. G. Ralston, V-P., Indianapolis, Ind.; J. N. Canavan, V-P.; W. A. Horner, V-P., Chicago; H. E. Carver, F. W. Drury, H. T. Pritchard V-P., New York; W. C. Richardson, Treas.; E. E. Scott, Sec., Indianapolis, Ind.

Directors: J. N. Canavan, H. L. Clarke, F. E. Matthews, Chicago; A. V. Brown, E. D. Evans, W. C. Marmon, N. A. Perry, W. C. Richardson, E. E. Scott, Thomas Taggart, C. N. Thompson, Indianapolis, Ind.

Office, 48 Monument Place, Indianapolis, Ind. **Chicago Office**, 327 South La Salle Street. **New York Office**, 100 Broadway.

INTERSTATE POWER COMPANY (DELAWARE)

(Controlled by Utilities Power & Light Corp.)

History and Properties—Incorporated April 18, 925, in Delaware, as successor with respect to all the roperties outside the State of Wisconsin, formerly wned by the Interstate Power Co., incorporated in Visconsin, Dec. 11, 1918. In 1925 acquired New Ulm as Co. Early in 1927 Company merged the follow- ng, which were formerly controlled. Dubuque Electric o., Tri-State Utilities Co. and Minnesota Electric Dis- ributing Co. and its subsidiaries, Bemidji Electric & Manufacturing Co., International Public Service Corp., 'eoples Light and Power Co., Red River Valley Power o., and Minnesota Electric Light & Power Co.

Company furnishes electric light and power to 285 ommunities in Iowa, Minnesota, South Dakota and klahoma and through wholly owned subsidiaries to additional communities in Wisconsin, North akota, Nebraska and Illinois. In addition, Company pplies gas to 7 communities, and steam heat to 2; lso operates an electric railway and bus service in ubuque, Iowa and adjacent territory. Total popula- on served about 400,000.

Property in Illinois operated by **East Dubuque lectric Company**; properties in Wisconsin operated y **Interstate Power Company of Wisconsin**; proper- es in Nebraska operated by **Interstate Power Com- any of Nebraska**; and properties in North Dakota perated by **Interstate Power Company of North akota**. Part of the properties in Iowa are operated y the Eastern Iowa Electric Company (see state- ent appended). The entire capital stock of the above perating companies with the exception of 367 Pfd. ares and 60 Common shares of Eastern Iowa Electric ompany stock is owned by Interstate Power Com- any (Del.). The Company and its subsidiaries own steam generating plants; 14 hydro-electric plants; oil and gas generating plants, mostly used as stand- y stations; 8 gas plants, and 2 steam-heating plants. ombined generating capacity 43,380 k.w. Company rchases entire electrical output of Northern Nebras- a Power Co.'s hydro-electric plant at Spencer, Neb.; so purchases power from Northern States Power o., Wisconsin Railway Light and Power Co., and In- rstate Light and Power Co., and others equivalent to ,000 k.w. The gas production capacity of the Com- any is 4,600,000 cu. ft. per day. The systems are con- ected by 2,345 miles of transmission lines and electric- energy is delivered by 3,190 miles of distribution nes. Number of stockholders Dec. 31, 1927, 5,898. otal number of gas customers, 14,933.

PERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
ectric customers	72,258	68,697	42,726
as customers	15,767	14,933	14,089
enerating capacity (k.w.)	43,380	47,252	48,650
nergy generated and purchased (k.w.h.)	102,272,501	90,778,566	62,744,687
as sold (cu. ft.)	481,700,272	481,159,000	387,425,000

CAPITAL STOCK

Authorized, 175,000 shares of Common stock with- it nominal or par value, and 200,000 shares of $7 vidend Pfd. stock without nominal or par value. utstanding, 175,000 shares Common and 80,000 ares Pfd. Entire Common stock owned by Utilities ower & Light Corp.

Preferred Stock Provisions—Has preference for as- ts and cumulative dividends of $7 per share per an- m, and in liquidation or dissolution, is entitled to ceive an amount equal to $100 per share, together with all dividends accrued or in arrears thereon, plus in case such liquidation or dissolution be voluntary, a premium of $15 per share.

The affirmative vote of holders of 80% of Pfd. stock is required to alter any of the provisions under which the Pfd. stock is now issued, or to issue more than 60,000 shares of Pfd. stock unless the net earnings of the Company for the preceding twelve months are at least twice the total dividend requirements on the Pfd. stock including the additional amount proposed to be issued. The Pfd. stock also becomes entitled to vote as a class for the election of two directors of the Company whenever one year's dividends are in arrears thereon. Except as above stated, the Pfd. stock has no voting power.

The Pfd. stock, having a total number of 200,000 shares authorized, is issuable by the Board of Directors in series, from time to time, subject to the provisions stated above, but all series shall be of the same class and of equal rank.

Callability—Subject to call as a whole, or in part pro rata or by lot, on any dividend date, upon 30 days' prior notice, at $115 per share plus all dividends accrued or in arrears thereon.

Transfer Agents—The American Exchange Irving Trust Co., New York, and office of the Company, 327 So. LaSalle St., Chicago.

Registrars—The Chase National Bank of the City of New York and Continental National Bank and Trust Co., Chicago.

Annual Meeting—Third Tuesday in January.

Original Offering—First publicly offered (30,000 shares $7 dividend Pfd.) in May, 1925, at $95 per share and accrued dividend, to yield about 7.37%, by Pynchon & Co., West & Co., and W. S. Hammons & Co.; sold by Company in its territory.

Listed (Pfd. Stock)—Chicago Stock Exchange and quoted in New York.

Price Range—

Preferred—	1927	1926	1927
High	97	96	98
Low	93	92	90

Dividends—Initial dividend of $1.75 a share on Pfd. paid July 1, 1925, and at same rate quarterly since; payments J, A, J & O 1.

FUNDED DEBT

(1)

$20,000,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES; DUE JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable January and July 1, at The Chase National Bank of New York and at Continental National Bank and Trust Co., Chicago.

Denominations—Coupon bonds in interchangeable denominations of $1,000 (registerable as to principal), $500 and $100. Fully registered bonds in denominations of $1,000, $5,000, $10,000 and $25,000, or a multiple thereof. Coupon bonds of $1,000 denomination and registered bonds are interchangeable.

Trustee—The Chase National Bank of New York and George A. Kinney.

Provisions of Issue—Open mortgage; outstanding, $20,000,000 5% Series due 1957. The mortgage provides for the issuance of bonds thereunder, in series, bearing the same or different rate of interest, maturities, redemption provisions and such other distinguish-

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able features and provisions as may be determined by directors. Bonds, in addition to the $20,000,000 outstanding, may be issued (1) to the extent of 75% of the cost or fair value, whichever is less, of additional public utility properties and other permanent additions acquired or constructed by Company; or (2) upon the pledge of a like principal amount of first mortgage bonds of subsidiary companies, as defined in the mortgage, representing such percentage of like properties owned by such subsidiaries; or (3) upon the deposit of moneys equal to their principal amount with Trustee, subject to being taken down for the above purposes in lieu of bonds; provided that no bonds shall be certified by Trustee as above stated unless the consolidated net earnings as defined in the mortgage for 12 consecutive months within 15 months immediately preceding the application therefor are equal to at least twice the annual interest requirements of all bonds outstanding under this mortgage (including bonds proposed to be certified) and all outstanding prior lien bonds. Where properties are acquired by Company or a subsidiary subject to prior liens, an equal principal amount of bonds will be withheld out of the amount otherwise issuable on the basis thereof for certification as such prior liens are satisfied or provided for. The total principal amount of prior liens permitted by the mortgage to exist upon the public utility properties of Company and its subsidiaries will be limited to not exceeding 25% of the aggregate principal amount of bonds outstanding under the mortgage. Bonds may also be certified for retirement of a like principal amount of bonds previously issued under the mortgage.

Purpose of Issue—The proceeds received from the sale of these bonds were used in the retirement of previous bond issues of Company and of underlying bonds and Pfd. stocks of subsidiary companies, to permit consolidation of the properties into one operating unit, and for other corporate purposes.

Callability—Subject to call as a whole at any time, or in part on any interest date, on 60 days' notice, at 105 and interest prior to Jan. 1, 1933; at 104 and interest thereafter prior to Jan. 1, 1939; at 103 and interest, thereafter prior to Jan. 1, 1945; at 102 and interest, thereafter prior to Jan. 1, 1951; and at 101 and interest, thereafter prior to maturity.

Maintenance and Renewal and Replacement Reserves—Beginning Jan. 1, 1927, 8% and 5% respectively of the gross operating revenue of the Company and its subsidiaries, less charges for actual amounts expended therefor, shall be set aside for maintenance and renewal and deposited with Trustee. Unused balances are subject to use for acquisition or construction of additional property against which bonds may not be issued, or for purchase or redemption of this issue.

Security—First Mortgage bonds are secured by a direct first mortgage on all real estate, plants, transmission lines and other fixed public utility properties of Company, now owned (located in Minnesota, Iowa, South Dakota and Oklahoma) or hereafter acquired (subject, as to after acquired properties, to prior liens within limits permitted by the mortgage) and by the pledge of all outstanding bonds and capital stocks of subsidiaries owning the Wisconsin, North Dakota, Nebraska and Illinois properties included in the system.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania 4 mills and California 5 mills taxes, and Massachusetts 6% income tax on interest, Connecticut 4 mills tax, Maryland 4½ mills tax, Kentucky 5 mills tax, Maine 5 mills tax and/or 6% Income Tax on interest, and New Hampshire 3% Income Tax refundable upon application within 90 days after payment.

Legal Opinion—Rushmore, Bisbee & Stern, New York, (for the bankers), and Matthews & Koegel, Chicago, (for the Company.)

Original Offering—First publicly offered ($20,000,000) in February, 1927, at 97½ and interest, to yield 5.16% by Halsey, Stuart & Co., Inc., Spencer Trask & Co., Pynchon & Co., New York; West & Co., Philadelphia; Federal Securities Corp., Chicago, and W. Hammons & Co., Portland, Maine.

Price Range—1927: High, 97⅝; low, 94¾.

(2)

$7,500,000 6% GOLD DEBENTURES; DUE JANUARY 1, 19

Dated January 1, 1927.

Interest Payable January and July 1, at The Chase National Bank of the City of New York and at the Continental National Bank and Trust Co., Chicago

Denominations—Coupon debentures in interchangeable denominations of $1,000 (registerable as to principal), $500 and $100.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized and issued, $7,500,000.

Purpose of Issue—Issued in part to retire previous bond issues of Company, underlying bonds and preferred stocks of subsidiaries, for consolidation of properties into one operating unit, and for other corporate purposes.

Callability—Subject to call as a whole at any time or in part on any interest date, on sixty days' published notice at 105 prior to Jan. 1, 1932; at 104 on said date and thereafter prior to Jan. 1, 1937; at 103 on said date and thereafter prior to Jan. 1, 1942; at 102 on said date and thereafter prior to Jan. 1, 1947; and at 101 on said date and thereafter prior to maturity, plus accrued interest in each case.

Maintenance and Renewal and Replacement Reserves—Annual maintenance reserves and renewal and replacements reserves beginning Jan. 1, 1927, of 8% and 5% respectively of the gross operating revenue of the Company and its subsidiaries, may be used for additions and improvements or to retire bonds.

Security—A direct obligation of company, but not secured by mortgage. Company agrees that it will not create or permit the existence of any mortgages or similar liens upon any of its fixed properties, except for the first mortgage and prior liens on after acquired properties to the extent thereby allowed, without at least equally securing these Debentures; nor will it permit any such liens now held by the Company to exist upon the properties of its subsidiaries (as defined in the indenture) except the liens of mortgages securing bonds pledged under the first mortgage and prior liens on future properties within the limit thereby allowed. The Company will not issue any bonds, notes or other obligations maturing more than one year after date (except additional bonds issued in accordance with the first mortgage) unless the consolidated net earnings of the Company and such subsidiaries, as defined in the indenture, for twelve consecutive months within fifteen months next preceding such issue, shall have been at least 1½ times annual interest charges on all bonds and notes of the Company and such subsidiaries then outstanding in the hands of the public, including those proposed to be issued. The Company will not permit any such subsidiary to issue any bonds, notes or other obligations or shares of capital stock (except ordinary current liabilities not in excess of current assets) unless acquired by the Company or another such subsidiary.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, California 5 mills tax, Massachusetts 6% income tax on interest, Connecticut 4 mills tax, Maryland 4½ mills tax, Kentucky 5 mills tax, Maine 5 mills tax and/or 6% income tax on interest, refundable upon application within 90 days after payment.

Legal Opinion—Rushmore, Bisbee & Stern, New ork (for the Bankers), and Matthews & Koegel, hicago (for the Company).

Original Offering—First publicly offered ($7,500,000) Feb., 1927, at 98½ and interest, to yield over 6.10%, Pynchon & Co., New York; West & Co., Philadelia; Federal Securities Corp., Chicago, and W. S. ammons & Co., Portland, Maine.

Price Range—1927: High, 99¼; low, 97.

BOND REDEMPTION

The First Gold 6s, Series "A" and "B" due July 1, 44 were called for payment on July 1, 1927 at 105 and terest and the General Gold 7s due July 1, 1934, were lled for payment on July 1, 1927 at 102½ and interest.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
oss revenue	$5,810,238	$5,470,124
perating expenses	2,133,958	2,060,016
aintenance	446,806	422,572
xes (excl. Federal income)	296,358	222,877
Net earnings	$2,933,115	$2,764,658
terest on funded debt	1,449,412	1,355,133
terest on unfunded debt	98,337	143,522
nort. of debt disc. & expense	84,449	188,897
operty rentals, 2% Normal tax, etc.	58,520	82,391
Net income	$1,242,397	$994,716
vidends on Pfd. stocks of sub. cos.	23,240	99,219
et income of properties prior to acquisition	841	†35,408
et inc. accruing to minority interests	7,223	5,693
Bal. before deprec. & Fed. taxes	$1,211,093	$925,211

*After allowing for proportionate part for provision for depreciation and Federal income taxes. †Loss.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property plant, etc.	$47,912,037	$45,843,432	$28,991,147
Securities & special funds	230,276	194,172	9,850
Cash	323,053	240,537	241,219
Notes & accts. receivable	1,239,609	1,067,270	641,927
Materials and supplies	857,014	740,549	450,817
Deferred items	2,421,299	2,368,589	1,581,603
Total	$52,983,288	$50,454,549	$31,916,563
Liabilities—			
Pfd. stocks	*$7,385,000	$5,497,500	$3,925,000
Common stocks	**8,596,473	5,325,263	4,000,000
Pfd. stocks of subsidiaries	36,700	1,902,800	744,800
Minority interest	6,000	6,800	69,213
Funded debt	27,565,860	25,086,160	14,714,000
Purchase contracts	190,567	207,278	.....
Notes payable	171,924	227,319	23,085
Accounts payable	195,755	229,653	122,102
Accrued items	427,375	544,024	344,017
Consumers' deposits	246,105	221,906	79,054
Due affiliated companies	2,644,175	4,255,643	2,670,032
Deferred liabilities	47,663	59,355	39,900
Depreciation reserve	3,891,339	3,899,231	2,494,856
Other reserves	356,858	350,865	446,633
Surplus	1,221,494	2,640,752	2,243,871
Total	$52,983,288	$50,454,549	$31,916,563

*Represented by 80,000 no par value shares. **Represented by 175,000 no par value shares.

Officers: H. L. Clarke, Pres. & Treas.; J. N. Canavan, V-P.; W. A. Horner, V-P. & Sec., Chicago; F. W. Drury, V-P.; H. T. Pritchard, V-P., New York; H. C. Orton, V-P., Dubuque, Iowa.

Directors: H. L. Clarke, J. N. Canavan, W. A. Horner, O. E. Koegel, F. E. Laramore, Chicago; D. H. Bender, New York; H. C. Orton, Dubuque, Ia.

Office: Dubuque, Iowa. **Chicago Office,** 327 South La Salle Street, **New York Office,** 100 Broadway.

EASTERN IOWA ELECTRIC COMPANY

(Controlled by Interstate Power Company (Del.))

History—Incorporated Jan. 20, 1913, in South Dakota. Operates electric properties in northeastern wa, purchasing its energy from Interstate Power (Del.)

CAPITAL STOCK

Outstanding, $15,000 Common and $38,000 Pfd.; r, $100. $9,000 Common and $1,300 Pfd. owned by terstate Power Co. (Del.)

FUNDED DEBT

,000 FIRST MORTGAGE GOLD 6s; DUE OCTOBER 1, 1935

Dated Oct. 1, 1915.

Interest Payable April and October 1, at Chicago tle & Trust Co., Chicago, Trustee. Authorized ount, unlimited; outstanding, $64,000.

Callability—Subject to call as a whole or in part on 30 days' notice at 105 and interest.

Security—A first mortgage on all physical property owned or hereafter acquired.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenue	$78,527	$62,900
Operating expenses, maintenance and taxes	46,401	37,082
Net earnings	$32,126	$25,818
Interest charges	11,409	3,840
Net income before Pfd. divds., depreciation, etc.	$20,717	$21,978

CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
operty, plant and equipment	$351,719	$324,826
cial deposits	1,630	1,625
sh	9,010	6,010
tes and accounts receivable	12,463	9,064
terials and supplies	5,022	5,265
her assets	.....	171
e from affiliated company	3,544	12,011
ferred items	109	83
Total	$383,497	$359,055

Liabilities—	1927	1926
Common stock	$15,000	$15,000
Preferred stock	38,000	38,000
Funded debt	64,000	64,000
Accounts payable	2,654	197
Consumers' deposits	1,142	844
Accrued items	3,462	3,588
Reserve for depreciation	23,452	22,569
Other reserves	59,929	56,997
Surplus	175,858	157,860
Total	$383,497	$359,055

Officers: H. C. Orton, Pres., Dubuque, Iowa; O. E. egel, V-P.; W. A. Horner, Sec. & Treas., Chicago.

Directors: O. E. Koegel, W. A. Horner, Chicago; H. C. Orton, Oliver Longueville, John A. Reed, Dubuque, Iowa.

Office, Dubuque, Iowa. **Chicago Office,** 327 So. La Salle St. **New York Office,** 100 Broadway.

LACLEDE GAS AND ELECTRIC COMPANY

(Controlled by Utilities Power & Light Corporation)

History—Incorporated March 4, 1924 in Delaware a holding company under the name of Gas and ctric Investment Corp.; present title adopted April 1924. Company owns a majority of Common stock The Laclede Gas Light Co. (Mo.) and Laclede wer & Light Co. and all of Common stock of Venice s Co. (Ill.), and Laclede Securities Co. (Ill.) Common stock of Company was acquired by Utilities Power & Light Corp. in June, 1927.

In January, 1927, it was announced that the electric business of The Laclede Gas Light Company had assumed such proportions that it was deemed advisable that it be no longer operated as a department of The Laclede Gas Light Co., and to that end the Laclede

Power & Light Co. has been formed to take over the electric business of The Laclede Gas Light Co. The Laclede Gas and Electric Co. owns the same proportion of the stock of the Laclede Power & Light Co. as it now owns of the stock of The Laclede Gas Light Co.

CAPITAL STOCK

Authorized 200,000 shares Common of no par value, $20,000,000 7% cumulative Prior Lien, par, $100, and $20,000,000 7% cumulative Pfd., par $100; outstanding, 200,000 shares Common, $2,250,000 7% Prior Lien and $1,260,000 7% Pfd.

Prior Lien Stock Provisions—Has first preference as to assets and dividends and on dissolution or liquidation is entitled to $100 par share and accrued dividends. Has equal voting power per share with Common in the event of default of dividends.

Callability—Prior lien stock is subject to call on 30 days' notice at $110 per share and dividends.

Preferred Stock Provisions—Has second preference for assets and dividends and is entitled to $100 per share and dividends on dissolution or liquidation. Has equal voting power per share with Common in the event of default of dividends.

Callability—The 7% Pfd. is subject to call on 30 days' notice at 105 and dividends.

Transfer Agents—Prior Lien and Pfd.: First Trust and Savings Bank, Chicago.

Registrars—Prior Lien and Pfd.: Harris Trust and Savings Bank, Chicago.

Annual Meeting—First Wednesday in March.

Listed (Prior Lien and Pfd.)—Chicago Stock Exchange.

Price Range—

Prior Lien—	1927	1926	1925
High	100¼	100	99⅛
Low	98½	98¼	98½

Dividends—Dividends on both Prior Lien and Pfd. stocks regularly paid since issuance; payments quarterly M, J, S & D 1. On Common initial dividend of 60 cts. a share paid Jan. 2, 1926; $1.00 per share Jan. 2, 1927.

FUNDED DEBT

$4,700,000 COLLATERAL TRUST GOLD 7s, SERIES "A," DUE APRIL 15, 1934

Dated April 15, 1924.

Interest Payable April and October 15th, at Guaranty Trust Co. of New York, N. Y.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized $20,000,000; outstanding $4,700,000, Series "A". Additional series bearing different interest rates, maturities, etc., as determined by directors, may be issued for 75% of the cost of additional shares of Common stock of The Laclede Gas Light Co., or stocks, bonds and notes of other companies, but only when net earnings for twelve consecutive months within fifteen months preceding application for issuance of such bonds, shall have been equal to at least twice the annual interest charges on bonds outstanding, including those to be issued.

Callability—Subject to call at 103 and interest on any interest date on 30 days' notice.

Sinking Fund—Commencing April 15, 1926, and annually thereafter $141,000 is to be applied to the purchase or redemption at not exceeding the call price. Company may deliver bonds of this issue at par or Common stock of The Laclede Gas Light Co (valued at the actual cost of such shares to the company) in lieu of cash to the sinking fund.

Security—A direct obligation of company and secured by pledge of 53,600 shares of Common stock of The Laclede Gas Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four mills taxes, Maryland 4½ mills tax, District of Columbia five mills tax and Massachusetts Income tax not exceeding 6% refunded.

Original Offering—$4,700,000 offered in Aug., 1925, at 103 and interest by Union Trust Co., Pittsburgh, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Laclede Gas and Electric Company)

	1927	1926	1925	*1924
Dividends on investments	$788,471	$653,083	$599,753	$411,468
Interest & other income	294,061	129,542	59,481	3,550
Total income	$1,082,532	$782,625	$659,234	$415,018
Expenses and taxes	26,613	40,021	34,503	9,555
Net earnings	$1,055,919	$742,604	$624,731	$405,463
Deductions—				
Bond interest	$329,000	$328,650	$328,514	$233,042
Amortization, 2% tax, etc.	59,261	.....	.....	.....
Other interest	110	2,552	.....	11,647
Total	$388,371	$331,202	$328,514	$244,689
Net income	$667,548	$411,402	$296,217	$160,774
Dividends on Prior Lien stock	157,500	120,277	70,658	6,442
Dividends on Preferred stock	88,200	88,200	88,200	66,150
Common dividends	300,000	200,000	120,000	.....
Surplus for period	$121,848	$2,925	$17,359	$88,182
Times Bond Interest Earned	3.11	2.25	1.90	1.69
Earnings Per Share—				
Prior Lien	$29.67	$18.28	$28.81	$16.08
Preferred	40.48	20.15	17.90	12.25

*Eight months to Dec. 31, 1924.

GENERAL BALANCE SHEET, DECEMBER 31
(Laclede Gas and Electric Company)

Assets—	1927	1926	1925	1924
Stocks owned	$7,603,177	*$7,308,312	$6,354,672	$6,212,398
Prior Lien treasury stock	.....	.....	14,040	.....
Cash	80,609	401,372	171,569	337,750
Call loans	.....	.....	200,000	.....
Notes receivable	611,379	312,000	95,000	.....
Accounts receivable		68,518	10,948	135,480
Accrued dividends, etc.	1,330	44,489	40,138	39,209
Furniture and fixtures	692	692	691	.....
Bond discount	341,008	542,000	542,000	542,000
Deferred items	143,830	193,300	130,124	126,353
Sundry items	.....	.....	968	.....
Total	$8,782,025	$8,870,683	$7,559,182	$7,393,190

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924
mmon stock (200,000 shares)	$248,500	$248,500	$248,500	$248,500
ior Lien stock	2,250,000	2,250,000	1,028,200	1,000,000
eferred stock	1,260,000	1,260,000	1,260,000	1,260,000
nded debt	4,700,000	4,700,000	4,700,000	4,700,000
crued bond interest	68,542	68,542	68,892	68,625
crued dividends	231,500	235,175	148,048	27,883
rplus	23,483	108,467	105,542	88,182
Total	$8,782,025	$8,870,683	$7,559,182	$7,393,190

*Consists of the following: 65,413 shares Common stock at $7,163,449 and 1,232 shares Pfd. stock at $104,863 of The Laclede Gas Light Co.; 2,000 shares of Laclede Securities Co. at $10,000; 1,000 shares of Illinois and Missouri Pipe Line Co. $5,000 and 1,000 shares of Venice Gas Co. at $5,000 and sundry investments $20,000.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(Laclede Gas and Electric Company and Subsidiary and Controlled Cos.)

oss revenue	$9,059,776	Interest on funded debt	$1,956,500
erating expenses	3,417,053	Interest on unfunded debt	30,125
intenance	442,914	Amortization of debt disc. and expense	140,551
xes (excluding Federal & State Income taxes)	887,475	2% Normal Tax and other charges	30,878
		Net income	$2,154,280
		Dividends on Pfd. stock of controlled co.	$121,485
		Minority int. in net income	*581,122
Net earnings	$4,312,334	Balance	$1,451,673

*After allowing for proportionate part of provision for depreciation and Federal and State Income Tax.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

(Laclede Gas and Electric Company and Subsidiary and Controlled Cos.)

Assets—		Liabilities—	
perty, plant and equipment	$55,876,172	Common stock	$248,500
cial deposits	30,809	Preferred stock	1,260,000
estments	1,004,000	Prior lien stock	2,250,000
sh	527,423	Controlled cos. Common stocks in hands of public	4,195,870
rketable securities	801,502	Controlled cos. Preferred stocks in hands of public	2,429,700
counts receivable	1,624,807	Funded debt of Laclede Gas and Electric Co.	4,700,000
terials, merchandise and supplies	926,105	Funded debt of controlled co.	30,500,000
e from affiliated cos.	21,420	Bonds called for redemption	22,259
amortized debt discount and expense	2,217,922	Notes payable—secured	972,000
amortized stock discount and expense	143,830	Due to affiliated cos.	1,096,445
epayment and other items	320,963	Notes payable	1,250,000
		Accounts payable	730,538
		Accrued items, etc.	769,867
		Dividends accrued	33,665
		Consumers' deposits	260,457
		Reserves for depreciation, renewals, etc.	1,971,659
		Reserve for Federal and State Income taxes	187,780
		Miscellaneous reserve	426,434
		Surplus applicable to stock of Laclede Gas and Electric Co.	5,939,328
		Surplus applicable to minority interests	4,250,451
Total	$63,494,953	Total	$63,494,953

Officers: H. L. Clarke, Pres.; J. N. Canavan, V-P., Chicago; F. W. Drury, V-P.; D. H. Bender, V-P. & Treas., New York; W. A. Horner, Sec., Chicago.

Directors: J. N. Canavan, H. L. Clarke, H. L. Fogg, W. A. Horner, F. E. Matthews, F. R. Moulton, Chicago; D. H. Bender, New York.

Office, 327 South La Salle St., Chicago, Ill. **New York Office,** 100 Broadway.

THE LACLEDE GAS LIGHT COMPANY

(Controlled by Laclede Gas and Electric Company)

(See Accompany Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
5% Cumulative Pfd. (par, $100)	J & D 15	$2,500,000	$2,500,000	No	$1,432,034	5%	$125,000	$57.28
mmon (par, $100)	M, J, S & D 15	37,500,000	10,700,000	No	1,307,034	12	1,284,000	12.21

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
funding & Extension Gold 5s	Apr. 1, 1934	A&O 1	$20,000,000	$10,000,000	No	No	Pd. by Co.
st Mtge. Coll.&Ref.5½s, Series "C"	Feb. 1, 1953	F&A 1	See descript.	17,500,000	No	Yes	Pd. by Co.
n-Year Gold Notes, 5½s	Aug. 1, 1935	F&A 1	3,000,000	3,000,000	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $30,500,000. **Interest Accrued** in 1927, $1,627,500.
Amount Available for Interest in 1927, $3,059,534. **Times Interest Earned** in 1927, 1.88.

History and Property—Incorporated for a term of years by special act of Missouri Legislature on arch 2, 1857, with an authorized capital stock of 0,000 which might be increased to $2,000,000. By act approved March 26, 1868, the franchise of the mpany was made perpetual, and the Company was thorized to increase its capital stock to such an ount as might be necessary to carry on its business. e privileges of The Laclede Gas Light Co. were exded throughout "the corporate limits of the city of Louis, as the same are now or may hereafter be established." As modified, charter gives Company right of making and selling gas, gas fixtures, and "any substance or material that may be now or hereafter used as a substitute therefor." In 1889 a reorganization of the various gas companies then operating in the city of St. Louis was effected. This reorganization resulted in the Company taking over the various properties and converting its original capital stock, amounting to $2,500,000, into a like amount of 5% cumulative Pfd. stock. The issuance of $7,500,000 Common stock was also authorized. Early in 1927, the electric light

business of the Company including a power plant of 22,500 k.w. capacity, was taken over by Laclede Power & Light Co. (see appended statement).

The Company owns and operates, without competition, manufactured gas systems serving the entire city of St. Louis with a total population in excess of 800,000. The property consists of three artificial gas plants, having a daily capacity of 63,350,000 cubic feet, 4 holder stations, and gas distribution system consisting of 1,098.42 miles.

During 1927 32.94 miles of mains and 1,894 services were installed, making the total miles of mains 1,098.42 and the total number of services 135,568 at Dec. 31, 1927. On the latter date there were 199,707 gas customers, an increase during the year of 1,245.

A transmission main has been installed and connected with the pipe lines of the Illinois and Missouri Pipe Line Co., to receive the gas purchased from the St. Louis Gas & Coke Corp. Gas purchased from the Illinois and Missouri Pipe Line Co. and from the St. Louis Gas & Coke Corp. is being received at the several plants of the Company in quantities sufficient to supply the present requirements, thereby avoiding the necessity of increasing the Company's manufacturing capacity, as well as affording Company protection against a scarcity of gas oil.

Control—On May 1, 1924, a majority of the Common stock of The Laclede Gas Light Company was acquired by Laclede Gas and Electric Company.

Valuation—The Missouri Public Service Commission found the reproduction value of Company's property as of Sept. 30, 1925, to be $61,267,139, and allowed a rate making value of $52,260,000. This, with net additions and betterments to Dec. 31, 1927, gives a reproduction value of $65,530,088 and the rate making value $56,522,949. The face value of all of the Company's securities is $43,700,000.

CUBIC FEET OF GAS PRODUCED AND PURCHASED

1921	6,924,309,000	1925	7,831,445,000
1922	7,134,386,000	1926	8,096,308,000
1923	7,646,047,000	1927	8,075,426,000
1924	7,974,119,000		

CAPITAL STOCK

Authorized, $37,500,000 (increased from $17,500,000 in Sept., 1918) Common and $2,500,000 5% cumulative Pfd.; outstanding, Dec. 31, 1927, $10,700,000 Common and $2,500,000 Pfd.; par, of both issues, $100. The Laclede Gas and Electric Company owns a majority of the Common stock. Both classes of stock have equal voting power.

Subscription Privilege—Preferred and Common stockholders of record Jan. 6, 1927, received the right until Feb. 5, 1927, to subscribe to no par Common stock of Laclede Power & Light Co. at $10 per share in the ratio of 1 share for every 10 held.

Preferred Stock Provisions—Has preference for dividends and shares equally with Common in case of distribution of assets. Not callable. No sinking fund provision. Has equal voting power with Common.

Transfer Agent (Both Classes)—Guaranty Trust Co. of New York.

Registrar (Both Classes)—Central Union Trust Co. of New York.

Annual Meeting—Third Tuesday in February.

Listed (Both Classes)— New York and St. Louis Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	130	101½	85	79	78	79½	62	65
Low	95	86	81	73	70	60	58	57½
Common—								
High	267½	196¼	178	113	89⅜	94½	57½	57½
Low	173¾	146	110¼	79	75	43	40	35

Dividends—Pfd. dividends regularly paid since issuance in 1889 semi-annually June and Dec. 15, to stock of record about June and Dec. 1, at Bankers Trust Co., New York, and First National Bank, St. Louis, Mo.

On Com. as follows: 3% each, 1898 and 1899; 4% 1900 to 1904; at the rate of 4% per annum (quarterly, March 15) up to March 15, 1905; at rate of 5% March 15, 1909; at rate of 6% to Sept. 15, 1910 wh rate was increased to 7%, which was paid to Dec. 1 1918; on March 15, 1919, 1¾% was paid out of surpl of previous years; none thereafter until Sept. 15, 19 when 1¾% was paid; Dec. 15, 1922, 3½%; Mar 15, 1923, to Sept. 15, 1924, 1¾% quarterly; Dec. 1 1924, to Dec. 15, 1926, 2% quarterly; 1927, 12 March 15, 1928, 2½%; payments, M, J, S & D 15 stock of record about M, J, S & D 1.

In addition a stock dividend of 10% in Com. sto was paid to holders of both stocks of record Mar 27, 1911. An extra cash dividend of 10%, to holders Common stock of record Dec. 26, 1916, was declare payable out of the Common Stock Dividend Fund, Ja 2, 1917. Special recoupment cash dividends of 3½ each paid July 15 and Dec. 1, 1923; 1% Dec. 15, 192 2% Dec. 15, 1925 and 2% Dec. 15, 1926.

FUNDED DEBT

(1)

$10,000,000 REFUNDING AND EXTENSION (NOW FIRST GOLD 5s; DUE APRIL 1, 1934

Dated April 1, 1904.

Interest Payable April and October 1, at Banke Trust Co., New York, and St. Louis Union Trust Co St. Louis.

Denomination—Coupon, $1,000; principal may b registered.

Trustees—Bankers Trust Co., New York, and Mi sissippi Valley Trust Co., St. Louis.

Provisions of Issue—Authorized and issued, $20 000,000 of which $10,000,000 pledged under the belo described First Mortgage Collateral & Refundin bonds.

Callability—Not subject to call.

Sinking Fund—None.

Security—A first lien on all property now owne or hereafter acquired, property covered includin plants doing the entire gas business of St. Louis, Mo

Tax Provisions—Company pays Normal Federal In come Tax up to 2%.

Original Offering—First publicly offered ($4,000, 000) in March, 1904, at 101 and interest by Harris Forbes & Co., New York; $700,000 offered by th same bankers in 1911 at 101¾ and interest.

Listed—New York and St. Louis Stock Exchanges

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	103	101¾	101⅞	98¾	96	95	92	82½
Low	100¼	100	98¼	92	89¾	84⅞	68⅛	68

(2)

$17,500,000 FIRST MORTGAGE COLLATERAL & REFUNDIN 30-YEAR 5½% GOLD BONDS, SERIES "C"; DUE FEBRUAR 1, 1953

Dated February 1, 1923.

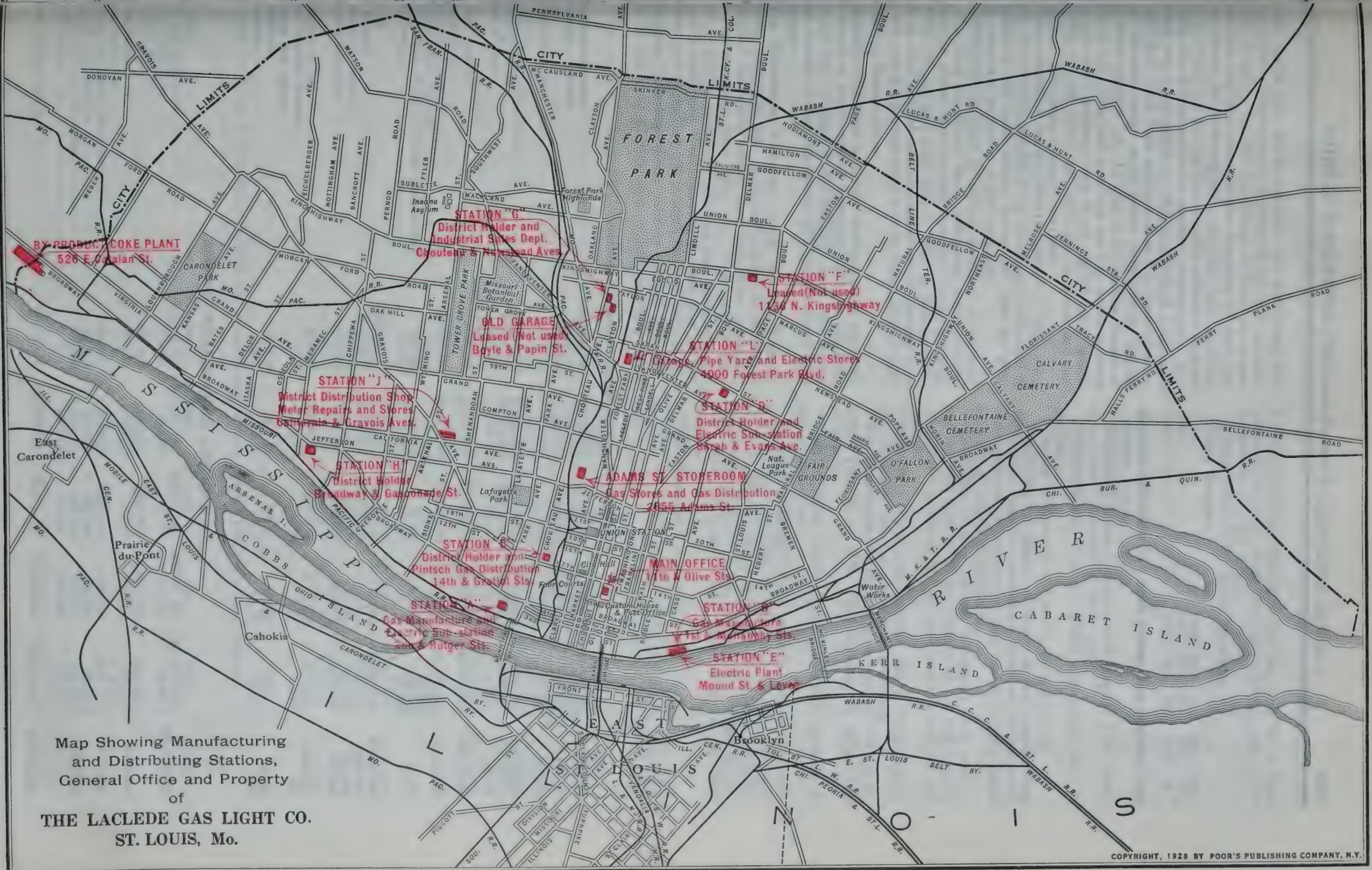
Interest Payable February and August 1, at St Louis Union Trust Co., St. Louis, and Bankers Trus Co., New York.

Denominations—Coupon bonds in interchangeabl denominations of $100, $500 and $1,000 (registerabl as to principal), and fully registered bonds in denom inations of $1,000 and multiples thereof. Coupon an registered bonds are interchangeable.

Trustee—St. Louis Union Trust Co., St. Louis, Mo

Provisions of Issue—Bonds may be issued in serie under the mortgage bearing such rate or rates of in terest, maturing at such time or times, and having such redemption and conversion privileges as the directors may determine from time to time as the bonds are issued. The amount of bonds which may be issued under the mortgage is not limited, except that the total amount of bonds outstanding shall not in any event exceed the amount permitted by law, or the principal amount of the authorized capital stock of the Company as fixed from time to time in accordance with law.

Except for $500,000 bonds which may be issued for the general corporate purposes of the Company, addi-



Map Showing Manufacturing and Distributing Stations, General Office and Property of

THE LACLEDE GAS LIGHT CO.
ST. LOUIS, Mo.

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THE LACLEDE GAS LIGHT CO.
ST. LOUIS, MO.

General Office and Property
and Distribution Stations.

Map Showing Manufacturing
and Distributing Works.

onal bonds may be issued only for permanent improvements, betterments, extensions or new or additional property for not exceeding 80% of the actual ash cost and fair value to the company of such improvements, betterments, etc., and then only provided et earnings for twelve consecutive calendar months ithin the fifteen calendar months immediately preeding any application for the issuance of additional onds shall have been not less than 1¾ times the anual interest charge on all bonds outstanding, includig those applied for. In lieu of so issuing bonds at)% of cost when net earnings are 1¾ times interest harges, the Company may at its option issue bonds 75% of cost when net earnings as above are not ss than 1½ times interest charges.

The proceeds of the $17,500,000 Series "C" 5½s were ed to retire $16,000,000 First Mortgage Collateral & efunding 7% Gold bonds, Series "A" and for genal corporate purposes of the Company.

Callability—Subject to call as a whole or in part any time on thirty days' published notice at the llowing prices and accrued interest: Prior to Feb. 1933, 105; on and from Feb. 1, 1933, to Feb. 1, 1943, 3; on Feb. 1, 1943, and thereafter at 102, except durg the last six months they will be redeemable at 100.

Sinking Fund—None.

Security—Secured by direct mortgage lien upon all e physical properties of company and, in addition, rough the pledge of $10,000,000 prior lien bonds are equally in the lien of the $20,000,000 closed first ortgage.

Tax Provisions—Company pays Normal Federal come Tax up to 2%. Company agrees to reimburse lders if requested within sixty days after payment, Pennsylvania Four Mill Tax, Connecticut Perinal Property Tax not exceeding four mills per dol per annum, and Massachusetts Income Tax on the erest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($17,500,-0) in Jan. 1923, at 96.45 and interest, yielding about 5.75%, by Halsey, Stuart & Co., Inc., and W. A. Harriman & Co., Inc., New York and Chicago, and G. H. Walker & Co., St. Louis.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	106	105½	103	96¼	90¼
Low	103⅜	102⅝	95¼	91⅝	89

(3)

$3,000,000 TEN-YEAR 5½% GOLD NOTES, DUE AUGUST 1, 1935

Dated August 1, 1925.

Interest Payable February and August 1, at Guaranty Trust Company of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and outstanding, $3,000,000; issued to reimburse Company for additions and betterments previously made and to provide funds for further capital expenditures.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 101 and interest on or before August 1, 1930, and thereafter at par and interest.

Security—These notes are the direct obligations of the Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax refundable.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York.

Original Offering—First publicly offered ($3,000,-000) in August, 1925, at 98½ and interest, to yield about 5.70%, by Guaranty Company of New York, W. A. Harriman & Co., Inc., and Halsey, Stuart & Co., Inc., New York, and The Union Trust Co. of Pittsburgh

Price Range—

	1927	1926	1925
High	105½	100¾	100
Low	100	bid	97¾

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
erating revenues	*$7,526,796	$8,659,854	$8,278,406	$8,135,867	$7,967,661	$7,858,060
erating expenses	3,518,920	3,744,287	3,394,295	3,388,864	3,314,806	
xes	948,283	883,276	803,349	881,701	787,705	4,535,998
irement reserve	274,239	536,283	721,283	536,282	536,283	536,283
otal operating expenses	$4,741,442	$5,163,845	$4,918,927	$4,806,847	$4,638,794	$5,072,281
erating profit	$2,785,354	$3,496,009	$3,359,479	3,329,020	3,328,867	2,785,779
ier income	414,851	19,750	35,742	10,999	16,689	11,128
otal income	$3,200,206	$3,515,759	$3,395,221	$3,340,019	$3,345,556	$2,796,907
Deductions—						
ided debt interest	$1,627,500	$1,627,500	$1,523,000	$1,462,500	$1,475,625	$1,620,000
unded debt interest	28,390	17,140	7,394	31,431	23,085	
ortization of debt discount and expense	86,350	86,113	76,500	69,829	68,446	87,261
cellaneous	25,932	5,454	18,142	9,323	17,488	
otal	$1,768,172	$1,736,206	$1,625,036	$1,573,083	$1,584,643	$1,707,261
income	$1,432,034	$1,779,552	$1,770,185	1,766,936	1,760,912	1,089,646
ferred dividends	125,000	125,000	125,000	125,000	125,000	125,000
mmon dividends	1,284,000	1,070,000	1,070,000	882,750	1,498,000	561,750
urplus for year	$23,034	$584,552	$575,185	$759,186	$137,912	$402,896
ies Interest Earned	1.88	2.09	2.16	2.21	2.19	1.67
nings Per Share—						
referred	$57.28	$71.18	$70.81	$70.68	$70.44	$43.58
ommon	12.21	15.46	15.37	15.35	15.29	9.01

*Does not include Laclede Power & Light Co.; in earlier years electric business included in gross revenues.

GENERAL BALANCE SHEET, DECEMBER 31

ssets—	1927	1926	1925	1924	1923	1922
it and equipment	$55,164,270	$53,961,143	$44,811,043	$42,031,305	$41,023,073	$40,458,888
er investments	32,000	18,500	42,701	43,401	44,401	
urrent Assets—						
n	$89,395	$503,810	$840,769	$434,178	$27,452	
ial deposits	14,004	18,482	18,184	21,630	23,522	$290,380
es receivable					2,324	
ounts receivable (less reserve)	1,406,961	1,384,582	1,303,180	1,165,471	1,004,246	1,417,246
erials and supplies	367,904	306,902	255,499	302,834	327,383	
l, oil, fuel, etc., in storage	472,346	385,964	858,315	550,774	851,882	797,800
cellaneous		129,914	123,416	104,008	115,358	
otal current assets	$2,350,611	$2,729,654	$3,399,363	$2,578,894	$2,352,167	$2,505,426

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	192
Cash deposited for payment of bonds and interest unpaid	$16,805	$21,256	$26,744	$31,994	$81,387	.....
Due from affiliated companies	83,380	.....	.....	.....	.....	.....
Prepaid accounts	80,742	87,776	88,073	64,981	44,724	.....
Pub. Ser. Com. expense	180,205	124,975	137,051	103,216	61,512	.....
Bond discount and expense	1,876,914	1,963,265	2,047,127	1,961,161	2,030,568	$362,0
Other deferred charges	31,040	26,970	34,000	34,694	27,477	.....
Total assets	$59,815,968	$58,933,538	$50,586,102	$46,849,646	$45,665,310	$43,326,3
Liabilities—						
Common stock	$10,700,000	$10,700,000	$10,700,000	$10,700,000	$10,700,000	$10,700,0
Preferred stock	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,0
Funded debt	30,500,000	30,500,000	30,500,000	27,500,000	27,500,000	26,000,0
Current Liabilities—						
Notes payable	$650,000	.....	.....	$200,000	$450,000	.....
Accounts payable	364,484	$545,944	$475,933	324,503	453,795	$792,4
Customers' deposits	199,120	195,887	166,095	236,140	252,439	.....
Other current liabilities	11,122	20,846	19,959	22,960	15,597	.....
Accrued interest	651,132	648,516	645,997	588,461	591,533	852,2
Accrued taxes	410,376	832,533	755,887	837,078	292,402	
Total current liabilities	$2,286,234	$2,243,725	$2,063,871	$2,209,142	$2,055,766	$1,644,6
Matured bonds and interest payable	16,805	21,256	26,744	31,994	81,387	.....
Dividends not due and not declared	20,833	.....	.....	.....	.....	.....
Due to affiliated companies	754,164	.....	.....	.....	.....	.....
Surplus to Common dividend fund	.....	.....	1,863,533	1,288,348	529,162	391,2
Service annuity reserve	.....	.....	.....	55,000	.....	.....
Retirement reserve	1,884,777	2,034,228	1,781,769	1,308,924	1,026,830	
Other reserves	343,480	354,222	988,255	1,134,537	1,157,579	2,090,4
Surplus	3,394,152	3,164,584	161,930	121,700	114,586	
Capital surplus	7,415,524	7,415,523	.....	.....	.....	.....
Total liabilities	$59,815,968	$58,933,538	$50,586,102	$46,849,646	$45,665,310	$43,326,8
Net Working Capital	$64,377	$485,928	$1,335,492	$369,752	$296,401	$860,2

Officers: Harley L. Clarke, Chairman of Board; Geo. B. Evans, Pres.; W. H. Whitton, V-P. & Sec.; W. S. Dodd, Treas.; C. H. Stewart, Asst. Treas.; W. A. Horner, Asst. Sec. & Asst. Treas.; J. A. Beakey, Asst. Sec.; Alfred Hirsh, Asst. Sec.; E. L. White, Compt.; J. J. Needham, Aud., St. Louis, Mo.

Directors: W. S. Dodd, Geo. B. Evans, E. L. White, W. H. Whitton, St. Louis, Mo.; W. A. Horner, J. Canavan, Harley L. Clarke, F. R. Moulton, O. Koegel, Francis E. Matthews, Gordon Wilson, Chicago; D. H. Bender, New York.

Office, 11th and Olive Sts., St. Louis Mo. **Chicago Office,** 327 South La Salle St. **New York Office,** 10 Broadway.

LACLEDE POWER & LIGHT COMPANY

(Controlled by Laclede Gas and Electric Company)

History and Property—Incorporated Jan. 18, 1926 in Missouri and took over the electric business of The Laclede Gas Light Co. as of Jan. 1, 1927. Plants have a generating capacity of 20,500 k.w. Electric energy generated and purchased in 1927 amounted to 68,869,586 k.w.h. Customers served Dec. 31, 1927, 16,935.

CAPITAL STOCK

Authorized, 13,205 shares Common, 10 shares $7 Dividend cumulative, Prior Pfd. and 10 shares $7 Dividend cumulative Pfd., all shares of no par value; outstanding 13,183 shares Common. 13,200 shares Common were offered at $10 a share ratably to owners of the Pfd. and Common stocks of The Laclede Gas Light Co. of record Jan. 6, 1927 in the ratio of 1 share for every 10 held, and 5 shares were endorsed to qualify directors and deposited with the secretary of the Company. The majority of the Common Stock Voting Trust Certificates is held by Laclede Gas and Electric Co.

Exchange of Stock Offer—Stockholders in June, 1927, were offered one and one-third shares of Utilities Power & Light Corp. 7% Pfd., or four shares of Utilities Power & Light Corp. Class A stock, or $128 a share in cash, for each share of stock held. This offer was in connection with that company's purchase of the voting stock of Laclede Gas and Electric Co.

Voting Trust—Stock was issued in the form of Voting Trust Certificates under a Voting Trust Agreement, dated Dec. 24, 1926 and expiring Dec. 24, 1941, under which 13,178 shares are held. Agent for Voting Trustees: Trust Department of The National Bank of Commerce in St. Louis, known as Federal Commerce Trust Co.

Registrar—Mississippi Valley Trust Co., St. Louis, Mo.

Annual Meeting—Fourth Thursday in March.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 192

Gross revenues	$1,570,0
Operating expenses, maintenance and taxes	1,127,9
Net earnings	$442,1
Interest	3,1
Net income	$439,0

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	$631,6
Cash	33,8
Accounts receivable	172,3
Materials, merchandise and supplies	99,4
Deferred items	10,1
Total	$947,3
Liabilities—	
Common stock	$131,8
Current liabilities	137,3
Consumers' deposits	4,0
Due to affiliated cos.	371,0
Reserves for depreciation, etc.	135,1
Surplus	165,3
Total	$947,3

Officers: George B. Evans, Pres.; Edwin L. White, V-P., St. Louis, Mo.; W. A. Horner, V-P., Chicago; W. S. Dodd, Treas.; W. H. Whitton, Sec., St. Louis, Mo.

Directors: George B. Evans, Edwin L. White, W. H. Whitton, St. Louis, Mo.; H. L. Clarke, W. A. Horner, Chicago.

Office, Olive and Eleventh Sts., St. Louis, Mo.

LACLEDE SECURITIES COMPANY

(Controlled by Laclede Gas and Electric Company)

History—Incorporated May 21, 1924, in Illinois, Company is authorized to purchase, sell, and deal in stocks, bonds, debentures, notes and other securities and obligations, and to act as commercial or general or special or fiscal agent generally. Company owns a majority of the Common stock of Central States Uti-

ies Corp., which in turn owns all the Common stocks f Central States Power & Light Corp., and Central tates Pipe Line Corp. (Okla.)

CAPITAL STOCK

Authorized and outstanding, 2,000 shares of no par alue. All owned by Laclede Gas and Electric Co. nnual meeting, fourth Tuesday in May.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

ross revenues	$64,094
perating expenses and taxes	38,421
Net earnings	$25,673
terest on funded debt	14,732
Net income	$10,941
serve for depreciation	1,020
Surplus for year	$9,921
rplus at beginning of period	14,074
Surplus at end of year	$23,995

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
ocks	$1,773,502
rniture and fixtures	7,374
sh	323,773
counts receivable	51,911
crued dividends	17,964
ferred items	280
Total	$2,174,804
Liabilities—	
pital stock	$10,000
bility to deliver stock	116,130
tes payable	2,019,800
counts payable	457
crued interest	4,422
plus	23,995
Total	$2,174,804

Officers: H. L. Clarke, Pres. & Treas.; J. N. Cana-n, V-P.; F. L. Hill, V-P., Chicago; F. W. Drury, P., New York; W. A. Horner, Sec., Chicago.

Directors: H. L. Clarke, W. A. Horner, F. E. Lara-re, Chicago.

Office, 231 So. LaSalle St., Chicago.

CENTRAL STATES UTILITIES CORPORATION

(Controlled by Laclede Securities Company)

History—Incorporated Dec. 14, 1927, in Delaware. mpany owns all the outstanding Common stock of ntral States Power & Light Corp. (see appended tement), which in April, 1928, acquired the Com-n stock of Central States Pipe Line Corp., previ-ly owned by Central States Utilities Corp.

Central States Power & Light Corp. furnishes elec-r light and power and other public utility services, rectly, or through subsidiaries which will be con-rled through ownership of more than 99% of all outstanding stocks) to 187 communities in the states Alabama, Arkansas, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, North Dakota, Oklahoma, Texas and in New Brunswick, Canada. The total population of the territory served by the system is approximately 315,000 and the cus-mers total over 48,000.

CAPITAL STOCK

Authorized, 30,000 shares Common, 40,000 shares $7 Dividend cumulative Pfd., and 4,000 shares $7 dividend cumulative (after Dec. 31, 1928) Second Pfd., all classes of shares of no par value; outstanding 000 shares Common, 20,500 shares $7 Dividend Pfd., and 4,000 shares Second Pfd. Stock control is held by Laclede Securities Co.

Preferred Stock Provisions—$7 Dividend Pfd. has preference for assets and cumulative dividends, and in liquidation is entitled to $110 per share and divi-dends if voluntary, and to $100 a share and divi-dends if involuntary. Without consent of 2/3 of stock of other stock may be issued having priority or prefer-ence. Stock has no voting rights unless dividends are in arrears for one year, when, voting as a class, it may elect 2 directors.

Callability—$7 Dividend Pfd. is subject to call on 30 days' notice at $110 per share and dividends.

Second Preferred Stock Provisions—Has second preference for assets and dividends, which dividends are cumulative after Dec. 31, 1928, and in liquidation, after claims of $7 Dividend Pfd. are satisfied, is entitled to $100 per share and dividends. It has no voting rights.

Callability—Second Pfd. is subject to call at $100 per share and dividends.

Transfer Agents ($7 Dividend Pfd. and Second Pfd.)—The Equitable Trust Co. of New York, N. Y., and Office of Corporation, 327 South LaSalle St., Chicago, Ill.

Registrars ($7 Dividend Pfd. and Second Pfd.)—The Chase National Bank of New York, N. Y., and Continental National Bank and Trust Co., Chicago.

Annual Meeting—First Wednesday in February.

Dividends—Dividends on both classes of Pfd. are payable quarterly J, A, J & O 1.

FUNDED DEBT

$3,000,000 TEN-YEAR 6% SECURED GOLD BONDS; DUE JANUARY 1, 1938

Dated January 1, 1928.

Interest Payable January and July 1 at The Chase National Bank of the City of New York, or at Continental National Bank and Trust Co., Chicago.

Denominations—Coupon, $1,000 (principal may be registered), $500 and $100; interchangeable.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Authorized amount, not limited; issued, $3,000,000. No additional bonds shall be issued except for the purpose of refunding bonds of some previous series, unless the consolidated net earnings of the Corporation and its subsidiaries (as defined in the Trust Indenture) for 12 consecutive calendar months within 15 months immediately preceding the application therefor, shall have been at least two times the annual interest charges on all bonds outstanding under the Trust Indenture, including those to be issued. Subject to compliance with said requirements as to consolidated net earnings, additional bonds may be issued in series on the basis of not exceeding 2/3 of the deposit value (as defined in the Trust Indenture) of additional shares of stock and/or bonds, notes or other evidences of indebtedness of subsidiaries pledged thereunder. Bonds may also be issued for the purpose of refunding a like principal amount of previously authenticated bonds of any other series. Bonds may also be authenticated on the basis of the deposit of cash with the Trustee to an amount equal to their principal amount subject to withdrawal for the above described purposes in lieu of the authentication of bonds.

Purpose of Issue—Proceeds were used in the acquisition of the capital stocks of subsidiary companies, to provide them with funds for the retirement of underlying bonds and Pfd. stocks, and for other corporate purposes.

Callability—Subject to call as a whole at any time, or in part on any interest payment date on 30 days' notice at 105 prior to Jan. 1, 1930; at 104 on said date and thereafter prior to Jan. 1, 1932; at 103 on said date and thereafter prior to Jan. 1, 1934; at 102 on said date and thereafter prior to Jan. 1, 1936; and at 101 on said date and thereafter prior to maturity, plus accrued interest in each case.

Sinking Fund—None provided.

Maintenance, Renewal and Replacement Reserves—Company covenants to set aside in each year beginning Jan. 1, 1928, amounts for maintenance reserves and renewal and replacement reserves equal to 8% and 5% respectively of the gross operating revenue of the Corporation and its subsidiaries, as defined in the mortgage, less amounts actually expended for

such purposes. Unused balances must be deposited annually with the Corporate Trustee, subject to use for the acquisition or construction of additional property not made the basis for the issuance of additional bonds under the mortgage or for the purchase or redemption of First Mortgage and First Lien Gold bonds.

Security—Secured by pledge with the Trustee of all of the outstanding Common stock of Central States Power & Light Corp. and Central States Pipe Line Corp. The Trust Indenture provides that the Trustee shall not release any of the pledged shares of Common stock of Central States Power & Light Corp. (except for reorganization purposes as provided in the Trust Indenture) unless provision shall be made for the payment or redemption of all of the outstanding bonds of this series on or before the next interest payment date. The provisions of the trust indenture, but not the terms of the payment of bonds, will be subject to modification by holders of 80% of the bonds at a bondholders' meeting called as provided in the Trust Indenture and with the concurrence of the Corporation.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania and Connecticut 4 mills tax, Maryland 4½ mills tax and California 5 mills tax, and Massachusetts 6% income tax on interest, refundable upon application within 90 days after payment.

Legal Opinion—Rushmore, Bisbee and Stern and Davisson & Manice, New York, and Hyde, Hennings, Thulin, Westbrook & Wilson, Chicago (for the Bankers) and Matthews & Koegel, Chicago (for the Corporation).

Original Offering—First publicly offered ($3,000,000) in January, 1928, at 98 and interest to yield about 6.25%, by Chase Securities Corp., Pynchon & Co., West & Co., Continental National Co., New York; Federal Securities Corp., Peabody, Houghteling & Co., Chicago, and W. S. Hammons & Co., Portland, Me.

Listed—Chicago Stock Exchange.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenue	$2,947,94
Operating expenses, maintenance and taxes	1,673,89
Net earnings	$1,274,05
Bond int., amortization, 2% tax, etc.	532,20
Balance	$741,85
Dividends on Pfd. stock of subsidiary	266,00
Net income	$475,85

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 192

Assets—	
Property and plant	$16,664,90
Investments	160,8
Cash	417,2
Notes and accounts receivable	417,8
Due from affiliated cos.	9
Materials and supplies	335,3
Special deposits (contra)	13,591,2
Deferred items	1,243,7
Total	$32,832,7
Liabilities—	
Common stock	$30,0
Common stock of subsidiaries	3,0
Preferred stock	1,340,0
Pfd. stock of subsidiaries	3,452,0
Funded debt	3,000,0
Funded debt of subsidiaries	8,629,0
Notes and accounts payable	637,4
Accruals	116,6
Called bonds and stocks (contra)	13,760,6
Consumers' deposits	92,9
Deferred liabilities	5,9
Reserves, etc.	1,720,6
Surplus	46,7
Total	$32,832,7

Officers: H. L. Clarke, Pres. & Treas.; J. N. Canvan, V-P., Chicago; D. H. Bender, H. E. Carver, F. Drury, H. T. Pritchard, V-Ps., New York; H. Orton, V-P., Dubuque, Iowa; W. A. Horner, Sec.

Directors: H. L. Clarke, W. A. Horner, Chicag D. H. Bender, M. W. Dodge, F. W. Ingold, Jr., N York.

Office, 327 South La Salle St., Chicago, Ill. **New York Office,** 100 Broadway.

CENTRAL STATES POWER & LIGHT CORPORATION

(Controlled by Central States Utilities Corporation)

History—Incorporated Dec. 31, 1924, in Delaware. Formerly controlled Northeastern Iowa Power Co. (Iowa), Missouri Electric Power Co., Central Light & Power Co. of North Dakota, Missouri Power & Development Co., Southeast Missouri Public Service Co., Arkansas Public Service Co. (see 1927 Public Utility Manual, pages 1296 to 1298, inclusive), Moncton Tramways, Electricity & Gas Co., Ltd. (see 1927 Public Utility Manual, page 1972), control of which was acquired Sept. 1, 1927, and East Oklahoma Electric Power Co. (Dela.), but these subsidiaries were consolidated into the Central States Power & Light Corp. early in 1928, and their outstanding bonds and Pfd. stocks are being retired. The corporations will be dissolved. In April, 1928, acquired all the outstanding securities of the Central States Pipe Line Corp., owning a new pipe line, compressor station and gasoline extracting plant at Wetumka, Okla., which plant was placed in operation in November, 1927.

Early in 1928 acquired the Federal Public Utilities Co., which in 1927 purchased among other properties, the Moncton Tramways, Electricity & Gas Co., Ltd. (see page 1972 of 1927 Public Utility Manual) and the Gladwin Light & Power Co. (see page 142 of 1927 Public Utility Manual). The outstanding bonds these two companies have been either called for pyment or provided for (see below).

The Central States Power & Light Corp. furnishes electricity, gas and/or other public utility servic either directly or through subsidiaries which will controlled through ownership of more than 99% all outstanding stocks, to 187 communities in states of Alabama, Arkansas, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missou North Dakota, Oklahomaa, Texas and New Brunswick, Canada. Population served, about 315,000; number of customers, over 48,000.

The electric properties include 9 steam generat stations, 11 hydro-electric generating stations, 1,397 miles of transmission lines. Combined electr output about 26,000,000 k.w.h. per year. Gas is delivered through 134 miles of transmission lines, 227 miles of distribution mains. Sales of gas ab 8,000,000 cu. ft. daily. Approximately 54% of earnings is derived from sale of electric energy, 3 from the sale of gas, and 13% from other services.

Corporation has contracts with independent p ducers in two natural gas producing fields in

CENTRAL STATES PR. & LT. CORP.
PYNCHON & CO.
Members of the New York Stock Exchange
BOSTON Tel. Hancock 7320
PHILADELPHIA Tel. Rittenhouse 1530
BALTIMORE Tel. Plaza 7373
LONDON
111 Broadway, New York Tel. Rector 0970
The Rookery, Chicago Tel. Wabash 7700
MILWAUKEE Tel. Broadway 306
PROVIDENCE Tel. Gaspee 8600
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Private wire connections to all important markets in the United States and Canada

Jnited States, the Panhandle Field in Texas and the eminole Field in Oklahoma, for the purchase of more han 95% of its natural gas requirements.

CAPITAL STOCK

Authorized, 30,000 shares Common and 60,000 shares 7 Dividend Pfd., all shares of no par value; outstand-ıg, 30,000 shares Common, and 38,000 shares Pfd. ıll the Common shares are owned by Central States Jtilities Corp. Authorized capital stock was changed ı December, 1927, from 5,000 shares Common of no ar value and $750,000 7% Pfd., par $100.

Preferred Stock Provisions—Has preference for as-ets and dividends, and in dissolution is entitled to 110 per share and dividends if voluntary, and to $100 er share and dividends if involuntary.

Without consent of at least 2/3 shares of Pfd., Cor-oration shall not authorize or issue any stock having riority or preference over Pfd. as to assets or divi-ends, or to amend the provisions relating to Pfd. so s to affect it adversely; no additional Pfd. stock eyond the 38,000 shares outstanding may be issued ıless the consolidated net earnings of Corporation ıd its subsidiaries for 12 consecutive calendar months ıt of the 15 next preceding have been at least twice ıe annual dividend requirements on Pfd. outstanding ıd that proposed to be issued. Pfd. stock is issuable . series subject to provisions stated above, but all ries are to be of equal rank.

Has no voting rights unless dividends are in arrears r one year, when Pfd., as a class, has the right to ect two directors.

Callability—$7 Pfd. is subject to call as a whole or part on 30 days' notice at $110 per share and accrued vidends.

Transfer Agents ($7 Preferred)—The Equitable rust Co. of New York, N. Y., and Office of Corpora-on, 327 South La Salle St., Chicago, Ill.

Registrars ($7 Preferred)—The Chase National ank of New York, and Continental National Bank ıd Trust Co., Chicago.

Legal Opinion ($7 Preferred)—Matthews & Koegel, hicago (for the Corporation) and Rushmore, Bisbee Stern, and Davisson & Manice, New York (for ıe Bankers).

Original Offering—First publicly offered (30,000 ıares $7 Pfd.) in December, 1927, at $100 a share and ccrued dividends, by Chase Securities Corp., and ynchon & Co., New York, West & Co., Philadelphia, c., Federal Securities Corp., and Peabody, Hough-ling & Co., Chicago, etc., and W. S. Hammons, Port-nd, Me., etc.

Annual Meeting—First Thursday in February.

Dividends—Pfd. dividends regularly paid quarterly, A, J & O 1.

FUNDED DEBT

,500,000 FIRST MORTGAGE AND FIRST LIEN GOLD BONDS, 5½% SERIES DUE 1953; DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1, at The Chase ational Bank of the City of New York, and Conti-ntal National Bank & Trust Co., Chicago, Ill.

Denominations—Coupon, $1,000 (interchangeable; rincipal may be registered), $500 and $100. Fully gistered bonds in denominations of $1,000, $5,000, 0,000 and $25,000 or a multiple thereof. Coupon nds of $1,000 denomination and registered bonds are terchangeable.

Trustee—The Chase National Bank of the City of ew York.

Provisions of Issue—Authorized amount, not limit-l; issued, $8,500,000. Additional bonds may be issued series, bearing the same or different rates of interest, ites, maturities, redemption provisions and such her provisions as may be determined, (1) to the ex-nt of 70% of the cost or fair value, whichever is less, additional properties acquired or constructed by the ompany directly or through its subsidiaries, as de-fined in the mortgage; or (2) upon the deposit of moneys equal to their principal amount with the Corporate Trustee, subject to being taken down for the above purposes in lieu of bonds; provided that no bonds shall be certified unless the consolidated net earnings as defined in the mortgage (before interest, reserves and Federal income taxes), for 12 consecutive months within 15 months immediately preceding the application therefor, are equal to at least twice the annual interest requirements of all bonds outstanding (including bonds proposed to be certified) and any outstanding prior lien bonds. Where properties are acquired by the Corporation or a subsidiary subject to prior liens, an equal principal amount of bonds will be withheld, out of the amount otherwise issuable on the basis thereof, for certification as such prior liens are satisfied or provided for. The total principal amount of prior liens permitted by the mortgage to exist on public utility properties of the Corporation and its subsidiaries will be limited to not exceeding 25% of the aggregate principal amount of bonds outstanding under the mortgage. Bonds may also be certified for retirement of a like principal amount of bonds previously issued under the mortgage.

Purpose of Issue—Proceeds were used for the retirement of previous bond issues of the Corporation and underlying bonds and Pfd. stocks of subsidiary companies, to provide part of the funds with which to make payment for the properties being acquired, and for other corporate purposes.

Callability—Subject to call as a whole at any time, or in part on any interest date, on 30 days' published notice, at 105 prior to Jan. 1, 1933; at 104 on said date and thereafter prior to Jan. 1, 1938; at 103 on said date and thereafter prior to Jan. 1,, 1943; at 102 on said date and prior to Jan. 1, 1948; and at 101 on said date and thereafter prior to maturity, plus accrued interest in each case.

Sinking Fund—None provided.

Maintenance, Renewal and Replacement Reserves—Mortgage provides for maintenance reserves and for renewal and replacement reserves, in which there shall be set aside in each year, beginning as of Jan. 1, 1928, amounts at least equal respectively to 8% and 5% of the gross operating revenue of the Corporation and its subsidiaries, as defined in the mortgage, less charges for amounts actually expended for such purposes. Unused balances in these reserves must be deposited annually with the Corporate Trustee, subject to use for the acquisition or construction of additional property not made the basis for the issuance of additional bonds under the mortgage or for the purchase or redemption of First Mortgage and First Lien Gold bonds.

Security—Secured by a direct first mortgage on all real estate, plants, transmission lines, distribution systems, and other fixed public utility properties of the Corporation now owned (located in Iowa, Kentucky, Louisiana, Minnesota, Mississippi, Oklahoma and Texas) or hereafter acquired (subject, as to after-acquired properties, to prior liens within limits permitted by the mortgage) and by pledge of all outstanding bonds and more than 99% of all outstanding capital stocks of subsidiaries owning properties situated in Alabama, Arkansas, Michigan, Missouri, North Dakota and Canada.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills, Maryland 4½ mills and California 5 mills taxes, and Massachusetts 6% income tax on interest, refundable upon application within 90 days after payment.

Legal Opinion—Rushmore, Bisbee & Stern, and Davisson & Manice, New York, and Hyde, Hennings, Thulin, Westbrook & Watson, Chicago (for the Bankers) and Matthews & Koegel, Chicago (for the Corporation).

Original Offering—First public offered ($8,500,000 5½% Series) in December, 1927, at 98½ and interest, to yield about 5.60%, by Chase Securities Corp., Pyn-

chon & Co., Continental National Co., New York; West & Co., Philadelphia, etc.; Federal Securities Corp., Peabody, Houghteling & Co., Chicago, and W. S. Hammons & Co., Portland, Me.

SECURITIES REDEEMED OR PROVIDED FOR

All the outstanding Central States Power & Light Corp. 5½% Secured Gold notes, due Sept. 1, 1928, were called for payment on March 1, 1928, at 100¼ and interest, at American Trust Co., Davenport, Iowa.

All the outstanding Central States Power & Light Corp. 5-Year 6% Gold bonds, due May 1, 1930, were called for payment on May 1, 1928, at 101 and interest at American Trust Co., Davenport, Iowa, or Northern Trust Co., Chicago, or National Park Bank, New York.

All the outstanding Central States Power & Light Corp. First Collateral Lien 20-Year 6% Gold bonds, due Dec. 1, 1945, were called for payment on June 1, 1928, at 105 and interest, at American Trust Co., Davenport, Iowa, Trustee.

All the outstanding Consumers Power Co. (Osage, Iowa) First Mortgage 6% Gold bonds, Series "A," due Jan. 1, 1934, were called for payment on July 1, 1928, at 103 and interest at Minnesota Loan & Trust Co., Minneapolis, Trustee.

All the outstanding Elkader Light & Power Co., First Mortgage 6% Gold bonds, due March 15, 1938, were called for payment on March 15, 1928, at par and interest at Elkader (Iowa) State Bank, Trustee.

All the outstanding Northeastern Iowa Power Co. First Mortgage 6% Gold bonds, Series "A," due Nov. 1, 1928, were called for payment on May 1, 1928, at 100½ and interest at Minnesota Loan & Trust Co., Minneapolis, Trustee.

All the outstanding Northeastern Iowa Power Co. First Lien & Refunding Mortgage 6% Gold bonds, Series "A," due Sept. 1, 1929, were called for payment on March 1, 1928, at 100½ and interest at American Trust Co., Davenport, Iowa, Trustee, or Northern Trust Co., Chicago.

All the outstanding Northeastern Iowa Power Co. 5% Gold notes, due Nov. 1, 1928, were called for payment March 1, 1928, at par and interest, at American Trust Co., Davenport, Iowa, Trustee.

All the outstanding Federal Public Utilities Co. 1-Year 5% Gold notes, due July 15, 1928, and First Lien and Collateral 6% Sinking Fund Gold bonds, Series "A," due July 15, 1937, were called for payment on Jan. 15, 1928, at Chicago Trust Co., Chicago, Trustee, the notes at 101 and interest, and the bonds at 103 and interest.

All the outstanding Gladwin Light & Power Co First Mortgage 6% Sinking Fund Gold bonds, Serie "A," due Nov. 1, 1944, were called for payment o Oct. 1, 1927, at 102 and interest at Michigan Trust Co Grand Rapids, Mich.

Funds have been deposited with the Eastern Trus Co., St. John, New Brunswick, Trustee, to take car of the Moncton Tramways, Electricity & Gas Co Ltd., General Debenture 6s, due Jan. 19, 1932. Th property covered by this mortgage has been release therefrom.

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$2,947,954	$1,459,97
Operating expenses and taxes	1,673,889	632,93
Net earnings	$1,274,065	$827,04
Bond int., amortization, 2% tax, etc.	532,230	306,66
Balance	$741,835	$520,38

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property and plant	$15,760,85
Investment and deposits	158,40
Cash	337,88
Notes and accounts receivable	413,56
Materials and supplies	335,47
Due from affiliated cos.	610,78
Deferred items	868,40
Total	$18,485,37
Liabilities—	
Common stock	$3,394,55
Preferred stock	3,452,00
Funded debt	8,629,00
Notes and accounts payable	614,94
Accrued items	96,98
Consumers' deposits	92,48
Due to affiliated cos.	153,15
Reserves, etc.	1,626,43
Surplus	425,80
Total	$18,485,37

Officers: H. C. Orton, Pres., Dubuque, Ia.; J. N Canavan, V-P., Chicago; D. H. Bender, V-P. & Treas. H. T. Pritchard, V-P., New York; W. A. Horner, Sec Chicago.

Directors: J. N. Canavan, H. L. Clarke, W. A. Hor ner, Chicago; D. H. Bender, New York; H. C. Orton Dubuque, Iowa.

Offices, First National Bank Building, Dubuque Iowa. **Chicago Office,** 327 South LaSalle St. **New York Office,** 100 Broadway.

COLONIAL GAS AND ELECTRIC COMPANY

(Controlled by Utilities Power & Light Corporation)

History—Incorporated May 15, 1924, in Delaware. Company controls through stock ownership Newport Electric Corporation (R. I.); Derby Gas & Electric Corp. (Del.) and its subsidiaries The Derby Gas and Electric Co. (Conn.) and The Wallingford Gas Light Co. (Conn.); and **Colonial Coach Co.** (R. I.)

Through subsidiaries Company supplies electric light and power to Derby, Shelton and Ansonia, Conn., and to Newport, Jamestown, Middletown and Portsmouth, R. I., and gas to Derby, Shelton, Ansonia and Wallingford, Conn.; and operates a fleet of buses between Newport, Fall River and Providence, R. I. Total population served, about 100,000. Electric energy generated and purchased, 54,222,700 k.w.h. Gas output, 340,150,145 cu. ft.

CAPITAL STOCK

Authorized, 100,000 shares of Common stock of no par value and $5,000,000 7% cumulative Pfd., par, $100; outstanding, 100,000 shares Common and $509,500 Pfd. Utilities Power & Light Corp. owns all the Common and $461,900 of the Pfd. The Pfd. stock has preference for assets and dividends, and is callable on any dividend date at option of the Company at 110. In event of liquidation entitled to par.

Transfer Agent—Office of Company, Chicago, Ill

Annual Meeting—First Thursday after the firs Monday in February.

FUNDED DEBT

$2,000,000 (CLOSED ISSUE) 3-YEAR 5½% SECURED GOLD NOTES; DUE AUGUST 1, 1929.

Dated August 1, 1926.

Interest Payable February and August 1, at The Chase National Bank of the City of New York.

Denominations—Coupon notes in interchangeable denominations of $100, $500 and $1,000. Denominations of $1,000 registerable as to principal.

Trustee—The Chase National Bank of the City of New York.

Purpose of Issue—Proceeds used to provide funds in connection with the acquisition of the entire Common stock of Derby Gas & Electric Corp. and for other corporate purposes.

Callability—Subject to call in whole or in part on 60 days' notice on any interest date at 101 and interest

Security—Notes are direct obligation of Company constituting its only funded debt, and are secured by a first lien by pledge upon all of the Common stock o

Derby Gas & Electric Corp., over 95% of the Common stock of Newport Electric Corp. and all of the capital stock of Colonial Coach Co. The Indenture requires that Corporation pledge with Trustee all of its proper proportionate part of any future issue of Common stock of the subsidiaries, stocks of which are pledged under the trust indenture. The Company also covenants to pledge all additional shares of Pfd. stock and all bonds or other obligations maturing more than one year after their date, hereafter issued by any of said subsidiaries, except that such bonds or obligations may be issued for not exceeding 75% of the cost or fair value, whichever is lower, of additional capital assets acquired by said subsidiaries, directly or through their controlled Companies, and that additional Pfd. stock may be sold for cash to bona fide customers and employes and also may be issued to provide for not exceeding 100% or fair value, whichever is lower, of such capital assets, less the amount of any such bonds or other obligations previously issued for that purpose, and that bonds or other obligations or Pfd. stock may be issued to refund, renew or retire previously outstanding bonds or other obligations.

Maintenance, Renewal and Replacement Reserves—13% of annual operating revenues of subsidiaries are expended or set aside in reserves.

Tax Provisions—Corporation pays Normal Federal Income tax up to 2%. Pennsylvania and Connecticut 4 mills taxes, Maryland 4½ mills tax, California 5 mills tax, Massachusetts 6% income tax on interest, New Hampshire 3% income tax on interest, and any similar taxes hereafter imposed in Maine not exceeding 5 mills personal property tax or 6% income tax, refundable upon application within 90 days after payment.

Legal Opinion—Rushmore, Bisbee & Stern, New York (for the bankers) and Matthews & Koegel, Chicago (for the Company).

Original Offering—First publicly offered ($2,000,000) in October, 1926, at 98½ and interest, to yield about 6.05%, by West & Co. and Reilly, Brock & Co., Philadelphia, John Nickerson & Co., Pynchon & Co., New York, and W. S. Hammons & Co., Portland, Me.

Price Range—1927: High, 100; low, 96.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	*1926	1925	1924
Gross earnings	$2,233,118	$2,155,619	$807,637	$631,766
Operating expenses, maintenance and taxes	1,343,361	1,370,045	507,020	439,284
Net earnings	$889,757	$785,574	$260,617	$192,482
Interest on funded debt, etc.	$398,170	$209,595	$64,449	$50,971
Amortization, etc.	52,523	36,866		
Balance	$439,064	$539,113	$196,168	$141,511
Subsidiary Pfd. dividends	175,700	76,751	33,562	.....
Minority interest	4,433	204,270		
Net income	$258,931	$258,092	$162,606	.....
Depreciation reserve	124,110	107,065	72,572	.....
Balance	$134,821	$151,027	$90,034	.....

*Statement for 1926 includes gross revenues of all subsidiaries for entire year, but deductions are made so as to reflect net earnings available for Common stock of subsidiaries only for periods subsequent to their acquisitions.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924
Plant and property	$12,004,453	$12,072,759	$3,010,218	$2,695,861
Securities, real estate and special funds	214,848	63,466	11,430	2,270
Cash	326,248	243,471	50,262	34,059
Notes and accounts receivable	274,161	258,718	80,515	83,975
Materials and supplies	354,112	365,204	110,795	98,823
Deferred items	1,148,310	763,200	74,540	54,753
Total	$14,322,132	$13,766,818	$3,337,760	$2,969,741
Liabilities—				
Common stock	$814,400	$814,400	*$957,300	$142,900
Preferred stock	509,500	509,500	†593,900	269,644
Pfd. stock of subsidiaries	2,395,449	1,830,400	.....	.....
Common stock of subsidiaries	35,325	45,325	.....	.....
Funded debt	7,696,000	8,298,600	798,600	1,596,900
Notes payable	183,427	137,000	164,000	50,000
Accounts payable		83,342	65,725	32,099
Consumers' deposits	53,510	47,807	15,827	8,270
Accrued items	222,163	240,153	34,305	41,832
Due affiliated cos.	532,230	65,136	.....	.....
Deferred liabilities	34,038	104,948	14,282	2,158
Reserves	1,381,688	1,224,871	386,449	383,397
Minority interest in surplus	7,748	4,624	307,372	442,541
Surplus	456,654	360,712		
Total	$14,322,132	$13,766,818	$3,337,760	$2,969,741

*Includes $142,900 Common stock of subsidiaries. †Includes $493,900 Pfd. stocks of subsidiaries.

Officers: Harley L. Clarke, Pres.; J. N. Canavan, V-P., Chicago; F. W. Drury, V-P. & Treas.; H. T. Pritchard, V-P., New York; William P. Sheffield, V-P. Sec., Newport, R. I.

Directors: Henry Salomon, Providence, R. I.; Murray W. Dodge, New York; Harley L. Clarke, Chicago; F. W. Drury, B. R. Tuttle, H. T. Pritchard, New York; William P. Sheffield, Jr., Newport, R. I.

Office, Newport, R. I. **Chicago Office,** 327 South La Salle Street. **New York Office,** 100 Broadway.

DERBY GAS AND ELECTRIC CORPORATION

(Controlled by Colonial Gas and Electric Company)

History—Incorporated July 28, 1926, in Delaware, as a holding company. Owns the entire capital stock except directors' qualifying shares, of the Wallingford Gas Light Co. and 99.97% of the entire capital stock of the Derby Gas and Electric Co. Subsidiaries serve electric light and power and gas to Derby, Shelton and Ansonia and gas to Wallingford, Conn. Population served, about 60,000. Number of electric consumers about 9,692. Number of gas consumers, 12,042. Electric energy generated and purchased, 46,632,000 k.w.h. Gas produced and purchased, 340,150,145 cubic feet. Properties include an electric generating station of 15,045 k.w. capacity at Derby, a coal and water gas plant of 3,500,000 cu. ft. daily capacity at Shelton,

and a water gas plant of 800,000 cu. ft. capacity at Wallingford.

Subsidiaries operate under franchises granted by acts of Connecticut Legislature without limit as to duration.

CAPITAL STOCK

Authorized, 50,000 shares Common and 50,000 shares cumulative Pfd., both of no par value; outstanding, Dec. 31, 1927, 50,000 shares Common, 20,000 shares $7 Pfd. and 1,317 shares $6.50 Pfd. All the Common shares owned by Colonial Gas and Electric Co.

Preferred Stock Provisions—Has preference as to assets and dividends. In liquidation $7 Pfd. is entitled to $100 per share and dividends, if voluntary, and $105 per share and dividends if involuntary prior to Aug. 1, 1931, and to $110 per share and dividends thereafter.

Preferred stock has no voting power unless dividends are in arrears for twelve months, when it shall have the right to elect two directors. Without consent of 66 2/3% of Pfd., Company may not issue any stock having priority to, or on a parity with, Pfd. stock, increase the authorized Pfd., amend Pfd. provisions so as to adversely affect rights and preferences thereof, issue additional Pfd. stock unless the consolidated net earnings for twelve consecutive months within fifteen months preceding equal at least twice dividend requirements on Pfd. outstanding and to be issued, acquire securities of additional subsidiaries other than gas or electric systems capable of physical connection or water companies in cities already served, and then only provided 95% of Common stock and substantially all Pfd. stock and funded debt are acquired. Issued in connection with acquisition of subsidiaries.

Callability—$7 Pfd. is subject to call in whole or in part on any dividend date at $105 per share prior to Aug. 1, 1931, and at $110 per share thereafter.

Transfer Agents (Pfd.)—American Exchange Irving Trust Co., New York, and Utilities Power & Light Corporation, Chicago.

Registrars (Pfd.)—Chase National Bank, New York, and Continental National Bank & Trust Co., Chicago.

Annual Meeting—Third Tuesday in February.

Legal Opinion (Pfd. Stock)—Rushmore, Bisbee & Stern, New York (for the Bankers), and Matthews & Koegel, Chicago (for the Company).

Original Offering—15,000 shares Pfd. stock publicly offered in Aug. 1926, at $96 per share by Pynchon & Co., John Nickerson & Co., New York, West & Co., Philadelphia, and W. S. Hammons & Co., Portland, Me.

Price Range—

$7 Preferred—	1927	1926
High	98½	96
Low	91	92

Dividends—Pfd. dividends regularly paid quarterly, F, M, A & N 1 to stock of record J, A, J & O 20. Initial dividends paid Nov. 1, 1926 on $7 Pfd. and Nov. 1, 1927 on $6.50 Pfd.

FUNDED DEBT

$5,000,000 FIRST LIEN GOLD BONDS, 5% SERIES OF 1946; DUE AUGUST 1, 1946

Dated August 1, 1926.

Interest Payable February and August 1, at The Chase National Bank of the City of New York, and at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000. Denominations of $1,000 registerable as to principal.

Trustee—The Chase National Bank of the City of New York.

Provisions of Issue—Outstanding, $5,000,000 5% Ser. of 1946. Additional bonds may be issued under Indenture in series on following basis: (a) 75% of cost or fair value of extensions, additions or improvements to electric and gas properties owned or operated by Corporation or its subsidiaries; (b) 66 2/3% of cost to Corporation or fair value, whichever is lower, of other electric or gas properties, which are or will be physically connected with present systems acquired by Corporation directly or through subsidiaries. (c) To refund a like principal amount of bonds of some previous series. The term subsidiary as defined in Indenture will include, in addition to present subsidiaries, only operating gas and/or electric companies whose systems are or will be physically connected with present systems, and at least 95% of whose Common stock, together with all outstanding bonds or Pfd. stock, have been pledged under Indenture. Indenture provides that no additional bonds shall be certified by Trustee except for purpose of refunding bonds of some previous series, unless consolidated net earnings (after setting aside at least 8% of gross operating revenue for maintenance) for twelve consecutive months, within fifteen months immediately preceding application therefor, shall have been at least twice annual interest requirement on bonds outstanding and those to be issued.

Purpose of Issue—Proceeds used for part of funds necessary for acquisition of capital stock of The Derby Gas and Electric Co. and The Wallingford Gas Light Co., retirement of underlying securities and for other corporate purposes.

Callability—Subject to call as a whole or in part on sixty days' notice on any interest date at par and interest, plus a premium commencing with 5% for 1927 and decreasing ¼% of principal amount each year thereafter.

Maintenance, Renewal and Replacement Fund—Indenture provides that the present or any future subsidiaries and Corporation itself in case it acquires any electric or gas properties, directly shall establish and continue a maintenance fund and a renewal and replacement fund in which there shall be set aside in each year amounts respectively equal to 8% and 5% of gross operating revenues, less credit for amounts actually expended for such purposes. Unused balances in these funds may be used for acquisition or construction of extensions, improvements and other permanent additions, which shall not be made basis for issuance of additional bonds under Indenture or for retirement of First Lien Gold bonds.

Security—Bonds are secured by a direct first lien by pledge on over 99.9% of Common stock of The Derby Gas and Electric Co. and entire Common stock of The Wallingford Gas Light Co. Indenture provides that any bonds or stock (except pro rata share of minority interest) subsequently issued by subsidiaries, shall be pledged hereunder.

Tax Provisions—Corporation pays Normal Federal Income tax up to 2%; Pennsylvania and Connecticut 4-mills tax, Maryland 4½-mills tax, and California 5-mills tax, Massachusetts Income tax not exceeding 6% of interest per annum, and New Hampshire Income tax not exceeding 3% of interest per annum, and any similar tax that may be imposed in Maine not in excess of the amounts for the above mentioned states, refundable.

Legal Opinion—Matthews & Koegel, Chicago (for the Corp.), and Rushmore, Bisbee & Stern, New York, (for the bankers).

Original Offering—First publicly offered ($5,500,000 Series of 1946) in July, 1926, at 95 and interest, to yield over 5.40%, by Pynchon & Co., John Nickerson & Co., West & Co., New York, etc., and W. S. Hammons & Co., Portland, Me.

Price Range—

	1927	1926
High	95	90
Low	90	bid

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Gross revenue	$1,407,975	$1,378,368	$1,288,860	$1,072,630
Oper. exp., maint. & taxes	839,719	808,859	841,847	734,228
Net earnings	$568,256	$569,509	$447,013	$338,402
Fixed charges and amort.	257,819	149,148	16,204	25,149
Balance	$310,437	$420,361	$430,809	$313,253
Other deductions	72,430	*202,443	.....	.....
Balance	$238,007	$217,918	$430,809	$313,253

*Includes dividends on Common stock of controlled company prior to acquisition, surplus net earnings prior to acquisition, and $129 accruing to minority interests.

CONSOLIDATED CONDENSED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Property, plant and equipment	$9,112,490	$9,050,784	Pfd. stock	*$1,927,749	$1,350,000
Cash	250,821	198,458	Common stock	†2,227,500	2,227,500
Securities	52,688	50,680	Minority interest	947	725
Notes and accounts receivable	166,676	160,412	Funded debt	5,000,000	5,500,000
Materials and supplies	240,656	258,230	Notes and accounts payable	22,884	67,873
Deferred items	558,630	587,140	Accrued items	150,420	205,865
			Consumers' deposits	32,521	28,989
			Partial payment on stocks	9,811	.....
			Due to affiliated companies	25,122	24,109
			Depreciation and other reserves	903,717	827,510
			Surplus	81,290	73,133
Total	$10,381,961	$10,305,704	Total	$10,381,961	$10,305,704

*Represented by 20,009 no par shares $7 Pfd. and 1,317 shares no par $6½ Pfd. †Represented by 50,000 no par shares Common.

Officers: Harley L. Clarke, Pres. & Treas.; J. N. Canavan, V-P., Chicago; F. W. Drury, V-P.; H. T. Pritchard, V-P., New York; W. A. Horner, Sec., Chicago.

Directors: Harley L. Clarke, Francis E. Matthews, Chicago; F. W. Drury, H. T. Pritchard, B. R. Tuttle, New York.

Office, 100 Broadway, New York, and 327 South La Salle St., Chicago.

THE DERBY GAS AND ELECTRIC COMPANY

(Controlled by Derby Gas and Electric Corporation)

History—Incorporated May 20, 1859 in Conn., as The Derby Gas Company; name changed to present title March 9, 1921. Supplies gas and electricity to the cities of Derby, Ansonia and Shelton. Population served, 44,000. Electric Department: No. of consumers, 9,692; electric energy generated and purchased, 46,632,000 k.w.h. City contract for street lighting. Gas department: Daily capacity, 3,500,000 cu. ft.; no. of customers, 9,347; total gas manufactured, 282,966,936 cu. ft.

CAPITAL STOCK

Authorized, $3,500,000; outstanding, $2,625,000; par, $25. Derby Gas and Electric Corp. owns over 99.9% of the capital stock, which is pledged under that Company's First Lien Gold Bond Mortgage. Annual meeting, third Thursday in February.

Dividends—Dividends of 8% per annum regularly paid quarterly the last days of J, A, J & O. In addition extra dividends of 1% each were paid Oct. 31, 1925 and Oct. 31, 1926.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Gross earnings	$1,291,973	$1,272,222	$1,187,965	$973,442
Operating expenses, maintenance & taxes	749,641	783,316	772,158	671,260
Net earnings	$542,332	$488,906	$415,807	$302,182
Other income	13,597	3,959	2,118	4,344
Total income	$555,929	$492,865	$417,925	$306,526
Fixed charges	3,113	2,519	8,734	17,154
Depreciation	64,598	63,333	108,000	90,000
Balance for dividends	$488,218	$427,013	$301,191	$199,372
Dividends	400,000	224,850	205,711	168,000
Other deductions	67,127	27,991	10,000	10,000
Surplus for year	$21,091	$174,172	$85,480	$21,372

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities	1927	1926	1925
Plant and equipment	$3,635,877	$3,591,185	$3,465,559	Capital stock	$2,625,000	$2,500,000	$2,500,000
Accounts receivable	155,414	144,273	127,097	Notes payable	.....	29,000	63,500
Materials and supplies	229,618	252,170	267,544	Accounts payable	43,974	34,775	27,782
Notes receivable	33,942	11,305	17,935	Consumers' deposits	32,466	28,944	25,730
Investments	49,720	50,680	45,680	Interest accrued	.....	91	711
Cash	171,510	64,356	23,762	Depreciation reserve	737,349	668,606	581,678
Special deposits	.....	50,000	.....	Other reserves	47,793	43,834	242,382
Work in process	.....	4,077	6,167	Other liabilities	20,000	68,626	68,517
Other assets	34,644	4,094	11,945	Profit and loss	804,143	798,265	455,389
Total	$4,310,725	$4,172,141	$3,965,689	Total	$4,310,725	$4,172,141	$3,965,689

Officers: George H. Scranton, Pres. & Gen. Mgr., Shelton, Conn.; Alton Farrel, V-P.; Malcolm M. Eckardt, Sec. & Treas., Derby, Conn.

Directors: Alton Farrel, William A. Cowles, Ansonia, Conn.; Francis D. Wanning, George H. Scranton, Shelton, Conn.; Frank M. Clark, Derby, Conn.; H. T. Pritchard, Bruce R. Tuttle, New York; J. N. Canavan, H. L. Clarke, D. E. Brinsmade, James B. Atwater, Francis E. Matthews, Chicago, Ill.

Office, Derby, Conn. **Chicago Office,** 327 South La Salle Street. **New York Office,** 100 Broadway.

THE WALLINGFORD GAS LIGHT COMPANY

(Controlled by Derby Gas and Electric Corporation)

History—Incorporated April 14, 1881, in Conn., under special charter. Amendments to charter 1883, 1887, 1903, 1905, 1907, 1921 and 1923. Supplies gas to Wallingford, Yalesville and Tracey, Conn., serving population of about 15,500. Perpetual franchises. Number of customers, 2,695; daily capacity, 800,000 cu. ft.; output in 1927, 57,183,209 cu. ft., compared with 51,870,030 cu. ft. in 1926 and 49,652,500 in 1925.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $25. All, except directors' qualifying shares, owned by Derby Gas and Electric Corp. and pledged under that Company's First Lien Gold Bond Mortgage. Annual meeting, third Monday in January.

Dividends—At rate of 5% per annum paid in 1913 and in 1914; none in 1915; 5% in 1916; 5% in 1917; 4% in 1918; 3½% in 1919; none in 1920; 6% in 1921; 8% in 1922; 3% in 1923; 6% in 1924; 10% in 1925; none in 1926; 10% in 1927.

FUNDED DEBT

None.

All the $125,000 First Refunding Mortgage 5% Go bonds, dated May 1, 1923, and due May 1, 1943, we cancelled in 1926.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross operating revenue	$101,725	$103,600	$98,7
Operat. exp., maint. & taxes	69,722	*82,476	69,6
Net earnings	$32,003	$21,124	$29,0
Fixed charges and interest	489	2,410	7,4
Balance	$31,514	$18,714	$21,6
Depreciation	4,998	*	3,4
Net income	$26,516	$18,714	$18,1
Dividends paid	15,000	.....	12,5
Surplus	$11,516	$18,714	$5,6

*Depreciation included in operating expenses.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$303,669	$291,231	$286,887
Materials and supplies	11,038	6,060	6,009
Cash	25,155	11,374	3,042
Accounts receivable	4,136	12,564	2,122
Other assets	2,093	272	8,216
Total	$346,091	$321,501	$306,276

Liabilities—	1927	1926	192
Capital stock	$150,000	$125,000	$125,0
Funded debt	.....	.....	125,0
Current liabilities	5,330	13,193	19,1
Interest accrued	.....	1,510	1,0
Depreciation reserve	12,909	9,348	7,9
Profit and loss	177,852	172,450	28,0
Total	$346,091	$321,501	$306,2

Officers: H. L. Clarke, Chairman of Board & Pres. Chicago, Ill.; H. T. Pritchard, V-P. & Treas., New York; E. M. Addis, Gen. Mgr., Wallingford, Conn.

Directors: H. L. Clarke, Francis E. Matthews, Chicago, Ill.; H. T. Pritchard, New York; Edward M Addis, Wallingford, Conn.

Office, Wallingford, Conn. **Chicago Office,** 3 South La Salle Street. **New York Office,** 100 Broa way.

NEWPORT ELECTRIC CORPORATION

(Controlled by Colonial Gas & Electric Co.)

History and Property—Incorporated Feb. 23, 1898, in R. I., as the Newport & Fall River St. Ry. (see 1920 Public Utility Manual, p. 2235); name changed to present title in 1920. Property was formerly leased to the Old Colony Street Ry. Co. (now Eastern Massachusetts St. Ry. Co.), but on Oct. 1, 1921, the lease was cancelled and the property returned to the stockholders. The Company does all the electric light and power business in Newport, Jamestown, Middletown and Portsmouth, R. I., and operates buses in Newport and between Newport, Fall River, and Providence. Electric lighting franchises in Newport, Jamestown and Portsmouth are perpetual. Properties include a central steam electrical generating plant with an installed capacity of 2,500 k.w. Company has 8,786 customers. Electrical energy purchased and generated, 7,590,700 k.w.h. Population served, about 45,000.

CAPITAL STOCK

Authorized, $3,000,000 Common, $243,100 (authorized by stockholders and by R. I. Utilities Commission) 7% Pfd., Series of 1922, and $1,556,900 7% Series of 1925 ($1,556,900 authorized by stockholders; $303,500 by R. I. Utilities Commission). Outstanding, Dec. 31, 1927, $1,191,000 Common, $195,700 Pfd., Series of 1922, and $303,500 Pfd., Series of 1925. Par of all issues, $100. At Dec. 31, 1927, Colonial Gas & Electric Co. owned $1,166,400 of outstanding Common.

Preferred Stock Provisions—Both series of Pf stock have equal preference as to assets and dividen over Common stock, and in liquidation are entitled t 110 and dividends if voluntary, and to par and div dends if involuntary. The Series of 1925 Pfd. has n voting power unless dividends in excess of 7% are i default, when Pfd. elects one less than a majority directors. The Series of 1922 has voting power.

Callability—The Series of 1922 is subject to call a any dividend date on 30 days' notice at 110 and div dends.

Transfer Agent and Registrar—Newport Trust Co Newport, R. I.

Annual Meeting—Tuesday after February 12.

Dividends—Dividends of 7% per annum have bee paid on the 1922 Series Pfd. since date of issue, Jun 1922; also on 1925 Series Pfd. since issuance in Oct 1925; payments quarterly, M, J, S & D 1. 2% pai on Common in 1922 to 1927, inclusive.

FUNDED DEBT

$696,000 Newport & Fall River Street Ry. Consol dated Gold 4½s; dated July 1, 1904; due July 1, 1954 interest Jan. and July 1, at American Trust Co., Bos ton, Trustee. Coupon, $1,000. Authorized, $1,000 000. Secured on entire property of Company. Com pany does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$824,393	$776,417	$784,020	$626,083	$618,160	$611,35
Operating expenses, maintenance & taxes	535,281	548,180	579,137	435,044	460,642	441,05
Net earnings	$289,112	$228,237	$204,883	$191,039	$157,518	$170,30
Fixed charges	50,075	52,843	54,769	50,971	52,954	54,54
Balance	$239,037	$175,394	$150,114	$140,068	$104,564	$115,75
Depreciation	54,514	50,193	71,537	51,661	65,000	60,17
Net income	$184,523	$125,201	$78,577	$88,407	$39,564	$55,58
Preferred dividends	34,944	34,834	15,534)	33,928	28,904	25,08
Common dividends	23,820	23,820	23,820)			
Surplus for year	$125,759	$66,547	$39,223	$54,479	$10,660	$30,49

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property, plant, etc.	$2,882,582	$3,012,265	$3,001,605
Securities, etc.	119,738	6,626	5,270
Special deposits	35,396	.....	.....
Cash	20,973	27,624	22,095
Notes & accts. receivable	107,350	97,066	81,524
Materials and supplies	113,456	106,974	110,795
Deferred items	540,363	95,944	72,253
Total	$3,819,858	$3,346,499	$3,293,542
Liabilities—			
Preferred stock	$499,200	$499,200	$500,566
Common stock	1,191,000	1,191,000	1,191,000
Premium on stock	.....	.....	10,170
Funded debt	696,000	798,600	798,600
Notes & accts. payable	147,317	149,229	124,380
Accrued items	3,220	46,974	31,011
Consumers' deposits	20,988	18,818	.....
Due affiliated companies	510,482	161,156	139,618
Reserves	492,582	364,183	376,449
Surplus	259,069	117,339	121,748
Total	$3,819,858	$3,346,499	$3,293,542

Officers: Harley L. Clarke, Chairman of Board, Chicago; William P. Sheffield, Jr., Pres.; J. T. O'Connell, V-P.; E. P. Gosling, V-P. & Gen. Mgr., Newport, R. I.; H. T. Pritchard, V-P.; Peter King, V-P.; F. W. Drury, V-P. & Treas., New York; C. H. Medbury, Sec., Newport, R. I.

Directors: Wm. P. Sheffield, Peter King, J. T. O'Connell, Lawrence P. Sullivan, E. P. Gosling, Newport, R. I.; O. E. Koegel, J. N. Canavan, Harley L. Clarke, Chicago; Henry Salomon, Providence, R. I.; H. T. Pritchard, F. W. Drury, Murray W. Dodge, S. R. Tuttle, New York.

General Office, 327 South La Salle St., Chicago, Ill. **Local Office,** 449 Thames St., Newport, R. I. **New York Office,** 100 Broadway.

EASTERN NEW JERSEY POWER COMPANY

(Controlled by Utilities Power & Light Corp.)

History and Properties—Incorporated Dec. 12, 1923, in New Jersey, and acquired the properties of the Atlantic Coast Electric Railway and its subsidiaries (see 1923 Public Utility Manual, page 1075). In May, 1925, acquired and merged the properties of Electric Light and Power Co. of Hightstown, New Jersey and Jamesburg Electric Co. of Jamesburg, New Jersey. Controls through ownership of entire capital stock **New Jersey Water & Light Co., New Egypt Water Co.,** and **Coast Cities Railway Co.**

In June, 1926, Company merged Browns Mills Electric Light and Power Co. and New Egypt Light, Heat and Water Co.; also acquired control of New Egypt Water Co. Company also acquired in 1927 the Sayreville Electric Light and Power Co., which served a considerable area in the township of Sayreville along the Raritan River. A 33,000 volt transmission line has been constructed from Allenhurst to Sayreville.

Company furnishes electric light and power in Asbury Park, Ocean Grove, Bradley Beach, Belmar, Avon, Deal, Allenhurst, Spring Lake, Sea Girt, and adjoining communities along the Atlantic Coast in eastern New Jersey and other communities in central New Jersey. Company gives service to 60 communities, having a permanent population of about 85,000.

The Company supplies power to and owns the Coast Cities Railway Co., operating an electric railway line of about 16 miles of double track; and the New Jersey Water & Light Co., operating a water distributing system in Ocean Grove. Company also operates Atlantic Coast Transportation Co. which provides an inter-city bus service at Asbury Park, N. J.

The properties include an electric generating station at Allenhurst with an installed capacity of 18,500 k.w., a steam plant at Sayreville, with a generating capacity of 2,240 k.w., a 33,000 volt transmission system and a system of overhead and underground transmission lines in all the communities served.

OPERATIVE STATISTICS, YEARS ENDED DECEMBER 31

	Customers Served	K. W. H. Generated & Purchased
1924	10,910	15,573,200
1925	13,219	19,538,150
1926	15,674	24,935,440
1927	18,556	31,811,243

CAPITAL STOCK

Authorized, 50,000 shares Common stock of no par value and $7,500,000 cumulative Pfd., par, $100. Outstanding Dec. 31, 1927, 25,000 shares Common stock, $1,350,000 8% Series cumulative Pfd.; $400,000 7% Series cumulative Pfd., and $525,000 6½% Series cumulative Pfd. All the Common stock is owned by Utilities Power & Light Corp. The 8% Pfd. stock was exchanged in January, 1925, on a par for par basis for the 7% cumulative Participating Pfd. formerly outstanding.

Preferred Stock Provisions—All series of Pfd. have equal preference for assets and dividends, and in dissolution or liquidation are entitled to par and dividends.

Callability—All series of Pfd. are subject to call as a whole or in part on any dividend date on 30 days' notice after 3 years from date of issue at 115 and dividends.

Transfer Agent and Registrar—American Exchange Irving Trust Co., New York.

Annual Meeting—April 10.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1.

FUNDED DEBT

$3,550,000 FIRST MORTGAGE GOLD BONDS 6% SERIES OF 1949; DUE JANUARY 1, 1949

$1,350,000 FIRST MORTGAGE GOLD BONDS 5½% SERIES OF 1949; DUE JANUARY 1, 1949

$1,000,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES OF 1949; DUE JANUARY 1, 1949

Dated, 6% Series of 1949, January 1, 1924; 5½% Series of 1949, January 1, 1926; 5% Series of 1949, January 1, 1927.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago, or American Exchange Irving Trust Co., New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000. Coupon bonds of the denomination of $1,000 registerable as to principal. Fully registered bonds in interchangeable denominations of $1,000, $5,000 and $10,000. Fully registered bonds and coupon bonds of the denomination of $1,000 interchangeable.

Trustee—The American Exchange Irving Trust Co., New York.

Provisions of Issue—The mortgage provides for the issuance of bonds thereunder, in series, bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by the Board of Directors of the Company, subject, however, to the restrictive provisions of the mortgage. Additional bonds of 6% Series of 1949, or of other series, may be issued to the extent of 80% of the cost or fair value, whichever is less, of permanent improvements or additions made or acquired subsequent to Jan. 1, 1924, less the total principal amount of underlying bonds outstanding thereon, if any, provided net earnings, as defined in the mortgage, are equal to at least twice the annual interest requirements on all bonds outstanding under this mortgage, including bonds proposed to be issued, and on any underlying bonds. Subject to the above earnings restrictions, bonds may be issued against the deposit with the Trustee of an equal principal amount of cash or obligations of the United States Government and to the extent of $202,000 against pledge with the Trustee of an equal principal amount of bonds of the electric railway and water subsidiaries. Bonds may also be issued, par for par, for refunding bonds of other series

issued under this mortgage and underlying bonds, if any, on hereafter acquired property.

Purpose of Issue—Issued to provide for the retirement of funded indebtedness, for additions and extensions, and to provide additional working capital.

Callability—Subject to call at option of the Company as a whole or in part after 60 days' notice on any interest date at 105% up to and including Jan. 1, 1945; at 104% thereafter up to and including Jan. 1, 1946; at 103% thereafter up to and including Jan. 1, 1947; at 102% thereafter up to and including Jan. 1, 1948; and at 101% on July 1, 1948; plus accrued interest in each case.

Maintenance and Renewals—The indenture provides that commencing with the year ending December 31, 1925, and in each year thereafter there will be expended or set aside for maintenance, sums equal to 8% of the gross electric operating earnings and 15% of the gross railway operating earnings, and for renewals and replacements, sums equal to 5% of the gross electric and railway operating earnings. Any unexpended balances in the Maintenance Funds and/or the Renewal and Replacement Funds may be used for permanent improvements or additions which may not be made the basis for the issuance of bonds under the mortgage, or to retire bonds at not exceeding the then redemption price.

Security—Secured by a direct first mortgage on the entire property of the Company now owned and by a direct mortgage on property hereafter acquired, except securities not specifically pledged. All the outstanding bonds and capital stock (except directors' qualifying shares) of New Jersey Water and Light Co. and Coast Cities Railway Co. are pledged under the Indenture.

Tax Provisions—The Company agrees to pay the Normal Federal Income Tax to the extent of 2% and to refund upon application within 90 days after payment, the Pennsylvania and Connecticut Personal Property taxes, not exceeding 4 mills per annum, the Maryland Security tax, not exceeding 4½ mills per annum, and the Massachusetts Income tax, not exceeding 6% per annum on income derived from the bonds. Free of personal property tax in the State of New Jersey.

Legal Opinion—Seibert & Riggs, New York, Pitney, Hardin & Skinner, Newark, N. J., Matthews & Koegel, Chicago.

Original Offerings—First publicly offered ($3,250,000) in Feb., 1924, at 95 and accrued interest, to yield 6.40%, by Bonbright & Co., Inc., and W. C. Langley & Co., New York, and Hoagland, Allum & Co., Chicago.

$1,350,000 First Mortgage Gold Bonds, 5½% Series of 1949 were offered in April, 1926, at 97½ and interest, to yield about 5.70%, by Bonbright & Co., Inc., and W. C. Langley & Co., New York, and Hoagland. Allum & Co., Chicago. $1,000,000 First Mortgage Gold Bonds, 5% Series of 1949 were offered in May, 1927, at 97 and interest, by the same bankers.

Price Range—

	1927	1926	1925	192
6s—				
High	105	103	*100	96
Low	102½	99	*96	bid
5½s—				
High	105	99¼	..	..
Low	99	97½	..	..
5s—				
High	*102¼	..	..	..
Low	*94¼	..	..	..

*High and low bid prices.

COMBINED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenues	$2,026,793	$1,586,5
Operating expense	809,807	567,5
Maintenance	205,119	169,0
Taxes (excluding Federal Income)	149,332	114,3
Net earnings	$862,535	$735,6
Interest on funded debt	319,194	262,8
Interest on unfunded debt	50,318	54,1
Amortization of debt disc. & other chgs.	119,073	114,5
Net income	$373,950	$304,0
Net earnings of prop. prior to acquisition	7,723	2,9
Balance	$381,673	$301,1
Depreciation	110,898	80,2
Balance	$270,775	$220,8

NOTE—The above statement includes the gross revenue of all subsidiary companies for the entire years; but in deriving net income, deductions are made so as to reflect net earnings accruing to the Common stocks of subsidiaries only for the periods since respective dates of their acquisition.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property, plant & equip.	$11,185,930	$9,585,839	$7,344,9
Cash	370,447	202,412	181,0
Notes & accts. receivable	356,286	393,000	247,2
Material and supplies	151,493	155,031	139,0
Due from affiliated cos.	11,286	150,194	112,0
Deferred items	799,370	655,071	511,9
Investments, etc.	16,851	10,000	37,3
Total	$12,891,663	$11,151,547	$8,573,5
Liabilities—			
Preferred stock	$2,275,000	$1,741,800	$1,350,0
Common stock	1,000,000	1,000,000	840,0
Funded debt	5,900,000	4,900,000	3,550,0
Notes and accts. payable	166,800	210,207	352,6
Consumers' deposits	116,707	165,919	157,8
Due to affiliated companies	777,942	677,623	542,9
Accrued items	225,721	215,804	21,3
Deferred liabilities	154,232	63,076	91,1
Reserves	1,376,565	1,224,002	868,2
Surplus	898,696	953,116	799,1
Total	$12,891,663	$11,151,547	$8,573,5

Officers: Harley L. Clarke, Pres.; J. N. Canavar V-P., Chicago; H. T. Pritchard, V-P., New York F. A. Cater, Sec. & Treas., Asbury Park, N. J.

Directors: Harley L. Clarke, J. N. Canavan, Charle W. Higley, O. E. Koegel, Chicago; H. T. Pritchard F. W. Drury, New York; F. A. Cater, G. W. Michae Asbury Park, N. J.; Walter S. Hammons, Portland Me.

Offices, 327 South La Salle St., Chicago, Ill., 10 Broadway, New York, and Electric Bldg., Asbur Park, N. J.

LEFLORE COUNTY GAS & ELECTRIC COMPANY

History and Properties—Incorporated Aug. 1, 1912, bonds; dated Aug. 1, 1912; due Aug. 1, 1932; int. in Okla., and purchased property of Poteau Light & Ice Co. Company furnishes gas in Cameron, Okla. Leases about 20,000 acres in Leflore County. Wells to Fort Smith, Ark. Also furnishes gas to Southwestern General Gas Co., Fort Smith, Ark. Miles of pipe line, 22. No. of meters, 100. Price, 45c. domestic; 10c. industrial. Annual production, 2,000,000,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $250,000; par $100. Annual meeting, in March. Dividends, if any, not made public.

FUNDED DEBT

$250,000 (entire issue) First Mortgage 5% Gold drawn from. 56. Owns pipe line from Poteau, Okla., March and Sept. 1, at Scranton Lackawanna Trus Co., Scranton, Pa., Trustee. Coupon, $1,000; principa may be registered. Subject to call at 105. A sinking fund is provided. Company pays Normal Federal In come Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Chas. T. Orr, Pres. & Gen. Mgr., Webl City, Mo.; R. F. Orr, V-P.; Jas. B. Millar, Sec. & Treas., Poteau, Okla.

Directors: Chas. T. Orr, Grace T Orr, Webb City Mo.; T. T. Varner, Jas. B. Miller, C. B. Saviers Poteau, Okla.; R. F. Orr, Fort Smith, Ark

General Office, Poteau, Okla.

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION

(See Accompanying Chart)

Stock Issue, At December 31, 1927, Summarized

Stock	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	Earnings per Share
Capital Stock (par $100)	J, A, J & O 15	$250,000,000	$130,199,400	$14,413,495	6	$5,867,960	$11.07

*Since increased to $250,000,000.

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
5-Year 4½% Gold Debentures	July 1, 1952	J & J 1	$35,000,000	$35,000,000	No	Yes	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $35,000,000.
Amount Available for Interest in 1927, $15,217,899.
Debenture Interest Accrued in 1927, $804,403.
Times Debenture Interest Earned in 1927, 18.92.

History—Incorporated June 16, 1920, in Md. to carry on a general telephone, telegraph, cable and wireless business and operations incidental thereto, including the construction and operation of such communication systems and the manufacture and distribution of electrical equipment in the States, territories or dependencies of the United States, except the State of Maryland, and specifically to transact such business in Cuba, Porto Rico, and other islands of the West Indies, Mexico, Central America, South America and Europe as well as in any other foreign countries.

PLAN AND AGREEMENT

Dated March 29, 1928, for the exchange of Common shares of The Mackay Companies for 7% Pfd. stock of a New Company, and stock of International Telephone and Telegraph Corporation and for exchange of Pfd. shares of The Mackay Companies and of 4% Gold bonds and 4% Debenture stock of The Commercial Cable Company for Collateral Trust 5% bonds of the New Company.

The Plan was declared operative May 15, 1928, sufficient securities having been deposited with the Committee:

A resume of the Plan follows:

"An arrangement was concluded in March, 1928, with Clarence H. Mackay, Pres. of The Mackay Companies (see General Index) to associate with the International Telephone and Telegraph System, the properties of The Mackay Companies which comprise the cables and land lines of The Commercial and Postal Telegraph Systems extending from Europe on the one hand, through the United States to the coast of Asia, on the other. The plan for such association has been formulated and approved by the Board of Directors, whereunder a New Company will be organized, which will acquire all or any, (but not less than 66 2/3%, unless otherwise determined by the Board of Directors of International) of the Pfd. shares and of the Common shares of The Mackay Companies and not less than 90%, (unless similarly otherwise determined), of the 4% bonds and debenture stock of The Commercial Cable Co. All of the Common stock of the New Company, which carries the right to vote, will be acquired and owned by International Telephone and Telegraph Corp. The Trustees of The Mackay Companies recommended the acceptance of the plan to the holders of their shares and to the holders of the above mentioned obligations of The Commercial Cable Company, and such holders were invited to deposit their securities for the purpose of carrying out the plan.

The International Company shall cause to be formed a new corporation (referred to as the "New Company"), which shall be organized under the laws of the State of Maryland, or of such other State of the United States as shall be determined upon for the purpose, and which shall have the following authorized corporate structure:

(1) Twenty-five Year Collateral Trust 5% bonds for an authorized principal amount of $60,000,000 (of which a part thereof will be issued in Pounds Sterling at the rate of 206 Pounds Sterling for every $1,000 face value of bonds), of which $52,321,120 will be issuable only in exchange as below specified for the above-mentioned Preferred shares of The Mackay Companies and the bonds and debenture stock of the Cable Company, and the remainder will be used to provide moneys to acquire other corporate bonds or shares or to be applied directly or indirectly for additions to or improvements of the properties now held by The Mackay Companies or its controlled companies or by companies in which The Mackay Companies has a substantial interest. The new bonds (all or any) are to be subject to redemption on any interest date at 105 per cent and accrued interest for the first five years, at 104 and accrued interest for the next five years, at 103 and accrued interest for the next five years, at 102 and accrued interest for the next five years and at 101 and accrued interest for the last five years. The Dollar bonds are to be payable principal and interest in New York and the Pound Sterling bonds in London and are to be issued under a Collateral Trust Indenture whereunder will be pledged all of the shares of The Mackay Companies and all of the bonds and debenture stock of the Cable Company acquired by the New Company and any other corporate securities acquired with any of the new bonds which are issuable therefor as above mentioned. The Dollar bonds will be issuable only in denominations of $100 and $1,000 and will be coupon bonds with privilege of registration as to principal. Pound Sterling bonds will be issued only in registered form and in denominations of One Pound Sterling or multiples thereof. The Trust Indenture is to contain the provisions usual in such indentures, including customary clauses for the substitution and release of the pledged securities, all as shall be approved by the Committee;

(2) $60,000,000 par value of non-cumulative, non-voting Pfd. stock, consisting of 600,000 shares of the par value of $100 each, issuable in series of any amount, each series to bear non-cumulative dividends at a rate not in excess of 7% per annum, and all such stock to be entitled to receive in liquidation $100 per share in preference to any distribution on the Common stock; all such stock to be redeemable (in amounts thereof not less than 10,000 shares) at 110% on any dividend date; such stock to be without any pre-emptive subscription rights. Of said stock $31,035,300 par value which will be entitled to non-cumulative dividends at the rate of 7% per annum, will be issuable only to acquire the Common shares of The Mackay Companies, as hereinafter provided. The charter of the New Company shall provide that no Pfd. stock in addition to said $60,000,000 par value having equal rights with said Pfd. stock may be authorized, and no Pfd. stock having preference or priority either in dividends or in principal to

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said Pfd. stock, may be created, without the consent first obtained of two-thirds in amount of the said Pfd. stock issued and outstanding;

(3) Common stock of such authorized number of shares of a par value or no par value as shall be determined by the International Company, with which the International Company undertakes and agrees that the New Company forthwith will acquire 103,451 shares of the par value of $100 each of the Capital stock of the International Company, or such lesser amount as may be required under the terms hereof.

The plan provides for the exchange of the existing Pfd. and Common shares of The Mackay Companies and the 4% Five Hundred Year First Mortgage bonds and Debenture stock of the Commercial Cable Company on the following basis:

$18,000,000 of the Twenty-Five Year Collateral Trust 5% bonds of the New Company are to be issuable in exchange for $20,000,000 of such 4% bonds and Debenture stock of The Commercial Cable Company on the basis of $900 face amount of said new bonds in exchange for each $1,000 (£206) face amount of such 4% bonds and Debenture stock;

$34,321,120 of said 5% bonds are to be presently issuable in exchange for the outstanding $42,901,400 4% Pfd. shares of The Mackay Companies at the rate of $800 principal amount of the new 5% bonds for each ten Pfd. shares of The Mackay Companies, making a total present issue of the 5% bonds of $52,321,120.

Each four Common shares of The Mackay Companies will be exchangeable for three shares of 7% non-cumulative, non-voting Pfd. stock of the New Company, plus one share of $100 par value of the capital stock of International Telephone and Telegraph Corporation, which is to issue to the New Company, in exchange for the Common stock of said New Company, such part of an aggregate of $10,345,100 par value of the capital stock of International Telephone and Telegraph Corp. as may be needed for the above purpose.

The enlarged system will operate telegraph lines extending throughout the United States, with agreements for exchange of business with Canada and Mexico; cable systems extending across the Atlantic and Pacific and to the important countries of South America with connections to European and Asiatic countries; telephone systems in Mexico, the West Indies and South America; and an organization engaged in the manufacture and sale of electrical communications equipment widely distributed throughout the world. It will also operate radio services to supplement the existing cable and wire systems.

Both organizations should profit by this association of interests through greater diversification, and the added business which the widespread contacts of each in many fields of operations will bring to the other.

Clarence H. Mackay is to become a member of the Board of Directors and Executive Committee of the International Telephone and Telegraph Corp., and is to assume an active part in the direction of the Corporation. In addition he is to be the Chairman of the New Company.

At a special meeting held May 9, 1928, stockholders of the International Telephone and Telegraph Corp. approved the above plan and authorized the issuance of additional capital stock of the Corporation necessary to carry out the plan and agreement.

The Committee under the Plan and Agreement are as follows: Clarence H. Mackay, Chrm.; Frank L. Polk, Charles H. Sabin, Lewis L. Clarke, F. G. Osler, William J. Deegan, 253 Broad St., New York, Sec.; Hughes, Schurman & Dwight, New York, Counsel. J. P. Morgan & Co., New York, Morgan, Grenfell & Co., London, England, and Baring Brothers & Co., Ltd., London, England, Depositaries. The time limit for the deposit of securities of Mackay Companies and Commercial Cable Co. was set for June 15, 1928.

LIST OF COMPANIES IN WHICH INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION HOLDS CONTROLLING INTEREST
(Not Including Mackay-Postal Companies)
(Figures as of Dec. 31, 1927, including companies acquired to March 2, 1928)

ASSOCIATED TELEPHONE COMPANIES

Cuban Telephone Co.—Operates telephone system throughout all of Cuba: 149 exchanges, 67,470 connected stations. Capitalization: $14,142,076 Common stock, $6,067,000 7% Pfd. stock, $7,797,204 funded debt. Total assets, $34,555,085. Principal office located in Havana.

Companhia Telephonica Rio Grandense—Operates telephone system in the State of Rio Grande do Sul Brazil: 8,198 connected stations. Capitalization: $843,500 Capital stock, $435,680 funded debt. Total assets $1,934,102. Principal office located in Porto Alegre.

Montevideo Telephone Company, Ltd.—Operates telephone system in the City of Montevideo, Uruguay and vicinity: 14,866 connected stations. Capitalization: $1,060,270; no funded debt. Total assets, $2,655,690. Principal office located in Montevideo.

Mexican Telephone and Telegraph Co.—Operates telephone system in Mexico, connecting with system of American Telephone and Telegraph Co. at United States border: 25,065 connected stations. Capitalization: $700,000 Common stock, 2,063 shares of no par value (7) Prior Preference stock, $300,000 5% Pfd stock, $1,500,000 funded debt (all owned by I. T. & T.) Total assets, $9,578,683. Principal office located in Mexico City.

Compania Telefonica Nacional de Espana—Operates telephone system throughout Spain: 1,742 exchanges, 125,428 connected stations. Capitalization: 50,000,000 pesetas Common stock, 300,000 pesetas 7% Pfd. stock. Total assets, 491,791,940 pesetas. Principal office located in Madrid.

Sociedad Cooperativa Telefonica Nacional—Operates telephone system in City of Montevideo, Uruguay and vicinity: 4,100 connected stations. Capitalization: $364,520; no funded debt. Total assets, $509,358. Principal office located in Montevideo.

The Chili Telephone Co., Ltd.—Operates telephone systems in various parts of Chile: 262 exchanges, 27,180 connected stations. Capitalization: $4,394,700. Total assets, $5,388,004. Principal office located in Santiago, Chile.

Porto Rico Telephone Co.—Operates telephone system throughout Porto Rico: 92 exchanges, 12,415 connected stations. Capitalization: $1,200,000 Common stock, $251,800 8% Pfd. stock, $795,100 funded debt. Total assets, $3,761,302. Principal office located in San Juan.

Compania Telefonica Argentina—This company became associated with International Telephone System in March, 1928. Operates a telephone system in the City of Buenos Aires and also operates a telephone submarine cable affording long distance service between that City and the City of Montevideo, Uruguay. Has approximately 7,000 connected stations. Capitalization: 4,000,000 Argentina pesos (approximately $1,700,000).

All America Cables, Inc.—Operates approximately 30,000 nautical miles of submarine cables and connecting land lines extending from New York throughout the West Indies, and to every country of Central and South America with the exception of Honduras, Venezuela, Paraguay and the Guianas. Offices are located in the principal cities of the countries to which the lines of the system extend. Capitalization: $27,037,280 Common stock, $165,000 funded debt. Total assets, $44,686,808. Principal office is located in New York City.

Cuban-American Telephone and Telegraph Co. (50% owned by I. T. & T., the balance being owned by American Telephone and Telegraph Co.)—Operates submarine telephone and telegraph cables between

CORPORATE ORGANIZATION AND INFORMATION CHART

As of December 31, 1927 (Including Companies Acquired to March 2, 1928)

AND ASSOCIATED COMPANIES

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION
Business: Holding and Management Corporation Incorporated in: Maryland,–1920
Number of Employees..265

Capital Stock $100 par value	Authorized		Outstanding March 31, 1928
Common	2,500,000 Shs.		1,302,054 Shs.
Funded Debt	$35,000,000		$35,000,000

Year	Consolidated Gross Earnings	*Net Before Interest	*Net Before Dividends
1927	$37,229,000	$15,218,000	$14,414,000
1926	22,681,000	8,480,000	7,105,000
1925	17,037,000	6,109,000	4,668,000
1924	5,841,000	1,930,000	1,930,000
1923	4,703,000	1,464,000	1,464,000

*Excludes non-recurrent income of $1,240,000 in 1924 and $1,341,000 in 1925

ASSOCIATED TELEPHONE AND RADIO COMPANIES

CUBAN TELEPHONE COMPANY
Incorporated in: Delaware,–1908
Business: Operates telephone system in Cuba.
Telephones in Service 67,470
Number of Employees 1,846

RADIO CORPORATION OF CUBA
Incorporated in: Cuba,–1922
Business: Operates radio broadcasting station PWX at Havana.
Number of Employees 4

HAVANA SUBWAY COMPANY
Incorporated in: Delaware,–1902
Business: Owns underground conduit system in Havana.

COMPANHIA TELEPHONICA RIO GRANDENSE
Incorporated in: Brazil,–1908
Business: Operates telephone system in Brazil.
Telephones in Service 8,198
Number of Employees 962

MONTEVIDEO TELEPHONE COMPANY, LIMITED
Registered under English Companies Acts.–1888
Business: Operates telephones in Montevideo and vicinity.
Telephones in Service 14,866
Number of Employees 675

SOCIEDAD COOPERATIVA TELEFONICA NACIONAL
Incorporated in: Uruguay,–1888
Business: Operates telephone system in Montevideo.
Telephones in Service 4,100
Number of Employees 213

THE CHILI TELEPHONE COMPANY, LIMITED
Registered under English Companies Acts.–1889
Business: Operates telephone systems in various parts of Chile.
Telephones in Service 27,180
Number of Employees 1,648

PORTO RICO TELEPHONE COMPANY,
Incorporated in: Delaware,–1914
Business: Operates telephone system in Porto Rico.
Telephones in Service 12,415
Number of Employees 470

RADIO CORPORATION OF PORTO RICO
Incorporated in: Porto Rico,–1922
Business: Operates radio broadcasting station WKAQ at San Juan.
Number of Employees 2

MEXICAN TELEPHONE AND TELEGRAPH COMPANY
Incorporated in: Maine,–1905
Business: Operates telephone system in Mexico.
Telephones in Service 25,065
Number of Employees 1,643

COMPANIA TELEFONICA NACIONAL DE ESPANA
Incorporated in: Spain,–1924
Business: Operates telephone system in Spain.
Telephones in Service 125,428
Number of Employees 11,080

INTERNATIONAL TELEPHONE AND TELEGRAPH COMPANY, LIMITED
Registered under English Companies Acts. –1913
Has no operations.

COMPANIA TELEFONICA ARGENTINA
Incorporated in: Argentina,–1887
Business: Operates telephone system in City and Province of Buenos Aires and connects with Montevideo, Uruguay by telephone cable.
Telephones in Service Approx't'ly 7,000

COMPANIA INTERNACIONAL DE RADIO
Incorporated in: Argentina,–1928
Business: To conduct a complete international radio service of all classes; long and/or short wave transmission.

ASSOCIATED CABLE COMPANIES

50% Owned

CUBAN AMERICAN TELEPHONE AND TELEGRAPH COMPANY
Incorporated in: Cuba,–1919
Business: Operates 3 telephone and telegraph cables between Key West, Fla. and Havana, Cuba.

ALL AMERICA CABLES, INCORPORATED
Incorporated in: New York,–1881
Business: Operates lines of cable and connecting landlines extending from New York to South America.
Miles of cable 24,954 nautical
Miles of land lines 4,977 statute
Number of Employees 1,657

ASSOCIATED MANUFACTURING COMPANIES

COMPAGNIE DES TELEPHONES THOMSON-HOUSTON
Incorporated in: France,–1925
Business: Manufacturing, selling and installing telephonic and telegraphic plants and apparatus; operates two factories in Paris.
Number of Employees 2,697

INTERNATIONAL STANDARD ELECTRIC CORPORATION
Incorporated in: Delaware,–1918
Business: Holding corporation for manufacturing companies.
Number of Employees
New York 202
Other 494

BELL TELEPHONE MANUFACTURING COMPANY
Chartered in: Belgium,–1882
Business: Operates factories in Antwerp and The Hague.
Branches: Holland, Switzerland, Belgium and Czechoslovakia.
Factory Floor Space: 589,164 sq. ft.
Number of Employees 10,725

STANDARD TELEPHONES AND CABLES, LIMITED
Registered under English Companies Acts. –1910
Business: Operates three factories in London.
Branches: Eight in Great Britian and Ireland; others in India, Egypt and South Africa.
Factory Floor Space: 1,000,873 sq. ft.
Number of Employees 6,053

STANDARD TELEPHONES AND CABLES (AUSTRALASIA), LIMITED
Chartered in: New South Wales,–1912
Business: Selling agents for telephone and radio apparatus and cable.
Branches: Melbourne, Australia, and Wellington, N. Z.
Number of Employees 157

CHINA ELECTRIC COMPANY, LIMITED
Incorporated in: Delaware,–1918
Business: Operates factory in Shanghai.
Branches: Peking and Tientsin.
Factory Floor Space: 31,000 sq. ft.
Number of Employees 170

COMPANIA STANDARD ELECTRIC ARGENTINA
Chartered in: Argentine Republic,–1919
Business: Operates assembly factory in Buenos Aires; selling agent for telephone apparatus.
Factory Floor Space: 35,481 sq. ft.
Number of Employees 55

LE MATERIEL TELEPHONIQUE
Chartered in: France,–1911
Business: Operates two factories in Paris.
Factory Floor Space: 532,888 sq. ft.
Number of Employees 4,741

STANDARD ELECTRIC AKTIESELSKAP
Chartered in: Norway,–1920
Business: Selling agents for telephone and radio apparatus and cable.
Number of Employees 92

VEREINIGTE TELEPHON UND TELEGRAPHENFABRIKS AKTIEN GESELLSCHAFT - CZEIJA, NISSL & CO.
Chartered in: Austria,–1905
Business: Operates factory in Vienna.
Branches: Esthonia and Poland
Factory Floor Space: 96,786 sq. ft.
Number of Employees 917

STANDARD VILLAMOSSAGI REZVENY TARSASAG
Incorporated in: Hungary,–1928
Business: Operates a telephone apparatus factory in Ujpest (near Budapest,) Hungary.
Factory Floor Space: 245,299 sq. ft.

NIPPON DENKI KABUSHIKI KAISHA
Chartered in: Japan,–1889
Business: Operates factory in Tokyo.
Branches: Osaka, Japan; Manchuria and Korea.
Factory Floor Space: 283,063 sq. ft.
Number of Employees 1,641

STANDARD ELECTRICA, S. A.
Incorporated in: Spain,–1926
Business: Operates factories in Barcelona, Madrid and Santander.
Factory Floor Space: 157,622 sq. ft.
Number of Employees 989

STANDARD ELETTRICA ITALIANA
Chartered in: Italy,–1909
Business: Operates two factories in Milan.
Branch: Rome.
Factory Floor Space: 40,924 sq. ft.
Number of Employees 376

OTHER ASSOCIATED COMPANIES

INTERNATIONAL TELEPHONE SECURITIES CORPORATION
Incorporated in: Delaware,–1923
Business: Operates as financial agent in stock transactions for system companies.
Number of Employees 10

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION–ESPANA
Incorporated in: Spain,–1924
Business: Represents parent company in Spain.
Number of Employees 48

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Havana and Key West, connecting telephone system of Cuba with that of the United States. Capitalization: $1,080,000 Common stock, $800,000 Pfd. stock. Total assets, $2,174,821. Principal office is located in Havana, Cuba.

Compania Internacional de Radio (Argentina)—This company became associated with International Telephone System in February, 1928. Company will establish general radio service for both long and short wave transmissions to all countries of the world and ships at sea. Capitalized for 1,000,000 Argentina pesos (approximately $425,000).

ASSOCIATED MANUFACTURING COMPANIES

Compagnie des Telephones Thomson-Houston—Incorporated May 25, 1925 under the laws of France to take over manufacturing and sales activities of telephone department of Compagnie Francaise pour l'Exploitation des Procedes Thompson-Houston. The Company operates under a charter, the duration of which is 99 years. Company manufactures, sells and installs telephone and telegraph appartus and equipment. Owns and operates two factories in Paris. Company has authorized and outstanding 120,000 shares of Capital stock, par value 500 francs, of which 119,960 shares were owned I. T. & T. Corp. at Dec. 31, 1927. No funded debt. Total assets $4,025,774. Principal office located in Paris. Company has about 2,697 employees

International Standard Electric Corp.—Incorporated April 29, 1918 in Delaware with a perpetual charter under the name of International Western Electric Co., Inc. On Sept. 30, 1925 the International Telephone and Telegraph Corp. acquired this Company and changed the name to the present title. Authorized capital stock consists of $10,000,000 7% Preferred, par $100, and 100,000 shares of no par value Common; outstanding at Dec. 31, 1927 $5,500,000 Preferred and 100,000 shares Common, all of which is owned by the International Telephone and Telegraph Corp.

Company carries on the foreign manufacturing and export operations developed since 1882 by Western Electric Co. Products manufactured and distributed consist of electrical apparatus and equipment, particularly that relating to the telephone and radio industries. Through wholly-owned subsidiaries it operates factories in Woolwich, England; Antwerp, Belgium; The Hague, Holland; Paris, France; Madrid, Barcelona and Santander, Spain, and Milan, Italy. In addition, it owns a substantial interest in companies with factories in Tokyo, Japan; Peking, China; Vienna, Austria, and Budapest, Hungary and holds minor interests in manufacturing plants in other foreign countries. Besides its manufacturing activities, International Standard carries on an extensive business as a distributor of telephone equipment and other electrical supplies. This business is conducted through the sales organizations connected with its principal manufacturing plants, through wholly-owned distributing companies in Oslo, Norway; Sydney, Australia; and Buenos Aires, Argentina, and through sales agencies in many other parts of the world.

In addition the Company has a 15-year contract dated October 1, 1925, to act as exclusive distributor of Western Electric products in all countries except United States, Canada, and Newfoundland. Also has an agreement with Western Electric Co. under which were acquired rights to several very valuable groups of telephone patents. Combined total assets of Corporation and associated manufacturing companies, $98,150,060. The number of employees of International Standard and its associated companies was 26,612 on Dec. 31, 1927.

Bell Telephone Manufacturing Co.—Operates factories in Antwerp and The Hague. Principal office located in Antwerp and branch offices in The Hague, Holland), Berne (Switzerland), Brussels (Belgium), and Prague (Czecho-Slovakia).

Standard Telephone and Cables, Ltd.—Owns and operates three factories in London, where the principal office is located. Branch sales offices located in Birmingham, Leeds, Liverpool and Manchester (England), Dublin (Ireland), Glasgow (Scotland), Cairo (Egypt), Johannesburg (South Africa), Calcutta (India) and Singapore (Straits Settlements).

Standard Telephones and Cables (Australasia), Ltd.—Acts as local sales agents for telephone, radio and allied electrical equipment. Principal office located in Sydney, other sales offices in Melbourne (Australia) and Wellington (New Zealand). Also operates a repair and assembly plant at Sydney.

China Electric Co., Ltd.—Owns and operates factory in Shanghai. Principal office located in Peking, and branch sales offices in Shanghai and Tientsin, China.

Compania Standard Electric Argentina—Operates assembly plant in Buenos Aires and acts as South American sales agent for telephone, radio and allied electrical equipment. Principal office located in Buenos Aires.

Le Materiel Telephonique—Owns and operates two factories in Paris, France, where principal office is located.

Nippon Denki Kabushiki Kaisha—Owns and operates a factory in Tokyo, where principal office is located. Branch sales offices are located in Osaka (Japan), Dairen (Manchuria), Seoul (Korea), and Taihoku (Formosa).

Standard Electric Aktieselskap—Acts as local sales agent in Norway and Sweden for telephone, radio and allied electrical equipment. Principal office located in Oslo (Norway).

Standard Electrica, S. A.—Owns and operates factories in Madrid, Barcelona, and Santander (Spain). Principal office located in Madrid.

Standard Elettrica Italiana—Owns and operates two factories in Milan, where principal office is located. Branch sales office located in Rome.

Standard Villamossagi Rezveny Tarsasag (Standard Electric Company, Ltd.)—This company became associated with International Standard Electric Corporation in February, 1928. The company has acquired and will operate a telephone apparatus factory in Ujpest near Budapest, Hungary.

Vereinigte Telephon-und Telegraphen-fabriks-Aktien-Gesellschaft, Czeija, Nissl & Co.—Owns and operates factory in Vienna (Austria), where principal office is located. Branch sales offices located in Tallinn (Esthonia) and Warsaw (Poland).

OTHER ASSOCIATED COMPANIES

International Telephone and Telegraph Corp. (Espana)—Represents parent company in Spain. Principal office located in Madrid.

Acquisition of All America Cables, Inc.—Pursuant to a Plan and Agreement dated February 28, 1927, which was approved by stockholders on March 22, 1927 and declared operative on April 1, 1927, International Telephone and Telegraph Corp. acquired control of this company through exchange of stock on the basis of one and one-third shares of stock of International Telephone and Telegraph Corp. for each share of All America Cables, Incorporated. For details of Plan see 1927 Public Utility Manual, page 1459.

CAPITAL STOCK

Authorized $250,000,000 (increased from $25,000,000 to $50,000,000 in Feb., 1925, and to $100,000,000 in Sept., 1925 and to $250,000,000 in March, 1927); outstanding Dec. 31, 1927, $130,199,400; par, $100.

Subscription Privileges—Stockholders of record Feb. 24, 1925, were offered the right to subscribe to 89,975 additional shares of capital stock on or before April 1, 1925, on the basis of one share for each two held at $83 per share.

Stockholders of record Sept. 15, 1925, were offered the right to subscribe to 99,953 additional shares of capital stock on or before Oct. 1, 1925, on the basis of one share for each three held at $100 per share.

Stockholders of record July 27, 1926 had right to subscribe for new stock at $100 per share in ratio of one new for each two shares held; rights expired Sept. 1, 1926.

Stockholders of record Sept. 6, 1927, were offered the right to subscribe to additional Common stock at $100 per share in the ratio of one new share for each eight shares held; rights expired Oct. 5, 1927.

Transfer Agents—The National City Bank of New York, New York, and The National City Bank of New York, Havana Branch, Havana, Cuba. Certificates of stock are transferable either in New York or in Havana, Cuba.

Registrars—The Guaranty Trust Co., New York and the Royal Bank of Canada, Havana, Cuba.

Annual Meeting—Second Wednesday in May, at Baltimore, Md.

Listed—New York, Havana, and London Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
High	158⅞	133	144	94	71½
Low	122¼	111	87½	64	64

Dividends—Initial dividend of 1½% paid Oct. 15, 1920; 1921 to 1927, inclusive, 6% each; Jan. 16 and April 16, 1928, 1½% each. Payments quarterly, J, A, J & O 15. Directors meetings are held quarterly on the second Thursdays of Dec., March, June and Sept., at which meetings dividend action is usually taken.

FUNDED DEBT

$35,000,000 TWENTY-FIVE YEAR 4½% GOLD DEBENTURE BONDS; DUE JULY 1, 1952

Dated July 1, 1927.

Interest Payable January and July 1, at J. P. Morgan & Co., New York.

Denominations—Coupon, $1,000; principal may be registered and fully registered, $1,000, $5,000 and $10,000. Coupon bonds and registered bonds and the several denominations of registered bonds, interchangeable.

Trustee—The National City Bank of New York.

Provisions of Issue—Authorized and issued, $35,000,000.

Purpose of Issue—Proceeds were used chiefly to reimburse the Corporation's treasury for expenditures made for certain properties and to provide funds to be made available to associated companies, principally for additions and betterments to their properties.

Callability—Not subject to call prior to July 1, 1947 but on that date or any subsequent interest date, bonds are subject to call as a whole, but not in part, at par and interest upon 60 days' notice.

Sinking Fund—None provided.

Security—Bonds are the direct obligations of the Corporations and are issued under an Indenture which provides that except in the case of liens for purchase money or for security for short term loans or for indemnities, the Corporation will not mortgage or otherwise subject to a lien any of its properties without thereby securing these bonds ratably with the obligations secured by such mortgage or pledge or lien.

Original Offering—First publicly offered ($35,000,000) in June, 1927, at 92 and interest to yield over 5.05% by J. P. Morgan & Co., National City Co., First National Bank, Bankers Trust Co., Guaranty Co. of New York, Edward B. Smith & Co. and Dominick & Dominick, New York.

Listed—New York Stock Exchange.

Price Range—1927: High, 96¾; low, 92.

BONDS CALLED

All of the Twenty-Year 5½% Convertible Gold Debenture Bonds, due Sept. 1, 1945, were called for redemption at 105 and interest on Sept. 1, 1927 at J. P. Morgan & Co., New York, N. Y.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31

(International Tel. & Tel. Corp. and Associated Companies)

	1927	1926	1925	1924	1923	1922
Operating revenues and gross profit on sales	$30,522,085	$18,726,716	$14,626,216	$4,821,149	$4,117,736	$3,604,081
Fees for services	2,123,415	1,686,725	1,050,688	467,155	297,902	243,728
Dividends	‡	294,227	298,388	41,589	.....	.....
Interest	2,919,221	1,399,522	631,140	109,233	131,227	248,915
Miscellaneous	‡1,664,225	573,655	430,567	402,035	156,369	118,790
Total earnings	$37,228,946	$22,680,845	$17,036,999	$5,841,161	$4,703,234	$4,215,514
Operating, selling & gen. exp., taxes & deprec.	20,062,577	11,615,603	9,018,678	3,021,255	2,449,178	2,281,498
Net earnings	$17,166,369	$11,065,242	$8,018,321	$2,819,906	$2,254,056	$1,934,016
Deductions:						
Interest charges of associated companies	$625,381	$916,458	$790,258	$676,485	$592,892	$620,441
Dividends on preferred stock—associated cos.	576,091	441,705	356,846	173,296	140,584	140,668
Minority stockholders' equity in net income of associated cos.	746,998	1,226,873	827,989	40,062	56,532	64,478
Total deductions	$1,948,470	$2,585,036	$1,975,093	$889,843	$790,008	$825,587
Balance	$15,217,899	$8,480,206	$6,043,228	$1,930,063	$1,464,048	$1,108,429
Interest on debenture bonds	804,403	1,375,000	1,375,000	.....	.....	.....
Net income	$14,413,495	$7,105,206	$4,668,228	$1,930,063	$1,464,048	$1,108,429
Previous surplus	9,164,209	$5,367,956	$2,980,772	$1,140,183	$626,110	$408,680
Non-recurrent income from other than ordinary operations	.....	.....	1,341,213	1,240,152	.....	.....
Interest charges deducted above applicable to period prior to acquisition of property	.....	.....	1,079,877	.....	.....	.....
Total	$23,577,704	$12,473,162	$10,070,090	$4,310,398	$2,090,158	$1,517,109
Deductions:						
Dividends	$5,867,960	$2,672,779	$1,727,232	$1,303,372	$966,067	$892,340
Interest on Conv. Debenture bonds now converted into stock	845,109	.....	.....	.....	.....	.....
Portion of earnings of associated cos. applicable to period prior to acquisition of properties	1,035,311	.....	2,457,461	.....	.....	.....
Sundry surplus charges or credits—net	193,306	636,174	517,441	26,254	*16,092	*1,341
Total deductions	$7,941,686	$3,308,953	$4,702,134	$1,329,626	$949,975	$890,999
Surplus, Dec. 31	$15,636,018	$9,164,209	$5,367,956	$2,980,772	$1,140,183	$626,110
Times Debenture Interest Earned	18.92	6.17	4.39	.....	.....	.....
†Earnings Per Share	$11.07	$12.13	$11.90	$11.03	$8.41	$7.36

*Credit. †Based on capital stock outstanding at Dec. 31. ‡Dividends included with miscellaneous earnings.

Depreciation Policy—Depreciation is being cared for through reserves for depreciation. It is the policy of the Corporation to increase the reserve from year to year by additions in excess of current demands for replacement. It is the practice of the International Tel. & Tel. Corp. and its telephone subsidiaries to maintain depreciation accounts in the general manner prescribed for telephone companies by the U. S. Interstate Commerce Commission.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(International Tel. & Tel. Corp. and Associated Companies)

Assets—	1927	1926	1925	1924	1923	1922
Plant and property	$99,266,117	$53,520,852	$45,346,047	$26,655,170	$24,238,573	$22,749,113
Patents, licenses, etc.	15,237,729	5,253,030	2,388,139	.....	.....	.....
Invests. in & advances to associated and allied co	41,768,098	22,544,437	10,076,965	3,097,317	1,538,848	2,474,666
Special deposits	877,540	479,833	336,222	34,609	115,476	123,358
Bond discount & expense in process of amort.	4,623,341	2,091,870	2,275,620	997,646	1,062,524	1,177,370
Prepaid accounts and other deferred charges	2,399,994	819,345	321,848	319,996	1,184,412	101,091
Miscellaneous accounts and investments	1,544,106	1,574,333	1,401,445	.....	.....	.....
Cash	20,822,452	12,342,190	10,070,908	2,255,784	928,116	681,654
Accounts and notes receivable	17,934,977	12,980,008	9,569,030	514,665	545,031	403,289
Inventories	20,046,273	17,687,831	13,034,946	590,196	467,821	476,815
Marketable securities	13,773,707	496,700	3,213,510	3,397,356	38,700	38,700
Due on subscriptions to stock	.....	647,929	500,568	287,506	1,317	47,166
Deposits to meet matured interest, dividends, etc.	427,944	441,640	404,305	158,721	384,103	252,600
Sundry current assets	161,636	102,244	244,044	15,882	14,187	56,834
Total	$238,883,914	$130,982,242	$99,183,597	$38,324,848	$30,519,108	$28,582,656
Liabilities—						
Common stock	$130,199,400	*$51,290,221	$31,905,821	$12,739,756	$12,672,094	$10,759,556
Partly paid subscriptions—unissued	.....	1,489,300	780,500	.....	.....	.....
Preferred stock of associated cos.	8,209,143	8,164,506	6,360,580	3,638,200	2,257,300	2,257,300
Minority equity in common stock & surplus of associated cos.	7,630,342	5,308,601	4,442,018	573,699	608,206	1,156,559
International Tel. & Tel. Corp. debentures	35,000,000	25,000,000	25,000,000	.....	.....	.....
Funded debt of subsidiaries	9,183,945	8,724,371	8,895,644	8,989,652	9,051,960	9,520,283
Due to affiliated cos.	.....	.....	.....	916,220	.....	.....
Subscribers' deposits	344,902	329,315	317,112	274,374	233,927	200,025
Employes' benefit and pension reserves	823,229	679,254	405,921	75,491	52,337	33,906
Reserve for contingencies	711,176	.....	.....	.....	.....	.....
Reserve for deprec., replacements & renewals	6,164,252	4,280,613	3,943,106	3,335,357	3,098,919	2,845,029
Bonds called for redemption	212,625	.....	.....	.....	.....	.....
Notes and bills payable	4,220,493	3,000,267	3,427,347	3,000,164	.....	164,332
Accounts and wages payable	8,041,594	7,020,807	3,988,152	380,989	511,557	421,398
Notes receivable discounted	273,229	1,596,684	500,454	.....	.....	.....
Interest and dividends payable	3,546,779	1,944,981	847,046	456,662	449,037	188,186
Accrued interest and taxes	2,514,971	1,643,075	1,591,309	640,768	434,168	404,966
Sundry current liabilities	642,587	434,392	531,750	322,744	9,420	5,006
Capital surplus	5,529,230	911,646	878,881	.....	.....	.....
Earned surplus	15,636,018	9,164,209	5,367,956	2,980,772	1,140,183	626,110
Total	$238,883,914	$130,982,242	$99,183,597	$38,324,848	$30,519,108	$28,582,656

*Represented by 585,983 shares of $100 par value.

NOTE—All issued capital stock of the International Telephone and Telegraph Corp. is fully paid and non-assessable under the laws of Maryland, the State of incorporation.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$20,822,452	$12,342,190	$10,070,908	$2,255,784	$928,116	$681,654
Accounts & notes receivable	17,934,977	12,980,008	9,569,030	514,665	545,031	403,289
Inventories	20,046,273	17,687,831	13,034,946	590,196	467,821	476,815
Marketable securities	13,773,707	496,700	3,213,510	3,397,356	38,700	38,700
Due on subscriptions to stock	.....	647,929	500,568	287,506	1,317	47,166
Deposits to meet matured interest, dividends, etc.	427,944	441,640	404,305	158,721	384,103	252,600
Sundry current assets	501,363	102,244	244,044	15,882	14,187	56,834
Total	$73,506,716	$44,698,542	$37,037,311	$7,220,110	$2,379,275	$1,957,058
Current Liabilities—						
Notes and bills payable	$4,220,493	$3,000,267	$3,427,347	$3,000,164	.....	$164,332
Accounts and wages payable	8,041,595	7,020,807	3,988,152	380,989	$511,557	421,398
Notes receivable—discounted	273,229	1,596,684	500,454	.....	.....	.....
Interest and dividends payable	3,546,779	1,944,981	847,046	456,662	449,037	188,186
Accrued interest and taxes	2,514,971	1,643,075	1,591,309	640,768	434,168	404,966
Bonds called for redemption	212,625	.....	.....	.....	.....	.....
Sundry current liabilities	840,610	434,392	531,750	322,744	9,420	5,006
Total	$19,650,302	$15,640,206	$10,886,058	$4,801,327	$1,404,182	$1,183,888
Net Working Capital	$53,856,414	$29,058,336	$26,151,253	$2,418,783	$975,093	$773,170

Officers: Sosthenes Behn, Pres.; Hernand Behn, Exec. V-P.; Lewis J. Proctor, M. C. Rorty, Carlos I. Parraga, George E. Pingree, Philip K. Condict, Frank Gill, John L. Merrill, Frank W. Phelan, William F. Repp, V-Ps.; H. B. Orde, V-P. & Treas.; Wolcott H. Pitkin, V-P. & Gen. Atty.; James L. McQuarrie, V-P. & Chief Eng.; Logan N. Rock, Sec.; Edwin F. Chinlund, Comptroller.

Executive Committee: Hernand Behn, Sosthenes Behn, John E. Berwind, George H. Gardiner, Allen G. Hoyt, Russell C. Leffingwell, John L. Merrill, Henry B. Orde and Wolcott H. Pitkin.

Directors: Sosthenes Behn, Hernand Behn, Arthur M. Anderson, F. Wilder Bellamy, Edward J. Berwind, John E. Berwind, John W. Cutler, George H. Gardiner, Allen G. Hoyt, Russell C. Leffingwell, Charles E. Mitchell, John L. Merrill, Walter E. Ogilvie, Henry B. Orde, George E. Pingree, Wolcott H. Pitkin, Lansing P. Reed, R. Fulton Cutting, W. Emlen Roosevelt, Logan N. Rock, all of New York; Bradley W. Palmer, Boston, Mass.; Marques de Urquijo, Madrid, Spain; Conde de Guell, Barcelona, Spain.

General Office, 67 Broad St., New York.

ALL AMERICA CABLES, INCORPORATED

(Controlled by International Telephone and Telegraph Corp.)

History and Properties—Incorporated in New York, February 1, 1881, as Central & South American Telegraph Company, and name was changed to "All America Cables, Incorporated," March 10th, 1920.

The Company, in conjunction with the Mexican Telegraph Company, owns, maintains and operates lines of cable and connecting land lines extending from the City of New York to the Canal Zone, touching at Santiago, Cuba, Santo Domingo and the Island of Porto Rico, thence southward through the South American Republics on the west coast of South America to the Argentine Republic, thence through Uruguay, connecting with Montevideo to Santos and Rio de Janeiro, in the Republic of Brazil, also from the Argentine by direct cable to Rio de Janeiro, Brazil; and also extending from the City of Galveston in the State of Texas, and from the City of New Orleans in the State of Louisiana, through the Republic of Mexico and the Republics of Central America and connecting with the cables of the said Companies in the Panama Canal Zone and South America.

Completion of the company's program for the triplication of its submarine cable system between New York and Buenos Aires was announced in February, 1927. The work began more than a year prior to completion. Company added almost 2,700 miles to its lines of communication, which total as of December 31, 1927, over 30,000 nautical miles.

Control Acquired—Pursuant to a Plan and Agreement, dated Feb. 28, 1927, which was declared operative on April 1, 1927, the International Telephone and Telegraph Corp. acquired control of this compan through exchange of stock on the basis of one and one third shares of International Corporation stock fo each share of All America Cables, Incorporated.

CAPITAL STOCK

Authorized, $40,000,000; outstanding, Dec. 31, 1927 $27,037,286; par, $100. International Telephone an Telegraph Corp. owns a majority of the stock.

Transfer Office, 89 Broad St., New York.

Registrar—Central Union Trust Co., New York.

Annual Meeting—First Tuesday in June.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	182	155	133¾	122½	106	125	106	120
Low	139¾	131	119	96½	95	99	100	102

Dividends—Dividends have been paid at the following rates: 1885, 1886 and 1887, 4% per annum; July 1888, to Oct., 1897, 7% per annum; Oct., 1897, up t and including April, 1919, at rate of 6% per annum from July, 1919, to Oct., 1922, 7% per annum; Jan 1923, to Oct., 1924, 1½% each quarter; Jan., 1925 t date, 7% per annum. In addition, an extra cash div dend of 3% was paid in 1915; in June, 1907, a stoc dividend of 25% was paid; on April 1, 1917, a stoc dividend of 46% ($4,402,660) was paid, and 39% stoc to Mexican Telegraph Co. stockholders; and on De 22, 1922, a stock dividend of 20% was paid.

Dividends are declared the third Thursday of M, J S & D and are paid by check J, A, J & O 14.

FUNDED DEBT

There is outstanding a First Mortgage of $165,00 secured on real estate and payable March 7, 1929.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Including Mexican Telegraph Co.)

	*1927	1926	1925	1924	1923	1922
Gross revenues	$7,637,494	$8,712,589	†	†	$7,330,951	$7,929,86
Operating expenses and depreciation	5,182,573	5,376,511	†	†	4,579,459	4,791,94
Income and excess profits taxes		518,984	†	†	391,116	440,57
Net income from operations	$2,454,921	$2,817,094	$3,026,956	$2,849,022	$2,360,376	$2,697,35
Income from investments, interest, etc.	816,611	753,128	781,929	740,016	591,656	682,99
Net income	$3,271,532	$3,570,222	$3,808,885	$3,589,038	$2,952,032	$3,380,34
Less—Elimination of Mexican Tel. Co. net income for 9 mos., and adjustments, to give effect to contract	.....	123,646	.....	.....	.....	.....
Balance to surplus	$3,271,532	$3,446,576	$3,808,885	$3,589,038	$2,952,032	$3,380,34
Dividends	1,892,597	1,891,342	1,887,613	1,679,604	1,611,678	1,572,80
Surplus after dividends	$1,378,935	$1,555,234	$1,921,272	$1,909,434	$1,340,354	$1,807,54
Earnings Per Share	$12.10	$12.75	$13.34	$10.59	$10.99	$12.5

*Does not include Mexican Telegraph Co. †Not available.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Balance, Dec. 31, 1926, $11,746,088. Add: Net income for year, $3,271,532—total, $15,017,620. Deduct: Adjustment as at Jan. 1, 1927 of book value of investments in marketable securities at cost, $219,137, less net recoveries, (less tax thereon) during year of accounts receivable previously written off, $125,210—bal ance, $93,926; dividend declared, $1,892,597—total de ductions, $1,986,523. Surplus, Dec. 31, 1927, $13, 031,097.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	*1926	1925	1924	1923	1922
Plant and equipment	.....	.....	$30,304,466	$28,306,039	$27,639,287	$26,885,11
Additions during year	.....	.....	420,197	1,998,427	666,752	754,17
	$30,059,157	$29,652,801	$30,724,663	$30,304,466	$28,306,039	$27,639,28
Less accumulated provisions for depreciation	6,676,644	6,176,975	6,862,811	6,286,307	5,784,834	5,282,24
	$23,382,513	$23,475,826	$23,861,852	$24,018,159	$22,521,205	$22,357,03
Real estate not used in operation, less depreciation	250,800	256,425	.....	.....	.....	.....
Investments in stock of Mexican Telegraph Co., at cost	1,074,200	1,074,200	.....	.....	.....	.....
Marketable investments at approximate market value	11,634,059	11,474,068	11,266,042	10,537,605	9,344,138	8,889,90
Inventory of spare cable, materials and supplies at cost	740,303	836,580	840,387	787,579	720,443	730,01
Accounts Receivable:						
Connecting lines	220,630	300,801	480,604	324,712	.....	.....
Sundry customers accounts, etc.	778,097	794,577	738,986	694,174	903,457	1,325,46
Interest accrued and other accts. receivable	226,162	250,510	264,170	229,068	180,149	105,17
The Western Union Telegraph Co.	.....	745,226	.....	.....	.....	.....
Cash	3,679,365	1,843,757	2,152,682	2,138,776	2,421,979	1,532,66
Special deposits	37,681	.....	.....	.....	.....	.....
Deferred charges	132,129	119,669	142,782	63,722	128,173	.....
Total	$42,155,938	$41,171,639	$39,747,505	$38,793,795	$36,219,544	$34,940,26

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	*1926	1925	1924	1923	1922
Capital stock	$27,037,280	$27,031,180	$26,987,080	$26,892,760	$26,867,580	$26,838,000
Real estate mortgage	165,000	165,000	.....	.....	.....	.....
Sundry creditors	638,552	656,838	498,609	587,147	401,395	511,130
Provision for Federal taxes	610,256	516,380	361,508	465,598	391,116	440,576
Dividends payable	473,149	473,033	472,260	470,607	402,989	402,570
Reserves	200,604	583,120	708,720	1,256,229	1,109,241	1,041,097
Surplus	13,031,097	11,746,088	10,719,328	9,121,455	7,047,223	5,706,889
Total	$42,155,938	$41,171,639	$39,747,505	$38,793,795	$36,219,544	$34,940,262

*Giving effect as at March 31, 1926 to the sale of part of the Company's investment in the Mexican Telegraph Company as outlined in the agreement dated Dec. 29, 1926, since consummated by approval by the stockholders on Jan. 27, 1927.

Officers: W. Emlen Roosevelt, Chairman of the Board; Sosthenes Behn, Chairman of Executive Committee; Hernand Behn, Vice-Chairman of Executive Committee; John L. Merrill, Pres.; Frank W. Phelan, John K. Roosevelt, Alexander Davidson, Henry B. Orde, Frederick A. Pirie and Alexander H. Annard, V-Ps.; Henry de la Montagne, Jr., Sec.; C. R. McPherson, Asst. Sec.; Frank K. Warren, Treas.; G. Lincoln Jost, Compt., New York.

Directors: John W. Auchincloss, Edmund L. Baylies, R. Fulton Cutting, Robert W. de Forest, John Henry Hammond, J. Montgomery Hare, Daniel P. Kingsford, John L. Merrill, Russell C. Leffingwell, Percy R. Pyne, W. Emlen Roosevelt, Cornelius Vanderbilt, Reginald B. Lanier, Frederick Osborn, Hernand Behn, Sosthenes Behn, George H. Gardiner, Henry B. Orde, Wolcott Pitkin, New York; Francis L. Higginson, Jr., Walter C. Baylies, Boston, Mass.

General Office, 67 Broad Street, New York.

CUBAN TELEPHONE COMPANY

(Controlled by International Telephone and Telegraph Corporation)

History and Property—Incorporated Feb. 3, 1908, in Del., amended Dec. 31, 1924, for the purpose of doing everything necessary or incidental to the ownership and operation of a telephone and telegraph system, in any part of the world, and especially in the West Indian Islands and in the Island of Cuba. Holds a concession confirmed by the Supreme Court of Cuba, conferring the right, without time limit, (1) to install and operate a 1,200 mile telephone system extending over and covering practically the entire Island of Cuba, including the City of Havana and their chief towns and municipalities of the Island; (2) similar rights with regard to local telephone service, except within the radius of the existing concessions, which relate to about 11 towns and municipalities. The Company will either acquire these existing concessions or await their expiration as may be considered advisable.

The entire system as at Dec. 31, 1927, contained 2,608 miles of long distance pole lines and a total telephone wire mileage of 214,093. The Company serves 351 cities and towns and owns 14 automatic and 135 manual exchanges. No. of telephones in operation Dec. 31, 1927, 67,470.

The Cuban Telephone Co. owns practically all of the $500,000 capital stock and the entire First and Second Mortgage bonds ($500,000 and $200,000 respectively) of the **Havana Subway Co.,** which was incorporated June 6, 1902, in Delaware, with a perpetual charter, and operates under a concession granted by the City Council of Havana, Dec. 23, 1903, for 99 years. It owns subway conduits for telephone cables in the city of Havana, the construction of which was completed in 1907, and has been operating them since 1909. Its affairs are administered by the personnel of the Cuban Telephone Co.

The Company also owns the sole interest in the **Radio Corporation of Cuba,** which was incorporated on April 12, 1922, in Havana, Cuba, and operates radio station PWX, located at Havana, Cuba.

CAPITAL STOCK

Authorized $18,000,000 (increased from $14,000,000 on June 4, 1924) Common and $12,000,000 (increased from $2,000,000 in May, 1924) 7% cum. Pfd.; outstanding, $14,142,076 Common and $6,067,000 Pfd.; par, $100. In addition to the Pfd. outstanding there was $4,100 subscribed for but unissued. The Pfd. dividend rate was increased in Sept., 1924, from 6% to 7%. At Dec. 31, 1927, International Telephone and Telegraph Corp. owned $13,855,900 of the Common stock.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends, and is subject to call as a whole, or in amounts of not less than 1,000 shares, on any dividend date upon not less than 90 days' notice at 110 and dividends. In the event of liquidation or dissolution it is entitled to 100 and dividends. Pfd. stock has no voting power, except in case of default in four consecutive dividends, or in case the proposal to be submitted directly affects the rights of the Pfd. stock.

Annual Meeting—Third Wednesday in April.

Listed (Common)—Havana Stock Exchange. (Preferred)—London and Havana Stock Exchanges.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	*112½	*104¼	*102	....	102¼	100	95½	140
Low	108	bid	bid	..	92¼	87¼	75¼	110½

*New York quotation.

Dividends paid on Pfd.: In 1913, 3¾%; in 1914, 3%. All accumulated dividends on the Pfd. shares were paid on Sept. 15, 1916, and regular quarterly dividends on these shares, of 1½% each, were paid until Sept. 30, 1924, when the rate was increased to 1¾%, and quarterly payments at that rate have since been made. On Common: In 1913, 2¼%; in 1914, 1¼%; none in 1915. Quarterly dividends of 1½% were paid regularly on Common stock from Oct. 15, 1916 through 1917; in 1918, 1919, 1920 and 1921, 2% quarterly was paid; 1922, 6%; 1923, 6% regular and 1% extra; 1924, 1925, 1926 and 1927, 8%; March, 1928, 2%; payments on both classes of stock, M 31, J 30, S 30 & D 31. Directors meet for dividend action on first Thursday of these months.

FUNDED DEBT

(1)

$3,485,604 (MORTGAGE CLOSED) FIRST MORTGAGE FORTY-YEAR 5% BONDS; DUE JANUARY 1, 1951

Dated February 3, 1911.

Interest Payable January and July 1, in New York, London, Paris and Havana.

Denominations—Coupon, £200 ($973.33; francs, 5,030), £100 and £20; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, and issued £2,000,000 ($9,733,333.34), of which $4,696,430.67 deposited as collateral to secure First Lien & Refunding bonds; $3,485,604 outstanding in the hands of the public.

Callability—Subject to call at 105 on any interest date upon six months notice.

Sinking Fund—1% per annum.

Security—Secured by a specific charge on immovable property and also secured by pledge of $2,000,000 stock and $520,000 First Mortgage bonds of the

Havana Telephone Co.; $370,000 stock, $500,000 First Mortgage bonds and $200,000 5% Second Mortgage notes of the Havana Subway Co.

Tax Provisions—Company does not pay Normal Federal Income Tax nor does it agree to refund to bondholders any amount paid by them on account of Pennsylvania law or similar laws.

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99½	98¼	95½	100½	97¼	88	84¾	114¼
Low	94¼	91	87⅜	92½	79	81	64¾	74½

(2)

$4,311,600 FIRST LIEN AND REFUNDING GOLD 7½s, SERIES "A"; DUE SEPTEMBER 1, 1941

Dated September 1, 1921.

Interest Payable March and September 1, at The National City Bank of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Interchangeable with fully registered bonds in denominations of $1,000, $5,000 and multiples of $5,000.

Trustee—The National City Bank of New York.

Provisions of Issue—Authorized issue, $50,000,000. Bonds may be issued in series, with the same or such different interest rates, dates, maturities (not later than Sept. 1, 1971) and redemption provisions as may be determined by the Board of Directors of the Company, subject, however, to the restrictive provisions of the mortgage. Bonds of any series may be issued from time to time in the future, in principal amounts equal to and for the acquisition or retirement of First Mortgage bonds outstanding in the hands of the public on Sept. 1, 1921, or for the retirement of bonds of another series issued under this First Lien & Refunding Mortgage. Additional bonds may also be issued for not exceeding 75% of construction expenditures made subsequent to Sept. 1, 1921, provided net earnings after all operating expenses, maintenance and taxes and liberal charges for replacements, shall have been not less than twice the annual interest charges on all First Mortgage bonds and First Lien & Refunding Mortgage bonds outstanding in the hands of the public together with those then to be issued.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, at 107½ and accrued interest between Sept. 1, 1931, and Sept. 1, 1936, both inclusive, and at 105 and accrued interest thereafter but prior to maturity.

Sinking Fund—The mortgage provides for the payment to the trustee semi-annually commencing Dec. 1, 1921, of sums in cash equal in each case to 1% of the aggregate amount of First Lien & Refunding Mortgage bonds outstanding. Such moneys shall be applied: first to the purchase so far as possible of First Lien & Refunding Mortgage bonds of any series, at or below the then existing redemption prices or, if during a non-redeemable period with respect to any particular series, at or below certain specified purchase prices; and, second, to the redemption of bonds of such series as are then subject to redemption. In the event that no bonds are at the time redeemable and the sinking fund moneys are not exhausted by the purchase of bonds within the price limits specified, the balance of any such moneys remaining unexpended may be reimbursed to the Company for construction expenditures, against which no bonds may be issued. In the case of the Series "A" bonds, prior to Sept. 1, 1931 (during which period this series is non-redeemable), the sinking fund moneys may be used in the purchase of such bonds up to 107½ and accrued interest.

Maintenance and Improvement Provisions—The indenture provides that a General Reserve Fund be created, which will require the Company annually beginning with the year 1922, either to expend or, in lieu thereof, to deposit in cash with the Trustee not less than 25% of the gross telephone revenue for such year, which amount may be expended only for maintenance, repairs, renewals and replacements for the purchase of First Lien & Refunding Mortgage bonds, or for extensions, improvements and additions, on account of which no bonds shall have been or may be issued. With a view to assuring the adequacy of the General Reserve Fund under possible alterations in operating conditions, this percentage will be subject to adjustment at the end of each five year period; but in no year shall the amount required be less than 10% of the aggregate face value of First Mortgage bonds and First Lien & Refunding Mortgage bonds outstanding in the hands of the public at the end of such year.

Security—Secured by pledge of $4,696,430.66 First Mortgage bonds, comprising the entire balance issuable under the First Mortgage. Also secured by a direct mortgage lien on the entire property of the Company now owned or acquired in the future, subject only to the lien of the First Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded. Exempt from all Cuban taxes.

Legal Opinion—Shearman & Sterling, New York, and Rosales y Lavedan, Havana, Cuba.

Original Offering—First publicly offered ($4,000,000) in Oct., 1921, at 95 and interest, yielding over 8%, by the National City Co., New York.

Market—Traded on New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	114	112	112½	107½	107	107½	103½
Low	110½	108¼	106	106	105	102½	95

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenues	$5,075,576	$4,906,506	$4,625,208	$4,179,526	$3,547,084	$3,076,909
Operating expenses and taxes	2,366,609	2,244,305	1,964,922	1,741,158	1,457,408	1,338,563
Net operating revenue	$2,708,967	$2,662,201	$2,660,286	$2,438,368	$2,089,676	$1,738,346
Other income	388,798	462,903	499,109	403,421	335,419	413,704
Total income	$3,097,765	$3,125,104	$3,159,395	$2,841,789	$2,425,095	$2,152,050
Deductions:						
Interest charges	$435,162	$478,150	$582,720	$611,922	$639,197	$856,647
Depreciation	841,256	752,318	642,984	555,653	484,139	459,877
Total deductions	$1,276,418	$1,230,468	$1,225,704	$1,167,575	$1,123,336	$1,316,524
Net income	$1,821,347	1,894,636	1,933,691	1,674,214	1,301,759	835,526
Preferred dividend paid	424,161	419,851	336,710	152,821	120,000	120,000
Common dividends paid	1,131,352	1,131,352	1,046,341	914,616	746,289	469,950
Surplus for year	$265,834	$343,433	$550,640	$606,777	$435,470	$245,576
*Times Interest Earned	5.18	4.95	4.32	3.74	3.04	1.97
Earnings Per Share—						
Preferred	$30.00	$31.44	$32.68	$57.30	$65.09	$41.77
Common	9.88	10.43	11.29	13.31	10.34	9.13

*After depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant, franchises, etc.	$27,206,689	$25,451,544	$23,734,738	$22,037,569	$20,033,211	$18,776,051
Securities owned	*964,224	*964,224	*964,224	963,424	972,224	961,924
Due from subsidiary and affiliated companies	859,392	1,154,767	1,265,214	2,654,948	1,479,043	2,062,041
Cash	1,941,237	2,877,342	5,021,787	258,744	261,046	406,474
Employees' working funds	.....	.....	31,353	24,308	22,352	16,060
Miscellaneous investments (at cost)	4,735	2,925	8,498	2,100	33,700	33,700
Deposits to meet matured coup., dividends payable, etc.	452,979	403,219	398,716	152,352	379,795	214,840
Accounts receivable	401,551	490,663	444,605	415,268	404,289	311,244
Due from employees	.....	.....	.....	.....	1,317	47,166
Materials and supplies	712,908	553,940	560,464	486,332	391,386	411,934
Due on subscriptions to Preferred stock	1,024	7,965	68,668	287,506	.....	.....
Sinking fund and other deposits	183,645	184,023	97,449	15,227	97,589	101,438
Deposits avail. for construction expenditures	.....	17,731	17,731	17,731	17,730	21,909
Discount and expense on sale of securities in process of amortization	1,787,474	1,910,403	2,034,511	2,160,557	2,297,354	2,426,463
Prepaid taxes, insurance, etc.	40,251	62,360	106,853	123,554	21,969	22,585
Total	$34,556,109	$34,081,106	$34,754,811	$29,599,620	$26,413,005	$25,813,829
Liabilities—						
Common stock	$14,142,076	$14,142,076	$14,142,076	$11,432,876	$11,432,876	$7,832,876
Preferred stock	6,071,100	6,071,600	6,071,900	3,386,300	2,000,000	2,000,000
Funded debt	7,797,204	7,896,971	8,000,144	8,113,052	8,302,460	12,097,283
Accounts and wages payable	78,467	96,317	81,853	89,847	101,519	90,710
Adv. from Inter. T. & T. Corp.	.....	.....	.....	.....	.....	30,304
Due to affiliated Co.	119,978	33,558	563,111	20,281	.....	.....
Notes payable	.....	.....	.....	1,500,000	.....	.....
Subscribers' deposits	338,223	322,568	306,751	266,008	227,491	194,767
Matured interest and dividends unpaid	498,304	502,499	497,989	182,020	436,584	276,908
Liability for benefit and pension funds	124,923	100,276	78,010	57,751	38,559	21,704
Accrued interest	107,790	107,791	107,792	116,828	113,694	111,950
Accrued taxes	220,607	244,047	269,663	255,105	269,227	228,431
Reserve for depreciation	3,005,183	2,700,835	3,001,510	2,779,099	2,619,875	2,419,339
Surplus	2,052,254	1,862,568	1,634,012	1,400,453	870,720	509,557
Total	$34,556,109	$34,081,106	$34,754,811	$29,599,620	$26,413,005	$25,813,829

*Includes Radio Corporation of Cuba, $800.

Officers: Sosthenes Behn, Chrm.; Hernand Behn, Pres.; Manuel Herrera, H. B. Orde, Jose A. Fernandez, Henry C. Hart, V-Ps.; Francisco Comas Bolfa, V-P. & Treas.; Carlos I. Parraga, Sec.; Jacinto Torras, Compt.

Executive Committee: Hernand Behn, Francisco Comas Bolfa, Carlos I. Parraga, Julio de la Torre, Jose A. Fernandez.

Directors: Sosthenes Behn, Hernand Behn, Henry C. Hart, Manuel Herrera, Julio de la Torre, Henry B. Orde, Pedro Laborde, Francisco Comas Bolfa, Henri Schueg Chassin, Jose A. Fernandez, Carlos I. Parraga.

General Office, Havana, Cuba. **New York Office,** 67 Broad St.

PORTO RICO TELEPHONE COMPANY

(Controlled by International Telephone and Telegraph Corp.)

History and Property—Incorporated June 23, 1914, in Delaware and amended Nov. 17, 1914, and March 8, 1915; consolidation of the Porto Rico General Telephone Co. (see Manual for 1914, page 2547 or apply to our Information Department), and the South Porto Rico Telephone Co. The Porto Rico General-Telephone Co. served the cities and towns in the north, east and west parts of the Island of Porto Rico, and the South Porto Rico Telephone Co. served the cities and towns in the southern part. Principal cities served are San Juan and environs, with a population of 79,000; Ponce and vicinity, with population of about 35,000; Mayaguez, with a population of about 43,000; Arecibo, with a population of about 11,000; Aguadilla, with a population of about 9,000 and other smaller municipalities. Altogether the company serves 92 cities, towns and communities, and owns 69 manual exchanges.

Company operates under a franchise which extends to 1964. The franchise provides that the Federal Govt. can purchase, or, after the expiration of a 20-year period, or 10-year periods thereafter, the Govt. of Porto Rico shall have the privilege of purchasing the entire business of Company at a valuation to be fixed by a Board.

At Dec. 31, 1927 the entire system contained 3,721 miles of long distance pole lines. No. of stations, 32,415. Miles of wire, 26,926.

CAPITAL STOCK

Authorized, $1,200,000 Common and $300,000 8% cumulative Pfd.; outstanding, Dec. 31, 1927, $1,200,000 common and $251,800 Pfd.; par, $100. The International Telephone & Telegraph Corp. owns $1,176,800 of the Common stock. Annual meeting, third Tuesday in April at San Juan, Porto Rico.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to call from time to time at lowest price under 107 and/or is redeemable at 107 plus dividends only out of sinking fund. In the event of liquidation or dissolution is entitled to par, plus accrued and unpaid dividends, before any distribution to Common. Has equal voting power with Common.

Dividends—Company has paid full Pfd. dividends since foundation, semi-annually, April & Oct. 1. Recent Common dividends have been as follows: 1918, 4%; 1919, 4%; 1920, 6%; 1921 to 1927, inclusive, 8% each; Jan. and April, 1928, 2% each; payments quarterly J, A, J & O 1.

FUNDED DEBT

$795,100 FIRST GOLD 6s; DUE DECEMBER 1, 1944

Dated December 1, 1914.

Interest Payable June and December 1, at Montreal Trust Co., in New York, Montreal and San Juan, Porto Rico.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Co., Montreal.

Provisions of Issue—Authorized and issued, $1,200,000, of which $375,000 issued to retire Porto Rico General Telephone Co. 1st Mtge. Gold 7s, and the remainder for extensions and improvements. At Dec. 31, 1927, $200,000 were held in sinking fund and $204,700 in treasury unsold.

Callability—Subject to call as a whole or in part through sinking fund at 105 and accrued interest.

Sinking Fund—A sinking fund is provided of 1% from 1918 to 1920; 1½%, 1921 to 1925, and 2% from 1926 to maturity.

Security—An absolute first mortgage on the entire property of Company now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Charles E. Hartzell, Porto Rico; I Burnham Moffatt, New York, and Brown, Montgor ery & McMichael, Montreal, P. Q.

Original Offering—First publicly offered in Ja 1915, by William Morris Imbrie & Co., New York a Chicago, and J. C. Mackintosh & Co., Halifax, N. S

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross income	$784,166	$736,045	$707,588	$652,948	$581,391	$546,7
Operating expenses, taxes, depreciation, etc.	609,937	551,697	547,376	446,222	384,825	351,0
Net earnings	$174,229	$184,348	$160,213	$206,727	$196,567	$195,7
Bond interest	96,421	88,833	81,289	60,213	52,292	59,1
Other interest					14,041	40,2
Other deductions					425	3
Total charges	$96,421	$88,833	$81,289	$60,213	$66,759	$99,7
Net income	$77,808	$95,515	$78,924	$146,514	$129,808	$95,9
Dividends paid	116,144	116,144	116,136	116,476	104,584	68,6
Deficit for year	$38,336	$20,629	$37,212	*$30,038	*$25,224	*$27,2
Times Interest Earned	1.80	2.07	1.97	3.43	2.86	1.
Earnings Per Share—						
Prefererd	$30.90	$37.93	$31.34	$58.16	$50.45	$37.
Common	4.80	6.28	4.90	10.56	9.10	12.

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$3,246,606	$3,156,871	$3,018,047	$2,883,681	$2,570,319	$2,377,1
Investments in and adv. to subsidiaries	36,957	62,787	39,845	21,400		
Marketable securities	5,000	5,000	5,000	5,106	5,000	5,0
Materials and supplies	114,170	95,607	113,211	103,864	76,435	64,8
Cash and deposits	96,055	13,814	19,288	8,273	43,928	197,6
Deposits to meet matured interest	2,301					
Accounts receivable	81,453	70,295	63,515	50,708	132,447	52,8
Sinking fund assets	6,809	5,143	11,415	1,651	156	4,7
Prepayments	13,429	12,277	10,406	7,423	8,498	
Unamortized debt discount and expense	117,638	125,015	134,799	143,196	81,138	110,0
Other deferred debits	37,263	14,546	590	20,386	9,749	8
Total	$3,757,681	$3,561,355	$3,416,117	$3,245,687	$2,927,670	$2,813,1
Liabilities—						
Common stock	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$1,200,000	$600,0
Preferred stock	251,800	251,800	251,800	251,900	257,300	257,3
Funded debt	795,100	827,400	865,000	876,600	749,500	1,023,0
Adv. from system corp	894,460	702,001	511,878	368,738	100,000	283,0
Matured interest and dividends unpaid	3,088					
Deferred income	4,726					
Bills and accounts payable	9,638	24,808	23,617	22,341	193,525	280,0
Accrued liabilities	23,280	23,098	71,880	43,848	26,605	
Liability for employees' benefit fund	27,897	26,138	22,195	17,739	13,777	
Deferred credit items	6,468	11,166	8,912	8,366		191,7
Depreciation reserve	379,255	306,266	247,354	194,276	147,209	
Reserve for amortization of intangible capital	37,145	37,145	37,145	37,145	37,145	
Appropriated surplus	124,824	151,533	176,336	224,734	145,932	178,0
Corporate surplus unappropriated					56,677	
Total	$3,757,681	$3,561,355	$3,416,117	$3,245,687	$2,927,670	$2,813,1

Officers: Sosthenes Behn, Chairman of the Board; Hernand Behn, Pres.; H. B. Orde and Georges Villard, Jr., V-Ps.; Manuel Vila, V-P. & Treas.; Jaime Sifre, Jr., Sec.; Donald Mackay, Compt.

Executive Committee: Georges Villard, Manuel Vila, Jaime Sifre, Jr., H. L. Cochran.

Directors: Sosthenes Behn, Hernand Behn, H. L. Cochran, Rafael Fabian, Eduardo Giorgetti, J. Thompson, Jr., Xavier Mariani, Luis Rubert, Jai Sifre, Jr., Dionisio Trigo, Manuel Vila, Georges V lard, Burt Clark, Donald Mackay, Wolcott H. Pitk Luis Venegas.

General Office, Tetuan Esquina Panca, San Ju Porto Rico. **New York Office**, 67 Broad Street.

MEXICAN TELEPHONE AND TELEGRAPH COMPANY

(Controlled by International Telephone and Telegraph Corp.)

History—Incorporated Feb. 21, 1905 in Maine, and amended April 12, 1926, to construct and operate telephone, telegraph and electrical plants, lines and systems in the Republic of Mexico. Took over properties formerly owned and operated by the Mexican Telephone Company. Has telephone exchanges in various cities in Mexico and long distance lines interconnecting most of these exchanges and connecting the Company's lines with the lines of the American Telephone and Telegraph Company in the United States. For reorganization plan of the Mexican Telephone Company see Manual for 1905, page 1513.

Company's property, which had been in the hands of the Mexican Government since 1915 was returned Sept. 1, 1925.

Company has an amended concession covering t right to construct and operate a telephone system the federal district (Mexico City and its environs), s well as concessions to construct and operate a lo distance system throughout Mexico and local and lo distance systems in the states of Tamaulipas a Queretaro. The duration of these concessions is f sixty-nine years from date of approval. After this ti has elapsed the Government can purchase as a wh but not in part, upon three years' notice. If this not taken advantage of, the Company continues to e ercise its rights for another thirty years, at the co pletion of which the properties revert to the Gover ment and the latter will assume the possession of t equipment against a cash settlement.

Activities, started in 1926 on physical rehabilitation nd expansion of Company's plant, have so far resulted n the installation of new automatic exchanges in Tampico and in the Condese area in Mexico City; in mportant increases in the facilities of the Juarez and Veri central office areas in Mexico City and in the acilities in Monterrey, Saltillo, Cuidad, Victoria and Leon; also in the extension of Company's long disance lines from Mexico City and Queretaro to San Luis Potosi, Tampico, Puebla, Saltillo, Monterrey, Cuiad, Victoria and Nuevo Laredo. The culmination of he long distance program for 1927, came in September vhen long distance service between the United States nd Mexico was formally opened. International ervice has since been extended to Canada and Cuba, nd will shortly cover Great Britain and many impor- ant cities in continental Europe.

Plans for 1928 call for installation of two new exhanges and commencement of construction of general ffice building housing a large exchange, all in Mexico City; installation of new exchanges in Quadalajara nd the Cecilia section of Tampico; the installation of ommon battery central offices in Piedras Negras and Nuevo Laredo; and construction of the additional ong distance lines needed to interconnect every city erved by the Company and also to relieve present ongested lines.

At Dec. 31, 1927, Company served twelve cities nd towns and owned 19 manual exchanges. It had 5,065 stations, compared with 20,485 at the end of 926.

CAPITAL STOCK

Authorized, $700,000 Common, par $10, $300,000 5% non-cumulative Pfd., par $10, and 150,000 shares $7 Prior Preference stock of no par value; outstanding, Dec. 31, 1927, $700,000 Common, $300,000 5% Pfd. and 4,063 shares $7 Prior Preference. In addition there re 2,227 Prior Preference shares subscribed, but unssued. The International Telephone and Telegraph Corp. owns $650,666.67 Common and $275,963.33 of he 5% Pfd. stock.

Preferred Stock Provisions—The Prior Preference tock has preference for assets and dividends over the wo other classes of stock and is redeemable as a vhole or in amounts of not less than 1,000 shares, aplied pro rata against respective holdings, on any lividend payment date at 110 plus accrued dividends, pon not less than 90 days' notice. In the event of iquidation or dissolution, it is entitled to $100 per hare, plus accrued dividends, before any distribution s made on any other class of stock. It has no voting ower except in case of default for one year in dividend payments. The 5% Pfd. stock has preference ver Common and in liquidation is entitled to par beore any payments are made on Common. It has one vote per share.

Transfer Agent—Boston Safe Deposit & Trust Co., 100 Franklin Street, Boston.

Annual Meeting—First Wednesday in May.

Dividends—On Prior Preference stock initial dividend was paid on June 30, 1926, for the period from May 15 to June 30, 1926; thereafter regular quarterly dividends of 1¾% have been paid; payments quarterly, M 31, J 30, S 30 & D 31. Before dividends may be declared on any class of stock, cumulative dividends on the Prior Preference stock, due up to and through the quarter through which it is contemplated to declare dividends on other classes of stock, must be declared and paid or set aside. Dividends on the 5% Pfd. stock were paid, M & N 1, from November 1, 1906 to May 1, 1914; November 1, 1914, dividend passed; none since. No dividends have been paid on Common.

FUNDED DEBT

$1,500,000 Ten-Year Secured Notes, due Dec. 31, 1935. All owned by International Telephone and Telegraph Corp.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(United States Currency)

	1927	1926
Operating revenues	$798,954	$635,850
Non-operating revenues	20,276	20,722
Total	$819,230	$656,572
Oper. expenses, maintenance & taxes	639,739	560,907
Depreciation	26,316	
Net earnings	$153,175	$95,665
Interest deductions (net)	108,155	23,740
Balance for dividends	$45,020	$71,925
Prior Preference dividends	10,038	1,709
Surplus for year	$34,982	$70,216

GENERAL BALANCE SHEET, DECEMBER 31
(United States Currency)

Assets—	1927	1926
Plant, property, franchises, etc.	$7,752,043	$4,075,964
Special deposits and sundry investments	32,714	102,438
Cash	59,979	80,975
Accounts and notes receivable	133,588	70,865
Materials and supplies	746,710	601,647
Mexican Government notes	162,866	290,671
Due on subscrip. to Prior Pref. stock	146,820	249,414
Deposits to meet matured interest, etc.	16,263	17,063
Deferred charges	527,700	552,686
Total	$9,578,683	$6,041,723
Liabilities—		
Common stock	$700,000	$700,000
Preferred stock	300,000	300,000
Prior Preference stock	407,550	360,525
Funded debt	1,500,000	1,500,000
Due to International Telephone and Telegraph Corp	5,824,821	.....
Notes and accounts payable—affil. cos.	2,343,401	.....
Accounts payable	74,439	96,813
Accrued taxes and interest	17,337	9,003
Sundry current liabilities	31,912	32,343
Deferred liability	3,494	2,206
Reserve for depreciation, replacements and renewals	87,924	107,814
Surplus	631,206	589,618
Total	$9,578,683	$6,041,723

Officers: Hernand Behn, Pres.; Henry B. Orde and W. F. Repp, V-Ps.; G. A. Ogilvie, Phillip M. McCullough, John M. Thompson, Jr., Asst. V-Ps.; L. N. Rock, Sec.; H. B. Orde, Treas.; Philip T. Salisbury, Compt.; Charles S. Cook, Clerk.

Directors: Hernand Behn, Sosthenes Behn, G. H. Gardiner, Walter E. Ogilvie, Malcolm C. Rorty, J. L. Merrill, H. B. Orde, P. K. Condict, W. H. Pitkin, W. F. Repp, Allen G. Hoyt.

New York Office, 67 Broad St. **Mexican Office,** Donato Guerra, No. 13, Mexico, D. F.

CUBAN-AMERICAN TELEPHONE AND TELEGRAPH COMPANY

(Affiliated with International Telephone and Telegraph Corp.)

History—Incorporated under the laws of the Republic of Cuba Oct. 27, 1919. The Company holds a concession from the Government of Cuba, without limitation as to time, for establishing submarine cable connection between Cuba and the United States.

The Company owns and operates three submarine cables, each over 100 miles in length from Havana, Cuba, to Key West, Fla. These cables bring all the principal places in the United States and Canada into telephonic communication with Havana and other cities in Cuba. The terminal equipment at Key West is owned by the American Telephone and Telegraph Company and the terminal equipment at Havana by the Cuban Telephone Company.

CAPITAL STOCK

Authorized, $1,100,000 7% Preferred and $1,100,000 Common, par $100. Outstanding, December 31, 1927, $800,000 Preferred and $1,080,000 Common. The International Telephone and Telegraph Corp. owns one-half of the outstanding Common and Preferred stock, the other half being owned by American Telephone and Telegraph Company.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends and is redeemable at the option of the company at 106. In the event of liquidation or dissolution it is entitled to receive par and back dividends before any distribution to Common. Voting power is vested in both classes of stock on an equal basis.

Annual Meeting—Second Tuesday in March.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925
Gross revenue	$256,526	$238,597
Operating expenses and taxes	36,921	38,343
Net earnings	$219,605	$200,254
Depreciation	26,121	26,115
Rentals	170,312	164,069
Interest	19	37
Net income	$23,153	$10,033

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925
Plant and property	$1,046,616	$1,045,928
Investment securities	148,500	148,500
Organization expense	30,734	30,734
Unextinguished dis. on Capital stock	1,080,000	1,080,000
Cash	47,846	52,117
Matured interest receivable	2,750	2,750
Accounts receivable	10,249	.....
Deficit	19,880	43,032
Total	$2,386,575	$2,403,061
Liabilities—		
Common stock	$1,080,000	$1,080,000
Preferred stock	1,080,000	1,080,000
Accrued liabilities not due	3,353	3,476
Accounts payable	5,354	47,840
Reserve for depreciation	217,868	191,745
Total	$2,386,575	$2,403,061

Officers: Hernand Behn, President; F. A. Stevenson, 1st V-P.; Sosthenes Behn, 2nd V-P.; Carlos I. Parraga, Sec.; F. Comas Bolfa, Treas.; Jacinto Torras, Aud.

Executive Committee: Hernand Behn, Sosthenes Behn, F. A. Stevenson, C. P. Cooper and Carlos I. Parraga.

Directors: Hernand Behn, Sosthenes Behn, F. A. Stevenson, Carlos I. Parraga, C. D. M. Cole, C. P. Cooper, Julio de la Torre, T. G. Miller, Manuel Herrera, B. Gherardi and H. B. Orde.

General Office, 161 Aguila, Havana. **New York Office,** 67 Broad Street.

COMPANIA TELEFONICA NACIONAL de ESPANA

(Affiliated with International Telephone and Telegraph Corporation)

History—Incorporated April 19, 1924 under the laws of Spain to conduct a telephone operating system in Spain. Company holds a concession from the Spanish Government signed August 25, 1924. Under this contract the Company was ceded the ownership and operation of the entire telephone system then owned by the Government, together with those systems which in the future are due to revert to the Government. No definite date is set for the expiration of this contract, but at the end of twenty years, the Spanish Government may, on two years' notice, recapture the property as a whole but not in part, on paying the company the total net amount invested plus a premium of 15%, which premium decreases 1% for each year, up to fifteen years, that elapses at the expiration of the said twenty years until the Government shall elect to assume ownership.

The company owns and operates a telephone system, connected to which were 125,428 telephones at Dec. 31, 1927. Number of employees, 11,080.

CAPITAL STOCK

Authorized 1,200,000 shares Common and 1,200,00 shares 7% cumulative Preferred; par of both classe 500 pesetas; outstanding Dec. 31, 1927, 100,000 share Common and 600,000 shares Pfd. The Internationa Telephone and Telegraph Corporation owns a sub stantial amount of the Common stock of this Company

Preferred Stock Provisions—Preferred stock ha preference for assets and dividends and has equal vo ing power with Common.

Annual Meeting—Before April 1.

Listed—Both classes of stock are listed on the Mad rid and Barcelona Exchanges.

Dividends—Preferred dividends have been paid reg ularly since Dec. 1, 1924; payments quarterly M, J, & D 1. No dividends have been paid on Common.

FUNDED DEBT

None.

OFFICERS AND DIRECTORS

Officers: Marques de Urquijo, Pres.; D. Valenti Ruiz Senen, Antonio Basagoiti y Artela, Lewis Proctor, V-Ps.; Marques de Perijaa, Treas.; Gumer sindo Rico Gonzalez, Sec.; George I. Strong, Compt.

Executive Committee: Marques de Urquijo, Valenti Ruiz Senen, Antonio Basagoiti y Artela, Lewis Proctor, Gumersindo Rico Gonzalez, Roy A. Walke and Fred T. Caldwell.

Directors: Marques de Urquijo, Valentin Rui Senen, Lewis J. Proctor, Marques de Perijaa, Guemer sindo Rico Gonzalez, Sosthenes Behn, Hernand Behr Amadeo Alvárez Garcia, Jose Marie Boada, Cond de Guell, Duke of Alba y Berwick, Antonio Basagoi y Artela, Fred T. Caldwell, Jose Escudero y Toledo Roy A. Walker, Antonio Carrillo de Albornoz, Migue Manella Corrales and Antonio Nieto Gil.

General Office, Avenida del Conde de Penalver N 5, Madrid, Spain. **New York Office,** 67 Broad Street.

WASHINGTON GAS AND ELECTRIC COMPANY

History and Property—Incorporated Oct. 25, 192 in Delaware. Acquired the gas properties of the Nort Pacific Public Service Company at Aberdeen, Hoqui am, Chehalis and Centralia, Wash., as of Nov. 1, 192 and the electric and water properties of the Longvie Public Service Company at Longview, Wash., as o Jan. 31, 1927. It also acquired the gas manufacturin plants located at Tacoma and Everett, Wash., as o Jan. 16, 1928. The Company furnishes electric ligh and power directly at retail without competition i the City of Longview, Wash., and territory adjacen thereto, and manufactured gas in Tacoma, Everet Olympia, Aberdeen, Hoquiam, Centralia, Chehalis and three other communities in the State of Washing ton. Manufactured gas is also furnished at whole sale to Snohomish and Monroe, and water is supplie at retail in Longview. The total population serve is estimated to exceed 230,000, and the aggregat number of gas, electric and water customers is i excess of 23,200.

The Company's electric power requirements a Longview are purchased from the Long-Bell Lumbe Co. under a long-term contract at an exceedingl favorable rate, the generating company having con tracted to furnish additional power as needed to a amount far in excess of the present demand. Th property of the electric department consists of modern electric distribution system having a 13,20 volt loop around the city with 2,300 volt one an three-phase primary circuits feeding out from thre sub-stations, 110-220 volt secondary circuits, and a attractive street lighting system. The total numbe of electric customers is 2,657, and for the twelv months ended Oct. 31, 1927, 6,449,147 k.w.h. o electric energy were sold. The property of the wate department comprises a water distribution system i Longview, Wash., and adjacent territory.

The gas department comprises manufacturing plants located at Tacoma, Everett, Aberdeen and Chehalis with distribution systems in these cities and Hoquiam, Centralia, Olympia and 3 other communities in Washington. The aggregate daily capacity of the manufacturing plants is 6,610,000 cu. ft. with storage capacity of 2,454,000 cu. ft. Transmission and distribution systems aggregate 445 miles of mains serving a total of 18,240 customers.

CAPITAL STOCK

Authorized, 100,000 shares Common stock of no par value and $2,500,000 7% cumulative Pfd.; par $100; outstanding, 60,000 shares Common stock, and $800,000 7% Pfd.

Preferred Stock Provisions—Has preference over Common stock both as to assets and dividends, and is preferred in liquidation to the extent of $100 per share plus amount of any unpaid, accumulated and accrued dividends. No class of stock having any preference or priority as to assets or dividends superior to the cumulative Preferred stock may be created or shall any amendments be made to the Certificate of Incorporation diminishing the preference or priority of the holders of this stock, without the affirmative vote or written consent of the holders of at least two-thirds of the outstanding cumulative Preferred stock. No additional cumulative Preferred stock may be issued unless net income for twelve consecutive calendar months out of the fifteen calendar months immediately preceding the date of issue of such stock, shall be equivalent to at least two times the amount of the annual dividend requirements on the cumulative Preferred stock outstanding and that proposed to be issued. In case of default in the payment of dividends aggregating the annual rate of the dividend preference thereon, the cumulative Preferred stock shall become entitled to the same voting rights, to the extent of one vote for each share, as the holders of the voting Common stock.

Callability—The 7% Pfd. stock is redeemable at option of the Company on any dividend date on 30 days' written notice at $110 per share and accrued dividend plus the amount of any unpaid, accumulated and accrued dividends.

Transfer Agent (Preferred Stock)—The Seaboard National Bank of the City of New York.

Registrar (Preferred Stock)—The Equitable Trust Co. of New York.

Legal Opinion (Preferred Stock)—Seibert & Riggs, New York.

Original Offering—$600,000 7% Pfd. stock publicly offered in May, 1927, by A. C. Allyn & Co.

Annual Meeting—Second Tuesday in January in New York.

Dividends—Pfd. dividends payable quarterly, J, A, & O 1, initial dividend paid July 1, 1927.

FUNDED DEBT

(1)

$1,750,000 FIRST MORTGAGE GOLD BONDS 5½% SINKING FUND SERIES OF 1947; DUE FEBRUARY 1, 1947
$1,250,000 FIRST MORTGAGE GOLD BONDS 5½% SERIES OF 1953; DUE JANUARY 1, 1953

Dated, Series of 1947 bonds dated February 1, 1927; Series of 1953 bonds dated January 1, 1928.

Interest Payable February and August 1 on the Series of 1947 bonds, and January and July 1 on the Series of 1953 bonds, at The Seaboard National Bank, New York, or at The National Bank of the Republic, Chicago.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000. $1,000 bonds registerable as to principal.

Trustee—The Seaboard National Bank, New York.

Provisions of Issue—Open mortgage. Issued, $1,750,000 Series of 1947 and $1,250,000 Series of 1953. Additional First Mortgage Gold bonds may be issued from time to time to a principal amount not exceeding 80% of the cost or value of permanent additions made or acquired subsequent to February 1, 1927, less the principal amount of "prior liens" outstanding thereon, if any, or upon the deposit of cash, provided earnings applicable to bond interest for twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of application for authentication and delivery of bonds, shall have been at least equivalent to twice the annual interest requirements upon all First Mortgage Gold bonds "outstanding," including those proposed to be issued, and all outstanding prior lien bonds, if any, all as defined in the mortgage; or additional First Mortgage Gold bonds may be issued to a principal amount not exceeding 75% of the cost or value of any such permanent additions, if such earnings applicable to bond interest shall have been at least equivalent to one and three-fourths times such interest requirements. First Mortgage Gold bonds may also be issued to refund equal principal amounts of the same or other series of bonds issued under the mortgage or prior liens as defined in the mortgage.

First Mortgage Gold bonds may be issued from time to time in series with such provisions as may be determined by the Board of Directors, subject to the restrictions of the mortgage. The bonds of additional series may bear such dates, rates of interest, mature at such times and carry such redemption, sinking fund, tax refund provisions, and such other varying or distinguishing provisions as may be determined by the Board of Directors, subject to the restrictions of the mortgage, but except as to sinking funds, which may be established for the exclusive benefit of a particular series, all bonds of all series shall be equally and ratably secured by the mortgage.

Callability—Series of 1947 bonds are subject to call as a whole or in part on any interest date upon 30 days' notice to and including Feb. 1, 1937 at 105 and interest; this premium of 5% decreasing at rate of ½ of 1% of the principal on each Feb. 2 thereafter to and including Feb. 2, 1946, and thereafter at 100 and interest.

The Series of 1953 bonds are subject to call as a whole or in part on any interest date upon 30 days' notice to and including Jan. 1, 1933 at 105 and accrued interest; thereafter to and including Jan. 1, 1938 at 104 and accrued interest; thereafter to and including Jan. 1, 1943 at 103 and accrued interest; thereafter to and including Jan. 1, 1948 at 102 and accrued interest; thereafter to and including Jan. 1, 1952 at 101 and accrued interest, and thereafter at par and accrued interest.

Sinking Fund—Company covenants to pay to the Trustee on Feb. 1, 1928 and on each Feb. 1 thereafter to and including Feb. 1, 1946, a sum of money equal to 1% of the greatest aggregate principal amount of all Series of 1947 bonds outstanding at any one time during the six months next preceding the dates of the respective payments. All monies in the sinking fund are to be used exclusively for the purchase, acquisition, retirement or redemption of bonds of the Series of 1947 at or below the current redemption price, and all bonds so acquired for the sinking fund are to be cancelled.

With regard to the First Mortgage Bonds, 5½% Series of 1953, no sinking fund is provided or contemplated.

Security—Secured by a direct first mortgage on all the fixed property owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund, upon timely and proper application, the Pennsylvania Four Mill Tax, Massachusetts 6% Income Tax and California Personal Property Tax not in excess of Four Mills per Dollar of the taxable value, to holders resident in those states.

Legal Opinion—Seibert & Riggs, New York.

Original Offering—First publicly offered ($1,750,000 Series of 1947) in March, 1927 at 98 and interest, to yield over 5.65% by A. C. Allyn & Co., Inc., New York, etc., $1,250,000 Series of 1953 bonds offered by A. C. Allyn & Co., Inc., and W. C. Langley & Co., in January, 1928, at par and interest.

Listed—Chicago Stock Exchange.

(2)

$500,000 ONE-YEAR 5% GOLD NOTES; DUE JANUARY 1, 1929

Dated January 2, 1928.

Interest Payable January and July 1, at The Seaboard National Bank of the City of New York.

Denomination—Coupon, $1,000.

Security—A direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Seibert & Riggs, New York.

Original Offering—First offered in Jan., 1928, by A. C. Allyn & Co., Inc., New York.

INCOME ACCOUNT, YEAR ENDED OCTOBER 31, 1927

Gross Revenue:	
Electric	$194,717
Gas	731,212
Water	85,622
Merchandise	44,048
Total	$1,055,599
Operating expenses	589,164
Maintenance expense	70,422
Taxes (other than Federal Income Tax)	83,605
Total expenses	$743,191
Net earnings	$312,408
Other income	8,512
Net earnings before interest, deprec. & Fed. Income tax	$320,920

CONSOLIDATED BALANCE SHEET, OCTOBER 31, 1927
(Giving effect to acquisition of the Tacoma and Puget Sound Divisions of the Mountain States Power Co. under terms of contract dated Jan. 11, 1928 and giving effect to issue of bonds, notes, Pfd. and Common stocks in settlement therefor)

Assets—	
Plant and property at reproduction cost new, plus net additions to date	$9,480,942
Less: Reserve for renewals & replacements	1,035,930
Net depreciated values	$8,445,012
Investments	70,400
Cash	79,723
Accounts receivable, less reserve	66,131
Materials, supplies and fuel	107,686
Unamortized bond discount and expense	174,679
Unamortized commission on Pfd. stock sold	28,250
Deferred charges	11,751
Total	$8,983,632
Liabilities—	
Common stock	$1,475,000
Preferred stock	800,000
Funded debt	3,000,000
5% One-Year notes	500,000
Notes payable	5,400
Accounts payable	25,149
Preferred dividends accrued	3,500
Interest accrued	25,386
Taxes accrued	17,790
Due to affiliated companies	46,899
Consumers' deposits	63,032
Deferred credits	580
Capital surplus	3,020,688
Earned surplus	208
Total	$8,983,632

Officers: Albert Emanuel, Pres.; Victor Emanuel, V-P.; Thomas A. O'Hara, V-P.; L. E. Yeager, V-P.; Cyril Y. Bowers, V-P. & Gen. Mgr.; John S. Shedden, Sec.; Kate Wilson, Asst. Sec.; F. G. Anderson, Asst. Sec.; F. D. Jackson, Treas.; Gertrude M. Murphy, Asst. Sec. & Asst. Treas., New York; Mary L. Lause, Asst. Sec. & Asst. Treas., Seattle, Wash.

Executive Committee: Victor Emanuel, Thos. A. O'Hara, Charles W. Yant.

Directors: Albert Emanuel, Victor Emanuel, Cyril Y. Bowers, John S. Shedden, Charles W. Yant, Leland E. Yeager, Thos. A. O'Hara.

Offices, 57 William St., New York, and Seattle, Wash.

EAST KOOTENAY POWER COMPANY LIMITED

History and Property—Incorporated in 1922 unde the Companies Act Canada (Dominion of Canad Charter). Company was formed for the purpose c developing and supplying hydro-electric power t the western coal mining district of Crow's Nest Pas the lead and zinc mine properties of the Canadia Pacific Ry. Co., located at Kimberly, and eleven citie and towns in southeastern British Columbia. Th territory served by the company is on the west sid of the Rocky Mountains, adjacent to divisional lin between British Columbia and Alberta Provinces, a the international boundary line north of the State c Montana. Company owns two hydro-electric plant with a total installed capacity of 22,200 h.p., one c 15,000 h.p. on the Elk River at Elko, B. C., and one c 7,200 h.p. on the Bull River together with transmissio lines, substations, etc. Miles of transmission line 225.

CAPITAL STOCK

Authorized, 50,000 shares Common of no par valu and $5,000,000 7% cumulative Pfd. of $100 par value outstanding Dec. 31, 1927, 30,000 shares Common an $1,000,000 Pfd. Authorized stock was increased i January, 1927, from 30,000 shares Common of no pa value and $750,000 7% cumulative Pfd. to preser amounts. Pfd. stock is redeemable in whole or i part at $105 and accrued dividend.

Transfer Agent and Registrar—Montreal Trust Co Montreal, Que. Annual meeting, in May.

Dividends—Paid dividends of 8% on Pfd. in 192 and 7% per annum thereafter to March, 1927, inclusive payments M, J, S & D 15, at par in New York funds None paid on Common.

FUNDED DEBT

$2,261,000 FIRST GOLD 7s ($1,961,000 SERIES "A" AND $300,00 SERIES "B"); DUE APRIL 1, 1942

Dated April 1, 1922.

Interest Payable April and October 1, at Chase Na tional Bank, New York, or Royal Bank of Canada Montreal.

Denominations—Coupon, $500 and $1,000.

Trustee—Montreal Trust Co., Montreal, Que.

Provisions of Issue—Authorized, $5,000,000; issuec $2,000,000 Series "A" and $300,000 Series "B." Of th Series "A" bonds $39,000 have been redeemed throug sinking fund. Additional bonds may only be issued a not to exceed 80% of the cost of additions and better ments to the property, and provided net earnings after sinking fund, are not less than 1½ times interes charges on all bonds issued and those proposed to b issued.

Callability—Subject to call as a whole at 110 and ac crued interest on any interest date upon 90 days' no tice.

Sinking Fund—Mortgage provides for sinking fund which will require the payment annually from Apri 1, 1925, of a sum equal to 1% of the par value of bond outstanding for the purchase, if possible, of bonds a not to exceed 105 and accrued interest. If not so ob tainable, bonds may be called by lot at 105 and accrue interest.

Security—A first lien on entire property now owne or hereafter acquired.

Original Offering—First publicly offered ($2,000,00 Series "A") in May, 1922, at 97½ and interest; to gether with bonus of 2½ shares no par, Common stocl with each $1,000 bonds, by Nesbitt, Thomson & Co. Ltd., Montreal.

Legal Opinion—E. R. Parkins, Montreal, and Creas & Crease, Victoria, B. C.

NOTE—There were also outstanding at Dec. 31 1927 $200,000 notes payable, of which $100,000 6½s Series "B", and $100,000 6½s, Series "C", due Jul 2, 1928.

INCOME ACCOUNT, YEARS ENDED
(Latest Available)

	*Jan. 31, 1927	Mar. 31, 1926	Mar. 31, 1925
Gross earnings	$344,385	$377,809	$322,422
Oper. exp., maint., etc.	91,955	88,369	48,662
Taxes & rentals	11,266	17,042	13,905
Depreciation	34,354	45,000	66,000
Net earnings	$206,810	$227,398	$193,855
Bond interest	132,952	160,660	143,625
Other interest, etc.	12,446	13,460	9,616
Total charges	$145,398	$174,120	$153,241
Net income	61,412	53,278	40,614
Preferred dividends	43,750	52,500	34,625
Surplus for year	$17,662	$778	$5,989
Times Interest Earned	1.46	1.33	1.28
Earnings Per Share—			
Preferred	$8.19	$7.10	$5.41
Common	0.59	.....	.....

*Earnings for 10 months from April 1, 1926, to Jan. 31, 1927.

GENERAL BALANCE SHEET
(Latest Available)

	Jan. 31, 1927	Mar. 31, 1926	Mar. 31, 1925
Assets—			
Property account	$3,762,563	$3,505,236	$3,436,536
Common stock held in trust for employes	24,000	24,000	27,000
Sinking fund cash	49	49	.....
Accounts and notes receiv.	52,313	34,397	31,839
Cash on hand	42,140	99,036	3,581
Inventories	9,951	6,786	.....
Deferred charges	24,366	26,830	25,295
Total	$3,915,382	$3,696,334	$3,524,251
Liabilities—			
Common stock	*$150,000	*$150,000	*$150,000
Preferred stock	750,000	750,000	750,000
Funded debt	2,261,000	2,281,000	2,300,000
Notes payable	410,204	250,000	.....
Bank loans	.....	.....	104,195
Accts. pay & wages accrued	73,728	22,015	35,922
Tax reserve	.....	16,022	5,942
Accrued interest	53,840	83,908	80,581
Other accrued items	9,095	.....	.....
Deferred credit items	16,485	.....	.....
Depreciation reserve	169,354	135,000	90,000
Appropriated surplus	4,014	.....	.....
Profit and loss surplus	17,662	8,389	7,611
Total	$3,915,382	$3,696,334	$3,524,251

*30,000 shares of no par value at nominal value of $5 per share.

Officers: A. J. Nesbitt, Pres.; Jas. B. Woodyatt, V-P.; L. C. Haskell, Sec.; Chas. Johnstone, Treas., Montreal, Que.; V. J. Nixon, Asst. Sec.; A. B. Sanborn, Gen. Mgr.; M. L. Wade, Supt., Fernie, B. C.
Directors: A. J. Nesbitt, Jas. B. Woodyatt, E. R. Parkins, G. W. Scott, P. A. Thomson, W. J. Muir, L. C. Haskell, Montreal, Que.
General Office, Fernie, B. C. **Montreal Office,** 330 Notre Dame Bldg.

THE PORTSMOUTH (VA.) GAS CO.

History and Property—Incorporated in Va. Supplies gas to Portsmouth, Va. Miles of mains, approximately 41. No. of meters, 5,421; industrial meters, 5. No. of ranges, 5,050. No. of heaters, 625. No. of water heaters, 1,750. No. of commercial gas arcs, 5. Annual sales, approximate, 186,745,600 cu. ft. Gas holder capacity, 525,000 cu. ft.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 7% Pfd.; outstanding, $480,000 Common and $120,000 Pfd.
Dividends—Pfd. dividends regularly paid. Common dividends at rate of 6% per annum.

FUNDED DEBT

$42,000 5s; DUE 1928

Officers: B. B. Ferguson, Pres. & Gen. Mgr.; C. S. Forse, Sec. & Treas., Portsmouth, Va.
Office, Portsmouth, Va.

TYLER TRACTION COMPANY

History—Incorporated April 10, 1911, in W. Va. Road extends from Sistersville to Middlebourne, W. Va., 11 miles, passing through Pursley, W. Va., all on private right-of-way. Began operations April 1, 1913. Gauge, standard. Rail, T. 75 lbs. Cars—motor, 5; non-motor, 4. Power rented from West Virginia Electric Light & Power Co.

CAPITAL STOCK

Authorized, $200,000 Common and $300,000 7% cumulative Pfd.; outstanding, $200,000 Common and $181,300 Pfd.; par, $100. Transfer Agent: Secretary of Company. Annual meeting, third Tuesday in January.
Dividends—Pfd. dividends have been paid in full to July 1, 1920, leaving 37½% in arrears at Dec. 31, 1926. On Common, none paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925	1924
Gross earnings	$44,636	$47,903	$45,218
Oper. exp. & taxes	32,527	34,392	33,087
Net earnings	$12,109	$13,511	$12,131
Pfd. divd on acct of accruals	12,691	12,691	12,691
Deficit for year	$582	*$820	$560

*Surplus.

Officers: S. G. Pyle, Pres., Gen. Mgr. & Pur. Agt.; W. J. McCoy, V-P.; R. A. Broadwater, Sec; J. J. McKay, Treas., Sistersville, W. Va.
Directors: W. O. Harrington, E. A. Durham, A. C. Jackson, J. J. McKay, Geo. B. Stocking, W. J. McCoy, R. A. Broadwater, Sistersville, W. Va.; Benj. Hardman, C. G. Pyle, Middlebourne, W. Va.
General Office, Sistersville, W. Va.

CAROLINA MOUNTAIN POWER COMPANY

(Controlled by Chimney Rock Mountains, Inc.)

History and Property—Incorporated in N. C., as a subsidiary of the Chimney Rock Mountains, Inc. The lake resulting from the construction of a dam is the central feature of the resort now being developed by that company 25 miles southeast of Asheville, N. C. The Carolina Mountain Power Co. owns in fee all land and water-rights necessary for the entire hydro-electric development. The hydro-electric plant, consisting of approximately 1,500 acres of lake bottom, water-rights, dams, power-house, transmission lines and equipment, has a generating capacity of approximately 5,200 h.p. and cost approximately $1,200,000. A contract has been concluded between Carolina Mountain Power Co. and Blue Ridge Power Co., whereby latter company agrees to operate and maintain the plant at its own expense and to buy sufficient power at a price estimated to produce annually approximately double the interest requirements on the outstanding bonds. The Blue Ridge Power Co. agrees to sell back to the Carolina Mountain Power Co. at its regular wholesale rates, all current so purchased, needed to supply the resort development.

CAPITAL STOCK

Authorized, 25,000 shares Common of no par value and $300,000 7% cumulative Pfd. stock; outstanding 25,000 shares Common. Stock control held by Chimney Rock Mountains, Inc. Annual meeting, in June, at Asheville, N. C. No dividends paid to date.

FUNDED DEBT

(1)

$550,000 FIRST MORTGAGE GOLD 6s; DUE JUNE 1, 1955

Dated June 1, 1925.
Interest Payable June and December 1, at Bank of North America and Trust Co., Philadelphia.
Denominations—Coupon, $500 and $1,000; principal may be registered.
Trustee—Bank of North America and Trust Co., Philadelphia.
Provisions of Issue—The mortgage provides, among other things, that additional bonds may be issued

thereunder in an unlimited amount in one or more series in such amounts and bearing such rates of interest and having maturity dates and such other provisions within the limitations of the mortgage as the Board of Directors of the Company may from time to time determine.

These bonds are a part of the 6% series due 1935. Additional bonds of this or of any series subsequently authorized, may be issued only for the purposes and under the restrictions provided in the mortgage, which will include the following: (a) To refund in whole or in part at or before maturity an equal principal amount of bonds of this or other series issued under the mortgage. (b) For not in excess of 70% of the cost or of the fair value whichever is less, of physical plants and properties hereafter acquired by the Company, and of permanent additions, extensions, betterments and improvements made subsequent to the completion of the plant as above described, to the properties of the Company owned upon its organization as well as those to be hereafter acquired, provided that net earnings of the Company, as defined in the mortgage, for twelve consecutive calendar months within the fifteen next preceding calendar months, shall have been not less than twice the annual interest charges on all bonds of this issue then outstanding and those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 102½ and accrued interest.

Sinking Fund—On Nov. 1, 1926 and on May 1 and Nov. 1 of each year thereafter, Co. will pay to the Trustee the sum of $22,000, from which shall be paid the int. on the bonds outstanding, the balance to be used as a sinking fund. The money in the sinking fund shall be used by the Trustee to retire bonds either by purchase in the open market or through call, as will be provided in the mortgage.

Security—Secured by a direct first mortgage upon entire property of company.

Guaranty—Unconditionally guaranteed as to prin cipal and interest by the Chimney Rock Mountain Inc.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%, and agrees to refund Pennsylvan State tax not exceeding 4 mills, or Mass. income ta not exceeding 6% per annum on income derived fro the bonds.

Legal Opinion—Townsend, Elliott & Munson (fo the bankers).

Original Offering—First publicly offered ($550,00 in July, 1925, at 97 and interest by Stroud & Co., Inc Philadelphia, New York and Washington.

(2)

$275,000 GENERAL MORTGAGE NOTES; DUE 1938

Dated March 1, 1928.

No further details available.

GENERAL BALANCE SHEET, NOVEMBER 30, 1926

(Latest Available)

Assets—	
Cost of properties	$1,031,0
Cost of real estate	403,9
Cash	88,7
Accounts receivable	
Sinking fund	5,5
Total	$1,529,2
Liabilities—	
Common stock	$398,3
Funded debt	825,0
Notes payable	290,0
Accounts payable	15,8
Total	$1,529,2

Officers: K. S. Tanner, Pres., Spindale, N. C.; B. F Long, V-P. & Aud., L. B. Morse, Sec., Chimney Roc N. C.; J. H. Thomas, Treas., Forest City, N. C.

Directors: K. S. Tanner, Spindale, N. C.; L. I Morse, Chimney Rock, N. C.; J. H. Thomas, Fore City, N. C.

Office, Asheville, N. C. **P. O. Address**, Lake Lur N. C.

UJIGAWA ELECTRIC POWER COMPANY, LIMITED

(Ujigawa Denki Kabushiki Kaisha)

History, Property, Etc.—Incorporated Oct. 25, 1906, in Japan. Its principal purpose is the production and distribution of electric power and light. Properties consist of three steam power plants, 18 hydro-electric power plants, 60 sub-stations (416,683 k.v.a. capacity) 16 switching stations, 55 transmission lines, 34 distribution lines, and 4 telephone lines, together with the equipment pertaining to these properties and water power licenses constituting the company's franchise and concessions. These properties are all situated in the western part of the main island of Japan.

The total installed generating capacity of the various plants is 120,920 k.w. It controls, through direct ownership of plants or through power purchased under contract from affiliated companies, 137,000 k.w. and including 77,000 k.w. purchased under contract from other than affiliated companies a total of 214,000 k.w. It purchases power from Ibigawa Electric Power Co., Ltd., The Great Consolidated Electric Power Co., Ltd., and Imazu Electric Power Co., Ltd.

Of the company's principal hydro-electric plants, its power station No. 1 at Uji receives water from its intake at Nango, at the outlet of Lake Biwa, through a waterway of 6.8 miles in length, partly tunnel and partly open channel, at a head of 204 feet and has an installed generating capacity of 32,000 k. w. Power station No. 2 at Shizugawa has an installed generating capacity of 28,000 k.w. No. 3 is now planned. No. 4 at O mine has an installed generating capacity of 16,000 k.w. Generators in all plants are three-phase, 60 cycles, throughout, and power is generated for the most part for 11,000 volts.

The steam turbine electric power station at Osaka (Fukuzaki Plant), located on the Shirinashi River, just above its entrance into Osaka Harbor, has an installe capacity of 40,000 k.w. in four generating units. Ma chinery and equipment in this plant, as well as in th Shizugawa plant is of United States manufacture an design.

The territory supplied by company is divided int four districts as follows: The Head Office territor covers an area of 192 sq. miles, including the cities o Osaka and Kobe, with an estimated population of 5 500,000; the Omi Branch covers an area of 713 sq miles in the Shiga Prefecture to the east of Lake Biw with an estimated population of 660,000; The Yamat Branch territory covers an area of 610 sq. miles in th Nara Prefecture southeast of Osaka, with an estimate population of 280,000; and the Kumano Branch terr tory lies between the Yamato territory and the sea covering an area of 278 sq. miles and is a mountainou district.

The transmission lines owned comprise 603 rout miles and 7,604 conductor or circuit miles of hig tension lines, transmitting current at voltages fro 11,000 to 77,000 volts. It owns 2,782 route miles an 29,958 conductor or circuit miles of distribution lines.

In addition to its properties and plants, the Uji gawa Electric Power Company, Limited, has sub stantial holdings in stocks of controlled and affiliate companies, including the Osaka Electric Machiner Works, Ltd., and Osaka Porcelain Company, manu facturing electrical machinery and insulating articles the Nippon Electric Heating Apparatus Manufactur ing Company; the Kawasaki Electric Lamp Works the Osaka Electric Railway Company; (owning an operating interurban electric railway between Osak and Nara); and the following affiliated electric powe

companies: Imazu Generating Company, 26,000 h.p. total generating capacity; Ibigawa Electric Company, 23,000 h.p. total generating capacity.

Sales of electricity in 1926 were over 850,000,000 k.w.h. to 166,284 customers (149,438 lighting and 16,856 power). Electricity in k.w.h. delivered to sub-stations in years ended Sept. 30, amounted to 642,602,120 in 1923, 648,729,761 in 1924, 728,991,984 in 1925 and 851,103,583 in 1926. The system peak load for Dec., 1925, was 143,500 k.w. and for Dec., 1926, 168,190 k.w.

CAPITAL STOCK

Authorized, Yen 92,500,000, consisting of 1,850,000 shares of Yen 50 par value; outstanding, Sept. 30, 1927, Yen 59,774,987, consisting of 977,333 shares of Yen 50 fully paid (Yen 48,866,650) and 872,667 shares of Yen 50, Yen 12.50 paid (Yen 10,908,338). The outstanding capital stock is equivalent at par of exchange to $29,767,877 ($24,335,525 fully paid and $5,432,352 25% paid). Stock whether fully or part paid carries one vote per share. General meetings of stockholders are held in April and Oct. in each year at Osaka, Japan.

Listed—Osaka (Japan) Stock Exchange.

Dividends—The Company has paid dividends on its outstanding capital stock in every year, since 1912, at rates ranging from 5% to 12% per annum on paid-in capital. Since September, 1915, the dividend rate has never been less than 8% per annum, the average dividend rate has been over 9%, and dividends are now being paid on the Company's paid-in capital at the rate of 10% per annum.

FUNDED DEBT

$13,087,000 (CLOSED) FIRST SINKING FUND GOLD 7s; DUE MARCH 15, 1945

Dated March 15, 1925.

Interest Payable March and Sept. 15, in U. S. gold coin at offices of Lee, Higginson & Company (Fiscal Agent) in Boston, New York and Chicago (or at holders' option in London in sterling at $4.8665 to the pound), without deduction for any Japanese taxes.

Denominations—Coupon, $500 and $1,000; not registerable.

Trustee—The Industrial Bank of Japan, Ltd.

Provisions of Issue—Authorized and issued, $14,000,000, of which $913,000 retired by sinking fund. Issued to retire existing funded indebtedness, incurred for additions to company's property and for increasing its working capital.

Callability—Subject to call in whole or in part on any interest date on and after March 15, 1935 and prior to maturity, and in whole at other times during said period, at 100 and accrued interest on 30 days' notice, subject to restrictions in mortgage.

Sinking Fund—A sinking fund is provided, payable quarterly in U. S. gold coin to Lee, Higginson & Company, at the annual rate of at least 2% of the total authorized issue from May 1, 1925 to February 1, 1930, inclusive; 4% May 1, 1930 to February 1, 1940 inclusive; and at least 5% annually from May 1, 1940 to February 1, 1945, inclusive. The sinking fund is to be used to purchase bonds in the open market up to the call price or to call bonds if they are not so obtainable. Bonds so purchased will be cancelled. The sinking fund will be sufficient to retire at least $10,500,000 of these bonds, or at least 75% of the total authorized issue, at or before maturity. The company also has the right, at its option, at any time to make additional payments to the sinking fund.

Security—Secured by a closed first mortgage on fixed property, including all completed power plants, sub-stations, transmission and distribution lines, machinery and equipment now owned by the company, costing over $47,000,000.

The Government of Japan, whose approval is necessary to the transfer or mortgaging of hydro-electric power property in Japan, has consented to the execution of the mortgage securing these bonds.

Tax Provisions—Free from any present or future tax which may be imposed by the Japanese government.

Legal Opinion—Ropes, Gray, Boyden & Perkins, of Boston, and as to Japanese law McIvor, Kauffman, Smith & Yamamoto, of Tokyo.

Original Offering—First publicly offered ($14,000,000) in April, 1925, at 91 and interest, yielding over 7.90%, by Lee, Higginson & Co., Guaranty Company of New York, Harris, Forbes & Co., Stone & Webster, Inc., and Brown Brothers & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	100¾	100	94½
Low	95½	96	90

DEBENTURES

There are also outstanding (as of Sept. 30, 1927) the following issues of Debentures:

Issue	Dated	Due	Amount Outstanding Yen	*Dollars
7th Ser. 6½s.	Apr. 1, 1918	Mar. 31, 1928	5,000,000	2,490,000
13th Ser. 7s.	Sep. 10, 1925	Sep. 10, 1930	8,000,000	3,984,000
14th Ser. 7s.	Dec. 1, 1926	Dec. 1, 1931	5,000,000	2,490,000
15th Ser. 7s.	Apr. 1, 1927	Apr. 1, 1934	10,000,000	4,980,000
16th Ser. 7s.	Aug. 1, 1927	Aug. 1, 1934	5,000,000	2,490,000
Total			33,000,000	16,434,000

*Yen converted to dollars at rate of 1 Yen equals $0.498 (approximate par of exchange.)

INCOME ACCOUNT, YEARS ENDED SEPTEMBER 30

	1926	1925	1924	1923	1922
Gross earnings	$13,966,634	$11,363,433	$9,553,641	$8,424,123	$7,325,895
Operating expenses (incl. depreciation and employees' retiring allowance)	8,436,627	6,462,396	5,598,797	4,590,590	4,217,002
Net earnings	$5,530,007	$4,901,037	$3,954,844	$3,833,533	$3,108,893
Interest charges	2,416,908	1,814,464	850,000	390,577	500,863
Balance	$3,113,099	$3,086,573	$3,104,844	$3,442,956	$2,608,030

NOTE—Yen converted to dollars at rate of 1 yen=$0.498 (approximate par of exchange.)

GENERAL BALANCE SHEET, MARCH 31

Assets—	1926	1925
Land, plants, prop,, equip., etc.	$54,599,783	$49,936,015
Construction accounts	4,156,551	2,850,413
Expenses in connection with proposed construction	46,461	51,431
Research expenses	50,349	48,855
Securities deposited by contractors (per contra)	1,843	3,337
Investments	6,061,602	4,798,480
Loans	1,412,836	1,284,088
Cash	744,196	783,809
Sundry debtors	1,390,411	1,026,633
Stores and materials at cost	576,961	654,091
Discount & prepaid expenses	638,495	337,189
Total	$69,679,488	$61,774,341

Liabilities—	1926	1925
Capital stock (fully paid)	$20,600,592	$20,600,592
Capital stock (part paid)	5,432,352	5,432,352
First Mtge. bonds	13,684,261	.....
Debentures	11,703,000	25,149,000
Loans & bills payable	12,997,800	5,004,900
Sundry creditors	1,229,832	1,923,296
Officials' & employees' retirement fund	44,437	14,039
Contractors for securities deposited (per contra)	2,216	3,337
Sales in suspense	28,650	18,659
Legal reserve	1,484,740	1,327,371
Special reserve	356,319	198,951
Profit and loss	2,115,289	2,101,844
Total	$69,679,488	$61,774,341

NOTE—Yen converted to dollars at rate of 1 yen=$0.498 (approximate par of exchange.)

INCOME ACCOUNT, YEAR ENDED SEPTEMBER 30, 1927
(In Yen)

Gross income	30,760,927
Operating expense & taxes	6,525,523
Interest	5,659,018
Power purchased	10,080,573
Compesation	799,327
Profit for year	7,696,486
Less depreciation	730,000
Net profit	6,966,486
Profit and loss balance brought forward	847,050
Total	7,813,536
Disposed of as follows:	
Legal reserve	349,000
Special reserve	349,000
Allowance for retirement of officials & employees	130,000
Bonuses for officials	319,000
Dividends paid	5,726,125
Amount carried forward	940,411

GENERAL BALANCE SHEET, SEPTEMBER 30, 1927
(In Yen)

Assets—	
Uncalled capital	32,725,013
Power plants, transmission lines, sub-stations, railway, etc.	141,388,025
Stores and materials	1,051,175
Accounts receivable	1,512,762
Discount on debentures	1,423,475
Construction accounts	16,404,073
Branch accounts	298,729
Suspense payments	3,152,856
Bond and shares	9,726,994
Cash in bank and on hand	2,938,491
Total	210,621,593
Liabilities—	
Authorized capital	92,500,000
Debentures	59,613,842
Legal reserves	3,724,977
Special reserves	1,220,500
Officials & employees retirement fund	139,663
Deposits	134,176
Suspense receipts	6,328,769
Unclaimed dividends	46,588
Interest on debentures	799,747
Loans	16,520,171
Bills payable	24,700,000
Amount brought forward	885,804
Profits for the half year	4,007,356
Total	210,621,593

Officers: Yasushige Hayashi, Pres.; Kunijiro Kishi, Sec. & Treas.; K. Yamazaki, Gen. Mgr.

Directors: Yasushige Hayashi, Senzaburo Kageyama, Senso Nagai, Wadachi Kobayashi, Kunijiro Kishi, Osaka, Japan; Matazo Asami, Nagahama, Japan; Jun Noguchi, Hiroshima, Japan; Zempei Maekawa, Hikone, Japan; Gisaku Takigawa, Kobe; Japan.

General Office, Osaka, Japan.

VERA CRUZ ELECTRIC LIGHT, POWER AND TRACTION, LIMITED

(Controlled by Whitehall Electric Investments, Ltd.)

History and Property—Registered in Great Britain, July 28, 1906, under the Company's Acts 1862-1900, and acquired the business of the Lighting Co. of Vera Cruz (a Mexican Co.). In 1907, purchased the city tramway system then carried on with mule traction. Lighting franchises extend to 2007, and tramway franchises to 1999. Company holds from the Federal Govt. concessions for the utilization of the waters of the rivers Antigua and Actopam, in the State of Vera Cruz. These water rights are distant about 31 and 40 miles respectively, from the City of Vera Cruz, and become perpetual when developed in accordance with the terms of the concessions. The Company at present receives its power under contract from the Puebla Tramway, Light & Power Co. Property consists of electric tramway system, power house and plant, transmission lines, etc. Has 20-year contract from Jan. 1, 1908, from municipality of Vera Cruz for public lighting of the city.

CAPITAL STOCK

Authorized and outstanding, £350,000; par, £ The Whitehall Electric Investments, Ltd. owns £21 632 of the stock. Listed on London Stock Exchang Annual meeting, in May.

Price Range—

	1927	1926	1925	1924	1923	1922	192
High	7s. 6d.	7s. 6d.	10s. 0d.	13s. 1½d.	22s. 0d.	25s. 0d.	20s.
Low	3s. 9d.	5s. 7½d.	5s. 7½d.	7s. 6d.	15s. 3d.	19s. 9d.	15s.

Dividends—In 1911, 2%; in 1912, 2½%; 1913 1916, none; 1917 and 1918, 7½%, 1919 and 1920, 10 each; 1921, 10% and bonus of 2½%; 1922, 7½%; nor since.

FUNDED DEBT

£197,980 First Mortgage Debentures; dated Marc 11, 1910; due Jan. 1, 1960; interest payable Ja and July 1, at Anglo-South American Bank, Ltd London, Eng. Coupon £20 and £100. Trustee Sir Maurice Bonham Carter and Sir Clarendon Hyde. Authorized, £300,000; issued, £250,000, which £52,020 redeemed and cancelled. Subject t call at any time at par, on six months' notice, or b means of a sinking fund, begun in 1916, to be applie in purchasing bonds at or below par or in drawing at par. A first specific charge on concessions, land immovable property, etc., and a floating charge on re maining property. Listed on London Stock Exchang

Price Range—

	1927	1926	1925	1924	1923	1922	1921	192
High	70	70	65	70	81	82	71	72
Low	53½	64½	50	63	65	66¾	58	58

PROFIT AND LOSS ACCOUNT, YEARS ENDED DEC. 31
(Latest Furnished)

	1925	1924	1923
Profits in Mexico	£24,542	£874	£17,79
Other income	204	780	85
Total income	£24,746	£1,654	£18,64
Expenses and taxes	8,056	7,029	2,87
Net income	£16,689	†£5,375	£15,76
Debenture interest	15,000	15,000	15,00
Loss on exchange	767	547	2
Surplus for dividends, etc.	£922	†£20,922	£74

†Deficit.

GENERAL BALANCE SHEET, DEC. 31
(Latest Furnished)

Assets—	1925	1924	1923
Property account	£639,539	£678,966	£680,40
Furniture, fixt. etc. (less depreciation)	2,016	1,581	1,64
Debtors, debit balances and deposits (less reserves)	23,762	11,709	16,80
Stores on hand	27,153	30,442	25,44
Securities at cost	.....	.....	15,42
Cash	7,711	8,272	13,74
Profit and loss deficit	18,815	19,736	.....
Total	£718,997	£750,706	£753,47
Liabilities—			
Capital stock	£350,000	£350,000	£350,00
First Mortgage Debentures	197,980	206,240	212,84
Depre. & gen. reserve acct.	100,000	100,000	100,00
Interest accrued	3,960	3,996	4,12
Creditors and credit bals.	67,058	58,758	58,13
Sinking fund	.....	31,712	27,18
Profit and loss	.....	.....	1,18
Total	£718,997	£750,706	£753,47

Officer: J. S. Evernden, Sec., London, Eng.

Directors: Vincent W. Yorke, Chairman; Major The Hon. W. H. M. Pearson, Lt. Col. The Hon. A. B. Bathurst, W. E. Wells, A. E. Worswick, Managing Director, London, Eng.

General Office, 47 Parliament St., London, S. W.

THE EASTERN GAS & ELECTRIC SECURITIES CORPORATION

History—Incorporated in 1926 in Connecticut, to acquire and own the entire Common stocks, of The Rockville-Willimantic Lighting Company and the Fulton Light, Heat & Power Company (see statements

ppended). The combined companies supply electricity to a population of about 76,000 and gas to about 0,000.

CAPITAL STOCK

Outstanding, 25,760 shares Common and 6,000 shares umulative $7 Pfd., both of no par value. The authorzed amount of Pfd. stock is 20,000 shares.

Preferred Stock Provisions—The Pfd. shares are releemable on any dividend date on 30 days' notice at 07 and accrued dividend until Feb. 1, 1932 and thereafter at one dollar more per share for each year or raction thereof until a price of $110 and accrued dividend is reached, which figure shall stand as the maximum redemption price. The Pfd. stock is without oting power except that, immediately upon default f any dividend, voting power will accrue and will ontinue until all past due dividends have been paid.

Registrar—The Merchants' National Bank, New Haven, Conn.

Original Offering—3,000 shares Pfd. were publicly ffered in Feb. 1926, at $100 and accrued dividend per hare, yielding 7%, by Hincks Bros & Co., Bridgeport, New Haven, etc.

Dividends—Pfd. dividends are payable quarterly, ?, M. A & N 1.

FUNDED DEBT

1,000,000 COLLATERAL TRUST 6% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1947

Dated February 1, 1927.

Interest Payable February and August 1, at The Merchants' National Bank, New Haven, Conn.

Denominations—Coupon, $500 and $1,000.

Trustee—The Merchants' National Bank, New Haven, Conn.

Provisions of Issue—Issued, $1,000,000 Series "A" s. In order to allowed for growth of the Company nd the acquisition of other public utility properties n the future, it is provided in the indenture securing these Series "A" bonds that additional bonds of not more than $1,000,000 may be issued under proper restrictions as set forth in the indenture.

Callability—Subject to call on 60 days' notice at 105 and accrued interest.

Security—Secured by voting trust certificates of the entire Common stocks of The Rockville-Willimantic Lighting Co. and the Fulton Light, Heat & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut 4 mill Personal Property tax refunded upon timely application.

Original Offering—First publicly offered ($400,000 Series "A" 6s) in Feb. 1927, at 100 and interest, to yield 6%, by Hincks Bros & Co., Bridgeport, New Haven, etc.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31
(Operating Companies)
(Latest Available)
(Accounts Audited by Ernst & Ernst)

	1926	1925	1924
Gross operating revenue...	$842,030	$783,466	$734,988
Operating expenses	$523,870	495,512	477,384
Operating income	$318,160	$287,954	$257,604
Other income	3,525	3,155	1,758
Total income	$321,685	$291,109	$259,362
Interest, taxes, depreciation & other prior charges ...	163,659	151,812	146,594
Balance available for Common stock deposited	$158,026	$139,297	$112,768

Officers: Milton J. Warner, Pres.; Howard M. Whiting Sec. & Treas., Pine Orchard, Conn.

Directors: Milton J. Warner, Howard M. Whiting, Pine Orchard, Conn.; John M. Hincks, New Haven, Conn.; John F. Ahern, Willmantic, Conn.; Ray W. Porter, Fulton, N. Y.

General Office, Pine Orchard, Conn.

FULTON LIGHT, HEAT AND POWER COMPANY

(Controlled by The Eastern Gas & Electric Securities Corp.)

History and Property—Incorporated March 14, 1902 n N. Y.; successor to the Fulton Electric Light & ower Co. Has contract for street lighting. Number f meters, 3,400.

CAPITAL STOCK

Authorized, 18,000 shares Common of no par value, 150,000 7% cumulative Pfd. Class "A," and $150,000 % cumulative Class "B", par $100; outstanding Dec. 1, 1927, 18,000 shares Common, $150,000 7% Pfd. lass "A" and $25,000 7% Pfd. Class "B." In addition o the $25,000 Class "B" Pfd. outstanding, there are ubscriptions of $1,200 unpaid on this stock. The enire Common stock is owned by The Eastern Gas & lectric Securities Corp.

Annual Meeting—In September.

Dividends—Payments of 7% were made on Pfd. in 913 and 45% on Common. In 1914, two quarterly dividends at rate of 6% per annum and two at rate of % per annum were paid on both Pfd. and Common uring the year; 7% on each class of stock in 1915, 916, 1917, 1918 and 1919; in 1920, two quarterly lividends at rate of 7% and two at rate of 8% were aid on both Pfd. and Common; in 1921, 8% on oth classes; in 1922, 7% on Pfd. and 10% on Comnon; in 1923, 7% on Pfd. and 10% on Common; in 924, 7% on Pfd. and 10% on Common; in 1925, 7% n Pfd. "A," 7% on Pfd. "B," and 10% on Common; n 1926 and 1927, 7% on both classes of Pfd.; in 1926, 2½% on Common. Payments, quarterly on all lasses, J, A, J & O 1.

FUNDED DEBT

$367,000 First Gold 5s; dated April 1, 1902; due April 1, 1932; int. April and Oct. 1, at New York Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Authorized, $500,000. Further issuance of bonds is restricted to 75% of the cost of additions, extensions or improvements, and then only when net earnings are at least twice total bond interest charges, including bonds about to be issued. Sinking fund, $3,000 per annum, began April 1, 1912. At Dec. 31, 1926, $66,000 bonds were held alive in sinking fund, leaving $301,000 in hands of the public on that date. A first lien on entire property rights and franchises now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$294,947	$281,875	$246,844
Oper. expenses & taxes....	231,378	204,541	170,627
Net earnings	$63,569	$77,334	$76,217
Other income	899	4,041	3,707
Total income	$64,468	$81,375	$79,923
Interest charges	14,944	15,334	12,693
Debt disc. & exp. amort...	2,501	2,937	2,131
Sinking fund appropriation.	.....	3,131	2,833
Miscel. amortization chargeable to income	1,000	3,000	3,000
Total charges	$18,445	$24,402	$20,657
Net income	46,024	56,973	59,266
Additional sinking fund appropriation	.....	3,075	3,091
Dividends	41,331	34,509	27,181
Res. for State & Fed. taxes	.....	9,136	7,597
Surplus for year	$4,693	$10,252	$21,397

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$875,917	$799,436	$732,462
Cash	7,000	9,157	2,648
Notes receivable	1,255	6,755	6,755
Accounts receivable	64,174	49,928	37,635
Interest & divds. receivable	.....	200	5
Materials and supplies	43,918	28,046	22,658
Prepayments	8,387	9,493	10,251
Other current assets	1,019	.....	.....
Subscribers to capital stock	.....	1,723	7,253
Miscellaneous investments.	.....	11,634	10,000
Deferred debit items	12,214	.....	.....
Sinking fund	74,737	68,291	62,107
Special deposits	12,919	952	1,951
Suspense	.....	16,653	18,538
Misc. intangible capital	.....	13,000	16,000
Total	$1,101,540	$1,015,268	$928,263

Liabilities—	1927	1926	192
Common stock	$223,600	$180,000	$175,0
Preferred stock	175,000	175,900	176,0
Stock subscribed	1,200	.....	.....
Funded debt	367,000	367,000	367,0
Accounts payable	9,954	11,003	14,5
Notes payable	57,316	50,000	4,0
Consumers' deposits	6,772	6,086	5,0
Taxes and interest accrued	12,557	14,157	10,2
Unadjusted credits	26	.....	.....
Reserves	182,428	160,030	135,2
Sinking fund appropriation	.....	3,075	3,0
Surplus	65,687	48,017	36,4
Total	$1,101,540	$1,015,268	$928,2

Officers: S. J. Gilles, Pres., Fulton, N. Y.; M. J. Warner, V-P., Pine Orchard, Conn.; John T. Sullivan, Sec. & Treas., Fulton, N. Y.; H. M. Whiting, Asst. Sec. & Asst. Treas., Pine Orchard, Conn.; W. L. Bradley, Aud., Syracuse, N. Y.; R. W. Porter, Gen. Mgr., Supt. & Pur. Agt., Fulton, N. Y.

Executive Committee: M. J. Warner, H. M. Whiting, Percy De Forest, Warner.

Directors: M. J. Warner, H. M. Whiting, Pi Orchard, Conn.; Geo. M. Fanning, Wade E. Gay S. J. Gilles, V. C. Lewis, Fulton, N. Y.; Percy I Forest Warner, Waterbury, Conn.

General Office, Fulton, N. Y.

ROCKVILLE-WILLIMANTIC LIGHTING COMPANY

(Controlled by The Eastern Gas & Electric Securities Corp.)

History and Properties—Incorporated July 1, 1909, in Conn., merger of the Rockville Gas & Electric Co. and Willimantic Gas & Electric Co. Franchises perpetual and exclusive. Population served, 39,619. Supplies gas, electric light and power in the cities of Rockville and Willimantic, Conn., and in addition supplies electric light and power in the counties of Windham and Tolland, Conn.; serving Stafford Springs, Ellington, Windermere, Crystal Lake, South Coventry, South Willington, Mansfield, South Windham, Storrs, Columbia, Andover, Lebanon and Franklin.

The company's property includes electric generating plants at Rockville and Willimantic (now used for reserve purposes only), distributing systems and electric sub-stations at Rockville, Willimantic, Stafford Springs, Eagleville, and Crystal Lake, about 7 miles of 66,000 volt steel tower high tension line, approximately 40 miles of 23,000 volt high tension transmission line approximately 75 miles of 2,300 volt distributing line, 43 miles secondary voltage line, 84 miles arc circuits, gas generating plants and mains at Rockville and Willimantic, and also a hydro-electric generating plant at Stafford Springs. All the current used by the company, except that generated at its hydro-electric plant at Stafford Springs, is purchased under a favorable contract from the New England Power Co. of Mass.

Announcement was made January 7, 1928 that Company had made arrangements with owners of the old Quidnick-Windham Mfg. Co. to take over its entire property including two mills, equipment and valuable water rights at Willimantic and in Bolton.

CAPITAL STOCK

Authorized, 31,680 shares of Common of no par value, $425,000 6-7% cumulative Pfd., $100,000 7% Pfd. Series "A" and $100,000 7% Pfd. Series "B"; outstanding, 27,180 shares Common, $350,000 6-7% Pfd., $100,000 7% Pfd., Series "A" and $100,000 7% Pfd., Series "B"; par of Pfd., $100. The entire Common stock is owned by The Eastern Gas & Electric Securities Corp. During Sept., 1927, authorized Common was changed from $1,145,000, par $100, and outstanding par $100 shares exchanged for no par shares on the basis of 6 no par shares for one old share. During May, 1927, 1,500 shares of par $100 stock were sold at par and in Sept., 1927, 1,500 shares no par stock sold at $16.67 a share.

Preferred Stock Provisions—Pfd. is limited to dividends of 6% until Common shall have paid 6% for two years, after which both share equally up to 7%. The 6-7% Pfd. and Common stocks have equal voting rights. 7% Pfd. and 6% Pfd. have no voting righ except in event of default in dividends for 1 year.

Annual Meeting—First Monday in April.

Dividends—Dividends on 6-7% Pfd. of 1½% qua terly Jan. 1, were paid from Oct. 1, 1909 through 191 5% in 1918; 7% in 1919; 6% in 1920 and 1921; 7 in 1922 to 1927, incl. Dividends of 7% paid in full 1922, 1923, 1924, 1925, 1926 and 1927. Dividends 3% paid on Common in 1919; 4% in 1920; 4% in 192 8% and 5% extra in 1922; 8% and 4% extra in 192 1924, 10% and 2½% extra; 1925, 10% and 2% extra 1926, 10% and 2% extra; 1927, 2½% on par $1 stock. On stock of no par value initial quarterly div dend of 62½ cents per share paid June 30, 192 Sept. 30, 1927, 62½ cents; Dec. 31, 1927, $1 per shar

FUNDED DEBT

(1)

$300,000 (ENTIRE ISSUE) ROCKVILLE GAS & ELECTRIC C FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1936

Dated May 1, 1906.

Interest Payable May and November 1, Equitable Trust Co., New York, Trustee. Subject t call at 107½ on any interest date.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

(2)

$700,000 ($250,000 SERIES "B" 6s, $175,000 SERIES "C" 6s AN $275,000 SERIES "D" 5s) THE ROCKVILLE-WILLIMANTI LIGHTING CO. FIRST REFUNDING MORTGAGE GOL BONDS; DUE DECEMBER 1, 1971

Dated December 1, 1921.

Interest Payable June and December 1, at Th Union & New Haven Trust Co., New Haven, Conn

Denominations—Coupon, $500 and $1,000; princi pal may be registered.

Trustee—The Union & New Haven Trust Co New Haven, Conn.

Provisions of Issue—Authorized, $1,250,000; issue and outstanding, $700,000 ($250,000 Series "B" 6s $175,000 Series "C" 6s and $275,000 Series "D" 5s) The proceeds from the sale of some of these bond were used to retire $550,000 of bonds and debenture which matured Jan. 1, 1923; to pay off the floating debt of the company of approximately $100,000 in curred in connection with additions and betterment to the plant, and provide for future additions and bet terments to the property of the company. During 1927, $275,000 Series "D" bonds were issued and pro ceeds used to retire Series "A" 7s outstanding.

Later series of these bonds will bear the same date and maturity as those of this issue, and wil

ave the same security, but may be issued under ich terms as to interest rate, calling clause, and her conditions as may be determined by the Board Directors.

Callability—Series "B" and "C" bonds are subject call as a whole or in part on and after Dec. 1, 1932, any interest date at 105.

Security—These bonds are secured by a first mortage upon all the property, subject to the $300,000 First Mortgage 5% bonds of the Rockville Gas Electric Co., maturing on May 1, 1936, which ortgage covers only that portion of the property situated in and adjacent to the towns of Rockville and Stafford Springs, Conn.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Connecticut State Tax if held by residents of Connecticut.

Legal Opinion—Alling, Webb & Morehouse.

Series "A" Bond Redemption.—All the $250,000 The Rockville-Willimantic Lighting Co. First Refunding Mortgage Gold bonds, Series "A" 7s, due December 1, 1971 were called for redemption on December 1, 1927 at 105 and interest at Union & New Haven Trust Co., New Haven, Conn.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
perating revenue	$604,939	$560,731	$536,995	$497,319	$453,906	$414,686
perating expenses and taxes	434,501	377,015	373,803	351,928	314,859	290,704
Net operating revenue	$170,438	$183,716	$163,192	$145,391	$139,047	$123,982
ther income	30	22	30	145	4,585	5,475
Total income	$170,468	$183,738	$163,222	$145,536	$143,632	$129,457
terest, etc.	61,305	61,403	59,434	61,385	59,209	60,472
Balance for dividends	$109,163	$122,335	$103,788	$84,151	$84,423	$68,985
ividends paid	104,727	71,596	70,271	60,046	55,885	57,661
Surplus for year	$4,436	$50,739	$33,517	$24,105	$28,537	$11,324
mes Fixed Charges Earned	2.78	2.99	2.75	2.37	2.43	2.19

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
ixed capital	$2,064,456	$1,961,612	$1,882,018	$1,707,967	$1,654,866	$1,592,251
iscellaneous investments	5,450	5,450	450	650	650	1,150
ccounts receivable	109,665	82,271	72,894	68,437	53,168	48,782
aterials and supplies	66,558	55,401	66,132	51,553	49,266	44,188
sh	23,900	18,801	18,688	4,243	3,134	4,919
ther current assets, prepayments, etc.	14,012	6,869	14,678	10,521	21,580	21,744
eferred debit items	50,664	35,772	10,680	105,014	1,709	5,300
namortized debt discount & expense	49,030	34,267	35,028	35,790	36,551	37,313
ecial deposits	24,053	6,892	6,452	45,467	.....	.....
Total	$2,407,788	$2,207,335	$2,107,020	$2,029,642	$1,820,924	$1,755,647
Liabilities—						
pital stock	$1,003,005	*$828,110	$828,520	$736,800	$642,200	$617,100
emium on capital stock	4,570	4,460	4,040	.....	.....	.....
nded debt	1,000,000	975,000	975,000	975,000	975,000	975,000
otes payable	40,000	85,000	25,000	25,000	.....	.....
ccounts payable	49,951	36,218	41,770	51,038	39,962	25,997
axes accrued	11,611	10,634	10,140	9,744	9,528	8,828
ther current & accrued liabilities	29,442	11,753	10,952	49,640	18,360	31,862
terest accrued	6,691	6,062	6,083	6,083	6,083	6,083
ntributions for extensions	3,020	3,020	186	111	.....	.....
tirement reserve	128,507	117,760	101,764	92,750	76,421	46,009
iscellaneous reserves	1,736	515	4,289	6,809	2,578	.....
iscellaneous unadjusted credits	13,024	10,246	9,581	8,120	.....	.....
rplus	116,231	118,557	89,695	68,547	50,792	44,767
Total	$2,407,788	$2,207,335	$2,107,020	$2,029,642	$1,820,924	$1,755,647

*Includes $2,410 Capital stock subscribed.

Officers: P. B. Leonard, Pres., Willimantic, Conn.; Wm. Park, V-P., Stafford, Conn.; J. M. Hincks, V-P., New Haven, Conn.; M. J. Warner, Sec., Treas. & Gen. Mgr.; H. M. Whiting, Asst. Sec., Pine Orchard, Conn.; F. Ahern, Asst. Treas., Willimantic, Conn.

Directors: P. B. Leonard, T. F. Rady, Rockville Conn.; M. J. Warner, H. M. Whiting, Pine Orchard, Conn.; John Hinks, New Haven, Conn.; William Park, Stafford, Conn.; A. I. Mitchell, Benj. Cooley, Stafford Springs, Conn.; A. J. Campbell, Waterbury, Conn.; W. A. King, Willimantic, Conn.; L. A. Farnum, New York.

Office, Willimantic, Conn.

UNION TRACTION COMPANY OF INDIANA

History—Incorporated May 13, 1912, in Ind.; consolidation of a company of same name (incorporated May 28, 1903) and the Indiana Union Traction Co. (see Manual for 1912, pages 1815 to 1817). The properties of the old Union Traction Co. of Indiana were formerly leased to the Indiana Union Traction Co. In the consolidation, holders of Indiana Union Traction Co. stock received $40 in new Common stock for each 100 share held; holders of Pfd. stock of old Union Traction Co. received $100 in new First Pfd. for each 100 share held, and holders of Common stock, $40 in New Second Pfd. and $40 in new Common for each 100 share held. Operates under 999-year lease from Oct. 25, 1912, the Indianapolis New Castle & Eastern Traction Co., (see statement appended), the lease covering the interurban line from Indianapolis to Newcastle and an extension from New Castle to Muncie, put in operation Aug. 31, 1913. Also owns all the $100,000 outstanding First Mortgage 15-year 6% bonds due April 1, 1928, and the outstanding $50,000 capital stock of the **Traction, Light & Power Co.,** incorporated in 1912, in Ind., to generate and sell electric current. This latter Company now serves 50 towns and villages. In 1917 the Union Traction Co. of Indiana joined with the Indianapolis Traction & Terminal Co., the Terre Haute, Indianapolis & Eastern Traction Co. and the Fort Wayne & Northern Indiana Traction Co. in the organization of the **Shirley Realty Co.,** which purchased an operating coal mine in Sullivan County, Ind. The purchase was financed through the sale of the Pfd. capital stock of the Shirley Realty Co., amounting at par to $265,000. The entire

Common capital stock of the company, amounting at par to $135,000, is held equally by the four traction companies mentioned, which are entitled to take the output of the mine in equal proportions.

The Union Traction Co. of Indiana owns the entire Common stock of the Muncie, Hartford & Fort Wayne Ry., and leases its lines (formerly leased by Indiana Union Traction Co.) under lease dated June 27, 1906, and expiring in 999 years (see statement appended).

On June 30, 1916, an indenture of lease was executed between The Muncie & Portland Traction Co., Indianapolis, New Castle & Eastern Traction Co. and Union Traction Co. of Indiana whereby the interurban line of the first-named company, extending from Muncie to Portland, 32 miles, became a part of the property operated by Union Traction Co. of Indiana under the lease from the Indianapolis, New Castle & Eastern Traction Co. dated Oct. 25, 1912, and modified Aug. 21, 1914 and June 30, 1916 (see statement appended).

Leased Lines—While operation of the lines owned by The Munice, Hartford & Fort Wayne Ry. Co., Indianapolis, New Castle & Eastern Traction Co. and The Muncie & Portland Traction Co. have been continued by the Receiver, the leases of those lines held by the Union Traction Co. of Indiana have not been adopted or affirmed by the Receiver, such operation being only for the convenience of all persons in interest.

Bus Operations—Busses were operated by the Receiver during 1927 between Indianapolis and Peru, Indianapolis and Muncie, Indianapolis and Sheridan via Noblesville, and Anderson and Marion, in the cities of Anderson and Muncie, and at Fort Benjamin Harrison. All these operations except at Fort Benjamin Harrison, were under certificates of public convenience and necessity granted by the Public Service Commission of Indiana. At Muncie the busses of the Receiver run in sharp competition with busses operated without the necessary State authority, and proceedings to restrain such illegal operation are pending in the courts. Gross revenues from bus operation in 1927 were $131,724 and operation expenses, taxes, interest and amortization charges were $305,559, making a deficit resulting from bus operation of $173,835, which includes $96,619 for depreciation and amortization.

Broad River Traction Company Bonds—Through the sale of Broad Ripple Park and Bathing Beach by the Trustee in Bankruptcy of Broad Ripple Park, Inc. and the consequent payment of the balance of the purchase price stipulated in the contract executed in 1922 whereby the bankrupt purchased the property, there became available certain funds for application to the purchase of Broad Ripple Traction Company bonds. The total issue of these bonds, dated Aug. 1, 1899, and due July 1, 1933, is $400,000, of which $200,000 was the obligation of the Union Traction Co. of Indiana through assumption in connection with acquisition of the Broad Ripple line in 1903. Additional funds became available for the same purpose from the sale of two lots in Broad Ripple. Through assumption by the Indianapolis Street Railway Co. of $85,000 of these bonds, and the purchase of $103,000 face value of bonds out of the funds referred to, the amount not provided for of the $200,000 of bonds which were the obligation of the Union Traction Co. of Indiana, was reduced Dec. 31, 1926 to $12,000, which have since been retired in 1927. $6,000 additional bonds of the issue were purchased out of the proceeds of the property referred to. The interest on the purchased bonds was paid to the Receiver. Unexpired proceeds remain in the hands of the Trustee for application to the purchase of additional bonds.

Terminal Realty Corp.—Agreements were concluded between Union Traction Co. of Indiana, Terre Haute, Indianapolis & Eastern Traction Co., Interstate Public Service Co., Indianapolis & Cincinnati Traction Co. and Indianapolis Street Ry. Co., and the organization under the laws of Indiana of the Terminal Realty Corp. effected for the establishment of joint interurban freight terminal at Indianapolis o about eleven acres of land acquired for the purpos This terminal has been in use since June 1, 1924. Th authorized capitalization of the Corporation is $1 500,000 of 6% Pfd. stock and $750,000 of Commo stock. All the Common stock of the Corporation owned by the four interurban companies, the Unio Traction Co. of Indiana owning one-third, and $900 000 of the Pfd. stock was sold to meet the cost of th ground and of the improvements now planned, lea ing $600,000 of Pfd. stock unissued but available ur der proper reservations and safeguards for furthe additions and betterments.

Mileage and Equipment, Dec. 31, 1927—Owne Muncie-Anderson-Indianapolis line, 56½ miles; Ar derson-Marion-Wabash line, 53½ miles; Alexandri Elwood-Tipton line, 20 miles; Indianapolis-Kokomo Logansport line, 80 miles; Kokomo to Peru, 19½ miles; Muncie to Union City, 33 miles; Anderson t Middletown, 9½ miles; Anderson City lines, 10 miles Marion City lines, 14½ miles; Muncie City lines, 12½ miles—total, 309 miles. Leased: Muncie-Hartfor City-Bluffton line, 42 miles; Indianapolis to Ne Castle, 44½ miles; New Castle to Muncie, 18 miles Muncie to Portland, 32 miles—total 136½ miles. To tal mileage, 445½ miles. Gauge, standard. Power sta tions at Anderson, Eaton, Winchester and New Castle 20 sub-stations equipped with storage batteries. Com pany has a contract with Indianapolis St. Ry. Co for operation of its cars over latter's tracks in Indian apolis, which expires in Nov., 1933. Cars: 95 city; 5 suburban; 93 interurban; 55 freight; 89 service—tota cars, 360. Owns parks at Indianapolis, Anderson, Mun cie and Eaton. Furnishes light and power to Pendle ton, Middletown, Summitville, Bunker Hill, Selma, At lanta, Carmel, Walton, Yorktown, Daleville, Fortville Kennard, La Fontaine, Lawrence, Hunter's, McCord ville, Oaklandon, Parker, Sharpesville, Shirley and oth er towns.

Receivership—The manifest inability of the Com pany to meet its Jan. 1, 1925, interest and rental pay ments resulted in a suit by the Westinghouse Electri & Manufacturing Co. in the Madison Circuit Court o the State of Indiana, wherein Arthur W. Brady wa appointed Receiver of the Company on Dec. 31, 1924 The operations of the Company's lines are now being conducted by the Receiver.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Passengers Carried	Tons Freight Handled	Tons Expr. Handled	Car Mileage	Pwr. Generate K.W.H.
1918 ..	16,597,199	110,613	8,821	7,782,401	70,880,73
1919 ..	17,484,198	113,039	10,469	7,813,419	68,453,83
1920 ..	17,242,676	118,317	10,120	7,855,644	74,890,66
1921 ..	14,679,548	151,289	8,040	7,871,052	66,552,28
1922 ..	16,620,917	169,435	11,004	8,330,112	65,856,62
1923 ..	16,659,343	183,485	12,565	8,598,088	69,582,13
1924 ..	14,405,496	211,172	11,713	8,458,959	70,172,01
1925 ..	12,167,251	193,895	10,860	8,530,824	70,218,00
1926 ..	11,800,810	268,644	10,976	8,515,917	72,969,19
1927 ..	13,098,900	210,835	10,982	8,452,329	73,870,67

CAPITAL STOCK

Authorized and outstanding, $5,000,000 Common $1,000,000 5% cumulative First Pfd. and $3,000,00 6% cumulative Second Pfd.; par, $100. Transfer office, Anderson, Ind.

Annual Meeting—First Tuesday in March.

Dividends—Second Pfd. is entitled to dividends at rate of 6% per annum, such dividends to be cumulative at the following rates: Jan. and July, 1913, 1% each; Jan. and July, 1914 and 1915, 1½% each; Jan and July, 1916, and Jan., 1917, 2% each; July, 1917 and Jan., 1918, 2½% each; July, 1918, and thereafter at rate of 3% semi-annually. First Pfd. dividends are payable April and Oct. 1; Second Pfd. dividends Jan and July 10. Initial dividend on First Pfd. paid Oct. 1, 1912; 2½% each paid April and Oct., 1913, and April, 1914; none since. No dividends have been declared or paid on the Second Pfd. or Common stocks.

FUNDED DEBT

(1)

$28,000 MARION CITY RAILWAY CO. FIRST GOLD 6s; DUE (EXTENDED DATE) MAY 1, 1929

Dated May 1, 1895.

Interest Payable May and November 1, at Equitable Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $400,000; mortgage closed. A first lien on property of former Marion City Ry. Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$36,000 CITIZENS' STREET RY. CO. (MUNCIE) FIRST GOLD 6s; DUE DECEMBER 1, 1927 (NOT PAID)

Dated December 1, 1897.

Default—Principal due Dec. 1, 1927 is in default.

Interest Payable June and December 1, at Guarantee Trust & Safe Deposit Co., Philadelphia, Trustee. Coupon, $500 and $1,000; principal may be registered. Original issue, $250,000. Subject to call for sinking fund at 105. A first lien on property of former Citizen's Street Ry. Co. (Muncie). Company does not pay Normal Federal Income Tax.

(3)

$1,000,000 INDIANAPOLIS NORTHERN TRACTION CO. FIRST GOLD 5s; DUE JULY 1, 1932

Dated July 1, 1902.

Interest Payable January and July 1. Coupon, $1,000; principal may be registered. Union Trust Co., Indianapolis, Ind., successor Trustee. Guaranteed, principal and interest, by Union Traction Co. of Indiana, and now assumed. Secured by a first lien on about 104 miles of first track and about 10 miles of other track, extending from Indianapolis through Broad Ripple, Noblesville and Tipton to Kokomo, and from Kokomo to Logansport and Peru, and from Tipton to Elwood. Company pays Normal Federal Income Tax up to 2%.

Interest Default—Interest due Jan. 1, 1925, and subsequently, defaulted.

(4)

$4,623,000 UNION TRACTION CO. OF INDIANA FIRST GENERAL MORTGAGE GOLD 6s; DUE JULY 1, 1919 (EXTENDED TO JULY 1, 1922, AT AN INCREASE IN THE RATE OF INTEREST TO 6%, AND FURTHER EXTENDED TO JULY 1, 1932, AT THE SAME RATE OF INTEREST, WITH THE RIGHT OF PREPAYMENT AFTER THREE YEARS AT A PREMIUM OF 5% IN THE FOURTH AND FIFTH YEARS, OF 1% LESS FOR EACH SUBSEQUENT YEAR, AND AT PAR DURING THE LAST YEAR OF THE EXTENSION)

Dated July 1, 1899.

Interest Payable January and July 1, at Equitable Trust Co., New York. The interest due Jan. 1, 1925 was defaulted.

Interest Default—Interest due Jan. 1, 1925, and subsequently, defaulted.

Denomination—Coupon, $1,000; principal may be registered, and fully registered. Coupon and registered bonds interchangeable.

Provisions of Issue—Authorized, $5,000,000; issued, $4,623,000, of which $173,000 in Company's treasury, sufficient of these bonds are reserved to retire the Marion City Ry. Co. First 6s and the Citizens' Street Ry. Co. (Muncie) First 6s.

Callability—Subject to call at 101½ and interest on any interest date.

Security—Secured on all property of the old Union Traction Co. of Indiana subject to $328,000 Marion City Ry. Co. First 6s of 1929 and $36,000 Citizens' Street Ry. Co. (Muncie) First 6s of 1927 (not paid).

Listed—Philadelphia and Indianapolis Stock Exchanges.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Protective Committee—At the request of holders of a large amount of First General Mortgage 6s the following-named committee was formed to protect the interest of the holders thereof, and were requested to deposit them with the Guarantee Trust & Safe Deposit Co., Philadelphia, depositary, or Indiana Trust Co., Indianapolis, sub-depositary, on terms and conditions set forth in Deposit Agreement dated Jan. 15, 1925. Negotiable Certificates of Deposit were issued for bonds deposited. Committee: Joseph Wayne, Chairman; William A. Law, Henry G. Brengle, Lewis H. Parsons, Fred C. Dickson and Jesse L. Vermillion, with Herbert W. Goodall, 316 Chestnut St., Philadelphia, as Secretary, and Morgan, Lewis and Bockius, Philadelphia, as Counsel.

(5)

$1,620,000 (CLOSED MORTGAGE) INDIANA UNION TRACTION CO. FIRST GOLD 5s; DUE JULY 1, 1933

Dated July 1, 1903.

Interest Payable April and October 1, at Girard Trust Co., Philadelphia.

Interest Default—Interest due April 1, 1925, and subsequently, defaulted.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized, $5,000,000 of which $1,620,000 have been issued, $494,000 thereof have been redeemed and are held alive in sinking fund, leaving, $1,126,000 in hands of public.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' notice.

Sinking Fund—Sinking fund is 1¼% annually of outstanding bonds to be invested in the company's bonds at not exceeding 105 and interest, at which price bonds may be called. Bonds so acquired to be kept alive and interest added to the fund. At Dec. 31, 1925, sinking fund held $494,000 of these bonds.

Security—Assumed by Union Traction Co. of Indiana. Secured by a first lien on about 62 miles of interurban railway.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

(6)

$500,000 INDIANA NORTHERN TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1933

Dated October 1, 1903.

Interest Payable April and October 1, at Trenton Trust & Safe Deposit Co., Trenton, N. J.

Interest Default—Interest due April 1, 1925, and subsequently, defaulted.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Trenton Trust & Safe Deposit Co., Trenton, N. J.

Callability—Subject to call on any interest date at 105 and interest upon six weeks' notice.

Security—Secured by a first lien on about 20 miles of electric railway between Wabash and Marion, Ind.

Guaranty—Guaranteed principal and interest, by Union Traction Co. of Indiana, and subsequently assumed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

Bond Deposits Requested—Under date of Aug. 7, 1925, holders of above bonds, due Oct. 1, 1933, in default because of non-payment of April 1, 1925 interest, were asked by the Protective Committee, consisting of Samuel J. Steele, J. B. Callahan and Russell Thayer, Jr., to deposit their bonds with the Trenton Trust Co., Trenton, N. J., depositary. Edward L. Katzenbach of Trenton, N. J. is counsel for the Committee.

(7)

$925,000 MUNCIE & UNION CITY TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1936

Dated June 30, 1906.

Interest Payable January and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Interest Default—Interest due Jan. 1, 1925, and subsequently, defaulted.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Callability—Subject to call at 105 and interest on 30 days' notice.

Security—A first lien on 33 miles of interurban railway from Muncie to Union City, Ind.

Guaranty—Guaranteed, principal and interest by Union Traction Co. of Indiana, free covenant, and subsequently assumed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(8)

$700,000 UNION TRACTION CO. OF INDIANA GENERAL MORTGAGE GOLD 6s; DUE JUNE 1, 1934

Dated June 1, 1924.

Trustee—The Indiana Trust Co., Indianapolis, Ind.

Provisions of Issue—Authorized, $1,000,000; issued, $700,000. All the issued bonds are pledged as collateral to loans. These bonds were issued in connection with financing to meet current requirements.

(9)

$195,600 UNION TRACTION CO. OF INDIANA 6% EQUIPMENT TRUST GOLD NOTES; DUE QUARTERLY, M, J, S & D 1

Dated August 1, 1925.

Interest Payable March, June, September and December 1, at The Fletcher American National Bank of Indianapolis, Trustee.

Provisions of Issue—Authorized and issued, $326,000 of which $130,400 matured and paid off. These notes were issued by Receiver for Union Traction Co. of Indiana under authority of the Madison County (Indiana) Circuit Court.

Callability—Subject to call on any interest payment date on 60 days' notice at 102 and interest.

Security—These notes are secured by two conditional sales agreements with Trustee, dated Aug. 1, 1925 and were given for 80% of the cost of standard equipment consisting of 15 modern, steel passenger interurban cars of latest type, 8 of these acquired on behalf of that part of the property known as the original Union Traction Co. property and 7 on behalf on that part of the property known as the Indianapolis Northern Traction Co. property. One sales agreement covers the 8 cars and secures $174,000 of notes and another covers the 7 cars and secures these $152,000 of the notes.

These notes are secured not only by the new equipment but also, under formal order of the Court, with the consent of the committees representing a large part of the underlying mortgage bond issues, by a charge on the original Union Traction property and on the Indianapolis Northern Traction property and on the earnings of both properties senior to the rights of the holders of the mortgage bonds (totaling $10,104,000 except as to certain underlying mortgages covering only small portions of the property and securing comparatively small indebtedness ($364,000), in accordance with certain provisions of the Conditional Sales Agreements.

OTHER FUNDED DEBT

(11)

There were outstanding at Dec. 31, 1927, $200,000 Series "A" 6% Collateral Trust Notes, and $150,000 Series "B" 7% Collateral Trust Notes; $82,000 Car Trust Notes and $94,000 Betterment Notes.

BOND REDEMPTION

The remaining outstanding $12,000 Broad Ripple Traction Co. First Gold 5s, due July 1, 1933, were retired during 1927. The total issue of these bonds was $400,000 of which $200,000 was the obligation of the Union Traction Co. of Indiana. The property securing the bonds was sold in 1926 and proceeds applied to the redemption of the issue.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Total operating revenue	$2,951,207	$3,060,465	$2,939,18
Operating expenses & taxes	2,806,361	2,676,742	2,666,87
Net operating revenue	$144,846	$383,723	$272,30
Other income	24,594	24,901	52,47
Total income	$169,440	$408,625	$324,78
Expenses of bus operation	.....	.....	35,73
Balance gross income	$169,440	$408,625	$289,05

DETAILED EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

(Segregation of earnings and expenses of the respective lines subject to the liens of the principal mortgages and also of the lines leased to the Union Traction Company of Indiana. The earnings and expenses so segregated for the year are shown tentatively and subject to revision, as follows):

	Total Operating Revenue	Total Operating Expenses	Taxes	Other Income	Gross Income
Union Traction	$1,368,596	$1,188,926	$38,563	$16,097	$157,20
Indianapolis Northern	759,697	713,653	22,011	5,102	29,13
Muncie, Hartford & Fort Wayne	268,085	247,642	10,055	907	11,29
Muncie-Portland	94,348	96,607	5,752	398	*7,61
Indianapolis, Newcastle and Eastern	296,721	280,175	9,173	1,307	8,68
Muncie-Union City	86,137	105,508	7,183	537	*26,01
Marion-Wabash	46,776	51,061	13,881	152	*8,01
Anderson-Middletown	30,846	24,788	1,382	94	4,76
Total	$2,951,207	$2,708,361	$98,000	$24,594	$169,44

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$24,578,359	$24,535,083	$24,560,144
Equipment—busses	297,758	289,602	.....
Purchase acct. Intercity Safety Coach Co.	.....	.....	55,421
Investment in affiliated cos.	384,448	380,581	410,613
Other investments	17,608	10,142	82,551
Sinking funds with trustees	496,697	496,697	496,697
Cash	198,484	228,427	141,217
Special deposits	197,658	123,678	110,521
Loans and notes receivable	12,015	13,515	2,950
Accounts receivable	153,752	202,560	127,426
Material and supplies	350,056	384,466	396,407
Interest receivable	1,500	1,500	1,500
Unadjusted debits	35,291	50,371	26,731
Deferred items	31,000	31,000	.....
Securities issued or assumed—unpledged	9,000	9,000	9,000
Securities issued or assumed—pledged	1,023,000	1,023,000	1,023,000
Deficit	1,424,143	492,399	.....
Total	$29,210,770	$28,272,022	$27,444,178

Liabilities—	1927	1926	1925
Common stock	$5,000,000	$5,000,000	$5,000,00
First Preferred stock	1,000,000	1,000,000	1,000,00
Second Preferred stock	3,000,000	3,000,000	3,000,00
Funded debt—mtge. bonds	13,732,000	13,744,000	13,963,00
Collateral Trust notes	350,000	350,000	350,00
Car trust notes	82,000	115,300	89,74
Equipment gold notes	195,600	260,800	326,00
Betterment notes	94,000	126,000	174,00
Sewer & street assessments	4,295	5,872	7,09
Loans and notes payable	532,649	574,308	425,00
Audited vouchers	495,322	504,675	526,11
Labor payable	61,772	62,629	56,10
Matured int. & rents unpaid	2,858,645	2,009,355	1,165,04
*Accrued interest & rentals	139,276	115,965	100,78
Accrued taxes & licenses	97,483	111,839	122,51
Operating reserves	295,536	273,293	232,11
Broad Ripple Natatorium Co. bonds	31,000	31,000	.....
Unadjusted credits	72,317	151,107	73,52
Depreciation	1,168,876	835,878	674,10
Surplus	.....	.....	159,02
Total	$29,210,770	$28,272,022	$27,444,17

*Rentals are included for comparative purposes only, the leases not having been adopted or affirmed by the Receiver.

Officers of the Receivership: Arthur W. Brady, Receiver; Walter Shroyer, Treas.; H. A. Nicholl, Gen. Mgr.; J. A. Van Osdol, Gen. Attorney; Tudor W. Jones, Aud.; Heber LaMonte, Pur. Agt., Anderson, Ind.

Officers of the Corporation: Arthur W. Brady, Pres.; Walter Shroyer, Sec. & Treas.; Samuel L. Hibbard, Asst. Sec.

Directors: F. C. Ball, Muncie, Ind.; Arthur W. Brady, Anderson, Ind.; J. P. Frenzel, Louis H. Levey, Geo. C. Haerle, Indianapolis, Ind.

Office, Anderson, Ind.

INDIANAPOLIS, NEW CASTLE & EASTERN TRACTION COMPANY

(Operated by Union Traction Co. of Indiana)

History—Incorporated June 10, 1912, under laws of Ind., and purchased at foreclosure sale the properties of the Indianapolis, New Castle & Toledo Electric Ry. (see Manual for 1912, page 1821). Leased to Union Traction Co. of Indiana for 999 years from Oct. 25, 1912, lease amended Aug. 21, 1914 and June 30, 1916. The lease, as amended, provides for payment by Union Traction Co. of Indiana of a cumulative dividend of 5% annually on Pfd. stock, also $1,050 per year dividend on Common stock, payable June and Dec., making the total fixed dividend $26,050. Provision is made for the contingent payment of an additional rental every year ending June 30, beginning with the year ending June 30, 1917, in which, the net income of Union Traction Co. of Indiana, after the deduction of taxes, interest and rentals under existing leases, including those payable under this lease shall exceed $180,900, an amount equal to such excess in that year, but not more than $10,420 shall be paid as additional rental for that year. If in any year, however, a dividend of $50,000 or more shall have been paid on the First Preferred stock of the Union Traction Co., then $10,420 shall be paid, even though the excess income be less than $180,900; but the total aggregate rentals paid in or for any year ending June 30, shall not exceed $36,470. This lease has not been adopted or affirmed by the Receiver of the Union Traction Co. of Indiana.

Line of road: Indianapolis to Newcastle, Ind., 44½ miles; Newcastle to Muncie (put in operation Aug. 31, 1913), 18 miles—total, 62½ miles. Gauge, standard. Rails, 70 and 90 lbs. T. Cars, 16. Sub power station at Newcastle, Ind. Company has private right of way, except in municipalities, where shortest franchise expires April 7, 1933. Operates through Indianapolis into Interurban Terminal under contract with Indianapolis Traction & Terminal Co., expiring in 1933.

Receivership Suit—Suit asking that Company be placed under control of a receiver and that Arthur W. Brady, Pres. and Receiver of the Union Traction Co., be made receiver, was filed in the Delaware (Ind.) Circuit Court, Feb. 6, 1926 on petition of the Fidelity Trust Co. (now Fidelity-Philadelphia Trust Co.) trustee for the 6% bonds due June 1, 1932. The suit then was taken to the Madison Circuit Court at Anderson, Ind., on a change of venue, where other receivership suits involving the Union Traction Co. and its subsidiaries are waiting action.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common and $500,000 5% cumulative Pfd. Annual meeting, second Tuesday in June.

FUNDED DEBT

$1,200,000 First Gold 6s; dated June 1, 1912; due July 1, 1919 (extended to June 1, 1922, at the same rate of interest, and further extended to June 1, 1932, also at 6%, with the right of prepayment after three years at a premium of 5% in the fourth and fifth years, of 1% less for each subsequent year, and at par during the last year of the extension); int. June and Dec. 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Interest guaranteed under lease by Union Traction Co. of Indiana. Coupon, $1,000; principal may be registered. Subject to call as a whole only, at 101½ and interest, on any interest day on eight weeks' notice. Authorized, $1,500,000; remaining bonds being issuable for 75% of cost of extensions, improvements, etc. Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

Interest Default—Interest due June 1, 1925, and subsequently, defaulted.

Protective Committee—Holders of Company's bonds were notified in June, 1925, that as Company had defaulted in payment of interest due June 1, 1925 it was essential that bondholders unite promptly to protect their interests. Bondholders were requested to deposit their bonds, accompanied by June 1, 1925, and subsequent coupons, with either the First National Bank, Boston, or Fidelity-Philadelphia Trust Co., Philadelphia. Committee: D. P. Abercrombie, Chairman; John W. Harding, J. C. Neff, E. M. Rosser, George W. Treat, with O. W. Haussermann, 1 Federal St., Boston, as Secretary.

OFFICERS AND DIRECTORS

Officers: Frank C. Ball, Pres., Munice, Ind.; Arthur W. Brady, V-P.; Walter Shroyer, Asst. Sec. & Treas., Anderson, Ind.

Directors: A. W. Brady, Walter Shroyer, Anderson, Ind.; Frank C. Ball, G. A. Ball, E. B. Ball, Muncie, Ind.

Office, Anderson, Ind.

THE MUNCIE & PORTLAND TRACTION COMPANY

(Operated by Union Traction Co. of Indiana)

History—Incorporated in July, 1905, in Indiana; successor to company of same name chartered Aug., 1902. Franchises in cities and towns, 50 years; in counties, perpetual. Owns and operates a line between Muncie and Portland, Ind., 31.7 miles, of which 1.1 miles trackage of Indiana Union Traction Co. Gauge, standard. Rails, 70 lb. T. Cars, 11.

Property is leased to the Indianapolis, New Castle & Eastern Traction Co. for 999 years from June 30, 1916; lease assigned to Union Traction Co. of Indiana. The lease was brought about by the conversion of one-half of the then outstanding $1,000,000 capital stock into Pfd. stock and the amendment of the existing lease between the Union Traction Co. of Indiana and the Indianapolis, New Castle & Eastern Traction Co. The lease provides for the payment of all taxes, a sum equal to 5% on the Pfd. stock, a definite annual payment of $4,530 on Common stock, payable M & S; making the total fixed dividend $29,530; also the payment of a further amount up to $17,370 a year contingent upon certain conditions (see below). The rental also includes the payment of excess profits of the company when they shall exceed the amount of $191,320 a year, but not to exceed $17,370 as additional rentals. Provided, however, that if in any year a dividend of $50,000 or more shall have been paid upon the First Pfd. stock of the Union Traction Co. of Indiana, then for such year an additional rental of $3,475 shall be paid, notwithstanding the fact that the excess earnings for that year may be less than the sum of $191,320; but the total aggregate rentals paid in or for any year ended June 30, shall not exceed $46,900. This lease has not been adopted or affirmed by the Receiver of the Union Traction Co. of Indiana.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common and $500,000 5% Pfd.; par, $100. Annual meeting, in March.

Dividends—Common dividends of 4½% were paid in 1911; 5½% in 1912; 2% in 1913; 1½% in 1914 and 1915. Dividends on Pfd. stock under the lease were formerly paid 2½% each March and Sept. 1.

FUNDED DEBT

None.

Officers: E. B. Ball, Pres.; W. C. Ball, V-P.,; G. A. Ball, Sec.; F. C. Ball, Treas., Muncie, Ind.; Walter Shroyer, Asst. Sec., Anderson, Ind.

Directors: E. B. Ball, W. C. Ball, F. C. Ball, G. A. Ball, L. L. Ball, Muncie, Ind.

Office, Anderson, Ind.

THE MUNCIE, HARTFORD AND FORT WAYNE RAILWAY COMPANY

(Operated by Union Traction Co. of Indiana)

History—Incorporated in July, 1901, under laws of Indiana. An electric line connecting Muncie, Eaton, Hartford City, Montpelier and Bluffton, Ind., 42 miles, located on private right of way except in cities where franchises are generally 50 years from 1902. Gauge, standard. Rails, 70 lb. T and 95 and 98 lb. girder. Cars, 20. Formerly leased to the Indiana Union Traction Co. for 999 years from June 26, 1906; lease assumed by Union Traction Co. of Indiana, at rental equal to payment of bond interest, taxes, etc., and 5% cumulative dividend on Pfd. stock. This lease has not been adopted or affirmed by the Receiver of the Union Traction Co. of Indiana.

Foreclosure Suit—On July 30, 1925, the Guardian Trust Co., Cleveland, filed a petition in the Delaware Circuit Court to foreclose the mortgage due Jan. 1, 1935, the interest on which was defaulted. The Trust Co. asked that a receiver be named for the Company and that its property be sold.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common and $500,000 5% cumulative Pfd.; par, $100. Entire Common stock owned by Union Traction Co. of Indiana. Annual meeting, first Tuesday in March.

Dividends—Dividends of 5% per annum were formerly paid on Pfd. stock under lease, quarterly, J, A, J & O.

FUNDED DEBT

$916,000 First Gold 5s; dated Dec. 31, 1904; due Jan. 1, 1935; interest payable Jan. and July 1, at Guardian Trust Co., Cleveland, Trustee. Coupon, $1,000; principal may be registered. Subject to call at par and interest, on and after Jan. 1, 1925. A sinking fund of 2½% per annum of gross earnings is payable Jan. 15 and July 15 in each year. Original issue, $1,000,000, of which $84,000 cancelled by sinking fund. Interest guaranteed under lease by Union Traction Co. of Indiana. Secured by a first lien on 42 miles of interurban railway from Bluffton to Muncie, Ind. Listed on Cleveland Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

Interest Default—Interest due Jan. 1, 1925, and subsequently, defaulted.

OFFICERS AND DIRECTORS

Officers: J. A. Van Osdol, Pres.; H. A. Nicholl, V-P.; Walter Shroyer, Sec. & Treas.

Directors: The above and R. K. Willman, A. W. Brady, C. H. Allen, Walter Shroyer.

Office, Anderson, Ind.

GARY & SOUTHERN TRACTION CO.

History—Incorporated May 25, 1908, in Ind., to construct an electric line from Gary to Crown Point, Ind., 12.5 miles. Road completed and in operation July 1, 1912. Gauge, standard. Rail, 70 lbs. Motor cars, 3. Power purchased from Gary Street Ry. Co. and Northern Indiana Gas & Electric Co.

CAPITAL STOCK

Authorized and outstanding, $150,000 Common and $150,000 5% non-cumulative Pfd.; par, $100. Registrar: Union Trust Co., Cleveland, O. Annual meeting, second Monday in Jan., at Crown Point, Ind. No dividends paid on either class of stock.

FUNDED DEBT

$133,500 First Gold 5s; dated Oct. 1, 1916; due Oct 1, 1926; int. April and Oct. 1, at Union Trust Co. Cleveland, Ohio. Coupon, $100 and $500; principa may be registered. Union Trust Co., Cleveland, and Edwin S. Hale, Trustees. Authorized, $200,000. Subject to call at 102 and interest on any interest date upon four weeks' notice. Sinking fund, 1% annually beginning Aug. 1, 1920, to maturity. Secured by first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

NOTE—These bonds were not paid at maturity on Oct. 1 1926. All but approximately $1,000 par value of the outstanding bonds are held by one owner and no determination has been made as to whether the bonds will be extended.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	†1926	1924	1923
Gross earnings	$57,022	$54,660	$60,830
Oper. exp. & taxes	58,800	60,254	54,434
Net earnings	*$1,778	*$5,594	$6,396
Bond interest	6,670	6,670	6,168
Other charges	1,500	1,500	1,500
Total charges	$8,170	$8,170	$7,668
Deficit for year	$9,948	$13,764	$1,272

*Loss. †1925 figures not available.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	*1926	1924	1923
Property account	$440,000	$440,000	$440,000
Cash	6,793	3,576	266
Deferred debit items	10,382	13,150	8,579
Profit and loss deficit	68,408	50,532	38,268
Total	$525,583	$507,258	$487,113
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Funded debt	133,400	133,400	133,400
Current liabilities	4,673	14,036	5,204
Interest & taxes accrued	21,122	11,580	7,822
Depreciation	50,400	.....	.....
Deferred credit items	15,988	48,242	40,687
Total	$525,583	$507,258	$487,113

*1925 figures not available.

Officers: O. L. Wildermuth, Pres., Gary, Ind.; H. W. Seaman, V-P., Chicago, Ill.; Chas. S. Thrasher, Sec. & Treas.; H. A. Davis, Aud.; The Warren-Bicknell Co., Oper. Mgrs., Cleveland, O.

Directors: O. L. Wildermuth, Gary, Ind.; A. Maack, Crown Point, Ind.; H. W. Seaman, Chicago, Ill.; Chas. S. Thrasher, Warren Bicknell, Cleveland, Ohio.

Office, Gary, Ind.

ROARING CREEK WATER COMPANY

History and Properties—Incorporated Nov. 11, 1884, in Pa. Supplies water to Shamokin and Coal Township, Northumberland County, Pa. Has seven reservoirs, with an aggregate capacity of about 1,400,000,000 gallons. Company has guaranteed the principal and interest of $400,000 Bear Gap Water Co. 6% bonds.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $50. Annual meeting, second Monday in November.

Dividends—7% per annum; payments semi-annually, second Monday in May and November.

FUNDED DEBT

$274,000 Roaring Creek Water Co. Gold 5s; dated Jan. 2, 1905; due Jan. 1, 1930; int. Jan. and July 1, at Guarantee Trust & Safe Deposit Co., Shamokin, Pa., Trustee. Coupon, $1,000. Subject to call since Jan. 1, 1920. Company does not pay Normal Federal Income Tax.

$526,000 Roaring Creek Water Co. Gold 5¼s; dated ov. 1, 1924; due Oct. 31, 1954; int. May and Nov. 1 t Guarantee Trust & Safe Deposit Co., Shamokin, a., Trustee. Subject to call at par and interest after ct. 31, 1939. Company does not pay Normal Federal ncome Tax. Tax free in Pennsylvania.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)	1926	1925	1924
perating revenues	$298,233	$267,935	$138,954
perating expenses & taxes	103,191	136,718	88,743
epreciation	34,748		
Operating income	$160,294	$131,217	$50,211
on-operating income	17,445	10,232	1,255
Gross income	$177,739	$141,449	$51,466
ents, etc.	19,669	7,722	1,602
ond interest	51,520	48,914	20,000
ther interest	13,220	9,106	3,168
ncome taxes	13,041	.....	.....
Net income	$80,289	$75,707	$26,696
ividends paid	28,000	28,000	21,000
Surplus for year	$52,289	$47,707	$5,696

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available) Assets—	1926	1925	1924
otal fixed capital	$2,006,846	$1,677,037	$1,510,258
ivestments	182,530	182,530	182,270
nking fund	.....	9,000	.....
ash	11,864	7,348	18,059
ccounts receivable	43,607	46,913	.....
aterials and supplies	44,509	33,336	.....
eferred charges	35,869	15,972	.....
Total	$2,325,225	$1,972,136	$1,710,587
Liabilities—			
apital stock	$400,000	$400,000	$400,000
nded debt	900,000	900,000	900,000
otes payable	146,300	205,000	114,500
ccounts payable		5,442	.....
atured funded debt	197,204	5,200	.....
ther current liabilities		59,747	.....
ccrued depreciation	241,312	.....	.....
ofit and loss	440,409	394,008	296,087
Total	$2,325,225	$1,972,136	$1,710,587

Officers: J. S. McWilliams, Pres.; D. E. McWilliams, Gen. Mgr.; B. W. Haupt, Sec.; W. C. cConnell, Treas., Shamokin, Pa.
Directors: J. S. McWilliams, B. W. Haupt, W. C. cConnell, J. Dunkelberger, D. E. McWilliams.
General Office, 204 East Sunbury St., Shamokin, a.

BEAR GAP WATER COMPANY

(Affiliated in Interest with Roaring Creek Water Co.)

History and Properties—Incorporated Jan. 15, 1889, Pa. Supplies water in Mount Carmel Township, orthumberland County, Pa. Property consists of servoirs, pumping station, pipe lines and real estate. o. of meters, 32. Annual output, 835,679,000 gallons. orage, 600,000,000 gallons.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. ividends, 6% per annum. Annual meeting, second onday in November.

FUNDED DEBT

$100,000 (entire issue) First Mortgage 6s; dated pril 1, 1921; due April 1, 1951; int. April and Oct. 1, Guaranty Trust & Safe Deposit Co., Shamokin, Pa. enominations, $500 and $1,000. Not subject to call. first lien on entire property. Company pays Nor- al Federal Income Tax up to 2%.

$300,000 Refunding Mortgage Gold 6s; dated n. 1, 1924; due Jan. 1, 1964; interest Jan. and July at Guaranty Trust & Safe Deposit Co., Shamokin, a. Coupon, $500 and $1,000; principal may be regis- red. Authorized issue, $850,000. Shamokin Bank- g Co., Shamokin, Pa., Trustee. Subject to call at 5 aften ten years; at par after 20 years. Sinking fund, 1% of outstanding bonds per annum. Guaranteed principal and interest by Roaring Creek Water Co. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)	1926	1925	1924
Operating revenues	$138,762	$130,793	$133,737
Oper. expenses & taxes	67,053	79,849	75,370
Depreciation	13,836		
Operating income	$57,873	$50,944	$58,367
Non operating income	8,808	*1,973	600
Gross income	$66,681	$48,971	$58,967
Interest on funded debt	24,000	24,000	24,000
Other deductions	2,638	.....	695
Net income	$40,043	$24,971	$34,272
Dividends paid	6,000	6,000	6,000
Surplus for year	$34,043	$18,971	$28,272

*Debit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available) Assets—	1926	1925	1924
Real estate, plant & equip.	$866,964	.....	.....
Less accrued depreciation.	127,709	.....	.....
	$739,255	$622,073	$633,906
Investments	8,306	.....	.....
Sinking fund	.....	7,940	4,000
Cash	13,223	12,117	1,727
Notes receivable	.....	40,000	
Accounts receivable	12,824	7,772	14,420
Deferred charges	9,441	1,978	
Total	$783,749	$691,880	$654,053
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	400,000	400,000	400,000
Current liabilities	79,590	15,313	1
Unappropriated surplus	204,159	176,567	154,052
Total	$783,749	$691,880	$654,053

Officers: D. E. McWilliams, Pres.; W. C. McConnell, V-P.; B. W. Haupt, Sec.; J. S. McWilliams, Mgr., Shamokin, Pa.
Directors: D. E. McWilliams, W. C. McConnell, B. W. Haupt, J. S. McWilliams, J. Dunkelberger, Shamokin, Pa.
General Office, Shamokin, Pa.

SUBURBAN INVESTMENT CO.

History and Property—Incorporated in June, 1912, in N. J., as the Suburban Water Co. (name subsequently changed to above title), and acquired the property and assets of the Hudson County Water Co. (see Manual for 1912, page 1804, or apply to our Information Department), sold under foreclosure. Owns entire capital stock of the New Jersey Suburban Water Co., and majority of the stock of the New York & New Jersey Water Co.

CAPITAL STOCK

Outstanding, $112,160; par $20. Annual meeting, first Tuesday after first Monday in January.
Dividends—Dividends of 20% paid in 1921 and 1922, and at same rate in 1923 (to April).

Officers: DeWitt Van Buskirk, Pres.; George M. Woolsey, V-P.; F. C. Earl, Sec. & Treas., New York.
Directors: The above and Chas. A. Dana, New York.
Office, 23 West 8th St., Bayonne, N. J.

NEW JERSEY SUBURBAN WATER CO.

(Controlled by Suburban Investment Co.)

History—Incorporated Sept. 20, 1902, in N. J. Supplies water to Kearny, Harrison and East Newark, N. J. Population served, 35,000. Daily capacity, 10,000,000 gallons.

CAPITAL STOCK

$100,000 full paid; par, $100. All owned by the Suburban Investment Co. Annual meeting, first Tuesday after first Monday in January at Bayonne, N. J.

Dividends—Dividends of 16% each were paid in the years 1916 to 1923 inclusive; 1924, 8%; 1925 and 1926, none.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925
Gross earnings	$176,628	$171,051
Operating expenses	194,086	185,093
Loss from operations	$17,458	$14,042
Charges	4,791	2,049
Deficit for year	$22,249	$16,091

Officers: Charles A. Dana, Pres.; George N. Woolsey, V-P., New York; F. C. Earl, Sec. & Treas., Bayonne, N. J.

Directors: The above and DeWitt Van Buskirk, Bayonne, N. J.

Offices, 55 Liberty St., New York, and 19-21 West Eighth St., Bayonne, N. J.

WAHNAPITAE POWER COMPANY, LIMITED

History and Property—Incorporated in 1905, in Ontario, to develop power in the Wahnapitae River, which rises in the Temagami Forest Reserve and empties into the French River. The company controls under long-term lease from the Province of Ontario three water powers located on the Wahnapitae River. Two of these sites have been fully developed and a third plant was nearly completed at the end of 1924. Power is supplied to the Town of Sudbury and surrounding district. The total capacity of the three plants will be 13,200 h. p. Transmission system consists of 32 miles of high-tension lines over which power is transmitted at a voltage of 22,000.

Through ownership of the entire capital stocks of the Wahnapitae Boom & Slide Co., Ltd., and the Upper Wahnapitae Improvement Co., Ltd., the Company controls in perpetuity the entire watershed of the Wahnapitae River and has erected storage dams which ensure sufficient water to operate all the plants continuously at maximum installed capacity.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $710,400; par, $100.

FUNDED DEBT

$500,000 FIRST MORTGAGE SINKING FUND GOLD 6½s; DUE NOVEMBER 1, 1944

Dated November 1, 1924.

Interest Payable May and November 1, at Royal Bank of Canada, Montreal, Toronto, Winnipeg and Vancouver.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000, with privilege of registration as to principal and as to principal and interest.

Trustee—Montreal Trust Co., Montreal, Can.

Provisions of Issue—Authorized, $1,000,000. Bonds in excess of the $500,000 outstanding can only be issued to the extent of 75% of the cost or fair market value (whichever be lower) of additions and extensions to present properties, and then only when the net earnings for twelve months within the immediately preceding fourteen months amount to not less than twice the interest charges on bonds issued and to be issued.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice at 105 and interest.

Sinking Fund—Annual cumulative sinking fund of 2% commences Nov. 1, 1926.

Security—A first mortgage covering all the fixed assets of the Company now owned or hereafter acquired, which, on completion of No. 3 Plant, will have a value of over $1,200,000 after allowance for depreciation reserves. The mortgage securing this issue also provides for a floating charge on all the other assets of the Company now owned or hereafter acquired.

Legal Opinion—E. R. Parkins, Montreal.

Original Offering—First publicly offered ($500,000) in Nov., 1924, at 100 and accrued interest, to yield 6½%, by Nesbitt, Thomson & Co., Ltd., Montreal, Toronto, etc.

EARNINGS

The earnings of the Company for the five years ended December 31, 1923, available for bond interest after charging all operating expenses including taxes other than Federal income tax, according to the audit of P. S. Ross & Sons, have been as follows:

1919	1920	1921	1922	1923
$83,475	$70,917	$70,815	$74,914	$72,757

Officers: William McVittie, Pres.; Alex H. Skene, Sec., Treas., Mgr. & Pur. Agt.; K. McRae, Supt., Sudbury, Ont.

Office, Sudbury, Ont.

CHATTANOOGA TRACTION CO.

History and Property—Incorporated in 1912 in Tenn. Line connects Chattanooga, Signal Mountain and Red Bank and intermediate stations. Length of track, 20 miles. Gauge, 4 ft. 2½ in. Cars—motor, 11; other, 9. Energy purchased from Tennessee Electric Power Co., and Chattanooga & Tennessee River Power Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1925	1924
Operating revenue	$184,882	$163,59
Operating expenses and taxes	169,282	142,47
Net revenue	$15,600	$21,11

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1925	1924
Property account	$825,629	$820,87
Cash	8,182	2,61
Accounts receivable	17,382	16,73
Materials and supplies	5,619	5,16
Total	$856,812	$845,39
Liabilities—		
Capital stock	$643,000	$643,00
Notes payable	44,500	45,00
Accounts payable	11,606	15,92
Taxes accrued	3,959	3,32
Reserve for extensions	92,795	92,79
Surplus	60,952	45,35
Total	$856,812	$845,39

CAPITAL STOCK

Authorized, $900,000; outstanding, $643,000; par $100. No dividends paid.

Annual Meeting—in December.

FUNDED DEBT

None.

Officers: W. T. James, Pres., Gen. Mgr. & Pur. Agt.; D. F. Beckham, Sec.; John F. Paalzaw, Treas. & Aud. Chattanooga Tenn.

Directors: N. F. Brady, New York City; W. T. James, Franklin Harris, John F. Paalzaw, D. F. Beckham, Chattanooga, Tenn.

General Office, James Bldg., Chattanooga, Tenn.

AGUA PURA CO.

(Controlled by Commonwealth Utilities Corporation)

History—Incorporated Dec. 15, 1880, in N. Mex. Owns and operates the City Water Works of La Vegas, N. Mex., and harvests, stores and deals in pur mountain ice. Properties at East Las Vegas and in San Miguel Co., N. M.

CAPITAL STOCK

Authorized, $250,000; outstanding, $245,400; par $100. Stock control held by Commonwealth Utilities Corp., St. Louis, Mo. Annual meeting, first Wednesday after first Monday in December.

Dividends—Dividends of 6% per annum were paid rom 1902 to 1920; none since.

FUNDED DEBT

$54,000 First Consolidated Gold 5s; dated Apr. 1, 898; due April 1, 1928; int. April and Oct. 1, at idelity & Columbia Trust Co., Louisville, Ky., rustee. Coupon, $500 and $1,000. Authorized issue, 125,000. Company does not pay Normal Federal Income Tax.

$346,000 General Consolidated Refunding 5s; dated pril 1, 1910; due April 1, 1940; int. April and Oct. 1, t Fidelity & Columbia Trust Co., Louisville, Ky., rustee. Coupon, $1,000. Authorized issue, $400,000, ompany does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED OCTOBER 31

(Latest Available)

	1926	1925
ross earnings	$119,058	$115,391
per. exp. & taxes	*77,708	78,063
Net earnings	$41,350	$37,327
ond interest	20,000	20,000
ther interest	5,786	4,984
Net income	†$15,563	$12,343

*Includes depreciation set up against the Ice Department the amount of $6,387. †Before deducting depreciation on e Water Department of $6,473, set up through profit and ss.

GENERAL BALANCE SHEET, OCTOBER 31, 1926

(Latest Available)

Assets—	
roperty account	$776,498
ecurities owned	2,500
ash	11,790
otes receivable	400
ccounts receivable	12,987
ther current assets	10,397
nadjusted debits	558
eferred debit items	10,772
Total	$825,902
Liabilities—	
ommon stock	$245,400
unded debt	400,000
ue affiliated companies	68,939
ccounts payable	9,292
nterest accrued	2,975
ther current liabilities	5,559
eserve for taxes	5,300
nadjusted credits	1,470
eferred credit items	207
eserve for depreciation	67,311
rofit and loss	19,449
Total	$825,902

Officers: Geo. E. Wells, Pres., St. Louis, Mo.; C. icero Ogle, V-P. & Gen. Mgr.; Charles Rogers, Sec. Treas., East Las Vegas, N. M.; C. H. Schutte, Aud. t. Louis, Mo.

Directors: Geo. E. Wells, Wiley F. Corl, St. Louis, lo.; C. Cicero Ogle, Charles Rogers, Wm. H. pringer, Dr. E. B. Shaw, East Las Vegas, N. M.; . H. Jenkins, Chicago, Ill.

General Office, East Las Vegas, N. Mex.

NEW ENGLAND ELECTRIC SECURITIES CO.

History—This is a holding company. Owns all of ie Common and Pfd. stock of the New Hampshire Vater & Electric Power Co., of Me., all of the stock of ie Derry Electric Co., and 92% of the stock of the armouth Light & Power Co., Ltd. Through owner- ip and control of above companies, electric light and ower is furnished to the towns of Derry, London- erry, Chester, Hampstead, Windham, part of Auburn, affrey, Troy, Fitzwilliam and is wholesaled to Salem, . H., and to Rindge, N. H., also to the Derry & hester Street Ry. in New Hampshire; in Nova Scotia, ectric light and power is furnished to Yarmouth, ebron and Argyle, and it also owns and operates the armouth Street Railway.

CAPITAL STOCK

Authorized, $1,000,000 Common and $300,000 6% umulative Pfd.; outstanding, $998,680 Common and 11,580 Pfd.

FUNDED DEBT

$500,000 First Collateral Trust 5% Gold Bonds; dated July 3, 1913; due Jan. 3, 1932; int. Jan. and July 3. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $500,000. Atlantic National Bank, Boston, Mass., Trustee. Subject to call as a whole or in part on any interest date on three weeks' notice, at 103 and interest. No sinking fund. Secured by deposit of securities valued at over $600,000.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925
Investments	$1,294,295	$1,292,230
Securities	8,000	8,000
Organization expense	129,945	129,945
Cash	133	389
Notes & accounts receivable	168,124	175,346
Materials and supplies	65	65
Engineering	662	662
Profit and loss deficit	88,231	68,779
Total	$1,689,455	$1,675,416
Liabilities—		
Capital stock	$1,109,260	$1,109,260
Funded debt	511,000	511,000
Notes and accounts payable	52,160	38,121
Reserve for liquidation of companies	17,035	17,035
Total	$1,689,455	$1,675,416

Officers: Carl M. Pihl, Pres., Philadelphia, Pa.; A. J. Markle, Treas., Somerville, Mass.; Roger V. Snow, Clerk, Portland, Me.

Executive Office, 33 Liberty St., New York.

DERRY ELECTRIC COMPANY

(Controlled by New England Electric Securities Co.)

History.—Inc. April 11, 1911, in N. H. Merged with Jaffrey & Troy Electric Light Co. and New Hampshire Water & Electric Power Co. on Jan. 1, 1916. Furnishes electric light and power to Derry, part of Londonderry, Hampstead, Fitzwilliam, Troy, Jaffrey, Chester, Windham, and part of Auburn, N. H.; also wholesales electricity to the town of Rindge. Company is also engaged in the sale of electrical supplies and house wiring. Meters in service, 2,965; sales (1927) 3,161,583 k.w.h.

CAPITAL STOCK

Outstanding, $50,000 Common, $75,000 6% cumulative Pfd., and $23,000 7% cumulative Pfd.; par, $100. Pfd. stock has preference for assets and dividends and is subject to call at 110 and accrued dividends on 30 days' notice. Stock control is held by New England Securities Co.

Dividends—Pfd. dividends are paid quarterly J, A, J & O 1. Dividends on Common, 1921, 12%; later dividends, if any, not reported.

FUNDED DEBT

$50,000 First Mortgage Gold 5s; dated May 1, 1911; due May 1, 1931; interest May and Nov. 1. Coupon, $500; principal may be registered. Merchants Trust Co., Lawrence, Mass., Trustee.

$143,000 First Refunding Mortgage Gold 8s; dated March 1, 1921; due March 1, 1951; int. March and Sept. 1, in Boston. Coupon, $100, $500 and $1,000. Authorized, $500,000. Subject to call after March 1, 1941, at 102 and interest. Company pays Normal Federal Income Tax up to 2%. Tax refundable in Massachusetts and Connecticut.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	1925	1924
Gross earnings	$175,967	$147,376	$150,470
Oper. expenses & taxes	109,194	86,829	91,245
Net earnings	$66,773	$60,547	$59,225
Other income		5,559	
Total income	$66,773	$66,106	$59,225
Interest, etc.	32,008	28,871	26,873
Depreciation	5,148	5,000	5,000
Net income	$29,617	$32,235	$27,352
Dividends	6,110	5,870	4,500
Surplus for year	$23,507	$26,365	$22,852

*1926 figures not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	*1927	1925	1924
Property account	$510,314	$425,878	$454,403
Other investments	15,000	15,000	15,000
Receivables from affil. cos.	69,066	.....	.....
Cash	13,217	5,103	5,654
Materials and supplies	14,674	11,987	10,585
Notes receivable	.....	56,139	74,045
Accounts receivable	32,300	23,372	
Prepaid accounts	1,052	5,245	
Unamort. debt disct., etc.	.....	28,158	27,169
Suspense items	70,802	61,554	
Total	$726,425	$632,436	$586,856
Liabilities—			
Capital stock	$148,000	$148,000	$125,000
Funded debt	218,000	221,000	221,000
Advances from affil. cos.	155,195	.....	.....
Notes payable	42,829	146,285	117,856
Accounts payable	26,545	34,279	36,512
Consumers' deposits	5,072	3,120	.....
Other current liabilities	6,970	1,582	.....
Unmatured interest		6,006	.....
Sinking fund	.....	6,750	
Depreciation reserve	83,134	55,050	86,488
Surplus	32,679	10,364	
Other reserves	8,001	.....	.....
Total	$726,425	$632,436	$586,856

*1926 figures not available.

Officers: E. T. Edmonds, Pres.; J. F. McKenna, V-P.; H. C. Fleck, V-P., New York; L. H. McCray, V-P., Portsmouth, N. H.; F. W. Moffat, Sec. & Treas., H. B. Brown, Asst. Treas., New York.

Directors: H. B. Brown, C. A. Dougherty, E. T. Edmonds, H. C. Fleck, J. F. McKenna, T. W. Moffat, T. W. Third.

General Office, Derry, N. H. **Executive Office,** 33 Liberty St., New York.

YARMOUTH LIGHT & POWER CO., LTD.

(Controlled by New England Electric Securities Co.)

History and Property—Incorporated June 24, 1912, under Nova Scotia Companies' Act. Owns and holds securities of The Yarmouth St. Ry. Co., Ltd., and The Yarmouth Electric Co., Ltd. Operates The Yarmouth St. Ry. Co., Ltd. Carries on an electric lighting and power and street railway business in Yarmouth and vicinity. Population served, about 25,000. Franchises perpetual, including rights for doing business in Yarmouth County and adjoining counties, which are equal to at least 60,000 permanent h.p. when fully developed. The Company's power is generated from its own hydro-electric station at Carleton, 18 miles from Yarmouth, with a gas producer plant as a reserve. Through an additional unit recently installed in the hydro-electric plant and in operation since Dec. 1, 1923, the capacity of the plant was doubled and the Company is now able to operate entirely with water power, and to eliminate the use of the gas producer plant except in emergencies. Number of customers, Dec. 31, 1927, 1,242; sales in 1927, 326,182 k.w.h.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $100. New England Electric Securities Co. owns a majority of the stock. Annual meeting, first Monday in February. No dividends paid.

FUNDED DEBT

$240,000 First Mtge. Gold 5s; dated Oct. 1, 1912; due Oct. 1, 1937; int. April and Oct. 1 at Bank of Nova Scotia, Yarmouth, N. S. Montreal Trust Co., Trustee. **Authorized and issued, $250,000, of which $10,000 re**deemed March 31, 1919. Mortgage now closed.

$250,000 First Refunding Gold 8s; dated Nov. 1, 1921; due Nov. 1, 1951; int. May and Nov. 1, payable in U. S. gold at First National Bank, Boston, Mass., successor Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized, $1,000,000. of which sufficient reserved to retire the First Mortgage 5s, due 1937. Other than for refunding, additional bonds may be issued only for 80% of the cost of new property or additions, when net earnings a twice annual interest charges on the bonds of this i sue outstanding and those to be issued. Subject call on or after Nov. 1, 1941, at 102 and interest.

Sinking Fund—On Dec. 1, 1922, and on Dec. 1 each year thereafter, an amount equal to 1% of ou standing bonds.

Security—Secured by a direct mortgage on all t property and franchises of the Company now own or hereafter acquired, subject only to $240,000 Fir 5s, due 1937.

Tax Provisions—Tax refundable in the New En land States. Company pays Normal Federal Incon Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1925	1924	1923
Gross income	$88,446	$86,353	$71,9
Oper. exp. and taxes	†38,390	27,891	25,1
Net earnings	$50,056	$58,462	$46,7
Bond interest	31,760	32,000	32,0
Other charges	26,723	.....	.....
Surplus	*$8,427	$26,462	$14,7

*Deficit. †Includes depreciation, $8,869.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1925	192
Property account	$952,350	$905,1
Investments	55,670	55,6
Cash & accounts receivable	13,534	11,6
Materials and supplies	2,759	3,4
Prepayments	.....	8
Unamortized discount, etc.	.....	26,2
Suspense	52,393	25,1
Total	$1,076,706	$1,028,1
Liabilities—		
Capital stock	$250,000	$250,0
Funded debt	482,000	487,0
Notes & accounts payable	247,171	209,3
Accrued liabilities	.....	7,6
Sinking fund	.....	20,0
Surplus & reserves	97,535	54,1
Total	$1,076,706	$1,028,1

Officers and Directors: Not reported.

General Office, King St., Yarmouth, N. S. **Execu**tive Office, 33 Liberty St., New York.

SUPER-POWER COMPANY OF ILLINOIS

History—Organized to furnish power at wholesal to the Commonwealth Edison Co., Public Service C of Northern Illinois, Illinois Power and Light Cor and Central Illinois Public Service Co., and to suc other neighboring public utility companies as may r quire a large and reliable supply of electrical energy.

Company owns a site comprising approximately 60 acres located at Powerton on the south side of th Illinois River some 12 miles southwest of Peoria, an is building thereon a thoroughly modern generatin station. The power house proper is entirely com pleted for the installation of two 55,000 k.w. units, an the first turbine, boilers and auxiliaries are being in stalled, and, it is expected, will be in operation b Oct. 1, 1928. The second unit of similar size, it is ex pected, will be ready for operation by Oct. 1, 192 The power station site combines the essential advan tages of central location for the important loads to b served, abundant condensing water, and readily acce sible coal.

The Company is also building 3 high voltage electri substations and approximately 55 miles of 132,000-vol steel tower transmission line, extending from the Com pany's generating station to a point 2½ miles east o Kewanee, Illinois, where it will interconnect with similar line of the Illinois Power and Light Corp extending east to Seneca and interconnecting ther with a similar line of the Public Service Co. of North ern Illinois, which line, in turn, interconnects at Jolie with the 132,000-volt super-power net work of th

Public Service Company of Northern Illinois, which is interconnected with the vast pool of power of the Commonwealth Edison Co. The Company is also building approximately 5 miles of 132,000-volt steel tower transmission line extending east from the Company's generating station and interconnecting with a similar transmission line of Illinois Electric Power Co., which latter line extends from that company's power station at Peoria to Springfield, Ill.

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value; outstanding, 100,000 shares. All, except directors' qualifying shares, owned directly or through subsidiaries as follows: Commonwealth Edison Co., 30%; Public Service Co. of Northern Illinois, 25%; North American Light & Power Co., 25%; Middle West Utilities Co., 20%.

FUNDED DEBT

$10,000,000 FIRST MORTGAGE 4½% GOLD BONDS, SERIES OF 1928; DUE MARCH 1, 1968

Dated March 1, 1928.

Interest Payable March and September 1 at Halsey, Stuart & Co., Inc., New York and Chicago.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $10,000,000 Series of 1928 4½s.

Additional bonds of this Series (or of other series bearing such rates of interest, maturing as such times and having such other provisions as directors at time of issuance may determine) may be issued against deposit, par for par, of cash or obligations of U. S. Government or to refund bonds of another series theretofore issued under Mortgage, and to extent of 75% of expenditures made for additions, improvements, betterments or extensions and 75% of cost or value (whichever is less) of purchased property acquired by Co., provided that all such extensions and purchased property shall be subject to Mortgage as a first mortgage thereon; provided, however, that net earnings, as defined in Mortgage, during any 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least twice the annual interest charges on all bonds outstanding and those then proposed to be issued.

Purpose of Issue—Proceeds from sale of the $10,000,000 First Mortgage 4½% Gold bonds, Series of 1928, were used in part payment of cost of the generating station, substations and transmission lines.

Callability—Series of 1928 4½s are subject to call as a whole or in part, on 30 days' notice, to and including March 1, 1933 at 105 and interest; premium thereafter decreasing 1% for each five-year period to and including March 1, 1963; thereafter prior to March 1, 1967 at 100½ and interest and thereafter to maturity at par and interest.

Improvement and Sinking Fund—Mortgage provides that beginning with the calendar year 1931, and continuing thereafter so long as any Series of 1928 bonds are outstanding, Company will expend for each calendar year an amount not less than 2% of the principal amount of Series of 1928 bonds authenticated prior to the beginning of such year (except bonds authenticated for exchange for other bonds of the Series of 1928 or to replace lost, destroyed or mutilated bonds and except bonds against the issuance of which cash is on deposit with the Trustee under the mortgage at the beginning of such year) which expenditures shall be for (a) the making of extensions and/or the acquisition of purchased property on account of which the Company would be entitled to have additional bonds authenticated but on account of which no bonds had been or will be authenticated, and/or (b) the redemption and/or the payment or the purchase (at not exceeding the then current optional price) and the cancellation of any Series of 1928 bonds issued under the mortgage, and the mortgage will provide that no additional bonds may be authenticated under the mortgage on account of bonds so cancelled. The mortgage will also require that subsequent series of bonds issued under the mortgage must contain an Improvement and Sinking Fund requirement at least equal to that provided for Series of 1928 bonds.

Security—Secured by a first mortgage on all fixed properties, rights and franchises of Company, now owned, and on all such properties hereafter acquired against which any bonds may be issued under mortgage. Cost of completed initial installation consisting of a 110,000 k.w. plant, 3 high voltage electric substations and approximately 60 miles of 132,000-volt steel tower transmission line is estimated at $14,400,000.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and agrees to reimburse the holders if requested within 60 days after payment, for Pennsylvania and Connecticut 4 mills and Maryland 4½ mills taxes and for the District of Columbia personal property taxes not exceeding 5 mills per annum for each $1 of the principal, and for the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($10,000,000 Series of 1928 4½s) in April, 1928, at 98½ and interest, by Halsey, Stuart & Co., Inc., New York, etc.

Officers: Samuel Insull, Chairman; Marshall E. Sampsell, Pres., Chicago.

Office, 201 South La Salle St., Chicago.

STAMFORD AND WESTERN GAS COMPANY

History—Incorporated Nov. 12, 1927, in Delaware for the purpose of owning and operating natural gas transmission and distributing lines in Texas. Company was expected to commence the distribution of natural gas for industrial and domestic uses about April 1, 1928, to the first of twenty cities and towns and contiguous territories in Texas under favorable franchises extending beyond 1956. The complete system will embrace about 235 miles of pipe lines to be finished by Sept. 15, 1928. The lines will extend from a point about 70 miles west of Wichita Falls, Texas, to Stamford and Rotan, Texas, serving cities and towns in the counties of Hardeman, Foard, Knox, Baylor, Haskell, Jones and Fisher, without competition. Company will purchase its natural gas supply from Northern Texas Utilities Co.

CAPITAL STOCK

Authorized 100,000 shares Common of no par value; outstanding 84,600 shares Common. The remaining 15,400 shares are reserved for issuance upon the exercise of the below mentioned Stock Purchase Warrants.

Transfer Agent—Guaranty Trust Co. of New York, N. Y.

Annual Meeting—Second Tuesday in November at Wilmington, Del.

FUNDED DEBT

$1,100,000 FIRST (CLOSED) MORTGAGE 7% SINKING FUND GOLD BONDS; DUE APRIL 1, 1936

Dated April 1, 1928.

Interest Payable April and October 1, at Guaranty Trust Co. of New York, N. Y., and Guardian Trust Co. of New Jersey, Newark, N. J.

Denominations—Coupon $500 and $1,000; principal may be registered.

Stock Purchase Warrants—Each $500 and $1,000 bonds has annexed a non-detachable warrant exercisable on or before the maturity or prior redemption of the bond, entitling the holder to purchase from the Company 7 shares and 14 shares respectively, of its no par value Common stock at $10 per share, if ex-

ercised on or before April 1, 1932, and thereafter at $15 per share. Indenture contains provisions for the protection of warrant holders in case of stock dividends, recapitalization or the issuance of additional shares.

Trustee—Guardian Trust Co. of New Jersey, Newark, N. J.

Provisions of Issue—Authorized and outstanding, $1,100,000.

Purpose of Issue—Proceeds from sale of these bonds together with notes, and proceeds from Common stock subscriptions, were used to reimburse Company for expenditures made for construction to date, for completion of system, and other corporate purposes.

Callability—Subject to call as a whole or in part by lot on any interest date, on 30 days' notice, at 104 and interest to and including April 1, 1929; premium decreasing ½ of 1% during each year thereafter.

Sinking Fund—Indenture provides for a sinking fund payable monthly to Trustee, beginning Jan. 1, 1929, calculated to retire over 80% of this issue by maturity. Company further covenants to add to sinking fund 50% of proceeds received upon exercise of stock purchase warrants. Sinking fund moneys are to be used quarterly by Trustee to purchase bonds up to current redemption price, and to extent that bonds are not so obtainable, then to redemption of bonds by lot at current redemption price upon next interest date.

Security—Secured by a direct first mortgage on entire fixed assets of Company, now owned or hereafter acquired, subject only to purchase money or existing liens upon hereafter acquired property. Gas purchase contract and all franchises will be deposited with Trustee as further security. Pipe line rights of way to be mortgaged may be subject to any existing farm mortgages or other liens. Cost of physical properties upon which these bonds will become a first lien has been estimated to be $1,700,000.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and agrees to refund, upon timely and appropriate application, Pennsylvania and Connecticut personal property taxes not exceeding 4 mills per annum, Kentucky and District of Columbia personal property taxes not exceeding 5 mills per annum and Maryland securities tax not exceeding 4½ mills per annum on the bonds, and Massachusetts Income Tax not exceeding 6% per annum on interest received.

Legal Opinion—Hornblower, Miller & Garrison, New York, (for the bankers) and L. C. Penry, (for the Company.)

Original Offering—First publicly offered ($1,100,000) in April, 1928, at par and interest, with non-detachable Common stock purchase warrants, by A. M. Lamport & Co., Inc., and Paul & Co., New York, etc.

NOTE: There is also an issue of $550,000 7% unsecured notes (none of which were outstanding up to time the Manual went to press) which will be issued from time to time for the purchase of equipment.

OFFICERS AND DIRECTORS

Officers: Claude O. Moore, Pres.; T. E. Patten, V-P., Stamford, Texas; Kenneth E. Demarest, V-P., New York; C. H. Roe, Sec.; S. L. Moore, Treas., Stamford, Texas; Frank J. Gillis, Asst. Sec., New York.

Directors: Claude O. Moore, T. E. Patten, S. L. Moore, Stamford, Texas; A. M. Lamport, New York; Charles A. Meyer, Toledo, Ohio.

General Office, Stamford, Texas. **Corporate Office,** 7 W. 10th St., Wilmington, Delaware.

LONG ISLAND LIGHTING COMPANY

(See Accompanying Map)

History and Properties—Incorporated Dec. 31, 1910, in New York; consolidation of Amityville Electric Light Co., Islip Electric Light Co., Northport Electric Light Co., Sayville Electric Co.; in addition has absorbed the Suffolk Gas & Electric Light Co., South Shore Gas Co., Babylon Electric Light Co., Huntington Light & Power Co., Huntington Gas Co., North Shore Electric Light & Power Co., Consumers Gas Co. of Long Island, Riverhead Electric Light Co., Southold Lighting Co., Suffolk Light, Heat & Power Co., and Nassau Light & Power Co.

Company has acquired 100% of the Common stock of the Queens Borough Gas & Electric Co., and owns 96.675% of Common stock of Kings County Lighting Co. (see appended statements). Also owns 100% of the Common stock of East Hampton Electric Light Co., Sag Harbor Electric Light & Power Co., Long Island Gas Corp., Public Service Corporation of Long Island, and over 99% of the Common stock of Patchogue Gas Co., and Sea Cliff and Glen Cove Gas Co.

Long Island Lighting Company through its own operation and through the operations of its constituent companies, supplies substantially the entire electric light and power and gas service on Long Island up to the New York City Line, and in the Rockaway district of the Borough of Queens and the gas service in a portion of the Borough of Brooklyn. This territory represents an area of over 1,200 square miles, having a combined population in excess of 800,000. The service is furnished under favorable franchises, the majority of which extend beyond the maturity of the bonds.

The Company owns electric generating stations at Northport, Glenwood Landing, Babylon, Halesite, Garden City, Glen Cove, Riverhead and Southampton; also gas plants at Bay Shore and Huntington. Total electric generating capacity, 39,355 kilowatts; gas producing capacity per 24 hours, 5,240,000 cu. ft.

The company owns 478 miles of high tension transmission lines. A line has been constructed to connect the Northport and Glenwood plants so that current can be furnished to the entire territory from either of these plants, both of which are located on the waterfront. Length of distribution lines, 2,806 miles.

Electric output (generated) in 1927, was approximately 93,528,588 k.w.h. This is the net combined total of A.C. and D.C. current. Number of electric meters in service Dec. 31, 1927, was 71,903.

The company has 113 miles of high pressure gas mains, delivering gas to surrounding territory from the main generating station at Bay Shore. Length of distribution mains, 240 miles. Gas output (produced) in 1927, was about 537,249,000 cu. ft. Number of gas meters in service Dec. 31, 1927, was 12,798.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31
(Not including Subsidiaries)

	No. of Electric Meters	No. of Gas Meters	Output *Electricity (K.W.H.)	Output Gas (Cu. Ft.)
1923	40,512	6,810	47,590,000	306,765,000
1924	48,556	7,780	58,362,229	343,850,100
1925	56,171	9,121	66,952,457	394,492,000
1926	64,978	10,498	80,179,316	478,962,000
1927	71,903	12,798	93,528,588	537,249,000

*Approximate.

CAPITAL STOCK

Authorized, 1,000,000 shares Common of no par value (changed from $10,000,000 Common, par $100, by stockholders Dec. 31, 1924), $4,000,000 cumula-cumulative Pfd. (issuable as below stated), $7,500,000 7% cumulative Pfd., Series "A," and $8,500,000 6% cumulative Pfd. Series "B" (of which $1,500,000 is reserved for conversion of 5½% Debentures); par of all Pfd. issues, $100; outstanding Dec. 31, 1927, 300,000 shares Common, $7,372,400 7% Pfd. Series "A," and $5,836,400 6% Pfd. Series "B."

Preferred Stock Increased and Reclassified—Stockholders at special meeting Jan. 19, 1927, authorized an increase in capital stock by creating $10,000,000



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AMERICAN COMMONWEALTHS POWER CORPORATION

LEGEND

Approximate territory served referring to inserts

Electric Transmission Lines

Foreign Electric Transmission Lines

Gas Lines

Electric Service

Gas Service

Electric and Gas Service

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additional cumulative Pfd. stock) of which $6,000,000 has since been designated as additional 6% Series "B" leaving $4,000,000 issuable as below stated), and reclassified the existing $10,000,000 7% cumulative Pfd. into $7,500,000 7% cumulative Pfd. Series "A," and $2,500,000 6% cumulative Pfd. Series "B."

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends, the Series "A" and Series "B" being identical except as to rates of dividends. The $10,000,000 authorized but unissued cumulative Pfd. stock may be issued in one or more series and in such number of shares and at such dividend rates, not exceeding 7% per annum, for each series as the Board of Directors may determine at the time of creation of each said series. Both the 7% Pfd. stock Series "A" and the 6% Pfd. stock Series "B" are subject to call in whole or in part at any time after 3 years from date of issuance on any dividend date on 30 days' notice at 110 and accrued dividends. Pfd. stock is non-voting, except upon such matters as shall be required by the laws of New York State.

Transfer Office—Stock transferred at Company's office, 50 Church St., New York.

Registrar of Pfd. Stock—Bankers Trust Co., New York.

Legal Opinion (Pfd.)—Seibert & Riggs, New York, for the bankers, and Henry R. Frost and Elmer B. Sanford, New York, for the company.

Public Offering—$2,000,000 6% Pfd. Series "B" was publicly offered in March, 1927, at par, and dividend by W. C. Langley & Co., New York; $1,000,000 additional offered in Sept. 1927, at the same price and by the same bankers.

Annual Meeting—First Tuesday in February.

Price Range—

Common—	1927	1926	1925
High	174	150	150
Low	140	120	130
7% Pfd. "A"—			
High	114	112	105
Low	107½	105	100
6% Pfd. "B"			
High	105	..	..
Low	100	..	..

Dividends—Dividends on Pfd. stock have been paid at rate of 7% per annum since date of issue in 1919. Initial quarterly dividends of $1.75 on Series "A" 7% Pfd. and $1.50 on Series "B" 6% Pfd. were paid April 1, 1927 and regularly thereafter; payments quarterly, J. A. J & O 1.

On old Common, par value $100 per share, 5.6% paid in 1912; none in 1913; 4% in 1914; 5½% in 1915; 6%, 1916 to 1921, incl.; 8% in 1922, 1923 and 1924; $3.00 per share in 1925, in 1926 $2.50, and 1927 $3.75 on no par Common shares. On Jan. 3, 1928 an extra dividend of 75 cents a share was paid on Common stock.

FUNDED DEBT

(Dec. 31, 1927)

(1)

$4,802,300 LONG ISLAND LIGHTING CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1936

Dated March 1, 1911.

Interest Payable March and September 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $6,000,000; the remaining bonds are issuable for not to exceed 75% of the cash cost of betterments, extensions and additions, but no bonds in excess of the total of $4,848,300 may be issued unless the net earnings for the preceding twelve months have been at least twice the annual interest charge, including all bonds then about to be certified.

Betterment and Extension and Sinking Fund—A betterment and extension fund of 1% beginning three years and a sinking fund of 1% beginning five years after the issues of bonds continue thereafter at the rate of 1% per annum for each issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, New Hampshire, Rhode Island, New Jersey, Massachusetts and Vermont.

Price Range—

	1927	1926	1925	1924
High	103¾	101¾	100¾	99½
Low	100¾	99	98½	95

(2)

$3,000,000 LONG ISLAND LIGHTING CO. FIRST REFUNDING MORTGAGE GOLD 6s, SERIES "A"; DUE JANUARY 1, 1948
$5,256,000 LONG ISLAND LIGHTING CO. FIRST REFUNDING MORTGAGE GOLD 5s, SERIES "B"; DUE SEPTEMBER 1, 1955

Dated, Series "A," January 1, 1923; Series "B," September 1, 1925.

Interest Payable January and July 1 on Series "A" and March and September 1 on Series "B" at The American Exchange Irving Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Registered bonds without coupons in interchangeable denominations of $1,000, $5,000, $10,000 and multiples of $10,000. Registered bonds without coupons, of the denomination of $1,000 exchangeable for coupon bonds of the same denomination.

Trustee—The American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited. Issued and outstanding, $8,256,000 ($3,000,000 Series "A" 6s and $5,256,000 Series "B" 5s). Additional bonds of Series "A" or Series "B" or of other series having such rates of interest, maturity dates and other provisions, as the Board of Directors may determine in accordance with the terms of the Indenture, may be issued (a) up to 80% of the cost or fair value, whichever is less, of additions, improvements and betterments made subsequent to June 30, 1922, to the property, and (b) up to 80% of the cost or fair value, whichever is less, of hereafter acquired property, less the total principal amount of any liens outstanding thereon, provided in either case that the net earnings of the Company are at least twice the annual interest charges on all bonds outstanding under the Indenture, including bonds proposed to be issued, and on all underlying bonds as defined in the Indenture. Additional bonds also may be issued, par for par, to refund bonds of any other series or to refund underlying bonds. Subject to the above earnings restrictions the Company may issue bonds against deposit with the Trustee of an amount of cash equal to par value thereof.

Callability—Series "A" are subject to call in whole or in part on any interest date, on at least thirty days' published notice at 110 during the first fifteen years, and at 1% less during each year of the following ten years; plus accrued interest in each case.

Series "B" are subject to call in whole or in part on any interest date on at least thirty days' published notice at 107% on or prior to Sept. 1, 1929 and at 1% less during each period of four consecutive years thereafter up to and including Sept. 1, 1953 and at par thereafter to maturity, plus accrued interest in each case.

Improvement Fund—The Company covenants that it will deposit cash in a special trust fund with the Trustee annually on Jan. 15 of each year, beginning Jan. 15, 1926, and continuing thereafter during the life of the Indenture, in an amount equal to 1% of the aggregate par value of all bonds of the Company issued under the Indenture prior to the third calendar year next preceding the date of such payment and then outstanding. Cash in this fund may be used only for the purpose of paying for permanent betterments, improvements, extensions or additions to the plants, properties and equipment of the Company. These expenditures shall not be used to form a basis for the

issuance of First Refunding Mortgage bonds, or underlying bonds.

Security—Secured by direct mortgage on the entire property of the Company. The Indenture provides that the First Mortgage shall be satisfied on or before its due date and that no new mortgage prior in lien to that of the Indenture securing the First Refunding Mortgage bonds may be executed for extension thereof or for the refunding thereof. Upon the satisfaction of the first mortgage, the First Refunding Mortgage will become a first mortgage on all of the properties owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Company also agrees to refund the Pennsylvania and Connecticut Personal Property taxes legally assessed against and paid by the holder, not exceeding 4 mills per annum in either State upon application within thirty days after such payment by the holder thereof. The Company also agrees to refund, upon application within 30 days after payment, to holders of Series "B" bonds the Massachusetts Income Tax not exceeding 6% per annum on income derived from the bonds.

Legal Opinion—Seibert & Riggs, New York (for the Bankers); Henry R. Frost and Elmer B. Sanford, New York (for the Company).

Legal for Savings Banks in Maine, New Hampshire, Rhode Island, New Jersey, Massachusetts and Vermont.

Original Offering—First publicly offered ($3,000,000 Series "A" 6s) in Jan., 1923, at 97½ and interest to yield about 6.20% and $1,000,000 Series "B" 5s in Dec. 1925, at 98 and accrued interest, by Bonbright & Co., Inc. and W. C. Langley & Co., New York, etc.; $1,500,000 Series "B" 5s in June, 1926 at par and interest, $2,000,000 Series "B" 5s in Nov., 1926, at 99½ and interest, and $756,000 of Series "B" 5s in Oct., 1927, were offered by the same bankers.

Price Range—

	1927	1926	1925	1924	1923
Series "A"—					
High	109½	109½	105¾	102½	98
Low	108	104½	102	96½	96
Series "B"—					
High	106¼	99	..	..	..
Low	98¾	97	..	..	..

(3)

$3,867,000 LONG ISLAND LIGHTING COMPANY SECURED GOLD 6s; DUE JULY 1, 1945

Dated July 1, 1925.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Central Union Trust Company of New York.

Provisions of Issue—Issued $3,867,000. Proceeds from the sale of these bonds and the sale of Pfd. stock were used to acquire Common stock of Kings County Lighting Co.

Callability—Subject to call as a whole or in part on 30 days' published notice at 105 up to and including July 1, 1935; thereafter at 105 less ¼% for each six months elapsed from July 1, 1935 up to and including July 1, 1944; and at par thereafter to maturity plus accrued interest in each case.

Security—These bonds, of which this offering is a part, are a direct obligation of Long Island Lighting Co. and are additionally secured by pledge with the Trustee, of Common stock of Kings County Lighting Co., as acquired by Long Island Lighting Co., in the following ratios: Against each ten (10) shares of the presently outstanding Common stock of Kings County Lighting Co. (amounting to 50,000 shares) $800 face amount of bonds; and against any Common stock of Kings County Lighting Co. in excess of said 50,000 shares, acquired by Long Island Lighting Co. and deposited with Trustee, Bonds to the face amount of 80% of the cost of said stock to Long Island Lighting Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The company agrees to refund upon application within 60 days after payment, the Pennsylvania and Connecticut Personal Property Taxes, not exceeding 4 mills per annum, and the Massachusetts Income Tax, not exceeding 6% per annum on income derived from the bonds.

Legal Opinion—Seibert & Riggs, New York (for the bankers), and Henry R. Frost and Elmer B. Sanford, New York, (for the Company).

Original Offering—First publicly offered ($3,500,000) in July, 1925, at 100 and accrued interest, to yield 6%, by W. C. Langley & Co., New York.

Price Range—

	1927	1926	1925
High	105¼	103⅞	102
Low	102⅝	99⅞	99½

(4)

$1,500,000 LONG ISLAND LIGHTING CO. 5½% CONVERTIBLE GOLD DEBENTURES, SERIES "A"; DUE APRIL 1, 1952

Dated April 1, 1927.

Interest Payable April and October 1, at Guaranty Trust Co., New York.

Denominations—Coupon (principal may be registered), $500 and $1,000, and registered, $1,000. Coupon and registered of $1,000 denomination interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized amount, unlimited, subject to restrictions below stated. Issued and outstanding, $1,500,000 Convertible Series "A" 5½s. Proceeds of this issue were used in part for the acquisition of all the Common stock of Public Service Corp. of Long Island.

Additional debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights and limitations permitted by the indenture as the Board of Directors may provide prior to the issue thereof, when net earnings, or consolidated net earnings, as defined in the indenture, for 12 consecutive calendar months within the 15 calendar months preceding the month in which application is made for the authentication of such debentures, shall have been equal to at least twice the interest charges upon all outstanding interest bearing obligations, including the debentures to be issued, but excluding obligations to be concurrently paid off.

Callability—Subject to call in whole or in part on any interest date after October 1, 1927 upon 60 days' notice at 105 and interest.

Convertibility—Convertible into 6% Preferred stock on any interest date on 30 days' notice on and after October 1, 1929 and to and including October 1, 1939 at the rate of one share of Preferred stock for each $100 principal amount of debentures, subject to the provisions of and as set forth in the indenture.

Security—A direct obligation of company and issued under an indenture which provides among other things that prior to April 1, 1949, provided any 5½% Debentures, Series "A," shall be outstanding and funds for their payment or redemption not deposited, the Company will not issue any unsecured obligations maturing more than 5 years from date of issue except under said indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut Personal Property Taxes not exceeding 4 mills per annum, Maryland Securities Tax not exceeding 4½ mills per annum, and Massachusetts Income Tax not exceeding 6% per annum refunded upon application within 60 days after payment.

Legal Opinion—Seibert & Riggs, New York, (for the bankers), and Henry R. Frost and Elmer B. Sanford, New York, (for the Company).

Original Offering—First publicly offered ($1,500,000 Series "A" 5½s) in April, 1927, at par and interest, by W. C. Langley & Co., New York.

Price Range—1927: High, 104; low, 100.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including dividends received from subsidiary companies)

	1927	1926	1925	1924	1923	1922
Gross earnings (incl. non-operating earnings)..	$6,757,678	$5,497,071	$4,444,097	$3,761,584	$3,276,110	$2,578,626
Operating expenses, taxes and maintenance	3,563,346	2,908,918	2,459,900	2,073,002	1,799,836	1,595,218
Net earnings	$3,194,332	$2,588,153	$1,984,197	$1,688,582	$1,476,274	$983,408
Interest charges	$1,067,579	$874,589	$643,076	$484,873	$516,697	$404,675
Depreciation, etc.	237,922	242,933	205,035	203,948	175,277	213,077
Total charges	$1,305,501	$1,117,522	$848,111	$688,821	$691,974	$617,752
Surplus for year	$1,888,831	$1,470,631	$1,136,086	$999,761	$784,300	$365,656
*Times Interest Earned	2.99	2.96	3.09	3.48	2.85	2.43

*Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Fixed capital	$26,413,602	$21,254,208	$17,909,807	$14,468,901	$11,931,251
Investments	8,954,838	7,250,306	7,561,503	2,617,863	2,391,735
Cash	1,426,041	1,760,846	725,318	1,042,494	277,407
Bills & accts. receivable	5,016,513	2,562,811	1,747,640	1,897,355	942,791
Materials and supplies	853,784	651,818	576,172	646,726	486,717
Prepaid int., taxes, etc.	88,760	114,930	108,946	102,331	70,687
Interest & divds. receivable	69,010	65,347	43,427	39,840	39,840
Betterment & exten. fund	.....	.....	.....	.....	2,200
Miscel. temporary debits	2,012,054	1,790,554	1,081,839	874,015	956,592
Bond redemption fund	3,040	3,081	2,990	2,735	.....
Total	$44,837,642	$35,453,901	$29,757,642	$21,692,260	$17,099,220
Liabilities—					
Capital stock	$16,208,400	$10,314,300	$9,650,600	$7,928,700	$5,352,000
Funded debt	18,424,300	16,970,300	13,496,300	7,679,800	7,531,000
Real estate mortgages	141,500	90,500	95,928	65,428	65,428
Bills & accts. payable	4,802,283	3,511,118	2,622,187	2,500,915	1,461,815
Consumers' deposits	602,956	467,078	340,919	228,268	131,653
Pfd. stock subscriptions	117,200	4,160	3,300	7,239	9,185
Other liabilities	550,665	389,504	292,685	262,579	213,187
Accruals	737,389	650,940	605,060	229,932	186,088
Reserves	1,158,891	1,087,753	1,020,149	960,894	899,314
Dividends declared	441,557	428,000	.....	300,000	.....
Corporate surplus	1,652,501	1,540,248	1,630,514	1,528,505	1,249,550
Total	$44,837,642	$35,453,901	$29,757,642	$21,692,260	$17,099,220

Officers: E. L. Phillips, Pres., New York; G. W. Olmsted, V-P., Ludlow, Pa.; R. F. Van Doorn, Treas.; H. R. Frost, Sec.; A. M. Hallock, Asst. Treas., New York.

Directors: G. W. Olmsted, Ludlow, Pa.; E. L. Phillips, R. F. Van Doorn, Henry R. Frost, C. R. Dean, Eversley Childs, William C. Langley, New York.

General Office, 50 Church St., New York.

KINGS COUNTY LIGHTING COMPANY

(Controlled by Long Island Lighting Company)

History and Property—Incorporated May 26, 1904, in N. Y., to operate in Boroughs of Brooklyn and Queens, in the City of New York.

On July 1, 1904, absorbed Kings County Gas & Illuminating Co., whose entire capital stock of $1,000,000 it had purchased. Company furnishes gas in the southerly portion of Brooklyn, including the Bay Ridge, Fort Hamilton, Bensonhurst, Borough Park, Bath Beach, Homewood, Lefferts Park, Mapleton, Midwood, Blythebourne, Ulmer Park and adjoining districts, covering a total of approximately 12½ square miles. Franchises perpetual. Owns water gas manufacturing plant with rated capacity of over 17,000,000 cu. ft. per day, located at 55th St. and 1st Ave., Brooklyn, N. Y.; also 5 holders, with combined capacity of 7,700,000 cu. ft.

COMPARATIVE STATISTICS

	Miles of Mains	Number of Services	Number of Customers	Sales of Gas Cubic Feet
1923	209.68	28,979	55,894	1,794,969,870
1924	215.58	32,766	62,635	1,952,569,000
1925	221.41	35,740	70,596	2,112,764,000
1926	223.81	37,861	77,932	2,384,627,000
1927	230.55	39,688	84,178	2,390,243,000

CAPITAL STOCK

Authorized, 50,000 shares Common without par value and 65,000 shares cumulative Pfd. of the par value of $100. Preferred stock may be issued as Series "B" 7%, 20,000 shares; Series "C" 6%, 20,000 shares, and Series "D" 5%, 25,000 shares. Outstanding Dec. 31, 1927, 50,000 shares Common and $1,816,400 7% Pfd. Series "B." In March, 1928, $1,500,000 5% cumulative Pfd. stock, Series "D," was issued. The Long Island Lighting Company owns 96.675% of the Common stock.

8% Preferred Stock Called—All the outstanding 8% Pfd. Series "A" stock was called for payment on July 1, 1927 at 105 and accrued dividends.

Preferred Stock Provisions—All preferred stock ranks equally, is preferred as to assets and dividends over the Common stock, and is subject to redemption in whole or in part on thirty days' notice at the option of the company on any dividend date. The Series "B" stock may be called at $115 per share, with accrued and unpaid dividends. The Series "D" stock may be called at $110 per share. On series other than "B" and "D" dividend rates shall not exceed 8%, nor call price exceed $115 per share.

Transfer Agent—Bank of America, New York.

Registrar—Brooklyn Trust Co., New York.

Legal Opinion (7% Pfd. stock)—Larkin, Rathbone & Perry, New York (for the Bankers); Ingraham, Page & Moran, New York (for the Company).

Original Offering—$1,000,000 7% Pfd. stock, Series "B" was publicly offered by Blair & Co., New York at 100 and accrued dividend to yield 7%. $1,500,000 5% Pfd. stock was offered in March, 1928, at 100 and accrued dividend, by W. C. Langley & Co., New York.

Annual Meeting—Second Tuesday in March.

Dividends—Dividends on Common have been paid in recent years as follows: 1908, 4½%; 1909 to 1915, 6% per annum; 1916, 1%; none thereafter until April 27, 1922, when 6% was paid; 1923, 8%; 1924, $4.50 per share, on 50,000 shares, without par value; 1925, 1926 and 1927, $5.00 per share on 50,000 shares. Dividends at rate of 7% on Series "B" Pfd., quarterly, J, A, J & O 1, from and including April 1, 1924, to date.

Price Range—

Preferred "B"	1927	1926	1925
High	116	112	101
Low	110	101	98

FUNDED DEBT

(1)

$750,000 KINGS COUNTY GAS & ILLUMINATING CO. (CLOSED MORTGAGE) FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1940

Dated October 1, 1890.

Interest Payable April and October 1, at People's Trust Co., Brooklyn, N. Y.

Denomination—Coupon, $1,000.

Trustee—People's Trust Co., Brooklyn, N. Y.

Security—A first lien on property of former Kings County Gas & Illuminating Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$4,250,000 KINGS COUNTY LIGHTING CO. FIRST REFUNDING GOLD BONDS (OF WHICH $2,428,000 BEAR 5% INTEREST AND $1,822,000 BEAR 6½%); DUE JULY 1, 1954

Dated July 1, 1904.

Interest Payable January and July 1, at Central Union Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Mortgage closed except for refunding. Authorized, $5,000,000; $750,000 reserved to refund underlying bonds. The $2,428,000 5% bonds issued include $39,000 reacquired bonds held in treasury.

Callability—Subject to call on any interest date on and after Jan. 1, 1940, at 105 and accrued interest.

Security—The First Refunding bonds are secured by a direct mortgage on the entire real estate, plant, equipment, franchise and distributing system now owned or hereafter acquired, subject only to the lien of $750,000 underlying 5% bonds due 1940 for the retirement of which an equal amount of First Refunding Mortgage bonds are reserved. Both principal and 5% interest are secured by the First Refunding Mortgage; $1,822,000 of the bonds carry additional interest at the rate of 1½% per annum. The additional interest of 1½% is secured by an additional interest mortgage lien upon all the real and personal property now owned or hereafter acquired, subject to the underlying First Mortgage and the First Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Larkin, Rathbone & Perry, New York, and Ingraham, Page & Moran, New York.

Original Offering—The $1,822,000 6½% bonds were publicly offered in Dec., 1921, at 99½ and interest, to yield about 6.55%.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
5% bonds—						
High	105½	103	101¼	88⅜	80⅛	81
Low	101½	98⅝	89	77½	75	81
6½% bonds—						
High	119	112	108½	104	101	101½
Low	112¼	106	103⅝	95	94	99

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,092,582	$3,085,180	$2,728,875	$2,552,565	$2,401,316	$2,213,356
Operating expenses, ordinary taxes, etc	2,111,271	1,908,556	1,688,039	1,626,445	1,571,976	1,629,770
Net operating income	$981,311	$1,176,624	$1,040,836	$926,120	$829,340	$583,585
Other income	62,525	78,687	43,012	24,906	20,979	23,978
Total income	$1,043,836	$1,255,311	$1,083,848	$951,026	$850,319	$607,563
Interest, rents, etc	327,259	330,630	317,542	$324,176	$309,086	$305,760
Federal income tax	94,085	127,189	98,747	78,376	68,304	38,401
Balance for dividends	$622,492	$797,492	$667,559	$548,474	$472,929	$263,266
Dividends paid	397,148	417,148	415,366	295,093	149,563	124,712
Surplus after dividends	$225,344	$380,344	$252,193	$253,381	$323,366	$138,554
*Times Fixed Charges Earned	3.19	3.80	3.41	2.93	2.75	1.98
Earnings Per Share—						
Preferred	$34.27	$34.43	$28.81	‡$24.03	$94.58	$109.60
Common	9.50	12.61	12.41	‡7.67	8.66	12.92

*Before Federal income taxes. ‡Based on full amount of Preferred stock outstanding at Dec. 31, 1924.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$11,596,005	$10,751,405	$10,436,354	$9,981,430	$8,702,513	$8,047,714
Reacquired securities	39,000	39,000	39,000	39,000	39,000	39,000
Investments, affiliated company	372,034	372,034	322,796	266,220	.....	.....
Cash	222,505	*465,889	*846,122	*1,045,965	185,029	230,411
Bills receivable	3	800,000	985	690	461	2,010
Accounts receivable, City of New York	357,885	337,404	293,875	295,291	100,875	82,629
Consumers' accounts receivable					234,223	240,320
Special deposits	225,374	.....	.....	.....	273,043	188,655
Prepaid accounts	9,054	4,376	8,945	7,852	7,736	7,548
Materials and supplies	284,909	271,532	185,750	205,618	254,261	225,125
Unamortized debt discount and expenditures	163,458	166,641	169,688	171,321	174,766	178,062
Other suspense	371,356	270,235	244,163	191,463	181,123	113,500
Total	$13,641,583	$13,478,516	$12,547,678	$12,204,850	$10,153,030	$9,354,974
Liabilities—						
Common stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Preferred stock, 8% Series "A"	.....	500,000	500,000	500,000	500,000	240,200
Preferred stock, 7% Series "B"	1,816,400	1,816,400	1,816,400	1,781,800	.....	.....
Subscription to Preferred stock	.....	.....	.....	14,600	.....	.....
Funded debt	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Taxes accrued	295,554	326,588	266,210	170,409	122,398	77,516
Interest accrued	129,818	130,895	130,278	130,160	130,557	131,083
Dividends declared	94,557	51,787	.....	.....	20,152	49,728
Miscellaneous accounts payable	500,816	144,556	105,702	254,070	495,124	435,247
Bills payable	200,000	.....	.....	.....	.....	.....
Consumers' deposits and interest	904,003	804,682	680,104	615,904	491,403	385,994
Other current liabilities and unfunded debt	24,823	285,324	91,995	96,329	36,713	43,824
Contributions for extensions	36,378	20,896	364	.....	.....	.....
Deferred credits, etc	3,317	.....	487	784	.....	.....
Reserves	689,309	578,325	466,796	622,078	538,209	464,644
Corporate surplus	1,946,608	1,819,063	1,489,342	1,018,716	818,474	526,738
Total	$13,641,583	$13,478,516	$12,547,678	$12,204,850	$10,153,030	$9,354,974

* Includes special deposits.

Officers: E. L. Phillips, Pres.; G. W. Olmsted, V-P.; John W. Little, Treas.; A. J. Gonnoud, V-P. & Gen. Mgr.; C. J. Ferdon, Sec.; Wm. Leonard, Asst. Treas.

Directors: R. F. Van Doorn, E. L. Phillips, G. W. Olmstead, Eversley Childs, W. C. Langley, A. J. Gonnoud, John Gribbel.

General Office, 6740 4th Avenue, Brooklyn, N. Y.

LONG ISLAND GAS CORPORATION

(Controlled by Long Island Lighting Company)

History and Property—Incorporated April 17, 1914, in New York; successor to Sag Harbor Lighting Co. Owns gas manufacturing plant at Sag Harbor, L. I., New York, together with complete system for supplying consumers. Franchises expire at various dates to 1964. Miles of transmission mains, 26.5; miles of distribution mains, 23.9. No. of meters, 1,271. Annual output, 38,404,400 cu. ft. of gas. Population served, 9,370.

CAPITAL STOCK

Authorized, $100,000; outstanding, $38,800; par, $100. All owned by Long Island Lighting Co. Stock transferred by Company. Annual meeting, third Monday in June. No dividends paid.

FUNDED DEBT

$137,000 First Gold 5s; dated Jan. 1, 1915; due Jan. 1, 1940; int. Jan. and July 1, at Brooklyn Trust Co., Brooklyn, N. Y.; Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $5,000,000. Subject to call on any interest date at 105 and accrued interest on 30 days' notice. No sinking fund. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$79,123	$70,715	$62,857	$61,958	$60,238
Operating expenses, taxes and maintenance	63,956	55,029	51,917	46,181	45,783
Net earnings	$15,167	$15,686	$10,940	$15,777	$14,455
Bond interest	$6,850	$6,850	$6,850	$6,850	$6,850
Other interest	507	476	450	2,479	3,625
Rentals	.....	.....	122	122	207
Other charges	1,382	1,382	1,382	1,382	1,382
Total charges	$8,739	$8,708	$8,804	$10,833	$12,064
Surplus for year	$6,428	$6,978	$2,136	$4,944	$2,391

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$118,835	$118,625	$118,309
Construc. work in progress	310,780	149,163	115,500
Materials and supplies	14,569	12,861	11,728
Cash	2,155	6,963	345
Accounts receivable	11,984	11,142	12,071
Prepayments	629	1,915	951
Unamort. debt disc. & exp.	16,584	17,961	19,342
Profit and loss deficit	38,872	45,740	53,155
Total	$514,408	$364,370	$331,401

Liabilities—	1927	1926	1925
Common stock	$38,800	$38,800	$38,800
Funded debt	137,000	137,000	137,000
Notes payable	6,000	6,000	6,000
Accounts payable	139,425	74,302	48,845
Interest accrued	1,989	1,533	4,530
Insurance accrued	.....	995	974
Other liabilities	191,194	105,740	95,252
Total	$514,408	$364,370	$331,401

Officers: Frank J. Stoltz, Pres.; Geo. M. Simonson, V-P.; Elmer B. Sanford, Sec.; R. F. Van Doorn, Treas.; B. S. Gramley, Pur. Agt., New York.

Directors: Geo. M. Simonson, R. F. Van Doorn, Moritz Korff, Frank J. Stoltz, Elmer B. Sanford, New York.

General Office, 50 Church St., New York, N. Y.

PATCHOGUE GAS COMPANY

(Controlled by Long Island Lighting Company)

History and Property—Incorporated Oct. 21, 1902, in N. Y. Supplies Patchogue, Blue Point, Brookhaven and Bellport, serving a population of 6,800. No. of meters, 2,100. Miles of mains, 44. Annual output, 76,629,000 cu. ft. Gas purchased from Long Island Lighting Co.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. Over 99% of the stock is owned by Long Island Lighting Co. Annual meeting, October 21. No dividends paid.

FUNDED DEBT

$140,000 First 5s; dated Jan. 15, 1903; due Jan. 15, 1933; int. Jan. and July 15, at Bank of America, New York. Coupon, $500. A first lien on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$145,041	$129,511	$106,879	$92,778	$87,509
Oper. exp., taxes & maint.	118,199	100,606	85,170	72,103	72,468
Net earnings	$26,842	$28,905	$21,709	$20,675	$15,041
Other income	1,142	1,302	.....	201	131
Total income	$27,984	$30,207	$21,709	$20,876	$15,172
Bond interest	$7,000	$7,000	$7,000	$7,000	$7,000
Other interest	5,976	5,835	4,961	5,288	5,527
Other charges	1,208	1,208	1,208	2,142	2,122
Total charges	$14,184	$14,043	$13,169	$14,430	$14,649
Surplus for year	$13,800	$16,164	$8,540	$6,446	$523

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$364,132	$363,080	$357,503
Construc. work in progress	218,085	164,920	121,596
Materials and supplies	13,906	12,411	10,681
Cash	4,456	34,385	18,469
Notes receivable	16,599	16,599	16,599
Int. & divds. rec	7,752	6,756	.....
Accounts receivable	19,829	18,777	17,328
Prepayments	667	497	409
Unamort. debt disc. & exp.	6,090	7,298	8,506
Profit and loss deficit	.....	.....	19,322
Total	$651,516	$624,723	$570,413

Liabilities—	1927	1926	1925
Capital stock	$150,000	$150,000	$150,000
Funded debt	170,000	170,000	170,000
Notes payable	58,406	58,406	58,406
Accounts payable	6,560	25,720	31,278
Interest accrued	34,116	30,079	26,003
Insurance accrued	.....	718	664
Other liabilities	216,381	187,233	134,062
Profit and loss—surplus	16,053	2,567	.....
Total	$651,516	$624,723	$570,413

Officers: Geo. W. Olmsted, Pres., Ludlow, Pa.; Robt. Taylor, V-P., Newark, N. J.; Henry R. Frost, Sec.; R. F. Van Doorn, Treas.; B. S. Gramley, Pur. Agt., New York.

Directors: Geo. W. Olmsted, Ludlow, Pa.; Robert Taylor, Newark, N. J.; Henry R. Frost, R. F. Van Doorn, Elmer B. Sanford, New York.

Office, 50 Church St., New York City.

PUBLIC SERVICE CORPORATION OF LONG ISLAND

(Controlled by Long Island Lighting Company)

History—Incorporated Dec. 11, 1911, in New York, to supply gas in the county of Nassau, Long Island. Supplies gas in Port Washington, New Hyde Park, Manhasset, Westbury, Carle Place, East Williston, Roslyn, Village of Plandome, Great Neck, Village of Great Neck Estates, Kensington Estates, Floral Park, Bellrose, Franklin Square, Kings Point and all intervening territory in the towns of Hempstead and North Hempstead, serving a population of about 80,000, under many franchises. Miles of mains, 261; gas meters, 11,180; street lamps, 72.

During 1927 the Long Island Lighting Company acquired 100% of the Common stock.

CAPITAL STOCK

Authorized, $500,000 Common and $5,000,000 7% Pfd.; outstanding, $435,000 Common and $629,000 7% Pfd.; par, $100. The Pfd. stock is preferred as to assets and dividends of 7%. Was created and offered to the public June 1, 1924. All the Common stock is owned by Long Island Lighting Co.

Transfer Agent—Stock transferred at Company's office.

Registrar—Empire Trust Co., New York.

Annual Meeting—Second Thursday in February.

Dividends—Dividends paid on 7% Pfd. stock during 1924, 1925, 1926 and 1927; payments, J, A, J & O 1. Initial dividend of 1½% paid on Common on May 15, 1926; Oct. 1, 1926, 3%; Jan. 2, 1927, 1½%; April 1, 1927, 1½%; July 1, 1927, 1½%; Oct. 1, 1927, 1½%; Dec. 30, 1927, 3½%.

FUNDED DEBT

$1,524,400 FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1943

Dated January 1, 1913.

Interest Payable January and July 1, at Empire Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Empire Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000; issued and outstanding Dec. 31, 1927, $1,524,400.

Sinking Fund—A sinking fund is provided to redeem bonds offered at lowest price not to exceed 105 and interest.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$711,453	$566,267	$467,396	$412,216	$340,021	$274,192
Oper. exp. and taxes	485,182	411,763	360,739	331,111	253,170	184,195
Net earnings	$226,271	$154,504	$106,657	$81,105	$86,851	$89,997
Bond interest	76,152	50,177	37,589	42,957	31,910	35,015
Other interest	2,209	2,667	766	443	870	790
Other charges	24,374	19,397	15,074	10,175	21,933	4,400
Total charges	$102,735	$72,241	$53,429	$53,575	$54,713	$40,205
Surplus for year	$123,536	$82,263	$53,228	$27,530	$32,138	$49,792
*Times Bond Interest Earned	2.62	2.63	2.41	1.64	2.01	2.42

*After all charges.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$2,702,498	$2,326,262	$1,778,751	$1,261,767	$968,639	$818,733
Inventories	15,777	13,214	13,448	9,536	10,237	7,699
Cash	43,273	262,674	109,921	94,366	176,279	19,012
Current accounts	194,512	175,128	82,614	153,892	161,801	65,059
Prepaid accounts	495	1,062	1,569	477	445	1,487
Subscribers to capital stock	21,155	51,893	46,428	.....	.....	.....
Sinking fund	223	15,612	11,843	.....	.....	.....
Unamortized debt discount and expense	276,915	287,807	219,090	208,557	212,675	91,967
Miscellaneous investments	2,850	.....	.....	.....	.....	.....
Special deposits	.....	803	381	45	833	772
Deferred debit items	33,364	39,232	47,813	58,879	57,199	101,474
Total	$3,291,062	$3,173,687	$2,311,858	$1,787,519	$1,588,108	$1,106,203
Liabilities—						
Capital stock	$1,064,000	$985,800	$698,500	$405,400	$292,500	$180,400
Funded debt	1,524,400	1,480,800	1,167,300	1,106,300	1,100,300	700,300
Capital stock subscribed	28,500	81,100	69,200	16,085	.....	.....
Dividends declared	.....	15,935	5,623	1,352	.....	.....
Accrued liabilities	895	38,112	43,641	27,658	37,335	39,896
Current liabilities	54,327	105,605	4,886	3,125	3,047	41,673
Consumers' deposits	113,885	88,555	67,615	52,520	40,330	31,015
Reserves	100,808	270,648	165,527	114,552	88,833	99,347
Other liabilities	239,716	.....	.....	.....	.....	.....
Profit and loss surplus	164,531	107,132	89,566	60,527	25,763	13,572
Total	$3,291,062	$3,173,687	$2,311,858	$1,787,519	$1,588,108	$1,106,203

Officers: Ellis L. Phillips, Pres.; Fred H. Maidment, V-P.; John A. McKenna, Treas.; Elmer B. Sanford, Sec.

Directors: Ellis L. Phillips, Eversley Childs, Fred H. Maidment, New York.

Office, 50 Church St., New York.

QUEENS BOROUGH GAS AND ELECTRIC COMPANY

(Controlled by Long Island Lighting Co.)

History and Properties—Incorporated July 1, 1902, in N. Y.; consolidation of Queens Borough Electric Light & Power Co. and The Town of Hempstead Gas & Electric Light Co. During 1927 acquired all of the Common stocks of Nassau & Suffolk Lighting Co. and Long Beach Gas Co., Inc., and all securities of Long Beach Power Co.

Company supplies all of the Fifth Ward, Borough of Queens, and a portion of Nassau County, as follows: Inwood, Lawrence, Cedarhurst, Woodmere,

Hewlett, Valley Stream, Lynbrook, Malverne, Oceanside, Lakeview, Woodsburgh and East Rockaway. Franchises perpetual, except one in Nassau County, which expires in 1954. Property includes gas plant at Rockaway Beach having daily capacity of 9,750,000 cu. ft.; electric power plant at Far Rockaway, on Jamaica Bay Front, with total rated capacity of 37,500 k.w.; 600-foot dock at Rockaway Beach, with coal handling apparatus and gas holders, together with approximately 32.938 miles of high pressure gas mains and approximately 329.466 miles of gas distribution mains; approximately 38.22 miles of electric high tension transmission lines and approximately 640 miles of electric distribution lines. No. of consumers' meters in service Dec. 31, 1927 (gas, 21,653; electric, 24,313), 45,966. Gas produced in 1927, 1,410,485,000 cu. ft., compared with 1,231,758,500 cu. ft. in 1926, and 1,145,049,500 cu. ft. in 1925. Electricity generated in 1927, 39,588,130 k.w.h., compared with 27,597,140 k.w.h. in 1926, and 23,710,460 k.w.h. in 1925. Tungsten gas filled incandescent street lamps, 6,372; gas lamps, 18. Population served: winter, 100,000; summer, 250,000 (estimated).

The Long Beach Gas Co., Inc., has a holder capacity of 3,000,000 cu. ft. and over 44 miles of distribution mains, serving over 3,800 customers.

OPERATING STATISTICS

	No. of Gas Meters	Gas Produced cu. ft.	No. of Electric Meters	Electricity Generated k.w.h.
1923	15,282	1,024,683,200	15,624	15,780,600
1924	16,892	1,082,773,200	17,805	17,571,050
1925	18,486	1,145,049,500	20,154	23,710,460
1926	20,284	1,231,758,500	22,356	27,597,140
1927	21,653	1,410,485,000	24,313	39,588,130

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value, $10,000,000 6% cumulative Preferred, par, $100, and $5,000,000 cumulative Preferred, par, $100, to be issued as stated below; outstanding, Dec. 31, 1927, 200,000 shares Common and $4,450,000 6% cumulative Pfd. In March, 1927, company changed its capitalization from $2,000,000 Common and $2,450,000 8% cumulative Pfd., par, $100, to the amounts stated above.

Preferred Stock Provisions—The $5,000,000 of cumulative Pfd. stock may be issued in one or more series and in such number of shares and at such dividend rates, not exceeding 8% per annum for each series, as the Board of Directors may determine. The 6% cumulative Pfd. stock has preference for assets and dividends over the Common and is subject to redemption in whole or in part at any time after issue on any quarterly dividend date on 30 days' notice at 110 and accrued dividends.

Transfer Agent (Preferred)—Guaranty Trust Co., New York. Common stock transferred at Company's office, 50 Church St., New York.

Registrar (Preferred)—Central Union Trust Co., New York.

Original Offering—Preferred stock ($4,450,000 6% Pfd.) was publicly offered in March, 1927, at 100 and dividend to yield 6%, by W. C. Langley & Co., New York.

Annual Meeting—In February.

Dividends—Paid dividends on Common in 1916, 1917 and 1918, 4% each; 1919, 6%; 1920 and 1921, 7% each; 1922, 1923, 1924, 1925 and 1926, 8% each; 1927, 95 cents per share; payments quarterly. Dividends on Pfd. stock are payable quarterly, J, A, J & O 1, initial dividend paid July 1, 1927.

FUNDED DEBT

(1)

$250,000 QUEENS BOROUGH ELECTRIC LIGHT & POWER CO. (MORTGAGE CLOSED) FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1928

Dated June 1, 1898.

Interest Payable April and October 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—Equitable Trust Co., New York.

Security—Secured by a first closed mortgage on property of former Queens Borough Electric Light and Power Company at Far Rockaway, L. I.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

(2)

$150,000 TOWN OF HEMPSTEAD GAS & ELECTRIC LIGHT CO. (MORTGAGE CLOSED) FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1931

Dated February 1, 1901.

Interest Payable February and August 1, at Bank of the Manhattan Co., Far Rockaway, N. Y.

Denomination—Coupon, $1,000.

Trustee—President and Directors of the Manhattan Co., New York, Successor Trustee.

Callability—Subject to call at par.

Security—Assumed by Queens Borough Gas & Electric Co. A first closed mortgage on property of former Town of Hempstead Gas & Electric Light Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine.

(3)

$1,600,000 QUEENS BOROUGH GAS & ELECTRIC CO. GENERAL MORTGAGE GOLD 5s; DUE JULY 1, 1952

Dated July 1, 1902.

Interest Payable January and July 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000 principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; unissued bonds reserved to retire the above-noted prior liens.

Security—Secured on entire property now owned or hereafter acquired, subject to the above described prior liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(4)

$2,000,000 QUEENS BOROUGH GAS & ELECTRIC CO. REFUNDING MORTGAGE GOLD BONDS, 6% SERIES OF 1953; DUE SEPTEMBER 1, 1953, BUT CALLED FOR REDEMPTION MARCH 1, 1928 AT 106% OF PAR VALUE

$3,150,000 QUEENS BOROUGH GAS & ELECTRIC CO. REFUNDING MORTGAGE GOLD BONDS, 5% SERIES OF 1955; DUE SEPTEMBER 1, 1955

$4.000,000 QUEENS BOROUGH GAS & ELECTRIC CO. REFUNDING MORTGAGE GOLD BONDS, 4½% SERIES OF 1958; DUE MARCH 1, 1958

Dated September 1, 1923, Series of 1953; September 1, 1925, Series of 1955; March 1, 1928, Series of 1958.

Interest Payable March and September 1, at Guaranty Trust Co., New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered. Fully registered bonds in interchangeable denominations of $1,000, $5,000 and $10,000 and multiples of $10,000. Fully registered and coupon bonds of denominations of $1,000 interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Additional bonds of 4½% Series of 1958, or of 5% Series of 1955 or of other series having such rates of interest, maturity dates and other provisions as the Board of Directors may determine may be issued (a) up to 80% of the cost or fair value, whichever is less, of further additions, improvements and betterments to the properties, and (b) up to 80% of the cost or fair value, whichever is less, of hereafter acquired properties except securities, less the total principal amount of any liens outstanding thereon, (c) to the extent of $1,600,000 principal amount against properties as of Sept. 1, 1923, provided in any case that the net earnings of the company as defined in the Indenture are at least twice the annual interest charges on all bonds outstanding under the Indenture, including bonds proposed to be issued

and on all underlying bonds as defined in the Indenture. Subject to the above earnings restriction, additional bonds may also be issued par for par to refund bonds of any other series, or to refund underlying bonds as defined in the Indenture, or against the deposit with the Trustee of an equal face amount of cash or obligations of the United States Government.

Callability—The Series of 1955 bonds are subject to call in whole or in part on any interest date on 30 days' notice at 107 on or before Sept. 1, 1929, and at 1% less during each period of four consecutive years thereafter up to and including Sept. 1, 1953, and thereafter to maturity at par, plus accrued interest in each case. The Series of 1958 bonds are subject to call on any interest date, on at least 30 days' published notice, at 105 on or prior to March 1, 1933, and at 1% less for and during each period of five consecutive years thereafter up to and including March 1, 1953, and at par thereafter to maturity, plus accrued interest in each case.

Improvement Fund—As an Improvement Fund company covenants to deposit with Trustee annually, beginning Jan. 15, 1927, an amount equal to 1% of the aggregate par value of all bonds issued prior to the third calendar year next preceding the date of such payment and then outstanding, to be used only for the purpose of paying for permanent betterments, extensions and additions to the plants, properties and equipment of company, and such expenditures are not to be made the basis for the issuance of additional bonds. The Indenture provides that the underlying mortgages (closed except for refunding purposes) shall be satisfied on or before maturity, and that no new mortgage, prior in lien to the refunding mortgage may be executed in renewal or extension thereof.

Security—Secured by direct lien on entire property of company, now owned or hereafter acquired excepting only securities, subject to the above described prior liens. The indenture provides that the underlying mortgages (closed except for refunding purposes) shall be satisfied on or before their respective due dates, and that no new mortgage prior to the lien of the Indenture may be executed in renewal or extension thereof.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut and Pennsylvania personal property taxes, not exceeding four mills per annum in either state, and Massachusetts income tax not exceeding 6%, refunded upon application made within 30 days after such payment.

Legal Opinion—Seibert & Riggs, New York (for the Bankers), and Henry R. Frost and Elmer B. Sanford, New York (for the Company).

Legal for Savings Banks in Maine, New Hampshire, Rhode Island, New Jersey and Massachusetts.

Original Offering—First publicly offered ($2,000,000 6% Series of 1953) in Sept. 1923 at 99½ and interest, to yield over 6%, and $450,000 5% Series of 1955 in Oct. 1925, by Bonbright & Co., Inc., and W. C. Langley & Co., New York. In October, 1926, the same bankers offered $1,500,000 additional 5% Series of 1955 at 99½% and interest, and a further $1,200,000 5% Series of 1955 were offered by the same bankers in Sept. 1927, at 103½ and interest, to yield over 4.75%. $4,000,000 4½% Series of 1958 were offered in April, 1928, at 100 and accrued interest by W. C. Langley & Co., New York.

(5)

$4,000,000 5½% GOLD DEBENTURES, SERIES "A" CONVERTIBLE; DUE APRIL 1, 1952

Dated April 1, 1927.

Interest Payable April and October 1, at the office or agency of the Company in New York.

Denominations—Coupon (principal may be registered), $500 and $1,000 (interchangeable) and fully registered, $1,000. Fully registered and coupon $1,000 denomination interchangeable.

Trustee—Guaranty Trust Co. of New York, New York.

Provisions of Issue—Authorized amount unlimited subject to restrictions below stated. Issued and outstanding, $4,000,000 Series "A" 5½s. Proceeds were used for the acquisition of all of the Common stock of Nassau & Suffolk Lighting Co. and all of the Common stock of Long Beach Gas Co., Inc.

Trust Indenture provides that Debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms and containing such other rights and limitations permitted by the Indenture as the Board of Directors of the Company may provide prior to issue thereof. Indenture provides, among other things, that additional Gold Debentures may be issued when net earnings, or consolidated net earnings, as defined in the Indenture, for twelve consecutive calendar months within the fifteen calendar months preceding the month in which application is made for the authentication of such Debentures shall have been equal to at least twice the interest charges upon all outstanding interest bearing obligations of the Company, including the Gold Debentures to be issued, but excluding obligations to be concurrently paid off.

Callability—Subject to call as a whole or in part on any interest date after Oct. 1, 1927, on at least 60 days' notice at 105% plus accrued interest.

Sinking Fund—None provided.

Convertibility—Convertible into 6% Pfd. stock on any interest date on at least 30 days' notice, on and after Oct. 1, 1929 and to and including Oct. 1, 1939, at the rate of one share of Pfd. stock for each $100 principal amount of Debentures, subject to the provisions of and as set forth in the Trust Indenture.

Security—Debentures are the direct obligation of the Company. The Indenture provides that prior to April 1, 1949, provided any 5½% Gold Debentures, Series A, shall be outstanding, any funds for their payment or redemption not deposited, the Company will not issue any unsecured obligations maturing more than five years from date of issue except under said Indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, Pennsylvania and Connecticut Personal Property taxes not exceeding 4 mills per annum, Maryland Securities tax not exceeding 4½ mills and Massachusetts Income tax not exceeding 6% per annum on the income, refunded upon written application within 60 days after payment.

Legal Opinion—Seibert & Riggs, New York (for the Bankers) and Henry R. Frost and Elmer B. Sanford, New York (for the Company).

Original Offering—First publicly offered ($4,000,000) in April, 1927, at 100 and interest to yield 5½% by W. C. Langley & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	*$3,546,875	*$3,101,823	*$2,778,317	*$2,470,099	*$2,335,816	$2,060,4(
Operating expenses, taxes and maintenance	2,281,340	2,047,454	1,780,219	1,577,665	1,573,221	1,554,3(
Net earnings	$1,265,535	$1,054,369	$998,098	$892,434	$762,595	$506,0(
Other income	*	*	*	*	*	6,7(
Total income	$1,265,535	$1,054,369	$998,098	$892,434	$762,595	$512,8(
Interest, etc.	$594,982	$337,385	$293,557	$264,639	$189,445	$141,7(
†Retirement expense, etc.	306,143	221,026	175,393	128,952	119,281	.....
Total charges	$901,125	$558,411	$468,950	$393,591	$308,726	$141,7(
Surplus for dividends	$364,410	$495,958	$529,148	$498,843	$453,869	$371,1(
‡Times Interest Charges Earned	2.13	3.12	3.40	3.37	4.02	3.(

*Other income included in gross earnings. †Prior to 1923 retirement expense, etc., included in operating expenses, et
‡Prior to 1923 these figures are after retirement expense, etc., beginning 1923 they are before retirement expense.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant and equipment	$16,645,426	$13,440,603	$11,501,193	$10,370,216	$9,366,957	$8,007,991
Investments	4,439,556	17,149	30,774	57,005	57,005	15,131
Materials and supplies	712,271	772,606	577,799	451,952	386,808	359,758
Cash	500,853	441,225	272,009	477,408	625,109	194,129
Other current assets	1,851,383	361,508	425,165	338,482	283,586	288,286
Other assets	195	128	100	100	100	100
Coupon special deposits	50,774	42,790	43,511	41,612	40,580	40,063
Miscellaneous temporary debits	448,703	220,729	145,624	139,842	127,216	.....
Total	$24,649,161	$15,296,738	$12,996,175	$11,876,617	$10,887,361	$8,905,458
Liabilities—						
Common stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
Preferred stock	4,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000
Funded debt	11,150,000	5,971,500	4,471,500	4,029,500	4,009,000	2,041,600
Interest and taxes accrued	394,130	309,520	256,779	227,495	203,318	141,482
Bills payable	2,500,000	650,000	600,000	500,000	.....	500,000
Accounts payable	689,286	568,370	371,930	280,170	232,369	139,842
Customers' deposits	655,567	598,301	525,654	461,153	394,031	318,951
Other liabilities	95,284	102,978	90,233	87,073	79,529	.....
Retirement reserve	457,834	340,530	246,734	198,486	191,150	121,201
Contingencies	744,538	744,538	744,538	744,538	744,538	744,538
Reserves	140,951	133,544	119,293	122,088	117,457	183,996
Dividends declared	116,750	89,000	89,000	89,000	89,000	89,000
Gas sales suspense	780,342	616,023	445,924	274,914	107,693	.....
Surplus	474,479	722,434	584,590	412,200	269,276	174,848
Total	$24,649,161	$15,296,738	$12,996,175	$11,876,617	$10,887,361	$8,905,458

Officers: E. L. Phillips, Chrm. of Board; H. Hobart Porter, V-P., New York; G. W. Olmsted, V-P., Ludlow, Pa.; L. A. Howland, V-P. & Gen. Mgr., Far Rockaway, N. Y.; E. B. Sanford, Sec.; J. W. Little, Treas., New York; E. L. Davies, Gas Supt.; E. H. Webster, Aud., Far Rockaway, L. I.; B. S. Gramley, Pur. Agt., New York.

Directors: Eversley Childs, Wm. C. Langley, G. W. Olmsted, E. L. Phillips, R. F. Van Doorn, John W. Little, Elmer B. Sanford.

Offices, 50 Church St., New York and Far Rockaway, Long Island, N. Y.

NASSAU & SUFFOLK LIGHTING COMPANY

(Controlled by Queens Borough Gas and Electric Company)

History—Incorporated May 13, 1905, in N. Y.; consolidation of Nassau County Gas Co., Nassau Illuminating & Power Co., Garden City Gas Co., and the South Shore Gas Co., of Freeport. Franchises run from 50 years to perpetuity. Supplies gas to Garden City, Garden City Estates, Hempstead, Freeport, Baldwin, Rockville Center, Oceanside, Merrick, Bellmore, Seaford, Wantagh, Roosevelt, Mineola, Island Park, L. I. Y., and intervening territory in towns of Hempstead and North Hempstead. Population served about 25,000. Capacity, 11,100,000 cu. ft. daily. Miles of mains, 420; number of meters, over 21,700.

In 1927 the Queens Borough Gas & Electric Company acquired 100% of the oustanding Common stock.

CAPITAL STOCK

Authorized, $1,500,000 Common and $5,000,000 7% cumulative Pfd.; outstanding, Dec. 31, 1927, $1,000,000 common and $2,725,800 Pfd.; par, $100. All of the common stock is owned by Queens Borough Gas and Electric Co. Pfd. stock has preference as to assets and dividends and is subject to redemption at 112.

Transfer Agent—Stock transferred at Company's office.

Registrar (Pfd.)—Empire Trust Company, New York.

Annual Meeting—Second Thursday in February.

Dividends—Pfd. dividends paid quarterly J, A, & O 1. Initial Common dividend of 1% (due April 1, 1926) paid May 10, 1926; July and Oct., 1926, 1% each; Jan. 1, 1927, April 1, 1927, July 1, 1927 and Oct. 1, 1927, 1% each; Jan. 1, 1928 (declared), 1%.

FUNDED DEBT

$2,999,000 FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1945

Dated February 1, 1915.

Interest Payable February and August 1, at The Equitable Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized issue, $5,000,000; outstanding Dec. 31, 1927, $2,999,000. Unissued bonds are reserved for future extensions and improvements to the property at 85% of actual cost, when net earnings are double the interest on bonds outstanding and to be issued.

Callability—Subject to call at 105 and interest on 30 days' notice.

Sinking Fund—1% per annum from Feb. 1, 1918 to 1930 incl.; 1½% from 1931 to 1939 incl.; and 2% 1940 to 1944.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded upon application within 30 days.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,465,963	$1,435,528	$1,182,083	$1,060,923	$941,890	$774,875
Operating expenses and taxes	1,032,115	945,831	809,769	760,643	680,029	588,684
Net earnings	$433,848	$489,697	$372,314	$300,280	$261,861	$186,191
Interest charges, etc.	198,595	146,437	188,794	171,380	171,677	133,073
Balance for dividends	$235,253	$343,260	$183,520	$128,900	$90,184	$53,118
Preferred dividends paid	188,996	107,474	53,974	42,102	35,505	.....
Surplus for year	$46,257	$235,786	$129,546	$86,798	$54,679	$53,118
Times Interest Etc., Earned	2.18	3.34	1.97	1.75	1.53	1.39

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$6,348,891	$5,457,718	$4,198,692	$3,556,723	$3,154,038	$2,843,039
Miscellaneous investments	387,008	322,500	.....	.....	.....	.....
Materials and supplies	202,200	144,754	56,158	52,727	47,273	26,004
Cash on hand	39,523	652,776	341,448	222,522	137,090	36,677
Current accounts	333,384	296,931	205,087	160,021	128,008	178,619
Prepayments	9,296	9,193	7,401	5,423	2,179	3,181
Subscribers to capital stock	420	35,259	41,867	.....	.....	.....
Unamortized debt discount	541,673	577,267	578,040	437,045	349,823	235,360
Special deposits	38,821	524	366	2,175	899	306
Deferred debit items	125,238	65,485	68,700	80,052	76,189	191,729
Total	$8,026,454	$7,562,407	$5,497,759	$4,516,688	$3,895,499	$3,514,915
Liabilities—						
Capital stock	$3,725,800	$3,492,200	$1,911,700	$1,270,100	$1,112,400	$1,068,200
Capital stock subscribed	700	52,400	56,800	.....	.....	.....
Funded debt	2,999,000	2,999,000	2,828,500	2,650,600	2,260,600	1,843,000
Real estate mortgages	36,000	.....	.....	.....	.....	.....
Loans and notes payable	.....	.....	.....	.....	.....	37,500
Current liabilities	319,901	24,609	12,462	33,890	33,455	168,046
Interest and taxes accrued	84,624	110,546	106,522	79,990	84,693	86,160
Reserves	123,093	286,254	227,422	183,124	162,844	101,503
Retirement reserve	14,687	.....	.....	.....	.....	.....
Consumers' deposits	213,915	172,055	143,555	114,808	95,648	84,633
Dividends declared	.....	53,213	15,081	11,727	9,524	.....
Accrued amortization of capital	.....	.....	.....	.....	.....	110,789
*Securities	.....	6,500	6,600	16,290	89,342	.....
Other liabilities	122,074					
Surplus	386,660	365,630	189,117	156,159	46,993	15,084
Total	$8,026,454	$7,562,407	$5,497,759	$4,516,688	$3,895,499	$3,514,915

*Represents cash advanced for purchase of securities.

Officers: George W. Olmsted, Pres.; Edward L. Davies, V-P.; Henry R. Frost, Sec.; John A. McKenna, Treas. & Asst. Sec., New York.

Directors: George W. Olmsted, Ludlow, Pa.; Edward L. Davies, Ellis L. Phillips, Eversley Childs, Henry R. Frost, New York.

Office, 50 Church St., New York.

SEA CLIFF & GLEN COVE GAS CO.

(Controlled by Long Island Lighting Company)

History—Incorporated Feb. 1, 1904, in N. Y. Franchises extend 50 years from 1904. Population served, 13,923. Miles of mains, 32. No. of meters, 1,787. Annual output, 53,922,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $10. Over 99% of the stock is owned by Long Island Lighting Co. Annual meeting, first Thursday in February. No dividends paid.

FUNDED DEBT

$150,000 First Gold 5s; dated May 14, 1904; due May 15, 1934; int. May and Nov. 15, at Queens County Trust Co., Jamaica, N. Y., Trustee. Coupon, $500. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$120,020	$110,328	$89,496	$81,518	$77,174
Oper. exp., taxes & maint.	96,519	87,212	72,398	56,245	52,536
Net earnings	$23,501	$23,116	$17,098	$25,273	$24,638
Other income	.....	.....	.....	134	96
Total income	$23,501	$23,116	$17,098	$25,407	$24,734
Bond interest	$7,500	$7,500	$7,500	$7,500	$7,500
Other interest	2,001	1,843	1,764	4,386	5,864
Other charges	1,770	1,770	1,770	2,865	2,874
Total charges	$11,272	$11,113	$11,034	$14,751	$16,238
Surplus for year	$12,229	$12,003	$6,064	$10,656	$8,496

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$317,136	$316,206	$314,061	Capital stock	$150,000	$150,000	$150,000
Construct. work in progress	258,478	177,193	118,939	Funded debt	150,000	150,000	150,000
Materials and supplies	24,563	17,011	15,603	Notes payable	20,134	20,134	20,134
Cash	3,649	8,662	10,329	Accounts payable	37,808	79,162	43,020
Accounts receivable	20,480	22,401	17,932	Consumers' deposits	14,338	11,388	8,672
Prepayments	839	2,497	995	Accrued liabilities	87,758	79,110	68,616
Unamort. debt disc. & exp.	11,285	13,055	14,826	Other current liabilities	227,256	128,205	124,644
Profit and loss	52,332	63,831	75,631	Retirement reserve	1,471	2,857	3,224
Total	$688,762	$620,856	$568,316	Total	$688,762	$620,856	$568,316

Officers: Frank J. Stoltz, Pres.; B. S. Gramley, Sec.; R. F. Van Doorn, Treas., New York.

Directors: Frank J. Stoltz, R. F. Van Doorn, B. S. Gramley, Elmer B. Sanford, Moritz Korff, New York.

Office, 50 Church St., New York, N. Y.

BRECKENRIDGE WATER COMPANY

History and Property—Incorporated in Texas and acquired the properties owned by the Walker-Caldwell Water Co. and the Caldwell-Walker Water Co., owning and operating a water supply system in Breckenridge and surrounding territory in Stephens County, Texas, having a population of approximately 20,000. Company serves 1,962 customers. The properties include two 10-foot dams, a 90 acre reservoir of 290,000,000 gallons capacity collecting water from a drainage area of more than 4,000 square miles, set

tling basins, a filtration plant of 1,500,000 gallons per day capacity, adequate pumping equipment and 45 miles of mains.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Number of consumers	1,962	1,700	1,451
Miles of mains	45	43	39
Number of fire hydrants	111	111	111
Gallons of water pumped	217,124,000	197,634,300	230,321,700

CAPITAL STOCK

Authorized, 2,000 shares Common and 15,000 shares cumulative Pfd., both of no par value; outstanding, 2,000 shares Common and 2,750 shares $7.00 Series cumulative Pfd. Pfd. stock is issuable in series at dividend rates not exceeding $8.00 per share per annum as authorized by the Board of Directors.

FUNDED DEBT

$775,000 FIRST MORTGAGE TWENTY-YEAR 6% GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1948

Dated January 1, 1928.

Interest Payable January and July 1 at Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Central Union Trust Co. of New York and Frank Wolfe.

Provisions of Issue—Authorized, $5,000,000; issued, Series "A," $775,000. Additional bonds bearing such designation, interest rates, maturities, etc., as the Board of Directors may prescribe may be issued: (1) to refund, acquire or retire, par for par, bonds of any other series outstanding under the Trust Indenture and divisional bonds on after acquired properties; (2) to a principal amount not exceeding 80% of the cost or fair value, whichever is less, of (a) any permanent improvements, extensions or additions to or about the plants or properties of the Company, constructed or acquired subsequent to Jan. 1, 1928 and/or (b) any new or additional electric, gas and/or water plants or properties constructed or acquired by the Company. Additional bonds may be issued only providing net earnings of the Company, as defined in the Trust Indenture applicable for interest for a period of any twelve consecutive months within the fifteen calendar months immediately preceding the calendar month in which the application for authentication and delivery of bonds is made to the Corporate Trustee have been equal to at least one and three-fourths times the annual interest charges on all divisional bonds, if any, and all First Mortgage Bonds outstanding including those applied for.

Purpose of Issue—Proceeds from the sale of these bonds were used for and in connection with the acquisition of the properties and for other corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any month on 30 days' notice at 106% and accrued interest to and including Dec. 1, 1932, reducing 1½% on the first day of January in each of the years 1933, 1938, 1943 and 1947.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on all fixed properties of the Company now owned or hereafter acquired, except as to divisional liens, if any, on after acquired properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain taxes in the State of Minnesota, not exceeding 3 mills per annum, in the States of Connecticut, Pennsylvania and California, not exceeding 4 mills per annum, in the State of Maryland not exceeding 4½ mills per annum and in the District of Columbia, not exceeding 5 mills per annum and the Massachusetts income tax on the interest thereon not exceeding 6% refunded to resident holders upon request within 60 days after payment.

Legal Opinion—Templeton, Brooks, Napier & Brown, San Antonio and Chadbourne, Hunt, Jaeckel & Brown.

Original Offering—First publicly offered ($775,000) in March, 1928, at par and interest by Howe, Snow & Co., Inc., New York and R. E. Wilsey & Co., Inc., Chicago.

EARNINGS, YEAR ENDED DECEMBER 31, 1927
(Earnings of properties acquired by the Company)
(After giving effect to non-recurring charges)

Gross revenues	$168,306
Operating expenses, maintenance and taxes (other than Federal Income)	64,336
Net earnings available for interest, depreciation, Federal taxes, etc.	$103,970

Officer: Charles H. Smith, Pres.

General Office, Breckenridge, Texas.

COMMUNITY TELEPHONE COMPANY

History—Incorporated in Delaware. Company owns or controls thirteen subsidiaries which operate a general telephone business in the States of Illinois, Wisconsin, Minnesota and Ohio, serving the following cities and towns: Carlinville, Gillespie, Clinton, Abingdon, Girard, Washington, Virden, Sullivan, Chillicothe, Farmers City, Maroa, Auburn, Hopedale, Middletown, Greenview, Macon, Sparland, Williamsville, Niantic, Illiopolis, London Mills, Kenney, Waynesville, Weldon and Mansfield in Illinois; Arcadia, Glenwood City, Boyceville, Osseo, Elmwood City, Wheeler and Clinton in Wisconsin; Belle Plaine and Waterville in Minnesota, and Cadiz, Flushing, Adena, Brilliant, Colerain, Tiltonsville, Jewett, Scio, New Athens, Holloway and Piedmont in Ohio. In addition telephone service is furnished to adjacent rural areas. The total population of the territories served is estimated to be in excess of 140,000. The Company provides service to 22,262 main stations and 1,635 extensions, making a total of 23,897 stations served, all operated by the Company or its subsidiaries. The location of the exchanges provide an interchange of toll and long distance business between many of the exchanges and satisfactory traffic arrangements with the Bell System and other connecting telephone systems afford nation-wide service.

CAPITAL STOCK

Authorized, 100,000 shares Class "A" Common, 250,000 shares Class "B" Common and 100,000 shares cumulative Pfd.; outstanding, 100,000 shares Class "A" Common and 250,000 shares Class "B" Common. No further details available.

FUNDED DEBT

$1,400,000 ONE-YEAR 5% GOLD NOTES; DUE MARCH 1, 1929

Dated March 1, 1928.

Interest Payable March and September 1, at Harris Trust & Savings Bank, Chicago, Ill.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago, Ill.

Provisions of Issue—Authorized and issued, $1,400,000.

Purpose of Issue—Proceeds were used to reimburse the Company for expenditures in connection with the acquisition of properties and for other corporate purposes.

Callability—Subject to call on Sept. 1, 1928, or any time thereafter at 101 and accrued interest on 30 days' notice.

Security—Notes are the direct and primary obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Pennsylvania and Virginia taxes refunded upon proper and timely application as provided in the Trust Agreement.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($1,400,000) in February, 1928, at 99 and interest, to yield about 6%, by P. W. Chapman & Co., Inc., New York, etc.

CONSOLIDATED EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross income	$641,963
Operating expenses, maintenance, prior charges of subsidiaries and taxes (not including Federal Income taxes)	466,914
Balance	$175,049

Officer: C. L. Fisher, V-P.

Address, Carlinville, Ill. **Chicago Office,** Bankers Bldg.

THE HARRISON & JEFFERSON TELEPHONE COMPANY

(Controlled by Community Telephone Company)

History—Incorporated May 9, 1909, in Ohio; consolidation of the Hanson County Telephone Co. and the Adena Exchange Telephone Co. Operates in Harrison and Jefferson Counties, Ohio.

CAPITAL STOCK

Authorized, $250,000; outstanding, $174,400; par, $100. Annual meeting, in February.

Dividends—4½% was paid in fiscal year ended June 30, 1913; none in 1914 or 1915; 1916 to 1921, inclusive, 2%; 1922 to 1926, 4%; 1927, none.

FUNDED DEBT

None.

Notes Called—All the outstanding One-Year 5% Coupon Gold Notes, due May 1, 1928, were called for redemption on April 1, 1928 at par and interest at Harris Trust & Savings Bank, Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross receipts	$77,717	$73,509	$78,654
Oper. exp., taxes, etc.	55,875	60,849	65,367
Net earnings	$21,842	$12,660	$13,287
Other charges	2,219	495	728
Balance for dividends	$19,623	$12,165	$12,559
Dividends paid		6,976	6,976
Surplus for year	$19,623	$5,189	$5,583

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$280,475	$273,033	$255,463
Bonds owned	1,000		
Account rec. affil. cos.	218,791		
Cash	7,112	1,865	1,879
Special deposits		2,000	2,000
Due from subscribers & agts		4,795	4,356
Miscel. accts. receivable	5,452	10	10
Materials and supplies	3,140	1,550	1,866
Other current assets	1,137	1,000	10,961
Deferred items	15,840		
Total	$532,947	$284,253	$276,534
Liabilities—			
Capital stock	$174,400	$174,400	$174,400
Funded debt	225,000		
Accounts payable	3,183		276
Interest accrued	1,875		
Deferred items	170		
Reserve for taxes	5,708		
Res. for accrued deprec.	77,723	78,803	76,202
Corporate surplus	44,888	31,050	25,657
Total	$532,947	$284,253	$276,534

Officers: C. L. Fisher, Pres., Pontiac, Ill.; Edward M. Fox, V-P.; J. E. Byrne, Sec. & Treas., Chicago, Ill.; D. A. Barnes, Asst. Treas., Evanston, Ill.; J. R. Love, Asst. Sec.; J. F. Smith, V-P. & Supt., Cadiz, Ohio.

Directors: C. L. Fisher, Pontiac, Ill.; Edw. M. Fox, J. E. Byrne, Chicago, Ill.; H. L. Harker, Evanston, Ill.; J. F. Smith, Cadiz, Ohio.

General Office, Cadiz, Ohio.

MUNICIPAL GAS & ELECTRIC CORPORATION OF RECKLINGHAUSEN

(Gas und Eltwerke kommunale Atkien-Gesellschaft Recklinghausen, Germany)

History and Property—Organized April 1, 1927, for the purpose of separately operating and owning the electric power, gas and light distributing system formerly operated by the city of Recklinghausen, Germany. Company is a merger of the Recklinghause City Gas and Electric Works (a municipal corpor tion) and the Gemeinde of Suderwick Electric Work The gas plant has been in operation since 1864 and t electric works since 1905. The territory served cor prises an area of 109 square miles in the "Ruhr" di trict and has a population of 87,000. The property the system includes three steel gas tanks; 10 gas pre sure reducing and regulating stations, 101 miles underground high and low pressure distribution pi lines; high tension switch equipment at 5,000 vo located at 15 different switchhouses; 27 transform stations; 60 miles of underground high and low tensi electric transmission lines and 43 miles of overhe low voltage lines; as well as necessary buildings a operating equipment. Company owns 4,822 shares stock, valued as of Oct. 1, 1927, at $230,000, of Ele trizitaetswerke Westfalen, from whom it purchases of its power. Company also owns 550 shares, valued of Oct. 1, 1927, at $88,393 of the Aktiengesellschaft d Wasserwerke fuer das Noerdliche Kohlenrevier. Co pany's franchises expire after the maturity of t bonds given below, and give the company the e clusive right to distribute and sell, without compe tion, electric power, gas and light in the City of Rec linghausen and to fix rates that insure successful ope tion.

CAPITAL STOCK

All owned by the City of Recklinghausen. No d tails available.

FUNDED DEBT

$1,500,000 FIRST MORTGAGE TWENTY-YEAR SINKING FU 7% GOLD BONDS; DUE DECEMBER 1, 1947

Dated December 1, 1927.

Interest Payable June and December 1, at t Columbia office of the American Exchange Irvi Trust Co., New York, in United States gold coin the standard weight and fineness existing Dec. 1, 19

Denominations—Coupon, $500 and $1,000; princi may be registered.

Trustees—American Exchange Irving Trust C New York. Dresdner Bank, Berlin, German Trust

Provisions of Issue—Authorized and issued, $1,50 000.

Purpose of Issue—Proceeds were used exclusiv for additions to the Company's properties and for extension of the Company's system into adjacent co munities.

Callability—Not subject to call (except for sink fund) before Dec. 1, 1932; but on and after said d redeemable as a whole or (otherwise than throu sinking fund) in part on any semi-annual interest d upon 60 days' notice at 102 if redeemed on or bef June 1, 1937; at 101 if redeemed thereafter and on before June 1, 1942; and thereafter at par, in all ca with accrued interest.

Sinking Fund—Trust Agreement provides fo cumulative sinking fund beginning June 1, 1928, ficient to retire the entire issue by maturity thro semi-annual drawings at 100 and accrued interest. lieu of sinking fund payments applicable to paym of principal, the Company may deliver, at par, standing bonds of this issue.

Security—Bonds are the direct obligation of company and are secured by a direct first mortgage all of the Company's presently owned properties, further by a pledge with the German Trustee of shares of stock owned by the Company of the E trizitaetswerke Westfalen and the Aktiengesellsc der Wasserwerke fuer das Noerdliche Kohlenrev The Trust Agreement provides the bonds will be ther secured by a first direct mortgage on the equipment, betterments and extensions to the C pany's properties to be acquired and made with proceeds of this loan. The Company covenants so long as any of these bonds are outstanding it not permit the establishment of any rates and cha for electric power, gas and light furnished by it w

will not produce for the company annual net earnings applicable to the payment of interest and sinking fund upon these bonds subsequent to the application of the proceeds of this loan of at least equal to 2½ times such charges.

Tax Provisions—Free from any German taxes, and principal and interest are payable in time of war as well as in time of peace, irrespective of the residence or nationality of the holders.

Legal Opinion—Hornblower, Miller & Garrison, New York and Dr. Wilhelm Beutner, Berlin.

Original Offering—First publicly offered ($1,500,000) in March, 1928, at 98 and interest to yield about 7.20% by E. H. Rollins & Sons and Foreign Trade Securities Co., Ltd., New York.

Listed—Boston Stock Exchange.

Officer: Knaup, Managing Director.

General Office, Recklinghausen, Germany.

THE SOUTHWEST TELEPHONE COMPANY

History and Property—Incorporated in Delaware and furnishes telephone service, without competition (except in one community), to 92 towns and adjacent rural areas in Arkansas, Oklahoma and Texas. The combined population of the communities served is estimated to be about 300,000. The system comprises 92 exchanges, operating 27,542 stations and 3,014 miles of toll and rural lines. By means of interconnections with the Bell Telephone System and with independent companies, through contract, subscribers are provided with nation-wide service.

CAPITAL STOCK

Authorized, 60,000 shares Common of no par value and $6,000,000 7% Pfd., par $100; outstanding, 5,000 shares Common and $328,000 Pfd. No further details available.

FUNDED DEBT

(1)

$337,000 FIRST MORTGAGE 6½% GOLD BONDS, SERIES "A"

For details regarding issuance of additional bonds, security, etc., see description of First Mortgage 6% Gold Bonds, Series "B." No further details available.

(2)

$830,400 FIRST MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE SEPTEMBER 1, 1947

Dated September 1, 1927.

Interest Payable March and September 1 at Central Trust Company of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount, unlimited; issued, $337,000 Series "A," $830,400 Series "B" and $1,500,000 Series "C."

First Mortgage bonds, additional to those now outstanding, may be issued from time to time to a principal amount not to exceed 75% of the cost or fair value whichever is the lesser) of additional properties and/or permanent additions, improvements, or acquisitions (as defined in the mortgage), less the total principal amount of prior liens (as defined in the mortgage) outstanding thereon, if any, provided earnings applicable to bond interest (as defined in the mortgage) for twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of application for issuance of bonds, shall have been not less than twice the annual interest charges on all First Mortgage bonds outstanding including those proposed to be issued (and on outstanding prior liens, if any, as defined in the mortgage). First Mortgage bonds may also be issued against the deposit with the Trustee of an equal principal amount of cash, and such cash may be withdrawn in the manner and to the extent that bonds may be issued under this mortgage. First Mortgage bonds may also be issued to refund equal par amounts of the same or other series of bonds issued under this mortgage and prior liens (as defined in the mortgage), if any, on after-acquired property. First Mortgage bonds may be issued from time to time in series with such provisions as may be determined by the Board of Directors, subject to the restrictions of the mortgage. The bonds of additional series may bear such dates, rates of interest, mature at such times and carry such redemption, sinking fund, tax refund provisions, and such other varying or distinguishing provisions as may be determined by the Board of Directors, subject to the restrictions of the mortgage, but, except as to sinking funds which may be established for the exclusive benefit of a particular series, all bonds of all series shall be equally and ratably secured by the mortgage.

Purpose of Issue—Proceeds were used in connection with the acquisition of new properties and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date up to and including Sept. 1, 1932 at 105 and accrued interest; after Sept. 1, 1932 to and including Sept. 1, 1937 at 103 and accrued interest; after Sept. 1, 1937 to and including Sept. 1, 1942 at 102 and accrued interest; thereafter at 101 and accrued interest.

Convertibility—Bonds, unless previously called for redemption, may be converted into Pfd. stock of the Company at any time prior to Sept. 1, 1942 in the following ratio: On or prior to Sept. 1, 1932 at $105 in par value Pfd. stock for each $100 principal amount of bonds; after Sept. 1, 1932 and on or prior to Sept. 1, 1942, $100 in par value of Pfd. stock for each $100 par value bond. Any stock so issued on such conversion shall be entitled to dividends at the rate of 7% per annum from the date of its issuance. As to bonds called for redemption, this right of conversion must be exercised on or prior to the call date.

Sinking Fund—None provided.

Improvement and Maintenance Fund—The mortgage and indenture supplemental thereto provides for an improvement, maintenance and depreciation fund equal to 25% of the gross operating revenue. Such fund may be used by the Company for maintenance and depreciation, for the redemption or retirement of bonds and/or to reimburse the Company for the cost of property additions not made the basis for the issuance of additional bonds.

Security—Secured by a direct first mortgage on all the fixed properties of the Company now owned, which mortgage covers like after-acquired properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will reimburse holders of these bonds for the Pennsylvania and Connecticut four mills tax; Maryland 4½ mills tax and Massachusetts income tax not exceeding 6%.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($830,000) in Oct., 1927, at par and interest by Cammack & Co., Inc., Chicago, and Paine, Webber & Co., New York, etc.

(3)

$1,500,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "C"; DUE DECEMBER 1, 1947

Dated December 1, 1927.

Interest Payable June and December 1 at the Central Trust Company of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue, Maintenance and Depreciation Reserve, Security, etc.—See description of Series "B" bonds (paragraph 2).

Purpose of Issue—Proceeds were used in part for the acquisition of properties, for additional working capital and for other corporate purposes.

Callability—Subject to call in whole or in part on any interest date up to and including Dec. 1, 1932 at 105 and accrued interest; after Dec. 1, 1932 to and including Dec. 1, 1937 at 103 and accrued interest;

after Dec. 1, 1937 to and including Dec. 1, 1942 at 102 and accrued interest; thereafter at 101 and accrued interest.

Convertibility—Bonds, unless called for previous redemption, may be converted into Pfd. stock of the Company (or cash in lieu of fractional shares) at any time on or prior to Dec. 1, 1942, in the following ratio; On or prior to Dec. 1, 1932, $105 in par value of Pfd. stock for each $100 principal amount of bonds; after Dec. 1, 1932 and on or prior to Dec. 1, 1942, $100 in par value of Pfd. stock for each $100 par value bond. Any stock so issued on such conversion shall be entitled to dividend at the rate of 7% per annum, when and as declared from the date of its issuance. As to bonds called for redemption, this right of conversion must be exercised on or prior to the call date.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California 4 mills tax; Maryland 4½ mills tax; District of Columbia and Kentucky five mills tax, and Massachusetts income tax not exceeding 6% refunded upon proper and timely application.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($1,500,000) in Dec., 1927 at par and interest by Hambleton & Co., New York, etc. and Cammack & Co., Chicago, etc.

(4)

$650,000 6% SECURED CONVERTIBLE GOLD DEBENTURES, SERIES "A"

(No Details Available)

INCOME ACCOUNT, YEARS ENDED SEPTEMBER 30

	1927	1926
Gross revenues	$745,244	$736,614
Operating exps., maint. & taxes (other than Federal income)	370,835	376,545
Net income available for interest, depreciation and Federal taxes	$374,409	$360,069

Officer: S. A. Lane, Pres.

Address, c/o Cammack & Co., 39 S. La Salle St., Chicago, Ill.

POMERANIA ELECTRIC COMPANY

(Ueberlandzentrale Pommern, A. G., Germany)

History and Property—Company supplies directly or indirectly practically the entire Prussian Province of Pomerania outside of the City of Stettin, as well as portions of the adjoining provinces of Grenzmark and Brandenburg and a portion of the State of Mecklenburg-Strelitz, with electric energy. Among the more important communities served at wholesale are the cities of Stolp, Stralsund, Stargard, Kolberg, Koeslin and Greifswald. The total population of the territory served is estimated at 1,900,000. Electricity generated at the Company's own hydro-electric and steam plants together with purchased power is sold directly to more than 6,500 customers, including 515 industrial consumers, 99 local distributing systems and towns and over 2,000 co-operative and similar systems. The various local systems redistribute the power so purchased at wholesale to over 200,000 individual consumers. The Company's total volume of sales amounted in 1927 to 122,350,000 k.w.h. Company's seven hydro-electric plants have an aggregate installed capacity of 10,385 k.w. and the three steam plants have a combined capacity of 42,900 k.w. Three additional hydro-electric plants with a combined capacity of 5,400 k.w. are under construction. The high tension transmission and distribution system consists of over 800 miles of 40,000 volt circuits and over 7,400 miles of 10,000 volt and 15,000 volt circuits.

Franchises—Operation of the properties is carried on under concession contracts from the Province of Pomerania and various counties served.

CAPITAL STOCK

Outstanding, $17,235,065; no details available. More than 90% of the outstanding stock is owned by the Province of Pomerania and by counties and communities served.

FUNDED DEBT

$3,500,000 SINKING FUND MORTGAGE GOLD BONDS, 6% SERIES DUE 1953; DUE MAY 1, 1953

Dated May 1, 1928.

Interest Payable May and November 1 at Harris, Forbes & Co., New York, in U. S. gold coin.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Deutsche Treuhand-Gesellschaft, Berlin, Germany. International Acceptance Trust Co., New York, Co-Trustee.

Provisions of Issue—The total amount of bonds to be at any one time outstanding is limited to $15,000,000 (or equivalent in other currencies). Issued, (6% Series due 1953), $3,500,000. Additional bonds may be issued as bonds of the 6% Series due 1953 or bonds of any other series, with such rates of interest, maturity dates and other provisions as may be determined by the Company in accordance with the restrictions set forth in the Indenture, (a) to an amount not exceeding $1,500,000 (or equivalent in other currencies) against the properties as they existed on Dec. 31, 1927; (b) for refunding an equivalent principal amount of outstanding bonds of any series issued under the Indenture (other than bonds retired through any sinking fund), and (c) for not more than 50% of the cost or fair value, whichever is less, of property additions (as defined in the Indenture) made by the Company or by subsidiary companies whose fixed properties shall be subjected to the mortgage (as defined in the Indenture); provided, however, that except for refunding purposes no additional bonds may be issued unless for a period of twelve consecutive months within sixteen months preceding application for such issue consolidated net earnings (as defined in the Indenture) shall have been not less than three times the annual interest on all bonds to be outstanding under the Indenture including bonds then to be issued.

Purpose of Issue—Proceeds were used to retire floating debt incurred in connection with capital expenditures and for additions and improvements to the properties of the Company including the extension of transmission lines to reach new customers and the completion of the three new hydro-electric plants.

Callability—Subject to call on any interest date on 60 days' notice at 100 and accrued interest.

Sinking Fund—Indenture provides for an annual cumulative sinking fund beginning in 1931, sufficient to redeem all bonds of the 6% Series due 1953 at or before maturity. The sinking fund is to be applied to the purchase of such bonds at or below 100 and accrued interest or if not so purchaseable to redemption by lot at par. In lieu of cash payments the Company may tender bonds at par.

Security—Secured by a direct mortgage in terms of goldmarks or fine gold in favor of the Trustee on substantially all of the fixed properties of the Company subject only to revalorized mortgages on certain properties aggregating less than $16,000 and to charges under the Dawes Plan.

Tax Provisions—Free from any present or future German Taxes.

Legal Opinion—Sullivan & Cromwell, New York and Albert, Westrick and Hauss, Berlin.

Original Offering—First publicly offered ($3,500,000) in May, 1928, at 92½ and interest to yield over 6.60% by Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris, Trust & Savings Bank, Chicago and Harris, Forbes & Co., Ltd., Montreal.

Listed—Boston Stock Exchange.

NOTE—There was also outstanding May 1, 1928, $785,054 of unsecured debt, due 1929 and 1931.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$3,848,176	$3,565,145
Operating and general expenses, including maintenance and taxes and actual Dawes Plan payments	2,531,396	2,259,159
Net earnings before interest and depreciation	$1,316,780	$1,305,986

Officer: Wilhelm Kettner, General Director.
General Office, Stettin, Germany.

VESTEN ELECTRIC RAILWAYS CORPORATION

(Vestische Kleinbahnen, G.m.b.H.)

History and Property—Corporation is owned by the principal municipalities it serves in Westphalia, Germany, and was organized for the purpose of furnishing these municipalities with adequate transportation facilities. Corporation enjoys an effective monopoly within a territory of 682 square miles which it serves without competition. It affords inter-communication to 25 communities having a population of over 750,000, including the cities of Buer, Wenna, Recklinghausen, Botropp, Gladbeck, Sterkrade, Osterfeld, and the District of Herten. In 1927 it carried approximately 19,000,000 passengers.

The property of the Corporation includes 119.35 miles of meter gauge electric railway lines of which 4.31 are double tracked and on which 172 passenger cars and 31 freight cars are employed. Corporation also operates various automobile bus feeder lines aggregating 118 miles with 33 passenger buses. Corporation owns a car building and repair plant, power plant, transformer stations, necessary depots, terminals, office buildings and homes for its executives, and employs over 1,000 persons.

CAPITAL STOCK

All of the stock of the Corporation is owned exclusively by the municipalities which it serves. No details available.

FUNDED DEBT

$1,750,000 FIRST MORTGAGE TWENTY-YEAR SINKING FUND 7% GOLD BONDS; DUE DECEMBER 1, 1947

Dated December 1, 1927.

Interest Payable June and December 1 at the Columbia office of American Exchange Irving Trust Co., New York, in United States gold coin of the standard of weight and fineness existing on Dec. 1, 1927.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—American Exchange Irving Trust Co., New York. Deutsche Landesbankenzentrale, Berlin, German Trustee.

Provisions of Issue—Authorized and issued, $1,750,000.

Purpose of Issue—Proceeds were used for the acquisition of new equipment, betterments, and the extension of the Corporation's system.

Callability—Not subject to call except for sinking fund before Dec. 1, 1932, but on and after said date, subject to call as a whole or (otherwise than through sinking fund) in part on any semi-annual interest payment date upon 60 days' notice at 100 and accrued interest.

Sinking Fund—Trust Agreement provides for a cumulative sinking fund beginning June 1, 1928, calculated to be sufficient to redeem the entire issue by maturity, through semi-annual drawings at par and accrued interest. In lieu of sinking fund payments applicable to the payment of principal, the Corporation may deliver, at par, outstanding bonds of this issue.

Security—Bonds are the direct obligation of the Corporation and are secured by a closed first mortgage on all the Corporation's properties, including the Corporation's franchises which expire after the maturity of these bonds, and further by a direct first mortgage on the new equipment, betterments and extensions to the Corporation's properties to be acquired and made with the proceeds of this loan.

Tax Provisions—Free from any German taxes, and principal and interest are payable in time of war as well as in time of peace, irrespective of the residence or nationality of the holder.

Legal Opinion—Hornblower, Miller & Garrison, New York and Dr. Wilhelm Beutner, Berlin.

Original Offering—First publicly offered ($1,750,000) in Feb., 1928, at 98 and interest to yield about 7.20% by E. H. Rollins & Sons and Foreign Trade Securities Co., Ltd., New York.

Listed—Boston Stock Exchange.

EARNINGS

The stock of the Corporation is owned exclusively by the principal municipalities which it serves. These municipalities are divided into groups, which groups, respectively, beginning in 1915, have given to the Corporation guarantees of a return (after payment of operating expenses, apportioned to each group as provided in the by-laws and any fixed charges pertaining to the particular group) of 6½% on the capital invested in the lines specially serving each group respectively; among these the City of Buer has given a similar guarantee of 9½% per annum. The guarantees are valid during the life of the above issue of bonds. The Corporation's gross earnings for the year 1927 were approximately $1,160,000 and the net earnings $280,000, after operating expenses, maintenance and taxes. Payments by the Corporation's properties under the Dawes Plan amount to about $3,000 per annum.

Officer, Mr. Arnold, Managing Director.
General Office, Herten, Germany.

WISCONSIN SOUTHERN RAILWAY

History—Incorporated May 3, 1897, in Wis., to construct a railway, with one or more tracks or lines of standard gauge from Madison, Wis., in a northeasterly direction, to the City of Sturgeon Bay in Door County, Wis., 190 miles, and from the City of Marshfield, Wis., in a southeasterly direction to the State Line between the states of Wisconsin and Illinois, 225 miles, to and through the City of Milwaukee, and the counties of Racine and Kenosha.

Company commenced the construction of the railway between Manitowoc and Sturgeon Bay, in 1924 and expected to begin the construction in the spring of 1926 of the South end of the line from Fond du Lac to Madison, a distance of approximately 72 miles, connecting the following places, Fond du Lac, LeRoy, Farmersville, Mayville, Horicon, Beaver Dam, Columbus, Burk and Madison. The road will be electrically operated for the transportation of persons and property.

CAPITAL STOCK

Authorized, $1,500,000 Common and $3,500,000 7% cumulative Pfd. The majority of both classes of stock is held in trust for directors by Charles D. Smith, President of the Company, to be sold, exchanged or negotiated, to carry out the lawful purposes of the Company. Annual meeting, first Tuesday in May.

FUNDED DEBT

Company has authorized the issue of $7,600,000 First Mortgage 30-year Gold bonds, said bonds to bear interest at rate of 5½% per annum and refundable in 20 years at $105 and accrued interest. No bonds have yet been issued.

Officers: Chas. D. Smith, Pres. & Gen. Mgr.; Swayne Smith, V-P. & Sec., Fond du Lac, Wis.; Edward Stansberry, Treas., Chicago, Ill.

Directors: Chas. D. Smith, Swayne Smith, Fond du Lac, Wis.; F. W. Stangel, Tisch Mills, Wis.; Edward S. Schmitz, Manitowoc, Wis.; Edward Stansberry, Chicago, Ill.

General Office, Fond du Lac, Wis.

WANAKAH WATER COMPANY

History and Property—Incorporated in 1910 in New York. Company supplies water without competition to the territory surrounding Wanakah, N. Y. Company owns 175 feet of frontage on Lake Erie on which is located a modern two-story brick and concrete pump house. The distribution system comprises approximately 19 miles of water mains and a 43,000 gallons steel stand pipe located on an acre of ground owned by the Company.

CAPITAL STOCK

Authorized, $50,000 Common; outstanding, $31,400; par $25. No further details available.

FUNDED DEBT

$50,000 FIRST MORTGAGE 6% GOLD BONDS; DUE SEPTEMBER 1, 1944

Dated September 1, 1924.

Interest Payable March and September 1 at The Marine Trust Co. of Buffalo.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Marine Trust Co. of Buffalo.

Provisions of Issue—Authorized and issued, $50,000. Proceeds were used in part to extend the mains in new territories, to retire existing indebtedness and for other corporate purposes.

Callability—Subject to call after Sept. 1, 1929, in whole or in part on any interest date upon four weeks' notice at 105 and accrued interest.

Security—Secured by a direct first closed mortgage on the physical properties and franchises of the Company now owned or hereafter acquired, having an appraised reproduction value, less depreciation, of $125,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Kenefick, Cooke, Mitchell & Bass (for the Bankers) and Bartholomew & Bartholomew (for the Company).

Original Offering—First publicly offered ($50,000) in Jan., 1928, at 98 and interest to yield 6.20% by Schoellkopf, Hutton & Pomeroy, Inc., Buffalo, N. Y., etc.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$9,989	$8,222
Operating expenses, taxes, etc.	5,864	4,304
Gross inc. available for int., depre, etc.	$4,125	$3,918

Officer: John T. Roberts, Pres.

Office, Wanakah, N. Y.

TRACY GAS COMPANY

History and Property—Incorporated in California for the purpose of constructing a plant and pipe lines for the manufacture and distribution of gas to consumers in the City of Tracy, Cal. and its environs. Estimated population, served, 5,000.

CAPITAL STOCK

Authorized, $100,000 Common; outstanding, $75,000. No further details available.

FUNDED DEBT

$100,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS; DUE JULY 1, 1947

Dated July 1, 1927.

Interest Payable January and July 1 at The American Trust Company, San Francisco.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Trust Company, San Francisco.

Provisions of Issue—Authorized, $300,000; issued, $100,000. The $200,000 unissued bonds may be issued from time to time, provided net earnings of the Company for the preceding 12 months are equal to twice the bond interest charges maturing within 12 months thereafter and further provided that the par value of bonds hereafter issued shall not exceed 60% of the amount hereafter expended by the Company for additions and betterments to its plant and distributing system.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 105 and accrued interest.

Sinking Fund—Trust Indenture provides for annual sinking fund payments amounting to 3% of the par value of all outstanding bonds, and in no event less than $3,000 to be made by the Company to the Trustee commencing May 15, 1930 and continuing on May 15th of each year thereafter to and including May 15, 1947, said sinking fund to be used by the Trustee in the purchase or redemption of bonds of this issue prior to their maturity.

Security—Secured by a first mortgage on all real and personal property now owned, or hereafter acquired by the Company, consisting of lands owned in fee simple, gas making machinery, equipment and distribution system to be installed.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from personal property tax in California.

Legal Opinion—Rufus Hatch Kimball, San Francisco.

Original Offering—First publicly offered ($100,000) in Oct., 1927, at par and interest by Bradford, Kimball & Co., San Francisco, etc.

General Office, Tracy, Cal.

THREE STATES TELEPHONE COMPANY

History and Property—Incorporated in Illinois. Owns all the outstanding Pfd. stock and 99½% of the Common stock of Freestone Telephone Company, a Texas corporation, and in addition owns 24 independent telephone companies which are being consolidated under unified control management. The company furnishes directly or indirectly telephone service under satisfactory franchises without competition to 39 towns and rural areas in Texas, south and northeast of Dallas. The system comprises 35 exchanges operating 4,169 stations or connections, and serves a population of about 48,000. Through direct or indirect inter-connection with the Bell Telephone System, nation-wide long distance service is available to all subscribers.

CAPITAL STOCK

$150,000 Common, par $5, and $250,000 6% cumulative Pfd., par $100. No further details available.

FUNDED DEBT

$400,000 ONE-YEAR 5% GOLD NOTES; DUE FEBRUARY 15, 1929

Dated February 15, 1928.

Interest Payable August 15 and February 15, at Lake Shore Trust & Savings Bank, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Lake Shore Trust & Savings Bank, Chicago.

Purpose of Issue—Proceeds were used in part for the acquisition of the pledged securities, to provide for extensions and improvement and for additional working capital and for other corporate purposes.

Callability—Subject to call at any time on 30 days' notice at 100 and accrued interest.

Sinking Fund—None.

Security—Notes are the direct obligation of the Company and in addition are specifically secured by the deposit with the Trustee of all of the outstanding Pfd. stock and 99½% of the Common stock of the Freestone Telephone Co. (except the stated qualifying shares). The Company covenants that it will not pay any dividends on its Common stock and it will not permit any of these constituent companies to mortgage or pledge any of their assets as long as any of these notes are outstandnig. No additional funded

ebt may be created unless net earnings for 12 out of he preceding 14 months shall be at least 2½ times nnual interest requirements on the total funded debt o be outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Carleton H. Pendleton, Chicago; V. M. Holland, Dallas, Texas, and Lawrence Treadwell, Corsicana, Texas.

Original Offering—First publicly offered ($400,000) 1 May, 1928, at 99 and interest to yield over 6% by Vilk, Clarke & Co., Inc., First Guardian Co., Chicago, . S. Carter & Co., Inc., New York, etc., and Century rust Co. of Baltimore.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(Properties now constituting the Freestone Telephone Co.)

ross revenues	$120,330
perating expenses, maintenance & local taxes	61,585
Net earnings (before interest and depre. reserves)	$58,745

Officer: Morris A. Scott, V-P. & Gen. Mgr.

Address, c/o L. S. Carter & Co., 37 Wall St., New ork, N. Y.

UNION PUBLIC SERVICE COMPANY

History and Properties—Incorporated Aug. 26, 1911, Minnesota; successor to Citizens Light, Heat & ower Co., Canby, Minn. (see 1920 Public Utility anual, page 2143). On March 31, 1922, the Milbank ower Co. (see 1922 Public Utility Manual, page 22), the Interstate Electric Light & Power Co. and e Grant County Power Co., on Dec. 1, 1922, the Cenal Light & Power Co. of Lake Preston, S. D., and 1 March 31, 1923, the Dakota Light & Power Co. ee 1923 Public Utility Manual, page 265) were erged. Franchises expire in 1932 and 1940. From s generating stations at Canby, Minn., and Flanreau, S. D., company furnishes electric light and wer to the following towns in Minnesota and Dota serving a population in excess of 36,000. Canby hent, Minneota, Taunton, Porter, Ivanhoe, Henicks, Burr, Gary, Clear Lake, Marietta, Nassau, evillo, Albee, Milbank, Flandreau, Egan, Colman, ent, Elkton, Ward, Lake Benton, Aurora, Bushnell, entworth, Verdi, Lake Preston, Erwin, De Smet, etland, Estelline, Toronto, White, Bruce, Badger, randburg, Dempster, Brandt, Castlewood, Labolt, ayti, Lake Norden, Stockholm, Twin Brooks, storia, Olham, Dempster, South Shore, Wilmo and lington. In addition company owns 475 miles of nsmission lines.

CAPITAL STOCK

Authorized, $300,000 Common and $475,000 7% d.; outstanding, $242,500 Common and $375,260 d. (of which $350,700 Pfd. Series "A" and $24,560 d. Series "B"); par, $100.

Preferred Stock Provisions—The Series "A" and ries "B" Pfd. rank equally over the Common and ve preference over Common as to cumulative divinds and as to assets up to $107.50 per share in voluty liquidation and to $100 per share and accrued divind in the case of involuntary liquidation. Subject redemption as a whole or in part on any dividend te upon 60 days' notice at $107.50 per share and crued dividends. No stock having any preference or ority over this Pfd. may be authorized or issued ile any of this Pfd. remains outstanding. No addinal stock (except stock ranking behind this Pfd. in pect both of assets and dividends) may be issued less the net earnings of the company (before detions for depreciation, amortization, Federal income es and state income taxes (if any) for twelve conutive months out of the fifteen calendar months t preceding have been at least twice dividend reirements on all the Pfd. stock outstanding and that be issued, nor unless the net assets of the company l exceed $100 per share on all Pfd. stock outstandincluding that to be issued, and in calculating net assets for this purpose property value shall not be taken at more than five times gross earnings for said twelve months. The proceeds of the sale of any of the company's property shall not be used in the purchase, redemption, or retirement in any other manner of any stock junior to this stock. No dividends shall ever be paid on any stock when the payment of such dividends would reduce the net assets of the company below the par value of its outstanding stock of all classes, and net assets for this purpose shall be calculated as stated above. No change in the rights or privileges of this stock to be made without the affirmative approval of the holders of 80% thereof outstanding at the time. Pfd. stock has no voting power until six months immediately following the company's failure to pay four consecutive quarterly dividends thereon, and then to vote equally with Common and other classes of Pfd., share for share.

Transfer Agent—Stock transferred at Company's office, St. Paul, Minn.

Registrar (Series "A" Pfd.)—Northwestern Trust Co., St. Paul, Minn.

Legal Opinion—Boyeson, Otis, Brill & Faricy (for the Company) and Doherty, Rumble, Bunn & Butler (for the Bankers).

Tax Provisions—Free from present Minnesota Moneys and Credits Tax.

Original Offering—First publicly offered ($100,000 7% cumulative First Pfd. Series "A") in June, 1927, at $100 and dividend by Harold E. Wood & Co., St. Paul.

Annual Meeting—Second Tuesday in May at St. Paul, Minn.

Dividends—All dividends on Pfd. stock paid to April 1, 1928; payments quarterly, J, A, J & O 1. Common dividends at the rate of 6% per annum paid to March 31, 1928; payments quarterly, J, A, J & O 1.

FUNDED DEBT

$1,030,000 FIRST GOLD 6s, SERIES "A"; DUE $10,000 EACH MARCH 1, 1928 TO 1935, INCLUSIVE, AND THE REMAINDER ON MARCH 1, 1936

Dated March 1, 1923.

Interest Payable March and September 1, at First Minneapolis Trust Co., Minneapolis, Minn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Minneapolis Trust Co., Minneapolis, Minn.

Provisions of Issue—Authorized issue, unlimited. Additional bonds may only be issued for 75% of the cost of additions and improvements and then only when the net earnings of the company for twelve consecutive months within the fifteen months preceding have been at least twice the interest charges on all bonds outstanding including those to be issued. $800,000 Series "A" bonds were issued for the following purposes: $382,000 in exchange for old first mortgage bonds; (b) to acquire the property of the Dakota Light & Power Co.; (c) to inter-connect the systems of the Dakota Light & Power Co. and the Union Public Service Co., and (d) to reimburse the company in part for capital expenditures against which no bonds have been issued.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—An annual sinking fund consists of an amount of 1½% of outstanding Series "A" bonds in excess of $500,000, computed monthly; in addition the company covenants to expend in improvements or additions to the property, against which no bonds may be certified, an amount equal to 1% per annum of the undepreciated book value of the fixed assets or to retire 1% per annum of all bonds outstanding.

Depreciation Reserve—The company covenants to maintain the properties in a good and efficient operating condition and to set up as a reserve for depreciation an amount of 10% of the gross earnings in each

year, until such reserve is equal to 25% of the undepreciated book value of fixed assets and to maintain such reserve at that value at the specified annual rate.

Security—Secured by a first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($800,000 Series "A" 6s) in Aug., 1923, at prices to net 6% for the 1924 and 1925 maturities, 6¼% for 1926 and 1927 maturities and 6½% for 1928 to 1936 maturities.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED

	March 31, 1928	March 31, 1927	Feb. 28, 1926
Gross earnings	$396,757	$395,448	$363,196
Oper. exp. & taxes	225,232	224,584	210,700
Depreciation	59,285	55,676	50,387
Net earnings	$112,240	$115,190	$102,109
Other income	9,114	.....	.....
Total income	$121,354	$115,190	$102,109
Bond interest	60,975	58,380	59,850
Other interest	4,063	3,229	.....
Federal income tax	5,923	.....	.....
Amort. deferred charges	15,958	18,665	13,274
Total charges	$86,919	$80,274	$73,124
Net income	34,435	34,916	28,985
Preferred dividends	34,326	14,707	*
Balance	$109	$20,209	$28,985

*Not reported.

COMPARATIVE GENERAL BALANCE SHEET

Assets—	March 31, 1928	March 31, 1927	Feb. 28, 1926
Plant & property	$2,074,851	$1,906,941	$1,782,940
Inmprovements	.....	96,904	26,479
Equipment	*	26,330	25,708
Lines purchased on contract	67,324	67,324	61,657
Cash	17,555	13,169	21,250
Bills and accounts receiv.	53,255	41,689	42,939
Materials and supplies	31,247	24,059	27,791
Pepayments	26,199	22,896	12,416
Cash value life insurance	9,785	7,287	3,823
Deferred accounts receiv.	.....	2,687	4,322
Stocks and bonds owned	800	800	800
Treasury bonds, collateral	25,000	25,000	.....
Deferred charges	161,162	96,750	107,213
Total	$2,467,178	$2,331,836	$2,117,337
Liabilities—			
Common stock	$242,500	$242,500	$242,500
Preferred stock	375,260	176,660	165,195
Funded debt	1,030,000	1,045,000	995,000
Long-term contracts payable	36,544	44,680	49,865
Accounts payable	43,471	45,398	17,689
Notes payable	48,500	130,183	39,885
Accrued items	10,373	12,947	34,335
Other current liabilities	5,624	.....	.....
Deferred accounts payable	7,069	.....	2,408
Consumers' deposit	3,073	2,519	2,169
Reserves	468,832	434,726	369,803
Surplus	195,932	196,223	198,489
Total	$2,467,178	$2,331,836	$2,117,337

*Included in plant and property.

Officers: Arthur H. Savage Pres. & Treas.; Edward P. Davis, V-P.; John F. Girton, Sec.; St. Paul, Minn.; J. K. Raglan & Co., Aud., Minneapolis, Minn.; A. H. Bushman, Gen. Mgr. & Supt., Canby, Minn.

Directors: L. N. Sickels, A. H. Savage, J. F. Girton, E. P. Davis, St. Paul, Minn.; Irving H. Overman, Minneapolis, Minn.

General Office, 915 Pioneer Bldg., St. Paul, Minn. **Operating Office**, Canby, Minn.

TAUNTON GAS LIGHT CO.

History—Incorporated in Mass. Franchise perpetual. Population served, 34,259. Daily capacity, 4,000,000 cu. ft. Miles of mains, 185. No. of meters, 10,360.

CAPITAL STOCK

Authorized and outstanding, $495,000 (increased from $220,000 to $330,000 in 1915 and from $330,000 to $495,000 in Oct. 1926); par, $50. Transfer office, Taunton, Mass. Annual meeting, third Monday in July.

Subscription Privilege—Stockholders in the latter part of 1926 had the right to subscribe to $165,000 additional capital stock at $80 a share on the basis of one new share for each two shares held.

Dividends—10% per annum prior to 1922; 1922 and 1923, 15% each; 1924, 11%; 1925, 1926 and 1927, 12% each; payments Jan. and July 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$505,532	$470,608	$451,76
Oper. exp. & taxes	361,020	336,175	350,92
Net earnings	$144,512	$134,433	$100,83
Other income	4,496	3,261	5,59
Total income	$149,008	$137,694	$106,43
Interest	12,954	9,630	5,73
Depreciation, etc.	64,306	71,210	54,28
Total charges	$77,260	$80,840	$60,02
Balance for dividends	71,748	56,854	46,40
Dividends paid	59,400	39,600	39,60
Surplus for year	$12,348	$17,254	$6,80
Earnings Per Share	$7.24	$5.74	$7.0

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,382,209	$1,222,563	$803,48
Investments	1,095	1,095	1,09
Materials and supplies	59,938	50,346	58,68
Cash	61,157	179,889	40,37
Accounts receivable	53,545	40,216	28,19
Total	$1,557,944	$1,494,109	$931,82
Liabilities—			
Capital stock	$495,000	$495,000	$330,00
Premium on capital stock	218,000	218,000	119,00
Notes payable	300,000	285,000	112,00
Dividends declared	29,700	19,800	19,80
Other current liabilities	9,638	43,434	8,82
Reserve for taxes	11,510	12,500	10,28
Depreciation reserve	388,422	327,051	255,84
Profit and loss	105,673	93,324	76,07
Total	$1,557,944	$1,494,109	$931,82

Officers: Frank L. Tinkham, Pres.; Walter T. Soper, Treas. & Clerk, Taunton, Mass.

Directors: Frank L. Tinkham, Walter T. Soper, Chas. W. Davol, M. T. Barker, Taunton, Mass.

Office, Taunton, Mass.

DEDHAM & HYDE PARK GAS & ELECTRIC LIGHT CO.

History—Incorporated in 1853, in Mass., Franchise perpetual. Gas is purchased from Boston Consolidated Gas Co. Miles of mains, 80. No. of gas meters, 6,625. Population served, 31,660. Gas sold year ended Dec. 31, 1927, 165,885,300 cu. ft.; 1926, 157,147,700 cu. ft.; 1925, 146,036,800 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $375,000 (increased from $200,000 in 1926 and from $250,000 in 1927), par $25. During June, 1926, $50,000 offered to stockholders at $30 a share and in June, 1927, 5,000 shares offered at $31.25 per share. Annual meeting, second Wednesday in January.

Dividends—Dividends paid in fiscal years ended June 30: 1913, 9½%; 1914 and 1915, 10% each; 1916, 9½%; 1917, 8%; 1918, 8%; 1919, 8%; 1920 to 1927, incl., 10%; payments quarterly, M, J, S & D.

FUNDED DEBT

$100,000 First Gold 6s; dated April 1, 1918; due April 1, 1938; int. April and Oct. 1, at American Trust Co., Boston, Trustee. Coupon, $500 and $1,000. Authorized issue, $100,000. Subject to call on any interest date at 110 and accrued interest. No sinking fund provisions. These bonds were issued to refund $60,000 bonds matured April 1, 1918, and to fund floating indebtedness of Co. Secured by first lien on en

tire property. Legal for Savings Banks in Massachusetts. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$248,020	$233,814	$217,450
Oper. exp., taxes & deprec.	219,485	218,322	189,773
Net earnings	$28,535	$15,492	$27,677
Other income	13,236	15,247	7,819
Total income	$41,771	$30,739	$35,496
Interest charges	10,336	16,451	13,378
Reserves, etc.	600	600	800
Total charges	$10,936	$17,051	$14,178
Net income	30,835	13,688	21,316
Dividends paid	31,243	22,479	20,000
Deficit for year	$408	$8,791	$1,316
Earnings Per Share	$2.05	$1.37	$2.66

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$682,321	$542,833	$471,410
Materials and supplies	14,309	20,058	17,075
Cash	20,447	21,571	7,543
Accounts receivable	43,349	42,570	42,633
Notes receivable	32,604	87,900	65,264
Special deposits	.....	.....	4,712
Prepaid items	1,757	2,708	2,591
Unadjusted debits	4,127	4,750	5,099
Total	$798,914	$722,391	$616,327
Liabilities—			
Capital stock	$375,000	$250,000	$200,000
Premium on capital stock	52,845	21,595	11,595
Funded debt	100,000	100,000	100,000
Notes payable	132,604	184,500	164,500
Accounts payable	36,961	63,094	50,702
Interest accrued	1,524	2,585	1,700
Tax liability	696	646	.....
Unadjusted credits	1,384	3,729	.....
Reserve for depreciation	46,887	47,445	39,813
Consumers' deposits	9,530	6,905	6,598
Profit and loss	41,484	41,892	41,419
Total	$798,914	$722,391	$616,327

Officers: Thomas C. Fales, Pres., Boston, Mass.; N. C. Fales, V-P., Brighton, Mass.; Vincent Goldthwaite, Treas., Wellesley, Mass.; B. D. Barker, Clerk, Boston, Mass.

Directors: The above and C. R. Adams.

Office, 60 Congress St., Boston.

NORTH ATTLEBORO GAS LIGHT COMPANY

History—Incorporated April 12, 1855, in Mass. Supplies gas to North Attleboro and Plainville with a population of about 12,000. Daily capacity, 275,000 cu. ft. Miles of mains, about 25. No. of customers, 3,454.

CAPITAL STOCK

Authorized, $150,000; outstanding, $136,200; par, $100. Annual meeting, first Monday in March.

Dividends—Recent dividends have been paid as follows: 1922, 3%; 1923, 10%; 1924, 10%; 1925, 8%; 1926, 7½%; 1927, 11½%; payments semi-annually January and July.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$102,999	$132,300	$97,061
Oper. exp. & taxes	80,606	113,203	76,248
Net earnings	$22,393	$19,097	$20,813
Other income	43	.....	*517
Gross income	$22,436	$19,097	$20,296
Interest charges	1,286	.....	1,524
Balance for dividends	$21,150	$19,097	$18,772
Dividends paid	15,663	10,215	10,896
Surplus for year	$5,487	$8,882	$7,876

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and equipment	$221,491	$207,110	$205,087
Materials and supplies	15,236	7,224	7,623
Cash	11,864	12,138	1,793
Accounts & notes rec.	16,448	16,730	18,859
Prepaid accounts	439	148	147
Unadjusted debits	.....	1,050	.....
Total	$265,478	$244,400	$233,510
Liabilities—			
Capital stock	$136,200	$136,200	$136,200
Notes payable	33,000	25,000	25,000
Accounts payable	3,067	.....	1,639
Other current liabilities	1,171	1,019	6,351
Reserve for taxes	2,118	1,001	1,274
Reserve for depreciation	18,633	8,987	3,649
Profit and loss	71,289	72,193	59,396
Total	$265,478	$244,400	$233,510

Officers: Eben F. Putnam, Pres.; George B. Willard, Treas., Greenwich, Conn.; C. W. Carpenter, Clerk, North Attleboro, Mass.

Directors: Eben F. Putnam, G. B. Willard, Greenwich, Conn.; R. T. P. Storer, F. L. Putnam, Graydon Stetson, Boston, Mass.

Office, North Attleboro, Mass.

PUBLIC UTILITIES CORPORATION

History—Incorporated Jan. 12, 1910, in Me., to carry on the business of general brokers and dealers in stocks, bonds, mortgages and securities, including the acquisition thereof by original subscription; and to make investments in such properties. The company is confining itself to enterprises based wholly or in part upon the use of electricity or electricity combined with generation and distribution of gas, whose securities are offered for investment. At present the Corporation owns securities in more than 30 companies.

CAPITAL STOCK

Authorized $2,000,000 (increased from $1,500,000 in 1925) Common; outstanding, $1,500,000 Common; par, $50. An issue of $500,000 7% Pfd. stock formerly outstanding was called for payment at $55 a share on April 1, 1927. Stock transferred at Company's office. Annual meeting, second Wednesday in May.

Dividends—Dividends on Pfd. were regularly paid up to time of redemption on April 1, 1927. Common dividends have been paid as follows: 1911, 2%; 1912, 5%; Jan., April and July, 1913, 1¼% each; none since; A stock dividend of 50% was paid on Common Dec. 30, 1924.

FUNDED DEBT

$600,000 5½% COLLATERAL TRUST GOLD BONDS; DUE MARCH 1, 1947

Dated March 1, 1927.

Interest Payable March and September 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000 (non registerable).

Trustee—Guaranty Trust Company of New York.

Provisions of Issue—Authorized and issued, $600,000.

Purpose of Issue—Proceeds from the sale of these bonds were applied to the retirement of the 7% Pfd. stock of Corporation, and other corporate purposes.

Callability—Subject to call as a whole or in part on four weeks' notice at 102 up to and including March 1, 1932; thereafter at 101½ up to and including March 1, 1937; thereafter at 101 up to and including March 1, 1942, and thereafter at 100 with accrued interest in each instance.

Security—As security for these bonds there are pledged with the Trustee, securities having a market value as of the date of these bonds of approximately $780,000, or 130% of the principal amount of these bonds. Corporation covenants in the indenture to maintain at all times with the Trustee collateral having a market value at least 25% in excess of the principal amount of bonds outstanding. The securities pledged in the first instance are as follows: 1,000 shares Ameri-

can & Foreign Power Co., Inc. Pfd. stock of no par value; 2,000 shares American Gas & Electric Co. Pfd. stock of no par value; 1,000 shares Commonwealth Power Corp. Pfd. stock of $100 par value; 1,000 shares Electric Power & Light Corp. Pfd. of no par value; 1,000 shares General Electric Co. Common of no par value; 1,000 shares General Gas & Electric Corp. Pfd. "A" of no par value; 2,000 shares Pacific Gas & Electric Co. Common of $25 par value and 1,000 shares Radio Corp. of America Pfd. "A" of $50 par value.

The Corporation reserves the right to make withdrawals, exchanges and substitutions of collateral, with the proviso that at all times the market value of the collateral will be at least 25% in excess of the principal of the outstanding bonds. Indenture also permits the Corporation to transfer all the pledged securities as an entirety to any corporation lawfully entitled to acquire them, or to consolidate with any such corporation, provided that the transfer or consolidation shall be upon such terms as will not impair the lien of the Trustee or bondholders, and that payment of the principal and interest of the bonds as also the due performance of all the covenants of the Indenture, shall be assumed by the successor corporation.

Legal Opinion—Johnson, Clapp, Ives & Knight.

Original Offering—First publicly offered ($600,000) in March, 1927, by Jackson & Curtis, Boston.

NET INCOME, YEARS ENDED DEC. 31.

(After deducting Federal Taxes and interest on all indebtedness)

1921	$180.110	1924	$732,136
1922	289,429	1925	552,765
1923	293,245	1926	446,767

COMPARATIVE GENERAL BALANCE SHEET

	*Apr. 30, 1927	Dec. 31, 1926	*Apr. 30, 1926
Assets—			
Stocks and bonds	$3,344,294	$3,221,969	$3,320,625
Cash	69,708	83,342	83,471
Int. accrd. on bonds owned	6,646	2,515	.....
Notes receivable	.....	.....	10,000
Special deposit	9,130	.....	.....
Total	$3,429,778	$3,307,526	$3,414,096
Liabilities—			
Capital stock	†$1,508,300	$1,500,000	$2,000,000
Collateral Trust bonds	600,000	.....	.....
Notes payable	80,000	125,000	275,000
Accounts payable	.....	.....	997
Accrued interest and taxes	28,851	21,792	38,739
Accrued Common divds.	135,000	.....	15,000
Surplus	1,077,627	1,060,734	1,084,360
Total	$3,429,778	$3,307,526	$3,414,096

*As filed with Massachusetts Commissioner of Corporations.
†Includes $8,300 Pfd. still outstanding.

Officers: M. P. Clough, Pres., Lynn, Mass.; R. C. Morse, V-P., Milton, Mass.; W. F. Pope, Sec. & Treas., Sandwich, Mass.; C. H. Tolman, Clerk, Portland, Me.

Directors: M. P. Clough, R. C. Morse, W. F. Pope, C. P. Hamilton, S. W. Childs.

General Office, 19 Congress St., Boston. **Corporate Office,** Portland, Me.

DEDHAM WATER CO.

History—Incorporated in 1876, in Mass. Supplies population of about 13,918 in Dedham. No. of meters, 2,866. No. of customers, 2,813. Miles of mains, 46. Daily output 850,000 gallons.

Rate Reduction Ordered—Massachusetts Department of Public Utilities on May 11, 1928, ordered a reduction in the water charge for "fire service" from $25 to $20 per hydrant per year and the inch-foot charge from 1 cent per inch-foot to ¾ cent. The order came as result of protest of the Dedham Selectmen against a new schedule of rates proposed by Company.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. Annual meeting, second Monday in February.

Dividends—Dividends: 1910 to 1924, incl., 6% per annum; 1925, 7%; 1926 and 1927, 8% each; payments January and July.

FUNDED DEBT

$200,000 First Gold 5s; dated May 1, 1915; due May 1, 1935; int. May and Nov. 1. Authorized $200,000. A first lien on entire property. First publicly offered ($113,000) in April, 1915, at 101 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$73,094	$69,857	$68,968
Oper. exp. & taxes	48,520	42,590	40,646
Depreciation	7,610	7,610	7,610
Net earnings	$16,964	$19,657	$20,712
Other income	1,399	1,467	1,325
Total income	$18,363	$21,124	$22,037
Bond & other interest	9,864	8,261	7,407
Net income	$8,499	$12,863	$14,630
Dividends paid	16,000	16,000	14,000
Deficit for year	$7,501	$3,137	*$630

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$574,368	$554,882	$525,515
Materials and supplies	5,167	6,107	6,823
Cash	2,431	12,323	9,271
Accounts receivable	9,761	10,019	8,213
Total	$591,726	$583,332	$549,822
Liabilities—			
Capital stock	$200,000	$200,000	$200,000
Funded debt	200,000	138,000	138,000
Notes payable	10,000	62,000	32,000
Interest accrued	1,667	1,150	1,150
Dividends accrued	8,000	8,000	8,000
Depreciation reserve	163,438	156,735	150,107
Profit and loss	8,621	17,447	20,565
Total	$591,726	$583,332	$549,822

Officers: Winslow Warren, Pres. & Gen. Mgr.; Winthrop H. Wade, Clerk; Frank J. Gifford, Treas. & Supt., Dedham, Mass.

Directors: Frank J. Gifford, Ross W. Baker, Winslow Warren, W. H. Wade, Dedham, Mass.; Arthur W. Hartt, Brookline, Mass.

Office, Dedham, Mass.

OCEAN ELECTRIC RAILWAY COMPANY

(Controlled by Long Island RR. Co.

History—Incorporated May 1, 1897, in N. Y.; successor to the Rockaway Village R. R. Co., foreclosed. Leases the Rockaway Electric Ry., 0.179 mile. Length of line owned, 3.95 miles. On Sept. 9, 1926, the Company discontinued operation over the Long Island RR. Co. tracks from Far Rockaway to Hammels, 3.497 miles of route. Gauge, standard. Rail, 62 to 141 lbs. Cars, 36; sweeper, 1; sprinkler, 1; other cars, 3.

CAPITAL STOCK

Authorized and outstanding, $350,000; par, $100. All owned by Long Island RR. Co. Dividends in 1924 and 1925, 6%; 1927, 12%. Annual meeting, first Monday in May.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$50,388	$205,050	$326,404
Oper. expenses and taxes	99,535	164,210	255,710
Operating income	†$49,147	$40,840	$70,694
Divds. & int. received	1,543	3,180	3,270
Gross income	†$47,604	$44,020	$73,964
Interest charges	28	.....	.....
Rents	508	524	507
Track and terminal privs.	.....	38,005	64,644
Total charges	$536	$38,529	$65,151
Net income	†$48,140	$5,491	$8,813
Dividends paid	42,000	21,000	21,000
Deficit for year	$90,140	$15,509	$12,187

†Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$447,006	$557,315	$582,067
New York City 4½% Gold Exempt Corporate stock deposited with Comptroller of City of N. Y., etc.	2,000	2,000	2,000
N. Y. City 4¼% Registered Corporate stock deposited with State Industrial Commission, etc.	5,000	5,000	5,000
Long Island R. R. Co., amount on deposit, general account	5,352	51,868	52,018
Int. accrued on invests, etc.	101	101	101
Current assets	508	1,110	1,519
Profit and loss deficit	38,880	.....	.....
Total	$498,847	$617,394	$642,705
Liabilities—			
Capital stock	$350,000	$350,000	$350,000
Taxes accrued	776	1,080	4,055
Accrued depreciation	148,071	194,941	180,278
Profit and loss surplus	.....	71,373	108,372
Total	$498,847	$617,394	$642,705

Officers: George Le Boutillier, Pres.; C. L. Addison, V-P.; Eugene Wright, Sec.; H. H. Lee, Treas.; A. Seaman, Supt.

Office, Far Rockaway, N. Y.

THE KEY CITY GAS COMPANY

History—Incorporated in 1880, in Iowa, for 20 years, and charter renewed in 1900, and again in 1920, for manufacture and sale of gas, coke, tar and ammoniacal liquor. Franchise expires in 1947. Population served, 40,996. Annual sales approximately 190,000,000 cu. ft. Miles of mains, 75. No. of consumers, 3,000. Holder capacity, 656,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $310,500 Common and $230,000 7% cumulative Pfd.; par, $100. Pfd. stock has preference for assets as well as dividends. Pfd. dividends are payable quarterly, J, A, J & O 1. Common dividends, if any, not reported. Stock transferred at company's office. Annual meeting, last Wednesday in January.

FUNDED DEBT

$215,000 First Mortgage Gold 7s; dated 1920; due July 1, 1940; interest Jan. and July 1, at Consolidated National Bank, Dubuque, Iowa. Coupon, $1,000. Subject to call on any int. date at 103 on 60 days' notice. Jas. M. Burch, Dubuque, Ia., Trustee. Company pays Normal Federal Income Tax up to 2%.

Officers: Geo. McLean, Pres., Pur. Agt. & Mgr.; Geo. W. Myers, V-P.; W. L. Bradley, Sec.; James M. Burch, Treas.

Directors: Geo. McLean, J. M. Burch, W. L. Bradley, F. R. Lacy, Geo. W. Myers, Eugene Ryan.

Office, Dubuque, Iowa.

HANOVER WATER WORKS COMPANY

History—Incorporated in March, 1893, in N. H. Serves Hanover, N. H.

CAPITAL STOCK

Authorized, $100,000; outstanding, $75,000.

Dividends—5% per annum; payments semi-annually, Jan. and July 1.

FUNDED DEBT

$58,500 5% Mortgage; interest payable January and July.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$15,603	$14,952
Oper. exp., taxes & depreciation	7,397	7,562
Net earnings	$8,206	$7,390
Other income	100	.....
Total income	$8,306	$7,390
Interest charges	3,254	3,034
Dividends paid	3,750	3,750
Surplus for year	$1,302	$606

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant account	$206,879
Cash	521
Accounts receivable	1,169
Total	$208,569
Liabilities—	
Capital stock	$75,000
Mortgage payable	58,500
Notes payable	2,000
Reserve for depreciation	54,088
Profit and loss	18,981
Total	$208,569

Officers: Robert Fletcher, Pres.; Perley R. Bugbee, Clerk; Earle C. Gordon, Treas.; F. F. Parker, Supt., Hanover, N. H.

Directors: Robert Fletcher, Perley R. Bugbee, A. D. Storrs, Halsey C. Edgerton, Horace E. Hurlbutt, Willard M. Gooding, Hanover, N. H.

General Office, Hanover, N. H.

MANCHESTER ELECTRIC COMPANY

History—Incorporated April 16, 1903, in Mass. Population served, 2,600. Current is purchased from the Beverly Gas & Electric Co. Price, 15 cts.

CAPITAL STOCK

Authorized and outstanding, $205,800; par, $100. Annual meeting, fourth Wednesday in February.

Dividends—April 1, 1913, 2½%; Oct. 1, 1913, 2½%; April 1, 1914, 2½%; Oct. 1, 1914, 2½%; April, 1915, 2½%; June, 1915, 5%; Dec., 1915, 5%; June, 1916, 5%; Dec., 1916, 5%; June, 1917, 5%; Dec., 1917, 5%; June, 1918, 5%; Dec., 1918, 3%; Dec., 1919, 3%; June, 1920, Dec., 1920, June, 1921, and Dec., 1921, 3% each; 1922, 7%; 1923 to 1926, inclusive, 8% each; 1927, 10%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$69,772	$63,414	$64,531
Oper. exp. and taxes	50,420	49,340	45,858
Net earnings	$19,352	$14,074	$18,673
Other income	12,244	8,210	7,051
Total income	$31,596	$22,284	$25,724
Sundry deductions	.....	2,630	3,079
Balance for dividends	$31,596	$19,654	$22,645
Dividends paid	20,580	16,464	16,464
Surplus for year	$11,016	$3,190	$6,181
Earnings Per Share	$15.35	$9.50	$11.00

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$249,558	$250,337	$248,816
Other investments	40,590	44,991	44,991
Materials and supplies	5,894	4,105	2,604
Cash	45,270	30,934	24,038
Accounts receivable	20,399	15,629	12,132
Unadjusted debits	158	.....	50
Other current assets	.....	171	202
Total	$361,869	$346,167	$332,833
Liabilities—			
Capital stock	$205,800	$205,800	$205,800
Accounts payable	4,270	2,990	2,136
Reserve for taxes	3,085	2,500	2,225
Reserve for depreciation	103,060	101,007	91,992
Profit and loss	45,654	33,870	30,680
Total	$361,869	$346,167	$332,833

Officers: R. C. Allen, Pres., Manchester, Mass.; A. Macomber, V-P., Boston, Mass.; A. C. Jones, Clerk, Manchester, Mass.; C. R. Prichard, Treas., Lynn, Mass.; T. A. Lees, Mgr., Manchester, Mass.

Directors: R. C. Allen, Manchester, Mass.; H. M. Kelley, C. R. Prichard, C. R. Prichard Jr., Lynn, Mass.; A. Macomber, Boston, Mass.

Office, 11 Black St., Manchester, Mass.

MANCHESTER WATER COMPANY

History—Incorporated March 2, 1889, in Connecticut. Serves Manchester, Conn.

CAPITAL STOCK

Authorized and outstanding $100,000. Dividends paid, 7% per annum.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Rentals received	$27,765	$26,767
Operating expenses, taxes and deprec.	11,881	11,721
Net earnings	$15,884	$15,046
Other income	55	
Total income	$15,939	$15,046
Bad debts	154	1,074
Interest paid	511	
Net income	$15,274	$13,972
Dividends paid	7,000	7,000
Surplus for year	$8,274	$6,972

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$162,484
Organization	1,016
Cash	3,444
Accounts receivable	8,235
Materials and supplies	2,017
Total	$177,196
Liabilities—	
Capital stock	$100,000
Accounts payable	3,563
Notes payable	15,000
Depreciation	23,083
Profit and loss	13,276
Surplus	22,274
Total	$177,196

Officers: Wm. Foulds, Pres.; E. A. Lydall, V-P.; A. J. Straw, Sec. & Treas.

General Office, 10 Depot Square, Manchester, Conn.

AROOSTOOK VALLEY RAILROAD CO.

History and Property—Incorporated July, 1902, in Me.; first portion of road opened June 20, 1910. Line of road: From Washburn Junc., where connection is made with the Canadian Pacific Ry., to Presque Isle Junc., 2 miles; Presque Isle, via Presque Isle Junc., Washburn and Carson to Caribou, 22.78 miles; Carson to Sweden, 7.31 miles— total, 32.09 miles; total track, 36.60 miles. Gauge, standard. Rail, T., 70 lbs. Power purchased from Maine & New Brunswick Electrical Power Co., Ltd., Aroostook Falls, N. B. Equipment: Electric freight engines, 2. Motor cars—passenger, 4; freight, 4; snow plow (motor), 1.

A tentative report of Examiner Davis of the Interstate Commerce Commission recommended Jan. 15, 1925, that Company be authorized to construct a line of road extending from a connection with the Aroostook Valley R.R. at Washburn, Me., to the Quebec Central Ry. near Frontier, Me., a distance of 112 miles. It was also recommended that Company be permitted to retain excess earnings.

CAPITAL STOCK

Authorized, $300,000; outstanding, $296,900; par, $100. Annual meeting, first Tuesday in August. No dividends paid.

FUNDED DEBT

(1)

$184,500 First Mortgage Gold 4½s; dated Aug. 1, 1909; due Aug. 1, 1929; int. Feb. and Aug. 1, at Augusta Trust Co., Augusta, Me., Trustee. Coupon, $1,000; principal may be registered. Issued, $250,000, of which $40,000 have been reacquired and are held alive in sinking fund and $25,500 have been reacquired and are held alive in treasury. Bonds cannot be called. The Canadian Pacific Ry. Co. guarantees the interest on these bonds. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

(2)

$433,430 First Mtge. and Refunding 4½s; (£ bonds) dated July 1, 1911; due July 1, 1961; interest May and Nov. 1, at Bank of Montreal, London, England. Coupon, £100; principal may be registered. Bankers Trust Co., New York, Trustee. Issued, $455,832 of which $22,402 have been reacquired and are held alive in the sinking fund. Interest guaranteed by Canadian Pacific Ry. Co. Bonds cannot be called. Sinking fund began in 1916. Company pays Normal Federal Income Tax up to 2%.

(3)

$61,300 Debenture 6s; dated July 1, 1909; due July 1, 1929; interest payable June and Dec. 1, at Company's office, Presque Isle, Me. Coupon, $100 and $500; principal may be registered. Authorized issue, $150,000. Bonds cannot be called and no sinking fund is provided. Company does not pay Normal Federal Income Tax.

(4)

$125,000 25-Year 6s; dated July 1, 1922; due July 1, 1947; int. Jan. and July 1.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$207,872	$196,838	$184,431
Oper. exp., taxes & deprec.	124,697	109,120	105,358
Net earnings	$83,175	$87,718	$79,073
Other income	2,917	4,237	2,550
Gross income	$86,092	$91,956	$81,623
Fixed charges	41,564	51,302	59,680
Surplus for year	$44,528	$40,653	$21,943

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of property	$1,366,083	$1,298,652	$1,322,956
Sinking fund	2,293	892	40,892
Investments	26,062	2,628	2,428
Materials and supplies	13,816	17,150	14,050
Accounts receivable	17,850	16,023	16,926
Cash	17,882	45,211	39,869
Notes receivable		25,000	
Other current assets	2,771	2,278	750
Deferred debit items	875		
Unadjusted debits	43,511	40,402	21,688
Total	$1,491,143	$1,448,235	$1,459,559
Liabilities—			
Capital stock	$296,900	$296,900	$296,900
Funded debt	804,230	853,932	912,332
Notes payable	30,000		
Accounts payable	14,923	14,991	12,425
Interest accrued	17,066	10,567	8,644
Matured int., divds., etc.			1,848
Other current liabilities	780	4,673	3,985
Unadjusted credits	347	172	52
Reserve for depreciation	94,265	82,113	70,902
Sinking fund reserves	43,442	43,442	40,892
Profit and loss	189,190	141,445	111,579
Total	$1,491,143	$1,448,235	$1,459,559

Officers: A. R. Gould, Pres.; L. E. Gould, V-P. & Pur. Agt.; C. F. Daggett, Sec.; H. N. Crandall, Treas. & Gen. Mgr.; G. B. Hallett, Supt., Presque Isle, Me.

Directors: O. K. Story, Washburn, Me.; L. E. Gould, A. R. Gould, H. N. Crandall, Presque Isle, Me.; P. L. McNally, Caribou, Me.

General Office, Presque Isle, Me.

ILLINOIS GAS CO.

History and Property—Incorporated Aug. 12, 1916, in Ill. Company distributes gas to Lawrenceville, Bridgeport, Sumner and Olney, Ill., serving a population of about 18,000. Miles of mains, 20. No. of meters, about 1,046. Annual sales, about 30,771,300 cu. ft. Company purchases all its gas.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Annual meeting third Tuesday in June.

FUNDED DEBT

$330,000 First Mortgage Gold 6s; dated October 1, 1916; due serially on July 1, in varying amounts, to

936, inclusive. Interest Jan. and July 1, at Commerce uardian Trust & Savings Bank, Toledo, O., Trustee. oupon, $100, $500 and $1,000; principal may be egistered. Original issue, $350,000, Redeemable in verse numerical order on any interest date upon 60 ays' notice at 105 and int. A first and closed mort-age on all property, rights and franchises of Co. ow owned or hereafter acquired. First publicly fered ($350,000) in Nov., 1916, at par and int. for erage maturities, by Sidney Spitzer & Co., Toledo, hio. Company pays Normal Federal Income Tax to 2%.

Default—Jan. 1, 1921, interest and subsequent cou-ns in default. Due to this default a protective com-ittee was formed of which Sidney Spitzer, of Sidney itzer & Co., Toledo, is secretary.

OFFICERS AND DIRECTORS

Officers: G. E. Spitzer, Pres. & Gen. Mgr., incennes, Ind.; Arthur E. Lloyd, V-P., Lawrence-lle, Ill.; C. M. Spitzer, Sec. & Treas.; W. B. Crahan, r. Agt., Vincennes, Ind.

Directors: Sidney Spitzer, Toledo, O.; G. E. Spitzer, M. Spitzer, Vincennes, Ind.; Harry Sloan, Byran, hio.

General Office, Lawrenceville, Ill.

WOLVERINE POWER CO.

History and Property—Incorporated in Delaware, d has under construction four hydro-electric plants Sanford, Edenville, Smallwood, and Secords, with stalled generating capacity of 15,000 h.p. The com-ny owns approximately 12,600 acres of land, and ter flowage rights on the Tittabawassee and Tobac-Rivers and their tributaries. Of this acreage proximately 7,250 acres are owned in fee. This perty is located in Midland and Gladwin Counties the east central part of the State of Michigan. The tire electrical output of the company has been ntracted to the Consumers Power Co. (Mich.). This ntract, which extends for a period of 99 years, pro-les that Consumers Power Co. shall purchase the tire electrical output of the Wolverine Power Co. a price estimated to net, after deduction of taxes, erating expenses, $221,500 for a year.

CAPITAL STOCK

Authorized and outstanding, 10,000 Common shares no par value; and $800,000 6% cumulative Pfd.; of Pfd., $100.

Preferred Stock Provisions—Pfd. stock is subject to emption as a whole or in part on any dividend date 30 days' notice at par and dividends. Company agreed, before any dividends are paid on Common ck to create and at all times maintain a reserve fund at least $50,000 for guaranteeing dividends on Pfd ck.

Transfer Agent and Registrar (Preferred)—Ohio ings Bank & Trust Co., Toledo, Ohio.

Original Offering (Preferred)—First Publicly of-ed ($800,000) in Oct., 1924, by Baker, Simonds & , Detroit, at $77 and dividends, to yield about %.

Dividends—Pfd. dividends are payable semi-annu-March and Sept 1.

FUNDED DEBT

0,000 FIRST MORTGAGE SINKING FUND GOLD 7s; DUE NE 1, 1943

Dated June 1, 1923.

Interest Payable June and Dec. 1, at Continental ional Bank & Trust Co., Chicago; Central on Trust Co., New York; Ohio Savings Bank & st Co., Toledo, or Michigan Trust Co., Grand ids, Mich.

Denominations—Coupon, $100, $500 and $1,000; cipal may be registered.

Trustee—The Ohio Savings Bank & Trust Co., edo, Ohio.

Co-Trustee—Michigan Trust Co., Grand Rapids, Mich.

Provisions of Issue—Authorized, $3,500,000. The mortgage provides for the issuance of $130,000 additional bonds when the net profits available for interest for twelve consecutive months shall be equivalent to twice the annual interest on $1,700,000 of bonds. Bonds in excess of $1,700,000 may be issued only up to 60% of actual and reasonable expenditures for permanent extensions and additions to plants and properties, provided net earnings for preceding twelve consecutive months shall have been at least twice the annual interest charges on all first mortgage bonds outstanding, or, up to 80% of such expenditures provided net earnings shall have been at least twice the annual interest charge on all first mortgage bonds outstanding and those proposed to be issued.

Callability—Subject to call as a whole or in part, upon 60 days' notice, at 107½ and accrued interest until June 1, 1933, and thereafter less 1% premium each year until June 1, 1937, and thereafter less ½% premium each year to maturity.

Sinking Fund—The mortgage provides for a sinking fund, commencing June 1, 1925, of 1% per annum of the largest amount of bonds at any one time outstanding; and also, an additional sinking fund commencing June 1, 1926 of the amount of saving in interest on the bonds retired by the sinking fund. Payments for the sinking fund are to be made to the Ohio Trustee, monthly, and such funds are to be used for the purchase of bonds in the open market, or for call by lot at the prevailing redemption price.

Security—Secured by first mortgage on all the company's property now owned or hereafter acquired, including dam sites, flowage lands and rights, hydro-electric plants and connecting transmission lines.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Michigan. Present Pennsylvania, Connecticut, and Maryland Personal Property Tax and Massachusetts Income Tax refundable upon application.

Legal Opinion—Tracy, Chapman & Welles, Toledo, O. (for the Company); Calfee, Fogg & White, Cleveland, O. and Travis, Merrick, Warner & Johnson, Grand Rapids, Mich. (for the Bankers.)

Original Offering—First publicly offered ($1,750,000) in Oct., 1923, at par and interest to yield 7%, by Howe, Snow & Bertles, Inc., New York; Powell, Garard & Co., Chicago; The Milliken & York Co., Cleveland, and Moors & Cabot and F. R. Sawyer & Co., Inc., Boston.

Officer: Frank I. Wixom, Pres., Sanford, Mich.

General Office, Sanford, Mich.

MANHATTAN & QUEENS TRACTION CORP.

History and Property—Incorporated Nov. 4, 1912, in New York and acquired franchise and physical property of the South Shore Traction Co. (see Manual for 1912, page 2263), lying within the limits of the City of New York. Company operates an electric railway extending from the Manhattan Terminal of the Queensboro Bridge at 59th St. and Second Ave., New York City, over the Queensboro Bridge, through Woodside, Winfield, Elmhurst, Forest Hills, Kew Gardens and Jamaica to Lambertville Ave. and Sutphin Road in Queens County. When completed line will extend to Central Avenue and the Nassau County line in Queensboro. Franchise granted Oct. 29, 1912, expires May 20, 1934. Miles of track operated, 21.68. Passenger cars operated, 27. Fare passengers carried, year ended Dec. 31, 1927, 9,144,452.

Litigation—In Nov., 1917, suit was filed by the Gas & Electric Securities Co. against the Manhattan & Queens Traction Corp. to recover $1,150,000 on promissory notes dated Nov. 1, 1916, and payable Oct. 1, 1917, but which the plaintiff Co. alleges have not been paid.

Receiver Appointed—Judge Hatfield in the U. S. District Court for the Eastern District of New York on Nov. 15, 1917, appointed Arthur C. Hume receiver of Co., which purchased the franchises and physical property of the South Shore Traction Co., for which property Mr. Hume is also receiver. William R. Begg was subsequently appointed co-receiver.

CAPITAL STOCK

Authorized, $1,000,000. The company has no stock outstanding but has received subscriptions to the amount of $20,000.

FUNDED DEBT

None.

RECEIVER'S ACCOUNT, YEARS ENDED

	Dec. 31, 1927	June 30, 1926	Dec. 31, 1925
Gross earnings	$458,507	$439,309	$423,926
Oper. exp. and taxes	402,308	342,802	329,145
Net earnings	$56,199	$96,507	$94,781
Other income	4,123	2,332	2,214
Total income	$60,322	$98,839	$96,995
Interest, rentals, etc.	116,644	117,849	118,650
Deficit for year	$56,322	$19,010	$21,655

RECEIVERS' BALANCE SHEET

	Dec. 31, 1927	Sept. 30, 1926	Dec. 31, 1925
Assets—			
Fixed capital, less accrued amortization	$179,594	$17,477	$46,097
Other investments	35,000	35,000	35,000
Cash	175,516	70,521	43,271
Special deposits	750	950	950
Accounts receivable	1,217	1,584	1,265
Int. & divds. receivable	11,531	9,730	8,649
Materials and supplies	18,016	18,630	16,239
Prepayments	3,807	4,458	4,790
Other temp. deb. items	*1,289,040	1,298,487	1,798,487
Profit and loss	793,714	723,466	688,110
Total	$2,508,185	$2,180,303	$2,642,858
Liabilities—			
Capital stock subscriptions paid	$20,000	$20,000	$20,000
Taxes accrued	153,682	135,650	125,051
Interest accrued			2,558
Rents accrued	231,994	197,308	176,716
Judgments unpaid	1,863,863	†1,776,896	1,724,092
Bills and accts. payable	12,550	22,787	60,735
Other unfunded debt	5,120	248	506,705
Accrd. amort. of capital	200,301		
Reserves	20,674	27,414	27,001
Total	$2,508,185	$2,180,303	$2,642,858

*Represents amount charged since the property was taken over from predecessors. †Includes unpaid judgment in favor of Gas & Electric Securities Co., $1,158,523, with interest accrued thereon, $617,106.

Officers: Arthur C. Hume and William R. Begg, Rec.; W. W. Lowe, Pres.; H. B. Weaver, V-P.; R. F. Corbett, V-P.; L. G. Coleman, Sec. & Treas.

Directors: W. W. Lowe, F. H. Adler, L. G. Coleman, F. J. Petura, R. F. Carbutt, C. B. Wedum, W. B. S. Winans, H. B. Weaver, A. C. Hume.

Local Office, Plaza Crescent Bldg., Long Island City, N. Y.

HAVANA ELECTRIC RAILWAY COMPANY

History and Property—Organized under the laws of the State of Maine, Aug. 11, 1926, and the duration of its charter is perpetual. The Company was formed to acquire and operate the street railway properties in Havana, Camaguey and Santiago, Cuba, with an aggregate of about 600,000 inhabitants.

The properties now operated by the Company have heretofore been owned and operated by Havana Electric Railway Light and Power Company, Camaguey Electric Company, S. A., and by Santiago Electric Light and Traction Company (Compania Electrica de Alumbrado y Traccion de Santiago) but not as a business apart from the light, power and gas business carried on by those concerns. The Company also owns all of the $100,000 stock of **Insular Railway Company** (a New Jersey corporation), which owns and operates a line from Havana to and within the town of Marianao.

Under the terms of its certificate of organization the Company may acquire, sell, lease, operate, etc., and all kinds of interurban, city and street railways and bus lines, for the transportation of passengers and/or freight; deal in stocks, bonds, securities, mortgages; guarantee dividends on stocks and principal and interest on bonds of any company in which it may have an interest; purchase or otherwise acquire real and personal property of every sort and description and wheresoever situated, including stocks, bonds, or other securities or other evidences of indebtedness of any corporation, and may issue in exchange therefor stock, bonds, or other securities or evidences of indebtedness of the Company.

The system includes a total of about 128 miles of railway (single track measurement), viz., 107.6 miles in Havana and Marianao, 8.6 miles in Camaguey, 11 miles in Santiago. The Company owns over 640 passenger cars, together with other equipment, car barns, car construction and repair shops, etc.

Franchises—The Company operates under various franchises, none of which, except that covering the short Principe Line, expires before 1958.

CAPITAL STOCK

Authorized, 326,500 shares Common stock of no par value, and $5,000,000 6% cumulative Pfd., par, $10. Outstanding, 200,000 shares Common and $5,000,000 Pfd. Of the authorized Common stock 126,500 shares are reserved for subscription by holders of Common Stock Subscription Warrants delivered in conjunction with the 25-year 5½% Gold Debentures described below.

Preferred Stock Provisions—Pfd. stock is entitled in preference to the Common stock to dividends of 6% per annum, and in any distribution of assets, other than by dividends from surplus or net profits, the Pfd. stock is entitled to receive $100 per share and accrued dividend before any distribution is made to the Common stock.

The Pfd. stock is redeemable as a whole or in part at any time at $110 per share and accrued dividend upon 30 days' notice, upon the vote of the holders of a majority of outstanding Common stock. Each share of stock, both Pfd. and Common, carries one vote.

The Board of Directors may authorize the conversion of the whole of the Pfd. stock with consent of holders thereof into stock of any othter class except that, without the consent of the holders of two-thirds of the outstanding Common stock the amount which the holders of converted shares would receive of dividends or distribution of assets, may not be increased. No stockholder of the Company has a preemptive right to any additional shares.

By a majority vote of the directors and vote of the holders of the majority of the outstanding shares, additional stock of any class may be authorized except that, without the consent of the holders of two-thirds in amount of the shares of Pfd. stock present and voting at the meeting, no class of stock shall be authorized entitled to dividends or assets in distribution in priority to the Pfd. stock.

The Corporation shall not create or mortgage or create or issue funded debt unless authorized by the written consent or vote of the holders of a majority of shares of outstanding stock, including either written consent of two-thirds of Pfd. stock or the vote of the holders of two-thirds of shares of Pfd. stock present and voting at the meeting.

This limitation does not apply to the creation of purchase money mortgages or acquisition of property subject to mortgage or to the issue of funded debt under the indenture dated Sept. 1, 1926, between the Co-

oration and the Central Union Trust Company of lew York, or to the issue of bonds under the Consolidated Mortgage, dated May 10, 1902 (closed issue), ıade by Havana Electric Railway Company (New ersey Corporation).

The Pfd. stock is entitled to the benefit of a sinking ınd beginning in 1932, consisting of the payments of 100,000 per annum out of surplus or net profits, to be pplied to the purchase of shares of Pfd. stock if btainable at not exceeding $100 per share and accrued ıterest, any sum which cannot be so used to revert to ıe Company.

Transfer Agents (Pfd. and Common Stocks and ubscription Warrants)—Bank of the Manhattan ompany, New York; Old Colony Trust Co., Boston; ompany's office, Havana, Cuba. Certificates interıangeable between New York, Boston and Havana.

Registrars (Pfd. Stock)—Bank of America, New ork; National Shawmut Bank, Boston; Banco del omercio, Havana, Cuba. Registrars for Common ock and Subscription Warrants: National Shawmut ank, Boston; American Exchange Irving Trust Co., ew York; Banco del Comercio, Havana, Cuba.

Legal Opinion—Root, Clark, Howland & Ballanne, New York (for the bankers).

Original Offering—First publicly offered ($5,000,000 % cumulative Pfd., with 6/10 of 1 share of Common ith each share of Pfd., in form of allotment certifiıtes, exchangeable for definitive certificates of Pfd. ock and Common stock on Oct. 1, 1927, or earlier) at ar and dividends, by Speyer & Co., J. & W. Seligman Co., Hemphill, Noyes & Co., and Otis & Co., New ork, etc.

Annual Meeting—First Monday in August, at ugusta, Me.

Listed—Common Stock Subscription Warrants ıted on New York and Boston Stock Exchanges. fd. stock and Common stock listed on New York, oston and Havana Stock Exchanges.

Price Range—

	1927	1926
eferred—		
High	83½	100
Low	68	96
ommon—		
High	30⅞	32
Low	14½	29½

Dividends—Initial dividend of $3 on Pfd. stock overing a six months period, was paid on March 1, 27; June 1, 1927 to date regular quarterly dividnds of $1.50 each; payments M, J, S & D 1.

FUNDED DEBT

(1)

,745,450 HAVANA ELECTRIC RAILWAY CO. CONSOLIDATED (NOW FIRST) GOLD 5s; DUE FEBRUARY 1, 1952

Dated February 1, 1902.

Interest Payable February and August 1, at Central nion Trust Co., New York.

Denomination—Coupon (principal may be registred) and registered, $1,000.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized issue, $10,000,000, which $989,661 held in treasury, $50,000 deposited ith Cuban Government and $2,214,889 retired by nking fund, leaving outstanding, $6,745,450 as of ec. 31, 1927. Mortgage is closed.

Callability—Bonds may be called for sinking fund 105 and interest, or may be redeemed as a whole in part at 105 and interest on any interest date on six months' notice.

Sinking Fund—$48,000 per annum, commenced Jan. 1906, and an amount equal to 5% interest for one ar on bonds retired; increased proportionately as ldditional bonds were issued. This fund is sufficient retire total issue. Company has right to make nking fund payments in bonds at 105% and accrued terest.

Security—A first lien on the street railways system in and around Havana, comprising about 107.6 miles of track. Assumed by Havana Electric Railway Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—New York, Montreal, London, Amsterdam and Havana Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98⅞	100⅛	97¼	95¾	94	95	80	85½
Low	95	94½	92⅜	92	87	77¼	66	64⅛

(2)

$5,500,000 HAVANA ELECTRIC RAILWAY CO. TWENTY-FIVE YEAR 5½% GOLD DEBENTURES, SERIES OF 1926; DUE SEPTEMBER 1, 1951

Dated September 1, 1926.

Interest Payable March and September 1, in U. S. gold coin, at Central Union Trust Co. New York or at option of the holder at Company's office in Havana.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Issued, $5,500,000, Series of 1926. Additional debentures may be issued for additions, betterments and improvements and for the refunding of funded debt, but only if, for a period of twelve consecutive months within the fifteen months preceding application to the Trustee for such issue, net earnings (as defined in the Agreement) have amounted to at least two and one-half times the annual interest charges on the debt of the Company, including interest on debentures which it is proposed to issue.

Callability—Subject to call as a whole or in part on first day of any month, on 30 days' notice, at 103½ and interest.

Sinking Fund—None provided.

Subscription Warrants—With each $1,000 Debenture there was delivered at issue a Common Stock Subscription Warrant entitling the holder to subscribe at any time prior to Sept. 1, 1951, to 23 shares of Common stock of the Company at $45 cash per share. The Warrants are indivisible and are transferable in New York, Boston and Havana. The holder of such Subscription Warrants may deliver to the Company in lieu of cash, in payment for such stock, Debentures of the Series of 1926, which will be accepted by the Company at 103½ of the principal amount thereof, with a cash adjustment on account of interest accrued thereon and unpaid.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Root, Clark, Howland & Ballantine, (for the bankers.)

Original Offering—First publicly offered ($5,500,000, with stock subscription warrants) in August, 1926, at 92% and accrued interest, to yield 6⅛%, by Speyer & Co., J. & W. Seligman & Co., Hemphill, Noyes & Co. and Otis & Co., New York, etc., and Banco del Comercio, Havana.

Listed—New York and Boston Stock Exchanges.

Price Range—

	1927	1926
High	90⅜	92
Low	79	90

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Operating revenue	$6,020,680
Operating expenses, including taxes	4,814,609
Net revenues from operation	$1,206,071
Non-operating revenue	52,265
Gross corporate income	$1,258,336
Interest & other charges	643,893
Net income	*$614,443
Preferred dividends	375,000
Surplus for year	*$239,443
Balance Jan. 1, 1927	*223,038
Balance Dec. 31, 1927	*$462,481

*Before deducting depreciation.

GENERAL BALANCE SHEET, MAY 31, 1927

Assets—	
Properties	$26,119,023
Additions to date	62,880
Total	$26,181,903
Cash	1,138,428
Accounts receivable	38,223
Materials and supplies	793,424
Prepayments	27,978
Miscellaneous cash assets	6,422
Unfinished work orders	80,402
Total	$28,266,780
Liabilities—	
*Common stock (200,000 shares of no par value)	$7,953,830
Preferred stock	5,000,000
Funded debt	12,246,170
Accounts payable	139,714
Other current liabilities	96,976
Matured interest unpaid	16,787
Taxes accrued	90,663
Interest accrued	188,061
Other accruals	2,443
Retirement reserve	976,677
Contingency reserve	965,116
Other reserves	262,948
Surplus	†327,395
Total	$28,266,780

*There are also outstanding Subscription Warrants entitling the holders thereof to subscribe for 126,500 shares of Common stock at $45 per share at any time prior to Sept. 1, 1951.

†No depreciation is deducted in determining the amount of surplus and net profits, for the reason that the amount of the charge to be made will not be determined until the end of the year.

Officers: Frank Steinhart, Pres.; Antonio San Miguel, V-P.; William Darbee, V-P.; R. R. Loening, V-P. & Gen. Counsel; Herman Kraemer, Sec. & Treas.; F. Porro Orfila, Asst. Treas.; Frank Steinhart, Jr., Second Asst. Treas.; Salvador Soler, Aud.; C. W. Ricker, Chief Eng. & Asst. Gen. Mgr.; D. Carlos Fonts y Sterling, Legal Sec.

Directors: Frank Steinhart, Antonio San Miguel, R. R. Loening, Richard Schuster, Earle Bailie, S. R. Inch, Henry Ruhlender, E. N. Brown, Juan Arguelles, William Darbee, E. P. Summerson.

Executive Office, Simon Bolivar, No. 27, Havana, Cuba. **New York Agency,** 2 Rector Street.

TAMPA AND ST. PETERSBURG RAILWAY COMPANY

(Controlled by Gandy Bridge Company)

History and Properties—Incorporated in 1919 in Florida under the railroad law, but does not engage in the railway business. It owns right of way 400 ft. wide across Old Tampa Bay upon which Gandy Bridge is constructed, and approaches to the bridge. The toll bridge is about 5¼ miles long and has been in operation since its completion on November 19, 1924. It is the shortest motor route between Tampa and St. Petersburg.

CAPITAL STOCK

Authorized, $6,000,000; outstanding, $2,000,000. All except directors' qualifying shares owned by Gandy Bridge Company.

FUNDED DEBT

$2,400,000 GANDY BRIDGE FIRST MORTGAGE SINKING FUND GOLD 6s, SERIES "A"; DUE DECEMBER 1, 1945

Dated December 1, 1925.

Interest Payable June and December 1, at New York Trust Co., New York, or at Citizen's Bank & Trust Co., Tampa, Fla.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustees—The New York Trust Co., New York and Sidney W. Noyes.

Provisions of Issue—Authorized, $4,500,000; issued, $3,000,000 of which $600,000 will be held in treasury of the Gandy Bridge Co. The mortgage provides that the remaining $1,500,000 authorized bonds may be issued in one or more series, having such interest rates, etc., as the directors of Company may from time to time determine as provided in the Trust Deed, but all series must mature on November 1, 1945. The principal amount of such additional bonds shall not, however, exceed the cost or fair value, whichever is less, of additions and betterments to the bridge of a character to increase its present carrying capacity. No additional bonds shall be issuable unless net operating earnings of the mortgaged property for 12 consecutive months within the 14 months next preceding such proposed issuance, after all expenses, taxes, insurance and depreciation as provided in the mortgage, shall have been at least twice the annual requirements for interest and sinking fund on all first mortgage bonds outstanding and those proposed to be issued. The indenture also includes covenants for the adequate maintenance of the property.

Callability—Subject to call as a whole or in part on any interest date at 105 on or before December 1, 1930; thereafter through December 1, 1933, at 104; thereafter through December 1, 1936, at 103; thereafter through December 1, 1939, at 102; thereafter to maturity at 101.

Sinking Fund—Beginning June 1, 1926, a cash fund amounting to $250,000 each year will be paid in equal semi-annual installments to the Trustee, who, after using it for the payment of interest on the present issue of $3,000,000 bonds, shall apply the remainder as a sinking fund to the retirement of these bonds by purchase or call. It is estimated that about 80% of these bonds will be thus retired by maturity. Whenever additional bonds are issued this fund will be increased by an amount sufficient to provide for their interest and the ultimate retirement of the same percentage of such additional bonds.

Security—These bonds are the direct and general obligation of Tampa & St. Petersburg Ry. Co., and are secured by a direct first mortgage on the Gandy Bridge, including a strip of land 100 feet wide across the fill and the right-of-way 400 feet wide crossing the water, including the roadway, bridge structure, toll houses and equipment, together with the easements and rights-of-way constituting its approaches.

Tax Provision—Company pays Normal Federal Income Tax up to 2%, and agrees to refund when paid and claimed by holders the Connecticut and Pennsylvania 4 mill taxes and the Massachusetts Income Tax not exceeding 6%, all as more fully provided in the mortgage.

Legal Opinion—Cook & Harris, St. Petersburg, Fla., and Sullivan & Cromwell, New York (for the Bankers) and J. U. Bethell, St. Petersburg, Fla. (for the Company).

Original Offering—First publicly offered ($2,400,000) in November, 1925, at par and interest, by Coffin & Burr, Boston, New York, etc.

EARNINGS, PERIOD FROM NOV. 19, 1924, TO OCT. 31, 1925

Gross operating earnings	$770,542
Operating expenses, depreciation and taxes (except Federal Income taxes)	135,078
Net earnings	$635,464

Officers: George S. Gandy, Jr., Pres.; B. M. Latham, V-P. & Gen. Mgr.; A. C. Andrews, Sec. & Treas.

General Office, St. Petersburg, Fla.

MUSCLE SHOALS GAS CO.

History and Property—Incorporated in Ala., as a reorganization of The Northern Alabama Gas & Fuel Co. (see 1920 Public Utility Manual, page 1212, or apply to our Information Department). Supplies Florence, Sheffield and Tuscumbia, Ala., serving population of about 36,000. Annual production about 18,000,000 cu. ft. Miles of high pressure mains, 14. Miles of street mains, 26. No. of meters: Domestic, 800; industrial, 100.

CAPITAL STOCK

Authorized, $300,000 Common and $150,000 Pfd.; par $100.

FUNDED DEBT

Authorized, $500,000; outstanding, $100,000. No. details available.

Officers: C. B. Kelsey, Pres.; L. P. Kleitz, V-P. & Gen. Mgr.; John H. Schonten, Sec.; Noyes L. Avery, Treas., Grand Rapids, Mich.

Offices, Florence, Ala., and Grand Rapids, Mich.

TOKYO ELECTRIC LIGHT COMPANY, LIMITED

(Tokyo Dento Kabushiki Kaisha)

History and Property—Company was established in 886 and is the largest electric power and light com- any in Japan and one of the largest in the world. ts operations, retail and wholesale, are within an area f approximately 9,375 sq. miles, extending across the rincipal island of the Empire and including Tokyo, he capital, Yokohama, and other important industrial nd commercial centers. This area has a population f more than 9,000,000. The Company owns a con- rolling interest in the Satomi Tramway Company, imited, through ownership of 1,240 shares out of the otal of 1,600 shares issued. On Oct. 1, 1925, the Com- any acquired (by merger) the properties previously wned by Keihin Electric Power Company, Limited, nd Fuji Hydro-Electric Company, Limited. In con- ection with this merger, Tokyo Electric Light Com- any, Limited, came into possession of the controlling tock interest in Second Keihin Electric Power Com- any, Limited, and Fuji Tramway Company, Limited. ffective May 1, 1926, The Imperial Electric Light o., Ltd. (Teikoku Dentow Kabushiki Kaisha) as acquired by merger by Tokyo Electric Light Co. nder a plan, whereby the latter company increased s capital by $24,664,800, the shares created by this ncrease being alloted to holders of Imperial Company hares on the basis of 8.6 shares of Tokyo for 10 hares Imperial. In Sept., 1926, the Yahagi Hydro- lectric Co. was merged, thereby giving the Toyko ompany entrance into the Nagoya field, which was lready served by Toho Electric Power Co., Ltd.

Merger Approved—It was announced on Jan. 16, 928 that stockholders of Company and Tokyo Elec- ic Power Co. approved a plan for the amalgamation f the two companies. Under the plan, stockholders f the Power Company are to receive stock of the lectric Company at the rate of 9 shares for each 10 hares held, and the consolidation is to become effec- ve April 1, 1928. The amalgamation terminates the ompetition which has existed between the two Com- anies. The consolidated company will operate at holesale and retail within a territory comprising out 11,395 square miles and having a population of out 12,980,000. The total generating capacity, in- uding 25,000 k.w. capacity being installed in Senju eam plant is in excess of 677,000 k.w., and is supple- ented by power purchase contracts calling for an ad- tional 275,000 k.w. The consolidated company will ve a paid-in capital of more than $200,000,000, a fund- l debt of about $110,000,000, and gross annual earn- gs of about $45,000,000.

Property—The Company owns 82 hydro-electric ants with a total installed generating capacity of 3,180 k.w. and 15 steam-power plants with a total pacity of 50,407 k.w. It has 103 substations having t aggregate equipment capacity of 2,082,453 k.v.a., ap- oximately 2,455 route miles of high tension aerial ansmission lines ranging from 10,000 volts to 154,000 lts, 150 route miles of underground transmission es at 22,000 volts and 11,000 volts and an extensive ectric distribution system having a total aggregate ute length of approximately 13,315 miles of overhead es and about 344 miles of underground lines. All ese properties are situated on the Island of Honshu.

The Company also owns three coal gas plants lo- ted in the cities of Yokosuka, Maebashi and Taka- ki having a combined daily gas making capacity of proximately 346,000 cubic feet and two single track feet 6 inch gauge) electric tramway systems located in and about the cities of Kamakura and Maebashi hav- ing a total aggregate length of approximately 36 miles, and a total of 85 cars, 56 of which are passenger cars.

In addition to its own generating capacity, the Com- pany has contracts on favorable terms for 216,778 k.w. additional output.

PRODUCTION, YEARS ENDED DEC. 31

	Total K. W. H. Output - (Generated and purchased)
1919	422,586,380
1920	478,343,140
1921	690,090,958
1922	1,063,480,010
1923	1,149,504,000
1924	1,350,271,522
1925	1,552,000,000
1926	1,926,000,000

CAPITAL STOCK

Authorized capital stock (Nov. 30, 1926) subscribed and outstanding amounts to Yen 345,724,000 consisting of 6,914,480 shares, having a par value of Yen 50 each.

Dividends—The company has never failed to pay a dividend on any of the 41 years of its existence, and for the past 25 years has paid 8% or more in each year, the dividends in the 12 months ending Nov. 30, 1926, amounting to 10%.

FUNDED DEBT

(1)

YEN 20,000,000 THE IMPERIAL ELECTRIC LIGHT CO., LTD. FIRST MORTGAGE 7½% BONDS, SERIES "KOGO"; DUE MARCH 20, 1931

Dated March 20, 1926.

Interest Payable May and November 1, in Japan at offices of The Fujimoto Bill Broker Bank, Ltd., and The Mitsui Trust Co., Ltd., Fiscal Agent.

Denominations—Coupon, yen 100, 500, 1,000 and 5,000.

Trustee—The Mitsui Trust Co., Ltd.

Callability—Non-callable during the first two years, thereafter callable as a whole or in part at 100 and interest.

Original Offering—First publicly offered (yen 20,- 000,000) in March, 1926, at par and interest, yielding 7½%, by the Fujimoto Securities Co., New York.

(2)

YEN 5,000,000 (ENTIRE ISSUE) FUJI HYDRO-ELECTRIC CO., LTD., 8½% MORTGAGE, SEVENTH ISSUE; DUE APRIL 24, 1930

Dated April 24, 1925.

Callability—No sinking fund redemption provisions: The Company reserves the right to redeem any or all of these secured debentures any time after April 24, 1927, at par, partial redemption to be determined by drawings by lot.

NOTE—The foregoing constitutes the only secured funded debt of the Company. Other (unsecured) funded debt outstanding as of Nov. 30, 1926, was as follows:

£3,000,000 Tokyo Electric Light Co., Ltd., 6s, Second Issue, due June 15, 1948.

£600,000 Tokyo Electric Light Co., Ltd., 6s, Fourth Issue, due June 15, 1948.

$24,000,000 Tokyo Electric Light Co., Ltd., 6s, Fifth Issue, due Aug. 1, 1928 (see complete description below).

Yen 200,000 Takasaki Hydro-Electric Power Co., Ltd., 7s, due Dec. 1, 1932.

Yen 5,000,000 Keihin Electric Power Co., Ltd., 8s, Second Issue, due May 1, 1928.

Yen 30,000,000 Tokyo Electric Light Co., Ltd., 7s; due Nov. 1, 1932.

Yen 20,000,000 Tokyo Electric Light Co., Ltd., 7s; due May 10, 1934.

(3)

$24,000,000 TOKYO ELECTRIC LIGHT CO., LTD., THREE-YEAR 6% GOLD NOTES; DUE AUGUST 1, 1928

Dated August 1, 1925.

Interest Payable February and August 1, at office of Guaranty Trust Company of New York, in New York in U. S. gold coin of the present standard of

weight and fineness (or, at the option of the holder, in London, in sterling at $4.8665 per £1 sterling), without deduction for any Japanese taxes, present or future, when held by other than residents of Japan.

Denomination—Coupon, $1,000. The notes are not registerable either as to principal or interest.

Trustee—Guaranty Trust Company of New York.

Provisions of Issue—Authorized and issued $24,000,000. These notes are issued under an indenture which provides that so long as any of the notes are outstanding the company shall not pledge or mortgage any of its assets (except by purchase-money mortgages), and shall not at any time issue funded debt of any character which will increase its total outstanding funded debt to an amount exceeding two-thirds of its then paid-in capital stock.

Callability—Subject to call as a whole or in part, on any interest date, upon 45 days' notice, at par and accrued interest.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York, and Dr. S. Kishi, Tokyo (for the bankers) and M. Okazaki, Tokyo (for the Company).

Original Offering—First publicly offered ($24,000,000) in Aug., 1925, at 98⅞ and interest, to yield over 6.40%, by Guaranty Company of New York, Dillon Read & Co., Lee, Higginson & Co., and Harris, Forbes & Co., New York, etc.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925
High	100	99⅜	99⅜
Low	97¼	97	96½

EARNINGS AND EXPENSES, YEARS ENDED NOV. 30

	Gross Operating Earnings	Operating Expenses, Maintenance, Taxes and Depreciation	Gross Income (including Other Income) Available for Interest
1922	$24,164,365	$12,811,406	$12,668,746
1923	23,574,444	13,118,233	12,715,704
1924	25,195,317	13,347,982	13,502,532
1925	29,845,643	16,825,430	15,515,219
1926	39,769,533	21,559,559	21,363,964
*1926	33,321,016	17,936,525	18,355,301
*1927	43,741,369	25,241,148	21,836,030

*Years ended May 31.

Depreciation—From 10% to 15% of the net profit for each half-yearly fiscal term is customarily included as an operating expense of the Company chargeable to depreciation. At the end of each fiscal term such amounts as have been charged to operating expenses on account of depreciation are written off of the capital accounts in accordance with allocation schedules prepared by the Company's engineers.

EARNINGS, YEARS ENDED MAY 31

	1927	1926
Gross revenue	$43,741,369	$33,321,016
Expenses, taxes, etc.	23,051,148	16,336,525
Depreciation	2,190,000	1,600,000
Net earnings	$18,500,221	$15,384,491
Other income	3,335,809	2,970,810
Gross income	$21,836,030	$18,355,301
Interest	6,430,645	4,029,096
Surplus for divds., etc.	$15,405,385	$14,326,205

†INCOME ACCOUNT, YEARS ENDED NOVEMBER 30

	1926	1925
Gross earnings	$39,769,533	$29,845,643
Oper. exps. & maint.	16,973,995	13,750,955
Taxes	2,635,564	1,681,975
Depreciation reserve	1,950,000	1,392,500
Net earnings	$18,209,974	$13,020,213
Other income	3,153,991	2,495,006
Total income	$21,363,965	$15,515,219
Interest charges	5,542,001	2,753,412
Net income	$15,821,964	$12,761,807
Common dividends	15,802,084	12,788,030
Balance to surplus	$19,880	*$26,223

*Deficit. †Yen have been converted into dollars on the basis —1 Yen equals $0.50.

†GENERAL BALANCE SHEET, NOVEMBER 30

Assets—	1926	1925
Machinery and equipment	$47,931,246	$35,730,02
Waterways	49,184,619	36,812,97
Transmission & distribution lines	109,755,721	73,680,21
Apparatus on consumers premises	14,496,547	8,327,54
Gas plant and equipment	416,239	353,49
Tramways and equipment	1,028,230	1,168,09
Land & buildings	18,818,137	15,464,70
Furniture and fittings, tools, etc.	829,030	562,11
Construction accounts	27,277,184	21,298,91
Earthquake restoration account	.....	10,975,69
Investments	17,831,392	13,068,13
Merchandise and stores	4,098,109	3,312,72
Cash	6,758,099	11,760,80
Loans and bills receivable	477,873	496,40
Notes receiv. (balance due on sale of Hokkaido business)	3,975,000	.....
Customers' accounts	5,988,278	3,611,76
Sundry debtors	1,696,086	2,366,29
Sundry deposits and expenses in adv.	242,281	73,26
Sundry debit balances at branches	58,999	.....
Paper department	.....	10,00
Suspense accounts	391,690	121,53
Advance to experimental lamp factory	50,000	50,00
Contract work in progress	231,969	65,51
Soda department	25,000	25,00
Lease of land	98,354	.....
Unutilized water-rights investigation expenses, etc.	385,038	.....
Discount on debentures	5,741,789	4,594,94
Total	$317,786,910	$243,930,15
Liabilities—		
Share capital issued and paid up	*$172,845,635	$133,481,02
Debentures	80,520,400	62,395,40
Loans	29,402,869	16,335,12
Bills payable	3,122,990	5,170,10
Tax reserve	1,000,000	976,37
Interest reserve	1,325,000	1,100,00
Sundry creditors	1,240,784	1,311,46
Sundry deposits	745,571	340,53
Employees' retirement reserve	608,830	443,85
Reserve for amalgamation expenses	4,771,950	1,679,36
Reserve for restoration	.....	750,00
Legal reserse	5,065,000	4,295,00
Special reserve	3,000,000	3,000,00
Exchange suspense account	4,410,497	4,410,49
Profit and loss account	**9,727,384	**8,241,42
Total	$317,786,910	$243,930,15

**Before payment of dividends for preceding term. *In addition there are calls on stock unpaid of $16,365. †Yen have been converted into dollars on the basis—1 Yen equals $0.5

Officers: S. Wakao, Pres.; T. Hirose, Chief of Construction Dept.; K. Hagiwara, Chief of Busines Dept.; H. Tachikawa, Chief of Engr. Dept.; S. Ito Chief of Commercial Dept.; T. Honma, General A fairs Bureau; M. Okazaki, T. Oshima and K. Kimura Auditors.

Directors: S. Wakao, K. Watanabe, T. Koshiyama T. Hirose, K. Shima, T. Nomura, K. Hagiwara Tokyo; I. Wakao, Yokohama.

General Office, Tokyo, Japan.

SECOND AVENUE RAILROAD COMPANY

History and Property—Incorporated Jan. 25, 185 in N. Y. Leased on Jan. 28, 1898, to Metropolita St. Ry. Co. for the term of its corporate existenc annual rental to be 8% on the stock for the first years and 9% thereafter. In Sept., 1908, Justice Bi choff in Supreme Court appointed George W. Linc Receiver of this company in suit brought by Guarant Trust Co. to foreclose the consolidated mortgage. Joh Beaver was appointed Receiver in Dec., 1915. O May 8, 1917 Andrew E. Kalbach was appointed R ceiver, succeeding John Beaver, deceased. On Fe 5, 1920, Charles E. Chalmers was appointed Receiv to succeed Andrew E. Kalbach, deceased. On No 12, 1908, the original receiver took possession of th property, and it has since been operated independen ly. Miles of track operated, 23.90.

Operations, years ended Dec. 31—Total revenue c miles: 1927, 2,255,737; 1926, 2,286,398; 1925, 2,334,39 Passengers carried—1927: revenue, 17,969,720; tran fer, 228,587; 1926: revenue, 18,411,900; transfer, 263 785; 1925: revenue, 18,676,176; transfer, 316,754.

Committee for Receiver's Certificates—Anticipating the default in the payment of the Oct. 1, 1919 interest on the $3,140,000 6% Receiver's Certificates, the following committee was formed in July, 1919, to protect the interests of the holders: George E. Warren, Chairman; A. A. Jackson, Geo. E. Barstow, Jr., Herman D. Kountze, J. F. B. Mitchell, with Arthur W. Hutchins, 60 Broadway, New York, Secretary. Depositaries: American Exchange Irving Trust Co., New York and Girard Trust Co., Philadelphia, Pa. In December, 1919, $3,030,000 of these certificates had been deposited with the committee.

Foreclosure Suit—Sale Rescinded—On Dec. 16, 1919, a summons and complaint in a suit for the foreclosure of Receiver's Certificates were filed on behalf of the protective committee. Final judgment was procured June 29, 1921 and the New York Supreme Court ordered the sale of the property under this suit on Sept. 1, 1921, but sale was postponed from time to time until on Sept. 22, 1927, when, pursuant to the Plan of Reorganization (see below), all the tangible assets of Company were sold at public auction to Arthur W. Hutchins for $500,000, acting on behalf of the Pfd. Certificate Holders' Committee. However, the sale was rescinded under an agreement that the bid could be withdrawn if the New York Transit Commission refused to approve the plan. This information was disclosed May 2, 1928, in report filed in the Supreme Court by John C. Clark, referee, who stated that the approval of the Commission was denied in February, 1928.

PROPOSED PLAN OF REORGANIZATION

The plan, which was prepared and adopted by the above-mentioned committee, provided that said committee through its nominee, unless overbid, would endeavor to purchase at sale, entire property, premises, rights, interest and franchises of defendant Company. If properties were so purchased, it was proposed to form two corporations: a Real Estate corporation and a Street Railway corporation.

The Real Estate corporation was to acquire from the purchaser, the land and improvements, being the present car barn property at 96th and 97th Sts., First and Second Aves., New York. The capitalization and bonded indebtedness of the Real Estate corporation was to be as follows: First Lien bond (or bonds) not to exceed $750,000 secured by a first mortgage on the car barn property. No par stock, 34,000 shares. The above lien was to be placed on the property to the extent necessary to provide the "Cash Requirements" (estimated at $315,000) and funds necessary for working capital for the Railway Company, for distribution to non-assenting certificate holders, and for such other purposes as may have been necessary or desirable in the discretion of the Committee. The Committee was not obligated to make any bid whatever, at the sale, and felt that a bid equaling the amount of the Pfd. Ctfs. would not be justified. For each $1,000 of Receiver's Certificates the holders were to receive Voting Trust Certificates for 10 shares of the no par Common stock. This allotment would have required 31,400 Voting Trust shares and the remaining 2,600 Voting Trust shares or so much thereof as would be necessary, may have been used on the same basis, to satisfy the contract creditors whose claims were on a parity with the Pfd. certificates.

The Railway Corporation was to acquire from the purchaser, the property, rights, interests and franchises of Company exclusive of the real estate mentioned above, subject to the Special Franchise taxes. The capitalization and bonded indebtedness of the Railway Corp. was contemplated as follows: First Lien 6% 10-Year bonds, callable at 102½ not to exceed $750,000; no par stock, 34,000 shares. The bonds, in the amount necessary to be issued were to be sold to the Real Estate corporation to provide the funds required as stated. For each $1,000 of Receiver's Certificates, the holders thereof were to receive Voting Trust Certificates for 10 shares of the no par stock. This allotment would have required 31,400 Voting Trust shares and the remaining 2,600 Voting Trust shares may have been used for the same purpose and in the same way, as the 2,600 shares of the Real Estate Corporation.

Voting Trusts for Stocks—The stocks of both corporations were to be placed in Voting Trusts, with trustees named by the Committee, with broad and ample powers, amongst others, to authorize the sale of the stock as an entirety or in part, at such prices as may be approved by a majority of the holders in interest of the Voting Trust Certificates, and the sale or lease of the properties or any part thereof, as may be deemed advisable. Number of voting trustees were to be fixed by the Committee and the Voting Trust may have run for 10 years or such less time as the Committee may have determined.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $1,862,000; par $100. Stock transferred at office of Secretary, 5 Nassau St., New York, c/o A. M. Kidder & Co. Guaranty Trust Co., New York, Registrar. Annual meeting first Tuesday in April.

FUNDED DEBT

(Arranged in Order of Mortgage Priority)

(1)

$3,140,000 6% RECEIVER'S CERTIFICATES; DUE OCTOBER 1, 1914; BUT EXTENDED FROM YEAR TO YEAR

Dated October 1, 1913.

Interest Payable April and October 1, at Guaranty Trust Co., New York.

Default—The Company defaulted on the payment of the principal of the $3,140,000 6% Receiver's Certificates due Oct. 1, 1914. The Oct. 1, 1919, and subsequent interest, is in default. Total amount of interest due to Dec. 31, 1925, $1,271,910.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized, $3,200,000, of which $60,000 reserved to be issued under order of the court. These certificates were issued to refund a previous issue matured Oct. 1, 1913.

Security—A first lien upon all the Company's property. No additional Receiver's Certificates shall be authorized or issued unless they shall be expressly subordinate in lien to this issue, or unless this issue be expressly provided to be discharged in full out of the proceeds of such additional certificates. (For previous issue of Receiver's Certificates see Manual for 1912, page 2249).

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($3,140,000) in October, 1913, at 99¾ and interest.

(2)

$38,000 DEBENTURE 5s, DUE JANUARY 12, 1909

Dated January 12, 1899.

Interest Payable January and July 1.

Default—Interest defaulted July 1, 1908; principal defaulted Jan. 1, 1909; both principal and interest were in default Dec. 31, 1925.

Denomination—Coupon, $1,000.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $300,000, of which $262,000 were exchanged for a like amount of First Consolidated 5s.

Security—Not secured by mortgage, but under terms of indenture, are prior in lien to the First Consolidated 5s.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$5,682,000 FIRST CONSOLIDATED GOLD 5s; DUE FEBRUARY 1, 1948

Dated January 20, 1898.

Interest Payable February and August 1, at Guaranty Trust Co., New York.

Default—Interest in default since August 1, 1908.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized $7,000,000; issued $5,682,000.

Security—A second lien on 14 miles of street railway, of which 12 miles are double tracked; subject to the $3,140,000 6% Receiver's Certificates and $38,000 Debenture 5s due Jan. 1, 1909 (not paid).

Guaranty—Originally guaranteed, principal and interest by endorsement, by the Metropolitan Street Ry. Co., which on Dec. 31, 1911, was foreclosed and its properties taken over by New York Railways Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,051,971	$1,056,260	$1,045,653
Operating expenses	893,653	884,035	900,369
Net earnings	$158,318	$172,225	$145,284
Other income	7,143	4,288	2,221
Total income	$165,461	$176,513	$147,505
Interest & taxes	*305,049	*$302,909	*$301,016
Deficit for year	$139,588	$126,396	$153,511

*Not including interest on the First Consolidated Mortgage bonds.

RECEIVER'S BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Tangible street railway capital installed since Dec. 31, 1908	$1,263,346	$1,256,701	$1,300,348
Cash	420,356	291,993	126,820
Other special deposits	17,624	17,292	16,947
Accounts receivable	83,823	71,298	62,243
Materials and supplies	51,505	50,179	50,632
Deferred debit items	7,388	5,676	3,317
Second Ave. RR. Co. (est.)	1,462,238	1,462,238	1,462,238
Receiver's deficit	2,695,582	2,536,693	2,402,723
Total	$6,001,862	$5,692,070	$5,425,268
Liabilities—			
Receiver's certificates & int.	$4,788,710	$4,600,310	$4,411,910
Other unfunded debt	1,469	.....	.....
Taxes accrued	173,476	141,089	108,555
Judgments unpaid	329,326	329,326	328,822
Miscel. accounts payable	94,466	81,259	60,707
Accrued interest	123,484	100,671	80,892
Casualty and other reserves	437,523	386,007	376,702
Receiver's controlling acct.	53,408	53,408	57,680
Total	$6,001,862	$5,692,070	$5,425,268

Officers: Charles E. Chalmers, Receiver; Wm. J. Bradley, Aud. to Rec.; G. S. Coe, Pres.; W. P. Bliss, V-P.; F. M. Patchen, Sec. & Treas.; Ed. Dowling, Act. Supt.; J. Henshaw, Pur. Agt., New York.

Directors: W. P. Bliss, Henry Evans, J. W. Griggs, E. W. Sayre, H. H. Vreeland, F. M. Patchen, Geo. S. Coe, New York; Thomas Hitchcock, Westbury, N. Y.; one vacancy.

General Office, 2d Ave. and 96th Street, New York. **Corporate Office,** 5 Nassau Street, New York.

UNITED TELEPHONE COMPANY

History—Incorporated in 1926, in Delaware. Through its operating companies furnishes, without competition, telephone service principally to important areas in states of Ohio, Indiana, Michigan, Iowa and Texas. The telephone lines of these companies interconnect with those of the Bell and independent companies serving the adjacent territories. In all, the system includes approximately 37,324 telephone stations, of which 35,262 are owned by the companies. The Ohio subsidiary serves a territory centering around and including the cities of Marion and Bryan. The Indiana subsidiary serves a territory in the northwestern section of the state. The Iowa subsidiary serves the south central part of the state, and includes the towns of Harlan, Avoca and Albia, and surrounding rural districts. The Michigan subsidiary serves a group of towns in southern Michigan. The system owns and operates 92 telephone exchanges, with toll propert including more than 1,500 miles of toll pole lines an 4,500 miles of toll wire. In June, 1927, acquired th Williams County Telephone Co. (see statement o page 1254).

CAPITAL STOCK

Authorized, 35,000 shares Common 30,000 $7 Divi dend Series First Pfd., and 20,000 $7 Dividend Serie Participating Pfd.; outstanding, 26,186 shares Com mon, 6,500 shares First Pfd., and 2,750 shares Partici pating Pfd., all of no par value.

Transfer Agent—The Seaboard National Bank, Ne York.

Registrar—The Guaranty Trust Co., New York.

FUNDED DEBT

$1,400,000 FIRST MORTGAGE COLLATERAL SERIES "A" 6% GOLD BONDS; DUE FEBRUARY 1, 1947

$1,550,000 FIRST MORTGAGE COLLATERAL SERIES "B" 5½% GOLD BONDS; DUE APRIL 1, 1957

Dated, Series "A", February 1, 1927; Series "B" April 1, 1927.

Interest Payable on Series "A," February and Aug ust 1, and on Series "B," April and October 1, in Ne York or Chicago.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered.

Trustee—The National Bank of the Republic of Chi cago.

Provisions of Issue—Authorized amount, not limit ed; issued, $1,400,000 Series "A" 6s and $1,550,00 Series "B" 5½s. The Indenture securing these bond provides for an initial issue of Series "A" bonds to a amount of $2,000,000 to be issued only against the de posit of equal principal amounts of first mortgag bonds of such subsidiary operating companies whe a majority of the voting stocks are also deposited Of the initial issue $1,400,000 are issued and outstand ing and the remaining $600,000 may be issued when ever the Company's earnings meet the requirement of the Indenture as to earnings as set forth below.

The Indenture also provides for the issuance o bonds from time to time thereunder in series havin such rates of interest, dates, maturities, redemptio provisions and other distinguishing features an provisions as may be determined by the Boar of Directors of the Company, all subject, however to the following restrictive provisions: Bonds in addi tion to the initial issue of Series "A" may be issue only: (a) Upon the deposit of first mortgage bond of subsidiary operating companies as defined i the Indenture in principal amounts at least equa to the principal amounts of the bonds to be issued when a majority of the voting stocks of such sub sidiary companies are also deposited. The mort gages of the subsidiary companies will restrict th issuance of bonds on account of additions to th Company's present system to 75% of cost or fai value at the time of acquisition, whichever is less. N additional bonds may be issued unless annual interes payable on deposited subsidiary company bonds a least equals interest requirements of First Mortgag Collateral Gold Bonds issued against the deposit o such subsidiary bonds. (b) For cash, or securitie equivalent thereto as defined in the indenture, de posited with the Trustee. (c) For not exceeding 75% of the cost or fair value at the time of acquisition whichever is less, of property additions owned directl by the United Telephone Co. (d) For refunding bond issued under this indenture. Additional bonds ma not be issued unless the consolidated net earnings o the Company and its subsidiaries as defined in th indenture, for twelve consecutive calendar month within the preceding fifteen calendar months are no less than 2½ times before depreciation and 1¾ time after depreciation, the annual interest on all bonds out standing and those proposed to be issued.

Callability—Series "A" bonds are subject to call a any time on 30 days' notice at 105 and interest, less ½

of 1% for each year of expired life, but at not less than 101 and interest. Series "B" bonds are subject to call at any time on 30 days' notice at 103 and interest up to April 1, 1937; thereafter and up to April 1, 1947 at 102 and interest; and after April 1, 1947 to maturity at 101 and interest.

Sinking Fund—None provided.

Maintenance, Renewal, Replacement and Depreciation Reserve—Indenture provides that the Company and subsidiaries whose first mortgage bonds are deposited must respectively set up maintenance, renewal, replacement and depreciation reserves and credit yearly thereto at least 25% of the gross revenue derived from the operation of their physical properties. It further provides that expenditures for maintenance and renewal of property of each company shall be charged to these reserves, and that any portion of the reserves not exhausted by such charges shall be expended for additions and improvements to its property, and that no first mortgage bonds or other evidences of indebtedness may be issued against property so acquired.

Security—Bonds are a direct obligation of the Company and are secured, through deposit with the Trustee of all the First Mortgage Bonds of the present subsidiary operating companies, by first mortgages upon all the property of such subsidiary operating companies. The control of the subsidiary companies is assured by the deposit of a majority of their voting stocks with the Trustee under the Indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills and Maryland 4½ mills taxes and Massachusetts Income Tax not exceeding 6% on the interest per annum refunded to holders if requested within 60 days after payment.

Legal Opinion—Butler, Lamb, Foster & Pope, Chicago (for the Company) and Herrick, Smith, Donald & Farley, Boston (for the Bankers).

Original Offering—Series "A" bonds first publicly offered ($1,400,000) in Feb., 1927, at 99½ and interest to yield about 6.05% by Wm. L. Ross & Co., Inc., Paul C. Dodge & Co., Inc., Chicago, Merrill, Oldham & Co., Inc., Boston, and Whitaker & Co., St. Louis. Series "B" bonds first publicly offered ($750,000) in May, 1927, at 95 and interest, to yield 5.85%, by the same bankers offering Series "A." $385,000 additional Series "B" bonds offered in Nov., 1927, at 95 and interest, to yield 5.85%, by Wm. L. Ross & Co., Inc., Paul C. Dodge & Co., Inc., Chicago, Ill., and Whitaker & Co., St. Louis, Mo.

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED AUGUST 31

	1927	1926
Gross earnings	$1,145,080	$1,086,246
Oper. exp., taxes & maintenance	628,070	614,081
Balance for deprec., int. on junior obligations, Fed. Inc. taxes, amort. and dividends, etc.	$517,010	$472,165
Annual bond interest	$169,250	.....

Officer: J. G. Wray, Pres., Chicago, Ill.
Managers: J. G. Wray & Co., Chicago.
General Office, Bankers Bldg., Chicago, Ill.

KANSAS CITY, LAWRENCE & TOPEKA ELECTRIC R. R.

History and Property—Incorporated June 1, 1909, in Kan., consolidation of Kansas City & Olathe Electric R. R. and Kansas City & Topeka Ry. Projected from Kansas City, Mo., to Topeka, Kan., via Lawrence. In operation from Rosedale to Zarah, Kan. (owned), 12.75 miles; trackage, 9.19 miles. Enters Kansas City, Mo., over tracks of Kansas City Rys. Co., and purchases energy from that company. Gauge, standard. Rail, 70 lb. T. Motor cars, 10; motor freight cars, 3; trail freight, 1; trail service, 3; auto passenger bus, 1. Power station, 1; engines to generate power, 2. Operated by overhead trolley system.

Receivership—P. W. Goebel, Pres. of the Liberty National Bank, of Kansas City, Mo., was appointed receiver of this Company on Jan. 30, 1919, by Federal Judge Pollock. Foreclosure was asked for by the Commerce Trust Co., Kansas City, Mo., acting as trustee for the First Mortgage bondholders. Company has failed to pay interest on its bonds.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $251,000; par, $100. Annual meeting, in June, in Rosedale Kans. No dividends paid.

FUNDED DEBT

$400,000 First 5s; dated Sept. 1, 1909; due Sept. 1, 1939; int. March and Sept. 1, at Commerce Trust Co., Kansas City, Mo., Trustee, and Guaranty Trust Co., New York. Coupon, $1,000; principal may be registered. Authorized issue, $2,250,000. Secured by first lien on entire property of company. Company pays Normal Federal Income Tax up to 2%. Interest in default.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925	1924
Gross earnings	$28,058	$30,274	$31,427
Operating expenses & taxes	32,221	33,486	36,201
Loss from operation	$4,163	$3,212	$4,774
Bond interest	20,000	20,000	20,000
Other charges	.....	.....	270
Total charges	$20,000	$20,000	$20,270
Deficit for year	$24,163	$23,212	$25,044

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Property account	$666,920	$666,920	$666,920
Cash	2,239	3,721	3,501
Notes receivable	100	100	100
Accounts receivable	4,288	3,602	5,770
Corporate deficit	.....	238,107	189,871
Profit and loss deficit	262,290	.....	25,044
Total	$935,837	$912,450	$891,206
Liabilities—			
Capital stock	$251,000	$251,000	$251,000
Funded debt	400,000	400,000	400,000
Current & accrued liabilities	284,837	254,067	240,206
Total	$935,837	$912,450	$891,206

Officers: P. W. Goebel, Receiver, Kansas City, Kan.; F. P. Dickson, Pres., Kansas City, Mo.; D. B. Johnson, V-P., Merriam, Kans.; W. S. Hocker, Sec. & Treas.; J. R. Mackintosh, Aud.; W. K. Paul, Supt., Kansas City, Mo.

Directors: F. P. Dickson, R. O. Larson, Geo. Hulsinger, W. S. Hocker, Kansas City, Mo.; D. B. Johnson, O. G. Davies, Merriam, Kan.

Office, 509 Victor Bldg., Kansas City, Mo.

ELY WATER COMPANY

History—Incorporated Jan., 1907, in Maine. Supplies Ely and East Ely, Nev. Population served, 3,000. No. of consumers, 650.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. No dividends paid. Annual meeting, fourth Friday in March at Augusta, Me.

FUNDED DEBT

$255,000 First Mortgage Gold Sinking Fund 6s; dated June 1, 1907; due June 1, 1927; int. June and Dec. 1, at Bankers Trust Co., New York, Trustee. Coupon, $500. Authorized issue, $500,000. A first lien on lands and water rights in White Pine County, Nev. Company does not pay Normal Federal Income Tax.

Officers: Arthur Smith, Pres.; Thomas A. Smith, V-P., East Ely, Nev.; M. K. Preston, Sec. & Treas., McGill, Nev.

Directors: Arthur Smith, Thomas A. Smith, East Ely, Nev.; James M. Lockhart, Ely, Nev.; George W. Brown, Reno, Nev.; M. K. Preston, McGill, Nev.

General Office, East Ely, Nev.

NATIONAL FUEL GAS COMPANY

History and Property—Incorporated Dec. 8, 1902, in N. J.; successor to the Natural Gas Trust. The Companies underlying National Fuel Gas Co., their capital and the percentage of each owned directly or indirectly are:

Name of Company	Capitalization	Owned by National Fuel Gas Co.
Iroquois Building Corp.	$255,500	100%
Iroquois Gas Corp.	30,000,000	100%
The Mars Company	1,000,000	100%
Pennsylvania Gas Co.	7,200,000	50.85%
Pennsylvania Oil Co.	576,000	50.85%
Provincial Natural Gas & Fuel Co. of Ontario, Ltd.	600,000	70%
United Natural Gas Co.	15,125,000	100%

The above-named companies produce, purchase and sell natural gas and manufactured gas, the principal markets being:

New York State: Buffalo, Salamanca, Olean, Jamestown, Lackawanna, Lancaster, Depew, Hamburg, East Aurora, Angola, Springville, Falconer.

Pennsylvania: Oil City, Bradford, Meadville, Titusville, Franklin, Sharon, Warren, Erie, Corry, Clarion, Brookville, Reynoldsville, Tidioute, Youngsville, Mercer, Greenville, Sheffield, Du Bois, Grove City, Farrell, Sharpsville.

Canada: Niagara Falls, Welland, Fort Erie, Bridgeburg, and Sherkston.

As of Dec. 31, 1927, 258,507 consumers were supplied directly by underlying companies and in addition 11,904 consumers were supplied through other distributing companies, making a total of 270,411 consumers supplied with gas, as compared with 263,120 on Dec. 31, 1926.

CAPITAL STOCK

Authorized and outstanding, 3,700,000 shares of no par value, changed on April 28, 1927, from 370,000 shares of $100 par value each, the basis of exchang being 10 shares of new stock for each old share.

The capital stock was originally $2,408,100 in $. shares, and there were also issued $4,815,900 debe tures. On May 5, 1908, the authorized capital stoc was increased to $16,000,000 of the par value of $10 the debenture bonds having in the meantime been r tired. In April, 1917, authorized capital stock was i creased to $32,000,000; further increased Dec. 12, 192 to $37,000,000. The outstanding amount was increase from $18,500,000 to $37,000,000 by the payment on De 30, 1922, of a stock dividend of 100% ($18,500,000).

Transfer Office—26 Broadway, New York.

Annual meeting—Last Thursday in April.

Dividends—Quarterly dividends at rate of 10% pe annum were paid on the old capitalization before was increased through payment of 100% stock div dend, the last payment at this rate being made Jan. 1 1923. Quarterly dividends at rate of 5% per annu were paid to and including Jan. 15, 1924, on whic date an extra dividend of 1% was also paid. On Apr 15, 1924, regular quarterly dividends were increased t 1½% which rate was maintained to and including Oc 15, 1926; Jan. 15, 1927, 2½% regular and 2% extra April 15, 1927, 2½%; July and Oct. 15, 1927, 25 cent per share each; Jan. 16, 1928 and April 16, 1928, 2 cents each; payments J, A, J & O 15. On Decen ber 30, 1921, a special dividend of $4 per share wa paid in Third and Fourth Liberty Loan 4¼% bond based upon their market value, plus accrued interes Dec. 16, 1921.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including only the proportion of the business of underlying companies owned by National Fuel Gas Co.)

Gross Earnings—	1927	1926	1925	1924	1923	1922
From sales of gas	$16,236,452	$18,019,876	$15,973,446	$14,308,329	$13,671,953	$11,397,66
From other sources	1,077,427	1,398,814	1,307,498	1,417,164	1,438,799	1,369,38
Total	$17,313,879	$19,418,690	$17,280,944	$15,725,493	$15,110,752	$12,767,04
Less expenses, gas purchased and taxes	11,829,226	11,943,013	10,657,377	9,574,974	8,867,405	8,078,64
Net earnings	$5,484,653	$7,475,677	$6,623,567	$6,150,519	$6,243,347	$4,688,40
Reserves for depletion, depreciation and amortization for the year and profit and loss adjustments	1,552,167	1,462,719	1,280,354	1,042,017	1,068,363	1,398,56
Net profit	$3,932,486	$6,012,958	$5,343,213	$5,108,502	$5,174,984	$3,289,83
Net per share "Profits"	*$1.06	$16.25	$14.44	$13.81	$13.98	$8.8

*Based on 3,700,000 shares of no par value; in previous years on $100 par value shares.

GENERAL BALANCE SHEET, DECEMBER 31
(National Fuel Gas Co., Proper)

Assets—	1927	1926	1925	1924	1923	1922
Stocks and bonds of underlying cos	$44,680,809	$44,680,390	$42,179,955	$40,622,542	$39,110,460	$32,524,96
Cash	66,350	504,544	1,847	45,498	26,567	547,12
Securities and accounts receivable	1,010,188	1,086,352	1,234,514	984,232	1,431,053	4,867,08
Office equipment	531	463	629	749	526	65
Deferred charges	.....	1,468	3,345	2,985	2,128	8,53
Total	$45,757,878	$46,273,217	$43,420,290	$41,656,006	$40,570,734	$37,948,37
Liabilities—						
Capital stock	*$44,463,054	$37,000,000	$37,000,000	$37,000,000	$37,000,000	$37,000,00
Capital stock premium account	360,120	360,120	360,120	360,120	360,120	360,12
Dividend payable, Jan. 15	920,180	1,665,000	1,295,000	555,000	832,500	462,50
Dividends withheld	14,460	.....	.....	.....	.....	.....
Accounts payable	64	88	90	90	96	9
Surplus	.....	7,248,009	4,765,080	3,740,796	2,378,018	125,66
Total	$45,757,878	$46,273,217	$43,420,290	$41,656,006	$40,570,734	$37,948,37

*Represented by 3,700,000 shares of Common stock without par value.

Officers: W. J. Judge, Pres.; Glenn Ford McKinney, V-P.; H. P. Smith, Sec. & Treas.; W. J. Beattie, Asst. Sec. & Treas., New York.

Directors: Oliver G. Jennings, Robert S. Brewster, Glenn Ford McKinney, Samuel H. Fisher, James R. Taylor, New York; William J. Judge, Montclair, N J.; John E. Andrus, Yonkers, N. Y.

Executive Office, 26 Broadway, N. Y. **Corporat Office,** Hoboken, N. J.

IROQUOIS GAS CORPORATION

(Controlled by National Fuel Gas Company)

History and Property—Incorporated May 20, 1911, in N. Y., as Iroquois Natural Gas Co., corporate title changed Feb. 7, 1923, to Iroquois Gas Corporation. On Dec. 30, 1922, Niagara Gas Corporation was merge with the Iroquois Gas Corporation. The Company' business is to produce, purchase, transport and dis

ribute natural gas and manufactured gas. Purchased roperties of the Buffalo Natural Gas Fuel Co., Salamnca Gas Co., Clear Creek Oil & Gas Co., The Springille Natural Gas Co., New Angola Gas Co., and Lanaster-Depew Natural Gas Company supplying natural as to Buffalo, Salamanca, Olean and sundry towns in rie County. The natural gas plant of The Erie Couy Natural Gas Co., Ltd., located in the City of Buffalo nd formerly operated by Iroquos Natural Gas Co. nder lease, was acquired and merged with Iroquois Natural Gas Co. On Oct. 1, 1927, Snyder Gas Co. was nerged with Iroquois Gas Corp.

CAPITAL STOCK

Authorized and outstanding, $30,000,000; par, $100. he National Fuel Gas Co. owns the entire outstanding apital stock.

Dividends—Dividends in 1914, 4½%; 1915, 7%; 916, 7%; 1917, 7%; 1918, 7%; 1919 to 1922, not reorted; 1923, 4%; 1924, 6%; 1925, 6%; 1926, 8%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925	1924
ross earnings	$7,151,145	$5,926,708	$4,971,270
per. exp., taxes, etc.	5,268,255	4,692,555	3,935,044
Net earnings	$1,882,890	$1,234,153	$1,036,226
ther income	137,205	60,662	122,520
Total income	$2,020,095	$1,294,815	$1,158,746
nterest charges	32,106	30,797	29,526
Surplus for dividends, etc.	$1,987,989	$1,264,018	$1,129,220

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
roperty account	$25,581,648	$23,081,998	$17,088,856
ecurities owned	1,983,418	1,176,712	820,852
laterials and supplies	959,333	767,476	650,222
ash on hand	199,548	308,899	473,924
urrent accounts	831,204	888,652	1,090,596
ther assets	16,081	2,708	4,222,033
repayments	36,912	37,606	29,793
eferred debit items	157,843	346,001	.....
Total	$29,765,987	$26,610,052	$24,376,276
Liabilities—			
apital stock	$22,500,000	$20,000,000	$18,444,500
ccounts payable	927,329	906,961	735,369
onsumers' deposits	550,642	526,721	513,669
ther current liabilities	.....	101,241	.....
nterest accrued	108,334	.....	97,626
axes accrued	308,806	201,119	207,030
epreciation reserve	3,363,875	3,040,024	2,723,244
ther reserves	95,065	97,152	.....
rofit and loss	1,911,936	1,736,834	1,654,838
Total	$29,765,987	$26,610,052	$24,376,276

Officers: Thos. R. Weymouth, Pres.; H. C. Palmer, . A. Brown, V-Ps.; H. S. Norris, Sec.; C. E. Moynian, Treas., Buffalo, N. Y.

Directors: Thos. R. Weymouth, W. J. Judge, C. E. loynihan, H. C. Palmer, H. S. Norris, Buffalo, N. Y.

Office, Buffalo, N. Y.

PENNSYLVANIA GAS COMPANY

(Controlled by National Fuel Gas Company)

History—Incorporated July 8, 1881, in Pa.; certifiate issued by Secretary of State of New York, Jan.), 1893. Supplies natural gas to Erie, Warren, Corry nd Sheffield, Pa., and Jamestown, N. Y.

CAPITAL STOCK

Authorized and outstanding, $7,200,000 (increased om $800,000 to $4,800,000 in 1911, and to present nount in 1916.) Annual meeting, fourth Wednesday January.

Dividends—Dividends at rate of 10% per annum ere paid for a number of years; 20% paid in 1921;)% each in 1922, 1923, 1924, 1925 and 1926; 1927, 2.8%. A stock dividend of 50% was paid in 1916, creasing stock from $4,800,000 to $7,200,000. The ational Fuel Gas Co. owns 50.85% of the capital ock.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$3,253,951	$3,604,791	$3,080,041
Oper. exp. & taxes	2,613,631	2,128,293	1,853,618
Net earnings	$640,320	$1,476,498	$1,226,423
Other income	155,133	187,555	200,942
Total income	$795,453	$1,664,053	$1,427,365
Interest charges	8,904	38,973	7,146
Net income	$786,549	$1,625,080	$1,420,219
Dividends paid	921,600	720,000	720,000
Surplus for year	*$135,051	$905,080	$700,219

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$16,770,715	$14,556,967	$13,286,748
Securities owned	539,765	3,447,931	539,765
Other investments	1,981,547		3,569,634
Materials and supplies	292,680	268,264	257,376
Cash	139,854	40,671	88,154
Current accounts	333,069	444,321	363,038
Work in progress	109,384	1,134,325	1,174,016
Deferred items, etc.	168,101	98,693	47,141
Gas earnings impounded	.....	521,496	208,363
Total	$20,335,115	$20,512,668	$19,534,235
Liabilities—			
Capital stock	$7,200,000	$7,200,000	$7,200,000
Accounts payable	344,636	266,506	223,927
Consumers' deposits	241,100	224,575	197,690
Interest accrued	43,841	39,053	34,949
Taxes accrued	227,159	162,970	269,342
Unadjusted credits	115,431	115,364	114,460
Accrd. amortiz. of capital	4,662,209	4,316,440	4,015,418
Gas earnings in suspense	.....	521,496	208,363
Profit and loss	7,500,739	7,666,264	7,270,086
Total	$20,335,115	$20,512,668	$19,534,235

Officers: B. C. Oliphant, Pres.; W. W. Beaty, V-P.; B. H. Donovan, V-P.; E. D. Wetmore, V-P.; H. H. McConnell, Sec. & Treas., Warren, Pa.; C. R. Smith, Asst. Sec. & Asst. Treas.

Directors: B. C. Oliphant, F. E. Hertzel, E. D. Wetmore, H. A. Crary, W. W. Beaty, H. H. McConnell, B. H. Donovan, C. R. Smith, Warren, Pa.; W. J. Judge, New York.

General Office, Warren, Pa.

THE PROVINCIAL NATURAL GAS & FUEL CO. OF ONTARIO, LTD.

(Controlled by National Fuel Gas Company)

History—Incorporated under the laws of the Dominion of Canada. Supplies natural gas to Niagara Falls, Welland, Fort Erie, Bridgeburg, and Sherkston, Ont.

CAPITAL STOCK

Authorized and outstanding, $600,000. National Fuel Gas Co. owns 70% of the stock.

FUNDED DEBT

None.

Officers: D. A. Coste, Pres. & Gen. Mgr.; L. A. Brown, V-P.; C. N. Peck, Sec. & Treas., Niagara Falls, Ont.

Head Office, Niagara Falls, Ont.

UNITED NATURAL GAS CO.

(Controlled by National Fuel Gas Company)

History—Incorporated March 24, 1886, in Pennsylvania, and on Nov. 3, 1908, consolidated with Oil City Fuel Supply Co. Supplies natural gas to various towns in State of Pennsylvania and to the Iroquois Gas Corp. of Buffalo. The latter succeeded the Buffalo Natural Fuel Gas Co. and Salamanca Gas Co., and now serves the Keystone Gas Co. and the towns in New York State previously served by this company. The Clarion Gas Co. was merged with United Natural Gas Co. as of Dec. 31, 1919.

CAPITAL STOCK

Authorized and outstanding, $15,125,000. The National Fuel Gas Co. owns the entire capital stock. Annual meeting, third Thursday in January.

Dividends—During 1927 paid $3.80 per share; complete record not available.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$7,819,638	$8,211,163	$7,540,757
Oper. exp. and taxes	5,700,386	5,561,459	4,851,278
Net earnings	$2,119,252	$2,649,704	$2,689,479
Other income	311,699	306,510	403,047
Total income	$2,430,951	$2,956,214	$3,092,526
Dividends	2,299,000	*2,956,214	2,117,500
Surplus for year	$131,951	.....	$975,026

*Includes $1,210,000 stocks of other companies paid as divds.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$25,232,667	$24,927,261	$24,603,768
Investments	5,349,230	5,581,088	6,012,557
Cash	21,643	52,288	45,494
Accounts receivable	979,601	1,051,236	975,343
Materials and supplies	461,238	462,138	460,741
Other current assets	.....	.....	328
Unmatured int. & rents rec.	40,927	45,291	39,644
Prepaid taxes	.....	.....	6,942
Deferred charges	73,913	83,958	113,200
Total	$32,159,218	$32,203,260	$32,278,017
Liabilities—			
Capital stock	$15,125,000	$15,125,000	$15,125,000
Consumers' deposits	144,627	143,015	139,763
Accounts payable	416,968	471,459	406,007
Matured interest	27,490	25,634	23,880
Taxes accrued	276,000	514,402	474,836
Depreciation reserve	4,817,985	4,552,248	4,268,833
Other reserves	3,302,445	3,185,676	3,080,408
Deferred credits	22,371	47,845	88,305
Surplus	8,026,332	8,137,981	8,670,985
Total	$32,159,218	$32,203,260	$32,278,017

Officers: Geo. E. Welker, Pres.; C. F. Huff, V-P.; H. S. Rose, Sec. & Treas.; W. J. Judge, Compt.

Directors: W. J. Judge, New York; M. J. Talley, G. E. Welker, G. H. W. Sherman, W. H. Locke, C. F. Huff, H. S. Rose, Oil City, Pa.

Operating Office, Oil City, Pa.

INTERSTATE FUEL AND LIGHT CO.

History—Incorporated May 9, 1925, in Delaware. Controls Michigan Fuel & Light Co., which in turn controls **Northern Indiana Fuel & Light Co.**, and Wisconsin Fuel & Light Co. (see statements appended).

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value, and $1,000,000 7% cumulative First Pfd., par, $100, and 20,000 shares Class "B" Pfd., of no par value; outstanding, 36,000 shares Common and $550,000 Pfd. stock. Stock transferred and registered at Company's office, 310 Peck Bldg., Kalamazoo, Mich.

Stock Provisions—The First Pfd. stock has preferance for assets and dividends over Class "B" and Common stocks, and is subject to call on any dividend date at $110. It has no voting power. Class "B" stock has preference over Common as to dividends of $6 per share per annum, and participates with Common as to assets after $100 per share. It is callable on any dividend date at $100 per share, and is entitled to one vote per share.

Annual Meeting—Second Wednesday in May, at Wilmington, Del.

Dividends—7% per annum regularly paid on First Pfd. stock; payments quarterly, J, A, J & O 15. None paid on other classes to date.

FUNDED DEBT

Company has no bonds outstanding, but there is an issue of $200,000 One-Year Notes.

INCOME ACCOUNT, YEARS ENDED JUNE 30

(Latest Available)

	1926	1925
Gross revenue	$971,655	$900,1
Operating expenses	612,862	609,6
Taxes	46,502	45,8
Operating income	$312,291	$244,6
Fixed charges	167,489	133,1
Other interest	27,083	26,9
Net income	$117,719	$84,4
Preferred dividends	40,735	20,5
Balance	$76,984	$63,9

GENERAL BALANCE SHEET, JUNE 30, 1926

(Latest Available)

Assets—	
Property account	$5,0
Investments	1,099,0
Cash	60,4
Bills & accounts receivable	43,9
Deferred charges	36,3
Total	$1,244,9
Liabilities—	
Common stock	$300,0
First Preferred stock	104,1
Class "B" Preferred stock	277,3
One-year notes	200,0
Bills payable	23,1
Accounts payable	142,1
Accrued items	2,2
Reserves	15,9
Surplus	149,0
Profit and loss	31,0
Total	$1,244,9

Officers: C. A. Runyan, Pres., South Haven, Mich R. C. Douglas, V-P. & Gen. Mgr., Manitowoc, Wis C. W. McGuire, V-P., Chicago, Ill.; H. G. Beebe, Sec L. F. Ryall, Treas., Kalamazoo, Mich.

Directors: C. A. Runyan, South Haven, Mich.; C. Manitowoc, Wis.; C. W. McGuire, Chicago, Ill.; G. Beebe, L. F. Ryall, Kalamazoo, Mich.

General Office, Kalamazoo, Mich.

MICHIGAN FUEL AND LIGHT COMPANY

(Controlled by Interstate Fuel and Light Company

History and Property—Incorporated in Mich., own and operate the properties of the Benton Ha bor-St. Joseph Gas & Fuel Co., and South Haven G Co. The Company has acquired about 98% of t Common stock of Northern Indiana Fuel & Light C and all the outstanding Common stock (except dire tors' qualifying shares) and over 83% of the outstan ing Pfd. stock of Wisconsin Fuel & Light Co.

The Company owns and operates gas manufacturi plants at Benton Harbor, South Haven, Otsego ar Sturgis, Mich., and distribution systems supplyi those cities and St. Joseph, Allegan and Plainwe with gas for domestic and industrial uses. The Wi consin company manufactures and distributes gas Manitowoc and the Indiana company has a manufa turing plant at Auburn supplying Auburn and t neighboring communities of Kendallville, Garrett ar Avilla.

The properties, including subsidiaries to be acquire comprise 6 manufacturing plants having a combine daily capacity of 4,050,000 cu. ft. and 260 miles mains. Sales of gas during 1926 were 434,469,000 c ft. and at the end of the year the system had 18,1 meters in service. Population of communities serve is approximately 95,000.

CAPITAL STOCK

Authorized, 25,000 shares Common stock witho par value and $2,500,000 7% cumulative First Pfd., p $100; outstanding, 3,800 shares Common ad $650,0 Pfd. All the Common stock, except directors' qual fying shares, owned by Interstate Fuel and Light Co.

Preferred Stock Provisions—Pfd. stock has prefe ence for assets and dividends, and in liquidation entitled to $100 per share. Has no voting power exce in event of default in dividends.

Transfer Agent—Central Trust Co. of Illinois, Chicago.

Registrar—Illinois Merchants Trust Co., Chicago.

Annual Meeting—First Monday in October.

Dividends—Pfd. dividends are paid quarterly, J, A, J & O 15.

FUNDED DEBT

(1)

$1,752,500 FIRST MORTGAGE 6% GOLD BONDS; DUE JUNE 1, 1950

Dated June 1, 1925.

Interest Payable June and December 1, at Chatham Phenix National Bank & Trust Co., New York and Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered. Denominations interchangeable.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Open mortgage. Additional First Mtge. bonds may be issued for not more than 30% of the actual cost or fair value (whichever shall be less) of permanent extensions, betterments and improvements; provided, however that Company's net earnings for 12 consecutive months within the immediately preceding 15 months shall have been not less than 1¾ times the annual interest charges on all bonds outstanding plus those to be issued. Additional First Mtge. bonds may also be issued for the purpose of refunding par for par bonds previously issued under said mortgage or funded indebtedness subject to which extensions and additions may be hereafter acquired by Company.

Callability—Subject to call as a whole or in part on any interest date after 30 days' notice at 105 and interest up to June 1, 1930; thereafter at 104 and interest up to June 1, 1935; thereafter at 103 and interest up to June 1, 1940; thereafter at 102 and interest up to June 1, 1945; thereafter at 101 and interest up to June 1, 1949, and thereafter at par and interest.

Maintenance and Improvement Fund—The trust indenture provides for a maintenance and improvement fund and the deposit therein annually of an amount equal to 8% of the annual gross gas sales of Company. These moneys may be used at the option of Company for maintenance, for permanent additions and improvements which could otherwise be made the basis for the issuance of additional bonds under this mortgage, or for the retirement of First Mtge. bonds.

Security—Secured by a direct first mortgage upon all the properties of Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills and Maryland 4½ mills taxes and Massachusetts Income tax not exceeding 6% refundable. Tax exempt in the State of Michigan.

Original Offering—First publicly offered ($1,100,000) in June, 1925, at 99½ and interest, to yield over 6%, by Taylor, Ewart & Co., Inc., New York and Chicago and Putnam & Storer, Inc., Boston.

(2)

$650,000 ONE YEAR 6% GOLD NOTES, SERIES "A"; DUE JUNE 1, 1928

Dated June 1, 1927.

Interest Payable December and June 1, at First Trust & Savings Bank, Chicago.

Denomination—Coupon, $1,000.

Trustee—First Trust & Savings Bank, Chicago.

Provisions of Issue—Issued, Series "A," $650,000. A further series of notes to mature not later than June 1, 1929, and not exceeding $650,000 principal amount may, if authorized by the Board of Directors, be issued to refund all or part of the notes of Series "A."

Purpose of Issue—Issued to retire outstanding indebtedness, to pay for the stocks of the companies acquired and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at 100½ and accrued interest on or before March 1, 1928, and at 100 and accrued interest thereafter to maturity.

Sinking Fund—None provided.

Legal Opinion—Newman, Poppenhusen, Ster & Johnston, Chicago.

Original Offering—First publicly offered ($650,000) in July, 1927, at par and interest by A. B. Leach & Co., Inc., Chicago and New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	1926	1925
Gross earnings	$1,027,429	$589,568	$565,622
Oper. exp., maint. & taxes.	712,253	391,039	393,003
Net earnings, applic. for int., deprec. & divds.	$315,176	$198,529	$172,619
Int. & subsid. Pfd. divd. require. on prior securs.	186,589	.....	.....
Bond interest	.....	98,808	80,542
Other interest	.....	10,751	17,043
Bal. for deprec., amort. & Fed. taxes	$128,587	$88,970	$75,034

*Consolidated earnings of Michigan Fuel & Light Co. and subsidiaries for the year ended March 31, 1927.

Officers: C. A. Runyan, Pres.; R. C. Douglas, V-P. & Gen. Mgr.; L. F. Ryall, Treas.; H. G. Beebe, Sec.

Directors: C. A. Runyan, South Haven, Mich.; L. F. Ryall, H. G. Beebe, Kalamazoo, Mich.; R. C. Douglas, Manitowoc, Wis.; R. C. Beebe, Benton Harbor, Mich.

General Office, Kalamazoo, Mich.

WISCONSIN FUEL & LIGHT CO.

(Controlled by Michigan Fuel and Light Co.)

History and Property—Incorporated May 27, 1907, in Wis., as The Manitowoc Gas Co.; name changed to present title in 1923 (see 1923 Public Utility Manual, page 119, or consult our Information Department). Operates under an indeterminate permit created by the statutes of Wisconsin, and furnishes, without competition, all gas used for light, heat and fuel in the city of Manitowoc, Wis.

CAPITAL STOCK

Authorized, $150,000 Common and $500,000 7% Cumulative Pfd.; outstanding, $100,000 Common and $140,900 Pfd.; par, $100. All the outstanding Common stock (except directors' qualifying shares) and over 83% of the outstanding Pfd. is owned by Michigan Fuel and Light Co.

Preferred Stock Provisions—Has preference for assets and dividends. Sufficient Pfd. stock is reserved for conversion of the 10-Year 7% Convertible Gold Debentures described below.

Transfer Agent and Registrar—Stock transferred and registered by Company itself at office at Kalamazoo, Mich.

Dividends—Regularly paid on Pfd. stock; none paid on Common.

FUNDED DEBT

(1)

$410,000 FIRST MORTGAGE GOLD 6½s, SERIES "A"; DUE NOVEMBER 1, 1948

Dated November 1, 1923.

Interest Payable May and November 1, at Central Trust Co., of Illinois, Chicago.

Denominations—Coupon (interchangeable denominations), $100, $500 and $1,000; principal may be registered.

Trustees—Central Trust Co. of Illinois, Chicago, Aksel K. Bodholt, Co-Trustee.

Provisions of Issue—Open mortgage. Indenture provides for the issuance of bonds in series, varying with respect to rates of interest, dates, maturities, redemption privileges, etc., subject to the restrictive provisions of the mortgage. Additional bonds of any series

may be issued from time to time for (1) refunding bonds of series previously issued under the mortgage or (2) for not exceeding 80% of the actual cost or fair value (whichever is less) of acquisition of new or additional properties or permanent betterments, extensions, improvements or additions to the property; all such improvements and acquisitions to be subjected to the first lien of the mortgage securing these bonds, provided net earnings applicable to the payment of interest for twelve consecutive months within the next preceding fourteen months shall equal at least twice the interest charges on all the First Mortgage Bonds outstanding and those proposed to be issued and on all other prior lien indebtedness, if any.

Callability—Subject to call at any time on 60 days' published notice, at the following prices and accrued interest: 107½ on or before ten years from their date; 105 during the next ten years and at 102½ during the remaining life of the bonds.

Sinking Fund—1% of the bonds outstanding for the first ten years from date of issue, 1½% for the next ten years and 2% for the next five years, to be used to purchase or redeem bonds or to reimburse the company for capital expenditures which shall not be made the basis for the issuance of additional bonds.

Security—Secured by a first mortgage on all of the fixed property, rights and franchises of the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Pam & Hurd, Chicago, Ill.

Original Offering—First publicly offered ($360,000) in Nov., 1923, at 98.50 and interest, to yield 6⅝%, by Cammack & Co., and Lake State Bank, Chicago; Howe, Snow & Bertles, Inc., Grand Rapids, and Grossman, Lewis & Co., and Henry C. Quarles & Co., Milwaukee.

(2)

$115,100 TEN-YEAR 7% SINKING FUND CONVERTIBLE GOLD DEBENTURES; DUE NOVEMBER 1, 1933

Dated November 1, 1923.

Interest Payable May and November 1, at Central Trust Co., of Illinois, Chicago.

Denominations—Coupon (interchangeable denominations), $100, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co., of Illinois, Chicago.

Provisions of Issue—Authorized, $200,000; issued $115,100. The Company covenants that no mortgage or other like incumbrance shall be placed or permitted to remain or exist upon any of the properties and franchises, now owned or hereafter acquired by the Company, except to secure the following: (a) Bonds issued or to be issued in accordance with the provisions of the first mortgage; (b) obligations incurred in, or existing at the time of, the purchase of property hereafter acquired by the Company, and secured by a lien only on the property purchased; (c) bonds or obligations hereafter issued to replace any or all of the bonds or obligations specified in subdivisions (a) and (b), provided the par value of any such indebtedness so issued shall not exceed the par value of the securities which they shall be issued to replace nor bear a greater rate of interest than 8% per annum. It is further provided that the total indebtedness of the Company shall never at any time amount to more than 1½ times the Company's quick assets.

Callability—Subject to call on any interest date at 101½ and accrued interest on three weeks' published notice.

Sinking Fund—From Sept. 1, 1928, to Sept. 1, 1932, inclusive, an amount equal to 5% of all debentures outstanding, to be applied to the purchase, in the open market, at not exceeding the redemption price.

Convertibility—Convertible at option of holder at any time prior to redemption into an equal par amount of Preferred stock with adjustment of interest and Pfd. dividends.

Security—A direct obligaton of Company, but nc secured by mortgage.

Tax Provisions—Company pays Normal Federa Income Tax up to 2%.

Original Offering—First publicly offered ($100,00 in December, 1923, at 98, by Cammack & Co., Chicag

OFFICERS AND DIRECTORS

Officers: C. A. Runyan, Pres.; R. C. Douglas, V- & Mgr.; H. G. Beebee, Sec.; L. F. Ryall, Treas.; J. I Vierig, Mgr., Manitowoc, Wis.

Directors: C. A. Runyan, H. G. Beebe, L. F. Ryal R. C. Douglas, H. M. Cammack.

Office, Manitowoc, Wis.

CLINTON STREET RAILWAY CO.

History and Property—Incorporated Feb. 4, 189 in Ia., for 20 years, a renewal of the charter havin been made on Nov. 8, 1910, for a period of 20 year or until 1930. Under the laws of Iowa the charter li may be further extended at the option of the Compan Under its charter the Company is authorized to co duct a street railway, light, power and heating bus ness. The Company holds three franchises, one which is a perpetual grant on the main street of th city for a distance of 3 miles, 2½ miles of which ar double tracked. Another is a franchise submitte to popular vote and granted March 13, 1913 for 2 years, covering the remainder of the trackage withi the city limits, as well as giving the right to do power business in the city. The third franchise i a county grant of March 14, 1910, for a period of 2 years, and permits the Company to operate on les than a mile of country highway north of the cit limits. Owns line operated by overhead trolley i Clinton; length of track, about 16 miles, includin 2.5 miles of double track. Gauge, standard. Rai 70 and 80 lb. T. and girder. Cars, 32. Engines t generate power, 3. The interurban cars from Daver port enter the city over the tracks of the Clinto Street Ry. under traffic agreement. Power purchase from Clinton Gas & Electric Co.

Protective Committee Formed—Due to the defaul in the payment of the principal and interest due Apr 1, 1926 on the First Mortgage 5% Gold bonds, th following committee was formed to protect the in terests of the holders of said bonds: Walter T. Fishe Chrm., H. A. Arnold, R. C. Clark, C. F. Wright an Murry Nelson, Sec., 203 South Dearborn St., Chi cago, Ill. Illinois Merchants Trust Co., Chicago, Ill is Depositary. Holders are requested to deposit thei bonds under the Protective Agreement, dated Jar 27, 1927.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $596,600; pa $100. Stock transferred at secretary's office. Annua meeting, first Monday in January. Dividends, 6% per annum.

FUNDED DEBT

$400,000 (entire issue) First Gold 5s; dated Marc 31, 1906; due March 31, 1926; int. April and Oct. 1 at Illinois Merchants Trust Co., Chicago, Truste Coupon, $1,000; principal may be registered. Subjec to call at 105 and interest on any interest date on 9 days' notice. A first lien on entire property nov owned or hereafter acquired. A supplemental mort gage provides that, beginning April 1, 1918, a renewa improvement and redemption fund of 2% of out standing or retired bonds be established for (a) spe cial maintenance and improvement, or (b) for th purchase and cancellation of these bonds at not ex ceeding 105 and interest. Publicly offered ($350,000 in Feb., 1917, at 98½ and interest, yielding 5.2%, b Coffin & Burr, Inc., Boston, and Fidelity Trust Co Portland, Me. Company does not pay Normal Fed eral Income Tax.

Default—Principal as well as interest due April 1 1926 in default.

INCOME ACCOUNT, YEARS ENDED DEC. 31

(Latest Furnished)

	1925	1924	1923
Gross earnings	$184,185	$204,603	$226,403
Oper. exp. and taxes	144,825	152,412	152,817
Net earnings	$39,360	$52,191	$73,586
Fixed charges	29,898	30,226	20,000
Net income	$9,462	$21,965	$53,586

Officers: R. C. Langan, Pres.; Geo. T. Baker, V-P.; E. A. Young, Treas.; A. L. Schuyler, Sec.; Bernard Bohnson, Gen. Mgr., Clinton, Iowa.

Directors: G. T. Baker, C. C. Coan, W. F. Coan, F. W. Ellis, G. E. Lamb, F. C. Hayes, J. C. Langan, R. C. Langan, A. L. Schuyler, C. H. Young, E. A. Young.

Office, Clinton, Iowa.

WICHITA FALLS TRACTION CO.

History—Incorporated Aug. 6, 1909, in Tex. Owns and operates 14 miles of track in Wichita Falls, Tex., and vicinity. Gauge, standard. Cars, 27.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. Annual meeting, January 15. No dividends paid.

Officers: Frank Kell, Pres.; J. A. Kell, V-P.; L. L. Albritton, Sec., Treas. & Gen. Mgr.; C. M. Crowell, Asst. Sec.; Miss Una Steele, Aud., Wichita Falls, Tex.

Directors: Frank Kell, J. A. Kell, L. L. Albritton, C. M. Crowell, A. W. King, Wichita Falls, Tex.

General Office, Wichita Falls, Tex.

MASSACHUSETTS UTILITIES INVESTMENT TRUST

(See Accompanying Map)

History—Organized March 31, 1927, as a Massachusetts voluntary association, to acquire or buy shares, bonds, notes, certificates of indebtedness, or other obligations of certain Massachusetts Corporations, and voluntary associations or their successor companies and such other voluntary associations or corporations as either (1) manufacture and/or sell gas or electricity in the Commonwealth of Massachusetts, or (2) own shares and/or obligations in such a voluntary association or corporation.

The Trust has acquired from 80.03% to 100% ownership of the companies shown below, giving to the Trust the direct or indirect control of individual operating companies which serve directly or indirectly with electricity or gas, or both, either at retail or through wholesale contracts, 116 cities and towns in Massachusetts with a total population of over 620,000.

SUBSIDIARY COMPANIES, DECEMBER 31, 1927

	Percent. of Stock Owned by Mass. U. I. Trust	Percent. of Stock Owned by Mass. Lighting Cos.
Massachusetts Lighting Companies	81.7	...
Adams Gas Light Company	...	100
Arlington Gas Light Company	...	100
Ayer Electric Company	...	100
Clinton Gas Light Company	...	100
Gas & Electric Improvement Company	...	100
Gloucester Gas Light Company	...	100
Harvard Electric Company	...	100
Leominster Electric Light & Power Company	...	100
Leominster Gas Light Company	...	99.8
Lexington Gas Company	...	100
Milford Electric Light & Power Company	...	100
Milford Gas Light Company	...	99.3
Mill River Electric Light Company	...	100
North Adams Gas Light Company	...	100
Northampton Electric Lighting Company	...	100
Northampton Gas Light Company	...	99.9
Palmer Gas Company	...	100
Spencer Gas Company	...	100
The Light, Heat & Power Corporation	...	100
Williamstown Gas Company	...	100
Woburn Gas Light Company	...	100

SUBSIDIARY COMPANIES, DEC. 31, 1927 (Continued):

		Owned by Central Mass. L. & P. Co.
Central Massachusetts Light & Power Company	*80.3	...
Blackstone Electric Light Company	...	100
Central Massachusetts Electric Company	...	100
Norton Power & Electric Company	...	100
Union Light & Power Company	...	100
Ware Electric Company	...	100

		Owned by Commonwealth G. & E. Cos.
Commonwealth Gas & Electric Companies	*80.3	...
Athol Gas & Electric Company	...	100
Marlborough-Hudson Gas Company	...	100
Amesbury Electric Light Company	86.7	...
Central Massachusetts Power Company	93.4	...
Franklin County Power Company	91.7	...
Gardner Gas, Fuel & Light Company	*94.5	...
Marlborough Electric Company	88.1	...
Merrimac Valley Power & Buildings Company	*88.7	...
Norwood Gas Company	94.7	...
Old Colony Light & Power Associates	84.7	...
Plymouth Electric Light Company	†97.3	...
Plymouth Gas Light Company	90.8	...
Randolph & Holbrook Power & Electric Company	98.4	...
Southeastern Massachusetts Power & Electric Co.	91.7	...
Southern Berkshire Power & Electric Company	89.6	...
Westborough Gas & Electric Company	96.9	...
Weymouth Light & Power Company	85.5	...
Weymouth Water Power Company	100.0	...
Winchendon Electric Light & Power Company	90.3	...
Worcester Suburban Electric Company	84.5	...
Utilities Improvement Company	100.0	...

*Percentage includes shares owned by Utilities Improvement Company. †Percentage includes shares owned by Old Colony Light & Power Associates.

We deal in the Securities of
MASSACHUSETTS UTILITIES INVESTMENT TRUST
C. D. PARKER & CO., Inc.
Reliable Investments Since 1896
PARKER BUILDING 150 CONGRESS ST., BOSTON

As of December 31, 1927, the Trust also owned 16,000 shares of Edison Electric Illuminating Company of Boston and 1,000 6% Preferred shares of the New England Power Association. Massachusetts Lighting Companies and The Light, Heat & Power Corporation each owned 2,000 additional shares of Edison Electric Illuminating Company of Boston.

BUSINESS

Twenty-seven of the constituent companies wholesale and retail electricity. During 1927 these companies sold 147,192,570 k.w.h. of electricity, which provided 73.3% of their gross operating revenue. About 9.6% of the electricity sold was produced by the companies' hydro-electric plants. The balance was purchased under contracts, substantial amounts being obtained from twelve different companies unaffiliated with the Trust. Territories served are so situated that in each case power can be obtained from at least two different sources. During the year constituent companies added 1,065 street lights.

Nineteen of the constituent companies sell gas at wholesale and retail for industrial, commercial and domestic purposes. Gas sales in 1927 were 1,488,481,200 cu. ft., which provided 26.7% of the gross operating revenue of the controlled companies. Of the gas required 87.8% was produced by the companies themselves.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31
(Constituent Companies)

	1927	1926	1925	1924	1923
Electricity sold (k.w.h.)	147,192,570	139,804,197	131,822,379	121,728,112	117,564,656
Horsepower in motors	97,714	89,123	83,655	81,118	78,158
Number of miles of wire	14,826.9	14,096.6	13,318.4	12,764.2	12,108.8
Number of street lights	23,323	22,258	21,263	20,390	19,558
Gas sold (cu. ft.)	1,488,481,200	1,440,545,700	1,328,422,800	1,228,230,700	1,208,627,700
Number of miles of mains	763.70	683.88	667.87	648.70	620.43
Number of electric customers	103,526	97,546	91,101	85,011	77,638
Number of gas customers	61,189	56,494	54,365	52,103	49,552

CAPITAL STOCK

Authorized, 2,500,000 shares Common of no par value and $3,500,000 Convertible Participating 5% cumulative Pfd. of $50 par value; outstanding Dec. 31, 1927, 1,754,932 13/20 shares Common and $26,211,620 Pfd. In addition, 120,067 7/20 Common shares were held in treasury. All Common shares are represented by Voting Trust Certificates.

Preferred Stock Provisions—The Participating Pfd. shares are of $50 par value, are non-callable and non-assessable and in liquidation are entitled to $60 and accrued dividends per share before Common shares shall receive any distribution. They are entitled to cumulative dividends at rate of 5% per annum in preference to Common shares and whenever Common shares shall receive any dividend payment, each Pfd. share shall be entitled to receive an additional payment equal to ½ the amount declared and paid on each Common share until a total amount equal to 7% of their par value, including the regular 5% cumulative dividend, shall have been received in any one year. Thereafter, in that year, Common shares are entitled to receive all further distributions of dividends. Pfd. shares may at any time be converted into Common share Voting Trust Certificates on the basis of one share of Pfd. for one Voting Trust Common share. Dividends on Pfd. and Voting Trust Common shares will be adjusted.

Voting Trust—Common shares are deposited under a Voting Trust Agreement whereby they may not be sold except as a whole and for not less than $50 per share during the five years ending April 1, 1932; for not less than $75 per share during the five years beginning April 1, 1932 and ending April 1, 1937; and for not less than $100 per share during the ten years beginning April 1, 1937 and ending April 1, 1947.

Transfer Agent—Old Colony Trust Co., Boston, Mass.

Original Offerings—A block of 5% Convertible Participating Pfd. shares, par $50, and a block of Common Voting Trust shares, no par value, were privately offered in August, 1927, by C. D. Parker & Co., Inc., Boston, at $45 and dividend for the Pfd. and $10 for the Common. A block of Common Voting Trust shares was publicly offered in October, 1927, at market, by C. B. Parker & Co., Inc., Boston, Clark Williams & Co., Hornblower & Weeks, New York, etc. and Tripp & Andrews, Hartford, Conn. A block of 5% Convertible Participating Pfd. shares was publicly offered in November, 1927, at $46 per share and dividend, to yield 5.43% by C. D. Parker Co., Inc., Boston, and Clark Williams & Co., Hornblower & Weeks, Tripp & Andrews, New York.

Subscription Privilege—Executive Committee of Trustees, Jan. 26, 1928, voted to give shareholders of record March 27, 1928, the right to subscribe to Pfd. shares at $40 per share in the ratio of one Pfd. share for each 20 shares of Common Voting Trust and one new share to the holder of 40 Pfd. shares. Subscriptions were payable in full on or before May 1, 1928 or one quarter at the time of subscription, one-half on July 16, 1928, and the remaining one-quarter on Oct. 15, 1928.

Dividends—Initial quarterly dividend of 62½ cents on Participating Pfd. stock was paid July 15, 1927, which rate has been regularly paid quarterly to date; payments J, A, J & O 15. None on Common to date.

FUNDED DEBT

Massachusetts Utilities Investment Trust has no funded debt. As of Dec. 31, 1927, subsidiary companies had a total of $1,068,700 funded debt outstanding, including $116,000 Massachusetts Lighting Companies 7s, due June 1, 1928.

CONSOLIDATED EARNINGS, YEARS ENDED DECEMBER 31
(Operating Companies Only)

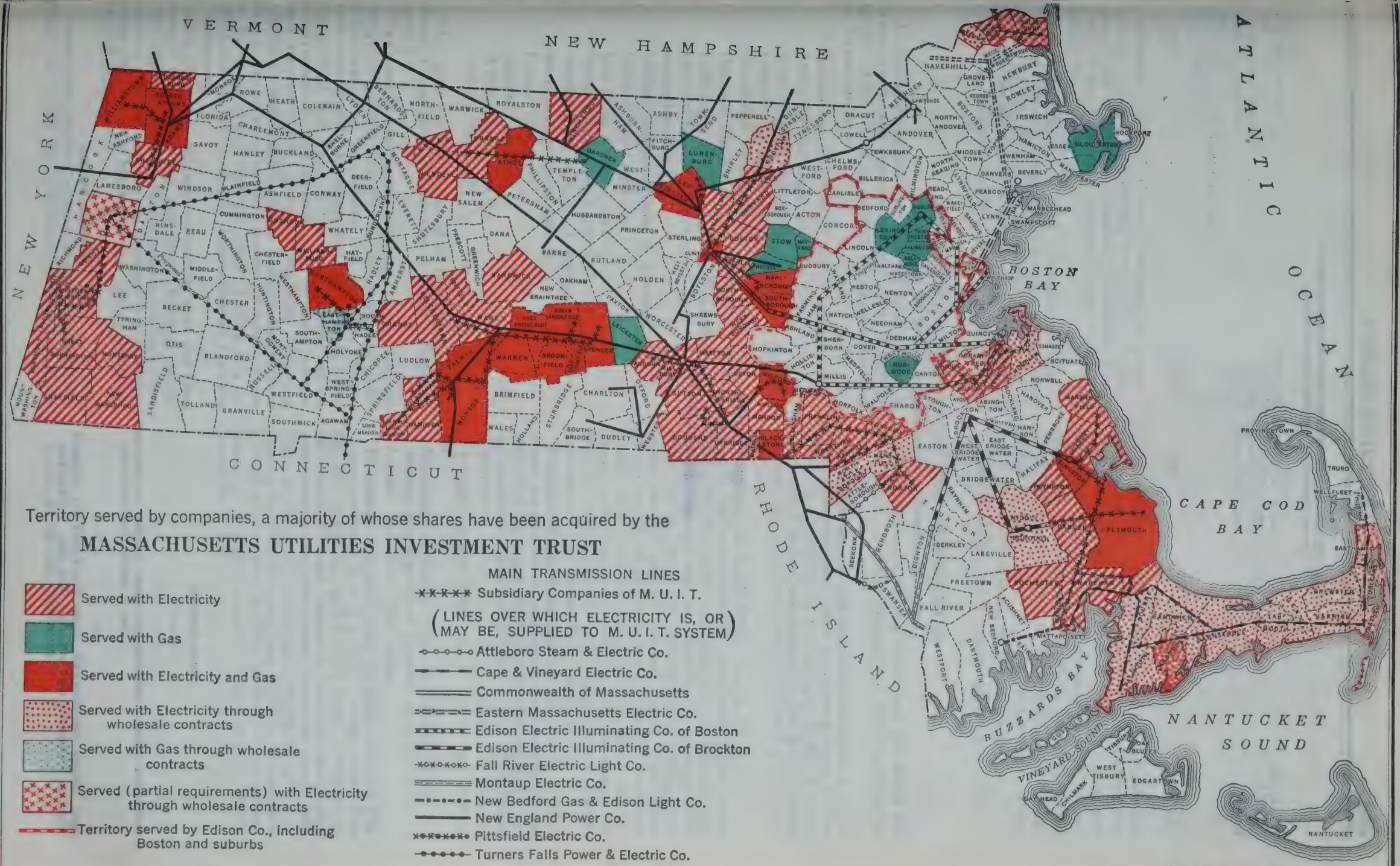
	Gross Operating Revenue	Net Earnings Available for Dividends and Deprceiation
1923	$7,968,043	$1,971,945
1924	8,224,723	2,142,806
1925	8,872,632	2,417,351
1926	9,500,158	2,459,996
1927	9,851,726	2,658,839

INCOME ACCOUNT, APRIL 1 TO DECEMBER 31, 1927
(Massachusetts Utilities Investment Trust)

Dividends received	$576,364
Dividends declared and receivable	212,958
Total	$789,322
Interest received	10,227
Total income	$799,549
Dividends paid	$435,111
Dividends declared and payable	324,950
Total disbursements	$760,061
Surplus	$39,488

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(System Statement—Actual Earnings)

Gross operating revenue of operating companies	$9,851,726
Operating expenses	5,629,25
Maintenance	370,570
Taxes and uncollectible revenue	920,630
Net operating income	$2,931,27
Non-operating income of operating companies	258,510
Total income	$3,189,79
Fixed charges	530,95
Net income of operating companies	$2,658,83
Net income (exclusive of inter-company dividends) of non-operating companies	218,01
Net income (exclusive of inter-company dividends) of Trustees M. U. I. T.	63,49
Total net inc. avail. for divds., depre. & reserves	$2,940,340



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Territory served with Electricity and Gas
Served with Electricity
Served with Gas
Territory served by Edison Co., including Boston and suburbs
through wholesale contracts
Served with Gas through wholesale contracts
Wholesale contracts
Boston Edison Electric Illuminating Co. of Brockton
Boston Electric Illuminating Co. of Boston
New England Power Co.
Eastern Massachusetts Electric Co.
Cape & Vicinity Electric Co.
Attleboro Steam & Electric Co.
(MAY BE SUPPLIED TO M.I.T. AT 12,000 VOLTS OVER WHICH ELECTRICITY LINES)
Transmission Lines
Main Generating Plants
Substations
Transformer Stations
Territory served by Edison Co. and by Public Service Co. of Northern Illinois
Territory served by Commonwealth Edison Co.
Territory served by Public Service Co. of Northern Illinois
Territory served by Commonwealth Edison Co.
Territory served by Commonwealth Edison Co.
Territory served by Commonwealth Edison Co.

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Massachusetts Utilities Investment Trust)

Assets—		Liabilities—	
Securities owned	$39,503,375	Preferred stock	$26,211,620
Cash	658,679	Common shares of no par value	14,372,275
Certificates of deposit	475,000	Reserve for Pfd. dividend	327,103
Dividends receivable	212,959	Profit and loss	39,488
Notes receivable	100,000		
Interest accrued on notes receivable	212		
Office equipment	261		
Total	$40,950,486	Total	$40,950,486

Officers: Arthur E. Childs, Chairman of Board of Trustees; Arthur H. Wellman, Pres.; Henry I. Harriman, Elihu G. Loomis, Chauncey D. Parker, Bowen Tufts, V-Ps.; Charles R. Adams, Treas.; Edward C. Mason, Sec.

Trustees: Arthur E. Childs, Chairman; Arthur H. Wellman, Henry I. Harriman, Elihu G. Loomis, Chauncey D. Parker, Bowen Tufts, Charles R. Adams, G. Bramwell Baker, Edwin H. Barker, A. Cleveland Bent, Edward L. Bennett, Joseph J. Bodell, Luke C. Bradley, Philip M. Childs, Frank D. Comerford, Channing H. Cox, Guy W. Cox, Charles L. Edgar, Archibald R. Graustein, Merton E. Grush, George F. Howland, Charles E. Hull, Harold B. Lamont, Edward C. Mason, Samuel C. Moore, George W. Perry, James J. Phelan, Elwyn G. Preston, Fred M. Rowell, Francis P. Sears, Philip Stockton, Paul B. Webber, Myron L. Whitcomb, Henry A. Wyman, B. Loring Young.

General Office, 150 Congress St., Boston, Mass.

MASSACHUSETTS LIGHTING COMPANIES

(Controlled by Massachusetts Utilities Investment Trust)

A voluntary association organized Oct. 1, 1903, in Mass. Owns and controls the capital stock and securities of the following lighting companies operating in Massachusetts:—

Adams Gas Light Co.
Arlington Gas Light Co.
Ayer Electric Light Co.
Clinton Gas Light Co.
Gloucester Gas Light Co.
Harvard Electric Co.
Leominster Electric Light & Power Co.
Leominster Gas Light Co.
Lexington Gas Co.
Milford Electric Light & Power Co.
Milford Gas Light Co.
Mill River Electric Light Co.
North Adams Gas Light Co.
Northampton Electric Lighting Co.
Northampton Gas Light Co.
Palmer Gas Co.
Spencer Gas Co.
Williamstown Gas Co.
Woburn Gas Light Co.

Also owns the entire capital of the Light, Heat & Power Corporation and the Gas & Electric Improvement Co.

The name Massachusetts Lighting Companies is the designation of the Trustees for the time being under a Declaration of Trust dated Oct. 1, 1903. All persons dealing with the Massachusetts Lighting Companies must look solely to the trust property for the enforcement of any contract with or claim against said Massachusetts Lighting Companies. Trustees, officers or shareholders neither assume, nor shall be held to any personal liability, present or future, under or by reason of any contract, order or obligation entered into in behalf of said Massachusetts Lighting Companies.

The Company, through ownership, does the commercial electric lighting and power business in sixteen cities and towns in Massachusetts, having a population of 128,668, and the gas business in twenty-four cities and towns in Massachusetts, having a population of 215,634.

SHARE CAPITAL

Authorized, 80,000 Common shares, 80,000 6% Pfd. shares and 80,000 8% Pfd. shares; outstanding, 57,254 Common shares, 50,211 6% Pfd. shares and 30,841 8% Pfd. shares. Neither Common nor Pfd. shares have a par value.

Voting Trust—In April, 1927, stockholders were invited to deposit their stock in a voting trust. Minimum sale price fixed for the Common is $275 a share, for the 6% Pfd. $135 and for the 8% Pfd. $155. Voting Trustees include all the present Trustees of the Association.

Exchange of Stock Offer—Stockholders of record June 15, 1927 and holders of Share Trust Certificates of Massachusetts Lighting Companies who had not previously received the opportunity to exchange their stock and/or certificates for 5% Participating Preferred (par $50) and/or Common Voting Trust shares (no par value) of Massachusetts Utilities Investment Trust, were given the opportunity to make this exchange. Privilege remained in effect until Sept. 15, 1927. As of December 31, 1927 Massachusetts Utilities Investment Trust owned 81.7% of the stock.

Preferred Stock Provisions—Both issues of Pfd. shares are entitled to cumulative dividends and to receive $125 per share and cumulative dividends in case of liquidation before anything is paid to Common shareholders.

Transfer Agent—Old Colony Trust Co., Boston, Mass.

Registrar—American Trust Co., Boston, Mass.

Annual Meeting—First Tuesday after April 15.

Listed—New York Curb Market.

Dividends—Regularly paid on both classes of Pfd. shares, quarterly, J, A, J & O 15. Initial dividend on 8% Pfd. shares was paid July 15, 1921. Dividends at the rate of $1.00 per annum on Common shares were paid until April, 1918; none thereafter until 1922, when 50 cts. per share was paid; 1923, $1.40 per share; March, 31, 1924, 50 cts.; June 30, 1924, 25 cts.; Oct. 7, 1924, 50 cts.; Dec. 31, 1924, to date, 75 cts. a share quarterly. Dividends usually declared on third Thursday in M, J, S & D.

FUNDED DEBT

(1)

$116,000 7% SERIAL GOLD DEBENTURE BONDS; MATURED AND PAID OFF JUNE 1, 1928

(2)

$1,000,000 7% TEN-YEAR GOLD DEBENTURE BONDS; DUE OCTOBER 1, 1930, BUT CALLED FOR PAYMENT ON OCT. 1, 1927, AT 103 AND INTEREST

ANNUAL SALES (EXCLUDING INTER-COMPANY SALES), NUMBER OF CUSTOMERS, ETC., YEARS ENDED DECEMBER 31

	*Electric Sales—Kwh.	Miles Wire.	Electric Customers.	Connected Load, k.w.	*Gas Sales. Cubic Ft.	Miles Mains.	Gas Customers.	Gas Stove
†1920	19,422,219	2,023	15,076	24,860	747,066,500	407	32,256	31,01
†1921	20,155,907	2,183	18,409	29,624	814,874,700	416	33,703	32,71
1921	21,655,927	2,257	19,468	31,912	814,521,300	422	34,254	33,27
1922	26,929,307	2,447	22,811	35,426	878,143,200	430	35,553	35,38
1923	31,924,247	2,623	26,158	38,707	985,519,700	448	37,439	38,54
1924	30,778,967	2,816	29,012	41,620	1,005,173,700	473	39,825	41,62
1925	33,816,678	3,017	30,784	44,039	1,095,450,800	488	41,867	44,04
1926	36,434,252	3,133	32,198	46,683	1,190,600,300	502	43,653	46,58
1927	38,533,135	3,316	33,786	48,647	1,225,782,800	553	47,945	49,14

* Excluding sales between companies. † Year ended June 30.

INCOME ACCOUNT OF THE TRUSTEES, YEARS ENDED DECEMBER 31

(1926 and 1927 Accounts Audited by Asa E. Chandler)

	1927	1926	1925	1924	1923	1922
Dividends on stocks owned	$675,347	$628,502	$605,382	$520,998	$464,537	$408,66
Interest received	132,215	113,543	123,013	162,177	150,493	184,41
Total income of trustees	$807,562	$742,045	$728,395	$683,175	$615,030	$593,08
Expenses of trust	25,882	19,243	18,967	35,474	14,569	19,01
Taxes	5,735	10,698	19,709	17,227	18,384	28,27
Interest paid by trustees	72,086	110,108	101,393	107,000	113,094	124,29
Total expenditures of trustees	$103,703	$140,049	$140,069	$159,701	$146,047	$171,58
Balance	$703,859	$601,996	$588,325	$523,474	$468,983	$421,49
Earnings Per Share—						
Preferred	$8.68	$9.31	$9.12	$8.23	$8.03	$7.2
Common	3.61	*3.14	3.53	2.13	1.51	0.6

*Based on average number of shares outstanding.

CONSOLIDATED OPERATING ACCOUNTS, YEARS ENDED DECEMBER 31

(Of Companies whose shares are owned by Mass. Lighting Cos.)

Gross Operating Revenue—	1927	1926	1925	1924	1923	1922
Gas and electric departments	$4,118,868	$3,977,473	$3,690,494	$3,454,679	$3,351,496	$3,001,33
Operating expenses	2,562,990	2,406,812	2,238,441	2,093,144	2,107,767	1,915,77
Depreciation	361,051	400,062	372,011	341,118	325,227	237,22
Net operating revenue	$1,194,827	$1,170,599	$1,080,042	$1,020,417	$918,502	$848,33
Taxes	380,022	368,514	326,080	269,771	249,826	245,16
Miscellaneous deductions	6,930	9,986	4,147	9,592	2,943	2,49
Net operating income	$807,875	$792,099	$749,815	$741,054	$665,733	$600,68
Non-operating income (net)	139,114	151,039	150,041	143,177	112,912	102,73
Gross income	$946,989	$943,138	$899,856	$884,231	$778,645	$703,41
Interest charges	150,889	149,100	164,128	209,051	223,942	245,79
Net income	$796,100	$794,038	$735,728	$675,180	$554,703	$457,62
Dividends	655,947	628,662	605,614	521,491	464,979	409,16
Balance to surplus	$140,153	$165,376	$130,114	$153,689	$89,724	$48,45
Total (including bal. from Trustees' acct.)	$844,011	$767,373	$718,439	$677,164	$558,707	$469,95
Preferred share divids. (Mass. Lighting Cos.)	496,986	449,624	445,877	425,165	399,378	390,21
Common share divids. (Mass. Lighting Cos.)	171,506	145,834	138,507	92,338	64,637	23,08
Balance (including bal. from Trustees acct.)	$175,519	$171,915	$134,055	$159,661	$94,692	$56,65

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

(1926 and 1927 Accounts Audited by Asa E. Chandler)

Assets—	1927	1926	1925	1924	1923	1922
Stocks (at cost)	$7,851,605	$7,463,654	$7,118,309	$6,655,216	$5,948,782	$5,936,182
U. S. Government bonds	.....	.....	.....	.....	.....	100,340
Notes of Massachusetts municipalities	.....	.....	.....	.....	.....	163,154
Public Utility and other bonds	.....	.....	.....	.....	.....	125,519
Notes receivable	2,009,892	1,272,000	1,719,700	1,779,700	1,934,600	1,704,600
Cash	244,706	494,962	178,793	321,019	193,036	229,835
Interest and dividends accrued	.....	49,340	.....	.....	.....	2,804
Accounts receivable	108,821	.....	45,814	134,298	305,952	225,186
Prepaid interest	.....	.....	1,413	.....	.....	.....
Total	$10,215,024	$9,279,956	$9,064,029	$8,890,233	$8,382,370	$8,487,620
Liabilities—						
Share capital paid in	$9,534,416	$7,810,329	*$7,269,744	$6,355,000	$5,841,100	$5,827,100
Share subscriptions	57,895	26,340	12,968	65,076	.....	9,620
Debenture bonds, 1930	.....	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Serial bonds	116,000	227,400	348,000	448,400	558,400	696,000
Notes payable	250,000	.....	225,000	.....	.....	.....
Accounts payable	242	487	267	4,059	20,863	2,366
Taxes, interest, etc., accrued, not due	8,267	27,121	26,724	32,826	44,741	40,549
Reserve for dividends	136,998	112,439	112,025	110,147	99,903	99,591
Surplus:						
Paid in	.....	.....	*.....	809,364	757,974	757,974
Earned	111,206	75,840	69,301	65,360	59,389	54,420
Total	$10,215,024	$9,279,956	$9,064,029	$8,890,233	$8,382,370	$8,487,620

*$809,364 carried Dec. 31, 1924, as "Surplus paid in" has been transferred to "Share capital paid in."

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Notes receivable	$2,009,892	$1,272,000	$1,719,700	$1,779,700	$1,934,600	$1,704,600
U. S. Government bonds	.....	.....	.....	.....	.....	100,340
Notes of Massachusetts municipalities	.....	.....	.....	.....	.....	163,154
Public utility bonds	.....	.....	.....	.....	.....	125,519
Cash	244,706	494,962	178,793	321,019	193,036	229,835
Interest and dividends accrued	.....	.....	.....	.....	.....	2,804
Interest prepaid	.....	.....	1,413	.....	.....	.....
Miscellaneous accounts receivable	108,821	49,340	45,814	134,298	305,952	225,185
Total	$2,363,419	$1,816,302	$1,945,720	$2,235,017	$2,433,588	$2,551,437
Current Liabilities—						
Notes payable	$250,000	.....	$225,000	.....	.....	.....
Accounts payable	242	$487	267	$4,059	$20,863	$2,366
Reserve for dividends	136,998	112,439	112,025	110,147	99,903	99,591
Interest, taxes etc. accrued	8,267	27,121	26,724	32,826	44,741	40,549
Total	$395,507	$140,047	$364,016	$147,032	$165,507	$142,506
Net Working Capital	$1,967,912	$1,676,255	$1,581,704	$2,087,985	$2,268,081	$2,408,931

Officers: A. E. Childs, Pres.; G. F. Howland, Sec. & Treas.; R. D. Washburn, Asst. Sec. & Aud., Boston.

Trustees: Arthur E. Childs, Guy W. Cox, Henry A. Wyman, Chauncey D. Parker, Bowen Tufts, Henry I. Harriman, Geo. F. Howland, Philip M. Childs, Boston; Philip Young.

Office, 77 Franklin St., Boston, Mass.

ADAMS GAS LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1860, in Mass. Supplies gas to Adams, Mass., and electricity to Adams and Cheshire, Mass. No. of customers, Dec. 31, 1927: Gas, 2,558; electricity, 3,092. Population served, 15,367.

CAPITAL STOCK

Authorized, $177,000; issued, $162,000; par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

ARLINGTON GAS LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1854, in Mass. Supplies gas to Arlington, Belmont and Winchester, Mass.; also to Woburn (Mass.) Gas Light Co., and Lexington Gas Co. No. of customers, Dec. 31, 1927, 15,331. Population served, 51,764.

Stock Increase—In Feb., 1928, the Massachusetts Department of Public Utilities approved issuance by Company at $125 per share of 7,000 shares of new $100 par stock.

CAPITAL STOCK

Authorized and outstanding, $1,200,000; par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

AYER ELECTRIC LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1901, in Massachusetts. Supplies the town of Ayer; also supplies current to the town of Groton municipal light department. No. of customers, Dec. 31, 1927, 907. Population served, 7,460.

CAPITAL STOCK

Authorized and outstanding, $65,000 (increased from $30,000 in 1926, the 350 additional shares being sold at $185 a share); par, $100. All owned by Massachusetts Lighting Companies. Transfer Office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

CLINTON GAS LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1854, in Mass. Supplies gas to Clinton, Mass., and electricity to Clinton and Lancaster, and sells current to the Harvard Gas & Electric Co. No. of customers, Dec. 31, 1927: Gas, 4,520; electricity, 4,132. Population served, 16,858.

CAPITAL STOCK

Authorized and outstanding, $359,500; par, $500. All owned by the Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

GAS & ELECTRIC IMPROVEMENT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1913, in Mass. and is engaged in the management of various gas and electric light companies, the capital stocks of which are owned by the Massachusetts Lighting Companies.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. All owned by Massachusetts Lighting Companies. Annual meeting, third Wednesday in March.

FUNDED DEBT

None.

Officers: Guy K. Dustin, Pres.; R. D. Washburn, Sec. & Treas.; W. M. Russell, Gas Eng.; W. S. Bishop, Electrical Eng.; H. L. Ogden, Pur. Agt.; William Gould, Commercial Mgr., Boston, Mass.

Directors: Guy K. Dustin, Bowen Tufts, W. S. Bishop, H. L. Ogden, W. M. Russell, R. D. Washburn, William Gould, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

GLOUCESTER GAS LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1853, in Mass. Supplies gas to Gloucester. No. of customers, Dec. 31, 1927, 5,374. Population served, 23,375.

CAPITAL STOCK

Outstanding, $337,950; par, $50. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

HARVARD ELECTRIC COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1912, in Mass., as Harvard Gas & Electric Co.; name changed to present title in 1924. Supplies electricity in the town of Harvard, purchasing its current from the Clinton Gas Light Co. Population served, 996.

CAPITAL STOCK

Authorized and issued, $60,000; par, $100. All owned by Massachusetts Lighting Companies. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

LEOMINSTER ELECTRIC LIGHT & POWER COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1888, in Mass. Supplies Leominster, Mass. No. of customers Dec. 31, 1927, 5,345. Population served, 22,120. Company has a 7,500 k.v.a. transformer station, which enables it to purchase its electricity from the New England Power Co., with which it has a contract for the supply of its requirements.

CAPITAL STOCK

Authorized, $320,000, and outstanding, $310,000 (increased from $220,000 in 1926, the 900 additional shares being sold at $225 a share); par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

LEOMINSTER GAS LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1878, in Mass. Supplies towns of Leominster and Lunenburg. No of customers Dec. 31, 1927, 4,333. Population served, 23,995.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $100. All but 8 shares owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

$50,000 First Mortgage Gold 5% Bonds; dated June 1, 1902; due June 1, 1932; int. June and Dec. 1, at Keene National Bank, Keene, N. H. Legal for Mass. Savings banks. Company does not pay Normal Federal Income Tax.

Officers: Arthur E. Childs, Pres.; Philip M. Childs V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

LEXINGTON GAS COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1899, in Mass. Supplies gas to Lexington. No. of customers Dec. 31, 1927, 918. Population served, 7,785.

CAPITAL STOCK

Authorized and outstanding, $40,000; par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston, Mass. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs V-P.; G. F. Howland, Sec. & Treas.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

THE LIGHT, HEAT & POWER CORPORATION

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1897, in W. Va. Owns entire capital stock of the Stamford Light, Heat & Power Co.

CAPITAL STOCK

Authorized and outstanding, $100,000 (decreased from $500,000 in 1926); par, $50. Entire stock owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

$50,000 5% 30-Year Coupon Notes; dated Jan. 1, 1899; due Jan. 1, 1929; int. Jan. and July 1, at First National Bank, Boston. Company does not pay Normal Federal Income Tax.

Officers: A. E. Childs, Pres.; Philip M. Childs, V-P.; Geo. F. Howland, Sec. & Treas., Boston.

Directors: A. E. Childs, James F. Bacon, Geo. F. Howland, Philip M. Childs, Boston.

Executive Office, 77 Franklin St., Boston, Mass.

MILFORD ELECTRIC LIGHT & POWER COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1886, in Mass. Supplies electric light and power to Milford and Hopedale. No. of customers, Dec. 31, 1927, 4,583. Population served, 17,946.

CAPITAL STOCK

Authorized and outstanding, $132,500; par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

$40,000 First Mtge. Gold 5% Bonds; dated June 1, 1909; due June 1, 1929; int. June and Dec. 1, at American Trust Co., Boston, Trustee. Legal for Mass. savings banks. Company pays Normal Federal Income Tax up to 2%.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston.

Executive Office, 77 Franklin St., Boston, Mass.

MILFORD GAS LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1854, in Mass. Supplies Milford and Hopedale with gas. No. of customers, Dec. 31, 1927, 1,522. Population served, 17,946.

CAPITAL STOCK

Authorized and outstanding, $72,300; par, $100. All but 5 shares owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston, Mass.

Executive Office, 77 Franklin St., Boston, Mass.

MILL RIVER ELECTRIC LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1903, in Mass. Supplies electric light and power in Williamsburg and Goshen, Mass. Population served, 2,244. Electricity is purchased from the Northampton Electric Lighting Co.

CAPITAL STOCK

Authorized and outstanding, $37,500; par, $100. All owned by Massachusetts Lighting Companies. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P., G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston.

Executive Office, 77 Franklin St., Boston, Mass.

NORTH ADAMS GAS LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1864, in Massachusetts Supplies gas and electricity to North Adams and Clarksburg; electricity to Cheshire; also gas and electricity to the Adams Gas Light Co. and the Williamstown Gas Co. No. of customers, Dec. 31, 1927: Gas, 1,996; electricity, 5,858. Population served, 23,939.

CAPITAL STOCK

Authorized, $1,100,00; outstanding, $970,600; par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs, Boston.

Executive Office, 77 Franklin St., Boston, Mass.

NORTHAMPTON ELECTRIC LIGHTING COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1886, in Mass. Supplies electric light and power to Northampton and to the Mill River Electric Light Co. No. of customers, Dec. 31, 1927, 6,181. Population served, 24,145. Power purchased from Turners Falls Power & Electric Co. System.

CAPITAL STOCK

Authorized and outstanding, $117,400; par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs.

Executive Office, 77 Franklin St., Boston, Mass.

NORTHAMPTON GAS LIGHT COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1853, in Massachusetts. Supplies gas in Northampton. Franchise perpetual. No. of customers, Dec. 31, 1927, 4,895. Population served, 24,145.

CAPITAL STOCK

Authorized and outstanding, $155,675; par, $25. All but two shares owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs.

Executive Office, 77 Franklin St., Boston, Mass.

PALMER GAS COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1903, in Mass. as the Worcester County Gas Co. (see 1922 Public Utility Manual, page 491). Supplies gas in Palmer and Monson, Mass. No. of customers, Dec. 31, 1927, 944. Population served, 16,133. This company guarantees principal and interest of the $85,000 outstanding First Mortgage 5% bonds of the Spencer Gas Co.

CAPITAL STOCK

Authorized and outstanding, $285,000; par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs.

Executive Office, 77 Franklin St., Boston, Mass.

SPENCER GAS COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1886, in Mass. Supplies electricity in Spencer, and gas in Spencer, Warren, Brookfield, North Brookfield, East Brookfield, West Brookfield and Leicester, Mass. No. of customers, Dec. 31, 1927: Gas, 1,765; electricity, 1,602. Population served, 21,273.

CAPITAL STOCK

Authorized and outstanding, $274,200 (increased from $97,500 in 1926, the 1,767 additional shares being sold at par); par, $100. All owned by Massachusetts Lighting Companies. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

$85,000 First Mortgage Gold 5% Bonds; dated July 1, 1909; due July 1, 1929; int. J & J 1, at American Trust Co., Boston, Trustee. Coupon, $1,000. Authorized issue $200,000. The remaining $115,000 are held by the trustee, and can be issued only by authority of the Board of Gas and Electric Light Commissioners of Mass. A first lien on the entire property. Guaranteed principal and interest, by endorsement by Worcester County Gas Co. (now Palmer Gas Co.). First publicly offered ($85,000) in Sept., 1909, at 101½ and interest. Legal for Mass. Savings Banks. Company pays Normal Federal Income Tax up to 2%.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs.

Executive Office, 77 Franklin St., Boston, Mass.

STAMFORD LIGHT, HEAT & POWER COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1904, in Vt. Supplies Stamford, Vt. Population served, 600.

CAPITAL STOCK

Authorized and issued, $8,000; par, $100. Controlled by Massachusetts Lighting Companies through The Light, Heat & Power Corporation. Transfer office, 77 Franklin St., Boston. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas.; C. D. Houghton, Clerk.

Directors: Arthur E. Childs, G. F. Howland, C. D. Houghton, Robert J. Sanford, James F. Bacon, Philip M. Childs.

Executive Office, 77 Franklin St., Boston, Mass.

WILLIAMSTOWN GAS COMPANY

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1889, in Mass. Supplies gas and electricity to Williamstown, Mass. No. of customers, Dec. 31, 1927: Gas, 673; electricity, 1,401. Population served, 4,006.

CAPITAL STOCK

Authorized and issued, $40,000; par, $100. All owned by Massachusetts Lighting Companies. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; G. F. Howland, Sec. & Treas., Boston.

Directors: Arthur E. Childs, G. F. Howland, James F. Bacon, Philip M. Childs.

Executive Office, 77 Franklin St., Boston, Mass.

WOBURN GAS LIGHT CO.

(Controlled by Massachusetts Lighting Companies)

History—Incorporated in 1854 in Massachusetts. Supplies gas to Woburn, purchasing its supply from Arlington Gas Light Co. Population served, 18,370. Miles of mains, about 25. Number of customers, Dec. 31, 1927, 2,116. As of Jan. 5, 1927, the Massachusetts Lighting Companies acquired all the capital stock.

CAPITAL STOCK

Authorized and outstanding, $90,200; par, $100. All owned by Massachusetts Lighting Companies. Annual meeting, fourth Thursday in March.

FUNDED DEBT

None.

Officers: Arthur E. Childs, Pres.; Philip M. Childs, V-P.; George F. Howland, Treas. & Clerk.

Directors: Arthur E. Childs, Philip M. Childs, George F. Howland, James F. Bacon.

Executive Offices, 77 Franklin St., Boston, Mass.

CENTRAL MASSACHUSETTS LIGHT & POWER COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

A voluntary association, organized June 26, 1912, in Mass. Owns entire capital stocks of Blackstone Electric Light Co., Central Massachusetts Electric Co., Union Light & Power Co., Norton Power & Electric Co., and Ware Electric Co. These companies serve 23 Massachusetts towns having a population of about 79,040 and in addition furnish at wholesale the electricity for three towns having a population of 22,903 making a total population of 101,943. The territory of the companies owned includes the following towns: Blackstone, Millville, Palmer, Monson, Warren, Wilbraham, West Brookfield, Belchertown, Brookfield, East Longmeadow, Granby, North Brookfield, Ware, Hardwick, Hampden, Enfield, Franklin, Foxboro, Plainville, Wrentham, Bellingham, Mansfield and North Attleboro. In the two last named communities company sells electricity to the municipal electric light plants. Also furnishes the entire electrical requirements for the electric light department of the Spencer Gas Co.

GROWTH OF BUSINESS OF THE COMPANIES WHOSE STOCK IS OWNED BY THE CENTRAL MASSACHUSETTS LIGHT & POWER COMPANY DURING THE PAST TEN YEARS

Years Ending	K.W.H. Sold	Total No. of Customers	Total Connected Motor Load in H.P.
June 30, 1918	16,970,578	7,003	9,91
June 30, 1919	17,099,589	7,427	10,47
June 30, 1920	21,063,731	8,548	11,67
Dec. 31, 1921	17,002,693	10,446	12,62
Dec. 31, 1922	20,757,319	11,320	13,05
Dec. 31, 1923	26,595,007	12,767	13,55
Dec. 31, 1924	29,564,850	13,853	14,00
Dec. 31, 1925	32,902,730	14,854	13,91
Dec. 31, 1926	36,629,765	16,208	15,70
Dec. 31, 1927	34,643,421	17,112	14,93

CAPITAL STOCK

Authorized, $4,200,000 6% Pfd. shares (expressed value of shares $100) and 6,500 shares Common; outstanding, $2,700,000 Pfd. and 6,500 shares Common stock without par value. As of Dec. 31, 1927 Massachusetts Utilities Investment Trust owned directly or through Utilities Improvement Co. 80.3% of the stock.

Preferred Stock Provisions—Pfd. shares are entitled to dividends at the rate of 6% per annum. They also share equally with the Common after dividends of $6 per share are paid on the Common in any fiscal year, and in case of liquidation are entitled to $125 a share.

Transfer Agent—Old Colony Trust Co., Boston, Mass.

Registrar—First National Bank, Boston.

Tax Provisions—Exempt from Massachusetts taxes and from the Normal Federal Income Tax.

Annual Meeting—Third Wednesday in February.

Dividends—Pfd. dividends are declared the first of, and are paid the fifteenth of F, M, A & N. Initial dividend of 50 cents per share paid on Common stock, March 1, 1924, and 25 cents per share quarterly from June 1, 1924, to Dec. 1, 1925; March 1, 1926, 50 cts. a share which quarterly rate since maintained. An extra dividend of 50 cents per share was paid on Common Dec. 21, 1925.

FUNDED DEBT

None.

CONSOLIDATED OPERATING ACCOUNT, YEARS ENDED DECEMBER 31
(Of companies whose shares are owned by Central Massachusetts Light & Power Co.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,352,853	$1,368,659	$1,277,523	$1,174,567	$1,079,840	$951,065
Operating expenses and taxes	1,036,491	1,039,322	960,522	891,717	804,677	720,889
Net earnings	$316,362	$329,337	$317,001	$282,850	$275,163	$230,176
Non-operating income, net	61,639	28,410	38,967	46,237	46,074	41,042
Total net income	$378,001	$357,747	$355,968	$329,087	$321,237	$271,218
Interest charges	55,660	62,055	68,292	81,238	87,238	84,377
Balance available for dividends, depreciation and reserves	$322,341	$295,692	$287,676	$247,849	$233,999	$186,841
Dividends paid	178,135	165,541	150,248	124,625	109,830	107,067
Balance for depreciation and reserve	$144,206	$130,151	$137,428	$123,224	$124,169	$79,774

NOTE—During 1925, $118,366 and during 1924, $108,065 of earnings was charged to depreciation in addition to $34,655 in 1925 and $34,838 in 1924 expended out of earnings for maintenance.

INCOME STATEMENT OF THE TRUSTEES, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Dividends on stock owned	$178,135	$165,541	$150,247	$124,624	$109,830	$107,067
Interest received	52,986	19,092	16,691	5,551	9,343	10,092
Total income	$231,121	$184,633	$166,938	$130,175	$119,173	$117,159
Trustees' expenses	8,514	22,614	32,553	27,695	29,469	29,205
Net income of trustees	$222,607	$162,019	$134,385	$102,480	$89,704	$87,954
Undivided profits of companies owned	144,206	130,151	137,428	123,224	124,169	79,774
Total	$366,813	$292,170	$271,813	$225,704	$213,873	$167,728
Dividends paid on Central Mass. Light & Power Co. Pfd. stock	198,860	139,655	126,000	95,109	89,112	89,112
Dividends paid and accrued on Central Mass. Light & Power Co. Com. stock	13,000	13,000	9,750	8,125	.....	.....
Balance for depreciation and reserves	$154,953	$139,515	$136,063	$122,470	$124,761	$78,616

Officers: Arthur H. Wellman, Pres.; Bowen Tufts, V.-P.; Charles R. Adams, Treas.; Edward C. Mason, Clerk, Boston, Mass.

Trustees: Chauncey D. Parker, Bowen Tufts, Arthur H. Wellman, Merton E. Grush, Boston, Mass.; Fred T. Ley, Springfield, Mass.

Office, 150 Congress St., Boston, Mass.

BLACKSTONE ELECTRIC LIGHT COMPANY

(Controlled by Central Massachusetts Light & Power Co.)

History—Incorporated in 1896, in Mass., and furnishes gas and electricity for light and power in Blackstone and Millville, Mass. Number of customers, Dec. 31, 1927, 1,966 (1926, 1,829); connected motor load, 15 h.p. Population served, about 7,168.

CAPITAL STOCK

Authorized and outstanding, $100,000 (increased from $60,000 in 1927); par, $100. All owned by Central Massachusetts Light & Power Company. Annual meeting, third Monday in February, at Boston.

Dividends—Dividends have been paid as follows: 1924, 6% and 2% extra; 1925, 6% and 4% extra; 1926, 6% and 1% extra. Beginning Jan. 1, 1927, stock was placed on an 8% dividend basis.

NOTES PAYABLE

At Dec. 31, 1927, Company had outstanding, $25,000 notes. The First National Bank of Boston, Registrar. Legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$76,673	$74,424	$68,731
Oper. exp. & taxes	62,508	59,186	52,620
Net earnings	$14,165	$15,238	$16,111
Non-oper. income	1,761	1,194	2,161
Total income	$15,926	$16,432	$18,272
Interest charges	3,416	3,455	3,235
Balance	$12,510	$12,977	$15,037
Dividends	4,800	*	*
Depreciation & amortization	5,650	*	*
Surplus	$2,060	*	*

*Not reported.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Real est., plant & equip.	$124,736	$125,249	$116,329
Cash, cash assets, supplies, etc.	53,145	28,700	39,630
Total	$177,881	$153,949	$155,959

Liabilities—	1928	1927	1926
Capital stock	$100,000	$60,000	$60,000
Notes payable	25,000	45,000	55,000
Accounts payable	6,772	4,706	4,897
Consumers' deposits	4,678	3,934	3,456
Accrued liabilities	2,562	2,437	1,880
Surplus and reserve	38,869	37,872	30,726
Total	$177,881	$153,949	$155,959

Officers: Arthur H. Wellman, Pres.; Bowen Tufts, V-P.; Chauncey D. Parker, V-P.; Charles R. Adams, Treas.; Edward C. Mason, Clerk, Boston, Mass.

Directors: Bowen Tufts, Chauncey D. Parker, Merton E. Grush, Arthur H. Wellman, Boston, Mass.; Harry L. Norris.

Offices, 150 Congress St., Boston, Mass., and Blackstone, Mass.

CENTRAL MASSACHUSETTS ELECTRIC COMPANY

(Controlled by Central Massachusetts Light & Power Company)

History and Property—Incorporated January 19, 1894, in Mass., and furnishes electricity for light and power in Palmer, Monson, Warren, Wilbraham, East Brookfield, West Brookfield, Belchertown, Brookfield, East Longmeadow, Granby, North Brookfield, Hampden and Enfield, Mass., and sells to the Ware Electric Co. and Spencer Gas Co. (electric department), their entire requirements of electricity. Total population served, about 37,836. Number of customers, Dec. 31, 1927, 8,377 (1926, 8,010); connected motor load, 1927, 8,785 h.p. (8,827 in 1926). Company purchases the entire electrical output of the Central Massachusetts Power Co. under contract. On July 1, 1918, the North Brookfield Electric Light & Power Co. was merged with Central Massachusetts Electric Co. (see 1918 Manual Public Utility Section, page 1515). Effective March 1, 1928, Company reduced its household electric rate from 13½ to 13 cts. net per k.w.h.

CAPITAL STOCK

Authorized and outstanding $1,040,500 (increased from $740,500 in 1927); par, $100. All owned by Central Massachusetts Light & Power Company. Annual meeting, third Monday in February, at Boston.

Dividends—Payments have been made as follows: 1908, 6%; 1909 and 1910, 8%; 1911, none; 1912, 16%; 1913, 9%; 1914, 10%; 1915, 18½%; 1916 to date 9% per annum; payments quarterly F, M, A & N 1.

NOTES PAYABLE

Company has no funded debt, but had outstanding, Dec. 31, 1927, $265,000 notes payable, which are legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$660,828	$652,688	$623,612
Oper. exp. & taxes	482,580	525,926	487,001
Net earnings	$178,248	$126,762	$136,611
Non-oper. income	11,295	12,653	17,323
Total income	$189,543	$139,415	$153,934
Fixed charges	‡95,473	37,856	35,478
Net income	$94,070	$101,559	$118,456
Dividends paid	66,645	66,645	64,507
Surplus available for dep. and reserve	*$27,425	$34,914	$53,949
†Times Fixed Charges Earned	1.98	3.68	4.33

*From which $27,229 was appropriated for depreciation and amortization. †Before depreciation. ‡Includes miscellaneous rents previously included in operating expenses.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Real est., plant & equip.	$1,398,683	$1,318,065	$1,240,899
Cash, cash assets, sup., etc.	248,370	303,892	278,214
Miscellaneous assets	29,434	23,677	27,522
Total	$1,676,487	$1,645,634	$1,546,635
Liabilities—			
Capital stock	$1,040,500	$740,500	$740,500
Premium on capital stock	54,525	9,525	9,525
Coupon notes	.....	.....	48,500
Other notes payable	265,000	585,000	450,000
Accounts payable	38,484	42,761	46,522
Consumers' deposits	23,027	20,968	17,739
Accrued interest, etc.	18,511	16,956	15,848
Surplus and reserves	236,440	229,924	218,001
Total	$1,676,487	$1,645,634	$1,546,635

Officers: Arthur H. Wellman, Pres.; Chauncey I Parker, V-P.; Bowen Tufts, V-P.; Chas. R. Adam Treas.; Edward C. Mason, Clerk, Boston, Mass.

Directors: Fred T. Ley, Chauncey D. Parker, Bowe Tufts, Chas. R. Adams, Paul B. Webber, Merton I Grush, Henry I. Harriman, Arthur H. Wellma Harold B. Lamont, E. S. Hamblen, Manning V Morrill.

Offices, 150 Congress St., Boston, Mass., and Palme Mass.

NORTON POWER & ELECTRIC COMPANY

(Controlled by Central Massachusetts Light & Powe Company)

History—Incorporated in Massachusetts, and ha been in continuous operation since 1908. Furnishe electricity for light, heat and power in Norton, Mass and also sells electricity at wholesale to the municipa electric light plant at Mansfield, Mass. for part of it requirements. No. of customers, Dec. 31, 1927, 50 Population served, 2,769. Connected motor load, 58 h.p.

CAPITAL STOCK

Outstanding, $33,000. All owned by Central Massa chusetts Light & Power Co. Dividends at rate of 8% per annum are paid quarterly F, M, A & N 1.

NOTES PAYABLE

Company has no bonded debt, but has outstandin $60,000 notes payable, which are legal for Massa chusetts savings banks.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$40,21
Operating expenses and taxes	32,08
Net earnings	$8,13
Other income	7,53
Total income	$15,66
Fixed charges	3,24
Balance	$12,42
Dividends	2,64
Depreciation & amortization	4,46
Surplus	$5,31

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Plant and investment	$97,651	$90,119	$83,49
Current assets (cash, etc.)	27,152	19,265	25,70
Total	$124,803	$109,384	$109,19
Liabilities—			
Capital stock	$33,000	$33,000	$33,00
Notes payable	60,000	55,000	45,00
Accounts payable	5,002	4,349	16,07
Accrued accounts, not due	1,248	1,043	77
Surplus and reserves	25,553	15,993	14,34
Total	$124,803	$109,384	$109,19

Officers: Chauncey D. Parker, Pres.; Bowen Tufts V-P.; Charles R. Adams, Treas.; Edward C. Mason Clerk, Boston, Mass.

Directors: Chauncey D. Parker, Bowen Tufts, Mer ton E. Grush, Edward C. Mason, Robert W. Hewins

Offices, 150 Congress St., Boston, Mass., and Norton Mass.

UNION LIGHT & POWER COMPANY

(Controlled by Central Massachusetts Light & Powe Company)

History—Incorporated in Mass.; consolidation as o June 1, 1913, of the Foxboro Electric Co. and the Unio Electric Light Co. of Franklin, Mass. Furnishes elec tricity for light and power in Franklin, Foxboro, Wren tham, Bellingham and Plainville, Mass., and sells elec tricity at wholesale to the municipal electric ligh plants of North Attleboro and Mansfield, Mass., serv ing a total population of over 35,900. No. of customers Dec. 31, 1927, 4,207 (4,003 in 1926); connected moto load, 4,282 h.p. Present household electric rate, 12 cts per k.w.h.

CAPITAL STOCK

Authorized and outstanding, $865,300 (increased from $607,800 in 1926); par, $100. All owned by Central Massachusetts Light & Power Co. Annual meeting third Monday in February, at Boston.

Dividends—9% per annum, with extras of 1% each paid Nov. 15, 1925, March 25, 1926 and Feb. 1927; payments quarterly, F, M, A & N.

NOTES PAYABLE

Company has no bonded debt, but has outstanding $105,000 notes, registered by the Old Colony Trust Co., Boston, and legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$453,653	$427,821	$376,292
Oper. exp. & taxes	314,817	282,646	253,162
Net earnings	$138,836	$145,175	$123,130
Non-operated income	36,331	9,845	14,561
Total income	$175,167	$155,020	$137,691
Interest charges	7,154	13,011	21,745
Balance	$168,013	$142,009	$115,946
Dividends	86,530	*	*
Deprec. & amort.	49,458	*	*
Surplus	$32,025	*	*

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real est., plant and equip.	$1,037,236	$984,628	$932 056
Cash and cash assets, supplies, etc.	262,291	282,897	266,306
Total	$1,299,527	$1,267,525	$1,198,362

Liabilities—	1927	1926	1925
Capital stock	$865,300	$865,300	$607,800
Notes payable	105,000	125,000	377,500
Accounts payable	21,844	24,520	19,220
Int., divds., etc., accrued	15,669	11,191	8,821
Consumers' deposits	14,483	12,508	11,668
Reserves and surplus	277,231	229,006	173,353
Total	$1,299,527	$1,267,525	$1,198,362

Officers: Arthur H. Wellman, Pres.; Bowen Tufts, V-P.; Charles R. Adams, Treas.; Edward C. Mason, Clerk, Boston, Mass.

Directors: Wm. S. Kimball, Foxboro, Mass.; Chauncey D. Parker, Bowen Tufts, Merton E. Grush, Chas. R. Adams, Arthur H. Wellman, Boston, Mass.; Geo. R. S. Denton.

Offices, 150 Congress St., Boston, Mass., and Franklin, Mass.

WARE ELECTRIC COMPANY

(Controlled by Central Massachusetts Light & Power Company)

History—Inc. in Mass. Company has been in continuous operation since 1887. Furnishes electricity for light and power in Ware and Hardwick, Mass. Number of customers, Dec. 31, 1927, 2,062. Connected motor load, 1,069 h.p. Population served, 11,675.

CAPITAL STOCK

Outstanding, $219,000. All owned by Central Massachusetts Light & Power Co. Annual meeting, third Monday in February, at Boston.

Dividends—7% per annum to 1926; 1927, 8%; payments quarterly, F, M, A, & N. Extra dividend of 1% each was paid in 1924 and 1926.

NOTES PAYABLE

Company has no bonded debt, but has outstanding an issue of $75,000 notes. Federal National Bank, Boston, Registrar. Legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$121,485	$111,699	$109,873
Oper. exp. and taxes	85,991	77,835	77,290
Net earnings	$35,494	$33,864	$32,583
Non-oper. income	4,718	4,208	4,599
Total income	$40,212	$38,072	$37,182
Interest charges	4,885	4,500	5,382
Balance	$35,327	$33,572	$31,800
Dividends	17,520	*	*
Deprec. & amort.	17,717	*	*
Surplus	$90	*	*

*Not reported.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Real est., plant and equip.	$301,277	$290,996	$284,028
Cash, cash assets, sup., etc.	97,479	107,566	74,269
Total	$398,756	$398,562	$358,297

Liabilities—	1928	1927	1926
Capital stock	$219,000	$219,000	$219,000
Notes payable	75,000	90,000	70,000
Accounts payable	8,813	11,041	6,845
Consumers' deposits	5,652	5,046	4,710
Int., taxes, etc., accrued but not due	3,029	3,664	2,724
Surplus and reserves	87,262	69,811	55,018
Total	$398,756	$398,562	$358,297

Officers: Arthur H. Wellman Pres.; Chauncey D. Parker, V-P.; Bowen Tufts, V-P.; Charles R. Adams, Treas.; Edward C. Mason, Clerk, Boston, Mass.

Directors: Chauncey D. Parker, Bowen Tufts, Arthur H. Wellman, Boston, Mass.; John H. Schoonmaker, Ware, Mass.; Harry L. Norris.

Offices, 150 Congress St., Boston, Mass., and Ware, Mass.

COMMONWEALTH GAS & ELECTRIC COMPANIES

(Controlled by Massachusetts Utilities Investment Trust)

History—A voluntary organization formed in Mass., under Deed of Trust dated Sept. 19, 1910. Owns the entire capital stock of the Athol Gas & Electric Co. and the Marlborough-Hudson Gas Co. The Athol Gas & Electric Co. serves Athol, Orange, Wendell and Erving; it has in operation a water-power plant on the Millers River, which has a capacity of over 2,200 h. p.; also has steam auxiliary at the water-power plant and an additional steam plant and gas plant in Athol. The Marlborough-Hudson Gas Co. serves Marlborough, Hudson, Stow, Maynard and Southboro. Total population served, approximately 51,934. (See statement of companies owned appended).

SHARE CAPITAL

Authorized, 15,005 shares Common (no par value) and 23,005 shares Pfd. (par, $100). Outstanding, as of Dec. 31, 1927, 15,987¼ shares Pfd. and 15,005 shares Common. No new Pfd. or Common shares can be authorized without the consent of at least 60% of the shareholders. As of Dec. 31, 1927, Massachusetts Utilities Investment Trust directly or through Utilities Improvement Co. owned 80.3% of the stock.

Annual Meeting—Third Wednesday in June.
Transfer Agent—Old Colony Trust Co., Boston.
Dividends—Dividends of 6% quarterly (J, A, J & O 15) have been regularly paid on the Pfd. shares, to shareholders of record J, A, J & O 1. Dividends of 50 cents per share were paid on Common July 15 1913, 1914, 1915 and 1916, and semi-annually throug July 15, 1917; none since.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Of Companies Whose Shares Are Owned by Commonwealth Gas & Electric Companies)

	1927	1926	1925	1924	1923	1922
Gross earnings	$604,339	$591,632	$556,953	$538,056	$559,880	$494,74
Operating expenses	388,258	416,937	389,449	396,960	407,159	355,68
Net earnings	$216,081	$174,695	$167,504	$141,096	$152,721	$139,06
Other income	7,014	13,703	13,588	14,391	14,282	11,22
Total net income	$223,095	$188,398	$181,092	$155,487	$167,003	$150,28
Interest	44,525	47,939	45,167	48,697	50,587	47,77
Depreciation	81,744	38,504	35,568	13,324	24,677	.....
Pfd. dividends of Commonwealth Gas & Electric Cos.	95,924	95,924	95,924	95,924	95,924	95,92
Surplus for year	$902	$6,031	$4,433	*$42	†$114	$6,58

*After adding miscellaneous credits during year, $2,500. †After adding miscellaneous credits during year, $4,299.

Officers: Alonzo P. Weeks, Pres.; Elihu G. Loomis, Sec.; Paul B. Webber, Treas.

Trustees: Alonzo P. Weeks, Elihu G. Loomis, Pau B. Webber, Bowen Tufts, Edward L. Bennett.
Treasurer's Office, 150 Congress St., Boston, Mass

ATHOL GAS & ELECTRIC COMPANY

(Controlled by Commonwealth Gas & Electric Cos.)

History—Incorporated in Feb., 1891, in Mass. On Oct. 24, 1909, acquired property of the Orange Electric Co. Supplies Athol, Mass., with gas for light and fuel. Serves Athol, Orange, Erving and Wendell, Mass., with electricity for light and power. Total population served, 16,474. No. of customers, Dec. 31, 1927: Gas, 1,275; electricity, 4,671. Connected motor load, 5,358 h.p. Prices charged: Gas, $1.18 net per 1,000 cu. ft. with 50c. per month service charge. Prices: Electric—Incandescents, 14 cts. to 10 cts. per k.w. hour; power, 11 cts. to 3 cts. net per k.w. hour. Owns a concrete water-power plant on the Millers River which has a capacity of over 2,200 h. p.; also has steam auxiliary at the water-power plant and an additional steam plant and gas plant in Athol, Mass.

Franklin County Power Co.—Owns developed water power on Millers River in Fairley, Mass. Property includes real estate, water privileges, dam, abutments, canal, wheels and electrical equipment capable of producing 1,000,000 k.w.h. per year. Property is leased to Athol Gas & Electric Co. under a contract which expires April 1, 1954. Under the terms of this contract, the Athol Gas & Electric Co. agrees to pay all operating expenses, taxes, maintenance and depreciation on the property of the Franklin County Power Co and in addition to this, a minimum cash payment of an amount in excess of that which is necessary to pay dividend requirements of the $135,000 6% cumulative Pfd. stock of the Franklin County Power Co. Payments on this stock are made quarterly, M, J, S & D 1, which is transferable at office of The First National Bank of Boston.

CAPITAL STOCK

Authorized, $773,200; outstanding, $757,000; par $100. All owned by Commonwealth Gas & Electric Cos. Annual meeting, third Monday in February.

Dividends—1914, 10%; 1915, 8%; 1916, 7%; 1917, 8½%; 1918, 8½%; 1919, 8.49%; 1920, 9.11%; 1921, to 1927, inclusive, 9.80% each year; payments quarterly, J, A, J & O 10.

NOTES PAYABLE

There were outstanding at Dec. 31, 1927, $386,800 notes payable. Registered by the Old Colony Trust Co., Boston, and legal for Massachusetts Savings Banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$380,402	$375,337	$352,246	$345,471	$369,161	$332,930
Operating expenses and taxes	209,036	250,333	229,660	243,300	256,599	219,716
Net earnings	$171,366	$125,004	$122,586	$102,171	$112,562	$113,214
Non-operating income	3,905	6,436	6,450	7,800	10,576	.....
Total net income	$175,271	$131,440	$129,036	$109,971	$123,138	$113,214
Fixed charges	40,612	99,634	99,161	102,641	104,268	102,609
Dividends	74,323					
Surplus for year	*$60,336	$31,806	$29,875	$7,330	$18,870	$10,605

*From this amount $59,576 was appropriated for depreciation and amortization.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real est., plant & equip.	$1,283,105	$1,266,412	$1,241,064
Cash, cash assets, supplies, etc.	170,139	157,827	180,157
Miscellaneous assets	275	2,866	6,617
Total	$1,453,519	$1,427,105	$1,427,838

Liabilities—	1927	1926	1925
Capital stock	$757,000	$757,000	$757,000
Premium on capital stock	84,000	84,000	84,000
Dividends declared	18,581	18,581	18,581
Notes and accts. payable	414,176	441,819	472,082
Accrued int., taxes, etc.	12,054	11,884	10,952
Surplus and deprec. res.	167,708	113,821	85,273
Total	$1,453,519	$1,427,105	$1,427,838

Officers: Alonzo P. Weeks, Pres.; Bowen Tufts, V-P.; Elihu G. Loomis, V-P.; Edward C. Mason, Clerk; Paul B. Webber, Treas. & Gen. Mgr., Boston, Mass.

Directors: Elihu G. Loomis, M. Bernard Webber, Paul B. Webber, Bedford, Mass.; Edward C. Mason, A. P. Weeks, Bowen Tufts, Winchester, Mass.; E. L. Bennett, Cambridge, Mass.

Offices, Athol, Mass., and 150 Congress St., Boston, Mass.

MARLBOROUGH-HUDSON GAS COMPANY

(Controlled by Commonwealth Gas & Electric Cos.)

History—Incorporated in 1865 in Mass. Furnishes gas for light, heat and power in Marlborough, Hudson, Maynard, Stow and Southboro, Mass. Total population served, over 35,460. No. of customers, 5,809. Rate, $1.60 net per 1,000 cu. ft. plus monthly service charge. Company purchases all of its gas under a contract running to 1943.

CAPITAL STOCK

Authorized, $310,000; outstanding, $270,000; par, $100. All owned by Commonwealth Gas & Electric Cos. Annual meeting, third Monday in February.

Dividends—7% paid 1914 to 1920 inclusive; 1921 to 1927, inclusive, 8%; payments quarterly, J, A, J & O 10.

FUNDED DEBT

$150,000 First Mortgage 5½s; dated Aug. 1, 1922; due Aug. 1, 1937; interest Feb. and Aug. 1. Legal for Massachusetts savings banks.

NOTES PAYABLE

There were also outstanding at Dec. 31, 1927, $205,000 notes payable, registered by The First National Bank of Boston, and legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings (incl. other income)	$227,046	$223,563	$211,845	$199,176	$194,424	$173,044
Operating expenses and taxes	161,959	166,605	159,789	153,660	150,560	137,210
Net earnings	$65,087	$56,958	$52,056	$45,516	$43,864	$35,834
Interest	21,176	22,628	20,329	20,377	20,642	19,490
Balance for dividends	$43,911	$34,330	$31,727	$25,139	$23,222	$16,344
Dividends paid	21,600	21,600	21,600	21,600	21,600	21,600
Deprec. & amortization	22,169	†	†	†	†	†
Surplus for year	$142	$12,730	$10,127	$3,539	$1,622	*$5,256

*Deficit. †Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real estate, plant and equip.	$550,181	$537,912	$527,693
Cash, cash assets, supplies, etc.	151,482	142,621	163,101
Miscellaneous	24,017	28,517	33,917
Total	$725,680	$709,050	$724,711

Liabilities—	1927	1926	1925
Capital stock	$270,000	$270,000	$270,000
Funded debt	150,000	150,000	150,000
Accrued int. and taxes	7,434	6,697	6,273
Notes and accts. payable	231,272	218,813	256,646
Dividends declared	5,400	14,367	5,400
Reserve accounts, Surplus	61,574	{ 5,400 (43,773)	36,392
Total	$725,680	$709,050	$724,711

Officers: Alonzo P. Weeks, Pres.; Elihu G. Loomis, V-P.; Bowen Tufts, V-P.; Paul B. Webber, Treas. & Gen. Mgr., Boston, Mass.

Directors: Alonzo P. Weeks, Bowen Tufts, Winchester, Mass.; Elihu G. Loomis, Paul B. Webber, Bedford, Mass.; Edward L. Bennett, Cambridge, Mass.

Office, Marlborough, Mass. **Treasurer's Office,** 150 Congress St., Boston, Mass.

AMESBURY ELECTRIC LIGHT COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated May 28, 1886, in Mass. Supplies electricity for light and power in Amesbury and Salisbury, including Salisbury Beach. Electricity is also sold to the Town of Merrimac. Franchise, unlimited in point of time. Population served, over 5,398, not including a large summer residential business. No. of customers, 4,429. Connected motor load, 6,974 h. p.

CAPITAL STOCK

Authorized and outstanding $507,500, par, $25. As of Dec. 31, 1927, Massachusetts Utilities Investment Trust owned 86.7% of the stock. Authorized capital stock was changed from $406,000, par $100, to $507,500, par $25, Feb. 16, 1925. The additional 4,060 shares were offered to stockholders at par in July, 1926, in the ratio of one share for each four shares held. Transfer Agent: Boston Safe Deposit & Trust Co., Boston, Mass. Annual meeting, third Monday in February.

Dividends—Dividends in fiscal years ended June 30 have been paid as follows: 1910, 5%; 1911, 5%; 1912, 5¼%; 1913, 6%; 1914, 6¼%; 1915 and 1916, 8% each; 1917, 8% and 1% extra in Aug., 1917; 1918, 9%; 1919, 9%; 1920, 9%; in calendar years 1921 and 1922, 9% each; 1923, 9% regular and extra of 50 cts. in Sept., 1923; 1924, 9% regular and extra of 50 cts. on June 15, 1924; 1925, 1926 and 1927, 9% each; March 15, 1928, 2¼%. Payments quarterly, M, J, S & D 15.

NOTES PAYABLE

There were outstanding Dec. 31, 1927, $125,000 notes payable, registered at the American Trust Co., Boston and legal investment for Massachusetts savings banks.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$312,681	$291,094	$278,868	$226,801	$226,621	$190,029
Operating expenses	253,133	243,873	219,577	171,342	168,722	135,413
Net earnings	$59,548	$47,221	$59,291	$55,459	$57,899	$54,616
Other income	2,902	6,571	6,757	7,891	8,802	7,410
Total income	$62,450	$53,792	$66,048	$63,350	$66,701	$62,026
Interest paid and accrued	3,823	6,705	6,630	8,318	9,012	12,071
Balance for dividends	$58,627	$47,087	$59,418	$55,032	$57,689	$49,955
Dividends paid	45,675	38,657	36,540	38,570	37,418	30,703
Surplus for depreciation, etc.	‡$12,952	$8,430	$22,878	$16,462	$20,271	$19,252
Earnings Per Share	†$2.89	†$2.32	†$3.66	$13.66	$14.21	$13.84

*Before depreciation. †1925, 1926 and 1927 on $25 par; previous years $100 par. In 1925 on basis of 16,240 shares; 1926 on basis of 20,300 shares. ‡Of this amount $12,944 was appropriated for depreciation and amortization.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$676,468	$596,450	$557,425	$522,265	$496,801	$451,37
Cash, cash assets, supplies, etc.	130,089	121,025	119,890	125,453	154,524	145,80
Miscellaneous assets	2,932	.....	.....	.....	1,039	9,22
Total	$809,489	$717,475	$677,315	$647,717	$652,364	$606,40
Liabilities—						
Capital stock	$507,500	$507,500	$406,000	$406,000	$406,000	$361,00
Premium on capital stock	24,500	24,500	24,500	24,500	24,500	24,50
Notes payable	125,000	45,000	110,000	110,000	130,000	157,75
Accounts payable	26,727	28,831	31,721	24,360	30,386	21,05
Consumers' deposits	8,399	7,509	6,798	5,522	.....	.....
Accrued accounts not due	7,165	5,626	5,674	5,497	4,567	4,39
Surplus and reserve	110,198	98,509	92,622	71,839	56,911	37,71
Total	$809,489	$717,475	$677,315	$647,717	$652,364	$606,40

Officers: Arthur H. Wellman, Pres., Boston; Benjamin F. Sargent, V-P., Amesbury, Mass.; Bowen Tufts, V-P.; Chas R. Adams, Treas.; Edward C. Mason, Clerk, Boston; Guy Nickerson, Mgr., Amesbury, Mass.

Directors: Benjamin F. Sargent, Guy Nickerson, Amesbury, Mass.; Bowen Tufts, Harold B. Lamont, Chauncey D. Parker, Edward L. Bennett, Edward C. Mason, Arthur H. Wellman, George W. Perry, Boston, Mass.

Office, 60 Main St., Amesbury, Mass. **Treasurer's Office,** 150 Congress St., Boston, Mass.

CENTRAL MASSACHUSETTS POWER COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History and Properties—A voluntary association formed March 12, 1912, to operate a hydro-electric plant with a steam reserve station on the Quaboag River, situated 1½ miles from Palmer, Mass. Property consists of real estate, water power privileges, dam, abutments, canal, water wheels of 1,200 h.p. capacity, complete electrical equipment, power house and steam reserve station with a capacity of 1,600 h.p. The Central Massachusetts Electric Co. guaranteed under a forty-year contract signed in 1912, to purchase the entire electrical output of the Central Massachusetts Power Co. By terms of this contract the Central Massachusetts Electric Co. agreed to pay all the operating expenses, taxes, maintenance and depreciation of the Water Power Co. and an amount equal to 6% on its outstanding Pfd. shares. The Electric Co. also agreed to pay 1¼ cents per k.w.h. for all power delivered by the Water Power Co. over and above 1,000,000 k.w.h. per year. For further information see statement of Central Massachusetts Electric Co.

Output (in k.w.h.), year ended June 30, 1920, 2,368,620; years ended Dec. 31: 1921, 1,933,390; 1922, 1,939,250; 1923, 1,804,030; 1924, 1,460,200; 1925, 1,153,090; 1926, 1,279,840; 1927, 2,352,330.

CAPITAL STOCK

Authorized and outstanding, $450,000 6% Pfd. (par $100), and 3,000 Common shares (no par value). $25,300 Pfd. stock has been purchased by its depreciation fund. As of Dec. 31, 1927, Massachusetts Utilities Investment Trust owned 93.4% of the stock.

Dividends—Dividends of $4 per share on Common stock and $6 on Pfd. regularly paid to date. Payments quarterly on Pfd., M, J, S & D 1; on Common, semi-annually, Feb. and Aug. 1.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Total income	$46,307	$35,566	$33,37
Preferred dividends	†27,000	†27,000	27,00
Common dividends	12,000	12,000	12,00
Total dividends	$39,000	$39,000	$39,00
Balance for res. & surp.	$7,307	*$3,434	*$5,62
Previous earned surplus	23,707	25,551	31,17
Earned surplus Dec. 31	$31,014	$22,117	$25,55

*Deficit. †Of this amount, $1,949 in 1927 and $1,590 in 192 was paid on Pfd. shares held in depreciation reserve fund.

Officers: Chauncey D. Parker, Pres.; Bowen Tufts V-P.; Edward C. Mason, Clerk; Charles R. Adams Treas., Boston, Mass.

Trustees: Geo. W. Perry, Weymouth, Mass.; Bowen Tufts, Chauncey D. Parker, Edward C. Mason, Merton E. Grush, Arthur H. Wellman, Boston, Mass. Paul B. Webber, Bedford, Mass.

General Office, Palmer, Mass. Treasurer's office 150 Congress St., Boston, Mass.

GARDNER GAS, FUEL & LIGHT COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated in 1894, in Mass. Furnishes gas for light, heat and power in Gardner, Mass. Population served, 18,730. Miles of mains, 21.85. No. of meters, 1,636. Daily capacity, 75,000 cu. ft. Price, $2.55, less discount of 25 cts. if paid by 10th of month.

CAPITAL STOCK

Authorized and outstanding $140,000; par, $100. As of Dec. 31, 1927, Massachusetts Utilities Investment Trust owned directly or through Utilities Improvement Co., 94.5% of the stock. Annual meeting, third Wednesday in February.

Dividends—Quarterly (M, J, S & D 1), at rate of 7% per annum were paid in 1916, 1917 and 1918; 1919, 1¾%; none since.

NOTES PAYABLE

Company has no bonded debt, but has outstanding $260,900 notes payable, registered by Federal National Bank of Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$79,623	$76,860	$73,30
Oper. exp. & taxes	62,599	57,539	62,34
Net earnings	$17,024	$19,321	$10,96
Other income	3,736	2,048	2,62
Total income	$20,760	$21,369	$13,58
Fixed charges	15,226	13,489	13,57
Depreciation & amortization	596	*	*
Surplus	$4,938	$7,880	$8

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real est., plant & equip.	$339,197	$329,287	$318,221
Cash, cash assets, sup., etc.	51,884	40,593	40,694
Miscellaneous items	17,794	17,794	17,794
Profit and loss deficit	32,635	37,573	45,448
Total	$441,510	$425,247	$422,157

Liabilities—	1927	1926	1925
Capital stock	$140,000	$140,000	$140,000
Premium on capital stock	4,200	4,200	4,200
Notes payable	260,900	252,900	249,900
Accounts payable	7,403	3,341	3,301
Interest, taxes, etc., accrd.	26,507	22,442	22,578
Consumers' deposits	2,500	2,364	2,178
Total	$441,510	$425,247	$422,157

Officers: Bowen Tufts, V-P.; Chas. R. Adams, Treas.; Edw. C. Mason, Clerk.

Directors: Louis A. Greenwood, Frank J. Pierce, Gardner, Mass.; Chauncey D. Parker, Edward C. Mason, Bowen Tufts, Harold B. Lamont, Paul B. Webber, Boston, Mass.; Edward L. Bennett, Cambridge, Mass.

Offices, Gardner, Mass., and 150 Congress St., Boston, Mass.

MARLBOROUGH ELECTRIC COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History and Property—Incorporated Feb. 15, 1886, in Mass., to supply electric light and power. Supplies Marlborough, Westboro, Northboro, Southboro, Shrewsbury, Berlin and Bolton, Mass., under perpetual franchise. Population served, about 34,296. Operating data, Dec. 31, 1927: Connected motor load, 7,017 h.p. No. of customers, 7,805; price 11c per k.w.h. net.

CAPITAL STOCK

Authorized and outstanding $481,000; par, $100. As of Dec. 31, 1927, Massachusetts Utilities Investment Trust owned 88.1% of the stock. Transfer Agent: Boston (Mass.) Safe Deposit & Trust Co. Annual meeting, third Monday in February.

Dividends—Dividends paid at rate of 6% to 1907; 1908, 7%; 1909, 7½%; 1910 to 1917, 10% per annum; 1918, 11%; 1919, 10%; 1920, 11%; 1921, 10½%; 1922, 10%; 1923, 10½%; 1924 to 1927, inclusive, 11% per annum; payments quarterly, J, A, J & O 10.

Notes Payable—Company has no bonded debt, but has outstanding, $320,000 Notes, which are registered by American Trust Co., Boston, and are legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$406,098	$390,950	$369,915
Oper. exp. & taxes	250,881	259,810	249,372
Net earnings	$155,217	$131,140	$120,543
Other income	11,402	6,773	11,137
Total income	$166,619	$137,913	$131,680
Interest, rentals, etc.	‡33,798	16,678	13,054
Net income	$132,821	$121,235	$118,626
Dividends paid	52,910	52,910	52,910
*Surplus for year	†$79,911	$68,325	$65,716
Earnings Per Share	$27.61	$25.20	$24.66

*Available for depreciation and reserve. †From this amount $9,707 was appropriated for depreciation and amortization in 1927. ‡Includes miscellaneous rents previously included in operating expenses.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$972,584	$928,559	$861,735
Current accounts, etc.	301,667	267,525	259,750
Miscellaneous	.....	15,215	29,302
Total	$1,274,251	$1,211,299	$1,150,787
Liabilities—			
Capital stock	$481,000	$481,000	$481,000
Premium on capital stock	126,240	126,240	126,240
Notes payable	320,000	320,000	305,000
Accounts payable	38,212	35,464	37,872
Consumers' deposits	21,885	20,499	19,144
Dividends payable	12,025	12,025	12,025
Accrd. int., taxes, etc.	22,122	16,956	13,027
Surplus and reserves	252,767	199,115	156,479
Total	$1,274,251	$1,211,299	$1,150,787

Officers: Elihu G. Loomis, Pres.; Bowen Tufts, V-P.; E. C. Mason, Clerk; Paul B. Webber, Treas., Boston, Mass.

Directors: Elihu G. Loomis, Paul B. Webber, E. C. Mason, A. P. Weeks, E. L. Bennett, Boston, Mass.; Bowen Tufts, L. P. Howe, Marlborough, Mass.

Offices, Marlborough, Mass., and 150 Congress St., Boston, Mass.

WESTBOROUGH GAS & ELECTRIC COMPANY

(Leased to the Marlborough Electric Company)
(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated Nov. 14, 1889, in Mass. Is operated under lease by the Marlborough Electric Company. Serves Westboro, Mass., with electricity. Population, approximately 6,348. Number of electric meters, 1,523.

CAPITAL STOCK

Authorized and outstanding, $36,500. Massachusetts Utilities Investment Trust owns 96.9% of the stock.

Annual Meeting—Third Monday in February.

Dividends are regularly paid at rate of 10% per annum.

FUNDED DEBT

None.

Earnings, year ended Dec. 31, 1927—Total income from rent, interest and dividends, $13,546; dividends paid, $3,650; surplus for year, $9,896.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and equipment	$187,875
Cash	1,995
Notes and accounts receivable	9,173
Total	$199,043
Liabilities—	
Capital stock	$36,500
Permanent construction debt	103,755
Dividend declared	912
Reserve for depreciation	39,906
Profit and loss	17,970
Total	$199,043

Officers: Elihu G. Loomis, Pres.; Bowen Tufts, V-P.; Edward C. Mason, Sec.; Paul B. Webber, Treas. & Gen. Mgr.; Chas. E. Stanwood, Aud.; Robt. H. Jameson, Supt.

Directors: Elihu G. Loomis, Alonzo P. Weeks, Bowen Tufts, Edward L. Bennett, Paul B. Webber.

General Office, 150 Congress St., Boston, Mass. **Operating Office,** Marlboro, Mass.

MERRIMAC VALLEY POWER AND BUILDINGS COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History and Business—Incorporated in 1916 in Massachusetts. Owns valuable real estate and water powers on the Powow River, in Amesbury, Mass., also an industrial railroad connecting all its buildings with the Boston & Maine RR., the Massachusetts Northeastern Street Ry. and tidewater. Company sells electricity for light, heat and power to its own tenants and to the Amesbury Electric Light Co., which supplies Amesbury, Merrimac and Salisbury, with a total population of over 13,910.

CAPITAL STOCK

Outstanding Jan. 1, 1928, $400,000 Common and $358,000 7% Pfd. Massachusetts Utilities Investment Trust, either directly or through Utilities Improvement Co., owns 88.7% of the stock.

Preferred Stock Provisions—Pfd. stock is subject to redemption at 120 and accrued dividends.

Dividends—Pfd. dividends regularly paid since date of incorporation, quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$217,000 FIRST MORTGAGE 5% GOLD BONDS; DUE MARCH 1, 1936

Dated March 1, 1916

Interest Payable March and September 1, at Beacon Trust Co., Boston, Mass.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Beacon Trust Co., Boston, Mass.

Provisions of Issue—Authorized, $290,000; outstanding, $217,000.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—A sinking fund of $7,000 annually provides for retirement of bonds of this issue.

Security—Secured by a first mortgage on all the property of Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund Massachusetts 6% income tax.

(2)

$110,700 7% CONVERTIBLE SINKING FUND GOLD BONDS; DUE MARCH 15, 1941

Dated March 15, 1921.

Interest Payable March and September 15 at Old Colony Trust Co., Boston, Mass.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston, Mass.

Provisions of Issue—Authorized and issued, $250,000; of which $33,000 retired to Jan. 1, 1928.

Callability—Subject to call at 102 and interest on 60 days' notice.

Sinking Fund—On 15th of each month until entire issue is retired, Company will pay a sufficient amount into the sinking fund to retire by lot $7,000 of these bonds annually at a price not exceeding 102 and interest, unless previously purchased in the open market.

Convertibility—Holders of these bonds are entitled on any interest date up to and including Sept. 15, 1940 (or in case bonds are called for redemption, on any day prior to date of redemption), to exchange their bonds for an equal par value of 7% cumulative Pfd. stock of Company.

Security—A prior security to Company's Pfd. and Common stock. The indenture under which these bonds are issued provides that unless this issue is equally secured, Company will place no additional mortgage or other encumbrance upon its property.

Tax Provisions—Company pays Normal Federal Income Tax up to 4%.

(3)

NOTES PAYABLE

$281,000 Notes Payable were also outstanding on Jan. 1, 1928, ranking equally with the Convertible Sinking Fund bonds.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$270,505
Operating expenses	210,114
Net earnings	$60,391
Other income	1,687
Total income	$62,078
Interest charges	40,228
Balance	$21,850
Dividends	22,196
Deficit	$346

GENERAL BALANCE SHEET, JANUARY 1, 1928

Assets—	
Real estate, plant and equipment	$1,300,170
Cash, cash assets, supplies, etc., incl. mtgs. of $66,140	247,079
Prepaid accounts	31,603
Total	$1,578,852
Liabilities—	
Common stock	$400,000
Preferred stock	358,000
First Mortgage bonds	217,000
Sinking fund bonds	110,700
Notes payable	281,000
Accounts payable	34,670
Accrued liabilities	11,224
Surplus and reserves	166,258
Total	$1,578,852

Officers: Chauncey D. Parker, Pres.; Bowen Tufts, V-P.; Charles R. Adams, Treas.

Directors: Chauncey D. Parker, Bowen Tuf, Charles R. Adams, Louis G. Keyes, William S. Felto, Edward L. Bennett, George W. Perry, Harold B. L-mont, Harold Williams, Jr.

Office, 150 Congress St., Boston, Mass.

NORWOOD GAS COMPANY

(Controlled by Massachusetts Utilities Investme Trust)

History—Incorporated Feb. 15, 1865, in Mass. Fu nishes gas for light, heat and fuel in Norwood, Mas serving population of 14,151. Daily capacity, 200,0 cu. ft. No. of customers Dec. 31, 1927, 2,025, cor pared with 1,920 in 1926; gas sold (cu. ft.), 38,558,9 in 1927 compared with 34,153,800 in 1926.

CAPITAL STOCK

Authorized and outstanding, $140,000; par, $10 As of Dec. 31, 1927 Massachusetts Utilities Inves ment Trust owned 94.7% of the stock. Transf Agent: American Trust Co., Boston. Annual meetin third Monday in February.

Dividends—6% per annum was paid quarterly 1911, 1912, 1913 and 1914; 8% 1915 to 1918; 4% 1919; none thereafter until July 15, 1926 when 50 cen per share was paid; Oct. 15, 1926, and quarterly ther after $1 per share; payments, J, A, J & O 15.

NOTES PAYABLE

Company has no funded debt, but has outstandir $189,000 in Notes, which are registered by The Fir National Bank of Boston, and are legal for Mass chusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	192
Gross earnings	$86,535	$83,781	$81,1
Oper. exp. & taxes	63,932	61,308	64,0
Net earnings	$22,603	$22,472	$17,0
Other income	3,159	1,802	2,3
Total income	$25,762	$24,274	$19,4
Fixed charges	11,221	10,299	10,3
Net income	$14,541	$13,975	$9,0
Dividends	5,600	2,100	.....
Deprec. & amortization	8,940	*	*
Surplus	$1	$11,875	$9,0

*Not reported.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Property account	$298,224	$279,205	$257,3
Cash, cash assets, sup., etc.	61,111	55,646	55,2
Profit and loss deficit	.....	.....	3,0
Total	$359,335	$334,851	$315,6
Liabilities—			
Capital stock	$140,000	$140,000	$140,0
Notes payable	189,000	175,000	165,0
Accounts payable	9,242	8,367	8,6
Dividends declared	1,400	.....	.....
Accrued accts., not due	1,931	883	4
Reserves	17,727	10,567	1,6
Surplus	35	34	.....
Total	$359,335	$334,851	$315,6

Officers: C. D. Parker, Pres., Boston, Mass.; Bowe Tufts, V-P., Hull, Mass.; Chas. R. Adams, Treas Brookline, Mass.; Paul B. Webber, Asst. Treas., Bed ford, Mass.; Edw. C. Mason, Clerk, Winchester, Mas

Directors: Paul B. Webber, Bedford, Mass.; Vin cent Goldthwaite, Wellesley, Mass.; Bowen Tufts Hull, Mass.; C. D. Parker, Boston, Mass.; H. M Plimpton, Louis E. Flye, Norwood, Mass.; Edw. C Mason, Winchester, Mass.

General Office, Norwood, Mass. **Treasurer's Office** 150 Congress St., Boston, Mass.

OLD COLONY LIGHT & POWER ASSOCIATES

(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated May 16, 1913, in Mass Owns 48.409% of the capital stock of Plymouth Elec tric Light Co., which controls the electric light and

power business in four Massachusetts towns having a total population of about 28,300. It also owned as of Dec. 31, 1926, cash and notes receivable of $3,664 and special reserve fund investment of $90,885. The territory served by the operating companies comprises Plymouth, Duxbury, Kingston and Marshfield, Mass. Electricity is also sold to the municipal electric light plant of the town of Middleboro.

CAPITAL STOCK

Authorized 5,000 Common shares (no par value) and 5,050 6% Pfd. shares (expressed value, $100); outstanding, Dec. 31, 1926, 5,000 Common shares and 4,932 6% Pfd. shares. As of Dec. 31, 1927, Massachusetts Utilities Investment Trust owned 84.7% of the stock.

Preferred Stock Provisions—The Pfd. shares are entitled to 7% if $7 is paid on the Common shares. Any additional Pfd. shares authorized by the shareholders must be offered to the Pfd. shareholders. In case of liquidation the Pfd. shares are entitled to $120 through May 15, 1918, before the Common shares receive any distribution; and $125 per share thereafter. They are also a first lien on the assets of the Associates.

Transfer Agent—C. D. Parker & Co., Inc., 150 Congress St., Boston.

Registrar—First National Bank, Boston.

Annual Meeting—Third Wednesday in August.

Dividends—Pfd. dividends are regularly paid, quarterly, J, A, J & O 1. Common dividends are also paid quarterly, J, A, J & O 1, the record for recent years being as follows: 1914, 70 cts.; 1915, 75 cts.; 1916 and 1917, $1; 1918, $1.15; 1919, $1.10; 1920, $1.30; 1921, $2.10; 1922, $2.00; 1923, $1.85; 1924, $1.70; 1925, $2.10; 1926, $2.40; 1927, not reported; April 2, 1928, 70 cents.

FUNDED DEBT

There are no bonds authorized or issued against the assets of the Old Colony Light & Power Associates. By the terms of the Deed of Trust, no prior liens can be issued except by vote of 75% of the shareholders.

TRUSTEES STATEMENT OF INCOME AND DISBURSEMENTS YEARS ENDED DECEMBER 31
Including Proportionate Share of the Undivided Earnings of Subsidiary Companies)

	1927	1926	1925
Dividends received	$31,520	$31,520	$33,620
Other income of trustees	21	506	561
Total income of trustees	$31,541	$32,026	$34,181
Trustees' expenses	791	709	1,197
Net income of trustees	$30,750	$31,317	$32,984
Proportionate part of undivided earnings of the companies whose shares are owned	39,124	31,714	31,458
Total avail. for dividends	$69,874	$63,031	$64,442
Dividends paid and accrued:			
Old Colony Preferred	18,006	18,205	22,147
Old Colony Common	16,000	12,000	10,500
Balance for deprec. & res.	$35,868	$32,826	$31,795

INCOME ACCOUNT OF THE OPERATING COMPANIES, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$391,701	$369,721	$346,535
Operating expenses	248,283	246,483	221,050
Net earnings	$143,418	$123,238	$125,485
Other income	7,278	9,139	4,144
Total income	$150,696	$132,377	$129,629
Interest paid and accrued	5,014	1,865	3,141
Balance	$145,682	$130,512	$126,488
Dividends paid and accrued	65,000	65,000	61,499
Surplus for year available for deprec. & res	$80,682	$65,512	$64,989

†The figures for 1925 and subsequent years do not include any income of the Provincetown Light and Power Co., which was sold July 1, 1925, to other interests.

Officers: Bowen Tufts, Pres.; Edward C. Mason, Sec., Boston, Mass.; A. Cleveland Bent, Treas. & Mgr., Taunton, Mass.

Trustee: Frederick M. Rowell, Geo. H. Williams, Plymouth, Mass.; A. Cleveland Bent, Taunton, Mass.; Merton E. Grush, Bowen Tufts, Boston, Mass.

Office, Plymouth, Mass.

PLYMOUTH ELECTRIC LIGHT COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated in 1888, in Mass., and furnishes electricity for light and power in Plymouth, Marshfield, Kingston and Duxbury, Mass., and to the municipal electric light plant of Middleboro. Franchise unlimited in point of time. Population served, 28,300, including town of Middleboro. No. of customers, Dec. 31, 1927, 7,514; connected motor load in h.p., 3,728. Rate is now 12½ cents, compared with 13 cents previously.

CAPITAL STOCK

Authorized and outstanding, $650,000; par, $100. As of Dec. 31, 1927, the Massachusetts Utilities Investment Trust either directly or through the Old Colony Light & Power Associates owned 97.3% of the stock. Annual meeting, third Monday in February.

Dividends—Payments in recent years have been as follows: 2% in 1908-9; 1% in 1909-10; 6% in 1910-11, 1911-12, 1912-13, 1913-14 and 1914-15; 8% each paid from 1916 to 1922, inclusive; 1923, 1924 and 1925, 9% each; 1926 and 1927, 10% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$391,701	$369,721	$346,535
Oper. exp. & taxes	248,283	246,483	221,050
Net earnings	$143,418	$123,238	$125,485
Other income	7,278	9,139	4,144
Total income	$150,696	$132,377	$129,629
Int. paid & accrued	5,014	1,865	3,141
Balance	$145,682	$130,512	$126,488
Dividends paid	65,000	65,000	61,499
Deprec. & amortization	55,227	*	*
Surplus	$25,455	$65,512	$64,989

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real est., plant & equip.	$1,085,972	$1,013,362	$867,567
Cash, cash assets, sup., etc.	111,943	94,497	84,113
Total	$1,197,915	$1,107,859	$951,680
Liabilities—			
Capital stock	$650,000	$650,000	$650,000
Premium on capital stock	15,000	15,000	15,000
Notes payable	105,000	85,000	.....
Accounts payable	20,590	36,483	30,874
Consumers' deposits	17,077	.....	.....
Accrued interest, taxes, etc., not due	12,751	12,173	9,960
Surplus & reserves	377,497	309,203	245,846
Total	$1,197,915	$1,107,859	$951,680

Officers: A. Cleveland Bent, Pres., Taunton, Mass.; Geo. H. Williams, V-P.; Sara C. Bodell, Treas. & Clerk, Plymouth, Mass.

Directors: Frederick D. Bartlett, Geo. H. Williams, Plymouth, Mass.; A. Cleveland Bent, Taunton, Mass.; Merton E. Grush, Bowen Tufts, Boston, Mass.

General Office, Plymouth, Mass.

PLYMOUTH GAS LIGHT COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated in 1853, in Mass. Furnishes gas for light, heat and fuel in Plymouth and Kingston, Mass. Total population served, over 15,700. No. of meters, 1,997. Daily capacity, 85,855 cu. ft. Sales in 1927, 34,334,500 cu. ft. compared with 31,855,700

cu. ft. in 1926, 28,630,900 cu. ft. in 1925, and 27,045,800 cu. ft. in 1924.

CAPITAL STOCK

Authorized, $150,000; outstanding, $148,500, of which $41,200 is held in treasury; par, $100. As of Dec. 31, 1927, Massachusetts Utilities Investment Trust owned 90.8% of the stock. Annual meeting, third Monday in February.

Dividends—Dividends paid semi-annually, at the rate of 6% per annum, in 1910-11, 1911-12, 1912-13; 1913-14 and 1914-15; in these years extra dividends of 1% were paid. Beginning Feb., 1916, the dividend rate was raised to 8%, and 1% extra was paid on Aug. 1, 1916. The 8% rate was continued through 1918; in 1919, 2% was paid; none since.

NOTES PAYABLE

Company has no funded debt, but has outstanding $255,500 notes payable, registered by the Liberty Trust Co., Boston, and legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$78,545	$76,235	$72,973
Operating expenses	58,396	57,572	57,824
Net earnings	$20,149	$18,663	$15,149
Other income	1,254	727	879
Total income	$21,403	$19,390	$16,028
Interest paid	15,465	14,801	14,499
Deprec. & amortization	5,936	*	*
Surplus	$2	$4,589	$1,529

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$335,566	$306,989	$303,687
Cash & cash assets	74,249	60,668	61,625
Suspense	4,770	5,725	7,029
Prepaid accounts	2,305	1,551	1,286
Capital stock contributed by stockholders	41,200	41,200	41,200
Total	$455,785	$416,133	$414,827
Liabilities—			
*Capital stock	$148,500	$148,500	$148,500
Notes payable	255,500	244,750	244,750
Accounts payable	4,653	1,997	2,608
†Accts. payable—deferred	20,979	.....	.....
Consumers' deposits	3,835	3,668	3,398
Accrued accounts	806	788	2,739
Surplus & reserves	21,512	16,430	12,832
Total	$455,785	$416,133	$414,827

*This stock is carried as an asset at its par value and is shown in the statement of liabilities at par. The agreement under which the stock is held by the company provides that it will not be sold at less than par and when and if sold the proceeds will only be used to retire indebtedness or to purchase new equipment. †Due Brockton Gas Light Co. for extensions of mains to supply gas at wholesale to that company, the debt being payable over a period of years.

Officers: Chas. Otten, Jr., Pres.; Bowen Tufts, V-P.; Edward C. Mason, Clerk; Chas. R. Adams, Treas.

Directors: Chas. Otten, Jr., A. Cleveland Bent, Bowen Tufts, Harold B. Lamont, Paul B. Webber, Chauncey D. Parker.

Offices, Plymouth, Mass., and 150 Congress St. Boston, Mass.

RANDOLPH & HOLBROOK POWER & ELECTRIC CO.

(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated in Mass. Business established in 1897. Furnishes electricity for light and power in Randolph and Holbrook, Mass. Total population served over 8,917. Purchases its power from the Weymouth Light & Power Co. No. of customers, Dec. 31, 1927, 2,479. Connected motor load in h.p., 562.

CAPITAL STOCK

Authorized and outstanding, $170,000; par, $25 (changed from $100 par by authorization of Mass. Public Utility Commission in March, 1925). As of Dec. 31, 1927, Massachusetts Utilities Investment Trust owned 98.4% of the stock. Transfer Agen The First National Bank of Boston. Tax exempt Massachusetts.

Dividends—At rate of 9% per annum; paymen 56¼ cts. quarterly, J, A, J & O 15.

NOTES PAYABLE

Company has no funded debt, but has outstandin $152,500 notes payable, registered by The First N tional Bank of Boston, and legal for Massachuset savings banks.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DEC.

	1927	1926	1925
Gross earnings	$108,741	$101,814	$91,0
Oper. expenses & taxes	67,748	70,347	60,3
Net earnings	$40,993	$31,467	$30,7
Non-operating income	2,963	2,874	3,7
Total income	$43,956	$34,341	$34,4
Interest charges	9,300	9,470	8,7
Balance for dividends	$34,656	$24,871	$25,7
Dividends paid	15,300	15,300	15,3
Deprec. & amort.	19,351	*	*
Surplus for year	$5	$9,571	$10,4

*Not reported.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
Real est., plant & equip.	$324,352	$297,143	$283,5
Cash, cash assets, supplies, etc.	57,160	77,194	64,6
Miscellaneous	.....	.....	6
Total	$381,512	$374,337	$348,9
Liabilities—			
Capital stock	$170,000	$170,000	$170,0
Notes payable	152,500	162,500	137,5
Accounts payable	8,718	5,736	8,1
Int., taxes, etc. accrued, but not due	3,335	2,576	2,3
Surplus and reserves	46,959	33,525	30,9
Total	$381,512	$374,337	$348,9

Officers: Chauncey D. Parker, Pres; Bowen Tuft V-P.; Chas. R. Adams, Treas.; Edward C. Maso Clerk, Boston, Mass.; Geo. W. Perry, Gen. Mgr., Wey mouth, Mass.

Directors: Chauncey D. Parker, Bowen Tufts, A onzo P. Weeks, Elihu G. Loomis, Geo. L. Barnes, Ed ward C. Mason, Geo. W. Perry.

Offices, 150 Congress St., Boston, Mass., and Wey mouth, Mass.

SOUTHEASTERN MASSACHUSETTS POWER & ELECTRIC COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History and Properties—Incorporated in 1902, i Mass., as the Marion Gas Co., name changed to abov title Jan. 17, 1916. Furnishes electricity in Marion Wareham, Carver, Rochester and part of Bourne Mass. Electricity furnished to Cape & Vineyard Elec tric Co., Plymouth Electric Light Co., Boston, Cap Cod & New York Canal Co. and the Marconi Wireles Telegraph Co., as to part of their requirements. Popu lation served directly and indirectly, 55,204. Operatin data, Dec. 31, 1927. Number of customers, 4,658; tota connected motor load, 4,516 h.p.; k.w.h. sold, 17, 634,880. Price, 14½ cts. per k.w.h., reduced from 1 cts. in 1927.

CAPITAL STOCK

Authorized and outstanding, $491,425; par, $2 (changed from $100 in 1925). As of Dec. 31, 1927 Massachusetts Utilities Investment Trust owne 91.7% of the stock. Transfer Agent: Old Colony Trust Co., Boston, Mass. Annual meeting, thir Tuesday in February.

Dividends—In fiscal year ended June 30, 1914, 8% 1915 to Aug. 15, 1924, incl., 8% per annum; Nov. 15 1924, to Nov. 15, 1926, inclusive, at rate of 9% per an num; Feb. 15, 1927; $2.50 per share increasing rate t 10% per annum; payments quarterly, F, M, A & N 15

o holders of record F, M, A & N 1. In addition extra ividends have been paid as follows: Nov. 15, 1924, %; Nov. 15, 1926, 1%. Also 1% extra was paid Nov. 5, 1924.

NOTES PAYABLE

Company has no funded debt, but has outstanding 35,000 in notes, which are registered by The First Iational Bank of Boston, and are legal for Massachuetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
ross earnings	$417,812	$402,085	$393,175
per. exp. & taxes	328,333	309,853	314,760
Net earnings	$89,479	$92,232	$78,415
ther income	*1,669	4,883	4,152
Total income	$87,810	$97,115	$82,567
ixed charges	3,787	7,408	8,378
Net income	$84,023	$89,707	$74,189
ividends paid	49,142	46,202	38,700
epreciation & amortization	30,126	27,236	27,260
Surplus	$4,755	$16,269	$8,229

*Debit.

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real est., plant & equip.	$630,165	$589,774	$566,706
Cash, cash assets, supplies, etc.	133,408	191,347	161,545
Total	$763,573	$781,121	$728,251
Liabilities—			
Capital stock	$491,425	$491,425	$430,000
Premium on capital stock	12,308	12,308	23
Other debts	81,106	133,868	200,786
Accrued accounts	9,843	10,841	6,091
Reserves and surplus	168,891	132,679	91,350
Total	$763,573	$781,121	$728,251

Officers: John C. Makepeace, Pres., Wareham, Mass.; Bowen Tufts, V-P.; Benj. E. Waters, Mgr.; Chas. R. Adams, Treas., Boston, Mass.; Edward C. Mason, Clerk, Winchester, Mass.

Directors: A. Cleveland Bent, Chauncey D. Parker, Bowen Tufts, John C. Makepeace, Benj. E. Waters, Isaac E. Hiller, Merton E. Grush, Edward C. Mason, Chas. R. Adams.

General Office, Marion, Mass. **Treasurer's Office,** 150 Congress Street, Boston, Mass.

SOUTHERN BERKSHIRE POWER & ELECTRIC COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History and Properties—Incorporated in 1906 in ass. The Stockbridge Lighting Co. absorbed the enox Electric Co. on Jan. 1, 1919, and changed its me from The Stockbridge Lighting Co. to the South- n Berkshire Power & Electric Co., which company n July 1, 1919, absorbed the Great Barrington Elec- ic Light Co. Company owns generating stations of ater power on the Housatonic River capable of de- loping in an average year 4,514,120 k.w.h. Another urce of supply is purchased from Monument Mills, so on the same river. Company has a tie-in with ttsfield Electric Light Co. as a further reserve. rnishes electricity for light and power in Great Bar- ngton, Sheffield, Egremont, New Marlboro, Mon- rey, Stockbridge, Lenox and West Stockbridge and lls some electricity to the Lee Electric Co. and Pitts- ld Electric Co. Population served, 15,772. No. of ctric customers, Dec. 31, 1927, 3,894. H.p. con- cted, 5,321.

CAPITAL STOCK

Authorized and outstanding, $634,200; par, $25. As Dec. 31, 1927, Massachusetts Utilities Investment ust owned 89.6% of the stock. Annual meeting, ird Monday in February.

Voting Trust—In Jan., 1927, a voting trust was med to hold the stock of Company, the duration of hich will be 10 years, unless in the meantime a satis- tory offer for sale of the stock is received. During te first five years the stock cannot be sold for less than 00 a share and during the last five years for less than 25 a share.

Dividends—In year ended June 30, 1921, 12%, and ce that date 12% per annum has been continuously id; payments quarterly, J, A, J & O 15.

NOTES PAYABLE

ompany has no funded debt, but has outstanding 10,000 in Notes, which are registered by The First tional Bank of Boston, and are legal for Massa- usetts savings banks.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$343,256	$311,408	$296,282
Oper. exp. & taxes	208,911	195,167	193,810
Net earnings	$134,345	$116,241	$102,472
Other income	11,423	8,889	11,428
Total income	$145,768	$125,130	$113,900
Int. paid & accrd.	12,944	10,581	14,034
Net income	$132,824	$114,549	$99,866
Dividends paid	76,104	76,104	72,609
Deprec. & amortization	41,637	*	*
Surplus	$15.083	$38,445	$27,257

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real est., plant & equip.	$1,036,458	$996,473	$941,735
Cash assets, supplies, etc.	213,378	202,330	166,760
Total	$1,249,836	$1,198,803	$1,108,495
Liabilities—			
Capital stock	$634,200	$634,200	$634,200
Premium on capital stock	63,280	63,280	63,280
Notes payable	210,000	215,000	165,000
Accounts payable	14,446	13,081	11,797
Consumers' deposits	4,051	2,697	2,180
Int., taxes, etc., accrued, not due	13,419	12,451	9,137
Depreciation reserve	.....	128,127	93,139
Dividend declared	19,026	19,026	19,026
Surplus	291,414	110,941	110,736
Total	$1,249,836	$1,198,803	$1,108,495

Officers: Chas. E. Hull, Pres. & Gen. Mgr.; Allen T. Treadway, V-P.; Bowen Tufts, V-P.; Chas R. Adams, Treas.

Directors: Chas. E. Hull, Allen T. Treadway, Bowen Tufts, Lorne B. Hulsman, Merton E. Grush, Harold B. Lamont, Edward C. Mason, Chauncey D. Parker, Geo. W. Perry, Walter B. Sanford, John B. Beebe.

Offices: Stockbridge, Mass., and 150 Congress St., Boston, Mass.

WEYMOUTH LIGHT & POWER COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated in 1889, in Mass. Furnishes ectricity for light and power in Weymouth, Mass., a well as to Paragon Park and the large U. S. Naval agazine, and also sells electricity at wholesale to Randolph & Holbrook Power & Electric Co. and the municipal lighting plants of the towns of ngham and Hull (entire requirements) and Brain- e (part of requirements). Total population served, 980. Total output in 1927, 10,305,776 k.w.h. compared with 9,430,962 k.w.h. in 1926 and 8,582,163 k.w.h. in 1925. Connected motor load in h.p., 5,112. Number of customers, 5,899.

Weymouth Water Power Co.—Incorporated in 1889 in Massachusetts. Owns valuable water power rights in East Weymouth. Property consists of real estate and water power privileges on both sides of the river, dam abutments, canal, water wheels and electric equipment, switch board and power house. In 1913

the Weymouth Light & Power Company made a 99-year contract to purchase all the electric energy generated by the terms of which it pays all operating expenses, taxes, maintenance and depreciation and an amount equal to 6% on outstanding stock which consists of $35,000 6% Preferred stock, par $100.

New Control—Control of this company was acquired by Massachusetts Utilities Investment Trust during 1927 on the basis of one share $5 Pfd. stock and one and five-twentieths Common share Voting Trust Certificates (of the Trust for each share of stock of Company.)

CAPITAL STOCK

Authorized, $712,450 (increased from $629,000 in 1926); outstanding, $629,000; par, $25. As of Dec. 31, 1927 Massachusetts Utilities Investment Trust owned 85.5% of the stock. Transfer Agent: Old Colony Trust Co., Boston. Annual meeting, third Monday in February. The par value of the stock was reduced from $100 to $25 Oct., 1924, four new shares being given in exchange for each old share.

Additional Stock Issue Approved—Massachusett Department of Public Utilities in Jan., 1928, approve the issuance of 3,338 shares of capital stock at $30 share, the proceeds to be applied solely to payment an cancellation of $83,444 promissory notes.

Dividends—Payments have been made as follows June, 1911, 4%; Nov., 1911, 2%; fiscal years 1912 an 1913, 8% regular; 1% extra paid Aug. 1, 1912; sinc Aug. 1, 1913, regular dividends of 10% per annum hav been paid to date. Initial dividend of 62½ cents pe share on the new $25 par was paid Feb. 2, 1925 (bein at the regular rate of 10% per annum), which rat maintained to date. Dividends are declared th fifteenth of J, A, J & O and are paid F, M, A & N

FUNDED DEBT

$250,000 First Mortgage Gold Coupon 5½s; date June 2, 1924; due June 1, 1934; int. June and Dec. Legal for Massachusetts savings banks.

Notes Outstanding—At Dec. 31, 1927, there wer outstanding notes to the amount of $325,000, regi tered by the American Trust Co., Boston, and leg for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$476,335	$440,546	$398,718	$408,110	$399,845	$346,2
Operating expenses and taxes	292,955	308,631	254,019	275,648	291,291	244,7
Net earnings	$183,380	$131,915	$144,699	$132,462	$108,554	$101,4
Other income	14,342	11,807	7,892	7,171	4,914	4,2
Total income	$197,722	$143,722	$152,591	$139,633	$113,468	$105,7
Interest paid and accrued	35,906	31,785	34,890	41,500	30,660	35,1
Balance	$161,816	$111,937	$117,701	$98.133	$82,808	$70,5
Dividends paid	62,900	62,900	62,900	62,900	62,900	59,2
Surplus for depreciation and reserve	*$98,916	$49,037	$54,801	$35,233	$19,908	$11,2
‡Times Interest Earned	5.50	4.52	4.37	3.36	3.70	3.
‡Earnings Per Share	§$6.43	§$4.45	§$4.68	$15.60	$14.75	$13.

*From this amount $98,913 was reserved for depreciation and amortization. ‡Before depreciation. §Par, $25.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Real estate, plant and equipment	$1,241,519	$1,215,709	$1,181,007	$1,090,258	$1,038,172	$1,006,3
Cash, cash assets, supplies, etc	255,506	257,169	207,580	224,449	234,502	190,9
Miscellaneous	.....	2,506	18,006	27,006	38,276	45,0
Total	$1,497,025	$1,475,384	$1,406,593	$1,341,713	$1,310,950	$1,242,2
Liabilities—						
Capital stock	$629,000	$629,000	$629,000	$629,000	$629,000	$629,0
Premium on capital stock	101,400	101,400	101,400	101,400	101,400	101,4
Funded debt	250,000	250,000	250,000	250,000	.....	.....
Notes payable	325,000	325,000	270,000	245,000	492,500	449,0
Accounts payable	38,916	27,237	18,482	26,129	35,707	23,7
Consumers' deposits	16,084	15,377	12,825	11,368	.....	.....
Accrued accounts, not due	15,248	13,326	10,731	10,952	9,508	13,4
Depreciation reserve	107,949	100,783	101,014	55,572	30,818	25,6
Surplus	13,428	13,261	13,141	12,292	12,017	
Total	$1,497,025	$1,475,384	$1,406,593	$1,341,713	$1,310,950	$1,242,2

Officers: Arthur H. Wellman, Pres.; Chauncey D. Parker, V-P; Bowen Tufts, V-P; Chas. R. Adams, Treas.; Edward C. Mason, Clerk, Boston, Mass.

Directors: Chauncey D. Parker, Bowen Tufts, Arthur H. Wellman, Charles R. Adams, Vincent Goldthwaite, George W. Perry, Boston, Mass.; Geor L. Barnes, Edward L. Bennett, Louis G. Keyes.

General Office, East Weymouth, Mass. **Treasure Office**, 150 Congress St., Boston, 9, Mass.

WINCHENDON ELECTRIC LIGHT & POWER COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History and Property—Incorporated in 1889, in Mass. Furnishes electricity for light and power in Winchendon, Mass., serving a population of about 6,173. Company owns three hydraulic plants, equipped with seven water wheels, in all a total of 1,050 h.p. No. of customers, Dec. 31, 1927, 1,340. Connected motor load, 2,708 h.p. Output in 1927, 1,970,265 k.w.h., compared with 1,878,806 k.w.h. in 1926 and 1,716,237 k.w.h. in 1925.

CAPITAL STOCK

Authorized and outstanding, $227,000; par, $100. As of Dec. 31, 1927 Massachusetts Utilities Investment Trust owned 90.3% of the stock. American Trust C Boston, Mass., Transfer Agent. First National Ban Boston, Mass., Registrar. Annual meeting, third Mo day in February.

Dividends—8% per annum; payments quarterl F, M, A & N 1.

NOTES PAYABLE

Company has no funded debt, but has outstandi $185,000 Notes, which are registered by The Fir National Bank of Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
ross earnings	$99,822	$96,448	$89,072
perating expenses	62,515	62,910	56,483
Net earnings	$37,307	$33,538	$32,589
ther income	2,534	2,711	2,968
Total income	$39,841	$36,249	$35,557
Fixed charges	11,300	11,522	11,703
Net income	$28,541	$24,727	$23,854
Dividends paid	18,160	18,160	18,160
Balance	$10,381	$6,567	$5,694
Depreciation & amortiz.	10,336	6,549	5,622
Surplus	$45	$18	$72

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
eal est., plant & equip.	$379,449	$374,569	$364,216
iscellaneous assets	2,961	6,675	9,390
ash, cash assets, supplies, etc.	81,986	76,508	71,287
Total	$464,396	$457,752	$444,893

Liabilities—	1927	1926	1925
Capital stock	$227,000	$227,000	$227,000
Notes payable	185,000	187,500	182,500
Accounts payable	4,289	5,799	3,602
Accrued int., taxes, etc.	3,220	2,618	2,312
Surplus and reserve	44,887	34,835	29,479
Total	$464,396	$457,752	$444,893

Officers: Chauncey D. Parker, Pres.; Bowen Tufts, -P.; Chas. R. Adams, Treas.
Directors: Chauncey D. Parker, Bowen Tufts, Chas. R. Adams, E. L. Bennett, Louis D. Keys, Geo. W. Perry, F. C. Smith, Jr., Paul B. Webber.
General Office, 150 Congress St., Boston, Mass.

WORCESTER SUBURBAN ELECTRIC COMPANY

(Controlled by Massachusetts Utilities Investment Trust)

History—Incorporated Jan. 1, 1911, in Mass.; consolidation of Uxbridge & Northbridge Electric Co., Douglas Electric Co., Grafton Electric Co., Millbury Electric Co. and Upton Electric Co. Furnishes electricity for light and power in Uxbridge, Douglas, Northbridge, Sutton, Millbury, Auburn, Grafton, Menon and Upton, Mass. Population served, 42,119. Number of customers, Dec. 31, 1927, 10,356. Connected motor load, 12,926 h.p.

The Worcester Surburban Electric Co. is buying s electricity from the New England Power Co. under a thirty-year contract, which went into effect n Jan. 1, 1914, and in turn the New England Power o. leases, as a reserve station, the modern steam rbine plant of the Worcester Surburban Electric Co. or the use of this station the New England Power o. pays all the operating expenses, maintenance, interest, taxes, insurance and depreciation on the plant.

CAPITAL STOCK

Authorized and outstanding, $800,000; par, $25 changed from $100 par value in Nov., 1924). As of ec. 31, 1927 Massachusetts Utilities Investment rust owned 84.5% of the stock.

Voting Trust—A voting trust has been formed to old stock of Worcester Surburban Electric Co., and outhern Berkshire Power & Electric Co. The duration of each trust will be ten years unless in the meantime a satisfactory offer for the sale of the stock is received. In the case of the Worcester Company during the first five years of the trust, the stock will not be sold for less than $150 a share and during the last five years at not less than $175. In the Southern Berkshire trust the prices are $100 a share during the first five years and $125 during the last five years.

Transfer Agent—Old Colony Trust Co., Boston.

Annual Meeting—Third Monday in February.

Dividends—Dividends paid in fiscal years ended June 30: 6% in 1912; 6% in 1913; 6½% in 1914; 8½% in 1915; 1916 to April 15, 1925, at rate of 10% per annum; July 1, 1925 to Jan. 15, 1927 at rate of 12% ($3) per annum; April 15, 1927 to date, at rate of 16% ($4 per share) per annum; payments quarterly J, A, J & O 15. In addition, extra dividends have been paid as follows: July 15, 1916 and 1917, 2% each; July 15 and Dec. 15, 1923, 1% each; 1924, 2%; Jan. and April, 1925, ½% each; Dec. 15, 1925, 2%; Jan., April, July and Oct. 15, 1926, 15 cts. each; Dec. 20, 1926, 25 cts.; Jan. 15, 1927, 15 cts. on new stock.

NOTES PAYABLE

At Jan. 1, 1928, there were outstanding $240,000 notes. These notes are registerable by the Beacon Trust Co., Boston, Mass., and are legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
ross earnings	$704,009	$652,275	$609,647	$567,315	$555,132	$471,476
perating expenses and taxes	513,734	490,910	422,043	429,950	401,426	388,718
Net earnings	$190,275	$161,365	$187,604	$137,365	$153,706	$82,758
ther income	26,623	29,786	34,029	44,128	45,472	47,010
Total income	$216,898	$191,151	$221,633	$181,493	$199,178	$129,768
terest charges, etc	13,945	10,806	12,347	16,426	16,711	17,854
Net income	$202,953	$180,345	$209,287	$165,067	$182,467	$111,914
ividends paid	128,000	123,200	112,000	100,000	96,000	80,000
Balance for depreciation and reserve	*$74,953	$57,145	$97,287	$65,067	$86,467	$31,914
Earnings Per Share	‡$6.34	‡$5.64	‡$6.54	‡$5.16	$22.81	$13.99

*From this balance was appropriated $52,615 in 1927 for derpreciation and amortization. †Before depreciation and reserve. Based on $25 par value shares; on $100 par value shares in previous years.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	†1923
eal estate, plant and equipment	$1,298,150	$1,190,263	$1,098,033	$1,050,072	$999,974	$976,467
ash, cash assets, supplies, etc	363,714	335,208	337,969	329,966	328,824	267,634
Total	$1,661,864	$1,525,471	$1,436,002	$1,380,038	$1,328,798	$1,244,101

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	†1923
Capital stock	$800,000	$800,000	$800,000	$800,000	$800,000	$800,00
Premium on capital stock	50,000	50,000	50,000	50,000	50,000	50,00
Coupon notes	.....	.....	.....	.....	.....	
Notes payable	240,000	180,000	150,000	195,000	202,000	220,80
Accounts payable	53,009	44,918	46,691	36,391	67,361	49,39
Consumers' deposits	35,612	32,406	29,047	25,365	.....	.....
Accrued accounts	25,557	26,665	21,154	24,201	24,288	19,47
Dividends declared	32,000	28,800	24,000	24,000	.....	.....
Special reserve	90,200	68,200	64,000	.....	.....	.....
Depreciation reserve	249,601	208,934	166,227	125,231	87,046	104,43
Surplus	85,885	85,547	84,884	75,850	98,103	
Total	$1,661,864	$1,525,471	$1,436,002	$1,380,038	$1,328,798	$1,244,10

†January 1.

Officers: Chauncy D. Parker, Pres.; Malcolm G. Chace, V-P.; Bowen Tufts, V-P.; Chas. R. Adams, Treas., Boston, Mass.; Edward C. Mason, Clerk, Winchester, Mass.

Directors: Chauncy D. Parker, Bowen Tufts, Malcolm G. Chace, Edward C. Mason, Henry I. Harriman, Elihu G. Loomis, Alonzo P. Weeks, Bryan R Houghton, Boston, Mass.; Gustavus Goepper, Cambridge, Mass., Frank C. Smith, Jr., Worcester, Mass. Geo. W. Perry, Weymouth, Mass.

General Office, Uxbridge, Mass. **Treasurer's Office** 150 Congress St., Boston, 9, Mass.

THE COMMONWEALTH LIGHT AND POWER COMPANY

History—Incorporated Nov. 28, 1916 in Maryland, for the purpose of acquiring, constructing, operating and developing electric light and power, water gas and ice properties and other public utility properties of similar nature, and through its subsidiary furnishes, without competition, a diversified public utility service to over 320 communities, located n the states of Michigan, Missouri, Kansas, Arkansas and Texas. The population served is approximately 314,500. Owns all the Common stock of Inland Power & Light Corporation.

Plan and Agreement was made effective May 27, 1927 whereby the Commonwealth Light and Power Company disposed of its interest in subsidiary operating companies to the Inland Power and Light Corporation, acquiring thereby all of the Common stock Class "A" and Class "B" (excepting directors' qualifying shares) of the Inland Power and Light Corporation. For details of the Plan see 1926 Public Utility Manual, page 2319, and for details of Modification of the Plan see 1927 Public Utility Manual, page 2379.

New Interests—Early in 1928, the National Electric Power Co. acquired a substantial interest in the Common stock of Company.

CAPITAL STOCK

Authorized, $10,000,000; outstanding, $4,034,500; par, $100.

Annual Meeting—Fourth Monday in January, a Baltimore, Md.

FUNDED DEBT

$1,664,884 THE COMMONWEALTH LIGHT & POWER CO. REFUNDING & UNIFYING 7% BONDS; DUE JANUARY 1, 1968

Dated January 1, 1922.

Interest Payable January and July 1, at New York Trust Co., New York, Trustee.

Callability—Subject to call on any interest date on thirty days' notice, at 105 and interest.

Security—In addition to being a first claim on all the assets of Company, these bonds are secured by pledge of all the Common stock (Class "A" and Class "B") of Inland Power & Light Corp.

BOND REDEMPTION

The outstanding First Lien & Refunding 6s, due Nov. 1, 1947, have been called for payment on Nov. 1, 1928 at 105 and interest.

OFFICERS AND DIRECTORS

Officers: Martin J. Insull, Pres., Chicago, Ill.; Harry Reid, V-P., New York; Clement Studebaker, Jr., V-P.; F. E. Kruesi, V-P.; Oliver E. McCormick, Treas.; Eustace J. Knight, Sec., Chicago, Ill.

Directors: Martin J. Insull, E. V. Graham, H. L. Hanley, Clement Studebaker, Jr., Chicago, Ill.; Harry Reid, New York, N. Y.

General Office, 72 West Adams St., Chicago, Ill.

INLAND POWER & LIGHT CORPORATION

(Controlled by The Commonwealth Light and Power Co.)

History—Organized Jan. 20, 1926, in Virginia, and has acquired all interests in the former subsidiaries of Commonwealth Light & Power Co. and Interstate Electric Corp.

On May 27, 1927, the physical properties of the Kansas subsidiaries of The Commonwealth Light and Power Company and Interstate Electric Corporation were transferred by consolidation or otherwise to the Kansas Power Company and similar action was taken in respect to the properties of subsidiaries operating in Michigan, Arkansas, Missouri and Texas, whereby such properties were acquired by the operating companies: Michigan Public Service Company, Arkansas-Missouri Power Company, Missouri Public Service Company and Dalhart Public Service Company (see appended statements). All Common stocks of the above noted operating companies (except directors' qualifying shares) were acquired by the Inland Power and Light Corporation.

The operating companies furnish electric light and power, gas, water and/or ice in over 340 communities with a population estimated at over 327,600 serving 60,921 electric, 3.507 gas, and 4,486 water customers.

The electric systems have an installed generating capacity of 31,318 k.w. and 2,473 miles of high tension transmission lines. The gas systems include generating plants of a daily capacity of 269,000 cu. ft. with 124 miles of gas mains. The water systems have a daily capacity of 12,009,600 gallons and 82 miles of water mains. The daily ice making capacity is 486 tons. During the year ended Dec. 31, 1927, the total electric energy generated was 77,961,435 k.w. and there were 147,948,000 cu. ft. of gas made; ice produced was 63,791 tons and water pumped, 510,513,000 gallons.

INLAND POWER & LIGHT CORPORATION, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

OPERATING STATISTICS, YEARS ENDED DECEMBER 31
(Operating Companies)

	Gross	Net Operating Revenues	Electric Output (KWH)	Gas Made (Cubic feet)	Water Pumped (Gallons)	Ice Produced (Tons)
1922	$2,256,033	$760,453	35,751,785	127,898,000	189,031,000	44,693
1923	2,595,560	958,491	41,241,736	136,334,000	326,385,000	49,550
1924	3,199,310	1,282,359	46,880,592	140,817,000	304,095,000	55,149
1925	3,889,519	1,863,902	61,864,476	134,764,000	486,065,000	55,893
1926	4,072,152	1,911,963	69,316,957	138,359,000	543,978,000	54,417
1927	*	*	77,961,435	147,948,000	510,513,000	63,791

*Not reported.

CAPITAL STOCK

Authorized 300,000 shares Class "A" Common of no par value, 100,000 shares Class "B" of no par value and $10,000,000 7% cumulative Pfd., par $100; outstanding, 100,000 shares Class "A" Common, 100,000 shares Class "B" and $1,629,500 Pfd. The entire outstanding Class "A" and Class "B" Common stock is owned by Commonwealth Light & Power Co. and pledged by it as part security for its Refunding and Unifying bonds. Class "B" Common stock has full voting power.

Preferred Stock Provisions—Has preference for assets over both classes of Common stock and for dividends at the rate of 7% per annum. It is subject to call in whole or in part on any dividend payment date at 107, plus accrued and unpaid dividends. Upon voluntary liquidation, dissolution or winding up of Company, Pfd. stock will receive $107 per share, and upon involuntary liquidation or dissolution, $100 per share, plus an amount equal to the dividends unpaid and accumulated thereon, whether earned or not, before any payment may be made or any assets distributed to the holders of Common stock.

Company shall not, if holders of one-third or more of the outstanding Pfd. stock object thereto, (1) increase the authorized amount of Pfd. so that it will exceed $10,000,000, or (2) create any other stock or class of stock having priority over, or on a parity with, the Pfd. stock, either as to earnings or assets. Pfd. stock shall have no voting power unless dividends amounting to 7% thereon shall have accrued and be unpaid, or unless there shall have occurred some default in the observation of any of the above provisions. In either of these events, so long as any dividends on Pfd. stock are in arrears or any such other default continues, and no longer, the Pfd. stock shall have full voting rights equally share for share with Class B" Common stock.

Class "A" Common Stock Provisions—Subject to the rights of the Pfd. stock, Class "A" Common will have priority as to cumulative dividends to the extent of $1.20 per share per annum over Class "B" Common. It will be subject to call at any time at option of Company, in whole or in part, at $20 per share and accrued dividends. Upon liquidation or dissolution, it will have priority over Class "B" Common up to $20 per share and accrued dividends. Class "A" Common shall not be entitled to vote.

Transfer Agent (Preferred Stock)—The Empire Company, New York, N. Y.

Registrar (Preferred Stock)—Central Union Trust Co. of New York.

Dividends—Initial quarterly dividend of 1¾% on Preferred stock was paid July 1, 1927; regular quarterly payments since, J, A, J & O 1.

FUNDED DEBT

(1)

$9,200 TEN-YEAR FIRST COLLATERAL TRUST SINKING FUND GOLD 6s, SERIES "A"; DUE MARCH 1, 1936
$1,452,900 FIFTEEN-YEAR FIRST COLLATERAL TRUST SINKING FUND GOLD 6s, SERIES "B"; DUE MAY 1, 1941
$3,000,000 THIRTY-YEAR FIRST COLLATERAL TRUST SINKING FUND GOLD 6s, SERIES "C"; DUE APRIL 1, 1957

Dated—Series "A" March 1, 1926; Series "B" May 1, 1926; Series "C" April 1, 1927.

Interest Payable—Series "A" March and September 1; Series "B" May and November 1; Series "C" April and October 1.

Trustee—Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized and issued: Series "A", $709,200; Series "B", $1,452,900. Authorized amount of Series "C" is limited by restrictive conditions of the Trust Indenture, but not to any specific principal amount; issued; $3,000,000. Additional bonds of Series "C" or any subsequent series, bearing such rate or rates of interest and otherwise of such tenor as the Board of Directors may from time to time determine, may be issued against the acquisition of additional securities and for cash when consolidated net earnings as defined in the Trust Indenture for a period of twelve consecutive calendar months within the fifteen calendar months immediately preceding shall have been equal to not less than three times the amount of the annual interest charges on all the Collateral Trust Bonds outstanding and those proposed to be issued. Bonds may also be issued, without earnings restrictions, against the retirement of previously issued bonds, unless retired through the sinking fund hereafter mentioned.

Purpose of Issue—Series "A" bonds were issued on a par for par basis in exchange for Interstate Electric Corp. First Lien Collateral 6s of 1933; Series "B" bonds were issued on a par for par basis in exchange for The Commonwealth Light & Power Co. First 6s of 1947.

Proceeds from the sale or Series "C" bonds, together with the proceeds of other financing, were used in part for the acquisition of the Common stocks of the local operating companies, for the retirement of outstanding securities of predecessor companies and for other corporate purposes.

Callability—Series "A" and Series "B" are subject to call on the first day of any month on 30 days' notice; Series "A" bonds at 102¼ and accrued interest, reducing one-quarter of 1% on April 1, 1928 and on each April 1, thereafter; Series "B" bonds at 105 and accrued interest April 1, 1931, reducing one-half of 1% on May 1, 1931 and in each year thereafter; Series "C" bonds at 106 and interest to and including March 1, 1932, premium reducing 1% on the first day of April in each of the years 1932, 1937, 1942, 1947 and 1952.

Sinking Fund—A sinking fund is provided for Series "A" and Series "B" bonds under the terms of which 2% of the largest principal amount of bonds of said two series at any time outstanding, will be retired each year starting in 1928 by surrender, by purchase for cancellation, or by redemption. For the retirement of bonds of Series "C," indenture will provide for semi-annual payments to Trustee, beginning April 1, 1928, and semi-annually thereafter, which payments, it is estimated, will retire Series "C" on or before maturity. Indenture will provide that with respect to additional Series "C" bonds or bonds of any subsequent series (issued while any Series "C" bonds are outstanding) maturing more than 5 years from date of issue, provision shall be made for their retirement (on the basis of par) at or before maturity by sinking fund or otherwise.

Convertibility—Bonds of Series "C" are convertible at any time on or after April 1, 1932, and prior to maturity, or if called for redemption prior to redemption date, at the option of the holder—with adjustment of accrued dividends and accrued interest—into the fully paid and non-assessable 7% cum. Pfd. stock of Corporation on the basis of 11 shares, of the par value of

$100 each, for each $1,000 principal amount of bonds. This privilege shall not extend to bondholders who are at the time residents of States where so-called Blue Sky laws are in effect at time of conversion, unless and until such Pfd. stock shall be saleable under the respective Blue Sky Laws of States where the bondholders reside.

Security—The Collateral Trust bonds are direct obligation of Corporation and are specifically secured by pledge with the Trustee of all the outstanding Common stocks of the subsidiary operating companies, viz: Arkansas-Missouri Power Co., Dalhart Public Service Co., Kansas Power Co., Michigan Public Service Co., and Missouri Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse resident holders of Series "A", Series "B" and Series "C" bonds, if requested within 60 days after payment, for the Connecticut 4 mills tax, Pennsylvania 4 mills tax, Maryland 4½ mills tax, California personal property tax up to 4 mills and District of Columbia 5 mills tax, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion (Series "C" bonds)—Townsend, Elliott & Munson, (for the bankers) and Chadbourne, Hunt, Jaeckel & Brown, (for the Corporation)

Original Offering—First publicly offered ($3,000,000 Series "C" 6s) in April 1927, at 96 and interest to yield about 6.30%, by Howe, Snow & Bertles, Inc., Stroud & Co., Inc., Spencer Trask & Co., A. E. Fitkin & Co., New York, etc.; R. E. Wilsey & Co., and Pearsons-Taft Co., Chicago, etc.

(2)

$1,291,900 7% SINKING FUND DEBENTURES; DUE JUNE 1, 1935

Dated June 1, 1926.

Interest Payable June and December 1, in New York.

Denomination—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York, New York.

Provisions of Issue—Authorized and issued, $1,291,900 in exchange for Interstate Electric Corporation 10-Year 7% Sinking Fund Debentures, due Dec. 1, 1932, on a par for par basis.

Callability—Subject to call on the first day of any month on 30 days' notice, at 103½ and accrued interest, to and including April 1, 1928, reducing one-half of 1% on May 1, 1928 and in each year thereafter.

Sinking Fund—A sinking fund is provided under the terms of which 2% of the largest principal amount at any time outstanding will be retired annually.

Security—A direct obligation of Corporation, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse resident holders, if requested within 60 days after payment for the Connecticut 4 mills tax, Pennsylvania 4 mills tax, Maryland 4½ mills tax, California personal property tax up to 4 mills and District of Columbia 5 mills tax, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum

Legal Opinion—Townsend, Elliott & Munson (for the bankers) and Chadbourne, Hunt, Jaeckel & Brown (for the Corporation).

CONSOLIDATED INCOME ACCOUNT, SEVEN MONTHS ENDED DECEMBER 31, 1927

Gross revenue	$2,592,94
Operating expenses, incl. taxes & maintenance	1,491,94
Retirement expense	91,72
Net income	$1,009,26
Other income	180,27
Gross income	$1,189,54
Interest charges	704,40
Other deductions	86,80
Balance for dividends	$398,34
Dividends	182,06
Balance	$216,27

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	$28,574,73
Investments	12,22
Special deposits	110,40
Cash	199,26
Notes receivable	27,09
Accounts receivable	714,82
Merchandise, material and supplies	509,721
Prepaid insurance, etc.	25,04
Unamortized debt discount and expense	2,501,53
Suspense	63,77
Total	$32,738,62
Liabilities—	
Common stock	$4,885,23
Preferred stock	200,09
Funded debt	21,574,90
Accrued interest, taxes, etc.	574,87
Transmission line contracts	108,62
Notes payable	52,25
Accounts payable	475,652
Retirement reserve	2,764,517
Other reserves	149,70
Consumers' deposits	121,682
Other liabilities	60,083
Surplus	1,771,010
Total	$32,738,623

Officers: Martin J. Insull, Pres.; Clement Studebaker, Jr., V-P., Chicago, Ill.; Harry Reid, V-P., New York; F. E. Kruesi, Operating V-P.; O. E. McCormick, Treas.; Eustace J. Knight, Sec.; W. L. Campbell, Compt., Chicago, Ill.

Directors: Martin J. Insull, Clement Studebaker, Jr., H. L. Hanley, E. V. Graham, F. E. Kruesi, Chicago, Ill.; Harry Reid, B. A. Howe, New York, N. Y.

General Office, 72 West Adams St., Chicago, Ill.

ARKANSAS-MISSOURI POWER COMPANY

(Controlled by Inland Power & Light Corp.)

History—Incorporated in April, 1923, in Arkansas, with perpetual charter. Acquired the electric and ice properties formerly owned and operated by the Missouri & Southeastern Utilities Co., the Caruthersville and Kennett Electric Light & Power Co. and the Hayti Light Co. In 1925 Company acquired the electric properties in Walnut Ridge, Mammoth Spring, Portageville and Corning, and in 1926 acquired other electric properties in Arkansas and Missouri, and ice properties in Arkansas and Missouri. Owns the entire outstanding Common stock of the **East Missouri Power Company.**

The Company directly or through its subsidiary furnishes light and power in 88 communities with a population of over 97,000 to 12,661 customers through 527 miles of high tension transmission lines. Company also furnishes ice to 19 communities having a population of 56,090 and operates three miles of water mains in the town of Luxora, Arkansas.

The aggregate generating capacity of the 17 hydro and oil plants of the Company is 4,938 k.w. The daily capacity of the artificial ice plants is 304 tons and that of the water plants 576,000 gallons.

Each group in the system is inter-connected with high tension tranmission lines. A tie-up at Hoxie, Arkansas, with a 110,000 volt transmission line of the Arkansas Light & Power Co. (controlled by the Electric Bond & Share Co.), assures participation in superpower development in the territory.

Among the communities served are Blytheville, Rector, Piggott, Walnut Ridge, Hoxie, Pocahontas, Black Rock, Imboden, Success, Luxora, Osceola, Mammoth Springs and Corning, in Arkansas, and Caruthersville, Hayti, Kennett, Campbell, Thayer, Portageville, Clark-

on, Steele, Piedmont, Potosi, Marston, Holcomb, Ironon, Troy, Warrenton, Wentzville, Old Monroe, Marhasville, Bismark, Irondale, Holland and Cooter in Missouri; Blytheville, Poplar Bluff, Campbell, Steele, Luxora, Osceola, Caruthersville, Kennett, Walnut Ridge and Hoxie are also served with ice.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1926	1925	1924
Gross earnings	$1,083,670	$1,028,968	$779,988
Net earnings	517,435	465,497	299,040
Electric customers	12,033	10,188	8,726
Miles of transmission lines	398	291	179
Electric output (k.w.h.)	11,931,013	8,615,613	7,360,119
Tons of ice made	23,933	24,336	25,228

CAPITAL STOCK

Authorized, 60,000 shares Common of no par value and $2,500,000 7% cumulative Preferred, par $100; outstanding, Dec. 31, 1927, 60,000 shares Common and $1,173,400 Pfd. In addition there is outstanding $43,000 Pfd. stock of East Missouri Power Co. All the Common stock is owned by Inland Power & Light Corp. and deposited under its Collateral Trust bonds.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to call after three years from date of issuance as a whole or in part at $110 per share, plus accrued dividends. In event of dissolution or liquidation, whether voluntary or involuntary, Pfd. stock is entitled to $100 per share and dividends. It has no voting power, except as provided by statute.

Transfer Agent—Middle West Stock Transfer Co., Chicago, Ill.

Legal Opinion—Townsend, Elliott & Munson (for the Bankers) and Chadbourne, Hunt, Jaeckel & Brown for the Company).

Public Offering—In May, 1927, $200,000 7% cumulative Pfd. was publicly offered at 98 and accrued dividends to yield over 7⅛%, by R. E. Wilsey & Co., Inc., Chicago, A. E. Fitkin & Co. and Beverley, Bogert & Co., New York.

Annual Meeting—Third Tuesday in February at Blytheville, Ark.

Dividends—Preferred dividends are payable quarterly F, M, A & N 1.

FUNDED DEBT

(1)

$3,354,600 FIRST MORTGAGE SINKING FUND GOLD BONDS ($32,000 5%; $2,878,500 6%; AND $444,100 7%) DUE JAN. 1, 1953

Dated January 1, 1923.

Interest Payable January and July 1, at Guaranty Trust Co. of New York, and St. Louis Union Trust Co., St. Louis, Mo.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—St. Louis Union Trust Co., St. Louis, Mo.

Provisions of Issue—Authorized, $5,000,000; outstanding, $3,354,600 ($32,000 5s; $2,878,500 6s, and 444,100 7s). Additional bonds may only be issued from time to time for not exceeding 80% of the cash cost or fair value (whichever is less) of improvements, betterments, and extensions, or new property acquired, provided that net earnings for twelve months out of the preceding fifteen months shall be not less than twice the annual interest charges on bonds outstanding including those proposed to be issued.

Callability—Subject to call on any interest date on 30 days' notice at 105 and interest for 5% bonds, at 106 and accrued interest for 6% bonds and 107 and accrued interest for 7% bonds.

Sinking Fund—The mortgage provides for a sinking fund, under the terms of which an amount equal, during the calendar years 1927 to 1934, inclusive, to 1%; during 1935 to 1944 inclusive to 1½%; during each year thereafter to maturity to 2% of the principal amount of the First Mortgage bonds then outstanding may be used for the retirement of such bonds, by purchase in the open market at not exceeding the then prevailing redemption price, or by redemption, or, at the option of the Company may be used to reimburse the Company for extensions and improvements.

Security—A first lien on entire property, now owned or hereafter acquired, except as to divisional liens, if any, on after acquired property.

Tax Provisions—Company pays Federal Income Tax up to 4%. Connecticut and Pennsylvania Personal Property Taxes, and Massachusetts and New York State Income Taxes refunded.

Legal Opinion—Chadbourne, Hunt, Jaeckel & Brown, New York, and A. Z. Patterson, Kansas City.

Public Offering—$800,000 6% bonds were publicly offered in June, 1925, at 95½ and interest, to yield over 6.35%, by A. E. Fitkin & Co. and Beverley Bogert & Co., New York, and R. E. Wilsey & Co., Inc., Chicago. The same firms offered an additional $340,000 6% bonds in May, 1927.

(2)

$866,300 TEN-YEAR 6½% GOLD DEBENTURES; DUE MAY 1, 1935

Dated May 1, 1925.

Interest Payable May and November 1, at New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000; issued $875,000; outstanding, $866,300. Proceeds from the sale of these debentures were used to pay in part for acquiring the Walnut Ridge and Mammoth Spring properties, the distribution system at Corning, for increased generating capacity and for extension of transmission lines.

Callability—Subject to call as a whole or in part to and including May 1, 1928, at 105 and int., the redemption price decreasing ½ of 1% to 102 and accrued interest.

Sinking Fund—The Trust Agreement provides a sinking fund for the retirement in each of the years 1927 to 1930, both incl., of 1% and in each of the years 1931 to 1934, both incl., 1½% of the maximum amount of debentures at any one time outstanding.

Security—A direct obligation of company and secured by deposit of all Common stock of East Missouri Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and will reimburse resident holders if requested within 60 days after payment, for the Pennsylvania 4 mill tax, District of Columbia 5 mill tax, Connecticut 4 mill tax, Maryland 4½ mill tax, California Personal Property tax not exceeding 4 mills per annum and the Mass. Income tax not exceeding 6% per annum.

Legal Opinion—Chadbourne, Hunt, Jaeckel & Brown, New York, and A. Z. Patterson, Kansas City, Mo.

Original Offering—First publicly offered ($500,000) in June, 1925, at 96½ and interest, to yield 7%, by A. E. Fitkin & Co. and Beverly Bogert & Co., New York and R. E. Wilsey & Co., Inc., Chicago.

NOTE—There was also outstanding at May 21, 1927, $150,000 First Mortgage bonds of East Missouri Co.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Feb. 28, 1927
Gross operating revenue	$994,152	*$1,077,954
Oper. exps., taxes and maintenance	639,228	585,944
Retirement	36,349	†
Net operating revenue	$318,575	$492,010
Other income	42,671	*
Gross income	$361,246	$492,010
Interest deductions	262,416	
Amort. of bond discount & expense	41,607	262,272
General interest	13,566	
Balance for divds. & Fed. taxes	$43,657	‡$229,738

*Other income included in operating revenues. †Not available. ‡Before depreciation.

CONSOLIDATED BALANCE SHEET

Assets—	Dec. 31, 1927	*Feb. 28, 1927
Plant, property & equipment	$6,082,878	$5,917,522
Miscellaneous investment	11,320	7,120
Special deposits	103,182	80,096
Cash	16,115	221,040
Notes receivable	22,954	1,145
Accounts receivable	201,875	140,842
Materials and supplies	96,908	75,020
Prepaid insurance, etc.	5,851	4,663
Unamortized debt disc. & expense	459,248	478,565
Suspense	874	20,579
Total	$7,001,205	$6,946,592

Liabilities—	Dec. 31, 1927	*Feb. 28, 1927
Common stock	$165,000	$589,10
Surplus	43,642	
Preferred stock	1,173,280	1,139,50
7% Pfd. stock—East Missouri Power Co.	43,700	43,70
Funded debt	4,220,900	4,229,60
First Mtge. 6s—East Missouri Pr. Co.	150,000	150,00
Accounts payable	447,052	70,07
Consumers' deposits	36,316	31,04
Accrued interest, taxes, etc.	161,603	101,00
Miscellaneous liabilities	7,669	
Retirement reserve	515,545	576,71
Other reserves	36,498	15,84
Total	$7,001,205	$6,946,59

*After giving effect to new financing and purchase of Arkansas Public Service Co.

Officers: Martin J. Insull, Pres., Chicago, Ill.; Harry Reid, V-P., New York, N. Y.; F. E. Kruesi, V-P., Chicago, Ill.; O. P. Moss, Operating V-P., Blytheville, Ark.; O. E. McCormick, Treas.; W. L. Campbell, Asst. Treas., Chicago, Ill.; Joe Thomas, Sec., Blytheville, Ark.; E. J. Knight, Asst. Sec., Chicago, Ill.

Directors: Martin J. Insull, H. L. Hanley, F. E. Kruesi, Clement Studebaker, Jr., Chicago, Ill.; Harry Reid, New York, N. Y.

General Office, 72 West Adams St., Chicago, Ill.
Operating Office, St. Louis, Mo.

DALHART PUBLIC SERVICE COMPANY

(Controlled by Inland Power & Light Corp.)

History—Incorporated in July, 1916, in Texas with a 50-year charter. Acquired the Dalhart Water Company (see Manual for 1926, page 2323), and in May, 1927, acquired the properties of the Dalhart Ice & Electric Co. (see Manual for 1926, page 2322). Furnishes without competition electric light and power, water and ice to the city of Dalhart, Texas, which has a population of 4,000. The electric system includes electric generating plants having a total installed capacity of 660 k.w. The water plants include a new Layne-Bowler deep well, a new pump house and new reservoir, which were needed to supply the increasing demand. The ice plants have an aggregate daily capacity of 80 tons.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1926	1925	1924
Gross earnings	$455,131	$173,003	$182,701
Net earnings	33,149	51,999	61,134
Electric customers	890	776	738
Water customers	856	774	751
Electric output (k.w.h.)	1,016,088	1,141,535	909,595
Gallons of water pumped	98,240,000	64,171,000	46,890,000
Tons of ice made	13,335	17,175	23,947

CAPITAL STOCK

Authorized and outstanding, 11,000 shares Common stock of no par value. All owned, except directors' qualifying shares, by Inland Power & Light Corp. and pledged under its Collateral Trust bonds.

FUNDED DEBT

$250,000 FIRST MORTGAGE 20-YEAR GOLD 6s, SERIES "A"; DUE APRIL 1, 1947

Dated April 1, 1927.

Interest Payable April and October 1, at Central Trust Company of Illinois, Chicago.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustees—Central Trust Company of Illinois, Chicago, and Aksel K. Bodholdt.

Provisions of Issue—Authorized amount not limited, but issuance restricted by provisions of the Indenture. Issued $250,000 Series A 6s, the proceeds from the sale of which were used in connection with the acquisition of the properties of the Dalhart Ice & Electric Co., for the retirement of securities and for other corporate purposes.

Additional bonds bearing such designation, interest rates, maturities, etc., as the board of directors may prescribe, may be issued (a) to refund, acquire or retire, par for par, bonds of any other series outstanding under the Trust Indenture and divisional bonds on hereafter acquired properties; (b) to a principal amount equal to 75% of the cost or value, whichever is less, of electric, gas and/or water plants or betterments, additions or improvements to the electric, gas and/or water properties of Company and its subsidiaries, made or acquired subsequent to January 1, 1927, and to 60% of the cost or value whichever is less, of betterments or improvements made subsequent to January 1, 1927, to the ice plants acquired by Company in connection with the Series A issue.

Additional bonds issued against improvements to subsidiary companies or against property subject to divisional liens, shall not, however, exceed in the aggregate 25% of all First Mortgage bonds at the time outstanding. Additional bonds may be issued only provided that consolidated net earnings shall, for twelve consecutive months within the fifteen months preceding the application for the issuance of such bonds, shall have been at least twice the annual interest charges on all divisional bonds and all First Mortgage bonds outstanding, including those proposed to be issued.

Callability—Subject to call on the first day of any month upon 30 days' notice at 102 and interest to and including March 1, 1932, reducing ½% on the first day of April in each of the years 1932, 1937 and 1942.

Sinking Fund—The Trust Indenture provides for a sinking fund, under the terms of which, during the calendar year 1928, and during each calendar year thereafter, there shall be used for retirement of Series A bonds an amount equal to not less than 1% of the largest principal amount of Series A bonds at any time outstanding, by purchase in the open market at not exceeding the then prevailnig redemption price, or by redemption.

Security—Secured by a first direct mortgage on all the fixed properties of Company now owned or hereafter acquired, except as to divisional liens, if any, on after acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company also agrees to reimburse the resident holders, if requested within 60 days after payment, for the Connecticut 4 Mills tax, Pennsylvania 4 mills tax, Maryland 4½ mills tax, District of Columbia 5 mills tax, California personal property tax not exceeding 4 mills per annum, and the Massachusetts income tax not exceeding 6% per annum.

Legal Opinion—Townsend, Elliott & Munson (for the bankers) and Chadbourne, Hunt, Jaeckel & Brown (for the Company).

INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Feb. 28, 1927		Dec. 31, 1927	Feb. 28, 1927
Gross revenue	$182,183	*$151,651	Other income	$12,769	*
Operating expenses, including taxes and maintenance	107,322	114,203	Gross income	$79,203	$37,448
Retirement expense	8,427	†	Bond interest	11,986	
			Other interest	4,788	
			Other deductions	1,351	
Net income	$66,433	$37,448	Balance	$61,077	

*Other income included in gross revenue. †Figures not available.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Property, plant and equipment	$915,576	Common stock	$50,000
Investments	200	Funded debt	250,000
Special deposits	150	Notes payable	50
Cash	8,398	Accounts payable (vendors)	1,924
Notes receivable	343	Accounts payable (inter-company)	1,773
Accounts receivable (inter-company)	38,619	Accrued interest, taxes, etc.	10,264
Accounts receivable (other)	22,623	Consumers' deposits	3,920
Merchandise, materials and supplies	7,442	Other liabilities	255
Unamortized debt discount and expense	28,648	Retirement reserves	85,556
Prepaid insurance, etc.	630	Other reserves	9,233
Suspense	*25	Surplus	609,629
Total	$1,022,604	Total	$1,022,604

*Credit.

Officers: J. C. Kennedy, Pres., Dallas, Texas; George W. Frye, V-P.; Price Campbell, V-P.; Carl Sellers, Treas.; R. M. Wolfe, Sec., Abilene, Texas.

Directors: J. C. Kennedy, Dallas, Tex.; George W. Frye, Price Campbell, R. W. Wolfe, Abilene, Texas; P. B. Harbaugh, Dalhart, Texas.

General Office, Abilene, Texas.

THE KANSAS POWER COMPANY

(Controlled by Inland Power & Light Corp.)

History—Incorporated Sept. 22, 1909 in Kansas, as The Concordia Electric Light Co.; name changed as above in 1923. On May 27, 1927 acquired the physical properties formerly owned by The Central Kansas Public Service Company, The Electric Service Company, The Great Bend Water and Electric Company, The Hoisington Electric and Ice Company, The Liberal Light, Ice & Power Company, The Phillips County Light and Power Company, (for last published statements of these companies see Manual for 1926 pages 2322, 2329, 2330 and 2324, respectively) and The United Light & Power Company, all Kansas corporations.

The Company serves electric light and power, ice and/or water to 118 communities with an estimated population of 73,500. The electric system includes 9 generating stations having a total installed capacity of 10,324 k.w. with 850 miles of transmission lines serving 17,666 customers. The ice plants have a daily capacity of 80 tons and serve a population of 17,300 in 6 communities. Water plants with a daily capacity of 2,448,000 gallons serve 879 customers.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Gross Earnings	Net Earnings	Elec. Customers	Miles Trans. Line	K.W.H. Output	Gallons Water Pumped	Tons Ice
1922	$862,956	$317,023	12,302	754	14,302,891	145,631,000	13,655
1923	908,370	338,327	13,350	754	15,425,363	118,247,000	16,547
1924	1,001,055	364,967	14,380	754	16,628,760	135,386,000	11,676
1925	1,174,091	491,867	14,852	764	20,589,788	157,394,000	14,508
1926	1,155,648	517,246	16,223	835	22,135,736	168,588,000	14,191

CAPITAL STOCK

Authorized, 125,000 shares Common and 25,000 shares Pfd., both of no par value; outstanding, 125,000 shares Common and $145,600 (stated value) Preferred. All owned, except directors' qualifying shares, by Inland Power & Light Corp. and pledged under its Collateral Trust Bonds.

Registrar (Preferred Stock)—Central Union Trust Co., New York, N. Y.

FUNDED DEBT

$3,500,000 FIRST MORTGAGE TWENTY-YEAR 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1947

Dated March 1, 1927.

Interest Payable March and September 1, in New York and Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Issued, $3,500,000 Series "A" 5s. Additional bonds bearing such designation, interest rates, maturities, etc., as the Board of Directors may prescribe, may be issued: (1) To refund, acquire or retire, par for par, bonds of any series outstanding under the Trust Indenture and divisional bonds on after acquired properties; (2) to a principal amount equal to (a) 75% of the cost or value, whichever is less, of electric, gas and/or water plants, or betterments, additions or improvements to the electric, gas and/or water properties of the Company and its subsidiaries, made or acquired subsequent to January 1, 1926, and (b) 60% of the cost or value, whichever is less, of betterments or improvements made subsequent to Jan. 1, 1926 to the ice plants acquired by the Company in connection with this financing. Additional bonds issued against improvements to subsidiary companies or against property subject to divisional liens shall not however exceed in the ag-

KANSAS POWER COMPANY, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit

San Francisco Minneapolis Philadelphia

gregate 25% of all First Mortgage bonds at the time outstanding. Additional bonds may be issued only provided consolidated net earnings, as defined in the Trust Indenture, shall, for twelve consecutive months within the fifteen months preceding the application for the authentication of such bonds, have been at least twice the annual interest charges on all divisional bonds and all First Mortgage bonds outstanding, including those to be issued.

Callability—Subject to call on the first day of any month on 30 days' notice at 102 and interest to and including Feb. 1, 1932, reducing ½% on the first day of March in each of the years 1932, 1937 and 1942.

Sinking Fund—The Trust Indenture provides for a sinking fund, under the terms of which, during the calendar year 1930 and during each calendar year thereafter, there shall be used for retirement of bonds of Series "A" an amount equal to not less than 1% of the principal amount of the bonds of Series "A" then outstanding, by purchase in the open market at not exceeding the then prevailing redemption price or by redemption.

Security—Secured by a direct first mortgage on all the fixed properties of the Company, now owned or hereafter acquired, except as to divisional liens, if any, on after acquired property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse the resident holders of these bonds, if requested within 60 days after payment in the manner provided in the Trust Indenture, for the Connecticut Four Mill Tax, Pennsylvania Four Mill tax, Maryland Four and One-Half Mill tax, District of Columbia Five Mill Tax, California personal property tax not exceeding Four Mills per annum, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion—Townsend, Elliott & Munson (for the Bankers) and Chadbourne, Hunt, Jaeckel & Brown (for the Company).

Legal for Savings Banks in Rhode Island.

Original Offering—First publicly offered ($3,500,000 Series "A" 5s) in May, 1927, at 96½ and interest to yield about 5.28%, by Howe, Snow & Bertles, Inc., Spencer Trask & Co., and Stroud & Co., Inc.

INCOME ACCOUNT, YEARS ENDED

	Dec. 31, 1927	Feb. 28 1927
Gross revenue	$1,232,346	$1,170,65
Operating expenses (including taxes)	690,020	649,71
Retirement expenses	61,701	*
Net income	$480,625	$520,94
Other income	18,390	†
Gross income	$499,015	$520,94
Bond interest	135,468	
General interest	26,804	
Amortization of bond disc. & expense	17,642	
Balance	$319,101	

*Figures not available. †Other income included in gross revenue.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	$7,198,65
Investments	45
Special deposits	1,12
Cash	73,01
Notes receivable	32
Accounts receivable (inter-company)	1,38
Other accounts receivable	215,24
Unamortized debt discount and expense	327,30
Prepaid insurance, etc.	5,83
Merchandise, materials and supplies	137,94
Suspense	3,61
Total	$7,964,88
Liabilities—	
Common stock	$1,250,00
Preferred stock	145,60
Funded debt	3,500,00
Notes payable	15
Accounts payable (vendors)	72,03
Accounts payable (inter-company)	337,38
Transmission line contracts	75,78
Consumers' deposits	51,98
Accrued interest, taxes, etc.	118,39
Other liabilities	14,90
Retirement reserve	756,33
Other reserves	31,11
Surplus	1,611,18
Total	$7,964,88

Officers: A. M. Patten, Pres., Topeka, Kans.; H. L. Hanley, V-P., Chicago, Ill.; Harry Reid, V-P., New York; P. L. Smith, Treas.; D. H. Holmes, Sec., Chicago, Ill.

Directors: A. M. Patten, Topeka, Kans.; Harry Reid, New York, N. Y.; E. A. Wright, C. L. Hunt, L. Hall, Concordia, Kans.

General Office, 72 West Adams St., Chicago, Ill. **Operating Office,** Topeka, Kans.

MICHIGAN PUBLIC SERVICE COMPANY

(Controlled by Inland Power & Light Corp.)

History—Incorporated in 1926 in Michigan and acquired by consolidation May 27, 1927 the physical properties formerly owned by The Michigan United Light & Power Company, Boyne River Power Company, White River Power & Light Company, Michigan Public Service Company (for last published statements of these companies, see Manual for 1926, pages 2325, 2322, 2326 and 2330 respectively), Grayling Electric Company, Elk Electric Company and Boyne City Electric Company.

Company furnishes without competition electric light and power and water service in 58 communities in the state of Michigan, with a combined population of approximately 44,000 with 11,242 consumers, and water to 339 consumers in the town of Gaylord, Michigan. The Electric system includes generating stations having a total installed capacity of 6,822 k.w. with 516 miles of high tension transmission lines. Among the cities served are Ludington, Cheboygen, Pellston, Gaylord, Graling, Elk Rapids, Boyne City, Kalkaska, Scottville, Pentwater, Hart, Shelby, Montague and Whitehall.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Gross Earnings	Net Earnings	Electric Customers	Miles Trans. Lines	K.W.H Output
1922	$486,516	$129,800	9,520	270	11,653,000
1923	490,749	160,151	9,551	270	11,829,000
1924	511,492	188,425	9,619	270	11,900,000
1925	515,362	205,909	9,749	311	12,074,000
1926	570,953	264,179	10,747	431	14,234,000

CAPITAL STOCK

Authorized, 150,000 shares Common of no par value and $2,000,000 Preferred, par $100; outstanding Dec. 31, 1927, 100,000 shares Common and $77,500 Pfd. Light Corp. and pledged under its Collateral Trust. All the Common stock is owned by Inland Power & bonds.

Transfer Agent (Pfd. Stock)—New York Trust Co., New York, N. Y.

Registrar (Pfd. Stock)—The Central Union Trust Co., New York, N. Y.

MICHIGAN PUBLIC SERVICE COMPANY, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

FUNDED DEBT

$2,000,000 FIRST MORTGAGE 20-YEAR GOLD 5s, SERIES "A"; DUE APRIL 1, 1947

Dated April 1, 1927.

Interest Payable April and October 1, in New York and Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Central Trust Company of Illinois, Chicago.

Provisions of Issue—Authorized amount unlimited, but issuance restricted by provisions of Trust Indenture. Issued, $2,000,000 Series "A" 5s, the proceeds from which were used for and in connection with the consolidation and acquisition of properties above mentioned, for the retirement of securities of the companies which were parties to such consolidation, and for other corporate purposes.

Additional bonds bearing such designation, interest rates, maturities, etc., as the Board of Directors may prescribe, may be issued (1) to refund, acquire or retire, par for par, bonds of any other series outstanding under the Trust Indenture and divisional bonds on after acquired properties; (2) to a principal amount equal to 75% of the cost or value, whichever is less, of electric, gas and/or water plants, or betterments, additions or improvements to the electric, gas and/or water properties of Company and its subsidiaries made or acquired subsequent to January 1, 1927. Bonds issued against improvements to subsidiary companies or against property subject to divisional liens shall not, however, exceed in the aggregate 25% of all First Mortgage bonds at the time outstanding. Additional bonds may be issued only provided that consolidated net earnings shall, for 12 consecutive months within the 15 months preceding the application for said bonds, have been at least twice the annual interest charges on all the divisional bonds, if any, and all First Mortgage bonds outstanding, including those proposed to be issued.

Callability—Subject to call on the first day of any month upon 30 days' notice at 102 and accrued interest, to and including March 1, 1932, reducing ½% on the first day of April in each of the years 1932, 1937 and 1942.

Sinking Fund—The Indenture provides for a sinking fund, under the terms of which in the calendar year 1930 and in each calendar year thereafter, there shall be used for the retirement of bonds of Series "A" an amount equal to not less than 1% of the largest principal amount of Series "A" bonds at any one time outstanding, by purchase in the open market at not exceeding the then prevailing redemption price or by redemption.

Security—Secured by a first direct mortgage on all the fixed properties of Company, now owned or hereafter acquired, except as to divisional liens, if any, on after acquired properties.

Tax Provisions—The Company pays Normal Federal Income Tax up to 2%. Company also agrees to reimburse resident holders, if requested, within 60 days after payment, for the Connecticut 4 mills tax, Pennsylvania 4 mills tax, Maryland 4½ mills tax, District of Columbia 5 Mills Tax, California Personal Property Tax not exceeding 4 mills per annum, and Massachusetts Income Tax not exceeding 6% per annum.

Legal Opinion—Townsend, Elliott & Munson (for the Bankers), and Chadbourne, Hunt, Jaeckel & Brown (for the Company).

Original Offering—First publicly offered ($2,000,000) in June, 1927, at 96 and interest to yield about 5.32%, by Howe, Snow & Bertles, Inc., Spencer Trask & Co., Pearsons-Taft Co., A. E. Fitkin & Co., New York, etc., and Central Trust Co. of Illinois, Chicago.

INCOME ACCOUNT, SEVEN MONTHS ENDED DECEMBER 31, 1927

Gross revenue	$357,678
Operating expenses and taxes	188,115
Retirement expense	14,299
Net income	$155,264
Other income	10,465
Gross income	$165,729
Bond interest	58,335
General interest	576
Amortization of bond discount and expense	5,771
Balance	$101,047

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	$4,932,073
Investments	255
Special deposits	508
Cash	40,178
Notes receivable	996
Accounts receivable (inter-company)	1,044
Other accounts receivable	100,214
Merchandise, materials and supplies	82,516
Unamortized debt discount and expense	198,643
Prepaid insurance, etc.	3,740
Suspense	22,797
Total	$5,382,964
Liabilities—	
Common stock	*$1,250,000
Preferred stock	77,500
Funded debt	2,000,000
Accounts payable (vendors)	99,586
Accounts payable (inter-company)	365,922
Consumers' deposits	4,195
Accrued interest, taxes, etc.	30,260
Other liabilities	10,368
Retirement reserves	418,349
Other reserves	53,176
Surplus	1,073,508
Total	$5,382,964

*Subject to approval by Michigan Public Utilities Commission.

Officers: Martin J. Insull, Pres., Chicago, Ill.; Harry Reid, V-P., New York, N. Y.; W. A. Wadsworth, V-P. & Treas., Ludington, Mich.; C. B. Zeigler, Asst. Treas., New York, N. Y.; W. L. Campbell, Asst. Treas., Chicago, Ill.; R. W. Hamilton, Sec., Ludington, Mich.; W. W. Bell, Asst. Sec., New York, N. Y.

Directors: Martin J. Insull, Clement Studebaker, Jr., Chicago, Ill.; Harry Reid, C. B. Zeigler, New York, N. Y.; W. A. Wadsworth, R. W. Hamilton, C. G. Pitkin, Ludington, Mich.

General Offices, 72 West Adams St., Chicago, Ill. **Operating Office,** Sidney, Ohio.

MISSOURI PUBLIC SERVICE COMPANY

(Controlled by Inland Power & Light Corp.)

History and Property—Incorporated in Nov., 1926, in Missouri, and on May 27, 1927, acquired the physical properties formerly owned by West Missouri Power Company, Peoples Gas and Electric Company, Trenton Gas & Electric Company and Missouri Electric, Gas & Water Company. For latest published

MISSOURI PUBLIC SERVICE COMPANY, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit

San Francisco Minneapolis Philadelphia

statements see 1926 Public Utility Manual, pages 755, 2331 and 2325, respectively.

Company furnishes electric light and power, gas, water and/or ice to 76 communities with an aggregate population of 86,000 and owns all the capital stock of the Eastern Kansas Pipe-Line Company.

The system serves without competition through 580 miles of high power transmission lines, electric light and power customers, 18,377. Gas is served through 124 miles of gas mains in 7 communities with an aggregate population of 29,800 to 3,507 consumers. Water is served in four communities with an aggregate population of 16,300 to 22,054 consumers. Ice is served to the town of Trenton, Missouri, with a population of 8,000.

During the latter part of the year 1927 the company acquired by purchase the towns of Ridgeway and New Hampton, Missouri.

Among the communities served, either at retail o wholesale, are: Adrian, Appleton City, Belton, Caine ville, Chillicothe, Clinton, Cole Camp, Concordi Deepwater, Eldorado Springs, Gallatin, Garden Cit Harrisonville, Holden, Jamesport, Lees Summit, Mon rose, Nevada, Odessa, Osceola, Pleasant Hill, Trento Warrensburg, Warsaw, Windsor and other commun ties in the contiguous territory.

The present aggregate plant capacity is 9,080 k.v and the generating stations are located at Clinto Nevada, Pleasant Hill, Warrensburg and Trento The principal communities are inter-connected by hig tension transmission lines.

Gas plants are located at Clinton, Chillicothe an Trenton, and natural gas is distributed in the town Nevada. Nevada is also served with water, as a Clinton, Osceola and Pleasant Hill. The ice plant Trenton, during the year ended Dec. 31, 1927, manu factured 3,200 tons of ice.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Gross Earnings	Net Earnings	Electric Customers	Miles Trans. Lines	K.W.H. Output	Cu. Ft. Gas Output	Gals. Water Pumpe
1922	$406,204	$180,519	7,811	310	6,069,970	27,898,000	.....
1923	644,076	267,512	13,014	410	9,837,594	136,334,000	162,638,0(
1924	909,424	423,892	15,571	510	13,549,337	140,817,000	121,819,0(
1925	1,048,465	608,309	16,308	580	18,364,813	134,764,000	229,500,0(
1926	1,106,749	615,954	17,000	580	19,709,150	138,359,000	229,700,0(

CAPITAL STOCK

Authorized, 40,000 shares Common and 40,000 shares cumulative Pfd., both of no par value; outstanding, 35,400 shares Common and $15,000 shares Pfd. $7 Series. All the Common stock, except directors' qualifying shares, owned by Inland Power & Light Corp. and pledged under its Collateral Trust Bonds.

Preferred Stock Provisions—$7 Series Pfd. has preference for assets and dividends and is subject to call as a whole or in part on any dividend date upon 30 days' notice at $107 per share, plus accrued dividends. In the event of involuntary dissolution it is entitled to $100 per share and dividend and in voluntary dissolution to $107 per share and dividend. Has equal voting power with Common if dividends amounting to $7 per share are in arrears.

Transfer Agent (Pfd.)—Middle West Stock Transfer Co., Chicago, Ill.

Registrar—Central Union Trust Co. of New York.

Legal Opinion (Pfd.)—Townsend, Elliott & Munson (for the Bankers) and Chadbourne, Hunt, Jaeckel & Brown (for the Company).

Original Offering—First publicly offered (15,000 shares $7 Series Pfd.) in May, 1927, at $100 and accrued dividend to yield 7%, by Howe, Snow & Bertles, Inc., E. H. Rollins & Sons, and Spencer Trask & Co., New York, etc.

Dividends—Initial quarterly dividend of $1.75 per share on Pfd. was paid July 1, 1927; regular quarterly payments since, J, A, J & O 1.

FUNDED DEBT

$5,000,000 FIRST MORTGAGE TWENTY-YEAR 5% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1947

Dated February 1, 1927.

Interest Payable February and August 1, in New York or Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—The Bank of America, New York, and John N. Gobiet.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $5,000,000. Additional bonds bearing such designation, interest rates, maturities, etc, as the Board of Directors may prescribe, may be issued: (1) To refund, acquire or retire, par for par, bonds of any other series outstanding under the Trust Indenture and divisional bonds on after acquired properties; (2) to a principal amount equal to (a) 75% of the cost or value, whichever is less, of electric, gas and/or water properties of the Company and its sub sidiaries, made or acquired subsequent to Jan. 1, 192 and (b) 60% of the cost or value, whichever is les of betterments or improvements made subsequent t Jan. 1, 1927 to the ice plants being acquired by th Company in connection with this financing. Add tional bonds issued against improvements to subsic iary companies or against property subject to divisior al liens shall not, however, exceed in the aggregat 25% of all First Mortgage bonds at the time out standing. Additional bonds may be issued only pro vided consolidated net earnings, as defined in the Trus Indenture, shall for twelve consecutive months withi the fifteen months preceding the application for th authentication of such bonds, have been at least twic the annual interest charges on all divisional bonds an al Flirst Mortgage bonds outstanding, including thos to be issued.

Purpose of Issue—Proceeds together with proceed from the sale of Pfd. and Common stocks, were use for and in connection with the acquisition of the prop erties, for the retirement of the securities of prec ecessor companies and for other corporate purposes.

Callability—Subject to call as on the first of an month on 30 days' notice at 102 and accrued interes to and including Jan. 1, 1932, reducing ½% on th first day of February in each of the years 1932, 193 and 1942.

Sinking Fund—Trust Indenture provides for a sink ing fund, under the terms of which, during the ca endar year 1930 and during each calendar year there after, there shall be used for retirement of bonds o Series "A" an amount equal to not less than 1% of th principal amount of the Series "A" bonds then out standing, by purchase in the open market at not ex ceeding the then prevailing redemption price, or b redemption.

Security—Secured by a direct first mortgage on a the fixed properties of the Company now owned o hereafter acquired, except as to divisional liens, if any on after acquired property, and are further secured b the pledge and deposit of all of the stock of Th Eastern Kansas Pipe-Line Company.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%. Company agrees to reimburs to resident holders of these Bonds, if requested withi 60 days after payment in the manner provided in th Trust Indenture, for the Connecticut four mills ta Pennsylvania four mills tax, Maryland four and one

half mills tax, District of Columbia five mill tax, California personal property tax not exceeding four mills per annum, and for Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion—Townsend, Elliot & Munson (for the Bankers) and Chadbourne, Hunt, Jaeckel & Brown (for the Company).

Original Offering—First publicly offered ($5,000,000) in April, 1927 and 97 and interest to yield about 5.25% by E. H. Rollins & Sons, New York, etc.

BONDS CALLED

All the Ten-Year 6½% Sinking Fund Gold Debentures, of Trenton Gas & Electric Co. due Oct. 1, 1935, were called for redemption on July 1, 1927 at 105 and interest at Guaranty Trust Co. of New York.

INCOME ACCOUNT, SEVEN MONTHS ENDED DECEMBER 31, 1927

Gross revenues	$691,135
Operating expenses and taxes	351,311
Retirement and depletion	27,452
Net income	$312,372
Other income	7,321
Gross income	$319,693
Bond interest	146,200
General interest	4,993
Amortization of bond discount and expense	16,748
Balance	$151,752

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	$9,257,969
Investments	250,000
Special deposits	4,276
Cash	52,219
Notes receivable	2,482
Accounts receivable (inter-company)	3,852
Other accounts receivable	173,728
Merchandise, materials and supplies	184,912
Prepaid insurance, etc.	8,951
Unamortized debt discount and expense	671,265
Suspense	634
Total	$10,610,288
Liabilities—	
Common stock	$1,771,000
Common stock (Eastern Kansas Pipe-Line Co.)	250,000
Preferred stock	1,815,600
Funded debt	5,000,000
Transmission line contracts	32,844
Notes payable	52,050
Accounts payable (vendors)	117,888
Accounts payable (inter-company)	56,975
Consumers' deposits	25,263
Accrued interest, taxes, etc.	144,406
Miscellaneous liabilities	9,671
Retirement reserve	988,731
Other reserves	19,681
Surplus	326,179
Total	$10,610,288

Officers: M. D. Leslie, Pres., Pleasant Hill, Mo.; Clement Studebaker, Jr., V-P.; F. E. Kruesi, V-P.; W. L. Campbell, Treas.; O. E. McCormick, Asst. Treas., Chicago, Ill.; W. P. Evans, Sec., Pleasant Hill, Mo.; Eustace J. Knight, Asst. Sec., Chicago, Ill.

Directors: Martin J. Insull, Clement Studebaker, Jr., Chicago, Ill.; M. D. Leslie, W. P. Evans, E. Cooper, Pleasant Hill, Mo.

General Office, 72 West Adams St., Chicago, Ill. **Operating Office,** St. Louis, Mo.

GREAT LAKES UTILITIES CORPORATION

History—Incorporated April 18, 1927, in Delaware and has acquired all the funded debt and more than 95% of the aggregate outstanding capital stocks of its subsidiaries, which include Ohio Gas Light & Coke Co., Archbold & Stryker Gas Co., Columbus Gas Light Co., Central Gas Co., Ludington Gas Co., Greenville Gas Co. of Michigan, Fulton Fuel & Light Co., Rochelle Gas Co., Paxton Gas Co., Independence Gas Co., Fairbury Gas & Electric Co., Peoples Gas & Power Co., LeMars Gas Co., The Concordia Gas Co., Watertown (S. D.) Gas Co., and Citizens Gas Co.

Corporation, through its subsidiaries, supplies without competition gas to a number of established communities situated in the states of New York, Iowa, Illinois, Nebraska, South Dakota, Kansas, Ohio, Indiana and Michigan, with a total population of approximately 123,000. Gas is supplied to approximately 18,716 consumers through plants having a combined daily rated generating capacity of over 7,600,000 cu. ft., and distributing systems totaling more than 430 miles in length.

In Ohio manufactured gas is served to Napoleon, Montpelier, Bryan, Wauseon, Archbold, Stryker and Pettisville, while the town of Delta is served wholesale. Gas generating plants are located at Bryan and Napoleon. The population served in Ohio is stated at 21,276 with 4,506 consumers. Millersburg, Killbuck and Clark, to which natural gas is served, contain 3,000 of this population.

In New York manufactured gas is generated and served to Fulton, with a population of about 13,000, and 1,424 connected meters.

In Iowa manufactured gas is generated and served in Le Mars, Chariton and Independence, with a population of about 15,000 and 2,239 consumers.

In Illinois manufactured gas is generated and served in Rochelle and Paxton. It is proposed to extend the distribution system ten miles south from Paxton to Rantoul, to include the sale of gas to Chanute Field, an important government aviation center, located at Rantoul. The population is stated at about 7,500 with 1,597 consumers.

In Nebraska manufactured gas is generated and served in Scottsbluff and Fairbury. The population is stated at 16,500 with 1,330 consumers at Fairbury. The Scottsbluff plant commenced operation in May, 1927. It is proposed to extend the Scottsbluff distribution system to include Gering, with about 2,500 population.

In South Dakota manufactured gas is generated and served in Watertown with a population of over 10,000 and over 1,100 consumers.

In Kansas manufactured gas is generated and served to Concordia, with a stated population of 6,700 and 720 consumers.

In Indiana manufactured gas is generated and served in Columbus and East Columbus, having a population of over 12,000 and 1,654 consumers.

In Michigan manufactured gas is served to Mt. Pleasant, Clare, Rosebush, Ludington and Greenville. Gas generating plants are located at Greenville, Mt. Pleasant and Ludington. Population of this group is 21,150 and number of consumers, 3,606.

Management—The subsidiary companies are under the management of Burdick & Co., Inc.

CAPITAL STOCK

Authorized 60,000 shares Common, 50,000 shares $7 cumulative First Preferred and 30,000 shares $7 Convertible Second Preferred; outstanding, 50,000 shares Common, 6,400 shares First Preferred and 1,600 shares Second Preferred; all classes of no par value. 12,750 shares of $7 First Pfd. and 6,375 shares of Common stock are reserved for the conversion of the Gold Debentures, 6% Convertible Series, due 1937.

FUNDED DEBT

(1)

$2,625,000 FIRST LIEN COLLATERAL TRUST GOLD BONDS, 5½% SERIES DUE 1942; DUE MAY 1, 1942

Dated May 1, 1927.

Interest Payable May and November 1 at Bank of The Manhattan Company, New York, and The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Bank of The Manhattan Company, New York.

Provisions of Issue—Authorized amount not limited. Indenture provides that additional bonds of any series may be issued for the following purposes: (a) For refunding bonds of other series issued under the indenture, par for par; (b) for 75% of the actual cost or fair value (whichever is less) of additional property or improvements acquired or constructed by any subsidiary company, when the consolidated net earnings of the Company and its subsidiaries, as defined in the Indenture, for twelve consecutive calendar months within the fifteen months next preceding shall have been at least twice the annual interest on all bonds then outstanding and those proposed to be issued; (c) on the deposit of cash to be withdrawn for one of the above purposes. No additional bonds may be issued under this indenture unless there is deposited with the Trustee 100% of the funded debt and at least 90% of the capital stock of the subsidiary whose property forms the basis of such issue.

Callability—Subject to call as a whole at any time, or in part on any interest date, on 30 days' notice at a premium of 5% if redeemed on or before April 30, 1932, the premium decreasing ½ of 1% for each succeeding year or part thereof until maturity.

Maintenance and Depreciation Fund—Company covenants that at least 12½% of the annual gross earnings of subsidiaries will be expended or set aside for maintenance and repairs or for renewals or replacements to their properties. Any part not used for such purposes may be expended for additions, extensions or improvements to the properties, but such expenditures may not be used as the basis for issuing additional bonds.

Security—Bonds are a direct obligation of the Corporation, secured by all of the funded debt and more than 95% of the aggregate of the outstanding capital stocks of the subsidiary companies. No securities may be issued on any of the subsidiary companies' properties unless pledged under the indenture securing these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. In addition, Company covenants to refund upon timely application any State personal property or income tax (not exceeding $5.00 per $1,000 bond per annum) which the holders may be required to pay by reason of the ownership of the bonds.

Legal Opinion—Dickson, Beitler & McCouch, Philadelphia (for the Bankers) and Chapman, Cutler & Parker, Chicago (for the Company).

Original Offering—First publicly offered ($1,500,000) in May, 1927, at 95¾ and interest to yield approximately 5.93% by Battles & Co. and Taylor, Ewart & Co., Inc., New York, etc.

Listed—Chicago Stock Exchange.

(2)

$1,275,000 GOLD DEBENTURES, 6% CONVERTIBLE SERIES DUE 1937; DUE MAY 1, 1937

Dated May 1, 1927.

Interest Payable May and November 1, at The Pennsylvania Company for Insurances on Lives and Granting Annuities, in Philadelphia, and the Bank of The Manhattan Company, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Debentures of each denomination interchangeable.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Issued, $1,275,000. Additional debentures may be issued under certain conditions as provided in the Indenture.

Callability—Subject to call as a whole at any time or in part on any interest date, on 30 days' notice at a premium of 5% if redeemed on or before April 30, 1932, the premium decreasing 1% for each succeeding year or part thereof until maturity.

Convertibility—Each Debenture is convertible at any time, up to 10 days prior to maturity or date fixed for redemption, at the rate of 10 shares of $7 cumulative First Pfd. stock and 5 shares of Common stock per $1,000 Debenture.

Security—A direct obligation of the Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Corporation covenants to refund upon timely application any State personal property or income tax (not exceeding $5.00 per $1,000 debenture per annum) which the holder may be required to pay by reason of the ownership of the debentures.

Legal Opinion—Dickson, Beitler & McCouch, Philadelphia, Pa. (for the Bankers), and Chapman, Cutler & Parker, Chicago (for the Company).

Original Offering—First publicly offered ($1,275,000) in Oct., 1927, at 97 and interest, to yield approximately 6.40%, by Battles & Co., Philadelphia and New York, and Taylor, Ewart & Co., Inc., New York.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED APRIL 30, 1927

Gross income	$761,302
*Operating exp., maint. & taxes	465,318
Net earnings	$295,984
Annual bond interest requirements	127,875
Balance	$168,109
Interest requirements on debentures	76,500
Balance	$91,609

*After giving effect to minority interests and elimination of non-recurring expenses.

CONSOLIDATED BALANCE SHEET, SEPTEMBER 30, 1927 (After giving effect to the proposed sale of $300,000 additional First Lien Collateral Gold Trust Bonds)

Assets—	
Property, plant & equipment, etc.	$4,971,565
Accounts receivable from the proposed sale of $300,000 bonds	267,000
Investments in stocks & bonds of other cos. and associations	376
Sinking funds & special deposits	12,753
Debt discount & expense in process of amortization	498,565
Deferred charges & prepaid accounts	18,177
Miscellaneous suspense items	11,849
Cash	120,122
Notes receivable	30
Accounts receivable, less reserve	109,105
Interest receivable	90
Materials & supplies	109,479
Total	$6,119,111
Liabilities—	
Capital stock of Great Lakes Utilities Corp. at assigned values:	
7% First Preferred, $6,440 shares	$645,680
7% Second Preferred, 1,700 shares	156,000
Common stock, 50,000 shares	50,000
Minority stockholders' interest in sub. cos.' Common stock & surplus	16,966
Funded debt	3,900,000
Deferred liabilities	25,942
Accounts payable	82,483
Notes payable	71,931
Interest & dividend accrued	124,957
Taxes accrued	44,830
Miscellaneous current liabilities	2,242
Insurance accrued	359
Maintenance reserve	28,654
Depreciation reserve	368,159
Casualty & insurance reserve	4,074
Surplus	596,834
Total	$6,119,111

Officer: R. H. Burdick, Pres., New York.
General Office, 30 Broad St., New York.

CENTRAL GAS COMPANY

(Mount Pleasant, Mich.)

(Controlled by Great Lakes Utilities Corp.)

History—Incorporated Sept. 26, 1903, in Mich., as the Mt. Pleasant Light & Fuel Co. Name changed to above title in 1916. Franchise expires in 1933. Supplies

Mt. Pleasant Rosebush and Clare, Mich., serving a population of about 9,000. Annual output, 38,000,000 cu. ft. No. of meters, 1,275. Gas rate: $1.65 per M. for the first 5,000 cu. ft.; $1.60 per M. for the next 5,000 cu. ft.; $1.55 per M. for the next 15,000 cu. ft.; $1.50 per M for all over 25,000 cu. ft. Minimum rate 85 cents.

CAPITAL STOCK

Authorized and outstanding, $75,000; par, $100. Practically all owned by Great Lakes Utilities Corp. and pledged under its First Lien Collateral Trust bonds. Annual meeting, in January.

FUNDED DEBT

$85,000 First Mortgage 5s; dated June 1, 1916; due June 1, 1931; interest June and Dec. 1, at Mt. Pleasant, Mich. Denominations, $500 and $1,000. Michigan Trust Co., Grand Rapids, Mich., Trustee. Authorized, $125,000. All owned by Great Lakes Utilities Corp. and pledged under its First Lien Collateral Trust bonds. Company pays Normal Federal Income Tax up to 2%.

Officers: L. A. Roller, Pres.; V. D. Brown, V-P.; W. B. Brown, Sec., Treas. & Gen. Mgr.; E. M. Jefferson, Supt., Mt. Pleasant, Mich.

Directors: L. A. Roller, W. B. Brown, V. D. Brown, C. G. Roller, Mt. Pleasant, Mich.

General Office, Mt. Pleasant, Mich.

COLUMBUS GAS LIGHT COMPANY

(Controlled by Great Lakes Utilities Corp.)

History—Inc. June 30, 1908, in Ind.; supplies gas to Columbus and East Columbus, Ind. Operates under an indeterminate permit from the Utilities Commission. No. of consumers, 1,654. Population served, over 12,000. Price: $1.25 net for first 200 cu. ft.; $1.60 per M. for next 800 cu. ft.; $1.45 per M. for next 9,000 cu. ft.; $1.30 per M. for next 20,000 cu. ft.; $1.20 per M. for next 20,000 cu. ft.; all over 50,000 cu. ft., $1.10 per M. Discount 10c per M.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. Practically all the stock is owned by Great Lakes Utilities Corp. and pledged under its First Lien Collateral Trust bonds. Annual meeting, fourth Saturday in January, at Columbus, Ind.

FUNDED DEBT

$200,000 First Mortgage 5% Gold bonds; dated July 1, 1908; due July 1, 1931; int. Jan. and July 1, at W. E. Moss & Co., Detroit. Coupon, $1,000; principal may be registered. Authorized, $225,000, remainder being reserved for improvements and extensions at 80% of cost. Subject to call at 103 and interest. Secured on all property now owned or hereafter acquired. All owned by Great Lakes Utilities Corp. and pledged under its First Lien Collateral Trust bonds. Company pays Normal Federal Income Tax up to 2%.

Officers & Directors: Not available at time of going to press.

General Office, Columbus, Ind.

FULTON FUEL & LIGHT COMPANY

(Controlled by Great Lakes Utilities Corp.)

History—Incorporated Sept. 16, 1902, in N. Y.; acquired plant of Phoenix Natural Gas Co. Franchise perpetual. Population served, 13,043. Sales in 1925 29,759,800 cu. ft., compared with 29,500,600 cu. ft. in 1924 and 30,519,800 cu. ft. in 1923. Maximum day's output, 118,400 cu. ft. No. of meters, 1,549. Miles of mains, about 29.

CAPITAL STOCK

Authorized and issued, $125,000; par, $50. Stock control held by Great Lake Utilities Corp. A dividend of 4% was paid from surplus, in 1911; none reported since. Annual meeting, first Saturday in February.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$62,012	$70,959	$70,357
Oper. exp. and taxes	46,490	54,221	49,583
Depreciation	.....	.....	3,018
Net earnings	$15,522	$16,738	$17,756
Bond interest	4,462	5,950	5,950
Other interest	2,351	559	886
Total charges	$6,813	$6,509	$6,836
Surplus for year	$8,709	$10,229	$10,920

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$339,564	$311,594	$303,233
Investments in affil. cos.	9,550	.....	.....
Materials and supplies	6,176	8,025	5,813
Cash	4,926	1,656	11,139
Prepay. & misc. suspense	413	339	498
Notes & accts. receivable	14,639	15,335	14,328
Total	$375,268	$336,949	$335,011
Liabilities—			
Capital stock	$125,000	$125,000	$125,000
Funded debt	.....	119,000	119,000
Notes payable	128,250	.....	10,000
Accounts payable	3,621	7,140	1,961
Consumers' deposits	2,476	2,489	2,546
Taxes accrued	1,341	1,913	6,030
Interest accrued	.....	1,488	1,502
Advances to affil. cos.	2,269	.....	.....
Retirement reserve	1,985	12,755	14,718
Misc. reserve	3,740	5,451	6,493
Surplus	106,586	61,713	47,761
Total	$375,268	$336,949	$335,011

Officers and Directors: Not reported.

Offices, Fulton, N. Y., and 30 Broad St., New York.

LUDINGTON GAS COMPANY

(Controlled by Great Lakes Utilities Corp.)

History—Incorporated Jan. 25, 1905, in Mich. Franchise expires in 1935. Miles of mains, 16. No. of meters, 1,498. Price, $1.60 less 5%. Population served, 10,000.

CAPITAL STOCK

Authorized, $100,000 Common and $40,000 7% cumulative Pfd. Outstanding, $100,000 Common; par, $100. Practically all owned by Great Lakes Utilities Corp. and pledged under its First Lien Collateral Trust bonds. Annual meeting, first Tuesday in February, at Grand Rapids, Mich. No dividends have ever been paid on either class of stock.

FUNDED DEBT

$98,500 First Refunding Gold 5s; dated July 1, 1906; due July 1, 1936; int. Jan. and July 1, at Michigan Trust Co., Grand Rapids, Mich., Trustee. Authorized, $100,000. Coupon, $500; principal may be registered. Subject to call at 105 and int. No sinking fund. A first lien on entire property, subject only to $1,500 Prior Lien bonds outstanding, for which an equal amount of First Refunding bonds are reserved. All owned by Great Lakes Utilities Corp. and pledged under its First Lien Collateral Trust bonds. Company pays Normal Federal Income Tax up to 2%.

Officers and Directors: Not available at time of going to press.

Operating Office, Ludington, Mich. **Executive Office,** 30 Broad St., New York.

THE OHIO GAS LIGHT & COKE CO.

(Controlled by Great Lakes Utilities Corp.)

History and Properties—Incorporated May 14, 1914, in Ohio; subsequently acquired properties of the Napoleon & Wauseon Gas Co. (see Manual for 1914, page 2417) and the Bryan & Montpelier Gas Co. Owns two artificial coal gas plants located in Napoleon and Bryan, Ohio, with complete distributing systems in these cities and also in Montpelier, Wauseon and Delta, Ohio, together with the connecting transmission lines. The Napoleon plant supplies Napoleon, Wauseon and Delta, and the Bryan plant supplies Bryan, Montpelier, Archbold and Stryker. Also furnished natural gas in Millersburg, Killbuck and Clark.

Meters connected, 4,506. Price: $2.15 net; $2.25 gross, with sliding scale. Population served, approximately 21,276.

CAPITAL STOCK

Authorized and outstanding, $250,000 Common; par, $100. Stock control held by Great Lakes Utilities Corp. Annual meeting, first Tuesday in February.

Dividends—Pfd. dividends regularly paid up to time of redemption in 1927. Paid dividends on Common of 6% in 1915, 1916, 1917 and 1918; no dividends paid on Common in 1919, 1920, 1921, or 1922; 10% paid in 1923; 6% in 1924; 2% in 1925; none since.

FUNDED DEBT

$650,000. NO DETAILS AVAILABLE
BONDS CALLED

All of the First Mortgage 6½% Gold bonds, due May 1, 1950, were called for redemption on Nov. 1, 1927, at 105 and interest at Ohio Savings Bank & Trust Co., Toledo, Ohio, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$243,138	$139,568	$148,485
Oper. exp., taxes & depre...	191,864	91,117	102,827
Net earnings	$51,274	$48,451	$45,658
Bond interest	41,708	21,874	14,628
Other interest	18,838	3,406	2,167
Other fixed charges	4,088	.....	.....
Total charges	$64,634	$25,280	$16,795
Net income	*13,360	23,172	28,863
Dividends paid	9,250	18,501	22,303
Surplus for year	*$22,610	$4,671	$6,560
Times Bond Int. Earned..	0.68	2.06	2.97

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and equipment...	$1,358,441	$985,877	$859,909
Materials and supplies.....	14,681	19,775	15,556
Cash	8,180	7,754	3,533
Accounts receivable	36,941	21,364	28,861
Capital stock subscription	53,910	59,900	.....
Other current assets	132	.....	.....
Unadjusted debits	1,972	.....	.....
Deferred debit items	63,548	86,372	74,959
Profit and loss deficit	241,961	.....	.....
Total	$1,779,767	$1,181,042	$982,818
Liabilities—			
Common stock	$250,000	$250,000	$190,100
Preferred stock	.....	264,300	264,300
Funded debt	650,000	350,000	300,000
Notes payable	.....	7,013	14,000
Great Lakes Utilities Corp.	.....	78,543	.....
Accounts payable	360,140	22,895	16,863
Interest accrued	40,808	3,791	3,459
Pfd. divd. payable Jan. 1...	.....	9,251	9,330
Other accrued liabilities ...	.....	484	
Other current liabilities....	4,593	8,711	3,047
Reserve for depreciation...	15,746	111,966	103,837
Reserve for taxes	8,083	.....	.....
Deferred credit items	422	.....	.....
Appropriated surplus	449,975	74,088	77,882
Total	$1,779,767	$1,181,042	$982,818

Officers: C. F. Elmes, Pres., Chicago, Ill.; R. W. Frost, V-P., Gen. Mgr. & Pur. Agt.; T. P. Mullen, Asst. Sec., Asst. Treas. & Aud., Napoleon, Ohio.

Directors: C. F. Elmes, E. A. Golden, Dayton Ogden, Chicago, Ill.; R. W. Frost, Theo. Daman, J. A. Sloan, Richard Mehring, Napoleon, Ohio.

Operating Office, Napoleon, Ohio. **Executive Office,** 30 Broad St., New York.

WATERTOWN (S. D.) GAS COMPANY

(Controlled by Great Lakes Utilities Corp.)

History—Incorporated April 1, 1906, in So. Dak. Supplies Watertown, S. D., with manufactured gas. Franchise expires in 1940. Miles of mains, 15. No. of consumers, 1,100. Population served, 10,000.

CAPITAL STOCK

Authorized, $100,000; outstanding, $80,000; par, $100. All owned, (except directors' qualifying shares) by Great Lakes Utilities Corp. Annual meeting, second Wednesday in January.

FUNDED DEBT

$60,000 (entire issue) First 6s; dated Nov. 1, 1909; due Nov. 1, 1929; interest payable May and Nov. 1 at Citizens National Bank, Watertown, S. D. Denominations, $1,000. L. T. Morris, Watertown, S. D., Trustee. Sinking fund, 2% of the valuation of plant since 1920. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Officers and Directors: Not reported.

Offices, Watertown, S. D., and 30 Broad St., New York.

MARIETTA & ELIZABETHTOWN GAS CO.

History—Incorporated October 9, 1907 in Pennsylvania. Supplies Elizabethtown, Pa. Annual production of water gas, 16,000,000 cu. ft.

CAPITAL STOCK

Outstanding, $40,000.

FUNDED DEBT

$100,000 FIRST MORTGAGE 6% THIRTY-YEAR GOLD BONDS DUE JANUARY 1, 1956

Dated January 1, 1926.

Interest Payable January and July 1 at Peoples Trust Company of Lancaster, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Peoples Trust Co. of Lancaster, Pa.

Provisions of Issue—Authorized, $200,000; issued $100,000.

Purpose of Issue—Issued to refund original issue of $50,000 and to finance improvements and extensions.

Callability—Subject to call at 105 and interest on any interest date upon 60 days' notice.

Sinking Fund—None provided.

Security—Secured by first mortgage on all property of Company.

Tax Provision—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$23,485	$20,736
Operating exp. & taxes	14,941	17,634
Depreciation	4,178	4,003
Net earnings	$4,366	*$901
Interest charges, etc.	6,640	4,564
Deficit for year	$2,274	$5,465

*Loss.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties	$143,197	$139,293
Materials and supplies	2,382	2,232
Cash	*182	*67
Accounts receivable	3,269	1,492
Special deposit	1,300	.....
Unadjusted debits	141	111
Unamortized debt discount	1,091	1,120
Profit and loss deficit	30,022	27,748
Total	$181,220	$171,929
Liabilities—		
Capital stock	$40,000	$40,000
Funded debt	100,000	40,000
Notes payable	12,000	39,004
Accounts payable	1,439	20,996
Interest matured or accrued	3,300	21,219
Construction deposits	6,170	.....
Inter-company liabilities	2,169	.....
Other liabilities	1,254	.....
Reserve for depreciation	14,887	10,710
Total	$181,220	$171,929

*Overdraft.

Officers: J. R. Paull, Pres., New York; Farley Gannett, V-P.; S. W. Fleming, Jr., V-P.; T. E. Sulger Treas., Harrisburg, Pa.; T. F. Mount, Sec., Philadelphia, Pa.; J. B. Bell, Compt., Harrisburg, Pa.

Directors: J. R. Paull, W. G. Andenried, Jr., New York; Farley Gannett, S. W. Fleming, Jr., Harrisburg Pa.; J. W. Henderson, Philadelphia, Pa.

General Office, 600 North 2nd St., Harrisburg, Pa.

ROANOKE WATER WORKS COMPANY

History and Properties—Incorporated Dec. 31, 1915, n Va., and purchased the property of Roanoke Water Co. (see Manual for 1915, page 1575). Franchises perpetual. Supplies water without competition for domestic, industrial and public purposes to the City of Roanoke, Va., and contiguous territory, and in addition, supplies the Town of Vinton, Va., on a wholesale basis. The territory served has a population of approximately 78,000.

The Company's springs have a constant flow of pproximately 6,500,000 gallons of water per day. The torage capacity of the four reservoirs is 555,000,000 gallons. Through about 180 miles of mains the Company serves over 15,000 customers. The spring supply s constant, and the supply from the mountain reservirs is amply protected by large drainage basins owned r controlled by the Company.

CAPITAL STOCK

Authorized, $1,500,000 Common, $5,000,000 First Pfd., and $550,000 6% Second Pfd.; outstanding, $1,-00,000 Common, $62,974 First Pfd., and $550,000 Second Pfd.

Transfer Agent—The Seaboard National Bank, New York.

FUNDED DEBT

(1)

2,820,500 ROANOKE WATER WORKS COMPANY FIRST MORTGAGE 5% GOLD BONDS, SERIES "A," DUE JULY 1, 1950

Dated July 1, 1925.

Interest Payable January and July 1, in New York.

Denominations—Coupon, $500 and $1,000 (interhangeable); principal may be registered.

Trustee—Chatham Phenix National Bank and Trust o., New York.

Provisions of Issue—Authorized amount, unlimed; issued $3,030,000 Series "A," of which $109,500 ledged as callateral for the 5-year 6% Gold notes.

Additional bonds may be issued for not in excess f 80% of the actual cost or fair value (whichever is ess) of improvements, additions or extensions to the roperties, provided net earnings, as defined in the ortgage for 12 months of the preceding 15 calendar onths shall have beeen equivalent to at least 1¾ imes interest charges for a like period on all bonds nen outstanding plus those to be issued. However, 400,000 additional Series "A" bonds may be issued ithout the acquirement of additional property, proided earnings, as above described, shall have been at east 1¾ times the interest charges on all bonds outtanding plus those to be issued.

Callability—Subject to call in whole or in part, on ny interest date after 30 days' notice at 105 and inerest to July 1, 1926, and thereafter at 105 and interest ess 1-5 of 1% for each year the bonds shall have been utstanding.

Sinking and Improvement Fund—A sinking and improvement fund is provided whereby Company will ay to the Trustee on July 1 of each year commencing 931 and to and including 1949 a sum in cash amounting to not less than 1½% of the largest principal mount of bonds of Series "A" at any time outstanding prior to such payment date. Company shall have the right to deliver to the Trustee bonds of Series "A" in lieu of cash. The sinking and improvement fund moneys will be used, either (1) for the purchase and retirement of bonds, or (2) for betterments, improvements and additional properties, which may not be used as a basis for the issuance of additional bonds.

Security—Secured by a first mortgage on all of the properties, rights and franchises of the Company.

Tax Provisions—Pennsylvania and Connecticut 4 mills and Maryland 4½ mills taxes on the principal and Massachusetts income tax not to exceed 6% refundable.

Legal Opinion—Wise, Whitney & Parker, New York, (for the bankers), and Hornblower, Miller & Garrison, New York, (for the Company).

Original Offering—First publicly offered ($2,600,-000), in July, 1925, at 93 and accrued interest, to yield over 5.50%, by Taylor, Ewart & Co., Inc., and P. W. Chapman & Co., Inc., New York.

Listed—Chicago Stock Exchange.

(2)

$500,000 FIVE-YEAR 6% GOLD NOTES; DUE FEBRUARY 1, 1932.

Dated February 1, 1927.

Interest Payable February and August 1, at Seaboard National Bank, New York, N. Y.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Seaboard National Bank, New York, N. Y.

Provisions of Issue—Authorized and issued, $500,-000.

Purpose of Issue—Issued to enable the Company to discharge prior to maturity its 6% Serial Gold Notes and to make available additional funds for betterments.

Callability—Subject to call as a whole or in part, on 30 days' notice at 102½ and interest, less ½ of 1% for each year thereafter, to date of maturity.

Security—Notes are the direct obligation of the Company and are additionally secured by deposit with the Trustee of its First Mortgage 5% Gold bonds, up to 110% of the principal amount of notes of this issue outstanding. The Indenture securing these Notes provides that the Company will not create any new mortgage on its property, other than the present First Mortgage or Purchase Money Mortgages or other existing liens on after acquired property, without equally securing these Notes. It is further provided that the Company shall deposit with the Trustee for these Notes all First Mortgage bonds which may be hereafter issued under the terms of the Indenture securing that issue until the par amount of bonds so deposited shall equal 110% of the par amount of Five-Year 6% Gold Notes outstanding.

Tax Provisions—Company will reimburse holders, upon proper and timely application, for Pennsylvania and Connecticut four mills tax, Maryland four and one-half mills tax and Massachusetts Income tax and District of Columbia personal property taxes not to exceed six mills per annum.

Original Offering—First publicly offered ($500,000) in Dec., 1926 at 100 and interest by Taylor, Ewart & Co., Inc. and P. W. Chapman & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	(Latest Furnished) 1926	*1925	*1924	1923	1922	1921
ross revenue	$382,995	$382,759	$341,948	$239,291	$216,556	$192,487
perating expenses, taxes and maintenance	137,254	129,315	114,890	100,262	77,780	82,967
et earnings	$245,741	$253,444	$227,058	$139,029	$138,776	$109,520
nterest charges	155,154	183,318	131,621	103,846	90,398	85,278
et income (excl. deprec.)	$90,587	$70,126	$95,437	$35,183	$48,379	$24,242
ppropriated for reserves	79,890	†	42,000	†	†	†
alance	$10,697	$70,126	$53,437	$35,183	$48,379	$24,242

*Combined statement of Roanoke Water Works Co. and Vinton-Roanoke Water Co. †Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

	(Latest Furnished) 1926	*1925	*1924	1923	1922	1921
Assets—						
Plant & equipment	$3,983,217	$4,018,527	$2,697,873	$2,132,960	$2,004,090	$1,997,052
Investment securities	67,798	57,840	.....	.....	.....	.....
Sinking fund	3,090	.....	.....	.....	.....	.....
Cash	25,457	123,897	41,266	40,778	44,410	8,375
Deposit to cover coupons & dividends	71,830	.....	36,830	.....	.....	.....
Accounts & notes receivable	133,343	118,000	85,508	318,945	275,337	259,215
Materials and supplies	73,067	89,930	348,419	70,694	35,935	1,369
Prepaid items	64,864	6,119	936	382	371	921
Deferred charges	697,484	680,788	262,818	208,293	199,327	146,762
Total	$5,120,150	$5,095,102	$3,473,650	$2,772,052	$2,559,470	$2,413,693
Liabilities—						
Capital stock	†$1,612,974	$1,570,326	$900,000	$800,000	$800,000	$800,000
Subscriptions to Pfd. stock	6,200	3,300	.....	.....	.....	.....
Funded debt	3,023,500	2,600,000	2,200,000	1,711,500	1,589,800	1,347,300
Notes payable	109,189	95,480	56,950	.....	.....	71,200
Consumers' deposits, etc.	22,620	17,519	5,073	.....	.....	.....
Notes and accounts payable	122,897	132,790	120,797	146,591	63,654	94,893
Uncashed coupons	1,113	26,607	1,815	.....	.....	.....
Accrued items	79,220	75,099	58,102	47,832	44,426	40,690
Reserves	126,199	262,174	123,808	46,175	59,708	59,503
Other liabilities	.....	4,010	6,411	16,000	.....	.....
Surplus	16,238	7,798	695	3,954	1,882	108
Total	$5,120,150	$5,095,102	$3,473,650	$2,772,052	$2,559,470	$2,413,693

*Consolidated Balance Sheet of Roanoke Water Works Co., and Vinton-Roanoke Water Co. †Consisting of $1,000,000 Common, $62,974 First Pfd. and $550,000 Second Pfd.

Officers: Vacancy, Pres.; F. W. Collins, V-P. & Treas., New York and Roanoke, Va.; F. C. Hinkel, Jr., V-P. & Asst. Sec.; L. A. Collins, Sec. & Asst. Treas., New York; M. A. Kent, Asst. Sec. & Asst. Treas.; O. E. Ginste, Asst. Sec. & Asst. Treas.

Directors: H. C. Baird, L. A. Collins, M. A. Kent, F. C. Hinkel, Jr., New York; F. W. Collins, New York and Roanoke, Va.

Offices, Roanoke, Va., and 452 Lexington Ave., New York, N. Y.

BOISE GAS LIGHT & COKE CO.

History—Incorporated Dec. 10, 1903, in Idaho. Supplies artificial gas to Boise, serving a population of over about 21,393. Franchise expires June 12, 1953. Price of gas, graduated rate of $2.00 to $1.00 per 1,000 cu. ft. Gas sales about 45,230,800 cu. ft. No. of consumers, 2,146. Miles of mains, 37.7.

The property has been operated by Preferred stockholders for several years.

CAPITAL STOCK

Authorized and issued, $600,000 Common and $200,000 5% Pfd.; par, $100.

FUNDED DEBT

$335,000 First Sinking Fund Gold 5s; dated Nov. 1, 1911; due Nov. 1, 1941; int. May and Nov. 1, at Continental National Bank and Trust Co., Chicago, and at First National Bank, New York. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $1,500,000. Unissued bonds to the amount of $200,000 are reserved to retire a like amount of outstanding Pfd. stock, whenever the net earnings, for any three consecutive calendar months shall have equalled 7-16ths of the annual interest on the outstanding and reserved bonds; the balance ($965,000) are issuable only for 85% of the cost of additions to the capital property of Company, and then only when net earnings for twelve consecutive calendar months within the fourteen calendar months immediately preceding shall be in the aggregate of not less than 1¾ times interest charges on all bonds outstanding and those proposed to be issued. Subject to call at 103 and interest on any interest date. Sinking fund, from Oct. 1, 1917, to 1921, 1% annually of outstanding bonds; thereafter 1½%. A first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

General Office, Boise, Idaho.

COMMONWEALTH POWER CORPORATION

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
6% Cum. Pfd. (par, $100)	F, M, A & N 1	$50,000,000	$50,000,000	Yes	$8,991,365	$6.00	$2,478,212	$17.98
Common (no par)	F, M, A & N 1	2,000,000 shs	1,495,503 5/40shs	*	6,513,153	*2.75	3,551,078	4.36

*Includes 50c per share paid Feb. 1, 1927; 50c regular and 50c extra on May 2, 1927; and 62½c each on Aug. 1 and Nov. 1, 1927.

History—Incorporated May 16, 1922, in Maine, to take over the power and light properties, formerly owned by Commonwealth Power Ry. & Light Co., which was dissolved in Jan., 1925, upon distribution to its own stockholders of the stock of Commonwealth Power Corp. on basis shown on page 1978 of 1927 Public Utility Manual. In 1925 acquired control of Tennessee Electric Power Co. through an exchange of stock (for details see 1927 Manual page 1978).

Through ownership of a majority of voting stocks, controls the following operating companies as of Dec. 31, 1927:

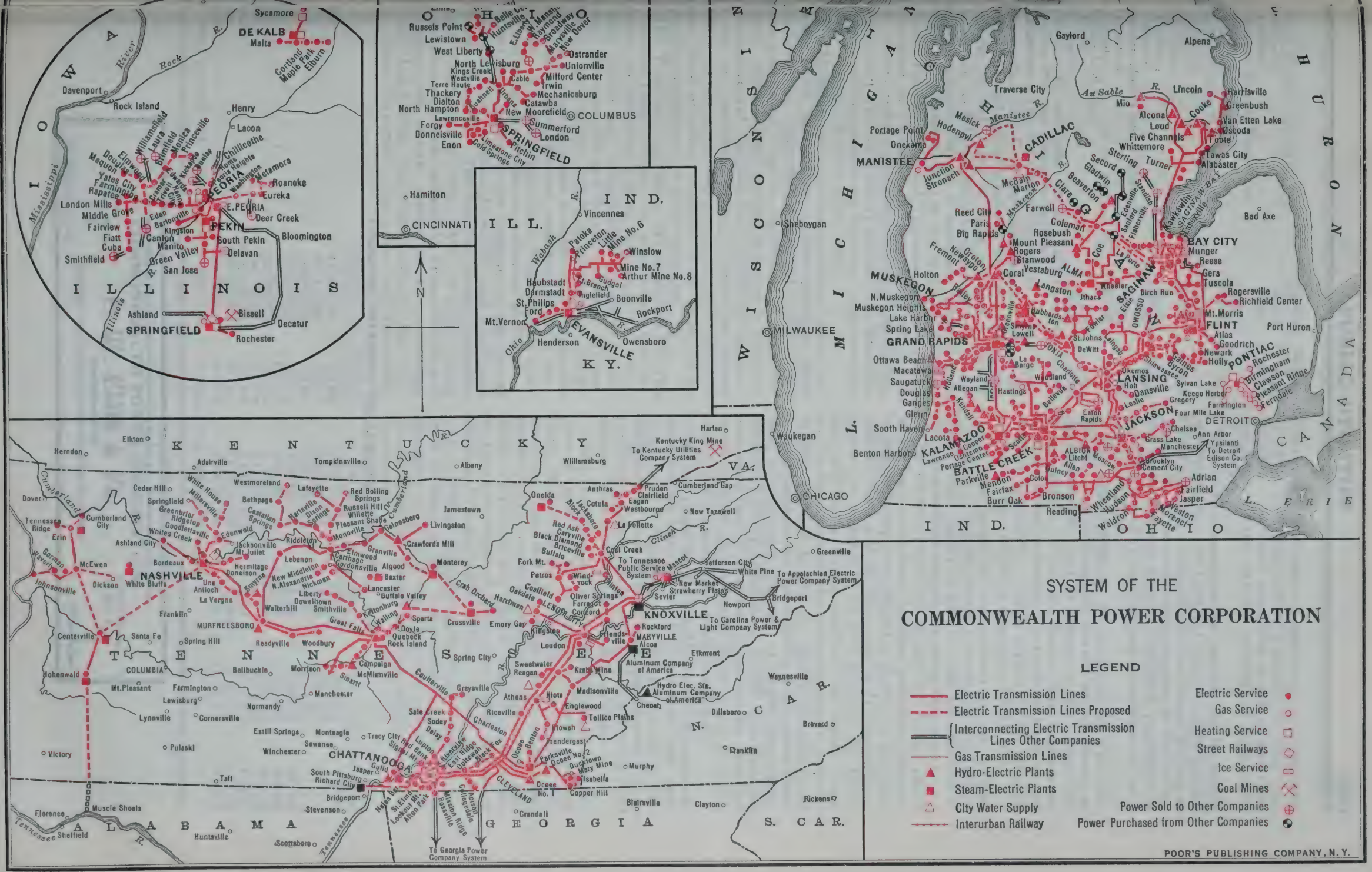
	Outstanding Shares	Held by C. P. C.
Consumers Power Co.:		
Preferred	550,008	.....
Common	1,451,301	1,451,301
Central Illinois Light Co.:		
Preferred	67,012	.....
Common	100,000	100,000
Illinois Power Co.:		
Preferred	36,250	5,100
Common	40,000	40,000

Consult Us Concerning the Securities of

COMMONWEALTH POWER CORPORATION

Hodenpyl Hardy Securities Corporation

14 Wall Street, New York 231 S. LaSalle St., Chicago


SYSTEM OF THE
COMMONWEALTH POWER CORPORATION
LEGEND
Electric Transmission Lines
Electric Transmission Lines Proposed
Interconnecting Electric Transmission Lines Other Companies
Gas Transmission Lines
Hydro-Electric Plants
Steam-Electric Plants
City Water Supply
Interurban Railway
Electric Service
Gas Service
Heating Service
Street Railways
Ice Service
Coal Mines
Power Sold to Other Companies
Power Purchased from Other Companies
POOR'S PUBLISHING COMPANY, N.Y.
IOWA
ILLINOIS
INDIANA
OHIO
KENTUCKY
TENNESSEE
ALABAMA
GEORGIA
MICHIGAN
WISCONSIN
CANADA
DE KALB
Malta
Sycamore
Davenport
Rock Island
Henry
Lacon
Chillicothe
PEORIA
E. PEORIA
Roanoke
Eureka
Deer Creek
Bloomington
PEKIN
South Pekin
Delavan
Metamora
London Mills
Middle Grove
Fairview
Fiatt
Cuba
Smithfield
Canton
Manito
Green Valley
San Jose
Ashland
SPRINGFIELD
Bissell
Decatur
Rochester
Williamsfield
Laura
Blumfield
Monica
Princeville
Elmwood
Maquon
Yates City
Farmington
Rapatee
Edwards
Kickapoo
Dunlap
Trivoli
Sanger
Bartonville
Kingston
Eden
Cramer
Hamilton
CINCINNATI
Russels Point
Lewistown
West Liberty
North Lewisburg
Kings Creek
Westville
Terre Haute
Thackery
Dialton
North Hampton
Lawrenceville
Forgy
Donnelsville
Enon
Huntsville
Belle Center
E. Liberty
W. Manchester
Raymond
Broadway
Marysville
New Dover
Ostrander
Unionville
Milford Center
Irwin
Mechanicsburg
Catawba
New Moorefield
Summerford
London
COLUMBUS
Cable
Urbana
Bushnell
Limestone
Cold Springs
City
Pitchin
SPRINGFIELD
Vincennes
Patoka
Princeton
Little Mine No.6
Winslow
Mine No.7
Arthur Mine No.8
Haubstadt
Darmstadt
St. Philips
Ford
Mt. Vernon
Boonville
Rockport
Henderson
Owensboro
EVANSVILLE
Ohio
Wabash
Big Branch
Englefield
Sludgel
Gaylord
Alpena
Traverse City
Au Sable
Mio
Lincoln
Harrisville
Greenbush
Van Etten Lake
Oscoda
Tobe
Tawas City
Alabaster
Alcona
Loud
Five Channels
Whittemore
Sterling
Turner
Cooke
Portage Point
Onekama
MANISTEE
Mesick
Hodenpyl
Manistee
Junction
Stronach
CADILLAC
McBain
Marion
Reed City
Paris
Big Rapids
Farwell
Clare
Beaverton
Gladwin
Secord
Edenville
Sanford
Fisherville
Standish
Kawkawlin
SAGINAW-BAY
Essexville
Bad Axe
Coleman
Rosebush
Mount Pleasant
Rogers
Stanwood
Vestaburg
ALMA
Coe
Laporte
BAY CITY
Munger
Reese
Gera
Tuscola
Rogersville
Richfield Center
Mt. Morris
FLINT
Atlas
Goodrich
Newark
Holly
PONTIAC
Rochester
Birmingham
Clawson
Pleasant Ridge
Ferndale
Port Huron
DETROIT
Chelsea
Ann Arbor
Ypsilanti
To Detroit Edison Co. System
Grass Lake
Manchester
Brooklyn
Cement City
Adrian
Fairfield
Jasper
Holton
N. Muskegon
Muskegon Heights
Lake Harbor
Spring Lake
MUSKEGON
Newaygo
Fremont
Grotony
Croton
Foley
Sheboygan
MILWAUKEE
GRAND RAPIDS
Ottawa Beach
Macatawa
Saugatuck
Douglas
Ganges
Glenn
South Haven
Lacota
Benton Harbor
Waukegan
CHICAGO
Wayland
Allegan
Holland
Hastings
Bellevue
Kendall
La Barge
Woodland
Charlotte
Ionia
Lowell
Smyrna
Greenville
Hubbardston
Ithaca
Wheeler
Birch Run
Owosso
Elsie
Fowler
St. Johns
DeWitt
Dimondale
Eaton Rapids
LANSING
Okemos
Holt
Dansville
Leslie
Mason
Williamston
Stockbridge
Webberville
Howell
Fowlerville
Pinckney
Gregory
Sylvan Lake
Keego Harbor
Farmington
Four Mile Lake
JACKSON
Albion
Litchfield
Allen
Quincy
Colon
Bronson
Reading
Wheatland
Hudson
Waldron
Fayette
Norenci
Veston
KALAMAZOO
Lawrence
Paw Paw
Portage Center
Parkville
Mendon
Fairfax
Burr Oak
BATTLE CREEK
Scotts
Climax
Galesburg
Augusta
Ypsilanti
To Detroit Edison Co. System
Harlan
Kentucky King Mine
To Kentucky Utilities Company System
Williamsburg
Herndon
Elkton
Adairville
Tompkinsville
Albany
Cumberland Gap
Pruden
Clairfield
Eagan
Westbourne
New Tazewell
Anthras
Onelda
Cotula
Jacksboro
Block
Red Ash
Caryville
Black Diamond
Briceville
Buffalo
Coal Creek
La Follette
Jamestown
Livingston
Crawford Mill
Granville
Elmwood
Carthage
Gordonsville
Algood
Baxter
Monterey
Lebanon
New Middleton
N. Alexandria
Hickman
Liberty
Dowelltown
Smithville
Lancaster
Buffalo Valley
Crab Orchard
Crossville
Emory Gap
Fork Mt.
Petros
Wind-rock
Oliver Springs
Farragut
Concord
Coalfield
Oakdale
Harriman
LENOIR CITY
Kingston
Loudon
Sweetwater
Reagan
Kreis Mine
Madisonville
Niota
Englewood
Tellico Plains
Athens
Riceville
Charleston
Etowah
Prendergast
Ocoee
Benton
Parksville
Ocoee No. 2
Ducktown
Mary Mine
Isabella
Ocoee No. 1
Copper Hill
CLEVELAND
Greeneville
To Tennessee Public Service System
Jefferson City
White Pine
To Appalachian Electric Power Company System
Mascot
New Market
Strawberry Plains
Sevier
Newport
Bridgeport
KNOXVILLE
To Carolina Power & Light Company System
Rockford
Friendsville
MARYVILLE
Alcoa
Aluminum Company of America
Hydro Elec. Sta. Aluminum Company of America
Checoah
Elkmont
Waynesville
Dillsboro
Franklin
Brevard
Greenville
Clinton
Cumberland
Cumberland City
Tennessee Ridge
Erin
Dover
Cedar Hill
White House
Millersville
Springfield
Greenbrier
Ridgetop
Goodlettsville
Whites Creek
Ashland City
Bethpage
Castalian Springs
Hartsville
Dixon Springs
Red Boiling Springs
Russell Hill
Willette
Pleasant Shade
Westmoreland
Lafayette
Cumberland
Gorman
Waverly
McEwen
Dickson
Johnsonville
Bordeaux
White Bluffs
NASHVILLE
Jacksonville
Mt. Juliet
Edenwold
Hermitage
Donelson
Una
Antioch
La Vergne
Smyrna
Walterhill
Riddleton
Franklin
MURFREESBORO
Centerville
Santa Fe
Spring Hill
Readyville
Woodbury
Doyle
Quebeck
Rock Island
Great Falls
Walling
Kettenburg
Sparta
Campaign
McMinnville
Smartt
Coulterville
Spring City
Rhea
Graysville
Sale Creek
Sodey
Daisy
Lupton
Red Bank
Signal Mt.
Riverview
East Ridge
Dottewan
Slack
Chattanooga
Gulf
Jasper
South Pittsburg
Richard City
Bridgeport
Stevenson
Scottsboro
Huntsville
Florence
Muscle Shoals
Sheffield
Tennessee
Hohenwald
COLUMBIA
Mt. Pleasant
Lewisburg
Lynnville
Farmington
Cornersville
Normandy
Manchester
Bellbuckle
Morrison
Victory
Pulaski
Estill Springs
Monteagle
Tracy City
Sewanee
Winchester
Taft
Cumberland
Tennessee
Holes Bar
St. Elmo
Lookout Mt.
Alton Park
Mission Ridge
Rossville
Chickamauga
Ringgold
Tunnel Hill
Varnell
Dalton
Crandall
Blairsville
Clayton
Rickens
To Georgia Power Company System
Cleveland
Ducktown
Murphy
Copper Hill
Ocoee No. 1
Ocoee No. 2
Parksville
Benton
Ocoee
Etowah
Prendergast
Niota
Englewood
Tellico Plains
Madisonville
Kreis Mine
Sweetwater
Reagan
Loudon
Kingston
Lenoir City
Harriman
Oakdale
Coalfield
Concord
Farragut
Oliver Springs
Windrock
Petros
Fork Mt.
Emory Gap
Crossville
Crab Orchard
Monterey
Algood
Baxter
Buffalo Valley
Lancaster
Smithville
Dowelltown
Liberty
Hickman
N. Alexandria
New Middleton
Lebanon
Granville
Elmwood
Carthage
Gordonsville
Riddleton
Jacksonville
Mt. Juliet
Edenwold
Hermitage
Donelson
Una
Antioch
La Vergne
Smyrna
Walterhill
Franklin

COORDINATED ELECTRIC POWER CORPORATION

PART OF THE SYSTEM

LEGEND

- Electric Transmission Lines Proposed
- Interconnecting Electric Transmission Lines Other Companies
- Gas Transmission Lines
- Hydro-Electric Plants
- Steam-Electric Plants
- City Water Supply
- International Railway
- Gas Service
- Heating Service
- Street Railways
- Ice Service
- Coal Mines
- Power Sold to Other Companies
- Power Purchased from Other Companies

KNOXVILLE

CHATTANOOGA

GEORGIA

ALABAMA

	Outstanding Shares	Held by C. P. C.
Illinois Electric Power Co.:		
Preferred	18,005	15,000
Common	50,000	50,000
Tennessee Electric Power Co.:		
Preferred	198,717	.....
Common	265,000	259,072
Southern Indiana Gas & Elec. Co.:		
Preferred	57,671	.....
Common	300,000	300,000
Ohio Edison Co.:		
Preferred	23,718	.....
Common	57,500	57,500
Southern Mich. Light & Power Co.:		
Preferred	1,776	892
Common	86,434	86,425
Utilities Coal Corp.:		
Preferred	5,000	5,000
Common	10,000	9,995

NOTE—All stock votes; 191,174 shares Consumers Power Co. 6.6% Pfd. have limited voting power.

Business—The subsidiary companies of the Commonwealth Power Corp. are engaged principally in the production and sale of electricity for light and power, and gas as fuel. One or more of these classes of service are rendered directly to more than 545 growing communities having a combined population in excess of 2,300,000 located in the states of Michigan, Illinois, Indiana, Ohio and Tennessee. Power is also wholesaled to a number of other utility companies. The electric transmission lines of several subsidiaries interconnect with other utility systems and thus form integral parts of some of the important interconnected power systems of the United States.

The Michigan operations are conducted by the Consumers Power Co. and the Southern Michigan Light and Power Co. Electricity is supplied directly to 324 cities and towns. Gas is supplied to 37 cities and towns. The combined population served is estimated to be in excess of 1,500,000. In Feb., 1928, the interconnection of Consumers Power Co. with the system of Detroit Edison Co. was completed, thus making a large block of power available at all times for an operating emergency of either company.

The Tennessee operations are conducted by The Tennessee Electric Power Co. and its principal subsidiary, the Nashville Railway and Light Co., which supply electric and transportation service in Chattanooga and Nashville and electric service in 121 contiguous communities. Electric service also is supplied on a wholesale basis to other utility companies which serve Knoxville and more than 69 other communities. Combined population of the various cities and towns served directly is estimated at 370,000.

The Illinois operations are conducted by the Central Illinois Light Co., Illinois Power Co. and the Illinois Electric Power Co. The first two named companies supply electricity and steam and/or hot water heating in the cities of Peoria, Springfield, Pekin, DeKalb and Sycamore and electric service to 43 surrounding towns. Gas service is furnished in Peoria, East Peoria, Pekin, Springfield, Averyville, and Bartonville. Electric service is also supplied on a wholesale basis to utility companies serving a number of other communities. Combined population of the various cities and towns directly served is estimated to be in excess of 250,000.

The Indiana operations are conducted by the Southern Indiana Gas and Electric Company which supplies electricity, gas, transportation, and steam heating to Evansville. Electricity also is supplied to Mt. Vernon and eight adjacent towns. Combined population of territory served by the Company is estimated to be in excess of 120,000.

The Ohio operations are conducted by The Ohio Edison Co., which supplies electric service directly to Springfield, Ohio and 39 adjacent towns. Electricity is supplied on a wholesale basis to three other towns and steam heat is furnished in the main business section of Springfield. Total population of territory served is estimated to be in excess of 105,000.

The coal properties are operated by the Utilities Coal Corp. which has mines in Kentucky and Illinois. These mines supply in part the fuel requirements of the steam-electric and gas manufacturing plants.

The electric properties include 65 power plants which have a combined installed generating capacity of 848,960 horsepower, 289,840 of which is in 41 hydro-electric plants and the remainder in 24 steam-electric plants. In addition to its own facilities, the Michigan subsidiary company purchases the output of several hydro-electric plants with an aggregate installed capacity of 24,330 horsepower and the Tennessee subsidiary company operates under lease two steam plants with an aggregate capacity of 11,050 horsepower. Electricity with pressure up to 140,000 volts is carried over more than 3,925 miles of transmission lines and delivered over approximately 29,500 miles of distribution lines to more than 465,900 customers.

The gas properties include 13 manufacturing plants with a rated capacity of 44,625,000 cubic feet daily output, and 39 holders with a storage capacity of 18,418,000 cubic feet. Gas is distributed principally as fuel for domestic and industrial purposes through 2,130 miles of main to more than 188,500 customers.

Other properties include 12 heating plants with 26.9 miles of steam and hot water mains, 8 water pumping plants, 4 artificial ice plants and transportation systems in Nashville and Chattanooga, Tennessee; Evansville, Indiana and Springfield, Illinois; and coal mines in Kentucky and Illinois, which provide in part for the requirements of the steam-electric generating plants and the gas manufacturing plants.

Over 71% of Commonwealth Power Corporation's gross earnings in 1927 was derived from the sale of electricity, about 15% from the sale of gas and the balance from heating, water, ice, transportation and coal departments.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Elec. Sales in k.w.h.	Electric Customers	Gas Sales in Cu. Ft.	Gas Customers	Rev. Pass. Carried	Coal Mined Tons
1918	416,827,211	132,646	3,127,123,200	92,366	20,663,649	*
1919	465,332,748	151,659	3,350,083,300	98,445	23,988,297	*
1920	513,048,858	173,764	3,818,162,700	103,776	27,274,860	*
1921	419,095,767	190,470	3,549,697,100	105,365	25,494,989	480,245
1922	491,257,792	213,737	3,807,422,300	111,795	24,749,995	444,898
1923	629,218,727	258,112	4,249,271,600	119,103	25,086,576	461,650
1924	644,239,953	286,709	4,337,707,400	126,342	23,592,706	463,274
1925	1,227,370,522	391,960	5,310,973,900	158,745	68,807,316	531,045
1926	1,429,553,946	433,664	5,939,658,600	171,280	68,362,015	492,669
1927	1,568,698,893	465,929	6,588,544,300	188,506	67,389,434	408,903

*Not available. †Includes Tennessee Elec. Pow. Co., acquired July 1925, for full year.

We specialize in the securities of and will be glad to give information concerning
COMMONWEALTH POWER CORPORATION
Phone Lombard 4200
E. W. Clark & Co.
Private Phone to New York
Established 1837
Members New York and Philadelphia Stock Exchanges
321 Chestnut Street
Philadelphia

STATEMENT OF PREFERRED STOCK OF SUBSIDIARY COMPANIES DECEMBER 31, 1927

Particulars	Issued and Outstanding or Subscribed	Owned by Commonwealth Power Corporation	Held by Public or Subscribed
Consumers Power Co.:			
6% Cum. Pfd.	$32,802,300	.....	$32,802,300
6.6% Cum. Pfd.	19,117,400	.....	19,117,400
7% Cum. Pfd.	3,081,100	.....	3,081,100
Pfd. stock subscribed but unissued	1,228,600	.....	1,228,600
Total Consumers Power Co.	$56,229,400	.....	$56,229,400
Central Illinois Light Co.:			
6% Cum. Pfd.	$5,757,300	.....	$5,757,300
7% Cum. Pfd.	943,900	.....	943,900
Pfd. stock subscribed but unissued	50,200	.....	50,200
Total Central Illinois Light Co.	$6,751,400	.....	$6,751,400
Illinois Power Co.:			
6% Cum. Pfd.	$1,250,000	$450,000	$800,000
7% Cum. Pfd.	2,125,000	60,000	2,065,000
Total Illinois Power Co.	$3,375,000	$510,000	$2,865,000
Southern Indiana Gas & Electric Co.:			
6% Cum. Pfd.	$2,405,200	.....	$2,405,200
6.6% Cum. Pfd.	800,300	.....	800,300
7% Cum. Pfd.	2,561,600	.....	2,561,600
Pfd. stock subscribed but unissued	113,100	.....	113,100
Total Southern Indiana Gas & Electric Co.	$5,880,200	.....	$5,880,200
Utilities Coal Corporation:			
8% Cum. Pfd.	$500,000	$500,000	.....
Illinois Electric Power Co.:			
7% Cum. Pfd.	$1,800,500	*$1,800,000	$500
The Ohio Edison Co.:			
6% Cum. Pfd.	$589,200	.....	$589,200
6.6% Cum. Pfd.	1,399,200	.....	1,399,200
7% Cum. Pfd.	383,400	.....	383,400
Pfd. stock subscribed but unissued	65,800	.....	65,800
Total The Ohio Edison Co.	$2,437,600	.....	$2,437,600
Southern Michigan Light & Power Co.:			
7% Cum. Pfd.	$177,600	$89,200	$88,400
The Tennessee Electric Power Co. and Subsidiary Cos.:			
The Tennessee Electric Power Co.:			
6% Cum. Pfd.	$8,697,400	.....	$8,697,400
7% Cum. Pfd.	8,345,400	.....	8,345,400
7.2% Cum. Pfd.	2,768,500	.....	2,768,500
Pfd. stock subscribed but unissued	535,200	.....	535,200
Total The Tennessee Electric Power Co.	$20,346,500	.....	$20,346,500
Nashville Ry. and Light Co.:			
5% Cum. Pfd.	$2,500,000	†$2,439,600	$50,400
Total The Tennessee Electric Power Co. and subsidiary Cos.	$22,846,500	†$2,439,600	$20,406,900
Grand Total	$99,998,200	‡$5,338,880	$94,659,400

*Of which $300,000 owned by subsidiaries. †Owned by subsidiary companies. ‡Of which $2,739,600 owned by subsidiaries.

BONDS OF SUBSIDIARY COMPANIES OUTSTANDING IN HANDS OF PUBLIC, DECEMBER 31, 1927

Particulars	Maturity	In Hands of Public
Consumers Power Co.:		
1st Lien and Unifying Mtge. 5s Series C	Nov, 1, 1952	$16,872,700
1st Lien and Unifying Mtge. 5½s Series D	May 1, 1954	*7,827,100
1st Lien and Refdg. Mtge. 5s	Jan. 1, 1936	22,254,000
Michigan Light Co. 1st and Ref. Mtge. 5s	Mar. 1, 1946	2,512,000
Grand Rapids-Muskegon Pr. Co. 1st Mtge. 5s	Mar. 1, 1931	298,000
Jackson Gas Co. 1st Mtge. 5s	Apr. 1, 1937	340,000
Ionia Gas Co. 1st Mtge. 6½%	June 1, 1944	94,500
Total Consumers Power Company		$50,198,300

BONDS OF SUBSIDIARY COMPANIES OUTSTANDING IN HANDS OF PUBLIC, DECEMBER 31, 1927 (Continued):

Particulars	Maturity	In Hands of Public
Central Illinois Light Co.:		
1st and Refdg. (Now 1st) Mtge. 5s	Apr. 1, 1943	$7,178,50
Illinois Power Co.:		
1st Mtge. Bonds, Series A 5s	June 1, 1933	$3,384,00
1st Mtge. Bonds, Series B 7s	Dec. 1, 1936	1,607,30
1st Mtge. Bonds, Series C 6s	June 1, 1944	823,00
Total Illinois Power Company		$5,814,30
Southern Indiana Gas and Electric Co.:		
1st Lien and Refdg. Mtge. 6s, Series B	Oct. 1, 1947	$1,297,10
1st and Refdg. Mtge. 6s	Jan. 1, 1929	2,656,50
Evansville Gas & Electric Light Co.		
1st Mtge. and Refdg. 5s	June 1, 1932	1,075,00
Total Southern Ind. Gas & Elec. Co.		$5,028,60
Illinois Electric Power Co.:		
1st Mtge. Sinking Fund 6s	Apr. 1, 1943	$3,296,90
The Ohio Edison Co.:		
First and Refdg. Mtge. 5s	Apr. 1, 1957	$2,000,00
The Springfield Light Heat & Pow. Co. 1st Mtge. Sinking Fund 5s	Feb. 1, 1929	$339,00
General and Refunding 5s	Apr. 1, 1933	1,307,00
Total The Ohio Edison Co.		$3,646,00
Southern Michigan Light & Power Co.:		
West Michigan Light & Power Co.		
1st Mtge. 7s	May 1, 1935	$40,00
Tennessee Electric Power Co.:		
1st and Refdg. Mtge. 6s	June 1, 1947	$24,222,10
1st and Refdg. Mtge. 5s	June 1, 1956	5,500,00
Office Building Bonds, 5½s	Jan. 7, 1929	175,00
Tennessee Power Co.:		
1st Mtge. 5s	May 1, 1962	2,256,00
Chattanooga Railways Co:		
1st Consol. Mtge. 5s	May 1, 1956	1,667,50
Chattanooga Railway & Light Co:		
1st and Refdg. Mtge. 5s	May 1, 1956	610,00
Nashville Ry. & Light Co.:		
1st Consol. Mtge. 5s	July 1, 1953	3,471,00
Refdg. and Ext. 5s	July 1, 1958	2,544,00
McGavock & Mt. Vernon Horse RR. Co.:		
Mortgage Bonds, 6s	July 1, 1937	485,00
Total Tennessee Electric Power Co.		$40,930,60
Total bonds of subsidiary companies outstanding in hands of public at December 31, 1927		$116,133,20

*Called for redemption on May 1, 1928.

CAPITAL STOCK

Authorized, 2,000,000 shares Common of no pa value, and $50,000,000 6% cumulative Pfd., par $100 outstanding, Dec. 31, 1927, 1,495,503 5/40 shares Com mon and $50,000,000 Pfd.

The authorized Common stock was increased fron 200,000 shares to 300,000 shares in Sept., 1924, and a same time Pfd. stock was increased from $24,000,00 to $30,000,000. In furtherance of the plan t acquire control of The Tennessee Electric Powe Co., the stockholders on June 23, 1925, authorized a increase of Pfd. shares from 300,000 to 500,000 shares par, $100; an increase of Common shares of no pa value from 300,000 to 2,000,000 shares and the issu of four shares of new Common stock in exchange fo each share of the then existing Common stock.

During 1927 the Corporation issued 262,091 share of its Common stock and 132,082 shares of its 6% Pre ferred stock. Proceeds of the Common stock were used in part for the purchase of additional Commo stock of subsidiary companies, namely, 125,000 share of Consumers Power Company, 26,569 shares of The Tennessee Electric Power Company and 5,000 share of The Ohio Edison Company. These companies in turn used the cash thus realized for financing in par the cost of additions and extensions to their plants an distribution systems. Proceeds from sale of the 132, 082 shares of Preferred were used for the retiremen of all funded indebtedness of the Corporation.

Subscription Privileges—Common stockholders of ecord Sept. 16, 1924, were entitled to suscribe pro ata to an additional issue of 30,000 shares Pfd. and 0,000 shares Common stock in blocks of 3 shares Pfd. nd 1 share Common for $315 a block, each such lock to carry with it option warrants entitling the older to subscribe to 3 additional shares Common ock at $100 a share at any time before Nov. 1, 1926. ubscription rights expired Oct. 6, 1924.

On July 24, 1925, subscription warrants were sent stockholders as evidence of their right to subscribe at $30 a share to additional new Common stock the extent of 10% of their holdings. This right expires Sept. 15, 1925.

Common Stockholders of record April 7, 1927 received the right until May 10, 1927 to subscribe to additional Common stock at $40 per share to the extent of 10% of their holdings.

Common stockholders of record November 25, 1927 received the right until December 16, 1927 to subscribe additional Common stock at $56 a share to the extent of 1/10 of their holdings.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends, and upon dissolution or liquidation or sale of assets, is entitled to payment of 00 a share plus accrued dividends before any payments may be made to or any assets distributed among he Common stockholders. Pfd. stock has full voting rivileges with Common stock, each share of either lass being entitled to one vote.

Callability—Pfd. stock is subject to call in whole or part at 105 and accrued dividends at any time on 60 ays' notice.

Transfer Agents (Both Classes)—Hodenpyl, Hardy Co., Inc., New York; E. W. Clark & Co., Philadelphia; Old Colony Trust Co., Boston; The Michian Trust Co., Grand Rapids; and Fidelity & Columa Trust Co., Louisville.

Registrars (Both Classes)—Bankers Trust Co., New ork; Fidelity-Philadelphia Trust Co., Philadelphia; he First National Bank of Boston; The Old National ank, Grand Rapids; and U. S. Trust Co., Louisville.

Legal Opinion—Winthrop, Stimson, Putnam & oberts (for the bankers) and J. C. and B. F. Weaock, New York (for the Corporation).

Public Offering—There was publicly offered in Augst, 1927, $13,208,200 additional 6% cumulative Prerred stock at $100 per share and dividend by Bonright & Co., Inc., Hodenpyl, Hardy Securities Corp., . C. Langley & Co., New York, etc., and E. W. Clark Co., Philadelphia, etc.

Annual Meeting—First Tuesday in August, at Portnd, Me.

Listed—Common stock listed on New York Stock xchange. Common and Pfd. are listed on Boston ock Exchange.

Price Range—

	1927	1926	1925	1924
Preferred—				
High	105	93⅝	88¼	90
Low	91½	82	79¾	73
Common—				
High	78¾	43¾	*43¼	135
Low	48⅝	28⅝	*30½	56

*New stock.

Dividends—Initial dividend of 1½% was paid on Pfd. stock Aug. 1, 1922, which quarterly rate has been regularly paid to date, F, M, A & N 1. Initial dividend of $1.00 per share for quarter ended April 30, 1924, paid on Common stock May 1, 1924; Aug. 1, and Nov. 1, 1924, $1 per share each; Feb. 1, May 1, and July 20, 1925, $1.50 each; 40 cents per share Nov. 2, 1925, on new shares (4 shares new Common having been exchanged for one share old Common); Feb. 1, 1926, 40 cents per share; May 1, 1926, to Feb. 1, 1927 50 cents a share each quarter; May 2, 1927, 50 cents regular and 50 cents extra per share; Aug. 1 and Nov. 1, 1927, and Feb. 1, 1928, 62½ cents each; May 1, 1928, 62½ cents and 50 cents extra. A special stock dividend of 1/40 share Common for each share Common outstanding, paid May 1, 1926.

FUNDED DEBT

None.

BOND REDEMPTIONS

All of the $7,886,000 25-Year 6% Secured Sinking Fund Gold Bonds, due May 15, 1947, were called for redemption on October 1, 1927 at 104¾ and interest at Bankers Trust Co., New York.

All of the $2,059,500 General Lien & Refunding Gold Bonds, Series "A" 5%, due July 1, 1939, were called for redemption on Nov. 1, 1927 at par and interest at Bank of North America & Trust Co., Philadelphia, Pa.

All of the $1,038,500 General Lien & Refunding Gold Bonds, Series "B" 6%, due July 1, 1972, were called for redemption on Nov. 1, 1927 at 105 and interest at Bank of North America & Trust Co., Philadelphia, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Commonwealth Power Corp. Proper)
(Latest Available)

Gross Income:	1926	1925
Dividends	$6,315,277	$3,997,417
Interest	91,792	216,729
Miscellaneous	1,007,728	674,195
Total	$7,414,797	$4,888,341
Expenses	831,212	672,425
Taxes	32,500	50,026
Balance	$6,551,085	$4,165,890
Interest	726,637	796,195
Net income	$5,824,448	$3,369,695
Preferred dividends	2,203,044	1,858,947
Common dividends—		
In cash	2,161,894	1,379,507
In Common stock	881,820	.....
Balance after dividends	$577,690	$131,241
Times Interest Earned	9.02	5.23
Earnings Per Share—		
Preferred	$15.83	$9.20
Common	2.94	1.39

GENERAL BALANCE SHEET, STATED PERIODS
(Commonwealth Power Corp. Proper)
(Latest Available)

Assets—	Mar. 31, *1927	Dec. 31, 1926	Dec. 31, 1925
curities owned	$63,006,761	$63,004,923	$59,291,861
ommon stocks subs. rec.	4,818,216	.....	.....
nk. funds & spec. deposits	16,682	17,117	939,136
eferred charges & prepaid accounts	159,746	88,697	342
lvs. to sub. companies	1,787,578	1,214,830	222,015
rrent Assets:			
Cash & working funds	627,454	854,993	1,010,747
U. S. Govt. Securities & Certificates of Deposits	1,117,462	1,086,000	1,625,337
Accounts receivable	95,317	103,384	72,470
Interest receivable	8,236	10,384	17,713
Dividends receivable	27,306	1,512	72,799
Total	$71,664,758	$66,381,840	$63,252,420

Liabilities—	Mar. 31, *1927	Dec. 31, 1926	Dec. 31, 1925
‡Common stock	$18,229,840	$13,304,236	$9,418,280
Preferred stock	36,789,320	36,783,755	36,624,300
Funded debt	11,254,800	11,387,900	12,770,200
Current Liabilities:			
Accounts payable	31,198	29,272	27,769
Dividends payable	367,833	367,768	367,585
Accrued interest	223,889	61,653	71,623
Accrued taxes	10,840	5,371	9,332
Advances payable	20,000	20,000	20,000
Reserve accounts	96,040	104,207	203,344
Surplus	4,640,998	4,317,678	3,739,987
Total	$71,664,758	$66,381,840	$63,252,420

*Subject to adjustment of auditors at end of fiscal year. †Cash receivable account subscription offer to Common stockholders 123,544 shares of Common stock at $40 per share (underwritten at a commission of $1 per share), payable on or before ay, 10, 1927, the proceeds of which is planned to be used for the purchase of additional Common stock or other securities of bsidiary Companies, such subsidiaries to retire therewith about $4,743,900 par amount of 6%, 6½% and 7% bonds and d. stocks outstanding. ‡Represented by 1,359,502 5/40 shares in 1927, 1,233,412 5/40 shares in 1926, and 1,086,606 shares in 25, all of no par value.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Commonwealth Power Corp. and Subsidiaries)

	1927	1926	‡1925	‡1924	1923	*192
Gross earnings:						
Electric department	$37,834,771	$34,299,007	$30,188,529	$26,562,244	$18,590,274	$15,317,9
Gas department	7,929,253	7,375,928	6,706,283	5,567,806	5,518,016	5,059,4
Transportation	4,829,505	4,816,532	4,746,868	4,782,679	1,647,853	1,639,0
Heating, water, ice and coal	2,579,447	§2,706,076	§2,533,184	§2,402,080	4,364,620	3,603,7
Total	$53,172,976	$49,197,543	$44,174,864	$39,314,809	$30,120,763	$25,520,1
Operating expenses	22,811,602	21,452,439	20,480,908	21,947,490	18,251,549	15,424,5
Taxes	5,619,771	4,937,364	4,441,658			
Gross income	$24,741,603	$22,807,740	$19,252,298	$17,367,319	$11,869,214	$10,095,5
Fixed charges of Sub. Cos.—						
Bond and general interest—net	5,807,845	6,001,799	5,858,995	8,965,891	5,299,931	5,000,8
Amort. of debt discount & expense	431,768	446,215	444,343			
Div. on Pfd. stock with public & minor. int. earned	5,691,862	5,026,912	4,156,650			
Total	$11,931,475	$11,474,926	$10,459,988	$8,965,891	$5,229,931	$5,000,8
Balance for retirement & interest & dividends on securities of Commonwealth Power Corp...	$12,810,128	$11,332,814	$8,792,310	$8,401,428	$6,639,283	$5,094,6
Interest charges—C. P. Corp.	396,500	654,656	652,760	879,095	1,046,358	1,072,0
Balance	$12,413,628	$10,678,158	$8,139,550	$7,522,333	$5,592,925	$4,022,5
Retirement and depletion reserve	3,422,263	3,386,275	3,112,903	2,974,428	1,840,972	1,809,2
Balance	$8,991,365	$7,291,883	$5,026,647	$4,547,905	$3,751,953	$2,213,3
Pfd. dividends (C. P. C.)	2,478,212	2,203,044	2,189,558	2,070,606	1,440,000	1,440,0
Common dividends (C. P. C.)	3,551,078	¶3,043,714	1,379,507	609,564	.....	.....
Balance	$2,962,075	$2,045,125	$1,457,582	$1,867,735	$2,311,953	$773,3
Times Interest Earned	.....	†12.14	†8.70	†6.17	†4.59	†3.0
Earnings Per Share—						
Preferred	†$17.98	†$19.83	†$13.73	†$12.42	†$15.63	†$9..
Common	†4.35	†4.13	†2.61	†2.28	†12.84	†4..

*The deductions for interest and dividends of Commonwealth Power Corp. are actual from the date the subsidiaries we acquired in 1922 and on the annual basis prior thereto. †After depreciation. ‡Giving effect for full 2 year period to acquisitio of control of The Tennessee Elec. Power Co., under plan effective in July, 1925. §Revenue from sale of appliances included electric and gas departments. ¶Includes $881,820 dividend paid in Common stock.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Commonwealth Power Corp. and Subsidiary Companies)

Assets—	1927	1926	1925	1924	1923	192
Property, plant, invests., etc., general account	$294,957,142	$272,425,974	$253,468,094	$161,305,975	$140,557,119	$126,541,9
Invests. in & advs. to affiliated & other cos.	1,654,722	1,473,557	1,086,976	879,744	814,217	607,6
Cash deposits for bonds sold in advance of cons.	.....	.....	.....	41,011	2,850,317	1,300,0
Sinking funds and sundry deposits	86,747	215,379	1,143,490	246,553	179,416	446,9
Bond discount, expenses in process of amortiza.	7,047,626	7,658,752	8,052,150	7,684,028	6,936,707	5,957,4
Deferred charges and prepaid accounts	852,018	684,361	573,265	393,169	104,723	278,3
Cash in banks	4,965,000	5,031,938	4,372,650	2,690,487	2,051,807	1,238,9
Working funds					119,276	176,7
U. S. Govt. securities & certificates of deposit	5,912,978	5,045,243	4,234,996	1,916,996	1,327,557	1,010,0
Accounts receivable	6,172,198	5,773,187	5,396,487	3,779,533	4,144,927	3,146,4
Notes receivable	29,080	23,584	12,075	92,539	12,315	23,6
Interest receivable	34,736	31,023	16,797	10,429	15,522	11,0
Due on subscriptions to Preferred stock	1,136,067	1,829,960	2,476,316	1,190,948	762,048	735,5
Materials and supplies	5,166,531	4,802,344	3,954,142	2,930,922	3,004,995	1,981,2
Sundry current assets	.....	.....	15,245	.....	.....	.....
Total	$328,014,845	$304,995,302	$284,802,682	$183,162,332	$162,880,946	$143,455,9
Liabilities—						
Capital stock of Commonwealth Power Corp.—						
Preferred	$50,000,000	$36,783,755	$36,624,300	$27,000,000	$24,000,000	$24,000,0
Common	*25,708,262	13,304,236	9,418,280	1,750,000	900,000	900,0
Preferred stock of subsidiary companies	94,659,400	85,578,000	74,014,700	36,729,700	27,496,300	21,436,4
Common stock of subsidiary companies	212,155	233,781	93,960	.....	.....	.....
Funded debt of Commonwealth Power Corp.	.....	11,387,900	12,770,200	13,962,500	15,997,600	16,292,4
Bonds and debentures of sub. cos. with public	116,133,200	118,531,600	117,365,900	79,600,900	71,473,300	63,047,1
Contracts payable	.....	.....	.....	.....	2,081,276	2,231,2
Customers' deposits	2,186,032	1,798,051	1,488,948	999,474	879,954	717,2
Other deferred items				38,723	.....	.....
Notes payable	2,425	20,740	59,944	353,851	961,274	180,5
Purchase money and contract obligations	142,359	378,403	719,607	.....	.....	.....
Accounts and wages payable	1,671,237	1,994,582	1,330,004	2,776,983	2,170,270	1,869,6
Dividends payable	756,231	611,070	552,187	98,810	86,848	60,5
Accrued interest	691,247	794,567	801,454	741,495	658,373	561,9
Accrued taxes	5,867,450	5,181,675	4,437,642	1,977,514	1,807,311	1,063,0
Sundry current liabilities	43,159	109,970	68,892	48,927	40,265	30,2
Retirement reserves	14,220,992	12,858,635	11,365,158	7,661,954	7,017,443	6,278,7
Other operating reserves	1,548,543	2,024,056	2,079,383	1,952,173	1,410,693	1,105,4
Premium on Pfd. stock	60,266	67,375	64,627	47,643	41,755	34,2
Contributions for extensions	501,634	247,265	43,954	29,719	7,834	.....
Surplus of subsidiary companies	6,516,702	6,565,805	6,790,051	3,144,240	3,240,650	3,240,6
Surplus since date of control	7,093,551	6,523,836	4,713,488	4,247,726	2,709,800	406,5
Total	$328,014,845	$304,995,302	$284,802,682	$183,162,332	$162,880,946	$143,455,9

*Represented by 1,495,503 5/40 shares of no par value.

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1927
(Commonwealth Power Corp. and Subsidiaries)

Balance January 1, 1927—Surplus of subsidiary companies at date of control, including minority stockholders' interest, $6,565,804; surplus since date of control, $6,523,836; net income for year after provision for retirement reserve and depletion, $8,991,365—total, $22,081,005. Deduct: Adjustment of surplus at dat of control, $49,103; adjustment of surplus since dat of control, $36,289; retirement of coal mine property West Virginia, $247,565; additional appropriation fo retirements, prior years, $241,683; unamortized di

ount and premium on bonds retired, $940,738; dis-ount and expense on Preferred stocks sold and pre-ium on Preferred stocks reacquired and cancelled, 346,540; sundry charges (net), $99,462; dividends on ommonwealth Power Corporation Preferred stock, 2,478,212; dividends on Commonwealth Power Corp. ommon stock, $3,551,078—total, $8,490,670. Balance, 13,590,335. Add back minority interest earned during 1927, $19,918—Surplus Dec. 31, 1927 including minority stockholders' interest, as per balance sheet, $13,610,253.

Contingent Liability—Agreement to purchase from former stockholders of the Southern Michigan Light & Power Co. 8,631 shares of Consumers Power Co. 6% Pfd. stock at $100 per share at any time within six years from July 1, 1926.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
ash, Working funds	$4,965,000	$5,031,938	$4,372,650	$2,690,487	$2,051,807 / 119,276	$1,238,907 / 176,716
. S. Govt. securities and certificates of dep.	5,912,978	5,045,243	4,234,996	1,916,996	1,327,557	1,010,066
ccounts receivable	6,172,198	5,773,187	5,396,487	3,779,533	4,144,927	3,146,453
otes receivable	29,080	23,584	12,075	92,539	12,315	23,646
terest receivable	34,736	31,023	16,797	10,429	15,522	11,096
ue on subscriptions to Pfd. stock	1,136,067	1,829,960	2,476,316	1,190,948	762,048	735,524
aterials and supplies	5,166,531	4,802,344	3,954,142	2,930,922	3,004,995	1,981,212
ndry current assets	.....	.....	15,245	.....	.....	.....
Total	$23,416,590	$22,537,279	$20,478,708	$12,611,853	$11,438,447	$8,323,620
Current Liabilities—						
otes payable	$2,425	$20,740	$59,944	$353,851	$961,275	$180,534
rchase money & contract obligations	142,359	378,403	719,607	.....	.....	.....
ccounts and wages payable	1,671,237	1,994,582	1,330,004	2,776,983	2,170,270	1,869,632
vidends payable	756,231	611,070	552,187	98,810	86,847	60,509
crued interest	691,247	794,567	801,454	741,495	658,373	561,965
crued taxes	5,867,450	5,181,675	4,437,642	1,977,514	1,807,311	1,063,085
ndry current liabilities	43,160	109,970	68,892	48,927	40,265	30,222
Total	$9,174,109	$9,091,007	$7,969,732	$5,997,580	$5,724,341	$3,765,947
t Working Capital	$14,242,481	$13,446,272	$12,508,976	$6,614,273	$5,714,106	$4,557,673

Officers: Geo. E. Hardy, Pres.; B. C. Cobb, V-P.; cob Hekma, V-P.; A. L. Loomis, V-P.; H. G. Kess-r, Compt.; G. H. Bourne, Sec.; Geo. Sprague, Jr., reas.; E. E. Nelson, Asst. Sec.; O. R. Coleman, sst. Treas.; C. A. Pearson, Jr., Asst. Sec. & Asst. reas.

Directors: B. C. Cobb, W. M. Flook, Geo. E. Hardy, cob Hekma, Anton G. Hodenpyl, A. L. Loomis, Waldo S. Reed, L. K. Thorne, A. A. Tilney, Martin S. Watts, E. M. Williams, New York; C. M. Clark, E. W. Clark, E. W. Clark, 3rd, Philadelphia; John W. Barr, Jr., Louisville; Earl S. Colman, Providence; Clay H. Hollister, Grand Rapids; Ralph Stone, Detroit; W. W. Tefft, Jackson, Mich.; J. W. McDowell, Peoria, Ill.; J. J. O'Brien, Chicago.

New York Office, 14 Wall Street.

CENTRAL ILLINOIS LIGHT COMPANY

(Subsidiary of Commonwealth Power Corporation)

History and Property—Incorporated under laws of inois, April 11, 1913. Supplies electricity for light d power in the cities of Peoria and Pekin and in 38 rrounding towns in Illinois within a radius of 40 les. Electric service is also supplied on a whole-le basis to utility companies serving a number of her communities. Combined population of the vari-s cities and towns directly served is estimated to be excess of 150,000. Gas and steam heating service is o furnished in Peoria and Pekin, and gas in East oria, Bartonville, and Averyville. The electric sys-m includes 2 steam-electric plants located at Peoria d Pekin with a total installed capacity of 44,650 h.p. lectricity is supplied to 38,274 customers over 3,630 les of high tension and distribution lines. The gas nt at Peoria, located on the bank of Illinois River, s a daily capacity of 4,900,000 cu. ft., with storage pacity of 2,416,000 cu. ft. Gas is supplied to 25,520 stomers over 252 miles of pipe. Steam for heating rposes is supplied to 533 customers in the principal siness sections of Peoria and Pekin through more an 5¾ miles of mains.

Company also purchases power from the Illinois lectric Power Co. (another subsidiary of Common-alth Power Corp.) which has a steam-electric plant the Illinois River, oposite Peoria, with a present stalled generating capacity of 66,800 h.p. (50,000 k.w.) his plant was placed in operation May 1, 1925.

The Commonwealth Power Corp. owns all the outstanding Common stock of the Central Illinois Light Co.

Franchises—The gas franchises in Peoria extend to 1998 and in Pekin are without limit as to time The electric franchise in Peoria runs to 1947 and those in the smaller communities contain no burdensome restrictions. In this connection, all rates charged by the Company are subject to the jurisdiction of the Illinois Commerce Commission and are not limited by the various franchises under which operations are conducted.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Electric Sales in k.w.h.	No. of Customers	Gas Sales In Cu. Ft.	No. of Customers
1918	49,870,353	20,152	542,084,300	17,936
1919	45,987,019	21,913	564,833,400	18,697
1920	66,789,843	24,528	648,073,900	19,607
1921	52,927,344	26,573	598,172,000	20,190
1922	68,836,909	28,793	618,312,300	20,930
1923	89,467,309	31,253	663,715,000	21,981
1924	84,413,744	33,699	705,460,800	22,920
1925	96,048,052	35,410	734,472,100	23,977
1926	105,625,747	36,911	764,854,300	24,747
1927	122,265,494	38,274	796,774,200	25,520

NOTE—Heating sales in pounds amounted to 471,951,000 to 533 customers in 1927; 504,739,000 to 525 customers in 1926, 450,698,000 to 509 customers in 1925, and 446,075,000 to 489 customers in 1924.

CAPITAL STOCK

Authorized, 100,000 Common shares of no par value, and $10,000,000 6% and 7% cumulative Pfd., par $100;

Consult Us Concerning the Securities of
CENTRAL ILLINOIS LIGHT COMPANY
Hodenpyl Hardy Securities Corporation
14 Wall Street, New York 231 S. LaSalle St., Chicago

outstanding, 100,000 Common shares, $5,757,300 6% Pfd., and $943,900 7% Pfd. In addition $50,200 6% Pfd. subscribed for but not issued. The 100,000 shares of Common stock of no par value was issued early in 1925 in exchange for 51,232 shares of $100 par value previously outstanding. All the outstanding Common stock owned by Commonwealth Power Corporation.

Preferred Stock Provisions—All classes of Pfd. have equal preference for assets and dividends and in dissolution or liquidation are entitled to $100 and accrued dividends per share, before any distribution can be made to Common. Pfd. stock has equal voting powers with Common, share for share.

Callability—The 7% and 6% Pfd. stock are subject to call on 60 days' notice at $105 a share plus accrued dividend.

Transfer Agents (For All Classes)—Company's office, Peoria, Ill. and (for 6% Pfd. only) Hodenpyl, Hardy & Co., Inc., New York.

Registrars (For 6%)—Bankers Trust Co., New York, and (for 6% and 7%)—Dime Savings & Trust Co., Peoria, Ill.

Annual Meeting—Second Thursday in March.

Dividends—Pfd. dividends are declared the second Tuesdays of M, J, S & D, and have been regularly paid quarterly, J, A, J & O 1. On Common, $400,000 in 1923; $382,392 in 1924; $226,848 in 1925; $400,000 ($4 per share) in 1926; $300,000 ($3 per share) in 1927.

FUNDED DEBT

$7,178,500 FIRST AND REFUNDING (NOW FIRST) MORTGAGE GOLD 5s; DUE APRIL 1, 1943

Dated April 1, 1913.

Interest Payable April and October 1, at the office of Hodenpyl, Hardy & Co., Inc., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $15,000,000. Additional bonds may be issued for permanent extensions, enlargements and additions at not exceeding 85% of the actual cost thereof, and then only when net earnings for the preceding twelve months shall have been at least 1¾ times the interest charges on the aggregate of the bonds issued and outstanding, and the bonds about to be issued; and after said aggregate of bonds shall exceed $10,000,000, then the net earnings for said period shall have been at least twice the interest charges on said aggregate bonds.

Callability—The 5% bonds are subject to call as whole or in part at 105 and interest on any interest date on 60 days' notice.

Sinking Fund—By operation of the sinking fund beginning April 1, 1917, the Company will pay the Trustee annually an amount equal to ½ of 1% of the total amount of bonds outstanding. This sinking fund may be applied to the purchase of Central Illinois Light Co. First and Refunding bonds at the market or at 105 through redemption, or the funds may be expended by the Company for acquisition of new properties, or for permanent extensions, enlargements and additions to the property, to the extent of the actual cash cost of such property, and no bonds of this issue may be issued against such acquisition of new properties, or for such permanent extensions, enlargements and additions.

Security—Secured by a first mortgage on the entire property of the Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mills Tax refunded.

Legal Opinion—Chapman, Cutler & Parker, Chicago (for the Bankers) and John C. Weadock, New York (for the Company).

Legal for Savings Banks in Maine, New Hampshire, Rhode Island and Vermont.

Original Offering—5s first publicly offered in July, 1914, by Drexel & Co. and E. W. Clark & Co., Philadelphia and Hodenpyl, Hardy & Co., New York at 95½ and interest.

Price Range—

	1927	1926
High	103½	101
Low	100	99

BOND REDEMPTION

All of Company's First and Refunding (now first) Mortgage Gold 6s, due April 1, 1943, of which there were $2,079,600 outstanding on December 31, 1926, were called for redemption on October 1, 1927 at 105 and interest at Bankers Trust Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Gross Earnings—	1927	1926	1925	1924	1923	1922
Electric department	$3,143,844	$2,971,893	$2,741,679	$2,466,090	$2,451,017	$2,042,52
Gas department	960,759	923,920	895,744	864,829	808,004	757,94
Heating department	286,558	301,934	272,697	272,261	261,514	237,49
Total	$4,391,161	$4,197,747	$3,910,120	$3,603,180	$3,520,535	$3,037,95
Operating expenses	2,319,637	2,186,738	2,070,236	1,735,474	1,782,432	1,625,66
Taxes	330,650	327,640	273,310	262,146	275,043	240,00
Gross income	$1,740,874	$1,683,369	$1,566,573	$1,605,560	$1,463,060	$1,172,30
Interest and other charges	415,864	470,102	492,470	524,784	470,983	480,14
Balance	$1,325,010	$1,213,267	$1,074,103	$1,080,775	$992,077	$692,15
Provision for retirement	256,800	256,800	256,800	256,800	210,000	210,00
Balance	$1,068,210	$956,467	$817,303	$823,975	$782,077	$482,15
Preferred dividends	413,462	394,789	337,278	287,960	266,754	208,54
Balance for Common	$654,748	$561,678	$480,025	$536,015	$515,323	$273,62
Common dividends	300,000	400,000	226,848	382,392	400,000	.....
Balance	$354,748	$161,678	$253,177	$153,623	$115,323	$273,62
*Times Fixed Charges Earned	3.56	3.03	2.66	2.57	2.66	2.0
*Earnings Per Share—						
Preferred	$15.94	$14.47	$13.55	$17.32	$17.40	$13.5

*After provision for retirement.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance Jan. 1, 1927, $650,238; surplus for year 1927 after retirement reserve, $1,068,210—total, $1,718,447. Deduct: 6% Pfd. dividends, $341,884; 7% Pfd. dividends, $71,578; Common dividends, $300,000; surplus charges—premium paid on retirement of bonds, $106,433; unamortized discount and expense on bonds retired, $186,122—total, $292,555; less discount on 7% Pfd. stock reacquired, $175—net surplus charges, $292,380—total deductions, $1,005,842. Surplus, Dec. 31, 1927, $712,606.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	*1924	1923	1922
Property, plant & equipment—General account	$20,097,126	$19,461,279	$18,906,709	$18,148,548	$17,535,642	$16,753,659
Special deposits	.....	.....	.....	75,360	.....	36,000
Investments	325,500	1,825,000	1,825,000	1,325,000	925,000	200,000
Bond discount and expense (being amortized)	380,563	600,380	680,840	916,115	702,350	738,049
Deferred charges	15,861	23,725	16,670	2,947	3,419	4,836
Cash and working funds	221,168	157,625	183,337	87,435	95,010	118,693
U. S. Certificates of Indebtedness	412,053	1,032,000	597,842	451,251	190,119	267,935
Due on subscriptions to Preferred stock	26,103	68,915	226,088	155,229	199,909	107,418
Accounts receivable	569,852	523,752	481,749	348,470	298,115	318,052
Materials and supplies	269,131	238,333	289,044	203,594	302,026	248,649
Total	$22,317,357	$23,931,009	$23,207,281	$21,713,949	$20,251,590	$18,793,294
Liabilities—						
Common stock	$5,123,200	$5,123,200	$5,123,200	$5,123,200	$5,000,000	$5,000,000
6% cumulative Preferred:						
Issued and outstanding	5,757,300	5,509,900	4,917,200	3,634,700	3,382,300	2,406,800
Subscribed but unissued	50,200	107,000	292,400	197,000	.....	21,700
7% cumulative Preferred:						
Issued and outstanding	943,900	1,100,000	1,112,300	1,121,700	1,112,300	1,071,700
Subscribed but unissued	.....	.....	.....	.....	9,400	92,000
Funded debt	7,178,500	9,146,000	9,146,000	9,146,000	8,213,000	8,213,000
Consumers' and line extension deposits	69,643	65,603	67,527	66,111	61,322	29,082
Accounts payable	209,383	179,653	180,167	200,801	196,367	179,913
Dividends payable	102,881	101,680	92,475	59,471	145,200	129,723
Accrued interest	89,731	119,524	120,616	137,224	319,116	116,118
Accrued taxes	495,107	441,149	370,804	333,252	116,119	214,683
Due affiliated company	.....	.....	.....	.....	228,200	32,300
Retirement reserve	1,459,254	1,259,339	1,099,112	1,030,560	907,628	860,785
Other operating reserves	98,079	104,676	108,400	113,022	115,075	95,248
Premium on Preferred stock	4,466	11,575	11,575	11,575	11,575	11,575
Contributions for extensions	23,107	11,472	.....	.....	.....	.....
Surplus	712,606	650,238	565,506	539,333	433,988	318,664
Total	$22,317,357	$23,931,009	$23,207,281	$21,713,949	$20,251,590	$18,793,294

*After giving effect to retirement of $851,100 First and Refunding 7½% bonds called for redemption for which deposits had been made with Trustee at December 31, 1924.

Officers: B. C. Cobb, Pres.; W. H. Barthold, V-P.; R. S. Wallace, V-P. & Gen. Mgr., Peoria, Ill.; H. G. Kessler, Compt., New York; T. A. Schlink, Sec. & Treas.; J. A. Strawn, Asst. Sec. & Asst. Treas.; F. C. Heiple, Asst. Sec. & Asst. Treas., Peoria, Ill.; C. Wigand, Asst. Sec. & Asst. Treas., New York.

Directors: W. H. Barthold, B. C. Cobb, New York; George J. Jobst, T. A. Schlink, R. S. Wallace, F. J. Quinn, J. W. McDowell, Peoria, Ill.

General Office, Peoria, Ill.

CONSUMERS POWER COMPANY

(Subsidiary of Commonwealth Power Corporation)

History—Incorporated May 14, 1910, under the laws of Maine. Owns and operates extensive system of electric and gas properties in Michigan. Electric properties include 44 plants with installed generating capacity of 345,390 h.p. Over 41 of this capacity is contained in 34 water power plants located on the Manistee, Au Sable, Grand, Kalamazoo, Muskegon, Tattabawssee and Shiawassee Rivers, the remainder, being in 10 central steam plants at Zilwaukee, Battle Creek (2), Grand Rapids (2), Flint, Jackson, Alma, Kalamazoo and Greenville. In addition Company has contracts for the output of several additional hydro-electric plants which are connected with the system. All of the 44 generating plants are linked in one inter-connected power system by over 2,210 miles of transmission lines, more than 82% of which are installed in private right of way. A large part of the transmission lines is of steel tower construction carrying electric current at 140,000 volts. Electricity is delivered over 13,376 miles of distribution lines. In Feb., 1928 the interconnection of Consumers Power Co. with the system of the Detroit Edison Company was completed, thus making a large block of power available at all times for an operating emergency of either company.

The gas properties consist of 10 manufacturing plants located at Lansing, Zilwaukee, Flint, Jackson, Kalamazoo, Pontiac, Hastings, Ionia, Manistee and Charlotte and distribution systems in such cities as well as in Bangor Twp., Bay City, Essexville, Monitor Twp., Carrollton and Saginaw supplied from the Zilwaukee plant; Mt. Morris supplied from the Flint plant; Blackman Twp., Michigan Center and Summit supplied from the Jackson plant; Eaton Twp., Eaton Rapids and Eaton Rapids Twp., supplied from the Charlotte plant; Grand Ledge, Holt, Mason and East Lansing supplied from the Lansing plant, and Berkley, Birmingham, Clawson, Farmington, Ferndale, Keego Harbor, Pleasant Ridge, Rochester, Royal Oak and Sylvan Lake supplied from the Pontiac plant. These plants with an aggregate daily capacity of 29,975,000 cubic feet are equipped to produce coal and water gas in about equal amounts. The capacity of the storage holders is in excess of 13,252,000 cubic feet, gas being distributed for domestic and industrial purposes through an extensive pipe system of more than 1,606 miles. The Company also has steam heating plants at Grand Rapids, Battle Creek, Saginaw and Pontiac and a pumping station which supplies water to Cadillac.

During 1927 Company extended its electrical service to additional communities, including St. Charles, Grass Lake, Bath, Dansville, Onekama, Newark, Flushing, Paris, Cascade, Cooper, Gibsonville and Farrandville. As of Dec. 31, 1927 the total number of communities

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CONSUMERS POWER COMPANY — Michigan
Hodenpyl Hardy Securities Corporation
14 Wall Street, New York 231 S. LaSalle St., Chicago

served directly with electricity or gas, or both, was 219 The estimated population of the territory served is in excess 1,400,000. Gross earnings in 1927 were derived approximately 77% from the electric business, 21% from the gas business and 2% from the heating and water business.

Franchises—A large part of the electric property of Company is owned in fee and is not in any way subject to termination of franchise life, as for instance, its water power properties, developed and undeveloped, the steam plants, and the private rights-of-way with the transmission lines thereon. Current is distributed in the various municipalities under satisfactory long-term franchises.

Control—All the Common stock is owned by Commonwealth Power Corp.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

Years	Electric Sales in Kilowatt Hours	Number of Customers	Gas Sales in 1,000 Cu. Ft.	Number of Customers
1918	314,582,424	88,018	2,022,081	42,142
1919	357,723,608	103,055	2,186,794	56,335
1920	372,182,892	118,920	2,495,354	59,895
1921	294,408,610	130,421	2,289,078	60,291
1922	346,149,671	149,124	2,480,873	63,876
1923	443,162,574	180,785	2,828,106	69,262
1924	459,781,360	201,994	2,854,190	75,739
1925	538,977,481	225,017	3,788,040	105,766
1926	642,666,985	243,683	4,335,752	116,850
1927	740,267,389	263,097	4,900,485	132,555

NOTE—Heating customers: 1922, 192; 1923, 252; 1924, 264; 1925, 292; 1926, 323; 1927, 331. Heating sales in pounds: 1922, 149,255,623; 1923, 178,413,810; 1924, 233,428,175; 1925, 254,642,000; 1926, 390,628,115; 1927, 381,912,663.

CAPITAL STOCK

Authorized 2,000,000 shares Common of no par value and $75,000,000 cumulative Pfd., par $100; outstanding Dec. 31, 1927, 1,451,301 shares Common, $32,802,300 6% cumulative Pfd., $19,117,400 6.6% cumulative Pfd., $3,081,100 7% cumulative Pfd., and $1,228,600 6% and 6.6% Pfd., subscribed for but not issued. All Common stock is owned by Commonwealth Power Corp. Pfd. stock is legal for savings banks in New Hampshire.

Stock Changes, Etc.—Stockholders on Oct. 24, 1924, changed the 200,000 shares of authorized Common, par, $100, to 1,400,000 shares of no par value and authorized the issue of seven shares thereof in exchange for each share of Common stock, par $100, then outstanding; increased the authorized Pfd. stock from 300,000 to 500,000 shares; increased the no par value Common shares from 1,400,000 to 2,000,000 shares, and authorized the directors to prescribe the consideration for which the shares of increased Common stock of no par value, not issued in exchange for old Common may be issued and disposed of. Stockholders on Aug. 3, 1926 increased the authorized Pfd. stock from $50,000,000 to $75,000,000.

Preferred Stock Provisions—Have equal preference for assets and dividends except as to rates specified, and in liquidation or dissolution are entitled to $100 and accrued dividends. The 7% and 6% Pfd. and Common stock have equal voting power, share for share, while the 6.6% Pfd. has voting power only on amendments or changes in Company's charter or certificate of organization affecting said stock.

Callability—All classes of Pfd. stock are subject to call in whole or in part on any dividend date on 60 days' notice at 105 and accrued dividend.

Transfer Agents—Hodenpyl, Hardy & Co., Inc., New York, and the Consumers Power Co., Jackson, Mich.

Registrars—The National City Bank of New York, and Peoples National Bank, Jackson, Mich.

Annual Meeting—First Tuesday in August.

Dividends—Dividends on Pfd. stocks have been regularly paid since issuance; payments quarterly, J, A, J & O 1, on three issues, and, at option of holder exchangeable for certificates bearing monthly dividends on the 6% and 6.6% Preferred stocks, at the rate of 50 cents per share on the 6% and 55 cents a share on the 6.6%.

Price Range—

	1927	1926	1925	1924	1923
6% Preferred—					
High	106½	101½	97	93	91
Low	100	95	90	85	84
6.6% Preferred—					
High	107½	106	102	...	...
Low	103	101½	97	...	...

FUNDED DEBT

(1)

$298,000 GRAND RAPIDS-MUSKEGON POWER CO. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE MARCH 1, 1931

Dated March 1, 1906.

Interest Payable March and September 1, at First Trust & Savings Bank, Chicago, Ill. and First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—First Trust & Savings Bank, Chicago, Ill.

Provisions of Issue—Authorized, $7,500,000; but arbitrarily closed at outstanding amount by the terms of the Consumers Power Co. trust deed. In addition to the $298,000 outstanding, $1,299,000 are pledged under Consumers Power Co. First Lien & Refunding Mortgage 5s, due 1936.

Sinking Fund—2% of bonds, outstanding, began March 1, 1910. All cash paid into the sinking fund, together with all cash received by the Trustee, for interest on bonds held therein, shall from time to time be applied by the Trustee to the purchase of bonds outstanding hereunder. If obtainable within 30 days from the receipt of such cash, at a price not exceeding a 4% interest basis, in other first mortgage bonds approved by the Company and the Trustee, and any of said last mentioned bonds may be sold by the Trustee at any time with the approval of the Company, and the proceeds thereof invested in bonds outstanding hereunder. All bonds purchased to be cancelled.

Security—Secured by a first lien on all properties of the former Grand Rapids-Muskegon Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, Michigan, Minnesota, New Jersey, New York, New Hampshire, Rhode Island, and Vermont.

(2)

$340,000 JACKSON GAS CO. FIRST (CLOSED) MORTGAGE GOLD 5s; DUE APRIL 1, 1937

Dated April 1, 1897.

Interest Payable April and Oct. 1, at office of Hodenpyl, Hardy & Co., Inc., New York. Coupon, $1,000; principal may be registered. Illinois Trust & Savings Bank, Chicago, Trustee. Subject to call at 110 and int. on six weeks' notice. A first lien on plant and property of former Jackson Gas Co. Company does not pay Normal Federal Income Tax. Legal for savings banks in Maine, Massachusetts, Michigan, Minnesota, New Jersey, New York, New Hampshire, Rhode Island and Vermont.

(3)

$2,512,000 MICHIGAN LIGHT CO. FIRST AND REFUNDING (CLOSED) MORTGAGE GOLD 5s; DUE MARCH 1, 1946

Dated March 1, 1916.

Interest Payable March and September 1, at Hodenpyl, Hardy & Co., Inc., New York, and Union Trust Co., Detroit, Mich.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Detroit, Mich.

Provisions of Issue—Authorized by Michigan Public Utilities Commission. Closed mortgage, $2,512,500 additional bonds are pledged under Consumers Power Co. First Lien & Unifying Mortgage.

Callability—Subject to call at 105 and interest on any interest date upon 30 days' notice.

Security—Secured by an absolute first lien on the property of the Company situated in the cities of Ba

City, Saginaw, Flint, Kalamazoo, Royal Oak, Birmingham, Pontiac and Manistee, Michigan, including over 1,157 miles of mains, 17 gas holders, and complete plants for the manufacture of both water and coal gas, and by a lien on the property of the Company in Jackson, subject only to $340,000 outstanding bonds secured by this property.

Tax Provisions—Company does not pay Normal Federal Income Tax. Michigan State tax refunded.

Legal for Savings Banks in Maine, Massachusetts, Michigan, Minnesota, New Jersey, New York, New Hampshire, Rhode Island and Vermont.

Price Range—

	1927	1926	1925	1924	1923
High	105	102¾	100	96½	92
Low	103	99	97¾	91	90

(4)

$94,500 IONIA GAS CO. FIRST (CLOSED) MORTGAGE GOLD 6½s; DUE JUNE 1, 1944

Dated June 2, 1924.

Interest Payable June and December at Grand Rapids Trust Company, Grand Rapids, Mich.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—Grand Rapids Trust Company, Grand Rapids, Mich.

Provisions of Issue—In addition to the $94,500 outstanding, $5,500 are held in treasury.

Callability—Subject to call on any interest date at par plus premium as follows: from 1924 to 1928, inclusive, 7½%; from 1929 to 1933 inclusive, 5%; 1934, 5½%; 1935, 4%; 1936, 3½%; 1937, 3%; 1938, 2½%; 1939, 2%; 1940, 1½%; 1941, 1942 and 1943, 1%.

Sinking Fund—An annual Sinking Fund is provided for retirement of 2% of bonds outstanding in excess of $100,000.

Security—A first lien on all the gas property in Ionia, Mich. Assumed by Consumers Power Company.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, Michigan, Minnesota, New Jersey, New York, New Hampshire, Rhode Island and Vermont.

(5)

$2,254,000 CONSUMERS POWER CO. FIRST LIEN AND REFUNDING GOLD 5s; DUE JANUARY 1, 1936

Dated January 2, 1911.

Interest Payable January and July 1 at Harris Trust & Savings Bank, Chicago and at Harris, Forbes & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized issue, $35,000,000, of which sufficient are reserved to retire the underlying divisional bonds; the remainder are held in escrow, and can only be issued for not to exceed 80% of the actual cash expenditures for additional property, provided that net earnings for the twelve months previous equal at least one and three-quarters interest charges of all bonds outstanding including those then to be issued, and also may be issued to refund outstanding bonds of constituent companies under certain restrictions. Under the terms of the First Lien & Unifying Mortgage, any additional bonds issued shall be pledged under said mortgage. On Dec. 31, 1927, $11,160,000 of these bonds were pledged under the First Lien & Unifying Mortgage.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—In 1915 and every year thereafter, a sum in cash equal to 1% of the bonds outstanding (including any prior lien bonds not pledged with the Trustee) must be applied, either on account of sinking fund payment under mortgages of constituent companies or for retirement of first lien & refunding bonds, or to reimburse company for 80% of cost of permanent additions for which no escrow bonds are issued.

Security—Due to the conveyance to the Consumers Power Co. of the properties of its former subsidiary companies, the First Lien and Refunding bonds are now secured by a direct first mortgage on properties having generating plants with a capacity of approximately 233,600 h.p., and are also secured by a first mortgage on very valuable undeveloped water rights, which are capable of large ultimate development. They are further secured by a mortgage on the remainder of the Company's electric light and power property, subject to the underlying divisonal (closed) mortgage bonds described above. Further secured by pledge of $1,299,000 Grand Rapids-Muskegon Power Co. First 5s, due 1931.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, Michigan, Minnesota, New Jersey, New York, New Hampshire, Rhode Island and Vermont.

Price Range—

	1927	1926	1925	1924	1923	1922
High	104½	102½	101	99½	98	92½
Low	102	100	99	94¾	94	92½

(6)

$16,872,700 CONSUMERS POWER CO. FIRST LIEN & UNIFYING MORTGAGE GOLD BONDS, SERIES "C" 5%; DUE NOVEMBER 1, 1952

(7)

$7,827,100 CONSUMERS POWER CO. FIRST LIEN & UNIFYING MORTGAGE GOLD BONDS, SERIES "D" 5½%; DUE MAY 1, 1954

Called for redemption on May 1, 1928, at 105 and interest at the National City Bank, New York.

Dated Series "C" Nov. 1, 1922.

Interest Payable May and November 1 at The National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Registered, $1,000, $5,000 and $10,000, interchangeable with coupon bonds.

Trustee—The National City Bank, New York.

Provisions of Mortgage—Authorized amount, unlimited, subject to restrictions below stated. Outstanding, Dec. 31, 1927, $16,872,700 Series "C" 5s and $7,843,100 Series "D" 5½s, of which $16,000 Series "D" 5½s held in treasury.

The mortgage provides for the issuance of bonds thereunder in series bearing the same or different rates of interest, dates, maturities and such other distinguishing features with respect to each particular series as may be determined by the Board of Directors of the Company at the time of the original issue of each series, subject always to the restrictive provisions of the mortgage. Bonds of any series may be issued from time to time in the future in principal amounts equal to and for the acquisition or retirement of underlying bonds outstanding with the public and First Lien and Unifying Mortgage bonds of other series. Bonds may also be authenticated for not exceeding 75% of such actual and reasonable expenditures for permanent extensions and additions to the plants and properties, provided net earnings for twelve consecutive months shall have been at least twice annual interest charges on all underlying bonds outstanding in the hands of the public and all First Lien and Unifying Mortgage bonds outstanding and then proposed to be issued.

The mortgage contains certain provisions permitting the modification thereof or of any supplemental indenture, in any particular, with the assent of the holders of 75% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided, however, that nothing shall permit the extension of the maturity of any bond or the reduction in the rate of interest thereon, or any other modification in the terms of payment of such

interest, without the consent of the holder thereof, nor the creation by the Company of any mortgage lien ranking prior to or on a party with the lien of the First Lien and Unifying mortgage.

Callability—Subject to call as a whole or in part at the option of the Company on any interest payment date on 30 days' prior notice at 105 during first ten years and thereafter at prices decreasing 1% every five years.

Sinking Fund—The mortgage requires the Company to deposit each year with the Trustee in semi-annual payments commencing May 1, 1923, an amount in cash equal to not less than 1% of all underlying bonds and First Lien and Unifying Mortgage bonds outstanding in the hands of the public at the preceding April 30. Of the money so deposited with the Trustee, not less than $250,000 in each year shall be utilized in the retirement of First Lien and Unifying Mortgage bonds outstanding in the hands of the public, if purchasable at or below the then existing redemption prices. The balance of the Sinking Fund moneys shall be utilized only in the purchase of First Lien and Unifying Mortgage bonds or underlying bonds at or below their respective redemption prices, or reimbursed to the Company at its request for property expenditures against which no bonds shall have been or may be issued.

General Reserve Fund—The mortgage requires the Company, in each year, either to expend for maintenance, repairs, renewals and replacements, or for extensions, enlargements and additions which no bonds may be issued, or for the purchase of First Lien and Unifying Mortgage bonds, an aggregate amount equal to 4% of the total bonded indebtedness of the Company outstanding in the hands of the public at Dec. 31 of each year, or insofar as such an amount is not so expended, to deposit with the Trustee cash, which in turn may be withdrawn by the Company for one or more of the said purposes.

Security—First Lien and Unifying Mortgage bonds are secured by a direct mortgage on all the physical property of the Company, subject to the liens of underlying mortgages under which there are outstanding in the hands of the public $25,498,500 bonds. The mortgage shares in certain of these liens through pledg with the Trustee of $11,160,000 First Lien & Refund ing bonds and $2,512,500 Michigan Light Co. First & Refunding Mortgage bonds. In addition there ar pledged with the Trustee, all the First Mortgage bond and all the stock of the Thornapple Gas & Electri Co., which owns a large modern by-product gas plan of 3,000,000 cubic feet installed daily manufacturin capacity, one of the two largest steam generating sta tions of the system, having an installed generatin capacity of 54,000 h.p. As further amounts of Firs Lien & Refunding bonds of the Company and bond and stock of the Thornapple Gas & Electric Co. ar issued, they will be similarly pledged.

Tax Provisions—Company pays Normal Federal In come Tax up to 2%. Four mills tax in Pennsylvani and Connecticut Personal Property tax not exceedin four-tenths of one per cent. of principal refundabl upon appropriate application. Tax exempt in Stat of Michigan.

Legal Opinion—Shearman & Sterling, New York.

Legal for Savings Banks in Maine, Massachusett Michigan, Minnesota, New Jersey, New York, Ne Hampshire, Rhode Island and Vermont.

Original Offering—First publicly offered ($14,000 000 Series "C" 5s of 1952) in Oct., 1922, by the Na tional City Co., New York, and Graham, Parsons & Co. and Cassatt & Co., Philadelphia, at 92½ and in terest, yielding over 5½%; $3,500,000 Series "C" 5s o 1952 additionally offered in June, 1923, by the sam firms at 89¼ and interest, yielding over 5¾%.

Listed (Series "C")—New York Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	105½	103	100	92⅝	92½
Low	102	97½	90¾	86⅞	84½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Gross earnings:	1927	1926	1925	1924	1923	1922
Electric	$20,403,078	$18,351,461	$15,608,348	$14,368,880	$13,065,798	$10,740,727
Gas	5,794,690	5,362,270	4,751,876	3,647,324	3,551,026	3,231,49
Heating and water	414,681	421,746	324,749	311,947	260,598	228,98
Total	$26,612,449	$24,135,477	$20,684,973	$18,328,151	$16,877,422	$14,201,20
Operating expenses	10,963,251	10,045,081	9,141,528	7,824,980	7,588,524	6,110,42
Taxes	2,759,814	2,325,597	1,996,330	1,786,050	1,519,550	1,326,65
Gross income	$12,889,384	$11,764,799	$9,547,115	$8,717,121	$7,769,348	$6,764,12
Interest	2,308,293	2,360,234	2,237,096	2,605,394	2,237,631	2,486,01
Amortization of debt discount & expense	244,651	246,527	248,452			
Net income	$10,336,440	$9,158,038	$7,061,567	$6,111,727	$5,531,717	$4,278,11
Preferred dividends	3,349,334	2,916,529	2,423,349	1,532,706	1,172,416	970,77
Common dividends	4,773,303	3,978,903	3,061,438	2,931,242	2,613,268	2,404,39
Provision for retirements and replacements	1,536,000	1,536,000	1,392,328	1,320,000	1,116,000	1,082,07
Balance	$677,803	$726,606	$184,452	$327,779	$630,033	‡$179,13
*Times Fixed Charges Earned	4.45	3.92	3.28	2.84	2.97	2.2
*Earnings Per Share—						
Total Preferred stock	$16.00	$15.23	$13.56	$16.91	$20.54	$18.8

*After depreciation. ‡Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant and equipment—General acct.	$133,954,541	$118,852,423	$110,053,734	$95,335,524	$80,981,585	$70,872,47
Invest. in and advances to affil. & other cos.	1,243,860	1,065,647	951,027	1,493,667	1,461,539	1,709,42
Sinking fund deposits, etc.	25,826	23,927	1,428	1,683	2,103	29,95
Proceeds of bonds sold in advance of construc.	.....	.....	.....	.....	.....	1,150,00
Bond discount & expense in process of amort.	4,522,356	4,788,595	5,057,317	5,314,166	4,730,367	4,353,27
Deferred charges & prepaid accounts	224,070	119,269	163,487	251,967	37,917	166,14
Cash in banks / Working fund	1,867,011	2,532,802	1,594,188	1,197,747 / 121,006	1,423,957 / 93,789	472,17 / 160,38
Certificates of deposit	36,282	.....	.....	.....	.....	.....
Marketable securities	.....	2,909,814	1,734,590	73,783	172,321	59,24
Accounts receivable	3,144,290	2,931,569	2,889,686	1,811,201	1,654,463	1,555,69
Notes receivable	‡141,326	‡146,994	.....	37,815	7,474	23,50
Interest receivable, etc.	39,337	45,983	15,245	12,312	11,914	9,92
Due on subscriptions to Preferred stock	709,395	969,547	1,359,002	818,030	418,376	295,60
Materials and supplies	3,079,539	2,642,463	2,152,057	1,833,800	1,755,368	1,014,04
Total	$148,987,834	$137,029,033	$125,971,761	$108,302,701	$92,751,173	$81,871,86

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Consumers Power Co.:						
6% Preferred stock	*$33,909,700	*$26,949,800	$18,317,100	$12,759,200	$12,694,200	$12,739,000
6.6% Preferred stock	†19,238,600	†21,462,200	22,302,100	12,304,000	5,466,800	527,100
7% Preferred stock	3,081,100	3,188,400	3,270,000	3,269,500	3,335,600	3,654,100
Common stock	25,204,300	20,204,300	19,004,300	17,804,300	16,404,300	16,175,900
unded debt	50,198,300	50,619,900	51,201,700	51,189,400	44,579,600	41,428,500
eferred liabilities, customers' deposits, etc.	1,656,870	1,407,816	1,163,687	805,161	699,095	409,738
ue to Commonwealth Power Co.	1,114,436	.....	.....	.....	.....	.....
ank loans	.....	.....	.....	.....	750,000	.....
ccounts payable	791,096	889,449	686,832	1,244,967	734,801	532,646
axes payable	986,333	852,059	813,212	679,933	633,784	613,613
ue affiliated companies	181,523	202,446	.....	.....	.....	.....
ccrued interest	263,840	268,800	272,832	354,553	273,176	252,957
ccrued taxes	1,915,761	1,678,445	1,312,934	1,039,504	908,373	357,170
ontributors for extensions	324,042	176,939	40,363	29,719	7,834	168,061
etirement reserve	6,209,642	5,468,747	4,579,772	3,870,244	3,678,748	3,297,222
ther operating reserves	670,530	958,925	997,433	1,006,336	939,509	694,493
urplus	3,241,761	2,700,807	2,009,495	1,945,884	1,645,353	1,021,362
Total	$148,987,834	$137,029,033	$125,971,761	$108,302,701	$92,751,173	$81,871,862

*Includes $1,155,300 subscribed in 1926, and $1,107,400 in 1927. †Includes $400,300 subscribed in 1926, and $121,200 in 1927. Receivables from affiliated companies.

Officers: B. C. Cobb, Pres.; Geo. E. Hardy, V-P., ew York; C. W. Tippy, V-P. & Gen. Mgr., Jackson, ich.; W. H. Barthold, V-P.; T. A. Kenney, V-P., ew York; E. W. Clark, V-P., Philadelphia, Pa.; . W. Tefft, V-P. & Chf. Engr., Electric Dept.; obert Davey, Sec.; A. J. Mayotte, R. T. Kendall, F. . Glenn, Asst. Sec'ys.; C. E. Rowe, Treas.; H. C. each and S. B. Morten, Asst. Treas'rs., Jackson, ich.; H. G. Kessler, Compt.; E. E. Nelson, C. Wigand, Asst. Secs. & Asst. Treas'rs., New York; C. A. Pearson, Jr., Asst. Sec. & Asst. Treas., Philadelphia, Pa.; C. J. Holmes, Gen. Counsel, Jackson, Mich.

Directors: B. C. Cobb, G. E. Hardy, Anton G. Hodenpyl, Jacob Hekma, W. H. Barthold, New York; C. M. Clark, E. W. Clark, Philadelphia; W. W. Tefft, C. W. Tippy, Jackson, Mich.

New York Office, 14 Wall Street. **General Office,** Jackson, Mich.

THORNAPPLE GAS & ELECTRIC COMPANY

(Controlled by Consumers Power Company)

History and Property—Incorporated in July, 1905, i Michigan. The company has leased all its operty to Consumers Power Co. for thirty years om Nov. 1, 1922, as a going business and all property reafter acquired, giving and granting to the comny the right to collect all tolls and charges by reason of the service rendered. The Consumers Power o. agrees to pay all taxes lawfully assessed against e Thornapple Gas & Electric Co. and all interest on bonds or obligations.

Owns electric generating plants at Zilwaukee, ma, La Barge and Mount Pleasant with aggregate stalled capacity of 56,650 h.p.; also electric distribuon systems in Hastings, Caledonia, Middleville, Lake essa, Woodland, Nashville, Vermontville, Alma, eckenridge, Merrill, Hemlock, Forest Hill, Shepd, Mt. Pleasant, Rosebush, Clare, Ithaca and Colean, as well as transmission lines connecting such ies and towns. Owns gas plant and distribution stem in Hastings and new by-product coal gas plant Zilwaukee with an installed daily manufacturing pacity of 2,000,000 cu. ft. and a supplementary water s set with a rated capacity of 1,000,000 cu. ft. per day. Gas is furnished from this plant through high pressure main pipe to Saginaw, Bay City, Zilwaukee, Bangor Township, Monitor Township, Carrollton and Essexville.

CAPITAL STOCK

Authorized, $500,000; outstanding, $460,000; par, $100. All owned by Consumers Power Co. and pledged under its First Lien and Unifying Mortgage. Annual meeting, third Thursday in April.

FUNDED DEBT

$4,732,000 of an unlimited authorized amount First Mortgage Gold 6s, Series "A"; due Nov. 1, 1952, or on demand, have been issued and are all owned by Consumers Power Co. and pledged under its First Lien & Unifying Mortgage.

Officers: B. C. Cobb, Pres.; T. A. Kenney, V-P.; C. W. Tippy, V-P. & Gen. Mgr.; H. G. Kessler, Compt.; Robt. Davey, Sec.; C. E. Rowe, Treas.; C. Wigand, Asst. Sec. & Asst. Treas.

Directors: B. C. Cobb, T. A. Kenney, C. W. Tippy, Robt. Davey, H. G. Kessler.

Principal Office, Jackson, Mich.

ILLINOIS ELECTRIC POWER COMPANY

(Subsidiary of Commonwealth Power Corporation)

History and Property—Incorporated in January, 123, in Illinois, to engage in the manufacture, transssion and sale of electricity. Contracts have been tered into with the Central Illinois Light Co. and Inois Power Co. and they are now being furnished th a substantial portion of their power requirements d similar arrangements have also been concluded h other large consumers and distributors. Company s acquired property rights and has constructed steam-electric generating station located on Illinois River opposite Peoria. The initial capity of this station of 61,800 h.p. went into operation y 1, 1925. The Company also constructed 65 miles high tension double circuit steel tower transmisn lines connecting the distributing system of Cenl Illinois Light Co. at Peoria and Illinois Power . at Springfield, thus forming a physical interconnection of these three properties. With the added capacity of the new station, the combined companies have an inter-connected generating capacity in their central stations equal to over 118,500 h.p. Transmission lines of other companies are now under construction to connect with the system of the Illinois Electric Power Co. in order to secure power from it on a wholesale basis.

CAPITAL STOCK

Authorized and outstanding, 50,000 shares Common no par value, and $1,800,500 7% cumulative Pfd.; par, $100. Authorized, Common and Pfd. changed during 1925 from 25,000 shares Common and $1,200,500 Pfd. Entire Common stock and $1,500,000 Pfd. is owned by Commonwealth Power Corporation, and $300,000 Pfd. is owned by Central Illinois Light Co. Annual meeting, second Thursday in March.

FUNDED DEBT

$3,296,900 FIRST MORTGAGE SINKING FUND GOLD 6s, SERIES "A"; DUE APRIL 1, 1943

Dated April 1, 1923.

Interest Payable April and October 1 at Bankers Trust Co., New York or at First National Bank, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, open; issued, $3,500,000, of which $3,296,900 are outstanding. Proceeds from the sale of these bonds was used in the construction of a 66,800 h.p. electric generating station and necessary equipment therefor and more than 64 miles of high tension transmission lines.

Restrictions on Further Issue—In the event that further expenditures are necessary to complete the new station and the 65 miles of high tension transmission lines as originally planned, additional bonds of this series may be issued in an amount equal to 75% of the certified cash cost of construction against a property investment of not to exceed $775,000 of additional construction. In the event that the total cost of such completion shall exceed $5,000,000, no bonds may be issued for any such excess cost.

Further bonds may be issued for the following purposes, in series, with such maturities and other requirements as the Board of Directors may from time to time determine: (a) To refund bonds of a previous series or bonds issued under any mortgage on property later acquired by the Company, not exceeding 75% of its value; (b) for 75% of the certified cost of additions and improvements, provided the net earnings as determined in the mortgage for a consecutive twelve months' period in the past fifteen months, shall equal 1¾ times the interest charges on all bonds outstanding and to be outstanding.

Callability—Subject to call in whole or in part on any interest date on 60 days' notice at 105 and interest up to and including April 1, 1928; at 103½ and interest thereafter to and including April 1, 1933; at 102 and interest thereafter to and including April 1, 1938; and thereafter at 101 and interest to maturity.

Sinking Fund—The mortgage provides for semi-annual cash sinking fund payments to the Trustee commencing April 1, 1925, equivalent to 2% per annum basis on the amount of bonds outstanding at the respective dates of payment. Cash deposited for the sinking funds shall be applied by the Trustee to the retirement of outstanding First Mortgage bonds at or below the prevailing call prices.

Security—Secured by a first mortgage on all property of the Company now owned or hereafter acquired including the 66,800 h.p. central station electric generating plant and more than 64 miles of high tensi transmission lines. As additional security there pledged with the Trustee contracts with Central Ill nois Light Co. and Illinois Power Co. for the purcha of power upon monthly payments to Illinois Electr Power Co. sufficient to pay all operating expense taxes and other necessary disbursements (other tha for capital purposes) leaving an amount available b fore provision for retirement equal to at least twi annual interest charges on these $3,296,900 Fir Mortgage Series "A" bonds. The monthly paymen by Central Illinois Light Co. and Illinois Power C under their contracts constitute operating charg against the purchasing companies. Upon the initi issuance of these bonds, there was deposited with t Trustee cash or U. S. Government bonds or Certi cates of Indebtedness, equal to the principal amou of the bonds certified, which cash or Federal oblig tions has been withdrawn as work progressed to t extent of 83% of certified expenditures.

Guaranty—Guaranteed as to principal, interest a sinking fund payments by endorsement on each bo by Commonwealth Power Corporation.

Tax Provision—Company pays Normal Federal I come Tax up to 2%. Pennsylvania and Connectic Four Mills Tax refunded.

Legal Opinion—Winston, Strawn & Shaw, Chica (for the bankers) and John C. Weadock, New Yo and P. B. Warren, Springfield, Ill. (for the company

Original Offering—First publicly offered ($3,500 000) in March, 1923, by Federal Securities Corp. a Ames, Emerich & Co. at 97 and interest, to yield ov 6.25%.

Price Range—

	1927	1926	19
High	104½	103½	103
Low	103	102	99

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$1,740,043	$1,429,8
Operating expenses and taxes	1,108,716	824,2
Gross income	$631,327	$605,5
Interest and other fixed charges	231,821	232,1
Net income	$399,506	$373,4

Officers: B. C. Cobb, Pres.; W. H. Barthold, V-P R. S. Wallace, V-P. & Gen. Mgr.; T. A. Schlink, Se & Treas.; H. G. Kessler, Compt.; C. Wigand, As Sec. & Asst. Treas.; J. A. Strawn, Asst. Sec. & As Treas.; F. C. Heiple, Asst. Sec. & Asst. Treas.

Directors: W. H. Barthold, B. C. Cobb, New Yor T. A. Schlink, R. S. Wallace, Peoria, Ill.; A. Mackie, Springfield, Ill.; R. P. Stevens, T. A. Kenne

General Office, Peoria, Ill.

ILLINOIS POWER COMPANY

(Subsidiary of Commonwealth Power Corporation)

History and Property—Company is outgrowth of what originally was the Springfield Gas Light Co. which was organized by a Special Act of Legislature on Feb. 27, 1854, and granted a perpetual charter. In April, 1913, name of this company was changed to Springfield Gas & Electric Co. and in September of the same year it purchased the property of the Springfield Light, Heat & Power Co. In Dec., 1921, the Springfield Gas & Electric Co. purchased the electric and heating properties in DeKalb, and Sycamore, Illinois, and the property of the Springfield Consolidated Railway Co. which was then merged into the Springfie Gas & Electric Co. and its name changed to Illinc Power Company.

Company supplies electricity for light and pow gas as fuel, steam and hot water heat, and street ra way and motor bus service to the city of Springfie Illinois. DeKalb, Sycamore and five other tow are also supplied with electric light and power; stea heat service is rendered DeKalb and Sycamore. T total population served is estimated to be in excess 100,000.

ILLINOIS POWER CO. FIRST MORTGAGE BONDS
F. S. MOSELEY & CO.
50 Congress Street
BOSTON
New York Chicago

Electric properties include power plants at Springeld and DeKalb with a combined generating capacity f 15,500 horsepower and distribution systems in such ties and in Sycamore, Malta, Cortland, Rochester, lburn and Maple Park, and more than 960 miles of ansmission and distribution lines including a 33,000 olt high tension transmission line extending from the pringfield station to the city limits where connection made with the lines of the Central Illinois Public ervice Company. The company has contracted for large supply of power from the Illinois Electric ower Co., (another subsidiary of the Commonwealth ower Corporation) which owns a new steam plant on e Illinois River, opposite Peoria. This plant, with a generating capacity of 66,800 h.p., went into operation May 1, 1925; 12,984 electric customers are served.

The gas plant at Springfield has a daily manufacturing capacity of 5,000,000 cubic feet and a storage capacity of 1,100,000 cubic feet. The distribution system consists of over 118 miles of main pipe through which gas is furnished to 15,254 customers.

Railway properties include about 42 miles measured as single track of city railway lines, and 122 cars; and 16 motor buses are operated to supplement electric railway service in Springfield.

Heating system consists of over 11 miles of main pipe leading from electric power generating stations and heating plants to 1,086 customers.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Electric Customers	Electric Sales in Kilowatt hrs.	Gas Customers	Gas Sales in Cubic Feet	Heating Customers	Steam Sales in 1,000 lbs.	Revenue Passengers Carried
20	.....	17,897,441	.....	338,056,800	.....	539,891.6	12,349,615
21	.....	18,077,016	.....	345,091,100	.....	473,815.3	12,165,400
22	10,213	19,548,266	12,679	367,895,000	1,023	509,482.0	11,431,799
23	11,042	23,235,546	13,225	381,020,800	1,044	511,545.1	11,150,971
24	11,831	24,861,211	13,654	398,957,800	1,049	572,935.0	10,661,451
25	12,390	28,939,245	14,377	417,174,100	1,059	615,519.9	11,286,894
26	12,694	30,955,095	14,755	437,934,300	1,084	651,747.0	11,178,985
27	12,984	33,780,671	15,177	464,038,300	1,086	597,394.8	10,616,856

CAPITAL STOCK

Authorized and outstanding, $4,000,000 Common, ,500,000 6% cumulative Pfd., and $2,125,000 7% mulative Pfd.; par, $100. All of the Common, $450,-00 6% Pfd. stocks and $60,000 7% Pfd. stock owned Commonwealth Power Corp., $250,000 of the outanding 6% Pfd. was reacquired and held by Comny as of Dec. 31, 1927. The 6% and 7% Pfd. and ommon stock have equal voting power, share for are. Annual meeting, second Friday in March.

FUNDED DEBT

(1)

384,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1933

Dated December 1, 1921.

Interest Payable June and December 1 at Fidelity Columbia Trust Co., Louisville, Ky., at Bankers ust Co., New York and at First Trust & Savings nk, Chicago.

Denominations—Coupon, $100, $500 and $1,000; ncipal may be registered.

Trustee—Fidelity & Columbia Trust Co., Louisle, Ky.

Provisions of Issue—These bonds are issued under mortgage providing for the issuance of bonds series bearing maturities and interest rates, as the ard of Directors may determine, subject to certain trictions including the following: Additional bonds y be issued for not exceeding 75% of the actual sh cost or fair value, whichever is lower, of permant extensions, enlargements and additions. The nings of the property applicable to bond interest, the preceding twelve months shall have been at st 1¾ times the annual interest charges on the aggate of the bonds issued and outstanding, and of se bonds about to be issued. Additional bonds may o be issued without restriction as to earnings, to und underlying bonds on properties subsequently uired where the total amount of underlying bonds ot in excess of 75% of the value of the properties.

Callability—Subject to call as a whole or in part any interest date upon 60 days' notice at 107½ and erest.

Replacement Account—Under the terms of the rtgage the Company covenants to set up each year of earnings available for dividends, a replacement ount equivalent to 2½% of the amount of outnding bonds of the Company. Against this account ll be charged renewals or replacements of its propy and such renewals or replacements may not be d as a basis for issuing additional bonds.

Sinking Fund—The mortgage provides for the payment to the trustee annually of a sum equal to 1% of the amount of bonds outstanding, for purchase and cancellation of bonds if obtainable at less than the redemption price; or by redemption by lot, of bonds not so obtainable.

Security—A first lien on the entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Winston, Strawn & Shaw, Chicago (for the Bankers) and John C. Weadock and P. B. Warren, Springfield, Ill. (for the Company).

Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925
High	99	97½	95½
Low	95½	93	93

(2)

$1,607,300 FIRST MORTGAGE 7% GOLD BONDS, SERIES "B"; DUE DECEMBER 1, 1936

Dated December 1, 1921.

Interest Payable June and December 1, at Fidelity & Columbia Trust Co., Louisville, Ky., at Bankers Trust Co., New York and at First Trust & Savings Bank, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Denominations changeable into larger denominations.

Trustee—Fidelity & Columbia Trust Co., Louisville, Ky.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 110 and interest up to and including Dec. 1, 1926; thereafter at 107½ and interest up to and including Dec. 1, 1931; thereafter at a premium of 1% for each year or fraction thereof of unexpired life.

Security—A first lien on entire property of Company, being secured by same mortgage as Series "A" bonds of 1933.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of four mills refunded upon application.

Legal Opinion—Winston, Strawn & Shaw, Chicago (for the Bankers) and John C. Weadock, New York and P. B. Warren, Springfield, Ill. (for the Company).

Original Offering—Series "B" bonds first publicly offered ($1,925,000) in Jan., 1922, by Hodenpyl, Hardy & Co., Inc., New York, etc. and Federal Securities Corp., Chicago at par and interest.

(For restrictions governing future issues, sinking fund, etc. see under description of First Mortgage 5s, Series "A", described above.)

Price Range—

	*1927	*1926	1925
High	107	104¾	103½
Low	103	102	bid

*High and low bid price.

(3)

$823,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "C"; DUE JUNE 1, 1944

Dated June 1, 1924.

Interest Payable June and December 1 at the office of Fidelity & Columbia Trust Co., Louisville, Ky., at Bankers Trust Co., New York and at First Trust & Savings Bank, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal and interest may be registered. Denominations changeable into larger denominations.

Trustee—Fidelity & Columbia Trust Co., Louisville, Ky.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 105 and interest up to and including June 1, 1936; thereafter at 102 and interest up to and including June 1, 1940 and at 101 and interest thereafter but prior to maturity.

Security—A first lien on the entire property of the Company, being secured by same mortgage as Series "A" 5s and Series "B" 7s described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Winston, Strawn & Shaw, Chicago (for the Bankers) and John C. Weadock, New York and P. B. Warren, Springfield, Ill. (for the Company).

(For restrictions governing future issues, sinking fund, etc. see under description of First Mortgage 5s Series "A," described above.)

OTHER FUNDED DEBT

There was also outstanding Dec. 31, 1927, $36,000 Springfield Consolidated Ry. Co. First Mortgage 5s due June 1, 1933. Funds to provide for principal and interest to maturity have been deposited with trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross Earnings:						
Electric	$1,044,747	$980,269	$911,364	$813,885	$749,240	$668,3
Transportation	704,356	720,727	708,984	691,386	711,270	735,6
Gas	564,143	553,015	566,531	547,709	523,159	521,5
Heating	323,942	327,120	304,921	305,033	282,690	272,2
Total	$2,637,188	$2,581,131	$2,491,800	$2,358,013	$2,266,358	$2,197,8
Operating expenses and taxes	1,818,552	1,769,493	1,720,052	1,643,434	1,602,691	1,580,6
Gross income	$818,636	$811,638	$771,748	$714,579	$663,667	$617,1
Interest and other fixed charges	395,020	389,157	396,915	375,250	357,262	342,3
Net income	$423,616	$422,481	$374,833	$339,329	$306,405	$274,8
Provision for retirement	150,000	150,000	148,700	152,200	135,000	136,0
Balance	$273,616	$272,481	$226,133	$187,129	$171,405	$138,8
Preferred dividends	228,738	231,705	215,865	191,150	154,994	133,7
Balance	$44,878	$40,776	$10,268	‡$4,021	$16,411	$5,1
*Times Fixed Charges Earned	1.69	1.71	1.57	1.50	1.48	1.4
*Earnings Per Share—						
Preferred	$8.11	$7.52	$6.56	$5.91	$6.36	$5.1

*After provision for retirement. ‡Deficit.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Surplus at date of organization (Jan. 1, 1922), $35,534; additions to Dec. 31, 1926, $60,732; net income for year 1927 after retirement reserve, $273,616; cancellation of debt due parent company, $250,000—total, $619,882. Deduct: Additional appropriation for retirement reserve, $241,683; miscellaneous direct surplus items, net, $6,514; dividends on 6% cumulative Pfd. stock, $84,157; dividends on 7% cumulative Pfd. stock, $144,581—total deductions, $476,935. Surplus Dec. 31, 1927, $142,947.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Prop. plant and equipment—general account	$13,684,098	$13,303,837	$13,056,107	$12,275,507	$11,160,547	$10,548,93
Investments	47,517	47,517	41,146	31,376	876	37
Deposit to retire Springfield Consol. Ry. 1st Mtge. bonds, including interest to maturity	46,870	52,186	61,883	64,486	71,276	70,0
Cash deposit for future construction	.....	.....	.....	.....	.....	114,0
Sinking fund & special deposits	481	2,385	141	239	732	52
Bond disc. and exp. in process of amort.	357,438	411,048	464,850	517,723	503,248	566,21
Extraordinary coal exp. in process of amortization	.....	.....	.....	.....	.....	40,0
Deferred charges & prepaid accounts	3,838	3,529	10,071	29,602	1,831	6,51
Reacquired securities—6% Pfd. stock at par	250,000	.....	.....	.....	.....	.....
Cash and working funds	105,861	94,724	61,224	79,750	44,489	53,59
U. S. certificates of indebtedness	.....	.....	202,658	.....	.....	.....
Accouts and notes receivable less reserve for bad debts	355,464	366,804	356,643	258,456	199,471	197,63
Due on subscription to 7% Pfd. stock	.....	.....	73,959	37,683	26,491	227,54
Materials and supplies	258,479	334,033	317,434	243,762	232,980	189,75
Total	$15,110,046	$14,616,063	$14,646,116	$13,538,585	$12,241,941	$12,005,15
Liabilities—						
Common stock	$4,000,000	$4,000,000	$4,000,000	$2,900,000	$2,900,000	$2,900,00
6% cumulative Pfd.	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,00
7% cumulative Pfd.:						
Issued and outstanding	2,125,000	2,125,000	1,944,700	1,665,000	1,194,300	625,00
Fully paid but unissued	.....	.....	.....	.....	.....	205,40
Subscribed but unissued	.....	.....	111,200	.....	30,700	244,60
Funded debt	5,867,700	5,924,100	5,987,300	6,046,000	5,427,000	5,488,00
Consumers' and line extension deposits	64,856	50,826	38,492	36,358	39,377	40,01
Notes payable	.....	.....	.....	17,422	.....	.....
Accounts payable	79,117	64,457	163,765	351,234	167,708	193,91
Advances—affiliated company	348,424	148,387	.....	141,715	159,895	39,77
Accrued taxes	234,328	211,327	173,342	140,042	127,156	126,85
Accrued interest	28,185	27,337	28,896	29,257	27,470	26,38
Unredeemed tickets	19,437	25,327	20,298	17,120	16,825	12,12
Equipment purchase obligations	.....	3,225	19,606	.....	.....	.....
Retirement reserves	652,474	421,150	554,646	611,864	554,926	514,49
Other operating reserves	47,578	18,660	38,586	22,652	30,880	39,29
Surplus	142,947	96,267	65,285	59,921	65,704	49,29
Total	$15,110,046	$14,616,063	$14,646,116	$13,538,585	$12,241,941	$12,005,15

Officers: B. C. Cobb, Pres.; W. H. Barthold, V-P., New York; A. D. Mackie, V-P. & Gen. Mgr.; J. A. Easley, V-P.; E. W. Payne, V-P.; W. H. Lemons, Sec.; E. L. Sturtevant, Treas., Springfield, Ill.; C. Vigand and E. E. Nelson, Asst. Secs. & Asst. Treasrs.; L. G. Kessler, Compt., New York.

Directors: B. C. Cobb, W. H. Barthold, New York; A. D. Mackie, Addison Corneau, J. A. Easley, W. B. Jess, E. W. Payne, W. F. Workman, R. C. Lanphier, H. A. Converse, George W. Bunn, Springfield, Ill.

General Office, Springfield, Ill.

THE OHIO EDISON COMPANY

(Subsidiary of Commonwealth Power Corporation)

History and Property—Incorporated in Ohio in March, 1924, and as of April 1, 1924, consolidated the properties of The Springfield Light, Heat & Power Co. (see 1923 Manual, page 2039) with the former Ohio Edison Co., which had acquired in 1923 the electric properties of The Marysville Light & Water Co., the southern district of The Northwestern Ohio Light Co. and The West Liberty Light & Power Co.

Under the plan of consolidation the Pfd. stock of the Springfield Light, Heat & Power Co. and the former Ohio Edison Co., became the Pfd. stock of the consolidated company (The Ohio Edison Co.); 40,000 shares of Common stock of no par value of consolidated company were issued in exchange for $1,000,000 Common stock of The Springfield Light, Heat & Power Co., and 10,000 shares for the 10,000 Common stock of no par value of the former Ohio Edison Co., which latter stock had been purchased by Commonwealth Power Corp. for $25 per share in cash. The bonds of each of the constituent companies were assumed by the consolidated company.

In Dec., 1925, Company acquired the Indian Lake Light & Power Co. In 1926 purchased The Belle Center Light and Power Co.

Company owns and operates a steam-electric generating plant at Springfield, O., with an installed capacity of 60,300 h.p. Current is delivered over 161 miles of transmission and 1,268 miles of distribution wire lines to more than 24,899 customers. Electric light and power is furnished directly to Springfield, Urbana, and Marysville, and 37 adjacent communities in Ohio, and through other company's lines at wholesale to 3 additional communities. Steam heat is also furnished in Springfield. Population in territory served is estimated to be in excess of 105,000.

Mad River Development—A 23-acre site was secured on the Mad River at a point adjacent to the National Road on the western outskirts of Springfield, upon which a steam plant with an initial installed capacity of 26,600 h.p. was built and went into operation July 14, 1927. This plant is designed to have an ultimate capacity of 133,000 h.p. and is connected with the generating plant in Springfield. The Rockaway plant will be operated for carrying peak loads, maintaining a reserve power supply and for furnishing steam heating service in the downtown district of Springfield.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Electric Sales in Kilowatt Hours	Number of Electric Customers	Heating Sales in 1,000 lbs.	Number of Heating Customers
1911	24,446,109	11,806	112,071	100
1912	28,384,652	12,522	116,622	116
1913	36,955,011	14,027	137,216	117
1914	38,755,032	20,207	152,759	136
1915	46,582,143	21,553	166,291	145
1916	57,654,314	23,010	189,941	157
1917	56,919,279	24,899	176,621	170

NOTE—Prior to 1924 figures refer to predecessor company, The Springfield Light, Heat and Power Co.

CAPITAL STOCK

Outstanding Dec. 31, 1927, 57,500 shares Common of no par value, $589,200 6% cumulative Pfd., par $100, $1,399,200 6.6% cumulative Pfd., par, $100, and $383,400 7% cumulative Pfd., par, $100. In addition $15,900 6% Pfd. and $49,900 6.6% Pfd. was subscribed for but unissued. The entire Common stock is owned by Commonwealth Power Corp.

Subscription Privilege—Holders of all classes of stock had the right until Oct. 12, 1925, to purchase $400,000, par amount of 6.6% Pfd. stock at par on the basis of one new share for each 15 shares held.

Preferred Stock Provisions—The 6%, 6.6% and 7% Pfd. have equal preference for assets and dividends and are entitled to vote share for share with Common.

Callability—The 6%, 6.6% and 7% Pfd. are subject to call at 101 and accrued dividend per share.

Transfer Agent—Office of Company, Springfield, Ohio.

Registrar—First National Bank & Trust Co., Springfield, Ohio.

Annual Meeting—Fourth Wednesday in April.

Dividends—Pfd. dividends on all classes of stock regularly paid quarterly, M, J, S & D 1. Dividends on the 6% and 6.6% Pfd. are also payable monthly at the rate of $0.50 for the 6% and $0.55 for the 6.6% on the first day of each month. On Common, $3.90 a share was paid in 1924; 1925, $3.00 a share; 1926, $360,000; 1927, $426,250.

FUNDED DEBT

(1)

$342,000 THE SPRINGFIELD LIGHT, HEAT & POWER CO. FIRST (CLOSED) MORTGAGE 5s; DUE FEBRUARY 1, 1929

Dated February 1, 1909.

Interest Payable Feb. and Aug. 1, at The Huntington National Bank, Columbus, O., Trustee. Coupon, $1,000; principal may be registered. Subject to redemption at 105 and interest as an entire issue, or by annual sinking fund of 2% of outstanding bonds until 1918; 3% from 1919 to 1923; 4% from 1924 to 1929. Amount in sinking fund Dec. 31, 1927, $408,000. Provided for in The Ohio Edison Co. First and Refunding Mortgage. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Simpson, Thacher & Bartlett, New York.

(2)

$1,307,000 THE SPRINGFIELD LIGHT, HEAT & POWER CO. GENERAL AND REFUNDING 5s; DUE APRIL 1, 1933

Dated April 1, 1913.

Interest Payable April and October 1 at Michigan Trust Co., Grand Rapids, Mich. and Hodenpyl, Hardy & Co., Inc., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Michigan Trust Co. and Noyes L. Avery, Grand Rapids, Mich.

Provisions of Issue—Authorized issue, $5,000,000, Additional bonds can be issued only to the extent of

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THE OHIO EDISON COMPANY
Hodenpyl Hardy Securities Corporation
14 Wall Street, New York 231 S. LaSalle St., Chicago

85% of the cash cost or fair value of permanent extensions, enlargements and additions to the mortgaged property, and then only when net earnings shall have been not less than 1½ times the interest charges on the outstanding bonds, and the bonds to be issued, for the 12 months preceding the issuance of the new bonds.

Callability—Subject to call at 105 on any interest date.

Security—Secured by a second mortgage on plant supplying electricity in Springfield, Ohio. Provided for in The Ohio Edison Co. First & Refunding Mortgage.

Tax Provision—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Rhode Island.

Price Range—

	1927	1926	1925	1924
High	101½	100½	97½	97¾
Low	99½	99	bid	bid

(3)

$2,000,000 THE OHIO EDISON CO. FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1957; DUE APRIL 1, 1957

Dated April 1, 1927.

Interest Payable April and October 1 at the office or agency of the Company in New York City.

Denominations—Coupon (principal may be registered) $500 and $1,000, and registered $1,000 and $5,000; interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, subject to restrictions below stated; issued and outstanding $2,000,000 5% Series due 1957. Mortgage provides for the issuance of bonds thereunder in series bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by the Board of Directors subject, however, to the restrictive provisions of the mortgage. Additional bonds of the 5% Series due 1957, or other series, may be issued (a) for refunding an equal amount of bonds of any series, or underlying bonds; (b) for cash (c) to not exceeding 75% of the cost of fair value, whichever is less, of property additions, as defined in the mortgage, provided, however, that no bonds shall be issued against property additions until Company shall have expended, subsequent to April 1, 1927, $900,000 in the construction of property additions against which an equivalent amount of cash pledged with the Trustee may be withdrawn. Additional bonds may not be issued, except for refunding purposes, unless net earnings, as defined in the mortgage, for 12 months within the 15 calendar months immediately preceding the date of the application for issue, shall have been at least equal to twice the annual interest requirements on all bonds issued, and outstanding under the mortgage, including those proposed to be issued, and on all underlying bonds, as defined in the mortgage. Not more than 20% of such net earnings shall consist in the aggregate of (a) net non-operating income; and (b) net income derived from properties not directly subject to the lien of the mortgage.

Bonds of the 5% Series due 1957 will contain th following clause: "With the consent of the Compan and to the extent permitted by and as approved i the mortgage, the terms and provisions of the mor gage or of any instruments supplemental thereto ma be modified or altered by the affirmative vote of a least 75% in amount of the bonds then outstandin provided, however, that no modification or alteratio shall be made in any of the provisions of this bon or in the unconditional promise of the Company t pay principal and interest hereof in the amounts an at the fixed or determinable times and in the manne as set forth herein, nor shall any mortgage or mor gage lien ranking prior to or on a parity with th lien of the mortgage securing these bonds be create by the Company."

Callability—Subject to call as a whole or in par on any interest date, upon 30 days' notice, at 105 and including April 1, 1937 and thereafter at a premiu of ¼ of 1% for each year or fraction thereof of u expired life, in each case with accrued interest.

Sinking Fund—None provided.

General Reserve Fund—General Reserve Fund r quires the Company to expend either for maintenanc renewals and replacements, or for property additio against which no bonds may be issued, or for the pu chase of First and Refunding Mortgage bonds or u derlying bonds, an aggregate amount equal to 5 of all bonds issued under the mortgage or any unde lying mortgage and outstanding at the close of eac year, or insofar as such an amount has not been so e pended to deposit annually with the Trustee ca which may be withdrawn by the company for one more of such purposes.

Security—Secured by a direct first mortgage on th new 26,600 h.p. Mad River generating plant and c all other physical property of the Company outsi the city of Springfield, with the exception of the tran mission line from Springfield to Urbana and certa minor suburban lines, and by a direct mortgage c the remainder of the Company's property, subject $1,649,000 principal amount of divisional bonds.

Tax Provisions—Company pays Normal Federal I come Tax up to 2%. Pennsylvania four mills tax a Connecticut Personal Property or exemption tax n exceeding 4-10% of principal in any year and Mass chusetts Income Tax not exceeding 6% per annu refundable upon appropriate application.

Legal Opinion—Winthrop, Stimson, Putnam Roberts, New York, for the Bankers, and J. C. & F. Weadock, New York, for the Company.

Original Offering—First publicly offered ($2,000 000) in April, 1927, at 98 and interest, yielding abo 5.13% by Bonbright & Co., Inc. and Hodenpyl, Har Securities Corp., New York, etc.

Price Range—1927: High bid, 101¾; low bid, 97

SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance Jan. 1, 1927, $454,820; surplus f year after retirement reserves, $645,117—total, $1,09 937. Deduct: Preferred dividends, $147,368; Comm dividends, $426,250; net surplus charges, $8,831—tot $582,449. Credit balance Dec. 31, 1927, $517,488.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Gross Earnings—	1927	1926	1925	1924	192
Electric	$1,789,201	$1,678,469	$1,442,026	$1,365,263	$1,187,3
Heating	132,226	137,468	122,931	112,840	102,4
Total	$1,921,427	$1,815,937	$1,564,957	$1,478,103	$1,289,7
Operating expenses	848,578	879,712	777,737	746,510	662,9
Taxes	200,584	183,777	169,893	143,752	101,9
Gross Income	$872,265	$752,448	$617,327	$587,841	$524,5
Interest and other fixed charges	104,148	72,704	111,782	114,533	126,3
Balance for retirement reserve, dividends and surplus	$768,117	$679,744	$505,545	$473,308	$398,3
Provision for retirement reserve	123,000	123,000	123,000	123,000	108,0
Balance	$645,117	$556,744	$382,545	$350,308	$290,3

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923
Preferred dividends	$147,368	$132,002	$78,551	$72,371	$51,056
Balance	$497,749	$424,742	$303,994	$277,937	$239,307
Common dividends	426,250	360,000	150,000	195,000	.....
Surplus for year	$71,499	$64,742	$153,994	$82,937	$239,307
Times Fixed Charges Earned	7.19	8.66	4.42	4.06	3.30

*After retirement reserve.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property, plant and equipment—general account	$8,561,800	$6,529,347	$5,490,234
Investments	400	400	400
Bonds in sinking fund at cost	407,946	*355,289	322,023
Sinking fund cash	11,201	14,970	983
Municipal regulat. deposits	300	300	300
Bond discount and expenses in process of amortization	203,318	105,629	120,826
Deferred charges and prepaid accounts	31,823	46,849	10,692
Cash in bank & work. funds	182,134	65,466	41,387
Certificates of deposit at cost	.....	8,429	.....
Marketable securities	129,491	.....	.....
Notes receivable	940	149	276
Accts. receivable	293,783	261,481	257,816
Interest & divds. receivable	1,190	.....	.....
Pfd. stock subscrip. receiv.	30,991	97,499	46,018
Materials and supplies	245,833	205,145	108,008
Total	$10,101,150	$7,690,953	$6,398,963

Liabilities—	1927	1926	1925
Common stock	†$1,675,000	†$1,375,000	$1,250,000
6% Pfd. stock	605,100	397,300	355,500
6.6% Pfd. stock	1,449,100	1,535,600	420,500
7% Pfd. stock	383,400	389,000	682,400
Funded debt	4,057,000	2,157,000	2,157,000
Customers' deposits, etc.	39,817	21,354	23,632
Notes payable	.....	.....	20,000
Accts. payable	114,094	174,710	80,520
Due affiliated cos.	20,513	85,040	27,311
Accrued taxes	247,215	238,270	197,786
Accrued interest	48,374	24,932	25,690
Accrued dividends	12,897	12,199	.....
Other current liabilities	.....	.....	744
Retirement reserves	831,694	764,286	700,748
Other operating reserves	20,830	33,231	28,182
Contributions for extensions	66,619	16,200	.....
Premium on Pfd. stock	12,010	12,010	12,010
Surplus	517,487	454,821	416,941
Total	$10,101,150	$7,690,953	$6,398,963

*$357,000 par value. †Represented by 52,500 shares of no par value in 1926, and 57,500 shares in 1927.

Officers: B. C. Cobb, Pres., New York; C. I. Weaver, V-P., Treas. & Gen. Mgr., Springfield, O.; W. H. Barthold, V-P.; H. G. Kessler, Compt., New York; F. J. Klenk, Sec., Springfield, O.; C. Wigand, Asst. Sec. & Asst. Treas.; E. E. Nelson, Asst. Sec. & Asst. Treas., New York; O. E. Flora, Asst. Treas., Springfield, O.

Directors: B. C. Cobb, W. H. Barthold, New York; H. W. Ballinger, H. E. Freeman, Hugh Hagan, G. J. Klenk, D. F. Snyder, J. J. Wood, C. I. Weaver, Springfield, Ohio; J. M. Lentz, Marysville, Ohio; C. D. Loudenback, Urbana, Ohio.

Office, Springfield, Ohio.

SOUTHERN INDIANA GAS AND ELECTRIC COMPANY

(Subsidiary of Commonwealth Power Corporation)

History and Property—Incorporated in June, 1912, in Indiana, as the Public Utilities Company; name changed to present title in 1921. On June 1, 1923, purchased the property of Mt. Vernon Electric Light & Power Co. (see 1923 Manual, page 2133, or apply to Dir Information Department). In January, 1926, purchased the property of the Electric Light Co. of Fort Branch, Ind.

Company supplies electric light and power, steam heating, transportation and gas service in Evansville, Ind. Electricity is also supplied to nine other communities, and interurban transportation service is supplied between Evansville and communities to the north as far as Princeton and Patoka. The population of the territory served is estimated to be in excess of 120,000. Electricity is generated and distributed from the company's two central steam generating plants in Evansville, with an aggregate installed capacity of 72,800 horsepower, over 93% of which is installed in the Division Street Station. The Mulberry Street plant is operated for supplying both electric light and power and steam heating service. Steam is distributed from this station through 2½ miles of mains to 358 customers. Electricity is distributed to 24,875 customers through a transmission and distribution system aggregating 1,398 miles of wire lines. These lines extend from Evansville to Winslow, Ind., and from Evansville to Mt. Vernon, Ind.

Gas service is supplied from the Evansville station, which has a daily generating capacity of 4,750,000 cubic feet, both coal and water gas generating equipment being in operation. The total gas storage capacity is 1,650,000 cubic feet. The gas distribution system, aggregating 153 miles of mains, supplies 15,254 customers.

The transportation property includes on a single track basis 73 miles of line, 41 miles of which are in Evansville and the remainder an interurban line from Evansville to Princeton and Patoka; motor buses supplement city and interurban electric railway service.

Franchise Situation—In 1917 Company voluntarily surrendered its franchises and received, in lieu thereof indeterminate permits granted under the Public Service Commission Law of Indiana.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Electric Sales in K.W.H.	Electric Customers	Gas Sales in Cu. Ft.	Gas Customers	SteamSales in 1,000 lbs.	Revenue Passengers Carried
21	24,157,888	11,117	317,354,800	12,601	67,288.6	13,329,589
22	28,338,294	13,085	323,170,800	13,030	75,297.2	13,318,196
23	34,849,560	16,779	354,934,400	13,552	81,495.2	13,935,605
24	36,428,606	18,978	370,702,400	14,029	92,203.4	12,931,255
25	40,407,938	21,070	371,286,800	14,625	92,958.2	12,030,431
26	44,619,940	23,267	401,117,200	14,928	110,116.1	11,568,005
27	48,866,925	24,875	427,246,400	15,254	93,282.6	11,151,361

NOTE—Heating customers as of Dec. 31, 1927, 358; 1926, 347; 1925, 313; 1924, 283; 1923, 272; 1922, 258.

Consult Us Concerning the Securities of

SOUTHERN INDIANA GAS & ELECTRIC CO.

Hodenpyl Hardy Securities Corporation

14 Wall Street, New York 231 S. LaSalle St., Chicago

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value (changed from 50,000 shares, par, $100, in June, 1925) and $10,000,000 (increased from $5,000,000 in June, 1925) cumulative Pfd., par, $100; outstanding, Dec. 31, 1927, 300,000 shares Common, $2,405,200 6% Pfd., $800,300 6.6% Pfd. and $2,561,600 7% Pfd. In addition there was subscribed but not issued $33,100 6% Pfd., $43,800 6.6% Pfd. and $36,200 7% Pfd. The Commonwealth Power Corp. owns the entire outstanding Common stock.

Preferred Stock Provisions—Both classes of Pfd. stock are fully paid and non-assessable and are of equal rank, except as to dividend rates specified. Dividends are cumulative and must be paid before any payments can be made on the Common. Upon dissolution or liquidation or sale of assets, Pfd. stocks are entitled to a payment of $100 per share, plus accrued dividends, before any payments may be made to or any assets distributed among the Common stockholders. Under the present law, the amount of authorized Pfd. stock cannot be increased without the consent of two-thirds of the Pfd. stock outstanding at the time of any such increase. The 6%, 6.6% and 7% Pfd. stocks have voting power share for share with Common.

Callability—Any part of the Pfd. stock is subject to redemption on 60 days' notice at $105 per share and accrued dividends.

Transfer Agents (All Classes)—Company's office, Evansville, Ind., and for 6% Pfd., Hodenpyl, Hardy & Co., Inc., New York.

Registrars (All Classes)—National City Bank, Evansville, Ind., and for 6% Pfd., Bankers Trust Co., New York.

Annual Meeting—Third Monday in March.

Price Range—

	1927	1926
6% Preferred—		
High	99	90
Low	85	85
7% Preferred—		
High	100	100
Low	95	95

Dividends—Dividends of 2½% on Pfd. in 1913-14; 5½% in 1914-15; 6% from 1916 to 1920, inclusive; annually since at 6% and 7% on the respective issues; payments quarterly, J, A, J & O 1 on 7% Pfd., and semi-annually, Jan. and July 1, on 6% Pfd. 6% Pfd. is exchangeable at option of holder for certificates paying quarterly dividends, J, A, J & O 1. On Common (par $100) 6% was paid in 1922; 4% each in 1923 and 1924. On Common stock of no par value, 40 cents per share was paid in 1925; 1926, 50 cents; 1927, $1.00.

FUNDED DEBT

(1)

$1,075,000 EVANSVILLE GAS & ELECTRIC LIGHT CO. FIRST MORTGAGE AND REFUNDING (NOW FIRST) GOLD 5s; DUE JUNE 1, 1932

Dated June 1, 1902.

Interest Payable June and December 1, at Continental National Bank & Trust Co., Chicago, and First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Callability—Subject to call at 105 and interest on any interest date on 60 days' notice.

Sinking Fund—Mortgage provides for the redemption of $10,000 annually at 105 from June 1, 1913 to June 1, 1922, and $15,000 annually thereafter, such bonds to be determined by lot.

Security—Secured by a first lien on all the gas and electric properties in Evansville.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926
High	100½	101
Low	99½	99

(2)

$2,751,200 PUBLIC UTILITIES CO. FIRST AND REFUNDING GOLD 6s; DUE JANUARY 1, 1929

Dated January 1, 1919.

Interest Payable January and July 1, at National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000 principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized issue, $15,000,000 which may be issued in series bearing different rates of interest but not to exceed 6% per annum. In addition, $2,572,100 are pledged to secure Southern Indiana Gas & Electric Co. First Lien & Refunding bonds, and $94,700 are held in the General Reserve Fund. Sufficient bonds are reserved under the mortgage for the purpose of refunding, on a par for par basis, the $1,075,000 outstanding underlying bonds. The remaining bonds to be authorized may be issued to reimburse the Company for not to exceed 75% of actual and reasonable expenditures made by the Company after Jan. 1, 1919, for permanent extensions, enlargements and additions of and to its plants and properties, provided that net earnings for 12 consecutive calendar months ending not more than 60 days prior to the issuance of any additional bonds, after all operating expenses, taxes, rentals, insurances and reasonable and adequate expenditures or charges for current maintenance and repairs, shall be not less than twice the annual interest charges on all First & Refunding Mortgage bonds outstanding, including those proposed to be issued and underlying bonds in the hands of the public.

Callability—Subject to call on Jan. 1, 1924, and on any interest date prior thereto at 102 and accrued interest, and on any interest date thereafter at 101 and accrued interest.

General Reserve Fund—Pursuant to the provisions of the mortgage, the Company must either expend in each calendar year beginning with the year 1919, or deposit in cash with the Trustee in a General Reserve Fund, an aggregate amount equivalent to the sum of 20% of gross earnings derived from the railway properties, 15% of gross earnings derived from the electric light and power properties and 12% of gross earnings derived from the gas and steam heating properties and of all other income. The aggregate amount, as above calculated, may only be expended for maintenance, repairs, replacements and renewals, for the purchase or cancellation of bonds of this issue and underlying bonds, or for extensions, enlargements and additions to the property, provided that such expenditures shall otherwise be proper as a basis for the issuance of bonds, but, on account of which, no bonds shall have been or shall be issued except as the General Reserve Fund is reimbursed to the extent of moneys used or withdrawn therefrom for such expenditures.

Security—Secured by a first mortgage on the interurban railway mileage and on the steamheating system in Evansville, and by a direct mortgage on all the remaining property of the Company subject only to the lien of $1,075,000 Evansville Gas & Electric Light Co. 5s, due June 1, 1932.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Shearman & Sterling, New York.

Price Range—

	1927	1926	1925
High	101½	101½	101
Low	100½	99½	99

(3)

$1,297,100 SOUTHERN INDIANA GAS & ELECTRIC CO. FIRST LIEN AND REFUNDING MORTGAGE GOLD BONDS, SERIES "B", 6%; DUE OCT. 1, 1947

Dated October 1, 1922.

Interest Payable April and October 1, at The National City Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; registerable as to principal only and interchangeable with fully registered bonds in denominations of $1,000, $5,000 and multiples of $5,000.

Provisions of Issue—The First Lien & Refunding Mortgage will permit the issuance of bonds in series, of different dates, maturities and interest rates and subject to such different redemption provisions as may be determined by the Board of Directors of Company at the time of the original issuance of each series, subject, however, to the restrictive provisions of the mortgage. Bonds of any series may be issued from time to time in the future in principal amounts, equal to and for the acquisition or retirement of bonds secured by existing mortgages now outstanding with the public, or those of another series under the new mortgage, or for not exceeding 75% of actual and reasonable expenditures for permanent extensions, enlargements and additions of and to the plants and properties made subsequent to April 1, 1921, provided that at all times an equivalent face amount of First & Refunding Mortgage bonds be on pledge with the Trustee. First & Refunding Mortgage bonds are issuable on account of property expenditures only when net earnings for the preceding twelve months shall have been not less than twice the annual interest charges on all First & Refunding Mortgage bonds outstanding, including those proposed to be issued and underlying bonds in the hands of the public. Upon the discharge or exhaustion of the First & Refunding Mortgage, new First Lien & Refunding Mortgage bonds may be issued on account of construction expenditures only when net earnings for twelve consecutive calendar months ending not more than 60 days prior to the application for the issuance of bonds, shall have been not less than twice the annual interest charges on all bonds secured by existing mortgages outstanding in the hands of the public and all First Lien & Refunding Mortgage bonds outstanding and for the issuance of which application is then made.

Callability—Subject to call on any interest date upon 30 days' prior notice at 105 and accrued interest during the first five years, the premium decreasing 1% each five years thereafter.

Sinking Fund—The First Lien & Refunding Mortgage provides for a sinking fund requiring a semi-annual cash payment to the Trustee equal to ½% of the face amount of all First Lien & Refunding Mortgage bonds and bonds secured by existing mortgages outstanding with the public on Oct. 1, 1921, and each six months thereafter. The money so deposited with the Trustee shall be utilized in the purchase of bonds outstanding in the hands of the public.

General Reserve Fund—The mortgage also provides for general reserve fund requiring the Company to either expend in each calendar year beginning 1921 or deposit in cash with the Trustee an aggregate amount equivalent to 5% of the total mortgage debt outstanding in the hands of the public at Dec. 31 of each such year. This amount may only be utilized for maintenance, repairs, replacements and renewals, for the purchase or cancellation of bonds of this issue or bonds secured by existing mortgages or for extensions, enlargements and additions of and to the properties on account of which no First Lien & Refunding Mortgage bonds shall have been or may be issued. The operation of this fund will be similar to the general reserve fund of the First & Refunding Mortgage and any deposit made into the latter fund may be considered as a credit under the General Reserve fund of this mortgage.

Security—Secured by a direct mortgage on the entire property of the Company subject to the liens of a closed divisional mortgage and the First & Refunding Mortgage, and also share in a first lien on a substantial portion of the property through the pledge of $2,572,100 First & Refunding Mortgage bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut State Taxes refunded.

Price Range—

	*1927	*1926
High	104	101½
Low	101¾	98

*High and low bid prices.

BOND REDEMPTION

The outstanding Southern Indiana Gas & Electric Co. 7% Sinking Fund Gold Debentures, due Jan. 1, 1934, were called for payment on July 1, 1927 at 102 and interest at The National City Bank of New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

Gross Earnings—	1927	1926	1925	1924	1923	1922
Electric	$1,601,276	$1,462,837	$1,327,279	$1,214,620	$1,100,779	$886,434
Transportation	810,923	811,317	779,719	871,840	936,583	903,371
Gas	563,942	536,722	502,922	507,108	586,575	497,974
Steam heating	62,250	72,375	62,076	61,047	54,495	49,962
Total	$3,038,391	$2,883,251	$2,671,997	$2,654,615	$2,678,432	$2,337,741
Operating expenses and taxes	1,739,766	1,695,397	1,612,458	1,630,064	1,726,600	1,551,886
Net earnings	$1,298,625	$1,187,854	$1,059,539	$1,024,551	$951,832	$785,855
Interest and other charges	347,097	395,553	402,464	438,530	433,418	378,992
Balance	$951,528	$792,301	$657,075	$586,021	$518,414	$406,863
Provision for retirement reserve	220,698	216,182	207,000	207,000	200,000	200,000
Balance	$730,830	$576,119	$450,075	$379,021	$318,414	$206,863
Preferred dividends	351,792	308,262	260,792	217,537	188,803	164,297
Balance	$379,038	$267,857	$189,283	$161,484	$129,611	$42,566
Common dividends	300,000	150,000	120,000	120,000	120,000	180,000
Balance	$79,038	$117,857	$69,283	$41,484	$9,611	†$137,434
Times Fixed Charges Earned	3.11	2.45	2.12	1.87	1.73	1.54
Earnings Per Share—						
Preferred	$12.67	$11.69	$10.43	$10.22	$10.10	$7.43

*After provision for retirement. †Deficit.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance Jan. 1, 1927, $522,579; surplus for year 1927 after retirement reserves, $730,830—total, $1,253,409. Deduct: 6% Pfd. dividends, $134,611; 5% Pfd. dividends, $37,291; 7% Pfd. dividends, $79,891; Common dividends, $300,000, premium paid on retirement of bonds (net), $14,074; unexpired discount and expense on bonds retired, $12,969; sundry net surplus items (debit), $705—total, $679,541. Credit balance Dec. 31, 1927, $573,868.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant, property and equipment—General acct.	$16,525,119	$16,158,550	$15,507,494	$14,765,961	$14,337,899	$13,759,462
General reserve fund	82,200	82,200	82,200	82,200	82,200	82,200
Insurance fund deposit	.....	.....	.....	.....	.....	27,978
Sinking fund, etc., deposits	6,842	46,475	640	1,939	1,936	429
Investments	902	902	902	902	902	902
Bond disc. & exp. in process of amortization	177,190	200,053	299,861	329,452	362,949	185,187
Deferred charges & prepaid accts.	18,483	29,803	33,942	32,246	54,766	53,533
Cash and working funds	151,283	146,455	158,627	96,695	71,158	59,847
Amount due on subscriptions to Pfd. stock	61,758	85,648	120,795	119,190	111,760	90,913
Accounts receivable	197,259	218,923	278,004	198,719	208,032	248,226
U. S. Treasury bonds and notes	.....	.....	.....	254,000	.....	.....
Interest receivable	.....	.....	.....	2,233	.....	.....
Materials and supplies	215,225	163,486	149,576	171,562	197,027	122,346
Total	$17,436,261	$17,132,495	$16,632,041	$16,055,097	$15,428,629	$14,630,023
Liabilities—						
Common stock	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000	$3,000,000
6% cumulative Preferred	2,438,300	2,192,100	2,192,100	2,192,100	2,192,100	2,208,700
6.6% cumulative Preferred:						
Issued and outstanding	800,300	168,600	.....	.....	.....	.....
Subscribed but unissued	43,800	32,700	.....	.....	.....	.....
7% cumulative Preferred:						
Issued and outstanding	2,561,600	2,566,700	2,122,400	1,516,600	960,900	576,000
Subscribed but unissued	36,200	105,400	172,600	161,400	144,900	118,800
Mortgage bonds	5,123,300	5,140,300	5,951,100	6,116,100	6,501,700	5,677,600
Debenture bonds	.....	635,900	648,400	700,400	335,000	335,000
Consumers' deposits	91,316	81,545	74,001	68,854	62,412	53,145
Notes and advances payable	*488,945	*520,978	.....	.....	109,272	647,596
Accounts payable	71,090	147,401	142,129	89,882	116,194	170,757
Dividends payable	108,984	97,915	87,605	90,711	80,907	74,80
Taxes payable	429,689	358,742	306,659	267,701	256,252	234,522
Accrued interest	23,935	23,998	38,805	40,636	45,326	29,845
Sundry accounts	23,223	14,175	17,291	13,032	12,605	11,647
Retirement reserve	1,460,503	1,379,128	1,233,043	1,225,319	1,079,382	956,568
Other reserves	105,328	97,511	92,590	89,555	78,654	94,685
Premium on capital stock	32,890	32,890	30,142	24,058	18,170	10,622
Contributions for extensions	22,990	13,933	.....	.....	.....	.....
Surplus	573,868	522,579	523,176	458,749	434,855	429,735
Total	$17,436,261	$17,132,495	$16,632,041	$16,055,097	$15,428,629	$14,630,023

*Due to Commonwealth Power Corp.

Officers: B. C. Cobb, Pres.; W. H. Barthold, V-P.; F. J. Haas, V-P. & Gen. Mgr.; H. G. Kessler, Compt.; Chas. E. Oswald, Sec.; C. B. Froelich, Treas., Evansville, Ind.; Chas. Wigand, Asst. Sec. & Asst. Treas.

Directors: B. C. Cobb, W. H. Barthold, New York S. W. Cook, W. H. McCurdy, C. W. Cook, H. E Dreier, H. C. Kleymeyer, D. H. Ortmeyer, F. J. Haas Evansville, Ind.

General Office, Evansville, Ind.

SOUTHERN MICHIGAN LIGHT & POWER COMPANY

(Subsidiary of Commonwealth Power Corporation)

History—Incorporated Nov. 22, 1915, in Michigan. Supplies electricity to 107 communities including Hubbardston, Quincy, Fennville, Stanton, Beaverton, Lawrence, Carson City, Jonesville, Morenci, Reading and Hudson. Population served, about 120,000. Company has four generating plants with an installed generating capacity of 1,300 h.p. Electricity is delivered over 2,051 miles of transmission and distribution lines to 10,539 customers.

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value and $1,000,000 7% cumulative Pfd., par $100; outstanding, 86,434 shares Common and $177,600 Pfd. All of the Common stock and $89,200 Pfd. are owned by Commonwealth Power Corp. The Pfd. is subject to call at 105 and accrued dividends up to August, 1956 thereafter at par. Annual meeting, third Thursday in April at Jackson. Mich. Pfd. dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

None.

Officers: B. C. Cobb, Pres.; T. A. Kenney, V-P. New York; G. F. Avis, V-P.; C. W. Tippy, V-P. & Gen. Mgr.; R. Davey, Sec.; C. E. Rowe, Treas., Jackson, Mich.; H. G. Kessler, Compt., New York.

Directors: B. C. Cobb, H. G. Kessler, T. A. Kenney New York; G. F. Avis, R. Davey, C. J. Holmes, C. E Rowe, W. W. Tefft, C. W. Tippy, Jackson, Mich.

General Office, Jackson, Mich.

THE TENNESSEE ELECTRIC POWER COMPANY

(Subsidiary of Commonwealth Power Corporation)

***Stock Issues, At December 31, 1927, Summarized (Entire System)**

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	†Income Available for Dividends	Dividends Paid—Per Cent	Dividends Paid—Amount	Earning per Shar
The Tennessee Electric Power Co.:								
7% cum. 1st Pfd. (par $100)	J, A, J & O 1	$30,000,000	$8,345,400	Yes	$2,569,961	7	$1,241,882	$12.9
6% cum. 1st Pfd. (par $100)	J, A, J & O 1 & monthly		8,697,400			6		
7.2% cum. 1st Pfd. (par $100)	J, A, J & O 1 & monthly		2,768,500			7.2		
Nashville Ry. & Light Co.:								
5% cum. Pfd. (par $100)	J, A, J & O 1	2,500,000	60,400			5		
The Tennessee Elec. Power Co.:								
Common (no par value)	None	500,000 shs	265,000 shs	...	1,328,079	...	1,035,000	5.0

*In hands of public. †After depreciation.

We specialize in the securities of and will be glad to give information concerning
THE TENNESSEE ELECTRIC POWER CO.
Phone Lombard 4200
E. W. Clark & Co.
Private Phone to New York
Established 1837
Members New York and Philadelphia Stock Exchanges
121 Chestnut Street
Philadelphia

***Bond Issues, At December 31, 1927, Summarized (Entire System)**

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
Chattanooga Rys. Co. 1st Consol. Gold 5s	May 1, 1956	M & N 1	Closed	$1,667,500	No	Yes	Pd. by Co.
Chattanooga Ry. & Lt. Co. 1st & Ref. Gold 5s	May 1, 1956	M & N 1	$15,000,000	610,000	No	Yes	Pd. by Co.
McGavock & Mt. Vernon R.R. 2nd 6s	July 1, 1937	J & J 1	Closed	485,000	No	..	Not pd. by Co.
Nashville Ry. & Lt. Co. 1st Consol Gold 5s	July 1, 1953	J & J 1	Closed	3,471,000	No	Yes	Pd. by Co.
Nashville Ry. & Lt. Co. Ref. & Ext. Gold 5s	July 1, 1958	J & J 1	15,000,000	2,544,000	No	No	Pd. by Co.
Tenn. Elec. Power Co. 1st & Ref. 6s, "A"	June 1, 1947	J & D 1	Open	24,222,100	No	Yes	Pd. by Co.
Tenn. Elec. Power Co. 1st & Ref. 5s	June 1, 1956	J & D 1	Open	5,500,000	No	Yes	Pd. by Co.
Tenn. Elec. Power Co. Office Bld. 5½s	Jan. 7, 1929	.....	175,000	175,000	No	...	.....
Tenn. Power Co. 1st Gold 5s	May 1, 1962	M & N 1	50,000,000	2,256,000	No	Yes	Not pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $40,930,600.
†Amount Available for Interest in 1927, $4,792,964.
Interest Accrued in 1927, $2,169,530.
†Times Interest Earned in 1927, 2.21.
*In hands of public. †After depreciation.

History and Properties—Incorporated under the laws of Maryland, May 27, 1922, and purchased as of July 1, 1922, the properties of the Chattanooga Railway & Light Company, the Chattanooga & Tennessee River Power Company and the Tennessee Power Company (see 1922 Public Utility Manual, page 2417). The duration of Company's charter is perpetual. It was domesticated in the State of Tennessee June 19, 1922; filed Amended Articles of Incorporation in Maryland July 22, 1922, and in Tennessee June 19, 1922. In 1924 acquired the property of Maryville Lighting Co. (see 1924 Public Utility Manual, page 162).

Company owns all the Common stock, over 97% of the Pfd. stock and $5,807,500 principal amounts of bonds of Nashville Railway and Light Company and 100% of the Capital stock of Toccoa Electric Power Company. Company also owns a half interest in the **East Tennessee Development Company,** which has applied for preliminary permits to make the necessary surveys in connection with the construction of eleven power and navigation dams in the Tennessee, Clinch and Powell Rivers about Chattanooga. According to surveys that have been conducted by the Federal Government in the so-called Upper Tennessee basin, the completion of the projects mentioned will make available 592,500 h.p. of electricity.

During 1927 several electric distribution properties were added to the system. The systems purchased comprised those supplying electric service to Rockford and Baxter and the electric and water supply to Blue Ridge and in Niota. New distribution systems were constructed and electric service was inaugurated in the following communities: Clairfield, Crab Orchard, Coulterville, Elmwood, Denver, Keltonburg, Johnsville, Sale Creek and White Bluffs.

Company and its subsidiaries supply electric and transportation service in Chattanooga and Nashville and electric service in 121 contiguous communities. Electric service also is supplied on a wholesale basis to other utility companies which serve Knoxville and more than 69 other communities. In addition water service is furnished in 5 communities and electrically driven raw water ice plants are operated in 4 communities. The combined population of the various cities and towns served directly is estimated at 370,000.

The electric properties include 7 hydro-electric stations located on the Tennessee, Ocoee, Calfkiller, West Fork and Caney Fork Rivers, with an installed generating capacity of 144,800 h.p., and 4 steam-electric plants located at Hales Bar, Nashville, Parksville and Mascot, with an installed generating capacity of 138,-20 h.p. Total installed generating capacity of the various stations is 283,520 h.p., the Hales Bar hydro-steam generating plants representing one of the largest electrical developments in the South. The Company also operates under lease a steam plant at Knoxville and another at Richard City which have a combined installed generating capacity of 11,050 horsepower. Electricity is supplied directly to more than 91,259 customers over 803 miles of transmission lines, and over 7,515 miles of distribution lines.

The transmission lines extend from Jefferson City and the coal fields of east-central Tennessee on the North through Knoxville to Chattanooga on the South and from the Copper Basin on the East to Nashville on the West with a total length of 803 miles. Connection is made at Maryville with the power system of the Aluminum Company of America and at the Georgia State Line southeast of Chattanooga with the Georgia Power Company, which company has high tension connection with the Alabama Power Company, etc., at the Kentucky State line at Prudent with the Kentucky Utilities Company and east of Knoxville with the power systems of Tennessee Public Service Co. These connections make The Tennessee Electric Power Company a part of the great super-power system of the Southeastern states.

The transportation properties comprise the electric railway systems in Nashville and Chattanooga supplemented by motor bus service consisting of 173 miles measured as single track, 299 cars and 18 motor busses.

Franchises—The franchises under which the Company operates are nearly all without limit of time and contain no burdensome restrictions.

CAPITAL STOCK

Authorized, 500,000 (increased from 200,000 Oct. 11, 1926) Common shares of no par value and $30,000,000 (increased from $15,000,000 April 3, 1925) 7.2%, 7% and 6% cumulative First Pfd.; par, $100; outstanding Dec. 31, 1927, 265,000 Common shares, $2,768,500 7.2% First Pfd., $8,345,400 7% First Pfd., and $8,697,400 6% First Pfd. stock. In addition to the $8,697,400 6% First Pfd. stock outstanding, $60,400 is deposited in escrow for exchange for Nashville Ry. & Light Co. Pfd. stock in the hands of the public. In addition to stock shown above there are $81,300 7.2% First Pfd. and $453,900 6% First Pfd. subscribed to but unissued. On Dec. 15, 1926 the Second Pfd. stock was redeemed and cancelled. The Commonwealth Power Corp. owns over 97% of Common stock, representing a majority of the voting stock of the Company.

Subscription Privileges—On June 15, 1926 Common stockholders were offered the right until July 9, 1926 to subscribe to 44,000 shares additional Common stock at $70 per share in ratio of approximately one new share for each 3½ shares held. Payments could have been made in cash, in Second Pfd. stock at $85 a share flat, or in Second Pfd. stock and cash. On Oct. 15, 1926, 40,000 additional Common shares were offered to stockholders for subscription at $75 a share on the basis of one new share for each five shares held.

On May 2, 1927 Common stockholders were offered the right until May 16, 1927, when payment was

Consult Us Concerning the Securities of
THE TENNESSEE ELECTRIC POWER CO.
Hodenpyl Hardy Securities Corporation
14 Wall Street, New York 231 S. LaSalle St., Chicago

due in full, to subscribe to their pro rata share of 25,000 additional Common shares at $80 a share.

Preferred Stock Provisions—The First Pfd. stock (7.2%, 7% and 6% sharing equally) has preference both as to assets and dividends over Common and is entitled to full voting powers. Dividends are cumulative from July 1, 1922.

Additional First Pfd. stock of any class may be issued for actual and reasonable expenditures for permanent extensions, enlargements and additions to the plants, properties and equipment made after June 1, 1922, but only to an amount not exceeding the cost of such expenditures and the face amount of bonds issued against the same. Additional 6% First Pfd. stock may also be issued for an equal face amount of the Company's mortgage bonds and divisional lien bonds acquired or retired by the Company, or 5% Pfd. stock of Nashville Ry. & Light Co., and additional 7% First Pfd. stock may, under certain conditions, be issued in exchange for 6% First Pfd. stock in the proportion of six shares of 7% First Pfd. stock for seven shares of 6% First Pfd. stock. The authorized amount of First Pfd. stock is $30,000,000. The total authorized amount may not be increased, nor may any provisions of the charter relating to the issuance of First Pfd. stock be changed without the consent of the holders of 60% of the shares of First Pfd. stock outstanding. In the event of default in the payment of dividends on the First Pfd. stock for four consecutive quarterly periods, the First Pfd. stock, voting as a class, shall have the right to elect two-thirds of the Board of Directors.

Callability—The Pfd. stocks are subject to redemption in whole but not in part upon sixty days' notice at the following rates, plus dividends declared but unpaid: 7.2% First Pfd. at $110 per share, 7% First Pfd. at $110 per share and 6% First Pfd. at $105 per share.

Transfer Agents—New Jersey Corporation Guarantee & Trust Co., Camden, N. J., for all stocks, except the 7.2% First Pfd.; Central Union Trust Co. of New York, for 7% First Pfd. stock; The Tennessee Electric Power Co., Chattanooga, Tenn., for 7.2% and 6% First Pfd. stock.

Registrars—West Jersey-Parkside Trust Co., Camden, N. J., for all stocks, except the 7.2% First Pfd.; The Equitable Trust Co., New York, for 7% First Pfd. stock; American Trust & Banking Co., Chattanooga, Tenn., for 7.2% and 6% First Pfd. stock.

Legal Opinion (First Pfd. Stock)—Winthrop & Stimson, New York, N. Y.

Annual Meeting—Fourth Tuesday in March or within 60 days thereafter, at Baltimore, Md.

Price Range—

	1927	1926	1925	1924	1923	1922
7.2% First Pfd.—						
High	102	102	..	..	..	..
Low	95	100¼	..	..	..	..
7% First Pfd.—						
High	110	105	103	95	91	86
Low	103	98	93	84	84	bid
6% First Pfd.—						
High	103	90	87	74	76	73
Low	92	87	80	49¾	71	bid
$6 Second Pfd.—						
High	91	90½	82	73	52¼	44
Low	bid	bid	bid	47	42¾	bid
Common—						
High	85	69	53¼	55	19	17½
Low	bid	bid	50	17¼	12	9½

Dividends—Dividends on the 6%, 7% and 7.2% First Pfd. stock have been paid quarterly on 6% and 7% beginning Oct. 1, 1922 and on 7.2% beginning Jan. 1, 1923; payments quarterly, J, A, J & O 1, or at option of holder monthly on the 6% and 7.2% only. Initial quarterly dividend of $1.50 paid on Second Pfd. shares Aug. 1, 1924 and at same rate to date of redemption, Dec. 15, 1926.

FUNDED DEBT

(Arranged in order of Mortgage Priority)

(1)	McGavock & Mt. Vernon Horse R.R. 6% Bonds	Due July 1, 193
(2)	Nashville Ry. & Light Co. 1st Consol. 5s	" July 1, 195
(3)	Chattanooga Railways Co. 1st Consol. 5s	" May 1, 195
(4)	Nashville Ry. & Lt. Co. Ref. & Ext. 5s	" July 1, 195
(5)	The Tennessee Power Co. First 5s	" May 1, 196
(6)	Chattanooga Ry. & Lt. Co. 1st & Ref. 5s	" May 1, 195
(7)	The Tennessee Electric Power Co. Office Bldg. 5½s	" 192
(8)	The Tennessee Electric Power Co. 1st & Ref. 6s, "A"	" June 1, 194
(9)	The Tennessee Electric Power Co. 1st & Ref. 5s	" June 1, 195
*(10)	Lookout Mountain Ry. Co. First 6s	" May 1, 195
*(11)	Lookout Incline Ry. Co. First 5s	" May 1, 195

*None outstanding in hands of public.

(1)

$485,000 McGAVOCK & MT. VERNON HORSE R. R. CO. 6% BONDS; DUE JULY 1, 1937

Dated July 1, 1887.

Interest Payable January and July 1, at Fourth & First National Bank, Nashville (Tenn.). Nashville (Tenn.) Trust Co., Trustee. Coupon, $1,000. Authorized, $700,000, but mortgage closed at $485,000. Provided for at maturity by the Nashville Ry. & Light Co. Refunding & Extension 5s of 1958. A first lien on entire property formerly owned by the McGavock & Mt. Vernon Horse R. R. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal for Savings Banks in Maine and Rhode Island.

(2)

$3,471,000 NASHVILLE RAILWAY & LIGHT COMPANY FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE JULY 1, 1953

Dated July 1, 1903.

Interest Payable January and July 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized, $6,000,000; outstanding, $3,471,000; mortgage closed. Provided for at maturity by the Nashville Ry. & Light Co. Refunding & Extension 5s of 1958.

Callability—Subject to call at 107½ and interest on any interest date on 30 days' notice.

Sinking Fund—Sinking fund provides for annual payment of $30,000 on June 30, 1914, and each June 30 thereafter, to be used in purchase of bonds at a price less than 107½ and interest. Bonds purchased through this fund will continue to draw interest, which shall be re-invested.

Security—A first lien on all light and power properties of Nashville Ry. & Light Co., and a lien, subject to $485,000 underlying bonds described in No. 1 on all railway properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine and Rhode Island.

(3)

$1,667,500 CHATTANOOGA RAILWAYS COMPANY FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE MAY 1, 1956

Dated May 1, 1906.

Interest Payable May and November 1, at Bank of North America & Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—Bank of North America & Trust Co., Philadelphia, Successor.

Provisions of Issue—Authorized, $3,000,000, but closed at $2,165,000. In addition to the $1,667,500 bonds in hands of public, $341,000 are pledged under The Tennesee Electric Power Co. 6s, 1947, $121,500 have been cancelled by sinking fund, $24,000 are pledged under First Consolidated Mortgage Insurance Fund and $11,000 are held in Treasury.

Callability—Subject to call at 107 and interest on any interest date, on three months' notice.

Sinking Fund—A sinking fund is provided under which there will be paid March 1, 1923, and thereafter annually to Trustee 1% of principal amount of these bonds outstanding, for purchase and retirement on or before April 1 of said bonds in the open market at not exceeding 107; otherwise callable by lot at 107.

Security—A first lien on the entire railway property and franchises of the former Chattanooga Rys. Co. Provided for at maturity by Chattanooga Ry. & Light Co. First and Refunding 5s of 1956. An assumed obligation of The Tennessee Electric Power Co.

Guaranty—Guaranteed by Chattanooga Ry. & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine and Rhode Island.

Price Range—

	1927	1926
High	99¼	94
Low	94½	91

(4)

$2,544,000 NASHVILLE RAILWAY & LIGHT COMPANY REFUNDING & EXTENSION MORTGAGE GOLD 5s; DUE JULY 1, 1958

Dated July 1, 1908.

Interest Payable January and July 1, at Guaranty Trust Co., New York, Nashville Trust Co., and Fourth & First National Bank, Nashville, Tenn.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee and Registrar—Guaranty Trust Co., New York.

Provisions of Issue—Authorized issue, $15,000,000; outstanding, $8,762,500, of which $2,544,000 in hands of public; $411,000 are held in treasury, and $5,807,500 pledged under The Tennessee Electric Power Co. First and Refunding Mortgage. Sufficient are reserved to retire prior liens (Nos. 1 and 2) and the balance are reserved for future improvements, etc., at 80% of cost, provided that net earnings are 1½% times interest charges on bonds outstanding and those to be issued; and also providing that all outstanding bonds do not exceed five times the gross earnings for the preceding 12 months, and further providing that the expenditure for renewals, maintenance, etc. has been for the same period not less than 10% of the gross earnings.

Callability—Not subject to call.

Sinking Fund—A sinking fund of ½% annually of bonds outstanding, including bonds in the sinking fund, began July 1, 1918, said fund to be invested in the bonds at not higher than a 4½% basis, bonds so purchased to continue to draw interest, which shall be reinvested.

Security—A refunding mortgage on the entire properties, rights and franchises of Nashville Ry. & Light Co., subject to $3,956,000 prior liens outstanding (paragraphs 1 and 2), which are provided for at maturity by this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine and Rhode Island.

(5)

$2,256,000 TENNESSEE POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1962

Dated May 1, 1912.

Interest Payable May and November 1, at Bankers Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Bankers Trust Co., New York, and F. N. B. Close, New York.

Registrars—Bankers Trust Co., New York, and Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized, $50,000,000; issued, $12,337,000, of which $2,256,000 outstanding in hands of public, $10,045,000 are pledged under The Tennessee Electric Power Co. 6s, 1947, and $36,000 purchased for sinking fund and cancelled.

Of the balance, $163,000 are reserved for the actual cost or fair valuation, whichever is less, of permanent extensions and additions, and the remainder, $37,500,000, can only be issued for 80% of the actual cost or fair valuation, whichever is less, of permanent extensions and additions to the property, provided that the net earnings for the 12 months previous are more than 1½ times the interest on outstanding bonds, including those to be issued. Under terms of First & Refunding Mortgage of Tennessee Electric Power Co., any additional bonds issued shall be pledged thereunder.

Callability—Subject to call at 107½ and interest on any interest date upon twelve weeks' notice.

Sinking Fund—Sinking fund provides for deposit with the trustee on May 1, 1917, and annually thereafter a sum equal to 1% of the bonds then outstanding, including those to be issued to be used (a) purchase of bonds at not over 107½; (b) redemption of bonds at 107½; (c) to reimburse Company for the cost of permanent extensions and additions to the property, and (d) to reimburse Company for actual cash expenditures made after May 1, 1917, for renewals or replacements of any part of the property.

Security—A direct first lien on entire property formerly of the Tennessee Power Co., including power plants, real estate and transmission lines. An assumed obligation of The Tennessee Electric Power Co., and guaranteed principal and interest by that company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($7,500,000) in April, 1912 on a 5.90% basis, by E. W. Clark & Co., Philadelphia, Wm. P. Bonbright & Co., Hodenpyl, Hardy & Co., New York, and H. M. Byllesby & Co., Chicago.

Legal for Savings Banks in Maine and Rhode Island.

Price Range—

	1927	1926	1925	1924	1923
High	101	98½	96½	91	83
Low	97½	96	90	83	77

(6)

$610,000 CHATTANOOGA RAILWAY & LIGHT COMPANY FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE MAY 1, 1956

Dated August 1, 1909.

Interest Payable May and November 1, at Fidelity-Philadelphia Trust Co., Philadelphia, and Hodenpyl, Hardy & Co., Inc., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Registrar—E. W. Clark & Co., Philadelphia.

Provisions of Issue—Authorized, $15,000,000; issued, $4,307,000, of which $610,000 are outstanding; $3,697,000 are pledged under The Tennessee Electric Power Co. 6s, 1947, and the balance ($10,693,000) are reserved for improvements, extensions, etc., at 85% of actual cost, and then only when net earnings applicable to interest are equivalent to 1½ times the interest charges on all bonds outstanding, including those applied for. Under terms of First & Refunding Mortgage of Tennessee Electric Power Co. any additional bonds issued shall be pledged thereunder.

Callability—Subject to call at 105 and interest on any interest date upon 60 days' notice.

Sinking Fund—None.

Security—A first mortgage on the electric light and power properties, and a mortgage subject only to $1,667,500 Chattanooga Rys. Co. bonds (described in No. 3) on the railway properties, formerly of the Chattanooga Ry. & Light Co. An assumed obligation of The Tennessee Electric Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Joseph S. Clark, Philadelphia, Pa.
Original Offering—First publicly offered ($1,600,000) in Oct., 1909, at 96½ and interest, by Hodenpyl, Walbridge & Co., New York, and in 1911 at 95 and interest, by E. W. Clark & Co., Philadelphia.
Legal for Savings Bank in Maine and Rhode Island.

(7)

$175,000 THE TENNESSEE ELECTRIC POWER COMPANY OFFICE BUILDING 5½% BONDS; DUE IN 1929

Security—A first lien on an eight-story office building in Chattanooga, Tenn. No further details available.

(8)

$24,222,100 THE TENNESSEE ELECTRIC POWER COMPANY FIRST & REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1947

Dated June 1, 1922.
Interest Payable June and December 1, at The National City Bank of New York, or at option of the holder at office or agency of Company, Philadelphia.
Denominations—Coupon, $100, $500 and $1,000 (principal may be registered); interchangeable with fully registered bonds in denominations of $1,000, $5,000 and $10,000.
Trustee and Registrar—National City Bank of New York. William W. Hoffman, New York, Co-Trustee.
Provisions of Issue—Authorized issue, unlimited. Issued, $25,991,100, of which $1,769,000 cancelled by sinking fund, leaving $24,222,100 in hands of public at Dec. 31, 1927.

The First and Refunding mortgage provides for the issuance of bonds thereunder in series bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features with respect to each particular series as may be determined by the Board of Directors of the Company at the time of the original issue of each series, subject always to the restrictive provisions of the mortgage. Bonds of any series may be issued from time to time in the future in principal amounts equal to and for the acquisition or retirement of divisional lien bonds outstanding with the public, and bonds of another series issued under the new mortgage. Bonds may also be issued for not exceeding 75% of actual and reasonable expenditures for permanent extensions, enlargements and additions to the plants, properties and equipment made after June 1, 1922, provided consolidated net earnings for twelve consecutive calendar months shall have been at least 1¾ times the annual interest charges on, and in no case less than 10% of, the aggregate principal amount of divisional lien bonds outstanding with the public and all First and Refunding Mortgage bonds outstanding and then proposed to be issued.

The Mortgage contains certain provisions permitting the modification thereof or of any supplemental indenture, in any particular, with the assent of the holders of 75% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided, however, that nothing shall permit the extension of the maturity of any bonds or the reduction in the rate of interest thereon, or any other modification in the terms of payment of such interest, without the consent of the holder thereof, nor the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of the First and Refunding Mortgage.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' prior notice at 107½ on or before June 1, 1932; at 105 from Dec. 1, 1932, to June 1, 1942, inclusive; and thereafter at the principal amount thereof, plus a premium of 1% for each whole year between the date of redemption and maturity.

Sinking Fund—The indenture provides for a sinking fund requiring cash payments to the Trustee on March 1, 1923, and semi-annually thereafter, equal in each case to ½% of the aggregate of divisional lien bonds outstanding in the hands of the public and bonds issued under the mortgage remaining uncancelled, on each of such dates respectively. Such moneys are to be applied toward the purchase or redemption and cancellation of First and Refunding Mortgage bonds, of such series as the Board of Directors of the Company may specify, at or below the then existing redemption prices. All bonds purchased or redeemed for the sinking fund shall be cancelled.

General Reserve Fund—Under the indenture, the Company is required in each year, either to expend for maintenance, repairs, renewals and replacements, or for extensions, enlargements and additions against which no bonds may be issued, or for the purchase of First and Refunding Mortgage bonds, an aggregate amount equal to 5% of the total bonded indebtedness of the Company outstanding in the hands of the public at Dec. 31 of each year, or insofar as such an amount is not so expended, to deposit with the Trustee cash which in turn may be drawn out by the Company for one or more of the said purposes.

Security—The First and Refunding Mortgage bonds are secured by:

(1) A direct first mortgage on the entire property acquired from the Chattanooga & Tennessee River Power Co., including the 54,240 h.p. Hales Bar hydro-electric development and 53,620 h.p. Hales Bar steam station, high tension transmission lines, important substations and certain parts of the distribution system in Chattanooga.

(2) A direct mortgage on the entire property acquired from the Tennessee Power Co. subject only to the lien of the First Mortgage of Tennessee Power Co., under which there are $2,256,000 bonds outstanding with the public.

(3) A direct mortgage on the entire property acquired from the Chattanooga Railway & Light Co. subject to the lien of the First Consolidated Mortgage of the Chattanooga Railways Co. securing $1,667,500 5% bonds, due 1956, outstanding in the hands of the public, guaranteed by the Chattanooga Railway & Light Co., and to the First and Refunding Mortgage of the Chattanooga Railway & Light Co. securing $610,000 5% bonds, due 1956, outstanding in the hands of the public.

(4) A direct mortgage on the electric distribution systems in the towns of Madisonville, Loudon, Lenoir City, Athens, Jefferson City, Tellico Plains, Goodlettsville, Ridgetop, Greenbrier and Maryville, and a number of other towns in Tennessee, all acquired by The Tennessee Electric Power Co.

(5) A direct mortgage on eight-story office building in Chattanooga, Tenn., subject to the lien of a real estate mortgage of $175,000.

(6) The pledge with the Trustee of the following stocks and bonds of acquired and constituent companies as follows: $20,000,000 capital stock and $10,045,000 First Mortgage 5% bonds of Tennessee Power Co., $3,000,000 Common, $2,000,000 Pfd. and $3,697,000 First & Refunding 5% bonds of Chattanooga Railways & Light Co., $4,000,000 Common, $2,439,600 Pfd. and $5,807,500 Refunding & Extension Mortgage 5% bonds of Nashville Ry. & Light Co., 1,000 shares capital stock of Toccoa Electric Power Co., 50,000 shares capital stock of Chattanooga & Tennessee River Power Co., $341,000 First Consolidated Mortgage 5% bonds of Chattanooga Railways Co., and $389,000 First Mortgage 6% bonds of Lookout Mountain Ry. Co.

As further amounts of underlying bonds and Pfd. stock of the Nashville Railway & Light Co. are acquired by the Company, they shall be promptly pledged under the First and Refunding Mortgage. Any additional property or securities of whatever nature acquired by the Company after the date of the First and Refunding Mortgage shall likewise be so pledged.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded.

Legal Opinion—Shearman & Sterling, New York.

Legal for Savings Banks in Maine and Rhode Island.

Original Offering—First publicly offered ($12,150,000) in June, 1922, at 96 and interest by National City Co., Bonbright & Co., Inc., Hamphill, Noyes & Co., Halsey, Stuart & Co., Marshall Field, Glore, Ward & Co., New York, etc., $2,500,000 in May, 1923, by the same firms at 94½ and interest, and $3,000,000 additional in Feb., 1924, at 96 and interest, also by the same firms.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	107½	106	104¼	100	95	95
Low	105⅛	102⅝	99¼	93⅝	92⅛	93⅝

(9)

$5,500,000 TENNESSEE ELECTRIC POWER COMPANY FIRST & REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1956; DUE JUNE 1, 1956

Dated June 1, 1926.

Interest Payable June and December 1, at The National City Bank of New York.

Denominations—Coupon, $500 and $1,000, registerable as to principal and interchangeable with fully registered bonds in denominations of $1,000, $5,000 and $10,000.

Trustee—The National City Bank, New York.

Callability—Subject to call as a whole or in part, either at the option of the Company or by the sinking fund, on any interest date, on 30 days' notice, at 105 and on or before June 1, 1952, and at 100 thereafter.

Provisions of Issue, Sinking Fund, Security, Etc.—See description of First & Refunding Mortgage 6% Gold Bonds, Series "A," Paragraph 8.

Legal for Savings Banks in Maine and Rhode Island.

Original Offering—First publicly offered ($3,500,000) in June, 1926, at 98 and interest to yield 5.13% by National City Co., Bonbright & Co., Inc., and Hodenpyl, Hardy Securities Corp., New York.

Additional Bonds Issued—$2,000,000 First & Refunding Mortgage Gold bonds, 5% Series due 1956, were offered in April, 1927 at 98½ and interest, to yield 5.10%, by National City Co., Bonbright & Co., Inc., and Hodenpyl, Hardy Securities Corp., New York.

(10)

$389,000 LOOKOUT MOUNTAIN RAILWAY COMPANY FIRST MORTGAGE GOLD 6s; DUE MAY 1, 1956

Dated January 1, 1913.

Interest Payable May and November 1, at office of E. W. Clark & Co., Philadelphia, and Hodenpyl, Hardy & Co., Inc., New York. Coupon, $1,000; principal may be registered. Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Authorized issue, $2,000,000; issued, $389,000, all owned by The Tennessee Electric Power Co. and pledged under that company's First & Refunding Mortgage 6% bonds, due 1947; the balance ($1,611,000) are reserved for improvements, extensions, etc., at 85% of cost of same, or for purchase of Lookout Incline Ry. Co. bonds or for purchase of first mortgage hotel bonds. Subject to call at 105 and interest on any interest date upon 60 days' notice. A first lien on entire property and franchises; also secured by deposit of all outstanding bonds and stocks of the Lookout Incline Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(11)

$100,000 LOOKOUT INCLINE RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1956

Dated January 1, 1913.

Interest Payable May and November 1. Registered, $1,000. Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Authorized issue, $250,000; outstanding, $100,000 (all owned by Lookout Mountain Ry. Co.); reserved for improvements, extensions, etc., for actual cash costs, $150,000. A first lien on entire property of Lookout Incline Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

GENERAL STATISTICS, YEARS ENDED DECEMBER 31
(Entire System, Including Nashville)

	1927	1926	1925	1924	1923	1922
Total generation, kw-hrs	644,846,518	640,517,207	648,899,318	477,449,302	457,697,105	348,044,307
Kw.h. sales-power interchange	20,312,926	46,374,300	112,602,000	31,794,250	48,589,390	20,395,200
Kw.-hrs. sold to customers	488,670,220	465,962,449	405,423,163	329,821,072	301,872,981	238,693,921
Total Kw-hrs. sold	508,983,146	512,336,749	518,025,163	361,613,322	350,462,371	259,089,121
Light and power customers	91,259	87,382	76,518	67,904	59,004	50,290
Passengers carried	45,621,217	45,615,025	45,489,991	50,558,990	51,306,860	50,617,188

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Tennessee Electric Power Co. and Subsidiaries)

	1927	1926	1925	1924	1923	†1922
Earnings—						
Electric	$9,126,387	$8,575,162	$8,210,412			
Transportation	3,314,226	3,284,487	3,258,165	$9,570,783	$9,121,250	$7,993,198
Water and ice	75,147	49,911	13,686			
Total	$12,515,760	$11,909,560	$11,482,263	$9,570,783	$9,121,250	$7,993,198
Operating expenses	5,154,974	5,001,565	5,002,178	3,942,985	4,942,862	4,364,544
Taxes	1,617,392	1,422,699	1,393,700	1,134,958		
Net earnings	$5,743,393	$5,485,296	$5,086,385	$4,492,840	$4,178,388	$3,628,654
Interest	2,169,530	2,173,616	2,173,347	1,899,962	1,722,848	1,676,993
Amortization of debt discount & expense	53,473	54,612	51,685	41,105	17,644	10,843
Balance	$3,520,390	$3,257,068	$2,861,353	$2,551,773	$2,437,895	$1,940,819
Provision for retirement reserve	950,430	920,889	905,222	845,958	827,146	797,583
Balance	$2,569,960	$2,336,179	$1,956,131	$1,705,815	$1,610,749	$1,143,236
Pfd. dividends on Nash. Ry. & Lt. Co. (with public)	4,424	7,010	14,173	19,105	23,095	698,818
First Pfd. divds. (Tenn. Elec. Power Co.)	1,237,458	*1,072,689	925,837	754,541	677,327	
Second Pfd. divds. (Tenn. Elec. Power Co.)	.....	*271,024	300,000	150,000	.....	.....
Common divds. (Tenn. Elec. Power Co.)	1,035,000	960,000	.....	.....	.....	.....
Balance	$293,078	$25,456	$716,121	$782,169	$910,327	$444,418
Times Interest Earned (After Depreciation)—	2.21	2.07	1.90	1.9	1.93	1.68
Earnings Per Share (After Depreciation)—						
First Preferred	$12.93	$13.97	$13.14	$13.42	$14.84	.....
Second Preferred	‡	‡	20.32	18.64	18.21	.....
Common	5.01	4.10	4.59	4.05	3.91	.....

*Includes $250,287 First Pfd. and $75,000 Second Pfd. appropriated from surplus in 1925, but included here for comparative purposes. †In the 1922 Statement all deductions below gross income are given as twice the same charges for the last six months of that year, the present Company having started business as of July 1, 1922. ‡Second Pfd. retired Dec. 15, 1926.

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1927

Credit balance, Jan. 1, 1927, $2,641,748; surplus for year after deducting retirement reserve, $2,565,537—total, $5,207,285. Deduct: Discount on Pfd. stock sold, $196,571; premiums and unamortized discount on bonds retired, $141,214; sundry deductions, net, $67,157; First Pfd. dividends, $1,237,458; Common dividends, $1,035,000—total, $2,677,400. Surplus, Dec. 31 1927, $2,529,884.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(The Tennessee Electric Power Co. & Subsidiary Companies)

Assets—	1927	1926	1925	1924	1923	1922
Plant, property and franchises—general account	$73,798,329	$70,395,267	$64,993,755	$60,100,307	$53,272,312	$50,090,02
Investments and advances	329,392	325,591	68,002	63,402	155,820	152,47
Special deposits	34,059	57,384	56,514	42,470	526,500	45,76
6% First Pfd. stock dep. in escrow for exchange for Nashville Ry. & Light Co. Pfd. stock in hands of public (contra)	60,400	113,100	217,500	357,600	410,100	555,40
Bond discount and expense in process of amortiza.	1,114,309	1,171,441	1,009,801	994,282	625,753	301,74
Expenditures in connection with leased property to be amort.	.....	.....	.....	102,860	147,194	.....
Appraisal expense in process of amortization	.....	.....	.....	59,400	62,600	.....
Deferred charges and prepaid accounts	537,645	442,135	323,886	128,741	145,253	68,01
Cash and working funds	508,808	968,219	1,151,944	989,765	543,039	476,77
U. S. Certificates of indebtedness	1,335,699	.....	.....	.....	.....	.....
Accts., loans & notes receiv. (less reserve for uncol. accts.)	1,468,653	1,350,320	1,151,005	1,073,595	859,615	642,29
Installments receivable on sales of Pfd. stock	307,819	608,351	650,454	360,080	187,438	.....
Materials and supplies	829,705	795,362	788,976	787,064	713,666	528,86
Total	$80,324,818	$76,227,170	$70,411,838	$65,059,566	$57,649,290	$52,861,34
Liabilities—						
Capital stock (Tennessee Electric Power Co.)	$29,890,900	$25,165,600	$22,315,500	$19,817,300	$17,303,800	$17,052,20
Nashville Ry. & Light Co. 5% Pfd. stock (contra)	60,400	113,100	217,500	*357,600	*410,100	*555,40
Nashville Ry. & Light Co. Common stock	.....	.....	.....	.....	*7,000	*7,00
Funded debt in hands of public	40,930,600	41,203,500	38,376,100	37,075,400	32,935,000	29,905,60
Deferred liabilities	220,682	158,686	133,232	122,939	150,420	103,57
Notes payable	2,425	20,740	37,744	39,225	.....	4,66
Purchase money obligations—current	.....	375,178	700,000	.....	24,600	.....
Dividends declared	.....	.....	325,288	.....	.....	.....
Contract obligations	142,359	.....	.....	.....	.....	.....
Miscellaneous current liabilities	18,047	44,658	11,786	20,917	26,218	.....
Accounts payable	341,904	401,774	263,248	152,977	223,871	206,10
Accrued interest	186,723	202,755	192,476	183,195	152,972	133,74
Accrued taxes	1,218,198	1,153,963	1,063,586	888,587	959,207	697,52
Contributions for extensions	27,969	17,411	.....	.....	.....	.....
Depreciation reserve	3,073,949	3,010,996	2,832,727	2,637,547	2,298,112	2,028,05
Reserve for contingencies	239,782	268,132	265,677	391,214	424,083	427,02
Reserve for injuries and damages, etc.	147,983	155,915	114,468	103,554	102,210	57,11
Capital surplus	10,900	10,900	10,900	19,129	120,100	94,40
Surplus acquired July 1, 1922	1,282,113	1,282,113	1,282,113	1,282,112	1,282,113	1,282,11
Surplus earned since July 1, 1922	2,529,884	2,641,749	2,269,494	1,967,871	1,229,484	306,81
Total	$80,324,818	$76,227,170	$70,411,838	$65,059,566	$57,649,290	$52,861,34

*In hands of public.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash and working funds	$508,808	$968,219	$1,151,944	$989,766	$543,039	$476,77
U. S. Certificates of Indebtedness	1,335,699	.....	.....	.....	.....	.....
Accts., loans & notes receiv. (less reserve for uncol. accounts)	1,468,653	1,350,320	1,151,005	1,073,595	859,615	642,29
Instal. on Pfd. stock	307,819	608,351	650,454	360,080	187,438	.....
Materials and supplies	829,705	795,362	788,976	787,063	713,666	528,86
Total	$4,450,684	$3,722,252	$3,742,379	$3,210,504	$2,303,758	$1,647,93
Current Liabilities—						
Notes payable	$2,425	$20,740	$37,744	$39,225	.....	$4,66
Accounts payable	341,904	401,774	263,248	152,977	$223,871	206,10
Dividends declared	.....	.....	325,288	.....	.....	.....
Accrued interest	186,723	202,756	192,476	183,195	152,972	133,74
Accrued taxes	1,218,198	1,153,963	1,063,586	888,587	959,207	697,52
Miscell. current liabilities	18,047	44,658	11,786	20,917	26,217	.....
Contract obligations	142,359	.....	.....	.....	.....	.....
Purchase money obligations—current	.....	375,178	700,000	.....	24,600	.....
Total	$1,909,656	$2,199,069	$2,594,128	$1,284,901	$1,386,867	$1,042,04
Net Working Capital	$2,541,028	$1,523,183	$1,148,251	$1,925,603	$916,891	$605,88

Officers: B. C. Cobb, Pres.; Jo. C. Guild, Jr., V-P. & Gen. Mgr.; T. A. Kenney, V-P.; H. G. Kessler, Compt.; B. F. Manning, Sec. & Treas.; B. S. Spain, Asst. Sec.; G. H. Bourne, Asst. Sec.; E. E. Nelson, Asst. Sec. & Asst. Treas.; C. Wigand, Asst. Sec. & Asst. Treas.; C. Wright, Asst. Sec. & Asst. Treas.

Executive Committee: B. C. Cobb, Chrm.; C. M. Clark, Jo. C. Guild, Jr., W. M. Flook, T. A. Kenney.

Directors: J. P. W. Brown, Paul M. Davis, J. M Anderson, H. A. Batchelor, Jr., Nashville, Tenn.; C. M Clark, Philadelphia, Pa.; B. C. Cobb, W. M. Flook, T A. Kenney, New York City; Jo. C. Guild, Jr., T. R Preston, J. P. Hoskins, Chattanooga, Tenn.

General Office, Power Bldg., Chattanooga, Tenn

New York Office, 14 Wall Street.

UTILITIES COAL CORPORATION

(Subsidiary of Commonwealth Power Corporation)

History and Property—Incorporated in Oct., 1917, in Illinois as Bissell Coal Co.; **name changed** to present title during 1923. Company operates mines in Kentucky and Illinois, which supply in part the fuel requirements of the steam-electric and gas manufacturing plants of the operating subsidiaries of Commonwealth Power Corp. The mines are electrically operated.

CAPITAL STOCK

Authorized and outstanding, 10,000 shares Common of no par value and $500,000 8% cumulative Pfd., par, $100. All the Common and Pfd. stocks are owned by Commonwealth Power Corp. Annual meeting, first Tuesday in March.

FUNDED DEBT

$844,300 FIRST MORTGAGE SERIAL GOLD 7s; DUE SEMI-ANNUALLY TO OCT. 1, 1938

These bonds were called for payment on July 1, 1927 at par and interest, plus a premium of ½% for each full year or fraction thereof of unexpired life of each maturity at Bankers Trust Co., New York, Trustee.

Officers: W. H. Barthold, Pres.; E. J. Bechtel, V-P.; W. G. Bourne, Jr., V-P.; E. F. Hall, Sec. & Treas.; C. Wigand, Asst. Sec. & Treas.; M. M. Dooner, and L. S. Goode, Asst. Treas's.; H. G. Kessler, Compt.; W. B. Miller, Kentucky, and E. F. Hall, Illinois, Mine Managers.

Directors: W. H. Barthold, W. G. Bourne, Jr., E. J. Bechtel, New York; E. F. Hall, Springfield, Ill.; R. S. Wallace, Peoria, Ill.

General Office, Springfield, Ill.

GUTHRIE GAS CO.

History and Property—Incorporated Aug. 24, 1903, in Okla., as the Guthrie Gas Light, Fuel & Improvement Co.; name changed to present title in 1924. Supplies natural gas to Guthrie, Okla. Miles of mains, 36. No. of meters, 2,500. Price, gas: Domestic, 62 cts. per 1,000 cu. ft., with a 2 ct. penalty after discount period. Industrial gas, 62 cts. per 1,000 cu. ft. for first 100,000 cu. ft.; 20 cts. per 1,000 cu. ft. excess.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $100. Transfer office, Guthrie, Okla. Annual meeting, in September. No dividends paid.

FUNDED DEBT

$250,000 Guthrie Gas Light, Fuel & Improvement Co. First Mtge. Gold 6s; dated Dec. 1, 1908; due Dec. 1, 1928; int. June and Dec. 1, at Central Trust Co., Chicago, Trustee. Coupon, $1,000; principal may be registered. Company pays Normal Federal Income Tax up to 2%.

Officers: M. B. Madden, Pres.; Paul Henderson, V-P.; J. G. Nettleton, Sec., Chicago; R. H. Lussky, Gen. Mgr. & Pur. Agt., Guthrie, Okla.

Directors: The above and J. E. Lindquist, Mabel Madden Henderson, Chicago.

Office, Guthrie, Okla.

LA FOLLETTE WATER, LIGHT & TELEPHONE CO.

History and Property—Incorporated in May, 1905, in W. Va. Is supplying 65 arcs and about 3,500 incandescents. Has city contract for street lighting and water until 1935.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. Annual meeting, first Tuesday after first Monday in January. No dividends paid.

FUNDED DEBT

$150,000 (entire issue) First Gold 5s; dated July 1, 1905; due July 1, 1930; int. J & J 1. Hon. Will Taylor, La Follete, Tenn., Trustee. Coupon, $1,000; principal may be registered. Subject to call at 104 on any interest date. A sinking fund of one-fourth of net income is provided. A first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 1%.

Officers: Fred'k A. Joss, Pres.; M. Q. H. Joss, V-P.; Indianapolis, Ind.; L. Loy, Asst. Sec. & Asst. Treas., La Follette, Tenn.

Directors: F. A. Joss, M. Q. H. Joss, Indianapolis, Ind.; Isaac Loy, La Follette, Tenn.

Office, La Follette, Tenn.

AMERICAN LIGHT & TRACTION COMPANY

(See Accompanying Map)

History—Incorporated May 13, 1901, in New Jersey, to consolidate and own various gas, electric and traction interests in different parts of the United States.

Following is a list of companies affiliated with American Light & Traction Company:

	Amount Stock Outstanding
Binghamton Gas Works, Common	45,000 shs.
Binghamton Gas Works, Pfd.	$651,300
Detroit City Gas Co., Common	17,156,300
Detroit City Gas Co., Pfd.	138,500
Gas Office Co., Common	475,000
Grand Rapids Gas Light Co.	2,400,000
Kent County Gas Co., Common	1,000
Madison (Wis.) Gas & Elec. Co., Common	2,000,000
Madison Gas & Elec. Co., Pfd.	500,000
Milwaukee Gas Light Co., Common	7,499,950
Milwaukee Gas Light Co., Pfd.	2,000,000
Muskegon Trac. & Ltg. Co., Common	600,000
Muskegon Trac. & Ltg. Co., Pfd.	$63,000
St. Joseph Gas Co.	1,000,000
San Antonio Pub. Serv. Co., Common	5,500,000
San Antonio Pub. Serv. Co., Pfd.	4,237,500
Southern Light & Traction Co.	1,805
Wauwatosa (Wis.) Gas Co.	500,000
West Allis (Wis.) Gas Co.	700,000
River Rouge Co.	500,000
Lakeshore Gas Co.	150,000
Muskegon Heights Gas Co.	30,000
Washtenaw Gas Co., Common	600,000
Wisconsin Eastern Gas Co., Common	1,000

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	*1926	1925	1924	1923	1922
Gas sales (cubic feet)	36,211,974,300	33,500,652,300	32,758,423,500	29,493,912,400	26,541,981,600	23,902,137,100
Electric sales (k.w.h.)	129,427,585	104,587,720	149,472,947	146,467,070	137,152,633	114,973,674
Revenue passengers carried	29,663,356	31,240,597	29,597,368	30,216,550	30,296,596	25,426,804
Gas meters in use at Dec. 31	646,327	608,257	635,022	584,184	553,949	.....
Electric meters in use at Dec. 31	67,747	62,825	115,528	105,051	95,988	.....

*Decrease due to sale of the St. Paul group of properties.

CAPITAL STOCK

Authorized, $125,000,000, consisting of $100,000,000 Common (increased from $40,000,000 on June 2, 1927) and $25,000,000 6% cumulative Pfd. Outstanding, as of March 31, 1928, $52,263,800 Common and $14,236,200 Pfd.; par, $100. Stock must be held twenty days before annual meeting to entitle holder to vote.

Stock Increase and Stock Dividend—At special meeting of stockholders on June 2, 1927, the authorized Common stock was increased from $40,000,000 to $100,000,000 and the payment of a dividend of 50% in Common stock was approved, payable June 30, 1927 to stock of record June 18, 1927.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends and in liquidation, whether voluntary or involuntary, is entitled to par and accrued dividends.

Callability—The Pfd. stock is not subject to call.

Transfer Agents—American Light & Traction Co., New York; Michigan Trust Co., Grand Rapids, Mich., and the New Jersey Corporation Agency, Jersey City, N. J.

Registrars—Equitable Trust Co., New York, and National City Bank, Grand Rapids, Mich.

Annual Meeting—Third Monday in March.

Market—Both classes of stock dealt in on New York Curb Market.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	126	134	119¾	95	96	107½	..	..
Low	112	105	94	91	85	94	..	..
Common—								
High	265	263	288	148½	140	165	102	110¼
Low	164¾	195	137	117	109	113¼	78	92

Dividends—Dividends on Pfd. regular paid (quarterly, F, M, A & N 1) from organization to date. The Board of Directors at a meeting held Jan. 7, 1913, declared to holders of Pfd. stock a cash dividend of 2% for the period of four months to Feb. 1, 1913. Theretofore one month had elapsed between the dates for which Pfd. dividends had been declared and the dates of payments, thereby permitting one month's dividend to remain accrued and unpaid. In order to correct this, a dividend was paid at that time, covering a four months' period. While the dates of payments of dividends remain the same as heretofore—viz., F, M, A & N 1, they are now declared on the first Tuesdays in J, A, J & O.

Dividends paid on the Common stock: Cash payments have been made as follows: 1½% in 1904, 3½% in 1905, 4½% in 1906, 5½% in 1907, 6½% in 1908, 9% (including 1% extra on Aug. 2) in 1909; 9½% in 1910; 10% each in 1911 to 1919, incl.; 2½% each Feb. and May, 1920; Aug., 1920, 1¾%; Nov. 1, 1920, 1%; 1921 to 1924 inclusive, 4% each year; 1925, 6¼%; Feb. 1926, 1¾%; May 1, 1926, 2% regular and 2% extra; Aug. 1926 and Nov. 1926, and Feb. 1, 1927, 2% each; May 1, 1927, 2% regular and 2% extra; Aug. 1, 1927, Nov. 1, 1927, and Feb. 1, 1928, 2% each. Common dividends have been declared on the same day as the Pfd. dividends and are paid quarterly (F, M, A & N 1) by check.

In addition to the above, stock dividends on Common were paid in Common stock as follows: 10% in July, 1909; 2½% in Nov., 1909; 2½% quarterly (F, M, A & N 1) from 1910 to and including May, 1920; 1¾% each Aug. and Nov., 1920; Feb. 1, 1921, to May 1, 1925, 1% each quarter; June 30, 1927, 50%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Subsidiary Companies)

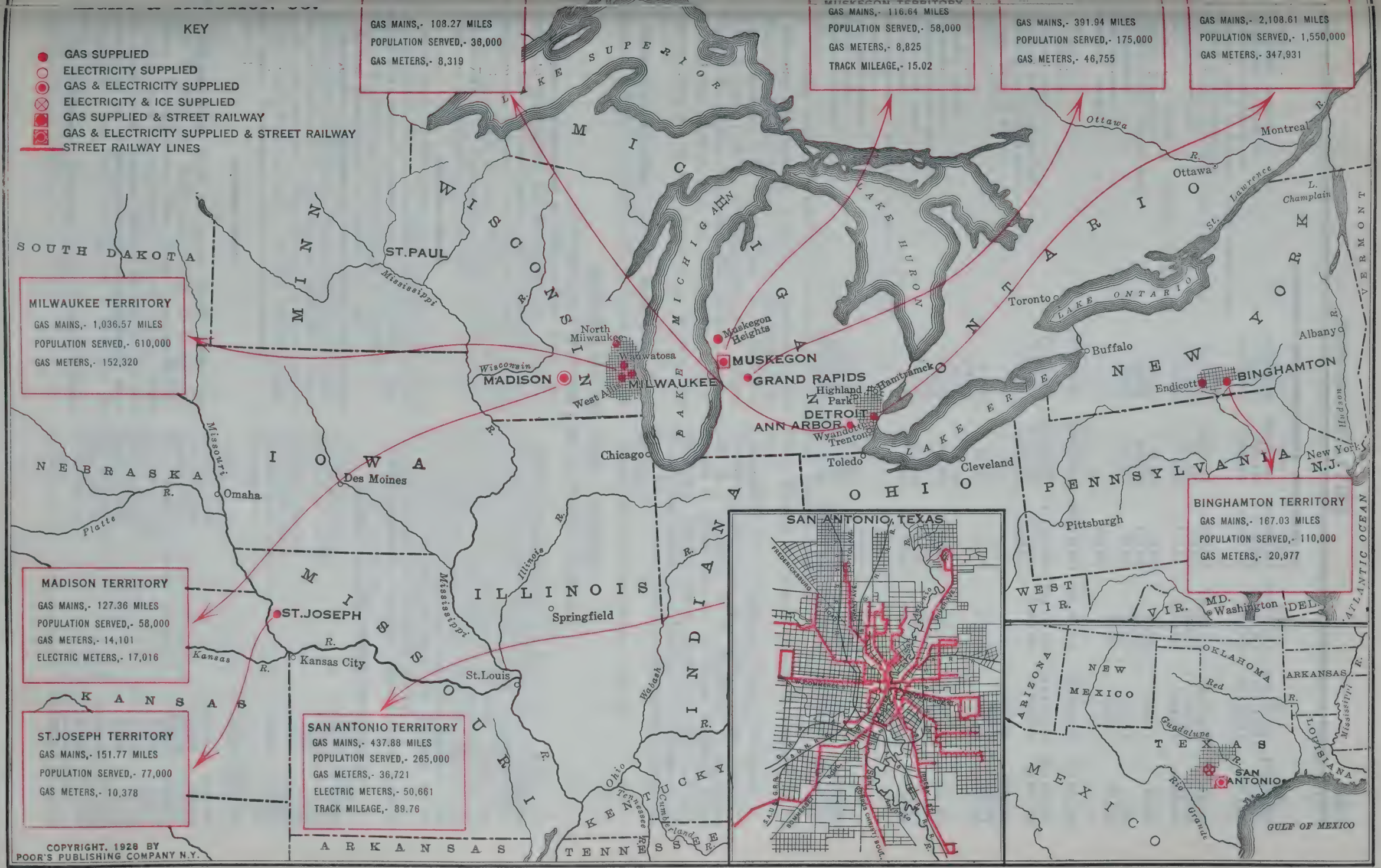
	1927	*1926	1925	1924	1923
Operating revenue	$37,140,778	$34,833,937	$36,020,607	$32,922,928	$30,997,831
Operating expense	21,295,874	20,469,150	20,729,613	19,924,001	19,821,299
Taxes	4,052,465	3,671,962	3,962,580	3,560,297	3,234,651
Reserve for retirements	1,921,855	1,809,184	1,261,149	1,213,660	1,205,746
Total revenue deductions	$27,270,194	$25,950,296	$25,953,342	$24,697,958	$24,261,696
Net operating income	$9,870,584	$8,883,641	$10,067,264	$8,224,970	$6,736,135
Non-operating income	1,217,902	299,329	60,682	47,620	56,747
Gross corporate income	$11,088,486	$9,182,970	$10,127,946	$8,272,590	$6,792,882
Interest deductions	4,820,205	3,302,283	3,368,805	3,044,898	2,832,372
Amortization of bond discount	133,855	95,957	105,130	98,383	115,081
Miscellaneous deductions	33,426	53,208	19,012	20,971	22,362
Total deductions	$4,987,486	$3,451,448	$3,492,946	$3,164,252	$2,969,835
Net income	$6,101,000	$5,731,522	$6,635,000	$5,108,338	3,823,047
Surplus and reserve adjustments (Cr.)	11,699	152,559	180,423	200,962	70,448
Total	$6,112,699	$5,884,081	$6,815,423	$5,309,300	$3,893,496
Preferred dividends	527,135	449,727	492,980	332,120	230,091
Balance for Common stock	$5,585,564	$5,434,354	$6,322,443	$4,977,180	$3,663,404
Amount applicable to minority interest	40,059	41,141	38,441	32,976	38,480
Balance applicable to Am. Lt. & Trac. Co.	$5,545,505	$5,393,213	$6,284,002	$4,944,204	$3,624,924

*Decrease due to sale of the St. Paul group of properties.

INCOME AND PROFIT AND LOSS STATEMENT, YEARS ENDED DECEMBER 31
(American Light & Traction Co.)

	1927	*1926	1925	1924	1923	1922
Earnings on stocks of subsidiary cos. owned	$5,545,505	$5,393,213	$6,284,001	$4,097,361	$3,624,924	$3,636,335
Miscellaneous earnings	2,387,367	2,446,772	1,480,232	1,148,913	885,746	1,276,201
Gross earnings	$7,932,872	$7,839,985	$7,764,233	$5,246,274	$4,510,670	$4,912,536
Expenses and taxes	586,794	512,237	400,299	418,558	301,016	529,986
Net earnings	$7,346,078	$7,327,748	$7,363,934	$4,827,715	$4,209,654	$4,382,550
Interest & discount	103,896	53,505	40,204	180,611	300,611	330,000
Balance for period	$7,242,182	$7,274,243	$7,323,730	$4,647,104	$3,909,043	$4,052,550
Preferred dividends (cash)	$854,172	$854,172	$854,172	$854,172	$854,172	$854,172
Common dividends (cash)	4,527,184	3,481,045	2,390,642	1,257,210	1,208,006	1,160,884
Total cash dividends	$5,381,356	$4,335,217	$3,244,814	$2,111,382	$2,062,178	$2,015,056
Surplus after cash dividends	$1,860,826	$2,939,026	$4,078,916	$2,535,722	$1,846,865	$2,037,494
Previous surplus & reserve	†20,000,335	†17,157,472	13,103,143	10,977,787	10,338,927	9,462,317
Surplus & reserve Dec. 31	$21,861,161	$20,096,498	$17,182,059	$13,513,509	$12,185,792	$11,499,811
Add amount transferred from special reserve to surplus & reserve	10,000,000	.....	.....	.....	.....	.....
Total surplus & reserve	$31,861,161	$20,096,498	$17,182,059	$13,513,509	$12,185,792	$11,499,811
Stock dividends on Common stock	17,409,800	.....	146	1,257,210	1,208,006	1,160,884
Surplus & reserve Dec. 31	$14,451,361	$20,096,498	$17,181,913	$12,256,299	$10,977,786	$10,338,927
Earnings Per Share—						
Preferred	$50.87	$51.09	$51.72	$32.64	$27.45	$28.46
Common	12.22	18.44	18.58	11.89	9.97	10.86

*Decrease due to sale of the St. Paul Group of properties. †After deducting $24,441 charged to reserve in Dec., 1926 and $96,163 adjustment in reserve account in 1927.


KEY
GAS SUPPLIED
ELECTRICITY SUPPLIED
GAS & ELECTRICITY SUPPLIED
ELECTRICITY & ICE SUPPLIED
GAS SUPPLIED & STREET RAILWAY
GAS & ELECTRICITY SUPPLIED & STREET RAILWAY
STREET RAILWAY LINES
GAS MAINS,- 108.27 MILES
POPULATION SERVED,- 36,000
GAS METERS,- 8,319
GAS MAINS,- 116.64 MILES
POPULATION SERVED,- 58,000
GAS METERS,- 8,825
TRACK MILEAGE,- 15.02
GAS MAINS,- 391.94 MILES
POPULATION SERVED,- 175,000
GAS METERS,- 46,755
GAS MAINS,- 2,108.61 MILES
POPULATION SERVED,- 1,550,000
GAS METERS,- 347,931
MILWAUKEE TERRITORY
GAS MAINS,- 1,036.57 MILES
POPULATION SERVED,- 610,000
GAS METERS,- 152,320
MADISON TERRITORY
GAS MAINS,- 127.36 MILES
POPULATION SERVED,- 58,000
GAS METERS,- 14,101
ELECTRIC METERS,- 17,016
ST.JOSEPH TERRITORY
GAS MAINS,- 151.77 MILES
POPULATION SERVED,- 77,000
GAS METERS,- 10,378
SAN ANTONIO TERRITORY
GAS MAINS,- 437.88 MILES
POPULATION SERVED,- 265,000
GAS METERS,- 36,721
ELECTRIC METERS,- 50,661
TRACK MILEAGE,- 89.76
BINGHAMTON TERRITORY
GAS MAINS,- 167.03 MILES
POPULATION SERVED,- 110,000
GAS METERS,- 20,977
SAN ANTONIO, TEXAS
MINNESOTA
WISCONSIN
MICHIGAN
ONTARIO
NEW YORK
SOUTH DAKOTA
NEBRASKA
IOWA
ILLINOIS
INDIANA
OHIO
PENNSYLVANIA
KANSAS
MISSOURI
KENTUCKY
TENNESSEE
ARKANSAS
WEST VIR.
VIR.
MD.
DEL.
NEW MEXICO
OKLAHOMA
TEXAS
MEXICO
ARIZONA
LOUISIANA
VERMONT
ATLANTIC OCEAN
GULF OF MEXICO
LAKE SUPERIOR
LAKE MICHIGAN
LAKE HURON
LAKE ERIE
LAKE ONTARIO
ST. PAUL
MADISON
MILWAUKEE
North Milwaukee
Wauwatosa
West Allis
Wisconsin
Muskegon Heights
MUSKEGON
GRAND RAPIDS
Highland Park
Hamtramck
DETROIT
ANN ARBOR
Wyandotte
Trenton
Toledo
Cleveland
Chicago
Buffalo
Toronto
Ottawa
Montreal
Albany
Endicott
BINGHAMTON
New York
N.J.
Pittsburgh
Omaha
Des Moines
Springfield
ST.JOSEPH
Kansas City
St.Louis
Missouri R.
Mississippi R.
Illinois R.
Ohio R.
Tennessee R.
Cumberland R.
Wabash R.
Platte R.
Kansas R.
Red R.
Rio Grande
Guadalupe R.
St. Lawrence R.
Hudson R.
Champlain L.
SAN ANTONIO
FREDERICKSBURG
COMMERCE ST.
HOUSTON
NAVARRO
ALAMO
SOUTH PRESA
SAUNDERS
ROOSEVELT
PRESA
LAREDO
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GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Investment account	$46,850,368	$38,952,353	$36,090,834	$36,138,711	$35,379,502	$35,474,003
Temporary investment	1,707,147	1,874,346	1,337,247	2,215,247	1,523,864	1,285,978
Earnings, subsidiary cos.	*10,397,601	12,404,062	16,445,505	12,586,708	11,953,281	10,411,288
Common stock in treasury (held against warrants of like amount)	43,100	.....	.....	.....	.....	.....
Bills receivable, subsidiary cos.	36,714,007	31,064,514	17,979,583	11,483,992	8,220,992	5,851,992
Accounts receivable	216,254	225,157	105,057	194,869	145,855	98,909
Cash	1,357,988	5,141,829	7,163,638	1,266,590	2,733,973	4,986,397
Interest and dividends receivable from temporary investments	14,542	15,153	16,934	20,036	18,543	25,263
Subsidiary cos.' coupon funds	607,807	610,385	667,992	666,612	.....	.....
Miscellaneous	33,667	40,544	35,032	62,587	24,122	18,079
Note discount	.....	.....	.....	40,204	160,815	281,426
Deferred charges	.....	.....	293,182	.....	.....	.....
Total	$97,942,481	$90,328,344	$80,135,004	$64,675,556	$60,160,947	$58,433,335
Liabilities—						
Preferred stock	$14,236,200	$14,236,200	$14,236,200	$14,236,200	$14,236,200	$14,236,200
Common stock outstanding	52,263,800	34,816,200	34,797,600	31,893,700	30,639,700	29,445,100
Premium on Common stock	1,286,071	1,286,019	1,285,759	.....	.....	.....
5-Year 6% Gold notes	.....	.....	.....	.....	3,000,000	3,000,000
Interest accrued	.....	.....	.....	.....	30,000	30,000
Warrants	43,100	37,731	55,831	172,848	182,178	180,718
Bills payable	7,000,000	.....	.....	.....	.....	.....
Accounts payable	23,753	5,248	.....	.....	.....	.....
Dividends accrued	1,187,638	838,686	751,320	780,236	755,156	731,264
Coupons payable—sub. cos.	607,807	610,385	667,992	666,612	.....	.....
Reserves for taxes	376,312	379,544	83,736	400,544	332,212	331,911
Miscellaneous	173	4,852	11,801	42,607	7,715	139,215
Payment on a/c of contract for sale of St. Paul securities	.....	.....	7,580,137	.....	.....	.....
Contingent reserve	.....	.....	190,206	846,844	.....	.....
Special reserve	6,466,265	18,016,981	3,292,509	3,379,665	.....	.....
Surplus and reserve	14,451,362	20,096,498	17,181,913	12,256,299	10,977,786	10,338,927
Total	$97,942,481	$90,328,344	$80,135,004	$64,675,556	$60,160,947	$58,433,335

*Earnings receivable, $6,032,172; reconstruction reserve, $4,365,429—total, $10,397,601.

Officers: Alanson P. Lathrop, Chairman of the Board; R. B. Brown, Pres.; W. F. Douthirt, V-P.; James Lawrence, V-P., Sec. & Treas.; W. C. Beckjord, V-P. & Engr.; Oliver S. Hagerman, Asst. Engr.; Thomas M. Leahy, Aud., Asst. Sec. & Asst. Treas.; R. B. Martin, Cashier, Asst. Sec. & Asst. Treas.; F. M. Dennis, Asst. Sec. & Asst. Treas.; B. T. Franck, Asst. Aud.

Executive Committee: John S. Brooks, Jr., R. B. Brown, William Chamberlain, C. S. Eaton, Marshall Field, Warren W. Foster, Alanson P. Lathrop, H. B. Rust.

Directors: W. C. Beckjord, John S. Brookes, Jr., Franklin Q. Brown, R. B. Brown, William Chamberlain, B. J. Denman, W. F. Douthirt, C. S. Eaton, George A. Elliott, Warren W. Foster, Marshall Field, Alanson P. Lathrop, James Lawrence, Arthur Lehman, Donald MacArthur, C. D. Marshall, M. S. Paine, H. B. Rust, W. F. Rust, Richard Schaddelee, Edgar M. Williams.

Main Office, 120 Broadway, New York.

BINGHAMTON GAS WORKS

(Affiliated with American Light & Traction Company)

History—Incorporated in 1898, in New York; successor to Binghamton Gas & Electric Co. Franchise expires 1947. Miles of mains, 167.03. Supplies gas to Binghamton, Endicott, John City and Port Dickinson, N. Y. Population served, 110,000. Sales in 1927, 639,856,700 cu. ft., compared with 625,070,600 cu. ft. in 1926, and 569,602,000 cu. ft. in 1925.

CAPITAL STOCK

Authorized, 45,000 shares Common of no par value and $1,000,000 Pfd. stock of $100 par value; outstanding, 45,000 shares Common and $651,300 Pfd. Practically all owned by American Light & Traction Co.

Annual Meeting—First Monday in June.

Dividends—Dividends in recent years have been as follows: 1918 to 1923, incl., 8% per annum; 1924, 12%; Jan. and April 1, 1925, 3% each on $450,000 Common stock; July and Oct. 1, 1925, 75 cents a share each on 22,500 shares of no par value. On Pfd. dividends regularly paid. Payments on both classes quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$750,000 First Gold 5s; dated April, 1898; due April 1, 1938; int. April and Oct. 1, at Company's offices, 120 Broadway, New York. Coupon, $1,000; principal may be registered. Central Union Trust Co., New York, Trustee. Subject to call at 110 and interest on six weeks' notice by advertisement in a Binghamton and New York paper. A first lien on property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$246,000 General Gold 5s; dated Oct. 1, 1904; due Oct. 1, 1954; interest April and Oct. 1, at Company's office, 120 Broadway, New York. Coupon, $1,000; principal may be registered. Equitable Trust Co., New York, Trustee. Authorized issue, $2,500,000, of which sufficient reserved to retire the first 5s and the remainder for extensions and improvements. Subject to call as a whole or in part at 105 and int. on any interest date upon 6 weeks' notice.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant & investment	$2,794,092	$2,398,699
Materials & supplies	141,019	68,546
Cash	8,097	9,013
Accounts receivable	68,257	53,486
Other current assets		10,000
Deferred debit items	104,862	97,432
Prepayments		525
Total	$3,116,327	$2,637,701
Liabilities—		
Common stock	$675,000	$450,000
Preferred stock	651,300	313,800
Funded debt	996,000	996,000
Notes payable	300,000	180,000
Accounts payable	14,576	61,967
Interest accrued	15,565	14,576
Other liabilities	35,908	28,208
Taxes accrued	26,650	25,660
Depreciation reserve	253,476	199,805
Other reserves		12,258
Profit and loss	147,852	352,927
Total	$3,116,327	$2,637,701

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Operating revenue	$757,205	$726,996	$663,235	$628,349	$629,804	$573,132
Operating expenses and taxes	526,347	552,519	487,331	472,443	462,319	423,999
Retirement expense	42,372	.....	.....	.....	.....	.....
Net earnings	$188,486	$174,477	$175,904	$155,906	$167,485	$149,133
Other income	*219	*1,057	.....	.....	57	649
Total income	$188,267	$173,420	$175,904	$155,906	$167,542	$149,782
Bond interest	49,800	49,800	49,800	49,800	49,800	49,800
Other interest, etc.	12,514	3,524	2,137	11,029	9,592	2,060
Total charges	$62,314	$53,324	$51,937	$60,829	$59,392	$51,860
Net income	$125,953	$120,096	$123,967	$95,077	$108,150	$97,922
Dividends paid	†	87,998	74,627	54,000	36,000	36,000
Surplus for year	$125,953	$32,098	$49,340	$41,077	$72,150	$61,922
Times Bond Interest Earned	3.53	3.48	3.53	2.91	3.17	2.97

*Debit. †Not reported.

Officers: R. B. Brown, Pres.; New York; Chas. E. Bennett, V-P. & Gen. Mgr.; Robt. W. Manier, Sec. & Treas., Binghamton, N. Y.; James Lawrence, Asst. Sec. & Asst. Treas.; T. M. Leahy, Aud.; W. C. Beckjord, Consulting Engr., New York.

Directors: R. B. Brown, New York, I. T. Deyo, H. H. Woodburn, E. S. Truesdell, W. G. Phelps, C. M. Stone, Chas E. Bennett, C. E. Titchener, F. J. Baumann, Binghamton, N. Y.

Offices, Binghamton, N. Y., and 120 Broadway, New York.

DETROIT CITY GAS COMPANY

(Affiliated With American Light & Traction Company)

History and Property—Incorporated Jan. 10, 1898, in Mich. and on March 1, 1898, acquired all the property of the Detroit Gas Co. On Aug. 1, 1913, took over the property of the Detroit & Suburban Gas Co. (see Manual for 1913, page 3189), which operated in the Eighteenth Ward of Detroit (formerly the village of Delray) and in the suburban towns of Ecorse, Oakwood, Trenton, River Rouge, Woodmere, Springwells, Ford and Wyandotte and adjacent suburban territory. Company owns all the gas properties of Detroit, Mich.; mains cover 2,108.61 miles. Estimated population served, 1,550,000. Property includes four plants of 53,500,000 cu. ft. daily water gas capacity and 6,000,000 cu. ft. daily coal gas capacity, an aggregate daily capacity of 60,000,000 cu. ft. There are ten holders with an aggregate capacity of 55,000,000 cu. ft., exclusive of relief holders of a capacity of 2,000,000 cu. ft. Company also has contracts for delivery to it of large quantities of coke oven gas.

GAS SALES AND CUSTOMERS, YEARS ENDED DEC. 31

	Gas Sales, Cubic Feet	Number of Customers
1918	9,839,029,000	184,543
1919	10,391,737,000	200,036
1920	12,561,816,000	212,590
1921	10,027,006,000	216,498
1922	11,778,269,000	230,316
1923	14,137,241,000	257,210
1924	16,352,673,000	275,008
1925	18,489,894,300	308,279
1926	20,405,591,100	334,950
1927	20,790,806,200	345,871

CAPITAL STOCK

Authorized, $20,000,000 Common and $2,000,000 6% cumulative Pfd.; outstanding, $17,156,300 Common and $138,500 Pfd.; par, $100. Over 99% of Common stock owned by American Light & Traction Co. Annual meeting, in January. A stock dividend of $1,792,000 (27.234%) was paid to stockholders of record as of June 17, 1915. Transfer Agent and Registrar: American Light & Traction Co., 120 Broadway.

FUNDED DEBT

(1)

$930,000 DETROIT & SUBURBAN GAS COMPANY GENERAL MORTGAGE GOLD 5s; DUE DECEMBER 1, 1928

Dated December 1, 1908.

Interest Payable June and December 1, at Citizens' Savings & Trust Co., Cleveland, O., Trustee, and at First National Bank, New York. **Coupon,** $500 and $1,000; principal may be registered. J. R. Nutt, Cleveland, Co-Trustee. Authorized, $2,000,000; outstanding, $930,000; mortgage now closed. Subject to call as a whole or in part at 103 and interest on any int. date upon 3 weeks' notice. A first lien on entire property formerly owned by former Detroit & Suburban Gas Co., covering less than 6% of the present property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Detroit Stock Exchange.

Original Offering—First publicly offered in 1909 at 95 and interest by Baker, Ayling & Co., Boston.

(2)

$13,500,000 DETROIT CITY GAS CO. FIRST MORTGAGE GOLD 6s SERIES "A"; DUE JULY 1, 1947

$17,500,000 DETROIT CITY GAS CO. FIRST MORTGAGE GOLD BONDS, SERIES "B", 5%; DUE OCTOBER 1, 1950

Dated, Series "A," July 1, 1922; Series "B," October 1, 1925.

Interest Payable Series "A," January and July 1; Series "B," April and October 1, at office of American Light & Traction Co., 120 Broadway, New York.

Denominations—Coupon, $100, $500 (Series "A" only) and $1,000 (both series); principal may be registered. Interchangeable with fully registered bonds in denominations of $1,000 and authorized multiples thereof, as provided in the mortgage.

Trustee—National City Bank, New York.

Provisions of Issue—Authorized, open mortgage. In addition to the present issues of $13,500,000 Series "A" 6% and $17,500,000 Series "B" 5% the mortgage provides for the issuance of bonds thereunder in series bearing the same or different rates of interest, dates, maturities, redemption provisions, and such other distinguishing features with respect to each particular series as may be determined by the Board of Directors of the Company at the time of the original issue of each series, subject always to restrictive provisions of the mortgage.

Additional bonds of any series may be issued from time to time in principal amounts, equal to and for the acquisition or retirement of $930,000 divisional lien bonds (Detroit & Suburban Gas Co.) outstanding with the public, and for bonds of other series issued under this mortgage. Bonds may also be issued for not exceeding 75% of the fair value or original cost (as defined in the mortgage), whichever is less, of additional property acquired or for additions to and extensions, betterments and improvements of the property, provided, however, that net earnings (as defined in the mortgage) for any 12 consecutive months within the 14 calendar months immediately preceding the date of the application for such bonds shall have

been at least 1¾ times the annual interest charges on divisional lien bonds outstanding with the public and all First Mortgage bonds outstanding and those proposed to be issued.

The First Mortgage contains appropriate provisions permitting the modification thereof or of any supplemental indenture in any particular, with the assent of the holders of 75% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company, or by any corporation of which the Company is a subsidiary, or by any other subsidiary of such corporation; provided, however, that nothing shall permit the extension of the maturity of any bonds or the reduction in the rate of interest thereon, or any other modification in the terms of payment of principal or interest, without the consent of the holder thereof, nor the creation by the Company of any mortgage or lien in the nature of a mortgage ranking prior to or on a parity with the lien of the First Mortgage.

The mortgage also provides that so long as the Series "A" bonds remain outstanding, no cash dividends on the Common stock shall be declared or paid from and after July 1, 1922, except out of earnings subsequent to that date.

Purpose of Issue—Proceeds from sale of Series "A" bonds provided funds for the retirement of $5,995,000 Gold Mortgage 5% bonds, due Jan. 1, 1923, $3,505,000 General Mortgage 5% Gold bonds, due July 1, 1923, and to partially reimburse Company for construction and improvements theretofore made. In April, 1926, $10,000,000 Series "B" bonds were issued to reimburse Company for additions and betterments made previously to Aug. 31, 1925, and when publicly offered in December, 1926, did not represent new financing by the Company at that time. In July, 1927, $7,500,000 additional Series "B" bonds were issued and used to reimburse Company in part for additions and betterments made to March 31, 1927.

Callability—Subject to call at option of the Company in whole or in part at any time upon 60 days' published notice at 107½ to and including July 1, 1932; at 105 thereafter to and including July 1, 1942; at 101 thereafter to and including July 1, 1946, and after July 1, 1946, at the principal amount thereof, plus accrued interest in each case.

Security—The mortgage securing these bonds is a direct first lien upon all the fixed properties, rights and franchises of the Company with the exception of that part formerly owned by the Detroit & Suburban Gas Co., representing about 2% of the total value of the property, which is subject to the lien of a closed mortgage under which there are outstanding $930,000 bonds.

The First Mortgage Gold Bonds eventually will be secured by a direct first lien on the entire property of the company, inasmuch as the property covered by the Detroit & Suburban Gas Co. bonds, upon their retirement, will be conveyed to the Trustee under the First Mortgage.

The mortgage will also cover all fixed property hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Michigan to residents of that State. Pennsylvania four mill tax refunded upon application within 60 days, to residents in that State.

Original Offering—Series "A" bonds first publicly offered ($13,500,000) in July, 1922, at 97½ and interest, yielding about 6.20% by Halsey, Stuart & Co., Inc., The National City Co., Lehman Bros. and Goldman, Sachs & Co., New York, etc. Series "B" bonds first publicly offered ($10,000,000) in December, 1926, at par and interest by Otis & Co., Cleveland, etc.; Halsey, Stuart & Co., Inc., Marshall Field, Glore, Ward & Co., Lehman Brothers and Redmond & Co., New York. $7,500,000 additional Series "B" bonds were publicly offered in July, 1927, at par and interest by Otis & Co., Cleveland, etc.; First National Co. of Detroit, Inc., Halsey, Stuart & Co., Inc., Marshall Field, Glore, Ward & Co., Lehman Brothers and Redmond & Co., New York, etc.

Price Range—

	1927	1926	1925	1924	1923	1922
Series "A" 6s—						
High	107¾	107½	106⅛	103⅞	101⅜	103
Low	106¾	104¾	102½	99¼	98½	99⅛
Series "B" 5s—						
High	104	100¼	..	..	..	..
Low	99⅛	99⅞	..	..	..	..

GROSS EARNINGS, YEARS ENDED DECEMBER 31

1912	$3,182,924	1920	$9,143,691
1913	3,732,263	1921	9,094,883
1914	4,094,672	1922	8,664,884
1915	4,576,792	1923	10,687,712
1916	5,510,185	1924	12,936,754
1917	6,638,179	1925	14,890,022
1918	7,102,400	1926	16,098,903
1919	7,542,081	1927	16,452,690

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$16,452,690	$16,098,903
Operating expenses	10,493,116	11,108,417
Taxes	1,550,553	1,482,769
Retirement expense	831,632	.....
Operating income	$3,577,389	$3,507,717
Non-operating income	18,555	4,139
Gross income	$3,595,944	$3,511,856
Interest charges	1,516,917	1,503,851
Amortization of debt disc. & expense..	288,736	155,731
Other charges		116,157
Net income	$1,790,291	$1,936,117

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and structures	$52,678,818	$47,248,878
Cash	168,896	689,585
Accounts receivable	1,996,929	2,469,099
Materials and supplies	1,660,512	1,294,504
Other assets	1,796,825	1,542,247
Total	$58,301,980	$53,244,313
Liabilities—		
Capital stock	$17,294,800	$12,477,600
Funded debt	31,930,000	24,430,000
Notes payable	300,000	5,250,000
Accounts payable	775,066	801,766
Other liabilities	834,700	944,978
Taxes accrued	548,470	545,078
Interest accrued	223,077	153,460
Reserves accrued	2,958,762	2,324,840
Profit and loss surplus	3,437,105	6,316,591
Total	$58,301,980	$53,244,313

Officers: R. B. Brown, Pres., New York; C. W. Bennett, V-P. & Gen. Mgr., Detroit, Mich.; James Lawrence, V-P., Asst. Sec. & Asst. Treas., New York; J. W. Batten, Asst. Gen. Mgr.; C. S. Ritter, Sec. & Treas.; Adam Kurtz, Controller; Jno. M. Wright, Asst. Treas.; H. W. Sheriffs, Asst. Compt. & Asst. Sec.; P. F. Osmer, Aud. & Asst. Sec., Detroit; T. M. Leahy, Asst. Sec. & Asst. Aud.; W. C. Beckjord, Consulting Engr., New York; F. A. Baltzer, Asst. Treas.

Directors: Alanson P. Lathrop, R. B. Brown, New York; William Chamberlain, Cedar Rapids, Iowa; C. S. Ritter, C. W. Bennett, H. E. Bodman, Homer Warren, J. W. Batten, D. Dwight Douglas, Detroit.

Offices, Gas Office Bldg., Detroit, Mich., and 120 Broadway, New York.

GRAND RAPIDS GAS LIGHT COMPANY

(Affiliated with American Light & Traction Company)

History—Incorporated Jan. 17, 1895, in Mich., as successor to Grand Rapids Gas Co. Does entire gas lighting industry of city. Has 391.94 miles of mains. No. of meters, 46,755. Population served, 174,500. Sales in 1927, 1,572,490,300 cu. ft., compared with 1,502,838,300 cu. ft. in 1926, 1,424,958,000 cu. ft. in 1925, 1,418,969,400 cu. ft. in 1924, and 1,354,000,000 cu. ft. in 1923.

CAPITAL STOCK

Authorized, $3,500,000; outstanding, $2,400,000 (increased from $1,820,000 in 1915). Annual meeting in January. Practically all owned by American Light & Traction Co. Paid dividend of 4% in 1921; later dividends (if any) not reported.

FUNDED DEBT

$2,223,000 FIRST MORTGAGE GOLD 5s; DUE AUGUST 1, 1939

Dated February 1, 1915.

Interest Payable February and August 1, at office of American Light & Traction Co., 120 Broadway, New York, or Michigan Trust Co., Grand Rapids, Mich., Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized $7,500,000. Unissued bonds may be issued for extensions, etc., to the extent of 80% of the cost of such extensions and improvements after approval by the Michigan Railroad Commission. Subject to call at 105 and interest on any interest date on six weeks' notice. A first lien on all the property of the company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Michigan and Indiana.

Original Offering—First publicly offered ($750,000) in Dec., 1914, at par and interest, by Howe, Snow, Corrigan & Bertles and Michigan Trust Company, Grand Rapids, Mich.; $100,000 additional offered in March, 1924, at 93.84 and interest by Fenton, Davis & Boyle, Grand Rapids, etc.; $100,000 in June, 1924, at 93.84 and interest to yield 5.60%, by Howe, Snow & Bertles, Inc., Detroit, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	†1922
Operating revenue	$1,805,864	$1,720,343	$1,620,403	$1,608,080	$1,595,683	$1,701,96
Operating expenses and taxes	1,138,750	1,197,983	1,166,350	1,188,929	1,210,018	1,254,61
Retirement expense	62,900	.....	.....	.....	.....	.....
Net earnings	$604,214	*$522,360	*$454,053	*$419,151	*$385,665	$447,34
Bond interest	111,150	111,150	104,929	90,152	78,750	78,75
Other interest	49,218	44,771	.....	.....	.....	.....
Net income	$443,847	$366,439	$349,124	$328,999	$306,915	$368,59
Times Bond Interest Earned	4.99	4.29	4.32	4.65	4.89	5.6

*After depreciation. †Year ended July 31.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Plant & investment	$6,497,825	$5,958,989	Capital stock	$2,400,000	$2,400,00
Cash	67,806	57,553	Funded debt	2,223,000	2,223,00
Accounts receivable	208,595	186,433	Treasury bonds	52,000	52,00
Materials and supplies	387,773	283,005	Notes payable	926,000	500,00
Treasury bonds	52,000	52,000	Accounts payable	112,971	108,37
Other assets	82,577	89,753	Other liabilities	48,772	65,59
			Taxes accrued	69,944	59,11
			Interest accrued	46,313	46,31
			Reserves	551,496	510,10
			Profit & loss & surplus	867,080	663,23
Total	$7,296,576	$6,627,733	Total	$7,296,576	$6,627,73

Officers: Henry Idema, Chairman of Board and 2nd V-P., Grand Rapids, Mich.; R. B. Brown, Pres., New York; Glenn R. Chamberlain, 1st V-P. & Gen. Mgr., Grand Rapids, Mich.; James Lawrence, 3rd V-P. & Asst. Treas., New York; A. G. Schroeder, Sec. & Pur. Agt.; J. A. Hulswit, Treas.; F. E. Olson, Asst. Sec.; C. E. Swanson, Asst. Treas., Grand Rapids, Mich.; T. M. Leahy, Asst. Sec., Asst. Treas. & Asst. Aud.; F. M. Dennis, Asst. Sec. & Asst. Treas.; W. C. Beckjord, Consulting Engr., New York.

Directors: W. H. Anderson, Alanson P. Lathrop, Henry Idema, G. R. Chamberlain, R. B. Brown, F. Z. Pantlind, C. N. Remington, Richard Schaddelee, Noyes L. Avery.

Offices, Grand Rapids, Mich., and 120 Broadway, New York.

LAKESHORE GAS COMPANY

(Affiliated with American Light & Traction Co.)

History—Incorporated May 1, 1925, in Wisconsin. Supplies gas to villages, districts and territory lying to the north and northwest of the city of Milwaukee, Wis. Population served, 5,000. Miles of mains, 17.79. Number of meters, 494.

CAPITAL STOCK

Outstanding, $1,000 Common. Practically all owned by American Light & Traction Co. Annual meeting, in December.

FUNDED DEBT

None.

Officers: R. B. Brown, Pres.; Shelden J. Glass, V-P.; Ewald Haase, V-P.; L. T. Smith, Sec. & Treas.; R. Johnson, Asst. Sec. & Asst. Treas.

Directors: R. B. Brown, Shelden J. Glass, Ewald Haase, Bruno Rahn, L. T. Smith.

Offices, Milwaukee, Wis., and 120 Broadway, New York.

MADISON GAS & ELECTRIC COMPANY

(Affiliated with American Light & Traction Company)

History—Incorporated in 1896, in Wis. Supplies gas and electric light; franchise perpetual; exclusive as to gas. Population served, 57,500. Miles of gas mains, 127.36. No. of meters: Gas, 14,101; electric, 17,016. Sales in 1927: Gas 724,075,800 cu. ft. (1926, 696,008,600 cu. ft.); electricity, 38,082,026 k.w.h. (1926, 33,299,688 k.w.h.).

CAPITAL STOCK

Authorized, $2,000,000 Common and $1,000,000 6½% cumulative Preferred; outstanding, $2,000,000 Common and $500,000 Preferred; par, $100. Practically all Common owned by American Light & Traction Co. Annual meeting, in January.

FUNDED DEBT

(1)

$463,500 FIRST REFUNDING MORTGAGE GOLD 5s; DUE OCTOBER 1, 1940

Dated October 1, 1910.

Interest Payable April and October 1, at office of American Light & Traction Co., 120 Broadway, New York. Coupon, $500 and $1,000; principal may be registered. Bankers Trust Co., New York, Trustee. Authorized issue, $3,000,000; sufficient reserved to retire undernoted prior lien. Subject to call at 110 and interest on any interest date. These bonds were issued in substitution for approximately the same amount of

Refunding 6s of 1940, which have been cancelled. A second mortgage upon all the property of the company now owned or hereafter acquired, subject to the First 6s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($350,000) in July, 1914, at 98 and interest, to yield about 5.15%.

(2)

$2,200,000 GENERAL & REFUNDING MORTGAGE GOLD 5s, SERIES OF 1925; DUE NOVEMBER 1, 1950

Dated November 1, 1925.

Interest Payable May and November 1, at First Wisconsin Trust Co., Milwaukee, Wis., or at office or agency of the Company in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized amount of mortgage, unlimited. Issued, $2,200,000 5% Series of 1925 to retire $400,000 First 6s, due April 1, 1926, to reimburse Company for capital expenditures previously made, and to provide funds for the completion of permanent extensions and additions to its properties under construction. Additional bonds may be issued, in series, in principal amounts equal to and for: (1) the acquisition or retirement of underlying bonds; (2) the redemption or retirement of bonds of another series; (3) not exceeding 80% of the actual cost of or fair value thereof to Company, whichever is the lower, of extensions, betterments, improvements and additions to the property of Company, made subsequent to January 1, 1926.

Callability—Series of 1925 are subject to call as a whole or in part on 30 days' notice, at 105 on or before November 1, 1940, and thereafter to and including November 1, 1948, at 100 plus ½ of 1% for each 12 months or fractional part thereof from the call date to the fixed maturity of the bonds and after November 1, 1948 at 100, plus accrued interest in each case.

Security—Secured by a direct mortgage lien on the entire property of Company now owned and subsequently acquired, subject only to the closed issue of $463,500 First Refunding Gold 5s, due Oct. 1, 1940, described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,200,000 Series of 1925) in November, 1925, at 98.60 and interest to yield 5.10%, by First Wisconsin Co., Milwaukee, Wis., and Marshall Field, Glore, Ward & Co., Chicago and New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenue	$1,908,300	$1,743,766	$1,574,730
Operating expenses & taxes	1,102,358	1,004,242	923,833
Retirement expense	99,394	107,390	99,063
Net earnings	$706,548	$632,134	$551,833
Non-operating income	8,074	.....	.....
Gross income	$714,622	$632,134	$551,833
Bond interest	133,175	134,144	73,797
Other interest	6,184		
Net income	$575,263	$497,990	$478,036

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and investment	$5,735,498	$5,419,402
Material and supplies	166,283	192,711
Accounts receivable	247,967	228,284
Cash	462,499	317,603
Prepaid accounts	95,525	1,846
Unamortized debt disc. & expense		98,615
Total	$6,707,772	$6,258,460
Liabilities—		
Capital stock	$2,500,000	$2,500,000
Funded debt	2,663,500	2,663,500
Notes payable	54,901	.....
Other liabilities	81,364	84,254
Interest accrued	29,168	30,953
Taxes accrued	280,325	228,886
Reserves	666,640	618,378
Profit and loss and surplus	431,874	132,489
Total	$6,707,772	$6,258,460

Officers: R. B. Brown, Pres., New York; John St. John, V-P. & Gen. Mgr., Madison, Wis.; James Lawrence, V-P. & Asst. Treas., New York; L. H. Boutell, Sec. & Asst. Treas., Madison, Wis.; T. M. Leahy, Asst. Sec. & Asst. Aud.; F. M. Dennis, Asst. Sec., New York; J. J. Feeney, Treas. & Asst. Sec.; W. C. Beckjord, Cons. Engineer.

Directors: F. W. Hoyt, John St. John, R. B. Brown, Harry L. Butler, George A. Boissard, S. W. Gilman, John Grinde.

New York Office, 120 Broadway, New York.

MILWAUKEE GAS LIGHT COMPANY

(Affiliated with American Light & Traction Co.)

History and Property—Incorporated March 27 852, in Wis., under a perpetual charter. Has perpetual franchise, exclusive as to lighting. Property consists of 35 acres of valuable city real estate, upon which are located two complete gas works, one on the east side and the other on the west side of the city; also a tar plant at North Milwaukee. Has 756.77 miles of mains and 138,493 meters. Population served, 45,000.

STATEMENT OF GROWTH, YEARS ENDED DECEMBER 31

	Gross Earnings	Gas sales Cubic Feet	No. of Customers
918	$3,130,990	4,402,386,200	106,661
919	3,226,132	4,584,994,400	107,140
920	3,627,625	5,271,289,500	113,225
921	4,240,961	5,018,684,100	115,644
922	4,688,539	5,513,258,000	119,393
923	4,878,265	5,991,355,500	124,327
924	4,911,077	6,203,787,100	129,139
925	5,084,904	6,486,031,600	135,479
926	5,544,512	7,110,025,300	*131,635
927	5,710,075	7,479,202,000	*136,157

*Gas customers.

CAPITAL STOCK

Authorized, $10,000,000 Common and $5,000,000 Pfd. increased from $1,000,000 in March 1924); outstanding, $7,499,950 Common and $2,000,000 Pfd.; par of Pfd., $100 and par of Common $50, practically all the Common and Pfd. owned by American Light & Traction Co. Annual meeting, in February.

FUNDED DEBT

$11,500,000 FIRST MORTGAGE GOLD BONDS 4½% SERIES; DUE MARCH 1, 1967

Dated March 1, 1927.

Interest Payable March and September 1, at The Union Trust Company of Pittsburgh, (Pa.) and in New York City.

Denominations—Coupon (principal may be registered), $1,000, and fully registered, $1,000, $5,000 and authorized multiples. Coupon and fully registered bonds interchangeable.

Provisions of Issue—Series of 4½s due 1967 is limited to an authorized amount of $25,000,000; issued, $11,500,000. In addition the mortgage provides for issuance of bonds thereunder in series bearing the same or different rates of interest, dates, maturities, redemption provisions, and such other distinguishing features with respect to each particular series as may be determined by supplemental, indenture authorized by the Board of Directors of Company at time of the original issue of each series, subject to restrictive provisions of the mortgage. Additional bonds of any series may be issued from time to time for 80% of the net amount, as defined in the mortgage, of additional property, as defined in the mortgage, purchased, constructed or otherwise acquired subsequent to January 1, 1928. Additional bonds of any series may also

be issued from time to time for the acquisition or retirement of bonds of any series issued under this mortgage subject to the limitations set forth in the mortgage. The Mortgage contains provisions permitting the modification thereof or of any supplemental indenture, in any particular, with the assent of the holders of 75% of the outstanding bonds; provided, however, that nothing shall permit the extension of the maturity of any bonds or the reduction in rate of interest thereon, or any other modification in terms of payment of principal or interest, or any change in terms of redemption prior to maturity, or any change in the covenants as to payment or refunding of taxes, without consent of the holder thereof, nor the creation by Company of any mortgage or lien in the nature of a mortgage ranking prior to or on a parity with the lien of the Mortgage.

Purpose of Issue—Proceeds of the $11,500,000 4½% Series due 1967 were to be used to refund $9,097,000 par amount of Company's First Mortgage 4% Gold bonds, due May 1, 1927, to reimburse Company for additions and betterments already made and for Company's estimated 1927 requirements for capital purposes.

Callability—Subject to call at any time in whole or in part by lot, on 60 days' notice, up to and including March 1, 1937, at 107½ and interest thereafter, up to and including March 1, 1947, at 105 and interest, thereafter up to and including March 1, 1966, at 102½ and interest and at par and interest thereafter prior to maturity.

Security—From and after May 1, 1927, this issue of bonds constitute the Company's only funded debt and are now secured by a first mortgage on all the physical properties, rights and franchises of the Company now owned or hereafter acquired, except the Company's general office plant in Milwaukee and the tar plant in North Milwaukee.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and agrees to refund upon proper application the Pennsylvania 4 mills tax and any Massachusetts Income tax not to exceed 6% per annum.

Legal Opinion—Miller, Mack & Fairchild, Milwaukee, (for the Company), and Simpson, Thacher & Bartlett, New York, (for the Bankers).

Original Offering—First publicly offered ($11,500,000 4½% Series due 1967) in February, 1927, at 93¾ and interest to yield about 4.85% by Otis & Co., Lehman Brothers, Marshall Field, Glore, Ward & Co. and Redmond & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Total operating revenue	$5,710,075	$5,480,842	$5,041,03
Total operating expenses	2,508,958	2,353,117	2,226,91
Retirement expenses	225,000	225,000	225,00
Uncollectible bills	8,757	7,522	6,56
Taxes	911,682	892,512	787,91
Total revenue deductions	$3,654,397	$3,478,152	$3,246,38
Net operating revenue	$2,055,678	$2,002,690	$1,794,65
Miscellaneous rents	1,947	1,821	1,72
Net operating income	$2,053,731	$2,000,869	$1,792,93
Non-operating income	138,695	66,302	43,86
Gross corporate income	$2,192,426	$2,067,171	$1,836,79
Interest on funded debt, etc.	495,752	371,411	371,12
Amortization of debt discount and expense	32,959	14,438	14,43
Income tax on bonds withheld at source	3,967	2,475	2,66
Total deductions	$532,678	$388,324	$388,22
Net income	$1,659,748	$1,678,847	$1,448,56
Times Interest Earned	4.34	5.52	4.9

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$20,881,913	$20,063,602	$19,037,633
Treasury bonds	.....	534,000	534,000
Cash	247,897	505,749	232,552
Notes receivable	323,151	502	2,465
Accounts receivable	1,400,521	804,776	804,700
Interest receivable	13,684	5,680	6,554
Materials and supplies	1,035,830	718,968	700,407
Prepayments	6,798	5,617	6,195
Investments	107,265	207,234	707,816
Unamort. debt disc. & exp.	1,143,717	4,813	19,251
Other suspense accts.	86,752	13,479	31,574
Total	$25,247,528	$22,864,420	$22,083,146

Liabilities—	1927	1926	1925
Common stock	$7,499,950	$7,499,700	$5,500,00
Preferred stock	2,000,000	2,000,000	2,000,00
Common stock warrants	50	300	.....
Funded debt—bonds	11,500,000	9,631,000	9,631,00
Accounts payable	367,544	379,260	196,17
Consumers' deposits	135,613	130,645	121,68
Miscellaneous	24,121	27,378	5,87
Taxes accrued	965,769	911,906	788,67
Interest accrued	183,385	71,532	71,53
Miscellaneous	13,492	14,124	14,17
Retirement reserve	1,980,357	1,822,076	1,701,47
Casualty & insurance res.	22,780	16,158	29,92
Contributions for extensions	60,351	49,470	46,11
Contingency reserve	141,014	141,014	141,01
Miscellaneous reserves	266,770	115,085	76,05
Profit and loss surplus	86,332	54,773	1,759,44
Total	$25,247,528	$22,864,420	$22,083,14

Officers: R. B. Brown, Pres. & Gen. Mgr., New York; Sheldon J. Glass, V-P.; Ewald Haase, 2d V-P., Sec., Treas. & Asst. Gen. Mgr., Milwaukee, Wis.; James Lawrence, V-P. & Asst. Sec., New York; Edward Dickow, Aud., Milwaukee, Wis.; T. M. Leahy, Asst. Sec. & Asst. Aud.; F. M. Dennis, Asst. Sec., New York; L. T. Smith, Asst. Sec. & Asst. Treas., Milwaukee, Wis.; Robert Johnson, Asst. Sec. & Asst. Treas.; W. C. Beckjord, Cons. Engineer.

Directors: Alanson P. Lathrop, New York; R. B. Brown, Sheldon J. Glass, Ewald Haase, Guy F. Gregg, Arthur Anger, F. W. Rogers, Edwin E. White, Herbert F. Lindsay, Milwaukee, Wis.

General Office, Milwaukee, Wis. **Eastern Office,** 120 Broadway, New York.

WISCONSIN EASTERN GAS COMPANY

(Affiliated with American Light & Traction Co.)

History—Incorporated June 11, 1926 in Wisconsin as the Milwaukee Suburban Gas Co., name changed to present title March 1, 1927. Company furnishes the city of North Milwaukee and adjacent territory with gas. Miles of mains, 147.27. Population served, about 40,000. Operates under an indeterminate permit.

CAPITAL STOCK

Authorized and outstanding, $1,000, par $100. Annual meeting, first Monday in December, at Milwaukee, Wis.

FUNDED DEBT

None.

Officers: R. B. Brown, Pres., New York; Sheldon J. Glass, V-P., Milwaukee, Wis.; Ewald Haase, V-P.; T. T. Smith, Sec. & Treas.; R. Johnson, Asst. Sec. & Asst. Treas., Milwaukee, Wis.

Directors: R. B. Brown, New York; Sheldon J. Glass, Ewald Haase, Bruno Rahn, L. T. Smith, Milwaukee, Wis.

General Office, 182 E. Wisconsin Ave., Milwaukee, Wis.

MUSKEGON TRACTION & LIGHTING COMPANY

Affiliated with American Light & Traction Company)

History—Incorporated in Feb., 1901, in Mich.; consolidation of Muskegon St. Ry, Muskegon Gas Light Co. and Muskegon Electric Co. Owns and operates entire gas and street railway business of Muskegon and Muskegon Heights, Mich. Population served about 52,500. Miles of mains, 116.64. No. of meters, 7,825. Street railway franchise expires in 1931. Miles of track, 15.02. Gauge, standard. Rail, 70 lbs. T. Motors cars, 30; other cars, 3.

CAPITAL STOCK

Authorized, $600,000 Common and $100,000 6% cumulative Pfd.; outstanding, $600,000 Common and 53,000 Pfd.; par, $100. Dividends of 6% per annum are paid on Pfd. stock. Over 99% of both issues owned by American Light & Traction Co. Annual meeting, in January.

FUNDED DEBT

$600,000 First Gold 5s; dated March 1, 1901; due March 1, 1931; int. M & S 1, at Wyoming Valley Trust Co., Wilkes-Barre, Pa., Trustee. Coupon 1,000; principal may be registered. Subject to call at 105 and interest. A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$680,126	$313,668
Operating expenses & taxes	468,867	227,547
Retirement expense	40,358	11,903
Operating income	$170,901	$74,218
Non-operating income	10,895	.....
Gross income	$181,796	$74,218
Bond interest	30,000	30,000
Other interest	88,460	16,399
Net income	$63,336	$27,819
Dividends	*	3,780
Balance for year	$63,336	$24,039

*Not reported.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant & investment	$2,841,012	$2,785,996
Cash	60,689	19,970
Accounts receivable	24,201	54,470
Materials and supplies	85,000	87,676
Other assets	55,790	110,416
Misc. investments	94,104	
Total	$3,160,796	$3,042,096
Liabilities—		
Capital stock	$663,000	$663,000
Funded debt	600,000	600,000
Notes payable	1,184,592	1,134,592
Accounts payable	73,365	22,553
Other liabilities	30,740	20,815
Taxes accrued	6,636	75,022
Interest accrued	10,000	
Reserves	396,423	384,808
Profit & loss & surplus	196,040	141,306
Total	$3,160,796	$3,042,096

Officers: R. B. Brown, Pres., New York; D. A. Powell, V-P. & Gen. Mgr., Muskegon, Mich.; James Lawrence, V-P., New York; G. J. Zorn, Sec. & Treas., Muskegon, Mich.; F. M. Dennis, Asst. Sec. & Asst. Treas.; T. M. Leahy, Asst. Sec., Asst. Treas. & Asst., New York; W. C. Beckjord, Eng.

Directors: Louis Kanitz, F. J. Loewe, D. A. Powell, Geo. W. Zinky, H. E. Rice, W. E. Thornton, H. E. Norton, Muskegon, Mich.; Alanson P. Lathrop, R. B. Brown, New York.

General Office, Muskegon, Mich.

ST. JOSEPH GAS COMPANY

(Affiliated with American Light & Traction Company)

History—Incorporated in 1897, in Mo. Supplies artificial gas. Franchise perpetual. Population served, 77,000. Miles of mains, 151.77. No. of meters, 10,378. Sales in 1927, 333,457,000 cu. ft., compared with 329,960,300 cu. ft. in 1926, and 341,445,000 cu. ft. in 1925

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. Practically all owned by American Light & Traction Co. Annual meeting, third Wednesday in September.

FUNDED DEBT

$1,000,000 (entire issue) First Mortgage Gold 5s; dated 1897; due July 1, 1937; int. J, & J 1, at office of American Light & Traction Co., 120 Broadway, New York. Coupon, $1,000; principal may be registered. Guaranty Trust Co., New York, Trustee. Subject to call at 110 and interest, upon 45 days' notice. A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenue	$538,201	$532,523
Operating expenses	321,368	345,153
Taxes	53,884	50,005
Retirement expense	30,000	30,000
Net earnings	$132,948	$107,365
Other income	173	1,948
Total income	$133,121	$709,313
Bond interest	50,000	50,000
Other interest	35,796	34,909
Net income	$47,325	$24,404

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant & investment	$2,718,797	$2,848,991
Stocks owned	.....	2
Materials and supplies	88,932	97,122
Cash	22,299	11,531
Notes receivable	317	462
Accounts receivable	43,383	40,030
Other current assets	.....	400
Special deposits	.....	50
Deferred debit items	.....	1,479
Corporate deficit	.....	37,181
Total	$2,873,728	$3,037,248
Liabilities—		
Common stock	$1,000,000	$1,000,000
Funded debt	1,000,000	1,000,000
Notes payable	440,000	480,000
Account payable	10,443	11,321
Other liabilities	15,170	28,381
Taxes accrued	7,811	4,044
Reserves	392,674	513,502
Profit & loss & surplus	7,630	.....
Total	$2,873,728	$3,037,248

Officers: R. B. Brown, Pres.; James Lawrence, V-P. & Asst. Treas., New York; W. A. P. McDonald, V-P.; F. R. Cutcheon, V-P. & Gen. Mgr.; C. M. Finnegan, Sec. & Treas., St. Joseph, Mo.; B. Slaybaugh, Asst. Sec. & Asst. Treas., St. Joseph, Mo.; T. M. Leahy, Asst. Sec. & Aud.; F. M. Dennis, Asst. Sec.; W. C. Beckjord, Consulting Engr., New York.

Directors: R. B. Brown, Milton Tootle, Jr., W. A. P. McDonald, I. A. Vant, R. R. Clark, Henry Krug, Jr., F. R. Castle, T. L. Richey, F. R. Cutcheon.

Offices, St. Joseph, Mo., and 120 Broadway, New York.

THE SAN ANTONIO PUBLIC SERVICE COMPANY

(Affiliated with American Light & Traction Company)

History and Properties—Incorporated July 6, 1917, Texas, to take over and operate the properties of the San Antonio Traction Co. and San Antonio Gas & Electric Co. (see Manual for 1917, Public Utility Section, pages 734 and 735).

As of January 1, 1928 acquired the assets and business of the Comal Power Company (except certain small pieces of real estate retained by the Comal Power Company for resale) and of the South Texas Public Service Company (except the latter's ice busi-

ness). South Texas Public Service Co., which was liquidated on December 31, 1927, had acquired a part of the former properties of Lone Star State Power Company (for last published statement see 1927 Public Utility Manual, page 739.) The latter company also liquidated during 1927.

The San Antonio Public Service Company supplies, without competition, electric light and power, gas and transportation service to San Antonio, Texas, and suburbs. It also serves 23 other surrounding communities with electric light and power. Total population served is approximately 260,000. Franchise granted by the City of San Antonio extends to July 1, 1940. In surrounding communities Company operates under grants from either county or city authorities which with the exception of one minor ten year grant, do not expire before 1950, a number being without limit as to time.

The properties of the Company as of January 1, 1928, included two generating stations with a total capacity of 60,000 k.w., 228 miles of high tension transmission lines, 885 miles of distribution lines, a gas manufacturing plant with a total capacity of 6,800,000 cu. ft. per day, 437.88 miles of gas mains, 89 miles of street railway track (single track equivalent), 161 passenger cars and 47 busses. Number of meters: Electric, 47,321; gas, 36,721.

OPERATING STATISTICS, YEARS ENDED DEC. 31

	Gas Sales (Cu. Ft.)	Electric Sales (Kw. Hours)	Passengers Carried
1918	656,078,800	22,426,335	42,435,219
1919	664,954,100	27,342,858	41,254,748
1920	773,888,900	31,234,423	32,781,307
1921	853,844,000	37,663,606	31,028,517
1922	935,610,700	42,453,393	27,836,985
1923	727,044,300	44,442,608	33,228,809
1924	1,004,043,000	47,839,108	33,321,207
1925	1,598,120,000	55,263,787	26,078,337
1926	2,600,553,800	65,988,416	27,627,716
†1927	4,203,643,800	91,376,459	*

*Not reported. †Including sales from properties of the Comal Power Company and of the South Texas Public Service Company which were acquired as of January 1, 1928.

CAPITAL STOCK

Authorized, $5,500,000 Common, $3,000,000 8% Pfd. stock of 1925, $1,000,000 7% Pfd. stock of 1926 and $500,000 7% Pfd. stock of 1927; outstanding, Dec. 31, 1927, $5,500,000 Common, $3,000,000 8% Pfd. stock of 1925, $999,700 7% Pfd. stock of 1926 and $237,800 7% Pfd. stock of 1927; par of all issues, $100. The American Light & Traction Co. owns upward of 90% of the outstanding capital stock, Pfd. and Common included.

Preferred Stock Provisions—Subject to call at 105 at any time upon 90 days' notice, and has preference for dividends over Common stock, and upon dissolution of the Company is preferred over all other and outstanding stock of the Company in the distribution of assets of Company, to the amount of the par value thereof. Voting rights limited to voting for directors unless default be made in four consecutive quarterly dividends.

Annual Meeting—On any day in January or February, as designated by directors.

Dividends—Company has paid dividends as follows: On Pfd.—1921, $13,781; 1922, $52,368; 1923, $82,565; 1924, $106,118; 1925, $196,497; 1926, $256,730; 1927, $314,753; on Common—1919, $94,000; 1920, $376,000; 1921, $300,000, of which $200,000 was a stock dividend; 1922, $1,000,000, of which $600,000 was a stock dividend; 1923, $400,000; 1924, $500,000; 1925, $500,000; 1926, $1,025,000 of which $500,000 was a stock dividend; 1927, $440,000.

FUNDED DEBT

(Arranged in order of mortgage priority)

(1) San Antonio Gas & Electric Co. First 5s Due	Sept.	1, 1949
(2) San Antonio Traction Co. First 5s	" Sept.	1, 1949
(3) San Antonio Public Service Co. First Mtge. & Ref. Series "A" 6s	" Jan.	1, 1952
(3) San Antonio Public Service Co. First Mtge. & Ref. Series "B" 5s	" Jan.	1, 1958

(1)

$984,000 SAN ANTONIO GAS & ELECTRIC CO. (MORTGAG CLOSED) FIRST GOLD 5s; DUE SEPTEMBER 1, 1949

Dated September 1, 1908.

Interest Payable March and Sept. 1, at New Yo Trust Co., New York.

Denomination—Coupon, $500; principal may registered.

Trustee—New York Trust Co., New York.

Callability—Subject to call in whole or in part 105 and interest upon six weeks' notice.

Sinking Fund—None.

Exchange of Bonds—The entire issue of these bon was formerly owned by Southern Light & Tractic Co., and were deposited under that company's Co lateral Trust 5s of 1949, but on March 2, 1914 an off was made to exchange an equal amount of San A tonio Gas & Electric Co. and San Antonio Tractic Co. First 5s of 1949 for the Southern Light & Tra tion Co. Collateral Trust of 5s of 1949, holders receive $1,000 of latter for $500 of each of the tw other issues. To Dec. 31, 1927, all but $201,000 of t Collateral Trust 5s had been so exchanged.

Security—A first (closed) mortgage on enti property of former San Antonio Traction C Assumed by San Antonio Public Service Co.

Tax Provisions—Company pays Normal Feder Income Tax up to 2%.

Original Offering—First publicly offered ($984,00 in June, 1915, at 99½ and interest, yielding over 5%

Price Range—

	1927	1926	192
High	99½	99	98
Low	98	96	96

(2)

$984,000 SAN ANTONIO TRACTION CO. (MORTGA CLOSED) FIRST GOLD 5s; DUE SEPTEMBER 1, 1949

Dated September 1, 1908.

Interest Payable March and Sept. 1, at New Yo Trust Co., New York.

Denomination—Coupon, $500; principal may registered.

Trustee—New York Trust Co., New York.

Callability—Subject to call as a whole or in pa at 105 and interest upon six weeks' notice.

Sinking Fund—None.

Exchange of Bonds—The entire issue of the bonds was formerly owned by Southern Light Traction Co., and were deposited under that co pany's Collateral Trust 5s 1949, but on March 1914 an offer was made to exchange an equal amou of San Antonio Gas & Electric Co. and San Anto Traction Co. First 5s of 1949 for the Southern Lig & Traction Co. Collateral Trust 5s of 1949, holders receive $1,000 of latter for $500 of each of the t other issues. To Dec. 31, 1927, all but $201,000 the Collateral Trust 5s had been so exchanged.

Security—A first (closed) mortgage on ent property of former San Antonio Gas & Electric Assumed by San Antonio Public Service Co.

Tax Provisions—Company pays Normal Fede Income Tax up to 2%.

Original Offering—First publicly offered ($984,0 in June, 1915, at 99½ and interest, yielding ov 5%.

(3)

$5,550,000 SAN ANTONIO PUBLIC SERVICE COMPA FIRST MORTGAGE AND REFUNDING GOLD 6s, SER "A"; DUE JANUARY 1, 1952

$7,500,000 SAN ANTONIO PUBLIC SERVICE COMPANY FIR MORTGAGE AND REFUNDING GOLD 5s, SERIES "B"; D JANUARY 1, 1958

Dated—Series "A" January 1, 1922; Series " January 1, 1928.

Interest Payable January and July 1, at office American Light & Traction Co., 120 Broadway, N York, where bonds may be registered and tra ferred.

Denominations—Series "A," Coupon, $100, $500 a $1,000; Series "B," coupon, $1,000; principal may

egistered. Coupon bonds may be exchanged for an qual aggregate amount of coupon bonds of any other enomination of the same issue and series.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Open mortgage; issued, $5,-50,000 Series "A" 6s and $7,500,000 Series "B" 5s. In ldition $1,500,000 Series "B" 5s are held in Com-any's treasury.

Indenture provides that bonds may be issued in one more series and that bonds of each series shall bear ich date or dates, shall be payable at such place or aces, shall mature on such date, shall bear interest om such date and at such rate or rates, payable in ich installments and on such dates and may be re-eemable before maturity at such price or prices and pon such terms and conditions as shall be fixed and etermined in respect of such series by the Board f Directors of the Company and as shall be appro-riately expressed in the bonds of such series.

Additional bonds may be issued under this in-enture for additional property acquired subsequent Dec. 31, 1921, to the extent of 80% of the amount ereof ascertained as provided in the Indenture, and ay also be issued against the deposit of cash with ie Trustee, equal to the aggregate principal amount bonds to be authenticated and delivered.

Additional bonds may also be issued in respect of ie present outstanding First Mortgage bonds of the an Antonio Traction Co. and the San Antonio Gas Electric Co., and also in respect of mortgages upon roperty hereafter acquired.

Purpose of Issue—Series "A" bonds were issued to imburse the treasury of the Company for expendi-res made and to be made in the extension and en-rgement of facilities. Series "B" bonds were issued provide funds to pay in part for the assets and busi-ess of the Comal Power Company (except certain nall pieces of real estate retained by the Comal Pow-Company for resale), and of the South Texas Pub-Service Company (except the latter's ice business) and to reimburse the treasury of the Company in part for other fixed capital expenditures to January 1, 1928.

Callability—Series "A" are subject to call in whole or in part on any interest date upon 60 days' notice at 110 on or after July 1, 1932, and prior to July 1, 1942, and at 105 on or after July 1, 1942 to maturity, plus accrued interest in each case. All bonds so redeemed to be cancelled.

Series "B" are subject to call in whole or in part at any time upon at least 60 days' notice at 105 and accrued interest up to and including January 1, 1952, and at 100 and accrued interest thereafter prior to maturity.

Sinking Fund—None provided.

Security—A direct first lien on all of the Company's properties, subject only to $1,968,000 prior lien bonds issued under closed mortgages on a portion of Company's properties. The mortgage also covers property hereafter acquired, subject to prior lien bonds, if any.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded upon application within 60 days. In respect to the 5% Series "B" bonds, the Company pays the Masachusetts Income Tax up to 6% on the interest.

Original Offering—First publicly offered ($3,800,-000 Series "A" 6s) in Dec. 1921, at 98½ and interest yielding about 6.10%, by Halsey, Stuart & Co., Inc., Lehman Bros. and Goldman, Sachs & Co., New York; $1,750,000 additional Series "A" 6s offered by the same bankers in Jan., 1924, at 95 and interest, yielding over 6⅜%. Series "B" 5s first publicly offered ($7,500,000) in March, 1928, at 97½ and interest to yield about 5.16%, by Otis & Co., Field, Glore & Co., Lehman Brothers, Halsey, Stuart & Co., Inc., Redmond & Co., New York, Union Trust Co. of Pittsburgh, and Cleveland Trust Co., Cleveland.

Listed (Series "A" 6s)—New York Stock Exchange.

Price Range—

Series "A" 6s—	1927	1926	1925	1924	1923
High	110	106⅞	104	101	94¾
Low	105½	101⅜	99½	93¾	90

INCOME ACCOUNT AND PROFIT AND LOSS STATEMENT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
oss operating revenue	$6,526,372	$5,811,250	$5,145,414	$4,620,035	$4,232,237	$4,355,956
perating expenses, maintenance, taxes and re-tirement expense	5,227,381	4,532,899	3,837,803	3,515,532	3,311,021	3,519,215
Net earnings	$1,298,991	$1,278,351	$1,307,611	$1,104,503	$921,216	$836,741
on-operating income	2,051	1,333	1,909	1,495	522	2,726
Total income	$1,301,042	$1,279,684	$1,309,520	$1,105,998	$921,738	$839,467
terest on funded debt	431,568	431,557	431,457	422,969	326,400	336,304
ther interest	31,967	21,855	31,902	41,089	38,243	¶7,286
Total	$463,535	$453,412	$463,359	$464,058	$364,643	$329,018
Net income	$837,506	$826,272	$846,161	$641,940	$557,095	$510,449
rplus beginning of year	35,833	491,291	347,044	311,322	239,288	781,207
Total	$873,339	$1,317,563	$1,193,205	$953,262	$796,383	$1,291,656
ess: Preferred dividends	314,753	256,730	196,497	§	82,566	52,368
Balance	$558,586	$1,060,833	$996,708	§	$713,817	$1,239,288
ommon dividends	440,000	*1,025,000	500,000	§	400,000	*1,000,000
Surplus close of year	†$111,545	$35,833	†$491,290	$347,044	†$311,222	$239,288
mes Fixed Charges Earned	2.82	2.82	2.83	2.38	2.52	2.55

*Includes stock dividends as follows: 1921, $200,000; 1922, $600,000; 1926, $500,000. †After charging off sundry net debits profit and loss. §Not available. ¶Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
ant and investment	$19,218,531	$17,743,596	$16,334,739	$15,030,856	$13,797,475	$13,314,607
rganization expenses	.....	119,102	99,067	.....	.....	.....
aterial and supplies	365,907	304,127	288,226	245,213	297,099	279,232
otes receivable	1,059	16,886	324,947	20,125	3,773	3,110
ccounts receivable	426,640	320,866		247,703	221,909	191,481
sh	88,251	66,908	107,490	234,854	89,183	91,522
ndry assets	2,850	450	450	.....	.....	761
iscount on bonds	340,321	353,848	368,002	382,128	215,966	223,679
repaid accounts	36,014	27,551	29,365	19,658	14,086	4,692
spense	.....	.....	111,452	.....	.....	.....
emium on 1920 Pfd. stock, called—held in suspense	31,240	31,240	30,090	.....	.....	.....
Total	$20,510,813	$18,984,574	$17,693,828	$16,180,537	$14,639,491	$14,109,084

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$5,500,000	$5,500,000	$5,000,000	$5,000,000	$5,000,000	$5,000,0(
Preferred stock	4,237,500	3,656,200	2,746,900	1,626,100	1,119,800	1,000,0(
Paid on Pfd. stock sub.	4,455	7,725	160	1,106	8,233	.....
Premium on Pfd. stock	119,295	112,185	98,430	31,470	6,430	.....
Funded debt	7,518,000	7,518,000	7,518,000	7,518,000	5,768,000	5,768,0(
Notes payable	350,000	50,000	.....	.....	900,000	.....
Accounts payable	492,132	298,043	227,433	200,989	159,476	293,6
Line & gas main extension deposits	294,664	268,083	257,197	204,297	157,751	232,9(
Consumers' deposits	144,827	139,815	125,898	122,336	130,613	
Employes' deposits	1,767	1,736	1,691	1,675	.....	.....
Tickets sold and outstanding	21,000	16,733	16,178	15,748	16,763	15,1
Reserve for int. & taxes	243,530	266,674	205,959	192,196	165,759	347,2
Reserve for Federal income tax	129,874	127,765	126,573	92,394	78,788	2,2
Other current liabilities	972	700	551	300	2,413	4
Retirement reserve	1,225,328	873,446	767,585	733,157	737,854	739,9
Operating reserve	33,664	58,179	71,878	68,887	58,622	66,8
Contributions for extensions	82,260	53,456	38,105	24,838	17,767	.....
Premium on financing	.....	.....	.....	.....	.....	403,2
Corporate surplus	111,545	35,833	491,290	347,044	311,222	239,2
Total	$20,510,813	$18,984,574	$17,693,828	$16,180,537	$14,639,491	$14,109,0

Officers: R. B. Brown, Chrm. of Board, New York; W. B. Tuttle, Pres., San Antonio, Tex.; Alanson P. Lathrop, 1st V-P.; James Lawrence, V-P., New York; E. H. Kifer, V-P. & Gen. Mgr.; R. C. Jones, Treas.; E. C. Jolly, Sec.; August Menger, Asst. Treas., San Antonio, Tex.; T. M. Leahy, Asst. Sec.; W. C. Beckjord, Consulting Engr., New York; Ralph H. Gardner, Asst. Sec.; W. F. Douthirt, Asst. Treas.; F. M. Dennis, Asst. Sec.

Directors: E. H. Kifer, Dr. W. B. Tuttle, Nat M. Washer, Carl D. Newton, Frederick Terrell, Ernest Steves, R. C. Jones, San Antonio, Tex.; R. B. Brown, James Lawrence, New York.

General Office, San Antonio, Tex. **New York Office,** 120 Broadway.

SOUTHERN LIGHT AND TRACTION COMPANY

(Affiliated with American Light & Traction Company)

History—Incorporated Sept. 6, 1899, in N. J. Formerly owned the entire issues of bonds of the San Antonio Gas & Electric Co. and the San Antonio Traction Co. See "Exchange of Bonds" below. Franchises expire 1940.

CAPITAL STOCK

Authorized and outstanding, $1,805; par, 10 cents per share. All owned by the American Light & Traction Co. Annual meeting, first Monday in October.

FUNDED DEBT

$201,000 Collateral Trust Gold 5s; dated Sept. 1, 1899; due Sept. 1, 1949; int. March and Sept. at New York Trust Co., Trustee. Coupon, $1,000 principal may be registered. Authorized and issued, $2,500,000 of which $2,299,000 had been retired to Dec. 31, 1927. Subject to call as a whole or in part at 105 and int. at any time upon 6 months' notice. Formerly secured by pledge with the trustee of entire outstanding First Mortgage bonds of the San Antonio Gas & Electric Co. and San Antonio Traction Co. (see under "Exchange of Bonds" below).

Exchange of Bonds—The company by circular dated March 2, 1914, notified holders of the above bonds to present their bonds to the New York Trust Co., and receive in exchange therefor First Mtge. bonds of the San Antonio Gas & Electric Co. and San Antonio Traction Co. The circular of March 2, 1914, said in part, as follows: "The company owns the entire $1,968,000 First mortgage 5% bonds (each issue $984,000) of the San Antonio Gas & Electric Co. and of the San Antonio Traction Co., known as the operating companies, and no more of either issue can be issued. Except aforesaid bonds, your company owns no property or assets whatsoever. To each holder of a $1,000 bond of Southern Lt. Trac. Co. will be distributed one First mortgage $500 bond of San Antonio Gas & Electric Co. and one First mortgage $500 bond of San Antonio Traction Co. The actual value of each operating company is several times the face value of its outstanding bonds and the advantages of a straight first mortgage bond are obvious. Holders will please forthwith present their bonds for exchange." All but $201,000 of the bonds had been exchanged at Dec. 31, 1927.

OFFICERS AND DIRECTORS

Officers: Alanson P. Lathrop, Chrm. of the Board; R. B. Brown, Pres.; W. F. Douthirt, V-P.; James Lawrence, V-P.; T. M. Leahy, Sec. & Treas.; F. M. Dennis, Asst. Sec. & Asst. Treas.

Directors: John S. Brookes, Jr., H. B. Rust, Pittsburgh, Pa.; William Chamberlain, Cedar Rapids, Iowa; W. F. Douthirt, Marshall Field, Warren W. Foster, Alanson P. Lathrop, James Lawrence, R. B. Brown, New York; C. S. Eaton, Cleveland, Ohio.

Office, 120 Broadway, New York.

WASHTENAW GAS COMPANY

(Affiliated with American Light & Traction Co.)

History—Incorporated Jan. 31, 1913, in Mich.; successor to Ann Arbor Gas Co. (see Manual for 1913, page 1766). Franchise expires in 1939. Supplies gas to towns in Washtenaw Co., Mich. Miles of mains, 108.27. No. of meters, 8,265. Annual output, 373,343,100 cu. ft. Prices, $1.25 for first 5,000 cu. ft.; $1.05 over 5,000 cu. ft. Industrial rate if over 200,000 cu. ft. per month all at 85 cts. net. Population served 38,000.

CAPITAL STOCK

Authorized, $750,000; outstanding, $600,000; par, $10. Stock control held by American Light & Traction Co. Annual meeting, first Monday in February.

Dividends—Usually 8% per annum; 1921, 7%; 1922, 8%; 1923, 7¾%; 1924, 11%; 1925, 12%; 1926, 10%; 1927, 7%; payments J, A, J & O 1.

FUNDED DEBT

$698,000 First Mortgage 5% Gold bonds; dated January 1, 1913; due Jan. 1, 1933; int. Jan. and July 1, Detroit (Mich.) Trust Co., Trustee. Coupon, $500 principal may be registered. Authorized, $1,250,000; unissued bonds reserved for future extensions and improvements. Subject to call at 103. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$430,154	$407,287	$379,291	$341,866	$337,649	$322,621
Operating expenses, taxes and depreciation	278,133	274,606	260,750	239,301	249,362	240,666
Net earnings	$152,021	$132,681	$118,541	$102,565	$88,287	$81,598
Interest charges, etc.	36,621	36,539	41,046	41,046	41,046	41,046
Balance for dividends	$115,400	$96,142	$77,495	$61,519	$47,241	$40,552
Dividends paid	42,000	60,000	48,000	44,000	31,000	24,000
Surplus for year	$73,400	$36,142	$29,495	$17,519	$16,241	$16,552
Times All Charges Earned	4.15	3.63	2.88	2.49	2.15	1.99
Earnings Per Share	$1.92	$1.60	$1.94	$1.54	$1.18	$1.35

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$1,612,693	$1,528,190	$1,458,610	$1,264,548	.....	.....
Less depreciation	181,751	154,398	131,380	109,440	.....	.....
	$1,430,942	$1,373,792	$1,327,230	$1,145,108	$1,103,506	$1,091,899
Bonds owned	200	200	14,611	14,611	14,611	14,611
Materials and supplies	93,791	89,324	78,052	68,140	80,181	68,951
Cash	33,744	15,110	42,643	30,182	9,990	18,918
Current accounts	65,385	58,759	50,206	38,896	40,042	40,804
Prepaid accounts	10,091	11,985	1,806	3,676	1,146	1,077
Other assets	.....	.....	.....	.....	5,590	7,885
Total	$1,634,153	$1,549,170	$1,514,548	$1,301,613	$1,255,067	$1,244,146
Liabilities—						
Capital stock	$600,000	$600,000	$400,000	$400,000	$400,000	$300,000
Funded debt	698,000	698,000	702,365	702,365	708,300	708,300
Loans and notes payable	.....	.....	.....	.....	1,112	10,000
Current and accrued liabilities	76,670	54,198	40,577	21,660	67,603	61,254
Other liabilities	21,342	34,711	45,651	46,390	44,887	47,876
Operating reserves	92,322	90,094	89,097	80,516	.....	.....
Profit and loss	145,819	72,166	236,858	50,682	33,165	116,716
Total	$1,634,153	$1,549,170	$1,514,548	$1,301,613	$1,255,067	$1,244,146

Officers: R. B. Brown, Pres., Milwaukee, Wis.; C. R. Henderson, V-P. & Gen. Mgr.; C. M. Shankland, Sec. & Aud.; D. F. Zimmerman, Treas.

Directors: R. B. Brown, Milwaukee, Wis.; C. R. Henderson, C. M. Shankland, H. E. Riggs, D. F. Zimmerman, Ann Arbor, Mich.; Dwight Douglass, John Batten, Detroit, Mich.

General Office, Ann Arbor, Mich. **Executive Office,** 120 Broadway, New York.

WAUWATOSA GAS COMPANY

(Affiliated with American Light & Traction Company)

History—Incorporated in Wis. Supplies Wauwatosa, Wis., with gas. Gas purchased from Milwaukee Gas Light Co. Miles of mains, about 55.70. No. of consumers, 4,446.

CAPITAL STOCK

Outstanding, $500,000. Practically all owned by American Light & Traction Co. Annual meeting, in December.

FUNDED DEBT

None.

Officers: R. B. Brown, Pres.; Sheldon J. Glass, V-P.; Ewald Haase, V-P.; L. T. Smith, Sec. & Treas.; R. Johnson, Asst. Sec. & Asst. Treas., Milwaukee, Wis.

Directors: Sheldon J. Glass, R. B. Brown, Ewald Haase, Bruno Rahn, L. T. Smith.

Offices, Milwaukee, Wis., and 120 Broadway, New York.

WEST ALLIS GAS COMPANY

(Affiliated with American Light & Traction Company)

History—Incorporated in Wis. Supplies West Allis with gas. Miles of mains, about 59.04. No. of meters, 981. Gas purchased from Milwaukee Gas Light Co.

CAPITAL STOCK

Outstanding, $700,000. All owned by American Light & Traction Co., except directors' qualifying shares. Annual meeting, in December.

FUNDED DEBT

None.

Officers: R. B. Brown, Pres.; Sheldon J. Glass, V-P.; Ewald Haase, V-P.; L. T. Smith, Sec. & Treas.; R. Johnson, Asst. Sec. & Asst. Treas., Milwaukee, Wis.

Directors: Sheldon J. Glass, R. B. Brown, Ewald Haase, Bruno Rahn, L. T. Smith.

Offices, Milwaukee, Wis., and 120 Broadway, New York.

OKLAHOMA POWER AND WATER COMPANY

History and Property—Incorporated in Jan., 1928, in Delaware and acquired a group of electric, gas and water utility properties operating in the vicinity of Tulsa, Okla., which were formerly owned and controlled by the Sand Springs Home, Inc. Company supplies electric, gas and water service without competition to domestic and industrial consumers in Sand Springs, Okla., and the so-called "Interborough District" lying between Tulsa and Sand Springs. In addition, the company's electric transmission lines cover a large territory in Osage County north and northwest of Tulsa. The population served directly is estimated at 35,000. As part of the consideration for the sale of franchise rights and property within the city limits of Tulsa to the Public Service Company of Oklahoma, the Oklahoma Power & Water Co. has a contract under which a determined pro-rata share of the electric load for that portion of Tulsa known as the West Tulsa District will be supplied by the Company at a favorable wholesale rate. The properties of the company include a power plant at Sand Springs, with a rated generating capacity of 27,800 k.v.a. and about 230 miles of electric transmission lines. Natural gas is largely obtained from the Osage Indian Gas Lease covering about 104,000 acres in Osage County, Okla. It is transported about 25 miles and distributed

through a system including about 59 miles of mains. The water supply is impounded in Shell Creek Reservoir by an Ambursen type concrete dam 73 feet high and 1,350 feet long at the crest. The reservoir covers an area of approximately 628 acres and has a capacity of 3,000,000,000 gallons. The water flows by gravity about 12 miles to Sand Springs and the industrial section and is pumped through the distribution system of about 32 miles and to the service reservoir. The electric system is interconnected with the lines of the Oklahoma Gas & Electric Co. at Sand Springs and with those of the Public Service Co. of Oklahoma at Tulsa. A pipe line connection has been made with the transmission system of the Oklahoma Natural Gas Corporation and a water main owned jointly with the City of Tulsa connects with the water system of that system. These interconnections insure continuous and satisfactory service.

CAPITAL STOCK

Authorized, 60,000 shares Common of no par value and $6,000,000 6% cumulative Pfd.; outstanding, 60,000 shares Common and $3,040,000 Pfd. $2,000,000 additional Pfd. stock is held in the Company's treasury.

FUNDED DEBT

$4,500,000 FIRST MORTGAGE 5% TWENTY-YEAR GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1948

Dated February 1, 1928.

Interest Payable February and August 1, at Harris Trust & Savings Bank, Chicago, or at Harris, Forbes & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago and Harold Eckhart.

Provisions of Issue—Authorized amount, unlimited; issued, Series A, $4,500,000.

Additional bonds of other series having such rates of interest, maturity dates and other provisions as the Board of Directors may determine, and as are permitted by the mortgage, may be issued: (a) For the purpose of refunding an equal principal amount of bonds of any series outstanding under the mortgage or of any bonds which may be outstanding as a prior lien against property hereafter acquired, or (b) for not more than 75% of the cost or fair value, whichever is less, of property additions (as defined in the mortgage and excluding additions to or expenditures in connection with the natural gas production and transmission properties) constructed or acquired subsequent to February 1, 1928. No additional bonds may, however, be issued, except for refunding purposes, unless net earnings (as defined in the mortgage), for twelve consecutive calendar months ending not more than 90 days preceding application for issuance, shall have been at least equal to twice the annual interest requirements on all outstanding prior lien bonds and all bonds issued and outstanding under the mortgage, including those proposed to be issued.

Purpose of Issue—Proceeds were used to provide a part of the purchase price of the properties acquired by the Company.

Callability—Subject to call on any interest date on 60 days' notice at 102½ and interest up to and including Aug. 1, 1938; the premium decreasing ¼ of 1% for each full year or fraction thereof elapsed thereafter to maturity.

Maintenance and Improvement Fund—The mortgage provides that the Company shall deposit with the Trustee, within four months after the last day of each calendar year, commencing with the calendar year 1928, an amount in cash equal to 5% of its gross earnings from the operation of its water properties and 12½% of its gross earnings from other utility operations during the preceding calendar year (excluding from such gross earnings an amount equal to the cost of electricity, gas or water purchased and an amount for gas produced and sold based on the average unit cost of gas purchased but not exceeding 15 cents per 1,000 cubic feet), less the amounts actually expended during such year for maintenance and repairs and for renewals and replacements of property other than natural gas producing and transmission property. The money so deposited may be withdrawn (1) for further maintenance, repairs, renewals and replacements; (2) to pay for extensions and additions to the properties, which shall not be made the basis for issuing additional bonds; or (3) for the purchase or redemption of underlying bonds and bonds of this issue. The above percentages and maximum unit cost of gas are subject to periodical redetermination.

Special Fund—The Mortgage provides that subsequent to Oct. 31, 1927 and prior to Feb. 1, 1934 the Company will expend for property additions (as defined in the mortgage) not less than $540,000 against which no bonds shall be issued. The Company will be at liberty to make this expenditure at a rate of not less than $90,000 a year. In lieu of property additions this fund may be applied to the redemption of bonds of this series.

Security—Secured by a direct first mortgage on the entire fixed property acquired by the Company. There are also pledged under the mortgage the Osage Gas Lease and contract with the Public Service Company of Oklahoma. The mortgage contains provisions permitting its modifications (except in certain important particulars) with the assent of the Trustee and the holders of 80% in aggregate principal amount of bonds outstanding thereunder.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California personal property taxes not exceeding 4 mills per $1.00 per annum and Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum refunded upon application within 60 days after payment.

Legal Opinion—Cutting, Moore and Sidley, Chicago.

Original Offering—First publicly offered ($4,500,000) in Feb., 1928, at 96½ to yield about 5.30% by Harris, Forbes & Co., H. M. Byllesby & Co., Inc., New York; Harris, Forbes & Co., Inc., Boston and Harris, Forbes & Co., Ltd., Montreal.

Listed—Boston Stock Exchange.

EARNINGS, YEAR ENDED OCTOBER 31, 1927

Gross earnings	$1,213,38
Operating expenses and taxes	582,65
Net earnings before Federal Income Taxes and depreciation, available for interest	$630,72

Officer: William H. Colvin, Chairman of Board.
General Office, Sand Springs, Okla.

TRI-COUNTY TELEPHONE COMPANY

History and Property—Incorporated in Michigan as successor to the Van Buren County Telephone Company, which owned the Dowagiac Telephone Company and which also purchased the Allegan exchange and certain toll lines from the Michigan Bell Telephone Company. These properties have been consolidated and form an operating unit furnishing local and long distance telephone service in Allegan, Van Buren and Cass Counties, Mich. The Tri-County Telephone Company also owns and operates the properties formerly operated by the Onaway-Alpena Telephone Company, furnishing local and long distance telephone service in Alpena, Montmorency, Otsego and Presque Isle Counties, Mich. Total number of communities served, 19. Number of connected telephones, over 10,000.

CAPITAL STOCK

Outstanding, $700,000; no details available.

FUNDED DEBT

$700,000 FIRST MORTGAGE SINKING FUND 5½% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1957

Dated December 1, 1927.

Interest Payable June and December 1 at Chicago Trust Co., Chicago, Ill.

Denominations—Coupon, $500 and $1,000.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Issued, $700,000 Series "A" 5½s, due 1957. Additional bonds may be issued up to 75% of the cost or fair value of extensions and improvements to the property but only when the net earnings after depreciation for the period of 12 months out of the 15 months preceding any application shall have been at least 1¾ times interest charges on all bonds, including those to be issued.

Purpose of Issue—Proceeds of this issue were to be used to retire the funded indebtedness of predecessor companies and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date upon not less than 45 days' notice in or before Dec. 1, 1937, at 105; thereafter and on or before Dec. 1, 1947, at 104; thereafter and on or before Dec. 1, 1952, at 103; thereafter and on or before Dec. 1, 1955, at 102; thereafter at 100.

Sinking Fund—While any of Series "A" bonds are outstanding, Company will pay the Trustee on or before the first day of December, 1928, and each and every year thereafter up to Dec. 1, 1955, an amount equal to 1% of the aggregate principal amount of Series "A" bonds theretofore issued, these funds to be applied to the purchase or call of bonds at not exceeding the then current redemption price and accrued interest.

Security—Secured by a first mortgage on all the land, buildings and telephone property of the Company, recently appraised by Manfred K. Toeppen, as having a present depreciated value of $1,346,364. Net additions and improvements since the appraisal have increased this value to over $1,400,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund on conditions specified in the mortgage, the Pennsylvania and Connecticut personal property taxes not exceeding 4 mills, and the Massachusetts State Income Tax not to exceed 6%.

Legal Opinion—Fisher, Boyden, Kales & Bell, Chicago (for the bankers) and Ryall & Frost, Escanaba, Mich. (for the Company).

Original Offering—First publicly offered ($700,000) in December, 1927, at par and interest, by Chicago Trust Co., Chicago, Ill. and R. F. De Voe & Co., Inc., New York, etc.

GENERAL BALANCE SHEET, JANUARY 1, 1928

Assets—	
Plant and equipment	$1,424,202
Investments	201
Cash	119,412
Accounts receivable	28,474
Material and supplies	24,610
Deferred charges	60,395
Total	$1,657,294
Liabilities—	
Capital stock	$700,000
Funded debt	700,000
Accounts payable	31,590
Accrued liabilities	27,980
Deferred credits	11,143
Reserves	16,634
Surplus	169,947
Total	$1,657,294

Officers: O. M. Vaughan, Pres.; A. B. Chase, Sec. & Treas.

General Office, South Haven, Mich.

PAGE POWER COMPANY

History and Property—Incorporated in Va., as a consolidation of the Shenandoah River Light and Power Corp. and the former Page Power Company, of Stanley, Va. Supples electric light and power without competition in the towns of Luray, Shenandoah and Stanley, Va. Properties consist of two hydro-electric plants on the Shenandoah River, from which power is derived, 30 miles of transmission lines and all necessary appurtenances.

New Control—It was unofficially announced in January, 1928, that Baker, Young & Co., New York, had acquired all the Common stock and much of the Pfd. stock of this company.

CAPITAL STOCK

Outstanding, $142,700 Common and $50,300 7% Preferred. Stock closely held. Annual meeting in April.

Dividends—On Pfd. stock dividends are being paid at rate of 7% per annum; payments May and Nov.

FUNDED DEBT

All the outstanding First Mortgage 6% Gold bonds, due Nov. 1, 1944, were called for payment on May 1, 1928, at 104 and interest, at Chicago Trust Co., Chicago, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925
Gross income	$82,985	$79,229
Operating exp., taxes & deprec	40,471	*32,669
Net earnings	$42,514	$46,560
Interest	16,530	16,865
Other deductions	2,490	18,241
Total deductions	$19,020	$36,106
Net income	$23,494	$10,454
Preferred dividends	3,521	3,474
Surplus for year	$19,773	$6,980

*Includes Federal Taxes for 1925 accrued to the amount of $2,147.

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

Assets—	1926	1925
Property account	$543,173	$536,525
Cash	6,686	13,679
Accounts receivable	32,276	13,523
Materials and supplies	9,845	8,699
Prepayments	162	171
Sinking fund	.....	4,500
Unamortized debt and expense	42,340	44,331
Treasury securities	20,000	20,000
Total	$654,482	$641,428
Liabilities—		
Common stock	$142,700	$193,000
Preferred stock	50,300	
Funded debt	291,000	300,000
Notes and accounts payable	1,850	2,287
Misc. current liabilities	.....	10,060
Accrued int., taxes, etc.	6,436	4,992
Reserve for depreciation	42,567	31,347
Profit and loss	119,629	99,742
Total	$654,482	$641,428

Officers: M. E. Roudabush, Pres., Luray, Va.; Cecil L. Reid, V-P., Fredericksburg, Va.; L. B. Harvey, Sec. & Treas., Philadelphia, Pa.; G. W. Sheehorse, Jr., Asst. Sec. & Asst. Treas.; R. T. Long, Supt., Luray, Va.

Directors: M. E. Roudabush, Luray, Va.; A. A. Roudabush, Shenandoah, Va.; Cecil L. Reid, Fredericksburg, Va.; William C. Whitner, Richmond, Va.; James F. Penrose, Chas. P. Vaughan, Philadelphia, Pa.

General Office, Luray, Va.

THE UNITED TELEPHONE COMPANY
(Monroe, Wis.)

History and Property—Incorporated in 1902, in Wis. Owns and operates four exchanges at Monroe, Albany, Monticello, and Blanchardville, Wis.; also rural and toll lines. Miles of toll line wire, 304. Population served, 12,000.

CAPITAL STOCK

Authorized, $125,000; outstanding, $50,000 Common and $25,000 Pfd.; par, $25. Annual meeting, fourth Tuesday in January.

Dividends—Dividends have been paid as follows: 1903, 6%; 1904, 8%; 1905, 7½%; 1906 to 1910 incl., 8%; 1911, 7% and 33⅓% extra; 1912, 6 7/10%; 1913 to 1919 incl., 7%; 1920, 3½%; 1921, 1922, 1923 and 1924, 7%; 1925, 6½%; 1926, 5¾%; payments semi-annually, Feb. and Aug. 1.

FUNDED DEBT

$150,000 SERIES "A" FIRST MORTGAGE GOLD BONDS; DUE MARCH 1, 1940

Dated March 2, 1925.

Interest Payable March and September 1, at First Wisconsin Trust Co., Milwaukee, Wis.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, at 104 and interest on or before March 1, 1928; thereafter and on or before March 1, 1931, at 103; thereafter and on or before March 1, 1934, at 102; thereafter and on or before March 1, 1937, at 101; and thereafter and before March 1, 1940, at 100½.

Security—This issue of bonds is a direct obligation and is secured by a first mortgage on all of Company's assets now owned and subsequently acquired.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)	1926	1925	1924
Gross receipts	$89,107	$84,007	$82,263
Oper. exp. & taxes	59,732	56,467	56,077
Depreciation	16,273	14,429	10,856
Net earnings	$13,102	$13,111	$15,330
Bond interest	7,406	7,536	6,558
Other int., etc.	1,666	1,618	2,591
Total charges	$9,072	$9,154	$9,149
Net income	4,030	3,956	6,181
Dividends paid	3,797	4,291	4,621
Surplus for year	$233	*$335	$1,559

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)	1926	1925	1924
Assets—			
Plant and equipment	$278,244	$270,512	$251,568
Investment securities	648	648	648
Cash	13,801	11,078	18,357
Notes receivable	5,795	605	952
Marketable securities	7,900	4,000	.....
Accounts receivable	9,798	9,310	.....
Materials and supplies	11,005	10,372	16,399
Interest on notes receiv.	565	40	47
Unamortized disc. & exp.	13,912	14,968	219
Other current assets	50	50	50
Other suspense items	.....	3,301	4,417
Prepayments	75	.....	140
Total	$341,793	$324,884	$292,797
Liabilities—			
Capital stock	$75,000	$66,137	$66,137
Funded debt	150,000	147,000	125,000
Notes payable	3,000	3,100	1,100
Accounts payable	3,964	3,041	154
Subscribers' deposits	782	701	785
Service billed in advance	62	.....	.....
Interest & taxes accrued	5,266	4,931	5,171
Reserve for depreciation	76,469	66,647	64,787
Insurance & casualty res.	4,000	4,000	.....
Other reserves	1,349	.....	.....
Corporate surplus	21,901	29,327	29,663
Total	$341,793	$324,884	$292,797

Officers: P. J. Weirich, Pres., Gen. Mgr. & Pur. Agt.; F. A. Shriner, Sec.; Margaret K. Burgi, Treas., Monroe, Wis.

Directors: P. J. Weirich, F. A. Shriner, Margaret K. Burgi, Monroe, Wis.; E. M. Knapp, Albany, Wis.; J. Carl Penn, Juda, Wis.

Office, Monroe, Wis.

CORPUS CHRISTI GAS CO.

History and Property—Incorporated Sept. 28, 191 in Tex., to furnish gas in Corpus Christi, Tex. Op erates under 30-year franchise with automatic renew al clause. Plant, together with 20 miles of main completed Oct. 1, 1914. Population served, 18,00 No. of meters, 862. Capacity of holders, 110,000 cu. f Price, $1.50 gross, $1.40 net.

In the early part of 1923 natural gas was discovere at White Point, Texas, about 20 miles from Corpu Christi. Thereupon, Company made a contract wit the owners thereof for the delivery and sale of natur gas to it and the owners of the White Point field co structed a pipe line from their gas wells to within 3,0 feet of the corporate limits of Corpus Christi, wher upon the city secured an injunction restraining th Company from performance of the work necessary t connect up its gas mains with the natural gas pipe lin The case was finally argued in July, 1925, but th Manual has never been informed as to the decisio In the meantime the city has gone into the natur gas business and is supplying gas to the residen thereof, thereby offering competition to Company.

In view of the above the Company has delaye the development of its business, pending settleme of litigation. Owners of the natural gas interests White Point, referred to above, intimated that th would stand ready to either purchase the Company property or consolidate their interests with the Cor pany, as soon as said litigation shall have been term nated in a satisfactory way and providing that th injunction against the Company shall have been di missed. As of July 1925 Company was not in recei of a definite proposition, either way, from the owne of the natural gas interests.

In 1925 the following two plans were suggested bondholders in an endeavor to clear up past d coupons:

(1) A group of bondholders suggested that the bon continue to stand, as at present, and that the Compa authorize an issue of Pfd. stock, and that sufficie shares of such Pfd. stock be then issued and deliver to each bondholder, at its face or par value, in pa ment for past due interest coupons, thereby liquidatin collecting in and cancelling all of such past due sen annual interest coupons.

(2) Another group of bondholders proposed t authorization of a larger Pfd. stock issue than th necessarily anticipated in the first plan above me tioned, and that such Pfd. stock be then issued to bon holders in exchange for both past due interest coupo and also the bonds themselves.

No later information available.

CAPITAL STOCK

Authorized $550,000; outstanding, $350,000; p $100. Annual meeting, fourth Wednesday in Jar ary. No dividends paid to date.

FUNDED DEBT

$235,000 First 5s; dated April 1, 1914; due April 1944; int. April and Oct. 1, at Union Trust Co., D troit, Mich., Trustee. Coupon, $500 and $1,000; pr cipal may be registered. Subject to call on any terest date at 102 on 90 days' notice. Authoriz $350,000. Company does not pay Normal Federal I come Tax.

Interest Default—Interest due Oct. 1, 1918 and su sequent has not been paid. As of March 19, 1927 bondholders Committee had been formed nor had a action been taken to foreclose the mortgage.

OFFICERS AND DIRECTORS

Officers: F. W. White, Pres.; L. H. Fordy V-P.; P. L. Fordyce, Sec. & Treas.

Directors: F. W. White, L. H. Fordyce, P. Fordyce.

General Office, Waxahachie, Tex.

WATERBURY AND MILLDALE TRAMWAY COMPANY

History—Incorporated June 5, 1907, in Conn. Line f road owned: Waterbury to Milldale, Conn., 7.317 iiles; trackage rights, 1.385 miles—total operated .702 miles. Sidings, etc. (owned), 0.368 mile. The ne as above was put in operation Nov. 19, 1914. .ail, 70 lb. Overhead trolley. Cars (semi-convertile), 6. Franchises unlimited; approximately 6 miles n private right of way. It was announced in Septemer, 1927, that Company had sold its bus franchise to ie New England Transportation Company.

CAPITAL STOCK

Authorized, $75,000 Common and $75,000 7% cuulative Pfd.; outstanding, $75,000 Common and 28,900 Pfd.; par, $100. Annual meeting, first Monay in October. No dividends paid to date.

FUNDED DEBT

$150,000 First Gold 5s; dated Oct. 1, 1913; due Oct. 1, 1933; int. April and Oct. 1, at Merchants' Trust Co., Waterbury Conn., Trustee. Denomination, $1,000. Authorized and issued, $150,000, of which $15,000 pledged as collateral. A first lien on entire property.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$76,242	$75,648	$80,416
Operating exp. & taxes	76,419	68,450	78,517
Net earnings	*$177	$7,198	$1,899
Bond interest	6,750	2,900	6,750
Other interest	3,004	1,194	6,882
Total charges	$9,754	$4,094	$13,632
Surplus for year	*$9,931	$3,105	*$11,733

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
roperty account	$429,086	$422,823	$396,586
ash	215	862	2,016
lls and notes receivable	4,217	4,217	4,217
rrent accounts	1,398	823	840
epaid accounts	1,179	1,223	.....
iscount on funded debt	24,259	24,259	24,259
ofit and loss deficit	.....	46,822	56,050
Total	$460,354	$501,029	$483,968

Liabilities—	1926	1925	1924
Capital stock	$103,900	$103,900	$103,900
Funded debt	150,000	150,000	150,000
Loans and notes payable	139,857	147,307	132,507
Current liabilities	34,884	76,652	31,817
Interest and rents accrued	400	372	46,132
Deferred liabilities	474	.....	238
Depreciation	25,376	22,797	19,376
Other unadjusted credits	701	.....	.....
Profit & loss surplus	4,762	.....	.....
Total	$460,354	$501,029	$483,968

Officers: J. H. Cassidy, Pres., Sec., & Gen. Mgr.; J. Murphy, 1st V-P., Waterbury, Conn.; Roswell A. ark, 2nd V-P., Kansas City, Mo.; R. Elliott, Treas., uthington, Conn.

Directors: Roswell A. Clark, Kansas City, Mo.; John R. Hughes, John H. Cassidy, J. J. Murphy, Waterbury, Conn.; Richard Elliott, Southington, Conn.

General Office, 144 Bank St., Waterbury, Conn.

SOUTHEASTERN POWER AND LIGHT COMPANY

(See Accompanying Map)

History—Incorporated, Sept. 2, 1924, in Maine as a curity holding company to acquire and hold securis of public utility companies and properties. Under ms of agreement dated Oct. 10, 1924 it acquired the sets and assumed the liabilities of Alabama Traction ght & Power Company, Limited (see 1924 Manual, ge 1748, or apply to our Information Department), an agreement whereby two shares of its Common ck were issued in exchange for each share of the mmon stock of the Traction Company and a share its Preferred stock for each share of the Preferred ck of the Traction Company.

At the outset its principal operating subsidiary was abama Power Company. Mississippi Power Comny was next organized as its operating subsidiary eastern Mississippi. Additional properties were bsequently acquired by merger with Southern wer Securities Corporation in Sept., 1925, and four ditional shares of Common stock were issued for ch share then outstanding. Gulf Power Company s formed in 1925 to operate the newly acquired nsacola and other Florida properties.

In 1927, it acquired control of Georgia Railway and wer Company and by the latter's consolidation with ner Georgia Companies its operating subsidiary, orgia Power Company was formed. Georgia Power mpany controls Georgia Light, Power & Railways d subsidiaries and owns the capital stock of Mutual ght and Water Company.

ts operating subsidiary in South Carolina is South rolina Power Company, the organization of which es from December, 1926, when a consolidation was ected of the public utilities serving the City of arleston, S. C.

The present Alabama Power Company was organd late in 1927 by the consolidation of the former npany of that name with two other subsidiaries erating in Alabama, Gulf Electric Company and Houston Power Company and the new company now serves practically all of the State of Alabama.

Territory—Its subsidiaries furnish electric service throughout substantially the entire state of Alabama, eastern half of Mississippi, northwestern portion of Florida, northern and east central sections of Georgia and the southeastern section of South Carolina.

A total of 467 towns and rural communities receive electric service directly from its subsidiaries and 119 others are indirectly served through other utilities, municipalities and industrial customers. Subsidiaries also furnish gas, local transportation and water service in a number of cities and towns within this area.

The entire territory covers 140,000 square miles with a total population of approximately 4,000,000. During the twelve months ended Feb. 29, 1928, the total energy supply of the systems of the various operating companies was 2,261,764,169 k.w.h; 3,044,724,000 cubic feet of gas was manufactured and 129,937,688 passengers carried by railway and bus operations. As at Feb. 29, 1928 there were connected to the systems of its subsidiaries 235,867 electric customers, 73,173 gas customers and 9,291 water customers.

The territory served by subsidiary operating companies is widely diversified in industry and natural resources. It embraces the iron, steel and coal mining operations in the Birmingham district, the manufacturing and wholesale distributing operations centering in Atlanta, foreign and domestic export and import shipping operations at Charleston, South Carolina, Brunswick, Ga., Pensacola, Florida, Mobile, Alabama, and Gulfport, Miss., textile industries in the Piedmont section of some of the states served and resorts in the coast cities served in Georgia, Florida, Alabama and Mississippi.

Physical Property—The electric generating plants of the several subsidiary companies owned or under lease have a total of 1,252,680 h. p. installed gener-

ating capacity. Of this, the subsidiary companies own hydro electric plants having a total installed capacity of 681,570 h. p. including several of the largest hydro-electric developments in the South. In addition to the plants for the production of electricity now in operation, hydro-electric plants and a steam plant are under construction. Jordan Dam, a hydro-electric project on the Coosa River some 18 miles downstream from Mitchell Dam, will be completed during 1928, with an initial installed capacity of 144,000 h. p. with provision for an ultimate capacity of 216,000 h. p. On the Tallapoosa River, down stream from Martin Dam, there is a dam and power house on the site of an old and obsolete hydro-electric plant known as the Upper Tallassee nearing completion and further down stream from the Upper Tallassee project, work has commenced on the reconstruction and enlargement of the Lower Tallassee project. This series of three plants, Martin Dam, Upper Tallassee and Lower Tallassee will utilize substantially all the river flow and fall of the lower section of the Tallapoosa River. The total operating head of the three plants is practically 300 feet and the initial installed capacity will be over 250,000 h. p.

On the Warrior River, adjacent to the present Gorgas Steam Plant, a new steam plant is now being constructed with an initial installation of 80,000 h. p. This plant will use powdered fuel, and will be designed for an ultimate capacity of 320,000 h. p. These plants are adjacent to the property of Southeastern Fuel Company, also a subsidiary of Southeastern Power & Light Company which owns 12,000 acres of coal land estimated to contain 138,000,000 tons of recoverable coal.

Electric properties owned and operated by the Georgia system include 20 hydro-electric plants with an installed capacity of 363,290 h. p. and several reserve steam plants having a total capacity of 38,64 h. p.

Additions to the Charleston steam plant were completed in 1927 making its present capacity 25,460 h. Reserve steam stations are also maintained in several of the more important cities in Mississippi, Alabama and Florida and Alabama Power Company has leased for the past seven years the 80,000 h. p. steam plant at U. S. Nitrate Plant No. 2 at Muscle Shoals, Al and it purchases considerable energy from the U. S. Government at Wilson Dam, on the Tennessee Rive

Practically all of the subsidiary electric companies are interconnected by a system of transmission and distribution lines totaling 6,450 circuit miles in length and operated at voltages up to 154,000 volts. In addition there are 6,767 miles of secondary low voltage distribution lines located mostly in cities and towns served. Interconnections are also maintained with other companies in Georgia, Tennessee and South Carolina. These interconnections have proved of great economic value to its subsidiaries, and to the other companies, particularly in times of low river flows.

GROWTH OF SYSTEM

Year	Earnings Gross	Earnings Net	K.V.A. Power Plant Installed Capacity	K.W.H. Output	K.W. Maximum Pead Load	Connecte Load Hors powe
1916	$1,460,431.68	$880,604.35	107,450	188,000,000	40,500	116,0
1917	2,046,223.84	1,220,749.68	136,375	294,500,000	58,250	184,0
1918	3,147,857.62	1,730,156.90	136,375	401,400,000	86,850	265,0
1919	3,062,854.98	1,594,005.17	166,250	354,900,000	83,100	287,0
1920	4,262,010.03	2,101,762.14	168,500	488,100,000	97,900	336,0
1921	4,604,611.38	2,437,643.91	179,937	432,900,000	115,500	362,0
1922	5,925,691.83	3,038,595.08	250,437	607,132,000	153,100	403,0
1923	8,344,637.32	4,066,415.04	313,712	763,260,000	178,200	459,8
1924	9,810,829.31	4,911,649.49	354,965	823,247,000	189,050	526,5
1925	17,796,847.17	9,023,443.75	424,275	1,196,245,000	284,000	638,7
1926	37,579,569.00	17,761,600.08	964,780	2,243,726,000	319,280	1,374,8
1927	41,669,252.05	21,069,970.78	986,953	2,215,946,923	475,000	1,353,7

CAPITAL STOCK

Authorized, 5,000,000 shares Common, 750,000 shares $7 cumulative Pfd., 250,000 shares $6 cumulative Pfd., and 1,000,000 $4 cumulative participating Pfd., all classes of no par value; outstanding, Dec. 31, 1927, 2,117,138 shares Common, 101,000 shares $7 Pfd., 20,945 shares $6 Pfd., and 428,674 shares $4 Pfd. In addition to the above stock, there were outstanding on Dec. 31, 1927, 479,378 option warrants each giving the right to purchase one share of Common stock at $50.

Preferred Stock Provisions—The $7 Pfd. stock and the $6 Pfd. stock are entitled, pari passu, in preference to the Participating Pfd. stock and the Common stock to cumulative dividends at the rate of $7 per share per annum and $6 per share per annum, respectively, and to preference in distribution of assets to $100 a share and accrued dividends.

The Participating Pfd. stock is subordinate to the $7 Pfd. and $6 Pfd. but has preference over Common stock as to dividends and distribution of assets in the amount of $100 a share. It is entitled to cumulative dividends at the rate of $4 per share per annum for each of the years 1926, 1927 and 1928, to $5 per share per annum for each of the years 1929, 1930 and 1931 and to $6 per share per annum for each year thereafter. It is further entitled to receive, or to have funds set apart for the payment of additional dividends at a rate per share in any calendar year which will make the total dividends on this class of stock for such year $7 per share (in addition to any amounts paid on account of accumulated dividends in arrears) before cash dividends in excess of $6 per share shall be paid on Common stock in such year. This additional dividend however, shall not be cumulative.

None of the Pfd. stock has voting rights except those purposes for which the right cannot be waived under the laws of Maine, however, no new class of stock may be created which is entitled to dividends or shares in distribution of assets in priority to the $ Pfd. stock or the $6 Pfd. stock without the consent of the holders of 90% of the shares of the $7 Pfd. stock and $6 Pfd. stock (irrespective of class) then outstanding.

Callability—The $7 Pfd. and $6 Pfd. stocks are redeemable in whole or in part at any time upon 3 days' notice at $110 and accrued dividends. The Participating Pfd. stock is subject to call at 105 and accrued dividends upon 30 days' notice.

Transfer Agent—Registrar & Transfer Co., New York.

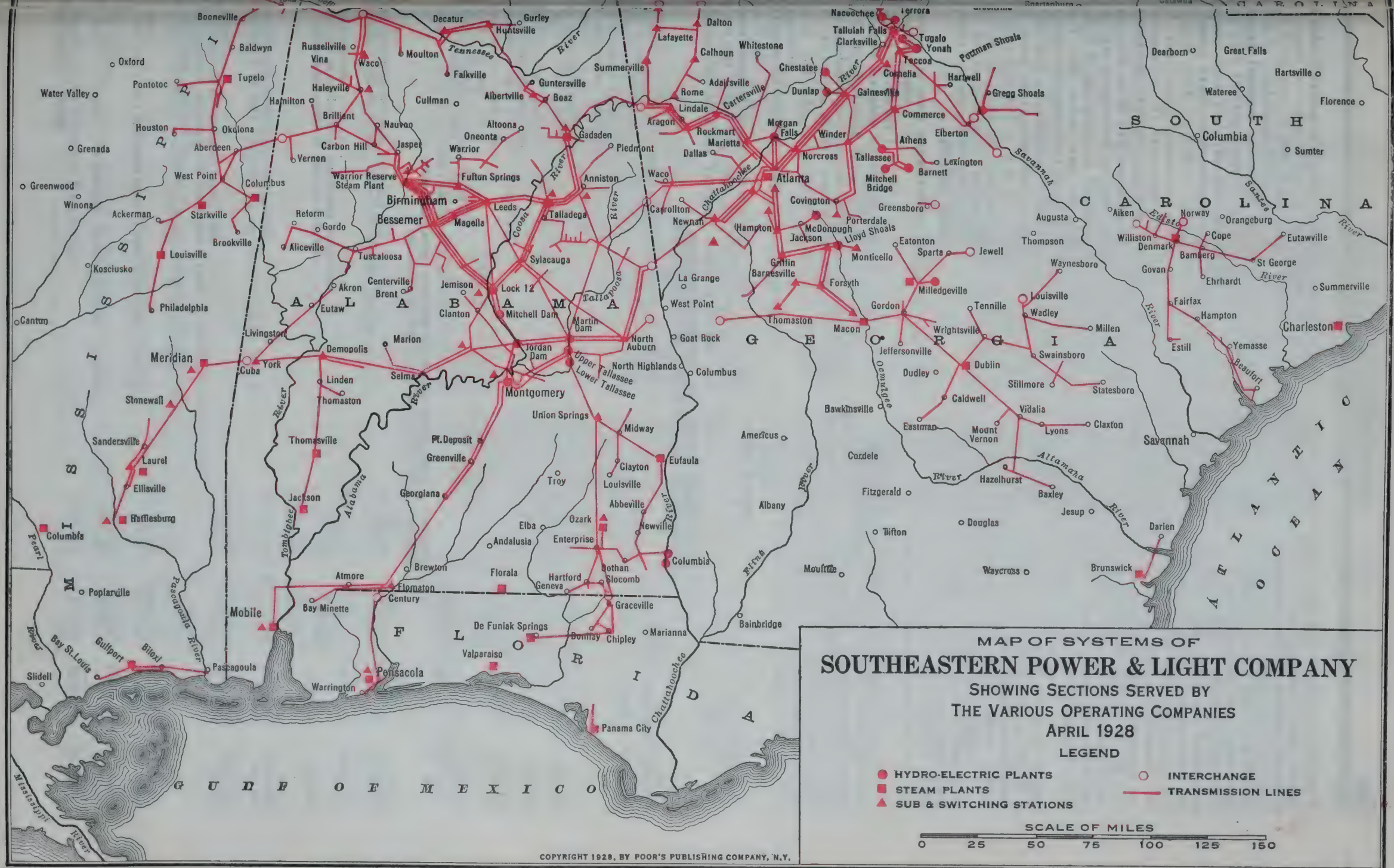
Registrar—Corporation Trust Co., New York.

Annual Meeting—Second Wednesday in July.

Listed—New York Curb Market; Common stock listed on Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	192
$7 Preferred—				
High	110⅜	104½	100	..
Low	101¾	96¾	90	..
Participating Preferred—				
High	91	68½	..	..
Low	67⅞	60	..	..
Common—				
High	46	46¾	43½	59
Low	29½	20	28	32
Warrants—				
High	14⅞	16¾	..	..
Low	8½	6	..	..


MAP OF SYSTEMS OF
SOUTHEASTERN POWER & LIGHT COMPANY
SHOWING SECTIONS SERVED BY
THE VARIOUS OPERATING COMPANIES
APRIL 1928
LEGEND
HYDRO-ELECTRIC PLANTS
STEAM PLANTS
SUB & SWITCHING STATIONS
INTERCHANGE
TRANSMISSION LINES
SCALE OF MILES
0 25 50 75 100 125 150
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MISSISSIPPI
ALABAMA
GEORGIA
FLORIDA
SOUTH CAROLINA
GULF OF MEXICO
ATLANTIC OCEAN
Booneville
Baldwyn
Tupelo
Oxford
Pontotoc
Water Valley
Houston
Okolona
Aberdeen
Grenada
Greenwood
Winona
Ackerman
West Point
Starkville
Columbus
Louisville
Brooksville
Kosciusko
Philadelphia
Canton
Meridian
Stonewall
Sandersville
Laurel
Ellisville
Hattiesburg
Columbia
Poplarville
Pearl River
Pascagoula River
Bay St. Louis
Gulfport
Biloxi
Pascagoula
Slidell
Mobile
Bay Minette
Atmore
Century
Florala
De Funiak Springs
Valparaiso
Warrington
Pensacola
Panama City
Marianna
Bonifay
Chipley
Hartford
Geneva
Slocomb
Graceville
Bainbridge
Russellville
Vina
Waco
Moulton
Decatur
Huntsville
Gurley
Tennessee River
Falkville
Haleyville
Hamilton
Brilliant
Cullman
Albertville
Guntersville
Boaz
Altoona
Oneonta
Warrior
Jasper
Nauvoo
Carbon Hill
Vernon
Warrior Reserve Steam Plant
Fulton Springs
Gadsden
Piedmont
Anniston
Leeds
Magella
Talladega
Coosa River
Birmingham
Bessemer
Reform
Gordo
Aliceville
Tuscaloosa
Akron
Centerville
Brent
Eutaw
Jemison
Clanton
Lock 12
Mitchell Dam
Sylacauga
Talla poosa River
Martin Dam
North Auburn
Jordan Dam
Upper Tallassee
Lower Tallassee
North Highlands
Montgomery
Livingston
Demopolis
Marion
York
Cuba
Selma
Linden
Thomaston
Thomasville
Jackson
Tombigbee River
Alabama River
Ft. Deposit
Greenville
Georgiana
Union Springs
Troy
Elba
Andalusia
Brewton
Florala
Ozark
Enterprise
Abbeville
Newville
Midway
Clayton
Louisville
Eufaula
Columbus
Americus
Albany
Chattahoochee River
Flint River
Moultrie
Tifton
Douglas
Waycross
Fitzgerald
Cordele
Dawkinsville
Eastman
Hawkinsville
Dudley
Ocmulgee River
Jeffersonville
Macon
Thomaston
Griffin
Barnesville
Forsyth
Milledgeville
Gordon
Monticello
Eatonton
Sparta
Jewell
Porterdale
Lloyd Shoals
Jackson
McDonough
Hampton
Newnan
Carrollton
La Grange
West Point
Goat Rock
Columbus
Chattahoochee River
Griffin
Covington
Greensboro
Atlanta
Waco
Rockmart
Marietta
Dallas
Morgan Falls
Norcross
Winder
Athens
Tallassee
Lexington
Barnett
Mitchell Bridge
Elberton
Commerce
Gainesville
Dunlap
Chestatee River
Cornelia
Hartwell
Gregg Shoals
Tallulah Falls
Clarksville
Tugalo
Yonah
Toccoa
Portman Shoals
Nacoochee
Terrora
Lafayette
Calhoun
Whitestone
Summerville
Chickamauga
Rome
Adairsville
Cartersville
Aragon
Lindale
Dalton
Savannah River
Augusta
Thompson
Waynesboro
Louisville
Wadley
Millen
Tennille
Wrightsville
Dublin
Swainsboro
Dudley
Stillmore
Statesboro
Caldwell
Vidalia
Lyons
Claxton
Mount Vernon
Hazelhurst
Baxley
Jesup
Altamaha River
Savannah
Darien
Brunswick
Charleston
Beaufort
Yemassee
Estill
Fairfax
Hampton
Ehrhardt
Govan
Bamberg
Williston
Denmark
Norway
Cope
Orangeburg
Eutawville
St George
Summerville
Aiken
Edisto River
Santee River
Dearborn
Great Falls
Hartsville
Wateree
Florence
Columbia
Sumter

SOUTHERN POWER & LIGHT COMPANY

MAP OF SYSTEMS OF COMPANIES

THE AREAS NOW OPERATING COMPANIES SERVED BY

SHOWING SECTIONS

APRIL 1928

LEGEND

SUB & SWITCHING STATIONS

STEAM PLANTS

HYDRO-ELECTRIC PLANTS

TRANSMISSION LINES

INTERCHANGE

SCALE OF MILES

Public Offering of 80,000 shares $7 cumulative Pfd. as made in April, 1926, by Bonbright & Co., Inc., ew York, etc., at $98.50 per share and accrued divinds, to yield about 7.10%.

Legal Opinion ($7 Pfd.)—Winthrop & Stimson, ew York (for the bankers), and Simpson, Thacher & artlett, New York (for the Company).

Voting Trust—A considerable number of shares of ommon stock are held in a voting trust which expires 31, the voting trustees of which are Thomas W. artin and W. H. Hassinger.

Dividends—Initial quarterly dividend of $1.75 a are paid on $7 Pfd. stock Jan. 1, 1925, which quarly rate maintained to date. Initial quarterly divind of $1 per share on Participating Pfd. stock paid ly 1, 1926, and at same rate quarterly since. Initial arterly dividend of $1.50 on $6 Pfd. stock paid April 1927 and subsequently. Payments on all classes of d. stock, to stockholders of record the 15th of the evious month, J, A, J & O 1. Initial quarterly divind of 25 cents on Common stock paid April 20, 27, to stockholders of record March 31, 1927, which arterly rate has been maintained to date.

FUNDED DEBT

,491,000 6% GOLD DEBENTURES, SERIES "A"; DUE SEPEMBER 1, 2025

Dated September 1, 1925.

Interest Payable March and September 1, at Ameri- Exchange Irving Trust Co., New York City.

Denominations—Coupon (principal may registered), 0, $500 and $1,000 and fully registered, $1,000; pon and fully registered debentures are interngeable.

Trustee—American Exchange Irving Trust Co., w York.

Provisions of Issue—Outstanding, Dec. 31, 1927, ,491,000 Series "A," including $13,668,900 given in change for Alabama Traction, Light & Power Co., Ltd., First Mortgage 5-6% gold bonds, due March 1, 1962, and proceeds from the remainder were used in the acquisition of properties and to provide funds for other corporate purposes. These debentures are issued under an agreement which provides that Gold Debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms and containing such other rights and limitations permitted by the Agreement as the Company may determine prior to the issue thereof. The Agreement also provides, among other things, that no additional Gold Debentures may be issued under said Agreement unless the net income applicable to interest for 12 consecutive calendar months within the preceding 15 calendar months, shall have been not less than twice the annual interest charges upon all indebtedness of Company, all as defined in the Agreement.

Callability—Subject to call as a whole or in part upon 30 days' notice, up to and including March 1, 2020 at 110 and interest; thereafter at par and interest.

Security—These debentures are the direct obligations of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees upon application within 60 days after payment, to reimburse the Pennsylvania 4 mills tax and Massachusetts Income Tax not exceeding 6% per annum.

Legal Opinion—Winthrop & Stimson, New York.

Original Offering—First publicly offered ($10,000,000 Series "A" together with Common stock option warrants) in August, 1925, at 96½ and interest, to yield over 6.20%, by Bonbright & Co., New York, etc.; $12,500,000 additional Series "A" 6s were offered by the same bankers in June, 1926, at 95 and interest to yield over 6.30%.

Price Range—

	1927	1926	1925
High	108½	99⅝	91¾
Low	96½	99	91⅝

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Southeastern Power & Light Company and Subsidiaries)

Assets—	1927	1926	1925
Properties	$437,523,208	$394,335,243	$161,891,540
Other investments	499,568	574,938	2,739,841
Current assets	26,178,563	36,211,256	6,827,484
Cash proceeds from sale of properties held by trustee	591,620	.....	.....
Cash & securities held by trustees for sinking funds	278,015	.....	.....
Acquisition & development expenditures, new properties, etc.	126,493	.....	.....
Unamortized bond discount and exp.	.....	9,088,555	6,812,792
Deferred charges	8,193,924	2,222,143	829,310
Miscell. unadjusted debits	1,038,978	.....	.....
Total	$474,430,369	$442,432,135	$179,100,967

Liabilities—	1927	1926	1925
Capital stock	$142,619,070	$142,607,570	$62,500,000
Pfd. stock—subsidiary companies	51,466,553	47,630,396	15,990,176
Minority stockholders' interest in Com. stock and surplus of sub. cos.	.....	1,218,899	.....
Funded debt	225,474,303	193,373,049	80,946,929
Equipment & purchase money obligations	1,219,075		
Current liabilities	8,220,302	19,164,436	7,153,945
Customers' and other deposits	1,561,112	1,331,431	488,104
Reserves	22,916,506	19,447,215	5,745,673
Miscell. unadjusted credits	288,540	.....	.....
Surplus (subject to Fed. Inc. Tax)	20,564,908	17,659,139	6,276,140
Total	$474,430,369	$442,432,135	$179,100,967

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Southeastern Power and Light Co. and Subsidiaries)

	1927	1926	1925	1924
Gross operating revenue, including other income	$41,669,252	$37,359,569	$17,796,847	$9,810,829
Operating expenses, maint., taxes and renewals and replacements	20,599,281	19,597,969	9,169,133	5,145,358
Net earnings	$21,069,971	$17,761,600	$8,627,714	$4,665,471
Interest on funded debt of subsidiary companies	7,319,704	6,550,603		
Less amount allocated to new construction	1,767,294	1,940,909	2,002,613	1,696,003
	$5,552,410	$4,609,694		
Income after bond interest of subsidiaries	$15,517,561	$13,151,906	$6,625,101	$2,969,468
Amortization of debt, discount, int. on notes and other charges	972,715	1,045,812	759,939	361,891
Balance	$14,544,847	$12,106,094	$5,865,162	$2,607,577
Preferred stock dividends of subsidiaries	3,397,923	2,591,811	1,079,248	711,215
Common stock dividends of subsidiaries (paid to public for period prior to exchange of securities)	.....	838,897	.....	.....
Minority stockholders' interest in earnings of controlled companies	9,197	13,015	.....	.....
Balance	$11,137,727	$8,662,371	$4,785,914	$1,896,362
Interest on funded debt of Southeastern Power and Light Company	2,463,317	1,971,789	1,280,473	752,195
Net income	$8,674,410	$6,690,582	$3,505,441	$1,144,167
Preferred stock dividends of Southeastern Power and Light Company	2,498,085	1,837,061	131,817	85,213
Balance (subject to Federal Income Tax)	$6,176,325	$4,853,521	$3,373,623	$1,058,954
Times Interest Earned	4.52	4.39	3.74	2.52

Officers: Thomas W. Martin, Pres.; Lawrence MacFarlane, K. C., W. J. Henderson, F. P. Cummings, E. A. Yates, V-Ps.; C. A. Bingham, V-P. & Treas.; Robert M. MacLetchie, Compt. & Asst. Treas.; Stephen A. Dawley, Sec. & Asst. Treas.; R. A. Stephen, Aud.; George L. Brain, Asst. Sec.

Directors: Sir E. Mackay Edgar, London, Eng.; Thos. W. Martin, E. A. Yates, W. H. Hassinger, Oscar Wells, Birmingham, Ala.; Lawrence MacFarlane, K. C., Montreal, Can.; William J. Henderson, Sidney Z. Mitchell, C. E. Groesbeck, Neil A. Weathers, New York, N. Y.; John B. White, G. W. Curran, Philadelphia, Pa.; C. Elmer Smith, York, Pa.; P. S. Arlwright, H. M. Atkinson, Atlanta, Ga.

General Office, 120 Broadway, New York.

ALABAMA POWER COMPANY

(Controlled by Southeastern Power and Light Co.)

History—Alabama Power Company was organized in November, 1927, under the laws of Alabama as a consolidation of Gulf Electric Company, Houston Power Company and the former Alabama Power Company, which had been incorporated on December 4, 1906, in Alabama, for the purpose of acquiring and developing hydro-electric power sites and conducting the business of generating and distributing electric power and operating public utility enterprises within that State.

In 1913, 1915 and 1917, Alabama Power Company acquired by merger and purchase several corporations owning undeveloped power sites, reservoirs, lands and operating public utilities as follows: Alabama Electric Co., Wetumpka Power Co., Alabama Power and Electric Co., Alabama Power Development Co., Decatur Light, Power & Fuel Co., Anniston Electric & Gas Co., Etowah Light & Power Co., Huntsville Ry., Light & Power Co., Pell City Light & Power Co., Lincoln Light & Power Co. and Little River Power Co.

The street railway and electric lighting and power distribution system serving Gadsden and Alabama City were acquired in 1919 by purchase. The gas and electric lighting and distribution system of Selma was acquired by purchase in 1920. In Feb., 1923, Company acquired the entire electric, gas and street railway properties serving the city of Montgomery and its vicinity; and in November, 1923, acquired the entire electric, gas and street railway properties of the Tuscaloosa Railway and Utilities Company, serving the city of Tuscaloosa and its vicinity. In March, 1925, the Company acquired the electric and street railway and properties of The Sheffield Company, Sheffield, Ala., and the properties of the Birmingham, Montgomery & Gulf Power Company. By the consolidation in November, 1927, it added to its system extensive utility properties in southern Alabama.

Territory and Business—The Company's properties are all located in Alabama and it serves directly or at wholesale nearly all the urban population and commercial electric power requirements of the State. The Company does, directly, all the electric light and power business in some 267 communities, including Mobile, Montgomery, Attalla, Anniston, Tuscaloosa, Gadsden, Selma, Talladega, Roanoke, Decatur, Eufaula, Huntsville, Demopolis and the Muscle Shoals District, and it furnishes at wholesale all the power requirements of the utilities serving Birmingham, Bessemer and six other communities. It does the entire commercial gas business in Montgomery, Anniston, and three other communities, and the local transportation business in Montgomery and five other communities.

The Company now is serving directly a total of 88,748 electric customers and electric service is being supplied directly and indirectly to approximately 169,000. The present connected load of the system is approximately 875,524 h.p., and for the year ended Dec. 31 1927, the electrical output of the system was 1,759,143,119 k.w.h.

Properties—The property of the Company include three of the largest hydro-electric developments in the South with a present combined capacity of 317,000 h.p. Lock Twelve hydro-electric plant on Coosa River, 45 miles southeast of Birmingham, has a completed installation with six generating units aggregating 110,000 h. p. capacity. The Mitchell Dam plant, located on Coosa River 14 miles downstream from the Lock Twelve plant, has a present installed capacity of 72,000 h.p., with provision for an ultimate capacity of 120,000 h.p.

Martin Dam, the principal plant on the Tallapoosa River, is located at Cherokee Bluffs, and has a present installed capacity of 135,000 h.p. with provision for an ultimate capacity of 180,000 h.p. This development provides for the storage of flood waters to be released whenever required, the reservoir covering approximately 40,000 acres of land. Waters so impounded are available for use not only at the Martin Dam plant but also at two plants further downstream on the Tallapoosa River known as Upper Tallassee and as Tallassee Falls plants. The Upper Tallassee plant, seven miles downstream, now being rebuilt for an ultimate installation of 75,000 h.p., should be in operation about June, 1928, with an installation of 50,000 h.p. Immediately downstream from the Upper Tallassee project work has commenced on the reconstruction and enlargement of the Lower Tallassee plant; the full development when completed will have an ultimate capacity of about 120,000 h.p. Upstream from Martin Dam on the Tallapoosa River, a series of three or more plants have been planned for which the necessary governmental authority, including Federal license, has been obtained.

Construction of another hydro-electric plant at Lock Eighteen on the Coosa River, known as Jordan Dam, will be completed during 1928, with an initial installation of 144,000 h.p., and with provision for an ultimate installation of 216,000 h.p.

The Gorgas reserve steam plant with a capacity of 100,000 h.p., is one of the largest steam generating stations in the South. It is located at Gorgas, 25 miles northwest of Birmingham on the Black Warrior River in the heart of the Warrior Coal Fields.

Alabama Public Service Commission has granted to Alamaba Power Company a certificate of convenience and necessity for the erection of a new steam plant near the present plant at Gorgas, Ala. Construction of this plant has been started and the first unit of 80,000 h.p. capacity should be in operation during the Spring of 1929. The station will be designed to

Alabama Power Company Securities

Bought and Sold

WARD, STERNE & COMPANY

Birmingham, Ala.

mit an ultimate capacity of 320,000 h.p. to be developed as demand requires.

In addition, the Company owns a steam station of 1000 h.p. capacity located at Gadsden, 60 miles northeast of Birmingham, and a steam plant at Montgomery of 6,700 h.p. capacity.

Miles of Street Railway Track—Montgomery and vicinity, 33; Anniston, 11; Huntsville, 4; Gadsden, 13; Tuscaloosa and vicinity, 11; Sheffield, 16—total, 88.

Miles of Gas Mains—Montgomery, 59; Tuscaloosa, 34; Anniston, 35; Decatur, 16; Selma, 19—total, 163.

Franchises—The franchises under which the Company operates are, with minor exceptions, in the opinion of counsel, without time limit.

STATISTICAL DATA, AS OF DECEMBER 31

Installed Generating Capacity: Expressed in K.V.A.):	1927	1926	1925	1924	1923	1922
Steam electric	108,654	105,228	104,858	107,440	82,212	74,837
Hydro electric	254,700	271,950	159,450	159,025	143,000	83,000
Capacity available under contract or lease	265,800	221,500	*145,500	*88,500	*88,500	*92,600
Total available capacity	629,154	598,678	409,808	354,965	313,712	250,437
Installed Generating Capacity: (Expressed in h.p.):						
Steam electric	129,825	125,710	125,300	128,980	98,670	90,100
Hydro electric	318,280	338,000	203,000	203,000	183,900	110,900
Capacity available under contract or lease	295,270	246,700	*170,000	*103,700	*103,700	*109,100
Total available capacity	743,375	710,410	498,300	435,680	386,270	310,100
Total coincident demand on system (K.W.)	348,280	318,740	270,000	189,050	178,200	153,100
Energy supply (thousand k.w.h.)	1,759,143	1,421,306	‡1,121.0	‡823.0	‡763.0	‡607.0
Energy sold (thousand k.w.h.)	1,472,854	1,173,014	‡918.0	‡681.0	‡628.0	‡511.9
Connected load (h.p.)	875,524	738,122	638,749	526,562	459,883	403,936
Consumers' maximum demands	.....	409,845	.....	240,182	222,740	186,311
Primary substation installed capacity	807,550	770,300	604,100	†485,600	416,600	313,100
Transmission & distribution lines (circuit miles)	5,483	4,237	3,225	2,560.00	2,167.00	1,647.17

‡Includes Government substation at Sheffield (40,000 K. V. A.) *Includes Sheffield Plant 70,500 K. V. A. and 80,000 h. p. †Billion k.w.h.

CAPITAL STOCK

Authorized, 2,356,753 Common shares of no par value, 400,000 shares $7 per share cumulative Pfd. of no par value, 350,000 shares $6 per share cumulative Pfd. of no par value, and 100,000 shares $5 per share cumulative Pfd. of no par value. On April 16, 1928, the authorized number of $5 Pfd. shares was increased from 100,000 to 500,000 by action of the stockholders. Outstanding, Dec. 31, 1927, 2,356,753 Common shares, 41,958 shares of $7 Pfd. and 82,634 shares $6 Pfd. The entire outstanding Common shares are owned by Southeastern Power and Light Company.

$5 Preferred Stock Issued—In Feb., 1928, 20,000 shares $5 cumulative Pfd. stock were publicly offered at $97.50 per share by Estabrook & Co., New York, and, and Putnam & Co., Hartford, Conn. None of this stock was outstanding at Dec. 31, 1927.

Preferred Stock Provisions—All classes of Pfd. stock have equal preference as to assets and dividends. The $7 Pfd. shares are redeemable at option of Company at $115 per share, the $6 Pfd. shares are redeemable at option of Company at $105 per share, the $5 Pfd. shares are redeemable at option of Company at $105 per share, and all take precedence over the 7% Debenture Certificates. In case of liquidation are entitled to $100 per share and accrued dividends.

Transfer Agents—Registrar & Transfer Co., Jersey City, N. J. (except $6 Pfd.) and The First National Bank of Birmingham, Birmingham, Ala.

Registrars—Corporation Trust Co., Jersey City, N. J. (except $6 Pfd.), and American-Traders National Bank, Birmingham, Ala.

Annual Meeting—Third Monday in April.

Dividends—Dividends on $7 Pfd. and $6 Pfd. regularly paid quarterly, J, A, J & O 1. On $5 Pfd., quarterly F, M, A & N 1, commencing May 1, 1928.

FUNDED DEBT

(1)

$10,221,000 ALABAMA POWER COMPANY FIRST MORTGAGE 30-YEAR 5% GOLD BONDS; DUE MARCH 1, 1946

Dated March 1, 1916.

Interest Payable March and September 1, at Harris Forbes & Co., New York and Boston and Harris Trust and Savings Bank, Chicago.

Denomination—Coupon, $100, $500 and $1,000; principal may be registered. Fully registered bonds $1,000 and multiples.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $100,000,000, issued, $64,011,000 of which $53,552,000 are pledged as collateral for the First Mortgage Lien and Refunding Bonds and $238,000 reserved against Selma Lighting Co. First Mortgage 5% Gold bonds, leaving $10,221,000 outstanding Dec. 31, 1927. No additional First Mortgage 5% bonds may be issued except for pledge under First Mortgage Lien and Refunding bonds.

Callability—Subject to call at 105 and interest on any interest date after March 1, 1921.

Improvement and Sinking Fund—The mortgage provides that the Company shall pay to the Trustee as a special fund to be used for one of two definitive purposes only, the following amounts: March 1, 1920 to 1925, incl., ½% of all First Mtge. bonds outstanding; March 1, 1926 to 1931, incl., 1%, and March 1, 1932 to 1945, incl., 1½% of all First Mtge. bonds outstanding. The funds so created (1) may be used to pay for the acquisition of additional property or for permanent extensions and improvements which might otherwise have been made (and

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may not thereafter be made) the basis for the issuance of bonds; or (2) if not so expended within a specified time, must be used for bond retirement—any bonds thus retired to be cancelled forthwith.

Security—Secured by a first mortgage on entire property of company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—L. C. Krauthoff, New York.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($4,000,000) in March, 1916 at 96½ and interest, yielding about 5¼%, by Harris, Forbes & Co., and Perry, Coffin & Burr, New York and Boston; $2,000,000 additional offered in Jan., 1917, and $1,000,000 in Feb., 1918, by the same bankers.

Price Range—

	1927	1926	1925	1924	1923
High	105	101	100	97	93
Low	101½	99	96	90½	89

(2)

$24,000 MONTGOMERY LIGHT & POWER CO. FIRST MORTGAGE 30-YEAR PREFERENCE 5% GOLD BONDS; DUE SEPTEMBER 1, 1947

Dated March 1, 1898.

Interest Payable March and September 1, at Harris, Forbes & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mercantile Trust and Safe Deposit Co., Baltimore.

Provisions of Issue—Authorized $750,000 (entire issue, preferred or non-preferred, limited to $750,000); mortgage closed. Issued $323,800 ($300,000 preference and $23,800 non-preference) of which $275,000 preference and $23,700 non-preference are deposited under Alabama Power Co. First Mortgage Lien and Refunding Bonds and $1,000 preference and $100 non-preference bonds have been cancelled.

Security—A first lien on the auxiliary steam electric generating plant and the artificial gas property of the Montgomery Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$515,700 MONTGOMERY LIGHT & WATER POWER CO. FIRST CONSOLIDATED MORTGAGE 40-YEAR 5% GOLD BONDS; DUE JANUARY 1, 1943

Dated January 1, 1903.

Interest Payable January and July 1, at The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Issued, $1,555,600 of which $977,300 are deposited as security for Alabama Power Co. First Mortgage Lien and Refunding 6s and 5s, and $38,800 have been cancelled. Mtge. is closed except that $323,800 may be issued to retire prior liens. Such additional bonds issued are to be pledged under Alabama Power Co. First Mortgage Lien and Refunding Bonds.

Callability—Subject to call at 105 and interest on six weeks' notice.

Security—A first lien on the hydro-electric plant of company and a mortgage on the remaining property, subject to $24,000 outstanding First Mortgage 30-Year Preference 5% bonds.

Assumed—Assumed by Alabama Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$238,000 SELMA LIGHTING CO. FIRST MORTGAGE 30-YEAR 5% GOLD BONDS; DUE JUNE 1, 1932

Dated July 2, 1902.

Interest Payable June and December 1, at Real Estate-Land Title & Trust Co., Philadelphia.

Trustee—Real Estate-Land Title & Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $250,000 of which $12,000 repaid and deposited under Alabama Power Co., First Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$17,700,000 FIRST MORTGAGE LIEN AND REFUNDING GOLD BONDS SERIES 5s; DUE JUNE 1, 1951
$6,000,000 FIRST MORTGAGE LIEN AND REFUNDING GOLD BONDS SERIES 5s; DUE NOVEMBER 1, 1956

Dated, Series 5s of 1951, December 1, 1922; Series 5s of 1956, November 1, 1926.

Interest Payable June and December 1, at Harris Forbes & Co., New York.

Trustee—United States Mortgage & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered $1,000 and multiples thereof. Coupon bonds of $1,000 denomination and fully registered bonds interchangeable.

Provisions of Issue—Authorized amount unlimited except by restrictions below stated. Issued to Dec. 31, 1927, $44,700,500 ($21,000,000 Series 6s due 1951, $17,700,500 Series 5s due 1951 and $6,000,000 Series 5s due 1956), of which $21,000,000 Series 6s called for redemption on Dec. 1, 1927, $500 Series 5s due 1951 have been cancelled, leaving $23,700,000 ($17,700,000 Series 5s due 1951, and $6,000,000 Series 5s due 1956) outstanding in hands of public.

The indenture securing these bonds provides that bonds may be issued thereunder in one or more series in such amounts and bearing such interest rates, and having due dates (not later than 1981) and such other provisions, within the conservative limitations of the indenture, as the Company may from time to time determine.

Additional bonds may be issued in accordance with the terms of the mortgage (1) against the deposit of a like amount of additional First Mortgage bonds of the Company due 1946; (2) after the exhaustion of maturity of the First Mortgage bonds for not to exceed 80% of the cash cost or fair value, whichever is less, of extensions, and additions to the property; (3) either before or after the exhaustion or maturity of the First Mortgage bonds, to a limited extent, with the 80% provision governing, against certain other properties, and (4) to refund First Mortgage bonds outstanding in the hands of the public, underlying bonds and bonds of this or other series, provided that in all the above cases the net earnings for twelve out of the preceding fourteen months shall have been equal to at least twice the annual interest charge on all bonds of the Company outstanding with the public, including those proposed to be issued.

Callability—The 5% Series due 1951 are subject to call as a whole or in part on any interest date, on 30 days' notice, at 105 and interest, to and including June 1, 1932, and thereafter at a premium reducing ¼% per annum. The 5% Series due 1956 are subject to call as a whole or in part on any interest date, on 30 days' notice at 102½ through Nov. 1, 1932, thereafter at 102 through Nov. 1, 1938, thereafter at 101½ through Nov 1, 1944, thereafter at 101 through Nov. 1, 1950, and thereafter at 100½, plus accrued interest in each case.

Improvement and Sinking Fund—By the terms of the indenture securing these bonds and the indenture securing the First Mortgage 5% bonds, due 1946, the company shall pay to the trustees to be used as below the following percentages of the aggregate of all outstanding First Mortgage 5% bonds, due 1946, and all outstanding First Mortgage Lien & Refunding bonds in excess of the amount of First Mortgage 5% bonds, due 1946, pledged thereunder: 1922 to 1925, ½% of all such bonds; 1926 to 1931, incl., 1% of a

ıch bonds; 1932 to 1945, incl., 1½% of all such ›nds; 1946 to 1950, incl., 1½% of all First Mortgage ien and Refunding bonds outstanding. The funds › created, (1) may be used to pay for the acquisition : additional property or for permanent extensions and ıprovements which might otherwise have been made ınd may not thereafter be made) the basis for the suance of bonds; or (2) if not so expended within a ›ecified time must be used for bond retirement—any ›nds thus retired to be cancelled forthwith.

Security—The First Mortgage Lien and Refund-g Gold Bonds, in addition to being secured by a gen-al mortgage on the entire property of the Company, e secured by the pledge of $53,552,000 of its First lortgage 5% bonds and $1,276,000 (closed mort-ıges) underlying divisional bonds, and subject the lien of the First Mortgage, by the pledge stocks of subsidiary companies owning the large ıdeveloped water power possibilities previously re-rred to. The indenture provides that Company ıall issue no additional First Mortgage bonds, of hich $10,221,000 are now outstanding with the pub-, except for pledge as additional security for the irst Mortgage Lien and Refunding bonds.

Tax Provisions—Company pays Normal Federal ıcome Tax up to 2%.

Legal Opinion—Patterson, Eagle, Greenough & ay, New York.

Legal for Savings Banks in Maine.

Original Offerings—First publicly offered ($2,500,-)0 series 6s) in June, 1921, at 84¾ and interest yield-g 7¼%, by Harris, Forbes & Co. and Coffin & Burr, ıc., New York etc. and Harris Trust & Savings ank, Chicago. $6,500,000 additional Series 6s of-red in Nov., 1921, at 97½ and interest, $4,700,000 eries 5s offered in Feb., 1923, at 89½ and interest, ,000,000 Series 6s offered in July, 1923, at 99 and in-rest; $6,000,000 Series 6s offered in Oct., 1923, 99 and interest; $3,000,000 Series 5s, offered in pril, 1925 at 94½ and interest to yield about 5.40% ıd $5,000,000 Series 5s in October, 1925, at 95¾ and terest, to yield over 5.30%; $5,000,000 Series 5s ffered in February, 1926, at 98 and interest to yield ver 5.14%; $6,000,000 Series 5s due 1956 offered in ct., 1926, at 98½ and interest to yield about 5.10%, l by the same bankers.

Price Range—

5s, 1951	1927	1926	1925	1924	1923
igh	103¼	101½	97½	93	89
›w	98½	97	92½	86½	87
5s, 1956					
igh	102¼	98⅛	..	..	..
›w	98½	98⅛	..	..	..

(6)

0,000,000 ALABAMA POWER COMPANY FIRST AND RE-FUNDING MORTGAGE GOLD BONDS, 4½% SERIES; DUE DECEMBER 1, 1967

Dated December 1, 1927.

Interest Payable June and December 1, at Harris, orbes & Co., New York and Boston, and Harris rust & Savings Bank, Chicago, Ill.

Denominations—Coupon, $1,000; principal may be gistered; and fully registered bonds in $1,000 de-omination and authorized multiples.

Trustee—Guaranty Trust Co. of New York, New ork.

Provisions of Issue—Authorized amount, not mited; issued, 4½% Series due 1967, $40,000,000. dditional bonds either of this Series, or other Series aving such rates of interest, maturity dates and other rovisions as the Board of Directors of the Company ıay determine, may be issued (a) against the prop-ties as existing on Oct. 1, 1927, to a total of $16,000,-)0 in principal amount of bonds; (b) for refunding an equal principal amount of outstanding underlying or prior lien bonds (to be defined in the mortgage) or bonds of any series issued under the Mortgage; (c) for a principal amount of not more than 75% of the cost or fair value to the Company, whichever is less, of property additions (to be defined in the Mortgage) and/or for not more than 75% of the cost or fair value to a subsidiary company (to be defined in the Mortgage), whichever is less, of subsidiary property additions (to be defined in the Mortgage), made subsequent to Oct. 1, 1927. A subsidiary company is to be defined in the Mortgage, as meaning any corporation engaged primarily in the business of generating, distributing or supplying electricity, all of whose bonds, if any, and all of whose stocks, except directors' qualifying shares, are pledged with the Trustee of the Mortgage. No bonds may be issued against subsidiary property additions unless an equal principal amount of first mortgage bonds of the subsidiary company (to be defined in the Mortgage) are simultaneously pledged. Additional bonds may not be issued, however, except for refunding purposes, unless the net earnings (to be defined in the Mortgage) for 12 out of the 15 calendar months immediately preceding a date not earlier than 15 days before the date of the application for issuance shall have been equal to either (1) twice the actual annual interest requirements on, or (2) twice 6% of the principal amount of all outstanding underlying and prior lien bonds and all bonds outstanding under the Mortgage, including those proposed to be issued. The Mortgage will contain certain provisions permitting, on conditions stated therein, the modification or alteration of the bonds or the Mortgage or of any supplemental indenture with the assent of the Company and of the holders of not less than 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company if challenged: provided that no such modification or alteration shall permit, without the consent of the holders affected, the extension of the time or times of payment of the principal of or interest on any bond, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest.

Purpose of Issue—Proceeds were used to reimburse the Company in part for expenditures already made for the retirement of $23,190,400 principal amount of bonds and the construction or acquisition of important additions and improvements to its properties.

Callability—Subject to call as a whole or in part at any time prior to maturity on 45 days' notice at 102 through Nov. 30, 1932; thereafter at 101½ through Nov. 30, 1937; thereafter at 101 through Nov. 30, 1962; thereafter at 100½ through Nov. 30, 1966; and thereafter prior to maturity at 100; plus accrued interest in each case.

Sinking Fund—None provided.

Security—Secured by a first mortgage on important transmission and distribution properties in southern Alabama and participate in the security of the First Mortgage on practically all of the remainder of the physical properties owned by the Company through pledge of $37,000,000 First Mortgage Lien and Refunding bonds, for the security of which (and of the bonds of that issue with the public) there are in turn pledged $53,552,000 First Mortgage bonds and $1,276,-000 Divisional bonds. In addition, these bonds are secured by a general lien on all the remainder of the physical properties owned by the Company, subject to underlying mortgages under which $34,810,700 bonds are outstanding in the hands of the public.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded on timely and appropriate request.

Legal Opinion—Patterson, Eagle, Greenough & Day (for the Bankers) and Simpson, Thacher & Bartlett,

New York and Martin, Thompson, Foster & Turner, Birmingham (for the Company).

Original Offering—First publicly offered ($40,000,000) in Dec., 1927, at 94¾ and interest to yield about 4.80% by Harris, Forbes & Co., Bonbright & Co., Inc., Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

(7)

$12,170,000 ALABAMA POWER COMPANY 100-YEAR GOLD INCOME DEBENTURE CERTIFICATES; DUE 2020

Dated 1920.

All owned by Southeastern Power and Light Company and are a non-foreclosable security having a contingent interest in the balance available after the payment of Pfd. stock dividends. They represent part of the original investment in the property over and above that represented by the First Mortgage bonds. Issued, $13,000,000, of which $830,000 held in treasury. These debentures are without lien on Company's properties.

***CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927**
(Alabama Power Company and Subsidiaries)
(Including Earnings of Companies Consolidated to form this Company)

Gross operating revenues	$16,764,07
Operating expenses including maintenance & taxes (except Federal Income Taxes)	7,904,68
Net operating revenues	$8,859,38
Non-operating income	104,22
Gross income	$8,963,61
Interest on funded debt	3,048,63
Less: Amount allocated to new construction	637,92
Net interest	$2,410,71
Other deductions	782,94
Balance	$5,769,95
Provision for renewals & replacements	800,00
Income available for dividends	$4,969,95
Preferred stock dividends	1,739,45
Debenture interest	851,90
Balance (before Federal Taxes)	$2,378,60
Times Bond Interest Earned	3.7
Earnings Per Share—Preferred	$19.1

*Earnings not comparable with earlier years—see table following.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Alabama Power Co. and Subsidiary Companies)
(Inter-company balances eliminated)

Operating Revenue:	1926	1925	1924	1923	1922	1921
Light and power department	$12,067,491	$10,591,068	$7,691,382	$7,007,151	$5,454,089	$4,174,99
Railway department	754,356	750,866	722,310	650,902	258,642	228,15
Gas department	465,815	441,523	409,697	341,035	153,176	156,96
Miscellaneous operating income	.....	.....	.....	.....	.....	69,36
Total	$13,287,662	$11,783,457	$8,823,389	$7,999,088	$5,865,907	$4,629,47
Less: Rebates and discounts and reserve for doubtful accounts	243,169	194,039	.....	135,794	120,586	113,55
Net operating revenue	$13,044,493	$11,589,418	$8,823,389	$7,863,294	$5,745,321	$4,515,91
Operating expenses:						
Light and power department	$5,888,741	$5,231,461	$3,697,266	$3,413,767	$2,613,603	$1,760,57
Railway department	720,652	750,215	642,948	572,962	252,526	188,94
Gas department	336,177	370,261	330,425	291,493	128,470	134,16
General expenses	.....	.....	.....	.....	.....	43,51
Total	$6,945,570	$6,351,937	†$4,490,026	$4,278,222	$2,994,600	$2,127,19
Net earnings	$6,098,923	$5,237,481	$4,333,363	$3,585,072	$2,750,721	$2,388,72
Other income	124,400	134,698	172,432	257,258	242,707	80,79
Gross income	$6,223,323	$5,372,179	$4,505,795	$3,842,330	$2,993,428	$2,469,52
Interest paid on funded debt	‡1,597,174	‡1,596,597	‡1,696,003	1,069,303	627,315	788,35
Other interest	98,440	35,723	.....	104,603	.....	.....
Additional reserve for retirement, plant, equipment, etc	.....	166,981	160,000	280,000	150,000	200,86
Reserve for amortization of bond discount and expense	250,654	223,032	223,744	175,979	180,640	197,15
Amortization of cost of developing load Mitchell Dam	51,877	51,877	51,877	.....	.....	.....
Amortization of cost of developing electric furnace market for secondary power	.....	.....	.....	149,586	149,586	149,58
Rental of government units	.....	395,729	.....	262,714	349,269	101,91
Additional remuneration voted to employees	66,061	45,609	.....	.....	30,420	.....
Miscellaneous deductions	33,242	36,911	18,539	61,332	25,280	18,01
Net income for year	$4,125,875	$2,819,720	$2,355,632	$1,738,813	$1,480,918	$1,013,63
Deduct: Pfd. dividends	1,324,628	1,044,523	711,215	340,884	78,073	35,72
Interest paid on 100-yr. debenture certificates	851,900	851,900	851,900	851,900	829,238	826,00
Amount transferred to surplus	$1,949,347	$923,297	$792,517	$546,029	$573,607	$151,91
***Times Bond Interest Earned**	3.89	3.12	2.66	3.25	4.21	3.00

*After rental of government units. †After deducting $180,613 overhead and engineering allocated to new construction. ‡After deducting $305,997 in 1924, $605,992 in 1925, and $1,088,029 in 1926, allocated to new construction.

NOTE—Operating expenses include the following charges, representing amounts set aside as reserve for retirement of plant, equipment, etc.: 1923, $120,000; 1924, $240,000; 1925, $533,019; 1926, $700,000.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Alabama Power Company and Subsidiary Companies)

Assets—		Liabilities—	
Cost of properties	$144,308,451	Capital stock	$52,800,990
Investments in other companies	13,718	Funded debt	74,810,700
Due from affiliated companies—current account	472,992	100-Year Gold Debenture Certificates due 2020	12,170,000
Current assets	4,883,901	Due to affiliated companies—current account	1,676,450
Special deposits	71,410	Current liabilities	1,360,209
Charges deferred to future operations	3,470,509	Other accrued liabilities	747,296
		Consumers' deposits	509,598
		Miscellaneous unadjusted credits	13,298
		Reserves	5,949,813
		Surplus (subject to provision for Fed. Income tax)	3,182,627
Total	$153,220,981	Total	$153,220,981

Officers: Thomas W. Martin, Pres.; R. A. Mitchell, V-P.; E. A. Yates, V-P.; O. G. Thurlow, V-P., Birmingham, Ala.; W. E. Mitchell, V-P., Atlanta, Ga.; V. J. Henderson, V-P., New York; F. P. Cummings, V-P., Birmingham, Ala.; Theo. K. Jackson, V-P., Mobile, Ala.; Thomas Bragg, V-P.; J. M. Barry, V-P.; Walter M. Hood, Sec.; Lamar Aldridge, Treas.; M. P. Randall, Asst. Sec., Birmingham, Ala.; Stephen A. Dawley, Asst. Sec., New York; W. S. Chalker, Asst. Sec.; M. P. Randall, Asst. Treas.; J. W. Muir, Asst. Treas., New York; Homer M. Tickle, Asst. Treas.; H. V. Boozer, Aud., Birmingham, Ala.

Directors: Thomas W. Martin, R. A. Mitchell, W. H. Hassinger, O. G. Thurlow, E. A. Yates, R. I. Ingalls, Birmingham, Ala.; C. E. Groesbeck, W. J. Henderson, S. Z. Mitchell, New York; F. M. Moody, Tuscaloosa, Ala.; D. P. Bestor, Jr., Theo. K. Jackson, Mobile, Ala.; Lawrence MacFarlane, Montreal, Can.; E. C. Melvin, Selma, Ala.; Richard M. Hobbie, Montgomery, Ala.; W. H. Weatherly, Anniston, Ala.; W. E. Mitchell, Atlanta, Ga.; J. E. Z. Riley, Ozark, Ala.; L. H. Sessions, Enterprise, Ala.; R. D. Thomas, Eufaula, Ala.

Office, Birmingham, Ala. **New York Office,** 120 Broadway.

GEORGIA POWER COMPANY

(Controlled by Southeastern Power & Light Company)

History—Incorporated Feb. 25, 1927 in Georgia as a consolidation of the following companies: Georgia Railway and Power Company, Georgia Railway and Electric Company, Athens Railway and Electric Company, East Georgia Power Company, Rome Railway and Light Company and the constituent Georgia Power Company, which latter company in turn has acquired the properties formerly owned by the Athens Gas, Light & Fuel Company, Georgia Southern Power Company, Milledgeville Lighting Company and Georgia Utilities Company. For latest published statements of these companies see 1926 Public Utility Manual. Through stock ownership it controls the Atlanta Gas Light Company (property of which Company it also leases), Atlanta Northern Railway Company, Atlanta Coach Company, Mutual Light and Water Company and Georgia Light, Power and Railways, which controls Macon Railway and Light Company, Macon Gas Company, Central Georgia Power Company, Central Georgia Transmission Company and Georgia Public Service Corporation.

Property—The Georgia Power Company owns nineteen developed hydro-electric plants, six of which are on the Tallulah, Chattooga and Tugalo Rivers. One is situated at Tallulah Falls, Ga., about 90 miles from Atlanta, with an installed capacity of 108,000 h. p.; one at Tugalo, Ga., situated near the confluence of the Tallulah and Chattooga Rivers (approximately two miles below the Tallulah Falls generating stations), with an installed capacity of 88,000 h. p.; one known as the Yonah Development on the Tugalo River in Stephens County, Ga., with an installed capacity of 42,000 h. p. (placed in operation in latter part of 1925); one known as the Terrora or Mathis-Tallulah Development, which utilizes the fall of 190 ft. between the elevation of the Mathis reservoir and the Tallulah reservoir on the Tallulah River in Rabun County, with an installed capacity of 30,000 h.p. (placed in operation April 1, 1925); Burton with 12,000 h. p.; Nacoochee with 8,400 h. p.; one about 17 miles from Atlanta on the Chattahoochee River, known as Bull Sluice on Morgan Falls, with an installed capacity of 23,100 h.p.; one at Barnett Shoals on Oconee River with an installed capacity of 4,800 h.p.; one at Gainesville, Ga., known as the Dunlap Power Plant, situated about 60 miles from Atlanta, on the Chattahoochee River, with an installed capacity of 3,000 h.p.; one at Gregg Shoals with 3,000 h.p., leased to Southern Public Utilities Company; one on the Oconee River near Athens known as the Tallassee Power Plant, with an installed capacity of 2,380 h.p.; one at Chestatee with an installed capacity of 1,500 h.p.; one on the Oconee River at Milledgeville with an installed capacity of 1,350 h.p.; one at Mitchell Bridge leased from James G. White on Oconee River near Athens with an installed capacity of 1,100 h. p.; and at Ball Ground with 525 h.p.; one at Eatonton with an installed capacity of 425 h.p.; one at Wofford Shoals with an installed capacity of 300 h.p.; one on Little Indian River near McDonough with an installed capacity of 250 h. p.; and at Toccoa with 160 h. p. The combined capacity of the aforementioned plants is 330,290 h. p.

In addition, the Company has two steam stations in Atlanta; one at Butler Street with an installed capacity of 8,710 h. p.; and one at Davis Street with an installed capacity of 12,000 h.p. It also owns steam stations at Athens, Milledgeville and Statesboro and at 18 other sites with an installed steam plant capacity of 33,678 h. p. The combined owned water power and steam plant capacity aggregates 363,968 h. p.

The capacity of the water storage reservoirs is as follows: Burton, 4,647,000,000 cu. ft.; Nacoochee, 110,000,000 cu. ft.; Mathis, 1,369,000,000 cu. ft.; Tallulah 63,000,000 cu. ft.; Tugalo, 500,000,000 cu. ft.; Yonah, 150,000,000 cu. ft.—total, 6,839,000,000 cu. ft.

Over 2,245 circuit miles of transmission and primary distribution lines inter-connect power stations of the company and its subsidiaries. The Company also inter-changes power with five other major power companies in Alabama, Georgia, Tennessee, North Carolina and South Carolina.

Territory and Business—The Company and its subsidiaries and controlled companies supply electric light and power service directly or indirectly to 168 communities in Georgia. 122 of these communities including the City of Atlanta, as well as a number of other thriving manufacturing towns such as Macon, Brunswick, Rome, Athens, Dalton and Gainesville, are served directly by the Company. The total number of electric customer meters served directly by the Company and its subsidiaries as of Dec. 31, 1927, was 97,117. In addition, 46 municipalities are served wholesale for distribution to the local consumers within their respective borders. The estimated population of the territory served is 1,915,000.

The gas systems operated by the Company and its controlled companies furnish service to an estimated population of approximately 400,000 in and adjacent to Atlanta, Macon, Athens and Brunswick. These systems serve an aggregate of 49,479 customers.

Street railway service is furnished by the Company and its controlled companies in Atlanta, Macon, Rome and Athens. During 1927 these transportation systems carried 105,118,460 passengers.

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Power—The power generated and purchased by the Company in terms of kilowatt hours for the past ten years was as follows:

	Kilowatt Hours
1918	238,489,012
1919	262,834,541
1920	293,721,290
1921	282,084,977
1922	317,068,699
1923	358,353,628
1924	395,219,890
1925	435,441,973
1926	557,104,398
1927	699,048,214

CAPITAL STOCK

Outstanding Dec. 31, 1927, 2,000,000 shares Common of no par, 285,445 shares $6 Pfd. of no par value and 450,000 shares Second Pfd. of no par value.

Preferred Stock Provisions—The $6 Pfd. stock and the Second Pfd. stock have preference in order named over Common to cumulative dividends at rate of $6 per share per annum and to assets in distribution to $100 per share and accrued dividends. They are subject to redemption in whole or in part at any time at $110 per share and accrued dividend, except that Second Pfd. cannot be redeemed from capital while any of the $6 Pfd. stock is outstanding without the consent of the holders of two-thirds of $6 Pfd. stock outstanding. The Second Pfd. stock is convertible in whole or in part into $6 Pfd. whenever the earnings of the company available for dividends have been at the rate of 2½ times the amount necessary to pay the dividends on the $6 Pfd. and the Second Pfd. so converted for twelve months within the fifteen months immediately preceding the conversion. Preferred stock and Second Preferred stock have no voting rights except in certain special cases.

Transfer Agents ($6 Pfd.)—Atlanta Trust Co., Atlanta, Ga., and Registrar & Transfer Co., Jersey City, N. J.

Registrars ($6 Pfd.)—Trust Co. of Georgia, Atlanta, Ga., and Corporation Trust Co., Jersey City, N. J.

Dividends—Initial dividend at rate of $6 per annum on $6 Pfd. was declared payable April 1, 1927 for period from Feb. 25, 1927 to April 1, 1927 and quarterly thereafter.

FUNDED DEBT

(1)

$1,400,000 ATLANTA WATER & ELECTRIC POWER COMPANY FIRST (CLOSED) MORTGAGE 5s; DUE JANUARY 1, 1943

Dated October 1, 1903.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Originally authorized, $1,500,000, subsequently reduced to $1,400,000 all of which have been issued, $244,000 thereof being held in sinking fund Dec. 31, 1927.

Callability—Subject to call at 105 and interest by sinking fund and drawings.

Sinking Fund—$5,000 per annum from Jan. 1, 1908, to Jan. 1, 1917; thereafter, $10,000 per annum, for purchase of bonds at not exceeding 105 and accrued interest. Bonds retired to be held alive and the interest accruing to be added to the sinking fund payments for the redemption of bonds.

Security—A first lien on property of former Atlanta Water & Electric Power Co., comprising a hydro-electric property, including water rights, lands, dam, transmission lines and power house with machinery of a total installed capacity of 23,100 h.p., located within 17 miles of Atlanta, Ga.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia (for the Bankers) and King, Spalding & Little, Atlanta, Ga. and Guthrie, Cravath & Henderson, New York (for the Company).

Original Offering—Of these bonds $500,000 were offered in May, 1915, by Fidelity Title & Trust Co. Pittsburgh at 100, and $800,000 in March, 1916, by E. H. Rollins & Sons, Boston, New York, etc. at 99½ yielding 5.03%.

(2)

$225,000 ATLANTA STREET RAILROAD (MORTGAGE CLOSED) FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1930

Dated June 20, 1890.

Interest Payable Jan. and July 1, at Central Union Trust Co., New York, Trustee. Denomination, $1,000. Outstanding, Dec. 31, 1927, $225,000; mortgage closed. Secured by a first lien on the property of the former Atlanta Street R.R. Company pays Normal Federal Income Tax up to 2%.

(3)

$1,350,000 GEORGIA ELECTRIC LIGHT CO. (MORTGAGE CLOSED) FIRST GOLD 5s; DUE JULY 1, 1930

Dated July 2, 1900.

Interest Payable Jan. and July 1 at Old Colony Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,350,000; outstanding Dec. 31, 1927, $1,350,000; mortgage closed. Subject to call at 105 and interest on any interest date. A first lien on the entire property of the former Georgia Electric Light Co. Company pays Normal Federal Income Tax up to 2%.

(4)

$1,673,000 ATLANTA CONSOLIDATED STREET RAILWAY (MORTGAGE CLOSED) FIRST CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1939

Dated January 1, 1899.

Interest Payable January and July 1, at New York Trust Co., New York and at Mercantile Trust and Deposit Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Mercantile Trust and Deposit Co., Baltimore.

Provisions of Issue—Authorized, $2,500,000; reserve for Atlanta Street RR. First 6s, $225,000; issued, $2,225,000; outstanding, Dec. 31, 1927, $1,673,000.

Callability—Subject to call at 107½ and interest and under the sinking fund clause, $25,000 may be retired by lot at 105 and interest on Jan. 1, of each year.

Sinking Fund—Sinking fund, $25,000 per annum on January 1.

Security—A second lien on 67 miles of street railway in the central part of Atlanta, Ga., and also on all other property formerly belonging to the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$5,225,000 GEORGIA RAILWAY & ELECTRIC CO. (MORTGAGE CLOSED) FIRST CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1932

Dated April 1, 1902.

Interest Payable January and July 1, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston, Mass.

Provisions of Issue—Authorized, $11,000,000 of which $3,850,000 reserved to retire prior liens; outstanding Dec. 31, 1927, $5,225,000; the balance has been cancelled.

Callability—Subject to call at 110 and interest on any interest date on four weeks' notice.

Sinking Fund—Sinking fund retires $10,000, 1907 to 1911, $25,000, 1912 to 1916, and $50,000 annually thereafter. Bonds for sinking fund may be purchased in the open market, or failing to secure the necessary amount each year in this way, they may be drawn by lot at 110 and interest.

Security—A first lien on about 73 miles of street ailway track, power house, steam heating plant and art of the electric lighting system in Atlanta, Ga. nd a second lien on the balance of the property for- nerly owned by Georgia Railway and Electric Co., vith the exception of that portion covered by the tlanta Street RR. First Gold 6s, upon which these onds are a third lien. Additionally secured by deposit f $600,000 Pfd. and $1,014,625 Common stock (entire ommon stock) of the Atlanta Gas Light Co.; $100,000 entire issue) Common stock of Atlanta Northern ailway Co.; $500,000 Capital stock of Atlanta Elec- ric Co.; $2,500,000 Atlanta Railway & Power Co. onds dated July 2, 1900; and $1,250,000 First Mort- age Bonds of Atlanta Rapid Transit Co. dated Jan. , 1901.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%.

Original Offering—First publicly offered in 1902 by I. W. Poor & Co., New York and Curtis & Sanger, oston, at 98 and interest; additional bonds offered n 1911 by Blodgett & Co. and Spencer Trask & Co., lew York at 102½ and interest.

(6)

,702,000 GEORGIA RAILWAY & ELECTRIC CO. (MORTGAGE CLOSED) REFUNDING AND IMPROVEMENT GOLD 5s; DUE JANUARY 1, 1949

Dated January 1, 1909.

Interest Payable January and July 1, at American rust Co., Boston.

Denomination—Coupon, $1,000; principal may be egistered.

Trustee—American Trust Co., Boston, Mass.

Provisions of Issue—Authorized, $20,000,000, of hich sufficient are reserved to retire prior liens (in- uding the $400,000 Atlanta Northern Railway onds); outstanding, Dec. 31, 1927, $7,702,000.

Callability—Subject to call on 50 days' notice at 05 and interest on any interest date.

Sinking Fund—Equal to 1% of bonds outstanding on ct. 1, is payable annually on Oct. 1 each year begin- ing with the year 1910.

Security—Secured by a general lien on the entire roperty formerly owned by Georgia Railway and lectric Co. subject to the prior liens of the $225,000 tlanta Street Railway (mortgaged closed) First Gold s due July 1, 1930, $1,350,000 Georgia Electric Light ompany (mortgage closed) First Gold 5s due July 1, 930; $1,673,000 Atlanta Consolidated Street Railway nortgage closed) First Consolidated Gold 5s due an. 1, 1939; and $5,225,000 Georgia Railway & Elec- ic Company (mortgage closed) First Consolidated old 5s, due Jan. 1, 1932. Also secured by a second ollateral lien on the securities pledged under the eorgia Railway & Electric Co. First Consolidated ortgage.

Tax Provisions—Company pays Normal Federal ncome Tax up to 2%. Pennsylvania four mills tax efunded on bonds numbered 2,848 through 5,258, both clusive.

Original Offering—Offered in 1909 by Spencer Trask Co. and Curtis & Sanger, New York at 96 and inter- st; $519,000 offered in 1911 by Charles C. Harrison, . & Co., Philadelphia, at 99 and interest; $250,000 fered in Oct. 1912 by Charles C. Harrison, Jr. & o., Philadelphia at 99 and interest.

(7)

09,000 ATHENS RAILWAY AND ELECTRIC CO. (MORTGAGE CLOSED) FIRST AND REFUNDING (NOW FIRST) GOLD 5s; DUE JULY 1, 1950

Dated July 1, 1910.

Interest Payable January and July 1, at Farmers' oan & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be egistered.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized, $2,000,000; issued, 516,000; outstanding, Dec. 31. 1927, $309,000.

Callability—Subject to call in whole or in part, upon 8 weeks' published notice on any interest date at 110 and accrued interest.

Sinking Fund—None.

Security—A first mortgage on the entire property formerly owned by Athens Railway and Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($225,000) in January, 1911, at 92½ and interest.

(8)

$708,000 ROME RAILWAY & LIGHT CO. (MORTGAGE CLOSED) FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1946

Dated April 1, 1916.

Interest Payable April and October 1, at office of Spencer Trask & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity & Columbia Trust Co., Louisville, Ky.

Provisions of Issue—Authorized, $3,000,000; outstanding, Dec. 31, 1927, $708,000.

Callability—Subject to call at 105 and interest on any interest date upon 60 days' notice.

Sinking Fund—1% annually of outstanding bonds, payable annually, beginning Oct. 1, 1917, to retire bonds at not exceeding 105 and int., or for new equipment, permanent additions, extensions, betterments and improvements, against which no bonds shall be issued, but which shall be included under the lien of the mortgage.

Security—Secured by first lien on the entire property formerly owned by Rome Railway & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(9)

$63,000,000 GEORGIA POWER CO. FIRST AND REFUNDING MORTGAGE GOLD BONDS 5% SERIES; DUE MARCH 1, 1967

Dated March 1, 1927.

Interest Payable March and September 1 at office of Agency of Company in New York City.

Denominations—Coupon (principal may be registered), $500 and $1,000, and fully registered, $1,000 and authorized multiples. Coupon bonds in denominations of $1,000 and fully registered bonds interchangeable.

Trustee—The New York Trust Co., New York.

Provisions of Issue—The Mortgage provides that bonds may be issued thereunder in unlimited amount, in one or more series, in such amounts and having such rates of interest, such maturity dates and such other provisions within the limitations of the Mortgage as the Board of Directors may from time to time determine. Outstanding Dec. 31, 1927, $63,000,000 5% Series due 1967. Issued to retire $25,087,000 bonds of predecesor companies, $15,000,000 against the property as it existed Nov. 1, 1926, $22,912,500 to reimburse Company for expenditures incurred for construction and for other corporate purposes.

Additional bonds of Series "A" or other series may only be issued however, for the purposes and in accordance with the restrictions provided in the Mortgage, which include the following: (a) To refund, in whole or in part, an equal principal amount of existing underlying bonds, prior lien bonds as defined in the mortgage and bonds of any series issued under the Mortgage. (b) Against the deposit of an equal amount of bonds of Atlanta Gas Light Co. secured by a mortgage to The New York Trust Co., Trustee, dated March 1, 1927. If and as long as any Atlanta Gas Light Company bonds are deposited with the Trustee of the Mortgage, no bonds of that company may be issued to the public. (c) Against cash to an equal amount. (d) In principal amount not to exceed 75% of the cost or fair value to the Company, whichever is less, of property additions (as defined in the Mortgage) made or acquired

subsequent to November 1, 1926, or for not more than 75% of the cost or fair value to a subsidiary company, whichever is less, of subsidiary property additions (as defined in the Mortgage), but no bonds may be issued against subsidiary property additions unless not less than an equal principal amount of first mortgage bonds of said subsidiary company (as described in the Mortgage) as simultaneously pledged with the Trustee of the Mortgage.

No addtional bonds, however, may be issued under the Mortgage except for refunding purposes unless net earnings (as defined in the Mortgage) for twelve consecutive calendar months within the fifteen calendar months immediately preceding a date not earlier than 15 days before the application for issue shall have been at least equal to either (a) twice the annual interest requirements on or (b) 12% of the aggregate principal amount of all outstanding underlying bonds, prior lien bonds (as defined in the Mortgage) and outstanding Atlanta Gas Light Company underlying bonds (so long as the shares of stock of that Company are pledged with the Trustee), and all bonds issued and outstanding under the Mortgage, including those proposed to be issued.

The Mortgage contains certain provisions permitting, on conditions stated therein, the modification or alteration of the bonds or the Mortgage or of any supplemental indenture with the assent of the Company and of the holders of not less than 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company; provided that any such modification or alteration shall not permit, without the consent of the holders affected, the extension of the maturity of any bonds, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest.

Callability—Subject to call as a whole or in part at any time before maturity on not less than 30 days' notice at par and interest to date of redemption, together with premium of 5% if redeemed on or before March 1, 1937, and if redeemed thereafter and before maturity, together with a premium of 5% of such principal amount less one-sixth of 1% for each full year elapsed since March 2, 1936.

Security—Secured by a first mortgage on certain electric light and power properties, which properties have an estimated value of approximately one-half of the value of the entire fixed properties of Company; further secured by a direct mortgage on the remaining fixed property of Company, (except certain undeveloped land as stated in the Mortgage), subject to closed divisional underlying mortgages securing $18,510,000 of bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refundable upon timely application.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York (for the Bankers) and Simpson, Thacher & Bartlett, New York (for the Company).

Original Offering—First publicly offered ($45,000,000) in March, 1927, at 97 and interest, to yield about 5.18% by Drexel & Co., Philadelphia; Bonbright & Co., Inc., Harris, Forbes & Co., New York; Harris Forbes & Co., Inc., Coffin & Burr, Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris Forbes & Co., Ltd., Montreal. $18,000,000 additional offered in Oct. 1927 at 98 and interest to yield about 5.12%, by Drexel & Co., Philadelphia; Bonbright & Co., Inc., New York, and Harris Trust & Savings Bank, Chicago.

(10)

There were also outstanding Dec. 31, 1927, $617,000 Equipment Trust obligations, due serially, consisting of $20,000 Series "A," $68,000 Series "B," $85,000 Series "C," $119,000 Series "D," and $325,000 Series "E."

INCOME AND OPERATING ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings from operation	$18,041,65
Oper. exps., incl. maint., taxes, other than Fed. Income taxes	8,618,79
Net earnings from operations	$9,422,86
Other income	451,46
Total income	$9,874,32
Interest on funded debt	3,455,30
Less amount allocated to new construction	430,41
Interest charges—net	$3,024,89
Balance	$6,849,43
Other deductions	272,64
Provision for renewals & replacements	1,200,00
Balance	$5,376,78
Dividends on $6 cumulative Preferred stock	1,712,67
Balance (before Fed. Inc. taxes & divds. on $6 Second Preferred stock)	$3,664,11
Times Interest Earned	3.2
Earnings Per Share ($6 Pfd. Stock)	$18.8

CONSOLIDATED INCOME ACCOUNT OF THE COMPANIES FORMING THE GEORGIA POWER CO. AND ITS SUBSIDIARIES, YEARS ENDED MARCH 31

	1927	1926
Gross earnings from operations	$17,604,259	$15,795,48
Operating expenses, including taxes and maintenance	9,073,319	9,529,26
Net earnings	$8,530,940	$6,266,22
Other income	346,015	214,17
Total income	$8,876,955	$6,480,39
Interest on funded debt	2,788,065	2,662,59
Balance	$6,088,890	$3,817,79
Interest allocated to new construction	348,366	446,74
Total	$6,437,256	$4,264,53
Other deductions	406,348	420,10
Balance	$6,030,908	$3,844,42

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$187,140,43
Other investments	74,61
Due from affiliated companies	7,430,32
Current assets	4,930,24
Cash held by trustees for sinking funds	41,50
Charges deferred to future operations	1,211,60
Total	$200,828,73
Liabilities—	
Capital stock	$92,085,67
Funded debt	81,298,00
Due to affiliated companies	4,013,50
Equipment trust & property purchase obligations	712,66
Current liabilities	921,02
Other accrued liabilities	1,352,23
Consumers' & miscellaneous deposits	639,35
Miscellaneous unadjusted credits	85,44
Reserves	9,716,09
Surplus subject to provis. for Fed. Inc. tax, 1927)	10,004,73
Total	$200,828,73

Officers: H. M. Atkinson, Chairman of Board; P. S Arkwright, Pres.; W. E. Mitchell, V-P.; F. P. Cummings, V-P.; C. A. Bingham, V-P.; G. W. Brine, V-P. Frank L. Butler, V-P.; C. D. Flanigen, V-P.; Charles A. Collier, V-P.; F. E. Shumate, V-P.; W. H. Wright Sec.; I. S. Mitchell, Jr., Treas.; B. T. Simpson, Asst Sec.; Stephen A. Dawley, Asst. Sec. & Asst. Treas. F. R. Mitchell, Asst. Treas.; Harry Woodard, Aud.

Directors: H. M. Atkinson, P. S. Arkwright, John C. Hallman, Robert F. Maddox, E. P. McBurney, F J. Paxon, J. D. Robinson, Mell R. Wilkinson, Frank Hawkins, Atlanta, Ga.; Thomas W. Martin, Birmingham, Ala.; S. Z. Mitchell, New York; John M. Graham, Rome, Ga.; Andrew Cobb Erwin, Athens, Ga. J. Leonard Rountree, Summit, Ga.; Geo. E. Patterson Macon, Ga.

Offices, Atlanta, Ga., and 120 Broadway, New York.

ATLANTA GAS LIGHT COMPANY

(Controlled by Georgia Power Company)

History—Incorporated Feb. 16, 1856, in Ga. Franchise perpetual. Estimated population served, 300,000. Output in 1927, 1,674,251,047 cu. ft. Daily capacity, 600,000 cu. ft. Miles of mains, approximately 426.77. No. of customers, 41,232.

Lease—As of Jan. 1, 1920, the property and franchise of the company were leased to the Georgia Ry. & Electric Co. for a period of 991 years. This lease-hold interest is now vested in the Georgia Power Co., successor to Georgia Railway and Power Co.

CAPITAL STOCK

Authorized and outstanding, $1,014,625 Common and $600,000 non-cumulative Pfd.; par, $25. All owned by Georgia Power Co. Annual meeting, first Tuesday in March.

FUNDED DEBT

(1)

$1,150,000 FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1947

Dated June 1, 1897.

Interest June and Dec. 1, at New York Trust Co., Trustee, and Bank of Scotland, London. Coupon, $1,000; principal may be registered. Sinking fund, $23,50 per annum on each $1,000 bond; $488,000 bonds to be held uncancelled in the sinking fund at Dec. 31, 1927. A first lien on all property, rights, franchises, etc., now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,547,000 REFUNDING AND IMPROVEMENT GOLD 6s; DUE OCTOBER 1, 1970

Dated October 1, 1920.

Interest Payable April and October 1, at Girard Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized, $5,000,000, of which $1,150,000 reserved to retire First Gold 5s, due June 1, 1947; outstanding, $1,547,000, of which $134,000 held in sinking fund, Dec. 31, 1927.

Callability—Subject to call on any interest date at 106 and interest; may be drawn for sinking fund at 106.

Sinking Fund—Clause provides for payment on Aug. 1 of the years 1921 to 1969, both incl., of $20,452 based on said bonds bearing interest at 6%. The sinking fund payments to be invested in bonds of this issue and remain in force for the purpose of the sinking fund.

Security—A lien, subject to the First Gold 5s described above, on all of the property of the Company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refundable, upon request.

Original Offering—First publicly offered ($1,247,000) in Dec., 1923, by Drexel & Co., Philadelphia, at 99 and interest, yielding over 6.05%.

NOTE—All outstanding Refunding & Improvement Gold 6s were called for redemption on April 1, 1928 at 106 and interest at Girard Trust Co., Philadelphia.

CONDENSED BALANCE SHEET

	Dec. 31, 1927	Mar. 31, 1927
Assets—		
Property, plant and equipment	$6,616,837	$6,423,803
Sinking funds	52,374	622,512
Due from affiliated cos	153,805	116,654
Total	$6,823,016	$7,162,969
Liabilities—		
Capital stock	$1,614,625	$1,614,625
Funded debt	2,075,000	2,697,000
Due to affiliated cos.	768,441	575,408
Accrued liabilities, etc.	23,954	.....
Reserves	411,053	411,053
Surplus	1,929,943	1,864,883
Total	$6,823,016	$7,162,969

Officers: G. W. Brine, Pres.; P. S. Arkwright, V-P.; F. P. Cummings, V-P.; W. H. Wright, Sec.; H. J. Woodard, Aud.; I. S. Mitchell, Jr., Treas.; B. T. Simpson, Asst. Sec.; Stephen A. Dawley, Asst. Sec.; F. R. Mitchell, Asst. Treas.

Directors: P. S. Arkwright, E. C. Peters, W. H. Wright, H. M. Atkinson, G. W. Brine, Atlanta, Ga.

Office, Atlanta, Ga.

ATLANTA NORTHERN RAILWAY COMPANY

(Controlled by Georgia Power Company)

History and Property—Incorporated August 6, 1903, in Georgia. Operates 18.067 single track equivalent miles of track from Atlanta to Marietta, 15.2 miles of which are owned and mostly on private right of way. Co. has arrangements with Georgia Power Co. for terminals and trackage rights into the city of Atlanta.

CAPITAL STOCK

Authorized and outstanding, $100,000; all owned by Georgia Power Co.

FUNDED DEBT

$400,000 FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1954

Dated July 1, 1904.

Interest Payable Jan. and July 1, at Old Colony Trust Co., Boston, Trustee. Coupon, $500 and $1,000; principal may be registered. Guaranteed, principal and interest, by Georgia Power Co. Sinking fund $5,000 per annum began in 1909; $153,500 of these held in the sinking fund as at Dec. 31, 1927. Subject to call on any interest date at 110 and interest. A first lien on 15.2 miles of interurban railway from Atlanta to Marietta, Ga., mostly on private right of way. First publicly offered ($400,000) in Aug., 1904, at 100 and interest, by Baker, Ayling & Co., Boston, Mass. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET

	Dec. 31, 1927	March 31, 1927	Dec. 31, 1925
Assets—			
Cost of properties	$913,485	$930,870	$912,114
Special deposits	.....	201	.....
Current assets	26,424	17,807	14,882
Sinking funds	4,354	147,416	134,235
Def. charges to future oper.	240	237	860
Deficit	152,236	124,795	95,939
Total	$1,096,739	$1,221,326	$1,158,030
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	246,500	400,000	400,000
Due to affiliated cos.	562,474	516,139	459,421
Current liabilities	2,913		
Accrued liabilities	10,051	6,762	.....
Consumers' deposits	6,874	5,330	.....
Reserves	167,927	192,765	198,609
Unadjusted credits	.....	330	.....
Total	$1,096,739	$1,221,326	$1,158,030

Officers: P. S. Arkwright, Pres.; F. L. Butler, V-P.; W. H. Wright, Sec.; I. S. Mitchell, Jr., Treas.; B. T. Simpson, Asst. Sec.; Harry J. Woodard, Aud., Atlanta, Ga.

Directors: P. S. Arkwright, W. H. Wright, F. L. Butler, H. M. Milam, W. E. Mitchell, Atlanta, Ga.

Office, Atlanta, Ga.

ATLANTA COACH COMPANY

(Controlled by Georgia Power Company)

History and Property—Incorporated May 12, 1915, in Georgia. The Company operates a coach or bus system in the City of Atlanta. Its equipment consists of 25 coaches, 15 of which are gas-electric drive.

CAPITAL STOCK

$100,000 Common stock. All owned by Georgia Power Company.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Cost of properties	$271,930	Capital stock	$100,000
Current assets	16,880	Due to affiliated companies	259,198
Deferred charges	8,100	Current liabilities, etc.	3,492
Deficit	113,967	Reserves	49,187
Total	$410,877	Total	$410,877

Officers: P. S. Arkwright, Pres.; F. L. Butler, V-P.; W. H. Wright, Sec.; I. S. Mitchell, Jr., Treas.; B. T. Simpson, Asst. Sec.; F. R. Mitchell, Asst. Treas.; Harry J. Woodard, Aud., Atlanta, Ga.

Directors: P. S. Arkwright, F. L. Butler, W. E. Mitchell, B. T. Simpson, W. H. Wright, Atlanta, Ga.

Office, Atlanta, Ga.

MUTUAL LIGHT AND WATER COMPANY

(Controlled by Georgia Power Company)

History—Incorporated Dec. 3, 1902, in Georgia; successor to Brunswick Light & Water Co. Supplies gas, electric light and water to Brunswick, Ga., under franchise for 30 years from May, 1926. Population served, 20,000.

CAPITAL STOCK

Authorized and outstanding, $141,500; par, $100. All owned by Georgia Power Co.

FUNDED DEBT

$175,000 First & Refunding Sinking Fund 5s; dated Jan. 1, 1910; due Jan. 1, 1945; int. Jan. and July 1, at American Exchange Irving Trust Co., New York, Trustee. Coupon, $500; principal may be registered. Authorized and issued, $175,000 of which $57,500 held in sinking fund. Subject to call at 105 and interest on any interest date on 30 days' notice. A cumulative sinking fund of 1% per annum of the outstanding amount began Nov., 1912, to retire bonds at not exceeding 105, at which price bonds may be drawn by the trustee, should none be offered. A first lien on entire property. Additionally secured by pledge of the entire capital stock and bonds of the City & Suburban Railway of Brunswick. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Mar. 31, 1927	Dec. 31, 1925
Cost of properties	$839,796	$812,747	$728,067
Special deposit	.....	3,550	.....
Current assets	104,599	79,312	33,007
Deferred charges	3,958	2,949	567
Sinking funds	1,562	55,041	702
Total	$949,915	$953,599	$762,343

Liabilities—	Dec. 31, 1927	Mar. 31, 1927	Dec. 31, 1925
Capital stock	$141,500	$141,500	$141,500
Funded debt	117,500	399,000	349,500
Current liabilities, etc.	9,759	185,409	87,187
Due to affiliated cos	424,826		
Accrued liabilities	4,420	8,363	11,190
Consumers' deposits	12,042	5,706	.....
Other liabilities	.....	.....	7,509
Reserves	100,432	99,197	84,856
Unadjusted credits	.....	14,806	.....
Surplus	139,436	99,618	80,601
Total	$949,915	$953,599	$762,343

Officers: P. S. Arkwright, Pres.; C. A. Collier, V-P.; W. E. Mitchell, V-P.; I. S. Mitchell, Jr., Treas.; W. H. Wright, Sec.; B. T. Simpson, Asst. Sec.; F. R. Mitchell, Asst. Treas.

Directors: P. S. Arkwright, F. L. Butler, C. A. Collier, B. T. Simpson, W. H. Wright, W. E. Mitchell, L. G. Mann, Atlanta, Ga.

Operating Office, Atlanta, Ga. **New York Office,** 120 Broadway.

GEORGIA LIGHT, POWER AND RAILWAYS

(Controlled by Georgia Power Company)

History—Georgia Light, Power and Railways, is an organization created by declartion of trust on September 1, 1911, under the laws of Massachusetts, to acquire the securities of the Macon Ry. & Light Co., the Macon Gas Co., the Central Georgia Power Co., and the Central Georgia Transmission Co. and for the acquisition of securities of other companies owning or operating public utilities, power plants or transmission lines in Georgia. It owns the entire outstanding Common stock and 209 shares of Pfd. stock of the Macon Railway & Light Co., all the outstanding Common and Pfd. stocks of the Macon Gas Co., $3,797,000 of the $4,000,000 capital stock of the Central Georgia Power Co., the entire $288,800 capital stock of the Central Georgia Transmission Co. and the entire $150,000 capital stock of the **Georgia Public Service Corp.**

Through its subsidiary companies, Georgia Light, Power and Railways furnishes electricity for light and power to the cities and towns of Macon, Jackson, Forsyth, Barnesville, Griffin, Monticello, Thomaston Hampton, Jonesboro and Gordon, Ga., and does the entire gas and street railway business in the city of Macon, Ga.

CAPITAL STOCK

Authorized, $8,000,000 Common and $2,000,000 6% non-cumulative Pfd.; outstanding, $7,660,000 Common and $500,000 Pfd.; par, $100.

Preferred Stock Provisions—Pfd. stock has preference for dividends, and for assets up to 110%, and is redeemable at any time, in whole or in part, at 110%.

Transfer Agents—For Common: The Corporation Trust Co., Jersey City, N. J., and Pittsburgh Trust Co., Pittsburgh, Pa. For Preferred: The Corporation Trust Co., Jersey City, N. J. and Pittsburgh Trust Co., Pittsburgh, Pa.

Registrars—For Common: The New York Trust Co., New York, and Fidelity Title & Trust Co., Pittsburgh, Pa. For Preferred: The New York Trust Co., New York, and Fidelity Title & Trust Co., Pittsburgh, Pa.

Annual Meeting—Third Wednesday in March.

Listed (Both Classes)—Pittsburgh Stock Exchange. Common is also listed on London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	100	98	85	79	65	..	..	..
Low	87	82	74	60	30	..	..	..
Common—								
High	70	75	77½	39¼	14¾	8½	6½	9 9/16
Low	50	68⅛	31¾	12	5 5/16	3½	3½	6¼

Dividends—Pfd. dividends have been paid as follows: April 1, 1913 to Jan. 1, 1915, inclusive, 1½% quarterly; none to Oct. 1, 1917, when 1½% was paid. Quarterly dividends of 1½% have been paid regularly since Oct. 1, 1917. None on Common.

FUNDED DEBT

$3,466,000 FIRST LIEN SINKING FUND GOLD 5s; DUE SEPTEMBER 1, 1941

Dated September 1, 1911.

Interest Payable March and September 1, at The New York Trust Co., New York, and at Bank of Scotland, London, Eng.

Denominations—Coupon (principal may be registered), $1,000 and registered, $1,000 and $5,000.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized, $6,500,000; issued to date, $5,033,000; $1,027,000 have been cancelled through sinking fund, leaving a balance of $4,006,000, of which $3,466,000 outstanding in hands of public and $540,000 held in treasury.

Callability—Subject to call on any interest date at 105 and interest on 30 days' notice.

Sinking Fund—Indenture provides for a sinking fund $50,000 annually 1916 to 1920, $75,000 annually, 1921 to 1925; and $100,000 annually, 1926 to 1940, to be utilized for the retirement of the bonds, either by purchase at the lowest price, or by drawings by lot at 105 and interest.

Security—Secured by pledge with The New York Trust Co., as Trustee of the stocks of subsidiary companies acquired by Georgia Light, Power and Railways (see above) and in addition by demand notes of subsidiary companies amounting as of Dec. 31, 1927, to $2,133,584, and by all the bonds of Central Georgia Transmission Company and Macon Gas Company. Any further issuance of subsidiary company bonds under new or existing mortgages must be so pledged.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Hornblower, Miller & Potter, New York, and Storey, Thorndike, Palmer & Dodge, Boston, Mass.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($2,355,000) in November, 1911, at 92½ and interest.

Listed—London, Pittsburgh and Chicago Stock Exchanges.

Price Range—(London.)

	1927	1926	1925	1924	1923	1922	1921	1920
High	97½	104	90½	95¼	84¼	84½	88	84
Low	95	86½	86¼	87½	77½	77¾	72	59½

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Georgia Light, Power and Railways and Subsidiaries)
(Eliminating Inter-company Items)

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,410,613	$2,297,606	$2,047,475	$1,951,774	$1,912,673	$1,681,421
Operating expenses, incl. maint. & taxes, except Federal Income taxes	1,554,987	1,577,836	1,511,119	1,170,654	993,461	983,215
Net earnings	$855,626	$719,770	$536,355	$781,120	$919,212	$698,206
Other income	13,781	.....	.....	.....	.....	.....
Gross income	$869,407	$719,770	$536,355	$781,120	$919,212	$698,206
Int. on obligations of subsidiaries	§153,797	179,787	184,584	188,833	191,082	191,095
Balance	$715,610	$539,983	$351,771	$592,287	$728,130	$507,110
Interest on funded debt of G. L. P. & Rys.	314,267	331,733	338,540	264,998	265,317	269,144
Other deductions	145,547	25,397	†43,412	232	2,801	6,963
Balance	$255,796	$182,853	$56,643	$327,056	$460,012	$231,003
Provisions for renewals & replacements	168,000	126,000	162,000	177,000	165,000	126,000
Balance (before) Federal taxes	$87,796	$56,853	‡$105,357	$150,056	$295,012	$105,003
Times All Interest Earned	1.81	1.11	1.12	1.11	1.64	1.22

*Including interest paid on subsidiary company bonds and after depreciation. †Credit representing interest received on advances for construction expenditures. ‡Deficit. §After deducting $24,688 interest allocated to new construction.

CONSOLIDATED BALANCE SHEET (INTER-COMPANY ITEMS ELIMINATED), DECEMBER 31
(Georgia Light, Power and Rys. and Subsidiary Cos.)

Assets—	1927	1926	1925	1924	1923	1922
Property, plant & franchises, at book value	$19,859,622	$19,722,100	$19,463,178	$18,209,820	$18,044,786	$18,003,041
Sinking fund, uninvested	691	535	306	749	144	173
Cash	499,351	46,551	41,640	616,139	45,271	37,199
Accounts receivable		245,269	174,363	258,358	163,615	149,990
Notes receivable		.....	115,532	71,846	.....	.....
Materials and supplies		145,028	145,108	140,545	106,558	97,760
Due by affiliated cos.	28,305	.....	.....	.....	.....	.....
Prepaid accounts	5,048	9,929	.....	.....	.....	.....
Unamortized debt discount & expense	230,579	298,568	374,884	565,057	462,601	488,601
Proceeds from sale of property in hands of trustees for bondholders	559,568	.....	.....	.....	.....	.....
Special deposits	.....	.....	1,100	36,100	.....	.....
Suspense	.....	107,268	113,839	117,585	58,007	40,152
Deferred charges to future operations	8,590	.....	18,830	2,912	9,459	6,161
Total	$21,191,754	$20,575,248	$20,448,780	$20,019,111	$18,890,441	$18,823,078
Liabilities—						
Georgia Lt., Power & Rys.:						
Common stock	$7,660,000	$7,660,000	$7,660,000	$7,660,000	$7,660,000	$7,660,000
Preferred stock	500,000	500,000	500,000	500,000	500,000	500,000
Pfd. stock of subsidiary in hands of public	262,700	470,478	465,700	517,700	524,200	625,100
Minority stockholders interest in Common stock & surplus of subsidiary	212,573	.....	.....	.....	.....	.....
Georgia Lt., Power & Rys.:						
First Lien 5% bonds	3,466,000	3,570,000	3,667,000	3,751,000	3,839,000	3,940,000
5-yr. 7% Gold notes	.....	.....	.....	.....	1,000,000	1,000,000
3-yr. 6% Gold notes	.....	2,500,000	2,500,000	2,074,000	.....	.....

CONSOLIDATED BALANCE SHEET (INTER-COMPANY ITEMS ELIMINATED), DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Funded debt of sub. cos.	$3,545,000	$3,570,500	$3,596,700	$3,623,300	$3,651,600	$3,682,100
Notes payable	.....	55,000	400,000	35,000	176,791	206,133
Payrolls payable	.....	.....	11,710	12,877	11,029	8,449
Due to affiliated cos.	185,222	529,703	.....	.....	.....	.....
Accounts payable	3,702,563	63,206	122,520	91,113	29,079	50,864
Dividends payable		3,940	7,500	7,500	7,500	7,513
Consumers' deposits		37,664	27,841	26,507	23,446	15,772
Accrued interest		93,408	95,523	126,563	116,535	118,008
Other accruals		6,324	4,294	5,244	6,324	4,390
Reserves	1,156,232	1,062,729	928,464	785,607	603,628	504,242
Deferred liabilities	.....	.....	.....	.....	7,500	24,695
Surplus (before providing for Fed. Inc. taxes)	501,464	452,296	461,528	802,700	733,809	475,812
Total	$21,191,754	$20,575,248	$20,448,780	$20,019,111	$18,890,441	$18,823,078

Officers: C. A. Bingham, Pres.; Stephen A. Dawley, V-P.; F. P. Cummings, V-P.; Robert M. MacLetchie, Sec. & Treas.; George L. Brain, Asst. Sec. & Asst. Treas.

Trustees: P. S. Arkwright, Eugene R. Black, Atlanta, Ga.; L. A. Magraw, Macon, Ga.

Directors: C. A. Bingham, Stephen A. Dawley, F. P. Cummings, George L. Brain, R. A. Stephen, H. V. Bright, Robert M. MacLetchie, New York.

Office, 120 Broadway, New York.

MACON RAILWAY AND LIGHT COMPANY

(Controlled by Georgia Light, Power and Railways)

History and Property—Incorporated Oct. 23, 1902, in Ga., by the consolidation of the Macon Consolidated Street R. R. Co., the Macon Electric Light & Ry. Co., the Metropolitan Street R. R. and the North & South Macon Street R. R. Company does the electric railway, lighting and retail power business of the city of Macon, Ga. Franchise expires in 1952. Company has over 10,620 customers for electricity and operates 34 miles of railway having 30 cars in service.

CAPITAL STOCK

Outstanding, $887,700 Common and $283,600 6% cumulative Pfd.; par, $100. The entire Common stock is owned by Georgia Light, Power and Railways.

Annual Meeting—First Thursday in February.

Dividends—Pfd. dividends have been paid semi-annually, April and Oct. 1, since 1903.

FUNDED DEBT

(1)

$42,500 MACON ELECTRIC LIGHT & RAILWAY COMPANY FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1929

Dated 1899.

Interest Payable January and July 1, at Equitable Trust Co., New York.

Denomination—Coupon, $500; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized $100,000.

Security—A first lien on property of former Macon Electric Light & Ry. Co. Underlies the $959,000 First Consol. 5s of Macon Railway & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$959,000 MACON RAILWAY & LIGHT COMPANY FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE JANUARY 1, 1953

Dated January 1, 1903.

Interest Payable January and July 1, at Company's office, or at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized and issued, $1,000,000, of which sufficient reserved to retire the Macon Electric Light & Ry. Co. First Gold 6s.

Callability—Subject to call on any interest date at 110 and interest.

Security—A first lien on 34.4 miles of street railway track and electric lighting system, subject to the $42,500 Macon Electric Light & Ry. Co. First Gold 6s described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Lawton & Cunningham, Savannah, Ga.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920	1919
High	97½	94½	88¾	84	86	86	60	...	80
Low	95½	94½	87½	84	79¼	80	60	...	80

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue (including other income)	$971,858	$965,178	$884,846	$962,237	$942,734	$909,199
Operating exp., maintenance, taxes and reserve for renewals and replacements	752,459	797,172	730,978	801,525	738,216	719,130
Balance	$219,399	$168,006	$153,868	$160,712	$204,518	$190,069
Interest on funded debt	50,500	50,500	50,500	50,500	50,500	50,500
Other interest	77,346	72,928	66,940	64,130	63,742	70,657
Balance	$91,553	$44,578	$36,428	$46,082	$90,276	$68,912

Officers: P. S. Arkwright, Pres., Atlanta, Ga.; L. S. Dure, V-P.; L. A. Magraw, V-P.; R. Frank Jones, Sec. & Asst. Treas.; W. E. Houser, Treas., Macon, Ga.

Directors: P. S. Arkwright, Atlanta, Ga.; L. A. Magraw, L. S. Dure, J. N. Neel, J. C. Murphey, W. E. Dunwoody, Jesse B. Hart, A. D. Schofield, R. J. Taylor, Roland Ellis, Francis E. Williams, Macon, Ga.

Office, Macon, Ga.

MACON GAS COMPANY

(Controlled by Georgia Light, Power and Railways)

History and Property—Incorporated 1852, in Ga., as Macon Gas Light & Water Co.; name changed to above in 1911, after its water works plant had been sold to the city. Controls entire gas light business of Macon, under perpetual franchise. Its property embraces two gas holders, over 82.4 miles of mains, and a coal gas and water gas generating plant, with a capacity of 1,375,000 feet of gas per 24 hours. Population served, about 65,000. Output in 1927, 238,613,000 cu. ft., compared with 230,221,300 cu. ft. in 1926 and 202,244,400 cu. ft. in 1925. No. of consumers, about 5,940.

CAPITAL STOCK

Outstanding, $475,000 Common and $20,000 5% cumulative Pfd.; par, $100. Stock, both Common and Pfd., all owned by Georgia Light, Power and Railways.

Annual Meeting—First Tuesday in March.

FUNDED DEBT

$448,000 First Mortgage Gold 7s; dated March 1, 1922; due Sept. 1, 1941; interest March and Sept. 1, at The New York Trust Co., New York, Trustee. Authorized issue, $1,000,000. All owned by Georgia Light, Power and Railways.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue (including other income)	$321,279	$339,239	$299,364	$317,557	$312,694	$303,927
Operating exp., maint., taxes & reserve for renewals and replacements	226,222	255,815	251,927	238,381	288,180	219,582
Balance	$95,057	$83,424	$47,437	$79,176	$84,514	$84,345
Interest on funded debt	31,360	31,360	31,360	31,360	31,360	10,453
Other interest	1,111	1,228	1,141	*555	*970	20,594
Balance	$62,586	$50,836	$14,936	$48,371	$54,124	$53,298

*Credit.

Officers: P. S. Arkwright, Pres., Atlanta, Ga.; L. S Dure, V-P.; L. A. Magraw, V-P.; W. E. Houser, Treas. & Asst. Sec.; R. Frank Jones, Sec. & Asst. Treas, Macon, Ga.

Directors: P. S. Arkwright, Atlanta, Ga.; L. A. Magraw, L. S. Dure, Roland Ellis, A. R. Willingham, L. G. Smith, Macon, Ga.

Office, Macon, Ga.

CENTRAL GEORGIA POWER COMPANY

(Controlled by Georgia Light, Power and Railways)

History and Property—Incorporated March 4, 1907, in Ga., for the purpose of constructing a hydro-electric plant at Capps and Lloyds Shoals, on the Ocmulgee River, in Butts and Jasper counties, Ga., at a point about 37 miles northwest of Macon and 43 miles southeast of Atlanta. This plant consists of a dam of solid concrete construction 1,070 feet in length (with the 640 feet of abutments, making the total length of the dam 1,710 feet) and 102 feet in height, and a power house of concrete and brick, 190.5 feet in length. The entire plant is completed and in successful operation. There has been installed in this plant hydraulic and electrical equipment having a generating capacity of 33,000 h.p., in six units of 5,500 h.p. each. Power is transmitted over double circuit 50 ft. steel tower, 66,000 volt transmission lines, running through Bibb (supplying Jackson) and Forsyth to Macon, with extensions from Forsyth to Barnesville and Thomaston, and from Bibb to Griffin. At Macon connection is made with the distribution system of Macon Railway and Light Co., and at Griffin with the line of the Central Georgia Power Co.

CAPITAL STOCK

Outstanding, $4,000,000 (par, $100), of which $3,797,000 owned by Georgia Light, Power and Railways.

Annual Meeting—First Wednesday in March.

FUNDED DEBT

$2,543,500 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1938

Dated May 1, 1908.

Interest Payable May and November 1, at A. B. Leach & Co., Inc., New York, and at Bank of Scotland, London, Eng.

Denominations—Coupon (principal may be registered) and registered, $100, $500 and $1,000; also £205 9s 8d.

Trustee—Empire Trust Co. New York.

Provisions of Issue—Authorized and issued, $3,000,000, of which $456,500 retired by sinking fund to date.

Callability—Subject to call on any interest date at 105 and interest upon 60 days' notice.

Sinking Fund—One per centum per annum of total amount of bonds outstanding.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923
High	98½	98¾	97	94	86½
Low	95	95	93	85	81½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including Central Georgia Transmission Co.)

	1927	1926	1925	1924	1923	1922
Gross revenue (including other income)	$1,367,959	$1,206,522	$1,057,746	$917,792	$845,687	$657,044
Operating exp., maintenance, taxes, reserve for renewals and replacements	988,146	776,455	892,115	523,380	334,199	345,541
Balance	$379,813	$430,067	$165,631	$394,412	$511,488	$311,503
Interest on funded debt	127,985	129,287	130,610	131,994	133,499	134,538
Other interest	155,132	153,687	88,344	76,375	75,479	81,843
Balance	$96,696	$147,093	*$53,323	$186,043	$302,510	$95,122

*Deficit.

Officers: P. S. Arkwright, Pres., Atlanta, Ga.; L. S. Dure, V-P.; L. A. Magraw, V-P.; R. Frank Jones, Sec. & Asst. Treas.; W. E. Houser, Treas., Macon, Ga.

Directors: P. S. Arkwright, Atlanta, Ga.; L. A. Magraw, N. M. Block, C. B. Lewis, J. N. Neel, L. S. Dure, Roland Ellis, L. G. Smith, Francis E. Williams, Macon, Ga.

Office, Macon, Ga.

CENTRAL GEORGIA TRANSMISSION COMPANY

(Controlled by Georgia Light, Power and Railways)

History and Property—Incorporated December 14, 1911, in Georgia. It erected and owns certain transmission lines which connect with the transmission lines of the Central Georgia Power Company, and to which company it has leased them. The Georgia Railroad Commission late in April, 1912, granted the application of the company to issue $2,000,000 of Common stock and $2,500,000 of First Mortgage bonds to provide funds for construction of transmission lines, sub-stations, etc., approved by the Commission. The Company owns lines from the plant of the Central Georgia Power Company eastward to Monticello and from Macon to Manchester, Ga.

CAPITAL STOCK

Authorized, $2,000,000; outstanding $288,800; par, $100. All owned by Georgia Light, Power and Railways.

Annual Meeting—First Wednesday in March.

FUNDED DEBT

$1,019,000 First Mortgage 6s; dated Feb. 1, 1914; due Feb. 1, 1941. All owned by the Georgia Light, Power and Railways.

Officers: P. S. Arkwright, Pres., Atlanta, Ga.; L. A. Magraw, V-P.; L. S. Dure, V-P.; W. E. Houser, Treas. & Asst. Sec.; R. Frank Jones, Sec. & Asst. Treas., Macon, Ga.

Directors: P. S. Arkwright, Atlanta, Ga.; L. S. Dure, J. N. Neel, L. G. Smith, Roland Ellis, L. A. Magraw, J. B. Hart, Macon, Ga.

Office, Macon, Ga.

MISSISSIPPI POWER COMPANY

(Controlled by Southeastern Power and Light Co.)

History—Incorporated November 24, 1924, in Maine. Soon thereafter it acquired the electric properties of the Gulfport & Mississippi Coast Traction Co., the entire properties of the Hattiesburg (Miss.) Traction Co., Meridian (Miss.) Light & Railway Co., Laurel (Miss.) Light & Railway Co., Mississippi Public Service Company, and several other electric properties including Bay St. Louis, and municipally-owned properties in Houston and Starkville. The electric properties serving Columbus, Miss., and 15 other communities in north Mississippi together with the connecting transmission line, were acquired in 1926.

Properties—The various electric properties owned and operated by Company include steam electric generating stations with an aggregate generating capacity of over 30,587 k.v.a., including the 9,000 k.v.a. station at Gulfport. A total of 29,431 customers are served by the distribution systems. Transportation service is rendered in Meridian, Hattiesburg, Laurel and Ellisville. The gas plants at Meridian, Hattiesburg and Columbus have a combined daily generating capacity of 560,000 cubic feet. The distribution systems include 62.62 miles of mains and serve 3,524 customers. The transmission system is connected with Alabama Power Company system and receives hydro-electric service from it, the Company's present isolated steam plants being held in reserve.

Company supplies electric service to a population estimated at over 155,000, in 62 cities and towns, including most of the important communities in the eastern half of the State, including Meridian, Hattiesburg, Biloxi, Gulfport, Pass Christian, Laurel, Columbus, Corinth and Boonville.

Franchises—By virtue of a general law adopted on April 12, 1924, applicable to the Company and under which it is operating, the State of Mississippi granted a franchise without limit as to time and without burdensome restrictions. In addition to such franchise rights from the State, the Company holds also municipal franchises containing no burdensome restrictions, terminating at various times up to 1950, in all (except three) of the cities and towns served.

CAPITAL STOCK

Authorized, 400,000 shares Common, 100,000 shares First Pfd. (dividend $7 per annum, cumulative) and 20,000 shares Second Pfd. (dividend $7 per annum, non-cumulative); outstanding, 400,000 shares Common, 25,000 shares First Pfd. and 5,000 shares Second Pfd. The entire Common stock except directors' qualifying shares is owned by Southeastern Power and Light Company.

FUNDED DEBT

(1)

$597,000 MERIDIAN LIGHT & RAILWAY CO. FIRST MORTGAGE 5s; DUE MARCH 1, 1944

Dated February 8, 1904.

Interest Payable March and September 1, at First National Bank of Mobile, Ala.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First National Bank of Mobile, Ala.

Provisions of Issue—Authorized and issued, $750,000; outstanding, $597,000; held alive in sinking fund, $292,500.

Callability—Subject to call at 105 and interest on any interest date on three weeks' notice.

Sinking Fund—Sinking fund provides that a sum equal to ½% of bonds certified and issued must be set aside on March 1 and Sept. 1, in each year, commencing Sept. 1, 1906, for purchase of bonds at not more than 105, or for purchase of any state, municipal, or railroad mortgage bonds listed upon New York Stock Exchange. In lieu of cash payments bonds secured hereby with all unmatured coupons attached will be equivalent to a cash payment. Bonds to be kept alive in sinking fund.

Security—A first lien on entire property formerly owned by Meridian Light & Railway Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$114,000 HATTIESBURG TRACTION CO. GENERAL MORTGAGE SINKING FUND GOLD 6% BONDS; DUE JULY 1, 1952

Dated July 1, 1912.

Interest Payable January and July 1, at First National Bank of Mobile, Ala.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—First National Bank of Mobile, Ala.

Provisions of Issue—Authorized issue, $2,500,000. Additional bonds may be drawn for 85% of improvements, etc. Issued, $114,000; held alive in sinking fund, $54,000.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' published notice. Bonds when purchased by company may be kept alive and draw interest.

Sinking Fund—Sinking fund provides that a sum equal to 1% of bonds outstanding, as of preceding Aug. 1, must be set aside yearly, beginning July 1, 1916, for the purchase of bonds at not more than 105, or call at that figure; or, for purchase of underlying bonds at not more than 105. In lieu of cash payments, bonds of this issue, with all unmatured coupons attached, will be equivalent to a cash payment of 105 and accrued interest; or commencing July 1, 1915, sinking fund may be satisfied by investing in property or construction, a sum per annum equal to 1% of all bonds outstanding on previous July 1; or part in cash and part in property. Bonds to be kept alive in sinking fund.

Security—A first lien on the entire property formerly owned by Hattiesburg Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$22,000 LAUREL ELECTRIC LIGHT AND POWER CO. FIRST MORTGAGE 6s; DUE NOVEMBER 1, 1931

Dated November 1, 1911.

Interest Payable May and November 1, at Guaranty Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Sinking fund of $5,000 per annum began Nov. 1, 1913. A first lien on light and power properties of the former Laurel Electric Power & Light Co. Company pays Normal Federal Income Tax up to 2%.

(4)

$117,000 LAUREL LIGHT & RAILWAY CO. FIRST MORTGAGE 6s; DUE JULY 1, 1936

Dated December 12, 1911.

Interest Payable January and July 1, at Fidelity Trust Co., of New York, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $500,000, of which sufficient reserved to retire bonds described in paragraph 3. Bonds cannot be called. Secured by an absolute first mortgage on all of the street railway property acquired since the organization of this Company; also a lien on the light and power property in Laurel, subject only to $22,000

bonds of Laurel Electric Light & Power Co. at present outstanding, which cover only the original electric light property existing in Laurel at the time of its acquisition by the present company. These bonds were publicly offered in Jan., 1917, at 100 and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(5)

$100,000 LAUREL LIGHT & RAILWAY CO. 10-YEAR SERIAL NOTES; DUE 1924-1934

Dated March 1, 1924.

Interest Payable March and September 1.

Trustee and Fiscal Agent—Guaranty Trust Co. of New York.

(6)

$226,000 COLUMBUS RAILWAY LIGHT & POWER CO. FIRST MORTGAGE GOLD 6s, DUE JULY 1, 1937

Dated July 1, 1907.

Interest Payable January and July 1, at Company's office and at Mercantile Trust & Deposit Co., Baltimore, Trustee.

Denominations—Coupon, $500 and $1,000.

Provisions of Issue—Authorized, $300,000; outstanding, $226,000.

Callability—Subject to call at 105.

Security—Secured on entire property of former Columbus Ry., Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(7)

$70,000 PASCAGOULA WATER WORKS AND ELECTRIC LIGHT PLANT OF 1920 6s; DUE 1921 TO 1941

Dated August 1, 1920.

Interest Payable February and August 1.

Trustee and Fiscal Agent—National Bank of Commerce, New York.

(8)

$7,750,000 FIRST & REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1955; DUE SEPTEMBER 1, 1955

Dated September 1, 1925.

Interest Payable March and September 1, at The New York Trust Co., New York.

Denominations—Coupon (principal may be registered), $500 and $1,000, and fully registered $1,000 and $5,000, interchangeable.

Trustee—The New York Trust Co., New York

Provisions of Issue—Issued, $7,750,000 5% Series due 1955. Additional bonds either of this series, or of other series having such rates of interest, maturity dates and other provisions as the Board of Directors may determine and as are permitted by the mortgage, may be issued as follows: (a) for the purpose of refunding an equal principal amount of bonds of any series outstanding under the mortgage or of outstanding underlying or prior lien bonds or (b) for not more than 80% of the cost or fair value, whichever is less, of property additions (defined in the mortgage) made subsequent to June 15, 1925, and on or before June 15, 1935, or (c) for not more than 75% of the cost or fair value, whichever is less, of property additions made subsequent to June 15, 1935. No additional bonds may, however, be issued, except for refunding purposes, unless net earnings (defined in the mortgage) for 12 consecutive calendar months out of the 15 months immediately preceding application for issue shall have been at least equal to either (1) twice the actual annual interest requirements, or (2) twice 6% of the principal amount of, all outstanding underlying or prior lien bonds and all bonds issued and outstanding under the mortgage, including those proposed to be issued. Mortgage contains provisions permitting the modification thereof or of any supplemental indenture, and of the rights and obligations of Company and of holders of bonds and coupons, with assent of Company and of holders of not less than 85% of the outstanding bonds, except that in certain cases the assent of at least 95% is required.

Callability—Subject to call on any interest date on six weeks' notice; to and including September 1, 1936, at 105 and interest; and thereafter at a premium reducing ¼% per annum.

Maintenance and Renewals—Mortgage contains a covenant on the part of Company that it will at all times make such expenditures as shall be necessary to maintain the mortgaged property in good repair and efficiency and Company must deposit with the Trustee cash or underlying or prior lien bonds or bonds issued under the mortgage to be used only for the purposes specified in the mortgage.

Security—Secured by a direct first mortgage on electric properties including those serving the Gulf coast territory and by a mortgage on the balance of the properties operated, subject to underlying issues.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders upon timely and appropriate request, for the Pennsylvania Four Mills Tax and Massachusetts Income Tax up to 6% of annual interest.

Legal Opinion—Patterson, Eagle, Greenough & Day, and Simpson, Thacher & Bartlett.

Original Offering—First publicly offered ($4,000,000) in August, 1925, at 92½ and interest, yielding over 5.50%, by Harris, Forbes & Co., and Coffin & Burr, Inc., New York, and Harris Trust & Savings Bank, Chicago; an additional $1,750,000 was offered in May, 1926, at 95 and interest, yielding over 5.33% by the same bankers; $2,000,000 additional offered in March, 1927, at 96 and interest to yield about 5.27%, by Harris, Forbes & Co., Bonbright & Co., Inc., and Coffin, & Burr, New York; Harris, Forbes & Co., Inc., Boston, and Harris Trust & Savings Bank, Chicago.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925
High	97¼	95½	93¼
Low	95½	92	92

INCOME ACCOUNT, YEARS ENDED DECEMBER 31, 1927

Gross operating revenue	$2,531,609
Operating expenses, including maintenance & taxes, except Federal Income taxes	1,620,278
Net earnings from operations	$911,331
Other income	164,763
Total income	$1,076,094
Interest on funded debt	435,165
Other deductions	196,392
Balance	$444,537
Provision for renewals and replacements	77,200
Net income	$367,337
Dividends on $7 Preferred stock	175,000
Balance (before Federal taxes and dividends on $7 Second Pfd. stock)	$192,337

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital	$32,108,002
Due from affiliated companies	182,575
Current assets	1,152,922
Sinking fund (cash with trustee)	132,766
Deferred charges to future operations	412,081
Total	$33,988,346
Liabilities—	
Capital stock	*$17,653,941
Long-term debt	8,765,602
Due to affiliated companies	5,003,721
Current liabilities	108,490
Accrued interest & taxes	351,537
Customers' deposits	192,914
Other liabilities	69,665
Reserves	1,279,761
Surplus	562,715
Total	$33,988,346

*Represented by 400,000 shares Common, 25,000 shares First Pfd. and 5,000 shares Second Pfd., all of no par value.

Officers: B. E. Eaton, Pres., Gulfport, Miss.; J. M. Barry, V-P., Birmingham, Ala.; F. P. Cummings, V-P.; W. J. Henderson, V-P., New York; L. P. Sweatt, Jr., V-P. & Gen. Mgr., Gulfport, Miss.; Walter

M. Hood, Sec., Birmingham, Ala.; Robert M. MacLetchie, Treas., New York; M. P. Randall, Asst. Sec.; A. King, Asst. Treas.; J. W. Muir, Asst. Treas.; L. H. Ewin, Asst. Sec.; W. S. Chalker, Asst. Sec.; Stephen A. Dawley, Asst. Treas. & Asst. Sec.

Directors: B. E. Eaton, Gulfport, Miss.; Thomas W. Martin, E. A. Yates, J. M. Barry, Frank N. Savage, W. S. Chalker, Birmingham, Ala.; R. B. Clark, Tupelo, Miss.; H. S. Weston, Logtown, Miss.; Charles Green, Laurel, Miss.; H. E. Ray, Corinth, Miss.; A. D. Simpson, Meridian, Miss.; Frank W. Foote, Hattiesburg, Miss.

General Office, Gulfport, Miss. **New York Office,** 120 Broadway.

GULF POWER COMPANY

(Controlled by Southeastern Power and Light Company)

History—Incorporated in Nov. 1925, in Maine. In May,, 1926, Pensacola Electric Company was merged with it. Company does the electric lighting and power business of Pensacola, Millville, St. Andrews, Lynn Haven, Panama City, Chipley, Bonifay, Graceville, De Funiak Springs, Camp Walton, Century, Valparaiso, Niceville and Warrington; also operates the street railway system in Pensacola. It also does the gas business in Pensacola through a system acquired from Pensacola Gas Company early in 1928.

CAPITAL STOCK

(As at Dec. 31, 1927)

Authorized and outstanding, 400,000 shares Common and 4,395 shares $7 cumulative Pfd., both of no par value. All the Common stock is owned by Southeastern Power & Light Co. The Pfd. stock is redeemable at 110.

Dividends—Pfd. dividends have been regularly paid.

FUNDED DEBT

(1)

$1,061,000 PENSACOLA ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE AUGUST 1, 1931

Dated August 1, 1906.

Interest Payable February and August 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized issue, $1,500,000; issued, $1,341,000, of which $280,000 reacquired and cancelled by Trustee (to Dec. 31, 1927). The $159,000 unissued bonds are reserved for additions and improvements at 80% of cost.

Callability—Subject to call as a whole only at any time at 105 and interest, and in part for sinking fund only.

Sinking Fund—Sinking fund of 1½% per annum of bonds outstanding began Dec., 1907, first five payments were waivable, but became a fixed charge on Dec. 1, 1912, to be applied to purchase or redemption of bonds at not exceeding 105 and interest.

Security—A first lien on entire property formerly owned by Pensacola Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in 1906 at 93 and interest; additional $420,000 offered in Dec., 1918, at price to yield about 6.80%.

(2)

$200,000 PENSACOLA GAS CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1934

Dated April 2, 1904.

Interest Payable April and October 1, at Germantown Trust Co., Philadelphia, Pa.

Denomination—Coupon, $1,000.

Trustee—Germantown Trust Co., Philadelphia, Pa.

Callability—Subject to call on any interest date at 105 and interest.

Security—A first lien on entire property formerly owned by Pensacola Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

BONDS ISSUED SINCE CLOSE OF FISCAL YEAR

(3)

$2,500,000 GULF POWER COMPANY FIRST AND REFUNDING MORTGAGE GOLD BONDS 5% SERIES DUE 1968; DUE APRIL 1 1968

Dated April 2, 1928.

Interest Payable April and October 1, in New York City.

Denomination—Coupon, $1,000; principal may be registered. Coupon and registered bonds interchangeable.

Trustees—The National Park Bank of New York and Ralph L. Cerero.

Provisions of Issue—Open mortgage; outstanding, $2,500,000. Additional bonds either of this series, or other series, having such rates of interest, maturity dates and other provisions as the Board of Directors of the Company may determine may be issued, (a) for refunding an equal principal amount of outstanding underlying bonds or prior lien bonds (as defined in the mortgage) or bonds of any series issued under the mortgage; (b) against cash to an equal amount; and (c) for a principal amount of not more than 75% of the cost or fair value to the Company, whichever is less, of property additions (as defined in the mortgage) made subsequent to March 31, 1928.

Additional bonds may not be issued, however, except for refunding purposes, unless the net earnings (as defined in the mortgage) for twelve out of fifteen calendar months immediately preceding a date not earlier than fifteen days before the date of making application for issuance shall have been equal to either (1) twice the annual interest requirements on, or (2) twice 6% of the principal amount of all outstanding underlying and prior lien bonds and all bonds outstanding under the mortgage, including those proposed to be issued.

The mortgage contains provisions permitting, on conditions stated therein, the modification or alteration of the bonds or the mortgage or of any supplemental indenture with the assent of the Company and of the holders of not less than 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned by the Company, if challenged; provided that no such modification or alteration shall permit, without the consent of the holders affected, the extension of the time or times of payment of the principal of or interest on any bond, or the reduction in rate of interest on, or any other modification in the terms of payment of such principal or interest.

Callability—Subject to call as a whole or in part at any time prior to maturity on 45 days' notice; at 105 through April 1, 1933; thereafter at 104 through April 1, 1938; the premium thereafter decreasing ½ of 1% for each four years elapsed since April 2, 1934; and after April 1, 1966 and prior to maturity at 100; plus accrued interest in each case.

Sinking Fund—No provision.

Security—Secured by a direct first mortgage on all property of the Company outside of the City of Pensacola and by a mortgage on all the property in Pensacola except certain land in Pensacola and street railway properties in Pensacola and vicinity as stated in the mortgage, subject to the lien of divisional bonds maturing in 1931 and 1934.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania Four Mills tax refunded to holders resident in that State.

Legal Opinion—Patterson, Eagle, Greenough & Day, New York (for the Bankers); and Simpson, Thacher & Bartlett, New York, and Martin, Thompson, Foster & Turner, Birmingham, Ala (for the Company).

Original Offering—First publicly offered ($2,500,000) in March, 1928, at 99 and interest, to yield about 5.06%, by Harris Trust & Savings Bank, Chicago.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926
Gross operating revenue	$794,816	$675,632
Operating expenses, incl. maintenance & taxes, except Federal Income taxes	482,672	380,248
Net operating revenue	$312,144	$295,384
Other income	22,120	12,362
Gross income	$334,264	$307,746
Interest on funded debt	53,488	33,702
Other deductions	169,970	138,726
Balance	$110,806	$135,317
Provision for renewals & replacements	26,954	.....
Net income	$83,852	$135,317
Dividend on $7 Pfd. stock	30,765	28,934
Surplus (before Federal taxes)	$53,087	$106,383

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$15,831,577
Current assets	420,074
Due from affiliated cos.—current account	8,789
Miscellaneous assets	3,072
Deferred charges	56,172
Total	$16,319,684
Liabilities—	
Common stock (400,000 shares)	$10,439,500
$7 Preferred stock ($4,395 shares)	
Funded debt	1,061,000
Current liabilities	20,107
Accrued liabilities	37,221
Due to affiliated cos.	3,399,597
Other liabilities	47,062
Reserves	1,129,328
Miscellaneous unadjusted credits	11,769
Surplus (subject to Federal Income tax)	174,100
Total	$16,319,684

Officers: Francis B. Carter, Pres.; William J. Henderson, V-P.; Theo. K. Jackson, V-P.; F. P. Cummings, V-P.; C. A. Bingham, V-P.; W. M. Stanley, V-P. & Gen. Mgr.; Walter M. Hood, Sec.; W. Grant, Treas.; Stephen A. Dawley, Asst. Sec. & Asst. Treas.; E. M. Linnville, Asst. Sec. & Asst. Treas.; W. S. Chalker, Asst. Sec.; C. M. Bostick, Aud.; L. T. Smith, Jr., Asst. Gen. Mgr.

Directors: Francis B. Carter, W. M. Stanley, J. S. Reese, C. L. Shine, E. R. Malone, Pensacola, Fla.; Theo. K. Jackson, Mobile, Ala.; William J. Henderson, New York; W. C. Sherman, Panama City, Fla.; C. C. Lidden, Marianna, Fla.; G. B. Campbell, De Funiak Springs, Fla.

General Office, Pensacola, Fla. **New York Office**, 120 Broadway.

SOUTH CAROLINA POWER COMPANY

(Controlled by Southeastern Power and Light Company)

History and Property—South Carolina Power Company was organized by Agreement of Consolidation dated Nov. 16, 1926, approved Dec. 18, 1926, between Charleston Consolidated Railway and Lighting Company, Charleston Consolidated Railway, Gas & Electric Company, Charleston-Edison Light and Power Company, and Charleston Gas Light Company.

The Company conducts the entire commercial electric power and light and gas business in the City of Charleston, South Carolina, and surrounding territory, and supplies service to Mt. Pleasant and Moultrieville. In addition the Company renders transportation service in Charleston and between the City and North Charleston. The population served is estimated at 85,000. The Company serves 10,421 electric consumers and 7,797 gas consumers. Output in 1927: Electricity, 33,405,000 k.w.h.; gas, 352,404,000 cu. ft.

The Company's electric property includes a modern steam generating station with a present installed capacity of 19,000 k.w., including a unit of 10,000 k.w. installed in 1927 to replace an obsolete 1,000 k.w. unit and the boiler house was extended. There were at Dec. 31, 1927, 296 miles of distribution lines. The gas property consists of a water gas system having an aggregate daily capacity of about 4,500,000 cubic feet, together with 84.18 miles of mains. The transportation system comprises 36.42 miles of track together with appurtenant equipment consisting of passenger cars, work cars, etc.

To meet the future growth of the territory in a sound economical manner, plans are under consideration for the interconnection, through the construction of high tension transmission lines, of the property of South Carolina Power Company with other properties in the State of Georgia which are controlled by Southeastern Power and Light Company. South Carolina Power Company would thus have the benefit of the hydro-electric resources of the Southeastern Power & Light System.

CAPITAL STOCK

Authorized, $10,000,000 Common, par, $10, $7,500,000 6% cumulative First Pfd., and $2,500,000 6% cumulative Second Pfd., both of $100 par value; outstanding, $3,000,000 Common, $1,248,200 First Pfd., and $2,500,000 Second Pfd. The entire Common stock except directors' qualifying shares, and the entire 6% Cumulative Second Pfd. stock are owned by Southeastern Power and Light Company.

Callability—The Pfd. stock is subject to redemption at $110 at any annual or special meeting of the majority of Common stockholders.

Transfer Agent—South Carolina Power Co., 141 Meeting St., Charleston, S. C.

Annual Meeting—Wednesday after third Monday in March.

Dividends—Pfd. dividends are paid quarterly, J, A, J, & O 1.

FUNDED DEBT

(1)

$1,686,000 CHARLESTON CONSOLIDATED RAILWAY, GAS & ELECTRIC CO. CONSOLIDATED GOLD 5s; DUE MAR. 1, 1999

Dated March 1, 1899.

Interest Payable March and September 1, at Baltimore Trust Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Baltimore Trust Co., Baltimore.

Provisions of Issue—Authorized, $2,500,000 (mortgage closed); outstanding with public, $1,686,000. In addition $671,000 are pledged under the South Carolina Power Co. First Lien and Refunding Mortgage.

Sinking Fund—A sinking fund of $10,000 per annum became operative April 1, 1914. By the provisions of this sinking fund bonds must be purchased up to 110 and interest, and cancelled, if not obtainable the money remains in sinking fund.

Security—Secured by a mortgage on entire property of former Charleston Consolidated Railway Gas & Electric Company, including 36.55 miles of street railway in Charleston, S. C.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	94¾	90¼	85¼	82¾	87¼	..	82
Low	97	92⅝	89¼	83	82	83⅜	..	70

(2)

$4,000,000 SOUTH CAROLINA POWER COMPANY FIRST LIEN AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES DUE 1957; DUE JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York City.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered bonds in denominations of $1,000 and $5,000 and authorized multiples.

Coupon bonds in denominations of $1,000 and fully registered bonds interchangeable.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Issued, $4,000,000 5% Series due 1957. Additional bonds either of this series, or of other series, having such rates of interest, maturity dates and other provisions as directors may determine and as are permitted by the mortgage may be issued as follows: (a) $500,000 principal amount, at option of Company at any subsequent time against property as it existed Dec. 1, 1926; (b) for purpose of refunding an equal principal amount of bonds of any series outstanding under the Mortgage or of outstanding underlying or prior lien bonds; (c) in principal amount not to exceed 75% of cost or fair value to Company, whichever is less, of property additions made subsequent to Dec. 1, 1926, or for not mare than 75% of the cost or fair value to a subsidiary company, whichever is less, of subsidiary property additions, or (d) for cash to an equal amount. No bonds may be issued against subsidiary property additions unless not less than an equal principal amount of First Mortgage bonds of said subsidiary Company are simultaneously pledged with the Trustee. No additional bonds, however, may be issued except for refunding purposes unless net earnings for 12 consecutive calendar months within the 15 calendar months immediately preceding a date not earlier than 15 days before the application for issue shall have been at least equal to either (a) twice the annual interest requirements on or (b) 12% of the aggregate principal amount of all outstanding underlying and prior lien bonds and all bonds issued and outstanding under the Mortgage, including those proposed to be issued. Mortgage contains certain provisions permitting the modification or alteration of the bonds or the Mortgage or of any supplemental indenture with the assent of the Company and of the holders of not less than 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned by Company; provided that any such modification or alteration shall not permit, without the consent of the holders effected, the extension of the maturity of any bonds, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest.

Purpose of Issue—These bonds, together with Pfd., Second Pfd. and Common stocks, were issued in connection with the acquisition of constituent properties and this financing resulted in the retirement of $658,000 6% bonds, as well as the liquidation of indebtedness incurred for extensions to the physical property theretofore unfunded. This financing also provided Company with funds for further additions to property and other corporate purposes.

Callability—Subject to call on any interest date in whole or in part, on 30 days' notice, to and including Jan. 1, 1932, at 105 and interest, and thereafter at 1-5 of 1% less for each year elapsed since Jan. 2, 1931.

Security—Secured by a direct mortgage on the entire fixed public utility property, and public utility rights and franchises of Company, subject only to the lien of the Charleston Consolidated Ry., Gas & Electric Co. Consolidated (Closed) Mortgage. The bonds share in the first mortgage lien of the Charleston Consolidated Ry., Gas & Electric Co. mortgage under which $1,686,000 bonds are outstanding with the public, through pledge with the Trustee of an additional $671,000, of such bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded upon application to resident holders.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York (for the Bankers) and Simpson, Thacher & Bartlett, New York, and Martin, Thompson, Foster & Turner, Birmingham, Ala. (for the Company).

Original Offering—First publicly offered ($4,000,000) in January, 1927, at 95 and interest, to yield about 5.33% by Harris, Forbes & Co., Bonbright & Co., Inc., Tucker, Anthony & Co., Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

Price Range—1927: High, 96; low, 94½.

EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$1,805,509
Operating expenses, maintenance & taxes	1,084,063
Net earnings	$721,446
Other income	51,110
Total income	$772,556
Interest on funded debt	285,198
Other deductions	19,419
Provisions for renewals & replacements	90,000
Balance	$377,939
Dividends on 6% Pfd. stock	74,892
Dividends on 6% Second Pfd. stock	150,000
Balance (before Federal taxes)	$153,047

CONDENSED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Fixed capital	$13,321,694
Current assets	478,552
Miscellaneous assets	2,036
Due from affiliated cos.	3,322
Investments	31,720
Deferred charges	65,090
Total	$13,902,414
Liabilities—	
Common stock	$3,000,000
Preferred stock	3,748,200
Funded debt	5,686,000
Due to affiliated cos.	993,229
Current liabilities	78,193
Reserves	166,128
Other liabilities	170,335
Surplus	60,329
Total	$13,902,414

Officers: Stuart Cooper, Pres.; C. A. Bingham, V-P.; F. P. Cummings, V-P.; H. M. Pace, V-P.; M. C. C. Tessier, Sec.; Chas. J. Bendt, Treas.; Stephen A. Dawley, Asst. Sec. & Asst. Treas.; J. D. Hardy, Asst. Sec.; E. S. Fishburne, Asst. Treas.

Directors: Stuart Cooper, W. King McDowell, H. A. Molony, Hyman Pearlstine, M. Rutledge Rivers, Charleston, S. C.; W. H. Hassinger, Thos. W. Martin, E. A. Yates, Birmingham, Ala.; E. T. H. Shaffer, Walterboro, S. C.; W. L. Glover, Orangeburg, S. C.; W. Fred Lightsey, Crocketville, S. C.; F. Barron Grier, Greenwood, S. C.; F. P. Cummings, New York.

General Office, 141 Meeting St., Charleston, S. C.

SOUTHEASTERN FUEL COMPANY

(Controlled by Southeastern Power and Light Company)

History and Property—Organized in 1924 as a subsidiary of Southeastern Power and Light Company, primarily, to supply the fuel requirements of the System, and owns valuable holdings of coal deposits in

Southeastern Fuel Company Bonds

Bought and Sold

WARD, STERNE & COMPANY

Birmingham, Ala.

the heart of the Warrior coal fields near Birmingham, Ala., comprising about 12,000 acres estimated to contain upwards of 138,000,000 tons of recoverable coal. Present annual capacity is 400,000 tons.

Contract—Alabama Power Co., subsidiary of Southeastern Power & Light Co., contracted with Southeastern Fuel Co., for the purchase of coal in quantities and at prices per ton which it is calculated will amply provide in each year for the payment by Southeastern Fuel Co., of all of its expenses, including interest and minimum sinking fund payments on the First Mortgage bonds. This contract is pledged as additional security under the mortgage.

CAPITAL STOCK

Authorized, 100,000 shares Common and 15,000 shares Preferred, both of no par value; outstanding, 78,000 shares Common and 5,000 shares Pfd.

FUNDED DEBT

$2,379,000 FIRST (CLOSED) MORTGAGE 6% SINKING FUND GOLD BONDS; DUE JULY 1, 1945

Dated July 1, 1925.

Interest Payable Jan. and July 1, in New York, and Birmingham, Ala.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Chase National Bank of New York.

Provisions of Issue—Authorized, $2,500,000; outstanding, $2,379,000.

Callability—Subject to call in whole or in part, on 30 days' notice, on any interest date to and including Jan. 1, 1929, at 105 and interest and thereafter with successive reductions of 1% in redemption price during each four-year period.

Sinking Fund—Annual payments beginning April 1, 1926, into a sinking fund of 10c per ton for coal mined up to 400,000 tons per annum, and of 15c per ton for all amounts in excess thereof, to be used to retire the bonds. The minimum annual payment of the sinking fund will amount to $62,500 per annum, which alone will retire 50% of this issue by maturity.

Security—A direct first mortgage upon all the mineral and surface lands, mining rights, buildings, mines, equipment and other fixed assets owned by company; also contract with Alabama Power Co. for purchase of all coal mined by Southeastern Fuel Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to reimburse holders upon appropriate request, for the Connecticut and Pennsylvania four mills taxes and for the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($2,500,000) in July, 1925, by Harris Trust & Savings Bank, Chicago.

EARNINGS

For the year ended December 31, 1927, net earnings after depreciation and depletion, but before interest on funded debt, were $507,492, compared with $365,927 in 1926.

OFFICERS AND DIRECTORS

Officers: A. B. Aldridge, Pres.; D. G. Trawick, V-P.; E. P. Randle, V-P.; W. J. Henderson, V-P.; P. W. Turner, V-P.; Walter M. Hood, Sec.; M. P. Randall, Asst. Sec. & Asst. Treas.; W. S. Chalker, Asst. Sec.; Robert M. MacLetchie, Treas.; R. E. Howard, Jr., Asst. Treas.; Stephen A. Dawley, Asst. Treas.; John W. Muir, Aud.; Herman W. Boozer, Asst. Aud.

Directors: A. B. Aldridge, D. G. Trawick, Birmingham, Ala.; E. P. Randle, Gorgas, Ala.

General Office, Alabama Power Co. Bldg., Birmingham, Ala. **New York Office,** 120 Broadway.

PRINCE WILLIAM SOUND WATER-POWER, LIGHT AND TELEPHONE COMPANY

History and Property—Incorporated Dec. 16, 1915, in Wash.; consolidation of Alaska Light & Telephone Co., Valdez Electric Co. and Iles Electric Co. Furnishes light and power and telephone service in Valdez and Fort Liscom, Alaska. Property consists of water power site at Solomons Gulch, Valdez, Alaska, two hydro-static plants and telephone system. Population served, 5,000.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Stock transferred at Company's office, Seattle, Wash. Registrar: Seattle (Wash.) Trust Co. Annual meeting, first Tuesday in May. No dividends paid.

FUNDED DEBT

$67,800 First Gold 7s; dated May 1, 1916; due May 1, 1931; int. May and Nov. 1, at Seattle (Wash.) Trust Co., Trustee. Coupon, $100; principal may be registered. Authorized issue, $100,000. Sinking fund, $2,000 per annum. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$26,119	$26,093	$26,778
Oper. expenses, taxes, etc.	25,008	13,623	13,651
Net earnings	$1,111	$12,470	$13,127
Interest	.....	6,316	5,940
Other charges	.....	3,969	3,222
Total charges	.....	$10,285	$9,162
Net income	.....	2,185	3,965

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Property account	$310,858	$310,641	$312,162
Trustee stock	19,400	19,400	22,926
Cash	350	274	452
Other assets	178	.....	.....
Profit and loss deficit	59,999	60,510	54,499
Total	$390,785	$390,825	$390,039

Liabilities—	1926	1925	1924
Capital stock	$300,000	$300,000	$300,000
Funded debt	67,800	63,200	58,400
Unpaid interest	369	204	969
Bills payable	22,616	$27,049	27,849
Accounts payable		372	2,820
Total	$390,785	$390,825	$390,039

Officers: Bernard Pelly, Pres.; M. Y. H. Lenoir, V-P.; Bernard B. Pelly, Sec. & Treas., Seattle, Wash.; W. T. Stuart, Supt., Valdez, Alaska.

Directors: M. Y. H. Lenoir, Bernard Pelly, E. E. Ritchie, Ambrose S. Collins, Bernard B. Pelly, Walter T. Stuart.

General Office, Seattle, Wash.

NORTH KANKAKEE ELECTRIC LIGHT & RAILWAY COMPANY

History and Properties—Incorporated June 19, 1893, in Ill., as North Kankakee Electric & R. R.; on April 1, 1905, charter renewed for 20 years and name changed to present title. Connects Kankakee, Bradley and Bourbonnais, Ill. Miles of track, 4.2. Gauge, standard. Rail, 70 lb. T. Cars—motor, 4; trail, 4; work, 1. The company operates under a 20-year franchise. Power purchased from Chicago & Southern Traction Co.

CAPITAL STOCK

Authorized, $100,000; outstanding, $97,800; par, $100. Annual meeting, second Tuesday in June. No dividends are being paid.

FUNDED DEBT

None.

Officers: Louis F. Beckman, Pres.; Henry Beckman, V-P. & Treas., Arthur L. Beckman, Sec., Kankakee, Ill.; C. G. Windal, Mgr., Bradley, Ill.

Directors: Louis E. Beckman, Henry Beckman, Arthur L. Beckman, T. M. Kelly, Z. Boisvert, W. W. Bird, Alfred Beaumont, Kankakee, Ill.

Office, Kankakee, Ill.

STANDARD GAS AND ELECTRIC COMPANY

(See Accompanying Map)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Rate	Dividends Paid—Amount	Earnings per Share
7% Cum. Prior Pref., par, $100	J, A, J & O 25	$50,000,000	$21,000,000	Yes	$10,275,010	7%	$1,470,000	$48.93
8% Cum. Pfd., par, $50	M, J, S & D 15	30,000,000	26,274,000	No	8,805,010	8%	2,099,858	16.75
6% Non-Cum. Pfd., par, $1	J, A, J & O 15	3,000,000	1,000,000	Yes	6,705,152	6%	60,000	6.71
Common, without par value	J, A, J & O 25	3,000,000 shs	1,418,803 shs	...	6,645,152	$3.50	4,386,561	*4.68

*Based on stock outstanding at Dec. 31, 1927, irrespective of the date of issuance.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
20-Year 6% Gold Notes	Oct. 1, 1935	A & O 1	$15,000,000	$15,000,000	No	Yes	Paid by Co.
6% Gold Debentures Series "A"	Feb. 1, 1951	F & A 1	15,000,000	15,000,000	No	Yes	Paid by Co.
6% Gold Debentures	Dec. 1, 1966	J & D 1	.....	10,000,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $40,000,000.
Amount Available for Interest in 1927, $12,881,008.
Interest Paid and Accrued in 1927, *$2,605,998.
Times Interest Earned in 1927, 4.94.
*Includes amortization of debt discount and expense.

History and Properties—Incorporated April 28, 1910, under the laws of Delaware, for the purpose of acquiring, selling, operating, etc., electric, gas, water and other properties as specified in its charter. A holding corporation controlled by H. M. Byllesby & Co., Chicago, Ill. It is also an original organization and not a consolidation of previously existing corporations.

The public utility companies of the Standard Gas and Electric Company System furnish electric power and light, gas, steam heat, telephone, water and/or street railway service in important commercial, financial and industrial centers located in nineteen states. The communities served, numbering 1,430, having an estimated population of 6,000,000 include Pittsburgh Minneapolis, St. Paul, San Francisco, Louisville, Oklahoma City, Muskogee, Ardmore, Sioux Falls, St. Cloud, Fargo, La Crosse, Eau Claire, Green Bay, Oshkosh, Sheboygan, Wausau, Menominee, Casper, Marshfield, Kalispell, Medford, Klamath Falls, Pueblo and San Diego. The communities served are located in Arkansas, California, Colorado, Idaho, Illinois, Indiana, Kentucky, Michigan, Minnesota, Montana, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Washington, Wisconsin and Wyoming.

The present subsidiary and affiliated public utility companies have an aggregate installed hydro-electric and steam electric generating capacity of 1,265,103 kilowatts (including the new plants of The California Oregon Power Co. of 32,000 k.w. and of Louisville Gas & Electric Co. of 80,000 k.w.); installed daily gas manufacturing capacity of 102,911,000 cubic feet; a total of 23,835 miles of transmission and distribution pole and underground lines and connected load, all purposes, of 2,576,722 kilowatts including 1,215,462 kilowatts power load and 1,280,762 kilowatts lighting load. They serve a present combined total of 1,481,029 customers including 1,003,505 electric customers and 459,265 gas customers; and, for the 12 months ended December 31, 1927, had a combined total electric output of 3,670,409,785 kilowatt hours, and for the same period, a total gas output of 46,805,021,000 cubic feet.

The Company also owns a controlling interest in Shaffer Oil and Refining Company and subsidiaries, have an established position in the oil industry, with complete production, refining, transportation and distributing facilities.

SUBSIDIARY AND AFFILIATED COMPANIES

Subsidiary and affiliated companies of Standard Gas and Electric Company, all of which are operated by and under the general management of its subsidiary, Byllesby Engineering and Management Corporation, are the following:

California Power Corporation and Subsidiary, The California Oregon Power Company—Furnish electricity for power and light to 55 communities in southern Oregon and northern California, including the cities of Klamath Falls, Medford, Roseburg, Ashland and Yreka. The properties of the Company include 12 hydro-electric generation stations with combined capacity of approximately 90,000 kilowatts, the output of a considerable part of which is wholesale to other companies.

Fort Smith Light and Traction Company and Subsidiary, Mississippi Valley Power Company—Furnish electricity, gas and street railway service to Fort Smith, Arkansas and electricity to a considerable coal mining and fruit growing region in that state.

Louisville Gas and Electric Company and Subsidiaries—Furnish electricity for power and light and gas to Louisville, Kentucky and environs. Louisville, the metropolis of Kentucky is a railroad, tobacco and manufacturing center. A hydro-electric generating station of 80,000 kilowatts capacity at the falls of the Ohio River at Louisville is practically completed (as of May, 1928) which will increase the generating facilities of the Company to 173,500 kilowatts.

Mountain States Power Company—Furnishes electricity for power and light, gas, steam heat, telephone and/or water service to 88 communities in the states of Washington, Oregon, Idaho, Montana, Wyoming and South Dakota, including Casper, Eugene, Albany, Corvallis and Kalispell.

Northern States Power Company and Subsidiaries—Northern States Power Company system furnishes electricity for power and light, gas, street railway, steam heating, telephone and/or water service to 568 communities having in excess of 1,400,000 population located in the states of Minnesota, Wisconsin, North Dakota, South Dakota and Illinois. The communities served include Minneapolis, St. Paul, La Crosse, Sioux Falls, Fargo, Eau Claire, St. Cloud, Winona, Grand Forks, Mankato and Faribault. The properties of the Company include 49 hydro-electric and steam electric generating stations having a combined total generating capacity of approximately 330,000 kilowatts.

Oklahoma Gas and Electric Company—Furnishes electricity to 147 communities in Oklahoma, including Oklahoma City, Muskogee, Enid, Shawnee, Sapulpa, Ardmore and Guthrie. The generating facilities of the Company include 25 steam electric stations having in excess of 100,000 kilowatts installed capacity. 30,000 kilowatts capacity additional is now (May, 1928) under construction at the Horseshoe Lake Station.

STANDARD GAS AND ELECTRIC COMPANY
and operated and affiliated companies
Securities Bought and Sold
H. M. Byllesby and Co.
Incorporated
CHICAGO NEW YORK
Boston — Providence — Philadelphia — Detroit — Minneapolis — St. Paul — Kansas City


Jacksonville
St. Johns R.
Tampa
Lake Okeechobee
Fort Meyers
Palm Beach
Miami
BAHAMA IS
POOR'S PUBLISHING COMPANY, N.Y.

MAP SHOWING LOCATION OF
UTILITIES POWER & LIGHT CORPORATION
PROPERTIES

LEGEND

- Power Plant
- Gas Plant
- Ice Plant
- Electric Transmission Lines
- Gas Transmission Lines

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San Diego Consolidated Gas and Electric Company—Furnishes electricity and gas to San Diego, California, and cities, towns and territories adjacent thereto. San Diego located on a splendid natural harbor, is a naval and marine base of great importance, a center of the orange and lemon growing industry and is noted for its temperate climate.

Southern Colorado Power Company—Furnishes electricity for power and light to 58 communities in the extensive industrial, mining and agricultural territory in southern Colorado centering at Pueblo.

Standard Power and Light Corporation and Subsidiaries—A comprehensive public utility system furnishing electricity for power and light, natural and manufactured gas, street railway and other utility services in the city of Pittsburgh and surrounding territory. The generating facilities of the system include 2 steam electric generating stations, having a combined total of 376,500 kilowatts generating capacity. Standard Power and Light Corporation also controls approximately a 40% stock interest in The Market Street Railway System in the city of San Francisco.

Wisconsin Public Service Corporation and Subsidiary, Menominee, and Marinette Light and Traction Company—Furnish electricity for power and light, gas and/or street railway service to 141 communities in northeastern Wisconsin and Menominee County, Michigan, including Green Bay, Sheyboygan, Oshkosh, Manitowoc, Marinette, Two Rivers and Menominee, Michigan. The properties of the system include 9 hydro-electric generating stations having a combined total of 29,618 kilowatts capacity and 3 steam electric generating stations having a combined total of 39,750 kilowatts installed capacity.

Wisconsin Valley Electric Company and Subsidiaries, Wisconsin Valley Power Company, Waupaca Electric Service and Railway Company and Valley Transit Company—Furnish electricity for power and light, gas and/or street railway service to 35 cities and towns in north central Wisconsin, including Wausau, Stevens Point, Antigo, Merrill and Rhinelander. The Company owns and operates hydro-electric and steam-electric generating stations with combined capacity of 17,462 kilowatts and also owns important undeveloped hydro-electric sites.

Shaffer Oil and Refining Company and Subsidiaries—A complete unit in the oil industry, embracing petroleum production, transportation, refining, distribution and marketing. The Company owns or controls oil leases covering 114,000 acres of oil lands, on which are located a total of 569 producing wells, 376 miles of pipe lines, a 10,000 barrel modern refinery at Cushing, Oklahoma and 626 tank cars. The Company has 438 distributing stations in 11 states in the Middle West.

Interest in Pacific Gas and Electric Company—Effective May 1, 1927, Standard Gas and Electric Company became a large stockholder in Pacific Gas and Electric Company as the result of a transaction whereby the properties of Western States Gas and Electric Company, Coast Valleys Gas and Electric Company and Sierra and San Francisco Power Company, in California, formerly subsidiaries of Standard Gas and Electric Company, were merged with the system of Pacific Gas and Electric Company. The system of the latter company almost completely surrounded the holdings of Standard's subsidiaries in that territory, making possibilities for satisfactory expansion exceedingly limited. A transaction was arranged, with the approval of the California Railroad Commission, whereby these properties became part of the Pacific Gas and Electric Company system, and Standard Gas and Electric Company received in exchange for its holdings in these companies, together with certain undeveloped water power sites, cash in the amount of $2,085,000, and 260,000 shares (par value $25) of Common stock of Pacific Gas and Electric Company. The latter company serves San Francisco, Oakland and a great section of central and northern California.

Control of Wisconsin Valley Electric Company and Subsidiaries Acquired—Standard Gas and Electric Company acquired, effective July 1, 1927, control of the properties of Wisconsin Valley Electric Company and its subsidiaries, Wisconsin Valley Power Company, Waupaca Electric Service and Railway Company and Valley Transit Company, with headquarters at Wausau, Wisconsin. The territory served covers the valley of the Wisconsin River from Stevens point on the south to Rhinelander on the north, a distance of about 120 miles, and includes most of the territory from thirty to fifty miles east of the river. A total of 35 cities and towns, with combined population of 78,000, are variously supplied with electricity, gas and street railway service, the principal communities being Wausau, Stevens Point, Antigo, Merrill and Rhinelander. Gross earnings for the year 1927 were $1,616,839 and net earnings, before provision for retirement (depreciation) reserves, were $780,098. The Company operates hydro-electric and steam generating stations with combined capacities of 17,462 kilowatts, and also owns important undeveloped hydro-electric sites. Customers of all classes number 23,743.

The territory served by Wisconsin Valley Electric Company lies between that of Northern States Power Company on the west and Wisconsin Public Service Corporation on the east, both of which companies are part of the Standard Gas and Electric Company system, and its properties are strategically located for inter-connection with properties of the two other companies. Construction of a high voltage transmission line from Stevens Point to Green Bay has been started to inter-connect the Company's system with that of Wisconsin Public Service Corporation, thereby effecting operating economies for both companies through the regular interchange of power.

Sale of Gas Properties—As of Dec. 1, 1927, Oklahoma Gas and Electric Company sold its natural gas properties, consisting of distribution systems in 14 communities, to other interests, thereby enabling the Company to concentrate its entire attention upon the development of its electric power and light business. Effective Dec. 31, 1927, Mountain States Power Company sold its gas properties in the cities of Tacoma, Everett and Olympia, Washington. These gas properties are distant from the principal territories served by the Company, the business of which is chiefly electric power and light service.

New Construction—Net construction expenditures of the subsidiary and affiliated companies during 1927 totaled $48,870,800, the largest in the history of the system. Duquesne Light Company completed the installation of two 40,000 kilowatt steam turbine units during the year. Louisville Hydro-Electric Company, a subsidiary of Louisville Gas and Electric Company, practically completed the construction of a hydro-electric plant, with installed capacity of 80,000 kilowatts, at the falls of the Ohio River at Louisville. The California Oregon Power Company placed in service, early in 1928, the first two units totaling 32,000 kilowatts capacity, of the 48,000 kilowatt Prospect No. 2 hydro-electric development on the north fork of the Rogue River in Oregon. Oklahoma Gas and Electric Company, besides increasing the capacity of its steam-electric station at Byng, Oklahoma, to 17,000 kilowatts, started work on the construction of an extension to its Horseshoe Lake steam-electric station, and will install an additional unit of 30,000 kilowatts capacity. San Diego Consolidated Gas and Electric Company is erecting an addition to its Station B, and is installing an additional 25,000 kilowatt steam-turbine unit. Space will be provided for another unit of the same size to be installed at a later date. The San Diego company also made extensive additions to its gas manufacturing facilities, installing a new generator of 3,300,000 cubic feet daily capacity, which was placed in service early in 1928. Northern States Power

CANADIAN SECURITIES
Orders executed in
STANDARD GAS & ELECTRIC CO.
JENKS, GWYNNE & CO.
Telephone 7474 Hanover
Members New York Stock and Cotton Exchanges and New York Curb Market
Private Wires to Boston, Chicago, Dallas, Hartford, Montreal, Quebec, Toronto & Tulsa
30 Broad St. New York City
Standard Oil, Tobacco, and Unlisted Securities

Company reports favorable progress on the construction of the 21,600 kilowatt hydro-electric development at Chippewa Falls, on the Chippewa River in Wisconsin, planned for completion in the fall of 1928.

Construction actually completed during the year added a net total of 68,726 kilowatts of generating capacity to the aggregate of the system, which now totals 1,153,103 kilowatts. High voltage transmission lines added during the year totaled 908 miles, and 1,102 miles of electric distributing lines were added. New gas mains and lines measured 122 miles.

The construction budget for the year 1928 is estimated at $53,735,000. In addition to the completion of work already under way, it contemplates the construction of a new steam heating plant for the Allegheny County Steam Heating Company, a subsidiary of the Philadelphia Company, at Pittsburgh. Work scheduled for completion during the year, already begun or authorized, includes the additional generating capacity already described for The California Oregon Power Company, Louisville Gas and Electric Company, Oklahoma Gas and Electric Company, San Diego Consolidated Gas and Electric Company and Northern States Power Company, and will add 194,630 kilowatts of capacity to the system's total.

Maintenance Charges—In addition to the amounts shown as Retirement Reserves and in addition to Undistributed Surplus, all subsidiary and affiliated public utility companies have been maintained at highest operating efficiency, and the cost of this maintenance is included in the operating expenses of the various companies. The amount so spent for maintenance and charged to operation for the year ended Dec. 31, 1927, was $11,339,153.

Taxation—The total taxes of the subsidiary and affiliated public utility companies of Standard Gas & Electric Co. charged through operation in the year 1927 were $10,245,200, equal to 7.02% of the aggregate gross earnings of these companies.

Summary of System Operations—The subsidiary and affiliated public utility companies of Standard Gas and Electric Company, as a whole, enjoyed substantial progress during the year 1927. The properties have been maintained in excellent physical condition and are operated at a high standard of efficiency.

Including all properties now in the system for full periods, 83 cities and towns were added during the year, a number of which had never before enjoyed the benefits of utility services. At the close of the year, the number of communities served was 1,430, with estimated combined population of 6,000,000.

The number of customers of all classes added during the year totaled 82,108, an increase of 5.87 per cent to a grand total of 1,481,029 served as of December 31. Electric connected load, or business served, increased from 2,326,299 kilowatts to 2,576,722 kilowatts, a gain of 10.76 per cent. Electric energy output amounted to 3,670,409,785 kilowatt-hours, an increase of 9.08 per cent; and gas output was 46,805,021,000 cubic feet, a decrease of 8.22 per cent. Aggressive solicitation of new business and the sale of domestic appliances added a large amount of revenue producing load to the system's lines.

Management—The subsidiary and affiliated companies of Standard Gas and Electric Company are operated under the management of Byllesby Engineering and Management Corporation, 231 South La Salle Street, Chicago, Illinois. The entire capital stock of Byllesby Engineering and Management Corporation is owned by Standard Gas and Electric Company.

GAS STATISTICS, DECEMBER 31, 1927
(Subsidiary and Affiliated Public Utility Companies of Standard Gas and Electric Company)

Company Including Subsidiary and Affiliated Cos.	Mfg. Capacity per 24 Hours Cubic Feet	Holder Capacity Cubic Feet	Total Miles of Mains
Fort Smith	Natural Gas	0	167
Louisville	22,000,000 also Natural Gas	12,300,000	909
Mountain States	7,130,000	2,340,000	428
Northern States	20,795,000	8,435,000	1,018
San Diego	15,650,000	9,130,000	764
Southwestern	Natural Gas	0	26
Standard Power and Light	30,000,000 also Natural Gas	500,000	3,800
Wisconsin Public Service	7,186,000	3,273,000	424
Wisconsin Valley	150,000	250,000	21
Totals	102,911,000	36,228,000	7,557

ELECTRIC STATISTICS, DECEMBER 31, 1927
(Subsidiary and Affiliated Public Utility Companies of Standard Gas and Electric Company)

Company Including Subsidiary and Affiliated Companies	Number of Hydro-Electric Stations	Hydro-Electric K. W. Installed	Number of Steam Electric Stations	Steam Electric K. W. Installed	Miles of H. T. Transmission Pole Line System	Miles of Local Distributing Pole and Underground Line
*California Power	11	57,888	1	280	840	923
Fort Smith	0	0	1	6,250	106	242
*Louisville	0	0	2	93,520	66	884
*Mountain States	6	4,265	21	21,728	521	687
*Northern States	26	109,495	23	220,460	3,732	4,399
*Oklahoma	0	0	25	100,091	1,951	1,584
*San Diego	0	0	2	46,000	108	1,236
Southern Colorado	1	1,200	4	23,596	398	453
*Standard Power and Light	0	0	3	381,500	699	2,663
*Wisconsin Public Service	9	29,618	3	39,750	494	1,075
*Wisconsin Valley	8	14,462	3	3,000	268	506
Totals	61	216,928	88	936,175	9,183	14,652

*Companies which also purchase energy from other electric utilities.

COMPARATIVE STATISTICAL SUMMARY, DECEMBER 31, 1927
(Subsidiary and Affiliated Public Utility Companies of Standard Gas and Electric Company)

(All Properties Included for full Periods)

	1927	1926	1925	1924	1923
Electric customers	1,003,505	935,294	871,198	802,057	736,392
Gas customers	459,265	446,068	429,287	410,474	392,620
Water customers	10,602	10,290	9,774	8,616	8,088
Steam customers	1,688	1,654	1,490	1,514	1,438
Telephone subscribers	5,969	5,615	5,018	4,816	4,631
Totals	1,481,029	1,398,921	1,316,767	1,227,477	1,143,169
Kilowatt lighting load	1,280,762	1,137,357	1,028,569	936,058	842,543
Kilowatt power load	1,215,462	1,121,302	1,040,844	940,106	843,729
Kilowatt railway load	80,498	67,640	68,016	67,094	65,801
Total k. w. connected	2,576,722	2,326,299	2,137,429	1,943,258	1,752,073
*Kilowatt hour output	3,670,409,785	3,364,631,008	3,082,180,505	2,744,470,354	2,523,142,899
*Gas output (cu. ft.)	46,805,021,000	51,001,421,000	49,885,713,000	52,548,039,000	50,297,186,000

*For Calendar Years.

SECURITIES OF SUBSIDIARY AND AFFILIATED COMPANIES OWNED BY STANDARD GAS AND ELECTRIC CO., AS OF DECEMBER 31, 1927

Company	Face Value of Bonds owned	Par Value of Pfd. stocks owned	Par Value of Common stocks owned	Shares without Par Value or with Nominal Par Value
Byllesby Engineering and Management Corporation, Common	.....	.....	.....	100,000
California Power Corporation	.....	.....	$3,000,000	.....
Fort Smith Light and Traction Company 5s	$645,000	$881,500	950,000	.....
Fort Smith Light and Traction Company 8s	1,100,000	.....	.....	.....
Louisville Gas and Electric Company (Del), Class "B" Common	.....	.....	.....	233,876
Madison Light and Railway Company 6s	95,000	.....	.....	.....
Mountain States Power Company, Common	.....	.....	.....	88,120
Northern States Power Company, Common "B"	.....	.....	.....	499,926
Oklahoma Gas and Electric Company	.....	335,800	$10,000,000	.....
Pacific Gas and Electric Co.	.....	.....	6,500,000	.....
San Diego Consolidated Gas and Electric Company	.....	.....	4,963,500	.....
Shaffer Oil and Refining Company, 1931	4,250,000	9,196,900	.....	.....
Shaffer Oil and Refining Company, Common	.....	.....	.....	118,000
Shaffer Oil and Refining Company, Class "A" Common	.....	.....	.....	40,000
Southern Colorado Power Company	.....	258,700	.....	.....
Southern Colorado Power Company, Class "B" Common	.....	.....	.....	75,000
Southwestern General Gas Company, 6s	281,000	25,000	1,000,000	.....
Standard Power and Light Corporation, Preferred	.....	.....	.....	120,000
Standard Power and Light Corporation, Participating Preferred	.....	.....	.....	2,960,013
Wisconsin Public Service Corporation	.....	.....	5,650,000	.....
Wisconsin Valley Electric Co.	.....	.....	1,260,000	.....
Other investments	.....	.....	.....	9,000
Totals	$6,371,000	$10,697,900	$33,323,500	4,243,935 shs

CAPITALIZATION OUTSTANDING, DECEMBER 31, 1927
(Subsidiary and Affiliated Companies of Standard Gas and Electric Company)

Company	Outstanding (Less Inter-Company Holdings) Face Value	Owned by Standard Gas & Electric Company Face Value	Outstanding In Hands of Public Face Value
Funded Debt—			
California Power Corporation	$19,412,300	.....	$19,412,300
Fort Smith Light and Traction Company	4,400,000	$1,745,000	2,655,000
Louisville Gas and Electric Company (Delaware)	28,995,600	95,000	28,900,600
Mountain States Power Company	11,263,400	.....	11,263,400
Northern States Power Company (Delaware)	106,668,103	.....	106,668,103
Oklahoma Gas and Electric Company	36,399,500	.....	36,399,500
San Diego Consolidated Gas and Electric Company	13,868,000	.....	13,868,000
Southern Colorado Power Company	6,893,000	.....	6,893,000
Southwestern General Gas Company	281,000	281,000	.....
Standard Power and Light Corporation	194,325,400	.....	194,325,400
Wisconsin Public Service Corporation	14,272,500	.....	14,272,500
Wisconsin Valley Electric Company	3,769,854	.....	3,769,854
Totals—Public Utility Companies	$440,548,657	$2,121,000	$438,427,657
Shaffer Oil and Refining Company	15,025,815	4,250,000	10,775,815
Totals	$455,574,472	$6,371,000	$449,203,472

	Outstanding (Less Inter-Company Holdings)		Owned by Standard Gas & Electric Company		Outstanding In Hands of Public	
Preferred Stocks—	With Par Value (Amount)	Without Par Value (Shares)	With Par Value (Amount)	Without Par Value (Shares)	With Par Value (Amount)	Without Par Value (Shares)
California Power Corporation	$4,515,600	.....	.....	.....	$4,515,600	.....
Fort Smith Light and Traction Company	1,460,000	.....	$881,500	.....	578,500	.....
Louisville Gas and Electric Company (Delaware)	21,193,400	.....	.....	.....	21,193,400	.....
Mountain States Power Company	4,933,600	.....	.....	.....	4,933,600	.....
Northern States Power Company (Delaware)	67,706,500	.....	.....	.....	67,706,500	.....
Oklahoma Gas and Electric Company	19,082,100	.....	335,800	.....	18,746,300	.....
San Diego Consolidated Gas and Electric Company	6,292,500	.....	.....	.....	6,292,500	.....
Southern Colorado Power Company	4,253,900	.....	258,700	.....	3,995,200	.....
Southwestern General Gas Company	25,000	.....	25,000	.....	.....	.....
Standard Power and Light Corporation	55,371,900	3,180,013	.....	3,080,013	55,371,900	100,000
Wisconsin Public Service Corporation	7,660,700	.....	.....	.....	7,660,700	.....
Wisconsin Valley Electric Company	1,200,000	.....	.....	.....	1,200,000	.....
Totals—Public Utility Companies	$193,695,200	3,180,013	$1,501,000	3,080,013	$192,194,200	100,000
Shaffer Oil and Refining Company	14,000,000	.....	9,196,900	.....	4,803,100	.....
Totals	$207,695,200	3,180,013	$10,697,900	3,080,013	$196,997,300	100,000
Common Stocks—						
Byllesby Engineering & Management Corporation	.....	100,000	.....	100,000	.....	.....
California Power Corporation	$3,000,000	.....	$3,000,000	.....	.....	.....
Fort Smith Light and Traction Company	950,000	.....	950,000	.....	.....	.....
Kentucky West Virginia Gas Company	.....	25,000	.....	.....	.....	25,000
Louisville Gas and Electric Company (Delaware)	8,600	765,337	.....	233,876	$8,600	531,461
Mountain States Power Company	.....	142,500	.....	88,120	.....	54,380
Northern States Power Company (Delaware)	21,926,600	500,000	.....	499,926	21,926,600	74
Oklahoma Gas and Electric Company	10,000,000	.....	10,000,000	.....	.....	.....
San Diego Consolidated Gas and Electric Company	5,032,500	.....	4,963,500	.....	69,000	.....
Southern Colorado Power Company	2,750,000	75,000	.....	75,000	2,750,000	.....
Southwestern General Gas Company	1,001,000	.....	1,000,000	.....	1,000	.....
Standard Power and Light Corporation	8,472,392	440,000	.....	.....	8,472,392	440,000
Wisconsin Public Service Corporation	5,650,000	.....	5,650,000	.....	.....	.....
Wisconsin Valley Electric Company	1,260,000	.....	1,260,000	.....	.....	.....
Totals—Public Utility Companies	$60,051,092	2,047,837	$26,823,500	996,922	$33,227,592	1,050,915
Shaffer Oil and Refining Company	.....	177,552	.....	158,000	.....	19,552
Totals	$60,051,092	2,225,389	$26,823,500	1,154,922	$33,227,592	1,070,467

CAPITAL STOCK, DECEMBER 31, 1927

Authorized, 3,000,000 shares Common of no par value, $50,000,000 7% cumulative Prior Preference stock (created in March, 1924), $30,000,000 8% cumulative Pfd., $3,000,000 6% non-cumulative stock (created in March, 1924); outstanding, Dec. 31, 1927, 1,418,803 shares Common, $21,000,000 Prior Preference stock, $26,274,000 Pfd. stock and $1,000,000 non-cumulative stock. Par value of Prior Preference stock, $100; par value of Pfd. stock, $50, and par value of non-cumulative stock, $1. The 6% non-cumulative stock is held entirely by interests connected with the Company for voting purposes.

CHANGES IN CAPITALIZATION

On May 16, 1928 stockholders approved amendment of the Certificate of Incorporation of the Company to provide for the following changes:

(1) The authorized number of shares of the class of stock now designated 7% Prior Preference stock will be increased from 500,000 shares of the par value of $100 each, to 750,000 shares, without par value, and said class will be designated Prior Preference stock. Of said authorized shares of Prior Preference stock a part will be the shares of 7% Prior Preference stock now outstanding, which will be of a series designated Prior Preference stock, $7 cumulative, and with terms as hereinafter provided, and the remainder of said authorized shares of Prior Preference stock will be issuable from time to time in said series or in one or more other series; the stock of each such other series to be entitled and limited, upon any liquidation or dissolution of the Company, to a preference over the other classes of stock hereinafter mentioned to the amount of $100 per share, plus a sum equal to the amount of dividends accumulated thereon and unpaid, to be entitled and limited to cumulative dividends at such rate or rates, not exceeding $7 per share per annum, payable quarterly, before payment of dividends on said other classes of stock, and to have such designations and optional or other special rights, or qualifications, limitations or restrictions thereof, and to be redeemable at such price or prices, if any, as may be stated and expressed in the resolution or resolutions providing for the issue of such stock to be adopted by the Board of Directors of the Company. Said Prior Preference stock shall have no voting power except upon the question of the dissolution of the Company;

(2) The series to be designated Prior Preference stock, $7 cumulative, and of which the 7% Prior Preference stock now outstanding will be a part, will have the same preferences, in amount, as to dividends and assets over said other classes of stock and will be redeemable at the same price as now pertain to said 7% Prior Preference stock;

(3) The authorized number of shares of the class of stock now designated 8% cumulative Pfd. stock will be increased from 600,000 shares, of the par value of $50 each, to 1,500,000 shares, without par value, and said class will be designated $4 cumulative Pfd. stock. Of said authorized shares of $4 cumulative Pfd. stock, a part will be the shares of 8% cumulative Pfd. stock now outstanding. The $4 cumulative Pfd. stock will be entitled to the same preferences, in amount, as to dividends and assets as the 8% cumulative Pfd. stock now outstanding, and will have the same restricted voting power as the Prior Preference stock;

(4) The 6% non-cumulative stock and the Common stock will remain unchanged, except as affected by the foregoing changes. Shares of capital stock of the Company, without nominal or par value, of any class may be issued by the Company from time to time for such consideration as may be fixed from time to time by the Board of Directors thereof.

In a letter to stockholders from John J. O'Brien, President, dated April 6, 1928, it was stated that upon authorization of the amendment by the stockholders, Directors contemplated that an offering of $4 cumulative Pfd. stock would be made by the Company to the holders of stock of that class (the stock now outstanding as 8% cumulative Pfd. stock) in an amount to be determined and at a price below the market. It also was stated that Directors had under consideration a plan which provided for the refunding of the outstanding funded debt of Company with an issue bearing a lower coupon rate, and the retirement of the 7% Prior Preference stock by the issuance of a Prior Preference stock with a lower dividend rate. This program will permit Company to reduce its interest charges and Prior Preference dividend requirements, and to substantially increase the balance of earnings available for the payment of dividends on the $4 cumulative Pfd. stock and Common stock.

CAPITALIZATION AS APPROVED MAY 16, 1928

Authorized, 3,000,000 shares Common of no par value, 750,000 shares Prior Preference stock, $7 cumulative, of no par value, 1,500,000 shares $4 cumulative Pfd. of no par value and $3,000,000 6% non-cumulative stock of $1 par value; to be presently outstanding, 1,418,803 shares Common, 210,000 shares Prior Preference stock, $7 cumulative, 525,480 shares $4 cumulative Pfd. and $1,000,000 6% non-cumulative Pfd.

Stock Increases—In Oct., 1911, the authorized Common stock and the authorized 8% Pfd. were increased from $12,000,000 to $15,000,000 and $30,000,000, respectively. In April, 1923, the stockholders voted to change the $15,000,000 Common stock (par value, $50) to stock of no par value and authorized the increase of Common from 300,000 shares to 600,000 shares. Again in Jan., 1924, the authorized Common stock was increased to 1,000,000 shares.

On April 21, 1926, shareholders voted to increase the authorized Common and 6% non-cumulative Pfd. stock each from 1,000,000 shares to 3,000,000 shares.

For increase authorized May 16, 1928 see a preceding paragraph.

Preferred Stock Provisions—The 7% cumulative Prior Preference Stock has preference as to assets as well as dividends over all other classes of stock. It is entitled to dividends at the rate of 7% per annum, cumulative from April 1, 1924. It is not entitled to vote and is subject to call as a whole or in part at 115 and accrued dividends. Additional shares of the 7% Prior Preference stock may be issued only when net revenue for twelve consecutive months, after deduction of annual interest requirements on total funded debt outstanding at time of the issuance of such additional shares, shall have been at least two times the annual dividend requirement on the Prior Preference stock then outstanding and that proposed to be issued. The 8% Pfd. stock has preference over the non-cumulative and Common stocks and is entitled to cumulative dividends from June 1, 1912 at the rate of 8% per annum, and is non-callable. The non-cumulative stock is entitled to dividends at the rate of 6% per annum, but no more, has voting power and is callable at par. See Changes of Capitalization above.

Transfer Agents—All classes of stock: Standard Gas & Electric Co., 231 South La Salle St., Chicago, and 111 Broadway, New York.

Registrars—7% Prior Pref., 8% Pfd., and Common stocks: Continental National Bank & Trust Co., Chicago, and Guaranty Trust Co., New York.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Bankers); Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—$7,500,000 7% cumulative Prior Preference at 93½ a share in April, 1924; $3,500,000 at 95½ a share in July, 1924; $5,000,000 at 100 a share in May, 1925, and $3,000,000 at 102 a share in March, 1926 by H. M. Byllesby and Company, New York and Chicago, Hambleton and Company, New York, Janney and Company, Philadelphia, and Federal Securities Corporation, Chicago.

Subscription Privileges—Common stockholders of record August 24, 1925, were given the privilege of

subscribing to additional Common stock of Company at $48 per share, to the extent of one-fifth of the amount of such stock outstanding at the close of business August 24, 1925. Subscription privilege expired and payment in full was due Sept. 23, 1925. Stockholders entitled to subscribe for fractional shares received warrants granting them the privilege of subscribing on or before September 23, 1925, for a scrip certificate representing such fractional share and scrip certificates aggregating one or more whole shares entitled the holder to a stock certificate representing such whole share or shares.

Common stockholders of record December 6, 1927 were given the privilege of subscribing for additional Common stock of the Company at $50 per share to the extent of one-tenth of their holdings. Subscription privilege expired Dec. 28, 1927, and payment in full was due on or before that date. Exercise of these rights required the issuance of 128,775 shares of Common stock.

Annual Meeting—Third Wednesday in May, at Wilmington, Del., or Philadelphia.

Listed—The 8% cumulative Pfd. stock and the Common stock are listed on the Chicago and New York Stock Exchanges. The $4 cumulative Pfd. stock will also be listed in New York and Chicago.

Price Range—

Prior Pref.—	1927	1926	1925	1924	1923	1922	1921	1920
High	114	105⅜	100	97	..	..	..	..
Low	103	102	96	91½	..	..	..	..
8% Pfd.—								
High	66½	57⅝	56⅛	51	51½	50	43	42
Low	57⅛	53¾	50½	46¾	47	41½	32	33
Common—								
High	65¾	69	61	50½	32½	21	17½	26½
Low	54	51	40¼	30	18½	13	7½	9½

Dividends on 8% cumulative Pfd. paid quarterly at rate of 7% Sept. 15, 1910, to June 15, 1911; beginning with Sept. 15, 1911, the rate was increased to 8% per annum; beginning Dec. 15, 1914, rate was reduced to 4% per annum; beginning Dec. 15, 1916, the rate was increased to 6% per annum, which rate was paid regularly up to and including quarter ended March 1, 1919; beginning with the quarter ended June 1, 1919, the rate was increased to 8% per annum, and this rate is now being maintained; payments quarterly, M, J, S & D 15. Dividends from Sept. 15, 1913, to Sept. 15, 1915, were paid in scrip bearing 6% interest. Cash dividends were resumed with the Dec. 15, 1915, dividend of 1%. In August, 1919, the directors authorized the issuance of Common stock at par in payment of the accumulated Pfd. stock dividend amounting to 13%. Dividends on the 7% Prior Preference stock are payable quarterly, J, A, J & O 25; initial dividend paid July 25, 1924. Initial dividend of 1½% on the 6% non-cumulative stock was paid July 15, 1924, and at same rate quarterly since; payments, J, A, J & O 15. Initial dividend of 62½ cents per share was paid on Common (no par) on July 25, 1923; Oct. 25, 1923, 62½ cents per share; Jan. 25, 1924, 62½ cents per share; April 25, 1924 and July 25, 1924, 75 cents each per share, which quarterly rate was maintained to and including Jan. 25, 1927; on April 25, 1927, regular quarterly dividend of 87½ cents per share was paid, increasing annual rate to $3.50, which rate has been maintained to date; payments quarterly, J, A, J & O 25. In addition a special Common stock dividend equivalent to one-fiftieth of a share per share on Common stock, payable in Common stock was declared payable as follows: 1-100th of a share on July 25, 1926, to stockholders of record June 30; 1-200th of a share on Oct. 25, 1926, to stockholders of record Sept. 30, and 1-200th of a share on Jan. 25, 1927, to stockholders of record Dec. 31, 1926.

Dividends on the 8% Preferred stock are usually declared at meetings on the first Wednesday in Feb., May, Aug. and Nov., and on the Prior Preference, 6% non-cumulative and Common stocks are usually declared at meetings on the first Wednesday in March, June, Sept. and Dec.

FUNDED DEBT

(1)

$15,000,000 20-YEAR 6% GOLD NOTES; DUE OCTOBER 1, 1935

Dated October 1, 1915.

Interest Payable April and October 1, at Guaranty Trust Co., New York, and in Chicago.

Denominations—Coupon, $50, $100, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized and issued, $15,000,000.

Callability—Subject to call on any interest date on 90 days' notice at 103 and interest.

Security—A direct obligation of Company but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mill tax refunded upon application to the Company.

Original Offering—Of these notes $3,000,000 were offered to the Pfd. stockholders in September, 1915, at 90, plus accrued interest from Oct. 1, 1915, in the proportion of 25% of their holdings. In addition to the right of Pfd. stockholders to subscribe for $3,000,000 of these notes, $500,000 additional were publicly offered in Dec., 1915, at 91 and interest. Of the notes issued during 1916, there was $1,087,378 issued for the retirement of Pfd. stock dividend scrip.

Price Range—	1927	1926
High	102	100½
Low	99¾	94¼

(2)

$15,000,000 6% GOLD DEBENTURES; DUE FEBRUARY 1, 1951

Dated February 1, 1926.

Interest Payable February and August 1 in Chicago and New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank and Trust Co., Chicago.

Callability—Subject to call as a whole or in part at any time before maturity on 60 days' notice, at 105 and interest on or before Feb. 1, 1930, thereafter the premium decreasing 1% for each five years or fraction thereof.

Security—Debentures are a direct obligation of the Company, issued under a Trust Agreement which provides for the issuance thereunder of additional amounts of these Debentures, or of other funded debt of the Company of such dates, maturities, titles, interest rates, redemption and other provisions as may be determined by the Board of Directors of the Company, in accordance with the terms of the Trust Agreement; provided, however, that no additional Debentures of this issue or other funded debt of the Company may be created, except for the purpose of refunding par for par funded debt issued under the Trust Agreement, unless the net revenue, as defined in the Trust Agreement, for a period of 12 consecutive months within the preceding 19 months shall have been at least 2½ times the annual interest charges on the total funded debt of the Company then outstanding, including that to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania personal property tax not in excess of four mills per annum, Connecticut personal property tax not in excess of 4 mills per dollar per annum. Maryland securities tax not in excess of 4½ mills per annum and Massachusetts Income tax not in excess of 6% per annum, refunded upon timely application. Also District of Columbia 5 mill tax.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Bankers) and Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($7,500,000) in Jan., 1926, at 97½ and interest, to yield about 6.20%, by H. M. Byllesby & Co., Janney & Co., and Hambleton & Co., New York, etc. and Federal Securi-

ties Corp., Chicago; $7,500,000 additional in Oct. 1926, at 99 and interest, to yield about 6.08%, by the same bankers.

Price Range—	1927	1926
High	102¼	100
Low	98½	97½

(3)

$10,000,000 6% GOLD DEBENTURES; DUE DECEMBER 1, 1968

Dated December 1, 1926.

Interest Payable June and December 1, in New York and Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank and Trust Co., Chicago.

Provisions of Issue—Issued, $10,000,000. Trust Indenture provides for the issuance thereunder of additional amounts of the Debentures, or of other funded debt of the Company of such dates, maturities, titles, interest rates, redemption and other provisions as may be determined by the board of directors of the Company, in accordance with the terms of the Trust Agreement; provided, however, that no additional Debentures of this issue or other funded debt of the Company, may be created, except for the purpose of refunding par for par funded debt issued under the Trust Agreement, unless the net revenue, as defined in the Trust Agreement, for a period of twelve consecutive months within the preceding nineteen months shall have been at least 2½ times the annual interest charges on the total funded debt of the Company then outstanding, including that about to be issued.

Purpose of Issue—Proceeds were used to provide funds to reimburse the Company for expenditures made or indebtedness incurred for the purpose of acquiring additional Common stocks of San Diego Consolidated Gas & Electric Co. and Wisconsin Public Service Corporation, securities of Standard Power & Light Corp. and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time before maturity upon 60 days' notice, at 105 on or before Dec. 1, 1941; thereafter the premium decreasing 1% for each five years or fraction thereof to Dec. 1, 1961; thereafter at 100½ to Dec. 1, 1965; thereafter at 100; plus accrued interest in each case.

Security—Debentures are the direct obligation of Company, but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania personal property taxes not in excess of 4 mills, Connecticut personal property tax not in excess of 4 mills per dollar per annum. Maryland securities tax not in excess of 4½ mills and Massachusetts Income tax not in excess of 6% per annum refunded upon timely application to holders resident in those states.

Legal Opinion—Roberts and Montgomery, Philadelphia (for the Bankers), and Cummins, Roemer and Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($10,000,000) in Dec., 1926, at 99 and interest to yield over 6.06% by H. M. Byllesby & Co., Inc. and Federal Securities Corp., Chicago, etc., Janney & Co., Philadelphia, etc. and Hambleton & Co., Inc., Baltimore, etc.

Price Range—1927: High, 102¼; low, 98¼.

CONTINGENT LIABILITY, DECEMBER 31, 1927

Standard Gas & Electric Co. guarantees principal, interest and sinking fund payments of $1,843,700 Shaffer Oil & Refining Co. First Mtge. Convertible 6% Sinking Fund Gold bonds; due June 1, 1929 which issue was retired in March, 1928. Also a contingent liability of $190,000 on account of notes endorsed, guaranteed or discounted for various subsidiary and other affiliated companies.

Depreciation Policy—Standard Gas and Electric Company is a holding company, and, therefore, has no policy of depreciation or depletion. The policy of the subsidiary and affiliated companies will be to make charges against income or surplus from time to time for the purpose of providing a reserve, which, in addition to the amount expended for current repairs and maintenance will be, in the judgment of the Directors, adequate for recurring renewals and replacement, in accordance with standard public utility practice as prescribed by governmental authorities having jurisdiction.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Standard Gas and Electric Co.)

	1927	1926	1925	1924	1923	1922
Interest on bonds owned	$517,497	$699,404	$320,297	$342,345	$424,594	$553,222
Interest on notes & accts. receivable	1,058,252	1,836,806	1,771,495	1,074,086	639,372	218,462
Dividends on Pfd. & Common stocks owned	10,084,461	8,297,376	3,911,533	3,911,471	3,593,511	3,092,890
Net profit on securities sold and other opera.	1,463,921	59,473	1,266,792	770,630	538,713	895,128
Gross income	$13,124,131	$10,893,059	$7,270,117	$6,098,532	$5,196,190	$4,759,702
Expenses and taxes	243,123	120,294	144,447	117,271	92,765	107,576
Net earnings	$12,881,008	$10,772,765	$7,125,670	$5,981,261	$5,103,425	$4,652,126
Interest charges, etc.	$2,605,998	§$2,319,004	$1,400,884	$2,217,290	$2,162,596	$1,840,703
Amort. of debt discount and expense		§ Note	Note	Note	Note	350,000
Total charges	$2,605,998	$2,319,004	$1,400,884	$2,217,290	$2,162,596	$2,190,703
Net income	$10,275,010	$8,453,761	$5,724,785	$3,763,971	$2,940,829	$2,461,423
Dividends on capital stock:						
7% Prior Preference	1,470,000	1,424,366	1,105,369	410,306	.....	.....
8% cum. Preferred	2,099,858	1,695,651	1,320,000	1,305,992	1,297,711	1,074,965
6% non-cumulative	60,000	60,000	60,000	45,000	.....	.....
Common—cash	4,386,561	2,993,669	†1,953,365	796,033	397,500	.....
Common—in Common stock at $50 per share	.....	1,215,150	.....	.....	.....	.....
Total dividends	$8,016,419	$7,388,836	$4,438,734	$2,557,331	$1,695,211	$1,074,965
Surplus for year	$2,258,591	$1,064,925	$1,286,051	$1,206,639	$1,245,618	$1,386,458
Times Interest Earned	4.94	4.64	5.08	2.69	2.36	2.47
Earnings Per Share—						
7% Prior Pref. (par $100)	$48.93	$40.25	$31.80	$30.11	.....	.....
8% cum. Pfd. (par $50)	16.75	13.43	13.99	10.16	9.01	$9.32
6% non-cumulative (par $1)	6.71	5.33	5.30	2.05	.....	.....
Common (non-par)	‡4.68	4.25	4.23	6.61	7.75	8.19

‡The balance, on Dec. 31, 1927, after Prior Preference and Pfd. dividends, of $6,645,152 available for Common dividends was equivalent to $5.30 a share on the average of 1,253,785 shares of Common stock outstanding during 1927, and $4.68 a share on the 1,418,803 shares of Common stock outstanding Dec. 31, 1927. This compares with a balance equivalent to $5.25 a share on the average of 1,004,522 shares of Common stock outstanding during the year 1926 and $4.25 a share on the 1,240,567 shares of Common stock outstanding Dec. 31, 1926.

NOTE—No charge has been made herein for amortization of debt discount and expense applicable to the years ended Dec. 31, 1923, 1924, 1925 and 1926, the total unamortized debt discount and expense having been charged against the capital reserve arising from the exchange of shares of Common capital stock without par value for shares of par value, and the debt discount and expense incurred during 1926 having been credited with the net premium on Pfd. capital stocks for that period.

The Income Credits above are the revenues actually received or in process of collection and do not include the Company's interest in the undistributed surplus earnings of the subsidiary and affiliated companies.

GENERAL BALANCE SHEET, DECEMBER 31
(Standard Gas and Electric Co.)

Assets—	1927	1926	1925	1924	1923	1922
Securities owned	$141,597,049	$137,563,615	$79,328,046	$71,972,297	$61,688,135	$50,403,406
Securities owned—pledged as collateral to notes payable (less notes payable)	.....	2,358,928	1,334,408	.....	.....	.....
Securities purchased for the account of, and advances to subsidiary companies—pledged (less notes payable)	.....	.....	1,198,805	.....	.....	.....
Stock dividend receivable	740,003	.....	.....	.....	.....	.....
Call loans	310,980	.....	.....	.....	.....	.....
Advances on purchase of property	.....	124,442	.....	.....	.....	.....
Sinking funds	.....	.....	.....	687	100,707	174,073
Cash	6,850,817	5,382,418	1,808,384	1,312,036	647,935	316,245
Accounts receivable—sub. cos.	9,206,132	6,917,627	7,443,139	1,465,094	1,160,985	2,198,556
Notes receivable—sub. cos.	.....	.....	.....	.....	.....	1,632,371
Notes receivable	.....	.....	.....	117,450	152,182	.....
Securities held under contract for resale and for investment of current funds	.....	.....	.....	.....	.....	910,237
Prepaid expenses	792	728	44,267	19,139	14,188	.....
Accounts receivable	507,010	416,134	351,647	142,128	175,845	108,988
Dividends on stocks owned	888,568	1,952,052	425,206	396,122	295,615	161,694
Interest on bonds owned	51,353	50,983	81,307	142,847	145,835	188,996
Unamortized debt discount and expense	990,554	1,053,183	.....	.....	.....	4,682,599
Office furniture and fixtures	1	1	1	1	1	1
Other deferred charges	.....	.....	.....	.....	.....	9,426
Total	$161,143,259	$155,820,112	$92,015,210	$75,568,101	$64,381,428	$60,786,592
Liabilities—						
7% Prior Preference stock	$21,000,000	$21,000,000	$18,000,000	$12,500,000	.....	.....
8% cum. Preferred stock	26,274,000	26,171,650	16,500,000	16,500,000	$16,324,900	$15,076,750
6% non-cumulative stock	1,000,000	1,000,000	1,000,000	1,000,000	.....	.....
*Common stock	56,709,210	48,032,474	21,971,764	3,992,804	4,923,337	10,600,000
Bonded debt	.....	.....	.....	12,817,100	15,276,000	11,402,000
6% Gold Debentures, due Feb. 1, 1951	15,000,000	15,000,000	.....	.....	.....	.....
6% Gold Debentures, due Dec. 1, 1966	10,000,000	10,000,000	.....	.....	.....	.....
Twenty-year 6% gold notes	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
7% Gold notes, due 1941	.....	.....	.....	.....	.....	2,072,500
7% Gold notes, due April 1, 1925	.....	.....	.....	.....	2,500,000	.....
Notes payable	.....	3,000,000	1,961,500	2,152,000	1,564,000	940,500
Accounts payable—sub. cos.	724,548	3,809,441	7,364,153	2,732,758	1,589,369	1,997
Accounts payable	33,011	21,650	21,650	71,650	21,650	21,650
Interest and taxes accrued	762,000	728,625	243,312	639,549	558,576	436,050
Accrued dividends	1,799,158	1,487,416	1,009,726	570,770	241,333	100,512
Dividend accrued, payable in Common stock	.....	309,100	.....	.....	.....	.....
Miscellaneous reserves	674,796	351,812	100,086	34,502	31,934	29,922
Surplus	12,166,536	9,907,944	8,843,019	7,556,968	6,350,329	5,104,711
Total	$161,143,259	$155,820,112	$92,015,210	$75,568,101	$64,381,428	$60,786,592

*Represented by shares Common stock without par value as follows: 1924, 302,693 shares; 1925, 765,635 shares; 1926, 1,240,567 shares; 1927, 1,418,803 shares. Prior to 1924 the shares of Common stock were of $50 par value each.

NOTE—The Standard Gas and Electric Co. was contingently liable at Dec. 31, 1927, as guarantor of the principal and interest of the First Mortgage Convertible 6% sinking fund gold bonds of the Shaffer Oil and Refining Co., of which $1,843,700 were then outstanding but were retired in March, 1928; and on account of notes endorsed, guaranteed, or discounted for affiliated companies in the amount of $190,000.

STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Standard Gas and Electric Co.)

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$6,850,817	$5,382,418	$1,808,384	$1,312,036	$647,935	$316,245
Call loans	310,980	.....	.....	.....	.....	.....
Notes and accounts receiv.—sub. cos.	9,206,132	6,917,627	7,443,139	1,465,094	1,160,985	3,830,927
Sundry debtors	507,010	416,134	351,647	259,878	328,027	108,988
Dividends receivable	888,568	1,952,052	425,206	396,122	295,615	161,694
Accrued interest	51,353	50,983	81,307	142,847	145,835	188,996
Securities held under contract for resale and for investment of current funds	.....	.....	.....	.....	.....	910,237
Total	$17,814,860	$14,719,214	$10,109,683	$3,575,977	$2,578,397	$5,517,087
Current Liabilities—						
Accrued interest & taxes	$650,000	$728,625	$243,312	$606,309	$532,676	$417,680
Accrued note interest	.....	.....	.....	23,240	13,133	8,391
Accrued taxes	112,000	.....	.....	10,000	12,766	9,979
Pfd. stock dividend accrued	557,662	556,991	1,009,726	343,700	108,833	100,512
Common stock dividend accrued	1,241,496	930,424		227,020	132,500	.....
Accounts payable—sub. cos.	724,548	3,809,441	7,364,153	2,732,758	1,589,369	1,997
Sundry creditors	33,011	21,650	21,650	71,650	21,650	21,650
Notes payable	.....	3,000,000	1,961,500	2,152,000	1,564,000	940,500
Other accrued items & misc. reserves	.....	.....	.....	.....	.....	29,922
Total	$3,318,717	$9,047,131	$10,600,341	$6,166,677	$3,842,427	$1,530,631
Net Working Capital	$14,496,143	$5,672,083	*$490,658	*$2,590,700	*$1,264,030	$3,986,456

*Debit.

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED DECEMBER 31
(Standard Gas and Electric Co. and Subsidiary and Affiliated Companies)

	1927	1926
Gross earnings—		
Public Utility Companies:		
Electric department	$80,875,917	$76,249,766
Gas department	28,388,376	31,442,988
Steam department	1,695,560	1,604,055
Telephone department	187,385	180,376
Street railway department	33,826,086	34,010,019
Water department	288,228	314,449
Ice department	415,568	363,963
Oil department	276,019	377,059
Total	$145,953,139	$144,542,676
Shaffer Oil & Refining Co.	16,950,720	21,910,698
Total	$162,903,859	$166,453,374
Operating expenses—		
Public Utility Companies:		
Operating	$61,223,622	$60,873,438
Maintenance	11,339,153	12,260,561
Taxes	10,245,200	10,466,430
Total	$82,807,975	$83,600,429
Shaffer Oil & Refining Co.	13,943,936	15,865,122
Total	$96,751,911	$99,465,551
Net earnings:		
Public Utility Companies:		
Electric department	$44,944,104	$38,812,379
Gas department	8,808,057	10,815,541
Steam department	556,460	524,566
Telephone department	66,050	64,304
Street railway department	8,405,656	10,371,238
Water department	108,500	135,215
Ice department	81,636	39,327
Oil department	174,701	179,678
Total	$63,145,164	$60,942,248
Shaffer Oil & Refining Co.	3,006,784	6,045,575
Total	$66,151,948	$66,987,823
Other income of public utility cos.	7,281,013	1,178,372
Gross income, forward	$73,432,961	$68,166,195

*Annual interest charges.

	1927	1926
Gross income brought forward	$73,432,961	$68,166,195
Interest and dividend charges on securities of subsidiary and affiliated cos. in hands of public, reserves and minority interests' proportion of undistributed earnings	43,013,729	41,140,421
Retirement reserves, depletion and amortization	15,939,731	15,337,090
Balance applicable to securities of subsidiary and affiliated cos. owned by Standard Gas & Electric Co.	$14,479,496	$11,688,684
Other income of Standard Gas & Electric Co., less expenses from engineering (reflected in capital accounts of subsidiary and affiliated cos.), supervision, profits on invest., and other operations		2,400,844
Consolidated net income & before deduction of interest on funded debt of Standard Gas & Electric Co.	$14,479,496	$14,089,528
Standard Gas & Elec. Co.'s interest charges and amortization of debt disc. & exp.	2,574,607	*2,400,000
Balance	$11,904,889	$11,689,528
Dividends on Standard Gas & Electric Co.'s:		
7% Prior Preference stock	$1,470,000	$1,470,000
8% Preferred stock	2,099,858	2,093,732
6% non-cumulative stock	60,000	60,000
Balance	$8,275,031	$8,065,796
Earnings Per Share—		
7% Prior Pref. (par $100)	$56.55	$55.66
8% Cum. Pfd. (par $50)	19.85	19.52
6% non-cumulative (par $1)	8.34	8.12
Common (no par)	5.83	6.50

NOTE—The balance as of Dec. 31, 1927, of $8,275,031 is equivalent to $6.60 a share on the average of 1,253,785 shares of Common stock outstanding during 1927, and $5.83 a share on the 1,418,803 shares of Common stock outstanding December 31, 1927. The balance for the year 1926 was equivalent to $6.50 a share on the 1,240,567 shares of Common stock outstanding Dec. 31, 1926, compared with a balance equivalent to $6 a share on the 765,635 shares of Common stock outstanding Dec. 31, 1925.

COMPARATIVE STATEMENT OF GROSS AND NET EARNINGS, YEARS ENDED DECEMBER 31
(Subsidiary and Affiliated Companies of Standard Gas and Electric Co.)
(All properties included for full periods)
GROSS EARNINGS

Company—	1927	1926	1925	1924	1923
California Power Corporation	$2,913,081	$2,502,003	$2,178,762	$1,710,823	$1,383,651
Fort Smith Light and Traction Company	1,393,119	1,409,951	1,262,722	1,207,069	1,159,945
Louisville Gas and Electric Company (Delaware)	8,817,923	8,654,574	7,903,899	7,268,600	6,575,084
Mountain States Power Company	3,391,691	3,302,972	3,251,569	3,170,422	3,009,190
Northern States Power Company (Delaware)	29,803,693	28,275,648	26,391,363	24,840,459	23,690,126
*Oklahoma Gas and Electric Company	13,492,185	11,273,393	10,283,732	9,215,555	8,286,252
San Diego Consolidated Gas and Electric Company	6,564,213	5,753,392	5,381,701	4,710,808	3,802,599
Southern Colorado Power Company	2,327,653	2,433,340	2,372,871	2,231,526	1,988,458
Southwestern General Gas Company	56,193	56,011	53,802	67,131	72,023
Standard Power and Light Corporation	71,070,494	71,336,530	68,667,301	66,151,721	66,397,091
Wisconsin Public Service Corporation	4,676,216	4,454,565	4,007,992	3,660,558	3,457,125
Wisconsin Valley Electric Company	1,616,839	1,555,403	1,405,665	1,284,998	1,229,427
Totals—Public Utility Companies	$146,123,300	$141,007,782	$133,161,379	$125,519,670	$121,050,971
Less—Inter-company eliminations	170,161	161,220	168,403	181,514	167,290
Totals—Public Utility Companies	$145,953,139	$140,846,562	$132,992,976	$125,338,156	$120,883,681
Shaffer Oil and Refining Company	16,950,720	21,910,698	15,297,880	10,570,279	7,677,313
Totals	$162,903,859	$162,757,260	$148,290,856	$135,908,435	$128,560,994

*Gas properties sold as of December 1, 1927; above earnings include gas department for the full years 1923 to 1926 inclusive, and for eleven months of 1927.

NET EARNINGS

	1927	1926	1925	1924	1923
California Power Corporation	$1,774,269	$1,420,223	$1,337,110	$1,002,642	$783,272
Fort Smith Light and Traction Company	348,703	367,453	343,327	302,370	337,371
Louisville Gas and Electric Company (Delaware)	4,552,966	4,370,310	4,092,030	3,556,730	3,248,562
Mountain States Power Company	1,182,746	1,236,213	1,185,662	1,104,040	1,021,681
Northern States Power Company (Delaware)	15,092,232	14,128,775	12,400,424	11,347,807	10,226,268
*Oklahoma Gas and Electric Company	5,319,127	4,120,018	3,654,404	3,011,735	2,655,827
San Diego Consolidated Gas and Electric Company	3,067,315	2,602,461	2,260,767	1,925,847	1,503,238
Southern Colorado Pawer Company	1,017,335	1,075,132	1,002,466	910,568	775,472
Southwestern General Gas Company	29,359	28,849	24,047	38,056	43,860
Standard Power and Light Corporation	28,096,400	27,238,379	26,068,137	22,899,510	23,462,112
Wisconsin Public Service Corporation	1,884,614	1,846,221	1,670,532	1,472,678	1,249,564
Wisconsin Valley Electric Company	780,098	736,703	649,752	580,610	528,248
Totals—Public Utility Companies	$63,145,164	$59,170,737	$54,688,658	$48,152,593	$45,835,475
Shaffer Oil and Refining Company	3,006,784	6,045,575	4,428,406	2,438,641	1,175,600
Totals	$66,151,948	$65,216,312	$59,117,064	$50,591,234	$47,011,075

*Gas properties sold as of December 1, 1927; above earnings include gas department for the full years 1923 to 1926 inclusive, and for eleven months of 1927.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Standard Gas and Electric Company and Subsidiary and Affiliated Companies)

Assets—	1927	1926
Plant, property, rights and franchises, etc. (including excess of book value of stocks and bonds of subsidiary and affiliated companies owned over the par value thereof)	$925,625,473	
Investment in other companies, associations, etc.	11,884,067	$877,725,398
Cash on deposit for sinking funds	1,130,720	1,221,191
Cash on deposit for mortgaged prop. sold	40,125	39,350
Deferred receivables	.....	278,592
Cash	27,421,581	18,584,769
Cash on deposit—call loans, etc.	4,673,068	2,446,244
Cash on deposit for bond & note int., etc.	923,401	1,640,179
Notes & accounts receivable:		
Customers & others (less reserve for bad debts)	17,386,518	16,594,335
Due from sale of securities	1,189,324	2,289,022
Affiliated companies	.....	347,218
Inventories—materials & supplies	15,586,557	15,380,551
Deferred charges:		
Prepaid accounts & unexpired insurance	1,066,659	826,004
Deferred expenses & charges in process of amortization	7,459,124	6,430,409
Unamortized debt discount & expense	34,295,277	30,056,120
Total	$1,048,681,894	$973,859,383

Liabilities—	1927	1926
Funded Debt—		
Standard Gas & electric Co.:		
20-yr. 6% Gold notes, 1935	$15,000,000	$15,000,000
6% Gold debentures, 1951	15,000,000	15,000,000
6% Gold debentures, 1966	10,000,000	10,000,000
Subsidiary & affiliated companies	449,203,473	429,320,608
Deferred liabilities—		
Municipal assessments	605,986	686,434
Customers' & line extension deposits	4,309,726	3,867,254
Other	.....	1,007,654
Notes payable	11,933,645	10,740,063
Trade creditors & others	9,217,601	9,326,872
Accounts payable—affiliated cos.	.....	127,823
Accrued liabilities—		
Taxes	11,986,331	10,926,418
Interest	7,284,384	6,912,159
Dividends	4,597,636	4,880,590
Sundry	592,064	302,183
Deferred credits	641,770	.....
Retirement & depletion reserve	65,480,828	53,983,249
Reserves for contingencies, etc.	15,876,273	12,882,950
Dividends accrued—payable in Common stock	23,208	309,100
Preferred capital stock, with and without par value—		
Standard Gas & Electric Co.:		
7% Prior Preference	21,000,000	21,000,000
8% Preferred	26,274,000	26,171,650
6% non-cumulative	1,000,000	1,000,000
Subsidiary & affiliated companies	206,269,270	192,875,596
Subscriptions—subsidiary and affiliated companies	562,100	586,600
Common Capital stock, with and without par value—		
Standard Gas & Electric Co. shares without par value	*56,709,210	*48,032,474
Subsidiary & affiliated companies	51,338,613	49,412,318
Surplus—		
Standard Gas & Electric Co.	12,166,536	9,907,944
Subsidiary & affiliated companies	51,609,240	39,689,443
Total	$1,048,681,894	$973,859,383

*Represented by shares of no par value: 1926, 1,240,567; 1927, 1,418,803.

NOTES—This Balance Sheet does not include operated lessor companies of subsidiary and affiliated companies, none of the capital stock of said lessor companies being owned by subsidiary and affiliated companies. The outstanding securities of said lessor companies at Dec. 31, 1927, were: Capital stock, $16,799,000, and bonds, $9,651,500, certain of which are guaranteed as to dividends, principal and interest.

There has been eliminated from Common capital stock owned and outstanding in the balance sheet as of Dec. 31, 1926 a total par value of $24,200,000, representing Common stock of a subsidiary company owned and pledged by the parent company as collateral, securing two-year 5% first lien gold notes, due April 15, 1928, in the amount of $10,000,000.

Officers: John J. O'Brien, Pres.; R. J. Graf, 1st V-P.; B. W. Lynch, V-P.; J. H. Briggs, V-P.; Halford Erickson, V-P.; H. W. Fuller, V-P.; R. G. Hunt, V-P.; George H. Harries, V-P.; H. C. Cummins, V-P.; C. C. Levis, V-P., New York; F. C. Gordon, V-P.; E. J. McKay, V-P.; M. A. Morrison, Sec. & Treas.; Herbert List, Asst. Sec. & Asst. Treas.; P. A. Lehmkuhl, Asst. Sec. & Asst. Treas.; Wm. G. Pohl, Asst. Sec. & Asst. Treas.; C. H. O'Reilly, Asst. Sec. & Asst. Treas., Chicago; J. J. Madden, Asst. Sec. & Asst. Treas.; T. J. Kerr, Asst. Sec. & Asst. Treas.; E. Barnes, Asst. Sec. & Asst. Treas.; C. C. Levis, Asst. Sec., New York.

Directors: C. M. Brewer, J. H. Briggs, O. G. Corns, H. C. Cummins, A. S. Cummins, Halford Erickson, D. T. Flynn, H. W. Fuller, Robert J. Graf, R. G. Hunt, H. H. Jones, Samuel Kahn, C. C. Levis, B. W. Lynch, M. A. Morrison, John J. O'Brien, J. F. Owens, R. F. Pack, W. F. Raber, A. W. Robertson, John H. Roemer, F. W. Stehr, T. B. Wilson.

Executive Office, 231 South La Salle St., Chicago, Ill.

CALIFORNIA POWER CORPORATION

(Controlled by Standard Gas and Electric Co.)

History—Incorporated Jan. 12, 1926, in California. A holding company. Controls The California Oregon Power Company, which operates in southern Oregon and northern California (see statement appended).

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par $100. All owned by Standard Gas & Electric Co.

Annual Meeting—First Tuesday in February.

Dividends—None paid to Dec. 31, 1927.

FUNDED DEBT

$3,893,000 6% SECURED GOLD BONDS; DUE FEBRUARY 1, 1931

Dated February 1, 1926.

Interest Payable February and August 1, at San Francisco, Chicago and New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco, Cal.

Callability—Not subject to call.

Sinking Fund—None provided.

Security—Secured by pledge of $3,000,000 General & Refunding Mortgage Gold Bonds Series "A" 5½%, due 1946, $1,665,100 7% Pfd. stock and $4,441,000 Common stock of The California Oregon Power Co., having total value of approximately 140% of Secured Gold bonds of California Power Corporation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mill tax and Massachusetts income tax not in excess of 6% per annum, refunded.

OFFICERS AND DIRECTORS

Officers: John J. O'Brien, Pres.; Robert J. Graf, V-P.; R. G. Hunt, V-P.; E. J. McKay, V-P., Chicago; Samuel Kahn, V-P., San Francisco; M. A. Morrison, Sec. & Treas.; Herbert List, Asst. Sec. & Asst. Treas.;

E. J. Rosenauer, Asst. Sec. & Asst. Treas., Chicago; Geo. B. Willcutt, Asst. Sec. & Asst. Treas., Medford, Cal.

Directors: John J. O'Brien, Robert J. Graf, Chicago, Ill.; Samuel Kahn, Herman Phleger, San Francisco, Cal.; J. M. Yount, P. O. Crawford, Geo. B. Willcutt, Medford, Cal.

General Office, San Francisco, Cal.

THE CALIFORNIA OREGON POWER COMPANY

(Controlled by Standard Gas and Electric Co., through the California Power Corp.)

History and Properties—Incorporated Oct. 16, 1920, in Cal., as successor under Plan of Reorganization to the California-Oregon Power Co., which had acquired the properties of the Rogue River Electric Co., Prospect Construction Co., Klamath Power Co., Siskiyou Electric Power & Light Co. and the power plant of the Trinity Gold Mining & Reduction Co. (see 1920 Public Utility Manual, page 1406). In 1923, acquired the properties of the Douglas County Light & Water Co. In 1927, merged the Keno Power Co. of Klamath Falls, Ore.

The California Oregon Power Co. supplies without competition electricity for power and light in 55 communities, having a combined population of more than 84,000, located in northern California and southern Oregon, serving in important cities of Medford, Grants Pass, Roseburg, Klamath Falls, Dunsmir, Yreka and many other prosperous cities and towns in an area of approximately 1,800 sq. miles. Water service is also furnished in a number of these communities. In addition to serving the electric requirements in its own territory the Company supplies electric energy, under favorable, long term contracts, to Pacific Gas and Electric Co. and Mountain States Power Co.

Practically the entire generating capacity of the Company is hydro-electric, being over 99% of the present installed 90,168 kilowatts, including 32,000 kilowatts capacity of the new hydro-electric plant on the north fork of the Rogue River in Oregon, known as Prospect No. 2, which was placed in service in January, 1928. The properties of the Company include 1,763 miles of electric transmission and distribution pole lines. At Dec. 31, 1927, the Company served 20,091 electric customers, having 120,161 kilowatts connected load. For the 12 months ended Dec. 31, 1927 the electric output amounted to 374,724,290 kilowatt hours. At Dec. 31, 1927 the number of water customers served was 6,347.

The territory served by the Company embraces an area of approximately 90 by 200 miles, including the greater part of Jackson, Josephine, Douglas and Klamath Counties in Oregon; Siskiyou County and parts of Shasta and Trinity counties in California. The Company has contracted with the U. S. Government for the regulation of Upper Klamath Lake and a storage amounting to 400,000 acre-feet has been made available for the irrigation of the Klamath Basin by the construction of a 20-ft. concrete dam about 400 feet long.

Management—The properties are under the management of Byllesby Engineering and Management Corp.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Kilowatt Hours Output	Connected Load K.W.	Electric Customers	Water Customers
1922	132,475,550	40,891	10,677	2,617
1923	155,418,022	57,340	13,511	4,789
1924	182,213,010	71,758	14,688	5,157
1925	251,028,908	101,217	16,573	5,679
1926	293,010,721	115,722	18,921	6,112
1927	374,724,290	120,161	20,091	6,347

CAPITAL STOCK

Authorized, $15,000,000 Common, $15,000,000 6% Series of 1927, 6% and 7% cumulative Pfd. (of which amount 44,200 shares are entitled to dividends at the rate of 7% per annum and 105,800 shares are entitled to dividends at the rate of 6% per annum); outstanding, $4,441,100 Common, $4,340,200 7% cumulative Pfd., $987,300 6% cumulative Pfd., and $853,200 6% cumulative Pfd., Series of 1927; par, $100. It is provided that if additional stock over $4,420,000 is issued, dividend rate shall be 6% on such additional amounts. California Power Corp. owns, $4,441,100 Common and $1,665,100 7% Pfd.

Capital Stock Increase—Authorized capital stock was increased on Aug. 15, 1927 from $7,500,000 Common and $7,500,000 Pfd. to $15,000,000 Common and $15,000,000 Pfd.

Transfer Offices—Offices of the Company, Medford, Ore., and 454 California St., San Francisco.

Registrar—American Trust Co., San Francisco.

Annual Meeting—Fourth Tuesday in February.

Listed—Pfd. stock listed on San Francisco Stock Exchange.

Price Range—

7% Preferred—	1927	1926	1925	1924	1923
High	110⅝	104½	105½	98	99
Low	102½	100	96½	94½	94

Dividends—Dividends have been regularly paid on Pfd. stock since issuance; payments now quarterly, J, A, J & O 15. Quarterly dividend of $1.75 per share on Common paid April 14, 1928. Directors meet for dividend action on, J, A, J & O 1.

FUNDED DEBT

(1)

$543,000 ROGUE RIVER ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1937

Dated July 1, 1907.

Interest Payable January and July 1, at Guaranty Trust Company, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Company, New York.

Provisions of Issue—Authorized and issued $700,000; outstanding, Dec. 31, 1927, $543,000.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—A sinking fund of not less than $7,000 per annum is provided to be set aside from the earnings, beginning July, 1909, to purchase or call the bonds at 105 and interest.

Security—Under the terms of the mortgage, bonds Nos. 1 to 250 ($250,000) have a preference as to the assets of the company; the remainder, all to rank equal with each other and constitute a lien, without preference over one another, on all assets and property of the former Rogue River Electric Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$4,465,300 THE CALIFORNIA OREGON POWER COMPANY FIRST & REFUNDING MORTGAGE GOLD 6s, SERIES "B" DUE FEBRUARY 1, 1942

Dated February 1, 1921.

Interest Payable February and August 1, at American Trust Co., San Francisco, Harris Trust & Savings Bank, Chicago, and The National City Bank of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—The First and Refunding Mortgage provides that the aggregate face amount of all bonds at any one time issued and outstanding, including bonds reserved for the retirement of underlying bonds, shall not exceed $10,000,000.

Bonds may be issued in series of the same or different dates, maturity, interest rate and redemption provision, only for the following puposes: (1) For the ac-

quisition or retirement of underlying bonds; (2) for the redemption or retirement of bonds of any other series under this mortgage and (3) up to 75% of actual and reasonable expenditures for extensions, betterments and additions to the plants and properties provided that no bonds shall be issued unless the net income of the Company, as defined in the mortgage, has been at least 1¾ times the sum of the interest on all bonds outstanding in the hands of the public (including underlying issues) and on those proposed to be issued.

Callability—Subject to call as a whole or in part on 60 days' notice on any interest date at 107½ and accrued interest up to and including Feb. 1, 1927, and thereafter at a premium equal to ½% for each year or fraction thereof of unexpired term of the bonds.

Sinking Fund—The mortgage provides for an annual sinking fund beginning in 1922, equal to 2% of the face amount of (1) all bonds of this issue then outstanding and not previously called, and (2) all underlying bonds then outstanding. One-third of all sums of money paid into the sinking fund shall be applied by the Trustee for the purchase or redemption of bonds secured by this mortgage; and the remaining two-thirds shall be held in trust by the Trustee and may be withdrawn from time to time by the Company, for additions and betterments made, provided such expenditures may not be used as the basis for the issuance of additional bonds.

Security—Secured by a direct first mortgage on the most important parts of the Company's property. In addition, they are a first mortgage on practically all of the important transmission lines. The underlying bonds secured by a closed mortgage total only about 5% of the bonded debt and cover relatively unimportant parts of the property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in California, Maine and Massachusetts.

Legal Opinion—Moonson, Dunne & Brobeck (now Brobeck, Phleger & Harrison).

Original Offering—First publicly offered ($1,000,000) in Jan., 1922, at 93½ and interest, yielding about 7.60%, by Mercantile Trust Co. of California, E. H. Rollins & Sons, National City Co., and Harris, Forbes & Co., and Harris Trust & Savings Bank; $1,000,000 additional in Sept., 1923, by same firms at 99½ and interest; and $2,500,000 in June, 1924, at 99½ and interest by E. H. Rollins & Sons, Harris, Forbes & Co., and National City Co., New York, and Mercantile Securities Co. of California, San Francisco.

Listed—San Francisco Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
High	107	105½	103¾	102	101½	100½
Low	105	103¼	101	98	98	100

(3)

$2,511,000 THE CALIFORNIA OREGON POWER COMPANY FIRST & REFUNDING MORTGAGE GOLD 5½s, SERIES "C"; DUE FEBRUARY 1, 1955

Dated February 1, 1921.

Interest Payable February and August 1, at American Trust Co., San Francisco, Harris Trust & Savings Bank, Chicago, and The National City Bank of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Callability—Subject to call as a whole or in part, on any interest payment date at par, accrued interest and a premium equal to 1/10% for each full year, or fraction thereof, of unexpired term of the bonds.

Provisions of Issue—See description of Series "A" bonds above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in California, Maine and Massachusetts.

Legal Opinion—Brobeck, Phleger & Harrison, and Goodfellow, Eells, Moore & Orrick, San Francisco.

Original Offering—First publicly offered ($2,000,000) in March, 1925, at 97½ and interest, to yield about 5.67%, by E. H. Rollins & Sons and Harris Forbes & Co., New York; Harris Trust & Savings Bank, Chicago, and Mercantile Securities Co. of California, San Francisco. $600,000 sold in July, 1925, at 96 and interest to yield about 5.85%, by the same firms.

Price Range—

	1927	1926	1925
High	103	102¾	100
Low	102⅛	99½	98¼

(4)

$3,000,000 THE CALIFORNIA OREGON POWER COMPANY GENERAL & REFUNDING MORTGAGE SERIES "A" 5½% BONDS; DUE FEBRUARY 1, 1946

Dated February 1, 1926.

All owned by California Power Corporation and pledged as part security for the 6% Secured Gold bonds of that Corporation.

(5)

$4,000,000 THE CALIFORNIA OREGON POWER COMPANY 5½% GOLD DEBENTURES; DUE OCTOBER 1, 1942

Dated October 1, 1927.

Interest Payable April and October 1, at office or Agency of Company, in Chicago and New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Harris Trust and Savings Bank, Chicago.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A," $4,000,000. The Trust Agreement provides for the issuance of additional Debentures of Series "A," or of other series of such dates, maturities, interest rates, redemption and other provisions as may be determined by the Board of Directors of the Company, in accordance with the terms of the Trust Agreement. Such additional Debentures may be issued only when net earnings for a period of twelve consecutive months within fifteen months immediately preceding the date of application for the issuance of Debentures, have been equal to 1½ times the annual interest charges on the total funded debt of the Company then outstanding, including the additional debt about to be created, all as defined in the Trust Agreement.

Purpose of Issue—Proceeds were used to reimburse the Company for expenditures for additions and extensions to its properties and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time on 30 days' notice until and including Oct. 1, 1930, at 102½% and accrued interest, the premium thereafter decreasing ½% for each three years or fraction thereof thereafter elpased to and including Oct. 1, 1941, the Debentures being redeemable thereafter at 100%, plus accrued interest in each case.

Sinking Fund—None provided.

Security—Debentures are the direct obligation of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, California and Connecticut personal property taxes not exceeding 4 mills, the Maryland securities tax not exceeding 4½ mills, and the Massachusetts income tax not exceeding 6% refunded to resident holders upon proper application.

Legal Opinion—Winston, Strawn & Shaw, Chicago (for the Bankers) and Cummins, Roemer & Flynn, Chicago, and Brobeck, Phleger & Harrison, San Francisco (for the Company).

Original Offering—First publicly offered ($4,000,000) in Nov., 1927, at 98½ and interest to yield 5.65% by H. M. Byllesby & Co., Inc., E. H. Rollins & Sons, Spencer Trask & Co., New York, etc. and American National Co., San Francisco, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,913,081	$2,502,003	$2,178,762	$1,699,764	$1,370,545	$1,066,189
Maintenance				84,793	70,416	56,247
Operation and administration	1,125,841	1,071,600	841,652	434,910	375,425	274,157
Taxes				166,077	138,221	109,166
Provision for doubtful accounts				13,109	10,542	8,217
Total expenses	$1,125,841	$1,071,600	$841,652	$698,889	$594,604	$447,787
Net earnings	1,787,240	1,430,403	1,337,110	1,000,875	775,941	618,402
Other income	6,202	12,476	.....	.....	.....	.....
Total income	$1,793,442	$1,442,879	$1,337,110	$1,000,875	$775,941	$618,402
Bond and other interest (less interest charges to construction)	668,074	673,226	497,741	266,193	273,691	216,868
Preferred dividends	354,727	304,226	264,549	223,908	194,513	155,862
Bal. for retirement res., Com. divds., amort. and surplus	$770,641	$465,427	$574,820	$510,775	$307,737	$245,671
*Times All Interest Earned	2.68	2.14	2.68	3.76	2.83	2.85

*Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant, property, rights, franchises, etc.	$26,201,745	$21,806,369	$20,532,941	$16,541,651	$12,879,626	$11,482,396
Cash and deposits	525,538	128,863	119,796	901,419	239,724	195,260
Accounts & notes receivable (net)	397,693	387,504	359,232	364,540	317,115	203,227
Miscellaneous investments	5,084	2,756	2,331	2,010	21,850	31,650
Installments receivable from securities sales	332,162	312,907	165,135	153,558	131,068	259,140
Materials and supplies	517,630	419,957	368,250	397,169	260,226	174,619
Investments in affiliated companies	.....	.....	.....	280,857	255,174	253,524
Land scrip	.....	.....	.....	.....	1,460	1,460
Advanced expenses and suspense items	13,917	16,262	32,760	129,913	35,569	57,461
Unamortized debt discount & expense	1,204,924	1,003,040	624,785	487,991	292,922	225,568
Deferred accounts in process of amortization	20,036	195,738	10,901	88,384	.....	.....
Total	$29,218,729	$24,273,396	$22,216,131	$19,347,681	$14,434,734	$12,884,305
Liabilities—						
Common stock	$4,441,100	$4,441,100	$4,441,100	$4,441,100	$4,441,100	$4,441,100
Preferred stock	*6,654,600	5,159,400	4,411,231	3,656,691	3,350,965	2,908,084
Funded debt	14,519,300	10,584,800	9,524,300	8,630,800	4,740,500	3,800,500
Standard Gas & Electric Co.	.....	972,138	.....	.....	.....	.....
Notes payable	.....	.....	975,047	312,979	156,845	252,489
Accounts payable	117,254	120,803	117,371			
Consumers' deposits, etc.	154,255	51,185	156,918	155,195	104,753	76,150
Interest accrued	307,759	254,914	249,882	190,690	111,987	87,886
Accrued taxes	329,873	244,248	181,363	111,748	69,773	56,351
Accrued for dividends	349,066	68,042	.....	.....	.....	.....
Retirement reserve	1,764,165	1,696,753	1,546,696	1,398,178	1,214,805	1,064,246
Other reserves	74,807	219,135	69,695	91,875	48,860	53,324
Surplus	506,550	460,878	542,528	358,425	195,146	144,175
Total	$29,218,729	$24,273,396	$22,216,131	$19,347,681	$14,434,734	$12,884,305

*Includes stock subscribed for but not fully paid and issued, $473,900.

NOTE—At Dec. 31, 1927, California Power Corp. owned $3,000,000 General & Refunding Mortgage Series "A," 5½% bonds, due Feb. 1, 1946, $1,665,100 Pfd. stock and $4,441,100 Common stock of The California Oregon Power Company. California Power Corporation has outstanding $7,893,000 6% Secured Gold bonds in the hands of public and $3,000,000 Common stock owned by Standard Gas and Electric Company.

Officers: John J. O'Brien, Pres., Chicago; P. O. Crawford, V-P. & Gen. Mgr.; W. M. Shepard, V-P. & Gen. Mgr., Medford, Cal.; Samuel Kahn, V-P., San Francisco, Cal.; R. G. Hunt, V-P.; E. J. McKay, V-P., Chicago; M. D. Field, Sec. & Treas.; H. P. Bosworth, Asst. Sec.; E. L. Lennox, Asst. Sec.; Wm. G. Pohl, Asst. Sec. & Asst. Treas.; C. H. O'Reilly, Asst. Sec. & Asst. Treas., Chicago; Geo. B. Willcutt, Asst. Sec. & Asst. Treas., Medford, Cal.

Directors: John J. O'Brien, Halford Erickson, Robert J. Graf, R. G. Hunt, Chicago; Samuel Kahn, San Francisco; Geo. B. Willcutt, P. O. Crawford, W. M. Shepard, J. D. Grant, J. M. Yount, John D. McKee, Medford, Cal.

Executive Office, Chicago, Ill. **Home Office,** Medford, Ore.

FORT SMITH LIGHT AND TRACTION COMPANY

(Controlled by Standard Gas and Electric Co.)

History and Property—Incorporated April 13, 1903, in Ark.; consolidation of the Fort Smith Traction, Light & Power Co. and the Fort Smith-Van Buren Light & Transit Co. Subsequently absorbed the Van Buren Fuel & Light Co. Owns and operates the street railway line in Fort Smith, Ark., and suburbs, including Van Buren, and does the entire electric light, power and gas business of that city, Alma and Van Buren, and furnishes electric light and power to 21 other communities. Under Public Utility Act of State of Arkansas passed in 1919 Company surrendered its franchise and now operates under an indeterminate permit from State of Arkansas, which permit is equivalent to a perpetual franchise. Miles of track operated, 33. Gauge, standard; 60 and 80 lb. T. rail; 52 cars; 1 power station, with installed steam electric generating capacity of 6,250 k.w. Natural gas is purchased from a producing company and is distributed for lighting and fuel. Estimated population served, 76,000. Has city contract for street lighting. Controls, through stock ownership, The Mississippi Valley Power Co. operating in Mulberry and Ozark, Ark., and surrounding territory (see statement appended).

Gas Properties To Be Sold—Stockholders voted at special meeting held May 2, 1928, to sell the gas distribution system of the Company located in Fort Smith, South Fort Smith, Van Buren and Alma, Ark., and environs.

CAPITAL STOCK

Authorized, $1,500,000 Common and $5,000,000 7% cumulative (from Jan. 1, 1912) Pfd.; outstanding: $950,000 Common and $1,410,000 Pfd.; par, $100. Standard Gas & Electric Co. owns $950,000 Common and $881,500 Pfd.

Annual Meeting—First Monday in April.

Transfer Agent—Continental National Bank & Trust Co., Chicago.

Dividends—Dividends on Pfd. were suspended beginning with July, 1913. None since that date.

FUNDED DEBT

(1)

$2,850,000 FIRST MORTGAGE 5% SINKING FUND GOLD BONDS; DUE MARCH 1, 1936

Dated March 1, 1911.

Interest Payable March and September 1, at Illinois Merchants Trust Co., Chicago, or at office of the Company, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—Authorized issue, $6,000,000. Issued, $3,894,000, of which $1,044,000 redeemed through sinking fund to Dec. 31, 1927. The unissued bonds may be issued for not exceeding 75% of cost of additions, etc., only when net earnings are at least double all annual fixed charges. Standard Gas and Electric Co. owns $645,000 of the bonds.

Callability—Subject to call in whole or in part at 105 and interest on any interest date.

Sinking Fund—Sinking fund of 1½% in 1917 and 1918, 2% in each of the next five years, and such ratable amounts in each of the remaining twelve years that at the date of the last sinking fund payment, July 1, 1935, the aggregate payments will have amounted to 40% of the entire amount of bonds certified up to that date. Sinking fund will be applied each year to the purchase of bonds at a price not exceeding 105 and accrued interest, bonds to be drawn at that price, if not so purchasable, and to be canceled forthwith and not reissued.

Security—Secured by first mortgage upon all property and franchises of the company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($2,200,000) in April, 1911, at 93½ and interest, by Lee, Higginson & Co., Boston and New York.

Price Range—

	1927	1926	1925	1924	1923
High	90½	91¼	82¾	88	78¼
Low	85½	75¼	76½	71	70⅛

(2)

$1,100,000 SECOND MORTGAGE 8s; DUE SEPTEMBER 1, 1931

Dated September 1, 1921.

Interest Payable March and September 1, at Continental National Bank & Trust Co., Chicago, Trustee. Authorized issue, $2,500,000; issued, $1,100,000, all of which are owned by Standard Gas and Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918
Electric customers	9,832	9,580	9,193	8,568	8,085	7,377	5,649	5,160	4,537	4,045
Total k.w. lighting load	13,420	12,289	11,231	10,583	9,696	8,931	7,404	7,021	8,920	6,149
Total k.w. power load	13,888	13,493	12,845	12,606	11,686	10,113	7,405	7,015	3,785	3,085
Total k.w. railway load	1,559	1,596	1,596	1,575	1,575	1,575	1,575	1,575	800	800
Total k.w. connected	28,867	27,378	25,672	24,764	22,957	20,619	16,384	15,611	13,505	10,034
Miles of trans. & distribution lines	348	338	322	315	309	299	192	185	186	182
Gas customers	10,191	10,206	10,058	9,694	8,932	8,493	8,034	7,541	7,083	6,685
Ranges	10,385	10,317	10,295	10,504	9,716	9,162	7,702	6,553	6,224	5,933
Hot plates	481	482	483	475	460	426	403	392	392	359
Water heaters	5,254	5,238	4,532	3,487	2,917	2,014	1,250	661	621	573
Heaters	37,145	37,508	34,767	30,103	26,479	16,318	10,976	6,387	5,999	5,535
Other appliances	787	769	787	1,307	1,270	635	566	564	513	509
Miles of mains	167	164	159	155	153	142	137	133	131	78

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including Mississippi Valley Power Co.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,393,119	$1,409,951	$1,262,722	$1,207,069	$1,159,945	$1,039,069
Operating expenses, maintenance and taxes	1,044,417	1,042,498	919,395	904,699	822,574	730,660
Net earnings	$348,702	$367,452	$343,327	$302,370	$337,371	$308,409
Other income	4,303	849	.....	.....	.....	.....
Total net income	$353,005	$368,302	$343,327	$302,370	$337,371	$308,409
Interest charges, less amt. charged to constr.	334,216	347,172	335,660	322,465	303,208	286,365
Balance for retirement reserves, dividends amortization and surplus	$18,789	$21,130	$7,667	*$20,095	$34,162	$22,044
Times Interest Earned	1.06	1.06	1.02	0.94	1.11	1.07

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31
(Including Mississippi Valley Power Co.)

Assets—	1927	1926	1925
Plant, prop. rights & franchises	$7,519,813	$7,374,233	$7,100,179
Investments	4,378	4,378	4,378
Sinking funds	509	488	405
Materials and supplies	95,815	101,313	109,058
Insurance unexpired	4,535	3,597	3,031
Cash	35,330	175,682	79,672
Notes & accts. receiv. (net)	160,477	150,447	138,093
Unamort. debt disc. & exp.	968,843	978,083	990,326
Def. accts. being amortized	195,574	112,923	106,035
Prepaid accounts	23,756	8,160	8,446
Cash on deposit for mortgaged property sold	3,000	.....	.....
Total	$9,012,030	$8,909,304	$8,539,624

Liabilities—	1927	1926	1925
Common stock, Ft. Smith Lt. & Trac. Co.	$950,000	$950,000	$950,000
Preferred stock, Ft. Smith Lt. & Trac. Co.	1,410,000	1,410,000	1,410,000
Preferred stock, Miss. Vy. Power Co.	50,000	50,000	50,000
Funded debt	4,400,000	4,499,000	4,601,000
Standard G. & E. Co. notes payable	.....	100,000	100,000
Notes payable	90,000	90,000	90,000
Accts. & wages payable	96,265	228,301	111,998
Standard G. & E. Co.	1,357,953	966,619	641,666
Due to affiliated cos.	274,152	224,915	191,960
Consumers' deposits	60,644	55,489	47,287
Interest accrued	90,528	92,087	92,367
Taxes accrued	71,073	60,597	59,888
Retirement reserve	.....	34,206	59,620
Other reserves	86,649	77,113	68,991
Surplus	74,766	70,977	64,847
Total	$9,012,030	$8,909,304	$8,539,624

Officers: John J. O'Brien, Pres.; F. C. Gordon, V-P.; R. C. Coffy, V-P. & Mgr.; E. J. McKay, V-P.; Robert J. Graf, V-P.; Dan Ryan, Sec. & Treas.; Wm. G. Pohl, Asst. Sec. & Asst. Treas.; B. W. Lynch, Asst. Sec. & Asst. Treas.; M. A. Morrison, Asst. Sec. & Asst. Treas.; B. F. Braheney, Asst. Treas.; Herbert List, Asst. Sec.

Directors: John J. O'Brien, R. C. Coffy, Geo. Sengel Jr.; Dan Ryan, H. W. Fuller, Robert J. Graf, Halford Erickson, L. J. Noble, W. R. Kennedy.

Office, Fort Smith, Ark.

MISSISSIPPI VALLEY POWER COMPANY

(Controlled by Fort Smith Light and Traction Co.)

History—Incorporated April 27, 1922, in Ark., and is operating approximately 60 miles of 33,000 volt transmission lines, from Alma, Arkansas, to Clarksville, Ark., and Paris, Ark., formerly owned by the Commonwealth Public Service Co. (see 1921 Public Utility Manual, page 331). Ownership of these properties was assumed on July 1, 1922. Has also acquired distribution systems at Alma, Dyer, Mulberry, Ozark, Hartman, Paris Settlement, Altus, Denning, Alix, Lamar and Spadra, all in Arkansas. Coal Hill and Clarksville are also served on a wholesale basis. In addition, the company has acquird lateral pole lines serving intermediate coal mining districts. Power is purchased under a favorable contract running for 25 years from Fort Smith Light & Traction Co. at Alma, Ark.

CAPITAL STOCK

Authorized, $200,000 Common, par, $10 and $1,500,000 Pfd., par, $100; outstanding, $25,000 Common and $50,000 Pfd. The Fort Smith Light & Traction Co. owns all the Common stock, except directors' qualifying shares.

FUNDED DEBT

$400,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE MAY 1, 1947

Dated May 1, 1922.

Interest Payable May and November 1, at Continental National Bank & Trust Co., Chicago, and at First National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized issue, $25,000,000. Additional bonds may be issued for 75% of the cost of additions and extensions to the properties, provided net earnings, as defined in the Mortgage, for twelve consecutive months ending within 90 days of date of application for the issuance of such bonds, shall have been equal to at least 1¾ times annual interest requirements on bonds of a prior lien and on all bonds outstanding and about to be issued. Bonds may also be issued to retire outstanding bonds of this issue. Such additional bonds may be issued in series, of such date and maturity (but not prior to the maturity of any series then outstanding), bearing interest at such rate, redeemable at such price and having such sinking fund provisions, if any, as may be determined by the directors.

Callability—Subject to call as a whole or in part on 30 days' notice; during the first five years at 105, and thereafter at 1% less for each succeeding five-year period, except that for the last six months prior to maturity, bonds may be redeemed at 100; plus accrued interest in each case.

Sinking Fund.—Semi-annual cash sinking fund payments will be made to the Trustee beginning Nov. 1, 1925, equal to 1% of amount of Series "A" bonds outstanding at respective dates of payment. Cash deposited for sinking fund may be withdrawn by the company for permanent extensions and additions to its properties for which no bonds may be issued. Sinking fund cash not so used is to be applied by the Trustee to purchase of Series "A" bonds in the market, at or below the prevailing call price, and if bonds are not so obtainable, the Trustee will call for redemption a sufficient amount of Series "A" bonds to absorb the sinking fund cash.

Security—Secured by direct first mortgage on entire property of company now owned or hereafter acquired.

Guaranty—Guaranteed as to principal, interest and sinking fund payments by endorsement on each bond by Fort Smith Light & Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded upon application to the company.

Original Offering—First publicly offered ($400,000) in May, 1922, at 91 and interest to yield 6.75%, by H. M. Byllesby & Co., Chicago, etc.

Price Range—

	1927	1926
High	99	*93
Low	92	26

*High and low bid price.

$50,000 6% GOLD NOTES, SERIES "A," DUE SERIALLY MAY 1, 1928 TO 1932

Dated May 1, 1922.

Interest Payable May and November 1, at Continental National Bank & Trust Co., Chicago, and First National Bank, New York.

Coupon, $100, $500 and $1,000; principal may be registered. Present notes were issued in payment of acquired property. Additional notes may be issued when net earnings, after deductions of annual bond interest equal to 2½ times annual interest charges on all Gold Notes of Company outstanding and those about to be issued. Subject to call on any interest date at par. Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($400,000) in May, 1922, at 91 and interest to yield 6.75% by H. M. Byllesby & Co., Chicago, etc.

OFFICERS AND DIRECTORS

Officers: John J. O'Brien, Pres.; R. C. Coffy, V-P.; F. C. Gordon, V-P.; Dan Ryan, Sec. & Treas.; Herbert List, Asst. Sec.; M. A. Morrison, Asst. Sec. & Asst. Treas.; Wm. G. Pohl, Asst. Sec. & Asst. Treas.; B. F. Braheney, Asst. Treas.

Directors: John J. O'Brien, R. C. Coffy, L. J. Noble, Geo. Sengel, Jr., Dan Ryan.

Office, Fort Smith, Ark.

LOUISVILLE GAS AND ELECTRIC COMPANY OF DELAWARE

(Controlled by Standard Gas and Electric Co.)

History—Incorporated Feb 17, 1913, in Del., as a holding company.

Owns over 99% of the Common stock of Louisville Gas & Electric Co. (Kentucky), which is engaged in the distribution of electricity, manufactured and natural gas, and steam heat in Louisville and surrounding communities; all the capital stocks, except directors' qualifying shares, of Kentucky Pipe Line Co., Kentucky Coke Co., Madison Light & Power Co., and Louisville Hydro-Electric Co.

The Kentucky Pipe Line Co. is engaged in the transportation of natural gas from the West Virginia fields to Louisville, Ky.; the Kentucky Coke Co. is engaged in the manufacture of electricity and gas in Louisville, Ky., and owns Ivyton Oil & Gas Company which produces gas and some oil, and owns leases and wells; The Madison Light & Power Co. (see Public Utility Manual for 1923, p. 118), acquired by the Louisville Gas & Electric Co. of Delaware in 1923 is engaged in buying, selling, generating and distributing electricity, serving a population of about 9,200 in and near Madison, Ind.

Effective Dec. 1, 1927, Ivyton Oil & Gas Co. and Kentucky Pipe Line Co., subsidiaries of Louisville Gas and Electric Company, entered into a contract to merge certain of their properties with those of Kentucky West Virginia Gas Co. Through this transaction Louisville Gas and Electric Company will receive securities of Kentucky West Virginia Gas Co.

The Louisville Hydro-Electric Company was incorporated April 12, 1922, in Delaware, to construct and operate a power house at the government dam on the Ohio River; its capital stock consists of 10,000 shares of no par value.

Construction work on the hydro-electric station of this company at the falls of the Ohio River, which was started in 1925, was continued during 1927. This station, which will have an initial capacity of 80,000 kilowatts, and is designed for an ultimate capacity of

100,000, is almost completed, and the generating equipment already has operated successfully. It will be placed in regular service, it is expected, in 1928.

The entire hydro development, consisting of power house, dam and transmission line, was built under the direction of the Byllesby Engineering and Management Corp., engineers, managers and construction supervisors for Louisville Gas and Electric Co.

The dam, which was constructed by the Byllesby organization under contract for the Federal government as part of the Ohio River canalization program, is more than a mile and a half long. The power house is of steel and concrete construction, 508 feet long and 50 feet wide. There are eight generators, each with a capacity of 10,000 kilowatts. Power generated at the plant will be transmitted over a steel tower transmission line to the Waterside steam-electric station, whence it will be distributed over the Company's system. The average electrical energy output of the plant is estimated at 400,000,000 kilowatt-hours annually. Upon completion of this project, Louisville Gas and Electric Co. will have total installed generating capacity of 173,250 kilowatts.

CAPITAL STOCK

Authorized, 800,000 shares Common stock, Class "A" and 500,000 shares Common stock Class "B"; outstanding, Dec. 31, 1927, 507,381 shares Common stock, Class "A" and 257,956 shares Common stock Class "B"; both classes without par value. There is also outstanding in the hands of the public $9,707,900 7% cumulative Pfd. stock, $11,485,500 6% cumulative Pfd. stock and $8,600 Common stock of the Louisville Gas and Electric Co. of Kentucky. Standard Gas and Electric Co., at Dec. 31, 1927, owned 233,876 shares of Common stock Class "B."

Stock Provisions—The Class "A" Common stock is preferred as to each quarterly dividend at the annual rate of $1.50 per share over the Class "B" Common stock, and, after the Class "B" Common stock has received the same dividend per share, the Class "A" and Class "B" Common stocks participate equally and ratably, share for share, up to an additional annual rate of 50 cents per share, and thereafter the Class "A" Common stock is entitled to dividends in the ratio of 25 cents per share for each $1.00 per share paid on the Class "B" Common stock. The Class "A" Common stock is preferred to $25 per share in distribution of assets over the Class "B" Common stock, and, after the Class "B" Common stock has received the same amount per share, the Class "A" and Class "B" Common stocks participate equally and ratably, share for share in distribution of assets. The Class "A" Common stock is subject to redemption as a whole or in part at any time upon 30 days' notice at $32.50 per share. Class "A" Common stock has no voting rights. Class "B" Common is entitled to one vote for each share. Directors may dispose of unissued stock of either class or any increase thereof for consideration other than cash and holders of Class "A" and Class "B" Common stock shall have no right to subscribe for any part thereof. Directors may dispose of unissued stock or increase of stock of either class for cash and Class "B" stockholders only shall have the right to subscribe therefor.

Proposed Change in Stock Provisions—Stockholders were to vote at the annual meeting on May 16, 1928, to amend the Certificate of Incorporation providing that whenever, for any quarterly dividend period, dividends at the rate of $1.50 per share per annum have been paid on the Class "A" Common stock and dividends at the rate of $1.50 per annum have been paid on the Class "B" Common stock, any further dividends for such period shall be declared on the Class "A" Common and Class "B" Common stock, share and share alike, with distinction as to class. Under the terms of the amendment the Class "A" Common stock will be non-redeemable and will remain non-voting (except as provided by law).

Transfer Agents—Agency of the Company, New York and Chicago.

Registrars—First National Bank of New York, and Continental National Bank & Trust Co., Chicago.

Legal Opinion—Chapman, Cutler & Parker, Chicago (for the Bankers); Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered (450,000 Common Class "A" shares) in May, 1925, at $26 per share, by H. M. Byllesby & Co., Inc., Chicago, New York, etc.

Annual Meeting—Third Wednesday in May, at Wilmington, Del.

Dividends—Dividends are payable quarterly, M, J, S & D 25. Initial quarterly dividends of 43¾ cents per share each on Class "A" and Class "B" stocks, paid Sept. 25, 1925, and at same rate quarterly since.

Listed—Class "A" Common shares are listed on the New York, Chicago and Louisville Stock Exchanges.

Price Range—

Common Class "A"—	1927	1926	1925
High	30½	26⅛	26¾
Low	23⅝	22¾	23

FUNDED DEBT

None.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31
(Controlled Companies)

	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918
Electric customers	85,773	79,830	72,545	65,174	56,483	50,669	47,253	43,896	40,384	37,437
Total k.w. lighting load	63,267	60,347	56,707	53,010	48,495	45,545	42,676	42,214	40,557	39,137
Total k.w. power load	101,803	96,252	91,202	80,560	68,094	57,682	36,204	28,786	26,594	24,071
Total k.w. connected	165,070	156,599	147,909	133,570	116,589	103,227	78,880	71,000	67,151	63,208
Miles of pole and underground line	950	855	784	700	604	547	515	506	497	493
Gas customers	73,135	69,969	65,451	60,689	56,685	55,104	49,853	48,357	46,909	45,250
Ranges	68,506	65,461	61,301	57,231	53,881	52,571	48,531	45,049	43,601	41,942
Hot plates	8,469	8,034	7,359	6,669	6,004	5,659	5,224	3,899	3,899	3,899
Water heaters	20,558	19,873	18,988	18,288	17,503	16,973	16,248	4,284	4,284	4,284
Heaters	36,439	35,724	34,569	33,334	32,064	31,379	30,569	11,979	11,979	11,979
Other appliances	26,030	25,200	24,860	24,380	23,875	23,275	22,975	15,173	15,173	15,173
Miles of mains	909	923	881	828	807	785	715	519	517	513

CONSOLIDATED STATEMENT OF EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31
(Louisville Gas and Electric Co. (Del.) and Subsidiaries)

	1927	1926	1925	1924	1923	1922
Gross earnings	$8,817,922	$8,654,575	$7,903,899	$7,258,637	$6,475,824	$5,571,193
Operating expenses, maintenance and taxes	4,264,956	4,284,265	3,811,868	3,705,158	3,255,432	2,931,448
Net earnings	$4,552,966	$4,370,310	$4,092,031	$3,553,479	$3,220,392	$2,639,745
Other income	180,381	86,329	.....	.....	.....	.....
Total net income	$4,733,347	$4,456,639	$4,092,031	$3,553,479	$3,220,392	$2,639,745
Interest charges less amount charged to construction	1,148,250	1,349,976	1,308,701	1,161,107	962,552	1,294,997
Net income	$3,585,097	$3,106,663	$2,783,330	$2,392,372	$2,257,840	$1,344,748
*Preferred dividends paid	1,307,830	869,205	1,016,409	1,138,080	993,087	842,766
Balance for retirement reserves, Common dividends, amortiz. and surplus	$2,277,267	$2,237,458	$1,766,921	$1,254,292	$1,264,752	$501,982
Times Interest Earned	4.12	3.30	3.12	3.06	3.34	2.03

*Includes dividends paid on minority stock of subsidiary companies.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Including Subsidiaries)

	1927	1926	1925	1924	1923	1922
Assets—						
Property, plant, rights and franchises	$63,192,127	$61,101,427	$54,894,208	$50,357,062	$44,532,174	$39,019,094
Investments in & advances to other cos., etc.	3,783,157	59,226	34,826	69,126	238,767	265,546
Materials and supplies	530,794	663,966	589,545	628,742	495,192	387,055
Accounts and notes receivable (net)	929,665	1,008,883	954,729	902,976	743,072	707,015
Receivables from securities sales	2,440	1,078,532	16,750	733,700	408,599	720,852
Gas accounts receivable in litigation	.....	52,900	112,900	112,900	112,900	112,900
Cash	1,770,005	2,018,084	779,860	2,077,562	616,374	675,738
Due from affiliated companies	70,914	335,667	995,435	.....	.....	.....
Sinking funds and other deposits	45,567	44,909	48,001	.....	.....	.....
Income tax on bond interest	.....	.....	.....	9,107	9,223	10,456
Insurance unexpired	17,575	9,278	16,609	16,536	9,531	.....
Sundry deposits	.....	.....	.....	47,853	52,145	34,499
Prepaid accounts	.....	.....	.....	.....	.....	14,506
Unamortized debt discount and expense	5,298,598	5,263,700	5,269,533	5,360,801	4,871,305	4,858,292
Deferred charges	146,524	71,417	71,474	64,151	84,217	81,664
Total	$75,787,366	$71,707,989	$63,787,872	$60,380,516	$52,173,499	$46,887,617
Liabilities—						
Common stock (Delaware Co.)	*$18,983,191	$18,928,267	$18,855,133	$6,448,900	$6,448,900	$6,448,900
Preferred stock (Delaware Co.)	.....	.....	.....	10,907,000	10,907,000	10,907,000
Louisville Gas & Elec. Co. of Ky. cap. stock	21,204,600	16,178,100	11,777,900	9,117,700	6,004,000	3,861,300
Funded debt	28,995,600	29,957,700	28,460,100	29,140,000	23,500,000	23,500,000
Standard Gas & Electric Co.	.....	6,129	.....	.....	.....	.....
Purchase money obligations	.....	.....	.....	.....	.....	18,150
Notes payable	.....	1,000,000	.....	777,377	2,076,370	160,821
Notes receiv. discounted (contra)	.....	.....	.....	.....	.....	15,000
Accounts payable	427,652	399,531	346,422	333,515	393,606	309,756
Consumers' deposits, etc.	481,468	398,105	291,492	204,874	163,597	127,003
Accrued interest	277,804	315,326	283,198	305,980	244,524	225,240
Taxes accrued	699,745	677,251	614,915	641,332	579,044	408,491
Accrued dividends on Pfd. stock	453,782	378,363	312,889	{212,294	155,790	119,443
Accrued dividends on Common stock				{ 32,245	21,496	.....
Other accrued liabilities	15,566	.....	.....	25,881	33,956	28,542
Retirement & depletion reserves	2,335,455	1,790,134	1,317,538}	1,097,535	819,220	492,229
Other reserves	103,455	83,455	133,455}			
Surplus	1,809,048	1,595,628	1,394,828	1,135,883	825,996	265,742
Total	$75,787,366	$71,707,989	$63,787,872	$60,380,516	$52,173,499	$46,887,617

*Represented by 507,381 shares Class "A" and 257,956 shares Class "B," all of no par value.

Officers: John J. O'Brien, Pres.; Robert J. Graf, V-P.; J. B. Brown, V-P.; Halford Erickson, V-P.; T. B. Wilson, V-P. & Gen. Mgr.; D. T. Flynn, V-P.; B. W. Lynch, V-P. & Asst. Treas.; M. A. Morrison, V-P. & Asst. Sec.; F. C. Gordon, V-P.; E. J. McKay, V-P.; L. S. Streng, V-P. in Charge of Operation; J. J. McKenna, Sec. & Treas.; Herbert List, Asst. Sec. & Asst. Treas.; F. A. Noble, Asst. Sec. & Asst. Treas.; P. A. Lehmkuhl, Asst. Sec. & Asst. Treas.; W. G. Pohl, Asst. Sec. & Asst. Treas.; C. H. O'Reilly, Asst. Sec. & Asst. Treas.

Directors: John J. O'Brien, H. W. Fuller, J. B. Brown, John W. Barr, Jr., Geo. H. Harries, Robert J. Graf, T. B. Wilson, Philip S. Pogue, I. H. Thurman, R. M. Trimble, Matt. O'Doherty, Halford Erickson, John H. Roemer, L. S. Streng, Donald McDonald, Jr.

Principal Office, 311 West Chestnut St., Louisville, Ky.

LOUISVILLE GAS AND ELECTRIC COMPANY OF KENTUCKY

(Controlled by Louisville Gas and Electric Co. of Del.)

History and Property—Incorporated July 2, 1913, in Ky.; consolidation of Louisville Lighting Co. (see Manual for 1913, page 3518), Louisville Gas Co. (see Manual for 1913, page 3518), Kentucky Heating Co., Kentucky Fuel Gas Co., Kentucky Electric Co. (see Manual for 1913, page 3284), George C. Fetter Lighting & Heating Co., Calor Oil & Gas Co. and Campbell Electric Co., all located in or near Louisville, Ky. Manufactured and natural gas franchises expire June 14, 1933; electric franchise is perpetual.

Louisville Gas and Electric Company System serves electric power and light in the cities of Louisville, Madison, Elizabethtown, Mount Washington, Shepherdsville, Pewee Valley, West Point and surrounding communities and also furnishes electricity on a wholesale basis to the public utilities serving Jeffersonville and New Albany, Indiana. The System furnishes natural and manufactured gas in the cities of Louisville, Camp Taylor, Shively and St. Matthews and also supplies the companies serving Prestonsburg and Paintsville. The total estimated population served by the System is in excess of 381,000.

Predecessors of Louisville Gas and Electric Company established themselves in the gas business in 1838 and the electric business in 1885, since which times operations have been continuous.

Electric energy sources include Waterside Station at Louisville, which has a present installed steam electric generating capacity of 92,500 kilowatts and the new hydro-electric plant of the Louisville Hydro-Electric Company at the falls of the Ohio River of 80,000 kilowatts capacity. The System has its own coal properties, completely equipped, assuring an adequate, convenient and economic source of fuel supply. The coal is transported from the Company's mine at Echols, Kentucky, to Louisville, in steel cars owned by the Company. Water for condensing purposes is obtained from the Ohio river.

Construction work on the hydro-electric station of The Louisville Hydro-Electric Company at the falls of the Ohio River, which was started in 1925, was continued during 1927. This station, is designed for an ultimate capacity of 100,000 kilowatts. 80,000 kilowatts capacity is now practically completed and the generating equipment has operated successfully. It will be placed in regular service, it is expected, early in 1928. The entire hydro-electric development consisting of power house, dam and transmission line was built under the direction of Byllesby Engineering and Management Corporation, engineers, managers and construction supervisors for Louisville Gas and Electric Company. The dam which was constructed by the Byllesby organization under contract for the Federal government as part of the Ohio River canalization program, is more than a mile and a half long. The power house is of steel and concrete construction, 508 feet long and 50 feet wide. There are eight generators, each with a capacity of 10,000 kilowatts. Power generated at the plant will be transmitted over a steel tower transmission line to the Waterside

steam-electric station, whence it will be distributed over the Company's system. Upon completion of this project, Louisville Gas and Electric Company will have a total installed generating capacity of 173,520 kilowatts.

The principal sources of supply of natural gas are the Eastern Kentucky and West Virginia fields the gas being transported to Louisville by means of a 12-inch pipe line.

Gas manufacturing plants of the System have a total installed daily capacity of 22,000,000 cu. ft. and the gas system includes nine gas holders which provide storage capacity of 12,300,000 cubic feet for both natural and manufactured gas.

The System at December 31, 1927, served 85,773 electric customers. The connected lighting load at December 31, 1927, was 63,267 kilowatts, the power load 101,803 kilowatts and the total connected load 165,070 kilowatts. The electric distributing system consisted of 748 miles of overhead distribution lines, 49 miles of underground conduits and 87 miles of high tension pole lines with the necessary substations and equipment. The output of electric energy for the year ended December 31, 1927, was 234,238,160 kilowatt hours, compared with 222,310,255 kilowatt hours for the previous year.

The System, at December 31, 1927, served 73,135 gas customers. The gas distribution system consisted of 909 miles of mains. For the year ended December 31, 1927, the total gas output was 5,970,028,000 cubic feet compared with 6,562,489,000 cubic feet for the previous year.

CAPITAL STOCK

Authorized, Class "A" Common, par value $100, 150,000 shares; Class "B" Common, par value $10, 500,000 shares; 7% Preferred, par value $100, 115,000 shares; 6% Preferred, par value $100, 135,000 shares. Outstanding, 7% Preferred, 114,974 shares; 6% Preferred 114,855 shares. $1,789,500 7% Pfd. stock and the outstanding Common stocks of the Company, with the exception of 86 shares of Class "A" outstanding with the public, are owned by the Delaware Company. Future Preferred stock may be issued to receive dividends of 5% to 8% annually.

Annual Meeting—Second Monday in September.

Dividends—Preferred dividends have been paid regularly on the 7% stock since issuance in 1919. Initial dividend of 1½% on the 6% Pfd. stock paid Oct. 15, 1925, and at same rate quarterly since.

FUNDED DEBT

(1)

$1,170,000 LOUISVILLE LIGHTING CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1953

Dated April 1, 1903.

Interest Payable April and October 1, at Fidelity & Columbia Trust Co., Louisville, Ky.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity & Columbia Trust Co., Louisville, Ky.

Provisions of Issue—Authorized, $4,000,000; mortgage closed. Outstanding Dec. 31, 1927, $1,170,000.

Callability, Etc.—Bonds are not subject to call and there is no sinking fund provision.

Security—Secured by first mortgage on plants and distribution systems formerly owned by Louisville Lighting Co., supplying electric light and power to Louisville, Ky., and suburbs.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$20,805,000 LOUISVILLE GAS & ELECTRIC CO. OF KY. FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE NOVEMBER 1, 1952

Dated November 1, 1922.

Interest Payable May and November 1, at Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized, $150,000,000 (all series). Additional bonds may be issued for 75% of the cost of additions and extensions to the properties subsequent to Nov. 30, 1922, provided net earnings for a twelve month period in the preceding fourteen months have been at least 1¾ times the annual interest on the First and Refunding and underlying bonds then outstanding, and on the bonds proposed to be issued, all as defined in the mortgage. Additional bonds may also be issued, par for par, for the retirement of underlying bonds or First and Refunding Mortgage bonds of other series. The additional bonds may be issued in various series with different dates, maturities, rates of interest, etc.

Callability—Subject to call in whole or in part on 30 days' notice on any interest date until and including Nov. 1, 1942 at 110 and interest; thereafter through Nov. 1, 1947, at 105 and interest; thereafter through Nov. 1, 1951, at 102 and interest and on May 1, 1952, at 100 and interest. All bonds redeemed shall be cancelled.

Special Trust Fund—The Company covenants in the First and Refunding Mortgage that for each of fifteen years beginning with 1923, an amount in cash equivalent to 15% of its gross earnings, and for each year thereafter an amount equivalent to 12½% of its gross earnings, shall be expended or set aside for maintenance and repairs or for renewals and replacements of its property. Any part of this fund not used for such purposes may be expended (1) for additions and extensions to the properties which shall not be made the basis for issuing First and Refunding Mortgage bonds, or (2) for the retirement of outstanding bonds of this or underlying issues.

Security—Secured by a first mortgage on the entire property of the Louisville Gas and Electric Co. (of Kentucky), subject only to the lien of $1,170,000 Louisville Lighting Company First 5s, which are a closed first mortgage on the property formerly owned by that company. The First and Refunding Mortgage bonds are further secured by the pledge with the Trustee of the entire mortgage obligations of Kentucky Pipe Line Company (Kentucky) and Ivyton Oil and Gas Company (Delaware) and the entire Capital stocks of Kentucky Pipe Line Company (Kentucky), Ivyton Oil and Gas Company (Delaware)and Kentucky Coke Company (Kentucky), except Directors' qualifying shares.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application to holders who are residents of that State, and Kentucky Income Tax.

Legal Opinion—Chapman, Cutler & Parker, Chicago, (for the Bankers), and Cummins, Roemer & Flynn (for the Company).

Original Offering—First publicly offered ($18,805,000) in Nov., 1922 at 91½ and interest, yielding about 5.60% by Harris, Forbes & Co., The Guaranty Co., H. M. Byllesby & Co., Inc., E. H. Rollins & Sons, Blyth, Witter & Co., and Hambleton & Co., New York, etc., and Federal Securities Corp., Chicago; $2,000,000 additional offered in the latter part of 1926 at 100 and interest to yield 5% by H. M. Byllesby and Company, New York and Chicago, Harris Trust & Savings Bank, Chicago, Harris, Forbes and Company, New York, Guaranty Company of New York, and E. H. Rollins and Sons, New York and Chicago.

Listed—Listed on New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	104½	101	99⅛	93¼	88¾
Low	99⅝	97⅞	90⅝	88⅛	86

(3)

$3,000,000 LOUISVILLE GAS & ELECTRIC CO. OF KY. FIRST & REFUNDING MORTGAGE GOLD 5½s SERIES "B"; DUE MAY 1, 1954

Dated May 1, 1924.

Interest Payable May and November 1, at Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Callability—Subject to call on any interest date until and including May 1, 1934, at 105 and interest and thereafter at ¼ of 1% less each year to Nov. 1, 1953; thereafter at 100.

Provisions of Issue, Security, Etc.—See above description of Series "A" bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded.

Original Offering—First publicly offered ($3,000,000) in April, 1924, at 95¾ and interest, to yield 5.80% by Harris, Forbes & Co., The Guaranty Co., H. M. Byllesby & Co., Inc., E. H. Rollins & Sons, Blyth, Witter & Co., and Hambleton & Co., New York, etc., and Federal Securities Corp., Chicago.

Price Range—

	1927	1926	1925	1924
High	104¾	104¾	103½	98½
Low	104	102	99	93½

(4)

$3,887,600 LOUISVILLE GAS & ELECTRIC CO. OF KY. 6% SINKING FUND GOLD DEBENTURE BONDS, SERIES "A"; DUE OCTOBER 1, 1937

Dated October 1, 1922.

Interest Payable April and October 1, in New York and Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized, $10,000,000. The Trust Agreement permits the issue of additional bonds of Series "A," or of other series of such dates, maturities, interest rates and sinking fund and redemption provisions as may be determined by the Board of Directors of the Company. Such additional bonds may be issued only when net earnings, as defined in the Trust Agreement, after deduction of prior annual interest charges, shall for 12 consecutive months ending not more than 60 days prior to application for the issuance of Debenture bonds have been equal to at least four times the annual interest charges on Debenture bonds of this issue then outstanding, including those about to be issued.

Callability—Subject to call, as a whole or in part, at the option of the Company, on 30 days' notice; on or before Oct. 1, 1927, at 105; thereafter to and including Oct. 1, 1932, at 102; thereafter to and including Oct. 1, 1936, at 101; thereafter at 100; plus accrued interest in each case.

Sinking Fund—The Trust Agreement provides for a sinking fund on a 3% per annum basis, payments to this fund to be made semi-annually, commencing April 1, 1925, based on the amount of Series "A" Debenture bonds outstanding at respective dates of payment. Sinking fund to be applied by the Trustee to purchase of Series "A" bonds at or below the prevailing call price, and if bonds are not so obtainable the Trustee will call for redemption Series "A" bonds to absorb the sinking fund cash.

Security—These bonds are a direct obligation of the Louisville Gas & Electric Co. (Kentucky) and are secured by a lien upon the mortgage obligations of Kentucky Pipe Line Company (Kentucky) and Ivyton Oil and Gas Company (Delaware) and the entire Capital stocks of Kentucky Pipe Line Company (Kentucky), Ivyton Oil and Gas Company (Delaware) and Kentucky Coke Company (Kentucky), except Directors' qualifying shares, subject to the lien of the mortgage securing the First and Refunding Mortgage Gold bonds of the Company. The Trust Agreement, under which these Debenture bonds are issued, provides that no additional mortgage (except purchase money mortgages) shall be placed upon the property of the Company, unless these bonds and the other obligations secured by such mortgage shall, equally and ratably, be secured thereby and participate in the lien on the mortgage obligations and stocks of the affiliated companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application.

Legal Opinion—Chapman, Cutler & Parker, Chicago (for the bankers); Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($3,500,000) in Nov., 1922, at 96½ and interest, to yield over 6.35% by H. M. Byllesby & Co., Chicago, etc., Federal Securities Corp., Chicago and Wakefield & Co., Louisville, Ky.; an additional $2,500,000 offered in Feb., 1924, by the same firms at 94 and int., to yield 6.65%.

Price Range—

	1927	1926	1925	1924	1923	1922
High	102½	102¼	101	96	92	93
Low	101	100	bid	bid	bid	bid

OFFICERS AND DIRECTORS

Officers: John J. O'Brien, Pres.; Robert J. Graf, V-P.; Halford Erickson, V-P., Chicago, Ill.; James B. Brown, V-P.; T. B. Wilson, V-P. & Gen. Mgr., Louisville, Ky.; B. W. Lynch, V-P.; M. A. Morrison, V-P.; E. J. McKay, V-P, Chicago, Ill.; L. S. Streng, V-P. in charge of operation; J. J. McKenna, Sec. & Treas., Louisville, Ky.; Wm. G. Pohl, Asst. Sec. & Asst. Treas.; Herbert List, Asst. Sec. & Asst. Treas., Chicago, Ill.; F. A. Nobbe, Asst. Sec. & Asst. Treas., Louisville, Ky.; C. H. O'Reilly, Asst. Sec. & Asst. Treas.; P. A. Lehmkuhl, Asst. Sec. & Asst. Treas., Chicago, Ill.

Directors: J. J. O'Brien, John H. Roemer, J. B. Brown, John W. Barr Jr., R. J. Graf, G. H. Harries, Halford Erickson, Chicago, Ill.; T. B. Wilson, P. S. Pogue, I. H. Thurman, R. M. Trimble, Matt. O'Doherty, Donald McDonald, Jr., L. S. Streng, Louisville, Ky.

Office, Louisville, Ky.

KENTUCKY COKE COMPANY

(Controlled by Louisville Gas & Electric Co. of Del.)

History—Incorporated Nov. 13, 1908, in Ky., and is now engaged in the manufacture of gas in Louisville, Ky. Owns the entire 15,000 shares no par capital stock of **Ivyton Oil & Gas Co.**, owning leases and wells, and producing natural gas, and some oil.

CAPITAL STOCK

All owned, except directors' qualifying shares, by Louisville Gas & Electric Co. of Del.

FUNDED DEBT

None.

Office, Louisville, Ky.

KENTUCKY PIPE LINE COMPANY

(Controlled by Louisville Gas & Electric Co. of Del.)

History—Incorporated July 1, 1913, in Ky., and has constructed a pipe line for the transportation of natural gas from the West Virginia fields to Louisville, Ky.

CAPITAL STOCK

All owned, except directors' qualifying shares, by Louisville Gas & Electric Co. of Del.

FUNDED DEBT

$4,715,724.11 Mortgage Obligation; dated Nov. 1 1922; due on demand; int. May and Nov. 1, at Harris Trust & Savings Bank, Chicago, Trustee. No sinking fund provision. Subject to call at par on demand. A first lien on entire property. Entire issue owned by Louisville Gas & Electric Co. (of Ky.).

Office, Louisville, Ky.

MADISON LIGHT AND POWER COMPANY

(Controlled by Louisville Gas & Electric Co. of Del.)

History—Incorporated July 24, 1896 in Indiana as Madison Light & Railway Company; name changed to present title by authority of Jefferson County Circuit Court, April 1, 1922. Company operates a light and power plant in Madison and North Madison, Ind., and in addition supplies Hanover, Kent, Riker's Ridge, Wirt, Dupont, Blocker, Deputy and Paris Crossing, Ind., serving a population in excess of 10,000.

Company formerly operated 5 miles of electric railway lines which have been discontinued.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $100. All except directors' qualifying shares owned by Louisville Gas & Electric Co. of Delaware. Annual meeting, second Tuesday in January.

FUNDED DEBT

$133,000 MADISON LIGHT & RAILWAY CO. FIRST MORTGAGE 6% GOLD BONDS; DUE JULY 1, 1942

Dated July 1, 1912.

Interest Payable Jan. and July 1 at Pittsburgh Trust Co., Pittsburgh, Trustee. Bertrand H. Myers Co-trustee. Coupon, $1,000; principal may be registered. Authorized, $150,000; outstanding, $133,000, of which $95,000 owned by Standard Gas & Electric Co. Subject to call on any interest date at 102½ and interest. Sinking fund, $1,000 annually from July 1, 1917 to 1922 and $2,000 annually thereafter. A first lien on entire property owned. Company pays Normal Federal Income Tax up to 2%.

Office, Madison, Ind.

MOUNTAIN STATES POWER COMPANY

(Controlled by Standard Gas & Electric Co.).

History and Property—Incorporated Dec. 14, 1917, in Del., reorganization of Northern Idaho & Montana Power Co., sold under foreclosure Nov. 22, 1917 (see Manual for 1917, Public Utility Section, page 1623).

On May 1, 1923, the Tacoma Gas & Fuel Co. and the Puget Sound Gas Co. (see 1923 Public Utility Manual, pages 1250 and 1257 respectively) were consolidated with the Mountain States Power Co.

During 1924 additions were made to the system by the acquisition of the Stayton Light & Power Co., Stayton, Ore., and the municipal plant of the City of Scio, Ore.

During 1925 property additions included the Coast Power Company (see 1925 Public Utility Manual, page 2322), and the Natrona Power Company (see 1925 Public Utility Manual, page 95). Other properties purchased during 1925 were the Douglas (Wyo.) Light & Power Company, Libby Light & Water Company, Libby, Mont., and the Municipal plant of Falls City, Ore. Property additions during 1926 included the Midwest Public Service Company (see 1926 Public Utility Manual, page 836).

Effective Dec. 31, 1927, Company sold its gas properties at Tacoma, Olympia and Everett, Wash., to the Washington Gas & Electric Company. These gas properties are distant from the principal territories served by the Company, the business of which is chiefly electric power and light service. Earlier in the year, the Company's electric and gas distribution systems at Snohomish and Monroe, Wash., were sold.

Exclusive of the gas properties sold effective Dec. 31, 1927, Company furnishes electricity for power and light, gas, steam heat, telephone and/or water service to 64,516 (41,177 electric, 16,961 gas) customers in 88 communities having a combined estimated population in excess of over 300,000 in the states of Washington, Oregon, Idaho, Montana, Wyoming and South Dakota, including Salem, Casper, Eugene, Corvallis, Kalispell, Puyallup, Marshfield, North Bend, Sandpoint, Whitefish, Dallas, Cottage Grove, Springfield, Tillamook, Lebanon, Libby, Douglas, Graybull and Riverton.

The Company has a present total installed electric generating capacity of 25,993 kilowatts, of which 4,625 kilowatts is hydro-electric and 21,728 kilowatts is steam electric. The Company also purchases steam and hydro-electric energy under favorable contracts, which include a contract with The California Oregon Power Company, expiring in 1952, for the purchase of 16,000 hydro-electric horsepower which, as needed may be increased to 24,000 horsepower. The Company has a present electric connected load of 94,349 kilowatts; 521 miles of transmission and 687 miles of distribution pole lines; a total daily gas manufacturing capacity of 1,380,000 cu. ft., and 78 miles of gas transmission and distribution mains. For the 12 months ended Dec. 31, 1927, the electric output of the system was 78,622,966 kilowatt hours, and, for the same period, the gas output was 664,794,000 cubic feet.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918
Electric customers	41,177	41,633	36,191	24,968	22,695	17,448	15,851	14,563	13,164	11,953
Total k.w. lighting load	66,274	58,463	49,881	31,889	27,070	20,723	18,547	18,370	16,043	14,142
Total k.w. power load	28,075	27,406	24,683	17,899	15,645	13,259	11,733	10,825	9,163	10,008
Total k.w. railway load	.....	450	450	450	450	450	450	158	158	158
Total k.w. connected	94,349	86,319	75,014	50,238	43,165	34,432	30,730	29,353	25,364	24,308
Miles of trans. & distrib. lines	1,208	1,116	902	684	641	551	512	535	513	496
Gas customers	*3,181	17,602	18,284	18,680	18,689	2,795	2,659	2,554	2,392	2,373
Ranges	13,000	13,112	13,927	14,104	14,264	2,083	2,027	1,935	1,714	1,673
Hot plates	7,629	7,639	7,490	7,298	6,957	780	712	691	650	585
Water heaters	11,245	11,251	10,882	10,750	10,374	635	546	551	544	527
Heaters	4,238	3,948	3,878	3,856	3,730	94	122	222	261	233
Other appliances	5,949	6,490	6,264	6,189	6,227	711	723	833	852	871
Miles of main	*78	441	434	428	420	58	58	59	59	55

*Exclusive of gas properties sold effective Dec. 31, 1927.

NOTE—Years 1917 to 1922 do not include Tacoma Gas & Fuel Co. and Puget Sound Gas Co.

CAPITAL STOCK

Authorized, 500,000 shares Common (without par value) and $15,000,000 7% cumulative Pfd.; outstanding, 142,500 shares Common (without par value) and $4,933,600 Pfd. (par, $100). Standard Gas & Electric Co. owns 88,120 Common shares.

Preferred Stock Provisions—Pfd. stock is cumulative since Jan. 1, 1922, at 7%, and has preference for assets and dividends.

Callability—Pfd. is subject to call at 110 and accrued dividends on 60 days' notice.

Transfer Agents—Preferred Stock: Offices of the Company, Chicago and New York, and Bank of California National Association, Portland, Ore. Common Stock: Continental National Bank and Trust Co., Chicago, and Guaranty Trust Company of New York.

Registrars—Preferred Stock: Continental National Bank and Trust Co., Chicago, Guaranty Trust Company of New York and Title and Trust Company, Portland, Ore. Common Stock: Continental National Bank and Trust Co., Chicago, and Guaranty Trust Company of New York.

Annual Meeting— March 20, at Wilmington, Del.

Dividends—Dividends on Pfd. stock are paid quarterly, J, A, J & O 20 to stockholders of record the last of the preceding months, respectively. An initial Common dividend of $1 per share paid Feb. 1, 1924; Feb. 2, 1925, Feb. 1, 1926 and Feb. 1, 1927, $1 a share each year; none since.

Price Range—

	1927	1926
Preferred—		
High	102	100
Low	99	97
Common—		
High	22	14
Low	17	14

FUNDED DEBT

(1)

$1,787,000 FIRST MORTGAGE GOLD 5s, SERIES "A" (ORIGINALLY ISSUED AS "FIRST & REFUNDING" BONDS; DUE JANUARY 1, 1938

Dated January 1, 1918.

Interest Payable January and July 1, at Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $50, $100, $500 and $1,000, principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—See description of Series "B" 6s, below.

Callability—Subject to call on any interest date on 30 days' notice at 105 and interest, until Jan. 1, 1933, and at 102½ and int. thereafter.

Security—A first mortgage on entire property now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Price Range—

	1927	1926	1925
High	*99½	*94⅜	91
Low	94	91	bid

*High and low bid prices.

(2)

$8,509,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE JANUARY 1, 1938

Dated January 1, 1918.

Interest Payable January and July 1, at Illinois Merchants Trust Co., Chicago.

Denominations—Coupon, $100 $500 and $1,000; principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago.

Provisions of Issue—These First Mortgage 6% Gold bonds, Series "B," and the First Mortgage 5% Gold bonds, Series "A," are of an authorized issue of $15,000,000 bonds, dated January 1, 1918, and due January 1, 1938. The Trust Indenture provides that additional bonds may be issued for 75% of the cost of extensions and additions to the property after the date of the Trust Indenture, provided net earnings, as defined therein, for twelve consecutive months ending not more than sixty days prior to application for issuance of bonds, shall have been equal to at least twice the annual interest charges on all First Mortgage bonds outstanding and about to be issued and on any underlying bonds outstanding on property hereafter acquired; or may be issued to refund any such underlying bonds. Future issues of these bonds may bear interest not in excess of 6% per annum.

Callability—Subject to call as a whole or in part on any interest payment date upon 30 days' published notice; at 105 to and including Jan. 1, 1933 and thereafter at 102½; plus accrued interest in each case.

Special Trust Fund—The Trust Indenture provides for a special trust fund equal to 12½% of the gross earnings for each year beginning with the year 1921 and ending with the year 1936, which shall be expended after the date of the Trust Indenture for (1) maintenance, repairs, renewals and replacements of the property; (2) extensions and additions to the property not used as the basis for the issuance of bonds; or (3) the purchase or redemption of bonds of this issue or of any underlying bonds outstanding on property hereafter acquired.

Security—These bonds are a direct obligation of the Company secured equally with the Series "A" 5s, by a first mortgage on the entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund upon timely application Pennsylvania and Connecticut personal property taxes not in excess of 4 mills, Maryland securities tax not in excess of 4½ mills, and Massachusetts income tax not in excess of 6% per annum to holders resident in those states.

Legal Opinion—Chickering & Gregory, San Francisco (for the Bankers), Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($3,100,000) in June, 1923, at 95½ and interest, yielding about 6.5% by H. M. Byllesby & Co., and Blyth, Witter & Co.; $2,000,000 additional by the same firms in April, 1925, at 100 and interest, yielding 6%; $750,000 additional offered in Nov., 1926, at 101½ and interest to yield 5.70%, also by the same bankers.

Price Range—

	1927	1926	1925
High	105½	101¾	101
Low	100¾	101¾	98½

(3)

$967,400 CONVERTIBLE 6% GOLD NOTES, SERIES "B"; DUE NOVEMBER 1, 1935

Dated November 1, 1925.

Interest Payable May and November 1, in New York and Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank and Trust Co., Chicago.

Provisions of Issue—Authorized, $10,000,000; outstanding, Dec. 31, 1927, $967,400 6% Series "B." The proceeds of the Series "B" 6% notes were used in payment for additions and extensions made to property of Company. Additional notes may be issued in series, of such dates and maturities, bearing interest at such rates, redeemable at such prices, and with such other provisions as may be determined by the Board of Directors. The trust agreement provides (1) that no mortgage (except purchase money mortgages and mortgages existing on property hereafter acquired) other than the present mortgages and future mortgages providing for the issuance of bonds on the basis of an amount not exceeding 75% of the cost or value of property secured thereby, shall be placed upon property of Company unless these notes shall be secured by such mortgage equally and ratably with all other obligations secured thereby; and (2) that no additional funded debt of Company, other than under the mortgage mentioned in (1), may be created unless either (a) the net earnings of Company, for a period of 12 consecutive months within the 15 months next preceding the creation of such debt, shall have been at least 1½ times annual interest requirements on the total funded debt of Company outstanding at time of the creation of such additional debt, including the additional debt about to be created, all as provided in the trust agreement, or (b) Company shall thereupon execute and deliver a general mortgage upon all of its property under which these notes shall be secured in priority to such additional funded debt.

Callability—Subject to call at any time, as follows: On or before November 1, 1927, at 104; thereafter to and including November 1, 1929, at 103; thereafter to and including November 1, 1931, at 102; thereafter to and including November 1, 1933, at 101; thereafter

to and including November 1, 1934, at 100½; and thereafter at 100; plus accrued interest in each case.

Sinking Fund—Trust agreement provides for a semi-annual sinking fund, commencing May 1, 1926, equal to 2% per annum of the total amount of these Convertible 6% Gold notes outstanding at the respective dates of payment. Sinking fund will be applied to purchase of these notes at not exceeding 101 and interest; all moneys paid into sinking fund which shall not be so used shall revert to Company and all notes purchased for the sinking fund shall be cancelled.

Convertibility—Convertible into Pfd. stock of Company on the basis of $100 face value of notes for $100 par value of stock with adjustment of accrued interest and dividends.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund, upon proper application, the Pennsylvania Personal Property Tax not exceeding 4 Mills, the Connecticut Personal Property Tax not exceeding 4 Mills, the Maryland Securities Tax not exceeding 4½ Mills, and the Massachusetts Income Tax not exceeding 6% to holders resident in those states.

Legal Opinion—Chickering & Gregory, San Francisco (for the Bankers) and Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($1,250,000) in November, 1925, at 98½ to yield about 6.20%, by H. M. Byllesby & Co., New York and Chicago, and Blyth, Witter & Co., New York, etc.

Price Range—

	1927	1926	1925
High	101	*97½	98½
Low	97	96¾	ask

*High and low bid price.

NOTES AND BONDS REDEEMED

All the outstanding 7% Gold notes, Series "A," due July 1, 1938 were called for redemption on July 1, 1927 at 103 and interest at Continental National Bank and Trust Co., Chicago. The outstanding Coast Power Co. First Mortgage 6% Gold bonds, due July 1, 1942, were retired during 1927.

GROSS AND NET EARNINGS, YEARS ENDED DECEMBER 31
(Mountain States Power Co., including subsidiaries and new properties for full periods)

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,391,690	$3,302,972	$3,251,569	$3,170,422	$3,009,189	$2,697,486
Net earnings	1,182,745	1,236,213	1,185,662	1,104,040	1,021,681	852,089

INCOME ACCOUNT. YEARS ENDED DECEMBER 31
(Includes new properties for periods operated only)

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,391,690	$3,137,168	$2,676,518	$2,178,177	$2,049,278	$1,133,613
Operating expenses, maintenance and taxes	2,208,945	1,956,240	1,718,949	1,467,281	1,413,942	761,646
Net earnings	$1,182,745	$1,180,928	$957,569	$710,896	$635,336	$371,966
Other income	22,036	20,738	.....	.....	.....	.....
Total net income	$1,204,781	$1,201,666	$957,569	$710,896	$635,336	$371,966
Interest charges less amt. charged to construction	682,638	672,475	*540,431	*350,124	*253,283	*207,143
Surplus after charges	$522,143	$529,191	$417,138	$360,772	$382,053	$164,823
Preferred dividends	317,911	219,914	157,578	151,599	166,365	.....
Balance for retirement reserve, Common dividends, amortization and surplus	$204,232	$309,277	$259,560	$209,173	$215,688	$164,823
Times Interest Earned	1.76	1.79	1.77	2.03	2.51	1.79
Earnings Per Share—						
Preferred	$10.58	$13.57	$16.35	$16.65	$17.64	$7.73

*Interest charges—net—including other income.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant, prop., rights & franchises	$21,773,060	$21,364,356	$20,001,252
Investments	2,257	2,407	2,454
Sinking funds	394	744	111
Materials and supplies	492,801	454,130	321,592
Notes & accts. receiv. (net)	886,839	685,376	563,277
Due from affiliated cos.	.....	424,094	65,489
Cash	294,771	234,002	202,434
Call loans	300,000	.....	.....
Cash on deposit for bond and note interest	299,945	318,066	262,866
Cash on deposit with trustee for property sold	.....	1,500	.....
Unexpired insurance	12,246	13,120	11,939
Deferred acct. in process of amortization	.....	5,819	.....
Receivables from securities sales	.....	105,001	.....
Prepayments	11,320	45,370	42,203
Total	$24,073,633	$23,653,985	$21,473,617

Liabilities—	1927	1926	1925
Preferred stock	$4,933,600	$3,900,700	$2,551,900
Common stock	*5,061,676	5,066,465	4,971,453
First & Ref. 5% bonds	1,787,000	1,787,000	1,787,000
First Mtge. Gold 6% bonds	8,509,000	8,509,000	6,659,000
Coast Power Co. First 6s, due 1942	.....	23,500	35,500
7% Gold Notes, due 1938	.....	496,400	495,900
Convertible 6% Gold notes, due 1935	967,400	1,088,000	1,180,000
Subscriptions to 7% notes	.....	.....	1,400
Standard Gas & Elec. Co.	.....	.....	436,343
Notes payable	.....	.....	500,000
Accounts payable	259,378	248,380	241,526
Accrued interest	316,134	333,155	285,696
Accrued taxes	399,213	369,468	319,452
Accrued Pfd. divds.	86,338	198,262	174,658
Consumers' deposits	197,669	191,770	168,697
Retirement reserve	1,273,566	1,204,081	1,364,547
Other reserves	78,004	72,240	154,257
Surplus	204,655	165,564	146,287
Total	$24,073,633	$23,653,985	$21,473,617

*Represented by 142,500 shares without par value.

Officers: John J. O'Brien, Pres.; Robert J. Graf, V-P., Chicago; C. M. Brewer, V-P. & Gen. Mgr., Tacoma, Wash.; F. C. Gordon, V-P.; E. J. McKay, V-P., Chicago; Patrick Sullivan, V-P., Tacoma, Wash.; M. A. Morrison, Sec. & Treas.; Herbert List, Asst. Sec. & Asst. Treas.; Wm. G. Pohl, Asst. Sec. & Asst. Treas.; C. H. O'Reilly, Asst. Sec. & Asst. Treas., Chicago; W. L. Fitzpatrick, Asst. Sec. & Asst. Treas.; Z. E. Merrill, Asst. Sec., Tacoma, Wash.

Directors: John J. O'Brien, Robert J. Graf, F. W. Stehr, J. H. Briggs, M. A. Morrison, B. W. Lynch, Chicago; C. M. Brewer, Tacoma, Wash.

General Offices, Tacoma, Wash. **Executive Offices,** 231 So. La Salle St., Chicago.

NORTHERN STATES POWER COMPANY

(Of Delaware)

(Controlled by Standard Gas & Electric Co.)

History—Incorporated Dec. 23, 1909, in Delaware. Owns all of the capital stock, except directors' shares, of Northern States Power Company (Minnesota), which Company and its subsidiary companies own and operate all the properties comprising the Northern States Power Company System. Northern States Power Company (Minnesota) was incorporated June 16, 1909, in Minnesota for a period of 30 years, with the privilege of renewal for a like period. This Company was originally organized under the name of Washington County Light and Power Company. By an amendment to its charter filed on Dec. 17, 1909, it changed its name to Consumers Power Company and by an amendment to its charter filed February 5, 1916, it changed its name to Northern States Power Company. The Company (Minnesota) is a holding and operating Company. The principal subsidiary and affiliated companies are: Minneapolis General Electric Company and subsidiaries, Northern States Power Company (Wisconsin), Interstate Light and Power Company (Delaware), Minneapolis Mill Company, St. Anthony Falls Water Power Company, and Northern States Securities Corporation.

Northern States Power Company (Delaware) is controlled through stock ownership by Standard Gas and Electric Company. Northern States Power Company (Delaware) owns all the outstanding capital stock of Northern States Power Company (Minnesota), except directors' qualifying shares, the capital stock of the Northern States Power Company (Delaware) being outstanding with the public. Northern States Power Company (Minnesota) owns the entire capital stock of the Northern States Securities Corporation. The entire capital stocks of the subsidiary companies, with the exception at Dec. 31, 1927, of $667,000 7% Preferred stock of Northern States Power Company (Wisconsin) and $2,000 Common stock of a subsidiary company, are owned either by Northern States Power Company (Minnesota) or subsidiary companies. The original properties embraced in the Northern States Power Company System were those included in what are now known as the Minneapolis Division, St. Paul Division (with the exception of that property acquired from the St. Paul Gas Light Company in 1926), Stillwater Division, Fargo Division, Sioux Falls Division, Galena Division, Grand Forks Division, Mankato Division, Faribault Division and Minot Division.

In 1917 Northern States Power Company (Minnesota) acquired control of Northwest Light and Power Company, Minnesota Valley Electric Company and Renville County Electric Company. The properties of these companies were merged with those of Northern States Power Company (Minnesota), in 1923.

On December 1, 1920 Northern States Power Company (Minnesota) acquired control of The Ottumwa Railway and Light Company, the electric and steam heating business of which was reorganized in 1923 as Northern States Power Company (New Jersey), and the railway department as Ottumwa Traction Company. The properties of these companies were sold in May, 1925.

In 1923 control of Wisconsin-Minnesota Light and Power Company now Northern States Power Company (Wisconsin), was acquired.

In August 1924 Northern States Power Company (Minnesota) acquired control of a group of properties comprising St. Cloud Public Service Company, Glenwood Electric Light Heat and Power Company, Farmers Light and Power Company, Brainerd Gas and Electric Company, St. Cloud Water Power Company, Sauk Rapids Water Power Company and St. Cloud Electric Power Company, these companies operating in and around St. Cloud, Minnesota. The properties of these companies were merged with those of the Northern States Power Company (Minnesota) in January, 1926.

On January 2, 1926, Northern States Power Company (Minnesota) acquired control of St. Paul Gas Light Company, South St. Paul Gas and Electric Company and St. Croix Power Company. The properties of St. Paul Gas Light Company and South St. Paul Gas and Electric Company were merged with those of Northern States Power Company (Minnesota) in April, 1926. In May, 1926, Northern States Power Company (Wisconsin) acquired control of Chippewa Power Company, the properties of which company were formerly operated under lease by Northern States Power Company (Wisconsin).

In January, 1927, Northern States Power Company (Minnesota), acquired the property of Minnesota Power Company, thereby adding 50 communities to the Company's system.

In 1927, The Interstate Light and Power Company of Delaware acquired control of Elizabeth Light and Power Company at Elizabeth, Ill.

Field of Operations and Character of Business—Northern States Power Company System furnishes 568 communities in Minnesota, North Dakota, South Dakota, Wisconsin and Northern Illinois with electric, gas, steam heat, street railway, telephone and/or water services as follows:

COMMUNITIES CLASSIFIED BY SERVICE	
Electricity	563
Gas	24
Steam	7
Street Railway	8
Telephone	1
Water	1

The communities served include Minneapolis, St. Paul, Stillwater, St. Cloud, Faribault, Mankato, Hutchinson, Pipestone, Montevideo, Grand Forks, Fargo, Minot, Sioux Falls and the zinc mining district in and around Galena and Platteville. The aggregate estimated population served at December 31, 1927, was 1,420,000. At that date the System had 26 hydro-electric generating stations with aggregate installed capacity of 109,495 kilowatts and 23 steam electric generating stations with aggregate installed capacity of 220,460 kilowatts; 3,732 miles of high tension transmission pole and steel tower lines and 4,399 miles of local distributing pole and underground lines. Several undeveloped water power sites are controlled. The gas plants of the System have a present combined daily generating capacity of 20,795,000 cubic feet, holder capacity of 8,435,000 cubic feet and 1,018 miles of gas mains.

Northern States Power Company reports favorable progress on the construction of the 21,600 kilowatt hydro-electric development at Chippewa Falls on the Chippewa River in Wisconsin, planned for completion about July 1, 1928.

NORTHERN STATES POWER COMPANY
Securities Bought and Sold
H. M. Byllesby and Co.
Incorporated
CHICAGO NEW YORK
Boston — Providence — Philadelphia — Detroit — Minneapolis — St. Paul — Kansas City

COMPARATIVE STATISTICAL SUMMARY OF PROPERTIES OPERATED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Electric customers	327,946	313,585	298,935	280,841	263,513	238,685
Gas customers	103,646	101,316	98,628	94,780	91,784	87,469
Steam customers	1,223	1,233	1,115	1,154	1,108	1,154
Telephone subscribers	3,425	3,181	2,630	2,454	2,326	2,298
Water customers	534	509	497	502	503	492
Total	436,774	419,824	401,805	379,731	359,234	330,098
Kilowatt lighting load	587,265	550,585	494,806	450,905	402,740	344,600
Kilowatt power load	327,366	308,989	308,304	289,334	271,894	242,841
Kilowatt railway load	4,047	3,244	3,267	3,252	2,224	2,204
Total k.w. connected	918,678	862,818	806,377	743,491	676,858	589,645
*Kilowatt hour output	839,375,628	805,380,692	742,602,203	689,576,716	657,586,975	586,621,168
*Gas output (Cu. Ft.)	3,847,717,000	3,829,223,000	3,703,126,000	3,585,245,000	3,414,759,000	3,239,710,000

*For calendar years.

THE PRESENT PRINCIPAL OPERATING UNITS OF THE SYSTEM ARE THE FOLLOWING:

	Estimated Population Served
Minneapolis, Minnesota, Division—Served with electricity in Minneapolis and surrounding territory, including St. Croix Falls, Wis., and communities adjacent thereto	508,000
St. Paul, Minnesota, Division—Served with electricity and gas in St. Paul and immediate suburbs, and as to part of the territory with steam heat	333,500
Stillwater, Minnesota, Division—Served with electricity and gas in Stillwater and Bayport, electricity in White Bear and smaller communities, and gas in Hudson, Wisconsin	23,000
Fargo, North Dakota, Division—Served with electricity, gas, steam heat and street railway in Fargo, gas and street railway in Moorhead, Minn., and electricity and street railway in Dilworth, Minn.	43,500
Sioux Falls, South Dakota, Division—Served with electricity in Sioux Falls and Canton, S. D., Tracy, Minn., and surrounding territory	75,000
Galena and Elizabeth, Illinois, and Platteville, Wisconsin, Division—Served with electricity, principally in extensive zinc mining operations	17,000
Grand Forks, North Dakota, Division—Served with electricity, gas and steam heat in Grand Forks, electricity and gas in East Grand Forks, Minesota, and electricity in Red Lake Falls and surrounding territory	25,500
Mankato, Minnesota, Division—Served with electricity and gas in Mankato, and electricity in surrounding territory	45,500
Faribault, Minnesota, Division—Served with electricity and gas in Faribault and Northfield, and electricity in surrounding territory	50,500
Minot, North Dakota, Division—Served with electricity, steam heat and telephone in Minot, electricity in surrounding territory, and, as to part of territory, with telephone	17,000
Southwestern Minnesota Division—Served with electricity in a group of communities located in the southwestern part of Minnesota	36,500
St. Cloud, Minnesota, Division—Served with electricity, gas and street railway in St. Cloud, gas in Brainerd, Minn., electricity and steam in Glenwood, Min., and electricity in surorunding territory	70,000
Wisconsin-Minnesota Division—Serving electricity, gas, steam and street railway in a group of communities located in the southeastern part of Minnesota and western Wisconsin	175,000
Estimated total population served Dec. 31, 1927	1,420,000

CAPITAL STOCK

Authorized $50,000,000 Class "A" Common, 10,000,000 shares Class "B" Common and $150,000,000 cumulative Pfd.; outstanding, Dec. 31, 1927, $21,924,600 Class "A" Common, 500,000 shares Class "B" Common, $49,022,500 7% Pfd. and $18,017,000 6% Pfd. Par of both Class "A" Common and Pfd. issues, $100; Class "B" Common is without par value. The unissued Pfd. stock may pay such dividends as may be decided upon at time of issuance. The Standard Gas & Electric Co., at Dec. 31, 1927, owned 499,926 Class "B" Common shares. All classes of stocks have equal voting rights, share for share.

Subscription Privileges—In December, 1927, the Company offered holders of its Class "A" Common stock the privilege of subscribing to additional Class "A" stock at $100 a share to the extent of one-fourth of their holdings as of January 3, 1928. At the same time holders of the Class "B" Common stock were offered the right to subscribe to additional Class "B" stock to the same extent. Subscription rights on both classes of stock expired January 23, 1928.

Preferred Stock Provisions—The 6% Pfd. stock is redeemable at 107½ and accrued dividends, and the 7% Pfd. stock is redeemable at 110 and accrued dividends, on 60 days' notice. Both classes of Pfd. stock have equal voting rights with the Common stock.

Class "B" Common Stock—The stockholders met July 10, 1924, and authorized a new class of stock to be known as Class "B" Com., without par value. It was proposed to issue 500,000 shares to yield $5,000,000 which was to be used largely for construction purposes. The new Class "B" Com. ranks after the Pfd. and Class "A" Common stock as to assets. It shares in dividends with Class "A" Common after full dividends are paid on the Pfd., in ratio of 10c on each share of Class "B" for each dollar a share paid on Class "A" Common.

Transfer Agents and Registrars—6% and 7% Pfd. and Class "A" Common: Continental National Bank & Trust Co., Chicago, and Guaranty Trust Co. of New York. Class "B" Common: Offices of Company, Chicago and New York.

Annual Meeting—February 15, at Wilmington, Del.

Listed—Class "A" Common stock listed on Chicago Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
7% Pfd.—								
High	112	103	102½	98¼	98	96½	91	93
Low	100½	97	94¼	94	90	86	73	73
Common—								
High	136½	136½	146	104	100	102	91	66
Low	109¾	97	102¾	93	90	82	32	26

Dividends—Preferred dividends at the rate of 7% have been regularly paid since organization of company in 1909; all Preferred shares of Company issued subsequent to April 8, 1926 bear the annual dividend rate of 6%, which rate has been paid since that time and is being maintained. The dividend rate on future issues of Pfd. stock may be changed from time to time at the discretion of the Board of Directors; payments quarterly, J, A, J & O 20, by New York check, at office of H. M. Byllesby & Co., Chicago. Initial dividend on the 6% Pfd. stock was paid July 20, 1926. Initial dividend on Common stock (now Class "A") was paid for the quarter ended June 30, 1916, and dividends at rate of 7% per annum were paid to Dec. 31, 1917; none thereafter until Feb. 1, 1922, when 4% was paid for quarter ended Dec. 31. 1921; 1922 to 1927, 8% each. The present rate is fixed at 8% per annum, payable quarterly, F, M, A & N 1. Dividend of 20 cents a share on Class "B" Common paid Feb. 1, 1925, which quarterly rate has since been maintained, payments F, M, A & N 1.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Northern States Power Co. System, including properties only for periods operated).

Gross Earnings—	1927	1926	1925	1924	1923	1922
Electric department	$24,531,285	$23,155,955	$19,080,733	$17,420,097	$13,684,365	$12,144,909
Gas department	4,118,638	3,977,141	1,507,191	1,444,227	714,870	671,557
Steam department	765,692	755,506	693,331	772,050	667,270	639,055
Street railway department	268,370	268,705	356,231	496,857	333,920	341,204
Telephone and water department	119,173	113,409	107,382	93,980	89,366	85,194
Total—all departments	$29,803,158	$28,270,716	$21,744,868	$20,227,211	$15,489,791	$13,881,919
Operating Expenses—						
Operation	$10,490,238	$9,931,900	$8,361,023	$7,767,606	$6,686,994	$6,037,793
Maintenance	1,549,374	1,576,161	1,481,637	1,411,452	992,253	919,788
Taxes	2,671,378	2,637,363	1,307,933	1,630,837	1,229,552	1,143,246
Total expenses	$14,710,990	$14,145,424	$11,150,593	$10,809,895	$8,908,799	$8,100,827
Net earnings	15,092,168	14,125,292	10,594,275	9,417,316	6,580,992	5,781,092
Other income	60,849	113,453	.....	.....	.....	.....
Gross income	$15,153,017	$14,238,745	$10,594,275	$9,417,316	$6,580,992	$5,781,092
Interest charges, less int. charged to construction	*5,906,616	6,313,721	*4,595,498	4,243,524	2,345,293	2,311,432
Net income	$9,246,401	$7,925,024	$5,998,777	$5,173,792	$4,235,699	$3,469,660
Preferred dividends	4,221,825	3,777,487	3,398,853	2,899,442	2,161,775	1,841,534
Common dividends	*2,922,752	1,837,778	*1,294,156	614,307	493,600	493,600
Balance	$2,922,752	$2,309,759	$1,305,768	$1,660,043	$1,580,324	$1,134,526
Appropriation for retirement (depreciation) reserve	2,200,000	1,500,000	1,100,000	1,000,000	650,000	550,000
Appropriation for contingencies	.....	350,000	.....	.....	.....	.....
Balance	$722,752	$459,759	$205,768	$660,043	$930,324	$584,526
†Times Fixed Charges Earned	2.19	2.01	2.07	1.98	2.52	2.26
†Earnings Per Share—						
Preferred	$10.51	$11.49	$9.95	$10.37	$10.65	$10.55
Common, Class A	12.88	14.73	10.21	19.99	23.09	17.47

*Interest on securities converted in 1925 and in 1927 into Common stock included in Common dividends. †After deducting depreciation.

Depreciation—The Company sets aside for maintenance and depreciation 12½% of its gross revenues. Operating expenses include maintenance, and in addition the Company sets aside, annually, appropriations for the retirement (depreciation) reserves. In 1927, this amount was $2,200,000.

CONSOLIDATED STATEMENT OF GROSS AND NET EARNINGS, YEARS ENDED DECEMBER 31
(Northern States Power Co. of Delaware and Subsidiaries)
(All properties included for full periods)

	1927	1926	1925	1924	1923	1922
Gross earnings	$29,803,693	$28,275,648	$26,391,363	$24,840,459	$23,690,126	$21,504,517
Net earnings, before provision for retirement res.	15,092,232	14,128,775	12,400,424	11,347,807	10,226,268	9,097,720

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Northern States Power Co. of Delaware and Subsidiaries)

Assets—	1927	1926	*1925
Plant, property, rights, franchises, etc.	$208,022,831	$201,297,308	$195,318,566
Pfd. and Common stock discount, premium and expense (net)	7,277,224	6,282,863	5,466,638
Cash sinking funds and other deposits	565,914	398,235	459,299
Investments — stocks & bonds of other cos., associations, etc.	419,521	422,649	413,192
Unamortized debt discount and exp.	400,712	361,689	56,343
Cash in banks and on hand	2,576,194	2,203,997	13,245,067
Cash deposited for future construction	.....	.....	3,065,000
Bond interests and other cash deposits	153,360	153,360	120,614
Accounts & notes receivable, less reserve for uncollectible accounts	2,921,303	3,750,572	2,648,615
Unbilled electricity and gas	1,218,767	.....	833,388
Receivable from sale of securities	715,276	609,766	769,876
Due from affiliated cos.	.....	43,360	4,278,975
Materials and supplies	3,045,409	3,068,797	2,754,547
Prepaid insurance and int.	112,434	121,915	138,096
Deferred accts. in process of amort.	.....	613,711	.....
Undistributed expenditures in connection with water dams, sites, etc.	.....	.....	164,160
Rate investigation exps.	98,857	.....	193,087
Expenses and advances on purchase of properties	60,397	.....	86,715
Miscellaneous deferred & unadjusted items	363,900	.....	191,188
Total	$227,952,089	$219,328,222	$230,203,365

Liabilities—	1927	1926	*1925
Capital stock of North. States Pwr. Co. of Delaware:			
7% Cum. Pfd.	$49,022,500	$50,507,300	$49,189,400
6% Cum. Pfd.	18,017,000	5,377,200	.....
Class "A" Common	21,924,600	17,967,600	17,658,200
Class "B" Com. (500,000 shs. no par value)	5,000,000	5,000,000	5,000,000
Capital stock of subsidiaries in hands of pub-lic:			
6% Cum. Pfd.	.....	.....	8,900
7% Cum. Pfd.	667,000	715,800	3,518,730
8% Cum. Pfd.	.....	.....	750,000
Common	2,000	2,000	2,000
Funded debt	106,668,104	110,772,694	109,230,874
Notes payable	.....	3,502,292	4,376,343
Amount due on property purchase commitments	.....	.....	14,467,849
Accounts payable	909,779	931,778	1,023,193
Accrued interest	1,177,669	1,235,248	1,194,932
Accrued taxes	3,367,277	3,053,910	2,684,389
Accrued Pfd. stock divds.	1,132,051	968,711	873,427
Common stock divds. pay.	538,652	459,512	444,324
Consumers' and extension deposits	500,118	476,046	449,357
Sundry current liabilities	183,427	119,195	104,009
Retirement reserve	12,925,480	13,121,185	15,078,161
Other reserves	743,872	678,731	88,765
Contributions for line extensions	.....	.....	151,844
Capital surplus	700,692	689,893	628,299
Surplus	4,471,878	3,749,127	3,289,368
Total	$227,952,099	$219,328,222	$230,203,365

*After giving effect to the acquisition as of Dec. 31, 1925 of the physical property and other assets and the assumption of the liabilities and Pfd. stock of the St. Paul Gas Light Company and its affiliated companies.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Northern States Power Co. of Delaware and Subsidiaries)

Current Assets—	1927	1926	*1925
Cash in banks and on hand	$2,576,194	$2,203,997	$13,245,067
Cash on deposit to be withdrawn against future construction expenditures	.....	.....	3,065,000
Cash deposited for bond interest, etc.	153,360	153,360	120,614
Due from affil. cos.	.....	43,360	4,278,975
Notes receivable	76,918	55,157	56,679
Accounts receivable (net)	2,844,385	2,781,527	2,591,935
Unbilled electricity and gas	1,218,767	913,888	833,888
Receiv. from securities sales	715,276	609,766	769,876
Materials and supplies	3,045,408	3,068,797	2,754,547
Total	$10,630,308	$9,829,852	$27,716,082

Current Liabilities—	1927	1926	*1925
Notes payable	.....	$3,502,292	$4,376,343
Amount due on property purchase commitments	.....	.....	14,467,849
Accounts payable	$909,779	931,778	1,023,193
Accrued interest	1,177,669	1,235,248	1,194,932
Accrued taxes	3,367,278	3,053,910	2,684,389
Accrued Pfd. stock divds.	1,132,051	968,711	873,428
Com. stock divds. payable.	538,652	459,512	444,324
Sundry current liabilities	183,427	119,195	104,009
Total	$7,308,856	$10,270,646	$25,168,467
Net Working Capital	$3,321,452	†$440,793	$2,547,615

*After giving effect to the acquisition as of Dec. 31, 1925, of the physical property and other assets and the assumption of the liabilities and Pfd. stock of the St. Paul Gas Light Company and its affiliated companies. †Debit.

Officers: J. J. O'Brien, Pres.; R. J. Graf, 1st V-P., Chicago, Ill.; R. F. Pack, V-P., Minneapolis, Minn.; B. W. Lynch, Halford Erickson, George H. Harries, A. S. Cummins, H. C. Cummins, V-Ps., Chicago, Ill.; C. C. Levis, V-P., New York; F. C. Gordon, V-P.; E. J. McKay, V-P.; M. A. Morrison, Sec. & Asst. Treas., Chicago, Ill.; J. J. Molyneaux, Treas. & Asst. Sec., Minneapolis, Minn.; Herbert List, Asst. Sec. & Asst. Treas.; P. A. Lehmkuhl, Asst. Sec. & Asst. Treas.; Wm. G. Pohl, Asst. Sec. & Asst. Treas.; C. H. O'Reilly, Asst. Sec. & Asst. Treas., Chicago, Ill.; R. L. Clark, Asst. Sec. & Asst. Treas., Minneapolis, Minn.; J. J. Madden, Asst. Sec. & Asst. Treas.; T. J. Kerr, Asst. Sec. & Asst. Treas.; E. Barnes, Asst. Sec. & Asst. Treas., New York.

Directors: John J. O'Brien, Robert J. Graf, J. H. Briggs, D. T. Flynn, C. C. Levis, R. G. Hunt, H. W. Fuller, A. S. Cummins, Halford Erickson, George H. Harries, B. W. Lynch, M. A. Morrison, H. C. Cummins, J. H. Roemer, R. F. Pack, O. G. Corns, F. W. Stehr.

Offices, 15 South Street, Minneapolis, Minn.; 231 So. a Salle St., Chicago, Ill., and Trinity Bldg., New York.

NORTHERN STATES POWER COMPANY OF MINNESOTA

(Controlled by Northern States Power Co., of Delaware).

History—Incorporated June 16, 1909, in Minn., for a period of thirty years with the privilege of renewal for a like period. The Company was originally organized under the name of Washington County Light & Power Co. By an amendment to its charter filed on Dec. 17, 1909, it changed its name to Consumers Power Company and by an amendment to its charter filed Feb. 5, 1916, it changed its name to Northern States Power Company. The Company is a holding and operating company. For further details of history and description of properties see Northern States Power Company (Delaware).

Franchises—The company operates under franchises free from burdensome restrictions and, in the opinion of counsel, its important franchises are without time limit.

CAPITAL STOCK

Northern States Power Co. of Delaware owns all of the capital stock of Northern States Power Co. of Minnesota, except directors' qualifying shares, and the changes in the stocks of the two companies are identical.

Annual Meeting—Second Monday in June, at Minneapolis, Minn., or Chicago, Ill.

FUNDED DEBT

(1)

$6,831,000 THE MINNEAPOLIS GENERAL ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1934

Dated December 1, 1904.

Interest Payable June and December 1, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized and issued, $8,000,000, of which $1,169,000 redeemed to Dec. 31, 1927.

Callability—Subject to call as a whole only at 110 and interest on any date upon 30 days' notice.

Sinking Fund—1% per annum of outstanding bonds began April 1, 1912, to be applied to purchase of bonds at the lowest price obtainable, not exceeding 110 and interest, bonds acquired to be cancelled. If not so purchasable, the fund may be applied to the purchase of bonds of this issue at a higher price or of first mortgage bonds of street railway, lighting or power companies in the United States.

Security—Secured by a first mortgage on entire property of Minneapolis General Electric Company and by the deposit of all the stocks and bonds of the St. Croix Falls Minnesota Improvement Company, St. Croix Falls Wisconsin Improvement Company, St. Croix Lumbermens Dam and Boom Company, St. Croix River Navigation and Improvement Company, and Minnesota Brush Electric Company. The Minneapolis General Electric Company and subsidiaries, operating as the Minneapolis Division of Northern States Power Company System, furnish the entire electric requirements of Minneapolis and a number of surrounding communities. The St. Croix Falls Wisconsin Improvement Co. and St. Croix Falls Minnesota Improvement Co. own a hydro-electric plant of 28,676 h.p. and 40 miles of transmission lines built on private right-of-way to Minneapolis.

Underlie as to properties of Minneapolis General Electric Company, $34,051,000 Northern States Power Company of Minnesota First and Refunding 5s and 6s of 1941 and $22,485,000 Northern States Power Company of Minnesota First Lien and General Mortgage 6s and 5½s, these mortgages providing for retirement.

Tax Provisions—Company does not pay Normal Federal Income tax.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($5,000,000) in May, 1905, at 104 and interest; additional offering made in 1908 at 98½ and interest by Spencer Trask & Co., Lee Higginson & Co. and Blodget, Merritt & Co.; in 1911, by Blodget & Co., New York and Boston, at 100½ and interest; in 1912, by The National City Bank, Northern Trust Co. and The Merchants Loan & Trust Co., Chicago, at par and interest.

Price Range—

	1927	1926	1925	1924	1923	1922
High	103	102½	101	100	98¾	97
Low	101¼	100½	bid	bid	bid	bid

(2)

$2,530,000 ST. CLOUD PUBLIC SERVICE COMPANY FIRST MORTGAGE GOLD 6s (OF WHICH $657,400 HAVE 2% ADDITIONAL SECURED COUPONS ATTACHED); DUE NOVEMBER 1, 1934.

Dated November 1, 1914.

Interest Payable May and November 1, at Chicago Trust Co., Chicago, Ill., and Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Chicago Trust Co., Chicago. Lucius Teter, Chicago, Co-Trustee.

Provisions of Issue—Authorized issue, $4,000,000; mortgage closed; outstanding Dec. 31, 1927, $2,530,000, of which $657,400 carry 2% additional interest coupons issued in accordance with additional Interest Indenture dated Nov. 1, 1920. The additional interest coupons are not callable.

Callability—Subject to call on any interest date, at 104 and interest, on or before Nov. 1, 1925, and 103 and interest thereafter. The extra 2% interest (secured) coupon, not callable.

Sinking Fund—Beginning May, 1919, 5% of gross earnings, sinking fund bonds to bear interest to be used in retiring additional bonds of this issue.

Security—Secured by an absolute first mortgage on all the properties, rights and franchises formerly owned by the St. Cloud Public Service Co., consisting of street railway system in St. Cloud, Minn., and extending to Sauk Rapids and Waite Park, and on plants supplying gas and electricity in St. Cloud, and various other communities in central Minnesota. In Jan. 1926 the properties of this company were purchased by the Northern States Power Company (Minnesota) subject to the lien of this mortgage.

Underlie as to the property acquired from St. Cloud Public Service Company, $34,051,000 Northern States Power Company of Minnesota First and Refunding 5s and 6s of 1941 and $22,485,000 Northern States Power Company of Minnesota First Lien and General Mortgage 6s of 1948 and 5½s of 1950, the latter providing for retirement.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax refunded.

Original Offering—First publicly offered ($700,000) in Sept., 1915, at 100 and interest, yielding 6%, by Chicago Savings Bank & Trust Co., and Elston, Cliffford & Co., Chicago, and Baker, Ayling & Young, Boston.

Price Range—

	1927	1926
High	103	102½
Low	101¾	101

(3)

$190,000 ST. CLOUD WATER POWER COMPANY FIRST SERIAL GOLD 6s; DUE $10,000 ANNUALLY TO 1936

Dated April 1, 1911.

Interest Payable April and October 1, at Central Trust Co., of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Original issue, $300,000; outstanding Dec. 31, 1927, $190,000.

Callability—Subject to call in whole or in part on 90 days' notice in reverse of numerical order on any interest date.

Security—A first mortgage on entire property formerly owned by St. Cloud Water Power Co. The properties of St. Cloud Water Power Company subject to the lien of the mortgage securing these bonds were purchased in January, 1926, by the Northern States Power Company (Minnesota).

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($250,000) in April, 1911 at par and interest.

(4)

$5,000,000 (ENTIRE ISSUE) ST. PAUL GAS LIGHT COMPANY GENERAL (NOW FIRST) GOLD 5s; DUE MARCH 1, 1944

Dated March 1, 1894.

Interest Payable March and September 1, at New York Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Security—Secured by an absolute first closed mortgage on entire property formerly owned by the St. Paul Gas Light Co. The properties of St. Paul Gas Light Co. were purchased in March, 1926, subject to existing mortgages, by the Northern States Power Company (Minnesota).

Callability—Bonds cannot be called.

Security—Secured by a first closed mortgage on entire property formerly owned by St. Paul Gas Light Company. They underlie $1,500,000 St. Paul Gas Light Company General and Refunding Series "A" 6s, 1952 and $2,650,000 St. Paul Gas Light Company General and Refunding Series "B" 5½s, 1954. In January, 1926, the properties of St. Paul Gas Light Company subject to the liens of these mortgages were purchased by Northern States Power Company of Minnesota.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—$650,000 offered in May, 1915, at 99½ and interest, by Wm. A. Read & Co., New York; $600,000 offered in June, 1918, at 88½ and interest, by Halsey, Stuart & Co., New York, etc.

Price Range—

	1927	1926	1925	1924	1923
High	102	102	101½	97¾	92
Low	101	100½	98½	bid	bid

(5)

$1,500,000 ST. PAUL GAS LIGHT COMPANY GENERAL & REFUNDING 30-YEAR GOLD 6s SERIES "A"; DUE JAN. 1, 1952

Dated January 1, 1922.

Interest Payable January and July 1, at Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Mortgage closed; outstanding Dec. 31, 1927, $1,500,000 Series "A" 6s and $2,650,000 Series "B" 5½s.

Callability—Subject to call as a whole or in part on any interest date upon 60 days' notice at 110 and accrued interest, from Jan. 1, 1932, up to and including Jan. 1, 1942, and at 105 and accrued interest thereafter.

Security—Secured equally with Series "B" (see below) by general mortgage on entire properties formerly owned by the St. Paul Gas Light Company. Follows $5,000,000 St. Paul Gas Light Company, $5,000,000 General Mortgage 5s of 1944. In January, 1926, the properties of St. Paul Gas Light Company subject to the liens of these mortgages were purchased by Northern States Power Company of Minnesota.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

Legal Opinion—Roberts, Montgomery & McKeehan, Philadelphia, Pa. (for the bankers) and Charles Willard Young, New York (for the company).

Original Offering—First publicly offered ($1,500,000) in Dec. 1921, at 99½ and interest, yielding about 6.03%, by Marshall Field, Glore, Ward & Co., New York, etc.

Price Range—

	1927	1926
High	*107	*106½
Low	105	100¼

*High and low bid price.

(6)

$2,650,000 ST. PAUL GAS LIGHT COMPANY GENERAL & REFUNDING GOLD 5½s, SERIES "B"; DUE JUNE 1, 1954

Dated June 1, 1924.

Interest Payable June and December 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Interchangeable with

fully registered bonds in denominations of $1,000 and multiples.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Mortgage closed; outstanding Dec. 31, 1927, $1,500,000 Series "A" 6s and $2,650,000 Series "B" 5½s, etc., see above description of Series "A" bonds.

Callability—Subject to call at option of Company as a whole or in part on any interest date upon 60 days' published notice at the following prices and accrued interest: To and including June 1, 1925, at 107; thereafter at ¼ of 1% less for each succeeding year or part thereof to and including June 1, 1952; and thereafter at 100.

Security—Secured equally with the Series "A" Bonds, which see.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of these bonds, if requested within 60 days after payment, for the Pennsylvania 4 mills tax, Connecticut personal property tax not exceeding 4 mills per dollar per annum, and Massachusetts income tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($2,650,000 Series "B" 5½s) in June 1924, at 97 and interest, yielding over 5.70%, by Marshall Field, Glore, Ward & Co., Lehman Bros., Goldman, Sachs & Co., and Halsey, Stuart & Co., New York, etc.

Price Range—

	1927	1926	1925	1924
High	104	103	102½	*96
Low	102½	101	98	89

*High and low bid price.

(7)

$333,800 MINNESOTA POWER COMPANY FIRST AND REFUNDING MORTGAGE SINKING FUND 6% GOLD BONDS, DUE OCTOBER 1, 1936

Dated October 1, 1916.

Interest Payable April and October 1 at Merchants Trust & Savings Bank, St. Paul, Minn.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Merchants Trust & Savings Bank, St. Paul, Minn.

Provisions of Issue—Authorized, $3,000,000; outstanding Dec. 31, 1927, $333,800.

Callability—Subject to call as a whole or in part on any interest date at 105 and interest.

Sinking Fund—Cumulative sinking fund, commenced Jan. 1, 1918, calls for the payment annually of 1½% of the outstanding bonds, including bonds in the sinking fund and the treasury. This sinking fund and its accretions are to be applied to the acquisition of bonds of this issue annually at not exceeding 105 and interest. Bonds so acquired to be kept alive in the sinking fund and the income therefrom to be used for the purchase of additional bonds.

Security—A first lien on entire property of Minnesota Power Company. These properties were acquired during 1927 by Northern States Power Company, subject to this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Moneys and Credits Tax in Minnesota.

Original Offering—A block of these bonds was publicly offered in December, 1923, at 97¾ and interest, to yield 6¼%, by Kalman, Gates, White & Co., St. Paul and Minneapolis. A further block was offered in Jan., 1925, at 101 and interest, to yield 5.90%.

(8)

$26,560,500 NORTHERN STATES POWER CO. OF MINNESOTA FIRST & REFUNDING GOLD SERIES "A" 5%; DUE APRIL 1, 1941

$7,490,500 NORTHERN STATES POWER CO. OF MINNESOTA FIRST & REFUNDING GOLD SERIES "B" 6%; DUE APRIL 1, 1941

Dated April 1, 1916.

Interest Payable April and October 1, at Guaranty Trust Co., of New York, and at Harris Trust & Savings Bank, Chicago.

Denominations—Coupon (principal may be registered), $500 and $1,000, and registered $1,000, $5,000 and $10,000. Coupon bonds in denomination of $500 are exchangeable for coupon bonds in the denomination of $1,000. Coupon bonds in $1,000 and multiples are interchangeable with fully registered bonds.

Trustees—Guaranty Trust Co., of New York. William C. Cox, Co-Trustee.

Provisions of Issue—Authorized issue, $100,000,000; outstanding, $26,560,500 5s and $7,490,500 6s; redeemed $16,500. Any additional bonds issued are to be pledged under the First Lien and General Mortgage. Bonds may be issued under the First & Refunding Mortgage to retire the Minneapolis General Electric Co. bonds due Dec. 1, 1934.

Callability—Series "A" and "B" bonds are subject to call on any interest date prior to and including April 1, 1936, at 105 and interest, and thereafter at 102½ and interest on 30 days' published notice. All bonds redeemed shall be cancelled.

Maintenance Fund—It is provided that an amount in cash equivalent to 12½% of gross earnings of Co. shall be expended or set aside annually, on or before April 1 in each of the years, 1917 to 1940, inclusive, for maintenance and repairs or for renewals and replacements of Co.'s property. Any part of this fund not used for such purposes may be expended for extensions and additions to the properties, such expenditures, however, not to be used as the basis for issuing first and refunding mortgage bonds. The Company may utilize any balance of this fund in the hands of the trustee for the purchase, redemption or payment of any bonds outstanding under this mortgage or any bonds secured by a lien prior to the lien of this mortgage.

Security—Secured by a direct first lien on the entire properties of Northern States Power Company of Minnesota, subject as to the properties acquired from St. Paul Gas Light Company to the liens of the mortgages securing an aggregate of $9,150,000 bonds outstanding; as to the properties acquired from St. Cloud Public Service Company to the liens of the mortgages securing an aggregate of $2,530,000 bonds outstanding; as to the properties acquired from St. Cloud Water Power Company to the lien of the mortgage securing $190,000 bonds outstanding; as to the properties acquired from Citizens Light Heat and Power Company to the liens of the mortgage securing $32,003, mortgage notes outstanding; and as to the properties acquired from Minnesota Power Company to the lien and the mortgage securing $333,800 bonds outstanding; and by the prpoerties of the Minneapolis General Electric Company, Interstate Light and Power Company (Wisconsin) and Interstate Light and Power Company (Delaware) through the deposit of the entire issues of capital stocks (except directors' qualifying shares) and bonds of these companies, except $6,831,000 bonds of the Minneapolis General Electric Company outstanding.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Stetson, Jennings & Russell, New York and Theodore S. Chapman, Chicago.

Original Offering—First publicly offered ($18,000,000) in April, 1916, at 96½ and interest by Harris, Forbes & Co., New York and Boston, Guaranty Trust Co., Wm. P. Bonbright & Co., Inc., New York and H. M. Byllesby & Co., Inc., Chicago and New York; $3,500,000 offered by same firms in June, 1917, at 93½ and interest; $1,500,000 in Oct., 1919, at 86 and interest, and $2,000,000 additional in July, 1922, at 91.50 and interest, yielding 5.75% also by the foregoing firms.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Series "A" 5s—								
High	103	101	99⅛	95	93	95	90	85
Low	100	97¾	93	89¼	87⅝	88	76	70
Series "B" 6s—								
High	107½	106½	107¼	105	102	103½	100	....
Low	104½	104½	103	101	98¾	98	89½	....

(9)

$13,985,000 NORTHERN STATES POWER COMPANY OF MINNESOTA FIRST LIEN AND GENERAL MORTGAGE GOLD 6s, SERIES "A"; DUE NOVEMBER 1, 1948

Dated November 1, 1923.

Interest Payable, May and November 1, at Harris Trust & Savings Bank, Chicago, or Guaranty Trust Company, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; fully registered bonds, $1,000, $5,000 and $10,000.

Trustees—Harris Trust & Savings Bank, Chicago, and Murdoch H. McLean.

Provisions of Issue—Authorized amount of mortgage, unlimited. Issued $23,000,000 ($14,500,000 Series "A" and $8,500,000 Series "B", see No. 11), of which $515,000 Series "A" redeemed.

Additional bonds of Series "A" or Series "B" or other series with such dates, maturities, interest rates, redemption features, etc., as may be determined, may be issuable under the provisions of the indenture for (a) the refunding of underlying bonds or of bonds of other series under this mortgage and (b) for 75% of expenditures for additions and extensions to the properties, provided that net earnings for a period of twelve months have been at least equal to 1¾ times the annual interest charge on all underlying and First Lien & Gen. Mtge. bonds in the hands of the public and those proposed to be issued, and dividends on Pfd. stocks of subsidiary corporations outstanding in the hands of the public, all as provided in the indenture. Additional bonds may also be issued against the pledge of bonds of Northern States Power Company of Wisconsin, formerly Wisconsin-Minnesota Light & Power Co. and upon the fulfilment of the requirements in the indenture, for the refunding of bonds of that company which are now in the hands of the public, and for further additions and extensions to the property.

Callability—Subject to call on any interest date, until and including Nov. 1, 1938, at 105 and interest, the premium decreasing ½% each calendar year thereafter, the bonds being redeemable in 1947 and on May 1, 1948, at 100½ and interest.

Special Trust Fund—Under the terms of the indenture securing these bonds, the company covenants that an amount equivalent to at least 12½% of the gross earnings from the operation of the properties (less the cost of purchased power and gas and of leased generating or distributing property) shall be expended or set aside after May 1, 1925, for maintenance, repairs, renewals and replacements of properties. This percentage is subject to periodical adjustment at intervals of not less than five years, by agreement between the Trustees and the company. Any part of this fund not used for such purposes may be expended for extensions and additions to the properties which shall not be made the basis for issuing additional bonds under the indenture, or for the retirement of outstanding bonds. It is specifically provided that out of this fund or with other moneys there will be purchased or redeemed each year, and cancelled, not less than 1% of the Series "A" bonds, which are from time to time outstanding.

Security—A direct lien upon all the physical properties and securities of Northern States Power Company (Minnesota), which includes all the bonds and stocks of Minneapolis General Electric Company, Interstate Light and Power Company (Wisconsin), and Interstate Light and Power Company (Delaware), less directors' qualifying shares, except $6,831,000 bonds of the Minneapolis General Electric Company; subject however to the lien of the mortgage securing the First and Refunding bonds, of which $18,886,000 are pledged under this mortgage; also subject as to the property acquired from St. Paul Gas Light Company to the liens of mortgages securing an aggregate of $9,150,000 bonds; as to the property acquired from St. Cloud Public Service Company, to the liens of mortgages securing an aggregate of $2,530,000 bonds; as to property acquired from St. Cloud Water Power Company, to the lien of a mortgage securing $190,000 bonds; as to property acquired from Citizens Light, Heat and Power Company, to the liens of mortgages securing $32,003 mortgage notes outstanding; as to the property acquired from Minnesota Power Company, to the lien of a mortgage securing $333,800 bonds outstanding; and a direct first lien upon all the property of Northern States Securities Corporation, which includes all the bonds and stocks of St. Anthony Falls Water Power Company, Minneapolis Mill Company and Northern States Power Company (Wisconsin), less directors' qualifying shares and except $13,645,000 bonds and $667,000 Pfd. stock of Northern States Power Company (Wisconsin).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($8,500,000) in Dec., 1923, at 97½ and interest, yielding about 6.20%, by Harris Trust & Savings Bank and H. M. Byllesby & Co., Inc., Chicago, etc., and Harris, Forbes & Co., and Guaranty Co., New York, etc.; an additional $6,000,000 were offered by the same firms in April, 1924, at 99½ and interest, yielding over 6%.

Price Range—

	1927	1926	1925	1924
High	104¾	104½	104½	102
Low	103½	103	101	98

(10)

$8,500,000 NORTHERN STATES POWER COMPANY OF MINNESOTA FIRST LIEN AND GENERAL MORTGAGE GOLD 5½s, SERIES "B"; DUE DECEMBER 1, 1950

Dated December 1, 1925.

Interest Payable June and December 1, in Chicago and New York.

Callability—Subject to call on any interest date until and including December 1, 1940 at 105 and interest, the premium decreasing ½ of 1% during each calendar year thereafter, the bonds being redeemable in 1949 and on June 1, 1950, at 100½ and interest.

Original Offering—First publicly offered ($8,500,000) in December, 1925, at par and interest by Harris, Forbes & Co., New York, Harris, Forbes & Co., Inc., Boston, Harris, Forbes & Co., Ltd., Montreal, H. M. Byllesby & Co., Chicago and New York, and Harris Trust & Savings Bank, Chicago.

Further Details regarding these bonds are given under the First Lien & General Mortgage Gold 6s, Series "A" above.

Price Range—

	1927	1926	1925
High	105	103	100¾
Low	101	100	98⅝

(11)

$938,000 NORTHERN STATES POWER CO. OF MINNESOTA CONVERTIBLE 6½% GOLD NOTES; DUE NOVEMBER 1, 1933

Dated November 1, 1923.

Interest Payable May and November 1, at Guaranty Trust Company of New York, or Harris Trust & Savings Bank, Chicago.

Denominations—Coupon notes in interchangeable denominations of $100, $500, and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Registrars—Guaranty Trust Co. of New York, and Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized and issued, $10,000,000, of which $395,000 redeemed and $8,666,100 converted into Common stock to April 19, 1928.

The Trust Agreement under which these notes are issued provides (1) that no mortgage (except purchase money mortgages and mortgages existing on property hereafter acquired) other than the First & Refunding Mtge. of the company and its First Lien & Gen. Mtge. shall be placed upon the property of the company, unless these Notes shall be secured by such mortgage equally and ratably with all other obligations secured thereby, and that no such mortgage shall be placed upon the property of any such subsidiary unless all obligations issued under such mortgage shall be pledged directly or indirectly either under the First & Refunding Mtge. or First Lien & Gen. Mtge.; (2) that no additional funded debt of the company or any subsidiary other than as provided in section (1), may be created unless either the net earnings of the company and its subsidiaries for a period of twelve consecutive months within the fifteen months next preceding the creation of such debt shall have been at least 1¾ times the annual interest requirements on the total funded debt of the company and its subsidiaries outstanding at the time of the creation of such additional debt, including the additional debt about to be created, or the company shall thereupon execute and deliver a general mortgage upon all its property under which these notes shall be secured in priority to such additional funded debt; (3) that beginning Nov. 1, 1924, the company will pay to the trustee annually $200,000 in cash as a sinking fund, to be applied to the purchase in the open market of notes of this issue at a price not exceeding the then redemption price, and/or to the redemption of notes.

Purpose of Issue—Issued to redeem the entire issue of the Company's 10-Year Notes due April 1, 1926, and to reimburse the company in part for expenditures heretofore incurred for additions, extensions and betterments to the properties.

Callability—Subject to call in whole or in part on 60 days' notice on any interest date prior to maturity; on or before Nov. 1, 1924, at 105 and thereafter at 105 less ½ of 1% for each year or fraction thereof elapsed subsequent to Nov. 1, 1924 to and including May 1, 1933; thereafter at 100; plus accrued interest in each case.

Convertibility—Convertible at any time after Jan. 1, 1924, and on or before Jan. 1, 1929 (or as to notes called for prior redemption on or before 30 days previous to the redemption date) into Common stock of the Northern States Power Co. of Del. on the basis of $100 principal amount of Notes plus $3.50 in cash for each share of stock of $100 par value, with adjustment of accrued interest and accrued dividends. So long as any of the Notes are outstanding, the Minnesota Company will not issue any other obligations convertible into the same class of stock of the Delaware Co. as that into which these Notes are convertible, on a basis more favorable to the holders of such obligations in respect to conversion prices than that enjoyed by the holders of these Notes, unless the same convertible privilege in respect to conversion prices shall be accorded to holders of these Notes.

Security—A direct obligation of Company but not secured by a mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax and the Massachusetts Income tax, not exceeding 6% per annum, refunded.

Legal Opinion—Stetson, Jennings, Russell & Davis, New York (for the bankers), and Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($10,000,000) in Nov., 1923, at 98½ and int. to yield over 6.70%, by Guaranty Co. and Spencer Trask & Co., New York, etc., and H. M. Byllesby & Co., Inc., Chicago and New York.

Price Range—

	1927	1926	1925	1924	1923
High	131	132	141	106¼	99⅛
Low	110	108	105¾	98	97½

(12)

$4,563,700 NORTHERN STATES POWER CO. OF MINNESOTA 6½% GOLD NOTES; DUE NOVEMBER 1, 1933

Dated May 1, 1924.

Interest Payable May and November 1, at Guaranty Trust Co. of New York, or in Chicago.

Denominations—Coupon notes in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $5,000,000, of which $436,300 redeemed. Other provisions identical with those described under the 6½% Convertible Gold Notes, see paragraph 11.

Callability—Subject to call in whole or in part on 60 days' notice, on any interest date prior to maturity on Nov. 1, 1924, at 105, and at 105 less ½ of 1% for each year or fraction thereof elapsed thereafter, to and including May 1, 1933; thereafter at 100; plus accrued interest in each case.

Sinking Fund—Beginning Nov. 1, 1924, the company will pay to the Trustee, annually, $150,000 in cash as a sinking fund, to be applied to the purchase in the open market of notes of this issue at a price not exceeding the then current redemption price, and/or to the redemption of notes.

Security—A direct obligation of Company, but not secured by a mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax and Massachusetts Income Tax not exceeding 6% per annum, refunded.

Legal Opinion—Stetson, Jennings, Russell & Davis, New York (for the bankers), and Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($5,000,000) in May, 1924, at 97½ and interest, to yield over 6.85% by Guaranty Co. of New York, H. M. Byllesby & Co., Inc., Chicago and New York, and Spencer Trask & Co., New York, etc.

Price Range—

	1927	1926	1925	1924
High	104⅞	104½	104⅞	105
Low	102⅜	102½	99½	100

(13)

$7,500,000 NORTHERN STATES POWER CO. OF MINNESOTA 5½% GOLD NOTES; DUE DECEMBER 1, 1940

Dated December 1, 1925.

Interest Payable June and December 1, at Harris Trust & Savings Bank, Chicago, and Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $7,500,000; issued to pay part of the cost of acquiring the Com. stock of St. Paul Gas Light Co. These notes are issued under a Trust Agreement which provides among other things: (1) That no mortgage except—(a) the Company's First & Refunding Mortgage and First Lien & General Mortgage, hereinafter referred to as the existing mortgages, (b) future mortgages created upon the retirement and cancellation of one or both of the existing mortgages, provided that there shall at no time be outstanding more than two of such existing and future mortgages and that every future mortgage shall contain such restrictions upon the issuance of bonds that the total amount of bonds which may be outstanding under all existing and future mortgages shall at no time prior to the maturity or redemption of these notes exceed the amount which might have been outstanding under the existing mortgages alone, and (c) purchase money mortgages and

mortgages outstanding on property hereafter acquired —shall be placed upon the property of Company, unless these notes shall be secured by such mortgage equally and ratably with all other obligations secured thereby; (2) That no mortgage except as provided in (1) above shall be placed upon the property of any subsidiary, as defined in the Trust Agreement, unless all obligations issued under such mortgage shall be pledged (subject to pledge, if required, under any existing prior mortgage) directly or indirectly under one or both of the existing and future mortgages then outstanding; and (3) That no additional funded debt of Company or any subsidiary, other than as provided in (1) and (2) above, may be created unless either (a) the net earnings of Company and its subsidiaries for a period of 12 consecutive months within the 15 months next preceding the creation of such debt shall have been at least 1¾ times the annual interest requirements on the total funded debt of Company and its subsidiaries outstanding at the time of the creation of such additional debt, including the additional debt, about to be created, all as provided in the Trust Agreement, or (b) the Company shall thereupon execute and deliver a general mortgage upon all of its property under which these notes shall be secured in priority to such additional funded debt.

Callability—Subject to call as a whole or in part, on any interest date upon 60 days' notice, on or before Dec. 1, 1930 at 105, the premium thereafter decreasing ½ of 1% for each year or fraction thereof elapsed subsequent to Dec. 1, 1930 to and including June 1, 1940; thereafter at 100; plus accrued interest in each case.

Security—These notes are the direct obligations of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax and Massachusetts Income Tax not exceeding 6% per annum, refundable.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York (for the Bankers) and Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($7,500,000) in December, 1925, at 96 and interest, to yield over 5.90%, by Guaranty Co. of New York, H. M. Byllesby & Co., Inc., Chicago and New York, and Spencer Trask & Co., New York.

Price Range—

	1927	1926	1925
High	98½	97	96
Low	96	95	95

(14)

$32,003.57 CITIZENS LIGHT, HEAT & POWER CO. MORTGAGE NOTES; DUE SERIALLY

Dated November 2, 1915 and July 20, 1920.

No further details available.

(15)

$19,000 UNITED POWER & LAND CO. MORTGAGE NOTES; DUE SERIALLY

No further details available.

(16)

$750,000 NORTHERN STATES POWER CO. OF MINNESOTA UNSECURED NOTES; DUE OCTOBER 1, 1930

Dated October 1, 1925.

No further details available.

OFFICERS AND DIRECTORS

Officers: John J. O'Brien, Pres.; Robert J. Graf, 1st V-P.; G. H. Harries, V-P.; F. C. Gordon, V-P.; B. W. Lynch, V-P. & Asst. Treas.; A. S. Cummins, V-P.; R. G. Hunt, V-P.; E. J. McKay, V-P.; H. C. Cummings, V-P.; Halford Erickson, V-P., Chicago; F. C. Levis, V-P., New York; R. F. Pack, V-P. & Gen. Mgr.; J. J. Molyneaux, Treas. & Asst. Sec.; Minneapolis, Minn.; M. A. Morrison, Sec. & Asst. Treas.; Herbert List, Asst. Sec. & Asst. Treas.; William G. Pohl, Asst. Sec. & Asst. Treas.; C. H. O'Reilly, Asst. Sec. & Asst. Treas.; P. A. Lehmkuhl, Asst. Sec. & Asst. Treas.; W. J. Maloney, Asst. Treas. & Asst. Sec., Chicago; J. J. Madden, Asst. Sec. & Asst. Treas.; T. J. Kerr, Asst. Treas. & Asst. Sec.; E. Barnes, Asst. Treas. & Asst. Sec., New York; R. L. Clark, Asst. Sec. & Asst. Treas.; Henry Grensacher, Asst. to Mgr. in Charge of Operations, Minneapolis, Minn.

Directors: John J. O'Brien, Robert J. Graf, J. H. Roemer, F. W. Stehr, R. G. Hunt, O. G. Corns, A. S. Cummins, Halford Ericson, Geo. H. Harries, H. C. Cummins, J. H. Briggs, H. W. Fuller, M. A. Morrison, B. W. Lynch, Chicago; D. T. Flynn, Oklahoma, City, Okla.; R. F. Pack, Minneapolis; C. C. Levis, New York.

Offices, Minneapolis, Minn., and Chicago, Ill.

ST. CROIX POWER COMPANY

(Controlled by Northern States Power Company of Minnesota)

History—Incorporated in 1899, in Wisconsin. Owns and operates a hydro-electric plant of 3,000 k.w. capacity at Apple River Falls, Minn., 27 miles northwest of St. Paul, Minn., 27 miles of transmission lines, and 3 miles of underground conduits into St. Paul. Control of this Company was acquired by the Northern States Power Co. of Minnesota upon acquisition of the properties of the St. Paul Gas Light Co. which formerly controlled the St. Croix Power Co.

CAPITAL STOCK

Authorized and outstanding, $2,500; par $100. All owned by Northern States Power Co. of Minnesota. Annual meeting in January.

FUNDED DEBT

$750,000 (ENTIRE ISSUE) FIRST GOLD 5s; DUE OCTOBER 1, 1929

Dated October 2, 1899.

Interest Payable April and October 1, at Equitable Trust Co., New York.

Denomination—Coupon and registered, $1,000.

Trustee—Equitable Trust Co., New York.

Security—Secured by a first mortgage on a hydro-electric plant of 3,000 kilowatts capacity at Apple River Falls, 27 miles transmission line and 3 miles of underground conduits into St. Paul.

Guaranty—Guaranteed, principal and interest, by endorsement, by St. Paul Gas Light Co. The properties of the St. Paul Gas Light Co. were purchased in March, 1926 by the Northern States Power Company (Minnesota), which company assumed the obligations of the St. Paul Gas Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Cutcheon, Hare & Holter, New York.

Original Offering—First publicly offered ($750,000) in 1901 at 101 interest by Emerson McMillan & Co., New York, and H. L. Crawford & Co., Chicago and New York.

Office, St. Paul, Minn.

NORTHERN STATES POWER COMPANY OF WISCONSIN

(Controlled by Northern States Power Co. of Minnesota, through Northern States Securities Corp.)

History and Property—Incorporated July 1, 1914, in Wis., as the Wisconsin-Minnesota Light & Power Co. which was a consolidation of La Crosse Gas & Electric Co., Eau Claire Gas Light Co., Chippewa Valley Ry., Light & Power Co., Red Wing Gas, Light & Power Co. and Winona Gas Light & Coke Co.; name changed to present title in April, 1924. In May, 1926, acquired control of Chippewa Power Co., the properties of which company were formerly operated under lease by Northern States Power Co. of Wisconsin.

The properties of this Company and its subsidiary, Chippewa Power Company, constitute the Wisconsin Division of Northern States Power Company system. The Wisconsin Division supplies electricity, gas, street railway and/or steam heat to 87 communities in western Wisconsin and southeastern Minnesota including Eau Claire, Chippewa Falls, LaCrosse, Winona, Red Wing, Menominee, Rice Lake and Sparta. Estimated population served at Dec. 31, 1927, was 175,000. At that date the properties included 10 hydro-electric generating stations, having an aggregate installed capacity of 54,215 kilowatts and 5 steam-electric generating stations, having an aggregate installed capacity of 7,260 kilowatts, 936 miles of transmission pole lines and 631 miles of distribution pole lines, supplying 36,371 customers with 81,559 k.w. connected load; gas manufacturing plants having a daily capacity of 2,825,000 cu. ft.; gas holders having an aggregate capacity of 1,333,000 cu. ft. and 212 miles of gas mains, supplying 16,542 customers.

Franchise Situation—The Company is carrying on its business in Wisconsin under the Public Utility Laws of the State which give the Company an indeterminate right to operate, and insures it against competition in Wisconsin, subject only to furnishing adequate service and facilities at reasonable and just rates. The Minnesota properties are operating under valid municipal franchises, which are satisfactory in their terms.

CAPITAL STOCK

Authorized, $5,000,000 Common and $5,000,000 7% cumulative Pfd.; outstanding, $2,500,000 Common and $5,000,000 Pfd.; par, $100. Northern States Power Co. (Minn.) owns the entire capital stock, except $667,000 7% Pfd. outstanding with public.

FUNDED DEBT

(1)

$9,000 CHIPPEWA VALLEY CONSTRUCTION CO. MORTGAGE NOTES; DUE AUGUST 9, 1923

Dated August 9, 1918. No further details available.

(2)

$9,438,000 NORTHERN STATES POWER COMPANY OF WISCONSIN (FORMERLY WISCONSIN-MINNESOTA LIGHT AND POWER COMPANY) FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE MAY 1, 1944

$1,111,000 NORTHERN STATES POWER COMPANY OF WISCONSIN (FORMERLY WISCONSIN-MINNESOTA LIGHT AND POWER COMPANY) FIRST AND REFUNDING MORTGAGE GOLD 5s, BEARING ADDITIONAL UNSECURED 3% COUPONS; DUE MAY 1, 1944

Dated (Both Issues), May 1, 1914.

Interest Payable May and November 1, at Harris Trust & Savings Bank, Chicago.

Denominations—Coupon (principal may be registered), $500 and $1,000; and registered, $1,000. Coupon and registered bonds interchangeable.

Trustees—Harris Trust & Savings Bank, Chicago. Albert W. Harris, co-trustee.

Provisions of Issue—The mortgage authorizes $20,000,000 of bonds. Escrow bonds may be issued for 75% of the actual and reasonable expenditures of the Company for or on account of extensions and additions, but only when the net earnings for the preceding twelve months have been equal to at least one and three-quarter times the annual interest requirements on all bonds of this issue outstanding, underlying bonds and those for which application is made.

Callability—Subject to call on any interest date, at 105 and interest.

Sinking Fund and Special Trust Fund Provisions—The trust deed provides for payments to the Trustee semi-annually May 1 and November 1 on the basis of the following percentages of the bonds outstanding, including underlying bonds for the retirement of which bonds of this issue are reserved; ½ of 1% in each of the ten years 1919 to 1928, both inclusive; ¾ of 1% in each of the ten years 1929 to 1938, both inclusive, and 1% in each of the five years 1939 to 1943, both inclusive. This fund may be used either to retire outstanding bonds or for extensions and additions to the property which might otherwise have been made the basis for the issuance of bonds.

Security—Secured by a first mortgage on entire property of Northern States Power Company of Wisconsin.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Pam & Hurd, Chicago, and Theodore S. Chapman.

Original Offering—First publicly offered ($2,265,000 5s) in June, 1914, at 93½ and interest, by Harris, Forbes & Co., New York, N. W. Harris & Co., Boston, and Harris Trust & Savings Bank, Chicago; $235,000 8s offered in Nov. 1921, by Grossman, Lewis & Co., National Bank of Commerce, Investors Finance Corp., and Best & Gagg, Milwaukee at 100 and interest.

Price Range—

5s, 1944—	1927	1926	1925	1924
High	99¾	98¼	96¾	92¾
Low	97¼	95½	83	bid

(3)

$3,096,000 NORTHERN STATES POWER COMPANY OF WISCONSIN (FORMERLY WISCONSIN-MINNESOTA LIGHT AND POWER COMPANY) GENERAL AND REFUNDING GOLD 7s, SERIES "A"; DUE JANUARY 1, 1947

Dated January 2, 1922.

Interest Payable January and July 1, at Continental National Bank and Trust Co., Chicago.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank and Trust Co., Chicago. William P. Kopf, Co-trustee.

Provisions of Issue—Under the provisions of the mortgage, additional bonds may be issued of Series "A" or of other series bearing such rate or rates of interest, maturing at such time or times and having such other provisions as the Board of Directors may determine at the time of issuance at only 75% of the cost or fair value (whichever is less) of additions, improvements and betterments to the Company's property, and then only when net earnings, as defined in the mortgage, for twelve consecutive months within the fifteen months last past have been at least 1¾ times the annual interest requirements on all underlying bonds outstanding in the hands of the public and on all General and Refunding Mortgage bonds outstanding, including those proposed to be issued. General and Refunding bonds may be issued par for par for refunding purposes.

Callability—Subject to call as a whole or in part on 30 days' published notice on any interest date on and after Jan. 1, 1932, at 110 during that year and at 1% less per calendar year during each year to and including 1937 and at 104½ on Jan. 1, 1938, and at ½% less per calendar year during each year thereafter, and on July 1, 1946, at 100, plus accrued interest in each case.

Sinking Fund—Sinking fund, ½% of the total bonds of Series "A" outstanding from Jan. 1, 1927, to Jan. 1, 1937; ¾ of 1% from Jan. 1, 1937, to Jan. 1, 1942, and 1% from Jan. 1, 1942, to Jan. 1, 1947. This fund may be used for permanent improvements, additions or betterments to the property (against which no bonds may be issued) or may be used for the purchase and retirement of outstanding General and Refunding bonds.

Security—Secured by a general mortgage on all of the property of the Company now owned or hereafter acquired, subject to $10,549,000 Northern States Power Company of Wisconsin (formerly Wisconsin-Minnesota Light and Power Company) First and Refunding 5s and 8s of 1944 with provision for retirement thereof.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and Pennsylvania and Connecticut 4 mill taxes, and Massachusetts 6% personal property tax.

Original Offering—First publicly offered ($1,930,000) in Jan., 1922, at 99 and interest, yielding about

7.10%, by Halsey, Stuart & Co., Inc., and Paine, Webber & Co., $300,000 additional by same firms in Feb., 1923, at 103 and interest.

Price Range—

	1927	1926	1925	1924	1923
High	*107¼	*105½	103½	102½	100
Low	105½	103½	bid	bid	bid

*High and low bid price.

Officers: John J. O'Brien, Pres., Chicago; R. F. Pack, V-P., Minneapolis, Minn.; Halford Erickson, Robert J. Graf, B. W. Lynch, E. J. McKay, V-Ps.; M. A. Morrison, Sec. & Asst. Treas.; Herbert List, Asst. Sec. & Asst. Treas.; Wm. G. Pohl, Asst. Sec., Chicago, Ill.; J. J. Madden, Asst. Sec. & Asst. Treas., New York; C. H. O'Reilly, Asst. Sec. & Asst. Treas., Chicago, Ill.; R. L. Clark, Asst. Sec.; J. J. Molyneaux, Treas. & Asst. Sec., Minneapolis, Minn.; A. A. Cavanaugh, Asst. Treas.; Geo. H. Wilmarth, Mgr., Eau Claire, Minn.

Directors: John J. O'Brien, J. H. Briggs, Halford Erickson, H. W. Fuller, Robert J. Graf, O. G. Corns, Geo. H. Harries, John H. Roemer, F. W. Stehr, B. W. Lynch, R. G. Hunt, M. A. Morrison, A. S. Cummins, H. C. Cummins, Chicago, Ill.; D. T. Flynn, Oklahoma, City; R. F. Pack, Minneapolis; C. C. Levis, New York City.

Office, Chicago, Ill.

THE CHIPPEWA POWER COMPANY

(Controlled by and leased to Northern States Power Company of Wisconsin)

History—Incorporated in January, 1920, in Wisconsin and owns lands, flowage rights, a concrete dam and a water power site on the Chippewa River, eleven miles north of the Wissota dam of the Northern States Power Company of Wisconsin. The Company is the possessor of a charter granted on May 6, 1902, by the State of Wisconsin permitting the construction and giving the perpetual right to maintain a dam across the Chippewa River.

Company completed construction of a hydro-electric generating plant with an initial installed generating capacity of 19,296 h.p. upon its dam site and an 11 mile 110,000-volt transmission line connecting with the generating station of the Wissota plant of the Northern States Power Company of Wisconsin. The plant was completed May 1, 1923, and entire operation taken over for operation by the Wisconsin-Minnesota Light & Power Co. (now Northern States Power Company of Wisconsin) under a 30 year lease. By the terms of this lease, the latter Company agrees to pay an annual rental, payable in equal monthly installments, as follows: $245,000 for the first seven years, $255,000 for the next ten years, and $265,000 for the last thirteen years; also to operate and maintain the property at its own expense at standard operating efficiency, repairing all damages that may be sustained by the property through any cause whatsoever during the continuance of the lease. It also agrees to pay all taxes and all other charges incidental to the operation of the development to the end that the rental as shown above shall be a net rental to be paid to The Chippewa Power Co. without any deduction whatever.

CAPITAL STOCK

Authorized and outstanding, 5,000 shares of no par value. All owned by Northern States Power Company of Wisconsin. Annual meeting, first Monday after first Tuesday in June.

FUNDED DEBT

$1,800,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1947

Dated June 1, 1922.

Interest Payable June and December 1, at First National Bank, New York, First National Bank, Chicago, or National Shawmut Bank, Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The National Shawmut Bank, Boston.

Provisions of Issue—No further Series "A" bonds may be issued under this mortgage. Additional bonds of other series may be issued for 75% of the cost of additions and improvements to the property when earnings are equal to 1¾ times the annual interest charges of the company including bonds proposed to be issued.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date on and after June 1, 1932, at 107½, less ½ of 1% each calendar year to maturity.

Sinking Fund—Sinking fund provides that the company will deposit with the Trustee on March 1 every year a sum in cash equal in percentage to the aggregate principal amount of all Series "A" bonds certified and delivered prior to date of deposit in accordance with the following: 1% in each of the years 1927 to 1932; 1½% in each of the years 1933 to 1939 and 2% in each of the years 1940 to 1947, incl. The sinking fund may purchase bonds in the open market at or below the call prices, or if not so obtainable, bonds may be called. Cash deposited for the sinking fund may be withdrawn by the company for permanent extensions and additions to the property against which no bonds may be issued.

Security—Secured by a direct mortgage lien on entire property of company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax refunded in Pennsylvania, Massachusetts and Connecticut.

Original Offering—First publicly offered ($1,800,000) in June, 1922 at 98½ and interest, yielding about 6.12%, by Paine, Webber & Co., New York, Boston, etc.; a block in Feb., 1924, by the same firm at 101 and interest.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	*105⅝	*105¼	101	99½
Low	104¼	100½ bid	bid	bid

*High and low bid price.

Officers: J. J. O'Brien, Pres.; R. J. Graf, V-P.; Halford Erickson, V-P.; M. A. Morrison, Sec. & Treas., Chicago, Ill.

Directors: J. J. O'Brien, R. J. Graf, M. A. Morrison, Halford Erickson, J. H. Roemer, Chicago, Ill.

General Office, 231 South La Salle St., Chicago, Ill.

OKLAHOMA GAS AND ELECTRIC COMPANY

(Controlled by Standard Gas & Electric Co.)

History and Property—Incorporated February 27, 1902, in Oklahoma.

Oklahoma Gas & Electric Co., El Reno Gas & Electric Co., Enid Electric & Gas Co., Muskogee Gas &

25 BROAD STREET
NEW YORK

Branch Offices
Albany Boston
Chicago Providence
Philadelphia

OKLAHOMA GAS & ELECTRIC CO.
Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange

Electric Co. and Sapulpa Electric Co. in July, 1917, were consolidated under the name of Oklahoma Gas & Electric Co. During 1925, the properties of the following, formerly controlled, were acquired: Southern Oklahoma Power Company, Shawnee Gas and Electric Company and Okahoma General Power Company.

On February 28, 1926 the Company purchased the properties of Consumers Light and Power Company, Ardmore City Gas Company and Wilson Ice Company, and in May, 1926, acquired the United Power Company and the Chandler Electric Company.

On March 1, 1928, effective as of Dec. 1, 1927 Oklahoma Gas and Electric Company sold to Oklahoma Natural Gas Corp. (see General Index) its natural properties, consisting of distributing systems in 14 communities, thereby enabling the Company to concentrate its entire attention upon the development of its electric power and light business.

Oklahoma Gas and Electric Company furnishes electricity for power and light to 147 communities in Oklahoma, including Oklahoma City, El Reno, Enid, Drumright, Sapulpa, Muskogee, Chandler, Davenport, Ardmore, Durant, Healdton, Ringling, Wilson, Shawnee, Ada and Guthrie, having an estimated population in excess of 560,000. The properties of the Company include steam electric generating stations having in excess of 100,000 kilowatts installed capacity, which includes the River Bank Power Station near Muskogee, with installed capacity of 22,500 kilowatts and the Horseshoe Lake plant near Oklahoma City having present installed capacity of 35,000 kilowatts. Work is under way on the construction of an addition to the Horseshoe Lake station and the installation of an additional steam turbine unit of 30,000 kilowatts capacity. The transmission and distribution system of the Company includes 3,500 miles of pole lines.

As of Dec. 31, 1927, the Company served 97,168 electric customers; had connected electric load, all purposes, of 254,476 kilowatts, 3,535 miles of transmission and distribution pole and underground lines, and, for the 12 months ended Dec. 31, 1927, had a total electric output of 399,543,412 kilowatt hours compared with 207,140,920 in 1926.

OPERATING STATISTICS (COMBINED PROPERTIES), YEARS ENDED DECEMBER 31

	*1927	1926	1925	1924	1923	1922	1921	1920	1919	1918
Electric customers	97,168	76,534	69,391	64,573	60,342	47,472	41,152	35,485	31,611	27,730
Total k.w. lighting load	107,463	74,525	68,358	59,437	56,340	44,712	39,178	33,213	30,307	27,557
Total k.w. power load	146,017	77,720	75,078	63,825	53,888	38,349	30,677	26,414	22,065	17,547
Total k.w. railway load	996	1,615	1,615	1,468	1,442	900	600	210	710	910
Total k.w. connected	254,476	153,860	145,051	124,730	111,670	83,961	70,455	59,837	53,082	46,014
Miles of trans. & dist. lines	3,535	2,454	2,204	2,045	1,903	1,148	986	937	625	623

*Gas properties sold on March 1, 1928 effective as of Dec. 1, 1927.

CAPITAL STOCK

Authorized, $10,000,000 Common and $25,000,000 7% cumulative Pfd. (increased from $10,000,000 May 14, 1925); outstanding, $10,000,000 Common and $19,082,100 Pfd.; par, $100. Standard Gas & Electric Co. owns $10,000,000 Common and $335,800 Pfd.

Preferred Stock Provisions—The Pfd. stock has preference for assets and dividends, and is redeemable at option of Company on 60 days' notice at 125 plus accrued dividends.

Transfer Agents and Registrars—Continental National Bank and Trust Co., Chicago, and Guaranty Trust Co. of New York.

Annual Meeting—Fourth Monday in March.

Listed—Pfd. stock listed on Chicago Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924
High	109	94	95	89½
Low	104	94	95	bid

Dividends—Regular quarterly Pfd. dividends of 1¾% are paid M, J, S & D 15.

FUNDED DEBT

(1)

$27,500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1950

Dated March 1, 1925.

Interest Payable March and September 1 in New York and Chicago.

Denominations—Coupon, $500 and $1,000 (principal may be registered) and fully registered, $1,000, $5,000 and $10,000.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized amount $200,000,000 Series "A" bonds totaling $27,500,000 issued to Dec. 31, 1927. The mortgage securing these bonds provides for the issuance thereunder of additional bonds of "Series A," or of other series of such dates, maturities, interest rates, redemption and other provisions, as may be determined by the directors of the Company, in accordance with the terms of the Mortgage. Additional bonds may be issued for 75% of the cost of additions and extensions to the properties of the Company and its subsidiaries, including, within the limitation in the mortgage, the acquisition of subsidiaries, provided net earnings for a period of 12 consecutive months ended not more than ninety days prior to application for issuance of bonds have been equal to one and three-fourths times the annual interest charges on all First Mortgage Gold bonds then outstanding, including those about to be issued, and on underlying bonds, if any, outstanding on any such properties hereafter acquired; all as defined in the mortgage. Additional bonds may also be issued for the refunding of underlying bonds, within the limitation in the mortgage, or of bonds of other series under the mortgage.

Callability—Subject to call on any interest date; until and including March 1, 1930, at 105 and interest, the premium decreasing 1% each five years thereafter, the bonds being redeemable on September 1, 1949, at 100½ and interest.

Maintenance and Renewal Fund—Company covenants that, while bonds of this series remain outstanding, an amount equal to at least 12½% of the gross earnings, as defined in the Mortgage, will be expended after March 1, 1925, for (1) maintenance, repairs, renewals and replacements, or, to the extent not so expended or pending such expenditure, (2) for extensions and additions not used as a basis for the issuance of bonds or (3) for the retirement of bonds.

Security—A first mortgage on all fixed property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund upon proper application, the Pennsylvania personal property tax not exceeding 4 mills, the Connecticut personal property tax not exceeding 4 mills, the Maryland securities tax not exceeding 4½ mills, and the Massachusetts income tax not exceeding 6%, to holders resident in those states and refunds District of Columbia 5 mills tax.

Legal Opinion—Roberts and Montgomery, Philadelphia, Pa. (for the Bankers), and Cummins, Roemer & Flynn (for the Company).

Original Offerings—First publicly offered ($23,500,000) in March, 1925, at 95 and interest, to yield over 5.36%, by H. M. Byllesby & Co., Inc., Federal Securities Corp., E. H. Rollins & Sons and Spencer Trask & Co., New York, Chicago, etc.

$4,000,000 additional First Mortgage 5% bonds were offered in March, 1926, at 95 and interest, to yield over 5.37%, by H. M. Byllesby & Co., Inc., Spencer

Trask & Co., E. H. Rollins & Sons and Harris, Forbes & Co., New York; Federal Securities Corp. and Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Inc., Boston.

Price Range—

	1927	1926	1925
High	100½	96	96
Low	95½	93	91⅜

(2)

$8,899,500 6% GOLD DEBENTURES, SERIES "A"; DUE MARCH 1, 1940

Dated March 1, 1925.

Interest Payable March and September 1, at Continental National Bank & Trust Co., Chicago, or at office or agency of Company in New York.

Denominations—Coupon $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—The Trust Agreement provides that the Trustee shall not authenticate debentures which together with the total amount of all debentures outstanding thereunder shall exceed $100,000,000 without authorization of stockholders or opinion of counsel that no such authorization is necessary. Series "A" debentures aggregating $9,500,000 have been authorized and issued, of which $600,500 were retired during 1927.

The Trust Agreement provides for the issuance thereunder of additional Debentures of Series "A," or of other series of such dates, maturities, interest rates, redemption and other provisions as may be determined by the board of directors of the Company, in accordance with the terms of the Trust Agreement. Such additional Debentures may be issued only when net earnings for a period of twelve consecutive months ended not more than ninety days prior to application for issuance of Debentures, have been equal to one and one-half times the annual interest charges on all mortgage bonds and on all these Debentures then outstanding, including those about to be issued, or for the purpose of refunding Debentures of other series; all as defined in the Trust Agreement.

Callability—Subject to call at any time upon 30 days notice during the first five years at 105; during the next five years at 102½; and the premium decreasing ½% for each year thereafter, plus accrued interest in each case.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund upon proper application, the Pennsylvania Personal Property Tax not exceeding 4 mills, the Connecticut Personal Property Tax not exceeding 4 mills, the Maryland Securities Tax not exceeding 4½ mills, and the Massachusetts Income Tax not exceeding 6%, to holders resident in those states, and refunds District of Columbia 5 Mills Tax.

Legal Opinion—Roberts & Montgomery, Philadelphia, Pa., (for the Bankers), and Cummins, Roemer & Flynn (for the Company).

Original Offering—First publicly offered ($8,000,000) in March, 1925, at 98½ and interest to yield over 6.15% by H. M. Byllesby & Co., Inc., E. H. Rollins & Sons, and Spencer Trask & Co., New York, and Federal Securities Corp., Chicago. In March, 1926, $1,500,000 additional Series "A" Debentures were offered at 98½ and interest, to yield 6.15%, by the same firms.

Price Range—

	1927	1926	1925
High	102¾	98½	99
Low	97½	96½	95½

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	†1927	1926	1925	1924	1923	1922
Gross earnings	$13,492,185	$10,888,761	$8,978,554	$7,963,683	$7,075,436	$5,736,912
Operating expenses, maintenance and taxes	8,173,058	6,901,101	5,788,956	5,384,870	4,848,056	4,263,991
Net earnings	$5,319,127	$3,987,660	$3,189,598	$2,578,813	$2,227,380	$1,472,921
Other income	120,786	74,259	.....	.....	.....	.....
Total net income	$5,439,913	$4,061,919	$3,189,598	$2,578,813	$2,227,380	$1,472,921
Interest charges less amt. charged to construct.	*1,904,225	2,082,994	1,831,228	1,634,092	1,113,454	872,414
Net income	$3,535,688	$1,978,925	$1,358,370	$944,721	$1,113,926	$600,507
Preferred dividends	*1,079,332	869,131	665,613	511,006	456,700	336,959
Balance for retirement reserves, Common dividends, amortization and surplus	*$2,456,356	$1,109,794	$692,757	$433,715	$657,226	$263,548
Times Interest Earned	2.86	1.95	1.74	1.57	2.00	1.69
Earnings Per Share—						
Preferred	$18.52	$13.56	$12.80	$11.10	$15.93	$10.80

*Interest and dividends on securities converted into Common stock in 1927 included in Common dividends. †Includes earnings of gas department (sold as of Dec. 1, 1927) for eleven months only.

COMPARATIVE GROSS AND NET EARNINGS, YEARS ENDED DECEMBER 31

(New Properties Included For Full Periods)

	1927	1926	1925	1924	1923
Gross earnings	$13,492,185	$11,273,393	$10,283,731	$9,215,555	$8,286,252
Net earnings	5,319,127	4,120,018	3,654,404	3,011,735	2,655,827

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant, prop., rights & franchises	$59,747,842	$52,109,318	$41,907,414
Advs. for purch. of prop.	.....	614,225	.....
Unamort. debt disc. & exp.	8,232,355	8,233,609	7,720,313
Investments	18,721	17,919	17,195
Prepaid accounts	8,039	6,739	16,239
Insurance unexpired	52,418	41,100	34,337
Deferred accts. in process of amortization	127,649	105,179	134,885
Cash	277,233	321,756	296,752
Cash—call loans	250,000	.....	.....
Accts. & notes receiv. (net)	2,070,981	1,589,204	1,413,276
Receiv. from secur. sales	.....	.....	500,000
Due from affiliated cos.	361,397	519,446	884,053
Materials and supplies	1,344,300	1,084,659	972,675
Total	$72,490,935	$64,643,154	$53,897,139

Liabilities—	1927	1926	1925
Common stock	$10,000,000	$7,500,000	$7,500,000
7% cumulative Pfd.	19,082,100	14,562,000	10,611,000
Funded debt	36,399,500	37,000,000	31,500,000
Standard Gas & Electric Co.	.....	9,125	.....
Notes payable	280,000	290,000	355,000
Accounts payable	1,040,154	864,555	676,082
Accrued interest	742,788	753,086	619,105
Accrued taxes	893,530	1,088,539	769,915
Accrued Pfd. dividends	111,312	84,945	61,897
Obligation under agreement for sale of gas properties	44,076	.....	.....
Consumers' deposits	937,958	773,689	627,490
Miscellaneous reserves	909,250	455,779	218,476
Retirement reserve (depre.)	1,168,655	836,180	587,712
Surplus	881,612	425,256	370,461
Total	$72,490,935	$64,643,154	$53,897,139

Officers: John J. O'Brien, Pres.; Robert J. Graf, V-P., Chicago, Ill.; J. F. Owens, V-P. & Gen. Mgr., Oklahoma City, Okla.; F. C. Gordon, V-P., Chicago, Ill.; C. C. Levis, V-P., New York City; B. W. Lynch, V-P.; E. J. McKay, V-P., Chicago, Ill.; W. R. Emerson, Treas. & Sec., Oklahoma City, Okla.; Herbert List, Asst. Treas. & Asst. Sec.; Wm. G. Pohl, Asst. Treas. & Asst. Sec.; P. A. Lehmkuhl, Asst. Treas. & Asst. Sec.; M. A. Morrison, Asst. Treas. & Asst. Sec., Chicago, Ill.; J. J. Madden, Asst. Treas. & Asst. Sec., New York City; B. M. Lester, Asst. Treas. & Asst. Sec.; F. D. Schaefer, Asst. Treas. & Asst. Sec.; F. J. Meyer, Asst. to Mgr. in Charge of Operation, Oklahoma City, Okla.

Directors: John J. O'Brien, Robert J. Graf, Halford Erickson, Chicago, Ill.; J. F. Owens, Geo. A. Davis, W. R. Emerson, T. D. Turner, Oklahoma City, Okla.

General Office, Oklahoma City, Okla. **Executive Office,** 231 South La Salle St., Chicago, Ill.

SAN DIEGO CONSOLIDATED GAS AND ELECTRIC COMPANY

(Controlled by Standard Gas and Electric Co.)

History and Property—Incorporated April 6, 1905, in Cal.; successor to San Diego Gas & Electric Co. In 1910, absorbed the United Light, Fuel & Power Co. of San Diego (see Manual for 1910, page 2285.) In Dec., 1916, acquired the property of the Escondido Utilities Co. (see Manual for 1916, page 1120).

The Company furnishes electricity and gas in San Diego and 10 surrounding communities and electricity in 30 other communities, serving a total estimated population of 224,000. The System of the Company includes 2 steam electric generating stations, having aggregate installed capacity of 46,000 kilowatts; 108 miles of high tension transmission pole lines; 1,236 miles of local distributing pole and underground lines; daily gas manufacturing capacity of 15,650,000 cubic feet; gas holder capacity of 9,130,000 cubic feet, and 764 miles of gas mains.

At Dec. 31, 1927, the Company served a total of 115,213 customers and had electric connected load, all purposes, of 108,791 kilowatts. For the year ended Dec. 31, 1927, the electric output was 126,801,100 kilowatt hours and gas output, for the same period, 2,461,459,000 cubic feet. The Company has long term favorable contracts with the Southern California Edison Company and The Southern Sierras Power Company for hydro-electric power.

Company is erecting an addition to its Station B in San Diego and is installing an additional 25,000 kilowatt steam turbine generating unit. Space will be provided for another unit of this size to be installed at a later date. The San Diego Company installed a new gas generator of 3,300,000 cu. ft. daily capacity, which was placed in service early in 1928.

CAPITAL STOCK

Authorized, $10,000,000 Common (increased from $4,000,000 in 1921) and $10,000,000 7% cumulative Pfd.; outstanding, $5,032,500 Common and $6,292,500 Pfd.; par, $100. As of Dec. 31, 1927, Standard Gas and Electric Co. owned $4,963,500 of the Common stock.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends, and is redeemable on 60 days' notice at 115 and accrued dividends. Exempt from Personal Property Taxes in California.

Registrars—Continental National Bank & Trust Co., Chicago, and Guaranty Trust Co., New York.

Annual Meeting—Fourth Tuesday in January.

Price Range—

Preferred—	1927	1926	1925
High	105	102⅛	104
Low	bid	102⅛	99

Dividends—Pfd. dividends paid at rate of 7% per annum; payments quarterly, J 31, A 30, J 31 & O 31. Dividends of at least 6% paid on Common from 1910 to 1921; 10% in 1922; 8% in 1923; 10% in 1924, 1925, 1926 and 1927.

FUNDED DEBT

(1)

$5,680,000 (CLOSED) FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1939

Dated March 1, 1909.

Interest Payable March and September 1, at Harris Trust and Savings Bank, Chicago, and Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago, and Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Callability—Subject to call on any interest date at 105 and interest.

Replacement and Renewal Fund—The Mortgage provides for a trust fund to be applied for replacements and renewals, to which is payable 3% of bonds outstanding from 1910 to 1914, and 5% from 1915 to 1938.

Security—Secured by a first lien on all property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine, Massachusetts, California and New Hampshire.

Legal Opinion—W. W. Gurley, Chicago.

Price Range—

	1927	1926	1925	1924	1923
High	104¼	101½	99¾	99¼	92
Low	101¾	98¾	98½	92¾	bid

Original Offering—First publicly offered ($1,650,000) in May, 1909, at 98 and interest, by N. W. Harris & Co., New York and Harris Trust & Savings Bank, Chicago; also an offering by the same bankers in Dec. 1912, at 98½; $550,000 additional by the same concerns in June, 1923, at 93½ and interest.

(2)

FIRST AND REFUNDING MORTGAGE GOLD BONDS
$2,750,000 SERIES "A" 6s, DUE MARCH 1, 1939
$4,000,000 SERIES "B" 5s, DUE MARCH 1, 1947
$1,438,000 SERIES "C" 6s, DUE MARCH 1, 1947

Dated—All dated March 1, 1921.

Interest Payable March and September 1, at Harris Trust & Savings Bank, and Bank of California, National Association, San Francisco.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago, and Bank of California, N. A., San Francisco.

Provisions of Issue—Authorized issue, $50,000,000. Additional bonds under this mortgage may be issued for the retirement of an equal amount of underlying bonds or for 75% of the actual and reasonable cost of additions and extensions to the property, provided net earnings for the preceding twelve months shall have been at least 1¾ times the annual interest charge on all bonds outstanding, including underlying bonds and those proposed to be issued.

Callability—Series "A": Subject to call at 105 and interest on any interest date prior to March 1, 1926; thereafter at 104 and interest on and prior to March 1, 1929; thereafter at 103 and interest on and prior to March 1, 1932; thereafter at 102 and interest on and prior to March 1, 1935; thereafter at 101 and interest on and prior to Sept. 1, 1938.

Series "B": Subject to call upon 30 days' notice, on any interest date, on or before March 1, 1927 at 105 and accrued interest, thereafter until March 1, 1932, at 104 and interest, thereafter until March 1, 1937 at 103 and interest, thereafter until March 1, 1942 at 102 and interest, thereafter until Sept. 1, 1946 at 101 and interest.

Series "C": Subject to call at 105 and interest to and including Sept. 1, 1930; at 104 and interest through Sept. 1, 1935; at 103 and interest through March 1, 1938; at 102 and interest through Sept. 1, 1942; at 101 and interest through March 1, 1946; at 100½ and interest through Sept. 1, 1946.

Special Trust Fund—The Mortgage provides that the Company shall deposit annually with the Trustee cash equal to 2% of total par value of bonds outstanding (including underlying bonds) which may be withdrawn for permanent extensions and additions, for which no bonds may be issued, or for the redemption of First and Refunding Mortgage bonds. Credit will be allowed for permanent extensions and additions for which cash has been withdrawn under the Depreciation and Renewal Fund of the First Mortgage.

Security—The First & Refunding Mortgage bonds are secured by a first mortgage on a power plant which was acquired in 1921 and which has a generating capacity of 8,200 k.w. They are further secured by a direct mortgage on all the remaining property, rights and franchises of the Company now owned or hereafter acquired, subject only to the outstanding First (closed) Mortgage 5% bonds due in 1939.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in California.

Legal Opinion—Chickering & Gregory, San Francisco.

Legal for Savings Banks in Maine, California, Vermont, Rhode Island and New Hampshire; all issues.

Original Offerings—$2,750,000 Series "A" publicly offered in May, 1921, at 87 and interest, to yield about 7.30% by Harris, Forbes & Co., New York, etc., Harris Trust & Savings Bank, Chicago, and Blyth, Witter & Co., San Francisco, etc.; $1,500,000 Series "B" in Aug., 1922 at 87 and interest, yielding over 6%, by Blyth, Witter & Co., San Francisco, etc.; and $1,438,000 Series "C" in June, 1923, at 98 and interest, yielding over 6.15%, by the same firms and $2,500,000 Series "B" 5s, in June, 1926, at 98½ and interest, yielding over 5.10%.

Price Range—

	1927	1926	1925	1924
Series "A"—				
High	104½	104¼	103	101
Low	103¼	102⅝	101	97½
Series "B"—				
High	*103½	98½	92¼	..
Low	100¾	97½	90	..
Series "C"—				
High	*105⅛	104¾	102¼	..
Low	101	103¼	101¼	..

*High and low bid price.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918
Electric customers	64,165	59,560	52,686	46,595	40,717	36,145	30,983	27,763	24,577	23,415
Total k.w. lighting load	62,040	56,502	51,311	47,004	42,502	37,080	32,551	30,301	28,115	27,055
Total k.w. power load	43,551	40,886	37,821	32,905	29,380	25,829	25,601	22,652	19,095	18,661
Total k.w. railway load	3,200	3,200	3,200	3,200	3,060	3,060	3,060	....	....	....
Total k.w. connected	108,791	100,588	92,332	83,109	74,942	65,969	61,212	52,953	47,210	45,716
Miles of pole & underground line	1,344	1,261	1,045	970	889	847	782	762	698	683
Gas customers	51,048	48,686	43,934	40,012	35,829	32,559	29,651	27,188	24,800	24,321
Ranges	45,219	42,714	38,377	34,792	31,324	28,318	26,039	24,049	22,209	21,426
Hot plates	14,147	14,344	13,972	13,423	12,596	11,959	11,322	10,440	9,001	8,705
Water heaters	35,500	32,603	27,651	23,774	20,439	18,041	16,339	14,529	12,718	12,380
Heaters	7,244	6,271	5,102	4,123	3,422	2,985	2,569	2,351	2,221	2,183
Other appliances	2,558	2,353	2,544	2,383	2,222	1,976	1,926	1,681	1,568	1,587
Miles of mains	764	736	685	649	619	580	540	532	527	523

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$6,564,213	$5,753,392	$5,381,701	$4,710,808	$3,802,599	$3,771,526
Operating expenses, maintenance and taxes	3,496,898	3,150,931	3,120,934	2,784,961	2,299,361	2,517,213
Net earnings	$3,067,315	$2,602,461	$2,260,767	$1,925,847	$1,503,238	$1,254,313
Other income	5,045	6.164	.....	.....	.....	.....
Total income	$3,072,360	$2,608,625	$2,260,767	$1,925,847	$1,503,238	$1,254,313
Interest charges	692,798	665,095	633,537	565,365	445,826	338,367
Net income	$2,379,562	$1,943,531	$1,627,230	$1,360,482	$1,057,412	$915,946
Preferred dividends	440,475	440,475	440,475	422,336	334,740	227,226
Balance for retirement reserves, Common dividends, amortization and surplus	$1,939,087	$1,503,056	$1,186,755	$938,146	$722,672	$688,721
Times Interest Earned	4.43	3.92	3.57	3.40	3.37	3.70
Earnings Per Share—						
Preferred	$37.81	$30.89	$25.86	$21.62	$20.63	$22.20

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Plant, property, rights, franchises, etc.	$29,635,679	$26,834,554	$23,467,544	$21,826,956	$19,344,947	$16,039,658
Investments	1,500	1,500	1,500	1,750	45,341	36,409
Materials and supplies	367,631	362,015	405,115	535,284	465,986	328,956
Insurance unexpired	32,294	25,154	19,477	20,483	12,786	6,119
Cash	323,029	316,845	239,804	327,628	233,388	961,974
Special deposits	.....	.....	.....	150	150	16,650
Notes and accounts receivable (net)	587,416	497,939	447,458	447,817	342,677	358,065
Unamortized debt discount and expense	997,076	1,070,393	994,171	1,060,407	1,126,660	1,036,052
Deferred charges	4,100	1,335	67,868	73,795	78,418	64,251
Standard G. & E. Co.	.....	.....	.....	.....	69,781	.....
Total	$31,948,725	$29,109,735	$25,642,937	$24,294,270	$21,720,134	$18,848,134
Liabilities—						
Capital stock	$11,325,000	$10,449,600	$9,325,000	$9,325,000	$8,155,000	$7,150,600
Funded debt	13,868,000	13,868,000	11,368,000	11,368,000	11,368,000	9,380,000
Collateral Trust 6% notes	.....	.....	.....	.....	.....	550,000
Notes payable	75,000	.....	1,575,000	1,000,200	90,200	81,600
Accounts payable	426,369	408,807	243,979	326,354	267,381	268,572
Standard Gas & Electric Co.	663,090	64,621	120,452	7,031	.....	10,097
H. M. Byllesby & Co.	.....	.....	.....	.....	25,203	.....
Consumers' deposits	413,395	312,862	203,252	163,306	141,312	111,303
Taxes accrued	650,704	534,024	442,216	341,086	288,266	255,927
Interest accrued	245,999	245,093	226,667	220,177	204,222	183,753
Accrued dividends	244,319	220,975	190,985	190,985	109,892	97,406
Retirement reserve (depreciation)	2,619,572	2,018,309	1,319,435	1,058,385	853,071	590,387
Miscellaneous reserves	611,108	539,993	351,296	223,143	166,720	117,622
Surplus	806,169	447,451	276,655	70,603	50,866	50,866
Total	$31,948,725	$29,109,735	$25,642,937	$24,294,270	$21,720,134	$18,848,134

Officers: John J. O'Brien, Chairman of Board; Robert J. Graf, Pres.; Geo. H. Harries, V-P.; F. C. Gordon, V-P., Chicago, Ill.; F. W. Stearns, V-P.; Allen L. Chickering, V-P. & Asst. Sec.; L. M. Klauber, V-P., San Diego, Cal.; E. J. McKay, V-P., Chicago, Ill.; H. H. Jones, V-P.; W. F. Raber, V-P. & Mgr.; M. B. Fowler, Treas. & Sec., San Diego, Cal.; Herbert List, Asst. Treas. & Asst. Sec.; M. A. Morrison, Asst. Treas. & Asst. Sec., Chicago, Ill.; C. C. May, Asst. Sec.; P. A. Bailey, Asst. Sec., San Diego, Cal.; B. W. Lynch, Asst. Sec., Chicago, Ill.; W. C. Fox, Jr, Asst. Sec.; J. A. Cannon, Asst. Sec., San Diego, Cal.

Directors: John J. O'Brien, Chrm. of Board; Robert J. Graf, Chicago, Ill.; A. L. Chickering, H. H. Jones, M. B. Fowler, A. E. Holloway, W. F. Raber, F. W. Stearns, L. M. Klauber, H. R. Peckham, R. E. Thompson, San Diego, Cal.

General Office, San Diego, Cal. **Executive Office,** 231 South LaSalle St., Chicago, Ill.

SHAFFER OIL AND REFINING COMPANY

(Controlled by Standard Gas and Electric Co.)

History—Incorp. in Del., May 31, 1919, to acquire the oil interests of C. B. Shaffer and associates.

Business and Property—The Company is a balanced, self-contained unit of the petroleum industry, embracing fully within its own organization, complete properties and facilities for the production, refining, transportation and marketing of its products, which are distributed under its Deep Rock trade mark. The refinery, with daily capacity of 10,000 barrels, is located at Cushing, in the heart of the Mid-Continent field. It is a completely equipped plant, covering 391 acres, and includes a cracking plant, paraffin wax and lubricating oil equipment, and tank storage capacity of 2,315,000 barrels. Fuel requirements of the refinery are supplied by gas from the Company's own sources. The cracking process used is considered one of the most efficient known today. In addition there are four casinghead gasoline plants with total daily capacity of 21,000 gallons. The Company and its subsidiaries produce 87,500,000 gallons of gasoline products annually.

The Company owns oil leases covering 114,488 acres of oil lands in Oklahoma, California, Colorado, Montana, New Mexico, Mississippi, Kansas, Arkansas, Colorado, Texas and Louisiana, 11,159 acres of which are developed and on which are located 569 producing wells. Present average daily production is approximately 7,500 barrels. The Company has its own pipe lines and gathering pipe-line system, totaling 376 miles, and gathers and pipes all of the crude oil of which it refines. It also owns 626 tank cars and has under a favorable five-year lease 250 additional tank cars, practically all of eight to ten thousand gallon capacity.

Through subsidiaries, the Company has retail distributing facilities through which are marketed annually approximately 49,500,000 gallons of gasoline, 6,700,000 gallons of kerosene, 6,000,000 gallons of domestic heating oil, 2,000,000 gallons of lubricating oils—largely high grade motor oils—and 3,200,000 gallons of fuel and miscellaneous oils. The principal distributing territory includes Illinois, Indiana, Minnesota, Wisconsin, Iowa, Nebraska, Oklahoma, Arkansas, Michigan, and North and South Dakota, in which are located 235 bulk stations and 203 service stations

CAPITAL STOCK

Authorized, 1,000,000 shares Common and 450,000 shares Pfd., both of no par value; to be outstanding upon completion of financing approved by stockholders April 7, 1928, 580,000 shares Common and 50,000 shares Convertible Pfd. stock, $7 cumulative. As of May, 1928, Standard Gas and Electric Company owned 560,448 shares Common, without par value and 1,969 shares Convertible Pfd. stock, $7 cumulative, without par value.

CHANGES IN CAPITALIZATION

Stockholders of Company at a special meeting on April 7, 1928, approved amendment of the Certificate of Incorporation providing for the following changes in capitalization:

(1) The total number of shares of stock which may be issued by the Company will be changed from 450,000 shares Pfd., par $100 each, 40,000 shares Class "B" Common, par $1 each, and 460,000 shares Common of no par value to 450,000 shares Pfd. of no par value and 1,000,000 shares Common of no par value;

(2) Of said authorized Pfd. stock, a part will be the shares of Pfd. stock now outstanding, which will be of a series designated Convertible Pfd. stock, $7 cumulative and with terms outlined below, and the remainder of authorized Pfd. stock will be issuable from time to time in said series or in one or more other series;

(3) The Pfd. stock outstanding, entitled to cumulative dividends at rate of 7% ($7 per share per annum), with certain participating rights in dividends after the payment of dividends on the other classes of stock, having a preference in liquidation or dissolution of Company or distribution of its capital of $100 per share and accrued, unpaid dividends, with certain participating rights in the event of such liquidation, dissolution or distribution, and being non-callable, will be of the series designated Convertible Pfd. stock, $7 cumulative, having rights and privileges outlined below:

(4) Of the authorized Common stock, a part will be the shares of Common stock now outstanding. The Common stock will be entitled to receive all dividends and assets, subject to preferences of the Pfd. stock, and the holders thereof shall be entitled to one vote for each share of such stock. The provision now appearing in the Certificate of Incorporation of the Company, as heretofore amended, as to the amount to be charged against the net profits or surplus of the Company by reason of the declaration of a stock dividend, will be stricken from the Certificate. Shares of capital stock of the Company, without nominal or par value, of any class, may be issued by the Company from time to time for such consideration as may be fixed from time to time by the Board of Directors.

In letter to stockholders from J. J. O'Brien, president, dated March 27, 1928, it was stated:

(1) Company as of February 29, 1928, had outstanding:

$1,843,700 First Mortgage 6% bonds due June 1, 1929.
7,500,000 6% Gold notes due April 15, 1928.
4,250,000 6% notes due Dec. 31, 1931.
14,000,000 Preferred stock.
40,000 shares Class "A" Common stock.
137,552 shares Common stock.

(2) Directors have arranged the following program of refinancing subject to the authorization of the amendment:

a. The redemption of the $1,843,700 First Mortgage 6% bonds due June 1, 1929;
b. Payment of the $7,500,000 6% Gold notes due April 15, 1928;
c. Payment of the $4,250,000 6% notes due Dec. 1, 1931;
d. Issuance and sale of $10,000,000 6% Convertible Gold notes due March 1, 1933;
e. Issuance of 580,000 shares Common stock in exchange for $9,000,000 of the outstanding Pfd. stock, certain funded debt above mentioned, open accounts and outstanding Common stocks.

(3) The capitalization of Company on completion of this program will be as follows:

$10,000,000 6% Convertible Gold Notes due Mar. 1, 1933;
50,000 shares Convertible Pfd. stock, $7 cumulative, without par value;
580,000 shares Common stock, without par value.

Preferred Stock Provisions—Of the authorized Preferred stock, a part consists of Preferred stock outstanding prior to April 7, 1928, now designated Convertible Preferred stock, $7 cumulative. The remaining shares may be issued from time to time either in whole or in part in said series or in one or more other series, the stock of each such other series to be entitled and limited, upon any liquidation or dissolution of the Company or distribution of its capital, to a preference over the Common stock to the amount of $100 per share, plus a sum equal to the amount of dividends accumulated thereon and unpaid, to be entitled and limited to cumulative dividends at such rate or rates, not exceeding $7 per share per annum, payable quarterly, before payment of dividends on Common, and to have such designations and optional or other special rights, or qualifications, limitations or restrictions thereof, and to be redeemable at such price or prices, if any, as may be stated and expressed in the resolution or resolutions providing for the issue of such stock to be adopted by the Board of Directors of the Company. Shares of each series of Preferred shall have no voting power except that if, when and so long as at any time the stock of such series shall be in default in respect of the cumulative dividends fixed for such series to an amount which shall exceed a sum equal to ½ of the annual cumulative dividend rate, each share of such stock shall be entitled to one vote.

The series designated Convertible Preferred stock, $7 cumulative, is entitled and limited to cumulative dividends at rate of $7 per share per annum, payable quarterly, before the payment of any dividends on Common. It is entitled and limited, upon any liquidation or dissolution of the Company, or distribution of its capital, to a preference over the Common stock to the amount of $100 per share and accrued unpaid dividends. It is subject to redemption as a whole or in part, at option of Company upon 60 days' notice at $115 per share and accrued, unpaid dividends. It is convertible at option of the holders thereof, upon 20 days' notice to Company, into Common stock of Company, as constituted at the time of such conversion, on the basis of 2 shares of Common, without par value, for each share of Convertible Preferred stock $7 cumulative, so converted, with provision for adjustment of dividends declared on said Preferred stock, but unpaid, and with certain provisions for adjustment of the conversion basis in event of the reclassification or change of the Common stock. The Convertible Preferred stock, $7 cumulative, has voting power fixed for it by the provision as to voting power of the various series of Preferred stock outlined in the paragraph just preceding.

Transfer Agents—Guaranty Trust Co. of New York, and Continental National Bank & Trust Co., Chicago.

Registrars—Bankers Trust Co., New York, and Illinois Merchants Trust Co., Chicago.

Listed (Preferred)—Chicago Stock Exchange.

Dividends—Initial quarterly Pfd. dividend of 1¾% paid Oct. 25, 1919, which rate was paid to July 25, 1923, after which date payments were temporarily suspended; none paid thereafter to July 25, 1926, when 1¾% was paid, which quarterly rate has been maintained to April 25, 1928. On Jan. 25, 1927, a dividend of 19¼% was paid, in settlement of the unpaid accumulated dividends on the Pfd. stock, to stockholders of record, Dec. 31, 1926. Pfd. dividend payments J, A, J & O 25, to shareholders of record the last day of the preceding month, respectively. On Jan. 25, 1927, an initial dividend of $7 a share on Common stock was paid to stockholders of record Dec. 31, 1926.

FUNDED DEBT

$10,000,000 6% CONVERTIBLE GOLD NOTES, DUE MARCH 1, 1933

Dated March 1, 1928.

Interest Payable March and September 1, in Chicago and New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Union Trust Company, Chicago, Ill.

Provisions of Issues.—Issued, $10,000,000.

Purpose of Issue—Proceeds from the sale of this issue of $10,000,000 6% Convertible Gold Notes, due March 1, 1933, and from the sale of Common stock of the Company will be used to retire the Company's present outstanding $1,843,700 First Mortgage 6% bonds, due June 1, 1929, $7,500,000 Two-Year 6% Gold notes, due April 15, 1928, $4,250,000 6% Gold notes, due Dec. 31, 1931, and to reimburse the Company for expenditures for additions and extensions heretofore and now being made to its properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time upon 60 days' notice; until and including March 1, 1929, at 102½ and interest, the premium thereafter decreasing ½% for each year or fraction thereof elapsed to and including September 1, 1932, the notes thereafter being redeemable at 100 and interest.

Convertibility—These notes may, at the option of the holder, be converted prior to maturity into Common stock, as constituted at the time of conversion, on the basis of two shares of the present class of Common stock, which is without par value, for each $100 of these 6% Convertible Gold notes, with adjustment of accrued interest. Any notes which may be called for redemption before maturity shall be convertible up to 30 days prior to the redemption date. The Trust Agreement under which these notes are issued contains appropriate provisions for adjustment of the above conversion basis in event of issuance as a stock dividend of additional stock of the class into which these notes are then convertible, and, further, that these notes will be accorded any more favorable basis for conversion into such stock at the time enjoyed by any future convertible funded debt or stock of Company. If the present class of Common stock be changed into another class of stock after the issuance of these notes, the notes will be convertible into such other class of stock, and an adjustment of conversion basis will be made in the event of any such change of class or of a change in the character of the shares before conversion; all as provided in the Trust Agreement.

Security—These notes are a direct obligation of the Company, but are not secured by mortgage. The Trust Agreement under which these notes were issued provides that: (1) Neither the Company nor any subsidiary, as defined in the Trust Agreement, may create any mortgage on its property or any pledge of its assets (except purchase-money mortgages, mortgages then existing on property hereafter acquired, pledges of current assets to secure loans for not more than 12 months in the ordinary course of business and mortgages of pledges to secure inter-company indebtedness) without securing these 6% Convertible Gold notes equally and ratably with the obligations authorized to be issued under such mortgage or secured by such pledge; and (2) neither the Company nor any such subsidiary may create any additional funded debt, except inter-company indebtedness, and as otherwise permitted, in the above provision (1), unless these 6% Convertible Gold notes shall be secured by mortgage upon the property of the debtor corporation in priority to any such funded debt.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund, upon timely application, Pennsylvania personal property taxes not in excess of four mills per dollar per annum, Connecticut personal property taxes not in excess of four mills per dollar per annum, Maryland securities tax not in excess of four and one-half mills per dollar per annum, and Massachusetts income tax not in excess of 6% per annum, to holders resident in those states.

Legal Opinion—Roberts & Montgomery, Philadelphia (for the Bankers) and Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($10,000,000) in March, 1928, at 98½ and interest, to yield 6.35% by H. M. Byllesby & Co., Inc., New York, etc., Federal Securities Corp., Chicago, and Janney & Co., Inc., Philadelphia, Pa.

BOND REDEMPTION

All outstanding First Mortgage Convertible 6% Sinking Fund Gold bonds, due June 1, 1929, were called for redemption on April 13, 1928 at 102 and interest, at Continental National Bank & Trust Co., Chicago, Trustee. Bonds were convertible into Pfd. stock at 105.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	*1926	*1925	1924	1923
Gross earnings	$16,950,720	$21,910,698	$15,297,880	$9,192,059	$7,677,313
Operating expenses, maintenance and all taxes	13,943,936	15,865,123	10,869,474	6,867,373	6,501,713
Net operating earnings	$3,006,784	$6,045,575	$4,428,406	$2,324,686	$1,175,600
Interest charges	1,185,596	1,092,883	1,613,101	1,408,658	1,150,184
Balance	$1,821,188	$4,952,692	$2,815,305	$916,028	$25,416
Preferred dividends	†980,000	816,667	.....	.....	.....
Balance for retirement and depletion reserves, amortization, Common dividends and surplus	$841,188	$4,136,025	$2,815,305	$916,028	$25,416

†Does not include dividend of 19¼% paid Jan. 25, 1927 in settlement of unpaid accumulated dividends on Pfd. stock. No Pfd. dividends paid from July 25, 1923 to July 25, 1926. *Including subsidiaries.

CONDENSED GENERAL BALANCE SHEET
(Shaffer Oil and Refining Company and Subsidiaries)

Assets—	Dec. 31, 1927	Dec. 31, 1926	Feb. 28, 1926
Real estate, oil and gas leases, oil wells and equipment pipe lines, tank cars, refineries, distributing stations and facilities, etc.	$38,329,070	$35,621,226	$32,727,736
Unamortized debt discount and expense	2,202,423	2,191,873	2,178,501
Invests. in and advs. to allied interests	746,709	1,223,252	491,470
Sinking funds and other deposits	26,725	25,044	.....
Other investments	231,371	226,837	293,337
Prepaid accounts	91,431	139,448	131,159
Cash	822,452	806,475	697,742
Special deposits	154,037	136,232	145,434
Accts. & notes receiv.—net	1,812,640	1,815,686	1,587,350
Inventories	2,955,926	2,694,795	4,758,929
Deferred inventory adjust.	1,198,981	1,205,289	.....
Other deferred charges	247,840	224,709	.....
Receiv. from securities sales	.....	2,331,325	.....
Total	$48,819,605	$48,642,191	$43,011,658

Liabilities—	Dec. 31, 1927	Dec. 31, 1926	Feb. 28, 1926
Preferred stock	$14,000,000	$14,000,000	$14,000,000
First Mtge. Conv. 6% Sinking Fund Gold bonds	1,843,700	3,524,100	5,142,200
Two year 6% gold notes	7,500,000	7,500,000	7,500,000
Five-Year 6% gold notes	4,250,000	.....	.....
Subsid. distributing companies' bonds, notes, etc.	1,432,115	1,517,734	1,701,084
Due proprietary company	6,279,188	.....	.....
Notes payable	1,460,645	1,737,771	1,201,500
Accounts payable	981,855	1,140,904	1,716,376
Accrued for interest	106,488	116,355	197,117
Accrued for taxes	214,012	502,874	
Accrued for dividends	245,000	2,579,248	.....
Retire. res. (depre. & deple.)	3,081,858	4,261,056	3,314,084
Special res. for reduction of prop., pur. for stock	5,040,000	5,040,000	5,040,000
Other reserves	123,141	99,983	.....
Capital surplus	.....	46,675	.....
Common stock	177,552	*168,464	3,199,297
Surplus	2,084,051	2,157,027	
Total	$48,819,605	$48,642,191	$43,011,658

*Represented by 40,000 shares with nominal par value of $1 per share and 137,552 shares without par value.

CONDENSED BALANCE SHEET, FEBRUARY 29, 1928
(Shaffer Oil and Refining Company and Subsidiaries)
(Giving effect to new financing)

Assets—	
Real estate, oil and gas leases, oil wells and equipment, pipe lines, tank cars, refineries, distributing stations and facilities, etc.	$38,479,694
Unamortized debt discount and expense	2,885,498
Investments in and advances to allied interests	766,060
Sinking funds and other deposits	17,656
Other investments	230,600
Prepaid accounts and insurance unexpired	85,128
Other deferred charges	272,793
Cash	647,057
Special cash deposits	1,814
Accounts and notes receivable—net	1,719,894
Inventories	3,516,590
Total	$48,622,784

Liabilities—	
Convertible Pfd. stock, $7 cumulative, 50,000 shares without par value	$5,000,000
6% Convertible Gold notes, due 1933	10,000,000
Subsidiary distributing companies' bonds & notes	1,420,138
Due proprietary company	31,183
Notes payable	1,342,471
Accounts payable	719,697
Accrued for interest	242,121
Accrued for taxes	173,086
Accrued for dividends	163,333
Retirement and depletion reserves	3,076,085
Special reserves	5,040,000
Other reserves	126,950
Capital acct., 580,000 shares Common stock without par value	19,100,971
Surplus	2,186,749
Total	$48,622,784

Officers: John J. O'Brien, Pres.; F. C. Gordon, Robert J. Graf, E. J. McKay, B. L. Majewski, V-Ps., Chicago, Ill.; John L. Gray, L. B. Riddle, W. E. Moody, V-Ps.; W. R. Francisco, Sec. & Treas., Tulsa, Okla.; Herbert List, P. A. Lehmkuhl, B. W. Lynch, M. A. Morrison, C. H. O'Reilly, Wm. G. Pohl, Asst. Secs. & Asst. Treas., Chicago, Ill.; A. L. Dade, Jr., J. L. Reedy, Asst. Secs.; R. K. Huey, O. O. Kerr, Asst. Secs. & Asst. Treas., Tulsa.

Directors: H. C. Cummins, John J. O'Brien, Robert J. Graf, B. L. Majewski, John H. Roemer, O. G. Corns, J. H. Briggs, M. A. Morrison, B. W. Lynch, A. S. Cummins, F. W. Stehr, R. G. Hunt, Chicago; John L. Gray, W. R. Francisco, L. B. Riddle, R. K. Huey, W. E. Moody, Tulsa, Okla.

General Office, 424 South Cheyenne St., Tulsa, Okla. **Executive Office,** 231 South La Salle St., Chicago, Ill.

SOUTHERN COLORADO POWER COMPANY

(Controlled by Standard Gas and Electric Co.)

History and Property—Incorporated Nov. 14, 1911, in Colo., as The Arkansas Valley Ry., Light & Power Co.; name changed to present title, May 10, 1922. Former Company was a consolidation of Pueblo & Suburban Traction & Lighting Co. (see Manual for 1911, page 2276); the Rocky Ford Electric Co.; the La Junta Electric Co.; the Colorado Light & Power Co. (see Manual for 1911, page 1626); the La Bella Mill Water & Power Co. and the Gold Belt Consolidated Electric Co. (see Manual for 1911, page 1791). The company acquired all of the capital stocks, franchises and physical properties of the consolidated

companies. In May, 1926, acquired the properties of the Arkansas Valley Electric Company, serving the city of Florence, Colo., and the adjoining towns of Rockvale, Coal Creek and Williamsburg.

The Company is operated in three units known respectively as the Pueblo, Valley and Mountain divisions, with 358 miles of interconnecting high tension transmission pole lines. The communities served include Pueblo, Victor, Goldfield, Cripple Creek, Canon City, Rocky Ford, La Junta, Anaconda, and Independence, Colo., and surrounding territory.

The Company owns and operates two modern steam power stations in the city of Pueblo, with aggregate generating capacity of 11,988 kilowatts, which supply power for the electric distributing and street railway systems in Pueblo. The Pueblo electric distributing system consists of 208 miles of pole line and 116 miles of high tension line with 13,796 customers. The street railway system covers all of the principal sections of the city and also serves the outlying districts. There are approximately 32 miles of single track together with 50 cars.

The Company owns and maintains a reserve steam power station at Rocky Ford. The local distribution systems in the various towns comprising the Valley Division consist of 94 miles of low tension pole line and 93 miles of high tension transmission pole line with 4,732 customers. A 66,000-volt transmission line connects Pueblo and La Junta and forms the basis for a number of branch feeder lines operating on a lower voltage to serve the intermediate communities.

At Canon City the Company owns and operates a modern steam power station with a normal generating capacity of 11,560 kilowatts. The Company operates a hydro-electric plant on Beaver Creek, about five miles east of Victor, having a normal rating of 1,200 kilowatts, and high tension transmission lines connects this development with the Company's steam power stations at Pueblo, Canon City and Rocky Ford. The systems in the communities served by the Mountain Division comprise 149 miles of low tension distributing pole lines and 189 miles of high tension transmission pole lines serving in all 5,051 customers.

CONNECTED LOAD DATA, YEARS ENDED DECEMBER 31

	Electric Customers	Total K. W. Lighting Load	Total K. W. Power Load	Total K. W. Railway Load	Total K. W. Connected	Miles of Pole Line
1918	15,379	19,835	19,840	1,775	41,450	630
1919	16,380	21,147	21,563	1,800	44,510	637
1920	17,735	22,454	22,890	3,488	48,832	645
1921	18,135	22,579	23,455	3,637	49,671	654
1922	18,799	23,773	22,625	3,637	50,035	720
1923	19,476	26,620	25,508	3,862	55,990	738
1924	20,562	30,019	27,131	3,900	61,050	761
1925	21,157	32,885	27,749	3,900	64,534	769
1926	22,925	39,753	29,011	3,900	72,664	795
1927	23,726	46,574	25,038	3,900	75,512	851

CAPITAL STOCK

Authorized, $6,250,000 Class "A" Common stock, $25 par, 200,000 shares Class "B" Common stock of no par value, and $10,000,000 7% cumulative Pfd., $100 par, outstanding Dec. 31, 1927, $2,750,000 Class "A" Common, 75,000 shares Class "B" Common and $4,253,900 Pfd. Standard Gas and Electric Co. owns all the Class "B" Common shares and $258,700 Pfd. stock. The authorized amount of 7% Pfd. stock was increased on Feb. 15, 1927 from $4,000,000 to $10,000,000.

Preferred Stock Provisions—The 7% Preferred stock has preference for assets and dividends and is subject to call at 110 and accrued dividends on 60 days' notice.

Class "A" and Class "B" Common Stock Provisions—The Class "A" Common stock is preferred as to each quarterly dividend at the annual rate of $3.00 per share over the Class "B" Common stock, and, after dividends at the annual rate of $2.00 per share have been paid on the Class "B" Common stock for any quarter, the Class "A" and Class "B" Common stocks shall participate equally and ratably, share for share, in any additional dividends then declared. The Class "A" Common stock is preferred to $27.50 per share in distribution of assets over the Class "B" Common stock, and after the Class "B" Common stock has received the same amount per share, the Class "A" and Class "B" Common stocks will participate equally and ratably, share for share, in any further distribution of assets. The Class "A" Common stock is callable at $35.00 per share, is non-voting, and is of a par value of $25.00 per share; the Class "B" Common stock is without par value.

Transfer Agent (Pfd. stock)—Continental National Bank & Trust Co., Chicago. (Class "A" and Class "B" Common): Secretary of Company, New York and Chicago.

Registrars (Pfd. stock)—Continental National Bank & Trust Co., Chicago; (Common stock Class "A") The First National Bank, New York, and Continental National Bank & Trust Co., Chicago; (Common Class "B"): Secretary of the Company, New York and Chicago.

Annual Meeting—February 15.

Price Range—

	1927	1926	1925
Common "A"—			
High	28	26¼	28
Low	24⅛	22	25
Preferred—			
High	106	98	..
Low	98	bid	..

Dividends—Dividends on Pfd. stock regularly paid quarterly, M, J, S & D 15, to stockholders of record the last day of the preceding months respectively. Initial dividend of 50 cents per share on Class "A" Common paid Nov. 25, 1925, and at same rate quarterly since; payments F, M, A & N 25, to stockholders of record the last day of the preceding months, respectively.

FUNDED DEBT

$6,893,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE JULY 1, 1947

Dated July 1, 1922.

Interest Payable January and July 1, at Continental National Bank & Trust Co., Chicago, and First National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Continental National Bank & Trust Co., Chicago; William P. Kopf, Chicago, Co-Trustee.

Provisions of Issue—Authorized issue, $50,000,000. The mortgage permits the issue of additional bonds of Series "A", or of any other series of such dates, maturities, interest rates and sinking fund and redemption provisions, as may be determined by the directors of the Company, as provided by the terms of the mortgage. No bonds of a maturity prior to that of Series "A" bonds may be issued while any bonds of Series "A" are outstanding. Additional bonds may be issued for 75% of the cost of such extensions and additions, provided net earnings, as defined in the mortgage, for 12 consecutive months, ending not more than 60 days prior to application for the issuance of such bonds, shall have been at least 1¾ times the annual interest charges on all first Mortgage bonds then outstanding, including those about to be issued, and on underlying bonds which may then be outstanding on property

hereafter acquired by the Company. Such additional bonds may also be issued at par for par to retire bonds of any other series, or to retire underlying bonds not exceeding in amount 75% of the value of the property securing them.

Callability—Subject to call, as a whole or in part, at the option of the Company, on 30 days' notice, on or before July 1, 1933, at 107½, and thereafter at ½ of 1% less for each succeeding year, plus accrued interest in each case.

Sinking Fund—The mortgage provides for a sinking fund which, with respect to Series "A" bonds, requires semi-annual payments to the Trustee, commencing July 1, 1925, of 1% of the total Series "A" bonds outstanding at the respective dates of payment, including any underlying bonds then outstanding on property hereafter acquired, as provided in the mortgage, which sinking fund will be credited with any similar payments required to be made on such underlying bonds. Cash deposited for the sinking fund of the Series "A" bonds may be withdrawn by the Company for the cost of permanent extensions and additions, for which no bonds may be issued, or for the redemption of underlying bonds. Sinking fund cash not so used is to be applied by the Trustee to the purchase of Series "A" bonds at or below the prevailing call price, and if bonds are not so obtainable the Trustee will call for redemption a sufficient amount of Series "A" bonds to absorb the sinking fund cash.

Security—Secured by a direct first mortgage on the entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of these bonds, upon application, for the Pennsylvania four mill tax.

Legal Opinion—Winston, Strawn & Shaw, Chicago (for the bankers); Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($6,000,000) in July, 1922, at 94 and interest, to yield about 6.50%, by H. M. Byllesby & Co., and Federal Securities Corp., Chicago, Spencer Trask & Co., New York, etc., and Janney & Co., Philadelphia; $400,000 by the same firms in Sept., 1923, at 91 and interest; and a further $2,000,000 in Dec., 1924, also by the above firms.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
High	106	103	99⅞	94	93¼
Low	100⅛	97½	93¼	87	86

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,327,653	$2,420,650	$2,338,641	$2,199,771	$1,958,958	$1,839,460
Operating expenses, maintenance and taxes	1,310,318	1,350,868	1,347,651	1,296,543	1,193,752	1,126,664
Net earnings	$1,017,335	$1,069,782	$990,990	$903,228	$765,206	$712,796
Other income	13,172	17,377	.....	.....	.....	.....
Total income	$1,030,507	$1,087,159	$990,990	$903,228	$765,206	$712,796
Interest	433,184	431,636	423,358	*430,778	597,929	458,260
Net income	$597,323	$655,523	$567,632	$472,450	$167,277	$254,536
Preferred dividends	293,061	258,512	207,208	169,478	155,744	212,678
Balance for retirement reserves, common dividends and surplus	$304,262	$397,011	$360,424	$302,972	$11,533	$41,857
Times Interest Earned	2.38	2.52	2.34	2.10	1.28	1.55
Earnings Per Share—						
Preferred	$14.04	$16.59	$17.34	$17.15	$5.31	$8.59

*Interest on securities retired by Common stock included in Common dividends.

NOTE—Dividends aggregating $67,200 were paid in 1922, $44,800 in 1923, and $21,000 in 1924, on Second Pfd. stock.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant, property rights and franchises	$16,244,972	$16,022,075	$15,514,317
Investments	3,575	3,875	3,875
Materials and supplies	258,490	264,273	241,925
Unexpired insurance	7,733	4,804	5,591
Prepaid accounts	.....	1,179	10,133
Cash	160,856	188,295	158,508
Call loans	75,000	.....	.....
Notes & accounts receivable—net	365,540	334,696	301,741
Cash on deposit for bond interest	206,790	206,790	.....
Deferred accts. being amort.	20,610	16,767	.....
Due from affil. cos.	.....	186,014	.....
Total	$17,343,566	$17,228,768	$16,236,091

Liabilities—	1927	1926	1925
First Pfd. stock	$4,253,900	$3,950,200	$3,274,100
Common "A" stock	2,750,000	2,750,000	2,750,000
Funded debt	6,893,000	6,893,000	6,893,000
Standard Gas & Elec. Co.	2,494	.....	42,686
Notes payable	.....	125,000	125,000
Accounts payable	60,333	95,719	105,413
Consumers' & employees' deposits, tickets unredeemed, etc.	121,507	107,452	91,629
Interest accrued	209,814	210,292	2,997
Paving assessment accrued	248,227	261,570	274,824
Accrued dividends	61,481	59,709	55,766
Taxes accrued	284,831	363,853	329,178
Reserves	119,054	145,484	132,362
Capital reserve	*2,199,244	*2,126,808	*2,046,468
Surplus	*139,681	*139,681	*112,670
Total	$17,343,566	$17,228,768	$16,236,091

*Represented by 75,000 shares Class "B" Common stock without par value.

Officers: John J. O'Brien, Pres.; Robert J. Graf, V-P.; F. C. Gordon, V-P., Chicago, Ill.; W. N. Clark, V-P. & Gen. Mgr., Pueblo, Colo.; E. J. McKay, V-P.; C. M. Gailmard, Jr., V-P.; B. W. Lynch, V-P. & Asst. Treas., George H. Harries, V-P.; Herbert List, Sec. & Asst. Treas., Chicago, Ill.; W. J. Benning, Asst. Sec., Pueblo, Colo.; Wm. G. Pohl, Asst. Sec.; P. A. Lehmkuhl, Asst. Sec. & Asst. Treas., Chicago, Ill.; J. J. Madden, Asst. Sec. & Asst. Treas., New York, N. Y.; M. A. Morrison, Treas. & Asst. Sec., Chicago, Ill.; R. M. Miller, Asst. Treas., Pueblo, Colo.

Directors: J. J. O'Brien, J. H. Briggs, B. W. Lynch, R. J. Graf, Halford Erickson, M. A. Morrison, Chicago, Ill.; W. N. Clark, Pueblo, Colo.

Office, Pueblo, Colo.

SOUTHWESTERN GENERAL GAS COMPANY

(Controlled by Standard Gas and Electric Co.)

History and Property—Incorporated Sept. 7, 1911, in Ark., and acquired the physical property, rights, franchises and contracts of the Little Rock & Fort Smith Gas & Oil Co. (see Manual for 1911, page 1958), the Arkansas & Territorial Oil & Gas Co. (see Manual for 1911, page 1459), the General Pipe Line Co., and the Mansfield Gas Co. Owns and operates natural gas wells located in the vicinity of Fort Smith, Ark., from which it supplies gas to manufacturing plants on the outskirts of Fort Smith, and also supplies gas to

the Fort Smith Light & Traction Co. Its business, exclusive of that of supplying the Fort Smith Light & Traction Co., is negligible. No. of customers, 189, ranges, 188; heaters, 376. Miles of mains, 26.

CAPITAL STOCK

Authorized, $2,000,000 Common and $2,000,000 7% cumulative Pfd.; outstanding, $1,001,000 Common and $25,000 Pfd.; par, $100. Standard Gas & Electric Co. owns the entire capital stock, except directors' shares. Annual meeting last Monday in August.

FUNDED DEBT

$281,000 First and Refunding Gold 6s; dated Oct. 1, 1911; due Oct. 1, 1931; int. April and Oct. 1, at Continental National Bank & Trust Co., Chicago, Trustee. Denomination, $1,000. Subject to call at 102 and interest on any interest date on 30 days' notice. Authorized, $5,000,000. All owned by Standard Gas & Electric Co. A sinking fund of 5% per annum of bonds outstanding began Oct. 1, 1913. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Wells, pipe lines, equip. & leases	$1,569,961	$1,574,959	$1,566,386
Unamort. disc. on bonds	41,329	41,121	40,821
Materials and supplies	4,424	4,893	6,546
Unexpired insurance	81	112	47
Prepaid accounts	2,914	2,901	3,800
Sinking funds	.....	408	158
Cash	25	1,000	686
Accounts receivable	1,199	905	845
Due from affiliated cos.	274,152	224,914	191,960
Deferred accts. being amort.	19,419	19,046	19,046
Total	$1,913,504	$1,870,259	$1,830,295

Liabilities—	1927	1926	1925
Common stock	$1,001,000	$1,001,000	$1,001,000
Preferred stocks	25,000	25,000	25,000
Funded debt	281,000	296,000	311,000
Accounts payable	290	398	1,655
Standard Gas & Electric Co.	587,254	521,489	452,059
Consumers' deposits	904	805	650
Interest & taxes accrued	6,746	7,248	7,194
Reserves	3,485	10,494	16,888
Surplus	7,825	7,825	14,849
Total	$1,913,504	$1,870,259	$1,830,295

Officers: Walter S. Van Sickel, Pres. & Mgr., Fort Smith, Ark.; Robert J. Graf, V-P.; M. A. Morrison, V-P., Asst. Treas. & Asst. Sec.; R. G. Hunt, V-P., Chicago, Ill.; Dan Ryan, Sec. & Treas., Fort Smith, Ark.; Herbert List, Asst. Sec., Chicago, Ill.

Directors: Walter S. Van Sickel, R. C. Coffy, Dan Ryan, George Sengel, Jr., Fort Smith, Ark.; Robert J. Graf, M. A. Morrison, Chicago, Ill.

Office, Fort Smith, Ark.

WISCONSIN PUBLIC SERVICE CORPORATION

(Controlled by Standard Gas and Electric Co.)

History—Incorporated in July, 1883, in Wis., as the Oshkosh Gas Light Co. (see 1922 Public Utility Manual, page 176, or apply to our Information Department); name changed to present title in 1922. It acquired as of Oct. 1, 1922, all the property, subject to liens of prior mortgages, and all the capital stock of the Wisconsin Public Service Company, Sheboygan Gas Light Co., Calumet Service Co., Peninsular Service Co. and Manitowoc & Northern Traction Co. Also acquired a steam power plant and certain rolling stock from Wisconson Securities Co. Also owns all the bonds and capital stock of the Menominee & Marinette Light & Traction Co. of Menominee, Mich., and Marinette, Wis. (see appended statement).

Effective Dec. 31, 1925, the Wisconsin Public Service Corporation absorbed the following subsidiary and affiliated companies: Northeastern Power Company, Northern Light, Heat & Power Company, Wabeno Lighting Company, Green Bay Park Railway Company, Riverview Motor Bus Company, Oslo Power & Light Company, and Denmark Light & Power Company.

The Company supplies electricity for light and power, gas and/or street railway service to 141 communities located in 10 counties in northeastern Wisconsin and Menominee County, Michigan, having a combined population of 340,000 including the cities of Green Bay, Oshkosh, Marinette, Manitowoc, Sheboygan, Oconto, Plymouth, Sturgeon Bay, DePere, Kaukauna, Peshtigo and Menominee. Properties of the system include 9 hydro-electric generating stations having an aggregate installed capacity of 29,618 kilowatts, 4 steam electric generating stations having an aggregate installed capacity of 39,750 kilowatts, 494 miles of high tension transmission pole lines, 1,075 miles of distribution pole lines, gas plants having a combined daily manufacturing capacity of 7,186,000 cu. ft. of gas, holders having a combined capacity of 3,273,000 cu. ft. The gas distribution system consists of 424 miles of mains. At Dec. 31, 1927, the system served 36,567 electric customers having a combined connected load of 126,705 kilowatts and 29,746 gas customers. Electric output for the 12 months ended Dec. 31, 1927 amounted to 153,364,676 k.w.h. and gas output for the same period 946,413,000 cu. ft.

During 1927 the transportation system in Manitowoc and between Manitowoc and Two Rivers was improved by the substitution of busses for traction service.

Franchises—The Company operates in Wisconsin under indeterminate permits created by the statutes of the state. Under the Wisconsin law, rates shall be fixed to earn a fair return on the capital invested and the Company is protected against any competition so long as its service is reasonably satisfactory. The Menominee & Marinette Light & Traction Co. at the present time is operating in part without a franchise in Menominee, Mich.

CAPITAL STOCK

Authorized, $7,500,000 Common and $12,500,000 cumulative Pfd.; outstanding, Dec. 31, 1927, $5,650,000 Common, $3,647,100 7% Pfd., Series "A" and $4,013,600 6½% Pfd., Series "B"; par of Common, $10; of Pfd., $100. All the outstanding Common stock is owned by Standard Gas & Electric Co.

Stock Increase—Shareholders on Feb. 3, 1927, authorized an increase in the number of shares of Pfd. stock from 55,000 ($5,500,000 par value) to 125,000 ($12,500,000 par value) and the number of shares of Common stock from 30,000 ($3,000,000 par value) to 75,000 ($7,500,000 par value). They also voted to change the par value of the Common stock from $100 to $10 per share. Dividend dates on the Series "A" and Series "B" Pfd. stocks, which heretofore have been different for the two classes of stock, were made to coincide and all dividends on Pfd. stock will now be payable on the 20th of March, June, Sept. and Dec. to stock of record the last day of the preceding month.

Preferred Stock Provisions—All classes of Pfd. have equal preference as to assets and dividends over the Common stock. The 6½% is redeemable as a whole or in part at 105 and accrued dividends on any dividend date, the 7% Pfd. stock at 110 and accrued dividends and the 6% Pfd. at 107½ and accrued dividends. If dividends are in arrears for one year they have equal power with Common.

Transfer Agent—Secretary of Company.

Registrar (Pfd. Stock)—First Wisconsin Trust Co., Milwaukee, Wis.

Annual Meeting—First Thursday in February.

Dividends—Initial dividend of 1¾% on 7% Pfd. paid Dec. 1, 1922, and regular quarterly dividends since; initial dividend of $1.62½ a share on 6½% Pfd. stock paid Sept. 20, 1926, and at same rate quarterly since. Initial quarterly dividend of 1½% was paid on the Series "C" 6% Pfd. stock, June 20, 1928. Payments on all class M, J, S & D 20.

FUNDED DEBT

(1)

$250,000 Sheboygan Gas Light Co. First Gold 5s; dated July 1, 1901; due July 1, 1931; int. Jan. and July 1, at Union Trust Co., Detriot, Mich., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $250,000; mortgage closed. Bonds are not subject to call and no sinking fund is provided. A first lien on property formerly owned by Sheboygan Gas Light Co. These bonds underlie Wisconsin Public Service Co. First Lien & Refunding Mortgage. Company does not pay Normal Federal Income Tax.

(2)

$342,000 Green Bay Gas & Electric Co. First and Refunding Mortgage Gold 5s; dated May 1, 1905; due May 1, 1935; int. May and Nov. 1, at First Wisconsin Trust Co., Milwaukee, Wis., Trustee. Coupon, $1,000; principal may be registered. Closed mortgage. Total outstanding issue, $570,000 of which $342,000 in hands of public, and $228,000 owned by Wisconsin Public Service Co. and deposited with the trustee under mortgage of that company. These bonds underlie Wisconsin Public Service Co. First Lien & Refunding Mortgage. Sinking fund began in 1910, which is expected to retire $300,000 bonds before maturity. Subject to call on any int. date up to Nov. 1, 1924, at 105 and int.; thereafter at par and int. Company pays Normal Federal Income Tax up to 2%.

(3)

$2,438,000 WISCONSIN PUBLIC SERVICE COMPANY FIRST & REFUNDING GOLD 5s; DUE JANUARY 1, 1942

Dated January 1, 1912.

Interest Payable January and July 1, at First Wisconsin Trust Co., Milwaukee, Wis.

Denomination—Coupon $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized, $15,000,000, but now closed at $2,438,000. In addition to the $2,438,000 issued and outstanding with public, $1,308,000 are deposited with the Trustee under the First Lien and Refunding Mortgage.

Sinking Fund—Sinking fund began Jan. 1, 1917, at 2% of all outstanding bonds to be used for purchase or redemption of these bonds at not over 105 and interest, or to be applied toward acquisition of property, improvements, etc.

Security—Secured by first closed mortgage on entire properties which formerly belonged to the Green Bay Traction Co., Northern Hydro-Electric Power Co. and The Minehan Electric Co., and also secured by mortgage on the property of former Green Bay Gas & Electric Co., subject to $570,000 Green Bay Gas & Electric Co. First & Refunding 5s of 1935, of which $228,000 are deposited with Trustee as additional security under mortgage of Wisconsin Public Service Co., and $342,000 outstanding in the hands of the public. Retirement of these Green Bay Gas & Electric Co's bonds is hereunder provided for. These bonds underlie the Wisconsin Public Service Corp. First & Refunding Series "A" 6s, 1952.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,150,000) in June, 1912, at 95 and interest.

Price Range—

	1927	1926	1925	1924
High	*103	103	97	94
Low	90	101	bid	bid

*High and low bid price.

(4)

$12,500 OSLO POWER AND LIGHT COMPANY FIRST MORTGAGE 7s; DUE 1931

No further details available.

(5)

$6,792,000 WISCONSIN PUBLIC SERVICE CORPORATION FIRST LIEN AND REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1952

Dated October 2, 1922.

Interest Payable April and October 1, in Chicago, New York and Milwaukee.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000, registerable as to principal only.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized amount limited by the restrictions of the mortgage, Series "A" limited to $15,000,000. The mortgage provides that subject to the limitations thereof additional bonds of this series (or other series bearing such rates of interest, maturing at such times, and having such other provisions as the Board of Directors at the time of issuance may determine) may be issued against the deposit par for par of cash or United States obligations or underlying bonds or **to refund bonds of other series** issued under the First Lien and Refunding mortgage. Bonds may also be issued to reimburse the Company to the extent of 75% of the cost of additions, betterments and new property coming under the lien of the mortgage. Bonds may also be issued to the extent of 75% of the cost of additions, betterments and new property of a subsidiary and to refund par for par its funded debt, a subsidiary being defined as a corporation of which 90% of its capital stock having full voting rights, and 75% of each other class of stock which may have any voting rights, are pledged under the mortgage and its mortgage debt outstanding does not exceed 75% of the value of its permanent property at the date of such pledge. Bonds issued for cash or on account of expenditures of the Company or of any subsidiary or to refund the funded debt of a subsidiary may only be issued (with the exception of $250,000 par value) provided the net earnings of the Company as defined in the mortgage, during 12 consecutive months within the 15 next preceding the date of issuance shall have been at least twice the interest charges on all First Lien and Refunding bonds issued and outstanding under the mortgage, on all underlying bonds then outstanding in the hands of the public and on bonds then proposed to be issued.

Callability—Subject to call as a whole or in part at any time upon 60 days' published notice at the following prices and accrued interest: On or before Sept. 30, 1932, at 107½; on and after Oct. 1, 1932 to and including Sept. 30, 1942, at 105; and thereafter at 105 less ½ of 1% during each year to maturity.

Maintenance, Depreciation and Improvement Fund—The Company covenants that, beginning Dec. 31, 1923, and annually thereafter, so long as any bonds are outstanding under this mortgage, it will expend or set aside for maintenance, depreciation and improvements an amount equal to 12½% of the gross earnings for such year as defined in the mortgage.

Security—Secured by a mortgage covering as a direct lien all fixed property now owned or hereafter acquired by the company. Also a first lien on other properties of the Company. Also all of the outstanding bonds and capital stock of the Menominee & Marinette Light & Traction Co. is deposited with the Trustee under the First Lien and Refunding mortgage. There are also pledged as additional security $1,308,000 of the (closed mortgage) First Mortgage and Refunding Gold bonds of the Wisconsin Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Company agrees to reimburse the holders of the Series "A" bonds, if requested

within sixty days after payment, for the Pennsylvania and Connecticut personal property tax, not exceeding four mills per dollar per annum, and for the Massachusetts income tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($5,495,000) in Oct., 1922, at 99½ and interest, yielding about 6.05%; $700,000 additional in Feb., 1924, and a further $567,000 in July and Sept., 1924, all by Halsey, Stuart & Co., Inc. and Blodget & Co., New York, etc., and First Wisconsin Co., Milwaukee, Wis.

Price Range—

	1927	1926	1925	1924
High	107¼	100½	102½	99
Low	103	98	99	bid

(6)

$4,438,000 WISCONSIN PUBLIC SERVICE CORPORATION FIRST LIEN AND REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "B"; DUE JANUARY 1, 1958

Dated January 2, 1925.

Interest Payable January and July 1, at Agency of Company in New York and Chicago and at First Wisconsin Trust Co., Milwaukee, Wis.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—First Wisconsin Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized amount limited by the restrictions of the mortgage; Series "B" limited to $15,000,000. (For further details, see under description of Series "A" bonds.)

Callability—Subject to call as a whole or in part at any time upon 60 days' published notice at the following prices and accrued interest: On or before Dec. 31, 1932, at 106½; on and after Jan. 1, 1933, to and including Dec. 31, 1942, at 105; and at 105 less ½ of 1% during each year thereafter to and including Dec. 31, 1950; on and after Jan. 1, 1951, to and including Dec. 31, 1952, at 100½; and on and after Jan. 1, 1953, at 100.

Maintenance, Depreciation and Improvement Fund—The Company covenants that so long as any bonds are outstanding under this mortgage, it will expend or set aside for maintenance, depreciation and improvements annually, an amount equal to 12½% of the gross earnings for such year as defined in the mortgage.

Security—These bonds are equally secured with the Series "A" bonds described above, which see.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees under the conditions set forth in the Supplemental Mortgage to reimburse the holders of the Series "B" bonds, if requested within 60 days after payment, for the Pennsylvania and Connecticut Personal Property Tax, not exceeding four mills per dollar per annum, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Original Offering—First publicly offered ($983,000) in Feb., 1925, at 97 and interest, to yield about 5.70%, by Halsey, Stuart & Co., Inc., New York, etc. and First Wisconsin Co., Milwaukee. $3,938,000 additional offered in January, 1926, at 99 and interest, yielding over 5.55% by a syndicate headed by H. M. Byllesby & Co., and Halsey, Stuart & Co., Inc., New York, Chicago, etc.

Price Range—

	1927	1926	1925
High	103½	*99½	100
Low	98	97	97

*High and low bid price.

EARNINGS AND EXPENSES, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings (including other income)	$4,676,216	$4,454,565	$3,980,289	$3,654,351	$3,278,003
Operating expenses, including maintenance and taxes	2,791,602	2,608,345	2,452,499	2,305,134	2,138,781
Net earnings before depreciation	$1,884,614	$1,846,221	$1,527,790	$1,349,217	$1,139,222
Other income	10,316	3,648	.....	.....	.....
Total income	$1,894,930	$1,849,869	$1,527,790	$1,349,217	$1,139,222
Interest charges	807,858	902,667	684,397	598,138	527,067
Balance for dividends	$1,087,072	$947,202	$843,393	$751,079	$612,155
Preferred dividends	427,898	283,344	219,877	147,000	147,000
Balance for retirement res. Com. divds., amort. and surplus	$659,173	$663,857	$623,515	$604,079	$465,155

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant, property rights and franchises	$30,501,762	$29,139,138	$25,317,093	$18,573,696	$17,089,115
Cash	178,898	177,867	106,321	63,632	78,173
Investments	14,096	14,066	14,176	.....	.....
Accounts and notes receivable (less reserve)	459,375	466,435	399,300	379,546	287,949
Materials and supplies	587,605	591,666	540,912	465,591	410,600
Miscellaneous assets	139,446	59,410	21,859	12,328	16,024
Funds in hands of trustees to meet bond interest	192,183	.....	84,450	294,148	260,439
Unamortized debt discount and expense	397,173	411,854	192,589	212,625	191,186
Deferred accounts	46,323	25,003	76,401		
Insurance unexpired	63,190	57,168	63,844	41,381	
Total	$32,580,051	$30,942,608	$26,816,945	$20,042,947	$18,333,487
Liabilities—					
Common stock	$5,650,000	$2,650,000	$2,650,000	$2,275,000	$2,100,000
7% Preferred stock	3,647,100	3,634,200	3,591,300	2,100,000	2,100,000
6½% Preferred stock	4,013,600	1,402,800	.....	.....	.....
First Lien and Refunding Gold bonds	11,230,000	11,230,000	7,272,000	6,772,000	5,495,000
Underlying bonds	3,042,500	3,061,500	3,095,000	3,535,000	3,545,000
Standard Gas & Electric Co.	255,076	4,266,602	5,493,515	939,180	819,145
Pfd. stock subscriptions	85,600	56,100	47,100	78,214	81,703
Min. stockholders' equity in sub. co.	.....	.....	1,800	3,020	2,113
Notes payable	575,000	575,000	240,000	.....	150,000
Accounts payable	155,413	268,642	845,686	230,005	225,013
Consumers' deposits	211,573	57,276	77,596	46,420	39,616
Unredeemed tickets		.....	.....	25,869	22,924
Matured bond interest on special deposits (contra)	.....	.....	.....	294,148	260,439
Unadjusted credits	.....	.....	.....	.....	268,968
Accrued interest, taxes and dividends	623,025	317,170	338,747	224,653	.....
Reserve for retirement (depreciation)	1,545,136	1,678,578	1,577,314	1,517,318	1,395,283
Reserve for contingencies	.....	.....	.....	362,526	503,556
Other reserves	284,543	483,255	325,402	294,505	187,370
Surplus:					
Capital	725,000	725,000	725,000	724,061	725,000
Earned	536,485	536,485	536,485	621,028	412,357
Total	$32,580,051	$30,942,608	$26,816,945	$20,042,947	$18,333,487

Officers: Clement C. Smith, Chrm. of Board of Directors, Milwaukee, Wis.; Halford Erickson, Pres., Chicago, Ill.; J. P. Pulliam, V-P. & Gen. Mgr., Milwaukee, Wis.; Robert J. Graf, V-P., Chicago, Ill.; C. R. Phenicie, V-P., Milwaukee, Wis.; M. A. Morrison, Sec., Chicago, Ill.; D. W. Faber, Asst. Sec. & Asst. Treas., Milwaukee, Wis.; C. H. O'Reilly, Asst. Sec., Chicago, Ill.; J. H. Deinlein, Asst. Sec. & Asst. Treas.; I. P. Steybe, Asst. Sec.; C. E. Kohlhepp, Treas. & Asst. Sec., Milwaukee, Wis.; Wm. G. Pohl, Asst. Treas., Chicago, Ill.; T. F. Kaap, Asst. Treas.; A. L. Buscher, Asst. Treas.; A. G. Carson, Chief Engineer, Milwaukee, Wis.

Directors: Clement C. Smith, J. P. Pulliam, Milwaukee, Wis.; Halford Erickson, Robert J. Graf, M. A. Morrison, Chicago, Ill.

General Office, 559 Marshall St., Milwaukee, Wis.

MENOMINEE & MARINETTE LIGHT & TRACTION CO.

(Controlled by Wisconsin Public Service Corp.)

History—Incorporated June 6, 1903, in Michigan and Wis.; consolidation of the Marinette Gas, Electric Light & St. Ry. Co., the Menominee River Gas Co. and the Menominee Electric Light, Ry. & Power Co. Owns and operates electric lines in Menominee, Mich., and Marinette, Wis. Gauge, standard. Rails, 40 lb. T. Does the city and commercial electric lighting and gas business in Menominee and Marinette.

CAPITAL STOCK

Authorized, $1,250,000; outstanding, $1,150,000; par, $100. The Wisconsin Public Service Corp. owns entire capital stock. Annual meeting, first Thursday in February.

FUNDED DEBT

$870,000 6% Demand bonds; dated Oct. 2, 1922; interest April and Oct. 1, at First Wisconsin Trust Co., Milwaukee, Wis. All owned by Wisconsin Public Service Corp. and deposited with First Wisconsin Trust Co., Trustee, under mortgage covering Wisconsin Public Service Corp. First Lien and Refunding 6s.

General Office, 559 Marshall St., Milwaukee, Wis.

STANDARD POWER AND LIGHT CORPORATION (OF DELAWARE)

(Controlled by Standard Gas & Electric Company)

History—Incorporated June 20, 1925, in Delaware, as successor to Standard Power and Light Corporation of Maryland by exchange of stocks (see 1925 Public Utility Manual, page 1551).

During 1927, intermediary holding companies, Pittsburgh Utilities Corporations of New York and of Delaware, and California Railway and Power Co., were dissolved, further simplifying the corporate structure of Standard Power and Light Corp. and its subsidiary and affiliated companies; and the group of natural gas producing and distributing properties in Ohio, known as Muskingum Gas Producing Corp., The National Oil and Gas Co., The Ohio Valleys Public Utilities Co. and Ohio Company, were sold to other interests.

Corporation was organized for the acquisition of public utility securities and for the operation, engineering and management of public utility properties. The Corporation owns directly over 94% of the Common stock of Philadelphia Company and a substantial stock interest in Market Street Railway Company of San Francisco.

Philadelphia Company was organized in 1884 under the laws of Pennsylvania. It controls, through entire Common stock ownership, Duquesne Light Company which does all the electric light and power business in the City of Pittsburgh and which supplies substantially all the electric light and power service in the surrounding boroughs and in the greater parts of Allegheny and Beaver Counties, Pennsylvania, having a population of over 1,360,000. It owns or controls through subsidiaries a gas distributing system in Pittsburgh and an extensive natural gas producing, transporting and distributing system in southwestern Pennsylvania and northern West Virginia, and an interest in the Kentucky West Virginia Gas Company system, which systems supply the greater part of the gas consumed in Pittsburgh. The Company also owns securities of Pittsburgh Railways Company representing the control (partly through long-term leases) of the electric railway system in Pittsburgh and vicinity, and of The Beaver Valley Traction Company, and all the stock of subsidiaries engaged in supplemental operations.

The Duquesne Light Company properties include two steam plants with an aggregate generating capacity of 376,500 k.w., 221 substations and 6,100 circuit miles of transmission and distribution lines. It serves 276,309 customers, and for the year ended Dec. 31, 1927 had gross operating revenues amounting to $25,728,365. The gas properties include leases on 335,777 acres of lands, 1,781 producing wells, 3,997 miles of field and distribution lines and a manufactured gas plant of 30,000,000 cu. ft. daily capacity. The properties serve 172,979 customers and for the year ended Dec. 31, 1927 had gross operating revenues of $13,248,237. The electric street railway system for the year ended Dec. 31, 1927 had gross operating revenues of $22,603,595. It operates 627 miles of track and has in service 1,509 cars and 62 motor coaches.

For the year ended Dec. 31, 1927, Philadelphia Company system had gross earnings after eliminating inter-company transactions of $61,250,924 and net earnings including other income before depreciation and depletion of $27,610,280. Market Street Railway Company had gross earnings of $9,819,570 and net earnings including other income before depreciation of $1,599,428 making aggregate gross earnings of $71,070,494 and net earnings including other income before depreciation and depletion of $29,209,709 for Standard Power and Light Corporation system.

CAPITAL STOCK

Authorized, 800,000 shares Common stock, 500,000 shares $7 dividend Pfd. and 3,300,000 shares Participating Pfd.; outstanding, Dec. 31, 1927, 440,000 shares Common, 220,000 shares $7 dividend Pfd., and 2,960,013 shares Participating Pfd. All shares are without par value. Standard Gas and Electric Company owns 120,000 shares $7 dividend Pfd., and 2,960,013 shares Participating Pfd.

Stock Provisions—The Pfd. stock is entitled to cumulative dividends at the rate of $7 per share per annum, payable quarterly, before any dividends shall be paid upon the participating Pfd. stock or Common stock. The participating Pfd. stock is then entitled to cumulative dividends at the rate of $1 per share per annum before any dividends shall be paid on the Common stock, and after dividends at such rate have been declared in any quarterly dividend period on both the participating Pfd. stock and the Common stock, the participating Pfd. stock and Common stock share equally, as classes, in any further dividends declared in such period. The Pfd. stock is preferred as to assets to the amount of $100 and accumulated dividends for each share. The participating Pfd. stock is then entitled to $20 per share and all dividends accumulated thereon before any payment or distribution shall be made upon the Common stock. The Common stock is then entitled to receive $20 per share, after which all assets shall be divided equally between the participating Pfd. stock and the Common stock, as classes. The Pfd. stock is redeemable on any quarterly dividend payment date, on 30 days' notice, at $110 per share and accumulated dividends; the participating Pfd. stock is not redeemable.

Voting Rights—The Participating Pfd. stock is entitled to elect four-fifths of the directors of the Cor-

poration and the Common stock to elect one-fifth of the directors. The $7 dividend Pfd. stock is non-voting.

Transfer Agents—Agency of the Company, New York and Chicago, and First National Bank, Boston.

Registrars—Guaranty Trust Co. of New York, Continental National Bank & Trust Co., Chicago, and The National Shawmut Bank of Boston.

Annual Meeting—First Tuesday in May, in New York City.

Price Range—

	1927	1926
$7 Pfd.—		
High	107	94
Low	97	89½
Common—		
High	32	23½
Low	22	17

Dividends—Initial Pfd. dividend of $1.75 per share paid Feb. 2, 1925, and at same rate quarterly since; payments, F, M, A & N 1, to stockholders of record the 16th day of the preceding months, respectively. Initial Participating Pfd. dividend at the rate of $1.00 per share per annum from date of issue to Dec. 31, 1926, was paid to stockholders of record Dec. 31, 1926, on Dec. 31, 1926. In 1927, cash dividends amounting to $2,217,388 and stock dividends amounting to $740,003 were paid on the Participating Pfd. stock. No dividends paid on Common.

FUNDED DEBT

$24,000,000 6% GOLD DEBENTURES; DUE FEBRUARY 1, 1957

Dated February 1, 1927.

Interest Payable February and August 1 at H. M Byllesby & Co., New York and Chicago and at Ladenburg, Thalmann & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee and Registrar—Guaranty Trust Co., New York.

Provisions of Issue—Authorized amount, not limited; issued, $24,000,000. Trust Agreement provides that additional debentures, or other funded debt of the Corporation of such dates, maturities, titles, interest rates, redemption and other provisions as may be determined by the Board of Directors of the Corporation, may be issued in accordance with the provisions of the Trust Agreement, provided, however, that no additional Debentures of this issue or other funded debt of the Corporation may be created, except for the purpose of refunding par for par funded debt issued under the Trust Agreement, unless the net income credits of the Corporation, as defined in the Trust Agreement, for a period of twelve consecutive months within the preceding nineteen months shall have been at least two times the annual interest charges on the total funded debt of the Corporation then outstanding, including that about to be issued.

Purpose of Issue—Proceeds together with treasury cash, used to retire $10,000,000 Two-Year 5% First Lien Gold notes of Pittsburgh Utilities Corp. due April 15, 1928, heretofore assumed by Standard Power & Light Corp. The remaining $14,000,000 Debentures were issued to refund $14,000,000 Debentures of the Corporation outstanding, thus effecting a consolidation of the Corporation's funded debt.

Callability—Subject to call as a whole or in part at any time before maturity, upon 60 days' notice at 105, on or before Feb. 1, 1937; thereafter the premium decreasing 1% for each five years or fraction thereof to Feb. 1, 1952; thereafter at 101, to Feb. 1, 1956; thereafter at 100; plus accrued interest in each case.

Sinking Fund—None.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Corporation agrees to refund, upon timely application, Pennsylvania personal property taxes not in excess of 4 mills, Connecticut personal property taxes not in excess of 4 mills, Maryland securities tax not in excess of 4½ mills and Massachusetts income tax not in excess of 6% to holders resident in those states.

Legal Opinion—Van Vorst, Siegel & Smith, New York (for the Bankers) and Cummins, Roemer & Flynn, Chicago (for the Corporation.)

Original Offering—First publicly offered ($24,000,000) in Feb., 1927, at 99½ and interest, to yield over 6.03%, by H. M. Byllesby & Co., Inc. and Ladenburg, Thalmann & Co., New York, and The Union Trust Co. of Pittsburgh.

Market—Listed on New York Curb Market.

Price Range—1927: High, 100⅛; low, 99.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Standard Power and Light Corp. Proper.)

	1927	1926
Gross revenue:		
Dividends on Pfd. & Common stocks owned	*$6,256,742	$3,869,835
Engineering & supervision profits	690,580	97,000
Interest earned	39,376	3,009
Net profit on securities sold	370,842	.....
Total	$7,357,540	$3,969,844
General expenses & taxes	44,812	36,960
Net revenue	$7,312,728	$3,932,884
Interest on funded debt, amortization of debt discount and expense & other charges	1,477,958	870,298
Balance	$5,834,770	$3,062,586
Dividends on Pfd. stock	1,540,000	1,019,861
Dividends on Participating Pfd. stock (cash)	2,217,388	1,279,557
Dividends on Participating Pfd. stock (stock)	740,003	.....
Surplus for year	$1,337,379	$763,168
Previous surplus	922,732	159,564
Surplus at end of year	$2,260,111	$922,732
Times Interest Earned	4.95	4.52
Earnings Per Share—		
Preferred	$26.52	$13.92
Participating Pfd.	1.45	0.69
Common	3.04	1.71

*Includes $2,655,618 in stock received from subsidiary and valued by Company.

NOTE—The above figures do not include the Corporation's proportion of undistributed surplus earnings of subsidiary and affiliated companies. The balance of $1,337,379 after expenses and taxes, interest charges, amortization and Preferred stock dividends was equal to $2.01 a share on the Common stock outstanding Dec. 31, 1927, after allowance for an additional 15 cents a share on the Participating Pfd. stock. This compared with a balance of $763,168 for the year 1926, or the equivalent of $1.11 a share on the Common stock then outstanding, after allowance for an additional 9 cents a share on the Participating Pfd. stock.

GENERAL BALANCE SHEET, DECEMBER 31
(Standard Power and Light Corp. Proper)

	1927	1926
Assets—		
Securities owned	$87,114,461	$86,699,299
Stock dividend receivable	672,201	.....
Call loans	1,200,000	.....
Cash	703,247	948,817
Accounts receivable—subsidiary & affiliated cos.	154,212	166,622
Dividends receivable	896,327	874,202
Accrued interest on bonds owned	11,450	.....
Organization expense	117,146	117,146
Unamortized debt discount & expense	770,970	.....
Total	$91,640,014	$88,806,086
Liabilities—		
Common stock	*$2,696,667	
$7 Pfd. stock	†20,398,333	§$63,560,470
$1 Participating Pfd. stock	‡40,619,887	
Funded debt	24,000,000	24,000,000
Accounts payable	57,346	20,376
Accrued taxes	11,000	.....
Accrued interest on funded debt	600,000	104,167
Accrued dividends—Pfd. stock	256,667	198,333
Accrued dividends (payable in Partic. Pfd.)	740,003	.....
Surplus	2,260,111	922,736
Total	$91,640,014	$88,806,086

*Represented by 440,000 shares Common of no par value †Represented by 220,000 shares $7 Pfd. of no par value. ‡Represented by 2,960,013 shares $1 Participating Pfd. stock. §Represented by 400,000 shares Common, 220,000 $7 Pfd. and 2,948,700 $1 Participating Pfd. stock, all of no par value.

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED DECEMBER 31
(Standard Power and Light Corp. and Subsidiary and Affiliated Companies)

Gross Earnings:	1927	1926
Philadelphia Company System	$61,250,924	$61,444,862
Market Street Ry. Co.	9,819,570	9,891,668
Ohio Natural Gas Producing and Distributing System	.....	565,956
Total	$71,070,494	$71,902,486
Operating expenses, maint. & taxes (including Federal taxes)	42,974,094	44,483,956
Net Earnings:		
Philadelphia Company System	$26,522,687	$25,365,805
Market Street Ry. Co.	1,573,713	1,798,151
Ohio Natural Gas Producing and Distributing System	.....	254,574
Total	$28,096,400	$27,418,530
Other income	2,229,295	1,178,372
Gross income	$30,325,695	$28,596,902
Interest & dividend charges on securities of subsidiary & affiliated companies in hand of public, reserves, minority interests' proportion of undistributed earnings, rentals & sundry expenses	13,226,155	13,833,008
Retirement res., depl. & amortization	8,029,156	8,028,747
Balance of earnings applicable to securities of sub. cos. now owned by Standard Power & Light Corp.	$9,070,384	$6,735,147
Other income of Standard Power & Light Corp., less expenses	.....	63,049
Consolidated net income before deduction of interest on funded debt of Standard Power & Light Corp.	$9,070,384	$6,798,196
Standard Power & Lt. Corp's interest charges and amort. of debt discount & expense	1,477,958	*1,340,000
Balance	$7,592,426	$5,458,196
Standard Power & Lt. Corp's Dividends—		
$7 Preferred stock	1,540,000	*1,540,000
Participating Pfd.—cash	2,217,388	*2,948,709
Participating Pfd.—stock	740,003	.....
Balance	$3,095,035	$969,487
Times Interest Charges Earned	6.14	5.07
Earnings Per Share—		
Preferred	$34.51	$24.81
Participating Pfd.	2.04	1.33
Common	7.03	2.42

*Annual requirement for interest and dividends respectively.

NOTE—The consolidated earnings statement of Standard Power and Light Corporation and subsidiary and affiliated companies shows a balance of $3,095,034.89, or $4.01 a share on the outstanding Common stock, after allowance for an additional 44 cents a share on the participating Pfd. stock. This compared with a balance of $969,486.99 for 1926, or $1.60 a share on the Common stock, after allowance for an additional 8 cents a share on the Participating Pfd. stock.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Standard Power & Light Corp. and subsidiary and affiliated companies)

Assets—	1927	1926
Plant, property, rights, franchises, etc. (including invests. in securities of other utility & misc. companies)	$381,660,845	$315,427,795
Excess of book val. of stks. & bonds of sub. and affil. cos. owned over the par value thereof		10,644,051
Cash on deposit for sinking fund	525,196	673,108
Cash	13,398,461	6,377,901
Cash on deposit—call loans, etc.	3,319,031	1,718,041
Cash on deposit for bond & note int., etc.	53,074	1,274,331
Notes & accounts receiv.—net	4,118,858	4,121,295
Due from affiliated companies	.....	311,375
Materials and supplies	5,038,062	5,139,236
Unamort. debt discount & expense	13,422,080	6,456,310
Ins. unexpired & prepaid accounts	580,586	433,063
Deferred accts. in process of amort.	4,810,541	3,598,265
Total	$426,926,734	$356,174,771
Liabilities—		
Pfd. & Com. stock—with & without par value	$127,559,178	$135,774,802
Funded debt	194,325,400	149,438,680
Standard Gas & Electric Co.	56,299	.....
Dividends accrued payable in stock	763,211	.....
Notes payable	8,568,499	320,000
Accounts payable	4,550,832	4,070,886
Accrued for interest	2,729,593	2,459,011
Accrued for taxes	4,259,655	3,559,010
Accrued for dividends	344,518	200,241
Sundry current liabilities	340,496	302,183
Deferred liabilities—customers' & line extension deposits, etc.	2,173,995	2,317,193
Retirement & depletion reserves	37,181,323	25,966,298
Other reserve	6,088,052	4,633,330
Surplus:		
Standard Power & Light Corp. of Delaware	37,985,683	922,732
Subsidiary & affiliated companies		26,210,404
Total	$426,926,734	$356,174,771

NOTES—These balance sheets do not include operated lessor companies of subsidiary and affiliated companies, none of the capital stock of said lessor companies being owned by subsidiary and affiliated companies. The outstanding securities of said lessor companies at Dec. 31, 1926, were: capital stock $16,799,000 and bonds, $10,235,000, certain of which are guaranteed as to dividends, principal and interest; and at Dec. 31, 1927, they were: Capital stocks, $16,779,000 and bonds, $9,651,500, certain of which are guaranteed as to dividends, principal and interest.

There has been eliminated from Common capital stock owned and outstanding in the balance sheet of Dec. 31, 1926, a total par value of $24,200,000, representing Common stock of a subsidiary company owned and pledged by the parent company as collateral, securing Two-Year 5% First Lien Gold Notes, due April 15, 1928, in the amount of $10,000,000.

Officers: Moritz Rosenthal, Chrm. of Board, New York, N. Y.; John J. O'Brien, Pres.; Robert J. Graf, V-P.; B. W. Lynch, V-P., Chicago, Ill.; C. C. Levis, V-P., New York, N. Y.; E. J. McKay, V-P.; J. H. Briggs, V-P.; M. A. Morrison, Sec. & Treas.; Herbert List, Asst. Sec. & Asst. Treas.; W. G. Pohl, Asst. Sec. & Asst. Treas.; P. A. Lehmkuhl, Asst. Sec. & Asst. Treas., Chicago, Ill.; J. J. Madden, Asst. Sec. & Asst. Treas., New York, N. Y.; C. H. O'Reilly, Asst. Sec. & Asst. Treas., Chicago, Ill.

Directors: John J. O'Brien, B. W. Lynch, C. C. Levis, J. H. Briggs, Robert J. Graf, M. A. Morrison, Moritz Rosenthal, Walter T. Rosen.

General Office, 231 South La Salle St., Chicago, Ill.

PHILADELPHIA COMPANY

(Controlled by Standard Power and Light Corporation)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	Income Available for Dividends	Dividends Paid—Per Share	Dividends Paid—Amount	Earnings per Share
6% Cum. Pfd. (par $50)	M & N 1	$25,000,000	$16,651,600	No	$5,289,451	6%	$967,720	$14.61
5% Non-Cum. Pfd. (par $50)	M & S 1	2,033,400	1,442,450			5%		
Common (par $50)	F, M, A & N 1	48,650,000	‡47,613,616	...	4,321,731	*8%	3,761,083	4.53
						†4/120 shs	1,567,269	

*Paid in cash. †Paid in stock. ‡Includes $15,241 scrip.

WE maintain trading markets in all active Public Utilities

Bank of NORTH AMERICA & TRUST COMPANY
Member Federal Reserve System
Capital & Surplus 10 Million Dollars
PHILADELPHIA
Telephone: Rittenhouse 1200

Bond Issue, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
5% Secured Gold Bonds, Series "A"	Dec. 1, 1967	J & D 1	$60,000,000	$60,000,000	No	Yes	Pd. by Co.

Total Funded Debt, at Dec. 31, 1927, $60,000,000.
†**Amount Available for Interest** in 1927, $7,232,678.
†After deducting all income charges.
Bond Interest Accrued in 1927, $1,943,227.
Times Bond Interest Earned in 1927, 3.72.

History—Incorporated March 22, 1871, by Special Act of the Pennsylvania Legislature, as the Empire Contract Co.; name changed to Mexican National Ry. Co. on June 17, 1873; to Commonwealth Contract Co. on Nov. 5, 1875; to Rio Grande Extension Co. on Oct. 31, 1879, and to present title on May 24, 1884. For a number of years the company supplied natural (fuel) gas to the city of Pittsburgh, Pa., and to adjacent towns, but from an organization originally supplying only fuel gas, the company expanded into one supplying Pittsburgh and many other important manufacturing towns along the banks of the Allegheny, Monongahela and Ohio Rivers, almost exclusively, with fuel gas and electric power, as well as serving the same territory with electric transportation.

The Company is a holding company. The business controlled by the company through stock ownership may be classified under four divisions, as follows: (1) Street railways; (2) electric light and power; (3) illuminating (artificial) gas; fuel (natural) gas.

Street Railway Properties—The Philadelphia Co. owns the entire capital stock of the Pittsburgh Rys. Co. with a total of 586 track miles. The Philadelphia Co. also controls through ownership of stock, The Beaver Valley Traction Co., and the Pittsburgh & Beaver St. Ry. Co.

Bus Companies—During 1924 the Beaver Valley Motor Coach Company was formed, as a subsidiary of The Beaver Valley Traction Co., for the purpose of operating coaches or busses in Beaver and Allegheny Counties, Pa. During 1925, the Pittsburgh Motor Coach Company was formed, as a subsidiary of the Pittsburgh Railways Company for the purpose of operating coaches and busses in the City of Pittsburgh.

Electric Light and Power—The Philadelphia Co. owns all of the 2,000,000 outstanding Common shares of no par value of the Duquesne Light Co., which, through direct ownership of property and plants, or through stock ownership or leases, controls all of the electric light and power and heating business of the Philadelphia Co. From proceeds of part of its 5% Series "A" bonds, dated Dec. 1, 1927, Philadelphia Company acquired $5,000,000 additional Common stock and $15,000,000 additional Participating Pfd. stock of Duquesne Light Company, making a total of $25,00,000 Common and $25,000,000 Participating Pfd. stock of that company owned. Effective March 15, 1928 these stocks were converted into 2,000,000 shares Common stock of Duquesne Light Company of no par value, which are pledged under Philadelphia Company's 5% Series "A" bonds. Duquesne Light Company has outstanding $20,000,000 5% cumulative First Pfd. stock ranking senior to the pledged Common stock.

Artificial Gas—The Philadelphia Co. controls through stock ownership the Consolidated Gas Co. of the City of Pittsburg which under a perpetual charter is the only artificial gas manufacturing company in the City of Pittsburg having the exclusive right to distribute illuminating gas in said city.

Fuel Gas—The Philadelphia Co. owns the entire capital stock of a number of companies that supply nearly all the fuel gas consumed in the City of Pittsburg and the large number of manufacturing towns lying along the Monongahela and Allegheny rivers. This territory is well covered with distributing mains and is connected by larger mains of ample capacity with the sources of supply in the West Virginia fields and elsewhere. The company and its subsidiaries control by lease 335,777 acres of gas and oil lands situated in West Virginia and western Pennsylvania. The principal fuel gas companies controlled are the following: Equitable Gas Co., Philadelphia Company of West Virginia and Pittsburgh & West Virginia Gas Co. The Philadelphia Company acquired all property and franchises of the Union Gas Co. of McKeesport, Aug. 31, 1921, and of the Chartiers Valley Gas Co., Dec. 31, 1921, and The Allegheny Heating Co., Dec. 15, 1922. (For latest published statements, see 1921 Public Utility Manual, pages 1504 and 1503, respectively, or apply to our Information Department).

From part of proceeds of its 5% Series "A" bonds, dated Dec. 1, 1927, Philadelphia Company acquired 61,000 shares 7% cumulative Second Pfd. stock and 45,000 shares Common stock of Kentucky West Virginia Gas Company.

Kentucky West Virginia Gas Company owns 216 producing gas wells on 57,402 acres in proven territory with capacity of 104,000,000 cubic feet daily and owns in fee or has gas leases of approximately 946,770 acres in undeveloped territory in easten Kentucky and western West Virginia. Besides furnishing gas to a number of small communities in Kentucky, it furnishes natural gas under long term contracts to Pittsburgh and West Virginia Gas Company for delivery to Equitable Gas Company (subsidiaries of Philadelphia Company). The latter furnishes and distributes gas in the City of Pittsburgh and the surrounding territory, and Kentucky West Virginia Gas Company also furnishes natural gas under long term contracts to Louisville Gas and Electric Company, which furnishes and distributes gas in the City of Louisville, Ky.

The total authorized capital of Kentucky West Virginia Gas Company is 40,000 shares 5% cumulative First Pfd. stock (par $100), 80,000 shares 7% cumulative Second Pfd. stock (par $100), and 100,000 shares Common stock (no par value); outstanding, 32,750 shares 5% cumulative First Pfd. (owned by Louisville Gas and Electric Company or one or more of its subsidiaries), 67,700 shares 7% cumulative Second Pfd. (owned by Philadelphia Company and its subsidiary, Pittsburgh and West Virginia Gas Company) and 100,000 shares Common stock (45,000 shares owned by Philadelphia Company, 30,000 shares owned by Louisville Gas and Electric Company or one or more of its subsidiaries).

DISSOLUTIONS, CONSOLIDATIONS AND MERGERS, YEAR ENDED DECEMBER 31, 1927

The policy of eliminating subsidiary companies where practicable resulted in the following six companies being closed out through dissolution during the year:

Pine Run Street Railway Company
Clairton and Blair Street Railway Company
Rosslyn Street Railway Company
Overgrade Bridge Company
Sewickley and Edgeworth Railway Company
McKees Rocks and Allegheny Street Railway Company

Elimination of the following companies was also accomplished through sale and conveyance of all their properties and franchises to a parent traction company:

The Fort Pitt Street Passenger Railway Company
The Gross Street Railway Company
The Negley Street Railway Company
Highland Park Passenger Railway Company
The Pittsburgh, Oakland and East Liberty Passenger Railway Company
Bates Street Railway Company
Brereton Avenue Street Railway Company
Carrick & Baldwin Street Railway Company
Crafton and Chartiers Valley Traction Company
McKees Rocks and Neville Island Street Railway Company
Virginia Avenue Street Railway Company
Washington and Claysville Street Railway Company
Tustin Street Railway Company

In connection with its new financing and simplification of its corporate structure, Duquesne Light Company acquired the following companies through purchase of all physical property:

The Allegheny County Light Company
Southern Heat, Light and Power Company
United Electric Light Company
Sewickley, Light, Heat and Power Company

In the gas group, the Pittsburgh and West Virginia Gas Company acquired all the property and franchises of:

Eastern Union Gas Company
West Union Gas Company
Mill Fork Oil and Gas Company

There were no new incorporations during the year.

STOCKS OF CORPORATIONS OWNED, DECEMBER 31, 1927

	Class	Shares Owned	Shares Issued
Natural Gas Cos.—			
Pittsburgh & W. Va. Gas Co. ..	Com.	240,000	240,000
The Phila. Co. of W. Va.....	Com.	20,000	20,000
Equitable Gas Co.....	Com.	23,000	†33,000
Kentucky West Virginia Gas Co.	Com.	45,000	70,000
Kentucky West Virginia Gas Co.	2nd Pfd.	61,000	‡67,700
Oil Company—			
Phila. Oil Co.	Com.	40,020	40,020
Manufactured Gas Co.—			
The Consolidated Gas Co. of the City of Pittsburgh	Pfd.	4,162	40,000
The Consolidated Gas Co. of the City of Pittsburgh	Com.	80,000	80,000
Electric Light & Power Co.—			
Duquesne Light Co.	Com.	250,000	250,000
Duquesne Light Co.	Part. Pfd.	250,000	250,000
Street Railway Cos.—			
*Consolidated Trac. Co.	Com.	286,880	286,980
*Consolidated Trac. Co.	Pfd.	233,117	240,000
Pittsburgh Rys. Co.	Pfd.	50,000	50,000
Pittsburgh Rys. Co.	Com.	50,000	50,000
The Beaver Valley Trac. Co. ..	Com.	21,500	21,500
Pitts. & Beaver St. Ry. Co.	Com.	4,700	4,700
*The Morningside Elec. St. Ry. Co.	Com.	480	480
*United Trac. Co. of Pitts.	Pfd.	67	60,000

STOCKS OF CORPORATIONS OWNED, DECEMBER 31, 1927 (Continued):

Miscellaneous—	Class	Shares Owned	Shares Issued
Equitable Auto Co.	Com.	3,000	3,000
Equitable Real Estate Co.	Com.	100	100
Equitable Sales Co.	Com.	4,653	4,653
Equitable Towing & Trans. Co.	Com.	2,250	2,250
Harwick Coal & Coke Co.	Com.	2,750	2,750
17th St. Incline Plane Co.	Com.	5,000	5,000
Cheswick and Harmar R. R. Co.	Com.	500	500

*Operated by Pittsburgh Railways Co. †10,000 shares owned by Pittsburgh & West Virginia Gas Co. ‡6,700 shares owned by Pittsburgh & West Virginia Gas Co.

The Consolidated Gas Co. of the City of Pittsburgh.—During the year ended March 31, 1916, this Company defaulted the payment of interest on its bonds. The Common stock of the Consolidated Gas Co. is owned by the Philadelphia Company. For over ten years The Consolidated Gas Co. of the City of Pittsburgh had failed to earn its interest, and, in consequence the investment of the Philadelphia Company in its Common stock was written down to the nominal value of $1. The default, therefore, had no effect upon the financial accounts of the Philadelphia Company. In June, 1919, the operations of the Consolidated Gas Co. of the City of Pittsburgh and the South Side Gas Co. were discontinued. Subsequently their pipe lines were abandoned in the streets, and the remainder of the property sold.

Holders of First Mortgage 5% bonds of Consolidated Gas Co. of the City of Pittsburgh received the privilege of exchanging their holdings for 6% cumulative Pfd. stock of the Philadelphia Company, on the basis of one $1,000 bond for 18½ shares of the stock. At Dec. 31, 1927, $4,991,000 of the $5,000,000 bonds had been so exchanged.

Franchises—The franchises under which the properties owned and controlled by Company and its subsidiaries are operated, in the opinion of counsel, are satisfactory, and with but a few minor exceptions, unlimited as to time or were granted for 999 years.

OPERATIONS, YEARS ENDED DECEMBER 31

	Gas Wells. No.	Pipe Lines. Miles.	Allegheny Heating Co. Miles.	Natural Gas Sold M. Cu. Ft.	Gas Consumers. No.
1918	1,943	3,453.71	194.91	31,062,227	144,948
1919	1,994	3,500.39	195.56	35,952,733	149,299
1920	1,994	3,719.55	.....	40,823,587	152,161
1921	1,798	3,742.00	.....	22,936,204	154,830
1922	1,749	3,738.00	.....	32,410,983	156,218
1923	1,759	3,746.84	.....	32,725,951,111	158,446
1924	1,772	3,791.01	.....	28,304,734,900	162,023
1925	1,749	3,825.96	.....	27,396,934,400	166,514
1926	1,782	3,763.11	.....	28,524,999,000	169,807
1927	1,781	3,800.67	.....	25,366,660,600	172,976

Control—Early in 1926 control of the Philadelphia Company passed to Standard Power and Light Corporation. Through this connection the services of an associated company, Byllesby Engineering and Management Corporation, became available to the subsidiary operating public utilities and their affiliated companies.

CAPITAL STOCK

Authorized Dec. 31, 1927, $48,650,000 Common, $2,033,400 5% non-cumulative Pfd., and $25,000,000 6% cumulative Pfd.; outstanding Dec. 31, 1927, $47,598,375 Common, $1,442,450 5% non-cumulative Pfd. and $16,651,600 6% cumulative Pfd.; par, $50. On Jan. 19, 1928, $4,300,000 additional 6% cumulative Pfd. was publicly offered. Standard Power and Light Corp. owns directly over 94% of the Common stock. Of the authorized 6% cumulative Pfd. stock, $1,442,450 was heretofore reserved to be exchanged for the outstanding 5% Pfd. stock, but by resolution adopted Dec. 16, 1918, this stock may now be used for the general purposes of the Company.

The directors on Dec. 16, 1918, authorized an increase in the outstanding capital stock of the Company by $7,000,000 of 6% cumulative Pfd. stock, making the total amount of this stock issued, and to be issued, $25,000,000, as follows:

Amount outstanding at Dec. 31, 1927	$16,651,600
Issuable in exchange for 15-Year 5½% Convertible debentures, dated March 1, 1923	7,905,400
Balance	443,000
Total.....	$25,000,000

NOTE—All of above stock not issued or used for above purposes to be used for the general purposes of the Company as the Board of Directors may direct.

In March, 1911, 50,000 shares of Common stock obtained through conversion of the £500,000 Sterling Debentures sold in 1910 to Ladenburg, Thalmann & Co., were listed on the Parquet of the Paris Bourse, in the form of Bearers' Certificate issued by the New York Trust Co.

Preferred Stock Provisions—The 5% Non-Cumulative Preferred stock has preference as to dividends, only, over the other classes of stock and in the event of dissolution, receives dividends before any other distribution is made. It is non-callable. After the payment of such dividends, the 6% cumulative Pfd. is entitled to payment of par value, accrued diivdends and outstanding dividend warrants. The 5% Preferred then shares pro rata with the Common in the remaining assets.

The 6% cumulative Preferred stock is preferred as to assets and dividends over Common and, only as to earnings for each current year, is subject to the dividend rights of 5% non-cumulative Preferred. It is non-callable. Company shall not, without consent of owners of record of two-thirds of the then outstanding 6% Preferred stock, authorized or issue any stock having any preference or priority over this issue, nor any increase or reduction of this issue, nor any increase of the mortgage or secured indebtedness of Company requiring authorization or approval by its stockholders. Except in case of default in payment of dividends thereon, holders of 6% Preferred have no right to vote except upon the foregoing matters requiring their consent or other matters by the laws of Pennsylvania requiring action by a certain proportion of all the stock of Company. In event of such default in payment of dividends on the 6% Preferred, owners thereof shall have the right to vote upon all matters to the same extent as owners of any other stock of Company shall be entitled to vote, while so long as such default shall continue. The 6% Preferred stock is free of present Normal Federal Income Tax and Pennsylvania four mills personal property tax.

Transfer Agents (All Classes)—Central Union Trust Co., New York; Union Trust Co., Pittsburgh; Guarantee Trust & Safe Deposit Co., Philadelphia.

Registrars (All Classes)—Bankers Trust Co., New York; Fidelity Title & Trust Co., Pittsburgh; The Real Estate-Land Title & Trust Co., Philadelphia.

Legal Opinion (6% cumulative Preferred)—Van Vorst, Siegel & Smith, New York (for the bankers), and Reed, Smith, Shaw & McClay, Pittsburgh, and Cummins, Roemer & Flynn, Chicago (for the Company).

Preferred Stock Offered—On January 19, 1928, $4,300,000 additional 6% cumulative Pfd. stock, par $50, was publicly offered at the market, by H. M. Byllesby & Co., Inc., Ladenburg, Thalman & Co., Chase Securities Corp., Lee, Higginson & Co., Hayden, Stone & Co., New York, etc., and Union Trust Co. of Pittsburgh, Pittsburgh.

Annual Meeting—First Monday in June.

Listed (All Classes)—New York and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
6% Pfd.—								
High ...	54	51¼	49	46½	45¾	45¼	37½	36½
Low	49½	45	45½	42½	41½	36	30⅝	29
5% Pfd.—								
High	51	39¼	37	46½	36	38½	28	31
Low	40	36	37	42	32	31	25¾	20
Common—								
High	153½	91	68¾	57½	50¼	47⅛	35½	42½
Low	85¼	59⅛	51½	42½	41	31½	26½	30⅛

Dividends—Dividends on 5% non-cumulative Pfd. have been regularly paid at rate of 5% per annum since 1899, payments March and Sept. 1. Initial semi-annual dividend of 3% on 6% cumulative Pfd. paid May 1, 1913, which rate regularly paid to date; payments semi-annually May and November 1. On Common: 5% in 1886; 12% in 1887, 1888 and 1889; 7% in 1890; 6% in 1891; 1% in 1892; 4½% in 1893; 6% in 1894; 4% in 1895; 1% in 1896; 2% in 1898; 4¼% in 1899 and 1900; 6% in 1901; 7½% in 1902; 1903 to 1910, inclusive, 6% each. On Aug. 1 and Nov. 1, 1910, extra dividends of ½% each were paid on Common, and in June, 1911, extra payments at same rate were declared payable Aug. 1 and Nov. 1. In 1912, 6½% was paid; 1913, 7%; Feb. 1, 1914, May 1, 1914, and Aug. 1, 1914, 1¾% each. The Nov. 1, 1914, dividend of 1¾% was paid in dividend scrip, payable May 1, 1916, and the Feb. 1, 1915, dividend of 1¾% in dividend scrip, payable Feb. 1, 1918, both to bear interest at the rate of 7% per annum, payable semi-annually. On May 1, Aug. 1, Nov. 1, 1915, and Feb. 1, 1916, dividends of 1½% each were paid in cash; on May 1, 1916, dividend was increased to 1¾%, which rate was maintained to Nov. 1. 1917; on Feb. 1, 1918, rate was decreased to 1½% and maintained to and including Feb. 1, 1923; on May 1, 1923, rate was increased to 2% quarterly, the present rate. Payments quarterly, Feb., May, Aug. & Nov. 1. Stock dividends of 1-120th of a share each in Common stock were paid on the Common stock on April 30, 1927, July 31, 1927, Oct. 31, 1927 and Jan. 30, 1928.

FUNDED DEBT

$60,000,000 5% SECURED GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1967

Dated December 1, 1927.

Interest Payable June and December 1 at offices of H. M. Byllesby & Co. in New York and Chicago and Ladenburg, Thalmann & Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered. Fully registered bonds in denominations of $1,000, $5,000 and $10,000. Coupon and fully registered bonds are interchangeable.

Trustee—The First National Bank of the City of New York.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $60,000,000. Additional bonds of Series "A" or of other series of such dates, maturities, interest rates, redemption and other provisions as may be determined by the Board of Directors of the Company may be issued in accordance with the terms of the Indenture. Additional bonds may be issued only to reimburse the Company for 75% of the cost of the acquisition of additional Common stock of the Duquesne Light Co., or to refund, par for par, bonds theretofore outstanding under the Indenture. Additional funded debt may be issued by the Company, whether under the Indenture or otherwise, only when net earnings of Philadelphia Co. from dividends, interest and other sources, received and/or accrued, including net earnings from directly owned and operated properties after depreciation, depletion and taxes, for a period of 12 months in the 15 months preceding the issue of such additional funded debt, are equal to at least twice the annual interest requirements on all its funded debt outstanding, including that about to be issued.

Purpose of Issue—Issued to provide funds for the retirement of the following funded indebtedness of the company: $1,629,000 First Mortgage and Collateral Trust 5% Gold bonds, due March 1, 1949; $12,066,000 Consolidated Mortgage and Collateral Trust 5% Gold bonds, due Nov. 1, 1951, $11,205,700 First Refunding and Collateral Trust 6% Gold bonds, due Feb. 1, 1944, and $105,000 The Union Gas Company of McKeesport First Mortgage 5% Gold bonds; also for purchase of additional Duquesne Light Company stock, the acquisition of an interest in Kentucky West Virginia Gas Co. and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time on 60 days' notice until and including Dec. 1, 1947 at 105 and accrued interest, the premium thereafter decreasing ¼% for each year or fraction thereof thereafter elapsed to and including Dec. 1, 1966, the bonds being redeemable thereafter at 100 and accrued interest.

Sinking Fund—None provided.

Security—These bonds are secured by the deposit and pledge with the Trustee of 2,000,000 shares, no par value, Common stock of the Duquesne Light Company. The Trust Indenture provides that all Common stock of Duquesne Light Company hereafter to be issued, shall be pledged and deposited under the Trust Indenture subject to no other pledge of prior or equal rank or lien.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from present Pennsylvania 4 mills tax. Massachusetts income tax not exceeding 6% per annum, Connecticut 4 mills tax, the Maryland 4½ mills tax and the California and District of Columbia 5 mills taxes, refunded upon application.

Legal Opinion—Van Vorst, Siegel & Smith, New York (for the Bankers) and Reed, Smith, Shaw & McClay, Pittsburgh and Cummins, Roemer, & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($60,000,000) in Dec., 1927, at 98 and interest to yield 5.11% by H. M. Byllesby & Co., Inc., Ladenburg, Thalmann & Co., First National Bank, Chase Securities Corp., Lee, Higginson & Co., Hayden, Stone & Co., Harris, Forbes & Co. New York; Harris, Forbes & Co., Inc., Boston; Union Trust Co. of Pittsburgh, Pittsburgh; Harris Trust & Savings Bank, Chicago and Harris, Forbes & Co., Ltd., Montreal.

Listed—New York Stock Exchange.

BOND REDEMPTIONS

Out of the proceeds from the sale of $60,000,000 5% Secured Bonds, Series "A," due December 1, 1967 the Company deposited with the respective Trustees funds to retire the following issues:

1. First Mortgage and Collateral Trust 5% bonds, due March 1, 1949, as follows: $1,314,000 stamped bonds called for redemption on Jan. 18, 1928 at 107½, and $315,000 unstamped bonds at par. All of the property and securities pledged with the Trustees under this mortgage were released and returned to Company.

2. Consolidated Mortgage and Collateral Trust Gold 5s, due November 1, 1951, as follows: $11,237,000 of stamped bonds called for redemption on January 18, 1928, at 102½ and $829,000 unstamped bonds at par. All the property and securities pledged with the Trustee under this mortgage were released and returned to the Company.

3. All of the $11,205,700 outstanding First Refunding and Collateral Trust Gold 6s, Series "A," due Feb. 1, 1944, called for redemption on August 1, 1928 at 103½ and interest, at Guaranty Trust Co. of New York, Trustee.

4. All of the $105,000 outstanding The Union Gas Company of McKeesport First Mortgage 5% Gold bonds, due October 1, 1929, to be redeemed on Oct. 1, 1928 at 102½ and interest.

All of the $4,307,600 outstanding Fifteen-Year 5½% Convertible Debenture Gold bonds, due March 1, 1938 were redeemed at 102½ and interest on January 18, 1928 at Chase National Bank of New York, Trustee.

GUARANTEED BONDS

The Philadelphia Company has a contingent liability for the following bonds, guaranteed both as to principal and interest:

Mt. Washington St. Ry. Co. 1st Mtge. Gold 5s, 1903	$1,500,000
Seventeenth St. Incl. Plane Co. 1st Mtge. 5s, 1905	120,000
Allegh., Bellev. & Perrys. Ry. Co. 1st Mtge. 5s, 1905	500,000
Morning. Elect. St. Ry. Co. 1st Mtge. 5s, 1905	200,000
Ben. Avon & Ems. St. Ry. Co. 1st Mtge. 5s, 1906	300,000
Pitts. Rys. Co. Gen. Mtge. 5s, 1913	1,968,000

The Philadelphia Co. also has a contingent liability, as endorser, on short notes issued from time to time by its affiliated companies; as guarantor of the payment of interest (but not principal) on certain issues of bonds of its affiliated companies; and as guarantor of certain rental agreeements of its affiliated companies.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Philadelphia Company)
(Being a statement of dividends, interest and rentals received from subsidiary companies, and miscellaneous income, together with expenses, taxes and income charges)

	1927	1926	1925	1924	1923
Revenues:					
Interest and dividends from investment securities	$4,730,392	$4,346,500	$4,205,019	$5,009,775	$4,893,621
Interest from other sources	763,955	723,718	627,238	364,247	298,441
Rents from lease of gas properties	2,486,631	2,574,806	2,655,671	2,732,190	3,819,008
Rents from lease of other properties	175	175	533	3,040	1,304
Miscellaneous	171	68	129	345	521
Total	$7,981,324	$7,645,267	$7,488,590	$8,109,598	$9,012,895
Expenses:					
General and other	$68,709	$110,455	$133,548	$161,700	$209,066
Depreciation					1,187,856
Taxes	163,468	178,370	155,114	251,110	67,899
Total	$232,177	$288,825	$288,662	$412,811	$1,464,821
Gross income	$7,749,147	$7,356,442	$7,199,928	$7,696,787	$7,548,074
Deductions:					
Rent for lease of gas prop.			$292	$877	$877
Interest on funded debt	$1,943,227	$2,027,722	2,091,589	2,164,929	2,120,358
Interest on unfunded debt	280,458	76,079	69,010	148,080	155,247
Guaranteed dividend on Consol. Gas Co. Pfd. stock	71,676	71,676	71,676	71,676	71,708
Amort. debt disc. & exp.	164,335	164,569	170,708	178,729	184,857
Total deductions	$2,459,696	$2,340,046	$2,403,275	$2,564,291	$2,533,047
Net income	5,289,451	5,016,396	4,796,652	5,132,496	5,015,027
Preferred dividends	967,720	947,559	947,385	946,692	946,658
Common (cash) dividends	†3,761,083	3,715,076	3,715,076	3,715,075	3,166,718
Surplus after dividends	$560,648	$353,751	$134,191	$470,729	$901,651
*Times Bond Int. Earned	3.72	3.47	3.29	3.37	3.36
Earnings Per Share—					
Preferred	$14.61	$15.64	$14.95	$16.01	$15.67
Common	4.53	4.38	4.14	4.51	4.38

*After deducting all income charges. †In addition stock dividends on Common totaling $1,567,269 were paid in 1927.

PROFIT AND LOSS ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Surplus, January 1, 1927, $14,760,132; net income for year 1927 before deducting dividends, $5,289,451; reimbursement of payments made on behalf of affiliated company (net), $194,692; miscellaneous additions (net), $28,510—total, $20,272,785. Deduct: Dividends applicable to prior period, $1,098,810; Dividends on Preferred stock, $967,720; dividends on Common stock (cash), $3,761,083; dividends on Common stock (stock), $1,567,269; amortization of debt discount and expense on bonds retired, $201,704; premium on debt retired (net), $57,689; property loss and injuries and damages settlements in connection with explosion of gas holder, $1,057,396—$8,711,671. Surplus, December 31, 1927 as per Balance Sheet, $11,561,114.

Depreciation and Depletion Reserves—The Philadelphia Company has filed with the Public Service Commission a depreciation and depletion reserve rule on its gas properties which provides for the following amounts to be charged to operating expenses and set up as a reserve account:

On Production property—Depreciation and depletion 4 cents per thousand cubic feet on all gas produced.

On Transmission property—Depreciation of 3 cents per thousand cubic feet on all gas sold.

On Distribution property—Depreciation of 2% per annum on investment in distribution property.

On Manufactured Gas property—Depreciation of 10% per annum on investment in Producer Plant Property and 6% per annum on investment in Water Gas and Compressor Station property.

GENERAL BALANCE SHEET, DECEMBER 31
(Philadelphia Company)

Assets	1927	1926	1925	1924	1923
Fixed capital	$34,815,137	$32,444,476	$31,879,376	$31,371,916	$30,650,064
Common stock reacquired	4,775	4,623	4,623	4,623	4,636
Bonds reacquired	.....	9,005,000	9,000,000	9,000,000	4,000,000
Investments in other companies	95,343,055	69,120,070	66,474,390	69,198,810	68,954,481
Other investments	55,607	2,804,331	2,797,085	2,847,159	2,830,376
Sinking fund assets	10,166	173,169	145,569	106,231	81,357
Special deposits—interest	29,931	31,642	38,652	36,054	62,151
Other special deposits after deducting obligations called for redemption	1,968,868	.....	.....	.....	.....
Affiliated companies—notes, temporary loans & accounts	14,001,893	16,538,910	16,183,273	13,255,682	13,683,685
Cash	3,313,740	110,186	832,526	245,766	419,078
Notes and accounts receivable	307,489	3,753	15,239	8,070	196,238
Prepaid accounts	74	177	2,024	3,193	2,595
Discount on capital stock	525,000	525,000	525,000	525,000	525,000
Unamortized debt discount and exp.	6,047,654	2,458,000	2,749,521	3,059,248	3,478,447
Well drilling in progress	.....	.....	.....	14,849	13,906
Guaranteed payments a/c Pitts. Rys. Co. receivers	.....	.....	.....	1,306,764	1,196,790
Other deferred charges	119,050	180,065	131,248	139,433	525,364
Total	$156,542,439	$133,399,402	$130,778,526	$131,122,798	$126,624,168
Liabilities—					
Common stock	$47,598,375	$46,443,000	$46,443,000	$46,443,000	$46,443,000
Common scrip	15,241	.....	.....	.....	.....
6% cumulative Pfd.	16,651,600	14,591,000	14,590,000	14,587,000	14,557,000
5% non-cumulative Pfd.	1,442,450	1,442,450	1,442,450	1,442,450	1,442,450
Funded debt	60,000,000	45,540,000	46,720,600	47,934,200	44,730,400
Affiliated companies—notes, temporary loans and accounts	715,809	3,096,768	672,596	993,768	1,227,438
Workmen's compensation	.....	.....	57	474	893
Notes payable (paid Jan. 18, 1928)	8,268,499	.....	.....	.....	.....
Accounts payable	76,526	57,218	65,056	100,825	79,821
Matured funded debt	.....	19,740	36,289	30,500	31,500
Matured interest	29,930	30,849	37,711	35,113	40,017
Dividends payable on Common stock	951,967	.....	.....	.....	.....
Accrued Pfd. dividends	190,557	.....	.....	.....	.....
Stock dividends accrued	396,653	.....	.....	.....	.....
Service billed in advance	.....	.....	.....	235	235
Unpaid dividend scrip	.....	.....	.....	289	618
Accrued taxes	325,073	188,934	176,408	208,979	275,867
Accrued interest	810,066	622,435	646,273	670,759	709,335
Consolidated Gas Co. guarantee	31,792	31,698	31,604	31,510	31,416
Deferred credits	400	200	1,525	.....	2,200
Depreciation reserve	7,422,837	6,512,993	5,515,941	4,478,417	3,432,368
Amortization of other capital	22,791	38,834	21,542	3,297	3,934
Other reserves	30,759	23,151	17,843	14,515	9,178
Surplus	11,561,114	14,760,132	14,359,631	14,147,466	13,606,498
Total	$156,542,439	$133,399,402	$130,778,526	$131,122,798	$126,624,168

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Philadelphia Co. and Subsidiary and Affiliated Operating Companies)
(With Inter-Company Items Eliminated)

Operating Revenues—	1927	1926	1925	*1924	*1923
Electric department	$24,343,590	$22,704,599	$20,883,974	.....	.....
Gas department	13,228,336	14,815,008	14,163,912	.....	.....
Steam department	799,383	739,589	638,657	.....	.....
Street railway department	22,603,596	22,824,646	22,719,478	.....	.....
Oil department	276,019	361,020	358,511	.....	.....
Total	$61,250,924	$61,444,862	$58,764,532	$58,157,220	$37,122,622
Operating expenses	26,451,675	26,306,675	25,745,342	.....	.....
Maintenance charges	5,330,524	6,439,678	6,555,885	.....	.....
Taxes	2,946,038	3,332,704	2,516,203	.....	.....
Total	$34,728,237	$36,079,057	$34,817,430	†$52,514,978	†$24,427,588
Net revenue from operations	$26,522,687	25,365,805	23,947,102	15,642,242	12,695,034
Other income (net)	376,431	628,354	729,909	796,060	1,353,297
Gross income of utility companies	$26,899,118	$25,994,159	$24,677,011	$16,438,302	$14,048,331
Gross income of non-utility companies	711,163	550,018	504,780	.....	.....
Total gross income	$27,610,281	$26,544,177	$25,181,791	$16,438,302	$14,048,331
Income Charges—					
Rent of leased properties	$2,495,105	$2,535,928	$2,605,682	$2,663,227	$271,118
Interest on funded debt	5,254,443	5,292,898	5,354,262	5,252,597	4,568,914
Interest on unfunded debt	127,335	77,580	71,874	101,146	74,554
Guaranteed dividend on The Consolidated Gas Co. of the City of Pittsburgh Preferred stock	71,676	71,676	71,676	71,676	71,707
Miscellaneous charges	433,133	432,024	361,962	336,760	1,429
Total	$8,381,692	$8,410,106	$8,465,456	$8,425,407	$4,987,722
Less interest charged to construction	475,961	.....	.....	.....	.....
Total	$7,905,731	$8,410,106	$8,465,456	$8,425,407	$4,987,722
Net income before appropriations	$19,704,550	$18,134,071	$16,716,335	$8,012,895	$9,060,609
Net Income Appropriated—					
Depreciation	$7,074,102	$6,960,509	$6,502,528	‡	‡
Amortization of debt discount and expense	404,442	364,169	369,135	$360,175	$314,481
Other reserve funds	700,000	700,000	.....	.....	.....
Total	$8,178,544	$8,024,678	$6,871,663	$360,175	$314,481
Net income for the year	$11,526,006	$10,109,393	$9,844,671	$7,652,720	$8,746,128

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED, DECEMBER 31 (Continued):

Appropriated for Dividends—	1927	1926	1925	*1924	*1923
Duquesne Light Co.—Pfd. stocks	$2,100,000	$2,350,000	$2,300,000	$1,219,167	$862,498
United Electric Light Co.—Pfd. stock	8,424	.....	.....	.....	.....
Philadelphia Co.—Common stock (in stock)	1,567,269	.....	.....	.....	.....
Philadelphia Co.—Pfd. stocks	967,720	947,559	947,385	946,692	949,658
Philadelphia Co.—Common stock (in cash)	3,761,083	3,715,076	3,715,076	3,715,075	3,166,718
Total	$8,404,496	$7,012,635	$6,962,461	$5,880,934	$4,975,874
Balance available for corporate purposes	$3,121,510	$3,096,758	$2,882,210	$1,771,786	$3,770,254

*Philadelphia Co. and affiliated operating companies. †Includes depreciation. ‡Depreciation included with operating expenses.

NOTE—1923 figures do not include Pittsburgh Railways Company.

Prior to 1923, Philadelphia Co. was a combined holding and operating company, but since then its status has been changed to that of a holding company, and the operations of the various subsidiary companies are now reported separately. For income account figures for preceding years, see previous issues of the Manual.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Philadelphia Co. and Subsidiary and Affiliated Cos.)

(Inter-Company Items Eliminated)

Assets—	†1927	†1926	1925	1924	*1923
Fixed capital	$310,228,174	$254,841,904	$167,216,918	$153,240,974	$117,575,246
Construction work in progress	3,087,227	6,251,239	7,151,301	7,260,692	6,246,831
Securities of other companies owned	7,766,360	777,315	17,935,158	17,877,601	21,939,984
Property used in other public services	.....	..	2,832,641	2,829,015	2,811,097
Other investments	179,861	62,479	8,057,099	7,654,110	4,188,035
Securities of Philadelphia Co. in treasury	.....	.....	9,004,623	9,004,623	4,004,636
Securities of Pittsburgh Rys. in treasury	.....	.....	3,461,000	.....	.....
Sinking fund assets	370,725	653,951	206,715	123,199	113,775
Special deposits	2,171,609	2,987,678	4,487,802	3,678,733	1,207,353
Notes and accounts receivable (affiliated companies)	.....	.....	5,523,526	4,380,346	5,753,635
Cash	12,244,760	4,632,960	10,937,083	18,334,566	7,782,678
Notes receivable	60,895	85,717	8,087	5,962	2,612
Accounts receivable	3,792,175	3,885,824	3,911,933	3,595,654	3,708,697
Materials and supplies	4,552,859	4,588,383	3,869,874	4,534,796	3,569,715
Prepaid accounts	553,243	413,113	442,307	452,722	262,082
Discount on capital stock	525,000	525,000	525,000	525,000	594,045
Unamortized debt discount & expense	12,043,812	5,764,917	6,254,858	6,685,766	6,071,153
Guaranteed payments a/c Pittsburgh Rys. Co. receiv.	.....	.....	.....	.....	1,196,790
Other deferred charges	4,801,625	5,053,807	5,314,721	5,819,939	1,146,244
Excess of book value over par value of securities	.....	.....	9,547,259	9,682,259	13,504,959
Total	$362,378,325	$290,524,288	$266,687,905	$255,685,957	$201,679,577
Liabilities—					
Common stock	$47,598,375	$46,443,000	$46,443,000	$46,443,000	$46,443,000
Common scrip	15,241	.....	.....	.....	.....
6% cumulative Pfd.	16,651,600	14,591,000	14,590,000	14,587,000	14,557,000
5% non-cumulative Pfd.	1,442,450	1,442,450	1,442,450	1,442,450	1,442,450
Duquesne Light Co. 7% cum. Pfd.	.....	30,000,000	30,000,000	30,000,000	15,000,000
Duquesne Light Co. 8% Participating Pfd.	.....	.....	2,500,000	.....	.....
Duquesne Light Co. 5% 1st Pfd.	20,000,000	.....	.....	.....	.....
Premium on capital stock of Duquesne Light Co.	.....	150,000	325,000	150,000	.....
Pfd. & Com. stocks of sub. & affil. cos. of Pittsburgh Rys. C	1,450,630	1,452,910	.....	.....	.....
Consolidated Gas Co. of Pittsburgh, Pfd. stock	1,791,900	1,791,900	.....	.....	.....
Funded debt of Philadelphia Co.	60,000,000	‡36,535,000	46,720,000	47,934,200	44,730,400
Funded debt of Duquesne Light Co.	65,000,000	41,788,500	41,788,500	41,738,500	31,728,750
Funded debt of subsidiary & affiliated street railway cos.	33,068,500	34,027,500	15,502,000	11,614,000	.....
Funded debt of other companies	1,255,400	1,392,680	3,559,275	4,248,155	2,512,120
Obligations matured or called for redemption	.....	.....	47,589	45,900	184,400
Due to affiliated companies	1,836,444	2,019,759	2,363,253	1,488,114	467,412
Workmen's compensation	166,744	155,471	153,578	157,275	71,431
Notes and trade acceptances payable	§8,568,499	320,000	367,866	400,000	136,513
Consumers' deposits	975,629	1,009,201	965,840	963,389	928,241
Accounts payable	4,090,426	3,623,622	3,200,145	3,912,245	2,510,544
Matured interest and dividends payable	1,010,711	35,878	37,891	35,636	41,744
Service billed in advance	197,935	195,066	203,262	150,843	125,171
Accrued interest	1,862,412	2,078,131	2,118,628	2,179,364	1,687,474
Accrued taxes	3,990,801	3,231,927	2,461,627	2,190,358	1,417,261
Accrued rentals	149,939	270,485	452,125	329,468	22,917
Accrued Pfd. dividends	31,792	.....	.....	.....	.....
Dividends accrued payable in stock	396,653	.....	.....	.....	.....
Other accrued liabilities	190,557	31,698	33,132	103,593	35,427
Deferred liabilities	358,659	424,863	840,925	917,217	.....
Deferred credits	641,772	581,970	592,605	1,746,454	386,749
Reserve for retirement of properties	35,014,714	23,072,115	19,406,190	15,341,930	12,272,367
Other reserves	1,654,748	1,489,422	198,215	184,253	62,518
Amortization of other capital	38,061	47,962	28,543	13,295	9,026
Contingent reserve	2,355,615	2,541,469	2,407,800	2,568,850	.....
Surplus	33,479,053	29,634,232	27,937,866	24,800,463	24,906,662
Excess of par value over book value of securities & accounts	17,093,065	10,236,077	.....	.....	.....
Total	$362,378,325	$290,524,288	$266,687,905	$255,685,957	$201,679,577

*1923 Figures do not include Pittsburgh Railways Co. †This balance sheet does not include operated Lessor Companies, none of whose capital stock is owned by the Philadelphia Company and subsidiary companies. The outstanding securities of said companies being Capital Stock, $16,779,000, and Bonds, $9,651,500, certain of which are guaranteed as to rental, principal and interest. ‡Does not include $9,005,000 bonds in treasury. §Includes $8,268,499 Philadelphia Co. note paid Jan. 18, 1928.

NOTE—Prior to 1923, Philadelphia Co. was a combined holding and operating company, but since then its status has been changed to that of a holding company.

NOTE—As of December 31, 1927 The Equitable Gas Company had an undetermined liability for property loss and personal injuries and damages in connection with an explosion of a gas holder in November, 1927.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31
(Philadelphia Co. and Subsidiary and Affiliated Cos.)
(Inter-Company Items Eliminated)

	1927	1926	1925	1924	*1923
Current Assets—					
Cash	$12,244,760	$4,632,960	$10,937,083	$18,334,566	$7,782,678
Special deposits	2,171,609	2,987,678	4,487,802	3,678,733	1,207,353
Notes receivable	60,895	85,718	8,087	5,962	2,612
Accounts receivable	3,792,175	3,885,824	3,911,933	3,595,654	3,708,697
Materials and supplies	4,552,859	4,588,383	3,869,874	4,534,796	3,569,715
Total	$22,822,298	$16,180,563	$23,214,779	$30,149,711	$16,271,055
Current Liabilities—					
Workmen's compensation	$166,744	$155,471	$153,578	$157,275	$71,431
Notes and trade acceptances payable	8,568,499	320,000	367,866	400,000	136,513
Consumers' deposits	975,629	1,009,201	965,840	963,389	928,241
Accounts payable	4,090,426	3,623,622	3,200,145	3,912,245	2,510,544
Matured interest and dividends payable	1,010,711	35,879	37,891	35,636	41,744
Service billed in advance	197,935	195,066	203,262	150,843	125,171
Accrued liabilities	6,622,154	5,612,241	5,065,512	4,802,783	3,163,078
Total	$21,632,098	$10,951,480	$9,994,094	$10,422,171	$6,976,722
Net Working Capital	$1,190,200	$5,229,083	$13,220,685	$19,727,540	$9,294,333

*1923 Figures do not include Pittsburgh Railways Co.

Officers: Andrew W. Robertson, Pres.; Robert J. Graf, Bernard W. Lynch, V-Ps.; C. S. Mitchell, V-P. & Compt.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; E. W. Washabaugh, Asst. Sec.; James W. Murray, Asst. Treas.

Directors: Moritz Rosenthal, Chairman; Andrew W. Robertson, W. L. Mellon, Jas. D. Callery, Mason B. Starring, Walter T. Rosen, J. J. O'Brien, Joseph H. Briggs, Halford Erickson, Harry W. Fuller, Robert J. Graf, Bernard W. Lynch, Matthew A. Morrison, E. Mortimer Newlin.

Office, 435 Sixth Ave., Pittsburgh, Pa.

THE BEAVER VALLEY TRACTION COMPANY

(Controlled by Philadelphia Company)

History and Properties—Incorporated June 29, 1891, in Pennsylvania, under perpetual charter. The Beaver Valley Traction Co. acquired corporate powers of the following companies, Dec. 31, 1921: Beaver Valley St. Ry. Co., Central Elec. St. Ry. Co., People's Elec. St. Ry. Co., College & Grandview Elec. St. Ry. Co. Rochester & Monaca Elec. St. Ry. Co., The Beaver & Vanport Elec. St. Ry. Co., Riverview Elec. St. Ry. Co., Freedom & Conway Elec. St. Ry. Co., and the Vanport Elec. St. Ry. Co. Line connects Beaver Falls, Rochester, New Brighton, Beaver, Colonia, Conway, Freedom, Monaca, Vanport, Sharon, Bridgewater, College Hill and Fallston, Pa. Miles of road, 19.31; miles of track, 31.71. Gauge, 5 ft. 2 in. Rail 73 and 90 lb. girder. Cars: Passenger, 34; miscellaneous, 7—total 41. On July 1, 1927 this Company assumed the operation of the property of Pittsburgh & Beaver Street Railway Co.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Revenue Passengers Carried	Car Miles Operated
1925	9,633,599	1,204,396
1926	9,906,340	1,324,108
1927	10,057,030	1,394,307

CAPITAL STOCK

Authorized, $1,500,000; outstanding, $1,075,000; par, $50. All owned by Philadelphia Company. Annual meeting, first Saturday in November.

FUNDED DEBT

(1)

$675,000 (entire issue) First Consolidated Gold 5s; dated October 1, 1900; due October 1, 1950; interest payable April and October 1 at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Subject to call at 110 and interest. A lien on entire property. Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

(2)

$957,000 General Gold 5s; dated November 1, 1903; due November 1, 1953; interest payable May and November 1 at Northern Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $3,000,000, of which $675,000 reserved to retire above described prior liens; balance for extensions and improvements at 75% of cost. Subject to call at 110 and interest at any time. At Dec. 31, 1927, the Philadelphia Co. owned $232,000 of these General Mortgage bonds. Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

(3)

$12,000 5% Car Trusts; dated January 1, 1917; due $6,000 annually January 1, 1928 and 1929; interest payable January and July 1 at Fidelity Title & Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000. Original issue, $72,000, of which $60,000 paid off to Dec. 31, 1927. Company pays Normal Federal Income Tax up to 2%.

CONSOLIDATED INCOME AND PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31
(The Beaver Valley Traction Co. and Pittsburgh & Beaver St. Ry. Co.)
(With Transactions Between Companies Eliminated)

	1927	1926	1925
Gross earnings (ry. oper.)	$552,950	$597,039	$614,344
Operating expenses	408,524	420,875	457,907
Taxes	10,405	14,964	12,199
Net earnings (ry. oper.)	$134,021	$161,200	$144,238
Auxiliary operations (net)	*664	*579	6,868
Total net earnings	$133,357	$160,621	$151,106
Other income (net)	2,569	5,684	1,868
Total income	$135,926	$166,305	$152,974

Deductions:	1927	1926	1925
Rent on leased properties, etc.	$180	$4,475	$4,500
Interest on unfunded debt	29,506	36,022	35,952
Interest on funded debt	100,350	119,100	119,100
Total deductions	$130,036	$159,597	$159,552
Net income	5,890	6,708	*6,578
Depreciation	13,912	13,448	.....
Amort. of debt disc. & exp.	1,304	1,304	1,304
Net deficit for year	$9,325	$8,044	$7,883
Deficit beginning of year	523,722	482,299	437,448
Miscellaneous debits (net)	72,054	33,379	36,968
Deficit at end of year, per Balance Sheet	$605,101	$523,722	$482,299

*Deficit.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(The Beaver Valley Traction Co. and Pittsburgh & Beaver St. Ry. Co.)

(With all Inter-Company Items Eliminated)

Assets—	1927	1926	1925
Fixed capital	$3,763,797	$3,657,556	$3,632,308
Construc. work in progress	4,689	1,662	710
Stocks of other cos. owned	5,200	34,950	34,951
Miscellaneous investments	13,949	13,949	7,949
Sinking fund assets	.....	5,988	.....
Due from affiliated cos.	73,696	30,997	190,924
Cash	14,284	15,408	16,302
Special deposits	.....	.....	6,000
Notes receivable	65	125	250
Accounts receivable	28,341	93,931	21,594
Materials and supplies	40,825	46,831	45,447
Prepaid accounts	3,672	7,029	2,398
Deferred accounts	709,731	581,440	497,529
Deficit	605,101	523,722	482,299
Total	$5,263,349	$5,013,589	$4,938,660

Liabilities—	1927	1926	1925
Capital stocks:			
Beaver Vy. Tr. Co.	$1,075,000	$1,075,000	$1,075,000
Pitts. & Beaver St. Ry.	235,000	235,000	235,000
Funded Debt:			
Beaver Vy. Tr. Co.	1,644,000	1,650,000	1,656,000
Pitts. & Beaver St. Ry.	750,000	750,000	750,000
Due affiliated cos.	1,423,765	1,126,875	1,076,964
Notes payable	.....	.....	7,866
Accounts payable	57,264	70,582	78,800
Accrd. int., taxes & rentals	28,533	24,415	21,486
Deferred credits	672	33,266	3,212
Retirement reserve	48,510	42,795	29,233
Other reserves	605	5,655	5,099
Total	$5,263,349	$5,013,589	$4,938,660

Officers: A. W. Robertson, Pres.; W. B. Carson and T. Fitzgerald, V-Ps.; E. W. Washabaugh, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Comp., Pittsburgh, Pa.

Directors: A. W. Robertson, Jas. D. Callery, W. B. Carson, W. H. Boyce, Halford Erickson, M. Rosenthal, T. Fitzgerald, Pittsburgh, Pa.

Office, 435 6th Ave., Pittsburgh, Pa.

PITTSBURGH AND BEAVER STREET RAILWAY COMPANY

(Controlled by Philadelphia Company)

History—Incorporated Jan. 23, 1908, in Pa.; consolidation and merger of the Ambridge, Leetsdale & Edgeworth St. Ry. Co., and the Ambridge & Baden Ry. Co. Owns a line from Baden to Ambridge, 9.84 miles. Franchises perpetual. Cars rented from Beaver Valley Traction Co. On July 1, 1927 the Beaver Valley Traction Company took over the operation of this property.

OPERATING STATISTICS, YEARS ENDED DEC. 31

	Passengers Carried	Car Mileage
1925	1,955,855	313,995
1926	1,523,285	246,894
1927 (to July 1)	845,336	135,420

CAPITAL STOCK

Authorized and outstanding, $235,000; par, $50; all owned by Philadelphia Co.

FUNDED DEBT

$750,000 First Mortgage Gold 5s; dated July 1, 1908; due July 1, 1938; interest Jan. and July 1 at company's office. Coupon, $1,000; principal may be registered. The Union Trust Co., Pittsburgh, Pa., Trustee. Authorized issue, $1,500,000. Guaranteed principal and interest by Philadelphia Co., which owns entire issue.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, V-P.; E. W. Washabaugh, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Comp., Pittsburgh, Pa.

Directors: A. W. Robertson, E. W. Washabaugh, F. J. Holub, W. B. Carson, A. W. Stevenson, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

BEAVER VALLEY MOTOR COACH COMPANY

(Controlled by The Beaver Valley Traction Company)

History—Inc. Feb. 29, 1924 for the purpose of owning, hiring and operating motor vehicles and similar conveyances for the transportation of persons therein for hire, in the counties of Beaver and Allegheny, Pa. Operations were first started between the Boroughs of Leetsdale and Sewickley, Allegheny County, Pa. a distance of 2¼ miles to the terminating points of the Pittsburgh Railways at Sewickley and the Pittsburgh and Beaver Street Railway at Leetsdale. This route was extended to Ambridge on Oct. 1, 1925. Operations were also started on the Riverview Line in the Borough of Beaver Falls to a point near the Beaver Valley Traction Company main line in New Brighton, a distance of 2.4 miles, replacing the street car service of the Beaver Valley Traction Company. A bus route was also established between the Boroughs of Rochester and Colona, a distance of 1.6 miles, the intention of ultimately extending it to the Borough of Woodlawn. Routes operated, 3. Route miles operated (single way), 8.4. These routes are equipped with twelve 24-passenger "pay-as-you-enter" busses. Passengers carried: 1925, 859,105; 1926, 1,084,811; 1927, 1,176,900. Coach miles operated: 1925, 265,138; 1926, 352,109; 1927, 369,269.

CAPITAL STOCK

Authorized and outstanding, $5,000; par, $100. All owned by Beaver Valley Traction Co.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$107.779	$108,862	$86,872
Operating expenses, depreciation and taxes	114,897	109,656	87,491
Deficit from operations	$7,118	$794	$619
Other income	49	.....	.....
Gross income	*$7,069	*$794	*$619
Interest charges	3,656	3,860	580
Deficit for year	$10,724	$4,654	$1,199

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$63,523	$80,462	$37,990
Construc. work in progress	372	.....	.....
Affiliated Co.—Accts. rec.	28	8,612	3,343
Cash	12,498	2,980	5,246
Note receivable	750	.....	.....
Accounts receivable	814	195	157
Materials and supplies	3,971	4,972	3,421
Deferred account	.....	.....	1
Prepaid accts.	2,998	3,768	2,566
Deficit	20,029	7,613	7,485
Total	$104,983	$108,602	$60,209

Liabilities—	1927	1926	1925
Capital stock	$5,000	$5,000	$5,000
Affil. cos. notes & accts. pay.	61,619	73,742	38,981
Accounts payable	4,104	5,432	5,207
Accrued taxes	426	1,079	.....
Deferred credit	317	371	214
Retirement reserve	33,517	22,978	10,807
Total	$104,983	$108,602	$60,209

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, V-P.; E. W. Washabaugh, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Cont.

Directors: A. W. Robertson, W. B. Carson, E. W. Washabaugh, A. W. Stevenson, F. J. Holub.
Office, 435 Sixth Ave., Pittsburgh, Pa.

PITTSBURGH RAILWAYS COMPANY

(Controlled by Philadelphia Company)

History—Incorporated May 25, 1871, in Pa., as Surety Contract Co.; various changes of name until 1900, when changed to the Southern Traction Co As of Oct., 1900, acquired all the capital stock and leased the properties and franchises of the West End Traction Co.; name changed to above on Dec. 27, 1901. The Philadelphia Co. had previously acquired the stock (Common and Pfd.) of the Southern Traction Co.

The Pittsburgh Rys. Co. owns the stocks of the following companies:

	Shares Owned	Shares Issued
United Traction Co. of Pittsburgh, Com..	340,000	340,000
United Traction Co., of Pittsburgh, Pfd...	58,999	60,000
West End Traction Co., Pfd.....	50,000	50,000
West End Traction Co., Com.....	50,000	50,000
Pittsburgh & Charleroi St. Ry. Co., Com..	50,000	50,000
Mt. Washington St. Ry. Co., Com.....	30,000	30,000
Washington & Canonsburg Ry. Co., Com.	20,000	20,000
East McKeesport St. Ry. Co., Com.....	5,000	5,000
Allegheny, Bellevue & Perrysville Ry. Co., Com.	5,000	5,000
Pittsburgh Motor Coach Co., Com.....	2,500	2,500
Ben Avon & Emsworth St. Ry. Co., Com.	2,000	2,000
Pittsburgh, Canonsburg & Washington Ry. Co., Com.....	1,590	1,590
West Shore Electric St. Ry. Co., Com....	500	500
Allenp't & Roscoe Elec. St. Ry. Co., Com.	300	300
Bon Air Street Ry. Co., Com.....	174	174
Pittsburgh Southern Street Ry. Co.	162	162
Grant and Liberty St. Ry. Co.	150	150
W. Liberty & Suburban St. Ry. Co., Com.	120	120
Weills Place Co., Com.....	109.2	210
Consolidated Traction Co., Pfd.....	100	240,000
Cedar Avenue St. Ry. Co., Com.....	80	80
Superior Ave. & Shady Ave. St. Ry. Co., Com.	80	80

In addition to the above, the Pittsburgh Railways Co. operates the properties of the Morningside Electric Street Ry. Co., the entire capital stock of which is owned by Philadelphia Company.

By the terms of a contract, effective, Jan. 1, 1902, the Pittsburgh Rys. Co. assumed the operation of all the properties of the Consolidated Traction Co., the United Traction Co. of Pittsburgh and their underlying companies; see subjoined statements of these companies. Company also leases the railroad property of the Pittsburgh & Castle Shannon R. R. Co. for 99 years at a rental of $15,000 per annum (for statement of latter company, see Steam Railroad Volume.)

Receivership Lifted—A petition for the discharge of the receivers was referred by the Court on March 31, 1923, to Judge Wasson, Special Master, for an opinion and recommendation. After a number of hearings, the Master's report, which was favorable, was placed before the Court on Oct. 11. Subsequently on Jan. 30, 1924, Federal Judge Thompson, in United States District Court at Pittsburgh, approved the lifting of the six-year receivership of company, and signed the decree ordering the return of the property to its owners. The receivership ended formally Dec. 30, 1925, when Judge W. H. S. Thomson in the U. S. District Court, ordered the receivers discharged after filing their final account, covering receivers' disbursement of $500,000.

New Financing—Immediately on return of the property to corporate management (Feb. 1, 1924) arrangements were made to consummate the $5,000,000 of new financing, which was provided for under the agreement. These arrangements were made through the Union Trust Co. of Pittsburgh and there were issued: (1) $2,000,000 6% notes, maturing serially over a period of four years; (2) $3,000,000 6% Car Trust bonds, maturing serially over a period of 15 years. The proceeds of the Equip. Trust bonds purchased 225 modern passenger cars. The proceeds of the note issue were used for improved car barns, shop equipment, tracks, etc. In April, 1925, the Company issued and sold $1,200,000 of 6% Car Trust Bonds, maturing serially over a period of 15 years. The proceeds were used for the purchase of 103 modern passenger cars.

Interest Continuation Plan—Reorganization—The proposed plan for financial reorganization provides for a General Refunding and Unifying mortgage, under which bonds will be isued in series to be exchanged at rates to be determined, for the various classes of bonds now outstanding. Eventually upon completion of these changes, the new mortgage is intended to be a first lien on all of the property of the railway system. As bonds of underlying companies are exchanged they will be deposited with the Trustee of the General Mortgage so as to preserve the lien against the underlying company. As funds are not available at this time with which to redeem matured issues (amounting as of May 1, 1928, to $3,627,000) arrangements have been made for continuing the usual interest payments. This arrangement is a temporary one, pending the adoption of a plan of reorganization, and in no way prejudices any rights of bondholders.

Reorganization Plan Formulated—In July, 1921, a plan providing for the reorganization of Pittsburgh Rys. Co. was formulated by the city administration, the Philadelphia Co. and the Pittsburgh Rys. Co. The proposed agreement called for an early termination of the receivership and the reorganization of Pittsburgh Rys. Co. with the limit of its capital securities fixed at $62,500,000, being the amount determined for financing purposes by the Public Service Commission of Pa. as of March 22, 1920. On this amount, the company is permitted to earn yearly $3,750,000, equivalent to 6%, for a period of ten years, in addition to the yearly operating expenses. The agreement also provided for the raising of an additional sum of $5,000,000 the proceeds of which were to be spent in betterments, improvements and rehabilitation of the street railway system, subject, however, to the approval of the Board of Control, which was created by the Agreement. This Board is composed of four members, two representing the city, one representing the other municipalities signing similar agreements, and one representing the company. In case of tie the company representative has no voice. This Board of Control passes on all budgets for annual expenditures, betterments, improvements and rehabilitation.

The contract provides that the company shall pay to the city a yearly sum of $100,000 in lieu of bridge tolls, pole, car and wire tax and the claim for cleaning off streets. The company is also to pay to the city, in quarterly installments, the sum of $200,000 for the paving and repaving of streets, thereby enabling the city to do necessary municipal work without friction with the company and at such times as it may desire. This amount does not include repairs or replacements to pavements, which are still to be done by the company.

The Philadelphia Co., as principal stockholder, will proceed at once either to attempt to reorganize the Pittsburgh Rys. Co. or attempt to cause a new company to be formed for purpose of taking over all the assets of the Pittsburgh Rys. Co. of every kind and description. The city agreed that it would accept for its claims against the Pittsburgh Rys. Co. and subsidiary companies and the Receivers of the Pittsburgh Rys. Co., the sum of $526,091.12 in full up to Jan. 1, 1921, which amount, as well as accruing charges

against said Receivers, for paving, bridge tolls (including Monongahela Bridge Co.'s claims), pole, car and wire tax and gross receipt tax, shall be paid secured by the new company in such manner as may be mutually agreed upon between the city and the new company.

The Pennsylvania Public Service Commission has approved the contract.

Capital Structure—Excerpt from Company's Annual Report for 1926: "A plan of readjustment of the capital structure of the Railways System is still undergoing careful study. It is desirable to bring into one consolidated company the ownership of all of the leased and operated properties and to simplify the present situation. This complex problem, rendered more difficult by the many individual security issues outstanding, presents a number of angles for solution. In the comparatively near future a plan is expected to be presented which the company with the support of the security holders will be capable of executing. Meantime the temporary arrangement of continuing to pay interest on matured bonds of underlying companies, in which the holders of over 91% of such bonds are participating, remains operative."

OPERATING STATISTICS, YEARS ENDED DEC. 31

	1927	1926	1925
Miles of road	327.25	329.56	335.69
Miles of track	585.99	590.77	595.86
Car houses operated	20	20	19
Car shops	1	2	2
Passenger cars—motor	1,207	1,318	1,339
Passen. trailers—motorized	81	70	188
Passenger trailers — non-motorized	144	159	
Miscellaneous cars	232	270	276
Pass. carried (revenue)	262,061,272	267,721,759	269,345,924
Pass. carried (revenue, free transfer & free)	301,224,100	312,425,564	320,968,755
Pass. carried (revenue, free transfer, free & estimated extra rides on passes	389,615,236	396,679,675	370,412,204
Car miles operated (total)	41,588,216	41,357,208	39,688,609
Car hours operated (total)	5,045,323	5,012,828	4,766,548
Pass. rev. per rev. car mile (cents)	50.51	51.81	54.32
Av. fare per rev. pass. (cts.)	7.97	7.95	7.94
Av. fare per pass (revenue, free transfer & free) (cts.)	6.94	6.81	.....
Ave. fare per car ride (total pass. carried) (cts.)	5.36	5.37	5.77

CAPITAL STOCK

Authorized and outstanding, $2,500,000 Common and $2,500,000 5% cumulative Pfd.; par, $50. All owned by the Philadelphia Company. Annual meeting first Tuesday in June.

Dividends—Deferred dividends are being paid on the Pfd. stock at the rate of $500,000 per annum since 1924.

FUNDED DEBT

(1)

$313,000 PITTSBURGH & WEST END PASSENGER RY. FIRST MORTGAGE 5s; DUE JULY 1922 (NOT PAID)

Dated July 1, 1892.

Interest Payable January and July 1 at Colonial Trust Co., Pittsburgh, Pa. Coupon, $1,000; principal may be registered. Fidelity Title & Trust Co., Pittsburgh, Trustee. Original issue, $500,00. Company pays Normal Federal Income Tax up to 2%. The principal of these bonds was not paid at maturity but interest is being paid when due.

(2)

$171,000 PITTSBURGH, CRAFTON & MANSFIELD ST. RY. FIRST MORTGAGE 5s; DUE JULY 1, 1924 (NOT PAID)

Dated July 1, 1894.

Interest Payable January and July 1 at Pittsburgh (Pa.) Trust Co., Trustee. Coupon, $1,000. Original issue, $250,000. Company pays Normal Federal Income Tax up to 2%. The principal of these bonds was not paid at maturity but interest is being paid when due.

(3)

$1,016,000 WEST END TRACTION CO. GENERAL MORTGAGE 5s; DUE JANUARY 1, 1938

Dated 1898.

Interest Payable January and July 1, at Union Trust Co., Pittsburgh, Pa., Trustee. Authorized issue, $1,500,000; the $484,000 unissued bonds being reserved to retire the underlying bonds (Pitts. & West End Pass. Ry. First 5s and Pittsburgh, Crafton & Mansfield St. Ry. First 5s) described in preceding paragraphs. Secured by deposit of 30,000 shares of stock of the Pittsburgh & West End Passenger Ry., 10,000 shares of the Pittsburgh, Crafton & Mansfield St. Ry. Co., 2,000 shares of the Pittsburgh, Neville Island & Coraopolis St. Ry., and 229 shares of the Coraopolis & Neville Island Bridge Co., and also on all property and franchises. Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

(4)

$4,000,000 (ENTIRE ISSUE) SOUTHERN TRACTION CO. FIRST AND COLLATERAL TRUST GOLD 5s; DUE OCTOBER 1, 1950

Dated October 1, 1900.

Interest Payable April and October 1, at The Union Trust Co., Pittsburgh, Pa., Trustee. Farmers Deposit Trust Co., Pittsburgh, Pa., Registrar. Coupon, $1,000; principal may be registered. A first collateral lien on the stocks of the West End Traction Co., mentioned in first paragraph on a preceding page, a second lien on the collateral deposited as security for the West End Traction Co. bonds described above. First publicly offered ($3,000,000) in Oct., 1900, at 105 and interest. Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

(5)

$2,539,000 PITTSBURGH RAILWAYS COMPANY GENERAL MORTGAGE 5s; DUE APRIL 1, 1953

Dated March 31, 1913.

Interest Payable April and October 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—Guaranty Trust Co., New York.

Provisions of Issue—Authorized, $20,000,000, of which $6,000,000 have been issued, $1,395,000 thereof being owned by the Equitable Real Estate Co., a subsidiary of the Philadelphia Co., $34,000 by the Philadelphia Co., $1,110,000 by the public, and $3,461,000 are held in Company's treasury to be used for betterments and improvements to existing lines. The $14,000,000 unissued bonds are reserved as follows: $4,000,000 to retire the Southern Traction Co. First Collateral Trust 5s described above and $10,000,000 for improvements and betterments at 85% of cost.

Security—Secured by a direct mortgage on 4.724 miles of track in Pittsburgh and a collateral lien on 70.59 miles of track in and around Pittsburgh owned by the various companies.

Guaranty—Guaranteed principal and interest by Philadelphia Company.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date after April 1, 1918.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

(6)

$2,200,000 PITTSBURGH RAILWAYS COMPANY 6% CAR TRUST GOLD BONDS; DUE $200,000 EACH FEBRUARY 1, 1929 TO 1939

Dated February 1, 1924.

Interest Payable February and August 1, at The Union Trust Co. of Pittsburgh, Pa., Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $3,000,000, of which $800,000 retired to April 1, 1928. The equipment to be vested in the Trustee and leased to Pittsburgh Rys. Co., until all of these bonds have been paid, consists of the following:

60 single end, center entrance, semi-convertible, double truck, semi-steel passenger cars; 160 semi-steel passenger cars of the multiple unit type; and 65 semi-steel passenger cars of the one-man and two-man type.

First publicly offered ($3,000,000) in April, 1924, at 100½ for the 1925 maturity, 100¾ for the 1926 maturity, and at par for the 1927 to 1939 maturities, by Union Trust Co. of Pittsburg and Brown Bros. & Co., Philadelphia. Free of Pennsylvania four mill State Tax. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Reed, Smith, Shaw & McClay, Pittsburgh, Pa.

(7)

$960,000 PITTSBURGH RAILWAYS COMPANY 6% CAR TRUST GOLD BONDS; DUE $80,000 ANNUALLY APRIL 15, 1929 TO 1940 INCLUSIVE

Dated April 15, 1925.

Interest Payable April and October 15, at The Union Trust Company of Pittsburgh.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Union Trust Company of Pittsburgh.

Provisions of Issue—Issued $1,200,000 in part payment of new equipment, of which $240,000 retired to May 1, 1928.

Security—Secured on 103 standard semi-steel passenger street cars, costing over $1,505,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State four mill tax.

Legal Opinion—Reed, Smith, Shaw & McClay, Pittsburgh, Pa.

Original Offering—First publicly offered ($1,200,000) in April, 1925, by The Union Trust Co. of Pittsburgh, at prices ranging from 101 to 101½ and interest, to yield from 4.95% to 5.85% according to maturity.

(8)

$500,000 SERIAL 6% NOTES; MATURED AND RETIRED FEBRUARY 1, 1928

REAL ESTATE MORTGAGES

(9)

There were also outstanding at Dec. 31, 1927, real estate mortgages amounting to $41,000.

CONTINGENT LIABILITIES

(10)

$750,000 PITTSBURGH, CANONSBURG & WASHINGTON RY. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1937

Dated July 1, 1907.

Interest Payable January and July 1. Guaranteed principal and interest by Pittsburg Rys. Co.

(11)

$250,000 (ENTIRE ISSUE) WEST LIBERTY & SUBURBAN STREET RY. FIRST GOLD 5s; DUE JANUARY 1, 1938

Dated January 1, 1908.

Interest Payable January and July 1, at Colonial Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Guaranteed, principal and interest, by Pittsburgh Rys. Co. A first lien in 3.8 miles of road. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Prepared in accordance with the terms of the agreement between City of Pittsburgh, sundry other municipalities, Philadelphia Company and Pittsburgh Rys. Co.)

	1927	1926	1925
Gross revenue from street railway operation	$21,365,543	$21,727,230	$21,813,696
Operating expenses	14,256,665	14,656,231	16,847,034
Depreciation	2,055,246	2,053,458	.....
Taxes	608,137	609,932	614,142
Net earnings—street railway operation	$4,445,495	$4,407,609	$4,352,520
Auxiliary operations (net)	13,850	23,737	22,030
Total net earnings	$4,459,345	$4,431,346	$4,374,550
Other income (net)	165,658	189,080	261,641
Total income	$4,625,003	$4,620,426	$4,636,191

Income charges—items under agreement:	1927	1926	1925
Return of 6% on property valuation of $62,500,000	$3,750,000	$3,750,000	$3,750,000
Return of 6% on additional capital for new property	328,800	345,600	351,000
Payments to County of Allegheny City of Pitts. and other municipalities in lieu of licenses, etc.	429,168	414,604	352,969
Amortization of debt disc. & exp. on additional capital	67,326	67,326	122,818
Miscellaneous	8,426	7,538	7,273
Total deductions	$4,583,720	$4,585,068	$4,584,060
Net income for the year	$41,283	$35,358	$52,131

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Pittsburgh Rys. Co. and Subsidiary and Affiliated Street Railway Companies)

(With Inter-Company Items Eliminated)

Assets—	1927	1926
Fixed capital	$89,116,125	$87,276,311
Construction work in progress	802,498	585,617
Stocks & bonds of other cos. owned	436,592	315,065
Miscellaneous investments	23,605	.....
Real estate mortgages	.....	26,855
Sinking fund assets	351,372	421,589
Affiliated Companies:		
Notes receivable in treasury	.....	427,716
Temporary loans	235,000	170,000
Accounts receivable	24,426	25,800
Cash at bank and on hand	1,135,957	593,694
Special deposits	146,759	707,415
Notes receivable	41	115
Accounts receivable	246,325	251,724
Materials and supplies	988,356	808,943
Prepaid accounts	59,774	97,605
Unamortized debt disct. & expense	345,672	415,978
Other deferred charges	2,901,123	3,350,466
Total	$96,813,625	$95,474,893

Liabilities—	1927	1926
Capital Stocks:		
Pittsburgh Rys. Co. Pfd.	$2,500,000	$2,500,000
Pittsburgh Rys. Co. Common	2,500,000	2,500,000
Subsidiary street railway companies Pfd. & Common stocks	27,727,830	27,772,710
Funded debt:		
Pittsburgh Rys. Co.	*10,520,000	11,300,000
Subsid. & affiliated street railway cos.	†22,805,500	22,915,500
Affiliated Companies:		
Notes payable	8,650,690	8,150,690
Temporary loans	16,000	19,000
Accounts payable	498,863	292,402
Accounts payable—deferred	1,272,999	1,482,260
Interest on funded debt—not due	21,513	20,263
Interest on unfunded debt—not due	24,270	24,270
Workmen's compensation	76,690	69,666
Notes payable	300,000	320,000
Accounts payable	809,915	906,049
Accrued taxes	756,865	603,189
Accrued rentals	142,856	263,254
Accrued interest on funded debt	262,880	166,822
Deferred Liabilities:		
Injuries and damages	900	6,100
Municipal charges	357,759	418,763
Deferred credits	328,736	272,149
Reserve for retirement of property	4,140,900	3,218,719
Other reserves	2,358,115	2,512,108
Surplus	1,650,879	1,436,714
Excess of par value over book value of securities & accts. eliminated herein	9,089,465	8,304,263
Total	$96,813,625	$95,474,893

*After deducting $3,461,000 bonds in treasury. †After deducting $1,000 bonds in treasury.

NOTE—This balance sheet does not include operated Lessor Street Railway Companies, none of whose capital stock is owned by the Pittsburgh Railways Company and Subsidiary Companies. The outstanding securities of said companies being capital stocks $15,079,000, and bonds $7,951,500, certain of which are guaranteed as to rental, principal and interest.

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	Current Liabilities—	1927	1926
Cash at bank and on hand	$1,135,958	$593,694	Workmen's compensation	$76,690	$69,666
Special deposits	146,759	707,415	Notes payable	300,000	320,000
Notes receivable	41	115	Accounts payable	809,915	906,049
Accounts receivable	246,325	251,724	Accrued taxes	756,865	603,189
Materials and supplies	988,356	808,943	Accrued rentals	142,856	263,254
			Accrued interest on funded debt	262,880	166,822
Total	$2,517,439	$2,361,891	Total	$2,349,206	$2,328,980
Net Working Capital				$168,233	$32,911

Officers: Andrew W. Robertson, Pres.; Thomas Fitzgerald, V-P.; W. B. Carson, Sec.; E. W. Washabaugh, Asst. Sec.; C. J. Braun, Jr., Treas.; J. W. Murray, Asst. Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: Jas. D. Callery, Chairman; Andrew W. Robertson, H. C. McEldowney, W. L. Monro, E. W. Washabaugh, Edwin W. Smith, W. B. Carson, Pittsburgh, Pa.; Mason B. Starring, Moritz Rosenthal, New York; J. J. O'Brien, Chicago, Ill.

Office, 435 Sixth Ave., Pittsburgh, Pa.

PITTSBURGH MOTOR COACH COMPANY

(Controlled by Pittsburgh Railways Company)

History—Incorporated July 27, 1925, in Pa., to supply motor coach service in the Pittsburgh district and surrounding territory. Took over on Aug. 14, 1925, several independent companies. Route miles operated (single way), 25.2. Garage operated, 1. Routes operated, 6; coaches owned, 50. Coach miles operated: 1925, 193,867; 1926, 752,497; 1927, 1,348,333. Passengers carried: 1925, 338,387; 1926, 1,149,283; 1927, 1,834,752.

CAPITAL STOCK

Outstanding, 2,500 shares of no par value. All owned by Pittsburgh Railways Co. Annual meeting, last Monday in July.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$483,569	$301,521	$90,207
Operating expenses & taxes	365,955	242,090	85,285
Net earnings	$117,614	$59,431	$4,922
Other income	1,393	1,419	38
Gross income	$119,007	$60,850	$4,960
Interest charges (net)	11,202	6,352	1,917
Depreciation	62,848	37,405	.....
Net income for year	$44,957	$17,093	$3,043

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Fixed capital	$460,586	$373,822	$241,855	Capital stock	$160,000	$160,000	$160,000
Construct. work in progres	1,987	.....	1,491	Affil. cos. loan & accts. pay.	236,522	170,707	84,792
Special deposit	2,500	2,500	2,500	Accounts payable	29,851	74,072	9,882
Affiliated cos.—notes and accts. receiv.	1,296	35,071	1,753	Accrued taxes	7,117	5,314	450
Cash	50,668	49,410	17,428	Deferred credit	485	.....	.....
Accounts receivable	1,554	2,045	216	Retirement reserve	77,630	40,438	15,862
Materials and supplies	18,602	816	37	Other reserve	12,060	.....	.....
Prepaid accounts	14,108	7,297	8,729	Surplus	53,036	20,852	3,029
Other unadjusted debits	25,400	422	5				
Total	$576,701	$471,383	$274,014	Total	$576,701	$471,383	$274,014

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt.

Directors: A. W. Robertson, M. Rosenthal, Halford Erickson, T. Fitzgerald, T. W. Noonan, W. H. Boyce, W. T. Rossell.

General Office, 435 Sixth Avenue, Pittsburgh, Pa.

MOUNT WASHINGTON STREET RAILWAY

(Leased to Pittsburgh Railways Company)

History and Property—Incorporated October 8, 1901, under the laws of Pennsylvania and later absorbed the Sycamore Street Ry. Co. Owns all of the $500,000 stock of the Mount Washington Tunnel Co. Owns 13.242 miles of track between Pittsburgh and Mount Lebanon, Pa. Gauge, 5 ft. 2½ in. Leased to the Pittsburgh Railways Co. for 995 years from April 1, 1903, rental being the payment of fixed charges.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $50. All owned by Pittsburgh Rys. Co.

FUNDED DEBT

$1,500,000 (ENTIRE ISSUE) FIRST AND COLLATERAL TRUST GOLD 5s; DUE APRIL 1, 1933

Dated April 1, 1903.

Interest Payable April and October 1, at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee; at company's office, Pittsburgh, and at Brown Brothers & Co., New York. Coupon, $1,000; principal may be registered. Guaranteed, principal and interest, by endorsement, by the Philadelphia Company. A first lien on property. The stock of the Mount Washington Tunnel Co. has been pledged as additional security under the mortgage. Listed on Philadelphia Stock Exchange. First publicly offered in May, 1903, at 101½ and interest, by Brown Bros. & Co., New York, etc. Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt.; E. W. Washabaugh, Asst. Sec.; J. W. Murray, Asst. Treas., Pittsburgh, Pa.

Directors: F. J. Holub, E. W. Washabaugh, W. B. Carson, T. Fitzgerald, A. W. Robertson, Pittsburgh, Pa.

Office, 435 6th Ave., Pittsburgh, Pa.

SEVENTEENTH STREET INCLINE PLANE COMPANY

(Operated by Pittsburgh Railways Company)

History—Incorporated March 7, 1881, in Pennsylvania, as the Penn Incline Plane Co., and reorganized Jan. 9, 1905. Operated by the Pittsburgh Rys. Co. up to Jan. 16, 1918, from that date to July 31, 1924, separately operated; since Aug. 1, 1924, operated by Pittsburgh Rys. Co. Length of Plane, 837 ft., height of Plane, 329 ft.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $50. All owned by Philadelphia Co.

FUNDED DEBT

$120,000 (entire issue) First 5s: dated March 1, 1905; due March 1, 1935; int. March and Sept. 1, at Colonial Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Guaranteed, principal and interest, by Philadelphia Co. A first lien on property. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; W. B. Carson, V-P.; E. W. Washabaugh, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, T. Fitzgerald, E. W. Washabaugh, F. J. Holub, W. B. Carson, A. W. Stevenson.

Office, Pittsburgh, Pa.

WASHINGTON & CANONSBURG RAILWAY

(Leased to Pittsburgh Railways Company)

History and Property—Incorporated June 2, 1902, under the laws of Pennsylvania as a consolidation of Washington Electric St. Ry. Co. and the Canonsburg St. Ry. Co. Lines located in towns of Washington, Tylerdale and Canonsburg. Total track, 17.2357 miles. Gauge, 5 ft. 2½ in. Rail, 80 lb. T. and girder. Franchise perpetual. Operated by Pittsburgh Rys. Co. under lease for 30 years from Dec. 31, 1913.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $50. All owned by Pittsburgh Rys. Co.

FUNDED DEBT

(1)

$125,000 Washington Electric Street Ry. First Gold 5s; dated 1897; due Feb. 1, 1927; int. Feb. and Aug. 1, at Union Trust Co., Pittsburgh, Trustee. Coupon and registered, $1,000. A sufficient amount of Washington & Canonsburg Ry. bonds is reserved to retire these bonds at maturity. Company pays Normal Federal Income Tax up to 2%. The principal of these bonds was not paid at maturity but interest is being regularly paid.

(2)

$417,000 Washington & Canonsburg Ry. First Gold 5s; dated July 1, 1902; due July 1, 1932; int. Jan. and July 1, at Colonial Trust Co., Pittsburgh, Trustee. Coupon and registered, $1,000. Authorized issue, $650,000; issued, $525,000, of which $108,000 have been retired by sinking fund. The $125,000 unissued bonds are reserved to retire the Washington Electric St. Ry. First 5s, described above. Sinking fund, $5,000 per annum. A lien on all property and franchises. Company pays Normal Federal Income Tax up to 2%.

(3)

$185,000 Washington & Canonsburg Ry. Second 5s; dated Dec. 1, 1913; due Dec. 1, 1943; int. June and Dec. 1, at company's office, and at Colonial Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $500,000. Issued bonds are all owned by Pittsburgh Rys. Co. Subject to call as a whole or in part at 102 and interest upon 10 weeks' notice. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.
Directors: A. W. Robertson, W. B. Carson, T. Fitzgerald, E. W. Washabaugh, Pittsburgh, Pa.
Office, 435 6th Ave., Pittsburgh, Pa.

PITTSBURGH, CANONSBURG & WASHINGTON RY.

(Operated by Pittsburgh Railways Company)

History—Incorporated in Pa. in 1907. Line of road, between Canonsburg and Pittsburgh, 12.29 miles. Leased June 29, 1907, to the Washington & Canonsburg Ry. for 30 years.

CAPITAL STOCK

$79,500; par, $50; all owned by Pittsburgh Rys. Co.

FUNDED DEBT

(1)

$750,000 (entire issue) First Gold 5s; dated July 1, 1907; due July 1, 1937; int. Jan. and July 1, at company's office, Pittsburgh. Coupon, $1,000; principal may be registered. Safe Deposit & Trust Co., Pittsburgh, Trustee. Subject to call as a whole or in part at 105 and interest on any interest date upon 30 days' notice. Guaranteed, principal and interest, by Washington & Canonsburg Ry and Pittsburgh Railways Co. A first lien on entire property. $150,000 of the issue were offered in 1910 at 101 and interest. Company pays Normal Federal Income Tax up to 2%.

(2)

$89,000 Second 5s; dated Dec. 1, 1913; due Dec. 1, 1943; int. June and Dec. 1, at company's office, Pittsburgh and at Safe Deposit & Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $500,000. Issued bonds are all owned by the Pittsburgh Rys. Co. Subject to call as a whole or in part at 102 and interest on 10 weeks' notice. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh.
Directors: A. W. Robertson, T. Fitzgerald, W. B. Carson, E. W. Washabaugh, F. J. Holub, Pittsburgh, Pa.
Office, Pittsburgh, Pa.

CONSOLIDATED TRACTION COMPANY

(Leased to Pittsburgh Railways Company)

History and Property—Incorporated July 23, 1895, under the laws of Pennsylvania. Co. owns entire capital stock of Fort Pitt Traction Co. and assumed its leases of Allegheny Traction Co. and Citizens' Traction Co.; also leases the Central Traction Co., Duquesne Traction Co. and Pittsburgh Traction Co. It owns 49,560 shares of stock of the Pittsburgh Traction Co., 52,635 shares of the Duquesne Traction Co., and 29,173 shares of the Central Traction Co. The Monongahela St. Ry. and the Suburban Rapid Transit St. Ry. companies were leased to the Consolidated Traction Co. in 1902. Length of track, 218.01 miles. Gauge, 5 ft. 2½ in.

CAPITAL STOCK

Authorized, $15,000,000 Common and $15,000,000 6% cumulative Pfd.; outstanding, $14,349,000 Common and $12,000,000 Pfd.; par, $50. In addition $651,000 Common held in Treasury. Pfd. shares equally with Common in any dividends over 6%. Common dividends at rate of 2% per annum paid regularly, Jan. and July, from Jan, 1903, to July 1912; none since. The Philadelphia Co. owns $14,344,000 of the Common and $11,655,850 of the Pfd. stock. Annual meeting, third Monday in April.

FUNDED DEBT

(1)

$1,000,000 (entire issue) Fort Pitt Traction Co. Gold 5s; dated 1895; due Dec. 2, 1935; int. June and Dec. 1, at Pittsburgh Trust Co., Trustee. Coupon, $1,000; principal may be registered. Company pays Normal Federal Income Tax up to 2%.

(2)

$35,000 Consolidated Traction Co. 5% Car Trust Gold Bonds, Series "E"; dated Nov. 1, 1917; due $17,000 annually on Nov. 1, to 1929, inclusive; int. May and Nov. 1. Coupon, $1,000; principal may be registered. Fidelity Title & Trust Co., Pittsburgh, Pa., Trustee. Original issue, $200,000. Secured on 50 semi-steel trailer cars costing $225,000. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.
Directors: A. W. Robertson, F. J. Holub, E. W. Washabaugh, W. B. Carson, A. B. Dampman, T. Fitzgerald, Pittsburgh, Pa.
Office, Pittsburgh, Pa.

ALLEGHENY TRACTION COMPANY

(Leased to Consolidated Traction Company)

History and Property—Incorporated August 7, 1889 under the laws of Pennsylvania. Company owns all the stock of the Millvale, Etna & Sharpsburgh St. Ry. Co. and leases from the Citizens' Traction Co., the Transverse Pass. Ry. Co. This company was leased April 2, 1896, to the Fort Pitt Traction Co. for 950 years at a rental of $25,600 per annum. Lease has been assumed by the Consolidated Traction Co. Length of line (including Millvale, Etna & Sharpsburg St. Ry.), 21.27 miles. Gauge, 5 ft. 2½ in. Rail, 90 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $50. Annual meeting, last Tuesday in August.
Dividends—Dividends have been paid as follows: 1902, 4½%; 1903 to date, 5%.

FUNDED DEBT

$741,000 Millvale, Etna & Sharpsburg Street Ry. First Gold 5s; dated 1893; due Nov. 1, 1923; int. May and Nov. 1, at Pittsburgh Trust Co., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $741,000. Guaranteed by Allegheny Traction Co. Company pays Normal Federal Income Tax up to 2%.

These bonds not having been paid at maturity, the Pittsburgh Rys. Co. issued a letter to the bondholders requesting them to deposit their bonds with the Pittsburgh Trust Co., Pittsburgh, Pa., with the understanding that the operating company (Pittsburgh Rys. Co.) would pay the interest on the bonds until such time as some arrangement was made to take up the bonds or until a reorganization took place in which event these bonds were to be provided for. In Nov. 1924 the Manual was officially notified that these bonds were subject to be taken down by the bondholders at any time. Between 90% and 95% were on deposit at that time with the Pittsburgh Trust Co. under the arrangement between the Pittsburgh Rys. Co., the bondholders and the above named Trust Company.

Officers: Edward Gwinner, Pres.; John A. Irwin, V-P.; A. M. Neeper, Sec. & Treas., Pittsburgh, Pa.
Directors: Edward Gwinner, J. D. Dwyer, A. M. Neeper, H. N. Van Voorhis, John A. Irwin, Pittsburgh, Pa.
Office, Pittsburgh, Pa.

ARDMORE STREET RAILWAY

(Leased to Consolidated Traction Company)

History and Property—Incorporated October 31, 1907 under the laws of Pennsylvania. Owns electric railway, over private right of way between Wilkinsburg and East Pittsburgh. Through cars are operated from East Pittsburgh to East Liberty. Rails, 80 lb. T and 90 lb. girder. Operated by Pittsburgh Rys. Co., which took over the property on Oct. 1, 1908. Length of track, 7.82 miles.

CAPITAL STOCK

Authorized and outstanding, $14,000; par, $50. All owned by Consolidated Traction Co.

FUNDED DEBT

$1,032,000 First Gold 5s; dated April 1, 1908; due April 1, 1958; int. April and October 1, at Colonial Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Authorized $1,250,000, of which $218,000 reserved for extensions, etc.; issued, $1,032,000. Subject to call at 105 and int. on any int. date. Guaranteed, principal and interest, by Consolidated Traction Co. of Pittsburgh. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec; C. J. Braun, Jr. Treas.; C. S. Mitchell, Compt., Pittsburgh.

Directors: A. W. Robertson, T. Fitzgerald, W. B. Carson, F. J. Holub, E. W. Washabaugh, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

CENTRAL TRACTION COMPANY

(Leased to Consolidated Traction Company)

History and Property—Incorporated December 21, 1888 in Pennsylvania. Leased from April 2, 1896, to the Consolidated Traction Co. for 950 years at 3% per annum on par value of $1,500,000 stock, and in May, 1896, stockholders were offered privilege of exchanging their stock for receipts, which were redeemed at $30 per share on Oct. 1, 1896 in Consolidated Traction Co. Pfd. stock at par. Up to date, 29,173 shares of Central Traction stock (out of 30,000) have been so exchanged. Length of line (including Central Pass. Ry., 3.5 miles), 9.238 miles. Gauge, 5 ft. 2 in. Rail, 65 lb. girder.

CAPITAL STOCK

Authorized and outstanding ,$1,500,000; par, $50 ($30 paid in). Annual meeting, second Tuesday in February. On Feb. 1, 1892, a dividend of $2.50 was paid in stock; Feb., 1896, 2% in cash; Nov., 1898, 1½%; 1899 to 1918, 3% per annum; none in 1919; 6% in 1920; 3% from 1920 to 1927.

FUNDED DEBT

(1)

$325,500 (entire issue) Central Traction Co. First 5s; dated July 1, 1889; due July 1, 1929; int. Jan. and July 1, at Union Trust Co., Pittsburgh, Trustee. Coupon $500. Secured by pledge of 1,993 shares Central Passenger Ry. Company does not pay Normal Federal Income Tax.

(2)

$125,000 Central Passenger Ry. First 6s; dated 1894; due Oct. 1, 1924; int. April and October 1, at Union Trust Co., Pittsburgh, Pa, Trustee. Coupon, $1,000. Authorized issue, $250,000. Guaranteed by Central Traction Co. Secured by pledge of 500 shares Central Passenger Ry. Company does not pay Normal Federal Income Tax. These bonds were not paid at maturity, but interest is being regularly paid.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: C. J. Braun, Jr., W. B. Carson, A. W. Robertson, E. W. Washabaugh, T. Fitzgerald, F. J. Holub, A. W. Stevenson, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

CITIZENS' TRACTION COMPANY

(Leased to Consolidated Traction Company)

History and Property—Incorporated July 6, 1887, under the laws of Pennsylvania, and on Sept. 1, 1887, purchased the entire capital stock ($200,000) of the Citizens' Pass. Ry. Co. Also owns all the stock of the Aspinwall St. Ry. Co., all of the $500,000 stock of the Penn St. Ry. Co., the $300,000 capital stock of the Transverse Passenger Ry., and the $12,000 capital stock of the Highland Park & Butler St. Ry. Co., and operates their lines under lease. Leased from Nov. 1, 1895, to Fort Pitt Traction Co. for 950 years at 6% per annum on $3,000,000 capital stock. In addition the lessee agreed to pay a floating debt of $175,000, and at maturity, the mortgage debt. Lease assumed by Consoldated Traction Co. Since Jan. 1, 1902, operated by the Pittsburgh Rys. Co. Length of line owned and operated, 36.348 miles.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par, $50 Annual meeting, third Monday in November. Dividends, 1892, 6%; 1893, 6%; 1894, 6%; 1895, 5%; under the lease, dividends are paid at the rate of 6% per annum; payments May and Nov. at Union National Bank, Pittsburgh, Pa.

FUNDED DEBT

(1)

$246,000 Citizens' Traction Co. First 5s; dated Oct. 1, 1887; due Oct. 1, 1927; int. April and October 1, at Union National Bank, Pittsburgh, Pa. Coupon, $1,000; principal may be registered. Fidelity Title & Trust Co., Pittsburgh, Pa., Trustee. Secured by pledge of 6,000 shares Transverse Passenger Ry. and 4,000 shares Citizens Passenger Ry. Listed on Pittsburgh Stock Exchange. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(2)

$250,000 Penn Street Ry. First 5s; dated 1892; due June 1, 1922; int. June and Dec. at Union National Bank, Pittsburgh, Coupon, $1,000. Fidelity Title & Trust Co., Pittsburgh, Pa., Trustee. Guaranteed, principal and interest, by Citizens' Traction Co. These bonds were not paid at maturity, but interest is being regularly paid.

Officers: J. H. Holmes, Pres.; M. McGiffin, V-P.; W. W. Bell, Sec.; Nathaniel Holmes, Treas., Pittsburgh, Pa.

Directors: Jas. D. Callery, Nathaniel Holmes, J. H. Holmes, J. D. Lyon, Edw. J. House, M. McGiffin, H. L. Childs, Pittsburgh, Pa.

Office, 435 6th Ave., Pittsburgh, Pa.

PENN STREET RAILWAY

(Controlled by Citizens' Traction Company)

History—Incorporated May 19, 1892, in Pennsylvania; road opened March 13, 1893. Formerly operated under lease by the Citizens' Traction Co.; operated by the Pittsburgh Railways Co. since Jan. 1, 1902.

CAPITAL STOCK

Authorized and outstanding $500,000; all owned by Citizens' Traction Co. Annual meeting, second Monday in January.

FUNDED DEBT

$250,000. For details see statement of Citizens' Traction Co., preceding.

Officers: J. H. Holmes, Pres.; W. W. Bell, Sec.; Nathaniel Holmes, Treas., Pittsburgh, Pa.

General Office, Pittsburgh, Pa.

DUQUESNE TRACTION COMPANY

(Leased to Consolidated Traction Company)

History and Property—Incorporated February 21, 1890 under the laws of Pennsylvania. Leased from April 2, 1896, to the Consolidated Traction Co. for 990 years at 4% on the $3,000,000 stock, but dividends for a year and a half were withheld for payment of floating debt amounting to $180,000. In May, 1896, stockholders were allowed to exchange their stock for receipts, redeemed Oct. 1, 1896, at $37 per share in 6% Pfd. stock of Consolidated Traction Co. at par. To date, 52,635 shares out of 60,000 have been so exchanged. Length of line, leased, 37.034 miles. Gauge, 5 ft. 2¼ in. Rail, 60 and 63 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par, $50. Annual meeting, last Monday in January. Dividends paid under the lease at rate of 4% per annum.

FUNDED DEBT

$1,313,000 First 5s; dated July 1, 1890; due July 1, 1930; int Jan. and July 1, at Fidelity Title & Trust Co., Pittsburgh, Pa., Trustee. Coupon, $1,000; principal may be registered. Secured by pledge of 400 shares Duquesne St. Ry. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, W. B. Carson, F. J. Holub, T. Fitzgerald, E. W. Washabaugh, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

MONONGAHELA STREET RAILWAY

(Leased to Consolidated Traction Company)

History and Property—Incorporated April 13, 1898 under the laws of Pennsylvania. Co. is a consolidation of Monongahela St. Ry. Co., the Schenley Park & Highland Street Ry. Co., the Homestead & Highlands St. Ry. Co., the Braddock & Homestead St. Ry. Co., and the Braddock & Duquesne St. Ry. Co. In Dec., 1901 the Wilkinsburg & East Pittsburgh St. Ry. Co., the Wilkinsburg & Verona St. Ry. Co. and the Pitcairn & Wilmerding St. Ry. Co. were absorbed. On Jan. 1, 1902, leased for 900 years to Consolidated Traction Co. for interest, taxes, etc., and an annual rental beginning with $165,000 for the first year and increasing $18,750 each year until $315,000 is reached. Lease is guaranteed by Philadelphia Co. Length of track, 63.65 miles. Gauge, 5 ft. 2½ in. Rail, 90 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $7,000,000; par, $50. First dividend of 2% under lease was paid in July, 1904; in 1905,

Jan. 1½%, and July 1, 3-5%; 1906, 3,26%; 1907, 3½%; 1908, 3.68%; 1909, 4.12%; 1910, 4.37%; 1911 to 1917, inclusive, 4½%; 1918, 2.15%; 1920, 6.55%; 1924, to 1927, 4½%.

FUNDED DEBT

(1)

$993,000 (entire issue) Monongahela Street Ry. First Gold 5s; dated June 1, 1898; due June 1, 1928; int. June and Dec. 1, at Mellon National Bank, Pittsburgh. Coupon, $1,000; principal may be registered. Union Trust Co., Pittsburgh Trustee. A first lien on 17 miles of track. Listed on Pittsburgh Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

(2)

$588,000 Pitcairn & Wilmerding Street Ry. Co. First Gold 5s; dated July 1, 1901; due July 1, 1931; int. Jan and July 1, at Mellon National Bank, Pittsburgh, Pa. Coupon and registered, $1,000. Union Trust Co., Pittsburgh, Trustee. Authorized issue, $700,000, of which $112,000 are reserved for extensions. Company pays Normal Federal Income Tax up to 2%.

(3)

$1,989,000 (Entire issue) Wilkinsburg & East Pittsburg Street Ry. First Gold 5s; dated Sept. 1, 1899; due Sept. 1, 1929; int. March and Sept. 1, at Mellon National Bank, Pittsburgh. Coupon and registered, $1,000. Union Trust Co., Pittsburgh, Trustee. Company pays Normal Federal Income Tax up to 2%.

(4)

$612,000 Wilkinsburg & Verona Street Ry. First Gold 5s; dated June 1, 1901; due June 1, 1931; int. June and Sept. 1, at Mellon National Bank, Pittsburgh, Pa. Coupon and registered, $1,000. Union Trust Co., Pittsburgh, Trustee. Authorized issue, $700,000, of which $76,000 are reserved for extensions and $12,000 have been retired. Guaranteed, principal and interest, by Monongahela Street Ry. Co. Company pays Normal Federal Income Tax up to 2%.

Officers: W. L. Mellon Pres.; H. A. Phillips, V-P.; Geo. S. Davison, Sec.; R. B. Mellon, Treas., Pittsburgh, Pa.
Directors: G. S. Davison, A. W. Mellon, R. B. Mellon, W. L. Mellon, W. S. Mitchell, Pittsburgh, Pa.
Office, Pittsburgh, Pa.

MORNINGSIDE ELECTRIC STREET RAILWAY

(Leased to Consolidated Traction Company)

History—Inc. July 14, 1904, in Pa. Leased to Consolidated Traction Co. for 995 years from Sept 30, 1905, at rental of 5% on the stock and interest on the bonds. Length of track, 3.33 miles. Gauge, 5 ft. 2½ in.

CAPITAL STOCK

Authorized and outstanding, $24,000; par. $50. All owned by Philadelphia Company.

FUNDED DEBT

$200,000 (entire issue) First Gold 5s; dated Oct. 2, 1905; due Oct. 1, 1935; int. April and October 1, at company's office and at office of Brown Bros. & Co., New York and Philadelphia. Coupon, $1,000; principal may be registered. Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee. Guaranteed, principal and interest, by Philadelphia Company. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.
Directors: A. W. Robertson, W. B. Carson, T. Fitzgerald, E. W. Washabaugh, Pittsburgh, Pa
Office, Pittsburgh, Pa.

PITTSBURGH TRACTION COMPANY

(Leased to Consolidated Traction Company)

History and Property—Incorporated April 30, 1887 under the laws of Pennsylvania. Leased from April 2, 1896, to the Consolidated Traction Co. for 950 years at 7% on the $2,500,000 stock, but 1½ years dividends were used to pay floating debt of $250,000. In May, 1896, stockholders were offered receipts for their stock, which were redeemed at $70 per share on Oct. 1, 1896, in Pfd. stock of Consolidated Traction Co. In Feb., 1914, 49,500 shares out of 50,000 had been so exchanged; subsequently 60 additional shares were purchased for cash.

In 1925 all the property and franchises of the Bloomfield Street Railway Co. were sold to the Pittsburgh Traction Co., which latter company assumed payment of $250,000 Guaranteed 5% bonds of the Bloomfield Street Railway Co. All the properties of the Pittsburgh Traction Co. have been operated by the Pittsburgh Rys. Co. since Jan. 1, 1902. Length of line, 18.26 miles. Gauge, 5 ft. 2¼ in.

CAPITAL STOCK

Authorized and outstanding, 50,000 shares; par, $50, on which $38 per share, or $1,900,000, has been paid in. Annual meeting, fourth Monday in January. Dividends have been paid in recent years as follows: 1895, 5½%; 1909 to 1927, 7% per annum; payments April and October 30 at Co.'s office.

FUNDED DEBT

(1)

$666,000 Pittsburgh Traction Co. First 5s; dated Oct. 1887; due Oct. 1927; int. April and Oct. 1, at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(2)

$250,000 Bloomfield Street Ry. First Currency 5s; dated 1893; due Aug. 1, 1923; int. Feb. and August 1, at Pittsburgh Trust Co., Trustee. Coupon, $1,000; principal may be registered. Assumed by Pittsburgh Traction Co. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity but interest is being regularly paid.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.
Directors: C. J. Braun, Jr., W. B. Carson, T. Fitzgerald, A. B. Dampman, A. W. Robertson, E. W. Washabaugh, F. J. Holub, Pittsburgh, Pa.
Office, Pittsburgh, Pa.

SUBURBAN RAPID TRANSIT STREET RAILWAY

(Leased to Consolidated Traction Company)

History—Inc. July 15, 1899, in Pa.; consolidation of Suburban Rapid Transit Street Ry. and the South Twenty-second Street Ry. Co. Leased, Jan 1, 1902, to Consolidated Traction Co. for 900 years at annual rental of $56,000, equal to 4% on the outstanding stock, in addition to charges, including interest and taxes. Length of track, 10.373 miles. Gauge, 5 ft. 2½ in. Rail, 90 lbs. girder.

CAPITAL STOCK

Authorized and outstanding, $1,400,000; par, $50. Annual meeting, second Monday in January. Dividends in 1903, 4%; in Jan., 1904, 2%; and July, 1904, 1¼%; 1905 to 1927, 4% each.

FUNDED DEBT

$125,000 (closed mortgage) First Gold 6s; dated Sept. 1, 1913; due Sept. 1, 1953; int. March and Sept. at Farmers Deposit National Bank, Pittsburgh. Coupon, $1,000. Colonial Trust Co., Pittsburgh, Trustee. Issued to replace a like mortgage which matured Sept. 1, 1913. Company pays Normal Federal Income Tax up to 2%.

Officers: A. E. Braun, Pres.; E. J. Askey, Sec. & Treas., Pittsburgh, Pa.
Directors: A. E. Braun, G. C. Moore, E. B. Coll, David A. Reed, J. D. Callery, Pittsburgh, Pa.
Office, Pittsburgh, Pa.

UNITED TRACTION CO. OF PITTSBURGH

(Operated by Pittsburgh Railways Company)

History—Inc. July 27, 1896, in Pa., and in June of the following year purchased the properties and franchises of the North Side Traction Co. and The Second Ave. Traction Co., and also, through 950-year lease and by purchase of its stock, acquired control of the Pittsburgh Allegheny & Manchester Traction Co. Through the lease of the North Side Traction Co. this company also controls the Federal Street & Pleasant Valley Passenger Ry. Co. The Pittsburgh & Charleroi St. Ry. Co., East McKeesport St. Ry. Co., and the Pittsburgh & Birmingham Traction Company were leased to this company in 1902.

The Philadelphia Co. in March, 1899, offered $6,375,000 of its Common stock in exchange for the $17,000,000 Common of the United Traction Co. Exchange of the stock under this plan was begun in Oct., 1899, and 340,000 shares were acquired, all of which are now owned by the Pittsburgh Rys. Co.

The Pittsburgh Rys. Co. in Jan., 1902, took over the properties of the United Traction Co. and under the terms of the operating contract, agrees to pay dividends of 5% on the Pfd stock. The agreement was to last until Jan. 1, 1907, and thereafter until terminated by three months' notice from either party.

Length of lines operated 238.56 miles. Gauge, 5 ft. 2½ in. Rail, 70, 80 and 90 lbs. steel, 9-in. girder.

CAPITAL STOCK

Authorized and outstanding, $17,000,000 Common and $3,000,000 Pfd.; par, $50. All the Common and $2,949,950 of Pfd. owned by the Pittsburgh Rys. Co., and $3,350 Pfd. owned by Philadelphia Co.

Preferred Stock Provisions—The Preferred stock is entitled to dividends at the rate of 5% per annum, which shall at all times be paid, if earned, in preference and priority to

the payment of any dividends on the Common stock. It is entitled, in addition, to share equally with Common in surplus profits in each and every year after the Common stock shall have received dividends at the rate of 6% per annum for such year.

Listed (Both Classes)—Philadelphia Stock Exchange. The Pfd. stock also listed on Pittsburgh Stock Exchange.

Annual Meeting—Second Monday in October.

Dividends—Dividends on Pfd. were paid at the rate of 5% until and including July, 1914; none since; Common has received 1% per annum from 1903 to 1911; ¾% in 1912; none since.

FUNDED DEBT

(1)

$1,346,000 PITTSBURGH, ALLEGHENY & MANCHESTER TRACTION CO. FIRST MORTGAGE 5s; DUE OCTOBER 1, 1930

Dated 1890.

Interest Payable April and October 1, at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Secured by pledge of following stocks: Pittsburgh, Allegheny & Manchester Passenger Ry., 6,360 shares; Pittsburgh Union Passenger Ry., 1,990 shares. Company pays Normal Federal Income Tax up to 2%.

(2)

$392,000 SECOND AVENUE TRACTION CO. GOLD 5s; DUE JULY 1, 1933

Dated 1893.

Interest Payable Jan. and July 1, at Colonial Trust Co., Pittsburgh, Pa. Pittsburgh Trust Co., Pittsburgh, Pa., Trustee. Secured by pledge of 10,057 shares Second Avenue Passenger Ry. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%.

(3)

$2,014,000 THE SECOND AVENUE TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1934

Dated December 1, 1894.

Interest Payable June and December 1, at Brown Bros. & Co., New York, and Alexander Brown & Sons, Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Maryland Trust Co., Baltimore.

Provisions of Issue—Authorized issue, $2,500,000. Of the unissued bonds sufficient are reserved to retire the $392,000 5s described in the preceding paragraph.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—Secured by mortgage on 65 miles of street railway in Pittsburgh and McKeesport, additionally secured by pledge of following stocks and bonds: Second Avenue Traction Co., 18,000 shares; Glenwood & Dravosburg Electric St. Ry., 1,080 shares; Glenwood Highway Bridge Co., 2,800 shares; McKeesport & Reynoldton Passenger Ry., 5,350 shares; Mckeesport & Reynoldton Passenger Ry., $170,000 first mortgage bonds; Second Avenue Traction Co., $80,000 first mortgage bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State tax.

Original Offering—First publicly offered ($1,189,000) in 1895 at 97½ and interest.

Listed—Philadelphia and Baltimore Stock Exchanges.

(4)

$4,756,000 UNITED TRACTION CO. OF PITTSBURGH GENERAL GOLD 5s; DUE JULY 1, 1997

Dated July 1, 1897.

Interest Payable January and July 1, at Brown Bros. & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Maryland Trust Co., Baltimore.

Provisions of Issue—Authorized issue, $10,000,000, of which $5,196,000 are reserved to retire the divisional bonds described above.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—Secured by pledge of following stocks: Federal Street & Pleasant Valley Passenger Ry., 30,000 shares; Pittsburgh, Allegheny & Manchester Traction, 60,000 shares; also by pledge of $54,000 The Second Avenue Traction Co. first mortgage bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State tax.

Original Offering—First publicity offered ($4,000,000) in July, 1897, at 97½ and interest by Alex. Brown & Sons, Baltimore, and Brown Bros. & Co., New York, Phila., etc.

Listed—Philadelphia, Baltimore and Pittsburgh Stock Exchanges.

Price Range—	1927	1926	1925	1924
High	74½	65	51½	50
Low	65	63	51	50

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, E. W. Washabaugh, W. B. Carson, T. Fitzgerald, F. J. Holub, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

ALLEGHENY, BELLEVUE & PERRYSVILLE RAILWAY

(Leased to United Traction Company of Pittsburgh)

History—Incorporated Feb. 8, 1905, in Pa. Leased to the United Traction Co. for 995 years, from March 1 of that year, at a rental of 10% on the stock. Line of road, Allegheny via Westview to Bellevue, Pa., 16.5897 miles. Gauge, 5 ft. 2½ in.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $50. All owned by Pittsburgh Rys.

FUNDED DEBT

$500,000 (entire issue) First Gold 5s; April 1, 1905; due April 1, 1935; April and October 1, at company's office, and at Brown Bros. & Co., New York and Philadelphia. Coupon, $1,000; principal may be registered. Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee. Guaranteed, principal and interest, by Philadelphia Co. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, W. B. Carson, T. Fitzgerald, E W. Washabaugh, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

BEN AVON & EMSWORTH STREET RAILWAY

(Leased to United Traction Company of Pittsburgh)

History—Inc. June 17, 1903, in Pa. Leased to United Traction Co. of Pittsburgh for 995 years, from April 1, 1906, at rental of 5% on stock. Operates 5.1588 miles of track. Gauge, 5 ft. 2½ in.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50; all owned by Pittsburgh Rys. Co.

FUNDED DEBT

(1)

$300,000 (entire issue) First Gold 5s; dated April 2, 1906; due April 1, 1936; int. April and October 1, at company's office. Coupon, $1,000. Fidelity Title & Trust Co., Pittsburgh, Trustee. Guaranteed principal and interest, by Philadelphia Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$79,000 Second 5s; dated Dec. 1, 1913; **due Dec. 1, 1943;** int. June and Dec. 1, at company's office, and at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Authorized issue, $100,000. Issued bonds are all owned by Pittsburgh Rys. Co. Subject to call at 102 and interest upon 10 weeks' notice.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh.

Directors: A. W. Robertson, W. B. Carson, E. W. Washabaugh, T. Fitzgerald, F. J. Holub, Pittsburgh.

Office, Pittsburgh, Pa.

EAST McKEESPORT STREET RAILWAY

(Leased to United Traction Company of Pittsburgh)

History—Incorporated June 26, 1899, under the laws of Pennsylvania. Company was leased on Jan. 1, 1902, to the United Traction Co., of Pittsburgh, operated since that date by the Pittsburgh Rys. Co. Total track 8.27 miles. Gauge, 5 ft. 2½in. Rails, 90 lb. T.

CAPITAL STOCK

Authorized and outstanding, $250,000; par, $50. All owned by Pittsburgh Rys. Co. Annual meeting, second Monday in January.

FUNDED DEBT

$250,000 First Gold 5s; dated Dec. 1, 1899; due Dec. 1, 1929; int. June and Dec. 1, at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%.

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, F. J. Holub, W. B. Carson, E. W. Washabaugh, T. Fitzgerald, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

FEDERAL STREET & PLEASANT VALLEY PASSENGER RAILWAY

(Leased to United Traction Company of Pittsburgh)

History—Incorporated February 20, 1868 in Pennsylvania under a perpetual charter, and has since consolidated its various subsidiary companies. The North Side Traction Co., on July 20, 1896, leased the Federal Street & Pleasant Valley

Ry. for 950 years, assuming its debt, and agreeing to pay as rental, all taxes, rentals, etc., and also $70,000 per annum in cash, payable Jan. and July 15, equal to 5% on the $1,400,000 stock, of which it owned $750,000. Subsequently the North Side Traction Co. was absorbed by the United Traction Co. of Pittsburgh, which assumed the lease. Length of track, 32.723 miles. Gauge, 5ft. 2½ in. Rail, 45, 56 and 66 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $1,400,000; par, $25. The United Traction Co. of Pittsburgh, owns $750,000 of the stock. Annual meeting, second Tuesday in January.

FUNDED DEBT

(1)

$7,000 Allegheny & Bellevue Street Ry. First 5s; dated 1890; due Nov. 1, 1920; interest Jan. and July 1, at Fidelity Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(2)

$25,000 Allegheny Street Ry. First 5s; dated Nov. 1, 1890; due Nov. 1, 1920; interest Jan. and July 1, at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(3)

$1,000 Perry Street Ry. First 5s; dated 1890; due Nov. 1, 1920; interest Jan. and July 1, at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(4)

$34,000 Troy Hill Passenger Ry. First 5s; dated 1890; due Nov. 1, 1920; interest Jan and July 1, at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(5)

$73,000 Federal Street & Pleasant Valley Passenger Ry. General 5s; dated 1889; due July 1, 1919; interest payable Jan. and July 1, at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(6)

$1,092,000 Federal Street & Pleasant Valley Passenger Ry. Consolidated Gold 5s; dated May 1, 1892; due May 1, 1942; interest Jan. and July 1, at Fidelity Title & Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Authorized issue $1,250,000, of which $140,000 are reserved to retire the prior liens above, and $18,000 have been paid and cancelled. A lien on all property and franchises. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, W. B. Carson, F. J. Holub, A. J. Logan, T. Fitzgerald, E. W. Washabaugh, A. W. Stevenson, J. D. Callery, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

PITTSBURGH & BIRMINGHAM TRACTION COMPANY

(Leased to United Traction Company of Pittsburgh)

History—Incorporated Aug. 15, 1889, in Pa.; on Nov. 19, 1889, leased Pittsburgh & Birmingham Passenger Ry., including South Side Passenger Ry. Also leases the Pittsburgh Incline Plane, Mt. Oliver Incline Plane and Birmingham, Knoxville & Allentown Traction Co. In Aug., 1900, purchased the $400,000 capital stock of the West Liberty Street Ry. Co., and constructed a line to Mt. Lebanon. Also owns all the $300,000 stock of the Brownsville Avenue Ry. Co.

On Jan. 1, 1902, this company was leased for 900 years to the United Traction Co., which has agreed to pay all interest, taxes, etc., and also $150,300 annually as rental. Lease is guaranteed by Philadelphia Co. Total track, 29.8863 miles. Gauge, 5 ft. 2½ in. Rail, 90 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par, $50. Dividends at rate of 5% per annum paid from 1902 to Dec. 31, 1917; none in 1918; 7½% in 1919; 1920, 7½%, 5% per annum from 1921 to 1927, inclusive.

FUNDED DEBT

(1)

$465,000 Birmingham, Knoxville & Allentown Traction Co. First 6s; dated 1891; due Sept. 1, 1931; interest March and Sept. 1, at Co.'s office. Coupon, $1,000; principal may be registered. Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Secured by pledge of following stocks; Birmingham St. Ry., 1,980 shares; Hill Top Ry., 340 shares; Mt. Oliver Incline Ry., 1,213 shares; Birmingham, Knoxville & Allentown Traction, 19,980 shares. Interest is guaranteed by Pittsburgh & Birmingham Traction Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$300,000 Brownsville Avenue Street Ry. First 5s; dated 1896; due August 1, 1926; interest Feb. and Aug. 1, at Co.'s depository. Coupon, $1,000; principal may be registered. Guaranteed by Pittsburgh & Birmingham Traction Co. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(3)

$1,500,000 Pittsburgh & Birmingham Traction Co. (entire issue) First Gold 5s; dated Nov. 1, 1889; due Nov. 1, 1929; interest May and Nov. 1, at Co.'s office. Coupon, $1,000 principal may be registered. Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Guaranteed as to interest under lease to United Traction Co. Secured by pledges of 39,655 shares Pittsburgh & Birmingham Passenger Ry. stock. Listed on Pittsburgh Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

(4)

$10,000 The South Side Passenger Ry. Co. First 5s; dated Oct. 1, 1913; due Oct. 1, 1953; interest April and October 1, at Colonial Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered.

(5)

$400,000 West Liberty Street Ry. First Gold 5s; dated July 1, 1900; due July 1, 1930; interest Jan. and July 1, at Mellon National Bank, Pittsburgh. Coupon, $1,000; principal may be registered. Pittsburgh Trust Co., Trustee. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: W. L. Mellon, Pres.; H. A. Phillips, V-P.; Geo. S. Davison, Sec.; R. B. Mellon, Treas., Pittsburgh, Pa.

Directors: George S. Davison, H. A. Phillips, C. T. Marsh, A. W. Mellon, R. B. Mellon, W. L. Mellon, W. S. Mitchell, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

PITTSBURGH & CHARLEROI STREET RAILWAY

(Leased to United Traction Company of Pittsburgh)

History—Incorp. April 4, 1901, in Pa. Acquired the Charleroi & West Side Ry. Co. Leased to United Traction Co. of Pittsburgh for 900 years from May 15, 1902, at rental of $1,000 per annum. Line of road, Pittsburgh to Allenport, Pa., via Castle Shannon, Finleyville, Monongahela City and Charleroi, Pa., 43.6917 miles.

CAPITAL STOCK

Authorized and outstanding, $2,500,000; par, $50. All owned by Pittsburgh Rys. Co.

FUNDED DEBT

(1)

$51,000 Charleroi & West Side Street Ry. 5s; dated Sept. 1, 1899; due Sept. 1, 1919; extended to Sept., 1921, at 6%; int. March and Sept. 1. Coupon, $1,000. Union Trust Co., Pittsburgh, Trustee. Company pays Normal Federal Income Tax up to 2%. These bonds were not paid at maturity, but interest is being regularly paid.

(2)

$2,431,000 Pittsburgh & Charleroi Street Ry. First Gold 5s; dated May 1, 1902; due May 1, 1932; int. May and Nov. 1, at Union Trust Co., Pittsburgh, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $2,500,000, of which $51,000 are reserved to retire a like amount of Charleroi & West Side 5s ,and $18,000 have been paid and cancelled. Guaranteed, principal and interest, by United Traction Co. and Philadelphia Company. A lien on all property and franchises. First publicly offered in May, 1902, at 105 and int. Company pays Normal Federal Income Tax up to 2%.

(3)

$522,000 Pittsburgh and Charleroi Street Ry., Second 5s; dated Dec. 1, 1913; due Dec. 1, 1943, int. June and Dec. 1, at Company's office and Union Trust Co., Pittsburgh, Trustee. Coupon, $1,000. Authorized issue, $1,000,000. Issued bonds are all owned by Pittsburgh Rys. Co. Subject to call at 102 and interest upon 10 weeks' notice.

OFFICERS AND DIRECTORS

Officers: A. W. Robertson, Pres.; T. Fitzgerald, V-P.; W. B. Carson, Sec; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, W. B. Carson, T. Fitzgerald, E. W. Washabaugh, F. J. Holub, Pittsburgh, Pa.

Office, Pittsburgh, Pa.

MT. OLIVER INCLINE RAILWAY

(Leased to Pittsburgh & Birmingham Traction Company)

History—Incorporated July 3, 1873, in Pa. Leased to the Birmingham Street Ry. Co., Sept. 23, 1891; lease assumed by the Pittsburgh & Birmingham Traction Co., and subsequently by Pittsburgh Rys. Total track, 0.60 mile. Gauge, standard and 5 ft. 2½ in. Rail, 45 and 60 lbs. T.

CAPITAL STOCK

$100,000; par, $50. The Pittsburgh & Birmingham Traction Co. owns $60,500 of the stock.

FUNDED DEBT

$41,500 Gold 6s; dated May 1, 1914; due May 1, 1954; int. May and Nov. 1, at Colonial Trust Co., Pittsburgh, Trustee. Company pays Normal Federal Income Tax up to 2%.

Officers: W. L. Mellon, Pres.; Geo. S. Davison, Sec.; R. B. Mellon, Treas., Pittsburgh, Pa.

Office, Pittsburgh, Pa.

PITTSBURGH INCLINE PLANE COMPANY

(Leased to Pittsburgh & Birmingham Traction Company)

History—Incorporated April 29, 1889, under the laws of Pennsylvania; duration of charter, perpetual. Leased to Pittsburgh & Birmingham Traction Co. on Nov. 1, 1891, for 999 years at an annual guaranteed rental of 10% on stock and interest on bonds. Road extends from Forty Hill, Pittsburgh, on Bradford St. to Washington Ave. at top of hill, 1 mile. Gauge, 9 ft. Rail, 60 lb. T.

CAPITAL STOCK

$150,000; par, $100, full paid. Annual meeting, June 1.

FUNDED DEBT

(1)

$150,000 First Mortgage Gold 6s; dated 1889; due July 1, 1919; int. Jan. and July 1, at Co.'s office. Coupon, $1,000; principal may be registered. J. Henry Livingston, Philadelphia, Trustee. The Philadelphia Co. owns all these bonds. Company pays Normal Federal Income Tax up to 2%.

(2)

$100,000 Second Mortgage Gold 6s; dated 1890; due June 1, 1910; int. June and December 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. The Philadelphia Co. owns all of these bonds.

Officers: Wm. D. Grimes, Pres.; M. B. Holland, Treas.; J. P. Caufield, Sec., Pittsburgh, Pa.

Office, Pittsburgh, Pa.

DUQUESNE LIGHT COMPANY

(Controlled by Philadelphia Company)

History and Properties—Incorporated Aug. 5, 1903, in Pa., and operates under perpetual franchise. On Nov. 25, 1912, the Monongahela Light Co. and the Oakmont & Verona Light, Heat & Power Co. were consolidated and merged with the Duquesne Light Co. under the name Duquesne Light Co. During 1913, the Pittsburgh City Light & Power Co. was merged. Acquired all the property and franchises of Diamond Light & Power Co., Feb. 28, 1921, and of Millvale Light Co., May 31, 1921. On July 27, 1921, the Duquesne Light Co. purchased all the capital stock of the Cheswick Power Co. and of the Equitable Coal & Coke Co. from the Philadelphia Company; and on the same date also purchased all the property and franchises of said companies, at which time they ceased to exist. On Jan. 16, 1922, the Pittsburgh Beaver Light Co. sold all of its property and franchises to the Duquesne Light Co.; on June 13, 1922, the Pennsylvania Light and Power Co.; on Aug. 1, 1922, the Midland Electric Light & Power Co., and on Dec. 30, 1922, the Beaver County Light Co. were absorbed by the Duquesne Light Co. A number of smaller companies were also merged during 1922, 1923, 1924, 1925 and 1926.

During 1926 Duquesne Light Co. purchased the Oliver Estate Power Plant, the largest independent plant in the Pittsburgh Downtown District.

Control of The United Electric Light Company (see 1927 Manual, page 1401) which operated in the Wilmerding and Turtle Creek sections, was acquired toward the close of 1926 by interests associated with the Duquesne Company. On May 17, 1927, The United Electric Light Company was merged with the Duquesne Light Company, the latter company having purchased all of its properties, franchises and leaseholds. In 1927, The Allegheny County Light Company (see 1927 Manual, page 1395), Southern Heat, Light & Power Co. (see 1927 Manual, page 1395) and Sewickley Light, Heat & Power Co. were merged with the Duquesne Light Company, through purchase of all of their properties, franchises and leaseholds. Company owns all of the capital stock of Allegheny County Steam Heating Co., and through acquisition of The Allegheny County Light Co. in 1927, now leases directly the property of Monongahela Light & Power Co.

The Duquesne Light Co. purchases energy from the West Penn Power Co. by means of the 132,000-volt line which connects their Springdale station with the Colfax station of the Duquesne Company. In addition to the West Penn interconnection, the Duquesne Company has constructed the necessary substation and line equipment to provide a 66,000-volt inter-connection with The Pennsylvania-Ohio Power & Light Co. This inter-connection provides the customers of both companies with an additional guaranty of continuous service in case of emergency.

Properties—The properties include 3 power plants of an aggregate capacity of 384,000 kilowatts. Current of the Duquesne Light Co. system is distributed through 214 sub-stations (not including seven which are used exclusively to "step up" the voltage for the transmission lines), 21,402 miles of distribution and 932 miles of transmission lines. A large part of Pittsburgh is served by underground lines, the Duquesne system having altogether 132 miles of underground subway. There are now in service 293,593 meters and current is being supplied to 274,690 customers.

Principal generating stations are Colfax with an installed capacity of 262,500 k.w. and Brunot Island of 116,500 k.w. capacity. Colfax ranks as one of the most important power stations in the country and is unusually well located for a plant of such magnitude. It is situated on the Allegheny River within 16 miles of the business center of Pittsburgh and within 1½ miles of a mine from which its entire fuel requirements are available. This mine, owned by the Company, is operated by an affiliated company and connected with the plant by a railroad owned and operated by another affiliated company. The mine with equipment recently installed has a developed output capacity of 4,000 tons per day and a content found by survey to be in excess of 25,000,000 tons of high thermal value coal. Colfax is designed for an ultimate capacity of 400,000 horsepower. To supply the constantly growing demands for electric energy two additional generating units aggregating 80,000 kilo-

Orders executed in the securities of
DUQUESNE LIGHT COMPANY
Our Statistical Department will furnish complete information on application
25 BROAD STREET NEW YORK
HAYDEN, STONE & CO.
Members New York and Boston Stock Exchanges
87 MILK STREET BOSTON

watts capacity were constructed at Colfax and placed in operation during the year 1927. Brunot Island plant is on an island owned by the Company in the Ohio River at practically the center of Pittsburgh's most active manufacturing district. At both of these plants ample water for condensing purposes is assured and facilities are provided for receiving fuel by rail, and by water in equipment owned and operated by an affiliated company. The plants are interconnected by a 75 mile steel tower high tension transmission ring serving the Pittsburgh district.

Business—The Company does all the electric light and power business in the City of Pittsburgh. It also supplies substantially all the electric light and power service in the surrounding Boroughs and in the greater parts of Allegheny and Beaver counties, Pa. Population served is over 1,360,000 and area approximately 1,000 square miles. On Jan. 1, 1913, the Company entered into a 50-year contract to furnish the Pittsburgh Railways Co. with all of its requirements of electrical energy. Also furnishes electric street lighting service to the City of Pittsburgh.

Franchises—Franchises, with minor exceptions, are unlimited in time or for 999-year periods.

ELECTRIC LIGHT AND POWER STATISTICS, DEC. 31

	1927	1926	1925	1924	1923	1922
Power station generating capacity, k.w.	384,000	317,500	324,900	294,900	267,150	272,950
Miles of distribution lines	21,401.07	19,018.6	17,266.9	15,358.9	11,893.5	10,225
Miles of transmission lines	932.0	908.2	852.7	*739.8	959.3	939.86
Miles of underground subway	132	120.7	108.31	103.66	93.46	83.74
Number of meters	293,593	264,266	242,048	214,754	187,654	165,186
Connected customers	274,690	248,307	229,487	207,792	182,848	159,770
Number of arc lamps supplied	2,751	2,837	2,916	3,174	5,346	5,527
Tungsten lamps supplied	28,982	28,683	23,872	22,335	19,001	17,506
Output in k.w.h	1,328,526,578	1,332,000,000	1,227,967,150	1,073,737,420	1,046,618,770	845,227,690

*During the year a measurement of all the transmission lines was completed, and the revised length has been substituted for the length heretofore carried in the statistical records of the Company.

CAPITAL STOCK

Authorized, 4,000,000 shares Common of no par value and $120,000,000 First Pfd., par, $100; outstanding, 2,000,000 shares Common and $20,000,000 5% cumulative First Pfd.. All the Common stock is owned by Philadelphia Company and pledged under its 5% Secured Gold Bonds, Series "A," due Dec. 1, 1967.

Capital Stock Changes—At a stockholders meeting held March 10, 1928, stockholders approved the proposition to convert 250,000 shares of Participating Pfd. stock, par $100, into 1,000,000 shares of Common stock of no par value and to convert 250,000 shares of old Common stock of $100 par value into 1,000,000 shares Common of no par value, making a total of 2,000,000 shares Common of no par value outstanding. Stockholders also approved an increase in the number of Common shares authorized, from 2,000,000 to 4,000,000 shares. The authorized capital stock before these changes were made was $25,000,000 Common, $150,000,000 First Pfd. and $125,000,000 Participating Pfd., par of all classes, $100.

7% First Preferred Stock Called—All the outstanding 7% First Pfd. stock, Series "A," was called for redemption on March 15, 1928 at 115 and accrued dividends at Chase National Bank of New York.

First Preferred Stock Provisions—5% First Pfd. stock has preference as to dividends over every class of stock other than First Pfd. stock. In the event of any voluntary distribution of capital assets among stockholders (except in dissolution or liquidation) 5% First Pfd. is entitled to $110 per share and accrued dividends and no more, for which it has preference over all other classes of stock except First Pfd. stock; in case of involuntary distribution and in dissolution or liquidation, 5% First Pfd. is entitled to $100 per share and accrued dividends and no more.

Additional First Pfd. stock may be issued in series of varying characteristics, including dividend rate, redemption price and preference as to assets, ranking equally with the 5% cumulative First Pfd. stock; provided that additional First Pfd. stock may not be issued unless net income as defined in the provisions of the 5% cumulative First Pfd. stock, for 12 consecutive months ended not more than 90 days prior to the date on which it is proposed to issue the additional stock, has been equal to at least three times the annual dividend requirement on all First Pfd. stock then outstanding, including the amount about to be issued. While any of this 5% First Pfd. stock is outstanding, no stock can be created superior to it, and no stock can be created ranking equally with it except First Pfd. stock.

Except as required by the laws of Pennsylvania, the 5% First Pfd. stock will have no voting power on any question unless and only so long as dividends aggregating 5% shall have accrued and be unpaid upon it, in which case the holder of each share of this stock shall be entitled to one vote. The holders of First Pfd. stock are not entitled to subscribe for capital stock or for securities convertible into capital stock of this Company.

Callability—The 5% First Pfd. stock is subject to redemption as a whole or in part at any time upon 30 days' notice at $110 per share and accrued dividend.

Purpose of Issue—The proceeds from the sale of the 5% First Pfd. stock together with proceeds from sale at par of $5,000,000 Common and $15,000,000 Participating Pfd. 8% Series "A" of the Company to Philadelphia Company provided funds for the retirement of the $30,000,000 par value of 7% cumulative First Pfd. stock, Series "A," which was called for redemption, and for other corporate purposes.

Transfer Agents—George Borcino and T. J. Kerr, 111 Broadway, New York; K. B. Morweiser and E. Schlegel, 231 S. La Salle St., Chicago, and C. F. Gaut and C. H. Rickert, 435 Sixth Ave., Pittsburgh, Pa.

Registrars (5% First Pfd.)—The Chase National Bank of New York, Harris Trust and Savings Bank, Chicago, and The Union Trust Co., Pittsburgh.

Original Offering—First publicly offered ($20,000,000 5% cumulative First Pfd.) in Dec., 1927, at 97½ and interest to yield 5.12% by Ladenburg, Thalmann & Co., H. M. Byllesby & Co., Inc., Chase Securities Corp., Lee Higginson & Co., Hayden, Stone & Co., New York, etc., and Union Trust Co. of Pittsburgh, Pa.

Legal Opinion—Van Vorst, Siegel & Smith, New York (for the Bankers), and Reed, Smith, Shaw and

WE maintain trading markets in all active Public Utilities

Bank of NORTH AMERICA & TRUST COMPANY
Member Federal Reserve System
Capital & Surplus 10 Million Dollars
PHILADELPHIA
Telephone: Rittenhouse 1200

McClay, Pittsburgh, and Cummins, Roemer & Flynn, Chicago (for the Company).

Tax Provisions (5% First Pfd. stock)—Free from present Normal Federal Income Tax and Pennsylvania four mills personal property tax.

Listed (5% First Pfd.)—New York Stock Exchange.

Price Range—1927: High, 100; low, 97½.

Dividends—Initial quarterly dividend of 1¾% on Common (par $100) paid March 25, 1913; Sept., 1913, 1¾%; since then payments have been made monthly at rate of 7/12 of 1% to and including 1922; 1923 to 1927, inclusive, 2/3 of 1% monthly. In April, 1916, April, 1917, Oct., 1918, Sept., 1919 and Sept., 1920, extra dividends of 1% each were paid; Sept., 1921, 1% extra; Dec., 1921, ½% extra; 1922, 2% extra; 1923, 1% extra; 1925, 1926 and 1927, 2% extra each.

Dividends on 7% First Pfd. and 8% Participating Pfd., Series "A," regularly paid respectively to dates of redemption and conversion. Dividends on 5% First Pfd. are payable quarterly, J, A, J & O 15; initial quarterly payment of 1¼% was made April 16, 1928.

FUNDED DEBT

$65,000,000 FIRST MORTGAGE 4½% GOLD BONDS, SERIES "A" DUE APRIL 1, 1967

Dated April 1, 1927.

Interest Payable April and October 1, at office of Ladenburg, Thalmann & Co., New York, and also at office of H. M. Byllesby & Co., New York and Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Fully registered bonds in denominations of $1,000 and $5,000 and multiples thereof.

Trustee—The Union Trust Co. of Pittsburgh, Pa.

Registrars—The Union Trust Co. of Pittsburgh, Pa., and The Chase National Bank of New York, N. Y.

Provisions of Issue—Authorized, $100,000,000; issued, $65,000,000 Series "A" 4½s. Additional bonds of Series "A" or of other series of such dates, maturities, interest rates, redemption and other provisions, as may be determined by the Board of Directors of the Company at time of issue, may be issued only for 75% of the cost of additions and extensions to the properties of the Company, and par for par, for the refunding of bonds of any other series issued under the Mortgage, provided that none of the additional bonds may be issued unless net earnings for twelve consecutive months ended not more than ninety days prior to the application for issuance of bonds, have been equal to twice annual interest charges on all First Mortgage Gold bonds, then outstanding, including those about to be issued; all as defined in the Mortgage. The authorized amount may be increased from time to time by vote of the stockholders.

Purpose of Issue—Proceeds of $55,000,000 were used to provide funds for the retirement of $41,718,500 principal amount of First Mortgage and Collateral Trust Gold bonds, consisting of Series "A" 6% bonds in the amount of $31,718,500 and Series "B" 5½% bonds in the amount of $10,000,000 which were called for redemption on July 1, 1927, for additions and extensions to the property heretofore made and for other corporate purposes. Proceeds from the sale of the $10,000,000 additional bonds were used to reimburse the Company for expenditures for additions and extensions made to properties and for other corporate purposes.

Callability—Subject to call as a whole or in part on 60 days' notice, until and including April 1, 1931, at 105% and interest, the premium thereafter decreasing ½% for each 4 years or fraction thereof thereafter elapsed to and including April 1, 1966, the bonds being redeemable thereafter at 100% and interest.

Sinking Fund—None provided.

Maintenance and Renewal Fund—Company covenants that while bonds of Series "A" remain outstanding, an amount equal to at least 12½% of the gross earnings, as defined in the mortgage, will be expended after April 1, 1927 for maintenance, repairs, renewals and replacements, or, to the extent not so expended or pending such expenditures, either for extensions and additions not used as the basis for the issuance of bonds, or for the purchase, redemption and/or retirement of bonds.

Security—Secured by a direct first mortgage on all fixed property now owned or hereafter acquired by the Company. Company covenants in the mortgage that no fixed property shall be acquired by it subject to any lien prior to or on a parity with the mortgage securing these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from present Pennsylvania 4 mills tax. Company refunds Massachusetts income tax not exceeding 6% per annum upon application made as prescribed in the mortgage.

Legal Opinion—Van Vorst, Siegel & Smith, New York (for the Bankers) and Reed, Smith, Shaw & McClay, Pittsburg, and Cummins, Roemer & Flynn, Chicago (for the Company).

Legal for Savings Banks in Connecticut.

Original Offerings—First publicly offered ($55,000,000 Series "A" 4½s) in April, 1927, at 95 and interest to yield 4.78% by Ladenburg, Thalmann & Co., H. M. Byllesby & Co., First National Bank, New York, etc., Harris Trust & Savings Bank, Chicago, Lee, Higginson & Co. and Hayden, Stone & Co., Boston and The Union Trust Co. of Pittsburgh.

$10,000,000 additional bonds were offered in Oct., 1927, at 99 and interest to yield 4.77% by Ladenburg, Thalmann & Co., First National Bank, Harris, Forbes & Co., H. M. Byllesby & Co., Inc., Chase Securities Corp., Lee, Higginson & Co., and Hayden, Stone & Co., New York, etc.; Union Trust Co. of Pittsburgh, Pittsburgh; Harris, Forbes & Co., Boston; Harris Trust & Savings Bank, Chicago and Harris, Forbes & Co., Ltd., Montreal.

Listed—New York Stock Exchange.

Price Range—1927: High, 101⅛; low, 98⅞.

BONDS REDEEMED

$41,718,500 Duquesne Light Co. First Mortgage and Collateral Trust Gold bonds, consisting of $31,718,500 Series "A" 5½s, and $10,000,000 Series "B" 5½s, both issues due July 1, 1949, were called for redemption on July 1, 1927.

All of the United Electric Light Co. First Mortgage 6% Gold Bonds, Series "A," due Oct. 1, 1945, were called for redemption on Oct. 1, 1927 at 104¾ and interest at National Bank of Commerce in New York, New York.

INCOME AND PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	†1922
Gross earnings	$25,728,366	$24,209,334	$22,372,911	$20,339,750	$19,383,623	$16,928,746
Operating expenses	10,187,154	10,904,793	10,945,113	10,501,414	10,744,972	8,838,262
Taxes	1,813,929	2,067,500	1,356,099	1,026,592	659,942	459,553
Net earnings from electric properties	$13,727,282	$11,237,041	$10,071,699	$8,811,744	$7,978,709	$7,630,931
Net revenue from other operations	679,663	695,781	717,939	581,492	421,760	182,257
Other income	.....	.....	.....	.....	374,715	140,876
Gross income	$14,406,945	$11,932,822	$10,789,638	$9,393,236	$8,775,184	$7,954,064

INCOME AND PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

Income Charges—	1927	1926	1925	1924	1923	†1922
Rent for lease of electric properties	$200,909	$200,909	$206,867	$226,480	$241,203	$243,280
Interest on funded debt	2,573,190	2,457,310	2,457,262	2,295,246	2,279,577	2,272,754
Interest on unfunded debt	70,606	16,583	12,358	14,455	58,131	15,758
Miscellaneous	721	240	.....	.....	.....	489
Total	$2,845,427	$2,675,042	$2,676,487	$2,536,181	$2,578,911	$2,533,281
Less interest charged to construction	400,940	.....	.....	.....	.....	.....
Net income charges	$2,444,487	.....	.....	.....	.....	.....
Net income before appropriations	$11,962,458	$9,257,780	$8,113,151	$6,587,055	$6,196,273	$5,420,783
Appropriations—						
Retirement (depreciation) reserve	$2,055,280	$1,455,565	$1,344,459	$1,225,959	$1,188,229	$1,031,704
Amortization of debt discount & expense	165,541	125,682	125,682	118,216	128,320	156,345
Other reserve funds	700,000	700,000	.....	.....	.....	.....
Total	$2,920,821	$2,281,247	$1,470,141	$1,344,175	$1,316,549	$1,188,049
Net income for year	9,041,637	6,976,533	6,643,010	5,512,880	4,879,724	4,232,734
Surplus forward	*6,912,704	5,516,718	4,028,537	4,454,778	6,542,461	5,089,674
Additions to surplus	160,425	126,367	99,478	181,522	25,878	19,984
Gross surplus	$16,114,766	$12,619,617	$10,771,025	$10,149,180	$11,448,063	$9,342,392
Deductions from surplus:						
Dividends on Pfd. stock	$3,266,667	$3,100,000	$3,100,000	$2,219,167	$1,362,497	$373,882
Dividends on Common stock	2,000,000	2,000,000	2,000,000	‡3,567,560	1,640,340	1,640,340
Rent of property, prior to Jan. 1, 1922	.....	.....	.....	.....	.....	33,333
Loss on property and equipment sold	.....	.....	.....	.....	288,607	662,152
Premium on debt retired	.....	.....	.....	.....	663,829	.....
Premium on Preferred stock retired	.....	.....	.....	.....	760,549	.....
Amortization of debt discount and expense	.....	.....	.....	.....	728,652	.....
Expenses in connection with issue and sale of Pfd. stocks	.....	.....	.....	207,500	1,403,285	.....
Miscellaneous	264,495	352,747	154,307	126,416	145,526	90,224
Surplus as per balance sheet	$10,583,604	$7,166,870	$5,516,718	$4,028,537	$4,454,778	$6,542,461
**Times All Interest Earned	§4.7	3.84	3.69	3.38	3.14	2.85
Earnings Per Share—						
7% First Preferred	¶$45.20	$23.25	$22.14	$18.38	$32.53	*§$80.57
8% Part. Preferred	¶27.77	48.76	45.43	34.10	*†38.29	
Common	¶23.10	19.38	17.71	13.06	*‡16.62	21.17

*After deducting $254,167 dividends applicable to prior years. †The 1922 accounts were consolidated accounts, including the operations of the Duquesne Light Co., Beaver County Light Co., Cheswick Power Co., Pennsylvania Light & Power Co., and Midland Electric Light & Power Co. During 1922 these companies sold their properties to the Duquesne Light Co. and their corporate identity ceased to exist. ‡Includes stock dividend, $1,774,000; cash, $1,793,560. §Times income charges earned. **After deducting rents, amortization, depreciation, etc. *†After allowing full rate of 7%. *‡After allowing full rate of 8%. *§Only one class of Preferred outstanding in 1922. ¶The earnings per share for First Pfd. is on 5% First Pfd. based on 200,000 shares outstanding. The earnings per share on Participating Pfd. is based on 250,000 shares outstanding, after allowing for full dividends of 7% on the $30,000,000 7% First Pfd. stock previously outstanding. The earnings per share on Common stock is based on 250,000 shares (par $100) after allowing for dividends of $3,266,667 on the Pfd. stocks. The earnings per share on the Common stock as presently outstanding (2,000,000 shares of no par value) after allowing for dividends of 5% on the present outstanding $20,000,000 5% First Pfd. were $4.02 per share.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$142,574,980	$85,191,381	$76,663,496	$69,341,393	$54,299,298	$52,115,486
Construction work in progress	2,235,400	5,476,560	4,977,838	4,195,875	5,561,917	.....
Stocks and bonds of other companies	2,430,000	11,526,912	11,527,413	11,200,927	10,096,912	10,101,912
U. S. Treasury Certificates	.....	.....	3,000,000	3,000,000	.....	.....
Property used in other public services	.....	106,652	.....	.....	1,866	2,766
Other investments	6,027,986	4,811,838	4,780,434	4,357,207	3,905,935	3,774,769
Reacquired 7% Pfd. stock	.....	.....	.....	.....	.....	509,900
Sinking fund assets	.....	41,500	4,650	650	7,350	106,800
Special deposits	23,496	2,249,514	3,261,412	1,265,727	1,140,154	3,746,973
Due from affiliated cos.	1,593,767	1,705,773	1,598,620	1,673,837	1,660,472	1,746,149
Cash	6,227,656	2,160,735	4,190,503	13,279,272	6,107,820	1,887,991
Notes receivable	.....	.....	.....	.....	.....	2,939
Accounts receivable	1,633,831	1,665,369	1,683,229	1,692,397	1,666,950	1,509,962
Materials and supplies	2,554,902	2,816,007	2,314,216	2,699,225	2,486,261	1,795,073
Unexpired insurance	.....	.....	.....	.....	.....	54,655
Prepaid items	265,166	159,326	152,244	177,545	125,031	15,036
Unamortized debt disc. and expense	5,591,312	2,827,846	2,953,528	3,079,210	2,557,517	3,414,489
Other deferred accts.	433,754	500,303	739,280	904,356	449,236	402,158
Total	$171,592,250	$121,239,715	$117,846,863	$116,867,622	$90,066,719	$81,187,057
Liabilities—						
Common stock	$25,000,000	$20,000,000	$20,000,000	$20,000,000	$18,226,000	$18,226,000
First 7% Pfd. stock	.....	30,000,000	30,000,000	30,000,000	15,000,000	5,763,300
First 5% Pfd. stock	20,000,000	.....	.....	.....	.....	.....
Participating 8% Pfd.	25,000,000	10,000,000	10,000,000	10,000,000	10,000,000	.....
Premium on capital stock	700,000	850,000	850,000	850,000	700,000	.....
Funded debt	65,000,000	41,788,500	41,788,500	41,738,500	31,728,750	41,749,000
Obligations called for redemption	.....	2,800	11,300	15,400	152,900	.....
Affiliated cos.—accounts payable	650,428	359,082	263,605	446,610	972,009	397,406
Accounts payable	1,379,107	1,150,296	992,229	1,603,980	1,321,469	1,114,646
Workmen's compensation	75,609	63,645	59,187	48,666	59,323	55,654
Consumers' deposits	441,073	424,222	387,159	357,920	312,202	267,063
Service billed in adv.	128,792	134,002	146,668	110,791	103,268	107,540
Accrued taxes	2,065,885	1,649,784	1,101,232	764,733	607,479	581,884
Accrued rentals	7,083	7,083	7,083	7,083	7,083	7,083
Accrued int. on funded debt	731,250	1,228,433	1,228,433	1,226,995	951,637	1,326,894
Accrued int. on unfunded debt	9,047	8,593	4,375	4,375	.....	.....
Accrued dividends	.....	32	180	234	1,110	91,934
Unadjusted credits	278,679	260,980	294,968	363,438	337,497	324,770
Reserves for depreciation	4,072,010	4,817,625	4,618,334	4,750,372	4,648,068	4,175,939
Reserve arising from revaluation of property	9,782,748	.....	.....	.....	.....	.....
Other reserves	1,400,000	700,000	.....	.....	.....	.....
Surplus invested in fixed capital after Jan. 1, 1919	765,486	627,767	576,892	531,986	483,146	455,482
Surplus arising from revaluation of property	3,521,449	.....	.....	.....	.....	.....
Surplus	10,583,604	7,166,870	5,516,718	4,028,537	4,454,778	6,542,461
Total	$171,592,250	$121,239,715	$117,846,863	$116,867,622	$90,066,719	$81,187,057

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash	$6,227,656	$2,160,735	$4,190,503	$13,279,272	$6,107,820	$1,887,991
Notes receivable	.....	.....	.....	.....	.....	2,939
Accounts receivable	1,633,832	2,138,320	1,683,229	1,692,397	1,666,950	1,672,789
Materials and supplies	2,554,902	2,816,007	2,314,216	2,699,225	2,486,261	1,795,073
Temporary loans	.....	.....	.....	.....	300,000	350,500
U. S. Obligations	.....	.....	3,000,000	3,000,000	.....	.....
Total	$10,416,390	$7,115,062	$11,187,948	$20,670,894	$10,561,031	$5,709,292
Current Liabilities—						
Accounts payable	$1,379,106	$1,509,378	$992,229	$1,603,980	$1,321,469	$1,512,052
Workmen's compensation	75,609	63,645	59,187	48,666	59,323	55,654
Consumers' deposits	441,073	424,222	387,159	357,920	312,202	267,063
Service billed in adv.	128,792	134,002	146,668	110,791	103,268	107,540
Accrued taxes and rentals	2,072,968	1,656,867	1,108,315	771,816	614,562	588,967
Accrued int. on funded debt	731,250	1,228,433	1,228,433	1,226,995	951,637	1,326,894
Accrued int. on unfunded debt	9,047	8,593	4,375	4,375	.....	.....
Accrued dividends	.....	32	180	234	1,110	91,934
Total	$4,837,845	$5,025,172	$3,926,546	$4,124,777	$3,363,571	$3,950,104
Net Working Capital	$5,578,545	$2,089,890	$7,261,402	$16,546,117	$7,197,460	$1,759,188

Officers: A. W. Robertson, Pres.; Frank R. Phillips, V-P. & Gen. Mgr.; Robert J. Graf, V-P.; B. W. Lynch, V-P.; W. B. Carson, Sec.; E. W. Washabaugh, Asst. Sec.; C. J. Braun, Jr., Treas.; J. W. Murray, Asst. Treas.; C. S. Mitchell, Compt.; Frank B. Saunders, Gen. Aud., Pittsburgh; Merrill E. Skinner, Commercial Mgr.; Edward W. Judy, Operating Mgr.; Edmund C. Stone, System Dev. Mgr.

Directors: Moritz Rosenthal, Chairman of the Board; James D. Callery, H. C. McEldowney, M. B. Starring, Walter T. Rosen, Benjamin S. Guinness, Joseph H. Briggs, Halford Erickson, Harry W. Fuller, Robert J. Graf, Robert G. Hunt, Bernard W. Lynch, Matthew A. Morrison, F. Mortimer Newlin, John J. O'Brien, Andrew W. Robertson.

General Office, 435 Sixth Ave., Pittsburgh, Pa.

MONONGAHELA LIGHT & POWER COMPANY

(Leased to Duquesne Light Company)

History—Incorporated April 28, 1899, in Pennsylvania. On Jan. 1, 1902, the property of this company was leased to the Allegheny County Light Co. for 900 years, lessee paying operating expenses, taxes and interest on $1,700,000 5% outstanding bonds, and an annual rental of $85,300, equivalent to 5% on the outstanding $1,700,000 capital stock. On Dec. 31, 1912, sub-leased to Duquesne Light Co. In 1927 the Allegheny County Light Company sold all its property, franchises and leaseholds (including its lease of the Monongahela Light and Power Co.) to the Duquesne Light Co.

CAPITAL STOCK

Authorized and outstanding, $1,700,000; par, $50. Dividends of 5% per annum are paid under the lease, semi-annually, J & J, at company, office. Listed on Pittsburgh Stock Exchange.

FUNDED DEBT

$1,700,000 (entire issue) First Gold 5s; dated June 1, 1899; due June 1, 1949; int. June and Dec 1, at Mellon National Bank, Pittsburgh. Coupon, $1,000; principal may be registered. Union Trust Co., Pittsburgh, Trustee. A first lien on entire property of the company. Listed on Pittsburgh Stock Exchange. Company pays Normal Federal Income Tax up to 2%.

Officers: R. B. Mellon, Pres.; W. L. Mellon, V-P.; Geo. S. Davison, Sec.; W. S. Mitchell, Treas., Pittsburgh, Pa.
General Office, 514 Smithfield St., Pittsburgh, Pa.

ALLEGHENY COUNTY STEAM HEATING COMPANY

(Controlled by Duquesne Light Company)

History, Etc.—Incorporated September 13, 1912, under the laws of Pennsylvania. Supplies steam service to the Downtown District of Pittsburgh and was established primarily to supplement the electric service of the Duquesne Light Co. No. of customers, 202. Steam generating plants, 2. Capacity of plants, 8,829 h.p. Subway, 6,274 ft. Steam lines, 31,493 ft.

SALES OF STEAM, YEARS ENDED DECEMBER 31

1923	608,668,000 lbs.	1926	797,169,000 lbs.
1924	726,805,000 lbs.	1927	900,072,000 lbs.
1925	767,869,000 lbs.		

CAPITAL STOCK

Authorized, $4,000,000; outstanding, $2,500,000; par, $50. All owned by Duquesne Light Co. Annual meeting, second Monday in Sept.
Dividends—1924, 2.94%; 1925, 2%; 1926, 2%; 1927, 4%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$890,539	$744,603	$650,031
Oper. exp. and taxes	531,346	457,782	*452,585
Net earnings	$359,193	$286,821	$197,446
Other income (net)	34,748	51,012	3,157
Total income	$393,941	$337,833	$200,603
Rentals	17,483	14,968	62,687
Interest & discount (net)	†11,858	2,090	370
Total charges	$5,625	$17,058	$63,057
Surplus after charges	$388,316	$320,775	$137,546
Approp. for depreciation	118,642	100,019	.....
Dividends	100,000	50,000	50,000
Surplus for year	$169,674	$170,756	$87,546

*Includes depreciation. †Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$3,918,365	$3,066,696	$2,692,877
Property used in other public services	.....	25,430	.....
Construct. work in progress	15,476	73,732	69,424
Affil. cos.—accts. receiv.	18,790	11,107	3,911
Cash	12,674	48,297	192,347
Accounts receivable	129,767	133,112	103,421
Materials and supplies	10,812	3,072	1,600
Prepaid accounts	72,676	78,769	82,596
Deferred charges	324,365	94,707	87,122
Total	$4,502,925	$3,534,922	$3,233,298

Liabilities—	1927	1926	1925
Capital stock	$2,500,000	$2,500,000	$2,500,000
Affil. cos.—accts. pay.	41,450	7,165	22,442
Affil. cos.—temporary loans	675,000	50,000	.....
Accounts payable	61,566	41,699	24,702
Consumers' deposits	1,111	1,019	1,054
Workmen's compensation	.....	5,000	5,000
Taxes accrued	98,198	79,831	74,828
Rentals accrued	.....	148	148
Interest accrued	22	24	.....
Deferred credit	23,195	24,861	28,824
Reserve for depreciation	461,766	358,431	272,103
Surplus invested in fixed capital after Jan. 1, 1920	7,066	7,066	7,066
Surplus	633,551	459,678	297,131
Total	$4,502,925	$3,534,922	$3,233,298

Officers: A. W. Robertson, Pres.; F. R. Phillips V-P. & Gen. Mgr.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, F. J. Holub, W. B. Carson, F. R. Phillips, E. W. Washabaugh, Pittsburgh, Pa.
General Office, 435 6th Ave., Pittsburgh, Pa.

CONSOLIDATED GAS CO. OF THE CITY OF PITTSBURGH

(Controlled by Philadelphia Company)

History—Incorporated May 19, 1871, under the laws of Pennsylvania by a special Act of Legislature, May 19, 1871; re-chartered Feb. 15, 1895, under Act of April 29, 1874. On June 14, 1898, purchased all the franchises, rights, privileges and property of the Franklin Gas Co., by which it acquired exclusive franchise for supplying artificial gas for light to that portion of Pittsburgh lying between the Monongahela and Allegheny Rivers. On June 15, 1898, acquired franchises, rights, privileges and property of the Pittsburgh Gas Co., and East End Gas Co. In June, 1919, the operation of the property was discontinued. Subsequently all property of the Company was sold and the proceeds applied to the retirement of First Mortgage bonds, only $317,000 of which remain outstanding.

Purchase Approved—In Jan., 1924, the Pennsylvania Public Service Commission approved the purchase by the Company of the Wilkinsburg Gas Co.

Default—The Company defaulted in the payment of interest due Feb. 1, 1916, on its First Mortgage 5% bonds of 1898.

No proceedings against the Consolidated Gas Co. of the City of Pittsburgh on the default was taken, and the Philadelphia Company acquired the bonds through a bondholders' committee, on the basis of 18½ shares of 6% cumulative Pfd. stock of the Philadelphia Company for each $1,000 bond, and has acquired $4,991,000.

CAPITAL STOCK

Authorized, $4,000,000 Common and $2,500,000 Pfd.; issued: $4,000,000 Common and $2,000,000 Pfd.; par, $50. The entire $4,000,000 Common stock and $208,100 Pfd., is owned by the Philadelphia Co., which guarantees dividend of 4% per annum on the Pfd. stock. The $500,000 unissued Pfd. can only be used for the purpose of improvement to the plant of the Consolidated Gas Co.

Transfer Agent—Union Trust Co., Pittsburgh, Pa.

Registrar—Farmers' Deposit National Bank, Pittsburgh, Pa.

Listed (Pfd. Stock)—Pittsburgh Stock Exchange.

Dividends—Pfd. dividends regularly paid, semi-annually, Feb. and August 1. No dividends paid on Common stock since 1899.

FUNDED DEBT

$317,000 First Gold 5s; dated Feb. 1, 1898; due Feb. 1, 1948; int. Feb. and August 1, at office of Alexander Brown & Sons, Baltimore, Md., and Brown Bros. & Co., New York, N. Y. Coupon, $1,000; principal may be registered. Maryland Trust Co., Baltimore, Md., Trustee. There is no sinking fund and no provision for the redemption of these bonds. A first lien on entire properties, embracing entire gas manufacturing industries of Pittsburgh. Listed on Pittsburgh Stock Exchange. The Equitable Real Estate Co. (a subsidiary of the Philadelphia Company) owns $308,000 of the outstanding bonds. Company pays Normal Federal Income Tax up to 2%. Interest in default from and including Feb. 1, 1916.

Officers: A. W. Robertson, Pres.; W. B. Carson, V-P.; E. W. Washabaugh, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, A. W. Stevenson, W. B. Carson, E. W. Washabaugh, F. J. Holub, C. J. Braun, Jr., Pittsburgh, Pa.

Office, 435 Sixth Ave., Pittsburgh, Pa.

EQUITABLE GAS COMPANY

(Controlled by Philadelphia Company)

History—Incorporated Oct. 22, 1888, in Pa. Supplies natural gas to the city of Pittsburgh and vicinity. On Dec. 1, 1913, the transportation and service lines, regulating and pumping station, in fact what may be termed the natural gas operating plant and service of the Philadelphia Co., all located in the State of Pennsylvania were leased to the Equitable Gas Co. for a term of 35 years. On Jan. 1, 1923, the Philadelphia Co. leased all its natural gas leases and wells, drilled and to be drilled, to the Equitable Gas Co.

By deed dated Jan. 31, 1923, The Peoples Natural Gas & Pipeage Co. sold all its property and franchises to the Equitable Gas Co. and was dissolved early in 1923 (see 1922 Public Utility Manual, page 1360, or apply to our Information Department).

Supply—In order to reduce the cost of purchased gas to a minimum, the Byllesby interests inaugurated during 1926 an arrangement whereby approximately 1,000,000 acres of gas-bearing land will be made available for the production therefrom of natural gas, a share of which can be used to augment the supply to the Pittsburgh District. Thus will it be possible for the Equitable Company and Affiliated Companies to become more independent with respect to the necessity of purchasing from outside companies all of the gas which may be needed over and above their own production.

Consolidated Statistics (Equitable Gas Co. and Affiliated Natural Gas Companies)—Property consists of one gas holders with a capacity of 500,000 cu. ft.; 13 compressor stations with a capacity of 30,620 h.p. The manufactured gas plants have a daily capacity of 30,000,000 cu. ft. There are 335,777½ owned or leased acres of gas fields on which 1,781 gas wells are owned, 29 new producing wells being placed in operation during 1927. There are 3,800.67 miles of pipe line, of which 2,306.36 miles are transportation and field lines and 1,494.31 miles are distribution lines.

OTHER OPERATING DATA

	No. of Customers	Gas Sales
1923	158,446	32,725,951,111 cu. ft.
1924	162,023	28,304,734,900 cu. ft.
1925	166,514	27,396,934,400 cu. ft.
1926	169,807	28,524,999,000 cu. ft.
1927	172,976	25,366,660,600 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $3,300,000 Common; par, $100. The Philadelphia Co. owns $2,300,000 of the stock, and Pittsburgh and West Virginia Gas Co. the remaining $1,000,000. Annual meeting, first Monday in May.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Equitable Gas Co., Pittsburgh & West Virginia Gas Co., Eastern Union Gas Co., West Union Gas Co., Glenville Natural Gas Co., Mill Fork Oil & Gas Co. and The Philadelphia Co. of W. Va.)

(Inter-Company Items Eliminated)

	1927	1926	1925	1924	1923
Gross earnings	$13,248,237	$14,843,377	$14,196,892	$13,750,774	$14,568,903
Operating expenses	8,068,083	8,059,960	7,375,626	7,361,768	6,899,106
Depreciation	2,331,559	2,849,128	2,702,418	2,583,706	966,329
Taxes	340,772	490,437	411,923	571,415	270,659
Total oper. exps. & depreciation	$10,740,414	$11,399,525	$10,489,967	$10,516,889	$8,136,094
Net earnings after depreciation	$2,507,823	$3,443,852	$3,706,925	$3,233,886	$6,432,809
Net revenue from other operations	371,469	271,113	220,273	282,504	520,726
Gross income	$2,879,292	$3,714,965	$3,927,198	$3,516,390	$6,953,535

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

Deductions—	1927	1926	1925	1924	1923
Rent for lease of gas properties	$2,486,631	$2,574,806	$2,655,671	$2,731,290	$3,818,028
Interest on funded debt	.....	225	900	900	495
Other interest (net)	149,910	166,532	162,380	180,383	161,395
Dividends	505,000	760,000	650,232	1,308,260	2,320,050
Total deductions	$3,141,541	$3,501,563	$3,469,183	$4,220,833	$6,299,968
Surplus for year	*$262,249	$213,402	$458,015	*$704,443	$653,567
Previous surplus	1,902,172	1,719,920	1,347,932	2,040,081	1,369,641
Misc. add. to surplus (net)	†6.229	†31,150	.....	12,294	16,874
Surplus as per Balance Sheet	$1,633,694	$1,902,172	$1,805,947	$1,347,932	$2,040,081

*Deficit. †Deduction.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Net income for year ended Dec. 31, 1927 (before deducting dividend), $242,751; surplus, Jan. 1, 1927, $1,902,172; additions to surplus (net), $61,941—gross surplus, $2,206,864. Deductions: Pittsburgh & West Virginia Gas Co. Common dividends, $405,000; The Philadelphia Co. of West Virginia Common dividends, $100,000; miscellaneous (net), $68,170—total, $573,170. Surplus, Dec. 31, 1927, as per Balance Sheet, $1,633,694.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

(Equitable Gas Co., Pittsburgh & West Virginia Gas Co., Glenville Natural Gas Co., and The Philadelphia Co. of W. Va.)

(Inter-Company Items Eliminated)

Assets—	1927	1926	1925	1924	1923
Fixed capital	$19,804,349	$19,966,444	$18,583,690	$18,438,889	$18,121,813
Construction work in progress	24,753	112,592	.....	.....	.....
Reacquired securities of Equitable Gas Co.	.....	.....	.....	4,900	4,900
Investments	928,815	268,256	280,019	264,859	260,955
Affiliated cos. accounts receivable	783,406	2,650,893	213,606	659,122	1,245,260
Cash	919,990	1,008,970	3,315,084	916,682	511,816
Notes receivable	25	25,364	3,275	.....	2,500
Accounts receivable	1,068,202	1,366,967	1,148,510	1,062,677	1,058,234
Materials and supplies	638,493	652,898	502,618	635,456	759,083
Unsold gasoline	7,283	14,003	18,871	12,159	14,387
Prepaid accounts	95,754	31,213	22,807	32,425	20,691
Deferred accounts	288,877	371,582	111,659	70,751	67,392
Excess of book value over par value of Com. stk. elimn. herein	550,000	708,500	550,000	550,000	550,000
Total	$25,109,947	$27,177,682	$24,750,139	$22,647,919	$22,617,033
Liabilities—					
Capital Stocks:					
Equitable Gas Co.	$2,300,000	$2,300,000	$2,300,000	$2,300,000	$2,300,000
Pitts. & W. Va. Gas Co.	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
The Phila. Co. of W. Va.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Eastern Union Gas Co.	.....	60,000	.....	.....	.....
West Union Gas Co.	.....	100,000	.....	.....	.....
Glenville Nat. Gas Co.	100,000	100,000	.....	.....	.....
Equit. Gas Co. real estate mtge.	.....	.....	15,000	15,000	15,000
Accounts of affiliated companies	383,388	2,543,294	2,833,076	2,534,961	2,738,756
Workmen's compensation	14,445	17,159	21,207	27,115	11,215
Consumers' deposits	532,043	582,558	577,627	604,523	614,643
Accounts payable	1,409,922	998,969	734,678	670,984	796,803
Service billed in advance	69,143	61,064	56,595	39,817	21,668
Accrued taxes and interest	516,880	521,906	391,407	398,406	347,318
Deferred credits	32,283	14,003	20,296	12,319	15,137
Depreciation reserve	7,794,984	7,141,794	5,697,265	4,429,282	3,453,976
Other reserves	65,821	577,419	39,697	10,238	5,092
Invested surplus (The Phila. Co. of W. Va.)	3,257,343	3,257,343	3,257,344	3,257,343	3,257,343
Surplus	1,633,694	1,902,172	1,805,947	1,347,932	2,040,081
Total	$25,109,947	$27,177,682	$24,750,139	$22,647,919	$22,617,033

NOTE—The Equitable Gas Co. has an undetermined liability at Dec. 31, 1927, for property loss and personal injuries and damages in connection with an explosion of a gas holder in November, 1927.

Officers: Andrew W. Robertson, Pres.; R. J. Graf, V-P.; B. W. Lynch, V-P.; Alfred Hurlburt, V-P. & Gen. Mgr.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt.; E. W. Washabaugh, Asst. Sec.; J. W. Murray, Asst. Treas., Pittsburgh, Pa.

Directors: James D. Callery, Chrm.; R. J. Graf, Geo. S. Davison, Mason B. Starring, W. L. Monro, Andrew W. Robertson, Moritz Rosenthal.

General Office, 435 Sixth Ave., Pittsburgh, Pa.

PITTSBURGH & WEST VIRGINIA GAS COMPANY

(Controlled by Philadelphia Company)

History—Incorporated March 12, 1894, in W. Va., as the Fairmont & Grafton Gas Co., its name being changed to the present one on Oct. 22, 1913. Company is engaged in producing and selling natural gas. Owns 10,000 shares of Common stock of Equitable Gas Company. On July 31, 1914, leased for the term of 34 years all the property of the Philadelphia Co. of West Va., including its transportation lines, distribution lines, meters, compressing stations, gas rights, gas wells, telephone lines, leaseholds and real estate, at an annual rental of $100,000, payable semi-annually on Feb. 20 and Aug. 20 of each year.

During 1927 acquired 6,700 shares of 7% cumulative Second Pfd. stock of Kentucky West Virginia Gas Co. (see statement of Philadelphia Company).

CAPITAL STOCK

Authorized and outstanding, 240,000 shares of no par value. All owned by the Philadelphia Co. Dividends in 1926, $2.75 per share; in 1927, $1.68¾ per share. Annual meeting, third Wednesday in June.

Officers: A. W. Robertson, Pres.; A. Hurlburt, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.

Directors: A. W. Robertson, A. Hurlburt, E. W. Washabaugh, F. J. Holub, W. B. Carson, Pittsburgh, Pa.

Office, 435 6th Ave., Pittsburgh, Pa.

THE PHILADELPHIA COMPANY OF WEST VIRGINIA

(Leased to Pittsburgh & West Virginia Gas Company)

History—Incorporated September 26, 1895, under the laws of West Virginia for the purpose of producing, transporting and selling natural gas. Leased to the Pittsburgh & West Virginia Gas Co. on July 31, 1914, for the term of 34 years at an annual rental of $100,000, payable semi-annually Feb. 20 and Aug. 20 of each year.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $50. All owned by the Philadelphia Co. Paid dividends of 10% each in 1925, 1926 and 1927.

FUNDED DEBT

None.

Officers: A. W. Robertson, Pres.; W. B. Carson, V-P.; E. W. Washabaugh, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.
Directors: A. W. Robertson, E. W. Washabaugh, W. B. Carson, Pittsburgh, Pa.
General Office, 435 Sixth Ave., Pittsburgh, Pa.

PHILADELPHIA OIL COMPANY

(Controlled by Philadelphia Company)

History—Incorporated May 27, 1914, in W. Va., to take over and develop the oil production of the several companies in Pennsylvania and West Virginia. No. of wells owned at Dec. 31, 1927, 185, of which 2 producing wells drilled during the year. Oil sales (less royalties) in 1927 were 92,569 bbls., compared with 99,950 bbls. in 1926, 98,254 bbls. in 1925, and 121,383 bbls. in 1924. Average price per barrel received in 1927, $2.91.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $2,001,000; par, $50. All owned by Philadelphia Co.

Dividends—Dividends in 1916, 5%; 1917, 20%; 1918, 25%; 1919, 45%; 1920, 50%; 1921, 25%; 1922, 30%; 1923, 10%; 1924, 6%; 1925, 4%; 1926, 3%; 1927, 37½%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$320,309	$374,576	$359,948
Oper. exp. & taxes	145,608	190,995	182,369
Depreciation	54,694	58,158	60,470
Net earnings, after deprec.	$120,007	$125,423	$117,109
Other income	9,041	6,784	7,360
Gross income	$129,048	$132,207	$124,469
Interest on unfunded debt	.....	$329	.....
Common dividends	75,038	60,030	$80,040
Surplus after dividends	$54,010	$71,848	$44,429
Surplus beginning of year	498,846	488,964	487,156
Adds. or deductions from surplus (net)	988	*61,966	*42,621
Surplus at end of year	$551,868	$498,846	$488,964

*Deduction.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$2,600,522	$2,514,518	$2,453,057
Cash on hand	262,079	182,606	253,081
Affiliated cos.—accts. and loans receivable	5,696	62,293	1,790
Accounts receivable	13,356	13,116	13,714
Materials and supplies	14,010	10,661	15,680
Other assets	.....	.....	186
Prepaid accounts	970	1,318	1,955
Total	$2,896,633	$2,784,512	$2,739,463
Liabilities—			
Capital stock	$2,001,000	$2,001,000	$2,001,000
Affil. cos.—accts. payable	10,304	1,552	9,847
Accounts payable	6,286	10,311	8,398
Accrued taxes	33,727	33,814	23,109
Reserve for depreciation	293,448	238,989	208,145
Surplus	551,868	498,846	488,964
Total	$2,896,633	$2,784,512	$2,739,463

Officers: A. W. Robertson, Pres.; A. Hurlburt, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt., Pittsburgh, Pa.
Directors: A. W. Robertson, A. Hurlburt, W. B. Carson, E. W. Washabaugh, F. J. Holub, Pittsburgh, Pa.
Office, 435 6th Ave., Pittsburgh, Pa.

EQUITABLE AUTO COMPANY

(Controlled by Philadelphia Company)

History and Property—Incorporated Nov. 18, 1919, under the laws of Pennsylvania for the purpose of conducting a general garage business. Company owns and operates 227 passenger automobiles, 294 trucks and 2 tractors, and renders almost all of the passenger automobile and trucking service required by the Philadelphia Company and its subsidiary companies, and in addition, a general garage business. No. of garages, 4, of which 1 is for public use; service stations, 7; repair shop, 1.

OPERATING DATA, YEARS ENDED DECEMBER 31

	Total Mileage of Cars	Miles Per Car
1924	3,999,680	9,259
1925	4,893,148	10,455
1926	5,440,234	10,404
1927	5,614,270	10,776

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Authorized capital stock was increased from $200,000 to $300,000 in 1925 and $135,000 issued as a stock dividend. All owned by Philadelphia Company. Annual meeting, fourth Tuesday in March.

Dividends—Dividend of 20% paid in 1921 and 10% in 1922; 40% each in 1923 and 1924; $93,000 cash and $135,000 stock dividends in 1925; 1926, 22½%; 1927, 30%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$1,233,898	$1,353,172	$1,295,180
Oper. exp. & taxes	924,290	1,034,660	1,000,927
Depreciation	221,679	212,546	171,110
Net earnings after deprec.	$87,929	$105,966	$123,143
Other income	11,388	14,719	17,119
Total income	$99,317	$120,685	$140,262
Interest charges (net)	3,785	9,647	9,816
Net income	$93,532	$111,038	$130,446
Dividends paid	90,000	67,500	*93,000
Surplus after dividends	$5,532	$43,538	$37,446

*In addition stock dividends of $135,000 were paid.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$1,097,304	$995,039	$849,751
Construct. work in progress	.....	.....	7,232
Affil. cos.—notes & accts. rec.	106,049	160,238	144,020
Cash	40,449	28,511	25,348
Accounts receivable	3,908	3,281	19,839
Materials and supplies	32,812	45,959	43,725
Prepaid accounts	37,468	32,854	26,271
Deferred charges	47,332	35,324	1,828
Total	$1,365,323	$1,301,206	$1,118,015
Liabilities—			
Capital stock	$300,000	$300,000	$300,000
Affiliated Companies:			
Temporary loans	130,000	225,000	100,000
Accounts payable	2,090	2,045	3,117
Curr. liab.—accts. pay.	56,968	57,912	83,961
Accrued taxes	29,520	21,622	13,831
Accrued insurance	.....	.....	1,528
Retirement reserve	568,206	422,620	393,414
Other reserves	111,774	102,683	100,736
Surplus	166,765	169,324	121,428
Total	$1,365,323	$1,301,206	$1,118,015

Officers: A. W. Robertson, Pres.; F. R. Phillips, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt.; C. W. Lepper, Pur. Agt., Pittsburgh, Pa.
Directors: A. W. Robertson, Halford Erickson, T. Fitzgerald, F. R. Phillips, A. Hurlburt, M. Rosenthal.
General Office, 435 Sixth Ave., Pittsburgh, Pa.

EQUITABLE REAL ESTATE COMPANY

(Controlled by Philadelphia Company)

History—Incorporated Nov. 26, 1919, in Pa. for the purpose of buying, selling, holding, exchanging, leasing and improving real estate and leaseholds and incidentally erecting and maintaining of walls or banks for the protection of low-lying lands. Owns $308,000 First Mortgage bonds of The Consolidated Gas Co. of the City of Pittsburgh, $1,395,000 General Mortgage bonds of Pittsburgh Rys. Co., and $25,000 General Mortgage bonds of West End Traction Co.

CAPITAL STOCK

Authorized and outstanding, $5,000; par, $50. All owned by the Philadelphia Company. Annual meeting, fourth Tuesday in March. No dividends paid.

FUNDED DEBT

$558,000 6% Gold Notes; dated April 1, 1922; due serially April 1, 1928 to 1932, inclusive; int. April and October 1, at Company's office, 435 6th Ave., Pittsburgh, Pa. Coupon, $80 and $800. Authorized, $1,116,000; issued in exchange for Pittsburgh Rys. Co. General Mortgage Bonds. Holders of notes agree to surrender same in exchange for notes of a like face amount to be issued by Pittsburgh Rys. Co. or a successor, bearing same interest rate and date of maturity and guaranteed by Philadelphia Company as to principal and interest. Company pays Normal Federal Income Tax up to 2%.

REAL ESTATE MORTGAGE

There was also outstanding at Dec. 31, 1927, a Real Estate Mortgage for $960,000.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$797,797	$776,461	$588,451
Oper. exp. and taxes	250,657	327,173	174,712
Net earnings	$547,140	$449,288	$413,739
Other income	74,950	78,215	75,806
Gross income	$622,090	$527,503	$489,545
Interest charges (net)	207,658	232,336	179,731
Depreciation	58,512	85,197	.....
Amort. of debt disc. & exp.	2,615	2,615	2,615
Surplus for year	$353,305	$207,355	$307,199

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1927

Surplus for year, $353,305; deficit, Jan. 1, 1927, $444,492; profit on property sold, $540,759; miscellaneous additions (net) $8,100. Surplus, Dec. 31, 1927, as per Balance Sheet, $457,672.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$4,438,601	$5,044,491	$4,846,226
Constr. work in progress	.....	.....	5,528
Stocks and bonds of other cos. owned	2,188,153	2,288,117	2,841,217
Temp. loans to affil. cos.	24,000	20,500	11,000
Accounts receiv. affil. cos.	22,931	29,224	33,796
Current accounts receivable	1,000	559	13
Cash	8,095	19,627	159,186
Prepaid accounts	4,141	7,782	2,251
Special deposit	55	48	48
Deferred charges	29,202	31,817	186,756
Total	$6,716,178	$7,442,165	$8,086,021
Liabilities—			
Capital stock	$5,000	$5,000	$5,000
Serial 6% Gold Notes	558,000	669,600	781,200
Real estate mortgage	960,000	1,040,000	1,599,315
Affiliated Company:			
Notes payable	3,718,260	5,498,260	5,498,260
Temporary loans	300,000	.....	.....
Accounts payable, etc.	7,664	10,032	7,991
Accounts payable	5,429	4,770	32,398
Matured interest	55	.....	.....
Accrued interest, not due	21,896	24,222	29,612
Taxes accrued	67,983	57,348	23,282
Other unadjusted credits	.....	1,000	.....
Retirement reserve	100,035	62,241	.....
Surplus:			
Revaluation of property	514,184	514,184	514,184
Surplus from operations	457,672	*444,492	*405,221
Total	$6,716,178	$7,442,165	$8,086,021

*Deficit.

Officers: A. W. Robertson, Pres.; A. W. Stevenson, V-P. & Mgr.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt.; C. W. Lepper, Pur. Agt., Pittsburgh, Pa.

Directors: A. W. Robertson, J. D. Callery, M. Rosenthal, Halford Erickson, A. W. Stevenson, F. R. Phillips, T. Fitzgerald, A. Hurlburt, W. B. Carson, C. S. Mitchell.

General Office, 435 Sixth Ave., Pittsburgh, Pa.

CHESWICK & HARMAR RAILROAD COMPANY

(Controlled by Philadelphia Company)

History—Incorporated March 25, 1901, in Pennsylvania. Company handles all coal from the Harwick Mine to the Colfax power plant of the Duquesne Light Co. Company owns 2 locomotives and 47 cars. Miles of road, 4.24; miles of track, 6.93. Coal hauled in 1924, 537,410 tons; 1925, 699,510 tons; 1926, 730,850 tons; 1927, 334,665 tons.

Federal Valuation—The Interstate Commerce Commission in May, 1925, placed a tentative valuation of $150,250 on the property of Company as of June 30, 1916.

CAPITAL STOCK

Authorized and outstanding, $50,000; par, $100. All owned by the Philadelphia Company. Annual meeting, third Tuesday in January.

Dividends—1923, 12%; 1924 and 1925, 6%; 1926, 106%; 1927, 78%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$51,692	$108,631	$131,977
Operating expenses & taxes	54,060	73,573	69,520
Depreciation	7,143	11,008	10,712
Net earnings	*$9,511	$24,050	$51,745
Other income	6,937	5,423	6,483
Gross income	*$2,574	$29,473	$58,228
Rent of equipment, etc.	.....	13,535	3,246
Net income	*$2,574	$15,938	$54,982
Dividends paid	39,000	53,000	3,000
Surplus after dividends	*$41,574	*$37,062	$51,982

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$386,699	$382,091	$351,205
Construct. work in progress	1,269	607	575
Affiliated cos.—accts. rec.	5,592	8,490	14,085
Cash	172,230	229,766	268,145
Accounts receivable	980	132	218
Prepaid & deferred accts.	476	1,018	1,301
Total	$567,247	$622,104	$635,529
Liabilities—			
Capital stock	$50,000	$50,000	$50,000
Affil. cos.—accts. payable	1,436	887	595
Accounts payable	1,321	25,718	3,280
Accrued taxes	27,222	24,264	22,442
Retirement reserve	58,645	53,308	51,301
Surplus	428,623	467,927	507,911
Total	$567,247	$622,104	$635,529

Officers: W. B. Carson, Pres.; E. W. Washabaugh, Sec.; C. J. Braun, Jr., Treas.; C. W. Gibbs, Gen. Mgr.; C. S. Mitchell, Compt.

Directors: W. B. Carson, E. W. Washabaugh, F. R. Phillips, C. W. Gibbs, A. W. Stevenson, Halford Erickson.

General Office, 435 Sixth Ave., Pittsburgh, Pa.

EQUITABLE SALES COMPANY

(Controlled by Philadelphia Company)

History—Incorporated Nov. 18, 1919, in Pa., for the purpose of buying, selling, leasing and repairing gas and electric equipment, appliances, fixtures and supplies of all kinds. Company has established 10 gas and electric shops located at convenient points in the City of Pittsburgh, McKeesport, Homestead,

Braddock, East Pittsburgh and Beaver Falls, Pa., at which gas and electric fixtures and appliances are leased or sold to the public. Also operates one wiring and fixture shop. Houses wired for electric service in 1927, 1,143. Sales in 1927: Electric appliances, 31,052; gas appliances, 5,622; fixtures, 16,288.

CAPITAL STOCK

Authorized, $500,000; outstanding, $465,300; par, $100. All owned by the Philadelphia Company. Annual meeting, fourth Tuesday in March. Dividends in 1927, 10%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross sales	$1,442,485	$1,430,488	$1,517,810
Cost of sales	1,047,118	1,023,673	*1,163,635
Gross profit	$395,367	$406,815	$354,175
Other revenue	11,144	9,693	3,342
Oper. revenue	$406,511	$416,508	$357,517
Oper. exp. & taxes	350,085	371,032	322,691
Net earnings	$56,426	$45,476	$34,826
Interest (net)	53	.....	8,234
Depreciation	11,885	12,603	.....
Dividends paid	46,530	.....	.....
Surplus for year	†$2,042	$32,873	$43,060

*Includes depreciation of $9,198. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$62,351	$62,351	$61,920
Affil. Cos.—accts. receiv.	64,126	49,156	56,153
Cash	37,130	161,205	98,437
Accounts receivable	324,658	224,972	249,224
Materials and supplies	193,043	140,312	163,336
Prepaid accounts	12,053	6,255	2,774
Disc. on capital stock	69,045	69,045	69,045
Other unadjusted debits	49,294	40,306	38,260
Total	$811,701	$753,602	$739,149
Liabilities—			
Capital stock	$465,300	$465,300	$465,300
Temporay loan—affil. cos.	30,000	.....	.....
Accts. pay.—affil. cos.	9,861	8,520	8,139
Accounts payable	109,154	95,469	127,259
Accrued taxes	15,862	12,824	11,547
Retirement reserve	42,438	30,552	17,949
Surplus	139,086	140,937	108,955
Total	$811,701	$753,602	$739,149

Officers: A. W. Robertson, Pres.; H. A. Keys, V-P. & Gen. Mgr.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt.; C. W. Lepper, Pur. Agt., Pittsburgh, Pa.

Directors: A. W. Robertson, George E. Whitewell, J. J. O'Brien, F. R. Phillips, A. Hurlburt, H. A. Keys, M. Rosenthal.

General Office, 435 Sixth Ave., Pittsburgh, Pa.

EQUITABLE TOWING & TRANSPORTATION COMPANY

(Controlled by Philadelphia Company)

History—Inc. Nov. 26, 1919, in Pa. for the purpose of buying selling, owning, leasing, repairing, towing and operating steam boats, flats, barges and other river craft, and the necessary appliances and appurtenances, and owning and maintaining docks, landings and wharves. This Company owns one sternwheel steam boat of the standard river type, 40 barges of 21,800 tons capacity, 1 dredge boat, 1 derrick boat and 1 motor boat. It operates on the Allegheny, Monongahela and Ohio Rivers in the Pittsburgh district. No. of tons hauled in 1927, 460,169, compared with 239,244 in 1926, 194,575 in 1925 and 236,255 in 1924.

CAPITAL STOCK

Authorized, $300,000; outstanding, $225,000; par, $100. All owned by the Philadelphia Company. Annual meeting, fourth Tuesday in March. Dividends of 10% paid in 1921; 1922, 20%; 1923, 30%; 1924, 10%; 1925, 16%; 1926, 30%; 1927, 35%.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$369,232	$243,640	$164,542
Oper. expenses & taxes	237,870	146,907	109,137
Depreciation	31,941	27,542	21,103
Net earnings	$99,421	$69,191	$34,302
Other income	591	464	2,795
Total income	$100,012	$69,655	$37,097
Interest charges	*54	978	.....
Dividends paid	78,750	67,500	36,000
Surplus for year	$21,316	$1,177	$1,097

*Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$391,369	$375,334	$268,871
Accts. receiv. affil. cos.	27,958	10,860	5,781
Current accts. receivable	100	12,578	5,371
Cash	28,321	5,725	87,129
Prepaid accounts	885	1,185	1,766
Total	$448,633	$405,682	$368,918
Liabilities—			
Capital stock	$225,000	$225,000	$225,000
Accts. & loans pay. affil. cos.	940	15,538	908
Current accounts payable	13,566	5,980	7,121
Accrued taxes	14,379	7,522	6,559
Retirement reserve	118,003	108,870	85,410
Other reserves	45,535	28,562	28,562
Surplus	31,210	14,210	15,352
Total	$448,633	$405,682	$368,918

Officers: A. W. Robertson, Pres.; F. R. Phillips, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt.; C. W. Lepper, Pur. Agt., Pittsburgh, Pa.

Directors: A. W. Robertson, W. B. Carson, Halford Erickson, M. Rosenthal, F. R. Phillips.

General Office, 435 Sixth Ave., Pittsburgh, Pa.

HARWICK COAL AND COKE COMPANY

(Controlled by Philadelphia Company)

History—Incorporated Aug. 11, 1921, under the laws of Pennsylvania for the purpose of mining coal and manufacturing coke and its by-products. This Company leased for the term of 15 years from Aug. 1, 1921, the coal property of the Duquesne Light Co., containing approximately 2,522 acres of coal and 354 acres of surface land, together with a developed coal mine, comprising mine workings, shaft, tipple, and other appurtenances, having a present capacity of 4,000 tons of coal per day, all of which is sold to the Duquesne Light Co. No. of mine cars, 700. The Equitable Coal & Coke Co., successor by change of name to the Equitable Coke Co., on July 27, 1921 sold all of its property and franchises to the Duquesne Light Co., at which time it ceased to exist. The Harwick Coal & Coke Co. was organized to acquire an interest in the Warwick Coal Co., located in the Seventh Pool, Monongahela River, and also to operate the mine of the Duquesne Light Co.

Company produced 290,280 tons of coal in 1927 compared with 620,779 tons in 1926, 32,381 tons in 1925 and 267,893 tons in 1924. Average output per day

worked in 1927, 1,860 tons. Low average in 1927 due to starting production with reduced forces after long shut down.

CAPITAL STOCK

Authorized, $500,000; outstanding, $275,000; par, $100. All owned by the Philadelphia Company. Annual meeting, second Thursday in August. Dividend of 40% paid in December, 1921; none in 1922; 10% each in 1923 and 1924; none in 1925; 10% in 1926.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$700,736	$1,347,961	$194,639
Oper. expenses, taxes, etc.	690,016	1,257,181	216,253
Net earnings	$10,720	$90,780	†$21,614
Other income	4,189	3,046	522
Total income	$14,909	$93,826	†$21,092
Royalty	507	1,762	99
Net income	$14,402	$92,064	†$21,191
Dividends paid	20,625	27,500	
Deficit for year	$6,223	*$64,564	$21,191

*Surplus. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Organization	$110	$110	$110
Constr. work in progress	314		
Stocks of other cos. owned	302,764	301,250	301,250
Affil. cos. accounts receiv.	78,895	133,048	70,392
Cash	3,846	7,578	14,576
Notes receivable	60,000	60,000	
Accounts receivable	3,266	1,610	6,086
Materials and supplies	49,748	43,909	41,369
Prepaid accounts	5,104	2,042	3,061
Deferred charges	2,573	469	2,132
Total	$506,620	$550,016	$438,976
Liabilities—			
Capital stock	$275,000	$275,000	$275,000
Affil. cos.—accounts pay.	11,819	12,596	10,029
Current accounts payable	49,527	87,821	56,113
Accrued taxes	23,504	22,003	8,188
Reserve	200	200	200
Surplus	146,570	152,396	89,446
Total	$506,620	$550,016	$438,976

Officers: A. W. Robertson, Pres.; F. R. Phillips, V-P.; W. B. Carson, Sec.; C. J. Braun, Jr., Treas.; C. S. Mitchell, Compt.; C. W. Gibbs, Gen. Mgr.; C. W. Lepper, Pur.-Agt., Pittsburgh, Pa.

Directors: A. W. Robertson, Halford Erickson, F. R. Phillips, C. W. Gibbs, E. W. Judy, M. Rosenthal.

General Office, 435 Sixth Ave., Pittsburgh, Pa.

WISCONSIN VALLEY ELECTRIC COMPANY

(Controlled by Standard Gas and Electric Co.)

History and Properties—Incorporated Aug. 28, 1906, in Wis., as the Wausau Street R.R. Co.; name changed as above Dec. 18, 1915. On Dec. 1, 1915, all the property of the Merrill Ry. & Lighting Co. (see Manual for 1915, page 1445) was purchased and merged with the Wisconsin Valley Electric Co. The plant of the Lindauer Pulp & Mfg. Co. at Merrill, Wis., was also purchased.

On Nov. 1, 1916, purchased the property of the Stevens Point Lighting Co. and the Stevens Point Power Co., and on July 1, 1922, the property of the Tomahawk Light, Telephone & Improvement Co. was purchased. In 1926 the Company sold its telephone properties at Tomahawk. Standard Gas and Electric Company acquired, effective July 1, 1927, control of the properties of Wisconsin Valley Electric Company and its subsidiaries, Wisconsin Valley Power Company, Waupaca Electric Service and Railway Company and Valley Transit Company.

Business and Territory—The territory served by Wisconsin Valley Electric Company and subsidiaries comprises the entire valley of the Wisconsin River from Stevens Point on the south to Rhinelander on the north, a distance of about 120 miles and includes most of the territory from 30 to 50 miles east of the river. Electricity for power and light is furnished to total of 35 cities and towns having a combined population of 78,000. Manufactured gas is distributed in Stevens Point, Wisconsin, and street railway service is furnished in Wausau, Schofield and Rothschild.

The territory served by Wisconsin Valley Electric Company and subsidiaries lies between that of Northern States Power Company on the west and Wisconsin Public Service Corporation on the east both of which Companies are part of the Standard Gas and Electric Company System and its properties are strategically located for connection with properties of the two other Companies. Construction of a high voltage transmission line from Stevens Point to Green Bay is under construction which will connect the Wisconsin Valley System with that of Wisconsin Public Service Corporation, thereby effecting operating economies for both Companies through the interchange of power.

Wisconsin Valley Electric Company furnishes electricity for power and light to 26 communities having combined population of 55,000 including the communities of Wausau, Stevens Point, Merrill, Tomahawk, Mosinee and Schofield. All communities served are interconnected with transmission lines and connections are made with the System of Wisconsin Valley Power Company, Consolidated Water Power Company, and with paper mills operating their own hydro-electric power plants. Company also furnishes street railway service in Wausau, Schofield and Rothschild and manufactured gas at Stevens Point. The properties of the Company include 6 hydro-electric generating stations having a combined total of 12,452 kilowatts capacity, 2 steam-electric generation stations having a combined total of 2,100 kilowatts capacity, the distribution and transmission systems in and connecting the communities served, the gas plant of 150,000 cubic feet daily manufacturing capacity and distribution system at Stevens Point and the street railway system furnishing Wausau, Schofield and Rothschild. At Dec. 31, 1927 the Company served 15,858 electric and 1,373 gas customers.

Franchises are indeterminate under Wisconsin laws, excepting traction franchise in Wausau, which extends to 1940.

Owns the entire capital stock of Wisconsin Valley Power Co. and Waupaca Electric Service & Ry. Co. (see appended statements), and $7,500 outstanding ($15,000 authorized) Common stock of the **Valley Transit Company,** which was incorporated Nov. 28, 1921 in Wisconsin and operates motor buses in Merrill, Wis. This company has no funded debt.

CAPITAL STOCK

Authorized, $2,000,000 Common and $2,000,000 7% cumulative Pfd.; outstanding, $1,260,000 Common and $1,200,000 Pfd.; par, $100. Common stock all owned by Standard Gas & Electric Co.

Preferred Stock Provisions—Pfd. stock is callable in whole or in part on any dividend date not exceeding five years from date of issuance on 60 days' notice at 100 and accumulated dividends.

Annual Meeting—First Monday in February, at Wausau, Wis.

Dividends—Dividends on Pfd. paid semi-annually, Jan. and July 1. Dividends on Common at rate of 8% paid in fiscal year 1910-11; 10% each year since that date; payments Feb. and Aug. 15.

FUNDED DEBT

$1,152,000 FIRST & REFUNDING (NOW FIRST) MORTGAGE GOLD 5s SERIES "A"; DUE MAY 1, 1942
$1,000,000 FIRST & REFUNDING (NOW FIRST) MORTGAGE GOLD 5½s, SERIES "B"; DUE MAY 1, 1942
$800,000 FIRST & REFUNDING (NOW FIRST) MORTGAGE GOLD 5s SERIES "C" DUE MAY 1, 1942

Dated (All Issues), May 1, 1917.

Interest Payable May and November 1, at Wisconsin Valley Trust Co., Wausau, Wis., and First National Bank of Milwaukee, Wis.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Wisconsin Valley Trust Co., Wausau, Wis.

Provisions of Issue—Authorized issue, $15,000,000. Additional bonds may be issued for 80% of the actual cost or reasonable value, whichever is lower, of permanent extensions, betterments, additions, or improvements of or to its properties, only when net earnings for twelve consecutive months ending not more than sixty days prior to the date of issue, aggregate at least twice interest charges on all bonds outstanding and those proposed to be issued.

Callability—Subject to call as a whole or in part by lot on thirty days' notice on any interest date at 102 and interest.

Sinking Fund—An annual sinking fund of 1% of all bonds outstanding shall be used to retire bonds or to make permanent extensions, betterments or improvements of and to the Company's property, or of new properties acquired by the Company which shall not be made the basis for the issuance of additional bonds. Company shall expend annually 12½% of its gross earnings for maintenance, repairs, renewals and betterments of its properties. Any part of such fund not so employed must be added to the sinking fund.

Security—Secured by a direct first lien on entire property of the company now owned or hereafter acquired.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Opinion—Miller, Mack & Fairchild, Milwaukee, Wis.

Original Offering—The 5% bonds were publicly offered in June, 1917, at 97, by First National Bank and M. F. Fox & Co., Milwaukee, and $800,000 in June, 1926, at par, by First Wisconsin Co., Milwaukee; $500,000 5½% bonds were offered in Feb., 1924, at 98½ and interest to yield about 5.70%, by the First Wisconsin Co., Milwaukee, Wis.

Price Range—

	1927	1926
First & Ref. 5s, 1942—		
High	*101½	99½
Low	99¾	bid
First & Ref. 5½s, 1942—		
High	*102¼	102
Low	101	bid

*High and low bid prices.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Wisconsin Valley Electric Company Proper)

	1927	1926	1925	1924	1923
Gross earnings	$1,261,513	$1,241,978	$1,122,561	$1,002,473	$965,625
Operating expenses	632,709	633,819	564,067	525,005	540,391
Net earnings	$628,804	$608,159	$558,494	$477,468	$425,234
Depreciation	148,478	147,127	145,943	145,000	125,000
Balance	$480,326	$461,032	$412,551	$332,468	$300,234
Interest charges	177,567	177,777	132,248	104,038	73,129
Balance	$302,759	$283,255	$280,303	$228,430	$227,105
Dividends	209,500	209,000	207,332	202,152	201,799
Surplus	$93,259	$74,255	$72,971	$26,278	$25,306
Times Interest Earned (After Depreciation)	2.70	2.59	3.12	3.20	4.11
Earnings Per Share—					
Preferred	$25.22	$23.60	$23.35	$19.05	$19.43
Common	17.36	15.94	15.70	11.56	12.10

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Wisconsin Valley Electric Co. and Subsidiaries)

	1927	1926
Gross earnings	$1,616,839	$1,555,403
Operating exps., maint. & taxes	836,741	818,700
Net earnings	$780,098	$736,703
Other income	9,058	9,900
Total income	$789,156	$746,603
Bond interest	$194,300	$167,791
General interest	45,256	49,401
Balance for dividends	$549,600	$529,411
Preferred dividends	84,000	84,000
Balance for retirement reserves, amortization, Com. divds. & surplus	$465,600	$445,411

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Wisconsin Valley Electric Co. and Subsidiaries)

Assets—		Liabilities—	
Plant, property, rights, franchises, etc.	$8,451,439	Common stock	$1,260,000
Investments	133,275	Preferred stock	1,200,000
Cash	73,416	Funded debt	2,952,000
Cash on deposit for bond interest	3,750	Funded debt of subsidiaries	725,000
Accounts and notes receivable—net	376,363	Purchase money obligations	92,854
Materials and supplies	235,749	Notes payable	884,500
Unamortized debt discount and expense	133,709	Accounts payable	132,712
Prepaid accounts and insurance unexpired	6,313	Accrued for interest	35,876
Deferred accounts in process of amortization	26,077	Accrued for taxes	109,174
		Accrued for dividends	42,000
		Other accrued liabilities	8,499
		Customers' and line extension deposits	55,770
		Retirement reserve	1,292,342
		Surplus	649,364
Total	$9,440,091	Total	$9,440,091

Officers: C. C. Yawkey, Pres.; M. A. Morrison, V-P.; H. L. Geisse, Sec.; C. H. O'Reilly, Asst. Sec. & Asst. Treas.; William G. Pohl, Treas.

Directors: M. A. Morrison, William G. Pohl, C. H. O'Reilly, J. P. Ryan, H. L. Geisse, C. C. Yawkey, A. L. Kreutzer.

Offices, Wausau, Wis., and 231 South La Salle St., Chicago, Ill.

WISCONSIN VALLEY POWER COMPANY

(Controlled by Wisconsin Valley Electric Company)

History—Incorporated November 1925, in Wisconsin and acquired all the assets and properties formerly owned by Antigo Electric Co. (see 1925 Manual p. 172) and Rhinelander Light & Power Co. (see 1925 Manual p. 1364). Supplies electric light and power to Antigo, Rhinelander, Crandon, Monico, Elcho, Ar-

gonne and Pelican Lake, Wisc., serving a population of about 20,000. Operation commenced Jan. 1, 1926.

Properties consist of a dam, flowage rights and power plant at Hat Rapids on the Wisconsin River eight miles south of Rhinelander with an installed hydro-electric generating capacity of 1,760 k.w., and a steam generating plant at Antigo with a capacity of 900 k. w.; a 44,000 volt transmission line extending from Hat Rapids, to Rhinelander and a 22,000 volt transmission line from Rhinelander through Monico to Crandon and Elcho, a distance of 30 miles. The transmission lines of the Wisconsin Valley Electric Co., connect with those of Wisconsin Valley Power Co. at Hat Rapids. Company has over 5,400 customers. Current is furnished for municipal lighting in all of the towns served.

CAPITAL STOCK

Authorized $300,000 Common and $200,000 Pfd.; par $100; outstanding $300,000 Common. All Common stock is owned by Wisconsin Valley Electric Co.

Annual Meeting—First Monday in February.

FUNDED DEBT

$600,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES OF 1925; DUE DECEMBER 1, 1950

Dated December 1, 1925.

Interest Payable June and December 1 at Wisconsin Valley Trust Co., Wausau, Wis., and First Wisconsin Trust Co., Milwaukee, Wis.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Wisconsin Valley Trust Co., Milwaukee, Wis.

Provisions of Issue—Authorized amount unlimited; issued and outstanding, $600,000 5½% Series of 1925. Additional bonds of such rate of interest, maturity dates, and such other provisions, regarding sinking fund, redemption, etc., as may be determined at time of issue, may be issued for 75% of the cost or value (whichever is less) of additions, improvements, etc., of Company's property or future acquisitions, provided the net earnings for 12 months within the preceding 15 months immediately preceding date of application shall have been equal to at least 1¾ times annual interest charges on underlying bonds and all bonds outstanding hereunder including those bonds about to be issued.

Callability—Bonds of Series of 1925 are subject to call on any interest date on 30 days' notice at 104 and interest on or before Dec. 1, 1930; at 103 thereafter to Dec. 1, 1935; a 102 thereafter to Dec. 1, 1940; at 101 and interest thereafter to 1948; and thereafter to maturity at par and interest.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut four mills tax and Massachusetts Income tax on interest not exceeding 6% per annum, refunded upon application within 60 days after payment.

Original Offering—First publicly offered ($600,000 5½% Series of 1925) in December, 1925, at 98½ and interest, to yield about 5.60% by First Wisconsin Co., Milwaukee, Wis.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$314,633	$297,554
Oper. exp. & taxes	188,215	188,183
Net earnings	$96,418	$109,371
Other income	840	5,175
Total income	$97,258	$114,546
Interest charges	48,928	39,316
Depreciation	30,000	30,000
Net income for year	$48,330	$45,230

Officers: C. C. Yawkey, Pres.; M. A. Morrison, V-P.; H. L. Geisse, Sec.; C. H. O'Reilly, Asst. Sec. & Asst. Treas.; William G. Pohl, Treas.

Directors: C. C. Yawkey, William P. Gohl, J. P. Ryan, M. A. Morrison, C. H. O'Reilly, H. L. Geisse, A. L. Kreutzer.

Offices, Wausau, Wis., and 231 South La Salle St., Chicago, Ill.

WAUPACA ELECTRIC SERVICE AND RAILWAY COMPANY

(Controlled by Wisconsin Valley Electric Company)

History and Property—Incorporated Oct. 18, 1916, in Wis., and on Feb. 1, 1917, succeeded to the property and business of the Waupaca Electric Light & Ry. Co. (see Manual for 1916, page 897, or apply to our Information Department). Operates under an indeterminate permit. Formerly operated line of road from Waupaca to Wisconsin Veterans' Home, etc., 4.77 miles, but this was discontinued in Jan., 1925, and the line was dismantled early in 1926. Company furnishes energy for lighting and power in Waupaca, Wis., having a population of 3,000. Company owns a hydro-electric plant of 250 k.w. capacity and is a part of the Wisconsin Valley Electric Company System.

CAPITAL STOCK

Authorized, $100,000; outstanding, $50,100; par, $100. All owned by Wisconsin Valley Electric Co

Annual meeting, fourth Wednesday in July. Dividends not reported.

FUNDED DEBT

$125,000 First Mortgage 6% Gold Bonds, Series "A"; dated July 24, 1924; due July 1, 1934. Interest payable Jan. and July 1, at The Central Wisconsin Trust Co., Madison, Wis., Trustee. Coupon, $100, $500 and $1,000. Authorized and outstanding, $125,000. Subject to call at 30 days' notice at par. A first lien on all property of Company. Companys pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross revenues	$53,703	$51,499	$41,733
Operating expenses	30,061	25,723	20,788
Taxes	6,821	3,477	2,640
Net earnings	$13,321	$22,299	$18,305
Interest	8,756	8,339	8,416
Depreciation	4,500	4,500	10,440
Net income	$3,565	$9,460	*$551

*Deficit.

Officers: C. C. Yawkey, Pres.; B. F. Wilson, V-P.; H. L. Geisse, Sec. & Gen. Mgr.; C. S. Gilbert, Treas.; F. R. Eckert, Aud.; F. W. Nolte, Pur. Agt., Wausau, Wis.

Directors: C. C. Yawkey, B. F. Wilson, H. L. Geisse, C. S. Gilbert, A. L. Kreutzer, J. S. Alexander, D. C. Everest, Wausau, Wis.

General Office, Wausau, Wis.

CAMDEN & ROCKLAND WATER CO.

History—Incorporated in 1885, in Me. Furnishes water for domestic and other purposes to the City of Rockland and the towns of Thomaston, Camden, and Rockport, Knox County, Me. Operates under perpetual charter granted by a Special Act of the Legislature of Maine. Total permanent population served about 16,000. Miles of mains, 79.5.

CAPITAL STOCK

Authorized, $600,000 Common and $100,000 6% Pfd.; outstanding Dec. 31, 1927, $498,400 Common and $100,000 Pfd.; par, $100. Annual meeting, last Thursday in March.

Dividends—Regular Common dividends have been paid since 1887, with the exception of the three years, 1920-21-22. Dividends for these three years were passed on account of unusual expenditures for extensions and improvements. 1923 to 1927, 2% per annum. Dividends of 6% per annum on Pfd. stock regularly paid since issuance.

FUNDED DEBT

$737,000 First Consolidated Gold 5s; dated April 2, 1917; due April 1, 1937; int. April and Oct. 1, at Security Trust Co., Rockland, Me., Trustee. Coupon, $500 and $1,000. Authorized, $1,000,000; outstanding, $737,000. Subject to call at 102½ and int., on any interest date. A first lien on entire property of Company. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$105,862	$102,634	$102,137
Operating exp., taxes, etc.	35,898	44,842	35,985
Net earnings	$69,964	$57,792	$66,152
Other income	3,508	3,227	4,635
Total income	$73,472	$61,019	$70,787
Fixed charges	45,082	43,553	43,629
Depreciation	11,242	.....	10,899
Total charges	$56,324	$43,553	$54,528
Net income	$17,148	$17,466	$16,259
Preferred dividends	5,939	5,355	2,500
Common dividends	9,968	9,968	9,968
Surplus for year	$1,241	$2,143	$3,791

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,537,421	$1,488,076	$1,463,833
Investments	90	3,920	.....
Materials and supplies	10,147	11,029	10,093
Cash	347	965	1,047
Notes and accts. receivable	13,383	13,388	10,702
Other assets	43,839	47,229	50,396
Total	$1,605,227	$1,564,607	$1,536,071
Liabilities—			
Common stock	$498,400	$498,400	$498,400
Preferred stock	100,000	97,500	83,400
Funded debt	737,000	737,000	737,000
Current liabilities	75,884	61,634	55,485
Accrued liabilities	8,832	8,792	8,904
Reserves	54,883	50,136	43,911
Unadjusted credits	345	.....	.....
Contributions for extensions	11,775	.....	.....
Consumers' deposits	.....	30	.....
Surplus	118,108	111,115	108,971
Total	$1,605,227	$1,564,607	$1,536,071

Officers: Wm. T. Cobb, Pres.; A. L. Bird, V-P.; A. F. McAlary, Sec., Treas., & Gen. Mgr.; Maude E. Knowlton, Cashier, Rockland, Me.

Directors: Wm. T. Cobb, Alan L. Bird, A. S. Black, C. H. Berry, C. H. Kallock, Rockland, Me.; Richard C. Elliot, Thomaston, Me.; V. F. West, Portland, Me.; A. B. Packard, Rockport, Me.

General Office, Rockland, Me.

CHIPPEWA & FLAMBEAU IMPROVEMENT COMPANY

History and Property—Incorporated in Wisconsin, Feb. 4, 1909. Organized under special act of Legislature which authorized Company to collect tolls for storage water, sufficient to pay all operating expenses and pay 6% dividends on outstanding stock. Owns property and water rights, consisting of two dams and reservoirs, one in Iron County and one in Vilas County, Wisconsin. Company also leases and operates two other dams and reservoirs in Sawyer County, Wisconsin. These reservoirs furnish storage water used for power purposes by Northern States Power Co., Cornell Wood Products Co., Flambeau Paper Co., Lake Superior District Power Co., Great Western Paper Co. and Eau Claire Dells Improvement Co.

CAPITAL STOCK

Authorized, $1,100,000; outstanding, $588,700. All owned by companies named above. Annual meeting, second Tuesday in April.

Dividends—No dividends may be paid on the outstanding shares of stock while there are bonds outstanding. This provision was made by act of Legislature.

FUNDED DEBT

$416,000 FIRST MORTGAGE 5½% GOLD BONDS; DUE NOVEMBER 1, 1937

Dated May 1, 1925.

Interest Payable May and November 1 in New York and Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized and issued, $500,000, of which $84,000 retired to Dec. 31, 1927. The proceeds from the sale of these bonds, together with funds provided by the sale of other securities of Co., were used in the construction and installation of the reservoirs with the necessary dams and headwork equipment.

Callability—Subject to call as a whole or in part at any time on 30 days' notice, until Nov. 1, 1927, at 102½ and interest, the premium decreasing ½% for each two years thereafter to Nov. 1, 1935, and thereafter at par and interest to maturity.

Sinking Fund—In addition to $48,000 per annum paid to the Trustee as provided by the mortgage, the Company pays the bond interest on all outstanding bonds so that the entire sinking fund payment is applied to the retirement of bonds by purchase in the open market or by call. The operation of this sinking fund should retire the entire issue by maturity. Payments are made semi-annually, May 1 and Nov. 1.

Security—Bonds are a direct first mortgage on all the property of Co. now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income tax up to 2%.

Legal Opinion—Bundy, Beach & Holland, Eau Claire, Wis. (for the Bankers); Cummins, Roemer & Flynn, Chicago (for the Company).

Original Offering—First publicly offered ($400,000) in May, 1925, by H. M. Byllesby & Co., Inc., New York, etc., and Morris F. Fox & Co. and First Wisconsin Co., Milwaukee, at 96½ and interest, to yield 5.90%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Toll assessments	$189,171	$183,998	$106,595
Operating exp. incl. taxes	124,660	132,090	104,273
Balance	$64,511	$51,908	$2,322

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Properties	$1,107,557	$1,094,243
Stocks unissued	511,300	511,300
Cash	2,240	2,111
Accounts receivable	52,119	50,653
Office furniture	154	154
Sinking fund deposited	2,254	719
Total	$1,675,624	$1,659,180
Liabilities—		
Capital stock	$1,100,000	$1,100,000
Funded debt	416,000	463,000
Notes payable	63,225	35,892
Accounts payable	1,186	1,007
Accruals and reserves	51,730	51,490
Surplus	43,483	7,791
Total	$1,675,624	$1,659,180

Officers: S. R. Davis, Pres., Eau Claire, Wis.; T. D. Crocker, V-P., Minneapolis, Minn.; Donald Boyd, Sec. & Treas., Eau Claire, Wis.

Directors: S. R. Davis, Eau Claire, Wis.; E. P. Sherry, Milwaukee, Wis.; W. Irving Osborne, M. H. McMillen, L. E. Myers, H. W. Fuller, Chicago, Ill.; T. D. Crocker, Minneapolis, Minn.

General Office, Eau Claire, Wis.

HOMESTEAD AND MIFFLIN STREET RAILWAY

History—Incorporated June 27, 1901, in Pa. An electric line connecting Homestead Park and Lincoln Place, Pa.; length of line, 3 miles, total track, 3¼ miles. Gauge, 5 ft. 2½ in.; cars, 11.

Reported Change in Control—In August, 1927, it was reported that control of Company had been purchased by Pittsburgh Railways Co.

CAPITAL STOCK

Authorized, $150,000; outstanding, $101,800; par, $50. Annual meeting, second Monday in January.

Dividends—Paid dividends of 6% in 1918; 9% in 1919; 8% in 1920; 10½% in 1921; 3% in 1922; 6% in 1923; 2% in 1924; 8% in 1925; 6% in 1926; 22% in 1927; payments semi-annually, Jan. and July.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$132,277	$133,150	$122,824
Oper. exp. & taxes	116,458	123,400	114,919
Net earnings	$15,819	$9,750	$7,905
Dividends paid	22,396	6,108	8,144
Deficit for year	$6,577	*$3,642	$239

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$109,132	$111,133	$109,243
Treasury stock	.....	48,200	48,200
Cash	6,754	10,656	6,404
Total	$115,886	$169,989	$163,847
Liabilities—			
Capital stock	$101,800	$150,000	$150,000
Depreciation	5,064	5,065	5,065
Lot sales	.....	3,500	.....
Mifflin Township	9,000	.....	.....
Profit and loss	22	11,424	8,782
Total	$115,886	$169,989	$163,847

Officers: Hugh Nevin, Chairman of Board & V-P.; J. B. Coen, Pres. & Gen. Mgr.; C. H. Kapp, Sec., Treas. & Supt.; Fred J. Hahn, Aud.; A. E. Bentz, Pur. Agt., Homestead, Pa.

Directors: J. B. Coen, C. H. Kapp, Hugh Nevin, Homestead, Pa.; R. C. Davis, H. W. Fairfield, Pittsburgh, Pa.

Office, 805 Amity St., Homestead, Pa.

THE SPRINGFIELD & XENIA RAILWAY COMPANY

History—Incorporated Aug., 1906, in Ohio, successor to company of same name, which on Dec. 23, 1904, purchased the Springfield & Xenia Traction Co. at foreclosure. Line of road: Springfield to Xenia, Ohio, 20 miles—total track, 19.07 miles. Gauge, standard. Rails, 70 lb. T. Passenger cars, 3; combination, 2. Power purchased from The Dayton Power & Light Co. Passengers carried: 1924, 373,268; 1925, 314,105; 1926, 298,781.

CAPITAL STOCK

Authorized and issued, $300,000 Common and $300,000 5% cumulative Pfd., par $100, of which $1,200 Common and $1,200 Pfd. is held in treasury.

Pfd. stock has preference for assets and dividends and is convertible as an entirety into 5% bonds when net earnings for a year shall have equalled $20,000 or more. Annual meeting, last Saturday in January. Both classes of stock listed on Cleveland Stock Exchange.

Dividends—Dividends on Pfd. stock have been paid as follows: 1908, 4%; 1909, 5½%; 1910, 4¾%; 1911, 8¼%; 1912, 6½%; 1913, 7¾%; 1914 to 1923, 5% each; 1924, 1¼%; none since; payments quarterly, M, J, S & D 20. Accumulated Pfd. dividends paid in full to and including April 30, 1924. As of Dec. 31, 1927, accumulations amounted to 18¾%. Initial Common dividend of 2% was paid Dec. 20, 1913; 3% each in 1914, 1915, and 1916; 2% in 1917; none in 1918; 1% in 1919; none since.

FUNDED DEBT

$21,941 Car Trust Notes; no details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$71,383	$78,866	$81,154
Operating expenses	75,142	80,740	85,565
Taxes	3,343	4,246	4,550
Loss from operation	$7,102	$6,119	$8,960
Interest on car trust notes	593	1,743	1,028
Deficit for year	$7,695	$7,862	$9,988

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$690,642	$690,642	$688,628
Cash	81	.....	78
Accounts receivable	804	824	816
Materials and supplies	1,880	1,880	1,880
Other current assets	47	448	48
Unadjusted debits	251	.....	216
Profit and loss deficit	67,550	59,855	51,993
Total	$761,255	$753,648	$743,659
Liabilities—			
Capital stock	$600,000	$600,000	$600,000
Car trust notes	21,941	24,906	32,022
Notes and accounts payable	1,090	2,837	2,565
Cash overdraft	.....	1,627	.....
Depreciation accrued	123,498	110,526	97,554
Accident reserve accrued	.....	1,902	1,541
Taxes accrued	2,317	2,313	1,624
Deferred liabilities	1,392	8,454	7,050
Unadjusted credits	1,159	.....	.....
Other current liabilities	9,858	1,083	1,303
Total	$761,255	$753,648	$743,659

Officers: Warren Bicknell, Pres.; Geo. A. Coulton, V-P.; Chas. S. Thrasher, Sec. & Treas.; The Warren Bicknell Co., Operating Mgrs., Cleveland, Ohio; Chas. F. Serviss, Supt.; M. Cummings, Aud., Springfield, Ohio.

Directors: Geo. A. Coulton, W. H. Marlatt, Warren Bicknell, C. S. Thrasher, Cleveland, Ohio; G. D. Pyne.

Executive Office, 2024 B. F. Keith Building, Cleveland, Ohio. **Operating Office,** Springfield, Ohio.

CADILLAC GAS COMPANY

History—Incorporated in 1927 in Mich.; successor to Cadillac Gas Light Co., incorporated Feb. 11, 1905. Owns and operates a modern gas plant and distributing system, supplying artificial gas for light, fuel and power purposes in the city of Cadillac, Mich., serving a population of 12,000. Appraised valuation of property, $275,000.

CAPITAL STOCK

Authorized, $125,000; par, $100. Controlling interest held by T. J. Weber, Pres. of Company.

FUNDED DEBT

$150,000 FIRST MORTGAGE 6% 20-YEAR GOLD BONDS, SERIES "A"; DUE MARCH 1, 1947

Dated March 1, 1927.

Interest Payable March and September 1, at Michigan Trust Co., Grand Rapids, Mich.

Denominations—Coupon, $100, $500 and $1,000.

Trustee—The Michigan Trust Company, Grand Rapids, Mich.

Provisions of Issue—Authorized, $275,000; issued, $150,000.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest, if redeemed on or before March 1, 1929; thereafter the redemption price shall decrease at the rate of ½ of 1% at the end of every two years until 1947, and they shall be redeemable at 100 and interest at any time during the last six months prior to maturity.

Security—Secured by a first mortgage on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from state and city taxes in Michigan.

Legal Opinion—Norris, McPherson, Harrington & Waer, Grand Rapids, Mich.

Original Offering—First publicly offered ($150,000) in March, 1927, at 100 and interest to yield 6% by A. E. Kusterer & Co., Grand Rapids, Mich.

Officer: Theodore J. Weber, Pres., Grand Rapids, Mich.

Offices, Grand Rapids, Mich., and Cadillac, Mich.

SARNIA STREET RAILWAY COMPANY, LTD.

History—Incorporated March 24, 1874, under laws of Province of Ontario. Franchise extends to 1931. Line of road; Sarnia to Point Edward, 8.25 miles; sidings, etc., 1 mile. Gauge, standard. Rail, 66 lb. T. Passenger cars, closed, 10; mail, express and baggage car, 1. Operated by overhead trolley. Power station equipped with two generating engines.

CAPITAL STOCK

Authorized, $100,000; outstanding, $90,000; par, $50. Annual meeting, fourth Tuesday in January. No dividends paid.

FUNDED DEBT

$90,000 7% bonds; dated Nov. 10, 1920; due Nov. 10, 1925; extended to Nov. 10, 1928; int. May and Nov. 10, at Royal Bank, Sarnia, Ont. London & Western Trusts Co., London, Ont., Trustee. Bonds cannot be called.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Reported)

	1924	1923	1922
Gross earnings	$79,677	$85,065	$88,495
Oper. exp. & taxes	69,328	69,385	79,694
Net earnings	$10,349	$15,681	$8,801
Bond interest	6,293	5,940	6,972
Surplus for year	$4,056	$9,741	$1,829

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Reported)

Assets—	1924	1923	1922
Property account	$264,412	$263,382	$261,182
Cash	2,172	2,146	1,068
Total	$266,584	$265,528	$262,250
Liabilities—			
Capital stock	$90,000	$90,000	$90,000
Funded debt	90,700	90,700	90,700
Notes payable	8,000	11,000	17,464
Profit and loss	77,884	73,828	64,086
Total	$266,584	$265,528	$262,250

Officers: Robert MacKenzie, Pres.; Randal Kenny, V-P.; G. E. Wadland, Sec., Treas. & Mgr.; H. W. Unsworth and G. W. Prangley, Auditors, Sarnia, Ont.

Directors: John E. Smallman, London, Ont.; R. MacKenzie, R. Kenny, C. S. Ellis, W. Robt. Paul, R. V. Le Sueur, L. N. Phippen, Sarnia, Ont.

General Office, Sarnia, Ont., Can.

THE MISSOURI & KANSAS RAILWAY COMPANY

History—Incorporated April 27, 1904, in Kan., under general railroad laws, as the Missouri & Kansas Interurban Ry. Co., name changed to above title July 30, 1919. Owns and operates line over private right of way, from Missouri and Kansas State line, Kansas City, Mo., to Lenexa and Olathe, 20 miles. Enters Kansas City over tracks of the Kansas City Rys. Gauge, standard. Rails, 70 lb. Motor cars, 6; trail cars, 3; freight cars, 2.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. Annual meeting, first Monday in March. No dividends paid.

FUNDED DEBT

$500,000 First Mortgage Gold 6s; dated July 1, 1919; due July 1, 1934; interest Jan. and July 1, at Fidelity National Bank & Trust Co., Kansas City, Mo., Trustee. Coupon, $1,000; principal may be registered. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

$155,000 Second Gold 6s; dated July 1, 1919; due July 1, 1934; int. Jan. and July 1, at Fidelity National Bank & Trust Co., Kansas City, Mo., Trustee. Coupon, $1,000; principal may be registered. Authorized, $300,000. A lien on entire property subject to the First 6s, described above. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$109,999	$117,038	$162,640
Oper. exp., deprec. & taxes	97,965	117,811	123,908
Net earnings	$12,034	*$772	$38,732
Other income	92	170	388
Total income	$12,126	*$602	$39,120
Interest charges	45,689	45,649	44,612
Deficit for year	$33,563	$46,251	$5,492

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,829,556	$1,826,947	$1,826,947
Materials and supplies	2,461	3,766	7,699
Cash	10,658	6,447	23,919
Accounts receivable	312	329	301
Unadjusted debits	944	2,897	17,082
Profit and loss deficit	170,928	137,365	91,114
Total	$2,014,859	$1,977,751	$1,967,062
Liabilities—			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Funded debt	655,000	655,000	655,000
Notes payable	198,831	209,631	102,100
Accts. pay. & wages accrued	12,783	10,405	32,838
Interest, etc., accrued	60,392	1,486	1,516
Reserve for taxes	.....	.....	3,581
Matured interest	.....	19,650	.....
Unadjusted credits	87,853	81,579	.....
W. B. Strang (working capital advances)	.....	.....	100,331
Reserve for depreciation	.....	.....	71,696
Total	$2,014,859	$1,977,751	$1,967,062

Officers: Henry C. Flower, Pres.; Lester W. Hall, V-P., Kansas City, Mo.; Thos. Riley, V-P. & Gen. Mgr.; A. D. Rider, Sec. & Treas.; E. H. Stair, Aud., Overland Park, Kans.

Directors: Thos. Riley, Overland Park, Kans.; Geo. T. Tremble, H. C. Flower, Henry C. Brent, Lester W. Hall, Leon Smith, Kansas, City, Mo.

General Office, Overland Park, Kansas.

CALAIS STREET RAILWAY

History and Property—Incorporated March 17, 1893, in Me.; reorganized in Oct., 1910. Controls and operates under 99-year lease the St. Stephen Electric Street Ry. Co. Line owned: 4 miles; leased, 3 miles—total operated, 7 miles. Gauge, standard. Rail, 48 lb. T. Motor cars: open, 4; closed 4; work car, 1; snow plows, 2. Power stations, 2; engines to generate power, 2.

CAPITAL STOCK

Authorized and outstanding, $50,000 Common and $50,000 Pfd.; par, $100. Annual meeting, in October.

Dividends—Dividends of 4% paid on Pfd. stock in 1914; 6% in 1915 and 1916; 4% in 1917, 1918 and 1919, none since. On Common, 4% was paid in 1916; none since.

FUNDED DEBT

$100,000 (entire issue) First Gold 5s; dated Oct. 1, 1910; due July 1, 1930; int. Jan. and July 1, at International Trust & Banking Co., Calais, Me., Trustee. Coupon, $100 and $500. A first lien on properties. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$47,775	$53,524	$36,916
Oper. exp. and taxes	53,447	58,013	43,616
Operating deficit	$5,672	$4,489	$6,701
Bond interest	5,000	5,000	5,000
Deficit for year	$10,672	$9,489	$11,701

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$200,546	$200,546	$200,546
Cash	4,240	4,918	4,918
Profit and loss deficit	50,592	35,920	26,431
Total	$255,378	$241,384	$231,895
Liabiilties—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	100,000	100,000	100,000
Current liabilities	40,505	32,511	23,022
Depreciation	14,873	8,873	8,873
Total	$255,378	$241,384	$231,895

Officers and Directors: Geo. A. Curran, Pres.; B. Y. Curran, Sec., Treas., Gen. Mgr. & Pur. Agt.; C. F. Pray, Supt., M. S. Curnan, Calais, Me.

Office, Calais, Me.

BUFFALO & LACKAWANNA TRACTION CO.

History—Incorporated June 18, 1906, in N. Y. Line of road (double track); Lafayette Square, Buffalo, to Lackawanna City, N. Y., 4.37 miles. The road was leased to Buffalo & Lake Erie Traction Co. for 999 years from June 18, 1906, but is now operated by Harry Evers, Receiver.

Receiver Appointed—In December, 1918, Harry Evers, Buffalo, N. Y., was appointed receiver for Company on application of the City Trust Co., of Buffalo, N. Y. The action was the result of the petition of Geo. Bullock, receiver for the Buffalo & Lake Erie Traction Co., for authority to abandon its lease of the Buffalo & Lackawanna Traction Co.'s line between Washington and Clinton Streets, Buffalo, to the Lackawanna City Line.

Default—On Dec. 1, 1918, the Company defaulted in the payment of interest on its $1,160,000 First Mortgage 5% bonds.

CAPITAL STOCK

Authorized and issued, $100,000; all owned by Erie Railways Co. Annual meeting, first Monday in June.

FUNDED DEBT

$1,160,000 First Gold 5s; dated Dec. 1, 1908; due Dec. 1, 1928; interest June and Dec. 1, at New York Trust Co., Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,500,000; issued, $1,160,000, of which $1,000,000 are outstanding, $150,000 held as collateral, and $10,000 held in treasury. The remaining bonds are reserved for betterments, etc., at 85% of cost. A first lien on road owned and guaranteed, principal and interest by Buffalo & Lake Erie Traction Co. (now Erie Rys. Co.). The Dec. 1, 1918, and subsequent interest is in default. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$149,019	$164,623	$163,359
Oper. exp., taxes & deprec.	154,260	167,304	163,260
Net earnings	*$5,241	*$2,681	$99
Other income	5,278	3,694	2,016
Total income	$37	$1,013	$2,115

*Loss.

RECEIVER'S BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$87,561	$87,173	$84,115
Cash	44,710	25,917	76,646
Accounts receivable	7,924	.....	5,419
Notes receivable	.....	10,207	.....
Special deposits	8,000	3,000	.....
Depreciation fund	98,000	98,000	.....
Unadjusted debits	462	316	334
Profit and loss deficit	31,003	36,196	31,206
Total	$277,660	$260,809	$197,720
Liabilities—			
Accounts payable	$13,173	$36,688	$27,523
Reserve for taxes	65,194	78,585	58,963
Interest accrued	.....	.....	8
Other current liabilities	29	.....	.....
Suspense	21,463	.....	.....
Unadjusted credits	18,665	13,419	12,010
Deferred credit items	136	117	130
Reserve for depreciation	159,000	132,000	99,086
Total	$277,660	$260,809	$197,720

Officers: Harry Evers, Receiver, Buffalo, N. Y.; R. E. Griscom, Pres.; M. D. Evans, V-P. & Sec., New York; A. F. Tideswell, Treas.; R. C. Lenahan, Mgr. for Receiver, Buffalo, N. Y.

Office, Buffalo, N. Y.

BAMBERGER ELECTRIC R.R.

History and Property—Incorporated March 17, 1896, in Utah, as the Salt Lake & Ogden Ry. Co., name changed as above in Aug., 1917 (see Manual for 1917, page 1069). Owns and operates an interurban railway on private right of way from Salt Lake City to Ogden, Utah, 35.5 miles. Formerly operated as a steam road; operation by electricity begun May 28, 1910. Total trackage, 73 miles. Gauge, standard. Rails, 60 and 85 lb. Motor cars, 18; work car, 1. Electric locomotives, 4. Power purchased from Utah Power & Light Co. Owns 50% of the $150,000 stock (authorized, $1,000,000) of the Salt Lake Terminal Co., the other 50% being owned by the Salt Lake & Utah R. R. Co. The Terminal Company is operated by these two companies under a 50-year lease running to Dec., 1963.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common and $500,000 Pfd.; par, $100. Annual meeting, second Tuesday in June.

Dividends—Dividends of 6% on Pfd. stock regularly paid to 1924, inclusive; none since; payments annually on Dec. 31. Dividends of 5% each paid on Common stock in 1913, 1916, 1917, 1918 and 1919; none since.

FUNDED DEBT

(1)

$1,500,000 SALT LAKE & OGDEN RY. FIRST MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1934

Dated February 1, 1909.

Interest Payable February and August 1, at Harris Trust & Savings Bank, Chicago, Ill.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago, Ill.

Provisions of Issue—Authorized, $2,000,000; unissued bonds issuable for 75% of the cost of permanent extension and additions, provided net earnings for twelve months preceding have equalled at least twice the annual bond interest charge.

Callability—Subject to call at 105 and interest on any interest date.

Security—Secured by first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Henderson, Pierce, Critchlow & Barrette, Salt Lake City, Utah, and Snope, Zane, Busby & Weber, Chicago, Ill.

(2)

$150,000 BAMBERGER ELECTRIC R.R. SECOND MORTGAGE 6s; DUE JULY 6, 1957

Dated July 6, 1927.

Interest Payable January and July 1, at Tracy Loan & Trust Co., Salt Lake City, Utah.

Denomination—Coupon, $1,000.

Trustee—Tracy Loan & Trust Co., Salt Lake City, Utah.

Provisions of Issue—Authorized, $3,000,000; issued, $150,000.

Security—A second lien on the entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

GUARANTEED BONDS

$316,450 Salt Lake Terminal Co. First Gold 6s. These bonds are unconditionally guaranteed principal and interest jointly and severally by the Salt Lake & Utah R. R. Co. and Bamberger Electric R. R. Co. For complete description see General Index for statement of Salt Lake Terminal Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$559,230	$573,348	$583,575	$559,055	$610,004	$569,748
Operating expenses, taxes and depreciation	478,780	487,083	488,752	519,147	508,015	457,596
Net earnings	$80,450	$86,265	$94,823	$39,906	$101,989	$112,152
Other income	2,546	3,080	5,191	55,442	1,635	7,933
Total income	$82,996	$89,345	$100,014	$95,348	$103,624	$120,085
Interest charges	82,535	75,000	83,687	82,383	81,881	84,840
Other deductions	7,104	11,793	9,495	1,629	1,305	.....
Total charges	$89,639	$86,793	$93,183	$84,012	$83,186	$84,840
Balance for dividends	‡$6,643	$2,551	$6,831	$11,337	$20,438	$35,245
Dividends paid	.....	.....	.....	30,000	30,000	30,000
Deficit for year	$6,643	*$2,551	*$6,831	$18,663	†$1,856	*$5,245
Times All Interest Earned	1.01	1.19	1.08	1.13	1.25	1.41
Earnings Per Share—						
Preferred	Nil	$0.51	$1.23	$2.27	$4.09	$7.05
Common	Nil	Nil	Nil	Nil	Nil	0.52

*Surplus. †After adjustments. ‡Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property account	$3,708,056	$3,718,104	$3,700,298	$3,752,842	$3,738,686	$3,719,392
Stocks owned	182,652	185,571	185,571	172,651	147,652	147,652
Bonds owned	1,980	1,980	1,980	67,225	.....	.....
Other investments	201,993	166,734	156,464	47,125	45,874	46,612
Materials and supplies	30,794	34,054	37,227	45,927	52,297	47,214
Cash	30,292	38,897	24,187	11,147	23,655	35,416
Notes receivable	611	3,261	10,626	24,493	135,012	114,022
Accounts receivable	33,365	44,796	20,643	137,689	57,181	43,572
Other current assets	3,801	.....	1,526	380	48	49
Unadjusted debits	119,691	.....	54,083	5,325	1,407	1,660
Other assets	.....	44,392	.....	1,380	1,370	.....
Total	$4,313,235	$4,237,791	$4,192,606	$4,265,683	$4,203,183	$4,155,589
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Preferred stock	500,000	500,000	500,000	500,000	500,000	500,000
Funded debt	1,650,000	1,500,000	1,500,000	1,470,000	1,470,000	1,450,000
Notes payable	.....	68,417	79,594	148,500	156,000	161,000
Accounts payable	110,632	131,000	130,334	87,173	83,283	69,358
Other current liabilities	3,800	4,928	1,526	.....	.....	.....
Interest accrued	42,042	34,879	36,466	61,223	31,812	31,121
Reserve for depreciation, etc.	.....	434,683	390,844	372,624	320,762	292,617
Unadjusted credits	457,900	.....	.....	.....	.....	.....
Deferred credit items	4,304	12,805	5,221	5,383	5,410	5,686
Profit and loss	544,557	550,999	548,622	620,779	635,914	645,806
Total	$4,313,235	$4,237,791	$4,192,606	$4,265,683	$4,203,183	$4,155,589

Officers: Julian M. Bamberger, Pres. & Gen. Mgr.; A. B. Irvine, V-P.; J. B. Bean, Sec.; I. M. Bamberger, Treas.; H. L. Balser, Aud.; N. S. Wiltsie, Gen. Supt.; H. I. Price, Pur. Agt., Salt Lake City, Utah.

Directors: I. M. Bamberger, J. M. Bamberger, A. B. Irvine, E. A. Vail, N. S. Wiltsie, R. B. Needham, J. B. Bean, Salt Lake City, Utah.

Office, Salt Lake City, Utah.

CHICAGO, SOUTH BEND & NORTHERN INDIANA RAILWAY CO.

History and Properties—Incorporated Feb. 1, 1907 in Ind.; successor to the property of the Northern Indiana Ry. Co., which had formerly succeeded the Indiana Ry. Co. Lines extend from South Bend to Mishawaka, Elkhart, Goshen, La Porte and Michigan City and include city lines in South Bend, Mishawaka, Elkhart, Goshen, La Porte and Michigan City; total track, 125.11 miles. Gauge, standard. Rail, 70 lb. T. Equipment: Passenger cars, 119; freight cars, 11; other cars 31—total, 161; of which 116 are electrically equipped. Substations, 11. In July, 1921 the company surrendered its local franchises and now operates under an undeterminate permit. Total passengers carried (all classes) 19,833,780, in 1926, compared with 19,962,663 in 1925, and 21,577,794 in 1924. Total car mileage in 1926, 3,734,282, compared with 3,633,133 in 1925. Tons freight carried: 1926, 344,554; 1925, 350,676. The Southern Michigan Ry. Co. (see appended statement) is affiliated with this company in that the same interests own both properties.

Receivership—On July 9, 1927, Federal Judge Slick of the U. S. District Court for the District of Indiana, upon petition, appointed R. R. Smith, Vice Pres. and Gen. Mgr. of the Company, Receiver. Company defaulted on July 1, 1927 in the payment of interest on its First Mortgage 5% 30-Year Gold bonds, due Jan. 1, 1937; the 25-Year 5% First Mortgage Gold bonds, due July 1, 1930 of La Porte & Michigan City Traction Co. and First Consolidated Mortgage 5% Gold bonds, due Jan. 1, 1936 of Northern Indiana Ry. A committee has been formed for the protection of the interests of the bondholders and to represent them in any Readjustment Plan. The Committee now owns or represents a substantial majority of each of the issues. Bondholders were requested to deposit their bonds with July 1, 1927 and subsequent coupons attached. National City Bank, New York, Depositary.

Bondholders' Protective Committee—C. F. Dieterich, Chairman; A. L. Kitselman, A. G. Murdock, A. H. Plumb; Sherman Allen, Sec., 55 Wall St., New York. Shearman & Sterling, Counsel.

CAPITAL STOCK

Authorized and outstanding, $5,000,000 Common and $2,500,000 5% non-cumulative Pfd.; par, $100. Preferred stock has preference as to assets and dividends over Common.

Annual Meeting—First Wednesday in February.

Dividends—None paid.

FUNDED DEBT

(1)

$1,000,000 INDIANA RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1930

Dated January 1, 1901.

Interest Payable January and July 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $1,000,000, of which $400,000 held alive in sinking fund on Dec. 31, 1926.

Sinking Fund—These bonds have a sinking fund of $10,000 per annum.

Security—These bonds are a first lien on about 50 miles of track. Assumed by Chicago, South Bend & Northern Indiana Ry.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$312,500 LA PORTE & MICHIGAN CITY TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1930

Dated July 1, 1905.

Interest Payable January and July 1, at First Trust & Savings Bank, Chicago.

Denomination—$500.

Provisions of Issue—Authorized and issued $350,000, of which $37,500 retired through operation of sinking fund.

Sinking Fund—2% per annum to maturity.

Security—A first lien on 14 miles of track. Assumed by Chicago, South Bend & Northern Indiana Ry.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Interest in Default—Coupon dated July 1, 1927 and subsequent coupons in default. For details of Bondholders' Protective Committee, see above.

(3)

$588,000 NORTHERN INDIANA RAILWAY FIRST CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1936

Dated January 1, 1906.

Interest Payable January and July 1, at U. S. Mortgage & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—U. S. Mortgage & Trust Co., New York.

Provisions of Issue—Authorized issue, $4,000,000, of which $650,000 have been issued, $62,000 thereof having been retired.

Callability—Subject to call.

Security—A lien on about 77 miles of track subject to the two issues of bonds of the Indiana Ry. Co. Assumed by Chicago, South Bend & Northern Indiana Ry.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Interest in Default—Coupon dated July 1, 1927 and subsequent coupons in default. For details of Bondholders' Protective Committee, see above.

(4)

$3,099,000 CHICAGO, SOUTH BEND AND NORTHERN INDIANA RY. CO. CONSOLIDATED MORTGAGE GOLD 5s; DUE JANUARY 1, 1937

Dated 1907.

Interest Payable January and July 1, at Central Union Trust Co., New York. Interest due July 1, 1918 was defaulted, but all past due interest has now been paid. Full interest payments on these bonds were resumed in 1924.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized issue, $5,000,000 of which $44,000 held in treasury and $1,901,000 reserved for prior liens and improvements.

Security—A lien on property subject to the prior liens described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Interest in Default—Coupon dated July 1, 1927 and subsequent coupons in default. For details of Bondholders' Protective Committee, see above.

RECEIVER'S INCOME ACCOUNT, JULY 9 TO DEC. 31, 1927

Earnings from operations	$657,631
Operating expenses and taxes	506,160
Net earnings	$151,471
Other income	1,015
Total income	$152,486
Interest on funded debt	117,496
Interest on unfunded debt	6,548
Other deductions	186
Balance	$28,256

RECEIVER'S BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$186,714
Cash	146,258
Accounts receivable	8,671
Unadjusted debits	80,899
Deficit	42,953
Total	$465,495
Liabilities—	
Accounts payable	$224,610
Interest accrued, etc.	121,496
Unadjusted credits	119,389
Total	$465,495

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Chicago, South Bend & Northern Indiana Ry. Co. Proper)

(Latest Furnished)

	1926	1925	1924	1923	1922	1921
Gross revenues	$1,371,126	$1,284,545	$1,307,113	$1,448,742	$1,324,616	$1,252,504
Operating expenses & depreciation	975,333	894,329	913,407	928,174	868,942	961,114
Taxes	66,412	61,895	90,758	78,674	61,680	
Net earnings	$329,381	$328,321	$302,948	$441,894	$393,994	$291,390
Other income	3,759	1,773	3,709	4,099	3,164	.....
Total income	$333,140	$330,094	$306,657	$445,993	$397,158	$291,390
Interest, rents, etc.	263,744	256,798	255,344	254,192	244,654	240,712
Surplus for year	$69,396	$73,296	$51,313	$191,801	$152,504	$50,678
*Times Fixed Charges Earned	1.26	1.28	1.20	1.75	1.62	1.21
Earnings Per Share—						
Preferred	$2.78	$2.11	$2.28	$7.67	$6.10	$2.03
Common	Nil	Nil	Nil	1.34	0.55	Nil

*After depreciation.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Chicago, So. Bend & No. Ind. Ry. Co. and Southern Michigan Ry. Co.)

(Latest Furnished)

	1926	1925		1926	1925
Gross revenue	$1,570,433	$1,487,660	Gross revenue (forward)	$429,626	$423,222
Operating expenses	1,146,416	1,067,195	Taxes	80,098	78,625
Net revenue	$424,017	$420,465	Gross revenue, less taxes	$349,528	$344,597
Other income	5,609	2,757	Interest on bonds & notes	301,960	314,861
Gross revenue	$429,626	$423,222	Surplus	$47,568	$29,736

COMPANY'S GENERAL BALANCE SHEET, DECEMBER 31

	(Latest Furnished)					
Assets—	1926	1925	1924	1923	1922	1921
Plant, properties, franchises, etc.	$10,428,384	$10,428,384	$13,234,599	$10,428,384	$10,428,384	$13,046,927
Coach lines operated	.....	.....	112,044	.....	.....	.....
Other investments	122,740	.....	500	500	300	277,496
Construction additions and betterments	2,822,448	2,817,678	.....	2,802,403	2,634,444	.....
Treasury bonds	44,000	43,000	.....	63,032	68,000	.....
Bonds in sinking fund	400,000	402,746	358,553	336,000	306,000	.....
Cash in sinking fund	12,746	.....		749	292	.....
Cash	150,664	99,829	114,762	119,082	148,474	101,989
Accounts receivable	240,676	324,694	152,279	82,929	44,851	87,306
Materials and supplies	77,360	78,520	74,101	76,979	70,277	59,528
Coal in stock	.....	.....	.....	.....	7,660	.....
Prepaid insurance	2,891	7,502	6,477	3,826	4,686	.....
Miscellaneous debits	740	.....		3,052	.....	2,944
Suspense	144,436	.....		5,594	*4,463	.....
Total	$14,447,084	$14,202,353	$14,053,315	$13,922,530	$13,708,905	$13,576,190
Liabilities—						
Common stock	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000	$5,000,000
Preferred stock	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Funded debt	4,999,500	4,999,500	4,956,500	4,999,500	4,881,500	4,389,500
Advance token sales	6,155	4,664	.....	.....	.....	.....
Advance ticket sales	4,683	4,647	.....	5,262	5,241	
Other unadjusted credits	739	745	.....	745	678	
Accrued taxes	55,070	53,260	69,138	69,035	63,279	126,293
Accrued interest	†99,650	106,088	89,740	106,660	281,686	
Accrued depreciation	109,540	91,540	79,444	55,540	45,627	
Unclaimed wages and vouchers	1,432	1,420	.....	1,200	836	
Vouchers payable	282,897	224,271	162,219	123,643	86,950	817,262
Notes payable	172,703	65,120	24,689	34,571	18,311	
Paving and sewer assessments	48,686	49,787	64,584	82,396	100,208	.....
Suspense items	.....	.....	.....	7,111	.....	117,276
Coach lines operated	.....	.....	107,160	.....	.....	.....
Surplus	1,166,031	1,101,311	999,840	936,847	724,589	625,858
Total	$14,447,084	$14,202,353	$14,053,315	$13,922,530	$13,708,905	$13,576,190

*Debit. †Net.

Officers: C. E. Dieterich, Pres., New York; R. R. Smith, V-P. & Gen. Mgr., South Bend, Ind.; A. E. Dieterich, Treas., New York; O. A. Small, Sec., Asst. Treas. & Aud.; W. W. Waterson, Supt. of Trans.; R. E. Cornwall, Pur. Agt., South Bend, Ind.

Directors: A. E. Dieterich, C. E. Dieterich, New York; Chas L. Murdock, LaFayette, Ind.; A. L. Kitselman, J. W. Smith, Muncie, Ind.; R. R. Smith, Harry A. Wair, South Bend, Ind.; R. I. Todd, A. Gordan Murdock, Indianapolis; A. H. Plumb, Emporia, Kan.

Office, South Bend, Ind.

SOUTHERN MICHIGAN RAILWAY COMPANY

(Affiliated with Chicago, South Bend & Northern Indiana Ry. Co.)

History and Property—Incorporated Feb. 8, 1906, in Ind. and Mich.; consolidation of South Bend & Southern Michigan Ry. and the Niles & Buchanan Ry. Operates an interurban line between South Bend, Ind., and St. Joseph, Mich. Miles of track 35. Gauge, standard, Rail, 70 lb. T. Franchise in St. Joseph expires 1935; Berrien Springs, Mich., 1935; Niles, Mich., 1932, 1935 and 1936; perpetual in South Bend, Ind. Cars, passenger, 12; freight, 3; work, 10; snow plows, 3—total, 28, of which 17 electrically equipped. Substations, 3. Total passengers carried (all classes) 790,773 in 1925, compared with 938,332 in 1924. The Chicago, South Bend & Northern Indiana Ry. Co. is affiliated with this company in that the same interests own both properties.

Valuation—In Nov., 1923, the Michigan Public Utility Commission fixed valuation of company at $1,618,645, based on reproduction costs, less depreciation.

New Bill of Foreclosure Filed—Receiver Appointed—On May 17, 1928 the Bondholders' Protective Committee sent the following letter to holders of Certificates of Deposit for the First Mortgage 25-Year 5% Gold bonds—"Since our letter to you of March 7, 1928, on the advice of counsel, certain changes have been made in the plans of the Trustee under the mortgage in order to reduce the expenses of receivership and increase the efficiency of operation. The bill of foreclosure filed in the Federal Court at Grand Rapids, Mich., in Oct., 1927, has been withdrawn and a new bill filed in the Federal Court at Indianapolis, Ind. The court has named as receivers R. R. Smith, former Vice-Pres. and general manager of Company and L. V. Bower of the Harris Trust & Savings Bank, Chicago."

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. All owned by interests identified with the Chicago, South Bend & Northern Indiana Ry. Co. Annual meeting, in February. Dividends of 1% each paid in 1922 and 1923; none since.

FUNDED DEBT

(1)

$536,000 SOUTH BEND & SOUTHERN MICHIGAN RY. CO. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1927

Dated October 1, 1902.

Interest Payable April and October 1, at Harris Trust & Savings Bank, Chicago.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized and issued, $750,000, of which $214,000 held alive in sinking fund.

Sinking Fund—$5,000 per annum. On Dec. 31, 1927, $214,000 of these bonds were held alive in sinking fund.

Security—A first lien on line, South Bend, Ind., to St. Joseph, Mich., 34 miles.

Guarantee—Guaranteed by endorsement by the Indiana Railway Co.; guarantee assumed by the Chicago, South Bend & Northern Indiana Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Principal and Interest in Default—Principal and interest on these bonds due Oct. 1, 1927 is in default. A Bondholders' Protective Committee was formed with the following members: Donald C. Miller, Chairman; Norman W. Harris, Sec. and T. H. Erickson. Harris Trust & Savings Bank, Chicago, Depositary.

Up to May 17, 1928, $402,000 of the $536,000 outstanding bonds had been deposited with the Committee.

(2)

$395,000 SOUTHERN MICHIGAN RAILWAY CO. FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE MARCH 1, 1931

Dated March 1, 1906.

Interest Payable March and September 1, at United States Mortgage & Trust Co., New York.

Denomination—Coupon $1,000.

Trustee—United States Mortgage & Trust Co., New York.

Provisions of Issue—Authorized issue, $2,000,000 of which $750,000 are reserved to retire the South Bend & Southern Michigan Ry. First 5s and remainder for betterments, improvements and extensions under restrictions.

Callability—Subject to call at 105 on any interest date.

Sinking Fund—1½% of bonds outstanding from March 1, 1915 up to March 1, 1925, and 2% of bonds outstanding thereafter.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	‡1924	1923	1922
Gross revenue	$229,410	$199,307	$203,115	$272,707	$265,290	$275,598
Oper. exp., deprec. and taxes	225,562	184,769	189,597	214,120	203,292	196,220
Net earnings	$3,848	$14,538	$13,518	$58,587	$61,998	$79,378
Other income	3,509	1,850	984	875	1,231	2,412
Total income	$7,357	$16,388	$14,502	$59,462	$63,229	$81,790
Bond interest	38,474	38,216	57,292	57,982	57,500	57,500
Other interest, etc.			771	396	933	1,443
Other deductions	107	.....	.....	.....	.....	.....
Total charges	$38,581	$38,216	$58,063	$58,378	$58,433	$58,943
Surplus for year	†$31,224	†$21,828	†$43,561	$1,084	$4,796	$22,847
*Times Bond Interest Earned	§0.19	§0.43	0.25	1.01	1.08	1.40
Earnings Per Share	Nil	Nil	Nil	$0.05	$0.24	$1.14

*After depreciation. †Deficit. ‡Includes bus operations. §Times bond and other interest earned.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	†1927	1925	1924
Property account	$3,351,010	$3,200,547	$3,323,134
Constructions & betterments	.....	122,791	.....
Stocks owned	.....	.....	100
Other investments	222,377	.....	158,768
Cash	15,950	31,465	30,528
Sinking fund cash	.....	5,768	.....
Sinking fund bonds	.....	158,000	.....
Store-room	.....	*745	.....
Unearned insurance	.....	697	15,936
Suspense—state valuation	.....	15,240	
Accounts receivable	59,286	28,954	34,759
Coach lines operated	.....	.....	38,936
Deferred debits	16,131	.....	.....
Total	$3,664,754	$3,562,717	$3,602,161

Liabilities—	†1927	1925	1924
Capital stock	$2,000,000	$2,000,000	$2,000,000
Funded debt	395,000	1,145,000	1,150,000
Notes payable	116,478	.....	13,200
Accounts payable	.....	90,898	34,699
Interest, etc., accrued	34,722	19,522	16,041
Advance ticket sales	.....	411	.....
Matured funded debt unpd.	750,000	.....	.....
Deferred credits	4,914	.....	.....
Unadjusted credits	102,394	.....	50,894
Paving assessments	.....	5,736	6,883
Coach lines	.....	.....	33,406
Accrued depreciation, etc.	.....	52,400	.....
Profit and loss surplus	261,246	248,750	297,037
Total	$3,664,754	$3,562,717	$3,602,161

*Credit. †1926 figures not available.

Officers: C. F. Dieterich, Pres., New York; R. R. Smith, V-P. & Gen. Mgr.; Oren A. Small, Sec. & Aud., South Bend, Ind.; A. E. Dieterich, Treas., New York; W. W. Waterson, Supt. of Trans.; R. E. Cornwall, Pur. Agt., South Bend, Ind.

Directors: C. F. Dieterich, A. E. Dieterich, New York; James G. Murdock, Indianapolis, Ind.; R. R. Smith, Harry R. Wair, South Bend, Ind.

Office, South Bend, Ind.

THE YOUNGSTOWN AND OHIO RIVER RAILROAD COMPANY

History and Property—Incorporated Dec. 8, 1905, in Ohio. Owns electric line from Salem, Ohio, from a connection with the tracks of the Stark Electric Ry. to Washingtonville and Leetonia (where connection is made with the Youngstown & Southern), Lisbon, West Point and East Liverpool to a connection with the tracks of the East Liverpool Traction & Light Co., 36.77 miles. Built entirely on private right of way, except through Salem, where franchise is for 25 years. The line between Salem, Washingtonville, Leetonia, and Lisbon, 20 miles, was put in operation on Dec. 21, 1907, and from Lisbon to East Liverpool on Dec. 9, 1909. Leases the Salem R. R. Co. from the Pittsburg, Lisbon & Western R. R. Co. for 99 years from May 1, 1906, rental being $6,000 per annum. Also has traffic agreement with Youngstown & Southern Ry. for the use of its tracks from Leetonia into Youngstown. Operated by steam for freight and electricity for passengers. Gauge, standard. Rail, T, 70 lbs. Equipment includes 8 motor and 24 other cars and 3 locomotives.

REVENUE PASSENGERS CARRIED, YEARS ENDED DEC. 31

1918	936,634	1923	751,693
1919	983,159	1924	603,722
1920	1,164,684	1925	538,740
1921	915,289	1926	561,585
1922	766,538		

CAPITAL STOCK

Authorized, $1,250,000 Common and $1,250,000 5% cumulative Pfd.; outstanding, $1,000,000 Common and $1,000,000 Pfd.; par, $100.

Annual Meeting—Last Monday in January, at Leetonia, Ohio.

Listed—Cleveland Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	½	8	15	45	50	45	51	45
Low	½	8	15	40	50	45	45	45
Common—								
High	..	2	2	*16	15	8	15	15
Low	..	ask	1	..	15	7	10	5

*Bid.

Dividends—Initial dividend on Pfd. ¾% paid in Oct. 1910; 1911, 4¼%, 1912, 4½%; 1913 and 1914, 3¾% each; 1915, 4½%; 1916, 5% regular and 2% extra account of accumulations, completing payment of all accumulations to Dec. 31, 1916; 1917, 5%; 1918, 5% 1919, 3¾%; 1920, 6¼%; 1921, 1922 and 1923, 5% each. March 31, 1924, 1¼%; none since. Initial dividend on Common of 1% paid in Dec. 1916; none in 1917, 1918 and 1919; 1920, 2%; 1921, 4%; 1922 and 1923, 1% each; none since. Pfd. dividends were payable M, J, S & D 31.

FUNDED DEBT

$1,200,000 First Mortgage Gold 5s; dated April 1, 1910; due April 1, 1935; int. April and Oct. 1, at

Union Trust Co., Cleveland, Trustee, and First National Bank, New York. Coupon, $1,000; principal may be registered. Authorized, $2,500,000, of which $1,300,000 reserved for extensions and improvements. Subject to call at 105 and int. on any interest date. Secured on entire property. Company pays Normal Federal Income Tax up to 2%.

Default—No interest has been paid on the above bonds since that of Oct. 1, 1926, which was paid about three months after it was due.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	15½	17	47	60	77	78	72	80
Low	bid	bid	bid	bid	bid	bid	bid	bid

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$261,918	$316,384	$315,089	$336,430	$537,826	$478,401
Operating expenses, including depreciation	229,911	281,117	262,323	287,762	362,699	308,833
Taxes and rentals	34,700	19,114	20,159	38,481	51,093	47,957
Net earnings	*$2,693	$16,152	$32,607	$10,187	$124,034	$121,611
Bond interest	60,000	60,000	60,000	60,000	60,000	60,000
Other deductions	3,040	.....	.....	.....	.....	.....
Deficit	$65,733	$43,848	$27,393	$49,813	†$64,034	†$61,611
Preferred dividends	.....	.....	.....	12,500	50,000	50,000
Common dividends	.....	.....	.....	.....	10,000	10,000
Deficit for year	.....	$43,848	$27,393	$62,313	†$4,034	†$1,611
Times Interest Earned	Nil	0.25	0.54	0.17	2.07	2.03
Earnings Per Share—						
Preferred	Nil	Nil	Nil	Nil	$6.40	$6.16
Common	Nil	Nil	Nil	Nil	1.40	1.16

*Loss. †Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$3,416,863	$3,445,088	$3,440,050	$3,443,715	$3,441,387	$3,423,856
Investments	61,480	.....	.....	.....	.....	.....
Cash	39	97	37	35	50	59
Special deposits	.....	581	6,081	1,818	3,896	18,027
Accounts receivable	5,790	12,068	12,306	15,963	27,394	20,619
Notes receivable	.....	31,270	29,500	39,500	43,600	.....
U. S. Govt. securities	.....	.....	.....	.....	65,065	65,065
Interest receivable	.....	.....	.....	.....	355	381
Materials and supplies	3,879	155	5,039	5,460	1,592	3,968
Power house coal	.....	2,100	2,086	1,736	3,587	.....
Other current assets	4,792	.....	.....	.....	.....	.....
Unadjusted debits	629	1,429	3,057	4,817	1,109	3,448
Deferred assets	300	300	500	500	300	285
Profit and loss deficit	132,630	69,465	25,870	3,231	.....	.....
Total	$3,626,402	$3,562,554	$3,524,526	$3,516,775	$3,588,335	$3,535,708
Liabilities—						
Common stock	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Preferred stock	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Bonds issued	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Accounts payable	17,835	35,784	18,279	13,071	48,476	23,407
Taxes accrued	6,558	4,925	8,240	25,544	27,549	27,362
Unmatured interest accrued	15,667	15,271	15,000	15,000	15,000	15,000
Unmatured rents accrued	.....	1,000	1,000	1,000	1,000	1,000
Accrued depreciation	278,205	258,429	234,023	209,336	184,616	159,971
Matured interest and dividends unpaid	.....	581	1,081	781	3,122	2,488
Other current liabilities	71,403	.....	.....	.....	.....	.....
Unadjusted credits	28,359	4,432	2,667	8,436	7,044	8,148
Deferred liabilities	8,375	10,840	.....	264	888	1,536
Accident reserve	.....	31,291	44,236	43,343	41,882	42,083
Profit and loss surplus	.....	.....	.....	.....	58,758	54,713
Total	$3,626,402	$3,562,554	$3,524,526	$3,516,775	$3,588,335	$3,535,708

Officers: Chas. S. Thrasher, Pres., Cleveland, O.; J. D. Dewees, V-P. & Gen. Mgr., Leetonia, O.; Warren Bicknell, Sec. & Treas.; G. D. Pyne, Asst. Sec.; The Warren Bicknell Co., Oper. Mgrs., Cleveland, O.; R. F. Miller, Aud. & Asst. Treas., Leetonia, O.

Directors: Geo. A. Stanley, Warren Bicknell, L. P. Metzger, Chas. S. Thrasher, W. E. Davis, Cleveland, O; J. D. Dewees, Leetonia, O.; Max P. Goodman.

Executive Office, 2024 B. F. Keith Bldg., Cleveland. Ohio. **Operating Office,** Leetonia, Ohio.

THE NORTHERN OHIO POWER COMPANY

(Controlled by Penn-Ohio Edison Company)

History—Incorporated Jan. 3, 1925 in Md., as a holding company and as of Feb. 1, 1925 acquired under the reorganization plan (see 1926 Public Utility Manual, page 2131), dated Dec. 30, 1924, all the assets of the Northern Ohio Electric Corp., including over 99% of the Common stock of Northern Ohio Power & Light Company, formerly The Northern Ohio Traction & Light Company.

Plan and Agreement of Reorganization—Under offer of the Penn-Ohio Edison Company, dated April 21, 1928, holders of the capital stock of The Northern Ohio Power Co. were invited to deposit their certificates of stock with the Bankers Trust Co., New York, Depositary, under the Plan and Agreement or Reorganization, dated April 12, 1928, under which Penn-Ohio Edison Company is to acquire capital stock of The Northern Ohio Power Company, and receive the Deposit Receipts of Bankers Trust Co. therefor, calling for the delivery of Common stock and Option War-

rants, Series "B," of the Penn-Ohio Edison Company on the conditions stated in the offer as follows:

For each share of capital stock The Northern Ohio Power Company there will be deliverable (a) 2/3 share of Common stock of the Penn-Ohio Edison Company and (b) 1/3 of an Option Warrant, Series "B," each such Option Warrant, Series "B," entitling the holder to purchase one share of Common stock of the Penn-Ohio Edison Company, as such Common stock may be constituted at the time of the exercise thereof, at $50 per share if exercised on or prior to Dec. 31, 1928; at $55 per share if exercised during the calendar year 1929; or at $60 per share if exercised thereafter, but on or prior to its expiration date, Nov. 1, 1935.

Under date of May 16, 1928, it was announced that more than a majority of the capital of The Northern Ohio Power Company having been deposited under the Plan, the Plan was declared operative. Time for deposits under the Plan were extended until June 11, 1928.

Upon completion of the exchange, giving effect to the deposit of all of the capital stock of The Northern Ohio Power Company, the outstanding capitalization of the Penn-Ohio Edison Company will be:

$5,999,000 Debentures 6% due Nov. 1, 1950.
$8,151,800 7% Prior Preference stock.
49,229 shares $6 Pfd. stock (no par).
717,003 1/5 shares Common stock (no par), including scrip for fractional shares.
119,270 Option Warrants issued in 1925 expiring Nov. 1, 1935, for purchase of Common stock at $25 per share.
166,650 Option Warrants, Series "B," for purchase of Common stock at $50 per share to Dec. 31, 1928; at $55 during 1929, and at $60 thereafter to expiration date, Nov. 1, 1935.

CONSOLIDATED EARNINGS, TWELVE MONTHS ENDED FEBRUARY 29, 1928

(The Northern Ohio Power Company and Penn-Ohio Edison Company)

Gross earnings	$25,745,252
Operating expenses including maintenance & taxes	16,122,635
Gross income after taxes	$9,622,617
Interest, dividends on Pfd. stocks, amortization and other fixed charges	6,674,368
Balance applicable to Common stock, retirement reserve, etc.	$2,948,249

It is planned that the generating plants of the respective companies ultimately will be physically interconnected as are the railways at the present time. This interconnection should be conducive to higher operating efficiencies, not only through diversification of load, but because the Northern Ohio property is now purchasing a substantial part of its power requirements, and the Penn-Ohio property has generating capacity greater than its immediate needs and ready means of adding thereto. It is believed, therefore, that the consummation of this Plan will be of signal benefit to the stockholders of both The Northern Ohio Company and the Penn-Ohio Edison Company.

CAPITAL STOCK

Authorized, 500,000 shares of no par value; outstanding, 499,950 shares. This stock is being exchanged for stock of Penn-Ohio Edison Co., see above.

Transfer Agents—Hodenpyl, Hardy & Co., Inc., New York, and E. W. Clark & Co., Philadelphia.

Registrars—Bankers Trust Co., New York, and Fidelity-Philadelphia Trust Co., Philadelphia.

Annual Meeting—Fourth Monday in April.

FUNDED DEBT

$3,499,500 TEN-YEAR 7% GOLD BONDS; DUE FEBRUARY 1, 1935

Dated February 1, 1925.

Interest Payable February and August 1, at the office of Bankers Trust Co., New York, and Hodenpyl, Hardy & Co., Inc., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized, $3,500,000; outstanding, $3,499,500. Issued to provide funds to pay the $2,680,000 loan of the Northern Ohio Electric Corp. and provide working capital for the new company. $699,500 of bonds were issued upon the exercise of 69,950 options producing $699,500 additional cash for company's treasury available to purchase additional securities of the Northern Ohio Power and Light Co., or for other corporate purposes.

Callability—Subject to call at par and interest on 30 days' notice.

Security—Secured by pledge of $9,998,100 Common stock of the Northern Ohio Power and Light Co. The indenture provides that these bonds shall mature in two years unless the earnings of the Northern Ohio Power and Light Co. applicable to its Common stock in any twelve month period ending during said two years exceeds the sum of $400,000 after deducting 20% of the gross earnings for maintenance and depreciation; provided, however, that such requirement may be waived by 50% in amount of bonds. This earnings provision has been met and certificate filed with the Trustee early in 1926.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

COMBINED STATEMENT OF EARNINGS, YEARS ENDED APRIL 30

(The Northern Ohio Power Co. and Subsidiaries)

	1927	1926
Gross earnings	$12,087,320	$11,828,094
Operating expenses, including taxes and current maintenance	8,880,146	8,617,606
Gross income	$3,207,174	$3,210,488
Fixed charges, including all interest charges, amort. of debt discount, and Pfd. divds. of sub. cos.	2,347,121	2,229,271
Net income available for retirement reserve and corporate purposes	$860,053	$981,217
Provision for retirement—year 1926	400,000	
Balance	$460,053	

GENERAL BALANCE SHEET, APRIL 30

Assets—	1927	1926
Securities owned	†$3,317,664	$3,732,209
Cash on deposit	12,199	335,414
Advances to Northern Ohio Power & Light Co.		325,333
Accounts receivable	31,443	6,781
U. S. Govt. securities	774,404	
Total	$4,135,710	$4,419,737
Liabilities—		
Capital stock	‡$499,950	$491,070
Capital stock deliverable upon exercise of options		8,930
10-year 7% Gold bonds	3,499,500	3,410,700
*Notes payable		250,000
Accrued & reserve accounts	88,231	221,604
Surplus	48,029	37,433
Total	$4,135,710	$4,419,737

*Paid June 11, 1926. †Consisting principally of $9,998,100 Common stock, $167,600 7% Pfd. stock and $72,000 6% Pfd. stock of Northern Ohio Power & Light Co. ‡Represented by 499,950 shares of no par value.

Officers: Geo. E. Hardy, Pres.; B. C. Cobb, V-P.; J. Hekma, V-P., New York; C. M. Clark, V-P., Philadelphia; G. H. Bourne, Sec.; Geo. Sprague, Jr., Treas.; H. G. Kessler, Compt., New York.

Directors: J. W. Barr, Jr., Louisville, Ky.; C. M. Clark, Philadelphia; F. N. B. Close, B. C. Cobb, W. M. Flook, Geo. E. Hardy, J. Hekma, H. G. Kessler, G. H. Bourne, R. P. Stevens, New York; E. S. Colman, Providence, R. I.; E. W. Moore, Cleveland, O.

General Office, 14 Wall St., New York.

NORTHERN OHIO POWER AND LIGHT COMPANY

(Controlled by The Northern Ohio Power Company)

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	*Income Available for Dividends	—Dividends Paid— Per Cent	Amount	*Earnings per Share
6% Cum. Pfd. (Par $100)	J, A, J & O 1	$10,000,000	{$4,612,100	Yes	$1,497,688	6-7%	$512,109	$18.01
7% Cum. Pfd. (Par $100)	J, A, J & O 1		{†3,704,900					
Common (Par $100)		10,000,000	10,000,000	...	985,579	3½%	350,000	9.86

*After depreciation. †Excludes $302,200 subscribed but unissued.

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
No. O. Tr. & L. Co. First Lien & Ref. 5s	Aug. 1, 1956	F & A 1	Unlimited	$4,466,000	No	Yes	Paid by Co.
No. O Tr. & L. Co. General & Ref. 6s	Mar. 1, 1947	M & S 1	.....	7,943,500	No	Yes	Paid by Co.
No. O. Tr. & L. Co. First Consol. 4s	Jan. 1, 1933	J & J 1	$6,500,000	2,223,000	No	No	Paid by Co.
No. O. Tr. & L. Co. First Consol. 5s	Jan. 1, 1933	J & J 1	.....	996,000	No	No	Paid by Co.
No. O. Tr. & Lt. Co. 15-Year 6½% Debentures	Jan. 1, 1941	J & J 1	2,500,000	2,401,000	No	Yes	Paid by Co.
No. O. Power & Lt. Co. Gen. & Ref. 5½% Series due 1951	Mar. 1, 1951	M & S 1	.....	11,616,000	No	Yes	Paid by Co.
Canton-Akron Consol. Ry. Gen. Consolidated Gold 5s	Jan. 1, 1933	J & J 1	2,500,000	761,000	No	*Yes	Paid by Co.

Total Funded Debt at Dec. 31, 1927, $30,406,500.
†Amount Available for Interest in 1927, $3,194,989.
Fixed Charges Accrued in 1927, $1,697,301.
†Times Fixed Charges Earned in 1927, 1.88.
*See description (No. 1). †After depreciation.

History and Property—Incorporated Nov. 24, 1902, in Ohio as The Northern Ohio Traction and Light Co.; successor to the Northern Ohio Traction Co. Name changed to present title on April 7, 1926. In Oct., 1906, acquired the entire outstanding stock of the Canton-Akron Consolidated Ry., which had previously absorbed the Canton-Akron Ry., Canton-New Philadelphia Ry., and the Tuscarawas Traction Co. Also owns the entire capital stock of the Akron, Wadsworth & Western Traction Co., which has in operation an extension to Wadsworth. In 1922 acquired the electric property of the Kent Water & Light Co. consisting of the distribution system in the city of Kent, Ohio.

The Company owns and operates 287 miles (single track equivalent) of standard constructed electric railway, and in addition has trackage rights affording an entrance into the City of Cleveland, comprising all the transportation lines within the cities of Akron, Canton and Massillon and the interurban road between these cities and Cleveland, Uhrichsville, Wadsworth, Warren and Alliance, Ohio; also does the exclusive commercial electric light and power business in Akron and directly supplies electric energy to 48 other communities. Electric energy is also sold on a wholesale basis to other utility companies which serve 20 other communities. Population of communities directly served is estimated to be in excess of 288,000. Operates a fleet of 224 motor buses in interurban and city transportation service. Also owns two parks, one in Akron and one in Canton.

The interurban railway comprises 174 miles of track, for the most part laid with 70 and 80-pound steel rails. The city lines aggregate 113 miles of track, a large part of which consists of 70 to 114-pound steel rails laid in concrete on paved streets. The railway overhead system is partly of span and partly of bracket construction. The Company's cars enter Cleveland over the tracks of the Cleveland Ry., under a trackage agreement. The Stark Electric R.R. Company's cars enter Canton under a trackage agreement. The rolling stock consists of 363 passenger motors; 86 freight and baggage motors; 41 miscellaneous and service cars; 224 auxiliary motor buses.

Under date of April 16, 1928, the interurban railway line between North Canton and Springfield Lake outside of Canton was discontinued. The short line from Springfield Lake to Akron will be continued in service. In lieu of railway service over the route abandoned, motor buses will handle the passenger service. The freight traffic between Canton and Akron will be routed over the line of the Stark Electric Railroad Co. to Alliance, where connection is made with the electric railway lines of the Northern Ohio Power and Light Co.

The company conducts a high speed freight service, which has shown a substantial growth since its inception in 1922.

The Company now operates the property formerly belonging to The Cleveland, Alliance & Mahoning Valley Railroad Company, acquired March 12, 1924, which extends its lines eastward to Warren and Alliance, adding forty-five miles to its former railway system, including seven stations, the more important being Warren, Newton Falls and Alliance.

In 1924 the Company developed a type of electric refrigerator car which is considered to be the first of its kind. The car is equipped with a refrigerator plant, operated by electricity from the trolley, thermostat control insuring even temperature—a condition that is not always possible in the ordinary type of refrigerator car. The new car was placed in operation between Cleveland and other points located on the Company's interurban railway lines and very satisfactory results were obtained. An over night delivery service is maintained.

About June 1, 1924, Company completed the construction of a high tension steel tower transmission line which forms part of the great inter-connected power system linking together practically all of the industrial centers of eastern and northern Ohio, as well as western Pennsylvania and the western part of West Virginia. The Company purchases on a favorable basis a large supply of electric current which is transmitted over the line from Cleveland to Akron; also from another outside source over transmission lines from Windsor, West Virginia.

The Company was among the first of its kind to recognize the desirability of motor buses to supplement the urban and interurban transportation service rendered by electric railways. Equipment of this character was added to the transportation system from time to time until on Dec. 31, 1927, the Company had in operation a total of 176 motor buses in conjunction with its city railway service and 48 motor coaches in conjunction with its interurban service.

The Company has generating stations with an aggregate capacity of 92,500 h. p. The generating plants are connected with the main points of distribution by high voltage transmission lines.

Consult Us Concerning the Securities of
NORTHERN OHIO POWER & LIGHT CO.
Hodenpyl Hardy Securities Corporation
14 Wall Street, New York 231 S. LaSalle St., Chicago

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Revenue Passengers—City Systems	Revenue Passengers—Interurban System	Electric Sales in K.W.H.	Electric Customers
1918	45,217,915	16,835,927	113,716,277	24,990
1919	61,289,852	17,755,171	138,679,216	32,007
1920	68,903,885	20,876,115	148,081,253	38,438
1921	47,799,437	16,820,442	102,681,834	40,103
1922	50,632,248	17,117,064	135,397,186	45,496
1923	54,112,423	16,784,535	157,468,263	48,328
1924	48,563,053	14,478,984	176,245,654	51,516
1925	51,352,849	14,266,754	203,531,744	56,000
1926	48,973,671	14,398,663	265,453,204	59,793
1927	47,929,278	13,897,273	286,616,987	64,535

NOTE—During 1927, 140,523 tons of freight were handled as compared with 140,696 tons in 1926.

Franchises—The principal electric light and power properties are operated under rights without specified limit as to duration. The city railway franchises expire as follows: Akron, 1928; Canton, 1928, and Massillon, 1932. Fifty-five percent of the interurban system trackage is on private right-of-way or subject to franchises without specified limit of time; the remaining 45% is subject to franchises of various maturities from 1920 to 1931.

A franchise for transportation service in Akron was drawn up and upon submission to the voters at the general election on November 4th, 1924, it was approved by a satisfactory majority. The franchise which provides for a co-ordinated street railway motor bus transportation service was accepted by the Company on November 12, 1924 (when it became effective), and will expire four years from that date. It was not deemed advisable either by the Public Authorities or the management at the time to enter into a long term franchise containing fixed rates of fare as the next four years are expected to furnish a more reliable guide to future normal prices and means of modern urban and interurban transportation. New rates of fares were established viz.: 7 cents for single fares, 4 tickets for 25 cents and 17 tickets for $1. with free transfer privilege between city street cars and motor buses. These rates compare with a straight five-cent fare, transfers free, in effect up to February 1, 1924, and a five cent fare with one cent additional for transfers, in effect from February 28 to November 12, 1924. Provision was made for the elimination of "jitney" and motor bus competition on streets where the Company furnished transportation service, and for the extension of new motor bus routes under direction of the City Council and by agreement with the Company, including express lines on which a fare of not to exceed 10 cents may be charged.

CAPITAL STOCK

Authorized, $10,000,000 Common and $10,000,000 cumulative Pfd.; outstanding, Dec. 31, 1927, $10,000,000 Common, $4,612,100 6% Pfd. and $3,704,900 7% Pfd.; par of all issues, $100. In addition $302,200 7% Pfd. stock was subscribed for but not issued. The Northern Ohio Power Co. owns over 99% of the Common stock.

Preferred Stock Provisions—Both issues of Pfd. stock have preference for assets and dividends and are subject to call at 110 and accrued dividends and have full voting power. Both issues of Pfd. stock rank equally except with respect to the dividend rate. No additional Pfd. stock shall be issued at any time prior to March 1, 1926, unless the net earnings of the company for the preceding 12 months are equal to two times the amount of dividends on the Pfd. stock at the time outstanding and upon the amount of Pfd. stock to be issued, nor at any time on, or after that date, unless such net earnings are equal to three times the amount of such dividends.

Transfer Agents—The Union Trust Co., Cleveland, Ohio, and office of Company, Akron, Ohio.

Registrars—Central Savings & Trust Co., Akron, Ohio, and The Cleveland Trust Co., Cleveland, Ohio.

Annual Meeting—Fourth Monday in April.

Listed (6% Preferred)—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
6% Pfd.—								
High	92	82½	79	75	78	80	80	88
Low	79¼	75	65	66	66	69	58	69
7% Pfd.—								
High	100	96	88	..	..	..	..	..
Low	90	88	85½	..	..	..	..	..

Dividends—Dividends on both classes of Pfd. stock are paid quarterly, J, A, J & O 1; these dividends have been paid in full to date. On Common, dividends have been paid as follows: 1906, 1½%; 1907, 2%; 1908, 1½%; 1909, 1¾%; 1910, 2½%; 1911, 3¼%; 1912, 4¼%; 1913 to 1916, incl., 5%; 1917, 5¼%; 1918 to 1920, incl., 7%; 1921, 1¾%; 1922, none; 1923, 11½%; 1924, 1½%; 1925, none; 1926, 2½%; 1927, 3½%.

NOTE—Of the 11½% dividend amounting to $1,076,507 paid on Common in 1923, $899,910 was reinvested in Common stock of Company.

FUNDED DEBT

(1)

$761,000 THE CANTON-AKRON CONSOLIDATED RY. GENERAL CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1933

Dated October 12, 1906.

Interest Payable January and July 1 at The Union Trust Co., Cleveland, and at The Chase National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Union Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized, $2,500,000; issued, $2,210,000 of which $1,438,000 are pledged under the Northern Ohio Traction & Light Co. First Lien & Refunding 5s, and $11,000 are pledged under the General & Refunding Mortgage 5½s and 6s. The remaining authorized $290,000 may be issued for additions, betterments, etc., but must be immediately pledged under First Lien & Refunding 5s.

Callability—The original mortgage under which these bonds were issued made no provision for their redemption prior to maturity. Resolutions adopted by the directors and stockholders of the Company on April 30, 1909, authorized Consolidated Mortgage 5% bonds due 1933, Nos. 1-1025 to be stamped for redemption at 102½ and interest, and such bonds issued or to be issued bearing higher serial numbers, for redemption at par and accrued interest.

Security—Secured by a direct mortgage on 112 miles of track, subject to $855,000 Canton-Akron Railway First 5s of 1922 pledged under Northern Ohio Traction and Light Co. First Lien and Refunding 5s due 1956.

Guaranty—Guaranteed, principal and interest, by Northern Ohio Traction & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($200,000) in November, 1910 at 87½ and interest, by Claude, Ashbrooke, Cincinnati, Ohio.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	93½	92	93	82	80	..	70
Low	bid	bid	93	80	bid	..	70

(2)

$996,000 THE NORTHERN OHIO TRACTION AND LIGHT CO. (MORTGAGE CLOSED) FIRST CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1933

Dated January 1, 1903.

Interest Payable January and July 1, at The Union Trust Co., Cleveland, and at First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Union Trust Co., Cleveland.

Provisions of Issue—Authorized and outstanding, $1,000,000, of which $4,000 are pledged under the N. O. T. & Lt. Co. First Lien and Refunding 5s.

Callability—Bonds are not subject to call.

Security—A lien on entire property, subject only to $761,000 Canton-Akron Consolidated Ry. General Consolidated 5s of 1933 outstanding in the hands of the public and certain underlying bonds pledged under First Lien & Refunding Mortgage. These bonds are secured by the same mortgage and have the same lien on the property as the Northern Ohio Traction & Light Co. First Consolidated 4s.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98½	95¾	95½	91	90	90	72	80
Low	bid	95¾	91¼	89	86¼	85	70	70

(3)

$2,223,000 THE NORTHERN OHIO TRACTION AND LIGHT CO. (MORTGAGE CLOSED) FIRST CONSOLIDATED GOLD 4s; DUE JANUARY 1, 1933

Dated January 1, 1903.

Interest Payable January and July 1 at The Union Trust Co., Cleveland, Ohio and at First National Bank, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Union Trust Co., Cleveland, Ohio.

Provisions of Issue—Originally authorized, $6,500,000. Now a closed mortgage. In addition to the outstanding bonds, $4,277,000 are deposited under Northern Ohio Traction & Light Co. First Lien & Refunding Mortgage.

Callability—Bonds are not subject to call.

Security—A lien upon the entire property of the Company subject to prior liens. These bonds are secured by the same mortgage and have the same lien on the property as the Northern Ohio Traction & Light Co.'s First Consolidated 5s.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Squire, Sanders & Dempsey, Cleveland, and John C. Weadock, New York.

Listed—Cleveland Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	91¾	92½	89	81¾	81	80	62⅛	74
Low	91¾	87	87¼	77¾	77½	74¾	62⅛	74

(4)

$4,466,000 THE NORTHERN OHIO TRACTION AND LIGHT CO. FIRST LIEN AND REFUNDING GOLD 5s; DUE AUGUST 1, 1956

Dated August 1, 1916.

Interest Payable February and August 1, at Hodenpyl, Hardy & Co., Inc., 14 Wall St., New York, and The Union Trust Co., Cleveland, Ohio.

Denominations—Coupon, $100, $500 and $1,000. Coupon bonds of $1,000 and multiples may be registered. Registered bonds, $1,000 and multiples, interchangeable with coupon bonds of $1,000 denomination.

Trustees—The Union Trust Co., Cleveland, Ohio, and The New York Trust Co., New York.

Provisions of Issue—Authorized by Ohio Public Utilities Commission (Dec. 31, 1922), $22,234,000, of which sufficient may be issued, par for par, for refunding or acquiring underlying bonds and for 85% of the cost of new construction, additions, betterments and extensions, or for 85% of the cost of additional public utility properties, but not to exceed 85% of their replacement value. Additional First Lien and Refunding bonds may be issued for the acquisition of properties, on which there are existing liens, only under carefully restricted provisions of the mortgage. No additional bonds may be certified except for refunding purposes unless net earnings for the preceding twelve months shall have equalled at least twice the annual interest charges on all the bonds then outstanding, including underlying bonds and those proposed to be issued. The amount of bonds which may be issued is not limited providing the above restrictions are observed. Under the terms of mortgage securing General & Refunding 6% Series "A" bonds, due 1947, all additional First Lien & Refunding Bonds issued shall be pledged thereunder.

In addition to the $4,466,000 outstanding First Lien & Refunding bonds, $20,587,000 bonds are pledged under the General and Refunding Mortgage.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date.

Maintenance and Depreciation Fund and Insurance Reserve—Beginning with the fiscal year 1916 and each year thereafter, the Company covenants under this mortgage to provide a Maintenance and Depreciation Fund aggregating 20% of its gross earnings. This fund is calculated as amply sufficient to prevent any deterioration and to keep the property in excellent physical condition. Any part of this fund not expended in any fiscal year for maintenance or replacements may be used for additions or betterments, against which no First Lien and Refunding Mortgage Bonds may be issued. The mortgage further provides that, beginning with the fiscal year 1916, the Company shall create an Insurance Reserve for the settlement of damage claims or other similar liabilities, by setting aside before payment of any dividends a sum equal to 4% of its gross earnings. After the reserve has reached $100,000, the Company is required to set aside only a sufficient amount to maintain the fund at this figure.

Security—These bonds are a direct mortgage on all the properties now owned by the Company, subject only to the liens of underlying divisional bonds in the hands of the public aggregating $3,980,000, and are further secured through the pledge thereunder of $6,774,000 additional underlying bonds.

Tax Provision—Company pays 1% of Normal Federal Income Tax for individuals.

Original Offering—First publicly offered ($4,000,000) in Sept., 1916, by the National City Co., New York at 94 and interest.

Price Range—

	1927	1926	1925	1924	1923
High	88½	88	87	80	81
Low	87½	84	78	75	75

(5)

$7,943,500 THE NORTHERN OHIO TRACTION AND LIGHT CO. GENERAL & REFUNDING GOLD 6s, SERIES "A"; DUE MARCH 1, 1947

Dated March 1, 1922.

Interest Payable March and September 1 at The National City Bank of New York.

Denominations—Coupon, $500, and $1,000; principal may be registered; interchangeable with fully registered bonds in denominations of $1,000, $5,000 and $10,000.

Trustee—The National City Bank of New York.

Provisions of Issue—The mortgage provides for the issuance of bonds thereunder in series, bearing the same or different rates of interest, dates, maturities, redemption privileges and such other distinguishing features with respect to each particular series as may be determined by the Board of Directors of the Com-

pany at the time of the original issue of each series, subject always to the restrictive provisions of the mortgage. Bonds of any series may be issued from time to time in the future in principal amounts equal to and for: (1) The acquisition or retirement of underlying divisional mortgage bonds and of First Lien and Refunding Mortgage bonds; (2) the redemption or retirement of bonds of another series issued under the General and Refunding Mortgage; and (3) not exceeding 75% of actual and reasonable expenditures made after March 1, 1922, for permanent extensions and additions to the properties, provided that net earnings for twelve consecutive calendar months ending not more than sixty days prior to the application for the issuance of such bonds, shall have been at least equal to 1¾ times the annual interest charges on, and in no case less than 10% of the principal amount of, the aggregate of underlying divisional mortgage bonds, First Lien and Refunding Mortgage bonds and all bonds issued under the General and Refunding Mortgage then remaining uncancelled, as well as those for the issuance of which application is made.

Callability—Subject to call on any interest date upon 30 days' notice at 110 on or before March 1, 1932; at 107½ thereafter to and including March 1, 1942, and at 102½ thereafter prior to maturity.

Sinking Fund—The mortgage provides for a sinking fund requiring cash payments to the Trustee on Dec. 1, 1922, and semi-annually thereafter, equal in each case to ½% of the aggregate principal amount of bonds issued thereunder and remaining uncancelled on each of such dates respectively. Such moneys shall be utilized by the Trustee so far as possible for the purchase of General and Refunding Mortgage bonds of such series as the Board of Directors of the Company may specify, at or below the then existing redemption prices. If at the end of 45 days from the date of such payments, the unexpended balance in the Sinking Fund shall amount to $25,000 or more, it shall be utilized in the redemption of bonds at the then current redemption prices.

General Reserve Fund—The mortgage requires the company, beginning with the year 1922, either to expend for maintenance, repairs, renewals and replacements, for extensions, enlargements and additions against which no bonds may be issued, or for the purchase of General & Refunding Mortgage bonds, an amount equal to 7½% (which may be reduced to 5% in the event of possible changes in operating conditions) of the total bonded indebtedness of the company outstanding in the hands of the public at Dec. 31, of each year, or in so far as such amount is not so expended, to deposit with the Trustee cash, which may in turn be drawn out to reimburse the company for expenditures for one or more of the said purposes.

Security—See under description of Northern Ohio Power and Light Company General and Refunding Mortgage Gold Bonds 5½% Series, due 1951, (No. 6).

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Shearman & Sterling, New York.

Original Offering—First publicly offered ($7,000,000) in March, 1922, by National City Co., New York, at 96 and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1925	1925	1924	1923	1922
High	103	99	97	93	95	97½
Low	95½	92¾	91	88⅛	90	92

(6)

$11,616,000 NORTHERN OHIO POWER AND LIGHT COMPANY GENERAL AND REFUNDING MORTGAGE GOLD BONDS, 5½% SERIES; DUE MARCH 1, 1951

Dated March 1, 1926.

Interest Payable March and September 1, at The National City Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; registered, $1,000, $5,000 and $10,000; interchangeable.

Trustee—The National City Bank, New York.

Provisions of Issue—Authorized, open; issued and outstanding, $11,616,000 5½% Series.

Callability—Subject to call as a whole or in part, either at option of the Company or by the sinking fund, on any interest date, upon 30 days' notice, at 105 on or before March 1, 1948, and at 100 thereafter.

General Reserve Fund—See under (5) above.

Security—General and Refunding Mortgage bonds (of which $19,559,500 are outstanding) are secured by a direct mortgage, subject only to the liens of underlying mortgages, on the entire property of the Company, and by deposit of $20,587,000 Northern Ohio Traction & Light Co. First Lien & Refunding Mortgage 5% Gold bonds and $11,000 Canton-Akron Consolidated Ry. Co. General Consolidated Mortgage 5% Gold bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Four mills tax in Pennsylvania and Connecticut Personal Property or Exemption Tax, not exceeding 4/10% of principal in any year, will be reimbursed upon appropriate application.

Legal Opinion—Shearman & Sterling, New York.

Original Offering—First publicly offered ($8,500,000) in May, 1926, at 92½ and interest, yielding 6.09% by The National City Co., New York, etc. $1,900,000 additional bonds of this issue were publicly offered in June, 1927, at 94 and interest, to yield 5.97% by the same bankers.

(7)

$2,401,000 THE NORTHERN OHIO TRACTION & LIGHT CO. FIFTEEN-YEAR 6½% DEBENTURES; DUE JANUARY 1, 1941.

Dated January 1, 1926.

Interest Payable January and July 1 at The National City Bank of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The National City Bank of New York.

Provisions of Issue—Authorized and issued, $2,500,000 of which $99,000 redeemed to Dec. 31, 1927. The proceeds of these Debentures were applied toward reduction of outstanding indebtedness and for other corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any month upon 30 days' notice at 102½ and interest prior to and including January 1, 1931; at 101½ and interest thereafter to and including January 1, 1936; at 100½ and interest thereafter to and including July 1, 1940, and at 100 and interest thereafter to maturity.

Sinking Fund—The Trust Agreement requires Company to deposit with the Trustee, in semi-annual instalments, so long as any of these debentures shall remain outstanding, $50,000 in each of the first four years; $75,000 in each of the next four years; $100,000 in each of the next four years, and $125,000 in each of the last three years. Such moneys shall be applied to the purchase and retirement of those Debentures if obtainable at or below 100 and interest, or, if not so obtainable, either to the purchase and retirement of Debentures at prices above 100 and interest, or, at option of the Company, to the purchase of its mortgage bonds which shall be held by the Trustee as additional security for these debentures, subject to appropriate provisions for the release thereof upon the deposit of cash or the surrender of Debentures for cancellation.

Security—These Debentures are direct obligations of The Northern Ohio Traction & Light Co. In the Trust Agreement Company covenants not to execute any mortgage upon, or make any pledge of, any of its properties, real or personal, as security for any bonds or funded obligations (other than bonds issued

or to be issued in accordance with the conservative provisions of its General & Refunding Mortgage) unless all of the Debentures at the time outstanding shall be secured equally and ratably therewith.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the owners resident in the respective states, upon proper application, the following taxes paid with respect to the Debentures: The Four Mills Tax in Pennsylvania; any Securities Taxes in Maryland not exceeding in the aggregate, in any year, 45 cents on each $100 of assessed value; and any Personal Property or Exemption Tax in Connecticut not exceeding, in any year, 4/10% of the principal.

Legal Opinion—Shearman & Sterling, New York.

Original Offering—First publicly offered ($2,500,000) in January, 1926 at 97½ and interest, yielding over 6.75% by The National City Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings:						
Electric	$6,815,901	$6,317,554	$5,322,157	$4,716,808	$4,255,248	$3,623,020
Transportation	5,743,975	5,723,286	6,177,541	5,364,189	5,849,877	5,640,132
Total	$12,559,876	$12,040,840	$11,499,698	$10,080,997	$10,105,125	$9,263,152
Operating expenses	7,774,086	8,181,133	7,618,402	7,161,533	6,986,196	6,168,531
Taxes	890,800	802,200	822,000	741,900	779,400	668,000
Gross income	$3,894,990	$3,057,507	$3,059,296	$2,177,564	$2,339,529	$2,426,621
Interest—net	1,575,677	1,527,628	1,428,681	1,441,967	1,310,534	1,356,239
Amortization of debt discount and expense	121,625	132,671	129,161			
Balance for dividends and retirement reserve	$2,197,688	$1,397,208	$1,501,454	$735,597	$1,028,995	$1,070,382
Retirement reserve	700,000	400,000	700,000	100,000	100,000	350,000
Balance	$1,497,688	$997,208	$801,454	$635,597	$928,995	$720,382
Preferred dividends	512,109	473,825	437,334	431,751	412,360	374,592
Balance	$985,579	$523,383	$364,120	$203,846	$516,635	$345,790
Common dividends	350,000	250,000	.....	150,000	‡1,076,507	.....
Balance	$635,579	$273,383	$364,120	$53,846	†$559,872	$345,790
*Times Fixed Charges Earned	1.88	1.60	1.51	1.44	1.71	1.53
*Earnings Per Share—						
Preferred	$18.01	$12.99	$11.50	$9.23	$13.75	$11.41
Common	9.86	5.23	3.64	2.04	5.74	3.84

*After depreciation. †Deficit. ‡Holders of Common stock reinvested $899,910 of this amount in the Common stock of Company.

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1927

Balance, Jan. 1, 1927, $760,732; net income for year, $2,197,688—total $2,958,420. Deduct: Provision for retirement reserve, $700,000; 6% Pfd. dividends, $276,726; 7% Pfd. dividends, $235,383; Common dividends, $350,000; discount and expense charged off on bonds retired, less discounts taken and sundry credits, $58,269—total $1,620,378. Surplus Dec. 31, 1927, $1,338,042.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant, property and equipment	†$54,428,843	$47,695,171	$45,437,551	$43,535,119	$41,672,486	$38,975,028
Invest. in & adv. to affil. & other cos.	958,969	940,461	1,048,674	617,163	342,784	238,043
Special deposits and funds	55,688	18,852	1,597	156	299	579,615
Cash and working funds	212,620	204,327	187,538	244,853	114,343	286,226
Cash on deposit with Trustee to pay int. & Pfd. dividends	.....	.....	198,788	197,533	195,152	187,089
Notes receivable	87,874	104,412	16,021	21,680	18,807	33,712
Accounts receivable	672,473	642,603	592,523	617,144	563,195	721,319
Materials and supplies	671,285	788,613	688,913	756,833	847,450	812,216
Marketable securities	1,856,874	813,403	.....	.....	.....	200,625
Other current assets	23,990	24,240	.....	.....	.....	.....
Subscribers for Common stock	.....	.....	.....	.....	.....	899,910
Subscribers for Pfd. stock	176,292	311,931	105,633	154,805	227,103	190,901
Prepaid insurance, interest, taxes, etc.	117,734	67,695	41,480	194,488	86,968	60,950
Unamortized debt discount and expense	2,632,744	2,630,673	1,687,920	1,853,300	1,917,849	1,928,672
Other unadjusted debits	61,929	170,391	177,410	.....	.....	.....
Total	$61,957,315	$54,412,773	$50,184,048	$48,193,074	$45,986,436	$45,114,306
Liabilities—						
Common stock	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000	$10,000,000
6% Pfd. stock	4,612,100	4,612,100	4,612,100	4,612,100	4,612,100	4,613,000
7% Pfd. stock	*4,007,100	3,486,200	2,494,800	2,482,400	2,450,700	1,960,500
Funded and secured debt	30,406,500	29,091,500	24,454,000	23,591,500	22,437,000	22,371,000
Audited accounts & wages payable	681,067	1,012,802	775,210	1,155,719	1,336,291	441,482
Interest payable & dividends on Pfd. stock	.....	.....	198,788	197,533	195,152	187,089
Bank loan	.....	.....	1,500,000	.....	.....	.....
Notes payable	.....	.....	298,482	1,031,651	25,000	50,000
Due to affiliated companies	17,812	37,478	.....	.....	.....	.....
Accrd. int., taxes, etc.	1,181,033	1,217,787	859,352	736,308	673,081	765,685
Workmen's compensation awards	23,801	30,569	35,434	38,263	42,624	34,954
Sundry current liabilities	176,267	142,688	155,829	114,448	62,881	44,859
Consumers' deposits	222,267	208,927	191,500	175,153	180,989	151,129
Paving assessments	197,950	256,545	289,292	273,852	214,564	.....
Res. for deprec. of plant, property and equip	6,570,410	3,254,134	3,314,593	3,133,485	3,226,930	3,358,693
Other reserves	432,987	257,630	200,896	161,909	92,183	77,492
Premium on Pfd. stock	43,680	43,680	43,680	43,680	43,680	43,590
Capital surplus	2,046,299	.....	.....	.....	.....	.....
Earned surplus	1,338,042	760,732	760,092	445,075	393,260	1,014,833
Total	$61,957,315	$54,412,773	$50,184,048	$48,193,074	$45,986,436	$45,114,306

*Includes $302,200 subscribed but unissued. †Stated at appraised reproduction cost at June 1, 1925, plus net additions since at cost.

Officers: B. C. Cobb, Pres., New York; A. C. Blinn, V-P. & Gen. Mgr., Akron, Ohio; T. A. Kenney, V-P.; J. C. Weadock, V-P., New York; Chas. H. Lahr, Sec. & Treas., Akron, Ohio; E. E. Nelson, Asst. Sec. & Asst. Treas.; C. Wigand, Asst. Sec. & Asst. Treas.; H. G. Kessler, Gen. Aud., New York; L. I. Wells, Asst. Treas.; P. Murdock, Compt., Akron, Ohio.

Directors: J. C. Weadock, T. A. Kenney, B. C. Cobb, New York; E. W. Clark, 3rd, Philadelphia, Pa.; E. W. Moore, J. P. Witt, J. R. Nutt, T. H. Hogsett, Chas. Currie, Cleveland, Ohio; N. O. Mather, A. C. Blinn, Akron, Ohio.

Office, Akron, O.

AMERICAN STATES SECURITIES CORPORATION

History—Incorporated November 16, 1925, in Delaware, and by the terms of its charter, among other purposes, is authorized to invest in and buy and sell securities of public utility corporations, companies allied to the public utility industry and other companies approved by the Board of Directors.

The Corporation owns the entire Class "B" Common stock of American Commonwealths Power Corp. (see appended statement).

CAPITAL STOCK

Authorized, 2,500,000 shares Class "A" Common, and 2,500,000 shares Class "B" Common, both classes of no par value; outstanding, March 31, 1928, 962,270 shares Class "A" Common and 538,553 shares Class "B" Common.

Warrants—Warrants were authorized entitling the holders or their assigns to subscribe to 1,000,000 additional shares of Class "A" Common stock on or before Dec. 31, 1926, at $8 per share, and thereafter on or before Dec. 31, 1927, at $12 per share. In July, 1926, rights to subscribe at $8 per share were extended to June 30, 1928 and the rights to subscribe at $12 per share were extended to June 30, 1930. Of the authorized amount, 846,575 are outstanding.

Capital Stock Provisions—The Class "A" Common stock is entitled to a dividend of $1 per share per annum, when declared in any year before any dividends can be paid on Class "B" Common. Thereafter Class "B" shall be entitled to a dividend of $1 per share when declared, and thereafter both classes of stock, share for share, shall be entitled to participate equally in further dividends when declared. Voting power is vested exclusively in Class "B" Common. Except with respect to dividends and voting rights, Class "A" and Class "B" Common stock have equal rights.

Transfer Agents—Guaranty Trust Co. of New York and Illinois Merchants Trust Co., Chicago. Stock Also transferred at Company's office, Grand Rapids, Mich.

Annual Meeting—Second Tuesday in June.

Listed—Chicago and Philadelphia Stock Exchanges, and New York Curb Market.

Price Range—

	*1928	1927	1926
Class "A" Common—			
High	12¼	5⅞	8⅜
Low	4	2⅞	1½
Class "B" Common—			
High	16⅞	5¾	5⅜
Low	4⅜	3	1
Warrants—			
High	6	1	4½
Low	⅜	⅜	¼

*To May 2, 1928.

Dividends—No dividends paid to date.

FUNDED DEBT

None.

CONSOLIDATED BALANCE SHEET

(American States Securities Corp. and affiliated and controlled companies)

Assets—	Dec. 31, 1927	March 31, 1927
Plant and investment	$44,126,434	$25,380,975
Miscellaneous investments	4,355,341	5,038,011
Re-acquired securities Community Pwr. & Light Co.	.....	20,797
Special deposits	14,501	13,056
Affiliated companies	.....	4,830
Cash	378,056	638,892
Notes receivable	53,311	35,725
Accounts receivable	1,074,165	478,249
Unmeasured services	25,345	25,345
Interest and dividends receivable	14,553	20,424

CONSOLIDATED BALANCE SHEET (Continued):

Assets—	Dec. 31, 1927	March 31, 1927
Materials and supplies	$693,926	$381,065
Unamortized debt disc. & exp.	2,052,224	1,467,577
Suspense items	445,017	336,482
Prepaid taxes, insurance, etc.	51,857	54,660
Other deferred charges	.....	38,867
Total	$53,284,730	$33,934,955
Liabilities—		
Amer. States Sec. Corp.:		
Class "A" Common	*$4,811,350	*$4,811,350
Class "B" Common	†2,692,765	†2,692,765
Amer. Commonwealths Pr. Corp.:		
$7 Cum. First Pfd.	2,500,000	.....
$7 Cum. Second Pfd.	1,371,100	1,371,100
Jacksonville Gas Co. 1st Pfd.	41,600	.....
Community Pr. & Light Corp.:		
7% Cum. First Pfd.	5,045,900	4,500,000
Part. Pfd. 8% Divd. Series	1,257,300	1,257,600
Preferred stocks—sub. Cos.—full paid	625,300	553,169
Union Gas Corporation:		
7% Cum. Pfd.	34,100	.....
Common stock (no par $5 stated value)	2,275	.....
Am. Common. Power Corp. 6% Deb.	4,100,000	3,500,000
Jacksonville Gas Company:		
First Mortgage 5s	3,268,000	.....
First Mortgage 8s	233,000	.....
6% Debentures, Series "A"	1,500,000	.....
Community Power & Light Co.:		
First Lien Coll. 5s	11,000,000	11,000,000
6% Bonds New Mexico Utilities Co.	240,000	240,000
Contract payable City of Clovis	119,167	124,583
Union Gas Utilities Inc. 10-Year 6½% Secured notes, Series "A"	3,000,000	.....
Union Gas Corporation:		
First mortgage 6½% bonds	3,639,500	.....
5-Year Gold notes	500,000	.....
Collateral notes payable (Amer. S. S. Corp).	.....	120,000
Notes payable	697,014	200,000
Accounts payable	678,033	718,865
Dividends payable	115,176	103,902
Ice coupons outstanding	4,725	4,811
Accrued interest	425,076	284,149
Accrued taxes, insurance, etc.	147,137	129,277
Consumers' deposits	377,392	181,005
Unadjusted credits	.....	34,809
Other accruals—affil. cos	.....	70
Retirement & replacement reserve	3,603,669	2,000,226
Other reserves	167,761	.....
Subscriptions to Pfd. stock	5,178	.....
Minority interest in surplus of Union Gas Corp.	9,098	.....
Surplus	1,073,114	‡107,274
Total	$53,284,730	$33,934,955

*Represented by 962,270 shares of no par value. †Represented by 538,553 shares of no par value. ‡Includes minor reserves.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(American States Securities Corporation and Controlled Companies)

Gross earnings—all sources	$8,249,654
Operating expenses, incl. maint. and gen. taxes	5,035,192
Net earnings	$3,214,462
Interest charges—subsidiary cos.	1,567,545
Balance	$1,646,917
Divds. on subsidiary Co. Pfd. stocks	698,037
Balance available—Amer. States Securities Corp., & for reserves	$948,880
Interest charges—American States Securities Corp.	2,359
Balance available for reserves, Federal taxes and surplus	$946,521

NOTE—The above earnings statement is based on the inclusion of earnings for the past twelve months of Union Gas Utilities, Inc., and its controlled companies, but does not include the earnings of recently acquired Savannah, Bangor and St. Augustine Gas Companies. There was no change in the capitalization of American States Securities Corp. in connection with the financing of the acquisition of the above named companies.

Officers: Frank T. Hulswit, Pres., New York; H. L. Nason, V-P., Boston; E. J. Costigan, V-P., St. Louis, Mo.; H. L. Nichols, V-P., Chicago, Ill.; H. M. Pleune, V-P. & Treas., Grand Rapids, Mich.; Albert Vermeer, Sec. & Asst. Treas., New York; George Vruggink, Asst. Sec. & Asst. Treas., Grand Rapids, Mich.

Directors: Frank T. Hulswit, Howard F. McConnell, New York; H. L. Nason, Boston; Clayton E. Platt, Philadelphia; Russell J. Boyle, Grand Rapids, Mich.; E. J. Costigan, David A. Belden, St. Louis, Mo.; William L. Ross, Herbert L. Nichols, Chicago, Ill.

Office, 1220 G. R. National Bank Building, Grand Rapids, Mich. **Corporate Office,** Wilmington, Del.

AMERICAN COMMONWEALTHS POWER CORPORATION

(Controlled by American States Securities Corp.)

(See Accompanying Map)

History—Incorporated Jan. 18, 1927, in Delaware. Owns the following stocks as of Dec. 31, 1927:

Community Power & Light Company:
200,000 shares (100%) no par value Common stock.
Jacksonville Gas Company:
10,000 shares (100%) no par value Second Pfd. stock.
150,000 shares (100%) no par value Common stock.
Union Gas Utilities, Inc.:
12,500 shares (100%) no par value First Pfd. stock.
200,000 shares (100%) no par value Common stock.
Minority interests in:
The American Superpower Corp. Class "A" and "B" Common stock.
Electric Investors, Inc. Common stock.
Long Island Lighting Company Common stock.
National Power & Light Company Common stock.
The United Light & Power Company Class "A" and "B" Common stocks.

In March, 1928, the Corporation acquired the following:

Community Power & Light Co.:
Additional 50,000 shares no par value Common stock (100%)
Bangor Gas-Light Company:
6,000 shares (100%) $100 par value Common stock.
Savannah Gas Company:
56,000 shares (100%) $25 par value Common stock.
St. Augustine Gas & Electric Light Company:
2,500 shares (100%) $100 par value Common stock.

Territory Served—The operating companies now under the control of American Commonwealths Power Corporation are located in the states of Arkansas, Georgia, Florida, Kansas, Maine, Missouri, New Mexico, Oklahoma and Texas, and serve a population of 710,000.

American Gas and Power Company—This Company, which is controlled and supervised by American Commonwealths Power Corp., was formed in May, 1928, under Delaware laws, and will own all of the Common stock (except director's qualifying shares) of the following companies: Minneapolis Gas Light Co., Bangor Gas-Light Co., Savannah Gas Co., Jacksonville Gas Co. and St. Augustine Gas and Electric Light Co. (A statement of American Gas and Power Company will be found on a following page).

CAPITAL STOCK

Authorized, 1,000 shares Class "A" Common, 150,000 shares Class "B" Common, 200,000 shares cumulative First Preferred, and 100,000 shares $7 cumulative Second Preferred Series "A," all classes of no par value; outstanding, March 31, 1928, 109,688 shares "B" Common, 50,000 shares $6.50 Dividend Series First Pfd., 30,000 shares $7 cumulative First Pfd., Series "A," and 13,711 shares $7 Dividend Second Pfd., Series "A." None of the Class "A" Common stock is outstanding. All the Class "B" Common stock is owned by American States Securities Corp.

First Preferred Stock Provisions—Has preference for assets and dividends over Second Pfd. and Common and is subject to call as a whole or in part at any time at $110 upon 60 days' notice. It is entitled to $100 per share and accrued dividends in the event of involuntary liquidation and to $110 per share and accrued dividends in the event of voluntary liquidation.

$7 Dividend Series "A" is entitled to cumulative dividends when declared, at the rate of $7 per annum in preference over the Second Pfd. and Common stock.

$6.50 Dividend Series is entitled to cumulative dividends when declared, at the rate of $6.50 per annum in preference over the Second Pfd. and Common stock.

The remaining 120,000 shares, or any part thereof, may be issued in either of the present series having the same dividend rates, dividend payment dates, redemption prices and other preferences, rights and qualifications, or, if not issued in the present series, may be issued in other series differing as to the rate of dividends thereon (but not exceeding in any series $8 per share per annum), as to the redemption price thereof (but not exceeding in any series $120 per share and accrued dividends) as to the amount per share which the holders shall be entitled to receive in case of voluntary liquidation (but not exceeding in any series $120 per share and accrued dividends), and as to provision for the conversion thereof into other shares of stock, or bonds, or debentures or other obligations of the Corporation. It is provided that the rights of all the First Pfd. shares of all series with respect to assets upon involuntary liquidation shall be the same. Holders of First Pfd. stock shall have no right to vote on such stock, and they waive the right to vote thereon except insofar as the Delaware statutes prohibit or prevent such waiver. The stockholders are not entitled as a matter of right, to subscribe for or receive additional shares of any class of stock or any securities convertible into stock.

Transfer Agents—First Pfd. $7 Series "A" and $6.50 Dividend Series: Guaranty Trust Co. of New York, Illinois Merchants Trust Co., Chicago, Ill., and Company's office, Grand Rapids, Mich. Second Pfd. $7 Series "A" and "B" Common stocks at Company's office, Grand Rapids, Mich.

Registrars—First Pfd. $7 Series "A" and $6.50 Dividend Series: Bankers Trust Co., New York, Central Trust Co. of Illinois, Chicago, Ill., and the Michigan Trust Co., Grand Rapids, Mich. Second Pfd. $7 Series "A" and "B" Common: The Michigan Trust Co., Grand Rapids, Mich.

Tax Provisions—First Pfd. stock ($7 Dividend Series "A" and $6.50 Dividend Series), dividends are exempt from present Normal Federal Income tax. Corporation agrees to reimburse holders of these shares upon proper application for the personal property tax of the States of Connecticut, Pennsylvania and California, not exceeding 4 mills, Maryland not exceeding 4½ mills and Massachusetts Income tax up to 6% per annum.

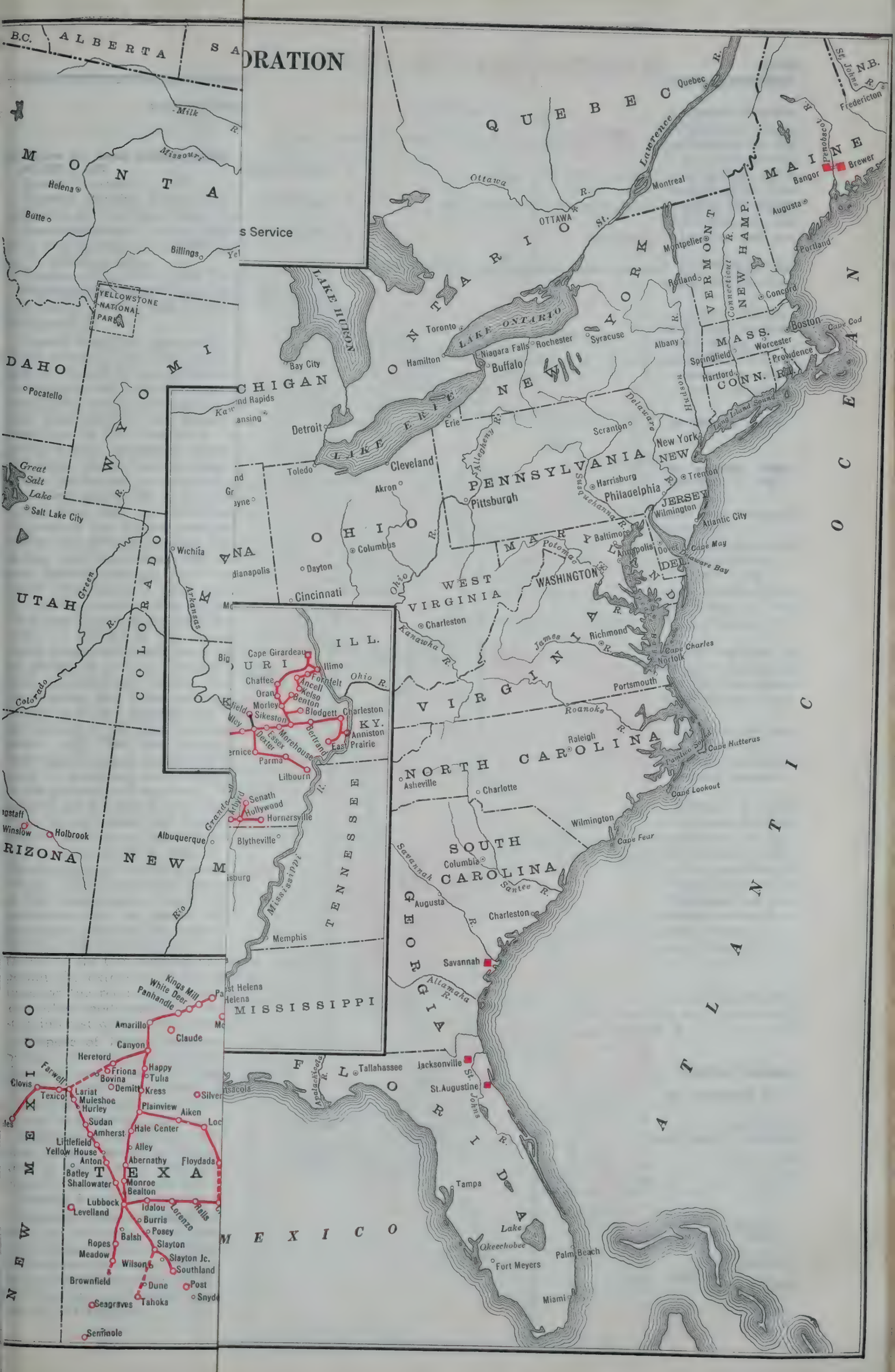
Legal Opinion—Chapman, Cutler & Parker (for the bankers), and Humes, Buck & Smith (for the Corporation).

Original Offering—First publicly offered (10,000 shares First Pfd. $7 Series "A") in May, 1927 at $95 and dividend, to yield about 7.37%, by G. E. Barrett & Co., Inc., and Frederick Peirce & Co., New York, etc. 15,000 additional shares $7 Dividend First Pfd. Series "A" stock publicly offered in Nov., 1927, at $96 and accrued dividend to yield over 7.25% by the same bankers. 50,000 shares First Pfd. $6.50 Dividend Series publicly offered in March, 1928, at $95 and dividend to yield about 6.85% by G. E. Barrett & Co., Inc., A. C. Allyn & Co., Inc. and Frederick Peirce & Co., New York, etc.

Annual Meeting—Second Tuesday in June.

Listed (First Pfd.)—Chicago Stock Exchange.

Dividends—First Pfd. $7 Series "A" and $6.50 Dividend Series are payable quarterly, F, M, A & N 1. Initial dividend on Series "A" paid Aug. 1, 1927, and regularly since. Initial dividend on Second Pfd. Series "A" paid May 1, 1927, and regularly since.


B.C.
ALBERTA
SA
ORATION
s Service
MONTANA
Milk R.
Missouri R.
Helena
Butte
Billings
YELLOWSTONE NATIONAL PARK
IDAHO
Pocatello
Great Salt Lake
Salt Lake City
UTAH
COLORADO R.
Green R.
Colorado R.
Arkansas R.
Wichita
Dayton
Cincinnati
Columbus
Akron
Toledo
Cleveland
Detroit
Bay City
Grand Rapids
Lansing
LAKE HURON
LAKE MICHIGAN
LAKE ERIE
LAKE ONTARIO
ONTARIO
Toronto
Hamilton
Niagara Falls
Buffalo
Rochester
Syracuse
Albany
Erie
Pittsburgh
PENNSYLVANIA
OHIO R.
Ohio R.
WEST VIRGINIA
Charleston
Kanawha R.
Cape Girardeau
Illmo
Fornfelt
Ancell
Chaffee
Kelso
Oran
Benton
Morley
Blodgett
Charleston
Sikeston
Bertrand
Dexter
Essex
Morehouse
Anniston
East Prairie
Parma
Lilbourn
Senath
Hollywood
Hornersville
Blytheville
Memphis
Mississippi R.
TENNESSEE
ILL.
KY.
Albuquerque
Winslow
Holbrook
NEW MEXICO
Rio Grande R.
Kingsmill
White Deer
Pampa
Panhandle
Amarillo
Claude
Canyon
Hereford
Friona
Happy
Bovina
Tulia
Clovis
Farwell
Texico
Lariat
Demitt
Kress
Silverton
Muleshoe
Hurley
Plainview
Aiken
Sudan
Amherst
Hale Center
Littlefield
Yellow House
Alley
Anton
Abernathy
Floydada
Batley
TEXAS
Shallowater
Monroe
Bealton
Lubbock
Idalou
Lorenzo
Halls
Levelland
Burris
Posey
Ropes
Balsh
Slayton
Meadow
Slayton Jc.
Wilson
Southland
Brownfield
Dune
Post
Seagraves
Tahoka
Seminole
MISSISSIPPI
Helena
Tallahassee
Jacksonville
St. Augustine
St. Johns R.
Apalachicola R.
FLORIDA
Tampa
Lake Okeechobee
Fort Meyers
Palm Beach
Miami
GEORGIA
Savannah
Augusta
Altamaha R.
Savannah R.
Santee R.
Charleston
SOUTH CAROLINA
Columbia
NORTH CAROLINA
Asheville
Charlotte
Wilmington
Cape Fear
Cape Lookout
Pamlico Sound
Cape Hatteras
Raleigh
Roanoke R.
Portsmouth
VIRGINIA
James R.
Richmond
Cape Charles
Norfolk
Potomac R.
WASHINGTON
Baltimore
Annapolis
Chesapeake Bay
DELAWARE
Dover
Cape May
Delaware Bay
Atlantic City
NEW JERSEY
Wilmington
Trenton
Philadelphia
Harrisburg
Susquehanna R.
Scranton
Delaware R.
New York
NEW YORK
Hudson R.
Long Island Sound
Springfield
Worcester
Providence
Boston
Cape Cod
MASS.
Hartford
CONN. R.
Concord
NEW HAMP.
Connecticut R.
Montpelier
Rutland
VERMONT
Portland
Augusta
Bangor
Brewer
MAINE
Penobscot R.
St. John R.
N.B.
Fredericton
Quebec
Montreal
Ottawa R.
OTTAWA
St. Lawrence R.
QUEBEC
ATLANTIC OCEAN

MAP SHOWING THE ASSOCIATED GAS AND ELECTRIC SYSTEM

ASSOCIATED GAS & ELECTRIC CO. — NEW ENGLAND GAS & ELECTRIC ASSOCIATION

IN

NEW YORK, MASSACHUSETTS, CONNECTICUT, VERMONT, NEW HAMPSHIRE, MAINE, KENTUCKY, TENNESSEE, INDIANA, PENNSYLVANIA, MARYLAND, PHILIPPINE ISLANDS, ILLINOIS, OHIO, WEST VIRGINIA AND CANADA

SCALE OF MILES 0 25 50 100 150

CITY OF MANILA AND VICINITY

Area served

SCALE OF MILES 0 1 2 3

Malabon, Caloocan, S.Juan del Monte, Manila, LUZON, Pasig River, Makati, Pasig, FORT WM. McKINLEY U.S. MILITARY RES., Pasay, Pateros, Taguig, Laguna de Bay, Paranaque, MANILA BAY

MARITIME PROVINCES AND EASTERN MAINE

SCALE: SAME AS MAIN MAP

NEW BRUNSWICK, PRINCE EDWARD ISLAND, Northumberland Strait, Charlottetown, Moncton, Fredericton, St.John, St.Stephen, Baring, Red Beach, Calais, Robbinston, NOVA SCOTIA, BAY OF FUNDY, Bridgetown, Lawrencetown, Upperville, Morhelle, Clementsport, Deep Brook, Bear River, Halifax, ATLANTIC OCEAN, Port Maitland, Beaver River, Carleton, Hebron, Dayton, Yarmouth

STATEN ISLAND (New York City)

Electric Service to all parts

SCALE OF MILES 0 2 4 6 8

Newark, Jersey City, Manhattan, Elizabeth, Bayonne, Brooklyn, Rahway, Richmond, Perth Amboy

LEGEND

- Hydro-Electric Plant
- Fuel Using Electric Plant
- Electric Service, Retail
- Electric Service, Wholesale
- Gas Plant
- Hydro-Electric and Fuel Using Electric Plant
- Hydro-Electric, Fuel Using Electric and Gas Plant
- Fuel Using Electric and Gas Plant
- Fuel Using Electric, Gas and Ice Plant
- Fuel Using Electric and Ice Plant
- Fuel Using Electric and Gas Plant, Electric and Water Service
- Fuel Using Electric Plant, Electric and Water Service
- Fuel Using Electric Plant, Steam Heating and Gas Plant
- Fuel Using Electric Plant, Steam Heating and Gas Service
- Fuel Using Electric Plant and Steam Heating
- Gas Service
- Water Service
- Steam Heating
- Ice Plant
- Electric and Water Service
- Electric Transmission Lines, Built
- Electric Transmission Lines, Proposed
- Gas Transmission Lines, Built
- Other Companies Lines

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FUNDED DEBT

(1)

$4,500,000 6% GOLD DEBENTURES, SERIES "A"; DUE FEBRUARY 1, 1952

Dated February 1, 1927.

Interest Payable February and August 1, at principal office of The New York Trust Co., New York.

Denominations—Coupon debentures in interchangeable denominations of $500 and $1,000; registerable as to principal only.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Open indenture, issued, $4,500,000 Series "A" 6s and $4,500,000 5½% Series (see paragraph 2).

Issued under an agreement which provides among other things: (a) That additional gold Debentures may be issued in series bearing such rates of interest maturing on such dates, redeemable on such terms and containing such other rights, limitations and provisions permitted by the Agreement as the Board of Directors or the Executive Committee of the Corporation may determine prior to the issue thereof. (b) That, except for refunding Debentures of another series, par for par, no additional gold Debentures may be issued unless the consolidated net income of the Corporation and its subsidiaries as defined in the Agreement for twelve consecutive calendar months within the fifteen calendar months immediately preceding shall have been not less than twice the annual interest charges upon the Debentures, and secured obligations if any, then outstanding, and on the further amount then proposed to be issued. (c) That the Corporation shall issue no secured obligations, as defined in the Agreement (other than secured temporary bank loans and Debentures secured by pledge of property acquired with the proceeds of such Debentures) unless the mortgage or pledge whereunder the same are issued shall by its terms secure in a like manner and to the same extent all Debentures at the time outstanding under the Agreement. (d) That the Corporation may secure any Debentures issued under the Agreement for the purpose of acquiring any property by the sole pledge of the property so acquired. That no unsecured obligations, as defined in the Agreement, except Debentures issued under the Agreement and except temporary bank loans, shall be issued by the Corporation so long as there shall be outstanding under the Agreement any Debentures not secured as above provided. (e) That certain provisions of the Agreement or any supplement thereto may be modified in any particular with the assent of the holders of 85% in aggregate principal amount of the outstanding Debentures, not including any Debentures owned or controlled by the Corporation, provided that nothing shall permit the extension of the maturity of any Debentures or the reduction in rate of interest thereon or any other modification in the terms of payment of such interest without the consent of the holder thereof.

Purpose of Issue—Proceeds of the $3,500,000 6% Series A Debentures were used toward the acquisition of Common stock of Community Power & Light Company, while the proceeds from the other $1,000,000 of Debentures were used to pay in part for acquisition of Jacksonville Gas Co.

Callability—Subject to call as a whole or in part upon 30 days' notice at 105 to February 1, 1937, thereafter to February 1, 1951, at 102½ and thereafter to maturity at 100, in each case plus accrued interest.

Sinking Fund—No provision.

Security—These debentures are the direct obligations of American Commonwealths Power Corporation, having assets, as represented in the ownership of the Common stocks of its subsidiary companies, and in the diversified public utility investments above referred to of an estimated aggregate value of approximately $14,000,000.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of these Debentures upon timely application for the personal property tax of the States of Connecticut, Pennsylvania and California, not exceeding four mills, Maryland, not exceeding four and one-half mills, District of Columbia, not exceeding five mills, Michigan, exemption tax not exceeding five mills, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest.

Legal Opinion—Chapman, Cutler and Parker (for the Bankers) and Humes, Buck & Smith (for the Corporation).

Original Offering—First publicly offered ($3,500,000 Series "A") in January, 1927, at 95 and interest, to yield about 6.40% by G. E. Barrett & Co., Inc., New York and Chicago; an additional $1,000,000 were offered in April, 1927, at 96 and interest to yield about 6.32%, by G. E. Barrett & Co., Inc., and Frederick Peirce & Co., New York, etc.

DEBENTURES ISSUED SINCE CLOSE OF FISCAL YEAR

(2)

$4,500,000 AMERICAN COMMONWEALTHS POWER CORP. GOLD DEBENTURES, 5½% SERIES; DUE MAY 1, 1953

Dated May 1, 1928.

Interest Payable May and November 1, at principal office of The New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Open indenture outstanding, $4,500,000 5½% Series and $4,500,000 Series "A" 6s. (For other details see under description of Series "A" 6s, paragraph 1.)

Purpose of Issue—The proceeds from the sale of these $4,500,000 debentures, 5½% Series, were applied in payment of a portion of the cost of the Preference and Common stocks of American Gas & Power Company and for other corporate purposes.

Callability—Subject to call as a whole or in part upon thirty days' published notice at 105 to May 1, 1938, thereafter to May 1, 1952, at 102½ and thereafter to maturity at 100 in each case plus accrued interest.

Sinking Fund—No provision.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of these Debentures upon timely application for personal property taxes imposed by the States of Connecticut, Pennsylvania and California, not exceeding 4 mills, Maryland not exceeding 4½ mills, District of Columbia, not exceeding 5 mills, Michigan not exceeding 5 mills, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest.

Legal Opinion—Chapman & Cutler, Chicago (for the Bankers) and Humes, Buck & Smith (for the Corporation).

Original Offering—First publicly offered ($4,500,000 5½% Series) in May, 1928, at 96½ and interest to yield over 5.75% by G. E. Barrett & Co., Inc., and A. C. Allyn & Co., Inc.

CONSOLIDATED INCOME ACCOUNT, 12 MONTHS ENDED DECEMBER 31, 1927
(American Commonwealths Power Corp. and Controlled Companies)

Gross earnings—all sources	$8,131,835
Operating expenses, maintenance & general taxes	4,969,958
Net earnings	$3,161,877
Interest charges—subsidiary cos.	1,318,551
Dividends on sub. company Pfd. stocks	427,061
Balance for American Commonwealths Power Corp. and reserves	$1,416,265
Interest charges—American Comm. Power Corp.	248,993
Balance for reserves and dividends	$1,167,272
Annual divd. charges—First Pfd. stock American Commonwealths Power Corp.	175,000
Balance	$992,272

CONSOLIDATED INCOME ACCOUNT, 12 MONTHS ENDED DECEMBER 31, 1927 (Continued):

Balance forward	$992,272
Annual divd. charges—Second Pfd. stock American Commonwealths Power Corp.	95,977
Balance for reserves, Federal taxes and surplus	$896,295
Times Interest Earned	5.68
***Earnings Per Share**—First Pfd.	$14.59
***Earnings Per Share**—Second Pfd.	72.37

*Before reserves and Federal taxes.

NOTE—The above earnings statement is based on the inclusion of the earnings for the past twelve months of Union Gas Utilities, Inc., and its controlled companies, and as well, the additional issue of First Pfd. stock of American Commonwealths Power Corp. required for the financing thereof. It does not include earnings of recently acquired Bangor, St. Augustine and Savannah Gas Companies.

CONSOLIDATED BALANCE SHEET
(American Commonwealths Power Corp. and Affiliated and Controlled Companies)

	Dec. 31, 1927	March 31, 1927
Assets—		
Plant and investment	$43,908,962	$25,375,997
Miscellaneous investments	4,332,878	4,835,547
Reacquired securities (Community Pr. & Lt. Co.)	.....	20,797
Special deposits	14,501	13,056
Affiliated companies	.....	4,830
Cash	335,240	592,523
Notes and accts. receivable	1,120,533	494,224
Materials and supplies	693,926	381,066
Unmeasured services	25,345	25,345
Interest and dividends receivable	14,328	20,162
Unamortized debt disc. and exp.	2,052,224	1,467,577
Other prepaid deferred charges	489,874	190,987
Total	$52,987,811	$33,422,111
Liabilities—		
Amer. Commonwealths Power Corp. capital stock	$11,044,545	$8,544,545
Jacksonville Gas Co. First Pfd. stock	41,600	.....
Community Power & Light Co. Pfd. stocks	6,303,200	5,757,600
Preferred stock of sub. cos.	625,300	550,000
Union Gas Corp. Pfd. & Common stocks	36,375	.....
Subscription to Pfd. stocks	5,178	3,169
Amer. Commonwealths Power Corp. debentures	4,100,000	3,500,000
Community Power & Light Co. bonds	11,000,000	11,000,000
New Mexico Utility Co. 6% bonds	240,000	240,000
Contract payable—city of Clovis	119,167	124,583
Jacksonville Gas Co. bonds	3,501,000	.....
Jacksonville Gas Co. debentures	1,500,000	.....
Union Gas Utilities, Inc. bonds	3,000,000	.....
Union Gas Corp. bonds	3,639,500	.....
Union Gas Corp. notes	500,000	.....
Due to affiliated companies	115,000	.....
Notes payable	697,014	200,000
Accounts payable	673,058	724,511
Pfd. dividends payable	115,176	103,902
Ice coupons outstanding	4,725	4,811
Interest accrued	425,076	283,343
Taxes, insurance, etc. accrued	132,112	129,277
Consumers' deposits	377,392	181,005
Unadjusted credits	.....	34,879
Retirement & replacement reserve	3,603,669	2,000,226
Other reserve	167,761	.....
Minority interest in surplus of Union Gas Corp.	9,099	.....
Surplus	1,011,865	*40,260
Total	$52,987,811	$33,422,111

*Includes minor reserves.

Officers: Frank T. Hulswit, Pres., New York; David A. Belden, V-P. & Gen. Mgr., St. Louis, Mo.; Fred W. Seymour, V-P. & Cons. Engr., Battle Creek, Mich.; William L. Ross, V-P., Chicago, Ill.; H. M. Pleune, V-P., Asst. Sec. & Asst. Treas., Grand Rapids, Mich.; Frederick E. Webster, Treas. & Asst. Sec., St. Louis, Mo.; Albert Vermeer, Sec. & Asst. Treas., New York; George Vruggink, Asst. Sec. & Asst. Treas., Grand Rapids, Mich.

Directors: Frank T. Hulswit, H. F. McConnell, New York; Clayton E. Platt, Philadelphia; H. L. Nason, Boston; William L. Ross, Herbert L. Nichols, Chicago; E. J. Costigan, David A. Belden, St. Louis; Russel J. Boyle, Grand Rapids, Mich.; Fred W. Seymour, Battle Creek, Mich.

Offices, 120 Broadway, New York, and Grand Rapids Nat. Bank Bldg., Grand Rapids, Mich.

BANGOR GAS-LIGHT COMPANY

(Controlled by American Commonwealths Power Corporation)

History—Incorporated Aug. 29, 1850, in Maine. Supplies gas to Bangor and Brewer, Me. Franchise exclusive until 1952. Population served over 30,000. Miles of mains, 45.40. Gas consumers, 3,124. Sales in 1927, 48,567,300 cu. ft. compared with 48,372,900 cu. ft. in 1926, and 48,760,700 cu. ft. in 1925. Daily capacity, 360,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $600,000; par, $100. all owned by American Commonwealths Power Corporation. Annual meeting, fourth Wednesday in May at Bangor, Maine.

FUNDED DEBT

$300,000 (entire issue) First Gold 5s; due Oct. 1, 1941; int. April and Oct. 1, at Fidelity Trust Co., Portland, Maine. Coupon, $1,000. Subject to call at 107 and interest. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$124,905	$121,946	$120,501
Oper. exp., maint., taxes, renewals & replacements.	90,149	91,459	92,502
Net earnings	$34,756	$30,487	$27,999
Interest charges	15,000	15,000	15,000
Balance	$19,756	$15,487	$12,999
Times Interest Earned	2.31	2.03	1.86

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$885,504	$880,300	$878,501
Cash	18,388	29,397	23,975
Accounts receivable	16,528	18,208	17,955
Materials and supplies	31,905	22,424	29,833
Prepaid accounts	2,563	3,029	2,914
Suspense accounts	887	231	98
Total	$955,775	$953,589	$953,276
Liabilities—			
Capital stock	$600,000	$300,000	$300,000
Funded debt	300,000	300,000	300,000
Current liabilities	8,275	7,317	6,604
Accrued accounts	5,393	7,277	5,668
Reserves	17,385	7,279	2,275
Extension contract account	394	374	375
Holding co.'s equity above Common stock	.....	331,342	338,354
Surplus	24,328	.....	.....
Total	$955,775	$953,589	$953,276

Officers: Frank T. Hulswit, Pres.; Fred W. Seymour, V-P.; Albert H. Sargent, V-P. & Clerk; Albert Vermeer, V-P., Sec. & Treas.; James P. Reilly, Asst. Sec. & Asst. Treas.

Directors: Charles P. Connors, Frank T. Hulswit, James P. Reilly, Albert H. Sargent, Albert Vermeer.

Office, Bangor, Me.

COMMUNITY POWER AND LIGHT COMPANY

(Controlled by American Commonwealths Power Corp.)

History and Property—Incorporated Feb. 9, 1927 in Delaware, and on Feb. 14, 1927 the assets of the Illinois Corporation of the same name (see 1926 Public Utility Manual, page 857) were transferred to and its liabilities assumed by the present Delaware Company.

Company owns the entire outstanding Common stocks, except director's qualifying shares, and all the outstanding bonds of the Missouri Utilities Company (formerly Public Service Company of Missouri), the Arkansas Utilities Company, the Community Power and Light Company of Texas; The Kansas Utilities Company and the Texas Utilities Company (acquired Feb. 11, 1925); also the capital stock of New Mexico Utilities Co. The Arkansas Utilities Co. pur-

chased the Helena Water Co. on April 1, 1925. During 1926 Company acquired the Chanute Ice and Light Co.

The New Mexico Utilities Company was organized in 1925 to own and operate the electric and water properties in Clovis and the electric property in Portales, N. M., acquired from the respective municipalities. It has $240,000 non-negotiable First Mortgage bonds outstanding, which were necessary to issue to the City of Clovis in connection with the purchase of its properties. It is also indebted to the city of Clovis in the amount of $119,167 on a purchase contract. Other than a small interest item on notes of this Company, held by the Community company, no income from its operations was reflected in the 1925 figures, but it is now included as a controlled company.

Through its subsidiaries, located in five states—Missouri, Arkansas, Texas, Kansas, and New Mexico—the Company serves 144 communities having a population of approximately 295,000. Electric light and power is furnished to 139 communities centered around and including Cape Girardeau, Poplar Bluff, Charleston, Eldon and California in Missouri; Helena and Paragould in Arkansas; Mexia, Marlin, Plainview and Lubbock, in Texas; Fort Scott, Paola, Burlington and Chanute in Kansas; and Clovis and Portales in New Mexico. Gas service is furnished to over 53,000 population in Columbia and Cape Girardeau, Mo., Helena, Ark., and Ft. Scott, Kan.; water service to Cape Girardeau, Webb City and Carterville, Mo., Helena, Ark., and Clovis, N. M. Steam heat is also furnished to one community, while ice service is furnished to over 140,000 population. The power, gas, ice and water plants are well located to serve their respective territories. No. of customers served, approximately 46,000. The power plants have a total installed generating capacity of over 36,625 k.v.a. There are 1,285 miles of transmission lines.

More than 78% of net earnings is derived from sale of electric light and power, with ice, gas, water and miscellaneous earnings providing the balance.

OPERATING STATISTICS DECEMBER 31

	1927	1926	1925
Kilowatt hours generated..	71,468,247	64,131,752	48,848,697
Kilowatt hours purchased..	9,872,906	15,882,619	8,083,409
M. cu. ft. gas sold	224,551	216,316	197,044
Tons of ice sold	75,890	77,933	72,800
Generating capacity (k.w.)	29,308	26,361	19,702
Miles transmission lines ...	1,285	1,211	1,076
Electric customers	46,231	43,135	36,988
Gas customers	5,748	5,486	5,179
Water customers	9,073	8,710	7,230

CAPITAL STOCK

Authorized, 300,000 shares Common, 250,000 shares First Pfd. and 50,000 shares Second Pfd., all of no par value; outstanding, March 30, 1928, 250,000 shares Common and 65,000 shares First Pfd. $6 cumulative Dividend Series. None of the Second Pfd. is outstanding. The authorized capital stock was changed from 300,000 shares Common, 150,000 shares $7 cumulative First Pfd. and 20,000 shares $8 cumulative Participating Pfd. to the amounts stated above in March, 1928. All of the Common stock is owned by American Commonwealths Power Corp. There is also outstanding $625,300 7% cumulative Pfd. stocks of Kansas Utilities Co. and Missouri Utilities Co.

First Pfd. and Participating Pfd. Stock Called—All of the outstanding $7 Dividend Series First Pfd. and $8 Dividend Series Participating Pfd. stock was called for redemption on March 30, 1928, at $110 and dividends at Central Union Trust Co. of New York. Holders of these stocks were given the privilege of exchanging them for the same number of new First Pfd. shares and cash to which they might be entitled at the redemption price after adjustment for dividends. This cash could be applied to the purchase of additional new Pfd. stock at $100 a share provided stock was available. Offer expired March 15, 1928.

First Pfd. Stock Provisions—The First Pfd. stock $6 Dividend Series, is entitled to cumulative dividends at the rate of $6 per share per annum, before any dividends are declared on the Second Pfd. or Common stock. In the event of liquidation holders of First Pfd. stock have preference as to assets to the extent of $100 per share, plus, if such liquidation be voluntary, a premium of $10 a share in the case of stock of $6 Dividend Series, together with accumulated dividends. The $6 Dividend Series First Pfd. stock is redeemable in whole or in part at any time on 30 days' notice at $110 per share and accumulated dividends. The Board of Directors shall fix, prior to issuance of shares of any other series, the dividend rates thereon, which shall not be in excess of $8 per share per annum, the premium payable upon redemption or in the event of voluntary liquidation or dissolution, which shall not be in excess of $20 per share and the right, if any, of the holders to convert the same into shares of any other series or class of stock, and the terms and conditions of such conversion. No shares in addition to the 65,000 shares of $6 Dividend Series, may be issued unless the consolidated net earnings (as defined in the Certificate of Incorporation) of the corporation and its controlled corporations applicable to the payment of dividends thereon shall have been, for a 12 months' period beginning and ending within 15 months immediately preceding the date of issuance thereof, not less than 1½ times the annual dividend requirements of all the First Pfd. stock to be outstanding after the issuance of the additional shares. The corporation may not without the consent of at least two-thirds in amount of the First Pfd. stock outstanding, create, authorize or issue any shares of stock, or securities or obligations convertible into stock which will have priority or preference over the First Pfd. stock, nor limit, change or adversely affect the preferences or rights given to, or the provisions respecting the First Pfd. stock, but such limitation shall not apply to the increase from time to time of the number of shares of authorized First Pfd. stock or stocks junior thereto in the manner provided for by the existing or future statute. First Pfd. stock has no voting power, except as otherwise expressly provided in the Certificate of Incorporation, except in the event of default in payment of four quarterly dividends, in which event holder of First Pfd. stock shall have the right to vote at the next election of directors and all elections of directors thereafter until such default and all subsequent defaults shall have been cured. No holder of stock shall have any preemptive right to subscribe for any other stock or obligations convertible into stock of the corporation.

Purpose of Issue—Proceeds from the issue of the First Pfd. stock $6 Dividend Series, were used, in part, for the retirement of the First Pfd. and Participating Pfd. stock formerly outstanding.

Transfer Agents (First Pfd.)—Bankers Trust Company, New York; First Trust & Savings Bank, Chicago; Liberty Central Trust Company, St. Louis.

Registrars (First Pfd.)—The New York Trust Company, New York; Continental National Bank & Trust

25 BROAD STREET
NEW YORK
Branch Offices
Albany Boston
Chicago Providence
Philadelphia

COMMUNITY POWER & LIGHT CO.
Spencer Trask & Co.
INVESTMENT SECURITIES
Members of New York Stock Exchange

Co., Chicago and The Boatmen's National Bank of St. Louis, St. Louis, Mo.

Legal Opinion—Masten & Nichols, New York (for the Bankers) and Butler, Lamb, Foster & Pope, Chicago (for the Company).

Original Offering—The unsubscribed portion of the 65,000 shares of First Pfd. stock were publicly offered in April, 1928, at $100 per share and accrued dividend by Spencer Trask & Co., New York, etc.; Whitaker & Co., St. Louis; Wm. L. Ross & Co., Inc., Chicago, etc.; Fenton, Davis & Boyle, Grand Rapids, Mich., and Edgar, Ricker & Co., Milwaukee, Wis.

Annual Meeting—Last Wednesday in March (if not a legal holiday), at St. Louis, Mo.

Listed (First Pfd.)—Chicago Stock Exchange.

Dividends—Dividends on the outstanding 7% Pfd. stocks of Kansas Utilities Co. and Missouri Utilities Co. have been regularly paid to date. Initial dividend on First Pfd. formerly outstanding of $1.75 a share was paid May 2, 1927; payments quarterly F, M, A & N 1. Initial dividend on Participating Pfd. formerly outstanding, of $2.00 a share was paid March 1, 1927, which quarterly rate maintained to date of redemption; payments M, J, S & D 1. Dividends on the $6 Dividend Series First Pfd. stock are paid quarterly, F, M, A & N 1. Initial cash dividend of 75 cents a share paid on Common August 1, 1927; Jan. 28, 1928, 60 cents a share.

FUNDED DEBT

$11,500,000 FIRST MORTGAGE COLLATERAL GOLD BONDS, THIRTY-YEAR 5% SERIES; DUE MARCH 1, 1957

Dated March 1, 1927.

Interest Payable March and September 1, at The Boatmen's National Bank, St. Louis, Mo., or at agency of the bank in New York or Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Boatmen's National Bank, St. Louis, Mo.

Provisions of Issue—Issued, $11,500,000 5% Series of 1957. The Trust Indenture provides for the issuance of additional bonds in one or more series, with interest rates, maturity dates, redemption and sinking and improvement fund provisions and other terms and conditions to be determined as new series are created, all bonds issued under this Trust Indenture to be of equal lien, irrespective of series. Additional bonds may be issued only for the acquisition of new subsidiary corporations or of additional properties by the Company or its subsidiaries or additions, extensions and improvements to the property of the Company or its subsidiaries under the restrictions of the Trust Indenture, which provides, among other things, that Company shall limit the issuance of its additional bonds to an amount not exceeding 80% of the cost or fair value, whichever is less, of property additions and will require that consolidated net earnings available for interest shall be not less than twice the interest charges on bonds issued and to be issued.

Purpose of Issue—Proceeds from the sale of these bonds were used to retire the existing funded indebtedness of Company and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time, on 60 days' notice, at 105 and interest to and including Feb. 28, 1954, and thereafter prior to maturity at 101 and interest.

Sinking and Improvement Fund.—A sinking and improvement fund equal annually to not less than 1% of greatest principal amount of bonds of this series at any time outstanding will either retire bonds or be invested in permanent additions, extensions and improvements.

Maintenance, Renewal and Depreciation Reserve—Company covenants in the Trust Indenture to cause each subsidiary company to create a maintenance, renewal and depreciation reserve (and covenants to create and maintain a similar reserve with respect to any properties directly owned by it) and to credit yearly to such reserves at least 12½% of the gross operating revenues of each property, whether owned by a subsidiary or by Company itself. All expenditures for maintenance and renewals will be charged to such accounts and any portion of such accounts not exhausted by such charges will be credited to depreciation reserve.

Security—These bonds are secured by deposit and pledge with the Trustee of First Mortgage bonds of subsidiary corporations which have been approved by the regulatory bodies in the various states wherever required and which constitute the entire funded debt of such corporations in an aggregate principal amount equal to at least 100% of the total amount of First Mortgage Collateral Gold bonds outstanding, and under the terms of the Trust Indenture this ratio must always be maintained and the total annual interest receivable by Company from subsidiary company bonds so pledged shall never be less than the total annual interest requirements of all First Mortgage Collateral Gold bonds outstanding. Bonds are further secured by deposit and pledge with Trustee of the entire outstanding voting stocks, except directors' qualifying shares, of such subsidiary companies. In effect, therefore, the First Mortgage Collateral Gold bonds are a first mortgage on the properties of all of the subsidiary companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of these bonds, if requested within 60 days after payment, for Pennsylvania and Connecticut 4 mills taxes and for Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion—Masten & Nichols, New York, (for the Bankers), and Butler, Lamb, Foster & Pope, Chicago, and Lehmann & Lehmann, St. Louis, (for the Company).

Original Offering—First publicly offered ($11,000,000) in February, 1927 at 95½ and interest, to yield about 5.30% by Spencer Trask & Co., Bauer, Pond & Vivian, Old Colony Corp., New York, Whitaker & Co., St. Louis, and Wm. L. Ross & Co., Inc., Chicago; $500,000 additional issued Feb. 17, 1928.

OTHER FUNDED DEBT

There are also outstanding $240,000 bonds of New Mexico Utilities Company, all pledged as security for an issue of municipal bonds which cannot be called for redemption or paid off until maturity.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED (Community Power and Light Company (Delaware) and Controlled Companies)

	Dec. 31, 1927	Mar. 31, 1927
Gross earnings, all sources	$4,273,714	$4,122,816
Operating expenses and general taxes	2,583,467	2,543,127
Net earnings	$1,690,247	$1,579,689
Interest on funded debt	569,712	589,313
	$1,120,535	$990,376
Pfd. dividends	419,094	422,879
	$701,441	$567,497
Amortization	62,693	77,701
Depreciation	273,927	248,664
Balance avail. for Fed. taxes & divds. on Common stock	$364,821	$241,132

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Predecessor Company)

	1927	1926	*1925	*1924	*1923
Gross revenues	$4,197,089	$3,924,634	$3,304,643	$1,682,526	$736,649
Operating expenses and taxes	2,583,467	2,544,248	2,007,842	1,079,137	507,565
Operating income	$1,613,622	$1,380,386	$1,296,801	$603,389	$229,084
Other income	76,625	157,546	107,187	48,699	62,025
Total income	$1,690,247	$1,537,932	$1,403,988	$652,088	$291,109

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	*1925	*1924	*1923
Fixed charges	$632,405	$662,505	$659,196	$381,069	$182,711
Federal taxes	.....	64,402	52,330	19,496	7,450
Balance	$1,057,842	$811,025	$692,462	$251,523	$100,948
Depreciation	273,927	222,117	195,502	83,397	48,747
Net income	$783,915	$588,908	$496,960	$168,126	$52,201
Preferred dividends	419,094	388,105	205,026	34,748	1,146
Surplus	$364,821	$200,803	$291,934	$133,378	$51,055

*Does not include New Mexico Utilities Co.

CONSOLIDATED BALANCE SHEET
(Community Power and Light Company (Delaware) and Controlled Companies)

Assets—	Dec. 31, 1927	Mar. 31, 1927
Plant and investment	$21,970,918	$21,156,890
Cash	209,778	240,794
Notes receivable	27,944	15,975
Accounts receivable	509,273	478,249
Inventories	366,226	381,065
Unmeasured services	25,345	25,345
Interest and dividends receivable	123	41
Investments	28,012	28,365
Special deposits	11,658	13,056
Affiliated companies	4,930	4,830
Reacquired securities	54,399	20,797
Prepaid accounts	37,435	53,455
Advances	1,050	1,205
Work-in-progress	32,262	38,867
Suspense	147,150	94,073
Unamortized debt discount & expense	1,334,368	1,313,744
Total	$24,760,871	$23,866,751

Liabilities—	Dec. 31, 1927	Mar. 31, 1927
Common stock	$2,000,000	$2,000,000
First Pfd. stock	5,100,000	4,500,000
Participating Pfd. stock	1,257,600	1,257,600
Instal. on stock subscriptions	3,415	3,169
Subsidiary Pfd. stocks	625,300	550,000
Funded debt	11,000,000	11,000,000
Other long-term debt	359,167	364,583
Notes payable	375,000	200,000
Accounts payable	344,423	351,365
Dividends payable	69,052	103,902
Ice coupons outstanding	4,726	4,811
Interest accrued	189,676	248,343
Taxes accrued	82,132	124,035
Insurance accrued	4,014	5,242
Consumers' deposits	196,117	181,005
Unadjusted credits	25,236	34,809
Accts. payable—affil. cos.	39	70
Retirement reserve	1,986,435	2,000,226
Surplus—capital and earned	1,138,539	937,591
Total	$24,760,871	$23,866,751

Officers: David A. Belden, Pres.; E. J. Costigan, V-P.; F. E. Webster, V-P. & Treas.; Walter H. Timm, Sec.; L. A. Eaton, Jr., Asst. Sec.; W. J. Goldsworthy, Gen. Aud.; E. S. Billings, Gen. Mgr.; W. W. Burton, Pur. Agt., St. Louis, Mo.

Directors: David A. Belden, E. J. Costigan, Sears Lehmann, Chas. Scudder, I. R. Kelso, St. Louis, Mo.; Geo. H. Carter, Marlin, Tex.; H. L. Nichols, W. L. Ross, Chicago; James T. Woodward, F. T. Hulswit, New York; R. J. Boyle, Grand Rapids, Mich.

Offices, Planters Bldg., St. Louis, Mo.

JACKSONVILLE GAS COMPANY

(Controlled by American Commonwealths Power Corporation)

History—Originally incorporated July 14, 1874, in Fla.; present Company incorporated July 28, 1927, in Fla. Supplies gas to Jacksonville and South Jacksonville, Fla. There is no other gas company within this territory. Franchise perpetual. Population served, about 135,000. Daily generating capacity, 5,500,000 cu. ft. Miles of mains, 201. Prices, $1.70 to 90 cts. net, according to amount consumed.

CAPITAL STOCK

Authorized, $3,000,000 Common (par, $10), $5,000,000 7% cumulative First Pfd. (par, $100), and 10,000 shares no par value Second Pfd.; outstanding, $1,500,000 Common, $41,600 First Pfd., and 10,000 shares Second Pfd. All Second Pfd. and Common stock owned by American Commonwealths Power Corporation.

Annual Meeting—Third Monday in February.

Dividends—Dividends at rate of 7% on First Pfd. were paid in 1926 and 1927.

FUNDED DEBT

(1)

$3,501,000 FIRST MORTGAGE GOLD BONDS (OF WHICH $3,268,000 5s AND $233,000 5s WITH ADDITIONAL 3% COUPON ATTACHED); DUE JUNE 1, 1942.

Dated June 1, 1912.

Interest Payable June and December 1, at First National Bank, New York, and Central Trust Co. of Illinois, Chicago.

Denomination—Coupon $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized, $6,000,000; outstanding, $3,501,000.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—Beginning June 1, 1917, $5,000 annually for 5 years; $10,000 annually, 1922 to 1927; $30,000 annually, 1927 to 1932; $35,000 annually, 1932 to 1937, and $40,000 annually, 1937 to 1942.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Pam & Hurd, and Walter W. Ross, Chicago.

Original Offering—First publicly offered ($1,300,000) in May, 1912, at 95 and interest.

(2)

$1,500,000 6% GOLD DEBENTURES, SERIES "A"; DUE MAY 1, 1952

Dated May 2, 1927.

Interest Payable May and November 1, at Guaranty Trust Co. of New York, New York, N. Y.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Guaranty Trust Company of New York, New York.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $1,500,000. The Trust Agreement provides: (1) That additional debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable at such times and containing such other rights, limitations and provisions permitted by the Agreement as the Board of Directors of the Company may determine prior to the issue thereof. (2) That except for refunding debentures of another series par for par, no additional debentures may be issued unless the net income of the Company, as defined in the Agreement, for 12 consecutive calendar months, within the 15 calendar months immediately preceding, shall have been not less than 2½

times the annual interest requirements on the Company's total outstanding debentures, including the debentures proposed to be issued, together with any other interest bearing obligations outstanding other than the First Mortgage 5% Gold Bonds due 1942, bonds issued against the retirement or pledge of such First Mortgage Bonds and bonds issued under a mortgage which shall take the place of the present First Mortgage. (3) That certain provisions of the Agreement, or any supplement thereto, may be modified in any particular with the assent of the holders of 85% in aggregate principal amount of the outstanding debentures, not including any debentures owned or controlled by the Company, provided that nothing shall permit the extension of the maturity of any debentures or the reduction of rate of interest thereon, or any other modification in the terms of payment of such interest without the consent of the holders thereof.

Purpose of Issue—Proceeds were used to retire outstanding debentures and bank loans, to provide for betterments of the Company's property and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at 105 on or before May 1, 1937; at 102½ thereafter and on or before May 1, 1950; and at 100 thereafter to maturity, plus accrued interest in each case.

Sinking Fund—None provided.

Security—Debentures are the direct obligation of the Company and are issued under a Trust Agreement which provides, among other things, that the Company shall issue no secured obligations, as defined in the Agreement (other than its First Mortgage 5% Gold bonds due 1942, bonds issued against the retirement or pledge of such First Mortgage Bonds, bonds issued under a mortgage which shall take the place of the present First Mortgage and secured temporary bank loans) unless the mortgage or pledge whereunder the same are issued shall by its terms secure in a like manner and to the same extent all debentures at the time outstanding under the Agreement.

Tax Provisions—Company pays Normal Federal Income Tax up 2% and certain personal property taxes imposed by the states of Pennsylvania, Connecticut and California, not exceeding 4 mills, Maryland not exceeding 4½ mills and Michigan not exceeding 5 mills and the Massachusetts Income Tax on the interest not exceeding 6% of such interest.

Legal Opinion—Chapman, Cutler & Parker (for the Bankers) and Humes, Buck & Smith, (for the Company).

Original Offering—First publicly offered ($1,500,000) in June, 1927, at 97½ and interest to yield 6.20% by G. E. Barrett & Co., Inc., and Frederick Peirce & Co., New York, etc.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Miles of Mains.	Meters in Use.	Ranges in Use.	Arc Lamps in Use.	Cu. Ft. of Gas Sold.
1918	113.45	12,738	13,484	1,651	372,260,100
1919	117.0	13,347	14,369	1,461	379,444,800
1920	117.8	13,377	14,900	1,350	423,753,500
1921	122.7	12,982	15,317	1,206	.....
1922-1923	Not reported.				
1924	142.9	13,158	.....	.....	371,190,000
1925	152.26	14,196	17,462	938	416,512,100
1926	176.84	15,857	18,622	982	525,818,400
1927	201.00	16,833	.....	.....	533,981,200

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$911,914	$976,614	$786,290	$703,390	$638,546	$596,290
Operating expenses, maint. and taxes	556,244	570,496	486,038	445,667	445,259	426,903
Net earnings	$355,670	$406,118	$300,252	$257,723	$193,287	$169,387
Interest charges	261,392	226,037	210,067	202,076	*	*
Balance	$94,278	$293,081	$90,185	$55,647	*	*
Times Interest Earned	1.36	1.79	1.42	1.27	*	*

* Not available.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—		Liabilities—	
Plant and investment	$7,046,450	Common stock	$1,500,000
Cash	53,294	First Preferred stock	41,600
Accounts receivable	152,640	Second Preferred stock	600,000
Inventories	133,757	Funded debt	5,001,000
Prepayments	6,115	Notes payable	164,500
Unamortized debt discount and expense	454,269	Accounts payable	69,957
		Consumers' deposits	106,128
		Due to affiliated companies	77,832
		Accrued and other liabilities	47,108
		Reserves	33,358
		Surplus	205,042
Total	$7,846,525	Total	$7,846,525

Officers: Frank T. Hulswit, Pres.; Roy A. Zeigler, V-P.; Fred W. Seymour, V-P.; David A. Belden, V-P.; Frederick E. Webster, Treas. & Asst. Sec.; Albert Vermeer, Sec. & Asst. Treas.; H. M. Pleune, Asst. Sec. & Asst. Treas.; Robert F. Dougherty, Asst. Sec.; Lee R. Shannon, Asst. Treas.

Directors: Frank T. Hulswit, Fred W. Seymour, Roy A. Zeigler, David A. Belden, Albert Vermeer.

Executive Office, 205 Planters Bldg., St. Louis, Mo.

Operating Office, Jacksonville, Fla.

ST. AUGUSTINE GAS & ELECTRIC LIGHT COMPANY

(Controlled by American Commonwealths Power Corporation)

History—Incorporated June 22, 1886, in Fla. Supplies St. Augustine, Fla. Population served, 25,000. Sales in 1927, 74,809,900 cu. ft., compared with 88,965,600 cu. ft in 1926, and 66,746,700 cu. ft in 1925. Miles of mains, 24.50. No. of meters, 2,577.

CAPITAL STOCK

Authorized, $500,000 Common and $100,000 8% Pfd.; outstanding, $250,000 Common and $60,000 Pfd.; par, $100. All Common stock owned by American Commonwealths Power Corporation. Transfer office, St. Augustine, Fla. Annual meeting, second Monday in January.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$139,364	$161,366	$121,086	$106,342	$96,533
Operating expenses	104,898	114,905	87,684	83,445	76,869
Net earnings	$34,466	$46,461	$33,402	$22,897	$19,664
Income deductions	6,977	246	220	49	49
Net income	$27,489	$46,215	$33,182	$22,848	$19,615

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Fixed assets	$469,389	$315,730	$283,399	Common stock	$250,000	$250,000	$200,000
Materials and supplies	27,090	30,814	19,915	Preferred stock	60,000	60,000	60,000
Acounts receivable	17,191	18,449	21,345	Accounts payable	179,981	24,931	18,699
Cash	5,216	997	15,737	Accrued accounts	9,469	5,192	4,454
Prepaid accounts	322	1,601	664	Reserves	18,304	15,695	16,567
				Profit and loss	1,454	11,773	41,340
Total	$519,208	$367,591	$341,060	Total	$519,208	$367,591	$341,060

Officers: Frank T. Hulswit, Pres., New York; Fred W. Seymour, V-P., Battle Creek, Mich.; Kingsley Patterson, V-P., St. Augustine, Fla.; David A. Belden, V-P., St. Louis, Mo.; Albert Vermeer, Sec. & Asst. Treas., New York; Frederick E. Webster, Treas., St. Louis, Mo.; Walter H. Timm, Asst. Sec. & Asst. Treas., St. Louis, Mo.

Directors: Frank T. Hulswit, Albert Vermeer, New York; Fred W. Seymour, Battle Creek, Mich.

Office, St. Augustine, Fla.

SAVANNAH GAS COMPANY

(Controlled by American Commonwealths Power Corporation)

History—Incorporated March 3, 1875, in Ga., as Mutual Gas Light Co.; name changed to above Dec. 22, 1903. Population of city, 110,000; population served, approximately 95,000. Sales in 1927, 444,263,400 cu. ft. compared with 427,201,600 cu. ft. in 1926, and 378,413,400 cu. ft. in 1925. Miles of mains, 96.71. No. of meters, 11,430.

CAPITAL STOCK

Authorized and outstanding, $1,400,000 Common and $450,000 7% cumulative Pfd.; par, $25. All Common stock owned by American Commonwealths Power Corporation. Annual meeting, third Monday in January.

Dividends—Dividends of 43¾ cents a quarter are paid M, J, S & D 1.

FUNDED DEBT

$598,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE SEPTEMBER 1, 1953.
$350,000 FIRST MORTGAGE GOLD 5s, SERIES "B"; DUE JANUARY 1, 1956

Dated, Series "A" September 1, 1923, and Series "B" January 1, 1926.

Interest Payable on Series "A" March and September 1, and on Series "B" January and July 1, at National City Bank, New York, and offices in Savannah, Augusta, Macon and Atlanta, of The Citizens Southern Bank, Trustee.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Additional bonds may be issued in amounts not exceeding 75% of the actual cost of additions, extensions, improvements and the acquisition of additional property; provided however, the net earnings of the Company applicable to the payment of interest for 12 consecutive months within the next preceding 15 months, together with such net earnings of any property proposed to be acquired by the Company, shall equal at least 1¾ times the interest charges on the bonds then outstanding and on those then proposed to be issued.

Callability—Series "A" bonds subject to call upon 30 days' notice on or after Sept. 1, 1928 and on or before Sept. 1, 1943, at 105; after Sept. 1, 1943, and on or before Sept. 1, 1948, at 102½ and thereafter at ½ of 1% less each year to March 1, 1953, when callable at par, in all cases with accrued interest. Series "B" bonds subject to call upon 30 days' notice on or after Jan. 1, 1929, and on any interest payment date thereafter, at a premium of 5% until Jan. 1, 1946, inclusive; at 102½% after Jan. 1, 1946 and on or before Jan. 1, 1951; at 102 to July 1, 1951; thereafter at ½ of 1% less each year to July 1, 1955, when callable at par.

Sinking Fund—Series "A" ½% of amount of bonds outstanding (commenced July 1, 1924), and continuing semi-annually thereafter. Series "B" ½% of amount of bonds outstanding (commenced Nov. 1, 1926), and continuing semi-annually thereafter.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—Series "A" first publicly offered ($600,000) in Aug., 1923, by Citizens & Southern Bank, Savannah, Ga., at 99 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$671,447	$633,115	$560,431	$569,170	$558,202
Operating expenses	393,224	420,716	372,005	368,084	378,025
Net earnings	$278,223	$212,399	$188,326	$201,086	$180,177
Income deductions	47,831	46,077	44,661	47,889	67,208
Net income	$230,392	$166,322	$143,665	$153,197	$112,969

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Fixed assets	$3,035,688	$2,769,047	$2,661,058	Common stock	$1,400,000	$1,400,000	$1,400,000
Materials and supplies	77,295	71,883	72,235	Preferred stock	450,000	450,000	445,725
Accounts receivable	76,003	73,837	73,844	Funded debt	948,000	748,000	598,000
Cash	16,918	23,241	18,600	Loans	.....	.....	92,000
Unamortized discount	42,948	38,235	33,089	Accounts payable	70,747	54,590	45,414
Other suspense accounts	.....	3,124	.....	Accrued accounts	38,078	13,690	16,431
Prepaid accounts	347	442	1,299	Reserves	216,267	178,964	150,094
Sinking funds	4,740	3,740	2,990	Profit and loss	130,847	138,305	115,451
Total	$3,253,939	$2,983,549	$2,863,115	Total	$3,253,939	$2,983,549	$2,863,115

Officers: J. A. P. Crisfield, Pres., Savannah, Ga.; Frank T. Hulswit, V-P., New York; Fred W. Seymour, V-P., Battle Creek, Mich.; David A. Belden, V-P., St. Louis, Mo.; Albert Vermeer, Sec. & Asst. Treas., New York; Frederick E. Webster, Treas., St. Louis, Mo.; Walter H. Timm, Asst. Sec. & Asst. Treas., St. Louis, Mo.; W. H. Bischoff, Asst. Sec., Savannah, Ga.

Directors: J. A. P. Crisfield, Savannah, Ga.; Frank T. Hulswit, Albert Vermeer, New York, Fred W. Seymour, Battle Creek, Mich.; David A. Belden, St. Louis, Mo.

Office. Savannah, Ga.

UNION GAS UTILITIES, INC.

(Controlled by American Commonwealths Power Corporation)

History—Incorporated Oct. 26, 1927, in Delaware, and owns over 99% of the outstanding Common stock, and over 96% of the outstanding Pfd. stock of Union Gas Corporation (see statement appended). Also controls through ownership, either directly or indirectly, of all of their capital stocks, **Van Vleck & Graham Oil Company, Strong & Graham Oil & Gas Company,** and **Republic Gas Corporation.**

Union Gas Corporation and its subsidiary companies are engaged in the production, transportation and wholesale and retail distribution of natural gas for public utility and industrial purposes. The Corporation owns and operates gas distributing plants in fourteen cities and towns in southeastern Kansas and, in addition, furnishes natural gas at the city borders to eight other cities. The territory served embraces a rich industrial area with an estimated population in excess of 100,000. The properties of Van Vleck & Graham Oil Company, Strong & Graham Oil & Gas Company and Republic Gas Corporation are located in southeastern Kansas, practically all of their gas being sold under contract to National Refining Company.

CAPITAL STOCK

Authorized, 300,000 shares Common stock, 75,000 shares First Pfd. stock and 50,000 shares Second Pfd. stock, all of no par value; outstanding, 200,000 shares Common and 12,500 shares Series $7 Dividend First Pfd. None of the Second Pfd. shares have been issued. Of the authorized Common stock, 30,000 shares are held in treasury, reserved for warrant rights in connection with the Ten-Year 6½% Secured Gold Bonds, Series "A." All the outstanding stock, both Common and Pfd., is owned by American Commonwealths Power Corporation.

Dividends—No payments have been made to Dec. 31, 1927.

FUNDED DEBT

$3,000,000 TEN-YEAR 6½% SECURED GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1937

Dated November 1, 1927.

Interest Payable May and November 1, at Guaranty Trust Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized amount not limited; issued, Series "A," $3,000,000. Additional bonds may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms and containing such other rights, limitations and provisions permitted by the Indenture as the Board of Directors of the Company may determine prior to the issue thereof. Except for refunding bonds of another series, of an equal principal amount, no additional bonds may be issued except (1) in amount not exceeding 75% of the cost or fair value, whichever is less, of gas properties and additions and betterments thereto, or of the securities representing such property, and then only when the consolidated net income of the Company and its subsidiaries, computed as provided in the Indenture, for twelve consecutive calendar months within the fifteen calendar months immediately preceding shall have been not less than twice the annual interest charges upon the bonds then outstanding and on the additional bonds then proposed to be issued, or (2) against the deposit with the Trustee of an equal principal amount of United States Government obligations or cash. Provisions of the Indenture, or any supplement thereto, may be modified with the assent of the holders of 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned or controlled by the Company, provided nothing shall permit the extension of the maturity of any bonds, or the reduction of rates of interest thereon or any other modification in the terms of payment of such interest without the consent of the holders hereof.

Purpose of Issue—Proceeds were used in payment of a portion of the cost of the capital stocks of Union Gas Corp. and of the other subsidiaries acquired by Union Gas Utilities, Inc., and for other corporate purposes.

Stock Purchase Warrants—Series "A" bonds carry detachable stock purchase warrants which entitle the holder of each $1,000 bond ($500 denomination in proportion) to purchase ten shares of the Company's Common stock up to and including Nov. 1, 1930, at $10.00 per share; thereafter to and including Nov. 1, 1932, at $12.50 per share; thereafter to and including Nov. 1, 1934, at $15.00 per share; and thereafter to and including Nov. 1, 1937, at $20 per share, irrespective of the previous redemption of the bonds. Provision is made for the protection of the interest of the holders of stock purchase warrants in case of the payment of dividends in Common stock, in case of the issue of Common stock (not issued upon the exercise of stock purchase warrants) for cash or property at less than the price specified in the stock purchase warrants for the then current period, and in case of reorganization, consolidation, merger or reclassification of the capital stock of the Company. It is provided that all cash received by the Company through the exercise of the warrants shall be applied to the retirement of these bonds, so long as any shall remain outstanding.

Callability—Subject to call at any time on 30 days' notice at 105 and accrued interest on or before Nov. 1, 1932; thereafter 1% less each year to maturity.

Sinking Fund—A sinking fund is provided for Series "A" bonds requiring payments to the Trustee in cash or in Series "A" bonds at par, on Aug. 1 of each year at the rate of $100,000 annually from 1929 to 1931, inclusive; $150,000 annually from 1932 to 1934, inclusive; and $275,000 annually from 1935 to 1937 inclusive. All payments received by the Trustee are to be applied to the purchase of bonds at prices not exceeding the current redemption prices, or, if bonds are not so obtainable, such funds shall be used for the redemption of bonds by lot.

Security—Bonds are the direct obligation of the Company and are secured by deposit with the Trustee of not less than 99% of the outstanding Common stock and more than 96% ($2,383,000 par value) of the outstanding Pfd. stock of Union Gas Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California taxes not exceeding 4 mills, Maryland tax not exceeding 4½ mills, District of Columbia taxes not exceeding 5 mills, Michigan exemption tax not exceeding 5 mills and Massachusetts Income Tax on the interest not exceeding 6% of such interest, refunded to resident holders upon proper application.

Legal Opinion—White & Case (for the Bankers), and Humes, Buck & Smith (for the Company).

Original Offering—First publicly offered ($3,000,00) in November, 1927, at 98 and interest, to yield over 6¾%, by G. E. Barrett & Co., Inc., New York, etc., and Frederick Peirce & Co., Philadelphia, etc.

Listed—New York Curb Market.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Includes earnings of subsidiary companies prior to acquisition)

Gross revenues	$2,736,645
Operating expenses, maintenance & taxes	1,824,818
Gross income	$911,827
Interest charges:	
Union Gas Corp. funded debt	255,706
Union Gas Corp. unfunded debt	13,583
The Southwestern Gas Co.	97
Total interest charges—subsidiary cos.	$269,386
Balance	$642,441
Pfd. dividends—Union Gas Corp.	2,387
Balance—net earnings available to Union Gas Utilities, Inc., and for funded debt interest, amortization, depreciation, depletion & dividends	$640,054
Annual interest requirements of Union Gas Utilities, Inc.	195,000
Times Bond Interest Earned	3.33

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and investment	$10,888,245
Miscellaneous investments	53,423
Special deposits	980
Cash	53,108
Receivable	404,786
Inventories	193,942
Prepaid and deferred charges	288,558
Total	$11,883,042
Liabilities—	
Union Gas Utilities, Inc.;	
Common stock	$800,000
Preferred stock	1,250,000
Union Gas Corporation:	
Common stock	2,275
Preferred stock	34,100
Union Gas Utilities, Series "A" Secured Gold Notes	3,000,000
Union Gas Corp. First Mortgage bonds	3,639,500
Union Gas Corp. Five-Year notes	500,000
Notes payable	107,514
Accounts payable	258,944
Accrued liabiilties	144,183
Due to affiliated companies	14,687
Consumers' deposits	59,627
Reserves	1,702,253
Minority interest in surplus of Union Gas Corp.	9,099
Surplus	360,860
Total	$11,883,042

Officers: David A. Belden, Pres.; Fred W. Seymour, V-P.; Albert Vermeer, V-P. & Treas.; Frederick E. Webster, V-P.; James P. Reilly, Sec. & Asst. Treas.; Henry M. Pleune, Asst. Treas. & Asst. Sec.

Directors: David A. Belden, James P. Reilly, Albert Vermeer.

General Office, 205 Planters Bldg., St. Louis, Mo.

UNION GAS CORPORATION

(Controlled by Union Gas Utilities, Inc.)

History—Incorporated in Delaware to acquire and operate the properties formerly owned by Southwestern Gas Company, Owen-Osage Oil & Gas Company, Union Gas and Fuel Corporation, Kasigan Gas Company, Coffeyville Gas and Fuel Company, Fredonia Gas Company, and Olathe Gas Distributing Company, together with their subsidiary and associated companies. In May, 1926, acquired from the International Utilities Corp. the latter's holdings in the Southwestern Utilities Corp. and the Southwestern Public Service Co. On Dec. 31, 1927, the Union Gas Corporation owned 98.4% of stock in the Owen Gasoline Co., operating plants at Caney, Kas., and at Barnsdall, Okla., also 50% of stock in the Independent Oil & Gas Co. engaged in production and transportation of natural gas.

Business and Property—The Union Gas Corporation and its subsidiaries are engaged in the production, transportation, and wholesale and retail distribution of natural gas for public utility and industrial purposes. The Corporation owns and operates gas distributing plants in the cities of Independence, Coffeyville, Fredonia, Caney and 11 other cities and towns in southeastern Kansas, and, in addition, furnishes natural gas at the city borders to Chanute, Kansas, and seven other cities. The total population of the territory served is estimated to be in excess of 100,000.

The Corporation or its subsidiaries own gas rights on 210,000 acres, gas purchase contracts on 72,000 additional acres, and oil rights on 42,259 acres in southeastern Kansas and north-eastern Oklahoma. Included in the acreage carrying gas rights is the lease granted by the Osage Indian Tribe, covering 165,000 acres, with the exclusive privilege of prospecting for and producing natural gas for a period ending in 1946.

The Corporation or its subsidiaries own extensive pipe lines and distributing systems aggregating in length approximately 1,146 miles, together with 11 compressor stations, and all necessary accessories and equipment. There are connected with these lines approximately 800 gas wells with an aggregate open flow capacity of approximately 260,000,000 cu. ft. per day. Of these wells 284 are on leases owned by the Corporation or its subsidiaries and in the case of the remainder the output is purchased under contracts which in the greater majority of cases are made to cover the entire future output of such properties.

Located on the properties of the Corporation are two absorption gasoline recovery plants from which are being sold approximately 2,500 gallons of gasoline per day, and the Corporation is also marketing from its leasehold properties 300 barrels of oil per day.

Gas Sales, years ended Dec. 31, 1925, 16,145,647,000 cu. ft.; 1926, 13,630,431,000 cu. ft.; 1927, not reported.

CAPITAL STOCK

Authorized, 160,000 Common shares of no par value, and $3,500,000 7% cumulative Pfd. (par, $100); outstanding, 100,450 Common shares and $2,417,300 Pfd. The Union Gas Utilities, Inc., owns 99% of the Common and 96% of the Pfd. stock outstanding. Of the 160,000 no par value shares of Common stock authorized, 59,550 shares are reserved for the stock purchase warrants in connection with the $6,000,000 authorized First Mortgage Sinking Fund Gold bonds.

Preferred Stock Provisions—Has preference for assets and dividends, and in liquidation is entitled to par and dividends. Subject to call as a whole on any dividend date at 105. Has equal voting power per share with Common.

Transfer Agents—Commercial National Bank, Independence, Kan., and Continental National Bank & Trust Co., Chicago.

Dividends—Initial quarterly dividend of 1¾% on Pfd. stock paid July 1, 1926; Oct. 1, 1926 to Oct. 1, 1927, 1¾% each quarter; none since. None reported on Common.

FUNDED DEBT

(1)

$3,639,500 FIRST MORTGAGE 6½% SINKING FUND GOLD BONDS; DUE APRIL 1, 1936

Dated April 1, 1926.

Interest Payable April and October 1, at Continental National Bank & Trust Co., Chicago, and in New York.

Denominations—Coupon (interchangeable denominations), $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized, $6,000,000; issued, $4,000,000; retired, $360,500. Proceeds were used to pay, in part, for the cost of the properties acquired and for other corporate purposes. Remaining bonds may be issued only for not to exceed 65% of the cost or fair value, whichever is lower, of permanent additions and improvements to the properties of the Corporation, but only if net earnings, as defined in the Trust Indenture, shall have been not less than three times interest charges on all bonds of the Corporation,

including those to be issued, during 12 of the 15 preceding months.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date at 105 and interest on or before April 1, 1931, the redemption premium decreasing 1% each year thereafter.

Sinking Fund—Mortgage provides for a minimum sinking fund, payable in cash or bonds at par (first payment Feb. 1, 1927), sufficient to retire each year $300,000 principal amount of these bonds, and, in addition, an amount based on net earnings, as defined in the trust indenture. Cash payments received will be applied to the purchase or call and retirement of bonds. Through the operation of the sinking fund it is calculated that this issue will be retired prior to maturity. If additional bonds shall be issued, the mortgage provides for the creation of sinking funds sufficient to effect their retirement at or prior to maturity.

Stock Purchase Warrants—Each $1,000 bond carries a warrant entitling the bondholders to purchase a unit of 10 shares of the Common stock of the Corporation, without par value at $12.50 per share on or before April 1, 1927, the price increasing $2.50 per share in each year thereafter to maturity. Warrants may be exercised until maturity date, upon presentation of bonds with warrants attached, unless the entire issue is previously redeemed; in such case warrants may be exercised until the first April 1 or Oct. 1 next following release of the mortgage. Only in the case of bonds called for redemption will detached warrants be valid. $500 bonds will carry warrants with proportionate stock purchase privileges

Holders of warrants are properly protected in regard to such stock purchase privileges by the covenant of the Corporation not to increase its authorized capital stock while any bonds of this issue remain outstanding. The trust indenture provides that all cash received by the Corporation through the exercise of stock purchase warrants shall be applied to the retirement of these First Mortgage bonds.

Security—These bonds are secured by a direct first mortgage on all the lands of the Corporation together with all plants, buildings and fixed equipment located thereon. The mortgage constitutes a direct first lien (subject only to the usual farm mortgages) on the pipe lines and gas leases of the Corporation, excepting only the Osage Indian lease in which case the full benefit of the lease has been assured to the bondholders free from any other liens. As of August 31, 1927, the properties of the Corporation had a depreciated value, as appraised by Ford, Bacon & Davis, Engineers, and Ralph E. Davis, Geologist, of $9,216,225.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. All State, personal property and income taxes and District of Columbia personal property tax not exceeding 5 mills per annum refunded.

Legal Opinion—Chapman, Cutler & Parker (for the bankers) and Storey, Thorndike, Palmer & Dodge (for the Corporation).

Original Offering—First publicly offered ($4,000,000) in April, 1926, at 99 and interest, to yield 6.65%, by Taylor, Ewart & Co., Inc., and P. W. Chapman & Co., Inc., New York, etc.

(2)

$500,000 FIVE-YEAR 6% SINKING FUND GOLD NOTES; DUE JULY 1, 1932

Dated July 1, 1927.

Interest Payable January and July 1, in New York and Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized and issued, $500,000.

Purpose of Issue—Proceeds from sale of this issue were to be used to reimburse the Corporation's treasury for capital expenditures already made, to provide additional working capital, and for other corporate purposes.

Callability—Subject to call as a whole on any interest date or in part for the sinking fund at any time on 30 days' notice at 101 and accrued interest.

Sinking Fund—Indenture provides for a fixed payment of $100,000 annually, payable in equal monthly installments, the first payment to be made Feb. 1, 1928. After deducting current interest on these notes, the balance will be applied as a sinking fund for the purchase and/or call and retirement of these notes. Through this sinking fund, it is calculated that over 65% of these notes will be retired by maturity.

Security—A direct obligation of the Union Gas Corporation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund, on timely and appropriate application, all state personal property and income taxes and the District of Columbia personal property tax not exceeding five mills per annum.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($500,000) in June, 1927, at 98 and interest, to yield 6.47% by Taylor, Ewart & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Income from operations..	$2,723,677	$3,505,600	$3,251,151
Expenses and taxes	1,812,032	2,304,173	2,190,812
Net from operations ...	$911,645	$1,201,427	$1,060,339
Interest	270,450	*173,928	.....
Amort. bond disct. & exp.	5,196	*62,730	.....
Deprec. & depletion	351,383	431,545	.....
Bad accounts	.....	1,594	.....
Total charges	$627,029	$669,797	.....
Net to surplus	$284,616	$531,630	.....

*Nine months.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and investment	$10,426,189	$11,685,653
Miscellaneous investments	53,423	.....
Special deposits	980	.....
Cash	8,182	454,989
Accounts receivable	395,301	
Inventories	149,782	307,425
Prepaid & deferred charges.....	270,548	960,953
First mortgage sinking fund.....	.....	300,000
Total	$11,304,405	$13,709,020
Liabilities—		
Preferred stock	$2,417,300	$2,400,000
Common stock	502,250	1,500,000
Funded debt	3,639,500	4,000,000
Gold notes due 1932.....	500,000	.....
Notes & accounts payable	249,841	502,470
Accrued liabilities	110,657	394,557
Due to affiliated companies	254,358	.....
Consumers' deposits	59,567	.....
Deferred liabilities	.....	304,991
Contingent liabilities	.....	243,091
Reserves	3,157,088	3,528,973
Surplus	413,844	834,938
Total	$11,304,405	$13,709,020

Officers: Paul R. Johnson, Pres.; Donald W. Stewart, V-P. & Gen. Counsel, Independence, Kans.; Frank M. Stone, V-P., Fort Scott, Kans.; Frederick E. Webster, Treas.; Walter H. Timm, Sec., St. Louis, Mo.; H. F. Mitchell, Asst. Sec. & Asst. Treas.; W. L. Orr, Asst. Treas.; Vernon F. Palmer, Asst. Sec.; Lee R. Shannon, Asst. Treas., St. Louis, Mo.

Directors: Paul R. Johnson, Donald W. Stewart, M. L. Truby, Geo. Y. Guernsey, Independence, Kans.; Frank M. Stone, Fort Scott, Kans.; Frederick E. Webster, Walter H. Timm, David A. Belden, St. Louis, Mo.; Frank T. Hulswit, New York, N. Y.; E. C. Wampler, Geo. B. Blanchard, Chicago, Ill.

General Office, Commercial National Bank Bldg., Independence, Kan.

AMERICAN GAS AND POWER COMPANY

(Controlled by American Commonwealths Power Corporation)

History—Incorporated in May, 1928 in Delaware, Company will own all of the Common stock, except Directors' qualifying shares, of Minneapolis Gas Light Company, Jacksonville Gas Company, St. Augustine Gas and Electric Light Company, Savannah Gas Company, and Bangor Gas-Light Company. These subsidiary companies supply the respective cities with manufactured gas and serve in all an aggregate population estimated to exceed 740,000.

CAPITAL STOCK

Authorized, 150,000 shares Common, 100,000 shares cumulative First Pfd., $6 Series, and 100,000 cumulative Preference, $6 Series, all shares of no par value; outstanding, 70,000 shares Common, 40,000 shares First Pfd. and 45,000 shares Preference. All the Common and Preference shares are owned by American Commonwealths Power Corporation.

First Preferred Stock Provisions—The $6 Series is preferred as to dividends over the Preference and Common stocks. Redeemable as a whole or in part, at the option of the Company, at any time upon not less than 30 days' notice at $107.50 per share and accumulated dividends. Preferred as to assets up to $100 per share and accrued dividends, over the Preference and Common stocks. No dividends shall be paid on the Preference or Common stocks unless, after such payment, there remains a surplus equal to at least two times the annual dividend requirements on all of the First Preferred stock then outstanding. Upon any voluntary dissolution, liquidation or winding-up of the Company or any voluntary distribution of assets by way of return of capital, or upon the voluntary sale of all of the Company's assets, the First Preferred stock, $6 Series, shall be entitled to receive $107.50 per share plus accrued dividends, and upon any involuntary dissolution, liquidation or winding-up, or distribution or sale of assets, $100 per share plus accrued dividends, before any distribution shall be made to the holders of the Preference and Common stocks. Except as required by the laws of Delaware, the holders of this stock shall have no voting rights; provided, however, that if the Company shall have failed to pay full dividends on this stock for successive dividend periods totaling one year, the holders of this stock shall be entitled to one vote for each share held. Whenever all arrears of dividends on this stock shall be fully paid the holders shall have no right thereafter to vote, unless and until there shall be a new and similar default in the payment of dividends. It is provided in the Certificate of Incorporation of the Company that additional First Preferred stock totaling 10,000 shares in excess of the 40,000 shares now outstanding may be issued without restriction other than the approval of the Board of Directors. Additional stock in excess of the foregoing 50,000 shares may not be issued, unless and until assets equal to $100 on each share of such additional First Preferred stock shall have been received from the sale of capital stocks, junior to the First Preferred stock, in addition to the 45,000 shares of Preference stock, $6 Series, and 70,000 shares of Common stock presently to be issued. Unissued shares of the First Preferred stock may be issued in the $6 Series or in such other one or more series as the Board of Directors may determine. The Board of Directors may for such other series fix the dividend rate thereof at not exceeding $7 per share per annum and the amount per share to be paid upon redemption or any voluntary distribution of assets at not exceeding $110 per share, but in all other respects such other series shall be identical with the $6 Series.

Transfer Agents—The Equitable Trust Company of New York, American Gas and Power Company, Grand Rapids, Mich., and Illinois Merchants Trust Company, Chicago, Ill.

Registrars—Chemical National Bank, New York, The Michigan Trust Company, Grand Rapids, Mich., and Central Trust Company of Illinois, Chicago, Ill.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York (for the Bankers); and Humes, Buck & Smith, New York (for the Company).

Original Offering—First publicly offered (40,000 shares $6 Series, First Pfd. stock), in May, 1928, at $96 a share and accrued dividends, to yield 6.25%, by Bonbright & Co., Inc., W. C. Langley & Co., and G. E. Barrett & Co., Inc., New York, etc.

FUNDED DEBT

$6,500,000 SECURED GOLD DEBENTURES, 5% SERIES DUE 1953; DUE MAY 1, 1953

Dated May 1, 1928.

Interest Payable May and November 1, at office or agency of Company in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered debentures of $1,000 denomination. Coupon debentures of $1,000 denomination and fully registered debentures interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $6,500,000 5% Series due 1953.

Debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights, limitations and provisions permitted by the Agreement as directors or executive committee may determine prior to the issue thereof. Additional Debentures may be issued (1) for refunding debentures of any series, par for par or (2) for not to exceed 66 2-3% of cost or fair value, whichever is less, of securities of subsidiary companies to be acquired and pledged and then only when consolidated net income of Company and its subsidiaries, computed as provided in Agreement, after deducting all operating expenses and taxes, other than income taxes, and all interest and dividends on securities of subsidiary companies held by public for 12 consecutive months within 15 preceding calendar months shall have been at least 2½ times annual interest charges on all indebtedness of Company, including debentures then to be issued, but excluding charges on indebtedness subordinate to the debentures and excluding indebtedness to be concurrently paid off through proceeds from the sale of capital stock, or of sale of such issue of debentures. The provisions of the Agreement, or of any supplement thereto, may be modified with assent of holders of 85% in aggregate principal amount of outstanding debentures, not including any debentures owned or controlled by Company; provided nothing shall permit extension of maturity of any debentures, or reductions of rates of interest thereon, or any other modification in terms of payment of such principal or interest, without consent of holders thereof.

Purpose of Issue—The proceeds from the sale of $6,500,000 5% Series due 1953 and of 40,000 shares of First Preferred stock, $6 Series, reimbursed the Company in part for the cost of it holdings.

Sinking Fund—None.

Callability—5% Series bonds due 1953, are subject to call as a whole or in part, on 30 days' notice, at 105 and interest to and including May 1, 1943, and thereafter at ½ of 1% less each year until maturity.

Security—A direct obligation of Company and will be secured by pledge of stocks of its subsidiary companies which it will own upon completion of this financing. Under the terms of the Agreement, stock of Minneapolis Gas Light Co. or stock of any successor

company which may be substituted therefor, may not be released unless and until there be deposited with Trustee the sum of $6,500,000 in cash. Stocks of other subsidiaries may not be released unless and until there be deposited with Trustee cash and/or securities at least equal in value to said pledged stocks to be withdrawn.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and agrees to refund, on proper application, Pennsylvania 4 mills tax; California tax not in excess of 4 mills per annum; Connecticut tax up to 4 mills per annum; Maryland securities tax not exceeding 4½ mills per annum; or Massachusetts Income tax not exceeding 6% per annum on income derived from debentures; all as to be provided in an agreement supplemental to Debenture Agreement.

Legal Opinion—Withrop, Stimson, Putnam & Roberts, New York, (for the bankers), and Humes, Buck & Smith, New York, (for the Company).

Original Offering—First publicly offered ($6,500,000 5% Series due 1953) in May, 1928, at 95½ and interest to yield over 5.30%, by Bonbright & Co., Inc., and W. C. Langley & Co., New York, etc.

EARNINGS, YEAR ENDED MARCH 31, 1928
(American Gas and Power Co. and Subsidiaries)

Gross earnings	$5,988,518
Oper. exps., maint. & taxes (except Fed. taxes)	4,093,966
Net earnings	$1,894,552
Annual int. & divds. on funded debt and Pfd. stocks of subsidiaries now outstanding	887,737
Balance avail. for Amer. Gas and Power Co., for renewal and replacement reserves, etc.	$1,006,815
Annual int. on $6,500,000 Debentures	325,000
Balance	$681,815
Annual dividends on 40,000 shares First Pfd. stock, $6 Series	240,000

Officer: Frank T. Hulsivit, Pres., New York.
Executive Office, 120 Broadway, New York.

ELECTRIC BOND AND SHARE SECURITIES CORPORATION

History—Incorporated in Jan., 1925, in New York. The corporation received from the General Electric Company 250,000 shares of Common stock and 300 shares of Pfd. stock of the Electric Bond and Share Company, and issued all of its authorized shares to the holders of record Jan. 15, 1925, of Common stock of General Electric Company, the shares of Common stock of Electric Bond and Share Securities Corporation to be issued to such holders of Common stock of General Electric Company on the basis of one share of the Common stock of Electric Bond and Share Securities Corporation for each one share of Common stock of General Electric Company respectively held by such holders of Common stock of General Electric Company at such time. In the early part of 1927 Electric Bond and Share Co. issued a dividend of 150,000 shares in Common stock, thereby increasing the Common stockholdings of Electric Bond and Share Securities Corp. to 400,000 shares. During 1927 the Common stock holdings were increased to 500,000.

CAPITAL STOCK

Authorized, 4,000,000 (increased from 1,802,870 shares March 5, 1928) shares of no par value Common; outstanding, upon completion of below mentioned subscription privilege, 2,403,826 shares.

Subscription Privilege—Stockholders of record April 30, 1928, had the right to subscribe at $80 a share to 600,956 additional shares of no par value Common stock on the basis of 1 new share for each 3 shares held. Payment was due in full May 31, 1928.

Transfer Agents—Bankers Trust Company of New York and American Trust Company, Boston.

Registrars—Guaranty Trust Company, New York and Old Colony Trust Company, Boston.

Price Range—

	1927	1926
High	83⅛	86
Low	66½	56½

Dividends—Initial quarterly dividend of 25 cents a share paid April 15, 1925, which rate regularly paid quarterly to date; payments, J, A, J & O 15.

EARNINGS

Earnings of Electric Bond and Share Securities Corporation are confined to dividends received on the Common stock and the 300 shares of Pfd. stock of Electric Bond and Share Company held by it and to any miscellaneous income from interest on bank balances. Since its incorporation the Company has received dividends at the rate of $8 per share on the Common stock of Electric Bond and Share Company and as there are outstanding approximately 3.6 shares of Electric Bond and Share Securities Corporation stock for each share of Common stock of Electric Bond and Share Company, the dividends thus received are approximately equal to $2.22 a share on the Capital Stock of Electric Bond and Share Securities Corporation.

The balance of income of Electric Bond and Share Co. after payment of dividends on its 6% Pfd. stock, applicable to Electric Bond and Share Securities Corp. was $9,522,393 in 1927 equal to $5.29 a share on the 1,802,870 shares outstanding. For 1926, the balance so applicable was $12,569,234, equivalent to $6.97 a share.

STATEMENT OF ASSETS

Assets of Company consist of 300 shares of the 6% Preferred stock and $500,000 shares (the entire issue) of the Common stock of Electric Bond and Share Company, and $1,068,582 cash in bank, notes receivable, accrued interest receivable and prepaid taxes. These assets constitute the only sources of revenue of Company. Company has no liabilities, except the capital liability represented by its outstanding Common stock (1,802,870 shares), and accounts payable of $1,275 representing unclaimed dividend checks.

Officers: S. Z. Mitchell, Pres. & Chrm. of Board; C. E. Groesbeck, Exec. V-P.; Frederick A. Farrar, V-P.; H. C. Abell, V-P.; S. R. Inch, V-P.; Frank Silliman, Jr., V-P.; F. B. Odlum, V-P.; E. W. Hill, V-P.; L. H. Parkhurst, V-P.; A. S. Grenier, V-P.; P. B. Sawyer, V-P.; Ralph B. Feagin, V-P.; A. E. Smith, Compt. & Asst. Sec.; W. C. Lang, Asst. Compt.; E. P. Summerson, Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Treas.; G. J. Hickman, Asst. Treas.; Alexander Simpson, Asst. Treas.

Directors: S. Z. Mitchell, Chairman; Frederick A. Farrar, C. E. Groesbeck, Lewis E. Pierson, Wm. C. Potter, Frederick Strauss, George H. Howard.

General Office, 2 Rector Street, New York.

ELECTRIC BOND AND SHARE COMPANY

(Controlled by Electric Bond and Share Securities Corporation)

History—Incorporated February 2, 1905, in New York. Supervises the operations of the largest number of electric power and light and other public utility companies in the United States under one leadership. Included among the companies whose operations and finances are supervised are American Power & Light Company, American & Foreign Power Company Inc., Electric Power & Light Corporation, and National Power & Light Company (which has acquired the former Lehigh Power Securities Corp. through an exchange of stock on a share for share basis) and all the subsidiaries of these companies, as well as Electric Investors Inc. It also handles the finances of American Gas & Electric Company and its subsidiaries.

In addition to supervising the operations and handling the finances of the companies indicated, Electric

Bond and Share Company owns for investment only certain securities of a number of companies, including securities of several companies whose operations are not supervised and in whose management Electric Bond and Share Company is in no way interested. It owns a majority of the Common stock of American & Foreign Power Company Inc., which controls properties operating in foreign countries, but in no other case does it own the majority of stock of any company.

American & Foreign Power Company Inc.—The holdings of Electric Bond and Share Company in the American & Foreign Power Company Inc., as of April 17, 1928, and as they would be if certain further steps were taken, are as shown below:

	Outstanding	Owned by E. B. & S. Co.	Pct. of Total Outstanding
Present Holdings:			
$6 Preferred stock	None	None	....
$7 Preferred stock	467,641	6,392	1.37
*$7 Second Pfd. stock, Series "A," Allotment Certificates.	1,036,066	†903,326	87.19
$7 Second Pfd. stock, Series "A"	1,147,604	842,410	73.40
Common stock	1,244,548	768,493	61.75
Option Warrants	2,933,612	1,900,420	64.78
When all calls upon $7 Pfd. stock and $7 2nd Pfd. stock, Series "A," have been paid and assuming no conversions made:			
$7 Preferred stock	479,000	6,392	1.33
$7 Second Pfd. stock, Series "A"	1,769,499	1,384,406	78.24
Common stock	1,244,548	768,493	61.75
Option Warrants	7,077,876	5,513,724	77.90
When all Option Warrants have been converted, using $7 2nd Pfd. stock, Series "A," to the maximum extent possible and cash for the remainder:			
$7 Preferred stock	479,000	6,392	1.33
$7 Second Pfd. stock, Series "A"	5,975	5,975	100.00
Common stock	8,322,424	6,282,217	75.48

*Represents subscriptions for units, each consisting of one share of $7 Second Pfd. stock, Series "A," plus four Option Warrants. There has been paid at least 40% on the subscription price ($100) of these units. †40% paid.

It is the present expectation of Directors that Electric Bond and Share Company will maintain as a permanent investment approximately 75% of the junior securities of the American & Foreign Power Company Inc.

As of Oct. 1, 1927, Electric Bond and Share Company turned over to South American Power Company (which became a subsidiary of American & Foreign Power Company Inc.) all its securities and interests in companies (other than American & Foreign Power Company Inc.) directly or indirectly owning hydro-electric or other public service properties in Brazil, Colombia, France, Japan and other foreign countries, together with cash to meet uncompleted purchase payments and other contractual obligations in connection therewith, and received from American & Foreign Power Company Inc., 364,175 shares of its $7 Second Pfd. stock, Series "A," and 1,456,700 Option Warrants to purchase Common stock. As of the same date Company accepted in satisfaction of all accrued and unpaid dividends on its then holdings of $7 Second Pfd. stock, Series "A," of American & Foreign Power Company Inc., an additional 25,856 shares of $7 2nd Pfd. stock, Series "A," and 103,424 Option Warrants.

In order to further its program of expansion in the electric power and light business in foreign countries, the American & Foreign Power Company Inc., in the latter part of 1927, arranged to increase its capitalization and to obtain $126,151,400 of subscriptions for units of its securities, each unit consisting of one share of $7 2nd Pfd. stock, Series "A," and four Option Warrants. The price of these units was $100 each plus accrued dividend on the $7 2nd Pfd. stock, Series "A," from Oct. 1, 1927.

On Jan. 9, 1928, the $35,667,647 principal amount of Havana Corporation 6% Gold Debenture bonds, Series "A," theretofore held by Company were sold to American & Foreign Power Company Inc. for cash at the principal amount thereof plus accrued interest.

CAPITAL STOCK

Authorized, $150,000,000 Common and $150,000,000 6% cumulative Pfd.; outstanding, $50,000,000 Common and $50,000,000 Pfd.; par, $100. All the Common stock and $30,000 Pfd. stock is owned by Electric Bond and Share Securities Corp.

The General Electric Co. formerly owned the entire $25,000,000 outstanding Common stock, but this stock was turned over to Electric Bond and Share Securities Corporation, which latter corporation issued all of its authorized capital of 1,802,870 shares of no par value Common stock to the holders of record on Jan. 15, 1925, of Common stock of General Electric Company, the shares of Common stock of Electric Bond and Share Securities Corporation issued to such holders of Common stock of General Electric Company on the basis of one share of Common stock of Electric Bond and Share Securities Corporation for each one share of Common stock of General Electric Company held.

Stock Increases—The authorized capital stock was increased from $2,000,000 of each class to $5,000,000 of each class at a special meeting of the stockholders held Jan. 22, 1912; from $5,000,000 of each class to $8,000,000 of each class at a special meeting of stockholders held Feb. 17, 1915; from $8,000,0000 of each class of stock to $10,000,000 of each class of stock at a special meeting of stockholders held Aug. 23, 1917; to $12,500,000 of each class on Nov. 16, 1921; to $20,000,000 of each class on Dec. 29, 1922, to $25,000,000 of each class on Aug. 3, 1923, and to $50,000,000 of each class Jan. 21, 1927. At a meeting of stockholders held March 5, 1928, the authorized capital stock was increased to $150,000,000 Common and $150,000,000 Pfd.

Preferred Stock Provisions—The Pfd. stock has preference as to assets as well as dividends, and is further protected by a provision in the certificate of incorporation that no dividends shall be paid upon Common stock unless there shall remain, after the payment of such dividends, a surplus equal to at least 18% of the par value of the then outstanding Pfd. stock. Pfd. stock cannot be increased to such an amount as to exceed the amount of the then outstanding Common stock, and is subject to redemption upon any dividend date, upon 90 days' notice, at 110 and accrued dividends. Company has no mortgage or funded debt. Under the By-Laws no indebtedness shall ever be incurred in excess of the total value of outstanding Pfd. stock without consent of majority of all outstanding stock.

Preferred Stock Offerings—Recent offerings of Pfd. stock have been as follows: $1,250,000 in Nov. 1921, at $89 per share and accrued dividends, $5,000,000 in Dec., 1922, at $97 and accrued dividends, $2,400,000 in Nov. 1923 at $97.50 and accrued dividends, and $2,600,000 in Dec., 1924, at $102 and accrued dividends, all by Bonbright & Co., Inc., New York, etc. $15,000,000 was offered in Jan., 1927, at 107½ and dividends to yield 5.58%, by Bonbright & Co., Inc., New York, etc.; $10,000,000 additional Pfd. was offered in November, 1927, at 109 and dividend from Nov. 1, 1927, to yield 5.50%, by Bonbright & Co., Inc., New York.

Voting Powers—The holders of Pfd. Stock and Common stock have the right to one vote for each share thereof at any and all meetings of the stockholders.

Transfer Agent—Bankers Trust Co., New York.

Registrar—Guaranty Trust Co., of New York.

Annual Meeting—Third Wednesday in February.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922
High	110¾	110	107	104	99	96¾
Low	105½	104⅞	101½	97	96	96½

Dividends—5% per annum regularly paid (quarterly, F, M, A & N 1), on Pfd. from organization to and including Oct. 31, 1911, at which time the regular rate was increased to 6%, through change in by-laws in Jan., 1912, and since Feb. 1, 1912, dividends have been regularly paid at that rate; payments F, M, A & N 1. On Common: Quarterly dividends at rate of 8% per annum paid from July 15, 1909, to date. An extra cash dividend of $1,500,000 was paid on Common stock of record January 14, 1913, and one of $1,000,000 on Oct. 31, 1916. A stock dividend of $200,000 payable in Common stock was paid Jan. 20, 1922, one of $3,000,000, also in Common stock, was paid Dec. 20, 1922, one of $15,000,000, also in Common stock, was paid Jan. 22, 1927, and also one of $8,750,000 in the latter part of 1927.

COMPARATIVE INCOME STATEMENT, MARCH 15, 1905, TO DECEMBER 31, 1927

	Gross Income	Net Income	Preferred Dividends	Balance	Common Dividends	Accumulated Income
Mar. 15, 1905, to Jan. 31, 1906	$284,359	$236,126	$87,500	$148,626	.....	$148,626
Year ended Jan. 31, 1907	483,243	431,824	100,000	331,824	.....	480,450
Year ended Jan. 31, 1908	328,873	243,413	100,000	143,413	.....	623,863
Year ended Jan. 31, 1909	442,881	311,852	100,000	211,852	.....	835,715
Eleven months ended Dec. 31, 1909	737,759	593,720	91,667	502,053	$80,000	1,257,768
Year ended Dec. 31, 1910	691,404	507,418	100,000	407,418	160,000	1,505,186
Year ended Dec. 31, 1911	966,257	707,212	103,333	603,878	160,000	1,949,064
Year ended Dec. 31, 1912	1,566,979	1,226,657	160,932	1,065,725	225,333	2,789,456
Year ended Dec. 31, 1913	1,554,404	1,129,396	277,900	851,495	*1,863,000	1,777,951
Year ended Dec. 31, 1914	1,558,521	1,137,042	298,392	838,650	400,000	2,216,601
Year ended Dec. 31, 1915	1,820,337	1,401,085	344,647	1,056,438	433,778	2,839,262
Year ended Dec. 31, 1916	2,170,915	1,566,932	375,557	1,191,375	*1,458,222	2,572,414
Year ended Dec. 31, 1917	3,140,020	2,066,390	487,710	1,578,679	644,889	3,506,205
Year ended Dec. 31, 1918	2,599,674	1,450,082	511,773	938,308	680,546	3,763,967
Year ended Dec. 31, 1919	3,114,872	1,697,472	563,525	1,133,947	778,730	4,119,184
Year ended Dec. 31, 1920	3,564,734	2,127,600	588,580	1,539,020	800,000	4,858,204
Year ended Dec. 31, 1921	3,968,973	2,377,514	606,667	1,770,847	*1,000,000	5,629,051
Year ended Dec. 31, 1922	6,141,511	3,741,469	676,667	3,064,803	*3,904,358	4,789,496
Year ended Dec. 31, 1923	11,410,693	7,469,358	1,123,192	6,346,167	1,399,609	9,736,053
Year ended Dec. 31, 1924	12,552,881	8,455,791	1,353,400	7,102,391	1,856,576	14,981,868
Year ended Dec. 31, 1925	17,620,498	12,302,366	1,500,000	10,802,366	**2,412,819	23,371,414
Year ended Dec. 31, 1926	20,056,695	14,069,234	1,500,000	12,569,234	2,000,000	33,940,648
Year ended Dec. 31, 1927	18,513,300	11,899,326	2,376,933	9,522,393	*27,137,500	16,325,541
Surplus at beginning of business, March 15, 1905						440,599
Total						$16,766,141
Net increase in Surplus during period of Company's existence through reappraisement of securities and accounts and the creation of a Reserve Fund						4,272,922
Surplus and undivided profits at close of business Dec. 31, 1927						$21,039,063

Earnings Per Share—	1927	1926	1925	1924	1923	1922	1921	1920
Preferred	$23.80	$56.28	$49.20	$33.82	$33.34	$23.02	$21.14	$21.28
Common	19.04	50.28	43.20	28.41	27.81	18.12	15.74	15.39

*Includes special dividends on Common stock ($1,500,000 paid in 1913, $1,000,000 in 1916, $200,000 in 1921, $3,000,000 in 1922 and $23,750,000 in 1927; all in addition to the regular dividends at the rate of 8% per annum on the Common stock since July 15, 1909). **$412,819 of this amount represents dividend period adjustment paid January 15, 1925.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Investments	$106,372,980	$72,012,032	$70,769,190	$22,627,227	$21,584,658	$19,472,232
Cash and cash loans	14,319,209	9,597,237	8,425,363	11,334,242	6,662,173	6,786,656
Accounts receivable	2,190,252	1,090,109	734,923	1,433,826	18,278,418	2,549,681
Customers' securities and accts.—sales	22,267	41,052	287,412	1,166,368	194,175	122,636
Notes receivable	538,627	7,382,425	.....	5,462,389	882,682	4,152,702
Interest accrued receivable	420,554	422,921	77,431	157,433	130,686	213,339
Miscellaneous current assets	331,554	.....	.....	.....	.....	.....
Syndicate holdings, underwritings and advances	.....	806,820	864,814	34,519,960	14,773,211	8,897,646
Other assets	.....	45,357	76,255	67,499	46,377	26,750
Total	$124,195,443	$91,397,953	$81,235,388	$76,768,944	$62,552,380	$42,221,642
Liabilities—						
Common stock	$50,000,000	$25,000,000	$25,000,000	$25,000,000	$22,800,000	$16,912,500
Preferred stock	50,000,000	25,000,000	25,000,000	25,000,000	22,400,000	16,250,000
Accounts payable	71,018	331,778	39,091	34,622	176,811	91,925
Customers' securities & accts.—purchases	2,769	25,031	39,730	723,483	.....	.....
Accrued accounts	1,498,303	1,882,362	1,771,416	702,492	982,541	574,108
Dividends accrued	500,000	250,000	250,000	250,000	224,000	162,500
Deposits on account of securities loaned	155,925	.....	.....	.....	.....	.....
Syndicate liabilities	37,300	287,390	785,096	4,761,781	551,570	93,073
Reserves	891,065	891,679	758,679	808,679	683,072	350,000
Surplus	21,039,063	37,729,712	27,591,376	19,487,887	14,734,386	7,787,536
Total	$124,195,443	$91,397,953	$81,235,388	$76,768,944	$62,552,380	$42,221,642

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash and cash loans	$14,319,209	$9,597,237	$8,425,363	$11,334,242	$6,662,173	$6,786,656
Accounts receivable	2,190,252	1,090,109	734,922	1,433,826	18,278,418	2,549,681
Customers' securities & accts.—sales	22,267	41,053	287,412	442,884	194,175	122,636
Notes receivable	538,627	7,382,426	.....	5,462,389	882,682	4,152,702
Interest accrued receivable	420,554	422,921	77,431	157,433	130,686	213,339
Misc. current assets	331,554	.....	.....	.....	.....	.....
Total	$17,822,463	$18,533,745	$9,525,128	$18,830,774	$26,148,134	$13,825,014
Current Liabilities—						
Accounts payable	$71,018	$331,779	$39,091	$34,622	$176,811	$91,925
Customers' securities & accts.—purchases	2,769	25,031	39,730	723,483	.....	.....
Accrued accounts	1,498,303	1,882,362	1,771,416	702,492	982,541	574,108
Dividends accrued	500,000	250,000	250,000	250,000	224,000	162,500
Deposits on account of securities loaned	155,925	.....	.....	.....	.....	.....
Total	$2,228,015	$2,489,172	$2,100,237	$1,710,597	$1,383,352	$828,533
Net Working Capital	$15,594,448	$16,044,573	$7,424,891	$17,120,177	$24,764,782	$12,996,481

Officers: Sidney Z. Mitchell, Pres.; C. E. Groesbeck, Exec. V-P.; Frederick A. Farrar, H. C. Abell, S. R. Inch, Frank Silliman, Jr., F. B. Odlum, E. W. Hill, L. H. Parkhurst, A. S. Grenier, Ralph B. Feagin, P. B. Sawyer, C. E. Calder, H. P. Sands, L. P. Hammond, V-Ps.; A. E. Smith, Compt. & Asst. Sec.; W. C. Lang, Asst. Compt; E. P. Summerson, Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Treas.; G. J. Hickman, Asst. Treas.; Alexander Simpson, Asst. Treas., New York.

Directors: S. Z. Mitchell, Chairman; H. C. Abell, S. R. Inch, S. Reading Bertron, Frederick A. Farrar, C. E. Groesbeck, E. K. Hall, E. W. Hill, Edwin G. Merrill, L. H. Parkhurst, F. B. Odlum, Lewis E. Pierson, William C. Potter, Felix T. Rosen, Frank Silliman, Jr., Frederick Strauss.

General Office, 2 Rector Street, New York.

AMERICAN & FOREIGN POWER COMPANY INC.

(Controlled by Electric Bond and Share Company)

History—Organized Dec. 19, 1923, in Maine. The duration of Company's charter is perpetual. The Company was formed by the Electric Bond and Share Company to acquire and operate, directly or through subsidiaries, public utility properties in the United States and foreign countries. The development and operation of the corporation and its subsidiaries are under the supervision of the Electric Bond and Share Co.

The Corporation's principal business and objects are (through subsidiaries) the development and operation of public utility properties in Cuba, Panama, Guatemala, Brazil, and elsewhere, supplying electric light and power, telephone or other services to communities in such foreign countries and in the United States and elsewhere.

Havana Situation—Independently, and at its own cost and risk, Electric Bond and Share Company undertook to acquire control of Havana Electric Railway, Light & Power Company, which, with its predecessor company, had for many years supplied the electric, gas and street railway service in the City of Havana and in certain adjacent territory. These efforts were directed to the acquisition of the stock of Havana Electric & Utilities Company and proved successful, Electric Bond and Share Company having acquired all of the Common shares and approximately 8% of the cumulative Preference shares of said Havana Electric & Utilities Company, this latter company owning, in turn, all of the stock of Havana Electric Railway, Light & Power Company except approximately 9,852 shares of 6% Preferred stock and 9,990 shares out of a total of 220,000 shares of Common stock outstanding (which 9,990 shares are owned by Compania Cubana de Electricidad, Inc., one of the operating subsidiaries of American & Foreign Power Company Inc.)

After Electric Bond and Share Company acquired control of the Havana situation, Havana Electric Railway, Light & Power Company sold its street property and business to Havana Electric Railway Company, devoting a portion of the consideration received to the redemption of its General Mortgage bonds. By that same transaction the issue of bonds which was a lien directly on the railway properties was assumed by the new Railway Company, freeing the gas and electric properties therefrom and leaving the new Havana Electric Railway, Light & Power Company with only $4,038,000 in principal amount of bonds outstanding.

Electric Bond and Share Company subsequently disposed of all its holdings of Havana Electric & Utilities Company stock to Havana Corporation, a holding company organized under the laws of the State of Maine, receiving in exchange therefor $35,667,647 6% Gold Debenture bonds, Series "A" together with 299,997 shares of Common stock (all of such Common stock except three directors' qualifying shares) of said Havana Corporation. Negotiations between American Foreign Power Company Inc. and Electric Bond and Share Company resulted in an agreement whereby the former company agreed to exchange 300,000 shares Common stock for said 299,997 shares Common stock of Havana Corporation.

On January 9, 1928, the $35,667,647 Havana Corporation 6% Gold Debenture bonds, Series "A," were sold to American & Foreign Power Company Inc. for cash at the principal amount thereof plus accrued interest.

The American & Foreign Power Company Inc., as of Feb. 29, 1928, acquired the electric power and light properties of The Havana Central Railroad Company in Havana, Cuba, and vicinity, and issued in connection therewith 79,000 shares $7 Preferred stock. Directors consider that this acquisition rounds out the properties of Cuban subsidiaries and will make practicable physical interconnection of principal Cuban subsidiaries with resulting operating economies and advantages.

South American Power Company—As of Oct. 1, 1927, American & Foreign Power Company Inc., acquired from Electric Bond and Share Company all the outstanding securities of South American Power Company, namely, $26,000,000 6% Debentures, dated October 1, 1927, and payable on or before Oct. 1, 1947, 70,000 shares of $7 Preferred stock, 50,000 shares of $7 Second Preferred stock (which, under certain conditions, may become Preferred stock), and 1,000,000 shares of Common stock, all without par value, issuing in exchange therefor, 364,175 shares of $7 Second Pfd. stock, Series "A" and 1,456,700 Option Warrants.

The South American Power Company was organized under the laws of Florida and has taken title to securities or interests in companies directly or indirectly owning hydro-electric or other public service properties in Brazil, Colombia, France, Japan and other foreign countries in which the subsidiaries of American & Foreign Company Inc. have not been doing business. These securities and interests, acquired by Electric Bond and Share Company at its own cost and risk and for its own account, were delivered to South American Power Company in exchange for all the securities of the latter company.

Included in the properties which have become a part of the American & Foreign Power Company Inc. group by virtue of the acquisition of all the securities of South American Power Company are electric power and railway properties in Petropolis and electric power and light properties in Nitchroy, Brazil; electric power and light and railway properties in Bahia, Brazil, and adjacent communities; electric power and light properties in Victoria and Itapemirim, Brazil, and adjacent communities; railway properties in Victoria, Brazil; electric power and light properties in a number of communities in the State of Sao Paulo; telephone properties in Victoria and Bahia, Brazil, and electric power and light properties in Barranquilla, Colombia, and vicinity.

Among the important securities which have been vested in South American Power Company are substantial (although minority) holdings of the Common stock of Japan Electric Bond and Share Company, Ltd., a Japanese Corporation which will manage, supervise, control and operate public utilities in Japan

and like substantial (although minority) holdings of the cumulative 6½% Participating Preferred stock of Societe Financiere pour le Developpement de l'Electricite, a French investment and holding company. Other assets of South American Power Company include certain participation rights acquired by Electric Bond and Share Company, as well as engineering reports, surveys, records and varied data pertaining to public utility operations in foreign countries.

South American Power Company has also acquired all of the stock of Compania Anonima Venezolana de Luz, supplying power and light service in Caracas, Venezuela, and is in process of extending its holdings and interests in public utility properties in other countries in South America.

Acquisition of Mexican Utilities Company—In April, 1928, the American & Foreign Power Company Inc., entered into Plan and Agreement of Reorganization under which it expects to acquire control of the Mexican Utilities Company through the acquisition of Common stock, Pfd. stock and Collateral Gold bonds of that company in exchange for its $6 Pfd. stock. For complete details, see statement of the Mexican Utilities Company (General Index).

Description of Properties of Subsidiaries Acquired—As of Dec. 31, 1927 Company owns securities controlling public utility properties operating in Cuba, Panama, Guatemala, Ecuador, Colombia, Venezuela and Brazil. A total of 218 communities (113 of which estimated to have in excess of 1,000 population) are supplied with electric power and light, telephone or other services. In addition, the subsidiary companies operate in a number of suburban and outlying districts, making the estimated total population served about 3,078,000.

The principal companies controlled, as of Dec. 31, 1927, by the American & Foreign Power Company Inc., were as follows:

Panama Power & Light Corporation
Empresa Guatemalteca de Electricidad, Inc.
Compania Cubana de Electricidad, Inc.
Havana Corporation (The)
Empresa Electrica del Ecuador Inc.
South American Power Company.

The Cuban subsidiary companies operate in more than 92 communities, including cities of Havana, Santiago, Camaguey, Matanzas, Cienfuegos, Cardenas, Guantanamo, Manzanillo, Sancti Spiritus, Santa Clara, Sagua la Grande, Caibarien, Ciego de Avila and Moron. The Panama subsidiary companies operate in Panama City, Colon, Balboa, Pueblo Nuevo, Las Sabanas, Cristobal, Ancon, and Juan Diaz in the Republic of Panama. The Guatemala subsidiary companies operate in Guatemala City, Villa Canales, San Miguel Petapa, Escuintla, Amatitlan, Palin and Mixco, in the Republic of Guatemala. The Ecuador subsidiary operates in Guayaquil and Riombama. The Venezuelan subsidiary is Caracas. The Brazilian subsidiaries operate in Bahia, Nictheroy, Ribeirao Preto, Sao Goncalo, Petropolis, Victoria, Sao Manoel, Orlandia Botucatc Iqarapava, Bauru Pirajuhy, Pederneiras, Santo Amar and other communities in Brazil.

Concessions and Franchises—The franchises unde which the companies operate are generally satisfactory Most of the electric power and light franchises are o indeterminate duration or run for a period of mor than 50 years. The gas franchise in Havana is with out time limit. All other important franchises exten to 1950 or beyond.

Service and Property—The service and property c the subsidiary operating companies as of Dec. 31, 192 together with the kilowatt-hours output and the num ber of passengers carried during the twelve month ended Dec. 31, 1927, as compared with similar dat reported for the two previous calendar years, follow

	*1927	1926	1925
Population served	3,078,000	1,365,000	944,00
No. of communities served with electric power and light	206	105	9
With electric railway	10	4	
" manufactured gas	6	1	.....
" water	7	3	
" ice	9	10	1
" telephone	45	4	
Total communities	218	106	9
No. of communities served with electric power and light	215,955	154,908	97,93
With water	11,492	10,345	10,49
" manufactured gas	22,645	18,066	.....
" telephone	7,329	2,260	2,08
Total consumers	257,421	185,579	110,51
Electric railway passengers carried during 12 months	87,875,896	26,562,395	34,639,34
Kilowatts installed generating station capacity	176,822	125,141	49,52
Kilowatts generating station capacity under construction	8,714	1,240	3,90
Kilowatt-hours generating station output (including power purchased) for 12 months	365,889,000	218,423,000	93,923,90
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	1,720	885	83
Miles of transmission lines under construction	54	3	
Miles of electric distribution system (less than 11,000 volts) in service	2,486	1,287	98
Miles of electric railway (single track equivalent)	97	20	5
Gas works capacity (thousand cu. ft.) per day	13,500	10,500	.....
Gas holder capacity (thousand cu. ft.)	3,360	2,960	.....
Gas send out (thousand cu. ft.) for 12 months	1,510,955	1,266,946	.....
Miles of gas mains	256	193	.....
Miles of water mains	79	56	5
Ice plant capacity (tons) per day	221	232	2

*Statistics for properties controlled in Brazil are as of Sep 30, 1927.

OUTSTANDING CAPITALIZATION OF SUBSIDIARIES

The outstanding capital stock of subsidiaries having capital stock in the hands of the public as of Dec. 31, 1927, follow:

	Outstanding	Inter-Company Held	Outstandi in Hand of Publi
Panama Power & Light Corporation—			
Preferred stock	$1,500,000	*$1,345,100	$154,90
Common stock (no par value)	200,000 shs.	195,997 shs.	4,003 sh
Guantanamo Electric Company—			
Preferred stock	400,000	399,600	40
Empresa Guatemalteca de Electricidad, Inc.—			
Preferred stock, Series "A" (par $10)	750,000	603,280	146,72
Havana Electric & Utilities Co.—			
Preferred stock	20,198,917	2,294	20,196,62
Cum. Preference stock (no par value)	294,665 shs.	231,783 shs.	62,882 sh
Tranvias de Guayaquil—			
Major shares (par 1,000 sucres)	1,143 shs.	1,141 shs.	2 sh
Minor shares (par 500 sucres)	453 shs.	451 shs.	2 sh
Companhia Paulista de Forca e Luz—			
Common stock (200 milreis jar value)	40,000 shs.	36,695 shs.	3,305 sh

*Includes $399,900 held by trustee for benefit of Company.

A statement of bonds of subsidiaries outstanding in the hands of the public as of December 31, 1927, follows:

Name of Issue	Maturity Date	Amount Outstanding	Held Inter-Company	Outstanding in Hands of Public
Panama Power & Light Corporation—				
Fifty Year 6% Gold Debentures	Apr. 1, 1967	$2,750,000	$2,451,000	$299,000
Compania Panamena de Fuerza y Luz—				
First Mortgage 8% Gold Bonds, Panama-Colon Gas Company	Apr. 1, 1942	250,000	84,500	*165,500
Cia. Electrica Oriente, S. A.—				
Twenty-Five Year First Mortgage 6% Bonds, Manzanillo Water & Light Company	Apr. 1, 1936	900	.....	†900
Cia. de Electricidad de Cardenas, S. A.—				
Third Mortgage 6% Bonds, Series "B"	July 1, 1955	6,000	.....	†6,000
Empresa Electrica del Ecuador Inc.—				
First Mtge. 6% Bonds, Empresa de Luz y Fuerza Electrica, S. A.	June 30, 1934	£92,600	‡£75,800	£16,800
Havana Corporation—				
Gold Debenture 6% Bonds, Series A	Nov. 1, 1946	$35,667,647	.....	‖$35,667,647
Havana Electric Railway, Light & Power Company—				
Cia. de Gas y Electricidad de la Habana Fifty-Year 6% Mortgage Bonds	June 1, 1954	3,998,000	‡96	3,997,904
§Compania Anonima Venezolana de Luz—				
Mortgage Bonds (interest rate ¾% monthly)	1932	Bs. 800,000	‡Bs. 28,000	Bs. 772,000
**Cia. Paulista de Forca e Luz—				
First Mortgage 8% Bonds	1940	1,063,000$000	.....	1,063,000$000
Second Mortgage 8% Bonds	1949	1,433,200$000	.....	1,433,200$000
First Mortgage 8% Bonds, Cia. Forca e Luz do Avanhandava	1950	552,800$000	.....	552,800$000
**Cia. Linha Circular de Carris da Bahia—				
8% Debenture Bonds	July 5, 1951	3,373,000$000	.....	3,373,000$000
8% Debenture Bonds, Cia. Trilhos Centraes da Bahia	Aug. 5, 1951	1,686,000$000	¶203,000$000	1,483,000$000
**Empreza Forca e Luz de Ribeirao Preto—				
First Mortgage 8% Bonds	May 16, 1951	5,611,500$000	.....	5,611,500$000
Second Mortgage 8% Bonds	May 16, 1949	3,753,500$000	181,800$000	3,571,700$000
8% Bonds of Municipality of Igarapava	Jan. 1, 1952	210,800$000	.....	210,800$000
8% Bonds of Municipality of Ituverava	Jan. 31, 1940	135,800$000	.....	135,800$000

*Called for redemption April 1, 1928. †Called for redemption—Cash deposited for purchase of these bonds. ‡Held in treasury. §Principal amount of bonds expressed in bolivars—current rate of exchange $0.1925 per bolivar. **Principal amount of bonds expressed in Brazilian milreis—current rate of exchange $0.1206 per milreis. ¶Reacquired. ‖Acquired by American & Foreign Power Company Inc. January 9, 1928.

CAPITAL STOCK

Authorized, 10,000,000 shares Common, 900,000 shares Pfd. ($7 cumulative dividend), 500,000 shares $6 Pfd., and 2,000,000 shares Second Pfd. Series "A" ($7 cumulative dividend), all classes of no par value; outstanding, April 17, 1928, 1,244,548 shares Common, 467,641 shares $7 Pfd. and 1,147,604 shares $7 Second Pfd, Series "A." In addition there were also outstanding, 1,036,066 $7 Second Pfd. stock, Series "A," Allotment Certificates (40% paid) and 2,933,612 Option Warrants. $6 Pfd. shares are being issued in exchange for securities of Mexican Utilities Co. and 49,310 shares have been listed on New York Stock Exchange. The Electric Bond and Share Company on April 17, 1928, owned, 768,493 shares Common, 6,392 shares $7 Pfd., 842,410 shares $7 Second Pfd., Series "A," 903,326 (40% paid) $7 Second Pfd. Series "A," Allotment Certificates and 1,900,420 Option Warrants.

Of the Common stock, 400,000 shares have been issued and lodged with Bankers Trust Co., New York, for delivery against fully-paid Allotment Certificates. A sufficient number of shares are held for issue and delivery against Option Warrants entitling the holders thereof to purchase the Common stock at $25 per share.

Of the Pfd. stock the Corporation has issued 388,641 shares and has lodged certificates therefor with Bankers Trust Co., New York against the initial 25% payment on 400,000 shares. Additional shares up to 11,359 will be issued and certificates therefor lodged with the depositary as additional payments are made by Allotment Certificate holders.

Subscription Privilege—On Dec. 23, 1927, holders of $7 Second Preferred Stock, Series A, Common Stock and Option Warrants of record that date, were offered the right to subscribe to $126,151,400 in $100 units of securities of Company, each unit consisting of one share of the Company's $7 Second Preferred Stock, Series A, and four Option Warrants. One unit was offered to holder of : (1) Each three shares of Second Pfd. stock, Series "A"; (2) each three shares of Com. stock; (3) each three shares of Com. stock covered by any Pfd. stock Allotment Certificate now outstanding if no default exists thereunder on Dec. 23, 1927: and (4) each three Option Warrants (or due bills therefor); or (5) each combination of three of any one or more classes of these securities. These new securities were fully subscribed, and it was provided that 40% of the purchase price should be paid on or before Jan. 25, 1928. Subsequent installments of not more than 10% may be called for at intervals of not less than three months, with the right, at subscriber's option, to anticipate any or all calls at any time. As of Dec. 31, 1927, $14,078,120 had been paid on such subscriptions, and as of April 1, 1928, in excess of $63,000,000 had been paid.

Capital Stock Changes—Stockholders at special meeting May 3, 1927 increased the authorized capital stock from 2,820,000 shares of no par value, divided into 1,800,000 shares Common, 900,000 shares Pfd. and 120,000 shares Second Pfd., Series "A," to 11,000,000 shares divided into 8,300,000 shares Common, 900,000 shares $7 Pfd., 200,000 shares $6 Pfd. and 1,600,000 shares $7 Second Pfd., Series "A." At special meeting Dec. 5, 1927, stockholders increased the authorized stock from 11,000,000 shares to 13,400,000 as divided above.

Provisions Under Which Preferred and Common Stock are Deliverable—The Preferred Stock Allotment Certificates provide that upon payment in full of the allotment price, Allotment Certificate holders shall be entitled to receive definitive certificates for the number of full-paid shares of Pfd. stock called for by the several Allotment Certificates, together with definitive certificates for a like number of full-paid shares of Common stock of the Corporation without nominal or par value. There have been lodged with Bankers Trust Company, New York City, as depositary, certificates representing the number of full-paid shares of Pfd. stock which have been paid for at the allotment price by the aggregate amounts paid in against the allotment price on Preferred Stock Allotment Certificates and as additional installments are paid upon said Allotment Certificates, or any of them, additional full-paid shares of Pfd. stock of the Corporation will be issued by the Corporation and certificates therefor will be lodged with the depositary. There has likewise been lodged with said Bankers Trust Company, Certificate for 400,000 shares of Common stock.

Preferred Stock Provisions—The Pfd. stock and the $6 Pfd. have equal preference for dividends (the former

being entitled to cumulative dividends at the rate of $7 per share per annum, and the latter to cumulative dividends at the rate of $6 per share per annum), and for assets in liquidation or distribution, both up to $100 per share and accrued and unpaid dividends, over Second Pfd. Series "A" and Common stocks. Both are subject to call in whole or in part at any time on 30 days' notice at $110 per share and accrued and unpaid dividends.

Subject to the rights of the Pfd. and $6 Pfd. stocks, Second Pfd. Series "A" has preference for cumulative dividends at the rate of $7 per share per annum, and for assets in liquidation or distribution up to $100 per share and accrued and unpaid dividends, over Common stock. It is subject to call at any time on 30 days' notice at $105 per share and accrued and unpaid dividends.

Option Warrants—The Second Preferred stock of the Company carries with each share four warrants each entitling the holder to subscribe for one share of Common stock at $25 per share. The Option Warrants are unlimited as to time. Second Preferred stock when accompanied by four warrants will be taken at $100 per share in payment for such Common stock in lieu of cash.

Transfer Agent—Bankers Trust Co., New York.

Registrar—Central Union Trust Co. of New York.

Annual Meeting—Third Tuesday in October at Augusta, Me.

Original Offering—400,000 shares of Pfd. stock were offered for public subscription in Dec. 1923 at $96 per share, each share of Pfd. stock carrying with it one share of Common, payments to be made as follows: 25% on allotment, subsequent calls to be made at intervals of not less than four months, and no single call to be for more than 10% of the subscription price. Purchasers have the option, however, to make payment in full at any time and become entitled to the full dividend. Holders of Allotment Certificates will be entitled to receive currently proportionate dividends paid upon stock called for by the certificates and upon payment in full, but not earlier than Jan. 2, 1925, to receive definite certificates for the Pfd. stock subscribed and for an equal number of shares of Common stock.

Listed (All Classes)—New York Stock Exchange.

Price Range—

	1927	1926	1925
Common—			
High	31	42⅜	51¾
Low	18⅞	14¼	27¼
Preferred—			
High	109¾	98	94
Low	86½	79	87

Dividends—Initial quarterly dividend of $1.75 a share on Pfd. stock was paid April 1, 1924, and at same rate quarterly since to date; payments, J, A, J & O 1. No dividends had been paid on Second Pfd. up to Oct. 1, 1927, as of which date accumulated unpaid dividends aggregated $26.25 a share or $2,992,998.75. In lieu of cash there were issued as of Oct. 1, 1927 29,917 shares of $7 Second Pfd. Series "A" (cumulative from Oct. 1, 1927) stock, accompanied by 119,668 Option Warrants in full satisfaction of all unpaid dividends. No cash dividends paid on Second Pfd. or Common.

FUNDED DEBT

None.

CONSOLIDATED STATEMENT OF INCOME, YEARS ENDED DECEMBER 31

(Inter-Company Items Eliminated)

(For figures of prior years, see 1927 Manual page 2010)

Subsidiary Companies:	1927	1926
Gross earnings	$19,976,172	$10,183,775
Oper. exps., maint. & taxes	9,445,646	5,444,534
Net earnings	$10,530,526	$4,739,241
Other income	831,757	440,713
Gross corporate income	$11,362,283	$5,179,954
Interest to public & other deductions	2,536,953	602,158
Pfd. dividends to public	1,569,774	129,581
Balance	$7,255,556	$4,448,215
Renewal & replacement (deprec.) appropriations	1,637,337	343,244
Balance	$5,618,219	$4,104,971
Proportion applicable to minority int.	12,883	5,029
American & Foreign Power Co. Inc.:		
Balance of sub. cos. earnings applicable to American & Foreign Power Company Inc.	$5,605,336	$4,099,942
Other income	68,763	63,391
Total	$5,674,099	$4,163,333
Expenses & int. of American & Foreign Power Co., Inc.	733,915	613,109
Balance	$4,940,184	$3,550,224
Divds. on $7 Pfd. stock of American & Foreign Power Co., Inc.	2,617,270	2,536,510
Balance	$2,322,914	$1,013,714
*Dividend on $7 Second Pfd. stock, Series "A" of American & Foreign Power Co. Inc., applicable to respective calendar years whether paid or unpaid	1,466,550	798,133
Balance applicable to American & Foreign Power Co. Inc.'s Common stock	$856,364	$215,581

*All dividends on $7 Second Pfd., Series "A," were paid Oct. 1, 1927.

NOTE—The above statement includes earnings only for the periods during which the respective properties have been owned.

GENERAL BALANCE SHEET, DECEMBER 31

(American & Foreign Power Company Inc.)

Assets—	1927	1926	1925	1924
Investments	$108,186,629	$61,503,384	$51,829,365	$48,924,735
Current Assets—				
Cash	3,429,168	1,247,191	858,956	746,611
Loans and accounts rec.—subsidiaries	26,057,827	16,749,544	10,496,157	115,000
Loans and accounts rec.—others	17,338	84,109	177,848	96,570
Prepaid accounts	.....	.....	17,670	15,645
Subscriptions, $7 Pfd. stock Allotment Certificates	1,266,958	3,230,556	.....	.....
Subscriptions $7 Second Pfd. Series "A," Allotment Certificates	112,073,280	.....	.....	.....
Accrued divids. $7 Second Pfd., Series "A" (contra)	1,961,284	.....	.....	.....
Treasury securities in trust for subscribers (contra)	5,300	.....	.....	.....
Stock subscriptions rights (contra)	791,629	.....	.....	.....
Total	$253,789,413	$82,814,784	$63,380,002	$49,898,561
Liabilities—				
*Capital stock	$132,439,172	$67,393,038	$56,305,666	$46,735,767
Dividends declared	675,902	640,749	621,823	425,439
Notes and loans payable	.....	8,385,000	4,855,000	1,079,000
Accounts payable	268,601	11,904	26,322	435,354
Accrued accounts	295,686	270,874	203,832	240,750
†Subscriptions, $7 Pfd. stock Allotment Certificates	1,266,816	3,230,556	.....	.....
†Subscriptions, $7 Second Pfd., Allotment Certificates	112,073,400	.....	.....	.....
Accrued dividends, $7 Second Pfd., Series "A" (contra)	1,961,285	.....	.....	.....
Subscriptions of Pfd. stock of subsidiary companies	5,980	.....	.....	.....
Treasury securities—held for subscribers (contra)	5,300	.....	.....	.....
Stock subscriptions (contra)	791,629	.....	.....	.....
Reserves	89,480	132,846	161,610	166,610
Surplus	3,916,162	2,749,817	1,205,749	815,641
Total	$253,789,413	$82,814,784	$63,380,002	$49,898,561

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

*Represented by shares of stock outstanding:	1927	1926	1925	1924
Preferred	386,804	366,349	356,406	256,731
Second Preferred	648,791	114,019	115,839	120,000
Common	1,244,388	1,243,988	936,688	920,000
Option Warrants for Common stock equivalent to (shs.)	‡2,594,420	456,012	.....	.....
‡This total includes 682,108 Option Warrants to be issued against Due Bills.				
†Securities to be issued upon payment of subscriptions:				
$7 Preferred stock (shares)	13,196	33,651	43,594	143,269
$7 Second Pfd., Series "A" (shares)	1,120,734	.....	.....	.....
Option Warrants for Common stock equivalent to (shares)	4,483,616	.....	.....	.....

NOTES—Holders of Option Warrants are entitled to purchase one share of Common stock, without limitation as to time, at $25 per share for each Option Warrant held, and each share of the Company's $7 Second Pfd. stock, Series "A," when accompanied by four Option Warrants, will be accepted at $100 in payment for such Common stock in lieu of cash.

SEGREGATION OF GROSS EARNINGS OF SUBSIDIARIES, YEAR ENDED DECEMBER 31, 1927

	Cuba Subsidiaries Amount	Guatemala Subsidiary Amount	Panama Subsidiaries Amount	Ecuador Subsidiaries Amount	Brazil Subsidiaries Amount	Colombia Subsidiaries Amount	Venezuela Subsidiary Amount	Total Subsidiaries Amount
Electric	$13,258,744	$766,606	$855,327	$291,171	$597,787	$138,331	$35,215	$15,943,181
Manufactured gas	2,145,318	.....	250,074	.....	.....	.....	.....	2,395,392
Electric Railway	.....	.....	173,646	134,566	316,615	.....	.....	624,827
Ice	211,428	.....	168,820	.....	.....	2,665	.....	382,913
Water	363,562	.....	.....	.....	3,904	.....	.....	367,466
Telephone	.....	.....	168,254	.....	60,881	.....	.....	229,135
Miscellaneous	.....	.....	.....	159	33,099	.....	.....	33,258
Total	$15,979,052	$766,606	$1,616,621	$425,896	$1,012,286	$140,996	$35,215	$19,976,172

NOTE—The above statement includes earnings only for the periods during which the respective properties have been owned.

Officers: C. E. Calder, Pres.; H. W. Catlin, V-P.; Wm. Darbee, V-P.; E. W. Hill, V-P.; H. P. Harrsen, V-P.; A. E. Smith, Compt.; Walter C. Lang, Asst. Compt.; E. P. Summerson, Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Treas.; Alexander Simpson, Asst. Treas.; G. J. Hickman, Asst. Treas.; B. H. Brewster, Gen. Aud., New York.

Directors: S. Z. Mitchell, C. E. Groesbeck, A. A. Tilney, Clarence Dillon, C. E. Mitchell, E. P. Summerson, Owen D. Young, Sosthenes Behn, C. E. Calder, George H. Howard, S. A. Mitchell, F. B. Odlum, G. N. Tidd, George Roberts, E. B. Tracy, New York.

Executive Office, 2 Rector Street, New York.

PANAMA POWER & LIGHT CORPORATION

(Controlled by American & Foreign Power Company Inc.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated March 9, 1917, in N. Y. Company does not operate any properties, but holds securities of other companies. It owns all the stock, except directors' shares, of the **Compania Panamena de Fuerza y Luz,** which does an electric light and power and ice business in the Cities of Panama and Colon, Republic of Panama (see statement in Addenda).

CAPITAL STOCK

Authorized and outstanding, 200,000 shares Common stock, of no par value, and $1,500,000 7% cumulative Pfd.; par, $100. American & Foreign Power Co., Inc., owns 195,998 shares of the Common and $945,200 of the Pfd. In addition, $399,900 Pfd. is held by trustees for the benefit of the Panama Power & Light Corp., to be disposed of from time to time as directors may direct. The Pfd. stock is redeemable as a whole or in part on sixty days' notice at 110% and accrued dividends. It is entitled to 7% cumulative dividends from April 1, 1917, and has preference as to assets in case of liquidation.

Transfer Agent—Bankers Trust Co., New York.

Registrar—Guaranty Trust Co., of New York.

Annual Meeting—Second Monday in January.

Dividends—Company has paid dividends on Pfd. stock since July 2, 1917, at rate of 7% per annum; payments quarterly, J, A, J & O 1.

FUNDED DEBT

$2,750,000 6% Gold Debenture Bonds, American Series; dated April 2, 1917; due April 1, 1967; int. April and Oct. 1, at Company's office, 2 Rector Street, New York. Coupon, $1,000; principal may be registered. Bankers Trust Co., New York, Trustee. Open mortgage. At the option of Company, bonds may be exchanged for others of the same or a different series and/or the same or different denominations. Bonds of American Series are redeemable as a whole on 30 day's notice, on any interest date, at 105 and int. Bonds of other series may be redeemable at such premium as determined by the Board of Directors. Of the $2,750,000 bonds issued, $2,451,000 are held by the American & Foreign Power Co. Inc., and $299,000 are held by public. Additional bonds may be issued when the combined net earnings of the Company and its subsidiaries for twelve months within the fourteen months immediately preceding any application shall be not less than twice the interest charges on all outstanding indebtedness of the company and its subsidiaries, including the bonds proposed to be issued. Company does not pay Normal Federal Income Tax.

Officers: C. E. Groesbeck, Pres.; E. W. Hill and Wm. Darbee, V-Ps.; E. P. Summerson, Sec.; H. L. Martin, Asst Sec.; A. C. Ray, Treas.; G. J. Hickman, Asst. Treas.; A. E. Smith, Compt.; W. C. Lang, Asst. Compt., New York.

Directors: C. E. Groesbeck (Chairman), William Darbee, E. W. Hill, A. E. Smith, E. P. Summerson, R. H. Smith, H. P. Harrsen, New York.

General Office, 2 Rector Street, New York.

HAVANA ELECTRIC & UTILITIES COMPANY

(Controlled by American & Foreign Power Company Inc. Through The Havana Corporation)

(Supervised by Electric Bond and Share Company)

History—Incorporated in 1925, in Maine. A holding company, formed to readjust the share capitalization of the Havana Electric Railway, Light & Power Company (see statement appended).

In Sept. 1925, the directors of Havana Electric Railway, Light & Power Company, in conjunction with Speyer & Co., formulated a plan for a readjustment of share capitalization through the medium of a new corporation with the name "Havana Electric & Utilities Company," in order that the readjustment may more nearly represent the actual value of Havana Electric Railway, Light & Power Company.

Under the plan, stockholders of the Havana Electric Railway, Light & Power Company were offered

the privilege of exchanging their stock for stock of the Havana Electric & Utilities Company and cash on the following basis:

Preferred Stock—For each 10 shares of Havana Electric Railway, Light & Power Company Pfd. stock, the holder to receive: 10 shares of Havana Electric & Utilities Company 6% cumulative First Pfd. stock; 3 shares of Havana Electric & Utilities Company Common stock (Voting Trust Certificates); and $40 in cash.

Common Stock—For each 10 shares of Havana Electric Railway, Light & Power Company Common stock, the holder to receive: 20 shares of Havana Electric & Utilities Company cumulative Preference stock; 20 shares of Havana Electric & Utilities Company Common stock (Voting Trust Certificates); and $200 in cash, and, on Dec. 15, 1925, a substantial majority of the Preferred and Common stock of Havana Electric Railway, Light & Power Company were deposited under the plan referred to, the same was declared operative on said date.

Voting Trust Dissolved—In June, 1926, the voting trust agreement under which Common stock of Company was held, was terminated with sale of stock to the Electric Bond and Share Co. Price paid was $33 a share, out of which there was available for distribution to holders of voting trust certificates, $31.50 a share. All Common stock and substantially all Cumulative Preference stock were acquired from Electric Bond and Share Company and are now owned by **The Havana Corporation,** a corporation controlled by the American & Foreign Power Company Inc., through ownership of all its outstanding capital stock, except directors' shares.

CAPITAL STOCK

Authorized, 603,000 Common shares of no par value, $21,000,000 6% cumulative First Pfd., par, $100, and 300,000 shares cumulative Preference stock of no par value (cumulative since Nov. 15, 1926); outstanding 578,984.691 shares Common, $20,198,917 First Pfd., and 294,664.94 shares Preference. The American & Foreign Power Company Inc. or subsidiaries own all the Common stock, $2,294 First Pfd. stock and 231,783 shares Preference.

First Preferred Stock Provisions—The First Pfd. stock is entitled, in priority to the Preference stock and the Common stock, to cumulative dividends from Nov. 15, 1925, at the rate of 6% per annum, and to $115 per share and accrued dividends in case of liquidation or dissolution of the Company. All or any part of the First Pfd. stock may be redeemed at any time at $115 per share and accrued dividends. The First Pfd. stock is not entitled to voting rights except: (1) for those purposes, if any, for which said rights cannot be denied or waived under the laws of the State of Maine, and except (2) upon any proposal to increase the authorized amount of the First Pfd. stock, and except (3) that, without the consent of the holders of 90% of the outstanding First Pfd. stock, the Company shall not (a) reduce the amounts which the holders of outstanding First Pfd. stock are entitled to receive in preference to the holders of Preference stock and Common stock (whether in dividends or in distribution of assets), (b) decrease the redemption price of the First Pfd. stock, or (c) create any class of stock having priority, as to assets or dividends, over the First Pfd. stock.

Preference Stock Provisions—The Preference stock is entitled, in priority to the Common stock, to dividends at the rate of $5 per share per annum, payable semi-annually or quarterly, and to $100 per share and accrued dividends in case of liquidation or dissolution of the Company. The dividends on this stock are cumulative from and after Nov. 15, 1926. All or any part of the Preference stock may be redeemed at any time at $100 per share and accrued dividends. The Preference stock is not entitled to voting rights, except for those purposes, if any, for which said rights cannot be denied or waived under the laws of the State of Maine.

Common Stock Provisions—The Common stock has exclusive voting rights for all purposes with the exceptions noted above.

Transfer Agents—All classes of stock transferred by Chase National Bank, New York, and by Havana Electric Railway, Light & Power Co., Havana, Cuba.

Registrars—All classes of stock registered by Bank of the Manhattan Co., New York, and by Banco del Commercio, Havana, Cuba.

Annual Meeting—Friday following the third Thursday in May.

Dividends—Initial dividend of $3 per share on First Pfd. stock for the six months' period from Nov. 15, 1925, to May 14, 1926, paid May 17, 1926. Another semi-annual dividend of $3 for period from May 15 to Nov. 14, 1926, was paid on Nov. 15, 1926. $1.50 was paid on Feb. 15, 1927, for quarter ended Feb. 14, 1927; which quarterly rate paid to date. $1.50 on May 16, 1927, for quarter ended May 15, 1927. Initial dividend of $5 on cumulative Preference stock paid Nov. 15, 1926, for the year ended Nov. 14, 1926; Feb. 15, 1927, $1.25 which quarterly rate maintained to date. Payments are now made quarterly on both issues, F, M, A. & N 15.

FUNDED DEBT

None.

Offices, 2 Rector Street, New York, and Havana, Cuba.

HAVANA ELECTRIC RAILWAY, LIGHT & POWER COMPANY

(Controlled indirectly through a subsidiary by American & Foreign Power Company Inc.)

(Supervised by Electric Bond and Share Co.)

History and Properties—Incorporated July 28, 1926, in New Jersey, with perpetual charter, which authorizes it to generate, distribute and sell gas and electricity for light, heat, power, etc., to acquire, hold and operate railways and omnibus lines, telephone lines, own wharves, warehouses, etc., in the West Indies, and to do such other things as are set forth in the certificate of incorporation. The Company now owns and operates the properties supplying the electric power and light service to Havana, Cuba.

Company is a consolidation of former company of same name which was incorporated March 26, 1912 (see 1926 Public Utility Volume, page 1727) and Cuban Utilities Company. The latter company, in addition to owning the electric railway systems in Santiago and Camaguey, Cuba, owned more than 86% of the Preferred stock and more than 98% of the Common stock of the old Havana Electric Railway, Light & Power Company. Consequently the merger or consolidation brought into ownership of the new company not only the electric power and light and gas properties, but also the railway properties (later sold) in Havana, Santiago and Camaguey. The electric railway systems in Santiago and Camaguey had been acquired by Cuban Utilities Company from subsidiary interests of American & Foreign Power Company Inc. operating in Cuba.

The agreement of merger or consolidation provided that each share of Second Pfd. stock and Common stock of Cuban Utilities Company outstanding and not owned by one of the corporations party to the agreement would remain outstanding, while all stock of either of the corporations party to the agreement which was owned by the other party would be cancelled.

The minority stock was provided for as follows: The holder of each share of Pfd. stock of Havana Electric Railway, Light & Power Company, other than Cuban Utilities Company, was entitled to receive in exchange therefor one share of the 6% Pfd. stock of the

consolidated company and the holder of each share of Common stock of Havana Electric Railway, Light & Power Co., other than Cuban Utilities Company, was entitled to receive in exchange therefor two shares of Pfd. stock of the consolidated company.

To those minority holders not desiring so to exchange their stock under the Plan, an offer was made in behalf of Havana Electric & Utilities Company to purchase this minority stock on the basis of $115 cash for each share of Preferred stock and $230 cash for each share of Common stock of old Havana Electric Railway, Light & Power Co. All of the Common stock (except 10,000 shares acquired by Cia. Cubana de Electricidad, Inc.) and all Second Pfd. stock of the new Havana Electric Railway, Light & Power Company were acquired by Havana Electric & Utilities Co.

Sale of Railway Properties—All of Company's railway properties consisting of the systems in Havana, Santiago and Camaguey and all of the stock of Insular Railway Co., which owned and operated a line from Havana to and within the town of Marianao, were sold during 1926 to Havana Electric Railway Company (see General Index).

Company has a contract to supply electricity to the Havana Central R. R. Co. for distribution by the Marianao Lighting Co. for light and power in Marianao, the largest residential suburb of Havana.

CAPITAL STOCK

Authorized, 270,000 shares Common of no par value, $8,000,000 Pfd., 6% Series, of $100 par value and 250,000 shares Second Pfd. of no par value; outstanding, 220,000 shares Common, $2,985,189 Pfd., 6% Series and 200,000 shares Second Pfd. All owned by Havana Electric & Utilities Company, a subsidiary of American & Foreign Power Co. Inc.

FUNDED DEBT

(1)

$3,997,904 COMPANIA DE GAS Y ELECTRICIDAD DE LA HABANA 50-YEAR FIRST GOLD 6s; DUE JUNE 1, 1954

Dated November 20, 1904.

Interest Payable June and December 1, at Havana, Cuba.

Denomination—Coupon, $500.

Provisions of Issue—Authorized and issued, $4,000,000, of which $2,000 have been retired and $96 held in treasury.

Security—A first lien on gas and electric properties. These bonds are prior in lien to the £8,300 Compania de Gas y Electricidad de la Habana English Sinking Fund Gold 5s.

Tax Provisions—Interest paid to non-resident aliens is exempt from U. S. Income Tax.

Offices, 2 Rector Street, New York; Monte 1, Havana, Cuba.

NORTHEASTERN POWER CORPORATION

(See Accompanying Map)

History—Incorporated January 18, 1926, in Maryland. A holding company. As of Dec. 31, 1927 the Company's principal holdings were 675,029 shares (over 99%) of the Common stock of The Power Corporation of New York, an operating and holding company, which, through the Power & Electric Securities Corporation, owns over 99.8% of the Common stock of Northern New York Utilities, Inc., and all of the Common stock of Malone Light & Power Company, Milling and Lighting Company, Inc., and the Fort Covington Light, Heat & Power Company, furnishing electric and gas service in Northern New York. Northeastern Power Corporation also owns 100,000 shares (100%) of the Common stock of Oswego River Power Corporation, which in turn controls practically all of the Common stock of the Peoples Gas & Electric Company of Oswego. The Raquette River Power Company is also controlled.

On April 17, 1928 the Corporation sold for cash its entire holdings of New England Power Association Common stock consisting of 273,687.9 shares for approximately $86.50 per share, the proceeds from the sale amounting to $23,678,874.

SYSTEM OPERATING STATISTICS

Developed generating capacity, hydro-electric	201,655 h.p.
Developed generating capacity, steam-electric	10,975 h.p.
Undeveloped generating capacity, hydro-electric	200,000 h.p.
Total	412,630 h.p.

ELECTRIC OUTPUT YEARS ENDED DEC. 31

	k.w.h.		k.w.h.
1924	222,930,970	1927	435,876,840
1925	280,314,565	1928 (4 mos. ended April 30)	182,924,725
1926	425,192,245		

CAPITAL STOCK

Authorized, 5,000,000 shares Common, 250,000 shares $6 Class "A" and 250,000 shares Preferred, all of no par value; outstanding April 30, 1928, 2,858,697 shares Common, and 8,786 shares Class "A." None of the Pfd. is outstanding.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends over Class "A" and Common stocks. It is entitled to cumulative dividends not in excess of $8 per share and is subject to redemption at a price not to exceed $120 per share and accrued dividend, as fixed by the board of directors. It is entitled to $100 per share and accrued dividend in the event of liquidation. It votes share for share with Common stock in the event of default in the payment of four quarterly dividends.

Class "A" Stock Provisions—Class "A" stock has preference as to assets and dividends over Common stock. It is entitled to cumulative dividends of $6 per share and is subject to redemption at $100 per share and accrued dividend. It is entitled to $100 per share and accrued dividend in event of liquidation. No voting power.

Common Stock Provisions—Common stock is entitled to all remaining surplus or net profits after the payment of dividends upon the Preferred stock and Class "A" stock. Each share of Common is entitled to one vote.

Transfer Agent—The Equitable Trust Co. of New York.

Registrar—American Exchange Irving Trust Co., New York.

Original Offering—Common shares were first publicly offered (300,000 shares) in January, 1926, at $35 per share by F. L. Carlisle & Co., Inc., and Hornblower & Weeks, New York, etc.; West & Co., and Bodine, Sangree & Co., Philadelphia. 5,000 shares of Class "A" stock was publicly offered in Feb., 1928, at $100 to yield 6%, by E. H. Rollins & Sons, New York, etc.

Annual Meeting—Second Wednesday in January at Baltimore, Md.

Legal Opinion—Sullivan & Cromwell, New York.

Market—Common shares are traded in on New York Curb.

Price Range—

Common—	1927	1926
High	25	36⅛
Low	14⅛	15⅜

Dividends—Dividends of $4.50 paid on Class "A" stock in 1926; Jan., 1927, $1.50; payments quarterly, J, A, J & O 1. Initial quarterly dividend of 15 cents per share was paid on the Common July 1, 1927, which quarterly rate has been paid to date.

FUNDED DEBT

None.

INCOME AND SURPLUS ACCOUNT, YEARS ENDED DEC. 31

	1927	1926
Gross income from all sources	$1,960,185	$1,340,460
Administrative & general expenses	39,313	18,917
Net operating income	$1,920,872	$1,321,543
Interest paid	53,610	36,553
Fed. Income tax (Company's estimate)	46,000	50,000
Net income	$1,821,262	$1,234,990
Total surplus at beginning of period	17,998,089	16,810,453
Additions to capital surplus	7,488	.....
Total	$19,826,839	$18,045,443
Profit and loss credit	9,196	.....
Total	$19,836,035	$18,045,443
Dividends paid:		
Class "A" stock	52,716	47,354
Common stock	1,286,301	.....
Total surplus at end of period	$18,497,018	$17,998,089
Earnings Per Share—		
Class "A"	$207.29	$140.58
*Common	0.62	0.53

*Based on average number of shares outstanding during the year: 1926, 2,241,108; 1927, 2,853,217.

SUPPLEMENTARY INCOME AND SURPLUS ACCOUNT, FOUR MONTHS ENDED APRIL 30

	1928	1927
Gross income from all sources	$9,543,371	$533,502
Administrative & general expenses	9,381	6,519
Net operating income	$9,533,990	$526,983
Interest paid	36,077	12,789
Taxes (including Federal Income tax, Company's estimate) & misc. charges	1,202,333	21,606
Organization exps. charged off in full	251,854	.....
Net income	$8,043,726	$492,588
Total surplus at beginning of period	18,497,018	17,998,089
Total	$26,540,744	$18,490,677
Dividends paid:		
Class "A" stock	13,179	13,179
Common stock	428,804	.....
Total surplus April 30	$26,098,761	$18,477,498

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	*1928	1927	1926
Investments	$57,801,887	$72,792,376	$70,868,420
Furniture & fixtures	.....	14,540	6,985
Call loans & advs. to subsid. & affil. cos.	25,515,178	3,741,880	3,569,022
Cash	1,650,219	484,954	2,013,171
Notes receivable	75,000	90,000	.....
Accounts receivable	.....	734,490	1,376,050
Accrued dividends receiv.	.....	6,750	156,124
Merchandise inventory	.....	147,352	123,625
Organization expense	.....	240,500	97,905
Prepaid accounts	42,809	.....	.....
Total	$85,085,093	$78,252,842	$78,211,302

Liabilities—	*1928	1927	1926
Capital stock:			
Class "A"	$527,185	$527,185	$527,110
Common	57,173,940	57,173,940	57,158,940
Accounts payable	122,631	559,932	1,140,711
Notes payable	.....	1,000,000	.....
Unpaid stock subscription	.....	.....	1,299,998
Accrued accounts	38	2,786	23,291
Dividends payable	.....	441,983	13,163
Reserves	1,162,538	49,998	50,000
Surplus	26,098,761	18,497,018	17,998,089
Total	$85,085,093	$78,252,842	$78,211,302

*As at April 30, 1928.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	*1928	1927	1926
Cash	$1,650,219	$484,954	$2,013,171
Notes receivable	75,000	90,000	.....
Accounts receivable	.....	734,490	1,376,050
Accrued divds. receivable	.....	6,750	156,123
Advances to subid. or controlled companies	25,515,178	3,741,880	3,569,022
Merchandise inventory	.....	147,352	123,623
Total	$27,240,397	$5,205,426	$7,237,991

Current Liabilities—	*1928	1927	1926
Accounts payable	$122,631	$559,932	$1,140,711
Notes payable	.....	1,000,000	.....
Unpaid stock subscription	.....	.....	1,299,998
Accrued accounts	38	2,786	23,291
Reserves	1,162,538	49,998	50,000
Dividends payable	.....	441,983	13,162
Total	$1,285,207	$2,054,699	$2,527,162
Net Working Capital	$25,955,190	$3,150,727	$4,710,829

*As at April 30, 1928.

Officers: F. L. Carlisle, Chairman of the Board; H. E. Machold, Pres.; H. I. Harriman, V-P.; J. N. Carlisle, V-P.; C. E. Norris, V-P.; R. K. Ferguson, Sec.; F. A. Rogers, Treas.; H. S. Sutton, Asst. Sec.; W. H. Versfelt, Asst. Treas.

Executive Committee: F. L. Carlisle, Charles S. Brewer, R. F. Ferguson, H. I. Harriman, H. E. Machold.

Directors: Chas. S. Brewer, F. L. Carlisle, J. N. Carlisle, Wilbur L. Cummings, W. K. Dick, R. K. Ferguson, P. T. Hanscom, J. T. Hutchings, H. I. Harriman, H. S. Lewis, H. E. Machold, C. E. Norris, J. F. Schoellkopf, Jr., Paul A. Schoellkopf, T. J. Walsh, M. S. Wilder.

General Office, 49 Wall St., New York City. **Operating Office,** Watertown, N. Y.

THE POWER CORPORATION OF NEW YORK

(Controlled by Northeastern Power Corporation)

History and Property—Incorporated Oct. 20, 1922, in New York, and has acquired the developed and undeveloped water powers formerly owned by St. Regis Paper Company, Hanna Paper Corporation and others in St. Lawrence, Lewis and Jefferson Counties in New York State. All of these powers either have been converted or are in process of conversion into hydro-electric developments, for a total of 50,000 h.p.

The Power Corporation of New York System also controls the following companies:

The Power & Electric Securities Corporation.
Ft. Covington Light, Heat & Power Co.
Northern New York Utilities, Inc.
Malone Light & Power Company.
Milling & Lighting Co. of Brasher Falls.

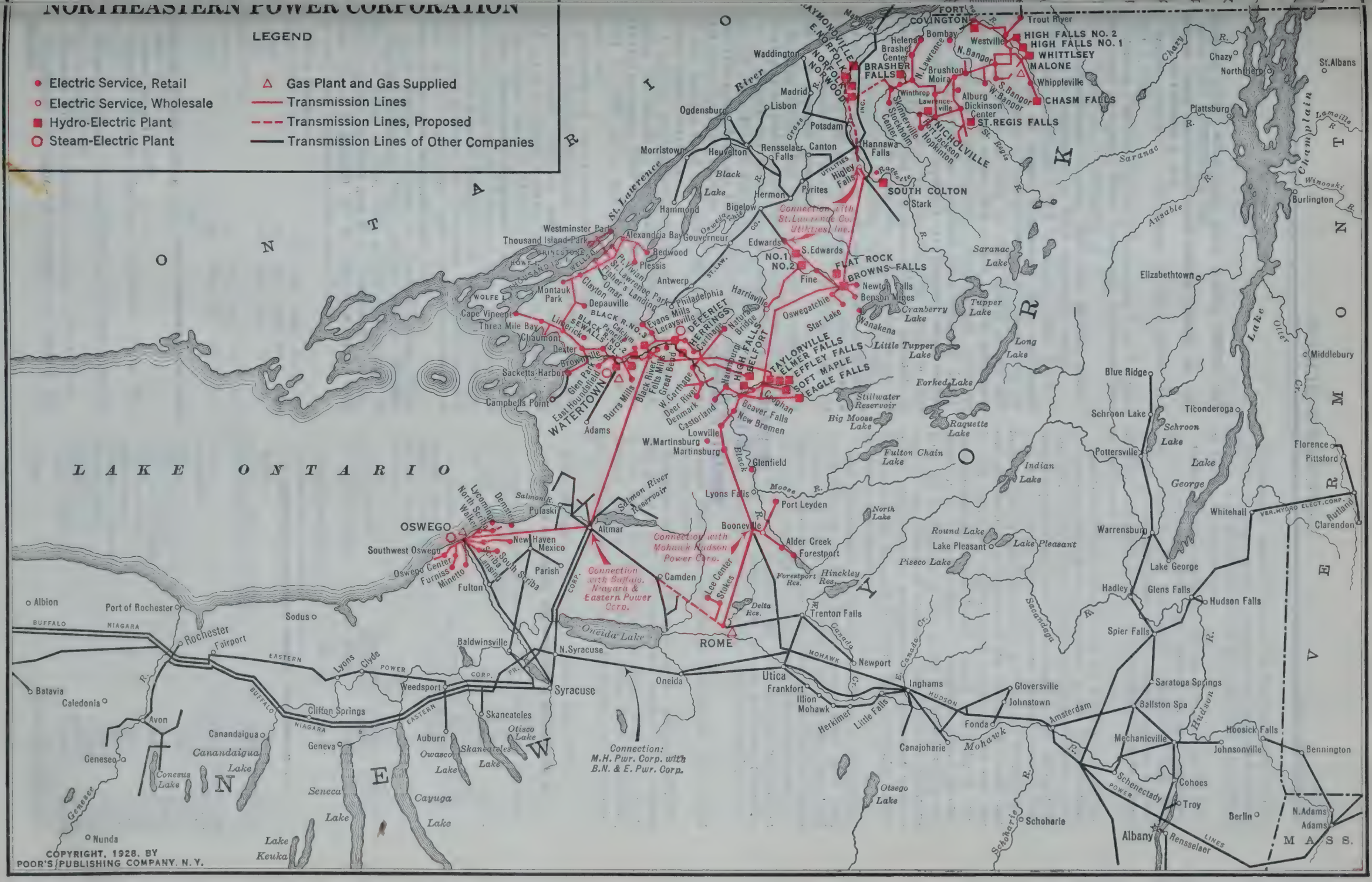
The Company owns undeveloped powers on the Raquette and Grass Rivers, in Northern New York, estimated at over 200,000 h.p. These undeveloped powers are susceptible of economical development on the load factor required by the systems which serve the large industrial sections.

CAPITAL STOCK

Authorized, 750,000 Common shares of no par value; outstanding, Dec. 31, 1927, 677,911 shares. The Northeastern Power Corp. owns over 99% of the Com. stock.

Dividends—On Common initial quarterly dividend of 25 cents a share was paid April 1, 1925, which rate paid regularly through 1926 and 1927. An extra dividend of 25 cents a share was paid Dec. 31, 1926.

THE POWER CORPORATION OF NEW YORK
(Northern New York Utilities Inc.)
E. H. Rollins & Sons
Founded 1876
Boston New York Philadelphia Chicago
Denver San Francisco Los Angeles London


NORTHEASTERN POWER CORPORATION
LEGEND
Electric Service, Retail
Electric Service, Wholesale
Hydro-Electric Plant
Steam-Electric Plant
Gas Plant and Gas Supplied
Transmission Lines
Transmission Lines, Proposed
Transmission Lines of Other Companies
LAKE ONTARIO
ADIRONDACK
VERMONT
MASS.
Trout River
HIGH FALLS NO. 2
HIGH FALLS NO. 1
WHITTLSEY
MALONE
CHASM FALLS
ST. REGIS FALLS
NICHOLSVILLE
BRASHER FALLS
NORWOOD
SOUTH COLTON
Connection with St. Lawrence Co. Utilities, Inc.
FLAT ROCK
BROWNS FALLS
NO.1
NO.2
HIGH FALLS
BELFORT
TAYLORVILLE
ELMER FALLS
EFFLEY FALLS
SOFT MAPLE
EAGLE FALLS
WATERTOWN
DEFERIET
HERRINGS
BLACK R. NO.3
BLACK R. NO.2
SEWALLS
OSWEGO
ROME
Connection with Buffalo, Niagara & Eastern Power Corp.
Connection with Mohawk Hudson Power Corp.
Connection: M.H. Pwr. Corp. with B.N. & E. Pwr. Corp.
Salmon River Reservoir
Stillwater Reservoir
Big Moose Lake
Fulton Chain Lake
Forked Lake
Raquette Lake
Long Lake
Little Tupper Lake
Tupper Lake
Saranac Lake
Lake Placid
Schroon Lake
Lake George
Lake Pleasant
Round Lake
Piseco Lake
Oneida Lake
Otsego Lake
Canandaigua Lake
Conesus Lake
Seneca Lake
Cayuga Lake
Owasco Lake
Skaneateles Lake
Otisco Lake
Lake Keuka
Hinckley Res.
Forestport Res.
Delta Res.
Rochester
Syracuse
Utica
Albany
Schenectady
Troy
Saratoga Springs
Glens Falls
Hudson Falls
Plattsburg
Burlington
Middlebury
Rutland
Clarendon
Whitehall
Ticonderoga
Elizabethtown
Watertown
Massena
Ogdensburg
Canton
Potsdam
Gouverneur
Alexandria Bay
Thousand Island Park
Westminster Park
Cape Vincent
Three Mile Bay
Sacketts Harbor
Adams
Lowville
Martinsburg
Boonville
Lyons Falls
Port Leyden
Alder Creek
Forestport
Camden
Pulaski
Fulton
Oswego
Albion
Port of Rochester
Sodus
Batavia
Caledonia
Avon
Geneseo
Nunda
Canandaigua
Geneva
Auburn
Skaneateles
Baldwinsville
Weedsport
Lyons
Clyde
Fairport
Oneida
Frankfort
Ilion
Mohawk
Herkimer
Little Falls
Trenton Falls
Newport
Inghams
Gloversville
Johnstown
Fonda
Canajoharie
Amsterdam
Ballston Spa
Mechanicville
Hoosick Falls
Johnsonville
Bennington
Cohoes
Berlin
N.Adams
Adams
Schoharie
Rensselaer
Hudson
Mohawk
Genesee
Niagara
Buffalo
Eastern
Lyons Clyde Power Corp.
Mohawk Hudson Power Corp.
Hydro Elect. Corp.
Lines
Power
Ogdensburg Power Co.
Utilities Inc.
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FUNDED DEBT

(1)

$4,800,000 FIRST MORTGAGE GOLD BONDS, SERIES "A", 6½%; DUE NOVEMBER 1, 1942

$960,000 FIRST MORTGAGE GOLD BONDS, SERIES "B", 6%; DUE NOVEMBER 1, 1942

Dated—Series "A," November 1, 1922; Series "B," May 1, 1923.

Interest Payable May and November 1, at Equitable Trust Company, New York, and Northern New York Trust Co., Watertown, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered, or fully registered bonds.

Trustee—Equitable Trust Company, New York.

Provisions of Issue—Authorized issue, unlimited. Additional bonds of new series may be issued only for refunding bonds of this or other series or for not exceeding in par value 75% of the cost of additions, extensions and betterments provided that, with respect to all bonds for purposes other than the development of the company's at present undeveloped water power sites, the net earnings shall be not less than 12% of the aggregate principal amount, or twice, whichever is less, the annual interest on all bonds outstanding, including those to be certified.

Callability—Subject to call as a whole on 60 days' notice at 110 and accrued interest, less ½% for each year of expired term or in part for sinking fund at 105 and accrued interest.

Sinking Fund—The Deed of Trust provides for a sinking fund which shall retire by purchase or by call by lot $50,000 Series "A" bonds annually from 1924 to 1928 incl.; $75,000 annually from 1929 to 1933 incl.; $100,000 annually from 1934 to 1938, incl.; and $125,000 annually from 1939 to 1942, incl. The operation of this sinking fund will retire 32½% of Series "A" bonds before maturity.

A similar sinking fund retires $10,000 annually of Series "B" bonds in like manner, 1924 to 1928, incl.; $15,000 annually, 1929 to 1933 incl.; $20,000 annually, 1934 to 1938, incl.; and $25,000 annually, 1939 to 1942 incl.

Security—A direct first mortgage lien on all properties, including developed water powers, rights and appurtenances, also on undeveloped water powers subject to an annual royalty of $1 per h.p. when as and if developed, until $1,000,000 in royalties has been paid.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company agrees to refund upon request the present Pennsylvania, Maryland, Connecticut and District of Columbia personal property taxes not to exceed four mills to holders resident in those states who have paid such taxes.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($5,000,000 "A" 6½s) in Oct. 1922, at 100 and interest by E. H. Rollins & Sons and F. L. Carlisle & Co., Inc., New York; $1,000,000 "B" 6s offered in May, 1923, at 94½ and interest by the same firms.

Price Range—

	1927	1926	1925	1925	1923
Series "A" 6½s—					
High	106	106	105½	102	98½
Low	105½	103¾	101½	95½	95
Series "B" 6s—					
High	105	103¾	101½	96	91½
Low	103	100¾	97	bid	bid

(2)

$5,000,000 TWENTY-YEAR 5½% GOLD DEBENTURES; DUE MAY 1, 1947

Dated May 1, 1927.

Interest Payable May and November 1, in New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized and issued, $5,000,000.

Purpose of Issue—Proceeds of this issue were to be used in retiring current indebtedness incurred in connection with development of property and acquisition of stocks of subsidiaries.

Callability—Subject to call as a whole or in part at any time upon 30 days' notice to and including May 1, 1932 at 104; thereafter to and including May 1, 1937 at 103; thereafter to and including May 1, 1942 at 102; thereafter at 101, accrued interest to be added in each case.

Security—These debentures are a direct obligation of Corporation which covenants in the Trust Indenture that no liens will be created or permitted to exist upon its properties (except purchase money mortgages and liens existing upon properties at the times of their acquisition by the Company, or renewals thereof and execpt the first mortgage of the Company), and that it will incur no indebtedness maturing beyond one year except additional bonds issued under the restrictions of its first mortgage. Company further covenants not to dispose of any of its fixed assets or holdings of the Common stocks of subsidiary companies unless the proceeds are promptly reinvested in similar properties, or used to retire first mortgage bonds or these debentures.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill Tax, Connecticut Tax not exceeding Four Mills, Maryland Tax not exceeding Four and One-half Mills, California Tax not exceeding Five Mills, or Massachusetts Income Tax not exceeding 6% refunded (on application within 60 days after final annual payment thereof), to holders resident in these jurisdictions who have paid such taxes.

Legal Opinion—Sullivan & Cromwell, New York (for the bankers).

Original Offering—First publicly offered ($5,000,000) in May, 1927 at par and interest by F. L. Carlisle & Co., Inc., E. H. Rollins & Sons, Hornblower & Weeks, Halsey, Stuart & Co., Inc., New York, etc., and Schoellkopf, Hutton & Pomeroy, Inc., Buffalo, N. Y.

Price Range—1927: High, 100¾; low, 97¼.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross inc. from all sources	$1,615,657	$1,672,684	$1,727,475
Oper. exp., maint., deprec., & taxes, other than Federal Income taxes	157,755	175,884	127,157
Net earnings	$1,457,902	$1,496,800	$1,600,318
Interest charges	$657,534	$627,358	$473,712
Amort. of bond disc. & exp.	23,367	29,812	28,613
Fed. Inc. tax for year (Co's estimate)	5,898	856	69,709
Total charges	$686,799	$658,026	$572,034
Net income	$771,103	$838,774	$1,028,284
Common dividends	677,911	847,389	*
Surplus after dividends	$93,192	†$8,615	.....

*Amount not available. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property, plants & equipment	$15,177,388	$14,331,387
Construction work in progress	1,147,454	722,733
Total	$16,324,842	$14,054,120
Investments	13,022,769	12,342,769
Cash	59,548	18,271
Materials & supplies	17,978	17,978
Accrued interest	.....	26,837
Accounts receivable	172,422	71,109
Loan receivable	.....	463,000
Prepayments	23,006	21,200
Furniture & fixtures	8,841	8,431
Special deposits	61,810	373,064
Unamortized bond disc. & expense	459,388	119,195
Deferred assets	168,139	168,558
Prepaid insurance	72,561	59,104
Total	$30,391,304	$28,743,636

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926
Common stock (677,911 shs. no par)	$17,843,627	$17,742,784
Funded debt	10,760,000	5,842,000
Purchase money contract for water power rights	168,200	159,200
Bonds called but not presented	2,625	.....
Accounts payable	56,749	51,819
Loans payable to Northeastern Power Corp.	1,090,000	3,165,000
Loans payable to others	.....	200,000
Accrued accounts	119,743	259,658
Bonds to be redeemed Feb. 1, 1927	.....	1,000,000
Reserves:		
Depreciation	205,923	165,289
Federal taxes	5,898	1,840
Stillwater Reservoir	133,479	136,381
Redemption of Pfd. stock	5,060	19,665
Total	$30,391,304	$28,743,636

Officers: J. N. Carlisle, Pres.; W. P. Creager, V-P.; D. M. Anderson, V-P., Watertown, N. Y.; H. G. Davis, V-P.; H. E. Machold, V-P.; R. B. Maltby, V-P., New York; F. A. Rogers, Treas.; R. K. Ferguson, Sec., New York; C. B. Martin, Asst. Sec. & Asst. Treas., Watertown, N. Y.

Directors: William K. Dick, R. K. Ferguson, R. B. Maltby, Alvah Miller, T. J. Walsh, Jonathan Bulkley, F. L. Carlisle, H. E. Machold, F. A. Rogers, C. E. Norris, New York; F. A. Empsall, D. C. Middleton, M. S. Wilder, D. M. Anderson, W.P. Creager, H. G. Davis, J. N. Carlisle, Watertown, N. Y.; H. A. Furman, Schenectady, N. Y.; H. S. Lewis, Beaver Falls, N. Y.; J. F. Schoellkopf, Jr., Fred D. Corey, Buffalo, N. Y.; J. J. Warren, Brownville, N. Y.

General Office, Watertown, N. Y. **New York Office,** 49 Wall St.

MALONE LIGHT AND POWER COMPANY

(Controlled by The Power Corporation of New York Through the Power & Electric Securities Corp.)

History and Properties—Incorporated in 1899, in N. Y., and in July, 1914, merged the Franklin County Hydraulic Corp. Company owns and operates, without competition, electric light and power properties in Malone, N. Y., and contiguous territory, and gas properties in Malone. This Company also leases and operates the properties of Milling and Lighting Company, Inc., and The Ft. Covington Light, Heat and Power Company. Among the communities served with electric light and power service are: Malone, Whippleville, North Bangor, South Bangor, West Bangor, Brushton, Moira, Dickinson Center, St. Regis Falls, Westville, Trout River, Lawrenceville, North Lawrence, Nicholville, Hopkinton, Fort Jackson, Brasher Falls, Winthrop, Helena and Ft. Covington. In addition, current is wholesaled to the Bombay Electric Co., serving the village of Bombay. Electrical output, year ended Dec. 31, 1927, 18,852,680 k.w.h., compared with 18,437,770 k.w.h. in 1926. Gas output in 1927, 21,758,200 cu. ft., compared with 18,757,330 cu. ft. in 1926.

The electrical output of Malone Light and Power Company and leased properties is derived exclusively from hydro-electric sources. The properties include eight hydro-electric stations on the St. Regis and Salmon Rivers, with a total installed capacity of 8,850 h.p., of which 7,678 h.p. is owned by Malone Light and Power Company. The Company owns in Malone a modern gas plant having a daily capacity of 290,000 cu. ft.

CAPITAL STOCK

Authorized, 30,000 shares Common and 30,000 shares $6 cumulative Pfd.; outstanding, 22,000 shares Common and 3,463 shares Pfd., all of no par value. Stock control is held by The Power Corporation of New York through the Power & Electric Securities Corp.

Preferred Stock Provisions—The $6 Pfd. stock has preference for assets and dividends, is fully paid and non-assessable, and is callable as a whole or in part on any dividend date on 60 days' notice at 105 and dividends. It has voting power share for share with Common stock in event of default of dividends aggregating $6 per share.

Transfer Agent—Company's office, Malone, N. Y.

Registrar—Peoples Trust Co., Malone, N. Y.

Annual Meeting—Second Monday in January.

Dividends—Common dividends have been paid at average of 6% per year; 6% each in 1914, 1915, 1916, 1917 and 1918; 7% in 1919 and 1920; 3% in 1921; 6% each in 1922, 1923 and 1924; 9% in 1925; 1926, 23%; payments semi-annually June 30 and Dec. 31. Pfd. dividends at rate of 7% per annum regularly paid quarterly up to Nov. 1, 1926 on which date it was called at 105. Payments on new no par Pfd. quarterly, F, M, A & N 1.

FUNDED DEBT

$999,500 FIRST MORTGAGE GOLD 5½s SERIES "A"; DUE JANUARY 1, 1956

Dated January 2, 1926.

Interest Payable January and July 1, in New York City or Watertown, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Northern New York Trust Co., Watertown, N. Y.

Provisions of Issue—Issued and outstanding, $999,500. Further additional bonds may be issued only for additions, extensions or betterments under conservative provisions in respect to equity and earnings.

Callability—Subject to call as a whole or in part on 30 days' notice at any time prior to maturity at 103 and interest.

Security—Secured by a first mortgage on the entire fixed property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($737,500) in December, 1925, at 98 and interest to yield 5.65% by F. L. Carlisle & Co., Inc., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from all sources	$344,342	$322,485	$304,912	$280,362	$272,906	$247,273
Oper. exp., maint. & local taxes	168,741	170,520	184,167	193,585	181,693	139,687
Net earnings	$175,601	$151,965	$120,745	$86,777	$91,213	$107,586
Interest charges	57,492	59,076	40,790	41,090	41,390	41,690
Other deductions	14,409	12,202	.....	.....	.....	8,244
Total charges	$71,901	$71,278	$40,790	$41,090	$41,390	$49,934
Net income	$103,700	$80,687	$79,955	$45,687	$49,823	$57,652
Preferred dividends	18,850	15,869				
Common dividends	81,783	49,657	35,300	28,823	28,274	21,500
Surplus for year	$3,067	$15,161	$44,655	$16,864	$21,549	$36,152

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant & equip., incl. construction work in progress	$1,636,585	$1,506,509	$1,354,748	$1,217,025	$1,132,904	$1,052,192
Other investments	7,526	7,689	7,726	8,860	8,675	27,310
Materials and supplies	70,288	76,850	83,334	85,330	87,569	87,398
Cash	25,970	34,631	706,624	15,926	30,768	3,764
Notes receivable	2,401	2,516	132,481	135,207	154,841	20,033
Accounts receivable	281,730	165,129	115,352	58,233	77,217	169,931
Prepayments	6,590	9,243	.....	.....	.....	.....
Other current assets	.....	.....	14,785	37,601	.....	.....
Unamortized bond disc. & expense, etc.	138,610	142,220	72,930	33,301	35,596	48,407
Total	$2,169,700	$1,944,787	$2,487,980	$1,591,483	$1,527,570	$1,409,035
Liabilities—						
Capital stock	$786,300	$562,200	$442,600	$442,600	$442,600	$418,900
Funded debt	999,500	999,500	664,000	669,000	674,000	679,000
Notes payable	15,000	.....	245,500	124,500	63,000	.....
Accounts payable, etc.	47,947	66,619	771,918	46,721	64,516	61,891
Reserves	151,692	154,360	171,778	171,936	153,044	130,784
Surplus	169,261	162,108	192,183	136,725	130,410	118,460
Total	$2,169,700	$1,944,787	$2,487,980	$1,591,483	$1,527,570	$1,409,035

Officers: Edward Wright, Pres.; H. E. Machold, V-P.; C. E. Norris, V-P.; R. K. Ferguson, Sec.; F. A. Rogers, Treas.; W. L. Allen, Asst. Sec.; F. J. Eldred, Asst. Treas.

Directors: W. L. Allen, F. L. Carlisle, L. F. Lehr, H. E. Machold, R. K. Ferguson, R. B. Maltby, C. E. Norris, F. A. Rogers, H. C. Wilder, Edward Wright.

Offices, Malone, N. Y. and 49 Wall St., New York City.

NORTHERN NEW YORK UTILITIES, INC.

(Controlled by The Power Corporation of New York)

History and Properties—Incorporated in New York, May 13, 1913. Company owns and operates electric light, power and gas properties in Northern New York serving a population of 105,000. (For list of companies merged, see 1924 Public Utility Manual, page 1257, or apply to our Information Department.) The Company does the entire electric light and power business in Rome, Watertown and 52 adjacent communities, and the entire gas business in Rome and Watertown. The company furnishes power on a wholesale basis to Utica Gas & Electric Company under long term contract calling for delivery of up to 33,000 H.P., and exchanges substantial amounts of current, under contract, with Niagara, Lockport & Ontario Power Company.

The Company has installed generating capacity including leased plants of 189,675 h.p., of which 9,775 is in steam installations; the remainder, hydro-electric. The Company has undeveloped power sites with a potential generating capacity of over 16,000 h.p. Gas plants in the cities of Watertown and Rome have a daily capacity of 5,700,000 cu. ft. Electric output, 1927, 411,410,360 k.w.h., compared with 398,348,320 k.w.h. in 1926, and 262,530,825 k.w.h. in 1925. Gas output in 1926, 367,633,080 cu. ft., compared with 343,642,000 cu. ft. in 1925.

Franchises—All the franchises of the Company, with minor exceptions, are without time limit and the Company is under the jurisdiction of and the issuance of its securities is subject to the approval of the Public Service Commission of the State of New York.

CAPITAL STOCK

Authorized, 400,000 shares Common of $25 par value and 100,000 shares 7% cumulative Pfd. of no par value; outstanding, 160,000 shares ($4,480,000) Common and 60,000 shares Pfd.

Preferred Stock Provisions—Preferred stock has preference as to assets and dividends.

Transfer Agent—Equitable Trust Company, New York.

Registrar—American Exchange Irving Trust Company, New York.

Annual Meeting—First Tuesday in June, at Watertown, N. Y.

Price Range—

	1927	1926	1925	1924	1923	1922
Preferred—						
High	109	105¼	102½	97	95	100
Low	103	103	bid	bid	bid	ask
Common—						
High	..	98	76	58	42	..
Low	..	bid	bid	bid	bid	..

Dividends—Preferred dividends payable quarterly F, M, A & N 1. Common stock dividends have been paid as follows: 8% in 1915; 10% in 1916; 7½% in 1917; 11½% in 1918; 12½% in 1919; 6½% in 1920; 15% in 1921; 18% in 1922; 12% in 1923; 12% in 1924; 13% in 1925; $3.25 per share in 1926 and 1927.

FUNDED DEBT

(1)

$1,464,000 WATERTOWN LIGHT & POWER CO. FIRST MORTGAGE GOLD 5s; DUE JAN. 1, 1959

Dated January 1, 1909.

Interest Payable Jan. and July 1, at Empire Trust Co., New York.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—Empire Trust Co., New York.

Provisions of Issue—Authorized issue, $2,000,000; outstanding, Dec. 31, 1927, $1,464,000.

Callability—Subject to call on and after Jan. 1, 1920 at 105 and interest.

Sinking Fund—Sinking fund, beginning Jan. 1, 1919, to Jan. 1, 1925, ½% of outstanding bonds; thereafter, 1%.

Security—Secured by first mortgage on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in New York State.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,157,500) in July, 1909, at 99 and interest, by Potter, Choate and Prentice and Spencer Trask & Co., New York.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	*102	*102	98	95	93	95	82	77
Low	100½	99	bid	bid	bid	bid	bid	bid

*High and low bid prices.

(2)

$400,000 (ENTIRE ISSUE) ROME GAS, ELECTRIC LIGHT & POWER CO. FIRST GOLD 5s; DUE JUNE 1, 1931

Dated June 1, 1901.

Interest Payable June and Dec. 1, at Union Trust Co., Detroit, Mich., Trustee. Coupon, $1,000; principal may be registered. A first lien on entire property. Company does not pay Normal Federal Income Tax.

(3)

$656,000 ROME GAS, ELECTRIC LIGHT & POWER CO. FIRST REFUNDING MORTGAGE 30-YEAR 5s; DUE DEC. 1, 1946

Dated December, 1916.

Interest Payable June and Dec. 1, at Rome Trust Co., Rome, N. Y., or Integrity Trust Co., Philadelphia, Pa.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—Rome Trust Co., Rome, N. Y.

Provisions of Issue—Authorized, $3,500,000; outstanding Dec. 31, 1927, $656,000.

Callability—Subject to call at 102½ and interest upon four weeks' notice.

Sinking Fund—Sinking fund not provided.

Security—Secured by direct mortgage, subject to $400,000 First 5s (described above), upon entire property and franchises of Company in Rome, N. Y.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$1,999,500 NORTHERN NEW YORK UTILITIES, INC. FIRST MORTGAGE & REFUNDING GOLD 5s; DUE JULY 1, 1963

Dated July 1, 1913.

Interest Payable Jan. and July 1, at First National Bank, New York, and the Northern New York Trust Co., Watertown, N. Y.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $10,000,000, but under the terms of the First Lien and Refunding Mortgage, all bonds subject to certification, in addition to those now outstanding, must be pledged with the trustee of the First Lien and Refunding Mortgage. Bonds to the amount of $6,086,000 are so pledged. Mortgage now closed.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—Sinking fund ½% annually of the total outstanding bonds of this issue, from July 1, 1916, to July 1, 1938, inclusive, and 1% annually thereafter to maturity, to be applied to the purchase or redemption of bonds of this issue at not exceeding 105 and int.

Security—Secured by first lien on all of the Company's property, subject to only $2,538,000 of divisional bonds. The deed of trust also provides that at least 7% of gross earnings annually shall be expended on the maintenance of the property, or shall be used in the purchase of new property, which shall not be made the basis for the certification of additional bonds of this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Legal Opinion—Campbell, Harding & Pratt, New York.

Original Offering—First publicly offered ($678,000) in March, 1915, at 94 and interest, by E. H. Rollins & Sons, New York, etc.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102½	101½	100	97	90	86	78	73
Low	100¼	99½	90	88	85	bid	bid	bid

(5)

$1,200,000 NORTHERN NEW YORK UTILITIES, INC. FIRST LIEN & REFUNDING 7s, SERIES "A"; DUE MAY 1, 1946

Dated May 2, 1921.

Interest Payable May and November 1, at the Equitable Trust Co., of New York, or Northern New York Trust Co., Watertown, N. Y.

Denominations—Coupon $100, $500 and $1,000; principal may be registered or fully registered bonds.

Trustee—Equitable Trust Co. of New York.

Provisions of Issue—Authorized issue, $3,000,000. Additional First Lien & Refunding bonds of such maturity, and bearing such rate of interest, etc., as the Board of Directors may determine, may only be issued for the refunding of underlying bonds or for not exceeding 75% of the cash cost of permanent tangible betterments, additions, etc., or 60% of the cash cost or fair value, whichever is lower, as determined by appraisal of other gas or electric properties purchased, provided, however, that net earnings for the preceding twelve months are not less than 1¾ times interest on all bonds outstanding, including underlying bonds, and those requested to be certified (or 10% of such bonds, whichever is greater). It is provided that in determining net earnings there shall have been deducted for maintenance, repairs and current renewals not less than 7% gross operating revenue.

Callability—Not subject to call.

Security—Secured by a direct mortgage on all the properties of the Company now owned or hereafter acquired and by the pledge of $6,086,000 First Mortgage and Refunding 5% bonds, or more than 74%, thus sharing to that extent in the lien of that mortgage which is a direct first mortgage on substantially all the property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,200,000) in June 1921, at 100 and interest, to yield 7%, by E. H. Rollins & Sons, New York, etc., and Northern New York Trust Co., Watertown, N. Y.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	115	112	106	110	105	107	70
Low	bid	105½	105½	103½	102	ask	bid

(6)

$1,349,700 NORTHERN NEW YORK UTILITIES, INC. FIRST LIEN & REFUNDING 6s, SERIES "B"; DUE MAY 1, 1947

Dated May 1, 1922

Interest Payable May and Nov. 1, at The Equitable Trust Co. of New York, or Northern New York Trust Co., Watertown, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered or fully registered bonds.

Trustee—Equitable Trust Co. of New York.

Provisions of Issue—See Series "A" bonds, above, for provisions of issue.

Callability—Not subject to call.

Sinking Fund—Sinking fund not provided.

Security—See under description of Series "A" 7s (paragraph 5).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application.

Legal Opinion—Campbell, Harding & Pratt, New York.

Legal for Savings Banks in Maine.

Original Offering—First Publicly offered ($1,322,800) in May, 1922, at 100 and interest, to yield 6%, by E. H. Rollins & Sons, New York, etc., and F. L. Carlisle & Co., Inc., New York.

Price Range—

	1927	1926	1925	1924	1923	1922
High	*106¼	105½	103½	100¼	97½	98
Low	105	102½	100¼	95	95	bid

*High and low bid price.

(7)

$3,942,900 NORTHERN NEW YORK UTILITIES, INC. FIRST LIEN & REFUNDING 6s, SERIES "C"; DUE MAY 1, 1943

Dated May 1, 1923.

Interest Payable May and Nov. 1, at The Equitable Trust Co. of New York or Northern New York Trust Co., Watertown, N. Y.

Denominations—Coupon $500 and $1,000; with privilege of registration as to principal or fully registered bonds.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—See Series "A" bonds, above, for provisions of issue.

Callability—Subject to call as a whole at 110 and accrued interest less ½ of 1% for each full year of expired term, or in part at 105 and accrued interest up to and including May 1, 1933, and thereafter at the same rate as when redeemable as a whole. The redemption of part shall not exceed ½ of 1% annually of the entire outstanding amount of this issue from

1924 to 1932, inclusive, and thereafter shall not exceed 1% annually of such amount.

Sinking Fund—Sinking fund not provided.

Security—See under description of Series "A" 7s (paragraph 5).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application.

Legal Opinion—Campbell, Harding & Pratt and Sullivan & Cromwell, New York.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($2,212,200) in June, 1923, at 99 and interest to yield about 6.10%, by E. H. Rollins & Sons, New York, etc., and F. L. Carlisle & Co., Inc., New York.

Price Range—

	1927	1926	1925	1924	1923
High	*105½	*105	102¾	100½	96
Low	104¼	103	bid	bid	bid

*High and low bid prices.

(8)

$1,734,000 NORTHERN NEW YORK UTILITIES, INC. FIRST LIEN & REFUNDING 5½s, SERIES "D"; DUE DEC. 1, 1949

Dated Dec. 1, 1924.

Interest Payable June and Dec. 1, at The Equitable Trust Co., of New York, or The Northern New York Trust Co., Watertown, N. Y.

Denominations—Coupon $500 and $1,000; principal may be registered; or fully registered bonds of $1,000.

Trustee—The Equitable Trust Co., of New York.

Provisions of Issue—See Series "A" bonds above for provisions of issue.

Callability—Subject to call as a whole, on 45 days' notice at any time during the years 1925 to 1929 inclusive at 105; 1930 to 1934 inclusive, at 104; 1935 to 1939 inclusive, at 103; 1940 to 1944 inclusive at 102; thereafter to maturity, at 101. Callable in part at 103 and interest up to and including 1939 and thereafter at the same rate as when redeemable as a whole. The redemption of part shall not exceed ½ of 1% annually of the entire outstanding amount of this issue from 1925 to 1933, and thereafter shall not exceed annually 1% of such amount.

Sinking Fund—Sinking fund not provided.

Security—See under description of Series "A" 7s (paragraph 5).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application.

Original Offering—First publicly offered ($1,750,000), in Dec., 1924, at 97½ and interest, to yield about 5.70%, by E. H. Rollins & Sons, New York, etc., and F. L. Carlisle & Co., Inc., New York.

Price Range—

	1927	1926	1925	1924
High	103½	103½	100½	100½
Low	103	100	96½	97½

(9)

$3,639,000 NORTHERN NEW YORK UTILITIES, INC. FIRST LIEN & REFUNDING 5s, SERIES "E"; DUE JULY 1, 1955

Dated July 1, 1925.

Interest Payable Jan. and July 1, at The Equitable Trust Co., of New York or The Northern New York Trust Co., Watertown, N. Y.

Denominations—Coupon $500 and $1,000; principal may be registered; or fully registered bonds of $1,000.

Trustee—The Equitable Trust Co., of New York.

Provisions of Issue—See Series "A" bonds, above, for provisions of issue.

Callability—Callable as a whole or in part on 45 days' notice, at any time during the life of the bonds at 103 and accrued interest. The redemption of part shall not exceed, in any calendar year from 1926 to 1934 inclusive, ½ of 1% of the principal amount of this series outstanding on January 1 of such year, and thereafter shall not exceed, in any calendar year, 1% of such amount.

Sinking Fund—Sinking fund not provided.

Security—See under description of Series "A" 7s (paragraph 5).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application.

Original Offering—First publicly offered ($2,125,500) in June 1925, at 95½ and interest, to yield 5.30%, by E. H. Rollins & Sons, New York. etc., and F. L. Carlisle & Co., Inc., New York; $1,235,000 additional offered in Sept. 1926, at 99 and interest, to yield over 5%, by F. L. Carlisle & Co., Inc., New York.

Price Range—

	1927	1926	1925
High	100½	99½	96
Low	98¼	95	bid

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from all sources	$4,167,848	$3,933,757	$3,694,120	$3,177,636	$2,027,343	$1,574,456
Operating exp., incl., depreciation, maint. & taxes	2,217,214	1,942,540	1,609,300	1,467,985	905,498	690,420
Net operating income	$1,950,634	$1,991,217	$2,084,820	$1,709,651	$1,121,845	$884,036
Bond interest	889,422	836,820	668,949	617,636	413,872	317,138
Interest on floating debt	37,560	33,094	34,538		13,346	1,658
Depreciation	.....	.....	.....	†308,916	110,234	110,876
Other income charges	146,301	172,644	172,717		30,574	19,516
Total deductions	$1,073,283	$1,042,558	$876,204	$926,652	$568,026	$449,188
Net income available for dividends	$877,351	$948,659	$1,208,615	$783,098	$553,819	$434,848
Dividends on Pfd. stock	419,954	419,916	400,855	323,202	281,546	233,248
Dividends on Common stock	520,000	520,000	520,000	393,438	159,460	186,138
Surplus	§$62,603	$8,743	$287,760	$66,458	$112,813	$15,462
*Times Bond Interest Earned	‡1.98	‡2.13	‡2.75	2.77	2.71	2.78
Earnings Per share—						
Preferred	14.62%	15.81%	20.14%	13.62%	12.95%	11.27%

*Before depreciation. †Includes Federal Income tax and depreciation. ‡After depreciation. §Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant and equipment	$26,993,859	$26,259,377	$25,242,402	$21,498,898	$14,132,493	$10,265,803
Other investments	329,670	291,461	291,641	329,397	301,266	285,791
Sinking & other trust funds	109,949	106,730	423,281	.....	.....	.....
Materials and supplies	304,872	284,902	319,647	353,989	223,977	267,895
Cash	155,263	339,730	267,174	1,841,452	423,091	888,881
Notes receivable	9,850	9,325	23,719	74,551	58,167	13,378
Current accounts	681,904	585,031	488,917	394,101	1,079,506	291,375
Special property account	.....	.....	15,567	.....	.....	.....
Other assets	192,293	384,683	.....	58,891	35,675	13,501
Deferred debit items	185,875	194,268	184,902	158,167	62,441	27,351
Unamortized accounts	1,269,004	1,309,637	1,282,812	1,071,671	724,635	546,553
Other intangible capital to be amortized	.....	.....	.....	.....	.....	1,000
Total	$30,232,539	$29,765,127	$28,540,062	$25,781,117	$17,041,252	$12,601,528

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$4,480,000	$4,480,000	$4,000,000	$4,000,000	$1,835,975	$1,034,100
Preferred stock	6,000,000	6,000,000	6,000,000	5,750,000	4,278,400	3,860,300
Funded debt	16,385,100	16,152,900	14,998,700	12,952,400	8,442,500	6,272,800
Mortgages on investment property	3,000	3,000	6,200	.....	.....	.....
Reservoir bonds	483,386	432,731	441,938	.....	.....	.....
Bills payable	395,000	.....	.....	548,437	625,000	6,000
Current liabilities	389,678	340,576	390,289	169,952	470,372	300,119
Accrued interest and taxes	298,885	282,652	185,760	207,206	154,035	96,221
Other liabilities	57,827	55,005	.....	.....	32,719	29,875
Accrued amortization of capital	844,164	1,053,258	1,040,295	1,059,306	697,642	623,401
Other reserves	141,326	176,393	211,884	98,095	55,340	42,256
Surplus	754,172	788,612	1,264,995	995,725	449,269	336,456
Total	$30,232,539	$29,765,127	$28,540,062	$25,781,117	$17,041,252	$12,601,528

Officers: F. L. Carlisle, Chrm. of Board; J. N. Carlisle, Pres.; H. G. Davis, V-P.; W. P. Creager, V-P.; H. S. Lewis, V-P.; R. B. Maltby, V-P.; F. A. Rogers, Treas.; R. A. Ormiston, Asst. Treas.; L. Whistler, Asst. Treas.; S. F. Smith, Sec.; H. S. Sutton, Asst. Sec. & Asst. Treas.; E. D. Smith, Asst. Sec.

Directors: D. M. Anderson, G. H. Burns, J. N. Carlisle, F. L. Carlisle, W. P. Creager, H. G. Davis, W. K. Dick, A. J. Eckert, F. A. Empsall, R. K. Ferguson, T. H. Ferris, H. S. Lewis, H. E. Machold, R. B. Maltby, D. C. Middleton, F. A. Rogers, B. B. Taggart, T. J. Walsh, J. J. Warren, M. S. Wilder.

Offices, Watertown, N. Y. and 15 Broad St., New York City.

OSWEGO RIVER POWER CORPORATION

(Controlled by Northeastern Power Corp.)

History—Incorporated in Dec., 1925 in New York. The Company acquired certain water rights on the Varick and Oswego Canals in the city of Oswego, N. Y., and built at this location a hydro-electric power station with an initial installed capacity of 15,000 h.p., (which will be increased later to 18,000 h.p.), also a plant of 7,500 h.p. Owns the entire outstanding capital stock of the Peoples Gas & Electric Company of Oswego (see statement appended), and of the Oswego Canal Company. The Peoples Gas & Electric Company furnishes gas and electric service to the city of Oswego; the Oswego Canal Company owns certain water rights at Oswego.

CAPITAL STOCK

Authorized and issued, 100,000 shares Common and 25,000 shares $7 dividend cumulative Pfd., all of no par value. All owned by the Northeastern Power Corp.

FUNDED DEBT

$3,500,000 FIVE-YEAR 6% GOLD DEBENTURES (CLOSED ISSUE); DUE DECEMBER 1, 1931

Dated December 1, 1926.

Interest Payable June and December 1, in New York City.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Company of New York.

Purpose of Issue—Proceeds were used to reimburse Company in part for the acquisition and construction of certain of its properties.

Callability—Subject to call as a whole or in part on 30 days' notice at 102½ and interest to and including Dec. 1, 1927; thereafter at a premium becoming ½ of 1% less each year.

Sinking Fund—None provided.

Security—A direct obligation of the Corporation which covenants in a Trust Indenture that while these Debentures are outstanding, it will incur no indebtedness maturing beyond one year and will create no mortgage, pledge or lien upon its fixed property (except purchase money mortgages and liens existing upon properties at the times of their acquisition by the Company, or renewals thereof) and it will not dispose of any of its holdings of the Common stock of Peoples Gas & Electric Co. of Oswego.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, Connecticut 4 mills tax, Maryland 4½ mills tax, California tax not exceeding 5 mills or Massachusetts 6% Income tax refunded on application within 60 days after final annual payment thereof to resident holders who have paid such taxes.

Legal Opinion—Sullivan & Cromwell, New York.

Original Offering—First publicly offered ($3,500,000) in Dec., 1926, at par and interest by F. L. Carlisle & Co., Inc., E. H. Rollins & Sons and Hornblower & Weeks, New York and Schoellkopf, Hutton & Pomeroy, Inc., Buffalo, N. Y.

Market—New York Curb Market.

Price Range—

	1927	1926
High	101¼	100¾
Low	99	100

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross income from all sources, incl. rental of plants, dividends & interest	$515,080
Expenses	16,099
Net operating income	$498,981
Interest on debentures	210,000
Other interest	32,617
Amortization	50,497
Taxes on bond interest	950
Total charges	$294,064
Net income	$204,917
Dividend paid on Pfd. stock for the period from Oct. 1, 1926, to Dec. 31, 1927	181,942
Balance	$22,975
Surplus, January 1, 1927	6,327
Surplus, December 31, 1927	$29,302

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant property, incl. work in progress	$5,014,088
Investments in controlled companies	4,941,245
Cash	3,201
Accounts receivable & advances to subsidiary & affiliated companies	1,619,523
Unamortized debt discount & expense	198,052
Other deferred assets	13,112
Total	$11,789,221
Liabilities—	
*Capital stock	$6,300,000
Funded debt	3,500,000
Accounts payable	6,013
Accrued interest	17,500
Advances from Northeastern Power Corp.	1,936,406
Surplus	29,302
Total	$11,789,221

*Consisting of 25,000 shares Pfd. and 100,000 shares Common all of no par value.

Officers: F. L. Carlisle, Chrm. of Board; H. E. Machold, Pres.; C. E. Norris, V-P.; R. K. Ferguson, V-P. and Sec.; E. E. Whitney, V-P.; F. A. Rogers, Treas.; H. S. Sutton, Asst. Sec.; W. H. Versfelt, Asst. Treas.

Directors: F. L. Carlisle, H. E. Machold, C. E. Norris, R. K. Ferguson, F. A. Rogers, H. S. Sutton, W. H. Versfelt.

Offices, Oswego, N. Y. and 49 Wall Street, New York.

PEOPLES GAS & ELECTRIC COMPANY OF OSWEGO

(Controlled by Oswego River Power Corp.)

History and Property—Incorporated April 28, 1900, in N. Y.; consolidation of Home Electric Light Co., People's Electric Light & Power Co. and Oswego Gas Light Co. In April, 1910, acquired the entire $76,000 capital stock of the Citizens Lighting Co. of Oswego, together with all the property and franchises. Supplies gas, electric light and power to Oswego. N. Y. Population served, 28,000.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Gas Output	Electric Output
1925	64,861,000 cu.ft.	7,389,290 K.w.h.
1926	70,475,300 cu.ft.	8,607,115 K.w.h.
1927	74,053,600 cu.ft.	11,409,800 K.w.h.

CAPITAL STOCK

Authorized, 50,000 shares Common and 25,000 shares $6 dividend cumulative Pfd., both of no par value; outstanding, 39,132 shares Common and 4,500 shares Pfd.

Transfer Agent—The Equitable Trust Co. of New York.

Registrar—The Seaboard National Bank, New York.

Annual Meeting—Third Thursday in March.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 15. On Common, 2% in 1910; 4% in 1911; 5% each in 1912 to 1919, inclusive; 6% in 1920 to 1923, inclusive; 1924, 6½%; 1925, 7%; 1926, $3.50 per share; 1927, $5.45 per share.

FUNDED DEBT

(1)

$270,000 First Mortgage Sinking Fund 5% Gold Bonds; dated May 1, 1900; due May 1, 1930; int. May and Nov. 1, at New York Trust Co., Trustee. Coupon, $1,000. Authorized, $450,000. Sinking fund, $10,000 per annum, began May 1, 1910, to purchase bonds or to draw same by lot for redemption at 105. Secured upon entire property now owned or hereafter acquired. Company does not pay Normal Federal Income Tax.

(2)

$20,700 Convertible Gold 5s; dated Dec. 1, 1913; due Dec. 1, 1933; int. June and Dec. 1, at American Trust Co., Boston, Trustee. Coupon, $1,000, and registered, $100 and multiples; interchangeable in multiples of $1,000. Authorized, $400,000. These bonds were convertible into Common stock of the company at par from Dec. 1, 1915, to Dec. 1, 1925. Subject to call as a whole only at par and interest after Dec. 1, 1925. The above bonds were first offered to stockholders of record Feb. 10, 1914, proportionately for subscription at 90 and interest. Subsequently offered publicly ($100,000) at 92½ and interest, to yield 5.60%. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from all sources	$600,116	$514,417	$460,745	$435,186	$433,695	$415,601
Operating expenses and maintenance			251,354	255,867	275,313	
Depreciation	381,016	316,850	40,809	26,017	11,989	307,730
Taxes			41,537	43,529	42,335	
Net earnings	$219,100	$197,567	$127,044	$109,773	$104,057	$107,871
Other income			163	372	*30	467
Total income	$219,100	$197,567	$127,207	$110,145	$104,027	$108,338
Interest, Federal taxes & amortization	43,199	41,041	36,454	46,901	46,708	46,811
Net income	$175,901	$156,526	$90,753	$63,244	$57,318	$61,527
Dividends	240,234	168,460	70,244	54,032	48,899	45,647
Surplus for year	*$64,333	*$11,934	$20,509	$9,212	$9,079	$15,880

*Deficit.

SURPLUS ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926		1927	1926
Surplus, at beginning of period	$229,473	$239,290	Deduct—		
Net income, as above	175,901	156,526	Dividends on Preferred stock	$26,965	$31,496
			Dividends on Common stock	213,269	136,964
Total	$405,374	$395,816	Total	$240,234	$168,460
Add—Miscell. surplus credits, net	108,461	2,117			
Total	$513,835	$397,933	Surplus at end of period	$273,601	$229,473

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property, plant and equip., incl. work in progress	$2,027,841	$1,957,640	$1,897,421	$1,827,441	$1,788,282	$1,709,157
Investments	7,950	7,950	7,950	7,950	10,800	14,550
Materials and supplies	47,892	43,555	57,930	64,074	59,339	48,579
Cash on hand	82,633	42,858	117,470	93,892	46,685	43,576
Accounts receivable	144,428	106,840	85,364	53,016	49,217	56,470
Notes receivable	523	940	1,180	1,420	2,160	.....
Prepaid accounts	5,703	9,237	3,760	4,063	4,509	5,253
Bond discount and expense	1,209	1,493	1,708	37,406	45,216	49,814
Suspense items	246	209	.....	.....	.....	.....
Reacquired securities	6,000	9,000	19,000	3,000	9,000	.....
Other assets	.....	99,355	137	598	460	.....
Total	$2,324,425	$2,279,077	$2,191,923	$2,092,860	$2,015,668	$1,927,399
Liabilities—						
Capital stock	*$1,428,300	$1,428,300	$1,427,850	$835,650	$796,200	$752,800
Capital stock subscribed	.....	.....	550	1,650	.....	.....
Funded debt	290,700	301,700	311,600	662,700	704,000	704,800
Other mortgage debt	.....	.....	.....	10,000	10,000	10,000
Current liabilities	45,698	64,659	34,847	35,269	38,340	43,243
Notes payable	75,000	.....	.....	170,000	135,000	85,000
Accrued liabilities	6,019	6,859	13,729	18,265	20,346	15,350
Reserves	205,107	248,086	164,057	98,751	57,438	70,940
Surplus	273,601	229,473	239,290	260,575	254,344	245,266
Total	$2,324,425	$2,279,077	$2,191,923	$2,092,860	$2,015,668	$1,927,399

*Represented by 39,132 shares Common stock and 4,500 shares Pfd., both of no par value.

Officers: F. L. Carlisle, Chairman of the Board; C. E. Norris, Pres.; H. E. Machold, V-P.; R. K. Ferguson, V-P. & Sec.; E. E. Whitney, Resident Director, R. F. Burnett, Gen. Mgr.; F. A. Rogers, Treas.; H. S. Sutton, Asst. Sec.; W H. Versfelt, Asst. Treas

Directors: R. F. Burnett, F. L. Carlisle, R. K. Ferguson, W. C. Hull, Jr., H. E. Machold, R. B. Maltby, C. E. Norris, R. J. Parham, F. A. Rogers, H. S. Sutton, W. H. Versfelt, E. E. Whitney.

Offices, Oswego, N. Y., and 49 Wall St., New York.

ELECTRIC RAILWAY SECURITIES COMPANY

History—Incorporated Jan. 24, 1924, under the laws of Maine and acquired certain of the assets and assumed all of the liabilities then remaining of the Commonwealth Power Railway and Light Company. The assets so received consisted very largely of stocks and bonds of various railway companies, but there were other assets received to cover obligations assumed, some of which were not then due. All of such obligations have been paid and the Commonwealth Power Railway and Light Company was dissolved in January, 1925, by the decree of the Supreme Court of Cumberland County, Maine.

Believing it to be to the interest of the stockholders to reorganize by transferring certain of the available assets other than railway stocks and bonds to a new company, the officers and directors caused the Company to transfer such assets to the value of $1,440,000 to a new Corporation **"Utility Shares Corporation"** organized with comprehensive powers under the laws of Delaware and directed the distribution of the stock of the latter corporation pro rata to the stockholders of the Electric Railway Securities Company.

Electric Railway Securities Company owns either directly or through the Union Railway, Gas and Electric Company (of which it owns all of the Common Capital stock excepting small amounts shown in statement below) securities and other assets as follows:

$165,000 Secured Real Estate contracts receivable.

569,850 U. S. Liberty Loan Fourth 4¼% bonds, deposited as collateral to indemnity with respect to Springfield Railway and Light Company and Union Railway, Gas and Electric Company Collateral Trust bonds outstanding to the amount of $528,500 (see below).

381,702.56 U. S. Government securities and cash. Stocks, bonds and other obligations of railway companies (as shown in column 3 in table below), also real estate acquired in connection with the railways in Holland Township, Ottawa County, Mich., in Saginaw and Bay City, Mich., and in De Kalb, Ill.

Electric Railway Securities Company and the Union Railway Gas and Electric Company have capitalization and obligations outstanding in the hands of the public as follows:

80,000 shares no par value Electric Railway Securities Company capital stock.

12 shs. Union Railway, Gas and Electric Company Common stock.

267,000 Springfield Railway and Light Company Collateral Trust 5% bonds, due June 1, 1933.

Sundry accounts payable and interest accrued, not due; contingent liabilities, including Federal Taxes, etc.

The several railway companies, securities of which are owned, are as follows:

Grand Rapids RR. Co.
Michigan Electric Ry. Co.
Michigan R. R. Co.
Saginaw Transit Co.

The controlled companies furnish street railway and bus service in Grand Rapids, Saginaw, Lansing, Battle Creek, Jackson, and Kalamazoo, Mich. Interurban electric railway systems are operated in Michigna.

Distribution of Electric Railway Securities Co. Stock by Commonwealth Power Ry. & Light Co.—See 1925 Public Utility Manual, page 2014 for details.

CAPITAL STOCK

Authorized, 90,000 shares Common of no par value; outstanding, 80,000 shares.

Transfer Agents—Hodenpyl, Hardy & Co., Inc., New York, and E. W. Clark & Co., Philadelphia.

Registrars—Bankers Trust Co., New York, and Fidelity-Philadelphia Trust Co., Philadelphia.

Annual Meeting—First Tuesday in August.

STATEMENT OF SECURITIES AND OBLIGATIONS OF RAILWAY COMPANIES, OCT. 31, 1925

(Later information not published)

Grand Rapids Ry. Co.	(1) Issued and Outstanding. (a)	(2) In Hands of Public (a)	(3) *Securities Owned (a)
1st 7s of 1939	$3,118,000	$3,118,000	.....
Debenture 7s of 1944	700,000	.....	$700,000
Notes payable	79,000	79,000	.....
Open accts. indebt.	254,835	.....	254,835
Pfd. stock	2,000,000	1,500,000	500,000
Com. stock	2,000,000	.....	2,000,000
Michigan Elec. Ry. Co.—(All interest in default):			
1st & ref. 5s, "A," 1948	$7,190,500	$5,967,400	$1,223,100
Jack. Consol. Tr. Co. 1st 5s (past due)	28,000	28,000	.....
Jack. Battle Creek Tr. Co. 5s (past due)	28,000	28,000	.....
Notes payable	75,659	75,659	.....
Open account indebt.	116,250	.....	116,250
Cont. for car equip.	149,948	.....	149,948
Pfd. stock "A"	6,228,600	5,784,000	444,600
Pfd. stock "B"	400,000	.....	400,000
Pfd. stock "C"	1,203,800	1,203,800	.....
Common stock	100,000sh.	2,761sh.	(b)97,239sh.
Michigan R. R. Co.—(All interest in default):			
1st 6s, 1924 (past due)	$4,050,000	$4,050,000	.....
Gen. 6s, 1924 (past due)	4,000,000	.....	$4,000,000
Cont. for car shops at Saginaw	164,088	.....	164,088
Open accts. indebt.	1,466,108	.....	1,466,108
Capital stock	4,000,000	.....	4,000,000
Gr. Rap. Holland & Chic. Ry.—(All interest in default):			
1st 7s, 1924 (past due)	$1,500,000	$1,475,000	$25,000
Open acct. indebt.	80,562	.....	80,562
Notes payable	812,376	.....	812,376
Pfd. stock	836,800	.....	836,800
Com. stock	487,900	1,600	486,300
Saginaw Transit Co.			
1st 5s, 1949	$1,184,000	$624,000	$560,000
Open acct. indebt.	16,883	.....	16,883
Pfd. stock	1,479,000	984,000	495,000
Com. stock	20,000sh.	1,141sh.	18,859sh.
(d) Rockford & Interurban Ry.—(All interest in default)			
1st Ext. 5s, 1930	$1,634,000	$1,623,000	$11,000
1st 5s, 1922	51,500	51,500	.....
Rock. & Freep. El. Ry.:			
1st Ext. 5s, 1930	478,500	478,500	.....
1st 5s, 1923	11,500	11,500	.....
Rock., Beloit & Janesville:			
1st 5s, 1930	907,000	907,000	.....
Car Tr. Notes (past due)	83,675	.....	(c)83,675
Accrd. int. on Car Tr. Notes	19,529	.....	(c)83,675
Open acct. indebt.	319,241	.....	(c)319,241
Accrd. int. on notes & open accts.	129,739	.....	(c)129,739
Notes payable	571,714	.....	(c)571,714
Pfd. stock	2,000,000	.....	2,000,000
Com. stock	2,000,000	.....	2,000,000
Janesville Traction Co.—(All interest in default):			
1st 5s. 1941	$50,000	.....	$50,000
Car Tr. Notes (past due)	35,506	.....	35,506
Accrd. int. on Car Tr. Notes	10,183	.....	10,183
Open acct. indebt.	46,108	.....	46,108
Notes payable	64,480	.....	64,480
Cap. stock	125,000	.....	125,000

*Owned by Electric Railway Securities Co. either directly or through the Union Railway Gas & Electric Co.

(a) Shares having no par value are entered in the columns at the number of shares.

(b) Represented by receipt in connection with voting trust.

(c) Pledged under Rockford & Interurban Ry. Co. First Mortgage Bond Extension Agreement, with the exception of $71,714 of notes and $4,383 of open account indebtedness.

(d) Including Rockford City Traction Co.

Officers: B. C. Cobb, Pres.; T. A. Kenney, V-P.; Jacob Hekma, V-P.; A. L. Loomis, V-P.; H. G. Kessler, Compt.; G. H. Bourne, Sec.; Geo. Sprague, Jr., Treas.; E. E. Nelson, Asst. Sec.; O. R. Coleman, Asst. Treas., New York; C. A. Pearson, Jr., Asst. Sec. & Asst. Treas., Philadelphia.

Directors: Geo. E. Hardy, B. C. Cobb, Jacob Hekma, T. A. Kenney, J. C. Weadock, A. L. Loomis, E. J. Bechtel, L. K. Thorne, W. M. Flook, New York; C. M. Clark, Philadelphia; E. S. Colman, Providence, R. I.

New York Office, 14 Wall St.

UNION RAILWAY GAS & ELECTRIC COMPANY

(Subsidiary of Electric Railway Securities Co.)

History—Incorporated June 28, 1909, in New Jersey as a holding company, and controls through stock ownership the following electric railway companies:

Grand Rapids RR. Co.
Michigan Electric Ry. Co.
Michigan R. R. Co.
Saginaw Transit Co.

which companies furnish street railway and bus service in Grand Rapids, Saginaw, Lansing, Battle Creek, Jackson and Kalamazoo, Michigan and interurban electric railway service in Michigan.

DeKalb-Sycamore and Interurban Traction Co. a subsidary operating an interurban electric railway between DeKalb and Sycamore was abandoned in 1923 and company dissolved.

On October 20, 1926 the Grand Rapids, Holland & Chicago Railway, which operated between Grand Rapids and Saugatuck, Mich. (see Manual for 1926, page 21 to 28, or apply to our Information Department) was sold at auction to Hyman Michaels Co., junk dealers, for $227,500. The proceeds from the sale, which eliminated Company's capitalization, were applied to bondholders' claims. Bondholders received 7.06277% as a final distribution.

The property of the Rockford & Interurban Railway Co. (see Manual for 1926, page 2128), all of whose Common and Preferred stock was owned by Union Railway Gas & Electric Co., was taken over by the bondholders and sold at foreclosure on November 15, 1926 for $550,000 to T. M. Ellis, Jr., Beloit, Wisconsin, who now owns the line. In July, 1926, it was stated that the Bondholders' Committee had adopted a plan for the sale to T. M. Ellis, Jr., as evidenced by a contract of sale dated July 17, 1926, of bonds deposited with the Committee under the Deposit Agreement dated November 1, 1925. The consideration for such sale was said to be in cash and was on the basis of 23½% of the face value of the bonds, which consideration, subject to Committee's necessary expenses, if any, above the amount provided for in the sale, was distributed to holders of certificates of deposit. The Bondholders' Committee representing the Rockford & Freeport Electric Railway First Mortgage 5s, due October 1, 1930, also adopted a plan for the sale to T. M. Ellis, Jr., as per contract of sale dated July 17, 1926, of deposited bonds for a cash consideration of 10½% of the face value of the bonds, less expenses. This plan was put into effect on Dec. 10, 1926 and holders of the deposited bonds received $102 per $1,000 bond, after deducting $3 per bond for expenses.

The Rockford, Beloit & Janesville RR., formerly included as part of the Rockford & Interuban Railway system, was sold at foreclosure sale on Dec. 9, 1926 for $52,000. This was the only bid for the property and was made in accordance with an arrangement under which T. M. Ellis, Jr. became the owner of the road. There were $907,000 of First Mortgage bonds, due October 1, 1930, outstanding against this property and interest had been in default since April 1, 1925.

In Apr., 1913, the Commonwealth Power Ry. & Light Co. acquired nearly all the $5,250,000 Pfd. stock of the Union Railway Gas & Electric Co. in exchange for a like amount of its own Pfd. stock with 10% of its own Common and also the $6,000,000 Common stock of the Union Co. in exchange for an equal amount of its own Common or $1,500,000 Pfd. and $4,500,000 Common. In Jan., 1924, the Electric Railway Securities Co. (formed to acquire the railway properties of the Commonwealth Power Ry. & Light Co. under the plan of separation determined upon in May, 1922) acquired from that company its holdings of Pfd. and Common stock of the Union Railway Gas & Electric Co.

The property of the Janesville Traction Co. was sold to W. C. Sparks on June 30, 1927. For last published statement see 1927 Public Utility Manual, page 2323.

CAPITAL STOCK

Authorized and outstanding, $60,000 Common Capital stock; par, $1. Practically all owned by Electric Railway Securities Co. All outstanding Pfd. stock called for redemption March 1, 1926.

Annual Meeting—First Tuesday in February.

Officers: Geo. E. Hardy, Pres., New York; C. M. Clark, V-P., Philadelphia, Pa.; Jacob Hekma, V-P.; C. H. May, V-P.; H. G. Kessler, Compt.; G. H. Bourne, Sec.; Geo. Sprague, Jr., Treas., New York; C. A. Pearson, Jr., Asst. Sec. & Asst. Treas., Philadelphia, Pa.; E. E. Nelson, Asst. Sec.; O. R. Coleman, Asst. Treas., New York.

Directors: C. M. Clark, Philadelphia, Pa.; Geo. E. Hardy, Jacob Hekma, G. H. Bourne, H. G. Kessler, C. H. May, E. E. Nelson, New York.

Office, 14 Wall St., New York.

GRAND RAPIDS RAILROAD COMPANY

(Subsidiary of Electric Railway Securities Co.)

History and Property—Incorporated April 15, 1927 in Michigan. In accordance with Plan of Reorganization of the Grand Rapids Railway Company, dated April 11, 1927, Company as of May 1, 1927 acquired all of the assets and assumed all of the indebtedness of the former company including its outstanding bonds. Owns and operates the entire electric street railway system in the city of Grand Rapids. At the election held Sept. 12, 1922, a 30-year franchise was approved by the people. The franchise is of the service-at-cost type based on an initial valuation of the property for rate making purposes of $5,500,000 plus the cost of property additions from time to time. Provision is made for a graduated return depending upon the rate of fare charged. The rates of fare in effect during 1927 were the same as those in effect during 1926, namely, 10 cents individual cash fare, and 6 tickets for 50 cents. Under these rates, Company is entitled, according to the terms of its franchise, to earn a return of 7¾% on the value of its property after deduction of operating expenses, taxes, and an allowance for retirement reserve (depreciation).

Motor Bus Service—During 1927 Company operated 8 passenger motor buses on six different routes in various sections of the city. One of these routes operates from an outlying district to the downtown or business section. The other routes are operated to extend the service of the present street car lines and transfer their passengers to and from the street cars at an intersecting point on the car line.

Company owns and operates 68 miles of track consisting of 29 miles of double track and 10 miles of single track. Equipment consists of 139 motor passenger cars, 21 service cars and 11 motor buses. Population served is estimated at 175,000.

At the annual convention of the American Electric Railway Association in October, 1927, Company received The Charles A. Coffin Award for 1927 for outstanding achievements in development of the art and science of street railway transportation.

Reorganization Plan, Dated April 11, 1927—In order to reduce the amount of indebtedness and provide a means of financing the requirements of the Grand Rapids Ry. Co., the situation demanded a reorganization which would protect the interests of Preferred stockholders. The Grand Rapids Ry. Co. had outstanding as of March 1, 1927, indebtedness consisting of $2,971,000 First Mortgage 7% Sinking Fund Gold bonds, maturing May 1, 1939; $700,000 7% Gold Debenture bonds maturing May 1, 1944; $198,045 Car Trust notes, maturing monthly up to May 26, 1929, and $419,958.88 notes and advances payable.

Plan Approved—At a special meeting held May 25, 1927, stockholders of the Grand Rapids Railway Company approved plan for reorganization involving sale of property, etc. to Grand Rapids Railroad Company which Company acquired all of the indebtedness of the former Company including its bonds.

Exchange Offer—For each one share of Preferred stock of the old company there were delivered two shares of Common stock of new company.

Subscription Offer—3,000 shares Preferred stock of new company bearing 7% cumulative dividends from May 1, 1927, 15,000 shares of Common stock of no par value of new company, and 15,000 options, each of which entitles the holder to purchase one additional share of new company Common stock at $10 per share on or before May 1, 1929, were offered for subscription in amounts of $100 or multiples to Preferred stockholders who deposited under the Plan on the following terms: 1 share 7% Preferred stock, 5 shares Common stock and 5 Options for the sum of $100. Subscription price was payable in full or in partial payments, 10% on subscription, 15% when Plan was declared operative and 25% in one month, 25% in two months and 25% in three months thereafter. Subscription offer expired May 10, 1927.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Revenue Passengers.	Transfer Passengers.	Total Passengers.
1918	24,884,739	5,990,443	30,875,182
1919	26,307,032	6,474,666	32,781,698
1920	27,813,220	6,627,889	34,441,109
1921	24,437,134	6,250,583	30,687,717
1922	24,058,780	6,191,023	30,249,803
1923	23,103,961	5,454,896	28,558,857
1924	20,122,348	4,702,670	24,825,018
1925	19,333,308	4,613,997	23,947,305
1926	19,542,920	4,798,798	24,341,718
1927	18,378,036	4,821,451	23,199,487

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value and $300,000 7% cumulative Pfd. of $100 par value; outstanding Dec. 31, 1927, 100,000 shares Common and $146,800 Pfd. Over 60% of the Common stock is owned by Union Railway Gas & Electric Co., a subsidiary of Electric Railway Securities Co. All of the outstanding Pfd. stock was subscribed for by stockholders of the predecessor company.

Transfer Agent—Secretary of Company, Grand Rapids, Mich.

Registrar—The Old National Bank, Grand Rapids, Mich.

Annual Meeting—Fourth Tuesday in January.

Dividends—Initial dividend of 1¾% was paid on Pfd. stock on Aug. 1, 1927; regular quarterly payments since, to and including May 1, 1928. Payments F, M, A & N 1.

FUNDED DEBT

(1)

$3,043,000 GRAND RAPIDS RAILWAY COMPANY FIRST SINKING FUND GOLD 7s; DUE MAY 1, 1939

Dated May 1, 1924.

Interest Payable May and November 1, at The American Exchange Irving Trust Co., New York, and Illinois Merchants Trust Co., Chicago.

Denominations—Coupon (principal may be registered), $500 and $1,000, and registered, $1,000, $5,000 and multiples; interchangeable.

Trustee—The American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000; issued $3,400,000, of which $317,000 retired by sinking fund to Dec. 31, 1927, and $40,000 held in treasury. Additional bonds can only be issued for a principal amount not exceeding 70% of the cost and additions and betterments to the property and only when net earnings for 12 consecutive months out of 14 months prior to any application for certification have been equal to twice the interest charges on the first mortgage bonds outstanding and those proposed to be issued.

Callability—Subject to call on any interest date on 30 days' notice at 105 and interest to and including May 1, 1927, and at 1% less for each successive three-year period thereafter.

Sinking Fund—Sinking fund amounts to 2½% per annum payable semi-annually, to retire bonds by purchase up to the current redemption prices or, if not so obtainable by call at these prices.

Security—Secured by a first lien on entire property formerly owned by Grand Rapids Ry. Co.

Assumed by Grand Rapids Railroad Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Michigan State tax. Pennsylvania and Connecticut four mills taxes, and Massachusetts 6% Income Tax refunded on application.

Original Offering—First publicly offered ($3,200,000) in April, 1924, at 99 and interest to yield over 7% by Dillon, Read & Co., and Spencer Trask & Co., New York, etc. and Federal Securities Corp., Chicago.

(2)

$345,000 GRAND RAPIDS RAILWAY COMPANY TWENTY-YEAR GOLD DEBENTURE 7s; DUE MAY 1, 1944

Dated May 1, 1924.

Interest Payable May and November 1 at Hodenpyl, Hardy & Co., Inc., New York. The Michigan Trust Co., Grand Rapids, Mich., Trustee. Authorized $700,000; outstanding Dec. 31, 1927, $345,000. Assumed by Grand Rapids Railroad Company. All owned by Union Railway Gas & Electric Co., subsidiary of Electric Railway Securities Co.

INCOME ACCOUNT FOR PERIOD FROM MAY 1, 1927 TO DECEMBER 31, 1927

Operating revenue	$1,035,720
Rents received	34,323
Non-operating revenue	1,637
Gross earnings	$1,071,680
Operating expenses	657,416
Taxes	81,488
Total net income	$332,776
Interest on funded debt	162,957
Interest on unfunded debt	7,345
Total interest charges	$170,302
Surplus after charges	162,474
Preferred dividends	6,841
Provision for retirements	81,105
Surplus for year	$74,528
*Times Interest Charges Earned	1.47
*Earnings Per Share—	
Preferred	$55.42
Common	0.75

*After deducting provision for retirements.

COMPARATIVE INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Year 1926 and first 4 months of 1927 cover operation by predecessor company)

	1927	1926
Operating revenue	$1,629,051	$1,727,876
Rents received	44,376	38,035
Non-operating revenue	1,925	5,036
Gross earnings	$1,675,352	$1,770,947
Operating expenses	1,005,643	1,108,709
Taxes	133,496	146,287
Gross income avail. for fixed charges, dividends and retirements	$536,213	$515,951

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property and equipment	$6,082,140
Cash and working funds	76,022
Accounts receivable	4,338
Materials and supplies	89,350
Deferred charges and prepaid accounts	7,644
Total	$6,259,494
Liabilities—	
Preferred stock	$146,800
Common shares of no par value (100,000)	2,000,000
Funded debt	3,388,000
Paving assessments not due	75,818
Accounts payable	161,075
Accrued accounts	61,380
Retirement reserve	260,620
Other reserves	91,769
Surplus	*74,032
Total	$6,259,494

*Surplus on basis of allowed return, $298,717; less automatic fare equalization deficit, $224,685—balance, $74,032.

Officers: B. C. Cobb, Pres.; L. J. De Lamarter, V-P. & Gen. Mgr.; E. J. Bechtel, V-P.; H. G. Kessler, Compt.; W. E. Livingston, Sec. & Treas.; Chas. Wigand, Asst. Treas. & Asst. Sec., New York.

Directors: Stuart E. Knappen, W. H. Anderson, Fred Z. Pantlind, Clay H. Hollister, Claude T. Hamilton, Thos. J. O'Brien, L. J. DeLamarter, Dudley E. Waters, Noyes L. Avery, J. H. Brewer, Grand Rapids, Mich.; E. W. Clark, 3rd, Philadelphia; B. C. Cobb, E. J. Bechtel, New York.

Office, Grand Rapids, Mich.

MICHIGAN ELECTRIC RAILWAY COMPANY

(Subsidiary of Electric Railway Securities Co.)

History and Property—Incorporated Sept. 25, 1923, in Michigan, and as of Dec. 1, 1923, took over the operation of the properties of the former Michigan United Railways Co. in accordance with the Plan of Reorganization of that company (see 1923 Manual, page 2051, or apply to our Information Department). Electric street railway systems are operated in Lansing, Battle Creek, Jackson and Kalamazoo, Mich., and two inter-urban divisions which operate between Kalamazoo, Battle Creek and Jackson, known as the Southern Division, and between Jackson, Lansing and St. Johns, and Lansing and Owosso, known as the Northern Division. The total mileage measured as single track is 252 miles, of which 91 miles comprises city systems and 161 miles the inter-urban systems. The majority of the inter-urban mileage is high speed third-rail operation. Inter-urban passenger stations are located in the main business sections of each city served. Through passenger service between the various cities served and Detroit is maintained over the lines of the Detroit United Railways from the city of Jackson, and direct connection with Grand Rapids is made through connection with the Michigan Railroad Co. A fast freight service is operated over lines of company and through arrangements with connecting lines, through service has been established from points in western Michigan and Chicago with eastern Michigan points, including Detroit, also Toledo, Cleveland, Akron, Canton, Youngstown and other Ohio cities and with cities in Indiana and Kentucky.

The Michigan Electric Railway Co. owns and operates 183 motor passenger cars and 2 trailers, 32 freight cars, 35 service cars, and 25 passenger motor busses. The population of the territory served is estimated to be in excess of 310,000.

Southern Michigan Transportation Co.—This subsidiary of Michigan Electric Ry. Co. was authorized by the Michigan Public Utility Commission in 1925 to establish motor bus lines between Jackson, Battle Creek and Kalamazoo and between Jackson, Lansing and East Lansing. It owns and operates 18 busses.

Control—Practically all the Common stock and a substantial amount of the Pfd. stocks and bonds are owned by Union Railway Gas & Electric Co., a subsidiary of the Electric Railway Securities Co.

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value; $6,300,000 5% cumulative Pfd., Class "A", par, $100; $400,000 5% non-cumulative Pfd., Class "B" par, $100, and $1,203,800 5% non-cumulative Pfd., Class "C", par, $100; outstanding, 100,000 shares Common, $6,228,600 5% Pfd. Class "A", $400,000 5% Pfd., Class "B", and $1,203,800 5% Pfd., Class "C". Pfd. stocks have preference for assets and dividends, ranking in the following order: Pfd. "A", Pfd. "B", Pfd. "C" and Common, and all classes of Pfd. stock are subject to redemption at par on July 1, 1953. Each class of stock has equal voting power. Transfer Agents: Hodenpyl, Hardy & Co., Inc., New York. Registrars: Bankers Trust Co., New York. Practically all the Common stock, $444,600 Pfd., Class "A", and the entire Pfd. stock, Class "B" are owned by Union Railway, Gas & Electric Co., a subsidiary of the Electric Railway Securities Co. Annual meeting, third Thursday in April. No dividends have been paid on either class of stock.

FUNDED DEBT

(1)

$7,190,500 MICHIGAN ELECTRIC RAILWAY COMPANY FIRST AND REFUNDING GOLD 5s, SERIES "A"; DUE JANUARY 1, 1948

Dated January 1, 1923.

Interest Payable January and July 1, at Bankers Trust Co., New York. Interest due January 1, 1925, and subsequent, in default.

Denominations—Coupon (principal may be registered) $50, $100, $500 and $1,000 and registered, $1,000; interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount unlimited; outstanding Dec. 31, 1927, $7,190,500, of which $1,223,100 owned by Union Railway Gas and Electric Co.

Security—Secured by a direct mortgage on entire property of Company, subject to the $790,000 below described prior liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Bondholders' Protective Committee—Willard V. King, New York City; Livingston E. Jones, Philadelphia; Geo. R. Cottrelle, Toronto, Canada; Marvyn Scudder, New York; Noah MacDowell, Jr., London, England; William F. Ingold, W. M. Flook, Sidney W. Noyes, Bernard C. Cobb, New York. Depositaries: American Exchange Irving Trust Co., New York, Capital Trust Corp., Toronto, Can., Pynchon & Co., London, Eng., and Investment Registry, Ltd., London.

(2)

$790,000 JACKSON CONSOLIDATED TRACTION CO. FIRST & REFUNDING GOLD 5s; DUE MAY 1, 1934

Dated May 1, 1904.

Interest Payable May and November 1, at Empire Trust Co., New York. Interest due May 1, 1925, and subsequent, in default.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Empire Trust Co., New York.

Provisions of Issue—Authorized issue, $1,000,000 but mortgage closed at $790,000.

Callability—Subject to call at 105 and interest on any interest date.

Security—A first lien on the properties formerly constituting the Jackson Consolidated Traction, consisting of the city lines in Jackson and interurban lines to Grass Lake, Wolf Lake, Michigan Centre, etc. a total of 30 miles. These bonds remained undisturbed in the Plan of Reorganization of Michigan United Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

There are also outstanding with public $28,000 Jackson-Battle Creek Traction Co. 5% bonds (past due).

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	Revenue Passengers Carried— City Divisions	Interurban Divisions	Tons of Freight Carried.
1919	28,316,990	2,819,617	82,499
1920	26,197,444	2,670,422	97,646
1921	22,079,871	2,248,326	63,046
1922	22,987,533	1,818,134	91,482
1923	23,381,549	1,696,192	159,553
1924	22,115,680	1,537,881	128,677
1925	22,115,990	1,204,855	108,764
1926	20,578,993	915,378	92,784
1927	——Not published——		

EARNINGS, YEARS ENDED DECEMBER 31
(1927 figures not published)

	1926	1925	1924
Gross earnings	$2,147,917	$2,309,544	$2,493,059
Operating expenses & taxes	2,102,071	2,150,215	2,250,754
Net earnings	$45,846	$159,329	$242,305
Int. & other fixed charges.	444,693	444,919	435,629
*Deficit	$398,847	$285,590	$193,324

*Before depreciation.

NOTE—Results of properties acquired Dec. 31, 1923, after giving effect to reorganization and the purchase of equipment formerly operated under lease.

Officers: B. C. Cobb, Pres.; John F. Collins, V-P. & Gen. Mgr.; E. J. Bechtel, V-P.; O. H. Degener, Sec. & Treas.; E. E. Nelson, C. Wigand and C. C. Dancer, Asst. Secs. and Asst. Treasrs.; H. G. Kessler, Compt.

Directors: B. C. Cobb, E. J. Bechtel, New York; J. F. Collins, J. R. Whiting, Jackson, Mich.; C. S. Campbell, Kalamazoo, Mich.; B. F. Davis, Lansing, Mich.; M. W. Mills, Port Huron, Mich.; G. R. Cottrelle, Toronto, Ont.; T. P. Pinckard, Windsor, Ont.

General Office, Jackson, Mich.

MICHIGAN RAILROAD COMPANY

(Subsidiary of Electric Railway Securities Co.)

History and Property—Incorporated April 17, 1919, in Michigan, and acquired the railway properties formerly owned and operated by the Michigan Railway Co. with the exception of certain leased properties. The Michigan R. R. Co. owns and operates approximately 162 miles (single track equivalent) of high-grade electric interurban railway, comprising two divisions, one extending from Grand Rapids to Kalamazoo and to Battle Creek with a branch to Allegan, and the other from Bay City through Saginaw to Flint, all in the State of Michigan. The total population of the communities served by the Company is estimated to exceed 475,000. In Grand Rapids the Company owns a private right of way into the heart of the city and a terminal station is located within one block of the main business section. In Battle Creek, the Co. also owns valuable real estate, affording it entrance over private right of way into the center of the city and providing adequate facilities for both freight and passenger traffic. In the remaining principal cities served the Co. obtains its entrances under trackage agreements, in most cases, with affiliated lines. The Company's equipment consists of 34 motor passenger cars, 6 service cars and 77 freight cars.

The Company's track is located entirely on private right of way, with the exception of about 20 miles operated under franchises, which are either unlimited in time or expire in 1932 or thereafter.

Rapid Transportation Co.—This subsidiary of Michigan Railroad Co. was authorized in 1925 to operate motor bus lines between Bay City, Saginaw, Mount Morris and Flint, and from Grand Rapids to Kalamazoo. It owns and operates 14 motor busses.

Plan of Adjustment of Indebtedness Abandoned—Over 76% of the First Mortgage Five Year 6% Gold Bonds, Series "A" due May 1, 1924, having been deposited by June 27, 1924, the Plan of Adjustment of Indebtedness dated April 5, 1924 (for description of which see 1924 Public Utility Manual, page 2509, or apply to our Information Department) was declared operative. The anticipated improvement in Company's earnings, however, had not been realized and although approximately 87% of the bonds had been deposited to Oct. 23, 1924, there were a considerable number of holders of undeposited bonds who brought or threatened to bring suit at law for recovery of amounts due for principal and interest. In view of these circumstances, it was decided by the Directors to abandon the proposed plan and to release the bonds deposited thereunder in order that holders thereof might be free to take such action as they might deem necessary for their protection. Notwithstanding the abandonment of the plan, depositing bondholders retained the benefit of the payment made to them in respect of their May 1, 1924 coupon. The rights of depositing bondholders in other respects are the same as prior to April 5, 1924.

Receiver Appointed—In Oct., 1924, Federal Judge Simons at Detroit, appointed J. F. Collins of Jackson, Mich., receiver, authorizing him to continue operations of the lines for the present. The Receiver was appointed on application of Union Railway, Gas & Electric Co. which owns most of the stock, holds $4,000,000 of Company's General Mortgage Bonds and is general creditor of the company to the amount of $1,465,903.

Bondholders' Protective Committee—Following the announcement of the abandonment of the Plan of Adjustment of Indebtedness the following Committee was organized to protect the interests of the holders of the First Mortgage bonds: Allen G. Hoyt, Chairman, Stanley A. Russell, and Wm. W. Bride with Francis J. Mullan, Sec. 55 Wall St., New York. Holders of certificates of deposit issued under the agreement of April 5, 1924 or of First Mortgage Bonds not yet deposited with the Committee were urged under date of March 6, 1925 to co-operate with the majority whose bonds had been deposited under the Bondholders' Protective Agreement by depositing their bonds or certificates of deposit with the National City Bank of New York, 55 Wall St., New York.

CAPITAL STOCK

Authorized, $5,000,000; outstanding, $4,000,000; par, $100. All except directors' qualifying shares, owned by Union Railway Gas & Electric Co., subsidiary of Electric Railway Securities Co. Annual meeting, third Thursday in April.

FUNDED DEBT

(1)

$4,050,000 FIRST MORTGAGE 5-YEAR GOLD 6s; DUE MAY 1, 1924

Dated May 1, 1919.

Interest Payable May and November 1, in New York. Interest and principal in default.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—The Equitable Trust Co. of New York and The Michigan Trust Co., Grand Rapids, Mich.

Provisions of Issue—Authorized, $10,000,000; issued, $4,500,000, of which $450,000 redeemed by sinking fund. The bonds may be issued in series bearing different rates of interest, but not to exceed 6% per annum. In addition to the $4,500,000 issued bonds, an additional $500,000 may be issued under the mortgage, provided the net earnings of the Co. for twelve consecutive calendar months ending not more than sixty days prior to the issuance of such bonds, after deducting all operating expenses, taxes, rentals, insurance and reasonable and adequate expenses or charges for current maintenance and repairs shall be not less than twice the annual interest charges on all First Mortgage bonds outstanding, including those proposed to be issued. The remaining $5,000,000 bonds may be issued for not to exceed 75% of actual and reasonable expenditures made by the Co. after May 1, 1919, or permanent extensions, enlargements and additions of and to its railway property and equipment, provided net earnings satisfy the same requirements as above set forth, with reference to the issuance of the first $500,000 of bonds.

Callability—Subject to call as a whole or in part at 101 and accrued interest at any time on 45 days' notice.

Sinking Fund—The first mortgage provides for a sinking fund to retire semi-annually $50,000 of bonds of this issue, either by purchase in the open market or by redemption under the terms of the mortgage, under which $400,000 bonds have been retired.

Reserve Fund—Under the indenture the Company must either expend annually or deposit in cash with the New York Trustee in a general reserve fund an aggregate amount equivalent to not less than 20% of its gross earnings. This amount may only be expended for maintenance, repairs, replacements and renewals, for the purchase or retirement of bonds of this issue, or for extensions, enlargements and additions to the property, but such expenditures for extensions, enlargements and additions shall not be used as a basis for the issuance of bonds, except as the general reserve fund is reimbursed to the extent of moneys used or withdrawn therefrom for such expenditures. The general reserve fund is distinct from and has no connection with the sinking fund. In addition, the mortgage provides for an accident reserve fund of substantial proportions.

Security—These bonds are secured by a direct first mortgage on the entire property of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Shearman & Sterling, New York.

Original Offering—First publicly offered ($4,500,000) in May, 1919, at 95 and interest to yield 7.21% by The National City Co., New York.

(2)

$4,000,000 GENERAL MORTGAGE 5-YEAR 6s; DUE MAY 1, 1924, AND STILL OUTSTANDING AT DEC. 31, 1927

Dated May 1, 1919.

All owned by Union Railway Gas & Electric Co. These bonds are junior in lien in every respect to the first mortgage.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1925	1924	1923	1922	1921	1920
Gross earnings	$1,103,453	$1,249,413	$1,455,313	$1,409,805	$1,367,047	$1,655,047
Operating expenses	930,539	1,008,442	1,020,958	919,328	990,814	1,211,445
Taxes	106,650	123,535	126,000	138,000	130,296	108,160
Net earnings	$66,264	$117,436	$308,355	$352,477	$245,937	$335,442
Interest on first mortgage bonds	243,000	243,000	246,500	252,500	258,500	264,525
Balance	*$176,736	*$125,564	$61,855	$99,977	*$12,563	$70,917

*Deficit.

Officers: B. C. Cobb, Pres., New York; J. F. Collins, V-P. & Gen. Mgr.; E. J. Bechtel, V-P.; O. H. Degener, Sec. & Treas.; C. Wigand, E. E. Nelson and C. C. Dancer, Asst. Secs. & Asst. Treasrs.; H. G. Kessler, Compt.

Directors: B. C. Cobb, E. E. Nelson, E. J. Bechtel, New York; Charles D. Drayton, Washington, D. C.; J. F. Collins, W. W. Tefft, C. J. Holmes, J. R. Whiting, Jackson, Mich.; Benj. F. Davis, Lansing, Mich.

Office, Jackson, Mich.

SAGINAW TRANSIT COMPANY

(Subsidiary of Electric Railway Securities Co.)

History and Property—Incorporated Sept. 10, 1923, in Michigan and acquired the street railway properties in Saginaw, Mich., formerly operated by Saginaw Bay-City, Ry. Co. (see 1923 Manual, page 2052, or apply to our Information Department), which latter company went into the hands of the receiver and ceased operations in Aug., 1921. On Nov. 1, 1923, the company commenced partial operation of its lines and most of the lines were in service by Dec. 1, 1923. The Company operates electric railway and motor bus service in Saginaw, and a short interurban line to Carrollton and Zilwaukee. Approximately 26 miles measured as single track of street railway lines are in service. The Company operates under a 15-year franchise, which was approved by the electors of Saginaw June 25, 1923. The equipment consists of 46 motor passenger cars, 6 service cars, and 29 motor buses. Population of territory served, estimated at 73,500. On August 25, 1925, voters of Saginaw authorized increasing ticket fare from 4 tickets for 25c to not in excess of 3 tickets for 25c.; cash fare remaining at 10c.

CAPITAL STOCK

Authorized and outstanding, 20,000 shares Common of no par value and $1,479,000 5% cumulative Pfd., par, $100. All of the Common shares, except 1,141 shares, and $495,000 Pfd. are owned by Union Railway Gas & Electric Co., a subsidiary of Electric Railway Securities Co. Pfd. stock is subject to call at par on July 1, 1953. Transfer Agent, office of Company, Saginaw, Mich. Registrar, Bank of Saginaw, Saginaw, Mich. Annual meeting, third Tuesday in September. Pfd. dividends are payable quarterly, J, A, J & O 1, but no dividends have been paid to Dec. 31, 1927.

FUNDED DEBT

$1,126,000 First Gold 5s, Series "A"; dated Jan. 1, 1924; due Jan. 1, 1949; int. J & J 1 at Harris Trust and Savings Bank, Chicago, Trustee, and at offices of Harris Forbes and Co., New York and Boston. Coupon (principal may be registered) $500 and $1,000, and registered, $1,000; interchangeable. Authorized amount unlimited; outstanding, Dec. 31, 1927, $1,126,000, of which $560,000 owned by Union Ry., Gas & Electric Co., a subsidiary of Electric Railway Securities Co. Secured by a first lien on entire property of company. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Otto Schupp, Pres. & Treas.; E. J. Bechtel, W. C. Wieckmann, H. V. Sinnett, V-Ps.; L. F. Swartout, Sec. & Asst. Treas.; R. E. Smith, Asst. Sec. & Asst. Treas.; H. G. Kessler, Compt.

Directors: A. A. Alderton, C. G. Christensen, Fred J. Fox, Henry T. Robinson, Otto Schupp, Edmund W. Secord, John Troy, William C. Wiechmann, Saginaw, Mich.; E. J. Bechtel, New York.

General Office, Saginaw, Mich.

CENTRALIA & CENTRAL CITY TRACTION COMPANY

History and Properties—Incorporated March 30, 1906, in Ill., for 99 years; successor to Centralia & Central City St. Ry. Municipal franchise extends for 20 years from March 30, 1906. Length of track, connecting Centralia and Central City, Ill., 3.5 miles. Gauge, standard. Rail, 60 lb. T. Motor cars 6; trail cars, 3. Power rented from Centralia Gas & Electric Co. Controls White City Park. Connects at Centralia, Ill., with the Centralia Traction Co., controlled by same interests.

CAPITAL STOCK

Authorized and outstanding, $110,000; par, $100. Stock transferred at Secretary's office. No dividends paid. Annual meeting, first Monday in May.

FUNDED DEBT

$93,500 First Mortgage Gold 5s; dated April 1, 1906; due April 1, 1926; interest April and Oct. 1, at Illinois

State Trust Co., East St. Louis, Ill., Trustee. Coupon $500; principal may be registered. Authorized issue, $100,000. Subject to call at 105 and interest on any interest date. A first lien on entire property. Interest due Oct. 1, 1923, paid April 1, 1924; none thereafter to April 1, 1928. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Earnings from operations	$10,962	$11,944	$16,462
Operating expenses, maintenance and taxes	11,678	15,788	16,721
Loss from operations	$716	$3,844	$259
Other income	350	350	350
Net loss	$366	$3,494	*$91
Bond interest	1,168	4,675	4,675
Other interest	238	334	386
Loss for year	$1,772	$8,503	$4,970

*Profit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Road and properties	$229,149	$229,149	$229,149
Cash	*67	*755	*695
Deficit	15,261	13,489	4,986
Total	$244,343	$241,883	$233,440
Liabilities—			
Capital stock	$110,000	$110,000	$110,000
Funded debt	93,500	93,500	93,500
Notes payable	5,000	6,000	6,300
Accounts payable	2,865	2,865	1,088
Interest accrued	7,444	6,275	1,600
Reserve for depreciation	25,534	23,243	20,952
Total	$244,343	$241,883	$233,440

*Overdraft.

Officers: Max Prill, Pres.; Max H. Prill, V-P. & Gen. Mgr.; John Langenfeld, Sec. & Treas., Centralia, Ill.

Directors: Max Prill, John Langenfeld, Mrs. Hanah Prill, Max H. Prill, Centralia, Ill.

Office, Centralia, Ill.

NATIONAL POWER & LIGHT COMPANY

(Supervised by Electric Bond and Share Co.)

Stock Issues, at December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Subject to Call	*Income Available for Dividends	—Dividends Paid— Rate	Amount	*Earnings per Share
$7 Pfd. (no par)	J, A, J & O 1	150,000shs.	140,295 shs	Yes	$5,628,254	$7.00	$982,067	$40.12
$6 Pfd. (no par)	.....	100,000shs.	.....	Yes	.....	....	.....	.....
Common (no par)	M, J, S & D 1	3,000,000shs.	2,545,738.5shs	...	4,646,187	0.80	2,036,652	1.83

*Including undistributed income of subsidiaries.

Bond Issue, at December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
6% Debentures, Series A	Aug. 1, 2026	F & A 1	†Unlimited	$9,500,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $9,500,000. **Interest and Discounts Accrued** in 1927, $686,673.

***Amount Available for Interest and Discounts in 1927,** $6,314,927. ***Times Interest and Discounts Earned** in 1927, 9.20.

*Including undistributed income of subsidiaries. †Subject to indenture restrictions.

History—Incorporated Dec. 7, 1925, in New Jersey, as a consolidation of a Company of the same name incorporated in 1921 in New Jersey (see 1925 Public Utility Manual, page 1348, or apply to our Information Department) and United Investors Securities Co., incorporated Nov. 2, 1925 in New Jersey, which had acquired over 90% of the Common stock of Carolina Power & Light Co. (old company) by exchanging its own Common stock for the Common stock of the Carolina Power & Light Co. on a share for share basis.

National Power & Light Company owns all the outstanding Common stocks, except directors' shares, of the Birmingham Electric Company, the Carolina Power & Light Company, the Houston Lighting & Power Company, the Knoxville Power & Light Co., the Jackson (Tenn.) Railway and Light Company and the Memphis Power & Light Company, the latter company controlling, through stock ownership, The Memphis Street Railway Company.

Acquisition of Lehigh Power Securities Corporation—Under a Plan and Agreement dated Jan. 25, 1928, the National Power & Light Co. acquired control of Lehigh Power Securities Corporation, through exchange of stock. Under the Plan the National Power & Light Company issued its $6 Pfd. stock and Common stock in exchange for the $6 Pfd. stock and Common stock of Lehigh Power Securities Corporation on a share for share basis. It was announced on May 17, 1928 that more than 97% of the outstanding stock of the Lehigh Power Securities Corp. had been deposited. The time limit for the deposit of securities was June 15, 1928. The depositaries were American Exchange Irving Trust Co., New York; The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, and Old Colony Trust Co., Boston.

Property and Service—The operating subsidiaries, either directly or through controlled companies, at December 31, 1927, served a total of 294 communities, in the states of North Carolina, South Carolina, Tennessee, Alabama and Texas. They supplied electric power and light service to 289 communities, electric railway service to 22 communities and manufactured gas service to 12 communities. In addition the subsidiaries supplied water service to 1 community and steam to 1 community, and did an ice business in 6 communities. The total population served was estimated to be 1,613,000.

The principal operating companies controlled at the end of the year and their service were as follows:

Birmingham Electric Company, supplying practically the entire electric power and light and electric railway service and the entire gas service in Birmingham, Bessemer and Fairfield, Alabama, and the electric power and light service in 8 adjacent communities, in 4 of which it also supplies gas service, and in 7 of which it also supplies electric railway service.

Houston Lighting & Power Company, supplying electric power and light service in Houston, Texas, and in 55 adjacent communities. This Company's principal generating station, the Deepwater station, has a total installed steam electric generating capacity of 65,000 kilowatts and is designed and partially built for an ultimate capacity of 180,000 k.w. The Deepwater Station is one of the largest in the South.

Jackson Railway and Light Company, supplying the entire electric power and light service, the gas service, and the railway service in Jackson, Tennessee, and the entire electric power and light service in eight adjacent communities, and doing an ice business in one community.

Knoxville Power & Light Company, supplying the entire electric power and light service in Knoxville, Fountain City and Bearden, Tennessee, and in 8 adjacent communities, and owning and operating all the electric railway lines in Knoxville and 2 adjacent communities.

Memphis Power & Light Company, supplying the entire electric power and light and gas service in the city of Memphis, Tennessee, and electric power and light service in 12 adjacent communities in Shelby County.

The Memphis Street Railway Company, supplying the entire electric railway service in the city of Mem-

phis, Tennessee, and with its subsidiary, Memphis and Lake View Railway Company, serving certain suburbs.

Carolina Power & Light Company, a merger and consolidation of the former Carolina Power & Light Company, Yadkin River Power Company, Asheville Power and Light Company, Pigeon River Power Company and Carolina Power Company, effective April 6, 1926, supplying directly or indirectly, electric power and light service to a total of 191 communities in the states of North Carolina and South Carolina, including the cities of Raleigh, Asheville, Goldsboro, Henderson, Oxford, Rockingham and Sanford in North Carolina, and Florence, Sumter, Darlington, Hartsville, Marion and Cheraw, in South Carolina; also supplying gas and electric railway service in Raleigh and Asheville and their suburbs.

In order to meet the increasing demand for electric power and light as a result of the expansion of industrial activities in the territory served, the Carolina Power & Light Company as of Dec. 31, 1927 had under construction two new hydro-electric plants, one on the Yadkin River, near Norwood, about 25 miles above the Blewett Falls hydro-electric plant, the other on the Pigeon River, to be known as the Waterville plant, near the Tennessee state line, about 35 miles northwest of Asheville. The Norwood plant will have an initial installation of 62,000 kilowatts and is designed for an ultimate generating capacity of 84,000 kilowatts, while the Waterville plant will have an initial installation of 67,000 kilowatts and is designed for an ultimate generating capacity of about 100,000 kilowatts. It is expected that the Norwood plant will be placed in operation early in 1928 and the Waterville plant during 1929. These will be among the largest plants in the South.

Statistical Data—The estimated number of consumers served by all the present operating subsidiary companies of the National Power & Light Company and the physical equipment of the properties of these subsidiaries as of September 30, 1927, and the output for the twelve months ended that date, compared with corresponding statistics as reported for the four previous years ended December 31, follow:

	†1927	1926	1925	1924	1923
Electric consumers	263,751	244,880	219,067	187,514	157,903
Manufactured gas consumers	77,078	73,956	67,005	61,879	55,449
Miscellaneous consumers	2,431	1,441	1,453	1,388	1,328
Total consumers	343,260	320,277	287,525	250,781	214,680
Number of street railway passengers carried during 12 months	157,732,611	155,032,175	152,406,620	152,277,149	145,077,309
Kilowatts generating capacity	265,193	*240,104	*239,636	*223,490	160,810
Kilowatts generating capacity under construction	129,000	154,000	62,000	26,000	75,000
Kilowatt-hour generating station output (includ. power pur.) for 12 mos	1,289,100,200	1,158,156,900	939,281,500	782,742,600	689,178,600
Miles of high voltage transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	2,767	2,281	1,835	1,529	1,053
Miles of high voltage transmission lines (11,000 volts and over) under construction	250	289	120	147	80
Miles of electric distributing system (less than 11,000 volts) in service	4,397	4,064	3,656	3,214	2,640
Total miles transmis. & distribution system (all voltages) in operation	.....	6,345	5,491	4,743	3,693
Gas generating capacity (thousand cubic feet per day)	19,186	15,116	14,940	14,940	14,100
Gas holder capacity (thousand cubic feet)	15,121	15,221	15,126	10,066	7,066
Manufactured gas sendout (thousand cubic feet) for 12 months	4,104,392	3,870,792	3,448,677	3,223,445	2,834,804
Miles of street and interurban railway track	422	418	417	415	412
Miles of gas mains	887	833	728	646	583
Miles of water mains	31	14	20	20	.....

*Includes leased generating capacity of 2,053 k.w. in 1926 and 1,660 k.w. in 1925 and 1924. †Year ended Sept. 30, 1927.

NOTE—The total connected load at Dec. 31, 1926 aggregated 687,329 Kilowatts, of which 356,659 (52%) represented commercial power, 289,366 (42%) represented commercial and residential lighting, and 41,304 (6%) represented miscellaneous sales.

Statistical Data—The estimated population and the total number of communities and consumers served by all the present operating subsidiary companies of the National Power & Light Company (including the subsidiaries of the Lehigh Power Securities Corporation), together with the physical equipment of the properties of these subsidiaries as of December 31, 1927, and the output for the twelve months ended that date, compared with corresponding statistics for the two previous calendar years, follow:

	1927	1926	†1925
Population served	3,077,000	2,939,000	2,362,000
Number of communities served:			
with electric power and light	807	671	459
with electric railway	‡164	166	104
with manufactured gas	40	40	31
with water	8	5	2
with steam heat	3	3	2
with ice	9	6	1
Total communities	840	704	483
Number of consumers served:			
with electric power and light	590,633	533,023	404,666
with manufactured gas	137,581	133,045	104,184
with water	6,849	5,543	1,176
with steam heat	2,015	2,006	822
Total consumers	737,078	673,617	510,848
Passengers carried during twelve months	‡248,669,066	261,431,469	234,223,094
Kilowatts generating station capacity—installed	*638,944	*584,925	*474,093
Kilowatts generating capacity under construction	164,000	190,000	132,000
Kilowatt-hours generating station output (including power purchased) for twelve mos.	2,611,225,900	2,349,534,800	1,737,003,900
Miles of electric lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	4,321	3,583	2,921
Miles of electric lines (11,000 volts and over) under construction	246	321	367
Miles of electric lines (less than 11,000 volts) in service	11,185	9,942	7,367
Total miles of electric lines (all voltages) in operation	15,506	13,525	10,288
Gas works capacity (thousand cubic feet) per day	33,651	30,921	25,925
Gas holder capacity (thousand cubic feet)	20,932	20,332	18,635
Gas sendout (thousand cubic feet) for twelve months	6,109,717	5,872,465	4,628,623
Miles of gas mains	1,354	1,297	1,045
Miles of water mains	72	55	20
Miles of electric railway (single track equivalent)	‡920	956	726
Ice plant capacity, tons per day	155	105	30

†Not including Harrisburg Light and Power Company, Lancaster County Railway and Light Company and Valley Railways and subsidiaries acquired in 1926. ‡Decrease reflects sale of certain properties. *Includes leased electric generating capacity of 3,048 kilowatts at Dec. 31, 1927; 2,053 kilowatts at Dec. 31, 1926, and 1,710 kilowatts at Dec. 31, 1925.

CAPITAL STOCK

Authorized, 7,500,000 shares Common stock, 150,000 shares $7 cumulative Pfd. and 500,000 shares $6 cumulative Pfd., all of no par value; outstanding Dec. 31, 1927, 2,545,738.5 shares Common, and 140,295 shares $7 Pfd.; both classes of Pfd. without par value.

Capital Stock Increase—Stockholders of the Company, on Feb. 21, 1928, approved increase in the authorized capital stock of the Company from 3,000,000 shares Common and 100,000 $6 Pfd. to 7,500,000 shares Common and 500,000 shares $6 Pfd. to permit completion of the merger with the Lehigh Power Securities Corp. It is estimated that upon completion of exchange of stock for stock of Lehigh Power Securities Corp., there will be 5,216,005 shares Common and 241,680 shares Pfd. outstanding, consisting of 140,295 shares $7 Pfd. and 101,385 shares $6 Pfd.

Preferred Stock Provisions—The $7 and $6 Pfd. stocks are entitled in preference to the Common stock to dividends at the rate of $7 and $6 per share per annum, respectively, and are entitled to $100 per share in preference in liquidation. Both classes of Pfd. are redeemable at $110 per share and accrued dividends. Pfd. stock is non-voting with certain limited exceptions.

Transfer Agent (Both Classes)—Registrar & Transfer Company, New York.

Registrar (Both Classes)—The Corporation Trust Co., New York.

Annual Meeting—Second Wednesday in November.

Offering—100,000 shares of $7 Pfd. stock publicly offered in Feb., 1926, at $100 per share and accrued dividend by The Old Colony Trust Co., Boston. W. C. Langley & Co., Bonbright & Co., Inc., and Toerge & Schiffer, New York, and Tucker, Anthony & Co. and Jackson & Curtis, New York and Boston.

101,126 shares $6 Pfd. were publicly offered in March, 1928, at 102 and accrued dividend by W. C. Langley & Co. and Bonbright & Co., Inc., New York.

Listed—Common stock listed on New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922
$7 Preferred—						
High	111½	105	102	95	87½	80
Low	101	96	95½	85¼	80¼	59½
Common—						
High	26¾	38⅜	*36⅝	204	60½	39½
Low	19⅝	16¾	*28⅞	72½	39	25

*New stock. Old Common stock quoted in 1925: High, 350; low, 191½.

Dividends—Initial quarterly dividend of $1.75 a share on Pfd. was paid April 16, 1923, and since to date at same rate; payments now J, A, J & O 1. Initial quarterly dividend of $1.50 per share was paid on the $6 Pfd. May 1, 1928; payments quarterly, F, M, A & N 1. Initial quarterly dividend of $1.50 a share on Common paid June 2, 1924 and at the same rate to Dec. 1, 1925; initial dividend of 10 cents a share on new Common was paid March 1, 1926; June 1, 1926, 10 cents a share; Sept. 1, 1926 and since to March 1, 1928 inclusive, 20 cents a share quarterly; June 1, 1928, rate increased to 25 cents per share quarterly; payments, M, J, S & D 1.

FUNDED DEBT

$9,500,000 6% GOLD DEBENTURES, SERIES "A"; DUE AUGUST 1, 2026

Dated August 2, 1926.

Interest Payable February and August 1, at Central Union Trust Co. of New York.

Denominations—Coupon debentures in interchangeable denominations of $100, $500 and $1,000, registerable as to principal only. Fully registered debentures of $1,000 and $10,000. Coupon debentures in denominations of $1,000 and fully registered debentures interchangeable.

Trustee—Central Union Trust Company of New York.

Provisions of Issue—Issued, $9,500,000 Series "A" 6s. The Agreement provides that Debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights, limitations and provisions permitted by the Agreement as the Directors or Executive Committee of Company may determine prior to issue thereof. The Agreement also provides, among other things, that no additional Debentures may be issued under said Agreement (except for refunding purposes) unless net income of the Company, as defined in Agreement, for 12 consecutive calendar months within the 15 calendar months immediately preceding request for authentication, shall have been not less than twice the annual interest charges upon all indebtedness of the Company, including Debentures to be issued, but excluding indebtedness to be concurrently paid off and indebtedness the interest charges on which are subordinated to the interest charges on Debentures.

Purpose of Issue—Proceeds of Series "A" Debentures used in retirement of National Power & Light Company's 7% Income bonds, due Jan. 1, 1972, all of which were called for redemption on Sept. 1, 1926.

Callability—Subject to call as a whole or in part on 30 days' notice, to and including Aug. 1, 2010, at 110 and interest; thereafter to and including Aug. 1, 2020, at 105 and interest, and thereafter at par and interest.

Security—These Debentures are the direct obligation of Company; not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Pennsylvania 4 mills tax refundable.

Legal Opinion—Seibert & Riggs, New York (for the bankers).

Original Offering—First publicly offered ($9,500,000) in August, 1926, at 98 and interest, to yield over 6.10%, by Old Colony Corp., W. C. Langley & Co., Bonbright & Co., Inc., Tucker, Anthony & Co., Jackson & Curtis, Hale, Waters & Co., and Toerge & Schiffer, New York, etc.

Price Range—

	1927	1926
High	108	99½
Low	98½	97⅞

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	†1926	†1925
Gross earnings of subs.	$37,067,679	$33,544,895	$29,800,043
Net earnings of subsidiaries	14,594,915	13,463,453	11,535,545
*Gross earnings of National Power & Light Co. and undistributed income of sub. cos. applicable to National Power & Light Co. (after Renewal & Replacement Approp.)	6,424,554	6,065,391	4,640,270
Exps. of National Pwr. & Light Co.	109,627	91,661	85,607
Int. deductions of N. P. & L. Co.	686,673	616,636	653,525
Bal. applicable to N. P. & L. Co. dividends	$5,628,254	$5,357,094	$3,901,138
Pfd. dividends paid	982,067	906,233	279,650
Bal. applicable to N. P. & L. Co.	$4,646,187	$4,450,861	$3,621,488
Common dividends paid	2,036,652	1,527,242	732,471
Combined undistrib. inc.	$2,609,535	$2,923,619	$2,889,017
Times Interest Earned	9.20	9.68	6.97
Earnings Per Share—			
$7 Preferred	$40.12	$38.18	$96.80
Common	1.83	1.75	1.42

*Renewal and replacement (depreciation) appropriations for the twelve months ended Dec. 31, 1927, were $3,092,997; for the twelve months ended Dec. 31, 1926, were $2,837,921, and for the twelve months ended Dec. 31, 1925, were $2,529,494.
†Combined income account, being for the period from Jan. 1 to Dec. 7, 1925, the earnings of the former National Power & Light Co. and of the present National Power & Light Co. from its organization on the latter date until Dec. 31, 1926, and the earnings for each twelve month period of all the subsidiaries controlled by National Power & Light Co. at the end of such period.

GENERAL BALANCE SHEET, DECEMBER 31
(National Power & Light Company)

Assets—	1927	1926	1925
Investments	$48,701,913	$48,147,143	$45,851,821
Cash	2,831,724	1,825,165	254,944
Notes & loans receivable	6,663,200	8,543,700	4,711,440
Accounts receivable	2,257,902	614,451	439,672
Unamort. disc. & expense	697,695	673,657	.....
Deferred items	.....	.....	4,998
Total	$61,152,434	$59,804,116	$51,262,875
Liabilities—			
†Capital stock	$46,347,929	$46,348,929	$36,941,744
Fifty-Year Income bonds	.....	.....	*8,417,100
6% Debentures due 2026	9,500,000	9,500,000	.....
Dividends declared	245,516	245,516	70,521
Notes & loans payable	.....	.....	2,397,000
Accounts payable	54,550	79,916	145,835
Accrued interest, etc.	266,175	237,500	104,848
Subscrips. to Pfd. stock of subsidiaries	17,816	....	.....
Reserve	305,159	260,599	405,533
Surplus	4,415,289	3,131,656	2,780,294
Total	$61,152,434	$59,804,116	$51,262,875

*Redeemed Sept. 1, 1926. †Represented by 2,545,739 Common shares and 140,295 Pfd. shares in 1927, 2,545,814 Common shares and 140,295 Pfd. shares in 1926 and 2,544,150 Common shares and 40,298 Pfd. shares in 1925.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED NOVEMBER 30, 1927

(Summary of consolidated earnings (inter-company items eliminated) of National Power & Light Co. and Subsidiaries, and after giving effect to the exchange of outstanding stocks of Lehigh Power Securities Corp. for stocks of National Power & Light Co.)

Gross earnings of operating subsidiaries	$75,713,495
Net earnings of operating subsidiaries	31,702,781
Gross earnings of National Power & Light Co. and undistributed income of subsidiaries applicable to National Power & Light Company after appropriations of $6,278,238 for renewals and replacements (depreciation)	$10,490,283
Expenses of National Power & Light Co.	106,276
Interest deductions of National Power & Light Co.	683,963
Balance	$9,700,044
Annual dividend requirements on all National Power & Light Co. $6 and $7 Pfd. stock to be outstanding upon completion of exchange of stock	$1,590,375

Officers: H. C. Abell, Pres.; E. W. Hill, V-P.; C. E. Groesbeck, V-P.; S. W. Murphy, V-P.; F. B. Odlum, V-P.; E. P. Summerson, Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Treas.; G. J. Hickman, Asst. Treas.; Alexander Simpson, Asst. Treas.; A. E. Smith, Compt.; W. C. Lang, Asst. Compt., New York.

Directors: S. Z. Mitchell, Chairman; H. C. Abell, N. F. Brady, C. E. Groesbeck, George H. Howard, Lewis E. Pierson, William C. Potter, G. N. Tidd, A. A. Tilney, E. B. Tracy, William T. Wallace, J. K. Newman, New York; Paul H. Saunders, New Orleans, La.; H. C. Trexler, Allentown, Pa.; S. D. Warriner, Philadelphia, Pa.

Office, 2 Rector Street, New York.

BIRMINGHAM & EDGEWOOD ELECTRIC RY.

(Controlled by National Power & Light Co.)

History—Incorporated July 15, 1909, in Alabama, to build a standard gauge electric line to connect Birmingham, Rosedale, Edgewood and Oak Grove, of which 4.5 miles completed. Has franchise in City of Birmingham for thirty years.

CAPITAL STOCK

Authorized, $25,000; outstanding, $15,000; par, $100. Stock control held by National Power & Light Co.

FUNDED DEBT

None.

Officers and Directors: J. S. Pevear, Pres., J. P. Ross, Sec.; N. H. Hawkins, Treas., Birmingham, Ala.

General Office, Birmingham, Ala. New York Office, 2 Rector Street.

BIRMINGHAM ELECTRIC COMPANY

(Controlled by National Power & Light Co.)
(Supervised by Electric Bond and Share Co.)

History—Incorporated March 25, 1924, in Ala., as successor in reorganization to the Birmingham Ry., Light & Power Co. (see Manual for 1923, page 2622), whose operating properties were acquired by the Company under foreclosure sale on March 31, 1924, together with other properties formerly owned by certain of the old Company's subsidiaries and certain properties acquired during the receivership, viz., Bessemer Gas Co., Norwood Street Ry. Co. and Birmingham-Tidewater Ry. Co. As a result of the reorganization the Birmingham Electric Co. now does practically the entire electric power and light, and street railway business and the entire gas business in the cities of Birmingham, Fairfield and Bessemer, Ala., and either the electric business in eight adjacent communities, in four of which it also supplies gas service and in seven of which it supplies electric railway service, serving a population estimated to exceed 305,000. The properties include an electric power and light system serving 58,900 consumers; gas systems at Birmingham, Fairfield, Bessemer and four other communities serving 36,142 consumers, with gas output of 2,348,852 cu. ft. during 1927, a steam heating system serving 327 consumers, and a street railway system which carried a total of 68,395,949 passengers during 1927.

The territory served by the Company constitutes practically all of the widely known "Birmingham District" and includes Birmingham, Fairfield and Bessemer, Alabama, as well as eight adjacent communities. Immediately to the south of Birmingham are extensive iron ore deposits and coal fields, while to the north there are large limestone deposits as well as additional iron ore and coal. Nowhere else in the world, so far as is known, do the essential elements for the manufacture of iron and steel exist both in such close proximity and abundance, with the result that the "Birmingham District" has become one of the most important iron and steel manufacturing centers in the country.

Property and Purchase Contracts—Electricity is purchased from Alabama Power Co. and is for the most part generated at that company's large hydro-electric plants. As Alabama Power Co. is itself one of the largest power generating companies in the South and as its system is connected with all the major power companies in the states of Georgia, Tennessee, North Carolina and South Carolina, the Birmingham Electric Co. is assured of a continuous and adequate supply of electric power at all times. Electricity is distributed by the Company over 110 miles of high voltage lines and 816 miles of distribution system. The Birmingham Electric Co. also owns a steam electric generating station with an installed generating capacity of 11,700 k.w. which is now maintained principally for standby purposes.

The gas distributed by the Company in Birmingham is purchased from the by-product coke plant of Sloss-Sheffield Steel & Iron Co. Additional supplies of gas for the Company's present or future needs are available from other large by-product coke plants in the territory served. The Company's gas system includes, in addition to gas generating capacity aggregating 4,870,000 cubic feet per day, which is maintained for standby purposes only, all necessary equipment for purifying the raw gas purchased under contract mentioned above, six holders with an aggregate storage capacity of 9,381,000 cubic feet, and 410 miles of mains.

The street railway system consists of double and single track lines, equivalent to approximately 182

miles of single track. The rolling stock includes 343 passenger cars and other cars and 4 buses.

Franchises—The Company holds from the various governmental subdivisions in which its utility systems are operated valid franchises permitting such operation, all of which are of satisfactory character and are generally free from burdensome conditions. The principal electric and gas franchises and the franchises covering more than 75% of the railway mileage (including substantially all of the major units in the system) are, in the opinion of counsel, without limit as to time and are perpetual. Bus competition with the street railway system was eliminated by municipal ordinance in 1923. The Company's rates, including street railway fares, are subject to the regulation of the Alabama Public Service Commission.

Supervision—The operation of the company's property is supervised, under the direction and control of its own board of directors, by the Electric Bond and Share Co.

Service and Property—The total number of consumers served by the Company and its physical properties as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with the five previous years, follow:

	1927	1926	1925	1924	1923	1922
Electric consumers	58,900	53,891	48,303	39,664	34,760	30,087
Gas consumers	36,142	33,555	29,963	26,558	23,213	20,579
Steam heating consumers	327	286	277	261	259	257
Total consumers	95,369	87,732	78,543	66,483	58,232	50,923
Street railway passengers carried during 12 months	68,395,949	70,775,374	69,235,321	66,795,464	58,908,294	51,747,332
Kilowatts generating station capacity installed	11,700	11,700	11,700	11,700	11,700	11,700
Kilowatt-hours generating station output (including power purchased) for twelve months	289,073,000	249,274,200	223,170,300	193,267,000	162,443,200	130,652,900
Miles transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	110	104	97	90	87	106
Miles of electric distributing system (less than 11,000 volts) in service	816	786	718	642	548	518
Gas works capacity (thousand cu. ft. per day)	4,870	4,870	4,870	4,870	4,870	4,870
Gas holder capacity (thousand cu. ft.)	9,381	9,381	9,386	4,326	4,326	4,326
Gas output (thousand cu. ft.) for twelve months	2,348,852	2,084,506	1,851,336	1,672.893	1,459,790	1,186,078
Miles of street railway track in operation	182	175	174	173	180	179
Miles of gas mains	410	379	337	278	243	226

CAPITAL STOCK

Authorized 1,000,000 shares Common of no par value; 75,000 shares $7 cumulative Preferred of no par value, and 75,000 shares $6 cumulative Preferred of no par value; outstanding Dec. 31, 1927, 800,000 shares Common, 48,273 shares $7 Preferred and 8,537 shares $6 Preferred.

Preferred Stock Provisions—Both $6 Preferred and $7 Preferred have preference pari passu over Common stock as to assets and dividends, being entitled to $100 per share and accrued dividends in case of liquidation. Both classes are redeemable in whole or in part at any time on 30 days' notice at 110 and accrued dividends upon vote of majority of outstanding Common stock.

Transfer Agents—Birmingham Trust & Savings Co., Birmingham, Ala., and Registrar and Transfer Co., Jersey City, N. J.

Registrars—The First National Bank of Birmingham, Birmingham, Ala., and Corporation Trust Co., Jersey City, N. J.

Annual Meeting—Fourth Tuesday in March.

Original Offering—20,000 shares of Pfd. stock were publicly offered in Dec., 1924, at 98 and accrued dividend to yield about 7.14%, by Old Colony Trust Co., and Jackson & Curtis, Boston, W. C. Langley & Co., and Spencer Trask & Co., New York, etc.

Dividends have been paid regularly on the $7 Preference stock since issuance, the initial dividend having been paid July 1, 1924. Dividends on the $6 Preferred have been regularly paid since July 1, 1927. Payments on both classes quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$8,449,000 BIRMINGHAM RAILWAY, LIGHT & POWER CO. GENERAL MORTGAGE REFUNDING GOLD 4½s; DUE APRIL 1, 1954

Dated April 1, 1904.

Interest Payable April and October 1, at Canal-Commercial Trust & Savings Bank, New Orleans, La., and New York Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Canal-Commercial Trust & Savings Bank, New Orleans, La.

Provisions of Issue—Authorized issue, $10,000,000, but mortgage closed. Outstanding, Dec. 31, 1927, $8,449,000.

Callability—Subject to call at 105 and interest on any interest date upon sixty days' notice.

Sinking Fund—A sinking fund of ½ of 1% per annum of bonds outstanding, commencing Aug. 1, 1924, to be used in purchasing the bonds at not over 105.

Security—A first lien on the entire gas (except the Bessemer gas plant) and certain electric power and light property of the company, and on a substantial portion of the street railway mileage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	93⅛	89½	87	77½	77¾	65	68
Low	92	88¼	85	77	73½	63½	61	53

(2)

$8,000,000 BIRMINGHAM ELECTRIC CO. FIRST & REFUNDING MORTGAGE GOLD BONDS, 6% SERIES DUE 1954; DUE APRIL 1, 1954

Called for redemption on April 1, 1928 at 105 and interest at Central Union Trust Co. of New York, Trustee.

(3)

$9,200,000 BIRMINGHAM ELECTRIC COMPANY FIRST AND REFUNDING MORTGAGE GOLD BONDS, 4½% SERIES DUE 1968; DUE MARCH 1, 1968

Dated March 1, 1928.

Interest Payable March and September 1 at Central Union Trust Co. of New York.

Denominations—Coupon, $1,000; principal may be registered and fully registered bonds in $1,000 denomination and authorized multiples.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, open; issued, $8,000,000 6% Series due 1954 and $9,200,000 4½% Series due 1968, of which the 6% Series due 1954 were called for payment April 1, 1928. Additional bonds either of these series or of other series having such rates of interest, maturity dates and other provisions as the Board of Directors may determine and as are permitted by the mortgage, may be issued as follows: (a) $3,100,000 at any subsequent time at the option of the Company against the mortgaged property as of May 1, 1924; (b) for the purpose of refunding an equal principal amount of bonds of any series outstanding under the mortgage or of outstanding underlying or prior lien bonds; or (c) for not more than 75% of the cost or fair value, which is less, of construction or

acquisition of additions to the properties made subsequent to May 1, 1924.

No additional bonds may, however, be issued, except for refunding purposes, unless net earnings as defined in the mortgage for twelve consecutive calendar months out of the fifteen immediately preceding application for issue shall have been at least equal to either (1) twice the actual annual interest requirements on, or (2) twice 6% of the principal amount of all outstanding underlying and prior lien bonds and all bonds issued and outstanding under the mortgage, including those proposed to be issued.

The mortgage contains certain provisions permitting the modification or alteration thereof or of any supplemental indenture, in any particular, and of the rights and obligations of the Company and of the holders of bonds and coupons, with the assent of the Company and of the holders of not less than 85% in aggregate principal amount of the outstanding bonds; provided that the consent of 95% in aggregate principal amount of the outstanding bonds shall be necessary in the case of any such modification or alteration permitting among other things, either (a) the extension of the maturity of any bond, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest, or (b) the creation of any lien ranking prior to or on a parity with the lien of the mortgage with respect to any of the property covered thereby.

Purpose of Issue—Proceeds were used for the retirement of $8,000,000 First and Refunding Mortgage Gold bonds, 6% Series, due 1954, called for payment April 1, 1928, and for other corporate purposes.

Callability—Subject to call on the first day of any month on 30 days' notice at 102 through Feb. 1, 1933; thereafter at 101½ through Feb. 1, 1938; thereafter at 101 through Feb. 1, 1963; thereafter at 100½ through Feb. 1, 1967; and thereafter prior to maturity at 100; plus accrued interest in each case.

Provisions for Maintenance and Renewals—The mortgage contains a covenant on the part of the Company that it will at all times make such expenditures (by means of repairs, maintenance, renewals and replacements or otherwise) as shall be necessary to maintain, preserve and keep the mortgaged property in thorough repair, working order and condition and to maintain and preserve the efficiency of the Company's plants and properties, and provides for the filing annually with the Trustee of an engineer's certificate showing that, to the extent required in the mortgage, the Company has done so, or that additional expenditures should be made for these purposes, and upon the final determination of the question in the manner provided in the mortgage, the Company must deposit with the Trustee cash or underlying or prior lien bonds or bonds issued under the mortgage to be used and withdrawn only for the purposes specified in the mortgage.

Security—These bonds are secured by a first mortgage on about 15% of the street railway mileage, certain rolling stock, the Bessemer gas plant and other minor portions of the property, and subject to one closed issue of $8,449,000 4½% bonds of the former Birmingham Ry., Light & Power Co., by a mortgage on the balance of the properties owned by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded upon application to holders resident in that state.

Legal Investment for Savings Banks in Maine.

Original Offering—First publicly offered ($9,200,000) in February, 1928, at 95¼ and interest, to yield 4.77%, by Harris, Forbes & Co., Bonbright & Co., Inc., Tucker, Anthony & Co., Old Colony Corp., New York; Harris, Forbes & Co., Inc., Boston; Harris, Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$10,083,864	$9,472,159	$8,603,013	$7,854,660	$7,122,569	$6,138,158
Operating expenses, including taxes	6,651,939	6,162,123	5,713,034	5,273,202	4,802,591	4,405,590
Net earnings from operation	$3,431,925	$3,310,036	$2,889,979	$2,581,458	$2,319,978	$1,732,568
Other income	6,810	23,541	30,405	17,292		
Total income	$3,438,735	$3,333,577	$2,920,384	$2,598,750	Not	
Interest on bonds	861,705	864,505	869,334	848,789		
Other interest and deductions	91,173	40,271	34,075	82,834		
Balance	$2,485,857	$2,428,801	$2,016,975	$1,667,127	Available	
Dividends on Preferred stock	356,054	303,248	227,859	105,000		
Balance	$2,129,803	$2,125,553	$1,789,116	$1,562,127		
Renewal and replacement reserve	776,730	776,730	691,401	598,512		
Balance for surplus	$1,353,073	$1,348,823	$1,097,715	$963,615		
*Times Interest Earned	3.99	3.86	3.36	3.06		
Earnings Per Share—						
Preferred (outstanding at Dec. 31)	$43.75	$51.35	$52.53	$83.35		

*Before deducting other interest and deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plants and investments	$46,399,495	$44,381,728	$42,139,690
Cash	956,998	720,229	399,893
Notes and loans receivable	18,089	10,059	41,941
Accounts receivable	887,218	682,203	497,971
Materials and supplies	574,603	575,740	546,539
Prepaid accounts	43,544	51,820	47,898
Reacquired securities (Pfd. stock)			110,530
Trust funds & spec. deposits	440,953	836	3,976
Deferred debits	61,366	14,025	9,606
Total	$49,382,266	$46,436,640	$43,798,044

Liabilities—	1927	1926	1925
Capital stock	†$23,858,554	*$22,930,279	$22,038,884
Subscrips. to Pfd. stock	190,397		
Funded debt	16,449,000	16,493,000	16,593,000
Divds. declared	898,113	285,750	230,000
Notes and loans payable	1,993,400	1,101,000	284,922
Accounts payable	426,698	599,513	562,485
Consumers' deposits	954,412	875,565	728,322
Accrued accounts	975,186	745,453	638,304
Underlying bonds called for redemption	1,200		
Matured int. funded debt	439,403		
Paving assessments	134,213	172,628	211,786
Deferred credits	673		
Reserves	1,410,394	1,536,335	1,493,953
Surplus	1,650,622	1,697,117	1,016,389
Total	$49,382,266	$46,436,640	$43,798,044

*Represented by 47,302 shares cumulative Preferred stock and 800,000 shares Common stock without nominal or par value.
†Represented by 48,273 shares $7 Pfd., 8,537 shares $6 Pfd. and 800,000 shares Common stock of no par value.

Officers: E. W. Hill, V-P.; R. H. Smith, V-P., New York; J. S. Pevear, V-P. & Gen. Mgr.; J. P. Ross, Sec. & Treas., Birmingham, Ala.; E. P. Summerson, H. L. Martin, Asst. Secs.; A. C. Ray, A. Simpson, Asst. Treas'rs., New York; N. H. Hawkins, Asst. Sec. & Asst. Treas.; H. E. Cox, Mgr., Birmingham, Ala.

Directors: J. A. Debus, E. P. Summerson, R. H. Smith, W. H. Schweikhardt, H. L. Martin, New York, N. Y.

Office, Birmingham, Ala. **New York Office,** 2 Rector Street.

CAROLINA POWER & LIGHT COMPANY

(Controlled by National Power & Light Company)

(Supervised by Electric Bond and Share Co.)

History and Properties—Incorporated in 1926, in North Carolina as a consolidation of old Carolina Power & Light Company, Yadkin River Power Co., Asheville Power and Light Company (see 1925 Public Utility Manual, pages 753 to 758, or apply to our Information Department), Pigeon River Power Co., and Carolina Power Co. The purpose of this merger and consolidation was to stabilize production and make ample electric power and light service continuously available and to raise needed capital for large new power developments and important additions to the present properties. In Jan., 1928, Company acquired the properties of the South Carolina Power & Light Co.

The Company supplies directly or indirectly electric power and light service in more than 190 communities in North Carolina and South Carolina, including Raleigh, Asheville, Goldsboro, Henderson, Oxford, Sanford and Rockingham, N. C., and Cheraw, Florence, Marion and Darlington, S. C. It also supplies the street railway and gas service in Raleigh and Asheville. The total population served is estimated at over 435,000. More than 72,000 consumers are served.

Physical properties owned include electric plants with a present installed generating capacity of 84,710 k.w. The two principal stations are a modern new steam station with a present installed generating capacity of 30,000 kw., located on the Cape Fear River, near Moncure, N. C., placed in service in Dec., 1923, and a hydro-electric plant with a present installed generating capacity of 24,000 kw., located at Blewett Falls, on the Yadkin River, near Rockingham, N. C. Other stations have a present installed generating capacity of 34,610 k.w. (including 1,660 k.w. leased capacity) and an additional 34,000 k.w. is purchased under contract from other companies. Of this 118,710 k.w. aggregate available power supply, 57% is hydro-electric. The electric transmission system owned includes 1,820 miles of high voltage transmission lines and 1,565 miles of distributing system. The gas works, located in Raleigh and Asheville, have an aggregate daily generating capacity of 2,140,000 cu. ft. and an aggregate holder capacity of 740,000 cu. ft. The street railway systems in Raleigh and Asheville comprise approximately 34 miles of track.

In order to meet the increasing demand for electrical energy as a result of the expansion of industrial activities in the territory served, there are now under construction two new hydro-electric plants; one on the Yadkin River near Norwood, to have an initial installation of 62,000 k.w.; the other on the Pigeon River on a site near the Tennessee State line, about 25 miles northwest of Asheville. This plant is to have an initial installation of 67,000 k.w. The construction of these plants together with other plans for extensions and improvements, will make necessary the building of a number of new sub-stations and a large aggregate mileage of high voltage transmission system.

Sale of Durham Gas Properties—Company sold its gas properties at Durham, N. C. to Southern Cities Utilities Co., effective Jan. 17, 1928. The properties are being operated by the Southern Cities Utilities Co. under the name of Durham Gas Co.

Franchises—Operations are carried on under favorable franchises, none of which, with few exceptions, expires prior to 1956, while some are unlimited as to time and most of them extend to 1971 or beyond. Transmission lines are on private right of way, held either in fee or through easement.

Supervision—The operation of the properties of the Carolina Power & Light Company is supervised (under the direction and control of the Company's Board of Directors), by the Electric Bond and Share Company.

STATISTICAL DATA, AS AT DECEMBER 31

	1927	1926	1925
Communities served with:			
Electric power & light	190	153	130
Electric railway	5	5	5
Gas	3	3	3
Total	191	154	131
Electric consumers	63,102	58,541	50,980
Gas consumers	8,917	8,491	8,001
Total	72,019	67,032	58,981
Railway passengers carried during twelve months	10,358,626	11,249,337	11,543,094
Kilowatts generating station capacity	84,710	88,610	89,565
Kilowatts generating station capacity under construction	129,000	129,000	62,000
Kilowatt-hours generating station output (including purchased power) for twelve months	426,425,000	426,399,700	320,701,400
Miles of transmission lines (11,000 volts or over) in operation	1,820	1,540	1,380
Miles of transmission lines (11,000 volts or over) under construction	119	216	46
Miles of distributing system (less than 11,000 volts), in service	1,565	1,329	1,198
Mcf. gas works capacity per day	2,140	2,070	2,070
Mcf. gas holder capacity	740	740	740
Mcf. gas sendout for 12 months	377,959	363,931	316,229
Miles of gas mains	169	156	138
Miles of electric railway	34	33	33

CAPITAL STOCK

Authorized, 3,000,000 Common shares of no par value, 200,000 shares $7 per share per annum cumulative Pfd. and 200,000 shares $6 per share per annum cumulative Pfd.; outstanding Dec. 31, 1927, 2,500,000 shares Common, 112,232 shares $7 Pfd. and 50,465 shares $6 Pfd.; all classes of stock without par value. All of the Common shares except directors' qualifying shares are owned by National Power & Light Co.

Exchange of Securities—Stockholders of the Carolina Power & Light Co. (old company), Yadkin River Power Co. and Asheville Power & Light Co., were not affected by the consolidation except as they became stockholders of the new and larger company rather than of the then existing companies. Holders of Pfd. stock of these companies were entitled to exchange their Pfd. stock for Pfd. stock of the new company on a share for share basis.

Preferred Stock Provisions—The $7 and $6 Pfd. stocks have equal preference as to assets and dividends over Common, and are entitled to $100 per share and accumulated dividends in case of liquidation. They are subject to redemption at $110 per share and accumulated dividends on any dividend date.

Transfer Agent—Registrar & Transfer Co., Jersey City, N. J.

Registrar—Corporation Trust Co., Jersey City, N. J.

Annual Meeting—Third Wednesday in February.

Price Range—

	1927	1926
$6 Preferred—		
High	103	..
Low	98	..
$7 Preferred—		
High	111	109
Low	106¼	104

Dividends—The Company has paid dividends on its $7 cumulative Pfd. stock regularly since issuance; payments quarterly, J, A, J & O 1. Dividends on $6 Pfd. regularly paid quarterly J, A, J & O 1, initial payment July 1, 1926. Quarterly dividends of ½ of 1% on Common stock were paid from Feb. 1, 1917 to Feb. 1, 1924, inclusive; on May 1, 1924, $1.50 per share on shares of no par value to Nov. 2, 1925. On Nov. 30, 1925, a dividend of 50 cents a share on Common was paid to equalize regular dividend period of the Company with that of National Power & Light Co.

Dividends are declared the second Wednesdays of M, J, S & D.

FUNDED DEBT

(1)

$7,500,000 YADKIN RIVER POWER CO. FIRST MORTGAGE THIRTY-YEAR 5% GOLD BONDS; DUE APRIL 1, 1941

Dated April 1, 1911.

Interest Payable April and October 1, at Old Colony Trust Co., Boston.

Denominations—Coupon, $1,000 (principal may be registered) and registered, $5,000, and multiples.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Originally authorized, $15,000,000; issued $7,750,000; $106,000 pledged and $144,000 retired. The mortgage is closed.

Callability—Subject to call as a whole, or in part out of improvement fund moneys, on any interest date on four weeks' notice, at 105 and accrued interest; all bonds so redeemed to be cancelled.

Improvement Fund—The mortgage provides for an improvement fund requiring payment to the trustee on Aug. 1 of each year as follows: ½ of 1% of bonds outstanding from 1916 to 1920; 1% from 1921 to 1925; 1½% from 1926 to 1930, and 2% from 1931 to 1940, all inclusive. Money in the improvement fund may be used for improvements and betterments to the property or for the purchase of these bonds at not exceeding 105 and accrued interest or their redemption at that price.

Security—A first lien on all properties, rights and franchises formerly owned by the Yadkin River Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mills Tax refunded on bonds numbered 4001 to 8000, both inclusive.

Legal Opinion—Seibert & Riggs, New York, (for the Bankers) and Simpson, Thacher & Bartlett, New York (for the Company).

Legal for Savings Banks in Maine

Original Offering—$4,000,000 publicly offered in Jan. 1923, at 89 and accrued interest, to yield over 6%, by Bonbright & Co., Inc., W. C. Langley & Co., and Spencer Trask & Co., New York, etc.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	*103¼	101½	99½	96½	98	90	83	72
Low	*100½	99	96¼	87	85	bid	bid	bid

*High and low bid prices.

(2)

$28,000,000 CAROLINA POWER & LIGHT CO. FIRST & REFUNDING MORTGAGE GOLD BONDS 5% SERIES OF 1956; DUE APRIL 1, 1956

Dated April 1, 1926.

Interest Payable April and October 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, in interchangeable denominations of $500 and $1,000; principal may be registered. Fully registered bonds in denominations of $1,000 and $5,000 and multiples thereof. Fully registered and coupon bonds of the denomination of $1,000 interchangeable.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—The mortgage provides for the issuance of bonds in series bearing the same or different rates of interest, dates, maturities, redemption provisions, etc., as may be determined by the Board of Directors, subject, however, to the restrictive provisions of the mortgage. Bonds, in addition to the $28,000,000 now outstanding, may be issued (a) for the acquisition or retirement of bonds of another series or underlying bonds or prior liens on properties now owned or hereafter acquired; (b) for not exceeding 75% of the cost or fair value, whichever is less, of permanent improvements or additions made or acquired subsequent to April 10, 1926, less the principal amount of any prior liens outstanding thereon; (c) for cash deposited with the Trustee under the provisions of the mortgage. However, no additional bonds may be issued except for refunding purposes, unless net earnings, as defined in the mortgage, shall have been at least equal to (1) at least twice the annual interest requirements on, or (2) 12% of the principal amount of, all underlying bonds and prior liens with the public and all bonds secured by this mortgage issued and outstanding, including those proposed to be issued.

Purpose of Issue—The proceeds from the sale of these bonds were used for the retirement of $3,480,500 Carolina Power & Light Co. First Gold 5s, due Aug. 1, 1938, $4,800,000 Carolina Power & Light Co. First & Refunding Gold Bonds, 6% Series of 1953, $1,220,000 Asheville Power & Light Co. First Gold 5s, due April 1, 1942, $899,400 The North Carolina Electric Power Co. First & Refunding Gold 5s, due Oct. 1, 1940, as well as other indebtedness, and to provide funds for further capital expenditures and for other corporate purposes. The $10,000,000 additional bonds isued in July, 1927, were issued to reimburse the Company for additions to properties, and place the Company in funds for carrying on an extensive construction program and for other corporate purposes.

Callability—Subject to call at any time in whole or in part on at least 30 days' notice at 105 up to and including April 1, 1936, at ¼% less each succeeding year up to and including April 1, 1954, and thereafter at 100, plus accrued interest in each case.

Sinking Fund—None provided.

Security—Secured by a first mortgage on substantially all of the physical property, rights and franchises owned by Carolina Power & Light Co., Asheville Power & Light Co., Pigeon River Power Co. and Carolina Power Co. at the date of the merger and consolidation and also secured by a direct mortgage on the physical property of the Yadkin River Power Co., subject to the First Mortgage Gold 5s, due April 1, 1941, of that Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mills Tax refundable.

Legal Opinion—Seibert & Riggs, New York (for the Bankers), and Simpson, Thacher & Bartlett, New York (for the Company).

Original Offering—First publicly offered ($18,000,000) in March, 1926, by W. C. Langley & Co., and Bonbright & Co., Inc., New York, and Old Colony Corp., Boston, at 97¾ and interest, to yield 5.15%. $10,000,000 additional bonds were offered in July, 1927, at 100¾ and interest to yield 4.95% by the same bankers.

Price Range—

	1927	1926
High	104	101¾
Low	100	97¾

(3)

$450,000 SOUTH CAROLINA POWER & LIGHT CO. FIRST MORTGAGE SERIES "A" 6% GOLD BONDS; DUE SEPT. 1, 1930

Dated September 1, 1925.

Interest Payable March and September 1 in New York or Boston.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—National Shawmut Bank, Boston.

Callability—Subject to call as a whole or in part on any interest date at 105 on or before Sept. 1, 1926, with a reduction in the premium of 1% of such face value each year thereafter until maturity.

Security—Secured by a first mortgage on property formerly owned by Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills tax and Maryland 4½ mills tax and Massachusetts income tax on the interest not exceeding 6% of such interest per annum, refunded upon request within 60 days' after payment.

Listed—Boston Stock Exchange.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings from oper.	$8,928,650	$8,176,683	$6,957,656
Oper. expenses, incl. taxes	4,802,132	4,328,976	3,958,495
Net earnings from oper.	$4,126,518	$3,847,707	$2,999,161
Other income	585,400	399,855	261,671
Total income	$4,711,918	$4,247,562	$3,260,832
Interest on funded debt	1,496,049	1,166,348	949,538
Other int. & deductions	85,204	101,586	224,944
Balance	$3,130,665	$2,979,628	$2,086,350
Dividends on Pfd. stock	1,037,399	833,144	618,787
Balance	$2,093,266	$2,146,484	$1,467,563
Renewal & replacement res.	540,000	500,000	448,200
Balance	$1,553,266	$1,646,484	$1,019,363

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and investments	$81,128,924	$68,877,774
Cash	949,325	753,250
Notes & loans receivable	3,594,786	716,010
Accounts receivable	1,007,604	1,007,702
Materials and supplies	1,208,860	971,634
Prepaid accounts	62,783	53,016
Reacquired securities—Pfd. stock	21,158	10,296
Special deposits	314	.....
Unamortized bond discount & expense	335,083	.....
Deferred debits	52,014	30,051
Total	$88,360,852	$72,419,733

Liabilities—	1927	1926
Capital stock (no par value)	*$40,314,458	*$37,368,574
Subscription to Pfd. stock	38,504	.....
Carolina Power & Light Co. bonds due 1956	28,000,000	18,000,000
Yadkin River Power Co. bonds, due 1941	7,500,000	7,500,000
South Carolina Power & Light Co. bonds, due 1930	450,000	.....
Dividends declared	417,253	319,777
Contracts & loans payable	350,000	350,000
Accounts payable	1,217,408	274,048
Consumers' deposits	277,173	241,670
Accrued accounts	1,187,577	693,177
Deferred credits	1,392	.....
Reserves	3,189,212	2,985,979
Surplus	5,417,875	4,686,508
Total	$88,360,852	$72,419,733

*Represented by 2,500,000 shares Common of no par value, 112,232 shares $7 Pfd. and 19,770 shares $6 Pfd. in 1926, and 2,500,000 shares Common, 112,232 shares $7 Pfd. and 50,465 shares $6 Pfd. in 1927.

Officers: S. Z. Mitchell, Chairman of Board, New York; B. S. Jerman, Pres.; P. A. Tillery, V-P. & Gen. Mgr.; C. S. Walters, V-P., Raleigh, N. C.; William Darbee, V-P.; E. W. Hill, V-P.; E. P. Summerson, Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Treas.; G. J. Hickman, Asst. Treas., New York; C. J. Curry, Asst. Sec. & Asst. Treas.; B. M. Jones, Asst. Sec. & Asst. Treas., Raleigh, N. C.

Directors: Philip Stockton, Boston; B. S. Jerman, P. A. Tillery, Raleigh, N. C.; C. S. Walters, Asheville, N. C.; Chas. M. Clark, C. N. Mason, S. Z. Mitchell, H. C. Abell, William Darbee, E. P. Summerson, C. E. Groesbeck, F. B. Odlum, Frank Silliman, Jr., W. A. Tucker, New York.

General Office, Raleigh, N. C. **New York Office,** 2 Rector Street.

HOUSTON LIGHTING AND POWER COMPANY

(Controlled by National Power & Light Co.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated Jan. 8, 1906, in Tex., as Houston Lighting & Power Co. 1905. In April, 1922, Company dropped the figures "1905" from its corporate title. Supplies Houston, Texas and 55 adjacent communities with electric power and light. Estimated population served, 314,000.

The first unit of the Deepwater electric generating station, one of the largest in the South, was placed in operation in August, 1924, and the second unit in Sept., 1924. A third unit of 25,000 kilowatts capacity was placed in operation in July, 1927 and the station now has a total installed generating capacity of 65,000 kilowatts. The plant was designed and partially built for an ultimate installation of 180,000 kilowatts. Three independent transmission lines connect the Deepwater station with the Company's Gable Street electric station in Houston and its distributing system and these transmission lines will be shortly supplemented by a 66,000 volt line to a point within two miles of the Gable Street station. The Company's other principal generating station, the Gable Street station, is located near the center of the City of Houston. It has a present installed generating capacity of 32,500 kilowatts.

Service and Property—The total number of consumers served by the Company and the physical equipment of the properties as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with the four previous years, follow:

	1927	1926	1925	1924	1923
Electric consumers	73,141	64,010	56,118	48,526	41,112
Kilowatt generating capacity	99,731	73,231	73,076	72,500	32,500
Kilowatt-hours generating station output (including power purchased) for twelve months	362,094,000	263,299,500	199,847,600	161,307,100	129,318,100
Miles of high voltage transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	574	330	176	68	57
Miles of transmission lines (11,000 volts and over) under construction	19	65	41	.....	.....
Miles of electric distributing system (less than 11,000 volts), in service	926	852	775	650	539

Agreement with City—In 1914 an operating agreement was entered into between the Company and the City providing for a return of $160,000 on the property then owned and operated within the City and for a return of 8% on additions, with a division of any excess earnings equally between the Company and the City. This agreement was subsequently modified so as to include all of the property beyond the corporate limits of the City within the terms of the operating agreement and to reduce the lighting rate to

domestic consumers. The results from the operation of this property have been satisfactory.

Franchises—The Company operates in Houston, Tex., under a franchise granted in 1882 which is without limitation as to time, and is free from any burdensome restrictions. In Magnolia Park, a suburb of Houston, the Company operates under a franchise which is also without limitation as to time. In the majority of other communities served by the company, the franchises are either without limitation as to time or extend to the year 1972 or beyond.

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, 250,000 shares Common of no par value and $3,000,000 7% Pfd. of $100 par value. On Jan. 21, 1927, the authorized Common was changed from 200,000 shares of no par value each to 250,000 shares of no par value. The National Power & Light Co. owns all of the Common stock, except directors' shares.

Annual Meeting—Third Monday in March.

Dividends—Initial dividend of $1.75 per share paid April 29, 1922. Regular quarterly dividends of $1.75 a share quarterly ($7 per share per annum) have been paid on Pfd. stock since to date; payments, F, M, A & N 1.

FUNDED DEBT

(1)

$2,403,000 FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1931

Dated April 1, 1911.

Interest Payable April and October 1, at Whitney-Central Trust & Savings Bank, New Orleans.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Whitney-Central Trust & Savings Bank, New Orleans.

Provisions of Issue—Authorized issue, $5,000,000; mortgage closed. In addition to the $2,403,000 bonds of this issue outstanding, $2,100,000 are pledged under the First Lien & Refunding Mortgage, and $497,000 have been retired and cancelled through the sinking fund.

Callability—Subject to call at 105 and interest on any interest date upon 6 weeks' notice; callable by lot.

Sinking Fund—An annual sinking fund of 1% of the outstanding bonds commenced July 1, 1915, which is to be applied to purchase or redemption of bonds at not exceeding 105 and interest, all bonds so acquired to be cancelled.

Sinking fund requirements beyond April 1, 1928 have already been complied with by deposit of $294,000 additional bonds in April, 1923. Bonds deposited provided partially for 1929.

Security—Secured by a first lien on entire property and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($250,000) in Oct., 1911, at 98½ and interest, by Hayden, Stone & Co., Boston and New York; a block offered in Dec., 1918, at 95 and interest, by Halsey, Stuart & Co., New York, etc.; $500,000 additional offered in Dec., 1920, by the latter firm, at 82 and interest, to yield 7.55%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100⅜	99¾	101	98½	96	95½	86	85
Low	99¼	99½	98½	93½	93¼	88	80	75

(2)

$8,000,000 FIRST LIEN & REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1953

Dated March 1, 1923.

Interest Payable March and September 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; the $1,000 denominations interchangeable with fully registered bonds in denominations of $1,000 and authorized multiples.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—See description of Series "C" bonds below.

Callability—Subject to call as a whole or in part upon four weeks' published notice on or before March 1, 1928, at 105 and accrued interest, and at 1% less for each five-year period thereafter to and including March 1, 1948; thereafter until and including March 1, 1950, at 100½ and accrued interest; and thereafter at par.

Maintenance and Renewal Fund—Same as that set forth in description of Series "C" bonds below.

Security—Series "A" bonds are secured equally with Series "B" and Series "C" bonds by a direct mortgage, subject to $2,403,000 underlying First Mortgage bonds (closed mortgage), on all the present physical property and franchises of the Company, and, through deposit with the Trustee of $2,100,000 First Mortgage bonds, share in their security.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded upon application.

Legal for Savings Banks in Rhode Island, New Hampshire and Vermont.

Original Offering—First publicly offered ($2,000,000) in April, 1923, at 89½ and interest, to yield about 5.75%, by Halsey, Stuart & Co., New York, etc.; $1,000,000 additional in July, 1924, by the same firm, at 91½ and interest, yielding 5.60%; $1,000,000 additional in May, 1926, by the same firm, at 99½ and interest. $2,000,000 additional were publicly offered in November, 1926 at 99½ and interest by Halsey, Stuart & Co. Inc., New York, Chicago, etc. and W. C. Langley & Co., New York; $2,000,000 additional were publicly offered in June, 1927, at 99¾ and interest, by the same bankers.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925
High	102	99½	95½
Low	98	94	90½

(3)

$2,000,000 FIRST LIEN & REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE OCTOBER 1, 1953

Dated October 1, 1923.

Interest Payable April and October 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable with fully registered bonds of $1,000 and authorized multiples.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—See description of Series "C" bonds below.

Callability—Subject to call in whole or in part upon four weeks' notice at any time on or before Oct. 1, 1928 at 106; thereafter at 1% less for each five year period to and including Oct. 1, 1948; thereafter to and including April 1, 1952 at 101; thereafter to and including Oct. 1, 1952 at 100½; thereafter at the principal amount, plus accrued interest in each case.

Maintenance and Renewal Fund—Same as that set forth in description of Series "C" bonds below.

Security—Series "B" bonds are secured equally with Series "A" and Series "C" bonds by a direct mortgage, subject to $2,403,000 underlying First Mortgage bonds (closed mortgage) on all the present physical property and franchises of the Company, and through deposit with the Trustee of $2,100,000 First Mortgage bonds, share in their security.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill Tax refunded upon application.

Legal for Savings Banks in Rhode Island, New Hampshire and Vermont.

Original Offering—First publicly offered ($2,000,000) in Oct., 1923, at 98½ and interest, to yield 6.10%, by Halsey, Stuart & Co., New York, etc.

Listed—Boston Stock Exchange.

Price Range—

	*1927	*1926	1925	1924	1923
High	106	104	92	100	98½
Low	103	101½	92	98	98½

*High and low bid prices.

(4)

$2,000,000 FIRST LIEN & REFUNDING MORTGAGE 5½% GOLD BONDS, SERIES "C"; DUE MARCH 1, 1954

Dated March 1, 1924.

Interest Payable March and September 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable for fully registered bonds in denominations of $1,000 and authorized multiples.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—The Mortgage provides for the issue of bonds in series with interest rates, maturity dates, redemption provisions and other terms and conditions to be determined by the Board of Directors at the time of creation of each series. Of the $12,000,000 of bonds (Series "A," "B" and "C"), $5,250,000 were issued against the property as of Dec. 31, 1922. The mortgage provides for the issuance of additional bonds for not more than 80% of the cost or fair value, whichever is less, of permanent additions constructed or acquired subsequent to Dec. 31, 1922, or for an equal amount of cash deposited with the Trustee, provided net earnings as defined in the mortgage for twelve consecutive months within the preceding fifteen months shall have been equal to at least twice the annual interest requirements on (or, at option of company, 12% of the principal amount of) all outstanding bonds, including those proposed to be issued and all underlying bonds and all obligations secured by prior liens not pledged under the mortgage. Additional bonds may also be issued for the purpose of refunding an equal principal amount of underlying bonds, any bonds secured by this mortgage and any prior lien obligations. Cash deposited with the Trustee as provided above may be withdrawn on the basis of 80% of the cost or fair value of permanent additions, and also against the retirement of an equal principal amount of bonds secured by this mortgage, or underlying bonds or obligations secured by prior liens.

Callability—Subject to call in whole or in part upon four weeks' notice at any time on or before Feb. 28, 1929, at 105; thereafter at 1% less for each five-year period to and including Feb. 28, 1949; thereafter to and including Feb. 28, 1951, at 100½; and thereafter at par, plus accrued interest in each case.

Maintenance and Renewal Fund—The mortgage provides that the Company shall on or before April 1 of each year, beginning April 1, 1924 pay to the trustee, as a Maintenance and Renewal Fund, a sum equal to 4½% of all underlying and prior lien bonds and all bonds issued under this mortgage outstanding at the close of the preceding calendar year as long as less than $7,650,000 of such bonds are outstanding, and thereafter a sum equal to 4% of such bonds outstanding less, in either case, a credit on account of actual expenditures for maintenance, repairs, renewals and replacements to the mortgaged property. This fund may be withdrawn to reimburse the Company for expenditures made for further maintenance, repairs, renewals and replacements or permanent additions against which no bonds may thereafter be issued under the mortgage. Any unused balance may be used for the retirement of bonds issued under the mortgage and any such balance amounting to $50,000 or over remaining after thirty-six months shall be so used.

Security—These bonds are secured equally with Series "A" and "B" bonds by a direct mortgage, subject to $2,403,000 underlying First Mortgage Bonds (closed mortgage), on all the present physical property and franchises of company and, through deposit with the Trustee of $2,100,000 First Mortgage bonds, share in their security. The mortgage contains provisions permitting the modification thereof and of the rights and obligations of the Company and the holders of bonds issued under said mortgage, with the consent of the Company, by the affirmative vote of at least 80% (or 90% in certain cases) in amount of the bonds then outstanding, not including any bonds owned by the Company, at a meeting of the bondholders especially called for that purpose.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded upon application.

Original Offering—First publicly offered ($2,000,000) in March, 1924, at 96½ and interest to yield about 5¾%, by Halsey, Stuart & Co., New York, etc.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926	1925
High	103¾	103½	102½
Low	102½	99½	97

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$6,164,017	$4,745,338	$3,904,927	$3,107,064	$2,552,153	$2,096,997
Operating expenses, including taxes	3,578,204	2,683,687	2,231,301	1,824,015	1,662,228	1,383,456
Net earnings from operation	$2,585,813	$2,061,651	$1,673,626	$1,283,049	$889,925	$713,541
Other income	48,335	32,215	18,952	39,709	51,002	423
Total income	$2,634,148	$2,093,866	$1,692,578	$1,322,758	$940,927	$713,964
Interest on bonds	700,706	536,955	500,150	437,901	204,483	120,150
Other interest and deductions	82,906	75,640	78,820	58,709	44,180	37,970
Balance	$1,850,536	$1,481,271	$1,113,608	$826,148	$692,264	$555,844
Dividends on Preferred stock	210,000	210,000	199,405	139,968	91,097	19,979
Balance	$1,640,536	$1,271,271	$914,203	$686,180	$601,167	$535,865
Renewal and replacement reserve	777,576	625,386	464,753	327,386	238,981	194,207
Balance for surplus	$862,960	$645,885	$449,450	$358,794	$362,186	$341,658
***Times Bond Interest Earned**	3.75	3.90	3.38	3.02	4.60	5.94
Earnings Per Share—						
Preferred	$61.68	$49.37	$37.12	$32.30	$34.61	

*Before deducting other interest and deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plants	$24,237,944	$19,207,014	$16,523,909
Cash	127,014	1,115,469	104,047
Notes and loans receivable	3,257	318	318
Accounts receivable	841,812	688,801	519,866
Materials and supplies	452,175	336,443	274,791
Prepaid accounts	40,372	8,225	10,750
Special deposits	12,804		
Unamortized discount, com. & exp.	1,223,134	1,205,558	1,135,643
Deferred debits	15,860	33,909	14,885
Total	$26,954,372	$22,595,737	$18,584,209

Liabilities—	1927	1926	1925
Common stock	$5,000,000	$4,000,000	$3,000,000
Preferred stock	3,000,000	3,000,000	3,000,000
Funded debt	14,403,000	12,403,000	9,403,000
Dividends declared	75,000	75,000	39,100
Notes and loans payable	*665,000		*735,000
Accounts payable	588,078	484,427	346,555
Consumers' deposits	213,407	179,820	148,367
Accrued accounts payable	415,127	351,746	259,214
Matured interest funded debt	12,305		
Reserves	2,009,065	1,591,665	1,168,036
Surplus	573,390	510,079	484,937
Total	$26,954,372	$22,595,737	$18,584,209

*Represents loans largely for capital expenditures not yet funded.

Officers: Edwin B. Parker, Pres.; S. R. Bertron, Jr., V-P. & Gen. Mgr., W. A. Parish, V-P.; Houston, Tex.; A. S. Grenier, V-P.; E. W. Hill, V-P.; R. B. Feagin, V-P., New York; R. S. Daunoy, Sec. & Treas.; A. J. Schuhsler, Asst. Sec. & Asst. Treas., Houston, Tex.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Asst. Treas.; Alexander Simpson, Asst. Treas., New York.

Directors: Edwin B. Parker, S. R. Bertron, Jr., R. S. Daunoy, E. A. Peden, B. A. Riesner, A. W. Wagner, R. W. Wier, Kenneth Womack, Denton W. Cooley, C. S. E. Holland, W. A. Parish, C. M. Dow, Houston, Tex.; A. S. Grenier, R. B. Feagin, New York.

Operating Office, Houston, Texas. New York Office, 2 Rector Street.

JACKSON RAILWAY AND LIGHT COMPANY

(Controlled by National Power & Light Co.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated June 18, 1906, in Tenn.; successor to the Jackson & Suburban St. R. R. Company supplies the entire electric power and light service, the gas service, and the street railway service in Jackson, Tenn. It also supplies the entire electric power and light service in Brownsville, Humboldt, Medina, Mercer, Henderson, Gadsden, Pinson, and Whiteville, Tennessee, and does an ice business in Brownsville. Estimated population served is 29,000. Franchise expires in 1963.

Owns installed electric generating capacity of 4,584 k.w., 92 miles of transmission lines, and 69 miles of electric distribution system; gas works capacity of 176,000 cu. ft., gas holder capacity of 100,000 cu. ft. and 28 miles of gas mains; and 7 miles of electric railway (single track equivalent).

Other Operating Statistics—The total number of consumers served as of Dec. 31, 1927, together with the output for the twelve months ended on that date, compared with the two previous years, follow:

Number of consumers served:	1927	1926	1925
With electric power & light	6,830	5,874	5,320
With gas	1,712	1,855	.....
With water	218	.....	.....
Total consumers	8,760	7,729	5,320
Passengers carried during 12 mos.	1,456,494	1,392,486	1,552,000
Kilowatt-hours generating station output for 12 mos.	10,212,000	8,316,700	5,968,400
Gas sendout for 12 mos.	55,048,000	*48,760,000	.....

*Gas properties acquired in 1926.

CAPITAL STOCK

Authorized and outstanding, $450,000 Common and $250,000 6% cumulative Pfd.; par, $100. All owned by National Power & Light Co.

Dividends—Dividends on Pfd. stock are paid quarterly, F, M, A & N 1, at rate of 6% per annum. Dividends on Common not reported.

FUNDED DEBT

$549,000 First Gold 5s; dated Jan. 1, 1907; due Jan. 1, 1937; interest Jan. and July 1, at Fidelity & Columbia Trust Co., Louisville, Trustee. Coupon, $1,000; principal may be registered. Authorized and issued, $600,000, of which $51,000 held in treasury. Subject to call at 105 and accrued interest. A first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings from oper.	$604,077	$511,762	$398,658
Operating exp. and taxes	330,583	264,722	209,771
Net earnings from oper.	$273,494	$247,040	$188,887
Other income	1,609	544	217
Total income	$275,103	$247,584	$189,104
Interest on bonds	28,250	27,450	27,450
Other int. and deductions	71,506	54,564	13,741
Balance	$175,347	$165,570	$147,913
Dividends on Pfd. stock	15,000	15,000	15,000
Balance	$160,347	$150,570	$132,913
Renewal & replacement res.	31,841	29,476	28,332
Balance for surplus	$128,506	$121,094	$104,581

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and investments	$1,749,310	$1,538,637	$1,489,109
Cash	13,692	87,403	41,971
Accounts receivable	43,879	44,762	48,571
Materials and supplies	56,443	57,933	31,765
Prepaid accounts	4,640	5,009	5,913
Deferred debits	16,258	22,521	2,600
Total	$1,884,222	$1,756,265	$1,619,929
Liabilities—			
Common stock	$450,000	$450,000	$450,000
Preferred stock	250,000	250,000	250,000
Funded debt	549,000	549,000	549,000
Car trust notes	.....	.....	2,417
Dividends declared	18,000	18,000	12,500
Notes and loans payable	106,000	.....	3,000
Accounts payable	2,637	56,009	31,276
Consumers' and employees' deposits	5,615	6,528	2,736
Accrued accounts	48,793	41,321	27,682
Paving assessments	16,390	19,948	3,592
Reserves	126,801	111,079	81,104
Surplus	310,986	255,380	206,622
Total	$1,884,222	$1,756,265	$1,619,929

Officers: H. C. Abell, Pres.; O. H. Simonds, V-P.; E. W. Hill, V-P.; E. P. Summerson, Sec.; H. L. Martin, Asst. Sec.; A. C Ray, Treas.; Alexander Simpson, Asst. Treas., New York.

Directors: H. C. Abell, E. W. Hill, O. H. Simonds, E. P. Summerson, New York; F. B. Odlum.

General Office, Jackson, Tenn. **Executive Office,** 2 Rector St., New York.

KNOXVILLE POWER & LIGHT COMPANY

(Controlled by National Power & Light Co.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated Aug. 7, 1905, in Tenn., as a consolidation of the Knoxville Traction Co. and the Knoxville Electric Light & Power Co. Formerly known as Knoxville Ry. & Light Co., but name changed to present title during 1922. Does the entire electric power and light business in Knoxville, Fountain City and Bearden, Tenn., and in eight adjacent communities; also owns and operates all the street railway lines in Knoxville and two adjacent communities. Population served is estimated at 113,000.

The Company owns a modern transformer, switching and distribution system. A high-voltage, steel-tower transmission line connects the Company's main plant with the transmission system of the Tennessee Electric Power Company, from which the Knoxville Power & Light Company purchases power under a favorable contract. The Company also owns a reserve generating station of 6,800 k.w. capacity.

The street railway system is comprised of 53 miles of single-track equivalent, with adequate car barns and other facilities. The majority of the cars are now operated by the one-man system.

Franchises—Franchises for both street railway and electric power and light are perpetual, except for 1½ miles of railway on two unimportant streets which expire in Nov., 1946.

Service and Property—The service and property of

the Company as of Dec. 31, 1927, together with the Kilowatt-hours output and the number of passengers carried for the twelve months ended Dec. 31, 1927, compared with the four previous years follow:

	1927	1926	1925	1924	1923
Electric consumers	21,020	19,699	18,350	17,077	15,387
Number of street railway passengers carried during 12 months	16,999,903	16,971,160	16,742,332	17,789,322	18,650,795
*Kilowatts generating capacity	6,800	6,800	6,800	6,800	6,800
K.w.h. generat. station output (includ. pwr. pur.) for 12 months	80,434,000	71,324,100	67,966,700	58,365,600	54,614,600
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	60	38	36	33	27
Miles of transmission lines (11,000 volts and over) under construction	....	5	2	1	..
Miles of electric distributing system (less than 11,000 volts) in service	452	383	355	336	316
Miles of electric railway (single track equivalent)	53	53	53	53	55

*The Company buys power.

CAPITAL STOCK

Authorized, $5,000,000 Common, $5,000,000 7% cumulative Pfd. and $5,000,000 6% cumulative Pfd.; outstanding Dec. 31, 1927, $2,200,000 Common, $1,550,000 7% Pfd. and $500,000 6% Pfd.; par, $100. National Power & Light Co. owns the outstanding Common stock, except directors' shares.

Preferred Stock Provisions—Both the 7% Pfd. and 6% Pfd. have equal preference for assets and cumulative dividends over the Common stock and are redeemable at 110 and accrued dividends. The 7% Pfd., pari passu with the 6% Pfd., has equal voting power with Common.

Transfer Agents—Registrar and Transfer Company, Jersey City, N. J., and City National Bank, Knoxville, Tenn.

Registrars—The Corporation Trust Company, Jersey City, N. J., and East Tennessee National Bank, Knoxville, Tenn.

Annual Meeting—First Saturday after first Sunday in February.

Legal Opinion (Pfd. Stock)—Seibert & Riggs, New York.

Public Offering—5,000 shares of Pfd. stock were publicly offered in Jan., 1925, at $99 a share and accrued dividend to yield over 7%, by W. C. Langley & Co., New York.

Price Range—

	1927	1926	1925
7% Preferred—			
High	111	107	105
Low	104	bid	98
6% Preferred—			
High	103	...	...
Low	98	...	...

Dividends—Dividends were regularly paid at the rate of 6% per annum on old Pfd. from 1906 to 1911, inclusive, when old Pfd. was retired. Initial dividend of $1.75 per share on new Pfd. was paid Nov. 1, 1922 and at the rate of $7.00 per share per annum thereafter, quarterly, F, M, A & N 1. Initial quarterly dividend of $1.50 per share was paid on the 6% Pfd. Aug. 1, 1927; payments thereafter regularly, F, M, A & N 1.

FUNDED DEBT

(1)

$780,000 KNOXVILLE TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1933

Dated April 1, 1898.

Interest Payable April and October 1, at Baltimore Trust Co., Baltimore, Md.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Baltimore Trust Co., Baltimore, Md.

Provisions of Issue—Authorized and issued, $850,000, of which $70,000 redeemed by sinking fund and cancelled. Mortgage now closed.

Sinking Fund—Sinking fund requires payment annually, after the expiration of each fiscal year, after the payment of all fixed charges, operating expenses and a dividend of 5% on all its stock outstanding, of all surplus earnings of the Traction Co. up to and not over $15,000. Bonds are to be purchased for sinking fund at a price not higher than 110 and interest. All bonds so purchased are to be cancelled.

Security—Secured by first mortgage on certain railway property in Knoxville, Tenn., and on the electric light property of the Company through supplemental mortgages dated Dec., 1900, and Sept., 1905. Assumed by Knoxville Power & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	100	97½	97½	96	95	90	82½	80
Low	100	97½	97	94	93½	89	82½	80

(2)

$3,247,500 KNOXVILLE RAILWAY & LIGHT CO. REFUNDING & EXTENSION MORTGAGE GOLD 5s; DUE JUNE 1, 1946

Dated June 1, 1911.

Interest Payable June and December 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized, $10,000,000; issued, $3,923,000, of which $418,000 held in treasury and $257,500 held by trustee for sinking fund, leaving $3,247,500 outstanding with public Dec. 31, 1927. Of the unissued bonds sufficient are reserved to retire the Knoxville Traction Co. First 5s, and the balance are issuable for 80% of the cost of additions, but only when the net earnings of the company for the preceding year shall exceed the interest on all bonds outstanding and those proposed to be issued by 75%.

Callability—Subject to call as a whole, but not in part, at 105 and interest on any interest date upon sixty days' notice.

Sinking Fund—An annual sinking fund of ½ of 1% of outstanding bonds beginning Oct. 1, 1915, less amount so paid into sinking fund of underlying mortgages during the year and on deposit with trustee on Oct. 1; bonds to be purchased at a price to net not less than 4½% and held alive by the Trustee, and interest accruing thereon to be collected and reinvested. If bonds are not obtainable at this price, the funds are to be invested in additions, extensions and improvements to the property without capitalizing the same.

Security—Secured by lien on all property franchises now owned or hereafter acquired, subject only to Knoxville Traction Co. bonds described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded.

Original Offering—First publicly offered in Jan., 1912, at 92½ and interest by Isadore Newman & Son, New Orleans, and United States Trust Co., Louisville, Ky.; $1,556,000 additional offered in Dec., 1916, at 92¾ and interest, by Bertron, Grescom & Co., and Reilly, Brock & Co., New York and Philadelphia.

Listed—New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101	98	95½	91	86½	86½	69½	65
Low	96¾	94¾	88	81	80	72½	56	60

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$2,839,357	$2,652,490	$2,481,522	$2,342,101	$2,212,269	$2,015,092
Operating expenses, including taxes	2,013,074	1,828,245	1,709,187	1,657,780	1,523,694	1,442,605
Net earnings from operation	$826,283	$824,245	$772,335	$684,321	$688,575	$572,487
Other income	20,215	9,106	9,707	17,044	6,974	
Total income	$846,498	$833,351	$782,042	$701,365	$695,549	
Interest on bonds	201,871	201,400	201,945	207,919	203,067	
Other interest and deductions	34,790	25,221	14,820	30,462	33,680	
Balance	$609,837	$606,730	$565,277	$462,984	$458,802	Not
Dividends on Preferred stock	123,000	108,500	97,080	35,430	21,000	Available
Balance	$486,837	$498,230	$468,197	$427,554	$437,802	
Renewal and replacement reserve	182,411	168,434	160,013	148,126	139,513	
Balance for surplus	$304,426	$329,796	$308,184	$279,428	$298,289	
‡Times Interest Earned	4.19	4.14	3.87	3.37	3.42	
Earnings Per Share—						
Preferred	$29.74	$39.14	$36.46	$49.78	$152.93	

‡Before deducting other interest and deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant	$8,826,800	$8,135,229	$7,804,465	$7,451,752	$6,968,125
Cash	78,007	77,520	109,128	75,920	50,135
Notes receivable	42,211	11,865	12,350	8,061	7,614
Accounts receivable	252,638	211,823	221,082	232,392	134,959
Materials and supplies	226,436	197,820	209,661	155,390	142,335
Prepaid accounts	18,466	8,450	15,567	46,011	12,200
Sinking fund cash	.....	.....	.....	.....	8,502
Trust funds	10,053	2,332	2,036	17,378	900
Renewal & replacement fund	175,080	146,443	80,041	50,378	172,762
Unamor. disc. and expense	318,847	336,126	353,060	364,092	381,217
Deferred debits	6,173	12,176	17,138	17,218	18,379
Total	$9,954,711	$9,139,785	$8,824,528	$8,418,592	$7,897,128
Liabilities—					
Common stock	$2,200,000	$2,200,000	$2,200,000	$2,200,000	$2,200,000
Preferred stock	2,050,000	1,550,000	1,550,000	930,000	300,000
Funded debt	4,027,500	4,028,000	4,028,000	4,058,000	4,058,000
Notes payable	*509,000	*360,000	174,500	303,000	295,000
Accounts payable	108,980	88,724	109,457	147,303	77,788
Consumers' deposits	71,639	32,458	13,807	8,715	13,156
Tickets outstanding	.....	.....	.....	2,109	706
Accrued accounts	207,948	188,937	151,144	141,168	183,076
Pfd. stock subscriptions	.....	.....	.....	21,658	21,658
Matured interest funded debt	7,863	.....	.....	.....	.....
Deferred credits	47	.....	.....	.....	42
Reserves	423,166	383,523	268,349	210,253	338,533
Surplus	348,568	308,143	329,271	396,386	430,827
Total	$9,954,711	$9,139,785	$8,824,528	$8,418,592	$7,897,128

*Represents largely advances for construction expenditures not yet funded.

Officers: C. H. Harvey, Pres.; W. S. Shields, V-P., Knoxville, Tenn.; R. H. Smith, V-P.; E. W. Hill, V-P., New York; C. A. Briggs, Sec., Knoxville, Tenn.; R. W. Mathisson, Treas., New York; E. P. Summerson, Asst. Sec., New York; A. C. Ray, Asst. Treas.; F. V. Underwood, Gen. Mgr.

Directors: Chas. T. Cates, Jr., C. H. Harvey, E. E. McMillan, W. S. Shields, F. Staub, G. W. Callahan, G. J. Ashe, Knoxville, Tenn.; R. H. Smith, H. C. Abell, New York.

Operating Office, Knoxville, Tenn. **New York Office,** 2 Rector St.

MEMPHIS POWER & LIGHT COMPANY

(Controlled by National Power & Light Co.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated Dec. 16, 1922, in New Jersey, and took over the property formerly owned and operated by the Memphis Gas & Electric Co. (see 1922 Public Utility Manual, page 2445). The company does the entire power and light and the entire gas business in the city of Memphis, Tenn., and does also the electric power and light business in the remainder of Shelby County, serving 13 communities with a total population estimated at over 210,000.

The Company owns two electric generating stations with a combined installed generating capacity of 54,000 k.w., including a 20,000 k.w. unit placed in service, in 1925 to meet the urgent demand for more power.

The Company has an extensive distributing system of 465 miles and 186 miles of transmission lines.

The gas property consists of a water gas manufacturing plant with a daily capacity of 12,000,000 cubic feet, a holder and booster plant, and 293 miles of gas mains. There are six gas holders with an aggregate capacity of 4,900,000 cubic feet.

The Company owns all the capital stock, except directors' shares, of The Memphis Street Railway Company doing the street railway business in the City of Memphis and surrounding territory, and supplies all the current required for street railway purposes.

The total number of consumers served by the Company and the physical equipment of its properties as of Dec. 31, 1927, and the output for the twelve months ended Dec. 31, 1927, compared with the four previous years, follow:

	1927	1926	1925	1924	1923
Electric consumers	45,322	41,022	39,996	34,687	32,430
Gas consumers	31,404	30,055	29,041	27,912	25,119
Total consumers	76,726	71,077	69,037	62,599	57,549
Kilowatts generating station capacity installed	54,000	54,000	*54,000	44,000	46,000
Kilowatt-hours generating station output (incl. power purchased) for twelve months	166,251,000	137,786,000	121,627,000	112,743,000	92,956,000

STATISTICAL DATA (Continued):

	1927	1926	1925	1924	1923
Miles of transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	186	157	127	56	3
Miles of electric distributing system (less than 11,000 volts) in service	465	440	403	377	374
Gas works capacity (thousand cu. ft. per day)	12,000	8,000	8,000	8,000	8,000
Gas works capacity (thousand cu. ft. per day) under construction	.....	4,000	.....	.....	.....
Gas holder capacity (thousand cu. ft.)	4,900	5,000	5,000	5,000	2,000
Manufactured gas output (thousand cu. ft.) for twelve months	1,414,316	1,373,595	1,281,112	1,254,576	1,107,000
Miles of gas mains	293	270	253	244	229

*Including a new 20,000 kilowatt unit placed in service in 1925.

Franchises—The Company's electric franchise does not expire until 1952, and its gas franchise is without limit as to time. Both are free from burdensome restrictions.

CAPITAL STOCK

Authorized, 1,000,000 shares Common and 150,000 shares Pfd., both classes of no par value; outstanding Dec. 31, 1927, 400,000 shares Common, 30,000 shares $7 Series cumulative Pfd. and 6,387 shares $6 Series cumulative Pfd. Capital stock changed from 400,000 shares Common of no par value and 75,000 shares Pfd. of no par value in April, 1927. The National Power & Light Co. owns all the outstanding Common stock, except directors' shares.

Preferred Stock Provisions—The total authorized amount of Pfd. stock is 150,000 shares, of which 31,000 shares shall be designated Pfd $7 Series and 30,000 shares shall be designated Pfd. $6 Series. The remaining 89,000 shares of Pfd. stock may be issued from time to time and constituted and designated by the Board of Directors as Pfd. stock, $7 Series, or as Pfd. stock of one or more different series, each such different series to have such (1) designation, (2) dividend rate, (3) redemption provisions, (4) rights in case of dissolution or distribution of assets and (5) such other provisions with respect to terms or amount of any sinking fund provided for the purchase or redemption thereof, as determined by the Board of Directors, provided that every series of Pfd. stock shall be equal in all other respects. The $6 Pfd. stock is entitled to cumulative dividends of $6 per share per annum; the $7 Pfd. stock is entitled to cumulative dividends of $7 per share per annum. $6 Pfd. stock is entitled, pari passu with the $7 Pfd. stock to $100 per share and accumulated dividends in case of liquidation and both series are subject to redemption upon vote of a majority of the outstanding Common at $110 per share and accumulated dividends. Both the Pfd. stocks, the $7 Series and the $6 Series, have preference pari passu over the Common as to assets and dividends.

Transfer Agents (Preferred Stock)—Registrar and Transfer Company, Jersey City, N. J., and Union & Planters Bank & Trust Co., Memphis, Tenn.

Registrars—The Corporation Trust Co., Jersey City, N. J., and Bank of Commerce and Trust Co., Memphis, Tenn.

Dividends—Pfd. dividends are paid quarterly, J, A, J & O 1. Initial dividend was paid on the $7 Pfd. April 2, 1923. Regularly thereafter at rate of $7 per share per annum. Initial quarterly dividend of $1.50 per share was paid on the $6 Pfd. stock July 1, 1927; payments regularly thereafter quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$1,250,000 (CLOSED MORTGAGE) EQUITABLE GAS LIGHT COMPANY FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1929

Dated May 1, 1899.

Interest Payable May and November 1, at Equitable Trust Co. of New York.

Denominations—Coupon, $500 and $1,000.

Trustee—Equitable Trust Co. of New York.

Security—A first lien on plants of former Equitable Gas Light Co. Underlies Memphis Power & Light Co. First & Refunding Mortgage under which bonds are reserved to retire this issue.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$510,000 (CLOSED MORTGAGE) MEMPHIS LIGHT & POWER COMPANY FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1931

Dated January 1, 1901.

Interest Payable January and July 1, at National Bank of Commerce, New York and Northern Trust Co., Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Northern Trust Co., Chicago, Ill.

Sinking Fund—$20,000 per annum to be invested in bonds of this issue if purchasable at a price to yield not less than 4%.

Security—A first lien on that part of the plant supplying electricity to Memphis, Tenn., which formerly belonged to the Memphis Light & Power Co. Underlies Memphis Power & Light Co. First & Refunding Mortgage, under which bonds are reserved to retire this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%

(3)

$7,500,000 MEMPHIS POWER & LIGHT COMPANY FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "A," DUE JANUARY 1, 1948

Dated January 1, 1923.

Interest Payable January and July 1, at Central Union Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; and fully registered bonds of $1,000 and $5,000. Coupon bonds of $1,000 each and fully registered bonds interchangeable.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—The mortgage securing the First & Refunding Mortgage Gold bonds does not directly limit the aggregate amount of bonds which may be issued thereunder, but provides among other things that additional bonds either of Series "A" or "B" or of other series which shall have such rates of interest, maturity dates and other provisions as the Board of Directors may determine, may be issued as follows: (a) for the purpose of refunding, par for par, underlying or Prior Lien bonds or First & Refunding Mortgage bonds of any other series and (b) for not more than 75% of the cost or fair value, whichever is less, of construction or acquisition, of permanent improvements or additions to the mortgaged property, and (c) for an equal amount of cash deposited with the Trustee, which may be withdrawn for the purposes specified in (a) and (b) above.

No additional bonds may be issued, except for refunding purposes, unless net earnings, as defined in the mortgage, for twelve consecutive calendar months out of the fifteen immediately preceding application for issue shall have been at least equal to either (1) twice the actual annual interest requirements on, or (2) twice 6% of the principal amount of, the outstanding underlying bonds and all First & Refunding Mortgage Gold bonds issued and outstanding, including those proposed to be issued.

Callability—Subject to call as a whole or in part on 4 weeks' notice on any time on or before Jan. 1, 1928 at 105 and interest; thereafter at 104 and interest through Jan. 1, 1933; thereafter at 103 and interest through Jan. 1, 1938; thereafter at 102 and interest through Jan. 1, 1943; thereafter at 101 and interest through Jan. 1, 1946; and thereafter at 100 and interest until maturity.

Maintenance and Renewal Fund—In the mortgage securing these bonds the Company covenants to pay to the Trustee on or before April 1 in each year, beginning with the year 1924, as a Maintenance and Renewal Fund, an amount of money equal to 5% of the aggregate principal amount of all underlying and Prior Lien bonds and all First and Refunding Mortgage Gold bonds which were outstanding at the close of the next preceding calendar year, less the amount of actual expenditures for maintenance, repairs, renewals and replacements during such year. This fund may be withdrawn for further maintenance, repairs, renewals and replacements, or improvements and additions against which no First and Refunding Mortgage Gold bonds may be issued. Any unused balance may be used for the retirement of underlying bonds or First and Refunding Mortgage Gold bonds and any such balance of $25,000 or over remaining after 24 months shall be so used.

Security—These bonds are the direct obligations of Memphis Power & Light Co. and are secured equally with the Series "C" bonds by a direct first mortgage upon a substantial portion of the present property including the 54,000 k.w. Fourth Street generating station (which includes a new 20,000 k.w. unit placed in service in 1925), and a direct mortgage upon the remainder of the physical property subject only to two issues of underlying (closed) mortgage bonds, aggregating $1,760,000 principal amount outstanding, which mature in 1929 and 1931 respectively.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refundable.

Legal Opinion—Stetson, Jennings & Russell, New York.

Original Offering—First publicly offered ($5,500,000) in Jan., 1923, at 89½ and interest, to yield about 5.80%, an additional $1,000,000 offered in April, 1924, at 91 and interest, to yield 5.70%, and a further $1,000,000 in Dec., 1924, at 96 and interest, to yield over 5.30%, all by the Guaranty Company of New York, Harris, Forbes & Co., New York and Boston, and Harris Trust & Savings Bank, Chicago.

(4)

$2,000,000 MEMPHIS POWER & LIGHT COMPANY FIRST & REFUNDING MORTGAGE GOLD 6s, SERIES "B"; DUE JANUARY 1, 1948

Called for redemption on April 1, 1928, at 105 and interest at Central Union Trust Co. of New York, Trustee.

(5)

$2,275,000 MEMPHIS POWER & LIGHT COMPANY FIRST & REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES "C"; DUE APRIL 1, 1978

Dated April 1, 1928.

Interest Payable April and October 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $1,000; principal may be registered, and fully registered bonds in interchangeable denominations of $1,000 and $5,000; coupon and fully registered bonds being interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue, Maintenance and Renewal Fund, Security, Etc.—For details, see under Series "A" bonds, paragraph 3.

Purpose of Issue—Proceeds were used for the retirement of the Series B, 6% bonds, due Jan. 1, 1948, which were called for redemption on April 1, 1928.

Callability—Subject to call as a whole or in part, on the first day of any month on four weeks' notice, at 102 and interest on or before April 1, 1934, the premium decreasing 1/4 of 1% during each six-year period elapsed thereafter to and including April 1, 1976, and thereafter at par and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Davis, Polk, Wardwell, Gardiner & Reed, New York (for the Bankers).

Original Offering—First publicly offered ($2,275,000) in March, 1928, at 96¼ and interest to yield about 4.70% by Guaranty Co. of New York, Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris, Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$5,653,848	$5,090,869	$4,630,480	$4,401,122	$3,951,588	*$3,363,685
Operating expenses, including taxes	3,257,565	2,902,642	2,576,310	2,671,177	2,520,913	2,160,084
Net earnings from operation	$2,396,283	$2,188,227	$2,054,170	$1,729,945	$1,430,675	$1,203,601
Other income	261,682	250,755	262,872	156,761	129,765	†
Total income	$2,657,965	$2,438,982	$2,317,042	$1,886,706	$1,560,440	$1,203,601
Interest on bonds	583,119	584,130	584,537	521,065	422,934	
Other interest and deductions	110,142	48,897	13,141	161,908	84,005	601,723
Balance	$1,964,704	$1,805,955	$1,719,364	$1,203,733	$1,053,501	$601,878
Dividends on Preferred stock	232,603	209,029	200,094	78,930	70,000	
Balance	$1,732,101	$1,596,926	$1,519,270	$1,124,803	$983,501	Not
Renewal and replacement reserve	547,353	515,032	479,706	419,820	341,249	Available
Balance for surplus	$1,184,748	$1,081,894	$1,039,564	$704,983	$642,252	
‡Times Bond Interest Earned	4.55	4.18	3.96	3.62	3.70	

*Includes other income. †Included in gross earnings. ‡Before deducting other interest and deductions.

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant and investments	$32,434,556	$31,187,994	$30,191,328	$28,485,179	$26,177,023
Construction expenditures	.....	.....	.....	.....	8,826
Cash	497,756	483,891	595,834	734,703	330,215
Notes and loans receivable	1,321,300	1,048,225	392,145	354,210	515,000
Accounts receivable	919,688	716,333	714,918	414,976	320,944
Materials and supplies	515,898	733,719	538,698	508,680	409,278
Prepaid accounts	30,884	39,132	32,465	44,414	27,339
Pfd. stock subscriptions	.....	.....	.....	.....	46,075
Reacquired securities (Pfd. stock)	9,766	3,843	22,169	12,809	.....
Sinking fund cash	37,297	24,404	20,000	20,000	20,040
Renewals and replacements reserve fund inv.	53,797	132,990	117,688	390,876	371,235
Injuries and damage reserve	779	1,175	.....	.....	.....
Unamort. discount and exp.	311,450	327,107	342,633	356,727	145,031
Deferred debits	169,821	.....	21,140	45,716	32,102
Total	$36,302,992	$34,698,813	$32,989,019	$31,368,290	$28,403,108

COMPARATIVE GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923
Capital stock (no par value)	*$19,739,536	*$19,129,902	$19,129,902	$17,926,738	$17,240,578
Funded debt	11,260,000	11,275,000	11,290,000	11,310,000	9,331,000
Dividends declared (payable Jan. 2)	143,000	132,339	119,982	79,776	197,500
Accounts payable	81,823	79,736	212,658	373,654	243,505
Consumers' deposits	234,422	224,324	173,787	177,428	124,659
Accrued accounts payable	786,751	676,169	924,257	413,016	375,614
Notes and loans payable	2,517,020	1,881,300	.....	.....	.....
Pfd. stock subscriptions	41,184	.....	.....	.....	46,075
Matured interest funded debt	7,418	.....	.....	.....	.....
Deferred credits	100,553	14,338	.....	.....	.....
Reserves	174,697	295,193	269,710	447,387	462,800
Surplus reserve	.....	.....	.....	.....	78,333
Surplus	1,216,589	990,514	868,722	640,291	303,044
Total	$36,302,992	$34,698,813	$32,989,019	$31,368,290	$28,403,108

*Represented by 30,000 shares $7 Series Pfd. and 400,000 shares Common stock in 1926 and 400,000 shares Common, 30,000 shares $7 Pfd. and 6,387 shares $6 Pfd. in 1927.

Officers: T. H. Tutwiler, Pres.; W. J. O'Brien, V-P. & Gen. Mgr., Memphis, Tenn.; E. W. Hill, V-P.; L. H. Parkhurst, V-P., New York; L. LeMay, Sec. & Asst. Treas., Memphis, Tenn.; E. P. Summerson, Asst. Sec., New York; L. M. Long, Asst. Sec. & Asst. Treas., Memphis, Tenn.; H. L. Martin, Asst. Sec.; A. C. Ray, Asst. Treas.; Alexander Simpson, Asst. Treas., New York.

Directors: H. C. Abell, Chairman; C. E. Groesbeck, F. B. Odlum, E. P. Summerson, New York; F. N. Fisher, J. R. Flippen, C. J. Haase, J. P. Norfleet, J. F. Ramier, T. H. Tutwiler, Henry Wetter, Memphis, Tenn.

General Office, Memphis, Tenn. **New York Office,** 2 Rector St.

THE MEMPHIS STREET RAILWAY COMPANY

(Controlled by Memphis Power & Light Co.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated March 28, 1895, in Tenn.; consolidation of Citizens' St. R. R., the City & Suburban Ry., East End St. Ry. and Memphis & Raleigh Springs R.R. Franchises expire in Nov., 1945. Company does the entire street railway business in the city of Memphis and certain suburbs, serving a population estimated to exceed 207,000.

The company owns the entire issued capital stock of the Memphis & Lake View Ry. Co. (see statement appended).

The Railroad & Public Utilities Commission of Tennessee, under date of March 15, 1920, found a valuation of the Company's property of $11,846,034 as of July 1, 1919, and provided a sliding schedule of rates designed to yield not less than 6½% and not more than 7½% of return on the property value plus subsequent additions and withdrawals, after providing for renewals and replacements.

Service and Traffic Statistics—The estimated population and number of communities served by the Company as of Dec. 31, 1927, the miles of track then in use, and the total number of passengers carried and certain other traffic data for the twelve months ended Dec. 31, 1927, compared with the two previous years, follow:

	1927	1926	1925
Population served	207,000	207,000	198,000
Communities served	3	3	3
Street railway passengers carried during 12 mos.	53,520,929	53,896,322	52,615,233
Car miles	8,021,062	7,889,090	7,368,085
Car hours	801,973	773,283	721,618
Aver. number of cars oper.	91	88	82
Miles of street railway (single track equivalent)	137	135	135

CAPITAL STOCK

Authorized and outstanding, $2,500,000 Common and $2,500,000 5% cumulative Pfd.; par, $100. Pfd. stock is subject to redemption at any time at 110 and accrued dividends. Memphis Power & Light Co. owns all of the capital stock except directors' shares.

Annual Meeting—Second Wednesday after first Sunday in February.

Dividends—Dividends on Pfd. stock were regularly paid quarterly M 31, J 30, S 30 & D 31, from date of issuance until Dec. 31, 1914, inclusive; the March, 1915, dividend was deferred; 1916, 2½%; 1917, 2½%; none thereafter until Nov., 1923, when 4% was paid; none thereafter until 1924 when 5% was paid; 1925, 8%; 1926, 8%; 1927, 6½%.

FUNDED DEBT

(1)

$8,367,000 CONSOLIDATED MORTGAGE 5% GOLD BONDS; DUE JULY 1, 1945

Dated July 1, 1905.

Interest Payable January and July 1, at Central Union Trust Co., New York.

Denominations—Coupon (principal may be registered) $1,000; and registered, $10,000; interchangeable.

Trustee—Central Union Trust Co., New York.

Provisions of Issue—Authorized and issued, $10,000,000, of which $639,000 retired and $994,000 held alive in sinking fund on Dec. 31, 1927, leaving $8,367,000 outstanding. The $8,367,000 outstanding bonds include $272,000 owned by Company and held in certain reserve funds. Mortgage now closed.

Sinking Fund—$25,000 per annum for 5 years, beginning May 1, 1910; $30,000 per annum beginning 1915; $35,000 per annum beginning 1920; $40,000 per annum beginning 1925; and $50,000 per annum from 1930 to 1945, incl. The fund is to be invested in the bonds on a 4½% interest basis or better; bonds so purchased will remain alive and bear interest. If bonds cannot be bought on that basis, other railroad or municipal bonds may be purchased.

Security—Secured on all the property and franchises, including about 135 miles of railway.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Interest Payments—In May, 1919, the Receivers deposited with the Central Union Trust Co. of New York funds for the payment of the Jan., 1919, interest on the Consolidated Mtge. 5% bonds, together with five months' interest at 5% on the deferred payment. The July 1, 1919, interest was paid Sept. 1, 1919 and the Jan. 1, 1920, interest was paid promptly. Subsequent interest has been paid when due.

Listed—Listed on New Orleans Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	79	75	79	74	80	80¼	65	68½
Low	71¾	71	71	70	72	62	60	57

(2)

$204,000 EQUIPMENT TRUST GOLD CERTIFICATES, 6s, SERIES OF 1923, DUE $35,000 EACH DECEMBER 1, 1928 TO 1932, INCLUSIVE, AND $29,000 DECEMBER 1, 1933

Dated Dec. 1, 1923.

Dividends Payable June and December 1, at Guaranty Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized and issued, $344,000, of which $140,000 matured and paid to Dec. 31, 1927.

Callability—Payment as a whole but not in part may be anticipated on any dividend date, at 103 and dividends for certificates maturing more than five years after date of such anticipated payment, and at a premium of ½ of 1% for each year or fraction thereof of unexpired life in the case of certificates maturing five years or less after date of such anticipated payment.

Security—Issued under the Philadelphia plan and secured on 40 fifty-five-passenger double truck electric street railway cars, costing at least $459,000 of which not less than 25% paid in cash. The title to the equipment is vested in Trustee until all certificates are paid. The Trustee has leased the equipment to the company at a rental sufficient to pay the face amount of the certificates, dividends and other charges as they mature.

Guaranty—Guaranteed, principal and interest, by endorsement, by The Memphis Street Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($344,000) in Dec., 1923, at prices to yield from 6% to 6.30% according to maturity, by Harris, Forbes & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings from operation	$2,900,471	$2,970,069	$2,927,966	$3,014,674	$3,154,526	$3,149,147
Operating expenses, including taxes	1,969,329	2,031,866	1,986,176	2,121,690	2,189,370	2,041,149
Net earnings from operation	$931,142	$938,203	$941,790	$892,984	$965,156	$1,107,998
Other income	2,680	2,647	3,396	3,628	9,478	4,049
Total income	$933,822	$940,850	$945,186	$896,612	$974,634	$1,112,047
Interest on bonds	433,886	441,050	447,899	454,195	480,043	566,553
Other interest and deductions	79,407	46,757	26,562	8,890	30,206	69,071
Balance	$420,529	$453,043	$470,725	$433,527	$464,385	$476,423
Dividends on Preferred stock	162,500	200,000	200,000	125,000	100,000	.....
Balance	$258,029	$253,043	$270,725	$308,527	$364,385	$476,423
Renewal and replacement reserve	235,976	222,865	256,469	277,125	228,932	248,705
Balance for surplus	$22,053	$30,178	$14,256	$31,402	$135,453	$227,718
†Times Bond Interest Earned	2.15	2.13	2.11	1.97	2.03	1.96

†Before deducting other interest and deductions.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plants and investments	$15,685,596	$15,547,897	$14,994,652	$14,391,477	$14,159,488
Equipment held on lease				471,755	.....
Cash	307,143	281,839	299,918	79,257	65,472
Notes and loans receivable	27,000	27,000	32,000	32,000	52,000
Accounts receivable	109,674	75,212	69,081	34,970	102,404
Materials and supplies	130,319	127,727	129,898	142,969	163,891
Prepaid accounts	10,868	46,091	6,573	13,513	15,053
Trust funds	40,520	24,705	22,689	18,689	463,207
Sinking fund cash	.....	.....	.....	.....	16,251
Renewals and replacements, reserve fund investments	305,886	341,188	349,216	210,167	102,751
Injuries and damages reserve fund	29,838	51,825	69,632	75,615	94,188
Guaranty of Memphis & Lake View Ry. Co. bonds	160,000	.....	.....	.....	.....
Unamortized discount and expense	10,847	12,680	14,513	16,331	17,262
Deferred debits	259,436	155,122	104,920	65,045	29,916
Fare index fund (deficit)	.....	.....	.....	.....	93,522
Total	$17,077,127	$16,691,284	$16,093,094	$15,551,788	$15,375,405
Liabilities—					
Common stock	$2,500,000	$2,500,000	$2,500,000	$2,500,000	$2,500,000
Preferred stock	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Funded debt	8,367,000	8,467,000	8,562,000	8,651,000	8,730,000
Equipment trust certificates	204,000	239,000	274,000	309,000	344,000
Dividends declared	31,250	50,000	50,000	31,250	.....
Notes and loans payable	1,471,000	1,198,000	500,000	350,000	115,000
Accounts payable	295,440	255,805	204,999	160,871	109,339
Employes' deposits	.....	.....	.....	10,940	12,100
Tickets outstanding	.....	.....	.....	2,711	2,736
Accrued accounts	410,175	397,896	448,341	155,749	214,927
Matured interest funded debt	12,556	.....	.....	.....	.....
Guaranty of Memphis & Lake View Ry. Co. bonds	160,000	.....	.....	.....	.....
Deferred credits	54,814	.....	.....	.....	.....
Reserve	335,826	395,959	422,500	289,547	201,551
Surplus	735,066	687,624	631,255	590,720	645,752
Total	$17,077,127	$16,691,284	$16,093,094	$15,551,788	$15,375,405

Officers: T. H. Tutwiler, Pres., Memphis, Tenn.; E. W. Hill, V-P.; F. A. Reid, V-P., New York; E. W. Ford, V-P.; L. LeMay, Sec. & Treas.; W. T. Brown, Asst. Sec. & Asst. Treas., Memphis, Tenn.; E. P. Summerson and H. L. Martin, Asst. Secs.; A. C. Ray and A. Simpson, Asst. Treas.'rs.; New York.

Directors: H. C. Abell, Chairman; C. E. Groesbeck, New York; W. W. Mallory, T. H. Tutwiler, F. S. Elgin, E. W. Ford, L. LeMay, A. L. Parker, J. M. Walker, C. W. Butler, Memphis, Tenn.

Operating Office, Memphis, Tenn. **New York Office,** 2 Rector Street.

MEMPHIS & LAKE VIEW RAILWAY COMPANY

(Controlled by The Memphis Street Ry. Co.)

History—Incorporated May 1, 1913, in Delaware, and purchased the property of Memphis Interurban Co., which succeeded the Lake View Traction Co. Line of road extends from Memphis, Tenn., to Lake View, Miss., 10.5 miles, all on private right-of-way. Franchises perpetual.

CAPITAL STOCK

Authorized, $50,000; outstanding, $3,000; par $100. All owned by The Memphis Street Ry. Co. Annual meeting, second Wednesday after first Sunday in February.

FUNDED DEBT

$160,000 First 5s; dated May 1, 1913; due May 1, 1933; int. May and Nov. 1, at Bank of Commerce & Trust Co., Memphis, Tenn., Trustee. Coupon, $100, $500 and $1,000. Authorized issue, $500,000. Subject to call at par. No sinking fund. A first lien on entire property.

OFFICERS AND DIRECTORS

Officers: T. H. Tutwiler, Pres.; E. W. Ford, V-P.; L. Le May, Sec. & Treas., Memphis.

Directors: H. C. Abell, New York; Roane Waring, E. W. Ford, A. D. McWhorter, T. H. Tutwiler, Memphis.

Office, Memphis Tenn. **New York Office,** 2 Rector St.

LEHIGH POWER SECURITIES CORPORATION

(Controlled by National Power & Light Company)
(Supervised by Electric Bond and Share Company)

History—Incorporated in Jan., 1926 in Delaware as a consolidation of the United Securities Company and the former Lehigh Power Securities Corp. The United Securities Co. was formed by the United Gas and Electric Corporation to acquire from it all of the properties in and around Lancaster and Harrisburg. Under the terms of consolidation The United Gas and Electric Corp. received $11,000,000 in cash and 130,000 shares of no par value $6 cumulative Pfd. stock of present corporation.

The Common stock of the former Lehigh Power Securities Corp. was held under a Voting Trust Agreement, which was dissolved Jan. 23, 1926, and the holders of the voting trust certificates received ten shares of no par value Common stock of present Corporation for each share of stock of old corporation.

Acquistion by National Power & Light Company—Under a Plan and Agreement dated Jan. 25, 1928, the Lehigh Power Securities Corporation is being acquired by the National Power & Light Company through exchange of stock. Under the Plan the National Power & Light Company is issuing its $6 Pfd. stock and Common stock in exchange for the $6 Pfd. stock and Common stock of Lehigh Power Securities Corporation on a share for share basis. It was reported on May 17, 1928, that more than 97% of the Lehigh Power Securities Corporation's stock had been deposited. The time limit for the deposit of securities was set for June 15, 1928. The depositaries are American Exchange Irving Trust Co., New York; The Pennsylvania Company for Insurances on Lives and Granting Annuities; Philadelphia and Old Colony Trust Company, Boston.

The Lehigh Power Securities Corporation now owns all the common stock of the Pennsylvania Power & Light Company, a substantial majority of both classes of stock of the Lehigh Valley Transit Company, all the Common stock of Harrisburg Light & Power Company and Lancaster County Railway & Light Company, and all Preferred and Common stock of Valley Railways. The Lehigh Power Securities Corp. also controls the Muncy Electric Light, Heat and Power Company, Carlisle Gas & Water Company, and The Mauch Chunk Gas Company.

Pennsylvania Power & Light Company owns all the Common stock and more than 83% of the Pfd. and Second Pfd. stocks of the East Penn Electric Company and all the capital stock of several other smaller companies.

Lehigh Valley Transit Co. controls, among other companies, through ownership of all outstanding capital stock, except directors' shares, the Easton Consolidated Electric Co., whose properties it also operates under lease. The latter Company controls, through stock ownership of all capital stock, except directors' shares, The Edison Illuminating Co. of Easton, The Pennsylvania Motor Co. and Easton Transit Co. The latter company controls, through stock ownership, the Easton Amusement Co. and Phillipsburg Transit Co.

Territory and Service—The operating companies serve an extensive and prosperous industrial territory in eastern Pennsylvania, including the cities of Allentown, Bethlehem, Easton, Wilkes-Barre, Hazleton, Williamsport, Milton, Sunbury, Harrisburg and Lancaster. In the territory served, which has a population estimated at 1,650,000, are many diversified industries, including iron and steel works, anthracite coal mines, steel car and automobile works, silk mills, cement mills and the like.

The total number of principal communities served is 529. Electric power and light service is supplied in 498 communities, including those served at wholesale, and manufactured gas service is supplied in 28 cities and towns, including 1 served at wholesale. Transportation service is also supplied in 141 principal communities by controlled companies operating street and interurban railway lines with 497 miles of track.

Pennsylvania Power & Light Company serves a population estimated to exceed 946,000. It includes the important Allentown-Bethlehem industrial section near the eastern boundary of Pennsylvania, thence extends westward through the heart of the anthracite coal district in and around Wilkes-Barre, Hazleton, Shenandoah, Mount Carmel, and Shamokin, into the industrial and agricultural section along the Susquehanna River in and around Berwick, Bloomsburg, Danville, Milton, Williamsport and Lock Haven. Total consumers served include 174,089 supplied with electric power and light and 32,093 with gas service.

East Penn Electric Company supplies electric power and light service to 54 principal communities, including Pottsville, Tamaqua, Lansford, Minersville, Ashland, St. Clair, Coaldale, Frackville, Summit Hill and Schuylkill Haven, serving more than 26,400 consumers. It also supplies interurban railway service to 22 communities. Total population served is estimated at 198,000.

Lehigh Valley Transit Company and its subsidiaries own and operate an extensive system of city and interurban railway lines, including a high-speed interurban railway from Easton through Bethlehem and Allentown to Philadelphia. Total population served is estimated at 319,700.

Harrisburg Light & Power Company supplies electric power and light service in the cities of Harrisburg and Steelton and in 13 other communities in adjacent territory, serving a population estimated at 125,000. There are more than 31,600 electric consumers.

Lancaster County Railway & Light Company controls, directly or indirectly, through stock ownership the companies which supply electric power and light in Lancaster and vicinity, and gas service in Lancaster and Columbia. It also controls the companies supplying electric railway service in Lancaster, Lebanon, Coatesville, Columbia, Lititz and 42 other principal communities, together with an extensive rural territory in Lancaster County and adjoining counties. The total population thus served exceeds 218,000.

Valley Railways operates electric railway lines connecting Harrisburg with Enola, Lemoyne, Marysville, New Cumberland, Shiremans Town, Camp Hill, Mechanicsburg, Boiling Springs and Carlisle and, through a subsidiary, serves with electric power and light more than 7,600 consumers in this district. Total population served is estimated at 127,000.

Supervision—The operations of Lehigh Power Securities Corp. and its subsidiaries are supervised (under the direction and control of the Board of Directors of the respective companies) by the Electric Bond and Share Company.

Franchises—In the opinion of counsel, the franchises of the operating companies generally are free from burdensome restrictions, and a very substantial number of them are without time limit. Public relations of subsidiaries are satisfactory.

Statistical Data—The total number of consumers served by all the operating companies and the physical equipment of the properties at Dec. 31, 1927, together with the kilowatt-hour output, gas sendout and num-

ber of passengers carried for the year ended on that date, as compared with statistics for the properties owned in 1926 and 1925, follow:

	1927	1926	*1925
Electric consumers	316,659	288,143	185,599
Mfd. gas consumers	56,488	59,089	37,179
Water consumers	4,559	4,388	
Miscellaneous consumers	1,688	1,720	545
Total consumers	379,394	353,340	223,323
Pass. carried during 12 mos.	96,889,736	106,398,294	81,816,474
Kilowatts generating station capacity installed	376,001	344,821	234,457
Kilowatts generating capacity under construct.	6,000	36,000	70,000
Kilowatt hours generating station output for twelve months (incl. purchased power)	1,273,144,900	1,191,377,900	797,722,400
Miles of transmission lines (11,000 volts and over) irrespective of the number of circuits carried	1,316	1,302	1,086
Miles of transmission lines (11,000 volts and over) under construction	53	32	247
Miles of elec. distributing system (less than 11,000 volts) in service	6,637	5,878	3,711
Gas works capacity (thousand cu. ft.) per day	14,465	15,805	10,985
Gas holder capacity (thousand cu. ft.)	5,811	5,111	3,509
Gas sendout (thousand cu. ft.) for twelve months	1,913,542	2,001,673	1,179,946
Miles of gas mains	453	464	317
Miles of electric railway (single track equivalent)	497	538	309
Miles of water mains	42	41	

*Not including Harrisburg Light and Power Company, Lancaster County Railway & Light Company and Valley Railways and subsidiaries acquired in 1926.

CAPITAL STOCK

Authorized, 4,000,000 shares Common of no par value, 300,000 shares $6 cumulative Pfd. of no par value, and 300,000 shares $7 cumulative Pfd. of no par value; outstanding, 3,104,450 shares Common and 130,000 shares $6 cumulative Pfd.

Transfer Agents—Guaranty Trust Co. of New York, and The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Listed (Common)—United Department of Philadelphia Stock Exchange.

Price Range—

Common—	1927	1926
High	22	22
Low	15	10

Dividends—Initial dividend of $1.50 on $6 cumulative Pfd. stock paid on May 1, 1926, which quarterly rate since maintained; payments, F, M, A & N 1.

FUNDED DEBT

$25,000,000 6% GOLD DEBENTURES, SERIES "A," DUE FEBRUARY 1, 2026

Dated February 1, 1926.

Interest Payable February and August 1, in New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable. Fully registered debentures in $1,000 and $10,000 denominations. Coupon debentures of $1,000 denomination and fully registered debentures interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited; issued and outstanding, $25,000,000 Series "A" 6s. Additional debentures may be issued only when the net income of Corporation, as defined in agreement, shall have been not less than twice the annual interest charges on its total indebtedness, including the debentures then to be issued, but excluding indebtedness to be concurrently paid off. Additional debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights, limitations and provisions permitted by the Agreement as the Board of Directors or Executive Committee of the Corporation may determine prior to the issue thereof.

The proceeds from the sale of $25,000,000 Series "A" was used for the retirement of indebtedness, including all the $7,566,000 Ten-Year 6% Secured Gold notes called for redemption Feb. 1, 1926, and, together with 130,000 shares of $6 Pfd. stock, for the acquisition of the Harrisburg and Lancaster properties and also provided funds for further capital expenditures and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time, on 30 days' notice, to Feb. 1, 2010, at 110 and interest; thereafter to Feb. 1, 2020, at 105 and interest; thereafter at par and interest.

Security—A direct obligation of Corporation, but not secured by mortgage.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax refunded upon application within 60 days after payment.

Legal Opinion—Winthrop & Stimson, New York (for the Bankers), and Simpson, Thacher & Bartlett New York (for the Corporation).

Original Offering—First publicly offered ($25,000,000 Series "A" 6s) in January, 1926, at 95 and interest, to yield 6.30%, by Bonbright & Co., Inc., Brown Bros. & Co., W. C. Langley & Co., Tucker, Anthony & Co., Edward B. Smith & Co., R. E. Wilsey & Co., New York, etc., and Old Colony Trust Co., Boston.

Price Range—

	1927	1926
High	107	95¼
Low	95⅛	93

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Comparative summary of consolidated earnings (inter-company items eliminated) of subsidiaries controlled at Dec. 31, 1927 for entire periods irrespective of dates acquired)

	1927	1926
Gross earnings of subsidiaries	$39,007,415	$37,495,707
Net earnings of subsidiaries	17,303,740	15,618,377
Non-operating revenue	868,192	1,341,324
Total income of subsidiaries	$18,171,932	$16,959,701

COMBINED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

(Lehigh Power Securities Corp. and Subsidiaries)

Gross earnings of Lehigh Power Securities Corp. and undistributed income of subsidiaries applicable to Lehigh Power Securities Corp. after renewal and replacement appropriations	$6,619,077
Expenses of Lehigh Power Securities Corp.	93,250
Interest of Lehigh Power Securities Corp.	1,714,397
Balance	$4,811,430
Pfd. dividends of Lehigh Power Securities Corp.	780,000
Balance	$4,031,430

NOTE—Renewal and Replacement (Depreciation) appropriations for the twelve months ended Dec. 31, 1927, were $3,242,431.

GENERAL BALANCE SHEET, SEPTEMBER 30

Assets—	1927	1926
Investments	$92,746,830	$90,090,871
Cash	99,657	68,000
Loans and accounts receivable—subsid.	1,670,247	2,303,410
Loans and accounts receivable—others	666,979	40,400
Total	$95,183,713	$92,502,681
Liabilities—		
*Capital stock	$60,000,000	$60,000,000
Funded debt	25,000,000	25,000,000
†Notes and loans payable	5,090,000	3,180,000
Accounts payable	2,368	26,442
Accrued accounts payable	403,408	389,520
Reserve	39,062	43,178
Surplus	4,648,875	3,863,541
Total	$95,183,713	$92,502,681

*Represented by 130,000 shares $6 Pfd. and 3,104,450 shares Common of no par value. †Represented loans from affiliated and other companies covering purchases of securities of utility operating companies. The purchases are carried on the asset side as investments.

Officers: P. B. Sawyer, Pres.; William Darbee, V-P.; E. W. Hill, V-P.; E. P. Summerson, Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Treas.; G. J. Hickman, Asst. Treas.; Alexander Simpson, Asst. Treas.; A. E. Smith, Compt.; W. C. Lang, Asst. Compt., New York.

Directors: S. Z. Mitchell, Chrm.; Irving W. Bonbright, A. A. Tilney, G. M. Dahl, C. E. Groesbeck, E. K. Hall, L. P. Hammond, E. P. Summerson, P. B.

Sawyer, George H. Howard, New York; W. W. Griest, Lancaster, Pa.; Geo. H. Frazier, S. D. Warriner, Philadelphia, Pa.; H. C. Trexler, E. M. Young, Allentown, Pa.

Principal Office, 2 Rector Street, New York.

BIG SPRING LIGHT AND POWER COMPANY

(Controlled by Lehigh Power Securities Corporation)

History—Originally incorporated as Big Spring Electric Company; name changed to present title on June 11, 1926.

CAPITAL STOCK

Authorized and outstanding, $15,000; par $50. All except directors' qualifying shares owned by Lehigh Power Securities Corporation.

FUNDED DEBT

(1)

$15,000 First Mortgage 5% Gold Bonds, due April 1, 1938. Dated April 1, 1908. Interest payable April and Oct. 1. Authorized and outstanding, $15,000.

(2)

$22,500 First and Refunding 5% Gold Bonds, due Jan. 1, 1945. Dated Jan. 1, 1913. Interest payable January and July 1. Authorized and issued, $50,000, of which $27,500 are held in the treasury and $22,500 are outstanding.

OFFICERS AND DIRECTORS

Officers: D. A. Elias, Pres.; H. W. Stone, Sec. & Treas., Harrisburg, Pa.; G. B. Plough, Gen. Mgr., Newville, Pa.

Directors: D. A. Elias, H. W. Stock, Harrisburg, Pa.; G. B. Plough, Newville, Pa.

CARLISLE GAS & WATER CO.

(Controlled by Lehigh Power Securities Corp.)

History and Property—Incorporated in 1854, in Pa. In 1921, Carlisle Light, Heat & Power Co. was merged. Supplies gas, electricity and water to Carlisle, Pa.

Population served, estimated at 18,000. Gas works capacity, 950,000 cu. ft.; miles of gas mains, 20; number of gas consumers, 3,440; annual gas send-out, 70,911,000 cu. ft. Miles of electric distributing system, 55.7; electric output, 7,437,400 k.w.h. Miles of water mains, 28.

CAPITAL STOCK

Authorized, $750,000; outstanding, $600,000; par, $25. Stock control held by Lehigh Power Securities Corp.

Dividends, 7% per annum; payable April and October.

FUNDED DEBT

(1)

$200,000 First Mortgage 4s; dated Dec. 24, 1913; due Jan. 1, 1934; interest payable Jan. and July 1, at Carlisle (Pa.) Trust Co., Trustee. Coupon, $500 and $1,000. Authorized issue, $200,000. Bonds are subject to call. A first lien on all the real estate, plants, machinery, franchises, etc. Company pays Normal Federal Income Tax up to 2%.

(2)

$358,000 First Refunding Mortgage 40-Year 6% Sinking Fund Gold Bonds; dated Jan. 1, 1920; due Jan. 1, 1960; interest payable Jan. and July 1. Issued, $558,000, of which $200,000 held in reserve by Trustee to refund the First Mortgage bonds described above.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$419,740	$369,365	$348,555
Operating expenses	250,000	228,736	236,842
Operating income	$169,740	$140,628	$111,713
Other income	12,739	3,849	5,531
Total income	$182,479	$144,477	$117,244
Interest on funded debt	29,480	29,480	31,113
Other deductions	255	103	118
Balance for dividends	$152,744	$114,894	$86,012
Dividends	.....	.....	42,000
Surplus for year	$152,744	$114,894	$44,012

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Capital account	$1,478,560	$1,449,677	$1,427,776
Investments	14,438	14,438	14,438
Reacquired securities	200,000	200,000	.....
Sinking fund	13,280	7,512	34,706
Special deposits	15,270	442	.....
Cash	295,794	48,276	80,394
Notes receivable	.....	184,811	60
Accounts receivable	65,512	10,073	5,447
Materials and supplies	35,264	31,594	14,344
Prepaid accounts	3,142	4,688	7,207
Accrued assets	5,325	1,586	.....
Deferred charges	14,514	7,444	9,159
Deficit	.....	.....	35,227
Total	$2,141,099	$1,960,541	$1,628,758
Liabilities—			
Capital stock	$600,000	$600,000	$600,000
Funded debt	758,000	758,000	591,000
Consumers' deposits	1,445	1,262	445
Accounts payable	13,061	6,085	724
Matured funded debt int.	465	15,182	.....
Dividends payable	.....	.....	12,012
Service billed in advance	4,145	3,970	4,031
Other current liabilities	70	57	.....
Accrued liabilities	15,986	16,923	31,824
Deferred credits	820	57	.....
Reserve for renewals and replacements, etc.	419,817	384,414	353,864
Appropriated surplus	.....	.....	34,859
Surplus	327,290	174,590	.....
Total	$2,141,099	$1,960,541	$1,628,758

Officers: E. W. Hill, Pres.; D. A. Elias, V-P.; H. W. Stone, Sec. & Treas., Harrisburg, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York.

Directors: E. W. Hill, J. F. Wessel, New York; D. A. Elias, H. W. Stone, Harrisburg, Pa.; John Hays, Carlisle, Pa.

General Office, Carlisle, Pa. **New York Office,** 2 Rector Street.

COLUMBIA GAS COMPANY

(Controlled by Lancaster Gas Light & Fuel Co.)

History—Incorporated Nov. 20, 1852, in Pa. Supplies gas to the city of Columbia, Pa. Franchise perpetual. Population served, 13,000. Gas works capacity, 350,000 cu. ft. Gas holder capacity, 102,000 cu. ft. Miles of gas mains, 11.6.

CAPITAL STOCK

Authorized, $125,000; outstanding, $60,000; par, $25. The Lancaster Gas Light & Fuel Co. owns all of the stock. Annual meeting, first Monday in October.

FUNDED DEBT

$125,000 First Gold 5s; dated Jan. 1, 1911; due Jan. 1, 1941; interest Jan. and July 1, at Lancaster Trust Co., Lancaster, Pa., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $200,000. Subject to call at 105 on three months' notice. A first lien on property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Operating revenues	$71,418	$64,484	$60,085
Operating expenses	56,239	50,447	49,034
Operating income	$15,179	$14,037	$11,051
Other income	3,608	2,298	1,483
Total income	$18,787	$16,335	$12,534
Interest on funded debt	6,250	5,157	3,750
Other charges	458	343	188
Surplus after charges	$12,079	$10,835	$8,596
Appropriated for dividends	.....	3,600	2,400
Surplus for year	$12,079	$7,235	$6,196

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Total fixed capital	$221,106	$214,982	$171,450
Reserve fund assets	600	600	600
Cash	8,448	2,398	3,578
Accounts receivable	45,278	43,688	32,156
Materials & supplies	6,282	4,665	5,339
Prepayments	503	655	703
Deferred charges	7,172	7,478	2,183
Total	$289,389	$274,466	$216,009

Liabilities—	1926	1925	1924
Capital stock	$60,000	$60,000	$60,000
Funded debt	125,000	125,000	75,000
Current liabilities	2,295	2,083	7,596
Accrued liabilities	6,004	3,488	2,471
Reserves	36,294	32,659	26,940
Surplus	59,796	51,236	44,002
Total	$289,389	$274,466	$216,009

Officers: W. W. Griest, Pres., Lancaster, Pa.; E. W. Hill, V-P.; L. H. Parkhurst, V-P., New York; Anna E. Ranck, Sec. & Treas.; H. W. Hershey, Asst. Sec. & Asst. Treas., Lancaster, Pa.

Directors: J. W. B. Bausman, J. C. Carter, J. S. Graybill, Jr., W. W. Griest, John Hertzler, A. K. Hostetter, R. B. Hull, F. K. Sener, E. S. Snyder, Lancaster, Pa.; C. E. Groesbeck, E. W. Hill, P. B. Sawyer, Frank Silliman, Jr., J. F. Wessel, New York.

Office, Columbia, Pa. **New York Office,** 2 Rector Street.

HARRISBURG LIGHT & POWER COMPANY

(Controlled by Lehigh Power Securities Corporation)

(Supervised by Electric Bond and Share Company)

History—Incorporated July 22, 1912, in Pa. Company serves, without competition, the City of Harrisburg with electricity and steam heat, and supplies electricity in Steelton, Highspire, Hummelstown, Paxtang, Rutherford Heights, Penbrook, Progress, Lemoyne, Linglestown and Dauphin, and Susquehanna, Lower Paxton, Swatara, Middle Paxton and Lower Swatara Townships, serving a population estimated at 125,000 and covering an area of approximately 162 square miles. Franchises are unlimited as to time. There are more than 31,600 electric consumers.

Property—The property includes generating plants with a present installed capacity of 23,750 k.w., 380 miles of distribution lines and transmission lines. There are 7 miles of steam heating mains. Output in 1924, 60,735,300 k.w.h.; in 1925, 66,307,900 k.w.h.; in 1926, 73,207,896 k.w.h.; in 1927, 83,370,200 k.w.h.

Proposed Sale of Holdings—Stockholders will vote June 25, 1928, on proposal to sell their property to Pennsylvania Power & Light Co.

CAPITAL STOCK

Issued and outstanding, $2,588,900 Common and $1,250,000 6% cumulative Pfd.; par, $50. Entire Common stock owned by Lehigh Power Securities Corp.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is not subject to call.

Annual Meeting—Fourth Monday in January.

Dividends—Pfd. dividends have been regularly paid quarterly to date, M, J, S & D 31.

FUNDED DEBT

$5,400,000 FIRST & REFUNDING GOLD 5s; DUE AUGUST 1, 1952

Dated August 1, 1912.

Interest Payable February and August 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denominations—Coupon, $100 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized, $10,000,000; issued, $5,400,000. Of this amount $1,000,000 were issued in March, 1924, to retire $1,000,000 Harrisburg Light, Heat & Power Co. First 5s, due July 1, 1924. The remaining $4,600,000 bonds may be issued to a par amount of not to exceed 85% of expenditures for improvements and extensions, provided net earnings are 1½ times the interest charges, including bonds sought to be issued. In addition, the mortgage requires the management to apply not less than 6% of the gross receipts annually, commencing Jan. 1, 1913, for its maintenance and depreciation and to expend annually from its surplus earnings an amount equal to not less than 4% of the gross receipts for additions and improvements to the property.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date upon 8 weeks' notice.

Security—A first lien on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

Original Offering—First publicly offered ($1,250,000 in July, 1912, at 95 and interest; $1,000,000 additional were publicly offered in March, 1924, at 95 and interest to yield about 5.35%, by Reilly, Brock & Co., Philadelphia, and Coffin & Burr, Inc., New York, etc.

Legal Opinion—Morgan, Lewis & Bockius, Philadelphia, Pa.

Legal for Savings Banks in Maine.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924	1923	1922	1921
Gross earnings from operation	$2,433,836	$2,194,813	$1,985,770	$1,770,225	$1,534,331	$1,331,357
Operating expenses & taxes	1,235,106	1,191,524	1,199,531	1,085,781	920,632	847,001
Net earnings	$1,198,730	$1,003,289	$786,239	$684,444	$613,699	$484,356
Other income	20,626	10,406	62,743	53,097	38,435	37,882
Total income	$1,219,356	$1,013,695	$848,982	$737,541	$652,134	$522,238
Interest on bonds	270,000	269,928	389,874	348,598	326,083	297,246
Other int. & deductions	115	25,396				
Balance	$949,241	$718,371	$459,108	$388,943	$326,051	$224,992
Preferred dividends	75,000	75,000	75,000	75,000	75,000	75,000
Balance	$874,241	$643,371	$384,108	$313,943	$251,051	$149,992
Renewals & replacements appropriation	.....	132,309	95,954	85,892	65,872	32,977
Surplus	.....	$511,062	$288,154	$228,051	$185,179	$117,015
*Times Fixed Charges Earned	4.51	3.43	2.18	2.12	2.00	1.75
*Earnings Per Share—						
Preferred	$37.97	$28.73	$18.36	$15.55	$13.04	$9.00

*Before deducting renewals and replacements.

GENERAL BALANCE SHEET, DECEMBER 31, 1926

(Latest Available)

Assets—		Liabilities—	
Plant	$9,594,765	Preferred	$1,250,000
Construction expenditures	213,205	Common	2,588,900
Investments	68,876	Funded debt	5,400,000
Cash	489,979	Dividends declared (payable Jan. 3, 1927)	18,750
Notes & loans receivable	30,000	Accounts payable	47,993
Accounts receivable	307,075	Consumers' deposits	9,811
Materials and supplies	236,310	Accrued accounts payable	341,290
Prepaid accounts	10,355	Reserves	749,233
Trust funds	1,753	Surplus	574,553
Deferred debits	28,208		
Total	$10,980,530	Total	$10,980,530

Officers: L. P. Hammond, Pres., New York; H. R. Palmer, V-P. & Gen. Mgr.; D. A. Elias, V-P., Harrisburg, Pa.; E. W. Hill, V-P., New York; H. W. Stone, Sec. & Treas., Harrisburg, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York.

Directors: E. Z. Wallower, Chairman of the Board; D. A. Elias, E. S. Herman, Paul Johnston, W. M. Ogelsby, Harrisburg, Pa.; C. E. Groesbeck, L. P. Hammond, E. W. Hill, P. B. Sawyer, Frank Silliman, Jr., J. F. Wessell, New York.

Offices, Harrisburg, Pa. and 2 Rector Street, New York.

JUNIATA PUBLIC SERVICE COMPANY

(Controlled by Lehigh Power Securities Corp.)

History and Property—Incorporated Nov. 14, 1917, in Pa., with perpetual charter. Company is a consolidation of the Millersburg Light, Heat & Power Co., The Juniata Co., The Perry Electric Light, Heat & Power Co., and a number of other similar companies. Property consists of power plant, 211.52 miles of pole lines, distribution system, etc., coal properties and real estate. Total sales for 1927, 9,370,568 k.w.h. No. of consumers, 4,930. Population served, about 20,000. Has 16 street lighting contracts and others under way.

CAPITAL STOCK

Authorized, $346,000; outstanding, $300,000; par, $100. Secretary of company acts as Transfer Agent. Annual meeting, third Tuesday in January.

Dividends—Dividends have been paid as follows: 1919, 1½%; 1920, 3%; 1921, 6%; 1922, 9%; 1923 and 1924, 6% each; 1925, 8%; 1926, 9%; 1927, 6%.

FUNDED DEBT

$269,000 First Mortgage 5% Gold bonds; dated Dec. 1, 1917, due Dec. 1, 1947; int. June and Dec. 1, at Clearfield (Pa.) Trust Co., Trustee. Coupon, $500 and $1,000. Authorized issue, $350,000. Subject to call at 102½ for first 15 years; thereafter at par. Issued to take up underlying bonds, floating debt and improvements. First lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%

There are also outstanding at Dec. 31, 1927, $4,900 Juniata Company underlying 5% bonds.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$261,227	$238,456	$205,722
Oper. exp., taxes, depr., etc.	138,535	156,751	172,123
Depreciation	48,396	44,667	
Net earnings	$74,296	$37,038	$33,599
Other income	26,742	62,746	42,187
Total income	$101,038	$99,784	$75,786
Bond interest, etc.	$13,607	$13,700	$13,710
Amortization	914	940	940
Total charges	$14,521	$14,640	$14,650
Balance for dividends	86,517	85,144	61,136
Dividends paid	18,000	27,000	24,000
Surplus for year	$68,517	$58,144	$37,136
Earnings Per Share	$28.84	$28.38	$20.38

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Cost of properties & equip.	$1,027,047	$989,088	$900,422	Capital stock	$300,000	$300,000	$300,000
Special deposits	725			Funded debt	304,900	273,900	274,200
Reacquired securities	38,000	6,300		Accounts payable	9,203	3,985	4,647
Materials and supplies	65,052	18,686	7,541	Consumers' deposits	1,951		
Cash	61,943	5,884	22,421	Interest accrued	638	1,210	1,229
Notes & accounts receiv.	53,336	63,651	47,158	Other accrued liabilities	3,989		
Other current assets	48		5,850	Dividends payable		4,500	15,000
Unamort. debt disc. & exp.	18,199	18,791	19,731	Reserve for taxes	8,936	12,920	11,865
Prepaid accounts	1,518		809	Deferred credit items	47,068	2,884	3,441
Advs. to affiliated Cos.			1,864	Reserve for deprec., renews. & replacements	337,041	305,995	261,085
Other deferred charges	4,825			Unappropriated surplus	243,793	197,006	134,330
				Appropriated surplus	13,176		
Total	$1,270,694	$1,102,400	$1,005,797	Total	$1,270,694	$1,102,400	$1,005,797

Offices: Vacancy, Pres.; A. J. Musser, V-P. & Asst. Treas., Indiana, Pa.; W. W. Wrigley, V-P.; P. T. Davis, Sec. & Treas., Clearfield, Pa.

Directors: W. W. Wrigley, P. T. Davis, Clearfield, Pa.; John S. Fisher, A. J. Musser, Indiana, Pa.; P. B. Sawyer, Bethlehem, Pa.; D. A. Elias, Harrisburg, Pa.; C. E. Groesbeck, New York.

General Office, Clearfield, Pa.

LANCASTER COUNTY RAILWAY & LIGHT COMPANY

(Controlled by Lehigh Power Securities Corporation)

(Supervised by Electric Bond and Share Company)

History—Incorporated June 15, 1901, in Pa. Owns entire capital stocks of Conestoga Traction Co. (which controls the Conestoga Realty Co.), Lancaster Gas Light & Fuel Co. (which controls the Columbia Gas Co.), Edison Electric Co., Lancaster, Ephrata & Lebanon Street Ry. Co., and Lancaster Electric Light, Heat & Power Co.

Lancaster County Railway & Light Company controls, directly or indirectly, through stock ownership the companies which, together with Lititz Gas Co. and certain other companies (controlled through ownership of all Common stock by Lehigh Power Securities Corp.) supply electric power and light in Lancaster and vicinity, gas service in Lancaster and Columbia, and street railway service throughout Lancaster County. The total population thus served exceeds 218,000.

The properties controlled, directly or indirectly, have a total electric generating capacity of 8,350 kilowatts. There are 1,005 miles of distributing lines and

276 miles of transmission lines. The gas properties have a daily generating capacity of 2,350,000 cu. ft., gas holder capacity of 1,402,000 cu. ft., 95 miles of mains and an annual output exceeding 597,470,000 cu. ft. The electric railway lines which cover the county of Lancaster have a total of 163 miles of track.

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value, and $1,750,000 5% cumulative Pfd.; par, $50; outstanding, 64,710 shares Common and $1,227,600 Pfd. Entire Common stock owned by Lehigh Power Securities Corp. The 40,000 shares of old Common (par $50) was changed to no par value and increased to 100,000 shares in 1922, the new stock being exchanged for the old stock on the basis of two for one. Holders of Pfd. stock may exchange their stock on the basis of one share of Pfd. for $50 face amount of 10-year 6% Gold Notes due July 1, 1932.

Annual Meeting—Third Wednesday in October, at Jersey City, N. J.

Dividends—Pfd. dividends regularly paid from 1904 to date.

FUNDED DEBT

(1)

$1,000,000 COLLATERAL TRUST GOLD 5s; DUE JULY 1, 1951

Dated July 1, 1901.

Interest Payable January and July 1, at Lancaster Trust Co., Lancaster, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Lancaster Trust Co., Lancaster, Pa.

Provisions of Issue—Authorized and issued, $1,000,000; mortgage closed.

Security—Secured by a pledge of practically entire stocks of Conestoga Traction Co.; Edison Electric Co. of Lancaster; Lancaster Gas Light & Fuel Co. and Conestoga Realty Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded. Exempt from taxation in New Jersey.

(2)

$2,454,350 10-YEAR 6% GOLD NOTES; DUE JULY 1, 1932

Dated July 1, 1922.

Interest Payable quarterly, J, A, J & O 1, at Lancaster Trust Co., Lancaster, Pa.

Trustee—Lancaster Trust Co., Lancaster, Pa.

Provisions of Issue—Authorized, $2,500,000. Notes are reserved for conversion of the 5% cumulative Pfd. stock.

Callability—Subject to call at 100½ and interest at any time up to July 1, 1927, upon 30 days' notice; thereafter at par and interest.

Security—A direct obligation of the Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: W. W. Griest, Pres.; Lancaster, Pa.; E. W. Hill, V-P.; L. H. Parkhurst, V-P.; E. P. Summerson, Sec.; A. C. Ray, Treas.; H. L. Martin, Asst. Sec.; Alexander Simpson, Asst. Treas., New York; A. E. Ranck, Asst. Sec. & Asst. Treas., Lancaster.

Directors: B. H. Brewster, C. E. Groesbeck, L. P. Hammond, E. W. Hill, W. C. Lang, L. H. Parkhurst, A. C. Ray, P. B. Sawyer, Frank Silliman, Jr., A. E. Smith, E. P. Summerson, J. F. Wessel, New York; W. W. Griest, John Hertzler, S. R. Zimmerman, Lancaster, Pa.

Offices, Lancaster, Pa. and 2 Rector St., New York.

CONESTOGA TRACTION COMPANY

(Controlled by Lancaster County Ry. & Light Co.)

History and Property—Incorporated Dec. 12, 1899, in Pa. Company leases Ephrata & Adamstown St. Ry., Lancaster & Columbia Ry., Lancaster & Eastern Street Ry., Lancaster & Rocky Springs Ry., Lancaster, Mechanicsburg & New Holland Ry., the Lancaster Petersburg & Manheim Ry., the Lancaster, Willow St., Lampeter & Strasburg Ry., the New Holland, Blue Hill & Terre Hill St. Ry., the Lancaster & Quarrysville St. Ry., the Elizabethtown & Florin St. Ry., the Christiana & Coatesville St. Ry., the Rohrerstown Landisville & Mt. Joy Ry. and the Denver & Ephrata Ry. On March 22, 1922 took over the assets and liabilities of Conestoga Realty Co. subject to the lien of the First Mortgage bonds of that Company. Population served, estimated at 122,000. Total single track equivalent, 162.6 miles.

CAPITAL STOCK

Authorized, $4,430,000 Common and $2,000,000 6% cumulative Pfd.; outstanding, $4,380,000 Common and $442,500 Pfd.; par, $50. All the Common stock is owned by Lancaster County Ry. & Light Co. Pfd. stock is redeemable at $55 per share. Stock transferred at office of Company.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D. In 1927 a dividend of ½% was paid on the Common.

FUNDED DEBT

(1)

$165,000 CONESTOGA REALTY CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1958

Dated May 1, 1908.

Interest Payable May and Nov. 1, at Lancaster (Pa.) Trust Co., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $500,000. Subject to call at par on any interest date. Sinking fund: Company shall each month pay to the trustees a sum so proportioned to amount of bonds then outstanding as to redeem all bonds by maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania 4 mills tax.

(2)

$2,000,000 CONESTOGA TRACTION COMPANY FIRST MORTGAGE GOLD 4s; DUE JANUARY 1, 1950

Dated January 1, 1900.

Interest Payable January and July 1, at Provident Trust Co., Philadelphia.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Provident Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $2,000,000.

Security—Secured by mortgage on 50 miles of street railway in the city of Lancaster.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax free in Pennsylvania.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	*76¾	78	77	76⅛	75	70	70	60
Low	72½	75	bid	bid	bid	bid	bid	bid

*High and low bid prices.

GUARANTEED BONDS

(3)

$777,000 CONESTOGA TERMINAL CO. FIRST MORTGAGE SINKING FUND GOLD 5½s; DUE JUNE 1, 1954

Dated June 1, 1924.

Interest Payable June and December 1, at Girard Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $800,000, of which $23,000 retired by sinking fund. Issued to provide funds to build an office building in Lancaster, Pa. The total cost of land and building will be not less than $1,100,000.

Callability—Subject to call in whole or in part on any interest date at 100½ and interest, upon 60 days' notice.

Sinking Fund—$6,000 semi-annually June and December 1, to be applied to the purchase of bonds in the open market at the lowest price obtainable, but not exceeding 100½ and interest, and if not obtainable by call by lot.

Security—A first lien on land and building to be erected in the business district of Lancaster, Pa. As additional security, the Trustee will hold leases from subsidiaries of the Lancaster Ry. & Light Co. for the length of the life of the bonds for an amount sufficient to provide all operating expenses of the building and installments sufficient to meet interest and sinking fund requirements.

Guaranty—Jointly and severally guaranteed by endorsement, as to principal and interest, by Conestoga Traction Co. and Edison Electric Co. of Lancaster, Pa.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax free in Pennsylvania.

Original Offering—First publicly offered ($800,000) in July, 1924, by Reilly, Brock & Co., Philadelphia, at 99½ and interest to yield about 5.53%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,539,442	$1,635,967	$1,725,883	$1,746,428	$1,718,038	$1,648,535
Operating expenses & taxes	1,178,224	1,263,321	1,303,741	1,293,505	1,193,305	1,091,532
Depreciation					68,360	71,359
Net earnings	$361,218	$372,646	$422,142	$452,923	$456,373	$485,644
Other income	9,598	7,592	7,195	12,809	42,269	30,089
Total income	$370,816	$380,238	$429,337	$465,732	$498,642	$515,733
Deduct: Rentals	209,802	209,984	214,095	203,207	196,379	
Interest	96,586	103,983	110,108	118,876	122,745	316,239
Other charges	8,364	12,743	14,684	15,026	13,063	
Total	$314,752	$326,710	$338,887	$337,109	$332,187	$316,239
Balance for dividends	$56,064	$53,528	$90,450	$128,623	$166,454	$199,494
Pfd. dividends	48,839	*	*	22,248	19,395	18,000
Common dividends		*	*	87,599	142,348	147,698
Balance for year	$7,225	*	*	$18,777	$4,711	$33,796

*Figures not available.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$7,730,771	$7,476,070	$7,393,890
Sinking funds		31,086	27,791
Investments in affil. Cos.		113,051	476,743
Other investments	319,404	160,483	1,640
Cash	51,333	64,221	55,991
Miscel. accts. receivable	59,686	56,772	64,025
Materials and supplies	99,177	94,827	62,754
Int., divds. & rents receiv.		2,432	594
Other current assets	3,773	1,290	
Insurance and other funds		27,627	
Rents & insurance prepaid		11,247	15,640
Discount on funded debt	184,012	259,846	270,358
Other unadjusted debits	38,899	68,268	127,669
Total	$8,487,056	$8,367,220	$8,497,095

Liabilities—	1927	1926	1925
Capital stock	$4,829,300	$4,828,450	$4,826,300
Installments paid on subs. to capital stock	41	786	1,551
Funded debt unmatured	2,165,000	2,169,000	2,409,000
Real estate mortgage	3,000		
Non-negotiable debt to affiliated Cos.	269,353	269,353	269,353
Loans & notes payable	122,000	153,000	229,000
Accounts payable	265,459	282,043	92,511
Accrued int., divds., and rents payable	49,806	51,734	105,744
Other current liabilities	1,736	12,400	
Taxes	105,980	188,736	116,008
Insur. and casualty reserves		66,419	59,373
Accrued deprec.—road & equipment	422,290	217,497	273,514
Other unadjusted credits	73,954		11,756
Profit and loss	179,134	127,802	102,985
Total	$8,487,056	$8,367,220	$8,497,095

Officers: W. W. Griest, Pres., Lancaster, Pa.; H. F. Dicke, V-P., Allentown, Pa.; L. H. Parkhurst, V-P., New York; A. E. Rauk, Sec. & Treas.; H. W. Hershey, Asst. Sec. & Asst. Treas., Lancaster, Pa.

Directors: J. W. B. Bausman, J. C. Carter, J. S. Graybill, Jr., W. W. Griest, John Hertzler, A. K. Hostetter, R. B. Hull, F. K. Sener, P. E. Slaymaker, E. S. Snyder, Lancaster, Pa.; H. F. Dicke, Allentown, Pa.; C. E. Groesbeck, Frank Silliman, Jr., P. B. Sawyer, J. F. Wessel, New York, N. Y.

Offices, Lancaster, Pa., and 2 Rector Street, New York.

RAILROADS LEASED TO CONESTOGA TRACTION COMPANY

CHRISTIANA & COATESVILLE ST. RY. (Operated under Lease)—Incorporated March 15, 1909, in Pa.; successor to Philadelphia, Coatesville & Lancaster Passenger Ry. Length of road, 11 miles. Leased to Conestoga Traction Co. for 999 years, at a rental of 6% on outstanding $400,000 stock.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $50. No funded debt.

Officers: W. W. Griest, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.

Office, Lancaster, Pa.

ELIZABETHTOWN & FLORIN ST. RY. (Operated under Lease)—Incorporated June 20, 1902, in Pa. Leased Oct. 1, 1908, to the Conestoga Traction Co. at rental of 6% on the outstanding $220,000 capital stock. Length of track, 6.4 miles.

Officers: W. W. Griest, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.

Office, Lancaster, Pa.

EPHRATA & ADAMSTOWN RY. (Operated under Lease)—Incorporated Sept. 17, 1901, in Pa.; road opened Feb. 1903. Leased to Conestoga Traction Co. for 999 years from March 1, 1903, at rental of 6% on the outstanding $225,000 capital stock. Line of road, Ephrata Borough to Adamstown, 7.6 miles.

Officers: John Hertzler, Pres.; Anna E. Ranck, Sec. & Treas.; Lancaster, Pa.

Office, Lancaster, Pa.

LANCASTER & EASTERN STREET, RY. (Operated under Lease)—Incorporated Sept. 24, 1903, in Pa. Leased to Conestoga Traction Co. on June 1, 1906, at rental of 6% on the outstanding $430,000 capital stock. Line of road, Lancaster to Christiana, 17 miles.

Officers: Vacancy, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.

Office, Lancaster, Pa.

LANCASTER & QUARRYVILLE ST. RY. (Operated under Lease)—Incorporated in Pa. Leased to the Conestoga Traction Co. at rental of 6% on the outstanding $225,000 capital stock. Length of track, 8.39 miles.

Officers: J. W. B. Bausman, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.

Office, Lancaster, Pa.

LANCASTER & ROCKY SPRINGS RY. (Operated under Lease)—Incorporated Jan. 12, 1903, in Pa.; road opened May, 1903. Leased to Conestoga Traction Co. for 999 years from July 1, 1903, at rental of 6% on the outstanding $200,000 capital stock. Line of road, Lancaster to Rocky Springs Park, 4.53 miles.

Officers: John Hertzler, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.

Office, Lancaster, Pa.

LANCASTER, MECHANICSBURG & NEW HOLLAND RY. (Operated under Lease)—Incorporated May 16, 1899, in Pa.; road completed Jan. 1901. Leased to Conestoga Traction Co. on Feb. 1, 1901, at rental of 8% on the outstanding $600,000 capital stock. Line of road, Lancaster to New Holland, etc., 20 miles.

Officers: John Hertzler, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.
Office, Lancaster, Pa.

LANCASTER, PETERSBURG & MANHEIM RY. (Operated under Lease)—Incorporated Nov. 5, 1900, in Pa.; road opened Dec., 1901. Leased to Conestoga Traction Co. for 999 years from May 1, 1902, at rental of 6% on the outstanding $175,000 capital stock. Length of track, 8.25 miles.

Officers: John Hertzler, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.
Office, Lancaster, Pa.

LANCASTER, WILLOW ST., LAMPETER & STRASBURG RY. (Operated under Lease)—Incorporated Nov. 13, 1900, in Pa.; road opened Dec. 1901. Leased to Conestoga Traction Co. for 999 years from June 1, 1902, at rental of 6% on the outstanding $225,000 capital stock. Length of track, 11.23 miles.

Officers: John Hertzler, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.
Office, Lancaster, Pa.

NEW HOLLAND, BLUE BALL & TERRE HILL ST. RY. (Operated under Lease)—Incorporated June 22, 1903, in Pa. Leased to Conestoga Traction Co. for 999 years at rental of 5% on the outstanding $120,000 capital stock. Line of road, New Holland to Terre Hill, 5 miles.

Officers: J. F. Seldomridge, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.
Office, Lancaster, Pa.

ROHRERSTOWN, LANDISVILLE & MOUNT JOY ST. RY. (Operated under Lease)—Incorporated Jan. 27, 1905, in Pa. Leased to Conestoga Traction Co. for 999 years at rental of 6% on the outstanding $440,000 capital stock. Line of road, Lancaster to Mount Joy, 10 miles.

Officers: J. W. B. Bausman, Pres.; Anna E. Ranck, Sec. & Treas., Lancaster, Pa.
Office, Lancaster, Pa.

EDISON ELECTRIC COMPANY

(Controlled by Lancaster County Ry. & Light Co.)

(Supervised by Electric Bond and Share Co.)

History and Property—Incorporated Oct. 2, 1911, in Pa. Supplies without competition electricity in the city of Lancaster and in 9 boroughs and 46 townships. Franchises perpetual. Installed generating station capacity, 7,300 k.w., which is supplemented by contract to purchase current which makes total available capacity 17,000 k.w. Population served, estimated at 201,000.

CAPITAL STOCK

Authorized, $4,000,000; outstanding, $3,117,500; par, $50. All owned by Lancaster County Ry. & Light Co.

Annual Meeting—First Monday in October.

Dividends—Dividends have been paid as follows: 1912, 8½%; 1913 to 1915, 9½% each; 1916 and 1917, 11%; 1918, 10½%; 1919 to 1921, 12% each; 1922, 13%; 1923 to 1927, 12% each.

FUNDED DEBT

(1)

$125,000 COLUMBIA ELECTRIC LIGHT, HEAT & POWER CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1935

Dated May 1, 1905.

Interest Payable May and November 1, at Lancaster Trust Co., Lancaster, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Lancaster Trust Co., Lancaster, Pa.

Security—A first lien on entire property of former Columbia Electric Light, Heat & Power Co. Assumed by Edison Electric Co. and underlie the First and Refunding 5s of that Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$481,000 BERKSHIRE ELECTRIC CO. FIRST & REFUNDING MORTGAGE 7% GOLD BONDS; DUE OCTOBER 1, 1945

Dated October 1, 1921.

Interest Payable April and October 1. Authorized, $500,000; issued, $481,000.

(3)

$61,100 LEBANON VALLEY LIGHT & POWER CO. FIRST MORTGAGE 30-YEAR 5% GOLD BONDS; DUE NOVEMBER 1, 1945

Dated November 1, 1915.

Interest Payable May and November 1. Authorized, $150,000; issued, $61,100.

(4)

$2,866,500 EDISON ELECTRIC COMPANY FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE FEBRUARY 1, 1943

Dated February 1, 1913.

Interest Payable February and August 1, at Lancaster Trust Co., Lancaster, Pa.

Denominations—Coupon, $100 and $1,000; principal may be registered. Coupon and registered bonds interchangeable.

Trustee—Lancaster Trust Co., Lancaster, Pa.

Provisions of Issue—Authorized, $5,000,000; outstanding $2,866,500. During 1924, $775,000 of these bonds were sold, the proceeds from the sale having been used to refund the $297,300 Edison Electric Illuminating Co. First Mortgage 5s, due Jan. 1, 1925, and to reimburse the company's treasury for expenditures made for additions and betterments.

Additional bonds may be issued at not exceeding 85% of the cost or fair value of additions and betterments, but only when gross income for the preceding 12 months has been equal to at least 10% of the face value of all bonds outstanding and to be issued.

Callability—Subject to call as a whole on any interest date at 105 and interest, upon six weeks' notice.

Security—A first lien on entire property of Company now owned or hereafter acquired, subject to the $125,000 Columbia Electric Light, Heat & Power Co. First 5s of 1935.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax free in Pennsylvania.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$3,046,878	$2,757,468	$2,340,781
Operating expenses	1,947,494	1,805,629	1,611,606
Net operating income	$1,099,384	$951,839	$729,175
Other income	54,007	46,398	43,754
Total	$1,153,391	$998,237	$772,929
Deductions—			
Rent	$15,035	$14,840	$17,206
Interest on funded debt	186,300	182,985	149,576
Other interest	7,383	10,253	4,820
Amortization of debt disc.	11,340	11,068	7,670
Total deductions	$220,058	$219,146	$179,272
Balance for dividends	$933,334	$779,092	$593,657
Dividends	374,100	367,050	345,900
Surplus for year	$559,234	$412,042	$247,757

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$7,866,703	$7,475,205	$5,577,580
Construc. work in progress	.....	130,226	919,655
Investments	333,945	317,000	317,000
Advances to affiliated cos. for construction, etc.	628,000	723,500	.....
Reserve for funds	.....	16,729	16,729
Special deposits	2,600	.....	.....
Cash	209,545	124,936	42,998
Notes receivable	269,000	92,450	214,300
Accts. receiv.—customers	291,478	332,339	263,140
Accts. receiv. from affil. cos.	153,088	119,186	585,736
Other accts. receivable	53,138	44,966	75,896
Interest & rents receivable	4,972	.....	.....
Other current assets	970	.....	.....
Materials and supplies	116,068	94,255	54,559
Prepaid items	3,370	8,329	10,733
Deferred charges	190,752	196,047	135,129
Total	$10,123,628	$9,675,168	$8,213,456

GENERAL BALANCE SHEET, DEC. 31 (Continued):

Liabilities—	1927	1926	1925
Capital stock	$3,117,500	$3,117,500	$2,882,500
Funded debt	3,533,600	3,533,600	2,991,500
Notes payable	.....	200,000	200,000
Consumers' deposits	2,090	1,963	1,391
Accts. payable to affil. cos.	11,274	8,802	29,147
Accounts payable	115,143	112,818	97,287
Accrued interest, taxes, etc.	134,371	493,270	424,771
Other accrued liabilities	23,234	.....	.....
Insurance reserve	.....	25,357	25,304
Res. for injuries & damages	1,070	20,254	15,094
Reserve for renewals and replacements	1,179,616	1,078,285	950,086
Miscellaneous reserves	65,246	14,552	3,007
Appropriated surplus	43,631	37,940	30,904
Surplus	1,896,853	1,030,827	562,463
Total	$10,123,628	$9,675,168	$8,213,456

Officers: W. W. Griest, Pres.; Lancaster, Pa.; E. W. Hill, V-P.; L. H. Parkhurst, V-P., New York; Anna E. Ranck, Sec. & Treas.; H. W. Hershey, Asst. Sec. & Asst. Treas., Lancaster, Pa.

Directors: J. W. B. Bausman, J. C. Carter, J. S. Graybill, Jr., W. W. Griest, John Hertzler, A. K. Hostetter, R. B. Hull, F. K. Sener, E. S. Snyder, H. C. Schock, Lancaster, Pa.; C. E. Groesbeck, E. W. Hill, P. B. Sawyer, Frank Silliman, Jr., J. F. Wessell, New York, N. Y.

Offices, Lancaster, Pa., and 2 Rector Street, New York.

LANCASTER ELECTRIC LIGHT, HEAT & POWER CO.

(Controlled by Lancaster County Ry. & Light Co.)

History—Incorporated Feb. 13, 1897, in Pa.; franchise perpetual. Sells all its current to Edison Electric Co. at fixed price per k.w.h. Annual output, 3,968,500 k.w.

CAPITAL STOCK

Authorized, $200,000 Common and $250,000 6% cumulative Pfd.; outstanding, $200,000 Common and $120,950 Pfd.; par, $50. All the Common stock is owned by Lancaster County Ry. & Light Co. Pfd. stock is subject to call at any time after Jan. 1, 1925, at $55 and dividends. Stock transferred at office of Company. Common stock has sole voting power. Annual meeting, second Tuesday in February.

Dividends—Pfd. dividends paid quarterly, M, J, S & D 31. Dividend of 8% was paid on Common in 1927.

FUNDED DEBT

None

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$54,082	$50,967	$50,335
Operating expenses	22,778	22,923	23,874
Net income	$31,304	$28,044	$26,461
Other income	2,764	2,887	5,570
Total income	$34,068	$30,931	$32,031
Deduct:			
Interest on funded debt	.....	.....	$4,687
Int. on unfunded debt	$4,708	$6,049	6,602
Total deductions	$4,708	$6,049	$11,289
Surplus after charges	$29,360	$24,882	$20,742
Dividends paid	*23,111	22,715	20,742
Surplus for year	$6,249	$2,167	.....

*Paid from surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total fixed capital	$421,694	$424,218	$424,602
Investment securities	9,750	9,750	9,750
Special deposits	.....	1,766	1,000
Cash	4,417	22,241	994
Accounts receivable	3,095	5,397	21,020
Materials & supplies	807	342	320
Prepayments	190	1,027	1,857
Other deferred charges	50	36	4,185
Total	$440,003	$464,777	$463,728

Liabilities—	1927	1926	1925
Capital stock	$320,950	$317,550	$300,000
Funded debt	.....	.....	1,000
Consumers' deposits	.....	92,450	110,000
Other current liabilities	61,194	2,277	188
Accrued liabilities	5,232	18,176	16,991
Reserves	5,191	1,191	4,241
Surplus	47,435	33,133	31,308
Total	$440,003	$464,777	$463,728

Officers: W. W. Griest, Pres.; E. W. Hill, V-P.; L. H. Parkhurst, V-P.; Anna E. Ranck, Sec. & Treas.; H. W. Hershey, Asst. Sec. & Asst. Treas.

Directors: W. W. Griest, R. B. Hull, S. R. Zimmerman, Lancaster, Pa.; C. E. Groesbeck, P. B. Sawyer, New York.

Offices, Lancaster, Pa. and 2 Rector St., New York.

LANCASTER GAS LIGHT & FUEL COMPANY

(Controlled by Lancaster County Ry. & Light Co.)

History—Incorporated June 26, 1876, in Pa. Franchise perpetual and exclusive. Population served 65,000. Company supplies without competition gas in the city of Lancaster and through ownership of all of the stock of the Columbia Gas Co., supplies gas in the city of Columbia, Pa. Gas works capacity, 2,000,000 cu. ft.; gas holder capacity, 1,300,000 cu. ft.; miles of gas mains, 83.6.

CAPITAL STOCK

Authorized, $1,500,000; outstanding, $931,250; par, $50. All owned by Lancaster County Ry. & Light Co. Annual meeting, first Monday in October.

FUNDED DEBT

$100,000 Second (now First) Gold 5s; dated Jan. 1, 1906; due Jan. 1, 1936; interest Jan. and July 1, at Lancaster (Pa.) Trust Co., Trustee. Coupon, $1,000; principal may be registered. Authorized, $400,000. Secured on all property and franchises. Company pays Normal Federal Income Tax up to 2%.

$100,000 Third (now Second) Gold 5s; dated Jan. 1, 1911; due Jan. 1, 1936; interest Jan. and July 1, at Lancaster (Pa.) Trust Co., Trustee. Coupon, $1,000; principal may be registered. Subject to call at 105 on three months' notice. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$610,160	$601,445	$569,607
Operating expenses	412,140	421,678	414,718
Operating income	$198,020	$179,767	$154,889
Other income	9,054	10,107	15,289
Total income	$207,074	$189,874	$170,178
Interest	30,398	10,000	10,000
Other charges	251	21,178	22,045
Total deductions	$30,649	$31,178	$32,045
Surplus after charges	$176,425	$158,696	$138,133
Appropriated for dividends	111,750	.....	111,750
Surplus for year	$64,675	$158,696	$26,383

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Total fixed capital	$1,768,268	$1,687,973	$1,645,420
Investments in affil. cos.	111,896	110,658	110,658
Other investments	29,188	27,087	27,087
Reserve fund assets	.....	3,337	3,337
Cash	87,993	15,349	5,037
Accounts receivable	78,151	124,617	114,962
Materials and supplies	75,866	74,346	74,575
Other current assets	675	1,067	.....
Accrued assets	392	.....	.....
Prepayments	1,104	1,841	2,107
Deferred charges	7,684	8,174	2,195
Total	$2,161,218	$2,054,449	$1,985,378

Liabilities—	1927	1926	1925
Capital stock	$931,250	$931,250	$931,250
Funded debt	200,000	200,000	200,000
Notes payable	400,000	400,000	300,000
Accounts payable, etc.	13,565	21,541	113,039
Dividends payable	.....	.....	27,938
Accrued liabilities	25,436	72,550	53,057
Depreciation reserve	312,997	277,286	248,435
Consumers' deposits	15,223	.....	.....
Other reserves	32,353	31,018	40,751
Contributions for extensions	.....	3,241	.....
Deferred credits	1,867	.....	.....
Appropriated surplus	520	.....	.....
Surplus	228,006	117,563	70,908
Total	$2,161,218	$2,054,449	$1,985,378

Officers: W. W. Griest, Pres., Lancaster, Pa.; E. W. Hill, V-P.; L. H. Parkhurst, V-P., New York; Anna E. Ranck, Sec. & Treas.; H. W. Hershey, Asst. Sec. & Asst. Treas., Lancaster, Pa.

Directors: J. W. B. Bausman, J. C. Carter, J. S. Graybill, Jr., W. W. Griest, John Hertzler, A. K. Hostetter, R. B. Hull, F. K. Sener, E. S. Snyder, Lancaster, Pa.; C. E. Groesbeck, E. W. Hill, P. B. Sawyer, Frank Silliman, Jr., J. F. Wessel, New York, N. Y.

Office, Conestoga Building, Lancaster, Pa. **New York Office,** 2 Rector Street.

LEHIGH VALLEY TRANSIT COMPANY

(Controlled by Lehigh Power Securities Corp.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated Nov. 3, 1905, in Pennsylvania. Owns entire capital stock of the Allentown Bridge Co., which owns a toll bridge of reinforced concrete 2,600 ft. long, connecting two wards in Allentown.

The subsidiaries of the Lehigh Valley Transit Co. are Central Park Amusement Co., Lehigh Valley Realty Co., Allentown Bridge Co., Lehigh Valley Stone & Construction Co., Easton Consolidated Electric Co., Easton Transit Co., Phillipsburg Transit Co., Easton Amusement Co. and The Edison Illuminating Co. of Easton, and Lehigh Valley Transportation Co.

The Lehigh Valley Transportation Co. was created in 1925 to supply transportation by motor vehicles and has in operation 16 motor buses covering four routes.

In April, 1912, the Company purchased one-half of the stock of Norristown Transit Co., thereby obtaining a permanent entrance into Norristown and a connection with the Philadelphia & Western Ry. By virtue of a traffic arrangement the use of the latter's tracks between Norristown and Philadelphia and an entrance into the subway-elevated terminal station of the Philadelphia Rapid Transit Co. at 69th and Market Sts., Philadelphia, is secured. Through service into Philadelphia was inaugurated Dec. 12, 1912. Leases Bethlehem & Nazareth Passenger Ry. for 99 years at 5% on stocks and bonds. Owns all the outstanding stock of the Easton Consolidated Electric Co. except qualifying shares held by directors. Total railway passengers carried, year ended Dec. 31, 1926, 63,524,000; 1925, 61,389,765.

Franchises are in every instance without time limit and involve no burdensome restrictions. Population served, over 318,000.

Mileage and Equipment—The Lehigh Valley Transit Co. operates over 202.86 miles of track, including controlled lines, extending from Allentown to Philadelphia (Chestnut Hill), Norristown, Macungie, Slatington, Egypt, Northampton, Nazareth, Bethlehem and Hellertown. Passenger, freight, service and other cars, 281. Company owns an electric generating plant in Allentown, having a present installed capacity of 40,812 k.w.

Bus Lines Operated—New motor bus routes have been established on the lines of Easton Transit Company to Glendon and West Easton and in the Lehigh Valley Transit territory from Allentown to Nazareth via Bath, making a total of 20 motor buses now operated over six routes.

CAPITAL STOCK

Authorized, $3,000,000 Common and $5,000,000 5% cumulative Pfd.; outstanding, $2,997,350 Common and $4,979,687 Pfd.; par, $50. A substantial majority of both classes of stock is owned by Lehigh Power Securities Corp. Pfd. stock has preference for assets, as well as dividends, and is cumulative from Nov. 3, 1910.

Transfer Agent—Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Pa.

Registrar—Fidelity-Philadelphia Trust Co., Philadelphia.

Annual Meeting—Second Tuesday in March.

Listed—Philadelphia Stock Exchange.

Price Range—

Preferred—	1927	1926	1925	1924	1923	1922	1921	1920
High	48¼	48¼	48	48	39½	35	20	20
Low	bid 48¼		48	40	35	19	19	20
Common—								
High	26	26	27	23	20	17½	10	9
Low	bid	bid	26	23	16	7	9	9

Dividends—Initial Pfd. dividend of 1% paid Nov. 10, 1911 and at rate of 2% per annum thereafter to May, 1915, incl.; in Nov., 1915, 3½% was paid; 1916 and 1917, 5% each; Feb., 1918, 1¼%; the May, 1918, dividend was passed; none since. The accumulated dividends at Dec. 31, 1927, amounted to 63¼%. Payments, when made, quarterly, F, M, A & N 10.

FUNDED DEBT

(1)

$2,770,000 LEHIGH VALLEY TRANSIT COMPANY FIRST MORTGAGE GOLD 4s; DUE DECEMBER 1, 1935

$2,224,000 LEHIGH VALLEY TRANSIT COMPANY FIRST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1935

Dated December 1, 1905.

Interest Payable March and September 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Callability—Subject to call on any interest date—the 4s at 105 and the 5s at 110.

Security—A first lien on all property, rights and franchises now owned or hereafter acquired (including 15,469 shares of Pennsylvania Power & Light Co. $7 Pfd. stock which was substituted for an equal number of shares of Lehigh Valley Light & Power Co. Pfd. stock formerly pledged under the mortgage).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

Original Offering—The 5% bonds were originally offered in 1906, at 102 and interest.

Listed—Philadelphia Stock Exchange.

Price Range—

Ser. "A" 4s—	1927	1926	1925	1924	1923	1922	1921	1920
High	86	74½	85	*84	101⅜	80½	68	77
Low	86	74½	bid	...	90⅛	80½	bid	77

*Bid price.

(2)

$353,000 LEHIGH VALLEY TRANSIT COMPANY CONSOLIDATED MORTGAGE GOLD 4s; DUE DECEMBER 1, 1935

Dated December 1, 1905.

Interest Payable June and December 1, at the Bank of North America & Trust Co., Philadelphia, Pa. Trustee. Coupon, 1,000; principal may be registered. Authorized and issued, $2,500,000, of which $2,147,000 are pledged with Trustee under Lehigh Valley Transit Co's. Ref. & Imp. bonds. Mortgage is closed. Originally secured on the 151.47 miles of track owned, being second in equity on 143.48 miles and fourth on 7.16 miles, and other property of the Company, subject to the First Mtge. bonds shown above.

Listed—Philadelphia Stock Exchange.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
High	80	80	80	80	76	80½	65
Low	bid	bid	bid	bid	bid	80½	bid

(3)

$5,115,000 LEHIGH VALLEY TRANSIT COMPANY REFUNDING AND IMPROVEMENT MORTGAGE GOLD 5s; DUE JUNE 1, 1960

Dated June 1, 1910.

Interest Payable June and December 1, at company's office, Allentown, Pa., or at office of Brown Bros. & Co., Philadelphia, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Lehigh Valley Trust Co., Allentown, Pa.

Provisions of Issue—Authorized issue, $15,000,000, of which $5,000,000 reserved to retire First Mtge. bonds, $2,500,000 for Consolidated Mtge. bonds (including bonds of latter issue already retired); and the balance can be issued for additions, betterments and improvements only when net earnings for twelve months prior to a new issue are equal to at least 1½ times the interest for one year on issued bonds and those to be issued. The outstanding bonds were issued partly to retire $900,000 Debenture bonds and partly for the acquisition of $2,146,000 Consolidated Mtge. bonds. In addition to the bonds shown as outstanding, $3,029,000 were held in the treasury at Dec. 31, 1927.

Callability—Subject to call at 105 and interest on or before June 1, 1920, and at 110 and interest thereafter.

Sinking Fund—None provided.

Security—Secured by a lien on the entire property, subject to the above-described First and Consolidated mortgages. Additionally secured by deposit of entire stock and bonds of the Montgomery Traction Co., and one-half the stock of the Norristown Transit Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

Original Offering—First publicly offered in 1910, at 87½ and interest, by Brown Bros. & Co., New York, etc., and E. B. Smith & Co., Philadelphia. Also offered in Dec., 1912, at 91½ and interest, by E. B. Smith & Co.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96	81¼	83½	80⅞	90	69	67	64½
Low	80½	72½	73	76	76	69	57½	64½

(4)

$250,0000 MONTGOMERY TRACTION COMPANY FIRST MORTGAGE 5s; DUE JULY 15, 1935

Dated July 15, 1905.

All pledged under the Refunding and Improvement mortgage.

GUARANTEED BONDS

The Lehigh Valley Transit Co. guarantees principal and interest of the $218,000 First Mortgage 5% bonds of the Allentown Bridge Co., and, jointly with the Philadelphia & Western Ry. Co., $186,000 First Mortgage 5% bonds of the Norristown Transit Co. (see statements appended).

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Lehigh Valley Transit Co. and Subsidiary Cos.)

	1927	1926	1925	1924	1923	1922
Total gross earnings	$4,590,261	$4,950,443	$5,047,105	$4,975,240	$5,268,507	$5,331,304
Total operating expenses (including taxes)	3,367,094	3,710,217	3,603,063	3,677,474	3,691,180	3,761,723
Net earnings from operations	$1,223,167	$1,240,226	$1,444,042	$1,297,766	$1,577,327	$1,569,581
Income from interest on bonds	1,067	977	907	1,862	4,202	3,895
Other interest income	18,791	28,025	3,619	7,058	10,322	7,837
Income from dividends on stocks	109,075	110,076	110,075	111,075	111,408	110,488
Total net earnings	$1,352,100	$1,379,304	$1,558,643	$1,417,761	$1,703,259	$1,691,801
Deductions:						
Depreciation allowance	$243,842	$277,712	$377,799	$231,453	$506,854	$492,958
Interest on funded debt	567,676	599,585	599,803	600,949	625,484	662,674
Interest on floating debt	.....	.....	.....	31,119	49,792	66,907
Amortization of discount and expenses	20,535	21,594	21,705	21,706	22,060	22,573
Total	$832,053	$898,891	$999,307	$885,227	$1,204,190	$1,245,111
Balance	$520,047	$480,413	$559,336	$532,534	$499,069	$446,689
*Times All Interest Earned	2.34	2.26	2.56	2.24	2.52	2.32

*Before deducting depreciation.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Lehigh Valley Transit Co. and Subsidiary Cos.)

Assets—	1927	1926	1925	1924	1923	1922
Cost of properties	$25,077,323	$25,380,604	$25,296,047	$24,861,661	$24,299,140	$24,112,682
Road and equip. constructed under U. S. Housing Corp. contract	.....	.....	.....	.....	554,707	554,707
Investments	852,352	600,452	593,582	596,686	664,913	671,774
Materials and supplies	368,352	458,807	426,584	470,213	419,890	480,992
Accounts receivable	71,138	69,215	115,700	68,491	119,405	105,439
Cash	256,211	251,124	424,514	177,694	201,575	273,411
Special deposits	44,799	146,507	45,607	44,620	57,584	274,330
Bond discount and exp.	177,836	198,371	219,965	241,671	263,376	285,435
Prepaid ins. & other unadjusted items	44,400	38,144	33,845	73,939	44,370	41,909
Contract work in progress	161,582	204,311	28,194	91,069	135,078	111,238
Payments applicable to purchase of power house equipment	†252,287	†216,670	†181,053	145,436	109,819	69,531
Total	$27,306,280	$27,564,206	$27,365,091	$26,771,480	$26,869,857	$26,981,448

CONSOLIDATED BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$2,997,350	$2,997,350	$2,997,350	$2,997,350	$2,997,350	$2,997,350
Preferred stock	*4,979,687	4,979,687	4,979,687	4,979,687	4,979,687	4,979,687
Easton Consol. Elec. Co. Com. stock in hands of public	475	475	525	600	600	600
Funded debt	11,600,500	11,865,500	12,496,500	12,502,500	12,538,500	13,549,550
U. S. Housing Corp. advances	.....	.....	.....	.....	541,210	541,210
Loans	.....	.....	.....	.....	45,000	45,000
Due Lehigh Power Securities Corp.	.....	.....	.....	.....	240,000	300,000
Accounts & wages payable	103,482	117,880	100,344	152,967	110,233	104,358
Accrued interest & rents payable	111,802	113,393	119,236	119,068	119,702	121,073
Accrued taxes & other unadjusted items	204,971	219,603	188,684	197,593	168,841	124,718
Accrued deprec.—road & equip.	1,933,408	1,929,691	1,659,787	1,597,548	1,489,720	1,129,212
Other reserves	490,802	477,891	437,127	398,062	345,988	295,639
Surplus	4,883,803	4,862,736	4,385,851	3,826,105	3,293,026	2,793,051
Total	$27,306,280	$27,564,206	$27,365,091	$26,771,480	$26,869,857	$26,981,448

*Accumulated dividends on Pfd. stock unpaid 63¼%. †Representing payments to date applicable to purchase of Power House Equipment acquired under conditional agreement extending over a period of twelve years ending 1932.

Officers: P. B. Sawyer, Pres.; E. M. Young, V-P., Allentown, Pa.; C. E. Groesbeck, V-P., New York; H. F. Dicke, V-P. & Gen. Mgr.; Chas. N. Wagner, Sec. & Treas.; C. M. Walter, Asst. Sec. & Asst. Treas.; W. L. Davis, Aud.; Tracy Rees, Asst. Aud.

Directors: Charles H. Bean, James Crosby Brown, Albert L. Smith, Philadelphia, Pa.; C. E. Groesbeck, P. B. Sawyer, New York; H. F. Dicke, H. C. Trexler, E. M. Young, Allentown, Pa.; Leonard Peckitt, Catasauqua, Pa.; H. J. Steele, Easton, Pa.; Warren A. Wilbur, Bethlehem, Pa.

General Office, Allentown, Pa. **New York Office,** 2 Rector Street.

ALLENTOWN BRIDGE CO.

(Leased to Lehigh Valley Transit Co.)

History—Incorporated March 5, 1912, in Pa. Owns bridge and approaches uniting the third and twelfth wards in the City of Allentown, Pa., costing $507,242, over which the Lehigh Valley Transit Co. operates its high speed electric service between Allentown and Philadelphia; also its belt line to Bethlehem and South Bethlehem, and its line to Emaus and Macungie. Leased in perpetuity to the Lehigh Valley Transit Co.

CAPITAL STOCK

Authorized, $300,000; outstanding, $292,100; par, $100. All owned by Lehigh Valley Transit Co. Annual meeting, second Tuesday in March.

FUNDED DEBT

$218,000 First Gold 5s; dated July 1, 1912; due July 1, 1942; int. Jan. and July 1, at office of Brown Bros. & Co., Philadelphia, and at Co.'s office, Allentown, Pa. Coupon, $500 and $1,000; principal may be registered. Authorized and issued, $225,000, of which $7,000 held in treasury, leaving $218,000 in hands of public at Dec. 31, 1927. Lehigh Valley Trust Co., Allentown, Pa., Trustee. Subject to call at 105 and interest on any interest date. Guaranteed, principal and interest, by the Lehigh Valley Transit Co. A first lien on bridge and approaches. Should the bridge at any time revert to the City of Allentown under the terms of a city ordinance, the issue will be secured by a first lien on the perpetual leasehold rights of the Lehigh Valley Transit Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Officers: P. B. Sawyer, Pres., New York; Gen. H. C. Trexler, V-P., H. F. Dixie, V-P., Allentown, Pa.; C. N. Wagner, Sec. & Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York; W. L. Davis, Aud., Tracy Rees, Asst. Aud., Allentown, Pa.

Directors: C. N. Wagner, H. F. Dicke, Gen. H. C. Trexler, E. M. Young, Allentown, Pa.; P. B. Sawyer, New York.

Office, Allentown, Pa. **New York Office,** 2 Rector Street.

BETHLEHEM & NAZARETH PASSENGER RY.

(Leased to Lehigh Valley Transit Co.)

History—Incorporated in Feb. 1899, in Pa. Leased to Lehigh Valley Transit Co. for 999 years, annual rental being 5% on the stock and 5% on the bonds and all maintenance charges and taxes.

CAPITAL STOCK

Authorized and outstanding, $150,000. Dividends under lease, 5% per annum.

FUNDED DEBT

$150,000 First Gold 5s; dated May 1, 1899; due May 1, 1929; int. May and Nov. 1, at Guaranty Trust Co., New York, Trustee. Coupon, $1,000. Subject to call as a whole or in part on any interest date at par and interest on six weeks' published notice.

Officers: P. B. Sawyer, Pres., New York; H. F. Dicke, V-P.; C. N. Wagner, Sec. & Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York; W. L. Davis, Aud., Allentown, Pa.

Directors: Alan C. Dodson, H. A. Foering, H. W. Solt, H. J. Fritch, Bethlehem, Pa.; C. N. Wagner, E. M. Young, H. F. Dicke, Allentown, Pa.; R. D. Thomas, Chatasauqua, Pa.; P. B. Sawyer, New York.

Office, Allentown, Pa. **New York Office,** 2 Rector Street.

CENTRAL PARK AMUSEMENT CO.

(Controlled by Lehigh Valley Transit Co.)

History—Incorporated July 7, 1909, in Pa. Controlled by Lehigh Valley Transit Co. through ownership of entire capital stock.

CAPITAL STOCK

Authorized and outstanding, $5,000; par, $100. All owned by Lehigh Valley Transit Co. Annual meeting, second Tuesday in March.

FUNDED DEBT

None.

Officers: P. B. Sawyer, Pres., New York; H. F. Dicke, V-P.; C. N. Wagner, Sec. & Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York; W. L. Davis, Aud., Allentown, Pa.

Directors: H. F. Dicke, C. N. Wagner, Allentown, Pa.; P. B. Sawyer, New York.

Office, Allentown, Pa. **New York Office,** 2 Rector Street.

EASTON CONSOLIDATED ELECTRIC COMPANY

(Controlled by Lehigh Valley Transit Co.)

(Supervised by Electric Bond and Share Co.)

History—Incorporated March 11, 1899, in N. J., as a holding company. Controls through ownership of all capital stock, except directors' shares, The Edison Illuminating Co. of Easton (which is leased to Pennsylvania Utilities Co.), the Pennsylvania Motor Co. (which is operated under lease by Easton Transit Co.), and Easton Transit Co. (which is operated under lease by Lehigh Valley Transit Co.). The latter company controls through stock ownership the Easton Amusement Co. and Phillipsburg Transit Co. Line of road: Easton to Bethlehem, South Bethlehem, Nazareth, Pa., and Phillipsburg, N. J.

CAPITAL STOCK

Authorized, $1,500,000; outstanding, $750,000, representing 50% paid in on 30,000 shares; par, $50. All owned by Lehigh Valley Transit Co., except directors' shares. Annual meeting, second Monday in March, at Camden, N. J.

FUNDED DEBT

$1,237,000 COLLATERAL TRUST GOLD 5s; DUE MAY 1, 1949

Dated May 1, 1899.

Interest Payable May and November 1, at Girard Trust Co., Philadelphia, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized, $1,300,000, of which $60,000 are reserved to retire an equal amount of Pennsylvania Motor Co. bonds due April 1, 1941. In addition to the $1,237,000 bonds outstanding, $2,000 are held in treasury, and $1,000 held by trustee to retire scrip of the Edison Illuminating Co. of Easton. Secured by deposits of following stock (entire issues): $2,150,000 Easton Transit Co.; 12,317 shares Edison Illum. Co., and 2,400 shares Penna. Motor Co. stock.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

OFFICERS AND DIRECTORS

Officers: P. B. Sawyer, Pres., New York; S. H. Hackett, V-P., Easton, Pa.; H. F. Dicke, V-P.; C. N. Wagner, Sec. & Treas., Allentown, Pa.; S. H. Sargent, Asst. Sec. & Asst. Treas., Philadelphia, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York.

Directors: J. C. Brown, A. L. Smith, Philadelphia; H. F. Dicke, Allentown, Pa.; S. H. Hackett, Chester Snyder, H. J. Steele, Easton, Pa.; H. A. Foering, Bethlehem, Pa.; P. B. Sawyer, New York; W. H. Walters, Phillipsburg, N. J.

Office, Allentown, Pa. **New York Office,** 2 Rector Street.

EASTON TRANSIT COMPANY

(Controlled by Easton Consolidated Electric Co.)

History—Incorporated June 30, 1892, under Pennsylvania laws. Leases the Pennsylvania Motor Co. and owns the Phillipsburg Transit Co. The total track operated is 47 miles. The physical property and other assets of the Eastern Transit Co. were leased for 99 years to the Lehigh Valley Transit Co. from March 1, 1922.

CAPITAL STOCK

$2,150,000; all owned by Easton Consolidated Electric Co. Annual meeting, second Tuesday in March.

FUNDED DEBT

$200,000 EASTON, PALMER & BETHLEHEM STREET RY. FIRST MORTGAGE GOLD 6s; DUE JANUARY 1, 1939

Dated December 31, 1898.

Interest Payable January and July 1, at United States Mortgage & Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. A first lien on 12 miles of track from Easton to Bethlehem.

Tax Provisions—Company does not pay Normal Federal Income Tax.

$371,000 EASTON & SOUTH BETHLEHEM TRANSIT COMPANY, FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1936

Dated July 2, 1906.

Interest Payable January and July 1, at office of Edward B. Smith & Co., Philadelphia, and at company's office. Coupon, $1,000; principal may be registered. Girard Trust Co., Philadelphia, Trustee. Subject to call on any interest date at 105 and interest. Sinking fund of $5,000 per annum began June 1, 1908. Authorized, $500,000; issued, $476,000, of which $105,000 redeemed by sinking fund to Dec. 31, 1927; unissued bonds being reserved for acquisitions and extensions at 95% of cost. Guaranteed, principal and interest, by Easton Transit Co. A first lien on the line from Easton to South Bethlehem, 12 miles.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: P. B. Sawyer, Pres., New York; S. H. Hackett, V-P., Easton, Pa.; H. F. Dicke, V-P.; C. N. Wagner, Sec. & Treas., Allentown, Pa.; S. H. Sargent, Asst. Sec. & Asst. Treas., Philadelphia, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York.

Directors: J. C. Brown, A. L. Smith, Philadelphia; H. A. Foering, Bethlehem, Pa.; S. H. Hackett, Chester Snyder, H. J. Steele, Easton, Pa.; P. B. Sawyer, New York; H. F. Dicke, Allentown, Pa.; W. H. Walters, Phillipsburg, N. J.

Office, Easton, Pa. **New York Office,** 2 Rector Street.

EASTON AMUSEMENT COMPANY

(Controlled by Easton Transit Co.)

History—Incorporated April 26, 1907, in Pa. Controlled by Easton Transit Co. through stock ownership.

CAPITAL STOCK

Authorized and outstanding, $30,000; par, $100. All owned by Easton Transit Co. Annual meeting, second Tuesday in March, at Easton, Pa.

FUNDED DEBT

None.

Officers: P. B. Sawyer, Pres., New York; H. F. Dicke, V-P., Allentown, Pa.; S. H. Hackett, V-P., Easton, Pa.; C. N. Wagner, Sec. & Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York; S. H. Sargent, Asst. Sec. & Asst. Treas., Allentown, Pa.

Directors: J. C. Brown, A. L. Smith, Philadelphia; H. F. Dicke, Allentown, Pa.; H. A. Foering, Bethlehem, Pa.; S. H. Hackett, H. J. Steele, Chester Snyder, Easton, Pa.; P. B. Sawyer, New York; W. H. Walters, Phillipsburg, N. J.

Office, Easton, Pa. **New York Office,** 2 Rector St.

PENNSYLVANIA MOTOR COMPANY

(Leased to Easton Transit Co.)

History—Incorporated November 15, 1888, in Pa., as the La Fayette Traction Co. Leased to the Easton Transit Co. for 99 years from March 15, 1893, at annual rental of $3,600, equal to interest on outstanding bonds and in turn leased to Lehigh Valley Transit Co. Length of line, 2.3 miles.

CAPITAL STOCK

$120,000; all owned by Easton Consolidated Electric Co.

FUNDED DEBT

$60,000 First 6s; dated April 1, 1891; due April 1, 1941; interest April and Oct. 1, at company's office. Coupon, $100 and $500. Scranton Lackawanna Trust Co., Scranton, Trustee. A first lien on all property, rights and franchises now owned or hereafter acquired and guaranteed, principal and interest, by Easton Transit Co. Company pays Normal Federal Income Tax up to 2%.

Officers: P. B. Sawyer, Pres., New York; S. H. Hackett, V-P., Easton, Pa.; H. F. Dicke, V-P.; C. N. Wagner, Sec. & Treas.; S. H. Sargent, Asst. Sec. & Asst. Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York; H. H. Paterson, Gen. Mgr., Allentown, Pa.

Directors: James C. Brown, A. L. Smith, Philadelphia, Pa.; H. F. Dicke, Allentown, Pa.; H. A. Foering, Bethlehem, Pa.; S. H. Hackett, Chester Snyder, H. J. Steele, Easton, Pa.; P. B. Sawyer, New York; W. H. Walters, Phillipsburg, N. J.

Office, Easton, Pa. **New York Office,** 2 Rector St.

THE EDISON ILLUMINATING COMPANY OF EASTON

(Controlled by Easton Consolidated Electric Co.)

History—Incorporated September 29, 1913, in Pa. Duration of charter perpetual. Property of this company was leased Feb. 1, 1900, to Pennsylvania Utilities Co. (now Pennsylvania Edison Co.). Controlled through stock ownership by Easton Consolidated Electric Co.

CAPITAL STOCK

Authorized, $350,000; outstanding, $307,925 and $127.10 scrip; par, $25. The Easton Consolidated Electric Co. owns all the stock and $113.37 scrip. Annual meeting, second Tuesday in March.

FUNDED DEBT

None.

Officers: P. B. Sawyer, Pres., New York; S. H. Hackett, V-P., Easton, Pa.; H. F. Dicke, V-P.; C. N. Wagner, Sec. & Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York; S. H. Sargent, Asst. Sec. & Asst. Treas., Allentown, Pa.

Directors: J. C. Brown, A. L. Smith, Philadelphia; H. F. Dicke, Allentown, Pa.; H. A. Foering, Bethlehem, Pa.; S. H. Hackett, Chester Snyder, H. J. Steele, Easton, Pa.; P. B. Sawyer, New York; W. H. Walters, Phillipsburg, N. J.

Office, Allentown, Pa. **New York Office,** 2 Rector Street.

NORRISTOWN TRANSIT COMPANY

(Controlled Jointly by Lehigh Valley Transit Co. and Philadelphia & Western Ry. Co.)

History—Incorporated in Pa. Owns two miles of single track electric railway, with turn-outs, in Norristown, Pa., connecting the lines of the Lehigh Valley Transit Co. with the Philadelphia & Western Ry. Line was put in operation late in 1912. Property is operated by the Lehigh Valley Transit Co. as a part of its system.

CAPITAL STOCK

Outstanding, $24,000; owned jointly by Lehigh Valley Transit Co. and the Philadelphia & Western Ry. Co. Annual meeting, second Monday in January, at Norristown, Pa.

FUNDED DEBT

$200,000 First Gold 5s; dated Feb. 1, 1912; due Feb. 1, 1942; int. Feb. and Aug 1. Coupon, $1,000; principal may be registered. Girard Trust Co., Philadelphia, Pa., Trustee. Authorized, and outstanding in hands of public $200,000. Guaranteed, principal and interest, by the Lehigh Valley Transit Co. and the Philadelphia & Western Ry. Co. First lien on the entire property. First publicly offered ($150,000) in Nov., 1913 at 94½ and interest to yield 5⅜%. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: C. E. Ingersoll, Pres., Philadelphia, Pa.; P. B. Sawyer, V-P., New York, N. Y.; F. W. Steinbright, Sec. & Treas., Norristown, Pa.

Directors: Charles H. Bean, Charles E. Ingersoll, Thos. Newhall, Charles J. Ingersoll, Philadelphia, Pa.; P. B. Sawyer, New York, N. Y.

General Office, 1411 Chestnut St., Philadelphia, Pa. **New York Office,** 2 Rector Street.

MAUCH CHUNK TRANSIT COMPANY

(Controlled by Lehigh Power Securities Corp.)

History—Incorporated in 1925 in Pa., and purchased on June 30, 1925, the property of the Mauch Chunk & Lehighton Transit Co. (see 1926 Public Utility Manual, page 2053). Line of road connects East Mauch Chunk, Mauch Chunk and Lehighton, Pa. Length of line, 6.5 miles. Passenger cars, 7; work cars, 2; flat car (non-motor), 1. The power plant formerly owned has been converted into a car barn Company. Owns and operates the Flagstaff Amusement Park.

CAPITAL STOCK

Outstanding, $55,100; par, $100. All owned by Lehigh Power Securities Corp.

FUNDED DEBT

(1)

$15,000 First Mortgage 5½% bonds; due April 1, 1926, but not paid at maturity. All held in treasury and pledged.

(2)

$113,900 Income bonds; due April 1, 1926, but not paid at maturity.

INCOME ACCOUNT

	Year Ended Dec 31, 1927	May 1, to Dec. 31, 1926
Gross earnings	$40,979	$30,491
Operating expenses & taxes	44.028	31,082
Operating loss	$3,050	$591
Interest charges	1,232	20
Deficit for period	$4,282	$611

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—	1927	1926
Road & equipment	$212,744	$231,882	Capital stock	$55,100	$55,100
Misc. physical property	.....	16,862	Funded debt	113,900	113,900
Cash	1,295	1,961	Loans and notes payable	22,500	12,500
Accounts receivable	405	5,627	Accounts payable	6,196	18,392
Other current assets	1,274	224	Deferred & unadjusted debits	539	434
Prepaid accounts	.....	489	Miscellaneous reserves	23,629	67,115
Special deposit	1,000	.....			
Unadjusted debits	252	9,785			
Profit and loss	4,894	611			
Total	$221,864	$267,441	Total	$221,864	$267,441

Officers: J. M. Hess, Pres.; H. F. Dicke, V-P.; C. M. Walter, Sec. & Treas.

Directors: J. M. Hess, H. F. Dicke, P. B. Sawyer, H. C. Trexler, C. M. Walter.

General Office, Mauch Chunk, Pa.

MIDDLEBURG LIGHT, HEAT & POWER COMPANY

(Controlled by Lehigh Power Securities Corp.)

History—Incorporated June 11, 1909, in Pa. Serves with electricity, 18 communities in Snyder County, Perry, Juniata, Northumberland and Dauphin, Pa. Population served, about 20,000. Franchise, perpetual. Miles of transmission lines, 113; number of meters, 1,707; annual sales 4,155,756 k.w.h. Prices, for lighting, 10c. per k.w.h.; cooking, 3c.

CAPITAL STOCK

Authorized, $150,000; outstanding, $50,400; par, $20. Transfer Agent and Registrar: P. T. Davis, Clearfield, Pa. Annual meeting, July 1.

Dividends.—Dividends have been paid as follows: 1922, 3%; 1923, 7%; 1924, 1925, 1926 and 1927, 6% each; payments quarterly, J, A, J & O 1.

FUNDED DEBT

$138,000 First Mortgage 6% bonds; dated Jan. 15, 1921, due Jan. 15, 1951; interest Jan. and July 15, at Clearfield Trust Co., Clearfield, Pa., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized, $150,000. Subject to call at 102½. Sinking fund, 1% of the outstanding bonds each April and Oct. 15. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$129,424	$107,256	$85,822
Oper. exps., maint. & taxes	56,332	56,009	44,333
Depreciation	16,545	15,610	13,867
Net earnings	$56,547	$35,637	$27,622
Other income	83	127	185
Total income	$56,630	$35,764	$27,807
Bond interest	8,336	8,554	8,707
Other interest	2,358	2,309	2,665
Amortization and expense.	933	918	918
Total charges	$11,627	$11,781	$12,290
Balance for dividends	$45,003	$23,983	$15,517
Dividends paid	3,024	3,012	3,000
Surplus for year	$41,979	$20,971	$12,517
Earnings Per Share	$17.86	$9.52	$6.20

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926	Liabilities—	1928	1927	1926
Plant & equipment	$341,739	$315,194	$279,864	Capital stock	$50,400	$50,400	$50,000
Sinking fund assets	1,538	3,075	1,537	Funded debt	138,000	142,500	144,000
Cash	7,180	6,059	4,142	Notes payable	38,000	33,000	23,000
Accounts receivable, etc.	6,398	11,134	8,375	Consumers' deposits	4,149	.....	.....
Material and supplies	29,434	7,867	5,292	Accounts payable	7,993	11,619	8,782
Unamortized bond discount and expense, etc.	24,774	22,035	22,954	Int. and dividends payable	3,995	4,675	5,460
Prepaid items	220	22	.....	Taxes accrued	1,578	3,535	2,968
				Other deferred credits	213	7,440	12,320
				Depreciation reserve	81,440	67,066	51,584
				Other reserves	35	.....	.....
				Appropriated surplus	3,286	.....	.....
				Surplus	82,193	45,151	24,049
Total	$411,283	$365,386	$322,163	Total	$411,283	$365,386	$322,163

Officers: A. J. Musser, Pres., Indiana, Pa.; P. T. Davis, Sec., Treas. & Aud., Clearfield, Pa.

Directors: A. J. Musser, John S. Fisher, Indiana, Pa.; A. W. Lee, P. T. Davis, Wm. W. Wrigley, Clearfield, Pa.; P. B. Sawyer, Bethlehem, Pa.; D. A. Elias, Harrisburg, Pa.; C. E. Groesbeck, New York.

General Office, Clearfield, Pa. **Operating Office,** Millersburg, Pa.

MONTGOMERY AND MUNCY ELECTRIC LIGHT, HEAT AND POWER COMPANY

(Controlled by Lehigh Power Securities Corp.)

(Supervised by Electric Bond and Share Co.)

History and Property—Incorporated Sept. 29, 1912, in Pa.; consolidation of Montgomery Electric Light & Power Co., Muncy Electric Light, Heat & Power Co., Clinton Township Electric Co., and Muncy Creek Township Electric Co. Franchises perpetual. Generating station located at Montgomery, Pa. Has street lighting contract with Borough of Montgomery and with Borough of Muncy at published rate. Population served, 8,000.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. Stock control acquired by Lehigh Power Securities Corp. in Aug., 1924. Transfer Agent: C. M. Walter, Treas., Allentown, Pa.

FUNDED DEBT

$100,800 First Gold 5s; dated Oct. 1, 1912; due Oct. 1, 1942; int. April and Oct. 1, at Susquehanna Trust & Safe Deposit Co., Williamsport, Pa., Trustee. Coupon, $50, $100, $500 and $1,000; principal may be registered. Authorized, $150,000. Subject to call on any interest date. Sinking fund began Oct. 1, 1922. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: P. B. Sawyer, Pres., New York; J. S. Wise, Jr., V-P.; C. M. Walter, Sec. & Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec., New York; L. K. Bingaman, S. M. Sweitzer, T. F. Carter, W. M. Brooks, Asst. Sec's & Asst. Treas's, Allentown, Pa.; A. C. Ray, Asst. Treas., New York; T. J. Perkins, Gen. Counsel; W. L. Davis, Aud., Allentown, Pa.

Directors: P. B. Sawyer, New York; C. M. Walter, J. S. Wise, Jr., Allentown, Pa.; John Meixel, D. W. Schollenberger, Montgomery, Pa.

General Office, Allentown, Pa. **New York Office,** 2 Rector Street.

PENNSYLVANIA POWER & LIGHT COMPANY

(Controlled by Lehigh Power Securities Corp.)

(Supervised by Electric Bond and Share Company)

History—Inc. June 4, 1920, in Pa., through consolidation and merger of the following companies: The Lehigh Valley Light & Power Co., the Northern Central Gas Co., the Columbia & Montour Electric Co., the Northumberland County Gas & Electric Co., the Harwood Electric Co., The Schuylkill Gas & Electric Co. & the Pennsylvania Lighting Co. All of the companies (except the Pennsylvania Lighting Co.) entering into the merger were controlled by the Lehigh Power Securities Corp. During 1923 acquired the properties of The Wilkes-Barre Co. (which it formerly operated under lease, see 1923 Manual, page 1485), Excelsior Electric Light & Power Co., Lock Haven Electric Light & Power Co., and the Lycoming Edison Co. and Jersey Shore Electric Co., both of which latter companies were formerly controlled by The Lycoming Improvement Co., which has since been dissolved (see statements in 1923 Manual, page 2549). During early part of 1924 acquired property of the Bethlehem Electric Light Co., which Company was formerly operated under lease.

Company controls through ownership of outstanding stock, except directors' shares, the **Shenandoah Light, Heat & Power Co.**, the **Hazel Township Water Co.**, the **Harwood Coal Co.** and the **Harwood Store Co.**

Company has acquired all the Common stock and more than 83% of the combined total of Pfd. and Second Pfd. stocks of the East Penn Electric Co. largely in exchange for its cumulative $7 Preferred stock (see appended statement of East Penn Electric Co.)

Territory Served—The Company operates in an extensive and industrially important territory in Eastern Pennsylvania, serving with electric power and light and with some manufactured gas a total estimated population of 946,000. About 92% of the gross revenues are derived from the sale of electricity, 7% from the sale of gas, and 1% from steam and hot water services. The territory served includes the district in and about Allentown, Bethlehem, Northampton and Slatington, one of the most industrially important, prosperous and densely populated districts of the State;

CANADIAN SECURITIES
Orders executed in
PENNSYLVANIA POWER & LIGHT CO.
JENKS, GWYNNE & CO.
Telephone 7474 Hanover
Members New York Stock and Cotton Exchanges and New York Curb Market
Private Wires to Boston, Chicago, Dallas, Hartford, Montreal, Quebec, Toronto & Tulsa
30 Broad St. New York City
Standard Oil, Tobacco, and Unlisted Securities

the anthracite district in and around Wilkes-Barre, Hazleton, Shenandoah, Mahanoy City, Shamokin and Mount Carmel, and the industrial and agricultural section along the Susquehanna River, including the cities of Berwick, Bloomsburg, Danville, Milton, Williamsport, and Lock Haven.

Among the many large industries supplied by the Company with electric power are the Bethlehem Steel Co., the Lehigh Coal & Navigation Co., the Lehigh Valley Coal Co., the Locust Mountain Coal Co., the Lehigh Brick Works, the Duplan Silk Co., the Lehigh Valley Silk Co., the Magee Carpet Co., the American Car & Foundry Co., the Lawrence Portland Cement Co., the Sheldon Axle & Spring Works, the Mack Trucks, Inc., and 23 other coal mining and 7 other cement manufacturing companies.

Property—The Company owns electric generating plants having a present installed capacity of 246,580 k.w. The Company's transmission system is also operated in connection with the generating plant of the Lehigh Valley Transit Co. at Allentown having a generating capacity of 40,812 k.w.

Among the principal electric generating plants owned by Company are the Harwood, located at Harwood Mines, near Hazleton, Pa., having a present installed generating capacity of 41,500 kw., and the Hauto, located at Hauto, near Lansford, Pa., having a present installed generating capacity of 70,000 k.w. The electric generating capacity of the Harwood plant includes a new 12,500 k.w. generating unit placed in commercial operation Nov. 28, 1921, and the electric generating capacity of the Hauto plant includes a new 20,000 k.w. generating unit placed in commercial operation Dec. 17, 1921, and an additional 20,000 k.w. generating unit which was placed in operation in 1923.

These plants are located in the heart of the anthracite district and are advantageously situated both in respect to obtaining fuel and to supplying service. Both plants use small sizes of anthracite not well suited for domestic use. The company has long-term contracts for fuel for the operation of the plants with coal companies having mines in their immediate neighborhood. The contract insuring a supply of coal for the operation of the Hauto plant extends for 50 years from 1917, and the contract for coal for the Harwood plant extends until 1933.

At Stanton the Company has completed jointly with American Gas and Electric Co., the construction of a modern steam electric generating station, which is expected ultimately to replace smaller and less efficient stations at present in operation. The rated initial installed electric generating capacity for each company is 36,000 k.w., and each company having its independent turbine room, switchboard, switchyard and outgoing transmission lines.

To provide for continuity of service, more efficient system operation and for new business, 70,000 k.w. of additional capacity have recently been placed in operation, 40,000 k.w. in the Company's new hydro-electric plant located on Wallenpaupack Creek near Hawley, consisting of two 20,000 k.w. units installed in June, 1926, and 30,000 k.w. in a new steam station adjacent to the Pine Grove station of the East Penn Electric Company, and which was also placed in operation in June, 1926. The electrical energy from the Wallenpaupack plant is being fed 65 miles to the south into the Company's present system over a new 65-mile, 220,000 volt, steel-tower transmission line, recently placed in operation.

All the electric properties now in service are interconnected by high-voltage transmission lines. Altogether, the Company owns 778 miles of high-voltage transmission lines (11,000 volts or over) and 3,596 miles of distributing lines.

The eight gas properties owned directly by Pennsylvania Power & Light Company, and one through a subsidiary, The Shenandoah Light, Heat and Power Company, include generating capacity of 9,815,000 cubic feet per day, holder capacity of 3,958,000 cubic feet, and 277 miles of gas mains.

Franchises—The franchises under which the Company operates are generally satisfactory and a large proportion of them are unlimited as to time. Public relation is satisfactory.

Control and Supervision—Company is controlled by the Lehigh Power Securities Corp. through ownership of the entire outstanding amount of Common stock. The property is under the supervision of the Electric Bond and Share Company.

STATISTICAL DATA

The total number of consumers served by the Pennsylvania Power & Light Co. and the physical equipment and output of the properties operated as of Dec. 31, 1927, with a comparison for the five previous years follow:

	1927	1926	1925	1924	1923	1922
Number of communities served	‡	409	334	‡	‡	‡
Electric consumers	174,089	163,673	152,323	140,111	124,862	92,353
Gas consumers	32,093	31,795	31,285	30,368	29,629	28,528
Steam heat consumers	548	556	.....	.....	.....	.....
Total consumers	206,730	196,024	184,153	170,479	154,591	120,881
Kilowatts generating station capacity installed	246,580	218,550	151,000	158,900	157,135	112,350
Kilowatts gener. station capacity under constr.	‡	36,000	70,000	‡	‡	‡
Kilowatt hours generating station output for 12 months (including purchased power)	908,579,200	858,001,500	707,995,300	630,923,335	602,691,800	495,344,612
Miles of transmission lines (11,000 volts or over)	778	768	839	769	616	510
Miles of transmission lines (11,000 volts or over) under construction	‡	32	‡	169	78	114
Miles of distributing lines (less than 11,000 volts) irrespective of the number of circuits carried	3,596	3,339	3,002	2,655	1,895	1,542
Gas works capacity (cu. ft. per day)	9,815,000	9,815,000	9,815,000	9,815,000	8,595,000	8,595,000
Gas holder capacity (cu. ft.)	3,958,000	2,958,000	3,071,000	3,071,000	3,071,000	3,021,000
Gas holder capacity under construction (cu. ft.)	.....	1,100,000	.....	.....	.....	.....
Gas output for twelve months (cu. ft.)	1,171,612,000	1,153,412,000	1,022,439,000	901,210,000	886,070,000	857,416,600
Miles of gas mains	277	269	263	251	238	236

‡Not reported.

CAPITAL STOCK

Authorized 1,100,000 shares Common of no par value, 515,000 shares $7 cumulative Pfd. of no par value entitled to cumulative dividends at rate of $7 per share per annum, and 300,000 shares $6 cumulative Pfd. of no par value, entitled to cumulative dividends at rate of $6 per share per annum; outstanding Dec. 31, 1927, 593,350 shares Common and 375,482 shares $7 cumulative Pfd. and 66,954 shares $6 cumulative Pfd. The Lehigh Power Securities Corp. owns all the Common stock. Capital stock was increased during 1926 from 600,000 shares Common and 515,000 shares cumulative Pfd., both of no par value, to above amounts.

Cumulative Preferred Stock Provisions—Both the $7 and $6 cumulative Pfd. shares are preferred as to assets and dividends over Common stock, and are redeemable as a whole at $110 per share and accrued dividends. They are entitled to $100 per share and accrued dividends in case of liquidation.

Transfer Agents (Both Classes of Pfd.)—Bankers Trust Co., New York, and Lehigh Valley Trust Co., Allentown, Pa.

Registrars (Both Classes of Pfd.)—Guaranty Trust Co. of New York and The Allentown National Bank, Allentown, Pa.

Annual Meeting—Third Monday in May.

Dividends—Dividends on the Pfd. stock have been paid regularly at the rate of $7.00 per share per annum ($1.75 per share quarterly) since the issuance of the stock, the first dividend having been paid Oct. 1, 1920. Initial dividend on the $6 Pfd. of $1.50 a share was paid Jan. 3, 1927 (the stock having been issued in Nov., 1926), and at same rate quarterly since. Payments on both classes, J, A, J & O 1.

Price Range—

$7 Pfd.—	1927	1926	1925	1924	1923
High	111	109	105	102	96
Low	103½	101	99½	93	90

FUNDED DEBT

(1)

$577,200 COLUMBIA & MONTOUR ELECTRIC CO. FIRST GOLD 5s, DUE FEBRUARY 1, 1943

Dated February 1, 1913.

Interest Payable February and August 1, at Office of Electric Bond and Share Co., 2 Rector St., New York. Coupon, $100, $500 and $1,000; principal may be registered. Girard Trust Co., Philadelphia, Trustee. Authorized, $1,000,000 (mortgage closed); issued, $601,000, of which $23,800 pledged, leaving $577,200 in hands of public. Subject to call at 105 and interest on any interest date upon 30 days' notice. Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(2)

$567,500 COLUMBIA & MONTOUR ELECTRIC CO. SECOND GOLD 5s, DUE FEBRUARY 1, 1943

Dated February 1, 1913.

Interest Payable February and August 1, at office of Electric Bond and Share Co., 2 Rector St., New York. Coupon, $100, $500 and $1,000; principal may be registered. Commonwealth Trust Co., Harrisburg, Pa., Trustee. Authorized and issued, $576,100; $8,600 retired, leaving $567,500 outstanding. Subject to call at 105 and interest on any interest date upon 30 days' notice. Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(3)

$595,100 HARWOOD ELECTRIC CO. FIRST SINKING FUND GOLD 5s, DUE JULY 1, 1939

Dated July 1, 1909.

Interest Payable January and July 1, at Girard Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized, $3,000,000; issued, $1,000,000, of which $207,000 have been retired and $197,900 are held by the Trustee as Sinking Fund Investments. Mortgage is closed.

Callability—Subject to call upon 60 days' notice, since July 1, 1914, at not exceeding 107½ and interest.

Sinking Fund—1% of outstanding bonds from July 1, 1914, to 1918, inclusive; 1½% from July 1, 1919 to 1927, inclusive and 2% from July 1, 1928 to July 1, 1937.

Security—Secured by a first mortgage on entire property, rights, franchises, etc., formerly owned by Harwood Electric Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

(4)

$1,747,000 HARWOOD ELECTRIC CO. FIRST & REFUNDING GOLD 6s, DUE MARCH 1, 1942

Dated March 1, 1912.

Interest Payable March and September 1, at Girard Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized, $10,000,000; issued, $2,347,000, of which $562,000 have been retired and cancelled by the sinking fund and $38,000 are pledged. Mortgage is closed.

Callability—Subject to call at 107½ and interest on any interest date upon two weeks' notice.

Sinking Fund—Sinking fund, which commenced March 1, 1916, will retire 50% of the outstanding bonds by maturity. Bonds acquired are to be cancelled.

Security—Secured by a mortgage on the property formerly owned by The Harwood Electric Co., subject to that Company's First 5s, due July 1, 1939.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First offered in 1912, at par and interest by Henry & West & Mellor & Petry, Philadelphia.

Legal for Savings Banks in Maine.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	107⅛	107¼	105½	106	105	98¾	96	86
Low	107⅛	bid	bid	104½	102	98¾	88	bid

(5)

$2,747,000 LEHIGH NAVIGATION ELECTRIC CO. FIRST SINKING FUND GOLD 6s, SERIES "A," DUE JULY 1, 1943

$744,000 LEHIGH NAVIGATION ELECTRIC CO. FIRST SINKING FUND GOLD 5s, SERIES "B," DUE JULY 1, 1943

Dated July 1, 1913.

NOTE—Series "B" bonds bore graduated interest rates as follows: Jan. 1, 1914, 2%; July 1, 1914, and Jan. 1, 1915, 2½%; July 1, 1915, and Jan. 1, 1916, 3%; July 1, 1916, and Jan. 1, 1917, 3½%; July 1, 1917, and Jan. 1, 1918, 4%; July 1, 1918, and Jan. 1, 1919, 4½%; thereafter 5% per annum.

Interest Payable January and July 1, at Company's office, Allentown, Pa.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia, Trustee.

Provisions of Issue—Authorized, $3,000,000 Series "A" and $7,000,000 Series "B"; issued, $3,000,000 Series "A," of which $253,000 have been retired, and $1,059,000 Series "B" of which $26,000 are pledged and $289,000 have been retired. Mortgage is closed.

Callability—Series "A" bonds are subject to call at 107½ and interest on any interest date upon 8 weeks' notice; Series "B" at par and interest.

Sinking Fund—For both series, a sum equal to 1% yearly from April, 1917 to 1921; 1½% yearly 1922 to 1926, and thereafter 2% yearly of bonds outstanding.

Secured—Secured by a first mortgage on entire property formerly owned by Lehigh Navigation Electric Co.

Guaranty—Series "B" bonds are guaranteed, as to interest only, by The Lehigh Coal & Navigation Co.

Tax Provision—Company does not pay Normal Federal Income Tax.

Original Offering—First publicly offered ($3,000,000 Series "A" 6s) in May, 1922, at 102 and interest, by Drexel & Co., Philadelphia.

Legal for Savings Banks in Maine.

Price Range—

Series "A" 6s—	1927	1926	1925	1924	1923	1922
High	101	102	106½	104½	101½	103½
Low	bid	bid	bid	bid	bid	bid

(6)

$604,500 LEHIGH VALLEY LIGHT & POWER CO. FIRST GOLD 5s, DUE APRIL 1, 1943

Dated April 1, 1913.

Interest Payable April and October 1, at Company's office, Allentown, Pa. and at Brown Bros. & Co., Philadelphia. Coupon, $100, $500 and $1,000;

principal may be registered. Lehigh Valley Trust Co., Allentown, Pa., Trustee. Authorized issue, $2,000,000. Subject to call at 105 and interest on any interest date. Secured by a first lien on entire property formerly owned by The Lehigh Valley Light & Power Co. First publicly offered ($250,000) in Aug., 1913, at 97½ by E. B. Smith & Co., Philadelphia. Company pays Normal Federal Income Tax up to 2%. Legal for Savings Banks in Maine.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	102	100	96	96½	90½	90	82	73
Low	bid	bid	bid	bid	bid	bid	bid	bid

(7)

$775,000 NORTHERN CENTRAL GAS CO. FIRST & REFUNDING GOLD 5s, DUE AUGUST 1, 1962

Dated August 1, 1912.

Interest Payable February and August 1, at office of Electric Bond and Share Co., 2 Rector St., New York. Coupon, $500 and $1,000; principal may be registered. Bankers Trust Co., New York, Trustee. Authorized issue, $4,000,000; mortgage closed. Subject to call on any interest date upon four weeks' notice at 105 and interest. Company pays Normal Federal Income Tax up to 2%. Legal for Savings Banks in Maine.

(8)

$1,069,500 NORTHUMBERLAND COUNTY GAS & ELECTRIC CO. FIRST SINKING FUND GOLD 5s, DUE SEPTEMBER 1, 1946

Dated October 2, 1911.

Interest Payable March and September 1, at West & Company, Philadelphia. Coupon, $500 and $1,000; principal may be registered. Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Authorized, $2,000,000; issued, $1,139,000, of which $69,500 retired. Subject to call as an entire issue at 105 and interest on any interest date upon 60 days' notice; or in part for sinking fund at 105 and interest upon 2 weeks' notice. Secured by first mortgage on all property, rights and franchises formerly owned by the Company. First publicly offered ($775,000) in Dec., 1911, at 95 and interest by Henry & West, Philadelphia. Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania four mills tax. Legal for Savings Banks in Maine.

(9)

$1,174,000 PENNSYLVANIA LIGHTING CO. FIRST SINKING FUND GOLD 5s; DUE JULY 1, 1940

Dated July 1, 1910.

Interest Payable January and July 1, at Bank of North America & Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered Authorized issue, $2,500,000; issued, $1,392,000, of which $218,000 held by Trustee as Sinking Fund investment, leaving $1,174,000 in hands of public. Mortgage is closed. Subject to call at 105 and interest on any interest date. Sinking fund, 1% on all bonds outstanding (including bonds in sinking fund), began April 1, 1916, to purchase bonds in the open market at not exceeding 105. Secured by first lien on all property formerly owned by the Pennsylvania Lighting Co. Company pays Normal Federal Income Tax up to 2%. Legal for Savings Banks in Maine.

(10)

$100,000 SCHUYLKILL GAS & ELECTRIC CO. FIRST SINKING FUND GOLD 6s; DUE APRIL 1, 1943

Dated April 1, 1913.

Interest Payable April and October 1, at Girard Trust Co., Philadelphia, Pa., Trustee. Coupon, $100, $500 and $1,000. Authorized, $2,000,000 of which $1,200,100 have been issued; $132,800 have been retired, and $967,300 are pledged, leaving $100,000 outstanding in the hands of the public. Mortgage is closed. Subject to call at not exceeding 107½ and interest. Sinking fund of 1% of outstanding bonds payable in years 1919 to 1923 inclusive, 1½% 1924 to 1932 inclusive and 2% 1933 to 1942 inclusive. Sinking fund shall be used for redemption of bonds at not more than 107½ and interest on 30 days' notice. Legal for Savings Banks in Maine.

(11)

$15,000 SOUTH BETHLEHEM ELECTRIC LIGHT CO. FIRST GOLD 5s; DUE OCTOBER 1, 1929

Dated September 30, 1899.

Interest Payable April and October 1, at Lehigh Valley Trust Co., Allentown, Pa., Trustee. Coupon, $500. Authorized and outstanding, $15,000. Subject to call at 105 and interest on six weeks' notice.

(12)

$1,986,300 THE WILKES-BARRE CO. FIRST & REFUNDING GOLD 5s; DUE JULY 1, 1960

Dated July 1, 1910.

Interest Payable January and July 1, at Girard Trust Co., Philadelphia.

Denominations—Coupon (principal may be registered), and fully registered, $100, $500 and $1,000.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized, $7,500,000; issued, $2,910,500, of which $591,700 pledged under First & Refunding Mortgage of Pennsylvania Power & Light Co. and $332,500 pledged under Wilkes-Barre Gas & Electric Co. Consolidated Mortgage, leaving $1,986,300 outstanding in hands of public. The $4,989,500 unissued bonds were reserved as follows: $3,000,000 to retire the Wilkes-Barre Gas & Electric Co. First Consolidated 5s and the remainder for 85% of the cost of extensions, improvements, etc., but mortgage is closed.

Callability—Subject to call at 105 and interest on any interest date upon 4 weeks' notice.

Security—Secured by a lien on entire property formerly owned by The Wilkes-Barre Co., subject to the $3,000,000 Wilkes-Barre Gas & Electric Co. 5s, described in the next paragraph.

Guaranty—The Susquehanna Ry., Light & Power Co. guarantees $1,538,000 of these bonds, principal and interest.

Tax Provision—Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania 4 mills tax.

(13)

$3,000,000 WILKES-BARRE GAS & ELECTRIC CO. FIRST CONSOLIDATED GOLD 5s; DUE JANUARY 1, 1955

Dated January 3, 1905.

Interest Payable January and July 1, Fidelity-Philadelphia Trust Co., Philadelphia.

Denominations—Coupon (principal may be registered), and fully registered, $1,000.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized and outstanding, $3,000,000.

Callability—Subject to call at 110 and interest on any interest date.

Security—Secured by first lien on entire property formerly owned by Wilkes-Barre Gas & Electric Co. Additionally secured by pledge of $332,500 The Wilkes-Barre Co. First & Refunding 5s, described in the last paragraph.

Assumption—Assumed by The Wilkes-Barre Co.

Tax Provision—Company pays Normal Federal Income Tax up to 2%. Exempt from Pennsylvania 4 Mills Tax.

Listed—Philadelphia Stock Exchange.

(14)

$400,000 THE WILLIAMSPORT GAS CO. FIRST GOLD 5s; DUE FEBRUARY 1, 1939

Dated February 1, 1899.

Interest Payable February and August 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized and outstanding, $400,000. Company pays Normal Federal Income Tax up to 2%. Legal for savings banks in Maine.

(15)

$37,000,000 PENNSYLVANIA POWER & LIGHT CO. FIRST & REFUNDING MORTGAGE GOLD BONDS AS FOLLOWS:

$8,000,000 First & Refunding Gold 7s, Series "A"
Dated February 1, 1921; due February 1, 1951

$7,000,000 First & Refunding Gold 5s, Series "B"
Dated October 1, 1922; due October 1, 1952

$4,000,000 First & Refunding Golds 6s, Series "C"
Dated September 1, 1923; due September 1, 1953

$18,000,000 First & Refunding Gold 5s, Series "D"
Dated March 2, 1925; due September 1, 1953.

Interest Payable Series "A" February and August 1; Series "B" April and October 1, and Series "C" and "D" March and September 1, all at Guaranty Trust Co. of New York.

Denominations—Coupon, $500, and $1,000; principal may be registered; $500 bonds exchangeable for $1,000 bonds aggregating like principal amounts; fully registered bonds in denominations of $1,000 and $5,000; coupon bonds of $1,000 denomination and fully registered bonds interchangeable.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized amount unlimited; issued to Dec. 31, 1927, $8,000,000 Series "A" 7s, $7,000,000 Series "B" 5s, $4,000,000 Series "C" 6s and $18,000,000 Series "D" 5s.

Provisions of Issue—The Mortgage securing the First & Refunding Mortgage bonds does not directly limit the aggregate amount of bonds which may be issued thereunder, but provides, among other things, substantially as follows: Additional bonds may be issued to an amount not exceeding 75% of the cost or fair value, whichever is less, of the construction or acquisition subsequent to Sept. 25, 1920, of electric light and power and gas property. No bonds may be issued thereunder, for other than refunding purposes, unless net earnings, as defined in the mortgage, for 12 consecutive calendar months out of the 15 immediately preceding application for issue, shall have been at least equal to twice the annual interest requirements of outstanding underlying bonds not deposited under this Mortgage plus twice (except in respect of certain additional bonds defined in the mortgage one and three-quarter times) the annual interest requirements of all First & Refunding Mortgage bonds then outstanding, including those then proposed to be issued.

A supplemental mortgage (operative when Series A, B and C bonds have been retired or have consented thereto) may be made to provide for changing certain restrictions and provisions in the original Mortgage to permit the issuance of bonds maturing later than 1961, remove the restrictions with respect to earlier maturities than those of series outstanding, make the deposit of prior lien bonds with the Trustee equivalent, for certain purposes of the Mortgage, to reduction or payment of prior liens, and provide that in the issuance of bonds or withdrawal of cash or property against permanent additions subject to prior lien there shall be no deduction for prior liens previously deducted.

Callability—Series "A", "B", "C" and "D" bonds are subject to call as a whole or in part on any interest date on thirty days' notice at the following prices: Series "A" at par and interest plus a premium of 7½% to February 1, 1922, less ¼ of 1% for each full year of expired life; Series "B" at 105 and interest on or before Oct. 1, 1927, at 104 in the next five years, at 103 in the next five, at 102 in the next five and at 101 in the next five, and at 100½ thereafter to maturity; Series "C" at 106 on or before Sept. 1, 1928, the premium decreasing 1% for each five-year period and fraction thereof elapsed thereafter to and including March 1, 1952 and thereafter at 100; Series "D" at 105 on or before Sept. 1, 1928, the premium decreasing 1% for each five-year period elapsed thereafter to and including Sept. 1, 1948, and at 100½ thereafter prior to maturity.

Renewal and Improvement Fund—The Company covenants to pay to the Trustee, on April 1 in each year, as a Renewal and Improvement Fund, a sum equal to 5% of the principal amount of all underlying bonds and First & Refunding Mortgage bonds outstanding (as provided in the mortgage) at the end of the preceding calendar year, less the amount of actual expenditures for maintenance, repairs, renewals and replacements during such year, which fund may be withdrawn for further maintenance, repairs, renewals, replacements and improvements and additions, against none of which shall any First & Refunding Mortgage bonds be issued. Any unused balance may be used for the retirement of bonds of this issue or underlying bonds, and any such balance of $25,000 or more remaining after 24 months shall be so used.

Security—Secured by a first mortgage lien upon a substantial portion of the Company's property and by direct mortgage upon the remainder, subject to an aggregate of $16,102,100 divisional bonds (mortgage closed). Also secured by deposit and pledge with the Trustee of $1,646,800 bonds of certain of the divisional issues.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania four mills tax.

Legal Opinion—Stetson, Jennings, Russell & Davis, New York.

Legal for Savings Banks (All Series)—Maine, Rhode Island, Vermont and New Hampshire.

Original Offerings—Series "A" 7s ($8,000,000) first publicly offered in Feb., 1921, at 92 and interest, yielding about 7.68% by Guaranty Co. of New York; Harris, Forbes & Co., Halsey, Stuart & Co., Inc., and Brown Brothers & Co., New York, and Merrill, Oldham & Co., Boston. Series "B" 5s ($7,000,000) first publicly offered in Sept., 1922, at 92¾ and interest, yielding about 5½% by the same firms. Series "C" 6s ($4,000,000) first publicly offered in Oct., 1923, at 99 and interest yielding over 6.07% by the same firms. Series "D" 5s ($8,000,000) first publicly offered in Feb., 1925, at 95½ and interest yielding over 5.30% and $10,000,000 additional Series "D" 5s were offered in Jan., 1926, at 98½ and interest, yielding 5.10% by the same firms.

Price Range—

	1927	1926	1925	1924	1923
Series "A" 7s—					
High	107	106½	107	106½	106
Low	105½	105½	105½	103	103
Series "B" 5s—					
High	103½	100⅞	98¾	96½	90⅞
Low	99	97½	93	87½	85½
Series "C" 6s—					
High	106	106	105½	102	98½
Low	105	105	102½	bid	bid
Series "D" 6s—					
High	104	101	98½	..	..
Low	99⅛	97½	95	..	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$21,473,308	$20,626,489	$18,230,964	$16,167,968	$14,077,310	$12,066,861
Operating expenses and taxes	11,553,146	11,952,297	11,061,229	9,926,818	8,597,623	7,966,651
Net earnings	$9,920,162	$8,674,192	$7,169,735	$6,241,150	$5,479,687	$4,100,210
Other income	1,534,466	1,692,621	1,039,535	473,391	589,706	226,265
Total income	$11,454,628	$10,366,813	$8,209,270	$6,714,541	$6,069,393	$4,326,475

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Interest on bonds	$2,924,884	$2,904,339	$2,360,317	$2,044,672	$1,664,321	$1,298,171
Other interest and deductions	239,987	179,243	182,661	*69,928	24,561	44,147
Balance for dividends	$8,289,757	$7,283,231	$5,666,292	$4,739,797	$4,380,511	$2,984,157
Preferred dividends paid	2,998,616	2,592,600	2,300,039	1,540,161	1,126,324	690,160
Balance	$5,291,141	$4,690,631	$3,366,253	$3,199,636	$3,254,187	$2,293,997
Appropriation for renewal and replacement reserve	1,800,000	1,800,000	1,800,000	.....	.....	.....
Balance	$3,491,141	$2,890,631	$1,566,253	.....	.....	.....
†Times Bond Interest Earned	3.91	3.57	3.48	3.28	3.63	3.30
Earnings Per Share—						
Cumulative Preferred	$18.73	$17.51	$15.56	$20.66	$23.25	$20.88

*Credit. †Before other interest and deductions.

COMPARATIVE GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	Dec. 31, 1924	Dec. 31, 1923	Feb. 28, 1923
Plant, Investments	$93,366,168	$88,084,444	$60,435,925 / 10,905,507	$54,976,059 / 1,158,448	$42,509,865 / 2,391,228	$28,704,338 / 2,678,783
Construction expenditures	10,062,460	5,048,968	9,731,187	3,976,969	10,275,918	6,859,419
Construction contract advances	.....	.....	1,176,972	830,247	936,499	1,655,655
Cash	3,054,218	3,162,965	2,323,194	1,946,927	2,269,326	1,941,641
Notes and loans receivable, Accounts receivable	7,779,822	11,425,271	2,998,703 / 2,389,415	4,042,822 / 2,686,681	4,553,771 / 2,031,875	4,953,733 / 1,746,871
Materials and supplies	2,519,091	2,203,543	2,165,636	2,611,925	2,366,759	1,353,970
Prepaid accounts	117,017	115,302	150,281	158,658	103,716	106,461
Notes guaranteed (see contra)	.....	.....	.....	1,400	2,100	3,400
Subscribers to capital stock	143,665	647,029	452,532	346,400	466,173	547,498
Treasury securities	1,979,300	1,994,600	.....	2,030,330	2,067,700	1,150,500
Reacquired stock ($7 Pfd.)	174,429	150,378	175	100,086	111	2,365
Cash deposits for coupons due (see contra)	47,951	98,183	22,807	308,412	302,767	248,297
Cash deposited for bonds called for redemption	4,000	.....	.....	.....	.....	.....
Sinking fund investments	415,900	374,100	332,500	292,500	252,800	216,100
Trust funds	34,653	21,105	7,466	43,768	367,047	3,608,388
Unamortized bond discount and expense	3,464,284	3,620,376	3,206,233	2,618,401	2,693,180	2,487,511
Deferred debits	136,583	267,679	595,448	324,599	322,330	221,966
Total	$123,299,541	$117,213,943	$96,893,981	$78,454,632	$73,913,165	$58,486,897
Liabilities—						
Capital stock of no par value	*$50,946,371	*$46,783,419	*$40,107,541	*$26,021,169	*$22,441,164	*$20,259,339
First & Refunding Mortgage 7% Series "A"	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
First and Refunding Mortgage 5% Series "B"	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
First and Refunding Mortgage 6% Series "C"	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	.....
First and Refunding Mortgage 5% Series "D"	18,000,000	18,000,000	8,000,000	.....	.....	.....
Underlying—various issues	18,497,300	18,635,600	16,737,600	18,905,300	19,068,200	13,280,300
Dividends declared	757,524	985,883	881,666	.....	.....	.....
Notes and loans payable, Accounts payable	1,010,599	768,942	877,483 / 871,885	3,920,000 / 2,197,803	170,000 / 2,444,288	170,000 / 929,101
Consumers' deposits	527,527	465,690	386,091	308,254	242,592	177,705
Accrued accounts	3,175,900	2,966,300	2,332,995	1,836,574	1,524,847	1,034,372
Mat. interest funded debt (see contra)	47,950	98,182	22,807	308,412	302,767	248,298
Notes guaranteed (see contra)	.....	.....	.....	1,400	2,100	3,400
Deferred credits	1,822	.....	.....	.....	.....	.....
Underlying bonds called for redemption	4,000	.....	.....	.....	.....	.....
Subscribers to capital stock (installment payments)	143,665	647,029	452,532	346,400	99,797	164,862
Subscribers to capital stock	.....	.....	.....	.....	466,173	547,498
Renewals and replacements reserve, Reserve for depletion, Miscellaneous reserves	8,637,528	7,520,120	5,674,987	4,135,690	3,652,678 / 640,373 / 531,038	2,552,412 / 640,373 / 437,639
Surplus	2,549,355	1,342,778	1,548,394	1,473,360	3,327,148	3,041,598
Total	$123,299,541	$117,213,943	$96,893,981	$78,454,632	$73,913,165	$58,486,897

*Stated value represented Dec. 31, 1927 by 375,482 shares $7 Pfd., 66,954 shares $6 Pfd. and 593,350 shares Common; Dec. 31, 1926 by 371,478 shares $7 Pfd., 44,433 shares $6 Pfd. and 542,181 shares Common; Dec. 31, 1925 by 364,255 shares $7 Pfd. and 490,221 shares Common; Dec. 31, 1924, by 229,337 shares $7 Pfd. and 466,877 shares Common; Dec. 31, 1923, by 188,438 shares Pfd., 35,000 shares non-cumulative Pfd. and 345,819 shares Common; Feb. 28, 1923, by 142,929 shares cumulative Pfd., 65,000 shares non-cumulative Pfd. and 310,000 shares Common.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923
Cash	$3,054,218	$3,162,965	$2,323,194	$1,946,927	$2,269,326
Notes & loans receivable, Accounts receivable	7,779,823	11,425,271	2,998,703 / 2,389,415	4,042,822 / 2,686,681	4,553,772 / 2,031,875
Materials & supplies	2,519,091	2,203,543	2,165,636	2,611,925	2,366,759
Prepaid accounts	117,017	115,302	150,281	158,658	103,716
Total	$13,470,149	$16,907,081	$10,027,229	$11,447,013	$11,325,448
Current Liabilities—					
Notes & loans payable, Accounts payable	$1,010,599	$768,942	$877,483 / 871,885	$3,920,000 / 2,197,803	$170,000 / 2,444,288
Dividends declared	757,524	985,883	881,666	.....	.....
Consumers' deposits	527,527	465,690	386,091	308,254	242,592
Accrued accounts	3,175,901	2,966,300	2,332,995	1,836,574	1,524,848
Total	$5,471,551	$5,186,815	$5,350,120	$8,262,631	$4,381,728
Net Working Capital	$7,998,598	$11,720,266	$4,677,109	$3,184,382	$6,943,720

Officers: E. K. Hall, Pres.; E. W. Hill, V-P.; P. B. Sawyer, V-P. & Gen. Mgr., New York; C. M. Walter, Sec. & Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York; T. F. Carter, Asst. Sec. & Asst. Treas.; W. M. Brooks, Asst. Treas. & Asst. Sec., Allentown, Pa.; A. C. Ray, Asst. Treas., New York; L. K. Bingaman, Asst. Treas. & Asst. Sec.; J. S. Wise, Jr., Oper. Mgr.; S. M. Sweit-

ser, Asst. Treas. & Asst. Sec., Allentown, Pa.; Alexander Simpson, Asst. Treas., New York; T. J. Perkins, Gen. Counsel; W. L. Davis, Aud.

Directors: S. Z. Mitchell, Chairman, E. K. Hall, G. O. Muhlfeld, P. B. Sawyer, New York; W. H. Conyngham, Wilkes-Barre, Pa.; H. C. Trexler, C. M. Walter, Samuel Weil, E. M. Young, Allentown, Pa.

Officers, 2 Rector St., New York, and Allentown, Pa.

EAST PENN ELECTRIC COMPANY

(Controlled by Pennsylvania Power & Light Co.)

(Supervised by Electric Bond and Share Company)

History—Incorporated July 6, 1922, in Pennsylvania and acquired and now owns in fee the property of the Eastern Pennsylvania Rys. Co. and its subsidiaries, and the Lykens Valley Light & Power Co. (see 1923 Public Utility Manual, page 476). In addition it controls Pine Grove Electric Light, Heat & Power Co. by ownership of entire outstanding stock. The company supplies electric power and light to 54 principal communities, including Pottsville, Tamaqua, Lansford, Minersville, Ashland, St. Clair, Coaldale, Frackville, Summit Hill and Schuylkill Haven. It also supplies interurban railway service to 22 communities. On March 26, 1923, the subsidiary companies previously listed and the Eastern Pennsylvania Rys. Co. (for last published statement see 1922 Public Utility Manual, page 709) were merged into the Eastern Pennsylvania Power & Ry. Co., which subsequently in turn was merged with the East Penn Electric Co.

Electric Department—Present installed generating capacity consists of two 12,500 k.w. turbo-generators. The first unit was placed in operation Sept. 29, 1923, and the second on Nov. 10, 1923. There has also been installed 3,000 k.w. capacity for station auxiliaries. A 66,000 volt transmission line connects this station with the company's lines at Pottsville. A 2,650 k.w. generating station at Williamstown, Pa., supplies the surrounding territory. A transmission line has been constructed connecting this territory with the Pine Grove station.

The station located at Palo Alto, which has a capacity of 10,200 k.w. is available as a reserve and to carry peak loads if required. All current is generated by steam, and power is produced at minimum expense. The territory served is in the heart of the anthracite coal region in Pennsylvania, centering in Schuylkill County.

Schuylkill County lies wholly within the super-power zone in the sub-division called Anthracite, in the super-power scheme designed for the Department of the Interior of the U. S. Government covering the territory between Boston and Washington. The company's own transmission and distribution lines cover the territory, and all contracts with municipalities for public lighting are based on fair and satisfactory rates.

Railway Department—The lines owned and controlled aggregate 63 miles, including a trunk line from Pottsville to Mauch Chunk via Yorkville, Minersville, Palo Alto, Mount Carbon, New Philadelphia, Middleport, Cumbola, Belmont, St. Clair, Port Carbon, Schuylkill Haven, Adamsdale, Orwigsburg, Glen Carbon, Coal Castle, Tumbling Run, Tuscarora, Brockton, Tamaqua, Lansford, Nesquehoning and Summit Hill.

Number of Electric Consumers and Sales—During 1927 the Company added more than 1,414 consumers to its electric department and now serves 26,404 consumers.

Franchises—All franchises are perpetual or for a long term and the street railway lines are in a large measure built on private right of way. Population served is 198,000.

Control—In the spring of 1925 Pennsylvania Power & Light Co. acquired control of the East Penn Electric Co. through an exchange of stock on the following basis: For each share of East Penn Electric Co. First Pfd. or Second Pfd. both of no par value, there was issued in exchange one share of cumulative $7 Pfd. stock of no par value of Pennsylvania Power & Light Co., and for each share of East Penn Electric Co. Common stock of no par value there was issued in exchange two-thirds of a share of $7 Pfd. stock of Pennsylvania Power & Light Co. The Pennsylvania Power & Light Co. now owns all the Common stock and more than 83% of the Pfd. and Second Pfd. stocks of the Company.

CAPITAL STOCK

Authorized, 150,000 shares Common no par value, 50,000 shares no par value First Pfd. (dividends at the rate of $7 per annum beginning Jan. 1, 1923), and 10,000 shares no par value Second Pfd., (dividends at the rate of $8 per annum beginning April 1, 1923); issued, 103,805 shares Common, 20,955 shares First Pfd. and 9,138 shares Second Pfd. Pennsylvania Power & Light Co. owns all the Common stock and more than 83% of the Pfd. and Second Pfd. stocks of the Company.

Transfer Agents—Maitland, Coppell & Co., New York.

Registrar—American Exchange Irving Trust Co., New York.

Preferred Stock Provisions—The First Pfd. stock is preferred over the Second Pfd. and Common stocks as to assets and as to cumulative dividends at the rate of $7 per share per annum. Upon voluntary dissolution of the company, the First Pfd. stock is entitled to $115 per share and accrued dividends, and upon involuntary dissolution to $100 per share and accrued dividends. It may be redeemed in whole or in part on any dividend date upon 30 days' notice at $115 per share and accrued dividends. No class of Pfd. stock superior to this issue can be created without the consent of the holders of two-thirds of the outstanding First Pfd. stock. In case dividends are in arrears to the extent of $10.50 per share on the First Pfd. stock and $12 per share on the Second Pfd. stock and as long thereafter as the dividends in arrears aggregate $3.50 per share on the First Pfd. stock and $4 per share on the Second Pfd. stock, these stocks will share voting power with the Common stock.

Dividends—Initial dividend on First Pfd. was paid April 1, 1923 and quarterly (J, A, J & O 1) since; on Second Pfd., initial payment was made July 1, 1923 and quarterly (J, A, J & O 1) since.

FUNDED DEBT

(1)

$341,000 LYKENS VALLEY LIGHT & POWER CO. FIRST GOLD 6s; DUE SEPTEMBER 1, 1945

Dated September 1, 1915.

Interest Payable March and September 1, at The Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia, Trustee. Denomination, $1,000. Authorized, $1,000,000; issued, $378,000, of which $28,000 cancelled by sinking fund and $9,000 pledged, leaving $341,000 in hands of public Dec. 31, 1927. Mortgage closed by provision of the East Penn Electric Co. First Mortgage & Refunding Lien Indenture. Subject to call as a whole on any interest date after Sept. 1, 1920, or for the sinking fund at 102½ and interest. From July 1, 1920, to July 1, 1925, a sinking fund will be operative equal to 1% of the bonds outstanding; from July 1, 1926, to July 1, 1930, equal to 1½% of the bonds outstanding, and from July 1,

1931, to July 1, 1945, equal to 2% of the bonds outstanding. All bonds purchased or drawn for the sinking fund are to be cancelled. A first lien on entire property formerly owned by Lykens Valley Light & Power Co. Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

(2)

$4,445,750 EASTERN PENNSYLVANIA RYS. CO. FIRST GOLD 5s; DUE JULY 1, 1936

Dated July 1, 1906.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon (principal may be registered), $500 and $1,000, and fully registered, $1,000 and $10,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized, $6,000,000; issued, $5,608,750, of which $829,500 pledged under East Penn Electric Co. First Mortgage & Refunding Lien bonds and $333,500 retired, leaving $4,445,750 in hands of public; mortgage closed.

Callability—Subject to call at 110 and interest on 4 weeks' notice.

Security—Secured by first mortgage on entire property formerly owned by the Eastern Pennsylvania Rys. Co. and its subsidiaries, subject to underlying liens described above. Provision has been made in the East Penn Electric Co. First Mortgage & Refunding Lien Indenture for the redemption of these bonds.

Assumption—Assumed by the East Penn Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax exempt in Pennsylvania.

Legal for Savings Banks in Maine.

(3)

$2,500,000 EAST PENN ELECTRIC CO. FIRST MORTGAGE & REFUNDING LIEN GOLD 6s; DUE JANUARY 1, 1953

Dated January 1, 1923.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized amount unlimited. Of the first series $3,829,500 have been issued, of which $1,329,500 are held in the treasury, leaving $2,500,000 bonds in the hands of the public. Additional bonds may be issued to (a) retire underlying issues, or (b) provide not in excess of 75% of the cash cost or fair value of additional property, provided net earnings as defined in the mortgage for twelve consecutive months out of the preceding fifteen months shall have been not less than 1¾ times the annual interest charges on all bonds outstanding and to be issued, and on all other secured bonded debt as defined in the mortgage.

Improvement Fund—The mortgage provides an improvement fund, requiring an annual expenditure for maintenance, extensions and additions, not subject to the issuance of additional bonds, in an amount not less than 8% of the gross earnings of the electric properties, 7½% of the gross of the gas properties and 15% of the gross earnings of the electric railway properties. If such amount is not expended, the unexpended portion shall be deposited with the Trustee and used for the retirement of bonds.

Security—Secured by a first mortgage on the new Pine Grove power plant and upon all real estate and plants hereafter acquired. Further secured by mortgage on all other property of the company, subject to underlying bonds listed above, and by deposit as collateral of $829,500 Eastern Pennsylvania Rys. Co. First Mortgage 5% bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania Four mills tax.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($2,500,000) in Feb., 1923, at 97 and interest, to yield over 6.20%, by J. G. White & Co., Inc., Spencer Trask & Co. and Marshall Field, Glore, Ward & Co., New York.

Legal Opinion—Murray, Prentice & Aldrich, New York (for the Bankers) and Roberts, Montgomery & McKeehan, Philadelphia (for the Company).

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$3,674,255	$3,568,252	$3,085,631
Operating expenses & taxes	2,138,588	2,084,515	1,825,359
Net earnings	$1,535,667	$1,483,737	$1,260,272
Other income	43.263	7,022	281
Gross income	$1,578,930	$1,490,759	$1,260,553
Interest on bonds	393,153	398,733	400,233
Other int. and deductions	77,679	48,065	39,702
Balance	$1,108,098	$1,043,961	$820,618
Preferred dividends	146,566	146,566	145,372
Balance	$961,532	$897,395	$675,246
Times Interest Earned	4.02	3.74	3.15

GENERAL BALANCE SHEET

(Latest Available)

Assets—	Dec. 31, 1926	Feb. 28, 1926
Plants	$15,699,646	$15,697,264
Construction expenditures	81,599	109,690
Investments	210,631	207,960
Cash	445,133	197,586
Notes and loans receivable	17,073	2,387
Accounts receivable	411,818	345,753
Materials and supplies	338,844	317,541
Prepaid accounts	23,325	19,453
Trust funds	426	200,391
Funds on deposit for redemption of underlying bonds	.....	14,000
Funds on deposit for payment of matured funded debt interest	.....	176,478
Special deposits	2,863	500
Reacquired Pfd. stock	1,700	1,700
Unamortized debt discount and expense	469,747	493,458
Deferred debits	19,753	.....
Total	$17,722,559	$17,784,161
Liabilities—		
Capital stock (no par value)	*$6,642,475	$6,642,605
First & Ref. Lien Mtge. bonds	2,500,000	2,500,000
Underlying bonds	4,883,000	†4,902,000
Notes and loans payable	499,428	20,000
Accounts payable	176,084	118,991
Dividends payable	54,947	.....
Consumers' deposits	93,182	91,223
Accrued accounts	511,747	346,754
Matured interest unpaid	.....	176,478
Deferred credits	.....	193,753
Reserves	1,785,610	1,551,407
Surplus	576,085	1,240,950
Total	$17,722,559	$17,784,161

*Represented by 20,955 Pfd. shares, 9,138 Second Pfd. shares and 103,805 Common shares, all of no par value. †Funds on deposit with trustee for redemption of $14,000.

Officers: P. B. Sawyer, Pres.; E. W. Hill, V-P., New York, N. Y.; J. S. Wise, Jr., V-P.; H. F. Dicke, V-P.; C. M. Walter, Sec. & Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec., New York, N. Y.; L. K. Bingaman, Asst. Sec. & Asst. Treas., Allentown, Pa.; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas., New York, N. Y.; G. M. Sweitzer, Asst. Treas. & Asst. Sec.; T. F. Carter, Asst. Sec. & Asst. Treas.; W. M. Brooks, Asst. Sec. & Asst. Treas., Allentown, Pa.; P. McCarron, Gen. Mgr., Pottsville, Pa.

Directors: H. C. Trexler, E. M. Young, J. S. Wise, Jr., C. M. Walter, Allentown, Pa.; P. B. Sawyer, New York, N. Y.

Offices, Allentown, Pa., and 2 Rector Street, New York, N. Y.

PINE GROVE ELECTRIC LIGHT, HEAT & POWER CO.

(Controlled by East Penn Electric Co.)
(Supervised by Electric Bond and Share Co.)

History—Incorporated Oct. 23, 1912, in Pa. Supplies electricity to Pine Grove, Pa. and vicinity.

CAPITAL STOCK

Outstanding, $19,050; par, $50. All owned by East Penn Electric Co.

FUNDED DEBT

None.

Officers: P. B. Sawyer, Pres., New York; J. S. Wise, Jr., V-P.; C. M. Walter, Sec. & Treas.; L. K. Bingaman, Asst. Sec. & Asst. Treas.; S. M. Sweitzer, Asst. Sec. & Asst. Treas.; W. M. Brooks, Asst. Sec. & Asst. Treas.; T. F. Carter, Asst. Sec. & Asst. Treas., Allentown, Pa.; E. P. Summerson, Asst. Sec.; H. L. Martin, Asst. Sec.; A. C. Ray, Asst. Treas.; G. J. Hickman, Asst. Treas., New York; T. J. Perkins, Gen. Counsel; W. L. Davis, Aud.; P. McCarron, Gen. Mgr.

Directors: P. B. Sawyer, New York; C. M. Walter, J. S. Wise, Jr., Allentown, Pa.

Office, Pottsville, Pa. and 2 Rector Street, New York.

VALLEY RAILWAYS

(Controlled by Lehigh Power Securities Corporation)
(Supervised by Electric Bond and Share Company)

History—Incorporated June 27, 1912, under the laws of Pennsylvania. Operates electric railway lines connecting Harrisburg with Enola, Lemoyne, Marysville, New Cumberland, Shiremans Town, Camp Hill, Mechanicsburg, Boiling Springs and Carlisle, and through a subsidiary, serves with electric power and light more than 7,600 consumers in this district in Cumberland County. Total population served is estimated at 127,000. During 1927 more than 5,255,000 passengers were carried.

Company owns 43 miles of track and its subsidiary company's electric generating plant has a present installed capacity of 4,600 k.w. and 145 miles of transmission and distribution lines.

Control—Control of this company, acquired by The United Gas & Electric Corp. in 1924 (see 1925 Public Utility Manual, page 250). In Jan., 1926 control was acquired by Lehigh Power Securities Corp.

CAPITAL STOCK

Authorized and outstanding, $2,000,000 Common and $500,000 6% cumulative Pfd.; par, $50. All owned by Lehigh Power Securities Corp. Annual meeting, second Monday in January.

Dividends—Pfd. dividends at rate of 6% per annum are regularly paid.

FUNDED DEBT

(1)

$700,000 Valley Traction Co. First Mortgage 5% Gold Bonds; dated Oct. 1, 1903; due Oct. 1, 1933; int. April and Oct. 1, at Farmers Trust Co., Carlisle, Pa., Trustee. Coupon, $100 and $500; principal may be registered. Subject to call at 110. Sinking fund, $5,000 per annum, began Oct. 1, 1908. Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania 4 mills tax.

(2)

$1,000,000 Valley Rys. Collateral Trust 5s; dated Aug. 1, 1912; due Aug. 1, 1952; int. Feb. and Aug. 1, at Farmers Trust Co., Carlisle, Pa., Trustee. Authorized, $1,700,000, of which $700,000 reserved to retire an equal amount of prior liens. Secured by deposit of the capital stock of the Harrisburg & Mechanicsburg Electric Ry. and the stock of United Electric Co., which supplies light and power to the various townships and boroughs from Mechanicsburg to the river and along the entire west shore. Company pays Normal Federal Income Tax up to 2%. Free from Pennsylvania 4 mills tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$406,512	$429,836	$430,005	$445,598	$473,596	$489,394
Oper. exp. and depreciation	*354,636	*357,741	*357,311	*360,408	354,864	380,874
Net earnings	$51,876	$72,095	$72,694	$85,190	$118,732	$108,520
Other income	257,483	249,692	227,859	176,171	162,342	154,450
Total income	$309,359	$321,787	$300,553	$261,361	$281,074	$262,970
Interest, taxes, etc.	†86,183	86,048	†87,586	†89,433	114,269	116,076
Balance for dividends	$223,176	$235,739	$212,967	$171,928	$166,805	$146,894
Dividends paid	150,000	.....	120,000	150,000	150,000	80,000
Surplus for year	$73,176	.....	$92,967	$21,928	$16,805	$66,894

*Includes taxes. †Interest only.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	Liabilities—	1927	1926	1925
Property account	$3,774,083	$3,765,533	$3,659,397	Capital stock	$2,500,000	$2,500,000	$2,500,000
Stocks owned	.....	98,900	98,900	Funded debt	1,700,000	1,700,000	1,700,000
Bonds owned	.....	250,000	250,000	Loans and notes payable	.....	.....	35,000
Investment in affil. cos.	1,106,804	.....	.....	Current liabilities	17,236	64,103	16,114
Advances to affil. cos.	.....	757,474	768,387	Accrd. int. and dividends	29,583	29,583	29,583
Materials and supplies	14,985	18,969	18,766	Accrued taxes	24,945	20,931	16,922
Cash on hand	94,331	31,475	14,230	Unadjusted credits	17,159	23,682	.....
Interest & dividends receiv.	32,039	49,376	.....	Deferred liabilities	93	104	.....
Unadjusted debits	15,079	2,883	3,842	Reserve for depreciation	276,283	245,647	211,269
Current accounts	23,570	9,725	9,708	Other reserves	*7,259	*396	2,845
Deferred debit items	.....	22,057	32,777	Profit and loss	502,853	422,738	344,274
Total	$5,060,892	$5,006,392	$4,856,007	Total	$5,060,892	$5,006,392	$4,856,007

*Debit.

Officers: D. A. Elias, Pres., Harrisburg, Pa.; E. W. Hill, V-P.; H. W. Stone, Sec. & Treas.; E. P. Summerson, Asst. Sec.; A. C. Ray, Asst. Treas., New York.

Directors: C. H. Bishop, Lemoyne, Pa.; W. M. Oglesby, D. A. Elias, Harrisburg, Pa.; C. E. Groesbeck, P. B. Sawyer, New York, N. Y.

Office, Lemoyne, Pa. **New York Office**, 2 Rector Street.

INTERNATIONAL UTILITIES CORPORATION

History—Incorporated in Oct., 1924, in Md. to acquire, construct and operate public utility properties in the United States and foreign countries. The corporation also is authorized to invest its capital in the securities of other public utilities.

The Corporation controls through stock ownership, or contracts for purchase of stock, a group of public utility properties operating in four States and in Canada, and serving 56 communities, with a combined population of over 1,100,000. The Companies controlled are as follows:

Canadian Utilities, Ltd., Edmonton, Canada
Gas Production & Transportation, Ltd., Calgary.
Duncan Utilities, Ltd., Duncan, B. C., Can.
*Kentucky Securities Corporation, Lexington, Ky.
*Buffalo & Erie Railway Company, Fredonia, N. Y.
Nanaimo (B. C.) Electric Light, Power & Heat Co., Ltd.
*Canadian Western Natural Gas, Light, Heat & Power Company, Ltd., Calgary, Canada
Mid-West Utilities, Ltd.
Gallup Electric Light & Power Co.
Union Power Co., Ltd.

*See appended statements.

The subsidiaries serve with electric light and power the entire requirements of Lexington, Ky., Gallup, N. Mex., Duncan and Nanaimo, Vancouver Island, B. C., and Vegreville, Raymond, Mundare, Alta., Watrous, Rosetown, Lloydminster and Kindersley, Sask., and through wholesale contracts serve Georgetown, Versailles, Winchester, Paris, Frankfort and 7 other communities in Kentucky. They furnish gas to the Cities of Calgary, Edmonton, Lethbridge and 14 other communities in the Province of Alberta, Canada; conduct the ice and cold storage business in Lexington and Georgetown, Ky.; do the entire street railway business in Lexington and Frankfort, Ky., and operate a high-speed freight and passenger electric railway running from Buffalo, N. Y., through the towns of Lackawanna, Dunkirk, Fredonia and Westfield, N. Y., Northeast Pennsylvania and 20 other communities in New York and Pennsylvania, to the City of Erie, Pa.

OPERATING STATISTICS OF SUBSIDIARIES, YEARS ENDED DECEMBER 31

	1927	1926
Electric output (k.w.)	50,766,498	44,601,645
Gas output (cu. ft.)	6,943,996,000	4,760,683,000
Ice manufactured (tons)	49,505	44,863
Total gas and electric customers	56,270	47,524
Estimated gas reserves (cu. ft.)	110,000,000,000	

In addition to the above gas reserves, the Calgary properties have a contract for the purchase of gas from The Royalite Co., Ltd., a subsidiary of the Imperial Oil Co., Ltd., of Canada, effective as of January, 1926.

CAPITAL STOCK

Authorized, 500,000 shares Class "A" participating cumulative Preferential stock of no par value, 1,000,000 shares Class "B" stock of no par value, and 100,000 shares $7 cumulative Pfd. stock, of no par value; outstanding, Jan. 31, 1928, 187,008 shares Class "A" stock, 577,904 shares Class "B" stock, and 37,807 shares $7 cumulative Pfd. stock.

$7 Preferred Stock Provisions—Pfd. stock is entitled to cumulative dividends at rate of $7 per share per annum, before any dividend shall be paid on Class "A" or Class "B" stocks. It is subject to redemption as a whole or in part for the benefit of the sinking fund or otherwise, on any dividend date at $115 per share and accrued dividends on 60 days' notice. In event of liquidation, if voluntary, Pfd. stock shall be entitled to receive $115 and accrued dividends per share; if involuntary, it is entitled to receive $100 and accrued dividends before any distribution shall be made to Class "A" and/or Class "B" stocks. Upon and during a default in payment of dividends to the amount of $7 per share on Pfd. stock each share of said stock carries the same voting rights as are possessed by the holder of a share of Class "B" stock. No Pfd. stock over the original issue of 25,000 shares shall be issued unless net assets of the Corporation are at least equal to $250 per share for each share of Pfd. stock outstanding and to be issued; and unless net earnings of the Corporation are at least equal to 2½ times the dividend requirements on the Pfd. stock outstanding and to be issued. Without the consent of 2/3 of the outstanding Pfd. stock no other class of stock having any preferences or priorities over the Pfd. stock shall be authorized, nor shall the present Pfd. stock be increased, nor shall Corporation create any indebtedness (other than purchase money mortgages) maturing more than one year from the date thereof without like consent. Proceeds from sale of the original issue of 25,000 shares were used for the acquisition of stocks of subsidiary companies and for other corporate purposes.

Preferred Stock Sinking Fund—The charter of the Corporation requires it to pay, on or before Jan. 31, of each year, commencing Jan. 31, 1926, to a sinking fund to be used for the purchase and redemption of the $7 cumulative Pfd. stock, the following amounts: (a) $2.50 for each share of such stock issued prior to Jan. 1 of the preceding year, and a fraction of $2.50 for each share of such stock issued during the preceding year in proportion to the number of months during which such stock has been issued; (b) 20% of the net earnings of the Corporation for the preceding calendar year that are applicable to and payable as dividends upon the Class "B" stock. Through the operation of this sinking fund the Company has already acquired 1,966 shares of this issue for retirement.

Provisions of Class "A" Stock—Class "A" stock is entitled to receive ordinary dividends cumulative from October 15, 1924 of $3.50 per share per annum before any dividends can be paid to Class "B" stock. In any year in which dividends at the rate of $3.50 per share per annum have been paid or provided for the Class "A" stock, then a dividend at the rate of $1 per share per annum may be paid on Class "B" stock. Whenever in any year the foregoing dividends have been paid or provided for then all subsequent dividends declared or paid in such year shall be so declared and paid upon the Class "A" and Class "B" stock, share and share alike, until Class "A" stock has received a participating dividend of $1.50 per share, making a total dividend of $5 per share for such year, and then all subsequent dividends in such year shall accrue to the Class "B" stock.

Class "A" stock has preference up to $60 per share and accrued ordinary dividends in the event of liquidation before any distribution shall be made to Class "B" stock and may be redeemed in whole or in part on 60 days' notice on any dividend date at $60 per share and accrued ordinary dividends.

Class "A" stock is not entitled to vote until and so long as the ordinary dividend is in arrears to the amount of $3.50 per share. Such voting power is subject to restrictions and qualifications as set forth in the amended certificate of incorporation and the articles supplementary thereto, copies of which will be furnished on request.

Transfer Agents—For Class "A" and Class "B" stocks: Empire Trust Co., New York, State Street Trust Co., Boston, and National Trust Co., Ltd., Toronto. For Pfd. stock: Empire Trust Co., New York, and Continental National Bank & Trust Co., Chicago.

Registrars—For Class "A" and Class "B" stocks: Trust Co. of North America, New York, Old Colony Trust Co., Boston, and Toronto Agency Co., Toronto. For Pfd. stock: Trust Co. of North America, New York, and Central Trust Co. of Illinois, Chicago.

Annual Meeting—Second Tuesday in October.

Legal Opinion—For Class "A" and Class "B" stocks: Graham, McMahon, Buell & Knox, New York. For Pfd. stock: Graham, McMahon, Buell & Knox

(for the Company) and Hays, St. John & Buckley (for the Bankers).

Listed—Class "A" stock traded on New York Curb Market, Montreal and Toronto Stock Exchanges. Class "B" listed on Boston Stock Exchange and New York Curb Market.

Dividends—Initial dividend of 87½ cents a share on Class "A" stock paid Jan. 15, 1925, to stock of record Jan. 6, 1925; regular quarterly payments since, J, A, J & O 15. Initial dividend of $1.75 a share on the $7 cumulative Pfd. stock paid Nov. 1, 1925; regular quarterly payments since F, M, A & N 1.

Original Offerings—Stock Purchase Warrants—A block of Class "A" Participating stock was offered in Nov., 1924, by Chandler & Co., Inc., Philadelphia and New York, at $50 per share and dividend, carrying one share of Class "B" stock; an additional block of these shares were offered at the same price in May, 1925, by Chase & Co., Springfield, Mass.

In August, 1925, 25,000 shares $7 cumulative Pfd. stock of no par value were publicly offered by Chandler & Co., Inc., and G. E. Barrett & Co., Inc., New York, and R. E. Wilsey & Co., Inc., Chicago, at $95 per share to yield 7.36% carrying one stock purchase warrant entitling the holder thereof to purchase one share of International Utilities Corporation Class "B" stock during the period July 1, 1925, to July 1, 1926, both dates included, at $10 per share, thereafter to and including July 1, 1927, at $12.50 per share, thereafter to and including July 1, 1928, at $15 per share, thereafter to and including July 1, 1930, at $20 per share.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED NOVEMBER 30

	1927	1926
Gross earnings	$5,667,804	$4,776,597
Operating expenses	3,635,512	3,226,503
Net earnings	$2,032,291	$1,550,094
Deductions:		
Interest on funded debt	$759,008	$784,211
Other interest	79,724	58,529
Dividends paid or accrued on Pfd. stocks of subs. owned by public	288,398	210,575
Total deductions	$1,127,131	$1,053,316
Net income to surplus	$905,159	$496,777
Net surplus adjustments	*50,192	*1,564
Profit from sale of securities	84,832	.....
Combined net earnings on basis of stock ownership	†$939,798	$495,212

*Debit. †Before provision for Federal Income tax.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(International Utilities Corp. & Subsidiary Operating Companies)
(Inter-Company items eliminated)

	1926	1925
Gross earnings (including other income)	$4,966,147	$4,615,440
*Operating expenses, taxes, deprec., etc.	3,255,118	3,086,834
Net earnings	$1,711,029	$1,528,606
Funded debt interest and discount expense	778,875	786,809
Other interest	73,687	104,294
Dividends paid or accrued on pfd. stocks of sub. cos. owned by the public	237,274	111,625
Net income	$621,193	$525,878
Net surplus adjustments	4,302	15,521
Profit on investments (net of Federal Income Tax)	443,017	.....
Combined net earnings on the basis of stock ownership Dec. 31	$1,068,512	$541,399

*Includes depletion, amortization, depreciation, maintenance and taxes, including Federal Taxes, and earnings applicable to minority interests in Common stock of subsidiary companies.

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1926
(International Utilities Corp. & Subsidiary Operating Companies)

Consolidated surplus Dec. 31, 1925, including earned, donated and paid in surplus	$412,317
Combined net earnings for 1926 year (less proportion prior to acquisition of $24,813)	1,043,699
Profit on Class "A" stock retired	15,134
Holding Co. proportion of profit made by subsidiary on purchase of own stock	1,134
Total	$1,472,284
Deduct:	
Dividends on Prior Pfd. stock	$208,572
Dividends on Class "A" stock	467,564
Provision for Pfd. dividends pay. Feb. 1, 1927, and Class "A" dividends pay. Jan. 15, 1927	166,868
Balance	$629,280
Add:	
Surplus (earned and capital) acquired by purchase	$1,072,261
Surplus arising out of net excess of par value of subsidiary companies' stock over cost of acquisition of such stock	3,709,902
Total consolidated surplus Dec. 31, 1926	$5,411,443

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1926
(International Utilities Corp. and Controlled Companies)

Assets—	
Fixed capital accounts	$28,429,540
Sundry investments	885,682
Cash	302,957
Government securities	109,345
Loans and accounts receivable	766,978
Material and supplies	347,934
Subscriptions to capital stock	49,260
Bonds and cash in sinking funds	709,895
Prepaid accounts	100,668
Accrued interest, rents and dividends	19,988
Disc. on sec. & other items deferred to future oper.	653,641
Organ. exp. & intangible assets	600,173
Total	$32,976,061
Liabilities—	
Capital stock	*$7,545,498
Funded debt and Pfd. stocks of sub. cos.	16,775,465
Collateral loans payable	604,736
Notes payable	226,029
Accounts payable	256,109
Accrued liabilities	276,377
Customers' deposits	215,734
Accrued dividends payable	166,868
Paving and leasehold payments under long-term contracts	373,583
Sundry reserve accounts	281,792
Minority interests	842,727
Surplus:	
Net excess of par value of sub. cos. stocks over cost	3,709,602
Earned surplus	658,578
Capital surplus	413,683
Consolidated surplus paid in, donated and earned	629,280
Total	$32,976,061

*Represented by 30,000 shares $7 Pfd., 124,744 shares Class "A,"448,682 shares Class "B," all of no par value, and 44,963 warrants for Class "B" stock, exclusive of 6,504 shares Class "A" and 14,917 shares Class "B" held by Kentucky Securities Corp. and subsidiaries.

Officers: P. M. Chandler, Chrm. of Board & Pres.; F. W. Bacon, J. R. Dunlap, Jr., H. C. Phelan, V-Ps.; T. L. Russell, Sec.; H. D. Brown, Jr., E. J. Hall, Asst. Sec. & Asst. Treas.; H. Williams, Jr., Treas.; H. D. Brown, Jr., Asst. Treas.

Directors: Geo. de B. Keim, P. M. Chandler, Philadelphia, Pa.; F. W. Bacon, Hon. Thomas H. Birch, New York City; A. S. Kimberly, New Haven, Conn.; R. E. Wilsey, Chicago, Ill.; W. H. Despard, E. Coste, T. A. McAuley, Toronto, Ont.; Robert M. Boyd, Jr., Montclair, N. J.

Offices, 1500 Walnut Street, Philadelphia, Pa., and 120 Broadway, New York.

BUFFALO AND ERIE RAILWAY COMPANY

(Controlled by International Utilities Corp.)

History and Property—Incorporated in July, 1924, in New York, and acquired as per Plan of Reorganization of the Buffalo & Lake Erie Traction Co., the interurban division of that Company extending from Six Mile Creek in Pennsylvania to a point on the Hamburg Turnpike at the westerly city line of the city of Buffalo, N. Y. (see 1924 Public Utility Manual, page 62).

Control—In Dec., 1924, International Utilities Corp. acquired control of the Company.

The Company operates a high speed electric railway system of a total of 125.7 miles between Buffalo, N. Y., and Erie, Pa., and serves 25 intermediate towns and villages including Dunkirk and Fredonia, N. Y., where city lines are operated. The company acquired title to 111.5 miles of track consisting of 77 miles of main line extending from Bayview, N. Y., to Six Mile Creek, just outside of Erie, Pa., 41.5 miles being over private right of way owned in fee simple, and 34.5 miles of second track, siding and spurs. Six miles from Six Mile Creek to the business center of Erie and 8.2 miles from Bayview to the business center of Buffalo are operated over the respective city lines. The company, also acquired title to 5 substations, one car barn, all of modern steel and concrete construction, 398 miles of distribution, feeder and telephone lines, 28 passenger cars, 5 freight motor cars, 14 trailer freight cars and 7 service cars. The Company has interchange connections for freight and passengers to Cambridge Springs, and Meadville, Pa., Jamestown, Chatauqua, Syracuse and Oswego, N. Y. Power is obtained from the Niagara, Lockport and Ontario Power Company under contract running until 1944.

Traffic Agreement—Company has closed a traffic agreement with the Cleveland, Painesville & Ashtabula RR., and has inaugurated through freight shipments from Buffalo, N. Y., and other points on its line to Cleveland and intermediate destinations. Trucks were placed in operation from Erie to Ashtabula on Nov. 1, 1925, thereby filling a 45-mile gap between the two systems for the through shipment of freight.

CAPITAL STOCK

Authorized 30,000 Common shares of no par value and $1,500,000 5% non-cumulative Pfd.; par, $100; outstanding, 30,000 Common shares and $700,500 Pfd. of which 61% owned by International Utilities Corp. No dividends are being paid.

Transfer Agent—The Equitable Trust Co., New York.

Annual Meeting—Third Wednesday in March.

FUNDED DEBT

(1)

$994,000 FIRST MORTGAGE 6½% SINKING FUND GOLD BONDS; DUE JULY 1, 1954

Dated July 1, 1924.

Interest Payable January and July 1, at Bank of North America and Trust Company, Philadelphia, or at Chatham Phenix National Bank & Trust Co., New York, or Banque d' Hochelaga, Montreal.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized, $1,500,000; outstanding, $994,000, of which $89,000 owned by International Utilities Corp. The remaining $506,000 of bonds are reserved for the acquisition of additional property, for additions, betterments and improvements to the properties of the company, in either case at 80% of the cost or fair value thereof, whichever is lower, or in exchange for underlying bonds, equipment trust certificates or notes, or to reimburse the company for the acquisition thereof at par for par.

Callability—Subject to call upon 30 days' notice upon any interest date at 105 and accrued interest up to July 1, 1929, decreasing thereafter by 1% for each five years' period of expired life of the bonds.

Sinking Fund—2% per annum of the total bonds issued operative from July 1, 1925. For the period from July 1, 1925, to July 1, 1931, all funds from this sinking fund are to be deposited in an Improvement Fund, such monies to be used for additions, betterments, etc., or for the purchase of bonds in the open market up to the redemption price, or by call by lot at such redemption price. From July 1, 1931, and thereafter to maturity, sinking fund payments are to be used solely to retire bonds by purchase in the open market or by call by lot at the redemption price.

Security—Secured by an absolute first mortgage on the entire property of company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax. Company will refund the New York State Income Tax up to 3% on Income, the Massachusetts Income Tax up to 6% on Income and the Maryland State Tax of 4½ mills, if requested within 60 days after payment.

Legal Opinion—Graham, McMahon, Buell & Knox and J. B. Colahan 3rd.

(2)

$140,000 6% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES "A"; DUE IN SEMI-ANNUAL INSTALLMENTS OF $10,000 EACH JUNE AND DEC. 1, FROM JUNE 15, 1928 TO DEC. 15, 1934

Dated December 15, 1924.

Dividends Payable June and December 15, at the Corn Exchange National Bank, Philadelphia, or at Chase National Bank, New York.

Denominations—Certificates and dividend warrants payable to bearer (with optional registration as to principal) in denominations of $500 and $1,000.

Trustee—Corn Exchange National Bank, Philadelphia.

Callability—Subject to call as a whole, but not in part, on any dividend date on 30 days' notice, at 103 and accrued dividends for certificates maturing more than five years from the redemption date, and with a premium of ½ of 1% for each year or fraction thereof of unexpired life for certificates maturing less than five years from the redemption date.

Security—These certificates are issued under the Philadelphia plan and are secured by deposit with the trustee of title to 14 double truck passenger cars, 4 single truck passenger cars and 2 Russell snow plows, purchased at a cost of about $285,000, or over 142% of the face value of these certificates.

Tax Provisions—Dividend warrants payable without deduction for any tax the company or the trustee may be required to pay thereon, or retain therefrom at the source.

Original Offering—First publicly offered ($200,000) in Dec., 1924, by Bown & Co., Philadelphia, at prices ranging from 100 to 100.61, yielding from 6% to 4.75% according to maturities.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1925	1924
Operating revenue and other income ..	$696,707	$647,485
Operating expenses, including taxes, rentals, etc.	575,657	633,326
Net earnings before interest, Federal taxes & depreciation	$121,050	$14,159
Interest and expense	81,976	56,477
Net income available for depreciation, amortization and dividends	$39,074	*$42,318

*Deficit.

NOTE—Earnings are included with those of parent company.

Officers: P. M. Chandler, Pres.; Philadelphia; George MacLeod, V-P., Fredonia, N. Y.; F. W. Bacon, V-P., Philadelphia; H. Williams, Jr., Sec. & Treas., New York City.

Directors: P. M. Chandler, F. W. Bacon, Geo. de B. Keim, H. Williams, Jr., H. M. Jacoby, New York; W. A. Tyson, C. R. Morrell, Philadelphia, Pa.; Geo. MacLeod, Fredonia, N. Y.

General Office, Fredonia, N. Y.

CANADIAN WESTERN NATURAL GAS, LIGHT, HEAT & POWER CO., LTD.

(Controlled by International Utilities Corp.)

History and Properties—Incorporated in 1911, in Province of Alberta. Has the right to drill for natural gas upon an area of about 1,508,000 acres in Southern Alberta, approximately 1,500,000 acres of which were acquired from the Canadian Pacific Ry., the balance from the Crown. Company receives its present principal gas supply from wells in the Burdett, Foremost and Chin Coulee gas fields and Turner Valley oil field. The total available daily production is as follows: Turner Valley, 25,000,000 cu. ft.; Foremost, 63,113,000 cu. ft.; Burdett, 15,652,000 cu. ft.; Chin Coulee, 385,000 cu. ft.—a total of 104,150,000 cu. ft. Branches from the main line supply the City of Lethbridge and a number of towns. Gas is now supplied in Calgary by The Canadian Western Natural Gas, Light, Heat & Power Co., Ltd., Calgary Gas Co., Ltd., having ceased distributing gas in Calgary, on May 31, 1921. Under purchase contract with Royalite Co., Ltd., the requirements of Calgary are supplied substantially from Turner Valley field, thus reserving for future requirements the Company's own developed reserves. Number of meters, Dec. 31, 1927 17,088 as against 15,609 in previous year. Sales of gas in 1927, 4,626,594,000 cu. ft.; in 1926, 2,986,730,000 cu. ft.; in 1925, 2,594,999,000 cu. ft.

CAPITAL STOCK

Authorized, $8,000,000 Ordinary stock and $3,000,000 (increased from $1,000,000 May 12, 1927) 6% cumulative Participating Sinking Fund Preference stock; outstanding, $8,000,000 Ordinary and $2,525,900 Preference; par, $100. Part of the proceeds of the Preference stock issued in 1927 have been deposited with Montreal Trust Company for retirement of Company's First Mortgage Debenture stock. Stock transferred and registered at Head Office, Calgary, Alta. Annual meeting, in December or January.

Preference Stock Provisions—Preferred as to capital and entitled to cumulative preferred dividends at rate of 6% per annum. When and if Company shall declare and pay a dividend at rate of not less than 7% per annum on Ordinary shares, holders of Preference shares shall be paid a further dividend of 1% per annum. Subject to redemption as a whole or in part on 60 days' notice at 105 and accrued dividends. In case and so long as four quarterly dividends shall be in arrears and unpaid, holders of Preference shares shall have one vote for every $100 par value Preference share held by them, but shall not otherwise be entitled to voting rights. Except with consent of 60% of all Preference shares at the time outstanding, the aggregate of all Preference shares to be at any time outstanding shall not exceed 50% of value of Company's fixed assets to be determined upon the same basis as that fixed by the Board of Public Utility Commissioners of the Province of Alberta for rate making purposes. So long as any of the Preference shares remain outstanding, Company shall not create or execute any mortgage or charge to secure any issue of bonds, debentures or debenture stock, except with the consent of holders of 60% of all Preference shares then outstanding. Commencing with the fiscal year ending Dec. 31, 1930, there will be set aside annually a sum equal to 2% of the par value of Preference shares which shall at any time have been issued, until all outstanding Preference shares shall have been retired by purchase or redemption. The sum so set aside and deposited shall not be used by the Company for any other purpose than the redemption or purchase of the Preference shares and all shares so redeemed or purchased shall be cancelled and shall not be reissued.

Transfer Agent and Registrar—The Trusts and Guarantee Company, Limited, Toronto. Transfers may also be made at office of Company, Calgary.

Participating Preferred Stock Offering—$1,700,000 6% Participating Sinking Fund Preference stock was publicly offered in May, 1927 at 97 and accrued dividend, yielding 6.19% by Wood Gundy & Co., Ltd., Montreal.

Dividends—Dividends on Preference stock paid quarterly, M, J, S & D 1, in 1925, 1926, 1927 and 1928. Initial dividend of 1% on Ordinary stock paid Aug. 31, 1914; 1% paid March 1, 1915; 1% Aug. 30, 1915; 2% Nov. 30, 1916; 2% Dec. 1, 1917; 2% Dec. 2, 1918; none thereafter until March 1, 1926, when 3% was paid; March 1, 1927, 3%; Aug. 1, 1927, 1½%; Oct. 15, 1927 and Jan. 16 and April 16, 1928, ¾% each.

DEBENTURES

£223,448 ($1,087,447) 5% FIRST MORTGAGE DEBENTURE STOCK; DUE OCTOBER 15, 1936

Dated October 15, 1911.

Interest Payable April and October 15, in London; also in Canada at $4.86 ⅔ to the £ Sterling.

Trustee—British Empire Trust Co., London.

Transfer Agents—British Empire Trust Co., London, Eng. and Toronto Agency, Ltd., Toronto, Ont

Provisions of Issue—Original issue, £924,656, of which £701,208 retired by sinking fund to Dec. 31, 1927. The Trust Deed limits the issue to $4,500,000, but further amounts may be issued, provided that (a) the Company has received in cash from an issue of capital stock (whether Pfd. or Common) over and above the present share capital of $8,000,000 cash equal to the nominal amount of the proposed further issue, or (b) the certified net earnings for each of the preceding financial years shall have been twice the interest on said debenture stock, including the further amount then to be issued, and twice the said debenture stock, including the further amount then to issued, and twice the sinking fund thereon.

Sufficient 6% Preference stock of Company has been deposited with the Montreal Trust Co. for retirement of this issue of Debenture stock.

Callability—Subject to call at 105 for sinking fund; also as an entire issue at 105.

Sinking Fund—£27,914 8s. 10d. per annum, began Jan. 1, 1916.

Listed—London, Glasgow and other British Stock Exchanges.

Price Range (London)

	1927	1926	1925	1924	1923	1922	1921	1920
High	..	88	84½	77	75	70½	50	69
Low	..	83	77	72	70	46½	35½	50

PROFIT AND LOSS ACCOUNT, YEARS ENDED SEPTEMBER 30

	*1927	*1926	‡1925	1924	1923	1922
Sales of gas	$1,565,022	$1,220,493	$1,590,923	$918,597	$875,443	$891,566
Other income	96,411	62,616	25,893	33,138	24,897	38,975
Total income	$1,661,433	$1,283,109	$1,616,816	$951,735	$900,340	$930,541
Gas purchased, production, distribution and other expenses	833,006	534,657	619,901	531,500	550,343	453,252
Net earnings	$828,427	$748,452	$996,915	$420,235	$349,997	$477,289
Interest charges	76,616	104,287	129,819	109,608	119,494	136,311
Depreciation and reserves	204,984	188,628	382,920	298,249	545,970	524,580
Surplus after charges	$546,827	$455,537	$484,176	$12,377	†$315,467	†$183,602
Preference dividends	$76,476	$29,263	$8,561	.....	.....	.....
Ordinary dividends	420,000	240,000	.....	.....	.....	.....
Surplus for year	$50,351	$186,274	$475,615	$12,377	†$315,467	†$183,602

*Year ended Dec. 31. ‡Covers 15 months to Dec. 31, 1925. †Deficit.

GENERAL BALANCE SHEET
(The Canadian Western Natural Gas, Light, Heat & Power Co., Ltd.)

Assets—	Dec. 31, 1927	Dec. 31, 1926	Dec. 31, 1925	Sept. 30, 1924	Sept. 30, 1923	Sept. 30, 1922
Property and rights (less depreciation and depletion reserve) Investment in Calgary Gas Co., Ltd.	$12,036,663	$11,648,206	$10,244,254	$10,291,107	$10,044,799	$10,479,287
Accounts receivable	339,607	254,679	133,345	52,840	42,921	43,883
Inventories	145,440	151,319	180,966	242,607	316,633	370,001
Cash	1,102,419	19,118	191,799	24,169	124,511	201,727
Cash in sinking fund	414,970	135,926	140,167	88,895	57	444
Dominion of Canada bonds and interest accrued	.....	110,395	110,395	111,927	112,452	112,154
Advance on account of purchase Turner Valley Pipe Line	.....	.....	47,150	.....	.....	.....
Sundry investments and interest accrued	11,448	.....	.....	.....	.....	.....
Deferred charges	32,546	50,086	114,225	105,044	83,392	64,808
Profit and loss deficit	.....	.....	.....	.....	559,720	244,253
Total	$14,083,093	$12,369,730	$11,162,301	$10,916,589	$11,284,485	$11,516,557
Liabilities—						
Capital stock	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000	$8,000,000
Preference stock	2,525,900	693,700	366,200	.....	.....	.....
First mtge. debenture stock	1,087,447	1,394,344	1,701,942	2,064,070	2,347,096	2,641,928
Debenture int. accrued	11,328	14,524	17,729	47,302	53,787	60,544
Unclaimed dividends	1,277	989	229	236	236	241
Installments on account of Preference stock	14,920	35,044	19,547	.....	.....	.....
Bank loan	.....	.....	.....	211,335	.....	.....
Consumers' deposits and accrued interest	215,040	187,351	169,118	146,017	.....	.....
Accounts payable	254,269	283,353	197,690	268,283	191,217	182,227
Amortization reserve	1,171,758	984,534	.....	.....	.....	.....
Redeemed debentures suspense	.....	96,887	197,956	‡164,570	690,949	176,631
Automobile insurance reserve	4,740	4,740	3,900	2,400	1,200	.....
Miscellaneous reserves	71,799	.....	.....	.....	.....	.....
Profit and loss	724,615	674,264	487,990	12,377	.....	.....
Total	$14,083,093	$12,369,730	$11,162,301	$10,916,589	$11,284,485	$11,516,557

‡Redeemed debentures suspense, $724,290; less, balance of profit and loss account as at Sept. 30, 1923, $559,720—balance, $164,570.

Officers: C. J. Yorath, Pres. & Mng. Dir.; E. W. Bacon, V-P.; H. S. Tims, Mgr.; P. D. Mellon, Supt. & Chief Eng.; H. S. Watts, Sec.-Treas., Calgary, Alta.; W. Kaspar Fraser, Asst. Sec.

Directors: C. J. Yorath, A. E. Cross, J. W. Davidson, P. D. Mellon, H. S. Tims, Calgary, Alta; F. W. Bacon, New York; P. R. Johnson, Independence, Kan.; P. M. Chandler, A. G. Baalim.

Head Office, 215 Sixth Ave., W., Calgary, Alta.

THE KENTUCKY SECURITIES CORPORATION

(Controlled by International Utilities Corp.)

History and Properties—Incorporated Jan. 23, 1911, in Va., as a holding company; successor after reorganization to the Lexington & Interurban Rys. Co. (see Manual for 1910, page 1844). Controls through stock ownership the Kentucky Traction & Terminal Co., the Lexington Utilities Co., the Lexington Ice Co., Inc., and the Blue Grass Park Co., Inc., the former being a consolidation of The Central Kentucky Traction Co., the Blue Grass Traction Co., and the Lexington Ry. Co. The Kentucky Traction & Terminal Co. operates 89.33 miles of track in the cities of Frankfort and Lexington, and interurban lines between Lexington, Frankfort, Georgetown, Paris, Nicholasville and surrounding territory. The Lexington Utilities Co. conducts the electric light and power business in the City of Lexington, and in conjunction with the Lexington Ice Co. controls the ice and cold storage business of that city and Georgetown. The Lexington Utilities Co. also owns the gas mains in Lexington, now under lease to the Central Kentucky Natural Gas Co.

The company owns $100,000 (being all the capital stock) of the Lexington Utilities Co. The Capital stock of Lexington Ice Co., total issue $100,000 and $2,093,325 of the outstanding $2,093,400 capital stock of Kentucky Traction & Terminal Co. owned by Lexington Utilities Co. The Company guarantees the principal and interest of the bonds of the Kentucky Traction & Terminal Co. and as security for such guarantee the stock of the Lexington Utilities Co. has been pledged with the Bank of North America & Trust Co., of Philadelphia (as Trustee).

CAPITAL STOCK

Authorized, $2,500,000 Common and $2,500,000 6% cumulative Pfd.; outstanding, Dec. 31, 1927, $2,027,887.50 Common and $2,348,898 Pfd.; par $100. Stock control is held by International Utilities Corp.

Preferred Stock Provisions—Preferred stock, cumulative from Jan 1, 1913, is callable at par and accumulated dividends at any time after three years, and has preference as to assets.

Transfer Agents—Real Estate Trust Co., Philadelphia, and Empire Trust Co., New York.

Registrars—Guarantee Trust & Safe Deposit Co., Philadelphia, and American Trust Co., New York.

Listed—(Both Classes) Philadelphia and Louisville Stock Exchanges; Pfd. also listed on Cincinnati Stock Exchange.

Annual Meeting—Second Wednesday in October, at Richmond, Va.

Dividends.—Initial Pfd. dividend of 1½% paid July 15, 1913, and regular quarterly dividends of 1½% were paid from that date to July 15, 1918. No dividends paid after that date until Oct. 15, 1919, when quarterly dividend of 1½% was paid, which rate has been maintained to date; payments quarterly, J, A, J & O 15. A dividend of ½% on account of accumulated Pfd. dividends was paid Oct. 15, 1916, and 1% in Jan. 1917; this paid off all arrears on Pfd. dividends to that time. Dividends from Oct. 15, 1918, to Oct. 15, 1919, being four quarters, or 6%, paid in non-interest bearing scrip which has since been retired. Initial dividend of 1% on Common Oct. 2, 1922; 1% quarterly thereafter, J, A, J, O to Oct. 1, 1924, when 1¼% was paid, which quarterly rate has been maintained to date.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
Preferred—								
High	90	85	78	79	68	73	..	51
Low	83	75	67	68	63	64	..	51
Common—								
High	135	108	101	86½	46	33⅞	..	..
Low	100	90	77	46	35½	16½	..	..

FUNDED DEBT

None.

COMBINED COMPARATIVE INCOME ACCOUNT, YEARS ENDED
(Kentucky Trac. & Term. Co., Lexington Utilities Co., Inc., Lexington Ice Co., Inc., and Kentucky Coach Co., Inc.)

	Dec. 31, 1926	June 30, 1925	June 30, 1924	June 30, 1923	June 30, 1922	June 30, 1921
Operating revenue	$1,956,072	$1,717,551	$1,673,706	$1,551,715	$1,457,817	$1,479,906
Operating expenses	933,398	823,618	847,535	843,873	781,043	934,466
Net operating revenue	$1,022,674	$893,933	$826,171	$707,842	$676,774	$545,440
Miscellaneous revenue	108,305	89,813	84,236	96,589	91,424	82,609
Gross income	$1,130,979	$983,746	$910,407	$804,431	$768,198	$628,049
Taxes, rentals, etc.	241,551	161,843	157,676	143,831	146,751	140,165
Net income	$889,428	$821,903	$752,731	$660,600	$621,447	$487,884
Interest on bonds	363,448	330,119	304,276	288,623	283,434	250,002
Balance	$525,980	$491,784	$448,455	$371,977	$338,013	$237,882
Preferred dividends	140,934	140,934	139,850	136,583	132,086	130,777
Surplus for Common dividends, etc.	$385,046	$350,850	$308,605	$235,394	$205,926	$107,105
Times Bond Interest Earned	2.45	2.49	2.47	2.29	2.19	1.95
Earnings Per Share—						
Preferred	$23.67	$20.93	$19.09	$16.27	$14.88	$10.91
Common	18.89	17.09	15.03	11.73	10.03	5.22

CONSOLIDATED BALANCE SHEET
(The Kentucky Securities Corp., Kentucky Trac. & Term. Co., Lexington Utilities Co., Lexington Ice Co., Inc. and Kentucky Coach Co., Inc.)

	Dec. 31, 1926	June 30, 1925	June 30, 1924	June 30, 1923	June 30, 1922	June 30, 1921
Assets—						
Property, equip., franchises, etc., less deprec.	*$9,251,036	$9,055,068	$8,777,423	$8,585,979	$8,195,931	$8,034,801
Investments—stocks and bonds	358,916	653,931	363,520	322,610	368,411	368,411
Excess of cost over par value of capital stock of subsidiary companies held	1,168,382	1,208,382	1,168,382	1,168,382	1,168,382	1,168,382
Sinking fund cash and interest receivable	5,939	2,901	2,697	2,088	22,702	3,000
Treasury bonds	.....	.....	450	450	450	85,715
Notes of International Utilities Corp.	1,804,369	.....	.....	.....	.....	.....
Cash in escrow for purchase of equipment	.....	.....	.....	172,650	.....	.....
Cash	97,742	48,367	113,257	49,642	62,736	48,034
Accts. receivable & other current assets	129,359	114,406	86,873	69,373	65,906	65,558
Materials and supplies	99,576	97,517	98,168	72,941	113,699	105,034
Prepaid operating expenses	230,741	92,568	97,555	13,210	30,333	36,281
Bond discount and expense	451,260	448,479	511,504	458,145	462,636	301,130
Total	$13,597,320	$11,721,619	$11,219,829	$10,915,470	$10,491,186	$10,216,346
Liabilities—						
Common stock (Ky. Sec. Corp.)	$2,038,088	$2,052,288	$2,052,288	$2,052,288	$2,052,288	$2,052,288
Preferred stock (Ky. Sec. Corp.)	2,348,898	2,348,898	2,348,898	2,286,498	2,271,598	2,179,620
Preferred stock (Lexington Util. Co.)	1,875,500	.....	.....	.....	.....	.....
Ky. Trac. & Term. Co. minority interest	75	75	75	75	75	75
Funded debt:						
Ky. Trac. & Term. Co.	1,973,000	1,967,000	2,202,000	2,219,000	2,235,000	2,327,000
Lexington Ry. Co.	863,000	910,000	946,000	981,000	1,038,000	1,085,000
Lexington Utilities Co.	3,037,950	2,842,500	2,210,350	1,591,150	1,549,600	941,900
Georgetown & Lexington Ry.	.....	.....	.....	.....	.....	196,000
Blue Grass Traction Co.	193,400	193,500	200,000	204,000	204,000	210,000
Ky. Trac. & Term. Co.—Car trust notes	2,865	28,653	45,845	63,037	80,229	.....
Ky. Trac. & Term. Co., Equip. Trust Ctfs.	104,000	128,000	144,000	160,000	.....	.....
Kentucky Coach Co. chattel mortgages	36,547	.....	.....	.....	.....	.....
Purchase money obligations	390,020	288,650	295,550	302,450	.....	.....
Notes and loans payable	2,719	335,273	287,317	450,857	407,931	459,348
Accounts payable	37,456	66,777	51,057	73,433	46,228	114,256
Unredeemed tickets and customers' deposits	21,123	11,302	10,964	10,291	19,575	10,250
Accrued interest, taxes, etc.	185,141	110,079	112,067	114,773	120,977	103,476
Deposits acct. Pfd. stock subscriptions	13,285	.....	.....	.....	.....	.....
Accrued dividends	35,984	36,326	37,111	36,204	79,246	163,471
Accident and other reserves	53,162	54,394	52,503	56,763	55,649	58,429
Deferred paving accounts	47,402	57,309	66,284	32,770	30,688	15,615
Profit and loss surplus (all cos.)	337,705	290,595	157,520	280,880	300,102	299,618
Total	$13,597,320	$11,721,619	$11,219,829	$10,915,470	$10,491,186	$10,216,346

*After deducting $1,082,676 reserve for depreciation.

CONSOLIDATED STATEMENT OF WORKING CAPITAL

	Dec. 31, 1926	June 30, 1925	June 30, 1924	June 30, 1923	June 30, 1922	June 30 1921
Current Assets—						
Cash	$97,742	$48,367	$113,257	$49,642	$62,736	$48,034
Accounts receivable	127,793	114,406	86,873	69,373	65,906	65,558
Materials and supplies	99,576	97,517	98,168	72,941	113,698	105,034
Dividend receivable	1,566	.....	.....	.....	.....	.....
Total	$326,677	$260,290	$298,298	$191,956	$242,340	$218,626
Current Liabilities—						
Notes and secured loans payable	$2,719	$335,273	$287,317	$450,857	$407,930	$459,348
Accounts payable	37,456	66,777	51,057	73,433	46,227	114,256
Customers' deposits, etc.	21,123	11,302	10,964	10,291	19,575	10,250
Accrued interest and taxes	185,141	110,079	112,067	114,773	120,977	103,476
Accrued dividends	35,983	36,325	37,111	34,146	34,073	32,694
Deposits a/c Pfd. stock subscriptions	13,285	.....	.....	.....	.....	.....
Total	$295,707	$559,756	$498,516	$683,500	$628,782	$720,024
Net Working Capital (debit)	†$30,970	$299,466	$200,219	$491,544	$386,442	$501,398

†Credit.

Officers: P. M. Chandler, Pres.; F. W. Bacon, V-P.; H. D. Brown, Jr., Sec.; H. Williams, Jr.; Treas.; H. D. Brown, Jr.; Asst. Treas., Philadelphia.

Directors: P. M. Chandler, H. A. Loeb, F. W. Bacon, G. de B. Keim, Philadelphia, Pa.; G. W. Cook, Chester, Pa.; A. S. Hart, Providence, R. I.

Offices, 1500 Walnut St., Philadelphia, Pa., and Richmond, Va.

LEXINGTON UTILITIES CO.

(Controlled by Kentucky Securities Corp.)

History—Incorporated in Kentucky in June 1909, took over the ice, gas, electric light and power departments of Lexington Ry. Supplies without competition, electric light and power to Lexington, Ky. and controls through subsidiary companies, the ice and cold storage business in Lexington, Georgetown, Nicholasville and the urban and interurban railways and buses operating in this territory. It also owns the electric distribution systems in Stamping Ground and Forks of Elkhorn. Under wholesale contracts with other utility companies, it supplies power to numerous communities within a 40-mile radius of Lexington, including Frankfort, Winchester, Versailles, Tyrone, Lawrenceburg, Midway, Georgetown, Paris, Mt. Sterling and Cynthiana. Company owns a modern steam generating station of 10,500 k.w., present capacity, together with 721 miles of transmission and distribution lines, substations and other operating equipment. Company also owns 88 miles of gas mains which are leased to Central Kentucky Natural Gas Co., which latter company supplies gas in Lexington and nearby cities and towns. In addition, four modern ice manufacturing plants are owned or leased, having a present annual output of over 49,500 tons. A 66,000 volt high tension transmission line connects Company's power house with the Dix River hydro-electric development of the Kentucky Hydro-Electric Co., and the steam power plant of the Kentucky Utilities Co., at Pineville, these two latter companies being subsidiaries of the Middle West Utilities Co., thus linking the property with a "super-power system" being developed in this territory and permitting the interchange of power. Population of territory served about 225,000.

The company assumes payment of the principal and interest of $503,500 of the First Gold 5% bonds of the Lexington Ry.

OPERATING STATISTICS, YEARS ENDED

June 30	Connected Load K.W.	Electric Customers	K. W. H. Output
1918	7,174	2,861	19,189,603
1919	8,216	3,147	20,030,687
1920	8,442	3,752	22,812,109
1921	10,215	4,453	24,692,569
1922	10,923	5,374	27,028,026
1923	11,224	6,517	28,461,421
1924	12,490	7,632	30,597,596
1925	14,719	8,812	33,154,312
Dec. 31			
1924	13,060	8,317	33,613,238
1925	15,053	9,397	38,538,200
1926	15,722	10,458	41,519,800
1927	17,160	11,563	42,055,538

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, $100,000 Common, par $1, and $2,031,700 6½% cumulative Pfd., par, $100. All the Common stock is owned by Kentucky Securities Corp.

Preferred Stock Provisions—Pfd. stock has preference as to assets as well as dividends over any other stock of Company, being entitled to payment at 107½ and accrued dividends in case of liquidation, dissolution or winding up of Company, whether voluntary or involuntary. It is subject to redemption as a whole or in part on any dividend date upon 60 days' notice at 107½ and accrued dividends. Under the charter Pfd. stock has full voting privileges with Common stock, namely, each share of either class of stock will be entitled to one vote. Additional Pfd. stock, with the exception of $500,000 reserved for sale locally, may only be issued when for 12 consecutive calendar months ending within 15 calendar months prior to such issue, net income (as defined in the charter) shall have been at least 2½ times the annual dividend requirements of the Pfd. stock then outstanding, including that to be issued. Company also covenants that it will not create any issue of stock having priority or equality with this Pfd. stock.

Transfer Agent—Guaranty Trust Co. of New York.

Registrar—The Corporation Trust Co., New York.

Legal Opinion—Winthrop & Stinson, New York (for the Bankers); Graham, McMahon, Buell & Knox, New York (for the Company).

Original Offering—Pfd. stock first publicly offered ($1,500,000) in December, 1925, at 93 and accrued dividends, to yield about 7%, by Bonbright & Co., Inc., New York, etc.

Annual Meeting—In April.

Dividends—Pfd. dividends are paid quarterly, M, J, S & D 15; initial dividend of $1.62½ paid March 15, 1926.

FUNDED DEBT

$3,750,000 FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES; DUE FEBRUARY 1, 1952

Dated February 1, 1927.

Interest Payable February and August 1 at Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable; also fully registered, $1,000 and authorized multiples. Coupon bonds in denominations of $1,000 and fully registered bonds interchangeable.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Issued, $3,750,000 5% Series due 1952. Mortgage provides that bonds may be issued in series, the respective series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights, limitations and provisions permitted by the Mortgage, as the Board of Directors of the Company may determine prior to the issue thereof. Mortgage also provides that additional bonds of the 5% Series due 1952 or other series may be issued thereunder (a) for refunding an equal amount of bonds of any series or underlying or prior lien bonds; (b) for cash; and (c) to an amount not exceeding 75% of the cost or fair value, whichever is less, of property additions and improvements; all as defined in the Mortgage. Additional bonds may not be issued, except for refunding purposes, unless consolidated net earnings, as defined in the Mortgage, for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of the application for issue shall have been at least equal to twice the annual interest requirements on (or 12% of the principal amount of) all bonds issued and outstanding under the Mortgage, including those proposed to be issued, and all bonds secured by any lien prior to the lien of this Mortgage. Not more than 15% of such net earnings shall consist, in the aggregate, of (a) net non-operating income and (b) net income derived from properties not directly subject to the lien of the Mortgage. The Mortgage contains certain provisions permitting the modification or alteration thereof or of any supplemental indenture, in any particular, with the assent of the holders of 85% of outstanding bonds, not including any bonds owned by the Company; provided that nothing shall permit the extension of the maturity of any bonds or reduction in rate of interest thereon, or any other modification in the terms of payment of such interest, without consent of the holder thereof, nor creation by the Company of any lien ranking prior to or on a parity with lien of any bonds outstanding under the Mortgage with respect to the property covered thereby.

Purpose of Issue—Proceeds from sale of the $3,750,000 5% Series due 1952 were used to retire $3,037,950 First Lien and Refunding 6% Gold bonds of Company, to reimburse the Company for additions to the property, and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 105 through February 1, 1931; with successive reductions of 1% in the redemption price for each succeeding five-year

period thereafter through February 1, 1951; and thereafter until maturity at 100; plus accrued interest in each case.

Improvement Fund—Mortgage provides for an Improvement Fund, commencing March 1, 1929, to be used for the retirement of bonds issued under the Mortgage, or for the acquisition or retirement of underlying or prior lien bonds, or for property additions against which bonds shall not be issued. The annual requirement is 2% of all bonds outstanding under the Mortgage and any underlying or prior lien mortgage, less the annual retirements through any sinking fund of any underlying or prior lien mortgage.

Security—These bonds are secured by direct first mortgage on a substantial portion of the property of the Company, including a modern steam electric generating station of 10,500 k.w capacity and by direct mortgage on the balance of the physical property subject to the divisional lien of the $1,013,000 Lexington Railway Company 5s of 1949, a closed issue, of which $3,000 are pledged under this mortgage. Additionally secured by deposit and pledge of all the outstanding capital stock, except directors' qualifying shares, of the Lexington Ice Company (total issue, $100,000).

Tax Provisions—Company pays normal Federal Income Tax up to 2% and agrees to refund on proper application the Pennsylvania 4 mills tax; the Connecticut tax up to 4 mills annually; the Maryland Securities tax not exceeding 4½ mills per annum; and the Massachusetts Income Tax not exceeding 6% per annum on income derived from the bonds.

Legal Opinion—Sullivan & Cromwell, New York (for the bankers), and Graham, McMahon, Buell & Knox, New York (for the Company).

Original Offering—First publicly offered ($3,750,000) in February, 1927, at 96½ and interest, to yield about 5.25% by Bonbright & Co., Inc., Harris, Forbes & Co., and W. C. Langley & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

CONSOLIDATED EARNINGS STATEMENT, 12 MONTHS ENDED DECEMBER 31
(Lexington Utilities Co. and Lexington Ice Co.)

	1927	1926	1925
Gross earn. from all sources	$1,617,543	$1,462,927	$1,326,013
Oper. exp., maint., rentals & taxes	766,482	700,966	600,293
Net earnings	$851,061	$761,961	$725,720

Officers: P. M. Chandler, Pres.; F. W. Bacon, V-P., Philadelphia; J. P. Pope, V-P. & Gen. Mgr.; W. H. Townsend, Gen. Counsel; John R. Allen, Gen. Solicitor; H. Williams, Jr., Sec.; J. W. Stoll, Treas.; J. E. McFarland, Asst. Treas., Lexington, Ky.

Directors: H. A. Loeb, P. M. Chandler, F. W. Bacon, Philadelphia, Pa.; J. W. Stoll, Lexington, Ky.; G. W. Cook, Chester, Pa.; R. P. Buell, New York; H. Vaughan Clark, Philadelphia.

Offices, Lexington, Ky., and 1500 Walnut Street, Philadelphia, Pa.

KENTUCKY TRACTION & TERMINAL CO.

(Controlled by The Lexington Utilities Co.)

History and Property—Incorp. May 17, 1911, in Ky.; consolidation of Central Kentucky Traction Co., Blue Grass Traction Co., and the Lexington Ry. (see Manual for 1911, page 1922). Franchises perpetual.

Operates in the aggregate 89.33 miles of track, of which 21.66 miles is city track and 67.67 miles interurban track. Company does entire street railway business in Lexington, Ky. Operates also the city lines of Frankfort, a line from Lexington to Georgetown; from Lexington to Paris; from Lexington to Nicholasville, from Lexington to Versailles and from Frankfort to Versailles. Sidings and spurs 1.80 miles. Gauge, standard. Rail, 80 lbs. Equipment: Passenger city cars, 44; interurban passenger cars, 12; freight and service, 14—total, 70. In 1923, the Company replaced its old interurban and city cars with light weight one-man interurban cars.

CAPITAL STOCK

Authorized and outstanding, $2,093,400 (par, $100), of which The Lexington Utilities Co. owns $2,093,325.

FUNDED DEBT

(1)

$840,000 LEXINGTON RAILWAY CO. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1949

Dated June 1, 1899.

Interest Payable June and December 1, at Continental Trust Co., Baltimore.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Continental Trust Co., Baltimore.

Provisions of Issue—Authorized and issued, $1,500,000, of which $487,000 are held alive in sinking fund and $170,000 in escrow with Bank of North America & Trust Co. under Kentucky Traction & Terminal Company Mortgage and $3,000 are pledged with the trustee under the Lexington Utilities Co. First & Refunding Mortgage 5s, Series "A."

Callability—Subject to call for sinking fund at 110 and interest at any time upon four weeks' notice.

Sinking Fund—A sinking fund of 1% per annum of outstanding bonds is payable June 1 each year, to be applied to purchase or redemption of bonds at not exceeding 110 and interest. Bonds so purchased or redeemed are held alive and draw interest for the fund.

Security—A first lien on city lines in Lexington, Ky., about 15.5 miles. The Lexington Utilities Co. in 1909, as consideration for the conveyance to it of the electric light, power, gas and ice properties of the Lexington Ry. Co., assumed one-half of these bonds the other half being assumed by the Kentucky Traction & Terminal Co. A sufficient amount of Kentucky Traction & Terminal Co. First and Refunding bonds are reserved to retire this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($737,000) in 1899, at par and interest.

Listed—Baltimore Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	103	95	94⅞	90	88½	86	75	79
Low	98	90	92	86⅛	85⅝	80⅛	70	77

(2)

$194,000 BLUE GRASS TRACTION CO. FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1934

Dated March 1, 1904.

Interest Payable March and September 1, at Cleveland Trust Co., Cleveland.

Denominations—Coupon and registered, $500 and $1,000.

Trustee—Cleveland Trust Co., Cleveland.

Provisions of Issue—Authorized issue, $700,000; issued, $500,000 of which $306,000 have been retired. A sufficient amount of Kentucky Traction & Terminal Co. First and Refunding bonds are reserved to retire this issue.

Security—A first lien on property of former Blue Grass Traction Co. Assumed by Kentucky Traction & Terminal Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$1,973,000 KENTUCKY TRACTION & TERMINAL CO. FIRST AND REFUNDING GOLD 5s; DUE FEBRUARY 1, 1951

Dated May 18, 1911.

Interest Payable February and August 1, at Bank of North America & Trust Co., Philadelphia, and

London & Southwestern Bank, Ltd., London, England.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia.

Provisions of Issue—Authorized issue, $7,500,000, of which sufficient are reserved to retire the outstanding underlying bonds and the remaining bonds are reserved for improvements, betterments and additions to property, construction of new property and acquisition of additional properties and franchises and for other corporate purposes, at not to exceed 90% of cost. In the case of the first $1,000,000 of the $2,826,000 bonds reserved for improvements, etc., the net earnings must equal 1¼ times the total interest charges before they are issuable; in case of the remainder, the net earnings must equal 1½ times such interest. In addition to the $1,973,000 bonds outstanding in the hands of the public, $1,545,000 have been retired and cancelled; $1,156,000 are reserved for underlying bonds and $2,826,000 for extensions.

Callability—Subject to call as a whole at 105 and interest on any interest date; also callable for sinking fund at 105 and interest on any interest date after Nov. 1, 1921.

Sinking Fund—Annual sinking fund from Nov 1, 1921, to 1930, an amount equal to ½ of 1% of bonds outstanding; after 1930, 1% annually.

Security—Secured by a first lien on 48 miles of electric railway lines of the former Central Kentucky Traction Co., and a second lien on 41 miles of additional electric railway lines; additionally secured by pledge of stock of the Lexington Utilities Co.

Guaranty—Guaranteed, principal and interest, by endorsement by the Kentucky Securities Corporation.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Tax refunded.

Original Offering—First publicly offered ($1,871,000) in June, 1911, at 94 and interest.

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96	82	82½	75	..	..	..	54
Low	84	65	72	75	..	..	..	54

(4)

$88,000 KENTUCKY TRACTION & TERMINAL CO. 6% EQUIPMENT TRUST GOLD CERTIFICATES, SERIES "A"; DUE $8,000 EACH APRIL AND OCTOBER 1, TO APRIL 1, 1933, INCLUSIVE

Dated April 1, 1923.

Dividends Payable April and October 1 at Security Trust Co., Lexington, Ky.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Security Trust Co., Lexington, Ky.

Security—Secured on new street railway and interurban car equipment to be constructed, at a cost of not less than $216,000 consisting of 27 single truck cars, two double truck interurban cars and two double truck freight cars.

Guaranty—Principal and dividends guaranteed by the Kentucky Securities Corp. through suretyship on lease.

DIRECTORS

Directors: Frederic W. Bacon, P. M. Chandler, Howard A. Loeb, Philadelphia, Pa.; J. E. Bassett, I. N. Combs, Wallace Muir, J. P. Pope, John Skain, W. H. Courtney, Harry S. Brower, Lexington, Ky.; Gustavus W. Cook, Chester, Pa.; A. N. Hancock, Paris, Ky.; A. Studley Hart, Providence, R. I.; French Hoge, Frankfort, Ky.

Home Office, Lexington, Ky. **Philadelphia Office,** 1500 Walnut Steet.

CANADIAN UTILITIES, LTD.

(Controlled by International Utilities Corporation)

History—Incorporated May 15, 1923, under the laws of the Province of Alberta. A holding company, owning all the capital stock of Northwestern Utilities, Ltd., (see appended statement) and **Princeton Petroleum Company,** which companies acquired the gas and oil rights and other property of the Northern Alberta Natural Gas Co., Ltd.

CAPITAL STOCK

Authorized and outstanding, 60,000 shares Common of no par value and $1,500,000 8% cumulative Preference shares of $100 par value. Preference stock is subject to redemption as a whole or in part at 120. International Utilities Corp. owns 87% of Common and 98% of Preferred.

Transfer Agent and Registrar: Toronto Agency Co., Ltd., Toronto, Ont.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925	1924
Oper. revenue & other inc.	$742,834	$720,274	$564,368
Total oper. exp., incl. taxes, rentals, etc.	222,300	269,599	363,167
Net earnings	$520,534	$423,675	$201,201
Funded debt, int. & exp.	222,054	227,387	113,750
Floating debt int. & exp.	26,815	32,380	24,941
Net income avail. for deprec., deplet. amortization and dividends	$271,665	$163,908	$62,510

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Canadian Utilities, Ltd., and Subsidiary)

Assets—	1926	1925
Fixed capital	$6,059,451	$6,111,712
Less depreciation and depletion	420,308	289,344
	$5,639,143	$5,822,368
Cash	43,180	6,129
Accounts receivable	118,418	109,449
Material and supplies	57,187	81,250
Stock subscriptions	26,715	.....
Sinking fund and trustee accounts	3,508	39,874
Prepaid accounts	2,729	2,544
Accrued interest, rents & dividends	1,667	1,686
Advances to affiliated companies	48,947	21,385
Deferred debits	8,587	.....
Organization expense	104,176	2,128
Total	$6,054,257	$6,086,813

Liabilities—	1926	1925
Capital stock—Subsidiaries:		
Preferred	$1,500,000	$1,500,000
Common	300,000	300,000
Stock subscription initial	53,000	.....
Minority stock interest	109,800	.....
Funded debt (Northwestern Util., Ltd.)	3,130,000	3,250,000
Notes payable	.....	149,422
Accounts payable	39,770	53,034
Customers' deposits	26,865	16,120
Miscellaneous	.....	3,321
Accrued liabilities	56,573	39,598
Reserves	14,102	2,718
Advances from affiliated Cos.	264,459	288,477
Surplus of subsidiaries	546,858	471,293
Excess of par value of sub. cos. stock over purchase price	12,830	12,830
Total	$6,054,257	$6,086,813

Officers: C. J. Yorath, Pres., Calgary, Alta.; F. W. Bacon, V-P., New York City; W. K. Fraser, Sec., Toronto, Ont.; H. Williams, Jr., Treas., New York City; H. D. Brown, Jr., Asst. Treas., Philadelphia, Pa.; E. D. Richmond, Asst. Sec., New York; J. Garrett, Asst. Sec., Calgary, Alta., Ont.

Directors: P. M. Chandler, F. W. Bacon, A. S. Kimberly, H. Williams, Jr., George de B. Keim, R. P. Buell, New York City; P. R. Johnson, Independence, Kans.

General Office, 1500 Walnut St., Philadelphia, Pa. **Corporate Office,** Toronto, Ont.

NORTHWESTERN UTILITIES, LIMITED

(Controlled by Canadian Utilities, Ltd.)

History and Property—Incorporated in Canada and supplies natural gas to the City of Edmonton, Alberta, under an exclusive twenty-year renewable franchise for domestic and heating purposes, at favorable rates. Franchises are also held for supplying gas to the residents of five towns on the main transmission line. Twelve producing gas wells, with an average open flow capacity of 4,800,000 cu. ft. per day have been drilled on leases owned by the Company in the Viking Gas Field situated about 80 miles southeast of Edmonton. These wells prove up an area of 27 square miles, estimated by Ford, Bacon & Davis, Inc. to contain not less than sixty billion cubic feet of gas.

The main transmission line is 77 miles long, over the Company's own right-of-way. Two stations, one at each end of the line, regulate the pressure. No pumping stations are required, as the gas comes in under its own pressure.

The distribution plant consists of 80 miles of pipe lines, seven main pressure regulating stations in the city and five similar stations in the towns. The plant in the city of Edmonton has been constructed to serve approximately 10,000 consumers. As of Dec. 31, 1927, there were 8,095 connected customers.

CAPITAL STOCK

Authorized, 60,000 Common shares of no par value; $1,000,000 6% cumulative Prior Pfd., par $100, and $1,500,000 8% cumulative Pfd., par, $100. Outstanding 60,000 Common shares, $477,100 6% Prior Pfd. and $1,500,000 8% Pfd. All of the Common and 8% Pfd. stock is held by Canadian Utilities, Ltd., which in turn is controlled by International Utilities Corp.

Dividends—No dividends paid.

FUNDED DEBT

$3,032,500 FIRST MORTGAGE SINKING FUND GOLD 7s; DUE JUNE 1, 1938

Dated June 1, 1923.

Interest Payable June and December 1, at Royal Bank of Canada, Toronto and in New York City.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Trusts & Guarantee Company, Ltd., Toronto.

Provisions of Issue—Authorized, $4,000,000; issued, $3,250,000, of which $217,500 have been redeemed to Dec. 31, 1927. These bonds were issued to provide in part, the funds used in the construction of the main transmission line, the distribution system, pressure regulating stations, etc.

The remaining $750,000 bonds can only be issued to the extent of 80% of the actual cost of additions or betterments to the company's property and then only when the net earnings of the Company for a period of twelve consecutive months, within the fifteen months immediately preceding, are twice the annual interest charges on the outstanding bonds now issued and to be issued.

Callability—Subject to call on any interest date at 110 and accrued interest on or before June 1, 1928, incl.; thereafter, to June 1, 1933, incl., at 107½ and accrued interest; thereafter to maturity at 105 and accrued interest.

Sinking Fund—5 cents per 1,000 cubic feet of gas sold to Dec. 1, 1928; thereafter to Dec. 1, 1933, at the rate of 6 cents; thereafter to Dec. 1, 1937, at the rate of 7 cents. The Company is also obliged to pay into the Sinking Fund an amount equal to the interest of the bonds that have been redeemed by the Trustees.

Security—Secured by a first mortgage on all the fixed assets of the company, now owned or hereafter acquired and a floating charge on all other assets of the company, Fixed assets, as per the consolidated balance sheet of Canadian Utilities, Ltd., and Northwestern Utilities, Ltd. at Dec. 31, 1926, were valued at $5,639,143.

Depletion Fund—The Company will set aside the sum of 6 cents per 1,000 cubic feet of gas sold, for the purpose of drilling new wells and maintaining an adequate supply of gas.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund the Pennsylvania State Tax of 4 mills, the Massachusetts Income Tax on interest not exceeding 6%, the New York Income Tax on interest not exceeding 3% per annum and any Income Tax on interest that may be imposed by the States of California and Oregon, not exceeding in either case 2% per annum, if requested within 60 days from the date of payment thereof.

Legal Opinion—Starr, Spence, Fraser & Hall, Toronto (for the Company) and Graham, McMahon, Buell & Knox, New York and E. R. Parkins, K. C., Montreal, (for the Bankers).

Original Offering—First publicly offered ($3,250,000), in March, 1925, at 100 and accrued interest, to yield 7%, carrying a bonus of two shares of Common stock of no par value of the Canadian Utilities, Ltd., with each $1,000 bond, by Chandler & Co., Inc., Philadelphia and New York, and Nesbitt, Thomson & Co., Ltd., Montreal, etc.

OFFICERS AND DIRECTORS

Officers: C. J. Yorath, Pres. & Gen. Mgr.; F. W. Bacon, V-P.; J. Garrett, Sec. & Treas.; H. Williams, Jr., Asst. Treas.; E. J. Hall, Asst. Sec.

Directors: P. M. Chandler, P. R. Johnson, C. J. Yorath, F. W. Bacon, H. R. Milner, A. S. Kimberly, S. Rogers, Geo. de B. Keim, H. C. Flood, J. Garrett, R. P. Buell, H. C. Phelan, A. H. Gilmour.

Offices, Edmonton, Alta., and 1500 Walnut St., Philadelphia, Pa.

THE WORCESTER ELECTRIC LIGHT COMPANY

History and Property—Incorporated Dec. 5, 1883, in Mass., to supply electric light and power to Worcester, Leicester, Paxton and Shrewsbury, Mass. Population served, approximately 200,000. Is supplying service for 2,250 public arc lamps, 3,544 public incandescent lamps and approximately 37,621 h.p. in electric motors. Also 628,062 incandescent lamps. Effective September 1, 1925, Company reduced its maximum price of electricity for lighting from $.075 to $.07 per k.w.h. In Oct., 1926, a 50% discount was made to all customers on bills rendered for electricity during that month. No. of customers, about 53,000. Annual output (k.w.h.); 1923, 109,999,561; 1924, 92,871,000; 1925, 108,822,300; 1926, 105,000,000; 1927, 112,890,480. Electric sales (k.w.h.); 1927, commercial and residential lighting, 32,214,236; power, 54,209,558—total, 86,423,794, compared with 80,411,695 in 1926. No. of customers, approximately 48,000.

CAPITAL STOCK

Authorized and outstanding, $2,400,000 (increased from $1,400,000 to $1,600,000 in Oct., 1916, to $2,000,000 April 10, 1920, and to present amount Aug. 1, 1921); par, $25 (changed from $100 June 1, 1925). Annual meeting, fourth Friday in March.

Dividends—Dividends paid as follows: 1903, 18%; 1904, 1905, 1906 and 1907, 8% each; 1908, 11½%; 1909 to 1913 inclusive, 10% per annum; 1914, 15%; 1915, 12%; 1916, 22%; 1917, 12%; 1918, 12%; 1919, 22%; 1920, 21.28%; 1921, 1922 and 1923 20% each; 1924, 22%; March 31, 1925, 3% on par, $100; June 30, 1925,

$1 per share on par, $25; Aug. 10, 1925, $2 per share extra; Sept. 30, 1925, $1 per share quarterly to June 30, 1926; July 12, 1926, $7.50 per share extra; Sept. 30, 1926, to June 30, 1927, $1 per share each quarter; Sept. 30, 1927, $2.50 (including $1.50 extra); Jan. 3, 1928, $1.50; payments quarterly, M, J, S & D 31.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$3,591,657	$3,200,556	$3,292,432	$3,058,451	$3,188,408	$2,685,155
Operating expenses and taxes	2,114,709	2,014,246	2,007,473	1,871,133	2,035,561	1,744,160
Depreciation	477,537	422,249	415,208	374,950	349,254	335,052
Net earnings	$1,049,411	$764,061	$869,751	$812,368	$803,593	$605,943
Other income	22,520	45,555	29,610	.....	63,768	21,017
Gross income	$1,071,931	$809,616	$899,361	$812,368	$867,361	$626,960
Interest, etc.	3,143	4,747	8,359	9,174	4,051	5,763
Refunds	.....	.....	.....	64,640	.....	.....
Balance for dividends	$1,068,788	$804,869	$891,002	$738,554	$863,310	$621,197
Dividends paid	576,000	1,104,000	552,000	528,000	480,000	480,000
Surplus for year	$492,788	†$299,131	$339,002	$210,554	$383,310	$141,197
Earnings Per Share	§$11.13	§$8.38	§$9.28	$30.77	$35.97	$25.88

†Deficit. §On shares of $25 par value.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$6,857,177	$6,511,246	$6,137,243	$5,929,805	$5,143,387	$4,824,903
Unfinished construction	171,091	122,483	77,953	61,049	555,437	139,921
Materials and supplies	378,750	333,483	372,271	419,211	466,286	333,832
Cash	926,443	648,913	916,454	287,670	59,696	113,779
Accounts receivable	488,106	419,414	428,652	456,434	518,499	501,434
Prepaid accounts	12,067	16,244	13,663	12,750	15,611	11,363
Unadjusted debits	229,077	.....	.....	.....	.....	.....
Total	$9,062,710	$8,051,783	$7,946,236	$7,166,919	$6,758,916	$5,925,232
Liabilities—						
Capital stock	$2,400,000	$2,400,000	$2,400,000	$2,400,000	$2,400,000	$2,400,000
Premium on stock	1,658,232	1,658,232	1,658,232	1,658,232	1,658,232	1,658,232
Notes payable	.....	.....	.....	.....	50,000	.....
Accounts payable	154,385	109,265	127,116	108,534	261,320	166,076
Dividends declared	144,000	96,000	96,000	72,000	72,000	72,000
Reserve for taxes	156,000	160,000	140,000	154,000	110,000	105,000
Depreciation reserve	2,440,504	2,016,005	1,593,756	1,179,123	806,972	457,838
Other accrued liabilities	.....	.....	.....	.....	1,425	.....
Other reserves	2,419	2,419	2,419	2,419	21,539	92,955
Consumers' deposits	62,333	73,688	93,408	96,308	91,680	70,693
Profit and loss	2,044,838	1,536,174	1,835,305	1,496,303	1,285,748	902,439
Total	$9,062,710	$8,051,783	$7,946,236	$7,166,919	$6,758,916	$5,925,232

Officers: R. W. Rollins, Pres. & Gen. Mgr.; Fred H. Smith, V-P.; Arthur S. Longley, Clerk & Treas.; Geo. E. Fuller, Asst. Treas.; G. M. Hardy, Supt., Frank L. Vaughn, Pur. Agt., Worcester, Mass.

Directors: G. T. Dewey, F. L. Coes, Edgar Reed, C. E. Hildreth, R. H. Bullock, R. W. Rollins, T. H. Gage, F. A. Drury, W. E. Sibley, Albert W. Rice, Worcester, Mass.

Office, 11 Foster St., Worcester, Mass.

ROCHESTER & SYRACUSE RAILROAD COMPANY, INC.

History—Incorporated Sept. 17, 1917, in N. Y.; reorganization of the Rochester, Syracuse & Eastern R. R. Co. (part of Empire United Railways, Inc.) sold at foreclosure Aug. 28, 1917 and separately reorganized as per plan in 1917 Manual, page 2139. Company operates 80 miles of double track from Rochester to Syracuse. On Dec. 30, 1922, acquired, by purchase, a majority of the capital stock of the Empire State RR. Corp. (see statement appended).

Line of road extends from Rochester to Syracuse, N. Y., passing through East Rochester, Fairport, Macedon, Palmyra, Port Gibson, Newark, Lyons, Clyde, Savannah, Port Byron, Weedsport and Jordan, N. Y. Length of line, first track (owned), 157.04 miles; second track (owned), 1.50 miles; sidings, etc. (owned), 1.70 miles; trackage rights, 8.8 miles—total length of line operated, 169.04 miles. Gauge, 4 ft. 8½ in. Rails (T), 70 and 90 lbs. Operated by overhead trolley. Power purchased from Niagara, Lockport & Ontario Power Co.

Interest Default—Protective Committee—See under description of First Mortgage bonds below.

CAPITAL STOCK

Authorized, $1,500,000 Common and $3,000,000 6% non-cumulative Pfd.; outstanding, $1,469,100 Common and $2,448,500 Pfd.; par, $100.

Transfer Agent and Registrar—First Trust & Deposit Co., Syracuse, N. Y.

Annual Meeting—Second Tuesday in March.

Dividends—Initial quarterly dividend of 1% was paid on Pfd. stock March 15, 1921, which rate was maintained until 1924, when only one dividend of 1% was paid, March 15; none paid since. Pfd. dividends were paid M, J, S & D 15. No dividends paid on Common.

FUNDED DEBT

(1)

$2,448,500 FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1957

Dated May 1, 1917.

Interest Payable May and November 1, at First Trust & Deposit Co., Syracuse, N. Y.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—First Trust & Deposit Co., Syracuse, N. Y.

Provisions of Issue—Authorized issue, $5,000,000. Of the outstanding bonds $2,448,500 were used for the purposes of the Plan and Agreement for the Reorganization of the Rochester, Syracuse & Eastern R. R. Co., dated May 18, 1917. The remaining bonds may be issued for improvements, additions, extensions, etc., under certain restrictions.

Callability—Subject to call on May 1, 1922, or on any interest day thereafter, at 105 and accrued interest.

Convertibility—These bonds are convertible into preferred stock at par, $ for $, on and after May 1, 1919, and prior to May 1, 1929; this privilege may be terminated by the Company in case of merger or con-

solidation with any other company under New York laws, or of the lease of its property.

Security—A first lien on entire property.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Interest Default—Protective Committee—Company is in default on the interest due May 1, 1927 and subsequently on the First Mortgage 5% Gold bonds which mature May 1, 1957. The following named agreed to act as a Protective Committee under an Agreement dated May 2, 1927: Frederick P. Assmann, Chairman; Edgar J. Driscoll and W. D. Andrews, with C. B. Woodworth, Sec., 201 S. Warren St., Syracuse, N. Y. The Syracuse Trust Company was designated as Depositary and First National Bank of Boston, Agent for Depositary.

(2)

$10,000 6% SERIAL NOTES; DUE JULY 1, 1927 (Not Paid)

Interest Payable at Equitable Trust Co., New York. Authorized and issued, $217,000, of which $207,000 have been redeemed. Secured by first lien on the following collateral: 9,234 shares Pfd. "B" and 10,393 Common shares of the Empire State Railroad Corp. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$789,319	$895,958	$947,887	$977,213	$1,086,453	$1,055,272
Operating expenses, depreciation and taxes	693,284	750,483	771,203	770,826	846,936	815,259
Net earnings	$96,035	$145,475	$176,684	$206,387	$239,517	$240,013
Other income	14,361	3,564	3,861	6,676	15,106	11,782
Total income	$110,396	$149,039	$180,545	$213,063	$254,623	$251,795
Bond interest	122,425	122,425	122,425	$122,425	$122,425	$122,425
Other interest, rentals, etc.	6,415	8,975	12,060	13,575	17,319	3,130
Total charges	$128,840	$131,400	$134,485	$136,000	$139,744	$125,555
Net income	*$18,444	$17,639	$46,060	$77,063	$114,879	$126,240
Preferred dividends paid	.....	.....	.....	24,485	97,940	97,940
Surplus for year	*$18,444	$17,639	$46,060	$52,578	$16,939	$28,300
Times Bond Interest Earned	0.85	1.14	1.38	1.63	1.94	2.03
Earnings Per Share—						
Preferred	Nil	$0.72	$1.88	$3.10	$4.69	$5.16
Common	Nil	Nil	Nil	Nil	Nil	Nil

* Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$7,020,693	$7,003,267	$6,968,834	$6,950,344	$6,914,996	$6,920,773
Stocks owned	321,220	321,220	316,220	308,220	308,220	308,220
U. S. Govt. bonds	19,000	19,000	59,810	59,810	67,021	67,021
Materials and supplies	109,693	134,344	59,511	69,981	77,295	89,895
Cash	19,935	21,544	37,878	20,383	18,161	146,074
Accounts receivable	35,502	23,540	25,200	8,489	11,284	15,339
Deposits in lieu of mortgaged property sold	6,000	.....	.....	.....	.....	.....
Unadjusted and deferred debits	7,350	10,593	14,560	18,527	22,493	28,960
Prepaid insurance	3,462	9,546	10,484	2,925	7,045	11,286
Special bank deposit (insurance)	.....	.....	.....	538	548	13,945
Total	$7,542,855	$7,543,054	$7,492,498	$7,439,217	$7,427,063	$7,601,513
Liabilities—						
Common stock	$1,469,100	$1,469,100	$1,469,100	$1,469,100	$1,469,100	$1,469,100
Preferred stock	2,448,500	2,448,500	2,448,500	2,448,500	2,448,500	2,448,500
Funded debt	2,458,500	2,465,500	2,515,500	2,565,500	2,615,500	2,665,500
Interest accrued	143,628	21,787	21,778	21,150	20,404	21,004
Notes payable	.....	25,000	25,000	.....	.....	.....
Other current liabilities	65,985	141,168	78,494	70,436	74,070	202,825
Reserve for casualties	23,756	23,756	23,756	23,756	23,756	23,756
Tax liability	*21,044	*23,032	*18,109	*14,554	*8,899	*2,916
Paving liabilities	74,461	81,804	73,016	65,572	55,407	55,619
Depreciation reserve	530,848	521,905	505,537	485,890	477,936	483,775
Profit and loss surplus	349,122	367,566	349,927	303,867	251,289	234,350
Total	$7,542,855	$7,543,054	$7,492,498	$7,439,217	$7,427,063	$7,601,513

*Credit.

Officers: A. H. Cowie, Pres.; T. C. Cherry, V-P. & Gen. Mgr.; W. K. Zinsmeister, Sec. & Treas., Syracuse, N. Y.

Directors: A. H. Cowie, Leroy B. Williams, W. K. Zinsmeister, T. C. Cherry, W. D. Andrews, F. W. Barker, M. V. White, Syracuse, N. Y.; E. A. Harvey, Boston, Mass.; R. S. Messenger, L. E. Lippett, Auburn, N. Y.; Peter R. Sleight, Newark, N. Y.

General Office, Syracuse, N. Y.

EMPIRE STATE RAILROAD CORPORATION

(Controlled by Rochester & Syracuse Railroad Company, Inc.)

History—Inc. Oct. 27, 1917, in N. Y. Successor after foreclosure sale at Aug. 28, 1917, to Syracuse, Lake Shore & Northern R. R. and Auburn & Northern Electric R. R. (formerly part of Empire United Rys., Inc.). For Plan of Reorganization, see 1917 Manual, Public Utility Section, page 2138 or apply to our Information Department.

Receivership—T. C. Cherry was appointed receiver for the Corporation in April, 1927.

Interest Default—Protective Committee—See under Syracuse Lake Shore & Northern RR. First Mortgage bonds below.

Property—Length of interurban line owned from Syracuse to Oswego, N. Y., 37.8 miles; city lines in Fulton, 0.6 mile; city lines in Oswego, 8.83 miles; Auburn & Port Byron interurban, 7.62 miles; city lines in Auburn, 1.42 miles, making a total length of road of 56.27 miles. Second track owned, 21.25 miles; carhouse and other sidings, 5.08 miles. Total trackage, 82.60 miles. Gauge, 4 ft. 8½ in. Operated by overhead single trolley and catenary. Rail, mostly 70 lbs. outside cities and villages; in cities and villages, 90 lbs. Has contract for power with Niagara, Lockport & Ontario Power Co.

Equipment—Cars: Passenger interurban (closed, 19; open, 15), 34; city (closed, 16; open, 6), 22; express, 4; work, 1; snow plows, 7; miscellaneous, 5—total, 73, of which 49 passenger, 22 express; work and

combination cars and plows and sweepers are electrically equipped.

Operations Abandoned—Corporation abandoned its electric car operations and auxiliary buses in Oswego, N. Y., April 22, 1927, carrying out an order of the New York Public Service Commission, which permitted abandonment of the lines on the basis of several years financial losses with a seven cent fare.

CAPITAL STOCK

Authorized, $1,500,000 Common; $1,000,000 Series "A" 6% cumulative Pfd., and $1,250,000 Series "B" 6% non-cumulative Pfd.; issued $1,436,635.36 Common, $205,426.15 Series "A" Pfd., and $1,249,911.69 Series "B" Pfd.; par, $100. Stock control is held by Rochester & Syracuse R. R. Co., Inc.

Preferred Stock Provisions—Series "A" Pfd. stock has preference both as to assets and dividends, is entitled to 6% cumulative dividends from date of issue, and is redeemable at 105. Series "B" Pfd. stock is non-cumulative and after it has received five years' consecutive dividend at the full rate of 6% is entitled to rank pari passu with or be converted into Series "A" Pfd. stock.

Transfer Agent and Registrar—First Trust & Deposit Co., Syracuse, N. Y.

Annual Meeting—Second Tuesday in March.

Dividends—6% on Series "A" Pfd. regularly paid from 1918 to Sept. 30, 1924; none since. On Series "B" Pfd. a dividend of 1% was paid in 1923; none since. No dividends paid on Common.

FUNDED DEBT

(1)

$2,496,000 SYRACUSE, LAKE SHORE & NORTHERN R. R. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1947

Dated May 1, 1907.

Interest Payable May and November 1, at American Exchange Irving Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized and issued, $2,500,000 of which $4,000 have been redeemed.

Callability—Subject to call at 110 and interest on any interest day, upon 60 days' notice.

Security—Secured by first lien on the line from Syracuse to Oswego, N. Y., including city lines in Oswego and Fulton, N. Y., 74.73 miles of tracks.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($850,000) in Feb., 1908, at 96½ and interest.

Interest Deposit—Bondholders' Protective Committee—Company was unable to provide for payment of interest due May 1, 1927, on these bonds and a Protective Committee was formed consisting of Albert B. Merrill, Chairman; Daniel P. Abercrombie, Harold G. Beatty with Frederick W. Barker, Jr., Sec., 201 South Warren St., Syracuse, N. Y.; First Trust & Deposit Co., Syracuse, N. Y., Depositary, and First National Bank, Boston, Agent for the Depositary.

(2)

$236,000 AUBURN & NORTHERN ELECTRIC R. R. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1945

Dated May 1, 1905.

Interest Payable May and November 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized, $1,000,000; issued, $250,000; redeemed, $14,000.

Callability—Subject to call at 110 and interest on any interest date.

Security—Secured by first lien on the interurban line from Auburn to Port Byron and certain city lines in the City of Auburn; total trackage, 9.19 miles.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

RECEIVER'S INCOME ACCOUNT, FOR PERIOD FROM APRIL 29, TO DECEMBER 31, 1927

Earnings from operation	$308,153
Operating expenses and taxes	293,110
Net earnings	$15,043
Other income	3,752
Total income	$18,795
Interest	2,363
Net income	$16,432

RECEIVER'S BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$9,189
Materials and supplies	568
Cash	24,020
Accounts receivable	7,498
Unadjusted debits	18,813
Deferred debit items	12,025
Tax liability	15,319
Total	$87,432
Liabilities—	
Accounts payable	$53,528
Unadjusted credits	7,310
Reserve for depreciation	9,151
Insurance and casualty reserves	2,616
Surplus	14,827
Total	$87,432

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$507,356	$665,724	$674,316	$727,956	$852,573	$794,541
Operating expenses, taxes and depreciation	468,165	591,457	570,977	597,383	662,858	596,731
Net earnings	$39,191	$74,267	$103,339	$130,573	$189,715	$197,810
Other income	3,489	15,288	6,820	25,344	8,976	30,772
Total income	$42,680	$89,555	$110,158	$155,917	$198,691	$228,582
Interest, etc.	49,235	140,721	141,343	140,257	143,988	147,438
Balance for dividends	*$6,555	*$51,166	*$31,185	$15,660	$54,703	$81,144
Preferred dividends paid	.....	.....	.....	9,196	25,386	15,000
Surplus for year	*$6,555	*$51,166	*$31,185	$6,464	$29,317	$66,144
Times All Interest Earned	0.87	0.63	0.77	1.11	1.38	1.55
Earnings Per Share—						
Series "A" Preferred	Nil	Nil	Nil	$7.62	$21.88	$32.45
Series "B" Preferred	Nil	Nil	Nil	0.27	3.34	5.29

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$6,454,256	$6,449,581	$6,476,592	$6,409,694	$6,411,043	$6,348,191
Other investments	29,725	24,700	15,000	7,000	7,000	7,000
Materials and supplies	568	2,037	63,537	72,348	126,800	88,652
Cash	24,020	15,977	18,835	38,562	22,561	74,336
Current accounts	21,833	4,347	4,015	13,309	6,626	13,161
Unadjusted debits	36,071	14,180	2,157	8,259	78,828	76,417
Total	$6,566,473	$6,510,822	$6,580,136	$6,549,172	$6,652,858	$6,607,757

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Capital stock	$2,891,973	$2,891,973	$2,891,973	$2,891,973	$2,950,000	$2,950,000
Funded debt	2,732,000	2,732,000	2,732,000	2,732,000	2,741,000	2,774,000
Paving obligations	65,094	66,082	98,850	71,618	100,438	80,380
Accounts payable	81,180	53,594	51,966	39,052	69,743	27,003
Accrued liabilities	69,220	23,997	24,803	24,453	24,167	22,842
Other current liabilities	23,946	54,115	54,827	49,828	26,849	44,801
Reserve for taxes	.....	†15,206	†14,589	†13,117	†4,826	14,483
Depreciation reserve	444,073	429,866	414,739	396,612	395,198	373,276
Casualties reserve	13,968	22,829	22,829	22,829	22,829	22,829
Profit and loss	245,018	251,572	302,739	333,924	327,460	298,143
Total	$6,566,473	$6,510,822	$6,580,136	$6,549,172	$6,652,858	$6,607,757

†Credit.

Officers: A. H. Cowie, Pres.; T. C. Cherry, V-P. & Gen. Mgr.; W. K. Zinsmeister, Sec. & Treas.

Directors: F. W. Barker, M. V. White, W. K. Zinsmeister, T. C. Cherry, A. H. Cowie, H. C. Beatty, Syracuse, N. Y.; R. S. Messenger, L. E. Lippett, Auburn, N. Y.

General Office, Syracuse, N. Y.

MODESTO GAS CO.

History—Incorporated March 20, 1916, in Cal.; successor by change of name to Modesto Gas Light, Coal & Coke Co. Franchise perpetual. Supplies Modesto, Cal. Population served, 15,000. Rates: First 500 cu. ft. per meter per month or less, gross, $1.35, net, $1.25; first 600 cu. ft., gross, $1.44, net, $1.34; next 2,400 cu. ft., gross, $1.83, net, $1.73; next 6,000 cu. ft., net $1.53; next 6,000 cu. ft., net, $1.33; all over 15,000 cu. ft., net, $1.13. Restaurant rate: First 30,000 cu. ft. 96c. net; over 30,000 cu. ft., 95c. net; minimum, $50. Heating rate: First 10,000 cu. ft., 98c.; over 10,000 cu. ft, 96c. Seasonal minimum, $60.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, first Wednesday in March.

Dividends—1% paid in 1919; none paid since, all earnings being applied to betterments.

FUNDED DEBT

$160,000 First Mtge. 6% bonds; dated July 1, 1916; due Jan. 1, 1945; int. Jan. and July 1, at Wells Fargo Bank & Union Trust Co., San Francisco, Trustee. Coupon, $1,000; principal may be registered. Authorized, $200,000; outstanding, Dec. 31, 1927, $160,000; retired, $15,000. Additional issuance of bonds is restricted to 85% of the actual cost of construction, or properties acquired, and then only when net earnings for twelve months preceding the date of issuance are at least double interest requirements on all bonds outstanding and on those to be issued. Subject to call at 105 and accrued interest. Sinking fund is provided sufficient to retire over 50% of the total authorized issue by maturity. A first lien on entire property now owned or hereafter acquired. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$197,571	$183,526	$181,315	$170,935	$161,839	$148,986
Operating expenses and taxes	136,175	130,639	129,541	116,087	115,714	102,030
Depreciation	13,286	12,785	12,083	12,897	12,577	12,542
Net earnings	$48,110	$40,102	$39,691	$41,952	$33,548	$34,414
Interest, etc.	12,390	11,075	12,711	12,471	11,866	11,082
Net income	$35,720	$29,027	$26,980	$29,481	$21,682	$23,332

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$498,405	$485,204	$470,501	$454,345	$421,157	$397,602
Investments	105,688	52,038	26,139	6,438	1,850	1,350
Materials and supplies	12,301	10,862	12,297	11,138	10,769	11,701
Cash	10,270	8,082	7,994	12,423	7,336	6,877
Accounts receivable	26,658	28,601	27,295	28,406	23,788	17,962
Notes receivable	3,360	3,360	.....	.....	.....	.....
Insurance suspense	867	747	273	481	384	455
Unamortized discount	11,394	12,365	13,053	13,760	14,448	15,136
Sinking fund	118	971	611	889	165	464
Total	$669,061	$602,230	$558,163	$527,880	$479,897	$451,547
Liabilities—						
Capital stock	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
Funded debt	160,000	164,000	167,000	169,000	170,000	172,000
Notes payable	11,093	3,000	.....	.....	.....	14,000
Accounts payable	17,294	19,660	20,833	29,984	21,682	10,471
Consumers' deposits	.....	2,411	3,076	.....	2,984	2,989
Accrued taxes	8,157	4,613	.....	.....	.....	.....
Consumers' deposits for construction	743	743	.....	.....	.....	.....
Reserve for insurance	6,900	5,520	4,140	2,760	1,380	.....
Depreciation reserve	102,205	90,508	79,568	70,031	58,365	48,205
Profit and loss	262,669	211,775	183,546	156,104	125,486	103,882
Total	$669,061	$602,230	$558,163	$527,880	$479,897	$451,547

Officers: Frank A. Cressey, Jr., Pres., Gen. Mgr. & Pur. Agt.; J. D. Turner, V-P.; Josephine Cressey Egleston, Sec. & Treas.; J. R. Riggs, Supt., Modesto, Cal.

Directors: Frank A. Cressey, Jr., Josephine Cressey Egleston, Chas. D. Swan, J. D. Turner, R. B. MacBride, Modesto, Cal.

General Office, 1006 H Street, Modesto, Cal.

CONSOLIDATED PUBLIC UTILITIES CO.

History and Property—Incorporated Oct. 1, 1908, in Md.; consolidation of the Westminster Gas Light Co., the Citizens Water & Power Co., the Westminster Water Co. and the Carroll County Electric Light & Power Co. Supplies light and water for domestic and industrial purposes to Westminster, Md. Population served, 3,300. Franchise, 40 years. Miles of gas mains, 10; water, 22. No. of meters: Gas, 509; water, 1,227 taps, 875 meters; electricity, 1,295. Annual sales: Gas, 9,572,400 cu. ft.; water, 95,000,000 gals. Prices: Gas, $2.50 per 1,000 cu. ft. for first 10,000 cu. ft.; $2.00 for next, 20,000 cu. ft. and $1.50 for all above 20,000 cu. ft.; electricity, 3c. to 10c. per k.w.; water 40 cts. to 10 cts. per 1,000 gals. Has city contract for water and lighting.

CAPITAL STOCK

Authorized, $150,000; outstanding, $137,540; par, $10. Transfer office, Westminster, Md. Annual meeting, first Monday in October. No dividends paid.

FUNDED DEBT

(1)

$30,000 (entire issue) First 5s; dated Oct. 15, 1908; due Oct. 15, 1938; interest April and Oct. 15, at Westminster (Md.) Deposit & Trust Co., Trustee. Coupon, $500; principal may be registered. Callable on and after Oct. 15, 1918. Secured by first and direct lien on property formerly of the Westminster Gas Light Co.

(2)

$197,000 Consolidated Public Utilities Co. Refunding 6s; issued in July, 1922; due in 1962; int. J & J. Westminster (Md.) Deposit & Trust Co., Trustee. No further details available.

(3)

$40,000 Citizens Water & Power Co., First 4s; dated 1905; due 1940; int. A. & O. 1; payable at Co.'s office, Westminster, Md. Safe Deposit & Trust Co., Baltimore, Trustee. Secured on property formerly of that company.

(4)

$38,000 Westminster Water Co. First 4s; dated 1902; due 1932; int. F & A 1, payable at Company's office, Westminster, Md. Westminster (Md.) deposit & Trust Co., Trustee. Secured on property formerly of that Company.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	—Gas & Electric Dept.—		—Water Dept.—	
	1925	†1924	1925	1924
Operating revenues	$105,045	.....	$29,093	$25,229
Depreciation	33,229	.....	3,293	3,424
Operating expenses	55,072	.....	18,630	$13,699
Taxes	1,328	.....		2,608
Net earnings	$15,416	.....	$7,170	$5,498
Other income	501	.....	1,083	506
Total income	$15,917	.....	$8,253	$6,004
Fixed charges	15,917	.....	6,984	7,287
Surplus for year	.....	.....	$1,269	*$1,284

*Deficit. †As reported by Public Service Commission of Maryland: Gross revenue, $70,606; total deductions, $52,385; net income, $18,221; appropriations, $18,221, of which $18,003 for depreciation.

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

	—Gas & Electric Dept.—		—Water Dept.—	
Assets—	1925	1924	1925	1924
Property account	$401,458	$336,365	$259,804	$237,198
Investments	.....	.....	7,000	7,000
Cash	32,791	26,888	*44,783	*33,174
Accounts receivable	27,675	11,315	7,643	6,186
Materials and supplies	9,208	9,267	35	35
Special deposits	237	62	100	90
Other assets	15,239	11,795	.....	.....
Deficit	.....	.....	29,060	30,330
Total	$486,609	$395,693	$258,859	$247,665
Liabilities—				
Capital stock	$35,540	$35,540	$102,000	$102,000
Funded debt	172,200	149,700	110,800	110,800
Bills & accounts payable	108,691	73,784	13,309	5,418
Accrued interest	1,012	838	1,057	1,047
Consumers' deposits	496	391	.....	.....
Reserve for depreciation	168,670	135,440	31,693	28,400
Total	$486,609	$395,693	$258,859	$247,665

*Overdraft.

Officers: Geo. W. Albaugh, Pres.; Geo. R. Gehr, V-P.; C. Raymond Myers, Sec. & Treas.; F. A. Myers, Gen. Mgr., Westminster, Md.

Directors: G. W. Albaugh, J. P. Wantz, F. Thos. Babylon, Carroll Albaugh, Dr. Chas. R. Foutz, Chas. Hesson, G. R. Gehr, F. N. Parke, C. L. Billingslea, Westminster, Md.

Office, Westminster, Md.

ITHACA TRACTION CORPORATION

History—Inc. March 28, 1914, in New York; successor to Ithaca Street Ry. Co. by purchase on Mortgage Foreclosure Sale under Bondholders' plan for Reorganization of Ithaca Street Ry. and New York, Auburn & Lansing R. R. Reorganization financed by Syndicate to purchase $1,000,000 bonds of Central New York Southern R. R. Corp. (see Steam Railroad Manual); fully subscribed. A subsidiary corporation of the Central New York Southern R. R. Corp. Owns and operates all traction lines in the City of Ithaca, N. Y.

Principal and Interest Defaulted—Protective Committee Formed—Default having been made on the principal of $175,000 Ithaca Street Ry. First 6% bonds, due July 1, 1922; $75,000 Ithaca Street Ry. Second 6% bonds, due July 1, 1922; $25,000 Cayuga Lake Electric Ry. First 6% bonds, due June 1, 1922, and the interest on the $488,000 Ithaca Traction Corp. First & Ref. 5% bonds, due April 1, 1964, the below-mentioned protective committee was formed to protect the interests of bondholders. Holders were requested to deposit their bonds with the Ithaca (N.

Y.) Trust Co. on or before Nov. 15, 1922. Committee: Mynderse Van Cleef, Chairman and Frederick J. Platt, with Charles D. Bostwick as Sec., and Hank Irvine as Counsel, Ithaca, N. Y.

Reorganization Plan Approved—Under date of Dec. 14, 1923, the above-named committee announced that it had adopted and approved a plan for the payment and cancellation of bonds secured by Ithaca Street Ry. Co. First Mortgage, Ithaca Street Ry. Co. Second Mortgage, Cayuga Lake Electric Ry. Co. First Mortgage, and also of the First & Refunding Mortgage of the Ithaca Traction Corp. and its future recapitalization.

Under the plan a new First Mortgage of $500,000 is to be authorized, $222,500 thereof to be immediately issued, as follows: $85,500 for cash at par; $37,000 in exchange for a like amount of Ithaca Street Ry. Co. First Mortgage 6% bonds par for par, $75,000 in exchange for like amount (entire issue) of Ithaca Street Ry. Co. Second Mortgage 6% bonds par for par, and $25,000 in exchange for a like amount (entire issue) of Cayuga Lake Electric Ry. Co. 6% bonds par for par. The remaining $138,000 Ithaca Street Ry. Co. First Mortgage 6% bonds are to be paid in cash, said cash to be realized from the sale of certain property to Cornell University for $52,500, and $85,500 from the sale of new First Mortgage Ithaca Traction Corp. bonds at par. The $488,000 First & Refunding bonds of the Corporation are to be cancelled, the holders thereof agreeing to accept some form of stock in exchange therefor.

The new First Mortgage bonds are to be dated Jan. 1, 1924, and become due in 30 years, with interest payable semi-annually, J & J 1, at 6% per annum. To be in denominations of $100, $500 and $1,000. Redeemable on any interest date on 60 days' notice at 105 and accrued interest, either as a whole or in part for the sinking fund. Ithaca Trust Co., Ithaca, N. Y., Trustee. Sinking fund, to begin July 1, 1929, 2% of greatest amount of bonds at any time issued, to re-cated on the south shore of Long Island, N. Y., servtire bonds by tender, or otherwise by lot at 105 and accrued interest and bonds to be cancelled. Corporation will agree to refund the Pennsylvania State four mills tax on demand. Company will pay Normal Federal Income Tax up to 2%.

Under the plan the capital stock shall be in such amount and shall be divided into Pfd. and Common stock, as may be determined by the Ithaca Traction Corp.

Receiver Appointed—Supreme Court Justice Leon F. Rhodes of Binghamton, N. Y., in June, 1924, appointed Dexter S. Kimball, Receiver of Corp. The receivership was forced by the Bondholders' Protective Committee, who seek the foreclosure of a mortgage of $75,000.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $400,000. All owned by Central New York Southern R. R. Corp. Annual meeting, second Tuesday in October.

FUNDED DEBT

(1)

$175,000 (Entire Issue) Ithaca Street Ry. First 6s; dated July 1, 1892; due July 1, 1922; int. Jan. and July 1, at Farmers' Loan & Trust Co., New York, Trustee. Coupon, $1,000. Principal and interest in default.

(2)

$25,000 (Entire Issue) Cayuga Lake Electric Ry. First 6s; dated June 1, 1894; due June 1, 1922; int. June and Dec. 1, at Ithaca Trust Co., Ithaca, N. Y. A first lien on the land and tracks and superstructure from Percy Field to Stewart Park. Alfred Hand and E. L. Fuller, Trustees. Coupon, $1,000. Principal and interest in default.

(3)

$75,000 (Entire Issue) Ithaca Street Ry. Second 6s; dated July 22, 1894; due July 1, 1922; int. Jan. and July 1, at First National Bank, Ithaca, N. Y. Alfred Hand and E. L. Fuller, Trustees. Coupon, $1,000. Principal and interest in default.

(4)

$488,000 Ithaca Traction Corp. First & Refunding 5s; dated 1914; due April 1, 1964. All owned by Central New York Southern R. R. Corp. Interest in default.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	(Latest Available) 1924	1923	1922
Gross earnings	$76,139	$160,447	$179,084
Oper. exp. and taxes	65,569	138,765	142,911
Net earnings	$10,570	$21,682	$36,173
Other income	1,748	3,769	6,594
Total income	$12,318	$25,451	$42,767
Bond interest	19,314	40,900	40,900
Other deductions	1,009	2,793	5.873
Total charges	$20,322	$43,693	$46,773
Deficit for year	$8,004	$18,242	$4,005

Officers: Dexter S. Kimball, Receiver; L. L. Odell, Pres., Ithaca, N. Y.; Chas. E. Hotchkiss, 1st V-P. & Gen. Counsel, New York; J. C. Nelson, V-P. & Gen. Mgr., Syracuse, N. Y.; S. C. Stivers, Sec. & Treas., New York.

Directors: Chas. E. Hotchkiss, F. R. Ford, S. C. Stivers, R. B. Williams, Jr., H. C. McCollom, New York; H. W. Fitz, Pawtucket, R. I.; E. J. B. Huntoon, Boston, Mass.; C. J. Rumsey, Donald Stewart, R. B. Williams, Ithaca, N. Y.; W. H. Lippincott, Philadelphia, Pa.; J. C. Nelson, Syracuse, N. Y.

General Office, Ithaca, N. Y.

W. B. FOSHAY COMPANY

History and Business—Organized in 1917 for the purpose of purchasing, financing and managing various types of business, particularly public utility properties. In addition the Company carries on an extensive investment business, selling securities of its own origination through sales organizations in Minneapolis, St. Paul, Chicago, Portland, Ore., Denver, Colo., San Francisco, Cal., Boston, Mass., Hartford, Conn., and New York. Company controls and operates Public Utilities Consolidated Corp. (see statement appended).

CAPITAL STOCK

Authorized $1,786,900 Common and $2,000,000 cumulative Preferred; outstanding, $326,950 Common, $998,400 7% Pfd., and $980,500 8% Pfd. "A"; par, $100 Pfd. stock is subject to redemption at 105 on any dividend date.

Tax Provisions—Dividends are free from Normal Federal Income and Minnesota Monies and Credit taxes.

Legal Opinion—Lancaster, Simpson, Junell & Dorsey, Minneapolis, Minn.

Annual Meeting—Third Tuesday in February.

Dividends—On Pfd. stock regularly paid. Dividends on Common at rate of 16% per annum were paid for several years. Rate was reduced to 8% per annum on May 1, 1926. Dividends are being declared monthly in the amount of $7 per share per annum on 7% Pfd. stock, $8 per share per annum on Pfd. A stock and $8 per share per annum on Common stock, all these dividends to be payable on the 10th day of each month to stock of record the 25th of each month preceding the date of payment.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$18,861,597	$13,456,227	$2,728,504
Operating expenses	18,580,563	12,904,648	2,416,645
Operating gain	$281,034	$551,579	$311,859

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Buildings, furniture & fixtures, etc.	$124,759	$478,352	$216,758
Securities owned—free	407,963	619,680	379,738
Securities as collateral, less notes payable secured by collateral	2,480,543	2,625,225	962,177
Investment in utility properties being acquired	304,928	1,318,028	.....
Real estate held for investment	344,239	144,944	15,402
Cash	64,877	730,922	26,017
Accounts receivable	62,622	585,546	2,457,042
Notes receivable	52,032	78,247	19,456
Cash value life insurance	25,521	14,884	4,230
Officers & employees notes and accounts receivable	73,765	.....	.....
Due from affil. cos.	4,850	.....	.....
Special deposits	201,475	.....	.....
Preliminary exp. on property acquisitions	208,663	.....	.....
Prepaid exp. & deferred charges	8,671	10,452	25,453
Total	$4,364,908	$6,608,281	$4,106,273
Liabilities—			
Preferred stock	$1,978,900	$1,731,400	$481,600
Special stock	.....	.....	6,200
Founders' stock	.....	.....	1,500
Common stock	326,950	407,950	507,750
Mortgage on Foshay Building	.....	118,125	52,500
Notes payable—deferred	224,655	134,396	170,001
Contracts payable on utility properties being acquired	.....	2,870,666	1,697,796
Notes payable	639,782	21,058	186,106
Accounts payable	383,120	316,047	628,680
Reserves	490,155	205,764	14,174
Surplus	321,346	800,875	359,966
Total	$4,364,908	$6,608,281	$4,106,273

Officers: W. B. Foshay, Pres.; H. H. Henley, V-P.; C. W. Salisbury, V-P., Minneapolis, Minn.; C. H. Burnworth, V-P., Portland, Ore.; R. L. Southwick, Asst. V-P.; H. E. McGinty, Sec. & Treas.; H. L. Dill, Asst. Sec.; H. B. Farley, Asst. Treas., Minneapolis, Minn.

Directors: W. B. Foshay, H. H. Henley, C. W. Salisbury, H. E. McGinty, Minneapolis, Minn.; John J. Flynn, Burlington, Vt.

General Office, Foshay Building, Minneapolis, Minn.

PUBLIC UTILITIES CONSOLIDATED CORPORATION

(Arizona)

(Controlled by W. B. Foshay Company)

History and Property—Incorporated July 23, 1927, under the laws of Arizona, as a consolidation of the Northwest Light & Water Co., Canyon Light & Water Co., Mullan Light Co., Mission Range Power Co., Flathead Valley Electric Co., Claypool Water Plant, J. J. Mackay Water Co. and Desert Power & Water Co.

The Corporation owns and controls through stock ownership the following:

Public Utilities California Corporation, comprised of:
- Santa Cruz County Utilities Co.
- The Capitola Company

Princeton Gas Company
Baker County Power Company
Public Utilities Vermont Corporation (formerly Clyde River Power Co.)
Public Utilities Consolidated Corporation (of Delaware), comprised of:
- Pocatello Gas & Power Co.
- Southern Arizona Power Co.
- Public Utilities Kansas Corporation

Otero County Gas Company
Nevada, California & Oregon Telephone & Telegraph Co.
Roseville Water Company

There is no outstanding funded indebtedness of any of these subsidiaries with the exception of the Baker County Power Company.

Public Utilities Consolidated Corporation will upon completion of its financing (and subject to completion of acquisitions thereby provided for) own and operate directly and through wholly-owned subsidiaries utility properties in the States of Arizona, California, Oregon, Nevada, Colorado, Idaho, Montana, Kansas, Illinois, and Vermont, and in the Provinces of Quebec and Ontario, Canada. The properties will supply without competition electric light and power, gas, telephone or water service to 22,577 retail and wholesale customers, the territories served having an estimated population of approximately 179,000. Among the principal cities served are Nogales and Kingman, Arizona; Pocatello, Wallace, Burke, Alameda and Mullan, Idaho; Roseville, California; La Junta and Rocky Ford, Colorado; Goodland, Kansas; Barton, Lyndon, and Richford, Vermont; Princeton, Illinois.

The telephone properties serve five counties namely —Lassen, Plumas, Modock, Tahama, and Chasta Counties in the northeast portion of California, with 19 exchanges and 364 miles of lines, included in which are 335 miles of toll lines, connecting with the Pacific Telephone and Telegraph Co. at Reno, Nevada; Quincy, Red Bluff and Redding, California; and Lakeview, Oregon. The electric properties have a combined installed generating capacity of 11,151 k.v.a. of which 2,446 k.v.a. are hydro; there are 334 miles of electric transmission and distributing lines. The gas properties have 78 miles of gas distributing lines and a daily production capacity of 1,275,000 cubic feet and the water properties have 101 miles of distributing mains.

Number of electric meters, 11,403; gas meters, 4,310; water customers, flat and metered, 5,886. Annual sales of electricity, 10,510,450 k.w.h.; gas, 80,594,600 cu. ft.; water, 214,552,284 gallons.

Approximately 67% of the gross earnings is derived from electric properties, 14% from artificial gas properties, 12% from water properties and 7% from telephone properties.

NOTE—The foregoing data is made from consolidation of all companies affected, with the exception of the Baker County Power Co., a separate statement being appended for that Company.

CAPITAL STOCK

Authorized, 200,000 shares Class "A" Common of no par value, 500,000 shares Class "B" Common of no par value, and $5,000,000 7% cumulative Pfd., par $100; outstanding, 18,600 shares Class "A" Common, 400,000 shares Class "B" Common and $1,500,000 Pfd. Stock control is held by W. B. Foshay Company.

Preferred Stock Provisions—Preferred shares have a preference over all other shares both as to assets and earnings. In the event of any voluntary liquidation, dissolution or winding up of this Corporation's affairs, the Pfd. stock shall be entitled to $105 per share and in the case of involuntary liquidation to a preference of $100 per share. In case of liquidation, whether voluntary or involuntary, all cumulative dividends are preferred and all these preferences accrue before any distribution shall be made to the holders of shares of any other class of stock. If at any time; any portion of the dividends on the Pfd. stock shall be in arrears for a period of twelve months, Pfd. stockholders shall then be entitled to vote share and share alike with the holders of the Common stock, and in the case of election of directors under such conditions, the Pfd. stockholders, either alone or together with the Class "A" Common stockholders, in case they shall at that time be entitled to vote, shall collectively and independent from the vote of the Class "B" Common stock, be entitled to elect a majority of the Board of Directors of the Corporation. These voting rights of the Pfd. stockholders shall cease when all arrears in dividends on all of the Pfd. shares shall have been paid.

Callability—Pfd. stock is subject to call in whole or in part at the option of the Corporation upon any dividend date upon 30 days' written notice to the record holders thereof at $105 per share plus all accrued dividends.

Tax Provisions—Free from present Normal Federal Income Tax. Refund of Vermont, Pennsylvania, Connecticut, Minnesota, Kansas and California taxes not to exceed 4 mills, Maryland taxes not to exceed 4½ mills, Kentucky and District of Columbia taxes not to exceed 5 mills, Michigan exemption tax not to exceed 5 mills, and Massachusetts income tax not to exceed 6% to resident holders upon timely and proper application.

Transfer Agents—Peoples Trust & Savings Bank, Minneapolis, Minn. and Seaboard National Bank, New York.

Registrars—First Minneapolis Trust Co., Minneapolis, Minn.; and Bankers Trust Co., New York.

Annual Meeting—Second Tuesday in March, at Globe, Ariz.

Dividends—Dividends on both Pfd. and Common are paid monthly at Minneapolis, Minn. Dividends have been paid to date on Class "A" Common at the rate of $2 per share. Dividends have been paid to date on Pfd.

FUNDED DEBT

(1)

$4,000,000 FIRST MORTGAGE TWENTY-YEAR 5½% GOLD BONDS SERIES OF 1948; DUE MARCH 1, 1948

Dated March 1, 1928.

Interest Payable March and September 1, at Central Trust Co., Chicago, Ill., and Seaboard National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Denominations interchangeable.

Trustee—Central Trust Co., Chicago, Ill.

Provisions of Issue—First Mortgage bonds, additional to these $4,000,000, may be issued in series not to exceed 70% of the cost or fair value (whichever is lesser) of new unencumbered fundable acquisitions (as defined in its mortgage) or against the deposit of cash, provided earnings applicable to bond interest (as defined in the mortgage) for twelve consecutive calendar months ending not more than three months prior to the date of application for issuance of bonds, shall have been not less than twice the annual interest on all First Mortgage bonds then outstanding including those proposed to be issued. Bonds may also be issued par for par to refund bonds of this or any other series issued under the Mortgage securing this issue.

Purpose of Issue—The proceeds from the sale of these bond, together with the proceeds from $1,500,000 Ten-Year 6% Secured Convertible Gold bonds, were used to retire the entire funded debt of the properties involved, for the acquisition of additional properties and for other corporate purposes.

Callability—Subject to call upon 30 days' published notice on any interest date up to March 1, 1938, at 105 and accrued interest, the premium decreasing ½ of 1% each Sept. 1, thereafter.

Sinking Fund—No provision.

Security—Secured by a direct first mortgage on all of the fixed properties of the Corporation, in the several states of the United States and Provinces of Canada, (which mortgage covers like after-acquired properties) and are a first lien on 100% of all indebtedness (except current indebtedness not in excess of current assets) and capital stocks (except minority shares not to exceed in any instance 5% of the total outstanding stocks) of subsidiaries, as defined in the mortgage. There are no underlying liens. Unless 100% of the stock of any subsidiary is pledged, the mortgage provides for an adequate deposit in cash against the non-pledged shares, which as above indicated cannot exceed 5% of the above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Refund of Minnesota personal property taxes not to exceed 3 mills, Vermont, Pennsylvania, Connecticut, Kansas and California personal property taxes not to exceed 4 mills, Maryland personal property taxes not to exceed 4½ mills, Kentucky, Michigan and District of Columbia personal property taxes not to exceed 5 mills, and Massachusetts income tax not to exceed 6% to resident holders upon timely and proper application.

Legal Opinion—Pam & Hurd, Chicago, Ill.

Original Offering—First publicly offered ($4,000,000) in May, 1928, at 97 and accrued interest, yielding about 5.75%, by George M. Forman & Co., and Yeager, Young & Pierson, Inc.

(2)

$1,500,000 TEN-YEAR 6% SECURED CONVERTIBLE GOLD BONDS, SERIES OF 1938; DUE MARCH 1, 1938

Dated March 1, 1928.

Interest Payable March and September 1, at Central Trust Co. of Illinois, Chicago, and Seaboard National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Interchangeable denominations.

Trustee—Central Trust Co. of Illinois, Chicago, Ill.

Provisions of Issue—Additional bonds of this issue either of the Series of 1938 or of other series hereafter created, may be issued against the deposit of cash or in respect of fundable acquisitions which shall have been subjected to the lien of the first mortgage, and which shall be subject to no other lien except the first mortgage and current taxes, upon the conditions set forth in the mortgage, provided that earnings applicable to bond interest (as defined in the mortgage) for twelve consecutive calendar months ending not more than three months prior to the date of filing application for such additional bonds (after deducting from such earnings the annual interest charges on the first mortgage bonds then outstanding and then proposed to be issued) shall have been at least three times the annual interest charge on the bonds of this issue then outstanding, including those proposed to be issued, and provided further that such earnings applicable to bond interest for the period aforesaid shall be at least equal to one and one-half times the annual interest charge on the entire funded indebtedness of the Corporation, including any such indebtedness then proposed to be issued. Bonds may also be issued par for par to refund bonds of this or any other series issued under the Mortgage securing this issue.

Purpose of Issue—The proceeds from the sale of these bonds, together with the proceeds from $4,000,000 First Mortgage 5½% Gold bonds, were used to retire the entire funded debt of the properties involved, for the acquisition of additional properties, and for other corporate purposes.

Callability—Subject to call upon 30 days' published notice on any interest date up to Sept. 1, 1928, at 105 and accrued interest; this premium decreases ½ of 1% each March 1, thereafter.

Sinking Fund—Commencing with 1929, the Corporation will deposit with the Corporate Trustee on the first day of January and July of each year cash equal to 1% of the principal amount of this Series, provided, however, that in lieu of any part of such cash payments the Corporation may deliver a like principal amount of bonds of this Series for cancellation and provided also that the Corporation shall be entitled to credit and against such sinking fund payments for bonds redeemed or retired in excess of the sinking fund requirement for any year of bonds then outstanding, such funds to be used to retire bonds of this Series.

Conversion and Stock Warrant Privileges—The bonds are convertible at any time at the option of the holders into 7% Preferred stock, interest and dividends to be adjusted, each share of which Preferred stock shall be accompanied by Purchase Warrants entitling the holder thereof to acquire two shares of Class "A" no par Common stock at $25 per share to Dec. 31, 1929; thereafter at $27.50 to Dec. 31, 1931; thereafter at $30 to Dec. 31, 1934; and thereafter at $35 to Dec. 31, 1940.

Security—Secured by a direct mortgage on all of the fixed properties of the Corporation in the several states of the United States and Provinces of Canada, (which mortgage covers like after-acquired properties) and a direct lien on 100% of all indebtedness (except current indebtedness not in excess of current assets) and capital stocks (except minority shares not to exceed in any instance 5% of the total outstanding stocks) of subsidiaries, as defined in the mortgage, subject only in each instance to the indebtedness created under the First Mortgage, consisting of $4,000,000 of the First Mortgage Twenty-Year 5½% Gold bonds, Series of 1948 and indebtedness which may be hereafter created under said First Mortgage. As recently appraised by independent engineers, the properties have a sound depreciated value in excess of $7,100,000.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Refund of Minnesota personal property taxes not to exceed 3 mills, Vermont, Pennsylvania, Connecticut, Kansas and California personal property taxes not to exceed 4 mills, Maryland personal property taxes not to exceed 4½ mills, Kentucky, Michigan and District of Columbia personal property taxes not to exceed 5 mills, and Massachusetts income tax not to exceed 6% to resident holders upon timely and proper application.

Legal Opinion—Pam & Hurd, Chicago, Ill.

Original Offering—First publicly offered ($1,500,000) in May, 1928, at 98 and accrued interest yielding about 6.25%, by George M. Forman & Co., and Yeager, Young & Pierson, Inc.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Operating revenue	$1,241,710
Miscellaneous revenue	12,309
Total	$1,254,019
Direct operating expenses	580,964
Maintenance	79,174
Taxes	78,945
Depreciation	44,997
Net earnings	$469,939
Interest on bonds	310,000
Preferred dividends	105,000
Common dividends	37,200
Surplus for year	$17,739

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$8,008,550
Stocks owned	418,499
Material & supplies	86,003
Cash	43,396
Notes receivable	2,580
Accounts receivable	145,692
Other current assets	299,738
Unadjusted debits	41,512
Deferred debit items	801,098
Total	$9,847,068
Liabilities—	
Common stock (no par)	$1,042,287
Preferred stock	1,500,000
Funded debt	5,500,000
Notes payable	188,353
Accounts payable	194,575
Interest accrued	43,489
Other current liabilities	41,114
Reserve for taxes	38,665
Deferred credit items	286,521
Reserve for depreciation	1,010,780
Miscellaneous reserves	1,284
Total	$9,847,068

Officers: R. J. Andrus, Pres.; J. S. Dales, V-P.; P. V. Mabry, V-P.; H. E. McGinty, Sec. & Treas.; H. L. Dell, Asst. Sec.; E. C. Condit, Asst. Treas.; H. F. Welch, Compt., Minneapolis, Minn.

Directors: R. J. Andrus, J. S. Dales, P. V. Mabry, H. L. Dell, E. C. Condit, H. F. Welch, H. B. Farley, Minneapolis, Minn.

General Office, 826 2nd Avenue South, Minneapolis, Minn. **Corporate Office,** Globe, Ariz.

BAKER COUNTY POWER COMPANY

(Controlled by Public Utilities Consolidated Corporation)

History and Business—Incorporated in Georgia. Furnishes electrical energy at wholesale, under contracts, to the municipally owned properties at Newton, Norman Park, Sales City, Camilla, Doerun and Moultrie, Ga. Also serves the larger customers retail in these same cities. Connection with the Southern Georgia Power Company is available to this Company for emergency purposes. Property includes a hydro-electric generating station near Newton, Georgia, and leased steam plants at Moultrie and Camilla. The combined generating capacity of the plants now owned is 2,712 k.v.a. The various communities served are linked together by 53 miles of transmission line operating at 44,000 volts.

As of December, 1927, Company was acquiring the electric and water property at Edison, the electric, water and ice property at Arlington, and the electric distribution system at Damascus. Additional transmission lines will connect the newly acquired properties of Company to its hydro-electric generating station and transmission system. Electric service will be supplied to six additional communities through which these lines will pass.

Total population of the communities served is in excess of 30,000.

CAPITAL STOCK

Outstanding, $450,000, represented by shares of no par value.

FUNDED DEBT

(1)

$500,000 FIRST MORTGAGE TWENTY-YEAR 6% GOLD BONDS; DUE SEPTEMBER 1, 1947

Dated September 1, 1927.

Interest Payable March and September 1, at National Bank of the Republic, Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—National Bank of the Republic, Chicago, Ill. Arthur J. Baer, Chicago, Ill., Co-Trustee.

Provisions of Issue—Issued, Series "A", $500,000. Additional bonds may be issued only for not exceeding 70% of the cost or fair value at the time of acquisition, whichever is less, of property additions; for refunding bonds issued under this Indenture and underlying bonds if any. Additional First Mortgage bonds may not be issued unless net earnings of the Company, as defined in the Indenture, before depreciation, are not less than 1¾ times the annual interest on all bonds outstanding and proposed to be issued.

Purpose of Issue—Proceeds were used to retire outstanding corporate indebtedness, to acquire the properties at Arlington, Edison and Damacus, and to complete transmission lines under construction and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice at 105 and accrued interest on or before Oct. 1, 1940, and thereafter at 102½ and accrued interest.

Sinking Fund—The Company agrees to deposit with the Trustee on the first of September, 1929, and yearly thereafter to 1935 an amount of cash equal to 1% of the bonds outstanding, and in the years 1936 to 1946 both included, cash in the amount of 2% of the bonds outstanding.

Security—Bonds are the direct obligation of the Company and are secured by a first mortgage on all the plants, property and franchises now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Any property taxes (other than succession or inheritance taxes) not exceeding five mills per annum and to residents of Massachusetts all income taxes not in excess of 6% of the interest

paid in any year, refunded to resident holders upon request within 60 days after payment.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($500,000) in Nov., 1927, at 99½ and interest, to yield over 6% by Davis, Longstaff & Co., Paul C. Dodge & Co., Chicago, etc., and Howard F. McCandless & Co., San Francisco, etc.

(2)

$150,000 ONE-YEAR 5% GOLD NOTES; DUE DECEMBER 1, 1928

Dated December 1, 1927.

Interest Payable March and September 1, at National Bank of the Republic, Chicago, Ill.

Denominations—$500 and $1,000; principal may be registered.

Trustee—National Bank of the Republic, Chicago, Ill.

Purpose of Issue—Proceeds were used to retire outstanding corporate indebtedness, to acquire additional properties, to complete transmission lines under construction and for other corporate purposes.

Callability—Subject to call as a whole or in part on 30 days' notice at par and interest.

Security—Notes are the direct obligation of the Company, junior to the $500,000 First Mortgage Twenty Year 6% Gold bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. California, Connecticut and Pennsylvania property taxes not exceeding 4 mills per annum; Iowa and Nebraska property taxes not exceeding 6 mills per annum and Massachusetts income tax not in excess of 6% of the interest paid in any year, refunded to resident holders upon request.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($150,000) in Nov., 1927, at 99 and interest to yield 6% by Davis, Longstaff & Co., Paul C. Dodge & Co., Inc., Chicago, etc., and Howard F. McCandless & Co., San Francisco, etc.

Officers and Directors: Not reported.

General Office, Camilla, Ga. **Executive Office,** 826 2nd Avenue South, Minneapolis, Minn.

ROSEVILLE WATER CO.

History and Property—Incorporated in 1912 in Cal. Organized in 1907. Furnishes water to Roseville, Cal., serving population of about 4,500. The company receives ample water supply under favorable contract from Pacific Gas & Electric Co., in addition to which it has an auxiliary a well with a flow of 1,300 gallons per minute. It has a reservoir with an impounding capacity of 12,000,000 gallons and a fire reservoir impounding 2,000,000 gallons.

CAPITAL STOCK

Authorized, $200,000; outstanding, $100,300.

FUNDED DEBT

In October, 1926, the California Railroad Commission authorized Company to issue and sell, on or before June 30, 1927, at not less than 91% of face value, plus accrued interest, $180,000 of its 6½% bonds, due 1951. and use to the proceeds to retire certain bonds and to pay outstanding indebtedness.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$43,067	$40,078	$37,795
Oper. exp., taxes & deprec.	31,094	32,147	28,839
Net earnings	$11,973	$7,931	$8,956
Other income	226	2,530	2,352
Total income	$12,199	$10,461	$11,308
Bond interest	6,726	6,000	6,000
Other interest	.....	.....	125
Other charges	1,771	.....	21
Total charges	$8,497	$6,000	$6,146
Surplus for year	$3,702	$4,461	$5,163

Officers and Directors: Not reported.

General Office, Roseville, Cal. **Executive Office,** 826 2nd Avenue South, Minneapolis, Minn.

CENTRAL MENDOCINO COUNTY POWER COMPANY

History and Property—Incorporated March 22, 1922, in Cal.; successor to The Willits Water & Power Co. Furnishes electricity and water to Willits, Cal. Miles of transmission lines, 15; distribution lines, 18; water mains, 10. Franchise expires March, 1953. Population served (approximate), 2,500. No. of meters: Electric, 580; water, 395. Annual sales, electricity, 425,000 k.w.h.; water, 75,000,000 gallons. Prices: Electricity, 12½ cts. to 2¾ cts. per k.w.h.; water, 25 cts. to 10 cts. per 100 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $125,000 Common and $75,000 7% cumulative Pfd; par of both issues, $1. Annual meeting, first Monday in April. Pfd. dividends are paid quarterly J, A, J & O 1; Common dividend of 3% paid in 1923; none since. Pfd. stock is not subject to redemption; has equal voting power with Common.

FUNDED DEBT

$141,000 First Mortgage Sinking Fund 6½% Gold bonds; dated June 1, 1923; due June 1, 1953; int. June and Dec. 1, at American Trust Co., San Francisco, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $150,000. The unissued bonds may be issued to extent of 75% of actual cost of permanent additions and extensions provided that consolidated net earnings for the twelve preceding months shall have been not less than twice the interest charges on bonds outstanding.

Subject to call on or prior to June 1, 1928, at 110; 1933, at 108; 1938, at 106; 1943, at 104; 1948, at 102 and 1953, at par. Sinking fund of $1.78 per each $100 of issued bonds, payable annually to trustee. A first lien on entire property. Legal for savings banks in California. Free from personal property tax in California. Company pays Normal Federal Income Tax up to 2%. First publicly offered ($100,000) in Sept., 1923, at 98 and interest to yield 6.68% by Bradford, Kimball & Co., San Francisco.

Legal Opinion—Morrison, Dunn & Brobeck, and Rufus Hatch Kimball, San Francisco (for the bankers), and Frank W. Taft (for the Company).

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$42,869	$42,931	$43,513
Oper. exp. & taxes	24,385	23,163	18,774
Depreciation	8,739	6,881	7,350
Net earnings	$9,746	$12,887	$27,389
Other income	2,006	1,334	892
Total income	$11,752	$14,221	$28,281
Bond interest	9,196	7,588	7,213
Other fixed charges	3,472	2,628	8,286
Depreciation reserve	.....	.....	2,151
Total charges	$12,668	$10,216	$17,650
Balance for dividends	†$916	$4,005	$10,631
Preferred dividends	.....	4,670	3,500
Deficit for year	$916	$675	*$7,131

*Surplus. †Deficit.

Officers and Directors: Not reported.

General Office, Willits, Cal. **Executive Office,** 826 2nd Avenue South, Minneapolis, Minn.

UTAH VALLEY GAS & COKE COMPANY

History—Incorporated Jan. 26, 1915, in Utah, and is the successor to Utah Valley Gas & Power Co. Franchises: Provo franchise expires in 1938; Springville and Spanish Fork, in 1966. Supplies Provo, Springville, and Spanish Fork, Utah, serving population of over 24,000. Beginning with January, 1925, the Company ceased manufacturing its own gas and began the distribution of gas purchased from the Columbia Steel Corporation, of Provo, Utah. Annual output of gas about 70,000,000 cu. ft. No. of meters, 2,252.

CAPITAL STOCK

Authorized, $500,000 Common and $400,000 8% cumulative Pfd.; outstanding, $150,000 Common, par. $100, and $107,050 Pfd.; par $50. Preferred stock has preference for assets and dividends and is subject to redemption. Annual meeting, third Thursday in January.

Dividends—Regular dividends paid on Pfd. stock up to Dec. 31, 1926. None paid on Common.

FUNDED DEBT

$184,800 FIRST MORTGAGE SINKING FUND 6s; DUE MARCH 1, 1935

Dated March 1, 1915.

Interest Payable March and September 1, at P. W. Brooks & Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized, $500,000; outstanding $184,800.

Callability—Subject to call after Feb. 1, 1920 at 105.

Sinking Fund—Sinking fund of 1% from March 1, 1921 to March 1, 1927, thereafter 2%, to be applied in the purchase of outstanding bonds at not over 105 and interest; if not obtainable at above price, bonds may be **redeemed by lot for sinking fund.**

Security—Secured by a first mortgage on entire property, rights and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925
Gross revenue	$68,955	$69,074
Operating expenses and taxes	27,326	27,879
Net revenues	$41,629	$41,195

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Plant, equipment, etc.	$790,525	$745,648	$676,736
Materials and supplies	12,258	16,250	15,021
Accounts receivable	50,000	53,598	45,799
Cash	3,822	6,766	5,390
Total	$856,605	$822,261	$742,946
Liabilities—			
Capital stock	$257,050	$254,700	$226,650
Funded debt	467,600	446,900	349,000
Accounts and notes payable	40,831	35,295	93,188
Interest, wages, accruals	6,871	9,142	9,338
Reserve for deprec., etc.	8,750	5,000	3,095
Surplus	75,503	71,224	61,675
Total	$856,605	$822,261	$742,946

Officers and Directors: Not reported.

General Office, Provo, Utah. **Executive Office,** 826 2nd Avenue, South Minneapolis, Minn.

INDIANA CENTRAL TELEPHONE COMPANY

(Controlled by Central Telephone Co.)

History and Property—Incorporated in Delaware. Owns the entire capital stock (except directors' qualifying shares) of the **Fayette Telephone Company,** and 83% of the Common stock of the **Home Telephone Company of Elkhart County.** Furnishes telephone service, without competition, through its subsidiaries, to Elkhart, Goshen, Wakarusa, Middlebury and Connersville, Indiana. The combined population of the communities served and the adjacent rural areas is estimated to be in excess of 100,000. The system comprises 5 exchanges, operating 14,590 stations exclusive of connections. The principal properties of the subsidiaries have been in continuous successful operation for over 30 years and cordial public relations have been established. By means of interconnections with the Bell Telephone system and with independent companies, through contract, subscribers are provided with a nation-wide service.

CAPITAL STOCK

Authorized, 10,000 shares Common stock of no par value; outstanding, 5,000 shares. Stock control is held by Central Telephone Co. In addition to above, $107,400 Pfd. stock and 15.9727% of the Common stock of a subsidiary company are outstanding in the hands of the public. The subsidiary companies are entirely free of funded debt.

FUNDED DEBT

$1,400,000 FIRST LIEN COLLATERAL TEN-YEAR 5½% GOLD BONDS, SERIES 1928; DUE MAY 1, 1938

Dated May 1, 1928.

Interest Payable May and November 1, at Central Trust Company of Illinois, Chicago, or The Chase National Bank of the City of New York.

Denominations—Coupon bonds in interchangeable denominations of $500 and $1,000; principal may be registered.

Trustee—Central Trust Company of Illinois, Chicago.

Provisions of Issue—The Trust Agreement provides that additional bonds of any series may be issued by the Company for not exceeding 80% of the cash cost or fair value, whichever is the lesser, of acquiring new subsidiaries or of additions, improvements, betterments, extensions and additional properties acquired by subsidiaries; provided that earnings applicable to interest on bonds issued under the Trust Agreement on the basis of a consolidated statement, for a period of twelve consecutive months out of the preceding fifteen months shall have been at least twice the annual interest charges on all bonds then outstanding and proposed to be issued under the Trust Agreement; all as more fully defined and stated in the Trust Agreement. Additional bonds may also be issued against the deposit of cash and for refunding refundable securities as provided in the Trust Agreement. Additional bonds may have such rates of interest, dates, maturities, redemption provisions and other distinguishing features and provisions as may be determined by the Board of Directors of the Company.

Callability—Subject to call at option of the Company as a whole, or in part by lot, on any interest date, on 30 days' published notice, at 102½ up to and including May 1, 1929, and thereafter at ½% less for each succeeding year or portion thereof up to and including May 1, 1933, and thereafter at 100, plus accrued interest in each case.

Maintenance and Renewal Fund—The Trust Agreement provides that during each calendar year, the Company shall expend or cause to be expended by its subsidiaries an amount not less than 20% of the consolidated gross operating income for the preceding calendar year for (a) maintenance, renewals, and replacements; (b) the acquisition of new subsidiaries and additions and improvements not made the basis for the issuance of additional bonds; or (c) the redemption or purchase of bonds outstanding under the Trust Agreement and/or other refundable securities; all as more fully stated and defined in the Trust Agreement.

Security—Secured by a first lien upon all of the outstanding capital stock (except directors' qualifying shares), of the Fayette Telephone Company serving Connersville, and upon not less than 83% of the Common stock of the Home Telephone Company of Elkhart Co., serving Elkhart, Goshen, Wakarusa and Middlebury. The securities representing such outstanding stock have been deposited and pledged with the Trustee under the Trust Agreement. The Trust Agreement provides that no additional capital stock (except stock dividends when there is to be deposited and pledged with the Trustee the portion of said stock dividends allocable to the shares then held by the Trustee), bonds or indebtedness other than current indebtedness and indebtedness incurred in refunding existing indebtedness may be issued by any of the Company's present subsidiaries, unless such stock, bonds and indebtedness shall forthwith be pledged with the Trustee as additional security for the bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund to holders of these Series 1928 bonds, upon proper and timely application, Connecticut, Pennsylvania and California Personal Property Taxes not exceeding 4 mills per annum each, Maryland Securities Tax not exceeding 4½ mills per annum, District of Columbia and Kentucky Personal Property Taxes not exceeding 5 mills per annum each and Massachusetts Income Tax not exceeding 6% per annum on the interest.

Legal Opinion—Chapman & Cutler, Chicago (for the Company) and Ghent, Dobyns & Freeman (for the Bankers).

Original Offering—First publicly offered ($1,400,000) in May, 1928 at 99 and interest, yielding about 5.63% by Hambleton & Co., Inc. Patterson. Copeland & Kendall, Inc. and Hayden, Van Atter & Schimberg, Inc.

***CONSOLIDATED EARNINGS, YEAR ENDED DECEMBER 31, 1927**

Gross revenues	$420,705
Operating expenses, maintenance and taxes (other than Federal income)	220,972
Net earnings	$199,733
Annual Pfd. stock dividend requirements and minority Common stock interest of a subsidiary	31,548
Net income available for interest, depreciation and Federal taxes	$168,185
Annual bond interest requirement (present issue)	77,000

*Consolidated earnings of the operating subsidiaries (including earnings of the present subsidiaries for the full period, irrespective of the date of acquisition) for the year ended Dec. 31, 1927, after adjustments to eliminate certain non-recurring charges and after giving effect for the full year to a rate increase granted and in effect since Oct. 1, 1927.

Officer: Charles R. Hurmence, V-P., Elkhart, Ind.
General Office, Elkhart, Ind.

NORTHWESTERN PUBLIC UTILITIES, INC.

History and Property—Incorporated Nov. 3, 1925, in Delaware; successor by change of name to Minnesota Hydro-Electric Co. Owns entire capital stock of **Northwestern Utilities Corp.** and **Western Wisconsin Power Co.** Owns and operates without competition 20 communities in a territory within a radius of 200 miles of Minneapolis, Minn. the principal towns being Pine River, Mapleton, Grey Eagle, and Parkers Prairie. Population served about 15,000. Miles of transmission lines, 300. Number of meters, 2,026. Annual sales, electricity, approximately 2,000,000 k.w.h. Property consists of a hydro-electric development at Pine River, Minn. In addition to its generating equipment, the Company has other sources of power through wholesale power purchase contracts with the Northern States Power Company and the Minnesota Power & Light Co.

CAPITAL STOCK

Authorized, 5,000 shares Common stock of no par value and $1,000,000 7% cumulative Pfd., par $100; outstanding, 5,000 shares Common and $100,000 Pfd.

Preferred Stock Provisions—The Pfd. stock has preference over Common as to assets and cumulative dividends. Subject to redemption at the option of the Company at $110 per share and accrued dividends. No additional shares may be issued unless: (1) All accrued dividends shall have been paid; (2) the net earnings of the corporation applicable to dividends for a period of 12 consecutive months within the 15 calendar months immediately preceding shall have been at least equal to 1½ times the aggregate amount of the annual dividends on Pfd. shares then outstanding or to be issued. The holders of these Pfd. shares shall be entitled to vote with the Common stockholders when and if any portion of the dividends are in arrears for 24 successive months, and such holders may vote as a class to elect and keep in office a majority of the Board of Directors so long as such accrued dividends remain unpaid.

Callability—Pfd. stock is subject to redemption at option of Company at $110 per share and accrued dividends.

Legal Opinion—Junell, Dorsey, Oakley & Driscoll, Minneapolis, Minn.

Annual Meeting—Second Tuesday in January at Minneapolis, Minn.

Dividends—Pfd. dividends payable quarterly, J, A, J & O 1; regularly paid since issuance in June, 1926.

FUNDED DEBT

$350,000 (ENTIRE ISSUE) ONE YEAR 5% GOLD NOTES, SERIES "A"; DUE JANUARY 1, 1929

Dated January 1, 1928.

Interest Payable January and July 1 at Chicago Trust Co., Chicago, Ill.

Denominations—Coupon, $500 and $1,000.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Issued, Series "A," $350,000. Additional notes maturing not earlier than the Series "A" notes, having different terms, are issuable under the trust agreement from time to time provided the annual net earnings of the Company as defined in the trust agreement have been at least 1¾ times the annual interest charges on all notes outstanding, including the additional issue.

Purpose of Issue—Proceeds were used in part for the acquisition of properties, to reimburse the Company for capital expenditures and for other corporate purposes.

Callability—Subject to call at any time on 30 days' notice at 100 and interest.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the Company. Under the terms of the trust agreement the Company covenants that no funded indebtedness secured by liens on the present property of the Company will be created unless these notes are either retired or equally secured, and that no funded indebtedness other than additional notes issuable under the terms of the trust agreement will be created by the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($350,000) in January, 1928, at 99 and interest to yield 6%, by F. N. Kneeland & Co. and First Illinois Co., Chicago.

INCOME ACCOUNT, YEAR ENDED OCTOBER 31, 1927

Gross earnings	$94,580
Operating expenses, maintenance and taxes (exclusive of Federal taxes)	56,081
Net earnings	$38,499
Annual interest requirement on One Year 5% Gold notes	17,500
Balance available for depreciation and dividends	$20,999
Preferred stock dividend requirements	7,000

Officers: E. A. Stewart, Pres., Minneapolis, Minn.; P. L. Thoren, V-P., Chicago, Ill.; R. B. Nelson, V-P.; J. H. Wendel, Sec., Minneapolis, Minn.; R. M. Fisher, Treas., Chicago, Ill.; A. O. Olson, Aud. & Asst. Treas., Minneapolis, Minn.

Directors: E. A. Stewart, R. B. Nelson, J. H. Wendel, A. O. Olson, Minneapolis, Minn.; P. L. Thoren, R. M. Fisher, Chicago, Ill.

General Office, 554 McKnight Bldg., Minneapolis, Minn.

GREAT WESTERN UTILITIES CORPORATION

History—Incorporated Jan. 25, 1928 in Del. Company owns a controlling interest in the following companies: Minnesota Southern Telephone Company, Imperial Utilities Corporation, Bear Valley Utility Company (see statements appended) and The Harbor City Water Company. Through its subsidiaries the Company furnishes electric light, power, telephone and water services to a group of communities

in California adjacent to Los Angeles, and telephone service to 22 cities in Minnesota. The total population served is estimated in excess of 100,000 with more than 10,500 customers. The water distribution systems comprise over 90 miles of mains.

The Harbor City Water Company furnishes water service, without competition, to Harbor City, Cal.

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value and $1,000,000 7% First Pfd., par $100; outstanding, 5,000 shares Common and $352,300 7% First Pfd.

FUNDED DEBT

$600,000 FIRST LIEN AND COLLATERAL TRUST 6% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1933

Dated March 1, 1928.

Interest Payable March and September 1 at Des Moines National Bank, Des Moines, or at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; interchangeable; principal may be registered.

Trustee—Des Moines National Bank, Des Moines.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A", $600,000. Additional bonds of any series may be issued by the Corporation for not exceeding 75% of the cash cost or fair value, whichever is lesser, of acquiring new subsidiaries (as such subsidiaries are defined in the Indenture), or of additions, improvements, betterments, extensions and additional properties acquired by subsidiaries; provided that earnings applicable to interest on bonds issued under the Indenture, on the basis of a consolidated statement, for a period of twelve consecutive months out of the preceding fifteen months shall have been at least twice the annual interest charges on all bonds then outstanding and proposed to be issued under the Indenture. Additional bonds may also be issued against the deposit of cash and at par for par for refunding purposes. Additional bonds may have such rates of interest, dates, maturities, redemption provisions and other distinguishing features and provisions as may be determined by the Board of Directors of the Corporation.

Purpose of Issue—The proceeds of this issue were used in part for the acquisition of properties, to retire indebtedness and for other corporate purposes, or to reimburse the Corporation for such expenditures.

Callability—Subject to call as a whole or in part on the first day of any calendar month after 30 days' notice at a premium of ½ of 1% for each year or the unexpired portion thereof until maturity.

Sinking Fund—None provided.

Security—Bonds are the direct obligation of the Corporation and are secured by a first lien upon all of the outstanding capital stock of the Corporation's subsidiaries with the exception of the Bear Valley Utility Company, whereof 84.2% of the stock is pledged. The Indenture provides that no additional capital stock, bonds, or other indebtedness, other than current indebtedness, may be issued by any of the Corporation's subsidiaries unless said stock, bonds and indebtedness shall forthwith be pledged as additional security for the bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Corporation covenants to refund upon application within 60 days after payment of tax of any state, personal property or income tax (not to exceed $5.00 per $1,000 bond per annum) which the holder may be required to pay by reason of the ownership of the bonds.

Legal Opinion—Gibson, Dunn & Crutcher, Los Angeles; Sargent, Gamble & Read, Des Moines and Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($600,000) in March, 1928 at par and interest, by E. H. Ottman & Co., Chicago, Metcalf, Cowgill & Co., Des Moines; Walker D. Hanna & Co., Burlington, Iowa; Smith, Landeryou & Co., Omaha, Neb. and Fidelity National Co., Kansas City, Mo.

CONSOLIDATED EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$297,103
Operating expenses, maintenance and prior charges of subsidiaries	214,028
Balance	$83,075

Officer: Frank A Daugherty, Pres.

General Office, 221 Equitable Bldg., Des Moines, Iowa.

BEAR VALLEY UTILITY COMPANY

(Controlled by Great Western Utilities Corp.)

History and Property—Incorporated July 21, 1921, in Cal. Operates electric and telephone properties, serving the Big Bear Lake territory, and has under construction a water system to supply territory on the south side of the lake. Electric current purchased from the Southern Sierras Power Co. and distributed by the company over 9½ miles of its own transmission lines and approximately 17 miles of distribution lines.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Great Western Utilities Corporation owns a controlling interest in the stock.

FUNDED DEBT

$197,500 First Mortgage Sinking Fund Gold 7s, Series "A"; dated Sept. 1, 1924; due Sept. 1, 1944; interest March and Sept. 1, at Farmers & Merchants National Bank, Los Angeles, Cal., Trustee. Coupon and registered bonds in denominations of $500 and $1,000.

Provisions of Issue—Authorized issue, $500,000. Bonds in addition to the $197,500 Series "A" may be issued to the extent of 60% of the cost of permanent additions acquired or constructed by the company, provided net earnings for a period of twelve consecutive months out of the fourteen months next preceding the time at which the application for the authentication and delivery of new bonds is made, are at least two times the annual interest charges on all First Mortgage bonds outstanding, including those to be issued.

Callability—Subject to call as a whole or in part on 60 days' notice on any interest date at 105.

Sinking Fund—Sinking fund payable on or before Sept. 1 of each year, noted below, the following percentages of the maximum amount of First Mortgage Bonds at any time issued; 1926 to 1930, 2%; 1931 to 1935, 3%; 1936 to 1940, 4%; 1941 to 1944, 5%. This fund will be used by the trustee to purchase bonds in the open market or redeem them by lot at 105. The company has the privilege however, of applying 35% of the amount of the sinking fund for betterments or extensions to its properties.

Security—Secured by a direct first mortgage on all real estate, plants, franchises, transmission lines, and all other properties of the company, now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from the personal property tax in California.

Legal Opinion—Gibson, Dunn and Crutcher, Los Angeles and McNab and Hodge, San Bernandino, Cal.

Original Offering—First publicly offered ($110,000) in March, 1925, at 100 and accrued interest to yield 7% by G. Brashears & Co., Los Angeles.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$50,047	$49,835	$47,209
Operating expenses, taxes and depreciation	36,878	40,394	33,454
Net income	$13,169	$9,441	$13,755
Other income	131	40	.....
Total income	$13,300	$9,481	$13,755
Interest, rentals, etc.	15,459	11,012	3,384
Deficit after charges	$2,159	$1,531	*$10,371
Dividends	.....	.....	7,348
Deficit after dividends	$2,159	$1,531	*$3,023

*Surplus.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and equipment	$350,720	$302,490	$266,625
Investments	.....	2,269	.....
Materials and supplies	2,413	6,975	7,949
Cash	4,650	2,744	1,311
Notes and accts. receivable	14,753	10,764	7,989
Unadjusted debits	4,777	7,758	5,273
Deferred debit items	36,010	27,212	22,313
Total	$413,323	$360,212	$311,460
Liabilities—			
Capital stock	$100,000	$100,000	$100,000
Funded debt	197,500	174,500	110,000
Notes and accounts payable	22,100	33,030	60,287
Interest accrued	4,643	4,140	2,844
Other current liabilities	5,229	1,763	11,354
Unadjusted credits	52,264	.....	12,303
Deferred credits	.....	24,319	.....
Reserve for depreciation	27,259	17,693	9,641
Profit and loss surplus	4,328	4,766	5,032
Total	$413,323	$360,212	$311,460

Officers: Frank A. Daugherty, Pres.; J. C. Daugherty, V-P.; A. L. Kent, Sec. & Treas., Los Angeles, Cal.

General Office, Pine Knot, Cal.

IMPERIAL UTILITIES CORPORATION

(Controlled by Great Western Utilities Corporation)

History—Company supplies the domestic and industrial water requirements in Wilmar, Niland, Calipatria and Barstow, Cal.; also supplies ice in Barstow. It has 50 miles of distributing mains, 2,581 service connections and serves a population of 8,800. The water supply available to the Company is adequate to its present needs and for the normal future growth of the Company during the life of its First Mortgage bonds, due 1947. Company operates under franchises issued by the various counties in which it does business. Total depreciated value of property, as appraised, $355,161.

CAPITAL STOCK

Authorized, $100,000; outstanding, $50,000 all owned by Great Western Utilities Corp.

FUNDED DEBT

$125,000 FIRST MORTGAGE 6% SINKING FUND GOLD BONDS, SERIES "A"; DUE JANUARY 1, 1947

Dated January 1, 1927.

Interest Payable January and July 1, at Citizens Trust & Savings Bank, Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Citizens Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized, $350,000; outstanding, $125,000. Additional bonds may only be issued for 70% of the actual cost or value of additions or betterments.

Purpose of Issue—Issued to provide funds for the acquisition and construction of improvements and additions to the property and for other corporate purposes.

Callability—Subject to call on any interest date at 103 and interest.

Sinking Fund—A sinking fund is provided whereby Company is to set aside annually a sum of money equal to an amount ranging from 2% of the issue in 1931 to 3% beginning 1941 to maturity. One-half of this fund may be used for permanent improvements, the balance for retirement of this issue.

Security—Secured by a first mortgage on the properties of Company now owned or hereafter acquired. Properties have been appraised by Olmsted and Gillelen, civil engineers, and with the additions provided from proceeds of these bonds will show total depreciated value of $355,161.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Tax in California.

Legal Opinion—Chapman and Chapman, Los Angeles (for the Company), and Gibson, Dunn & Crutcher, Los Angeles (for the Bankers).

Original Offering—First publicly offered ($125,000) in May, 1927, at par and interest, by Stevens, Page & Sterling, Los Angeles, Cal.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$120,218	$119,595	$106,529
Oper. expenses & taxes	62,943	67,899	65,570
Net revenue	$57,275	$51,696	$40,959
Bond interest	7,605	7,500	.....
Depreciation	18,007	16,805	.....
Net profits	$31,663	$27,391	.....

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, rights and franchises	$363,786
Current assets	38,169
Deferred charges	13,136
Total	$415,091
Liabilities—	
Common stock	$50,000
Funded debt	125,000
Current liabilities	19,352
Reserves	62,946
Donations in aid of construction	22,385
Deferred liabilities	76,298
Surplus	59,110
Total	$415,091

Officers: Frank A. Daugherty, Pres.; J. E. Daugherty, V-P.; A. L. Kent, Sec. & Treas., Los Angeles, Cal.

General Office, Los Angeles, Cal.

MINNESOTA SOUTHERN TELEPHONE COMPANY

(Controlled by Great Western Utilities Corp.)

History and Property—Owns and operates a telephone system in southern Minnesota and Northern Iowa, serving Slayton, Edgerton, Iona, Currie, Lake Wilson, Balaton, Avoca, Chandler, Hadley, Wirock, Dovray, Truman, Lewisville and Sherburn, Minn. and Holstein and Cushing, Iowa. Population of territory served, nearly 45,000. The properties of the Company include exchanges in 11 towns, 9 of which are in cable; over 1,800 miles of pole lines, 15 miles of overhead and underground cable; 250 miles of toll lines and more than 5,000 miles of wire. Number of stations, 4,225.

CAPITAL STOCK

Outstanding, 1,000 shares Common of no par value and $100,000 Pfd., Class "A," par $100. All owned by Great Western Utilities Corp.

FUNDED DEBT

(1)

$130,000 THREE-YEAR 6% FIRST MORTGAGE GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1929

Dated December 1, 1926.

Interest Payable June and December 1.

Denominations—Coupon, $500 and $1,000.

Trustee—Des Moines National Bank, Des Moines.

Provisions of Issue—Issued, $130,000 Series "A" and $150,000 Series "B." Additional bonds may be issued under the mortgage with the following restrictions: (a) For the purpose of refunding any bonds of this issue or bonds on properties that may be purchased; (b) for 75% of the cost or fair value of extensions, equipment and improvements, betterments, additions and/or acquired property, but then only provided net earnings (as defined in the mortgage) of the Company and of the property to be acquired, for twelve consecutive months within the fifteen months immediately preceding the date of application for issuance of bonds are at least equal to one and three-quarters times annual interest charges on all outstanding bonds, including those to be issued. These bonds may be issued

in series, each series bearing such interest rates, dates and maturity as the Board of Directors may determine.

Callability—Subject to call as a whole or in part on 30 days' notice at 100 and interest.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on all of the land, buildings and equipment of the Company.

Tax Provisions—Iowa personal property taxes (other than succession or inheritance taxes) not in excess of 6 mills refunded.

Original Offering—First publicly offered ($130,000) in Dec., 1926, at 100 and interest by Metcalf, Cowgill & Co. and James A. Cummins & Co., Des Moines.

(2)

$150,000 TEN-YEAR 5½% FIRST MORTGAGE GOLD BONDS, SERIES "B"; DUE AUGUST 1, 1937

Dated August 1, 1927.

Interest Payable February and August 1.

Denominations—Coupon, $500 and $1,000.

Trustee—Des Moines National Bank, Des Moines, Iowa.

Provisions of Issue, Security, Etc.—See Three-Year 6% Bonds, Series A (paragraph 1).

Purpose of Issue—Proceeds were used for the completion of the acquisition of property and for extensions, additions and betterments thereto, and for other corporate purposes.

Callability—Subject to call as a whole or in part, on 30 days' notice at 100 and interest.

Sinking Fund—A supplementary Indenture covering the Series "B" 5½% First Mortgage Gold bonds, due 1937, provides that the Company will pay to the Trustee as a sinking fund for the Series "B" bonds, on or before the first day of February in each year beginning Feb. 1, 1929, to and including Feb. 1, 1937, an amount equal to 2% of the amount of the Series "B" 5½% bonds outstanding on the next preceding Dec. 31, to be applied in the purchase and/or redemption of Series "B" bonds at not exceeding the redemption price. Payments to the sinking fund may be made in cash and/or in Series "B" bonds to be taken at cost to the Company or at the redemption price, whichever shall be lower.

Maintenance and Renewal Fund—The supplementary Indenture provides that during each calendar year, the Company shall expend an amount not less than 10% of the consolidated gross operating income for the preceding calendar year for (a) maintenance, renewals, and replacements; or (b) the acquisition of new properties and additions and improvements not made the basis for the issuance of additional bonds; or (c) the redemption or purchase of Series "B" bonds outstanding under the Indenture and/or other refundable securities; all as more fully to be stated and defined in the supplementary Indenture.

Tax Provisions—Iowa and Nebraska personal property taxes (other than succession or inheritance taxes) not in excess of 6 and 5 mills respectively, refunded to resident holders upon proper and timely application to the Company.

Legal Opinion—Sargent, Gamble & Read, Des Moines.

Original Offering—First publicly offered ($150,000) in Sept., 1927, at 97 and interest to yield 5.90% by Metcalf, Cowgill & Co., Des Moines, Iowa.

(3)

$100,000 ONE-YEAR 5½% GOLD NOTES; DUE AUGUST 15, 1928

Dated August 15, 1927.

Interest Payable February and August 15.

Denominations—Coupon, $500 and $1,000.

Trustee—Des Moines National Bank, Des Moines, Iowa.

Provisions of Issue—Authorized and issued, $100,000. Proceeds were used to complete the acquisition of property and for extensions, additions and betterments thereto, and for other corporate purposes.

Callability—Subject to call as a whole or in part, on 30 days' notice at 100⅛ and interest.

Security—These notes are direct obligations of the Company. The Indenture under which these notes are issued includes the following covenants by the Company: The Company will not create or permit any mortgages or similar liens upon any of its fixed properties except for its first mortgage and prior liens on after acquired properties to the extent thereby permitted; the Company will not issue, assume or guarantee any bonds, notes or other obligations maturing more than one year after date (except additional bonds issued in accordance with the first mortgage) unless the consolidated net earnings (as defined in the Indenture) of the Company, and of the properties to be acquired for twelve consecutive months within the fifteen months immediately preceding the date of application for issuance of bonds and/or notes, shall have been at least 1½ times annual interest charges on all bonds and notes of the Company, including those proposed to be issued.

Tax Provisions—Iowa and Nebraska personal property taxes (other than succession or inheritance taxes) not in excess of 6 mills and 5 mills respectively, refunded upon proper and timely application to the Company.

Legal Opinion—Sargent, Gamble & Read, Des Moines.

Original Offering—First publicly offered ($100,000) in Sept., 1927, at par and interest, by Metcalf, Cowgill & Co., Des Moines, Iowa.

Officer: H. B. Shoemaker, Pres.

Office, 221 Equitable Bldg., Des Moines, Iowa.

SOUTHERN INDIANA UTILITIES CORPORATION

History and Property—Incorporated in 1927, in Indiana, and acquired gas properties in the southern part of Indiana. Among the properties acquired were Harrison County Gas Co. and Railroaders Gas Co. Company owns the control through leases of gas and oil rights for the entire output of approximately 26,000 acres of land in the gas producing district of Harrison County, Indiana, a small portion of which now has wells with an open flow capacity in excess of 5,000,000 cu. ft. per day. Company serves the towns of Corydon, Laconia and New Middleton (wholesale only), with approximately 43 miles of transmission lines and 25 miles of gathering lines.

CAPITAL STOCK

Authorized, 15,000 shares Common stock of no par value, and $300,000 7% cumulative Pfd., par, $100.

FUNDED DEBT

$150,000 FIRST (CLOSED) MORTGAGE 6% GOLD NOTES; DUE OCTOBER 15, 1930

Dated October 15, 1927.

Interest Payable April and October 15, at the Union Trust Co., Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Chicago, Ill., and Rufus F. Chapin, Chicago, Co.-Trustee.

Provisions of Issue—Authorized and issued, $150,000.

Purpose of Issue—Proceeds were used in part for the acquisition of the properties covered by the mortgage and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 101 and accrued interest.

Sinking Fund—None provided.

Security—Secured by a first closed mortgage covering addition to leases and other intangible properties, all of the tangible property of the Company, including approximately 43 miles of main trunk lines, field gathering lines and distribution systems, etc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Mayer, Meyer, Austrian & Platt, Chicago.

Original Offering—First publicly offered ($150,000) in Oct., 1927, at 98 and interest to yield about 6.75% by J. S. Martin & Co., Chicago, Ill.

EARNINGS, YEAR ENDED SEPTEMBER 30, 1927
(Of properties presently to be owned)

Gross earnings	$66,071
Operating expenses and taxes	28,935
Net earnings before depre., deple. & Fed. taxese	$37,136

Officer: Arthur G. Miller, V-P.
Local Office, Corydon, Ind.

NATIONAL TELEPHONE COMPANY

History and Property—Incorporated in 1893, in Quebec, as the Bellechasse Telephone Company. In 1905 its powers were extended and in 1907, its name was changed to the National Telephone Company by Special Acts of the Provincial Legislature. Company operates a telephone system extending from Lotbiniere, about 40 miles west of Levis, to Matapedia, on the border of the Provinces of Quebec and New Brunswick. Population served about 119,000. No. of exchanges, 28; subscribers, 1906; miles of line 1,950. The company's system connects with those of The Bell Telephone Company of Canada and other telephone companies.

CAPITAL STOCK

Authorized, $3,000,000 Common and $2,000,000 6% cumulative Pfd.; outstanding, $35,620 Common and $426,000 Pfd. Dividends on Pfd. are regularly paid. None reported on Common.

FUNDED DEBT

$225,000 FIRST MORTGAGE SINKING FUND GOLD 6½s, SERIES "A"; DUE JULY 1, 1939

Dated July 1, 1924.

Interest Payable January 2 and July 2, at Banque d'Hochelaga, Quebec, Montreal or Toronto, in Canadian gold coin or its equivalent.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The Royal Trust Company, Montreal.

Provisions of Issue—Authorized amount of Series "A" bonds is $300,000, of which $250,000 issued, $25,000 thereof having been redeemed. In addition to the $50,000 unissued Series "A" bonds, additional First Mortgage bonds of any series, bearing such rate of interest as the directors of the Company may determine, but maturing not later than July 1, 1959, may be issued, ranking pari passu with the $300,000 of 6½% Series "A" bonds, but only to the extent of 66⅔% of the cost or fair value, whichever is less, of additions to the fixed assets of the Company, subsequent to Dec. 31, 1924, provided such additions to fixed assets are not acquired out of the proceeds of the $300,000 of Series "A" bonds above mentioned, and provided that the Company's net earnings for the preceding fiscal year shall have been at the rate of not less than twice the amount of interest charges on bonds then outstanding and those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and accrued interest.

Sinking Fund—The Deed of Trust provides that the Company shall pay to the Trustee annually, commencing July 1, 1925, an amount in cash equal to 3% of the largest amount of bonds issued under this mortgage plus interest on bonds redeemed. Sinking Fund moneys to be used by the Trustee for the purchase of bonds of this issue in the open market at not exceeding 105 and accrued interest, and failing such purchase, for the redemption of bonds by lot at 105 and accrued interest.

Security—Secured by a direct first hypothec, mortgage and charge on all the property of the company, real and personal, present and future, including interests in lands, buildings, plant, leases, patents, apparatus and franchises, now owned or hereafter acquired, and by a floating charge on all the other assets of the company.

Legal Opinion—Louis G. Demers, Quebec (for the company) and McGibbon, Mitchell Casgrain, McDougall & Stairs, Montreal (for the bankers).

Original Offering—First publicly offered ($250,000 Series "A" 6½s) in July, 1924, at 99 and accrued interest, to yield 6.60%, by Royal Securities Corporation, Ltd., Montreal etc.

INCOME ACCOUNT YEARS ENDED DECEMBER 31

(Latest Available)	1926	1925	1924
Gross revenue	$100,345	$97,051	$93,335
Operating & maint. exp.	49,809	48,839	54,418
Net earnings	$50,536	$48,212	$38,917
Interest charges	13,943	14,625	10,884
Net income	$36,593	$33,587	$28,033
Pfd. dividends paid	14,910	12,780	6,390
Surplus for year	$21,683	$1,307	$21,643

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)	1926	1925	1924
Assets—			
Plant and equipment	$709,251	$494,735	$472,086
Real est., etc.	23,209		
Investments	.....	7,000	.....
Materials & supplies	15,544	16,020	15,131
Cash	305	28,151	45,330
Accts. & bills receivable	1,010	924	2,601
Reserve funds	37,000	.....	.....
Other assets	25,704	12,500	.....
Total	$812,023	$559,339	$535,148
Liabilities—			
Preferred stock	$426,000	$213,000	$213,000
Common stock	35,620	17,620	12,620
Funded debt	225,000	225,000	225,000
Accounts payable	3,246	3,246	4,863
Surplus	122,157	100,473	79,665
Total	$812,023	$559,339	$535,148

Officers: A. B. Dupuis, Pres.; Alph. Barry, V-P.; Ernest Beaubien, Gen. Mgr., Sec. & Treas.

Directors: A. B. Dupuis, Alph. Barry, Ls. G. Demers, Gustave Garant, Narcisse Rheaume, Ernest Beaubien.

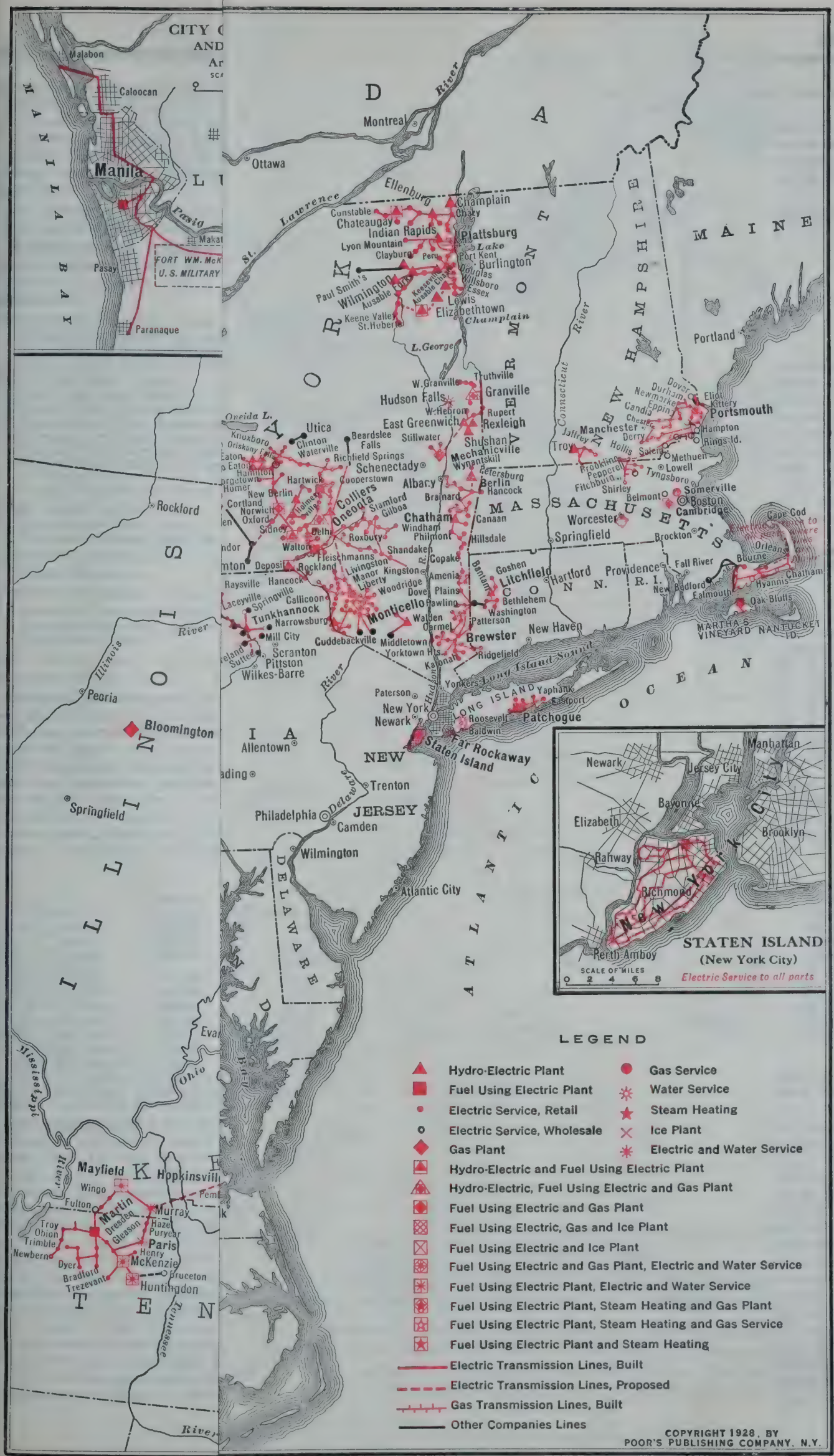
General Office, Levis, Que.

ASSOCIATED GAS AND ELECTRIC COMPANY

(See Accompanying Map)

History—Incorporated March 17, 1906, in New York, as a business corporation to acquire and hold securities of companies operating or controlling public utilities and affiliated enterprises. It is purely an investment company for the purpose of averaging the risks of investors in securities of this class and securing for them the advantages resulting from a large volume of business and a wide market for their securities, as well as benefiting the public by aiding the operating companies in financing, management and operation for the purpose of giving the communities served an improved service at lower cost.

During 1926 the principal properties acquired were the Gas Utilities, Inc. Group which through subsidiaries serves Richmond, Terre Haute, West Terre Haute and Brazil, Indiana; Bloomington, Illinois, Sioux Falls, South Dakota; Ashtabula, Madison, Perry, Conneaut, Geneva and Portsmouth, Ohio and Lock Haven, Pennsylvania. It also acquired the Maritime Electric Company, Ltd. which through subsidiaries serves electri-



LEGEND

- Hydro-Electric Plant
- Fuel Using Electric Plant
- Electric Service, Retail
- Electric Service, Wholesale
- Gas Plant
- Hydro-Electric and Fuel Using Electric Plant
- Hydro-Electric, Fuel Using Electric and Gas Plant
- Fuel Using Electric and Gas Plant
- Fuel Using Electric, Gas and Ice Plant
- Fuel Using Electric and Ice Plant
- Fuel Using Electric and Gas Plant, Electric and Water Service
- Fuel Using Electric Plant, Electric and Water Service
- Fuel Using Electric Plant, Steam Heating and Gas Plant
- Fuel Using Electric Plant, Steam Heating and Gas Service
- Fuel Using Electric Plant and Steam Heating
- Gas Service
- Water Service
- Steam Heating
- Ice Plant
- Electric and Water Service
- Electric Transmission Lines, Built
- Electric Transmission Lines, Proposed
- Gas Transmission Lines, Built
- Other Companies Lines

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ROCKLAND
WESTCHESTER
CONNECTICUT
NEW HAVEN
Housatonic R.
New London
Saybrook
Connecticut River
FISHERS ISLAND
Bridgeport
South Norwalk
Stamford
Greenwich
WHITE PLAINS
Yonkers
Port Chester
NEW JERSEY
Hudson River
Mt. Vernon
New Rochelle
Bronx R.
BRONX
LONG ISLAND SOUND
Block Island Sound
GREAT GULL I.
LITTLE GULL I.
PLUM ISLAND
East Marion
Greenport
Gardiners Bay
GARDINERS ISLAND
SHELTER ISLAND
Southold
Peconic
Cutchogue
Mattituck
Napeague Bay
Montauk
Noyack Bay
Little Peconic Bay
Great Peconic Bay
SAG HARBOR
Laurel
Jamesport
N. Sea Harbor
Sulfolk Downs
Shinnecock
Water Mill
Hayground
Bridgehampton
Sagaponack
Bamfield
Pumpkin Land
Napeague Beach
Easthampton
Wainscott
Southampton
Good Ground
East Quogue
Quogue
Westhampton
Speonk
Eastport
East Moriches
Center Moriches
Moriches
Manorville
Riverhead
Calverton
Aquebogue
Sweezy
Rocky Point
Shoreham
Wading River
Miller's Place
Port Jefferson Sta.
Belle Terre
Setauket
Setauket Sta.
Stony Brook
Smithtown Bay
Kings Park
St. James
Northport Sta.
Northport
Centerport
Halesite
Huntington Sta.
Cold Spring Harbor
Huntington
Mill Neck
Locust Valley
Glen Cove
Sea Cliff
Glenhead
Greenvale
Roslyn
Albertson
Port Washington
Manhasset
Great Neck
Whitestone
Long Island City
Flushing
Auburndale
Little Neck
Floral Park
Garden City
Mineola
Hicksville
Syosset
Cold Spring
Melville
Smithtown
Nissequogue
Central Islip
Edgewood
Deer Park
Wyandanch
Central Park
Bellpogue
Pinelawn
Babylon
Brentwood
Islip
Great River
Oakdale
Sayville
Old Holbrook
Honkonkoma
Hottsville
Medford
Yaphank
Moriches
Mastic
Brookhaven
Hagerman
Bellport
Bayshore
East Islip
Patchogue
Blueport
Bayport
Lindenhurst
Amityville
Massapequa
Copiague
Farmingdale
Lynbrook
Rockville Centre
Norwood
Springfield
Valley Stream
Hewlett
Woodmere
Inwood
Far Rockaway
Rockaway Beach
Rockaway Park
Coney Island
Jamaica
Richmond Hill
Woodhaven
Flatbush Ave.
East New York
Jamaica Bay
Great South Bay
Fire Island Beach
Atlantic Ocean
Queens
Kings
Nassau
Suffolk
Hempstead
Oyster Bay
Huntington
Smithtown
Brookhaven
Riverhead
Southold
Shelter Island
Gardiners Island
Plum Island
Fishers Island
Great Gull I.
Little Gull I.
Montauk
Napeague Beach
Bartlett
Pumpkin Land
Amagansett

city to Fredericton and St. Stephen, New Brunswick; Charlottetown, Prince Edward Island; Bridgetown and Lawrencetown, Nova Scotia; and Calais, Maine. In addition it acquired a number of small independent companies adjacent to its principal group. For acquisitions during 1925 see 1926 Public Utility Manual, page 2220.

In January, 1926, the Greenville Gas Light Company was sold to the Jantha Light and Fuel Company.

Subsidiary and Affiliated Companies—The Company with its subsidiary and affiliated companies owns, controls or operates the following more important properties:

Pennsylvania Electric Group:
- Pennsylvania Electric Co. and subsidiaries
- Youghiogheny Hydro-Electric Company
- Clarion River Power Company

New York State Group:
- New York State Electric Corporation
- Staten Island Edison Corporation
- Eastern New York Electric and Gas Co., Inc.
- Western New York Gas and Electric Corp.
- Harlem Valley Electric Corporation
- Ridgefield Electric Co. (Conn.)
- Litchfield Electric Light & Power Co. (Conn.)
- Spring Brook Water Company

Long Island Group:
- Long Island Water Corp.
- Patchogue Electric Light Co.

Associated International Electric Corp.:
- Manila Electric Co.

Kentucky-Tennessee Indiana Group:
- Kentucky-Tennessee-Indiana Power Corp.
- Kentucky-Tennessee Light & Power Co.
- Ohio River Power Co.

Gas Utilities, Inc., and subsidiaries.
Maritime Electric Co., Ltd., and subsidiaries.

Business and Property—Included in the Associated Gas and Electric System are public utility properties rendering electric power and light, gas, water, transportation service, etc., in territories having a population estimated to be in excess of 2,700,000. The present operating properties provide public utility service to over 600,000 customers in more than 1,000 communities located principally in the States of New York, Pennsylvania, Maryland, Illinois, New Hampshire, Maine, Connecticut, Vermont, Ohio, South Dakota, Kentucky, Tennessee, Indiana, the Maritime Provinces of Canada, and the Philippine Islands.

Properties include 3,154 miles of high tension transmission lines, 1,589 miles of gas mains, power stations with installed capacity of over 300,000 k.w. and gas plants with a daily manufacturing capacity of over 33,000,000 cu. ft.

The properties fall into 9 operating groups as follows:

New York Group.
Staten Island Edison Group
Long Island Group
Pennsylvania Group
Kentucky-Tennessee Group
Philippine Islands
Maritime Provinces of Canada
Gas Utilities Inc., Group
New England Group

The territories served by these properties are diversified to an unusual degree as to both geographical location and type of industrial activity. They include important agricultural and mining regions, as well as substantial industrial centers. In density of population, the communities served vary from portions of New York City to exclusively rural districts. The properties in the New England Gas and Electric Association Group are owned and controlled by affiliated interests and not by Associated Gas and Electric Company or its subsidiaries.

CONSOLIDATED STATEMENT OF GROSS AND NET EARNINGS AND OPERATING DATA, YEARS ENDED DECEMBER 31

(Associated Gas and Electric Company System)

	Gross Earnings	*Net Earnings	K.W.H. Sales	Electric Customers	Gas Water, Etc. Customers,
1920	$23,315,001	$6,457,680	323,942,577	171,610	177,184
1921	25,864,850	7,452,519	312,949,728	195,342	183,841
1922	27,101,259	9,552,373	362,740,051	221,257	190,358
1923	29,920,919	11,384,101	436,143,206	250,603	195,586
1924	31,626,399	12,357,575	477,918,719	284,530	202,067
1925	34,103,785	14,333,047	556,294,890	313,217	209,629
1926	37,423,008	16,618,149	650,516,875	344,218	220,949
1927	40,958,873	18,561,732	707,749,409	375,318	226,763

*Before depreciation.

NOTE—The following statement showing earnings and other statistics of all properties now included in Associated Gas and Electric System and in the New England Gas and Electric Association Group, irrespective of the dates of acquisition.

CAPITAL STOCK

Class of Stock	Shares Authorized	Shares Outstanding May 7, 1928	Par Value	Dividends Per Annum	Dividend Dates	Call Price Per Share	Liquidation Value Per Share	Voting Power
Common stock	1,500,000	1,283,599	No par	‡	.....	Not Callable	‡	‡None
Class "B" stock	500,000	300,000	No par	$2.00	F, M, A & N 1	Not Callable	$35.00	Sole right
Class "A" stock	800,000	700,000	No par	2.00	F, M, A & N 1	Not Callable	35.00	None
Preferred Stock:						$60	50	‡None
Original Series	175,000	135,510	No par	*3.50	J, A, J & O 1			‡None
$5 Divd. Series	100,000	None	No par	*5.00	.....			‡None
$5.50 Divd. Series	100,000	None	No par	*5.50	.....	105	100	‡None
$6 Divd. Series	325,000	181,915	No par	*6.00	M, J, S & D 1	105	100	‡None
$6.50 Divd. Series	350,000	250,836	No par	*6.50	M, J, S & D 1	105	100	‡None
$7.00 Divd. Series	150,000	93,704	No par	*7.00	J, A, J & O 1			

‡See also description below. *Dividends are cumulative.

NOTE—Stockholders in May, 1927, created two new series of Pfd. stock, consisting of 100,000 no par value shares of $5 Dividend Series and 100,000 no par value shares of $5.50 Dividend Series. This increased authorized capital stock from 3,500,000 to 3,700,000 shares, divided as above stated.

Subscription Rights to Additional Class "A" Stock—Holders of Class "A" and Pfd. stocks (all series) of record Dec. 12, 1927 had the right until Jan. 5, 1928 to subscribe to a new issue of Class "A" stock at $40 per share in proportion of one share for each five shares held on that date. Payments may be made in three installments of $10, $15 and $15 on or before Jan. 5, May 1 and Aug. 1, 1928, respectively. Interest at the rate of 5% per annum, amounting to $0.48 per share, will be allowed on the first two installments from their respective due dates to Aug. 1, 1928. The stock so paid for will participate in divds. payable after, Aug. 1, 1928. No stock will be delivered before full payment of purchase price or before Feb. 1, 1928. Subscribers who have paid the installment due Jan. 5, 1928 had the opportunity to pay the two remaining installments on May 1, 1928 at the rate of $29.84 per share, and receive their stock, which would be issued as of and which will participate in dividends payable after May 1, 1928.

Subscribers holding Original Series Pfd., $7 Divd. Series Pfd. and/or $6.50 Divd. Series Pfd. stock had the privilege of turning in as many shares of all or any of these classes of Pfd. stock held by them as they wished, for application on the subscription price of the Class "A" shares for which they are entitled to subscribe under their warrants. Shares of these classes of Pfd. stock were accepted in payment at the following rates, plus accrued divds. if any: Original Series Pfd. stock, $55 per share; $7 Divd. Series Pfd. stock, $105 per share; $6.50 Divd. Series Pfd. stock, $101 per share. Holders of 6% Convertible Debenture bonds and Ctfs. Series "A" and "B" and registered owners of 6½% Option Warrants, $65 paid, upon pay-

ment of the unpaid balance of $30 per warrant were also offered the privilege, subject to the rights as above stated, until Jan. 5, 1928, to apply for shares of the new issue of Class "A" stock at $40 per share, payment to be made by turning in Debenture bonds or Ctfs. to the extent required. Bonds and Ctfs. of these series were accepted in payment of Class "A" stock alloted under such applications at the rate of $102 per $100 principal amount, plus accrued interest to Feb. 1, 1928.

The purpose of this Class "A" issue, amounting to approximately 200,000 shares, was to retire securities ranking ahead of the Class "A" stock and to provide fund for new construction, required to take care of additional business and for other corporate purposes.

Subscription Rights to 20-Year 4½% Convertible Gold Debentures—All stockholders and holders of fully registered securities convertible into stock of record March 22, 1928, received the right to subscribe to $50,000,000 20-year Convertible 4½% Gold Debentures, dated March 1, 1928 and due March 1, 1948 (described below) at 97 and interest. Subscriptions were payable either in full on April 10, 1928 at $97.50 per $100 Debenture (which includes accrued interest from March 1 to April 10, 1928) or in installments as follows: $10 with application on April 12, 1928, $30 each on May 15, and Aug. 15, 1928, and $26.88 on Jan. 15, 1929, being $27 plus accrued interest from Sept. 1, 1928, less interest on installment payments.

This issue was underwritten by a group of bankers which in April, 1928, offered the unsubscribed portion of $63,000,000 (see under Funded Debt below, paragraph No. 8).

Transfer Agents—Common, Original Series, $6 Divd. Series, $6.50 Divd. Series and $7 Divd. Series Pfd.; F. E. Taylor and W. L. Freund, 61 Broadway, New York. Class "A": Seaboard National Bank, New York, and State Street Trust Co., Boston.

Registrars—Common: Equitable Trust Co. of New York. Class "A": National Bank of Commerce New York, and First National Bank, Boston. Preferred—Original Series: American Exchange Irving Trust Co., New York. Preferred—$6 Dividend Series: Chase National Bank, New York. Preferred—$6.50 Dividend Series: The Chemical National Bank of New York. Preferred— $7 Dividend Series: Bank of America, New York.

Legal Opinion (Class "A" Stock)—Rushmore, Bisbee & Stern (for the bankers) and Charles M. Travis, and Roberts & Montgomery (for the Company).

Annual Meeting—First Wednesday in June at New York.

Listed (Class "A" Stock)—Boston Stock Exchange and New York Curb Market.

Common Stock Provisions—Created in July, 1925. This stock represents the interest in one-half the Company's earnings after payment of preferential dividends on other stocks, including dividends on preferred stocks, $2 per annum on Class "A" stock and limited dividends not exceeding $2 on Class "B" stock, provided that aggregate dividends paid on Class "B" and Common stocks shall not exceed the aggregate amount paid on Class "A" stock as preference and additional dividends. On liquidation, Common stock is entitled to assets remaining after preference distribution on prior stocks subject to the participating rights of the Class "A" stock. The Common stock is voting, with the consent of a majority of Class "B" stock.

Subscription Privileges—See above.

Dividends on Common Stock—None paid to May 30, 1928.

Class "B" Stock Provisions—Created in January, 1925. Has sole voting rights except for contingent voting outlined in descriptions of other classes of stock. Entitled to non-cumulative dividends up to $2 per share per annum after payment of a like amount on Class "A" stock. In liquidation, Class "B" stock is entitled to be paid an amount equal to $35 per share, but not exceeding the aggregate, the aggregate amounts so paid to the holders of Class "A" stock.

Subscription Privileges—See above.

Price Range—1927: High, 22; low, 9½.

Class "A" Stock Provisions—Has preference over Class "B" and Common stock as to assets and non-cumulative dividends of $2 per share per annum. After dividends for the same period at the rate of $2 per share per annum have been paid on the Class "B" stock (but not exceeding in the aggregate the total required for the priority dividends on the Class "A" stock) additional dividends may be paid on Class "A" stock to the extent of one-half the remaining earnings. In liquidation, the Class "A" stock is entitled to $35 per share and after $35 per share has been set aside for the Class "B" stock, or an aggregate amount not exceeding the aggregate amount set aside for the holders of the Class "A" stock, the remaining balance is divided equally between the holders of the Class "A" stock and the holders of the Class "B" stock. Class "A" stock has voting rights if dividends are in arrears for two years, in which event the holders are entitled to elect two directors until two years' dividends shall have been declared or set aside.

Subscription Privileges—See above.

Public Offering of Class "A" Stock—200,000 shares of Class "A" stock of no par value were publicly offered in Jan., 1925, at $26.00 per share by John Nickerson & Co., St. Louis and New York, and Eastman, Dillon & Co., New York, etc. In Feb. 1927, 100,000 shares were publicly offered at $40.50 per share by John Nickerson & Co., New York, etc.

Price Range—

Class "A" Stock—	1927	1926	1925
High	52	38¾	45½
Low	35	25½	25¼

Dividends on Class "A" Stock—Initial quarterly dividend of 50 cents a share on Class "A" stock was paid May 1, 1925; Aug. 1, 1925, 62½ cts. a share, which quarterly rate since maintained to date. Stockholders had the option of taking dividends in Class "A" stock at the rate of 1-40th of a share for each share held. In addition an extra cash dividend of 25 cents a share was paid Feb. 1, 1928.

Preferred Stocks Provisions—The preferred stocks are fully paid and non-assessable and have preference over Class "A," Class "B" and Common stocks, both as to cumulative dividends and assets. There are four series outstanding, all of no par value, each bearing a different dividend rate but otherwise ranking equally. They are subject to call on any dividend date, in whole or in part, the Original Series at $60 per share and the other series at $105 per share each, all with accrued unpaid dividends. In the event of liquidation, the preferred stocks, ranking equally but with preference over Class "A," Class "B" and Common stocks, are entitled to $50 per share in the case of Original Series and $100 per share each in the case of other series. The preferred stocks have voting rights if default shall be made in cumulative dividends on any class of Preferred stocks, and two years' cumulative dividends on such class shall be in arrears, in which event during the continuance of such default, the holders of Preferred stocks of all classes have voting rights on an equality with the holders of Class "B" stock.

Subscription Privileges—See above.

Public Offering—30,000 shares of no par value Preferred Stock—$6 Dividend Series were publicly offered in March, 1925, at $84 per share and accrued dividends, to yield about 7.14%, by John Nickerson & Co., New York and St. Louis. In Dec. 1926, 100,000 shares of $6.50 Dividend Series Pfd. stock were publicly offered at 95½ and dividend, to yield over 6.80%, by Marshall Field, Glore, Ward & Co., New York, etc., Banks, Huntley & Co., Hunter, Dulin & Co., M. H. Lewis & Co., and Geo. H. Burr, Conrad & Broom, Inc., Los Angeles, etc., Brown Bros. & Co. New York, etc., Edward B. Smith & Co., Phila., etc.

In Sept., 1927, 25,000 shares $6.00 Dividend Series Pfd. publicly offered at $95 per share and accrued dividend to yield 6.32%, by John Nickerson & Co., New York, etc.

Price Range—

	1927	1926
Original Pfd.—		
High	55	50
Low	50	bid
$6 Divd. Pfd.—		
High	98	86½
Low	85	79½
$6.50 Divd. Pfd.—		
High	101	96½
Low	94	89½
$7 Divd. Pfd.—		
High	105	102
Low	99	95½

Dividends on Preferred Stocks—Dividends on Original Series have been regularly paid quarterly at the rate of $3.50 per share per annum; payments quarterly J, A, J & O 1. In addition 50 cents per share per annum has been paid quarterly from 1924 to July 1, 1927. Stockholders had the option of receiving either cash, or Class A stock at the rate of 1/25 of a share for the July 1, 1925 dividend, 3.50/100 of a share for the Oct. 1, 1925 dividend, 3.75/100 of a share for the Jan. 1, 1926 dividend, 4/100 of a share for the April 1 and July 1, 1926 dividends, 3.15/100 of a share for Oct. 1, 1926 and Jan. 1, 1927 dividends, 2.7/100 of a share for April 1, 1927 dividend, 2.67/100 of a share for the July 1 and Oct. 1, 1927 dividends, 2.47/100 of a share for the Jan. 1 and April 1, 1928 dividends, and 2.22/100 for the July 1, 1928 dividends.

Initial dividend of $1.50 a share on $6 Dividend Series was paid June 1, 1925, which quarterly rate since maintained to date; payments M, J, S & D 1. Stockholders had the option of receiving either cash or Class A stock at the rate of 3/50 of a share for the June 1, 1925 dividend, 4.5/100 of a share for the Sept. 1, 1925 dividend, 5/100 of a share for Dec. 1, 1925, 5.5/100 of a share for the March 1, 1926 dividend, 5.75/100 of a share for the June 1, 1926 dividend, 5.1/100 of a share for the Sept. 1, 1926 dividend, 4.75/100 of a share for the Dec. 1, 1926 dividend, 4.6/100 of a share for the March 1, 1927 dividend, 4/100 of a share for the March 1 and Sept. 1, 1927 dividends, 3.7/100 of a share for the Dec. 1, 1927 dividend, 3.4/100 for the March 1, 1928 dividend, and 3.33/100 of a share for the June 1, 1928 dividend.

Initial dividend of $1.625 a share on the $6.50 Dividend Series was paid March 1, 1926, which quarterly rate since maintained to date; payments, M, J, S & D 1. Stockholders had the option of receiving either cash, or Class A stock at the rate of 6/100 for the March 1, 1926 dividend, 6.25/100 of a share for the June 1, 1926 dividend, 5.5/100 of a share for the Sept. 1, 1926 dividend, 5.15/100 of a share for the Dec. 1, 1926 dividend, 5/100 of a share for the March 1, 1927 dividend, 4.33/100 of a share for the June 1 and Sept. 1, 1927 dividends, 4.01/100 for the Dec. 1, 1927 dividend, 3.69/100 for the March 1, 1928 dividend and 3.6/100 for the June 1, 1928 dividend.

Initial dividend of $1.75 a share on the $7 Dividend Series was paid Oct. 1, 1925, which quarterly rate since maintained to date; payments, J, A, J & O 1. Stockholders had the option of receiving either cash, or Class A stock at the rate of 5.50/100 of a share for the Oct. 1, 1925 dividend, 6 shares for the Jan. 1, 1926 dividend, 6.75/100 of a share for April 1 and July 1, 1926 dividends, 5.5/100 of a share for the Oct. 1, 1926 and Jan. 1, 1927 dividends, 4.72/100 of a share for the April 1, 1927 dividend, 4.67/100 of a share for the July 1 and Oct. 1, 1927 dividends, 4.32/100 of a share for the Jan. 1, 1928 dividend, 3.98/100 of a share for the April 1, 1928 dividend, and 3.89/100 of a share for the July 1, 1928 dividend.

6½% INTEREST BEARING OPTION WARRANTS

The 6½% Interest Bearing Option Warrants are $95 par value each. They were sold on the basis of $35 principal amount paid in. Four calls of $10 each were made April 1 and Oct. 1, 1926, Dec. 31, 1927 and March 30, 1928, making the Warrants $75 paid. The balance of $20 may be called for payment on 30 days' notice at intervals of not less than 90 days, but no installment is to be for more than $10 per call. Payment in full may be made at any time at the option of holder. On full payment but not before Sept. 1, 1926 unless anticipated by Directors, each Warrant may be exchanged for one-half a share of Common stock plus either $100 of 6% Convertible Debenture bonds or one share of $6.50 Dividend Series Pfd. stock with adjustments for accrued interest or accrued dividends as the case may be. These Option Warrants carry detachable Stock Purchase Rights entitling the holder thereof, to purchase one share of Common stock after March 1, 1926 and before Sept. 1, 1927 for $20, and thereafter to and including Sept. 1, 1930 for $30. Interest is payable quarterly March, June, Sept. and Dec. 1. Registrar, National Bank of Commerce in New York. Amount outstanding April 30, 1928, $782,300. The full paid Interest Bearing Option Warrants have been converted. The Warrants are fully registered and transferable. The net proceeds from the Interest Bearing Option Warrants, $35 paid, were used in part payment or in reimbursement for the acquisition of the Pennsylvania Electric Corp. and for other corporate requirements. Holders of Pfd. stock (all classes), Class "A" stock, 6½% Secured Convertible bonds of 1954 and Convertible Debenture Certificates, Series "A," "B" and "C," were given the privilege of purchasing for each two shares of stock held of record Aug. 10, 1925 and for each two shares of stock into which convertible bonds and debentures would be exchangeable, one 6½% Interest Bearing Option Warrant at the price of $35 per Option Warrant, $35 paid. Subscription privilege expired Sept. 17, 1925.

Under date of Dec. 28, 1925, the Board of Directors decided to allow the holders of 6½% Interest Bearing Option Warrants, $35 paid, the privilege of immediately receiving the shares of Common stock covered by their Option Warrants, at the prescribed rate of one-half share of Common stock for each Warrant, upon payment of $15 per Warrant on the balance of the purchase price. The $15 payment was applied on the first ensuing call under the Option Warrants, so that holders who availed themselves of the privilege did not have to make any further payments until the time for the payment of the second call. Interest on this $15 payment was paid at the rate of 6½% per annum from the date of payment. Common Stock Certificates can be issued only in the names of the registered owners of the Option Warrant Certificates.

Subscription Privileges—See above.

Listed—The Option Warrants are listed on Boston Stock Exchange.

FUNDED DEBT

(1)

$1,769,150 6½% CONVERTIBLE DEBENTURE CERTIFICATES, SERIES "B"

Dated July 1, 1925, without fixed maturity, but shall become due in case of 90 days' default in the payment of interest, and in case of consolidation, merger, sale or conveyance, the principal shall thereby become due and payable unless the successor corporation shall elect to assume the obligation of the Company, in respect thereof, and provisions shall be made so that the Series B certificates shall be convertible in like manner and upon the same basis and terms into $7 cumulative Pfd. stock of the successor corporation.

Subscription Privileges—See above.

Interest Payable in New York on coupon certificates on January and July 1, and on registered certificates on Jan., April, July and Oct. 1.

Denominations—Coupon and fully registered, $500 and $1,000; interchangeable.

Registrar—National Bank of Commerce in New York.

Provisions of Issue—Issue closed; outstanding, April 30, 1928, $1,769,150. These certificates were issued in exchange for Manila Electric Corp. capital stock.

Callability—Subject to call at any time on 30 days' notice at 105 and interest.

Convertibility—Convertible after Oct. 1, 1925 at the Company's option, and after July 1, 1930 at the holders' option, into ten shares of $7 Dividend Series Pfd. stock for each $1,000 face amount of Series B certificates with adjustment for interest and dividends.

Security—A direct obligation of Company but not secured by mortgage.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$963,100 6½% CONVERTIBLE DEBENTURE CERTIFICATES SERIES "C"

Dated July 1, 1925., without fixed maturity, but become due in case of 90 days' default of interest payment or in case of consolidation, merger, sale or conveyance, unless successor corporation agrees to assume obligations of Company in respect thereof, and provision shall be made so that these certificates shall thereafter be convertible in like manner and upon the same basis and terms into $7 cumulative Preferred stock of the successor corporation.

Subscription Privileges—See above.

Interest Payable January and July 1 on coupon debentures, and Jan., Apr., July and Oct. 1, on registered debentures, at National Bank of Commerce.

Denominations—Coupon and fully registered $500 and $1,000; interchangeable.

Registrar—National Bank of Commerce, New York.

Provisions of Issue—Issue closed; outstanding April 30, 1928, $968,100. Issued to reimburse company for acquisition in part of Manila Electric Corporation capital stock.

Callability—Subject to call at 105 and interest at 30 days' notice.

Convertibility—Convertible upon thirty days' notice after Jan. 1, 1928 at option of either holder or company into $7 Dividend Series Pfd. stock at rate of 10 shares of Pfd. for each $1,000 Debenture with adjustment for interest and dividends.

Security—A direct obligation of company but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund upon proper application the Pennsylvania and Connecticut taxes not exceeding four mills, the Maryland tax not exceeding 4½ mills and the Kentucky tax not exceeding 5 mills, in any one year, per dollar of taxable value, and the Massachusetts Income Tax not exceeding 6% per annum.

(3)

$20,553,000 5½% CONVERTIBLE GOLD DEBENTURES; DUE FEBRUARY 1, 1977

Dated February 1, 1927.

Interest Payable February and August 1.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Purpose of Issue—Outstanding May 7, 1928 upon completion of financing about that time, $20,553,000. Over $20,000,000 of the proceeds of this issue were to be used to further simplify the capital structure of the Associated Gas and Electric System through the payment of indebtedness incurred in retiring bonds of the Company and bonds and Pfd. stocks of subsidiary and affiliated companies and through the retirement by redemption, purchase or otherwise of various other indebtedness and Pfd. stocks with interest or dividend rates of 5½% or more, ranking senior to this issue. The balance of the proceeds will be used to acquire additional public utility properties or securities deriving their income from such properties, no benefit from which is reflected in the above earnings statement, for new construction and for other corporate purposes.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas and Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Series Pfd. stock on the basis of $1,095 face amount of Associated Company bonds for each $1,000 bond or 10 shares of $6.50 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank, New York, Agent.

Callability—Subject to call on the first day of any month, on 60 days' notice, at 105 and interest to and including Feb. 1, 1932; and at a premium decreasing ½% for each 5 year period thereafter to and including Feb. 1, 1972; thereafter at 100½ and interest to and including Feb. 1, 1976, and thereafter at par and interest.

Convertibility—These debentures are convertible, on terms and conditions set forth in the Indenture, on the first day of any month after Feb. 1, 1928, up to and including Feb. 1, 1933, at the option of the holder, on ten days' notice, into units consisting of two shares of Class A stock and one share of Com. stock, as said classes of stock are from time to time constituted, of Company on the following basis: For first $10,000,000 debentures surrendered for conversion, at $110 per unit; for the next $5,000,000 debentures surrendered for conversion, at $115 per unit; for the next $5,000,000 debentures surrendered for conversion, at $120 per unit; for the next $5,000,000 debentures surrendered for conversion at $125 per unit; for the next $5,000,000 debentures surrendered for conversion, at $130 per unit; for the next $5,000,000 debentures surrendered for conversion, at $135 per unit; for last $5,000,000 debentures surrendered for conversion at $140 per unit. In case the debentures are called for redemption at any time during the period in which they are convertible, the conversion privilege shall continue until the close of business on the redemption date. No fractional shares will be issued but provision is made in the Indenture for fractional interests in case of conversion. At the time of conversion, adjustment will be made so that interest on the debentures and dividends on the stock will not be paid for the same period.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chas. M. Travis, New York, (for the Company), and Sullivan & Cromwell, New York, (for the bankers).

Original Offering—First publicly offered ($40,000,000) in February, 1927, at 95¾ and interest to yield over 5.75%. Part of these debentures were issued in Amsterdam by Pierson & Co., Mendelssohn & Co., Amsterdam, and Nederlandsche Handel-Maatschappij. The American bankers participating in the offering were Harris, Forbes & Co., Lee, Higginson & Co., Marshall Field, Glore, Ward & Co., E. H. Rollins & Sons, Guaranty Company of New York, Brown Brothers & Co., Equitable Trust Co. of New York, Kidder, Peabody & Co., Edward B. Smith & Co., and John Nickerson & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

Listed—Boston Stock Exchange.

Price Range—1927: High, 103¾; low, 95.

(4)

$4,012,100 6% CONVERTIBLE DEBENTURE CERTIFICATES, SERIES "B"

Dated January 1, 1927, with no definite fixed date of maturity, but principal becomes due in case of 90 days' default in the payment of interest, or in consolidation,

merger, sale or conveyance, unless the successor corporation assumes the obligation and provides for conversion as provided below.

Interest Payable January and July 1 on Coupon Certificates and January, April, July and October 1 on Registered Certificates.

Denominations—Coupon in interchangeable denominations of $500 and $1,000 and registered in denominations of $100 and $1,000 and authorized multiples thereof.

Registrar—National Bank of Commerce in New York, N. Y.

Transfer Agents—F. E. Taylor and W. L. Fruend, 61 Broadway, New York, N. Y.

Provisions of Issue—Authorized amount limited to $10,000,000 provided that the total aggregate principal amount at any time outstanding of all four series (Series A, B, and C 6½% and Series B 6%) shall not exceed $10,000,000. Outstanding, $4,012,100.

Callability—Subject to call at any time after 30 days' notice to and including Jan. 1, 1932 at 102%; thereafter at 101% decreasing 1/8% semi-annually to 101¼%, and at that amount thereafter.

Convertibility—Convertible after Jan. 1, 1928 at the Company's option on 15 days' notice and after Jan. 1, 1932 at the holder's option upon 30 days' written notice on the basis of 10 shares of $6.50 Dividend Series Pfd. stock, as at the time constituted, for each $1,000 face amount of Convertible Debenture Certificates, Series "B," with proper adjustment for accrued interest and accrued dividends.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(5)

$4,088,900 6% CONVERTIBLE DEBENTURE CERTIFICATES, SERIES "C"

Dated March 1, 1927, with no definite date of maturity, but principal becomes due in case of 120 days' default in interest payment, or in case of consolidation, merger, sale or conveyance, unless the successor corporation assumes the obligation and provides for the conversion as provided, etc. below.

Interest Payable March and September 1, on Coupon Certificates and March, June, September and December 1, on Registered Certificates.

Denominations—Coupon in a denomination of $1,000 and registered in denominations of $100 and $1,000 and authorized multiples thereof, and shall be freely interchangeable for certificates of like tenor of the same aggregate principal amount.

Registrar—National Bank of Commerce in New York, N. Y.

Transfer Agents—F. E. Taylor and W. L. Fruend, 61 Broadway, New York, N. Y.

Provisions of Issue—Authorized, $10,000,000; outstanding, $4,088,900.

Stock Purchase Rights—These certificates were prepared and sold to customers on the properties and carry a detachable stock purchase right which is non-detachable except for exercise and bears a right to purchase one share of Common stock at $30 until Sept. 1, 1930.

Callability—Subject to call on 30 days' notice at 101 and interest.

Convertibility—Series "C" Certificates may at the option of the holder at any time before Jan. 1, 1932 upon 60 days' notice be converted into Class "A" stock on the following basis: During the year 1927 and 1928 into 2¼ shares and during year 1929, 1930 and 1931 into two shares of Class "A" stock for each $100 principal amount of Series "C" Certificates with adjustment for accrued interest and accrued priority dividends on Class "A" stock at the cash dividend rate thereon. After Dec. 1, 1927 at the option of the Company on 15 days' notice and after March 1, 1930 at the option of the holder on 30 days' notice on the basis of one share of $6.00 Dividend Series Pfd. stock for each $100 face amount of Debenture Certificates Series "C" with proper adjustment for accrued interest and accrued dividends.

(6)

$4,139,300 6% CONVERTIBLE DEBENTURES, SERIES "D"

These Debentures are without definite fixed date of maturity but principal becomes due in case of default in interest payment, or in case of consolidation, merger, sale or conveyance, unless the successor corporation assumes the obligation and provides for conversion as provided, etc. below.

Interest Payable March and September 1 on Coupon Debentures and March, June, September and December 1, on Registered Debentures.

Callability—Subject to call on 30 days' notice at par and interest.

Stock Purchase Rights—These Debentures were prepared and sold to customers on the properties and bear a right to purchase one share of Common stock at $30 until Jan. 1, 1931.

Convertibility—Convertible at the option of the holder before Jan. 1, 1931 after 60 days' notice (or without notice in case of redemption or conversion by the Company) into Class "A" stock and Common stock on the basis of $100 face amount of debenture for 1 1/5 shares of Class "A" stock and 1 1/3 shares of Common stock during 1928 and 1929 and 1 share of Class "A" and 1 share of Common during 1930. Delivery on conversion will be made in receipts for units of Class "A" and Common stock exchangeable for definitive certificates after six months from date of issue. Convertible at the option of the Company after July 1, 1928 on 30 days' notice on the basis of $100 face amount of Debentures for 1 share of $6 Dividend Series Pfd.

(7)

$683,100 6% CONVERTIBLE DEBENTURES, SERIES "E"

These Debentures are without definite fixed date of maturity but principal becomes due in case of default in interest payment, or in case of consolidation, merger, sale or conveyance, unless the successor corporation assumes the obligation and provides for conversion as provided, etc. below.

Interest Payable March and September 1 on Coupon Debentures and March, June, September and December 1 on Registered Debentures.

Callability—Subject to call on 30 days' notice at par and interest.

Convertibility—Each $100 Debenture may be converted at the holder's option before Jan. 1, 1931 after 60 days' notice (or without notice in case of redemption or conversion by Company) into Class "A" stock and Common stock on the basis of 1 1/5 shares of Class "A" stock and 1 1/3 shares of Common stock during 1928 and 1929 and 1 share of Class "A" stock and 1 share of Common stock during 1930. Delivery on conversion will be made in receipts for units of Class "A" and Common stocks, exchangeable for definitive certificates after six months from date of issue. Each $100 debenture may be converted into one share of $6 Dividend Series Pfd. stock after Jan. 1, 1929 at the Company's option on 30 days' notice.

(8)

$63,000,000 CONVERTIBLE 4½% GOLD DEBENTURES; DUE MARCH 1, 1948

Dated March 1, 1928.

Interest Payable March and September 1.

Denominations—Coupon $500 and $1,000; principal may be registered. Fully registered debentures in denominations of $100 and authorized multiples.

Trustee—New York Trust Co., New York.

Purpose of Issue—Proceeds of these $63,000,000 Convertible 4½% Debentures will be used to acquire or retire 5½% and 6% Convertible Debentures of Company and indebtedness and Pfd. stocks of subsidiary

companies, for acquisition of property and for other corporate purposes.

Convertibility and Stock Purchase Rights—Permanent Debentures will be convertible at holder's option at any time on or before Jan. 2, 1931, into Class "A" stock at rate of 20 shares for each $1,000 Debenture.

In addition, permanent Debentures will carry warrants, detachable after Oct. 31, 1928, entitling holders to purchase after that date and on or before Jan. 2, 1931, stock of Company at the rate of 16 shares of Class "A" stock and 9 shares of Common stock for each $1,000 Debenture for the price of $1,000, payable at the holder's option either in cash or by surrender of a like principal amount of Debentures. Debentures will continue through Jan. 2, 1931, to be convertible into Class "A" stock after exercise of warrants for cash.

Pending preparation of permanent Debentures with warrants attached, temporary Debentures will be convertible at any time at option of holder into stock at rate of either (a) 20 shares of Class "A" stock or (b) 16 shares of Class "A" stock and 9 shares of Common stock for each $1,000 Debenture.

In case Debentures are called for redemption on or before Jan. 2, 1931, conversion privilege may be exercised only up to the tenth day before redemption date. Class "A" and Common stock to be issued upon conversion and upon exercise of warrants will be such stocks as they are from time to time constituted. No fractional shares will be issued, but appropriate provisions will be made in Indenture for issuance of scrip in lieu thereof. Indenture will also contain provisions for adjustment of interest and/or dividends on conversion or exercise of warrants. Warrants must be surrendered with any permanent Debentures converted into Class "A" stock on or before Oct. 31, 1928.

Callability—Subject to call as a whole or in part at any time, on 30 days' notice at 103 on or before Feb. 28, 1938; thereafter at 102 on or before Feb. 28, 1943; thereafter at 101 on or before Feb. 28, 1947; thereafter at 100 to maturity; in each case with accrued interest.

Sinking Fund—None provided.

Security—A direct obligation of Company, but not secured by mortgage. Convertible Debenture obligations of Company which are now or will later become convertible into Pfd. stock at Company's option, and Pfd., Class "A" and "B" and Common stocks are all junior to this issue of Debentures.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of these Debentures, upon application within 60 days after payment, for the Pennsylvania or Connecticut personal property taxes not exceeding 4 mills or for any Maryland securities tax not exceeding 4½ mills per $1.00 per annum; or for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion—Sullivan & Cromwell, New York (for the Bankers) and Charles M. Travis, and Roberts & Montgomery, New York (for the Company).

Original Offering—All stockholders and holders of fully registered securities convertible into stock of record March 22, 1928 received the right to subscribe to these debentures at 97 and interest (see above). The unexchanged portion of the $63,000,000 were offered and sold (price on application) in April, 1928, by John Nickerson & Co., Harris, Forbes & Co., Lee, Higginson & Co., Guaranty Co. of New York, Kidder, Peabody & Co., Field, Glore & Co., Brown Brothers & Co., Edward B. Smith & Co., E. H. Rollins & Sons, Equitable Trust Co. of New York, New York, Harris, Forbes & Co., Inc., Boston, Harris, Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

(9)

$35,000,000 GOLD DEBENTURE BONDS CONSOLIDATED REFUNDING 5% SERIES DUE 1968; DUE OCTOBER 1, 1968

Dated October 1, 1928.

Interest Payable April and October 1.

Denominations—Coupon (principal may be registered), $500 and $1,000, and registered $100 and authorized multiples.

Trustee—National Bank of Commerce in New York, N. Y.

Purpose of Issue—These $35,000,000 of Debenture bonds of the Consolidated Refunding 5% Series or their proceeds are being used to refund, replace, acquire or retire bonds and Preferred stocks of the Associated Gas and Electric Company and subsidiaries ranking on a parity with or senior to these Debenture bonds. Additional Debenture bonds of this series may be issued under the Indenture.

Callability—Subject to call in whole or in part at any time prior to maturity on 30 days' notice at 102 to and including April 1, 1966, thereafter at a premium decreasing ½% semi-annually to and including Oct. 1, 1967; thereafter at 100, in all cases with accrued interest.

Security—A direct obligation of Company, but not secured by mortgage. The Convertible Debenture obligations which are now or will later become convertible into Preferred stock at the Company's option, and the Preferred, Class A, Class B and Common stocks are all junior to these Debentures estimated on the basis of current quotations, in excess of $145,000,000.

Public Offering—Harris, Forbes & Co., Lee, Higginson & Co., Guaranty Co. of New York, Kidder, Peabody & Co., Field, Glore & Co., Brown Brothers & Co., Edward B. Smith & Co., E. H. Rollins & Sons, Equitable Trust Co. of New York, John Nickerson & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal, offered the unexchanged balance of $35,000,000 at par and interest. Over three-quarters of the issue had previously been placed through exchanges for securities of Company and subsidiary companies.

(10)

$50,000,000 GOLD DEBENTURE BONDS, CONSOLIDATED REFUNDING 4½% SERIES DUE 1958; DUE MAY 1, 1958

Dated May 1, 1928.

Interest Payable May and November 1.

Denominations—Coupon (principal may be registered), $500 and $1,000, and registered, $100 and multiples thereof.

Purpose of Issue—To the extent that the proceeds of bonds of this issue are required to retire outstanding securities, the savings in interest charges between the new bonds to be outstanding and the securities to be retired will amount to substantially in excess of $400,000 per annum, and to the extent issued, not required to refund, replace, acquire or retire bonds and Preferred stocks of the Associated Gas and Electric System, will be used to increase working capital, for acquisition of property and for other corporate purposes.

Callability—Subject to call in whole or in part at any time on 30 days' notice at 100 and interest.

Security—A direct obligation of Company, but not secured by mortgage. The Indenture provides, among other things, that the Company will not pledge any of its property without ratably securing the debentures issued under this Indenture, except in the case of purchase money mortgages and liens and except in the case of pledges in the usual course of business as security for temporary loans maturing not more that one year from their date or indemnity not exceeding one year. The Convertible Debenture obligations, which are now or will later become convertible into Pfd. stock at the Company's option, are junior to this issue.

Offering—These Debenture bonds were on May 1, 1928, offered to holders of securities of subsidiary and affiliated companies of the Associated Gas and Electric Co. in exchange principally for the bonds held by them.

BONDS REDEEMED

All the outstanding 6½% Secured Gold bonds, Convertible Series of 1924, due July 1, 1954, were called for payment on Jan. 1, 1927, at 105 and interest at The Chase National Bank, New York, Trustee.

All outstanding 6% Secured Gold bonds, Series of 1925, due Jan. 1, 1955, were called for payment on April 1, 1927 at 105 and interest at The Chase National Bank, New York. Holders of these bonds were given the opportunity of exchanging their bonds for $6.50 Pfd. stock of Associated Gas and Electric Co. on the basis of 10 shares of stock and check for $75 for each $1,000 bond, or 11 shares of said stock for each $1,000 bond plus $22.50 cash, accrued interest and dividends to be adjusted in each case.

All the outstanding 6½% Convertible Debenture Certificates Manila Electric Series "A," dated June 1, 1925 but without fixed maturity, were called for payment on May 23, 1927, at 105 and interest, at Company's office, 61 Broadway, New York.

All the outstanding 6% Convertible Debenture bonds, Series "A" of 1925, dated Sept. 1, 1925 and without fixed maturity, were called for payment on June 1, 1928 at par and interest at National Bank of Commerce in New York. Conversion privilege on this issue lapsed June 1, 1928.

TENTATIVE SCHEDULE OF CAPITALIZATION AS OF MAY 7, 1928 REFLECTING THE REDEMPTION OF SECURITIES WHICH HAVE BEEN CALLED

(Associated Gas and Electric Company and Subsidiary and Affiliated Companies)

	Number of Shares
Associated Gas and Electric Company—	
Stocks including Subscriptions:	
Junior Stocks:	
Class A stock	700,000
Class B stock	300,000
Common stock	1,283,599
Preferred Stocks:	
Original Series ($3.50 Dividend)	135,510
$6.00 Dividend Series	181,915
$6.50 Dividend Series	250,836
$7.00 Dividend Series	93,704
Debentures Convertible into Preferred stock at the option of the Company:	
7% Convertible Debentures	$598,800
6½% Convertible Debentures, Series B and C	2,646,250
6% Convertible Debentures, Series B, C, D and E	13,218,600
Total	$16,463,650
Funded Debt:	
5½% Convertible Gold Debentures due 1977	$20,553,000
4½% Convertible Gold Debentures due 1948	63,000,000
Consolidated and Refunding 5% Series due 1968	35,000,000
	$118,553,000
Subsidiary and Affiliated Companies—	
Preferred Shares:	
Staten Island Edison Corp. $6 Dividend Series	$3,065,900
Funded Debt:	
Associated Electric Co. 4½s of 1953	$20,000,000
Citizens Light, Heat & Power Co. 5s, of 1934	1,452,000
Erie Lighting Co. 5s of 1967	3,582,500
Indiana Gas Utilities Co. 5s of 1946	1,292,000
Long Island Water Corp. 5½s of 1955	2,373,000
Manila Electric RR. & Lighting Co. 5s of 1953	2,084,700
N. Y. State Gas and Electric Corp. 5½s of 1962	3,895,000
Penn Public Service Corp. 6s of 1947 Series C	5,474,000
Penn Public Service Corp. 5s of 1954 Series D	2,857,500
Richmond Light and RR. Co. 4s of 1952	1,304,000
Miscellaneous small issues	3,827,300
Total	$48,142,000

NOTE—The above statement does not reflect the application of the proceeds of the below described Debenture Bonds Consolidated refunding 5% Series due 1958.

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED FEB. 29

(Associated Gas and Electric System)

(Earnings and Expenses of Properties Since Dates of Acquisition)

	1928	1927
Gross earnings and other income	$40,208,589	$30,131,629
Operating expenses, maintenance, all taxes, etc.	22,191,237	16,514,596
Net earnings	$18,017,352	$13,617,033
Pfd. dividends of underlying cos. and all interest	9,805,190	7,785,440
Balance for divds. and depreciation	$8,212,162	$5,831,593
Provision for replacements, renewals and retirement of fixed capital (depreciation)	1,968,445	1,664,490
Balance for dividends and surplus	$6,243,717	$4,167,103

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Associated Gas and Electric Company and Subsidiary and Affiliated Companies)

(Income for Companies acquired during the period is included only from approximate dates of acquisition)

	1926	1925	1924	1923	1922
Operating Revenue:					
Electric	$21,504,149	$14,358,261	$4,496,650	$2,561,156	$1,832,130
Gas	2,188,593	1,209,817	668,858	639,570	611,756
Transportation	2,898,333	2,181,693	147,110	62,631	335,788
Water, heat, ice, etc.	1,471,951	927,117			
Total	$28,063,026	$18,676,888	$5,312,618	$3,263,357	$2,779,674
Operating expenses, maintenance & taxes (including Companies' accruals for Federal Income Tax for the period)	15,521,978	11,080,384	3,497,207	2,154,740	1,894,340
Operating income	$12,541,048	$7,596,504	$1,815,411	$1,108,617	$885,334
Other income	1,220,262	774,259	345,955	213,711	76,745
Gross income	$13,761,310	$8,370,763	$2,161,366	$1,322,326	$962,079
Deduct—Fixed Charges and Other Deductions:					
Subsidiary and Affiliated Companies:					
Interest on funded and unfunded debt (less interest during construction)	$4,703,078	$1,908,366			
Amortization of debt discount & expense	270,202	375,861			
Preferred stock dividends	606,040	701,057	$866,195	$435,665	$308,214
Deduction by Company for income applicable to Common stocks of subsidiary and affiliated companies held by the public	306,847	492,460			
Total	$5,886,167	$3,477,744	$866,195	$435,665	$308,214
Balance	$7,875,143	$4,893,019	$1,295,171	$886,661	$653,865
Associated Gas and Electric Company:					
Interest on funded debt	$2,318,507	$971,925	$148,568	$78,459	$135,471
Interest on floating debt		505,322	79,487	42,699	16,153
Amortization of debt discount & expense	62,217	47,492	17,837	8,290	12,021
Total fixed charges and other deductions of associated company	$2,380,724	$1,524,739	$245,892	$129,448	$163,645
Net income available for renewals and replacement reserves, dividends & surplus	$5,494,419	$3,368,280	$1,049,279	$757,213	$490,220
Reserved for renewals and replacements	1,627,193	1,036,112	289,414	179,822	125,046
Income available for dividends	$3,867,226	$2,332,168	$759,865	$577,391	$365,174
Cumulative dividends on Pfd. stock	1,662,154	828,674	284,372	119,459	62,979
Balance available for other dividends and surplus	$2,205,072	$1,503,494	$475,493	$457,932	$302,195
Deduct—Class "A" Priority Dividend of $2 per share	607,760	456,496	.....	.....	.....
Remainder of income for other dividends and surplus	$1,597,312	$1,046,998	$475,493	$457,932	$302,195

CONSOLIDATED BALANCE SHEET, STATED PERIODS
(Associated Gas and Electric Company and Subsidiary and Affiliated Companies)

	Jan. 31, 1928	July 31, 1927	Dec. 31, 1926	Dec. 31, 1925
Assets—				
Plant, property, franchises and cost of acquiring capital	$236,946,522	$235,856,910	$231,258,133	$185,337,471
Unamortized debt discount and expense	18,643,826	7,277,269	5,400,531	7,787,254
Investments (including investments in and advances to affiliated companies not included in the consolidation)	60,633,879	39,922,940	1,248,852	4,357,867
Current Assets—				
Cash	$9,773,148	$4,779,656	$7,673,482	$3,663,129
Funds loaned on call	.....	.....	900,000	.....
Special deposits	316,667	775,664	473,719	367,961
Notes receivable	605,045	24,596	34,513	117,564
Consumers' accounts receivable, less reserve	2,923,386	2,701,261	3,083,753	2,482,119
Miscellaneous accounts receivable	1,165,231	807,504	1,305,085	341,614
Due from subscribers for Pfd. stock and for obligations convertible into Pfd. stock	3,744,691	3,732,238	4,919,754	8,955,975
Materials and supplies	2,921,910	3,149,998	3,164,175	3,078,148
Total current assets	$21,450,078	$15,970,917	$21,554,481	$19,006,510
Sinking funds for retirement of bonds	132,065	61,147	184,216	145,434
Prepaid expenses	447,574	466,857	477,362	331,272
Miscellaneous items in suspense	634,130	801,817	438,526	422,624
Total	$338,888,074	$300,357,857	$260,562,101	$217,388,432
Liabilities—				
Pfd. stocks (A. G. & E. Co.)—liquidation value	$60,197,800	$57,558,200	$42,974,060	$14,116,550
Class "A" and "B" stocks (liquidation value) and Common stock—capital and surplus (A. G. & E. Co.)	62,746,116	44,280,773	41,622,407	28,346,667
Obligations convertible into Pfd. stock—				
At Company's or holders option	15,388,750	5,597,335	7,551,908	*26,519,158
At holders option only	8,327,070	11,228,055	6,384,470	1,803,700
Funded debt (A. G. & E. Co.)	38,727,000	40,000,000	8,527,600	12,369,000
Funded debt (Associated Electric Co.)	71,674,500	60,946,500	64,999,000	.....
Subsidiary and affiliated companies:				
Preferred stocks	4,349,550	4,652,820	6,415,200	15,875,420
Common stocks and surplus applicable thereto	42,762	8,545	8,207	6,303,080
Sundry funded debt of subsidiary companies	38,205,550	38,693,200	44,769,600	70,862,150
Property purchase and stock contract obligations	2,563,884	2,328,529	1,385,827	11,377,576
Current Liabilities—				
Notes payable	$11,347,226	$10,101,317	$8,097,317	$8,415,077
Accounts payable	1,133,427	1,086,365	2,806,616	1,935,201
Accrued dividends, interest and miscellaneous	2,698,441	3,750,780	2,811,117	1,874,965
Accrued taxes, incl. Cos' accruals for Fed. inc. tax for period	1,358,558	1,473,781	1,232,918	746,079
Total current liabilities	$16,537,652	$16,412,243	$14,947,968	$12,971,322
Consumers' deposits	1,845,649	1,780,584	1,648,526	1,218,991
Renewals, replacements and retirement of property reserves	13,701,632	12,192,269	14,279,660	12,319,508
Other reserves	4,580,159	4,678,804	5,047,668	3,305,310
Total	$338,888,074	$300,357,857	$260,562,101	$217,388,432
Net Working Capital	$4,912,426	†$441,326	$6,606,513	$6,035,188

*Includes $19,013,158 6½% Interest Bearing Option Warrants (including $8,697,273 subject to call after Jan. 7, 1926). †Debit.

INCOME ACCOUNT, YEARS ENDED
(Associated Gas and Electric Company)

	Feb. 29, 1928	Dec. 31, 1926	Dec. 31, 1925	Dec. 31, 1924	Dec. 31, 1923	Dec. 31, 1922
Gross income (excl. non-recurring income items)	$8,225,399	$6,080,082	$3,432,253	$1,006,237	$562,416	$345,693
Deductions:						
Interest on funded debt	$2,370,776	$1,184,298	$644,584	$148,568	$78,459	$135,470
*Interest on convertible obligations	854,318	729,118	349,124	8,927	3,647	.....
Interest on unfunded debt	611,342	414,007	494,353	74,005	39,052	16,153
Amortization	75,656	62,217	47,492	17,837	8,290	12,021
Total deductions	$3,912,092	$2,389,640	$1,535,553	$249,337	$129,448	$163,644
†Net income transferred to surplus	$4,313,307	$3,690,442	$1,896,700	$756,900	$432,968	$182,049

*Includes interest on obligations convertible into stock at Company's option. †Before dividends.

GENERAL BALANCE SHEET, DECEMBER 31
(Associated Gas and Electric Company)

	*1928	1926	1925	1924	1923	1922
Assets—						
Investments, capital assets and adv. to assoc. cos.	$182,365,287	$98,258,176	$84,235,953	$21,144,195	$8,919,090	$6,141,845
Cash and call loans	4,749,667	6,035,719	1,161,747	1,742,516	139,584	376,271
Notes and accounts receivable	3,834,311	6,022,503	8,902,293	408,695	412,736	12,661
Marketable securities	.....	.....	.....	2,500	.....	.....
Sinking fund deposits	.....	538	30	.....	10,909	20,256
Unamortized debt disc. and exp.	6,160,157	1,714,285	1,791,766	663,940	139,810	207,006
Prepaid accounts	52,320	53,147	23,783	13,275	855	.....
Suspense	183,205	304,574	83,596	47,139	617	.....
Total	$197,344,947	$112,388,942	$96,199,168	$24,022,260	$9,623,601	$6,758,039
Liabilities—						
Capital stock and surplus	†$114,523,486	$78,734,193	$38,071,283	$15,175,182	$7,364,049	$4,000,735
Obligations convertible into stock at Co.'s option	15,750,650	3,191,550	3,442,700	.....	.....	.....
Obligations convertible into stock at holders' option	7,972,648	13,096,050	22,513,457	230,600	125,100	.....
Funded debt	43,260,200	8,527,600	14,172,700	4,000,000	1,316,600	2,499,900
Property purchase and stock contract obligations	1,749,275	724,683	11,018,201	.....	.....	.....
Notes payable	11,335,000	4,650,000	5,200,895	4,425,289	736,000	243,000
Accounts payable	414,423	1,619,951	16,801	3,204	63,516	117
Accrued divds., interest and miscel. accounts	588,854	474,434	294,765	20,326	18,336	14,287
Reserves	1,750,411	1,370,481	1,468,366	167,659	.....	.....
Total	$197,344,947	$112,388,942	$96,199,168	$24,022,260	$9,623,601	$6,758,039

*February 29, 1928. †Represented by 660,720 shares Pfd. stocks, 700,000 shares Class "A" stock, 300,000 shares Class "B" stock, all stated at liquidation value, and 1,247,975 shares Common stock.

Managers: J. G. White Management Corp., 33 Liberty St., New York.

Officers: J. I. Mange, Pres.; H. C. Hopson, V-P. & Treas.; S. J. Magee, V-P.; John M. Daly, V-P., New York; H. D. Fitch, V-P., Bowling Green, Ky.; M. C. O'Keeffe, Sec., New York; O. E. Wasser, Compt., Ithaca, N. Y.

Directors: Charles W. Beall, Frederick S. Burroughs, John M. Daly, Henry D. Fitch, Frederick T. Hepburn, Howard C. Hopson, Sanford J. Magee, John I. Mange, John Nickerson, Jr., Faris R. Russell.

Financial Office, 61 Broadway, New York. **Local Office,** Ithaca, N. Y.

NEW YORK STATE ELECTRIC CORPORATION

(Formerly New York State Gas and Electric Corporation)

(Controlled by Associated Gas and Electric Company)

History and Property—Incorporated in 1852, in New York as The Ithaca Gas Light Co.; name changed to New York State Gas and Electric Corp. on July 2, 1918; and to present title in March, 1928. As a result of mergers and subsequent acquisitions, the company now operates properties formerly owned by the Norwich Gas & Electric Co., Oneonta Light & Power Co., Homer & Cortland Gas Light Co., Ithaca Electric Light & Power Co., Ovid Electric Co., Seely Electric Co., Standard Light, Heat & Power Co., Sullivan County Light & Power Corp., Southern New York Power Co., Madison Power Co., Inc., Waterville Gas & Electric Co., West Branch Light & Power Co., New Berlin Light & Power Co., Moravia Electric Light, Heat & Power Co., Delaware County Electric Light & Power Co., Fleischmann's Light, Heat & Power Co., Murray Electric Light & Power Co., Pine Hill Electric Property, DeLancey Electric Light Co., Inc., Hamden Electric Light Co., Roxbury Light & Power Co., Brookfield Electric & Power Co., D. Thorne Gardner Plant of West Burlington, Fred I. Nelson Plant of Deansboro, Malcolm G. Hotckin Plant of Andes, Charles Coan Plant of Kortright, Windham Valley Electric Corp., Bernholme Power Corp., Earlville Electric Co., Smyrna Electric Co., Livingston Manor Electric Co., Tusten Light & Power Co. and Georgetown Electric Lighting Co., Inc., to the acquisition of all of which the Public Service Commission consented.

In Feb. 1927, acquired control of Staten Island Edison Corp.

The properties supply electric light and power and/or gas to over 46,668 consumers in the central and southern parts of New York State, including Ithaca, Oneonta, Norwich, Homer, Cortland, Ovid, Sidney, Unadilla, Cooperstown, Monticello, Liberty, Richfield Springs, Madison, Waterville, Moravia, Stamford, Delhi, New Berlin, Fleischmanns, and the surrounding territory under exclusive franchises. Population served approximates 200,000.

Properties consist of steam and hydro-electric power stations with a generating capacity of 16,250 k.w.; gas plants with a daily capacity of 2,900,000 cu. ft.; 663 miles of high tension transmission lines and 109 miles of gas mains.

CAPITAL STOCK

Authorized, 60,000 shares Common and 90,000 shares $7 non-cumulative Pfd. both of no par value; outstanding, 4,600 shares Common and 41,884 shares Pfd. All owned by Associated Gas and Electric Company. Annual meeting, first Thursday in June.

Capital Stock Reclassified—In Dec., 1927, the capital stock was changed from 100,000 shares Common and 25,000 shares $7 cumulative Pfd. to 10,000 shares Common and 90,000 shares $7 non-cumulative Pfd. The authorized 10,000 shares Common was subsequently increased to 60,000 shares.

Preferred Stock Provisions—Has preference for assets and dividends, being entitled to non-cumulative dividends of $7 per share per annum, but only if, as and when declared by Directors, payable quarterly J. A, J & O 1. In liquidation Pfd. is entitled to $100 per share. It is subject to call on any dividend date on 30 days' notice at $100 per share.

Dividends—Dividends on Common stock have been paid by Company or its constituent companies since organization in 1852 except in six years. Dividends on Pfd. stock at rate of $7 per share per annum paid since issuance (June, 1922) to date of reacquisition.

FUNDED DEBT

$427,500 NEW YORK STATE GAS & ELECTRIC CORP. FIRST MORTGAGE GOLD BONDS, SERIES 6s; DUE JAN. 1, 1952
$4,060,500 NEW YORK STATE GAS & ELECTRIC CORP. FIRST MORTGAGE GOLD BONDS, SERIES 5½s; DUE OCT. 1, 1962

Dated, Series 6s, January 1, 1922, and Series 5½s, October 1, 1922.

Interest Payable January and July 1 on Series 6s and April and October 1 on Series 5½s at The Equitable Trust Co., of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized amount of mortgage unlimited. Outstanding, Dec. 31, 1927, $4,488,000 ($427,500 Series 6s and $4,060,500 Series 5½s); in treasury, $49,000 Series 5½s.

Additional bonds may be issued in series with interest rates, maturity dates, redemption provisions and other terms and conditions to be determined from time to time as series are issued. It is provided that additional bonds may be issued to refund underlying bonds and bonds of any other one or more series theretofore created and to the extent of 80% of the net amount of additional property, as defined in the mortgage, provided, when bonds are issued against additional property, that net earnings shall have been for a period of twelve consecutive months within fifteen months immediately preceding, equal to at least either twice the amount of interest charges or 10% of aggregate principal amount of funded debt secured, whichever is less, and at least equal to 1¾ times such interest charges on all bonds outstanding and then to be issued under this mortgage and all divisional prior lien bonds.

Exchange Offer—Holders of these bonds were given the opportunity in May, 1928, to exchange their bonds for Consolidated Refunding 4½% Gold Debenture bonds, due 1958 and/or $6.50 Pfd. stock of Associated Gas and Electric Co. on the basis of $1,115 Associated Company bonds for $1,000 5½% Series bonds and $1,140 Associated Company bonds for $1,000 6%; 10 shares of stock for each $1,000 6% or 5½% bond. Offer was subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

Callability—Series 6s are subject to call on any interest date on 30 days' notice from Jan. 1, 1932 to July 1, 1942 inclusive, at 110 and interest and thereafter at a premium decreasing ½% every six months until maturity.

Series 5½s are subject to call at any time on 60 days notice from Oct. 1, 1932 to Oct. 1, 1933 at 107½ and interest and thereafter at a premium decreasing ¼% every twelve months until maturity.

Maintenance and Renewal Fund—The mortgage provides for a maintenance and renewal fund which is designed to maintain the property in efficient operating condition and contains stringent restrictions to insure compliance with this provision. At present, the fund requires that expenditures for maintenance and renewals shall equal at least 10% of gross operating revenues. This percentage is subject to change upon agreement of the trustee representing bondholders and the company or by arbitration.

Security—Secured by a first (open) mortgage on all property of the Company now owned and by a direct lien on all property hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded.

Legal Opinion—Roberts & Montgomery.

Legal for Savings Banks in Maine; Series 5½s also legal for savings banks in New Hampshire and Vermont.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenue	$3,055,656	$2,806,684
Operating expenses and taxes	1,673,577	1,643,446
Net revenue	$1,382,079	$1,163,238
Other income	461,178	*
Gross income	$1,843,257	$1,163,238
Fixed charges	736,219	257,448
Balance	$1,107,038	$905,790
Depreciation	195,426	168,506
Balance for dividends and surplus	$911,612	$737,284
Preferred dividends	†73,297	
Balance	$838,315	

*Included in gross revenue. †Owned by Associated Gas and Electric Co.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
*Plant and property	$20,361,232	$17,926,708
Invest. in Staten Island Edison Corp. stock	10,650,568	.....
Investments (miscellaneous)	61	20,561
Cash and special deposits	359,824	†58,361
Accounts and notes receivable	460,920	339,989
Materials and supplies	381,107	360,869
Unamortized debt disc. & expense	1,041,485	1,062,936
Prepayments and suspense	85,308	114,185
Total	$33,340,505	$19,883,609
Liabilities—		
Capital stock	$12,910,911	$2,260,342
Funded debt	4,488,000	5,042,000
Advances from affiliated companies	6,749,210	†5,407,512
Accounts and notes payable	114,799	118,793
Accrued accounts	233,666	226,389
Deferred liabilities	.....	27,856
Unadjusted credits	74,494	.....
Consumers' deposits	356,560	306,215
Retirement reserves	1,942,854	2,081,178
Miscellaneous reserves	29,140	68,659
Surplus	6,440,871	4,344,664
Total	$33,340,505	$19,883,609

*Stated at reproduction value. †Exclude $501,541 cash (working fund of A. G. & E. Co.)

Officers: S. J. Magee, Pres.; G. A. Strain, V-P.; A. R. Tremaine, V-P.; M. C. O'Keeffe, V-P.; R. N. Thompson, V-P.; O. E. Wasser, Treas.; J. F. McKenna, Sec.

Directors: O. E. Wasser, Ithaca, N. Y.; J. I. Mange, S. J. Magee, H. C. Hopson, John M. Daly, New York.

Financial Office, 61 Broadway, New York. **Local Office,** Ithaca, N. Y.

WALLKILL RIVER COMPANY

(Controlled by Interests Affiliated with Associated Gas and Electric Co.)

History—Incorporated March 24, 1908; generates power and sells mainly to the Wallkill Valley Electric Light & Power Company. Generating capacity of hydro plant, 1,225 k.v.a. This company is in process of liquidation and its assets are being transferred to New York State Electric Corp.

CAPITAL STOCK

Authorized and outstanding, $150,000 Common and $100,000 6% cumulative Pfd.; par, $100. A majority of the capital stock is owned by interests affiliated with the Associated Gas and Electric Company. Pfd. dividends payable J & J 1.

FUNDED DEBT

The $50,500 First Mortgage 6% Sinking Fund Gold bonds, due April 1, 1928, were paid at maturity. The outstanding Refunding and Improvement 6% Gold bonds, due Oct. 1, 1942, were called for payment on Oct. 1, 1927, at 102½ and interest at American Exchange Irving Trust Co., New York.

Officers: S. J. Magee, Pres.; J. F. McKenna, V-P.; G. A. Strain, V-P.; M. C. O'Keeffe, Sec. & Asst. Treas.; O. E. Wasser, Treas.; C. A. Dougherty, Asst. Sec.; Fred Shaw, Asst. Treas.; G. M. Michel, Asst. Sec. & Asst. Treas.

Directors: S. J. Magee, J. I. Mange, John M. Daly, C. A. Dougherty, J. F. McKenna, New York.

Financial Office, 61 Broadway, New York.

WALLKILL VALLEY ELECTRIC LIGHT AND POWER COMPANY

(Controlled by Interests Affiliated with Associated Gas and Electric Co.)

History—Incorporated in 1893, and supplies electricity to Walden, Pine Bush, Crawford, and Montgomery in Orange County, New York. Population 6,000; customers, 1,587; k.w.h. sales in 1927, 4,186,799. Company purchases power from Wallkill River Co. Company is in process of liquidation and its assets are being transferred to New York State Electric Corp.

CAPITAL STOCK

Authorized, 2,000 shares of no par value, of which 200 shares are Common and 1,800 shares are Preferred; outstanding 164 shares Common and 1,476 shares Preferred. Stock control held by interests affiliated with the Associated Gas and Electric Company. Capital stock was changed from $50,000 Common (par, $25) authorized and $41,000 outstanding to above amounts in June 1927.

Preferred Stock Provisions—Has preference for assets and dividends, being entitled to non-cumulative dividends of $1.50 per share per annum, payable quarterly, J, A, J & O 1, only if, as and when declared by Directors. On liquidation is entitled to $25 per share. Is subject to call on 30 days' notice at $25 per share.

FUNDED DEBT

The outstanding First Mortgage 6% Gold bonds, due Jan. 1, 1940, were called for payment on July 1, 1927, at 104 and interest.

Officers: S. J. Magee, Pres.; J. F. McKenna, G. A. Strain, J. R. Ramsey, R. N. Thompson, V-P's; M. C. O'Keeffe, Sec.; O. E. Wasser, Treas.; C. A. Dougherty, Asst. Sec.; Fred Shaw, Asst. Treas.

Directors: S. J. Magee, J. I. Mange, John M. Daly, M. C. O'Keeffe, H. C. Hopson, New York.

Financial Office, 61 Broadway, New York.

STATEN ISLAND EDISON CORPORATION

(Controlled by New York State Electric Corporation)

History and Properties—Incorporated Feb. 14, 1923, in New York, and subsequently acquired all the electric light and power properties of Richmond Light & Railroad Co. in Borough of Richmond, New York City. Supplies without competition electric light and power in the Borough of Richmond (Staten Island) City of New York. Serves a population of approximately 145,000, supplying electricity to 36,115 metered consumers. The company has 450 miles of pole lines carrying over 2,200 miles of wire. In addition, company owns 74 miles of high tension transmission lines from its power house at Livingston (having 50,500 k.w. capacity) to eight sub-stations.

Management—The properties are under the management of the J. G. White Management Corp, 33 Liberty St., New York.

CAPITAL STOCK

Authorized, 200,000 shares Common (increased from 60,000 during 1926) and 35,000 shares $6 Dividend

Series First Pfd., both of no par value; outstanding Dec. 31, 1927, 182,725 shares Common, and 32,910 shares First Pfd. Over 99% of the Common stock is now owned by New York State Electric Corp.

Subscription Privilege—Convertible Pfd. Stock Redeemed—Common stockholders of record July 26, 1926 received the right until Oct. 1, 1926 to subscribe to additional Common stock at $60 a share at the rate of 53/118th of a share of new Common stock for each share held. Proceeds of the new issue were used for the redemption on Oct. 1, 1926 of the $7 Dividend Series Convertible Pfd. and the $6.50 Dividend Series Convertible Pfd. at $105 per share and accrued dividends.

Subsequent to Dec. 31, 1927, the outstanding $6 Dividend Series First Pfd. was called for payment at 103 and accrued dividends.

Voting Trust Terminated—The Voting Trust (formed in 1923) which held over 99% of the outstanding stock was terminated during 1926.

Annual Meeting—First Tuesday in June in New York.

Dividends—Dividends on Pfd. stock regularly paid to date of redemption.

FUNDED DEBT

$1,358,000 RICHMOND LIGHT & RAILROAD CO. FIRST AND COLLATERAL TRUST PURCHASE MONEY 4s; DUE JULY 1, 1952

Dated July 1, 1902.

Interest Payable January and July 1, at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized and issued, $2,500,000 of which $300,000 are cancelled and $842,000 held in treasury Dec. 31, 1927.

Exchange Offer—Holders of these bonds were given the opportunity in May, 1928, to exchange their bonds for Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Pfd. stock of Associated Gas and Electric Co. on the basis of 9 shares of stock for each $1,000 bond and $935 face amount of Associated Company bonds for each $1,000 Richmond Company bond. The offer was subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

Callability—Subject to call, in whole or in part, at 105 and interest on any interest date on 60 days' notice.

Security—Secured by a joint closed mortgage on properties of Staten Island Edison Corporation and Richmond Light and Railroad Company.

Assumed—Principal and interest assumed by Staten Island Edison Corp.

BONDS REDEEMED

All outstanding Staten Island Edison Corp. Refunding and Improvement Mortgage bonds, Series "A" 6½% due July 1, 1953 and Series "B" 6% due July 1, 1964, were called for payment on Feb. 1, 1927, at 107½ and interest at American Exchange Irving Trust Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross revenue	$3,169,216	$3,678,866
Operating expenses and taxes	1,969,301	2,477,646
Net revenue	$1,199,915	$1,201,220
Fixed charges	155,625	340,644
Balance	$1,044,290	$860,576
Depreciation	112,672	99,547
Balance	$931,618	$761,029
Preferred dividends	200,319	†210,000
Balance for Com. dividend & surplus	$731,299	$551,029

†Annual dividend requirement on 35,000 shares $6 Pfd.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	*1925
Plant and property	†$16,985,010	$22,625,509	$21,071,091
Investment in & advances to affil. cos.	3,434,906	.....	.....
Investments (miscellaneous)	38,500	39,501	5,001
Materials and supplies	209,265	303,221	333,740
Cash & special deposits	521,312	821,067	1,076,744
Notes & accts. receivable	651,514	493,434	520,488
Deferred items	717,211	555,651	653,617
Total	$22,557,718	$24,838,382	$23,660,681
Liabilities—			
Common stock	‡$10,677,350	$5,907,470	$3,148,600
Preferred stock	‡2,912,093	3,097,500	4,798,400
Subscrip. to Common stock	.....	2,475	.....
Com. stock underlying company	.....	550	.....
Funded debt	1,358,000	§6,631,900	6,746,200
Equipment obligations	.....	¶188,000	213,000
Notes & accounts payable	56,463	151,764	383,245
Consumers' deposits	428,027	393,272	359,094
Accrued accounts	148,106	738,439	361,325
Advances from affil. cos.	2,458,003	500,289	.....
Deferred liabilities	19,559	29,483	.....
Retirement reserve	326,152	1,356,943	1,847,239
Other reserves	393,219	89,451	98,728
Surplus	3,780,746	5,750,846	5,704,850
Total	$22,557,718	$24,838,382	$23,660,681

*After reflecting the issue of 35,000 shares $6 First Pfd. stock in Jan., 1926. †Reproduction cost. ‡Represented by 182,725 shares Common and 32,910 shares $6 Pfd., both of no par value. §Called for payment Feb. 1, 1927. ¶Paid off April 15, 1927.

Officers: J. H. Pardee, Pres.; J. I. Mange, V-P.; John M. Daly, H. C. Hopson, V-P.; C. S. Banghart, V-P.; M. C. O'Keeffe, Sec. & Asst. Treas, New York; G. M. Michel, Treas.; H. C. Moore, Jr., Compt.

Directors: H. C. Hopson, E. P. Currier, S. J. Magee, Warren Partridge, John M. Daly, C. A. Dougherty, J. F. McKenna, J. I. Mange, J. H. Pardee, R. M. Smith, New York.

Operating Office, 33 Liberty St., New York. **Local Office,** St. George, Staten Island, N. Y.

ASSOCIATED ELECTRIC COMPANY

(Controlled by Associated Gas and Electric Company)

History—Incorporated in March, 1926, in Delaware. Controls with affiliated interests six operating groups, viz.: Pennsylvania Group, Manila Group, Long Island Group, Kentucky-Tennessee-Indiana Group, Western New York Group, and Eastern New York Group, (Harlem Valley Group; New York-Vermont Group, Champlain Group), which control an aggregate installed generating capacity as of December 31, 1927, of 203,401 k.w. and operate 2,188 miles of transmission lines. The gas properties have a combined daily manufacturing capacity of 1,413,000 cubic feet and distribute gas through a total of 235 miles of mains. In addition, these companies do an incidental water, steam heating and transportation business. Population estimated at over 1,800,000.

STATISTICAL DATA, YEARS ENDED DECEMBER 31

	*Consol. Revenues			Consumers at Dec. 31	
Cal. Yrs.	Gross	**Net	K.w.h. Sold	Electric	Other
1920	$12,413,987	$4,287,233	214,117,350	116,275	36,254
1921	13,420,261	4,927,987	211,711,092	130,182	38,472
1922	14,330,306	5,828,210	249,159,278	145,004	43,175
1923	16,322,312	7,304,953	307,611,311	164,483	46,129
1924	17,770,756	8,126,033	329,374,226	186,233	49,214
1925	19,050,073	8,928.038	374,925,288	204,809	53,237
1926	20,514,260	9,664,832	443,203,746	220,798	59,545
1927	21,770,325	9,850,383	480,037,939	240,664	64,730

*Does not include interest during construction or income from investments. **After all taxes but before depreciation.

The Pennsylvania group serves electricity and/or gas to over 120,000 consumers in 350 communities in a territory extending from Lake Erie and the New York State boundary across western Pennsylvania

and into Maryland. The Pennsylvania area served comprises approximately one-sixth of the entire state, having a total population of more than 875,000. The properties are connected by 1,438 miles of high tension transmission lines, principally 110,000 volts, extending from Erie, Pennsylvania, on the north through to Deep Creek, Maryland, on the south. The generating stations have an aggregate installed capacity of over 150,000 k.w. of which 38,400 k.w. is hydro-electric. The properties also render some incidental gas and heating service.

The Manila group has furnished the entire electric power and light and street railway service since 1905 in the City of Manila and its environs in the Philippine Islands. The total population of the area now served is over 400,000. Power is supplied from a modern steam electric station with a rated capacity of 29,500 k.w.

The Kentucky-Tennessee group serves over 37,000 consumers in 60 communities with a population of more than 150,000. The operating properties include electric power stations with a generating capacity of 10,700 k.w., over 431 miles of high tension transmission lines and gas plants with a daily capacity of 605,000 cubic feet.

The Long Island group supplies water to 28,000 consumers in Queens and Nassau Counties on Long Island in and adjacent to the City of New York, and electricity to 6,000 consumers in Patchogue and a number of smaller communities on southern Long Island. The steam electric generating station has a capacity of 4,550 k.w.

The Western New York State group supplies electricity to over 15,000 consumers in a territory beginning at the limits of the City of Buffalo and extending south to within a few miles of the Pennsylvania State line, just north of the territory served by the Pennsylvania group.

The Eastern New York State group supplies electricity to 25,000 consumers and gas to 3,700 consumers in a territory extending, with only two interruptions, from the Canadian border south through Plattsburgh, Granville, Mechanicville, Chatham, Brewster and various other communities in the eastern section of the State and in the adjoining States of Vermont and Connecticut to within 30 miles of New York City.

CAPITAL STOCK

Authorized and outstanding, 400,000 shares Common stock of no par value. All owned by Associated Gas and Electric Company.

Annual Meeting—Third Wednesday in May, in New York.

FUNDED DEBT

$20,000,000 4½% GOLD BONDS, DUE 1953; DUE JANUARY 1, 1953

Dated January 3, 1928.

Interest Payable January and July 1, in New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—National Bank of Commerce in New York, N. Y.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $20,000,000 4½% Gold bonds, due 1953.

Additional bonds, either of this series, or of other series, having such rates of interest, maturity dates and other provisions as Company may determine, may be issued, except to an amount less than $200,000 reserved for a special purpose, only (a) for refunding or replacing an equal amount of refundable securities including bonds and Pfd. stocks of subsidiary companies (as defined in the Indenture) or bonds of any series outstanding under the Indenture; or (b) for not more than 75% of the cost or fair value, whichever is less, of new properties and additions.

Additional bonds may not be issued under the Indenture, except for the purpose of refunding or replacing outstanding bonds, or bonds or stocks of subsidiary companies, unless consolidated net earnings before depreciation, for 12 months within the 15 months immediately preceding application for issue have been at least equal to twice the annual interest and fixed dividend charges on all bonds and Pfd. stocks of subsidiary companies held by the public and all bonds outstanding under the Indenture unless such consolidated net earnings exceed $15,000,000, in which case the ratio of such consolidated net earnings to such annual charges need only be twice the first $7,500,000 of such annual charges and one and three-quarters times the remainder.

The Indenture contains conservative restrictions upon the sale of bonds and Pfd. stocks of subsidiary companies and among other things provides that they shall not be sold to the public if the total amount of such securities held by the public is thereby increased to an amount exceeding 50% of the bonds then outstanding under the Indenture, including as outstanding any bonds issued under the Indenture and converted into a junior security, and also that bonds and Pfd. stocks of subsidiary companies may not be sold to the public, except to refund or replace outstanding bonds and Pfd. stocks of subsidiary companies, unless the earnings ratio applicable to the issue of bonds under the Indenture is complied with.

The Indenture contains certain provisions permitting the modification or alteration thereof or of any supplemental indenture with the assent of Company and of the holders of not less than 85% in aggregate principal amount of the outstanding bonds, not including any bonds owned by Company; provided that any such modification or alteration shall not permit, (a) the extension of the maturity of any bond, or the reduction in rate of interest thereon, or any other modification in the terms of payment of such principal or interest, without the consent of the holder thereof, or (b) the creation by Company of any indebtedness not permitted by the Indenture or of any mortgage or pledge of any of the assets of the Company unless the bonds issued or to be issued under the Indenture are secured by such mortgage or pledge on an equality with any other indebtedness to be secured thereby.

Callability—Subject to call in whole or in part at any time on 30 days' notice; at 100 and interest to and including Dec. 31, 1932; thereafter at 102 and interest through Dec. 31, 1937; thereafter at 101½ and interest through Dec. 31, 1942; thereafter at 101 and interest through Dec. 31, 1947; and thereafter at 100 and interest.

Purpose of Issue—Company will acquire or retire an aggregate of $23,000,000 of its 5½% bonds due 1946 and/or bonds and/or Pfd. and/or Pref. stock of subsidiaries (all of which carry a higher face rate than the present offering of 4½% Gold bonds) so that upon completion of this financing a net decrease of $3,000,000 in the consolidated capitalization of Company group and a substantial decrease in the combined average interest and dividend rates thereon will have been effected.

Sinking Fund—None.

Maintenance and Replacements—Indenture provides for maintenance and replacements through the expenditure or reservation by the subsidiary companies from each year's earnings of an amount equal initially to 12½% of the consolidated gross operating revenue from electric operations, 10% of that from gas operations, 5% of that from water operations and 25% of that from traction operations. These percentages which are subject to arbitration and adjustment at five year intervals, will, in the opinion of competent engineers, adequately provide for the maintenance of these properties at their present high standard of operating efficiency.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of these bonds upon application within 60 days' after payment for the Pennsylvania four mills tax and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion—Sullivan & Cromwell, New York (for the Bankers), and Charles M. Travis, New York (for the Company).

Original Offering—First publicly offered ($20,000,000 4½% bonds, due 1953) in Dec., 1927, at 94¼ and interest, to yield 4.90%, by Harris, Forbes & Co., Lee, Higginson & Co., Guaranty Co. of New York, Kidder, Peabody & Co., Marshall Field, Glore, Ward & Co., Brown Brothers & Co., Edward B. Smith & Co., E. H. Rollins & Sons, Equitable Trust Co. of New York, John Nickerson & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

Listed—Boston Stock Exchange.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas and Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6 Series Pfd. stock on the basis of $1,010 face amount of Associated Company bonds for each $1,000 bond or 9.5 shares of $6 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

BONDS REDEEMED

All outstanding Convertible Gold bonds, 5½% Series due April 1, 1946, were called for redemption on July 1, 1928 at 105 and interest at National Bank of Commerce in New York, Trustee. Bonds may be converted on the first day of any month up to and including July 1, 1928, upon 10 days prior written notice to Associated Gas and Electric Co., into $6 Dividend Series Pfd. stock of Associated Gas and Electric. Holders of the called bonds also had the privilege to exchange their bonds for Gold debenture bonds. Consolidated Refunding 4½% Series, due 1958, of Associated Gas and Electric Co., at the rate of $1,095 for each $1,000 Associated Electric bond.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED
(Associated Electric Co. and Subsidiary and Affiliated Companies)
(Includes properties only since the date they were taken into the System)

	Jan. 31, 1928	Dec. 31, 1926
Gross earnings	$22,729,296	$21,090,049
Oper. exps., maint. and all taxes	11,618,017	10,302,880
Net earnings	$11,111,279	$10,787,169
Underlying companies deductions	4,911,467	{2,173,597
Interest on funded debt		{2,352,013
Balance	$6,199,812	$6,261,559
Renewals and replacements	1,287,592	1,317,997
Balance for dividends, surplus, etc...	$4,912,220	$4,943,562

CONSOLIDATED BALANCE SHEET
(Associated Electric Co. and Subsidiary and Affiliated Companies)

Assets—	Jan. 31, 1928	Dec. 31, 1926
Plant, properties, etc.	$158,061,922	$150,778,397
Investments	5,549,229	2,049,161
Cash	1,205,651	{1,315,077
Special deposits		{ 216,446
Accounts receivable—consumers	1,931,328	2,055,403
Accounts receivable—misc.	654,550	129,349
Notes receivable	116,862	622,324
Material and supplies	2,043,394	2,275,834
Unamortized discount on securities	4,238,009	
Prepayments	250,006	248,964
Other suspense	397,612	239,898
Total	$174,448,563	$159,930,853

Liabilities—		
Capital stock	$40,000,000	$40,000,000
Stocks of sub. & affil. cos. held by pub.	*715,512	*1,847,757
Funded debt	†71,674,500	64,990,000
Funded debt. of sub. & affil. cos. held by public	‡26,604,250	27,499,700
Accounts with affiliated companies	8,216,789	3,558,946
Notes payable—miscellaneous	12,226	309,635
Accounts payable	1,500,614	1,567,241
Accrued interest	1,565,509	1,319,839
Accrued taxes	297,620	1,248,921
Consumers' deposits	902,984	714,358
Retirement reserves, etc.	9,620,794	8,915,774
Other reserves	1,978,001	1,742,914
Surplus	11,359,764	6,206,767
Total	$174,448,563	$159,930,853

*Includes Pfd. stocks—par or stated value—$1,844,500, and Common stock and surplus applicable thereto, $3,257 in 1926, and $709,450 and $6,062 in 1927, respectively. †Includes $51,674,500 5½% Gold bonds, due 1946, called for payment July 1, 1928. ‡Through conversions or acquisitions to May 8, 1928, and including issues on which calls have been published, this amount would be reduced over $6,000,000.

Officers: J. I. Mange, Pres.; J. M. Daly, V-P.; H. C. Hopson, V-P. & Treas.; R. N. Thompson, V-P.; M. C. O'Keeffe, Sec.; H. M. Wetherall, Asst. Sec.; G. M. Michel, Asst. Treas., New York.

Directors: Chas. W. Beall, Frederick S. Burroughs, John M. Daly, Howard C. Hopson, Sanford J. Magee, John I. Mange, New York.

Operating Managers: J. G. White Management Corporation, 33 Liberty Street, New York.

Financial Office, 61 Broadway, New York.

PENNSYLVANIA ELECTRIC COMPANY

(Associated Electric Company System)

History and Property—Incorporated June 11, 1919, in Pennsylvania under the name Penn Public Service Corporation, as a consolidation of Citizens Light, Heat & Power Co. of Pennsylvania, Penn Public Service Co. and Penn Electric Service Co. (see 1919 Public Utility Manual, pages 529 to 531). Name changed to present title in December, 1927. During 1922, purchased the property of the Conemaugh Power Co., formerly controlled (see 1922 Public Utility Manual, page 186). In 1923 acquired the Common stocks of the Warren Light & Power Co., Jefferson Electric Co., Du Bois Electric Co. and Erie Lighting Co., and in 1924 all of these except Erie Lighting Co. were merged into Penn Public Service Corp. (now the Pennsylvania Electric Company). (For latest statements, see 1923 Manual, pages 2202 and 2203). In 1923 the stocks of the Du Bois Electric & Traction Co. and Du Bois Traction Co. were also acquired, their properties connected with the system and the companies dissolved as of Nov. 25, 1925, and Dec. 24, 1926, respectively (see 1923 Manual, pages 2596 and 2597). Information in back Manuals furnished on request to our Information Department. On July 12, 1927, the Centre & Clearfield Ry., formerly controlled (see 1927 Manual, page 2408), was dissolved. On Sept. 1, 1927, the Company merged Venango Public Service Corp. (see 1927 Manual, page 2411), Meyersdale Electric Light, Heat & Power Co., White Oak Light, Heat & Power Co., Wayside Electric Co., United Light, Heat & Power Co., Garrett Electric Light, Heat & Power Co., Citizens Light, Heat & Power Co. of Salisbury (property operating in Pa.), and Summit Townships Electric Light, Heat & Power Co.

Owns entire authorized and issued capital stock ($400,000) of Johnstown Fuel Supply Co.

The Pennsylvania Electric Co., together with its subsidiary and affiliated companies, own and operate an electric light and power system, serving over 350 communities located in Cambria, Somerset, Indiana, Clearfield, Centre, Westmoreland, Jefferson, Elk, Forrest, Warren, Erie, Venango, Clarion and Crawford Counties in Western Pennsylvania. The territory served has an aggregate population estimated to exceed 875,000, the principal towns being Johnstown, Erie, Warren, Du Bois, Punxsutawney, Somerset, Clearfield, Indiana, Philipsburg and Blairsville. The Company also does some incidental artificial gas and steam heating business, and through its subsidiary, the Johnstown Fuel Supply Co., renders natural gas service in Johnstown and its suburbs.

The electric system of the company includes 10 steam electric generating plants having an installed generating capacity of over 150,000 k.w. The Company's principal plants are at Seward, Johnstown, Philipsburg, Rockwood, Warren and Erie, these locations being such that they tend to insure continuity of service to the major centers of load.

A favorable feature with respect to the Pennsylvania Electric Company is that its subsidiary, the Penelec Coal Corporation (see appended statement), owns four producing coal mines near Clearfield, Philipsburg, Seward and Rockwood respectively, and has an aggregate coal reserve estimated to exceed 20,000,000 tons of coal on lands owned or held under lease. The location of these mines with respect to the Company's principal power plants is such that the entire supply of steam coal, for all except the Warren plant, is secured without the use of railroad equipment.

The transmission system of the Company and subsidiaries now includes approximately 1,438 circuit miles of high tension lines, principally 110,000 volts. Power is now being received from the hydro-electric plants of The Clarion River Power Co. and the Youghiogheny Hydro Electric Corp., affiliated companies. The electrical distribution system consists of approximately 4,500 miles of aerial wire in addition to underground distributing systems in the Cities of Johnstown and Erie. The electric system serves in the aggregate 106,960 customers.

The artificial gas plant at Clearfield and the Johnstown Fuel Supply Co., the entire capital stock of which (no funded debt) is owned by Pennsylvania Electric Co., distributes natural gas to 14,934 customers.

Franchises—Franchises of the Pennsylvania Electric Co. are unlimited in time. The franchise of the Johnstown Fuel Supply Co. in Johnstown extends to 1936 and its franchises in the suburban territory are perpetual.

CAPITAL STOCK

Authorized, 1,200,000 shares Common of no par value; outstanding, 850,000 shares Common. The Associated Electric Company indirectly owns the entire Common stock. The 7% cumulative Preferred stock previously outstanding was redeemed Sept. 1, 1926, and the 6% cumulative Pfd. previously outstanding was called for redemption on March 1, 1928 at 103 and accrued dividend.

Transfer Agents—F. E. Taylor, C. A. Dougherty and W. L. Freund, 61 Broadway, New York City.

Registrars—C. A. Dougherty, 61 Broadway, New York, or H. B. Brown, c/o J. G. White Management Corp., 33 Liberty St., New York.

Annual Meeting—Fourth Tuesday in January at Johnstown, Pa.

Dividends—Pfd. dividends regularly paid to dates of redemption.

FUNDED DEBT

(1)

$1,422,000 CITIZENS LIGHT, HEAT & POWER CO. OF PENNSYLVANIA FIRST GOLD 5s; DUE NOVEMBER 1, 1934

Dated November 1, 1909.

Interest Payable May and November 1, at Harris, Forbes & Co., New York, or Harris Trust & Savings Bank, Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—United States Mortgage & Trust Co., New York.

Provisions of Issue—Mortgage closed; outstanding, $1,422,000.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas and Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Series Pfd. stock on the basis of $1,090 face amount of Associated Company bonds for each $1,000 bond or 10 shares of $6.50 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' notice.

Extension and Improvement Fund—3% annually of bonds outstanding.

Security—A first (closed) mortgage on entire property of former Citizens Light, Heat & Power Co. of Pa. Additionally secured by pledge of entire $400,000 capital stock of Johnstown Fuel Supply Co., supplying natural gas in Johnstown, Pa., and vicinity. Underlie $8,324,500 Penn Public Service Corp. First & Refunding Mortgage 5s and 6s, under which bonds are reserved to retire this issue and under which $774,000 of this issue are pledged as additional collateral.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania State Tax.

Original Offering—First publicly offered ($1,500,000) in Dec., 1909, at par and interest.

(2)

$219,500 DU BOIS ELECTRIC & TRACTION CO. COLLATERAL TRUST GOLD 5s; DUE MAY 1, 1932

Dated May 1, 1902.

Interest Payable May and Nov. 1, at office of H. C. Hopson & Co., Inc., 61 Broadway, New York. Coupon, $500; principal may be registered. American Exchange Irving Trust Co., New York, Trustee. Authorized and issued, $300,000, of which $219,500 outstanding in hands of public, the balance being pledged as collateral security under Penn Public Service Corp. First and Refunding Mortgage. Subject to call on any interest date at 105. Secured by lien on all properties. Company does not pay Normal Federal Income Tax.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas and Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Series Pfd. stock on the basis of $1,075 face amount of Associated Company bonds for each $1,000 bond or 10 shares of $6.50 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

(3)

$192,000 JEFFERSON ELECTRIC CO. FIRST GOLD 5s; DUE MARCH 1, 1933

Dated March 1, 1913.

Interest Payable March and Sept. 1, at Scranton Lackawanna Trust Co., Scranton, Pa., Trustee. Coupon, $500; principal may be registered. Authorized and issued, $500,000, of which $192,000 outstanding. Subject to call on any interest date after March 1, 1918, at 105 and interest, upon 30 days' notice. No

sinking fund. A first (closed) mortgage on entire property formerly owned by Company. Company pays Normal Federal Income Tax up to 2%.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas and Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Series Pfd. stock on the basis of $1,075 face amount of Associated Company bonds for each $1,000 bond or 10 shares of $6.50 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

(4)

$2,094,000 PENN PUBLIC SERVICE CO. FIRST GOLD 5s; DUE FEBRUARY 1, 1962; BUT CALLED FOR PAYMENT ON AUG. 1, 1928 AT 103 AND INTEREST AT BANKERS TRUST CO., NEW YORK, TRUSTEE

(5)

$151,000 WARREN LIGHT & POWER CO. FIRST GOLD 5s; DUE JANUARY 15, 1931

Dated January 15, 1911.

Interest Payable Jan. and July 15, at Warren Savings Bank and Trust Co., Warren, Pa., Trustee. Coupon, $1,000. Authorized and issued, $175,000; outstanding, $151,000. Secured by first (closed) mortgage on entire property formerly owned by Warren Light & Power Co. Company pays Normal Federal Income Tax up to 2%.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas and Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Series Pfd. stock on the basis of $1,075 face amount of Associated Company bonds for each $1,000 bond or 10 shares of $6.50 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

(6)

$5,470,000 PENN PUBLIC SERVICE CORPORATION FIRST AND REFUNDING GOLD 6s, SERIES "C"; DUE MAY 1, 1947

$2,854,000 PENN PUBLIC SERVICE CORPORATION FIRST AND REFUNDING GOLD 5s, SERIES "D"; DUE DECEMBER 1, 1954

Dated December 1, 1919.

Interest Payable May and November 1 on Series "C" and June and December 1 on Series "D" at First National Bank, New York.

Denominations—Series "C": Coupon, $1,000; principal may be registered. Series "D": Coupon, $500 and $1,000; principal may be registered; fully registered bonds in denominations of $1,000 interchangeable with $1,000 coupon bonds.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Authorized amount of mortgage unlimited. Outstanding, $5,470,000 Series "C" 6s and $2,854,000 Series "D" 5s.

Additional bonds may be issued in series bearing such maturities and rates of interest as the Board of Directors may determine, provided that so long as any Series "A" bonds are outstanding earlier maturing series may not be issued to a face amount aggregating more than 25% of the aggregate of the Series "A" bonds then outstanding and all bonds of prior maturity. The additional bonds may only be issued for the following purposes: (a) to a face amount not exceeding 80% of the cost or fair value (whichever is less) of acquisitions for new or additional property or permanent extensions or additions to the property of the Company subsequent to August 31, 1919; and (b) at the rate of par for par for the retirement of underlying bonds; provided that the net earnings for twelve consecutive months within the fifteen months immediately preceding the issuance of any additional bonds except for exchange for underlying bonds shall have been at least equal to 10% of the face amount of all bonds outstanding including all underlying bonds and those proposed to be issued, and all other indebtedness secured by mortgage prior to lien of original indenture and also shall have been equal to at least 1¾ times the annual interest charge on all underlying bonds and First and Refunding mortgage bonds then outstanding including those proposed to be issued.

Among other modifications of the Indenture, provision is to be made (effective upon the retirement of all Series "A", "B", and "C" bonds) for the issue of additional bonds to retire an equal principal amount of the First Mortgage bonds of Erie Lighting Co. and against its physical property and additions thereto, and also for the inclusion of the earnings of that company in computing the earnings of the company required for the issue of additional Bonds: such provisions to be set forth in detail in a supplemental indenture.

Exchange Offer—Holders of these bonds were given the opportunity in May, 1928, to exchange their bonds for Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Pfd. stock of Associated Gas and Electric Co. on the basis of 10 shares of stock for each $1,000 Series "C" or Series "D" bond, or $1,090 Associated Company bond for each Series "D" bond and $1,140 Associated Company bond for each Series "C" bond. This offer was subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., agent.

Callability—Series "C" bonds are subject to call at 111¼ and interest on May 1, 1927, and thereafter on any interest date at a premium decreasing ¾% each year to 107½ and interest on May 1, 1932 and thereafter decreasing ½% each year to 100½ and interest during the last year of life.

Series "D" bonds are subject to call on the first of any month on six weeks' notice at 105 and interest through Dec. 1, 1940; thereafter at a premium decreasing ¼ point each year to 102½ and interest during 1950 and thereafter prior to maturity at a premium decreasing ½ point each year to 100½ and interest during the last year of life.

Maintenance and Improvement Fund—A maintenance and improvement fund is provided of not less than 12% of gross operating revenues of the Company for each year, this percentage to be subject to adjustment, from time to time, by arbitration when all Series "A", "B" and "C" Bonds have been retired.

Security—Secured by a direct first mortgage upon the new 40,000 k. w. Seward plant, together with all the property in Cambria and Somerset Counties formerly owned by the Penn Electric Service Co., the 10,000 k. w. power plant at Rockwood completed in 1920, and the Company's office building in Johnstown. These bonds will also cover the balance of the property by a direct mortgage subject to $1,496,000 Citizens Light, Heat & Power Co. First 5s. These bonds are further secured by deposit with the Trustee of $1,554,500 additional of said underlying divisional bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania Four Mills Tax. Connecticut personal property tax not exceeding four mills per dollar per annum refunded on Series "D" bonds.

Legal Opinion—Sullivan & Cromwell, New York (for the Bankers), and Roberts & Montgomery, Philadelphia (for the Company).

Original Offerings—First publicly offered ($4,000,000 Series "A" 6s) in Dec., 1919, at 96½ and interest, yielding about 6½%; $850,000 Series "B" 7½s were

offered in June, 1920, at 95½ and interest, yielding over 8%; $1,500,000 additional Series "B" 7½s were offered in March, 1921, at 95¾ and interest, yielding 8%; $750,000 additional Series "A" 6s were offered in Dec., 1921, at 96 and interest, yielding about, 6.70%; $4,500,000 Series "C" 6s were offered in April, 1922, at 99½ and interest, yielding about 6.05%; $2,500,000 additional Series "C" 6s were offered in Nov., 1923 at 98½ and interest, yielding about 6⅛%; and $4,000,000 Series "D" 5s were offered in Nov., 1924, at 94 and interest, yielding over 5.40%. All the foregoing issues were offered by Harris, Forbes & Co. and E. H. Rollins & Sons, New York, and Harris Trust & Savings Bank, Chicago.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Penn Public Service Corporation and Subsidiaries, Erie Lighting Co., Warren St. Ry., Northwestern Electric Service Co. of Pa., Johnstown Fuel Supply Co. and Penelec Coal Co.)

	1927	1926	1925
Gross earnings	$11,801,809	$10,201,649	$8,536,132
Operating exp. & all taxes	6,175,995	5,249,885	4,495,162
Net earnings	$5,625,814	$4,951,764	$4,040,970
Annual int. on outstanding bonds	890,389	974,870	.....
Balance	$4,735,425	$3,976,894	.....
Renewals and replacements	565,268	524,939	.....
Balance	$4,170,157	$3,451,955	.....

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant, property, etc., (stated at reproduction cost)	$68,447,176	$53,887,889
Investments—miscellaneous	54,290	10,090
Investments in affiliated companies	.....	3,906,284
Sinking funds	400,318	43,083
Cash and special deposits		729,560
Notes receivable	12,766	18,435
Advances to affiliated companies	17,614,938	17,372,540
Accounts receivable	1,027,590	1,118,247
Materials and supplies	746,127	736,967
Other current assets	15,401	222,088
Prepayments	70,340	90,630
Unamortized debt disc. & exp.	1,472,613	1,516,800
Miscellaneous suspense items	37,567	165,672
Total	$89,899,126	$79,818,285
Liabilities—		
Common stock	$4,675,000	$4,186,375
Preferred stock	*723,450	†1,785,280
Funded debt	19,118,000	18,122,500
Advances from affiliated companies	44,313,045	40,583,769
Consumers' deposits	230,838	261,702
Notes payable	.....	250,000
Accounts payable	239,664	292,468
Accrued taxes	198,391	242,235
Accrued interest	251,990	225,185
Misc. accrued accounts	165,848	245,205
Other current liabilities	603,937	449,103
Other liabilities	.....	8,919
Retirement reserve	4,290,668	3,327,130
Other reserves	471,941	686,157
Surplus—capital and corporate	14,616,354	9,161,176
Total	$89,899,126	$79,818,285

†Includes $1,086,680 Erie Lighting Company $2 Preference stock represented by 31,048 shares at liquidation value of $35 a share, and $698,600 Penn Public Service Corp. 6% cumulative Preferred. *Called for payament March 1, 1928.

Officers: J. I. Mange, Chrm. of Board & Pres.; H. C. Hopson, V-P. & Treas.; John M. Daly, Warren Partridge, V-Ps., New York; Fred B. Hofft, V-P., Erie, Pa.; P. J. Morrissey, V-P., Johnstown, Pa.; J. F. McKenna, Sec.; W. A. Reiber, Compt.

Executive Committee: J. I. Mange, John M. Daly, H. C. Hopson, New York.

Directors: J. I. Mange, John M. Daly, H. C. Hopson, New York; P. J. Morrissey, Johnstown, Pa.; Fred B. Hofft, Erie, Pa.

General Office, Johnstown, Pa. **Financial Office,** 61 Broadway, New York.

JOHNSTOWN FUEL SUPPLY COMPANY

(Controlled by Pennsylvania Electric Co.)

History—Incorporated May 3, 1907, in Pa. Supplies natural gas service to the City of Johnstown, Boroughs of Westmont, Southmont, Ferndale, Dale, Franklin and Oakhurst, and to the Townships of Lower Yoder, Upper Yoder and Stonycreek. Population served, 100,000.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $25. All owned by Pennsylvania Electric Co. and pledged under the First Mortgage of Citizens Light, Heat & Power Co.

FUNDED DEBT

None.

Officers: J. I. Mange, Chrm. & Pres.; H. C. Hopson, V-P. & Treas.; Fred B. Hofft, V-P.; Warren Partridge, V-P.; J. M. Daly, V-P.; M. C. O'Keeffe, Asst. Treas.; G. M. Michel, Asst. Treas.; W. A. Reiber, Compt.

Directors: J. I. Mange, H. C. Hopson, Fred B. Hofft, John M. Daly, P. J. Morrissey.

General Office, Johnstown, Pa. **Financial Office,** 61 Broadway, New York.

CLARION WATER COMPANY

(Controlled by Interests Affiliated With Associated Electric Co.)

History—Incorporated May 3, 1887 and supplies water to the Borough of Clarion, Pa.

CAPITAL STOCK

Authorized and issued, $30,000, par $50. All owned by interests affiliated with Associated Electric Co.

FUNDED DEBT REDEEMED

All the outstanding Forty-Year Gold Mortgage 5% Bonds, due March 1, 1953, were called for payment on Sept. 1, 1927 at par interest and all the outstanding First Mortgage 5% Gold Bonds, due March 1, 1929, were called for payment on Sept. 1, 1928 at par and interest, both at Colonial Trust Co., Pittsburgh, Pa.

Officers: J. I. Mange, Pres.; H. C. Hopson, V-P.; Warren Partridge, V-P.; P. J. Morrissey, V-P.; W. A. Reiber, Compt.; M. C. O'Keeffe, Sec.; G. M. Michel, Treas.; C. A. Dougherty, Asst. Sec.; H. M. Wetherell, Asst. Sec.; H. B. Brown, Asst. Treas.; G. Altemus, Asst. Treas.; G. C. Savering, Asst. Sec.

Directors: Howard C. Hopson, John I. Mange, New York, N. Y.; Peter J. Morrisey, Johnstown, Pa.

Managers: The J. G. White Corporation, 33 Liberty St., New York.

Financial Office, 61 Broadway, New York. **Local Office,** Johnstown, Pa.

PENELEC COAL CORPORATION

(Controlled by Pennsylvania Electric Company)

History and Properties—Incorporated May 13, 1921, in Pennsylvania; a consolidation of Penelec Coal Co. (see 1921 Industrial Manual, Vol. II, page 296) and Conemaugh Smokeless Coal Co. The physical property owned and leased consists of the following: 16,000,000 gross tons of coal owned outright; 4,000,000 gross tons of coal leased outright. Mine No. 2 is located at Clearfield, Pa.; No. 3 at Rockwood, Pa.; No. 4 at Philipsburg, Pa.; No. 5 at Robindale, Pa.; The Johnstown Mine No. 2 was sold in Jan., 1927. The company has contracts for supplying coal to the Pennsylvania Electric Company, the annual consumption of which is approximately 200,000 net tons, the price being subject to adjustment based on the cost of mining. The company has favorable facilities for selling coal for local use and for commercial sales by rail.

CAPITAL STOCK

Authorized and outstanding, $350,000 Common and $800,000 8% cumulative Pfd.; par, $100. All owned by Pennsylvania Electric Company. Annual meeting, fourth Tuesday in January.

Dividends—None paid.

FUNDED DEBT

None.

OFFICERS AND DIRECTORS

Officers: J. I. Mange, Chairman of Board and Pres.; H. C. Hopson, V-P.; Warren Partridge, V-P.; P. J. Morrissey, V-P.; M. C. O'Keeffe, Sec. & Asst. Treas.; G. M. Michel, Treas., New York; C. A. Dougherty and H. M. Wetherell, Asst Secs.; H. B. Brown and M. Brown, Asst. Treas'rs.; W. A. Reiber, Compt.

Directors: John I. Mange, John M. Daly, H. C. Hopson, New York; Peter J. Morrissey, Johnstown, Pa.; Fred B. Hofft.

General Office, Johnstown, Pa.

WARREN STREET RAILWAY

(Controlled by Pennsylvania Electric Company)

History—Incorporated March 14, 1889, in Pennsylvania. Owns and operates 20 miles of street railway. Gauge, standard. Rail, 60 to 70 lb. T and girder. Passenger cars, 18; freight car, 1; sweeper, 1; snow plow, 1. Franchise perpetual and free from city tax. Stock control was acquired in 1924 by Venango Public Service Corp., which in 1927 was merged with Pennsylvania Electric Co.

CAPITAL STOCK

Authorized and outstanding $375,000; par, $50. All owned by Pennsylvania Electric Company. Annual meeting, second Monday in January.

Dividends—Dividends have been paid as follows: 1908-9, 6%; 1909-10, 5%; 1910-11, 1911-12, 1912-13, 1913-14, 1914-15 and calendar year, 1916, 6% each; 1917 and 1918, none; 1919 to 1923, including 6% per annum, paid semi-annually Jan. and July; later dividends not reported.

FUNDED DEBT

The outstanding Second Mortgage 5% Gold bonds, due July 1, 1931, were called for payment on April 1, 1928, at par and interest at Warren (Pa.) National Bank.

Officers: J. I. Mange, Pres.; H. C. Hopson, Warren Partridge, R. N. Thompson, V-Ps., New York; Fred B. Hofft, V-P., Erie, Pa.; W. A. Reiber, Compt., Johnstown, Pa.; M. C. O'Keeffe, Sec.; G. M. Michel, Treas., New York.

General Office, Warren, Pa. **Financial Office,** 61 Broadway, New York.

ERIE LIGHTING COMPANY

(Controlled by Pennsylvania Electric Company)

History—Incorporated April 27, 1911, in Pa.; consolidation of Merchants & Manufacturers Electric Light, Heat & Power Co. and Northeast Electric Light & Power Co. On Jan. 25, 1921, the C-D Electric Co. was merged. On Jan. 31, 1926, the former subsidiary Erie Electric Contracting Co. was dissolved. On Oct. 1, 1927, the Home Heating Co. of Erie, Pa., formerly controlled, was merged. Franchises perpetual. Owns and operates two generating stations in the City of Erie, Pa. The territory served by it consists of the City of Erie, the boroughs of North East, Waterford, and intervening territory. In addition to the local distributing systems in the various communities served, Company owns 47 miles of high tension transmission lines. Total population served, about 138,000. In 1923 all the outstanding Common stock of company was acquired by Penn Public Service Corp. (now Pennsylvania Electric Co.)

CAPITAL STOCK

Authorized and issued 66,020 shares Common of no par value, and 100,000 shares cumulative Participating Preference of no par value. All the Common stock owned by Pennsylvania Electric Co.

Subscription Privilege—Preference and Common stockholders of record July 7, 1926 received the right, until Aug. 3, 1926, to subscribe to 27,204 additional shares of Preference stock at $35 a share and dividends on the basis of one new share for each five shares held. Payment was due in full on Aug. 3, 1926 or in two installments, $15 on Aug. 3, and $20 on Oct. 15, 1926.

Preferred Stock Provisions—Upon dissolution or liquidation Preference shares are entitled to receive $35 per share and all unpaid dividends, before any distribution can be made on Common shares. Holders of Preference shares are given the power to elect a majority of the board of directors, should the dividend for two quarterly periods thereon whether consecutive or not, remain unpaid. No mortgage or any other lien upon the real or personal property of the Company shall be issued or guaranteed and no notes or other evidence of indebtedness, maturing later than three years from the date of issue, shall be authorized without the consent of the majority of Preference shares then issued and outstanding; but no such consent shall be required for the issue of any bonds heretofore or hereafter certified under the terms of the now existing mortgages of the Company. No additional shares having any preference or priority over or equality with the Preference shares shall be issued without the consent of the holders of record of a majority of the Preference shares then outstanding.

Transfer Agents (Pref. & Common)—F. E. Taylor, C. A. Dougherty or W. L. Freund, c/o H. C. Hopson & Co., Inc., 61 Broadway, New York.

Registrars (Preference)—J. F. McKenna and E. B. Naylon, 61 Broadway, New York. Common: The New York Trust Co., New York.

Annual Meeting—Second Monday in April.

Dividends—Initial dividend on the Preference shares of 50 cts. a share was paid July 1, 1921, to stock of record June 15, 1921; 50 cts. per share paid quarterly since; payments J, A, J & O 1. Dividends of 50 cents per share per quarter paid on Common stock from July 1, 1923 to date.

Exchange Offer—Holders of the Preference stock were offered the privilege on May 1, 1928 to exchange their stock for Associated Gas & Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6 Series Pfd. stock on the basis of $405 face amount of Associated Company bonds for each share of stock held or 4 shares of $6 Series Pfd. stock for each share of stock held. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

FUNDED DEBT

$3,582,500 ERIE LIGHTING CO. FIRST MORTGAGE 5% SINKING FUND GOLD BONDS; DUE APRIL 1, 1967

Dated April 2, 1917.

Interest Payable April and October 1, at Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized issue, $6,000,000; outstanding, May 15, 1928, $3,582,500. Reserved bonds may be issued for 85% of the cost of permanent additions, betterments, extensions or acquisitions, when net earnings as defined in the mortgage, for twelve months within the thirteen months immediately preceding, are equal to or exceed one and three-quarters

times the interest on the bonds outstanding and those to be issued.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas & Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Series Pfd. stock on the basis of $1,090 face amount of Associated Company bonds for each $1,000 bond or 10 shares of $6.50 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest ond dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

Callability—Subject to call, in whole or in part, on any interest date at 105 and interest on 30 days' notice.

Sinking Fund—Sinking fund (commenced Dec. 31, 1918) amounts to 1% per annum of outstanding bonds to be applied to the purchase of bonds or for their retirement at 105 and interest.

Security—A first mortgage on entire property, including two generating stations, a complete distributing system, about 47 miles of high-tension transmission lines, sub-stations and all other equipment.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—John G. Johnson and Dickson, Beitler & McCouch, Philadelphia.

Original Offering—First publicly offered ($1,650,000) in March, 1917, at 98 and interest yielding over 5.10%; in April, 1919, $1,350,000 additional were offered.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$1,860,340	$1,885,626
Operating exp. & all taxes	1,147,792	1,123,996
Net earnings	$712,548	$761,630
Fixed charges	172,615	117,813
Balance	$539,933	$643,817
Renewals and replacements	157,407	101,082
Balance	$382,526	$542,735
Preferred dividends	200,000	200,000
Common dividends	132,040	132,040
Surplus for year	$50,486	$210,695

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Plant and property (stated at reproduction cost)	$10,423,914	$9,477,647
Investments	4,689	4,689
Sinking fund	.....	43,082
Cash and special deposits	17,520	130,136
Notes receivable	2,044	2,305
Accounts receivable due from affil. Cos.	625,139	398,071
Accounts receivable, other	.....	140,732
Materials and supplies	.....	204,542
Prepayments and suspense items	69	14,012
Unamortized debt disc. & exp.	541,477	519,939
Total	$11,614,852	$10,935,155
Liabilities—		
Pref. stock at liquidation value, $35 per share	$3,296,502	$3,500,000
Common stock	1,650,500	1,650,500
Funded debt	4,246,500	3,003,000
Advances from affil. Cos.	.....	26,828
Consumers' deposits	.....	12,438
Accounts payable	2,326	100,000
Notes payable	.....	5,053
Other current liabilities	5,444	173,775
Accrued taxes	1,460	125,037
Accrued interest		37,537
Misc. accrued accounts		1,262
Retirement reserve	502,425	442,446
Other reserves	.....	99,522
Surplus—capital and corporate	1,909,695	1,757,757
Total	$11,614,852	$10,935,155

Officers: J. I. Mange, Pres.; H. C. Hopson, V-P. & Treas.; Warren Partridge, John M. Daly, Fred B. Hofft, P. J. Morrissey, V-Ps.; M. C. O'Keeffe, Sec.

Directors: J. I. Mange, H. C. Hopson, John M. Daly, P. J. Morrissey, Fred B. Hofft.

General Office, Erie, Pa. **Financial Office,** 61 Broadway, New York.

NORTHWESTERN ELECTRIC SERVICE CO. OF PENNSYLVANIA

(Controlled by Pennsylvania Electric Company)

History—Incorporated Feb. 29, 1916, in Pa. Effective in March, 1923, the following companies were consolidated with and into the Northwestern Electric Service Co. of Pennsylvania; Northwestern Pennsylvania Ry. Co., the Northwestern Connecting Ry. Co., the Crawford County Railways Co., and the Peoples Incandescent Light Co. (see 1922 Public Utility Manual, pages 169 to 171). The terms of the Merger Agreement, dated Sept. 1, 1922, are given on page 2426 of the 1923 Manual. Information in back Manuals furnished on request to our Information Department.

Properties of the consolidated company comprise electric railway line from Erie to Meadville, 42 miles, also 10 miles of track in Meadville, and 16½ miles between Meadville and Linesville, Pa. Company furnishes commercial electric light and power to Meadville and vicinity, and energy to local companies for distribution at Albion, Springboro, Conneautville, Borough of Conneault Lake and territory on east side of lake, and to Borough of Girard. Property consists of about 60 miles of 33,000 volt transmission line between Erie and Harmonsburg, Pa.; also distribution lines to Middleboro (McKean), Fairview, North Girard, Platea, East Springfield, West Springfield, Linesville and Harmonsburg, all in Erie and Crawford Counties, Pa.

In 1923 all the outstanding Common stock was acquired by Venango Public Service Corp., which on Sept. 1, 1927, was merged into Pennsylvania Electric Co.

CAPITAL STOCK

Authorized, $1,000,000 Common and $1,000,000 7% cumulative Pfd.; outstanding, $346,300 Common and $466,700 Pfd.; par, $100. All the Common stock is owned by Pennsylvania Electric Co. The Pfd. stock has preference for assets and dividends over Common stock.

FUNDED DEBT REDEEMED

All the outstanding Crawford County Railways Company First Mortgage 6% bonds, due July 1, 1961, and Northwestern Electric Service Co. of Pa. First & Refunding Mortgage 6% bonds, due July 1, 1962, were called for payment on Jan. 1, 1927, the former at par and interest at American Exchange Irving Trust Co., New York, and the latter at 105 and interest at Erie Trust Co., Erie, Pa. The outstanding Erie Traction Co. First Mortgage 5% Gold bonds, due July 1, 1929, have been retired.

OFFICERS AND DIRECTORS

Officers: J. I. Mange, Chrm. of Board & Pres.; H. C. Hopson, V-P. & Treas.; Warren Partridge, V-P.; R. N. Thompson, V-P., New York; P. J. Morrissey, V-P., Johnstown, Pa.; Fred B. Hofft, V-P., Erie, Pa.; W. A. Reiber, Compt., Johnstown, Pa.; M. C. O'Keeffe, Sec., New York.

Directors: J. I. Mange, H. C. Hopson, John M. Daly, New York; P. J. Morrissey, Johnstown, Pa.; Fred B. Hofft, Erie, Pa.

General Office, Johnstown, Pa. **Financial Office,** 61 Broadway, New York.

YOUGHIOGHENY HYDRO-ELECTRIC CORP.

(Controlled by Interests Affiliated with Associated Electric Co.)

History—Incorporated Feb. 4, 1924 in Maryland, as a consolidation of The Youghiogheny Power Co., The Youghiogheny Water & Electric Power Co. and The

Youghiogheny Hydro-Electric Co. Corporation has a right to develop the water power of the Youghiogheny River and its tributaries in Garrett Co., Maryland, and the right to transmit, distribute and sell electric energy within or without the state of Maryland, except in the city of Baltimore.

In 1925 the Company constructed a power plant on the Youghiogheny River which has an initial installed capacity of 24,000 h.p. under a head of 437 feet and an annual output of 41,000,000 k.w.h. The plant is located in Maryland within 15 miles of the southern boundary of Pennsylvania and is the southern terminus of the transmission system of Penn Public Service Corp. Upon completion of all four developments which Company plans to construct, the plants of the corporation will have a total installed capacity of about 150,000 h. p., and will be capable of producing approximately 315,000,000 k.w.h. per annum.

Power Contract—Corporation has executed a contract with the Penn. Public Service Corp., (now Pennsylvania Electric Co.) extending until Dec. 31, 1950, under which it reserves for the latter's use 24,000 h.p. of generating capacity. The contract provides that after the Deep Creek plant is placed in commercial operation the Penn Public Service Corp. (now Pennsylvania Electric Co.) will pay to the corporation $22,500 each month, and additionally will pay for all power it receives from the corporation.

CAPITAL STOCK

Authorized, $7,000,000 Common; outstanding, $2,524,699 Common, par, $100. All owned indirectly by Associated Electric Co.

FUNDED DEBT

The outstanding First Mortgage 6% Gold bonds, due April 1, 1949, were called for payment on Aug. 1, 1926, at 107½ and interest.

OFFICERS AND DIRECTORS

Officers: J. I. Mange, Chrm. of Board & Pres.; H. C. Hopson, V-P. & Treas.; John M. Daly, F. B. Hofft, Warren Partridge, P. J. Morrissey, V-Ps.; M. C. O'Keeffe, Sec.

Directors: J. I. Mange, H. C. Hopson, John M. Daly, F. B. Hofft, Warren Partridge.

New York Office, 61 Broadway.

THE CLARION RIVER POWER COMPANY

(Controlled by Interests Affiliated with Associated Electric Company)

History—Incorporated May 13, 1912 in Pennsylvania. Charter authorizes company to develop, transmit and distribute the hydro-electric power of the Clarion River, which flows into the Allegheny River at Foxburg, 45 miles north of Pittsburgh. Construction of the initial development of the Piney power site was completed during 1924 with an initial installed generating capacity of 24,000 h.p., capable of producing about 67,000,000 k.w.h. per annum. The Piney plant, although the smallest of three proposed developments, will have an ultimate installed capacity of 48,000 h.p. Developments at Foxburg to have a capacity of 88,000 h.p. and at Mill Creek, 130,000 h.p.

CAPITAL STOCK

Authorized, $65,000 Common and $5,000,000 6% Participating Pfd.; outstanding Dec. 31, 1927, $65,000 Common and $4,453,000 6% Participating Pfd.; par, $100. The Common stock is all owned indirectly by Associated Electric Company. The previously outstanding 8% cumulative Pfd. "A" stock was retired July 1, 1927 at 110.

Participating 6% Preferred Stock Provisions—Has preference over Common for dividends at rate of 6% per annum, said dividends to be cumulative from and after the date on which the first dividend is paid on Common stock. After Participating Pfd. receives 6%, Common receives a like rate and any additional net profits, applicable as dividends to the Common stock, shall be divided between the Participating stock and the Common stock pro rata, share for share. In the event of dissolution, winding up or liquidation, voluntary, or involuntary, Participating stock shall be entitled to receive par and accrued dividends before any sums or property shall be distributed among holders of the Common stock; any remaining funds or assets which would otherwise be distributable to or among holders of the Common stock shall be divided between holders of the Participating stock and the holders of the Common stock pro rata, share for share. Participating stock cannot be called for redemption and has no voting power.

Annual Meeting—Third Monday in January at Foxburg, Pa.

Transfer Agents—F. E. Taylor, W. L. Freund and C. A. Dougherty, c/o H. C. Hopson & Co., 61 Broadway, New York.

Registrar—New York Trust Co., New York.

Dividends—The Clarion projects passed from the construction stage to the operation stage on Jan. 1, 1925.

FUNDED DEBT

The outstanding first Mortgage 6½% Gold bonds, due July 1, 1947, were called for payment on Aug. 1, 1926 at 110 and interest.

Officers: J. I. Mange, Chrm. of Board & Pres.; H. C. Hopson, V-P. & Treas.; Warren Partridge, R. N. Thompson, John M. Daly, J, F. McKenna, V-Ps.; M. C. O'Keefe, Sec. & Asst. Treas.; G. A. Dougherty, Asst. Sec.; G. C. Savering, Asst. Sec.; H. M. Wetherell, Asst. Sec.; R. C. Saylor, Compt.; G. Altemus, Asst. Treas. & Asst. Sec.; G. M. Michel, Asst. Treas.; M. Brown, Asst. Sec. & Asst. Treas.

Directors: John M. Daly, Howard C. Hopson, John I. Mange, Warren Partridge, New York; R. C. Saylor, Erie, Pa.; Fred B. Hofft, G. C. Savering, Johnstown, Pa.

General Office, Foxburg, Pa. **Financial Office,** 61 Broadway, New York.

THE ASSOCIATED INTERNATIONAL ELECTRIC CORPORATION

(Affiliated with Associated Gas and Electric Co.)

History—Incorporated Oct. 5, 1925, in Connecticut, to acquire and develop investments of the Associated Gas and Electric Company in companies located outside the United States. In October, 1926, the Corporation acquired control of The Manila Electric Corp. In 1927 interests affiliated with the Associated Gas & Electric Co. acquired control of Cavite Electric Co., Mey Cauayon Electric Co., and the Dagupan Light & Power Co. The properties in this group serve electric energy to the City of Manila, P. I., and its suburbs, whose population, exceeds 400,000. The entire street railway service is also provided the city of Manila.

The electric properties include a generating plant with a capacity of 29,500 k.w. and 17.11 miles of transmission lines. K.w.h. output in 1927, 76,121,693; No. of customers Dec. 31, 1927, 62,464. The railway properties include 54.58 miles of track and 161 cars. No. of passengers carried in 1927, 36,720,761.

CAPITAL STOCK

Authorized, 70,000 shares of no par value; outstanding, 52,539 shares. Capital stock was reclassified in 1926 from authorized amounts of 220,000 shares Common and 60,000 shares Class "A" all of no par value into present authorized amount of 70,000 shares Common.

Transfer Agent—H. B. Brown, c/o The J. G. White Management Corp., 33 Liberty St., New York.

Registrar—F. E. Taylor, 61 Broadway, New York.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

(Associated International Electric Corp. and Subsidiary)

(Latest Available)

Gross operating revenues	$4,038,966
Operating expenses & taxes	1,870,656
Net earnings	$2,168,310
Other income	1,459
Gross income	$2,169,769
Interest on funded debt	174,955
Balance	$1,994,814
Renewals and replacements	380,076
Balance	$1,614,738

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1926

(Latest Available)

Assets—	
Cost of plant and property	$21,870,295
Investments	425,000
Sinking fund	19,295
Cash on hand and in banks	497,369
Loans on call	600,000
Accounts receivable (net)	130,010
Items in transit	22,890
Materials and supplies	876,445
Deferred charges	20,011
Total	$24,461,315
Liabilities—	
Common stock (stated capital)	$18,103,866
Funded debt	3,499,100
Advances from affiliated companies	516,264
Consumers' deposits	51,330
Accounts payable	85,599
Accrued taxes	235,791
Accrued bond interest	69,047
Other accrued liabilities	34,373
Reserve accounts	391,005
Appropriated surplus	662,500
Corporate surplus	812,440
Total	$24,461,315

Officers: J. H. Pardee, Pres.; J. I. Mange, H. C. Hopson, John M. Daly, S. J. Magee, V-Ps.; T. W. Moffat, Sec. & Treas.; H. B. Brown, Asst. Sec. & Asst. Treas.; G. M. Michel, Asst. Treas.

Directors: John M. Daly, C. A. Greenidge, H. C. Hopson, S. J. Magee, J. I. Mange, T. W. Moffat, J. H. Pardee, Warren Partridge.

Operating Managers: J. G. White Management Corp., 33 Liberty St., New York.

Financial Office, 61 Broadway, New York. **Corporate Office,** 49 Pearl St., Hartford, Conn.

MANILA ELECTRIC COMPANY

(Controlled by The Associated International Electric Corporation)

History and Property—Incorporated May 5, 1919, under the laws of the Philippine Islands. On June 1, 1919, leased the properties of the Manila Electric R.R. & Light Co., The Manila Suburban Rys. Co. and La Electricista. The property of the latter three companies was subsequently sold in fee to the Manila Electric Co., and the lessor companies dissolved. Furnishes the entire electric light and power service and also street railway service in the City of Manila, and its environs, serving a population in excess of 400,000. Generates all its power in a modern plant of 29,500 k.w. The company operates under franchises expiring in 1953, with the privilege to the City of Manila (or in the case of the suburban railroad property, the City or the Insular Govt.) to purchase the railroad properties on or after March 24, 1928, at a valuation based on net earnings.

CAPITAL STOCK

20,000,000 pesos ($10,000,000) Common; par, 100 pesos ($50); outstanding, 9,722,000 pesos ($4,861,000). All owned by The Associated International Electric Corporation. Annual meeting, second Monday in February.

FUNDED DEBT

The previously outstanding Manila Suburban Rys. Co. First Mortgage Sinking Fund 5% Gold bonds, due Sept. 1, 1946, Manila Electric Railroad & Lighting Corp. First Lien & Collateral Trust Sinking Fund 5% Gold bonds, due March 1, 1953, and Manila Electric Co. First Refunding Mortgage 5% Gold bonds, due Sept. 1, 1946, have been paid off or provided for.

OFFICERS AND DIRECTORS

Officers: John H. Pardee, Pres.; J. I. Mange, V-P.; H. C. Hopson, V-P.; S. J. Magee, V-P.; J. K. Choate, V-P.; John M. Daly, V-P.; J. C. Rockwell, V-P.; James Ross, Sec.; T. W. Moffat, Treas. & Asst. Sec.; The J. G. White Management Corp., Gen. Mgrs., New York.

Directors: J. H. Pardee, J. C. Rockwell, C. A. Greenidge, H. C. Hopson, S. J. Magee, J. I. Mange, T. W. Moffat, H. P. L. Jollye.

Office, 61 Broadway, New York.

THE MANILA ELECTRIC CORPORATION

(Controlled by Interests Affiliated with Associated Gas & Electric Co.)

History—Incorporated June 26, 1903, in Conn. as The Manila Electric Railroad and Lighting Corp.; name changed to present title Dec. 14, 1921 (see 1921 Public Utility Manual). Controls the Manila Electric Company.

CAPITAL STOCK

Authorized and outstanding, 400,000 shares Common of no par value. Practically all owned by interests affiliated with The Associated International Electric Corp.

Exchange of Stock Offer—Holders of Com. stock in Dec. 1927, were offered the privilege of applying for shares of the new Class "A" stock of Associated Gas & Electric Co. at $40 a share, payment to be made by turning in shares of Manila Electric Com., to the extent required. Common stock will be accepted in payment of Class "A" stock alloted under such applications at the rate of $55 per share. Privilege expired Jan. 5, 1928.

Transfer Agents—F. E. Taylor, 61 Broadway, New York, and Alvan W. Hyde, Hartford, Conn.

Registrar—American Exchange Irving Trust Co., New York, and J. H. Williams, Hartford, Conn.

Annual Meeting—Third Friday in September.

Dividends—Dividends have been paid as follows: 1906 and 1907, 3% each; 1908, 1909 and 1910, 4% each; 1911, 5¼%; 1912, 1913 and 1914, 7% each; 1915 to 1921, incl., 6% each; 1922, 8% on $5,000,000 stock, 1923, 8% on $7,000,000 stock; 1924, 6% on $100 par value shares. Initial quarterly dividend of 62½ cents per share paid on no par value shares, Dec. 31, 1924, which quarterly rate maintained to and including Oct. 1, 1925; Dec. 31, 1925, 50 cents; April 1, 1926, 50 cents a share, which quarterly rate maintained to Dec. 31, 1926; March 1, 1927, 20 5/6 cents a share; May 2, 1927, 62½ cents a share, which quarterly rate paid to date; payments F, M, A & N 1.

In 1922 the directors authorized the distribution to stockholders of $1,000,000 of Common stock which was held by a trustee for the benefit of the company, and a further distribution of $1,000,000 in Common stock provided from an increase in this class of stock. Both distributions made on Dec. 28, 1922.

OFFICERS AND DIRECTORS

Officers: J. F. McKenna, Pres.; R. N. Thompson, V-P.; E. T. Edmonds, V-P.; E. B. Naylon, Sec.; H. C. Day, Treas., New York. The J. G. White Management Corporation, Operating Managers, New York.

Directors: C. A. Dougherty, E. T. Edmonds, J. F. McKenna, E. B. Naylon, J. L. Rice, J. H. Shinn, H. A. Stix, T. W. Third, R. N. Thompson.

Office, 61 Broadway, New York.

KENTUCKY-TENNESSEE INDIANA POWER CORPORATION

(Controlled by Associated Electric Company)

History—Incorporated March 13, 1926, in Delaware, as a holding Company. Controls the Kentucky Tennessee Light & Power Company, Ohio River Power Company and Hopkinsville Water Co.

These properties serve over 38,353 consumers in 60 communities with an estimated population of over 160,000. The principal communities include Hopkinsville, Owensboro, Frankfort, Mayfield and Bowling Green, Kentucky; Martin and Clarksville, Tennessee; Tell City and Connelton, Indiana. The properties include electric power stations with a generating capacity of 10,700 k.w. distributed over 431 miles of high tension transmission lines; gas plants, with a daily capacity of 605,000 cu. ft. and 63 miles of gas mains.

CAPITAL STOCK

Authorized 20,000 shares Common of no par value; outstanding, 16,511 shares. All owned by Associated Electric Company. Annual meeting, first Wednesday in May.

FUNDED DEBT

None.

Officers: H. C. Hopson, Pres.; J. M. Daly, V-P.; R. N. Thompson, V-P.; M. C. O'Keeffe, Sec. & Asst. Treas.; G. M. Michel, Treas.

Directors: Howard C. Hopson, John M. Daly, M. C. O'Keeffe.

Financial Office, 61 Broadway, New York.

KENTUCKY TENNESSEE LIGHT AND POWER COMPANY

(Controlled by Kentucky-Tennessee Indiana Power Corp.)

History and Property—Formed October 31, 1923, in Ky., as a consolidation of the Kentucky Public Service Co., organized in 1912 (see Manual for 1923, page 1693), and Kentucky-Tennessee Light & Power Co., organized in 1922 (see Manual for 1923, page 1694). Company controls the Ohio River Power Company.

Company operates electric and/or gas properties in Bowling Green, Frankfort, Owensboro, Hopkinsville, Mayfield, etc., in Kentucky; Martin and Clarksville, in Tenn.; Tell City and Cannelton, in Indiana. The gas distributing system in Frankfort is leased to the Frankfort Kentucky Natural Gas Co. Company serves over 32,000 consumers, with an estimated population of over 160,000.

CAPITAL STOCK

Authorized, $2,000,000 Common; outstanding, $1,651,100; par, $100. Stock control is held by Associated Electric Company through Kentucky-Tennessee Indiana Power Corp. Annual meeting, third Tuesday in June, at Bowling Green, Ky.

FUNDED DEBT

(1)

$275,000 KENTUCKY TENNESSEE LIGHT & POWER CO. FIRST & REFUNDING GOLD 5s; DUE MAY 1, 1954

(NOTE—This is the second series of bonds created under First and Refunding Mortgage dated Jan. 1, 1923. The previous issue of 6% bonds were exchanged for this series.)

Dated May 1, 1924.

Interest Payable May and November 1, at Bankers Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Bankers Trust Co., New York.

Provisions of Issue—Open mortgage; issued, $3,536,600; in treasury, $3,261,600; outstanding, $275,000 (all held by affiliated interests).

Additional bonds may be issued for acquisition or retirement of prior liens; in exchange for bonds of another series; and for 80% of cost of improvements if net earnings for 12 consecutive months of preceding 15 months equal to at least 1¾ times annual interest charges on bonds outstanding and to be issued.

Maintenance and Renewal Fund—Mortgage provides for a maintenance and renewal fund equal to 10% of the gross operating revenue, but is subject to change by arbitration.

Callability—Subject to call at 105 and interest to May 1, 1935; thereafter less ¼ of 1% annually to maturity.

Security—Secured by a direct mortgage on all company's property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut state ownership taxes up to four mills and Massachusetts Income Tax up to 6%, refunded.

BONDS REDEEMED

All the outstanding Kentucky Public Service Co. First Mortgage 5% Gold bonds, due Feb. 1, 1941, were called for payment on Aug. 1, 1928, at 102½ and interest, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee.

Officers: H. D. Fitch, Pres.; H. C. Hopson, V-P. & Treas.; S. J. Magee, R. N. Thompson, H. C. Hasbrouck, V-Ps.; M. C. O'Keeffe, Sec.

Directors: H. D. Fitch, Bowling Green, Ky.; S. J. Magee, J. I. Mange, H. C. Hopson, I. M. Moser, R. N. Thompson, M. C. O'Keeffe, New York.

Financial Office, 61 Broadway, New York. **Operating Office,** 33 Liberty St., New York. **Local Office,** Bowling Green, Ky.

WESTERN NEW YORK GAS AND ELECTRIC CORPORATION

(Controlled by Interests Affiliated with Associated Electric Company)

History and Property—Incorporated Feb. 15, 1897, in N. Y., as The Depew & Lancaster Light, Power & Conduit Company; name changed to present title in January, 1928. The principal communities served are Depew, Lancaster, East Aurora, Hamburg, Sloan, Gowanda and Randolph. Controls 2,315 acres of gas lands in the Lancaster-Alden territory. Distributes power purchased from the Niagara, Lockport & Ontario Power Co. Serves 16,053 electrical consumers. In addition, supplies 748 consumers in township and village of Lancaster with natural gas from its own natural gas wells. On Jan. 1, 1923, the company merged into itself the East Aurora Electric Light Co., and in Dec., 1925, the property formerly owned by Iroquois Utilities Company which properties now form part of the system.

Management—Company is under the management of J. G. White Management Corporation, 33 Liberty St., New York.

CAPITAL STOCK

Authorized, 8,000 shares Common, 17,000 shares Preference stock, both of no par value, and $3,000,000 7% cumulative Pfd., par, $100; outstanding, 2,446 shares Common and 4,522 shares Preference. The 25,000 authorized Common shares were reclassified in March, 1926, into 17,000 shares Preference and 8,000 shares Common. Stock control is held by interests affiliated with Associated Electric Company. The Pfd. stock which was outstanding in 1926 was converted into Convertible Debenture Certificates of the Associated Gas & Electric Company. Annual meeting, first Tuesday in June.

Dividends—Dividends on Pfd. stock regularly paid to date of conversion. Dividends on the no par Preference stock are $3 per share per annum and noncumulative, payable quarterly J, A, J & O 1, but only if, as and when declared by the Board of Directors. None outstanding in hands of public.

FUNDED DEBT

The outstanding The Depew & Lancaster Light, Power & Conduit Co. First Mortgage 5% Gold bonds, due August 1, 1954, have been paid off or provided for.

Officers: A. R. Tremaine, Pres., Oneonta, N. Y.; H. C. Hopson, J. M. Daly, S. J. Magee, J. R. Ramsey, E. T. Edmonds, V-Ps.; C. A. Dougherty, Sec.; O. E. Wasser, Treas.

Directors: J. I. Mange, H. C. Hopson, S. J. Magee, John M. Daly, New York, N. Y.; A. R. Tremaine, Oneonta, N. Y.

Financial Office, 61 Broadway, New York. **Operating Office,** 33 Liberty St., New York. **Local Office,** Lancaster, N. Y.

EASTERN NEW YORK ELECTRIC AND GAS COMPANY, INC.

(Controlled by Interests Affiliated with Associated Electric Company)

History and Property—Incorporated Aug. 13, 1908, in New York as Plattsburgh Gas & Electric Co., consolidation of Plattsburgh Light, Heat & Power Co., and Lozier Light & Power Co. On April 4, 1928, merged the Eastern New York Electric and Gas Company, Inc., and at the same time changed its name as above.

By the approval of the New York Public Service Commission the assets of the following companies or properties are now owned by Plattsburgh Gas & Electric Co.:

Chasm Power Co.
Norman I. White Electric Plant
Champlain Electric Co.
Halfmoon Light, Heat & Power Co.
Dwaas Electric Co.
Salem Light, Heat & Power Co.
Bouquet Electric Power Co.
Fenton W. Barber Electric Plant (Lewis)
J. Lawrence Webster Electric Plant (Elizabethtown)
*Eastern New York Electric & Gas Co.

*See 1926 Public Utility Manual, page 2247.

The figures also include the Granville Electric Co., which owns the assets of the Rupert Electric Co., and Shushan Property.

The above properties supply electricity to the cities of Plattsburgh and Mechanicville, N. Y.; the towns of Peru, Schuyler Falls, Saranac, Beekmantown, Dannemora, Altoona, Champlain, Ellenburgh, Mooers, Bellmont, Burke, Chateaugay, Clinton, Constable, Malone, Chazy, Halfmoon, Schaghticoke, Malta, Granville, Greenwich, West Hebron, Jackson, Salem, Essex and Willsboro, N. Y.; and the towns of Pawlett, Paultney, Rupert and Wells, Vt. Gas is served in Plattsburgh, Mechanicville and Granville, N. Y. Number of customers—Gas, 3,560; electric, 11,073—total, 14,633. Miles of electric transmission lines, 107.40. Miles of gas mains, 38. Gas plants have a daily capacity of 690,000 cu. ft.

Company is under the management of J. G. White Management Corporation, 33 Liberty St., New York.

CAPITAL STOCK

Authorized and outstanding, 150,000 shares Common of no par value of Eastern New York Electric and Gas Co., Inc., and 910 no par shares of 1,000 shares authorized amount of Common stock of Granville Electric Co. Control of the Common stock of both these companies is held by interests affiliated with Associated Electric Co.

FUNDED DEBT

The outstanding Plattsburg Gas & Electric Co. First Mortgage 5% Gold bonds, due Sept. 1, 1939, Chasm Power Co. First Mortgage 5% Gold bonds, due April 15, 1955, Granville Electric & Gas Co. Consolidated Mortgage 5% Gold bonds, due Oct. 1, 1933, and Salem Light, Heat & Power Co. First Mortgage 5% Gold bonds, due June 6, 1928, have been paid off or provided for.

Officers: G. M. Cole, Pres.; H. C. Hopson, C. A. Greenidge, S. J. Magee, A. R. Tremaine, J. I. Mange, R. N. Thompson, V-Ps.; M. C. O'Keeffe, Sec. & Asst. Treas.; G. M. Michel, Treas.; G. A. Cole, Asst. Sec. & Asst. Treas.; H. M. Wetherell, Asst. Sec.

Directors: G. M. Cole, Plattsburgh, N. Y.; J. I. Mange, H. C. Hopson, J. M. Daly, S. J. Magee, New York.

Operating Office, 33 Liberty St., New York **Financial Office,** 61 Broadway, New York. **Local Office,** Plattsburgh, N. Y.

HARLEM VALLEY GROUP

(Associated Electric Company)

This group of properties furnish electricity to 12,786 customers in a territory extending from Westchester County, to the region southeast of Albany, and supply the towns of Amenia, Ancram, Austerlitz, Bedford, Beekman, Canaan, Carmel, Chatham, Claverock, Copake, Dover, Ghent, Hillsdale, Kent, Lewisboro, Nassau, North Salem, New Lebanon, Patterson, Pawling, Philipstown, Putnam Valley, Poundridge, Somers, South East, Stephentown, Taghkanie, Poestenskill, Sand Lake, North Greenbush, Wynantskill, East Greenbush and Yorktown, New York and the towns of Bethlehem, Litchfield, Morris, Ridgefield, Roxbury, Warren and Washington, Conn. Miles of transmission lines Dec. 31, 1927, 89. K.w.h. sales in 1927, 7,327,304.

The Harlem Valley Group comprises the following companies:

Harlem Valley Electric Corporation (N. Y.)
Cold Spring Light, Heat & Power Company (N. Y.)
Litchfield Electric Light Company (Conn.)
Ridgefield Electric Company (Conn.)

HARLEM VALLEY ELECTRIC CORPORATION

(Harlem Valley Group)

(Controlled by Interests Affiliated with Associated Electric Co.)

History and Property—Incorporated July 19, 1922, in New York. Early in 1926 the Corporation acquired the properties of the Amenia Electric Light and Power Company, Carmel Light & Power Company, Chatham Electric Light, Heat & Power Company, Croton Falls Lighting Corporation, Katonah Lighting Corporation, Lebanon Valley Lighting Company, and Morgan & Wyman Electric Light & Power Company (for latest published statements, see 1925 Public Utility Manual). In 1927 acquired the properties of Wyantskill Hydro-Electric Co. Company is under the management of J. G. White Management Corporation, 33 Liberty St., New York.

CAPITAL STOCK

Authorized and outstanding, 75,000 shares of Common of no par value. All held by interests affiliated with Associated Electric Company.

FUNDED DEBT

The mortgage securing the Chatham Electric Light, Heat & Power Co. First Gold 5s, due Feb. 1, 1928, and the Harlem Valley Electric Corp. First 6s, due Sept. 1, 1942, were satisfied in 1926. The Wyantskill Hydro-Electric Co. First & Refunding Mortgage 5% Gold bonds, due July 1, 1933, were called for redemption on July 1, 1928.

Officers: C. A. Greenidge, Pres.; J. F. McKenna, R. N. Thompson, C. A. Dougherty, P. Fasoli, V-Ps.; M. C. O'Keeffe, Sec. & Treas.

Directors: C. A. Greenidge, J. I. Mange, M. C. O'Keeffe, New York.

Operating Office, 33 Liberty St., New York. **Financial Office,** 61 Broadway, New York. **Local Office,** Pawling, N. Y.

RIDGEFIELD ELECTRIC COMPANY

(Harlem Valley Group)

(Controlled by Associated Electric Co.)

History and Property—Incorporated, April 24, 1901 in Connecticut. Supplies electricity to over 885 consumers in town of Ridgefield, Fairfield County, Conn., and towns of North Salem, and Lewisboro. West-

chester County, New York, serving a population of approximately 5,700. Has 4.5 miles transmission lines. Company purchases its current from Connecticut Light & Power Company. K.w.h. sales in 1927, 453,577. Company is under the management of J. G. White Management Corporation, 33 Liberty St., New York.

CAPITAL STOCK

Authorized, $45,000; outstanding, $42,100; par, $25. Controlling interest held by Associated Electric Company.

FUNDED DEBT

The outstanding 5% Gold bonds, due July 1, 1932, have been paid off or provided for.

Officers: C. A. Greenidge, Pres.; C. A. Dougherty, V-P.; P. Fasoli, V-P.; R. N. Thompson, V-P.; M. C. O'Keeffe, Sec.; G. M. Michel, Treas.

Directors: R. N. Thompson, C. A. Greenidge, J. I. Mange, M. C. O'Keeffe, C. A. Dougherty, H. B. Brown, New York.

Operating Office, 33 Liberty St., New York. **Financial Office,** 61 Broadway, New York. **Local Office,** Ridgefield, Conn.

THE LITCHFIELD ELECTRIC LIGHT & POWER COMPANY

(Harlem Valley Group)

(Controlled by Associated Electric Co.)

History—Incorporated March 9, 1898 in Conn. Leases Washington Electric Light & Power Co. with right to purchase. Franchises perpetual. Population served, 5,200. Has municipal contracts with Borough of Litchfield and Borough of Bantam for lighting. Number of consumers, 1,422, k.w.h. sales in 1927, 1,143,761.

CAPITAL STOCK

Authorized and outstanding, $60,000 Common, par, $25. Controlling interest is held by Associated Electric Company. The previously outstanding Pfd. stock was called for redemption on July 1, 1926, at 110 and dividends. Annual meeting, second Monday in March.

FUNDED DEBT

The entire issue of General & Refunding Mortgage bonds, due Oct. 15, 1935 were called for payment on Oct. 15, 1926, at 110 and interest, at National Bank of Commerce in New York.

Officers: C. A. Greenidge, Pres.; H. C. Hopson, V-P.; P. Fasoli, V-P. & Gen. Supt.; C. A. Dougherty, V-P.; R. N. Thompson, V-P.; M. C. O'Keeffe, Sec. & Asst. Treas.; G. M. Michel, Treas.; H. M. Wetherell, Asst. Sec.

Directors: C. A. Greenidge, C. A. Dougherty, J. I. Mange, G. M. Michel, R. N. Thompson, S. I. Magee, M. C. O'Keeffe.

Financial Office, 61 Broadway, New York. **Local Office,** Litchfield, Conn.

COLD SPRING LIGHT, HEAT & POWER COMPANY

(Harlem Valley Group)

(Controlled by Interests Identified With Associated Electric Co.)

History and Property—Incorporated Oct. 12, 1899, in New York. Company supplies electricity to 268 consumers in the villages of Cold Spring and Philipstown, Putnam County, New York. Has 2.5 miles of transmission lines Company is under the management of J. G. White Management Corporation, 33 Liberty St., New York.

CAPITAL STOCK

Authorized, $20,000; outstanding, $15,200; par, $100. Controlling interest held by Associated Electric Co.

FUNDED DEBT

None.

Officers: P. Fasoli, Pres.; R. N. Thompson, V-P.; J. F. McKenna, V-P.; C. A. Dougherty, V-P.; M. C. O'Keeffe, Sec.; G. M. Michel, Treas.

Directors: J. I. Mange, C. A. Dougherty, New York; P. Fasoli, Brewster, N. Y.

Operating Office, 33 Liberty St., New York. Financial Office, 61 Broadway, New York. **Local Office,** Brewster, N. Y.

PATCHOGUE ELECTRIC LIGHT COMPANY

(Controlled by Interests Affiliated with Associated Electric Company)

History and Property—Incorporated in March, 1888, in New York. Generates and distributes electrical energy to 6,098 customers in Patchogue, Blue Point, Bellport, Center Moriches, Brookhaven, Yaphank, Eastport and environs, all on Long Island, New York, serving a population of about 15,000. Owns a 4,550 k.w. steam generating plant at Patchogue. The Company is under the management of J. G. White Management Corporation, 33 Liberty Street, N. Y.

CAPITAL STOCK

Authorized and outstanding, 1,200 shares Common and 10,800 shares $6 cumulative Pfd., both of no par value. The Pfd. stock has preference for assets and pany's office. Stock transferred and registered at Company's office. Stock control is held by interests affiliated with Associated Electric Company.

In March, 1926, the stock was reclassified from 6,000 shares $50 par value per share to 12,000 shares, no par value; 10,800 shares Pfd. and 1,200 shares Common stock.

Annual Meeting First Tuesday in June.

FUNDED DEBT

None.

Officers: E. Eugene Hawkins, Jr., Pres.; J. I. Mange, H. C. Hopson, S. J. Magee, R. N. Thompson, V-Ps.; M. C. O'Keeffe, Sec.; G. M. Michel, Treas.

Directors: H. C. Hopson, J. I. Mange, J. M. Daly, S. J. Magee, New York; E. Eugene Hawkins, Jr., Patchogue, N. Y.

Operating Office, 33 Liberty St., New York. **Local Office,** Patchogue, N. Y. **Financial Office,** 61 Broadway, New York.

SPRING BROOK WATER COMPANY

(Controlled by Associated Electric Company)

History and Properties—Incorporated June 21, 1888, in New York. Supplies water for public and private use in the village of Hudson Falls and adjacent territory. Charter and franchise unrestricted and perpetual. The Company now furnishes water for public and private uses and purposes to Village of Hudson Falls, N. Y., northern part of the town of Fort Edward and the southern part of the town of Queensbury. Has city contract for fire protection. Population served, 8,000.

Company owns a modern pumping station which consists of two Triplex Dean pumps driven by electric motor or Otto gasoline engine, or both; capacity of pumps, 2,000 gallons per minute. Company owns all the available water supply for the Village of Hudson Falls, N. Y. Minimum source of supply 1,500,000 gallons in 24 hours. The Company owns watershed, consisting of 75 acres of land; steel standpipe and office building. Miles of mains, over 23. Number of customers, 1,680.

CAPITAL STOCK

Authorized, 2,300 shares Common, and 1,000 shares Pfd., both of no par value; outstanding, 2,250 shares Common. Entire Common stock owned by Associated Electric Company. Annual meeting, first Wednesday in April.

FUNDED DEBT

The outstanding First Refunding Mortgage 5% Gold bonds, due Nov. 1, 1930, have been paid off or provided for.

Officers: J. I. Mange, Pres.; S. J. Magee, V-P.; R. N. Thompson, V-P.; M. C. O'Keeffe, Sec. & Asst. Treas.; H. B. Brown, Treas. & Asst. Sec., New York, N. Y.

Directors: M. C. O'Keeffe, C. A. Dougherty, H. C. Hopson, J. I. Mange, J. M. Daly, S. J. Magee, New York.

Financial Office, 61 Broadway, New York. **Operating Office,** 33 Liberty St., New York. **Local Office,** Hudson Falls, N. Y.

LONG ISLAND WATER CORPORATION

(Controlled by Associated Electric Company)

History—Incorporated May 4, 1924, in New York, as Bellport Water Supply Company, Inc.; name changed to present title May 6, 1925. On May 8, 1925, absorbed the Queens County Water Company (see 1924 Manual, page 394, or apply to our Information Department), organized in 1884. In July, 1925, the corporation acquired all the outstanding stock of the Roosevelt Water Power and Light Company, and in December, 1925, practically all the outstanding stock of the Baldwin Water Company, whose properties were subsequently combined. Among the communities served in Queens (New York City) and Nassau Counties are Arverne, Belle Harbor, Cedarhurst, East Rockaway, Far Rockaway, Lynbrook, Neponset, Rockaway Beach, Rockaway Park, Valley Stream, Freeport, Roosevelt and Baldwin.

The Corporation has three pumping stations with a combined capacity of 26,160,000 gallons a day, two stand pipes of 329,000 gallons and 248,000 gallons, respectively; and three tower tanks of a combined capacity of 500,000 gallons; 156 wells and 355 miles of water mains. No. of customers, 29,000.

Management—The company is under the management of J. G. White Management Corporation, 33 Liberty St., New York.

CAPITAL STOCK

Authorized 20,000 shares Common and 15,000 shares $6 cumulative Pfd. both of no par value. Outstanding, 20,000 shares Common and 1,000 shares Pfd. (none outstanding in hands of the public). Stock control is held by Associated Electric Company. Annual meeting, second Wednesday in June.

Stock Reclassified—In June, 1926, the 15,000 shares of no par Pfd. stock was reclassified from 10,000 shares First Pfd. $6.50 per share per annum, and 5,000 shares Second Pfd., $8 per share per annum, to 15,000 shares Pfd. stock, $6 per share per annum.

Preferred Stock Provisions—Has preference as to assets and dividends. In liquidation entitled to $100 per share and dividends. Callable at $103 per share and accrued dividends on the first of any month on 30 days' notice. No voting power. Dividends payable as determined by Board of Directors.

FUNDED DEBT

(1)

$48,000 ROOSEVELT WATER POWER & LIGHT CO. FIRST MORTGAGE GOLD 6s; DUE SERIALLY FROM AUGUST 1, 1929

Dated August 1, 1924.

Interest Payable February and August 1, at Nassau County Trust Co., Mineola, N. Y.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Nassau County Trust Co., Mineola, N. Y.

Provisions of Issue—Authorized, $100,000; issued, $58,000; in treasury, $10,000; outstanding, $48,000. The first three bonds are payable on Aug. 1, 1929 and serially thereafter, three bonds on the first day of August in each year until and including the year 1938, and thereafter, commencing Aug. 1, 1939, five bonds each year. Underlie Long Island Water Corp. First Mortgage 5½s due 1955.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas & Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Series Pfd. stock on the basis of $1,140 face amount of Associated Company bonds for each $1,000 bond or 10 shares of $6.50 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, Agent.

Security—Secured by a first mortgage on property of former Roosevelt Water Power & Light Company.

(2)

$2,450,000 LONG ISLAND WATER CORP., FIRST MORTGAGE 5½% GOLD BONDS, SERIES DUE 1955; DUE MAY 1, 1955

Dated May 1, 1925.

Interest Payable May and November 1, at H. C. Hopson & Co., 61 Broadway, New York.

Denomination—(Series due 1955.) Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., of New York.

Provisions of Issue—Authorized amount, unlimited; issued, $3,000,000; outstanding, $2,450,000 5½s; in treasury, $550,000. Bonds may be issued in series; all bonds of the same series shall be identical as to date of maturity, rate of interest, and terms of redemption, if redeemable. Additional bonds (other than for refunding purposes par for par) may be issued to the extent of 80% of the net expenditures for permanent extensions, enlargement and additions after May 1, 1925, of and to the properties, provided net earnings for 12 consecutive calendar months of the 15 months immediately preceding shall have been equal to 1¾ times annual interest charges on all outstanding prior lien bonds and on all First Mortgage bonds outstanding including those to be issued.

Callability—Series due 1955 bonds are subject to call as a whole or in part on the first day of any month on 60 days' notice at 105 and interest on or before May 1, 1950, and thereafter at a premium decreasing 1% every twelve months until May 1, 1954, but without premium if redeemed after May 1, 1954 and prior to maturity.

Sinking Fund—No sinking fund provided for Series due 1955.

Maintenance and Renewal Fund—The fund requires that expenditures for maintenance and renewals shall equal 6% of gross operating revenues. Such percentage is subject to arbitration at three-year intervals.

Security—A first lien on entire property of company, subject to the lien of the Roosevelt Water Power & Light Company First 6s, on property covered by that mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut 4 mills taxes and Massachusetts Income Tax of 6% refunded.

Legal Opinion—Roberts and Montgomery.

Original Offering—First publicly offered ($3,000,000 5½s) in May, 1925, at 98½ and interest, to yield 5.60%, by Marshall Field, Glore, Ward & Co., New York and Chicago.

Exchange Offer—Holders of these bonds were offered the privilege on May 1, 1928 to exchange their bonds for Associated Gas & Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, and/or $6.50 Series Pfd. stock on the basis of $1,090 face amount of Associated Company bonds for each $1,000 bond or 10 shares of $6.50 Series Pfd. stock for each $1,000 bond. Interest on exchanges for bonds will be adjusted as of May 1, 1928. Interest and divi-

dends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. The offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926
(Latest Available)

Gross revenues	$749,691
Operating expenses and taxes	437,517
Net earnings	$312,174
Interest charges	152,503
Balance	$159,671

GENERAL BALANCE SHEET, DECEMBER 31, 1926
(Latest Available)

Assets—	
Fixed capital (stated at reproduction cost)	$8,135,338
Cash (working fund of A. G. & E. Co.)	101,160
Marketable securities	5,097
Notes receivable	1,591
Accounts receivable (less reserve)	148,282
Materials and supplies	92,388
Other current assets	5,097
Unamortized debt disc. & exp.	63,922
Prepayments and suspense	14,069
Total	$8,561,847
Liabilities—	
Common stock (20,000 shs. no par)	$1,910,000
Preferred stock (14,146 sh. no par)	*1,414,600
Funded debt	2,855,000
Advances from affiliated cos.	708,391
Property purchase obligation	12,000
Current liabilities	125,824
Accrued liabilities	108,019
Consumers' deposits	206,635
Retirement reserves	697,731
Other reserves	80,429
Surplus—capital and corporate	443,217
Total	$8,561,847

*All held by affiliated interests.

Officers: J. I. Mange, Pres.; S. J. Magee, G. T. Smith, R. N. Thompson, V-Ps.; H. C. Hopson, V-P. & Treas.; C. A. Dougherty, Sec.; S. N. Durland, Asst. Treas.; O. E. Wasser, Comptroller; Chas. R. Bettes, Gen. Mgr.

Directors: J. I. Mange, H. C. Hopson, J. H. Pardee, J. Taylor Foster, S. J. Magee, J. M. Daly, M. C. O'Keeffe, New York, N. Y.

Financial Office, 61 Broadway, New York. **Local Office,** Far Rockaway, N. Y.

MARITIME ELECTRIC CO., LTD.

(Controlled by Associated Gas & Electric Co.)

History—Incorporated June 27, 1917 under Letters Patent of the Companies Act of 1906 of the Dominion of Canada. It controls the St. Stephen and Calais Light and Power Company, Ltd., which controls the St. Croix Gas Light Company, the Fredericton Electric Co., Ltd., and the Charlottetown Electric Company, Ltd.

The companies supply 8,237 customers in 16 communities of the Maritime Provinces of Canada—Nova Scotia, New Brunswick and Prince Edward Island—and in southeastern Maine. Population served estimated at more than 45,000. The principal communities served are: Fredericton and St. Stephen in New Brunswick; Charlottetown in Prince Edward Island, and Lawrencetown in Nova Scotia, and Calais in Maine. The properties include 3 steam and 2 hydro-electric plants having a total installed generating capacity of more than 2,800 k.w. Number of customers, 8,237. Sales in 1927, 4,455,440 k.w.h.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $350,000; par, $100. Stock control held by Associated Gas & Electric Co. Annual meeting, third Thursday in June.

Transfer Agent and Registrar—Royal Trust Co., Halifax, N. S.

FUNDED DEBT

None

FUNDED DEBT REDEEMED

All of the outstanding Charlottetown Electric Company First Mortgage 6s, due Oct. 1, 1943, and the St. Stephen & Calais Light & Power Co., Ltd., First Mortgage 6s, due Nov. 1, 1956, were called for redemption on April 1, 1928, at 105.

All of the outstanding Fredericton Electric Co., Ltd., First Mortgage 6s, due Nov. 1, 1945, and the Maritime Electric Co., Ltd., 6% Consolidated Mortgage bonds, due Nov. 1, 1956, were called for redemption on May 1, 1928, at 105.

The outstanding Lawrencetown Electric Light Co. Serial 6s have been paid off or provided for.

Officers: J. I. Mange, Pres.; A. C. Millie, V-P. & Sec.; R. D. Donaldson, V-P.; H. C. Hopson, V-P. & Treas.; G. M. Michel, Asst. Treas.; C. A. Dougherty, Asst. Sec.

Directors: H. C. Hopson, Thomas W. Moffat, Sanford J. Magee, J. I. Mange, John M. Daly, New York.

Local Office, 1 Shore Street, Fredericton, N. B. **Financial Office,** 61 Broadway, New York.

GAS UTILITIES, INC.

(Controlled by Associated Gas & Electric Company)

History—Incorporated May 25, 1925 in Delaware. Company controls through stock ownership the Sioux Falls Gas Co., Lock Haven Gas & Coke Co., The Lake Shore Gas Co., The Portsmouth Gas Co., the Union Gas & Electric Co. of Bloomington, Ill., The Northeastern Oil & Gas Co., and the Indiana Gas Utilities Co., which in June, 1926, acquired the properties and business of Citizens Gas & Fuel Co., Terre Haute, Ind., Richmond Light, Heat & Power Co. (Indiana), and Brazil Gas Co. (Indiana). These companies serve approximately 60,000 consumers in 17 communities in Pennsylvania, Ohio, Indiana, Illinois and South Dakota, with a population estimated at more than 320,000. The 5 gas plants have a total daily capacity of more than 10,000,000 cu. ft. Miles of mains, 744; total sales, 2,989,071,900 cu. ft.

CAPITAL STOCK

Authorized, 75,000 (increased from 25,000 in Oct., 1926) shares Common of no par value and $2,500,000 7% Cumulative Pfd., par $100; outstanding, 75,000 shares Common and $320,200 Pfd. All the Common is owned by Associated Gas & Electric Co., and all the Pfd. by interests affiliated with that Company.

Preferred Stock Provisions—Has preference for assets and dividends and is entitled to $100 per share and dividends in involuntary liquidation and $105 per share and dividends in voluntary liquidation. It is subject to call on any dividend date at 105 and dividends. Common stock has sole voting rights, except when dividends on Pfd. stock are in arrears and unpaid for four successive dividend periods.

Transfer Office—Company's office, 44 East Broad St., Columbus, Ohio.

Registrar—Ohio National Bank of Columbus, Columbus, Ohio.

FUNDED DEBT

None.

Officers: Ralph H. Beaton, Pres., Columbus, O.; Frederic S. Burroughs, V-P., New York; Hall M. Henry, V-P.; Edward G. Reyer, Treas.; Hazard Okey, Sec.; K. C. Berger, Asst. Sec. and Asst. Treas., Columbus, Ohio; C. A. Dougherty, Asst. Sec., New York.

Directors: Ralph H. Beaton, Columbus, Ohio; Frederic S. Burroughs, C. W. Beall, J. I. Mange, John M. Daly, H. C. Hopson, New York, N. Y.

Office, 44 E. Broad St., Columbus, O.

INDIANA GAS UTILITIES COMPANY

(Controlled by Gas Utilities, Inc.)

History and Property—Incorporated June 23, 1926 in Indiana as a consolidation of Richmond Light, Heat & Power Co., Citizens Gas & Fuel Co. (Terre Haute),

and Brazil Gas Co. (see 1926 Public Utility Manual, pages 1183 and 1180 respectively for first two named companies). These companies were formerly subsidiaries of Gas Utilities, Inc. Company supplies gas without competition in Terre Haute, Richmond, Brazil and West Terre Haute, Indiana, serving 22,102 meters through 251 miles of mains. Total population served, over 115,000. Annual sales of gas, 1,045,892,800 cu. ft. Franchise in Brazil expires in 1951; in the other communities company operates under indeterminate permits. The Brazil division started to purchase its gas supply in 1926 from the Indiana Consumers Gas & By-Products Co.

Price of Gas—in Richmond, $1.30 per thousand cu. ft. net; in Brazil, $1.00 net for first 500 cu. ft. or less $1.70 per thousand for next 1,500 cu. ft., $1.60 per thousand for next 3,000 cu. ft., $1.50 per thousand for next 5,000 cu. ft. and $1.25 per thousand for all over 10,000 cu. ft.; in Terre Haute $1.10 per thousand for first 3,000 cu. ft., $1.00 per thousand for next 7,000 cu. ft., and $0.90 per thousand for over 10,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding 40,000 shares Common of no par value. All the Common stock is owned by Gas Utilities, Inc. The entire Pfd. stock formerly outstanding was called for redemption April 1, 1928, at 105 and accrued dividends.

Annual Meeting—Third Tuesday in January at Terre Haute, Indiana.

Dividends—Dividends on Pfd. stock regularly paid to date of redemption.

FUNDED DEBT

$2,250,000 FIRST MORTGAGE GOLD BONDS, 5% SERIES DUE 1946; DUE JULY 1, 1946

Dated July 1, 1926.

Interest Payable January and July 1, at office of Harris, Forbes & Co., New York; Harris Trust & Savings Bank, Chicago, and at Harris, Forbes & Co., Inc., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—National Bank of Commerce in New York.

Provisions of Issue—Issued, $2,250,000 5% Series due 1946. Additional bonds, either of this series, or of other series having such rates of interest, maturity dates and other provisions as directors may determine, and as are permitted by the mortgage may be issued: (a) For the purpose of refunding an equal principal amount of bonds of any series outstanding under the mortgage or of any bonds which may be outstanding as a prior lien against property hereafter acquired, or (b) for not more than 75% of the cost or fair value, whichever is less, of property additions (as defined in the mortgage) constructed or acquired subsequent to June 30, 1926. No additional bonds may, however, be issued, except for refunding purposes, unless net earnings (as defined in the mortgage) for 12 consecutive calendar months out of the 14 months immediately preceding application for issue shall have been at least equal to twice the annual interest requirements on all outstanding prior lien bonds and all bonds issued and outstanding under the mortgage, including those proposed to be issued.

Exchange Offer—Holders of these bonds were given the opportunity in May, 1928, to exchange their bonds for $6.50 Pfd. stock of Associated Gas and Electric Co. on the basis of 10 shares of stock for each $1,000 bond or for Associated Gas & Electric Co. Consolidated Refunding 4½% Gold Debenture bonds, due 1958, on the basis of $1,090 face amount of bonds for each $1,000 of bonds so exchanged. Interest on exchanges of bonds will be adjusted as of May 1, 1928. Interest and dividends on exchanges for Pfd. stocks will be adjusted as of June 1, 1928. This offer is subject to withdrawal at any time without notice. The Chase National Bank of New York, N. Y., Agent.

Callability—Subject to call on any interest payment date on 60 days' notice at 105 and interest to and including Jan. 1, 1937; thereafter at a premium of ½% for each year or fraction thereof between date of redemption and maturity date.

Sinking and Improvement Fund—Mortgage provides for sinking fund payments sufficient to retire each year from 1929 to 1933 inclusive, 1% of all bonds previously issued of the 5% Series due 1946, and each year thereafter 1½% of all bonds of that Series previously issued. In lieu of payment of cash, the Company may surrender bonds for cancellation and/or may certify expenditures for not exceeding 75% of the cost or fair value of property additions for which no bonds have been or may be issued.

Security—Secured by a direct first mortgage on entire fixed property of Company.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Pennsylvania and Connecticut tax up to 4 mills, and Massachusetts Income tax up to 6% refundable.

Original Offering—First publicly offered ($2,250,000) in July, 1926, at 95 and interest, yielding over 5.40%, by Harris, Forbes & Co., and Bond & Goodwin, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris, Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

BONDS REDEEMED

The Citizens Gas & Fuel Co. First & Refunding Mortgage 5% Gold bonds, due Jan. 1, 1960, and the Richmond Light Heat and Power Co. First Mortgage 6% Gold bonds, due March 1, 1939 were called for payment at 105 and interest at The New York Trust Co., New York, Trustee, the former on Jan. 2, 1927 and the latter on Sept. 1, 1926.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31.
(Indiana Gas Utilities Company and Subsidiary)

	1927	1926
Gross earnings	$1,042,431	$930,534
Operating expenses	748,303	551,479
Taxes		94,052
Depreciation reserve	29,840	49,319
Net earnings from operation	$264,288	$235,684
Interest on bonds	127,958	94,768
Other interest, etc.		3,989
Net income	$136,330	$136,927
Preferred dividends	35,000	35,291
Surplus for year	$101,330	$101,636

GENERAL BALANCE SHEET, DECEMBER 31
(Indiana Gas Utilities Company and Subsidiary)

Assets—	1927	1926
Property, etc.	$4,805,373	$4,732,329
Stocks owned	65,000	65,000
Other investments	6,000	5,000
Materials and supplies	57,455	53,177
Cash	35,674	67,500
Accounts receivable	103,484	73,321
Deferred debit items	5,489	10,536
Amortization of bond discount & expense	20,331	20,548
Total	$5,098,806	$5,027,411
Liabilities—		
Common stock	$1,568,658	$1,568,658
Preferred stock	500,000	500,000
Funded debt	2,250,000	2,308,500
Advances from affiliated cos.	226,956	
Notes payable		50,000
Accounts payable	28,177	146,001
Accrued interest, taxes, etc.	116,119	89,215
Deferred credit items	59,818	57,885
Unadjusted credits	2,745	
Reserve for depreciation	271,340	266,931
Other reserves	32,592	23,088
Profit and loss—surplus	42,401	17,133
Total	$5,098,806	$5,027,411

Officers: John T. Beasley, Pres.; C. D. Shaul, V-P. & Mgr., Terre Haute, Indiana; Ralph H. Beaton, V-P., Columbus, Ohio; Roy S. Brunner, V-P. & Mgr., Richmond, Indiana; Hazard Okey, Sec.; Edward G. Reyer, Treas., Columbus, Ohio.

Directors: John T. Beasley, B. V. Marshall, Terre Haute, Indiana; Ralph H. Beaton, Edward G. Reyer, Hall M. Henry, Columbus, Ohio.

General Office, 44 E. Broad St., Columbus, Ohio. **Operating Offices,** Terre Haute, Richmond and Brazil, Indiana. **Corporate Office,** Terre Haute, Indiana.

THE LAKE SHORE GAS COMPANY

(Controlled by Gas Utilities, Inc.)

History—Incorporated July 15, 1925 in Ohio; successor to The Ashtabula Gas Co., organized in 1895 (see 1925 Manual, page 1417, or apply to our Information Department). Supplies gas to Ashtabula and adjoining communities of Madison and Perry, O. Franchise expires May 15, 1958. Estimated population served, 50,000. Also wholesales gas to North Eastern Oil and Gas Co., which serves Conneaut, Geneva and other communities in northeastern Ohio. Miles of mains, 149. No. of meters, 7,000. Annual sales, about 371,600,000 cu. ft. Rate: $1.00 for first 500 cu. ft.; $1.10 per M for next 30,000 cu. ft.; 80 cts. per M for all over 30,000 cu. ft.

CAPITAL STOCK

Authorized, 4,000 shares Common of no par value and $500,000 7% cumulative Pfd., par, $100; outstanding, 4,000 shares Common and $250,000 Pfd. All the Common and Pfd. stock, except directors' qualifying shares, owned by Gas Utilities, Inc. Pfd. stock has preference for assets and dividends and is subject to call at 105 and dividends on any dividend date. Secretary of company acts as Transfer Agent. Annual meeting, third Tuesday in February.

Dividends—Pfd. dividends regularly paid quarterly J, A, J & O 1. On Common $1.00 per share was paid in 1925; none in 1926.

FUNDED DEBT

None.

The outstanding First Mortgage 5½% Gold bonds, Series due 1950, have been paid off or provided for.

Officers: Ralph H. Beaton, Pres., Columbus, O.; F. W. Stone, V-P. & Gen. Mgr., Ashtabula, Ohio; Hall M. Henry, Sec.; Edward G. Reyer, Treas., Columbus, Ohio.

Directors: Ralph H. Beaton, Hazard Okey, Edward G. Reyer, Hall M. Henry, Columbus, O.; F. W. Stone, Ashtabula, O.

General Office, 44 East Broad St., Columbus, O. **Operating Office,** Ashtabula, O.

THE NORTH EASTERN OIL AND GAS COMPANY

(Controlled by Gas Utilities, Inc.)

History and Property—Incorporated in January 1918, in Ohio. Company now distributes manufactured gas, which is purchased from the Lake Shore Gas Co., to Conneaut, Kingsville, Geneva and Amboy, Ohio. Company owns all the stock (except directors' shares) of **Jefferson Gas Co.,** organized in July, 1926, to retain the natural gas business of The North Eastern Oil and Gas Co. in that community. Franchises expire in 1952. Population served, 25,000. The Company changed from natural to artificial gas as of Jan. 1, 1925. Miles of mains, 68. No. of gas meters, 2,900. Sales in 1927, 113,581,085 cu. ft. Control was acquired by Gas Utilities, Inc., in February, 1926.

CAPITAL STOCK

Authorized, $245,000 Common and $100,000 7% Pfd.; outstanding, $244,600 Common and $50,200 Pfd.; par, $100. All the Pfd. and over 99% of the Common is owned by Gas Utilities, Inc. Annual meeting, first Wednesday after Jan. 20. No dividends paid.

FUNDED DEBT

None.

Officers: Ralph H. Beaton, Pres., Columbus, O.; F. W. Stone, V-P. & Gen. Mgr., Ashtabula, Ohio; Hall M. Henry, Sec.; Edward G. Reyer, Treas., Columbus, Ohio; K. C. Berger, Asst. Sec. & Asst. Treas.

Directors: Ralph H. Beaton, Hazard Okey, Edward G. Reyer, Hall M. Henry, Columbus, O.; F. W. Stone, Ashtabula, O.

General Office, 44 E. Broad St., Columbus, O. **Operating Office,** Conneaut, O.

SIOUX FALLS GAS COMPANY

(Controlled by Gas Utilities, Inc.)

History and Property—Incorporated Sept. 18, 1908 in New Jersey. Owns and operates a gas plant serving an estimated population of about 35,000 in the City of Sioux Falls, S. D. Franchise expires March 31, 1892. No. of meters, 6,599. Gas sales in 1927, 200,211,600 cu. ft. Schedule of rates: First 10,000 cu. ft. per month, $1.57 per M; next 20,000, $1.47 per M; next 20,000, $1.37 per M; over 50,000 cu. ft. per month, $1.27 per M; discount 10c per M cu. ft.; minimum rate, 50c per month per meter.

CAPITAL STOCK

Authorized, $350,000 Common; outstanding, $150,000 Common; par, $100. Gas Utilities, Inc., owns all except directors' shares of Common stock. The Pfd. stock formerly outstanding was called for redemption Oct. 1, 1927. Annual meeting, second Tuesday in January, at Camden, N. J.

Dividends—Dividends on the 8% Pfd. and 7% Pfd. regularly paid, quarterly, J, A, J & O 1. On Common, 4½% paid in 1923; 6% each in 1924 and 1925; payments quarterly, J, A, J & O 1.

FUNDED DEBT

The outstanding First Mortgage 6% Gold bonds, due June 1, 1944, were called for redemption on June 1, 1928, at 105 and interest.

Officers: Ralph H. Beaton, Pres., Columbus, O.; Homer V. Armstrong, V-P. & Gen. Mgr., Sioux Falls, S. D.; Hazard Okey, Sec.; Edward G. Reyer, Treas., Columbus, O.; K. C. Berger, Asst. Sec. & Asst. Treas.

Directors: Ralph H. Beaton, Hazard Okey, Edward G. Reyer, Hall M. Henry, Columbus, O., Homer V. Armstrong, Sioux Falls, S. D.

General Office, 44 East Broad St., Columbus, O. **Operating Office,** Sioux Falls, S. D. **Corporate Office,** 304-306 Market St., Camden, N. J.

UNION GAS & ELECTRIC COMPANY (BLOOMINGTON, ILL.)

(Controlled by Gas Utilities, Inc.)

History—Incorporated July 6, 1899, in Ill.; successor to Citizens' Gas Light & Heat Co. and Bloomington Gas Light & Coke Co. Controls entire gas business of Bloomington and Normal, Ill., and supplies electricity to a limited number of customers. Population served, 39,200. Gas franchise expires 1998 and electric franchise expires 1981. No. of customers, 9,250. Sales in 1927, 249,981,000 cu. ft., compared with 249,895,100 cu. ft. in 1926. Holder capacity, 450,000 cu. ft. Price of light and fuel, $1.38 net and sliding scale.

CAPITAL STOCK

Authorized, $1,000,000 Common; outstanding, $750,000 Common. All owned (except directors' shares) by Gas Utilities, Inc. The Pfd. stock outstanding Dec. 31, 1927 was called for redemption Jan. 1, 1928 at 110 and accrued dividend.

Annual Meeting—First Monday in October.

Dividends—Pfd. dividends regularly paid to date of redemption. On Common 4% was paid in 1925.

FUNDED DEBT

The outstanding First Mortgage 5% Gold bonds, due Sept. 1, 1935, have been paid off or provided for.

Officers: Ralph H. Beaton, Pres., Columbus, O.; Charles F. Agle, V-P., Bloomington, Ill.; Edward G. Reyer, Sec. & Treas., Columbus, O.; William Beasley Aud., Asst. Sec. & Asst. Treas.; R. E. Chew, Gen. Mgr., Bloomington, Ill.

Directors: Ralph H. Beaton, Hall M. Henry, Columbus, O.; John T. Beasley, Terre Haute, Ind.; R. E. Chew, N. E. Dolan, Lee Rust, Charles F. Agle, Bloomington, Ill.

General Office, 44 E. Broad St., Columbus, O. **Operating Office,** Bloomington, Ill.

THE PORTSMOUTH GAS COMPANY

(Controlled by Gas Utilities, Inc.)

History—Incorporated July 21, 1925 in Ohio as successor to a company of the same name, incorporated in 1899 (see 1925 Manual, page 727, or apply to our Information Department). The present company assumed $200,000 First Mortgage bonds of the old Company. Supplies natural gas to Portsmouth, O., purchased from United Fuel Gas Co., Charleston, W. Va. Franchise expires July 1, 1934. Population served, 50,000. Miles of mains, 61. No. of meters, 10,161. Annual sales, 1,070,945,500 cu. ft.

CAPITAL STOCK

Authorized, 4,000 shares Common of no par value and $500,000 7% cumulative Pfd., par, $100; outstanding, 4,000 shares Common and $125,000 Pfd. All except directors qualifying shares owned by Gas Utilities, Inc. Pfd. stock has preference for assets and dividends and is subject to redemption at 105 and dividends on any dividend date. Secretary of company acts as transfer agent. Annual meeting, third Tuesday in February. Pfd. dividends regularly paid quarterly, J, A, J & O 1.

FUNDED DEBT

The outstanding First Mortgage 6% Gold bonds due Sept. 1, 1929 and General Mortgage 6% Notes, due Sept. 1, 1935, have been paid off or provided for.

Officers: Ralph H. Beaton, Pres.; Otis H. Reyer, Sec.; Edward G. Reyer, Treas., Columbus, O.; Homer R. Rogers, Gen. Mgr., Portsmouth, Ohio; K. C. Berger, Asst. Sec. & Asst. Treas.

Directors: Ralph H. Beaton, Otis H. Reyer, Edward G. Reyer, Columbus, O.; S. Anselm Skelton, Homer R. Rogers, Portsmouth, O.

General Office, 44 E. Broad St., Columbs, O. **Operating Office,** Portsmouth, O.

LOCK HAVEN GAS & COKE COMPANY

(Controlled by Gas Utilities, Inc.)

History—Incorporated June 5, 1924, in Pa., successor to the Lock Haven Gas Company. Furnishes gas to the city of Lock Haven, Pa., serving a population of about 9,000. Miles of gas mains, 13. No. of meters, 1,149. Sales of gas in 1927, 29,267,700 cu. ft. compared with 27,268,200 cu. ft. in 1926. Price: $1.75 for first 2,000 cu. ft. and $1.50 per thousand for all over 2,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. All, except directors' shares, owned by Gas Utilities, Inc. Annual meeting, second Monday in January. Dividends of 4% each paid Sept. 20 and Dec. 21, 1925, and Dec. 31, 1926.

FUNDED DEBT

The outstanding First Mortgage 6% Gold bonds, due July 1, 1944, have been paid off or provided for.

Officers: Ralph H. Beaton, Pres., Columbus, O.; Hazard Okey, Sec.; Edward G. Reyer, Treas., Columbus, O.; K. C. Berger, Asst. Sec. & Asst. Treas.

Directors: Ralph H. Beaton, Hazard Okey, A. F. Traver, Edward G. Reyer, Hall M. Henry, Columbus, Ohio.

General Office, 44 E. Broad St., Columbus, O. **Operating Office,** Lock Haven, Pa.

VAN WERT GAS LIGHT COMPANY

(Controlled by Associated Gas and Electric Company)

History—Incorporated Feb. 1, 1881, in Ohio. Supplies gas to the city of Van Wert, Ohio, under a perpetual franchise. Population served, about 8,100. Properties include a gas plant with a daily capacity of 600,000 cu. ft. and 24 miles of mains. No. of meters, 1,736.

CAPITAL STOCK

Authorized, $150,000; outstanding, $100,000; par, $50. All owned by Associated Gas and Electric Company. Annual meeting, first Wednesday in February.

Officers: S. J. Magee, Pres.; H. C. Hopson, V-P.; G. A. Strain, V-P.; T. S. Atkinson, V-P.; Ralph H. Beaton, V-P.; O. E. Wasser, Treas. & Sec.

Directors: T. S. Atkinson, H. E. Allen, Jesse R. Riley, Van Wert, Ohio; S. J. Magee, J. I. Mange, New York.

Financial Office, 61 Broadway, New York. **Operating Office,** 33 Liberty St., New York. **Local Office,** Van Wert, Ohio.

NEW ENGLAND GAS AND ELECTRIC ASSOCIATION

(Controlled by Massachusetts Electric Investment Association)

History—A Massachusetts Voluntary Association formed under a Declaration of Trust dated Dec. 31, 1926. Owns more than 99% of the stock of Cambridge Electric Light Company, Cambridge Gas Light Company and 100% of the stocks of Cape and Vineyard Electric Company, New Hampshire Gas and Electric Company (formerly Portsmouth Power Company) and Middlesex County Electric Company.

The Association is affiliated with the Associated Gas and Electric System through ownership and control of the Common shares by individuals who are important stockholders and officials of the Associated Gas and Electric Company.

CAPITAL STOCK

Authorized, 250,000 shares Common and 250,000 shares Pfd., both of no par value; outstanding, 100,000 shares Common, 73,170 $5.50 Dividend Series Pfd. shares and 10,000 $6 Dividend Series Pfd. shares. All the outstanding Common shares are owned by Massachusetts Electric Investment Association. The $6 Dividend Series Pfd. stock was called for redemption June 1, 1928 at $105 a share.

Preferred Stock Provisions—The Pfd. shares may be issued as $5.50 Dividend Series Pfd. shares and/or $6 Dividend Series Pfd. shares, and are preferred over the Common shares both as to dividends and assets and are fully paid and non-assessable.

The Pfd. shares of these series are entitled to cumulative dividends at the rate of $5.50 and $6 per share per annum, payable quarterly, J, A, J & O 1, before any dividends are paid upon or set apart for the Common shares. Except as to dividend rate, shares of both series are in all respects alike.

The association agrees to reimburse the holders of the Pfd. shares for any Massachusetts Income Tax which such holders shall pay, pursuant to a lawful assessment therefor, on account of the dividends received upon such Pfd. shares, to an amount not exceeding 6% of the dividends so received, provided application for such reimbursement be made at such time and in such form as the Board of Directors or Trustees of the Association may from time to time require.

In the event of any termination, liquidation or winding up of the Association, the holders of the Pfd. shares ($5.50 Dividend Series and $6 Dividend Series) are entitled to be paid the sum of $100 per share and an amount equal to the unpaid cumulative dividends thereon accrued to the date of payment before any amount is paid to or assets distributed to the holders of the Common shares, except that if all assets are

transferred to a new company or association, Pfd. shareholders may be given, in lieu of cash, a like number of Pfd. shares of such new company or association having similar preferential rights.

No class of shares superior to the present classes of Pfd. shares may be authorized or created, nor may the rights of the holders of the Pfd. shares be changed so as to affect the holders adversely, without the affirmative vote of a majority of such of the holders of the outstanding Pfd. shares, adversely affected, as shall vote at a meeting held for such purpose. The Pfd. shares have no voting rights except as above mentioned.

Callability—The Pfd. shares ($5.50 Dividend Series and/or $6 Dividend Series) may be redeemed in whole or in part on the first day of any calendar months upon 30 days' previous notice at the price of $105 per share, plus the amount of the unpaid cumulative dividends thereon accrued to the date of redemption.

Transfer Agent (Pfd. Stock)—State Street Trust Co., Boston.

Registrar—First National Bank, Boston.

Listed (Pfd. Stock)—Boston Stock Exchange.

Price Range—

	1927
5½% Pfd.—	
High	102
Low	97
6% Pfd.—	
High	105
Low	103½

Dividends—Pfd. dividends are paid quarterly, J, A, J & O 1.

FUNDED DEBT

$16,883,000 5% CONVERTIBLE GOLD DEBENTURE BONDS; DUE SEPTEMBER 1, 1947

Dated September 1, 1927.

Interest Payable March and September 1, at office of Harris Forbes & Co., Inc., Boston, at office of Harris Forbes & Co., New York, or at office of Harris Trust & Savings Bank, Chicago, or at option of the Association at its own office or agency in said cities.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The First National Bank of Boston.

Provisions of Issue—Authorized, $17,000,000; outstanding, $16,883,000.

Purpose of Issue—Proceeds from sale of these bonds were used for the acquisition or retirement of all bonds and Pfd. stocks of the operating companies and for the payment of indebtedness or for other purposes of the Association.

Callability—Subject to call as a whole or in part on the first of any month prior to maturity on 60 days' notice at 103 and interest to and including Sept. 1, 1932; thereafter at a premium decreasing 1% for each five-year period to and including Sept. 1, 1942; thereafter at 100½ and interest to and including Sept. 1, 1946; and thereafter at 100 and interest.

Conversion Privilege—An aggregate of $8,500,000 bonds in the order of surrender for conversion and upon ten days' prior written notice will be convertible on the first day of any month up to and including Sept. 1, 1931 (or on or before the redemption date, if previously called for redemption), into $5.50 Dividend Series Pfd. shares of the Association at the rate of 10 shares for each $1,000 bonds. Adjustments are to be made with respect to any accruals of interest on the bonds and of dividends on the shares.

Security—The Association covenants in the Indenture not to pledge any of its assets without ratably securing these bonds, except in case of purchase money mortgages and liens and except in case of pledges in the usual course of business as security for temporary loans or for indemnity for terms not exceeding one year. Association covenants not to issue any additional funded debt unless consolidated net earnings (as defined in the Indenture) before depreciation for twelve consecutive months out of the fifteen months immediately preceding the date of issue shall have been at least twice the aggregate of the annual interest charges on the Association's entire outstanding funded debt, including the proposed issue and the annual interest and/or dividend charges on any bonds or Pfd. stocks of the operating companies held by the public.

Tax Provisions—The Association agrees to reimburse the holders of these bonds upon application within 60 days after payment for the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion—Ropes, Gray, Boyden & Perkins of Boston, Mass. (for the bankers) and Charles M. Travis, Esq., New York City (for the Association).

Original Offering—First publicly offered ($17,000,000) in August, 1927, at 99 and interest, to yield 5.08%, by Harris, Forbes & Co., Lee, Higginson & Co., Guaranty Co. of New York, Kidder, Peabody & Co., Marshall Field, Glore, Ward & Co., Brown Brothers & Co., Edward B. Smith & Co., E. H. Rollins & Sons, Equitable Trust Co. of New York, John Nickerson & Co., New York, etc.; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston and Harris Forbes & Co., Ltd., Montreal.

Price Range—1927: High, 100¼; low, 98¼.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31
(New England Gas and Electric Association and Subsidiaries)

	Earnings		Customers		K.w.h.	Gas Sold
Year	Gross	*Net	Electric	Gas	Sold	M.C.F.
1922....	$5,845,487	$1,680,271	24,921	82,147	62,700,100	2,269,883
1923....	6,129,185	1,828,614	28,897	83,974	67,480,351	2,421,144
1924....	6,034,962	1,910,159	33,408	85,205	70,443,485	2,405,254
1925....	6,391,702	2,141,545	39,113	87,332	80,430,195	2,479,421
1926....	6,853,199	2,351,538	46,566	88,659	86,476,488	2,644,199
1927....	7,310,782	2,481,489	51,218	89,995	87,184,257	2,692,429

NOTE—The above statement shows earnings and other statistics of all properties irrespective of the dates of acquisition.

*Before depreciation.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED MARCH 31, 1928
(New England Gas and Electric Association and Subsidiary Companies)
(Includes Properties Since Respective Dates of Acquisitions)

Gross earnings and other income	$7,021,528
Operating expenses and all taxes	4,627,427
Net earnings	$2,394,101
Fixed charges	582,089
Balance	$1,812,012
Provision for renewals & replacements	305,534
Balance	$1,506,478
Preferred dividends	228,246
Balance	$1,278,232

CONSOLIDATED BALANCE SHEET, MARCH 31, 1928

Assets—	
Plant properties, etc.	$50,797,424
Investments	1,788,633
Cash	1,052,769
Special deposits	75,330
Accounts receivable—consumers	616,253
Accounts receivable—miscellaneous	186,778
Income receivable	185,170
Materials & supplies	912,047
Unamortized debt discount & expense	859,766
Prepaid accounts	61,128
Suspense	111,921
Total	$56,647,219
Liabilities—	
Capital stock—stated capital for:	
Common stock (100,000 shares no par value owned by Mass. Elec. Investment Assn.)	$10,000,000
Preferred stock ($5.50 Series 73,170 shares no par value)	7,317,000
Preferred stock ($6 Series 10,000 shares no par val.)	*1,000,000
Funded debt	16,883,000
Securities called but not yet retired	7,400
Accounts with affiliated cos. (net)	3,884,376
Notes & convertible loan certificates	434,677
Accounts payable	1,214,688
Accrued interest	362,241
Accrued taxes	116,972
Consumers' deposits	304,823
Retirement reserves	4,479,840
Other reserves	286,683
Capital surplus	9,375,928
Corporate surplus	979,602
Total	$56,647,219

*Called for redemption June 1, 1928 at 105.

Officers: J. I. Mange, Pres.; H. C. Hopson, V-P. & Treas.; John M. Daly, V-P.; Warren Partridge, V-P.; F. H. Golding, V-P.; J. F. McKenna, V-P.; DeWitt Clinton, Sec. & Asst. Treas.; E. T. Edmonds, Asst. Sec.

Trustees: Daniel Starch, Harding U. Greene, S. H. Cheney.

General Office, 719 Massachusetts Ave., Cambridge, Mass.

CAMBRIDGE ELECTRIC LIGHT COMPANY

(Controlled by New England Gas and Electric Association)

History—Incorporated Jan. 28, 1886, in Mass., to supply electric light and power to Cambridge and Belmont; serves a population of 138,000. Supplies 483 municipal arcs and 2,445 municipal incandescents. Number of customers, 28,855.

CAPITAL STOCK

Authorized and outstanding, $1,560,000; par, $25 (decreased from $100 in March, 1925). Over 99% of the capital stock owned by New England Gas and Electric Association.

Transfer Agent—Stock transferred at Company's office.

Annual Meeting—First Monday in March.

Dividends—Regular dividends at rate of 10% per annum, paid quarterly to May 1, 1911; and at rate of 12% per annum thereafter to Feb. 1, 1925 on shares of $100 par. On shares of $25 par, 75c each May 1 and Aug. 1, 1925; $1 per share each quarter from Nov. 1, 1925, to date; payments F, M, A & N 1. In addition, special dividends of 10% each were paid Nov. 1, 1909, Nov. 1, 1911, and Aug. 2, 1914; one of 6% April 2, 1915; 10% year ended June 30, 1917; one of 3% in year ended June 30, 1918; one of 4% in year ended June 30, 1919; one of 8% in year ended June 30, 1920; 6% each Dec. 31, 1921, 1922 and 1923; one of 8% on Dec. 12, 1924; $2 per share each (par $25) on Dec. 15, 1925, Dec. 15, 1926 and Feb. 1, 1928. Dividend meetings, third Wednesdays in J, A, J & O.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,229,933	$2,024,377	$1,839,795	$1,630,018	$1,601,986	$1,412,440
Operating expenses & taxes	1,346,343	1,217,835	1,133,329	1,086,462	1,082,641	949,837
Depreciation	150,000	150,000	135,000	135,000	100,000	100,000
Net earnings	$733,590	$656,542	$571,466	$408,556	$419,345	$362,603
Other income	14,979	12,210	14,881	14,382	4,273	‡1,163
Total income	$748,569	$668,752	$586,347	$422,938	$423,618	$361,440
Interest, etc.	4,169	4,368	1,759	3,048	18,626	39,705
Balance for dividends	$744,400	$664,384	$584,588	$419,890	$404,992	$321,735
Dividends paid	374,400	374,400	327,600	312,000	265,200	225,000
Surplus for year	$370,000	$289,984	$256,988	$107,890	$139,792	$96,735
Earnings Per Share	§11.92	§$10.64	§$9.37	$26.91	$25.96	$24.75

‡Deficit. §On $25 par.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Property account	$4,453,397	$4,048,608	$3,512,868	$3,220,556	$3,015,848	$2,708,573
Other investments	4,030	4,000	.....	.....	.....	.....
Materials and supplies	127,704	123,069	130,144	121,642	105,362	149,677
Cash	286,011	82,059	103,277	83,479	73,948	125,521
Cash special deposit with fiscal agents to cancel notes	.....	.....	.....	1,000	12,000	.....
Accounts receivable	191,369	183,883	168,101	153,062	140,156	119,870
Discount on notes	.....	.....	.....	.....	.....	2,070
Prepaid accounts	5,038	1,277	1,931	2,400	1,820	3,672
Total	$5,067,549	$4,442,896	$3,916,321	$3,582,139	$3,349,134	$3,109,383
Liabilities—						
Capital stock	$1,560,000	$1,560,000	$1,560,000	$1,560,000	$1,560,000	$1,300,000
Premium on stock	778,000	778,000	778,000	778,000	778,000	570,000
Notes payable	.....	.....	.....	†1,000	62,000	500,000
Demand notes	300,000	200,000	50,000	100,000	.....	.....
Accounts payable	88,886	87,242	62,181	51,506	65,718	96,919
Other current liabilities	62,343	51,049	42,376	38,302	36,334	33,552
Depreciation reserve	519,318	384,793	338,357	244,545	200,489	113,814
Accrued liabilities	113,565	105,104	84,848	65,215	56,644	45,000
Federal Income Tax claim	.....	.....	23,287	23,287	.....	.....
Surplus, undivided profits	1,645,437	1,276,708	977,272	720,284	589,949	450,098
Total	$5,067,549	$4,442,896	$3,916,321	$3,582,139	$3,349,134	$3,109,383

†Due and called July 1, 1923, but not presented.

Officers: J. Henry Russell, Pres.; Gustavus Goepper, V-P.; Frank H. Golding, V-P.; De Witt Clinton, Treas. & Clerk; Cambridge, Mass.

Directors: J. Henry Russell, Gustavus Goepper, J. H. Russell, Hon. Walter C. Wardwell, George Gray, Daniel Starch, William Minot, Robt. Gardner, Warren Partridge, Howard C. Hopson, John I. Mange, John M. Daly.

Office, Cambridge, Mass.

CAMBRIDGE GAS LIGHT COMPANY

(Controlled by New England Gas and Electric Association)

History—Incorporated March 15, 1852, in Mass. Owns and operates a modern coal and water gas plant on tidewater in Cambridgeport, Mass. Supplies Cambridge and portion of Somerville, serving a population about 200,000. Miles of mains, about 200. Annual sales, 1,448,400,000 cu. ft. Daily capacity, 11,800,000 cu. ft. No. of meters, 49,598.

CAPITAL STOCK

Authorized, $1,950,000 (increased from $1,680,000 to $1,820,000 in 1922; increased from $1,820,000 to $1,875,000 in Dec., 1925 and again increased to $1,950,000 in 1926; par $25; outstanding, $1,950,000. Over 99% of the capital stock is owned by New England Gas and Electric Association. Annual meeting, second Tuesday in February.

Dividends—Recent dividends have been paid as follows: 1918, 1919 and 1920, 10% each; 1921, 13%; 1922, 12%; 1923, 15%; 1924, 12%; 1925, 12% regular and 6% extra paid Feb. 2; 1926, 12%; 1927, 12%. Payments are made quarterly, F, M, A & N 1, at Cambridge, Mass. Transfer office, Cambridge, Mass.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings, incl. other income	$1,638,492	$1,699,492	$1,651,502	$1,698,911	$1,768,113	$1,728,146
Operating expenses, taxes, etc	1,233,775	1,177,887	1,125,219	1,205,124	1,291,276	1,256,122
Depreciation	152,045	173,280	129,685	92,636	105,087	103,856
Net earnings	$252,672	$348,325	$396,598	$401,151	$371,750	$368,168
Fixed charges	8,273	6,131	6,235	5,401	4,646	31,817
Balance for dividends	$244,399	$342,194	$390,363	$395,750	$367,104	$336,351
Dividends paid	233,575	228,256	331,778	218,400	272,997	201,600
Surplus for year	$10,824	$113,938	$58,585	$177,350	$94,107	$134,751

GENERAL BALANCE SHEET, DECEMBER 31.

Assets—	1927	1926	1925	1924	1923	1922
Real estate and plant	$4,300,500	$4,098,575	$3,877,521	$3,726,692	$3,575,500	$3,476,742
Bonds owned	178,836	146,847	37,094	37,282	37,282	.....
Other investments	.....	218,157	331,188	120,958	.....	.....
Bills and accounts receivable	174,748	161,754	162,079	163,081	144,121	148,862
Materials and supplies	347,126	266,513	217,599	289,164	407,783	295,123
Cash on hand	402,302	187,201	100,063	102,241	30,912	119,241
Prepaid accounts	12,268	14,826	15,898	22,655	17,006	8,688
Total	$5,415,780	$5,093,873	$4,741,442	$4,462,073	$4,212,604	$4,048,656
Liabilities—						
Capital stock	$1,950,000	$1,935,275	$1,869,525	$1,820,000	$1,820,000	$1,819,900
Interest and taxes accrued	37,585	51,623	60,576	56,415	52,284	52,309
Accounts payable, consumers' deposits, etc	129,453	107,393	111,175	116,726	144,824	118,370
Notes payable	300,300	100,300	140,300	130,300	90,300	110,300
Premiums on new stock	1,210,008	1,192,338	1,113,438	1,054,008	1,054,007	1,053,895
Reserve for depreciation	614,750	516,648	384,941	293,037	238,459	175,621
Unadjusted credits	.....	27,016	14,020	1,869	362	.....
Surplus	1,173,684	1,163,280	1,047,467	989,718	812,368	718,261
Total	$5,415,780	$5,093,873	$4,741,442	$4,462,073	$4,212,604	$4,048,656

Officers: Albert M. Barnes, Pres. & Gen. Mgr.; Walter F. Earle, V-P.; Warren Partridge, V-P.; Isaac T. Haddock, V-P.; De Witt Clinton, Clerk & Treas.

Directors: Stanley B. Hildreth, Albert M. Barnes, Walter F. Earle, Warren Partridge, J. I. Mange, H. C. Hopson, Daniel Starch.

Office, Cambridge, Mass.

CAPE & VINEYARD ELECTRIC CO.

(Controlled by New England Gas and Electric Association)

History—Organized June 1, 1920, as a consolidation of the Buzzards Bay Electric Co. and Vineyard Lighting Co. (see 1920 Public Utility Manual, page 241, or apply to our Information Department). Supplies electricity to Barnstable, Bourne, Chatham, Dennis, Edgartown, Falmouth, Harwich, Hyannis, Oak Bluffs, Orleans, Sandwich, Vineyard Haven and Yarmouth, serves a summer population of approximately 100,000. Output of electricity (generated and purchased): 1927, 7,522,073 k.w.h.; 1926, 7,042,168 k.w.h.; 1925, 8,730,550 k.w.h.; 1924, 7,489,108 k.w.h. Number of customers, 12,608.

CAPITAL STOCK

Authorized and outstanding Dec. 31, 1927, $750,000 Common, par $25 (changed from $100 in 1926), and $750,000 6% cumulative Pfd., par $100. The outstanding Pfd. stock was called for redemption on Jan. 1, 1928 at 103 and dividends. The New England Gas & Electric Association owns all the outstanding Common stock.

Annual Meeting—Fourth Monday in March.

Dividends—Initial quarterly dividend on Pfd. stock of $1.50 per share was paid Jan. 3, 1927, which rate maintained to date of redemption Jan. 1, 1928.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property and investment	$2,131,773	*$2,243,457	$2,008,594
Materials and supplies	58,752	47,348	56,186
Cash	42,598	70,688	24,922
Accounts receivable	65,525	71,792	60,292
Deferred charges	9,120	9,136	16,970
Total	$2,307,768	$2,442,421	$2,166,964

Liabilities—	1927	1926	1925
Common stock	$750,000	$750,000	$750,000
Preferred stock	750,000	550,000	.....
Notes payable	.....	.....	378,315
Accounts payable	359,007	38,511	74,757
Due affiliated cos.	.....	346,376	372,294
Consumers' deposits	53,525	35,103	10,290
Accrued liabilities	5,426	33,023	5,877
Undistributed items	12,709	6,260	.....
Reserves	87,665	141,514	123,143
Surplus—cap. & corporate	289,436	541,634	452,288
Total	$2,307,768	$2,442,421	$2,166,964

*Stated at reproduction cost.

Officers: J. I. Mange, Pres.; H. C. Hopson, J. M. Daly, Warren Partridge, J. I. Magee, F. H. Golding, V-Ps.; De Witt Clinton, Treas. & Clerk.

Directors: S. C. Luce, Jr., Vineyard Haven, Mass.; Oscar C. Nickerson, Chatham, Mass.; J. I. Mange, H. C. Hopson, S. J. Magee, J. M. Daly, Warren Partridge, New York; R. A. Pritchard, Boston, Mass.; Daniel Starch, Cambridge, Mass.

Financial Office, 61 Broadway, New York. **Operating Office,** 33 Liberty St., New York. **Local Office,** Falmouth, Mass.

MIDDLESEX COUNTY ELECTRIC COMPANY

(Controlled by New England Gas and Electric Association)

History—Incorporated in Mass. in 1909 as The Tyngsboro Electric Light Company, name changed to present title early in 1922. Subsequently merged into itself The Shirley Electric Light Company and Pepperell Electric Light and Power Co. Serves 1,353 consumers in the towns of Shirley, Pepperell, East Pepperell, Dunstable and Tyngsboro, Mass. Population of the territory served aggregates about 7,000. No. of customers, 1,315. The Company is under the management of J. G. White Management Corporation, 33 Liberty St., New York.

CAPITAL STOCK

Authorized and issued, $50,000 Common (par $25) and $50,000 6% cumulative Pfd. (par $100). All of the Pfd. is held in Company's treasury. The entire Common stock is owned by New England Gas & Electric Association.

FUNDED DEBT

Funds have been deposited with State Street Trust Co,, Boston, Trustee, to cover principal and interest to maturity. Mortgage satisfied and all bonds cancelled except $12,500 principal amount First Mortgage 7s due Jan. 1, 1937.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	Liabilities—		
Property account	$318,156	$275,662	Capital stock	$50,000	$100,000
Other investments	200	200	Funded debt	.....	98,500
Materials and supplies	6,525	9,743	Accounts payable	271,524	65,732
Special deposits	58,615	.....	Accrued accounts	3,414	3,208
Cash	4,169	2,498	Consumers' deposits	1,720	1,271
Notes & accts. receivable	12,630	14,011	Unadjusted credits	30,403	2,423
Deferred debit items	1,060	1,458	Reserves	15,645	15,162
			Surplus	28,649	17,276
Total	$401,355	$303,572	Total	$401,355	$303,572

Officers: J. I. Mange, Pres.; H. C. Hopson, S. J. Magee, John M. Daly, L. H. McCray, F. H. Golding, V-P's.; De Witt Clinton, Sec. & Treas.; John H. Logue, Clerk.

Directors: J. I. Mange, H. C. Hopson, J. M. Daly, New York, N. Y.

Financial Office, 61 Broadway, New York. **Operating Office**, 33 Liberty St., New York. **Local Office**, East Pepperell, Mass.

NEW HAMPSHIRE GAS & ELECTRIC COMPANY

(Controlled by New England Gas and Electric Association)

History and Properties—Incorporated Oct. 30, 1900, in N. H. as the Rockingham County Light & Power Co.; name changed to the Portsmouth Power Company in March, 1924, and changed again in 1927 to its present title. Acquired the properties of The Hollis Electric Co., Raymond Candia Electric Co. and the Brookline Property. The company furnishes electric light and power to consumers in 13 communities, principally Portsmouth, New Market, Rye, Hollis, Brookline, Candia, and Epping, N. H., and surrounding territory with a combined population of 30,000. In addition, it supplies through sales to local utilities (Twin State Gas & Electric Co., and Exeter & Hampton Electric Light Co.) ten other neighboring communities, with a total population of about 40,000. The company also sells power to urban and inter-urban electric railways, serving adjacent sections of Massachusetts, New Hampshire and Maine. The company leases the **Kittery Electric Light Co.**, agreeing to pay 7% per annum on $75,000 capital stock, all of which it owns. This lease is for 99 years from July 1, 1916. The leased company does business in Kittery and Eliot, Me. Also owns the capital stock of the Lamprey River Improvement Co. Generating station located at Portsmouth, N. H.; capacity over 20,000 h.p. In addition, there are undeveloped water rights on the Lamprey River, near New Market. Company owns about 90 miles of high tension transmission lines.

CAPITAL STOCK

Outstanding, $1,500,000 Common, par $100. All owned by New England Gas and Electric Association. Annual meeting, second Wednesday in July.

FUNDED DEBT

None.

Officers: J. I. Mange, Pres.; H. C. Hopson, L. H. McCray, John M. Daly, S. J. Magee, Frank H. Golding, V-Ps.; De Witt Clinton, Sec. & Treas.; A. M. Lord, Clerk; M. C. O'Keeffe, Asst. Sec. & Asst. Treas.

Directors: J. I. Mange, H. C. Hopson, J. M. Daly, S. J. Magee, M. C. O'Keeffe, New York.

Financial Office, 61 Broadway, New York. **Operating Office**, 33 Liberty St., New York. **Local Office**, Portsmouth, N. H.

WORCESTER GAS LIGHT COMPANY

(Controlled by New England Gas and Electric Association)

History and Properties—Incorporated May 13, 1851, in Mass. Company controls entire gas business of Worcester. Franchise perpetual. Population served, 195,000. The Company has complete by-product plants producing ammonium phosphate and prussiate of soda, etc. Daily capacity: Coal gas, 3,500,000 cu. ft.; water gas, 7,700,000 cu. ft.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gas manufactured (M. cu. ft.)	1,311,557	1,227,412	1,142,488	1,068,246	1,086,443	1,011,857
Gas sold (M. cu. ft.)	1,244,029	1,156,446	1,069,479	1,005,595	1,030,586	985,158
Number of meters	40,397	39,845	39,117	37,916	37,686	36,840
Miles of mains	281	270.1	260.8	249.3	240.9	234.13

CAPITAL STOCK

Authorized and outstanding, $2,050,000 (increased from $1,750,000 in 1925) Common, par $25. Over 99% of the capital stock is owned by New England Gas & Electric Association.

Preferred Stock Redemption—All of the Pfd. stock of the company was called for redemption on July 1, 1927 at 105.

Transfer Office—Stock transferred at Company's office, Cambridge, Mass.

Annual Meeting—First Wednesday after March 10.

Dividends—The Company had an unbroken record of dividends from 1853 to July 1, 1919. The rates on Common stock since 1890 have been as follows: 1890

to 1896, 8%; 1897 to 1900, 10%; 1901, 18%; 1902 and 1903, 10%; 1904 to 1908, 11%; 1909, 11½%; 1910 to 1914, 12%; 1915, 10%; 1916, 10½%; 1917, 8%; 1918, 4%; 1919, 4%; 1920, none; 1921 (paid Jan. 3, 1922), 1% regular and 1% extra; 1922, 6%; 1923, 8%; 1924, 8%; 1925, 8% regular and 1% extra; 1926 and 1927, 10% each; payments quarterly, J, A, J & O 1.

FUNDED DEBT

$1,200,000 FIRST MORTGAGE GOLD 5½s, SERIES "A"; DUE JULY 1, 1939
$200,000 FIRST MORTGAGE GOLD 6s, SERIES "B"; DUE JULY 1, 1939

Both issues were called for redemption on Jan. 1, 1928 at 105 and interest at Worcester Bank & Trust Co., Worcester, Mass.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$1,733,657	$1,666,758	$1,564,671	$1,486,752	$1,577,868	$1,601,420
Operating expenses and taxes	1,245,014	1,137,631	1,077,689	1,007,195	1,114,824	1,204,679
Net earnings	$488,643	$529,127	$486,982	$479,557	$463,044	$396,741
Other income	4,309	11,845	11,683	8,930	5,128	6,354
Total income	$492,952	$540,972	$498,665	$488,487	$468,172	$403,095
Interest charges	97,725	86,881	94,395	$122,247	$147,112	$158,574
Depreciation	204,863	204,009	169,891	168,495	157,112	60,000
Total charges	$302,588	$290,890	$264,286	$290,742	$304,224	$218,574
Balance for dividends	190,364	250,082	234,379	$197,745	$163,948	$184,521
Dividends paid	219,000	233,000	216,340	161,000	139,816	107,082
Surplus for year	*$28,636	$17,082	$18,039	$36,745	$24,132	$77,439

*Deficit.

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926	1925	1924	1923
Plant and equipment	$5,556,361	$5,310,589	$5,099,563	$4,928,959	$4,867,056	$4,767,294
Materials and supplies	330,639	336,923	285,208	273,950	316,054	185,141
Cash	113,958	110,837	124,288	100,298	106,362	
Accounts receivable	224,426	216,056	181,110	184,208	178,993	345,432
Other current assets	12,828	.....	.....	.....	.....	
Unadjusted debits	18,157	19,737	21,315	22,894	30,698	44,727
Deferred debit items	92,000	128,000	164,000	200,000	236,000	272,000
Prepaid items	43,247	49,678	44,230	56,082	39,827	40,144
Total	$6,391,616	$6,171,820	$5,919,714	$5,766,391	$5,774,990	$5,654,738
Liabilities—						
Common stock	$2,050,000	$2,050,000	$2,050,000	$1,750,000	$1,400,000	$1,400,000
Preferred stock	.....	350,000	350,000	350,000	350,000	350,000
Funded debt	1,400,000	1,400,000	1,400,000	1,400,000	2,150,000	2,150,000
Premium on capital stock	850,680	850,680	850,680	850,000	850,000	850,000
Notes payable	350,000	90,000	105,000	430,000	95,000	145,000
Accounts payable	318,145	64,244	27,256	48,531	34,003	42,696
Other current liabilities	5,508	6,563	.....	.....	.....	.....
Interest accrued	56,656	54,272	52,794	51,469	72,787	71,504
Dividends accrued	50,840	57,840	57,840	42,000	35,000	34,756
Consumers' deposits	121,359	119,699	118,442	114,132	113,866	108,976
Reserve for taxes	30,751	45,130	43,134	38,226	31,901	28,298
Reserves	773,222	640,966	435,568	284,678	265,964	113,337
Profit and loss	384,455	442,426	429,000	407,355	376,469	360,171
Total	$6,391,616	$6,171,820	$5,919,714	$5,766,391	$5,774,990	$5,654,738

Officers: John I. Mange, Pres.; Warren Partridge, V-P.; Frank H. Golding, V-P.; De Witt Clinton, Sec. & Treas.

Directors: F. H. Dewey, De Witt Clinton, Daniel Starch, John M. Daly, Howard C. Hopson, John I. Mange, Warren Partridge.

Corporate Office, Cambridge, Mass. **Local Office,** Worcester, Mass.

RAILWAY AND BUS ASSOCIATES

(Controlled by interests Identified with Associated Gas and Electric Company)

History—Organized in April, 1926, under a Massachusetts Declaration of Trust. Controls New Hampshire Electric Railways (which in turn controls the Massachusetts Northeastern Street Railway Company; Dover, Somersworth and Rochester Coach Company; Dover, Somersworth and Rochester Railroad Company), New Jersey and Staten Island Ferry Company, Southern New York Railways, Inc., Richmond Railways, Inc., which purchased the railway properties of Richmond Light & Railroad Company (see 1927 Manual, page 2424) and which in turn controls the Southfield Beach Railroad Company; Pennsylvania and Maryland Street Railway Company (see page 1651) and Manson Transportation Co.

CAPITAL STOCK

Outstanding, $10,000 Common. No details available.

FUNDED DEBT

None.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenues	$1,744,569
Operating expenses, depreciation and taxes	1,724,628
Net revenues	$19,941
Other income	65,601
Total income	$85,542
Fixed charges	77,719
Balance	$7,823

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and properties, etc.	$17,001,942
Investments	2,000
Cash and special deposits	223,447
Accounts receivable	33,835
Materials and supplies	176,646
Prepaid accounts	48,459
Suspense items	34,531
Total	$17,520,860
Liabilities—	
Capital stock—Common	$10,000
Common stock—subsidiary and affiliated cos.	13,400
Pfd. stock—subsidiary and affiliated companies	70,400
Funded debt—subsidiary and affiliated companies	1,047,365
Notes payable	11,200
Accounts payable	75,218
Accrued taxes, interest, etc.	130,264
Accounts with affiliated companies	500,565
Retirement reserve	1,747,330
Other reserves	302,436
Surplus—capital and corporate	13,612,682
Total	$17,520,860

Officers: H. C. Hopson, Mgr. & Treas.; R. A. Pritchard, Clerk; J. I. Mange, J. M. Daly, R. N. Thompson, Asst. Mgrs.; G. M. Michel, Asst. Treas.; M C. O'Keeffe, Sec. & Asst. Clerk.

Operating Managers: J. G. White Management Corp., 33 Liberty St., New York.

Trustees: Daniel Starch, H. C. Hopson, J. I. Mange.

General Office, Tompkinsville, Staten Island, N. Y.

NEW HAMPSHIRE ELECTRIC RAILWAYS

(Affiliated with Railway and Bus Associates)

History—A voluntary association organized as successor to the New Hampshire Traction Co. on Aug. 24, 1905. Company owns all of the capital stock of the Massachuestts Northeastern St. Ry. Co., and Dover, Somersworth & Rochester Coach Co. which owns all the capital stock of Dover, Somersworth & Rochester St. Ry. Co.

Control—In 1926, Railway and Bus Associates acquired a majority of the outstanding capital stock.

SHARE CAPITAL

Authorized, $4,000,000 Common and $4,000,000 4% non-cumulative Pfd.; outstanding, $3,900,200 Common and $2,159,600 Pfd.; par, $100. Annual meeting, second Tuesday in September.

Dividends—Dividends on Pfd. paid at rate of 2% from July, 1908, to Jan., 1910, in July, 1910, increased to 3% per annum, and in July, 1912, to July, 1915, 4%; July, 1916, 4%; Jan., 1917, 4%; July, 1917, 2%; none since; payable semi-annually, Feb. and Aug.

FUNDED DEBT

None.

Officers: J. I. Mange, Pres.; H. C. Hopson, V-P. & Treas.; John M. Daly, V-P.; L. H. McCray, V-P.; M. C. O'Keeffe, Sec., New York.

Directors: J. I. Mange, H. C. Hopson, J. M. Daly, C. M. Travis, New York; R. A. Pritchard, Boston.

Office, 61 Broadway, New York, N. Y.

MASSACHUSETTS NORTHEASTERN STREET RY.

(Controlled by New Hampshire Electric Rys.)

History and Property—Incorporated August 16, 1900, in Massachusetts, as Haverhill & Southern New Hampshire St. Ry.; name changed to Massachusetts Northeastern St. Ry. in July, 1912. Subsequently merged the following companies: Lowell & Pelham St. Ry., Lawrence & Methuen St. Ry., Haverhill & Amesbury St. Ry., Haverhill & Plaistow St. Ry., Amesbury & Hampton St. Ry., Citizens Electric St. Ry., Seabrook & Hampton Beach St. Ry., Haverhill, Plaistow & Newton St. Ry., and Hudson, Pelham & Salem St. Ry. (see Manual for 1912, page 2036). The consolidated company operates about 77 miles of electric railway of which 18.5 miles are in New Hampshire, and 58.5 miles in Massachusetts. Connects Haverhill with Lawrence, Methuen, Merrimac, Amesbury, Newburyport, Salisbury and Salisbury Beach, in Mass., and Salem, Plaistow, Newton, Seabrook and Hampton Beaches, in New Hampshire. Road connects at various points with other street railway companies, including the Eastern Massachusetts Street Ry. Also owns a park on Canobie Lake, in Salem, N. H. Passenger cars (open, 61; closed, 69) 130; plows and work cars, 31. Power purchased from Portsmouth Power Co. Power is distributed through five substations, located at Salem and Plaistow, N. H., and Methuen, Amesbury and Newburyport, Mass., with a total transforming and converting capacity of 3,600 k.w.

CAPITAL STOCK

Authorized and issued, $1,500,000 Common and $665,000 6% cumulative Pfd. par, $100. All owned by New Hampshire Electric Railways. Annual meeting, in June. No dividends paid.

FUNDED DEBT

(1)

$223,000 CITIZENS ELECTRIC STREET RY. FIRST EXTENDED GOLD 6s; DUE DECEMBER 1, 1920, BUT EXTENDED TO JUNE 1, 1922, WITH INTEREST INCREASED FROM 5% TO 8%; AGAIN EXTENDED TO JUNE 1, 1924, AT 7%, AND AGAIN EXTENDED TO JULY 1, 1934, AT 6%

Dated December 1, 1900.

Interest Payable June and December 1, at Beacon Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Beacon Trust Co., Boston.

Provisions of Issue—Issued, $230,000, of which $7,000 reacquired, leaving $223,000 outstanding.

Security—A first lien on property formerly owned by Company.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$749,000 MASSACHUSETTS NORTHEASTERN STREET RY. FIRST AND REFUNDING GOLD 5s; DUE JULY 1, 1934

Dated July 1, 1914.

Interest Payable January and July 1, at American Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., Boston.

Provisions of Issue—Authorized, $2,000,000; Outstanding Dec. 31, 1927, $770,000 of which $21,000 held in Company's treasury. Reserved to retire the Citizens Electric St. Ry. bonds maturing July 1, 1934, $230,000; the balance ($851,000) reserved for corporate purposes.

Callability—Subject to call at 110 and interest on any interest date upon 43 days' notice.

Security—A first lien on entire property of Company, except the property formerly owned by Citizens Electric St. Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered ($707,000) in Jan., 1915, at 97 and interest, yielding about 5¼%.

(3)

$100,000 MASSACHUSETTS NORTHEASTERN STREET RY. 5% MORTGAGE BONDS; DUE JULY 1, 1934

Dated January 1, 1917.

Interest Payable January and July 1. Authorized and issued $100,000.

CAR TRUST NOTES

There are also outstanding $10,000 6% Car Trust Notes, due serially to 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$520,579	$554,915	$597,335	$679,287	$904,755	$939,521
Operating expenses and taxes	474,600	549,616	604,764	676,378	904,474	870,700
Net earnings	$45,979	$5,299	†$7,429	$2,909	$281	$68,821
Other income	1,149	65,647	63,436	66,159	68,535	48,816
Gross income	$47,128	$70,946	$56,007	$69,068	$68,816	$117,637
Bond interest	72,394	55,830	55,830	56,846	58,294	59,411
Other interest, etc.	300	17,164	17,765	18,648	17,104	21,543
Total charges	$72,694	$72,994	$73,595	$75,494	$75,398	$80,954
Deficit for year	$25,566	$2,048	$17,588	$6,426	$6,582	*$36,683

*Surplus. †Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$3,614,967	$3,610,762	$3,622,014	$3,603,951	$3,659,916	$3,722,843
Reacquired securities	.....	77,000	77,000	77,000	74,000	73,000
Materials	67,680	73,366	85,135	73,141	72,193	75,538
Special deposits	21,885	26,933	.....	.....	.....	.....
Cash	47,484	28,695	27,826	27,631	40,135	51,373
Current accounts	12,891	16,886	26,472	24,013	40,037	41,097
Deferred debit items	19,810	16,505	17,245	17,226	17,620	3,000
Deficit	68,089	44,264	.....	.....	.....	.....
Total	$3,852,806	$3,894,411	$3,855,692	$3,822,962	$3,903,901	$3,966,851
Liabilities—						
Capital stock	$2,165,000	$2,165,000	$2,165,000	$2,165,000	$2,165,000	$2,165,000
Funded debt	1,082,000	1,149,000	1,149,000	1,149,000	1,149,000	1,149,000
Loans and notes payable	220,000	220,000	250,000	260,000	230,000	245,000
Current liabilities	93,373	$34,622	55,182	30,200	53,130	47,733
Interest and taxes accrued		58,469	14,540	.....	2,934	4,291
Other reserves	21,631	205,575	.....	.....	.....	.....
Retirement reserves	217,675	22,783	.....	.....	.....	.....
Appropriated surplus	.....	.....	138,507	127,370	137,933	160,842
Deferred credit items	53,166	38,962	42,505	32,697	25,809	20,154
Surplus	.....	.....	40,958	58,695	140,095	174,831
Total	$3,852,806	$3,894,411	$3,855,692	$3,822,962	$3,903,901	$3,966,851

Officers: J. I. Mange, Chrm. of Bd. & Pres.; H. C. Hopson, V-P.; J. M. Daly, V-P.; C. L. Bartlett, V-P. & Gen. Mgr.; S. J. Magee, V-P.; R. F. Smith, Sec. & Treas.

Directors: J. I. Mange, H. C. Hopson, J. M. Daly, S. J. Magee, M. C. O'Keeffe, New York.

Financial Office, 61 Broadway, New York. **Operating Office,** 33 Liberty St., New York. **Local Office,** Portsmouth, N. H.

DOVER, SOMERSWORTH & ROCHESTER STREET RY.

(Controlled by Dover, Somersworth & Rochester Coach Company)

History and Property—Incorp. in March, 1900, in N. H., in perpetuity. In 1901 absorbed Union Electric Ry. and Rochester St. Ry. Owned and operated 20.35 miles of track in Dover, Somersworth, Rochester and Gonic, N. H. (see 1926 Public Manual, page 2250). Company discontinued operation of the railroad property on Sept. 5, 1926, and with the authority of the New Hampshire Public Service Commission, obtained July 16, 1926, inaugurated on Sept. 16, 1926 a motor bus line between Dover, Somersworth and Rochester, N. H. Six White coaches were placed in operation.

CAPITAL STOCK

Authorized and issued, $300,000; par, $100; all owned by Dover, Somersworth & Rochester Coach Company. Annual meeting, in June. No dividends paid.

FUNDED DEBT

$128,000 Series "A" First 6s and $79,000 Series "B" First Income 6s; dated July 1, 1921; due July 1, 1931. Authorized issue, $500,000. Series "A" bonds subject to call at par and interest on any interest date on 60 days' notice. Series "B" bonds subject to call on 60 days' notice or any interest date at par plus any declared and unpaid interest to the June 30 of the calendar year next preceding the date of redemption, plus interest at the rate of 6% per annum after such June 30 to date of redemption. Company pays Normal Federal Income Tax up to 2%.

Officers: J. I. Mange, Pres.; H. C. Hopson, V-P.; J. M. Daly, V-P.; C. L. Bartlett, V-P.; S. J. Magee, V-P.; ~~John M. Daly, V-P.~~; R. F. Smith, Sec. & Treas.; L. E. Lynde, Supt.

Directors: J. I. Mange, H. C. Hopson, J. M. Daly, S. J. Magee, M. C. O'Keeffe, New York.

Financial Office, 61 Broadway, New York. **Operating Office,** 33 Liberty St., New York. **Local Office,** Portsmouth, N. H.

SOUTHERN NEW YORK RAILWAY INC.

(Controlled by Railway and Bus Associates)

History and Property—Incorporated Dec. 31, 1908, in N. Y., as the Otsego & Herkimer RR. Co., successor to the Oneonta & Mohawk Valley RR., which latter Company in turn succeeded to the properties of the Oneonta, Cooperstown & Richfield Springs Ry. Co., foreclosed March 12, 1906. Name changed to Southern New York Power & Ry. Corp. in July, 1916, and again in March, 1924, to present title.

Franchises—All of the Company's franchises are either perpetual or mature after 1950; they contain no burdensome restrictions.

The Company owns and operates a modern electric interurban railroad between the cities of Oneonta and Mohawk, N. Y., connecting with Cooperstown and passing through Richfield Springs, a total of 62 miles of line track, 50 miles being on private right of way, also 6½ miles of siding, having trackage rights to Utica and Herkimer. Rail, 60 to 80 lbs. Equipment: Motor passenger cars, 6; freight motor cars, 8; electric locomotive, 1; snow plows and sweepers, 3; service motor cars, 1; freight trail cars, 27. Current is supplied to the railroad by 5 modern substations of ample capacity. Company also has a telephone system along its right of way.

CAPITAL STOCK

Authorized, $774,900 Common and $1,000,000 7% cumulative Pfd.; outstanding, $774,900 Common and $500,000 Pfd.; par, $100. Stock control held by Railway and Bus Associates. The company acts as Transfer Agent. Annual meeting, first Wednesday in June. No dividends being paid.

FUNDED DEBT

None.

Officers: J. I. Mange, Pres.; S. J. Magee, V-P.; C. A. Greenidge, V-P.; A. J. Stratton, V-P. & Gen. Mgr.; G. M. Michel, Treas. & Asst. Sec.; M. C. O'Keeffe, Sec. & Asst. Treas.; M. L. Whitcombe Asst. Treas.

Directors: J. I. Mange, S. J. Magee, C. A. Greenidge, C. A. Dougherty, H. C. Hopson, J. K. Choate, T. W. Moffat, New York; J. A. Losee, Richfield Springs, N. Y.

Financial Office, 61 Broadway, New York. **Operating Office,** 33 Liberty St., New York. **Local Office,** Oneonta, N. Y.

AMERICAN GAS AND ELECTRIC COMPANY

(Financed by Electric Bond and Share Co.)

History—As a result of a consolidation of the old American Gas & Electric Company (incorporated Dec. 20, 1906, in New York) and the Appalachian Securities Corporation, effective February 18, 1925, the present company known as American Gas and Electric Company was formed. Appalachian Securities Corporation had acquired, directly or indirectly, (a) the assets of The Virginian Power Company, which operated, directly or through subsidiaries, electric power and light systems in Ohio and West Virginia serving, mostly at wholesale, a population estimated to exceed 250,000 and (b) a substantial majority of the capital stock of Appalachian Power Company which operated electric power and light properties in Virginia and West Virginia serving a population estimated to exceed 400,000.

In Jan., 1907, the original American Gas & Electric Co. took over all the property and assets of the Electric Co. of America, consisting of gas and electric light properties located throughout the United States, and from time to time additional properties. have been acquired. American Gas and Electric Company acquired its first interest in American Electric Power Company in June, 1924, but earnings of that Company and its subsidiaries were not included in the combined statement of income of Amercian Gas and Electric Company prior to May 31, 1926.

Finances—The finances of the American Gas and Electric Co. and of its subsidiaries have always been handled through the Electric Bond and Share Company.

Subsidiaries—American Gas and Electric Company controls through ownership of all the Common stock, except directors' shares, a diversified group of electric power and light companies serving, directly or indirectly, 870 communities having an aggregate population estimated at 2,690,000. The communities served have a wide diversity of industrial interests, being located in the 9 states of Pennsylvania, New Jersey, Virginia, West Virginia, Kentucky, Tennessee, Ohio, Indiana and Michigan.

The principal companies controlled are as follows:

Appalachian Electric Power Company	Roanoke, Va.
The Ohio Power Company	Newark, Ohio
The Scranton Electric Company	Scranton, Pa.
Indiana & Michigan Electric Company	South Bend, Ind.
Atlantic City Electric Company	Atlantic City, N. J.
Indiana General Service Company	Muncie, Ind.
Wheeling Electric Company	Wheeling, W. Va.

The principal communities served by subsidiaries include Scranton, Pa.; Wheeling, Huntington, Charleston and Bluefield, W. Va.; Roanoke and Lynchburg, Va.; Kingsport, Tenn.; Canton, Lima, Portsmouth, Steubenville and Newark, Ohio; South Bend, Muncie, Marion and Elkhart, Ind.; Benton Harbor and St. Joseph, Mich.; Atlantic City, N. J.; and other important communities. About 88% of the gross earnings of subsidiaries for the twelve months ended December 31, 1927, was derived, and as a result of the recent sale of certain railway and other properties, over 97% is now derived, from electric power and light business.

The Ohio Power Company's Philo station is located on the Muskingum River, approximately 12 miles south of Zanesville, Ohio, at a point very favorably located in relation to load, coal and water. It is a superpower high-pressure steam electric generating station having an initial installation of 80,000 kilowatts, consisting of two 40,000-kilowatt units, and will have a capacity of 245,000 kilowatts upon completion of a 165,000-kilowatt unit now under construction. This new unit will consist of one 53,000-kilowatt high pressure turbine and two 56,000-kilowatt low pressure turbines, each capable of independent operation. The new 165,000-kilowatt unit complete with boilers, housing, coal-handling apparatus and high tension transformers is expected to be in service about Nov. 1, 1928, and will be one of the largest electric generators in the world.

Indiana & Michigan Electric Company owns the Twin Branch superpower, high-pressure, steam electric generating station, which is favorably located near South Bend, Indiana, and is similar to the Philo station. The Twin Branch station, which has a present installed capacity of 80,000 kilowatts, was placed in operation in 1925 and is designed for an ultimate capacity of 240,000 kilowatts.

At Stanton, about ten miles west of Scranton, Pa., there was placed in operation in 1927 a modern steam electric generating station, with a rated initial installed capacity of 72,000 kilowatts, which is expected ultimately to replace smaller and less efficient stations now being operated. This station was constructed jointly by American Gas and Electric Company and Pennsylvania Power & Light Company, and each company owns a 36,000 kilowatt unit with its independent boiler room, turbine room, switchboard, switchyard and outgoing transmission lines.

The present Philo, Twin Branch and Stanton stations are among the most economical stations in the world, and the construction of each has been in accordance with the latest development of the science.

The Windsor station of The Ohio Power Company (constructed jointly by this subsidiary of the American Gas and Electric Company and by the West Penn Power Company), which is situated on the Ohio River near Wheeling, W. Va., and immediately adjacent to coal mines owned and operated jointly by American Gas and Electric Company interests and the West Penn Power Company, is one of the most efficient and modernly equipped steam electric generating stations in the country. The portion of the station owned by The Ohio Power Company now has a rated capacity of 90,000 kilowatts.

Important electric generating stations owned by Appalachian Electric Power Company include the Cabin Creek station with a present installed capacity of 104,700 kilowatts (including a 20,000-kilowatt unit leased), and the Glenlyn station with a present installed capacity of 80,000 kilowatts. This company also owns hydro-electric generating capacity aggregating 33,000 kilowatts and undeveloped water power sites capable of advantageous development when conditions justify.

Other important steam electric generating stations owned by subsidiaries include the Suburban station of The Scranton Electric Company, which has a present installed capacity of 65,500 kilowatts.

Construction has begun on a superpower steam-electric generating station to be known as the Deepwater plant at Deepwater, near Carneys Point, New Jersey, opposite Wilmington, Del., in which Atlantic City Electric Company will have a substantial ownership. This station will be similar in design to the large superpower plants of the associated companies lately constructed but with added improvements. It is expected it will be completed and placed in operation late in 1929. The initial installed capacity, totaling 118,500 kilowatts, will consist of two main cross compound turbine sets, each rated at 53,000 kilowatts, and a third high pressure single cylinder turbine of 12,500 kilowatts. Boiler equipment will consist of 1,200 pound high pressure units, with steel stacks. Fuel for operation will be coal, brought in on barges and boats directly to the station wharf and by rail. The Delaware River provides ample condensing water.

This station will feed the new 66,000-volt system of Atlantic City Electric Company now under construction in southern New Jersey, one main trunk line of which consists of a 60-mile, steel tower transmission line from the station across the state to Pleasantville, N. J., near Atlantic City. The station will also be interconnected with the system of the Wilmington

& Philadelphia Traction Company at Wilmington, and, through Philadelphia, will thus be part of the power pool in the states of Pennsylvania and New Jersey now being created.

Electric properties of subsidiaries of the American Gas and Electric Company in Michigan, Indiana, Ohio, Kentucky, West Virginia, Virginia and Tennessee are inter-connected by high voltage transmission lines and constitute one of the largest interconnected systems in the world. Physical interconnections are also made with this system by companies not controlled by the American Gas and Electric Company, but operating in contiguous territory, with the result that this interconnected system, through construction recently completed, extends also into the states of Illinois, Wisconsin and North Carolina, and in addition it is interconnected with areas in other states not served by subsidiaries of the American Gas and Electric Company. Seven large modern electric generating stations owned by subsidiaries, the Windsor, the Philo, the Twin Branch, the Cabin Creek, the Glenlyn, the Logan and the Kenova stations, generate a large part of the power transmitted over this system.

Steam electric generating capacity placed in operation in 1927 by subsidiaries aggregated 128,500 kilowatts, including a 36,000-kilowatt unit in the new Stanton station now owned by The Scranton Electric Company and a 31,500-kilowatt unit in the Cabin Creek station, a 25,000-kilowatt unit in the Glenlyn station and a 25,000-kilowatt unit in the Kenova station of the Appalachian Electric Power Company.

Transmission lines completed and placed in operation during 1927 include a 132-000-volt line extending from Danville, Virginia, to the Virginia-North Carolina state line and effecting an interconnection with the extensive eastern transmission system of the Carolina Power & Light Company; a 132,000-volt line extending from Saltville, Virginia, to Kingsport, Tennessee, at which latter point interconnection with the western transmission system of the Carolina Power & Light Company has been made by means of the transmission system of the Tennessee Public Service Company extending between Kingsport and Waterville, Tennessee; and a 33,000-volt line extending from Ashland to Morehead, Kentucky. Operating companies had under construction at Dec. 31, 1927, a total of 263 miles of transmission lines.

Sale of Street Railroad Properties—American Gas & Electric Company during 1927 disposed of practically all of its street railroad properties and now owns only one street railroad property and that is under contract for sale. In the disposition of these street railroad properties there were included certain electric light properties which were involved in the financial setup with the traction properties, or so located that they could not be economically tied in and made part of the American Gas & Electric Company's high tension system.

Statistical Data, as at December 31—The growth of the property and service of subsidiaries during the last ten years is indicated in the following tabulation:

	1927	1922	1917
Electric consumers	524,770	250,145	95,944
Kilowatts generating capacity installed	906,027	349,928	119,662
Kilowatt-hours output for twelve months (including purchased power)	3,127,413,000	1,023,172,000	439,439,000
Miles of electric lines (11,000 volts or over) in operation	5,183	1,695	609
Miles of electric lines (less thon 11,000 volts) in service	7,909	3,583	1,450

CAPITAL STOCK

Authorized, 4,000,000 Common shares and 600,000 shares of cumulative Pfd. stock, entitled to $6.00 per share per annum, both classes of stock being of no par value; outstanding, March 31, 1928, 1,943,327 Common shares and 396,558 Pfd. shares. The Common shares outstanding include Common stock dividend payable Jan. 3, 1928 (38,104 shares).

Preferred Stock Provisions—Preferred shares have preference as to assets and dividends over Common shares and are subject to redemption at option of company at $110 per share and accrued dividends.

Transfer Agent—Guaranty Trust Company, New York.

Registrar—American Exchange Irving Trust Company, New York.

Annual Meeting—Third Tuesday in February.

Market—Both Pfd. and Common shares dealt in on the New York and Philadelphia markets.

Price Range—

	1927	1926	1925	1924	1923	1922	1921
Preferred—							
High	*108⅞	*97⅝	*93	46¾	46½	48¾	37
Low	95½	*90¼	*85	41½	40	42	37
Common—							
High	*125	*111½	*84⅜	*86	47½	185	124
Low	68¼	*64	*68	*75	31	143	95⅛

*New stock.

Dividends—Regular quarterly dividends of 1½% were paid on Pfd. of $50 par value from May, 1907, to Feb. 1, 1915, and thereafter quarterly at rate of $6 per share per annum; payments F, M, A & N 1. Initial dividend on old Common, 1% paid July 1, 1910; regular quarterly payments of 1½% from Oct. 1, 1910, to April 1, 1912, incl.; 1¾% quarterly to Jan. 1, 1913, incl.; thereafter 2% quarterly to Oct. 1, 1915, incl.; Jan. 1, 1916, the rate was increased to 2½% quarterly, which rate regularly paid to April 2, 1923, incl. In addition to these cash dividends, the following dividends were paid in stock on the old Common stock of $50 par value: 1914, 2%; 1915 to 1918, 4% each; 1919, 29½%; 1920 and 1921 4% each; 1922, 29%.

On July 2, 1923, an initial dividend of 25 cts. a share in cash was paid on the new Common stock without par value, which quarterly rate since maintained to date; payments J, A, J & O 1.

On July 2, 1923, on Jan. 2 and July 1, 1924, on July 1, 1925, on Jan. 2 and July 1, 1926 and Jan. 3 and July 1, 1927 and Jan. 3, 1928 dividends of 1-50th of a share each in Common stock were paid. On Jan. 2, 1925, a special stock dividend of ½ share of Common stock was also paid on Common stock, and on Jan. 3, 1927, a dividend of 40% in Common stock was paid on Common stock.

FUNDED DEBT

$50,000,000 GOLD DEBENTURES, 5% SERIES DUE 2028; DUE MAY 1, 2028

Dated May 1, 1928.

Interest Payable May and November 1, at office or agency of the Company in New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered; and fully registered, $1,000 and $5,000. Coupon debentures of $1,000 denomination and fully registered debentures, interchangeable.

Trustee—Guaranty Trust Company of New York.

Provisions of Issue—These $50,000,000 Gold Debentures, 5% Series due May 1, 2028, were issued in accordance with the terms of an Agreement dated as of May 1, 1928, providing that Debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights, limitations and provisions permitted by the Agreement as the Board of Directors or Executive Committee of the Company may determine prior to the issue thereof.

Additional debentures may be issued under the Agreement under which these Gold Debentures are issued (1) for refunding purposes or (2) whenever the net income of the Company as defined in said Agreement, for twelve consecutive calendar months within the 15 calendar months immediately preceding the date of the filing of such request for authentication, shall have been not less than two times the annual interest

charges upon all indebtedness of the Company including the Debentures to be issued, but excluding indebtedness to be concurrently paid off or for which payment has been provided.

Purpose of Issue—Proceeds from the sale of this issue of Debentures were used in connection with the redemption on May 1, 1928, of all of the $46,904,000 6% Gold Debenture bonds (American Series), due May 1, 2014.

Callability—Subject to call as a whole or in part on any date prior to maturity, upon 30 days' notice, at 106 up to and including April 30, 2008, thereafter at ½% less for each full twelve months' period elapsed after April 30, 2007, up to and including April 30, 2013, thereafter at ¼% less for each full twelve months' period elapsed after April 30, 2012, up to and including April 30, 2026, and thereafter prior to maturity at 100, plus accrued interest in each case.

Security—A direct obligation of Company, but not secured by mortgage.

Legal Opinion—Winthrop, Stimson, Putnam & Roberts, New York (for the Bankers) and Simpson, Thacher & Bartlett, New York (for the Company).

Original Offering—First publicly offered ($50,000,000) in April, 1928, at 101 and interest, to yield about 4.95%, by Bonbright & Co., Inc., W. C. Langley & Co., and Bankers Trust Co., New York.

FUNDED DEBT

COMBINED INCOME ACCOUNT, YEARS ENDED DEC. 31
(American Gas & Electric Co. and Subsidiaries)
(Not comparable with previous years—see table following)

	1927	1926
Gross earnings subsidiary companies..	$71,711,518	$72,714,904
Income of American Gas & Electric Company and undistributed income of subsidiary companies applicable to American Gas & Electric Co., after reserves for Renewals and Replacements (*Depreciation)	19,483,935	18,186,809
Expenses American Gas & Electric Company, including interest, taxes and discounts	1,525,784	2,160,024
Balance	$17,958,151	$16,026,785
Interest on funded debt, American Gas & Electric Co.	3,128,340	3,018,340
Balance for dividends	$14,829,811	$13,008,445
Pfd. stock dividends, American Gas & Electric Co.	2,379,357	2,331,311
Net earnings applicable to American Gas & Electric Co. Common stock	$12,450,454	$10,677,134
Times Interest Earned	5.74	5.31
Earnings Per Share—		
Preferred	$37.39	$32.80
Common	†6.53	†8.12

*Calendar year 1926, $5,120,329; 1927, $5,095,510. †Based on 1,314,180 shares outstanding Dec. 31, 1926, and 1,905,223 shares on Dec. 31, 1927.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(American Gas & Electric Co. and Subsidiaries)

	1925	†1924	1923	1922	1921	1920
Gross earnings of subsidiary companies	$49,494,481	$36,845,628	$33,931,273	$22,994,934	$17,678,339	$16,538,685
Operating expenses, fixed charges & Pfd. dividends of subsidiaries	41,329,973	30,879,212	28,833,702	18,338,894	13,992,482	13,249,243
*Net earnings	$8,164,508	$5,966,416	$5,097,571	$3,400,100	$2,441,785	$2,101,694
Other income of Amer. Gas & Elec. Co., less exp.	2,605,838	3,050,675	1,176,501	992,094	1,038,614	935,534
Total income	$10,770,346	$9,017,091	$6,274,072	$4,392,194	$3,480,399	$3,037,228
Interest charges (Amer. Gas & Elec. Co.)	2,848,153	1,827,888	1,164,166	788,169	769,536	1,066,148
Surplus after charges	$7,922,193	$7,189,203	$5,109,906	$3,604,025	$2,710,863	$1,971,080
Preferred dividends (Amer. Gas & Elec. Co.)	2,200,219	979,710	907,624	570,801	462,028	461,805
Balance after Pfd. dividends	$5,721,974	$6,209,493	$4,202,282	$3,033,224	$2,248,835	$1,509,275
Times Interest Earned	3.78	4.92	5.39	5.57	4.52	2.85
Earnings Per Share—						
Preferred	$20.41	$21.87	$15.89	$13.62	$17.36	$12.80
Common	4.53	7.64	5.38	19.81	19.10	13.07

*Balance of subsidiary companies' earnings, after all deductions, applicable to American Gas & Electric Co. †These figures include no earnings of properties of American Electric Power Co., Appalachian Power Co. or The Virginian Power Co.

COMPARATIVE BALANCE SHEET

Assets—	Dec. 31, 1927	Dec. 31, 1926	May 31, 1926	Dec. 31, 1924	Dec. 31, 1923	Dec. 31, 1922
Investments	$50,668,730	$70,686,076	$78,068,019	$24,168,790	$16,342,953	$12,425,630
Securities deposited with Guaranty Trust Co.	.....	.....	.....	12,265,670	11,646,665	11,646,665
Cash and call loans receivable	27,609,280	19,737,823	22,166,615	2,034,244	4,118,741	8,523,769
Notes and loans receivable	36,861,782	21,657,706	4,562,468	27,006,176	16,261,728	7,830,366
Accounts receivable	1,890,974	1,310,531	4,942,137	327,693	400,850	143,875
Accounts receivable subsidiary cos.	.....	.....	.....	459,377	306,763	266,295
Real estate and equipment, etc.	.....	.....	.....	279,190	296,649	437,248
Unamortized debt discount and exp.	3,631,194	3,673,254	3,697,888	2,667,267	1,145,721	753,533
Special cash deposit—trustee	471,150	.....	.....	.....	.....	.....
Deferred payments, stock account	.....	.....	.....	.....	343,173	224,226
Other assets	.....	.....	.....	349,826	35,726	49,038
Total	$121,133,110	$117,065,390	$113,437,127	$69,558,233	$50,898,969	$42,300,645
Liabilities—						
Capital stock (no par value)	*$56,709,601	$55,938,051	$50,138,859	$8,131,360	.....	.....
Common stock	.....	.....	.....	.....	$7,810,690	$7,657,500
Preferred stock	.....	.....	.....	16,436,050	16,082,550	13,230,500
Collateral Trust 5% bonds	.....	6,282,000	6,282,000	6,282,000	6,282,000	6,282,000
Debenture 6% bonds	46,904,000	46,904,000	46,904,000	30,404,000	16,081,000	12,500,000
Notes payable (inter-company)	.....	122,212	971,024	.....	.....	.....
Accounts payable	1,746,341	1,078,943	551,231	434,128	741,262	383,700
Coupon interest accrued	599,915	599,915	339,220	434,915	291,685	255,875
Preferred dividends accrued	396,558	388,588	194,255	†4,392,668	160,826	133,109
Deferred payment stock account	.....	.....	.....	.....	106,380	.....
Other liabilities	.....	.....	.....	121,003	175,068	16,470
Surplus	14,776,695	5,751,681	8,056,537	2,922,109	3,167,507	1,841,491
Total	$121,133,110	$117,065,390	$113,437,127	$69,558,233	$50,898,969	$42,300,645

*Represented by 1,943,327 shares of Common stock, including Common stock dividends payable Jan. 3, 1928 (38,104 shares) and 396,558 shares of $6 Pfd. stock. †Includes $4,228,307 stock dividend.

NOTE—The Company has a Contingent Liability in the guarantee of outstanding bonds of subsidiary companies in the amount of $11,362,000.

Officers: S. Z. Mitchell, Chairman of Board and Chairman of Exec. Comm.; G. N. Tidd, Pres.; M. B. Feldman, M. F. Millikan, Frank Espy, N. M. Argabrite, R. B. Scandrett, V-Ps.; F. B. Ball, V-P. & Sec.; H. M. Sawyer, V-P.; J. P. Van de Voort, V-P.; F. W. Drager, Treas. & Asst. Sec.; F. P. Hunter, Asst. Sec. & Asst. Treas.; J. F. McMillan, Asst. Sec. & Asst. Treas.; E. H. Maurer, Asst. Treas.; W. F. Jeffers, Asst. Sec. & Asst. Treas., New York.

Directors: S. Z. Mitchell (Chairman of Board); Harrison Williams, E. B. Tracy, W. E. Hitchcock, Geo. Breed, D. B. C. Catherwood, C. E. Groesbeck, F. A. Farrar, H. H. Wehrhane, Frank B. Ball, Morris W. Stroud, Geo. N. Tidd, A. A. Tilney, J. H. Harding, Van Horn Ely.

Office, 30 Church St., New York.

APPALACHIAN ELECTRIC POWER COMPANY

(Controlled by American Gas and Electric Company)

(Financed by Electric Bond and Share Co.)

History—Incorporated March 4, 1926, in Virginia and has acquired, through merger or conveyance, and now owns and operates, the electric properties in western Virginia and western West Virginia, formerly owned by:

Appalachian Power Company.
Appalachian Power & Light Company (properties formerly owned by The Virginian Power Company)
Central Virginia Power Company
Consolidated Power & Light Company
Dunbar Light & Power Company
Interstate Power Company
Kanawha Valley Power Company
Kentucky & West Virginia Power Company, Incorporated
Lynchburg Traction & Light Company
New River Development Company
Roanoke Railway & Electric Company
Roanoke Traction & Light Company
St. Albans Electric Power & Light Company
West Virginia Water & Electric Company

Business and Territory—The Appalachian Electric Power Company supplies, directly or indirectly, electric power and light service to 252 communities serving a total population in excess of 588,000.

The principal cities served directly include Huntington, Charleston, Logan and Bluefield, W. Va. and Roanoke, Lynchburg and Pulaski, Va., and those served indirectly include Ashland, Hazard and Pikeville, Ky.

The Company also supplies the gas service in Lynchburg, Va., and controls, directly or indirectly, the companies owning and operating street railway properties serving Roanoke and Lynchburg, Va., and their suburbs, and the companies owning and operating the properties supplying street railway service in Huntington, W. Va., and Ashland, Ky., and interurban railway service connecting these two communities and extending to Ironton, Coal Grove and Hanging Rock, Ohio.

Plants and Properties—The total installed generating capacity owned or controlled by Company aggregates 330,466 k.w. Of this total capacity, 297,400 k.w. is steam and 33,066 k.w. is hydro-electric generating capacity. The Company also owns an aggregate of 2,077 (excluding 53 miles leased) miles of high voltage transmission lines and 1,180 miles of distribution system. Kentucky & West Virginia Power Co., Inc., owns a total of 334 miles of high voltage transmission lines and 255 miles of electric distributing system. All transmission lines are interconnected. In addition there are now under construction 56 miles of transmission lines.

The Company also owns in Lynchburg, Va., gas works capacity of 1,000,000 cu. ft. per day, gas holder capacity of 750,000 cu. ft., and 53 miles of gas mains.

All generating stations are located in a territory where an almost unlimited quantity of low cost fuel is available, which, with an abundance of water and the interconnection of all generating stations, assures economic operation and a continuous and uninterrupted supply of electrical energy.

All the electric power and light properties owned by the Company and its said subsidiary are entirely interconnected by 1,872 miles of high voltage transmission lines and this system in the three states of Virginia, West Virginia and Kentucky is interconnected with the high voltage lines of other subsidiaries of American Gas and Electric Co. in Ohio, Indiana and Michigan.

All electric property of the Consolidated Power & Light Co. has been sold to Appalachian Electric Power Co. Its telephone and railway property was sold during 1927 and the Company is now in course of dissolution.

Franchises—The franchises are generally satisfactory from a legal and operating point of view. The transmission lines are for the most part on rights-of-way either owned or controlled through 99-year leases, or over which perpetual easements have been acquired.

Control—The Company is controlled through ownership of all its Common stock by the American Gas and Electric Company and constitutes the largest operating subsidiary of that company. The finances of the American Gas and Electric Company and of its subsidiaries have always been handled through the Electric Bond and Share Company.

OPERATING STATISTICS OF PROPERTIES NOW OWNED BY APPALACHIAN ELECTRIC POWER CO. FOR CALENDAR YEARS
(Including Kentucky Electric Power Corp.)

	1927	1926	1925
Consumers served with electric power & light	86,639	89,435	79,482
Consumers served with gas	4,910	4,670	4,500
Total	91,549	94,105	83,982
K.W. generating station capacity:			
Hydro-electric	33,066	.....	31,636
Steam electric	297,400	.....	222,200
Total	330,466	274,966	253,836
K.W. capacity under construction	.....	86,500	86,250
K.W.H. generat. station output (includ. purchased power) for 12 months	1,095,378,000	1,014,243,400	856,126,800
Miles of transmission lines (11,000 volts and over) in oper. irrespective of no. of circuits carried	2,077	2,156	1,838
Miles of transmission lines, under constr...	56	122	339
Miles of distribution system (less than 11,000 volts), in service.	1,180	1,296	1,059
Gas works cap. (cu. ft. per day)	1,000,000	1,000,000	1,000,000
Gas hold cap. (cu. ft.)	750,000	750,000	750,000
Gas send out (cu. ft.) for 12 months	168,971,000	164,287,000	154,822,000
Miles of gas mains	53	49	48

CAPITAL STOCK

Authorized, 6,000,000 shares Common, 400,000 shares $7 cumulative Pfd., 100,000 shares $6 cumulative Pfd., and 100,000 shares $7 cumulative Second Pfd., all shares of no par value; outstanding, 5,000,000 shares Common, 225,000 shares $7 cumulative Pfd. and 100,000 shares $7 cumulative Second Pfd. All the Common shares are owned by American Gas and Electric Co.

Preferred Stock Provisions—Both the $6 and $7 Pfd. stocks are equally preferred as to assets and divi-

dends over the Second Pfd. stock and the Common stock and, in case of liquidation, are entitled to $100 per share and accumulated dividends. Non-voting, with certain limited exceptions.

Whenever the net earnings of the Company, in excess of operating expenses and fixed charges (including therein taxes, rentals, insurance, current repairs, maintenance and interest, but not including charges for renewals and replacements), for twelve consecutive calendar months within the immediately preceding fifteen calendar months shall aggregate not less than 2½ times dividends for a like period on all $7 Pfd. stock and $6 Pfd. stock then outstanding, and upon any particular number of shares of the Second Pfd. stock then outstanding, said number of shares of Second Pfd. stock may, upon vote of the directors, cease to be subordinated to the $7 Pfd. stock and the $6 Pfd. stock and shall thereafter be $7 Pfd. stock, entitled to the same rights and privileges and subject to the same conditions as the $7 Pfd. stock.

Callability—The 7% Pfd. stock is redeemable at option of the Company at $110 per share and accumulated dividends.

Transfer Agent ($7 Pfd.)—Guaranty Trust Co. of New York.

Registrar ($7 Pfd.)—American Exchange Irving Trust Co., New York.

FUNDED DEBT

(1)

$11,196,000 APPALACHIAN POWER CO. FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1941

Dated June 1, 1911.

Interest Payable June and December 1, at Continental National Bank & Trust Co., Chicago., and First National Bank, New York.

Denominations—Coupon (principal may be registered,) and registered, $1,000; interchangeable.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized issue, $25,000,000. Mortgage closed as to issuing additional bonds to the public.

Callability—Subject to call at 105 and interest on any interest date upon 30 days' notice.

Sinking Fund—Provides for the payment on Sept. 1, 1917, to 1920, inclusive, of an amount equivalent to 1% of the amount of bonds certified, issued and outstanding at the dates when the respective payments are made; in each of the years 1921 to 1925, inclusive, an amount equivalent to 1½%; in each of the years 1926 to 1930, inclusive, an amount equivalent to 2%, and for the remaining years an amount equivalent to 2½% of the amount of bonds certified, issued and outstanding.

Security—Secured by first lien on the entire physical property of the company, and upon all shares of stock of any and all of the corporations or companies now owned or at any time hereafter acquired.

Assumed—Assumed by Appalachian Electric Power Company in the early part of 1926.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal for Savings Banks in Maine.

Original Offering—Originally offered by a syndicate of which William McConnell & Coleman, New York, were members, with a bonus of Pfd. and Common stock, at $1,200 a bond; $826,000 offered in Nov. 1923, at 90½ and interest by Bonbright & Co., Harris, Forbes & Co., and Coffin & Burr, New York, etc.

(2)

$5,644,000 THE VIRGINIAN POWER CO. FIRST & COLLATERAL TRUST MORTGAGE GOLD 5s; DUE DECEMBER 1, 1942

Dated December 1, 1912.

Interest Payable June and December 1, at office of A. B. Leach & Co., Inc., New York and at Bank of Scotland, London, Eng., in sterling.

Denominations—Coupon, $1,000 or £205. 9s 8d; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $15,000,000; issued, $7,489,000; mortgage closed; outstanding, $5,644,000.

Callability—Subject to call at 105 and interest on any interest date upon four weeks' notice.

Sinking Fund—Began Dec. 1, 1917, of an amount in cash, or in bonds of this issue at cost (not exceeding 105), equal to 1% of outstanding bonds, all moneys received to be used in purchasing bonds at lowest price obtainable in open market or drawings by lot, at not exceeding 105 and interest.

Security—A first mortgage on the power plant, on about 600 miles transmission and distribution lines, on water rights and lands located between Bluestone and the Virginia State line, and further secured by the capital stock of the Dominion Power Co. of Va.

Assumed—Assumed by Appalachian Electric Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Maryland State taxes refunded.

Original Offering—First publicly offered in June, 1914, by A. B. Leach & Co., New York, at 90 and interest with a 30% bonus of Common stock.

(3)

$2,500,000 APPALACHIAN POWER CO. SECURED GOLD 7s; DUE AUGUST 1, 1936

Dated August 1, 1921.

Interest Payable February and August 1, at The New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Denominations interchangeable at a nominal fee.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000, mortgage closed; outstanding, $2,500,000.

Callability—Bonds are not subject to call.

Security—The authorized amount of $5,000,000 of these bonds is secured by a Trust Indenture, dated Aug. 1, 1921, under which there is pledged with the Trustee a total aggregate issue of $6,000,000 (closed issue) General Mortgage 7% bonds, due Aug. 1, 1936.

Improvement Fund—In addition to the sinking fund requirements under the Company's First Mortgage, dated June 1, 1911, the Company will, under the terms of the Indenture securing these 15-yr 7% Secured Gold bonds, pay to the Trustee on Aug. 1 of each year sums equal to 3⅓% of the principal amount by which the outstanding bonds exceed a principal amount of $3,500,000. Such sums are to be paid over to the Company upon suitable evidence of expenditures for betterments, etc., provided the same have not been made the basis for the issuance of First Mortgage bonds or additional bonds of this issue. These funds may, upon the request of the Company, be applied to the purchase of bonds of this issue at not to exceed par and accrued interest. Bonds so purchased shall be retired and cancelled.

Assumed—Assumed by Appalachian Electric Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Personal property tax refunded.

Legal Opinion—Murray, Prentice & Aldrich, New York (for the bankers) and Curtis, Mallet-Prevost & Colt, New York (for the Company).

Original Offering—First publicly offered ($2,500,000) in Sept., 1921, by Bonbright & Co., Inc., W. C. Langley & Co., New York; Paine, Webber & Co., New York and Boston, and Montgomery & Co., Inc., Philadelphia, at 90 and interest.

(4)

$6,000,000 APPALACHIAN POWER CO. GENERAL (CLOSED) MORTGAGE 7% BONDS; DUE AUGUST 1, 1936

Dated August 1, 1921.

Interest Feb. and Aug. 1, at The New York Trust Co., New York, Trustee. Frederick J. Horne, Co-Trustee. Subject to call at 105 and interest on any interest date. All pledged as collateral security under the 15-yr. 7% Secured Gold bonds described above. The General Mortgage 7% bonds are secured by a direct mortgage lien on the entire property; formerly owned by Appalachian Power Co., subject only to the lien of that Company's First Mortgage 5% Sinking Fund Gold bonds.

(5)

$4,000,000 APPALACHIAN POWER CO. 6% GOLD DEBENTURES; DUE JULY 1, 2024

Dated July 1, 1924.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; all interchangeable. Fully registered debentures of $1,000 and multiples. Fully registered debentures and $1,000 coupon debentures interchangeable.

Trustee—Central Union Trust Co., of New York.

Provisions of Issue—Authorized, open issue, but mortgage closed as to issuance of additional bonds to public; issued, $4,000,000. Issued to finance Appalachian Power Co.'s interest in the purchase of over 90% of the Common stock of American Electric Power Co., this purchase being made through a subsidiary and jointly with the American Gas & Electric Co.; also for other corporate purposes.

These Debentures are the direct obligations of the Company and are issued under an Agreement dated July 1, 1924, providing that Debentures may be issued in series bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights and limitations permitted by the Agreement as the Company may determine prior to the issue thereof.

The Agreement also provides, among other things, that no additional Debentures may be issued under said Agreement unless the net income applicable to interest charges of the Appalachian Power Co., for twelve consecutive calendar months within the preceding fifteen calendar months, shall have been not less than twice the annual interest charges upon all indebtedness of the Company, as defined in the Agreement, including the Debentures then to be issued, but excluding indebtedness to be concurrently paid off through use of the proceeds of the sale of Capital stock and/or of the sale of such issue of Debentures.

Callability—Not redeemable prior to July 1, 1949. On and after that date, and up to and including July 1, 2019, redeemable as a whole or in part at option of Company on any interest date upon 30 days' published notice, at 110 and accrued interest; and thereafter at par and accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 Mills Tax refundable upon application within six months after payment.

Legal Opinion—Murray, Aldrich & Roberts, New York (for the bankers), and Curtis, Mallet-Prevost & Colt, New York (for the Company).

Original Offering—First publicly offered ($4,000,000) in June, 1924, at 87½ and accrued interest, to yield about 6.85%, by Bonbright & Co., Inc., Tucker, Anthony & Co., and Jackson & Curtis, New York, etc.

(6)

$47,167,000 APPALACHIAN ELECTRIC POWER CO. FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES OF 1956; DUE MAY 1, 1956

Dated May 1, 1926.

Interest Payable May and November 1 at office or agency of Company in New York.

Denominations—Coupon $500 and $1,000, interchangeable; fully registered $1,000 and $5,000; coupon bonds of $1,000 denomination and fully registered bonds interchangeable.

Trustees—Bankers Trust Co. and B. W. Jones, New York.

Provisions of Issue—Authorized amount of mortgage, unlimited. Issued and outstanding, $47,167,000 5% Series of 1956.

The mortgage provides for the issuance of bonds in series bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features and provisions as may be determined by the Board of Directors of the Company, subject, however, to the restrictive provisions of the mortgage.

The mortgage also provides that additional bonds of the 5% Series of 1956, or other series, may be issued thereunder; (a) for refunding an equal principal amount of bonds of any series, or underlying or prior lien bonds, both as defined in the mortgage; (b) for cash; (c) to not exceeding 75% of the cost, or fair value, whichever is less, of property additions, as defined in the mortgage, to the properties of the Company and/or its subsidiaries; and (d) against the properties as existing on May 10, 1926, to a total not exceeding $7,500,000 principal amount of bonds. Under the terms of the mortgage a "subsidiary corportation" shall include Kentucky & West Virginia Power Co., Inc., and any other company all of whose bonds, except as provided in the mortgage, and all of whose stock, except directors' shares, shall be owned by the company and pledged under the mortgage. No bonds may be issued against property of a subsidiary corporation unless not less than an equal principal amount of mortgage bonds of such subsidiary corporation are simultaneously pledged with the Corporate Trustee.

Additional bonds may not be issued, except for refunding purposes, unless consolidated net earnings, as defined in the mortgage, of the Company and its subsidiaries for twelve consecutive months within the fifteen calendar months immediately preceding the date of the application for issue, shall have been at least equal to twice the annual interest requirements on (or 12% of the principal amount of) all bonds issued and outstanding under the mortgage, including those proposed to be issued, and on all underlying and prior lien bonds, as defined in the mortgage, of the Company and its subsidiaries. Not more than 20% of such net earnings shall consist in the aggregate of (a) net non-operating income; and (b) net income derived from properties not directly subject to the lien of the Mortgage or to the lien of a subsidiary corporation mortgage all bonds outstanding under which are owned by the Company and pledged under the mortgage.

Bonds of the 5% Series of 1956 will contain the following clause: "With the consent of the Company and to the extent permitted by and as provided in the mortgage, the terms and provisions of the mortgage or of any instruments supplemental thereto may be modified or altered by the affirmative vote of at least 85% in amount of the bonds then outstanding, provided however that no modification or alteration shall be made in any of the provisions of this bond or in the unconditional promise of the Company to pay principal and interest hereof in the amounts and at the fixed or determinable times and in the manner as set forth herein."

Purpose of Issue—The original issue of $35,000,000 5% Series of 1956, together with $7 Pfd., Second Pfd. and Common stocks were issued in connection with the acquisition of the constituent properties, and the financing resulted in the retirement of $21,414,800 bonds of the predecessor companies, as well as the liquidation of indebtedness incurred for additions and improvements and heretofore unfunded. The financing

also provided the Company with funds for further additions to property and other corporate purposes.

Callability—Subject to call at any time, in whole or in part, on at least 30 days' published notice up to and including May 1, 1931, at 105; thereafter up to and including May 1, 1935, at 104½; thereafter up to and including May 1, 1940, at 104; thereafter at ¼% less each succeeding year up to and including May 1, 1954, and thereafter prior to maturity at 100¼, plus accrued interest in each case.

Security—Secured by a direct mortgage on the entire physical properties of the Company, subject, as to portions thereof, to the lien of certain underlying divisional bonds outstanding with the public in the amount of $23,413,000 and issued under indentures closed by provisions of the Mortgage as to issuance of additional bonds to the public. They are further secured by pledge of all bonds and stock of Kentucky & West Virginia Power Co., Inc. to be outstanding. The properties on which these bonds are secured by first mortgage or first lien (through pledge of collateral) include steam electric generating stations with an aggregate installed capacity of 104,000 kilowatts and 643 miles of transmission lines and have an aggregate value substantially equal to the total outstanding amount of the present issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded.

Original Offering—First publicly offered ($35,000,000 5% Series of 1956 in April, 1926, at 97 and interest, to yield about 5.20%, by Bonbright & Co., Inc., Harris, Forbes & Co., Tucker, Anthony & Co., Coffin & Burr, Inc., A. B. Leach & Co., Inc., W. C. Langley & Co., Old Colony Corp., and Jackson & Curtis, New York, etc.

Legal Opinion—Winthrop and Stimson, New York (for the Bankers), and Simpson, Thacher & Bartlett, New York (for the Company).

NOTE PAYABLE

There is also outstanding a 6% note, due on or before April 1, 1929.

INCOME ACCOUNT, YEARS ENDED MARCH 31
(Including The Kentucky & West Virginia Power Co., Inc.)

	1928	1927
Gross earnings from operation	$18,272,091	$17,416,831
Operating expenses & taxes	10,377,436	10,154,579
Net earnings from operation	$7,894,655	$7,262,252
Other income	193,169	267,581
Total income	$8,087,824	$7,529,833
Interest on bonds	3,247,016	3,227,117
Other interest & deductions	694,185	228,877
Balance	$4,146,623	$4,073,839
Dividends on Preferred stock	1,575,000	1,575,000
Balance	$2,571,623	$2,498,839
Dividends on Second Pfd. stock	700,000	700,000
Balance	$1,871,623	$1,798,839
Times Fixed Charges Earned	2.05	2.18
Earnings Per Share—		
6% Preferred	$18.43	$18.10
7% Second Preferred	25.72	24.99

GENERAL BALANCE SHEET, MARCH 31, 1926
(After Merger)
(Latest Available)

Assets—		Liabilities—	
Plants and securities	$147,500,000	Capital stock (225,000 shares Pfd., 100,000 shares 2nd Pfd. and 5,000,000 shares Common)	$81,597,904
Cash	3,995,286	First & Refunding Mtge. bonds	35,000,000
Accounts receivable	2,779,669	Underlying bonds	23,991,000
Notes & loans receivable	1,989,610	Purchase money mortgage	2,101,000
Materials & supplies	1,242,821	Debenture (Appalachian Power Co.)	4,000,000
Prepaid insurance, rents & taxes	118,921	Note to American Gas & Electric Co. (due on or before April 1, 1929	5,000,000
Special investments	42,153	Accounts payable	2,399,646
Special deposits	234,751	Interest accrued	425,221
Deferred expenses, etc.	671,671	Taxes accrued	1,474,839
Unamortized discount	3,000,954	Miscellaneous current liabilities	93,172
Contractual construction	1,157,797	Interest on advances & interim cash	82,709
		Reserve for renewals & replacements	3,823,651
		Other reserves	547,588
		Unadjusted credits	9,841
		Unclaimed dividends & matured interest	24,712
		Surplus	2,162,350
Total	$162,733,631	Total	$162,733,631

Executive Office, 30 Church St., New York.

KENTUCKY & WEST VIRGINIA POWER COMPANY, INC.

(Controlled by Appalachian Electric Power Company)

History—Incorporated in July, 1919, in Kentucky, and acquired all of the properties and franchises of the Kentucky River Power Co. of Hazard, Ky., and the Tug River Electric Co. of Sprigg, W. Va. As of June 1, 1921, the property of Logan County Light and Power Co. was purchased (see 1921 Public Utility Manual, page 951). In 1923, acquired the lines and franchises of the Sandy Valley Light & Power Co. Early in 1926 acquired the electric properties in Ashland and Catlettsburg, Ky., formerly owned by Boyd County Electric Co. (see 1925 Manual, page 710) and also the properties of Interstate Power Co.

The Appalachian Electric Power Co. in the early part of 1926, acquired the electric properties of Kentucky and West Virginia Power Co., Inc., serving the Logan and Tug River coal fields, located in the counties of Logan, Boone, Mingo and McDowell, W. Va.

The Kentucky & West Virginia Power Co., Inc., now supplies electric light and power, directly or indirectly, to 62 communities in eastern Kentucky, including Ashland, Hazard and Pikeville. The total installed generating capacity of company's plants is 19,500 k.w. Company also owns 334 miles of high voltage transmission lines and 255 miles of electric distribution system.

CAPITALIZATION

All the capital stock and bonds issued and outstanding by Kentucky & West Virginia Power Co., Inc., are owned by Appalachian Electric Power Co. and pledged under that Company's First & Refunding Mortgage.

FUNDED DEBT

None.

Officers: Geo. N. Tidd, V-P.; N. M. Argabrite, V-P. & Gen. Mgr.; Frank B. Ball, Sec. & Treas., New York; H. S. Clader, Asst. Sec. & Asst. Treas.; Bateman Sadington, Asst. Sec. & Asst. Treas., Philadelphia, Pa.

General Office, 30 Church Street, New York. **Operating Offices,** Hazard, Ky.; Logan and Sprigg, W. Va.

ATLANTIC CITY ELECTRIC COMPANY

(Controlled by American Gas and Electric Co.)

(Financed by Electric Bond and Share Co.)

History—Incorporated Oct. 4, 1907, in New Jersey, and has acquired the properties of the Electric Company of New Jersey and the Atlantic County Electric Company and now owns and operates properties supplying electric power and light service in a wide territory of approximately 2,500 square miles in seven counties in New Jersey, extending about 75 miles on the Atlantic coast from Barnegat, about thirty-five miles above Atlantic City, to Cape May and westward to the Delaware River. This territory constitutes practically the entire southern section of New Jersey, including an important district adjacent to the east bank of the Delaware River which is becoming highly industrialized. Total seasonal population served is estimated to be in excess of 400,000, including a resident population estimated at 292,000.

Company furnishes, without competition, electricity for light, heat and power to 153 communities in southern New Jersey, including Atlantic City, Bridgeton, Cape May, Cold Spring, Linwood, Margate City, Ocean City, Pleasantville, Ventnor City, and Wildwood. Company serves 68,153 electric customers.

Company owns an electric generating station, located in Atlantic City, with a present installed capacity of 37,000 k.w. Total installed generating capacity owned aggregates 40,412 k.w. For the twelve months ended Dec. 31, 1927, the output was 157,892,000 k.w.h. In addition Company owns 1,337 miles of distributing system and 412 miles of transmission lines (not including 31 miles operated under lease), and has 118 miles of transmission lines under construction. All communities served are inter-connected by its transmission system.

STATISTICAL DATA

The number of consumers served by the Company and the physical equipment of the property at June 30, 1927, together with the kilowatt-hours output for the twelve months ended on that date, compared with the corresponding figures reported for the two preceding calendar years, follow:

	*June 30, 1927	Dec. 31, 1926	Dec. 31, 1925
Electric consumers	67,075	39,691	35,386
Kilowatts generating station capacity installed	40,412	32,112	32,850
Kilowatts generating capacity under construction	10,000	6,000	.....
Kilowatt-hours generating station output (including purchased power) for 12 months	136,443,000	106,141,000	77,770,000
Miles of electric lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	373	201	161
Miles of electric lines (11,000 volts and over) under construction	28	30	42
Miles of electric lines (less than 11,000 volts) in service	1,220	678	625

*Including properties of Electric Company of New Jersey and Atlantic County Electric Company recently acquired.

Supervision—The operation of the properties is under the supervision of the American Gas and Electric Company which owns all of the Company's Common stock, except directors' shares.

CAPITAL STOCK

Authorized, 350,000 shares Common and 50,000 shares $6 cumulative Pfd. both of no par value; outstanding, 316,268 shares Common and 26,283 shares Pfd. All the Common, except directors' shares, is owned by the American Gas and Electric Co.

Preferred Stock Provisions—The cumulative $6 Pfd. stock is fully paid and non-assessable and has priority over Common stock as to dividends and assets. It is entitled in preference to Common stock to cumulative dividends of $6 per share per annum. It is redeemable as a whole or in part, at the option of the Company, at any time upon 30 days' notice at $120 per share and accumulated dividends. In case of dissolution or liquidation of the Company, the $6 Pfd. stock is entitled in preference to Common stock to $100 per share and accumulated dividends. The $6 Pfd. stock has no voting powers.

Transfer Agent and Registrar—U. S. Mortgage & Trust Co., New York.

Annual Meeting—Third Tuesday in August at Atlantic City, N. J.

Dividends—Pfd. dividends regularly paid since the issuance of the stock, first dividend having been paid Aug. 1, 1909; payments quarterly, F, M, A & N 1.

FUNDED DEBT

(1)

$2,059,000 ELECTRIC COMPANY OF NEW JERSEY FIRST MORTGAGE GOLD 5s; DUE MARCH 1, 1947

Dated March 1, 1917.

Interest Payable March and September 1, at Bank of North America & Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia.

Provisions of Issue—Authorized, $5,000,000; issued, $2,059,000. The escrow bonds are reserved for 85% of the cost of additions, betterments, acquisitions, etc.

Callability—Subject to call at 102½ and interest.

Security—A first lien on entire property of former Electric Company of New Jersey subject to Bridgeton Electric Co. First 5s of 1930.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax refunded.

(2)

$22,000 BRIDGETON ELECTRIC CO. FIRST GOLD 5s; DUE 1930

Authorized and issued, $250,000 of which $228,000 retired.

(3)

$35,000 ATLANTIC COUNTY ELECTRIC CO. FIRST GOLD 5s; DUE AUGUST 1, 1929

No details available

(4)

$35,000 ATLANTIC COUNTY ELECTRIC CO. SECOND GOLD 7s; DUE AUGUST 1, 1929

No details available

(5)

$1,823,000 FIRST AND REFUNDING (NOW FIRST) GOLD 5s; DUE MARCH 1, 1938

Dated March 2, 1908.

Interest Payable March and September 1, at office of E. B. Smith & Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Girard Trust Co., Philadelphia.

Provisions of Issue—Authorized, $5,000,000 (closed mortgage); issued, $3,063,000, of which $1,823,000 are outstanding, $820,000 are pledged under the First and Refunding 5½s described below, and $420,000 retired.

Callability—Subject to call for sinking fund purposes only, as a whole or in part, at 110 and interest, on any interest date upon 4 weeks' notice.

Sinking Fund—Sinking fund, from March 1, 1921 to 1930, 1½% of bonds outstanding; 1930 to 1937, 2%. Said fund is to be used in the purchase of the bonds at not more than 110 and int., at which price they may be drawn by lot.

Security—Secured by first mortgage on all property now owned or hereafter acquired by Company.

Guaranty—Guaranteed principal and interest, by American Gas & Electric Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($750,000) in April, 1908, at 92½ and interest, by E. B. Smith & Co., New York and Philadelphia.

(6)

$3,500,000 FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5½% SERIES; DUE MAY 1, 1954

$3,738,000 FIRST AND REFUNDING MORTGAGE 5% GOLD BONDS, 5% SERIES, DUE 1956; DUE APRIL 1, 1956

Dated 5½% Series, May 1, 1924, and 5% Series April 1, 1926.

Interest Payable May and Nov. 1 on 5½% Series, and April and October 1 on 5% Series, in Philadelphia or New York.

Denominations—Coupon, $500 and $1,000; fully registered $1,000 and $5,000; $1,000 coupon and fully registered bonds interchangeable.

Trustee—The Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized amount of mortgage unlimited. Issued and outstanding, $7,238,000 ($3,500,000 5½s and $3,738,000 5s).

Additional bonds of present outstanding series, or of other series having such rates of interest, maturity dates and other provisions as the Board of Directors may determine, and as are permitted by the Mortgage, may be issued as follows: (a) for the purpose of refunding an equal principal amount of underlying bonds, and/or of any prior lien bonds subject to which new properties may be acquired, and/or of bonds of any series outstanding under this Mortgage; or (b) for not more than 75% of the cost or fair value (whichever shall be less) of construction or acquisition, subsequent to May 1, 1924, of additions to the properties, or of additional public utility properties, which may, under the limitations expressed in the Mortgage, include street or interurban railways.

No additional bonds may be issued, except for refunding purposes, unless the net earnings for twelve consecutive calendar months out of the fifteen immediately preceding application for issue, shall have been at least equal to either twice the actual annual interest requirements on, or 12% of the principal amount of, all underlying and prior lien bonds outstanding in the hands of the public and all bonds issued under the mortgage, outstanding in the hands of the public, including those for the issue of which application is made.

Purpose of Issue—Of the outstanding bonds $2,750,000 5½% Series due 1954 were issued to reimburse Company's treasury for expenditures in connection with improvements and additions, including acquisition of the properties of the West Jersey Electric Company, Cape May County Electric Company, Cape May Light & Power Co. and Hammonton Electric Light Co., and for other corporate purposes. $976,000 5% Series due 1956 were issued to reimburse Company's treasury for expenditures in connection with improvements and additions, and for other corporate purposes, and $2,762,000 5% Series due 1956 were issued to reimburse Company in part for expenditures made in connection with acquisition of the properties of the Electric Company of New Jersey and the Atlantic County Electric Company, and for other corporate purposes.

Callability—5½% Series are callable in whole or in part upon any interest date on 6 weeks' notice, at 105 and interest prior to May 1, 1929; at 104½ and interest on or after May 1, 1929, and prior to May 1, 1934; at 104 and interest on or after May 1, 1934 and prior to May 1, 1939; at 103¾ and interest on May 1, 1939; and thereafter at 103¾ and interest less ¼ of 1% for each full year elapsed between April 30, 1939 and the date of redemption.

The 5% Series are callable in whole or in part by lot, upon any interest date on six weeks' notice, at 105 and interest prior to April 1, 1931; at 104½ and interest on or after April 1, 1931, and prior to April 1, 1936; at 104 and interest on or after April 1, 1936, and prior to April 1, 1941; at 103¾ and interest on April 1, 1941; and thereafter at 103¾ and interest less ¼ of 1% for each full year elapsed between March 31, 1941, and date of redemption.

Sinking Fund—None.

Security—Secured by a mortgage on the entire physical property of the Company, subject to $1,823,000 closed underlying divisional bonds and $1,823,000 Atlantic City Electric Company First and Refunding (now first) Gold 5s, due March 1, 1938 described above. On part of this property these bonds are secured by a first mortgage and, in addition, $820,000 of the Atlantic City Electric Company First and Refunding (now first) Gold 5s, due March 1, 1938 are pledged under the Indenture securing this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four-Mill Tax refunded on request.

Legal Opinion—Dickson, Beitler & McCouch (for the bankers); Simpson, Thacher & Bartlett (for the Company).

Original Offerings—First publicly offered ($2,750,000) in July, 1924, at 98¾ and interest, yielding about 5.60%, by Edward B. Smith & Co. and Tucker, Anthony and Co., New York, Philadelphia, etc. $750,000 offered in Nov., 1924, at 99¼ and interest, yielding about 5.55%, by the same firms. $976,000 5% Series of 1956 offered in May, 1926, at 98½ and interest, yielding about 5.10%, by the same firms.

$2,762,000 additional 5% Series of 1956 were publicly offered in September, 1927 at par and interest by Edward B. Smith & Co., Tucker, Anthony & Co. and Bonbright & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$5,235,744	$3,711,255	$3,075,234	2,741,162	$2,008,659	$1,698,864
Operating expenses and taxes	3,638,947	2,454,774	2,072,885	1,999,070	1,578,233	1,243,068
Net earnings	$1,596,797	$1,256,481	$1,002,349	$742,092	$430,426	$455,796
Other income	21,282	53,271	24,374	32,091	9,022	14,087
Total income	$1,618,079	$1,309,752	$1,026,723	$774,183	$439,448	$469,883
Bond interest	438,291	315,716	287,625	198,511	123,385	108,983
Other interest, etc.	208,466	65,184	38,018	100,951	74,565	141,776
Total charges	$646,757	$380,900	$325,643	$299,462	$197,950	$250,759
Net income	971,322	928,852	701,080	$474,721	$241,498	$219,124
Preferred dividends paid	118,341	82,863	71,460	71,460	71,460	.....
Surplus for year	$852,981	$845,989	$629,620	$403,261	$170,038	.....
Times Total Interest, Etc., Earned	2.50	3.44	3.15	2.59	2.22	1.87
Earnings Per Share—						
Preferred	$36.95	$61.24	$46.22	$39.86	$20.29	$18.40

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Property account	$9,618,980	$9,251,861	$9,031,960
Construction work in progress	2,380,723	285,906	.....
Materials & supplies	556,874	450,832	340,596
Cash	242,340	153,984	449,671
Bills receivable	.....	479	479
Consumers' accts. receivable	415,654	345,373	276,542
Other accts. receivable	115,894	92,496	82,346
Special deposits	124,478	97,835	77,391
Investments	2	22,001	22,001
Sinking and other special funds	.....	777	.....
Unamortized debt discount	255,577	215,871	224,262
Property abandoned	307,765	346,764	60,440
Other suspense items	183,086	46,000	60,949
Prepayments	25,923	18,014	15,160
Total	$14,227,295	$11,328,193	$10,641,797

Liabilities—	1926	1925	1924
Common stock	$2,118,020	$2,118,020	$2,118,020
Preferred stock	1,516,800	1,191,000	1,191,000
Funded debt	6,335,000	5,396,000	5,434,000
Other unfunded debt	.....	138,499	89,540
Taxes accrued	539,259	275,959	163,043
Advances from affil. cos.	1,116,768	284,996	2,000
Interest accrued	75,267	63,863	94,159
Other accrued liabilities	491	260	2,906
Dividends declared (unclaimed)	51	68	405
Consumers' deposits	161,795	140,939	107,793
Other accts. payable	367,555	301,754	244,926
Other unadjusted credits	303,473	.....	.....
Depreciation reserve	863,194	705,254	537,194
Other reserves	117,113	117,070	113,203
Surplus	712,509	594,511	543,608
Total	$14,227,295	$11,328,193	$10,641,797

Officers: George N. Tidd, Pres.; Frank Espy, V-P.; Frank B. Ball, Sec. & Treas., N. Y.

Directors: George N. Tidd; F. W. Drager; J. F. McMillan; Edward H. Maurer, Elizabeth, N. J.; Frank B. Ball, Plainfield, N. J.; Frank P. Hunter, Woodhaven, N. J.; Frank Espy, South Orange, N. J.; M. F. Millikan, South Beach, Conn.; C. H. Howell, Atlantic City, N. J.

Principal Office, Atlantic City, N. J. **Branch Office,** 30 Church St., New York.

BENTON HARBOR-ST. JOE RAILWAY AND LIGHT CO.

(Controlled by American Gas and Electric Co.)

History—Incorporated Jan. 27, 1906, in Mich.; consolidation of Benton Harbor & St. Joseph Electric Ry. & Light Co., and the St. Joseph River Traction Co. Charter endures for 30 years from 1906 and empowers the company to carry freight, baggage and express. Owns 51 miles of electric railway track. Receives current from the Indiana & Michigan Electric Co. Furnishes power for lighting to 24 communities and railway service to 9 communities.

CAPITAL STOCK

Authorized, **$1,500,000 Common and $500,000 6% cumulative Pfd.; outstanding, $800,000 Common and** $400,000 Pfd.; par, $100. Common stock has sole voting power. American Gas and Electric Co. owns entire capital stock.

Transfer Agent and Registrar—Fidelity & Columbia Trust Co., Louisville, Ky.

Annual Meeting—Second Wednesday in September at Benton Harbor, Mich.

Dividends—Regular dividends at rate of 6% per annum paid on Pfd., semi-annually, F. & A. 1.

FUNDED DEBT

(1)

$1,000,000 First Consolidated Gold 5s; dated May 1, 1906; due Nov. 1, 1935; interest payable May and Nov 1, at Fidelity & Columbia Trust Co., Louisville, Ky., Trustee. Coupon, $500 and $1,000. Authorized, $1,000,000. Subject to call at 105 and interest on any interest date on three weeks' published notice. Company pays Normal Federal Income Tax up to 2%.

(2)

$500,000 Refunding & Extension Gold 5s; dated June 1, 1909; due Nov. 1, 1939; interest payable May and Nov. 1, at Fidelity & Columbia Trust Co., Louisville, Ky., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized, $2,500,000; issued, $500,000. Company pays Normal Federal Income Tax up to 2%.

Officers: C. K. Minary, Pres.; G. N. Tidd, V-P.; F. B. Ball, Sec. & Treas.

Offices, Benton Harbor, Mich., and 30 Church St., New York.

INDIANA AND MICHIGAN ELECTRIC COMPANY

(Controlled by American Gas and Electric Co.)

(Financed by Electric Bond and Share Co.)

History—A consolidation during 1925, of Indiana & Michigan Electric Company, incorporated May 11, 1907, in Indiana, and the Twin Branch Power Company. The Indiana & Michigan Electric Co. (Indiana) was successor to a company of the same name incorporated under the laws of New Jersey. Controls through stock ownership the South Bend Power Co. and Bristol Power Co. Company operates a steam plant at South Bend having a total capacity of 14,000 k.w. It also generates electricity by water power at four points in the St. Joseph River; namely, Elkhart, Twin Branch, Buchanan and Berrien Springs, the total electrical generator capacity of these four plants being 22,879 k.w. A new steam-electric plant, constructed at Twin Branch near Elkhart, Ind., has an initial installed capacity of 80,000 k.w. This plant is designed for an ultimate capacity of 240,000 k.w. The total installed generating capacity of all plants aggregates 116,879 k.w. (22,879 k.w. hydro-electric and 94,000 k.w. steam).

All the plants are interconnected by transmission lines aggregating 425 miles including 108 miles of 132,000-volt steel tower construction recently placed in operation. The various distributing systems comprise an aggregate of 1,057 miles.

Company does an extensive electric power and light business in the important industrial section in the St. Joseph River Valley in northern Indiana and southwestern Michigan, including the entire central station power and light business in South Bend and Elkhart, Indiana, and thirty-eight other communities. It supplies at wholesale the major portion of the power requirements of the local distribution systems in several other communities including Mishawaka, La Porte, Plymouth and New Carlisle, Ind., and Niles, St. Joseph and Benton Harbor, Mich. In Mishawaka, New Carlisle and Niles, it also supplies directly a number of large industrial power consumers. The present population of territory served is estimated at 204,000.

As of Dec. 31, 1927, electric power and light service was supplied to 45,577 consumers, and the output of electric energy for 1927 aggregated more than 390,808,000 kilowatt hours.

Franchises—The operations of the Company in South Bend, Mishawaka and Elkhart, the principal cities in the territory, are carried on, in the opinion of counsel, under indeterminate permits obtained under the Indiana Public Service Commission Law. The franchises under which it operates in the remainder of its territory in Indiana and Michigan are of various maturities, and are in general satisfactory from an operating standpoint. A substantial part of the Company's high tension transmission system is built on private rights of way.

Statistical Data—The total number of consumers served by Company and the physical equipment of the property at Dec. 31, 1927, with a comparison for the calendar years 1926 and 1925, follow:

	1927	1926	1925
Electric consumers	45,577	41,394	38,799
Kilowatts generating station capacity	116,879	126,879	125,700
Miles of high voltage transmission lines (11,000 volts and over) in operation, irrespective of the number of circuits carried	425	382	357
Miles of distribution system (less than 11,000 volts) in service, irrespective of number of circuits carried	1,057	914	789

CAPITAL STOCK

Authorized, 1,000,000 shares of Common of no par value and $10,000,000 7% cumulative Pfd.; par, $100; outstanding, 720,260 shares Common and $3,958,500 Pfd. All the Common stock, except directors' qualifying shares, owned by American Gas and Electric Co.

Preferred Stock Provisions—Preferred stock has preference as to assets and dividends over Common and is redeemable at option of Company at 110 and accrued dividends.

Transfer Agent (Pfd. Stock)—Guaranty Trust Co. of New York.

Registrar (Pfd. Stock)—American Exchange Irving Trust Co., New York.

Annual Meeting—Fourth Tuesday in April.

Dividends—Pfd. dividends paid quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$5,959,000 FIRST MORTGAGE GOLD 5s; DUE AUGUST 1, 1957

Dated August 1, 1907.

Interest Payable Feb. and Aug. 1, at New York Trust Co., Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $7,000,000, mortgage closed. In addition to the $5,959,000 bonds outstanding, $300,000 have been retired. Under the terms of the mortgage the Company is each year required to expend or reserve out of earnings substantial amounts for maintenance, repairs, renewals, or replacements. Subject to call since Aug. 1, 1922, at 108 and interest. A first lien on entire properties. Company pays Normal Federal Income Tax up to 2%.

(2)

$11,283,000 FIRST AND REFUNDING MORTGAGE GOLD BONDS, 5% SERIES, DUE 1955; DUE MARCH 1, 1955

Dated March 2, 1925.

Interest Payable March and September 1, in New York City.

Denominations—Coupon, $500 and $1,000; principal may be registered, and fully registered bonds, $1,000 and multiples; $1,000 bonds interchangeable.

Trustees—American Exchange Irving Trust Co., New York, and George E. Warren.

Provisions of Issue—Authorized issue, unlimited. Additional bonds either of this or of other series, having such rates of interest, maturity dates and other provisions as the directors of Company may determine may be issued as follows: (a) For the purpose of refunding an equal principal amount of bonds of any series outstanding under the mortgage or of outstanding underlying or prior lien bonds or (b) for not more than 80% of the cost or fair value, whichever is less, of property additions made subsequent to Nov. 30, 1924, and in the case of property additions to the property of the subsidiary made subsequent to the date when it shall have become the subsidiary for not more than 80% of the principal amount of the subsidiary's mortgage gold bonds concurrently pledged with the corporate trustee.

No additional bonds may, however, be issued, except for refunding purposes, unless net earnings for twelve consecutive calendar months out of the fifteen months immediately preceding application for issue shall have been at least equal to either (1) twice the actual annual interest requirements on, or (2) twice 6% of the principal amount of, all outstanding underlying and prior lien bonds and all bonds issued and outstanding under the mortgage, including those proposed to be issued.

Callability—Subject to call on any interest date, in whole or part, on six weeks' notice through Sept. 1, 1929, at 105 and interest; thereafter to Sept. 1, 1934 at 104½ and interest; thereafter to Sept. 1, 1939 at 104 and interest; and thereafter at premiums reducing ¼ of 1% each year to 100¼ and interest during 1954.

Sinking Fund—None.

Security—Secured, by a direct first mortgage on the new Twin Branch power plant and the new Twin Branch transmission line and by a mortgage on the balance of the physical property of the Company subject to the $5,959,000 First 5s, described above. The properties to be covered as a first mortgage represent actual expenditures in excess of the amount of this issue.

The mortgage contains certain provisions permitting the modification or alteration thereof or of any supplemental indenture, in any particular, and of rights and obligations of the Company and of the holders of bonds and coupons, with the assent of the Company and of the holders of not less than 90% in aggregate principal amount of the outstanding bonds.

Tax Provisions—Coupon pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill Tax refunded upon request.

Legal Opinion—Sullivan & Cromwell (for the bankers); Simpson, Thacher & Bartlett (for the Company).

Original Offering—First publicly offered ($8,000,000) in Feb., 1925, at 95½ and interest, to yield 5.30%, by Harris, Forbes & Co., New York, etc. $3,283,000 additional were publicly offered in March, 1926, at 98 and interest, yielding 5.13%, by Harris, Forbes & Co., Bonbright & Co., Inc., and Old Colony Corp., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$5,588,487	$5,023,128	$3,672,632
Operating exp. & taxes	3,383,023	3,094,514	2,603,838
Net earnings	$2,205,464	$1,928,614	$1,068,794
Other income	140,726	167,118	248,944
Total income	$2,346,190	$2,095,732	$1,317,738
Interest on bonds	862,100	824,497	617,950
Other int. & deductions	94,104	94,324	*17,096
Balance for dividends	$1,389,986	$1,176,911	$716,884
Dividends on Pfd. stock	277,095	262,719	192,692
Surplus for year	$1,112,891	$914,192	$524,192
Times Fixed Chrgs. Earned	2.45	2.29	2.19
Earnings Per Share—			
Preferred	$35.11	$29.73	$22.85

*Credit.

Offices, South Bend, Ind, and 30 Church St., New York.

INDIANA GENERAL SERVICE COMPANY

(Controlled by American Gas and Electric Co.)

(Financed by Electric Bond and Share Co.)

History—Incorporated Jan. 24, 1913, in Ind.; consolidation of the Elwood Electric Light Co. (see Manual for 1912, page 1709 or apply to our Information Department) Alexandria Electric Co., Marion Light & Heating Co., and Muncie Electric Light Co. (see Manual for 1917, pages 723 and 724). Life of charter, 50 years. Franchises: Electric, indeterminate; heating expires as follows: Marion, 1929; Muncie, 1938; Elwood, 1951. Population served, about 143,000. The generating station capacity aggregates 39,200 k.w.

Supplies electric power and light service in cities and towns as follows:

Marion, Jonesboro, Fairmont, Upland, Sweetser, Gas City, Summitville, Fowlerton, Matthews, Gaston, Muncie, Dunkirk, Eaton, Redkey, Hartford City, Albany, Shidler, Montpelier, Elwood, Alexandria, Orestes, Cammack, Dundee, Pennville, Frankton, Leisure, Millgrove, Petroleum, Royerton and Roll. Also supplies hot water heating service in Elwood and Marion; and steam heating service in Muncie.

CAPITAL STOCK

Authorized, $3,000,000 Common and $1,000,000 6% cumulative Pfd.; outstanding, $3,000,000 Common and $816,000 Pfd.; par, $100. All Common stock, except directors' shares, is owned by American Gas and Electric Co.

Preferred Stock Provisions—Pfd. stock has preference as to assets and dividends, and is subject to call at any time at 110 and accrued dividends.

Transfer Agent—The Corporation Trust Co., Jersey City, N. J.

Annual Meeting—Last Tuesday in March, at Muncie, Ind.

Dividends—Pfd. dividends payable quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$179,000 MARION LIGHT AND HEATING CO. FIRST AND REFUNDING 5s; DUE SEPTEMBER 1, 1932

Dated September 1, 1907.

Interest Payable March and September 1, at Guaranty Trust Co. of New York, Trustee. W. C. Cox, New York, Co-Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $1,500,000, but mortgage closed. Subject to call at 110 and interest on any interest date. Sinking fund provides for the payment annually for six years beginning Sept. 1, 1918, 1½% of bonds outstanding; Sept. 1, 1924 to 1930, 2% of bonds outstanding. Guaranteed, principal and interest, by American Gas and Electric Co. In addition to the $179,000 bonds shown as outstanding, $458,500 of these bonds are pledged under the Indiana General Service Co. First Mortgage 5s. A first lien on entire property of former Marion Light & Heating Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$644,500 MUNCIE ELECTRIC LIGHT CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1932

Dated July 1, 1907.

Interest Payable January and July 1, at Guaranty Trust Co. of New York. Coupon, $500 and $1,000; principal may be registered. Guaranty Trust Co. and William C. Cox, New York, Trustees. Authorized issue, $1,500,000, but mortgage closed. Subject to call as a whole at 110 and interest on any interest date. Sinking fund 1½% per anum of bonds outstanding for six years from July 1, 1918; six years from July 1, 1924, 2% of bonds outstanding. Guaranteed, principal and interest, by American Gas and Electric Co. In addition to the $667,000 bonds shown as outstanding, $545,000 of these bonds are pledged under the Indiana General Service Co. First Mortgage 5s. A first lien on property of former Muncie Electric Light Co. First publicly offered ($500,000) in July, 1907, at 96 and interest, by Cramp, Mitchell & Shober, Philadelphia, and Burgess, Lang & Co., Boston and New York. Company pays Normal Federal Income Tax up to 2%.

(3)

$4,167,900 INDIANA GENERAL SERVICE CO. FIRST MORTGAGE GOLD 5s; DUE JANUARY 1, 1948

Dated January 2, 1918.

Interest Payable January and July 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered, and fully registered, $1,000. Coupon bonds of $1,000 and fully registered bonds interchangeable.

Trustee—Guaranty Trust Co. of New York. William C. Cox, Co-Trustee.

Provisions of Issue—Authorized issue, unlimited. Escrow bonds reserved to take up $179,000 Marion Light & Heating Co. First & Refunding 5s and $644,500 Muncie Electric Light Co. First 5s. Additional bonds can be issued for betterments and improvements at not more than 80% of cost and only when net earnings for the preceding year shall have been twice the interest charges on all bonds issued and applied for to be issued.

Callability—Subject to call at 105 and interest since Jan. 1, 1923.

Improvement and Sinking Fund—½% on bonds outstanding May 1, 1924 to 1929; 1% May 1, 1930 to 1935; 1½%, May 1, 1936 to 1941, and 2% May 1, 1942 to 1947.

Security—Secured by direct mortgage lien on entire property of company now owned or hereafter acquired subject (as to a part of the property) to $823,500 bonds of the companies consolidated held by the public. Additionally secured by pledge of $458,500 Marion Light & Heating Co. First and Refunding 5s and $545,000 Muncie Electric Light Co. First Mortgage 5s.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded upon application.

Original Offering—First publicly offered ($3,322,000) in Aug., 1922 by Dillon, Read & Co., New York, etc., at 90 and interest. $884,000 additional offered in Dec., 1924, at 94½ and interest, to yield over 5.40%, by the same firm.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,679,585	$2,584,909	$2,527,483	$2,430,362	$2,474,984	$2,299,024
Operating expenses and taxes	1,878,980	1,803,028	1,807,020	1,779,244	1,805,002	1,663,042
Net earnings	$800,605	$781,881	$720,463	$651,118	$669,982	$635,982
Other income	24,426	31,539	39,568	15,933	10,474	5,480
Total income	$825,031	$813,420	$760,031	$667,051	$680,456	$641,462
Bond interest	250,531	253,138	255,123	213,258	214,795	183,896
Other interest, etc.	30,485	28,357	29,544	69,731	48,584	82,002
Total charges	$281,016	$281,495	$284,667	$282,989	$263,379	$265,898
Net income	$544,015	$531,925	$475,364	$384,062	$417,077	$375,564
Preferred dividends paid	48,960	48,960	48,792	36,852	36,852	.....
Balance	$495,055	$482,965	$426,572	$347,210	$380,225	.....
Times Total Interest, Etc., Earned	2.93	2.81	2.98	2.36	2.58	2.45
Earnings Per Share—						
Preferred	$66.66	$65.18	$58.25	$62.53	$67.90	$61.15

Principal Office, Muncie, Ind. **Branch Office**, 30 Church St., New York.

KINGSPORT UTILITIES, INCORPORATED

(Controlled by American Gas and Electric Company)

History and Property—Incorporated May 21, 1917, under laws of Va. Property consists of steam power plant. Franchises expire 2016. Owns and operates without competition the electric power and light properties in the City of Kingsport, Tenn., serving a population of 10,000. Power plant has a capacity of 11,500 k.w., developing 15,000 h.p. Number of electric consumers, 2,677. Annual output, 41,895,000 k.w.h. The water business formerly done by Company has been sold.

CAPITAL STOCK

Authorized and outstanding, $500,000 Common and $500,000 6% cumulative Pfd.; par, $100. Stock control held by American Gas and Electric Co.

Preferred Stock Provisions—Pfd. stock is subject to call in whole or in part on any dividend date at 110% and dividends on 30 days' notice, after three years from original issue. Pfd. stock has preference for assets.

Transfer Agent—The New York Trust Co., New York.

Registrar—Bankers Trust Co., New York.

Annual Meeting—First Tuesday in May at Bristol, Va.

Dividends—Dividends on Pfd. stock were paid July 1, 1918, Jan. 1, 1919, and July 1, 1919; none thereafter until 1926, when 12% was paid. No dividends have been paid on Common stock.

FUNDED DEBT

$456,000 FIRST GOLD 6s, SERIES "A"; DUE APRIL 1, 1937
$150,000 FIRST GOLD 7s; SERIES "B"; DUE APRIL 1, 1937

Both the above issues were called for redemption on April 1, 1928, at 105 and interest, at New York Trust Co., New York, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$440,025	$464,869	$501,502
Operating expenses, taxes, etc.	323,456	359,804	349,506
Net earnings	$116,569	$105,065	$151,996
Other income	5,870	3,978	3,060
Total income	$122,439	$109,043	$155,056
Interest charges, etc.	46,895	47,795	86,202
Net income	$75,544	$61,248	$68,854
Preferred dividends	60,000	.....	.....
Surplus after dividends	$15,544	$61,248	$68,854

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Fixed capital	$1,600,427	$1,819,664	$1,771,991
Cash	26,642	51,495	69,080
Notes and loans receivable	3,505	.....	.....
Accounts receivable	45,732	76,631	79,131
Interest and dividends rec.	193	.....	.....
Materials and supplies	36,801	58,681	52,921
Prepayments	3,053	5,558	5,596
Advances to affiliated cos.	43,925	40,000	.....
Miscellaneous assets	311,261	1,186	2,107
Unamort. debt disc. & exp.	63,612	70,874	77,564
Total	$2,135,152	$2,124,089	$2,058,490

Liabilities—	1926	1925	1924
Common stock	$500,000	$500,000	$500,000
Preferred stock	500,000	500,000	500,000
Funded debt	606,000	636,000	664,000
Accounts payable	63,060	29,457	21,224
Consumers' deposits	10,803	12,151	9,897
Matured interest unpaid	495	745	340
Taxes accrued	58,819	63,783	19,214
Interest accrued	9,465	9,915	10,320
Miscell. accrued liabilities	34	571	288
Retirement reserve	184,345	181,144	171,266
Miscellaneous reserves	2,436	502	138
Deferred water revenue	.....	.....	1,299
Profit and loss—surplus	199,695	189,821	160,504
Total	$2,135,152	$2,124,089	$2,058,490

Offices, Kingsport, Tenn., and 30 Church St., New York.

THE OHIO POWER COMPANY

(Controlled by American Gas and Electric Co.)

(Financed by Electric Bond and Share Co.)

History and Property—Incorporated April 30, 1907, in Ohio, as the Canton Electric Co.; name was changed to The Central Power Co. in March, 1916; again changed on Nov. 20, 1919, to The Ohio Power Co. Life of charter, unlimited. Is a consolidation of The Merchants' Heat, Light & Power Co., The Canton Light, Heat & Power Co., The Central Heating & Lighting Co., The Ohio Light & Power Co., and The Sunnyside Electric Co. The Buckeye Power Co. was merged in 1920 (see 1920 Public Utility Manual, page 679, or apply to our Information Department). Effective Nov. 1, 1922, purchased the power and light department of the Lima Electric Ry. & Light Co. (see 1922 Public Utility Manual, page 2007). In 1925, The Hardin-Wyandot Lighting Co. (see 1924 Manual, page 790) was merged. On May 1, 1926, purchased the properties of The North Western Ohio Light Co., The Ironton Electric Co., the electric and heating department of Ohio Service Co., and the electric property of The Portsmouth Public Service Co. The railroad department of the Ohio Service Co. which remained after the Ohio Power Co. took over the electric and heating business, was abandoned on Feb. 1, 1927, and the Ohio Service Co., therefore, ceased to exist.

The Ohio Power Company owns and operates large electric power and light generating plants and transmission and distributing systems in important manufacturing and mining sections of Ohio. Company owns transmission and distributing lines aggregating 3,965 miles and serve a prosperous territory in Ohio having an estimated population of 800,000. The company supplies electric power and light to 271 communities among which are Canton, Lima, Portsmouth, Steubenville, Newark, East Liverpool, Lancaster, Ironton and Cambridge, and a number of communities in the Wheeling district west of the Ohio River.

The company is one of the most important subsidiaries of American Gas and Electric Company.

The company owns a total installed electric generating capacity of 230,870 kilowatts (not including a 165,000-kilowatt unit now under construction at its Philo station), 1,590 miles of high voltage transmission lines (not including 38 miles under construction), and 2,375 miles of distribution system. The company's principal electric generating stations are located at Philo, Ohio, and at Power (formerly Windsor), West. Va.

The Philo station is on the Muskingum River, approximately twelve miles south of Zanesville, Ohio, at a point favorably located in relation to load, coal and water. It is a superpower high-pressure steam electric generating station having a present installed electric generating capacity of 80,000 kilowatts consisting of two 40,000-kilowatt units, and will have a capacity of 245,000 kilowatts upon completion of a 165,000-kilowatt unit now under construction. This new unit will consist of a 53,000-kilowatt high-pressure turbine and two 56,000-kilowatt low-pressure turbines,

each capable of independent operation. The new 165,000-kilowatt unit, complete with boilers, housing, coal-handling apparatus and high tension transformers, will be one of the largest and most economical electric generators in the world, and it is expected that it will be completed and placed in operation in the fall of 1928.

The Windsor station is located on the Ohio River, twelve miles north of Wheeling, West Va., and is favorably located in relation to load, coal and water. It is one of the largest steam turbine generating stations in the country and has a present installed generating capacity of 180,000 kilowatts, of which 90,000 kilowatts is owned by The Ohio Power Company and 90,000 kilowatts by the West Penn Power Company. This station obtains coal from a mine which is immediately adjacent to the plant and is owned by The Ohio Power Company and The West Penn Power Company, through a subsidiary coal company.

All the electric power and light properties owned by the company are interconnected by high voltage transmission lines. In addition to the 132,000-volt steel-tower transmission lines interconnecting properties in the eastern part of the state (including the Company's principal generating stations on the Ohio and Muskingum Rivers), and similar lines interconnecting properties in the western part of the state, the Company owns 132,000-volt transmission lines extending south to the Ohio River and west to the Indiana state line . The Company's transmission system is interconnected through a line to the Ohio River with the system of the Appalachian Electric Power Company and, through the extension to the Indiana state line, with the system of the Indiana & Michigan Electric Company. Both of these companies are also subsidiaries of American Gas and Electric Company, and this interconnected system, extending into seven states, constitutes one of the largest super-power systems in the world.

CAPITAL STOCK

Authorized, 1,500,000 shares of Common of no par value and $30,000,000 Pfd.; par, $100; outstanding, 1,165,375 shares of Common, and $14,331,300 Pfd. Entire Common stock (except directors' shares) is owned by American Gas and Electric Co. Pfd. stock has preference as to assets and dividends and is subject to call at any time at 110 and accrued dividends. Transfer Agent and Registrar: Corporation Trust Co., Jersey City, N. J. Annual meeting, first Monday in January, at Newark, Ohio.

Dividends—Pfd. dividends regularly paid since issuance; payments M, J, S & D 1.

FUNDED DEBT

(1)

$1,158,500 THE CANTON ELECTRIC CO. FIRST & REFUNDING GOLD 5s; DUE MAY 1, 1937

Dated May 1, 1907.

Interest Payable May and November 1, at Guaranty Trust Co. of New York, Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $2,500,000 Mortgage closed. Subject to call at 110 and interest on any interest date. A sinking fund of 1% per annum of bonds outstanding began May 1, 1912, and runs to April 30, 1920; for the following 10 years it is 1½% per annum, and for the 6 years ending April 30, 1936, 2% per annum. Secured by first lien on the property formerly owned by Canton Electric Co. First publicly offered in June, 1908, at 92½ and interest. Company pays Normal Federal Income Tax up to 2%.

(2)

$1,100,500 THE OHIO LIGHT & POWER CO. FIRST GOLD 5s; DUE MAY 1, 1944

Dated May 1, 1914.

Interest Payable May and November 1, at Guaranty Trust Co. of New York, Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $30,000,000. Mortgage is closed. Subject to call, all or any part, at any interest period since May 1, 1919, at 105 and interest.

Improvement Fund Clause—May 1, 1918, to 1923, both inclusive, ½% of amount of bonds outstanding; 1924 to 1929, 1%; 1930 to 1935, 1½%; 1936 to 1943, 2½%. This fund is to be used for betterments, improvements, developments, extensions or additions, properly chargeable to Capital Account. May also be used as a sinking fund. Company does not pay Normal Federal Income Tax.

(3)

$371,000 HARDIN-WYANDOT LIGHTING CO FIRST MORTGAGE 5% GOLD BONDS; DUE OCTOBER 1, 1930

Dated October 1, 1910.

Interest Payable April and October 1, at Union Trust Co., Cleveland, Ohio, and at Chase National Bank, New York. Coupon, $1,000; principal may be registered. Union Trust Co., Cleveland, Ohio, Trustee, Transfer Agent and Registrar. Authorized and issued, $500,000, of which $129,000 redeemed by sinking fund to Dec. 31, 1927. Subject to call on any interest date at 105. Sinking fund, commenced Dec. 31, 1915, amounts to 1% of outstanding bonds per annum. Secured by a first lien on entire property formerly owned by Hardin-Wyandot Lighting Co. Company pays Normal Federal Income Tax up to 2%.

(4)

$6,000 THE COSHOCTON LIGHT & HEATING CO. FIRST 6s; DUE SEPTEMBER 1, 1936

(5)

$13,794,500 THE OHIO POWER CO. FIRST & REFUNDING GOLD 5s, SERIES "B"; DUE JULY 1, 1952

Dated July 1, 1922.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Coupon bonds of $1,000 exchangeable for fully registered bonds.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized amount of mortgage, unlimited. Outstanding February 1, 1928, $43,149,500 ($13,794,500 Series "B" 5s, and $29,355,000 Series "D" 4½s). The Series "A" 7s and Series "C" 6s have been retired.

Additional bonds either of this series, or of other series having such rates of interest, maturity dates and other provisions as the board of directors of the company may determine, may be authenticated (a) for refunding an equal principal amount of outstanding underlying bonds or prior liens (as defined in the mortgage) or bonds of any series authenticated under the mortgage, (b) for cash to be deposited with the trustee and (c) for not more than 75% of the cost or fair value, whichever is less, of permanent additions (as defined in the mortgage).

Additional bonds may not be authenticated, however, except for refunding purposes, unless net earnings (as defined in the mortgage) for twelve consecutive months out of the fifteen months immediately preceding the application for authentication shall have been equal to either (1) twice the actual annual interest requirements on, or (2) 12% of the principal amount of, all outstanding underlying bonds and all bonds outstanding under the mortgage, including those proposed to be authenticated.

Callability—Subject to call as a whole or in part on any interest date on four weeks' notice at 105 and interest on or before July 1, 1927; at 104 and interest in the next five years; at 103 and interest in the next five at 102 and interest in the next five; at 101 and interest in the next five, and at 100½ and interest thereafter prior to maturity.

Sinking Fund—None.

Renewal and Improvement Fund—The Mortgage provides that the Company shall on April 1 of each year, beginning April 1, 1922, pay into a Renewal and Improvement Fund a sum equal to 4½% of the bonds outstanding at the close of the preceding year, less

the amounts expended on the property of the Company during such year in repairing, maintaining, renewing and replacing the mortgaged property. Sums so deposited may be used to reimburse the Company for expenditures in other years for such purposes in excess of such percentage, to purchase or redeem bonds, or to reimburse the Company for property additions against which no bonds may be issued.

Security—The First & Refunding Mortgage bonds are equally and ratably secured by direct mortgage lien on the Company's plants and physical properties. The First & Refunding Mortgage is a first lien on the greater part of the Company's physical properties, including the two principal generating stations and practically all the new high voltage transmission lines recently constructed and acquired by The Ohio Power Company, and a second mortgage lien on the remainder, subject to divisional lien bonds aggregating $2,636,000 outstanding under closed mortgages. All these divisional lien bonds must be paid at maturity and not extended.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four-Mill Tax refunded upon application.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($6,132,500) in Oct., 1922, at 93½ and interest, to yield about 5.45%, by Dillon, Read & Co., New York; Continental and Commercial Trust & Savings Bank, Chicago, and Lee, Higginson & Co., New York. $2,000,000 additional offered by same firms in Jan., 1923, at 92 and interest, to yield over 5.55%, and $5,662,000 additional offered by same firms in December, 1925, at 94½ and interest, to yield over 5.39%.

(6)

$29,355,000 FIRST & REFUNDING MORTGAGE 4½% GOLD BONDS, SERIES "D"; DUE JUNE 1, 1956

Dated June 1, 1926.

Interest Payable June and December 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Coupon bonds in denomination of $1,000 and fully registered bonds interchangeable.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—See above description of First and Refunding 5s, Series "B" (paragraph 5).

Purpose of Issue—Proceeds of $9,635,000 Series "D" bonds issued in June, 1926, were used to provide funds in connection with purchase of important electric power and light properties in Ohio, to reimburse Company in part for capital expenditures already made under terms of mortgage, and for other corporate purposes. Proceeds of $9,702,000 Series "D" bonds issued in November, 1927, were to retire on like amount of The Ohio Power Co. First & Refunding 7s, Series "A," due Jan. 1, 1951, and the proceeds derived from the sale of $10,018,000 Series "D" bonds issued in February, 1928, were used in connection with the retirement of the then outstanding $10,018,000 First & Refunding Mortgage 6% bonds, Series "C".

Callability—Subject to call as a whole, or in part by lot, on any interest date on four weeks' notice at 103 to and including June 1, 1931; at 102½ thereafter to and including June 1, 1936; at 102 thereafter to and including June 1, 1941; at 101½ thereafter to and including June 1, 1946; at 101 thereafter to and including June 1, 1951; at 100½ thereafter to and including June 1, 1954 and at 100 thereafter to maturity; in each case accrued interest being added to the price named.

Sinking Fund—None.

Renewal and Improvement Fund—See description of Series "B."

Security—See description of Series "B."

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Pennsylvania 4 mill tax refunded upon application.

Original Offering—First publicly offered ($9,635,000) in June, 1926, at 93 and interest, to yield 4.95%, by Dillon, Read & Co., Lee, Higginson & Co., New York, and Continental & Commercial Trust & Savings Bank, Chicago. $9,702,000 additional Series "D" bonds were publicly offered in November, 1927, at 94¾ and interest to yield 4.84%, by Dillon, Read & Co., Lee, Higginson & Co., New York, and Continental & Commercial Co., Chicago, and a further $10,018,000 Series "D" in February, 1928, at 96 and interest, to yield 4.75% by Dillon, Read & Co., Lee, Higginson & Co., Continental National Co. and W. C. Langley & Co.

(7)

$2,000,000 THE OHIO POWER CO. GOLD DEBENTURE 6s; DUE JUNE 1, 2024

Dated June 1, 1924.

Interest Payable June and December 1, in New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—The Seaboard National Bank of New York.

Provisions of Issue—Authorized issue, unlimited. Additional bonds may be issued when net income for 12 consecutive months of the 15 months preceding shall have been at least twice annual interest requirements on all funded and other debt of the company. The proceeds from the sale of these bonds will be used to liquidate current indebtedness representing expenditures made for property acquired, and for additional working capital.

Callability—Subject to call on and after June 1, 1949, and prior to June 1, 2019, as a whole or in part at the option of the company at any time upon 30 days' published notice, at 110 and accrued interest; thereafter at par and accrued interest.

Sinking Fund—None.

Security—A direct obligation of company but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded upon request.

Original Offering—First publicly offered ($2,000,000) in May, 1924, at 91 and interest, to yield about 6.60%, by Dillon, Read & Co. and Lee, Higginson & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross operating revenue	$14,899,088	$14,111,790	$11,230,835	$10,494,288	$9,847,982	$7,459,912
Operating expenses and taxes	9,995,034	9,705,489	7,837,740	7,471,578	7,181,402	5,389,454
Net earnings	$4,904,054	$4,406,301	$3,393,095	$3,022,710	$2,666,580	$2,070,458
Other income	2,214,784	1,694,199	1,390,069	1,328,389	1,239,481	1,160,845
Total income	$7,118,838	$6,100,500	$4,783,164	$4,351,099	$3,906,061	$3,231,303
Bond interest	2,677,281	2,434,585	1,974,489	1,935,031	1,374,306	1,205,486
Other interest, etc.	395,100	336,417	514,825	214,933	383,588	427,536
Total charges	$3,072,381	$2,771,002	$2,489,314	$2,149,964	$1,757,894	$1,633,022
Net income	$4,046,457	$3,329,498	$2,293,850	$2,201,135	$2,148,167	$1,598,281
Preferred dividends paid	859,878	741,534	512,151	299,846	254,382	
Surplus for year	$3,186,579	$2,587,964	$1,781,699	$1,901,289	$1,893,785	
Times Total Int., Etc., Earned	2.31	2.20	1.92	2.02	2.22	1.97
Earnings Per Share—						
Preferred	$28.23	$23.23	$21.03	$38.29	$50.66	$37.70

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Cost of properties	$63,833,016	$56,408,393	$50,244,543
Construct. work in progress	6,555,016	.....	.....
Other investments	405,611	403,203	403,202
Special deposits	998,115	909,996	1,399,094
Materials and supplies	2,527,644	1,434,317	1,453,498
Cash	447,593	585,623	415,382
Notes receivable	321,120	453,716	368,015
Accounts receivable	2,325,796	1,823,114	1,341,474
Subscriptions to cap. stock	226,054	.....	.....
Other current assets	886,787	903,232	19,268
Accrued assets	.....	8,376	.....
Prepaid accounts	125,226		
Unamort. debt disct. & exp.	3,799,346		
Property abandoned	402,652		
Other deferred charges	160,749	3,939,569	6,255,620
Salvage abandoned property	193,257		
Contractual construction	104,373		
Unmatured int. & rents rec.	47,952		
Total	$83,360,307	$66,869,539	$61,900,095

Liabilities—	1926	1925	1924
Common stock	$5,826,875	$16,260,400	$10,200,600
Preferred stock	14,331,300		
Funded debt	47,835,500	38,178,500	33,585,000
Loans payable	.....	.....	9,413,276
Accounts payable	5,229,195	5,014,670	2,900,551
Interest accrued	270,438	233,896	248,979
Other accrued items	13,286	12,667	7,088
Consumers' deposits	268,573		
Matured int. on funded debt	720,493		
Service billed in advance	185,772	1,033,674	863,351
Dividends payable	3,117		
Uncol. consumrs.' accts. res.	48,075		
Reserve for taxes	2,688,883	1,512,787	1,108,717
Reserve for depreciation	3,223,081	2,488,780	2,034,780
Other reserves	634,893	379,296	248,030
Profit and loss surplus	2,080,826	1,754,869	1,289,723
Total	$83,360,307	$66,869,539	$61,900,095

Officers: George N. Tidd, V-P.; Frank Espy, V-P.; Frank B. Ball, Sec. & Treas., New York.

Principal Office, Newark, Ohio. **Branch Office,** 30 Church St., New York.

THE OHIO STATE POWER COMPANY

(Controlled jointly by American Gas and Electric Co. and The Lake Shore Electric Railway Co.)

History and Property—Incorporated July 22, 1912, in Ohio; successor to the Sandusky River Power Co. (see Manual for 1915, page 660). The securities of the latter Company were all taken in exchange for The Ohia State Power Co. securities. The Company owns a hydro-electric power station on the Sandusky River of 3,000 k. w. capacity, and a steam-electric power station of 15,000 k.w. capacity at the same location. The entire output of these plants has been sold under a contract running until 1967, to The Ohio Power Co. and The Lake Shore Electric Ry. Co. Under the terms of this contract the Company is assured of an income sufficient to cover all operating expenses, maintenance, taxes, insurance, depreciation and obsolescence, and interest and sinking fund on its bonds. Life of charter unlimited.

CAPITAL STOCK

Authorized and outstanding, $600,000 Common and $400,000 6% cumulative Pfd.; par, $100. Pfd. stock has preference as to assets and dividends. Entire Common and Pfd. stock owned jointly by The Ohio Power Co. (a subsidiary of American Gas and Electric Co.) and the Lake Shore Electric Ry. Co. Annual meeting, second Tuesday in August.

FUNDED DEBT

$964,000 FIRST GOLD 6s; DUE JUNE 1, 1935

Dated June 1, 1915.

Interest Payable June and December 1, at The Cleveland (Ohio) Trust Co., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $3,000,000; future bonds may be issued for 85% of the cost of extensions and improvements, when the net earnings for twelve consecutive months are equal to one and one-half times the annual interest charges on all bonds outstanding and those to be issued. Subject to call as a whole or in part on any interest date upon 30 days' notice at 105 and interest. Sinking fund of 2% of all bonds outstanding began June 1, 1920, and continues to June 1, 1935. Such funds may be used for the purchase of bonds at not exceeding 102½ and accrued interest, or for the redemption of bonds, or for extensions and additions to the steam-electric or hydro-electric power stations of the Company, provided the same shall not be made the basis for the issuance of additional bonds. All bonds purchased or redeemed by this fund shall be forthwith cancelled. A first lien on entire property now owned or hereafter acquired. First publicly offered ($700,000) in Dec., 1915, at par and interest, by Shopker, Waller & Co., W. G. Souders & Co. and Clarke & Co., Chicago. $280,000 offered in Feb., 1923, by Bonbright & Co., Inc., New York, etc., at 97½ and interest. Company pays Normal Federal Income Tax up to 2%.

Officers: Geo. N. Tidd, V-P., New York; F. W. Coen, Sec. & Treas., Sandusky, O.

Principal Office, Sandusky, Ohio. **Branch Office,** 30 Church St., New York.

THE SCRANTON ELECTRIC COMPANY

(Controlled by American Gas and Electric Co.)

(Financed by Electric Bond and Share Co.)

History and Property—The original Scranton Electric Company was incorporated April 11, 1907, in Pennsylvania. A new company with the same name came into existence Feb. 24, 1928 as a result of a merger and consolidation of the Scranton Electric Company (old company) and eight other companies. Franchises perpetual, with one exception, which runs to 1935. Life of charter is unlimited. Supplies the entire commercial and municipal electric power and light and steam heating business in the City of Scranton and also the entire electric power and light business in the cities and towns of Dunmore, Dickson City, Taylor, Old Forge, Moosic, Avoca, Throop, Carbondale, Archbald, Jermyn, Mayfield, Forest City, Blackely, Winton, Dupont, Vandling, Lackawanna Township, Pittston, West Pittston, Exeter, Duryea, Hughestown; Yatesville, Waymart, Jenkins and Pittston Townships. Service is furnished through three steam electric generating stations, having a total installed capacity of 108,000 k.w. The main plant located at Scranton, is equipped with 65,500 k.w. capacity generators. Its facilities in the main consist of 4 sub-stations, 104 miles of transmission lines, and 585 miles of distribution system. The steam heating service serves the main part of the City of Scranton and is operated in conjunction with the Company's main electric generating station. Also has contract with the Scranton Rys. under which that company purchases from the Scranton Electric Co. all the current necessary for the operating of its system in Scranton and through the Lackawanna Valley. Population served 357,000.

CAPITAL STOCK

Authorized, 2,500,000 shares Common and 100,000 shares of $6 cumulative Pfd.; outstanding, 2,500,000 shares Common and 28,592 shares Pfd. Entire Common stock, except directors' shares, owned by the American Gas and Electric Co.

Preferred Stock Provisions—Pfd. stock has preference as to assets and dividends and is subject to call at any time at $110 and accrued dividends.

Transfer Agent—Scranton Lackawanna Trust Co., Scranton, Pa.

Registrar—Title Guaranty & Surety Co., Scranton, Pa.

Annual Meeting—Second Saturday in January at Scranton, Pa.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$5,779,000 FIRST & REFUNDING GOLD 5s; DUE JULY 1, 1937

Dated July 1, 1907.

Interest Payable January and July 1, at Harris, Forbes & Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—U. S. Mortgage & Trust Co., New York.

Provisions of Issue—Authorized, $10,000,000. Additional bonds can be issued for extensions and improvements at 80% of cost, when net earnings for preceding year have been twice interest charges on bonds issued and those to be issued. Of the unissued bonds, $750,000 may be issued for 60% of acquiring at least a majority of the capital stock of gas or electric companies, with the same restrictions as to earnings; or at par for the acquisition of bonds of constituent companies of the Scranton Electric Co.

Callability—Subject to call at 110 and interest on any interest date.

Sinking Fund—A sinking fund of 2% per annum of bonds outstanding commenced July 1, 1910.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offerings—First publicly offered in Sept., 1907, at 93 and interest. Offered in 1910 by N. W. Harris & Co., New York, Boston, etc., at par and interest; $234,000 offered in Aug., 1912, by Harris, Forbes & Co., New York, N. W. Harris & Co., Boston, and Harris Trust & Savings Bank, Chicago, at 103 and interest; $659,000 offered by Harris, Forbes & Co., April 1, 1919, at 95 and interest; $693,000 offered in June, 1922, by the same firms at 95 and interest.

(2)

$13,000 FIRST & REFUNDING GOLD 5s; DUE JULY 1, 1957.

All owned by American Gas & Electric Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$7,148,348	$6,734,436	$5,854,058	$5,361,590	$4,896,340	$4,097,728
Operating expenses and taxes	3,559,764	3,508,615	3,356,781	3,255,430	3,025,020	2,619,457
Net earnings	$3,548,584	$3,225,821	$2,497,277	$2,106,160	$1,871,320	$1,478,271
Other income	21,560	7,723	7,227	13,613	55,421	57,952
Total income	$3,570,144	$3,233,544	$2,504,504	$2,119,773	$1,926,741	$1,536,223
Bond interest	$292,247	$297,772	$303,562	$369,658	$399,582	$402,436
Other interest, etc.	306,792	115,498	122,435	57,798	51,870	50,955
Total charges	$599,039	$413,220	$425,997	$427,456	$451,452	$453,391
Net income	$2,971,105	$2,820,324	$2,078,507	$1,692,317	$1,475,289	$1,082,832
Preferred dividends paid	171,552	171,552	171,552	171,552	141,001	.....
Surplus for year	$2,799,553	$2,648,772	$1,906,955	$1,520,765	$1,334,288	.....
Times Total Interest, Etc., Earned	5.96	7.82	5.87	4.96	4.26	3.38
Earnings Per Share—						
Preferred	$103.91	$98.00	$72.69	$59.18	$51.59	$52.33

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Property and equipment	$15,552,570	$14,849,270	$14,570,650
Construct. work in progress	1,333,368	872,923	442,502
Investments	563,913	559,563	555,714
Sinking fund assets	17,361	18,070	16,610
Cash	196,417	284,990	230,839
Special deposits	196,815	196,055	200,369
Notes receivable	5,000	5,000	5,000
Accounts receivable	1,042,084	806,420	719,547
Materials and supplies	471,173	424,521	501,146
Other assets	10,750	10,750	10,750
Prepaid items	27,032	30,069	16,146
Deferred charges	372,922	592,286	447,389
Total	$19,789,404	$18,649,917	$17,716,662

Liabilities—	1926	1925	1924
Capital stock	$5,359,200	$5,359,200	$5,359,200
Funded debt	5,891,000	6,007,000	6,125,000
Consumers' deposits	300,315	262,017	226,173
Accounts payable	357,489	369,426	332,438
Matured interest unpaid	148,370	151,170	154,430
Dividends payable	42,921	42,930	42,939
Service billed in advance	3,612	9,151	15,579
Other current liabilities	1,261,880	1,284,115	1,490,035
Accrued liabilities	1,066,281	825,382	586,113
Uncollectible consumers' accounts reserve	28,685	28,650	19,162
Renewals and replacements reserve	1,185,917	935,293	705,113
Other operating reserves	300,341	232,827	174,703
Surplus	3,843,393	3,142,756	2,485,779
Total	$19,789,404	$18,649,917	$17,716,662

Officers: George N. Tidd, V-P., New York; Duncan T. Campbell, V-P. & Mgr., Scranton, Pa.; Frank B. Ball, Sec. & Treas., New York.

Principal Office, Scranton, Pa. **Branch Office,** 30 Church St., New York.

WHEELING ELECTRIC COMPANY

(Controlled by American Gas and Electric Co.)

(Financed by Electric Bond and Share Co.)

History—Incorporated Feb. 17, 1883, in W. Va. Life of charter 50 years. In 1911 absorbed the Bridgeport Electric Light Co. and the Consumers Electrical Co. Franchise granted August 10, 1911; runs for 50 years. Supplies electric current for power and light to the cities of Wheeling, Glendale, McMechen, Benwood and Moundsville, W. Va., and to Bridgeport, Brookside, Lansing, and Bellaire, O. The Company purchases its power from The Ohio Power Company but maintains a reserve plant of 9,000 k. w.

CAPITAL STOCK

Authorized and outstanding, $1,000,000 Common and $1,000,000 6% cumulative Pfd.; par, $100. Entire Common stock is owned by the American Gas and Electric Co.

Preferred Stock Provisions—Pfd. stock has preference as to assets and dividends and is subject to call at any time at 110 and accrued dividends.

Transfer Agent—Old Colony Trust Co., Boston.

Annual Meeting—First Thursday in April, at Wheeling, W. Va.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D 1.

FUNDED DEBT

(1)

$3,054,000 SCRANTON ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1941

Dated May 1, 1911.

Interest Payable May and November 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized issue, $12,000,000, of which $8,946,000 are reserved for future additions, etc., at 80% of cost, but only when net earnings for twelve consecutive months have been at least double the interest charges on bonds outstanding and applied for.

Callability—Subject to call as a whole on any int. date up to Dec. 31, 1936, at 105 and int., during 1937 at 104 and interest; 1938 at 103 and interest; 1939 at 102 and interest; 1940 and 1941 at 101 and interest.

Sinking Fund—None.

Improvement Fund—The mortgage provides for an Improvement Fund, commencing Jan. 1, 1916, to Jan. 1, 1920, 1% annually of bonds outstanding; 1921 to 1925, 1½%; 1926 to 1930, 2%; 1931 to 1935, 2½%; 1936 to 1940, 3%. This fund shall be expended upon property in payment for such extensions, improvements, etc., as are properly chargeable to capital account, or shall be invested in the bonds of this issue at price not to exceed 105 and interest.

Security—A first lien on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($500,000) in May, 1911, at 94 and interest, by Wm. A. Read & Co., Boston, and Warner, Tucker & Co., and Tucker, Anthony & Co., Boston; $487,000 additional offered in Aug., 1922, at 92 and interest, yielding 5.70%, by Dillon, Read & Co., New York.

(2)

$13,000,000 THE SCRANTON ELECTRIC CO. FIRST & REFUNDING MORTGAGE GOLD BONDS; DUE JULY 1, 1957

No further details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,163,160	$2,131,360	$2,119,948	$1,893,588	$1,759,501	$1,522,732
Operating expenses and taxes	1,749,025	1,744,575	1,708,856	1,543,217	1,483,178	1,282,027
Net earnings	$414,135	$386,785	$411,092	$350,371	$276,323	$240,705
Other income	178,321	100,095	39,428	33,856	21,208	9,220
Total income	$592,456	$486,880	$450,520	$384,227	$297,531	$249,925
Bond interest	152,700	144,679	114,200	114,200	114,200	98,400
Other interest, etc.	9,007	7,989	7,276	7,914	7,134	17,136
Total charges	$161,707	$152,668	$121,476	$122,114	$121,334	$115,576
Net income	$430,749	$334,212	$329,044	$262,113	$176,197	$134,349
Preferred dividends	60,000	60,000	60,000	60,000	50,220	.....
Balance	$370,749	$274,212	$269,044	$202,113	$125,977	.....
Times Total Interest, Etc. Earned	3.66	3.19	3.70	3.15	2.45	2.16
Earnings Per Share—						
Preferred	$43.07	$33.42	$32.90	$26.21	$17.62	$16.05

Officers: Geo. N. Tidd, V-P., New York; J. B. Garden, V-P. & Mgr., Wheeling, W. Va.; Frank B. Ball, Sec. & Treas., New York.

Principal Office, Wheeling, W. Va. **Branch Office**, 30 Church St., N. Y.

DELAWARE ELECTRIC POWER COMPANY

(Controlled by The United Gas Improvement Co.)

History—Incorporated June 27, 1910, in Delaware, as the Wilmington & Philadelphia Traction Company; name changed to present title Nov. 16, 1927. Leases for 990 years, from July 1, 1910, The Wilmington City Electric Co. and The Wilmington City Ry., controlled by Wilmington and Chester Traction Co., and companies formerly leased to The Wilmington City Ry. Co., viz.: Wilmington & Edgemoor Electric Ry. (controlled by Wilmington City Ry.); The Front & Union Ry. Co., The Gordon Heights Ry. Co., and the New Castle County Electric Co. Lessee pays interest on funded debt of leased companies, in addition to an annual rental, ranging from a minimum of $78,010 to a maximum of $120,610 in fifteen years.

The Company owns the entire capital stocks of the Southern Pennsylvania Traction Co., Chester & Eddystone Street Ry. Co., the Peoples Ry. Co., and the Wilmington, New Castle & Delaware City Ry. Co., and the Wilmington Light & Power Co., and $1,000 outstanding capital stock of The Wilmington Amusement Parks Co. By an Agreement, dated July 1, 1910, this company guarantees all obligations of Southern Pennsylvania Traction Co. in consideration of receiving that company's entire net income, with exception of 10% on its capital stock, of $10,000 (all owned by this Company), amounting to $1,000.

On June 1, 1915, the company acquired control of the Peoples Ry. Co. of Wilmington, Del. (stock $1,500,000). In Oct., 1915, purchased the Wilmington Southern Traction Co. ($250,000 Common and $100,000 Pfd. stock), and the Wilmington, New Castle & Delaware City Ry. (stock, $250,000) and consolidated them under the name of the latter (see statement appended). Controls and operates through the above leases and through the Southern Pennsylvania Traction Co. all electric light and power business and street railway lines in the City of Wilmington and vicinity; also street railway lines in Chester and Media, Pa., and suburban lines connecting the above places, with each other and with the City of Philadelphia, a total of 130 miles of track. Also leases the New Castle County Electric Co. for 990 years.

Lines Operated—Owned (Peoples Ry., 23.60 miles; Wilmington, New Castle & Delaware City Ry., 14.94 miles), 38.54 miles; leased—Wilmington City Ry., 33.09 miles; Wilmington & Edgemoor Electric Ry., 1.67 miles; Front and Union Street Ry., 7.77 miles; Gordon Heights Ry., 0.73 mile—total, 43.26 miles. Total owned, leased and operated, first track, 66.30 miles. Second track, 14.66 miles. Sidings, etc., 5.23 miles. Cars—closed, 96; service, 15—total, 111.

New Control—The United Gas Improvement Co. in Feb., 1928, acquired from The American Electric Power Corporation, the Delaware Electric Power Co. and its affiliated companies adjacent thereto and operated by the Delaware Company, on a basis of ex-

change and other consideration for properties in Iowa, namely, Sioux City Gas and Electric Company and subsidiaries, and Iowa Public Service Company.

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value and $500,000 6% cumulative Pfd.; outstanding, 162,400 shares Common and $500,000 Pfd.; par of Pfd., $100. Pfd. stock has preference for assets and 6% cumulative dividends. All of the Common stock is owned by The United Gas Improvement Co.

Registrar (Pfd. Stock)—Wilmington Trust Co., Wilmington, Del.

Annual Meeting—First Tuesday in March.

Dividends—Pfd. dividends paid in full to date, all accumulations being paid in 1921; payments quarterly.

FUNDED DEBT

$5,985,000 WILMINGTON & PHILADELPHIA TRACTION CO. FIRST MORTGAGE & COLLATERAL TRUST GOLD 5s; DUE FEB. 1, 1963

Dated February 1, 1913.

Interest Payable February and August 1, at Equitable Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Provisions of Issue—Authorized issue, $25,000,000. The unissued bonds are reserved for refunding securities of underlying companies, for 90% of the cost of acquisition of securities of other public utility companies, and for improvements, extensions, etc., up to 85% of the cost thereof but in the last two instances only when annual net earnings shall have equalled 1½ times the annual interest on all bonds outstanding and those proposed to be issued.

Callability—Subject to call at 105 and interest on any interest date.

Security—The bonds are secured by a first mortgage on real estate, a first lien on rolling stock and leases owned by the company, and by pledge of the following collateral: $1,500,000 Wilmington & Chester Traction Co. 5s of 1952; $150,000 Peoples Ry. 5s of 1965; $128,000 Wilmington, New Castle & Delaware City Ry. Co. 5s of 1966; the entire Common stock of the Wilmington Light & Power Co.; $1,500,000 Common stock of the Peoples Ry. Co.; $600,000 Common stock of Wilmington, Newcastle & Delaware City Ry. Co.; $9,300 Common stock of the Southern Pennsylvania Traction Co.; $1,000,000 Common and $250,000 Pfd. stock of Wilmington Light and Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State tax refunded.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31, 1927
(Delaware Electric Power Co.—Formerly Wilmington and Philadelphia Traction Co.—and Southern Pennsylvania Traction Co.)

Operating revenue:	
Railway	$2,424,166
Electric	2,624,881
Total	$5,049,047
Operating expenses:	
Operating expenses	$2,244,862
Maintenance	603,820
Retirement expense	293,351
Taxes other than Federal	149,404
Federal taxes	102,900
Total operating expenses	$3,394,337
Income from operations	1,654,710
Non-operating income	42,190
Gross income	$1,696,900
Income deductions:	
Rentals	$806,948
Bond interest	305,213
Other interest	103,098
Amortization of debt discount and expense	89,940
Total income deductions	$1,305,199
Net income	$391,701

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Delaware Electric Power Co.—Formerly Wilmington and Philadelphia Traction Co.—and Southern Pennsylvania Traction Co.)

Assets—	
Fixed assets	$5,603,397
Advances for construction	4,009,958
Investments	3,739,607
Suspense accounts	18,008
Unamortized debt, discount and expense	1,468,818
Prepayment accounts	29,429
Materials and supplies	326,713
Accounts receivable	739,565
Special deposits	5,822
Cash	404,436
Total	$16,345,753
Liabilities—	
Common stock (no par)	$5,000,000
Preferred stock (par $100)	500,000
Funded debt:	
Wilmington & Philadelphia Traction Co.	5,985,000
Southern Pennsylvania Traction Co. Car Trust Certificates	106,000
Accounts payable	2,606,066
Accrued liabilities	437,426
Retirement reserve	739,495
Other reserves	249,482
Profit and loss	722,284
Total	$16,345,753

Officers: T. W. Wilson, Pres., Wilmington, Del.; F. J. Rutledge, V-P.; G. W. Curran, Sec., Philadelphia, Pa.; C. E. Yost, Treas. & Asst. Sec., Wilmington, Del.; Johns Hopkins, Asst. Sec., Philadelphia, Pa.; J. L. Eicholtz, Asst. Sec. & Aud., Wilmington, Del.; E. MacMorris, Asst. Treas.; J. B. Townsend, 3rd., Asst. Treas., Philadelphia, Pa.; E. M. Andersen, Asst. Treas., Wilmington, Del.

Directors: T. W. Wilson, Wilmington, Del.; James T. Hutchings, William W. Bodine, Philip H. Gadsden, F. J. Rutledge, Philadelphia, Pa.

General Office, Wilmington, Del. **Philadelphia Office,** Broad and Arch Streets.

NEW CASTLE COUNTY ELECTRIC CO.

(Leased to Delaware County Electric Co.)

History—Incorporated May 9, 1911, in Delaware, as the Chester County Lighting Co.; name changed as above, Jan. 23, 1914. Operates under franchises which are without time limit. Supplies electric current to the city of Newark, Del., and suburban territory north to Pennsylvania State line. Leased for 990 years from Jan. 1, 1914, to Delaware County Electric Co.

CAPITAL STOCK

Authorized, $75,000; outstanding, $42,250; par, $25. A controlling interest owned by The United Gas Improvement Co.

FUNDED DEBT

None.

Officers: T. W. Wilson, Pres., Wilmington, Del.; F. J. Rutledge, V-P.; G. W. Curran, Sec., Philadelphia, Pa.; C. E. Yost, Treas. & Asst. Sec.; Wilmington, Del.; Johns Hopkins, Asst. Sec., Philadelphia, Pa.; J. L. Eicholtz, Asst. Sec. & Aud., Wilmington, Del.; E. MacMorris, Asst. Treas.; J. B. Townsend, 3rd., Asst. Treas., Philadelphia, Pa.; E. M. Andersen, Asst. Treas., Wilmington, Del.

Directors: William W. Bodine, P. H. Gadsden, James T. Hutchings, Paul Thompson, Philadelphia, Pa.; T. W. Wilson, Wilmington, Del.

General Office, Wilmington, Del. **Philadelphia Office,** 1401 Arch Street.

WILMINGTON & CHESTER TRACTION COMPANY

(Company whose controlled properties are leased to Delaware Electric Power Co. and Southern Pennsylvania Traction Co.)

History—Incorporated Feb. 21, 1898, in N. J. Owns entire capital stock of the Wilmington City Ry. Co., the Chester Traction Co. and the Chester & Delaware

St. Ry. Co. and the entire stock and bonds of the Front & Union St. Ry. Co. and Gordon Heights Ry. Co. Lines comprise the street railway systems in Wilmington, Del., and Chester, Pa., and between those points, aggregating about 91 miles of track.

On July 1, 1910, leased to Wilmington & Philadelphia Traction Co. (now Delaware Electric Power Co.), for 990 years, the Wilmington City Ry.; Front & Union Street Ry.; Gordon Heights Ry., and Wilmington & Edgemoor Electric Ry. and on the same date leased to the Southern Pennsylvania Traction Co. for a similar period, the Chester Traction Co. and its leased properties. Under the lease the Wilmington & Philadelphia Traction Co. (now Delaware Electric Power Co.) agrees to pay interest on all funded debt of the leased companies and subsidiaries, and in addition, to pay an annual rental on a sliding scale.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $50. All owned by United Power & Transportation Co.

Dividends—Dividends have been paid as follows: 1907, 4%; 1908 to 1911, none; 1912, 2.44%; 1913, 2½%; 1914, 3.22%; 1915, 3.3%; 1916, 3.58%; 1917, 3.64%; 1918, 4%; 1919, 2.72%; 1920, 0.92%; 1921, 2.18%; 1922, 4.92%; 1923, 2.74%; 1924, 5.96%; 1925 and 1926, none; 1927, 3.82%.

FUNDED DEBT

(1)

$2,305,000 COLLATERAL TRUST GOLD 6s

NOTE—Originally due April 1, 1918, and bore interest at 5%; but were extended to April 1, 1923, at 6%, and further extended to April 1, 1933, at 6%.

Dated April 1, 1898.

Interest Payable April and October 1, at Provident Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Provident Trust Co., Philadelphia.

Provisions of Issue—Authorized, $4,000,000; unissued bonds reserved to retire prior liens and acquire stocks of controlled companies.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 101 and accrued interest.

Security—Secured by pledge of 51,993 of the 52,000 shares of stock and $234,500 demand notes of Wilmington City Ry. Co., 513 of 520 shares and $45,000 bonds of Gordon Heights Ry. Co., 9,995 of the 10,000 shares and $285,500 demand notes of the Chester Traction Co., 29,993 of the 30,000 shares, $150,000 debenture bonds and $26,000 demand notes of the Front & Union Street Ry. Co., 992 of the 1,000 shares of Chester & Delaware Street Ry. Co., and $40,000 notes of the Union Ry. Co. of Chester; also secured on all property now owned or hereafter acquired.

Guaranty—Unconditionally guaranteed as to principal and interest by Wilmington & Philadelphia Traction Co. (now Delaware Electric Power Company).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State tax of 4 mills, the Massachusetts Income tax not in excess of 6% on income derived from the bonds, and the present Maryland Securities tax refunded upon application.

Legal Opinion—H. B. Gill, Philadelphia (for the company) and Townsend, Elliott & Munson, Philadelphia, and Simpson, Thacher & Bartlett, New York (for the bankers).

Listed—Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924
High	95	95	92¼	91½
Low	bid	bid	bid	bid

(2)

$1,500,000 COLLATERAL TRUST GOLD 5s; DUE APRIL 1, 1952

Dated April 1, 1912,

Interest Payable April and October 1, at Wilmington Trust Co., Wilmington, Del.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Wilmington Trust Co., Wilmington, Del.

Provisions of Issue—Authorized issue, $5,500,000, of which $4,000,000 reserved for redemption of Collateral Trust bonds of 1898, and for acquisition of outstanding stocks and bonds of subsidiary companies. Delaware Electric Power Company owns the $1,500,000 outstanding bonds.

Callability—Subject to call at any time at 105 and interest on 30 days' notice.

Security—Secured by pledge of the same collateral securing the $2,305,000 outstanding Collateral Trust Gold 5s of 1898, but subject thereto.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State tax refunded.

Officers: W. A. Rigg, Pres.; Daniel Houseman, V-P.; J. W. Goodwin, Sec.; T. W. Grookett, Jr., Treas., Camden, N. J.

Directors: Walter A. Rigg, Reading, Pa.; Daniel Houseman, T. W. Grookett, Jr., Philadelphia, Pa.; J. W. Goodwin, Wilmington, Del.; A. S. Hitchner, Camden, N. J.

Office, Camden, N. J.

COMPANIES LEASED TO DELAWARE ELECTRIC POWER COMPANY

FRONT & UNION STREET RY.—(Operated under Lease)—Incorporated Feb. 20, 1877, in Del. Length of line, 7.55 miles. Gauge, 5 ft. 2 in. Rail, 70 lb. T. and girder.

CAPITAL STOCK

$300,000, all owned by Wilmington & Chester Traction Co.

FUNDED DEBT

$150,000 6% debenture bond. Owned by Wilmington & Chester Traction Co.

Officers: Walter A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. and Treas., Wilmington, Del.

Office, Wilmington, Del.

GORDON HEIGHTS RY. (Operated under Lease)—Incorporated May 2, 1893, in Del. Lines located in Wilmington, Del., 2 miles. Gauge, 5 ft. 2 in. Rail, 70 lb. T. and girder. Cars, 3.

CAPITAL STOCK

$52,000; par, $100. All owned by Wilmington & Chester Traction Co.

FUNDED DEBT

$45,000 5% bonds; due Sept. 1, 1924. All owned by Wilmington & Chester Traction Co.

Officers: Walter A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. and Treas., Wilmington, Del.

Office, Wilmington, Del.

PEOPLES RAILWAY CO. (Wilmington, Del.) (Operated under Lease)—Incorporated April 28, 1912, in Del., as a consolidation of the Union Railway Co., Wilmington & Brandywine Springs Ry. and Peoples Railway Co. Connects Wilmington, Elsmere, Roselle, Faulkland, Marshallton and Greenbank, Del. Length of line, 30.42 miles. Gauge, 5 ft. 2 in.

CAPITAL STOCK

Authorized and outstanding, $1,500,000; par, $100. A controlling interest is owned by Delaware Electric Power Co.

FUNDED DEBT

$1,800,000 First 5s; dated June 1, 1915; due June 1, 1965; int. June and Dec. 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $3,000,000. Balance reserved for betterments and extensions at 85% of cost. Subject to call on any interest date at 105. Guaranteed, principal and interest, by Delaware Electric Power Co. Company pays Normal Federal Income Tax up to 2%.

Officers: T. W. Wilson, Pres., Wilmington, Del.; F. J. Rutledge, V-P.; G. W. Curran, V-P., Philadelphia, Pa.; C. E. Yost, Asst. Sec. & Treas., Wilmington, Del.; Johns Hopkins, Asst. Sec., Philadelphia, Pa.; J. L. Eicholtz, Asst. Sec. & Aud., Wilmington, Del.; E. MacMorris, Asst. Treas.; J. B. Townsend, 3d, Asst. Treas., Philadelphia, Pa.; E. M. Andersen, Asst. Treas., Wilmington, Del.

Directors: William W. Bodine, P. H. Gadsden, James T. Hutchings, F. J. Rutledge, Philadelphia, Pa.; T. W. Wilson, Wilmington, Del.

General Office, Wilmington, Del. **Philadelphia Office,** 1401 Arch Street.

WILMINGTON & EDGEMOOR ELECTRIC RY. (Operated under Lease)—Incorporated April 20, 1906, in Del. Franchises perpetual. Owns 2.97 miles of track.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $100. All owned by Wilmington City Ry. Annual meeting, second Tuesday in July.

FUNDED DEBT

$400,000 (entire issue) First Gold 5s; dated June 1, 1906; due June 1, 1946; int. June and Dec. 1, at Real Estate-Land Title & Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized, $400,000. Guaranteed, principal and interest, by Wilmington City Ry. Co. Company pays Normal Federal Income Tax up to 2%.

Officers: Walter A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. & Treas., Wilmington, Del.
Directors: T. W. Grookett, Jr., Daniel Houseman, Philadelphia; J. W. Goodwin, Wilmington, Del.; W. A. Rigg, William McIlvain, Reading, Pa.
Office, Wilmington, Del.

WILMINGTON CITY RY. (Operated under Lease)—Incorporated Feb. 4, 1864, in Del. Length of line, 30 miles; total track, 42 miles. Gauge, 5 ft. 2 in. Rail, 60 and 90 lb. T. and girder.

CAPITAL STOCK

$520,000; par, $10. All owned by Wilmington & Chester Traction Co.

FUNDED DEBT

$600,000 (entire isue) First Gold 5s; dated Sept. 1, 1911; due Sept. 1, 1951; int. March & Sept. 1 at Equitable Guarantee & Trust Co., Wilmington, Del. Coupon, $1,000; principal may be registered. Subject to call at 105 and interest. Issued to retire a like amount of 4% bonds, which matured on Sept. 1, 1911. Company pays Normal Federal Income Tax up to 2%.
Officers: W. A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. & Treas., Wilmington, Del.
Office, Wilmington, Del.

WILMINGTON, NEW CASTLE & DELAWARE CITY RY. CO. (Operated under Lease)—Incorporated in Dec., 1915, in Del., as a consolidation of the Wilmington Southern Traction Co. and The Wilmington, New Castle & Delaware City Ry. Co. (See Manual for 1915, page 444). Connects Wilmington, New Castle and Delaware City, Del. Length of line, 16.40 lines. Gauge, 5 ft. 2½ in.

CAPITAL STOCK

Authorized and outstanding, $600,000; par, $100. A controlling interest is owned by Delaware Electric Power Co.

FUNDED DEBT

(1)

$128,000 Wilmington New Castle & Delaware City Ry. Co. First 5s; dated Dec. 31, 1915; due Jan. 1, 1966; int. Jan. and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Of the $2,000,000 bonds authorized, $300,000 are reserved to retire bonds of Wilmington Southern Traction Co.; balance issuable for betterments and extensions at 85% of cost. Guaranteed, principal and interest, by Delaware Electric Power Co. Company pays Normal Federal Income Tax up to 2%.

(2)

$231,000 Wilmington Southern Traction Co. First 5s; dated Oct. 1, 1915; due Oct. 1, 1965; int. April and Oct. 1, at Wilmington (Del.) Trust Co., Trustee. Denomination, $1,000. Authorized $300,000; issued, $231,000, of which $58,000 owned by Delaware Electric Power Co.; unissued bonds reserved for improvements at 85% of cost. Subject to call at served for improvements at 85% of cost. Subject to call at 102 on any interest date upon 30 days' notice. Guaranteed, principal and interest by Delaware Electric Power Co. Company pays Normal Federal Income Tax up to 2%.
General Office, Wilmington, Del. **Philadelphia Office,** Broad and Arch Streets.

WILMINGTON CITY ELECTRIC CO. (Operated under Lease)—Incorporated July 21, 1886, in Del. Supplies electric light and power under unlimited franchise in Wilmington, Del. Owns steam generating station and distributing system, with an installed capacity of about 11,000 h. p. Leased July 1, 1910, for 990 years to the Wilmington & Philadelphia Traction Co. (now Delaware Electric Power Co.) the latter company assuming all interest and fixed charges, at annual rental of $30,000 first four years; $35,000 next three years; $40,000 following four years; $45,000 for one year and $50,000 thereafter.

CAPITAL STOCK

Authorized and outstanding, $255,000; par, $100. Annual meeting, fourth Thursday in July.

FUNDED DEBT

$1,000,000 First Gold 5s; dated May 1, 1911; due May 1, 1951; int. May and Nov. 1, at United States Mortgage & Trust Co., New York, Trustee. Coupon, $1,000; principal may be registered. Subject to call on and after May 1, 1921, at 110 and int. Authorized, $1,000,000. Guaranteed, principal and interest, by Wilmington & Philadelphia Traction Co. (now Delaware Electric Power Co.). Secured by first lien on entire property. First publicly offered ($500,000) in May, 1911, at 98 and interest; $300,000 additional offered in 1912, at 99 and interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Krauthoff, Harmon & Mathewson, New York.

Officers: Walter A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. & Treas., Wilmington, Del.
Directors: W. A. Rigg, T. W. Grookett, Jr., J. W. Goodwin, Daniel Houseman, William McIlvain.
General Office, Wilmington, Del.

WILMINGTON LIGHT & POWER COMPANY

(Controlled by Delaware Electric Power Co.)

History—Incorporated April, 1906, in Del., as Wilmington Light, Power & Telephone Co.; name changed to above title in 1910. Franchises perpetual. Owns entire $1,000,000 capital stock and $500,000 5% bonds of the **Wilmington Automatic Telephone Co.,** which company was incorporated in Del., Feb., 1910. Has an electric light and power plant of 2,000 k.w. capacity.

CAPITAL STOCK

Outstanding, $1,000,000 Common and $250,000 5% cumulative Pfd. A controlling is owned by Delaware Electric Power Co.

FUNDED DEBT

$1,900,000 First Gold 5s; dated April 1, 1910; due April 1, 1960; int. April and Oct. 1, at Wilmington (Del.) Trust Co., Trustee. Coupon, $1,000. Authorized, $2,000,000; outstanding, $1,900,000. The $100,000 unissued bonds are reserved for acquiring new and additional property. Subject to call at 110. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: T. W. Wilson, Pres., Wilmington, Del.; F. J. Rutledge, V-P.; G. W. Curran, Sec., Philadelphia, Pa.; C. E. Yost, Asst. Sec. & Treas., Wilmington, Del.; Johns Hopkins, Asst. Sec., Philadelphia, Pa.; J. L. Eicholtz, Asst. Sec. & Aud., Wilmington, Del.; E. MacMorris, Asst. Treas.; J. B. Townsend, 3d, Philadelphia, Pa.; E. M. Andersen, Asst. Treas., Wilmington, Del.

Directors: William W. Bodine, P. H. Gadsden, James T. Hutchings, Paul Thompson, Philadelphia, Pa.; T. W. Wilson, Wilmington, Del.

General Office, Wilmington, Del. **Philadelphia Office,** 1401 Arch Street.

SOUTHERN PENNSYLVANIA TRACTION COMPANY

(Controlled by Delaware Electric Power Co.)

History—Inc. in June, 1910, in Pa. On June 2, 1910, leased for 990 years the properties of the Chester Traction Co., Delaware County & Philadelphia Electric Ry., and Media, Glen Riddle & Rockdale Electric St. Ry., at the following rentals: $71,990 for first year; $81,990 for second year; $86,999 for third, fourth, fifth and sixth years; $91,990 for seventh and eighth years; $96,990 from ninth to thirteenth year; $101,990 for the fourteenth year, and $106,990 for the fifteenth and succeeding years. Also leases property of Chester & Eddystone Street Ry. Co. Mileage operated, about 54 miles.

CAPITAL STOCK

Authorized and issued, $10,000. All except directors qualifying shares owned by Delaware Electric Power Co. Annual meeting, second Monday in January.

CAR TRUST CERTIFICATES

$106,000 5% Car Trust Certificates; dated Jan. 2, 1923; due $26,500 annually until Jan. 2, 1931; int. Jan. and July 1, at Bank of North America & Trust Co.,

Philadelphia, Pa., Trustee. Under agreement dated Jan. 1, 1923, between the United States Emergency Fleet Corp. and the Bank of North America & Trust Co., 22 cars were purchased from the Fleet Corp. These cars originally cost about $319,000. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross revenue	$974,976	$1,029,230	$1,034,940	$1,050,596	$1,157,016	$1,024,559
Operating expenses and taxes	788,159	*814,228	*741,819	715,644	722,562	697,216
Net operating income	$186,817	$215,002	$293,121	$334,952	$434,454	$327,343
Other income	755	1,976	4,564	8,044	11,328	15,177
Total income	$187,572	$216,978	$297,685	$342,996	$445,782	$342,520
Rentals leased companies	174,183	173,993	173,443	170,843	165,743	163,143
Balance	$13,389	$42,985	$124,242	$172,153	$280,038	$179,377
Interest on funded debt	$5,963	$7,288	$8,613	$9,938	$11,262	.....
Interest on floating debt	21,800	13,335	2,998	60,419	55,393	$57,813
Amortization and other deductions	1,781	1,920	1,929	2,220	4,667	65,654
Income transferred to other companies	†17,155	19,442	109,702	.....	.....	.....
Total	$12,389	$41,985	$123,242	$72,577	$71,322	$123,467
Balance	$1,000	$1,000	$1,000	$99,576	$208,716	$55,909
Depreciation	*	*	*	33,253	35,686	17,183
Net income	$1,000	$1,000	$1,000	$66,323	$173,030	$38,726

*Included in operating expenses. †Credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$251,154	$239,250	$239,250
Leasehold property	9,000	9,000	9,000
Work in progress	29,661	417,675	133,328
Investments in affiliated cos.	1,601,572	1,223,437	1,155,590
Materials and supplies	66,367	89,845	145,017
Cash	21,895	14,183	32,129
Accounts receivable	68,484	55,224	44,644
Unadjusted debits	37,896	41,560	38,445
Total	$2,086,030	$2,090,174	$1,797,403

Liabilities—	1927	1926	1925
Capital stock	$10,000	$10,000	$10,000
Car Trust notes	106,000	132,500	159,000
Non-neg. debt to affil. cos.	1,606,572	1,477,275	1,256,218
Notes payable	43,198	43,198	43,198
Accounts payable	43,464	79,246	30,482
Interest accrued	14,735	12,542	10,348
Reserve for taxes	48,462	44,481	22,290
Unadjusted credits	1,043	647	7,042
Deferred credit items	2,650	.....	.....
Reserve for depreciation	42,851	20,741	12,541
Miscell. reserves	20,771	22,900	.....
Surplus	146,284	246,284	246,284
Total	$2,086,030	$2,090,174	$1,797,403

Officers: T. W. Wilson, Pres., Wilmington, Del.; F. J. Rutledge, V-P.; G. W. Curran, Sec., Philadelphia, Pa.; C. E. Yost, Treas. & Asst. Sec., Wilmington, Del.; Johns Hopkins, Asst. Sec., Philadelphia, Pa.; J. L. Eicholtz, Aud. & Asst. Sec., Wilmington, Del.; E. MacMorris, Asst. Treas.; J. B. Townsend, 3rd, Asst. Treas., Philadelphia, Pa.; E. M. Andersen, Asst. Treas., Wilmington, Del.

Directors: T. W. Wilson, Wilmington, Del.; James T. Hutchings, William W. Bodine, Philip H. Gadsden, Paul Thompson, Philadelphia, Pa.

General Office, Chester, Pa. **Philadelphia Office,** 1401 Arch Street.

CHESTER & EDDYSTONE STREET RAILWAY CO.

(Operated under Lease by Southern Pennsylvania Traction Co.)

History—Incorporated May 23, 1916, in Pa. Length of line, 2.6 miles. Leased to Southern Pennsylvania Traction Co. for 990 years.

CAPITAL STOCK

Authorized, $15,000; issued, $5,000. A controlling interest is owned by Delaware Electric Power Co. Annual meeting, second Monday in January.

FUNDED DEBT

$100,000 First Gold 5s; dated Sept. 1, 1916; due Sept. 1, 1946; int. March and Sept. 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Subject to call on any interest date at 102. Company pays Normal Federal Income Tax up to 2%.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$647,142	$403,502	$388,064
Interest, divds. & rents receivable	533	500	466
Total	$647,675	$404,002	$388,530

Liabilities—	1927	1926	1925
Capital stock	$5,000	$5,000	$5,000
Funded debt	100,000	100,000	100,000
Non-negot. debt to affil. cos. Construction advances— W. & Ph. Tr. Co.	542,148	298,488	283,049
Surplus	547	514	481
Total	$647,675	$404,002	$388,530

Officers: T. W. Wilson, Pres., Wilmington, Del.; F. J. Rutledge, V-P.; G. W. Curran, Sec., Philadelphia, Pa.; C. E. Yost, Treas. & Asst. Sec., Wilmington, Del.; Johns Hopkins, Asst. Sec., Philadelphia, Pa.; J. L. Eicholtz, Asst. Sec. & Aud., Wilmington, Del.; E. MacMorris, Asst. Treas., Philadelphia, Pa.; E. M. Andersen, Asst. Treas., Wilmington, Del.

Directors: William W. Bodine, P. H. Gadsden, James T. Hutchings, Paul Thompson, Philadelphia, Pa.; T. W. Wilson, Wilmington, Del.

Offices, Chester, Pa., and 1401 Arch St., Philadelphia, Pa.

CHESTER TRACTION COMPANY

(Operated under Lease by Southern Pennsylvania Traction Co.)

History—Incorporated April 23, 1894, in Pennsylvania. Leases the Union Ry. Co. of Chester for 990 years from June 30, 1910; the Chester, Darby & Philadelphia Ry. for 990 years from Jan. 1, 1894; the Chester & Media Electric Ry. for 98 years from April 3, 1893; the Chester St. Ry. for 90 years from Jan. 12,

1891; under assignment by Union Railway Co. of Chester, Pa.; also leases the Chester & Delaware St. Ry. Leased to Southern Pennsylvania Traction Co. for 999 years from July 1, 1910. Length of line, 32.52 miles. Gauge, 5 ft. 2½ in. Rail, 60 to 90 lb. T and girder.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $50. All owned by Wilmington & Chester Traction Co.

FUNDED DEBT

$250,000 First Gold Extended 5s; dated May 1, 1894; due May 1, 1944 (extended from May 1, 1914); int. May and Nov. 1, at Guarantee Trust & Safe Deposit Co., Philadelphia, Pa., substitute Trustee. Coupon, $1,000; principal may be registered. A first lien on lines owned. Company pays Normal Federal Income Tax up to 2%,

Officers: Walter A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.

Directors: T. W. Grookett, Jr., Walter A. Rigg, John W. Goodwin, Daniel Houseman, William McIlvain.

Office, Chester, Pa.

RAILWAYS LEASED TO UNION RAILWAY CO.

CHESTER STREET RY. (Operated under Lease)—Incorporated July 13, 1882, for 99 years in Pa. Leased to Union Railway Co. of Chester, Pa., at an annual rental of $15,200 and the assumption of all obligations. The stock is owned by Chester Traction Co. Properties are operated by Southern Pennsylvania Traction Co., which company leases the Chester Traction Co. Length of line, 7.55 miles. Gauge, 5 ft. 2¼ in. Rail, 90 lb. T. and 122 lb. girder.

CAPITAL STOCK

Authorized and outstanding, $150,000; par, $50. All owned by the Chester Traction Co. Dividends of 10% per annum are paid Jan. and July.

FUNDED DEBT

None.

Office, Chester, Pa.

CHESTER & MEDIA ELECTRIC RY. (Operated under Lease)—Incorporated April 18, 1892, in Pa. Leased to Union Railway Co. of Chester, Pa. Operated by Southern Pennsylvania Traction Co., which company leases the Chester Traction Co. at an annual rental of $11,200. Length of line, 5¼ miles.

CAPITAL STOCK

Authorized and outstanding, $100,000. Dividends of 6% per annum are paid Jan. and July. Of this stock $35,000 is owned by Chester Traction Co.

FUNDED DEBT

$100,000 First Gold 5s; dated 1913; due Jan. 1, 1943; int. Jan and July 1, at Delaware County Trust Co., Chester, Pa., Trustee. Company pays Normal Federal Income Tax up to 2%.

Office, Chester, Pa.

CHESTER, DARBY & PHILADELPHIA RY. (Operated under Lease)—Incorporated June 20, 1892, in Pa. Leased to Chester Traction Co. at annual rental of $13,450. Length of line, 7.38 miles.

CAPITAL STOCK

Authorized, $125,000; outstanding, $100,000. Dividends of 6% per annum are paid Jan. and July. A majority ($65,000) of the stock is owned by Chester Traction Co.

FUNDED DEBT

$125,000 First Gold 5s; dated July 1, 1913; due July 1, 1943; int. Jan. and July 1, at Continental-Equitable Title & Trust Co., Philadelphia, Trustee. Company pays Normal Federal Income Tax up to 2%.

Officers: W. A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.

Directors: J. F. Black, Richard Wetherill, Chester, Pa.; J. W. Goodwin, Wilmington, Del.; Daniel Houseman, T. W. Grookett, Jr., Philadelphia.

Office, Chester, Pa.

UNION RAILWAY OF CHESTER (Operated under Lease)—Incorporated May 18, 1890, in Pa. Leased to Chester Traction Co. for 990 years from June 30, 1910. Length of line, 8.39 miles.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50; all owned by the Chester Traction Co.

FUNDED DEBT

$200,000 First Gold 5s; dated Jan. 1, 1913; due Jan. 1, 1943; int. Jan. and July 1, at Delaware County Trust Co., Chester, Pa., Trustee. Coupon, $1,000; principal may be registered. Company pays Normal Federal Income Tax up to 2%.

Officers: W. A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.

Office, Chester, Pa.

RAILWAYS LEASED TO SOUTHERN PENNSYLVANIA TRACTION CO.

DELAWARE COUNTY & PHILADELPHIA ELECTRIC RY. (Operated under Lease)—Incorporated May 11, 1892, in Pa. Leased to Southern Pennsylvania Traction Co. for 990 years from July 1, 1910. Length of line owned, 9 miles; total track, 10 miles. Gauge, 5 ft. 2 in. Rail, 80 lb. T. and 122 lb. girder. Cars, 27.

CAPITAL STOCK

Authorized, $500,000; outstanding, $300,000; par, $50. All owned by the United Power & Transportation Co. Annual meeting, second Monday in January.

FUNDED DEBT

$64,000 First 5s; dated July 1, 1913; due July 1, 1943; int. Jan. and July 1, at Continental-Equitable Title & Trust Co., Philadelphia, Trustee. Coupon, $500. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Officers: W. A. Rigg, Pres.; Daniel Houseman, V-P.; T. W. Grookett, Jr., Sec. & Treas., Philadelphia.

Directors: Daniel Houseman, T. W. Grookett, Jr., Philadelphia; W. A. Rigg, Reading, Pa.; J. W. Goodwin, Wilmington, Del.

General Office, Clifton Heights, Delaware Co., Pa.

MEDIA, GLEN RIDDLE & ROCKDALE ELECTRIC STREET RY. (Operated under Lease)—Incorporated April 9, 1901, in Pa. Leased July 1, 1910, to Southern Pennsylvania Traction Co. for 990 years at annual rental of $5,000, maintenance and taxes.

CAPITAL STOCK

Authorized and outstanding, $82,000; par, $50. A controlling interest is owned by The United Gas Improvement Co.

FUNDED DEBT

None.

Officers: T. W. Wilson, Pres., Wilmington, Del.; F. J. Rutledge, V-P.; G. W. Curran, Sec.; I. W. Morris, Treas., Philadelphia, Pa.

Directors: W. W. Bodine, Paul Thompson, P. H. Gadsden, Philadelphia, Pa.; T. W. Wilson, Wilmington, Del.

General Office, Clifton Heights, Delaware Co., Pa.

CHESTER COUNTY LIGHT AND POWER COMPANY

(Controlled by The United Gas Improvement Co.)

History—Incorporated Dec. 30, 1913, in Pa.; merger of Chester County Electric Co. and six other electric light and power companies. Operates under franchises without time limit. Furnishes electric light and power to the boroughs of Kennett Square, Avondale, West Grove and adjacent territory. No. of customers, 2,300. Power purchased from Delaware Electric Power Co.

CAPITAL STOCK

Authorized, $150,000 Common; par, $100; outstanding, $145,000 Common. A controlling interest is owned by The United Gas Improvement Co.

FUNDED DEBT

$267,000 First Mortgage Gold 6s, of which $200,000 Series "A," and $67,000 Series "B," dated June 1, 1924; due June 1, 1954; interest June and Dec. 1, at Bank of North America & Trust Co., Philadelphia, Trustee. Coupon, $100, $500 and $1,000 (principal may be registered), and registered, $1,000; interchangeable. Authorized issue, $5,000,000. Subject to call as a whole or in part on any interest date at 105 and accrued interest. Secured by an absolute first mortgage on all the property of the company, both real and personal, now owned or hereafter acquired. The bonds are further secured by contract with the Delaware Electric Power Co. for the term of 35 years wherein the Delaware Company agrees to furnish all of the electrical energy required by the Chester County Light and Power Co. in the transaction of its present and future business. This contract is pledged with the trustee of the mortgage as additional security.

Guaranty—Unconditionally guaranteed, principal and interest, by endorsement, by the Delaware Electric Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free of Pennsylvania four mills tax.

Legal Opinion—Gill, Guckes & Shrader.

Original Offering—First publicly offered ($200,000) in August, 1924, by Newburger, Henderson & Loeb, and Bioren & Company, Philadelphia, at 99 and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$145,620	$129,894	$119,133
Oper. exp. and taxes	105,163	89,823	68,827
Net earnings	$40,457	$40,071	$50,306
Other income	2,929	3,884	3,505
Total income	$43,386	$43,955	$53,811
Bond interest	16,020	14,513	12,000
Other interest, etc.	3,943	2,768	4,816
Total charges	$19,963	$17,281	$16,816
Net income	$23,423	$26,674	$36,995

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$464,196	$444,736	$416,184
Materials and supplies	11,821	20,742	16,125
Cash	6,123	11,910	9,321
Accounts receivable	31,309	28,210	23,470
Unadjusted debits	2,862	3,418	226
Unamortized debt discount	28,603	29,687	20,517
Construct. work in progress	29,092	4,695	10,147
Miscellaneous assets	6,061	616	1,087
Total	$580,067	$544,015	$497,077
Liabilities—			
Capital stock	$145,000	$145,000	$145,000
Funded debt	267,000	267,000	200,000
Due affiliated cos.	87,679	28,058	75,998
Accounts payable	11,462	12,992	7,246
Other current liabilities	11,466	7,952	6,555
Reserve for taxes	15,601	11,408	3,461
Accrued liabilities	2,012	1,347	1,000
Deferred credits	2,200	2,775	4,587
Reserve for depreciation	11,418	10,538	8,451
Operating reserves	6,099	5,352	2,490
Appropriated surplus	9,377	6,273	3,343
Surplus	7,693	45,320	38,946
Total	$580,067	$544,015	$497,077

Officers: T. W. Wilson, Pres., Wilmington, Del.; F. J. Rutledge, V-P.; G. W. Curran, Sec.; C. E. Yost, Treas. & Asst. Sec., Wilmington, Del.; Johns Hopkins, Asst. Sec., Philadelphia, Pa.; J. L. Eicholtz, Asst. Sec. & Aud., Wilmington, Del.; E. MacMorris, Asst. Treas.; J. B. Townsend, 3rd, Asst. Treas., Philadelphia, Pa.; E. M. Andersen, Asst. Treas., Wilmington, Del.

Directors: William W. Bodine, P. H. Gadden, James T. Hutchings, Paul Thompson, Philadelphia, Pa.; T. W. Wilson, Wilmington, Del.

General Office, Kennett Square, Pa. **Philadelphia Office,** 1401 Arch Street.

LEBANON VALLEY GAS COMPANY

(Controlled by The United Gas Improvement Co.)

History—Incorporated October 1, 1926 in Pa.; a merger and consolidation of Lebanon Gas & Fuel Co., Annville & Palmyra Gas & Fuel Co. and Hummelstown Gas & Fuel Co. Serves with gas Lebanon, Annville, Palmyra, Hershey and Hummelstown, Pa. Miles of gas mains, 71.87. Population served, approximately 45,000. Number of meters, 3,727. Annual sales, 106,889,100 cu. ft.

CAPITAL STOCK

Authorized, $1,000,000 Common and $400,000 cumulative Preferred; outstanding $977,100 Common; par value of both classes, $50.

Preferred Stock Provisions—Preferred stock will be redeemable at $55 and accrued dividend upon 30 to 60 days' notice.

Transfer Agents (Pfd.)—First National Bank, Lebanon, Pa.; (Common), Lebanon Valley Gas Co., Lebanon, Pa.

Registrar (Preferred)—Lebanon County Trust Co., Lebanon, Pa.

FUNDED DEBT

$500,000 LEBANON GAS & FUEL COMPANY FIRST MORTGAGE 5% FIFTY-YEAR GOLD BONDS; DUE MARCH 1, 1956

Dated March 1, 1906.

Interest Payable March and September 1 at Guaranty Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized and issued, $500,000.

Callability—Subject to call upon two months' notice on any interest date at 105 and interest.

Security—Secured by first mortgage on all property rights, franchises, etc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$159,182
Operating expenses	116,231
Net earnings	$42,951
Income deductions	31,458
Net income	$11,493

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant & property, including real estate	$1,724,000
Unamortized debt discount and expense	62,107
Advance items	115
Notes receivable	1,550
Accounts receivable	27,861
Materials and supplies	15,831
Cash	14,029
Total	$1,845,493
Liabilities—	
Common stock	$977,100
Funded debt	500,000
Call loans	88,350
Accounts payable	11,801
Accrued accounts	9,289
Reserve for retirements	143,525
Other reserves	4,628
Profit and loss	110,800
Total	$1,845,493

Officers: W. A. Norris, Pres., Lebanon, Pa.; F. J. Rutledge, V-P.; J. A. Perry, V-P.; G. W. Curran, Sec.; I. W. Morris, Treas.; J. A. Pearson, Pur. Agt., Philadelphia, Pa.

Directors: Wm. W. Bodine, P. H. Gadsden, J. T. Hutchings, J. B. Klumpp, Paul Thompson, Philadelphia, Pa.

General Office, Lebanon, Pa. Philadelphia Office, Broad and Arch Sts., Philadelphia, Pa.

THE PHILADELPHIA GAS WORKS COMPANY

(Controlled by The United Gas Improvement Company)

History—Incorporated July 14, 1927, in Pennsylvania. The United Gas Improvement Company assigned to this Company lease with the City of Philadelphia, effective Jan. 1, 1928, for the management of the municipal gas works of the City of Philadelphia. Miles of gas mains, 1,868.78. Number of meters, 480,276. Annual sales, 18,237,015,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $500,000; par $100. All owned by The United Gas Improvement Company. Annual meeting, first Monday in February.

FUNDED DEBT

None.

Officers: A. W. Thompson, Chrm. of Board; Paul Thompson, Pres.; W. H. Gartley, V-P.; W. H. Marshall, V-P. & Treas.; Edmund Thayer, Sec.; J. A. Pearson, Pur. Agt.

Directors: A. W. Thompson, Chairman, Paul Thompson, W. W. Bodine, P. H. Gadsden, F. J. Rutledge.

General Office, 1401 Arch St., Philadelphia, Pa.

ST. CHARLES GAS COMPANY

History and Property—Incorporated in 1923, in Mo.; effective Aug. 27, 1923, purchased property and assets and continued the operation of the St. Charles Lighting Co. (see 1923 Public Utility Manual, page 164 or apply to our Information Department). Supplies gas to St. Charles, Mo. Population served, 10,000. Miles of mains, 23.5. Number of services, 2,051; meters, 1,690; consumers, 1,671. Gas sales in 1926, 29,772,100 cu. ft. Prices: $1.00 for first 500 cu. ft. or less per month; $1.85 per 1,000 for next 4,500 cu. ft.; $1.60 per 1,000 for next 5,000 cu. ft.; $1.20 per 1,000 for next 20,000 cu. ft. per month; 90 cents per 1,000 in excess of 30,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $160,000; par, $100. No dividends paid. Annual meeting, second Tuesday in January at St. Louis, Mo.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925	1924
Gross earnings	$55,188	$51,165	$46,739
Oper. exp., taxes & deprec.	42,944	40,207	41,550
Net earnings	$12,245	$10,958	$5,189
Other income	2,183	2,023	2,131
Total income	$14,427	$12,981	$7,320
Interest charges	830	1,915	1,360
Net income	$13,598	$11,067	$5,960

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925
Property & plant	$203,271	$201,417
Cash	2,724	853
Accounts receivable	4,387	3,753
Materials and supplies	3,623	3,685
Prepaid accounts	246	399
Total	$214,251	$210,107
Liabilities—		
Capital stock	$160,000	$160,000
Accounts payable	5,731	19,934
Other current liabilities	1,228	649
Accrued liabilities	2,346	1,968
Reserves	11,522	7,729
Profit and loss surplus	33,424	19,927
Total	$214,251	$210,107

Officers: L. H. Egan, Pres. & Treas.; F. J. Boehm, V-P. & Sec., J. C. Faris, Aud., St. Louis, Mo.; Henry Reeves, Gen. Mgr. & Pur. Agt., St. Charles, Mo.

Directors: L. H. Egan, F. J. Boehm, Wm. Avery, St. Louis, Mo.

General Office, St. Charles, Mo. **Executive Office,** 12th & Locust Sts., St. Louis, Mo.

LA CORPORATION DE TELEPHONE & POUVOIR DE QUEBEC

History—Incorporated in the Province of Quebec and acquired the assets and liabilities of Compagnies d'Utilites Publiques. Company owns 80% of the Pfd. and Common stock of Compagnie de Telephone Nationale, all of the capital stock of Compagnie de Telephone Matane-Gaspe and 343 shares of stock of Compagnie de Telephone de Kamouraska. Company furnishes, without competition, local and long distance telephone service over 2,112 miles of lines extending from the county of Levis to the counties of Matane and Bonaventure.

CAPITAL STOCK

Authorized and outstanding, 15,000 Ordinary shares of no par value and 2,000 Ordinary shares, subject to call.

FUNDED DEBT

(1)

$200,000 FIRST MORTGAGE COLLATERAL 5% BONDS, SERIES "A"; DUE ANNUALLY NOVEMBER 1, 1931 TO 1947, INCLUSIVE

Dated November 1, 1927.

Interest Payable May and November 1, at Banque Canadienne Nationale, Quebec, etc.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Sun Trust Co., Ltd., Quebec.

Provisions of Issue—Authorized, $10,000,000; issued, Series "A," $200,000 and Series "B," $400,000. Additional bonds may only be issued under the restrictions of the mortgage.

Callability—Series "A" bonds are subject to call at 102 and interest.

Security—Bonds are the direct obligation of the Company and are a first mortgage on its properties.

Legal Opinion—Gagnon & Simard (for the Corporation), and J. L. Perron (for the Trustee).

Original Offering—First publicly offered ($200,000 Series "A") in January, 1928, at prices ranging from 98.25 to 95.25, to yield 5.40% according to maturity, by La Corporation de Prets de Quebec, Quebec.

(2)

$258,530 FIRST MORTGAGE COLLATERAL 5% BONDS, SERIES "B"; DUE ANNUALLY JULY 1, 1927 TO 1952, INCLUSIVE

Issued $400,000, of which $141,470 are held in escrow. No further details available.

SUBSIDIARY COMPANY BONDS

The Cie. de Telephone Nationale has outstanding $177,600 of bonds due serially to 1939. Original issue, $225,000 of which $25,700 are held in the treasury and $21,700 in sinking fund, leaving $177,600 outstanding.

NET EARNINGS, YEARS ENDED OCTOBER 31
(After operating expenses, charges and interest)

1923	$85,829	1925	$98,636
1924	95,535	1926	101,547
1927	$107,783		

CONSOLIDATED BALANCE SHEET, NOVEMBER 3, 1927

Assets—	
Property account	$927,898
Investments	34,300
Cash	19,435
Accounts receivable	2,657
Interest receivable	20,136
Materials and supplies	18,927
Other assets	24,427
Organization expense	233,620
Total	$1,281,400
Liabilities—	
Capital stock	$85,000
Funded debt	436,130
Acounts payable	4,178
Due J. A. Brillant	175,470
Other liabilities	14,095
Reserve for depreciation	166,932
Other reserves	141,470
Surplus	258,125
Total	$1,281,400

Officers: J. A. Brillant, Pres.; Ant. Galipeault, 1st V-P.; P. E. Gagnon, Sec.; Ernest Beaubein, Dir.-Gen.

Address, c/o La Corporation de Prets de Quebec, 98 Rue St. Pierre, Quebec.

MID-CONTINENT UTILITIES CORPORATION

History and Property—Incorporated in Delaware. Through its operating subsidiaries, **South Central Telephone Company** and **Southern Indiana Utilities Corporation,** Company furnishes local and long distance telephone service in Aliceville, Carrollton, Fayette, Gordo, Guin, Hackleburg, Haleyville, Hamilton, Reform, Sulligent, Vernon and Winfield, Ala.; Baldwyn, Belmont, Ellistown, Fulton, Guntown, Houlka,

Saltill, Sherman, Tishomingo and Wheeler, Miss., and rural territory adjacent to these communities; and natural gas is served to Corydon, Laconia and New Middletown, Ind. and (at wholesale only) in Louisville, Ky. The population of the communities and adjacent rural territory served (not including Louisville) is approximately 83,000. Company operates 22 exchanges and approximately 4,400 interconnected stations.

CAPITAL STOCK

Outstanding, 20,000 shares Common and $200,000 7% cumulative Pfd. No further details available.

FUNDED DEBT

(1)

$500,000 TEN-YEAR 6% FIRST LIEN GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1938

Dated February 1, 1928.

Interest Payable February and August 1 at Union Trust Co., Chicago.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Chicago.

Provisions of Issue—Issued, Series "A," $500,000. Additional bonds may be issued in one or more series, with interest rates, maturity dates, redemption and other terms and conditions not inconsistent with the Trust Indenture under which all of said bonds are to be issued, as shall be provided in an indenture supplemental thereto with respect to each series as created, provided that earnings applicable to bond interest (as defined in the Indenture) for twelve consecutive calendar months within fifteen calendar months immediately preceding the date of application for issuance of bonds, shall have been not less than twice the annual interest charges on all bonds of this issue outstanding, including those proposed to be issued, and subject and pursuant to the other provisions of said Trust Indenture.

Purpose of Issue—Proceeds were used to reimburse the Company for expenditures made in acquiring properties, to provide a substantial amount of cash for completion of the present development and construction program and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and accrued interest to and including Feb. 1, 1929, this premium of 5% of the principal decreasing at the rate of ½% of the principal on each Feb. 1, thereafter to and including Feb. 1, 1937, and at 100 and accrued interest on Aug. 1, 1937.

Sinking Fund—On Dec. 1, 1929 and Dec. 1, 1930, the Company covenants to pay to the Trustee as a sinking fund for the purchase or redemption of Series "A" bonds, an amount equivalent to 1% of the greatest principal amount of bonds of such series outstanding at any time during the preceding ten months; and on Dec. 1, 1931 and Dec. 1, 1932, an amount equivalent to 2% of such principal amount of such series; and on Dec. 1, 1933 and Dec. 1, 1934, an amount equivalent to 3% of such principal amount of such series; and on Dec. 1, 1935 and Dec. 1, 1936 an amount equivalent to 4% of such principal amount of such Series "A" bonds.

Security—Bonds are the direct obligation of the company and are specifically secured by the deposit of all of the outstanding bonds of the subsidiary companies or cash or bonds of this issue equivalent to the par value of such outstanding bonds not obtainable at or below the redemption price, and by similar deposit and pledge of all of the Pfd. and Common stocks (no Pfd. stock outstanding) of South Central Telephone Company and more than 90% of the outstanding Common stock of Southern Indiana Utilities Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Mayer, Meyer, Austrian & Platt, Chicago.

Original Offering—First publicly offered ($500,000) in Feb., 1928, at 98½ and interest to yield 6.20% by J. S. Martin & Co., Chicago.

(2)

$200,000 ONE-YEAR 5% GOLD NOTES; DUE FEBRUARY 1, 1929

Dated February 1, 1928.

Interest Payable February and August 1 at Union Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000.

Trustee—Union Trust Co., Chicago.

Callability—Subject to call as a whole or in part Aug. 1, 1928 on 15 days' notice, at 100 and accrued interest.

Security—Notes are the direct obligation of the Company, which covenants that it will not issue additional First Lien Gold bonds or create any additional long term indebtedness unless the balance of net earnings (as defined in the Trust Indenture) applicable to the notes of this issue shall be not less than 3 times annual interest requirements on the notes of this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Mayer, Meyer, Austrian & Platt, Chicago.

Original Offering—First publicly offered ($200,000) in Feb., 1928, at 99 and interest to yield 6% by J. S. Martin & Co., Chicago.

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$145,655
Operating expenses, maintenance and taxes (other than Federal Income taxes)	61,825
Net earnings	$83,830
Balance of net earnings (after deducting net earnings accruing to minority stockholders)	79,607
Annual interest charges on 6% First Lien Gold bonds, Series "A"	30,000
Balance of net earnings applicable to notes	$49,607
Annual interest on notes	10,000

Officer: Arthur G. Miller, Pres.

Address, c/o J. S. Martin & Co., Union Trust Bldg., Chicago, Ill.

ILLINOIS NORTHERN TELEPHONE COMPANY

History and Property—Company owns and operates without competition telephone properties in Kewanee and Monmouth, Illinois, and has also acquired the properties of the Macomb Telephone Co., Macomb, Ill. The combined properties serve Henry, Warren and McDonough Counties, having a total population of over 90,000. The Company has over 10,000 connected stations. Long distance service is handled in connection with the lines of the Illinois Bell Telephone Co. and the American Telephone & Telegraph Co. under a joint operating agreement.

CAPITAL STOCK

Outstanding, $325,000. No details available.

FUNDED DEBT

(1)

$140,000 KEWANEE HOME TELEPHONE CO. FIRST GOLD 6½s; DUE JULY 1, 1943

Dated July 1, 1923.

Interest Payable January and July 1 at Chicago Trust Co., Chicago, Ill.

Trustee—Chicago Trust Co., Chicago.

Security—Secured by a first mortgage on the property of the former Kewanee Home Telephone Co.

(2)

$250,000 ILLINOIS NORTHERN TELEPHONE CO. FIRST AND REFUNDING 6% GOLD BONDS, SERIES "A"; DUE JULY 1, 1945

Dated July 1, 1925.

Interest Payable January and July 1, at Chicago Trust Co., Chicago, Ill.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Authorized, $1,000,000; issued, $250,000 Series "A" and $200,000 Series "B." $140,000 are being held for the retirement of the Kewanee Home Telephone Co. First Gold 6½s. Additional bonds may be issued up to 75% of the cost or fair value of extensions and improvements to property but only when net earnings after depreciation shall have been at least 1¾ times interest charges on all bonds, including those to be issued.

Security—Secured by a first mortgage on all the land, building and telephone properties of the Company in McDonough and Warren counties, which include the cities of Macomb and Monmouth, and by a mortgage subject only to $140,000 Kewanee Home Telephone Co. First Gold 6½s, on all of the property in Henry County, which includes the city of Kewanee. The present depreciated value of the combined properties has been estimated at over $1,012,132.

(3)

$200,000 FIRST AND REFUNDING MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE OCTOBER 1, 1947

Dated October 1, 1927.

Interest Payable April and October 1 at Chicago Trust Co., Chicago, Ill.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue and Security—See description of Series "A" bonds (paragraph 2).

Purpose of Issue—Proceeds were used for the acquisition of the Macomb properties.

Callability—Subject to call on any interest date at 104 and accrued interest.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania and Connecticut personal property taxes and Massachusetts State Income Tax refunded upon application as provided in the mortgage.

Legal Opinion—Fisher, Boyden, Kales & Bell, Chicago.

Original Offering—First publicly offered ($200,000) in Oct., 1927 at par and interest by Chicago Trust Co., Chicago.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross revenue	$209,734
Oper. exp., maint., taxes (incl. Fed. Inc. Tax)	119,560
Balance	$90,174
Interest on funded debt	26,500
Funded debt expense	1,046
Depreciation	39,027
Balance for dividends and surplus	$23,601

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant and equipment	$1,044,748
Investments	2,000
Marketable securities	10,000
Cash	35,867
Materials and supplies	22,116
Accounts receivable	38,144
Deferred charges	32,129
Total	$1,185,004
Liabilities—	
Capital stock	$325,000
Funded debt	590,000
Accounts payable	22,045
Accrued liabilities	18,510
Reserve for depreciation	203,235
Surplus	26,214
Total	$1,185,004

Officer: O. M. Burgess, Pres.

General Office, 213 N. Main St., Kewanee, Ill.

TEXAS-GULF POWER COMPANY

History and Property—Incorporated in 1927 in Del. Company owns and operates a number of public utility properties located in a territory southeast of Houston and northwest of Galveston, Tex. The towns served include Angleton, Brazoria, Dickinson, Danbury, East Columbia, West Columbia, Lake Shores, League City, San Leon, Sweeney, Velasco, Texas City and Freeport. Eleven of the communities are served with electric light and power, one with electric and water and one with ice.

CAPITAL STOCK

Authorized, 5,000 shares Common of no par value and $100,000 7% cumulative Pfd.; outstanding, 4,000 shares Common and $50,000 Pfd. No further details available.

FUNDED DEBT

$900,000 ONE-YEAR 5% GOLD NOTES; DUE JUNE 1, 1928

Dated June 1, 1927.

Interest Payable June and December 1 at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized and issued, $900,000.

Purpose of Issue—Proceeds from sale of these notes were to be used in part for the acquisition of properties, for transmission line extensions and other capital purposes.

Callability—Subject to call as a whole or in part on 30 days' notice at 100½ and interest.

Security—A direct obligation of Company. Under terms of the Trust Agreement Company covenants that no funded indebtedness secured by liens on the present properties of the Company will be created unless these notes are either retired or equally secured.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago (for the bankers) and Frank B. Black, Chicago (for the Company).

Original Offering—First publicly offered ($900,000) in June, 1927 at 99 and interest, to yield over 6%, by R. E. Wilsey & Co., Inc. and Troy & Co., Chicago.

EARNINGS, YEAR ENDED MAY 31, 1927

Gross earnings	$215,150
Operating exps., maint. & taxes other than Federal income taxes	113,789
Net earnings before depreciation & Federal taxes	$101,361
Annual interest requirements on One-Year 5% Gold Notes	45,000

Officer: A. P. Barrett, Pres.

Address, c/o R. E. Wilsey & Co., 831 First National Bank Bldg., Chicago, Ill.

SOUTHERN INDIANA TELEPHONE & TELEGRAPH COMPANY

History and Property—Incorp. Dec. 30, 1919 in Ind.; supplies, without competition, telephone service to nine counties in southern Indiana, serving 13 counties, the more important towns being: Bicknell Brownstown, Loogootee, Medora, Mitchell, North Vernon, Orleans, Salem, Seymour, Scottsburg, Little York, Paoli and Worthington, serving a population in excess of 160,000. The Company owns and operates 36 exchanges, approximately 14,000 stations and more than 12,500 miles of pole lines. The Company has agreements with the Indiana Bell Telephone Company and American Telephone and Telegraph Company, which permit of long distance telephone service throughout the country for the territory served by them.

CAPITAL STOCK

Authorized and outstanding, 4,000 shares Common of no par value and $200,000 7% cumulative Pfd., par $100. The authorized capital stock of the Company was changed in Oct., 1927 from $300,000 Common to the amounts stated above and the new stock was distributed proportionately to the old stockholders.

Preferred Stock Provisions—Pfd. stock has preference for cumulative dividends at the rate of 7% per annum, and no dividends may be declared on the Common until Pfd. dividends have been paid in full and the full dividend for the then current dividend period shall have been set aside. Pfd. stock is subject to redemption as a whole or in part on any dividend date on 20 days' notice at $105 per share and accrued dividends. In the event of liquidation, dissolution or winding up of the affairs of the Corporation, Pfd. stock is entitled to $105 per share together with unpaid cumulative dividends before any distribution is made to the Common.

Annual Meeting—Third Saturday in January.

Dividends—No dividends paid.

FUNDED DEBT

(1)

$410,000 FIRST MORTGAGE GOLD 6s, SERIES "A"; DUE JULY 1, 1945

Called for redemption Jan. 1, 1928, at 105 and interest at Continental National Bank & Trust Co., Chicago, Trustee.

(2)

$1,000,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JUNE 1, 1947

Dated June 1, 1927.

Interest Payable June and December 1 at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago, Ill.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A," $1,000,000. Additional bonds or subsequent series of bonds may be issued for permanent improvements, extensions or additions, but not to exceed 75% of the cost of same, or if issued for the acquisition of any telephone property, as an entirety, then not to exceed 75% of the fair depreciated value, only when net earnings as defined in the indenture for any 12 consecutive months embraced within the 15 months prior to the issuance of the new bonds shall not have been less than two times the annual interest charges on the bonds then outstanding and those proposed to be issued. Additional bonds may also be issued for the refunding of an equal principal amount of bonds previously issued under the trust indenture.

Purpose of Issue—Issued for the acquisition of additional properties and for the retirement of funded debt.

Callability—Subject to call as a whole or in part on any interest payment date on 30 days' notice to and including June 1, 1932, at 105 and accrued interest; thereafter to and including June 1, 1937, at 104 and accrued interest; thereafter to and including June 1, 1942 at 103 and accrued interest; thereafter to and including June 1, 1945 at 102 and accrued interest; thereafter and prior to June 1, 1947 at 101 and accrued interest.

Sinking Fund—None provided.

Maintenance, Renewal, Replacement and Depreciation Reserve—The indenture provides that the Company set up annually and credit to its depreciation and maintenance fund, a sum not less than 25% of the gross revenue derived from the operation of its properties and it provides further that expenditures for maintenance and renewals shall be charged to these reserves and that any portion of the reserves not exhausted by such charges shall be expended for additions and improvements against which no new first mortgage bonds may be issued, or for the retirement of bonds at not to exceed the call price.

Security—Secured by a direct first mortgage on all the real and physical property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California four mills tax, Maryland 4½ mills tax, Iowa 6 mills tax and Massachusetts income tax, not exceeding 6%, refunded upon proper and timely request.

Legal Opinion—Brundage & Gorman, Chicago.

Original Offering—First publicly offered ($1,000,000) in Sept., 1927, at par and interest by Thompson, Kent & Grace, Inc. and Hoagland, Allum & Co., Inc., Chicago, etc.

INCOME ACCOUNT, YEARS ENDED

	June 30, 1927	Dec. 31, 1926	Dec. 31, 1925
Total income	$321,139	$196,651	$187,058
Operating expenses & taxes	179,062	126,605	114,003
Net inc. avail. for bond int. & deprec.	$142,077	$70,046	$73,055

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925
Property account	$808,039	$644,206
Other investments	7,290	5,790
Cash	14,656	
Notes & accounts receivable	14,465	50,450
Materials & supplies	25,738	
Deferred charges	50,661	50,025
Total	$920,848	$750,471
Liabilities—		
Common stock	$300,000	$300,000
Funded debt	410,000	275,000
Notes and accounts payable	55,711	31,457
Reserve for taxes	.....	7,968
Deferred credit items	12,810	19,606
Reserve for bad accounts	1,243	.....
Reserve for depreciation	56,098	47,376
Corporate surplus unappropriated	84,986	69,064
Total	$920,848	$750,471

Officers: Lon C. Griffitts, Pres.; Hardin H. Carter, V-P.; Elbert S. Welch, Sec., Treas. & Gen. Mgr.; O. L. Doud, Compt., Seymour, Ind.

Directors: Lon C. Griffitts, Hardin H. Carter, Elbert S. Welch, S. A. Barnes, Seymour, Ind.; John F. Kent, Chicago.

General Office, Seymour, Ind.

MOUNT CARMEL PUBLIC UTILITY & SERVICE CO.

History—Incorporated in 1913, in Ill., and on Dec. 22, 1913, succeeded to the properties, franchises, etc., of the Mt. Carmel Gas & Electric Co. and Mt. Carmel Light & Water Co. (see Manual for 1913, page 2078). Supplies electric light and power, water and gas to Mt. Carmel, Ill.

CAPITAL STOCK

Outstanding, $240,000; par, $20. Annual meeting, fourth Thursday in February. No dividends paid until 1924, when 6% was paid; 1925 and 1926, 6% each.

FUNDED DEBT

$35,800 Mt. Carmel Light & Water Co. First 5s; dated June 15, 1906; due serially to 1931; int. June and Dec. 15, at Continental & Commercial Trust & Savings Bank, Chicago, Ill., Trustee. These bonds are an obligation of the City of Mt. Carmel, and are guaranteed, principal and interest, by the City.

EARNINGS AND EXPENSES YEARS ENDED DEC. 31

(Latest Available)

	1926	1925	1924
Gross earnings	$149,332	$138,801	$131,036
Operating expenses	101,346	79,078	74,744
Net earnings	*$47,986	*$59,723	$56,292

*Before taxes, insurance and depreciation.

Officers: P. Barnhard, Pres.; Clyde Fearheiley, V-P.; A. D. Hill, Sec.; Russell Stansfield, Treas.; Lucile Keeler, Asst. Sec., Mt. Carmel, Ill.

Directors: P. Barnhard, Clyde Fearheiley, Chas. Reynolds, A. D. Hill, W. L. Lawson, Mt. Carmel, Ill.; Henry Hoppe, Cincinnati, Ohio.

General Office, Mt. Carmel, Ill.

ASSOCIATED TELEPHONE UTILITIES COMPANY

History—Incorporated Aug. 4, 1926, in Delaware, as a holding company. Controls through stock ownership the following companies: Associated Telephone Co. (Cal.), Commonwealth Telephone Co. (Wis.), Consolidated Telephone Company of Wisconsin, Illinois Commercial Telephone Co., Kansas State Telephone Co., The Michigan Home Telephone Co. and State Telephone Company of Texas. See appended statements.

Among the cities served are the following:

In Michigan: Muskegon, Ludington, Pentwater, Hart, Shelby, Whitehall, Montague, Hesperia, Dalton, Coopersville, Ravenna, Conklin, Grand Ledge, Holton and Waucausta.

In Illinois: Albion, Bridgeport, Harrisburg, Marion, Murphysboro, Carbondale, Benton, Christopher, Duquoin, Pinckneysville, Chester, Flora, Grayville, Lawrenceville, Mt. Carmel, Olney, Robinson, St. Francisville, Sumner, Wayne City, Noble, Allendale and Belvidere.

In Kansas: Galena, Baxter Springs, Columbus and Scammon.

In California: Long Beach, San Bernardino, Huntington Beach, Laguna Beach, Santa Monica and Redondo.

In Wisconsin: Richland Center, Dodgeville, Mineral Point, Edgerton, Mt. Horeb, Darlington, Prairie du Chien, Muscoda, Sun Prairie, Waterloo, Lake Mills, Two Rivers, Plymouth, Chilton, Kiel, Park Falls, Colby, Seymour and Calumet.

In Texas: Clarendon, Crosbyton, Lakeview, Lamesa, Matador, Memphis, Paducah, Post, Tahoka, Wellington, and a number of other communities.

In New Mexico: Carlsbad and Lovington.

The subsidiary companies operate 140,138 stations in 427 communities and serve without competition a total population in excess of 1,500,000. Through agreements with the Bell Telephone companies, the long distance toll lines of the Bell System throughout the United States and Canada, are available to all subscribers. The Company's subsidiaries and those being acquired (as of February, 1928) own 109 modern telephone exchange buildings and rent 99 additional buildings in which exchanges owned by them are operated. These properties also include 3,755 miles of toll pole line.

CAPITAL STOCK

Authorized, 250,000 shares of no par value (increased from 200,000 shares on Nov. 18, 1927); outstanding, Feb. 27, 1928, 42,770 shares Common, 16,303 shares $7 Prior Preferred and 25,000 shares $6 cumulative Prior Preferred. Of the authorized Prior Preferred stock 15,000 shares are set aside for the purpose of conversion of the Convertible Gold Debentures.

Prior Preferred Stock Provisions—Is preferred as to both assets and dividends over the Preferred and Common shares. $7 shares being entitled to $115 per share and $6 shares to $110 per share in voluntary liquidation. Redeemable at the option of Company at any time, upon 30 days' published notice at $115 per share for the $7 shares and $110 per share for the $6 shares, with accrued dividends in each case. The unissued Prior Preferred stock may be issued in one or more or all of these series, the shares of said series to be designated respectively, "$6 cumulative Prior Preferred stock," "$7 cumulative Prior Preferred stock," and "$8 cumulative Prior Preferred stock," provided only that the total number of shares of all series at any time outstanding shall not exceed the then total authorized number of shares of Prior Preferred stock. All shares of Prior Preferred stock, irrespective of series, shall constitute one and the same class of stock, shall be of equal rank, and shall be identical in all respects except only as to the rate of dividends payable thereon, the redemption price thereof, the extent of their preference as to assets in the event of voluntary dissolution and the designation thereof. The $7 Prior Preferred shares have no voting rights except when dividends are in arrears in excess of $3.50 then they have the same rights as the Common stock.

Transfer Agents—National Shawmut Bank, Boston, and Illinois Merchants Trust Co., Chicago.

Registrars—First National Bank, Boston, and First Trust & Savings Bank, Chicago.

Annual Meeting—Third Wednesday in April, at Wilmington, Del.

Legal Opinion (Pfd. Stock)—Ropes, Gray, Boyden & Perkins, Boston, and Ralph D. Stevenson, Chicago.

Listed—$7 Pfd. shares listed on Boston Stock Exchange.

Original Offerings—$7 Prior Preferred stock first publicly offered (10,128 shares) in September, 1926 at $98 and dividend to yield 7.14% by Paine, Webber & Co., New York and Mitchum, Tully & Co., San Francisco. $6 Prior Preferred stock first publicly offered (25,000 shares) in October, 1927, at $92 and dividend. to yield 6.52% by the same bankers.

Dividends—Initial quarterly dividend of $1.75 on $7 Prior Pfd. stock paid Dec. 15, 1926 and at same rate since; payments M, J, S & D 15. Initial quarterly dividend of $1.50 per share on $6 Prior Pfd. paid Dec. 15, 1927; March 15, 1928, $1.50 per share.

FUNDED DEBT

(1)

$1,379,500 FIFTEEN YEAR 6% CONVERTIBLE GOLD DEBENTURES SERIES "A"; DUE SEPTEMBER 1, 1941

Dated September 1, 1926.

Interest Payable March and September 1, in New York and Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—Authorized and issued, $1,500,000; outstanding, Feb. 27, 1928, $1,379,500.

Callability—Subject to call as a whole or in part at any time, on 30 days' notice, to and including Sept. 1, 1936 at 105 and interest and thereafter at 1% less for each year or fraction thereof to maturity.

Convertibility—Series A Debentures are convertible at any time prior to redemption or maturity into no par $7 Cum. Prior Pfd. stock upon basis of one share of such stock for each $100 par amount of Debentures.

Security—These debentures are direct obligation of Company. The Trust Agreement provides among other things, (a) that Company shall not incur any further indebtedness, other than current indebtedness maturing within one year from date of issue, and indebtedness on contracts for purchase of additional property, unless net earnings of Company defined in the Trust Agreement for a period of twelve consecutive months within the fifteen month immediately preceding date of issue are equal to at least twice the sum of annual interest charges upon all Debentures then outstanding, upon all other indebtedness not maturing within one year from date of its issue, and upon

ASSOCIATED TELEPHONE UTILITIES CO.

Paine, Webber & Co

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indebtedness then proposed to be issued, and (b) that Company will not create or permit to be created any mortgage, pledge or lien of any kind upon its property unless the Debentures then outstanding are secured thereby, provided, however, that this restriction shall not apply to liens on future acquired property existing at date of acquisition or created in connection with purchase thereof or to current indebtedness maturing within one year from date of issue or to current taxes not then due.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Pennsylvania, Connecticut and California 4 mills taxes, and Massachusetts Income tax up to 6%, refundable.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston, and Schubring, Ryan, Clarke & Peterson, Madison, Wis.

Original Offering—First publicly offered ($1,500,000) in September, 1926, at 99 and interest, to yield 6.10%, by Paine, Webber & Co., New York, etc., and Mitchum, Tully & Co., San Francisco, etc.

(2)

$1,750,000 FIFTEEN-YEAR 5% GOLD DEBENTURES, SERIES "B"; DUE OCTOBER 1, 1942

Dated October 1, 1927.

Interest Payable April and October 1 in New York and Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago.

Provisions of Issue—See above description of Fifteen Year 6% Convertible Gold Debentures, Series "A."

Purpose of Issue—Proceeds were used to pay, in part, for the acquisition of the entire issued and outstanding shares of Common stock (except directors qualifying shares) of Peoples Telephone & Telegraph Co., (since sold to Southern Bell Telephone & Telegraph Co., Inc.) Kansas State Telephone Co., Michigan Home Telephone Co. and Commercial Telephone Co. (now Illinois Commercial Telephone Co.) and for other corporate purposes.

Callability—Subject to call at any time as a whole or in part on 30 days' notice at 105 up to and including Oct. 1, 1937 and thereafter at 1% less for each succeeding year, or portion thereof, plus accrued interest in all cases.

Sinking Fund—None provided.

Convertibility—Series "B" debentures are not convertible.

Security—Debentures are the direct obligation of the Company. See also under Series "A" debentures above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California four mills tax, and Massachusetts income tax up to 6% refunded upon request within 60 days after payment.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($1,750,000) in Oct., 1927, at 95 and interest to yield 5.50% by Paine, Webber & Co., New York, etc. and Mitchum, Tully & Co., San Francisco, etc.

(3)

$2,000,000 ONE-YEAR 5% GOLD NOTES; DUE MARCH 1, 1929

Dated March 1, 1928.

Interest Payable—March and September 1 in Boston and Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Registrar—Continental National Bank & Trust Co., Chicago, Ill.

Provisions of Issue—Issued, $2,000,000.

Purpose of Issue—Proceeds from sale of these notes were to be used to acquire practically all the outstanding shares of Common stock of certain operating telephone companies in the states of California, Illinois, Wisconsin, Texas and New Mexico.

Callability—Subject to call at any time as a whole or in part on 30 days' notice at par and premium of ¼ of 1% up to and including September 1, 1928, and thereafter at par, plus accrued interest in all cases.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and agrees to reimburse holders of these notes, if requested within 60 days after payment, for the Pennsylvania, Connecticut and California 4 mills tax, and the Massachusetts income tax up to 6%.

Original Offering—First publicly offered ($2,000,000) in February, 1928, at par and interest by Paine, Webber & Co., New York, etc.

COMBINED EARNINGS, YEAR ENDED DECEMBER 31, 1927
(Associated Telephone Utilities Company and subsidiaries, including earnings from properties since acquired or to be acquired, and after giving effect to subsidiary refinancing in process)

Gross earnings	$4,527,467
Operating expenses, maintenance and taxes	2,314,121
Net earnings before depreciation	$2,213,346
Subsidiary companies' annual bond interest & Pfd. stock dividend requirements (including Minority Common stock interest amounting to $71,578)	846,237
Balance	$1,367,109
Annual interest charges on funded debt of Associated Telephone Utilities Co., incl. note issue	270,270
Balance available for reserves, Federal taxes and dividends	$1,096,839

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(For entire year of properties owned at that date)

Gross earnings	$3,193,629
Operating expenses, maintenance and taxes	1,646,801
Net earnings before depreciation	$1,546,828

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Associated Telephone Utilities Company and Subsidiaries)

Assets—	1927	1926
Plant, property, rights, franchises, etc.	$18,177,109	$6,467,399
Investments in other companies, etc.	187,375	11,472
Sinking fund deposits	94,513	186
Advance to officers	.....	12,781
Cash	430,025	251,186
Accounts receivable	135,076	60,551
Materials and supplies	334,472	122,652
Notes payable	21,812	.....
Unbilled toll revenues	80,390	.....
Suspense	44,263	.....
Deferred charges	57,298	9,187
Bond discount and exp. unamortized	698,100	176,293
Total	$20,260,433	$7,111,707
Liabilities—		
Common stock	$2,138,500	$1,615,000
Prior Preferred stock	3,930,300	1,026,300
Minority interest in capital stock and surplus of subsidiary companies	543,141	231,760
Funded debt	3,129,500	1,483,500
Mortgage indebtedness of subsidiaries in hands of public	6,936,000	1,894,000
Notes and accounts payable	613,960	73,961
Purchase contracts	86,250	.....
Subscribers advance payments	8,903	.....
Accrued payroll	.....	11,980
Accrued interest	170,692	74,702
Accrued taxes	217,036	83,238
Dividends payable	23,604	15,517
Miscellaneous current liabilities	2,498	7,300
Deferred liabilities	32,303	.....
Reserve for depreciation	2,042,580	459,917
Sundry reserves	36,512	8,802
Surplus	348,654	125,731
Total	$20,260,433	$7,111,707

Officers: Marshall E. Sampsell, Pres., Chicago, Ill.; S. L. Odegard, V-P., Madison, Wis.; Morris F. La Croix, V-P., Boston, Mass.; Leroy J. Clark, Sec. & Treas., Chicago, Ill.

Directors: Marshall E. Sampsell, Martin J. Insull, Chicago, Ill.; S. L. Odegard, J. F. O'Connell, J. B. Schubring, Madison, Wis.; Morris F. La Croix, Boston, Mass.

General Office, 111 King St., Madison, Wis.

ASSOCIATED TELEPHONE COMPANY

(Controlled by Associated Telephone Utilities Co.)

History and Property—Incorporated in Cal. Company operates without competition the telephone systems of the cities of Long Beach and San Bernardino, Cal., and adjacent territory, having a present estimated population of 200,000. These systems were formerly owned and operated in competition by the Pacific Telephone & Telegraph Co. and the Home Telephone Co. No. of stations, Dec. 31, 1927, 34,588. Has a reciprocal contract with Pacific Telephone & Telegraph Co. and U. S. Long Distance Co. for long distance facilities and other services which are advantageous to all companies.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,511,800; par, $100. The Associated Telephone Utilities Co. owns $1,340,100 of the outstanding stock. Annual meeting, second Tuesday after first Monday in February.

Dividends—Dividends at rate of $8.40 per annum regularly paid from 1921 to date.

FUNDED DEBT

$1,550,000 MORTGAGE AND COLLATERAL TRUST GOLD 6s; DUE AUGUST 1, 1950

Dated October 1, 1920.

Interest Payable February and August 1 at Merchants National Bank, Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Title Insurance & Trust Co., Los Angeles.

Provisions of Issue—Authorized issue, $2,000,000; outstanding, Dec. 31, 1927, $1,550,000. Additional bonds may be issued up to the authorized amount to provide for 75% of the cost of new construction, when earnings available for interest are 1½ times the interest on bonds outstanding, plus those to be issued.

Callability—Subject to call at option of company on any interest date on 30 days' notice, on or after Aug. 1, 1925, at 105 and interest.

Sinking Fund—A sinking fund of 2% per annum of outstanding bonds to accrue from Oct. 1, 1925, to be used to purchase bonds at not to exceed 105 and interest.

Security—A first lien on entire property now owned or hereafter acquired. There are no underlying or divisional bonds ahead of this issue.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from personal property taxes in California.

Legal Opinion—Heller, Ehrman, White & McAuliffe (for the Bankers); W. W. Butler (for the Company).

Legal for Savings Banks in California.

Original Offering—A block of these bonds were offered in 1923 at 98 to yield 6.15%, a further $200,000 in 1925 at 101, yielding over 5.90%, and $100,000 in 1926 at 102¼, yielding over 5.80%, by Mitchum, Tully & Co., San Francisco and Los Angeles.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross receipts	$1,057,731	$945,013	$790,201
Oper. exp. and taxes	399,048	410,140	500,772
Depreciation	189,445	174,085	
Net earnings	$469,238	$360,788	$289,428
Bond interest	94,039	94,877	91,220
Other interest, etc.	1,254	10,240	10,350
Amortization of disc. & exp.	3,097	23,759	.....
Total charges	$98,390	$128,876	$101,570
Net income	370,848	231,911	187,859
Discount on capital stock	.....	52,094	.....
Dividends paid	126,991	126,991	110,684
Reserve for income tax	50,466	.....	.....
Surplus for year	$193,391	$52,826	$77,175

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Plant and equipment	$3,926,950	$3,608,902	$3,435,434
Investments	343,263	213,562	.....
Cash & current receivables	130,379	297,130	357,841
Deferred charges	125,437	44,263	147,710
Total	$4,526,029	$4,163,857	$3,940,985
Liabilities—			
Capital stock	$1,511,800	$1,511,800	$1,511,800
Funded debt	1,550,000	1,569,000	1,500,200
Current accounts	48,983	286,068	14,316
Deferred accts., taxes, etc.	428,183	126,142	355,798
Reserves	456,866	345,627	485,481
Surplus	530,197	325,221	73,390
Total	$4,526,029	$4,163,857	$3,940,985

Officers: S. L. Odegard, Pres.; Sam R. Heffley, V-P. & Gen. Mgr.; A. L. Hart, Sec.; A. Mahony, Aud., Long Beach, Cal.

Directors: S. L. Odegard, Sam R. Heffley, B. F. Tucker, Long Beach, Cal.; J. E. Fishburn, Los Angeles, Cal.; John E. Marble, Pasadena, Cal.; Marshall E. Sampsell, Chicago, Ill.; Morris F. LaCroix, Boston, Mass.

General Office, Long Beach, Cal.

COMMONWEALTH TELEPHONE COMPANY

(Controlled by Associated Telephone Utilities Co.)

History and Property—Incorporated in 1920 in Wis. Operates 20 telephone exchanges serving, without competition, 61 communities and surrounding territory in the north central, south central and southwestern parts of the State of Wisconsin and supplies electric light and power service to 1,210 customers in the cities of Mt. Horeb and Darlington, Wisconsin. The Company owns 9 modern telephone buildings and rents 11 additional buildings in which exchanges owned by the Company are operated. At December 31, 1927, the Company operated 14,075 stations. The Company owns 358 miles of toll pole line and through toll connections with the Wisconsin Telephone Company, the toll facilities of the Bell System are available to subscribers. The territory served by the Company covers an area of more than 5,000 square miles and includes a population in excess of 215,000. The properties are grouped for economical operation, being largely in the neighborhood of Wausau in north central Wisconsin, and in the general vicinity of Madison in southern Wisconsin. Among the communities served are Wausau, Tomahawk, Schofield, Rothschild, Edgerton, Mineral Point, Dodgeville, Richland Center, Prairie du Chien, Muscoda, Ridgeway, Barneveld, Sun Prairie, Waterloo, Lake Mills, Mt. Horeb and Darlington.

CAPITAL STOCK

Outstanding, $471,000 Common and $500,000 6% cumulative Preferred; par $100. Stock control held by Associated Telephone Utilities Co.

Preferred Stock Provisions—Preferred as to assets (up to $100 per share in event of liquidation) and as to dividends over Common stock. Subject to redemption as a whole or in part upon 30 days' notice at 110 and accrued dividend.

Transfer Agent—Illinois Merchants Trust Co., Chicago, Ill.

Registrar—First Trust & Savings Bank, Chicago.

Annual Meeting—Second Tuesday in January.

Original Offering—Preferred stock first publicly offered ($500,000) in April, 1928 at 98 and dividend to yield 6.10% by Mitchum, Tully & Co., San Francisco.

Dividends—Preferred dividends are payable quarterly, J, A, J & O 15. On Common, dividends have been paid as follows: 1921, 4%; 1922, none; 1923, 6%; 1924, 1½%; 1925 not reported; 1926, 20%; 1927, none.

FUNDED DEBT

$1,100,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1948

Dated March 1, 1928.

Interest Payable March and September 1, in Boston and Chicago.

Denominations—Coupon, $100, $1,000 and $5,000; principal may be registered. Fully registered bonds, $1,000 and $5,000. Coupon and registered bonds interchangeable.

Trustees—Continental National Bank and Trust Co., Chicago, and William P. Kopf.

Provisions of Issue—Authorized amount unlimited; issued $1,100,000 Series "A."

The Mortgage provides that, subject to the limitations thereof, in addition to $200,000 in principal amount of bonds of Series "A" issuable without restrictions, additional bonds of said series (or of other series bearing such rates of interest, maturing at such times and having such other provisions as the Board of Directors at the time of issuance may determine) may be issued for the refunding par for par, of bonds of other series and against the deposit, par for par, of cash or United States obligations and for reimbursing the Company to the extent of 75% of expenditures made for additions, improvements, betterments or extensions and to the extent of 75% of the cost or value (whichever is less) of purchased property acquired by the Company, provided that all such extensions and purchased property, shall be subject to the Mortgage as a first mortgage thereon. Bonds shall not be issued on account of expenditures made by the Company for such extensions or purchased property or for refunding bonds of another series bearing a higher interest rate, unless the net earnings, as defined in the Mortgage, of the Company during the 12 consecutive calendar months ending within 60 days next preceding the date of issuance shall have been at least 1¾ times the annual interest charges on all bonds then issued and outstanding under the Mortgage and those then proposed to be issued, less an amount of such bonds equal to the amount of cash deposited under the Mortgage against the issuance of bonds.

Purpose of Issue—Proceeds from sale of these bonds and of $500,000 Preferred stock were to be used to redeem bonds of the Company outstanding, to retire the funded debt of one of the companies being acquired, to reimburse the treasury of the Company for expenditures made to acquire certain additional telephone properties, and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time upon 30 days' notice at the following prices and accrued interest; On or before February 28, 1933 at 105; thereafter but on or before Feb. 28, 1938 at 103; thereafter but on or before Feb. 28, 1943 at 102; thereafter but on or before Feb. 28, 1947 at 101; after Feb. 28, 1947 at 100.

Maintenance and Renewal Fund—The Mortgage provides that during each calendar year beginning with the year 1929 the Company shall expend an amount not less than 20% of the gross earnings derived from operation of its mortgaged properties for (a) maintenance and/or renewal or replacement of its properties; (b) the making of extensions or the acquisition of properties on account of which the Company would otherwise be entitled to issue additional bonds; or (c) the redemption or the purchase and cancellation of any bonds issued under and secured by the Mortgage.

Security—Secured by a first mortgage on all the fixed properties, rights and franchises of Company now owned and on all such property hereafter acquired against which any bonds may be issued under the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, California and Connecticut 4 mills tax, and Massachusetts 6% income tax on interest, refundable if requested within 60 days after payment.

Original Offering—First publicly offered ($1,100,000) in March, 1928 at 99½ and interest, to yield over 5% by Paine, Webber & Co. and Second Ward Securities Co., Milwaukee, etc.

BOND REDEMPTION

The outstanding First Sinking Fund Gold 5½s, Series "A" dated April 2, 1925 and due April 2, 1945, were redeemed from part of the proceeds of the First Gold 5s, Series "A," due March 1, 1948, described above.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Commonwealth Telephone Co. Proper)

	1927	1926	1925
Gross earnings	$104,319	$101,740	$209,534
Oper. exp., taxes & deprec.	80,926	67,425	149,864
Net earnings	$23,393	$34,315	$59,670
Other income	.....	1,640	2,755
Total income	$23,393	$35,955	$62,425
Interest on bonds	11,485	12,260	14,590
Other interest	2,309	.....	575
Other fixed charges	735	3,744	16,531
Total charges	$14,529	$16,004	$31,705
Net income	$8,864	$19,951	$30,720
Common divds. (20%)	.....	16,200	.....
Surplus for year	$8,864	$3,751	$30,720

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Cost of properties	$334,460	$311,102	$587,973
Securities owned	190,740	197,960	.....
Materials and supplies	6,912	6,726	17,453
Cash	12,143	2,757	48,279
Notes receivable	15,000	15,000	2,950
Accounts receivable	49,412	3,958	23,660
Other current assets	.....	2,474	304
Deferred debit items	13,415	32,947	20,398
Total	$622,082	$572,925	$701,017
Liabilities—			
Common stock	$81,000	$81,000	$107,100
Preferred stock	.....	.....	26,100
Funded debt	318,500	325,000	325,000
Notes & accts. payable	99,193	60,190	25,326
Interest accrued	.....	.....	7,549
Other current liabilities	8,108	6,218	2,101
Reserve for taxes	.....	.....	4,577
Deferred credit items	4,230	12,213	1,574
Reserve for depreciation	38,956	41,102	130,232
Other reserves	.....	.....	2,289
Profit and loss	72,095	47,202	81,269
Total	$622,082	$572,925	$701,017

Officers: S. L. Odegard, Pres.; J. F. O'Connell, V-P. & Gen. Mgr.; E. M. Hiestand, Asst. Sec. & Treas.; A. R. Wiley, Aud., Madison, Wis.

Directors: S. L. Odegard, J. F. O'Connell, E. J. B. Schubring, T. R. Hefty, Madison, Wis.; M. E. Sampsell, 72 West Adams Street, Chicago, Ill.

General Office, 111 King St., Madison, Wis.

CONSOLIDATED TELEPHONE COMPANY OF WISCONSIN

(Controlled by Associated Telephone Utilities Company)

History—Incorporated April 13, 1926 in Wisconsin as the State Telephone Company of Wisconsin; name changed to present title on May 2, 1927. On May 12, 1927 acquired the properties of Clark County Telephone Co., Glidden Telephone Co., Athens Telephone Co., Mishicot Telephone Co., Eagle River Telephone Co., State Line Telephone Co., Carter and Wabeno

Telephone Co., Manitowoc & Western Telephone Co., Gillett Telephone Co. and Wisconsin Lakes Telephone Co.

Company owns and operates a telephone system under indeterminate franchises and renders service without competition in fifteen counties in the northern and central part of Wisconsin, including the communities of Two Rivers, Plymouth, Chilton, Kiel, Eagle River, Minocqua, Land O'Lakes and Park Falls. The population of the territory served is estimated to be in excess of 75,000. The Company has the advantage of an interchange of toll and long distance business through traffic agreements with the Bell Telephone Company and other independent telephone systems, making available to subscribers connections with practically all points in the United States.

Properties of the Company consist of 37 telephone exchanges and a total of 7,044 miles of wire, of which 478 miles are toll pole lines. Number of telephones in use, 12,600. At Two Rivers a new automatic system is in operation.

CAPITAL STOCK

Authorized, $1,000,000 Common; outstanding $500,000; par value, $100. Controlling interest is owned by Associated Telephone Utilities Co.

Annual Meeting—Third Tuesday in January.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE MAY 1, 1942

Dated May 1, 1927.

Interest Payable May and November 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Company of Illinois, Chicago.

Transfer Agent & Registrar—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Issued $1,000,000 Series "A" 5½s. The Indenture securing these bonds provides that additional bonds may be issued thereunder for not in excess of 80% of the cost or fair value, whichever is lower, of permanent improvements, extensions or additions to the properties made subsequent to May 1, 1927, and not from the proceeds of this financing, provided net earnings of Company, as defined in the Indenture, for 12 consecutive calendar months within 15 calendar months immediately prior to the issuance of such new bonds, have been at least two times the annual interest charges on all bonds outstanding under the indenture and those then proposed to be issued. In the computation of net earnings, at least 12½% of gross earnings must be charged to maintenance.

Purpose of Issue—Issued to retire all funded indebtedness outstanding against the properties, to reimburse Company for additions and improvements recently made, and to provide funds for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, to and including May 1, 1929, at 105 and interest; thereafter, to and including May 1, 1932, at 104 and interest; thereafter, to and including May 1, 1935, at 103 and interest; thereafter, to and including May 1, 1938, at 102 and interest; thereafter, to and including May 1, 1941, at 101 and interest; thereafter at 100 and interest.

Sinking Fund—A sinking fund is provided which will be sufficient to retire about 20% principal amount by maturity.

Maintenance and Improvement Fund—Company covenants to establish a maintenance and improvement fund equal to at least 25% of the gross earnings of Company derived from the mortgaged properties for the period from May 1, 1927 to Dec. 31, 1927, and annually thereafter. This fund may be expended for improvements, additions and extensions as well as for repairs, maintenance and replacements, but no bonds may be issued against such expenditures.

Security—Secured by a direct first mortgage on all the physical properties, rights and franchises of the Company. The sound reproduction value of the properties, less depreciation, as appraised by independent engineers, plus additions and improvements made subsequent to the appraisal and to be made from a portion of the proceeds of this financing, is in excess of $1,700,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property taxes of any state, under any law, not in excess of 5 mills and the Massachusetts income tax on the interest not exceeding 6% of such interest per annum, refundable to resident holders upon timely and proper application.

Legal Opinion—White & Case (for the Bankers) and Chapman, Cutler & Parker (for the Company).

Original Offering—First publicly offered ($1,000,000 Series "A") in May, 1927 at 97½ and interest, to yield 5.75% by G. L. Ohrstrom & Co., Inc., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating income	$335,991	$167,323
Operating exp. & taxes	212,676	100,790
Depreciation	31,577	31,425
Net operating income	$91,738	$35,108
Interest revenues	1,556	.....
Total net income	$93,294	$35,108
Interest on funded debt	43,689	14,603
Other interest charges	5,973	6,913
Rentals & other deductions	6,546	2,414
Amortization of debt disc. & exp.	4,069	114
Total deductions	$60,277	$24,044
Surplus after charges	$33,017	$11,064

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Fixed capital	$1,377,939	$669,682
Construction work in progress	1,943	.....
Cash	91,102	10,143
Employees' working funds	3,655	1,690
Bills & accts. receivable	27,483	20,143
Advanced to system corporations	.....	64,904
Material and supplies	45,034	6,486
Other current assets	443	.....
Prepayments	6,477	1,474
Unamortized debt disc. & exp.	87,937	2,933
Other suspense	14,490	39,921
Total	$1,656,503	$817,376
Liabilities—		
Capital stock	$500,000	$175,000
Funded debt	1,000,000	350,000
Bills payable	.....	122,918
Audited vouchers & wages unpaid	9,457	105,881
Subscribers deposits	6,196	3,656
Other current liabilities	1,144	1,047
Taxes accrued	13,706	5,189
Other accrued liabilities	9,167	8,064
Reserve for depreciation	49,319	31,425
Insurance & casualty reserves	2,945	2,095
Other deferred credit items	26,761	.....
Corporate surplus, unappropriated	37,808	12,101
Total	$1,656,503	$817,376

Officers: S. L. Odegard, Pres.; J. F. O'Connell, V-P.; E. M. Hiestand, Asst. Sec. & Treas., Madison, Wis.

Directors: S. L. Odegard, J. F. O'Connell, E. J. B. Schubring, T. R. Hefty, Madison, Wis.; M. E. Sampsell, Chicago, Ill.

General Office, 111 King St., Madison, Wis.

ILLINOIS COMMERCIAL TELEPHONE COMPANY

(Controlled by Associated Telephone Utilities Company)

History—Incorporated in 1928 in Illinois. Owns and operates 62 telephone exchanges serving, without competition, 142 communities and surrounding territory in 24 counties in the southern, southeastern and north-

ern parts of the state of Illinois. Among the cities and towns served, of which 19 are county seats, are Belvidere, Lawrenceville, Bridgeport, Robinson, Anna, Mt. Carmel, Carbondale, West Frankfort, Zeigler, Christopher, Harrisburg, Duquoin, Carterville, Marion, Royalton, Herrin, Benton, Pinckneyville, Metropolis, Vienna, Golconda, Shawneetown, Murphysboro, Chester, McLeansboro, Carmi, Olney, Fairfield and Albion. This territory covers an area of about 9,200 square miles and includes a population in excess of 535,000.

The Company will own 21 modern telephone exchange buildings and rent 41 additional buildings in which exchanges to be owned by the Company are operated. At December 31, 1927, the property to be owned by the Company included 31,011 stations, and 1,352 miles of toll pole lines, and through connections with the Bell System, the toll facilities of the latter will be available to subscribers.

CAPITAL STOCK

Outstanding, 40,000 shares Common and 10,000 shares $6 cumulative Pfd., both of no par value. Associated Telephone Utilities Company owns controlling interest.

Preferred Stock Provisions—Preferred both as to assets ($100 per share in the event of liquidation) and as to dividends over Common stock. Subject to redemption as a whole or in part upon 30 days' notice at $110 per share and accrued dividend. Free from Illinois Personal Property Tax. Dividends exempt from Normal Federal Income Tax.

Transfer Agent—Illinois Merchants Trust Company, Chicago.

Registrar—First Trust & Savings Bank, Chicago.

Original Offering—Preferred stock first publicly offered (10,000 shares no par value) in April, 1928, at $99 and dividend, to yield over 6%, by Paine, Webber & Co., New York, etc.

Dividends—Preferred dividends are payable quarterly, J, A, J & O 15.

FUNDED DEBT

$2,250,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1948

Dated March 1, 1928.

Interest Payable—March and September 1, in Boston and Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered. Fully registered, $1,000 and $5,000. Coupon and registered bonds interchangeable.

Provisions of Issue—Authorized amount unlimited; Issued $2,250,000 5% Series "A" bonds. Additional bonds of Series "A" (or of other series bearing such rates of interest, maturing at such times and having such provisions as the Board of Directors at the time of issuance may determine) may be issued for the refunding par for par, of bonds of other series and against the deposit, par for par, of cash or United States Government obligations and for reimbursing Company to the extent of 75% of expenditures made for additions, improvements, betterments or extensions (referred to in the Mortgage as "extensions") and to the extent of 75% of the cost or value (whichever is less) of purchased property acquired by the Company, provided that all such extensions and purchased property shall be subject to the mortgage as a first mortgage thereon. Bonds shall not be issued on account of expenditures made by Company for such extensions or purchased property or for refunding at a higher rate of interest bonds of another series, unless net earnings, as defined in the Mortgage, of the Company during the 12 consecutive calendar months ending within 60 days next preceding the date of authentication by the Trustee shall have been at least 1¾ times the annual interest charges on all bonds then issued and outstanding under the Mortgage and those then proposed to be issued, less an amount of such bonds equal to the amount of cash deposited under the Mortgage against the issuance of bonds.

Purpose of Issue—Proceeds of these $2,250,000 bonds together with proceeds of 10,000 Preferred shares of no par value, were to be used to pay in part the cost of acquiring the properties to be subject to the Mortgage and to retire all bonded indebtedness thereon and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time upon 30 days' notice at the following prices and acrued interest: On or before Feb. 28, 1933, at 105; thereafter but on or before Feb. 28, 1938, at 103; thereafter but on or before Feb. 28, 1943, at 102; thereafter but on or before Feb. 28, 1947, at 101; after Feb. 28, 1947, at 100.

Maintenance and Renewal Fund—The Mortgage provides that during each calendar year beginning with the year 1929 the Company shall expend an amount not less than 20% of the gross earnings derived from operation of its mortgaged properties for (a) maintenance and/or renewal or replacement of its properties; (b) the making of extensions or the acquisition of properties on acount of which Company would otherwise be entitled to issue additional bonds; or (c) the redemption or purchase and cancellation of any bonds issued under and secured by the Mortgage.

Security—Secured by a first mortgage on all the fixed properties, rights and franchises of the Company, owned at the date of the execution of the Mortgage and on all such property thereafter acquired against which any bonds may be issued under the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Pennsylvania, California and Connecticut 4 mills tax, and the Massachusetts 6% Income tax on interest, refundable if requested within 60 days after payment.

Original Offering—First publicly offered ($2,250,000) in April, 1928, at par and interest, by Paine, Webber & Co., New York, etc., and Mitchum, Tully & Co., San Francisco, etc.

BONDS CALLED FOR REDEMPTION

All of the Commercial Telephone Company First Mortgage 6% Gold bonds, due July 1, 1946, which were outstanding on part of the property now owned by Company, were called for redemption on July 1, 1928, at 103 and interest, at Chicago Trust Co., Chicago, Trustee. These bonds were described on p. 779 of the 1927 Public Utility Manual.

EARNINGS AND EXPENSES, YEAR ENDED DECEMBER 31, 1927

(Properties to be acquired by Illinois Commercial Telephone Co.)

Gross earnings	$930,858
Operating expense. maintenance and taxes	582,194
Net earnings before depreciation	$348,664
Interest on funded debt of Illinois Commercial Telephone Co.	112,500
Balance	$236,164
Annual dividend requirements on $6 Pfd. stock of Illinois Commercial Telephone Co.	60,000
Balance for deprec., Fed. taxes & amort.	$176,164

Officer: J. F. O'Connell, Pres.

General Office, 111 King St., Madison, Wis.

KANSAS STATE TELEPHONE COMPANY

(Controlled by Associated Telephone Utilities Company)

History—Incorporated in Delaware, to own and operate a general telephone business in Kansas, Oklahoma, and Missouri. Properties have been in operation for over 30 years. Company owns and operates telephone business formerly owned by the Galena (Kansas) Home Telephone Co., serving without competition in Galena, Baxter Springs, Scammon and Columbus, Kansas, and rural and toll lines in this general vicinity. Toll lines connect with the Bell system and certain independent telephone companies at Joplin, Seneca, and Carl Junction, Mo., Pittsburgh and

Mineral, Kansas, and various other points. Population served, over 20,000. Company maintains and operates four central offices. Owns 89 miles of toll pole lines. Subscriber stations, 1,986.

CAPITAL STOCK

Outstanding, 1,000 shares of no par value. All owned except directors' shares by Associated Telephone Utilities Company. Annual meeting, March 14 at Dover, Dela.

FUNDED DEBT

$175,000 FIRST GOLD 6s, SERIES "A"; DUE MAY 1, 1947

Dated May 1, 1927.

Interest Payable May and November 1 at National Bank of the Republic, Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—National Bank of the Republic, Chicago, Ill.

Provisions of Issue—Issued, $175,000 Series "A."

Callability—Subject to call at 105 on 30 days' notice.

Sinking Fund—Sufficient to retire 1% of outstanding bonds for each of first ten years and 2% for next ten years.

Security—Secured by a direct first mortgage on all real and physical properties now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income tax up to 2% and agrees to refund any property taxes of any jurisdiction under sovereignty of the United States not exceeding 5 mills and Massachusetts not exceeding 6% income tax.

Original Offering—First publicly offered ($175,000) in July, 1927, at 98½ by True-Webber & Co., Chicago.

INCOME ACCOUNT, 9 MONTHS ENDED DECEMBER 31, 1927

Earnings from operation	$53,894
Operating expenses, taxes and depreciation	39,934
Net earnings	$13,960
Interest, rentals, etc.	8,601
Surplus for period	$5,359

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties	$343,721	$308,926
Material and supplies	10,222	5,280
Cash	2,220	135
Accounts receivable	1,523	2,047
Deferred debit items	356	149
Total	$358,043	$316,538
Liabilities—		
Common shares, no par value	$93,387	$90,131
Funded debt	175,000	175,000
Accounts payable	43,501	.....
Other current liabilities	2,392	60
Reserve for taxes	178	5,524
Deferred credit items	110	.....
Reserve for depreciation	38,117	45,823
Surplus	5,359	.....
Total	$358,043	$316,538

Officers: S. L. Odegard, Pres.; J. F. O'Connell, V-P. & Gen. Mgr.; E. M. Hiestand, Asst. Sec. & Treas., Madison, Wis.

Directors: S. L. Odegard, J. F. O'Connell, E. J. B. Schubring, T. R. Hefty, Madison, Wis.; M. E. Sampsell, Chicago, Ill.

General Office, 111 King St., Madison, Wis.

THE MICHIGAN HOME TELEPHONE COMPANY

(Controlled by Associated Telephone Utilities Company)

History—Incorporated November 4, 1926, in Michigan. Owns and operates the telephone business formerly owned by the United Home Telephone Co., Muskegon, (see 1926 Public Utility Section, page 425) and the Grand Ledge Telephone Co., Grand Ledge, Mich., serving without competition 16 cities and towns and adjacent rural areas in Michigan. Franchise expires in North Muskegon in 1928 and in Ludington in 1937. Population served, 150,000. Number of exchanges, 14; number of subscribers, 15,103. Connection is made at Grand Rapids, Grand Haven, Ludington, Fremont and Grand Ledge, with the Bell System.

CAPITAL STOCK

Authorized and outstanding, $750,000. Stock control is held by Associated Telephone Utilities Company.

Annual Meeting—First Tuesday in February.

FUNDED DEBT

$1,250,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1946

Dated November 1, 1926.

Interest Payable May and November 1 at Illinois Merchants Trust Co. of Chicago, or at Chase National Bank in the City of New York.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—Illinois Merchants Trust Co., Chicago. F. E. Musgrove, Co-Trustee.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A," $1,250,000. Mortgage provides that additional bonds may be issued in series thereunder, subject to the terms of the mortgage, and not in excess of 80% of the cost or fair value, whichever is lower, of permanent improvements, extensions or additions to the property, provided the net earnings of the Company, as defined in the mortgage, for 12 consecutive calendar months, within 15 calendar months immediately prior to the issuance of such additional bonds, have been at least two times the interest charges for a like period on all bonds outstanding under the mortgage together with those to be issued.

Callability—Subject to call as whole or in part on any interest date on 30 days' notice to and including Nov. 1, 1930 at 105 and interest; thereafter, to and including Nov. 1, 1934 at 103 and accrued interest; thereafter, to and including Nov. 1, 1938 at 102 and interest; thereafter to and including May 1, 1946 at 101 and interest.

Sinking Fund—Company covenants that it will on May 1 in each of the years 1928 to 1946, inclusive, pay to the Trustee 15% of the gross earnings of the Company earned during the calendar year next preceding, such sums to be used in redemption and cancellation of the First Mortgage bonds as set forth in the Mortgage.

Security—Secured by a direct first mortgage on all of the real and physical property of the Company, now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Any property taxes not in excess of five mills per annum to holders, who are resident in any jurisdiction under the sovereignty of the United States, and the Massachusetts income tax on the interest not exceeding 6% refunded upon proper application. These bonds are exempt from local taxes to resident holders in the State of Michigan.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,250,000) in Nov., 1926, at 102 and interest to yield about 5.83% by P. W. Chapman & Co., Inc., New York and Chicago.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Earnings from operation	$456,929
Operating expenses & taxes	221,670
Depreciation	76,517
Net earnings	$158,742
Other income	3,741
Total income	$162,483
Bond interest	75,000
Rentals & other charges	6,239
Total fixed charges	$81,239
Surplus after charges	$81,244

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—		
Cost of properties	$3,502,856	$2,960,774
Stocks owned	580	660
Materials and supplies	45,391	34,008
Cash	11,963	11,021
Notes receivable	16,313	.....
Accounts receivable	66,647	124,500
Other current assets	3,112	20,843
Deferred debit items	79,502	65,441
Total	$3,726,364	$3,217,247
Liabilities—		
Common stock	$750,000	$750,000
Funded debt	1,250,000	1,250,000
Accounts payable	39,346	23,002
Other current liabilities	12,500	12,500
Reserve for taxes	46,878	47,380
Reserve for depreciation	381,009	7,660
Surplus	1,246,631	1,126,705
Total	$3,726,364	$3,217,247

Officers: S. L. Odegard, Pres.; J. F. O'Connell, V-P. & Gen. Mgr.; E. M. Hiestand, Asst. Sec. & Treas., Madison, Wis.

Directors: S. L. Odegard, J. F. O'Connell, E. J. B. Schubring, T. R. Hefty, Madison, Wis.; M. E. Sampsell, Chicago, Ill.

General Office, 111 King St., Madison, Wis.

STATE TELEPHONE COMPANY OF TEXAS

(Controlled by Associated Telephone Utilities Company)

History and Property—Incorporated in 1926, in Delaware. Owns and operates telephone systems in Texas and New Mexico serving 57 communities, located in 25 counties in Texas and 3 counties in New Mexico. The properties, a consolidation of 10 independent telephone companies, are located in the lower Panhandle district of Texas and the Eastern portion of New Mexico. The physical properties include 32 telephone exchanges, 25 toll stations and 2,000 miles of pole lines. No. of stations operated, 6,898. The toll lines are physically connected with the system of the Southwestern Bell Telephone Co., a subsidiary of American Telephone & Telegraph Co., assuring of toll connections throughout the United States. The principal communities served are: Carlsbad, Lovington and Lakewood, New Mexico; and Brownfield, Lamesa, Clarendon, Memphis, Wellington, Post and Littlefield.

CAPITAL STOCK

Authorized and issued, 10,000 shares Common stock of no par value. All owned by Associated Telephone Utilities Company.

FUNDED DEBT

$800,000 FIRST MORTGAGE 15-YEAR 6% GOLD BONDS, SERIES "A"; DUE JULY 1, 1941.

Dated July 1, 1926.

Interest Payable January and July 1, at Chicago Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; interchangeable.

Trustee—Chicago Trust Co., Chicago.

Provisions of Issue—Authorized issue not limited to any specific principal amount; issued $800,000, Series "A." Additional bonds may be issued for not to exceed 75% of expenditures for extensions and additions made subsequent to July 1, 1926, provided it shall appear that net earnings of the Company as defined in the Indenture for 12 months ending not more than 90 days immediately prior to the application for the authentication of bonds shall equal at least twice annual interest charges on bonds outstanding, underlying bonds and bonds the authentication of which is then applied for. Mortgage provides for acquisition of additional properties subject to underlying liens, but provision shall be made that the amount of such liens shall be deducted in the issuance of bonds, from the total amount of bonds otherwise issuable.

Purpose of Issue—Proceeds of sale of Series "A" bonds used in part for the acquisition of properties.

Callability—Subject to call as a whole or in part on any interest date to and including July 1, 1930 at 105 and interest; thereafter to and including July 1, 1934 at 103 and interest; thereafter to and including July 1, 1938 at 102 and interest, and thereafter to maturity at 101 and interest.

Sinking Fund—Mortgage provides that Company shall pay into a sinking fund on July 1, of each year, 1928 to 1932, inclusive, 1% and shall on July 1, of each succeeding year thereafter, pay 2% on amount of bonds of said series outstanding on date of each deposit, such deposits to be made with Trustee and to be applied towards redemption or purchase of Series "A" bonds.

Security—Secured by a direct first mortgage on all fixed property and other assets of Company as stipulated in Indenture. Combined value of properties, as appraised, inclusive of materials, supplies and development cost, and after deducting depreciation, is $1,417,731.

Tax Provision—Company pays Normal Federal Income tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($800,000) in July, 1926, at 98 and interest, to yield 6.20%, by Paul C. Dodge & Co., Inc., E. H. Ottman & Co., Inc., First Illinois Co., F. N. Kneeland & Co., Chicago, Stroud & Co., Inc., and Lewis & Co., Philadelphia.

Office, 111 King St., Madison, Wis.

IOWA-ILLINOIS TELEPHONE COMPANY

History and Property—Incorporated in March, 1928, in Delaware, as a consolidation into one operating unit, by the acquisition of the physical properties and franchises, of the following: Eldon Independent Telephone System, Hedrick Telephone Co., Richland Telephone Co., Winfield Telephone Co. and Sanders Telephone System. The Company owns all the capital stock of the **Western Illinois Telephone Co.,** which is a consolidation into one operating unit by the acquisition of physical properties and franchises of the following: Peoples Telephone Co. of Mercer County, Aledo, Ill.; Little York Telephone Co.; Logan Telephone Co. (Seaton) and New Boston Telephone Co. The system furnishes without competition, local and long distance telephone service to 15 cities and towns in 11 counties in Iowa and Illinois, having an estimated population of 35,000. Among the cities and towns furnished are Aledo, Seaton, Little York, New Boston, Ill., and Montrose, Hedrick, Richland, Winfield, West Point, Argyle, Eldon, Hillsboro, Houghton, Donnellson and Primrose, Iowa. The system operates 15 exchanges; a total of 5,750 stations (5,505 owned and 245 switched), over 365 miles of toll line, including two toll lines to Keokuk and one to Ft. Madison. Through joint operating agreements the Company and its subsidiary afford its subscribers the services of the Northwestern Bell Telephone Co., the Illinois Bell Telephone and the American Telephone & Telegraph Co.

CAPITAL STOCK

Authorized, 5,000 shares Common of no par value and $500,000 6½% cumulative Pfd., par $100; outstanding, 3,000 shares Common and $275,000 Pfd. Pfd. stock has preference for assets and is subject to redemption at any time on 30 days' notice at 102.

FUNDED DEBT

$420,000 FIRST MORTGAGE AND COLLATERAL LIEN 5½% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1933

Dated April 1, 1928.

Interest Payable April and October 1 at Northern Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable denominations.

Trustee—The Northern Trust Co., Chicago.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A" $420,000. The mortgage provides that additional bonds may be issued in series with such interest rates, maturity dates, redemption provisions and other terms and conditions as may be determined by the Board of Directors at the time of the creation of such series, in accordance with the terms of the mortgage. The mortgage provides that additional bonds may be issued up to 75% of the cost or fair value (whichever is lower) of permanent additions and betterments to the properties comprising the system provided that the consolidated net earnings, for twelve consecutive calendar months within the fifteen months preceding the application for the issuance thereof shall have been equal to at least one and three-quarters times the annual bond interest charge (which will include interest on those bonds for which certification is requested) and that bonds may be issued par for par for the refunding of the bonds outstanding under the mortgage or for refunding underlying bonds, if any, all as defined in the mortgage.

Purpose of Issue—Proceeds were used in part payment of the purchase price of properties, retiring indebtedness of predecessor corporations, making improvements to the properties and for other corporate purposes.

Callability—Subject to call as a whole or in part on not less than 30 days' notice at 102 on or before April 1, 1929, at 101 thereafter and on or before April 1, 1931, thereafter at 100, plus accrued interest in each case.

Sinking Fund—None provided.

Maintenance and Renewal Fund—The mortgage contains a covenant to the effect that an amount of not less than 15% of the gross earnings from the properties comprising the system shall annually be expended for maintenance or set aside as a renewal reserve for repairs to or replacements of properties. Any part of this fund not used for such purposes may be expended for improvements and additions to properties, such expenditures, however, not to be used as a basis for issuing additional bonds. The Company shall utilize any balance of this fund for the purchase or redemption of bonds outstanding under the mortgage, which will thereupon be cancelled.

Security—Secured by a direct first mortgage on all fixed properties of the Company, including land, buildings, equipment and conduits, and further secured by pledge of all the outstanding bonds and all the capital stock (except directors' qualifying shares) of the Western Illinois Telephone Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Any state, personal property tax (not exceeding $5 per $1,000 bond per annum) which the holder may be required to pay by reason of the ownership of the bonds, refunded upon application within 60 days' after payment of tax.

Legal Opinion—Chapman & Cutler, Chicago.

Original Offering—First publicly offered ($420,000) in May, 1928, at 98¾ and interest to yield 5.80% by W. D. Hanna & Co., Burlington, Iowa and Omaha Trust Co., Omaha, Neb.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(After eliminating certain non-recurring charges)

	1927	1926
Gross earnings	$108,164	$106,787
Oper. exps., maint. & taxes assignable to operation	54,071	54,257
Net earnings avail. for int., deprec. and Federal taxes	$54,093	$52,530
Bond interest	23,100	

Officers: D. C. Phillips, Pres.; R. H. Jensen, Sec. & Treas., Burlington, Iowa.

General Office, Medical Arts Bldg., Burlington, Iowa.

BRITISH COLUMBIA POWER CORPORATION LIMITED

History—Incorporated in 1928 under the laws of the Dominion of Canada, to acquire the outstanding Preferred Ordinary stock and Deferred Ordinary stock and shares of British Columbia Electric Railway Company, Limited (see appended statement). On May 22, 1928 it was announced that Corporation had already contracted for the purchase of more than 85% of the combined outstanding amounts of the above-mentioned stocks and shares, and offers were outstanding for the purchase of the remainder. Acquisition of the stocks and shares already contracted for gave the Corporation control of the most extensive system of public services in Western Canada.

British Columbia Electric Railway Company, Limited, has operated for more than 30 years. Directly, or through subsidiary companies, this undertaking is one of the largest hydro-electric power producers in Canada. All the electricity used or sold in the system is developed by the Company or its subsidiary companies. The aggregate ultimate horse-power available for development amounts to 638,800 h. p., of which 202,300 h. p. is now developed; the entire system serves over 98,000 customers with electric light or power, 38,700 customers with gas, and operates 353 miles of electric railway lines. It also owns and operates electric railway systems in Vancouver, Victoria, New Westminster, North Vancouver, South Vancouver, Point Grey and Burnaby, in the Province of British Columbia, as well as an extensive chain of interurban lines, and, in addition, supplies all the electric and gas services in these and a number of other important municipalities in British Columbia.

CAPITAL STOCK

Authorized, 1,500,000 Class "A" shares and 1,500,000 Class "B" shares, both of no par value; to be outstanding upon completion of financing, 1,000,000 Class "A" shares and 1,000,000 Class "B" shares.

Class "A" Share Provisions—Preferred as to dividends up to $2 per share in any fiscal year over any other shares of Corporation, such dividends being non-cumulative. Participating equally share for share as to dividends with Class "B" shares, after preferred dividends of $2 have been paid or declared and set aside, until, in any fiscal years $5 in dividends have been paid or declared and set aside on the Class "A" shares, after which any further dividends in such year may be declared only on class "B" shares. Redeemable at any time, in whole or in part, upon 60 days' notice at $100 per share plus dividends declared but not paid, or by purchase in the open market or by private contract at not exceeding the redemption price. The charter provides that voluntary liquidation of the Corporation is prohibited unless all the class "A" shares have previously been called for redemption and payment of redemption price provided for. In event of involuntary winding-up, liquidation or dissolution, assets available for distribution to shareholders are to be distributed equally share for share to holders of all outstanding class "A" and class "B" shares until payment of $100 per share shall have been made on all outstanding class "A" shares, after which distribution is to be made only on class "B" shares. Class "A" shares carry no further right of participation in the earnings or assets of the Corporation. Class "A" shares carry no voting rights save and except in respect of any increase in the authorized amount of class "A" shares, the creation of any shares ranking in priority to or pari passu with the class "A" shares or any modification of the rights, privileges, or priorities of class "A" shares. For any of these corporate

acts, the approval of holders of class "A" shares is required, evidenced by the affirmative vote of holders of three-fourths of such shares represented at a meeting called for the purpose at which holders of a majority of the class "A" shares then outstanding are present or represented. Class "A" and class "B" shares of the present issue will be registerable and transferable in Montreal, Toronto, Winnipeg, Vancouver, and, on payment of a reasonable fee, will be transferable from one register to another. Dividends will be payable by cheque in Canadian funds at par at any branch in Canada of The Royal Bank of Canada (except Yukon Territory).

Transfer Agent—Montreal Trust Co., Montreal.

Registrar—The Royal Trust Co., Montreal.

Original Offering—First publicly offered (1,000,000 shares Class "A") in May, 1928, at $60 per share with bonus of one class "B" share with each four class "A" shares. Fractional class "B" shares were to be adjusted at the rate of $20 per share. Offered by Nesbitt, Thomson & Co., Ltd., Montreal and Wood, Gundy & Co., Ltd., Toronto.

OFFICERS AND DIRECTORS

Officers: George Kidd, Pres.; W. G. Murrin, V-P., Vancouver; A. T. Goward, V-P., Victoria.

Directors: Upon completion of organization the Board of Directors will include the following: George Kidd, W. G. Murrin, W. J. Blake Wilson, Vancouver, B. C.; A. T. Goward, Sir Frank S. Barnard, Victoria, B. C.; John Davidson, Rt. Hon. Viscount Rothermere, London, Eng.; Andrew P. Holt, Montreal, Que. and London, Eng.; Sir Herbert S. Holt, A. J. Nesbitt, J. B. Woodyatt, S. Godin, Jr., Montreal, Que.; J. H. Gundy, Toronto, Ont.

President's Office, Vancouver, B. C.

BRITISH COLUMBIA ELECTRIC RAILWAY COMPANY, LIMITED

(Controlled by British Columbia Power Corporation Limited)

History—Incorporated April 4, 1897, under Imperial Companies Act, 1862-1900; successor to Consolidated Ry. & Light Co. An English company, carrying on business under privileges granted by the Legislature of British Columbia. Owns the entire ordinary share capital of British Columbia Electric Power and Gas Company, Ltd. (see appended statement), which was organized in March, 1926, for the purpose of controlling all the power and gas plants of the British Columbia Electric Ry. Co., Ltd. Through this subsidiary, the latter company controls the Vancouver Power Co., Ltd., Bridge River Power Co., Ltd., Vancouver Gas Co., Ltd., Victoria Gas Co., Ltd., British Columbia Gas Co., Ltd., and British Columbia Rapid Transit Co., Ltd. The Vancouver Power Co., Ltd. in turn owns over 98% of the capital stock of the Western Power Co. of Canada, Ltd., (see appended statement) and the entire capital stock of Vancouver Island Power Co., Ltd.

The British Columbia Electric Ry. Co., Ltd., either directly or through subsidiaries, supplies electricity and gas and transportation service to a population of over 375,000 in 26 communities, embracing a territory of over 1,500 square miles. The principal cities supplied are Vancouver, Victoria, New Westminster, North Vancouver, South Vancouver, Richmond, Burnaby, Delta, Steveston, Surrey, Langley, Matsqui, Sumas and Chilliwack.

Properties include 5 large hydro-electric plants and 2 large steam plants, with a combined capacity of 212,200 h.p. Two additional hydro-electric plants are under construction. No. of substations, 27. Miles of high tension transmission lines, 420. Miles of distribution wires, 1,645. Two gas plants have a total daily capacity of 5,900,000 cu. ft., and gas is supplied through 367.79 miles of mains.

The railway department has 40 city street car lines operating 193.80 miles and 5 interurban lines operating 158.72 miles, a total of 352.52 miles. Gauge, 4 ft. 8½ in. Rail, T and girder 65 to 91 miles. In addition there are operated 140 miles of motor coach and freight service. Equipment consists of 12 electric locomotives, 406 city and interurban passenger cars, 476 express, freight and service cars; 24 motor coaches and 21 motor freight trucks. Of the mileage owned 49 miles of track (including the main line belt in the City of Vancouver) can be purchased by the City authorities on Feb. 11, 1929 (or any fifth year thereafter) at a fair valuation; other lines are operated under franchises extending over periods of not less than 31 years; the lighting franchises are either perpetual or for a very long period of years.

New Construction—The installation of the final unit of 13,400 h.p. at Alouette Lake was expected to be completed in the spring of 1928. On completion of this work, the capacity of Company's hydro-electric plants, including steam plant reserve of 16,800 h.p. in Vancouver and 5,400 in Victoria will be: Mainland, 181,700 h.p.; island, 30,500 h.p.—total, 212,200 h.p. Steps were taken in 1927 in the development of the first stage of the Bridge River Power scheme.—For additional details see statement of British Columbia Electric Power & Gas Co., Ltd., below. A new site for a gas plant at Vancouver, B. C., was acquired in 1927 and arrangements are being made for new units to be erected, the plans contemplating the ultimate establishment of a plant with a capacity of 25,000,000 cu. ft. of gas per day.

OPERATING DATA, AT JUNE 30

	1927	1926	1925	1924	1923	1922
Passengers carried	73,113,022	72,547,367	69,779,475	68,252,634	67,692,851	69,314,667
Freight hauled (tons)	481,690	417,003	371,634	351,308	377,822	321,081
Electric power sold (kwh)	353,274,851	356,277,447	322,656,645	298,872,146	192,453,979	177,256,106
Number of consumers	94,611	89,270	84,587	80,793	76,951	73,956
Connected load (hp)	121,746	113,455	99,990	96,815	90,095	84,934
Gas sold (cubic feet)	977,902,000	833,169,880	761,507,000	686,671,000	606,854,000	563,948,000
Number of gas meters	36,484	33,158	29,000	26,652	24,702	23,638

New Control—Announcement was made on May 22, 1928 that British Columbia Power Corporation Limited had been organized to acquire the outstanding Pfd. Ordinary stock and Deferred Ordinary stock and shares of British Columbia Electric Railway Company, Ltd., and had already contracted for the purchase of more than 85% of the combined outstanding amounts of said stocks and shares, offers being outstanding for the purchase of the remainder. Acquisition of the stocks and shares at that time contracted for gave the new corporation control of the British Columbia Electric Railway system. It was reported earlier in May, 1928, that shareholders of British Columbia Electric Railway Company, Limited, had accepted an offer of £275 for each £100 Pfd. Ordinary share and £315 for each £100 Deferred Ordinary share and that control of Company would pass from English to Canadian interests including Sir Herbert Holt, J. H. Gundy and Power Corporation of Canada, Ltd.

CAPITAL STOCK

Authorized, £5,320,000, increased from £3,200,000 to £4,000,000 on Nov. 30, 1911, to £4,600,000 in Dec., 1912, to £5,000,000 on Dec. 19, 1913 and to £5,320,000 on Dec. 16, 1926. Issued, June 30, 1927, £4,320,000, consisting of £1,440,000 5% cumulative Perpetual Preference, £1,440,000 5% non-cumulative Pfd. Ordi-

nary and £1,440,000 Deferred Ordinary; par, of all issues, £1. The unissued stock as of June 30, 1927 consisted of 1,000,000 "Shares" of £1 each.

Stock Increase—At the general meeting held on Dec. 2, 1927 stockholders approved a resolution to increase the capital by the creation of 1,000,000 £1 shares of new Deferred Ordinary stock.

Subscription Privilege—The Pfd. Ordinary and Deferred Ordinary stockholders of record Nov. 23, 1927 were provisionally allotted pro rata an amount of one new Deferred Ordinary £1 share, equal, as nearly as might be, without fractions, to 30% of their holdings of these stocks. The shares were offered at par, payable 5s per share not later than Jan. 23, 1928, 5s on March 8, 1928 and 10s on April 10, 1928.

Stock Provisions—Preference stock is entitled to cumulative dividends of 5% per annum (payable Jan. & July 15); following which the Pfd. Ordinary stock ranks for a non-cumulative 5% (payable Jan. & July 31), after which the Deferred Ordinary stock is entitled to a non-cumulative 7%—the Pfd. and Deferred Ordinary stocks sharing ratably in any further distribution.

The Preference, Preferred Ordinary and Deferred Ordinary stocks rank in that order for repayment of capital, the two Ordinary stocks ranking pari passu for any surplus assets remaining after repaying all the capital.

Transfer Agent and Registrar—Stocks are transferred and registered at Secretary's office, Stafford House, 14-20 King William St., London, E. C. 4, England.

Listed—Toronto and London Stock Exchanges.

Annual Meeting—In 1927 on December 2.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
Deferred Ordinary—								
High	194	149½	127½	112½	101	91	60	60
Low	146	124	101	97½	87	57½	47½	40¾
Preferred Ordinary—								
High	153	120	104½	90½	88	78½	58½	62
Low	115	101	82	81	74	52	49⅛	45
Preference—								
High	95	88½	93	90	90½	81½	61	65
Low	87½	83	85	82	75¾	58	53½	51½

Dividends—Dividends on Perpetual Preference stock were regularly paid, J & J 15, up to and including July 15, 1917. The Jan. 15, 1918, dividend was postponed. On Nov. 30, 1918, 5% was paid on Preference stock for the year to June 30, 1918; on June 28, 1919, 5% was paid for year ended June 30, 1919; on Jan. 15, 1920, 2½% was paid and on Aug. 25, 1920, 2½%; 1921 to date, 5% per annum.

Dividends on Pfd. Ordinary stock, 5% paid for years ended June 30, 1904, 1905 and 1906; 5½% for year ended June 30, 1907; 6% up to and including July 31, 1914; Jan. 31, 1915, 2½%; none in 1916, 1917 and 1918; 2½% on June 30, 1919; 3½% on Aug. 25, 1920; 1 3/10%, Feb., 1921; 3½%, Aug. 18, 1921; Feb., 1922, 1.4%; Sept. 7, 1922, 3¾%; Feb., 1923, 18s. 6d.; June 28, 1923, 3⅞%; Feb., 1924, 18s. 8d.; June, 1924, 3⅞%; Feb., 1925, 18s. 8d.; June, 1925, 3⅞%; Feb. 1, 1926, 5%; June, 1926, £1 17s. 6d.; for year ended June 30, 1927 £4 7s. 6d. interim and £1 16s. 6d. final.

Dividends on Deferred Ordinary stock: 6% years ended June 30, 1904, 1905 and 1906; 7½% year ended June 30, 1907; 8% year ended June 30, 1908, and at the rate of 8% semi-annually to and including year ended June 30, 1914; none in 1915, 1916, 1917 and 1918; in Feb., 1920, a dividend of 3% and a bonus of 3% were declared in respect to the year ended June 30, 1919; Aug. 25, 1920, 3½%; Feb., 1921, 2.14%; Aug. 18, 1921, 3½%; Feb., 1922, 2.14%; Sept. 7, 1922, 3¾%; Feb., 1923, £2 9s. 8d.; June 28, 1923, 3⅞%; Feb., 1924, £2 11s. 11d.; June, 1924, 3⅞%; Feb., 1925, £2 12s. 2d. June, 1925 3⅞%; Feb., 1926, 5%; June 1926, £3 12s. 6d.; for year ended June 30, 1927, £4 7s. 6d. interim and £3 12s. 6d. final.

FUNDED DEBT

(1)

£187,600 FIRST MORTGAGE 4½% DEBENTURES

Dated April 20, 1897.

Interest Payable April and October 15, at Sperling & Co., Ltd., London, Eng.

Denomination—Coupon and registered, £40.

Trustee—National Trust Co., Ltd., Toronto, Ont.

Provisions of Issue—Original issue, £250,000, of which £62,400 redeemed up to June 30, 1927.

Callability—Entire issue subject to call at any time upon six months' notice.

Listed—Toronto and London Stock Exchanges.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	99	91	91½	92¾	92	90	67⅞	80½
Low	87½	87	88	87	88½	69	65½	63

(2)

£101,300 4½% (VANCOUVER POWER) DEBENTURES; DUE JANUARY 15, 1953

Called for payment on June 20, 1928 at par and interest.

(3)

£2,788,170 4¼% PERPETUAL CONSOLIDATED DEBENTURE STOCK

Dated February 23, 1907.

Interest Payable March 31 and September 30.

Trustee—British Empire Trust Co., Ltd., London, Eng.

Provisions of Issue—Issued and outstanding, £2,788,170, excluding £1,100,000 pledged as security for the 5% Debenture stock described below. The trust deed provides that so long as any of these debentures remain outstanding, an amount of stock exceeding the same by 5% shall be reserved to replace or redeem them.

Security—Secured by trust deed, dated Feb. 23, 1907, to British Empire Trust Co., Ltd., London, as Trustee, constituting a first floating charge on all the undertaking and assets, subject to the above-described Debentures.

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	82	80	83½	83	82	80	63	65¼
Low	78¼	74¼	74½	75¼	76	60¼	52½	50½

(4)

£770,000 5% (INCOME TAX FREE) 1944 DEBENTURE STOCK

Dated February 19, 1924.

Interest Payable February and August 15, in London (in sterling), and in Vancouver and Toronto (in Canadian dollars).

Denomination—£100.

Trustee—British Empire Trust Co., Ltd., London, Eng.

Provisions of Issue—Authorized and issued, £770,000. Holders of Sterling stock may at their option exchange the same for Canadian dollar stock at rate of $45 for each £10.

Callability—Subject to call as a whole or in part at any time at not exceeding par.

Sinking Fund—Cumulative sinking fund of £54,200 per annum commences in 1934.

Security—The stock is secured by trust deed dated Feb. 19, 1924, under which there has been deposited and charged by way of specific charge £1,100,000 4½% Perpetual Consolidated Debenture stock ranking pari passu with the £2,788,170 of this stock already issued and which stock is secured by a floating charge on the whole of the assets and undertaking. This floating charge is subject only to the existing mortgages and charges created to secure the £187,600 4½% First Mortgage Debentures and £207,000 4½% Vancouver Power Debentures now outstanding, of which £105,700 are held by the trustees for the 4¼% Perpetual Consolidated Debenture stock. The trust

deed provides that for every £70, or $315, of 5% Debenture stock redeemed, Company shall be entitled to the release of £100 nominal of the Debenture stock deposited as collateral.

Original Offering—First publicly offered (£770,000) in Feb. 1924, in London, at £95 (or $450).

Listed—London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924
High	106	106	105¾	106
Low	103	100	101¾	101⅞

GUARANTEED DEBENTURE STOCK

£1,500,000 Vancouver Power Co., Ltd., 4¼% Perpetual Guaranteed Debenture Stock; issued Jan. and Oct., 1912 (no final date has been set for redemption); int. Jan. and July 2. Denomination, £1. Guaranteed, unconditionally, principal and interest, by British Columbia Electric Ry. Co., Ltd. Secured, by a specific charge on certain assets, subject to £101,300 4½% Debentures described above, as a first floating charge upon the power house, water powers and other property and undertaking of the Power Co. Subject to call at any time after 1918, in whole or in part, at 105, on 6 months' notice. Listed on London Stock Exchange.

Price Range (London)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	82¾	79½	82¼	82¾	82½	79	59¾	64
Low	77¼	74	74½	76½	73	57	50	49

The British Columbia Electric Ry. Co., Ltd., also guarantees unconditionally both principal and interest $4,563,900 First Mortgage 5% Sinking Fund Gold bonds of Western Power Co. of Canada, Ltd., and in addition guarantees dividends on the $5,000,000 British Columbia Electric Power and Gas Co., Ltd., 6% cumulative Preference Shares.

CONSOLIDATED INCOME AND PROFIT AND LOSS ACCOUNT YEARS ENDED JUNE 30

(British Columbia Electric Ry. Co., Ltd., and Allied and Subsidiary Enterprises)

Earnings—	1927	1926
Transportation system	$5,862,064	$5,509,682
Light and power system	4,870,345	4,630,606
Gas system	1,216,422	1,068,068
Miscellaneous income including income on unexpended capital	364,563	706,071
Total	$12,313,394	$11,914,427
Expenditures—		
Wages and salaries	$4,421,379	$4,307,261
Expenditure on materials, supplies and other operating charges, including provisions for renewals, sinking fund and depreciation	3,445,330	3,493,710
Taxes	593,691	562,463
Bond and debenture interest	1,417,768	1,465,656
Total	$9,878,168	$9,829,090
Balance for reserves and dividends	2,435,226	2,085,337

	1927	1926
Preference dividends	$349,200	$349,200
Pref. ordinary interim divds.	349,200	349,200
Deferred ordinary interim divds.	349,200	349,200
Pref. divds. (B. C. E. P. & G. Co., Ltd.)	290,071	67,779
Total	$1,337,671	$1,115,379
Balance for year	1,097,555	969,958
Previous balance	$1,240,963	$1,153,575
Deduct—		
Final divds. on Pfd. & Deferred stocks	$438,994	$553,469
Transfer to general reserve	194,000	194,000
Sub. cos. rev. acct. balance on formation of (B. C. E. P. & G. Co., Ltd.)	.....	135,101
Transfer to staff pension fund	194,000	.....
Total	$826,994	$882,570
Net balance forward	413,969	271,005
Profit and loss surplus	$1,511,524	$1,240,963

CONSOLIDATED BALANCE SHEET, JUNE 30

(British Columbia Electric Ry. Co., Ltd., and Allied and Subsidiary Enterprises)

(Sterling converted at rate of $4.85 to the £)

Assets—	1927	1926	1925
*Property account	$57,939,476	$55,186,045	$52,887,772
Stocks and stores	2,202,921	2,089,860	1,943,257
Accts. receiv. & payments in adv., less res.	1,330,942	1,212,314	1,109,760
Cash & securities with trustees for Vancouver Power Co. 4½% Deb.	226,349	206,126	186,931
Securities of British and Canadian Govts.	4,193,324	5,015,695	3,312,151
Other investments	494,629	454,999	519,372
Short loans, cash, etc.	469,225	998,438	855,198
Total	$66,856,866	$65,163,477	$60,814,441

Liabilities—	1927	1926	1925
Perpetual Preference stock	$6,984,000	$6,984,000	$6,984,000
Pfd. Ordinary stock	6,984,000	6,984,000	6,984,000
Deferred Ordinary stock	6,984,000	6,984,000	6,984,000
B. C. E. P. & G. Co., Ltd. Preference stock	5,000,000	†4,482,283	.....
First Mtge. 4½% Debs.	909,860	921,500	933,140
4½% Debentures (Vancouver Power)	491,305	491,305	491,305
4½% Perpet. Cons. Deb. stock	13,522,625	13,522,625	13,522,625
5% 1944 Deb. stock	3,734,500	3,734,500	3,734,500
Vancouver Power Co. 4½% Perpet. Guar. Deb. stock	7,275,000	7,275,000	7,275,000
Western Power Co. of Canada, Ltd. First Mtge. 5% bonds	4,563,900	4,606,147	4,606,080
Western Power Co. of Canada, Ltd. 7% Deb.	.....	342,933	356,461
Accts. pay., including deb. int. & divds. due and accrued	3,565,002	3,809,487	4,069,558
Reserve fund	5,331,150	{1,309,089	1,315,639
Gen. & accident reserves		{2,475,645	2,404,558
Profit and loss	1,511,524	1,240,963	1,153,575
Total	$66,856,866	$65,163,477	$60,814,441

*Representing expenditures on hydro-electric power generating stations, transmission lines, distribution systems, track, rolling stock, gas manufacturing plants and distribution systems, lands, bridges, buildings, motor coaches, etc., less provision for depreciation, sinking fund and renewals. †After deducting $517,717 installments payable.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	1922
Total income	*£611,483	*£573,234	*£544,329	£613,373	£599,221	£622,700
Depreciation, sinking fund and renewals	.....	.....	.....	£155,955	£136,824	£152,354
Debenture interest	179,708	179,816	183,537	140,978	132,015	132,123
Other deductions	.....	.....	.....	33,157	45,924	61,113
Total charges	£179,708	£179,816	£183,537	£330,090	£314,763	£345,590
Balance for dividends	£431,775	£393,419	£360,792	£283,283	£284,458	£227,110
Dividends paid	216,000	216,000	206,256	205,254	206,256	211,355
Surplus for year	£215,775	£177,419	£154,536	£78,029	£78,202	£65,755

*After deducting depreciation, sinking fund and renewals.

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925	1924	1923	1922
Property account	£5,098,644	*£4,633,944	*£4,741,896	£6,080,775	£5,232,202	£5,581,027
Supplies account	339,149	331,279	300,465	254,496	223,143	205,678
Debtors and debit balances	213,256	187,446	170,713	216,475	204,577	212,671
Marketable securities	.....	532,521	682,917	1,126,800	808,480	901,079
Shares in and advances to allied and sub-cos.	3,719,918	4,298,267	3,609,504	3,069,374	3,445,093	3,317,367
Sundry investments	452,989	72,166	413,975	331,322	365,600	389,769
Short loans, cash, etc.	69,907	120,409	149,589	222,375	226,765	246,446
Total	£9,893,863	£10,176,032	£10,069,059	£11,301,617	£10,505,860	£10,754,037
Liabilities—						
Perpetual Pfd. stock	£1,440,000	£1,440,000	£1,440,000	£1,440,000	£1,440,000	£1,440,000
Preferred Ord. stock	1,440,000	1,440,000	1,440,000	1,440,000	1,440,000	1,440,000
Deferred Ord. stock	1,440,000	1,440,000	1,440,000	1,440,000	1,440,000	1,440,000
Debentures	288,900	291,300	293,700	296,100	298,500	300,900
Perpetual Consol. debenture stock	2,788,170	2,788,170	2,788,170	2,788,170	2,788,170	2,788,170
5% Debenture stock	770,000	770,000	770,000	770,000	.....	.....
Accrued debenture interest	50,536	51,277	51,504	42,594	33,545	.....
Due to subsidiaries	.....	601,227	388,323	387,256	479,890	.....
Creditors and credit balances	493,349	530,155	640,993	528,176	794,894	1,094,523
Dividends due and declared, since paid	39,836	38,882	39,282	147,182	.....	.....
Reserve funds	709,503	546,711	562,080	416,345	304,362	341,968
Accident reserve	150,000					
Depreciation, sinking fund and renewals	.....	.....	.....	1,484,428	1,382,026	1,679,365
Revenue account	283,569	238,308	215,007	121,366	104,473	229,111
Total	£9,893,863	£10,176,032	£10,069,059	£11,301,617	£10,505,860	£10,754,037

*After deducting provision for depreciation, sinking fund and renewals.

Officers: R. M. Horne-Payne, Chairman; J. Davidson, Deputy Chairman; George Kidd, Pres.; W. G. Murrin, V-P., Vancouver, B. C.; A. T. Goward, V-P., Victoria, B. C.; F. R. Glover, Gen. Exec. Asst.; R. W. Bartlett, Sec.; V. Laursen, Solicitor, E. H. Adams, Compt., Vancouver, B. C.

Directors: R. M. Horne-Payne (Chairman), J. Davidson (Deputy Chairman), George Kidd, Hon. Sir Frank Barnard, T. Blundell Brown, G. P. Norton, Harold G. Brown, W. G. Murrin.

Main Office, 14-20 King William St., London, E. C. 4, England. **Local Office,** Vancouver, B. C.

BRITISH COLUMBIA ELECTRIC POWER AND GAS COMPANY, LIMITED

(Controlled by British Columbia Electric Railway Company, Ltd.)

History—Organized in March, 1926, by British Columbia Ry. Co., Ltd., for the purpose of controlling all the power and gas plants of that company. Accordingly it received from that company the entire $9,500,000 capital stock of Vancouver Power Co., Ltd., the entire $279,800 capital stock of Bridge River Power Co., Ltd., the entire $1,250,000 capital stock and $1,250,000 Debentures of Vancouver Gas Co., Ltd., the entire $300,000 capital stock and $160,000 Debentures of Victoria Gas Co., Ltd., the entire $1,000,000 capital stock of British Columbia Gas Co., Ltd., and the entire $100,000 capital stock of British Columbia Rapid Transit Co., Ltd. In return for these shares and debentures of subsidiaries, the British Columbia Electric Ry. Co., Ltd., received $15,248,012 (entire outstanding) Common stock of the British Columbia Electric Power & Gas Co., Ltd.

Vancouver Power Co., Ltd. owns two hydro-electric power plants, water for which is taken from Lake Buntzen and Lake Coquitlam, two large lakes situated above the power house, which is located about fifteen miles from the City of Vancouver and eleven miles from New Westminster. The hydro-electric plant was originally installed in 1903, with capacity of 20,000 electrical horse power, subsequently increased to approximately 42,000 h.p. and in 1912 increased to about 82,500 h.p. The Vancouver Power Co., Ltd., owns the entire Common and Pfd. stock of the Western Power Co. of Canada, Ltd. (see appended statement), and the entire $3,500,000 capital stock of **Vancouver Island Power Co., Ltd.** The latter company owns and operates the Brentwood Bay steam plant of 5,400 h. p. capacity and the Jordan River hydro-electric plant of 21,500 h.p. During the fiscal year ended June 30, 1924, the British Columbia Electric Ry. Co., Ltd., transferred to the Vancouver Power Co., Ltd., the shares in the Western Power Co. of Canada, Ltd., and received in exchange various railway, light and power enterprises heretofore owned by the Vancouver Power Co., Ltd., although operated by the British Columbia Electric Ry. Co., Ltd., as part of its general undertaking on the Mainland. The entire $9,500,000 capital stock of the Vancouver Power Co., Ltd., was transferred to the British Columbia Electric Power and Gas Co., Ltd., in March, 1926, by British Columbia Electric Ry. Co., Ltd.

Bridge River Power Co., Ltd. owns the water rights on Bridge River adjacent to the Pacific Great Eastern Railway and near the town of Lillooet, about 135 miles north of Vancouver. Active development has been started on this project with the object of having two units of 30,000 h. p. each in operation by 1930 to cost about $13,000,000. After that the plant will be increased to use up to 90,000, 150,000 and 210,000 h.p. available as desired at a total expenditure of $30,000,000, spread over a period of 15 years. The total estimated horse power at Bridge River is 700,000. The entire $279,800 capital stock of this company was acquired by British Columbia Electric Ry. Co., Ltd., in 1925, and transferred to the British Columbia Electric Power & Gas Co., Ltd., in March, 1926. During 1927 work was carried on in the building of roads, preparation of camp sites and erection of camp buildings, etc. A contract was let for the boring of a tunnel 2½ miles long between Lake Seton and Bridge River.

Vancouver Gas Co., Ltd. was incorporated Feb. 8, 1886 in British Columbia, and supplies Vancouver, serving a population of over 100,000. Its franchise expires Feb. 8, 1937. Its gas plants have a daily capacity of 4,000,000 cu. ft. Miles of mains, about 160. Number of customers, over 24,000. The Vancouver gas plant supplies gas in Vancouver, Point Grey, South Vancouver, Burnaby and New Westminster. All its outstanding $1,250,000 capital stock and $1,250,000 First Mortgage 5% debentures, due 1929 are owned by the British Columbia Electric Power & Gas Co., Ltd., having been transferred to that company in March, 1926, by the British Columbia Electric Ry. Co., Ltd.

Victoria Gas Co., Ltd. was incorporated in British Columbia and supplies a population of over 47,000 in Victoria, B. C. Its gas plant has a daily capacity of 750,000 cu. ft. Miles of mains, about 50. Number of customers, over 4,000. All its outstanding $300,000 capital stock and $160,000 debentures are owned by British Columbia Electric Power & Gas Co., Ltd., having been transferred to that company in March, 1926, by British Columbia Electric Ry. Co., Ltd.

British Columbia Gas Co., Ltd. was organized in British Columbia and supplies gas in Point Grey and South Vancouver from the plant of the Vancouver Gas Co., Ltd. Miles of mains, about 50. Number of customers, over 2,000. Its entire $1,000,000 capital

stock is owned by British Columbia Electric Power & Gas Co., Ltd., having been transferred to that company in March, 1926, by British Columbia Electric Ry. Co., Ltd.

British Columbia Rapid Transit Co., Ltd. owns and operates the bus line running between Vancouver and New Westminster, 12 miles, and between New Westminster and Chilliwack, 60 miles. Number of coaches, 23. Its entire $100,000 capital stock is owned by British Columbia Electric Power & Gas Co., Ltd., having been transferred to that company by the British Columbia Electric Ry. Co., Ltd.

CAPITAL STOCK

Authorized, $20,000,000 Common, par $1, and $5,000,000 6% cumulative Preference, par $100; outstanding June 30, 1927, $15,248,012 Common and $5,000,000 Preference. All the Common is owned by British Columbia Electric Ry. Co., Ltd.

Preference Stock Provisions—Has preference for assets and dividends and in liquidation is entitled to par and accrued dividends. It is subject to call at 105 at the option of company. The British Columbia Electric Ry. Co., Ltd. guarantees the payment of dividends. Preference stock has no voting power except in the event that dividends have not been earned for preceding year, or that dividends are in default for six months, or on resolutions liquidating or reorganizing the company.

Public Offerings—$2,250,000 Preference stock was offered for sale to residents of British Columbia and to employees of British Columbia Electric Power & Gas Co., Ltd., in March, 1926, at 99. In view of the over-subscription the entire $5,000,000 stock was allotted.

Dividends—Preference dividends regularly paid since issuance; payments, J, A, J & O 1.

OFFICERS AND DIRECTORS

Officers: R. M. Horne-Payne, Chairman; George Kidd, Pres.; W. G. Murrin, V-P.; A. T. Goward, V-P.; J. V. Armstrong, Sec.; E. H. Adams, Compt.

Directors: R. M. Horne-Payne, George Kdid, W. G. Murrin, A. T. Goward, E. H. Adams, Sir Frank S. Barnard, Tom Blundell-Brown, John Davidson.

Office, Vancouver, B. C.

WESTERN POWER COMPANY OF CANADA, LIMITED

(Controlled by Vancouver Power Co., Ltd.)

History and Properties—Incorporated Sept. 27, 1916, in Canada, and on Feb. 1, 1917, the property of Western Canada Power Co., Ltd., was transferred to it in accordance with the Plan and Agreement of Reorganization of that Company, dated June 20, 1916 (see Manual for 1917, page 2142).

The rights and franchises taken over by Western Power Co. of Canada, Ltd., comprise perpetual rights given by the Dominion Government to store water in Stave Lake and generate power at two sites on Stave River; fifty-year franchises for the supply of power in the cities of Vancouver and New Westminster, and franchises varying in term from 30 to 50 years for the supply of light and power in various municipalities in the Fraser River Valley extending from Vancouver eastward about 45 miles.

The real property taken over consists of a considerable amount of land on the borders of Stave Lake and along the Stave River, including the two power sites, about five miles of railway right-of-way, and a considerable quantity of land acquired for the right-of-way for transmission lines.

The physical property consists of No. 1 power plant at Stave Falls, comprising five 13,125 KVA generators driven by four turbines of 15,000 h.p., and one turbine of 17,500 h.p. The water supply for this power is regulated by the dams which make Stave Lake into a storage basin having an area of about 24 square miles. The No. 2 power site, which is held for future development, is lower down the Stave River, and will make use of the same storage as the No. 1 plant. It can be developed for a continuous output of 30,000 kilowatts.

The Company owns 30 miles of steel tower double circuit transmission line from its power plant to Vancouver. It also owns a single circuit transmission line, 22 miles long, from its power plant to the International Boundary.

It supplies power to industrial power consumers throughout the whole district over which it has franchises, and owns a distribution system consisting of approximately 170 miles of overhead pole line, and 27 miles of underground mains, which are leased to British Columbia Electric Ry. Co., Ltd.

CAPITAL STOCK

Authorized, $5,000,000 Common and $5,000,000 7% cumulative (from Jan. 1, 1918) Pfd.; outstanding, $5,000,000 Common and $850,000 Pfd.; par, $100. The Vancouver Power Co., Ltd., owns 99.7% of the entire Pfd. and Common stock outstanding.

FUNDED DEBT

$4,895,433 FIRST MORTGAGE SINKING FUND GOLD 5s; DUE JULY 1, 1949

Dated November 1, 1916.

Interest Payable January and July 1, at Bank of Montreal, London, or at option of holder in Montreal at $4.86 2/3 per £1.

Denominations—Bonds (which are to bearer, but can be registered) are issued in dollar currency for $500 and $1,000 (payable in gold coin in Montreal or in sterling in London at $4.86 ⅔ per £1 or sterling currency for £100 (payable in London at the Bank of Montreal, or at the holders option, in Montreal at $4.86 ⅔ per £1).

Trustee—Royal Trust Company, Montreal.

Provisions of Issue—Authorized, $20,000,000, but company has agreed to waive its right to issue any further bonds beyond $5,000,000 already issued. Outstanding June 30, 1927, $4,895,433.

Callability—Subject to call at 105 on any interest date on four weeks' notice.

Sinking Fund—Provisions are made for a sinking fund of 1% (commencing Dec. 31, 1925) to operate by purchase at or under par or by drawings at par.

Security—Secured by a specific first charge on all the real property, franchises and concessions of the company (except certain lands required for a second power development), and a floating charge on all the other assets, except bonds and shares.

Guaranty—Guaranteed, principal and interest, by British Columbia Electric Railway Company, Limited.

Listed—London Stock Exchange.

INCOME ACCOUNT, YEARS ENDED JUNE 30

	1927	1926	1925	1924	1923	1922
Gross earnings	$731,285	$671,002	$619,797	$686,463	$638,688	$553,992
Operating expenses and taxes	201,364	145,189	118,905	129,634	160,283	145,010
Depreciation	261,372	232,691	177,049	181,751	120,000	96,000
Net earnings	$268,549	$293,122	$323,843	$375,078	$358,405	$312,982
Other income	8,058	11,413	17,868	24,031	19,145	4,414
Total income	$276,607	$304,535	$341,711	$399,109	$377,550	$317,396
Interest charges	254,857	283,725	285,000	285,000	285,000	285,000
Surplus for year	$21,750	$20,810	$56,711	$114,109	$92,550	$32,396

GENERAL BALANCE SHEET, JUNE 30

Assets—	1927	1926	1925	1924	1923	1922
Property and plant	$14,916,056	$15,038,675	$14,748,847	$13,314,715	$12,570,661	$11,641,960
Investments	2,073,763	1,881,507	1,248,801	520,045	5,869	5,870
Cash	129,750	143,007	129,692	130,102	131,231	131,801
Accounts receivable	2,869	2,085	31,399	22,273	7,718	12,896
Materials and supplies	18,681	17,152	18,137	15,025	16,406	14,089
Prepaid accounts	586	570	529	482	740	1,073
Open accounts	5,733	7,465	7,217	5,015	11,200	53,284
Total	$17,147,438	$17,090,461	$16,184,622	$14,007,657	$12,743,824	$11,860,973
Liabilities—						
Capital stock	$5,850,000	$5,850,000	$5,850,000	$5,850,000	$5,850,000	$5,850,000
Funded debt	4,895,433	5,447,907	5,500,000	5,500,000	5,500,000	5,500,000
Loans payable	4,754,836	4,423,386	3,713,281	1,756,080	.....	.....
Accounts payable	42,537	27,276	26,026	29,137	813,495	150,131
Matured interest unpaid	122,767	132,432	133,750	133,750	133,750	133,750
Reserves	1,439,305	1,024,810	797,724	531,561	291,809	164,871
Surplus	42,560	184,650	163,841	207,129	154,770	62,221
Total	$17,147,438	$17,090,461	$16,184,622	$14,007,657	$12,743,824	$11,860,973

Officers: George Kidd, Pres. & Gen. Mgr.; W. G. Murrin, V-P.; E. H. Adams, Compt.; J. V. Armstrong, Sec.; P. Lewis, Pur. Agt., Vancouver, B. C.

Directors: George Kidd, W. G. Murrin, F. R. Glover, V. Laursen, E. H. Adams, W. Saville, Vancouver, B. C.; John Davidson, London, Eng.

General Office, Vancouver, B. C.

THE UNITED LIGHT AND POWER COMPANY

Stock Issues, At December 31, 1927, Summarized

Stocks	Dividend Payment Dates	Authorized	Outstanding	Income Available for Dividends	Dividends Paid— Rate	Dividends Paid— Amount	Earnings per Share
Class "A" cum. Pfd.	J, A, J & O 1	500,000 shs.	160,488 shs	$8,006,505	$6.50	$1,041,285	$49.89
Class "B" cum. Pfd.	J, A, J & O 1	500,000 shs.	76,770 shs	6,965,220	4.00	307,080	90.72
Class "A" Common	F, M, A & N 1	3,500,000 shs.	1,982,691	6,658,140	48c	1,430,339	2.23
Class "B" Common	F, M, A & N 1	2,500,000 shs.	1,000,000 shs		48c		

Bond Issues, At December 31, 1927, Summarized

Title of Issue	Maturity	Interest Dates	Authorized	Outstanding	Convertible	Subject to Call	U. S. Inc. Tax
United Lt. & Rys. Co. 1st & Ref. 5s	June 1, 1932	J & D 1	Unlimited	$11,000,000	No	Yes	Paid by Co.
United Lt. & Rys. Co. First Lien & Consol. Series "A" 6s	Apr. 1, 1952	A & O 1	Unlimited	11,010,000	No	Yes	Paid by Co.
The United Lt. & Pr. Co. First Lien & Consol. 5½s	Apr. 1, 1959	A & O 1	Unlimited	6,996,100	No	Yes	Paid by Co.
United Lt. & Rys. Co. Debenture 6s, Series "A"	Jan. 1, 1973	J & J 1	Unlimited	2,864,000	No	Yes	Paid by Co.
The United Lt. & Pr. Co. Debenture 6½s, Series of 1924	May 1, 1972	M & N 1	Unlimited	6,000,000	No	Yes	Paid by Co.
The United Lt. & Pr. Co. 5½% Gold Notes	Sept. 1, 1928	M & S 1	Not stated	4,873,000	No	Yes	Paid by Co.
The United Lt. & Pr. Co. Debenture 6s, Series of 1925	May 1, 1975	M & N 1	Unlimited	12,500,000	No	Yes	Paid by Co.
The United Light & Rys. (Del.) Deb. 5½s Ser. of 1927	Aug. 1, 1952	F & A 1	Unlimited	25,000,000	No	Yes	Paid by Co.

Total Funded Debt, at Dec. 31, 1927, $80,243,100.
Amount Available for Interest in 1927, $12,986,947.
Interest Accrued in 1927, $4,244,031.
Times Interest Earned in 1927, 3.06.

History—Incorporated November 20, 1923, in Maryland. Purchased the entire holdings of United Light & Railways Co., a Maine corporation (organized in 1910) and as of January 1, 1924, assumed control of the subsidiary company properties.

The companies directly controlled by The United Light and Power Company as of March, 1928, were as follows:

Operating Companies

Cedar Rapids (Iowa) Gas Co.
Cedar Rapids & Marion City (Iowa) Ry. Co.
Chattanooga (Tenn.) Gas Co.
Fort Dodge (Iowa) Gas & Electric Co.
La Porte (Ind.) Gas & Electric Co.
Mason City & Clear Lake (Iowa) R. R. Co.
Northwestern Mfg. Co., Fort Dodge, Iowa.
Ottumwa (Iowa) Gas Co.
Peoples Gas & Electric Co., Mason City, Iowa.

Holding Companies

The Tri-City Railway & Light Company, Davenport, Iowa.
The United Light & Railways Company (Delaware), Chicago.

The Tri-City Railway & Light Company controls, through ownership of all of the capital stock and practically all of the bonds issued, the following subsidiary operating companies:

Clinton, Davenport & Muscatine (Iowa) Ry. Co.
Iowa City (Iowa) Light & Power Co.
Moline-Rock Island Manufacturing Co., Moline, Ill.
Muscatine (Iowa) Lighting Co.
Peoples Light Co., Davenport, Iowa.
Peoples Power Co., Moline-Rock Island, Ill.
Tri-City Railway Co., of Illinois.
Tri-City Railway Co., of Iowa.

The United Light & Railways Co., a Delaware corporation controls, through ownership of a large majority of the Common stocks (in most cases all) as well as substantial amounts of the Pfd. stock and bonds of some of the controlled companies, the following subsidiary Companies:

Operating Companies

Brooklyn Borough Gas Co.
Riverside Power Manufacturing Co.

Holding Companies

Continental Gas & Electric Corporation
United Ohio Utilities Co. (Delaware)

Also owns a substantial amount of the Common and Pfd. stocks of the American Light and Traction Company and Common stock of the Detroit Edison Company.

The Continental Gas & Electric Corporation, controls through ownership of a large majority of the Common stock (in some cases all), and substantial amounts of the Pfd. stocks of certain of the subsidiaries, the following operating companies:

Columbus (Ohio) Railway, Power & Light Co.
Canada Gas & Electric Corp., Brandon, Manitoba.
Iowa-Nebraska Light & Power Co.
Lincoln (Neb.) Public Service Co.
Lincoln (Neb.) Traction Co.
Maryville (Mo.) Electric Light & Power Co.

It also controls the Kansas City Power Securities Corporation, a holding company, which in turn controls the following operating subsidiaries:

Kansas City Power & Light Co.
Kansas City Power & Light Appliance Co.
Power & Light Securities Co.
Panhandle Power & Light Co.

United Ohio Utilities Co. controls the Ohio Utilities Co. and Ohio & Western Utilities Co. (Delaware corporations) and Southern Ohio Electric Co., which

in turn controls the following companies, furnishing electric light and power service in the cities of Athens, Circleville, Chillicothe, Delaware, Hillsboro, Logan and Gallipolis, Ohio:

Ohio Utilities Co. (Ohio corporation)
Chillicothe Electric Railway, Light & Power Co.
Chillicothe & Camp Sherman Railway Co.
Hillsboro Ice & Coal Co.

TERRITORY SERVED AND CHARACTER OF SERVICE

The subsidiary operating companies now under the control of The United Light & Power Company serve an aggregate population of more than 2,000,000, with either (in some cases two or more) of the following public utilities services: Gas (19 plants with annual sales in excess of 4,850,000,000 cu. ft.); electric light and power (normal installed capacity of generating plants 490,000 k.w. with annual sales in excess of 973,000,000 k.w.h.); central station heat in six cities; artificial ice, cold storage, street railway and interurban railway transportation, and merchandising of gas and electric appliances.

The operating properties are in excellent physical condition and an amount in excess of 12½% of the gross earnings is annually expended or set aside in reserve for Maintenance and Depreciation.

EXCHANGE OF STOCK

On taking over the assets, and assuming the liabilities of United Light & Railways Co. (the Maine corporation) on Jan. 1, 1924, The United Light & Power Co. offered in exchange for the stocks of the Maine corporation its no-par stocks as follows:

For each share of Common stock, par $100 (45,000 shares outstanding) three shares of Class "A" and two shares of Class "B" Common, together with purchase warrant entitling the holder to purchase one share of Class "A" Common at a price of $35 per share at any time before Dec. 31, 1925. Class "B" Common has sole voting power.

For each share of 6% First Pfd. (101,331 shares par $100 outstanding) one share of Class "A" Pfd., bearing dividend of $6.50 per share per annum.

For each share of 7% Participating Pfd. (34,087 shares par $100 outstanding) two shares of Class "B" Pfd. bearing dividend of $3.50 per share per annum, or, one and one-tenth shares of Class "A" Pfd. for each share of 7% Participating Pfd.

CAPITAL STOCK

Authorized, 3,500,000 shares Class "A" Common, 2,500,000 shares Class "B" Common, 500,000 shares Class "A" cumulative Pfd. ($6.50 per share per annum) and 500,000 shares Class "B" cumulative Participating Pfd. ($3.50 per share per annum), all of nominal or no par value, outstanding, Dec. 31, 1927, 1,982,691 shares Class "A" Common, 1,000,000 shares Class "B" Common, 160,498 shares Class "A" Pfd., and 76,770 shares Class "B" Pfd.

Common Stock Increase—At a special meeting of stockholders on March 4, 1926, it was voted to increase the authorized amount of Class "A" Common stock from 500,000 shares to 3,500,000 shares and the Class "B" Common stock from 500,000 shares to 2,500,000 shares and to issue in lieu of the then existing Classes of "A" and "B" stock 5 shares of new Class "A" and Class "B" Common respectively for each share then outstanding.

Preferred Stock Provisions—Class "A" Pfd. stock has preference for assets and dividends over all other classes of stock and in the event of dissolution, either voluntary or involuntary, it is entitled to $100 per share and dividends. It is redeemable on any dividend date at $105 per share and accrued dividends. Class "B" Pfd. stock is subordinate only to the Class "A" Pfd. stock as to assets and earnings, and is redeemable on any dividend date at $60 per share and accrued dividends. In the event of liquidation it is entitled to $50 per share and dividends.

The Class "B" Pfd. stock is entitled to receive $4.00 per share whenever the dividend on the Class "A" and Class "B" Common stock exceeds a rate of 28 cents per share per annum. Dividends were paid on the Class "B" Pfd. stock during 1924, 1925 and 1926 at the rate of $4.00 per share, and up to and including the April 1, 1928 quarter. Both classes of Common stock shall receive like dividends but the sole voting power is vested in Class "B" stock.

Transfer Agents (all classes of stock)—Guaranty Trust Co., New York, and The United Light & Power Co., Bankers Bldg., 105 W. Adams St., Chicago, Ill.

Registrars—Bankers Trust Co., New York and Illinois Merchants Trust Co., Chicago.

Public Offering—30,000 shares cumulative Class "A" Pfd. stock were publicly offered in Aug., 1925, at $94 per share and accrued dividend, to yield over 6.90%, by Howe, Snow & Bertles, Inc., Otis & Co., and Peirce, Fair & Co., New York, etc.

Annual Meeting—April 17 or first secular day thereafter.

Listed—All stocks listed on Chicago Stock Exchange. Class "A" and Class "B" Common also dealt in on Unlisted Department of Philadelphia Stock Exchange.

Price Range—

	1927	1926	1925	1924
Preferred "A"—				
High	97¼	91⅞	99	87
Low	87	81¾	81	75
Preferred "B"—				
High	57	54	56½	47
Low	50	42¾	42	43
Common "A"—old—				
High	..	144	166½	56
Low	..	63¼	44½	30
Common "A"—new—				
High	15¾	33½	..	..
Low	12⅛	10⅜	..	..
Common "B"—old—				
High	..	155	180	58
Low	..	68½	49	30
Common "B"—new—				
High	24	31	..	..
Low	14	14¼	..	..

Dividends—Dividends on Class "A" Pfd. and the predecessor 6% First Pfd. stock which it succeeded, have been regularly paid in cash, from the organization of the company in 1910; payments quarterly J, A, J & O 1. On Class "B" Pfd. (originally 7% Participating Pfd.) since initial issue Oct. 2, 1922; payments quarterly, J, A, J & O 1. The Participating Pfd. was created in 1922 by conversion by the holders of one-half of their holdings of Common stock into 7% Participating Pfd., paid an initial dividend on Oct. 2, 1922, of 1¾%. In 1923, and since, the dividend has been at the rate of 8% on a par of $100. On May 25, 1923, holders of both classes of Pfd. stock were given the right to subscribe to additional Common stock at par, to the extent of 5% of their holdings. Dividends were paid on Class "B" Pfd. stock during 1924, 1925, 1926 and 1927 at the rate of $4 per share per annum, and up to and including the April 1, 1928 quarter.

A dividend of 3% was paid on the Common stock in 1913, and 3% in 1914. Dividends were resumed on the Common Oct. 1, 1916, with the payment of 1% and were regularly paid at the same rate each quarter to and including Oct. 1, 1919; none thereafter until Feb. 1, 1923, when 1¼% regular and ¼% extra was paid; May 1, 1923, 1¼% regular and ½% extra; Aug. 1, 1923, the regular rate was increased to 2%; Nov. 1, 1923, 2%; Feb. 1, 1924, 2%; May, 1924, (new stock) 40 cents per share and at the same rate to and including Feb. 2, 1925; May 1, 1925, 45 cents; Aug. 1, 1925, 50 cents; Nov. 2, 1925, 60 cents and at the same rate to and including May 2, 1927 on old stock, and 12 cents per share on new stock after division of five shares of new for one of old, May 1, 1926; quarterly dividends of 12 cents per share regularly paid since to May 1, 1928. A stock dividend of 75% payable in Common stock was paid April 1, 1912; 1% April 1, 1914; 5% April 1, 1923; May and Nov., 1924, and May and Nov., 1925, and May, 1926, 1/40th of a share, with 1/40th extra Nov. 1, 1925. Holders of both Pfd. and Common stock were

given the right, May 25, 1923, to purchase Common stock at par ($100) as follows: One right issued to each share of First Preferred and Participating Preferred, and two rights to each share of Common, twenty rights entitling the holder to purchase one additional share of Common. Feb. 28, 1924, Common stockholders were given the right to purchase, for each share of old stock ($100 par) held, one share of new no par stock at $35 per share; this right expired Dec. 31, 1925. Common stockholders of record July 3, 1925, owning five shares of either or both Class "A" and Class "B" Common, were given the right to subscribe for one share of Class "A" Common at $72.50 per share. Directors meet for dividend action on the first day of March, June, Sept. and Dec.; following day if first falls on holiday.

FUNDED DEBT

(Arranged in order of priority of lien)

(1) United Light & Railways Co. First & Refunding 5s	Due	June 1, 1932
(2) United Light & Railways Co. First Lien & Consol. Series "A" 6s	"	April 1, 1952
(3) The United Light & Power Co. First Lien & Consol. 5½s	"	April 1, 1959
(4) United Light & Railways Co. Debenture 6s, Series "A"	"	Jan. 1, 1973
(5) The United Light & Power Co. Debenture 6½s, Series of 1924	"	May 1, 1974
(6) The United Light & Power Co. 5½% Gold Notes	"	Sept. 1, 1928
(7) The United Light & Power Co. Debenture 6s, Series of 1925	"	May 1, 1975

(1)

$11,000,000 UNITED LIGHT & RAILWAYS CO. FIRST & REFUNDING GOLD 5s (MORTGAGE CLOSED); DUE JUNE 1, 1932

Dated June 1, 1912.

Interest Payable June and December 1, at New York Trust Co., and Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000. Bonds in denominations of $1,000 are registerable as to principal or may be exchanged for fully registered bonds in denominations of $1,000 or multiples thereof; both classes interchangeable.

Trustees—The New York Trust Co. and Mortimer N. Buckner, New York.

Provisions of Issue—Issued, $29,083,400, of which $11,010,000 are deposited as collateral to First Lien & Consolidated 6s, Series "A" and $7,073,400 are deposited as collateral to First Lien & Consolidated Mortgage 5½s, Series of 1924. Additional bonds may be issued (a) at par to refund underlying bonds, (b) at 75% of cost of betterments, improvements or additions (c) at 75% of cost of additional properties, but not to exceed 75% of replacement value, (d) at 75% of par value of Tri-City Ry. & Light Pfd. stock or Chattanooga Gas Co. Pfd. stock redeemed or purchased. Except for refunding of underlying bonds, additional bonds may be issued only when net earnings for the preceding twelve months have been at least one and one-half times total interest charges of (1) this issue, and bonds applied for, and (2) the fixed charges of the subsidiary companies. No additional securities of subsidiary companies may be issued unless immediately acquired and pledged under the lien of the First and Refunding Mortgage. The $11,000,000 First & Refunding bonds outstanding do not include the bonds pledged as collateral to the First Lien & Consolidated 6s, Series "A" and the 5½% Series of 1924.

Callability—Subject to call in whole or in part on any interest date at 102½ and interest upon 60 days' notice.

Maintenance and Depreciation Fund—Beginning in 1917, and each year thereafter, the company agrees to pay to the trustee or to expend in betterments, improvements and new property (for which no bonds are issuable), an amount equal to 2% of the bonds which have for six months or more been outstanding. Any money so paid to the trustee may also be applied to the redemption of the bonds. Maintenance and depreciation reserve on Dec. 31, 1927, was $2,907,600 or 26.43% of the total amount of First and Refunding bonds owned by the public.

Security—Assumed by The United Light & Power Co. Secured by a direct first mortgage on the properties which are owned in fee, viz.: Cedar Rapids Gas Co., Chattanooga Gas Co., Fort Dodge Gas & Electric Co., La Porte Gas & Electric Co., Peoples Gas & Electric Co., and Ottumwa Gas Co., and by a first lien upon the property of the Cedar Rapids & Marion City Railway Co. through deposit with the Trustee of all the outstanding bonds. All of the capital stocks (except directors' qualifying shares) of these companies are owned by The United Light & Power Co. and deposited with the Trustee as additional security.

Additionally secured by deposit of $15,600,000 face value First & Refunding 5% bonds of The Tri City Ry. & Light Co. (total issue, $19,801,000), $8,914,800, of the Common stock (total issue, $9,000,000) and $208,800 of the Pfd. stock (total issue, $3,000,000) of the same company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded.

Original Offering—First publicly offered ($4,300,000) in July, 1912, by N. W. Halsey & Co., Russell, Brewster & Co., New York and Chicago, and Continental & Commercial Trust & Savings Bank, Chicago, at 92½ and interest; $500,000 additional offered in May, 1919, by Bonbright & Co., Inc., at 90½ and interest.

(2)

$11,010,000 UNITED LIGHT & RAILWAYS CO. FIRST LIEN AND CONSOLIDATED GOLD SERIES "A" 6s; DUE APRIL 1, 1952

Dated April 1, 1922.

Interest Payable April and October 1, at The New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable denominations. Fully registered bonds of $1,000 and multiples. Coupon and fully registered bonds interchangeable in $1,000 or multiples.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Issued, $11,010,000.

Until the satisfaction of the First and Refunding Mortgage due June 1, 1932, additional bonds may be issued only upon deposit with the Corporate Trustee of an equal face amount of First and Refunding Mortgage 5% Gold Bonds. Upon the satisfaction of the First and Refunding Mortgage due June 1, 1932, additional bonds may be issued only under the following conditions:

(a) For 80% of the cost or fair value, whichever is less, of hereafter acquired property, or of additions, betterments, etc., to the property of the company or a subsidiary company, but only when net earnings, as defined in the mortgage, have been at least 1¾ times the annual interest charges on all First Lien and Consolidated Mortgage bonds outstanding, including those to be issued, and Convertible Debentures due 1926, plus the annual interest charges on all underlying bonds and all annual prior charges, as defined in the mortgage, of subsidiary companies, excluding charges on securities, pledged under this mortgage or any underlying mortgage.

(b) For acquiring underlying securities then outstanding, at specified ratios, but not exceeding par for par. At all times bonds may be issued against the deposit with the Corporate Trustee of an equal face amount of obligations of the United States Government or cash.

Purpose of Issue—The proceeds from the sale of these bonds, together with the sale of additional capital stock, were used to refund the Collateral Trust First Lien 5% bonds of Tri-City Railway & Light Co. (a subsidiary), due April 1, 1923, the 7% Bond Secured

Gold Notes of the Company, due April 1, 1923, which latter Notes were called and paid Oct. 1, 1922, and to partially reimburse Company for expenditures for additions and betterments to its properties.

Callability—Subject to call in whole or in part on 30 days' published notice at any time on or after April 1, 1947, up to April 1, 1948, at 103; thereafter at 1% less each year up to April 1, 1950, and thereafter at 100; plus accrued interest in each case.

Maintenance and Depreciation Fund—See under description of First & Refunding Gold 5s (paragraph 1).

Security—Assumed by The United Light & Power Co. Secured by a direct mortgage lien upon important properties and by pledge of all securities of subsidiary companies, as defined in the mortgage, now owned by the United Light & Railways Co. or hereafter acquired, subject only to existing liens. Further secured by deposit of $11,010,000 First and Refunding Mortgage 5% Gold bonds of the Company. These pledged bonds of the Company are secured by a first mortgage upon important properties and by pledge of all securities of subsidiary companies owned by the United Light & Railways Co. as required by the terms of that mortgage.

No additional First and Refunding Mortgage 5% Gold Bonds or securities of subsidiary companies, as defined in the mortgage, may be issued unless immediately acquired and pledged under this or an underlying mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania State Tax of 4 mills refunded upon application within 60 days, and the Connecticut State tax up to 4 mills annually.

Legal Opinion—Winthrop & Stimson, New York (for the Bankers), and Humes, Buck & Smith, New York (for the Company).

Original Offering—First publicly offered ($7,000,000) in April, 1922, at 93¾ and interest, to yield over 6.45%; $1,000,000 additional in March, 1923, at 97 and interest to yield over 6.20%; in July, 1923, $1,000,000 more were offered at 96 and interest to yield 6¼%; and in Dec., 1923, $1,000,000 additional were offered at 95 and interest to yield 6⅜%, by Bonbright & Co., Inc., New York, etc.

(3)

$6,996,100 THE UNITED LIGHT & POWER CO. FIRST LIEN & CONSOLIDATED GOLD 5½s; DUE APRIL 1, 1959

Dated April 1, 1924.

Interest Payable April and October 1, at The New York Trust Co., New York.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000; registerable as to principal only. Fully registered bonds of $1,000 and multiples; coupon and fully registered bonds interchangeable in $1,000 or multiples.

Trustee—The New York Trust Co., New York.

Provisions of Issue—The proceeds of the sale of these bonds were used to reimburse the company for construction expenditures and to provide for the enlargement of its electric power business, and for other corporate purposes including the retirement of certain underlying bonds.

The mortgage provides that the First Lien and Consolidated Mortgage bonds may be issued in series, bearing such rates of interest, maturing on such dates, redeemable on such terms and containing such other rights and limitations permitted by the mortgage as the company may determine prior to the issue thereof. Additional bonds may be issued only upon deposit with the trustee of an equal face amount of First & Refunding Mortgage Gold 5s. Except for First & Refunding Mtge. bonds now issued or to be issued for the purpose of refunding underlying securities, no First & Refunding Mtge. bonds may be issued as a basis for issuing First Lien & Consolidated Mtge. bonds, unless net earnings, as defined in the mortgage, for any twelve months' period within the preceding fourteen months have been at least 1¾ times the annual interest charges on all First Lien & Consolidated Mtge. bonds outstanding, including those to be issued, and Convertible Debentures due 1926, plus the annual interest charges on all underlying bonds and all annual prior charges as defined in the mortgage, of subsidiary companies, excluding charges of securities pledged under this mortgage or any underlying mortgage. Upon the satisfaction of the First & Refunding Mtge. due June 1, 1932, additional bonds may be issued only under the following conditions: (a) for 80% of the cost or fair value, whichever is less, of hereafter acquired property or of additions, betterments, etc. to the property of the company or a subsidiary company, but only under the above restrictions as to earnings; (b) for acquiring underlying securities then outstanding, at specified ratios, but not exceeding par for par. At all times bonds may be issued against the deposit with the Trustee of an equal face amount of obligations of the United States Government or cash.

Maintenance and Depreciation—In accordance with the terms of both the First & Refunding Mtge. and the First Lien & Consolidated Mtge., the company must expend or set aside at least 12½% of gross earnings for maintenance and repairs or for renewals or replacements to the properties. Any part not used for such purposes may be expended for additions, extensions and improvements to the properties, but such expenditures may not be used as the basis for issuing additional bonds.

Callability—Subject to call in whole or in part on thirty days' notice during the first five years at 107½; during the second five years at 105; thereafter at 1% less during each five year period until March 31, 1954; during the succeeding two and one-half years at 100½, and thereafter at 100, plus accrued interest in each case.

Security—These bonds are a direct mortgage lien upon important properties and by pledge of all securities of subsidiary companies now owned by The United Light & Power Co. or hereafter acquired, subject only to existing liens. They are further secured by deposit of $7,073,400 First and Refunding Mortgage 5% bonds. No additional First & Refunding Mtge. 5s or securities of subsidiary companies, as defined in the mortgage, may be issued unless immediately acquired and pledged under this or an underlying mortgage. Upon the satisfaction of the First & Refunding Mtge. due 1932, the First Lien & Consolidated Mtge. will be a first lien, either directly or through collateral, on the plants and equipment of the company and all its present subsidiary companies then owned.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Pennsylvania four mills tax and the Connecticut State tax up to four mills refunded.

Legal Opinion—Winthrop & Stimson, New York (for the Bankers), and Humes, Buck & Smith, New York (for the Company).

Original Offering—First publicly offered ($3,500,000) in May, 1924, at 90 and interest, yielding 6.20%, by Bonbright & Co., Inc., New York, etc.

Price Range—

	1927	1926	1925	1924
High	101	99	97½	93
Low	98	96	90½	91

(4)

$2,864,000 UNITED LIGHT & RAILWAYS COMPANY DEBENTURE GOLD 6s, SERIES "A"; DUE JANUARY 1, 1973

Dated January 1, 1923.

Interest Payable January and July 1, at The New York Trust Co., New York.

Denominations—Coupon (principal may be registered) in interchangeable denominations of $100, $500 and $1,000, and fully registered $1,000 and multiples; coupon bonds of $1,000 and fully registered bonds interchangeable.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Issued, $2,900,000, of which $36,000 held in treasury. Issued under an Agreement dated Jan. 1, 1923, providing that Gold Debenture Bonds may be issued in series, the respective series other than Series "A" bearing such rates of interest, maturing on such dates, redeemable on such terms, and containing such other rights and limitations permitted by the Agreement, as the company may determine prior to the issue thereof. The Agreement also provides, among other things, that no additional Gold Debenture Bonds may be issued under said Agreement, except for refunding Debenture Bonds of another series at par for par, unless the net income, as defined in the Agreement, for twelve calendar months within the preceding fifteen calendar months shall have been not less than one and three-quarters times the annual charges on all the indebtedness of the company, including the Debenture Bonds then to be issued, and all annual prior charges, but excluding intercompany charges and charges on indebtedness, subordinated to the Debenture Bonds and on indebtedness to be concurrently paid off or the payment of which is provided for by funds deposited in Trust. Proceeds from the sale of Series "A" Debentures provided funds for the retirement of the 8% Bond Secured Gold notes, due Nov. 1, 1930, but called for payment Feb. 10, 1923.

Callability—Subject to call in whole or in part on sixty days' notice at 110 during the first fifteen years (ending Jan. 1, 1938); thereafter at 1% less during each succeeding five-year period to and including the 45th year; thereafter at 1% less during each succeeding year to and including the 48th year and thereafter at 100; accrued interest added each case.

Security—A direct obligation of the company, but not secured by mortgage. Assumed by The United Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will refund upon application within 60 days, the Pennsylvania Four Mills Personal Property Tax, and the Connecticut Four Mills State Tax.

Legal Opinion—Messrs. Winthrop & Stimson, New York (for the bankers), and Messrs. Humes, Buck & Smith, New York (for the Company).

Original Offering—Series "A" 6s ($2,500,000) publicly offered in Jan., 1923, at 90 and interest to yield 6.70%, by Bonbright & Co., Inc., New York, etc.

(5)

$6,000,000 THE UNITED LIGHT & POWER COMPANY GOLD DEBENTURES, 6½% SERIES OF 1924; DUE MAY 1, 1974

Dated May 1, 1924.

Interest Payable May and November 1, at The New York Trust Co., New York, and in Chicago.

Denominations—Coupon debentures in interchangeable denominations of $100, $500 and $1,000; principal may be registered. Fully registered debentures of $1,000 and multiples. Coupon debentures of $1,000 and fully registered debentures interchangeable.

Trustee—The New York Trust Co., New York.

Provisions of Issue—These debentures are the direct obligation of The United Light & Power Co. and are issued under an agreement dated Jan. 1, 1923. The agreement provides, among other things, that no additional debentures may be issued under said Agreement, except for refunding debentures of another series at par for par, unless the net income has been at least 1¾ times the annual interest charges on all indebtedness of the company, including the debentures then to be issued, and all annual prior charges, excluding inter-company charges and charges on indebtedness subordinated to the debentures and on indebtedness the payment of which is concurrently provided for.

Callability—Subject to call as a whole or in part on 60 days' published notice, at 110 during the first fifteen years (ending May 1, 1939); thereafter at 1% less during each succeeding five-year period to and including the 45th year; thereafter at 1% less during each succeeding year to and including the 48th year; and thereafter at 100; plus accrued interest in each case.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will refund upon application within sixty days, the Pennsylvania Personal Property tax to the extent of the present rate of 4 mills, and the Massachusetts Income tax, not exceeding 6% per annum on income derived from the debentures.

Legal Opinion—Winthrop & Stimson, New York, and Humes, Buck & Smith, New York.

Original Offering—First publicly offered ($1,000,000) in May, 1924, at 95 and accrued interest, to yield about 6.90%, by Bonbright & Co., Inc., New York, etc.; $5,000,000 additional offered by the same firm in Nov., 1924, at 95 and interest, to yield over 6.85%.

Price Range—

	1927	1926	1925	1924
High	102½	99½	97½	94⅞
Low	98½	95¼	92½	93¼

(6)

$4,373,000 THE UNITED LIGHT & POWER CO. 5½% GOLD NOTES; DUE SEPTEMBER 1, 1928

Dated March 1, 1925.

Interest Payable March and September 1, at The New York Trust Co., New York, and in Chicago.

Denominations—Coupon (notes in interchangeable denominations of $500 and $1,000); principal may be registered.

Trustee—The New York Trust Co., New York.

Purpose of Issue—The proceeds of this issue was used to pay indebtedness incurred in the purchase of the interest in American Light & Traction Company Common stock.

Callability—Subject to call, in whole or in part, at option of the Company, on 30 days' published notice at 101½ during the first year; at 101 during the next year; and thereafter at 100; plus accrued interest in each case.

Sinking Fund—The Company covenants that it will deposit on March 1 of each year as a sinking fund with the Trustee the sum of $750,000. Monies in this fund, as per terms of agreement, are to be used for the purchase of Notes of this issue at not to exceed 100 and interest. Notes so purchased are to be retired and cancelled. Upon the expiration of 30 days any unexpended balance remaining in this Fund shall revert to the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund upon application within sixty days, the Pennsylvania Personal Property Tax to the extent of the present rate of four mills, and the Massachusetts Income Tax, not exceeding 6% per annum on income derived from the Notes.

Legal Opinion—Winthrop & Stimson, New York (for the Bankers), and Humes, Buck & Smith, New York (for the Company).

Original Offering—First publicly offered ($5,000,000) in March, 1925, at 99 and accrued interest, to yield about 5.80%, by Bonbright & Co., Inc., New York, etc.

Price Range—

	1927	1926	1925
High	100¾	100½	100
Low	99¾	99	98½

(7)

$12,500,000 THE UNITED LIGHT & POWER CO. GOLD DEBENTURES, 6% SERIES OF 1925, DUE NOVEMBER 1, 1975

Dated November 1, 1925.

Interest Payable May and November 1, at The New York Trust Co., New York, and in Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; denominations interchangeable.

Trustee—The New York Trust Co., New York.

Provisions of Issue—These debentures are the direct obligations of The United Light & Power Co. Additional Gold Debentures may be issued in series, the respective series other than the Series of 1925, bearing such rates of interest, maturing on such dates, redeemable on such terms and containing such other rights

and limitations permitted by the Agreement as the Company may determine prior to the issue thereof. The Agreement also provides, among other things, that no additional Debentures may be issued thereunder, except for refunding Debentures of another series, par for par, unless consolidated net income of Company and its controlled companies (as defined in the Agreement) after deducting all operating expenses and taxes, all interest and dividends on securities of controlled companies held by public and minority stockholders, share of undistributed earnings of controlled companies shall have been at least two times annual interest charges on all indebtedness of The United Light & Power Co., including the Debentures then to be issued, but excluding charges on indebtedness subordinate to the Debentures and on indebtedness to be concurrently paid off or the payment of which is provided for by funds deposited in trust. Company covenants that so long as any Debentures are outstanding it will not issue any unsecured obligation maturing more than five years from date of issuance thereof except under the Agreement.

Callability—Series of 1925 Debentures are subject to call as a whole or in part upon 60 days' notice at 110 during the first 15 years (ending November 1, 1940), thereafter at 1% less during each succeeding 5 year period to and including the 45th year; thereafter at 1% less during each succeeding year to and including the 48th year, and thereafter at 100; plus accrued interest in each case.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund upon application within 60 days after payment, the Pennsylvania Personal Property Tax to the extent of 4 Mills and the Massachusetts Income Tax, not exceeding 6% per annum on income derived from the Debentures.

Legal Opinion—Winthrop & Stimson, New York (for the Bankers) and Humes, Buck & Smith, New York (for the Company).

Original Offering—First publicly offered ($12,500,000 Series of 1925) in November, 1925 at 92 and interest to yield about 6.55% by Bonbright & Co., Inc., New York, etc.

Price Range—

	1927	1926	1925
High	100	94¾	92
Low	94	90	91½

COMBINED OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Cu. ft. of gas sold	4,850,604,000	4,632,267,700	3,609,672,600	2,320,884,800	2,255,529,800	2,049,487,500
Kilowatt hours of electric energy sold	973,641,057	799,857,084	719,300,169	649,107,711	213,219,912	181,457,340
Revenue passengers carried—city railways	87,438,631	91,156,704	86,447,678	24,904,632	28,512,533	28,225,428
Rev. passengers carried—interurban railways	1,137,390	1,214,668	1,449,698	2,238,555	2,116,365	2,041,133
Number of gas meters in service	149,374	141,394	132,895	70,923	69,366	67,491
Number of electric meters in service	338,382	322,148	296,337	58,482	57,122	53,915

INCOME ACCOUNT (THE UNITED LIGHT & POWER CO.), YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Earnings available on stocks of sub. cos.	$8,593,683	$7,507,941	$6,584,324	$1,981,391	$2,075,025	$1,859,125
Dividends and interest receivable	3,696,131	2,902,513	1,950,095	1,465,417	1,246,780	973,933
Salaries and miscellaneous earnings	1,334,012	1,034,474	2,550,574	1,333,103	825,052	593,191
Gross earnings	$13,623,826	$11,444,928	$11,084,993	$4,779,911	$4,146,857	$3,426,249
Expenses	577,695	762,812	644,496	409,770	394,548	390,429
Taxes, general and Federal	59,185	59,376	52,805	30,725	31,995	26,159
Net earnings	$12,986,946	$10,622,740	$10,387,692	$4,339,416	$3,720,314	$3,009,661
Interest on first and refunding bonds	$550,000	$550,000	$550,000	$550,000	$550,057	$571,424
Interest on first lien and consol. bonds Series "A"	660,600	660,600	660,600	662,243	493,713	85,568
Interest on first lien and consol. bonds Series of 1924	384,785	377,305	296,686	140,991	.....	.....
Interest on 10-yr. 6% convertible debentures	.....	99,400	119,280	119,280	119,538	120,000
Interest on Series "B" 7% notes	.....	.....	.....	.....	.....	56,288
Interest on 10-yr. 8% notes	.....	.....	.....	.....	15,752	148,692
Interest on 6% Debentures Series "A"	170,336	168,600	165,750	165,000	138,750	.....
Interest on 6½% Debentures, Series of 1924	390,000	390,000	390,000	37,718	.....	.....
Interest on 3½-year 5½% Gold Notes	268,015	269,574	222,383	.....	.....	.....
Interest on 6% Debentures Series of 1925	750,000	750,000	46,625	.....	.....	.....
Interest on commercial loans	695,989	493,969	321,632	22,145	42,880	27,263
Balance available for dividends	$8,742,915	$6,863,292	$7,614,736	$2,642,039	$2,359,624	$2,000,426
Dividends Prior Pfd. stock (The U. L. & Rys. Co. of Del.)	736,411	581,561	500,144	236,599	171,546	81,124
	$8,006,504	$6,281,731	$7,114,586	$2,405,440	$2,188,078	$1,919,302
Dividends on Class "A" Pfd. stock (The U. L. & Power Co.)	1,041,285	1,009,762	887,660	656,500	606,773	606,481
Dividends on Class "B" Pfd. (The U. L. & Power Co.)	307,080	319,770	324,000	285,500	271,940	120,050
Surplus	$6,658,139	$4,952,199	$5,902,926	$1,463,440	$1,309,365	$1,192,771
Credits to depreciation reserve from current earnings of subsidiary cos.	3,478,112	3,267,811	2,997,609	514,665	503,868	696,423
Maintenance (see table following)	2,529,183	2,436,347	2,320,299	819,599	810,722	776,504
Total maintenance and depreciation from current earnings	$6,007,295	$5,704,158	$5,317,908	$1,334,264	$1,314,590	$1,472,927
Maintenance, depreciation and other reserves	$19,013,821	$16,770,581	$13,195,353	$2,863,965	$2,874,882	$2,664,941
Undivided surplus	5,564,932	1,239,810	2,269,350	1,135,442	1,009,068	758,958
Total surplus and reserves	$24,578,753	$18,010,391	$15,464,703	$3,999,407	$3,883,950	$3,423,899
Times All Interest Earned	3.06	2.82	3.75	2.56	2.72	2.98
***Earnings Per Share—**						
Class "A" Preferred	$49.89	$39.83	$45.67	$23.81	$21.59	$18.94
Class "B" Preferred	90.72	68.67	81.55	†21.59	46.39	38.53
Common	2.23	†1.69	9.86	†6.19	29.09	30.19

*Before depreciation and amortization. †In the conversion of stock from $100 par to a no-par basis in 1924, the "B" Pfd. shares were doubled, and the Common stock was multiplied five times. The Common shares were again increased five times in 1926 over 1925. The Comparable figures of earnings per share of Common for 1926, is, therefore five times $1.69 per share or $8.45.

COMPARATIVE STATEMENT OF EARNINGS AND EXPENSES OF SUBSIDIARY COMPANIES OF THE UNITED LIGHT & POWER CO., YEARS ENDED DECEMBER 31

	1927	1926	†1925	*1924	1923	1922
Gross earnings	$43,599,338	$42,144,980	$36,742,023	$11,896,915	$12,140,423	$11,638,901
Operating expenses	19,477,735	19,883,850	16,492,927	6,421,778	6,628,184	6,465,875
Net earnings	$24,121,603	$22,261,130	$20,249,096	$5,475,137	$5,512,239	$5,173,026
Maintenance	2,529,183	2,436,347	2,320,299	819,600	810,722	776,504
	$21,592,420	$19,824,783	$17,928,797	$4,655,537	$4,701,518	$4,396,522
Taxes, general and Federal	3,328,923	3,343,313	2,916,668	786,224	816,239	749,127
Net after taxes and maintenance	$18,263,497	$16,481,470	$15,012,129	$3,869,313	$3,885,279	$3,647,395
Interest and dividends	9,424,064	8,751,368	8,185,816	1,870,729	1,790,522	1,770,852
Surplus on stock of subsidiary companies	$8,839,433	$7,730,102	$6,826,313	$1,998,584	$2,094,757	$1,876,543

*Before inclusion of earnings receivable from subsidiary companies of Continental Gas & Electric Corp. and Brooklyn Borough Gas Co. †Includes Continental Gas & Electric Corp. and Brooklyn Borough Gas Co. earnings.

Note.—In 1922 the gross earnings and operating expenses of the subsidiary companies include inter-company transactions to the amount of $1,565,817, of which $413,323 represents electric power to subsidiary railway properties.

Note.—In 1923 the gross earnings and operating expenses of the subsidiary companies include inter-company transactions to the amount of $1,565,967, of which $386,341 represents electric power sales to subsidiary railway properties.

Note.—In 1924 the gross earnings and operating expenses of the subsidiary companies include inter-company transactions to the amount of $1,615,333, of which $366,093 represents electric power sales to subsidiary railway properties.

Note.—In 1925 the gross earnings and expenses of subsidiary companies include inter-company transactions to the amount of $1,690,727, of which $352,665 represents electric power sales to subsidiary railway properties.

Note.—In 1926 the gross earnings and expenses of subsidiary companies include inter-company transactions to the amount of $2,030,541, of which $432,576 represents electric power sales to subsidiary railway properties.

Note.—In 1927 inter-company earnings and expenses have been eliminated.

THE POLLOWING COMPARATIVE STATEMENT INDICATES THE SOURCES OF REVENUE OF SUBSIDIARY COMPANIES, BOTH GROSS AND NET, AND THE PERCENTAGE OF EARNINGS IN EACH CLASS OF SERVICE TO THE TOTAL

Gross earnings—	1927	% of Total	1926	% of Total	1925	% of Total	1924	% of Total
Gas sales	$6,410,711	14.03	$6,028,565	14.31	$4,777,122	13.00	$3,104,721	26.10
Residuals, gas	151,731	.33	142,330	.34	123,072	.33	87,026	.73
Electric sales	28,269,236	61.87	25,215,081	59.83	22,986,114	62.56	5,358,912	45.04
Railways—City lines	5,958,029	13.04	6,292,437	14.93	5,710,039	15.54	$1,860,141	15.64
Railways—Interurban							$1,032,736	8.68
Heat earnings	1,125,345	2.46	1,101,727	2.61	1,019,369	2.78	205,677	1.73
Miscellaneous	*3,777,195	8.27	3,364,840	7.98	2,126,307	5.79	247,702	2.08
Total gross earnings	$45,692,247	100.00	$42,144,980	100.00	$36,742,023	100.00	$11,896,915	100.00

*Includes merchandise, appliances, etc., $2,570,421 in 1927; in previous years this item is included in "Miscellaneous."

Net Earnings—	1927	% of Total	1926	% of Total	1925	% of Total	1924	% of Total
Gas (including residuals)	$2,078,177	11.38	$1,854,326	11.25	$1,563,815	10.42	$1,072,551	27.72
Electric	13,181,584	72.17	11,644,702	70.65	10,697,771	71.26	2,016,126	52.11
Railways—City lines	1,246,225	6.82	1,364,969	8.28	1,134,099	7.55	294,547	7.61
Rys.—Interurban lines							198,821	5.14
Heat	256,677	1.41	200,411	1.22	241,683	1.61	48,762	1.26
Miscellaneous	*1,500,834	5.22	1,417,062	8.60	1,374,761	9.16	238,505	6.16
Total net earnings	$18,263,497	100.00	$16,481,470	100.00	$15,012,129	100.00	$3,869,313	100.00

*Includes merchandise, appliances, etc., $561,652 in 1927; in previous years this item is included in "Miscellaneous."

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1927
(The United Light and Power Company and Subsidiary Companies)

Credit balance, Jan. 1, 1927	$1,239,810	Deductions:		
Add adjustment applicable to prior period	87,453	Bond & note disc. & prior Pfd. stock expense	$925,534	
	$1,327,263	Less proportion applicable to minority stock	12,169	$913,365
Profit for year 1927	$8,742,916			
Surplus applic. to stock acquired from minority int.	3,401,344	Provision for depreciation	$3,557,173	
		Less proportion applicable to minority stock	79,061	3,478,112
		Dividends paid and accrued:		
		Prior Preferred		736,411
		Class "A" Preferred		1,041,285
		Class "B" Preferred		307,080
		Common stock (cash)		1,430,338
		Total deductions		$7,906,592
		Unappropriated surplus at Dec. 31, 1927		5,564,931
Total	$13,471,523	Total		$13,471,523

CONDENSED CONSOLIDATED BALANCE SHEET, DECEMBER 31
(The United Light & Power Co. and Subsidiary Cos.)

Assets—	1927	1926	1925	1924	1923	1922
Plant, construction and investment account aggregate of book value	$239,463,754	$224,810,687	$232,060,595	$64,223,942	$59,074,039	$55,393,475
Cash on hand, etc.	11,607,510	4,683,109	5,569,520	3,106,596	970,974	823,827
Accounts receivable, less reserve for bad debts	4,634,222	4,121,918	5,453,380	858,970	833,324	855,180
Bills receivable	141,909	54,416	76,394	30,081	24,699	36,524
Contracts receivable	.....	.....	1,286	1,456	700	4,700
Advances to controlled cos. & investments	2,592,572	2,530,211	8,223,063	1,031,656	996,649	445,127
Stocks and bonds of other cos. (other public utilities)	30,579,455	24,666,355	.....	13,613,699	.....	.....
Liberty bonds	.....	.....	.....	.....	.....	46,768
Interest and dividends receivable	355,621	258,560	167,281	1,737	1,893	12,359
Supplies (coal, coke, oil, pipe, etc.)	4,290,689	4,410,880	3,898,132	1,026,905	1,135,133	965,605
Prepaid accounts	500,395	491,535	466,626	125,579	120,866	104,062
Special sinking and other funds	841,628	671,244	500,114	3,386,786	1,287,613	2,278,429
Items in suspense and open accounts	246,036	324,844	143,570	149,545	107,630	230,874
Total	$295,253,791	$267,023,759	$256,559,961	$87,556,952	$64,553,520	$61,196,930

CONDENSED CONSOLIDATED BALANCE SHEET, DEC. 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Capital stock in hands of public:						
The United Light & Power Co.	$43,854,407	$42,052,564	$39,506,567	$28,408,846	$20,880,291	$18,935,142
Subsidiary companies	48,061,861	42,706,826	38,114,253	1,630,558	2,767,299	2,863,399
Funded debt:						
The United Light & Power Co.	30,369,100	30,369,100	29,000,000	10,500,000	.....	.....
United Light & Rys. Co. (Maine)	24,874,000	24,830,000	24,810,000	24,760,000	24,831,500	19,042,400
6% convertible debentures	.....	.....	1,988,000	1,988,000	1,988,000	2,000,000
The United Light & Rys. Co. (Del.)	25,000,000	.....	.....	.....	.....	.....
Subsidiary companies	82,779,200	74,920,050	75,154,450	6,592,300	6,990,300	10,374,000
10-year 8% Gold notes	.....	.....	.....	.....	.....	1,598,900
*Purchase money obligations	.....	17,000,000	.....	6,500,000	.....	.....
Contracts payable	.....	.....	900,000	.....	.....	.....
Mortgages payable, sub. cos.	.....	.....	160,000	.....	.....	.....
Notes payable	24,500	1,665,000	13,989,650	500,000	552,821	535,821
Other loans	.....	.....	.....	.....	126,000	.....
Accounts payable	1,279,104	1,963,756	2,753,480	539,247	588,925	725,236
Paving taxes due within one year	23,501	21,111	7,039	7,390	15,057	18,011
Interest & divd. due Jan. 1	860,873	407,999	.....	.....	.....	.....
Adjud. claims & damages due within one year	.....	.....	2,174	1,829	.....	.....
Other liabilities	†538,619	516,616	2,028	2,027	5,191	3,837
Interest accrued	2,329,664	1,883,966	1,969,196	612,779	500,967	434,397
Taxes accrued	1,167,883	1,154,719	2,196,006	722,392	701,895	640,159
Dividends accrued	1,177,734	1,173,652	1,208,216	447,241	367,996	271,710
Meter and service deposits	1,856,069	1,907,801	1,447,330	263,553	260,920	255,700
Other accruals	37,318	39,697	123,866	18,153	13,149	9,039
Deferred paving taxes, etc.	.....	.....	192,731	50,141	50,105	44,386
Surplus of sub. cos., available for dividends to minority stockholders	374,646	349,990	367,799	13,089	29,153	20,894
Paid in surplus	6,066,558	6,050,521	7,202,473	.....	.....	.....
Reserve for depreciation, maintenance, etc.	19,013,821	16,770,581	13,195,353	2,863,965	2,874,882	2,664,941
Profit & loss surplus	5,564,932	1,239,810	2,269,350	1,135,442	1,009,068	758,958
Total	$295,253,791	$267,023,759	$256,559,961	$87,556,952	$64,553,520	$61,196,930

*To finance investments in other public utilities converted into long term indebtedness during February and March, 1925.
†Federal Income Tax.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Cash on hand, etc.	$11,607,510	$4,683,109	$5,569,520	$3,106,596	$970,974	$823,827
Accounts receivable, less reserve for bad debts	4,634,222	4,121,918	5,029,540	858,970	833,324	855,180
New accounts receivable, unbilled	.....	.....	423,840	.....	.....	.....
Bills receivable	141,909	54,416	608,644	30,081	24,699	36,524
Contracts receivable	.....	.....	1,286	1,456	700	4,700
Advances to controlled Cos. & securities	2,592,572	2,530,211	1,917,865	1,031,656	996,649	445,127
Interest and dividends receivable	355,621	258,560	167,282	1,737	1,893	12,359
Supplies	4,290,689	4,410,880	3,898,132	1,026,905	1,135,134	965,605
New advances for purchase of securities	.....	.....	1,224,607	.....	.....	.....
Total	$23,622,523	$16,059,094	$18,840,716	$6,057,401	$3,963,373	$3,143,322
Current Liabilities—						
Accounts payable	$1,279,104	$1,963,756	$2,753,480	$539,247	$588,925	$725,236
Contracts payable	.....	.....	900,000	.....	.....	.....
Notes payable	24,500	1,665,000	†13,989,650	500,000	552,821	535,821
Other loans	.....	.....	.....	.....	126,000	.....
Paving taxes due within one year	.....	21,111	7,039	7,390	15,057	18,010
Adjudicated claims and damages due within one year	.....	.....	2,174	1,829	3,162	3,062
Interest & divd. due Jan. 1	860,873	407,999	.....	.....	.....	.....
Other current liabilities	.....	.....	2,028	2,027	2,029	775
Interest accrued	2,329,664	1,883,966	1,969,196	612,779	500,967	434,398
Taxes accrued (general and Federal)	1,706,503	1,671,335	2,196,006	722,392	701,895	640,159
Dividends accrued	1,177,734	1,173,652	1,208,216	447,241	367,996	271,710
Other accruals	37,319	39,697	123,866	18,153	13,149	9,039
Total	$7,415,697	$8,826,516	$23,151,655	$2,851,058	$2,872,001	$2,638,210
Net Working Capital	$16,206,826	$7,232,578	*$4,310,939	$3,206,343	$1,091,372	$505,112

*Debit. †In process of refunding into long-term indebtedness as of Dec. 31, 1925.

Officers: Cyrus S. Eaton, Chrm. of Board, Cleveland, Ohio.; Richard Schaddelee, Pres.; B. J. Denman, V-P. & Gen. Mgr., William Chamberlain, V-P. & Gen. Counsel; L. H. Heinke, V-P., Sec. & Treas.; F. F. Kelley, B. J. Olsen, Asst. Sec's & Asst. Treasurers, Chicago, Ill.; M. E. Armstrong, Asst. Sec. & Asst. Treas., New York; H. E. Weeks, Asst. Treas.; H. E. Littig, Asst. Sec., Davenport, Iowa.

Executive Committee: Glenn M. Averill, Chairman; John St. C. Brookes, Jr., William Butterworth, William Chamberlain, B. J. Denman, Cyrus S. Eaton, L. H. Heinke, H. B. Rust, Richard Schaddelee.

Directors: Cyrus S. Eaton, Chairman; Richard Inglis, Cleveland, Ohio; John S. Brookes, Jr., H. H. McClintic, H. B. Rust, Pittsburgh, Pa.; William Butterworth, Moline, Ill.; Glenn M. Averill, William Chamberlain, B. J. Denman, L. H. Heinke, Richard Schaddelee, Chicago, Ill.; R. B. MacDonald, Davenport, Iowa; C. H. McNider, Mason City, Iowa; Joseph F. Porter, Kansas City, Mo.; C. C. Slater, Columbus, Ohio; Landon K. Thorne, Edgar M. Williams, New York.

General Office, The Bankers Bldg., Chicago, Ill. **Operating Headquarters,** Davenport, Iowa; Kansas City, Mo.; Columbus, Ohio, and Lincoln, Neb. **Corporate Office,** Calvert Bldg., Baltimore, Md.

THE UNITED LIGHT AND RAILWAYS COMPANY

(Controlled by The United Light & Power Co.)

History—Incorporated Sept. 8, 1920, in Delaware. Organized as a financing and holding corporation, to acquire and hold stocks, bonds and other securities of public utility operating companies, and to finance same; to buy, build, lease, or otherwise acquire plants for the production of gas, electricity, heat, ice, the storage and distribution of water, etc., and to deal in the securities of other corporations.

The United Light and Railways Company owns all of the stock (no bonds issued) of **The Riverside Power Manufacturing Co.,** which company operates an electric power generating station on the west bank of

the Mississippi River above Davenport, Iowa. The initial installed capacity of this station is 25,000 k.v.a., with an ultimate capacity of 200,000 h.p. The first unit was put in service in the fall of 1925. This plant was designed and erected by the Engineering Department of The United Light & Power Company, and is of the latest design. The initial cost is about $3,000,000 and when fully developed and equipped, will represent an investment of between ten and twelve millions of dollars.

Controls, through ownership of approximately 99% of the Common stock, the Brooklyn Borough Gas Co., serving the 31st Ward of Brooklyn, New York, and the suburbs of Coney Island, Manhattan Beach, Brighton Beach, and other growing residential suburbs. The customers of this company increased from 45,728 in 1926, to 52,019 in 1927, and sales of gas increased over 7,000,000 cu. ft.

Also controls, through ownership of a majority of the Com. stock of the United Ohio Utilities Co. of Del., furnishing electric light and power in the cities of Circleville, Delaware, Chilicothe, Hillsboro, Gallipolis, Athens, Nelsonville, Pomeroy, Middleport, Jackson, and a number of other communities. United Ohio Utilities Co. owns all the Common and a large majority of the Pfd. stocks of Ohio Utilities Co., Ohio & Western Utilities Co., Southern Ohio Electric Co., and their affiliated operating companies. The merger of these companies was effected as of Jan. 1, 1928.

The United Light and Railways Company also owns a substantial block of the Common stock of American Light & Traction Company, and a large block of the stock of Detroit Edison Co.

In Sept., 1924, The United Light and Railways Company acquired by purchase 75% of the issued Common capital stock of Continental Gas & Electric Corporation, and has since acquired an additional amount and now owns in excess of 98% of the total Common stock of that corporation.

CAPITAL STOCK

Total capital stock at December 31, 1927, $47,957,000, consisting of $35,923,000 Common issued, $4,833,200 7% Prior Pfd., First Series, and $6,819,293 6.36% Prior Pfd., Series of 1925. Par of all issues, $100. All the issued Common stock, except directors' qualifying shares, is owned by the United Light & Power Co. (Md.).

In addition to the $4,833,200 7% Prior Pfd. First Series outstanding above, $1,416,800 is held in treasury. In addition to the $6,819,293 6.36% Prior Pfd. Series of 1925 shown as outstanding, $506,700 is held in treasury.

The 7% Prior Pfd. stock, First Series, has been sold to employees of the operating companies under the direct control of The United Light & Power Co. and to customers of those Companies, as an investment. The sale of this stock was begun about Oct. 1, 1920, and continued with increasing success to Aug. 1, 1925, when the stock was withdrawn from sale and an issue of Prior Pfd., Series of 1925, bearing 6.36% dividends, was substituted. An organization of employees of subsidiary operating companies was effected and through this organization sales have been continuously made. First offered to employees and customers of the Company's services at par, $100 per share. On Dec. 1, 1922, the price was raised to $102 per share, and again on Jan. 1, 1925, to $102.50. The last raise to become effective was on May 16, 1925, when the price was advanced to $103 per share. The 6.36% Series of 1925 was first offered at 96. The price was increased to 97 in January, 1926, and again increased to par, $100, in January, 1927. Dividends on both classes are paid monthly or quarterly, at the option of the holder. Of the combined issues there were, at Jan. 1, 1928, approximately, 16,000 individual stockholders, about 85% of whom were customers of the subsidiary operating companies.

Preferred Stock Provisions—The charter provides that Preferred stocks may be issued in different classes, at different times, bearing different rates of dividend than the Prior Pfd. (First Issue). The Prior Pfd. stock is preferred as to assets and dividends over any other stock of the Company and the dividends are cumulative. Both classes of Prior Pfd. are redeemable, as a whole, or in part, at the option of the Company on 60 days' published notice at $105 per share and accrued dividends. In case of consolidation, amalgamation of the Company with The United Light and Power Company, or other corporation, the Company has the right to exchange the Prior Pfd. stock for the same number of shares of such consolidated company's Prior Preferred stock, which shall have preference and limitations corresponding to those of the present issue.

An issue of $5,000,000 6½% Prior Pfd., Series of 1924, was publicly offered in Dec., 1924, by Bonbright & Co., Inc., New York, at $95 per share and accrued dividends, to yield about 6.85%. This stock bore a conversion privilege, being acceptable at par in payment for Class "A" Common stock of The United Light and Power Co. at $50 per share up to March 1, 1927; at $55 per share thereafter up to March 1, 1928 and at $60 per share thereafter up to March 1, 1929. The greater portion of the original offering had been exchanged in conformity with the terms of the offering prior to Aug. 1, 1925, when the Company called the remaining outstanding shares for redemption at $105 per share on Nov. 1, 1925.

Transfer Agent—The United Power Securities Co., Davenport, Iowa.

Registrar—The American Trust Co., Davenport, Iowa.

Dividends paid monthly or quarterly, as the holder may elect, on both the 7% and 6.36% Prior Pfd. issues.

FUNDED DEBT

$25,000,000 THE UNITED LIGHT AND RAILWAYS CO. GOLD DEBENTURES, 5½% SERIES OF 1927; DUE AUGUST 1, 1952

Dated August 1, 1927.

Interest Payable February and August 1, at The Cleveland Trust Co., Cleveland, Ohio, or the National Bank of Commerce, New York.

Denominations—Coupon Debentures in interchangeable denominations of $500 and $1,000; principal may be registered. Coupon Debentures for $1,000 exchangeable for fully registered Debentures in denominations of $1,000 and multiples.

Trustee—The Cleveland Trust Co., Cleveland, Ohio.

Provisions of Issue—These Debentures are the direct obligations of The United Light and Railways Company and are issued under an agreement with The Cleveland Trust Company, Cleveland, Ohio, as Trustee, which provides, among other things that:

(1) All securities now owned representing at least a 60% voting stock ownership in subsidiary companies and the proceeds of the sale or exchange thereof shall be and remain classified as Class "A" securities and may never be mortgaged or pledged unless these Debentures are secured equally and ratably by such mortgage or pledge. Other securities now owned or the proceeds of the sale or exchange thereof shall be and remain classified as Class "B" securities and may never be mortgaged or pledged unless these Debentures are secured equally and ratably by such mortgage or pledge except to secure bank loans payable on demand or within one year not exceeding 50% of the value of securities so mortgaged or pledged. Securities and other assets hereafter acquired, except the proceeds of the sale or exchange of Class "A" securities and Class "B" securities, shall be and remain classified as Class "C" securities and may never be mortgaged or pledged (except to secure bank loans payable on demand or within one year) unless these Debentures are secured equally and ratably by such mortgage or pledge.

(2) The Company may not sell or exchange its securities or other assets except with the written consent of the Trustee and except for a consideration, made up of cash or public utility securities, approved by an independent appraiser satisfactory to the Trustee. Cash proceeds of any such sale shall be used only to retire Debentures or to purchase other public utility securities or Government bonds.

(3) The Company may issue additional Debentures of this or other series, but no such additional Debentures shall be issued or other funded debt created (except Debentures or other funded debt refunding pre-existing funded debt of equal principal amount and except additional Debentures not exceeding $12,000,000 principal amount) unless consolidated net earnings of the Company and its subsidiaries, before depreciation, for 12 consecutive months out of the 15 months preceding such proposed issue, shall be at least 1¾ times annual int. charges and prior requirements, computed on the gross income from all sources from which is deducted all operating expenses and taxes, interest or dividends received by the Company and/or a controlled company from obligations or stock of the Company or a controlled company, and income received from the parent company or companies during such period.

Purpose of Issue—The proceeds of this issue were used to reimburse the Company for expenditures made in connection with the acquisition of certain of its holdings and for other corporate purposes.

Callability—Subject to call in whole or in part, at option of the Company, on 90 days' published notice at 105 up to and including Aug. 1, 1932; thereafter to Aug. 1, 1937 at 104; thereafter to Aug. 1, 1942 at 103; thereafter to Aug. 1, 1947 at 102; thereafter to Aug. 1, 1950 at 101; thereafter at 100 to maturity; plus accrued interest in each case.

Security—A direct obligation of the Company, but not secured by mortgage. No prior liens.

Legal Opinion—Tolles, Hogsett & Ginn, Cleveland, Ohio (for the Bankers), and Humes, Buck & Smith, New York (for the Company).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. California, Connecticut and Pennsylvania 4 mills and Kentucky 5 mills personal property tax refunded. Massachusetts 6% tax on income derived from interest received, refunded.

Original Offering—First publicly offered ($25,000,000) in Sept., 1927 at 99½ and interest to yield about 5.53%, by Otis & Co., Bonbright & Company, Inc., Harris, Forbes & Co., Marshall Field, Glore, Ward & Co., The Cleveland Trust Company, and J. G. White & Company, Inc.

CONSOLIDATED PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31
(The United Light and Railways Company and Subsidiaries)

	1927	1926
Gross operating revenues	$32,509,565	$29,297,094
Operating expenses	13,950,884	12,481,956
Maintenance	1,866,655	1,703,501
General taxes and Fed. income taxes	2,463,701	2,482,192
Operating profit	$14,228,325	$12,629,445
Int. & divds. on bonds, notes & Pfd. stocks of sub. cos. owned by public	$7,160,308	$6,761,734
Profit applicable to minority interest	227,604	174,027
Balance applicable to The U. L. & Rys. Co.	$6,840,413	$5,693,684
Non-operating income of The U. L. & Rys. Co. & Sub. cos.:		
Int. & divds. received on bonds & stocks of other companies	$1,563,634	$1,130,948
Int. on bank balances, etc.	141,858	44,780
Int. on obligations of The U. L. & Power Co.	361,667	542,500
Miscellaneous	38,096	116,471
Total	$2,105,255	$1,834,699
Less general expenses and taxes	16,077	28,060
Balance	$2,089,178	$1,806,639
Total income	$8,939,591	$7,500,323

CONSOLIDATED PROFIT AND LOSS ACCOUNT, YEARS ENDED DEC. 31 (Continued):

Deductions:	1927	1926
Int. on commercial loans, etc.	$1,216,995	$364,030
Depreciation	2,794,482	2,616,493
Amort. disc. on bonds & conversion exp. on stock	502,596	491,842
Total deductions	$4,514,073	$3,472,365
Balance for dividends	$4,425,518	$4,027,958
Divds. on 7% Prior Pfd. First Series	362,025	390,769
Divds. on 6.36% Prior Pfd. Series of 1925	426,150	243,800
Surplus earnings	$3,637,343	$3,393,389

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(The United Light and Railways Company and Subsidiaries)

Assets—	1927	1926
Properties, franchises, organizations, etc.	$162,533,855	$149,673,195
Unamortized bond discount & stock expense	11,322,025	9,610,158
Investment in other Public Utilities—at cost	30,579,455	24,666,356
Investments in and advances to controlled cos.	2,348,399	2,057,528
Other securities	71,501	176,298
Cash on hand and on deposit	9,327,798	2,006,789
Accounts receivable, less allowance	2,957,363	2,571,299
Accounts receivable, unbilled	556,928	475,881
Notes receivable	134,505	48,222
Interest and dividends receivable	355,209	254,737
Inventories	3,259,457	3,256,420
Prepaid expenses	386,117	362,736
Special, sinking and other funds	96,541	92,552
Items in suspense and open accounts	122,411	78,013
Accounts & notes receivable—The U. L. & Pwr. Co. & subs.	33,549	7,836,998
Total	$224,085,113	$203,167,182
Liabilities—		
Common stock	$35,923,000	$35,923,000
Preferred stock	12,034,000	10,829,200
Common stock of sub. cos. held by public	332,822	370,278
Preferred stock of sub. cos. held by public	46,541,324	40,786,533
Funded debt—gold debentures 5½% Series of 1927	25,000,000	
Funded debt on sub. cos. held by public	78,142,300	69,873,750
Notes payable	24,500	13,665,000
Accounts payable	870,810	1,363,258
Interest and dividends due Jan. 1, 1927	860,873	398,624
Federal Income Tax (reported for 1926)	538,619	516,616
Paving taxes—current	14,615	9,627
Accrued interest	1,508,483	1,067,110
Accrued dividends	478,231	471,409
Accrued general taxes	661,339	652,679
Miscellaneous accruals	22,770	22,447
Accounts payable—The U. L. & Pwr. Co. & subs.	1,329,493	9,317,676
Divds. accrd. & declared—The U. L. & Pwr. Co. & subs.		2,209,264
Meter and service deposits, unredeemed tickets, etc.	1,525,897	1,385,258
Long term notes payable—deferred		198,300
Depreciation reserve	13,260,550	11,748,151
Maintenance reserve	83,940	64,496
Reserves for general contingencies	951,050	985,864
Surplus applicable to minority stock of sub. cos.	357,142	340,908
Surplus	3,623,355	967,734
Total	$224,085,113	$203,167,182

Officers: Richard Schaddelee, Pres.; L. H. Heinke, V-P. & Sec.; B. J. Denman, V-P., Chicago, Ill.; H. E. Weeks, V-P.; C. N. Chubb, V-P., Davenport, Iowa; B. J. Olsen, Treas. & Asst. Sec.; F. F. Kelley, Asst. Sec. & Asst. Treas., Chicago, Ill.; M. E. Armstrong, Asst. Sec. & Asst. Treas., New York; H. E. Weeks, Asst. Sec. & Asst. Treas.; W. I. Brown, Asst. Treas. & Asst. Sec., Chicago, Ill.; H. E. Littig, Asst. Treas. & Asst. Sec., Davenport, Iowa; B. L. Stowell, Asst. Treas. & Asst. Sec., New York; James E. Manter, Asst. Sec., Wilmington, Del.; R. E. Ryan, Asst. Treas. & Asst. Sec., Davenport, Iowa.

Directors: Glenn M. Averill, William Chamberlain, B. J. Denman, L. H. Heinke, Cyrus S. Eaton, Richard Schaddelee, John S. Brookes, Jr.

Executive Office, Suite 2200, Bankers Building, 105 W. Adams St., Chicago, Ill.

CEDAR RAPIDS & MARION CITY RY.

(Controlled by The United Light & Power Co.)

History—Incorporated May 15, 1891, in Iowa, to build an electric railway in Cedar Rapids and to Marion, Iowa. Franchise expires in 1941. Fares were increased in July, 1925, in Cedar Rapids from 7 cents to 10 cents. Length of line, 21.94 miles; second track, 5.36 miles; other track, 2.73 miles—total, 30.03 miles. Gauge, standard. Rail, 45, 60 and 80 lb T. Motor cars, 48. Power purchased from Iowa Railway & Light Co. Population served, 60,000.

Controlled and operated by The United Light & Power Co.

CAPITAL STOCK

Authorized, $1,000,000; outstanding $997,100; par $100. The United Light & Power Co. owns $897,085.10 of the stock, leaving $100,014.90 outstanding in hands of public. Annual meeting, second Tuesday in February.

FUNDED DEBT

$793,000 First Mortgage 7s, Series "A"; dated Dec. 1, 1920; due June 1, 1932; int. June and Dec. 1, at the New York Trust Co., New York, Trustee. Authorized and issued, $793,000, all owned by The United Light & Power Co. and deposited under the United Light & Railways Co. First & Refunding 5% bonds.

The issue of these bonds retired an issue of First Mortgage 5% bonds, dated July 1, 1891; due July 1, 1931, American Trust Co., Boston, Trustee. Authorized and issued, $250,000, of which $184,000 were owned by the United Light & Railways Co. and $66,000 were held in sinking fund; $184,000 par value of the new bonds were issued to United Light & Railways Co. in exchange for an equal amount of First Mortgage 5s and $609,000 par value were sold to United Light & Railways Co. at 90. The $609,000 cancelled an equal amount of notes against the Company, for money advanced by United Light & Railways Co.

Officers: Glenn M. Averill, Pres., Cedar Rapids, Ia.; Wm. Chamberlain, V-P.; Richard Schaddelee, V-P.; B. J. Denman, V-P., Chicago, Ill.; E. C. Allen, Sec. & Gen. Mgr., Cedar Rapids, Iowa; L. H. Heinke, Treas., Chicago, Ill.; C. F. Meyer, Cedar Rapids, Iowa, and F. F. Kelley, Asst. Secs. & Asst. Treas., Chicago, Ill.

Directors: B. J. Denman, Richard Schaddelee, William Chamberlain, Glenn M. Averill, S. G. Armstrong, E. C. Allen, Belden Hill, Cedar Rapids, Iowa.

Office, Cedar Rapids, Ia.

CEDAR RAPIDS GAS CO.

(Controlled by The United Light & Power Co.)

History—Incorporated February 19, 1913, in Iowa; successor to the Cedar Rapids Gas Light Co. (see Manual for 1912, page 1545). Supplies gas to Cedar Rapids, Marion and Kenwood Park, Ia. Franchises extend to 1938. Population served, about 60,000. Annual sales, 387,999,600 cu. ft. Daily capacity, 3,800,000 cu. ft. No. of meters in service, 13,754. Miles of mains, 164.9 (3 in. equivalent). Price, $1.35 net The United Light & Rys. Co. First & Refunding 5% bonds are a first lien on the property of this company.

Controlled and operated by The United Light & Power Co.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $600,000; par, $100. All owned by The United Light & Power Co. Annual meeting, first Wednesday in April.

FUNDED DEBT

None.

Officers: Richard Schaddelee, Chicago, Ill.; Glenn M. Averill, V-P., Cedar Rapids, Iowa; L. H. Heinke, Sec. & Treas., Chicago, Ill.; A. T. Pleune, Asst. Sec. & Asst. Treas.; H. J. Carson, Gen. Mgr., Cedar Rapids, Iowa.

Directors: R. Schaddelee, Benjamin J. Olsen, F. F. Kelley, L. H. Heinke, Chicago, Ill.; Glenn M. Averill, Cedar Rapids, Iowa.

Office, Cedar Rapids, Iowa.

CHATTANOOGA GAS CO.

(Controlled by The United Light & Power Co.)

History—Incorporated in Oct., 1906, in Tenn. Owns gas plants supplying Chattanooga, Tenn., and suburbs, also owns a Pintsch gas plant for supplying compressed gas to railroads. Company is required to make annual payments to the city, beginning 1907 with $500 and increasing to $5,000 in 1917, and each year thereafter. Franchise extends to Sept., 1953. Population served, over 72,000. Annual sales, 598,183,700 cu. ft. Miles of mains, 212.7 (3 in. equivalent). No. of meters, 7,690.

Controlled and operated by The United Light & Power Co.

CAPITAL STOCK

Authorized and outstanding, $500,000 6% Pfd. and $750,000 Common; par, $100. Pfd. stock is subject to call at 105 and dividends on any dividend date. Transfer Agents: United Light & Power Co., Grand Rapids. Registrar: Michigan Trust Co., Grand Rapids, Mich. The United Light & Power Co. owns all of the Common and Pfd. Annual meeting, last Tuesday in January.

Dividends—6% per annum on Pfd. stock are paid, quarterly.

FUNDED DEBT

None.

Officers: J. P. Hoskins, Pres., Chattanooga, Tenn.; Richard Schaddelee, V-P., Chicago, Ill.; A. J. Goss, V-P., Asst. Sec. & Mgr., Chattanooga, Tenn.; L. H. Heinke, Sec. & Treas.; F. F. Kelley, Asst. Sec. & Asst. Treas., Chicago, Ill.; E. G. Petering, Asst. Treas., Chattanooga, Tenn.

Directors: J. P. Hoskins, A. J. Goss, Chattanooga, Tenn.; Richard Schaddelee, L. H. Heinke, Benjamin J. Olsen; B. J. Denman, Wm. Chamberlain, Chicago, Ill.

General Office, Chattanooga, Tenn.

FORT DODGE GAS & ELECTRIC CO.

(Controlled by The United Light & Power Co.)

History—Incorporated Feb. 18, 1913, in Ia.; successor to Fort Dodge Light Co. (see Manual for 1912, page 2420). Gas franchise perpetual. New electric franchise granted by popular vote in 1917 for 25 years. Supplies gas and electricity to Fort Dodge, Ia. Miles of gas mains, 53.08 (3 in. equivalent). No. of gas meters, 4,186; electric, 6,508. Annual sales: Gas, 116,311,300 cu. ft.; electricity, 9,699,440 k.w.h. Prices: Gas, light and fuel, net; 89 cts. per 100 cu. ft.; $1.03 per 200 cu. ft.; $1.17 per 300 cu. ft.; $1.31 per 400 cu. ft.; $1.45 per 500 cu. ft.; $1.58 per 600 cu. ft.; $1.72 per 700 cu. ft.; $1.80 per 800 cu. ft.; $1.85 per 900 cu. ft.; $1.95 per 1,000 cu. ft. From 1,000 to 2,000 cu. ft. additional, .151 cts. per 100 cu. ft.; 2,000 to 3,000 cu. ft. additional, .119 cts. per 100 cu. ft.; 3,000 to 15,000 cu. ft. additional, .145 cts. per 100 cu. ft.; all over 15,000 cu. ft., .142 cts. per 100 cu. ft. Electricity, 12.5 cts., 10 cts., 8 cts., 4.5 cts. k.w.h. Population served, 21,500. The United Light & Rys. Co. First & Refunding 5% bonds are a first lien on property of this company.

Controlled and operated by The United Light & Power Co.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $750,000; par, $100. All owned by The United Light & Power Co. Annual meeting, first Thursday in April.

FUNDED DEBT

None.

Officers: R. Schaddelee, Pres.; L. H. Heinke, V-P. & Sec.; B. J. Olsen, Treas., Chicago, Ill.; M. Anderson, Asst. Sec., Asst. Treas. & Gen. Mgr., Fort Dodge, Ia.

Directors: Benjamin J. Olsen, R. Schaddelee, L. H. Heinke, Wm. Chamberlain, Chicago, Ill.; M. Anderson, Fort Dodge, Iowa.

General Office, Fort Dodge, Ia.

LA PORTE GAS & ELECTRIC CO.

(Controlled by The United Light & Power Co.)

History—Incorporated Feb. 10, 1913, in Ind.; consolidation of La Porte Electric Co. and La Porte Gas Light Co. (see Manual for 1912, page 2420). Furnishes La Porte, Ind., with electric light, power, heat and gas; population served, about 15,500. Electric light, heat and power franchises perpetual; gas franchise, 50 years from 1893. Capacity, 2,750 k. w. and 174,034 sq. ft. hot water radiation; gas, daily capacity, 1,280,000 cu. ft.; annual sales, gas, 85,740,700 cu. ft. No. of gas meters, 3,254. Miles of gas mains, 56.6 (3 in. equivalent). Prices: Gas, $1.75 gross, $1.65 net, for first 5,000 cu. ft.; $1.70 gross, $1.60 net, for next 5,000 cu. ft. $1.65 gross, $1.55 net, for next 10,000 cu. ft.; $1.55 gross, $1.45 net, for next 30,000 cu. ft.; $1.40 gross, $1.30 net, for next 50,000 cu. ft. All gas used in excess of 100,000 cu. ft., $1.25 gross and $1.15 net. Electricity, 12 cts. to 3 cts. per M watts. Electric light meters, 4,869; municipal arcs, 287; k.w.h. sold, in 1927, 6,962,561. Power is purchased. The United Light & Rys. Co. First & Refunding 5% bonds are a first lien on property of the company.

Controlled and operated by the United Light & Power Co.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $750,000; par, $100. All owned by The United Light & Power Co. Annual meeting, second Wednesday in April.

FUNDED DEBT

None.

Officers: C. M. Cook, Pres. & Gen. Mgr., La Porte, Ind.; L. H. Heinke, V-P., Chicago, Ill.; E. J. Hoover, Sec. & Treas., La Porte, Ind.; F. F. Kelley, Asst. Sec. & Asst. Treas., Chicago, Ill.

Directors: J. G. Martin, E. I. Hoover, C. M. Cook, La Porte, Ind.; Frank F. Kelley, L. H. Heinke, Chicago, Ill.

Office, La Porte, Ind.

MASON CITY & CLEAR LAKE RR.

(Controlled by The United Light & Power Co.)

History—Incorporated July 19, 1910, in Del.; successor to the Mason City & Clear Lake Ry., incorporated 1897 in Iowa. A standard gauge electric line between Mason City and Clear Lake, Iowa, 9 miles, located on private right of way; total track, 21.60 miles. Rails, 60 lb. T. Motor cars, 17; trail cars, 17. Handles freight coming over Iowa Central, Chicago & North Western and Chicago Great Western Rys. between Mason City and Clear Lake.

Controlled and operated by The United Light & Power Co.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $400,000 (increased from $200,000 in 1911); par, $100. All owned by The United Light & Power Co. Annual meeting, first Tuesday in August. Dividend of 4% in 1920; none reported since.

FUNDED DEBT

$276,900 First Refunding Gold 6s; dated June 1, 1912; due June 1, 1932; int. June and Dec. 1, at First Trust & Savings Bank, Chicago, Trustee. Louis Boissot, Chicago, Co-Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized, $2,500,000; issued, $316,000, of which $39,100 are owned by The United Light & Power Co. Unissued bonds are reserved for extensions and betterments at not exceeding 75% of cost under certain restrictions. Subject to call on any interest day at 105 and interest. Sinking fund from June 1, 1913, 2% of outstanding bonds. A first lien on entire property, subject only to prior liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

OFFICERS AND DIRECTORS

Officers: Richard Schaddelee, Pres., Chicago, Ill.; W. E. Brice, V-P.; C. H. McNider, V-P.; F. J. Hanlon, V-P. & Gen. Mgr., Mason City, Iowa; L. H. Heinke, Treas. & Asst. Sec.; F. F. Kelley, Asst. Treas., Chicago, Ill.

Directors: W. E. Brice, C. H. McNider, F. J. Hanlon, Mason City, Iowa; Benjamin J. Olsen, F. K. George, F. F. Kelley,, R. Schaddelee, L. H. Heinke, Wm. Chamberlain, Chicago, Ill.

Office, Mason City, Iowa.

NORTHWESTERN MANUFACTURING CO.

(Controlled by The United Light & Power Co.)

History—Incorporated July 14, 1922, in Del. Central station power plant wholesales current to distributing companies. The United Light & Rys. Co. First Lien Consolidated Mtge. 6% bonds, due 1952, are a first lien on this property.

Controlled and operated by The United Light & Power Co.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,067,500; all owned by The United Light & Power Co. Annual meeting, third Tuesday in June.

FUNDED DEBT

None.

Officers: B. J. Denman, Pres.; R. Schaddelee, V-P.; L. H. Heinke, Sec. & Treas., Chicago, Ill.; Mark Anderson, Asst. Sec., Asst. Treas. & Gen. Mgr., Fort Dodge, Iowa.

Directors: R. Schaddelee, L. H. Heinke, William Chamberlain, B. J. Denman, Chicago, Ill.; C. N. Chubb, Lincoln, Neb.; Mark Anderson, Fort Dodge, Iowa; R. B. MacDonald, Moline, Ill.

General Office, Wilmington, Del.

OTTUMWA GAS CO.

(Controlled by The United Light & Power Co.)

History—Incorporated Feb. 18, 1913, in Iowa; successor to Ottumwa Gas Light, Heat & Power Co. (see Manual for 1912, page 2421). Supplies gas to city of Ottumwa and district; population served, 25,000. Miles of mains, 69.7 (3 in. equivalent). No. of meters, 4,613. Annual sales, 120,559,400 cu. ft. Price, $1.70 per 1,000 cu. ft. for first 10,000 cu. ft.; $1.60 for next 5,000 cu. ft.; $1.55 for next 10,000 cu. ft.; $1.50 for next 25,000 cu. ft.; $1.40 for next 50,000 cu. ft.; $1.30 for next 200,000 cu. ft.; $1.20 for next 200,000 cu. ft.; $1.10 for next 500,000 cu. ft.; $1 for all over 1,000,000 cu. ft.; discount 10 cts. per 1,000 cu. ft. The United Light & Rys. Co. First & Refunding 5% bonds are a first lien on property of this company.

Controlled and operated by The United Light & Power Co.

CAPITAL STOCK

Authorized, $600,000; issued, $300,000; par, $100. All owned by The United Light & Power Co. Annual meeting, first Wednesday in April.

FUNDED DEBT

None.

Officers: R. Schaddelee, Pres.; L. H. Heinke, V-P. & Sec.; B. J. Olsen, Treas., Chicago, Ill.; T. C. Roderick, Asst. Sec., Asst. Treas. & Gen. Mgr., Ottumwa, Ia.

Directors: R. Schaddelee, Frank F. Kelley, L. H. Heinke, William Chamberlain, Chicago, Ill.; Thomas C. Roderick, Ottumwa, Ia.

General Office, Ottumwa, Ia.

PEOPLE'S GAS & ELECTRIC CO.

(Controlled by The United Light & Power Co.)

History—Incorporated Sept. 13, 1906, in Del. Supplies Mason City, Ia., with gas and electricity; also operates a heating plant. Population served: Gas, 20,000; electric, 28,000. Annual sales of gas, 106,923,800 cu. ft. No. of gas meters, 3,911. Miles of gas main, 63.2 (3 in. equiv.). Price of gas, net, $1.62½. K.w.h. sold in 1927, 17,145,459. No. of electric meters, 6,753. Prices of electricity, 13c., 10c. and 5c. Price of gas: $1.75 per 1,000 cu. ft. for first 10,000 cu. ft.; $1.65 for next 15,000 cu. ft.; $1.55 for next 10,000 cu. ft.; $1.45 for next 10,000 cu. ft.; $1.35 for all in excess of 45,000 cu. ft.; net, 10 cts. less per 1,000 cu. ft. Electrical plant furnishes current for 127 municipal arc lamps and 88 tungsten cluster (5 lamps to the post) street lights.

Controlled and operated by The United Light & Power Co.

CAPITAL STOCK

Authorized, 100,000 shares no par value; issued, 45,000 shares. All owned by The United Light & Power Co. Annual meeting, fourth Tuesday in October.

FUNDED DEBT

Company itself has no funded debt. United Light & Railways (Maine) First & Refunding 5s of 1932 are a first lien on this property.

Officers: F. J. Hanlon, Pres. & Mgr., Mason City, Ia., Richard Schaddelee, V-P., L. H. Heinke, Sec. & Treas., Chicago, Ill.

Directors: F. J. Hanlon, Mason City, Ia.; R. Schaddelee, Benjamin J. Olsen, F. F. Kelley, L. H. Heinke, Chicago, Ill.

Office, Mason City, Ia.

THE TRI-CITY RAILWAY & LIGHT COMPANY

(Controlled by The United Light & Power Co.)

History—Incorporated March 31, 1906, in Connecticut, for the purpose of purchasing and holding the securities of public utility companies located in Davenport, Ia., and Rock Island, Moline and East Moline, Ill. Has acquired all the capital stocks and bonds of the following companies:

Peoples Power Co. (Gas and electric lighting, Moline, East Moline, Silvis, Hampton, Rapid City, Port Byron and Rock Island and suburban towns in Illinois).

Peoples Light Co. (Gas and electric lighting, Davenport and suburbs).

Tri-City Ry. Co. of Iowa and Tri-City Ry. Co. of Illinois (Electric transportation, Davenport, Bettendorf and Rockingham, Iowa, and Rock Island, Moline, East Moline and Silvis, Ill.).

Clinton, Davenport & Muscatine Ry. Co. (Operates 70 miles interurban lines and 10 miles in City of Muscatine, Ia.).

Moline-Rock Island Manufacturing Co.

Muscatine Lighting Co. (gas and electricity in Muscatine, Blue Grass, Walcott, Stockton, and Durant, Iowa.)

Owns all of the stock and $400,000 of the bonds of the Iowa City Light & Power Co. (Gas and electricity in Iowa City, Ia.).

These companies own and operate, without competition, all the street railway lines (183.63 miles), all the gas plants (in 1927, sold 1,161,472,400 cu. ft.), and all the electric lighting companies (in 1927 sold 214,313,807 k.w.h. of which 122,303,455 were sales of Moline-Rock Island Mfg. Co. for resale) in the contiguous cities of Davenport and Muscatine, Iowa, Rock Island, Moline and East Moline, Ill., and the gas and electric service in Iowa City, Iowa. These cities, with the outlying suburbs of Milan, Ill., and Bettendorf and Rockingham, Iowa, which are also served, have a population of approximately 215,000. The franchises of the constituent companies extend, with one relatively unimportant exception, to 1930 or beyond.

In June, 1912, control was acquired by The United Light & Rys. Co. (now The United Light & Power Co.), The Tri-City Ry. & Lt. Co. Common stockholders receiving in exchange for their shares $31.16 2/3 cash, $16.66 2/3 6% First Pfd. and $12.50 Second Pfd. stock of United Light & Rys. Co. (now The United Light & Power Co.).

Railway Department—The extension ordinances granted the Tri-City Ry. Co. of Iowa and the People's Light Co. provided for the building of an interurban road to Muscatine. The Davenport & Muscatine R. R. Co. was incorporated during the year 1910 for this purpose, and road was placed in regular operation in Aug., 1912. The length of this road is about 30 miles, and cost approximately $1,000,000. The Davenport & Muscatine R. R. Co. purchased the property of the Iowa & Illinois Ry. Co. and the Iowa & Illinois Ry. Terminal Co. Jan. 1, 1916, and the name was changed to the Clinton, Davenport & Muscatine Ry.

Fare Increases—On July 20, 1920, fares on the Rock Island, Moline, East Moline and Silvis lines were raised from 7 to 8 cents. Shortly after that these rates were increased to 10 cents cash. In September, 1920, the company began charging a 9-cent fare in Davenport. In April, 1922, a 10-cent fare was in effect, and a 10-cent cash fare or 3 tickets for 25 cents has since been charged.

Electric Department—The franchises of the electric companies on the Illinois and Iowa sides of the river now extend until 1943 and 1945, respectively, excepting in Muscatine, where they extend until 1929. In 1911 an 8,000 k.v.a. turbine was installed, which necessitated an enlargement of the building and the installation of the necessary boilers. An additional turbo-generator, with a capacity of 13,000 k.v.a. was installed in 1913. In 1916 a sub-station of 15,000 k.v.a. capacity was erected to step up the current from 4,800 to 13,200 volts for transmission to the various communities. The capacity of the substation can be doubled by installing additional transformers only. A 20,000 k.v.a. turbine was added in 1918, together with a new boiler plant containing three 1,000 h.p. boilers. An additional 20,000 kilowatt turbine was ordered installed during the summer of 1924. The electric service covers a territory within a radius of 50 miles of the generating station and 46,507 customers were served direct in 1927, with a number of suburban towns served wholesale. Leases and operates the plant of the Riverside Power Mfg. Co. (a subsidiary of The United Light & Power Co. (Delaware).

Gas Department—The gas franchise on the Illinois side extends until Nov., 1929, and that on the Iowa side to 1935. With the beginning of 1910 the construction of a new water gas plant at Moline, consisting of two 8 ft. 6 in. U. G. I. sets, each set with a rated capacity at 2,000,000 cu. ft. of gas in 24 hours, was begun, and completed in Jan., 1911. An additional 8 ft. 6 in. U. G. I. set was installed in 1920, together with a 500,000 cu. ft. holder in Rock Island. Gas is transmitted to Rock Island and East Moline by high pressure mains. During the year 1910, the company acquired the stock of The United Light & Power Co. of East Moline and Silvis, and new high pressure mains were authorized to be laid in this territory, at a construction expenditure of about $50,000. With the installation of the new 8 ft. 6 in. U. G. I. water gas set at Davenport in 1912, operating conditions on both sides of the river are in a high state of efficiency. The Davenport plant contains two 8 ft. 6 in. water gas sets and four benches of 9 ft. 5 in. In 1913, a 1,000,000 cu. ft. capacity gas holder was added to the Davenport

station equipment. The company's four gas plants served through 534.28 miles of mains (3 inch equivalent) and 38,894 customers in 1927.

Davenport & Muscatine Ry.—This company was incorporated in 1910, in Ia., and has constructed and equipped a line of electric railway extending from Davenport to Muscatine, Ia. The Davenport & Muscatine Ry. agreed to construct and to sell and transfer said line of railway, when completed, to the Tri-City Ry. & Light Co., or to a subsidiary company authorized to acquire and operate said railway. Funds for the construction of said railway were supplied through the issue of First & Refunding bonds described below.

CAPITAL STOCK

Authorized and outstanding, $9,000,000 Common and $3,000,000 6% cumulative Pfd.; par, $100. Preferred stock has equal voting power with the Common and is callable at 120. The United Light & Power Co. owns $8,921,600 of the Common and $1,990,700 of the Pfd. stock.

Offer to Preferred Stockholders—In 1923 the 6% First Pfd. stockholders of The Tri-City Ry. & Light Co. received an offer from The United Light & Rys. Co. (now The United Light & Power Co.) to exchange their Pfd. stock for United Light & Rys. Co. 6% Pfd. on the following basis: Each 10 shares (par, $100) of Tri-City Ry. & Lt. 6% Pfd. to be exchanged for 11 shares (par, $100) of The United Light & Rys. Co. 6% Pfd. There had been so exchanged or acquired $1,990,700 to Dec. 31, 1927.

Transfer Agents—The New York Trust Co., New York, and National Trust Co., Montreal and Toronto.

Registrars—Guaranty Trust Co. of New York, and Montreal Trust Co., Ltd., Montreal.

Annual Meeting—Third Thursday in September, at Hartford, Conn.

Listed—Montreal, Toronto and Louisville Stock Exchanges.

Dividends on Pfd. have been paid quarterly on the first day of Jan., April, July and Oct., since organization to Jan. 1, 1928. Dividends on Common: 1912, 2%; 1913, 4½%; 1914, 4%; 1915, 5%; 1916 and 1917, 4%; 1918, 4½%; 1919, 5%; 1920, 1%; 1921, 4%, payable to stockholders of record Dec. 31, 1921, 1% each, M, J, S & D 1, 1922; 1922, 5% payable Jan. 2, 1923. Directors, in Dec., 1923, declared four quarterly dividends of 2% each on Common, payable Jan. 2, April 1, July 1 and Oct. 1, 1924, to stockholders of record Dec. 20, 1923; in Dec., 1924, four quarterly dividends of 2¼% each were declared payable Jan. 2, April 1, July 1 and Oct. 1, 1925, to stockholders of record Dec. 20, 1924; 1925, declared 5½%; 1926, declared 4%; none since.

FUNDED DEBT

$19,801,000 FIRST & REFUNDING 5% GOLD BONDS; DUE JULY 1, 1930

Dated July 1, 1910.

Interest Payable January and July 1, at Central Union Trust Co. of New York.

Denominations—Coupon, $100, $500 & $1,000 and registered, $1,000, $5,000 and $10,000 and multiples; interchangeable, except $100 coupon bonds, in amounts of not less than $1,000.

Trustee—Central Union Trust Co. of New York.

Provisions of Issue—Authorized issue, $20,000,000, of which sufficient are reserved to retire Iowa City Gas & Electric Co. bonds and the balance may be applied in payment of 85% of the cost of additions and improvements.

Of the above $19,801,000 bonds issued at Dec. 31, 1927, $15,600,000 were owned by The United Light & Power Co., and deposited under the lien of that company's First & Refunding mortgage, leaving $4,201,000 outstanding in hands of the public.

Callability—Subject to call as a whole on any interest date at 105 and interest.

Security—Secured by first lien on the entire property and franchises of the Davenport & Muscatine Ry., extending from Davenport to Muscatine, Ia., a distance of 30 miles, and on other property owned in Iowa by Tri-City Ry. & Light Co. These bonds are further secured by the pledge with the Trustee of the following securities of subsidiary companies:

$1,063,000 Iowa & Illinois Ry. Co. First 5% bonds; due Jan. 1, 1924.
$400,000 Iowa City Light & Power Co. Refunding Mortgage 5% bonds; due Sept. 1, 1932.
$674,100 (entire issue) capital stock of Citizens Railway & Light Co.
$1,725,000 (entire issue) capital stock of Clinton, Davenport & Muscatine Ry. Co.
$175,000 (entire issue) capital stock of Moline, Rock Island & Eastern Traction Co.
$700,000 (entire issue) capital stock of Muscatine Lighting Co.
$497,900 ($500,000 issued) capital stock of Iowa City Light & Power Co.
$2,500,000 ($3,000,000 authorized) capital stock of Tri-City Ry. Co. of Iowa.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and Pennsylvania 4 mills tax on bonds numbered M-3213 to M-4212 inclusive, refunded.

Original Offering—First publicly offered ($600,000) in Nov., 1911, at 95 and interest by N. W. Halsey & Co., New York, Chicago, etc.; $1,250,000 additional offered in Feb., 1912 at 95 and interest by the same firm; $1,000,000 offered in Feb., 1922 at 92 and interest by Bonbright & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Tri-City Railway & Light Co.)

	1927	1926	1925	1924	1923	1922
Earnings on stocks of subsidiary companies	$1,051,554	$1,225,524	$1,701,394	$1,631,942	$1,973,625	$1,801,543
Interest and dividends receivable	987,451	1,022,614	911,995	832,783	523,414	505,175
Miscellaneous earnings	229	519	101	51	670	85
Gross earnings	$2,039,234	$2,248,657	$2,613,490	$2,464,776	$2,497,709	$2,306,803
Expenses	4,145	7,222	4,883	6,829	8,702	9,567
Taxes	2,226	2,426	2,419	2,369	3,550	4,929
Net earnings	$2,032,863	$2,239,009	$2,606,188	$2,455,578	$2,485,457	$2,292,307
Int. on Collateral Trust & First Lien bonds	.....	.....	.....	.....	43,890	284,990
Balance	$2,032,863	$2,239,009	$2,606,188	$2,455,578	$2,441,567	$2,007,317
Interest on 1st & Refunding bonds	990,050	989,708	988,000	976,829	836,484	633,993
Balance	$1,042,813	$1,249,301	$1,618,188	$1,478,749	$1,605,083	$1,373,324
Other interest	491,250	519,938	455,684	390,007	264,658	139,069
Balance available for dividends	$551,563	$729,363	$1,162,504	$1,088,742	$1,340,425	$1,234,255
Dividends on First Preferred	180,000	180,000	180,000	180,000	180,000	180,000
Bal. available for Com. stock and depreciation	$371,563	$549,363	$982,504	$908,742	$1,160,425	$1,054,255
Credits to depreciation from subs.	339,216	310,663	290,395	277,126	285,231	407,861
Maintenance	444,667	488,220	472,276	498,334	488,258	463,709
Total maintenance and depreciation	$783,883	$798,883	$762,671	$775,460	$773,489	$871,570
Maintenance and depreciation reserve Undivided surplus	$2,635,984	$2,094,098	$1,846,511	$1,749,417	$2,149,484	$2,098,764
Total surplus and reserve	$2,635,984	$2,094,098	$1,846,511	$1,749,417	$2,149,484	$2,098,764
Times Interest Earned	1.37	1.48	1.81	1.79	2.17	2.17
Earnings Per Share—						
Preferred	$18.38	$24.31	$38.75	$36.29	$44.68	$41.14
Common	4.12	6.10	10.92	10.10	12.89	11.71

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$8,518,797	$8,248,260	$7,599,044	$7,516,558	$7,829,181	$7,508,507
Operating expenses	5,023,559	4,874,579	4,125,958	4,038,110	4,328,484	4,253,432
Net earnings	$3,495,238	$3,373,681	$3,473,086	$3,478,448	$3,500,697	$3,255,075
Maintenance	444,667	488,220	472,276	498,334	488,258	463,709
Balance	$3,050,571	$2,885,461	$3,000,810	$2,980,114	$3,012,439	$2,791,366
Taxes, general and Federal	550,168	558,090	595,781	514,153	501,164	466,196
Balance	$2,500,403	$2,327,371	$2,405,029	$2,465,961	$2,511,275	$2,325,170
Interest and dividends	1,448,849	1,101,847	703,635	834,019	537,650	523,627
Surplus on stocks of subsidiary companies	$1,051,554	$1,225,524	$1,701,394	$1,631,942	$1,973,625	$1,801,543

EARNINGS BY DEPARTMENTS, YEARS ENDED DECEMBER 31

Earnings—	1927	1926	1925	1924	1923	1922
Electric department	$4,795,502	$4,530,544	$4,202,121	$3,995,610	$4,176,767	$3,868,737
Railway department	1,597,448	1,682,802	1,717,197	1,822,650	2,002,985	2,052,650
Gas department	1,501,076	1,451,342	1,438,861	1,457,441	1,408,489	1,391,096
Heating, merchandise & miscellaneous	o24,770	583,572	240,966	241,148	241,611	196,024
Total	$8,518,796	$8,248,260	$7,599,145	$7,516,849	$7,829,852	$7,508,507
Operating Expenses—						
Electric department	$3,265,462	$3,119,036	$2,696,731	$2,251,966	$2,448,827	$2,353,609
Railway department	1,409,067	1,518,210	1,547,484	1,452,806	1,498,245	1,509,246
Gas department	942,225	913,998	886,431	778,986	808,704	792,742
Heating, merchandise & miscellaneous	399,413	369,646	70,671	64,252	73,219	61,544
Total	$6,016,168	$5,920,890	$5,201,317	$4,548,010	$4,828,995	$4,717,141
Operating revenue	$2,502,628	$2,327,370	$2,397,828	$2,968,839	$3,000,857	$2,791,366
Taxes	*	*	*	511,784	501,164	466,196
Net earnings	$2,502,628	$2,327,370	$2,397,828	$2,457,054	$2,499,693	$2,325,170

*Taxes amounting to $595,781 in 1925; $558,090 in 1926, and $550,168 in 1927, included under operating expenses charged to the various departments.

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant, construction and investment account	$36,999,649	$36,960,682	$36,506,153	$35,768,871	$35,304,631	$34,432,892
Materials and supplies	583,656	647,056	574,940	518,274	592,573	494,132
Accounts and bills receivable	585,073	530,829	479,811	456,178	431,387	425,754
Prepaid accounts	77,415	82,847	100,905	54,624	73,911	76,633
Cash	444,694	402,156	395,184	303,974	216,632	284,785
Unamortized debt discounts	571,071	799,500	1,024,948	1,252,715	1,430,973	1,068,464
Interest and accounts receivable—affiil. cos.	677,486	282,785	477,463	364,310	409,936	596,504
Securities	23,575	22,191	22,191	15,875	15,875	8,232
Deferred expense	8,265	57,192	43,915	88,172	32,060	37,011
Total	$39,970,884	$39,785,238	$39,625,510	$38,822,993	$38,507,978	$37,424,407
Liabilities—						
Common stock	$9,000,000	$9,000,000	$9,000,000	$9,000,000	$9,000,000	$9,000,000
Preferred stock	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Funded debt	19,801,000	19,801,000	19,760,000	19,760,000	19,303,000	18,788,000
Iowa City Gas & Electric Co. bonds	162,500	171,500	180,500	188,500	196,500	204,500
Bills payable	3,801,318	3,801,318	3,801,318	2,824,052	2,573,128	2,326,128
Current liabilities	308,942	292,608	585,087	729,944	831,460	823,093
Preferred dividends, payable January	29,860	24,426	45,000	45,000	45,000	45,000
Common dividends, payable	.....	356,816	495,000	810,000	720,000	450,000
Accrued and deferred liabilities	1,231,280	1,243,472	812,094	716,081	689,406	688,922
Depreciation reserve Earnings of sub. cos. available for dividends. Surplus accounts	2,635,984	2,094,098	1,846,511	1,749,416	2,149,484	2,098,764
Total	$39,970,884	$39,785,238	$39,625,510	$38,822,993	$38,507,978	$37,424,407

CONSOLIDATED STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Materials and supplies	$583,656	$647,056	$574,940	$518,274	$592,573	$494,132
Accounts and bills receivable	585,073	530,829	479,811	456,178	431,387	425,754
Cash	444,694	402,156	395,184	303,974	216,632	284,785
Unamortized debt discount	571,071	799,500	1,024,948	1,252,715	1,430,973	1,068,464
Interest and accounts receivable—affil. cos.	677,486	282,785	477,463	364,310	409,936	596,504
Securities	23,575	22,191	22,191	15,875	15,875	8,232
Total	$2,885,555	$2,684,517	$2,974,537	$2,911,326	$3,097,376	$2,877,871
Current Liabilities—						
Bills payable	$3,801,318	$3,801,318	$3,801,318	$2,824,052	$2,573,128	$2,326,128
Current liabilities	308,942	292,608	685,087	729,944	831,460	823,093
Preferred dividends, payable January	29,860	24,426	45,000	45,000	45,000	45,000
Common dividends payable	.....	356,816	495,000	810,000	720,000	450,000
Accrued and deferred liabilities	1,231,280	1,243,472	812,094	716,081	689,406	688,922
Total	$5,371,400	$5,718,640	$5,838,499	$5,125,077	$4,858,994	$4,333,143
Net Working Capital (Debit)	$2,485,845	$3,034,123	$2,863,962	$2,213,751	$1,761,618	$1,455,272

Officers: B. J. Denman, Pres.; R. Schaddelee, V-P., Chicago, Ill.; R. B. MacDonald, V-P. & Gen. Mgr., Moline, Ill.; H. E. Weeks, V-P., Asst. Sec. & Asst. Treas.; H. E. Littig, Sec., Davenport, Iowa; L. H. Heinke, Treas. & Asst. Sec.; W. I. Brown, Asst. Treas., Chicago, Ill.; B. L. Stowell, Asst. Sec., New York.

Directors: B. J. Danman, R. Schaddelee, William Chamberlain, L. H. Heinke, Chicago, Ill.; J. R. Lane, H. E. Weeks, H. E. Littig, Davenport, Iowa; R. B. MacDonald, William Butterworth, Moline, Ill.; J. G. Huntoon, Rock Island, Ill.; Glenn M. Averill, Cedar Rapids, Iowa; C. N. Chubb, Lincoln, Neb.

Corporate Office, 750 Main St., Hartford, Conn. **Main Office,** United Light Bldg., Davenport, Ia.

CLINTON, DAVENPORT & MUSCATINE RY.

(Controlled by The Tri-City Ry. & Light Co.)

History and Property—Incorporated Feb. 15, 1910, in Iowa, as the Davenport & Muscatine Ry. On Jan. 1, 1916, purchased the physical property and franchises of the Iowa & Illinois Ry. Co. (inc. Sept. 17, 1901, in Iowa) and the Iowa & Illinois Ry. Terminal Co., subject to first mortgage 5% bonds outstanding of $1,063,000, all owned by Tri-City Ry. & Light Co. All of the stock of the Iowa & Illinois Ry. Co. and Iowa & Illinois Ry. Terminal Co. has been cancelled. Length of track (city lines, 10 miles; interurban, Davenport to Muscatine, 30 miles), 40 miles; Davenport to Clinton, Ia., 38 miles. Gauge, standard. Rail, T. 70 lbs. Cars, 51. The line between Davenport and Muscatine was placed in regular operation in Aug. 1912. Power purchased from Moline-Rock Island Mfg. Co.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $1,725,000 (increased from $1,000,000 Jan. 1, 1916); par, $100. All owned by Tri-City Ry. & Light Co.

FUNDED DEBT

$1,063,000 Iowa & Illinois Ry. First Gold 5s; dated Jan. 1, 1904; due Jan. 1, 1924; int. Jan. and July 1, at Girard Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Subject to call at 105 and int. on any interest date. Authorized, $2,000,000; issued, $1,200,000, of which $137,000 held in treasury and $1,063,000 are owned by Tri-City Ry. & Light Co. A first lien on entire property of former Iowa & Illinois Ry. Co.

Tax Provisions—Company does not pay Normal Federal Income Tax.

OFFICERS AND DIRECTORS

Officers: B. J. Denman, Pres., Chicago, Ill.; J. G. Huntoon, V-P.; R. B. MacDonald, Exec. V-P.; R. J. Smith, V-P. & Gen. Mgr.; H. E. Weeks, Treas. and Asst. Sec.; H. E. Littig, Sec. & Asst. Treas., Davenport, Iowa; W. I. Brown, Asst. Treas., Chicago, Ill.

Directors: B. J. Denman, Chicago, Ill.; R. B. MacDonald, R. J. Smith, H. E. Littig, J. G. Huntoon, Davenport, Iowa.

Office, Davenport, Iowa.

IOWA CITY LIGHT & POWER CO.

(Controlled by The Tri-City Ry. & Light Co.)

History and Property—Incorporated August 26, 1912 in Delaware; successor to the Iowa City Gas & Electric Company (see Manual for 1912, page 1848). New franchises for 25 years, free from objectionable restrictions, were granted by city on Feb. 14, 1909; also has a 25-year franchise for electrical purposes in Coralville, two miles from Iowa City, and a 20-year franchise granted in 1909 by Johnson County for use of the public highways within a radius of five miles of Iowa City for poles and wires. Has 10-year contract, dated June 1, 1919, for furnishing 135 or more arc lights (at present 220) for street lighting purposes at $56 per light per year. Population served, 12,500.

Gas plant consists of modern coal gas works constructed in 1903 in brick buildings, with normal capacity of 240,000 cubic feet per day; Lowe process water gas plant with a total rated capacity of 1,040,000 cu. ft. daily; two gas storage holders, one of 50,000 feet and one of 150,000 feet, and 44.0 miles (3 in. equiv.) of streets mains. Annual sales, 97,976,200 cu. ft. Gas meters in use, 3,515. Price, net, $1.60.

The electric light plant, of brick and steel construction, is located on a water power (available head about 12 feet) in the town of Coralville, and is equipped with two water wheels furnishing 800 h.p., a steam turbo-generator set of 1,000 k.w. capacity, and two engine-driven units with a capacity of 500 k.w. Electric meters, 4,642. Annual sales, 5,699,879 k.w.h.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by The Tri-City Ry. & Light Co. Annual meeting, last Wednesday in March.

FUNDED DEBT

(1)

$400,000 IOWA CITY LIGHT & POWER CO. FIRST REFUNDING 5s; DUE SEPTEMBER 1, 1932

Dated September 2, 1912.

Interest Payable March and September 1, at Continental National Bank & Trust Co., Chicago, Trustee. Coupon, $1,000; principal may be registered. Authorized, $1,000,000, of which $260,500 are reserved to retire the First 6s, dated May 1, 1909, and $339,500 are reserved for new construction, etc., at 85% of cost. The $400,000 outstanding bonds are all owned by Tri-City Railway & Light Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$162,500 IOWA CITY GAS & ELECTRIC CO. FIRST MORTGAGE 6s; MATURED AND PAID OFF MAY 1, 1928

Officers: B. J. Denman, Pres., Chicago, Ill.; C. H. Myers, V-P. & Gen. Mgr., Iowa City, Iowa; H. E. Weeks, Treas. & Asst. Sec.; H. E. Littig, Sec. & Asst. Treas., Davenport, Iowa; W. I. Brown, Asst. Treas., Chicago, Ill.

Directors: B. J. Denman, Chicago, Ill.; C. H. Myers, Iowa City, Iowa; H. E. Weeks, H. E. Littig, Davenport, Iowa; C. N. Chubb, Lincoln, Neb.; J. G. Huntoon, Rock Island, Ill.; R. B. MacDonald, Moline, Ill.

Office, Iowa City, Iowa.

MOLINE-ROCK ISLAND MANUFACTURING CO.

(Controlled by The Tri-City Ry. & Light Co.)

History—Incorporated Aug. 28, 1909, in Ill. Controlled by The Tri-City Ry. & Light Co. through ownership of entire issue of outstanding securities.

CAPITAL STOCK

Authorized, $3,000,000; outstanding, $2,900,000; par, $100. All owned by The Tri-City Ry. & Light Co.

FUNDED DEBT

None.

Officers: R. B. MacDonald, Pres.; B. J. Denman, V-P.; H. E. Weeks, V-P., Treas. & Asst. Sec.; H. E. Littig, Sec. & Asst. Treas.; Miss V. T. Beck, Asst. Treas.; B. M. Randall, Asst. Sec.

Directors: B. J. Denman, Chicago, Ill.; J. G. Huntoon, Rock Island, Ill.; H. E. Weeks, H. E. Littig, Davenport, Iowa; R. B. MacDonald, Moline, Ill.

General Office, Moline, Ill.

MUSCATINE LIGHTING CO.

(Controlled by The Tri-City Ry. & Light Co.)

History and Property—Incorporated July 3, 1912, in Iowa. Owns and operates distributing plant for gas and electricity at Muscatine, Iowa. Population served: Gas, 15,500; electricty, 19,000. Miles of gas mains, 35.2 (3 in. equivalent), gas meters, 2,413; electric meters, 2,044. Annual sales: Gas, 50,646,100 cu. ft.; electricity, 6,114,212 k.w.h. Controlled by The Tri-City Ry. & Light Co. through ownership of its outstanding securities.

CAPITAL STOCK

Authorized and outstanding, $700,000; par, $100. All owned by The Tri-City Ry. & Light Co., and pledged under that company's First & Refunding mortgage.

FUNDED DEBT

None.

Officers: R. B. MacDonald, Pres.; C. E. Ewen, V-P. & Gen. Mgr.; B. J. Denman, V-P.; H. E. Weeks, Treas. & Asst. Sec.; H. E. Littig, Sec. & Asst. Treas.; W. I. Brown, Asst. Treas.

Directors: B. J. Denman, Chicago, Ill.; C. E. Ewen, Muscatine, Iowa; R. B. MacDonald, H. E. Littig, H. E. Weeks, Davenport, Iowa.

Office, Muscatine, Iowa.

PEOPLE'S LIGHT CO.

(Controlled by The Tri-City Ry. & Light Co.)

History and Property—Incorporated Feb. 4, 1908, in Iowa. As of Jan. 1, 1917, merged the Davenport Gas & Electric Co. (see Manual for 1916, page 1500). Owns an operating and distributing plant for gas and electricity for Davenport and Rockingham, Iowa. Population served, about 60,000. Miles of gas mains, 228.5 (3 in. equivalent). No. of meters: Gas, 14,160; electric, 16,478. Annual sales: Gas, 414,653,000 cu. ft.; electric, 28,035,898 k.w.h.

CAPITAL STOCK

Authorized, $2,500,000; outstanding, $2,125,000; par, $100. All owned by The Tri-City Ry. & Light Co.

FUNDED DEBT

None.

Officers: R. B. MacDonald, Pres.; B. J. Denman, V-P.; H. E. Littig, V-P., Sec., Asst. Treas. & Gen. Mgr.; H. E. Weeks, Treas. & Asst. Sec.; W. I. Brown, Asst. Treas.; E. G. Bischoff, Asst. Sec., Davenport, Ia.

Directors: B. J. Denman, Chicago, Ill.; C. N. Chubb, Lincoln, Neb.; H. E. Weeks, J. G. Huntoon, H. E. Littig, Geo. G. Kuhn, Davenport, Iowa; R. B. MacDonald, Moline, Ill.

Office, Davenport, Ia.

PEOPLE'S POWER CO.

(Controlled by The Tri-City Ry. & Light Co.)

History and Property—Incorporated Oct. 30, 1893, in Ill. Owns and operates distributing plant for gas, and purchases electric power from Moline-Rock Island Mfg. Co. Population served, 76,000. Miles of gas mains, 292.1 (3 in. equivalent). Gas meters, 18,790; electric meters, 22,775. Annual sales: Gas, 598,197,100 cu. ft.; electricity, 52,160,363 k.w.h. Controlled by The Tri-City Ry. & Light Co. through ownership of entire capital stock.

CAPITAL STOCK

Authorized, $4,000,000; outstanding, $3,725,000; par, $100. All owned by The Tri-City Ry. & Light Co.

FUNDED DEBT

None.

Officers: R. B. MacDonald, Pres. & Gen. Mgr., Moline, Ill.; B. J. Denman, V-P., Chicago, Ill.; H. E. Weeks, V-P., Treas. & Asst. Sec.; H. E. Littig, Sec. & Asst. Treas., Davenport, Iowa; Miss V. T. Beck, Asst. Treas.; B. M. Randall, Asst. Sec., Moline, Ill.

Directors: B. J. Denman, Chicago, Ill.; H. E. Littig, H. E. Weeks, Davenport, Iowa; J. G. Huntoon, Rock Island, Ill.; R. B. MacDonald, Moline, Ill.

TRI-CITY RAILWAY CO. OF ILLINOIS

(Controlled by The Tri-City Ry. & Light Co.)

History and Property—Incorporated November 19, 1913, in Illinois, and acquired by purchase in December, 1913, the properties of the Tri-City Railway Co. of Iowa located in Illinois, and that of the Moline, East Moline & Watertown Ry. Co. (except 0.47 mile of track in Moline). In June, 1920, the Moline, Rock Island & Eastern Traction Co. was dissolved and its property acquired by the Tri-City Railway Co. of Illinois. Operation of the properties was taken over as of Jan. 1, 1914. Operates in and between Rock Island, Moline, and East Moline. Motor passenger cars, 58; service and other cars, 7.

CAPITAL STOCK

Authorized, $3,500,000; issued, $3,495,000, par, $100. All owned by The Tri-City Ry. & Light Co. Dividends have been paid as follows: 1915, 3½%; 1916, 5½%; 1917, 8.4%; 1918, 5½%; 1919, 1½%; 1920, 3%; none reported since.

FUNDED DEBT

$940,000. All owned by The Tri-City Ry. & Light Co. (see statement of that company).

Officers: R. B. MacDonald, Pres., Moline, Ill.; R. J. Smith, V-P. & Gen. Mgr., Davenport, Iowa; B. J. Denman, V-P., Chicago, Ill.; J. G. Huntoon, V-P., Rock Island, Ill.; H. E. Littig, Sec. & Asst. Treas.; H. E. Weeks, Treas. & Asst. Sec., Davenport, Iowa; W. I. Brown, Asst. Treas., Chicago, Ill.

Directors: B. J. Denman, Chicago, Ill.; J. G. Huntoon, Rick Island, Ill.; H. E. Littig, Robert J. Smith, Harvey E. Weeks, Davenport, Iowa; R. B. MacDonald, Moline, Ill..

Office, Davenport, Ia.

TRI-CITY RY. CO. OF IOWA

(Controlled by The Tri-City Ry. & Light Co.)

History and Property—Incorporated Sept. 2, 1895, in Ia.; successor to the Davenport & Rock Island Ry. Co., whose property was sold under foreclosure. Operates all the street railways in Davenport, Ia. In 1907, the Davenport & Suburban Ry. was acquired. Cars—passenger, 64; buses, 16; sweepers, 3; wrecker, 1—total, 84.

The properties of the Tri-City Ry. Co. of Iowa located in Illinois, and that of the Moline, East Moline & Watertown Ry. Co. (except 0.47 mile of track in Moline) were sold to the Tri-City Ry. Co. of Illinois in Dec., 1913. Operation of the properties was taken over as of Jan. 1, 1914.

Tears Up Tracks—In Oct., 1923, tracks of the Tri-City Ry. Co. of Iowa, in the town of Rockingham, Ia., extending from the city limits of Davenport, Ia., to the end of the line, a distance of 1,300 feet, have been torn up. This was done in compliance with an ordinance adopted by the Rockingham town council in Aug., 1923.

CAPITAL STOCK

Authorized and outstanding, $2,500,000; par, $100. All owned by The Tri-City Ry. & Light Co., and pledged under that company's First & Refunding mortgage.

FUNDED DEBT

See statement of The Tri-City Ry. & Light Co.

Officers: R. B. MacDonald, Pres., Moline, Ill.; R. J. Smith, V-P. & Gen. Mgr., Davenport, Iowa; B. J. Denman, V-P., Chicago, Ill.; J. G. Huntoon, V-P.; H. E. Weeks, Treas. & Asst. Sec.; H. E. Littig, Sec. & Asst. Treas., Davenport, Iowa; W. I. Brown, Asst. Treas., Chicago, Ill.

Directors: B. J. Denman, Chicago, Ill.; Harvey E. Weeks, R. J. Smith, H. E. Littig, Davenport, Iowa; J. G. Huntoon, Rock Island, Ill.

General Office, Davenport, Ia.

CONTINENTAL GAS & ELECTRIC CORPORATION

(Controlled by The United Light and Railways Co.)

History—Incorporated November 16, 1912, under the laws of Delaware, and acquired control, through purchase of securities, of a group of public utility properties in Iowa, Missouri and Nebraska. Early in 1924 purchased control of Kansas City Power Securities Company, which controls Kansas City Power & Light Company. In the same year through purchase of Preferred and Common stock, secured control of Columbus Railway, Power & Light Company.

The subsidiary companies serve with electric light and power the cities of Kansas City, Mo.; Columbus, Ohio; Lincoln, Neb.; Brandon, Manitoba, and to over 200 smaller cities and communities in Missouri, Iowa, Nebraska and Ohio. They furnish gas service to Lincoln, Neb.; Brandon, Manitoba; Beatrice, Plattsmouth and York, Neb.; Red Oak, and Shenandoah, Iowa. The gas customers number 21,053, with sales in 1927 of 616,985,400 cu. ft. Central station heat is supplied

in restricted districts in Kansas City and Lincoln, and street railway service in Columbus, Lincoln and suburbs.

The corporation derives more than 93% of its net revenue from the sale of electric light and power, gas, heat and sale of appliances, and its subsidiaries serve more than 273,000 customers in a total population of approximately one million. The total installed electric generating capacity is in excess of 390,000 k.w., with a station of 60,000 k.w. capacity on the Scioto River near Columbus and a station of 15,000 k.w. capacity at Borger, Tex., both completed and put in service during 1926. The total k.w.h. sales for 1924 were 451,572,624, for 1925, 501,317,040, for 1926, 562,598,502, and for 1927, 715,909,173, an increase of over 21% over the year 1926.

Franchises—The electric light and power franchises, both in Missouri and Kansas, are, with minor exceptions, perpetual. The electric light and power franchises in Columbus are likewise without time limit. A portion of the railway franchises in the city of Columbus are without time limit.

Control—The United Light and Power Company, through one of its subsidiary companies (The United Light and Railways Co., of Delaware) in 1924 acquired control of Continental Gas & Electric Corporation through purchase of 75% of the outstanding Common stock, and has since acquired and now owns in excess of 98% of the Common stock.

Subsidiary Companies Controlled

The following subsidiary companies are under the control of Continental Gas and Electric Corporation:

Canada Gas and Electric Corp., Brandon, Man.
The Columbus Railway, Power & Light Co., Columbus, Ohio.
The Iowa-Nebraska Light and Power Co., Lincoln, Neb.—
  Maryville Electric Light & Power Co., Maryville, Mo.
Kansas City Power Securities Corp.—
  Kansas City Power & Light Co., Kansas City, Mo.
  Panhandle Power & Light Co., Borger, Tex.
Lincoln Traction Co., Lincoln, Neb.

Iowa-Nebraska Light and Power Company was organized in 1927 under the laws of the State of Delaware, and has acquired all of the properties formerly owned by the following companies: Havelock Electric Co.; Iowa Service Co., Lincoln Public Service Co.; Nebraska Gas & Electric Co. Also owns all of the outstanding stock of Maryville (Mo.) Electric Light & Power Co. (no bonds outstanding).

As of April 1, 1926, the electric properties of the Lincoln Gas and Electric Co., the Lincoln Heat, Light and Power Co. and the Lincoln Traction Co. were consolidated into the Lincoln Public Service Co., and the Lincoln Gas and Electric Light Co. and Lincoln Heat, Light and Power Co. were dissolved. The Lincoln Traction Co. is continued as a corporate entity for operation of the street railway properties serving the city of Lincoln and suburbs.

CAPITAL STOCK

Authorized, 350,000 shares Common of no par value, $20,000,000 7% cumulative Prior Preference, $20,000,000 6%-8% cumulative Participating Pfd. and $5,000,000 cumulative 6% Pfd.; outstanding, as of Dec. 31, 1927, 178,716 shares Common (of a stated value of $7,151,888), $11,799,600 7% Prior Preference, and $6,669,000 6-8% Participating Pfd.; par of Pfd., $100. As of Dec. 31, 1927, there was also outstanding Common stock scrip of a stated value of $3,167.70. Practically all the Common stock is owned by United Light & Railways Co. of Delaware. All the 6% Pfd. stock previously outstanding is being exchanged for an equal aggregate par amount of Prior Preference and Participating Pfd. stock.

Participating Pfd. Stock Called—All of the outstanding 6-8% Participating Pfd. stock was called for redemption on April 1, 1928 at $110 per share and accrued dividends at the office of the Corporation, Grand Rapids National Bank Building, Grand Rapids, Mich.

Provisions of Preferred Stocks—The Prior Preference stock is preferred as to both dividends and assets over all other classes of stock and is redeemable as a whole or in part upon 90 days' published notice at 110 and accrued dividends on any dividend date. Payable at 110 and accrued dividends in case of liquidation, dissolution or winding up of the corporation. The authorized Preference stock may not be increased or any stock authorized having a parity with or preference over the Prior Preference stock, except upon the affirmative vote or written consent of the holders of not less than two-thirds of the Prior Preference stock at such time outstanding. No Prior Preference stock shall be issued unless at the time or times of such issuance the net earnings of the corporation during any 12 consecutive calendar months, within the 14 months immediately preceding the date of such issue, shall aggregate at least twice the annual dividend requirements on the Prior Preference stock outstanding and to be issued at such time. The net earnings of the Corporation within the meaning of this paragraph shall include undistributed earnings of any company for a given twelve consecutive calendar months period applicable to dividends on the Common stock of such company owned or being acquired by the Corporation.

6% Preferred Stockholders Privileges—Holders of the 6% Pfd. stock were given the privilege of increasing their dividend rate and at the same time remove themselves to a prior position by exchanging each share of Preferred stock owned by them for ½ share of Prior Preference stock and ½ share of Participating Pfd. The result of this exchange was a certain increase of ½% per annum in preferred dividends or a possible increase of 1½% per annum in such years as the Participating Pfd. participates in the 2% additional dividend. In order to avoid the issuance of fractional shares in connection with this exchange (no fractional shares being issuable), a stockholder, otherwise entitled to the aforementioned privilege, was given a full share of Prior Preference stock instead of the two ½ shares of different kinds of stock.

Transfer Agents—Prior Preference: Union Trust Co., Cleveland, Central Union Trust Co., New York, Continental National Bank & Trust Co., Chicago. Common stock transferred at Company's office, Grand Rapids National Bank Bldg., Grand Rapids, Mich.

Registrars (Prior Preference)—Cleveland Trust Co., Cleveland, Guaranty Trust Co., New York, Central Trust Co. of Illinois, Chicago. Common: The Michigan Trust Co., Grand Rapids, Mich.

Annual Meeting—First Tuesday after third Monday in January.

Legal Opinion (7% Prior Pref. Stock)—Tolles, Hogsett, Ginn & Morley, Cleveland (for the Corporation), Humes, Buck & Smith, New York (for the Bankers).

Original Offering—$4,000,000 7% Prior Pref. stock offered in Oct., 1924, at $92 and accrued dividend to yield 7.61%, by Otis & Co., Howe, Snow & Bertles, Inc., and Peirce, Fair & Co., $1,400,000 additional offered in Feb., 1925, by the above firms and Pearsons-Taft Co., R. E. Wilsey & Co., and Weld, Grew & Co.

Market—All classes of stock traded in on New York Curb Market.

Dividends—Dividends on the 6% Pfd. stock have been regularly paid from organization to date; payments J, A, J & O 1. Initial dividend of 1¾% on the Prior Preference stock was paid April 1, 1924, which quarterly rate maintained to date; payments J, A, J & O 1. Initial dividend of 1½%, together with an extra dividend of ¼ of 1% in cash and ¼ of 1% in Common stock, was paid on Participating Pfd. stock April 1, 1924 and at same rate quarterly to Jan. 1, 1925; April 1, 1925 to date of redemption, $1.50 regular and 50 cents extra per share, per quarter; payments J, A, J & O 1. On Common, initial dividend of 75 cents a share in cash and 75 cents a share in Common stock was paid April 1, 1924, which quarterly rate paid

to Jan. 1, 1925; April 1, 1925 to Jan. 1, 1926, $1.00 per share quarterly; April 1, 1926 to date, $1.10 a share quarterly; payments J, A, J & O 1.

On Jan. 24, 1928, the Directors declared the following dividends for the year 1928: 7% on Prior Preference stock payable 1¾% quarterly; 6% on the Pfd., payable 1½% each quarter. Payments on Pfd. stock April, July and Oct. 1, 1928 and Jan. 1, 1929, to stockholders of record March 11, June 13, Sept. 12 and Dec. 12, 1927. Practically all the Common stock is owned by United Light & Railways Co. of Delaware.

FUNDED DEBT

(1)

$945,200 COLLATERAL TRUST GOLD 7s, SERIES "A"; DUE FEBRUARY 1, 1954; CALLED FOR REDEMPTION ON FEB. 1, 1928, AT 105 AND INTEREST AT CLEVELAND TRUST CO., CLEVELAND, TRUSTEE

(2)

$11,700,000 SECURED 6½% GOLD BONDS, SERIES "A"; DUE OCTOBER 1, 1964; CALLED FOR REDEMPTION ON APRIL 1, 1928, AT 105 AND INTEREST AT CLEVELAND TRUST CO., CLEVELEND, TRUSTEE

(3)

$36,000,000 GOLD DEBENTURES, 5% SERIES "A"; DUE FEBRUARY 1, 1958

Dated February 1, 1928.

Interest Payable February and August 1, at The Cleveland Trust Co., Cleveland, Ohio, and at National Bank of Commerce in New York, New York City.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered. Coupon Debentures of $1,000 denomination exchangeable for fully registered Debentures in denominations of $1,000 and multiples thereof.

Trustee—The Cleveland Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized amount, unlimited; issued, $36,000,000. Additional debentures may be issued when the consolidated net income for any period of 12 months within the period of 15 calendar months immediately preceding shall have been not less than 1¾ times the anual interest charges and all prior requirements for such period, such income to be computed according to a certain agreed form. Such additional debentures may be of the same or different series, varying between series in respect to dates, denominations, maturities (provided that no maturity may be earlier than Aug. 1, 1958), interest rates, etc. as may be determined by the Board of Directors at the time of the issue thereof.

Purpose of Issue—Proceeds were used to retire 110,000 shares Kansas City Power & Light Co. $7 First Pfd. stock, Series "A," of no par value, and the following securities of Continental Gas & Electric Corp.: $974,200 Collateral Trust 7% Gold bonds, Series "A," due Feb. 1, 1954; $11,700,000 Secured 6½% Gold bonds, Series "A," due Oct. 1, 1964; and $6,640,000 6-8% Participating Pfd. stock.

Callability—Subject to call as a whole or in part on any interest payment date, on 60 days' notice, at 100 up to and including Feb. 1, 1933; thereafter at 102½ up to and including Feb. 1, 1938, and thereafter at 1/2 of 1% less during each succeeding five-year period or fraction thereof prior to maturity, plus accrued interest in each case.

Sinking Fund—None provided.

Security—A direct obligation of the Company, but not secured by mortgage. The Company covenants not to issue any secured obligations, or create any funded debt unless, (1) these debentures are equally secured, and (2) unless consolidated net income for 12 months is 1¾ times the annual interest charges on this issue and all prior requirements, including securities to be issued.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property taxes of Pennsylvania, Connecticut and California not to exceed 4 mills per annum on each dollar of assessed value; Kentucky personal property taxes not to exceed 5 mills per dollar of assessed value and Massachusetts income tax of not more than 6% per annum on interest, refunded upon timely application.

Legal Opinion—Tolles, Hogsett & Ginn, Cleveland (for the Bankers) and Humes, Buck & Smith, New York (for the Corporation).

Original Offering—First publicly offered ($36,000,000) in Jan., 1928, at 95½ and interest to yield about 5.30% by Otis & Co., Harris, Forbes & Co., Guaranty Co. of New York, Bonbright & Co., Inc., J. G. White & Co., Inc., Field, Glore & Co., New York; Union Trust Co. of Pittsburgh, Pittsburgh; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston; Harris, Forbes & Co., Ltd., Montreal, etc.

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED DECEMBER 31

(Continental Gas & Electric Corporation and Subsidiary Companies)

	1927	1926	1925
Gross earnings, all sources.	*$29,699,690	$26,658,854	$23,812,481
Operating expenses	12,396,202	10,949,885	9,373,430
Maint. charged to oper.	1,754,355	1,628,040	1,563,790
Taxes, general & Federal	2,278,892	2,270,649	1,977,053
Total expenses	$16,429,449	$14,848,574	$12,914,272
Net earnings	$13,270,241	$11,810,280	$10,898,208
Int. on bonds and notes, etc., of subs., due public	2,699,050	2,477,637	2,357,347
Balance	$10,571,191	$9,332,643	$8,540,861
Divds. on Pfd. stocks of subsid. cos. due public and proportion of net earnings attributable to Common stock not owned by Co.	1,739,232	1,483,779	1,259,866
Gross income	$8,831,959	$7,848,864	$7,280,995
Deductions:			
Int. on 1st Lien Col. Trust 5s	$159,211	$194,630	$200,476
Ref. Mtge. 6% bonds.	245,754	327,672	327,672
Coll. Trust 7% bonds.	83,812	157,888	306,365
Secured 6½% bonds	760,500	760,500	760,500
Commercial loans, etc.	453,958	210,625	67,756
Total	$1,703,235	$1,651,315	$1,662,769
Net income	$7,128,724	$6,197,549	$5,618,226
Divds., 7% Prior Preference	825,647	822,924	804,390
6% Preferred	565	2,839	6,264
6-8% Participating Pfd.	513,049	426,698	253,579
Total dividends	$1,339,261	$1,252,461	$1,064,234
Surplus earnings available for deprec., amort. & Com. stock divds.	$5,789,463	$4,945,088	$4,553,992
†Times Interest Earned	5.18	4.75	4.38
†Earnings Per Share—			
Prior Preference	$52.52	$52.57	$47.78
6-8% Participating Pfd.	80.59	90.65	104.3
Common	47.67	27.68	26.83

*Made up as follows: Gross earnings of subsidiaries, $29,783,088, holding company interest earnings, $18,536; holding company miscellaneous earnings, $1,655—total earnings all sources, $29,803,279; less holding company expense, $103,589 gross earnings all sources, $29,699,690. †Continental Gas & Electric Corp., before depreciation and amortization.

STATEMENT OF GROSS AND NET EARNINGS BY DEPARTMENTS, YEARS ENDED DECEMBER 31

(Continental Gas & Electric Corp. and Subsidiary Companies)

Gross Earnings—	1927	% of Total	1926	% of Total
Gas sales	$952,828	3.20	$789,999	2.95
Residuals—gas	30,443	.10	28,155	0.11
Electric sales	21,725,457	72.95	19,044,709	71.19
Railway earnings	3,801,708	12.76	3,996,447	14.94
Heat earnings	913,976	3.07	873,169	3.27
Miscellaneous (includes appliance sales)	2,358,676	7.92	2,018,007	7.54
Total	$29,783,088	100.00	$26,750,486	100.00
Net Earnings—				
Gas (incl. resid.)	$284,673	2.13	$222,474	1.87
Electric	10,976,009	82.19	9,639,057	80.99
Railways	910,268	6.82	1,004,338	8.44
Heat	190,560	1.43	129,146	1.08
Miscellaneous	992,128	7.43	906,897	7.62
Total	$13,353,638	100.00	$11,901,912	100.00

CONSOLIDATED SURPLUS, ACCOUNT, DECEMBER 31, 1927
(Continental Gas & Electric Corp. and Subsidiaries)

Balance Jan. 1, 1927		$5,418,629
Deduction:		
Adjustment applicable to prior period:		
Surplus of subsidiaries not consol. at Dec. 31, 1926.		27,997
Misc. adjustments to surplus account of holding and sub. cos. (net)		32,587
Adjustment balance Jan. 1, 1927		$5,479,213
Net income for year 1927 before depre., amortization and dividends		7,128,725
Total		$12,607,938
Deduct:		
Provision for depreciation	$2,806,191	
Portion applicable to minority interest	26,643	
		$2,779,548
Amortization of bond discount and Pfd. stock expense	$491,685	
Portion applicable to minority interest	1,722	
		$489,963
Unamortized discount and expenses and retirement premium on Continental Gas & Electric Corp. bonds retired in connect. with refinancing during 1927	$1,045,165	
Less surplus applicable to stock acquired from minority interests during 1927 and other miscellaneous credits	30,887	
		$1,014,278
Prior Preference dividends		$825,647
6-8% Participating Pfd. dividends		513,049
6% Pfd. dividends		565
Common dividends		786,704
Total		$6,409,754
Credit balance Dec. 31, 1927		$6,198,184

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Continental Gas & Electric Corp. and Subsidiaries)

Assets—	1927	1926
Properties, franchises, organization, etc.	$141,752,489	$131,516,960
Unamortized bond disc. & stock exp.	10,172,733	9,457,066
Stocks and bonds of other companies	71,501	108,627
Long-term notes receivable	.....	67,653
Cash	3,158,047	1,061,216
Accounts receivable less allowance.	2,674,340	2,349,806
Accounts receivable, unbilled	556,928	475,881
Notes receivable	134,505	48,222
Materials, supplies & appliances	3,085,700	3,112,492
Prepaid expenses	366,548	344,586
Special sinking & other funds	96,116	92,127
Items in suspense & open accts.	47,854	10,059
Accts. receivable—The U. L. & P. C. and sub. cos.	2,636	53,157
Total	$162,119,397	$148,697,852
Liabilities—		
Capital stock of Cont. Gas & El. Corp:		
Common (stated value)	$7,151,888	$7,150,416
Preferred	18,468,600	17,738,400
Capital stock of sub. cos. held by public:		
Common	204,100	234,900
Preferred	27,123,652	22,570,133
Funded debt of Cont. Gas & El. Corp.	12,645,200	22,682,000
Funded debt of sub. cos.	62,510,100	45,441,750
Notes payable	24,500	1,665,000
Accounts payable	764,859	1,248,227
Interest and dividends due Jan. 1	860,873	398,624
Federal income tax reported for 1926	508,853	453,082
Paving taxes—current	14,615	9,627
Accrued interest	763,383	919,596
Accrued dividends	396,588	401,895
Accrued general taxes	621,838	625,325
Miscellaneous accruals	21,005	22,297
The United Light & Power Co. & Subs.:		
Accounts payable	53,699	514,469
Notes payable on demand	6,782,552	4,306,000
Divds. payable prior to Apr. 1, 1928	194,000	1,422,885
Interest accrued	38,019	21,334
Meter and service deposits, unredeemed tickets, etc.	993,406	919,094
Long-term notes payable	.....	188,300
Depreciation reserve	12,599,165	11,115,480
Maintenance reserve	83,940	64,496
Reserve for general contingencies	645,829	727,383
Surplus applicable to minority stock of sub. cos.	211,529	200,808
Paid-in surplus	2,239,021	2,237,703
Surplus balance Dec. 31	6,198,183	5,418,628
Total	$162,119,397	$148,697,852

CONSOLIDATED RESERVE FOR DEPRECIATION, YEAR ENDED DECEMBER 31, 1927
(Continental Gas & Electric Corp. and Subsidiaries)

Balance January 1, 1927	$11,115,480
Additions—	
Provision for the year ended Dec. 31, 1927:	
General plant, charged to surplus account	2,779,548
General plant, charged to equity of minority int.	26,643
Transportation equipment, charged to oper. exp.	38,216
Surplus of Lincoln Gas & Electric Corp. at date of acquisition by Continental Gas & Electric Corp. transferred to this reserve	468,422
Salvage realized on abandonment or disposal of properties	238,828
Other credits	11,628
Total additions	$3,563,285
Deduct: Retirement charges	2,079,601
Net additions	$1,483,684
Balance, Dec. 31, 1927	$12,599,164

Officers: C. S. Eaton, Chairman of the Board; Richard Schaddelee, Pres.; B. J. Denman, 1st V-P.; L. H. Heinke, V-P. & Sec.; F. K. George, V-P.; B. J. Olsen, Treas. and Asst. Sec.; B. L. Stowell, Asst. Sec.; F. F. Kelley, Asst. Sec. & Asst. Treas.

Executive Committee: C. S. Eaton, Chairman, Cleveland; Richard Schaddelee, Wm. Chamberlain, Chicago, Ill.

Directors: C. S. Eaton, Cleveland; B. J. Denman, L. H. Heinke, Richard Schaddelee, William Chamberlain, Chicago, Ill.; John S. Brooks, Jr., H. B. Rust Pittsburgh.

Main Office, 2200 Bankers Bldg., Chicago, Ill.

KANSAS CITY POWER SECURITIES CORPORATION

(Controlled by Continental Gas & Electric Corp.)

History—Incorporated March 8, 1921, under the laws of the State of Illinois and acquired all of the Common stock of the Kansas City Light & Power Co. (now Kansas City Power & Light Co.) through exchange of its own shares for beneficial certificates issued under the Trust Agreement concerning the capital stock of the Kansas City Light & Power Co. dated May 1, 1916. The Company now owns all of the Common stock of the Kansas City Power & Light Co. (see statement appended), consisting of 250,000 shares, without nominal or par value.

Control—In Jan., 1924, the Continental Gas & Electric Corp. acquired control through the purchase of the majority of Pfd. and Common stocks of the corporation on the basis of $170 a share for the Pfd. and $80 per share for the Common.

CAPITAL STOCK

Authorized and outstanding, 65,000 shares Common of no par value. Over 99% of the stock is owned by the Continental Gas & Electric Corp.

Preferred Stock Called—All of the Pfd. stock of no par value formerly outstanding was called for redemption on April 1, 1928, at par and accrued dividend at Continental National Bank & Trust Co., Chicago.

Transfer Agents—Continental National Bank & Trust Co., Chicago, Ill., and Kansas City Power Securities Corp., Kansas City, Mo.

Registrars—The Northern Trust Co., Chicago, Ill., and The New England National Bank of Kansas City, Mo.

Annual Meeting—First Wednesday after fourth Monday in March, at Chicago, Ill.

Dividends—Pfd. dividends are payable quarterly on J, A, J & O 1. Initial quarterly dividend on Pfd. was paid April 1, 1921, and has been paid regularly each quarter since to date of redemption. An initial dividend of $2 per share on Com. was paid Dec. 20, 1922; in 1923, $8 per share was paid; in Jan., 1924, an extra dividend of $2 per share was paid; April 1, 1924, $2; none thereafter made public until 1925, when for the entire year $21 per share was paid, including $15 paid Jan. 2, 1926: April 1, 1926, $2.

FUNDED DEBT

None.

Officers: Joseph F. Porter, Pres., Kansas City, Mo.; Richard Schaddelee, V-P., Chicago; Chester C. Smith, Sec. & Asst. Treas., Kansas City, Mo.; L. H. Heinke, Treas., Chicago; R. E. Monroe, Asst. Sec.; Robert J. Clark, Asst. Treas.; H. C. Davis, Asst. Sec. & Asst. Treas., Kansas City, Mo.

Directors: Joseph F. Porter, Chester C. Smith, Kansas City, Mo.; C. S. Eaton, Cleveland, O.; Richard Schaddelee, Chicago, Ill.; R. B. MacDonald, Moline, Ill.

General Offices, 2200 Bankers Bldg., Chicago, Ill., and 1330 Grand Ave., Kansas City, Mo.

KANSAS CITY POWER & LIGHT COMPANY

(Controlled by Continental Gas & Electric Corp.)

History and Property—Incorporated July 29, 1922, for a period of fifty years, under the laws of the State of Missouri, and permitted to do business as a foreign corporation | der the laws of the State of Kansas, Aug. 3, 1922. This Company, under an agreement of consolidation dated July 28, 1922, between Kansas City Power and Light Company, a corporation organized under the laws of the State of Missouri, and Carroll County Electric Company, a corporation organized under the laws of the State of Missouri, took over, on Aug. 1, 1922, all the properties, rights and franchises previously exercised by said two companies. (see 1922 Public Utility Manual, page 459.) The electric lighting and power franchises both in Kansas and Missouri, are, in the opinion of counsel, with minor exceptions, perpetual. Steam heating franchise in Kansas City, Mo., runs for a period of thirty years from 1905.

The Company owns the entire capital stock of **The Standard Electric Light Co., Kansas City Electrical Wire Subway Co., Edison Electric Light & Power Co., Kansas City Heating Co., The Electric Truck Co. of Kansas City, Mo., Kansas City P. & L. Appliance Co., Kansas City Light & Power Co., Kansas City Electric Ry. Co., Kansas City Electric Light Co., and Southwest Cities Investment Co.**

In February, 1927, Company acquired the Rural Light & Power Co., of Muncie, Kan.

It generates and distributes electrical energy in Kansas City, Mo., North Kansas City, Mo., Kansas City, Kansas, Jackson County, Clay County, Platte County, Lafayette County, Carroll County, Chariton County, Randolph County, Howard County, Pettis County, Cass County and Saline County, all in the State of Missouri, and Wyandotte County, Franklin County, Douglas County, Miami County and Johnston County in the State of Kansas. It delivers electrical energy over transmission lines to other public utilities which distribute the same in Clay County, Clinton County, Platte County, Ray County, Caldwell County, Gentry County, DeKalb County, Davies County, and Livingston County, and Lafayette County, all in the State of Missouri and Wyandotte County, Leavenworth County and Johnston County in the State of Kansas. Generates and distributes steam heat in Kansas City, Mo. Stores and distributes water in Carrollton, Mo., and Brunswick, Mo.

The physical properties consist of four electric generating stations with an aggregate installed normal capacity of 201,225 k.w.; 55 substations with a transformer capacity of over 160,355 k.v.a., 16 of these substations, with a transformer capacity of 89,490 k.v.a. are automatically operated; 568 circuit-miles of high tension transmission lines, 429 miles of underground cable, and 2,680 circuit-miles of low tension distributing lines, 123,551 meters; steam heating plants which generated during the calendar year 1927, 780,000,000 pounds of steam and coal rights in about 9,083 acres of valuable coal lands in Missouri. Of the installed electrical capacity 117,333 k.w. is at the new Northeast Power Plant in Kansas City, Mo., where 458,484,000 k.w.h. or 91% of the electric energy sold by the Company in 1927 was generated. This plant is so designed that additional units may be added thereto, until the ultimate capacity of 240,000 k.w. is reached.

CAPITAL STOCK

Authorized, 600,000 (increased from 350,000 shares March 26, 1928) shares Common, 250,000 shares cumulative First Preferred and 100,000 shares cumulative and Participating Preferred, all of no par value; outstanding, April 1, 1928, 502,000 shares Common, and 30,000 shares $6 cumulative First Pfd., Series "B." 320,000 Common shares are owned by Kansas City Power Securities Corp. 182,000 shares Common are held by Continental Gas & Electric Corp. and 98,000 shares are held in the treasury.

First Preferred Stock Series "A" Called—All of the outstanding First Preferred stock, Series "A" was called for redemption at $115 per share and accrued dividends on April 1, 1928, at Guaranty Trust Co. of New York.

At special meeting of stockholders Jan. 10, 1927, the Board of Directors were authorized to issue 50,000 shares Common stock, without nominal or par value, to be distributed to holders of the 250,000 outstanding Common shares of Company in the nature of a stock dividend. The Board of Directors on Jan. 11, 1927, authorized the issuance of 10,000 First Pfd. stock, Series "B" (described above), which was sold to customers and proceeds used for 1927 requirements.

First Preferred Stock Provisions—First Pfd. stock Series "B" is entitled to cumulative dividends at the rate of $6 per share per annum. The total authorized issue of First Preferred stock is 250,000 shares without par value, which may be issued in series with such dividend rates and redemption prices as the Board of Directors of the Company may determine, such dividends not to exceed $7 per share per annum and such redemption prices not to exceed $115 plus accrued and unpaid dividends per share. Dividends are cumulative and preferential. All or any of the unissued First Pfd. stock up to the authorized total of 250,000 shares may be issued from time to time, but only, (1) when net earnings as defined in the charter for twelve successive calendar months in the fifteen months preceding the issuance of such additional First Pfd. stock shall have been at least equal to twice the annual dividend requirements on all First Pfd. stock then outstanding and that proposed to be issued; and (2) when the net value of the property as defined in the charter shall be equal to at least $125 per share on all First Pfd. stock then outstanding and that proposed to be issued. In the event of voluntary or involuntary liquidation or dissolution of the Company, holders of the First Pfd. stock are entitled to $100 per share plus accrued and unpaid dividends, before any distribution to any other class of stock, and no more. The holders of the First Pfd. stock have equal voting rights and powers, share for share, with every other class of stock, and in the event of default of dividends for any 12 consecutive months, the holders of the First Pfd. stock as a class, shall, so long as such default continues, have voting rights equal to voting rights of all other stock so that the aggregate of votes which may be cast by the holders of the First Pfd. stock shall equal the aggregate of the votes which may be cast by the holders of all other classes of stock. No consolidation or merger with another corporation, or lease, sale or exchange of all or substantially all (being at least or more than 80%) of the property and assets of the Company as an entirety, including the good will and business of the Company, or voluntary dissolution of the Company shall be authorized, made or accepted if opposed by the vote of holders of at least one-third of the shares of the First Pfd. stock then outstanding.

Callability—First Pfd. stock, Series "B" is subject to call at $115 per share and accrued dividends.

Cumulative and Participating Preferred Stock Provisions—The holders of the cumulative and Participating Pfd. stock are entitled to dividends at the rate of $7 per share per annum, payable quarerly, F, M, A & N 1, redeemable at $105 per share, plus accrued and unpaid dividends thereon, after provision has been made for the payment of dividends upon the cumulative First Pfd. stock. In addition to said dividend of $7 per share per annum, the holders of the cumulative and participating Pfd. stock are entitled to receive in any calendar year the same amount of dividends per share in excess of $7 per share as shall be declared and paid in any said calendar year on the Common stock, provided that the cumulative and participating Pfd. stock shall, in no event, be entitled to more than $8 per share per annum. The holders of the Common stock, are entitled to receive dividends as and when declared by the Board of Directors, but no dividends are to be paid on the Common stock until there has been paid or set apart all accrued and unpaid dividends on the then outstanding cumulative First Pfd. stock and cumulative and participating Pfd. stock of the Company, and until provision has been made for any participating dividend to which said cumulative and participating Pfd. stock is entitled.

Transfer Agents—(cumulative First Pfd. stock, Series "B"): Kansas City Power & Light Co., Kansas City, Mo., Continental National Bank & Trust Co., Chicago, Ill., and Guaranty Trust Co. of New York, N. Y. (Common stock): Kansas City Power & Light Co., Kansas City, Mo.

Registrars—(Cumulative First Pfd. stock, Series "B."): Commerce Trust Co., Kansas City, Mo., The Northern Trust Co., Chicago, and The Chase National Bank of The City of New York, N. Y. (Common stock): Commerce Trust Co., Kansas City, Mo.

Offering—First Pfd. stock Series "B" (20,000 shares) was publicly offered in Oct., 1927, at $104.50 per share flat, to yield about 5.74% by Otis & Co. and Guaranty Co. of New York, New York.

Annual Meeting—Fourth Monday in March, at Kansas City, Mo.

Listed—The cumulative First Pfd. stock, Series "B" is listed on the New York and Chicago Stock Exchanges. The Common stock is not listed on any Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923
First Pfd., Series "A"—					
High	116½	115	109⅝	99	97½
Low	109	107¼	99	92	91
First Pfd. Series "B"—					
High	110⅛	..	..	..	..
Low	100	..	..	..	..

Dividends—An initial dividend of $1.75 was paid on First Pfd. stock, Series "A" in Oct., 1922, which rate has been regularly paid to date of redemption, April 1, 1928. An initial dividend of $1.50 was paid on First Pfd. stock, Series "B" on April 1, 1927. Dividends on First Pfd. stock are payable quarterly J, A, J & O 1. On Common in 1922, $300,000 was paid, being at the rate of 6% per share per annum on the Common stock of $100 par value before exchanged into no par value stock; in 1923 and 1924, $1,000,000 each was paid, being at the rate of $4 per share per annum; in 1925, $1,600,000 was paid, being at the rate of $6.40 per share per annum; 1926, $1,750,000, or $7 per share; 1927, $1,920,000 or $6 per share.

FUNDED DEBT

$25,000,000 FIRST MORTGAGE 30-YEAR 5% GOLD BONDS, SERIES "A"; DUE SEPTEMBER 1, 1952

$3,000,000 FIRST MORTGAGE 30-YEAR 4½% GOLD BONDS, SERIES "B"; DUE JANUARY 1, 1957

Dated, Series "A," September 1, 1922; Series "B." January 1, 1927.

Interest Payable March and September 1 on Series "A" and January and July 1 on Series "B" at Continental National Bank & Trust Co., Chicago, or at The Chase National Bank of the City of New York, N. Y.

Denominations—Coupon bonds in interchangeable denominations of $100, $500 and $1,000, registerable as to principal, and fully registered bonds in denominations of $1,000, $5,000, $10,000 and $25,000. Coupon and registered bonds are interchangeable.

Trustees—Continental National Bank & Trust Co., Chicago. John F. Downing, Individual Trustee.

Provisions of Issue—Additional bonds may be issued from time to time in series, bearing such rates of interest and maturing at such times as the Board of Directors of the Company, at the time of issuance, may determine only for 75% of the actual cash cost or fair market value, whichever is less, of permanent additions, improvements or betterments as defined in the First Mortgage and Deed of Trust made on or after Aug. 1, 1922, and then only as the net earnings of the Company, as defined in the First Mortgage and Deed of Trust, for twelve consecutive calendar months within the fifteen calendar months preceding the application for the issuance of bonds have been at least twice, or for each of the three consecutive twelve months' period last preceding the application have been at least 1¾ times the annual interest requirements upon all obligations (including those held alive in sinking fund) secured by liens or encumbrances, if any, prior to the lien of said First Mortgage and Deed of Trust, and upon all bonds then outstanding under the First Mortgage and Deed of Trust and upon all bonds then proposed to be issued.

Callability—Series "A" bonds are subject to call in whole or in part at any time on sixty days' published notice at par and accrued interest plus the following premium: If redeemed on or before Sept. 1, 1946, at a premium of 5%; if redeemed thereafter but on or before Sept. 1, 1950, at a premium of 2½%; if redeemed thereafter, no premium.

Series "B" bonds are subject to call in whole or in part at any time on 60 days' notice, on or before Jan. 1, 1951 at 104½ and interest; thereafter on or before Jan. 1, 1955 at 102¼ and interest; and thereafter at par and interest.

Sinking Fund—None.

Maintenance and Depreciation Fund—The Company covenants to annually expend or set aside 12½% of the gross earnings for maintenance and depreciation. To the extent that such amount is not expended in any one year, the Company may receive credit therefrom for permanent additions, improvements or betterments, none of which shall be used as the basis for the issuance of bonds, except for reimbursing the depreciation fund to an amount in cash equal to a fair market value at the time of issuance of such bonds of the permanent improvements, additions, or betterments, or their actual cash cost, whichever is less. Moneys in the Maintenance and Depreciation Fund may be used at any time for maintenance, renewals or replacements, or may be invested in or used for the purpose of retiring bonds issued under the First Mortgage and Deed of Trust.

Improvement Fund—The Company agrees annually, beginning April 1, 1927, to provide an Improvement Fund equal to 1% of the amount of all bonds issued and outstanding under said First Mortgage and Deed of Trust at the close of the preceding calendar year. This fund may be used for permanent improvements, additions, or betterments (against which no bonds may be issued) or may be used for the purpose of retirements of outstanding bonds issued under the First Mortgage and Deed of Trust.

Security—All bonds issued under the First Mortgage and Deed of Trust are a first lien upon all the property of the Company now owned or hereafter acquired wherever located, and constitute its only funded debt.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refundable.

Legal Opinion—Mayer, Meyer, Austrian & Platt, Chicago, Davis, Polk, Wardwell, Gardiner & Read, New York and Rushmore, Bisbee & Stern, New York.

Legal for Savings Banks in Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

Original Offering—First publicly offered ($21,000,000) in Sept., 1922, at 93 and interest, yielding 5.47%, by Continental & Commercial Trust & Savings Bank, Chicago, and Guaranty Company, and Halsey, Stuart & Co., Inc., New York, etc. An additional $2,000,000 were offered in Feb., 1924, by the same firms at 91 and interest yielding over 5⅝%, and $2,000,000 in Feb., 1925, at 97 and interest, yielding over 5.20%, by Guaranty Company of New York, Bonbright & Co., Inc., Halsey, Stuart & Co., Inc., and Otis & Co., New York, etc.

Listed—New York and Chicago Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923
Series "A" 5s—					
High	105⅞	104	101	98½	97½
Low	103	100¼	95⅜	89	91
Series "B" 4½s—					
High	102	..	..	..	..
Low	98½	..	..	..	..

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Earnings—						
Electric sales	$11,329,974	$9,800,159	$9,260,326	$8,605,435	$7,975,066	$7,042,286
Steam sales	599,693	569,893	588,432	638,504	621,942	624,035
Miscellaneous operating revenues	143,742	136,186	136,975	108,085	96,043	79,602
Miscellaneous non-operating revenues	386,878	331,037	246,116	181,278	122,352	118,840
Earnings of other utilities	42,117	40,584	45,676	43,344	46,581	22,565
Gross earnings	$12,502,404	$10,877,859	$10,277,525	$9,576,646	$8,861,985	$7,887,328
Operating Expenses—						
Electric including maintenance	$4,693,539	$3,700,102	$3,655,999	$3,465,662	$3,294,293	$3,193,337
Steam including maintenance	438,932	419,834	390,547	424,899	398,281	486,074
Other utilities including maintenance	28,535	27,141	31,948	35,625	50,198	22,511
Operating expenses and maintenance	$5,161,006	$4,147,077	$4,078,494	$3,926,186	$3,742,772	$3,701,922
Taxes	1,094,750	1,025,164	864,599	934,430	766,699	502,138
Net earnings	$6,246,648	$5,705,618	$5,334,432	$4,716,030	$4,352,514	$3,683,268
Deductions—						
Interest	$1,322,015	$1,242,120	$1,202,948	$1,080,387	$947,682	$1,105,921
Amortization of discount and premiums	182,527	177,453	176,848	169,948	162,706	96,905
Depreciation	1,569,208	1,447,007	1,358,003	1,057,346	1,118,951	865,006
Total deductions	$3,073,750	$2,866,580	$2,737,799	$2,307,681	$2,229,339	$2,067,832
Balance for dividends	$3,172,898	$2,839,038	$2,596,633	$2,408,349	2,123,175	1,615,436
Dividends on First Preferred stock	840,190	770,000	770,000	748,616	700,000	435,365
Dividends on Common stock	1,920,000	1,750,000	1,600,000	1,000,000	1,000,000	300,000
Surplus for year	$412,708	$319,038	$226,633	$659,733	$423,175	$880,071

Policy as to Depreciation—The Company sets up annually as a reserve for depreciation under orders of the Public Service Commission of the State of Missouri 3½% of the used and useful value of its properties rendering service to the public against which reserve the original value of property is charged.

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925	1924	1923	1922
Assets—						
Property, plant and equipment	$51,169,297	$46,940,103	$45,154,121	$42,554,150	$39,312,144	$35,944,783
Materials and supplies	1,207,914	1,149,826	1,161,410	1,109,327	1,680,268	1,484,493
Investments	22,074	17,152	17,152	19,657	18,882	16,014
Accts. and notes receiv. (less res. for doubtful notes and accts.)	2,879,295	1,616,747	1,583,470	1,445,929	1,233,751	1,098,112
Accrued earnings—estimated	508,384	475,881	423,840	373,772	328,440	365,521
Cash	1,361,459	272,475	180,517	327,525	304,923	514,534
Work in progress for customers	9,527	40,207	23,651	14,257	14,190	.....
Insurance premium unexpired	36,436	25,263	22,805	18,059	22,864	20,496
Taxes, rentals and expenses prepaid	66,156	66,239	29,602	40,907	45,423	43,040
Construction expenses unallocated	.....	.....	.....	.....	.....	13,788
Miscellaneous deferred items	51,918	40,516	43,039	59,484	21,660	33,154
Unamortized financing expenses:						
Commission and premiums	4,600,385	4,554,635	4,732,088	4,756,947	4,635,142	4,696,442
Unamortized funded debt discount	790,467	822,513	854,559	886,605	961,379	961,379
Brokerage on sale of First Pfd. stock of K. C. P. & L. Co.	328,888	342,222	355,556	368,889	400,000	400,000
Total	$63,032,200	$56,363,779	$54,581,811	$51,975,506	$48,979,066	$45,591,756
Liabilities—						
†Capital stock	$22,041,150	$15,571,150	$15,571,150	$15,571,150	$14,637,650	$14,637,650
Funded debt	28,000,000	25,000,000	25,000,000	23,000,000	21,000,000	21,000,000
Notes payable for borrowed money	.....	1,200,000	1,000,000	1,625,000	*2,125,000	300,933
Mortgages payable	.....	150,000	150,000	150,000	300,000	.....
Consumers' deposits	485,789	476,383	438,235	414,976	392,554	351,735
Accounts payable	323,285	481,967	441,716	593,431	878,350	1,001,239
Salaries and wages accrued	98,898	83,465	84,239	83,701	80,243	82,609
Interest accrued	420,433	420,016	425,723	385,110	359,757	358,173
Taxes accrued—General	175,774	209,917	144,466	180,100	207,282	217,446
Taxes accrued—Federal and State income	556,380	500,127	428,003	381,360	218,000	.....
Rentals and sundry expenses	.....	.....	.....	.....	23,188	.....
Deferred earnings	6,162	1,817	8,824	11,213	10,920	11,591
Reserve for depreciation and replacement of physical properties	7,051,894	6,321,115	5,217,063	4,121,913	3,845,984	3,106,575
Reserve for injuries and damages	224,036	166,752	150,151	116,566	113,000	159,842
Surplus:						
Paid in	3,648,399	5,781,070	5,522,241	5,340,987	2,500,000	2,500,000
Earned					2,287,138	1,863,963
Total	$63,032,200	$56,363,779	$54,581,811	$51,975,506	$48,979,066	$45,591,756

*Retired early in 1924 from the proceeds of sale of Pfd. stock and First Mortgage bonds. †Represented by 110,000 shares First Pfd. Series "A," 30,000 shares First Pfd. Series "B" and 320,000 shares Common all of no par value, in 1927, by 110,000 shares First Pfd. and 250,000 shares Common in 1924, 1925 and 1926, and 100,000 shares First Pfd. and 250,000 shares Common in 1922 and 1923.

NOTE—The provision made for taxes is subject to any necesary adjustment upon determination of the final liability of the Company therefor.

STATEMENT OF WORKING CAPITAL, DECEMBER 31

Current Assets—	1927	1926	1925	1924	1923	1922
Accounts and notes receivable (less reserve for doubtful notes and accts.)	†$2,879,295	†$1,616,747	$1,583,470	$1,445,929	$1,233,751	$1,098,112
Accrued earnings estimated	508,384	475,881	423,840	373,772	328,441	365,521
Cash	,361,459	272,475	180,517	327,525	304,923	514,534
Materials and supplies	1,207,914	1,149,826	1,161,410	1,109,327	1,680,268	1,484,493
Work in progress for customers	9,527	40,207	23,651	14,257	14,190	.....
Total	$5,966,579	$3,555,136	$3,372,888	$3,270,810	$3,561,573	$3,462,660
Current Liabilities—						
Notes payable	.....	$1,200,000	$1,000,000	$1,625,000	$2,125,000	$300,933
Consumers' deposits	$485,789	476,383	438,235	414,976	392,554	351,735
Accounts payable	323,285	481,967	441,716	593,431	540,850	1,001,239
Salaries and wages accrued	98,898	83,465	84,239	83,701	80,243	82,609
Interest accrued	420,433	420,016	425,723	385,110	359,757	358,173
Taxes accrued—State, Federal and General	732,154	710,044	572,469	561,460	425,282	217,446
Total	$2,060,559	$3,371,875	$2,962,382	$3,663,678	$3,923,686	$2,312,135
Net Working Capital	$3,906,020	$183,261	$410,506	*$392,868	*$362,113	$1,150,525

*Debit. †Includes $351,748 notes and accounts receivable of affiliated companies in 1926 and $1,419,424 in 1927.

Officers: Joseph F. Porter, Pres.; John H. Bovard, V-P.; Chester C. Smith, V-P. & Sec.; Fred S. Dewey, V-P.; A. E. Bettis, V-P.; Edwin Jowett, V-P.; C. F. Farley, V-P.; Robert J. Clark, Treas.; Joseph F. Porter, Jr., Asst. Sec. & Asst. Treas.; H. C. Davis, Asst. Sec. & Asst. Treas., Kansas City, Mo.

Directors: Joseph F. Porter, Chas. S. Keith, Chas. J. Carter, John H. Bovard, Chester C. Smith, H. P. Wright, Kansas City, Mo.; B. J. Denman, Chicago, Ill.

General Office, 1330 Grand Ave., Kansas City, Mo. **Branch Offices,** Overland Park, Kansas, North Kansas City, Mo., Carrollton, Mo., and Brunswick, Mo.

THE COLUMBUS RAILWAY, POWER AND LIGHT COMPANY

(Controlled by Continental Gas & Electric Corp.)

History—Incorporated in November, 1913, in Ohio; succeeded The Columbus Traction Co. (incorporated Dec. 26, 1906, in Ohio); purchased The Columbus Railway Co. and The Columbus Edison Co. Feb. 2, 1914; The Columbus Light, Heat and Power Co., Jan. 2, 1915, and the assets of the Columbus Railway & Light Co. March 5, 1915; and in 1921 and 1922 other small lines of suburban railway.

Does practically the entire electric power and light business in Columbus and suburbs of Westerville, Worthington, Gahanna, Linden, East Columbus, Bexley, Upper Arlington, Marble Cliff, Hillards, Plain City, Dublin, Grove City and Orient, and supplies current to Circleville and Chillicothe. Does the entire street railway business in the city of Columbus and with lines serving the suburban towns of Worthington, Linden, East Columbus, Bexley, Upper Arlington and Marble Cliff. The population served direct is in excess of 280,000. Current is furnished wholesale to The Ohio Utilities Co., the subsidiary operating companies of which serve the cities of Circleville, Chillicothe, Delaware, Gallipolis, and Hillsboro, and intervening villages in their territory. Columbus is the center of a highly developed industrial area ranking fourth in the United States in value of manufactured products.

The company completed and put in service during 1926 a modern electric generating station on the Scioto River near Columbus, with an initial installed capacity of 60,000 k.w. A new plant known as the big Walnut Plant was put in operation in 1923, with initial installed capacity of 65,000 k.w. The total normal installed capacity of the electric generating units now in service is 144,000 k.w. The ultimate capacity of the Scioto plant will be 150,000 k.w.

Franchises—The electric light and power franchises are without limit of time. Important street railway lines extending through the center of the City are also operated under franchises without limit of time, while the franchises on other lines expire in 1926.

Control—The control of this property was acquired in 1924 by Continental Gas and Electric Corporation through purchase of a large majority of the Common capital stock, and a substantial block of the Preferred stock.

GENERAL STATISTICS YEARS ENDED DECEMBER 31

Railway Department—	1927	1926	1925	1924	1923	1922
Revenue passengers	62,308,801	64,841,596	64,591,271	66,548,546	70,177,236	68,495,083
Transfer passengers	16,160,547	16,573,110	16,420,874	16,722,852	17,342,632	17,093,730
Total passengers	78,469,348	81,414,706	81,012,145	83,271,398	87,519,868	85,588,813
Per cent. of transfers to total passengers	20.59	20.36	20.27	20.08	19.82	19.97
Revenue per passenger	5.10 cts.	5.09 cts.	5.09 cts.	5.09 cts.	5.08 cts.	5.08 cts.
Revenue per passenger, inclu. transfers	4.05 cts.	4.05 cts.	4.06 cts.	4.08 cts.	4.08 cts.	4.06 cts.
Car mileage	9,340,698	9,521,782	9,464,862	9,515,369	9,377,377	9,021,094
Power and Light Department—						
Kilowatt hours sold	182,767,852	170,979,500	151,225,093	135,056,069	149,471,052	114,664,813
Number of consumers	81,137	75,312	68,377	62,699	57,123	50,346
Connected load	171,134	164,444	154,724	142,956	135,003	119,056

Miles of track (single track basis), 156.17, of which 151.77 miles owned. Cars owned, 280.

CAPITAL STOCK

Authorized, 300,000 shares no-par Common, $25,000,000 6% cumulative First Pfd. and $5,030,000 6½% cumulative Series "B" Pfd.; outstanding, Dec. 31, 1927, 149,980 shares Common (stated value, $7,499,000), $7,977,300 First Pfd. and $4,970,500 Series "B" Pfd.; par of both classes of Pfd. $100.

At special meeting of stockholders, held Jan. 27, 1925, a change in the capital structure was approved, subject to certain amendments, and completely ratified at a subsequent meeting held on Feb. 10, 1925, changing the capital structure as above. Under the plan 105 shares of the new First Pfd. stock were offered in exchange for each 100 shares of the old Series "A" Pfd. stock. One share of the new Series "B" stock was offered for each share of old Series "B" Pfd. stock; and two shares of new Common stock were offered in exchange for each share of old Common stock of $100 par value. At the same time the sale of an additional 30,000 shares of new Common stock was authorized, and sold at $57.50 per share to the Common stockholders of the company.

First Preferred Stock Provisions—First Pfd. stock has preference for assets and dividends. In case of voluntary liquidation, winding up or dissolution of Company it is entitled to receive $110 per share and

accrued dividends and in the event that such liquidation, etc., is involuntary, it is entitled to $100 per share and accrued dividends. First Pfd. stock is subject to redemption on any dividend date upon 30 days' notice at $110 per share and accrued dividends. Additional First Pfd. stock up to the present authorized total, may be issued only when surplus profits applicable to dividends for twelve consecutive calendar months within the 15 calendar months preceding the issuance shall have been at least equal to twice the annual dividend requirements of the First Pfd. stock then outstanding and being then issued.

Series "B" Preferred Stock Provisions—Has preference over Common for assets and dividends and is subject to redemption at 30 days' notice at $110 per share and accrued dividends. On voluntary liquidation or winding up or dissolution of Company, the stock is entitled to receive $110 per share and accrued dividends and upon involuntary liquidation it is entitled to $110 per share and accrued dividends before any amounts shall be paid on Common.

Transfer Agents (All Classes)—Lyle Babbitt at the office of the Company, Columbus, Ohio. For First Pfd. stock only, The Union Trust Co., Cleveland, Ohio.

Registrars (All Classes)—The Citizens Trust & Savings Bank, Columbus, Ohio. For First Pfd. stock only, The Cleveland Trust Co., Cleveland, Ohio.

Annual Meeting—Second Tuesday after January 15.

Public Offerings—$2,500,000 First Pfd. stock was publicly offered in Oct., 1925, at par and dividend by Union Trust Co., Otis & Co., Howe, Snow & Bertles, Inc., Hayden, Miller & Co. and R. V. Mitchell & Co., Cleveland, etc. and Dominick & Dominick, New York.

In April, 1926, $1,350,000 Series "B" Pfd. stock was publicly offered at 96.50 a share and dividends to yield about 6.75% by Otis & Co. and Bonbright & Co., Inc., New York, etc., and R. V. Mitchell & Co., Cleveland. This stock consisted of stock already outstanding and did not involve any new financing by the Company.

In June, 1926, $1,500,000 First Pfd. was publicly offered at par and interest by Union Trust Co., Otis & Co., Cleveland; Guaranty Co. of New York, New York; R. V. Mitchell & Co., Hayden, Miller & Co., Huntington National Bank, Ohio National Bank, and First Citizens Corp., Columbus, Ohio.

Dividends—An initial dividend of 1½% was paid on the Series "A" Preferred stock April 1, 1914; same rate quarterly to and including April, 1918 (see below). On Series "B" Pfd. stock initial dividend of 1¼% was paid in May, 1914, and same rate quarterly since to and including Feb. 1, 1918 (see below). On Common stock initial dividend of 1¼% was paid in May, 1914, and same rate quarterly to and including Nov., 1917.

Dividend Resumption—Stockholders on Feb. 21, 1922, approved a plan, which was made effective, for paying in like stock the 24% back dividends on the Series "A" Pfd. stock and the 20% back dividends on Series "B" Pfd. Each holder of 10 shares of Pfd. "A" received 2.4 shares of stock and Pfd. "B" received 2 shares. The company received the authority from the Ohio Public Utilities Commission to issue $1,228,996 Pfd. stock for the purpose of paying the stock dividends. It was also voted to resume cash dividends on Series "B" Pfd. May 1, 1922, and on Series "A" Pfd. July 1, 1922, 5% to be paid annually on the former and 6% annually on the latter. Dividends at rate of 6% were paid for years 1923 and 1924 on the three classes of stock. Dividends are no longer paid on the old Series "A" and "B" Pfd. stocks, but the right of conversion into new First Pfd. and new Series "B" Pfd. is open to all old stockholders on the terms outlined in a previous paragraph. Regular quarterly dividends are being paid on both classes of Pfd. stock—$1.50 quarterly, J, A, J & O 1, on First Pfd. Series "A" and $1.62 or $1.63 quarterly, F. M. A & N 1, on the Series "B" stock. Initial dividend of $3 a share was paid on new Common Jan. 2, 1926, covering year 1925; none in 1926; 1927, $6 per share.

FUNDED DEBT

(1)

$572,000 CROSSTOWN STREET RAILWAY FIRST MORTGAGE GOLD 5s; DUE JUNE 1, 1933

Dated June 1, 1893.

Interest Payable June and December 1, at office of E. W. Clark & Co., Philadelphia, and at Company's office, Columbus, Ohio. Coupon, $1,000; principal may be registered. American Exchange Irving Trust Co., New York, Trustee. Authorized issue, $2,000,000; but mortgage closed at $572,000. A first lien on property of former Crosstown St. Ry., in the City of Columbus, Ohio. Provided for at maturity by the Columbus Ry., Power & Light Co. First Refunding and Extension 5s of 1940.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Investment for Savings Banks in Maine.

Listed—Columbus and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	96¾	96	92½	93¾	86	86	75	60
Low	bid	bid	bid	bid	bid	bid	bid	bid

(2)

$3,000,000 COLUMBUS STREET RAILWAY FIRST CONSOLIDATED 40-YEAR GOLD 5s; DUE JULY 1, 1932

Dated July 1, 1892.

Interest Payable January and July 1, at office of E. W. Clark & Co., Philadelphia, and Company's office, Columbus, O. Coupon, $1,000; principal may be registered. American Exchange Irving Trust Co., New York, Trustee. A first mortgage on about 50 miles of track in Columbus, Ohio, including some of the most valuable lines, and a second mortgage on the property covered by the $572,000 Crosstown St. Ry. bonds described in preceding paragraph. Provided for at maturity by the Columbus Ry., Power & Light Co. First and Refunding Mortgage bonds, Series "A" 4½s of 1957.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Investment for Savings Banks in Maine.

Listed—Cincinnati, Columbus and Philadelphia Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	98	97¼	96½	95½	86	87	75	60
Low	96½	94	92	86	bid	bid	bid	bid

(3)

$2,673,000 COLUMBUS RAILWAY CO FIRST CONSOLIDATED MORTGAGE 4s; DUE OCTOBER 1, 1939

Dated October 2, 1899.

Interest Payable quarterly, Jan., April July and Oct. 1, at Fifth Third Union Trust Co., Cincinnati, Trustee, at office of E. W. Clark & Co., Philadelphia, and at company's office, Columbus, Ohio. Coupon, $1,000; principal may be registered. Authorized issue, $7,000,000, but mortgage closed. Subject to call on any interest date at 105 and interest. Secured by a first mortgage on part of the property of the former Columbus Ry. Co., and a mortgage subject to the $3,572,000 prior liens described in paragraphs 1 and 2 on the rest of the property. Provided for at maturity by the Columbus Ry. Power & Light Co. First and Refunding Mortgage bonds, Series "A" 4½s of 1957.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Legal Investment for Savings Banks in Maine.

Listed—Cincinnati and Columbus Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	89½	85½	81	78	75	76½	61	46
Low	85½	80	77	68	65	76½	bid	46

(4)

$13,000,000 COLUMBUS RAILWAY, POWER & LIGHT CO. FIRST AND REFUNDING MORTGAGE GOLD BONDS, SERIES "A" 4½%; DUE JULY 1, 1957

Dated July 1, 1927.

Interest Payable January and July 1, at Guaranty Trust Co. of New York and at The Cleveland Trust Co., Cleveland, Ohio.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered. Fully registered bonds in interchangeable denominations of $1,000, $5,000 and multiples of $5,000; coupon and fully registered bonds interchangeable.

Trustee—The Cleveland Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized amount, unlimited; issued, Series "A," $13,000,000. Mortgage provides for the issuance of bonds thereunder either of Series A or of other series bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features with respect to each particular series as may be determined by supplemental indenture authorized by the Board of Directors of the Company at the time of the original issue of each series, subject always to the restrictive provisions of the mortgage. Additional bonds of any series may be issued (a) par for par to refund the prior lien railway bonds and bonds of other series issued under the mortgage, and (b) for a principal amount which, together with liens (if any) subject to which property is hereafter acquired, shall not exceed 75% of electric power and light and other non-railway net property additions and 50% of railway net property additions, made subsequent to July 1, 1927, all as defined in the mortgage, provided, with respect to all bonds proposed to be issued under (b), that net earnings of the mortgaged property (after an allowance for maintenance and depreciation computed, until otherwise fixed in accordance with the provisions of the mortgage, at the rate of 12½% of gross revenues from electric power and light operations, 25% of gross revenues from transportation operations and 10% of other gross revenues, if any) shall, for twelve consecutive months out of the preceding fifteen, have been not less than 1¾ times the annual interest requirements of all prior lien obligations and of all bonds outstanding and proposed to be issued under the mortgage, except that during each ten-year period an amount of bonds not exceeding $2,000,000 may be issued without compliance with this requirement as to earnings, but only on the condition that the Company shall not thereafter pay any cash dividends on its Common stock until its earnings again comply with such requirement. With the consent of holders of 80% of the outstanding bonds (not including any bonds held by the Company), the Company may make changes in the mortgage, provided such changes do not in any way modify the terms of any of the bonds issued under the mortgage or provide for the creation of any lien ranking ahead of the mortgage.

Purpose of Issue—Proceeds were used to retire $10,448,000 outstanding bonds, to reimburse the Company for capital additions heretofore made, and for other corporate purposes.

Callability—Subject to call on any interest date on 40 days' notice at 105% and accrued interest on or before July 1, 1937, and thereafter at 1% less for each five year period or fraction thereof expired subsequent to July 1, 1937.

Sinking Fund—None provided.

Security—A general mortgage on the entire property of the Company, subject to $572,000 Crosstown Street Ry. Co. First Mortgage 5s, due 1933; $3,000,000 Columbus Street Railway Co. First Consolidated 5s, due 1932 and $2,673,000 Columbus Railway First Consolidated 4s, due 1939 (see paragraphs 1, 2, and 3). Bonds of this issue are reserved for retirement of the underlying bonds at par.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California 4 mills personal property tax, Maryland 4½ mills and Kentucky 5 mills personal property tax and Massachusetts 6% tax on income derived from interest, refunded.

Legal Opinion—Tolles, Hogsett & Ginn, Cleveland (for the Bankers) and Karl E. Burr, Columbus, Ohio (for the Company).

Legal Investment for Savings Banks in Maine.

Original Offering—First publicly offered ($13,000,000) in Aug., 1927, at 93¾ and interest to yield about 4.90% by Guaranty Co. of New York, Otis & Co., Bonbright & Co., Inc., Harris, Forbes & Co., New York; Union Trust Co., Cleveland; Union Trust Co. of Pittsburgh, Pittsburgh; Harris Trust & Savings Bank, Chicago, Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.

Listed—New York Stock Exchange.

Price Range—1927: High, 95⅞; low, 93⅞.

BONDS REDEEMED

All of the Columbus Railway, Power & Light Co. First Refunding and Extension Sinking Fund Gold 5s, due Oct. 1, 1940, were called for redemption on Oct. 1, 1927 at 105 and interest at Girard Trust Co., Philadelphia, Trustee.

All of the Columbus Railway, Power & Light Co. 20-Year Refunding Mortgage Gold 6s, due Dec. 1, 1941, were called for redemption on Dec. 1, 1927, at 110 and interest, at Harris Trust & Savings Bank, Chicago, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Railway operating revenues	$3,299,786	$3,409,500	$3,383,966	$3,494,760	$3,702,222	$3,611,590
Power, light and heat operating revenue	6,429,116	5,887,572	5,316,787	4,867,816	4,749,233	3,880,440
Non-operating revenues	58,470	33,188	10,236	26,615	11,269	7,313
Total gross revenues	$9,787,372	$9,330,260	$8,710,989	$8,389,191	$8,462,724	$7,499,343
Operating expenses and taxes including depreciation	6,022,324	6,040,198	5,826,578	5,764,869	5,794,989	5,297,289
Gross income	$3,765,048	$3,290,062	$2,884,411	$2,624,322	$2,667,735	$2,202,054
Interest on funded debt	880,694	882,702	848,578	$868,930	806,733	818,554
Interest on unfunded debt				53,267	13,355	12,342
Other deductions	64,109	64,127	66,974	64,943	62,042	77,629
Total deductions	$944,803	$946,829	$915,552	$987,140	$882,130	$908,525
Net income available for sinking fund, dividends and other financial requirements	$2,820,245	$2,343,233	$1,968,859	$1,637,182	$1,785,605	$1,293,529
Deductions from net income—						
Sinking fund	122,472	304,588	319,440	287,440	233,650	245,846
Dividends—						
First Pfd. stock	444,313	329,208	164,794	121,637	121,637	91,227
Series "B" Pfd. stock	325,946	325,954	361,616	301,123	300,998	188,014
Common stock	900,815	.....	450,408	360,381	360,354	.....
Balance (credit to profit and loss account)	$1,026,698	$1,383,483	$672,600	$566,602	$768,966	$768,442
*Times Fixed Charges Earned	3.98	3.47	3.15	2.65	2.76	2.15

*Not including sinking fund.

PROFIT AND LOSS ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Balance at beginning of year	$4,914,031	$3,603,925	$3,053,726	$1,847,328	$1,467,196	$1,782,908
Credits:						
Balance from each year's operations	$1,026,698	$1,383,483	$672,600	$566,602	$768,966	$768,442
Delayed income credits	172,286	11,669	15,894	3,763	16,590	65,778
Miscellaneous credits	16,013	6,914	.....	786,690	2,010	168,432
Total credits	$6,129,028	$5,005,991	$3,742,220	$3,204,383	$2,254,762	$2,785,560
Debits:						
Dividends (paid in stock):						
Series "A" Pfd. stock	.....	.....	.....	.....	.....	$392,376
Series "B" Pfd. stock	.....	.....	.....	.....	.....	835,620
Delayed income debits	$31,497	$63,227	.....	$27,584	$28,480	41,567
Miscellaneous debits	162,681	28,733	$138,295	123,073	378,954	48,801
Total debits	$194,178	$91,960	$138,295	$150,657	$407,434	$1,318,364
Balance at end of year	$5,934,850	$4,914,031	$3,603,925	$3,053,726	$1,847,328	$1,467,196

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Plant investment	$47,836,260	$46,356,199	$42,873,914	$38,343,790	$33,305,467	$30,924,162
Securities	.....	.....	44,300	6,000	194,000	6,240,272
Deposits in lieu of mtgd. property sold	.....	.....	6,450	6,450	5,500	.....
Materials and supplies	1,172,967	1,281,699	1,102,899	814,942	925,786	677,610
Cash on hand	9,289	10,124	11,436	847,518	97,537	382,486
Bills and accts receivable	626,818	687,453	472,714	393,299	468,077	458,090
Special deposits	945,698	289,745	247,344	187,614	170,947	156,855
Unamortized disc. & expense	1,599,461	1,066,988	1,030,972	967,156	958,894	1,334,882
Other unadjusted debits	.....	4,217	4,027	33,649	9,513	
Sinking fund	.....	414	349	34,971	2,256	2,379
Prepaid accounts	150,962	114,715	84,905	68,563	76,711	44,678
Total	$52,341,455	$49,811,555	$45,879,309	$41,703,952	$36,214,687	$40,221,414
Liabilities—						
Common stock	$7,499,000	$7,492,700	$7,471,100	$6,005,900	$6,005,900	$6,041,230
Preferred stock	12,947,800	11,384,300	9,468,800	7,046,896	7,045,996	7,051,038
Stock, predecessor companies	†174,769	†121,609	.....	438	1,338	7,238
Funded debt	19,245,000	17,289,000	17,574,000	17,908,500	15,902,000	22,139,000
Notes payable	.....	565,000	.....	2,547,976	575,000	.....
Audited accts. & wages payable	114,286	389,076	406,677	470,757	824,571	622,840
Misc. accts. payable	34,221	690,389	925,657	212,424	199,932	
Matured funded debt, int. & divids., unpaid	941,723	286,706	243,779	185,814	169,147	149,555
Unmatured int. & divids. accrued	62,615	142,801	587,025	100,897	88,620	89,586
Other current liabilities	.....	.....	.....	.....	.....	5,407
Deferred liabilities	.....	.....	.....	.....	.....	85,893
Customers' deposits, etc.	117,655	119,203	97,298	104,020	99,578	67,792
Tax liability	473,333	634,836	565,708	497,566	503,076	465,996
Operating reserves	82,012	106,486	53,919	65,820	122,524	92,922
Accrued depreciation	4,399,191	3,988,409	3,279,680	2,625,716	2,236,617	1,579,526
Tickets outstanding	90,000	90,000	90,000	90,000	90,000	89,024
Corporate surplus	6,159,850	6,511,040	4,917,057	3,841,229	2,350,387	1,734,366
Total	$52,341,455	$49,811,555	$45,879,309	$41,703,952	$36,214,687	$40,221,414

*Does not include $6,000,000 Refunding and Extension 5s of 1940 pledged as collateral under Refunding 6s of 1941. †Stock liability for conversion.

Officers: C. C. Slater, Pres.; & Gen. Mgr.; Lyle Babbitt, V-P., Sec. & Aud.; Miss M. M. Hanson, Asst. Sec. & Asst. Aud.; Columbus, O.; A. C. Beck, Treas.; E. R. Andrix, Asst. Gen. Mgr., Columbus.

Directors: Ben. W. Marr, C. C. Slater, F. L. Stein, Wm. C. Willard, Lyle Babbitt, Columbus, Ohio; C. S. Eaton, Thos. H. Jones, Cleveland, Ohio; Richard Schaddelee, B. J. Denman, Wm. Chamberlain, Chicago, Ill.; John St. C. Brookes, Jr., Pittsburgh, Pa.

Office, 215 N. Front St., Columbus, Ohio.

CANADA GAS & ELECTRIC CORPORATION

(Controlled by Continental Gas and Electric Corp.)

History—Supplies Brandon, Manitoba, Can., with gas and electric light and power.

CAPITAL STOCK

Outstanding, $220,000, Common, and $385,800 Pfd. Both Pfd. and Common owned by Continental Gas & Electric Corp.

FUNDED DEBT

(1)

$216,000 First Mortgage Sinking Fund Gold 6s; due Oct. 1, 1929. All except $100 owned by Continental Gas & Electric Corp.

(2)

$750,000 First Mortgage 6% Gold Bonds; due Aug. 1, 1937. All owned by Continental Gas and Electric Corp.

Officers: G. A. Paterson, Pres. & Gen. Mgr., Brandon, Man.; R. Schaddelee, V-P.; L. H. Heinke, Sec. & Treas.; B. J. Olsen, Asst. Sec. & Asst. Treas., Chicago.

Directors: R. Schaddelee, L. H. Heinke, Wm. Chamberlain, B. J. Olsen, Chicago; C. S. Eaton, Cleveland, O.

IOWA-NEBRASKA LIGHT AND POWER COMPANY

(Controlled by Continental Gas & Electric Corporation)

History—Incorporated July 30, 1927 in Delaware, and acquired as of Aug. 1, 1927, all of the physical properties of Havelock Electric Light Company, Iowa Service Company, Nebraska Gas & Electric Company, and Lincoln Public Service Company (see 1927 Public Utility Volume, pages 2266, 2267 and 2268 respectively) as well as all of the outstanding securities of Maryville Electric Light & Power Company, (see statement appended). Territory served includes Lincoln, Neb. and 196 adjacent cities and communities in Nebraska, Iowa, and Missouri, all interconnected by transmission lines. Population served over 230,000.

Main central steam generating station at Lincoln, and other stations having a total installed capacity of

28,207 k.w., and hydro-electric capacity of 2,489 k.w.; 1,625 miles of electric distribution lines; 1,748 miles of electric transmission lines; and 146 miles of gas mains.

Electric light and power service is furnished to Lincoln, Havelock, Waverly, Beatrice, Aurora, Plattsmouth and York, Neb.; Clarinda, Red Oak and Shenandoah, Iowa; Maryville, Mo.; and 185 smaller cities and towns in western Iowa, eastern Nebraska and northern Missouri. Supplies gas to Lincoln, Havelock, University Place, Beatrice, York, and Plattsmouth, Neb.; Red Oak and Shenandoah, Iowa. Central steam heating service to Lincoln, Maryville and several other smaller communities. Ice and cold storage plant at Clarinda and Shenandoah, Iowa.

Franchises—Perpetual in Lincoln, York, Norfolk and several other cities and towns in Nebraska; other franchises run for 25 years. Estimated life of limited franchises, 15 years.

OPERATING STATISTICS, YEAR ENDED DECEMBER 31, 1927

Customers:	
Electric	54,290
Gas	19,837
Electricity sold (M k.w.h.)	73,545
Gas sold (M cu. ft.)	594,523

CAPITAL STOCK

Authorized, $14,000,000; outstanding, $9,309,200; par $100. All owned by Continental Gas & Electric Corporation.

Annual Meeting—Last Friday in April.

FUNDED DEBT

(1)

$1,500,000 (CLOSED MORTGAGE) LINCOLN GAS & ELECTRIC LIGHT CO. FIRST CONSOLIDATED GOLD 5s; DUE DEC. 1, 1941

Dated December 1, 1901.

Interest Payable June and December 1, at Bankers Trust Co., New York.

Denominations—Coupon, $100 and $1,000; principal may be registered.

Trustee—Equitable Trust Co., New York.

Registrar—Bankers Trust Co., New York.

Callability—Subject to call on or before Dec. 1, 1921, at 105 and accrued interest, and thereafter at 110 and accrued interest, upon 60 days' published notice.

Security—Secured by an absolute first and closed mortgage on all the property and franchises formerly owned by Lincoln Gas & Electric Light Co. Assumed by Lincoln Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$53,000 THE LINCOLN TRACTION COMPANY (NEW) MORTGAGE GOLD 5s; DUE JANUARY 1, 1939

Dated 1909.

Interest Payable January and July 1, at New York Trust Co., Trustee. Coupon and registered, $1,000. Authorized and issued, $1,500,000, of which $1,444,000 exchanged for a like amount of Lincoln Public Service Co. First and Refunding Mortgage Series "A" Gold 5s, due January 1, 1939. The remaining $53,000 Lincoln Traction Co. bonds have been assumed by Lincoln Public Service Company. Of the Lincoln Traction Co. bonds exchanged, $800,000 were to be pledged as security for the Lincoln Public Service Co. First and Refunding Mortgage bonds and the balance cancelled.

A first lien on the traction property of Lincoln Traction Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$1,447,000 LINCOLN PUBLIC SERVICE COMPANY FIRST AND REFUNDING MORTGAGE SERIES "A" 5s; DUE JAN. 1, 1939

Dated January 1, 1926.

Interest Payable January and July 1, in New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—The New York Trust Co., New York, and Boyd G. Curts.

Provisions of Issue—Issued, $1,447,000 Series "A" 5s in exchange par for par for a like amount of The Lincoln Traction Co. (New) Mortgage Gold 5s, due March 1, 1939. $1,000,000 additional First and Refunding Mortgage bonds are held by the Trustee for the purpose of providing for the payment at or before maturity of the $1,500,000 Lincoln Gas & Electric Light Co. First Consolidated Gold 5s, due December 1, 1941. Additional bonds may be issued in series, which may mature at different times, bear interest at different rates and be redeemable at different times and rates. Additional bonds may be issued (a) for refunding any outstanding series of First & Refunding Mortgage bonds or underlying bonds, and (b) against 80% of the cost of additions and improvements or of acquiring other public utility properties when net earnings shall be at least twice the annual interest charges on all bonds outstanding under this First & Refunding Mortgage, including those proposed to be issued, and all prior liens.

Callability—Subject to call as a whole or in part on any interest date at 110 and interest upon 30 days' notice.

Maintenance and Depreciation—While any First & Refunding Mortgage bonds are outstanding, Company will from earnings expend for maintenance, or set aside for maintenance and depreciation reserve, 12½% of the gross earnings for each calendar year.

Security—Secured by a first lien upon all of the heating and lighting properties of the Lincoln Traction Company; by a lien upon all of the properties of the Lincoln Gas & Electric Light Co., subject only to the outstanding mortgage of that Company amounting to $1,500,000. Additionally secured by deposit of $800,000 The Lincoln Traction Company (New) Mortgage Gold 5s, due Jan. 1, 1939 which are a first lien on the traction properties of that company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the resident holders, if requested within three months after payment, for the Massachusetts Income Tax not exceeding 6%, and for the personal property tax in Connecticut and Pennsylvania not exceeding 4 mills per annum.

Legal Opinion—White & Case, New York, and Hainer, Flansburg & Lee, Lincoln, Neb.

Public Offering—In June, 1926, a block of these bonds were offered at 97½ and interest, yielding about 5¼%, by Estabrook & Co., New York, etc.

(4)

$12,000,000 IOWA-NEBRASKA LIGHT & POWER CO. FIRST LIEN AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE MAY 1, 1957

Dated May 1, 1927.

Interest Payable May and November 1 at The Cleveland Trust Co., Cleveland, Ohio, or at Bankers Trust Co., New York, N. Y.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered. Coupon bonds exchangeable for fully registered bonds in interchangeable denominations of $1,000 and $5,000.

Trustee—The Cleveland Trust Co., Cleveland, Ohio.

Provisions of Issue—Authorized amount unlimited; issued, $12,000,000 Series "A." Mortgage provides for the issuance of bonds thereunder in addition to the Series "A" bonds, in series bearing the same or different rates of interest, dates, maturities, redemption provisions and such other distinguishing features with respect to each particular series as may be determined by the Board of Directors of the Company at the time of the original issue of each series, subject to the fol-

lowing restrictions: Additional bonds may be issued for the following purposes: (1) To refund outstanding divisional liens, viz: $1,500,000 First and Refunding Mortgage 5% Gold Bonds, Series "A," due Jan. 1, 1939 of Lincoln Public Service Co. and $1,500,000 First Consolidated Mortgage 5% Gold Bonds, due Dec. 1, 1941, of Lincoln Gas & Electric Light Co. (2) For the acquisition or retirement of bonds of any series issued under this mortgage subject to the limitations set forth in the Mortgage. (3) To refund prior liens on hereafter acquired property. (4) For not exceeding 75% of the cost or fair value, whichever is less, of improvements, extensions, additions and betterments to the Company's properties, all as provided in the mortgage; provided, however, that net earnings after depreciation and maintenance as defined in the mortgage for 12 consecutive months within the 15 months preceding the date of application for bonds shall have been at least 1¾ times the annual interest requirements on all obligations secured by liens prior to the First Lien and Refunding Mortgage Bonds and on all First Lien and Refunding Mortgage Bonds outstanding, including those proposed to be issued.

Purpose of Issue—Proceeds were used as part of the purchase price of the properties and securities acquired and for other corporate purposes.

Callability—Subject to call as a whole or in part by lot at any time on 30 days' notice up to and including May 1, 1932, at 107½ and interest; thereafter to and including May 1, 1937, at 105 and interest; thereafter to and including May 1, 1942, at 102½ and interest; thereafter to and including May 1, 1952, at 101 and interest, and at 100 and interest thereafter prior to maturity.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on a substantial portion of the Company's fixed properties, by a direct mortgage on all other fixed properties of the Company, subject to $3,000,000 of closed divisional liens, and by a first lien on all of the outstanding securities of Maryville Electric Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California Personal Property tax not in excess of 4 mills, any Kentucky Personal Property tax not in excess of 5 mills and Massachusetts Income Tax on the interest up to 6% per annum, refunded upon proper request.

Legal Opinion—Hainer, Flansburg, & Lee, Lincoln, Neb. (for the Company) and Tolles, Hogsett & Ginn, Cleveland (for the Bankers).

Original Offering—First publicly offered ($12,000,000) in Aug., 1927, at 96½ and interest by Otis & Co., Bonbright & Co., Inc., Harris, Forbes & Co., Continental & Commercial Co., J. G. White & Co., Inc., New York; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.

BONDS CALLED FOR REDEMPTION

All of the Lee Electric Co. First Refunding Gold 6s, due Feb. 2, 1940, were called for redemption on Aug. 1, 1927 at par and interest at Union Trust Co., Clarinda, Iowa.

All of the Lee Light and Power Co. First Gold 6s, due June 1, 1930, were called for redemption on Dec. 1, 1927 at par and interest at Union Trust Co., Clarinda, Iowa.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Includes results of predecessor companies from Jan. 1, to July 31, 1927)

Gross earnings	$4,898,375
Operating expenses, maintenance and taxes	3,275,610
Net earnings	$1,622,765
Interest charges	558,301
Balance	$1,064,464

GENERAL BALANCE SHEET, DECEMBER 31, 1927.

Assets—	
Plant and equipment	$22,507,121
Investments in affiliated companies	1,200,000
Cash	415,907
Notes receivable	23,743
Accounts receivable	614,692
Materials and supplies	476,173
Miscellaneous investments	8,927
Due from affiliated companies	212,794
Unamortized debt discount	972,988
Prepayments	63,199
Suspense	6,165
Total	$26,501,709
Liabilities—	
Capital stock	$9,309,200
Funded debt	15,000,000
Due affiliated companies	154,045
Notes and accounts payable	150,821
Meter deposits	171,854
Accrued taxes	141,147
Accrued interest	148,519
Other accruals	5,343
Retirement reserve	948,170
Other reserves	189,266
Surplus	283,344
Total	$26,501,709

Officers: C. N. Chubb, Pres., Lincoln, Neb.; R. Schaddelee, B. J. Denman, V-Ps., Chicago, Ill.; F. H. Brooks, V-P., Lincoln, Neb.; L. H. Heinke, Sec. & Treas.; F. F. Kelley, P. O. Dunn, Asst. Sec., Chicago, Ill.; O. R. Mallat, Asst. Sec., Lincoln, Neb.; W. M. Fenton, Asst. Treas. & Aud., Lincoln, Neb.; B. J. Olsen, Asst. Treas., Chicago, Ill.

Directors: C. N. Chubb, Lincoln, Neb.; Wm. Chamberlain, B. J. Denman, L. H. Heinke, R. Schaddelee, Chicago, Ill.

General Office, Gas and Electric Bldg., Lincoln, Neb.

MARYVILLE ELECTRIC LIGHT & POWER COMPANY

(Controlled by Iowa-Nebraska Light and Power Company)

History—Incorporated in Missouri in July, 1891. Serves Maryville, Barnard, Burlington Junction, Clearmont, Clyde, Conception, Grant City, Guilford, King City, Pickering, Ravenwood, Stanberry, Wilcox, Parnell, Gentry, Bolckow, Rea, Whitesville, Rosendale and Worth, Mo., with electric light and power.

CAPITAL STOCK

$400,000 authorized and issued. All owned by Iowa-Nebraska Light and Power Company.

FUNDED DEBT

None.

Officers: R. Schaddelee, Pres.; B. J. Denman, V-P., Chicago; F. H. Brooks, Lincoln, Nebr.; L. H. Heinke, Sec. & Treas.; B. J. Olsen, Asst. Sec. & Asst. Treas., Chicago; O. R. Mallat, Asst. Sec.; W. M. Fenton, Asst. Treas., Lincoln, Nebr.

Directors: R. Schaddelee, L. H. Heinke, Chicago, Ill.; C. N. Chubb, C. C. Hellmers, Lincoln, Nebr.; Chester C. Smith, Joseph F. Porter, Jr., Kansas City; C. S. Eaton, Cleveland, Ohio.

Office, Gas and Electric Bldg., Lincoln, Neb.

THE LINCOLN TRACTION COMPANY

(Controlled by Continental Gas & Electric Corp.)

History and Property—Incorporated Feb. 15, 1909, in Neb.; consolidation of the Citizen's Ry. Co. and the former Lincoln Traction Co., which latter company was a reorganization of the Lincoln St. Ry. Co., sold under foreclosure in December, 1897. Operates all the street railway lines in Lincoln, Neb., including lines to suburban areas comprising over 50 miles of single track. Population served, approximately 85,000.

Under the plan of consolidation of the Lincoln Light, Heat and Power Co's. properties (which company was a subsidiary of Lincoln Traction Co.) the

electric light and power, and steam heating business of the Lincoln Light, Heat and Power Co. has been taken over by the Lincoln Public Service Co., now the Iowa-Nebraska Light & Power Co. The Iowa-Nebraska Light & Power Co. has assumed all of the outstanding bonds of the Lincoln Traction Co., and under an offer of exchange all but $53,000 of these bonds had been so exchanged. The consolidation leaves the Lincoln Traction Co. with no bonds outstanding save the $53,000 not exchanged as of Dec. 31, 1927, and which are assumed by the Iowa-Nebraska Light & Power Co.

CAPITAL STOCK

Authorized, $2,000,000 Common; outstanding, $1,300,000 Common, par, $100. Continental Gas & Electric Corp. owns $998,900 and $301,100 is held in treasury. Annual meeting, third Tuesday in November.

Under plan of consolidation of Company's electric generating and distribution properties, dated December 1, 1925, all the $1,652,000 Preferred and $352,000 of the $1,652,000 Common stock of Company previously outstanding, were cancelled.

FUNDED DEBT

$53,000 (New) Mortgage Gold 5s; dated March 1, 1909; due March 1, 1939. Assumed by Iowa-Nebraska Light & Power Co.

Officers: C. N. Chubb, Pres., Lincoln, Neb.; R. Schaddelee, V-P.; L. H. Heinke, Sec. & Treas., Chicago, Ill.; H. E. Snowden, Asst. Sec. & Asst. Treas.; E. R. Heiny, Supt., Lincoln, Neb.

Directors: C. N. Chubb, E. R. Heiny, Geo. A. Lee, Lincoln, Neb.; B. J. Denman, Wm. Chamberlain, R. Schaddelee, Chicago, Ill.

Office, 323 Terminal Bldg., Lincoln, Neb.

UNITED OHIO UTILITIES COMPANY

(Controlled by The United Light & Railways Co. of Delaware)

History—Incorporated Sept. 1, 1926 in Delaware, and acquired as of Jan. 1, 1928 a large majority of the bonds and Pfd. and Common stocks of Ohio Utilities Co., Ohio & Western Utilities Co., (see statements appended), and Southern Ohio Electric Company, (see page 1274) Company serves Chillicothe, Delaware, Circleville, Gallipolis, Athens, Nelsonville, Pomeroy, Middeport, Jackson, and a number of other communities. Population served, over 80,000.

Annual Meeting—June 2nd.

Officers: B. J. Denman, Pres., Chicago, Ill.; J. B. Poston, V-P. & Gen. Mgr., Columbus, Ohio; L. H. Heinke, V-P. & Sec.; B. J. Olsen, Treas. & Asst. Sec.; W. I. Brown, Asst. Sec. & Asst. Treas., Chicago, Ill.; E. H. Davis, Asst. Sec., Columbus, Ohio.

Directors: Wm. P. Belden, Wm. Chamberlain, B. J. Denman, L. H. Heinke, E. M. Poston, J. B. Poston, R. Schaddelee,

General Office, 150 E. Broad St., Columbus, Ohio.

THE OHIO UTILITIES COMPANY

(Controlled by United Ohio Utilities Company)

History—Incorporated May 11, 1916, in Del., and in 1917 purchased the properties of the Circleville Light & Power Co., Delaware Electric Light, Heat & Power Co., Gallipolis Electric & Power Co., and Hillsboro Light & Fuel Co. (For latest published statements see Manual for 1917 or apply to our Information Department). The above companies furnished electric light and power and hot water heating in Delaware, electric light and power in Circleville, gas, electric light and power, ice and coal in Hillsboro, and electric light and power in Gallipolis, all in Ohio. Population served, 33,000. Franchises are all perpetual except in Gallipolis which expired in 1927. No. of consumers: Electric 7,232; gas, 467; hot water, 112.

CAPITAL STOCK

Authorized, $2,500,000 Common and $2,500,000 7% cumulative Pfd.; outstanding, $500,000 Common and $377,000 Pfd. Practically all Common stock owned by United Ohio Utilities Company. Annual meeting, first Monday in January.

Dividends—No dividends paid on Pfd. stock since 1920.

FUNDED DEBT

(1)

$140,000 FIRST LIEN GOLD 5s; DUE JUNE 1, 1946
$1,229,400 FIRST LIEN GOLD 6s; DUE JUNE 1, 1946

Dated June 1, 1916.

Interest Payable June and December 1, at P. W. Brooks & Co., Inc., New York, Registrar.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Republic Trust Co., Philadelphia.

Provisions of Issue—Authorized, $5,000,000; outstanding, $1,369,400. The United Light & Rys. Co. owns $78,000 of the 5s and $449,700 of the 6s.

Callability—Subject to call on any interest date.

Sinking Fund—1% of bonds issued on Sept. 1, 1921 to 1930, and 1½%, 1931 to 1946.

Security—Secured by an absolute first lien through deposit of all the stock and all of the bonds of The Ohio Utilities Co., the Hillsborough Ice & Coal Co., and the Chillicothe & Camp Sherman Ry. Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

THE NOTES DESCRIBED BELOW ARE THE JOINT AND SEVERAL OBLIGATIONS OF OHIO & WESTERN UTILITIES CO. AND OHIO UTILITIES CO.

(2)

$185,700 OHIO UTILITIES CO. AND OHIO & WESTERN UTILITIES CO. JOINT 8% SERIAL GOLD NOTES; DUE $75,000 ANNUALLY TO JANUARY 1, 1932

Dated January 1, 1921.

Interest Payable January and July 1, at P. W. Brooks & Co., Inc., New York

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Registrar—Republic Trust Co., Philadelphia.

Provisions of Issue—Authorized and issued, $750,000 of which $470,400 turned in for cancellation, and $189,400 matured and paid to Dec. 31, 1927. The United Light & Rys. Co. owns $95,300.

Callability—Subject to call in whole or in part at 102 and interest on 30 days' notice.

Security—The Ohio Utilities Co. and Ohio & Western Utilities Co. are jointly and severally obligated to pay these notes.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($655,000) in Oct, 1920, at price to yield over 8%, by P. W. Brooks & Co., Inc., New York.

NOTE—The above described 8% Joint notes were to be refunded by an issue of 7% Joint notes.

OFFICERS AND DIRECTORS

Officers: J. C. Martin, Pres.; B. J. Denman, V-P.; L. H. Heinke, V-P. & Sec.; J. A. Niles, Treas.; B. J. Olsen, Asst Sec. & Asst. Treas.

Directors: Burt J. Denman, L. H. Heinke, Richard Schaddelee, Chicago, Ill.; John C. Martin, Columbus, Ohio.

Office, Chillicothe, O.

CHILLICOTHE & CAMP SHERMAN ELECTRIC RY. CO.

(Controlled by Ohio Utilities Company)

History—Incorporated in April, 1918, in Ohio.

CAPITAL STOCK

$50,800 Common and $100,000 7% cumulative Pfd.; par, $100. All owned by Ohio Utilities Co.

FUNDED DEBT

$120,000 First 6s

All owned by Ohio Utilities Co.

Officers: J. C. Martin, Pres.; J. B. Poston, V-P. & Gen. Mgr., Columbus, Ohio; B. J. Denman, V-P., Chicago, Ill.; F. X. Sexauer, Treas., Chillicothe, Ohio; J. A. Niles, Sec., Columbus, Ohio.

Directors: J. C. Martin, John A. Niles, Columbus, Ohio; B. J. Denman, Chicago, Ill.; F. X. Sexauer, Chillicothe, Ohio.

General Office, Chillicothe, O.

OHIO AND WESTERN UTILITIES COMPANY

(Controlled by United Ohio Utilities Company)

History—Incorporated Nov. 16, 1914, in Del., for purpose of controlling and operating public utility properties. Controls and operates the Chillicothe Electric R.R., Light & Power Co., supplying light and power to Chillicothe, O. Formerly controlled the Fort Scott & Nevada Light, Heat, Water & Power Co., which was sold to West Missouri Power Co. (see General Index) on Oct. 1, 1924.

CAPITAL STOCK

Authorized and issued, $100,000 Common and $2,500,000 7% cumulative Pfd.; par, $100. Pfd. stock has preference for assets and cannot be called. Stock control held by United Ohio Utilities Co. Transfer Agent: Fidelity-Philadelphia Trust Co., Philadelphia, Pa. Annual meeting, first Tuesday after third Monday in January. No dividends have been paid on Pfd. stock for several years.

FUNDED DEBT

$390,800 FIRST LIEN COLLATERAL 6% GOLD BONDS; DUE AUGUST 1, 1929

$21,100 FIRST LIEN COLLATERAL 5% GOLD BONDS; DUE AUGUST 1, 1929

Dated November 16, 1914.

Interest Payable May and November 1, at Chicago Trust Co., Chicago and P. W. Brooks & Co., Inc., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized, $5,000,000, of the amount outstanding, The United Light & Rys. Co. owns $64,900 of the 6s and $14,800 of the 5s. Additional bonds may be issued at not exceeding 80% of cost of improvements or acquisition of new properties when the net earning of the original properties combined with those to be acquired, for a period of not less than twelve months out of fourteen months immediately preceding the date of issue, are not less than twice amount necessary to pay interest on all bonds outstanding hereunder and those to be issued. Under somewhat similar limitations new bonds can be issued upon acquiring and bringing under this mortgage controlling interest in the stock and bonds of other public utility corporations, but only where at least 95% of the bonds and two-thirds of the stock of such new corporations are acquired.

Callability—Subject to call on any interest date, the 6% bonds by lot at 110 and interest, and the 5% bonds at 103 and interest, and the sinking fund may be invested in bonds at not more than these rates.

Sinking Fund—Sinking fund, 1% of maximum amount of bonds outstanding on Aug. 1, 1918 to 1920; 1½%, 1921 to 1925; 2% thereafter.

Security—Secured by deposit of all the bonds and stock of Chillicothe Electric R.R., Light & Power Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($625,000) on Dec. 1914, at par and interest, by P. W. Brooks & Co., Inc., New York.

OFFICERS AND DIRECTORS

Officers: B. J. Denman, Pres., Chicago, Ill.; J. C. Martin, V-P., Columbus, O.; L. H. Heinke, V-P. & Sec., Chicago, Ill.; J. A. Niles, Treas., Columbus, O.; B. J. Olsen, Asst. Sec. & Asst. Treas., Chicago, Ill.

Directors: Burt J. Denman, L. H. Heinke, Richard Schaddelee, Chicago, Ill.; John C. Martin, Columbus, Ohio.

General Office, Columbus, Ohio.

CHILLICOTHE ELECTRIC RR., LIGHT & POWER CO.

(Controlled by Ohio and Western Utilities Co.)

History—Incorporated September 1894, in Ohio, Franchise perpetual. Acquired the property of the Chillicothe Electric Ry. & Lighting Co. Furnishes electric light and power service in Chillicothe, Ohio, serving population of 15,000. No. of consumers, 3,982.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. All owned by Ohio and Western Utilities Co. Annual meeting, third Monday in January.

Dividends—Dividends paid: 1919, 18%; 1920, 21%; 1921, 34%; none since.

Officers: B. J. Denman, Pres., Chicago, Ill.; J. B. Poston, V-P. & Gen. Mgr.; J. C. Martin, V-P., & Treas.; J. A. Niles, Sec. & Gen. Aud., Columbus, Ohio.

Directors: B. J. Denman, J. A. Niles, J. B. Hill, J. C. Martin, William Chamberlain.

General Office, Chillicothe, O.

BROOKLYN BOROUGH GAS COMPANY

(Controlled by The United Light and Railways Co.)

History and Property—Incorporated Feb. 15, 1898, in N. Y., and succeeded the Coney Island Fuel & Gas Light Co. Furnishes gas under perpetual franchise to 31st Ward, Brooklyn, and the suburbs of Coney Island, Manhattan Beach, Brighton Beach, Gerrittsen Beach, Kings Highway, Midwood, Gravesend and a part of Flatbush. Population served, 250,000. Rate effective Dec. 8, 1927: First 200 cu. ft., $1.00; 11c. per 100 cu. ft. over 200. House heating and industrial: first 200 cu. ft., $1.00; 9c. per 100 cu. ft. over 200 cu. ft. Daily capacity, 7,000,000 cu. ft. Company constructed in 1927 an additional holder with a capacity of 10,000,000 cu. ft. of gas.

OPERATING STATISTICS AT DEC. 31

	1927	1926	1925
Gas sales (cu. ft.)	1,656,427,000	1,582,875,800	1,341,184,900
Miles of mains	234.8	210.10	195.70
Number of meters	52,019	45,728	44,879

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value and 30,000 shares 6% cumulative participating Pfd. (created April, 1923), par $50; outstanding, Dec. 31, 1927, 40,000 shares Common and 16,391 shares Pfd. Practically all the Common stock outstanding is owned by The United Light and Railways Co. The 6% Pfd. stock is entitled to receive additional dividends of ½% for each $3.00 paid on the Common stock in excess of $3.00 per annum, not to exceed 8% on the Pfd. stock in any calendar year.

Change in Capitalization—The entire issue of $1,000,000 6½% cumulative participating Pfd. stock formerly outstanding was called for redemption on April 1, 1927, at $53.75 per share, and a new issue of $1,500,000 6% cumulative participating Pfd. stock (par $50) was authorized. Of this latter stock $1,000,000 was offered to consumers and employees at

par, $50 per share. Holders of the old 6½% could purchase the new stock at par but could not exchange their holdings of 6½% stock for it.

Transfer Agent (Both Classes)—The Title Guarantee & Trust Co., New York.

Annual Meeting—Third Tuesday in March.

Dividends—Dividends on the 6½% Participating Pfd. stock, were regularly paid to date of redemption April 1, 1927. Initial quarterly dividend of 75 cents regular and 6¼ cents extra were paid on the 6% Participating Pfd. stock July 1, 1927, which quarterly rate has been paid to April 1, 1928. Initial Common dividend of 3% was paid Jan. 20, 1914, which rate was maintained semi-annually to July 20, 1916; June 1, 1921, 6%; Jan. 12, 1922, 6%; April 1, 1922, 1¾%; July 1, and Oct. 1, 1922, and Jan. 1, 1923, 2% each. Initial dividend of 50 cents a share on new Common stock of no par value was paid April 10, 1923, which quarterly rate was maintained through 1926; 1927, $6 per share; April 10, 1928, $1.50 per share. Payments J, A, J & O 10. Approximate date of meetings of directors for dividend action, third Monday in March, June, Sept. & Dec.

FUNDED DEBT

(1)

$287,000 FIRST MORTGAGE GOLD 5s; DUE MARCH 6, 1938

Dated March 5, 1898.

Interest Payable March and Sept. 1 at American Exchange Irving Trust Co., New York, Trustee. Coupon, $1,000. Authorized, $500,000, of which $213,000 are deposited with Trustee of the General & Refunding 5% bonds. Mortgage now closed. These First Mortgage bonds are non-callable. A first lien on the property. Company does not pay Normal Federal Income Tax.

(2)

$2,700,000 GENERAL AND REFUNDING MORTGAGE GOLD BONDS, NEW SERIES "A" 5%; DUE FEBRUARY 1, 1967

Dated February 1, 1927.

Interest Payable February and August 1, at Title Guarantee & Trust Co., New York.

Denominations—Coupon, $1,000; principal may be registered. Exchangeable for fully registered bonds in denominations of $1,000 and authorized multiples thereof.

Trustee—Title Guarantee & Trust Co., New York.

Provisions of Issue—The General and Refunding Mortgage bonds New Series "A" 5%, due 1967, were issued under the Company's General and Refunding Mortgage, dated April 1, 1923, to the Title Guarantee & Trust Company, New York, as Trustee, as supplemented and amended by supplemental indenture. The General and Refunding Mortgage Gold bonds New Series "A" 5%, due 1967 were authorized to the aggregate principal amount of $4,000,000 under a supplemental indenture in accordance with the provisions of the General and Refunding Mortgage. In addition to this authorized issue of $4,000,000 the mortgage provides for issuance of bonds thereunder in series bearing the same or different rates of interest, dates, maturities, denominations, conversion and redemption provisions and such other distinguishing features with respect to each particular series as may be determined by the Board of Directors of the Company at the time of the original issue of each series, subject always to the restrictive provisions of the mortgage. Additional bonds of any series after the original $2,000,000 principal amount of the series authorized as of April 1, 1923, which series was refunded by a like amount of this New Series "A," are issuable only for the following purposes:

(1) To refund bonds of prior Series or Divisional Lien bonds on new property acquired in the future, subject to the limitations set forth in the Indenture; (2) For 75% of the cash cost or fair value, whichever is less, of new properties or of permanent additions and extensions to the mortgaged properties, made subsequently to April 1, 1923, provided the net earnings determined as provided in the Indenture for twelve consecutive months within the preceding fifteen months shall have been not less than whichever is the greater of the following: (a) 2 times the annual interest requirements on all General and Refunding Mortgage bonds outstanding and then to be issued and on all First Mortgage 5% bonds and all refundable Divisional Lien bonds not deposited with the Trustee under this Indenture, or (b) 12% of the aggregate principal amount of all such bonds as aforesaid.

Section 68 of the mortgage contains provisions permitting the modification or alteration thereof or of any supplementary Indenture in any particular with the consent of the holders of 75% in aggregate principal amount of the outstanding bonds not including any bonds owned by the Company: provided that nothing shall permit the extension of the maturity of any bond or reduction in rate of interest thereon or any other modification in the terms of payments of such interest without the consent of the holder thereof nor the creation by the Company of any mortgage lien ranking prior to or on a parity with the lien of the Indenture securing these General and Refunding Mortgage Gold bonds. By the terms of the supplemental indenture, hereinabove referred to, Section 68 of said mortgage will become and remain inoperative so long as any of the General and refunding Mortgage Gold bonds, New Series "A" 5% shall be outstanding.

Callability—New Series "A" 5% bonds are subject to call as a whole or in part on any interest date upon 60 days' notice at 106 and interest up to and including Feb. 1, 1937; at 104 and interest thereafter up to and including Feb. 1, 1947; at 102 and interest thereafter up to and including Feb. 1, 1965, and at 100 and interest thereafter prior to maturity.

Sinking Fund—None.

Security—A direct mortgage on the entire property of company, subject only to $287,000 closed First Mortgage 5% bonds. These First Mortgage bonds are non-callable, but provision is made to deposit them, as they are acquired by company, under this mortgage, and to the extent they are so deposited, these General and Refunding Mortgage bonds share in the security of the First Mortgage on the property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania or Connecticut Personal Property tax not in excess of 4 mills, refunded.

Legal Opinion—Simpson, Thacher & Bartlett, New York (for the Bankers); Whitman, Ottinger, Ransom, Coulson & Goetz, New York (for the Company).

Original Offering—First publicly offered ($2,870,000) in March, 1927, at 100½ and accrued interest to yield about 4.97%, by Otis & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,190,588	$2,256,741	$1,735,782	$1,513,119	$1,389,915	$1,224,568
Operating expense and maintenance	1,376,565	1,564,888	1,150,160	971,415	934,032	836,441
Net earnings	$814,023	$691,853	$585,622	$541,704	$455,883	$388,127
Other income	46,922	6,013	41,771	$44,182	$46,417	$37,066
Total income	$860,945	$697,866	$627,393	$585,886	$502,300	$425,193
Int., taxes and retirement expense	331,383	227,780	250,152	215,856	228,036	213,269
Federal income taxes (est.)	29,766	63,534	47,282	47,446	34,076	26,298
Net income	$499,796	$406,552	$329,959	$322,583	$240,188	$185,626

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Pfd. dividends	$44,408	$35,000	$34,916	$31,082	$19,602	.....
Common dividends	240,000	80,000	80,000	80,000	79,888	$45,000
Surplus after dividends	$215,388	$291,552	$215,043	$211,501	$140,698	$140,626
Times Fixed Charges Earned	2.38	2.39	2.50	2.71	2.20	1.99
Earnings Per Share—						
6½% Preferred	*	‡$40.65	‡$32.99	‡$32.78	‡$34.18	.....
6% Preferred	$30.49	†	.....	.....	.....	.....
Common	11.38	‡9.29	‡$7.38	‡7.29	‡5.51	$24.28

‡Before allowing for Rate Reserve Account. *Redeemed April 1, 1927. †Issued in 1927.

NOTE—The Net Income of $240,188 in 1923, $322,583 in 1924, and $329,959 in 1925 are based on the rate charged for gas during the whole year at $1.30 per 1,000 cu. ft. Pending the result of the litigation now before the Court, Company set up a Rate Reserve Account amounting to $191,964 in 1923, $348,701 in 1924, and $399,270 in 1925, being the difference between the amount charged for the gas sold from June 1, 1923, to December 31, 1925, at $1.30 per 1,000 cu. ft. and the rate of $1.00 per 1,000 cu. ft. upon final determination of the case in 1926, the Company was allowed the $1.30 rate and the reserve heretofore set up was transferred to surplus account in the "Adjusted Balance Sheet" as of Dec. 31, 1926.

SURPLUS ACCOUNT, DECEMBER 31, 1927

Surplus, Jan. 1, 1927, $38,214. Add: Rate Reserve, June 1, 1923 to Dec. 31, 1926, $1,411,704; operating income for year 1927, $499,796; miscellaneous adjustments, $569—total, $1,950,283. Deduct: Transferred to contingencies reserve, $400,000; premium on 6% General and Refunding Mortgage bonds redeemed, $146,300; unamortized discount and expense and bonds redeemed, $148,191; premium on 6½% Pfd. stock redeemed, $37,500; loss on sale of U. S. Liberty bonds, $1,500; Common dividends, $240,000; 6½% Pfd. dividends, $8,717; 6% Pfd. dividends, $35,691—total, $1,017,899. Surplus, Dec. 31, 1927, $932,384.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$6,668,637	$5,417,655	$4,861,142	$4,236,258	$3,550,133	$2,984,789
Franchise and other intangibles	.....	.....	.....	.....	.....	35,133
Cash	474,524	82,436	70,531	96,162	63,116	112,774
U. S. ctfs. of indebtedness	.....	.....	.....	118,150	350,875	.....
Subscription to 6% Pfd. stock	20,028	.....	.....	.....	.....	.....
Materials and supplies	173,756	143,928	159,380	181,935	154,896	137,876
Accounts receivable	272,543	211,016	218,522	169,279	119,315	123,518
Prepayments and suspense items	49,411	45,575	16,902	16,969	46,024	5,538
Bond discounts	109,758	153,092	157,439	161,679	166,665	58,718
Dividend appropriation of surplus, Com. stock	.....	.....	80,000	.....	.....	.....
Dividend appropriation of surplus, Pfd. stock	.....	.....	34,916	.....	.....	.....
Deficit	.....	.....	66,652	.....	.....	.....
Total	$7,768,657	$6,053,702	$5,665,484	$4,980,432	$4,451,024	$3,458,346
Liabilities—						
Capital stock	*$1,819,550	*$1,500,000	*$1,500,000	$1,492,100	$1,351,350	$964,300
Pfd. stock subscriptions	180,450	.....	.....	6,927	88,512	.....
Funded debt	2,987,000	1,750,000	1,750,000	1,727,000	1,597,000	1,255,500
Notes payable	.....	100,000	.....	.....	.....	50,000
Vouchers payable and accrued interest	165,888	151,421	182,272	147,689	196,994	131,789
Consumers' deposits	530,228	466,163	398,325	322,062	270,795	228,327
Interest accrued on consumers' deposits	106,602	91,205	75,509	62,655	.....	.....
Dividend payable	73,318	.....	.....	.....	20,000	15,890
Misc. accrued & current liabilities	7,253	.....	.....	.....	.....	.....
Contingencies reserve	529,277	129,277	529,277	529,277	529,277	529,277
Retirement reserve & special reserve items	130,117	108,878	78,204	51,983	39,170	28,074
New rate reserve	.....	1,411,705	939,935	540,665	191,964	.....
Accrued water rent	.....	1,159	1,703	1,210	607	95
Accrued taxes	168,550	185,626	119,751	83,339	41,584	26,963
Deferred payment	.....	10,000	10,000	10,000	.....	.....
Contributions for extensions	138,040	110,054	80,508	.....	.....	.....
Surplus	932,384	38,214	.....	5,525	123,770	228,131
Total	$7,768,657	$6,053,702	$5,665,484	$4,980,432	$4,451,024	$3,458,346

* Represented by 40,000 shares of Common stock without par value and 10,000 shares of Preferred stock having a par value of $50 each in 1925 and 1926, and by 40,000 shares Common of no par value and 16,391 shares Pfd. par $50 in 1927.

ADJUSTED GENERAL BALANCE SHEET, DECEMBER 31

(Upon final determination of the rate case in 1926, the Company was allowed the $1.30 rate and the reserve heretofore set up has been transferred to surplus account in this balance sheet)

Assets—	1927	1926
Fixed capital	$6,644,930	$5,417,655
Cash	473,298	82,436
Materials and supplies	173,756	143,928
Accounts receivable	272,543	211,016
Prepayments & suspense items	56,564	45,575
Bond discounts	128,321	153,092
Total	$7,749,412	$6,053,702

Liabilities—	1927	1926
Capital stock	$1,979,971	$1,500,000
Funded debt	2,987,000	1,750,000
Vouchers payable and accrued interest	172,272	133,132
Accrued dividends due public	14,035	8,989
Meter deposits	531,375	466,163
Interest accrued on meter deposits	106,601	91,205
Accrued taxes	23,077	6,542
Reserves	913,522	852,932
Inter-company accounts	59,283	121,161
Federal taxes accrued	29,767	63,534
Deferred payments	.....	10,000
Unadjusted liabilities	125	125
Surplus	932,384	1,049,919
Total	$7,749,412	$6,053,702

Officers: Miss Mary E. Dillon, Pres. & Gen. Mgr., Coney Island, N. Y.; R. Schaddelee, V-P., Wm. Chamberlain, V-P., Chicago, Ill.; M. E. Armstrong, Sec. & Asst. Treas., Coney Island, N. Y.; F. F. Kelley, Asst. Sec. & Asst. Treas., Chicago, Ill.; Helen S. Steers, Treas. & Asst. Sec., Coney Island, N. Y.

Directors: M. E. Armstrong, Mary E. Dillon, H. J. Dillon, Helen S. Steers, Coney Island, N. Y.; C. N. Chubb, Lincoln, Neb.; L. H. Heinke, R. Schaddelee, Chicago, Ill.

Main Office, West 17th St., Coney Island, N. Y.

RICHMOND-ASHLAND RAILWAY CO.

History—Incorporated in April, 1919, in Va., to operate electric line, by overhead trolley, single-phase alternating current, from Richmond to Ashland, Va., formerly owned by Richmond & Chesapeake Bay Ry. Co. (see 1918 Public Utility Manual, page 1632), which company suspended operations early in 1918. Road is entirely on private right of way. Length of line, 14.8 miles; second track, 0.04 mile; siding, 0.52 mile; total track, 14.72 miles. Gauge, standard. Rail, 80 lb. T. Motor passenger cars, closed, 4; non-motor, trail, 2; service cars, 3—total, 9. Power purchased from Virginia Ry. & Power Co.

CAPITAL STOCK

Authorized, $300,000; outstanding, $198,175. Annual meeting, in January. No dividends paid.

FUNDED DEBT

$161,800 First Mortgage Gold 6s; dated July 1, 1919; due July 1, 1939; int. Jan. and July 1, at American Trust Co., Richmond, Va., Trustee. Coupon, $100, $500 and $1,000; principal may be registered. Authorized issue, $300,000. Subject to call at 101 and interest. No sinking fund provided. Secured by a first lien on road and equipment, but not secured on Broad Street Station property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925
Gross earnings	$92,041	$94,198
Operating exp. & taxes	69,667	64,605
Depreciation	15,645	15,952
Net earnings	$6,729	$13,641
Other income	4,497	.....
Total income	$11,226	$13,641
Interest on bonds & notes	$13,297	$14,941
Amortization of bond discount	958	1,250
Net deficit	$3,029	$2,550

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Property account	$190,651	$208,532	$219,079
Cash	550	5,444	550
Notes receivable	10,244	25,400	25,427
Accounts receivable	3,100	461	.....
Other current assets	.....	.....	493
Unadjusted debits	194,313	199,675	199,675
Deferred debit items	6,217	6,863	4,632
Total	$405,075	$446,375	$449,855
Liabilities—			
Capital stock	$198,175	$199,675	$199,675
Funded debt	161,800	198,700	198,700
Notes payable	35,000	35,000	40,000
Accounts payable	1,011	341	123
Interest accrued	.....	.....	20
Prepayment	18	18	.....
Reserve for amortization of discount on bonds	7,584	8,125	6,875
Appropriated surplus	.....	.....	2,936
Profit and loss surplus	1,486	4,516	1,527
Total	$405,075	$446,375	$449,855

Officers: S. W. Zimmer, Pres., Petersburg, Va.; Jonathan Bryan, 1st V-P.; D. R. Midyette, 2nd V-P., Richmond, Va.; Oliver J. Sands, Sec. & Treas., Richmond, Va.; J. A. Baird, Gen. Mgr., Petersburg, Va.

Directors: D. R. Midyette, E. T. Long, O. H. Funsten, O. J. Sands, G. B. Sydnor, Richmond, Va.; S. W. Zimmer, J. A. Baird, Petersburg, Va.

Office, Laurel & Broad Streets, Richmond, Va.

OWEGO GAS CORPORATION

History—Incorporated Dec. 28, 1923, in New York, and on Jan. 1, 1925, purchased the franchises, plant and other assets of the Owego Gas Light Company (see 1924 Public Utility Manual, page 350). Population served, 4,633. Annual sales, approximately 13,500,000 cu. ft. Number of meters, 719. Miles of mains, 9. Prices: First 100 cu. ft. per month, 70 cts.; next 14,900 cu. ft. per month, 20 cts. per 100 cu. ft.; over 15,000 cu. ft. per month, 16 cts. per 100 cu. ft.

CAPITAL STOCK

Authorized and outstanding, 3,000 shares of no par value stock. No dividends reported.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925
Gross earnings	$32,456	$32,753
Operating expenses and taxes	28,069	24,823
Net earnings	$4,387	$7,930
Interest charges	8	18
Depreciation, etc.	1,204	1,270
Net income	$3,175	$6,642

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Fixed capital	$150,470	$147,762	$146,989
Cash	693	1,328	638
Material and supplies	8,608	6,074	5,407
Accounts receivable	12,324	12,203	7,640
Investments	4,000	4,000	4,000
Total	$176,095	$171,367	$164,674
Liabilities—			
Com. stock (no par value)	$126,000	$126,000	$126,000
Accounts payable	954	410	114
Consumers' deposits	325	319	367
Retirement reserve	22,937	22,065	22,377
Corporate surplus	25,879	22,573	15,816
Total	$176,095	$171,367	$164,674

Officers: E. H. Palmer, Pres.; H. O. Palmer, V-P.; C. H. Pierce, Sec. & Treas., Geneva, N. Y.

Directors: E. H. Palmer, H. O. Palmer, C. H. Pierce, Geneva, N. Y.

Office, Geneva, N. Y.

ALPENA POWER COMPANY

History and Properties—Incorporated Dec. 31, 1923, in Mich., as a reorganization of the Alpena Power Co., Ltd., a limited partnership association, organized in 1905 with a capital of $99,000. Furnishes electric light and power to the City of Alpena, Mich., and vicinity, serving a population of about 13,000. Property consists of one hydro-electric plant of 1200 K.V.A. capacity situated on the Thunder Bay River within the limits of the city of Alpena, and a 5,000 K.V.A. hydro-electric plant, recently completed, five miles west of Alpena, on the same river. Number of meters, 3,000. Annual sales, electricity, 5,250,000 k.w.h.

Property Appraisal—The property under the mortgage has been appraised by Gardner S. Williams, Consulting Engineer, Ann Arbor, Michigan, as of Dec. 31, 1923, at $1,208,547 and additions to Dec. 31, 1925, amount to $459,226, bringing the total value of the property under the mortgage to $1,667,773 at that date.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. Dividends of 4% per annum were paid in 1924 and 1925; none in 1926. Annual meeting, in January, at Alpena, Michigan.

FUNDED DEBT

$499,000 (CLOSED ISSUE) FIRST MTGE. 6% GOLD BONDS; DUE JUNE 1, 1944

Dated June 2, 1924.

Interest Payable June and Dec. 1, at The Detroit Trust Co., Detroit, Michigan.

Trustee—The Detroit Trust Co., Detroit, Mich.

Denominations—Coupon (interchangeable denominations) $500 and $1,000; principal may be registered.

Provisions of Issue—Authorized and issued, $500,000, of which $499,000 was outstanding Dec. 31, 1926.

Callability—Subject to call in whole or in part on any interest date after Dec. 1, 1924, on 60 days' notice at 103 and interest between June 1, 1925, and Dec. 1, 1933, incl.; at 102, and interest, between June 1, 1934,

and Dec. 1, 1938, incl.; at 101 and interest on and after June 1, 1939.

Sinking Fund and Renewal Fund—The Company covenants that it will deposit with the trustees semi-annually, 5% of the net earnings for the retirement of bonds at not exceeding their redemption price. The company will also set aside semi-annually 10% of gross earnings for renewals, replacements and additions.

Security—Secured by direct first mortgage on all the physical property of the company now owned or hereafter acquired.

Tax Provisions—Exempt from Michigan Personal Property Tax. Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Henry & Henry, Alpena, Mich., and Miller, Canfield, Paddock & Stone, Detroit.

Original Offering—First publicly offered ($500,000) in Oct., 1924, at par and accrued interest to net 6%, by Harris, Small & Co., Detroit.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$187,173	$156,979	$129,987
Operating exp. & taxes	78,350	67,192	55,651
Depreciation	33,158	31,810	13,856
Net earnings	$75,665	$57,977	$60,480
Deduct:			
Interest on bonds	$29,948	$30,013	.....
Other charges	17,445	7,521	$1,230
Surplus after charges	$28,272	$20,443	$59,250
Dividends paid	.....	20,000	20,000
Surplus for year	$28,272	$443	$39,250
Times Bond Interest Earned	1.94	1.68	.....
Earnings Per Share	$5.65	$4.08	$11.85

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Cost of properties	$1,740,449	$1,710,979	$1,677,420
Investments	6,920	500	407
Materials and supplies	7,967	11,006	8,981
Cash	11,577	587	19,152
Accounts receivable	72,881	44,319	15,771
Other current assets	1,573	3,031	910
Deferred debit items	21,203	18,747	18,207
Total	$1,862,570	$1,789,169	$1,740,848
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	499,000	500,000	500,000
Notes payable	123,000	109,000	117,902
Accounts payable	31,586	43,568	20,247
Interest accrued	3,110	3,035	2,985
Reserve for taxes	17,854	10,445	8,413
Reserve for depreciation	76,058	43,206	12,152
Sinking fund reserve	1,537	323	.....
Surplus	610,425	579,592	579,149
Total	$1,862,570	$1,789,169	$1,740,848

Officers: P. K. Fletcher, Pres. & Gen. Mgr.; H. E. Fletcher, V-P.; W. W. Hunt, Sec.; Wm. H. LeRoy, Treas., Alpena, Mich.

Directors: P. K. Fletcher, H. E. Fletcher, Wm. H. LeRoy, Alpena, Mich.; Geo. P. Fletcher, Detroit, Mich.; C. B. King, New York.

General Office, Alpena, Mich.

THE ROARING FORK ELECTRIC LIGHT & POWER COMPANY

History—Incorporated April 19, 1887, in Colo. Supplies light and power to Aspen, Colo. Has city contract for 50 series nitrogen filled Mazdas, 250 c. p. each, at $14.40 each per year.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $10. Annual meeting, second Tuesday in January. No dividends paid since April 1, 1918.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$22,526	$28,584	$17,228
Oper. exp., taxes, etc.	17,746	18,926	19,790
Depreciation	12,131	12,649	12,861
Loss from operation	$7,351	$2,991	$15,423
Fixed charges	1,217	.....	.....
Deficit for year	$8,568	$2,991	$15,423

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Property account	$652,512	$652,512	$653,102
Stocks owned	2,288	2,288	1,148
Other investments	.....	.....	790
Merchandise	545	900	979
Cash	9,387	7,113	5,294
Accounts receivable	7,257	8,470	9,781
Corporate deficit	200,788	192,220	189,663
Total	$872,777	$863,503	$860,757
Liabilities—			
Capital stock	$400,000	$400,000	$400,000
Notes payable	.....	.....	3,000
Accounts payable	7,099	6,145	9,637
Deferred credit items	2,227	2,227	2,863
Depreciation reserve	463,451	455,131	445,257
Total	$872,777	$863,503	$860,757

Officers: D. R. C. Brown, Pres.; H. A. Brown, V-P.; R. W. King, Sec. & Pur. Agt., Aspen, Colo.; J. H. Devereux, Treas., New York.

Directors: D. R. C. Brown, R. W. King, G. B. Brown, H. A. Brown, Aspen, Colo.; J. H. Devereux, New York.

Office, Aspen, Colo.

THE UNION TRACTION CO.

(Coffeyville, Kan.)

History—Incorporated Jan. 14, 1904, in Kansas. Operates 67 miles of road, of which 9.5 miles in Coffeyville, 7 miles in Independence and 50.5 miles interurban road between Coffeyville, Independence, Cherryvale and Parsons, Kan. Owns entire capital stock of **Kansas-Oklahoma Traction Co.** Sidings, 1.25 miles. Gauge, 4 ft. 8½ in. Rail, T, 70 lbs. Cars, 37. Franchises expire in 1957. Line is on private right of way except in Coffeyville, Cherryvale, Parsons and Independence. Power purchased from Kansas Gas & Electric Co.

Bondholders' Protective Committee—In connection with the default in interest on the bonds of this Company, a Protective Committee has been formed, and is now endeavoring to formulate a plan for a more economical operation of the road. H. A. Siggins, Warren, Pa., is a member of this Committee.

Receivership—Judge Reeves of Federal Court at Kansas City, Mo., on Jan. 8, 1927, appointed John F. Laying of New York, Receiver.

CAPITAL STOCK

Authorized and outstanding, $700,000; par, $100. Annual meeting in May.

Dividends—A dividend of 6% was paid in fiscal year ended June 30, 1913; none reported thereafter until 1922, when 3% was paid; none since.

FUNDED DEBT

(1)

$900,000 First Gold 5s; dated Jan. 1, 1907; due Jan. 1, 1937; int. Jan. and July 1, at Warren (Pa.) Trust Co., Trustee, Commercial National Bank, Chicago, and Tradesmen's National Bank, Philadelphia. Denomination, $1,000. Authorized and issued, $1,000,000, of which $100,000 retired by sinking fund. Subject to call at 105 and interest on any interest date. Sinking fund, 10% of net earnings annually, began in 1911 Company pays Normal Federal Income Tax up to 2%.

Default—The Jan. 1, 1925, interest on this issue was defaulted.

(2)

$234,000 Kansas-Oklahoma Traction Co. First 6s; dated May 1, 1914; due May 1, 1934; int. May and Nov. 1.

Default—The Nov. 1, 1924 interest on this issue was defaulted.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Furnished)

	1925	1924	1923
Gross earnings	$310,534	$303,037	$379,429
Oper. exp. & taxes	331,874	368,810	388,975
Loss from operation	$21,340	$65,773	$9,546
Interest charges, etc.	65,522	59,840	60,326
Deficit for year	$86,862	$125,613	$69,872

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Furnished)

Assets—	1924	1923	1922
Road and equipment	$2,396,542	$2,384,818	$2,366,567
Other investments	565	.....	.....
Cash on hand	34,853	32,253	36,040
Accts. & notes receivable	17,755	15,304	16,769
Discount on funded debt	57,035	60,357	64,279
Profit and loss deficit	837,731	708,796	896,654
Total	$3,344,481	$3,201,529	$3,380,309
Liabilities—			
Capital stock	$700,000	$700,000	$700,000
Funded debt	1,150,000	1,150,000	1,160,000
Current liabilities	15,252	8,066	8,585
Accrued liabilities	32,260	.....	.....
Deferred credit items	995	.....	.....
Accrued depreciation road and equipment	1,399,787	1,343,463	1,511,724
Operating reserves	46,177	.....	.....
Total	$3,344,481	$3,201,529	$3,380,309

Officers: D. H. Siggins, Pres. & Gen. Mgr., Coffeyville, Kan.; Willis B. Priestly, V-P., Bartlesville, Okla.; H. A. Siggins, Sec. & Treas., Warren, Pa.; L. C. Smith, Aud., Coffeyville, Kan.

Directors: D. H. Siggins, L. C. Smith, Coffeyville, Kan.; H. A. Siggins, S. Q. Smith, W. E. Rice, Warren, Pa.; R. C. Sheldon, Jamestown, N. Y.; Willis B. Priestly, Bartlesville, Okla.; Chester Stevens, Independence, Kan.; John J. Jones, Chanute, Kan.

Office, Coffeyville, Kan.

BELOIT TRACTION COMPANY

History and Properties—Incorporated Jan. 31, 1906, in Wis., for 99 years; municipal franchise expires 1936. Owns an electric line 9 miles in length, put in operation Jan., 1908. Gauge, standard. Cars, 18. Power rented from Rockford & Interurban Ry. Co.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, second Monday in January.

Dividends—Dividends of 12% paid in 1921; 1922 and 1923, 6% each; none reported since.

FUNDED DEBT

$99,000 First Mtge. 5% bonds; dated April 1, 1907; due April 1, 1932; int. April and Oct. 1, at Continental National Bank & Trust Co., Chicago. Denomination, $1,000. American Trust & Savings Bank, Chicago, Trustee. Authorized issue, $300,000. Subject to call at any time at 105 & int. Company pays Normal Federal Income Tax.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1925
(Latest Available)

Operating revenue	$86,177
Operating expenses & taxes	59,508
Net earnings	$26,669
Other income	2,121
Total income	$28,790
Interest	6,204
Depreciation	10,812
Other charges	322
Surplus for year	$11,452

GENERAL BALANCE SHEET, DECEMBER 31, 1925
(Latest Available)

Assets—	
Property account	$331,387
Cash	5,420
Sinking fund	19,843
Materials & supplies	2,958
Accounts receivable	284
Prepayments	671
Debt discount	1,934
Total	$362,496
Liabilities—	
Capital stock	$100,000
Funded debt	99,000
Notes & accounts payable	27,008
Interest & taxes accrued	1,798
Reserve for depreciation	101,247
Other liabilities	1,285
Surplus	32,158
Total	$362,496

Officers: T. M. Ellis, Jr., Pres.; H. D. Ellis, V-P.; Ann L. Ellis, Sec., Beloit, Wis.; W. F. Woodruff, Treas., Rockford, Ill.

Directors: T. M. Ellis, Jr., H. D. Ellis, Ann L. Ellis, H. W. Ellis, Beloit, Wis.; W. F. Woodruff, Rockford, Illinois.

Office, Beloit, Wis.

CHATHAM, WALLACEBURG & LAKE ERIE RAILWAY

History and Property—Incorporated Aug 14, 1903, in Canada. Line of road: Chatham to Wallaceburg, Erie Beach, Charing Cross and Pain Court, Ont., 36.94 miles. Gauge, standard. Passenger cars, 8; freight, 52; work car, 1; electric locomotives, 3.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $760,600; par, $100. Secretary of company acts as Transfer Agent and Registrar. Annual meeting, first Wednesday in September. No dividends paid.

FUNDED DEBT

$694,500 First Gold 5s; dated July 1, 1905; due July 1, 1925 (still outstanding) int. Jan. and July 1, at Standard Bank, Chatham, Ont., and Importers & Traders Nat. Bank, New York. Coupon, $500 and $1,000; principal may be registered. Trustee: National Trust Co., Ltd., Toronto, Ont. Authorized, $20,000 per mile. A first lien on entire property.

Interest Default—Interest on these bonds is in default.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1924
(Latest Available)

Gross earnings	$125,761
Oper. exp. & taxes	131,675
Loss from operation	$5,914
Interest charges	49,917
Deficit for year	$55,831

GENERAL BALANCE SHEET, DECEMBER 31, 1924
(Latest Available)

Assets—	
Property account	$1,661,742
Materials and supplies	20,571
Cash	3,267
Bills & accounts receivable	13,279
Other assets	1,949
Corporate deficit	173,690
Total	$1,874,498
Liabilities—	
Capital stock	$760,600
Funded debt	649,500
Current liabilities	419,398
Total	$1,874,498

Officers: R. G. O. Thomson, Pres.; J. D. Morton, V-P.; H. S. Gausby, Sec. & Treas., Toronto, Ont., R. Keemle, Gen. Mgr., Chatham, Ont.

Offices, 253 King St., Chatham, Ont., and 43 Victoria St., Toronto, Ont.

DETROIT & HIGHLAND PARK RR. COMPANY

History—Incorporated July 11, 1912, in Mich. Duration of charter, 999 years.

CAPITAL STOCK

Authorized, $100,000; outstanding, $25,000; par, $100. Annual meeting, first Monday in March.

FUNDED DEBT

None.

Officers: Robert Oakman, Pres.; Milton Oakman, V-P.; Henry Wiegert, Sec.; H. Normile Baylis, Treas.

Directors: Robert Oakman, Milton Oakman, Henry Wiegert, H. Normile Baylis, Mamie Oakman.

General Office, Detroit, Mich.

COMMUNITY WATER SERVICE COMPANY

History—Incorporated in 1926 in Delaware, and through its subsidiary and affilated companies, supplies water without competition, for domestic, municipal and industrial purposes to more than 100 communities, including important cities in the States of Connecticut, Illinois, Kentucky, New Jersey, New York, Ohio, Pennsylvania and West Virginia, and in addition, supplies gas to Greenwich, Conn., and several other communities. These properties serve a territory with an estimated population of 749,200 and have been in continuous and successful operation for various periods up to 70 years. The Community Water Service Company shows combined assets of approximately $62,000,000.

Properties—The Company owns all of the Common stock of The New Rochelle Water Company, which supplies water to various New York City suburbs located in Westchester County; Greenwich Water & Gas Company, which, through its subsidiaries supplies water to Greenwich, Conn., Port Chester and Rye in Westchester County, New York, and in addition furnishes gas to Greenwich, Conn., and several other communities; Peoria Water Works Company, which supplies water to the City of Peoria, Ill., the second largest city in the State of Illinois, and important suburbs; Williamsport Water Company, which supplies water to the City of Williamsport, one of the foremost cities of the State of Pennsylvania and adjacent territory; Westmoreland Water Company, which supplies water to the City of Greensburg, Pa., and a surrounding industrial region located about ten miles from the City of Pittsburgh, Pa., and through a subsidiary, The Dennison Water Supply Company, supplies water to the City of Dennison, Ohio; The Citizens Water Company of Washington, Pa., serving water to the cities of Washington and Canonsburg, Pa., and surrounding territory; New Jersey Water Company serving water to a territory in and around Camden, N. J.; Lexington Water Company, serving water to Lexington, Ky., and adjacent territory, Cairo Water Company serving water to Cairo, Ill.; Pennsylvania State Water Corporation, which corporation controls, through its subsidiaries, water companies supplying water to various communities located in the Commonwealth of Pennsylvania, among which are Uniontown, Monongahela City, Lewisburg, Milton, Northumberland, a portion of Altoona and others in the vicinity of Harrisburg, Pittsburgh and Altoona, as well as to Moundsville, West Virginia. The Community Water Service Company also owns substantial Common stock interest in the St. Louis County Water Company, which supplies water to important suburban territory of the City of St. Louis, Missouri.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

(Properties operated by Community Water Service Co., not including figures from the St. Louis County Water Co.)

Year	Miles of Mains	No. of Hydrants	Consumers	Estimated Population	Gross Earnings
1923	1,511	7,817	123,407	645,300	$3,724,952
1924	1,564	8,031	129,213	677,230	4,010,210
1925	1,621	8,361	136,359	708,200	4,357,272
1926	1,673	8,658	141,946	724,970	4,733,282
1927	1,730	8,892	147,236	749,240	5,274,948

CAPITAL STOCK

Authorized, 100,000 shares Common, Class "A," 250,000 shares Common, Class "B," and 100,000 shares $7 cumulative First Pfd., all of no par value; outstanding, 100,000 shares Common Class "A," 250,000 shares Common, Class "B," and 34,600 shares Pfd.

Preferred Stock Provisions—First Pfd. stock has preference over Class "A" and "B" Common stock, both as to assets and dividends, and in liquidation, whether voluntary or involuntary is entitled to $100 per share plus accrued unpaid dividends, before any sums can be paid to holders of any other stock of Company.

Callability—First Pfd. stock is redeemable in whole or in part on any dividend date, upon 30 days' notice by registered mail, at $107 per share and accrued dividends.

Tax Provisions—Company agrees to refund to resident holders of this Pfd. stock, upon proper and timely application, the Massachusetts Income Tax, not to exceed 6% and the Pennsylvania and Connecticut Property Tax, not to exceed four mills.

Voting Powers—First Pfd. stock has no voting power except upon failure of Company to pay, when due, 8 successive quarterly dividends, in which case voting power reverts to the First Pfd. stock and in the election by such stock of a majority only of the Board of Directors of the Company, so long as failure to pay dividends continues, but such voting power ceases upon subsequent payment by the Company of all such accumulated and unpaid dividends, subject, however, to renewal upon similar failure to pay dividends.

Transfer Agent—The Farmers' Loan & Trust Co., New York.

Registrar—The New York Trust Co., New York.

Legal Opinion (First Pfd. Stock)—Chapman and Cutler, Chicago and New York (for the Company); Simpson, Thacher & Bartlett, New York (for the Bankers).

Original Offering—First publicly offered (11,500 shares First Pfd.) in Jan., 1927, at $99 per share and accrued dividends to yield 7.07%; an additional 8,000 shares First Pfd. offered in Aug., 1927, at $100 per share and accrued dividend; an additional 6,500 shares First Pfd. offered in Dec., 1927 at $101 per share and accrued dividend; an additional 8,500 shares First Pfd. offered in March, 1928, at $103 per share and accrued dividend; all by Hale, Waters & Co., New York, etc.

Dividends—Pfd. dividends regularly paid quarterly, initial payment having been made March 1, 1927; payments M, J, S & D 1. No dividends paid on Class "A" or Class "B" stocks.

FUNDED DEBT

$4,050,000 6% GOLD DEBENTURES, SERIES "A"; DUE DECEMBER 1, 1946

$2,500,000 5.50% GOLD DEBENTURES, SERIES "B"; DUE MARCH 1, 1946

Dated, Series "A" 6s, December 1, 1926. Series "B" 5.50s, March 1, 1928.

Interest Payable June and December 1 on Series "A" 6s and March and September 1 on Series "B" 5.50s at office or agency of Company in New York or Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; outstanding $4,050,000 Series "A" 6s and $2,500,000 Series "B" 5.50s. The indenture under which these debentures are issued provides that no additional debentures may be issued thereunder, unless the net consolidated assets as defined in the indenture shall be not less than three times the aggregate principal amount

of debentures then outstanding and to be issued, and unless net consolidated income, as defined in the indenture, for 12 consecutive months within the preceding 15 calendar months shall have been at least three times the annual interest charges on all outstanding debentures including those to be issued.

Purpose of Issue—Proceeds from sale of these securities were to be used to reimburse the Company for expenditures in connection with the acquisition of properties and for other corporate purposes.

Callability—Series "A" 6s are subject to call as a whole or in part on 30 days' notice, at 105 and interest on or before Dec. 1, 1929, thereafter to and including Dec. 1, 1936 at 103 and interest, thereafter to and including June 1, 1946 at 101.

Series "B" 5.50s are subject to call in whole or in part on 30 days' notice at 103 on or before March 1, 1931; thereafter to and including March 1, 1936 at 102; thereafter to and including Sept. 1, 1945 at 101; thereafter to maturity at par; plus interest in each case.

Security—These debentures are a direct obligation of Company but are not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Reimbursement of certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Pennsylvania and Virginia taxes, upon timely and proper application, is provided for in the indenture.

Legal Opinion—Chapman and Cutler, New York and Chicago.

Original Offering—First publicly offered ($1,150,000 Series "A" 6s in March, 1927 at 99 and interest to yield over 6%; an additional $1,000,000 Series "A" 6s offered in April, 1927 at par and interest; an additional $1,650,000 Series "A" 6s offered in Sept., 1927 at par and interest; $2,500,000 Series "B" 5½s offered in March, 1928 at 98 and interest to yield about 5.67%; all by P. W. Chapman & Co., Inc., New York, etc.

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED DECEMBER 31

(Community Water Service Co., including earnings of The New Rochelle Water Co., Greenwich Water & Gas Co., New Jersey Water Co., Williamsport Water Co., Pennsylvania State Water Corp., Citizens Water Company of Washington, Pa., Westmoreland Water Co., Cairo Water Co., Lexington Water Co., Peoria Water Works Co., but not including earnings from the ownership of 26% of the Common stock of the St. Louis County Water Co.)

	1927	1926
Gross income	$5,274,948	$4,741,382
Operating expense, maintenance, prior charges of subsidiary companies and taxes (not incl. Fed. Inc. taxes)	4,085,915	3,982,190
Balance	$1,189,033	$759,192

APPLICABLE EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

(Community Water Service Co. and Subsidiaries)

(After giving effect to New Financing of Properties recently acquired)

Operating revenues	$5,108,146
Non-operating revenues	166,802
Gross income	$5,274,948
Operating expenses:	
Operation	$1,725,793
Maintenance	197,373
Taxes—general	323,349
Total	$2,246,515
Net earnings	3,028,433
Prior charges—subsidiaries:	
Annual interest requirement on long term debt	$1,411,009
Annual dividend requirement on Pfd. stock	421,192
Minority interest	7,199
Total prior charges	$1,839,400
Balance	1,189,033
Annual interest requirement on	
$4,050,000 6% Debentures, Series "A"	$243,000
$2,500,000 5½% Debentures, Series "B"	137,500
Total	$380,500
Balance	808,533
Depreciation	262,360
Federal income tax	6,003
Balance	$540,170
Annual dividend requirement on 34,800 shares $7 cumulative Pfd. stock of parent Co.	242,200
Balance	$297,970

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

(Community Water Service Co. and Subsidiaries)

(Giving effect to New Financing of Properties recently acquired)

Assets—	
Property, plant and equipment	$54,215,756
Investments	999,678
Special deposit	56,015
Current Assets—	
Cash	$1,762,721
Notes receivable	59,747
Accounts receivable	981,466
Interest and dividends receivable	12,525
Material and supplies	426,928
Total current assets	$3,243,387
Prepayments	67,458
Unamortized debt discount and expense	2,780,874
Expense on sale of Pfd. stock	385,186
Rate case expense	63,843
Pitometer surveying	58,119
Other deferred charges	27,807
Total assets	$61,898,123
Liabilities—	
Capital stock:	
Common (parent company)	$996,959
Minority interest (subsidiary Co.'s)	19,336
Pfd. (parent company) 34,600 shs.	3,206,000
Subsidiary companies	6,454,850
Total capital stock	$10,677,145
Community Water Service Co. Debentures	$6,550,000
Subsidiary company bonds	27,614,600
Liability for redemption of Pfd. stock—sub. cos.	11,994
Current Liabilities—	
Notes payable	687,180
Accounts payable	285,801
Other current liabilities	163,768
Consumers' deposits	17,347
Taxes accrued	314,323
Interest accrued	307,995
Dividends accrued	52,190
Miscellaneous accruals	4,542
Total current liabilities	$1,833,146
Contributions for extensions	196,805
Consumers' extension deposits	439,343
Reserve for retirement	5,112,200
Reserve for uncollectible accounts	24,092
Miscellaneous reserves	47,606
Capital and surplus of cos. not controlled by stock ownership	276,189
Surplus—capital	6,051,995
Earned	3,063,008
Total liabilities	$61,898,123

Officers: P. W. Chapman, Pres.; Reeves J. Newsom, V-P., New York; R. E. Swart, V-P.; Birger L. Johnson, V-P.; Edward M. Fox, V-P.; C. W. Simpkins, Sec. & Treas., New York.

Directors: P. W. Chapman, Edw. M. Fox, Reeves J. Newsom, C. W. Simpkins, R. Emerson Swart, New York.

General Office, 42 Cedar St., New York.

THE CAIRO WATER COMPANY

(A Direct Subsidiary of Community Water Service Company)

History—Incorporated Jan. 13, 1886, in Illinois, Charter amended April 29, 1927. Property includes a complete water supply system, embracing pumping station, purification plant, storage reservoir, distributing mains, equipment, land and buildings. Company serves the City of Cairo, Ill., with water, supplying 3,276 consumers and 294 fire hydrants through 33 miles of mains. Estimated population served, 22,150.

Control of this Company was acquired by Community Water Service Co. on April 29, 1927.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

	Miles of Mains	No. of Hydrants	No. of Consumers	Estimated Population Served	Gross Earnings
1923	29	287	3,171	20,000	$89,703
1924	30	287	3,191	20,500	90,273
1925	31	288	3,216	21,000	94,554
1926	32	288	3,252	21,500	95,842
1927	33	294	3,276	22,150	91,392

CAPITAL STOCK

Authorized, 7,500 shares Common of no par value and $250,000 7% cumulative Pfd., par, $100; outstand-

ing, 7,500 shares Common and $150,000 Pfd. All the Common stock owned by Community Water Service Co. Annual meeting, fourth Friday in March. Capital stock was changed in April, 1927, from $200,000 authorized and outstanding, all one class.

FUNDED DEBT

$300,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1951

Dated March 1, 1926.

Interest Payable March and September 1, at the Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $500 and $1,000 (interchangeable); principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount unlimited; outstanding, $300,000 Series "A" 6s. Additional bonds may be issued, either in this or separate series, for refunding purposes or for not in excess of 80% of the actual cost or fair value, whichever is lower, of additions, extensions and permanent improvements to property of Company made after January 1, 1926, provided the net earnings of Company for 12 calendar months within 15 calendar months immediately prior to the issuance of the new bonds have been at least 1¾ times interest charges on Company's entire outstanding funded debt including the proposed issue of bonds.

Callability—Series "A" callable in whole on any interest date on 30 days' notice at 103, to and including Sept. 1, 1950; also callable in part on any interest date on 30 days' notice to and including March 1, 1936 at 103 and interest; thereafter to and including March 1, 1946, at 102 and interest; and thereafter at 101 and interest to and including September 1, 1950.

In the event the communities served acquire all or a major portion in value of the Company's property and do not assume payment of the principal and interest of the bonds, the bonds may, at the option of the Company be declared due and payable at 100 and interest.

Maintenance Fund—Company covenants to expend or reserve for maintenance, renewals and replacements of or to the mortgaged property an amount equal to not less than 10% of the annual gross earnings of the Company derived from the mortgaged property, against which expenditures no first mortgage bonds may be issued under the mortgage.

Security—These bonds are a direct obligation on the entire property of the Company now owned or hereafter acquired. The property valued at Dec. 31, 1927 was $529,340.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, California, Connecticut and Kansas tax not to exceed 4 mills. Maryland 4½ mills tax, Iowa, District of Columbia and Kentucky 5 mills tax, Michigan 5 mills exemption tax, Virginia 5½ mills tax, and Massachusetts income tax up to 6%, refunded upon application.

Legal Opinion—Chapman and Cutler, Chicago and New York.

Original Offering—First publicly offered ($225,000) in March 1926, by P. W. Chapman & Co., Inc., New York and Chicago, at 100 and interest, yielding 6%.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$91,392	$95,842	$94,554
Oper. exps., maint. & taxes	58,353	58,512	67,861
Net earnings	$33,039	$37,330	$26,693
Interest on bonds	18,000	13,500	.....
Balance	$15,039	$23,830	.....
Depreciation	3,203	6,000	.....
Federal taxes	698	.....	.....
Balance	$11,138	$17,830	.....
Annual dividend requirement on 7% Pfd. (1,500 shares)	10,500	.....	.....
Balance	$638	.....	.....

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property, plant and equipment	$529,340	$502,512
Investments	11,962	9,999
Special deposits	32,417	.....
Cash	3,943	10,268
Notes and accounts receivable	11,888	15,062
Materials and supplies	6,907	5,364
Other current assets	.....	693
Prepayment	1,202	32,937
Unamort. debt discount & expense	33,024	
Total	$630,683	$576,835
Liabilities—		
Capital stock	*$200,000	$200,000
Funded debt	300,000	225,000
Due affiliated cos.	26,326	.....
Bills payable for construction	.....	56,965
Accounts payable	10,423	1,116
Consumers' deposits	.....	23
Interest and taxes accrued	11,605	8,660
Current liabilities	258	.....
Depreciation reserve	60,440	55,286
Other reserves	350	.....
Surplus	21,281	29,783
Total	$630,683	$576,835

*Represented by 7,500 no par shares Common at $50,000, and $150,000 7% Pfd.

Officers: R. J. Newsom, Pres.; C. M. Roos, V-P.; P. S. Wilson, V-P.; C. W. Simpkins, Sec. & Treas.

Directors: P. W. Chapman, R. J. Newsom, C. W. Simpkins, E. M. Fox, C. M. Roos.

General Office, 1105 Washington Ave., Cairo, Ill. **Treasurer's Office,** 46 Cedar St., New York.

THE CITIZENS WATER COMPANY OF WASHINGTON, PA.

(A Direct Subsidiary of Community Water Service Company)

History and Property—Incorporated January 7, 1886 and has been supplying the City of Washington and adjacent territory with water for domestic and industrial purposes for over 40 years. The North Strabane Water Co., Canonsburg, Pa., was purchased March 15, 1927, and merged with Company.

The Company supplies water to the City of Washington, the boroughs of East Washington and Canonsburg and the Townships of South Strabane, North Strabane, North Franklin, Canton and Chartiers. Population served is estimated at over 50,000.

More than 10,000 consumers are supplied by the water system owned by the Company, which consists of mountain storage reservoirs, distributing system reservoirs, pumping stations, rapid sand filters and over 96 miles of mains. The storage capacity of the reservoirs is over 800,000,000 gallons. The present filter capacity is over 5,700,000 gallons per day and the pumping capacity is over 14,000,000 gallons daily. The normal daily consumption is about 3,500,000 gallons. The water supply is amply protected by large drainage areas surrounding the reservoirs and owned by the Company.

Franchises—The franchises of Company are without limitation as to time. The Company operates under the jurisdiction of The Public Service Commission of the Commonwealth of Pennsylvania.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

	Miles of Mains	Number of Fire Hydrants	Number of Consumers	Population Served	Gross Earnings
1923	87	341	8,160	40,963	$216,707
1924	90	348	8,782	44,261	255,320
1925	93	354	9,481	47,405	290,125
1926	96	363	9,876	48,590	305,626
1927	100	368	10,196	50,032	329,030

CAPITAL STOCK

Authorized, 10,000 shares Common of no par value, and $750,000 7% cumulative Pfd., par, $100; outstanding, 10,000 shares Common and $550,000 Pfd. The Community Water Service Co. owns entire Common stock.

Preferred Stock Provisions—Has preference over all other stocks, both as to assets and dividends.

Callability—Pfd. stock is subject to call in whole or in part on any dividend date, upon 30 days' published notice, at $105 per share and accrued dividends.

Transfer Agent—The Citizens National Bank of Washington, Pa.

Registrar—The First National Bank of Washington, Pa.

Original Offering—$200,000 7% Pfd. stock was offered in March, 1927, at 102 and dividends, to yield 6.86%, by Thomson, Fenn & Co., Hartford, Conn., etc.

Annual Meeting—Fourth Friday in March.

Dividends—Pfd. dividends regularly paid quarterly, J, A, J & O 1.

FUNDED DEBT

$1,350,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE JULY 1, 1951

$410,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE JULY 1, 1951

Dated (Both Issues)—July 1, 1926.

Interest Payable January and July 1, at The Farmers' Loan & Trust Company, New York.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Farmers' Loan & Trust Company, New York.

Provisions of Issue—Authorized amount, unlimited; outstanding, $1,350,000 Series "A" 5½s and $410,000 Series "B" 5s. Additional bonds may be issued under the mortgage for not in excess of 80% of the actual cost or fair value, whichever is lower, of physical property additions, provided that net earnings of the Company as defined in the mortgage, for twelve calendar months within the fifteen calendar months immediately prior to the issuance of such new bonds, have been at least one and three-quarters times the annual interest charges on all bonds outstanding under the mortgage and those to be issued.

Purpose of Issue—Proceeds were used to retire the entire funded debt heretofore outstanding, in part to reimburse the Company for extensions and betterments made to the properties, and for other corporate purposes.

Callability—Subject to call at any time as a whole or in part upon 30 days' notice to and including July 1, 1930, at 105 and accrued interest; thereafter to and including July 1, 1935 at 103 and accrued interest; thereafter to and including July 1, 1943, at 102 and accrued interest; thereafter to and including Jan. 1, 1950, at 101 and accrued interest; thereafter at par and accrued interest.

Maintenance and Improvement Fund—The Company covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings of the Company derived from the mortgaged property. This fund may be expended by the Company for maintenance, replacements and renewals. It may also be expended for improvements, additions and extensions to the properties, against which no bonds may be issued.

Security—Secured by a first mortgage on the entire property of the Company, consisting of lands, water mains, reservoirs, pumping stations and other equipment and such property as may be hereafter acquired, as provided in the mortgage. The value of Company's property at Dec. 31, 1927, was $3,049,745.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut, Kansas and California taxes not to exceed 4 mills, Maryland 4½ mills tax, Michigan 5 mills exemption tax, Kentucky and Iowa 5 mills tax, Virginia 5½ mills tax, District of Columbia 5 mills tax and Massachusetts income tax not to exceed 6% refundable to resident holders upon proper and timely application.

Legal Opinion—Chapman and Cutler, Chicago and New York.

Original Offering—First publicly offered ($1,350,000) in Dec., 1926, at 99.50 and interest to yield over 5.50% by P. W. Chapman & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$322,007	$225,772	$214,100
Non-operating revenues	7,023	7,422	6,946
Gross earnings	$329,030	$233,194	$221,046
Operating expenses	98,847	56,939	51,363
Maintenance	15,411	12,458	7,732
Taxes other than Federal Income taxes	11,616	9,257	9,003
Total expenses	$125,874	$78,654	$68,098
Net earnings	$203,156	$154,540	$152,948
Annual interest on First Mtge. bonds	94,750		
Balance	$108,406		
Provision for depre.	13,569		
Provision for Fed. Inc. tax	7,215		
Balance	$87,622		
Annual divd. requirement on 5,500 shares Pfd.	38,500		
Balance	$49,122		
Amortization of debt disct. & expense	10,191		
Other deductions	4,480		
Balance	$34,451		

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property plant and equipment	$3,049,745
Investments	15,736
Special deposits	641
Cash	39,533
Accounts receivable	34,641
Materials and supplies	17,990
Due from affiliated companies	24,004
Prepayments	1,798
Unamortized debt discount & expense	249,380
Other deferred charges	7,105
Total	$3,440,573
Liabilities—	
Common stock (10,000 shares no par value)	$150,000
Preferred stock	550,000
Funded debt	1,760,000
Accounts payable	25,495
Interest accrued	56
Taxes accrued	17,042
Other accrued liabilities	9,608
Consumers' service and other deposits	6,540
Reserve for retirements	434,872
Other reserves	1,009
Surplus	485,951
Total	$3,440,573

Officers: Reeves J. Newsom, Pres.; P. S. Wilson, V-P., New York; D. C. Morrow, V-P.; John H. Murdoch, Jr., V-P. & Asst. Sec., Washington, Pa.; C. W. Simpkins, Sec. & Treas., New York.

Directors: Reeves J. Newsom, C. W. Simpkins, R. E. Smart, New York; D. C. Morrow, John H. Murdoch, Jr., Washington, Pa.

General Office, Washington, Pa. **Treasurer's Office,** 46 Cedar St., New York.

GREENWICH WATER AND GAS COMPANY

(A Direct Subsidiary of Community Water Service Company)

History—Incorporated Dec. 17, 1925, in Delaware. Owns entire capital stock and bonds of The Greenwich Gas Company; entire capital stock of Greenwich Water Company; entire capital stock of Port Chester Water Works; entire capital stock of St. Johnsbury Gas Company; and over 98% of the Common stock and over 90% Pfd. stock of the Vermont Lighting Corporation. The Company manages the North Attleboro Gas Light Company (see General Index) and **Ware Gas Company** in Massachusetts.

Through its subsidiaries the Company supplies gas to Greenwich, Conn., including Sound Beach, Cos Cob, Riverside, Borough of Greenwich, Glenville and East Port Chester, Conn., and Barre, St. Albans, Springfield and St. Johnsbury, Vt.; and water to Greenwich, Conn., and Port Chester and Rye, N. Y. Population

as of Jan. 1, 1928, there were 10,500 water customers and about 11,000 gas customers. It is estimated that the new gas construction now under way in Greenwich will add in the Spring of 1928 over 800 additional gas customers.

Water company properties include 173 miles of pipe line; two steel stand pipes, a mechanical filtration plant having a normal capacity of about 4,000,000 gallons per day; a new rapid sand filtration plant of the latest type of construction with coagulation, sedimentation and aeration basins, which has added an additional capacity of 8,000,000 gallons per day; a 2,000,000 gallon pumping plant; and a system of reservoirs having a combined storage capacity of 1,084,000,000 gallons.

The gas properties include over 140 miles of distribution mains, four complete water gas and two coal gas manufacturing plants and ten storage holders

CAPITAL STOCK

Authorized, 100,000 shares Common of no par value and $2,300,000 6% cumulative Pfd., par, $100; outstanding, 100,000 shares Common and $2,117,500 Pfd. All the Common stock owned by Community Water Service Co. The previously outstanding 7% Pfd. was called for redemption on Aug. 1, 1927, at $107 and accrued dividend per share. The 6% Pfd. was created in August, 1927.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends, and in voluntary dissolution or liquidation is entitled to receive $107 per share and cumulative dividends and in involuntary dissolution or liquidation to $100 per share before any distribution is made upon any other class of stock.

No increase can be made in authorized amount of Pfd. stock without consent of 60% of holders of outstanding Pfd.; and no changes can be made in provisions, nor can any other class of stock be created having priority over the Pfd. either as to assets or earnings, except with consent of 80% of outstanding Pfd. stock.

Voting Powers—Pfd. has no voting power unless dividends are in arrears eight quarterly payments, or if Company is in default on which action has been taken by bondholders or the Trustee of any Mortgage or Indenture under which any indebtedness of Company or its subsidiaries has been issued, or if Company is declared bankrupt or is in receivership, in any of which events Pfd. stock has right to elect 50% of Board of Directors.

Callability—6% Pfd. stock is subject to call as a whole or in part at $107 per share on any dividend date on 30 days' notice plus all accumulated dividends up to time of redemption.

Transfer Agent—The Travelers Bank & Trust Co., Hartford, Conn.

Registrar—Hartford National Bank & Trust Co., Hartford, Conn.

Tax Provision—Dividends are exempt from present Normal Federal Income tax.

Legal Opinion—Storey, Thorndike, Palmer & Dodge, Boston.

Original Offering—First publicly offered ($1,935,000 6% Pfd.) in June, 1928, at 99½ and dividend to yield 6.03%, by Putnam & Storer, Inc., Hartford and Providence.

Dividends—Dividends on 7% Pfd. regularly paid from issuance to date of redemption. Initial dividend of $1.50 was paid on 6% Pfd. Oct. 1, 1927, which quarterly rate since maintained to date; payments J, A, J & O 1.

FUNDED DEBT

$3,575,000 COLLATERAL TRUST 5% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1952

Dated April 1, 1927.

Interest Payable April and October 1, at The Atlantic National Bank of Boston, Mass.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Atlantic National Bank of Boston, Mass.

Provisions of Issue—Authorized amount, unlimited; outstanding, $3,575,000.

Indenture provides that additional Collateral Trust bonds for the purpose of acquiring securities to be pledged under the indenture may be issued only (1) par for par for subsidiary companies first mortgage bonds bearing similar or higher rates of interest (the term "subsidiary company" is confined to such companies as qualify within the terms of the indenture as subsidiary companies); (2) not exceeding 80% of the cost or fair value of other securities of any one or more of such subsidiaries; provided that in the latter case the collateral trust bonds so issued, plus all of the securities of the said subsidiaries that are not pledged and which are prior or equal to the securities so pledged do not exceed 75% of the fair value of the property of the said subsidiaries, and provided in all cases of the issue of additional collateral trust bonds the consolidated net earnings as defined in the trust indenture, for twelve consecutive months out of fifteen months immediately preceding the issue of the additional collateral trust bonds shall have been not less than twice the interest on all collateral trust bonds outstanding and the bonds proposed to be issued.

Purpose of Issue—Proceeds were used to provide funds for the acquisition by the Company of additional capital stock and first mortgage bonds of operating companies issued to pay for new construction, for refunding securities bearing higher rates of interest, including the Collateral Trust 6% Bonds of the Company, and for retiring current bank loans.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 103 and interest up to and including April 1, 1947, and thereafter at 100 and interest.

Sinking Fund—Indenture provides an annual sinking fund so long as any Series "A" Bonds are outstanding, payable Dec. 1, each year, beginning 1929, equal to 10% of the consolidated net earnings of this Company and its subsidiaries (as defined in the Indenture) for the preceding calendar year (but not exceeding $50,000 in each of the first five years and $100,000 thereafter) such payments to be used for the retirement of bonds of this issue. In the event additional Series "A" Bonds are issued, the maximum payment for each year will be proportionately increased.

Security—Bonds are the direct obligation of the Company and are secured by deposit with the Trustee, of 100% of the outstanding capital stocks of Greenwich Water Co., Port Chester Water Works, The Greenwich Gas Co., St. Johnsbury Gas Co.; over 86% of the Common stock and over 89% of the Pfd. stock and $125,000 First Mortgage bonds of the Vermont Lighting Corp.; the entire outstanding $1,100,000 First Mortgage bonds of the Port Chester Water Works and $700,000 First Mortgage bonds of The Greenwich Gas Co. The Indenture contains restrictions against any such subsidiary company issuing any secured debt in excess of 80% of the fair value of its property and against issuing any securities not pledged under the indenture, other than for current indebtedness as provided in the indenture, if the interest or dividends in respect of such securities shall reduce the said consolidated net earnings to less than twice the interest charges on the outstanding collateral trust bonds. The indenture also provides that no additional collateral trust bonds or securities of such subsidiaries, unless pledged with the Trustee under the indenture, shall be issued to an amount that the interest and Pfd. dividend thereon of such bonds or securities in the hands of the public, will reduce the net earnings after deducting interest

charges on the collateral trust bonds to less than 20% of the gross earnings of the Company and such subsidiaries.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal property taxes not to exceed 4 mills per annum in Vermont, Connecticut, Pennsylvania and California, the New Hampshire income tax on the interest not exceeding 4 mills per annum on each dollar of principal amount and the Massachusetts income tax on the interest not exceeding 6% of the annual interest refunded to resident holders upon request within 60 days after payment, as provided in the Indenture.

Legal Opinion—Storey, Thorndike, Palmer & Dodge, Boston.

Original Offering—First publicly offered ($3,450,000) in March, 1927, at 95 and interest to yield over 5.35% by E. H. Rollins & Sons, New York; Putnam & Storer, Inc., Stone & Webster & Blodget, Inc., and Brown Bros. & Co., Boston.

BOND AND NOTE RETIREMENT

The entire issue of Collateral Trust 6% Gold bonds, Series "A," due Jan. 1, 1946, were called for redemption as of July 1, 1927, at 105 and accrued interest. All the outstanding Two-Year 6% Gold Notes, due Jan. 1, 1928, were retired Sept. 3, 1926.

APPLICABLE EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

(Greenwich Water and Gas Co. and Subsidiaries)

Operating revenues	$1,013,102
Non-operating revenues	77,162
Gross income	$1,090,264
Operating expenses:	
Operations	367,033
Maintenance	35,483
Taxes, other than Federal	41,781
	$444,297
Net earnings	645,967
Prior charges of sub. cos.—	
Interest on Greenwich Water Co. 4½% bonds	55,125
Interest on Vermont Lighting Corp. 5% bonds	10,830
Dividends on 6% Pfd. stock—Vermont Lighting Corp.	552
Minority stockholders interest—Vermont Lighting Corp.	187
Total charges	$66,694
Balance	$579,273
Annual interest requirements on Greenwich Water and Gas Co. 5% Coll. Trust bonds	178,750
Balance	$400,523
Provision for depreciation	79,665
Provision for Federal income tax	25,513
Balance	$295,345
Annual divd. requirements on 21,175 shares 6% Pfd. stock of Greenwich Water and Gas Co.	127,050
Balance	$168,295
Amortization of debt disc. and expense	14,011
Other deductions	11,034
Balance	$143,250

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

(Greenwich Water and Gas Co. and Subsidiaries)
(After giving effect to new financing)

Assets—	
Property, plant and equipment	$12,187,444
Investments	396,389
Special deposits	211
Cash	195,518
Notes receivable	46,642
Accounts receivable	226,127
Material and supplies	82,386
Prepaid insurance	6,550
Other prepaid items	19,642
Unamortized debt disc. and expense	351,109
Commission and expense on sale of Pfd. stock	111,711
Total	$13,623,729

CONSOLIDATED BALANCE SHEET, DEC. 31, 1927 (Continued):

Liabilities—	
Common stocks (100,000 shares no par value)	$500,000
6% Preferred	2,117,500
Minority stockholders (Vt. Ltg. Corp.)	4,733
Vermont Lighting Corp. 6% Pfd. stocks	9,200
Funded debt	3,575,000
Funded debt of sub. cos.	1,441,600
Notes payable	88,700
Accounts payable	45,064
Interest accrued	55,600
Taxes accrued	6,800
Consumers' deposits and advances for extensions	31,963
Contributions for extensions	95,759
Capital stock and surplus of companies not controlled by stock ownership	*276,189
Reserve for depreciation	492,520
Reserve for uncollectible accounts	10,000
Capital surplus	4,319,904
Earned surplus	553,197
Total	$13,623,729

*North Attleboro Gas Light Co. and Ware Gas Co.

Officers: Eben F. Putnam, Pres., Greenwich, Conn.; Reeves, J. Newsom, V-P.; P. S. Wilson, V-P.; C. W. Simpkins, Sec. & Treas., New York.

Directors: Eben F. Putnam, Greenwich, Conn.; P. W. Chapman, Reeves J. Newsom, C. W. Simpkins, R. E. Smart, New York.

General Office, 253 Greenwich Ave., Greenwich, Conn. **Treasurer's Office,** 46 Cedar St., New York.

THE GREENWICH GAS COMPANY

(Controlled by Greenwich Water and Gas Company)

History—Incorporated June 26, 1925, in Conn., with perpetual charter. Serves gas to Greenwich, Conn., including Sound Beach, Cos Cob, Riverside, Borough of Greenwich, Glenville, and East Port Chester, with a population of approximately 26,000. Number of customers, over 2,300. The construction of an extensive addition to the gas distribution system comprising over 42 miles of steel welded high pressure mains has been completed. Daily capacity, 235,000 cu. ft.

CAPITALIZATION

All outstanding capital stock and bonds owned by Greenwich Water and Gas Co. and pledged under its Collateral Trust bonds.

Office, Greenwich, Conn. **New York Office,** 46 Cedar St.

GREENWICH WATER COMPANY

(Controlled by Greenwich Water and Gas Company)

History and Property—Incorporated in 1880, in Conn., with perpetual charter. Furnishes water to Greenwich, Conn., including Sound Beach, Cos Cob, Riverside, Borough of Greenwich, Glenville and East Port Chester. In 1884, works were extended to connect with distribution system of the Port Chester Water Works from which in turn the villages of Port Chester and Rye and part of the town of Rye, N. Y., are supplied at wholesale. Population served, 60,000; customers, including Port Chester and Rye, 10,300. Property includes over 91 miles of pipe line, a large steel stand pipe, a mechanical filtration plant having a normal capacity of about 4,000,000 gallons per day, and a system of reservoirs having a combined storage capacity of 1,084,000,000 gallons. The Company is completing a rapid sand filtration plant of the latest type of construction with coagulation, sedimentation and aeration basins, which will add an additional capacity of over 6,000,000 gallons per day.

Franchises—The franchises of the Company are perpetual and exclusive, and were granted by special acts of the Legislature of the State of Connecticut.

CAPITAL STOCK

Authorized $2,000,000; outstanding, $1,650,000: par, $25; all, except directors' qualifying shares; owned by Greenwich Water and Gas Company and pledged under its Collateral Trust bonds.

Dividends—Common dividends have been paid at not less than 6% per annum continuously since 1906.

FUNDED DEBT

$1,225,000 FIRST MORTGAGE THIRTY-YEAR 4½% GOLD BONDS, SERIES "A"; DUE JULY 1, 1957

Dated July 1, 1927.

Interest Payable January and July 1 at The Travelers Bank & Trust Co., Hartford, Conn.

Denominations—Coupon (principal may be registered) $1,000, and registered $1,000 and authorized multiples.

Trustee—The Travelers Bank & Trust Co., Hartford, Conn.

Provisions of Issue—Issued, $1,225,000 Series "A" 4½s. Under the terms of Mortgage, Company may issue additional bonds but not in excess of $2,000,000, including this issue, providing the net earnings for 12 consecutive months out of 15 months immediately preceding the issuance of additional bonds shall have been twice the interest on the bonds outstanding and those to be issued. Under the terms of Company's charter, bonds cannot be issued in excess of 75% of the par value of outstanding capital stock. Bonds in excess of $2,000,000 may be issued only under the conservative restrictions of the Mortgage regarding additions to property and earnings.

Purpose of Issue—Proceeds were used for the retirement of the entire outstanding indebtedness of the Company and for new construction.

Callability—Subject to call as a whole or in part on any interest payment date upon 30 days' notice at face value and a premium of 5% thereof up to and including July 1, 1952 and thereafter at the face value and 1% less premium for each succeeding year, together with accrued interest to redemption date in each case.

Sinking Fund—None provided.

Security—Secured by a direct first mortgage on real estate, rights, powers, privileges and franchises which the Company now owns or hereafter acquires and all structures and buildings, work pumps, machinery, pipe mains, conduits and other apparatus and appliances, excluding shares of certain subsidiary companies.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Connecticut Personal Property Tax.

Legal Opinion—Storey, Thorndike, Palmer & Dodge of Boston.

Legal Investment for Savings Banks and Trust Funds in Connecticut.

Original Offering—First publicly offered ($1,225,000) in Jan., 1928, at 101⅝ and interest to yield over 4.40% by E. H. Rollins & Sons, New York, etc. and Putnam & Storer, Inc., Boston, etc.

INCOME ACCOUNT, YEARS ENDED

	Sept. 30, 1927	Dec. 31, 1926
Gross earnings	$381,451	$336,292
Operating exps. and local taxes	72,853	59,801
Net earnings	$308,598	$276,491
Annual interest on First Mtge. bonds	55,125	

GENERAL BALANCE SHEET, DECEMBER 31, 1926

(Latest Available)

Assets—	
Property, plant, etc.	$2,701,709
Miscellaneous investments	50,910
Work in progress water construction	55,273
Cash	19,888
Special funds and deposits	12,820
Notes receivable	14,402
Accounts receivable	124,485
Interest receivable	571
Material and supplies	2,659
Prepaid accounts	581
Suspense	4,090
Unamortized debt discount and expense	6,826
Total	$2,994,213
Liabilities—	
Capital stock	$1,000,000
Funded debt	280,000
Notes payable	1,135,000
Accounts payable	3,083
Interest accrued	7,107
Matured interest	820
Employees' deposits	360
Depreciation reserve	372,985
Unadjusted credits	239
Reserve for Federal taxes	20,815
Surplus	173,805
Total	$2,994,213

Officer: Eben F. Putnam, Pres., Greenwich, Conn. **Office**, Greenwich, Conn. **New York Office**, 46 Cedar St.

PORT CHESTER WATER WORKS

(Controlled by Greenwich Water and Gas Company)

History and Property—Incorporated in March, 1883, in New York. Supplies Villages of Port Chester and Rye, and part of Town of Rye, N. Y., with water furnished by Greenwich Water Company with whose distribution system the works of this Company connect. Population served, about 35,000; customers, 4,937.

CAPITALIZATION

All owned by Greenwich Water and Gas Company and pledged under its Collateral Trust bonds.

Office, Port Chester, N. Y. **New York Office**, 46 Cedar St.

ST. JOHNSBURY GAS COMPANY

(Controlled by Greenwich Water and Gas Company)

History—Incorporated Feb. 1, 1906, in Vermont, with perpetual charter. Furnishes gas to St. Johnsbury, Vt. Population served, about 7,500; approximately 1,500 customers.

CAPITAL STOCK

Authorized, $150,000; outstanding, $100,000; par $100. All owned by Greenwich Water and Gas Company and pledged under its Collateral Trust bonds.

FUNDED DEBT

None.

Offices, St. Johnsbury, Vt., Greenwich, Conn. and 46 Cedar St., New York.

VERMONT LIGHTING CORPORATION

(Controlled by The Greenwich Water and Gas Company)

History—Incorporated in Nov. 1924, in Vermont. Company supplies gas for domestic, commercial and industrial purposes in Barre, Springfield and St. Albans, Vt., serving an estimated population of 30,000.

CAPITAL STOCK

Authorized and outstanding $300,000 Common, and $100,000 6% cumulative Pfd.; par, $100. Greeenwich Water and Gas Company owns over 98% of the Common and over 90% of the Pfd., both of which are pledged under its Collateral Trust bonds.

Dividends—Preferred dividends regularly paid quarterly, to and including Oct. 1, 1927; none since; payments J, A, J & O 1.

FUNDED DEBT

$341,600 FIRST MORTGAGE TWENTY-YEAR GOLD 5s; DUE OCTOBER 1, 1944

Dated October 1, 1924.

Interest Payable April and October 1, at State Street Trust Co., Boston.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Denominations interchangeable.

Trustee—State Street Trust Co., Boston, Mass.

Provisions of Issue—Authorized amount, unlimited; outstanding, $341,600, of which $125,000 owned by Greenwich Water and Gas Co. and pledged under its Collateral Trust bonds. Additional bonds in one or more series bearing such rates and provisions as may be determined within the limitation of Indenture, may be issued for not exceeding 75% of the cost or fair value, whichever is less, of such physical property acquired subsequent to October 1, 1924, provided net earnings for 12 consecutive months out of the 15 months next preceding such proposed issue shall have been at least twice the interest on all first mortgage bonds outstanding and those proposed to be issued.

Callability—Subject to call on 30 days' notice at 100 and interest.

Sinking Fund—Company covenants to provide an annual sinking fund of 5% of gross earnings to be used for the purchase of these bonds or for additions and improvements which cannot be used as the basis of further bond issues. At least one-half of this fund must be used to retire bonds.

Security—Secured by a first mortgage on all the property of the company now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Income taxes not exceeding 6% or personal property taxes not exceeding 4 mills will be refunded to holders resident in the New England States upon timely application. Tax free in Vermont.

Legal Opinion—Storey, Thorndike, Palmer & Dodge, Boston; Bruce Wyman, Boston; Hon. Charles D. Watson, St. Albans, Vt.; and Hon. H. H. Blanchard, Springfield, Vt.

Original Offering—First publicly offered ($340,000) in Oct., 1924, at 88 and interest, yielding about 6.05% by Putnam & Storer, Inc., Boston.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$129,952	$139,245	$131,285
Oper. exp. & taxes	91,541	*94,894	86,547
Net earnings	$38,411	$44,351	$44,738
Interest charges	17,719	17,061	15,083
Balance	$20,692	$27,290	$29,655
Preferred dividends	5,874	5,872	4,506
Balance for reserves, Fed. taxes & Common stock	$14,818	$21,418	$25,149

*Includes $2,926 overhead expense.

Offices, Barre, Vt., Greenwich, Conn. and 46 Cedar St., New York.

LEXINGTON WATER COMPANY

(A Direct Subsidiary of Community Water Service Company)

History and Property—Incorporated by Act of Legislature approved Feb. 27, 1882, in Ky., as Lexington Hydraulic & Manufacturing Co.; name changed to present title by amendment to charter filed Oct. 20, 1922. Charter amended on Sept. 15, 1927 to permit merger with Blue Grass State Water.

Company supplies water for domestic, municipal and industrial purposes to the City of Lexington, Ky., and adjacent territory.

The water supplied is surface water impounded in four large reservoirs with a combined capacity of 1,580,000,000 gallons. The reservoirs and that part of the watershed owned by the Company comprise approximately 2,100 acres of land. This storage capacity, equal to a year's supply for the whole system, may be readily increased by raising certain of the dams. The average daily consumption is 4,500,000 gallons on the basis of present population, and the total pumping capacity is approximately 8,000,000 gallons per day.

Control of this Company was acquired by Community Water Service Co. in Aug., 1927, from the former owners, Federated Utilities, Inc.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

	Miles of Mains	No. of Hydrants	No. of Consumers	Estimated Population Served	Gross Earnings
1923	98	702	9,153	45,948	$256,301
1924	101	713	9,755	49,165	266,969
1925	105	768	10,364	51,820	280,716
1926	108	776	10,802	53,146	281,388
1927	112	784	11,292	55,399	294,503

CAPITAL STOCK

Authorized, 16,000 shares Common of no par value and $1,500,000 cumulative Pfd., par, $100; outstanding, 16,000 shares Common and $275,000 Pfd. All the Common stock is held by Community Water Service Co. Capital stock was changed from outstanding amounts of $225,000 Common, $175,000 Participating Pfd., and $289,000 6% cumulative First Pfd., all par, $100, on Sept. 15, 1927. Seaboard National Bank, New York, Transfer Agent for Pfd. Annual meeting, fourth Friday in March.

FUNDED DEBT

(1)

$816,200 LEXINGTON HYDRAULIC & MANUFACTURING CO. FIRST GOLD 5s; DUE ANNUALLY TO OCTOBER 1, 1936

Dated October 2, 1911.

Interest Payable April and October 1, at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Continental National Bank & Trust Co., Chicago. Frank H. Jones, Co-trustee.

Provisions of Issue—Mortgage closed; outstanding, $816,200.

Callability—Subject to call as a whole on any interest date on six weeks' notice at 102½ and interest.

Sinking Fund—For five years beginning 1916, sinking fund will retire $10,000 each year; following five years, $15,000 per annum; next five years, $20,000 annually; $25,000 per annum for following five years, $15,000 per annum; next five years, $20,000 annually, $25,000 per annum for following five years, or a total of $350,000 in 25 years.

Security—A first lien on all property, now owned or hereafter acquired, including 2,100 acres of land, buildings, pipe lines, etc.; and on all franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in 1912, at par and interest.

(2)

$900,000 REFUNDING MORTGAGE 5.50% GOLD BONDS, SERIES "A"; DUE AUGUST 1, 1940

Dated August 1, 1927.

Interest Payable February and August 1 at the office or agency of the Company in either New York City or Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Harris Trust & Savings Bank, Chicago.

Provisions of Issue—Authorized amount, not limited; issued, Series A, $900,000. Additional bonds may be issued for not in excess of 80% of the actual cost or fair value, whichever is the lower, of physical property additions, as defined in the mortgage, provided net earnings of the Company, as defined in the mortgage, for 12 consecutive calendar months within the 15 calendar months immediately prior to the is-

suance of such additional bonds, have been at least 1½ times the annual interest charges on all bonds outstanding, including those to be issued, and on any underlying bonds. The mortgage also provides for the issuance of bonds, for the refunding of bonds issued thereunder and of underlying bonds, par for par.

Callability—Series "A" 5.50s are subject to call, as a whole or in part, on any interest date on 30 days' notice to and including Aug. 1, 1931, at 103; thereafter, to and including Aug. 1, 1936, at 102; and thereafter and prior to maturity at 100; in each case plus accrued interest. In the event any community served shall acquire all or the major portion of the Company's property, not assuming payment of the principal and interest of the bonds, the bonds may, at the option of the Company, be declared due and payable at 100 and interest.

Sinking Fund—None provided.

Maintenance and Improvement Fund—Company covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings of the Company derived from the mortgaged property. This fund may be expended by the Company for maintenance, replacements and renewals or it may also be expended for improvements, additions and extensions to the properties, against which no bonds may be issued.

Security—Secured by a direct mortgage upon the entire fixed property of the Company consisting of land, water mains, reservoirs, pumping stations and other equipment, subject only to the lien of $816,200 First Mortgage 5% Gold Bonds, due Oct. 1, 1936, and also to be a lien upon such fixed property as may be constructed or acquired subsequent to May 31, 1927. The value of the Company's property at Dec. 31, 1927, was $2,599,224.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, New Hampshire, Pennsylvania and Virginia taxes, refunded upon proper application.

Legal Opinion—Chapman and Cutler, Chicago.

Original Offering—First publicly offered ($900,000 Series "A" 5.50s) in Aug., 1927, at 99 and interest to yield over 5.60% by P. W. Chapman & Co., Inc., New York, etc.

APPLICABLE EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

Operating revenues	$282,601
Non-operating revenues	11,902
Gross income	$294,503
Operating expenses:	
Operation	$89,379
Maintenance	12,024
Taxes, other than Federal	37,682
Total operating expenses	$139,085
Net earnings	155,418
Annual interest requirements on funded debt	90,310
Balance	$65,108
Provision for depreciation	13,410
Provision for Federal income tax	3,028
Balance	$48,670
Annual dividend requirements on 2,750 shares Pfd.	19,250
Balance	$29,420
Amortization of debt discount and expense	2,818
Other deductions	15,238
Balance	$11,364

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	*$2,599,224
Cash	63,322
Notes receivable	8,178
Accounts receivable	26,131
Materials and supplies	20,778
Prepayments	10,531
Unamortized debt discount and expense	28,580
Other deferred charges	495
Total	$2,757,239

GENERAL BALANCE SHEET DEC. 31, 1927 (Continued):

Liabilities—	
Common stock (16,000 shares of no par value)	$43,800
Preferred stock	275,000
Funded debt	1,716,200
Accounts payable	5,983
Due affiliated companies	54,941
Accrued interest	30,827
Accrued taxes	9,655
Other accruals	11,300
Consumers' service and other deposits	87,242
Reserve for retirements	262,125
Other reserves	8,509
Surplus	251,657
Total	$2,757,239

*NOTE—This balance sheet does not give effect to appraisal of property, plant and equipment made by Alvord, Burdick & Howson, giving a net depreciated value of $3,489,974.40.

Officers: Reeves J. Newsom, Pres.; W. S. Cramer, V-P.; R. E. Swart, V-P.; P. S. Wilson, V-P.; C. W. Simpkins, Sec. & Treas.

Directors: P. W. Chapman, R. J. Newsom, W. S. Cramer, R. E. Swart, E. M. Fox.

General Office, Lexington, Ky. **Treasurer's Office,** 42 Cedar St., New York.

THE NEW ROCHELLE WATER COMPANY

(A Direct Subsidiary of Community Water Service Company)

History and Property—Incorporated Feb. 13, 1885, in New York. On Sept. 15, 1927, Company purchased and merged the properties of Pocantico Water Co., serving Dobbs Ferry, Ardsley, Hastings-on-Hudson and Scarsdale (at wholesale); this Company served a population of about 20,000 and had an annual gross revenue of $168,000. The Company has been supplying water for domestic, municipal and industrial purposes to New Rochelle, N. Y., and adjacent territory for over forty years. The communities served are contiguous and include New Rochelle, Dobbs Ferry, Ardsley, Hastings-on-Hudson, Bronxville, Tuckahoe, North Pelham, Pelham Manor, Fort Slocum, Eastchester, Scarsdale (at wholesale) and a portion of Pelham, all of which are located in Westchester County adjacent to New York City. This territory is mainly residential, and a large percentage of the inhabitants commute daily to New York City. The population served is estimated at over 96,000.

Water Supply—The Catskill Aqueduct, which carries the principal water supply of New York City, has a capacity of 600,000,000 gallons per day and passes through Westchester County. Under the laws of the State of New York, water from this aqueduct is available for distribution to the communities served by The New Rochelle Water Company, in an amount equal to the per capita consumption of New York City. The consumption of water in New York City is at present about twice the per capita consumption of the territory served by The New Rochelle Water Company. The statutes, therefore, give this territory the right to use about 13,000,000 gallons daily on the basis of the present population. The present consumption is about 8,000,000 gallons daily. The Company also has under lease further water rights capable of supplying about 3,500,000 gallons daily. The Pocantico division secures its water from the Pocantico River, which has a watershed of 11 square miles and is impounded at Pocantico Lake, having a capacity of 190,000,000 gallons.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

	Miles of Mains	No. of Hydrants	No. of Consumers	Estimated Popula. Served	Gross Earnings
1923	243	1,429	12,429	83,016	$612,790
1924	252	1,472	13,382	86,858	704,595
1925	261	1,550	14,237	91,680	821,231
1926	263	1,594	13,888	92,130	871,101
1927	273	1,616	14,834	96,000	915,124

CAPITAL STOCK

Authorized, 45,000 shares Common stock of no par value, and $2,000,000 7% cumulative Pfd., par, $100; outstanding, 45,000 shares Common and 1,300,000 Pfd. All the Common shares are owned by Community Water Service Co.

Preferred Stock Provisions—Has preference over all other stocks for assets and dividends.

Additional shares of 7% cumulative Pfd. stock shall be issued and sold only when net earnings of Company available for dividends thereon for a period of 12 consecutive calendar months within a period of 15 consecutive calendar months next preceding the date of issue and sale of such additional Pfd. stock, shall be at least 1¾ times the required dividends on all 7% Pfd. stock then outstanding and proposed to be issued. Has no voting power except upon failure of Company to pay when due eight successive quarterly dividends, in which case voting power shall be vested in the 7% Pfd. stock on an equal basis share for share with the Common stock, which right, however, shall cease when all accumulated and unpaid dividends on said Pfd. stock shall have been paid in full; provided, however, that the holders of 7% Pfd. stock shall be entitled to vote in a proceeding for the sale of the franchises and property of the Company, for the increase or reduction of the authorized amount of the 7% Pfd. stock, or for establishing priorities or creating preferences among the classes of stock of the Company, for consolidation, for voluntary dissolution, or any proceeding for mortgaging the property and franchises of the Company, as provided in the Corporation Laws of the State of New York.

Callability—Pfd. stock is subject to call in whole or in part on any dividend date, upon 30 days' published notice, at $105 per share and accrued divends.

Transfer Agent—The National City Bank of New Rochelle, N. Y.

Registrar—New Rochelle Trust Company.

Legal Opinion (Pfd. stock)—Chapman, Cutler & Parker, New York and Chicago.

Original Offering—$850,000 Pfd. stock first publicly offered in November, 1926, at 100 and dividends; an additional $450,000 Pfd. offered in September, 1927, at prices to yield 6.80%; both by Thomson, Fenn & Co., Hartford, Conn., etc.

Annual Meeting—Fourth Friday in March.

Dividends—Pfd. dividends regularly paid quarterly, M, J, S & D 1.

FUNDED DEBT

$3,225,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1951

$1,100,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE NOVEMBER 1, 1951

Dated—Series "A" November 1, 1926; Series "B" May 1, 1927.

Interest Payable May and November 1 at office or agency of Company in New York City or Chicago.

Denominations—Coupon bonds in interchangeable denominations of $500 and $1,000; principal may be registered.

Trustee—Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $3,225,000 Series "A" 5½s and $1,100,000 Series "B" 5s.

Additional bonds may be issued for not in excess of 80% of cost or fair value, whichever is lower, of permanent improvements, extensions or additions to property, provided net earnings of Company, as defined in the mortgage, for 12 consecutive calendar months within 15 calendar months immediately prior to issuance of such additional bonds, have been at least 1¾ times interest charges for a like period on all bonds outstanding under the mortgage and those to be issued. In the calculation of net earnings at least 5% of gross earnings must be charged for maintenance.

Purpose of Issue—The proceeds from the sale of $1,100,000 Series "B" 5s were used to reimburse Company in part for the cost of acquisition of properties of Pocantico Water Co., Inc., which served Dobbs Ferry, Scarsdale (at wholesale), Ardsley and Hastings-on-Hudson, N. Y.

Maintenance and Depreciation Fund—Company covenants to establish a maintenance and depreciation fund equal to not less than 9% of its annual gross earnings derived from operations of the mortgaged property. This fund may be expended by Company for maintenance, replacements and renewals; it may also be expended for improvements, additions and extensions to the properties, against which no First Mortgage bonds may be issued.

Callability—Series "A" 5½s are subject to call as a whole or in part, on any interest date on 30 days' notice to Nov. 1, 1930, at 105 and interest; thereafter, to Nov. 1, 1935, at 103 and interest; thereafter, to Nov. 1, 1943, at 102 and interest; and thereafter to May 1, 1951, at 101 and interest.

Series "B" 5s are subject to call in whole or in part on any interest date on 30 days' notice to and including Nov. 1, 1930 at 103; thereafter to and including Nov. 1, 1943 at 102; thereafter to and including May 1, 1951 at 101; plus interest in each case.

In the event the communities served acquire all or the major portion in value of Company's property and do not assume payment of the principal and interest of the bonds, the bonds may, at the option of Company, be declared due and payable at 100 and interest.

Security—Secured by a first mortgage on entire property of Company and such property as may be hereafter acquired, as provided in the mortgage. The value of Company's property, as independently appraised, together with actual costs of additions and betterments made subsequent thereto on Dec. 31, 1927 was $7,787,756.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, Pennsylvania and Virginia taxes are refundable upon proper application.

Legal Opinion—Chapman and Cutler, Chicago.

Original Offering—First publicly offered ($3,225,000 Series "A" 5½s in November, 1926, at par and interest, to yield 5.50%; $1,100,000 Series "B" 5s offered in Aug., 1927, at 96½ and interest to yield over 5.25%; both by P. W. Chapman & Co., Inc., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$909,360	$683,260	$595,989
Non-operating revenues	5,763	5,340	7,757
Gross earnings	$915,123	$688,600	$603,746
Operating expenses	327,566	227,467	206,549
Maintenance	30,749	54,517	53,203
Taxes other than Federal Income taxes	50,779	54,648	51,450
Total expenses	$409,094	$336,632	$311,202
Net earnings	$506,029	$351,968	$292,544
Annual interest requirements on funded debt	232,375		
Balance	$273,654		
Provision for depreciation	51,093		
Provision for Fed. inc. tax	10,055		
Balance	$212,506		
Annual divd. requirements on 13,000 shares 7% Pfd.	91,000		
Balance	$121,506		
Amortization of debt discount and expense	13,758		
Other deductions	46,870		
Balance	$60,878		

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property plant and equipment	$7,787,756
Investments	35,225
Special deposits	90
Cash	16,524
Accounts receivable	216,870
Materials and supplies	144,638
Prepayments	11,665
Unamortized debt discount and expense	420,736
Other deferred charges	113,808
Total	$8,747,312
Liabilities—	
Common stock (45,000 shares $1 par value)	$45,000
Preferred stock	1,300,000
Funded debt	4,325,000
Accounts payable	53,762
Other current liabilities	6,502
Due to affiliated companies	1,070,924
Interest accrued	38,729
Taxes accrued	24,560
Other accrued liabilities	9,369
Consumers' service and other deposits	179,068
Reserve for retirement	751,382
Other reserves	1,143
Surplus	941,873
Total	$8,747,312

Officers: Reeves J. Newsom, Pres.; P. S. Wilson, V-P.; C. W. Simpkins, Sec. & Treas., New York City.

Directors: P. W. Chapman, Reeves J. Newsom, C. W. Simpkins, Birger L. Johnson, R. E. Swart, New York City.

General Office, 514 Main St., New Rochelle, N. Y. **Treasurer's Office,** 46 Cedar St., New York.

NEW JERSEY WATER COMPANY

(A Direct Subsidiary of Community Water Service Company)

History and Properties—Incorporated April 29, 1913, in New Jersey, as New Jersey Water Service Co. (see 1925 Manual, page 222); on Aug. 24, 1914 merged with Camden County Water Supply Co.; on Aug. 18, 1925, merged with The Stockton Water Co. and at the same time changed its name to present title. In May, 1926, the Egbert Water Company was purchased. On Dec. 10, 1926, Company was reorganized.

The New Jersey Water Co., or its predecessors have been supplying a portion of the City of Camden, N. J., and adjacent territory on the opposite bank of the Delaware River from Philadelphia, with water for domestic and industrial purposes, for over 34 years. Company supplies water to the 11th and 12th Wards of Camden, N. J., the boroughs of Haddon Heights, Audubon, Oaklyn, Barrington, Rummenede and a portion of the borough of Haddonfield and portions of Delaware, Haddon and Center townships. The total population served is in excess of 54,000. More than 12,500 consumers are supplied by the water system owned by Company, which consists of deep water wells, four pumping stations in operation and one under construction, and over 135 miles of distribution mains. The pumping capacity is over 7,000,000 gallons per day.

To supply the constantly increasing demand for water resulting from the remarkable growth of the territory served by this plant, the New Jersey Water Company has been constantly increasing its water supply by the drilling of new wells. Only a small part of the natural supply underlying the land owned by the Company has been developed.

There has recently been constructed at the cost of approximately $40,000,000, the first bridge to span the Delaware River from Camden, N. J., to Philadelphia, and as a result of this convenience, the territory served by Company has become easily accessible from downtown Philadelphia. The construction of this bridge has resulted in a remarkable development of Camden, N. J., and contiguous territory for both industrial and residential purposes.

Franchises—The franchises of Company are without limitation as to time. Company operates under the jurisdiction of the Board of Public Utility Commissioners of the State of New Jersey.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

	Miles of Mains	No. of Hydrants	No. of Consumers	Estimated Population Served	Gross Earnings
1923	102	538	8,806	42,500	$162,414
1924	111	590	9,115	45,750	206,082
1925	123	636	10,193	51,000	216,804
1926	134	709	11,932	52,025	241,220
1927	136	743	12,604	54,000	245,515

CAPITAL STOCK

Authorized, $1,000,000 Common and $1,000,000 7% cumulative Pfd.; outstanding, $241,500 Common and $303,250 Pfd.; par, $100. All the Common stock is owned by Community Water Service Company. Transfer Agent and Registrar (Pfd. stock): First National State Bank, Camden, N. J.

Callability—Pfd. stock is subject to redemption upon 30 days' notice at 105.

Legal Opinion (Pfd. Stock)—Chapman, Cutler & Parker, New York and Chicago.

Annual Meeting—Fourth Friday in March.

Dividends—Dividends on Pfd. stock regularly paid since issuance; payments quarterly J, A, J & O 1.

FUNDED DEBT

$1,200,000 FIRST MORTGAGE GOLD 5s, SERIES "A"; DUE AUGUST 1, 1950

Dated August 1, 1925.

Interest Payable February and August 1 at P. W. Chapman & Co., Inc., New York and Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Issued, $1,200,000 Series "A," proceeds of which were to be used to retire the entire funded debt heretofore outstanding and partially to reimburse Company for extensions and betterments made to the properties. Additional bonds may be issued for not in excess of 80% of the cost or fair value, whichever is the lower, of permanent improvements, extensions or additions to the property, provided net earnings of Company, as defined in the mortgage, for 12 consecutive calendar months within 15 calendar months, immediately prior to the issuance of such new bonds have been at least 1¾ times the interest charges for a like period on all bonds outstanding under said mortgage and those to be issued. In the calculation of net earnings at least 5% of gross earnings must be charged for maintenance.

Callability—Subject to call as a whole or in part on 60 days' notice to and including August 1, 1928, at 105 and interest; thereafter to and including August 1, 1938, at 102 and interest; and thereafter to and including February 1, 1950, at 101 and interest, and thereafter at 100 and interest.

Maintenance and Improvement Fund—Company covenants to establish a maintenance and improvement fund equal to 9% of annual gross earnings of Company derived from the mortgaged property. This fund may be expended for maintenance, replacements and renewals. It may also be expended for improvements, additions and extensions to the properties, against which no bonds may be issued.

Security—Secured by a first mortgage on the entire property of Company, consisting of land, water mains, reservoirs, pumping stations and other equipment. The value of Company's property at Dec. 31, 1927 was $2,303,796.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders for the Pennsylvania, Connecticut, Kansas and California taxes not to exceed four mills, Maryland 4½ mills tax, Michigan 5 mills exemption tax, Kentucky 5 mills tax, Virginia 5½ mills tax, and Massachusetts income tax not to exceed 6% to holders upon proper and timely application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,000,000) in August, 1925, at 91½ and interest, by P. W. Chapman & Co., Inc., New York and Chicago. $200,000 additional were offered in March, 1926, by the same bankers, at 93½ and interest to yield about 5.50%.

APPLICABLE EARNINGS STATEMENT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$244,642	$239,739	$215,002
Non-operating revenues	872	1,481	1,802
Gross income	$245,514	$241,220	$216,804
Operations expense	92,596	97,907	81,631
Maintenance expense	9,189		
Taxes other than Federal	38,637	33,099	35,152
Total	$140,422	$131,006	$116,783
Net earnings	105,092	110,214	100,021
Annual interest requirements on 1st Mortgage bonds	60,000		
Balance	$45,092		
Provisions for depreciation	$12,828		
Provision for Federal inc. tax	875		
Balance	$31,389		
Annual dividend requirements on 3,032½ shares 7% Pfd.	21,227		
Balance	$10,162		

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant & equipment	$2,303,796
Special deposits	1,361
Cash	10,384
Accounts receivable	57,757
Materials and supplies	24,036
Prepayments	3,669
Unamortized debt discount & expense	128,374
Other deferred items	3,441
Total	$2,532,818
Liabilities—	
Common stock	$241,500
7% Preferred stock	303,250
Funded debt	1,200,000
Accounts payable	22,095
Due to affiliated companies	281,723
Interest accrued	27,063
Taxes accrued	44,384
Other accruals	6,079
Consumers' service and other deposits	120,864
Retirement reserve	130,794
Other reserves	3,731
Surplus	151,330
Total	$2,532,818

Officers: R. J. Newsom, Pres.; E. H. Smith, V-P.; P. S. Wilson, V-P.; C. W. Simpkins, Sec. & Treas.

Directors: P. W. Chapman, R. J. Newsom, C. W. Simpkins, E. H. Smith, R. E. Swart.

General Office, 521 Federal St., Camden, N. J. **Treasurer's Office,** 46 Cedar St., New York City.

PENNSYLVANIA STATE WATER CORPORATION

(A Direct Subsidiary of Community Water Service Company)

History and Properties—Incorporated March 15, 1927, in Delaware. The Corporation, through its subsidiaries, owns and operates water properties supplying water without competition for domestic, industrial and municipal purposes to various communities located in the Commonwealth of Pennsylvania, among which are Uniontown, Monongahela City, Lewisburg, Milton, Northumberland, a portion of Altoona, and others in the vicinity of Harrisburg, Pittsburgh and Altoona, and to the City of Moundsville, W. Va. The Corporation, owns and operates, through its subsidiaries, 25 properties which have been in continuous and successful operation for various periods up to 44 years, and which serve an estimated population of 180,000. The territory served includes important communities situated in one of the richest mining, agricultural and manufacturing sections of the Commonwealth of Pennsylvania.

The Pennsylvania State Water Corp. owns all of the outstanding stock (except qualifying shares) of The Uniontown Water Company and The Waynesburg Water Company (see appended statements), the Vandergrift Water Company, The Apollo Water Works Company, The Leechburg Water Works Company, Hyde Park Water Company, The Monongahela City Water Company, The Allegheny Water Company, the Mountain City Water Company, Londonderry Water Company, the Ramey Water Company, the Madera Water Company, Montola Water Co., Myerstown Water Company, Northumberland Water Company and Moundsville Water Company (latter three acquired subsequent to Dec. 31, 1927), White Deer Mountain Water Company, Clarks Summit Water Company, North Abington Water Company and more than 95% of the outstanding stock of the North Annville & Gravel Hill Consolidated Water Supply Company, the Houtzdale Water Company, the West Houtzdale Water Company and the Osceola Water Supply Company.

Vandergrift Water Company serves the city of Vandergrift, Pennsylvania, located about 40 miles northeast of Pittsburgh in a rich manufacturing and mining territory. The boroughs of Vandergrift, East Vandergrift, and Vandergrift Heights have been formed within the chartered territory of company. The water supply is derived from 30 drilled wells, all water is filtered with modern filter devices. The Company has a standpipe storage capacity of over 2,100,000 gallons. The system is entirely metered.

The Apollo Water Works Co.—The Leechburg Water Works Co.—Hyde Park Water Co.—These properties are situated adjacent to the property of the Vandergrift Water Company and are operated as a single unit. The water supply is obtained from impounding surface waters on Beaver Run. Impounding reservoir storage capacity is 55,000,000 gallons. The water flows by gravity from the impounding reservoir to the pumping station where it is pumped to the distributing reservoir which has a capacity of 10,000,000 gallons. There are approximately 20 miles of distributing mains, 111 fire hydrants and 2,130 meters in the system.

Monongahela City Water Company serves the City of Monongahela and surrounding territory located approximately 30 miles south of the City of Pittsburgh. The Monongahela River provides an unfailing supply of water which is treated and filtered. The Company has a distribution reservoir capacity of 1,500,000 gallons.

The Allegheny Water Company through a gravity water supply system furnishes water to a portion of the city of Altoona, Pa., and to a growing suburban section of that city to the south as far as Hollidaysburg. Mill Run, the source of supply, is a typical mountain stream of pure cold water of the highest quality. The Company's storage reservoir, with a drainage area of seven square miles above it, has a capacity of 65,000,000 gallons, thus insuring an adequate supply for the needs of consumers at all times.

The Mountain City Water Co.—This company renders complete water service to the borough of Frackville, Pa., and adjoining villages. It is located in one of the richest hard coal regions in the world. The source of water supply is a deep well system, the wells varying in depth from 400 to 615 feet. The water is raised from wells by compressed air into a receiving pool at the pumping station. The water is pumped from the receiving pool by duplicate plunger pumps into an equalizing reservoir located at an elevation of approximately 165 feet above the pumping station.

The White Deer Mountain Water Company—This Company serves water for domestic, commercial and manufacturing purposes to the following communities: Milton, Lewisburg, Watsontown, White Deer, New Columbia, West Milton, East Lewisburg, West Lewis-

burg, Montandon and Dewart. The territory is in central Pennsylvania, lying approximately sixty miles north of Harrisburg and thirty miles south of Williamsport. The water supply is secured from two separate water sheds owned by the Company and is delivered under pressure by gravity. The Company has also acquired and holds for future use additional acreage and water rights. In the distribution system there are two reservoirs and one stand pipe with capacities of over 3,000,000 gallons. The average daily consumption is approximately 2,000,000 gallons.

The Osceola Water Supply Company—Montola Water Company—These Companies supply water to Osceola Mills, Montola and part of Rush Township, in central Pennsylvania, approximately 30 miles north of Altoona. The Montola Water Company is a subsidiary of the Osceola Water Company, but the two properties are operated from the same office. The source of supply for both companies is a 5 square mile watershed with two collecting reservoirs, with combined capacity of 1,600,000 gallons. Distribution is by gravity from the reservoirs with booster pump in the distribution system.

Houtzdale Water Company—West Houtzdale Water Company—Ramey Water Company—Madera Water Company—This group of water properties supplies the following towns and parts of townships lying from 6 to 12 miles west of the Osceola properties; Houtzdale, West Houtzdale, Brisbin, Madera, Ramey, Smoke Run, Janesville and parts of Bigler, Woodward and Gulich Townships. The Houtzdale and the Ramey Water Company own the sources of supply and through physical connection sell to the other companies. The sources of supply are mountain streams, the principal stream being Mountain Branch. The waters are collected in reservoirs and distribution is by gravity to all parts of the distribution system. The principal industries are the manufacture of fire brick and the mining of bituminous coal.

North Annville and Gravel Hill Consolidated Water Supply Co.—This company serves water for domestic, industrial and municipal purposes in North Annville Township, North Londonderry Township and the borough of Palmyra, and Derry Township, Pa. This territory is located midway between Harrisburg and Reading. The company purchases its water supply from the Lebanon Valley Consolidated Water Supply Company by contract. This latter company obtains its supply from Swarta Creek at a point approximately five miles above Lebanon where water is filtered by modern mechanical gravity filters, then pumped into a distributing reservoir two miles north of Lebanon; from the distributing reservoir the water is delivered by gravity to all parts of the Lebanon system and the North Annville and Gravel Hill system.

Londonderry Water Co.—This company serves contiguous territory with the North Annville and Gravel Hill Consolidated Water Supply Company. These properties will in the future be operated as a unit. The source of supply is from impounded and treated surface supplies, springs and drilled wells. The distribution is by gravity from impounded reservoirs.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

	Miles of Mains	No. of Hydrants	No. of Consumers	Estimated Population Served	Gross Earnings
1923	379	1,011	30,741	144,483	$727,637
1924	394	1,065	31,840	149,648	753,709
1925	403	1,102	33,322	156,613	781,330
1926	417	1,123	34,354	161,464	802,266
1927	426	1,145	35,296	165,891	886,398

CAPITAL STOCK

Authorized, 100,000 shares Common and 30,000 shares $7 cumulative Pfd., both of no par value; outstanding, 60,000 shares Common and 16,500 shares Pfd. The entire Common stock (except qualifying shares) is owned by Community Water Service Co.

Change in Capitalization—On April 26, 1927, authorized Pfd. stock was changed from $3,000,000 7% cumulative Pfd. par $100, to 30,000 shares $7 cumulative Pfd. of no par value. In July, 1927, the authorized Common shares were increased from 50,000 to 100,000.

$7 Preferred Stock Provisions—The $7 Pfd. stock has preference for assets and dividends over the Common stock, and is entitled to cumulative dividends at the rate of $7 per share per annum.

Callability—Pfd. stock is subject to redemption as a whole or in part on any dividend date, upon 30 days' notice, at $107 per share and accrued dividend.

Liquidation Price—In the event of liquidation, dissolution or winding up of the Corporation, there shall be paid to the holders of the $7 cumulative Pfd. stock $100 and accumulated dividends before any amount is paid to the holders of the Common.

Issuance of Additional Shares—Additional shares of Pfd. stock may be issued only when the then value of the assets of the Corporation and its subsidiary corporations, as shown by its and their books of account, including the proceeds of the shares of stock proposed to be issued, after deducting (a) the aggregate of all outstanding funded and other evidences of indebtedness and liabilities, other than contingent liabilities, of the Corporation and its subsidiaries; (b) the par value of all outstanding Preferred stock of subsidiary corporations having a par value, or if without nominal or par value, then the amount by their terms to be paid on such shares in liquidation; and (c) the book value of all outstanding Common stock of subsidiary corporations not held by or for the benefit of the Corporation or of any of its subsidiary corporations, shall be in the aggregate not less than $200 for each share of the then outstanding $7 cumulative Pfd. stock and for each share proposed to be issued, and only when the net consolidated income of the Corporation and of its subsidiary corporations, as shown by its and their books of account, for twelve consecutive calendar months within fifteen calendar months immediately preceding the date of issue of such additional $7 cumulative Pfd. stock shall be in the aggregate not less than twice the annual dividend requirements on all $7 Pfd. stock then outstanding and proposed to be issued.

Voting Powers—Pfd. stock has no voting power except upon failure of the Corporation to pay six successive quarterly dividends in which case the holders of the Pfd. stock shall be entitled to elect a majority only of the Board of Directors and to vote on all other matters so long as any dividends shall be unpaid, which right, however, shall cease when all accumulated and unpaid dividends shall have been paid in full or resources are available to make such payment.

Transfer Agent—The Seaboard National Bank of the City of New York.

Registrar—The New York Trust Co., New York.

Annual Meeting—Fourth Thursday in March.

Original Offering—$7 Pfd. stock was first publicly offered (5,000 shares) in April, 1926 at 100 and dividends 3,500 shares additional Pfd. offered in July, 1927 (price on application); both by Hale, Waters & Co., New York, etc.

Dividends—Initial quarterly dividend of $1.75 per share was paid on the $7 cumulative Pfd. stock June 1, 1927, which quarterly rate maintained to date; payments quarterly, M, J, S & D 1.

FUNDED DEBT

$5,200,000 FIRST LIEN 5.50% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1952

Dated March 1, 1927.

Interest Payable March and September 1, at the office or agency of the Corporation in either New York or Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Seaboard National Bank of New York.

Provisions of Issue—Authorized amount, not limited; issued and outstanding, $5,200,000 Series "A" 5.50s.

Additional bonds may be issued under Trust Indenture in series on the following basis, provided net consolidated earnings as defined in the Trust Indenture for 12 consecutive calendar months within 15 calendar months immediately prior to the application for such additional bonds, shall have been not less than 1¾ times the total interest charges on all bonds outstanding under the Indenture and on all additional bonds then proposed to be issued, and then only: (a) For not in excess of 80% of the cost or fair value, whichever is lower, of extensions, enlargements, additions, betterments or improvements to the properties owned or operated by the subsidiaries; (b) for subsequently acquired subsidiaries or systems in an amount not in excess of 66 2/3% of the fair value as determined by independent engineers, provided the Corporation owns or is concurrently acquiring not less than 95% of the Common stock of each company to be operated as a subsidiary; (c) to refund a like principal amount of bonds of any previous series of bonds issued and outstanding under the Trust Indenture.

Purpose of Issue—Proceeds were used to retire all funded indebtedness against the properties outstanding in the hands of the public and for other corporate purposes.

Callability—Subject to call at any time as a whole or in part, on 30 days' notice, to and including Sept. 1, 1931, at 105 and interest; thereafter to and including Sept. 1, 1936, at 103 and interest; thereafter to and including Sept. 1, 1944, at 102 and interest; thereafter to and including March 1, 1951, at 101 and interest, and thereafter at par and interest.

Depreciation and Maintenance Fund—Corporation covenants to cause each subsidiary to create a depreciation and maintenance fund equal to 9% of its gross earnings derived from the operation of its properties. This fund may be expended for improvements, additions or extensions and for the maintenance of its properties, but no bonds may be issued under the Trust Indenture against such improvements, additions, extensions or maintenance. In this manner is established ample depreciation charges and adequate provision for the proper maintenance of the operating properties.

Security—Secured by a direct first lien, through pledge with the Trustee, of all of the outstanding stock except qualifying shares) of 16 of the 25 Companies owned and operated about May 1, 1928, and more than 95% of the outstanding stock of the remaining 9 companies. This renders the bonds in effect a first charge upon the physical properties of the subsidiaries, inas-much as they will have no bonds or Pfd. stock outstanding in the hands of the public, and the Trust Indenture provides that any funded obligations or Pfd. stock and the proportionate part of Common stock of any of the subsidiary companies, subsequently issued, shall be pledged with the Trustee. The aggregate value of the physical properties of the subsidiaries at Dec. 31, 1927, was $9,992,739, and about May 1, 1928, over $10,190,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain Pennsylvania, Connecticut, Kansas, Iowa, California, Maryland, Michigan, Minnesota, New Hampshire, Kentucky, District of Columbia, Virginia and Massachusetts taxes refunded upon timely and proper application.

Legal Opinion—Chapman and Cutler, Chicago and New York.

Original Offering—First publicly offered ($1,300,000) in March, 1927, at 98 and interest, to yield about 5.65%; an additional $775,000 offered in April, 1927, at 98 and interest to yield 5.65%; an additional $1,500,000 offered in July 1927, at 98 and interest to yield about 5.65%; an additional $600,000 offered in April, 1928, at 102 and interest, to yield about 5.30%; all by P. W. Chapman & Co., Inc., New York, etc.

CONSOLIDATED APPLICABLE EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927
(Pennsylvania State Water Corporation and Subsidiaries)
(After giving effect to new acquisitions and financing)

Operating revenue	$878,879
Non-operating revenue	7,519
Gross income	$886,398
Operating expenses	304,707
Maintenance	48,068
Taxes, other than Federal Income	25,647
Net earnings	$507,976
Earnings applicable to minority stockholders	287
Balance	$507,689
Annual int. requirements on First Lien bonds	252,368
Balance	$255,321
Depreciation and Federal Income tax	49,481
Balance	$205,840
Preferred dividends	73,500
Balance	$132,340
Amortization of debt disc. & expense	1,652
Other deductions	17,632
Balance	$113,056

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Pennsylvania State Water Corporation and Subsidiaries)
(After giving effect to recent acquisitions and financing)

Assets—	
Property, plant and equipment	$9,992,739
Investments	7,200
Sinking fund assets	10,691
Special deposits	902
Cash	181,277
Notes receivable	4,100
Accounts receivable	134,722
Materials and supplies	47,652
Insurance and other items prepaid	3,277
Unamortized debt discount and expense	13,205
Rate case expense	9,051
Pitometer survey	10,224
Other deferred items	13,125
Total	$10,428,165
Liabilities—	
Common stock (60,000 shares, no par value)	$950,000
Preferred stock (10,500 shares, no par value)	1,050,000
Minority int. on Common stock of subs.	3,203
Funded debt	4,588,500
Accounts payable	52,089
Current liabilities	5,436
Taxes accrued	55,776
Interest accrued	77,182
Miscellaneous accrued liabilities	6,372
Consumers' service and other deposits	26,043
Due to affiliated companies	344,083
Retirement reserve	1,157,454
Uncollectible accounts reserve	3,867
Capital surplus	1,931,484
Earned surplus	176,675
Total	$10,428,165

Officers: Reeves J. Newsom, Pres.; D. C. Morrow, V-P. & Asst. Treas.; John H. Murdock, Jr., V-P. & Asst. Sec.; R. Emerson Swart, V-P.; P. S. Wilson, V-P.; C. W. Simpkins, Sec. & Treas.

Directors: P. W. Chapman, Reeves J. Newsom, C. W. Simpkins, R. Emerson Swart, Birger L. Johnson.

General Office, 19 Dover Green, Dover, Del. **Treasurer's Office,** 42 Cedar St., New York.

THE UNIONTOWN WATER COMPANY

(Controlled by Pennsylvania State Water Corp.)

History—Incorporated Nov. 3, 1883, in Pa. Has the exclusive right and privilege of supplying water to Uniontown, Pa. Population served, 20,000.

CAPITAL STOCK

Authorized and outstanding, $500,000; increased from $300,000 in 1913; par, $50. All owned by Pennsylvania State Water Corp. Annual meeting, second Wednesday in January.

Dividends—Dividends have been paid in recent years as follows: 1902 to 1908, incl., 7% per annum; 1909 to 1912, incl., 7½% per annum; dividends of 6% per annum were paid on the increased capital stock until 1923, when 4% was paid; 1924 to 1926, inclusive, 4% each; 1927, 2%.

FUNDED DEBT

The outstanding First Mortgage 5% Gold bonds, due Jan. 2, 1935, were called for payment April 28, 1927, at par and interest.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$145,068	$121,039	$109,738
Oper. exp. and taxes	52,438	43,680	42,496
Depreciation	5,333	15,008	14,874
Net earnings	$87,297	$62,351	$52,368
Interest charges	14,479	11,833	10,955
Net income	$72,818	$50,518	$41,413
Dividends paid	10,000	20,000	20,000
Surplus for year	$62,818	$30,518	$21,413

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real estate	$1,617,935	$39,856	$39,856
Reservoirs		306,025	306,025
Pipe lines		481,253	394,015
Water rights, etc.		14,895	14,780
Meters		90,716	88,064
Materials and supplies, etc.	5,488	10,576	9,836
Cash	8,742	4,807	8,029
Accounts receivable	32,115	16,633	12,932
Prepaid accounts	140	183	446
Deferred charges	3,241	.....	.....
Total	$1,667,661	$964,944	$873,983
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Funded debt	.....	*250,017	200,017
Notes payable	254,167	.....	5,000
Accounts payable	3,664	3,574	1,744
Consumers' deposits	4,815	372	.....
Depreciation reserves	203,617	147,815	132,807
Reserve for taxes	11,927	11,368	13,134
Accrued interest, etc.	10,541	.....	.....
Surplus	678,930	51,799	21,281
Total	$1,667,661	$964,944	$873,983

*Includes miscellaneous obligations of $17.

Officers: R. J. Newsom, Pres.; D. C. Morrow, V-P. & Gen. Mgr.; J. H. Murdock, Jr., V-P.; C. W. Simpkins, Sec., Treas. & Compt.

Directors: R. J. Newsom, R. E. Swart, C. W. Simpkins, New York; D. C. Morrow, J. H. Murdock, Jr., Washington, Pa.

Office, 702 Coffee Bldg., Harrisburg, Pa. **Treasurer's Office,** 46 Cedar St., New York.

THE WAYNESBURG WATER COMPANY

(Controlled by Pennsylvania State Water Corporation)

History—Incorporated in 1886, in Pa. Operates under a perpetual franchise in Waynesburg Borough and Franklin township, Greene County, serving a population of about 6,000. Has 1 pumping station with a capacity of 3,000,000 gals. per day. Annual ouput, 75,000,000 gals. No. of meters, 1,300.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $50. All owned by Pennsylvania State Water Corp. Annual meeting, in January.

Dividends—Dividends on Common have been paid as follows: 1923, 1%; 1924, 4%; 1925, 3%; 1926, 4%; 1927, 4% and 1% extra; payments quarterly. Pfd. dividends were regularly paid on stock formerly outstanding.

FUNDED DEBT

The outstanding First Mortgage 6% Gold bonds, due July 1, 1945, were called for payment on Jan. 1, 1928, at 103 and interest, at Union Deposit & Trust Co., Waynesburg, Pa.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$46,136	$43,919	$43,222
Oper. exp., taxes & dep.	24,848	27,111	27,953
Net earnings	$21,289	$16,808	$15,269
Other income	.....	149	.....
Total income	$21,289	$16,957	$15,269
Bond interest, etc.	9,845	9,244	8,310
Other charges	.....	524	262
Total charges	$9,845	$9,768	$8,572
Balance for dividends	$11,444	$7,190	$6,697
Dividends paid	*5,674	4,444	3,000
Surplus for year	$5,770	$2,746	$3,697

*Includes $674 Pfd. dividends.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	*$396,257	*$229,057	*$215,902
Franchises		25,000	30,000
Cash	4,357	875	514
Accounts receivable	4,471	4,472	4,225
Other current assets	.....	321	1,917
Deferred debit items	1,617	10,926	10,936
Sinking fund assets	.....	3,000	.....
Total	$406,702	$273,651	$263,494
Liabilities—			
Common stock	$100,000	$100,000	$100,000
Preferred stock	.....	9,500	.....
Pfd. stock subscript. paid	.....	382	325
Funded debt	.....	150,000	150,000
Notes & accts. payable	164,087	5,131	6,904
Consumers' deposits	194	232	348
Accrued liabilities	4,283	.....	.....
Profit and loss surplus	138,138	8,406	5,917
Total	$406,702	$273,651	$263,494

*After deducting $19,009 depreciation reserve in 1925, $15,770 in 1926 and $17,120 in 1927.

Officers: R. J. Newsom, Pres.; P. S. Wilson, V-P., New York; J. H. Murdoch, Jr., V-P.; D. C. Morrow, V-P., Washington, Pa.; C. W. Simpkins, Sec. & Treas., New York; Henry T. McClelland, V-P. & Supt., Waynesburg, Pa.; Alexander M. Donnan, Sec. & Treas., Washington, Pa.

Directors: R. J. Newsom, R. E. Swart, C. W. Simpkins, New York; D. C. Morrow, J. H. Murdoch, Jr., Washington, Pa.

Offices, Washington, Pa. and Waynesburg, Pa.

PEORIA WATER WORKS COMPANY

(A Direct Subsidiary of Community Water Service Company)

History—Incorporated March 25, 1898, in New Jersey, as successor, under plan of reorganization, to the property of the Peoria Water Co., sold under foreclosure. The Richwoods Water Company was subquently organized to supply the territory lying beyond the limits of the city, and to provide for additional water supply. In 1908 the Illinois Water Company, organized under the laws of Delaware, took over the Richwoods property and in 1913 the property of the Illinois Water Company was taken over by the Peoria Water Works Company. Amendments to charter made Dec. 9, 1912 and Aug. 20, 1925.

The Peoria Water Works Co., or its predecessors, has served the City of Peoria and adjacent territory with water for domestic and industrial purposes since 1868. The Company supplies water, without competition to the city of Peoria, Averyville, Peoria Heights and Bartonville and the townships of Peoria, Richwoods and Limestone. Population served, over 109,000.

Physical Property—The water supply is derived from a system of ten wells which penetrate a gravel strata bearing an underground flow of exceptionally pure water constituting, in the opinion of the engineers, a supply sufficient for years to come. The present wells are normally operated only at one-third of their capacity and are at all times sufficient for the demands of the City under the most extraordinary conditions. The known water resources which are owned by the Company are capable of materially greater development. The pumping equipment has a daily capacity in excess of 30,000,000 gallons, which is augmented by a 19,000,000 gallon reservoir which is located at an elevation of 220 feet above the business section of the City. The average daily consumption is approximately 8,500,000 gallons. The distribution system of the Company consists of over 171 miles of mains and has a total of 23,200 active services.

The properties of the Company are operated under the Illinois Public Utilities Act and under the jurisdiction of the Illinois Commerce Commission, which administers this Act. The Act assures, in the opinion of counsel, the continued right to serve communities

occupied to the extent of public convenience and necessity, free from private competition.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

	Miles of Mains	No. of Hydrants	Number of Consumers	Estimated Population Served	Gross Earnings
1923	158	1,785	17,634	88,523	$498,867
1924	160	1,801	18,573	93,608	502,004
1925	162	1,827	19,570	97,850	540,480
1926	166	1,863	20,355	100,147	568,865
1927	171	1,913	21,101	103,522	657,637

CAPITAL STOCK

Authorized, 15,000 Common shares of no par value, and $1,000,000 7% cumulative Pfd., par $100; outstanding, 5,000 Common shares and $250,000 Pfd. All the Common stock is owned by the Community Water Service Company.

Preferred Stock Provisions—Has preference for assets and dividends over all other classes of stock of Company.

Callability—Subject to call in whole or in part at any time on 30 days' notice at $105 and accrued dividends.

Voting Power—Pfd. stock has no voting power except upon failure of the Company to pay when due, 8 consecutive quarterly dividends, in which case voting power shall be vested in the Pfd. stock on an equal basis share for share with the Common stock, which right, however, shall cease when all accumulated and unpaid dividends on said Pfd. stock shall have been paid in full.

Purpose of Issue—The proceeds of the sale of $250,000 7% Pfd. stock was used for extensions and betterments made to the properties and for other corporate purposes.

Original Offering—First publicly offered ($250,000 7% Pfd.) in Feb., 1927, by P. W. Chapman & Co., Inc., New York and Chicago, at $100 per share and accrued dividend, to yield 7%.

Registrar (Pfd.)—First Trust & Savings Bank of Peoria, Ill.

Annual Meeting—Fourth Friday in March at Jersey City, N. J.

Dividends—Pfd. dividends regularly paid quarterly J. A. J & O 1.

FUNDED DEBT

(1)

$800,000 (CLOSED) PRIOR LIEN GOLD 5s; DUE MAY 1, 1948

Dated May 1, 1898.

Interest Payable May and November 1, at Chatham Phenix National Bank and Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Security—Secured by first lien on water works system acquired from Peoria Water Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$1,163,000 FIRST CONSOLIDATED MORTGAGE GOLD 4s; DUE MAY 1, 1948

$163,000 FIRST CONSOLIDATED MORTGAGE GOLD 5s; DUE MAY 1, 1948

Dated May 1, 1898.

Interest Payable May and November 1, at Chatham Phenix National Bank and Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Provisions of Issue—Closed issue. In addition to $1,326,000 bonds outstanding in hands of the public, $637,000 5s and $237,000 4s are pledged under the Indenture securing the First & Refunding Mortgage.

Callability—Subject to call at 105 and interest on any interest date on three months' notice, or at par and interest if the city exercises privilege to purchase.

Security—Secured by a mortgage on all the property of the Company owned by, but subject to the prior lien of the $800,000 Prior Lien Gold 5s; also secured on such property of Company as lies outside city limits which is not directly covered by First & Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$1,222,000 FIRST & REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE AUGUST 1, 1950

Dated August 1, 1925.

Interest Payable February and August 1, at office of P. W. Chapman & Co., Inc., New York and Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The New York Trust Co., New York.

Provisions of Issue—Authorized amount, unlimited; outstanding, $1,222,000 Series "A" 5s. Issued to retire purchase money mortgages, partially to reimburse Company for extensions and betterments made to the properties, and for other corporate purposes.

The mortgage securing these bonds provides that additional bonds may be issued thereunder to refund an equal amount of underlying bonds or bonds issued under this mortgage, or for not in excess of 80% of the actual cost or fair value whichever is lower, of additions, extensions, and permanent improvements to the property of the Company, provided net earnings of Company, as defined in the mortgage for 12 calendar months within 15 calendar months immediately prior to the issuance of the new bonds have been at least 1¾ times the annual interest charges on all bonds which will be outstanding in hands of the public under this and all underlying mortgages after the proposed issue shall have been made. In the calculation of net earnings at least 5% of gross earnings must be charged to maintenance. Of the initial issue $220,000 of the bonds have been issued against extensions and improvements to the property, which bonds Company covenants to dispose of only provided net earnings are equal to 1¾ times the annual interest on all bonds outstanding and those to be issued.

Maintenance and Improvement Fund—Company covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings of Company derived from the mortgaged property. This fund may be expended for improvements, additions and extensions to the properties, but no First and Refunding Mortgage bonds may be issued against such improvements, additions and extensions.

Callability—Subject to call as a whole or in part on 60 days' notice to and including August 1, 1930, at 103 and interest; thereafter, to and including August 1, 1940, at 102 and interest; and thereafter, to and including August 1, 1949, at 101 and interest, and thereafter at 100 and interest. In the event the City purchases Company's property and does not assume the bonds, the bonds will become forthwith payable at 100 and interest.

Security—Secured by a first mortgage on the larger part of Company's property which lies outside of the city limits of the City of Peoria as existing in 1898, which includes distributing systems in suburban communities. Since 1898 the city limits have changed and a portion of this property now lies in the City of Peoria. In addition, through deposit with the Trustee of $874,000 Consolidated Mortgage bonds, this First & Refunding Mortgage issue will share in the security of the Consolidated Mortgage (closed) of which there are outstanding $1,326,000 in the hands of the public. The Consolidated Mortgage is subject only to a closed issue of $800,000 Prior Lien bonds, which are secured by a direct mortgage on all the property of Company which was inside the city limits of Peoria as existing in 1898, and on such of the property of the Company as lies outside the said city limits which is not covered directly by the First & Refunding Mortgage or by the Consolidated Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse to resident holders upon proper and timely application

the Pennsylvania, Connecticut, Kansas and California taxes not to exceed 4 mills, Maryland 4½ mills tax, Michigan 5 mills exemption tax, Kentucky 5 mills tax, Virginia 5½ mills tax, and Massachusetts income tax not to exceed 6%.

Legal Opinion—Chapman and Cutler, New York and Chicago.

Original Offering—First publicly offered ($1,200,000 Series "A") in October, 1925, at 90 and interest, to yield about 5.77%, by P. W. Chapman & Co., Inc., New York and Chicago.

(4)

$124,300 DEBENTURE 4s; DUE NOVEMBER 1, 1950

Dated November 1, 1900.

Interest Payable May and November 1 at Chatham Phenix National Bank and Trust Co., New York.

Denominations—$100 and multiples; registered.

Provisions of Issue—Authorized, $141,500; issue closed; outstanding, $124,300.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Operating revenues	$655,630	$567,532	$533,352
Non-operating revenues	2,007	1,310	5,824
Gross income	$657,637	$568,842	$539,176
Operating expenses	186,422	217,189	228,298
Maintenance	33,180		
Taxes, other than Federal	86,142	19,009	68,105
Net earnings	$351,893	$272,644	$242,773
Annual int. requirements on funded debt	160,742		
Balance	$191,151		
Depreciation reserve	25,826		
Federal Income tax reserve	14,055		
Balance	$151,270		
Annual divd. requirements on 2,306 shares Pfd. stock	16,142		
Balance	$135,128		
Amortization of debt disc. and expense	6,838		
Other deductions	2,320		
Balance	$125,970		

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	$4,608,745
Cash	67,646
Accounts receivable	145,997
Materials and supplies	42,007
Due from affiliated cos.	110,451
Prepayments	1,096
Bond discount and expense	148,495
Deferred charges	38,845
Total	$5,163,282
Liabilities—	
Common stock (5,000 shares, no par value)	$50,000
Preferred stock	230,600
Funded debt	3,472,300
Accounts payable	21,554
Current liabilities	811
Interest accrued	42,065
Taxes accrued	105,905
Other accrued liabilities	7,209
Consumers' deposits	2,069
Reserve for retirement	695,319
Miscellaneous reserves	2,424
Surplus	533,026
Total	$5,163,282

Officers: R. J. Newsom, Pres.; R. Crozier, V-P.; P. S. Wilson, V-P.; A. L. Vaughan, Sec.; C. W. Simpkins, Treas. & Asst. Sec.

Directors: P. W. Chapman, R. J. Newsom, R. Crozier, C. W. Simpkins, R. E. Swart.

General Office, Corporation Trust Co., Jersey City, N. J. **Treasurer's Office,** 46 Cedar St., New York.

WESTMORELAND WATER CO.

(A Direct Subsidiary of Community Water Service Company)

History—Incorporated Sept. 24, 1886, in Pa. This company is a consolidation of various water companies known as Westmoreland Water Supply System, including among others, the Derry Water Co., Irwin Water Co. and Westmoreland Water Co. of Unity Township. Owns 97% of the entire outstanding capital stock and the entire issue ($125,000) of First Mortgage bonds of The Dennison Water Supply Company (see appended statement).

The Company supplies water without competition for domestic, municipal and industrial purposes to sections of Westmoreland county located about 30 miles from the city of Pittsburgh, Pa. This district includes Greensburg, Youngwood, Jeannette, Penn Manor, Irwin, North Irwin, and the Borough of Derry, all of which are contiguous with the exception of Derry which is situated 16 miles east of Greensburg. The Company, through its subsidiary, The Dennison Water Supply Company, also supplies water to the City of Dennison, Ohio, which is midway between Pittsburgh, Pa., and Columbus, Ohio. Greensburg and Dennison are industrial and commercial centers. The territory served has a combined population estimated in excess of 78,000.

Water Supply, Greensburg District, Pa.—The water supplied is soft surface water. The Company owns three impounding reservoirs with a combined capacity of 738,000,000 gallons, on three streams. By virtue of the Company's rights in Indian Creek, which is the source of supply for the Mountain Water Supply Company of the Pennsylvania Railroad, water is taken under a long-term agreement form that company's transmission main to augment the supply owned by the Greensburg plant. The average daily consumption of water is 3,500,000 gallons.

Derry District, Pa.—The supply comes from three reservoirs having a total capacity of 160,000,000 gallons, two of which are located on a stream one mile southeast of Derry, with a drainage area of one square mile, and the third near the edge of the town. The water is treated in a sedimentation basin and, after chlorination, is pumped into the distribution system. The daily consumption is 500,000 gallons.

Dennison District, Ohio—The water supply is taken from a storage reservoir having a capacity of 271,000,000 gallons, and a tributary drainage area of 141 square miles. Water is purified in a modern filter plant of 4,000,000 gallons per day capacity and pumped into a distribution reservoir. The amount of water consumed daily averages 2,200,000 gallons.

Regulation—The Westmoreland Water Company and The Dennison Water Supply Company operate under the jurisdiction of the Public Service Commission of Pennsylvania, and the Public Utilities Commission of Ohio, respectively.

Control—Control of this Company was acquired by Community Water Service Co. on Dec. 20, 1927.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

	Miles of Mains	No. of Hydrants	No. of Consumers	Estimated Population Served	Gross Earnings
1923	157	578	13,667	71,810	$373,580
1924	161	585	14,156	74,130	407,657
1925	165	590	14,598	76,075	429,778
1926	168	597	14,930	78,000	440,069
1927	172	611	15,276	80,000	448,626

CAPITAL STOCK

Authorized, 15,000 shares Common and 15,000 shares $6 cumulative Pfd., both of no par value; outstanding, 15,000 shares Common and 6,500 shares Pfd. Over 99% of the Common stock owned by Community Water Service Co. Capital stock was changed from $1,500,000 authorized, $1,298,950 outstanding, par, $50, in the early part of 1928.

Preferred Stock Provisions—Has preference for assets and dividends and in liquidation is entitled to $100 per share and accrued dividend. Pfd. stock has no voting rights except upon failure of Company to pay six quarterly dividends in which case the holders of Pfd. stock shall be entitled to vote at all stockholders' meetings so long as any dividends shall be unpaid, which right, however, shall cease when all accumu-

lated and unpaid dividends on Pfd. stock shall have been paid in full.

Callability—Subject to call as a whole or in part on any dividend date, on 30 days' notice, at $103 and accrued dividend per share.

Transfer Agent—The Seaboard National Bank of New York, N. Y.

Registrar—The Farmers' Loan & Trust Co., New York.

Tax Provisions—Dividends are exempt from present Normal Federal Income tax and stock is free of Pennsylvania 4 mills tax to resident holders.

Legal Opinion—Chapman and Cutler, Chicago.

Original Offering—First publicly offered (6,500 shares $6 Pfd.) in Feb., 1928, at $99.50 and dividend per share to yield 6.03%, by P. W. Chapman & Co., Inc., New York, etc.

Annual Meeting—Second Tuesday in February at Greensburg, Pa.

Dividends—Pfd. dividends are payable quarterly, J, A, J & O 1. A special dividend of $19.25 per share was paid Dec. 20, 1927, on the previously outstanding capital stock.

FUNDED DEBT

$2,480,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1952

Dated December 1, 1927.

Interest Payable June and December 1 at the office or agency of the Company in either New York or Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Seaboard National Bank of the City of New York.

Provisions of Issue—Authorized amount, not limited; issued, $2,500,000 Series "A" 5s, of which $20,000 held in Treasury. Additional bonds may be issued for not in excess of 80% of the actual cost or fair value, whichever is lower, of physical property additions as defined in the mortgage, provided the consolidated net earnings of the Company, as defined in the mortgage, for twelve consecutive calendar months within the fifteen calendar months immediately prior to the issuance of such new bonds, have been at least 1¾ times the annual interest charges on all bonds outstanding under said mortgage and those to be issued. Additional bonds are issuable in the principal amount of $20,000 against pledge of additional shares representing the present outstanding minority interest of Dennison Water Supply Co.

Purpose of Issue—Proceeds were used to reimburse the Company in part for the cost of acquisition of the properties, to refund outstanding bonds and for other corporate purposes.

Callability—Series "A" 5s are subject to call as a whole or in part, on any interest date on 30 days' notice to and including Dec. 1, 1930, at 103 and interest; thereafter, to and including June 1, 1952 at 101 and interest. In the event the communities served acquire all or the major portion in value of the Company's property and do not assume payment of principal and interest of the bonds, the bonds, may, at the option of the Company, be declared due and payable at 100 and interest.

Sinking Fund—None provided.

Maintenance, Renewal & Replacement Fund—The Company covenants to expend or reserve in every calendar year for maintenance, replacements, renewals, improvements, additions and extensions, an amount which shall not be less than 9% of gross earnings, derived from the operation of the mortgage property, provided no bonds shall be issued under the mortgage to reimburse the Company for expenditures made and charged to the reserve so covenanted to be maintained.

Security—Secured by a first mortgage on the entire physical property of the Company, consisting of land, water mains, reservoirs, pumping stations and other equipment, and such other property as may be hereafter acquired, as provided in the mortgage. Bonds are additionally secured by the pledge with the Trustee of $125,000 (entire issue) First Mortgage bonds and not less than 97% of the entire outstanding capital stock of The Dennison Water Supply Co. The property value of the Westmoreland Water Co. and The Dennison Water Supply Co. at Dec. 31, 1927 was $4,575,859.

The mortgage contemplates the execution and delivery of a new mortgage by The Dennison Water Supply Co., which will be similar in form to the mortgage securing these bonds. Bonds secured by said new mortgage will be issued bond for bond in substitution for present First Mortgage bonds of said Company, and additional bonds will be issued in not exceeding $92,000, principal amount to refund present indebtedness other than first mortgage bonds and against physical property additions. All such additional bonds must be pledged under the mortgage securing these bonds against the pledge of which additional First Mortgage Gold Bonds of Westmoreland Water Company may be issued in aggregate principal amount equal to the aggregate principal amount of additional bonds so pledged. All additional bonds and not less than 97 per cent of all additional capital stock of The Dennison Water Supply Company upon issuance thereof shall be pledged with the Trustee under the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire and Virginia taxes refundable upon timely and proper application. Free of Pennsylvania four mills tax to resident holders.

Legal Opinion—Chapman and Cutler, New York and Chicago.

Original Offering—First publicly offered ($2,480,000 Series "A" 5s) in Dec., 1927, at 99 and interest to yield over 5.07% by P. W. Chapman & Co., Inc., New York, etc.

BOND REDEMPTION

All the previously outstanding First & Refunding Mortgage 5% 50-Year Gold Coupon bonds, due Jan. 1, 1964, were called for redemption on Jan. 1, 1928 at par and interest at Girard Trust Co., Philadelphia, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Westmoreland Water Company Proper)

	1927	1926	1925
Operating revenues	$351,173	$340,337	$331,188
Operating expenses	203,471	207,149	197,546
Net operating income	$147,703	$133,188	$133,642
Other income	932	736	2,033
Total income	$148,635	$133,924	$135,675
Interest on funded debt	64,430	63,100	63,100
Other interest	.....	.....	45
Amortization of debt disc.	23,600	525	525
Net income	$60,605	$70,299	$72,005

CONSOLIDATED APPLICABLE EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927
(Westmoreland Water Co. and Subsidiary)

Operating revenues	$447,323
Non-operating revenues	1,303
Gross income	$448,626
Operations expense	$187,284
Maintenance expense	28,007
Taxes, other than Federal	15,669
Net earnings	$217,666
Annual interest requirements on 1st Mtge. bonds	124,000
Balance	$93,666
Provision for depreciation	$12,252
Provision for Federal Income tax	6,801
Balance	$74,613
Annual divd. requirements on 6,500 shares $6 Pfd. stock	39,000
Balance	$35,613
Amortization of debt discount & expense	$7,936
Other deductions	1,378
Balance	$26,299

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Westmoreland Water Co. and Subsidiary)

Assets—	
Property, plant & equipment	$4,575,859
Investments	350
Special deposits	1,655
Cash	87,051
Accounts receivable	54,025
Materials and supplies	22,419
Due from affiliated companies	89,955
Prepayments	1,147
Unamortized debt discount & expense	200,910
Other deferred charges	20,178
Total	$5,053,549
Liabilities—	
Common stock (15,000 shares no par)	$648,600
Preferred stock (6,500 shares $6 cum. no par)	650,000
Minority interest—Dennison Water Supply Co.	10,900
Funded debt	2,480,000
Notes payable	18,410
Accounts payable	18,036
Interest accrued	10,333
Taxes accrued	26,933
Consumers' deposits	44,225
Due for stock and bonds of old companies	819
Contributions for extensions	9,390
Reserve for retirement	549,566
Other reserves	3,298
Surplus	583,039
Total	$5,053,549

Officers: R. J. Newsom, Pres.; D. C. Morrow, V-P.; J. H. Murdoch, Jr., V-P. & Asst. Sec.; P. S. Wilson, V-P.; C. W. Simpkins, Sec. & Treas.

Directors: Reeves J. Newsom, J. H. Murdoch, Jr., D. C. Morrow, C. W. Simpkins, R. E. Swart.

General Office, Greensburg, Pa. **Treasurer's Office,** 46 Cedar St., New York, N. Y.

THE DENNISON WATER SUPPLY CO.

(Controlled by Westmoreland Water Company)

History and Property—Incorporated in Aug., 1888, in Ohio. Owns a complete pumping and filtration station, settling basin, intake and dam at Dennison, Ohio. Franchise perpetual. Population served, 12,000. Miles of mains, 19½. No. of meters, 2,500. Also owns 100 acres of coal lands.

CAPITAL STOCK

Authorized and outstanding, $125,000 Common and $50,000 6% non-cumulative Pfd.; par, $50. About 97% of the outstanding stock is owned by Westmoreland Water Co. and pledged under its First Mortgage. Both classes of stock have equal voting power. Annual meeting, last Monday in February.

Dividends—Pfd. dividends of 2% paid in 1920; 5% in 1921; 6% each in 1922 to 1927. None paid on Common.

FUNDED DEBT

$125,000 (entire issue) First Gold 6s; dated July 1, 1888; due Jan. 1, 1930; int. Jan. and July 1, at Safe Deposit & Trust Co., Greensburg, Pa., Trustee. Coupon $500. All pledged as part security for the First Mortgage bonds of the Westmoreland Water Co.; A first lien on entire property.

The mortgage securing the Westmoreland Water Co. First Mortgage bonds contemplates the execution and delivery of a new mortgage by The Dennison Water Supply Co., which will be similar in form to the mortgage securing the former company's bonds. Bonds secured by said new mortgage will be issued bond for bond in substitution for the present outstanding above described bonds, and additional bonds will be issued in not exceeding $92,000 principal amount to refund present indebtedness other than First Mortgage and against physical property additions. All such additional bonds must be pledged under the mortgage of the Westmoreland Water Co.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$96,882	$97,482	$95,299
Oper. exp., taxes & depr.	73,422	70,139	70,835
Net earnings	$23,460	$27,343	$24,464
Bond interest	7,500	7,500	7,500
Other int., etc.	5,524	5,665	5,427
Total charges	$13,024	$13,165	$12,927
Net income	$10,436	$14,178	$11,537
Pfd. dividends paid	3,000	3,000	3,000
Surplus for year	$7,436	$11,178	$8,537

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$725,043	$468,670	$498,453
Cash	3,382	2,727	360
Other investments		15,623	
Materials and supplies	4,360	3,621	10,199
Other current assets	19,998	15,795	
Unadjusted debits	3,861	522	
Total	$756,644	$506,958	$509,012
Liabilities—			
Common stock	$125,000	$125,000	$125,000
Preferred stock	50,000	50,000	50,000
Funded debt	125,000	125,000	125,000
Notes payable	110,410	122,322	141,867
Accounts payable	6,325	4,107	
Interest accrued	4,670		
Other current liabilities	7,655	4,730	
Reserve for taxes	10,165		
Reserve for depreciation	114,754		
Other reserves	1,798		
Unadjusted credits		7,895	
Appropriated surplus	128,279		
Profit and loss	72,588	67,904	67,145
Total	$756,644	$506,958	$509,012

General Office, Dennison, Ohio. **Treasurer's Office,** 46 Cedar St., New York.

WILLIAMSPORT WATER COMPANY

(A Direct Subsidiary of Community Water Service Company)

History—Incorporated Jan. 16, 1884 in Pennsylvania; charter amended Sept. 14, 1927. On Jan. 12, 1912 merged Citizens Water & Gas Co. of Williamsport and Summit Water Co. Supplies water for domestic, municipal and industrial purposes to the City of Williamsport, Pa., and adjacent territory.

The source of supply for the more than 12,000 consumers consist first of the water from a water shed of about 17 square miles, the safe average yield of which is approximately 10 million gallons per day, and secondly, artesian wells with a capacity of 10 million gallons per day. The present consumption is about six million gallons daily. The impounded storage consists of Mosquito Creek and Hagermans Run reservoirs with a combined capacity of 28 million gallons. Surrounding these reservoirs is a natural forest area of which the Company owns in excess of 11,000 acres. Floating on the distribution system is a newly constructed reinforced concrete reservoir of four million gallons capacity which stabilizes the pressure in the low service district. Connected to this balancing reservoir is an automatically controlled pump station which lifts water into the new high reservoir of 500,000 gallons capacity which is situated on the highest convenient point above the town. It is capable of delivering water under a maximum pressure of 170 pounds to the high service district and above 200 pounds to the low service district in an emergency.

Franchise—The franchises of the Company are without limitation as to time. The Company operates under the jurisdiction of The Public Service Commission of the Commonwealth of Pennsylvania.

TABLE OF GROWTH, YEARS ENDED DECEMBER 31

Calendar Year	Miles of Mains	No. of Hydrants	No. of Consumers	Estimated Population Served	Gross Earnings
1923	101	445	10,754	47,995	$259,024
1924	102	445	11,138	48,690	258,959
1925	109	468	11,543	49,385	293,230
1926	113	476	11,973	50,075	345,103
1927	118	492	12,258	51,200	353,416

CAPITAL STOCK

Authorized, 36,570 shares Common of no par value and 8,300 shares $6 cumulative Pfd. of no par value; outstanding, 36,560 shares Common and 8,297 shares Pfd. In addition there are outstanding 5 shares old Common stock of $100 par value, to be reduced 80% and then converted into 10 shares new no par value.

Preferred Stock Provisions—Has preference as to dividends, being entitled to $6 cumulative dividend per share per annum before any payment to Common. Has preference as to assets, being entitled in case of liquidation, dissolution or winding up of the Company to payment at $100 per share and accrued dividend before any sum shall be paid to or any assets distributed to Common stockholders.

Callability—Pfd. stock is subject to redemption in whole or in part on any dividend date upon 30 days' notice at $106 per share and accrued dividend to date of redemption.

Voting Power—Pfd. stock has no voting power unless dividends for six quarterly periods shall be unpaid, in which event holders of Pfd. shall be entitled to notice of and to vote at all meetings of stockholders so long as any dividends shall be unpaid.

Annual Meeting—First Monday in May.

Dividends—Pfd. dividends are payable quarterly, M. J, S & D.

FUNDED DEBT

$2,500,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "A"; DUE AUGUST 1, 1952

Dated August 1, 1927.

Interest Payable February and August 1 at the office or agency of the Company in either New York or Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—The Farmers' Loan & Trust Co., New York.

Provisions of Issue—Authorized amount, not limited; issued, Series "A," $2,500,000. The mortgage provides that additional bonds may be issued thereunder for not in excess of 80% of the actual cost or fair value, whichever is lower, of physical property additions, as defined in the mortgage, provided the net earnings of the Company, as defined in said mortgage, for twelve consecutive calendar months within the fifteen calendar months immediately prior to the issuance of such new bonds, have been at least 1¾ times the annual interest charges on all bonds outstanding and those to be issued.

Callability—Series "A" 5s are subject to call as a whole or in part, on any interest date on 30 days' notice to and including Aug. 1, 1931, at 105 and accrued interest; thereafter, to and including Aug. 1, 1936, at 103 and accrued interest; thereafter, to and including Aug. 1, 1944, at 102 and accrued interest; thereafter to and including Feb. 1, 1952, at 101 and accrued interest; thereafter but prior to maturity, at 100 and accrued interest. In the event the communities served acquire all or the major portion in value of the Company's property and do not assume payment of the principal and interest of the bonds, the bonds may, at the option of the Company, be declared due and payable at 100 and interest.

Sinking Fund—None provided.

Maintenance and Improvement Fund—Company covenants to establish a maintenance and improvement fund equal to 9% of the annual gross earnings of the Company derived from the mortgaged property. This fund may be expended by the Company for maintenance, replacements and renewals. It may also be expended by the Company for improvements, additions and extensions to the properties, against which no bonds may be issued.

Security—Secured by a first mortgage on the entire property of the Company, consisting of land, water mains, reservoirs, pumping stations and other equipment and such property as may be hereafter acquired. The property value at Dec. 31, 1927 was $4,548,228.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain California, Connecticut, District of Columbia, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan and Virginia taxes refunded upon timely and proper application. Free of Pennsylvania four mills tax to resident holders.

Legal Opinion—Chapman & Cutler, and Ballard, Spahr, Andrews & Ingersoll.

Original Offering—First publicly offered ($2,500,000) in Aug., 1927, at 98.50 and interest to yield over 5.10% by P. W. Chapman & Co., Inc., New York, Graham, Parsons & Co., and Cassatt & Co., Philadelphia, Pa.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Operating revenues	$343,999
Non-operating revenues	9,417
Gross income	$353,416
Operating expenses	77,809
Maintenance	15,113
Taxes, other than Federal	12,637
Net earnings	$247,866
Annual int. requirements on First Mtge. bonds	125,000
Balance	$122,866
Depreciation reserve	15,847
Federal Income Tax reserve	8,412
Balance	$98,607
Annual dividend requirements on Pfd. stock	49,782
Balance	$48,825
Amortization of debt discount and expense	9,733
Other deductions	5,683
Balance	$33,409

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	$4,548,229
Investments	208,781
Cash	11,068
Accounts receivable	63,449
Materials and supplies	17,348
Prepayments	1,831
Unamortized debt discount and expense	238,599
Deferred items	87,851
Total	$5,177,156
Liabilities—	
Common stock (36,560 shares, no par value)	$365,600
5 shs. old Common $100 par to be reduced 80% and then converted into 10 shs. new no par stock	500
Preferred stock (8,297 shares, no par value)	829,700
Funded debt	2,500,000
Accounts payable	27,085
Due to affiliated cos.	9,828
Interest accrued	52,083
Taxes accrued	33,869
Accrued liabilities	4,277
Consumers' service and other deposits	2,742
Retirement reserve	598,267
Surplus	753,205
Total	$5,177,156

Officers: R. J. Newsom, Pres.; J. H. Murdoch, Jr., V-P. & Asst. Sec.; E. G. Wilhelm, V-P. & Asst. Sec.; P. S. Wilson, V-P.; C. W. Simpkins, Sec. & Treas.

Directors: P. W. Chapman, Birger L. Johnson, R. Emerson Swart, T. W. D. Duke, R. J. Newsom, C. W. Simpkins, John H. Murdoch, Jr., D. C. Morrow, Wm. P. Beeber, H. D. Brown, Edgar Munson, James B. Graham.

General Office, Williamsport, Pa. **Treasurer's Office,** 46 Cedar St., New York City.

WILLIAMSTOWN WATER COMPANY

(A Direct Subsidiary of Community Water Service Co.)

History—Incorporated June 10, 1885, in Mass. Supplies water under a perpetual franchise to Williamstown, Mass. Miles of mains, 17. No. of meters, 600. No. of hydrants, 96. Population served, 2,944.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. Annual meeting, second Tuesday in May.

Dividends—Paid dividend of 1½% in 1924; 1925, 3%; 1926 and 1927, none.

FUNDED DEBT

$146,000 First Mortgage Gold 6s; dated May 1, 1920; due May 1, 1940; interest May and Nov. 1. Authorized and issued, $146,000. Secured on entire property and franchise of Company in the town of Williamstown, the City of North Adams, Mass., and town of Pownal, Vt.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$28,900	$29,577	$28,237
Oper. exp. & taxes	11,807	13,601	11,374
Net earnings	$17,093	$15,976	$16,863
Other income	91	.....	150
Total income	$17,184	$15,976	$17,013
Bond interest	8,760	8,760	8,760
Other charges	247	121	314
Total charges	$9,007	$8,881	$9,074
Balance for dividends	$8,177	$7,095	$7,939
Dividends paid	.....	.....	3,000
Depreciation	4,918	16,260	4,140
Surplus	$3,259	*$9,165	$799

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property, plant and equipment	$460,308
Cash	728
Accounts receivable	11,674
Material and supplies	765
Total	$473,475
Liabilities—	
Common stock	$100,000
Funded debt	146,000
Notes payable	2,000
Accounts payable	422
Interest accrued	1,805
Retirement reserve	52,530
Surplus	170,718
Total	$473,475

Officers: Reeves J. Newsom, Pres.; P. S. Wilson, V-P.; Hon. Clarence M. Smith, Clerk; C. W. Simpkins, Sec. & Treas.

Directors: P. W. Chapman, Reeves J. Newsom, C. W. Simpkins, R. Emerson Swart, B. L. Johnson.

Treasurer's Office, 46 Cedar St., New York City.

THE MARION WATER COMPANY

(Controlled by Community Water Service Company)

History and Property—Incorporated Nov. 23, 1923, in Ohio, succeeding company of like name, formed July 3, 1907, which in turn succeeded the Marion City Water Co., a Maine Corporation. Supplies water to Marion, Ohio, serving an estimated population of 33,000. Plant of Company is located on 56 acres. Miles of cast iron mains, 54. Daily capacity, 9,000,000 gallons; average daily output, 2,500,000 gallons. Number of fire hydrants, 562. Number of consumers, 5,949. Source of water supply, driven wells. Operates under franchise granted by the City of Marion expiring in 1951. Hydrant rental contract and rate contract expiring in 1936.

New Control—Control of this company was acquired by Community Water Service Co. as of June 1, 1928 from Ohio Water Co.

CAPITAL STOCK

Authorized and outstanding, 5,000 Common shares of no par value and $457,600 7% cumulative Pfd., par, $100. Community Water Service Co. owns all of the Common stock. Annual meeting, second Monday in January.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to redemption on any dividend date after Jan. 1, 1930, at 110. Full voting power is vested in Common except in the event of two consecutive dividends being in arrears, or default in any other Pfd. stock provisions, in which event Pfd. has sole voting power.

Dividends—Pfd. dividends are paid quarterly, J, A, J & O 1. Common dividends, if any, not reported.

FUNDED DEBT

$526,000 FIRST MORTGAGE GOLD 6s; DUE DECEMBER 1, 1943

Dated December 1, 1923.

Interest Payable June and December 1 at National Shawmut Bank, Boston, or Union Trust Co., Cleveland, Ohio.

Denominations—Coupon, $100, $500 and $1,000; interchangeable.

Trustee—Union Trust Co., Cleveland, Ohio.

Provisions of Issue—Issued, $526,000 to provide additional capital. No bonds can be issued beyond $500,000 unless net earnings for previous year shall have equalled not less than 1¾ times the interest upon bonds then outstanding and those to be issued.

Callability—Subject to call up to Dec. 1, 1933 at 106 and interest and thereafter at 104 and interest.

Security—Secured by a first mortgage on all property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and Maryland State taxes and Massachusetts and New Hampshire Income Taxes up to 6% refunded.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(The Marion Water Company Proper)

	1927	1926	1925
Gross earnings	$196,707	$180,015	$144,769
Oper. expenses and taxes	94,865	89,767	79,532
Net earnings	$101,842	$90,248	$65,237
Bond interest	30,705	26,760	25,012
Other interest, etc.	1,092	.....	1,207
Net income	$70,045	$63,488	$39,018
Preferred dividends	30,082	26,152	24,500
Bal. for deprec. & surplus	$39,963	$37,336	$14,518

CONSOLIDATED INCOME ACCOUNT, 12 MONTHS ENDED FEBRUARY 29
(Marion and Tiffin Water Companies

	1928	1927
Operating revenues	$296,376	$290,928
Non-operating revenues	9,759	5,759
Total revenues	$306,135	$296,687
Operating and maintenance expenses	96,909	104,458
Taxes other than Federal Income	25,018	21,958
Net earnings	$184,208	$170,271
Interest charges, less amount charged to construction	43,139	39,138
Federal income tax	13,743	12,640
Depreciation	15,813	12,111
Other deductions	14,737	12,162
Total deductions	$87,432	$76,051
Surplus after charges	$96,776	$94,220

CONSOLIDATED BALANCE SHEET, FEBRUARY 29, 1928
(Marion and Tiffin Water Companies

Assets—	
Fixed capital (book value)	$2,236,671
Cash	12,199
Accounts receivable	34,606
Unbilled water revenue	8,162
Accrued interest receivable	830
Materials and supplies	27.667
Affiliated Corporation—Ohio Water Co.	82,991
Deferred charges	12,749
Total	$2,415,875
Liabilities—	
Preferred stock	$657,600
Common stock	586,394
Funded debt	826,000
Notes payable (Ohio Water Co.)	34,500
Accounts payable	4,993
Dividends payable	100,000
Taxes accrued	33,763
Interest accrued	13,132
Consumers' deposits	4,209
Prepaid water bills	2,815
Reserves	85,060
Corporate surplus	67,409
Total	$2,415,875

General Office, Marion, Ohio. **Treasurer's Office,** 46 Cedar St., New York.

TIFFIN WATER WORKS

(Controlled by Community Water Service Company)

History—Incorp. in 1878, in Ohio. Property includes brick and concrete station and concrete filtration plant, and six pumps with a capacity of 13,000,000 gallons per day, operated by steam and water power. The distribution system consists of 39 miles of heavy cast-iron mains of which about 32 miles are laid in paved streets. Water supply taken from driven wells, and from Sandusky River, through filtration. Furnishes Tiffin, O., serving a population of 16,000. No. of consumers, 3,254. No. of hydrants, 234 municipal and 30 private. Meters on all services including municipal buildings.

New Control—The Community Water Service Co. acquired control of this Company from Ohio Water Co. as of June 1, 1928.

CAPITAL STOCK

Authorized and outstanding, $200,000 Common and $200,000 6% cumulative Pfd.; par, $100. Common stock all owned by Community Water Service Co.. Pfd. stock has preference for assets and 6% cumulative dividends and is redeemable at 105 on any dividend date. Full voting power rests with Common unless six months Pfd. dividends are in default. Stock transferred by Company.

Change in Capitalization—The $200,000 Common stock of $100 par value is to be retired by issue of 5,000 shares of new Common without par value.

Dividends—Pfd. dividends are paid quarterly, J, A, J & O 15, by check. On Common, 2½% paid in 1916; 4% in 1917; 1918, none; 1919, 3%; 1920, none; 1921 to 1927, inclusive, 6%.

FUNDED DEBT

$300,000 First Refunding Mortgage 5% Gold bonds; dated May 1, 1912; due May 1, 1932; int. May and November 1, at Atlantic National Bank, Boston. Coupon, $1,000. H. K. Hallett, Trustee. Subject to call at 105 and interest on any interest date. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Tiffin Water Works)

	1927	1926	1925
Gross revenue	$108,238	$101,628	$101,577
Oper. exp., deprec. & taxes	63,590	54,590	58,559
Net revenue	$44,648	$47,038	$43,018
Bond interest	15,000	11,000	11,000
Other interest	.....	137	1,205
Total charges	$15,000	$11,137	$12,205
Balance for dividends	$29,648	$35,901	$30,813
Preferred dividends paid	12,000	8,820	8,018
Common dividends paid	12,000	12,000	12,000
Surplus for year	$5,648	$15,081	$10,796

General Office, Tiffin, Ohio. **Treasurer's Office**, 46 Cedar St., New York.

AMERICAN STATES PUBLIC SERVICE COMPANY

History—Incorporated in 1928, in Delaware and, through its subsidiaries, will own and manage properties supplying water and/or artificial gas, without competition, for domestic and commercial purposes to a portion of the City of Los Angeles, Cal., and nearby suburban communities, as well as a number of other localities in Southern California. Among these are Bell, Lennox, Artesia, Claremont, La Jolla (Placentia), Olive, La Habra, Stanton, El Modena, Hollydale, Bloomington, Cypress, Los Alamitos and Oceanside. Total population served is in excess of 85,000. The actual number of customers is in excess of 15,000. More than 90% of the total revenues of the Company is derived from the sale of water, and the balance from the sale of artificial gas. Among the subsidiary companies are **Los Angeles & Suburban Water Company, Orange County Water Company,** and **South Coast Gas Company.**

CAPITAL STOCK

Authorized, 10,000 shares Common stock and 20,000 shares $6 cumulative Pfd. both of no par value; outstanding, 10,000 shares Common stock.

FUNDED DEBT

$1,250,000 FIRST LIEN 5½% GOLD BONDS, SERIES "A"; DUE MAY 1, 1948

Dated May 1, 1928.

Interest Payable May and November 1, at The National Bank of the Republic, Chicago, and in New York.

Denominations—Coupon, $100, $500 and $1,000, fully interchangeable; principal may be registered.

Trustee—The National Bank of the Republic, Chicago, Ill.

Provisions of Issue—The Indenture provides that additional bonds of any series may be issued by the company for not exceeding 75% of the cash cost or fair value, whichever is the lesser, of acquiring new subsidiaries or of additions, improvements, betterments, extensions and additional properties acquired by subsidiaries provided that earnings applicable to interest on bonds issued under the Indenture on the basis of a consolidated statement for a period of 12 consecutive months out of the preceding 15 months shall have been at least 1¾ times the annual interest charges on all bonds then outstanding and proposed to be issued under the Indenture. The Indenture further provides that at least 75% of the earnings of the Company and its subsidiaries will be derived at all times from electric light and power, artificial gas and water companies.

Callability—Subject to call in whole or in part on 30 days' published notice at 105 and accrued interest on or before May 1, 1933; at 104 and accrued interest on or before May 1, 1938; at 103 and accrued interest on or before May 1, 1943, and thereafter, at 102 and accrued interest.

Maintenance and Renewal Fund—The Indenture provides that during each fiscal year the company shall expend, or cause to be expended by its subsidiaries, an amount not less than 10% of the consolidated gross operating income for the preceding fiscal year for maintenance, renewals and replacements, all as more fully stated and defined in the Indenture.

Security—Secured by a first lien upon all of the outstanding capital stock (except directors' qualifying shares) of Los Angeles & Suburban Water Company, Orange County Water Company and of South Coast Gas Company. The securities representing such outstanding stock are to be deposited and pledged with the trustee under the Indenture. The Indenture provides that no additional capital stock nor any bonds nor indebtedness other than current indebtedness may be issued by any of the Company's present subsidiaries unless such stock, bonds and indebtedness shall forthwith be pledged with the trustee as additional security for the bonds. The appraised value of these properties, as reported, on the basis of reproduction cost new, less depreciation is nearly $2,500,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund upon proper notice within 60 days' after payment any personal property tax not exceeding 5 mills to the dollar per annum or any income tax not exceeding 6% of the interest per annum as now or hereafter imposed by any State.

Legal Opinion—Dent, Dobyns & Freeman (for the Bankers); and O'Melveny, Tuller & Myers (for the Company).

Listed—Chicago Stock Exchange.

Original Offering—First publicly offered ($1,250,000 Series "A" 5½s) in May, 1928, at 98½ and accrued interest to yield over 5.60%, by Yeager, Young & Pierson, Inc., New York, etc.

CONSOLIDATED EARNINGS OF THE PROPERTIES, YEAR ENDED MARCH 31, 1928
(Without giving effect to anticipated savings on account of non-recurring charges—estimated to be at least $25,000)

Gross revenues	*$350,434
Operating expenses, maintenance and taxes (other than Federal Income tax)	†206,173
Consolidated net revenues from operations	$144,261
Annual interest requirements on First Lien 5½% Gold bonds Series "A"	68,750

*Includes gross revenues of South Coast Gas Company estimated in the amount of $27,697.04 per annum based on three months available actual figures. †Includes estimated operating expenses of South Coast Gas Company for one year.

Officer: John C. Rath, V-P.

CHARLES CITY WESTERN RAILWAY COMPANY

History—Incorporated Feb. 22, 1910, in Ia.; charter amended March 28, 1911. Commenced operations in 1911 as a steam road; changed over to electric operation on July 1, 1915. The line is electrified for operation at 1,200 volt D.C. Line of road: Colwell to Marble Rock, Ia., etc., about 22 miles. Gauge, standard. Rail, steel, 70 lbs. Equipment: Electric locomotives, 3. Motor cars—passenger (street, 2; interurban, 3), 5. Freight cars, 2.

CAPITAL STOCK

Authorized, $300,000; outstanding, $290,400; par, $100. No dividends paid. Annual meeting, second Monday in April.

FUNDED DEBT

$183,998 First Mortgage 6% Bonds; dated July 1, 1921; due July 1, 1931; int. Jan. & July 1, at Security Trust & Savings Bank, Charles City, Ia., Trustee. Authorized, $1,000,000; issued, $384,000, of which $183,998 outstanding and $200,002 deposited with United States Government as collateral for loan of $140,000. Secured by first mortgage on entire property. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925	1924
Gross earnings	$103,108	$93,349	$69,158
Oper. exp. & taxes	72,633	71,638	57,637
Net earnings	$30,475	$21,711	$11,521
Interest charges, etc.	19,883	20,518	20,217
Surplus for year	$10,592	$1,192	*$8,696
Deficit forward	91,464	92,657	83,961
Profit & loss deficit	$80,872	$91,464	$92,657

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

Assets—	1926	1925	1924
Road and equipment	$693,944	$693,688	$712,307
Materials and supplies	13,855	16,205	16,140
Cash	15,012	6,773	10,372
Bills & accts. receivable	816	1,276	2,351
Other current assets	1,904	2,433	3,532
Profit and loss deficit	80,872	91,464	92,623
Total	$806,403	$811,838	$837,325
Liabilities—			
Capital stock	$290,400	$290,400	$290,400
Funded debt	183,998	183,998	183,998
Bills payable	140,000	140,000	140,000
Current liabilities	23,901	26,471	43,989
Interest accrued	5,557	9,796	19,577
Grants in aid of construc.	126,108	126,108	126,108
Deferred credit items	827	1,877	3,050
Reserve for taxes	6,611	6,966	
Reserve for depreciation	29,001	26,223	30,203
Total	$806,403	$811,838	$837,325

Officers: E. M. Sherman, Pres.; E. W. Miller, V-P.; W. H. Fairbanks, Sec.; M. W. Ellis, Treas.; J. F. Christiansen, Gen. Mgr., Charles City, Iowa.

Directors: N. Frudden, E. M. Sherman, C. D. Ellis, W. H. Fairbanks, A. Burnham, A. O. Ruste, Charles City, Iowa; F. E. Gates, Marble Rock, Iowa.

General Office, Charles City, Ia.

MISSOULA PUBLIC SERVICE COMPANY

History—Incorporated in Montana in 1924 and purchased the Missoula Street Railway Company (see 1925 Manual, page 104). Company does the entire electric power, steam and railway business in Missoula, furnishes electricity and water to Hamilton, and also supplies electricity to Bonner, Piltzville, Milltown and other communities in Bitter Root Valley, Montana. Serves a population of over 16,000.

The street railway properties comprise 22.2 miles of track, of which 6 miles are on private right of way. Rolling stock consists of 13 motor passenger cars and 8 freight cars, system being operated by overhead trolley. Its railway franchise expires in 1959. Annual sales of electricity are about 12,085,000 k.w.h. and its electric customers are over 4,700.

CAPITAL STOCK

Authorized and outstanding, $3,000,000; par $100. Annual meeting in September in Spokane, Wash. In 1926 dividends of 6½% were paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926
(Latest Available)

Net income:	
Electric utility	$182,049
Heating utility	5,638
Water utility—Missoula	46,029
Water utility—Hamilton	6,208
Street Railway department (deficit)	5,686
Total net income	$234,238
Other income	17,718
Total income	$251,956
Dividends paid	195,000
Award damage suit	26,958
Surplus for year	$29,997

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

Assets—	1926	1925
Property and plant	$3,890,604	$3,849,229
Material and supplies	79,931	77,944
Notes & accounts receivable	84,466	81,714
Cash	233,445	167,454
Prepaid insurance	2,008	1,534
Stocks and bonds	284,288	284,238
Total	$4,574,742	$4,462,113
Liabilities—		
Capital stock	$3,000,000	$3,000,000
Accounts payable	13,396	8,681
Deposits	18,105	17,586
Unredeemable tickets	3,136	5,074
Taxes accrued	60,745	53,655
Reserve for depreciation	1,209,649	1,135,127
Other reserves	10,776	13,052
Surplus	258,935	228,938
Total	$4,574,742	$4,462,113

Officers: W. A. Clark, Jr., Pres., Los Angeles, Cal.; W. M. Bickford, V-P., Missoula, Mont.; J. L. Templeman, Sec.; J. C. Phillips, Treas. & Aud., Butte, Mont.; C. H. Christensen, Gen. Mgr., Missoula, Mont.

Directors: W. A. Clark, Jr., Los Angeles, Cal.; J. C. Phillips, J. L. Templeman, Butte, Mont.; W. M. Bickford, C. H. Christensen, Missoula, Mont.; W. A. Clark, Jr., Los Angeles, Cal.

General Office, Missoula, Mont.

STOUGHTON LIGHT & FUEL COMPANY

History—Incorporated Sept. 1, 1906, in Wis. Supplies gas to Stoughton, Wis. Population served, 5,101. Franchise expires in 1936. Miles of mains, 14. No. of meters, 1,015. Annual output, 17,565,500 cu. ft. Price, $2.00 net.

CAPITAL STOCK

Authorized and outstanding, $85,000; par, $100. Dividends of 3% paid in 1922 and 1923; 5% in 1924; none since. Annual meeting, third Thursday in January, at Stoughton, Wis.

FUNDED DEBT

$95,000 First Gold 5s; dated October 1, 1907; due October 1, 1937; interest April and October 1, at Michigan Trust Co., Grand Rapids, Trustee. Coupon, $500; principal may be registered. Authorized issue, $100,000. Subject to call at any time at 105. A first lien on all property. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$34,114	$34,144	$34,748
Oper. exp. & taxes	28,112	30,001	25,565
Depreciation	1,200	1,200	3,840
Net earnings	$4,802	$2,943	$5,343
Other income	819	527	560
Total income	$5,621	$3,470	$5,903
Bond interest	4,750	4,750	4,750
Amort. res. requirements	341	681	5,499
Surplus after charges	$530	*$1,961	*$4,346
Dividends paid	.....	.....	4,250
Surplus for year	$530	*$1,961	*$8,596

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Property account	$198,385	$176,987	$176,115
Materials and supplies	6,905	5,599	5,320
Cash	4,135	6,721	3,650
Accounts receivable	7,178	6,747	6,595
Deferred debit items	67	7,320	8,001
Corporate deficit	.....	10,088	8,119
Total	$216,670	$213,461	$207,800
Liabilities—			
Capital stock	$85,000	$85,000	$85,000
Funded debt	95,000	95,000	95,000
Accounts payable	4,434	5,390	1,078
Interest accrued	1,268	1,330	1,349
Consumers' deposits	60	.....	.....
Reserve for taxes	2,506	2,583	2,415
Reserve for depreciation	24,938	24,158	22,958
Profit and loss surplus	3,463	.....	.....
Total	$216,670	$213,461	$207,800

Officers: Giles Dow, Sec. & Treas., A. N. Thompson, Mgr. & Pur. Agt., Stoughton, Wis.

Office, Stoughton, Wis.

DETROIT UNITED RAILWAY

History—Incorporated Dec 31, 1900, in Mich.; consolidation of the Detroit Citizens' St. Ry. Co.; the Detroit Electric Ry Co.; the Detroit, Fort Wayne & Belle Isle Ry Co., and the Detroit Suburban Ry Co., embracing all street railway lines at that time in the city of Detroit. Subsequently absorbed the Detroit & Northwestern Ry., now known as the Orchard Lake Division; the Detroit & Pontiac Ry. now the Pontiac Division; the Detroit & Flint Ry., formerly the Detroit, Rochester, Romeo & Lake Orion Ry., operated as the Flint Division; and the Wyandotte & Detroit River Ry., now the Wyandotte Division.

The Detroit United Railway owns all the of the capital stock of the Detroit & Port Huron Shore Line Ry. (Rapid Railway System), the Detroit, Monroe & Toledo Short Line Ry. and the Detroit, Jackson & Chicago Ry. (For dates of acquisition of these companies, see Manual for 1916, page 235). It also owns the entire issued stocks of the following companies: Monroe Piers & Park Resort, Electric Depot Co., River Rouge Ry., Newport Stone Co. and Anchor Bay Salt Co.

Company also owns the entire capital stock of the Detroit, Almont & Northern RR. Co. the properties of which it leases for 50 years from 1915, and guarantees and assumes its bonds as a direct obligation by endorsement.

Motor Truck Freight Line—In Nov., 1923, Company organized the **Detroit United Ry. Trucking Co.** to operate between Jackson and Sturgis, Mich. The truck lines will serve as a feeder for the electric lines, connecting with them at Jackson, and will afford freight service to and from Detroit to a territory which hitherto has been difficult to reach.

In April, 1927, it was announced that Company, together with its associated motor coach and electric lines had purchased, with consent of the Federal Court, the capital stock and other assets of the Detroit-Toledo Trackless Coach Co., including a major portion of its bus equipment. Latter company has been operating buses between Detroit and Toledo and will continue to do so under the new management. As a part of the negotiations, however, the Trackless Co. will discontinue operations between Detroit and Chicago.

In April, 1927, it was also announced that Del A. Smith, general manager of Municipal Street Railways, was authorized to negotiate with Company for purchase of tracks on Grand River Avenue from Meyer's Road to city limits and on Michigan Avenue from Wyoming Avenue to Division Road, Detroit, Mich.

Receivers Appointed—As of March 10, 1925, Security Trust Company, Detroit, Mich., and Joseph W. Simard, Montreal, Can., were appointed receivers for the Company. In August 1925, Willis C. Dunbar, of Philadelphia, was named receiver to succeed J. W. Simard who resigned. On Jan. 22, 1927, A. L. Drum, of Chicago, was appointed receiver, supplanting Security Trust Co. and W. C. Dunbar, who resigned.

In October, 1925, the Highway Motor Bus Co., a subsidiary of Company, was placed under receivership. The receivers are the same as those for the parent Company. All other subsidiaries were to be placed under the same receivers.

In October 1925, People's Motor Coach Co., a subsidiary of Company, acquired through its receivers, the Star Motor Coach Line operating 24 coaches between Pontiac and Detroit.

Failure of Plan—Shortly after receivers were appointed for the Company a plan, devised by directors of the Company, was submitted to stockholders, for the purpose of refinancing the Company. The plan required stockholders to subscribe to an $8,000,000 General Mortgage bond issue to the extent of 40% of their par holdings, and for unsecured creditors to exchange their claims for a like amount of bonds. Announcement was made in July, 1925, of failure of the plan through lack of support by stockholders, and foreclosure under the mortgages securing the defaulted bond issues was expected.

Bond Issues in Default—The July 1, 1925 interest was defaulted on the following bond issues: Detroit United Ry. First Mtge. & Collateral Trust 6s, due 1929; the First Mtge. 5s, due 1950, of Detroit & Port Huron Shore Line Ry.; and the First Mtge. 5s, due 1933, of Detroit, Monroe & Toledo Short Line Ry. Interest due July 1, 1925 on First Consol. 4½s, of 1932, was paid.

The August 1, 1925 interest was defaulted on the following issues: Detroit, Almont & Northern Ry. First 6s, due Feb. 1, 1940; Detroit, Ypsilanti Ann Arbor & Jackson Ry. First Cons. 5s, due Feb. 1, 1926; Detroit, Jackson & Chicago Ry. First Cons. 5s, due Feb. 1, 1937; and Detroit United Ry. Two-Year 6% Coll. Trust Notes, due Feb. 1, 1926.

Bondholders' Committee—In July, 1925, holders of Detroit, Monroe & Toledo Short Line Ry. First Mtge. 5% bonds; Detroit & Port Huron Shore Line Ry. First Mtge. 5% bonds; Detroit, Jackson & Chicago Ry. First Consolidated Mtge. 5% bonds; Detroit, Ypsilanti, Ann Arbor & Jackson Ry. First Consolidated Mtge. 5% bonds; Detroit, Almont & Northern Ry. First Mtge. 6% bonds, and Detroit United Ry.

Two-Year 6% Collateral Trust notes due February 1, 1926, were notified that a committee had been formed to protect the interests of the bondholders. The Committee includes Henry H. Sanger, William G. Larchen, Frank D. Nicol and S. R. Livingstone, with Charles R. Dunn, Secretary, Detroit, Mich., and Beaumont, Smith & Harris as Counsel. Bondholders were asked to deposit their holdings with the Union Trust Co., Detroit, Depositary.

Bondholders' Committee for Detroit United Ry. First Mortgage & Collateral Trust S. F. 6s, due July 1, 1929—Theodore G. Smith, Chairman; W. A. Durst, Henry Solomon, Julius H. Haass, R. W. Martin, and Karl H. Behr, with C. E. Sigler, Secretary, 80 Broadway, New York. The Central Union Trust Co., New York, is depositary. The date on which the right to deposit bonds under the Protective Agreement expired was fixed by the Committee as Aug. 14, 1926.

Sale of Canadian Properties—As of March 31, 1920, the Company disposed of its Canadian properties—the Sandwich, Windsor & Amherstburg Ry. and the Windsor & Tecumseh Electric Ry.—to the Hydro-Electric Commission of Ontario, so that the operations are now confined to the States of Michigan and Ohio.

Sale of City System—In Feb., 1922, negotiations resulted in an agreement to sell the Company's so-called "City System" to the City of Detroit, which were ratified by the stockholders on March 11, 1922, and by the voters at a special election held April 17, 1922. The purchase price was fixed at $19,850,000 of which $2,770,000 was paid in cash and the balance in semi-annual installments of not less than $500,000 each, making minimum deferred payments of $1,000,000 per annum until Jan. 1, 1932, when the entire balance is to be paid. The deferred payments bear interest at the rate of 6% annually, payable quarterly.

In October, 1921, a board of arbitration fixed $2,297,700 as the price the city would have to pay the company for 29.50 miles of line, including equipment, which lines were formally taken over by the city on Dec. 22, 1921.

On May 15, 1922, the transfer of the city lines to the City of Detroit was effected. The Company will operate the short lines outside the city limits. The lines taken over and those already constructed by the city are being operated by the Department of Street Railways. Preliminary to the transfer of the city lines, the city paid $3,177,000 to the company, of which amount $2,770,000 was to take care of the first payment on the purchase contract of $19,850,000.

In the plans with reference to dealing with the future of the company, the following bonds secured by mortgages were agreed to be allocated to the City System and to be paid out of the proceeds of the sale.

All bonds in the hand of the public issued and outstanding under the Company's Consolidated 4½% Mortgage of 1902	$12,150,000
Bonds originally issued against the Detroit, Fort Wayne & Belle Isle Ry. assumed by the company and still outstanding in the hands of the public	900,000
Bonds originally issued against The Detroit Railway and assumed by the Company and still outstanding in the hands of the public	1,194,000
	$14,244,000

These were direct liens against the City System.

Fixed assets after sale of City System compared to funded liabilities.

The capital liabilities and funded indebtedness of the company are approximately as follows:

Capital stock liability	$15,375,000
Funded indebtedness, about	14,266,500
	$29,641,500

while the physical assets approximate as follows:

Physical value of property of company, consisting of railways, equipment, real estate, plants, etc., employed in the service	$31,000,000
Value of so-called non-operating property (property not used in operation of the company) about	2,500,000
	$33,500,000
Surplus	$3,858,500

In December, 1926, Judge Chas. C. Simmons signed an order in the Federal Court at Detroit for the disposal of 12 sub-stations and four main power houses of Company to the Woodmere Scrap Iron & Metal Co. for $800,000.

Valuation Fixed—The Michigan Public Utilities Commission on June 23, 1923, issued an order fixing the valuation of the company and its various lines at $33,975,613 and the rate of fare at 2 cts. a mile, but no fare less than 5 cts. With these rates the lines' earnings will be on a 7% basis. Company was ordered to effect such economies as will reduce cost of operations and maintain efficiency.

Proposed Debt Payment—On March 7, 1924, it was announced that Henry Ford would be requested to lend to the city of Detroit sufficient money to pay off the debt of $15,000,000 to the Detroit United Rys. Co. incurred by the city's purchase of the system. This action was made possible March 6, 1924, by decision of the Michigan Supreme Court in favor of the city in the allocation suit brought to settle a controversy over outstanding bonds of the railway. If Mr. Ford should lend the amount needed, the city would meet the loan by payments running for 20 years.

Court Decision—The Michigan State Supreme Court in March, 1924, affirmed the decision of the Circuit Judge Moynihan allocating bonds of the old Detroit United Ry. to the city lines and to the interurban lines of the present Detroit United Ry. The total of bond issues held by the Guarantee Trust Co. of New York against the old Detroit United Rys. System is $20,000,000. Of this amount bonds against the city under the decision totals $15,850,000, and those allocated to the Detroit United Ry. Interurban System amounted to $4,455,000.

Rates of Fare—In the Legislature of the State of Michigan, at the Session of 1921, a law was enacted providing for temporary rates of fare for interurban railways, pending an official valuation of the Company's property under the direction of the Public Service Commission. The final rate was to be based on the operating expense of the company, cost of maintenance, etc., and a fair return upon the value of the company's property employed in rendering service to the public.

Under the provisions of the law referred to, fixing the temporary rate, the rate was first fixed at 1½ cts. per mile per passenger carried. This rate prevailed for a period of about six months, or into Feb. 1, 1922, when by the operation of the same law, the temporary rate became fixed at 2 cts. per mile per passenger carried.

The segregation of the City System from the Interurban System of the Company was made effective as of June 1, 1922, and since that date the operations of the company have been confined to the operations of its Interurban properties, and have been subject to the 2 ct. fare rate referred to. Effective Jan. 10, 1924, the Michigan Public Utilities Commission authorized the company to increase the rate of fare on its interurban lines approximately 25%.

On June 27, 1925, announcement was made that authority had been given the company, by the Michigan Public Utility Commission, to increase fares to 3 cents a passenger mile.

In September, 1925, a 25% increase in fares was approved by the suburban towns of River Rouge, Trenton, Wyandotte, Riverview and Sibley. Increase was conditional upon Company's agreement to put on one-man cars and start installation of paving and double tracks. The agreement is believed to be an amicable settlement of the differences between Company and the various towns mentioned.

In November, 1925, receivers for Company accepted the ordinance passed by Pontiac City Commission providing for an increase in fares on lines in Pontiac from 5 to 7 cents. The new rates became effective Nov. 19, 1925.

Bus Lines Increase Fares—Company with permission of the Michigan Public Service Commission, in October, 1925, increased fares on several of its bus line routes. Wolverine Transit Co., a subsidiary, increased fares between Detroit and Mount Clemens to 40 cents from 32 cents. People's Motor Coach Co., another subsidiary, increased fares to Redford from 22 to 25 cents, and the rate to Farmington from 40 cents to 45 cents. An increase of two to three cents a mile became effective on the roundabout route from Mount Clemens to Port Huron by way of Algonac.

Abandonment Application Granted—Application of receivers of Company to abandon approximately 10 miles of track between Ypsilanti and Saline, Mich., was granted by Judge Charles C. Simons in United States District Court, Sept. 21. Track is held under a 30-year franchise which expires in a year. Portions of the road bed will be used as a part of the State's project for a second all concrete highway between Detroit and Chicago.

Dual Operation—On Dec. 15, 1921, joint operation over certain of the Company's lines and certain of the City's lines was inaugurated. Cars are operated by the city and the company over the lines of each other and transfers are exchanged.

Equipment, Dec. 31, 1924— The Company's rolling stock consisted of 453 passenger cars, 101 freight cars, 169 express cars, 105 work cars, 3 locomotives, 29 snow plows, 1,865 motors and 1,716 trucks. There are three active power stations with a combined capacity of 13,250 k. w. and fourteen sub-stations with a combined capacity of 13,950 k. w.

Track Mileage, Dec. 31, 1924— Detroit United Ry., 268.5303 miles; Rapid Ry. System (Detroit & Port Huron Shore Line Ry.), 148.2944 miles; Detroit Monroe & Toledo Short Line Ry., 85.2054 miles; Detroit, Jackson & Chicago Ry., 111.8675 miles—total, 613.8976 miles, compared with 603.7906 miles at Dec. 31, 1923.

Reorganization—A plan of reorganization was announced on April 30, 1928, embracing only the Detroit United Railway and the Detroit, Monroe & Toledo Short Line Railway, together with all the motor bus companies owned by the former, but not including the rail properties of Detroit & Port Huron Shore Line Ry., Detroit, Jackson & Chicago Ry., and Detroit, Almont & Northern Railroad, the stocks of which were owned by Detroit United Railway. With the announcement of the plan notices were sent to holders of Detroit United Ry. First Mortgage & Collateral Trust Sinking Fund 6s and Detroit, Monroe & Toledo Short Line Ry. First Mortgage 5s, urging the deposit of these securities under the plan and naming May 31, 1928 as the time limit for such deposit.

Reorganization Committee—Theodore G. Smith, Chairman; Karl H. Behr, W. A. Durst, Julius H. Haas, Julian H. Harris, Bruce Johnstone, R. W. Martin, Henry Salomon, with C. E. Sigler, Secretary, 80 Broadway, New York. Depositaries: Central Union Trust Co. of New York for Detroit United Ry. 1st Mtge. & Coll. Tr. 5s and Detroit, Monroe & Toledo Short Line Ry. 1st Mtge. 5s and also Union Trust Co., Detroit for latter bonds.

DIGEST OF REORGANIZATION PLAN, DATED APRIL 1, 1923

New Companies—It is intended to organize a new company under the laws of Michigan or such other State as the reorganization committee shall determine, or the charter of some existing corporation may be utilized. Such company is herein called the New Detroit company.

It is likewise intended to organize a second new company under the laws of Michigan or such other State as the reorganization committee shall determine, or the charter of some other existing corporation may be utilized. Such company is herein called the New Toledo co.

All of the stock of the New Toledo company is to be vested in the New Detroit company.

It is intended to acquire the sales, the properties of the Detroit United Ry. and of the Toledo, Monroe & Toledo Ry. to be offered for sale thereunder or such part thereof as the reorganization committee shall determine.

It is entended to vest in the New Detroit company by direct ownership the lines of interurban railway now subject to the mortgage securing the Detroit bonds which shall be acquired at such sale (other than the lines running from Farmington (1) to Northville and (2) to Pontiac and the north part, or possibly all, of the line running from Detroit to Mt. Clemens) and the city lines in Flint and Pontiac. Such other properties, as shall be purchased by or for the reorganization committee as it shall determine to vest the New Detroit company may be vested in the New Detroit company directly or through stocks or stocks and obligations representative thereof.

It is intended to vest in the New Toledo company by direct ownership the lines of interurban railway and all or substantially all the other property now subject to the mortgage securing the Toledo bonds which shall be acquired at such sale except that if the reorganization committee shall so determine, the line of interurban railway and other property situate in the State of Ohio may be vested in the New Toledo company through stocks or stocks and obligations representative thereof.

It is intended to cause to be paid or otherwise discharged all receivers' certificates, all past due taxes and all supply and damage claims adjudged to have priority over the Detroit bonds in respect of properties vested in the New Detroit company or over the Toledo bonds in respect of properties vested in the New Toledo company.

Issue of New Securities—It is contemplated that the New Detroit company will issue (a) $3,350,000 Detroit First Mortgage bonds (b) $4,915,000 Adjustment Mortgage bonds, and (c) 200,000 shares Common fully paid and non-assessable.

It is contemplated that the New Toledo company will issue (a) $1,800,000 General Mortgage bonds and (b) all its authorized shares of Common stock.

Provisions of Securities of New Detroit Company—The Detroit First Mortgage & Collateral Trust bonds will be secured by a mortgage embracing all or substantially all lines of railroad, franchises and equipment owned by new company; there shall also be pledged all shares of stock and securities vested in new company in accordance with the Plan. These bonds are limited to $5,000,000 at any one time outstanding. They are to be redeemable on any interest date, in whole or in part, on 30 days' notice, at 107 and interest, to July 1, 1932, and at declining premiums to 1% from July 1, 1952 to 1956.

The Adjustment Mortgage bonds are to be limited to $4,915,000 outstanding at any one time and are, in effect a second mortgage on properties of new company taken into reorganization. Interest on these bonds is a contingent charge, being payable if earned as defined under its mortgage; interest is cumulative. The adjustments are convertible between Jan. 1, 1930, and July 1, 1938, into Common stock at rate of four shares for each $100 principal amount of bonds. The adjustments are callable on any interest date, on 30 days' notice, at par and accrued interest.

Authorized amount of Common stock will be 400,000 shares, of which only 200,000 shares are to be issued in reorganization and balance only for conversion of adjustment bonds until expiration of conversion period. Shares issued in reorganization are to be issued to Theodore G. Smith, A. L. Drum and George T. Bishop as voting trustees for a period expiring not later than July 1, 1933.

Provisions of Securities of New Toledo Company—There will be authorized First Mortgage bonds to mature July 1, 1958. None of these bonds will be issued in reorganization. They will be limited to an amount not exceeding $2,000,000 at any one time outstanding. They are to be issued in denomination of $1,000. Interest will be payable January and July 1, at not exceeding the rate of 7% per annum. They are to be secured by a mortgage to Central Union Trust Co., trustee, which is to embrace all or substantially all the lines of railway, franchises and equipment owned by the New Toledo company at the time of the execution thereof. To the extent that the line of interurban electric railway and other property situate in the State of Ohio now subject to the mortgage securing the Toledo bonds shall not be subjected to the lien of the Toledo First Mortgage then stock or stock and obligations representative of such line and of such property or of substantially such property shall be pledged under the Toledo First Mortgage. Such other and additional property may be covered by or pledged under the Toledo First Mortgage, as the reorganization committee shall determine or as may be provided by the Toledo First Mortgage. Provision may be made in the Toledo First Mtge. for a series of bonds secured thereby maturing not earlier than July 1, 1958 and carrying interest at a rate less than 7% per annum, and for the issuance thereof either in exchange or substitution for an equal principal amount of the Toledo First Mortgage bonds at any time outstanding or in lieu of the isuance of an equal principal amount of the Toledo First Mortgage bonds.

The Toledo First Mortgage bonds may be issued only against acquisitions after Jan. 1, 1929, of property of any description in addition to the property vested in the New Toledo company in the reorganization which shall be subjected to the Toledo First Mortgage and/or against additions to and betterments of properties subject to the lien of he Toledo First Mortgage made after Jan. 1, 1929, but only to a principal amount not exceeding 75% of the cost of such acquisitions, additions and betterments and, in the case of acquisitions not exceeding 75% of the value of the properties acquired.

The Toledo First Mortgage bonds are to be redeemable in whole or in part at the option of the New Toledo company, on any interest date on not less than 30 days' notice, at the principal amount thereof together with accrued and unpaid interest thereon to the date fixed for the redemption thereof and if on or before July 1, 1932, at a premium of not exceeding 7%; if after July 1, 1932, and on or before July 1, 1936, at a premium of not exceeding 6%; if after July 1, 1936, and on or before July 1, 1940, at a premium of not exceeding 5%; if after July 1, 1940, and on or before July 1, 1944, at a premium of not exceeding 4%; if after July 1, 1944, and on or before July 1, 1948, at a premium of not exceeding 3%; if after July 1, 1948, and on or before July 1, 1952, at a premium of not exceeding 2%, if after July 1, 1952, and on or before July 1, 1956, at a premium of not exceeding 1%.

General Mortgage bonds will be issued in reorganization, limited to an amount not exceeding $1,800,000 at any one time outstanding, in denominations of $1,000, $500 and $100. Maturity will be July 1, 1958. Interest will not become due until Jan. 1, 1930, and during that year 1% will become due with the rate increasing in subsequent years to Jan. 1, 1935, when interest shall become fixed at 5½% annually. They are to be redeemable in whole or in part at the option of the New Toledo Company on any January 1 or July 1 on not less than 30 days' notice, if on or before July 1, 1929 at par, and if after July 1, 1929, at par and interest accrued thereon from the interest date next preceding that fixed for the redemption thereof. They are to be secured by a mortgage and deed of trust to Union Trust Co. (of Detroit), as trustee, covering the property embraced in the Toledo First Mortgage and such properties as from time to time shall become subject thereto. The general mortgage in all respects shall be subject and subordinate to the Toledo First Mortgage and to the prior payment out of the mortgaged property of all Toledo First Mortgage bonds at any time issued and outstanding under the Toledo First Mortgage. The general mortgage may contain provisions permitting the property covered thereby to be embraced in a new mortgage securing an issue of bonds maturing not earlier than July 1, 1958 and bearing interest at a rate less than 7% per annum and having a lien thereon prior to the lien of the general mortgage, provided the principal amount of such bonds plus the principal amount of the Toledo First Mortgage bonds at any time outstanding shall not exceed in the aggregate $2,000,000.

All Common stock of the New Toledo Company issued in reorganization will be owned by the New Detroit Company and will be pledged under the latter's First Mortgage and Collateral Trust bonds.

New Detroit Company Shall Not Assume Any Bonds—The New Detroit company shall not in the reorganization assume any liability directly or indirectly for the payment of the principal or of interest upon either the Toledo First Mortgage bonds or the general mortgage bonds or for the observance or performance of any of the covenants and (or) agreements on the part of the New Toledo company to be contained in the Toledo First Mortgage bonds, the general mortgage bonds and(or) in the respective mortgages and deeds of trust securing said issues of bonds.

Treatment of Detroit United Railway First & Collateral Trust 6s—Holders of these bonds may participate in reorganization by depositing their bonds with Central Union Trust Co., New York, on or before May 31, 1928. At time of receivership these bonds were outstanding to amount of $8,275,000. Since receivership, instalments of $2,500,000 of purchase price of city lines sold to Detroit and pledged under the Mortgage of these bonds have been collected and 31% of $8,275,000 bonds has been paid and distributed pro-rata among bondholders, reducing original $1,000 bond outstanding at receivership to $690.

Holders of these bonds who agree to the reorganization will receive for each bond: $50 in cash, $550 principal amount of adjustment Mortgage bonds and 4 shares of Common stock of the New Detroit company. In addition depositary bondholders are entitled to subscribe to the underwriting syndicate to a maximum sum of $500 for each original $1,000 bond.

Treatment of Detroit, Monroe & Toledo Short Line Ry. First Mortgage 5s—Holders of these bonds may become parties to reorganization of that property by depositing their bonds on or before May 31, 1928, with Central Union Trust Co., New York, or Union Trust Co., Detroit. They will receive $600 principal amount of the New Toledo company General Mortgage bonds for each $1,000 old bond, a 60% basis.

Syndicate—A syndicate of which George T. Bishop and A. L. Drum are managers and with the maximum obligation of $4,137,500 has been formed, under an agreement dated as of April 1, 1928 between the reorganization committee of the first part, the managers of the syndicate of the second part and the subscribers to the syndicate of the third part.

Upon the terms and conditions set forth in the syndicate agreement, the syndicate has agreed to supply the reorganization committee with $3,015,000, for which the syndicate is to receive: $3,350,000 principal amount of New Detroit co. First Mortgage bonds, $364,100 principal amount of New Detroit Co. Adjustment Mortgage bonds and Voting Trust Certificates for 136,900 shares of Common stock of the New Detroit co.

The syndicate agreement provides for the compensation of the syndicate managers from syndicate assets and no commission or other compensation is to be paid to the syndicate or its managers as part of the expenses of the reorganization or is to be assumed by the New Detroit company or by the New Toledo company, save and except that there shall be paid as part of the expenses of the reorganization the charges of counsel for the syndicate managers for services rendered the Syndicate managers in connection with the organization of the syndicate and the formulation of the plan and their disbursements incurred in connection with such services.

In consideration among other things of the cancellation of the provision for extra compensation (in addition to monthly compensation) contained in the contract between the receivers and A. L. Drum & Co. approved by the U. S. District Court by order entered May 8, 1925, there is to be delivered to or upon the order of A. L. Drum voting trust certificates for 30,000 shares of the Common stock of the New Detroit company.

TABLE OF DISTRIBUTION

	Cash	Detroit 1st Mtge. Bonds	Adj. Mtge. Bonds of the New Detroit Co.	Gen. Mtge. Bonds of New Toledo Co.	Shares of Com. Stk. of New Detroit Co.
To $8,275,000 Detroit bonds (31% prin. paid)	$413,750	.....	$4,551,250	.....	33,100
To $3,000,000 Toledo bonds	.....	.....	.....	$1,800,000	.....
To syndicate for cash	.....	$3,350,000	364,100	.....	136,900
To A. L. Drum	.....	.....	.....	.....	30,000
To be reserved unissued for conversion of adjust. mtge. bonds	.....	.....	.....	.....	200,000
For reorganization purposes or in treasury of New Detroit co...	.....	.....	150	.....	.....
Total	$413,750	$3,350,000	$4,915,500	$1,800,000	400,000

ESTIMATED CASH REQUIREMENTS

Cash payable under the plan to holders of certificates of depoit issued under or otherwise subject to the plan for Detroit bonds	$413,750
Receivers ctfs. of indebtedness, taxes, damage and priority claims, etc.	1,700,657
Net working capital, court costs and allowances, receivers' fees, receivership and foreclosure expenses, organization of new companies and taxes upon issue of new securities, counsel fees, advertising, engraving, etc., and other expenses of reorganization, including compensation of reorganization committee and the compensation and expenses of protective committees for the Detroit bonds and for the Toledo bonds and representatives of the Toledo co-operating bonds	900,593
Total	$3,015,000

CAPITAL STOCK

Authorized, $25,000,000 (increased from $12,500,000 on Feb. 6, 1917); outstanding, Dec. 31, 1924, $15,375,000; par, $100. There were also outstanding, Dec. 31, 1924, $16,100 of fractional stock warrants.

Transfer Agents—Agents Bank of Montreal, New York, and National Trust Co., Ltd., Montreal.

Registrars—New York Trust Co., New York, and Crown Trust Co., Montreal.

Annual Meeting—Third Tuesday in March.

Listed—New York, Montreal, Cleveland and Detroit Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	5	3½	..	..	78¼	72⅝	75	107½
Low	1½	1	..	..	60¾	57½	59	85

Dividends—Dividends have been paid as follows: 1901, 4%; 1902, 4%; 1903, 4%; 1904, 4%; 1905, 4¼%; 1906, 5%; 1907, 3¾%. Since March 1, 1911, regular quarterly dividends have been paid as follows: March 1, 1911, to Dec. 1, 1912, at rate of 5% per annum; March 1, 1913, to March 1, 1916, at rate of 6% per annum; June 1, 1916, to March 1, 1917, at rate of 7% per annum; on June 1, 1917, a dividend of 2% was paid, increasing annual rate to 8%, which

rate was paid to and including March 1, 1921. On June 1, 1921, a dividend of 2½%, payable in stock, was made. Cash dividends were resumed Dec. 1, 1922, when 1½% was paid; March 1, June 1, and Sept. 1 and Dec. 1, 1923, 1½% each; March 1 and June 1, 1924, 1½% each; none since. Stock dividends of 2½% each were also declared payable Sept. 1, and Dec. 1, 1921, but were never paid as the necessary authority for the issue of this stock was declined by the Michigan Public Utilities Commission, and the resolution declaring the dividends was rescinded. Payments are made quarterly, March 1, etc., at Agents, Bank of Montreal, New York.

FUNDED DEBT

(1)

$400,000 DETROIT ALMONT & NORTHERN RY FIRST GOLD 6s; DUE FEBRUARY 1, 1940

Dated February 1, 1915.

Interest Payable Feb. and Aug. 1, at U. S. Mortgage & Trust Co., New York and Union Trust Co., Detroit, Mich.

Default—August 1, 1925, interest in default.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Union Trust Co., Detroit, Mich.

Provisions of Issue—Authorized issue, $2,500,000. The mortgage limits the issue of bonds to the actual cash cost of construction, not including private right of way and terminal grounds, and to an amount not exceeding $20,000 per mile of main line and $15,000 per mile of second track and sidings.

Callability—Subject to call on any interest date at 103 and interest.

Sinking Fund—Sinking fund not provided.

Security—A first mortgage on 20 miles of interurban railway.

Guaranty—Unconditionally guaranteed and assumed as a direct obligation, by endorsement, by the Detroit United Ry., which covenants that in the event of any new issue of Refunding or General Mortgage bonds being placed on the Detroit United Ry. or its subsidiaries, sufficient of such bonds shall be authorized and reserved for the retirement of the Detroit, Almont & Northern bonds at maturity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($400,000) in July, 1915, at par and interest, by Eversy & Co., Chicago.

Bondholders' Committee—See a preceding page.

NOTE—No provision is made for these bonds in the proposed reorganization.

(2)

$800,000 DETROIT & LAKE ST. CLAIR RY. FIRST 6s; DUE FEBRUARY 1, 1946

Dated February 1, 1921.

Interest Payable Feb. and Aug. 1. All owned by Detroit United Ry. and held in Treasury of the Company.

(3)

$2,497,000 DETROIT & PORT HURON SHORE LINE RY. FIRST GOLD 5s; DUE JANUARY 1, 1950

Dated January 1, 1900.

Interest Payable Jan. and July 1, at American Exchange Irving Trust Co., New York. Coupon and registered, $1,000. Union Trust Co., Detroit, Trustee. Authorized and issued, $2,500,000, of which $3,000 held in treasury of Detroit United Ry. Co. Not subject to call. Company pays Normal Federal Income Tax up to 2%.

Default—July 1, 1925, interest in default.

Bondholders' Committee—See a preceding page.

NOTE—No provision is made for these bonds in the proposed reorganization.

(4)

$268,000 DETROIT, FORT WAYNE & BELLE ISLE RY. FIRST GOLD 5s; DUE APRIL 1, 1927

These bonds are allocated to the "City System" and are to be paid from the proceeds of the sale of same to the City of Detroit.

Dated April 1, 1898.

Interest Payable April and Oct. 1, at Agents Bank of Montreal, New York. New York Trust Co., Trustee. Coupon (principal may be registered), and registered, $1,000. In addition to the $268,000 outstanding, $118,000 are pledged as collateral to loans. Subject to call at 105 and interest on 60 days' notice. Assumed by Detroit United Ry. A first lien on 25 miles of track, constituting the Fort Street Line, which is a part of the street railways and property being purchased by the City of Detroit under contract made with the Detroit United Ry. on March 10, 1922. Company pays Normal Federal Income Tax up to 2%.

At maturity on April 1, 1927, the receiver did not have the funds with which to pay the principal. However, the installments of purchase money to be paid by the City of Detroit will be adequate and sufficient to pay in full this issue of bonds as well as all other bonds secured by lien on the street railways and property covered by the contract, and under the contract the purchase price must be applied to the payment of such bonds. To assure the earliest possible payment of all these bonds, both principal and interest, the Court on March 28, 1927, made an order and pursuant thereto the receiver executed and delivered to the New York Trust Co., as Trustee, an assignment. This arrangement, it is believed, will result in the payment of the last of the bonds in June, 1928. Interest coupons due April 1, 1927, were paid when presented. Interest on all bonds outstanding was paid on Oct. 1, 1927, and April 1, 1928, on presenting the bonds to be stamped or the bonds may be retained until funds are available to pay the principal and then presented for payment of both principal and interest.

(5)

$881,000 DETROIT, JACKSON & CHICAGO RY. FIRST CONSOLIDATED GOLD 5s; DUE FEBRUARY 1, 1937

Dated February 1, 1907.

Interest Payable Feb. and Aug. 1, at Detroit & Security Trust Co., Detroit, Trustee. Coupon, $1,000; principal may be registered. Authorized, $4,000,000 (of which $1,179,000 are deposited as collateral to loans, $1,940,000 are reserved to retire the Detroit, Y., A. A. & J. Ry. 1st Cons. 5s. and the D., Y. & A. A. Ry. 1st Cons. 6s, leaving outstanding, $881,000 at Dec. 31, 1924. Subject to call at 105 and interest on any interest date. Guaranteed principal and interest, by endorsement by Detroit United Ry. Company pays Normal Federal Income Tax up to 2%.

Default—August 1, 1925 interest in default.

Bondholders' Committee—See a preceding page.

NOTE—No provision is made for these bonds in the proposed reorganization.

(6)

$3,000,000 DETROIT, MONROE & TOLEDO SHORT LINE RY. FIRST GOLD 5s; DUE JANUARY 1, 1933

Dated January 1, 1903.

Interest Payable Jan. and July 1, at U. S. Mortgage & Trust Co., New York, and Union Trust Co., Detroit, Trustee. Coupon, $1,000; principal may be registered. Authorized, $3,000,000. A first lien on the entire property of the company. Company pays Normal Federal Income Tax up to 2%.

Default—July 1, 1925, interest in default.

Bondholders' Committee—See a preceding page.

NOTE—In the proposed reorganization these bonds will receive $600 of the New Toledo Co. General Mortgage bonds for each $1,000 bond.

(7)

$1,184,000 DETROIT RAILWAY FIRST GOLD 5s; DUE DECEMBER 1, 1924

These bonds are allocated to the "City System" and are to be paid from the proceeds of the sale of same to the City of Detroit.

Dated December 1, 1895.

Interest Payable June and Dec. 1, at Cleveland Trust Co., Trustee. Coupon (principal may be registered), and registered $1,000. Bonds Nos. 1 to 600 matured $50,000 per annum in numerical order; Nos.

601 and upwards matured Dec. 1, 1924. Authorized and issued, $1,800,000, of which $616,000 have been retired; $3,000 are held in treasury, $987,000 are deposited as part collateral to Detroit United Railway First Mtge. & Coll. S. F. bonds, and $194,000 are deposited as collateral to loans. Bonds Nos. 601 to 1,800 are covered by a sinking fund. Assumed by Detroit United Ry. A first lien on 56 miles of track in Detroit. Listed on Cincinnati and Cleveland Stock Exchanges. Company pays Normal Federal Income Tax up to 2%.

(8)

$330,000 DETROIT, YPSILANTI & ANN ARBOR RY. FIRST CONSOLIDATED GOLD 6s; DUE FEBRUARY 1, 1926 (EXTENDED FROM 1924)

Dated February 1, 1899.

Interest Payable Feb and August 1, at Union Trust Co., Detroit, Trustee. Denominations, $500 and $1,000. Authorized issue, $1,000,000. The outstanding $330,000 is deposited as collateral to Detroit United Ry. Collateral Trust notes, due 1926. These bonds have a sinking fund. Company pays Normal Federal Income Tax up to 2%.

(9)

$1,610,000 DETROIT, YPSILANTI, ANN ARBOR & JACKSON RY. FIRST CONSOLIDATED GOLD 5s; DUE FEBRUARY 1, 1926

Dated February 1, 1901.

Interest Payable Feb. and Aug. 1, at Detroit & Security Trust Co., Trustee. Coupon, $500 and $1,000; principal may be registered. Authorized, $2,600,000; issued, $1,610,000, of which $62,500 are deposited as collateral to loans, leaving outstanding, in the hands of the public, $1,547,500 at Dec. 31, 1924. The remaining $990,000 unissued bonds being reserved for retirement of prior liens. A first lien on 40 miles of track from Ann Arbor, to Jackson, and on line between Ann Arbor and Ypsilanti, 50.5 miles, subject to the D. Y. & A. A. Ry. 6s described above. Company pays Normal Federal Income Tax up to 2%.

Default—August 1, 1925 interest in default.

Bondholders' Committee—See a preceding page.

NOTE—No provision is made for these bonds in the proposed reorganization.

(10)

$11,266,000 DETROIT UNITED RAILWAY FIRST CONSOLIDATED GOLD 4½s; DUE JANUARY 1, 1932

These bonds are allocated to the "City System" and are to be paid from the proceeds of the sale of same to the City of Detroit.

Dated January 1, 1902.

Interest Payable Jan. and July 1, at Bank of Montreal, New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York

Provisions of Issue—Authorized, $25,000,000. In addition to the $11,266,000 outstanding in hands of public, $678,000 were deposited as collateral to loans and $1,513,000 deposited as part collateral to Detroit United Ry. First Mtge. and Coll. S. F. bonds.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date upon 60 days' notice.

Sinking Fund—Sinking fund not provided.

Security—The mortgage securing these bonds is a lien on all property, franchises, rights, etc., of the Detroit United Ry; also a lien on the general equipment, consisting of seven power houses, aggregating 62,050 h. p., two storage battery plants of 4,500 amperes capacity, numerous sub-stations, and feeders of ample capacity for the entire system; car houses, general shops for repairs and construction, car bodies, car trucks, car motors, and numerous parcels of real estate, subject to $6,955,000 of prior liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mill tax refunded.

Legal Opinion—Davies, Stone & Auerbach, New York; Brennan, Donnelley & Van De Mark, Detroit; Corliss, Andrus & Leete, Detroit; and Harrison B. McGraw, Cleveland.

Original Offering—First publicly offered ($1,000,000) in March, 1902, at 97½ and interest, by E. H. Goy & Co., Boston, and Riggs & Hopper, Baltimore.

Listed—New York, Cincinnati and Amsterdam Stock Exchanges.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	97¼	97½	93¾	94¼	88	86½	65¾	70
Low	92½	90	86½	84½	82	63½	57	58¼

(11)

$8,275,000 DETROIT UNITED RAILWAY FIRST MORTGAGE & COLLATERAL TRUST SINKING FUND 5-YEAR 6s; DUE JULY 1, 1929

Dated July 1, 1924.

Interest Payable Jan. and July 1, at Central Union Trust Co., of New York.

Denomination—Coupon, $1,000; principal may be registered, exchangeable for fully registered bonds.

Trustee—Central Union Trust Co., of New York.

Provisions of Issue—Authorized, $10,000,000. These bonds were issued ($9,000,000 of which $528,000 retired by sinking fund to Dec. 31, 1924) to provide for the redemption of the company's Twenty-Year First Mortgage Collateral 8% Sinking Fund Gold bonds, and divisional bonds now outstanding on the property directly owned; to acquire $3,000,000 First Consolidated 4½% bonds or underlying bonds on the City lines in anticipation of the payments by the City of Detroit; for capital requirements, and for other corporate purposes.

Callability—Subject to call as a whole, or in part only for the sinking fund, on any interest date on 30 days' notice at 103 and accrued interest, to and including July 1, 1926, and thereafter at ½ of 1% less for each six months elasped to maturity.

Sinking Fund—The Mortgage provides for an annual sinking fund of $1,500,000 for the first three years of the life of the issue and an annual sinking fund of $500,000 for the remaining two years, payable semi-annually, to be applied to the purchase of bonds of this issue if obtainable at or below the call price, of if not so obtainable, to the redemption of bonds at the call price. To meet in part these sinking fund payments the company will deposit with the Trustee $3,000,000 Detroit United Railway First Consolidated 4½% bonds due 1932, or underlying bonds on the City lines. These bonds are deliverable $500,000 semi-annually at their face value to the City of Detroit against which the City has agreed under the contract of March 10, 1922, to pay $500,000 cash semi-annually toward the deferred purchase price of the lines within the City of Detroit which were taken over by the City in 1922. These payments by the City of Detroit assure the provision of more than half of the total cash requirements for the sinking fund.

Security—These bonds are secured by direct first mortgage lien on 226 miles of electric railroad, including the lines from Detroit to Flint and from Detroit to Pontiac and are further secured by the pledge of the entire stocks of subsidiary companies owning 357 additional miles, subject to $9,900,000 divisional bonds which cannot be increased in amount.

The Michigan Public Utilities Commission has placed (July, 1924) a value of $16,064,473 for rate-making purposes on the property on which these bonds will be a direct first mortgage and a value of $17,048,546 on the property by which the bonds will be collaterally secured.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Present Pennsylvania Four-Mill tax and present Connecticut and Maryland State property taxes refunded on application.

Original Offering—First publicly offered ($9,000,000) in June, 1924, at 99 and interest, to yield over 6.20%, by Dillion, Read & Co., New York.

Default—July 1, 1925, interest in default.

Bondholders' Committee—See a preceding page.

Pursuant to an order of the Court, a payment of 18½% of the principal amount of these bonds was made on and after Aug. 2, 1926 to holders thereof and holders of certificates of deposit therefor upon presentation to the Central Union Trust Co. of New York. Another distribution of 6½% of principal was ordered made on and after Jan. 3, 1927. Another distribution of 6%, making a total of 31%, was ordered paid on and after July 1, 1927. In each case interest was not included.

NOTE: In the proposed reorganization these bonds will receive for each bond: $50 in cash, $550 principal amount of Adjustment Mortgage bonds and 4 shares of Common stock of the New Detroit company. In addition depositing bondholders are entitled to subscribe to the underwriting syndicate to a miximum sum of $500 for each original $1,000. See reorganization Plan on a preceding page.

(12)

$550,000 DETROIT UNITED RAILWAY GENERAL EQUIPMENT TRUST 6s, SERIES "A"; DUE $75,000 SEMI-ANNUALLY MAY 1, 1928 TO NOVEMBER 1, 1929, INCLUSIVE, AND $25,000 SEMI-ANNUALLY, MAY 1, 1930 TO NOVEMBER 1, 1934, INCLUSIVE

Dated November 1, 1924.

Dividends Payable May and November 1, at Union Trust Co., Cleveland.

Denomination—Coupon $1,000; principal may be registered.

Trustees—Union Trust Co. and W. M. Baldwin, Cleveland.

Provisions of Issue—Authorized, $1,000,000. Issued under Philadelphia Plan.

Callability—Subject to call as a whole only, on 30 days' notice at 102½ and dividends.

Security—Secured on equipment of which the cost was in excess of 133% of principal amount of this issue.

Guaranty—Guaranteed as to principal and dividends by Detroit United Ry.

Legal Opinion—Tolles, Hogsett, Ginn & Morley, Cleveland (for the bankers) and Stevenson, Carpenter, Butsel & Backus, Detroit, (for the Company).

Original Offering—First publicly offered ($1,000,000) in Nov., 1924, at prices yielding from 5% to 6%, by Watling, Lerchen & Co., Detroit and Union Trust Co., Cleveland.

NOTE—In the proposed reorganization these Equipment Trust notes remain undisturbed.

There were also outstanding, Dec. 31, 1924, $323,000 two-year First Mortgage Collateral Trust 6% notes, due February 1, 1926, and $317,064 of purchase money obligations in respect of real estate purchases.

The Notes are in default as to principal and interest, the latter since Aug. 1, 1925.

NOTE—Upon consummation of the proposed reorganization plan the new companies will not be responsible for the payment of these notes.

RECEIVERS' REPORT, YEARS ENDED DECEMBER 31
(Detroit United Railway and all Subsidiaries except Detroit, Monroe & Toledo Short Line Ry., Detroit & Port Huron Shore Line Ry., Detroit, Jackson & Chicago Ry., and Detroit, Almont & Northern RR.)

	1927	1926
Total oper. & non-oper. revenues	$6,752,441	$6,594,818
Deduct:		
Operating expenses	5,381,298	5,093,884
Depreciation	713,006	731,500
Taxes	343,318	361,992
Accrued penalties on delinquent taxes	3,240	9,238
Total	$6,440,862	$6,196,614
Balance	311,579	398,204
Add:		
Interest accrued receivable from City of Detroit on purchase contract of March 10, 1922	734,663	794,663
Less interest accrued payable on total bonds outstanding against properties sold to the City of Detroit under above contract	557,139	620,717
	$177,524	$173,946
Excess of oper. & non-oper. rev. over total operating expenses	489,103	572,150

NOTE—The above figures are before provision for interest on funded and floating debt and certain receivership costs.

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Detroit United Railway)

Assets—	
Property account	$17,023,275
Investments in and advances to subsidiary cos.	10,905,224
Sinking fund for retirement of 6% First Mortgage & Collateral Sinking Fund bonds	38,768
Other investments	11,792,217
Inventory of materials and supplies	523,254
Accounts receivable	112,267
Accrued interest receivable	60,173
Cash	342,655
Deferred charges	208,024
Total	$41,005,857
Liabilities—	
Capital stock	$15,375,000
Funded debt	18,701,298
Notes payable	1,069,933
Accounts payable	1,222,433
Accrued payrolls	125,259
Accrued interest	1,589,018
Accrued taxes	111,707
Deposits on sidings, etc.	9,912
Unredeemed tickets	87,040
Deferred liabilities	161,537
Reserve for depreciation	1,393,137
Reserve for contingencies	829
Reserve for injuries and damages	160,099
Reserve for bond discount	105,551
Reserve for Federal taxes	292,750
Surplus	600,354
Total	$41,005,857

Officers: A. L. Drum, Receiver; Vacancy, Pres.; Charles Laurendau, V-P.; L. M. Zapp, Gen. Mgr.; A. E. Peters, Sec.; M. A. Stewart, Asst. Sec.; Jos. Bampton, Treas.

Directors: John S. Archibald, Geo. H. Smithers, Ernest J. Decary, Louis A. Gosselin, Chas. Laurendeau, Tancrede Bienvenu, Montreal; A. E. Peters, Detroit.

Main Office, Traction Bldg., Highland Park, Mich

DETROIT, ALMONT & NORTHERN RR.

(Operated under Lease by Detroit United Ry.)

History—Incorporated Oct. 6, 1913, in Mich. Line of road extends from Romeo to Imlay City, Mich., passing through Almont, 19.5 miles, all on private right of way. Rail, 70 lbs. Gauge, 4 ft. 8½ in. The Detroit United Ry. owns the entire capital stock and leases the property for a term of 50 years.

Receivership—See Detroit United Ry. Co.

CAPITAL STOCK

Authorized, $500,000; outstanding, $5,000; par $100. All owned by Detroit United Ry. Annual meeting, first Monday in March.

FUNDED DEBT

$400,000. For description see Detroit United Ry.

Officers: A. L. Drum, Receiver; Vacancy, Pres.; E. J. Skehan, V-P.; Joseph Bampton, Treas.; A. E. Peters, Sec.; M. A. Stewart, Asst. Sec.

Office, Highland Park, Mich.

DETROIT & PORT HURON SHORE LINE RY. CO. (RAPID RAILWAYS SYSTEM)

(Controlled by Detroit United Ry.)

History—Incorporated May 17, 1899, in N. J. Owns the entire capital stocks of the Rapid Ry. Co., the Detroit, Mt. Clemens & Marine City Ry. Co., the Port Huron, St. Clair & Marine City Ry. Co., the Detroit & Lake St. Clair Ry. Co., the City Elec. Ry. Co. and the Rapid R.R. Co. The lines of these companies constitute the "Rapid Railway" Division of the system; total track, 145.002 miles.

Receivership—See Detroit United Ry. Co.

CAPITAL STOCK

Authorized and outstanding, $1,900,000 Common and $100,000 5½% Pfd.; par, $100. All owned by Detroit United Ry., except directors' shares, having been purchased at a cost of $1,436,728. Annual meeting, last Monday in November.

FUNDED DEBT

Total $2,500,000. For description see Detroit United Ry.

Officers: A. L. Drum, Receiver; Vacancy, Pres.; Jos. Bampton, Treas.; A. E. Peters, Sec.; M. A. Stewart, Asst. Sec.

Directors: A. E. Peters, Jos. Bampton, W. S. Rodger, Thos. Beath, Detroit; H. H. Picking, East Orange, N. J.

Office, Highland Park, Mich.

DETROIT, JACKSON & CHICAGO RY. CO.

(Controlled by Detroit United Ry.)

History—Incorporated Jan. 14, 1907, in Michigan. Acquired the physical property of the Detroit, Ypsilanti, Ann Arbor & Jackson Ry. and subsequently the Jackson, Ann Arbor & Detroit Ry. and the Detroit, Plymouth & Northville Ry. Co. Line extends from Detroit through Wayne, Ypsilanti and Ann Arbor to Jackson, with branches to Saline and Northville, 111.289 miles, of which line from Jackson to Ann Arbor is over private right of way; balance covered by franchises expiring in 1927. Recently reported that 90% of new right of way between Ann Arbor and Detroit was acquired in 1911, the intention being to own private right of way for entire mileage. Gauge, standard. Rail, 70 and 75 lb T and girder. Duration of charter, 30 years.

Receivership—See Detroit United Ry. Co.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $614,000; all owned by Detroit United Ry., except directors' shares. Annual meeting, first Tuesday in March.

FUNDED DEBT

Total $4,000,000. For description see Detroit United Ry.

Officers: A. L. Drum, Receiver; Vacancy, Pres.; Jos. Bampton, Treas.; A. E. Peters, Sec.; M. A. Stewart, Asst. Sec.

Directors: E. J. Skehan, A. E. Peters, Jos. Bampton, Detroit, Mich.

Office, Highland Park, Mich.

DETROIT, MONROE & TOLEDO SHORT LINE RY. CO.

(Controlled by Detroit United Ry.)

History—Inc. Dec. 9, 1902, in Mich., and on Dec. 15, 1902, purchased the Toledo & Monroe Ry. Line of road: Detroit, Mich., to Toledo, Ohio, with a branch from Monroe to Lake Erie. Total track operated 84.16 miles. Through service between Detroit and Toledo was commenced Nov. 5, 1904. Gauge, standard. Rails, 70 lb. T. Cars, 75. Duration of charter, 99 years.

Reorganization—For digest of Plan of Reorganization see Detroit United Railway.

CAPITAL STOCK

Authorized and outstanding, $2,581,000; par $100. All owned by Detroit United Ry., except directors' shares. Annual meeting, first Monday in March.

FUNDED DEBT

$3,000,000. For description see Detroit United Ry.

RECEIVERS' REPORT, YEARS ENDED DECEMBER 31

	1927	1926
Total oper. & non-oper. rev.	$1,046,377	$1,165,874
Deduct:		
Operating expenses	927,985	1,189,645
Depreciation	95,422	94,280
Taxes	97,585	119,601
Accrued penalties on delinquent taxes	130	52,129
Total oper. expenses	$1,121,122	$1,455,655
Deficit	$74,785	$289,781

NOTE—The above figures are before provision for interest on funded and floating debt and certain receivership costs.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Property account	$4,131,895
Monroe Connecting Co.	100,000
Other investments	39,800
Prepaid taxes	3,928
Adjustment resulting from appraisal of properties as at Dec. 31, 1922	1,851,889
Deficit	1,171,415
Total	$7,298,927
Liabilities—	
Capital stock	$2,581,000
Funded debt	3,000,000
Purchase money obligations	9,000
Accrued interest	450,074
Accrued taxes	517,725
Due to Detroit United Ry.	378,260
Depreciation reserve	243,887
Injuries and damages	118,981
Total	$7,298,927

Officers: A. L. Drum, Receiver; Vacancy, Pres.; Jos. Bampton, Treas.; A. E. Peters, Sec.; M. A. Stewart, Asst. Sec.

Directors: E. J. Skehan, A. E. Peters, Thos. Beath, W. S. Rodger, R. G. Skehan, Detroit, Mich.

Office, Highland Park, Mich.

LA CUMBRE MUTUAL WATER COMPANY

History—Company serves a residential territory, comprising 2,000 acres located 2 miles west of the city of Santa Barbara, Calif. All the stock of the Company is held by owners of land in amounts equal to one share, or fraction, for each acre owned. The stock is appurtenant to the land and each land owner must own stock in the company in order to obtain water. The water supply is obtained from wells located on water bearing lands owned in fee and the distribution system consists of pumps, reservoirs and distributing lines.

CAPITAL STOCK

Authorized and outstanding, $200,500; par $100 of which $96,000 is pledged under the First Mortgage 6½% bonds of La Cumbre Estates Corp.

FUNDED DEBT

$100,000 First Mortgage Sinking Fund Gold 6½s; dated June 1, 1926; due June 1, 1946; interest payable June and Dec. 1. Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal., Trustee. Coupon, $500 and $1,000. Authorized $150,000; issued, $100,000 to reimburse company for expenditures made in improvements and additions to the distribution system and for extensions thereto. $80,000 of bonds are pledged under First Mortgage 6½% bonds of La Cumbre Estates Corp. Subject to call in whole or in part on any interest date at 102½ and interest upon 40 days' notice. An annual sinking fund is provided equal to 4% of the aggregate amount of bonds outstanding and will be used for the retirement of bonds. Secured by a first mortgage on all the company's properties. Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Tax in California.

Legal Opinion—Gibson, Dunn & Crutcher, Los Angeles, Cal.

Original Offering—First publicly offered ($100,000) in June, 1926, at par and interest, to yield 6½%, by Carstens & Earles, Inc. and M. H. Lewis & Company, Los Angeles, California, etc.

INCOME

Being a mutual water company, all income is derived from water service charges and from assessments levied upon all the capital stock of company by directors.

OFFICERS AND DIRECTORS

Officers: Harold S. Chase, Pres.; Peter Cooper Bryce, V-P.; William S. Porter, Treas.; M. C. Williams, Sec.

Directors: Peter Cooper Bryce, Edward V. Carter, Harold S. Chase, Melvin H. Lewis, Milton Wilson.

Office, 1012 State Street, Santa Barbara, Cal.

VICKSBURG GAS COMPANY

History and Property—Incorporated Dec. 1, 1902, in Miss. Supplies gas to Vicksburg, Miss. Population served, 18,000. Annual sales (approx.) 59,000,000 cu. ft. Price, $1.80 to $1.00 net, according to consumption. Miles of mains, 29. No. of meters, 1,762.

CAPITAL STOCK

Authorized, $250,000; outstanding, $238,600; par $50. Dividends not reported.

FUNDED DEBT

$200,000 FIRST MORTGAGE 6% SERIAL GOLD BONDS; DUE SERIALLY JULY 1, 1927 TO JULY 1, 1945

Dated July 1, 1925.

Interest Payable January and July 1, at the American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000.

Trustee—The National City Savings Bank and Trust Company, Vicksburg, Miss.

Provisions of Issue—Authorized, $250,000; issued, $200,000. The remaining $50,000 bonds in the Treasury of the Company can only be issued for not exceeding in face value 75% of the cost of improvements and extensions and then only provided net earnings for the preceding 18 months are 1½ times annual interest charges on all bonds outstanding including those to be issued.

Callability—Subject to call as a whole only on any interest date on 60 days' published notice at 102 and accrued interest.

Security—These bonds are a direct obligation of the company and secured by a first mortgage on all real estate, plants, equipment and franchises of the Vicksburg Gas Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Free from Ad Valorem or Personal Property taxes in the State of Mississippi.

Legal Opinion—Monroe & Lemann, New Orleans and Brunini & Hirsch, Vicksburg, Miss.

Original Offering—First publicly offered ($200,000) in July, 1925, at prices ranging from par and interest, yielding 6%, to 94.45 and interest yielding 6.50%, by Watson, Williams & Co., New Orleans, La.; Merchants National Bank, National City Savings Bank & Trust Co., First National Bank, National Peoples Savings Bank & Trust Co., Vicksburg, Miss.

EARNINGS, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925	1924
Gross earnings	$109,760	$101,501	$98,309
Operating expenses, etc.	85,399	81,404	78,470
Net earnings before interest charges and provision for deprec. and Federal Income Taxes	$24,361	$20,097	$19,839

Officers: Neil Callahan, Pres. & Gen. Mgr.; John A. Hennessey, V-P.; J. F. Jones, Sec. & Treas., Vicksburg, Miss.

Directors: Neil Callahan, John A. Hennessey, J. F. Jones, P. L. Hennessey, J. K. Hirsch, George Williamson, Vicksburg, Miss.

General Office, 616 Crawford St., Vicksburg, Miss.

NORTH CAROLINA PUBLIC SERVICE COMPANY

(Controlled by Duke Power Co. through Southern Public Utilities Co.)

History—Incorporated Feb. 26, 1924, under the laws of North Carolina, as successor to The North Carolina Public Service Company, (see 1923 Public Utility Manual, page 1630), Greensboro Electric Company and Greensboro Gas Company, of Greensboro, N. C., and the High Point Electric Power Company, of High Point, N. C.; and in 1924 acquired the property of the Piedmont Power and Light Co., of Burlington, N. C. On July 1, 1926 the Winston-Salem Gas Co. (see 1926 Public Utility Manual, page 1883) was merged. The company owns all the $500 outstanding capital stock of **Greensboro Bus Company**, incorporated in Nov. 1924, in North Carolina, to provide motor bus transportation service in and near Greensboro, N. C. Also owns practically all the capital stock of the Salisbury & Spencer Railway Company, the property of which it operates under lease.

The Company supplies electric light and power service in Greensboro, Burlington, Salisbury and other important industrial communities in central North Carolina, including Mebane, Lake Latham, Haw River, Graham, Glen Raven, Elon College, Gibsonville, Four Mile, McLeansville, Alamance, White Oaks, Hamtown, Battle Ground, Pomona, Guilford College, Vandalia, Pleasant Garden, Jamestown, Oakdale, Archdale, Trinity, Spencer, East Spencer, Summerfield, Sedgefield, Sumner, Efland, Whitsett, Randleman, Terra Cotta, Stokesdale, Sedalia, Keech's Lodge, Hill Top, Groomtown, Bessemer and Hamilton Lakes. It sells electric power at wholesale for distribution in High Point.

The company supplies gas service in Greensboro, High Point, Salisbury, Winston-Salem and suburban territory. The city of Burlington granted a franchise in April, 1925, and a gas plant and high pressure distribution system was completed and placed in operation there in Sept., 1926. Passenger transportation service is furnished in Greensboro, High Point, Salisbury and Spencer.

The population of the territory served is estimated at 215,000. Greensboro and Winston-Salem, the largest cities served, are important manufacturing centers. While industries are diversified, there are many cotton mills throughout this section. Large railroad shops are located at Spencer, and High Point is one of the most important furniture manufacturing centers in the world. Winston-Salem, the largest city in the State, is an important tobacco center.

Property—The Company's gas plant at Greensboro has a daily capacity of 1,420,000 cubic feet, and its gas holders give it a storage capacity of 250,000 cu. ft. The High Point gas plant has a daily capacity of 220,000 cubic feet, while the storage capacity is 98,000 cubic feet. The Salisbury gas plant has a daily capacity of 240,000 cubic feet, with holders providing 170,000 cu. ft. storage capacity. The Winston-Salem gas plant has a daily capacity of 610,000 cu. ft. and storage capacity of 240,000 cu. ft. The Burlington gas plant has a daily capacity of 400,000 cu. ft. and storage capacity of 100,000 cu. ft. The Company has 255 miles of gas mains. Coke is sold at Greensboro, High Point, Winston-Salem and Salisbury as a by-product of the manufactured gas.

The Company has 25 miles of street car lines.

The electric system of the company, which includes 95 miles of high tension transmission lines and 720 miles of distribution lines, carries current purchased

North Carolina Public Service Co. Inc.

PYNCHON & CO.

Members of the New York Stock Exchange

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Private wire connections to all important markets in the United States and Canada

from the Southern Power Company to light and power consumers. High tension lines are being extended to new industrial and residential developments throughout the territory.

New Control—On July 29, 1927, General Gas & Electric Corp. conveyed to the Southern Public Utilities Co., a subsidiary of Duke Power Co., the controlling interest in the Common stock of this company.

OPERATING STATISTICS, DECEMBER 31

(Latest Available)

	1926	1925	1924	1923	1922
Electric customers	18,965	17,225	15,536	10,823	9,405
Gas customers	9,796	6,389	6,152	5,650	5,202
Total customers	28,761	23,614	21,688	16,473	14,607
K.w.h. sold	41,982,092	37,702,612	34,355,345	24,753,608	25,777,624
Cu. ft. gas sold	271,781,700	209,947,300	204,783,200	182,096,010	184,364,930
Passengers carried*	3,352,098	3,250,172	3,403,493	3,909,200	3,924,259
Tons coke sold	10,422	9,328	4,440	3,907	2,625

*Each zone fare counts as one passenger.

CAPITAL STOCK

Authorized, 100,000 shares non-par Common and 100,000 shares non-par $7 cumulative Pfd.; outstanding 30,020 shares of Common. All the Common stock is owned by Southern Public Utilities Co. The previously outstanding $7 cumulative Pfd. was called for redemption on March 1, 1928, at $110 per share and accrued dividend.

Annual Meeting—Second Tuesday in February at Greensboro, N. C.

Dividends—Pfd. dividends regularly paid quarterly to date of redemption. A dividend of $4 per share was paid on Common in 1926.

FUNDED DEBT

(1)

$2,290,000 THE NORTH CAROLINA PUBLIC SERVICE COMPANY (OLD COMPANY) FIRST & REFUNDING (NOW FIRST) MORTGAGE GOLD 5s; DUE APRIL 1, 1934

Dated April 1, 1909.

Interest Payable April and October 1, at The Equitable Trust Co. of New York, N. Y.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Coupon and registered bonds interchangeable.

Trustee and Registrar—The Equitable Trust Co. of New York, N. Y.

Provisions of Issue—Authorized, $3,500,000. In addition to the $2,290,000 outstanding at Dec. 31, 1926, $157,100 have been cancelled through the sinking fund and $1,052,900 are pledged under Mortgage of North Carolina Public Service Company securing First and Refunding 5s of 1956.

Callability—Subject to call as a whole or in part at 105 and interest on any interest date upon three weeks' notice.

Sinking Fund—July 1, 1915 to and including July 1, 1919, 1%; July 1, 1920 to and including July 1, 1924, 1½%; July 1, 1925 to and including July 1, 1929, 2%; and on each July 1 thereafter 3% of gross earnings from all sources for the twelve months ended March 31 preceding.

Security—Secured by a first mortgage on substantially all the street railway, gas and electric plants in High Point and Greensboro.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($600,000) in March, 1912, at 92½ and interest, by W. N. Coler & Co., New York, and H. F. Bachman & Co., Philadelphia.

(2)

$500,000 (ENTIRE ISSUE) WINSTON-SALEM GAS CO. FIRST MORTGAGE 5% GOLD BONDS; DUE JULY 1, 1932

Dated July 1, 1912.

Interest Payable January and July 1, at Union Trust Co., Detroit, Mich., and Guaranty Trust Co. of New York, N. Y.

Denomination—Coupon, $1,000; principal may be registered at Union Trust Co., Detroit, Mich.

Trustees—Union Trust Co., and Charles R. Dunn, Detroit, Mich.

Provisions of Issue—Authorized and outstanding, $500,000.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice at 102½ and interest.

Security— A first lien on entire rights, property and franchises, formerly owned by Winston-Salem Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Beaumont, Smith & Harris, Detroit, Mich., and Judge E. B. Jones, Winston-Salem. N. C.

Original Offering—First publicly offered ($250,000) in Aug., 1912, at 95 and interest; $100,000 additional offered in Oct., 1922, at 89¼ and interest, by Cammack & Co., Chicago.

(3)

$3,125,000 NORTH CAROLINA PUBLIC SERVICE CO. FIRST AND REFUNDING MORTGAGE 5% GOLD BONDS, SERIES DUE 1956; DUE JULY 1, 1956

Dated July 1, 1926.

Interest Payable January and July 1, at The Seaboard National Bank of the City of New York, and at National Bank of the Republic of Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable as to denomination. Fully registered bonds in denominations of $1,000 and multiples thereof. Coupon bonds and registered bonds interchangeable.

Trustee and Registrar—The Seaboard National Bank of the City of New York.

Provisions of Issue—Authorized amount, unlimited. Outstanding Dec. 31, 1926, $3,125,000; in treasury, $285,000.

Additional bonds may be issued from time to time in various series, having such aggregate amounts, bearing such dates and having such interest rates and payment dates, maturities, redemption provisions, tax provisions, privileges of conversion into capital stock, and sinking fund provisions, as directors may prescribe. Additional bonds secured by this mortgage may be so issued for acquisition of additional properties and for additions, extensions, improvements or betterments to mortgaged property upon following basis: (a) up to 70% of actual value or cost (whichever is less) of such newly acquired property, provided earnings applicable to bond interest for any twelve consecutive calendar months within fourteen calendar months immediately preceding date of application for such bonds, shall have been not less than 1½ times annual interest charges of Company, (b) up to 75% of actual value or cost of such property if such earnings shall have been at least 1¾ times such interest charges, or (c) up to 80% of actual value or cost (whichever is less) of such property if such earnings shall have been at least equal to twice such interest charges, all as set forth and defined in the mortgage. Additional bonds may also be issued for refunding purposes.

Sinking and Improvement Fund—Company covenants to pay to Trustee on July 1, 1928, and on each July 1 thereafter a sum equivalent to 1% of principal amount of these bonds then outstanding. Such moneys may at option of Company be applied to purchase or

redemption of these bonds or expended in additions or betterments to the mortgaged property, against which no additional First and Refunding Mortgage bonds may be issued.

Callability—Subject to call as a whole or in part, at option of Company on 30 days' notice on any interest date to and including July 1, 1941, at 105 and accrued interest; thereafter to and including July 1, 1955, at 102½ and accrued interest; and thereafter to maturity at 100 and interest.

Security—Secured by a direct first mortgage on a substantial portion of Company's property, and by a direct mortgage on its remaining property, subject only to $2,790,000 prior lien bonds, the refunding of which is provided for by mortgage securing these bonds. In addition, $1,052,900 principal amount of such underlying bonds are pledged as further security under this mortgage, so that these bonds share ratably in direct first mortgage security of such underlying bonds. Company has covenanted that the underlying bonds will not be increased unless deposited as security under mortgage securing these bonds. As additional security, $169,000 First Mortgage bonds, all the Second Mortgage bonds and $387,900 of the $400,000 Capital stock of Salisbury & Spencer Ry. Co. have been pledged under the mortgage.

Tax Provisions—Company pays Normal Federal Income tax up to 2%; Pennsylvania 4 mill tax, Connecticut 4 mill tax, Maryland Securities tax not in excess of 4½ mills, California Personal Property tax not in excess of 5 mills per annum, and Massachusetts 6% Income tax refundable to holders resident in those states.

Original Offering—First publicly offered ($3,125,000) in July, 1926, at 94½ and interest, to yield over 5.37%, by A. C. Allyn & Co., Inc., Pynchon & Co., and A. B. Leach & Co., Inc., New York, etc.

Bonds Redeemed and Retired—All the Piedmont Power & Light Co. First Mortgage 6% bonds, due May 1, 1934, were called for payment on Nov. 1, 1926, at 105 and interest at Guarantee Trust & Safe Deposit Co., Philadelphia, Trustee. All the North Carolina Public Service Co. First Lien and Refunding Series "A" 6½% bonds, due Feb. 1, 1944 and Series "B" 6% bonds, due May 1, 1954, were called for payment, the Series "A" on Aug. 1, 1926 at 107½ and interest, and the Series "B" on Nov. 1, 1926 at 105 and interest, at The Seaboard National Bank of The City of New York, N. Y.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Includes Subsidiary)

	*1927	1926	1925
Operating revenue	$2,322,114	$2,096,533	$1,860,027
Oper. exps. & taxes	1,591,673	1,446,988	1,262,562
Operating income	$730,441	$649,545	$597,465
Other income	19,535	23,605	13,838
Total income	$749,976	$673,150	$611,303
Interest on funded debt	349,377	314,732	274,660
Other int. and amort.	30,762	34,744	18,377
Net income	$369,836	$323,674	$318,266
Dividends on Pfd. stock	211,816	171,045	138,844
Balance	$158,020	$152,629	$179,422

*Year ended July 31, 1927.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(North Carolina Public Service Co. and Subsidiary Co.)
(Latest Available)

Assets—	1926	1925	1924
Property	$10,366,822	$8,352,698	$7,677,852
Securities owned	3,604	9,502	12,202
Materials and supplies	234,608	214,227	130,259
Cash	237,316	36,545	80,414
Notes and accts. receivable	401,249	347,992	313,559
Sinking and other funds	3,422	29,157	543
Other assets	14,976	10,141	12,694
Deferred assets	492,126	83,504	82,870
Total	$11,754,123	$9,083,766	$8,310,393
Liabilities—			
Com. stock—North Carolina Public Service Co.	$553,388	$553,388	$553,388
Common stock—Salisbury & Spencer Ry. Co.	12,100	13,100	28,650
Preferred stock	2,980,980	2,125,794	1,598,389
Preferred stock subscrip.	2,803	.....	.....
Funded debt	6,746,000	4,973,600	5,008,800
Loans and accts. payable	223,527	403,842	343,359
Accrued liabilities	134,933	140,241	125,461
Other liabilities	307,282	224,458	202,485
Reserves	381,249	317,752	309,002
Surplus	411,861	331,591	140,859
Total	$11,754,123	$9,083,766	$8,310,393

Officers. W. S. Barstow, Pres.; Lucien H. Tyng, Wm. Buchsbaum, R. L. Peterman, Chas. B. Hole, V-Ps.; C. N. Wilson, Sec.; J. P. Campbell, Treas.; E. N. Varner, Asst. Sec. & Asst. Treas.; J. W. Weisel, Jr., Asst. Sec. & Asst. Treas.; A. A. Cano, Asst. Treas.; G. A. Aronson, Asst. Sec.

Directors: W. S. Barstow, Lucien H. Tyng, Wm. Buchsbaum, W. F. Ingold, J. P. Campbell, C. N. Wilson, R. A. Jones.

General Office, First and Church Sts., Charlotte, N. C.

SALISBURY & SPENCER RAILWAY COMPANY

(Controlled by North Carolina Public Service Company)

History—Incorporated in March, 1901, in North Carolina. Operated under lease by North Carolina Public Service Co. which owns practically all the outstanding stock.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $100. North Carolina Public Service Co. owns $387,900 of the stock, all of which is deposited under its First Lien and Refunding Mortgage. Company acts as Transfer Agent and Registrar. Annual meeting, second Monday in May.

FUNDED DEBT

(1)

$1,000,000 (ENTIRE ISSUE) FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1945

Dated May 1, 1905.

Interest Payable May and November 1, at The Michigan Trust Co., Grand Rapids, and at The Equitable Trust Co., of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The Michigan Trust Co., Grand Rapids.

Provisions of Issue—Authorized and issued, $1,000,000, of which $169,000 owned by North Carolina Public Service Company, and deposited as collateral under its First and Refunding 5s of 1956.

Callability—Subject to call as a whole or in part at any time on six weeks notice at 105 and interest.

Security—Secured by a first mortgage on all property of Salisbury & Spencer Ry. Co.

Guaranty—Guaranteed, principal and interest, by North Carolina Public Service Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First offered by H. F. Bachman & Co., Philadelphia, at par and interest.

(2)

$261,000 SECOND MORTGAGE GOLD 5s, SERIES "A"; DUE MAY 1, 1945

Dated May 1, 1924.

Interest Payable May and November 1, at The Seaboard National Bank of The City of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered. Coupon and registered bonds interchangeable.

Trustee and Registrar—The Seaboard National Bank of the City of New York.

Provisions of Issue—Authorized issue, unlimited. Outstanding, $261,000, all of which are owned by North Carolina Public Service Company, and deposited as collateral under its First and Refunding 5s of 1956. Additional bonds may be issued against additional properties and/or additions, extensions, improvements or betterments to the property of the company on the following basis; (a) up to 70% of the actual value or cost (whichever is less) of such newly acquired property, if the gross income of the North Carolina Public Service Company, (the lessee of all the property of the Company) for any 12 consecutive calendar months within the 14 calendar months immediately preceding the date of the application for such bonds, shall be at least equal to 1½ times the annual interest charges on all bonds outstanding under the mortgage of the Salisbury & Spencer Railway Co. to the Michigan Trust Co. dated May 1, 1905; on all bonds outstanding under mortgage of North Carolina Public Service Co. to Guardian Trust Co. of New York, under which mortgage The Equitable Trust Co. of N. Y. is now Trustee, dated March 23, 1909; on all bonds outstanding under Mortgage of North Carolina Public Service Company, to The Seaboard National Bank of the City of N. Y., as Trustee, dated Feb. 1, 1924 securing the First and Refunding 5s of 1956. (b) up to 75% of the actual value or cost (whichever is less) of such property if such earnings shall have been at least 1¾ times such interest charges (c) up to 80% of the actual value or cost (whichever is less) of such property if such earnings shall be at least twice such interest charges. Automatically pledged under the mortgage of North Carolina Public Service Co., securing the First and Refunding 5s of 1956.

Callability—Subject to call as a whole or in part on 30 days' notice on any interest date at par and interest.

Security—A lien on property of Company subject to First 5s of 1945.

Office, Salisbury, N. C.

THE SOUTH CAROLINA GAS AND ELECTRIC COMPANY

(Controlled by Duke Power Company through Southern Public Utilities Company)

History—The Company was incorporated in Sept. 1922, under the laws of Maryland, as successor to the South Carolina Light, Power and Railways Company, which was formed by merger in 1912.

The South Carolina Gas and Electric Company supplies electric light and power service in the city of Spartanburg and other important industrial communities in northern South Carolina, including Pacolet, Cowpens, Woodruff, Inman, Boiling Springs, Fairforest, Glenn Springs, Roebuck, Converse, Cedar Springs, Hayne, Whitestone, Glendale, Switzer and Arcadia. It also sells electric power at wholesale for distribution in Gaffney and Blacksburg.

The company supplies gas service in Spartanburg. It furnishes, in conjunction with the **Spartanburg Bus Company** (incorporated Nov., 1924, in S. C.) whose $1,000 outstanding Common stock it owns, motor bus and street car service in Spartanburg and suburban territory including Hayne, where there are large railroad shops; Clifton, Arkwright, Whitney, Saxon and Glendale. There are 21 miles of track in the street railway system.

The total population of the territory supplied with electric service is estimated at 73,900, with transportation service at 40,000, and with gas service at 50,000.

While the entire territory has a diversity of industry, it is one of the most important cotton growing areas of the South and is noted for its manufactured cotton products. The industries which are large consumers of electric power include cotton spinning, knitting, ginning, oil and fertilizer plants, woodworking mills, creosoting plants, railroad repair shops, reed and harness plants, flour mills, foundries and brick plants.

Plants—The company owns a hydro-electric generating station located at Gaston Shoals, the total generating capacity being 10,800 k.w.

The gas plant in Spartanburg has a daily capacity of 420,000 cu. ft. Two gas holders give the company 250,000 cu. ft. storage capacity, and it has 46 miles of gas mains.

Lines—The company has 103 miles of high tension transmission lines and 419 miles of distribution lines. A new high tension, double circuit steel tower line, connecting Spartanburg with the Broad River Power Company's system at Parr Shoals was completed and placed in operation in 1926. This connection provides, from the present large hydro-electric and new steam generating stations at Parr Shoals, the additional power required by expansion of industry in Spartanburg and surrounding territory. The South Carolina Gas and Electric Company also has an arrangement for exchanging power with the Southern Power Company.

New Control—On July 29, 1927, General Gas & Electric Corp. conveyed to the Southern Public Utilities Co., a subsidiary of Duke Power Co., the controlling interest in the Common stock of this Company.

Receivership Asked—In Jan., 1928, it was announced that the Merchants and Farmers Bank of Spartanburg, S. C., had instituted an action in the U. S. District Court for the Western District of South Carolina asking the appointment of a receiver for Company.

Protective Committee for 6% Convertible Mortgage Bonds—Due to the default in the payment of the interest due Dec. 15, 1927 on The South Carolina Gas and Electric Co. 6% Convertible Ten-Year Mortgage Gold bonds, due Dec. 15, 1932, the following committee was organized to protect the interests of the holders of these bonds under a Bondholder's Agreement dated Jan. 3, 1928: Nathaniel F. Glidden, Robert T. Sheldon, Robert C. Rathbone, and William Macalister, Jr., with M. H. Donlon, Sec., 72 Wall St., New York, N. Y. Bondholders were requested to deposit their bonds with American Exchange Irving Trust Co., 60 Broadway, New York, N. Y., Depositary, under the Agreement. A majority of the bonds had been deposited up to May 17, 1928 and no bonds were to be deposited under the Agreement after May 28, 1928 except on such terms as may be fixed by the Committee.

Agreement for Sale of 6% Convertible Mortgage Bonds—Pursuant to the Bondholders' Agreement the above Committee on May 29, 1928 filed with American Exchange Irving Trust Company as Depositary a plan and agreement for sale of deposited bonds. Certificate holders may withdraw from the Bondholders' Agreement prior to June 22, 1928 in the manner provided in the said Bondholders' Agreement upon paying to American Exchange Irving Trust Company their pro rata share of compensation and expenses of the Committee. Certificate holders who fail to withdraw shall be conclusively deemed to have assented to the plan and agreement.

Protective Committee for First Mortgage 6% Bonds—Due to the precarious financial condition of Company and the default in the payment of the interest due March 15, 1928 on the First Mortgage Twenty-

Year 6% Gold bonds, due Sept. 15, 1942, the following committee was organized to protect the interest of the holders under a Deposit Agreement, dated March 24, 1928: Charles C. Hood (Chairman), 160 Broadway, New York, James T. Monahan, and William H. Eshbaugh, with Richard B. Tillinghast, Sec., 160 Broadway, New York, and Henry M. Earle and Kobbe, Thatcher, Frederick & Hoar, 128 Broadway, New York, N. Y., Counsel. Bondholders were requested in April, 1928 to deposit their bonds with The New York Trust Co., 100 Broadway, New York, Depositary under the Agreement.

CAPITAL STOCK

Authorized, $1,250,000 Common, $2,000,000 First Pfd. 7% cumulative non-voting stock and $1,000,000 Second Pfd. 6% cumulative non-voting stock; outstanding, $1,195,100 Common and $602,200 Second Pfd.; par of all issues, $100. In addition to the amount outstanding $1,200 of the Common and $26,700 of Second Pfd. stocks are reserved for outstanding stock of predecessor company. Of the Common stock $1,037,700 is owned by Southern Public Utilities Co. The Common stock was issued to the holders of Common stock of the South Carolina Light, Power & Railways Co. at rate of one share of Common stock of the new company for two shares of Common stock of the old company. The outstanding Second Pfd. stock was issued par for par to the holders of the First Pfd. stock of the South Carolina Light, Power & Railways Co. Of the First Pfd. stock $715,000 is reserved for the conversion privileges contained in the indenture securing the 6% Convertible 10-Year Mortgage Gold Bonds.

Preferred Stock Provisions—The First Pfd. stock is preferred as to assets and dividends at the rate of 7% per annum. The Second Pfd. has preference as to assets and dividends at the rate of 6% per annum, after the First Pfd. has received its cumulative dividends at the rate of 7% per annum. The First Pfd. and Second Pfd. are callable on one months' notice at 105 and dividends.

Transfer Agent (All Classes)—United States Corporation Company, New York.

Registrar (All Classes)—Chatham Phenix National Bank & Trust Co., New York.

Annual Meeting—Second Tuesday in March, at Baltimore, Md.

Dividends—No dividends are being paid on any class of stock.

FUNDED DEBT

(1)

$3,628,000 FIRST MORTGAGE 20-YEAR 6% GOLD BONDS, DUE SEPTEMBER 15, 1942

Dated September 15, 1922.

Interest Payable March and September 15, at The New York Trust Co., New York.

Default—Interest due March 15, 1928 in default.

Protective Committee—See above.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—The New York Trust Co., New York.

Provisions of Issue—Authorized issue, $5,000,000; outstanding, $3,628,000; held in treasury, $72,000.

Remainder of the authorized amount of bonds are issuable for betterments, improvements or enlargements to existing properties, or for the purchase or acquisition of new properties, or for reimbursing the company for any moneys expended for these purposes, but to the extent only of not exceeding 80% of the actual cost of such expenditures, and also providing that net earnings for twelve months within the fourteen months preceding the time of such issuance, shall be equal to at least 1½ times interest charges on the First Mortgage bonds outstanding and those to be issued.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, at 105 and interest.

Sinking Fund—The indenture provides for an annual sinking fund equal to 1% of the bonds outstanding at time of payment to begin on Jan. 1, 1929.

Security—Secured by a first mortgage on property of the Company now owned or hereafter acquired. These bonds were issued to the holders of the First Mortgage 5% Gold bonds of the South Carolina Light, Power & Railways Co., par for par.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$644,000 6% CONVERTIBLE 10-YEAR MORTGAGE GOLD BONDS, DUE DECEMBER 15, 1932

Dated December 15, 1922.

Interest Payable June and December 15, at American Exchange Irving Trust Co., New York.

Default—Interest due Dec. 15, 1927, in default.

Protective Committee—See above.

Denomination—Coupon, $1,000; principal may be registered.

Trustee and Registrar—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized, $650,000; outstanding, Dec. 31, 1926, $644,000; in treasury, $6,000. These bonds were issued to the holders of the Three-Year 7% Gold Notes of the South Carolina Light, Power & Railways Co., par for par.

Callability—Subject to call as a whole or in part at any time upon 30 days' notice, at par and interest.

Conversion Privilege—At the option of the holder, any and all 6% Convertible 10-Year Mortgage Gold Bonds issued, may be converted at any time prior to the maturity of said bonds, into shares of the First Pfd. 7% cumulative stock of the Company on the basis of 11 fully paid and non-assessable shares of said stock for each $1,000 principal amount of bonds so converted.

Security—Secured by a closed mortgage on the property of the company now owned or hereafter acquired, subject to the First Mortgage 6s described above.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$2,000,000 GENERAL MORTGAGE 6% GOLD BONDS; DUE AUGUST 1, 1954

Dated August 1, 1924.

Interest Payable February and August 1.

Trustee and Registrar—General Finance Corporation, New York.

Denominations—Coupon, $100 and multiples thereof; principal may be registered.

Provisions of Issue—Authorized and issued, $2,000,000, all of which were held in the treasury Dec. 31, 1926, pledged as collateral to secure promissory notes.

Callability—Subject to call as a whole or in part at option of Company at par and accrued interest on 30 days' notice.

CERTIFICATES OF INDEBTEDNESS

The Company has the following non-interest bearing Certificates of Indebtedness outstanding:

$402,920; redeemable at option of the Company out of earnings. These Certificates of Indebtedness were issued to holders of the First Mortgage 5% Gold Bonds and Three-Year 7% Gold Notes of the old company to cover the accrued and unpaid interest on these securities.

$69,251; due Jan. 2, 1928. These Certificates of Indebtedness were issued to the unsecured creditors of the old company.

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Including Subsidiary)
(Latest Available)

	1926	1925	†1924	†1923
Operating revenues	$1,050,676	$966,900	$888,393	‡$857,020
Operating expenses and taxes	860,269	859,554	615,892	548,000
Operating income	$190,407	$107,346	$272,501	$309,020
Other income	1,524	588	12,181	‡
Gross income	$191,931	$107,934	$284,682	$309,020
Interest on funded debt	256,320	256,800	256,310	248,564
Other interest and amortization	69,749	43,004	13,157	
Net income	*$134,138	*$191,870	$15,215	$60,456

*Deficit. †The South Carolina Gas and Electric Co. proper. ‡Other income included in operating revenues.

CONSOLIDATED BALANCE SHEET, DECEMBER 31
(Includes Subsidiary Company for years 1926 and 1925 only)
(Latest Available)

Assets—	1926	1925	†1924	Liabilities—	1926	1925	†1924
Property account	$7,420,938	$7,277,064	$6,949,225	Preferred stock	$628,900	$628,900	$628,900
Securities owned	31,661	31,104	1,000	Common stock	1,196,300	1,196,300	1,196,300
Sinking and other funds	79,811	3,212	.....	Funded debt	4,272,000	4,272,000	4,272,000
Materials and supplies	82,212	90,229	104,218	Certificates of indebtedness	472,172	472,441	479,941
Notes and accounts receiv.	181,487	158,748	168,121	Notes and accounts payable	1,446,856	1,063,733	525,888
Cash	54,810	32,057	25,137	Customers' deposits	12,258	7,926	9,778
Other assets	9,713	8,132	9,157	Accrued liabilities	79,040	76,338	83,379
Deferred debits	12,915	11,657	14,544	Reserves	43,991	20,798	848
				Surplus	*277,970	*126,233	74,368
Total	$7,873,547	$7,612,203	$7,271,402	Total	$7,873,547	$7,612,203	$7,271,402

*Deficit. †The South Carolina Gas and Electric Co. proper.

Office, Spartanburg, S. C.

ALLIED POWER & LIGHT CORPORATION

History—Incorporated May 5, 1928, in Delaware, and has contracted to acquire the business, assets and contracts of Hodenpyl, Hardy & Co., Inc., and the entire capital stock of Stevens & Wood, Inc., together with substantial stock interests in Commonwealth Power Corporation, Penn-Ohio Edison Company, Northern Ohio Power Company and other power and light systems. Hodenpyl, Hardy & Co., Inc., and Stevens & Wood, Inc., have for many years been engaged in the management and supervision of electric power and light properties.

Allied Power & Light Corporation, either directly or through subsidiaries, will act in a supervisory capacity for a number of power and light companies and will supply engineering, supervisory and financial assistance in connection with the development and operation of these companies and the construction of additions to their properties. It will take a financial interest in electric power and light and other companies through the purchase of their securities and will be prepared to supply the necessary capital and direction for the re-organization or consolidation of properties of the above mentioned character. It will also furnish engineering services and do general construction work.

Hodenpyl, Hardy & Co., Inc., was organized in 1914 and with its predecessors has for over thirty years been interested in the organization, development and operation of public utility properties. Many of such properties are now component parts of the Commonwealth Power Corporation system.

Stevens & Wood, Inc., directly or through predecessor companies, have for many years been engaged in the general engineering and construction business and also in the managing, supervising and financing of public utility corporations. In addition, it has done a considerable and varied amount of engineering work for the industrial field.

Among the important power house undertakings at the present time are the Toronto Station of the Ohio River Edison Co., the completion of the Fairbanks (Alaska) Power Station for the U. S. Smelting, Refining & Mining Co., and the design and construction of the new Deepwater Power Station (Wilmington, Del.) for the American Gas & Electric Company and the United Gas Improvement Company, which is to be used jointly by these Companies and also to supply process steam to E. I. du Pont de Nemours and Co. This latter power station is the first new station to be designed for 1,200 pounds steam pressure and has attracted national attention due to the many progressive features in its design. Stevens and Wood, Inc., will continue business as a subsidiary of Allied Power & Light Corporation.

CAPITAL STOCK
Upon completion of present financing)

	Authorized	To be Outstanding
First Pfd. stock, no par value:		
$5 Series, cum. (this issue)	150,000 shs.	150,000 shs.
Not designated as to any series	150,000 shs.	None
Preference stock, no par value:		
$3 Series, cumulative	100,000 shs.	100,000 shs.
Not designated as to any series	100,000 shs.	None
*Common stock, no par value	2,000,000 shs.	1,250,000 shs.

*In addition there are outstanding Option Warrants entitling the holders thereof to subscribe to 100,000 shares of Common Stock at the rate of $12.00 per share, which Warrants expire Oct. 31, 1928.

First Pfd. Stock Provisions—The First Pfd. stock, $5 Series has priority over the Preference and Common stocks with respect to dividends and assets. Upon dissolution or liquidation, whether voluntary or involuntary, the First Pfd. stock shall be entitled to receive, out of the assets of the Corporation $100 per share and accumulated dividends before any payments are made on the Preference and/or Common stock.

The First Pfd. stock has no voting power except as required by the laws of Delaware and except upon failure of the Corporation to pay, when due, dividends for successive dividend periods totaling one year, in which case the holders of the First Pfd. stock shall be entitled to one vote per share so long as such failure to pay dividends continues; but such voting power will cease upon subsequent payment by the Corporation of all such accumulated and unpaid dividends, subject, however, to renewal on similar failure to pay dividends.

Preference Stock Provisions—The Preference stock, $3 Series, is preferred as to dividends and assets over the Common stock. Upon dissolution or liquidation, whether voluntary or involuntary, the Preference stock shall be entitled to receive, out of the assets of the Corporation $50 per share and accumulated dividends before any payments are made on the Common stock. Except as otherwise required by the laws of Delaware, the holders of the Preference stock have no voting powers.

Purpose of Issue—The proceeds from the sale of 150,000 shares of First Pfd. stock, together with the proceeds from the sale of Preference stock and Com-

mon stock, were used in the acquisition of the above described assets, and for general corporate purposes.

Callability—The $5 Series First Pfd. stock is redeemable, as a whole or in part, at the option of the Corporation, at any time, upon not less than 30 days' notice at $107.50 per share and accumulated dividends. The Preference stock, $3 Series, is redeemable as a whole or in part, at the option of the Corporation, at any time, upon not less than 30 days' notice, at $52.50 per share and accumulated dividends.

Transfer Agent (All Classes of stock)—Allied Power & Light Corp., New York.

Registrars—(Common and Preference stocks): Bankers Trust Co., New York. (First Pfd. stock): The National City Bank, New York.

Original Offering—First publicly offered (150,000 shares First Pfd. stock, $5 Series) in May, 1928, at $105 per share and accrued dividends from May 15, 1928 (each share accompanied by one share of Common stock), by Bonbright & Co., Inc., New York, etc.

Dividends—Payments on both $5 Series First Pfd. stock and $3 Series Preference stock are made quarterly, F, M, A & N 15.

FUNDED DEBT

None.

Officers: B. C. Cobb, Chairman; R. P. Stevens, Pres.; William H. Sawyer, V-P.; Jacob Heckma, V-P.; E. G. Strand, Sec.; A. P. Taliaferro, Treas., New York.

Directors: B. C. Cobb, Jacob Hekma, Alfred L. Loomis, Horace S. Scarritt, Ray P. Stevens, Landon K. Thorne, New York; J. T. Harrington, Youngstown, Ohio.

Principal Office, Wilmington, Del. **Executive Office,** 14 Wall St., New York.

ESCANABA POWER & TRACTION COMPANY

(Controlled by Escanaba Paper Co.)

History and Property—Incorporated in Aug., 1909, in Mich., as Escanaba Traction Co.; name changed to above title in May, 1920. The Escanaba Traction Co. was a consolidation of Escanaba Electric St. Ry. Co. and Escanaba Power Co. Municipal franchise granted July 1, 1903, for thirty years. Line of road: Gladstone to North Escanaba, Mich., with branch, 17 miles, mostly on private right of way. Extension to Gladstone was completed in June, 1910. Gauge, standard. Rail, 40, 45 and 65 lb. T. Motor cars, 12; mail car, 1. Furnishes electricity in Escanaba and Gladstone. Has three hydro-electric power plants on Escanaba River developing 9,000 h. p., two of which are being utilized to generate electricity for the operation of the street railway system and the lighting of Escanaba, Gladstone and Wells, Mich.; the third power plant was completed in December, 1915.

CAPITAL STOCK

Authorized, $50,000 Common and $500,000 6% cumulative Pfd.; outstanding, $50,000 Common and $417,800 Pfd.; par, $100. Secretary of Company acts as transfer agent and registrar. Annual meeting, first Tuesday after third Monday in January.

Dividends—Dividends of 5¼% on Pfd. paid in 1920, 4½% in 1921, and 6% each year thereafter to date; payments quarterly, F, M, A & N 1. Common dividend of 1% paid in 1914; 2½% in 1915; 3% in 1916; 7.35% in 1917; 2% in 1918; 2% in 1919; none since. A stock dividend of $50,000 was paid in 1919.

FUNDED DEBT

(1)

$222,000 ESCANABA TRACTION COMPANY FIRST MORTGAGE GOLD 5s; DUE $10,000 ANNUALLY ON JAN. 1, TO 1933, INCLUSIVE; BALANCE, 1934

Dated August 1, 1909.

Interest Payable January and July 1, at First Wisconsin Trust Co., Milwaukee, Wis.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Michigan Trust Co., Grand Rapids, Mich.

Provisions of Issue—Authorized and issued, $600,000, of which $378,000 retired to Dec. 31, 1926.

Callability—Subject to call at 103 and interest on any interest date.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$200,000 ESCANABA POWER & TRACTION CO. GENERAL & REFUNDING MORTGAGE GOLD 5s, SERIES "A"; DUE APRIL 1, 1950

$728,700 ESCANABA POWER & TRACTION CO. GENERAL & REFUNDING MORTGAGE GOLD 6s, SERIES "B"; DUE APRIL 1, 1942

Dated—Both issues dated April 1, 1920.

Interest Payable April and October 1, at Michigan Trust Co., Grand Rapids, Mich.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Michigan Trust Co., Grand Rapids, Mich.

Provisions of Issue—Authorized, $2,000,000; outstanding, $200,000 Series "A," and $728,700 Series 'B'." In addition $8,500 Series "B" 6s in treasury at Dec. 31, 1926.

Callability—Subject to call in whole or in part on any interest date at option of the Company on 30 days' notice at 105 and interest.

Sinking Fund—The Company agrees to pay to the Trustee each year commencing Jan. 1, 1923, a sum equal to 1% of the principal amount of all outstanding bonds under this mortgage, such funds to be used in the purchase of the Mortgage bonds of the Company at not more than 105 and interest, or any other securities as are satisfactory to the trustee.

Security—A lien on entire property and equipment, subject to the First 5s described above.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Miller, Mack & Fairchild, Milwaukee, Wis.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
Gross earnings	$299,794	$310,986	$312,539	$235,139	$229,523	$249,172
Operating expenses and taxes	145,190	157,052	163,621	128,281	116,226	145,534
Depreciation	29,980	30,868	31,201	21,900	22,715	23,210
Net earnings	$124,624	$123,066	$117,717	$84,958	$90,582	$80,428
Bond and other interest	70,912	70,365	65,494	59,695	51,347	49,950
Bond discount	3,692	3,569	.....	.....	.....	2,773
Net income	$50,020	$49,132	$52,223	$25,263	$39,235	$27,705
Income tax	6,690	4,913	.....	.....	.....	.....
Preferred dividends	25,279	27,800	30,000	30,000	30,000	22,500
Surplus for year	$18,051	$16,419	$22,223	*$4,737	$9,235	$5,205
Times Interest Earned	1.70	1.69	1.79	1.42	1.76	1.55
Earnings Per Share—						
Preferred	$10.37	$9.61	$10.44	$5.05	$7.08	$5.54
Common	36.10	32.84	44.44	Nil	18.47	Nil

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

	1926	1925	1924	1923	1922	1921
Assets—						
Road and equipment	$472,915	$473,801	$474,162	$499,104	$503,585	$483,022
Power house, dams and equipment	1,362,472	1,350,287	1,320,602	1,249,207	1,238,016	1,210,462
Escanaba Paper Co. Common stock	100,000	100,000	100,000	100,000	.....	.....
Materials and supplies	27,156	27,036	19,830	16,361	16,647	11,817
Cash	33,476	3,027	1,411	11,859	4,901	5,001
Notes receivable	.....	.....	.....	.....	150,000	150,000
Accounts receivable	14,621	17,461	91,028	93,469	173,864	144,080
Escanaba Paper Co. current acct.	.....	30,440	.....	.....	.....	.....
Sinking fund, bonds	150	.....	.....	.....	.....	.....
Other current assets	.....	.....	.....	.....	1,575	.....
Deferred charges	74,075	77,349	71,359	13,505	11,340	1,667
Total	$2,084,865	$2,079,401	$2,078,392	$1,983,505	$2,099,928	$2,006,054
Liabilities—						
Common stock	$50,000	$50,000	$50,000	$50,000	$200,000	$200,000
Preferred stock	417,800	460,000	500,000	500,000	500,000	500,000
Funded debt	1,150,700	1,090,700	1,054,800	1,019,000	1,019,000	909,000
Notes payable	7,900	36,704	42,242	59,497	39,945	82,025
Accounts payable	5,912	2,036	48,507	29,641	28,074	29,889
Accrued payroll	1,989	2,040	.....	.....	.....	.....
Escanaba Paper Co. current acct.	5,936	.....	.....	.....	.....	.....
Interest accrued	13,540	12,727	12,251	11,100	7,565	2,458
Taxes, ins. & dividends accrued	26,132	25,599	8,459	1,789	.....	.....
Escanaba Paper Co. construction acct.	69,459	112,209	117,310	.....	.....	.....
Reserve for depreciation	234,304	206,524	176,263	124,789	.....	.....
Other reserves	2,904	624	4,741	.....	.....	.....
Appropriated surplus	.....	.....	.....	.....	111,402	102,670
Profit and loss surplus	98,289	80,238	63,819	187,689	193,942	180,012
Total	$2,084,865	$2,079,401	$2,078,392	$1,983,505	$2,099,928	$2,006,054

Officers: James B. Moran, Pres.; J. K. Stack, Jr., V-P.; H. M. Stack, Sec.; M. N. Smith, Treas.; C. J. Driscoll, Aud.; E. F. Zuehlke, Supt., Escanaba, Mich.

Directors: James B. Moran, M. N. Smith, H. M. Stack, J. K. Stack, Jr., Escanaba, Mich.; A. Buchheit, E. G. Ricker, Milwaukee, Wis.; W. N. Hurlbut, Dayton, Ohio.

Office, Escanaba, Mich.

CENTRAL CALIFORNIA TRACTION CO.

(Joint Control)

History and Property—Incorporated Aug. 7, 1905 in Cal. On Jan. 1, 1928, control of the company was acquired jointly by Southern Pacific Company, The Atchison, Topeka and Santa Fe Railway Company and the Western Pacific Railroad Company, upon payment by each of the said companies of one-third of the cost of the securities acquired. This condition was agreed to by the Southern Pacific Company with the modification that, prior to the consummation of the arrangements for such joint control, the Central California Traction Company should sell its street car lines in the City of Stockton, Cal. to the Stockton Electric Railroad Company, a wholly owned Southern Pacific subsidiary, which had been operating the street car lines under lease for a number of years.

Company is a freight and passenger electric railway operating between Sacramento and Stockton, Cal., with a branch from Lodi Junction to Lodi, Cal., a total of 55 miles, and under joint control it will continue to be operated as an independent line.

CAPITAL STOCK

Authorized, $3,000,000 Common and $1,000,000 Pfd.; outstanding, $290,300 Common and $792,800 Pfd.; par, $100. An assessment of $5 per share levied on Common stock in 1923. Delinquents were sold out and stock bid in by company, when the stock was decreased from $2,928,000. Annual meeting, first Wednesday in August, at San Francisco, Cal. No dividends paid.

FUNDED DEBT

$1,471,000 FIRST MORTGAGE GOLD 5s; DUE APRIL 1, 1936

Dated September 1, 1906.

Interest Payable April and October 1, at Wells Fargo Bank and Union Trust Co., San Francisco.

Reduced Interest, Etc.—In March, 1917, holders of the First Mortgage bonds were requested to sign an agreement (a) reducing the interest rate from 5% to 2% for the years 1917, 1918 and 1919; (b) waiving default in interest and also the sinking fund provision. The reason for this action was given as the jitney competition. A new agreement was signed in 1919 to run to Oct. 1, 1922 under same conditions and modifying sinking fund provisions as above. Another new agreement was signed in 1922 to run to Oct. 1, 1925 where bondholders agree to accept 2½% instead of 5%. By agreements, dated March 29, 1926, and Sept 30, 1926, bondholders accepted interest at rate of 2½% per annum instead of 5% for coupons due April 1, 1926, and October 1, 1926. No action has been reported taken on the April 1, 1927 interest coupon. Sinking fund provisions remain the same.

Denomination—Coupon, $1,000.

Trustee—Wells Fargo Bank and Union Trust Co., San Francisco.

Provisions of Issue—Authorized, $1,500,000.

Callability—Subject to call on any interest date at 105 and interest on 60 days' notice.

Sinking Fund—Sinking fund, modified to begin 1924, $15,000 annually for eight years; $30,000 for two years; and $340,000 for one year. The amounts given above to be paid to the sinking fund are contingent upon the total authorized issue of bonds being outstanding at the time when such sinking fund payment is due; if the total issue is not outstanding, the amount of the payment shall be in the same proportion as the amount outstanding bears to the amount authorized.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in March, 1907, at 97½ and interest, by California Safe Deposit & Trust Co., San Francisco; California National Bank, Sacramento and Stockton Savings & Loan Society, Stockton, Cal.

Market—Dealt in on San Francisco Stock and Bond Exchange, Unlisted Department.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	80	65	72	46	51	51	37½	37½
Low	bid	65	bid	bid	46	35	30	30

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross income	$555,471	$504,746	$608,993	$613,626	$632,091	$585,283
Operating expenses	407,930	404,444	427,071	461,745	449,367	409,345
Taxes and depreciation	64,776	66,049	87,195	77,912	79,920	67,885
Net earnings	$82,765	$34,253	$94,727	$73,969	$102,804	$108,053
Interest, etc.	‡1,807	62,662	69,872	65,082	69,366	68,435
Surplus for year	$84,572	†$28,409	$24,855	$8,887	$33,438	$39,618

†Deficit. ‡Net—credit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$4,219,623	$4,330,489	$4,322,636	$4,239,231	$4,268,147	$4,231,443
Other investments	38,525	38,525	38,525	38,525	.....	.....
Materials and supplies	17,524	5,463	7,080	11,241	15,188	23,934
Cash	336,949	196,957	213,854	226,689	219,827	89,042
Notes receivable	.....	17,000	17,000	17,100	17,100	17,307
Accounts receivable	11,852	16,665	23,579	27,172	28,570	38,253
Other current assets	.....	5,033	4,193	3,488	2,513	3,548
Unadjusted debits	2,592	143,151	157,232	170,467	181,089	1,400,660
Deferred debit items	445,439	.....	100,542	210,336	93,453	123,093
Profit and loss deficit	.....	115,239	86,829	111,684	106,239	114,055
Total	$5,072,504	$4,868,522	$4,971,470	$5,055,933	$4,932,126	$6,041,335
Liabilities—						
Common stock	$290,300	$290,300	$290,300	$290,300	$290,300	$2,928,000
Preferred stock	792,800	792,800	792,800	792,800	792,800	792,800
Funded debt	1,471,000	1,490,000	1,490,000	1,490,000	1,490,000	1,490,000
Notes payable	.....	87,001	92,107	184,214	270,714	274,214
Assessments	.....	.....	.....	.....	.....	30,925
Accounts payable	320,206	156,909	217,576	298,164	164,191	167,196
Interest, etc., unpaid	.....	5,033	89,699	81,400	107,528	81,119
Dividends and interest accrued	3,387	72,977	54,564	42,795	.....	.....
Other current liabilities	.....	.....	.....	.....	.....	.....
Reserve for taxes	181	15,958	20,011	16,610	16,734	46,721
Unadjusted credits	18,623	6,704	7,703	6,440	262,950	216,950
Deferred credit items	.....	.....	.....	.....	.....	13,410
Reserve for depreciation	418,838	393,300	357,300	301,300	.....	.....
Other reserves	13,878	20,630	22,500	15,000	.....	.....
Capital surplus	1,743,291	1,536,910	1,536,910	1,536,910	1,536,909	.....
Total	$5,072,504	$4,868,522	$4,971,470	$5,055,933	$4,932,126	$6,041,335

General Office, 9 Main St., San Francisco, Cal. **Operating Office**, Stockton, Cal.

WESTERN WATER CO.

History—Incorporated March 27, 1911, in Cal. Does a general water supply business in the oil field, extending over about 65 miles.

CAPITAL STOCK

Authorized and outstanding, $700,000; par, $1,000. Annual meeting, last Monday in April.

Dividends—Recent dividends have been paid as follows: 1913, 29%; 1914, 14%; 1915, 13½%; 1916, 13%; 1917, not reported; 1918, 10%; 1919, 12%; 1920 and 1921, not reported; 1922, 12% cash and 75% in stock; 1923, 12%; 1924, 12%; 1925, 1926 and 1927, 18% each.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Total earnings	$521,047	$702,211	$743,960
Oper. exp., taxes & deprec.	418,444	455,997	455,544
Net earnings	$102,603	$246,214	$288,416
Other income	5,908	11,701	7,309
Total income	$108,511	$257,915	$295,725
Interest, etc.	10,238	10,462	7,877
Net income	$98,273	$247,453	$287,848
Dividends paid	126,000	126,000	126,000
Surplus for year	$27,727	$121,453	$161,848

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$1,917,605	$1,879,357	$1,571,854
Materials and supplies	53,283	56,211	59,332
Cash	79,257	71,839	115,901
Notes payable	500	.....	.....
Accounts receivable	40,480	56,228	67,415
Deferred debit items	2,835	4,062	2,478
Total	$2,093,960	$2,067,697	$1,816,980
Liabilities—			
Capital stock	$700,000	$700,000	$700,000
Accounts payable	29,679	56,575	10,869
Interest accrued	997	1,378	.....
Reserve for taxes	.....	5,018	.....
Depreciation reserve	760,489	713,684	631,334
Deferred credit items	1,411	.....	5,018
Other liabilities	.....	384	621
Reserve for amort. intangible capital	33,443	.....	.....
Appropriated surplus	5,018	.....	.....
Profit and loss surplus	562,923	590,658	469,132
Total	$2,093,960	$2,067,697	$1,816,980

Officers: W. A. Howell, Pres.; F. M. Worthington, 1st V-P.; T. M. Young, 2nd V-P.; W. F. Whitaker, Sec.; R. W. Wardwell, Gen. Mgr., Taft, Cal.

Directors: W. A. Howell, F. M. Worthington, W. F. Whitaker, T. M. Young, G. R. Peckham.

General Office, Taft, Cal. **Legal Office**, Bakersfield, Cal.

WHITTIER WATER CO.

History—Incorporated in April, 1907, in Cal. Company serves the territory adjacent to the City of Whittier, situated in Los Angeles and Orange Counties, Cal. Practically all of the distributing system of the Company is on private rights of way; the franchises possessed run well beyond the life of the bonds.

CAPITAL STOCK

Authorized and outstanding, $200,000; par, $50. Annual meeting, third Tuesday in April. Paid dividend of $60,000 in March, 1920.

FUNDED DEBT

$127,500 First Serial Gold 6s; dated July 1, 1907; due $7,500 annually from July 1, 1921, to July 1, 1937, incl.; int. Jan. and July 1, at Citizens National Bank, Los Angeles, Cal. Title Insurance & Trust Co., Los Angeles, Cal., Trustee. Coupon, $500. Original issue, $150,000. A first lien on entire property now owned or hereafter acquired. Company does not pay Normal Federal Income Tax.

Note Issue Authorized—In January, 1927, Company was authorized by the California Railroad Commission to issue at not less than face value $86,500 of promissory notes at not exceeding 6% per anum and payable on or before two years after date, for the purpose of refunding $70,000 of outstanding notes and to finance additions and betterments.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$59,320	$62,609	$66,378
Oper. exp., taxes & deprec.	62,250	61,534	82,726
Loss from operations	$2,930	$1,075	$16,348
Other income	1,021	673	3,807
Total loss	$1,909	$1,748	$12,541
Interest charges	$11,427	$10,950	$11,722
Other charges	234	284	404
Total charges	$11,661	$11,234	$12,126
Deficit for year	$13,570	$9,486	$24,667

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$493,671	$497,400	$502,559
Other investments	17,612	18,481	18,203
Materials and supplies	240	519	628
Cash	4,722	1,375	13,399
Notes receivable	544	340	290
Accounts receivable	15,631	13,775	12,956
Other assets	.....	340	.....
Unadjusted debits	328	148	1,830
Profit & loss—deficit	37,402	23,456	13,016
Total	$570,150	$555,834	$562,881
Liabilities—			
Capital stock	$200,000	$200,000	$200,000
Funded debt	191,500	182,500	182,500
Accounts payable	13,098	13,471	20,500
Interest accrued	3,073	2,639	164
Other current liabilities	.....	723	.....
Reserve for taxes	1,414	.....	437
Res. & other unadj. credits	161,065	156,501	159,280
Total	$570,150	$555,834	$562,881

Officers: J. L. Scott, Pres.; A. M. Chaffey, Sec. & Treas., Whittier, Cal.

Directors: Geo. Chaffey, J. B. Chaffey, C. E. Seares, Whittier, Cal.; A. M. Chaffey, James S. Bennett, Whittier, Cal.

General Office, Whittier, Cal.

MID-CONTINENT TELEPHONE COMPANY

History and Business—Incorporated in Delaware. Will own and operate directly or through the ownership of capital stock of subsidiaries, telephone properties furnishing service without competition in the states of Texas, Arkansas, Illinois and Wisconsin. By virtue of existing traffic agreements and physical connections with the lines of the Bell Company and other independent systems, subscribers will have the benefit of service embracing the entire nation. Total population of areas directly to be served by the Company and its subsidiaries, is estimated at 195,000. Directly and through its subsidiaries, Company will own and operate without competition modern telephone plants comprising a system of 10,646 stations and 767 miles of toll pole lines. The telephone system will operate in eastern Texas and western Arkansas, north central Illinois and southern Wisconsin, in a total of 24 counties, serving the following cities and towns:

In Wisconsin: Rosendale, Oakfield, Theresa, Eden, Campbellsport, Kewaskum, Batavia, Cascade, Random Lake and Belgium.

In Illinois: Durand, Rockton, Winnebago, Cherry Valley, New Milford, Davis Junction, Stillman Valley and Byron.

In Texas: Willow City, Palo Alto, Stonewall, Cain City, Round Mountain, Johnson City, Blanco, Dripping Springs, Thorndale, Malone, Bynum, Mertens, Frost, Blooming-Grove, Barry, Dawson, Richardson, Linden, Hallville, Beckville, Poyner, Frankston, Weldon, Trinity, Cold Springs, Shepherd, New Waverly and Willis.

In Arkansas: Blevins, Prescott and Waldo.

CAPITAL STOCK

Authorized and outstanding, 20,000 shares Common of no par value and $500,000 7% cumulative Preferred of $25 par value.

FUNDED DEBT

$1,000,000 FIRST MORTGAGE AND COLLATERAL TRUST 5½% GOLD BONDS, SERIES "A"; DUE MAY 1, 1943

Dated May 1, 1928.

Interest Payable May and November 1, at Chicago Trust Company, Chicago, Ill.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Chicago Trust Co., Chicago, Ill.

Provisions of Issue—Issued, $1,000,000 Series "A" 5½s. Additional bonds may be issued under this mortgage for the acquisition of additional properties, in an amount not exceeding 75% of the total amount of actual cash expenditures or fair value thereof, whichever is lower, provided the net earnings during twelve of the preceding fifteen months were equivalent to 1¾ times the bond interest and dividend charges during such twelve months.

Purpose of Issue—Proceeds of this issue were to be used in part to reimburse Company for expenditures in connection with the acquisition of properties, to retire all funded indebtedness outstanding in the hands of the public against the properties, to provide for extensions and improvements and for working capital and other corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any calendar month prior to maturity upon 30 days' notice, at 105 and interest, less 1% for each full three-year period expired after May 1, 1928.

Special Fund—Company agrees to deposit with the Trustee in a special fund, beginning May 1, 1930, and on or before May 1 of each succeeding year until the maturity of these bonds, an amount equivalent to 25% of the gross earnings for the respective year immediately preceding, less expenditures made for maintenance repairs, renewals, replacements (excluding renewals and replacements not chargeable to capital) additions to and extensions of the system, and the purchase and/or redemption of bonds of this issue or underlying bonds. Moneys so deposited are applicable only to expenditures of the nature above described.

Security—A direct obligation of Company, constituting its entire funded debt. Secured by a first mortgage on all of the physical property of the Company in Texas and Arkansas, also by a direct first lien on capital stock of Wisconsin and Illinois subsidiaries pledged with the Trustee under the Indenture of Mortgage. The Indenture of Mortgage further provides that so long as any of these bonds are outstanding and unpaid, any and all funded obligations or Preferred stock and the proportionate part of the Common stock of any of the subsidiary companies, subsequently issued, shall be pledged with the Trustee under the terms of the Indenture of Mortgage. The properties securing these bonds have been recently appraised and reported upon by Hagenah & Dorsey, Chicago, who determined their cost of reproduction new as $1,978,962 and depreciated sound value as $1,631,775.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund, upon proper application, to holders of these bonds, any tax assessed and paid under the laws of any state, territory, district or possession of the United States, to the extent of 5 mils per year upon each dollar of principal thereof.

Legal Opinion—John P. Barnes, of Levinson, Becker, Frank, Glenn & Barnes, Chicago.

Original Offering—First publicly offered ($1,000,000) in May, 1928, at 97½ and interest, to yield 5.75%, by E. H. Ottman & Co., Inc., Chicago, Engineers National Co., Inc., New York., and Keane, Higbie & Co., Inc., Detroit.

CONSOLIDATED EARNINGS OF CONSTITUENT PROPERTIES, YEAR ENDED MARCH 31, 1928

Gross revenues	$265,391
Oper. exp., maint. & taxes, other than Federal income taxes and exclusive of depreciation	153,409
Balance	$111,982
Annual interest charges on bonds	$55,000

Officer: Herrick Johnson, V-P.

Address, c/o E. H. Ottman & Co., Inc., Bankers Bldg., Chicago, Ill.

HAVRE NATURAL GAS COMPANY

History—Incorporated Oct. 25, 1913, in Mont., for the production and sale of natural gas. Franchises expire in 1943. Population served, 5,500. Owns 280 acres and leases 3,000 acres. Field located in Hill County, Mont. No. of producing gas wells, 3. Miles of mains, 19.5. No. of consumers, 500. Annual production, 40,000,00 cu. ft. Prices, $1 per 1,000 cu. ft. for the first 5,000 cu. ft.; 90 cts. for the next 10,000 cu. ft.; 80 cts. for the next 35,000 cu. ft.; 70 cts. for the next 150,000 cu. ft.; 60 cts. for the next 300,000 cu. ft.; 50 cts. for all over 500,000 cu. ft., with discount of 5%, 10 days.

CAPITAL STOCK

Authorized, $250,000; outstanding, $141,400; par, $100. Annual meeting, fourth Monday in January. Initial dividend of 8%, paid Feb. 15, 1922; none since.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

(Latest Available)

Gross earnings	$31,989
Operating expenses and taxes	15,708
Depreciation	28,525
Operating loss	$12,244
Other income	156
Total income	$12,088
Interest and other fixed charges	447
Deficit for year	$12,535

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Property account	*$112,946	$132,741	$150,973
Land	7,900	7,900	.....
Materials and supplies	8,402	13,852	10,160
Cash	2,422	1,074	.....
Notes & accts. receivable	4,860	1,341	9,679
Depreciation of plant	.....	.....	3,330
Profit and loss deficit	10,086	72,957	52,223
Total	$146,616	$229,865	$226,365
Liabilities—			
Capital stock	$141,400	$141,400	$141,400
Notes & accts. payable / Customers' deposits	5,216	12,569	4,813 / 4,253
Depreciation reserve	.....	43,622	43,624
Depletion reserve	.....	32,274	32,275
Total	$146,616	$229,865	$226,365

*After depreciation and depletion.

Officers: F. M. Cowan, Pres.; William Kendig, V-P.; E. C. Carruth, Sec. & Treas.; C. F. Morris, Gen. Mgr. & Pur. Agt., Harve, Mont.

Directors: William Kendig, Sidney Hirshberg, J. S. Almas, E. C. Carruth, F. M. Cowan, C. W. Young, Havre, Mont.; A. H. Featherstone, Max T. Smith, Wallace, Ida.

General Office, Havre, Mont.

GLENDALE & MONTROSE RAILWAY

History—Inc. April 14, 1909, in Cal.; successor to Glendale & Eagle Rock Ry. Franchise from City of Glendale (2 miles of line) expires Nov. 4, 1963. Road connects Glendale, Eagle Rock, Montrose, La Crescenta, and Los Angeles, 11.35 miles; total track, 12.2 miles. Gauge, 4 ft. 8½ inches. Operated by overhead trolley. Motor passenger cars, 8; other cars, 5. Energy purchased from Southern California Edison Co.

CAPITAL STOCK

Authorized and outstanding, $25,000; par, $100. Stock control held by Riverside Portland Cement Co. Annual meeting, July 31. No dividends paid to date.

FUNDED DEBT

$25,000 First Gold 6s; dated 1909; due in 1934. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$91,575	$92,243	$89,613
Oper. exp., taxes, rentals, etc.	90,674	99,706	91,791
Depreciation	15,180	15,435	16,118
Loss from operation	$14,279	$22,898	$18,296
Other income	1,225	1,243	3,501
Deficit for year	$13,054	$21,655	$14,795

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road & equipment	$487,275	$485,746	$478,716
Stocks owned	252	501	500
Materials and supplies	3,934	3,532	4,078
Cash	6,780	7,213	5,030
Accounts receivable	2,020	1,567	3,361
Unadjusted debits	30	125	7,808
Deferred debit items	1,060	.....	.....
Profit and loss deficit	159,231	146,177	124,522
Total	$660,582	$644,861	$624,015
Liabilities—			
Capital stock	$25,000	$25,000	$25,000
Funded debt	25,000	25,000	25,000
Loans advanced by owners	446,132	446,297	443,335
Accounts payable	7,832	9,265	9,820
Accrued taxes	2,327	2,246	2,401
Unadjusted credits	.....	6,448	3,289
Depreciation reserve	121,828	105,655	90,220
Insurance & casualty reserves	2,513	.....	.....
Appropriated surplus	24,950	24,950	24,950
Total	$660,582	$644,861	$624,015

Officers: Griffith Henshaw, Pres., San Francisco, Cal.; Loren Barton, V-P.; Garner A. Beckett, Sec. & Treas.; A. A. Goethals, Aud., Los Angeles, Cal.; P. L. Hatch, Gen. Mgr., Glendale, Cal.

Directors: Griffith Henshaw, San Francisco, Cal; Loren Barton, Garner A. Beckett, John Treanor, Los Angeles, Cal.; P. L. Hatch, Glendale, Cal.

General Office, 135 N. Glendale Ave., Glendale, Cal.

TAMA & TOLEDO RAILROAD COMPANY

History and Property—Incorporated July 19, 1919 in Iowa; successor to Tama & Toledo Railway Co. Line of road extends from Tama to Toledo, Iowa, 3.95 miles. Rails, 70 lb. T. Company discontinued its railway passenger service June 17, 1925, and is operating buses. Equipment: Passenger buses, 4; locomotive, 1; express car, 1.

CAPITAL STOCK

Authorized, $100,000; outstanding, $23,300; par, $100.

FUNDED DEBT

$25,000 FIRST MORTGAGE 6% GOLD BONDS; DUE APRIL 1, 1940

Dated April 1, 1920.

Interest Payable April and October 1 at Merchants National Bank, Cedar Rapids, Iowa.

Denominations—Coupon, $100 and $500; principal may be registered.

Trustee—Merchants National Bank, Cedar Rapids, Iowa.

Provisions of Issue—Authorized, $150,000; outstanding, $25,000.

Callability—Subject to call at 101 prior to April 1, 1935.

Sinking Fund—2% of outstanding bonds, 90 days prior to March 1 in the years 1930 to 1940 inclusive.

Security—A first lien on all properties of company.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$13,901	$25,268	$23,459
Oper. exp., taxes & deprec.	16,886	39,171	38,683
Loss from operations	$2,985	$13,903	$15,224
Other income	899	166	457
Net loss	$2,086	$13,737	$14,767
Interest, rentals, etc.	1,500	1,500	13,958
Deficit for year	$3,586	$15,237	$28,725

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926	1925
Assets—			
Cost of prop. & equipment	$131,637	$133,143	$157,593
Stocks owned	.....	380	.....
Materials and supplies	114	477	.....
Cash	2,763	1,129	1,124
Accounts receivable	2,774	2,348	2,649
Due from associated cos.	1,475	2,501	1,798
Unadjusted debits	2	673	16
Profit and loss deficit	144,925	141,935	126,698
Total	$283,692	$282,586	$286,878
Liabilities—			
Capital stock	$23,300	$23,300	$23,300
Funded debt	25,000	25,000	25,000
Due associate companies	.....	.....	10,653
Accounts payable	480	882	1,211
Int. & taxes accrued	11,245	9,961	7,168
Reserve	4,075	3,476	2,954
Appropriated surplus	219,592	219,967	219,592
Total	$283,692	$282,586	$286,878

Officers: William G. Dows, Pres.; Isaac B. Smith, V-P.; C. W. Woodward, Sec. & Treas.; J. P. Walter, Gen. Mgr.; Carl B. Myers, Gen. Aud.

Directors: William G. Dows, Isaac B. Smith, Sutherland Dows, John A. Reed, Cedar Rapids, Iowa; J. P. Walters, G. H. Struble, F. L. Whitford, Toledo, Iowa.

General Office, Cedar Rapids, Iowa.

KAMINISTIQUIA POWER CO., LTD.

History and Properties—Incorporated in Canada in 1925; successor to Kaministiquia Power Company, Limited (see 1925 Public Utility Manual, page 79). Shareholders of the predecessor company received the equivalent of $145 per share for their stock, $95 per share in cash and the balance in 7% cumulative Pfd. stock of the present company.

Owns and operates at Kakabeka Falls on the Kaministiquia River in the Province of Ontario, a complete hydro-electric development of a rated capacity of 35,000 h.p. Company owns in fee simple the power site. Water rights are adequate and are held in perpetuity. The dams are built on solid rock foundations and are of concrete construction. The initial installation was made in 1906. The entire power output of the plant has been disposed of on favorable terms to customers including the principal industrial power users in the City of Fort William. Franchise to supply electrical current for industrial and commercial power purposes in the City of Fort William is in perpetuity and carries exemption from all municipal taxation in that City, except special and school taxes. Company is at present supplying approximately 4,700 h.p. to the City under contract.

Property Valuation—The physical assets, including power site and station and transmission and distribution systems, but excluding franchises, contracts and good-will, have been valued as at September, 1925, by Walter J. Francis & Co., Consulting Engineers, Montreal, at a replacement value of $6,326,565, against which there is carried in the books of the Company a depreciation reserve of $661,825.

CAPITAL STOCK

Authorized and outstanding, 30,750 shares Class A, non-voting Common of no par value, 9,250 shares Class B voting Common of no par value, and $1,250,000 7% cumulative redeemable Pfd. of $100 par value. Preferred stock cannot be increased without consent of two-thirds of the holders thereof. It is subject to redemption at 105 and interest.

Annual Meeting—In September.

Dividends—Pfd. dividends regularly paid since issuance; a dividend of 1.16 2/3% was paid Jan. 15, 1927 covering two months period, on account of change in dividend payment dates; payments J, A, J & O 15.

FUNDED DEBT

$2,026,500 FIRST MORTGAGE SINKING FUND GOLD 5½s, SERIES "A"; DUE NOVEMBER 1, 1950
£200,000 ($973,333) FIRST MORTGAGE 5½% REGISTERED DEBENTURE STOCK, SERIES "A"; DUE NOVEMBER 1, 1950

Dated November 1, 1925.

Interest Payable May and November 1, on bonds in Canadian gold coin at The Royal Bank of Canada in Montreal or Toronto, or in United States gold coin at the Agency of The Royal Bank of Canada, New York, or in gold coin of the Kingdom of Great Britain at The Royal Bank of Canada, London, England, at the fixed rate of $4.86 2/3 to the £1. Principal and interest of Registered Debenture Stock is payable in London, England, in Gold coin of the Kingdom of Great Britain.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Montreal Trust Company, Montreal, Que.

Provisions of Issue—Authorized, $5,000,000 or its equivalent in Sterling at the fixed rate of $4.86 2/3 to £1, outstanding, $2,026,500 First Mortgage Sinking Fund Gold 5½s, Series "A" and £200,000 ($973,333) 5½% Registered Debenture Stock, Series "A".

The remaining bonds authorized may be issued as part of Series "A" or as a subsequent series and either as Coupon Bonds or as Registered Debenture Stock, or as part one and part the other, but only to the extent of 75% of the cost or appraised value, whichever may be less, of capital improvements or additions to Company's properties and then only when the average net earnings of the Company after provision for all operating expenses, maintenance, repairs, renewals, taxes (except income taxes) and sinking fund, for the next preceding two years shall have been equal to not less than 1½ times the amount of interest on all bonds and/or Registered Debenture Stock then outstanding and proposed to be issued.

Callability—Series "A" bonds are subject to call as a whole or in part at option of Company on any interest date on 60 days' notice at the following prices and accrued interest: At 104 to November 1, 1935; at 103 thereafter to November 1, 1940; at 102 thereafter to November 1, 1945, and at 101 thereafter to maturity.

Sinking Fund—The Trust Deed provides for an annual sinking fund for the exclusive retirement of Bonds and Registered Debenture Stock (if any) of Series "A" commencing November 1, 1926, equal to not less than 1% of the amount of Bonds and Registered Debenture Stock of Series "A" outstanding. This sinking fund will be used for the purchase or redemption of Bonds and/or Registered Debenture Stock at not exceeding the current redemption price and interest.

Security—A direct obligation of Company, secured by Trust Deed which constitutes a first mortgage and charge on all the Company's assets, present and future, specific as to real estate, plant, buildings, equipment and other fixed assets, and also as to franchises, water rights and government leases, and by way of floating charge as to all other assets.

Legal Opinion—Brown, Montgomery & McMichael, Montreal (for the Bankers) and Gibson & Gibson, Toronto (for the Company).

Legal for Life Insurance Companies under The Insurance Act, 1917, Canada.

Original Offering—First publicly offered ($2,026,500), simultaneously in Montreal, Toronto, and New York, at 99 and interest, yielding about 5.57%, by Wood, Gundy & Co., New York, Toronto, Montreal, London, Eng., etc., and Societe de Placements du Canada.

INCOME ACCOUNT, 14 MONTHS ENDED DECEMBER 31, 1926

(Latest Available)

Gross income	$777,927
Expenses and taxes	170,985
Depreciation	75,670
Net earnings	$531,272
Bond interest	192,214
Other interest	3,791
Income tax	30,174
Total fixed charges	$226,179
Balance available for dividends	$305,093
Preferred dividends	101,961
Common dividends	166,667
Surplus for year	$36,465

GENERAL BALANCE SHEET, DECEMBER 31, 1926

(Latest Available)

Assets—	
Cost of property and equipment	$6,329,984
Bonds owned	67,354
Cash	171,323
Accounts receivable	72,689
Deferred debit items	229
Total	$6,641,579
Liabilities—	
Common stock	$1,547,387
Preferred stock	1,248,500
Funded debt	2,969,833
Accounts payable	1,802
Interest accrued	27,224
Dividends accrued	14,566
Reserve, general	28,133
Reserve for depreciation	737,495
Reserve for income tax	30,174
Profit and loss surplus	36,465
Total	$6,641,579

Officers: George H. Mead, Chrm. of Board, Dayton, Ohio; George R. Gray, Pres., Sault Ste. Marie, Ont.; W. N. Hurlbut, V-P., Dayton, Ohio; J. G. Gibson, Sec., Toronto, Ont.; W. Struthers, Treas., Fort William, Ont.; D. G. Calvert, Gen. Mgr., Fort William, Ont.

Directors: George H. Mead, W. N. Hurlbut, Dayton, Ohio; George R. Gray, P. B. Wilson, C. H. L. Jones, Sault Ste. Marie, Ont.; Sir Herbert S. Holt, J. S. Norris, Montreal, Que.; T. H. Watson, Toronto, Ont.; N. M. Paterson, Fort William, Ont.

Head Office, Fort William, Ont. **Secretary's Office,** Bank of Hamilton Bldg., Toronto, Ont.

YAKIMA VALLEY TRANSPORTATION CO.

(Controlled by Oregon Short Line R. R. Co.)

History—Incorp. July 1, 1907, in Wash.; reorganization of the Yakima Inter-Valley Traction Co., organized July 14, 1906. Operates an electric railway in Yakima, Wash., and vicinity. Length of tracks: First track, 34.50 miles; second track, 1.73 miles; sidings, 7.07 miles—total, 43.30 miles. Gauge, standard. Cars: 16 passenger, 14 freight and 2 work cars; 2 locomotives. Power purchased from Pacific Power & Light Co.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $50. All owned by the Oregon Short Line R. R. Co. Annual meeting, second Tuesday in January.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$150,799	$165,450	$137,373
Oper. expenses & taxes	181,150	176,299	157,049
Loss from operation	$30,351	$10,849	$19,676
Other income	327	346	255
Total deficit	$30,024	$10,503	$19,421
Miscellaneous charges	100	45,325	4,121
Deficit for year	$30,124	$55,828	$23,542
Deficit forward	213,248	157,421	133,879
Less: Additions to property through income & surplus	5,111	5,111	5,111
Total deficit at end of year	$238,261	$208,138	$152,310

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$1,505,498	$1,505,575	$1,522,993
Cash on hand	23,109	19,197	16,345
Accounts receivable	779	2,304	1,538
Materials and supplies	23,511	25,262	23,631
Unadjusted debits	1,590	180	354
Deferred debit items	2,300	1,200	2,100
Corporate deficit	238,261	208,138	152,310
Total	$1,795,048	$1,761,856	$1,719,271
Liabilities—			
Capital stock	$500,000	$500,000	$500,000
Due affiliated cos.	1,165,939	1,145,939	1,092,939
Current liabilities	10,654	10,799	18,710
Deferred credit items	11,377	11,075	10,553
Accrued depreciation	101,519	90,283	87,967
Other unadjusted credits	5,559	3,760	9,102
Total	$1,795,048	$1,761,856	$1,719,271

Officers: N. C. Richards, Pres., Yakima, Wash.; Arthur A. Murphy, V-P., Seattle, Wash.; Helen W. Bouldin, Sec.; Orville J. Meerdink, Treas.; Geo. W. Beeman, Aud., Yakima, Wash.

Trustees: N. C. Richards, Geo. W. Beeman, Yakima, Wash.; Arthur A. Murphy, Seattle, Wash.

General Office, Yakima, Wash.

THE MISSISSIPPI VALLEY TELEPHONE COMPANY

History—Incorporated April 12, 1904 in Illinois. Company owns and operates telephone properties in Hancock County, Ill., the principal municipalities served being Carthage, Dallas City, Hamilton, Warsaw, Bowen, Nauvoo, Basco, Burnside, West Point, Sutter, Elvaston, and Adrian. Company has over 3,000 connected local stations. Long distance business is handled through a joint working arrangement with the Illinois Bell Telephone Co., a subsidiary of American Telephone & Telegraph Co.

CAPITAL STOCK

Authorized and outstanding, $50,000 Common and $50,000 6% cumulative Pfd.; par of both issues, $100. Annual meeting, in November, at Carthage, Ill.

Dividends—Dividends at rate of 6% per annum were regularly paid on Pfd. to Dec. 1, 1925; 1926, 1½%; payments semi-annually, June and Dec. 1.

FUNDED DEBT

$150,000 FIRST MORTGAGE GOLD 6½s; DUE MARCH 1, 1945

Dated March 1, 1925.

Interest Payable March and September 1, at Chicago Trust Co., Chicago, Ill., Trustee. Coupon, $100, $500 and $1,000; principal may be registered.

Provisions of Issue—Additional bonds may be issued up to 75% of cost of property, additions, improvements, etc., when net earnings applicable to bond interest, after deducting depreciation and maintenance for the 12 months out of the preceeding 15 months shall have been not less than 1¾ times the interest requirements on the outstanding bonds and on the bonds proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date upon 30 days' notice, at 102 and interest.

Sinking Fund—Beginning March 1, 1926, an amount equal to 1½% of outstanding bonds, to be used to retire bonds of this issue in the open market or at the redemption price or for permanent additions and extensions for which no additional bonds may be issued.

Security—Secured by a first mortgage on all real estate, buildings and telephone property of the company, now owned or hereafter acquired, including rights and franchises.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago, Ill.

Original Offering—First publicly offered, ($150,000), in March, 1925, by Baker, Walsh & Co., Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925
Gross earnings	$83,502	$76,611
Oper. exp., taxes, etc.	69,802	66,626
Net earnings	$13,700	$9,985
Bond interest	10,139	10,175
Other fixed charges	2,617	1,845
Total charges	$12,756	$12,020
Balance for dividends	$944	*$2,035
Dividends paid	750	3,000
Surplus for year	$194	*$5,036

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

Assets—	1926	1925
Property account	$324,280	$298,264
Materials & supplies	.....	5,386
Cash	*42	5,102
Notes receivable	2,500	.....
Accounts receivable	2,072	17,098
Other current assets	6,826	7,748
Unadjusted debits	23,529	21,373
Total	$359,165	$354,971
Liabilities—		
Common stock	$50,000	$50,000
Preferred stock	50,000	50,000
Funded debt	150,300	162,500
Notes payable	10,797	.....
Accounts payable	1,700	.....
Other current liabilities	4,269	2,128
Reserve for depreciation	66,608	62,880
Profit and loss	25,491	27,463
Total	$359,165	$354,971

*Overdraft.

Officers: James L. Kirk, Pres. & Pur. Agt.; Jane Hughes, Sec., Carthage, Ill.

Directors: James L. Kirk, H. E. Pancost, Jane Hughes, Carthage, Ill.; Marie Kirk, Anna Kirk, Arcadia, Fla.; Wm. J. Walsh, Chicago, Ill.; Carl Kirk, Newton, Ill.

General Office, Carthage, Ill.

SAN ANTONIO WATER COMPANY

History and Properties—Incorporated October 25, 1882, in California. A mutual water company for irrigation purposes to 5,000 acres of lands owned by 660 stockholders, devoted principally to citrus orchards which lie south of the base of the Sierra Madre Mountains and include the towns of Upland and Ontario in San Bernardino County, California. Owns all of the Common stock of Ontario Power Co. (see appended statement).

CAPITAL STOCK

Outstanding, December 31, 1927, $606,400.

FUNDED DEBT

$302,000 REFUNDING MORTGAGE 5% GOLD BONDS; DUE MAY 1, 1931

Dated May 1, 1901.

Interest Payable May and November 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Los Angeles-First National Trust & Savings Bank, Los Angeles, Cal.

Provisions of Issue—Authorized and issued, $600,000; outstanding, Dec. 31, 1927, $302,000.

Callability—Bonds are non-callable.

Sinking Fund—1% of outstanding bonds, 1908-1912; 2%, 1913-1917; 3%, 1918-1922; 4%, 1923-1927; 5%, 1928-1931.

Security—Secured by a first mortgage lien on properties of Company.

Tax Provision—Company does not pay Normal Federal Income Tax.

BOND REDEMPTION

All the General & Refunding 6% Gold Bonds, due Nov. 1, 1954 (described in the 1927 Public Utility Manual on page 1299), of which $228,000 were outstanding Dec. 31, 1927, were to be called for redemption at 102 on May 1, 1928.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross income	$238,377	$172,250	$126,275
Oper. exps. and taxes	71,808	82,907	116,479
Depreciation	16,286	16,809	.....
Net earnings	$150,283	$72,534	$9,796
Int. and bond disc. (net)	44,063	42,027	41,144
Other deductions	22,163	494	1,729
Surplus for year	$84,057	$30,013	*$33,077

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Water, water rights & lands	$1,217,642	$1,219,340	$1,219,428
Bldgs., wells and equip.	659,044	669,343	651,359
Ontario Power Co. stock	.....	500,000	500,000
Supplies	414	423	440
Accounts receivable	18,137	8,575	9,429
Sinking fund	41,100	9,045	1,974
Unamort. debt disc. & exp.	8,560	11,977	12,404
Prepaid insurance	392	344	.....
Cash and deposits	357,032	1,304	402
Total	$2,302,321	$2,420,351	$2,395,436
Liabilities—			
Capital stock	$606,400	$606,400	$606,400
Funded debt	530,000	643,000	643,000
Trust notes	.....	50,970	46,970
Accounts payable	4,990	56,998	83,739
Interest accrued	4,452	6,347	6,402
Taxes accrued	2,794	2,723	2,834
Res. for accrued deprec.	49,461	33,747	1,546
Improvement account	1,104,224	1,020,166	1,004,545
Total	$2,302,321	$2,420,351	$2,395,436

Officers: G. G. Laidlaw, Pres.; A. Podrasnik, V-P.; A. C. Reynolds, Sec., Treas. & Mgr., Upland, Cal.

Directors: G. G. Laidlaw, W. K. Beattie, A. Podrasnik, J. P. Ensley, J. S. Armstrong.

General Office, Ontario, Cal.

ONTARIO POWER COMPANY

(Controlled by San Antonio Water Co.)

History—Incorporated Oct. 29, 1901, in Cal. Furnishes electricity to Ontario, Upland and Cucamonga, Cal., serving population of about 25,000. Property includes 3 hydro-electric plants, 4 sub-stations and several parcels of real estate. Miles of distribution lines, 300. No. of meters, 6,955. Sales in 1926, 17,923,660 k. w. h., compared with 17,988,287 k. w. h. in 1925, and 16,750,738 k. w. h. in 1924.

CAPITAL STOCK

Authorized, $900,000 Common and $600,000 7% cumulative Pfd.; outstanding, $500,000 Common and $475,000 Pfd.; par, $100. All the outstanding Common stock is owned by San Antonio (Cal.) Water Co. Annual meeting, third Tuesday in February.

Dividends—Dividends on both classes paid quarterly, J, A, J & O 1. Common dividends in recent years have been paid as follows: 1917, 46%; 1918, 4½%; 1919, none; 1920, 6½%; 1921, 8%; 1922, 12%; 1923, 8% cash and 30% in Common stock; 1924, 6%; 1925, 6%; 1926 and 1927, 8% each.

FUNDED DEBT

(1)

$242,000 FIRST MORTGAGE GOLD 5s; DUE JANUARY 2, 1932

Dated January 1, 1902.

Interest Payable January and July 1, at First National Bank, Los Angeles, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Wells Fargo Bank and Union Trust Co., San Francisco.

Callability—Not subject to call.

Sinking Fund—2% annually of outstanding bonds.
Security—A first lien on entire property.
Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$250,000 GENERAL & REFUNDING MORTGAGE GOLD 6s, SERIES OF 1925; DUE JULY 1, 1955.
$140,000 GENERAL & REFUNDING MORTGAGE GOLD 5½s, SERIES "B"; DUE JULY 1, 1955.

Dated July 1, 1925.
Interest Payable January and July 1, at California Trust Co., Los Angeles, Cal.
Denominations—Coupon, $500 and $1,000; principal may be registered.
Trustee—California Trust Co., Los Angeles, Cal.
Provisions of Issue—Authorized, $2,500,000, of which $500,000 known as the "Series of 1925" are to be issued, $250,000 to be deposited with the Trustee for the retirement of the First (Closed) Mortgage bonds, and $250,000 for the purpose of reimbursing Company on account of expenditures for additions, extensions and betterments. The $250,000 6s, Series of 1925 were issued for the purpose of retiring existing corporate indebtedness incurred for these purposes. Bonds in excess of the "Series of 1925," may be issued up to 85% of the cost of future additions, betterments, and extensions, and only when the net earnings of the Company for either its fiscal year or 12 consecutive months in the 14 months next preceding the date of request for issue, shall amount to at least 1¾ times the annual interest charge on all outstanding bonded indebtedness of the Company and on all additional bonds proposed to be issued. $250,000 Series B, 5½% were authorized under the above authorization, of which $140,000 are outstanding.
Callability—Subject to call on any interest payment date after 40 days' notice at 105 and interest until and including 1936, the premium decreasing ½% for each two-year period thereafter.
Special Trust Fund—Commencing October 1, 1926, the Company will annually deposit with the Trustee in a Special Trust Fund an amount equal to 2% of the aggregate par value of all bonds of the Company which shall, at the time, be outstanding. The fund may be used to retire bonds of this issue or to reimburse the Company on account of expenditures for additions, extensions and betterments.
Security—Secured by a general mortgage on all of Company's property now owned or hereafter acquired, subject only to the lien of $242,000 First (Closed) Mortgage 5% bonds for the retirement of which a like amount of these bonds has been deposited with the Trustee.
Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Taxes in California.
Legal Opinion—Leonard, Surr & Hellyer, San Bernardino, Cal., and Gibson, Dunn & Crutcher, Los Angeles.
Legal for Savings Banks in California.
Original Offering—First publicly offered ($238,000) in December, 1925, at 101½ and interest, yielding about 5.90%, by California Securities Co., Los Angeles, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnngs	$440,628	$421,738	$412,686
Oper. exp. & taxes	260,265	274,617	282,800
Net earnings	$180,363	$147,121	$129,886
Interest charges	35,292	26,441	22,030
Depreciation	54,720	50,400	44,927
Miscellaneous	1,547	.....	.....
Total charges	$91,559	$76,841	$66,957
Balance for dividends	88,803	70,280	62,929
Preferred dividends paid	33,250	33,250	33,250
Common dividends paid	40,000	40,000	30,000
Surplus for year	$15,553	*$2,970	*$321

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Land and water rights, Plants, dams, wat'ways, etc.	$1,811,652	$312,792 / 1,421,289	$312,792 / 1,299,242
Cash with trustees	.....	6,624	4,572
Sinking fund	21,922	.....	.....
Materials and supplies, Merchandise for sale	35,995	24,442 / 12,377	25,343 / 8,738
Accts. and notes receivable	57,388	97,720	92,954
Cash in bank and on hand	31,060	22,987	12,840
Other current assets	142	.....	.....
Prepaid insurance, etc.	2,035	3,264	1,785
Unamort. debt. disc. & exp.	15,175	12,018	1,035
Total	$1,975,369	$1,913,513	$1,759,300
Liabilities—			
Common stock	$500,000	$500,000	$500,000
Preferred stock	475,000	475,000	475,000
Funded debt	632,000	556,000	243,000
7% trust notes	.....	6,000	92,000
Notes payable	.....	40,900	115,000
Accounts payable	17,138	18,534	55,953
Interest & taxes accrued	29,350	31,625	25,864
Pfd. dividends payable	8,313	8,313	8,312
Consumers' deposits	.....	3,574	2,628
Other current liabilities	3,276	.....	.....
Unamort. prem. on bonds	.....	.....	2,064
Deferred credits	938	.....	.....
Depreciation reserve	261,667	241,183	204,126
Surplus	47,677	32,385	35,354
Total	$1,975,369	$1,913,513	$1,759,300

Officers: A. Podrasnik, Pres., Upland, Cal.; G. D. Smith, V-P. & Gen. Mgr.; A. C. Reynolds, Sec. & Treas., Ontario, Cal.
Directors: A. Podrasnik, Upland, Cal.; C. C. Graber W. A. Freemire, Glenn D. Smith, J. S. Armstrong, Ontario, Cal.
General Office, Ontario, Cal.

PORTNEUF POWER COMPANY

(Controlled by The Shawinigan Water and Power Company)

History—Incorporated by letters patent of the Province of Quebec, June 26, 1925, and acquired the assets of the Portneuf Hydraulic Company. Company was organized for the purpose of developing water powers near St. Albans to the Ste. Anne River. It has absolute title to the water powers and has acquired the necessary lands required in connection with the development. The construction work is being carried out by The Shawinigan Engineering Company, Limited. North Shore Power Company has contracted for the full output.

CAPITAL STOCK

Authorized, $1,000,000; outstanding Dec. 31, 1926, $756,300. Controlling interest is held by The Shawinigan Water and Power Company (see general index).

FUNDED DEBT

$250,000 FIRST MORTGAGE 6% THIRTY-YEAR SINKING FUND GOLD BONDS; DUE 1955

Authorized, $1,000,000; issued, $500,000 of which $250,000 held in treasury and $250,000 outstanding as of Dec. 31, 1926.

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—	
Water power	$756,300
Generating plant	261,190
Accounts receivable	20,409
Total	$1,037,899
Liabilities—	
Capital stock	$756,300
Funded debt	250,000
Accounts payable	31,599
Total	$1,037,899

Officers: W. S. Hart, Pres.; James Wilson, V-P.; H. G. Budden, Sec. & Treas.
Directors: Oliver Asselin, W. S. Hart, Julian C. Smith, Sven Svenningson, Joseph Versailles, James Wilson, Montreal, Que.; Lucien Moraud, Quebec.
General Office, Power Building, Montreal, Que.

AMERICAN NATURAL GAS CORPORATION

History—Incorporated Oct. 11, 1927, in Delaware, as Natural Gas Service Corp.; name changed to present title Oct. 18, 1927. Company owns over 99% of the Common stock of Oklahoma Natural Gas Corp. (see appended statement).

American Natural Gas Corporation, and its subsidiaries, including those under contract of purchase, will constitute one of the largest natural gas systems in the United States and will serve a population of approximately 600,000 in some 50 communities. The population of the counties in which the pipe lines are located is over 1,400,000.

In Oklahoma, the cities of Tulsa, Sapulpa and Okmulgee, among others, are served at retail, and Oklahoma City, Muskogee, Shawnee, Norman, Guthrie, and many other communities at wholesale. A number of large industrial consumers, such as power plants, cotton gins, and oil refineries, are also supplied. Among the companies served are Oklahoma Power Co., The Texas Corp., Oklahoma Gas & Electric Co., Mid-Continent Petroleum Corp., and The Producers and Refiners Corp.

The Kansas properties serve a number of important industrial plants, including large cement plants, oil refineries, brick plants, and smelters. Among the companies served are the Edgar Zinc Co., a subsidiary of the United States Steel Corp., the Peerless Oil and Refining Co., the Ash Grove Lime and Portland Cement Co., and the Iola plant of the Lehigh Portland Cement Co. The Kansas properties will also serve gas at wholesale to the cities of Iola and Chanute, and at retail to the city of Erie.

San Angelo, Texas, a city of approximately 23,000 population, and several nearby towns will be served at retail. Gas will also be served for industrial purposes, the most important market of this character being a subsidiary of West Texas Utilities Co., which under a contract now in force is expected to take a minimum of 72,000,000 cubic feet per month.

The gas sales of the subsidiaries of American Natural Gas Corp., including those under contract of purchase, amounted in 1926 to over 34,000,000,000 cubic feet.

The properties include gas leaseholds on more than 215,000 acres and gas purchase contracts covering more than 125,000 acres of additional reserves and procure their gas from more than 950 producing gas wells. There are over 2,275 miles of transmission and distribution lines and 15 modern compressor stations.

It is estimated that the open flow capacity of the wells, from which the properties derive their gas, is in excess of 2,500,000,000 cubic feet per day. This gas supply has enabled the Oklahoma property to draw upon only a fraction (currently less than 3%) of the open flow capacity of the wells connected to its lines. In addition the properties have a call on gas reserves, comprising approximately 100,000 acres, owned by the Phillips Petroleum Co. in the Amarillo field in Texas.

CAPITAL STOCK

Authorized, 2,000,000 shares Common and 250,000 shares cumulative Pfd., all shares of no par value; outstanding Oct. 31, 1927, 651,200 shares Common and 50,000 shares $7 Series Convertible Pfd. In addiiton, 598,800 shares Common are reserved for delivery upon the exercise of stock purchase privilege of below described Debentures and stock purchase options, and for conversion of $7 cumulative Convertible Pfd.

Voting Trust—525,000 out of the 651,200 shares outstanding Common are held under a Voting Trust, expiring in 1932.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends. The $7 Convertible Pfd. is entitled in liquidation to $110 per share and accrued dividends, before any distribution may be made to Common.

The authorized Pfd. stock may be issued in different series, but all authorized Pfd. stock, irrespective of dividend rates, redemption prices and amounts payable upon dissolution, shall constitute one class of stock and shall be of equal rank, preference and priority as to dividends and assets.

Additional Pfd. stock may not be issued unless the net consolidated income, as therein defined, for 12 consecutive calendar months within 15 calendar months next preceding the date of the additional issue is at least three times the annual dividend requirements on all Pfd. outstanding, including that to be issued. Without the consent of the holders of at least 2/3 of the $7 cumulative Convertible Pfd. stock, the Company may not: (a) authorize or issue any stock or class of stock having priority or preference over the Pfd. stock as to dividends or as to distribution of assets upon dissolution or liquidation; or (b) amend the provisions of the $7 cumulative Convertible Pfd. stock.

Holders of the Pfd. stock of all series are entitled to elect a majority of the Board of Directors if at any time dividends shall be in arrears and unpaid on the Pfd. stock for 4 successive quarterly periods, until all accrued dividends have been paid.

Callability—The $7 Series Convertible Pfd. stock is subject to call, in whole or in part, on any dividend date on 60 days' notice at $110 per share and accrued dividends.

Convertibility—The holders of each share of $7 Series Convertible Pfd. stock shall be entitled, subject to previous redemption, to convert such share into Common stock as follows: To and including Feb. 1, 1930, into 5 shares; thereafter, to and including Feb. 1, 1932, into 4 shares; thereafter, to and including Feb. 1, 1935, into 3 shares; thereafter, to and including Feb. 1, 1938, into 2 shares; thereafter, to and including Feb. 1, 1945, into 1 share. Any of such Pfd. which may be called for redemption will be convertible to and including the date fixed for redemption. Upon any conversion cash adjustment will be made of accrued dividends. The Certificate of Incorporation contains provisions designed to safeguard the interests of holders of $7 cumulative Convertible Pfd. in the event of the payment of dividends in Common stock, and also in the event of the issuance of Common stock, other than through existing stock purchase or conversion rights, for cash or property at less than the then existing price at which the conversion privilege of this Pfd. stock may be exercised, computing the Pfd. stock at $100 per share.

Transfer Agents—$7 Series Pfd.: Lawyers Trust Co., New York, N. Y. Common: Central Union Trust Co. of New York, N. Y. Co.-Transfer Agent for Common: New York Trust Co., New York, N. Y.

Registrar (Both Classes)—Central Union Trust Co. of New York, N. Y.

Legal Opinion ($7 Series Convertbile Pfd.)—White and Case, New York, for the Bankers, and Larkin,

As underwriters and distributors we deal in the securities of
AMERICAN NATURAL GAS CORPORATION
G. L. OHRSTROM & CO.
INCORPORATED
Forty-Four Wall Street New York
BOSTON PHILADELPHIA CHICAGO LOS ANGELES

Rathbone & Perry, New York, and Allen, Underwood & Smith, Tulsa, Okla., for the Corporations.

Tax Provisions—Refund of certain Pennsylvania and Connecticut taxes not to exceed 4 mills, and Massachusetts income tax not to exceed 6% of the dividend thereon to resident holders upon timely and proper application.

Original Offering—First publicly offered (50,000 shares $7 Series Convertible Pfd.) in Nov., 1927, at $99.50 and accrued dividend per share, to yield over 7%, by G. L. Ohrstrom & Co., Inc., New York, Hunter, Dulin & Co., Los Angeles, etc., and Drumheller, Ehrlichman & White, Seattle, etc.

Listed (Common)—New York Curb Market.

Price Range—Common, 1927: High, 19¼; low, 18½.

Dividends—Initial dividend of $1.75 a share on $7 Series Convertible Pfd. paid Feb. 1, 1928, which quarterly rate also piad May 1, 1928; payments, F, M, A & N 1.

FUNDED DEBT

$10,000,000 6½% SINKING FUND GOLD DEBENTURES, SERIES DUE OCTOBER 1, 1942

Dated October 1, 1927.

Interest Payable April and October 1 in New York.

Denominations—Coupon in interchangeable denominations of $500 and $1,000; principal may be registered.

Trustee—Central Union Trust Co. of New York, N. Y.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $10,000,000 6½% Series due 1942.

No additional Debentures may be issued, except for refunding purposes, unless the net income of the Corporation, as defined in the Indenture, for 12 consecutive calendar months within the preceding 15 calendar months shall have been at least 3 times the annual interest charges upon all outstanding funded indebtedness of the Corporation, including the Debentures then proposed to be issued.

Callability—6½% Series due 1942 is subject to call in whole or in part, on any interest date upon 60 days' notice, at 105 and accrued interest to and including Oct. 1, 1941; thereafter at par and accrued interest.

Stock Purchase Privilege—The holder of each $1,000 Debenture will be entitled, subject to previous redemption of the Debenture, to purchase 10 shares of the Common stock of Corporation at the following prices: To and including Feb. 1, 1930, $20 per share; thereafter, to and including Feb. 1, 1931, $25 per share; thereafter, to and including Feb. 1, 1933, $35 per share; and thereafter, to and including Feb. 1, 1937, $50 per share. The holder of each $500 Debenture will have a proportionate purchase privilege at the same prices. Holders of Debentures called for redemption may exercise their stock purchase privilege until the date fixed for redemption. The Indenture contains provisions safeguarding the interests of Debenture holders in the event of the payment of dividends in Common stock, and also in the event of the issuance of Common stock, other than through existing stock purchase of conversion rights, for cash or property at less than the then existing price at which the stock purchase privilege of these Debentures may be exercised. The Indenture further provides that all cash received through the exercise of such stock purchase privilege shall be applied to the retirement of Debentures.

Sinking Fund—Indenture provides for fixed minimum payments to the Sinking Fund, payable in quarterly installments, beginning Jan. 1, 1928, in cash, or in Debentures at par, and continuing until the maturity of this issue. These fixed minimum payments to the Sinking Fund alone should retire 75% of the Debentures of this series by maturity. The Indenture further provides for additional payments to the Sinking Fund, payable in cash or Debentures at par, at semi-annual intervals beginning March 1, 1928, equal to a certain specified percentage of the consolidated net earnings of Corporation, as defined in the Indenture, for the periods specified therein.

Security—A direct obligation of Corporation, but not secured by Mortgage. Corporation covenants that it will not isssue any secured funded debt, as defined in the Indenture, unless all Debentures issued under the Indenture shall be secured ratably therewith, and will not create any unsecured funded debt, as defined in the Indenture, other than Debentures issued thereunder.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%, and agrees to reimburse resident holders, upon proper application, for personal property and securities taxes of any state of the United States or of the District of Columbia, for not to exceed ½ of 1% of the principal amount and Massachusetts income tax not to exceed 6% of the interest thereon, all as further provided in the Indenture.

Legal Opinion—White & Case, New York (for the Bankers) and Larkin, Rathbone & Perry, New York, (for the Corporation).

Original Offering—First publicly offered ($10,000,000 6½% Series due 1942) in Oct. 1927, at 99½ and interest to yield over 6.55%, with stock purchase privilege, by G. L. Ohrstrom & Co., Inc., New York.

Market—Admitted to unlisted trading privileges of New York Curb Market.

Price Range—1927: High, 100⅜; low, 98½.

CONSOLIDATED EARNINGS OF PROPERTIES, YEARS ENDED

	Aug. 31, 1927	*Mar. 31, 1927	Dec. 31, 1926
Gross revenues	$11,090,572	$9,675,457	$8,771,346
Operating exp., maint. & taxes (other than Federal Income)	6,534,181	5,333,019	4,962,529
Balance	$4,556,391	$4,342,438	$3,808,817
Annual int., sinking fund and Pfd. divd. requirements on sub. cos. secur. & earnings applicable to minority interests	1,680,793		
Balance for int., sinking fund & divd. requirements on securities of Corp. amortization of debt discount and Federal income tax	$2,875,598		
Maximum annual int. & fixed sinking fund requirements on Corporation's entire funded indebtedness	950,000		
Balance	$1,925,598		
Amortization of debt disc. & exp., & Federal income tax (estimated)	266,667		
Balance avail. for divds.	$1,658,931		
Pfd. stock divd. requirements	350,000		

*Including earnings of the natural gas properties in Kansas for twelve months ended Dec. 31, 1926.

NOTE—The above earnings are based upon an ownership by American Natural Gas Corp. of 255,717 shares out of a total of 260,000 shares of Common stock of Oklahoma Natural Gas Corp. outstanding Oct. 31, 1927. In addition there were outstanding in the hands of the public on said date, Debentures of Oklahoma Natural Gas Corporation which were convertible into 190,000 shares of its Common stock. There Debentures were called for redemption on Nov. 18, 1927.

CONSOLIDATED BALANCE SHEET, AUGUST 31, 1927
(After giving effect to the acquisition of properties and proposed financing incident thereto)

Assets—	
Fixed assets per appraisals plus additions to August 31, 1927	$41,833,698
Cash	483,961
Notes receivable	1,577
Accounts receivable	618,535
Materials and supplies	1,071,855
Prepayments	30,893
Miscellaneous investments	12,600
Deferred debits	1,098,323
Total	$45,151,442

CONSOL. BALANCE SHEET, AUGUST 31, 1927 (Continued):

Liabilities—	
Capital stock and surplus	*$5,781,364
Okla. Nat. Gas. Corp. 7% Pfd. stock	2,100,000
Okla. Nat. Gas Corp. Com. stock (4,283 shares)	68,528
6½% Debentures	10,000,000
6% Purchase Money Mortgages, due 1928	4,325,000
Okla. Nat. Gas Corp. First Mtge. 6s (Series "A")	14,700,000
Deferred payments on properties under contract of purchase	1,641,000
Accounts payable	108,070
Gas purchased payable	232,513
Pay-roll payable	148,503
Advance payment—drilling gas	19,718
Phillips Petroleum Co.	350,000
Taxes accrued	287,294
Interest accrued	194,816
Divds. accrd. on Pfd. stock of Okla. Natural Gas Corp.	24,500
Customers' deposits	541,349
Retirement reserve per appraisals	4,318,384
Contingency reserve and other unadjusted credits	310,403
Total	$45,151,442

*Including $87,026 applicable to minority interests, and represented by 651,200 shares no par Common stock and 50,000 shares no par $7 cumulative Convertible Pfd. stock.

NOTE—The above statement is subject to Federal income taxes for the 8 months ended Aug. 31, 1927, on Oklahoma Natural Gas Corp.

Officer: Robert C. Sharp, Pres.

Address, 117 West 4th St., Tulsa, Okla.

OKLAHOMA NATURAL GAS CORPORATION

(Controlled by American Natural Gas Corporation)

History—Incorporated in Maryland July 12, 1926 and in the latter part of that year acquired substantially all the assets of Oklahoma Natural Gas Co., incorporated in 1906 and dissolved Sept. 22, 1926 (see 1926 Public Utility Manual, page 636), Kingwood Pipeline Co., formed in 1924 (see 1926 Industrial Manual, page 3566), and Southern Gas Co., as well as almost all the capital stock of Okmulgee Gas Co., incorporated in 1907. On March 1, 1928, Corporation acquired, effective Dec. 1, 1927, the natural gas properties formerly owned by Oklahoma Gas and Electric Co. (see 1927 Manual, page 1355).

Upon acquisition of additional distributing properties under contract of purchase about Feb., 1928, the Corporation will own and operate the largest gas gathering, transmission and distribution system in Oklahoma, which state leads all others in the production of natural gas. The Corporation will also own and operate gas utility properties in Kansas and Texas. Among the larger cities served at retail by these properties are Oklahoma City, Tulsa, Muskogee, Shawnee, El Reno, Okmulgee, Sapulpa, Enid and Norman, Okla., and San Angelo, Tex. The population of the territory served is estimated to be in excess of 600,000. The total gas sales of the properties in 1927 exceeded 44,100,000,000 cubic feet, of which about 99% was distributed to domestic and industrial consumers through lines now owned or presently to be acquired.

Over 92% of the gas distributed by the properties is purchased under contracts from producers. It is estimated that the open flow capacity of the wells, from which the properties derive their gas, is in excess of 2,500,000,000 cubic feet per day. The enormous gas supply available for use has enabled the properties in Oklahoma to draw upon only a fraction (currently less than 3%) of the open flow capacity of the wells connected to their lines.

The properties include leaseholds on more than 215,000 acres and gas purchase contracts covering more than 125,000 acres of additional reserves. Gas is procured from more than 1,250 producing gas wells. The distribution lines include more than 1,510 miles of mains through which over 111,000 metered consumers are served. The transmission and distribution systems comprise over 3,400 miles of mains and also include 19 modern compressor stations with an installed capacity of 13,993 h.p.

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value and $10,000,000 cumulative Pfd., par, $100; outstanding March 1, 1928, 406,508 shares Common, $1,400,000 7% Series Pfd. and $7,548,100 6½% Series Pfd. Over 98% of the Common stock is owned by American Natural Gas Corporation.

Preferred Stock Provisions—Has preference for assets and dividends over Common. In event of liquidation or dissolution the 7% Series Pfd. is entitled to $110 per share and dividends, and the 6½% Series Pfd. is entitled to $100 and accrued dividends per share, plus a premium of $5 per share if such liquidation be voluntary.

Holders of the 7% Series Pfd. have the same voting rights share per share as the Common stock. Holders of the 6½% Series Pfd. are entitled to vote share and share alike with Common holders if at any time dividends shall be in arrears and unpaid for 8 consecutive quarterly periods, and until all such dividends shall have been paid.

Authorized Pfd. stock may be issued in different series, having different dividend rates, redemption prices, amounts payable upon dissolution, and voting rights, but all such series shall be of equal rank, preference and priority as to dividends and assets.

Additional Pfd. stock may be issued only subject to the following restrictions: (1) The net earnings available for dividends on the Pfd., as defined in Articles supplementary and in the Certificate of Incorporation, for any 12 consecutive calendar months within the 15 calendar months preceding the date of such additional issue, shall have been at least 3 times the annual dividend requirements on all Pfd. outstanding and on that proposed to be issued; (2) the aggregate par value of Pfd. outstanding shall at no time exceed 50% of the amount by which the value of the properties of the Corporation as of Dec. 31, 1927, including the value of the properties under contract of purchase about that time, plus the cost of any new properties and/or additions, extensions and betterments to the properties of the Corporation and its subsidiaries, acquired or constructed subsequent to Dec. 31, 1927, or the fair value thereof, whichever shall be less, shall exceed the total outstanding funded indebtedness of the Corporation and its subsidiaries, all as more fully provided and set forth in said Articles supplementary.

The Articles supplementary to the Certificate of Incorporation further provide that without the consent of the holders of at least two-thirds of the 6½% Series Pfd., the Corporation may not: (1) Authorize or issue any stock or class of stock having priority or preference over any Pfd. stock as to dividends or as to distribution of assets upon dissolution or liquidation; or (2) amend the provisions of the 6½% Series Pfd. so as to affect adversely any of the preferences and other rights given to the holders thereof, except to increase the authorized number of shares of Pfd. and/or Common stock.

As underwriters and distributors we deal in the securities of
OKLAHOMA NATURAL GAS CORPORATION
G. L. OHRSTROM & CO.
INCORPORATED
Forty-Four Wall Street — New York
BOSTON PHILADELPHIA CHICAGO LOS ANGELES

Callability—The Pfd. stock is subject to call in whole or in part on any dividend date on 30 days' notice, the 7% Series Pfd. at $110 a share and dividends, and the 6½% Series Pfd. at $105 per share and dividends.

Transfer Agent—National Bank of Commerce in New York.

Registrar—Central Union Trust Company of New York.

Legal Opinion—Cotton & Franklin, and Wing & Russell, New York, for the 7% Series Pfd., and White & Case, New York (for the Bankers) and Larkin, Rathbone & Perry, New York, and Allen Underwood & Smith, Tulsa, Okla. (for the Corporation) for the 6½% Series Pfd.

Tax Provisions—Corporation agrees to refund certain Minnesota, Pennsylvania, Connecticut and California taxes not to exceed 4 mills, Virginia, District of Columbia and Michigan taxes not to exceed 5 mills, and Massachusetts income tax not to exceed 6%, to resident holders of 6½% Pfd. upon proper application. Exempt from Maryland Securities tax and free from present Normal Federal Income Tax.

Original Offerings—First publicly offered ($2,100,000 7% Series Pfd., par $100, each share carrying with it 1 share of Common) in September, 1926, at 100 and dividend, yielding 7%, by White, Weld & Co., New York, etc. $7,500,000 6½% Series Pfd. was publicly offered in Feb., 1928, at 99½ and dividend, to yield over 6.53%, by G. L. Ohrstrom & Co., Inc., Graham, Parsons & Co., Blyth, Witter & Co., and Shields & Co., Inc., New York, etc.

Dividends—Dividends on 7% Series Pfd. regularly paid quarterly, J, A, J & O 1; initial payment of $1.94 a share, covering period Sept. 21 to Dec. 31, 1926, having been made Jan. 3, 1927. Initial dividend of $1.62½ a share on 6½% Series Pfd. was paid May 1, 1928; payments, F, M, A & N 1.

FUNDED DEBT

$12,620,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "A"; DUE JULY 1, 1946
$14,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES "B"; DUE FEBRUARY 1, 1948

Dated, Series "A," July 1, 1926; Series "B," February 1, 1928.

Interest Payable January and July 1 on Series "A" and February and August 1 on Series "B" at The Seaboard National Bank of the City of New York, or The Colonial Trust Co., Pittsburgh, Pa.

Denominations—Coupon, $100 (Series "A" only), $500 and $1,000; principal may be registered. Smaller denominations of Series "A" interchangeable into bonds of $1,000 denomination on or before July 1, 1928, but not thereafter. The Series "B" denominations are interchangeable.

Trustee—The Seaboard National Bank of the City of New York.

Provisions of Issue—Authorized amount, unlimited; issued, $15,000,000 Series "A" and $14,000,000 Series "B," of which 2,380,000 Series "A" retired.

The Mortgage, as amended by Supplemental Indenture, dated Feb. 1, 1928, provides that additional bonds may be issued for not exceeding 60% of the cost or fair value, whichever may be less, of permanent additions (as defined in the amended Mortgage), acquired or constructed by Corporation, provided that for 12 consecutive calendar months within the 15 calendar months immediately preceding the date of the application for such additional bonds, either: (1) Corporation's net earnings, as defined in the Mortgage, which requires deduction of sinking fund payments, have been at least twice the annual interest charges on all bonds outstanding under the Mortgage, and those then proposed to be issued; or (2) Corporation's net earnings, as defined in the Supplemental Indenture, which will not require deduction of sinking fund payments, have been at least two and one-half times such annual interest charges; whichever constitutes the greater restriction. Whenever all Series "A" bonds have been retired, additional bonds may be issued against permanent additions and may also be issued against the deposit of first mortgage bonds of subsidiaries on a basis of par for par, but only if such net earnings comply with the requirements of (2) above. Not more than 25% of the bonds at any time outstanding under the Mortgage, as amended, may be issued against first mortgage bonds of subsidiaries, and then only if the restrictions on the issuance of such subsidiary bonds are substantially equivalent to the restrictions on the issuance of additional bonds under the Mortgage, as amended.

Purpose of Issue—The proceeds from the sale of $14,000,000 Series "B" 5s, together with $7,500,000 6½% Pfd., were used for acquisition of certain properties, the greater part of which are additional distribution facilities, and for other corporate purposes.

Callability—Series "A" bonds are subject to call as a whole or in part at any time on 60 days' notice at the principal amount thereof and accrued interest plus a premium of 5% of such principal amount if the date fixed for redemption is on or before July 1, 1931, with successive reductions in said premium of ¼% during each year thereafter until maturity.

Series "B" bonds are subject to call in whole or in part, on any interest date, on 60 days' notice, to and including Feb. 1, 1933, at 105; thereafter, to and including Feb. 1, 1938, at 103; thereafter, to and including Feb. 1, 1943, at 102; and thereafter, to and including Aug. 1, 1947 at 101; plus accrued interest in each case.

Sinking Fund—The Corporation covenants to pay to the Trustee for interest and sinking fund requirements, the sum of $750,000 on July 1, 1927, and thereafter, aggregate payments of at least $1,200,000 annually, as long as any Series "A" bonds are outstanding. This sinking fund is designed to retire over 75% of this issue by maturity. The moneys thus paid to the Trustee are to be used in the payment of the semi-annual interest coupons of this issue and as a sinking fund to purchase Series "A" bonds at not exceeding the redemption price, or, if not so obtainable, to redeem these bonds through call by lot at the redemption price. All bonds so retired are to be cancelled.

Corporation covenants, as is provided in the Supplemental Indenture, to make quarterly payments to the Trustee in cash or in Series "A" or Series "B" bonds at par, beginning Feb. 1, 1929, as a sinking fund for the Series "B" bonds. Moneys in this fund may be used to purchase and redeem Series "A" or Series "B" bonds. This fund will be in addition to the sinking fund for the Series "A" bonds now provided for in the Mortgage. The operations of these sinking fund are calculated to retire, before their respective maturities, at least 68%, in the aggregate, of all Series "A" and Series "B" bonds now outstanding.

Security—Secured by a first mortgage on the entire fixed properties of the Corporation now owned or hereafter acquired. The depreciated reproduction value of the properties, as appraised by independent engineers, plus the actual cost of recently constructed properties, improvements and additions, is reported as over $52,900,000, as compared with $26,620,000 principal amount of First Mortgage bonds now outstanding. In the above valuation only about $6,400,000 has been included for the value of Corporation's immense gas holdings, consisting of gas acreage, leaseholds and valuable gas purchase contracts.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of Series "A" bonds for certain income or personal property or securities taxes of certain states including California, Pennsylvania and Massachusetts, and also holders of Series "B" bonds for certain Minnesota, Pennsylvania, Connecticut and California taxes

not to exceed 4 mills, Maryland tax not to exceed 4½ mills, Virginia and District of Columbia taxes and Michigan exemption tax not to exceed 5 mills, and Massachusetts Income tax not to exceed 6%.

Legal Opinion—Cotton & Franklin, and Wing & Russell, New York (for the bankers) for Series "A" bonds, and White & Case, New York, (for the bankers), and Larkin, Rathbone & Perry, New York, and Allen, Underwood & Smith, Tulsa, Okla., (for the Corporation), for Series "B" bonds.

Public Offering—In February, 1927, White, Weld & Co. and Blyth Witter & Co. offered $3,795,000 of these bonds at par and interest yielding 6%. $14,000,000 Series "B" 5s were first publicly offered in Feb., 1928 at 96¼ and interest, to yield over 5.30%, by G. L. Ohrstrom & Co., Inc., Halsey Stuart & Co., Inc., Graham, Parsons & Co., Blyth, Witter & Co., Coffin & Burr, Inc. and Shields & Co., Inc., New York, etc.

DEBENTURES REDEEMED

All the outstanding 6½% Convertible Sinking Fund Gold Debentures, due Sept. 1, 1941, were called for payment on Nov. 18, 1927 at 105 and interest at Bankers Trust Co., New York, Trustee.

***COMBINED EARNINGS OF PROPERTIES, YEARS ENDED DECEMBER 31**

	1927	1926
Gross reserves	$12,869,978	$11,130,054
Operating expenses, maintenance and taxes (other than Federal income)	7,717,851	6,385,230
Depreciation and depletion	585,256	1,132,353
Net earnings	$4,566,871	$3,612,471
Annual int. requirements on present funded debt	1,457,200	
Balance	$3,109,671	
Annual divd. requirements on present Pfd. stock	588,627	
Balance	$2,521,044	

*Excludes earnings from Texas properties.

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1926 (Oklahoma Natural Gas Corp. and subsidiaries)

(Latest Available)

Assets—	
Fixed capital	$27,312,788
Investment in affiliated companies	507,282
Special deposits	1,851
Cash	604,541
Notes & accounts receivable	1,109,977
Materials and supplies	1,018,004
Prepayments	34,975
Deferred charges	143,252
Suspense items	34,070
Total	$30,766,740
Liabilities—	
*Common stock	$3,626,150
Preferred stock	2,100,000
Funded debt	21,000,000
Notes and accounts payable	405,582
Gas purchased payable	325,531
Payrolls payable	79,787
Advanced payments	34,859
Customers' deposits	522,803
Accrued int., divds., taxes, etc.	972,918
Miscellaneous unadjusted credits	38,115
Sinking fund reserve	235,333
Surplus	1,425,662
Total	$30,766,740

*Represented by 260,000 shares of no par value.

Officers: R. C. Sharp, Pres. & Gen. Mgr.; L. C. Ritts, V-P. & Treas., Tulsa, Okla.; Gaston L. Ghegan, V-P., New York, N. Y.; C. A. O'Donovan, Sec.; J. E. Dalious, Aud.; R. W. Hendee, Gen. Field Supt., Tulsa, Okla.

Directors: G. G. Browne, A. Claude Howard, C. E. Richardson, W. J. K. Vanston, C. Minot Weld, New York, N. Y.; H. J. Crawford, H. Heasley, Emlenton, Pa.; L. C. Ritts, R. C. Sharp, Tulsa, Okla.

General Office, 117 West 4th St., Tulsa, Okla.

UNITED GAS COMPANY

History—Incorp. May 23, 1928, in Del. Controls, through its operating subsidiaries, four complete and unified systems for the production, transmission and sale of natural gas to the principal population centers and industrial markets of eastern and southern Texas, and also in western Louisiana. Company owns over 59% of the outstanding Common stock of Houston Gulf Gas Company; over 50% of the outstanding Common stock of Dixie Gas and Utilities Company and over 93% of the outstanding Common stock of South Texas Gas Company (see statements appended); over 53% of the outstanding Common stock of Dixie Gulf Gas Company (see Industrial Volume). The subsidiaries serve directly or indirectly an estimated population in excess of 900,000 including the cities of Houston, San Antonio, Austin and Beaumont and surrounding territory.

The combined leases and gas purchase contracts owned or controlled by these subsidiary companies cover the gas rights on over 400,000 acres of land in Texas and Louisiana, the gas reserves being estimated as sufficient for present and contemplated requirements for a period of at least twenty years. The total length of the main trunk lines of the entire system is approximately 1,200 miles with over 1,100 miles of gathering and distributing lines. The properties are inter-connected at several strategic points, making the great natural gas reserves of the several western Louisiana and eastern and southern Texas gas fields ultimately available to any markets upon the inter-connected system. These properties constitute the principal natural gas holdings of the Moody-Seagraves interests.

CAPITAL STOCK

Authorized, 2,500,000 shares Common and 100,000 shares Pfd., both of no par value; outstanding, 975,000 shares Common and 25,000 shares $7 cumulative Dividend, Series "A" Pfd. In addition, 25,000 shares Common are held in the treasury for issuance against warrants.

Preferred Stock Provisions—The $7 cumulative Dividend, Series "A," Pfd. stock is entitled to cumulative dividends, when declared, at the rate of $7 per annum in preference over the Common stock and is entitled to $110 per share and accrued dividends in the event of voluntary or involuntary liquidation in preference over the Common. It is subject to redemption as a whole or in part at any time at $110 per share and accrued dividends, upon 30 days' notice. The remaining 75,000 shares of Pfd. stock, or any part thereof, may be issued either in the present series having the same dividend rates, dividend payment dates, redemption prices and other preferences, rights and qualifications, or, if not issued in the present series, may be issued in other series differing as to the rate of dividends thereon, as to the redemption price thereof, as to the amount per share which the holders shall be entitled to receive in case of voluntary liquidation, as to the provision for the conversion thereof into other shares of stock, or bonds, debentures, or other obligations of the Company, and as to other terms and provisions as provided in the Certificate of Incorporation. Except as otherwise required by law or by the Certificate of Incorporation, the entire voting power shall be vested in the Common stock, the Pfd. stock, $7 cumulative Dividend, Series "A," having no voting power unless dividends on the Series "A" stock shall be in arrears and unpaid for four quarterly periods, in which event the Series "A" stock shall have equal voting power with the Common stock, so long as such default shall continue.

Warrants—Each share of Pfd. stock, $7 cumulative Dividend, Series "A," carries a non-detachable warrant entitling the holder to receive without additional cost one share of the Company's Common stock, without par value, on June 1, 1929, or earlier at the option of the bankers.

Purpose of Issue—The proceeds from the sale of 25,000 shares of Pfd. stock were used in part payment for the securities of the Company's subsidiaries and for other corporate purposes.

Transfer Agent (Preferred)—Chatham Phenix National Bank and Trust Co., New York.

Registrar (Preferred)—Guaranty Trust Company of New York.

Legal Opinion—White & Case (for the Bankers), and Vinson, Elkins, Sweeton & Weems, Houston, Texas (for the Company).

Tax Provisions—Company agrees to refund upon timely and appropriate application, all personal property and securities taxes of any State or of the District of Columbia, not exceeding in any year six mills for each dollar of actual value of such stock and all income taxes of any such State or such District not exceeding in any year 6% of the dividends paid thereon.

Original Offering—First publicly offered (25,000 shares $7 Dividend, Series "A" Pfd.) in May, 1928, at 100 and and accrued dividend, to yield 7%, by G. E. Barrett & Co., Inc., and Goddard & Co., Inc., New York, etc.

Dividends—Pfd. dividends are payable quarterly, M, J, S & D 1.

FUNDED DEBT

None.

Officers—O. R. Seagraves, Pres., Houston, Tex.; W. L. Moody, 3d, V-P., Galveston, Tex.

Statutory Office, Wilmington, Del. **Principal Executive Office,** Houston, Tex.

DIXIE GAS AND UTILITIES COMPANY

(Controlled by United Gas Company)

History—Incorporated May 19, 1927 in Delaware as a holding company. Company has acquired all the outstanding bonds and capital stock of the Marshall Gas Co., owning the gas distributing property in Marshall, Texas, and Cedar Grove, La., as well as a 31-mile pipe line extending from Marshall to Mooringsport, La.; and all of the capital stock of the State Line Oil & Gas Co., controlling extensive gas lands in the Waskom field from which it supplies in part the gas requirements of the city of Shreveport, La. In Aug., 1927, Company acquired the Commercial Natural Gas Co. which owns a 64-mile pipe line leading from the Waskom field.

The Company, through its subsidiaries, serves directly the domestic requirements of the following towns: Beaumont, Scottsville, Jonesville, Hallsville, Marshall, Henderson, Jacksonville, Rusk, Kilgore, Orange, Carthage, Garrison, Nacogdoches, Timpson and Livingston, Texas, and Cedar Grove, La. In addition the Company sells gas at wholesale for distribution in Palestine, Longview and Tyler, Texas and Shreveport, La. The total population of the communities served upon completion of construction program is approximately 195,000.

Gas Sales Contracts—Dixie Gulf Gas Company (see Industrial Manual) controlled by interests closely identified with the Company, has completed the construction of a main trunk pipe line extending from the Shreveport area to Houston and Port Arthur, Texas. In addition to the long term contract for the purchase of gas from the Dixie Gulf Gas Company, which affords the Company and its subsidiaries the opportunity of purchasing gas for distribution, the Company also will sell to the Dixie Gulf Gas Company large quantities of gas from its acreage in the Shreveport area, and a contract will be entered into with the Moody-Seagraves Gas Company, Inc., for the sale to it of gas from its Richland Parish holdings. This last mentioned contract will be unconditionally guaranteed by the Moody-Seagraves Company, which owns all of the capital stock of the Moody-Seagraves Gas Company, Inc. It is estimated that sales from these two sources alone will amount to or exceed thirty million cubic feet of gas per day.

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value and $5,000,000 7% cumulative Pfd., par $100; outstanding, 150,000 shares Common and $1,500,000 Pfd.

Preferred Stock Provisions—Pfd. stock has preference for assets and cumulative dividends at the rate of 7% per annum, and in the event of liquidation, either voluntary, or involuntary, it is entitled to $100 per share and accrued dividends before any distribution may be made on the Common stock. No stock having priority over this stock or parity with it (other than the Pfd. stock now authorized) may be issued without the consent of two-thirds of the shares of the Pfd. stock then outstanding, nor can the Pfd. stock provisions of the Certificate of Incorporation of the Corporation as amended, be amended so as to adversely effect any of the preferences and other rights of the Pfd. stock above mentioned two-thirds consent. Pfd. stock has full voting rights.

Callability—Pfd. stock is subject to call on any quarterly dividend date as a whole or in part on 30 days' notice at $110 per share and accrued dividends.

Preferred Stock Reserve Fund—The Certificate of Incorporation, as amended, provides that beginning April 1, 1928, a sum equal to 25% of the consolidated net income of the Corporation and its subsidiaries after the payment of Federal taxes and dividends on the Pfd. stock of this company and upon Pfd. stock of subsidiary companies not owned by Dixie Gas and Utilities Co., but before depreciation and depletion, will be set aside annually for (a) investment in permanent additions to the properties of the Corporation or its subsidiaries as defined in the Certificate of Incorporation as amended, or (b) if not so expended within six months this sum shall be used for the retirement of this Pfd. stock.

Purpose of Issue—Proceeds from the sale of the Pfd. stock were used in part to complete the purchase of all of the outstanding stock of the State Line Oil & Gas Co., all of the outstanding stock and bonds of the Marshall Gas Co., 31 miles of pipe line extending from Marshall, Texas, to Mooringsport, La., for the acquisition of additional properties and extensions, and for cash working capital.

Transfer Agents—The Bank of America, New York; Commonwealth Trust Co., Pittsburgh, and Old Colony Trust Co., Boston.

Registrars—Chatham Phenix National Bank & Trust Co., New York and The Bank of Pittsburgh, N. A., Pittsburgh.

Legal Opinion—Beekman, Bogue, Clark & Griscom, New York (for the Bankers).

Original Offering—First publicly offered ($1,500,000 Pfd.) in June, 1927, at $100 per share, each share of Pfd. carrying with it two shares of no par Common, by Goddard & Co., Moore, Leonard & Lynch, New York, Hutchison & Co., Providence and Hale, Waters & Co., Boston.

Annual Meeting—Third Wednesday in April at Houston, Texas.

Listed—Both classes are listed on the Pittsburgh Stock Exchange. Common is also listed on the Boston Stock Exchange.

Price Range (1927)—Preferred: High, 85; low, 80. Common: High, 8; low, 7½.

Dividends—Initial quarterly dividend was paid on the Pfd. Oct. 1, 1927; payments, regularly thereafter, J, A, J & O 1.

FUNDED DEBT

(1)

$3,000,000 TEN-YEAR SECURED 6½% SINKING FUND GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1938

Dated February 1, 1928.

Stock Purchase Warrants—Each Series "A" bond carries a non-detachable warrant entitling the holder to purchase shares of the no par value Common

stock of the Company at the rate of ten shares for each $1,000 principal amount of bonds, at $11.00 per share at any time on or before Feb. 1, 1929; thereafter and at any time on or before Feb. 1, 1931, at $12.50 per share; thereafter and at any time on or before Feb. 1, 1933, at $14 per share; and thereafter and at any time on or before Feb. 1, 1938, at $15 per share. Provision is made in the Trust Indenture for the appropriate adjustment of the purchase price of the Common stock covered by the warrants and/or of the amount of shares or assets purchasable in the event of stock changes, consolidations, etc. The warrants will be non-detachable during the life of the bonds, except upon exercise of the warrant, or upon the redemption of the bond to which the warrant is attached. Any money received from the purchase of stock under these warrants shall be used for retiring Series "A" bonds, in addition to the regular sinking fund.

Interest Payable February and August 1.

Denominations—Coupon bonds in interchangeable denominations of $500 and $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized, $25,000,000; issued, Series "A," $3,000,000. The Trust Indenture provides that the bonds may be issued in series, bearing such dates, interest rates, redemption provisions, sinking fund provisions and other provisions as the Board of Directors from time to time may determine. Additional bonds of Series "A" and of other series may be issued for the acquisition of securities of present and/or new subsidiary companies and/or properties (to be more fully defined and provided in the Trust Indenture) provided that net earnings (to be defined in the Trust Indenture), after depreciation and depletion, for twelve consecutive months out of the fifteen months next preceding the application for additional bonds shall have been equal to at least two times the aggregate annual interest charges of all bonds outstanding under the Trust Indenture, including the bonds then applied for. Additional bonds may be issued in accordance with the terms of the Trust Indenture to refund bonds issued under the Trust Indenture.

Purpose of Issue—The proceeds from the sale of these bonds, together with the proceeds from $1,500,000 Three-Year 6% Convertible Gold Notes and 50,000 shares of no par value Common stock, were used to reimburse the Company and its wholly owned subsidiary companies for, or to provide for, the cost of properties recently acquired, to defray the cost of construction now in progress, and to provide additional working capital.

Callability—Subject to call at any time as a whole, or from time to time in part, on not less than 30 days' notice at 105 and accrued interest on or before Feb. 1, 1929, the premium decreasing ½ of 1% for each 12 months or fraction thereof elapsed thereafter.

Sinking Fund—The Series "A" bonds will be entitled to the benefit of a sinking fund payable Feb. 1, 1929, and quarterly thereafter, calculated to retire a minimum of 50% of the total amount of Series "A" bonds prior to maturity. The sinking fund payments may be made either in cash or in Series "A" bonds. In addition, all sums received by the Company from the exercise of Stock Purchase Warrants attached to the Series "A" bonds will be used to purchase Series "A" bonds for the sinking fund. All Series "A" bonds acquired for the sinking fund will be cancelled.

Security—Bonds are a direct obligation of the Company and are secured by deposit and pledge with the Corporate Trustee, under the Trust Indenture, of all outstanding bonds and stock (less only directors' qualifying shares) of the present subsidiary companies. The principal amount of these pledged bonds exceeds the principal amount of the bonds issued.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. The Company will reimburse the holders of these bonds, upon timely application, for certain state taxes, including the Connecticut and Pennsylvania personal property taxes not exceeding four mills per annum, Maryland securities tax not exceeding 4½ mills per annum, Michigan and California personal property taxes not exceeding 5 mills per annum, and the Massachusetts Income tax on the interest not exceeding 6% per annum.

Legal Opinion—Beekman, Bogue, Clark & Griscom, New York (for the Bankers) and Vinson, Elkins, Sweeton & Weems, Houston (for the Company).

Original Offering—First publicly offered ($3,000,000) in Feb., 1928, at 99½ and interest to yield over 6.55% by Goddard & Co., Inc., Moore, Leonard & Lynch, Hale, Waters & Co., Frederick Peirce & Co., New York, etc., and Hutchison & Co., Providence.

(2)

$1,500,000 THREE-YEAR 6% CONVERTIBLE GOLD NOTES; DUE FEBRUARY 1, 1931

Dated February 1, 1928.

Interest Payable February and August 1.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Bank of America, New York, N. Y.

Provisions of Issue—Authorized and issued, $1,500,000.

Purpose of Issue—The proceeds from the sale of these notes, together with the proceeds from $3,000,000 principal amount of Ten-Year Secured 6½% Sinking Fund Gold bonds, Series "A," and 50,000 shares of no par value Common stock were used to reimburse the Company and its wholly owned subsidiaries for, or to provide for, the cost of properties recently acquired, to defray the cost of construction now in progress, and to provide additional working capital.

Callability—Subject to call at any time as a whole or from time to time in part, on not less than 30 days' notice at 102½ and accrued interest on or before Feb. 1, 1929, the premium decreasing 1% for each 12 months or fraction thereof elapsed thereafter.

Convertibility—Convertible, at the option of the holder, at any time before maturity or prior to any date fixed for redemption, into 7% cumulative Pfd. stock of the Company, at the rate of ten shares of such Pfd. stock for $1,000 aggregate principal amount of notes. At the time of such conversion, the holders of the notes so converted also will receive no par value Common stock of the Company at the rate of ten shares of such Common stock for $1,000 principal amount of notes.

Security—Notes are the direct obligation of the Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. The Company will reimburse the holders of these notes, upon timely application, for certain state taxes, including the Connecticut and Pennsylvania personal property taxes not exceeding four mills per annum, Maryland securities tax not exceeding four and one-half mills per annum, Michigan and California personal property taxes not exceeding five mills per annum, and the Massachusetts Income Tax on the interest not exceeding 6% per annum.

Legal Opinion—Beekman, Bogue, Clark & Griscom, New York (for the Bankers) and Vinson, Elkins, Sweeton & Weems, Houston, Texas (for the Company).

Original Offering—First publicly offered ($1,500,000) in Feb., 1928, at 98 and interest to yield about 6.75% by Goddard & Co., Inc., Moore, Leonard & Lynch, Hale, Waters & Co., Frederick Peirce & Co., New York, etc., and Hutchison & Co., Providence, R. I.

EARNINGS, STATED PERIODS
(Earnings of the properties (exclusive of those under construction) of the Company and its wholly owned subsidiary companies available for interest, after giving effect to certain non-recurring charges)

	8 mos. end. Aug. 31, 1927	Year end. Dec. 31, 1926	Year end. Dec. 31, 1925
Net oper. revs. before depr. and deplet., avail. for int.	$238,797	$293,565	$269,200
Interest requirements	190,000	285,000	285,000

NOTE: Based on a cost of gas for Beaumont at 25 cents per 1,000 cubic feet for eight months of 1927 and all of 1926 and 1925, although this rate will not go into effect until Aug. 15, 1928. These earnings do not include any sales of gas to Dixie Gulf Gas Co. or profit from sales from the Richland Parish acreage; nor do they include any revenues from the sale of gas in the following cities and towns: Henderson, Jacksonville, Rusk, Palestine, Carthage, Timpson, Garrison, Nacogdoches, Livingston and Orange.

Officers: Wm. L. Moody, 3d, Pres., Galveston, Tex.; O. R. Seagraves, V-P., Houston, Texas; J. Harry Thoerner, V-P.; Harvey S. Smith, Sec. & Treas.; H. F. Atwater, Asst. Treas., New York; Warren J. Dale, Asst. Sec., Houston, Texas.

Directors: Wm. L. Moody, 3d, W. L. Moody, Jr., Harvey S. Smith, Galveston, Texas; O. R. Seagraves, J. A. Elkins, Houston, Tex.; A. Faison Dixon, Henry J. Schuler, New York; James R. Miller, Pittsburgh, Pa.; B. A. Hardey, Shreveport, La.

General Office, Houston, Texas.

MARSHALL GAS COMPANY

(Controlled by Dixie Gas & Utilities Company)

History and Property—Incorporated Sept. 21, 1906, in La. Franchise expires Nov. 27, 1936. Company owns the retail gas distributing system in the town of Marshall, Tex., and (through a subsidiary), in Cedar Grove, La., having a combined population of approximately 20,000. The Company serves 3,850 domestic consumers, 79 public institutions and 12 industrial plants. The Company has a contract with the Industrial Gas Co. for the purchase of an adequate supply of gas for distribution in Marshall.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. All owned by Dixie Gas & Utilities Co. Annual meeting, first Monday in April. No dividends paid.

FUNDED DEBT

$200,000 (entire issue) First Gold 5s; dated April 1, 1909; due April 1, 1929; int. April and Oct. 1, at Houston, Tex. All owned by the Dixie Gas & Utilities Co. Coupon, $1,000; principal may be registered. St. Louis (Mo.) Union Trust Co., Trustee. A first lien on entire property. Company pays Normal Federal Income Tax up to 2%.

Officers and Directors: Not reported.

General Office, Marshall, Tex.

HOUSTON GULF GAS COMPANY

(Controlled by United Gas Company)

History—Incorporated July 31, 1925, in Delaware. The Houston Gulf Gas Company's property is located in Southern and Southwestern Texas. It has approximately 75,000 acres of gas lands under lease on the Refugio and White Point gas fields adjacent to the Company's pipeline. Its principal business is the production, transportation and purchase and sale of natural gas. The Houston Gas and Fuel Company distributes natural gas in Houston, Texas. The Southern Gas Company supplies natural gas under contract to San Antonio Public Service Company for distribution in the City of San Antonio, Texas, and distributes natural gas to several large customers outside the limits of San Antonio. Southern Gas Utilities, Inc., distributes natural gas in New Braunfels, Seguin, Hondo, Diltanis, and other communities west and northeast of San Antonio, and supplies natural gas under contract to Rio Grande Valley Gas Company for distribution in Brownsville, San Benito and other communities along the lower Rio Grande Valley. The Western Gas and Fuel Company supplies natural gas under contract to the Peoples Utility Texas Corporation for distribution in Austin, Texas, and natural gas directly for boiler fuel to the Deepwater generating station of Houston Lighting and Power Company. The Houston Gulf Pipe Line Company owns a gas transmission line extending between Refugio and White Point gas fields, connecting with the main transmission line of the Houston Gulf Gas Company at the Refugio field.

Controlled Companies—Houston Gulf Gas Company will own, upon completion of its financing, the entire Common stock of Houston Gas and Fuel Company, all the outstanding stock of Houston Gulf Pipe Line Company and over 93% of the Common stock of Southern Gas Company, which in turn owns over 83% of the Common stock of Southern Gas Utilities, Inc., and 100% of the stock of Western Gas and Fuel Company. It also owns or controls the following subsidiary companies: Robstown Gas Company, Robstown Pipe Line Company, Sinton Gas Company, Gulf Natural Gas Company, Refugio Gas Company and Seagraves Gas Company.

Property—The physical plant and equipment of the above companies include the following total amounts of major construction: Gathering lines, 70.73 miles; main lines, 620.18 miles; distributing lines, 652.72 miles; compressor stations, 5. The gas reserves and production controlled by the companies are summarized as follows: Acres under lease (operated, 20.074; unoperated, 259.136), 288.210; acres controlled by contract (operated, 1,857; unoperated, 19.370), 1,876.370; number of wells (owned, 141; controlled, 91), 232.

The gas reserves controlled by the Houston Gulf Gas Company lie in the Refugio, White Point, Saxett, Markham and Edna gas fields of the Gulf coast of Texas. Those controlled by the Southern Gas Company and its affiliated companies are situated in the following fields of Texas: Gas Ridge, Adams of Medina County, Carolina, Texas, Cole, Bruni Station, Albercas, Kitselman, St. Albans, East Jennings and Simmons, a total of fourteen separate gas fields.

The total reserves controlled by the Houston Gulf Gas Company in the gulf gas fields through leaseholds and gas purchase contracts are estimated to be 173,837,000,000 cubic feet; for the Southern Gas Companies and affiliated companies the total reserves have been placed at 102,108,000,000 cubic feet; making an estimated total of gas reserves for all of the properties of more than 275 billion cubic feet. In addition to gas purchase contracts covering acreage in the producing fields of these companies, and as above enumerated, the Houston Gulf Gas Company has a contract for the purchase of a substantial quantity of gas from Dixie Gulf Gas Company.

CAPITAL STOCK

Authorized, 600,000 Common shares of no par value, $1,000,000 7% cumulative Pfd., Series "A" and $1,500,000 7% cumulative Pfd., Series "B"; outstanding, 449,102½ Common shares, $1,000,000 7% Pfd., Series "A" and $1,500,000 7% Pfd., Series "B"; par of Pfd., $100. Over 59% of the Common stock is owned by United Gas Company.

Preferred Stock Provisions—Preferred stock has preference for assets and dividends, being entitled to payment at $100 per share and all accrued dividends before any disbursement to Common shares in case of liquidation or dissolution, voluntary or involuntary. It is subject to redemption at 107 and accrued dividends on any dividend date upon three weeks' notice. It is non-voting except in the event that six consecutive quarterly dividend payments thereon are in arrears; in which event so long as these dividends and

current dividends remain in arrears this stock is entitled to vote in the same manner as the Common stock. Beginning Jan. 1, 1931, and each three months thereafter the Company will set aside $50,000 ($200,000 per annum) for the purchase or call of its Series "A" Pfd. stock. This sinking fund will be sufficient to retire approximately all this Pfd. stock by Jan. 1, 1936.

Common Stock Purchase Warrants—The holder of each share of this Pfd. stock is entitled to purchase five shares of no par value Common stock of the company at the following prices: During the year 1926 at $9.00 a share; during 1927 at $10.00 a share; during 1928 at $11.00 a share; during 1929 at $12.00 a share; during 1930 at $13.00 a share; and thereafter for a period of five years at $15.00 a share.

Transfer Agents—Commonwealth Trust Co., Pittsburgh, State Street Trust Co., Boston, and The Equitable Trust Co., New York.

Registrars—Bank of Pittsburgh, N. A., Pittsburgh, Pa.; The First National Bank, Boston, and New York Trust Co., New York.

Legal Opinion—Patterson, Crawford, Miller & Arensberg, Pittsburgh (for the Bankers); Vinton, Elkins, Sweeton & Weems, Houston, Texas (for the Company).

Preferred Stock Offered—Goddard & Co., Pittsburgh, and Moore, Leonard & Lynch, Pittsburgh and New York, in June, 1926, offered and sold $1,000,000 7% cumulative Pfd. stock, Series "A," (par, $100), in blocks of one share of Pfd. stock and two shares of no par Common stock, carrying Common stock purchase warrants at $100 per block. Sale of this stock did not involve any new financing by Company.

Annual Meeting—Third Tuesday in March, at Houston, Texas.

Listed—Common shares listed on Boston Stock Exchange.

Dividends—Pfd. dividends are regularly paid quarterly, M, J, S & D 1, initial dividend being paid in June, 1926.

FUNDED DEBT

(1)

$11,000,000 FIRST MORTGAGE AND COLLATERAL 6% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1943

Dated April 1, 1928.

Interest Payable April and October 1, at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Open mortgage; outstanding, $11,000,000 Series "A" 6s. The Indenture provides among other things that:

Additional bonds may be issued as Series "A" or as other series bearing such rates of interest, maturing on such dates, redeemable on such terms and containing such other rights, limitations and provisions permitted by the Indenture as the Board of Directors of the Company may determine prior to the issuance thereof.

Except for the refunding of bonds of the Company or of a subsidiary company, additional bonds under the Indenture may be issued up to 70% of the net tangible asset value, as defined in the Indenture, of securities of a subsidiary company pledged under the Indenture, and to the extent of 70% of the cost or fair value, whichever may be less, of property additions and improvements of the Company or a subsidiary company represented by securities pledged under the Indenture, and against the deposit of cash, provided net consolidated earnings, before depreciation and depletion, applicable to bond interest for 12 out of the 15 months immediately preceding, are at least twice the annual interest charges on all bonds issued and outstanding under this Indenture, including those proposed to be issued and bonds of subsidiary companies, all as defined in the Indenture.

Certain provisions of the Indenture or any supplement thereto may be modified in any part with the written assent of the holders of 80% in aggregate principal amount of bonds issue under this Indenture, not including any bonds owned or controlled by the Company, provided that nothing shall permit the extension of the maturity of any bonds or the reduction in rate of interest thereon or any other modification in the terms of payment of such interest without the consent of the holder thereof.

Purpose of Issue—Proceeds from the sale of these bonds, together with $8,000,000 Debentures and $1,500,000 Pfd. stock were used to retire the Company's then outstanding funded debt; to acquire the Common stocks of Houston Gas and Fuel Company and Southern Gas Company, and the properties of Houston Gulf Pipe Line Company; for working capital and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date at the option of the Company on not less than 30 days' published notice at 105 and accrued interest on or before April 1, 1933, the premium decreasing ½ of 1% for each twelve months or fraction thereof elapsed thereafter.

Sinking Fund—The Indenture provides for quarterly payments to the Sinking Fund for the retirement of Series "A" bonds. The first payment will be made Feb. 1, 1930, at the annual rate of $200,000 and in amounts gradually increasing to $800,000 for the year commencing Feb. 1, 1942. Such payments shall be used to retire Series "A" bonds by purchase in the open market at not to exceed the prevailing redemption price or by redemption of bonds of such series. In addition all money received by the Company from the exercise of Stock Purchase Privilege of its 6½% Gold Debentures due 1943 shall be paid into the Sinking Fund of Series "A" bonds. The proportion of the sinking fund attributable to the Company's 6½% Gold Debentures due 1943, which shall be released by the conversion of any Debenture into Pfd. stock, shall also be paid into the Sinking Fund of Series "A" bonds.

Security—Secured by a first mortgage on the fixed assets of the Company comprising 219 miles of trunk lines, 80 miles of gathering and distributing lines, gas rights on over 75,000 acres of land in 8 separate gas fields (subject to any farm mortgages and other liens) and 3 compressing stations of 5,760 h.p. capacity, all of which represent a value not less than $16,000,000. They are further secured through deposit with the Trustee of all the Common stock of Houston Gas and Fuel Company and over 93% of the present outstanding Common stock of Southern Gas Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund upon proper application all personal property and securities taxes in any State or in the District of Columbia, not exceeding in any year six mills for each one dollar principal amount, and all income taxes of any such State or such District not exceeding in any year 6% of the income derived from the bonds.

Legal Opinion—White & Case, New York (for the Bankers), and Vinson, Elkins, Sweeton & Weems, Houston, Texas (for the Company).

Original Offering—First publicly offered ($11,000,000) in April, 1928, at 99½ and interest, yielding approximately 6.05%, by Blair & Co., Inc., G. E. Barrett & Co., Inc., and Estabrook & Co., New York

(2)

$8,000,000 6½% SINKING FUND GOLD DEBENTURES; DUE APRIL 1, 1943

Dated April 1, 1928.

Interest Payable April and October 1, at Guaranty Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co., New York.

Provisions of Issue—Authorized and issued, $8,000,000. The Indenture provides among other things that:

The Company shall issue no secured funded debt as defined in the Indenture (other than its First Mortgage and Collateral Gold bonds) unless the mortgage or pledge whereunder the same are issued shall by its terms secure in a like manner and to the same ratable extent all Debentures at the time outstanding under the Indenture.

Certain provisions of the Indenture or any supplement thereto may be modified in any part with the written assent of the holders of 80% in aggregate principal amount of Debentures issued under this Indenture, not including any Debentures owned or controlled by the Company, provided that nothing shall permit the extension of the mautrity of any Debentures or the reduction in rate of interest thereon or any other modification in the terms of payment of such interest without the consent of the holder thereof.

Purpose of Issue—Proceeds from the sale of these Debentures, together with $11,000,000 bonds and $1,500,000 Pfd. stock, were used to retire the Company's then outstanding funded debt; to acquire the Common stocks, above referred to, of Houston Gas and Fuel Company and Southern Gas Company, and the properties of Houston Gulf Pipe Line Company; for working capital and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date at the option of the Company on not less than 30 days' published notice at 105 and accrued interest on or before April 1, 1933, the premium decreasing ½ of 1% for each 12 months or fraction thereof elapsed thereafter.

Sinking Fund—The Indenture provides for quarterly payments to the Sinking Fund for the retirement of these Debentures. The first payment will be made Feb. 1, 1930, at the annual rate of $200,000 and in amounts increasing to $800,000 for the year commencing Feb. 1, 1942. Payments shall be used to retire Debentures by purchase in the open market at not to exceed the prevailing redemption price or by redemption of Debentures. It is estimated that the operation of the Sinking Fund will retire all of these Debentures by maturity. Upon conversion of any of the Debentures that part of the sinking fund payments proportional to the amount of Debentures converted into Pfd. stock will be paid into the sinking fund provided for the Company's First Mortgage and Collateral 6% Gold bonds, Series "A."

Stock Purchase Privilege and Conversion—Each $1,000 Debenture ($500 denomination in proportion) carries a non-detachable warrant entitling the holder to purchase prior to April 1, 1930, 5 shares of the Common stock of the Company at $17.50 per share; or thereafter prior to April 1, 1932, at $20.00 per share; or thereafter prior to April 1, 1934, at $25.00 per share; or thereafter prior to April 1, 1936, at $30.00 per share; or thereafter prior to April 1, 1938, at $35.00 per share. In the event that the Debentures are called, the stock purchase privilege may be exercised prior to April 1 or October 1 next following the redemption date.

All money received by the Company from the exercise of the Stock Purchase Privilege of these Debentures shall be paid into the sinking fund of the Company's First Mortgage and Collateral 6% Gold Bonds, Series "A."

These Debentures are convertible at par into the Company's 7% cumulative Pfd. stock, Series "B", after January 1, 1931 (unless called for prior redemption) and the Company has covenanted to create a sufficient amount of such Preferred stock for each purpose prior to that date.

Security—A direct obligation of Company, but not secured by mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund upon proper application all personal property and securities taxes in any State or in the District of Columbia, not exceeding in any year six mills for each one dollar principal amount, and all income taxes of any such State or such District not exceeding in any year 6% of the income derived from the Debentures.

Legal Opinion—White & Case, New York (for the Bankers), and Vinson, Elkins, Sweeton & Weens, Houston, Texas (for the Company).

Original Offering—First publicly offered ($8,000,000) in April, 1928, at 99 and interest (with stock purchase privilege), to yield approximately 6.60%, by Blair & Co., Inc., G. E. Barrett & Co., Inc., and Estabrook & Co., New York.

BOND AND NOTE REDEMPTION

All outstanding First Mortgage 6½% Sinking Fund Gold bonds, due Jan. 1, 1931, have been called for redemption on July 1, 1928, at 103 and interest at Chatham Phenix National Bank & Trust Co., New York, Trustee.

All the outstanding 2-Year 6% Secured Gold notes, due April 1, 1929 have been called for redemption on Oct. 1, 1928 at par and interest at Guaranty Trust Co. of New York.

CONSOLIDATED EARNINGS STATEMENT, YEAR ENDED DECEMBER 31, 1927

(Houston Gulf Gas Co. and Subsidiaries, as presently constituted)
(Intercompany items eliminated)

Operating revenues	$5,397,572
Non-operating revenues	141,454
Total gross earnings	$5,539,026
Operating expenses & General taxes	2,711,391
Net earnings	$2,827,635
Interest on funded debt	858,806
General interest—net	273,820
Amortization of debt discount & expense	627,850
Provision for Federal Income taxes	45,000
Minority interest in surplus net income before deprec., depletion, etc., of Southern Gas Co. and Southern Gas Utilities, Inc.	30,246
Total charges	$1,835,722
Surplus net income before deprec., depletion, etc.	$991,913

*CONSOLIDATED BALANCE SHEET

(Houston Gulf Gas Co. and Subsidiary Companies)

Assets—	
Plant, property, leaseholds, etc., less reserves for deprec. & depletion, including excess of cost of securities of subsidiary companies over book value thereof	$34,637,588
Investments in and advances to subsidiaries not consolidated herein	718,542
Miscellaneous investments	6,406
Special deposits	461,163
Contingent accounts receivable	752,190
Unamortized debt discount & expense	3,061,777
Deferred charges & prepaid accounts	261,552
Cash	483,082
Notes receivable	5,660
Customers' accounts receivable, less reserve	748,501
Due from employees, etc.	164,920
Materials & supplies, net	346,611
Total	$41,647,992
Liabilities—	
Preferred stock:	
Houston Gulf Gas Co.	$2,500,000
Houston Gas & Fuel Co.	1,050,000
Southern Gas Co.	749,500
Common stock equity of Houston Gulf Gas Co. applicable to 427,652½ shares	4,707,530
Minority interest in equity applicable to Common stock of subsidiaries	48,817
Funded debt:	
Houston Gulf Gas Co.	19,000,000
Subsidiaries	10,518,000
Southern Gas Co. 5½% Gold notes	750,000
Deferred liabilities	944,090
Accounts payable out of production	55,676
Notes payable for pipe line construction	385,000
Accounts, wages & royalties payable	505,354
Accrued taxes	140,124
Accrued interest	265,969
Accrued dividends on Pfd. stock	10,497
Miscellaneous current liabilities	17,434
Total	$41,647,992

*Pro-forma Consolidated Balance Sheet prepared on the basis of the combined balance sheets of Houston Gulf Gas Company and Houston Gulf Pipe Line Company as of Dec. 31, 1927, and of Southern Gas Company, Western Gas and Fuel Company, Southern Gas Utilities, Inc., and Houston Gas and Fuel Company as of Jan. 31, 1928.

Officers: O. R. Seagraves, Pres., Houston, Texas; Frank J. Stoltz, V-P., New York; W. L. Moody, 3d, V-P.; Galveston, Tex.; J. A. McKenna, Sec.; N. N. Oille, Treas.; R. H. Hawn, Asst. Sec.; Warren J. Dale, Asst. Sec., Houston, Texas.

Directors: W. L. Moody, 3d., Galveston, Tex.; C. B. Ewart, F. J. Stoltz, E. L. Phillips, R. E. Van Doorn, H. R. Frost, E. G. Connette, New York; R. S. Lord, B. E. Hapler, Mt. Vernon, Ohio; O. R. Seagraves, J. A. Elkins, Houston, Tex.; G. W. Olmsted, Ludlow, Pa.

General Office, Houston, Tex. **Corporate Office,** Wilmington, Del.

HOUSTON GAS & FUEL COMPANY

(Controlled by Houston Gulf Gas Co.)

History and Property—Incorporated March 26, 1912, in Tex.; successor to Houston Gas Co. (see Manual for 1912, page 1799, or apply to our Information Department). Furnishes Houston, Houston Heights and Park Place, Tex., with gas. Population served, 180,000. Franchise expires July 1, 1955. Present rated daily capacity of plant, 10,000,000 cu. ft. Capacity of holders, 6,150,000 cu. ft. No. of customers, 34,870. Miles of mains, 425. Output of gas, 1926, 1,882,855,000 cu. ft., compared with 1,608,319,000 cu. ft. in 1925. Price for natural gas, 65 cents net.

CAPITAL STOCK

Authorized and outstanding, $1,500,000 Common and $1,050,000 7% cumulative Pfd.; par, $100. The Houston Gulf Gas Co. owns entire Common stock.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is subject to call at 110 and accrued dividends.

Transfer Agents—State Street Trust Co., Boston, and Guardian Trust Co., Houston, Texas.

Registrars—First National Bank, Boston, and So. Texas Commercial & National Bank.

Annual Meeting—First Monday in November.

Dividends—Pfd. dividends are regularly paid, quarterly, M 31, J 30, S 30 & D 31. Directors meet for dividend action on second Wednesday of M, J, S & D.

FUNDED DEBT

$4,587,000 REFUNDING & IMPROVEMENT (NOW FIRST) MORTGAGE GOLD 5s; DUE SEPTEMBER 1, 1932

Dated September 1, 1912.

Interest Payable March and September 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia. William P. Gest, Co-Trustee.

Provisions of Issue—Authorized issue, $6,000,000 outstanding, $4,587,000. The proceeds of $1,200,000 of these bonds (sold in Feb., 1922) were used, in part, to retire the $900,000 Houston Gas Co. First Mortgage bonds, due 1923, by call at 100½ and interest on Sept. 1, 1922 and to fund floating indebtedness already incurred in making extensions and additions to the Company's property. Upon the retirement of the Houston Gas Co. bonds the Refunding and Improvement bonds become a direct first mortgage on all the property, rights and franchises of the Company.

Additional bonds may be issued to reimburse the Company for only 80% of the cost or fair value of extensions to the properties, provided net earnings are at least equal to twice the annual interest charges on all bonds of this issue which will then be outstanding.

Callability—Subject to call at 105 and interest upon 6 weeks' notice.

Security—A first lien on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania Four Mill Tax refunded.

Legal Opinion—Sullivan & Cromwell, New York.

Public Offering—$1,200,000 bonds were publicly offered in Feb., 1922, at 91 and interest, yielding about 6.18%; $800,000 in Dec., 1925, at 98½ and interest, yielding 5.27%; $300,000 in Aug., 1926, at 98¾ and interest to yield about 5.25%, and $617,000 in Dec., 1926, by Harris Forbes & Co., New York, Harris, Forbes & Co., Inc., Boston, and Harris Trust & Savings Bank, Chicago.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	‡1928	1926	1925	1924	1923	1922
Gross earnings	$2,047,991	$1,508,693	$1,589,545	$1,502,922	$1,322,848	$1,220,313
Operating expenses and taxes	1,846,059	1,121,083	1,092,441	945,771	802,601	757,989
Net earnings	$201,932	$387,610	$497,104	$557,151	$520,247	$462,324
Fixed charges	236,530	208,898	149,656	199,652	$143,033	$169,991
Net income	†$34,598	$178,712	$347,448	$357,499	$377,214	$292,333
Preferred dividends	*	73,500	72,338	39,132	38,500	38,500
Amortization reserve	53,476	90,672	86,334	98,848	127,478	40,014
Surplus for Common	†$88,074	$14,540	$188,776	$219,519	$211,236	$213,819

*Not reported. †Deficit. ‡Year ended Jan. 31, 1928.

Officers and Directors: Not reported.

Office, Houston, Tex.

SOUTH TEXAS GAS COMPANY

(Controlled by United Gas Company)

History and Property—Incorporated March 6, 1928 in Delaware and owns and operates approximately 80 miles of main trunk lines, field gathering lines and necessary appurtenances for the transmission of natural gas from the Jennings, Carolina-Texas and Cole fields of Texas, and through subsidiaries is engaged in the production and distribution of natural gas for domestic and industrial consumption through 130 miles of distribution lines. Territory served includes Laredo, Aguilares, Oilton, Bruni, Mirando City and Hebbronville, Texas, with a total population in excess of 60,000. Number of meters, 5,500. Company owns or controls through lease or gas purchase contract gas rights in approximately 28,000 acres of land in Webb, Duval and Zapata counties of Texas. The Company, through a subsidiary, owns the gas rights on leases in the Jennings Field, containing four producing wells and comprising 27,558 acres and purchase contracts on the balance of the above acreage. Company is also constructing a cracking plant in Laredo using natural gas for fuel.

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value and $5,000,000 7% cumulative Pfd., par $100; outstanding, 100,000 shares Common and $1,050,000 Pfd. 200,000 shares Common are reserved for stock purchase options and 50,000 shares for warrant rights. Registrar (Pfd.): Chatham Phenix National Bank & Trust Co., New York.

FUNDED DEBT

$2,000,000 FIRST MORTGAGE & COLLATERAL 6½% GOLD BONDS, SERIES "A"; DUE MARCH 1, 1938

Dated March 1, 1928.

Interest Payable March and September 1 at Chatham Phenix National Bank & Trust Co., New York.

Stock Purchase Warrants—A detachable warrant with each $1,000 bond ($500 denomination in proportion) entitles the holder thereof to purchase ten shares of the Company's Common stock, without par value at any time on or before Sept. 1, 1929, at $5 per share; thereafter and at any time on or before March 1, 1931 at $15 per share; thereafter and at any time on or before March 1, 1933 at $25 per share; and thereafter and at any time on or before March 1, 1938 at $40 per share. Warrants may be exercised until maturity date, unless the entire bond issue is previously redeemed, in which case warrants may be exercised until March 1 or Sept. 1 next following the redemption date. It will be provided that all cash received by the Company through the exercise of the warrants shall be applied to the retirement of these bonds so long as any thereof shall remain outstanding.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized, $12,000,000; issued, Series "A," $2,000,000. The Indenture provides that bonds may be issued in series bearing such dates, interest rates, redemption, sinking fund and other provisions, as the Board of Directors may from time to time determine. In accordance with the terms of the Indenture an additional $1,000,000 principal amount of Series "A" bonds may be issued, provided that net earnings for the first year thereafter of complete operation (to be defined in the Indenture), as estimated by Ford, Bacon & Davis, Inc., Engineers, or other engineers satisfactory to the trustee will be equal to at least three times the aggregate annual interest charges of all bonds outstanding under the Indenture, including the bonds then applied for. It is contemplated that these additional bonds will be reserved for the acquisition of securities of new subsidiary companies and for other corporate purposes under the present program. Additional bonds may be issued in accordance with the terms of the Indenture to refund bonds of any other series previously issued under this Indenture and (with the above earnings restrictions) for not exceeding 75% of the cost or fair value, whichever is less, or additional properties, extensions, improvements or betterments, or for 75% of the cost or fair value, whichever is less, of additional securities of any present or future subsidiary company, as defined in the Indenture, to be pledged under the Indenture and/or of additional properties, extensions, improvements or betterments of such subsidiary company evidenced by bonds or evidences of indebtedness pledged under the Indenture.

Purpose of Issue—Proceeds were used in part for the acquisition of properties, extension of pipe lines, construction of cracking plant, for working capital and other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest, if redeemed, on or before March 1, 1933, at 102½ and interest, if redeemed thereafter. Under the terms of the Indenture securing this issue, the Company agrees to deposit monthly with the trustee, beginning April 25, 1930, 25% of its net earnings for the preceding month available after deducting operating expenses (not including depletion or depreciation), taxes, interest charges and dividends on the Pfd. stock, which money is to be used for purchasing and cancelling outstanding bonds tendered to the trustee at or below the redemption price or for calling for redemption bonds selected by lot from all bonds outstanding at the redemption price. In addition thereto the Company will agree to deposit with the trustee, beginning Sept. 1, 1930, and on or before the first day of each March and Sept., thereafter, a fixed sum of $75,000, to be used for purchasing and cancelling bonds tendered to the trustee at or below the redemption price or for calling for redemption bonds selected by lot from all bonds outstanding at the redemption price.

Security—Secured by a first mortgage on all of the fixed physical property of the company, and by deposit with the Trustee of all of the first mortgage bonds and capital stocks, except directors' qualifying shares, of the subsidiary companies owning the distributing systems, wells, leases, purchase and sales contracts, etc.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. All personal property taxes of any state or of the District of Columbia, not exceeding in any year 6 mills for each of one dollar principal amount, and all income taxes of any such State or such District not exceeding in any year 6% of the income derived from the bonds, refunded upon timely and appropriate application.

Legal Opinion—White & Case (for the Bankers) and Vinson, Elkins, Sweeton & Weems, Houston, Tex. (for the Company).

Original Offering—First publicly offered ($2,000,000) in March, 1928, at 99½ and interest to yield over 6.55% by G. E. Barrett & Co., Inc., New York, N. Y.

EARNINGS, YEAR ENDED DECEMBER 31, 1927

Gross revenues	$352,857
Operating expenses, maintenance and taxes	100,025
Net revenue before int., deprec. and Fed taxes	$252,832

Officer: O. R. Seagraves, Pres.

Address—c/o G. E. Barrett & Co., 120 Broadway, New York, N. Y.

ATLANTIC PUBLIC UTILITIES, INC.

History—Incorporated July 6, 1925, in Delaware and now controls, through stock ownership, the Atlantic Public Service Corp. (see appended statement), which, through subsidiary operating companies, furnishes public utility services to 49 communities in Connecticut, Maine, New Hampshire, Massachusetts, Indiana, Ohio, Virginia and West Virginia, and ice service to the territory extending from Roanoke, Va., through the Piedmont section of North Carolina and South Carolina and into Georgia. Atlantic Public Utilities, Inc., also owns 60% of the Common stock and 75% of the Pfd. stock of Edisto Public Service Co. (see appended statement) and is entitled to all benefits of ownership of all outstanding shares of capital stock of Provincetown Light & Power Co. The properties are under the management of Chase & Gilbert, Inc., Boston, Mass.

CAPITAL STOCK

Authorized 35,000 shares Preferred stock, 100,000 shares Class "A" stock and 100,000 shares Class "B" stock, all of no par value; outstanding, 22,000 shares Class "A," 100,000 shares Class "B" and 5,000 shares $7 Pfd.

Capital Stock Changes—Original authorized stock consisted of 100,000 shares Class "A" stock and 70,000 shares Class "B" stock, which latter stock was increased to 100,000 shares in May, 1926. In Jan., 1927, the 35,000 shares of Pfd. stock were created.

Provisions of Class "A" Stock—Entitled to preferential dividends of $2 per share per annum. Participates equally with Class "B" stock after that stock has received dividends of $2 per annum. Subject to redemption and retirement on 30 days' notice at $30 and accrued dividend per share. Entitled to $30 per share in the event of liquidation.

Transfer Agent—The Atlantic National Bank, Boston.

Original Offering—20,000 shares of Class "A" stock publicly offered in March, 1926, at $25 per share and accrued dividend, to yield 8%, carrying 25% in Class

"B" stock, by Sawyer, Fiske & Spencer, Inc., Boston, and Frank L. Andrews, Fall River, Mass.

Dividends—Initial dividend of 50 cts. per share on Class "A" stock paid Dec. 1, 1925, and at same rate quarterly since; payments, M, J, S & D 1. Dividends on Pfd. stock regularly paid semi-annually June and Dec. 1. No dividends paid on Class "B" stock.

FUNDED DEBT

(1)

$400,000 (ENTIRE ISSUE) 5-YEAR PURCHASE MONEY GOLD NOTES; DUE JUNE 1, 1931

Dated June 1, 1926. No further details available.

(2)

$500,000 THREE YEAR 6% COUPON GOLD NOTES; DUE FEBRUARY 1, 1930.

Dated February 1, 1927.

Interest Payable February and August 1, at American Trust Co., Boston.

Denominations—Coupon, $500 and $1,000.

Provisions of Issue—Authorized and issued, $500,000.

Purpose of Issue—Issued for the purpose of reimbursing treasury for the cost of the acquisition of the Common stock of Shenandoah River Power Co. and for general corporate purposes.

Callability—Subject to call on any interest date in whole or in part, on 30 days' notice, at 103 and interest on Aug. 1, 1927, with a reduction in premium of ½% each succeeding six months to maturity.

Sinking Fund—None provided.

Security—Notes are the direct obligation of the Company, subject to the issue of First Collateral Lien & Refunding 6% bonds, due March 1, 1946.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut and Pennsylvania personal property taxes not exceeding four mills per annum; State of Maryland not exceeding four and one-half mills per annum; and the income tax not exceeding 6% on the interest thereon in the Commonwealth of Massachusetts and State of New Hampshire, refunded upon proper application.

Legal Opinion—Holmes & Worthen, Boston.

Original Offering—First publicly offered ($500,000) in March, 1927, at 99½ and interest to yield over 6.15% by Sawyer, Fiske & Spencer, Inc., Boston; Dangler, Lapham & Co., and Emery, Peck & Rockwood, Chicago, and Paul & Co., Philadelphia.

BONDS TO BE REDEEMED

In April, 1928, Company gave notice that, in anticipation of its purpose to call for redemption on Sept. 1, 1928, the outstanding First Collateral Lien and Refunding Gold Bonds, Series "A" 6%, due March 1, 1946, at 103 and interest, it will at any time accept such bonds at 4½% true discount based upon such redemption price and date. Bonds should be presented to Old Colony Trust Co., Boston, Mass., Trustee.

CONSOLIDATED EARNINGS STATEMENT, YEARS ENDED DECEMBER 31

	1927	*1926	1925	1924
Gross earnings	$1,189,289	$588,743	$438,580	$371,993
Oper. exp. and taxes (except Fed. Income Tax), before deprec.	718,890	340,445	250,204	208,108
Net earnings before interest	$470,399	$248,298	$188,376	$163,885
Subsidiary interest charges and all minority stock holders interest	165,940	67,938	59,088	54,910
Net income available for deprec., Fed. Income Tax & Holding Company	$304,459	$180,360	$129,288	$108,975

*Includes only 3 1/3 months earnings from Potomac Valley Power Corporation; does not include earnings from the West Virginia properties acquired in April, 1927.

GENERAL BALANCE SHEET, DECEMBER 31
(Atlantic Public Utilities, Inc.)

Assets—	1927	1926	Liabilities—	1927	1926
Investments	$2,568,860	$1,852,557	Class "A" stock	$442,000	$440,698
Cash	14,382	3,366	Class "B" stock	317,510	317,510
Special deposit	.....	1,030	Pfd. stock	425,000	.....
Interest receivable	6,649	1,512	Funded debt	1,600,000	1,000,000
Accounts receivable	18,974	18,889	5-Year notes	400,000	400,000
Notes receivable	908,496	348,696	3-Year notes	500,000	.....
Dividends receivable	111,867	12,790	Notes payable—sub. cos. and banks	142,000	215,000
Suspense account	5,272	4,499	Accounts payable	25,769	4,966
Organization expense	31,978	30,641	Accrued interest on notes	16,989	5,593
Prepaid interest	398	2,720	Accrued interest on bonds	32,000	20,000
Debt discount and expense unamortized	251,744	155,165	Profit and loss surplus	*2,506	58,097
Chas. W. Young & Sons, Inc., Prop. pur. account	.....	30,000			
Miscellaneous items	141	.....			
Total	$3,918,762	$2,461,865	Total	$3,918,762	$2,461,865

*Deficit.

Officers: Arthur S. Dewing, Pres.; Kenneth T. Young, Treas., Boston.

Directors: Arthur S. Dewing, Fred W. Young, Kenneth T. Young, Philip B. Sawyer, Frank L. Andrews, Allen W. Bagnell, Robert J. Holmes, Boston, Mass.; David Dangler, Chicago, Ill.; Edw. S. Lewis, Philadelphia.

General Office, 70 State St., Boston, Mass.

EDISTO PUBLIC SERVICE COMPANY

(Controlled by Atlantic Public Utilities, Inc.)

History—Incorporated Dec. 1, 1924, in South Carolina, and supplies 23 communities with light, power, water and ice in Barnwell, Bamberg, Allendale, and Hampton Counties, S. C., serving population of about 25,000. Owns transmission lines connecting the various towns.

CAPITAL STOCK

Authorized, $200,000 Common and $100,000 7% cumulative Pfd.; outstanding, $150,000 Common and $100,000 Pfd. Par of both issues, $100. Atlantic Public Utilities, Inc., owns 60% of the Common and 75% of the Pfd. Stock transferred at Company's office, Denmark, S. C.

Dividends—Pfd. dividends payable quarterly, J, A, J & O. In 1926, dividends amounting to 10½% were paid on Pfd.

FUNDED DEBT

$246,700 FIRST MORTGAGE 20-YEAR GOLD 6s; DUE DECEMBER 1, 1944

Dated December 1, 1924.

Interest Payable June and December 1, at Chase National Bank, New York, and The Union Trust Co., Cleveland, O.

Denomination—Coupon, $1,000.

Trustees—The Union Trust Co., and W. A. Gibson, Cleveland, O.

Provisions of Issue—Authorized, $500,000; outstanding, $246,700. Additional bonds may be issued for 80% of cost of new properties. Issued for acquisitions, extensions and improvements.

Callability—Subject to call on any interest date after Dec. 1, 1929, at 105 and interest.

Sinking Fund—1½% of bonds issued, annually from Dec. 1, 1929.

Security—A first lien on entire property.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925
Earnings from operations	$163,264	$90,484
Other income	6,257	3,804
Total income	$169,521	$94,288
Operating expenses and taxes	111,633	55,952
Depreciation	8,960	25,111
Net earnings	$48,929	$13,225
Deductions:		
Bond interest	$16,951	$9,511
Other interest	5,772	1,147
Total deductions	$22,723	$10,658
Balance for dividends	$26,206	$2,567
Preferred dividends	10,500	.....
Surplus for year	$15,706	$2,567

GENERAL BALANCE SHEET, DECEMBER 31, 1926
(Latest Available)

Assets—	
Cost of road and properties	$868,644
Stock owned	2,603
Bonds owned	20,000
Materials and supplies	1,799
Cash	15,336
Notes receivable	6,814
Accounts receivable	44,334
Deferred debit items	41,150
Total	$1,000,679
Liabilities—	
Common stock	$150,000
Preferred stock	100,000
Funded debt	246,700
Notes payable	403,457
Accounts payable	40,064
Interest accrued	1,234
Reserve for taxes	6,738
Reserve for depreciation	34,070
Surplus	18,416
Total	$1,000,679

Officers: M. C. Easterling, Pres.; R. A. Easterling, Sec. & Treas., Denmark, S. C.

Directors: M. C. Easterling, R. A. Easterling, R. L. Zeigler, Denmark, S. C.; Fred W. Young, Erie, Pa.; D. W. Waddell, New York.

General Office, 70 State St., Boston, Mass. **Operating Office,** Denmark, S. C.

PROVINCETOWN LIGHT & POWER CO.

(Operated by Atlantic Public Utilities, Inc.)

History—Incorporated in 1914, in Mass., and furnishes electricity for light, heat and power in Provincetown, Mass. Population served, 4,295.

CAPITAL STOCK

Authorized and outstanding, $70,000; par $100. Annual meeting, third Monday in February.

NOTES PAYABLE

Company has no funded debt, but has outstanding $80,000 notes payable, legal for Massachusetts savings banks.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$53,546	$45,259	$40,259
Oper. exp. & taxes	32,275	29,351	29,077
Net earnings	$21,271	$15,908	$11,182
Other income	1,061	800	602
Total income	$22,332	$16,708	$11,784
Interest charges	4,625	3,430	2,714
Bal. avail. for divds., depreciation & reserve	$17,707	$13,278	$9,070

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property, plant, equip. & franchises	$145,255	$110,123
Construction & reconstruc., current year	6,869	35,132
Material and supplies	5,417	1,783
Prepaid insurance & interest	1,796	1,026
Employees' working funds	275	275
Fuel oil on hand	751	16
Cash	3,345	6,934
Accounts receivable	20,189	14,204
Notes receivable	12,000	12,000
Miscellaneous	720	1,100
Total	$196,617	$182,593
Liabilities—		
Common stock	$70,000	$70,000
Notes payable	80,000	71,020
Accounts payable	8,116	12,570
Consumers' deposits	2,645	1,900
Dividends declared but unpaid	.....	1,400
Taxes	1,698	1,695
Uncollectible accounts	300	.....
Interest on notes payable	.....	931
Insurance	153	51
Depreciation	18,384	13,527
Profit and loss surplus	15,321	9,499
Total	$196,617	$182,593

Officers: Arthur S. Dewing, Pres.; Fred W. Young, V-P.; Allen W. Bagnell, Sec.; Kenneth T. Young, Treas., Boston.

Offices, 70 State St., Boston, Mass., and Provincetown, Mass.

ATLANTIC PUBLIC SERVICE CORPORATION

(Controlled by Atlantic Public Utilities, Inc.)

History—Incorporated January 30, 1928 in Delaware with a perpetual charter, to operate public utility properties through subsidiaries. The following comprise, among others, the subsidiary companies controlled as of March 1, 1928:

Ohio Northern Public Service Company
Indiana Light & Power Company
Southern Public Service Company
Shenandoah River Power Company
Potomac Valley Power Company
Caribou Water, Light & Power Company
The City Water Co., Bowling Green, O.
Millbury Water Company
Mystic Valley Water Company
Grafton Water Company
Stockton Springs Water Company
Salisbury Water Company
Hampton Water Works Company

The subsidiaries furnish electric light and power or water service to 49 communities in Connecticut, Maine, Massachusetts, New Hampshire, Indiana, Ohio, Virginia and West Virginia, and ice service to the territory extending from Roanoke, Va., through the Piedmont section of North Carolina and South Carolina and into Georgia.

The utility properties serve a population estimated to exceed 180,000. Electric light and power service is furnished to some 28 communities centered around and including Caribou, Me.; the Shenandoah Valley territory in northern Virginia extending some 50 miles between Winchester and Harrisonburg; the Potomac Valley in West Virginia; Bowling Green and Deshler, O.; and Brookville, Ind. Water service is provided in and around 23 communities in New England, including Salisbury, Grafton and Millbury, Mass.; Hampton, N. H.; Caribou, Presque Isle, Sangerville, Mars Hill, Blaine, Guilford and Stockton Springs, Me., and Mystic and Stonington, Conn.; water service is also provided in Bowling Green, O. The Piedmont district, which is served by the ice properties, is a rapidly growing industrial section which affords an excellent opportunity for the further development and expansion of the business.

The electric light and power properties include electric generating stations supplying current through 650

miles of high tension transmission lines which serve more than 11,000 customers. During 1927 the output of electrical energy was approximately 8,000,000 k.w.h., which included about 1,200,000 k.w.h. of power purchased under favorable contracts. The water service system, which serves 7,829 customers, comprises storage reservoirs having 71,000,000 gallons capacity and 157 miles of mains. The ice plants have a manufacturing capacity of 1,600 tons daily. Approximately 63% of the Corporation's total net income is derived from electric light and power and water service.

Management—Corporation is managed by Chase & Gilbert, Inc., Boston, under the supervision of the Board of Directors.

CAPITAL STOCK

Authorized, 300,000 shares Common, 235,000 shares $7 Dividend cumulative Pfd. and 15,000 shares Second Pfd., all shares of no par value; outstanding, 300,000 shares Common, 15,000 shares $7 Dividend Pfd. and 15,000 shares Second Pfd. Stock control held by Atlantic Public Utilities, Inc.

Transfer Agent (Pfd.)—Seaboard National Bank, New York.

Annual Meeting—Second Tuesday in March.

Dividends—Initial dividend on $7 Pfd. paid May 1, 1928 at Seaboard National Bank, New York.

FUNDED DEBT

(1)

$4,650,000 FIRST LIEN AND SECURED 5½% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1953

Dated February 1, 1928.

Interest Payable February and August 1 in New York, Chicago and Boston.

Denominations—Coupon, $500 and $1,000, interchangeable; $1,000 bonds registerable as to principal.

Trustee—State Street Trust Co., Boston.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $4,650,000 Series "A" 5½s. Proceeds of these bonds and of certain securities junior thereto were applied toward the acquisition, retirement or refunding of subsidiary stocks and securities, and other corporate purposes.

Additional bonds of Series "A," and additional bonds in one or more other series, with interest rates, maturity dates, redemption provisions and other terms and conditions to be determined by directors as each such other series is created, may be issued up to 75% of cost or value, whichever is less (a) of after acquired subsidiaries, or (b) of additions, acquisitions and betterments to physical operating properties, deduction being made in both cases for unpledged stocks and securities if any, provided, however, that consolidated net earnings (as defined in Indenture) for a period of 12 months out of the preceding 15 months shall equal at least twice annual interest charges on all bonds outstanding and those proposed to be issued, or (c) for refunding in like principal amount bonds of other series and bonds outstanding against properties hereafter acquired (but not to exceed 75% of cost or value, whichever is lower, of such properties). Additional bonds may also be issued up to 75% of cost of additional voting stocks of present electric light and power and water subsidiaries.

Callability—Series "A" 5½s are subject to call as a whole or in part, on 60 days' notice to and including Aug. 1, 1933 at 105 and interest, premium thereafter decreasing ¼ of 1% for each 12 months, or fraction thereof.

Sinking Fund—None provided.

Security—First Lien and Secured Gold bonds are secured by deposit with Trustee of all outstanding bonds, notes and other securities (not including current obligations) and capital stock (not including certain minority interests) of subsidiary companies operating, electric light and power and water properties, except certain securities and minority stocks for acquisition of title to which cash has been deposited with Trustee. These bonds are further secured by pledge of all Common stock of the Southern Public Service Co., which with its subsidiaries, controls the ice properties.

The Trust Indenture provides that no securities (except current obligations and stock to which minority stockholders, if any, may be entitled) shall be sold or disposed of by any subsidiary electric light and power or water company for any purpose whatsoever unless same shall be acquired forthwith by the Atlantic Public Service Corp., or by a subsidiary thereof, and pledged with the Trustee as security for these bonds. The Trust Indenture also provides that deposited capital stock, bonds, notes or other securities may be sold for the fair value established by competent authorities, provided the proceeds are deposited with the Trustee and all such proceeds used to acquire, under the restrictions of the Trust Indenture, other capital stock, bonds, notes or securities or to retire First Lien and Secured bonds.

Maintenance and Improvement Fund—There shall be set aside in each calendar year as a reserve for maintenance and depreciation, a sum equal to 10% of gross income derived from water, 12½% of gross income derived from the sale of electric light and power and 50 cents per ton on each ton of ice sold. After providing for maintenance, the balance of this fund shall be devoted to replacements, acquisitions or additions to property which shall not be made the basis of issue of additional bonds, or to the retirement of bonds issued under this Indenture or subsidiary securities outstanding in the hands of the public.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders of these bonds, upon proper application, for the Pennsylvania, Vermont and Connecticut 4 mills taxes, the Maryland 4½ mills tax, the District of Columbia 5 mills tax and the Massachusetts income tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston, (for the bankers), and Peabody, Brown, Rowley & Storey, Boston (for the Corporation).

Original Offering—First publicly offered ($4,650,000 Series "A" 5½s) in March, 1928, at 97½ and interest to yield over 5.68%, by Spencer Trask & Co., H. M. Byllesby & Co., Inc., New York, etc., and Emery, Peck & Rockwood Co., Chicago.

(2)

$2,000,000 15-YEAR 6% GOLD DEBENTURES; DUE FEBRUARY 1, 1943

Dated February 1, 1928.

Interest Payable February and August 1 in New York, Boston and Chicago.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Seaboard National Bank, New York, N. Y.

Registrar—First Trust and Savings Bank, Chicago, Ill.

Provisions of Issue—Authorized and outstanding, $2,000,000. Issued together with $4,650,000 First Lien and Secured Gold 5½s, Series "A," and 15,000 shares of $7 Dividend Series Pfd., toward the retirement, refunding or acquisition of subsidiary stocks and securities, and for other corporate purposes.

Callability—Subject to call as a whole or in part upon 30 days' notice at 105 and interest to and including Aug. 1, 1933; beginning with that date to and including Aug. 1, 1942 such call price is reduced ½% for each August 1 elapsed at the date of redemption; after August 1, 1942, the debentures are redeemable at par.

Sinking Fund—None provided.

Maintenance and Improvement Fund—Indenture provides for a maintenance and improvement fund under the terms of which there shall be set aside by the subsidiaries of the Corporation in each calendar year

as a reserve for maintenance and depreciation, a sum equal to 10% of gross income derived from water, 12½% of gross income derived from the sale of electric light and power and 50 cents per ton on each ton of ice sold.

Security—A direct obligation of Corporation and secured by an Indenture which provides among other things, that Corporation shall issue no securities ranking prior to these debentures except obligations incurred in connection with the purchase of property by the Corporation or any subsidiary and additional Gold bonds issued under the Indenture securing the same, or bonds issued to refund such bonds, without equally and ratably securing these debentures, and shall issue no additional evidences of indebtedness except current indebtedness (which is restricted to an amount not in excess of the value of current assets) unless total net earnings as defined in the Indenture shall be at least 1¾ times the total interest charges on all indebtedness of the Corporation other than current indebtedness.

Tax Provisions—Corporation pays Normal Federal Income tax up to 2%, and agrees to reimburse holders of these debentures, upon proper application, Pennsylvania, Vermont and Connecticut 4 mills tax, the Maryland 4½ mills tax, the District of Columbia 5 mills tax and the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum.

Legal Opinion—Peabody, Brown, Rowley & Storey, Boston (for the Corporation) and Chapman & Cutler, Chicago (for the Bankers).

Original Offering—First publicly offered ($2,000,000) in March, 1928, at 98½ and interest to yield over 6.15%, by Henry D. Lindsley & Co., Inc., New York, Emery, Peck & Rockwood Co., and Dangler, Lapham & Co., Chicago.

Listed—Chicago Stock Exchange.

CONSOLIDATED EARNINGS, YEAR ENDED OCTOBER 31, 1927
(After elimination of non-recurring items aggregating $91,231)

Gross earnings	$2,244,048
Operating expenses including maintenance, local taxes, amount applicable to minority stocks and prior charges of Southern Public Service Co. System	1,543,615
Net income applicable to interest charges, depreciation, amortization, Federal taxes, etc.	$700,433
Annual interest requirements on 5½% bonds	255,750
Balance	$444,683
Annual interest requirement on 6% Debentures	120,000
Balance	$324,683

NOTE: There is included in the above net income $27,493, which is derived from electric light and water properties not referred to above. Cash available for acquiring certain of these and/or other properties or for the retirement of the Corporation's First Lien bonds will be deposited with the Trustee under the Indenture securing such bonds.

CONSOLIDATED PRO FORMA BALANCE SHEET, OCTOBER 31, 1927
(Atlantic Public Service Corporation and Subsidiary Companies)
(After giving effect to organization of Atlantic Public Service Corp. and Southern Public Service Co. and proposed acquisition and sale of new properties, financing, etc.)

Assets—	
Plant, property, franchises, etc	$12,635,991
Investments	60,191
Special deposits for retirement of sub. co. securities at par (contra.)	2,549,700
Cash deposited in escrow pending clearing of title to certain properties, etc.	50,000
Cash	342,228
Special deposits (current)	24,999
Notes receivable	70,365
Accounts receivable, less reserve	236,927
Unbilled accounts receivable	16,800
Interest receivable	1,064
Material and supplies, at book values	224,130
Accounts, receivable, Atlantic Public Utilities, Inc.	75,000
Unamortized debt discount and expense	574,750
Organization and financing expenses	225,503
Prepaid items	37,674
Sundry charges	7,655
Total	$17,132,977

CONSOLIDATED PRO FORMA BALANCE SHEET, OCTOBER 31, 1927 (Continued):

Liabilities—	
†Atlantic Public Service Corp. Common stock	$551,192
†Atlantic Public Service Corp. $7 Pfd. stock, Series "A"	1,285,932
†Atlantic Public Service Corp. Second Pfd. stock	1,500,000
‡Carolina-Georgia Service Co. $7 cum. Pfd. stock	599,940
Minority Common stockholders' int. in sub. cos. Common stock	73,166
Surplus to minority interests	83,933
Atlantic Public Service Corp. First Lien and Sec. Gold bonds, Series "A," 5½s	4,650,000
Atlantic Public Service Corp. 20-Year 6% Deb.	2,000,000
Southern Public Service Co. First Mtge. & Coll. 6% bonds	1,150,000
Carolina-Georgia Service Co. First Mtge. 6% S. F. Gold bonds	1,100,000
Carolina-Georgia Service Co. 5-Year Sec. 6½% S. F. Gold notes	500,000
Funded debt and Pfd. stock in process of retirement (contra)	2,549,700
Consumers' deposits	8,874
Contract payable, monthly installments of $2,000 each	70,000
Notes payable	20,000
Accounts payable	105,888
Drafts payable	176,044
Notes receivable discounted	29,959
Accrued taxes	57,361
Accrued interest	41,365
Other accruals	30,860
Deferred income—unearned revenue	80,207
Balance of amts. received for connection fees	84,497
Contributions for extensions	49,440
Surplus	*334,619
Total	$17,132,977

*Exclusive of $83,933 applying to minority interests shown above, but including surplus of subsidiaries at dates of acquisition and capital surplus arising from appraisals, etc. †Represents 300,000 shares no par Common, 15,000 shares no par $7 Pfd. Series "A," and 15,000 shares no par Second Pfd. ‡Represents 6,037 shares $7 no par Pfd.

Officers: Royce W. Gilbert, Pres.; Kinsley Van R. Dey, V-P.; Linwood C. Chase, Treas.; Charles M. Storey, Sec., Boston, Mass.

Directors: Royce W. Gilbert, Boston, Mass.; Linwood C. Chase, Kinsley Van R. Dey, Welllesley, Mass.; James A. Austin, New York, N. Y.

General Office, 7 West Tenth St., Wilmington, Del. **Executive Office**, 250 Stuart St., Boston, Mass.

CARIBOU WATER, LIGHT & POWER COMPANY

(Controlled by Atlantic Public Service Corp.)

History and Property—Incorporated in 1903, in Maine. Company supplies water and electricity to Caribou, Maine, and surrounding country and sells power at wholesale to two other distributing companies. Owns a dam and power site on the Aroostook River, from which it derives power for water supply pumping, and in addition it purchases some of its electrical current. Work has been started on the complete development of the company's own hydro-electric power.

CAPITAL STOCK

Outstanding, $50,300 Common; par, $100. All owned by Atlantic Public Service Corp. Annual meeting, second Tuesday in May, at Boston, Mass.

Dividends—12% per annum.

FUNDED DEBT

The outstanding First Mortgage 6% Gold bonds, due May 1, 1943, have been paid off, or their retirement provided for.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925
Earnings from operations	$69,378	$62,126
Miscellaneous earnings	10,800	6,109
Total	$80,178	$68,235
Operating expenses and taxes	55,051	39,162
Depreciation	3,132	4,000
Net earnings from operations	$21,995	$25,073
Deductions:		
Bond interest	$9,300	$8,820
Other interest	184	180
Total	$9,484	$9,000
Balance for dividends	$12,511	$16,073
Dividends	6,036	6,036
Surplus for year	$6,475	$10,037

GENERAL BALANCE SHEET, DECEMBER 31, 1926
(Latest Available)

Assets—.	
Cost of properties and equipment	$356,198
Materials and supplies	9,445
Cash	26,076
Notes receivable	11,693
Accounts receivable	19,717
Unadjusted debits	375
Deferred debit items	15,299
Total	$438,804
Liabilities—	
Common stock	$50,300
Funded debt	155,000
Notes payable	35,000
Accounts payable	15,154
Interest accrued	1,900
Dividends accrued	1,509
Reserve for taxes	1,600
Unadjusted credits	8,234
Deferred credits	14,000
Reserve for depreciation	81,930
Surplus	74,177
Total	$438,804

Officers: Arthur S. Dewing, Pres., Cambridge, Mass.; Kenneth T. Young, Sec. & Treas., Winchester, Mass.; Fred W. Young, Gen. Mgr., Erie, Pa.

Directors: Arthur S. Dewing, Cambridge, Mass.; Kenneth T. Young, Winchester, Mass.; Fred W. Young, Erie, Pa.

General Office, 70 State St., Boston, Mass. **Operating Office,** Caribou, Me.

THE CITY WATER COMPANY

(Controlled by Atlantic Public Service Corp.)

History—Incorporated in 1902, in Ohio; and furnished water in Bowling Green, Ohio.

CAPITAL STOCK

Authorized and outstanding, $100,000; par, $100. All owned by Atlantic Public Service Corp.

FUNDED DEBT

The outstanding General Mortgage 6% bonds, due Sept. 1, 1932, have been paid off, or their retirement provided for.

INCOME ACCOUNT, YEARS ENDED MARCH 31

	1928	1927
Gross earnings	$60,414	$58,071
Operating expenses, taxes, etc.	32,540	34,789
Net earnings	$27,874	$23,282
Other income	119	151
Total income	$27,993	$23,433
Interest charges	7,641	6,819
Net income	$20,352	$16,614
Common dividends	17,000	12,000
Surplus for year	$3,352	$4,614

GENERAL BALANCE SHEET, MARCH 31

Assets—	1928	1927
Property account	$345,363	$331,211
Materials and supplies	8,952	4,533
Cash	3,480	503
Accounts receivable	10,250	17,251
Deferred debit items	44	29
Prepaid accounts	273	136
Total	$368,362	$353,663
Liabilities—		
Common stock	$100,000	$100,000
Funded debt	69,500	69,500
Notes payable	56,500	54,820
Accounts payable	12,026	4,902
Interest accrued	1,484	478
Reserve for taxes	5,309	3,771
Depreciation reserve	67,015	67,015
Profit and loss	56,528	53,177
Total	$368,362	$353,663

Officers: F. W. Young, Pres.; N. R. Harrington, V-P.; K. T. Young, Sec. & Treas.

Directors: F. W. Young, K. T. Young, Boston; Molly Cramer, H. D. McKnight, N. R. Harrington, Bowling Green, O.

Office, Bowling Green, Ohio.

GRAFTON WATER COMPANY

(Controlled by Atlantic Public Service Corp.)

History—Incorporated 1886 in Mass., and supplies Grafton, serving a population of about 5,000.

CAPITAL STOCK

Authorized and outstanding, $80,000; par, $100. Over 98% owned by Atlantic Public Service Corp. Annual meeting, first Monday in March.

Dividends—No dividends paid prior to 1925, when 3¼% paid; none since.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$14,776	$15,407	$14,097
Oper. exp. and taxes	7,966	7,466	6,633
Net earnings	$6,810	$7,941	*$7,515
Interest on bonds, etc.	5,353	5,968	4,000
Rentals	.....	.....	600
Net income	$1,457	$1,973	$2,915
Dividends	.....	.....	2,600
Surplus for year	$1,457	$1,973	$315

*Includes $51 other income.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$104,220	$104,622	$103,720
Materials and supplies	724	989	1,192
Cash	363	248	1,210
Notes receivable	.....	.....	2,100
Accounts receivable	1,683	2,796	1,654
Other current assets	77	484	.....
Unadjusted debits	63	62	62
Deferred debit items	.....	69	16
Profit and loss deficit	89,278	84,819	86,631
Total	$196,408	$194,089	$196,585
Liabilities—			
Capital stock	$80,000	$80,00	$80,000
Funded debt	.....	80,000	80,000
Notes payable	112,800	32,800	32,800
Accounts payable	1,391	608	518
Interest accrued	2,200	666	667
Dividends declared	.....	.....	2,600
Other liabilities	17	15	.....
Total	$196,408	$194,089	$196,585

Officers: Arthur S. Dewing, Pres.; Fred W. Young, V-P. & Gen. Mgr.; Kenneth T. Young, Treas.; H. C. Richards, Sec., Boston, Mass.; Allen W. Symonds, Supt., Millbury, Mass.

Directors: Arthur S. Dewing, Kenneth T. Young, Fred W. Young, Boston, Mass.

General Office, 70 State St., Boston, Mass. **Operating Office,** Grafton, Mass.

HAMPTON WATER WORKS COMPANY

(Controlled by Atlantic Public Service Corp.)

History—Incorporated Aug. 14, 1889, in N. H. Franchises perpetual. Supplies Hampton, Hampton Beach, part of North Hampton, Little Boar's Head and Rye Beach, N. H. Annual output, 60,000,000 gals. Meters in service, 912.

CAPITAL STOCK

Authorized, $200,000 Common and $80,000 6% cumulative Pfd.; outstanding, $50,000 Common and $62,200 Pfd.; par, $100. Stock control held by Atlantic Public Service Corp. Pfd. stock has preference for assets and dividends. Annual meeting, first Tuesday in January. Pfd. dividends are paid quarterly, Jan., Apr., July and Oct. 1; on Common, 6% was paid in 1923, and 8% each in 1924, 1925, 1926 and 1927; payments annually on Feb. 1.

FUNDED DEBT

The outstanding First Mortgage 5% Gold bonds, due July 1, 1944, have been paid off, or their retirement provided for.

INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Gross earnings	$55,340	$53,765	$46,204
Oper. exp., taxes, etc.	29,363	31,972	25,599
Net earnings	$25,977	$21,793	$20,605
Bond interest	$10,500	$10,500	$10,500
Other charges	72	947	925
Total charges	$10,572	$11,447	$11,425
Net income	$15,405	$10,346	$9,180
Dividends paid	7,732	7,732	7,705
Misc. appropriations	933	1,262	261
Surplus for year	$6,740	$1,352	$1,214

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926	1925
Property account	$352,828	$347,133	$343,426
Materials and supplies	4,841	4,578	3,744
Cash	31,788	26,801	22,263
Accounts receivable	5,382	3,969	3,041
Suspense	15,867	16,801	17,734
Sinking fund reserve	14,100	12,000	9,900
Total	$424,806	$411,282	$400,109
Liabilities—			
Common stock	$50,000	$50,000	$50,000
Preferred stock	62,200	62,200	62,000
Funded debt	210,000	210,000	210,000
Accounts payable	84	257	857
Depreciation reserve	58,719	52,028	41,807
Profit and loss	43,803	36,797	35,445
Total	$424,806	$411,282	$400,109

Officers: Hon. John Scammon, Pres. & Gen. Mgr., Exeter, N. H.; E. G. Cole, V-P. & Treas., Hampton, N. H.; Perley Gardner, Clerk, Exeter, N. H.; E. L. Page, Aud., Concord, N. H.; Oscar J. Scammon, Gen. Supt., Hampton, N. H.

Directors: Hon. John Scammon, Perley Gardner, Exeter, N. H.; E. G. Cole, Oscar J. Scammon, Hampton, N. H.

General Office, Hampton, N. H.

THE INDIANA LIGHT AND POWER COMPANY

(Controlled by Atlantic Public Service Corporation)

History—Incorporated in 1927 in Ohio for the purpose of acquiring and constructing electric light and power properties, and at present owns all the outstanding bonds and all the capital stock of The General Utilities Company, and all the capital stocks of The Brookville Electric Company and The Shepfer Electrical Company. These subsidiaries operate in Defiance, Putnam, Henry, Wood, Allen, and Hancock Counties, Ohio, and Franklin County, Indiana, supplying electrical energy for light and power to Brookville and Cedar Grove, Indiana, and Malenta, Miller City, Grelton, Townwood, Gallup, Florida, Prentiss, West Hope and Elery, Ohio. Estimated population served, 50,000. The properties of subsidiaries consist of approximately two hundred (200) miles of pole and transmission line, necessary sub-station and transformer equipment, and a complete electrical, engineering and construction organization. The companies operate under very satisfactory franchises and/or indeterminate permit.

CAPITAL STOCK

No details available.

FUNDED DEBT

The outstanding First Lien Collateral Trust 6% Gold bonds, Series "A," dated Jan. 1, 1927 and due June 1, 1942, have been paid off, or their retirement provided for.

CONSOLIDATED STATEMENT OF EARNINGS, JANUARY 1 TO OCTOBER 31, 1926

Gross revenues	$151,888
Oper. expenses, incl. maintenance and taxes (other than income taxes)	94,683
Net income available for interest, deprec. and Federal Income taxes	$57,205
Annual bond interest requirements	15,000
Balance	$42,205

General Office, 70 State St., Boston, Mass.

MILLBURY WATER COMPANY

(Controlled by Atlantic Public Service Corp.)

History—Incorporated in 1893, in Mass. Supplies Millbury, Mass. Annual consumption, 150,616,000 gals. No. of consumers, 798.

CAPITAL STOCK

Authorized, $62,500 Common and $62,500 6% Pfd.; outstanding, $57,600 Common and $55,400 Pfd.; par, $100. Stock control held by Atlantic Public Service Corp. Annual meeting, second Monday in February.

Dividends—On Pfd.: 1923, 4½%; 1924, 1925 and 1926, 6% each; payments quarterly, F, M, A & N 1. On Common: 1924, $1,309 (⅜%); 1925, 6%; 1926, 8%; payments quarterly, M, J, S & D 1.

FUNDED DEBT

The outstanding First Mortgage 5% Gold bonds, due May 1, 1935, have been paid off, or their retirement provided for.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$34,418	$31,886	$30,626
Oper. exp., taxes & deprec.	20,811	17,361	16,233
Net earnings	$13,607	$14,525	$14,393
Interest charges	7,016	6,415	6,091
Other charges	472	.....	244
Net income	$6,119	$8,110	$8,058
Preferred dividends	3,324	3,324	3,324
Common dividends	4,608	4,608	3,456
Surplus for year	*$1,787	$178	$1,278

*After an adjustment of $3,600.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property account	$257,643	$256,035	$247,665
Material & supplies	3,449	4,569	3,340
Cash	420	351	395
Accounts receivable	7,046	7,737	7,958
Other current assets	881	74	3,272
Prepaid items	155	964	914
Total	$269,594	$269,730	$263,544
Liabilities—			
Common stock	$57,600	$57,600	$57,600
Preferred stock	55,400	55,400	55,400
Funded debt	85,000	85,000	85,000
Notes payable	50,900	47,924	35,600
Accounts payable	1,981	1,835	4,321
Interest accrued	709	770	708
Dividends declared	.....	1,152	3,456
Deferred credit items	643	950	.....
Reserve for depreciation	4,122	4,047	5,624
Profit and loss	13,239	15,052	15,835
Total	$269,594	$269,730	$263,544

Officers: Arthur S. Dewing, Pres.; Fred. W. Young, V-P.; Kenneth T. Young, Treas.; H. C. Richards, Clerk; Arthur W. Leavitt, Aud., Boston, Mass.; Allen M. Symonds, Supt., Millbury, Mass.

Directors: Arthur S. Dewing, Kenneth T. Young, Fred W. Young, Boston, Mass.

General Office, 70 State St., Boston, Mass. **Operating Office,** Millbury, Mass.

MYSTIC VALLEY WATER COMPANY

(Controlled by Atlantic Public Service Corp.)

History—Incorporated in 1887, in Conn., with perpetual charter. Supplies water to Stonington, Mystic and vicinity. Owns 3 reservoirs of 62,000,000 gallons capacity. Estimated population served, 7,000. Number of customers, 1,517. Total consumption in 1927, 264,210,000 gals. Mile of pipe line, about 30.

CAPITAL STOCK

Authorized, $200,000; outstanding, $175,000; par, $100. Stock control held by Atlantic Public Service Corp. Annual meeting, third Friday in January.

Dividends—Dividend in 1914, 3½%; 1915, 1916 and 1917, 4% each; 1918, 3%; 1919, 2%; 1920 and 1921, 2½% each; 1922, 2%; 1924 and 1925, none; 1926, 1½%; 1927, none.

FUNDED DEBT

The outstanding First Mortgage 5% Gold bonds, due Dec. 1, 1928, have been paid off, or their retirement provided for.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$50,936	$46,970	$42,385
Operating expenses & taxes	30,723	24,793	22,419
Net earnings	$20,213	$22,177	$19,966
Other income	1,207	1,432	1,030
Total income	$21,420	$23,609	$20,996
Bond and other interest	8,245	8,428	8,870
Balance for dividends	$13,174	$15,181	$12,126
Dividends paid	.....	2,625	.....
Surplus for year	$13,174	$12,556	$12,126

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Fixed assets	$431,883	$408,567
Cash	177	2,929
Accounts receivable	5,904	4,922
Other current assets	5,378	4,623
Suspense account	5,984	3,946
Total	$449,326	$424,987
Liabilities—		
Capital stock	$175,000	$175,000
Funded debt	130,000	130,000
Notes and accounts payable	28,841	24,411
Accrued liabilities	2,464	3,229
Advances from affil. cos.	2,000	.....
Reserves	41,330	35,830
Profit and loss	69,691	56,517
Total	$449,326	$424,987

Officers: Arthur S. Dewing, Pres.; F. W. Young, V-P.; A. W. Bagnell, Sec.; Kenneth T. Young, Treas., Boston, Mass.; Geo. H. Robinson, Supt., Stonington, Conn.

Directors: K. T. Young, F. W. Young, A. S. Dewing, A. W. Bagnell, H. C. Richards, R. J. Holmes, M. G. Fryer, Boston, Mass.

Executive Office, 250 Stuart St., Boston, Mass.

THE OHIO NORTHERN PUBLIC SERVICE COMPANY

(Controlled by Atlantic Public Service Corp.)

History—Incorporated in 1916, in Ohio. Does the entire electric light and power business in the city of Bowling Green and town of Portage, Ohio. Also sells electricity at wholesale to the town of Tontogany. Total population served, about 9,500.

CAPITAL STOCK

Outstanding, $193,000. Over 98% owned by Atlantic Public Service Corp. Annual meeting, in March. Dividends 8% per annum.

FUNDED DEBT

The outstanding First and Refunding Mortgage 6% Gold bonds, due Jan. 1, 1942, have been paid off, or their retirement provided for.

INCOME ACCOUNT, YEARS ENDED MARCH 31

	1928	1927
Gross earnings	$161,170	$143,864
Operating expenses, taxes, etc.	109,868	95,946
Net earnings	$51,302	$47,918
Other income	4,468	4,300
Total income	$55,770	$52,218
Interest charges	11,656	11,216
Amortization of debt disc.	595	595
Net income	$43,519	$40,407
Common dividends	28,950	23,160
Surplus for year	$14,569	$17,247

GENERAL BALANCE SHEET, MARCH 31

Assets—	1928	1927
Property account	$445,526	$422,643
Cash	7,576	4,172
Notes receivable	93,379	63,379
Accounts receivable	18,801	29,411
Other current assets	16,663	12,447
Unadjusted debits	69	476
Deferred debit items	8,514	11,040
Total	$590,528	$543,568
Liabilities—		
Common stock	$193,000	$193,000
Funded debt	177,600	177,600
Notes payable	20,000	10,000
Accounts payable	2,795	4,578
Interest accrued	2,751	2,751
Other current liabilities	11,580	.....
Reserve for taxes	13,489	11,326
Depreciation reserve	97,969	87,750
Uncollectible accounts reserve	1,220	1,008
Profit and loss	70,124	55,555
Total	$590,528	$543,568

Officers: F. W. Young, Pres.; N. R. Harrington, V-P.; K. T. Young, Sec. & Treas.

Directors: F. W. Young, K. T. Young, Boston, Mass.; Molly Cramer, H. D. McKnight, N. R. Harrington, Bowling Green, Ohio.

Offices, 70 State Street, Boston, Mass., and Bowling Green, Ohio.

POTOMAC VALLEY POWER CORPORATION

(Controlled by Atlantic Public Service Corp.)

History and Property—Incorporated in 1926, in W. Va., and acquired the light and power properties at Moorefield and Romney, W. Va., of the Romney Electric Co.

CAPITAL STOCK

Outstanding, $180,000 Common; all owned by Atlantic Public Service Corp. Annual meeting, third Tuesday in February, at Boston, Mass. No dividends paid.

FUNDED DEBT

None.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$41,301
Operating expenses & taxes	35,794
Net earnings	$5,507
Note interest	1,753
Net income for period	$3,754

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property account	$239,078	$207,740
Material & supplies	1,414	3,956
Cash	1,488	1,026
Accounts receivable	10,285	7,808
Other current assets	36	.....
Deferred debit items	545	408
Total	$252,846	$220,938
Liabilities—		
Common stock	$180,000	$180,000
Notes payable	43,103	15,946
Accounts payable	16,852	16,001
Interest accrued	.....	204
Other current liabilities	1,283	885
Tax liability	577	163
Profit & loss surplus	11,031	7,739
Total	$252,846	$220,938

Officers: Arthur S. Dewing, Pres., Cambridge, Mass.; Fred W. Young, V-P., Erie, Pa.; Allen W. Bagnell, Sec., Holliston, Mass.; Kenneth T. Young, Treas., Winchester, Mass.; Frank B. Northrop, Petersburg, W. Va.

Directors: Arthur S. Dewing, Cambridge, Mass.; Fred W. Young, Erie, Pa.; Kenneth T. Young, Winchester, Mass.

General Office, 70 State St., Boston, Mass. **Operating Office,** Petersburg, W. Va.

SALISBURY WATER SUPPLY CO.

(Controlled by Atlantic Public Service Corp.)

History and Property—Incorporated March 31, 1915, in Mass., to supply water to town of Salisbury, Mass., for all purposes. This company comprises the former properties, pumping station, pipe lines, etc., of the Artesian Water Co., with extensions of considerable extent under the present company. Storage capacity 815,000 gals. Estimated total consumption, 72,329,883 gals. Number of services, 1,126. No. of hydrants, 80. Miles of mains, about 17.

CAPITAL STOCK

Authorized and outstanding, $45,000 Common and $45,000 6% cumulative Pfd.; par, $100. Stock control held by Atlantic Public Service Corp. Pfd. stock has no voting power, except in case of non-payment of Pfd. dividends for one year, then vote right to continue until all accrued cumulative dividends are paid. Transfer Agent: American Trust Co., Boston. Annual meeting, first Monday in June.

Dividends—Initial dividend of 3% on Pfd. paid Dec. 1, 1915; 1916 to date, 6% per annum; initial dividend of 3% on Com. paid in 1919; none thereafter until 1923, when 24% was paid to take care of dividends for the years 1920, 1921, 1922 and 1923; 1924 to 1927, 6% each; payments on both classes now semi-annually June and Dec. 1, at Wellesley (Mass.) National Bank.

FUNDED DEBT

The outstanding First Mortgage 5% Gold bonds, due June 1, 1935, have been paid off, or their retirement provided for.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$32,607	$35,889	$35,396
Oper. exp. & taxes	14,725	17,765	17,274
Depreciation	4,931	4,977	5,249
Net earnings	$12,951	$13,147	$12,872
Interest charges	2,966	4,562	5,045
Balance for dividends	$9,405	$8,585	$7,827
Preferred dividends	2,700	2,700	2,700
Common dividends	2,700	2,700	2,700
Surplus for year	$5,005	$3,185	$2,427

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$205,191	$204,413	$249,879
Sinking fund investment	.....	.....	8,225
Materials and supplies	2,482	1,744	1,500
Cash	1,830	1,450	2,137
Notes receivable	224	.....	.....
Accounts receivable	14,096	15,621	11,888
Total	$223,823	$223,228	$273,628
Liabilities—			
Common stock	$45,000	$45,000	$45,000
Preferred stock	45,000	45,000	45,000
Funded debt	75,000	75,000	85,000
Notes payable	3,000	11,000	13,000
Accounts payable	424	294	235
Taxes accrued	.....	473	.....
Interest accrued	313	366	292
Depreciation reserve	30,983	26,052	21,918
Sinking fund reserve	.....	.....	8,225
Surplus invested in plant	5,850	5,100	.....
Profit and loss	18,253	14,945	54,959
Total	$223,823	$223,228	$273,628

Officers: Henry C. Mulligan, Pres.; Ralph C. Mulligan, Sec., Natick, Mass.; N. O. Taylor, Treas., Gen. Mgr. & Pur. Agt., Wellesley, Mass.; Karl Ruhp, Supt., Salisbury, Mass.

Directors: Henry C. Mulligan, Ralph C. Mulligan, Natick, Mass.; N. O. Taylor, Wellesley, Mass.

General Office, Wellesley, Mass.

SHENANDOAH RIVER POWER COMPANY

(Controlled by Atlantic Public Service Corp.)

History—Incorporated August 17, 1925 in Virginia, Purchased the properties and business of Weyers Cave Light and Power Co., F. A. Shank Co., Ltd., T. H. Andrick, and all the capital stock of Valley Light & Power Co. Company serves with electricity 52 communities, including Woodstock, Strasburg, Edinburg, Mt. Jackson, New Market, Timberville, Broadway, Dayton, Mt. Crawford Mt. Sidney, Weyers Cave, Grottoes, McGaheysville and Elkton, Virginia. Population served, approximately 50,000. Franchises expire from 1933 to 1955. Number of electric meters, 2,870. Annual sales of electricity, 2,000,000 k.w.h. Prices: 13 cts. to 8 cts. for lighting: 5cts. to 2 cts. for power.

CAPITAL STOCK

Authorized, 4,000 shares Class "A" Common, 10,000 shares Class "B" Common, both of no par value, and $1,000,000 7% cumulative Pfd. of $50 par; outstanding, 888 shares Class "A" Common, 10,000 shares Class "B" Common, and $200,650 Pfd. Stock control held by Atlantic Public Service Corp. Pfd. stock is subject to redemption at $52 per share after three years. Transfer Agent: Shenandoah River Power Co., Harrisonburg, Va. Registrar: First National Bank, Harrisonburg, Va. Annual meeting, last Monday in January.

Dividends—Pfd. dividends regularly paid since issuance; payments, March 31, June 30, Sept. 30 and Dec. 31. None paid on Common.

FUNDED DEBT

The outstanding First Mortgage Gold bonds, 6% Series, due Sept. 1, 1945, and 6% Debenture bonds, due Feb. 1, 1936, have been paid off, or their retirement provided for.

INCOME ACCOUNT, YEARS ENDED:
(Latest Available)

	Dec. 31, 1926	Jan. 31, 1926
Gross earnings	$105,353	$86,423
Operating expenses, taxes & depreciation	43,132	38,312
Net earnings	$62,221	$48,111
Interest on bonds	30,647	24,600
Other interest	2,338	2,296
Surplus after charges	$29,237	$21,215
Preferred dividends	13,361	12,243
Surplus for year	$15,875	$8,972
Times Interest Earned	1.88	1.79
Earnings Per Share—		
Preferred	$7.28	$6.06
Common	1.45	0.83

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

Assets—	1926	1925
Cost of properties	$923,002	$713,265
Other investments	60,000	...
Materials and supplies	5,560	965
Cash	40,267	51,060
Notes receivable	170	195
Accounts receivable	15,399	5,981
Other current assets	4,845	13,244
Unadjusted debits	3,570	2,560
Deferred debit items	239	1,130
Bond discount and expense	89,469	55,290
Total	$1,142,521	$843,692
Liabilities—		
Common stock	$10,888	$10,553
Preferred stock	200,650	139,150
Funded debt	680,000	410,000
Notes payable	30,858	85,000
Accounts payable	30,172	18,714
Interest accrued	14,303	9,501
Unadjusted credits	5,900	16,700
Deferred credit items	35	60
Reserve for depreciation	62,768	57,500
Other accruals	2,500	2,500
Appropriated surplus	87,340	94,014
Surplus	17,109	
Total	$1,142,521	$843,692

Officers: Arthur S. Ives, Pres., New York; William W. Battles, V-P., Philadelphia; Rolland A Davidson, Sec. & Treas., New York.

Directors: William W. Battles, Philadelphia; Reginald H. Burdick, Arthur S. Ives, Rolland A. Davidson, New York; Wilmer L. Dechert, Harrisonburg, Va.; John H. Hoover, Timberville, Va.; Joseph E. Hutcheson, Edinburg, Va.

General Office, Harrisonburg, Va. **New York Office,** 15 Park Row.

SOUTHERN PUBLIC SERVICE COMPANY

(Controlled by Atlantic Public Service Corp.)

History—Incorporated Jan. 21, 1928 and acquired the business and properties of companies engaged in the manufacture and distribution of ice in Roanoke, Va., and vicinity, and Greensboro and Gastonia, N. C. Owns over 95% of the stock of the Carolina-Georgia Service Co. (see appended statement), doing a similar business in and around 18 communities in South Carolina and Georgia, including the cities of Greenville, Anderson and Aiken, S. C., and Augusta, Ga. Additional communities served are Greenwood, Laurens, Abbeville, Clinton, Honeapath, Westminster, Belton, Seneca, McCormick and Ninety-Six, S. C.; Gainesville, Cornelia, Toccoa and Lavonia, Ga. The permanent population of the territory served by the Company and it subsidiaries is about 500,000.

Company and its subsidiares own and operate 27 ice manufacturing plants, equipped with modern type of ice-making machinery and having daily capacity of over 1,400 tons. Company distributes largely through its own delivery system, equipped with wagons and motor equipment.

It is the intention of the management to acquire hydro-electric and other public utility properties in the South and toward this end the acquisition of two electric light and power properties was underway in Feb., 1928.

CAPITAL STOCK

Outstanding, 25,000 shares Common and 10,000 shares $7 cumulative Pfd., both of no par value. All owned by Atlantic Public Service Corp.

FUNDED DEBT

(1)

$1,150,000 FIRST MORTGAGE AND COLLATERAL LIEN 6% GOLD BONDS, SERIES "A"; DUE FEBRUARY 1, 1943

Dated February 1, 1928.

Interest Payable February and August 1 at Seaboard National Bank, New York.

Denominations—Coupon, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Seaboard National Bank, New York.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $1,150,000, Series "A" 6s.

Additional bonds may be issued in series under conservative restrictions of Trust Indenture on following basis: provided consolidated net earnings of Company and its subsidiaries, as defined in Indenture for 12 successive months included in 15 months immediately preceding application for issuance of additional bonds, shall have been at least four times annual interest charge on all bonds at time outstanding under Indenture, on bonds at time applied for and on underlying bonds on property of Company and its subsidiaries, if any consolidated net earnings in so far as they are derived from a public utility as defined in Indenture to be doubled for the purposes of such computation): (a) For not over 60% of cost or fair value, whichever is lower, of additions and extensions (including properties acquired as an entirety) to physical properties of Company; (b) for acquiring at least a majority of voting stock of any corporation engaged in business of a public utility (such term to include those enterprises generally regarded as such, excluding the business of selling and distributing natural gas) but not in excess of 75% of cost of stock and other securities, if any, so acquired, or of fair value of physical properties represented thereby, whichever is lower, subject to further limitations set forth in Indenture; (c) for the acquisition, retirement or pledge under the Indenture, of first mortgage bonds of Carolina-Georgia Service Co. in principal amount not in excess of the principal amount of such bonds acquired and retired or pledged. Additional bonds may also be issued for purpose of refunding bonds from time to time issued under Indenture in principal amount not in excess of principal amount of bonds refunded.

Callability—Series "A" 6s are subject to call, on 30 days' notice, to and including Aug. 1, 1933, at 105 and interest, premium thereafter decreasing ½ of 1% for each 12 months, or fraction thereof.

Sinking Fund—Commencing Aug. 1, 1928, Company shall make semi-annual payments to Trustee for a cumulative sinking fund on the Series "A" bonds which payments, when added to semi-annual interest on bonds outstanding, shall amount to $51,000 until and including Feb. 1, 1943. These payments are to be used to purchase such bonds in open market at not to exceed prevailing call price or if not so obtainable, then for call of such bonds by lot. Indenture will provide that in event additional bonds of Series "A" are issued, sinking fund will be proportionately increased. Company may at its option make these payments with such bonds at cost not to exceed par and interest in lieu of cash. On foregoing basis it is calculated that over 60% of these bonds will be retired by maturity.

Maintenance & Improvement Fund—Company covenants it will set aside in each calendar year as consolidated reserve for maintenance and depreciation a sum equal to the aggregate of following 12½% of consolidated gross income derived from electric light or power and/or other public utility business and/or furnishing of cold storage facilities; and 50c per ton for each ton of ice manufactured and sold by Company and its subsidiaries. Such sums shall be expended for maintenance and replacements, acquisition of additional property, which may not serve as basis for issue or further first mortgage bonds, retirement of funded debt and/or acquisition of minority interests in subsidiaries.

Security—Secured by a direct first mortgage on all fixed properties owned by Company and, except for liens existing at time of acquisition, on all fixed properties hereafter acquired. The properties to be owned have been examined and appraised and reported as having a sound depreciated going value of $3,010,828. There will be pledged certain stocks and/or voting trust certificates of subsidiary companies representing directly or indirectly more than 95% of Common stock of Carolina-Georgia Service Company which, based on a similar valuation, and after deducting prior securities show a sound value of over $1,010,000. Balance sheet as of Oct. 31, 1927, giving effect to this financing and foregoing appraised values, shows net tangible assets behind these bonds of $4,259,000, equal to over $3,700 per $1,000 bond to be outstanding. 75% of stock of Roanoke Ice Delivery, Inc., is also pledged.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and covenants to refund to holders of Series "A" bonds, any personal property taxes (other than succession or inheritance taxes) paid by the holders not in excess of five mills on the principal amount and any State income taxes not in excess of 6% per annum on the interest thereon, subject to the limitations and in the manner set forth in Indenture.

Legal Opinion—Peabody, Brown, Rowley & Storey, Boston (for the Company) and Chapman & Cutler, Chicago (for the Bankers).

Market—Admitted to unlisted trading privileges on New York Curb Market.

Original Offering—First publicly offered ($1,150,000 Series "A" 6s) in Feb., 1928, at 97½ and interest to yield over 6.25%, by Henry D. Lindsley & Co., Inc., Toy, Gilson & Taylor, Inc., New York and Emery,

Peck & Rockwood Co., Gorrell & Co., Inc., and Dangler-Lapham & Co., Chicago.

(2)

$1,000,000 6½% GOLD NOTES

All owned by Atlantic Public Service Corp. No further details available.

Officer: L. C. Chase, Pres., Boston, Mass.
General Office, 70 State St., Boston, Mass.

CAROLINA-GEORGIA SERVICE COMPANY

(Controlled by Southern Public Service Co.)

History and Properties—Incorporated April 8, 1927, in Delaware, to acquire the business and properties of companies engaged in the manufacture and distribution of ice in and around 18 communities in South Carolina and Georgia, all located within a radius of 100 miles of Anderson, S. C. The permanent population of the territory served is about 300,000. Among the communities are Greenville, Anderson, Greenwood and Aiken, S. C., and Augusta, Gainesville and Cornelia, Ga. Company owns and operates 21 ice manufacturing plants with aggregate daily capacity of over 800 tons. Three cotton-seed oil mills are also owned. Production of ice for 1926 was 81,060 tons.

CAPITAL STOCK

Authorized, 100,000 shares Common, no par value and 20,000 shares $7 cumulative Pfd., no par value; outstanding, 60,000 shares Common and 7,150 shares Pfd. Over 95% of the Common stock owned by Southern Public Service Co. Pfd. stock is subject to call at 110 on any dividend date.

Transfer Agent—Seaboard National Bank, New York.

Annual Meeting—Second Wednesday in March.

Dividends—Initial dividend on Pfd. of $1.75 a share paid July 1, 1927; payments quarterly, J, A, J & O 1.

FUNDED DEBT

(1)

$1,100,000 FIRST (CLOSED) MORTGAGE 6% SINKING FUND GOLD BONDS, SERIES "A"; DUE JUNE 1, 1942

Dated June 1, 1927.

Interest Payable June and December 1 at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000, interchangeable, principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized and issued, $1,100,000, Series "A." Additional bonds may be issued in series, other than Series "A," with interest rates and maturities as directors may determine, par for par to refund bonds outstanding under the indenture or for 60% of the cost or fair value, whichever is lower, of additional property; provided further that net earnings as defined in the Indenture for 12 consecutive calendar months, within the 15 months next preceding application for such bonds, shall have been not less than 3 times annual interest requirements on all bonds then outstanding under the Indenture, including those proposed to be issued, less bonds then to be retired. Company agrees that while any of the bonds are outstanding, no dividends upon the Common stock will be declared which will reduce net current assets, exclusive of inventories, below $100,000.

Callability—Subject to call as a whole or in part, on 30 days' notice, at par and interest plus a premium of 1/3 of 1% for each full year to maturity.

Sinking Fund—Indenture provides that commencing Oct. 1, 1928, Company shall make semi-annual payments to Trustee for sinking fund, each of which, when added to the semi-annual interest on the bonds outstanding, shall amount to $46,750 until and including April 1, 1931, and thereafter $49,500. These payments are to be used to purchase bonds at not to exceed the call price or if not so obtainable, then for call of bonds by lot. On the foregoing basis it is calculated that over 60% of these bonds will be retired by maturity. The proceeds from the sale of stock through the exercise of warrants attached to these bonds will be applied by Company as additional sinking fund for the retirement of these bonds.

Maintenance and Improvement Fund—Company agrees that commencing June 1, 1927, it will expend annually not less than 12½% of its gross operating revenues for one or more of the following purposes: (a) Maintenance, renewals and replacements; (b) retirement of funded debt by sinking funds or otherwise; (c) additional property, which may not serve as the basis for issue of further first mortgage bonds.

Stock Purchase Warrants—The bonds will be accompanied by non-detachable warrants entitling the holders to purchase 10 shares of Common stock for each $1,000 bond and 5 shares for each $500 bond, at $10 per share to and including June 1, 1929, and at $12.50 per share thereafter and to and including June 1, 1932. Indenture provides that in cases of bonds with warrants attached being called for redemption the Trustee will detach the warrants and issue in their place new warrants in the name of the bondholder. Indenture also contains customary provisions for the protection of the warrant holders in the event of consolidation, sale or increase of number of shares of stock of Company.

Security—Secured by a direct first mortgage or first deed of trust covering all the lands, buildings, equipment and other fixed assets owned or hereafter acquired. Properties owned have been appraised at a going concern value depreciated of $3,264,386.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse bondholders residing in Pennsylvania, Connecticut, Maryland, Massachusetts, District of Columbia or Virginia for taxes levied by said States or District on the bonds or income derived therefrom, properly paid by such holders, not exceeding the personal property or income taxes in effect therein on June 1, 1927.

Legal Opinion—Kobbe, Thatcher, Frederick & Hoar, New York, Chapman, Cutler & Parker, Chicago, and Ropes, Gray, Boyden & Perkins, Boston.

Original Offering—First publicly offered ($1,100,000 Series "A") in June, 1927, at 97½ and interest, to yield over 6.25%, by Henry D. Lindsley & Co., Inc., E. R. Diggs & Co., Inc., New York, etc., and Gorrell & Co., Inc., Chicago.

(2)

$500,000 5-YEAR SECURED 6½% SINKING FUND GOLD NOTES; DUE JUNE 1, 1932

Dated June 1, 1927.

Interest Payable June and December 1, at Fidelity Trust Co. of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity Trust Co. of New York.

Provisions of Issue—Authorized and issued, $500,000.

Purpose of Issue—Proceeds used to provide a portion of the cost of Company's properties.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at 105 and accrued interest on or before June 1, 1928; at 104 and interest thereafter on or before June 1, 1929; at 103 and interest thereafter on or before June 1, 1930; at 102 and interest thereafter on or before June 1, 1931, and at 101 and interest thereafter prior to maturity.

Sinking Fund—Sinking fund provides for the payment of $25,000 June 1, 1928, thereafter each June 1 and December 1 at least $40,625. Such payments will be applied to the purchase of notes in the open market at not exceeding the then redemption price, but if not so obtainable, notes will be called for redemption by Trustee in accordance with the terms of the Agreement. It is also provided in the Agreement that all cash received from the exercise of stock warrants at-

tached to the notes, will be used to retire notes of this issue. Furthermore, it is provided, that no cash dividends in excess of $1.50 per share per annum shall be paid on the Common stock unless an amount equal to any dividends declared in excess of said $1.50 per share per annum shall be devoted to the retirement of funded debt.

Stock Purchase Warrants—Each $1,000 note is accompanied by a detchable stock purchase warrant, entitling the holder thereof to purchase as a block 10 shares of Common stock of Company without par value, at $10 per share on or before June 1, 1932. On the same terms, each $500 note is accompanied by a detachable stock purchase warrant, entitling the holder thereof to purchase as a block 5 shares of Common stock.

Security—Secured by deposit with Trustee of a closed issue of $750,000 General Mortgage Gold bonds, due June 1, 1932, which bonds are secured by a general mortgage lien, subject only to lien of first mortgage on all property owned.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund certain California, Connecticut, Maryland, Massachusetts, New Hampshire, Pennsylvania and District of Columbia taxes.

Legal Opinion—Ropes, Gray, Boyden & Perkins, Boston (for the Company) and E. H. Tatum, New York, and Chapman, Cutler & Parker, Chicago (for the Bankers).

Original Offering—First publicly offered ($500,000) in July, 1927, at 98¾ and interest, to yield over 6.75%, by E. R. Diggs & Co., Inc., New York.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926
(Giving effect to new financing, etc.)

Gross sales	$1,088,733
Cost of sales, operating expenses, etc.	844,166
Depreciation	50,000
Total expenses	$894,166
Net earnings	$195,568
Deductions:	
Interest on bonds	$98,500
Reserve for taxes	12,969
Total charges	$111,469
Net income	83,099
Pfd. dividends	50,050
Surplus for year	$33,049

GENERAL BALANCE SHEET, JUNE 20, 1927
(Giving effect to new financing, etc.)

Assets—	
Real estate, buildings, plant, equipment, etc.	$3,264,386
Inventories	50,000
Cash	100,000
Total	$3,414,386
Liabilities—	
Common stock	$60,000
Preferred stock	715,000
Funded debt	1,600,000
Surplus	1,039,386
Total	$3,414,386

Officers: R. R. Livingston, Pres.; F. B. Adams, Buckingham Miller, V-Ps.; Edward H. Tatum, V-P. & Sec.; George W. Barnes, Treas.

Directors: E. R. Diggs, Edward H. Tatum, R. R. Livingston, New York.

General Office, 2 Rector St., New York. **Operating Office,** Anderson, S. C.

SAN GORGONIO POWER COMPANY

(Leased to Southern Sierras Power Co.)

History and Property—Incorporated Feb. 10, 1922, in Cal. Owns water rights, canals, pipe lines and diversion dams through which waters are diverted from the south and west branches of the Whitewater River. Upon completion of the present construction program the Company will own a modern and comprehensive system for the generation and transmission of electrical energy. The Company's properties extend from the Whitewater River in San Bernardino County southwesterly 10 miles to the San Gorgonio River canyon in Riverside County where the plants are to be located, a point approximately 8 miles north of the City of Banning, Cal. A 10 mile transmission line will be constructed from the plants to the City of Banning where it will tie into the system of the Southern Sierras Power Co.

Lease.—The Company has leased its properties and plant in their entirety for a period of 30 years to the Southern Sierras Power Co. who will operate same as part of its own system. The lease provides for the payment to the San Gorgonio Power Co. of 6½ mills per k.w.h. for the entire output of its plants, metered at the plants.

CAPITAL STOCK

Authorized, $1,000,000 Common; issued, $100,500 Common; par $100. Annual meeting, first Saturday in March.

FUNDED DEBT

$428,000 First Serial Gold 7s; dated Oct. 1, 1922; due serially Oct. 1, 1924 to 1947, inclusive; int. April and Oct. 1, at Los Angeles-First National Trust & Savings Bank, Los Angeles, Trustee, and at Crocker First National Bank of San Francisco. Denominations, $500 and $1,000. Subject to call as a whole or in part on any interest date at 105 and accrued interest. Authorized issue, $450,000. The remaining $50,000 bonds may be issued to an amount in par value equal to 75% of the money actually expended for additions, improvements and betterments to the plants or properties.

First publicly offered ($400,000) in March, 1923, at 100, to yield 7%, by The William R. Staats Co., Los Angeles, etc. Company pays Normal Federal Income Tax up to 2%. Exempt from Personal Property Tax in California.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Latest Available)

	1926	1925
Rentals received	.....	$16,227
Operating expenses, taxes, etc.	$15,582	15,538
Net earnings	*$15,582	$689
Other income	32,003	.....
Total income	$16,421	$689
Bond interest	31,293	28,545
Other interest	1,259	3,303
Other charges	2,321	1,757
Total fixed charges	$34,873	$33,605
Net loss	$18,452	$32,916

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31
(Latest Available)

Assets—	1926	1925
Cost of properties	$500,140	$499,922
Cash	388	585
Accounts receivable	4,287	3,817
Unamortized bond discount & expense	51,628	31,064
Suspense		18,608
Profit and loss deficit	66,399	57,947
Total	$622,842	$611,943
Liabilities—		
Common stock	$100,500	$100,500
Funded debt	471,000	428,000
Notes and accounts payable	19,819	76,548
Interest accrued	6,790	6,895
Other current liabilities	24,733	.....
Total	$622,842	$611,943

Officers: R. R. Scarborough, Pres.; M. S. Hazen, V-P.; W. C. McAllister, Sec. & Treas.

Directors: A. W. Hazen, M. S. Hazen, W. C. McAllister, F. R. Larmour, R. R. Scarborough.

General Office, 409 Security Bldg., Los Angeles, Cal.

DESCHUTES POWER & LIGHT CO.

(Controlled by Inland Power & Light Company)

History and Property—Incorporated November 11, 1904 in Oregon as the Bend Water, Light and Power Co. (see 1926 Public Utility Manual, page, 1802); name changed to present one on September 1, 1926.

Supplies without competition electric light and power to Bend, Ore., serving a population of about 13,000. Franchises are unlimited by their terms. Company owns three hydro-electric generating stations with installed capacity of 2,360 kilowatts.

CAPITAL STOCK

Authorized, $350,000 Common; outstanding, $261,900 Common; par, $100.

Dividends—Preferred dividends at annual rate of 7% are being paid.

FUNDED DEBT

None.

Officers: Guy W. Talbot, Pres.; John A. Laing, V-P., Portland, Ore.; L. R. Sheeley, V-P., Bend, Ore.; E. W. Hill, V-P., New York; C. W. Platt, Sec. & Treas.; M. J. Wilkinson, Asst. Treas. & Asst. Sec., Portland, Ore.; R. S. Hamilton, Asst. Sec. & Asst. Treas., Bend, Ore.; H. L. Martin, Asst. Sec.; A. C. Ray, Asst. Treas.; New York.

Directors: J. C. Rhodes, L. R. Sheeley, R. S. Hamilton, H. A. Miller, H. E. Allen, Bend, Ore.; John A. Laing, Guy W. Talbot, Portland, Ore.

General Office, Bend, Ore. **New York Office,** 2 Rector Street.

UNITED UTILITIES & SERVICE CORPORATION

History—Incorporated in June, 1922, in Maryland, as a holding company. Company controls through stock ownership Southern Cities Utilities Company (see appended statement) and directly or through the latter company controls Southern Utilities Corporation, Sussex Gas Company, Sussex Pipe Line Company and Cape May Heat & Light Company.

CAPITAL STOCK

Authorized, 20,000 shares Common and 10,000 shares 6% non-cumulative Pfd., both classes of no par value; outstanding, 15,647 shares Common and 9,187 shares Pfd. Pfd. stock is subject to call at $110 per share. Both classes of stock have equal voting power. Stock transferred and registered at Company's office, 1612 Market St., Philadelphia. Annual meeting, second Monday in March, at Baltimore, Md.

Dividends—None paid on either class of stock.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Stocks owned	$2,139,834	$654,323	$1,367,876
Real estate	13,268	.....	1,566
Cash	58,564	619,775	356
Notes receivable	4,050	57,756	24,358
Accounts receivable	54,420	3,328	
Other current assets	.....	146,077	.....
Deferred debit items	68,072	57,100	1,059
Total	$2,338,208	$1,538,358	$1,393,649

Liabilities—	1927	1926	1925
Notes payable	$445,000	$325,000	$53,500
Accounts payable	37,354	6,686	
Interest accrued	.....	1,080	7,326
Reserves	172,611	40,000	.....
Other liabilities	.....	.....	25,249
Capital and surplus	1,683,243	1,165,592	1,307,574
Total	$2,338,208	$1,538,358	$1,393,649

Officers: Walter Whetstone, Pres.; E. Lewis Burnham, V-P.; H. W. LeBoutillier, V-P.; Walter Whetstone, Jr., Sec. & Treas.; Robert M. Fries, Asst. Treas., Philadelphia.

Directors: Walter Whetstone, Walter Whetstone, Jr., E. Lewis Burnham, H. W. LeBoutillier, Philadelphia; C. K. Ovington, New York, N. Y.

Corporate Office, Baltimore, Md. **General Office,** 1612 Market St., Philadelphia, Pa.

SOUTHERN CITIES UTILITIES COMPANY

(Controlled by United Utilities and Service Corp.)

History and Properties—Incorporated under the laws of Delaware, August 4, 1917. Through local operating companies, substantially all of whose outstanding funded debt and capital stock are owned by it, Company renders public utility service in the States of Tennessee, North Carolina, Alabama, West Virginia, Maryland, Delaware and New Jersey. Upon completion of financing it will also render gas service in the Philippine Islands and electric service in the Dominican Republic through the ownership of the outstanding capital stock of The Islands Edison Company (see appended statement), which in turn will own all of the funded debt and substantially all of the outstanding capital stock of the local operating companies. The territories served have an aggregate population in excess of 1,140,000 and the customers aggregate over 47,000. On January 1, 1928, the companies had 22,466 customers for electricity, 20,731 customers for gas and 3,989 customers for water. The system will include 8 hydro-electric plants, 11 steam plants, 5 ice plants, 5 water supply systems, 4 gas plants and distributing systems, 1 street railway system, 2 bus systems and 1,919 miles of transmission and distribution lines. The electric companies have a total electric generating capacity of 10,167 k.w. and purchase their additional requirements under contracts. The gas properties include generating plants of a daily capacity of 4,210,000 cubic feet with 214 miles of gas mains. The water properties have a capacity of 4,691,200 gallons per day and a distributing system consisting of 73 miles of water mains. The electric railway property consists of 24½ miles of gas mains. The water properties have a capacity of 4,691,200 gallons per day and a distributing system consistsing of 73 miles of water mains. The electric railway property consists of 24½ equivalent miles of single track. During the year ended December 31, 1927 the total electric output of the properties was 22,483,079 k. w. h. and an additional 27,164,726 k.w.h. were purchased for resale and there were made 548,884,119 cubic feet of gas.

These properties have been in continuous operation for many years in territories where there is an increasing demand for service. For the 12 months ended March 31, 1928, more than 74% of the gross revenues and 80% of the net earnings before depreciation were derived from electric, gas and water service.

Subsidiary Companies—The principal subsidiaries of Southern Cities Utilities Company include Southern Cities Power Company, Tennessee Water Company, Wheeling Public Service Company, Southern Cities Utilities Corporation and its subsidiary Public Light and Power Company, The Durham Gas Company, Carolina Coach Company, Citizens Gas Company, The Salem Gas Light Company, and Mills & Lupton Supply Company, and also The Islands Edison Company (name to be changed from The Manila Gas Company) and its subsidiaries Manila Gas Corporation and Compania Electrica de Santo Domingo. Company also controls Electric Illuminating & Equipping Co. (see 1927 Manual page 2327) and Southern States Ice Co. Property of West Virginia Utilities Company, a former subsidiary, was sold to American Water Works & Electric Co., Inc. in June, 1927 (for last published statement see 1927 Manual, page 1344).

Southern Cities Utilities Corporation—Incorporated in Maryland. All of the outstanding stock is owned by Southern Cities Utilities Company. Issued $2,000,000

First Lien Collateral Trust One-Year 5% Gold Notes, due November 1, 1928 which were guaranteed, principal and interest by Southern Cities Utilities Company. These notes were secured by a first lien on collateral consisting of more than 82% of all the outstanding bonds of the Public Light and Power Company and more than 99% of all the outstanding bonds of the Tennessee Water Company and its subsidiary, all of the outstanding capital stock of The Salem Gas Light Company and Carolina Coach Company, all of the capital stock of The Manila Gas Company. All of the outstanding First Lien Collateral Trust One-Year 5% Gold Notes, due November 1, 1928 were called for redemption on June 25, 1928 at 100½ and interest at Baltimore Trust Co., Baltimore, Trustee. Control of Tennesee Water Company, The Salem Gas Light Company, Carolina Coach Company and The Manila Gas Company is now held by Southern Cities Utilities Company, while Southern Cities Utilities Corporation continues to control Public Light & Power Company.

Recent Acquisitions—Company, affiliated with the Southern Cities Utilities Corporation announced July 6, 1927, the acquisition of the Manila Gas Corp. Southern Cities Utilities Company shortly thereafter acquired The Salem Gas Light Co. and Carolina Coach Co. Acquisition of Citizens Gas Co. was completed Sept. 23, 1927. Purchase of Sussex Gas Co., Salisbury, Md., was announced Nov. 28, 1927. A majority of the stock of Cape Island Gas Co. was acquired Dec. 17, 1927.

Durham Gas Co.—Acquisition of Durham, N. C. gas system by Southern Cities Utilities Co. was announced Jan. 17, 1928. Negotiations were concluded Jan. 16, 1828 with its purchase from the Carolina Power and Light Co. and its operation was commenced immediately by the new owners under the name of Durham Gas Co.

Control—Southern Cities Utilities Company is controlled by United Utilities and Service Corporation. Control was acquired as of April 2, 1927.

CAPITAL STOCK

Authorized, 50,000 shares Common Class "A" of no par value, 65,000 shares of Common Class "B" of no par value, and $3,000,000 7% cumulative Pfd., par, $100, and 100,000 shares (increased from 30,000 in May 1928) $6 Prior Pfd. of no par value; outstanding, May 1, 1928, 49,719 shares Class "A" Common, 521 shares Class "B" Common, $2,698,200 7% Pfd., and 32,106 shares Prior Pfd. Par value of Common stock was changed from $100 to no par at annual meeting in 1926.

Preferred Stock Provisions—7% Pfd. stock has preference for assets and dividends over Common stock, and is redeemable at option of Company on any dividend date, on 30 days' notice at 110 and accrued dividends. Additional Pfd. stock can only be issued, provided net earnings available for dividends for 12 months preceding such issuance of new stock have been at least twice the annual dividend on the Pfd. stock outstanding and to be issued. The 7% Pfd. stock has no voting power except that dividends on said stock are in arrears for 12 months, in which case it has equal voting power with Common until the default shall have been corrected.

Prior Preferred Stock Provisions—Preferred as to assets and dividends over both Preferred and Common stocks. Subject to redemption on any dividend date in whole or in part at $105 per share and accrued dividends on 30 days' notice. Entitled in event of liquidation or dissolution to $100 per share and accrued dividends before any distribution is made on the Preferred and Common stocks. Non-voting except in event of default of four quarterly dividends. Dividends not subject to present Normal Federal Income tax.

Voting Trust—25,137 shares Common stock of no par value are held under a Voting Trust, expiring in 1928. These shares are not entitled to dividends during the term of the Voting Trust.

Transfer Agents—For Class "A" Common stock: New York Trust Co., New York, and Illinois Merchants Trust Co., Chicago. For all other classes of stock, Company's office, 1612 Market St., Philadelphia.

Listed—Class "A" Common stock listed on New York Curb Market and on Chicago Stock Exchange.

Prior Preferred Stock Offered—5,000 shares $6 Prior Preferred stock, no par were publicly offered in July, 1927 at $92 and dividend to yield over 6.50% by Glidden, Morris & Co. and Yeager, Young & Pierson, Inc., New York. A block of the same stock was publicly offered in December, 1927 at $89.50 and dividend to yield over 6.70%, by Yeager, Young & Pierson, Inc., New York.

Price Range—

	1927	1926	1925
7% Pfd.—			
High	92	91¾	87
Low	69¾	85½	83
Common—			
High	42¼	43	..
Low	25	32	..

Dividends—Pfd. dividends at rate of 7% per annum were paid monthly on the tenth day of each month or quarterly J, A, J & O 10, to stockholders of record at the close of business on the 15th day of the preceding month to and including May 10, 1927. Since that date payments have been made semi-annually on May 10 and Nov. 10. On the free Common stock, dividends have been paid as follows: 1921 and 1922, 2% each; 1923, 2¾% and ½% extra; 1924, 3%; 1925, 3½%; Jan. 11, 1926, $1; April, 1926, 75 cts.; July, 1926, 75 cts.; Oct. 11, 1926, 75 cts.; none since; payments formerly quarterly, J, A, J & O 10. Initial quarterly dividend of $1.50 on Prior Pfd. stock paid June 1, 1927; regular quarterly payments since; M, J, S & D 1.

FUNDED DEBT

(1)

$10,500,000 THIRTY-YEAR 5% FIRST LIEN AND COLLATERAL TRUST GOLD BONDS, SERIES "A"; DUE APRIL 1, 1958

Dated April 1, 1928.

Interest Payable April and October 1 at E. H. Rollins & Sons, Boston, Mass., New York, N. Y. or Chicago, Ill.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Bank of America National Association, New York.

Provisions of Issue—Issued $10,500,000. The principal amount of bonds issuable under the trust indenture is not limited to any specific amount, but additional bonds may be issued only under the conservative restrictions set forth in the trust indenture.

Purpose of Issue—Proceeds from the sale of these bonds and of other securities being issued were to be used to retire outstanding funded debt of the Company; to acquire or redeem funded debt and Preferred stocks of certain subsidiary companies, to acquire through a subsidiary certain electric properties located in the Dominican Republic and for other corporate purposes.

Callability—Subject to call in whole or in part on the first day of any month, on 30 days' notice, at 102½ and interest, if redeemed on or prior to April 1, 1957 and thereafter at 100 and interest.

Maintenance Fund—The trust indenture provides that Company and its subsidiaries will expend an amount equal to 12½% of their total gross operating revenues from electric business, 25% of their total gross operating revenues from transportation business and 10% of their gross operating revenues from other types of public utility business (less in each case 75% of the cost of electricity, gas, water and/or ice purchased for resale) for maintenance, repairs, renewals and replacements, for the retirement of bonds issued under the trust indenture and unpledged funded debt of subsidiaries and for additions and acquisitions against which no bonds can be issued under the trust indenture.

Security—These bonds will be initially secured by pledge and deposit of all of the outstanding capital stock, first mortgage bonds and other obligations (except current indebtedness) of its subsidiary companies, with the exception of unimportant minority holdings of Preferred and Common stock of certain subsidiaries and $4,623,000 bonds of subsidiaries, of which $4,500,000 constitute the funded debt of The Islands Edison Company.

Equity—The market equity of the securities junior to this issue to be outstanding upon completion of present financing, as represented by the face value of $3,000,000 Thirty-Year 6% Sinking Fund Gold Debentures, Series A and the present market value of Preferred and Common stocks, is approximately $10,000,000.

Valuation—The properties of the Company and its subsidiaries, including those to be acquired in connection with present financing, have a value as a going concern as of March 31, 1928, based upon engineers' valuations and audits by certified public accountants, after deducting funded debt of subsidiaries in hands of public equivalent to more than 150% of the total principal amount of this issue of Thirty-Year 5% Series "A" bonds. All except one of the smaller properties have been appraised by independent engineers.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund, upon application, to resident holders the following taxes: Pennsylvania Four Mill tax, Maryland Security tax, not exceeding 4½ mills, Connecticut Personal Property tax, not exceeding 4 mills, California Personal Property tax, not exceeding 4 mills, District of Columbia Personal Property tax, not exceeding 5 mills, and Massachusetts income tax on interest not exceeding 6%.

Legal Opinion—Chadbourne, Hunt, Jaeckel & Brown, New York (for the bankers) and Piper, Carey & Hall, Baltimore (for the Company).

(2)

$3,000,000 THIRTY-YEAR 6% SINKING FUND GOLD DEBENTURES, SERIES "A"; DUE FEBRUARY 1, 1958

Dated February 1, 1928.

Interest Payable February and August 1, at E. H. Rollins & Sons, Boston, Mass., New York, N. Y., or Chicago, Ill.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Issued, $3,000,000.

Purpose of Issue—Proceeds from sale of these debentures and of other securities being issued were to be used to retire outstanding funded debt of the Company, to acquire or redeem funded debt and Preferred stocks of certain subsidiary companies, to acquire through a subsidiary certain electric properties located in the Dominican Republic and for other corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any month on 30 days' notice, at 105 and interest, if redeemed prior to February 1, 1938, thereafter at 104 and interest if redeemed prior to Feb. 1, 1943, thereafter at 103 and interest if redeemed prior to Feb. 1, 1948, thereafter at 102 and interest if redeemed prior to Feb. 1, 1953, thereafter at 101 and interest if redeemed prior to Feb. 1, 1958.

Sinking Fund—Cumulative sinking fund, payable semi-annually, is estimated to retire entire issue by maturity.

Equity—The market equity of Preferred and Common stocks junior to this issue is approximately $7,000,000.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund, upon application, to resident holders the following taxes: Pennsylvania four mill tax, Maryland security tax, not exceeding 4½ mills, Connecticut personal property tax, not exceeding 4 mills, California Personal Property tax, not exceeding 4 mills, District of Columbia Personal Property tax, not exceeding 5 mills, and Massachusetts Income tax not exceeding 6%.

Legal Opinion—Chadbourne, Hunt, Jaeckel & Brown, New York (for the Bankers), and Piper, Carey & Hall, Baltimore (for the Company).

Original Offering—First publicly offered ($3,000,000) in May, 1928, at 99½ and interest, to yield over 6%, by E. H. Rollins & Sons, Boston, Mass.; H. M. Byllesby & Co., Blair & Co., Inc., and Howe, Snow & Co., Inc., New York, etc.

REDEMPTION OF SECURITIES

All outstanding Southern Cities Utilities Co. First Lien 6% Gold bonds, Series "A," due June 1, 1951, were called for redemption on June 1, 1928, at 105 and interest, at New York Trust Co., New York, Trustee.

All the outstanding Southern Cities Utilities Co. 6% Convertible Gold Debentures, Series "A," due April 1, 1936, were called for redemption on June 25, 1928 at 105 and interest at Fidelity Trust Co. of New York Trustee.

All outstanding Southern Cities Utilities Corp. First Lien Collateral Trust 5% Gold bonds, due Nov. 1, 1928, which were guaranteed, principal and interest, by Southern Cities Utilities Co., were called for redemption on June 25, 1928, at 100½ and interest, at Baltimore Trust Co., Baltimore, Trustee.

CONSOLIDATED EARNINGS, 12 MONTHS ENDED MARCH 31, 1928

(Southern Cities Utilities Co. and its subsidiaries, after giving effect to acquisitions and new financing)

Gross revenue	$3,770,296
Operating exp., maintenance, taxes (other than Federal income) and prior charges of subsidiaries	*2,675,460
Net applicable to Southern Cities Utilities Co. for int., further depreciation, etc.	$1,094,836
Annual interest requirements on $10,500,000 5% First Lien & Coll. Tr. Bonds	525,000
Annual interest requirements on $3,000,000 6% Debentures	180,000
Balance	$389,836

*Includes prior charges of subsidiaries including interest on debt held by public (and amortization and depreciation of The Islands Edison Company group).

CONSOLIDATED STATEMENT OF OPERATIONS, YEARS ENDED DECEMBER 31

(Southern Cities Utilities Co. and Affiliated Cos.)

	(Latest Available) 1926	1925	1924	1923	1922
Gross revenue	$2,722,123	$2,765,910	$2,601,801	$1,991,069	$1,847,318
Operating expenses and taxes	1,929,756	1,871,567	1,735,120	1,372,579	1,281,229
Net operating income	$792,367	$894,343	$866,681	$618,490	$566,089
Other income	104,270	51,553	75,303	146,070	102,678
Total income	$896,637	$945,896	$941,984	$764,560	$668,767
Deductions	679,925	401,482	420,292	323,234	319,598
Net income	$216,712	$544,414	$521,691	$441,326	$349,169
Pfd. dividends Mills & Lupton Supply Co.	14,174	10,688	7,463	7,244	.....
Pfd. dividends W. Va. Util. Co.	3,650	70,786	45,677	52,800	.....
Southern Cities Utilities Pfd. dividends	163,572	157,548	168,144	104,304	59,931
Balance for Southern Cities Utilities Co. Common stock and depreciation	$35,316	$305,391	$300,000	$276,978	$289,238

Surplus Account, year ended December 31, 1926—Surplus net income before dividends and depreciation, as above, $216,712. Deduct: Southern Cities Utilities Co. Preferred dividends, $163,573; Southern Cities Utilities Co. Common dividends, $78,555; provision for depreciation, $164,501—total, $406,629. Deficit after depreciation and dividends, $189,917; add adjusted surplus arising from appraisal of properties, $516,554—surplus at end of period, $326,637.

CONSOLIDATED BALANCE SHEET

Assets—	Aug. 31, 1927	Dec. 31, 1926
Property, etc.	$15,649,699	$20,526,751
Securities owned	70,500	40,001
Sinking and other funds	1,741,848	1,214,392
Cash	216,485	105,093
Notes and accounts receivable	1,922,418	686,262
Materials and supplies	461,551	453,189
Prepaid and deferred items	465,967	106,016
Unamortized discount and expense	1,814,002	2,460,939
Total	$22,342,470	$25,592,643

Liabilities—	Aug. 31, 1927	Dec. 31, 1926
Class "A" Common stock	$4,972,245	$4,972,246
Class "B" Common stock	21,010	36,960
Prior Preferred stock	1,360,183	.....
Preferred stock	2,698,252	2,667,817
Preferred stock—subsidiary companies	122,100	1,365,014
Common stock—subsidiary companies.	341,700	971,900
Funded debt	7,992,000	9,997,200
Accounts payable	319,336	634,773
Notes payable	285,221	973,321
Consumers' deposits	23,647	82,359
Matured items covered by funds (contra)	776,925	784,026
Miscellaneous current liabilities	37,465	36,466
Accrued interest and taxes	218,389	173,427
Reserve for depreciation	1,388,006	2,561,901
Miscellaneous reserves	350,075	8,596
Surplus	1,435,916	326,637
Total	$22,342,470	$25,592,643

Officers: Walter Whetstone, Pres.; H. W. Le Boutillier, V-P., Philadelphia, Pa.; Guy S. Nunemaker, V-P. & Gen. Mgr., Chattanooga, Tenn.; Ferdinand H. Graser, Sec.; Robert M. Fries, Treas., Philadelphia, Pa.

Directors: Walter Whetstone, H. W. Boutillier, F. H. Graser, B. F. Pickard, E. Lewis Burnham, Philadelphia, Pa.; G. S. Nunemaker, Chattanooga, Tenn.; C. K. Ovington, W. B. Clift, New York; Marshall Forrest, Chicago, Ill.

General Office, 1612 Market St., Philadelphia, Pa.
Corporate Office, c/o Delaware Charter Guarantee & Trust Co., Wilmington, Del.

CAROLINA COACH COMPANY

(Controlled by Southern Cities Utilities Co.)

History—Incorporated Nov. 20, 1925, in North Carolina as a consolidation of Southern Transit Corp., Safety Transit Line, Inc., and Golden Star Bus Line. Transportation is furnished from Raleigh to Greensboro, Durham, Chapel Hill, Hillsboro, Burlington, Fayetteville, Wilson, Rocky Mount and intervening territory, all within North Carolina.

CAPITAL STOCK

Authorized, 2,500 shares Class "A" Common, 5,000 shares Class "B" Common, and 20,000 shares $7 cumulative Preferred stock; all classes of no par value; outstanding, 2,485 shares Class "A" Common, 5,000 shares Class "B" Common and 4,200 shares Preferred.

Preferred Stock Provisions—Has preference for assets and dividends and is subject to call at $110 per share on any dividend date.

Transfer Office, 1612 Market St., Philadelphia, Pa.

Annual Meeting—Third Tuesday in February, at Raleigh, N. C.

Dividends—Pfd. dividends are payable quarterly, M, J, S & D 1; in 1926, $7 per share was paid; in 1927, $3.50 per share. No dividends paid on Common.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$439,440	$404,609
Operating expenses	299,607	324,385
Taxes	7,293	.....
Depreciation	76,482	62,913
Net income	$56,058	$17,311
Interest charges	2,089	2,192
Surplus after charges	$53,969	$15,119
Preferred dividends	29,400	.....
Surplus for year	$24,569	$15,119

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of equipment	$567,305	$515,667
Cash	22,423	30,306
Accounts receivable	2,808	1,850
Other current assets	14,800	17,319
Deferred debit items	6,612	8,020
Total	$613,948	$573,162

Liabilities—	1927	1926
Preferred stock	$357,000	$357,000
Notes payable	.....	38,129
Accounts payable	25,489	.....
Dividends accrued	29,400	55,240
Deferred credit items	12,306	4,408
Reserve for depreciation	166,490	110,609
Surplus	23,263	7,776
Total	$613,948	$573,162

Officers: Walter Whetstone, Pres.; H. H. Patterson, V-P.; H. H. Hearn, Gen. Mgr.; H. W. LeBoutillier, Sec. & Treas.; Robert M. Fries, Asst. Treas.

Directors: Walter Whetstone, Henry W. LeBoutillier, B. F. Pickard, Walter Whetstone, Jr., Philadelphia, Pa.; Willis Smith, Raleigh, N. C.

General Office, 1612 Market St., Philadelphia, Pa.
Operating Office, Raleigh, N. C.

CITIZENS GAS CO.

(Controlled by Southern Cities Utilities Co.)

History—Incorporated April 14, 1914 in Md., successor to Home Gas Co. Franchise perpetual Supplies Salisbury and Delmar, Md., and Delmar, Del., serving a population of about 15,000. Output in 1927, 48,000,000 cu. ft. No. of meters, 2,270. Price, $2.40, less 10 cts. per M. discount.

Change in Control—Entire capital stock of company was purchased about Sept., 1927, by Southern Cities Utilities Co.

CAPITAL STOCK

Authorized, $100,000; outstanding, $65,000; par, $50. Annual meeting, third Friday in January.

Dividends—6% paid in 1920, 8% in 1921; 4% in 1922; 8% in 1923, 1924, 1925 and 1926; 4% in 1927; payments semi-annually, Jan. and July 1.

FUNDED DEBT

$189,000 First Mortgage Gold 6s; due 1965; int. Jan. and July 1, at Salisbury National Bank, Salisbury, Md. Coupon, $100, $500 and $1,000. Authorized issue, $200,000. Subject to call on any interest date at 105. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1925	1924	1923
Gross revenue	$87,577	$83,916	$77,307
Operating expenses	$60,297	$58,625	$51,336
Taxes, etc.	4,233	2,792	2,939
Net operating income	$23,047	$22,500	$23,032
Other income	202	239	47
Total income	$23,249	$22,739	$23,079
Deductions:			
Depreciation	$7,064	$6,947	$6,615
Fixed charges	8,265	7,419	7,401
Other deductions	1,075	886	749
Total deductions	$16,404	$15,252	$14,765
Balance for dividends	$6,845	$7,486	$8,314
Dividends	5,040	5,040	5,040
Surplus for year	$1,805	$2,446	$3,274
Earnings Per Share	$5.43	$5.94	$6.39

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1925	1925
Cost of plant	$587,211	$309,559	$267,122
Cash	6,842	2,024	734
Bills & accounts receivable	12,195	9,418	8,316
Other current assets	15,894	9,717	5,760
Deferred debit items	3,985	3,839	3,064
Deficit	.....	18,407	16,376
Total	$626,127	$352,964	$301,372
Liabilities—			
Capital stock	$65,000	$65,000	$63,000
Receiver's certificates	189,000	178,000	149,000
Notes and accounts payable	45,098	10,303	2,441
Consumers' deposits	.....	.....	1,279
Accrued taxes	.....	.....	1,254
Reserves	46,953	92,330	84,398
Deferred credit items	9,008	7,331	.....
Surplus	271,068	.....	.....
Total	$626,127	$352,964	$301,372

Officers: Walter Whetstone, Pres.; B. F. Pickard, V-P.; H. W. LeBoutillier, Sec. & Treas.; Robert M. Fries, Asst. Treas., Philadelphia, Pa.

Directors: Walter Whetstone, H. W. LeBoutillier, B. F. Pickard, Walter Whetstone, Jr., Robert M. Fries, Philadelphia, Pa.

General Office, 1612 Market St., Philadelphia, Pa. **Operating Office,** Salisbury, Md.

THE ISLANDS EDISON COMPANY

(Controlled by Southern Cities Utilities Company)

History—Incorporated in 1927 in Maryland as The Manila Gas Company; name changed to present title in 1928. Owns the entire funded debt and over 99½% of the entire capital stock of Manila Gas Corporation (see appended statement), which furnishes artificial gas without competition in the City of Manila and in Pasay, its adjacent suburb, in the Philippine Islands, and entire capital stock (acquired about May 1, 1928) of the **Compania Electrica de Santo Domingo,** which furnishes electric light and power without competition in the Cities of Santo Domingo and San Pedro de Macoris in the Dominican Republic.

The territory served in the Philippine Islands has an estimated population of 340,000 and gas service is rendered to approximately 14,000 customers. The properties include a modern coal gas and water gas plant with a capacity of 1,750,000 cu. ft. per day, a distribution system of 110 miles of mains and approximately 19 acres of land located on waterways, on which are located numerous modern buildings and structures of concrete construction. Franchises expire 1962.

The territory served in the Dominican Republic has an estimated population of 55,000 and electric service is rendered to 4,519 customers. The electric system has a total installed generating capacity of 3,300 k.v.a. with 44 miles of modern distribution lines.

During the year ended December 31, 1927, the total electric output of the properties was 3,093,849 k.w.h., and the total gas production was 365,409,419 cu. ft. of gas. Sales of by-products from manufactured gas during 1927 included 1,638 tons of coke and 295,216 gallons of tar. The gas system has gained at a rate of about 1,000 meters per year since operation started.

CAPITAL STOCK

Authorized and outstanding, 100,000 shares Common of no par value. All owned by Southern Cities Utilities Company.

Annual Meeting—Second Monday in April, at Baltimore, Md.

FUNDED DEBT

(1)

$2,250,000 THE MANILA GAS COMPANY FIRST LIEN COLLATERAL TRUST TEN-YEAR 5½% GOLD BONDS; DUE OCTOBER 1, 1937

Dated October 1, 1927.

Interest Payable April and October 1, at The Baltimore Trust Co., Baltimore, or at the Fidelity Trust Co. of New York, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Baltimore Trust Co., Baltimore, Md.

Provisions of Issue—Authorized, $3,000,000; issued, $2,250,000. Any additional bonds issued are required to be deposited under the indenture securing The Islands Edison Company 25-Year 5½% Series "A" bonds, due March 1, 1953, described below.

Callability—Subject to call as a whole or in part on any interest payment date on 30 days' notice, at 103½ and accrued interest, on or before Oct. 1, 1930, and thereafter at 103½ and accrued interest, less ½ of 1% for each twelve months or fraction thereof elapsed after Oct. 1, 1930.

Sinking Fund—The Deed of Trust securing the First Mortgage 6% Bonds of Manila Gas Corporation pledged under the Indenture provides for a minimum sinking fund of $41,000 per annum applicable to the purchase or call and redemption of the First Mortgage 6% bonds of Manila Gas Corporation. The Trustee of the Indenture securing this issue will deliver the bonds pledged as collateral necessary for sinking fund requirements on the basis of 102½ and interest. The proceeds of the bonds as delivered will be deposited with the Trustee and may be used to purchase or call and redeem bonds of this issue or at the option of the Company may be paid to the Manila Gas Corporation for reimbursement for capital expenditures subsequent to Oct. 1, 1927, to the extent of 100% of cost, the Trustee securing promissory notes of Manila Gas Corporation for the payments so made which will be pledged as additional collateral for this issue.

Security—Secured by a first lien on the pledged collateral and in effect, a first lien on the properties of Manila Gas Corporation through deposit of $1,480,000 First Mortgage 6% bonds due 1946 (entire outstanding amount) and more than 99½% of its entire capital stock, and through covenants in the Indenture securing these bonds, which provide that no additional First Mortgage bonds or other funded debt nor any additional capital stock may be issued by Manila Gas Corporation unless such securities are immediately pledged with the Trustee of these bonds.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania 4 mills tax, Maryland Security Tax not exceeding 4½ mills, District of Columbia, Virginia and Kentucky Personal Property taxes not exceeding 4 mills each, Connecticut and Cali-

fornia Personal Property taxes not exceeding 4 mills each, and Massachusetts Income Tax not exceeding 6% on the interest refunded.

Legal Opinion—Piper, Carey & Hall (for the Company) and Venable, Baetjer & Howard (for the Bankers).

Original Offering—First publicly offered ($2,250,000)in October, 1927, at 98½ and interest, to yield 5.70%, by Ames, Emerich & Co., Inc., and Hambleton & Co., Inc., New York, etc.

Listed—Baltimore Stock Exchange.

(2)

$2,250,000 THE ISLANDS EDISON COMPANY 25-YEAR 5½% SINKING FUND GOLD BONDS, SERIES "A"; DUE MARCH 1, 1953

Dated March 1, 1928.

Interest Payable March and September 1 at E. H. Rollins & Sons, Boston, New York or Chicago.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Bank of North America & Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized amount unlimited; issued, $2,250,000 Series "A" 5½s. Additional bonds may be issued under the Trust Indenture, and as therein set forth, in respect of (a) obligations and/or stock of present or future subsidiary corporations acquired by the Company and pledged and deposited under or subject to the lien of the Trust Indenture; (b) the pledge and deposit of The Manila Gas Company First Lien Collateral Trust Ten-Year 5½% Gold bonds and (c) the refunding of bonds issued under the Trust Indenture, but, as set forth in the Trust Indenture, only under conservative restrictions as to earnings and as to the principal amount of bonds issuable in respect of the cost or fair value of obligations and/or stock of subsidiary corporations acquired as aforesaid.

Purpose of Issue—Proceeds from the sale of these bonds were to be used in the purchase of the Compania Electrica de Santo Domingo in the Dominican Republic.

Callability—Subject to call on the first day of any month on 30 days' notice as a whole or in part at 105 and interest prior to March 1, 1943, thereafter at 102½ and interest prior to March 1, 1952, and thereafter at par and accrued interest.

Sinking Fund—The Trust Indenture provides for semi-annual payments to the Trustee of $73,000 each for the purpose of paying the interest on these bonds and for creating a cumulative sinking fund estimated to be sufficient to retire, at par, one-half of these bonds by maturity.

Security—These bonds will be initially secured by the pledge and deposit of all outstanding capital stock and obligations (except current indebtedness and directors' qualifying shares) of the Compania Electrica de Santo Domingo, and a lien, subject to the lien of the Indenture securing The Manila Gas Company First Lien Collateral Trust Ten-Year 5½% Gold bonds, on all of the outstanding capital stock and funded debt (except 52 shares of Common stock) of Manila Gas Corporation. Pending the completion of certain refinancing of Southern Cities Utilities Company in process as of May, 1928, said securities of Manila Gas Corporation will also be subject to the lien of an indenture securing certain other obligations, which in such refinancing are to be paid on or before June 1, 1928.

Legal Opinion—Chadbourne, Hunt, Jaeckel & Brown, New York (for the bankers) and Piper, Carey & Hall, Baltimore (for the Company).

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and agrees to reimburse the resident holders of these bonds if requested within 60 days after payment in the manner provided in the Trust Indenture for the following taxes: Pennsylvania 4 mills tax, Maryland security tax not exceeding 4½ mills, Connecticut personal property tax not exceeding 4 mills, California personal property tax not exceeding 4 mills, District of Columbia personal property tax not exceeding 5 mills, and Massachusetts income tax not exceeding 6%.

Original Offering—First publicly offered ($2,250,000) in May, 1928 at 96 and interest, to yield 5.80% by E. H. Rollins & Sons, Blair & Co., Inc., H. M. Byllesby & Co., Inc., and Howe, Snow & Co., Inc., New York, etc.

(3)

$1,150,000 THE ISLANDS EDISON COMPANY TEN-YEAR 6% NOTE (UNSECURED); DUE MAY 1, 1938

All owned by Southern Cities Utilities Co.

CONSOLIDATED EARNINGS, 12 MONTHS ENDED MARCH 31, 1928

(After giving effect to acquisition and present financing)

Gross revenue	$1,173,892
Oper. exp., maint. & taxes (oth. than Fed. income)	582,713
Net earnings applicable to The Islands Edison Co. for int., deprec., etc.	$591,179
Int. on First Lien Coll. Tr. 10-Yr. 5½s	123,750
Int. on 25-Yr. Secured Series "A" 5½s	123,750
Balance	$343,679

Officers: Walter Whetstone, Pres.; B. F. Pickard, V-P.; H. W. LeBoutillier, Sec.-Treas.; Robert M. Fries, Asst. Treas., Philadelphia, Pa.

Directors: Walter Whetstone, B. F. Pickard, E. Lewis Burnham, H. W. LeBoutillier, Walter Whetstone, Jr., Philadelphia, Pa.

General Office, 1612 Market St., Philadelphia, Pa. **Corporate Office,** Baltimore, Md.

MANILA GAS CORP.

(Controlled by The Islands Edison Company)

History and Property—Incorporated Oct. 17, 1912, under laws of the Philippine Islands, for purpose of furnishing gas for lighting, heating and power purposes in the City of Manila and Province of Rizal, P. I. Franchise extends 50 years. Began operation late in 1913. Population served, 300,000. Gas mains, 166 kilometers. Price of gas, $2.25.

Control—In 1927 control of the Company was acquired by The Manila Gas Company (now The Islands Edison Company) all of whose capital stock is owned by Southern Cities Utilities Corporation.

OPERATING STATISTICS DECEMBER 31

	Number of Customers	Gas Production Cu. Meters
1914	1,700	1,183,000
1918	4,600	5,178,000
1922	7,500	7,507,000
1923	8,700	8,173,000
1924	9,900	8,355,000
1925	11,000	8,865,000
1926	12,400	9,607,000
1927	13,965	10,348,610

CAPITAL STOCK

1,500,000 pesos; par 100 pesos. Annual meeting in March.

Dividends—Dividends of 8% each were paid for years 1925 and 1926; 1927, 5%.

FUNDED DEBT

$1,480,000 FIRST MORTGAGE GOLD 6s; DUE JULY 1, 1946

Dated July 1, 1926.

Interest Payable January and July 1 at Philippine Trust Co., Manila, P. I.

Denomination—Coupon, $1,000.

Trustee—Philippine Trust Co., Manila, P. I.

Provisions of Issue—Issued, $1,500,000; outstanding, Dec. 31, 1927, $1,480,000.

Callability—Bonds are subject to call.

Security—Secured by a first lien on entire property.

Tax Provisions—Company is exempt from Normal Federal Income tax, but the amount of normal Philippine Tax at 3%, is withheld at source.

PROFIT AND LOSS ACCOUNT, DECEMBER 31
(*In Pesos)

	1927	1926	1925
Operating revenue	1,630,490	1,568,922	1,519,275
Operating expenses	877,595	898,079	859,408
Operating profit	752,895	670,843	659,867
Profit on show room	5,792	¶409	1,929
	758,687	670,434	661,796
Deductions—			
Interest	208,644	209,516	208,399
Philippine Income Tax on interest payable on obligations to bondholders and others abroad	.....	.....	45,141
Bond sinking fund	.....	41,000	.....
Depreciation	234,918	156,961	225,203
Waterway to works (Estero and bridge) written off	.....	.....	26,974
Other charges	20,752	1,033	5,735
Amortization appropriations	.....	8,344	.....
Total deductions	464,314	416,854	511,452
Net income	294,373	253,580	150,344
Dividends	†270,000	§30,000	‡90,000
Surplus for year	24,373	223,580	60,344

*Philippine currency—one peso equals 50 cents U. S. gold. ‡6% dividend for 1925. §2% additional dividend for 1925. ¶Loss. †Dividends for 1926 and 1927.

GENERAL BALANCE SHEET, DECEMBER 31
*(In Pesos)

Assets—	1927	1926	1925
Real estate, plant and equipment	7,489,575	7,298,438	5,536,530
Materials and supplies	306,423	324,138	329,383
Accounts receivable	211,502	148,205	188,023
Prepayments	13,409	11,546	8,491
Cash	61,338	68,526	73,153
Bond sinking fund	45,248	41,000	.....
Unamort. debt disc. & exp.	289,519	174,658	.....
Work in progress	.....	6,936	.....
Total	8,417,014	8,073,447	6,135,580
Liabilities—			
Capital stock	1,500,000	1,500,000	1,500,000
Funded debt	2,960,000	3,000,000	1,425,000
Creditors & credit balances	528,283	443,468	1,654,294
Fund for redemption of 5% bonds, together with premium thereon	45,248	41,000	68,780
Reserve for depreciation	1,388,643	1,366,022	1,366,022
Retirement reserve	1,677,844	1,428,719	.....
Miscellaneous reserves	82,463	40,053	.....
Divd. declared but unpaid	37,500	.....	90,000
Sur. (unapprop. profits)	197,033	254,185	31,484
Total	8,417,014	8,073,447	6,135,580

*Philippine currency—one peso equals 50 cents U. S. gold.

Officers: Walter Whetstone, Pres., Philadelphia, Pa.; Erich Odrich, V-P.; Arthur Hoyer, Treas.; W. D. Clifford, Sec., Manila, P. I.

Directors: T. C. Welch, Erich Odrich, Manila, P. I.; Walter Whetstone, B. F. Pickard, H. W. LeBoutillier, Walter Whetstone, Jr., Philadelphia, Pa.

General Office, Manila, P. I.

MILLS & LUPTON SUPPLY COMPANY

(Controlled by Southern Cities Utilities Company)

History—Incorporated Feb. 21, 1916 in Tennessee. Wholesale dealers in mill, mine and electrical supplies, being one of the largest of its kind in the south, and supplying the various operating subsidiaries of Southern Cities Utilities Company.

CAPITAL STOCK

Authorized, $200,000 Common and $400,000 7% cumulative Pfd.; outstanding, $110,000 Common and $343,200 Pfd.; par, $100. All the Common and $332,500 Pfd. is owned by Southern Cities Utilities Co. Pfd. stock is callable on any dividend date at 110. Pfd. dividends are payable monthly.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925
Gross earnings	$235,414	$171,356
Operating expenses and taxes	172,399	135,917
Net earnings	$63,015	$35,439
Interest	531	8,937
Balance for stock and reserves	$62,484	$26,502

Officers: Walter Whetstone, Pres., Philadelphia, Pa.; G. S. Nunemaker, V-P.; John B. Crimmins, Gen. Mgr.; R. M. Fries, Treas.; A. N. Day, Asst. Treas.; Chattanooga, Tenn.; Ferdinand H. Graser, Sec., Philadelphia, Pa.

Directors: G. S. Nunemaker, John B. Crimmins, Chattanooga, Tenn.; Walter Whetstone, F. H. Graser, B. F. Pickard, Philadelphia, Pa.

General Office, 1612 Market St., Philadelphia, Pa. **Operating Office,** 1152 Market St., Chattanooga, Tenn.

PUBLIC LIGHT & POWER COMPANY

(Controlled by Southern Cities Utilities Company through Southern Cities Utilities Corporation)

History and Properties—Incorporated under the laws of Massachusetts, February 1, 1915; consolidation of the Tennessee Valley Light & Power Company, The Dayton Light & Power Company, Stone Fort Power Company and Duck River Power Company. Furnishes without competition, light and power to Jasper, Tracy City, Decherd, Shelbyville, Lewisburg, Cornersville, Scottsboro, South Pittsburgh, Richard City, Monteagle, Estill Springs, Wartrace, Hollywood, Bridgeport, Sewanee, Manchester, Normandy, Stevenson, Winchester, Tullahoma, Rockwood, Fackler, Kingston, St. Andrews, Spring City, Cowan and adjacent communities, all located in the south central part of Tennessee and northern Alabama. Owns and operates four water power plants on Duck and Elk Rivers. Also purchases power from the Tennessee Electric Power Company. Owns and operates the water supply system at Winchester, Tenn. Company has liberal franchises operating in all the territory. Some under perpetual rights and others exclusive rights from twenty to thirty years.

CAPITAL STOCK

Authorized, $3,000,000 Common and $2,000,000 6% cumulative Pfd.; outstanding, $3,000,000 Common and $626,300 Pfd.; par, $100. The Southern Cities Utilities Co. either directly or through Southern Cities Utilities Corp., owns a majority of the Common and Pfd. stocks. Pfd. stock has preference for assets, and is redeemable at 120 and dividends. Stock transferred at Company's office, 1612 Market St., Philadelphia, Pa. Annual meeting, third Monday in January. No dividends are being paid on the Pfd. stock, same having been discontinued Aug. 1, 1918.

FUNDED DEBT

$2,527,000 FIRST MORTGAGE GOLD 5s; DUE FEB. 1, 1945

Dated February 1, 1915.

Interest Payable at Industrial Trust Co., Providence, R. I.

Denominations—Coupon, $100 and $1,000; principal may be registered.

Trustee—Industrial Trust Co., Providence, R. I.

Provisions of Issue—Authorized, $5,000,000; outstanding, $2,527,000 of which $1,900,000 held by affiliated companies.

Callability—Subject to call on any interest date at 105 and interest.

Sinking Fund—Sinking fund, beginning Jan. 1, 1918, of 10% of net earnings for the retirement of bonds, after payment of accrued interest.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925	1924
Gross earnings	$355,551	$374,468	$323,331
Oper. exp., taxes, etc.	293,936	236,965	209,125
Net earnings	$61,615	$137,503	$114,305
Bond & other interest	189,317	156,508	130,238
Balance (deficit)	$127,702	$19,005	$15,932

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925	1924
Fixed capital	$5,445,776	$6,286,323	$5,478,924
Securities owned	.....	.....	41,000
Treasury bonds	.....	.....	12,500
Cash	154	21	54
Notes and accounts receivable	.....	174,564	183,358
Prepaid expenses & taxes	550	479	.....
Deferred charges	523,872	441,182	613,140
Deficit	1,492,568	454,079	393,811
Total	$7,462,920	$7,356,648	$6,722,787
Liabilities—			
Common stock	$3,000,000	$3,000,000	$3,000,000
Preferred stock	626,300	626,300	626,300
Funded debt	2,100,000	2,100,000	2,100,000
Current liabilities	*1,357,779	*951,174	783,046
Accrued liabilities	75,029	43,750	51,195
Reserve for depreciation	303,812	162,045	162,246
†Plant surplus	.....	473,379	.....
Total	$7,462,920	$7,356,648	$6,722,787

*$922,000 to affiliated Co.'s in 1925 and $1,357,777 in 1926.
†Due to appreciation of physical property by appraisal, July 1, 1925.

Officers: Walter Whetstone, Pres., Philadelphia, Pa.; G. S. Nunemaker, V-P. & Gen. Mgr., Chattanooga, Tenn.; E. S. Chase, Sec., Springfield, Mass.; Robert M. Fries, Treas., Philadelphia, Pa.

Directors: Walter Whetstone, H. W. LeBoutillier, F. H. Graser, Robert M. Fries, B. F. Pickard, G. S. Nunemaker, E. S. Chase.

General Office, 1612 Market St., Philadelphia, Pa. **Corporate Office,** 31 Elm St., Springfield, Mass.

TENNESSEE WATER COMPANY

(Controlled by Southern Cities Utilities Company)

History—Incorporated March 1, 1916, in Tenn. Supplies water to South Pittsburg, Cowan and Shelbyville, Tenn.

CAPITAL STOCK

Authorized, $600,000; outstanding, $275,000. Stock control is held by Southern Cities Utilities Co. Stock transferred at Company's office, 1612 Market St., Philadelphia, Pa. Stockholders' annual meeting, second Tuesday in February. No dividends paid.

FUNDED DEBT

(1)

$389,200 Tennessee Water Co. First 5s; dated Mar. 1, 1916; due Mar. 1, 1946; int. March and Sept. 1, at Citizens Trust Co., Chattanooga, Tenn., Trustee. Coupon, $100 and $1,000. Authorized issue, $600,000. $361,200 owned by Southern Cities Utilities Co. Subject to call on any interest date at 105. A first lien on entire property now owned or hereafter acquired, subject to the property covered by the Shelbyville Water Works bonds. Company pays Normal Federal Income Tax up to 2%.

(2)

$20,000 Shelbyville Water Works First 6s; dated Oct. 1, 1913; due Oct. 1, 1938.

(3)

$15,000 Shelbyville Water Works Second 6s; dated Oct. 1, 1913; due Oct. 1, 1938.

OFFICERS AND DIRECTORS

Officers: Walter Whetstone, Pres., Philadelphia, Pa.; J. A. Roddy, Sec. and Treas.; G. S. Nunemaker, V-P., Chattanooga, Tenn.

Directors: Walter Whetstone, Philadelphia, Pa.; J. A. Roddy, G. S. Nunemaker, Chattanooga, Tenn.; F. H. Graser, B. F. Pickard, Philadelphia, Pa.

General Office, 1612 Market St., Philadelphia, Pa. **Corporate Office,** 1201 Provident Bldg., Chattanooga, Tenn.

THE SALEM GAS LIGHT COMPANY

(Controlled by Southern Cities Utilities Co.)

History—Incorporated March 2, 1854, in New Jersey. Company serves Salem, N. J., with manufactured gas.

Change of Control—All outstanding capital stock of Company was acquired by Southern Cities Utilities Co. about October, 1927.

CAPITAL STOCK

Authorized, $75,000; outstanding, $61,840; par value, $20. Transfer Office, 1 Walnut Street, Salem, N. J. Annual meeting, first Saturday in March, at Salem, N. J.

Dividends—Company paid 7% in 1926.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$65,853	$63,737
Operating expenses	53,810	45,999
Net earnings	$12,043	$17,738
Fixed charges	5,667	4,816
Surplus after charges	$6,376	$12,922

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties	$170,044	$161,873
Cash	3,274	4,689
Accounts receivable	7,742	8,976
Other current assets	9,040	7,134
Deferred debit items	6,194	129
Total	$196,294	$182,801
Liabilities—		
Capital stock	$61,840	$61,840
Notes payable	10,000	7,500
Accounts payable	16,712	2,575
Reserves	58,247	58,444
Surplus	49,495	52,442
Total	$196,294	$182,801

Officers: Walter Whetstone, Pres.; B. F. Pickard, Henry W. LeBoutillier, Sec. & Treas.; Robert M. Fries, Asst. Treas, Philadelphia, Pa.

Directors: Walter Whetstone, Henry W. LeBoutillier, B. F. Pickard, Walter Whetstone, Jr., Robert M. Fries, Philadelphia, Pa.

General Office, 1612 Market St., Philadelphia, Pa. **Operating Office,** Salem, N. J.

SOUTHERN CITIES POWER COMPANY

(Controlled by Southern Cities Utilities Company)

History and Property—Incorporated March 23, 1918. Acquired the property of the Harpeth Electric Light & Power Co., Mount Pleasant Electric Company and Petersburg Municipal Light Plant. On Aug. 31, 1925, merged the Columbia Water & Light Co. (see 1925 Manual, p. 1895 or apply to our Information Department). On Jan. 1, 1926 acquired Fayetteville Electric Power & Light Co., Sequatchie Valley Power & Light Co. and Bell Buckle Light & Power Company. Fayetteville Electric Power & Light Co. was sold to South Penn Power Co. March 31, 1928. Company owns and operates five hydro-electric generating plants and five steam plants, located in middle Tennessee, and operates under lease the property of Public Light & Power Company.

CAPITAL STOCK

Authorized, $1,500,000 Common and $500,000 7% Pfd.; outstanding, $800,000 Common; par, $100. All owned by Southern Cities Utilities Company and pledged under its First Lien 6s, due 1951. No Pfd. stock has been issued.

FUNDED DEBT

(1)

$292,000 Columbia Water & Light Company First Mortgage 6% Gold Bonds; dated Nov. 15, 1915; due July 1, 1941; int. Jan. and July 1, at Guaranty Trust

Co. of New York, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $500,000; outstanding, $292,000, of which $245,000 held by public, $9,000 in sinking fund and $38,000 is held by Southern Cities Utilities Co. Subject to call July 1, 1931 or after at 103 and interest. A sinking fund of 1% per annum after July 1, 1921, is provided. A first lien on all property of the Columbia Water & Light Company, including water, filter and electric plants at Columbia, Tenn. Company pays Normal Federal Income Tax up to 2%.

(2)

$15,000 Town of Petersburg (Tenn.) 6% Municipal Bonds; dated July 1, 1919; due July 1, 1929. Issued and outstanding, $15,000.

(3)

$2,500,000 Southern City Power Co. First Mortgage 6s; dated June 1, 1926; due June 1, 1951. Interest payable June and Dec. 1, at New York Trust Co., New York, Trustee. Authorized and issued, $2,500,000; all owned by Southern Cities Utilities Company and pledged with Trustee of its First Lien 6s, due 1951.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925
Gross earnings	$338,021	$210,031
Operating expenses and taxes	186,521	152,600
Net earnings	$151,500	$57,431
Other income	4,212	10,503
Total income	$155,712	$67,934
Interest	114,734	18,975
Balance for stock and reserves	$40,978	*$48,959

*Including Columbia Water & Light Co., Fayetteville Electric Power & Light Co., and Sequatchie Valley Power & Light Co. from Sept. 1.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925
Property account	$3,179,114	$1,931,409
Securities owned	1,200	200
Sinking fund	.....	12,066
Advances to subsidiaries	206,550	.....
Materials and supplies	51,948	34,880
Cash and working funds	45,065	78,420
Prepaid expenses and taxes	66,625	11,588
Notes and accounts receivable	861,697	277,571
Deferred charges (in process of amort.)	184,363	64,222
Deficit	23,315	.....
Total	$4,619,877	$2,410,356
Liabilities—		
Capital stock	$800,000	$800,000
Funded debt	2,792,000	771,000
Notes and accounts payable	718,984	496,919
Interest matured on funded debt	7,980	8,220
Interest accrued	679	3,368
Reserves	300,234	140,095
Profit and loss surplus	.....	1,213
Plant surplus	.....	189,541
Total	$4,619,877	$2,410,356

Officers: Thomas N. Greer, Pres.; G. S. Nunemaker, V-P. & Gen. Mgr.; J. A. Roddy, Sec. & Treas., Chattanooga, Tenn.

Directors: G. S. Nunemaker, J. A. Roddy, Chattanooga, Tenn.; Thomas N. Greer, I. L. Letts, A. L. LaBar.

General Office, 1201 Provident Bldg., Chattanooga, Tenn.

SOUTHERN STATES ICE COMPANY

(Controlled by Southern Cities Utilities Company)

History and Property—Incorporated April 15, 1925 in Tennessee and acquired the property of General Ice Company, Shelbyville, Tenn. On Jan. 1, 1926, merged the Fayetteville Ice Co. Plants are in operation at Shelbyville, Fayetteville, Petersburg, Manchester and Pikeville, Tenn., and Elm Grove, W. Va.

CAPITAL STOCK

Authorized, 6,000 shares Common of no par value and $500,000 8% Pfd., par, $100; outstanding, 6,000 shares Common and $50,000 Pfd. All owned by Southern Cities Utilities Company.

FUNDED DEBT

$100,000. No details available.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925
Gross earnings	$74,754	$42,087
Operating expenses and taxes	49,398	31,915
Balance	$25,355	$10,172
Interest charges	.....	16
Depreciation	.....	1,485
Balance	*$25,355	$8,671

*Before depreciation.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925
Plant and equipment	$233,044	$80,235
Materials and supplies	30	1,097
Prepaid expenses and taxes	2,316	934
Accounts receivable	325	2,128
Cash	513	170
Deferred charges	7,222	.....
Total	$243,450	$84,564
Liabilities—		
Capital stock	$65,000	$50,000
Funded debt	100,000	.....
Notes and accounts payable	38,057	26,766
Reserves	20,142	1,485
Surplus represented by 6,000 shares Common of no par value	20,251	6,313
Total	$243,450	$84,564

Officers: Thomas N. Greer, Pres., Shelbyville, Tenn.; A. L. LaBar, V-P.; J. A. Roddy, Sec. & Treas., Chattanooga, Tenn.

Directors: Thomas N. Greer, Shelbyville, Tenn.; G. S. Nunemaker, J. A. Roddy, E. L. Roper, A. L. LaBar, Chattanooga, Tenn.; I. L. Letts, Providence, R. I.

General Office, 1201 Provident Bldg., Chattanooga, Tenn.

WHEELING PUBLIC SERVICE COMPANY

(Controlled by Southern Cities Utilities Company)

History and Property—Incorporated April 10, 1920, under the laws of West Virginia. Company acquired the properties of the Wheeling-Elm Grove Division of the West Virginia Traction & Electric Co. (see 1919 Public Utility Manual, page 1480, or apply to our Information Department). Also owns all capital stock of Bus Transportation Co. of Wheeling. The City Railway Company, formerly controlled through stock ownership, was sold to the City of Wheeling, W. Va., Dec. 1, 1925.

The Company owns and operates electric power and light utilities in and through the finest suburbs of Wheeling, W. Va., from the old easterly city line of Wheeling to and including Elm Grove and Triadelphia, W. Va., and adjacent territory. Owns and operates an electric railway from Wheeling through the adjacent chain of suburban towns to West Alexander, Pa., and busses in Wheeling. Track, standard gauge, 23 miles track. Motor passenger cras, 22; others, 5; power plant, 1. Company also operates four modern motor busses, and owns large car barn and repair shop.

Company was formerly controlled by West Virginia Utilities Company. When the latter's properties in Morgantown, W. Va., were sold to American Water Works & Electric Co., Inc., in June, 1927, the properties in Cameron, W. Va., consisting of a ten-mile electric distribution system, were retained to be operated in connection with the Wheeling system.

CAPITAL STOCK

Authorized and outstanding, $500,000; par, $100. All owned by Southern Cities Utilities Company. Annual meeting, first Wednesday in March.

FUNDED DEBT

(1)

$102,500 WHEELING & ELM GROVE RY. CO. FIRST MORTGAGE 5% GOLD BONDS; DUE MARCH 1, 1928

Dated March 1, 1898.

Interest March and Sept. 1, at Bank of Wheeling, W. Va. Coupon, $500. Ambrose S. List, successor, Trustee, Wheeling, W. Va. Authorized, $225,000; issued, $205,000, of which $102,500 retired through sinking fund. Subject to call as a whole or in lots of $5,000 at any time. Sinking fund requirement provides for redemption of $5,000 annually on March 1 until and including March 1, 1927. Company does not pay Normal Federal Income Tax.

(2)

$484,700 WHEELING & ELM GROVE RY. CO. SECOND MORTGAGE 5% GOLD BONDS; DUE APRIL 1, 1931

Dated April 1, 1901.

Interest April and Oct. 1, at Dollar Savings & Trust Co., Wheeling, W. Va., Trustee. Coupon, $100 and $1,000; principal may be registered. Amount originally authorized, $1,250,000, was reduced in Sept., 1906, to $1,000,000, of which sufficient were reserved to retire underlying liens, due March 1, 1928. Company does not pay Normal Federal Income Tax.

(3)

$1,300,000 WHEELING PUBLIC SERVICE CO. FIRST MORTGAGE 6% GOLD BONDS; DUE JUNE 1, 1951

Dated June 1, 1926.

Interest Payable June and December 1 at New York Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized amount, not limited; outstanding, $1,300,000 all owned by Southern Cities Utilities Company and pledged under its First Lien 6s, due 1951.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Bonds Redeemed—All of the City & Elm Grove RR. Consolidated Collateral Trust 5% 30-Year Gold bonds, due June 30, 1936, were called for redemption on Jan. 1, 1927 at 105 and interest at Union Trust Co., Pittsburgh, Trustee.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925	1924	1923	1922
Gross earnings	$580,640	$621,273	$628,683	$633,185	$595,343
Operating expenses and taxes	454,785	478,971	453,852	456,268	427,709
Net earnings	$125,855	$142,302	$174,831	$176,917	$167,634
Other income	16,411	11,990	13,507	4,815	2,723
Total income	$142,266	$154,292	$188,338	$181,732	$170,357
Interest charges	125,226	$119,000	$118,190	$116,856	$105,964
Other charges	.....	.....	.....	4,794	.....
Depreciation	34,711	.....	80,843	78,172	.....
Total charges	$159,937	$119,000	$199,033	$199,822	$105,964
Surplus for year	*$17,671	$35,292	*$10,695	*$18,090	$64,393

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	†1926	1925	1924	1923	1922
Property account	$3,401,364	*$2,677,893	$2,874,756	$2,778,189	$2,712,367
Stocks owned	10,002	10,002	10,004	10,004	4
Sinking fund	97,594	518,906	.....	.....	.....
Materials and supplies	28,187	20,311	21,116	25,746	18,936
Cash	23,052	46,458	23,917	38,197	59,817
Accounts and notes receivable	86,579	56,919	51,084	69,007	20,703
Other working assets	215,824	5,218	4,864	5,080	3,932
Deferred debit items	248,404	33,140	30,880	20,941	.....
Corporate deficit	.....	.....	86,104	58,423	.....
Total	$4,121,006	$3,368,847	$3,102,726	$3,005,587	$2,815,759
Liabilities—					
Capital stock	$600,000	$500,000	$500,000	$500,000	$500,000
Funded debt	1,887,200	2,080,000	2,085,000	2,099,000	2,044,000
Notes payable	387,715	215,372	225,027	65,000	16,000
Accounts payable				85,803	76,264
Interest, etc., accrued	68,423	28,046	26,720	29,747	43,626
Other current liabilities	103,300	10,827	351	15,728	45,816
Reserve for taxes	816,391	203,393	.....	225	339
Reserve for depreciation, etc.			265,628	210,084	55,358
Profit and loss	.....	56,150	.....	.....	34,356
Plant surplus	257,977	275,059	.....	.....	.....
Total	$4,121,006	$3,368,847	$3,102,726	$3,005,587	$2,815,759

*As appraised July 1, 1925 by Day & Zimmermann. †Including Bus Transportation Co. of Wheeling.

Officers: Walter Whetstone, Pres., Philadelphia, Pa.; C. C. Gillette, V-P. & Gen. Mgr.; H. H. Patterson, V-P.; Wheeling, W. Va.; Robert M. Fries, Treas.; F. H. Graser, Sec.; Philadelphia, Pa.; J. A. Roddy, Asst. Sec. & Asst. Treas., Chattanooga, Tenn.

Directors: Walter Whetstone, C. C. Gillette, G. S. Nunemaker, H. H. Patterson, F. H. Graser.

General Office, 1612 Market St., Philadelphia, Pa.
Operating Office, Wheeling, W. Va.

NORTH AMERICAN WATER WORKS CORPORATION

History—Incorporated Oct. 30, 1926, in Delaware, to acquire, consolidate and operate water works companies. The Corporation controls and/or operates either directly or through subsidiaries the Northampton Consolidated Water Company, Edwardsville Water Company, Bel Air Water & Light Company, Ellicott City Water Company, Catlettsburg, Kenova and Ceredo Water Company, Keystone Water Works Corporation and its subsidiaries, Richmond Water & Light Company, Glasgow Public Service Company, Pineville Water Supply Company, Barbourville Water, Light & Ice Company, Harlan Public Service Company, Citizens Electric & Service Company, Horse Cave Waterworks Company, London Utilities Company, Morgantown Public Service Company, St. Albans Public Service Company. Also operates under contract the Dundalk Water Company, which is owned by the Bethlehem Steel Corporation, and is acquiring the Ingleside Water Company and West Helena Water Company.

Through its subsidiaries the Corporation furnishes water for domestic, municipal and industrial purposes to about 70 communities in Pennsylvania, Maryland, West Virginia, Kentucky, Illinois, Tennessee and Arkansas, serving a total estimated population of 240,000.

CAPITAL STOCK

Outstanding, 80,000 shares Common stock and 100,000 shares $7 cumulative Dividend Pfd.; outstanding, 85,000 shares Common stock and 22,240 shares Pfd.; all without par value.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and in liquidation is entitled to par and dividends. It is subject to redemption at $110 and dividends on any dividend date. No sinking fund. Has no voting power except in default of eight consecutive quarterly dividends.

Transfer Agent—Guaranty Trust Co., New York.

Registrar—United States Mortgage & Trust Co., New York.

Dividends—Pfd. dividends are paid quarterly, F, M, A & N 15.

FUNDED DEBT

None.

CONSOLIDATED STATEMENT OF EARNINGS, YEAR ENDED SEPTEMBER 30, 1927
(Subsidiary Companies, including Dundalk Water Co. operated under lease)

Gross revenues	$1,378,937
Operating expenses, maint. & taxes	671,945
Net income before deprec. & Federal Inc. taxes	$706,992
Annual interest requirements on funded debt of subsidiaries	467,439
Balance	$239,533

Officers: V. Bernard Siems, V-P. & Gen. Mgr.; L. E. Detwiler, V-P.; C. E. Lent, Treas.; G. R. Snider, Sec.; R. B. Hudson, Asst. Treas.; G. C. Chapman, Asst Sec., New York.

Directors: W. W. Brush, W. L. Ball, R. A. Carroon, L. E. Detwiler, Robert Van Iderstine, H. M. Jacoby, V. Bernard Siems, Ray Palmer, G. R. Snider, New York; A. C. Chambers, Buffalo, N. Y.; H. P. Stone, M. W. Jamieson, E. H. Lampe, Warren, Pa.; Charles Miller, Franklin, Pa.; F. Y. Toy, Jamestown, N. Y.

General Office, 11 Broadway, New York.

KEYSTONE WATER WORKS CORPORATION

(Controlled by North American Water Works Corporation)

History and Business—Incorporated in Delaware. Subsidiaries of Company include Hanover & McSherrystown Water Company, Gettysburg Water Company, Riverton Consolidated Water Company, Ellwood Consolidated Water Company, Mohnsville Water Company, West Penn Water Company, Parkesburg Water Company, Consumers Water Company of Girardville, Biglerville Water Company, Latrobe Water Company, Consumers Water Company of Montrose, Paris Water Company, Central Gas & Water Company, Louisa Water & Improvement Company, Dunbar Water Service Company, Corbin Service Company, Dawson Springs Water Works Company and Madison Water Works Company.

Through these subsidiary companies, the Corporation will own and operate properties supplying water for domestic, industrial and municipal purposes in 27 cities and towns in the State of Pennsylvania, and 7 cities and towns in the States of Kentucky and West Virginia, serving a total population of about 134,000. Certain of the communities served are important manufacturing centers, and others are in districts where mining and agriculture predominate. Operations of the subsidiary companies are conducted under franchises which are said to contain no burdensome restrictions. Total storage capacity of the combined properties exceeds 545,000,000 gallons; the distributing systems total 321 miles of mains with 1,133 fire hydrants connected and serve 25,153 consumers.

CAPITAL STOCK

Authorized; 50,000 shares Common of no par value and 100,000 shares cumulative Preferred of no par value; outstanding as of December, 1927, 25,000 shares Common.

FUNDED DEBT

(1)

$4,000,000 FIRST LIEN 5½% GOLD BONDS, SERIES "A"; DUE DECEMBER 1, 1952

Dated December 1, 1927.

Interest Payable June and December 1, at Guaranty Trust Co., New York.

Denominations—$500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Company, New York.

Provisions of Issue—Authorized issue unlimited; issued $4,000,000 5½% Series "A," due 1952. The Trust Agreement provides that additional bonds of Series "A," or bonds of other series (which bonds may differ from bonds of Series "A" in respect of interest rate, maturity, and in other ways provided in the Trust Agreement) may be issued under the Trust Agreement, in principal amount not exceeding 80% of cost or fair value (whichever is the lower) of physical property additions of subsidiaries, or in principal amount not exceeding 80% of cost or fair value (whichever is the lower) of securities of any after acquired subsidiary deposited with the Trustee at the time of acquisition of such subsidiary, provided the net earnings including the net earnings from the properties of the subsidiary being acquired, for 12 consecutive calendar months ending not more than 3 calendar months preceding the filing of the request for authentication of additional bonds, shall have been at least 1¾ times the annual prior charges, if any, and the interest on all bonds outstanding under the Trust Agreement including those then proposed to be issued; all as defined in the Trust Agreement. Additional bonds of Series "A," or bonds of other series, may also be issued under the Trust Agreement to refund a like principal amount of bonds previously issued under the Trust Agreement, or to pay, refund or acquire securities of any after acquired subsidiary remaining outstanding after the acquisition of such subsidiary, or securities issued in place of such securities; all as defined in the Trust Agreement.

Purpose of Issue—Proceeds from the sale of this issue, together with the proceeds of debentures and Common stock of the Corporation were to be used in connection with the acquisition of the subsidiary companies (named under "Security" below) and for other corporate purposes.

Callability—Subject to call as a whole or in part upon 30 days' notice at any time to and including December 1, 1932 at 105; thereafter to and including Dec. 1, 1937 at 103; thereafter to and including Dec. 1, 1942 at 102; thereafter to and including Dec. 1, 1947 at 101; thereafter to and including June 1, 1952 at 100½; thereafter to and including maturity at 100; plus in each instance accrued interest to the redemption date.

Maintenance and Improvement Reserve—For the purpose of establishing a maintenance and improvement reserve the Corporation agrees to have its subsidiaries, among other things, set aside annually out of their earnings, an amount equal to at least 9% of their gross operating earnings. Such reserve may be expended for the maintenance of the property of the subsidiaries or for improvements, additions or extensions against which no bonds may be issued under the Trust Agreement.

Security—Series "A" bonds are a direct obligation of Corporation secured by pledge and deposit with the Trustee of all of the outstanding bonds and shares of capital stock (except directors' qualifying shares) of all the subsidiary companies being acquired by the Corporation at the time the bonds were issued, which include the Hanover & McSherrystown Water Company, Gettysburg Water Company, Riverton Consolidated Water Company, Ellwood Consolidated Water Company, Mohnsville Water Company, West Penn Water Company, Parkesburg Water Company, Consumers Water Company of Girardville, Biglerville Water Company, Latrobe Water Company, Consumers Water Company of Montrose, Paris Water Works Company, Central City Water Service Company, Louisa Water Company, Dunbar Water Works Company, Corbin Service Company, Dawson Springs Water Works Company, and Madison Water Works Company.

The Trust Agreement provides among other things that no new mortgage shall be created upon any of the properties of the subsidiary companies above referred to and that no additional bonds or other securities will be issued under existing mortgages of such subsidiaries, unless, in any such case, all bonds or other securities issued under any such new or existing mortgage are forthwith pledged and deposited with the Trustee as security for all bonds outstanding under the Trust Agreement; all as defined in the Trust Agreement.

Tax provisions—Company pays Normal Federal Income Tax up to 2% and agrees to refund to holders of the bonds, residents in such states, respectively, upon proper application within 60 days after the payment thereof, the Pennsylvania 4 mills tax, Connecticut Personal Property tax not exceeding 4 mills, the Maryland 4½ mills tax, the California and Kentucky 5 mills Personal Property tax, the Kansas 5 mills tax, the Iowa 6 mills Moneys and Credits tax and the Massachusetts and Oregon Income taxes on the interest thereon not exceeding 6% of such interest per annum.

Legal Opinion—Chadbourne, Stanchfield & Levy, New York (for the Bankers) and Chapman and Cutler, (for the Corporation).

Original Offering—First publicly offered ($4,000,000) in December, 1927 at 99½ and interest, to yield over 5.50% by A. B. Leach & Co., Inc., New York, etc., A. L. Chambers & Co., Buffalo, N. Y.; and Toy, Gilson & Taylor, Inc.

(2)

$1,375,000 CONVERTIBLE 6% FIFTEEN-YEAR GOLD DEBENTURES, SERIES "A"; DUE DECEMBER 1, 1942

Dated December 1, 1927.

Interest Payable June and December 1, at Guaranty Trust Company of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Company of New York.

Provisions of Issue—Authorized issue unlimited: issued, $1,375,000 Series "A" 6s. Additional debentures may be issued upon compliance with the terms of the Trust Agreement, but Corporation covenants, among other things, that no additional Debentures will be issued, except for the refunding of a like principal amount of Debentures issued under the Debenture Agreement, unless the consolidated net income, as defined in the Agreement, for 12 consecutive months, within the 15 months immediately preceding, shall have been at least 2½ times the annual interest charges on Debentures outstanding and to be issued, and unless consolidated net assets, as defined in the Agreement, shall not be less than twice the aggregate principal amount of Debentures then outstanding and to be issued.

Callability—Subject to call as a whole or in part upon 30 days' notice at any time to and including Dec. 1, 1930 at 105; thereafter to and including Dec. 1, 1933 at 104; thereafter to and including Dec. 1, 1936 at 103; thereafter to and including Dec. 1, 1939 at 102; thereafter to and including June 1, 1942 at 101; thereafter to and including maturity at 100; plus in each instance accrued interest to the redemption date.

Convertibility—Convertible at any time prior to maturity, or, if called prior to maturity, up to and including the fifth day prior to the date set for redemption, into $6.50 cumulative Preferred stock, on the basis of conversion of a $1,000 Debenture at 100 into 10 shares of Preferred stock at $98 per share with cash adjustment of balance of principal and of accrued interest and accrued dividends. Debentures of $500 denomination are convertible on the same relative basis.

Security—A direct obligation of the Corporation but not secured by mortgage.

Tax Provisions—Corporation pays Normal Federal Income tax up to 2% and agrees to refund to holders of the Debentures, residents in such states, respectively, upon proper application within 60 days after the payment thereof, the Pennsylvania 4 mills tax, Connecticut Personal Property tax not exceeding 4 mills, the Maryland 4½ mills tax, the California and Kentucky 5 mills Personal Property tax, the Kansas 5 mills tax, the Iowa 6 mills Moneys and Credits tax and the Massachusetts and Oregon Income taxes on the interest thereon not exceeding 6% of such interest per annum.

Legal Opinion—Chadbourne, Stanchfield & Levy, New York (for the bankers) and Chapman and Cutler (for the Corporation).

Original Offering—First publicly offered ($1,375,000) in December, 1927, at par and interest by A. B. Leach & Co., Inc., New York, etc., A. L. Chambers & Co., Inc., Buffalo, N. Y., and Toy, Gilson & Taylor, Inc.

EARNINGS

(Combined earnings of the properties for twelve months ended Sept. 30, 1927, after giving effect to the management's estimate of earnings of the Girardville property, which was municipally owned, and their estimate of savings in salaries already effected or to be effected; these estimates have increased by $36,383 the balance applicable to interest on funded debt, depreciation, and Federal Incomes Taxes)

Gross earnings, including other income	$795,769
Operating exp., maintenance, taxes (except Federal Income tax) and other charges	353,476
Balance applicable to interest on funded debt, depreciation and Federal Income tax	$442,293
Annual interest on First Lien 5½s	220,000
Balance	$222,293
Annual interest on Convertible Debenture 6s	82,500

General Office, 11 Broadway, New York.

UNION WATERWORKS COMPANY

(Controlled by North American Water Works Corporation)

History—Through its subsidiaries, Company supplies without competition water for domestic and industrial purposes to the cities of Glasgow, London, Pineville, Barbourville, Harlan, Richmond, Horse Cave, Morgantown, Kentucky, and St. Albans, West Virginia; the subsidiaries also serve electric light and power to Morgantown, Barbourville and Monticello, Kentucky; ice to Monticello and Horse Cave, Kentucky and St. Albans, West Virginia, and gas for industrial and domestic purposes to the city of Richmond, Kentucky. This diversified service is rendered without competition under franchises which in the opinion of counsel are satisfactory. The population of the communities served is estimated in excess of 50,000. Practically 90% of the revenue is derived from the sale of water, electric light and power, the balance being derived from the sale of gas and ice.

CAPITAL STOCK

Authorized, 25,000 shares Common of no par value and $1,500,000 Preferred stock, par, $100; outstanding, 10,000 shares Common. Stock control is held by North American Water Works Corporation.

FUNDED DEBT

$1,450,000 FIRST LIEN 15-YEAR 5½% GOLD BONDS, SERIES "A"; DUE MARCH 15, 1942

Dated March 15, 1927.

Interest Payable March and September 15, at Central Trust Co. of Illinois, Chicago, or at Chase National Bank, New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount, unlimited; issued, $1,450,000. Indenture provides that no mortgage or lien shall be placed against any of the properties mentioned above, other than the mortgages to be deposited with the Trustee to secure the bonds of this

issue, and that any mortgage existing against the properties of any subsidiary will be retired from the proceeds of the sale of these bonds or cash deposited with the Trustee insuring such retirement, and that no additional bonds will be issued against these properties for the purpose of retiring any junior indebtedness of the Company except when and as earnings for a period of 12 consecutive calendar months within the 15 calendar months immediately preceding are equal to twice interest charges on bonds then outstanding, including those proposed to be issued. In no event shall bonds be outstanding for an amount in excess of 75% of the appraised value of such properties. The indenture further provides that bonds of this issue may be certified and delivered by the Trustee upon receipt of the entire capital stock (except Directors' qualifying shares) and first mortgages on the properties of the respective subsidiaries, in accordance with a schedule contained in the Indenture, which is based upon the proportionate values of said subsidiaries as appraised. The indenture further provides for the reduction in the amount of bonds of this issue outstanding, provided the mortgages or stocks herein of any one or more subsidiaries are not deposited with the Trustee. Such deduction shall be based upon the proportional values of such subsidiaries, as established by the appraisement. Bonds of future series for extension, betterments or improvements, or for the acquisition of additional properties, may only be issued for 80% of the cost of such extensions, betterments or improvements or for 80% of the cost or fair value as established by appraisement (whichever is lower) of such additional properties, and then only when the net earnings for 12 consecutive calendar months of 15 preceding months equal at least 1.75 times interest charges on all bonds, including those proposed to be issued.

Purpose of Issue—Proceeds provided in part for funds for use in connection with the acquisition of properties and for other corporate purposes and to establish in trust the $200,000 rehabilitation and reserve fund.

Callability—Subject to call as a whole or in part at any time on 30 days' notice, at 103 and interest, up to and including March 15, 1932, the redemption premium decreasing ¼ of 1% each year thereafter.

Security—Bonds are a direct obligation of the Company and are secured by deposit with the Trustee of all the stocks and bonds of several subsidiaries.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain Pennsylvania, Maine, Massachusetts, Connecticut, California, Maryland and District of Columbia taxes refunded upon proper application.

Legal Opinion—Hyde, Henning, Thulin, Westbrook & Watson (for the Bankers).

Original Offering—First publicly offered ($1,450,000) in March, 1927, at 97½ and interest, by Hambleton & Co., Inc., New York, etc., and Aylward & Co., Chicago.

Local Office, Richmond, Ky. **Executive Office**, 11 Broadway, New York.

THE SOUTHWEST MISSOURI RAILROAD CO.

History—Incorporated Aug. 16, 1906, under General Railroad Law of Mo. On Sept. 1, 1906, purchased properties of the Southwest Missouri Electric Ry. Co. and the Webb City Northern Electric R.R. Co. Main line: Carthage, Mo., via Carterville, Webb City, Joplin and Baxter Springs, Kan., to Picher, Okla. Branch lines: Prosperity Junction to Prosperity, Duenweg and Joplin; Webb City to Orongo, Neck City, Alba and Purcell; Joplin to Chitwood; and Joplin to Galena, Kan. Also branches in Webb City, Carthage, Joplin and Galena. Population of territory contiguous to this system, about 120,000.

Plant and Equipment: Miles of track, 91. Gauge, standard. Rail, 48 lb. to 80 lb. T. and girder. Motor cars, 67. Power house, Webb City, Mo. Capacity, 2,200 k. w.; operates seven sub-stations under the three-phase system; initial voltage, 11,000; line voltage, 600.

Receivership—On Sept. 14, 1926, F. C. Wallover and Harrison C. Rogers, both of Joplin, Mo., were appointed receivers.

Protective Committee—Due to the default in the payment of the interest due Sept. 1, 1926 on the funded debt of Company and to the appointment of receivers, the following committee was organized to protect the interests of holders of the Southwest Missouri Electric Ry. Refunding and Extension Mortgage 6% bonds, due as extended Sept. 1, 1928: E. Z. Wallower, George G. Carl, J. F. Hutchinson, George P. Bissell and Townsend Whelen & Co. Bondholders were requested to deposit their bonds on or before Nov. 1, 1927 under the Deposit Agreement, dated Feb. 28, 1927 with the Harrisburg Trust Co., Harrisburg, Pa., Depositary, or Bank of North America and Trust Co., Philadelphia, Pa., Associate Depositary.

CAPITAL STOCK

Authorized, $5,000,000; outstanding, $3,500,000; par, $100. Annual meeting, second Thursday in October.

Dividends—Dividends paid in years ended Aug. 31, as follows: 1902, 4%; 1903 and 1904, 5%; 1905, 3%; 1906, 7%; 1907 and 1908, none; 1909, 4%; 1910 and 1911, 2%; 1912, 3%; 1913 to 1915, 4%; 1916, 5%; 1917, 2%; 1918 and 1919, none; 1920, 3%; none since.

FUNDED DEBT

(1)

$909,000 SOUTHWEST MISSOURI ELECTRIC RY. REFUNDING AND EXTENSION GOLD 5s; ORIGINALLY DUE SEPTEMBER 1, 1923, BUT EXTENDED TO SEPTEMBER 1, 1928, AT 6%

Dated September 1, 1903.

Interest Payable March and September 1, at National Bank of Commerce, New York.

Interest Default—Sept. 1, 1926 and subsequent interest in default.

Denomination—Coupon, $1,000.

Trustee—Harrisburg Trust Co., Harrisburg, Pa.

Co-Trustee—Pioneer Trust Co., Kansas City, Mo.

Provisions of Issue—Authorized and issued, $1,150,000 of which $241,000 exchanged for Southwest Missouri RR. General and Refunding 5s on the basis of $1,150 face amount of latter issue for $1,000 of these bonds, and $909,000 extended as above.

Callability—The extended bonds are subject to call as a whole or in part by lot on any interest date on 30 days' notice at 100 and interest.

Sinking Fund—A sinking fund is provided.

Security—Secured by General & Refunding Mortgage 5% bonds of Southwest Missouri R.R. Co. on the basis of $1,150 to each $1,000 of the extended bonds, and the latter may be exchanged for these General & Refunding 5s in the same ratio. Also secured by first lien on 46 miles of road between Galena, Kan., and Carthage, Joplin and Webb City, Mo.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$125,000 WEBB CITY NORTHERN ELECTRIC RR. FIRST GOLD 5s; DUE SEPTEMBER 1, 1923, BUT EXTENDED TO SEPT. 1, 1928 AT 6%

Dated 1905.

Interest Payable March and September 1, at Safe Deposit & Trust Co., Pittsburgh.

Interest Default—Sept. 1, 1926 and subsequent interest in default.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized and issued, $200,000, of which $75,000 has been paid on account of the principal and an extension granted on the balance of $125,000.

Guaranty—Guaranteed principal and interest by Southwest Missouri R.R.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$1,034,000 SOUTHWEST MISSOURI RR. GENERAL AND REFUNDING GOLD 5s; DUE SEPTEMBER 1, 1931

Dated September 1, 1906.

Interest Payable March and September 1, at Harrisburg Trust Co., and National Bank of Commerce, New York.

Interest Default—Sept. 1, 1926 and subsequent interest in default.

Denomination—Coupon, $1,000.

Provisions of Issue—Authorized, $5,000,000, of which $1,034,000 are outstanding with public, $326,000 are authorized and held in treasury, and $2,290,000 are unissued. Sufficient of these bonds are reserved to retire the above prior liens; remainder for improvements, extensions and betterments.

Security—Secured on entire property, subject to above prior liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	*1927	1926	1925
Gross earnings	$649,560	$785,902	$744,758
Oper. exp. & taxes	567,518	727,602	690,914
Net earnings	$82,042	$58,299	$53,844
Bond and other interest	143,227	134,065	133,589
Deficit for year	$61,185	$75,766	$79,745

*Earnings of receiver for period Sept. 15, 1926 to Aug. 31, 1927.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Road and equipment	$7,064,630	$7,048,778	$7,016,256
Cash	56,983	13,438	23,731
Notes receivable	2,100	2,100	2,100
Unadjusted debits	3,226	.....	.....
Total	$7,126,939	$7,064,316	$7,042,087
Liabilities—			
Capital stock	$3,500,000	$3,500,000	$3,500,000
Funded debt	2,435,150	2,435,150	2,426,589
Bills payable	.....	24,000	14,000
Interest & rents matured	66,049	.....	.....
Deferred credit items	10,071	5,242	.....
Depreciation reserve	879,362	783,244	688,822
Profit and loss surplus	236,307	316,680	412,676
Total	$7,126,939	$7,064,316	$7,042,087

Receivers: F. C. Wallower and Harrison C. Rogers, Joplin, Mo.

Officers: E. Z. Wallower, Pres., Harrisburg, Pa.; Harrison C. Rogers, V-P., Carthage, Mo.; G. W. Reily, Sec., Harrisburg, Pa.; W. E. McMeehan, Treas.; E. J. Pratt, Gen. Mgr. & Pur. Agt., Webb City, Mo.

Directors: E. Bailey, E. S. Herman, G. W. Reily, E. Z. Wallower, F. B. Musser, Harrisburg, Pa.; I. W. Frey, Springfield, O.; F. C. Wallower, Joplin, Mo.; Sam'l McReynolds, Harrison C. Rogers, Carthage, Mo.

General Office, Webb City, Mo. **Eastern Office**, Harrisburg, Pa.

MONTREAL WATER & POWER COMPANY

History—Incorporated March 17, 1891, by Letters Patent confirmed on June 24, 1892, by Special Act of the Quebec Legislature. Has exclusive right to supply water to the following suburbs, which practically girdle the City of Montreal, viz.: St. Henry, Ste. Cunegonde, Cote St. Louis (now St. Denis Ward), Cote de Nieges (now Mt. Royal Ward), Villeray, Westmount, St. Louis, Maisonneuve, Outremont, Cote St. Paul, De Lorimer, all of which, with the exception of Westmount and Outremont, have become part of the City of Montreal. Franchises are generally for a term of fifty years, from 1891, and except in three instances, provide for a compulsory rate. The Company owns two reservoirs, one of 7,000,000 gals. capacity and the other, recently completed, of about 45,000,000 gals. Pumping capacity, approximately 104 million gallons imperial.

Purchase Resolution Reaffirmed—The Montreal City Council on March 14, 1927 and Aug. 6, 1927, reaffirmed its resolution of Feb. 14, 1927 to acquired by purchase the properties of Company. An arbitration board is to fix the purchase price, with the understanding, agreed to by the Company, that whatever the arbitration award, the City shall not pay more than $14,000,000 for the system. The Company's plant has already been merged with the civic plant.

CAPITAL STOCK

Authorized, $2,000,000 Ordinary (par, $25) and $2,000,000 7% Pfd. (par, $100); outstanding, $1,120,000 Ordinary and $500,000 Pfd. Annual meeting, second Wednesday in June.

Dividends—On Preferred, dividends at rate of 7% per annum were regularly paid semi-annually, May and Nov. 15, 1922 to 1925, inclusive; on May 15, 1926, a quarterly dividend of 1¾% was paid, which rate paid to date; payments are now made quarterly F, M, A & N 15. On Common stock: 1922, 7%; 1923, 6%; 1924, 5%; 1925, 5½%; May 15, 1926, 2%; Aug. 15, 1926 to May 15, 1927, 2½% quarterly; Aug. 15, 1927 to date, 4% quarterly; F, M, A & N 15. In addition a stock dividend of $280,000 (100%) was paid June 30, 1923, and one of $560,000 (100%) paid Nov. 15, 1924 in Common stock of the company.

FUNDED DEBT

(1)

$4,750,353 PRIOR LIEN GOLD 4½s; DUE JUNE 30, 1932

Dated 1908.

Interest Payable June 30 and Dec. 31, at Bank of Montreal, Montreal and London.

Denomination—Registered, £100.

Trustee—Royal Trust Co., Montreal.

Provisions of Issue—Authorized and issued, £1,000,000 ($4,866,666.66) of which $116,313.33 redeemed and cancelled to April 30, 1926, leaving $4,750,353.33 outstanding of which $50,126.66 are held by the Royal Trust Co., Trustee, as guarantee for the fulfillment of one of the Company's contracts.

Callability—Subject to call at 110, at any time on six months' notice or if allowed to run to maturity, redeemable at 105.

Sinking Fund—No sinking fund provided.

Security—Secured as a first charge on the franchises, rights, property, plant and all assets, except movable chattels.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Original Offering—A block of £100,000 of these bonds was offered in 1910 at 95 and interest.

Listed—London Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	*98	*97¾	97½	102	98¾	98⅛	94¾	81
Low	bid	bid	96⅝	96	89	92⅛	72	70

*Montreal quotation.

(2)

£170,786 ($831,161) FIRST GOLD DEBENTURE (NOW FIRST MORTGAGE) 5s; DUE JUNE 30, 1932

Dated August 25, 1892.

Interest Payable June 30 and Dec. 31. Registered form £100. Original issue, £120,000, but in March, 1898, the holders of these debentures authorized the company to issue £100,804 debentures and scrip in discharge of arrears of interest to June 30, 1898, and of any future interest accruing due. In addition to the amount outstanding, £50,017 of these bonds have been redeemed and cancelled. The bonds were con-

stituted income bonds, from June 30, 1903, until 1912, and interest was paid between those dates only as actually earned. Payments have been made since June, 1903, as follows: 1% in Oct., 1908; 2½% in Oct., 1909; Oct., 1910, 2½%; Oct., 1911, 2½%; Oct., 1912, 2½%. Since June 30, 1912, the full 5% interest has been paid. A lien on entire property of company subject to the First Prior Lien 4½s. Subject to call at 105 on six months' notice.

PROFIT AND LOSS ACCOUNT, YEARS ENDED APRIL 30

(Latest Available)

	1926	1925	1924
Gross revenue	$1,300,029	$1,242,800	$1,170,480
Operating expenses	458,546	450,536	456,457
Gross profit	$841,483	$792,264	$714,023
Int. on funded debt (less int. earned)	238,744	242,486	237,518
Profit for year	$602,739	$549,778	$476,505
Deductions:			
Bond discount and expense	$10,800	$16,800	$17,730
Res. for damage claims, etc.	25,000	25,000	25,000
Bond sinking fund	56,432	57,147	58,128
Reserve for bad debts	5,000	5,000	15,000
Depreciation	173,891	†195,237	164,618
Total	$271,123	$299,184	$280,476
Net profit before providing for Income tax	$331,616	$250,595	$196,029
Preferred dividends	35,000	35,000	35,000
Common dividends	78,400	42,000	28,000
Surplus for year	$218,216	$173,595	$133,029
*Surplus forward	628,237	484,642	613,588
Total surplus	$846,453	$658,237	$746,617
Times Interest Earned	2.79	2.46	2.31

*After deducting reserve for Federal taxes, $35,000 in 1924; after reserve for Federal taxes, $40,000 and written off for franchises, $221,976 in 1925 and after reserve for Federal taxes, $30,000 in 1926. †Includes $25,000 written off Bach River Property account.

GENERAL BALANCE SHEET, APRIL 30

(Latest Available)

Assets—	1926	1925	1924
Water supply system, incl. filtration and pumping plants, reservoirs, distribution system, real estate, etc.	$11,280,865	$10,813,388	$10,633,397
Franchises	1	1	244,748
Prior lien bonds	†50,127	†50,127	†50,127
Disc. & exp. of prior lien bonds	88,762	104,508	134,256
Construc. materials on hand	32,587	24,258	23,091
Furniture, tools, transportation equipment, fuel, etc.	61,942	54,823	52,755
Unexpired taxes & insur.	8,555	2,961	5,461
Accounts receivable	66,200	59,468	66,204
Secured call loans to firms, shareholders of Co.	127,622	129,677	167,238
Secured loans	228,017	230,109	52,331
Investment securities	160,158	174,165	130,709
Cash	23,243	60,401	45,505
Total	$12,128,079	$11,703,887	$11,605,822
Liabilities—			
Capital stock	$1,620,000	$1,620,000	$1,060,000
Funded debt & scrip ctfs.	5,581,515	5,642,892	5,712,988
*Accts, due municipalities, payable as per footnote	105,314	121,076	125,030
Current ordinary liabilities	431,546	205,359	157,996
Accrued interest and wages	.....	96,941	97,486
Dividends payable May 15	31,150	45,500	31,500
Provision for premium at maturity on Prior Lien bonds	171,175	163,024	155,260
Res. for Fed. & Munic. taxes	**	81,962	75,703
Res. accts. for deprec., etc	1,801,230	1,612,539	1,484,030
Contingent account	.....	.....	.....
Sinking fund	289,843	233,410	176,264
Capital surplus account	1,249,855	1,222,948	1,782,948
Profit and loss surplus	846,453	658,237	746,617
Total	$12,128,079	$11,703,887	$11,605,822

*The amount shown above as "due municipalities" is payable in respect of a portion of the liability, when the extensions concerned produce a certain return for the company, and in respect of the balance, over a varied term of years, all, however, without interest. †These are Company's own securities held by the Royal Trust Co., Trustees, as guarantee for the fulfillment of one of the Company's contracts. **Included in current ordinary liabilities.

Officers: W. Q. Stobo, Pres.; F. H. Pitcher, Gen. Mgr. & Chief Eng.; W. H. Sutherland, Asst. Engr. & Compt., Montreal, Que.

Directors: W. Q. Stobo, F. H. Pitcher, G. B. Allison, W. H. Sutherland, R. G. Liddy, C. M. Barnett, W. W. Wetherspoon, Montreal, Que.

General Office, Montreal, Que., Canada.

MIDWEST GAS COMPANY

History and Properties—Incorporated Oct. 26, 1926, in Delaware, and acquired the business and properties of the Oklahoma Service Company, and the Williams Gas Company, in Oklahoma, and the Industrial Fuel Corporation, the Wilco Oil & Gas Company, Fall River Oil & Gas Company, Lincoln Gas & Pipe Line Company and the M. E. Eakin production properties, in Kansas. Upon the completion of contemplated plant additions and extensions, the Company will own and control approximately 292 miles of main pipe line system. It will control gas rights on more than 20,000 acres of proven leases, containing approximately 410 producing wells.

The territory served embraces some 23 representative towns and communities, including Lawton and Altus, Oklahoma, and Neodesha, Kansas, totaling approximately 100,000 in population.

The present operations are principally the transportation and wholesaling of gas to industrial companies, and to distributing companies owning the franchises in the towns supplied. The Company will include among its customers the Standard Oil Company of Kansas, the Southwestern Gas & Fuel Company (an Insull property) and a number of large brick, cement and gypsum manufacturers, with total contracts for a daily delivery in excess of 17,500,000 cubic feet and estimated sales of 20,000,000 cubic feet per day. The majority of these contracts are of ten years' duration with the privilege of renewal.

The supply of gas in Oklahoma is taken from the Chickasha and Sayre gas fields. The Company's present wells in the Sayre field have been producing for more than three years with small reduction in rock pressure or volume, and have an estimated open flow in excess of 60,000,000 cubic feet per day and at a rock pressure of 940 pounds. The Chickasha gas field is one of the largest gas fields in Oklahoma. The Company's contracts in this field are for the duration of the gas supply and command a total reserve estimated in excess of 150,000,000 cubic feet open flow per day.

The gas supply in the Company's Kansas territory is taken from more than 375 shale gas wells now supplying in excess of 7,500,000 cubic feet of gas per day. The record of shale gas wells indicates production for more than fifteen years with little diminution in either pressure or volume.

CAPITAL STOCK

Authorized, 300,000 shares Common stock of no par value; outstanding, 200,000 shares. Of the authorized stock 30,000 shares are reserved for stock purchase privilege attached to the bonds.

Transfer Agent—The Guaranty Trust Co., New York.

Annual Meeting—First Tuesday in June, at Wilmington, Del., or at such other place as the directors may fix.

FUNDED DEBT

$2,500,000 FIRST MORTGAGE 7% GOLD BONDS, SERIES "A"; DUE NOVEMBER 1, 1936

Dated November 1, 1926.

Interest Payable May and November 1, at First National Bank, Boston, and Guaranty Trust Co., New York.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York.

Provisions of Issue—Authorized, Series "A," $3,000,000; outstanding, $2,500,000; $500,000 Series "A" bonds are reserved for the acquisition of additional properties and for other corporate purposes contemplated. Under the indenture securing these bonds, additional bonds may be issued in different series and at different rates of interest in amounts equivalent to two-thirds of the cost of additional property, but not unless net earnings for a 12 months' period ended within the last previous 15 months shall have been at least two times the annual interest and fixed sinking fund requirements on the bonds outstanding and about to be issued.

Purpose of Issue—Proceeds were used to construct approximately 40 miles of high pressure gas transmission lines, to lay distribution systems in the towns where franchises are to be acquired, to liquidate the outstanding indebtedness of the Company, to provide additional working capital and for other corporate purposes.

Stock Purchase Privilege—The holder of each $1,000 bond (and $500 bonds in proportion) are entitled to purchase, up to and including Nov. 1, 1936, regardless of prior call or redemption, ten shares of no par value Common stock of the Company up to and including Dec. 31, 1929, at $15 per share and thereafter at a price increasing $2.50 per share per calendar year.

Callability—Subject to call as a whole or in part on any interest date on 30 days' notice at 105 and interest on or before Nov. 1, 1931, and at 102½ and interest thereafter until maturity.

Sinking Fund—Fixed sinking fund payments are to be made monthly to the Trustee, first payment to be made May 25, 1928, for the previous month and in amount equivalent to a rate of $150,000 per annum and increasing each year thereafter at a rate equivalent to $50,000 per annum to $350,000 per annum beginning May 25, 1932, and thereafter until May 25, 1936, and thereafter at $400,000 per annum until maturity or redemption of all the bonds. Fixed sinking fund is designed to retire the entire offering at maturity. In addition to the fixed sinking fund a percentage of the net earnings after interest and fixed sinking fund will be set aside for the redemption of additional bonds. Percentage sinking fund payments shall be made monthly to the trustee, first payment to be made for the month of April, 1927, at 25% of the net earnings, and thereafter at this rate until April, 1930, and thereafter at 15% until maturity or redemption of bonds. Sinking fund moneys are to be used for redemption and cancellation of bonds by the Trustee at or below the redemption price. If tender of bonds to the Trustee is not sufficient to exhaust the sinking fund, bonds may be purchased in the open market by the Trustee at or up to the redemption price, and if not so obtainable, shall be called by the Trustee.

Security—Secured by a direct first mortgage on all the physical property of the Company, and additionally secured by deposit of important contracts, leases and agreements.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Certain income, personal property and securities taxes of certain states, including California, Pennsylvania, Massachusetts, Connecticut and Maryland, refunded upon proper application.

Legal Opinion—White & Case (for the Bankers), and W. J. Holleman, Oklahoma City, and Robert M. Miles, New York (for the Company).

Original Offering—First publicly offered ($2,500,000) in November, 1926, at 100 and interest to yield 7%, by G. E. Barrett & Co., Inc., New York, etc., and Frederick Peirce & Co., Philadelphia.

Price Range—

	1927	1926
High	100	100¼
Low	95½	100

***EARNINGS AND EXPENSES, YEAR ENDED DEC. 31, 1926**
(Constituent Companies)
(Latest Available)

Gross income	$701,997
Operating expenses & taxes	384,717
Net income	$317,280

*Nine months actual; three months estimated.

***PROPOSED BALANCE SHEET, SEPTEMBER 30, 1926**
(Accounts Audited by Haskins & Sells)
(Latest Available)

Assets—	
Property, franchises, etc.	$3,380,962
Investments in capital stocks of other cos.	23,522
Cash set aside and obligation incurred for plant extensions & additions	538,000
Cash	288,466
Accounts receivable	36,201
Unamortized debt discount & expense, & other deferred charges	493,912
Total	$4,761,063
Liabilities—	
Common stock (200,000 shares no par)	$2,021,106
Funded debt	2,500,000
Note payable proposed to be issued in connection with plant extensions & additions (to be dated on or about Dec. 1, 1926, and due in one year)	200,000
Accounts payable	37,232
Consumers' deposits	2,725
Total	$4,761,063

*Giving effect to the issuance of $2,500,000 First Mortgage bonds and 200,000 shares of no par value stock; the acquisition of the assets and assumption of the liabilities of certain constituent companies; and the liquidation of underlying bonds and certain other indebtedness of constituent companies.

Officers: S. Miller Williams, Jr., Pres., Tulsa, Okla.; W. J. Schoonmaker, V-P., New York; Wilbur J. Holleman, Sec., Oklahoma City, Okla.; C. H. Walker, Treas., New York.

Directors: S. Miller Williams, Jr., Wilbur Holleman, R. B. Schoonmaker, W. J. Schoonmaker, G. E. Barrett, E. G. Diefenbach, Frederick Peirce, W. R. Duke.

General Office, Midco Bldg., Tulsa, Okla.

WELSBACH STREET LIGHTING CO. OF AMERICA

History—Incorporated April 20, 1921, in Del., and took over the business formerly conducted by Welsbach Street Lighting Co. of America, an Illinois corporation. Company's business is that of contracting with municipalities to supply and maintain gas and naphtha street lights under contract.

CAPITAL STOCK

Authorized and outstanding, $1,000,000; par, $100. Annual meeting, first Wednesday in May, at Philadelphia, Pa. Dividends of 6% per annum paid regularly since 1907.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, MARCH 31

Assets—	1927	1926	1925
Patent rights and license contracts	$381,778	$381,778	$381,778
Cash	77,650	125,537	146,099
Bills & accounts receivable	375,210	296,333	413,785
Materials and supplies	1,312,580	1,335,703	1,326,103
Total	$2,147,218	$2,139,351	$2,267,765
Liabilities—			
Capital stock	$1,000,000	$1,000,000	$1,000,000
Accounts payable	567,605	609,738	638,189
Floating debt	500,000	450,000	550,000
Contingency reserve	64,613	64,613	64,576
Profit and loss	15,000	15,000	15,000
Total	$2,147,218	$2,139,351	$2,267,765

Officers: Arthur E. Shaw, Pres. & Gen. Mgr.; Eugene S. Newbold, V-P.; James C. Bishop, Sec.; E. Stanley Hart, Treas.; Jos. C. McMenamin, Pur. Agt., Philadelphia.

Directors: Arthur E. Shaw, Eugene S. Newbold, James C. Bishop, William F. Brown, David M. Newbold, Jr., Philadelphia, Pa.; Campbell Carrington, Edwin P. Shattuck, New York City.

General Office, 1934 Market St., Philadelphia, Pa.

BOSTON & WORCESTER ELECTRIC COMPANIES

History—A voluntary association organized in Mass. under trust agreement dated Dec. 29, 1902. Formerly owned the entire Common stock, $60,000 Pfd. stock, $200,000 bonds and $247,000 notes of the Boston & Worcester St. Ry. Co., which has been succeeded by the Boston, Worcester & New York Street Railway Company.

SHARE CAPITAL

The association has issued 33,936 shares of 4% cumulative Pfd. stock and 34,614 shares Common. The shares have no par value, but in case of liquidation the Pfd. shareholders will receive $100 per share before participation by Common shares.

Transfer Agent—American Trust Co., Boston.

Registrar—Old Colony Trust Co., Boston.

Annual Meeting—In February.

Dividends—Dividends on Pfd. shares have been paid as follows: $4 per annum from July 1, 1904, to July 1, 1908, inclusive; $2 per annum from Jan. 1, 1909, to July 1, 1910; $1 per shares each on Jan. 1, 1912, July 1, 1912, and Jan. 1, 1913, July 1, 1913, and Jan. 1, 1914, July 1, 1914, Jan. 1, 1915, July 1, 1915, and Jan. 1, 1916; $1.50 on July 1, 1916; $1 on Jan. 1, 1917; $1 on July 1, 1917; $1 on Jan. 1, 1918; none since. No dividends have ever been paid on Common shares.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924
Total income	$238	$224	$2,326	$25,432
Interest	9,525	9,525	8,766	9,803
Misc. exp. and taxes	.....	.....	388	2,736
Total charges	$9,525	$9,525	$9,154	$12,539
Deficit for year	$9,287	$9,300	$6,828	$12,893

GENERAL BALANCE SHEET, JANUARY 1

Assets—	1928	1927	1926
20,250 Com. shares Boston & Worcester St. Ry. Co.	.....	.....	.....
600 Pfd. shares Boston & Worcester St. Ry. Co.	$60,000	$60,000	$60,000
Notes payable, Boston & Worcester St. Ry. Co.	247,000	247,000	247,000
1st Mtge. bonds, Boston & Worcester St. Ry. Co.	181,200	181,200	181,200
1st Mtge. bonds, Framingham, Southboro & Marlboro St. Ry. Co.	23,000	23,000	23,000
Accounts receivable	13,801	52,004	52,004
Cash in banks	8,693	8,189	7,964
Total	.....	.....	.....

Liabilities—	1928	1927	1926
*33,936 Preferred shares	.....	.....	.....
*34,614 Common shares	.....	.....	.....
Notes payable	$164,750	$164,750	$164,750
Accrued items	27,050	17,258	7,733
Profit and loss	41,894	89,385	98,685
Total	.....	.....	.....

*No par value.

Officers: Presidency vacant; Arthur W. Clapp, Treas., Framingham Mass.; James F. Bacon, Sec., Boston.

Trustees: Chas. Hayden, N. W. Jordan, Guy K. Dustin, Frank B. Cutter, P. W. Sprague, Eugene H. Mather, George A. Butman, E. E. Foye, James F. Bacon, Guy W. Cox, Boston; C. C. Pierce, Brookline, Mass.; Morgan Butler, Dedham, Mass.; L. D. Peavey, Babson Park, Mass.

General Office, Framingham, Mass.

BOSTON, WORCESTER & NEW YORK STREET RAILWAY COMPANY

History and Property—Incorp. Nov. 2, 1927, in Mass. Owns and operates a double-track trunk line between Boston and Worcester, a large part of which is over private right of way. Franchises perpetual. Total track owned 83.03 miles, owned and operated 83.619 miles. Gauge standard. Rails, 75 lb. T. Motor passenger cars, open, 23; closed, 51; other service cars, 25; snow plows, 8. Auxiliary bus operation in towns of Brookline, Hudson, Southboro, Natick, Wellesley, Framingham and Marlboro. Company also operates under lease from Boston, Worcester & New York Transportation Company a high speed de luxe motor coach service between Boston and Worcester over the Boston Post Road. Present Company commenced operations December 3, 1927, acquiring at foreclosure sale property and franchises formerly owned by Boston & Worcester Street Railway. Foreclosure sale and organization of new company is consummation of Plan dated March 24, 1927, formulated by Committee acting under Deposit Agreement dated July 15, 1925, representing Boston & Worcester Street Railway Company First Mortgage 20-Year Gold 4½% bonds (outlined in the 1927 Public Utility Manual, pages 1732 and 1733), depositing bondholders receiving (without assessment) for each $1,000 4½% bond of old company, $300 par value in 5% Reorganization bonds, $300 par value in 6% Preferred stock and $400 par value in Common stock of new Company. New Company also sold for cash $252,000 7% First Mortgage bonds to meet charges of foreclosure and to provide for working capital.

CAPITAL STOCK

Authorized and outstanding, Dec. 31, 1927, $1,260,000 Common and $756,000 6% Preferred; par $100. $10,000 7% Prior Preference stock issued and held in Treasury. All classes of stock have equal voting rights, and were issued pursuant to the terms of the Reorganization Plan outlined on page 1732 of the 1927 Manual.

Prior Preference Stock Provisions—This stock according to the tentative provisions as enumerated in the Plan of Reorganziation is entitlted to cumulative dividends at the rate of 7% per annum, payable quarterly F, M, A & N 1, from the net earnings of the Company, before payment of that part of the interest upon the Reorganization bonds, which as provided therein may be deferred. It is subject to call at $110 per share and accrued dividends. Has equal voting rights share for share with Preferred and Common stocks.

Preferred Stock Provisions—Shall be entitled to dividends at the rate of 6% per annum payable quarterly F, M, A & N 1, from the net earnings of the Company, but only after payment of the deferred interest on the Reorganziation bonds, if any. The dividends shall not be cumulative before June 1, 1933, but shall become cumulative then and thereafter, if and when, the postponed interest on the Reorganization bonds has been paid or waived in full. Pfd. stock is callable at $100 per share plus accrued and unpaid dividends. Has equal voting rights share for share with Prior Preference and Common stock.

Annual Meeting—Fourth Tuesday in October.

Dividends—None paid.

FUNDED DEBT

(1)

$252,000 7% FIRST MORTGAGE BONDS, SERIES "A"; DUE NOVEMBER 15, 1947

Dated Nov. 15, 1927.

Interest Payeble May and November 15, at Old Colony Trust Co., Boston, Trustee.

Authorized, $1,550,000; outstanding $252,000 Series "A" 7s. Issued pursuant to the terms of the Reorganization Plan to raise new money. Additional bonds may be issued from time to time up to 100% of the cost of permanent additions, improvements and expenses, without earnings requirements until the aggregate par value thereof at the time outstanding, plus the par value of all other bonds outstanding, is equal to the amount of capital stock issued under the Plan, and thereafter up to 50% of such cost. Secured by a first mortgage on all property and franchises of company.

Callability—Subject to call in whole or in part on any interest date on 30 days' notice at 100 and interest.

Security—Secured by direct first mortgage on all property.

Tax Provision—Company does not pay Normal Federal Income Tax.

(2)

$756,000 5% REORGANIZATION MORTGAGE BONDS; DUE NOVEMBER 15, 1947

Dated Nov. 15, 1927.

Interest Payable semi-annually at the rate of 5% per annum, of which 5% during the first 2 years, 3% during the third and fourth years, and 1½% during the fifth and sixth years, shall be deferred and not become due and payable until after all accrued and unpaid dividends shall have been paid on Prior Preference stock out of the net earnings of the Company, and until the net earnings of the Company are in the opinion of the directors sufficient to justify such interest payment, provided that the obligations to pay any part of the interest which is payable only if earned from time to time be waived with the approval of 80% of the Reorganization bonds at the time outstanding. No dividends shall be paid, except on Prior Preference stock, if any, until all such postponed interest has been paid or waived in full.

Trustee—First National Bank, Boston.

Provisions of Issue—Authorized and outstanding, $756,000.

Callability—Subject to call as a whole or in part at par and accrued (including any deferred but not waived interest).

Security—Secured by a second mortgage on all property and franchises of Company.

Tax Provision—Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Predecessor Company)

	¶Dec. 3 to Dec. 31, 1927,	‡1926	†1925	1924	1923	1922
Gross earnings	$66,715	$951,899	$796,209	$1,022,946	$1,164,556	$1,105,497
Operating expenses	68,091	926,108	788,373	904,197	968,909	859,940
Depreciation	.....	32,037	15,390	12,000	12,000	12,000
Net earnings	*$1,376	*$6,246	*$7,554	$106,749	$183,647	$233,557
Taxes	1,615	24,589	18,681	37,545	37,815	35,688
Interest charges	219	5,283	222	138,086	139,335	145,562
Total charges	$1,834	$29,872	$18,903	$175,631	$177,150	$181,250
Surplus for year	*$3,209	*$36,118	*$26,457	*$68,882	$6,497	$52,307
Times All Interest Earned	Nil	Nil	Nil	0.50	1.05	1.36
Earnings Per Share (Preferred)	Nil	Nil	Nil	Nil	$1.43	$11.44

*Deficit. †Operations from Jan. 1, to Feb. 10, 1025 (date of receivership) resulted in deficit of $14,636; above figures are from Feb. 11 to Dec. 31, 1925. ‡Receiver's Income Account. ¶New Co. The Receivers' income account for period Jan. 1, 1927 to Dec. 3, 1927, not available at April 24, 1928.

GENERAL BALANCE SHEET, JANUARY 1, 1928

Assets—		Liabilities—	
Property investment	$3,038,255	Common stock	$1,260,000
Stock of affiliated co.	39,730	Prior Preference stock	10,000
Materials and supplies	565	Preferred stock	756,000
Cash	121,037	Funded debt	1,008,000
Accounts receivable	6,128	Accounts payable	24,583
Discount on bonds	1,103	Unadjusted credits	142,693
Discount on stock	1,155	Surplus	9,021
Other unadjusted debits	2,323		
Total	$3,210,296	Total	$3,210,296

Officers: W. E. McGregor, Pres.; H. B. Rising, V-P.; C. B. Buchanan, Acting Gen. Mgr.; Arthur W. Clapp, Acting Treas., Framingham, Mass.

Directors: W. E. McGregor, Chairman, Newton, Mass.; Jere A. Downs, Winchester, Mass.; F. A. McKowne, New York; Roger W. Babson, Paul T. Babson, Isaac Sprague, Wellesley, Mass.; Frank D. True, Portland, Me.; Henry B. Rising, Newton, Mass.

General Office, 50 Federal St., Boston, Mass.

UNITED FUEL INVESTMENTS, LIMITED

History—Incorporated in Canada for the purpose of acquiring interest in public utility and other enterprises. Company has acquired substantially all of the capital stock of Hamilton By-Product Coke Ovens, Ltd. (see Industrial Volume) and over 90% of the capital stock of United Gas & Fuel Company of Hamilton, Ltd. (see appended statement).

CAPITAL STOCK

Authorized, 250,000 shares Common of no par value and $25,000,000 6% cumulative Pfd., par $100; outstanding, 100,000 shares Common and $9,000,000 Pfd.

Preferred Stock Provisions—Pfd. stock has preference for assets and dividends and is subject to redemption as a whole or in part on any dividend date at $110 per share and accrued dividends on 60 days' notice.

Transfer Agent—National Trust Co., Ltd., Toronto and Montreal.

Registrar—Canadian Bank of Commerce, Toronto and Montreal.

Original Offering—First publicly offered ($9,000,000 Pfd.) in April, 1928, at $100 per share and accrued dividend, each ten shares of Pfd. stock carrying a bonus of 3 shares of Common, fractions to be adjusted at $20 per share, by Dominion Securities Corp., Ltd., Montreal.

Legal Opinion—Blake, Lash, Anglin & Cassels, Toronto.

Dividends—Pfd. dividends are payable quarterly, J, A, J & O 1.

FUNDED DEBT

None.

Officer: Aubrey L. Fullerton, Pres.

Directors: Aubrey L. Fullerton, A. F. White, Geo. R. Cottrelle, Geo. E. Cassels, A. T. Leavitt.

UNITED GAS & FUEL COMPANY OF HAMILTON, LIMITED

(Controlled by United Fuel Investments, Ltd.)

History and Properties—Incorporated Nov. 23, 1903, in Ontario, as Ontario Pipe Line Co. (see Manual for 1913, page 3433); name changed to above title in Dec., 1913, at which time the entire physical assets of the Hamilton Gas Light Co. (see Manual for 1913, page 1953) were purchased. Property consists of an artificial coal and water gas plant of between 3,000,000 and 4,000,000 cu. ft. capacity per day located in Hamilton, Ont.; together with 458.7 miles of street mains, with 28,000 services and 24,000 meters installed, and gas holder of 6,000,000 cu. ft. capacity. A contract has been made with the Hamilton By-Products Coke Oven Co., for its output of gas; also under certain conditions an option to purchase the Coke Oven Company should the situation warrant its acquisition by the Gas Company and receive the approval of the Trustees. Prices: Artificial, $1.20 net. Population served, about 120,000. Sales in 1926, 1,023,000,000 cu. ft., compared with 1,010,000,000 cu. ft. in 1925.

CAPITAL STOCK

Authorized and outstanding, $2,000,000; par, $100. Capital stock was increased from $1,000,000 and par value of the shares changed from $1 in 1923. Annual meeting, first Saturday in February.

Dividends—6% each were paid in 1919, 1920, 1921, 1922, and 1923 on $1,000,000 capital; 1924, 1925 and 1926, 3% each on $2,000,000 capital.

FUNDED DEBT

(1)

$1,880,000 FIRST MORTGAGE SINKING FUND GOLD 6s; DUE JANUARY 1, 1943

Dated January 1, 1923.

Interest Payable January and July 1, at Central Trust Co. of Illinois, Chicago, or at option of the holder at the Exchange National Bank of the City of New York, or at the Home Bank of Canada, Toronto or Montreal, in gold coin of the U. S. of America.

Denominations—$100, $500, $1,000 and $5,000; principal may be registered.

Trustees—Central Trust Co. of Illinois, Chicago, and H. J. Daly, Toronto.

Provisions of Issue—Authorized, $5,000,000. Additional bonds aggregating not exceeding $3,120,000 may be issued from time to time to the extent of 80% of the actual and reasonable cost of permanent extensions, improvements and acquisitions to the property of the Company made or acquired subsequent to Dec. 31, 1922, and then only when net earnings for 12 consecutive months out of 14 months immediately preceding the issuance of such bonds, shall have been twice interest requirement on bonds outstanding and proposed to be issued. All such extensions, improvements and acquisitions must be covered by the first mortgage lien of the mortgage securing the present bond issue.

Callability—Subject to call on any interest date on 30 days' notice at 105 and interest to and including July 1, 1927, thereafter to and including July 1, 1931, at 104 and interest; thereafter to and including July 1, 1934, at 103 and interest; thereafter to and including July 1, 1937, at 102 and interest; thereafter to maturity at 101 and interest.

Sinking Fund—2½% of the par value of bonds outstanding at the date of sinking fund payment; the first payment to be made on Nov. 1, 1924, and to consist of either cash or bonds of the present issue calculated at their then redemption value. Any cash deposit shall be used either for such improvements as would form the basis for the issuance of escrow bonds or for the redemption either by purchase in the open market or call by lot of bonds of the present issue.

Security—Secured by first mortgage upon the entire property of Company.

Tax Provisions—Interest paid without deduction for any tax or governmental charge which the Company or any paying agent or the Trustees under the indenture may be required or permitted to pay thereon or to deduct or retain therefrom under any present or future law of the United States of America or of the Dominion of Canada, or of any Province, State, county or municipality or other taxing authority in either the United States of America or the Dominion of Canada, except inheritance or succession taxes and except such portion of any United States income tax in respect of such interest as shall be in excess of 2%.

Legal Opinion—Chapman, Cutler & Parker, Chicago, Ill.

Original Offering—First publicly offered ($1,880,000) in Dec., 1922, at 99 and interest, by the Central Trust Co. of Illinois and Powell, Garard & Co., Chicago, and A. C. Allyn & Co., New York, Chicago, etc.

GUARANTEED BONDS

(2)

$1,690,000 THE HAMILTON BY-PRODUCTS COKE OVENS, LTD. FIRST MORTGAGE SINKING FUND GOLD 7s; DUE FEBRUARY 1, 1943

Dated February 1, 1923.

Interest Payable February and August 1, at Central Trust Co. of Illinois, Chicago, Chase National Bank, New York, and in Toronto and Montreal. Principal and interest payable in U. S. gold coin.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Central Trust Co. of Illinois, Chicago, and H. J. Daly, Toronto.

Provisions of Issue—Authorized issue, $3,500,000. The issuance of escrow bonds is limited to 60% of the actual and reasonable cost of permanent extension, improvements and acquisitions, and then only when net earnings of the Company for twelve consecutive months during the fourteen months preceding the issuance of the bonds have been at the rate of at least 2½ times interest requirements upon bonds outstanding and proposed to be issued.

Callability—Subject to call on any interest date at 100 and accrued interest plus the following premiums: Up to and including Feb. 1, 1928, 5%; thereafter to Feb. 1, 1931, 4%; thereafter to Feb. 1, 1934, 3%; thereafter to Aug. 1, 1937, 2%, and thereafter to Aug. 1, 1942, 1%.

Sinking Fund—An annual sinking fund payable on Dec. 1, begins Dec. 1, 1928, equivalent to 6% of the aggregate principal of bonds at any time authenticated under the trust indenture. The sinking fund is payable in cash or bonds at the then redemption price; or deposited for redeemed bonds to be cancelled.

Security—The Coke Company owns a 35-acre site adjacent to the plant of the United Gas & Fuel Co. of Hamilton, Ltd., upon which it has constructed a modern by-products gas and coke oven plant, with an original insallation of 25 ovens of a maximum daily capacity of 6,564,000 cu. ft. of gas and an approximate annual output of 93,040 tons of coke. Contracts have been let for the construction of an additional unit of 35 ovens to be in operation by Oct. 1, 1926. Total output, 350,000 tons of coke per year; daily output of gas, 10,000,000 cu. ft. The bonds will be secured by first mortgage upon the real estate and plant.

The Company has entered into a twenty-year contract with the United Gas & Fuel Co. of Hamilton, Ltd., for the sale of its entire output of gas. This contract has been assigned to the trustee as additional security for the bond issue and is not subject to multiplication except with the consent of the trustee.

Guaranty—The bonds are unconditionally guaranteed as to principal and interest by the United Gas & Fuel Co. of Hamilton, Ltd., which likewise guarantees completion of the plant free and clear of liens.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($1,690,000) in March, 1923, at 100 and accrued interest, by Central Trust Co. of Illinois and Powell, Garard & Co., Chicago, and A. C. Allyn & Co., New York, etc.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
Gross income	$1,055,866	$1,047,154	$1,062,789	$1,102,178	.....	.....
Less cost of gas purchased, material used, and manufacturing expense	539,634	534,951	575,673	624,560	.....	.....
Gross earnings	$516,232	$512,203	$487,116	$477,618	$428,464	$330,382
General expense, City taxes, etc.	132,168	156,526	131,676	117,777	101,953	88,298
Net earnings	$384,064	$355,677	$355,439	$359,841	$326,511	$242,084
Bond and other interest	112,834	112,979	114,011	113,898	104,243	76,043
Sundry adjustments	408	234	1,138	323	1,393	33
Total deductions	$113,242	$113,213	$115,149	$114,221	$105,636	$76,076
Balance for dividends	$270,822	$242,464	$240,290	$245,620	$220,875	$166,008
Dividends paid	60,000	60,000	60,000	60,000	60,000	60,000
Surplus for year	$210,822	$182,464	$180,290	$185,620	$160,875	$106,008
Times Interest Earned	3.40	3.15	3.12	3.16	3.12	3.18
Earnings Per Share	†$13.54	†$12.12	†$12.01	†$12.28	*$0.22	*$0.17

†Par, $100. *Par, $1.

GENERAL BALANCE SHEET, DECEMBER 31

	(Latest Available) 1926	1925	1924	1923	1922	1921
Assets—						
Property and plant	$4,208,411	$4,177,812	$4,117,757	$4,057,679	$3,929,380	$3,195,590
Bonds and securities	151,781	.....	.....	.....	.....	60,379
Materials and supplies	20,198	29,901	25,135	17,402	43,572	33,554
Cash	363,707	388,452	301,475	271,282	201,631	120,168
Accounts receivable	96,978	105,662	100,202	123,187	124,508	102,833
Bond discount	135,395	146,675	157,955	169,235	90,855	133,050
Total	$4,976,470	$4,848,502	$4,702,524	$4,638,785	$4,389,946	$3,645,574
Liabilities—						
Capital stock	$2,000,000	$2,000,000	$2,000,000	$2,000,000	*$2,000,000	$1,000,000
Funded debt	1,880,000	1,880,000	1,880,000	1,880,000	1,747,500	1,590,000
Accounts payable, etc.	86,515	80,312	73,841	113,408	76,399	156,873
Depreciation reserve	689,924	598,037	452,353	367,182	292,203	353,207
Surplus	320,031	290,153	296,330	278,195	273,844	545,494
Total	$4,976,470	$4,848,502	$4,702,524	$4,638,785	$4,389,946	$3,645,574

* Of which $1,000,000 unissued.

Officers: P. V. Byrnes, Pres., Treas., Pur. Agt. & Gen. Mgr., Hamilton, Ont.; F. A. Brevillier, V-P. & Sec., Erie, Pa.; J. F. Richter, Asst. Sec., Hamilton, Ont.

Directors: P. V. Byrnes, John T. Byrnes, J. F. Richter, Hamilton, Ont.; F. A. Brevillier, A. W. Brevillier, E. G. Germer, Erie, Pa.; A. Byrnes, Wellsville, N. Y.

General Office, Hamilton, Ont.

EMPIRE POWER CORPORATION

(See Accompanying Map)

History—Incorporated Nov. 1, 1924 in New York. On Jan. 27, 1925 merged The Empire Coke Company. Corporation owns all the Common stock of New York Central Electric Corporation (acquired Jan. 27, 1925), and over 97% of the Common stock of The United Gas and Electric Corporation. The New York Central Electric Corp. owns the entire Common stock of Empire Gas and Electric Company. The United Gas and Electric Corp. controls Lockport Light, Heat and Power Company and Elmira Water, Light and Railroad Company. Control of The United Gas and Electric Corp. was acquired in Feb., 1926 through an exchange of shares on the following basis: Two shares of Participating stock of Empire Power Corp. was issued for one share of Common stock of The United Gas and Electric Corp. Stockholders of the latter Company also received the option of $63 in cash for each share.

The Empire Power Corp., either directly or through subsidiaries serves 70 communities with electric light and power and 15 communities with gas in the central part of New York, the principal communities so supplied being Lockport, Auburn, Geneva, Elmira, Newark, Seneca Falls, Dansville, Lyons, Corning, Hornell, Perry, Penn Yan and Warsaw. The Corporation also supplies electric railway service in Elmira and vicinity, and steam heating service in Lockport and Hornell. The total population served is in excess of 500,000.

CAPITAL STOCK

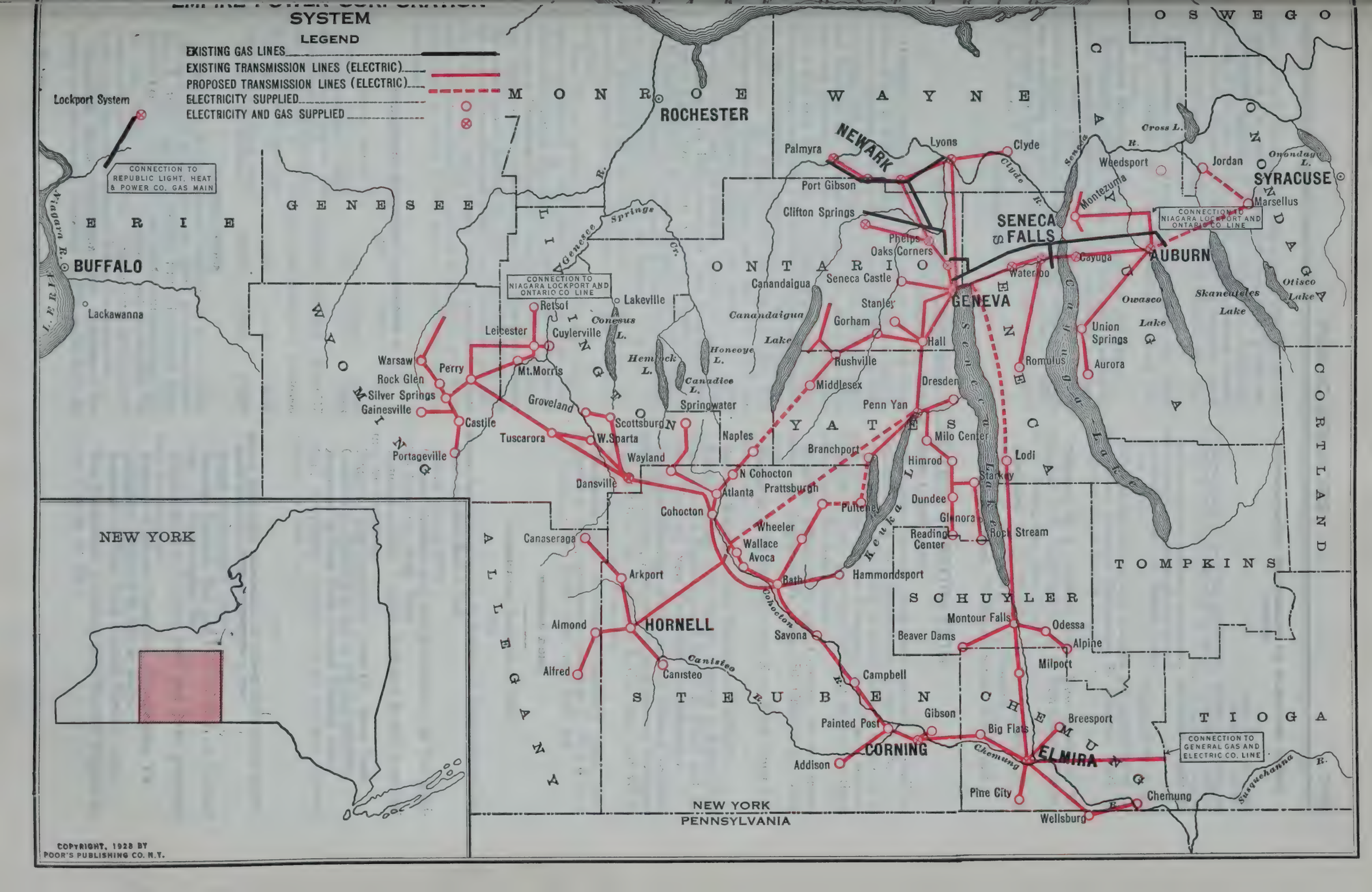
Authorized, 600,000 shares Participating stock of no par value, 600,000 shares Common stock of no par value and 100,000 shares $6 cumulative Preferred of no par value; outstanding, 400,000 shares Participating, 400,000 shares Common and 74,000 shares Preferred. Authorized stock was increased from 250,000 shares Common of no par value and 25,000 shares 7% cumulative Preferred of $100 par value, Feb. 1, 1926. Participating stock has a preference over Common, of $2.25 per share (cumulative) and in liquidation a preference over Common of $40 a share and dividends.

Preferred Stock Provisions—Has preference for assets and dividends over the Participating and Common stocks. It is subject to redemption as a whole or in part, after Jan. 1, 1929, on any dividend payment date at $110 per share and accrued dividends. No stock having superior preferences to the $6 cumulative Preferred stock shall be authorized unless holders of a majority of outstanding $6 cumulative Preferred stock shall consent thereto, and no funded debt shall be authorized either directly or by the guarantee of obligations of another corporation, unless holders of a majority of all the then outstanding shares of stock of all classes shall consent thereto.

Tax Provisions—Company pays Pennsylvania and Connecticut personal property taxes, not exceeding 4 mills per annum, and Massachusetts Income tax, not exceeding 6% per annum, refunded upon application within 30 days.

Legal Opinion—Seibert & Riggs, New York (for the bankers) and Henry R. Frost and Elmer B. Sanford, New York (for the Corporation).

Original Offering—Preferred stock was first publicly offered (74,000 shares) in February, 1926, at 93½


SYSTEM
LEGEND
EXISTING GAS LINES
EXISTING TRANSMISSION LINES (ELECTRIC)
PROPOSED TRANSMISSION LINES (ELECTRIC)
ELECTRICITY SUPPLIED
ELECTRICITY AND GAS SUPPLIED
Lockport System
CONNECTION TO REPUBLIC LIGHT, HEAT & POWER CO. GAS MAIN
CONNECTION TO NIAGARA LOCKPORT AND ONTARIO CO LINE
CONNECTION TO NIAGARA LOCKPORT AND ONTARIO CO. LINE
CONNECTION TO GENERAL GAS AND ELECTRIC CO. LINE
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TOMPKINS
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CHEMUNG
STEUBEN
ALLEGANY
TIOGA
BUFFALO
ROCHESTER
NEWARK
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AUBURN
SYRACUSE
GENEVA
HORNELL
CORNING
ELMIRA
Niagara R.
Lackawanna
Lakeville
Retsof
Leicester
Cuylerville
Conesus L.
Genesee R.
Genesee Springs Cr.
Warsaw
Perry
Rock Glen
Silver Springs
Gainesville
Castile
Portageville
Mt.Morris
Hemlock L.
Honeoye L.
Canadice L.
Springwater
Groveland
Scottsburg
W.Sparta
Tuscarora
Naples
Dansville
Wayland
Palmyra
Port Gibson
Clifton Springs
Phelps
Oaks Corners
Lyons
Clyde
Clyde R.
Seneca R.
Cross L.
Weedsport
Montezuma
Jordan
Onondaga L.
Marsellus
Otisco Lake
Skaneateles Lake
Owasco Lake
Cayuga Lake
Seneca Lake
Waterloo
Seneca Castle
Canandaigua
Canandaigua Lake
Stanley
Gorham
Hall
Rushville
Middlesex
Penn Yan
Dresden
Milo Center
Himrod
Branchport
Lodi
Starkey
Dundee
Glenora
Reading Center
Rock Stream
Romulus
Union Springs
Aurora
N Cohocton
Atlanta
Prattsburgh
Cohocton
Wheeler
Wallace
Avoca
Bath
Hammondsport
Keuka L.
Canaseraga
Arkport
Almond
Alfred
Canisteo
Canisteo R.
Cohocton R.
Savona
Campbell
Painted Post
Gibson
Addison
Montour Falls
Beaver Dams
Odessa
Alpine
Milport
Big Flats
Breesport
Pine City
Chemung
Chemung R.
Susquehanna R.
Wellsburg

ALLEGANY
CATTARAUGUS
ERIE
GENESEE
LIVINGSTON
MONROE
NIAGARA
ONTARIO
ORLEANS
SENECA
STEUBEN
WYOMING
YATES
NEW YORK
Olean
Salamanca
Hornell
Corning
Dansville
Geneva
Canandaigua
Rochester
Batavia
Lockport
Niagara Falls
Buffalo
Tonawanda
North Tonawanda
Medina
Albion
Brockport
Fairport
Newark
Palmyra
Wolcott
Sodus
Williamson
Webster
Irondequoit
Greece
Gates
Chili
Pittsford
Perinton
Victor
Mendon
Honeoye Falls
Avon
Geneseo
Mount Morris
Nunda
Dalton
Portage
Wayland
Cohocton
Bath
Addison
Painted Post
Campbell
Hammondsport
Wayne
Penn Yan
Dundee
Watkins Glen
Montour Falls
Elmira
Horseheads
Big Flats
Chemung
Wellsville
Belmont
Angelica
Friendship
Scio
Alfred
Almond
Canisteo
Hornellsville
Arkport
Naples
Bristol
Canadice
Springwater
Conesus
Groveland
Sparta
Leicester
Caledonia
Mount Morris
Avon
Geneseo
Livonia
Lima
Victor
Mendon
Honeoye Falls
Pittsford
Perinton
Fairport
Brockport
Gates
Chili
Greece
Irondequoit
Webster
Sodus
Williamson
Wolcott
Palmyra
Newark
Lyons
Clyde
Savannah
Rose
Junius
Waterloo
Seneca Falls
Auburn
Owasco Lake
Skaneateles
Marcellus
Otisco Lake
Onondaga Lake
Syracuse
Baldwinsville
Elbridge
Camillus
Van Buren
Geddes
Solvay
Onondaga
Tully
Fabius
Pompey
Manlius
Jamesville
DeWitt
Fayetteville
Manlius
Cazenovia
Lincoln
Smithfield
Canastota
Oneida
Verona
Vernon
Sullivan
Chittenango
Cicero
Clay
Salina
Lysander
Van Buren
Camillus
Elbridge
Skaneateles
Marcellus
Otisco
Tully
Pompey
Fabius
Manlius
DeWitt
Fayetteville
Cazenovia
Lincoln
Smithfield
Canastota
Oneida
Verona
Vernon
Sullivan
Chittenango
Cicero
Clay
Salina
Lysander
Geddes
Solvay
Onondaga
Jamesville
Tully
Fabius
Pompey
Manlius
DeWitt
Fayetteville
Cazenovia
Lincoln
Smithfield
Canastota
Oneida
Verona
Vernon
Sullivan
Chittenango
Cicero
Clay
Salina
Lysander
Van Buren
Camillus
Elbridge
Skaneateles
Marcellus
Otisco
Onondaga Lake
Syracuse
Baldwinsville

and accrued dividend, to yield over 6.40%, by W. C. Langley & Co., and Bonbright & Co., New York, etc.

Transfer Agents—Pfd.; The American Exchange Irving Trust Co., New York. Participating stock: New York Trust Co., New York. Common stock transferred at Company's office, 50 Church St., New York.

Registrars—Pfd.: The New York Trust Co., New York. Participating: The Manufacturers Trust Co., New York.

Annual Meeting—First Thursday in February.

Dividends—Pfd. dividends regularly paid quarterly; initial quarterly dividend of $1.50 per share was paid April 1, 1926; payments J, A, J & O 1. On Participating stock, initial dividend of 40 cents per share was paid July 10, 1926; Oct. 1, 1926 to Oct. 1, 1927, 50 cents per share quarterly; none since. Payments J, A, J & O 1.

FUNDED DEBT

None.

CONSOLIDATED STATEMENT OF EARNINGS, YEARS ENDED

	Dec. 31, 1926	Nov. 30, 1925
Gross earnings of operating subsidiaries	$8,898,518	$9,506,108
Operating expenses, mainten. & taxes	5,768,984	6,137,721
Net earnings of operating subsidiaries	$3,129,534	$3,368,387
Net earnings (after retirement reserves) available for divds. on Empire Power Corp. stock	*$1,034,322	*$1,365,457

*After giving effect to new financing and acquisition of Lehigh Power Securities Corporation $6 Preferred Stock by The United Gas & Electric Corp.

Officers: E. L. Phillips, Pres., New York; G. W. Olmsted, V-P., Ludlow, Pa.; R. F. Van Doorn, Treas.; H. R. Frost, Sec., New York.

Directors: E. L. Phillips, G. W. Olmsted, H. R. Frost, R. F. Van Doorn, E. B. Sanford.

Executive Office, 50 Church Street, New York.

NEW YORK CENTRAL ELECTRIC CORPORATION

(Controlled by Empire Power Corporation)

History—Incorporated under the laws of New York State, Dec. 2, 1921, as the Wyoming Electric Corporation. Present name adopted Nov. 2, 1922. In 1924 absorbed The Perry Electric Light Co., Warsaw Gas and Electric Co., Hornell Electric Co., The Dansville Gas and Electric Co., Wayne Power Co., Yates Electric Light and Power Co., Corning Light and Power Corporation, (see 1924 Public Utility Manual, or apply to our Information Department), The Canaseraga Electric Co., Inc., Distributors' Electric Co., Inc., and Springwater Electric Light Co., Inc. In 1925 absorbed the Addison Electric and Power Co., Aulls Electric Corp. and the electric system of the Village of Arkport. In 1926 absorbed the Hammondsport Electric Light Co., Penn Yan Gas Light Co., (see 1926 Public Utility Manual, or apply to our Information Department) A. Cornwell & Sons, Inc., and electric system of the Village of Savona. On Jan. 27, 1925, acquired all of the Common stock of the Empire Gas and Electric Company (see statement appended).

New York Central Electric Corporation supplies territory located in the central part of New York State, furnishing the entire electric light and power service in Corning, Hornell, Dansville, Perry, Warsaw and many other communities; the principal electric light and power service in Penn Yan; the entire gas service in Dansville and Penn Yan; also some gas service in Corning and a steam heating service in Hornell. All franchises, in opinion of counsel, are either perpetual or, with a few minor exceptions, of long duration.

OPERATING STATISTICS, DECEMBER 31

	1927	1926	1925
No. of electric meters in service	21,832	19,809	17,335
No. of gas meters in service	1,919	1,931	1,093
Elec. output (general and purchased) k.w.h.	25,396,656	22,226,648	20,169,717
Gas output (produced and purchased) cu. ft.	92,830,000	105,381,000	90,246,000
Elec. generating plant capacity k.w.h.	5,207	4,732	4,757
Gas producing plant capacity cu. ft. per 24 hours	580,000	500,000	375,000

CAPITAL STOCK

Authorized, 200,000 shares Common of no par value (changed from $2,000,000, par, $100, by stockholders Dec. 5, 1927) and $10,000,000 Pfd. (increased from $5,000,000 Feb. 23, 1928), par, $100; outstanding, Dec. 31, 1927, 20,000 shares Common and $4,663,200 7% cumulated non-voting Pfd. Entire outstanding Common stock owned by Empire Power Corporation.

Preferred Stock Provisions—Has preference for assets and dividends. Holders of Pfd. stock have no voting power except upon such matters as shall be required by the laws of the State of New York.

Callability—Pfd. stock is redeemable in whole or in part at option of the Company at 110 and accrued dividends on any quarterly dividend date after three years from the issue thereof.

Transfer Office—Pfd. and Common stocks transferred at Corporation's office, 50 Church St., New York.

Registrar (Pfd. Stock)—The New York Trust Co., New York.

Annual Meeting—First Tuesday in February.

Legal Opinion (Pfd. Stock)—Seibert & Riggs, New York (for the Bankers), and Henry R. Frost and Elmer B. Sanford, New York (for the Company).

Original Offering—First publicly offered ($2,000,000 Pfd.) in Oct., 1924, at 97½ and accrued dividends to yield 7.18%, by Bonbright & Co., Inc., and W. C. Langley & Co., New York, etc.

Dividends—Pfd. dividends regularly paid since issuance in 1924; payments quarterly, J, A, J & O 1. On Common, par, $100: 1926, 4%; 1927, 8%.

FUNDED DEBT

(Outstanding December 31, 1927)

(1)

$32,500 DANSVILLE GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1930

Dated May 1, 1900.

Interest Payable May and November 1, at The Equitable Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Equitable Trust Co., New York.

Callability—Subject to call at 105 and interest.

Assumed by New York Central Electric Corp.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(2)

$55,700 HORNELL ELECTRIC CO. FIRST REFUNDING MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1943

Dated November 1, 1913.

Interest Payable May and November 1, at Colonial Trust Co., Philadelphia, Pa.

Denominations—Coupon, $100 and $500; principal may be registered.

Trustee—Colonial Trust Co., Philadelphia, Pa.

Callability—Subject to call at 102½.

Assumed by New York Central Electric Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$3,284,500 NEW YORK CENTRAL ELECTRIC CORP. FIRST MORTGAGE GOLD BONDS, 5½%, SERIES OF 1950; DUE MARCH 1, 1950

$500,000 NEW YORK CENTRAL ELECTRIC CORP. FIRST MORTGAGE GOLD BONDS, 5%, SERIES OF 1952; DUE JULY 1, 1952; CALLED FOR PAYMENT JULY 1, 1928, AT 105 AND INTEREST

Dated, Series of 1950, March 1, 1924; Series of 1952, July 1, 1926.

Interest Payable March and September 1, on Series of 1950 and January and July 1, on Series of 1952, at New York Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable and registerable as to principal; fully registered and coupon bonds of the denomination of $1,000 interchangeable.

Trustee—New York Trust Co., New York.

Provisions of Issue—Additional bonds of either of the series outstanding or of any other series, having such rates of interest, maturity dates and other provisions as the Directors may determine, may be issued (a) up to 75% of the cost or fair value to the Corporation, whichever is less, of properties acquired in their entirety, and (b) up to 75% of the cost or fair value, whichever is less, of betterments, extensions, or additions to the plants and properties of the Corporation, less the total principal amount of any liens outstanding thereon, at the time of acquisition, provided in either case that the net earnings of the Corporation, for twelve consecutive months within the fifteen months next preceding such issue are at least twice the annual interest charges on all bonds outstanding under the indenture, including bonds proposed to be issued, and on all underlying bonds as defined in the indenture. Additional bonds also may be issued par for par to refund bonds of any other series, or to refund underlying bonds as defined in the indenture.

Subject to the above earnings restrictions, the Corporation may issue bonds against the deposit with the Trustee of an equal amount of cash or equal par value of the obligations of the United States Government.

Callability—5½% Series of 1950 subject to call in whole or in part on any interest date on at least 30 days' published notice at 106% on or prior to March 1, 1928; and at 1% less during each period of four consecutive years thereafter up to and including March 1, 1948; and at 100% thereafter to maturity, plus accrued interest in each case. 5% Series of 1952 subject to call in whole or in part on any interest date on at least 30 days' published notice at 105% on or prior to July 1, 1930; and at 1% less during each period of five consecutive years thereafter up to and including July 1, 1950 and at 100% thereafter to maturity, plus accrued interest in each case.

Improvement Fund—The Corporation covenants that it will deposit cash in a special trust fund with the Trustee, annually on Jan. 15 of each year, beginning Jan. 15, 1928, and continuing thereafter during the life of the indenture, in an amount equal to 1% of the aggregate par value of all bonds of the Corporation issued under the indenture prior to the third calendar year next preceding the date of such payment and then outstanding. This fund shall be known as the "Improvement Fund." Cash in this fund may be used only for the purpose of paying for permanent betterments, extensions and additions to the plants, properties and equipment of the Corporation. These expenditures shall not be used to form a basis for the issuance of First Mortgage bonds, or underlying bonds.

Security—The mortgage securing these bonds is a direct first mortgage on the entire property of the Corporation (except stocks, bonds, and other securities owned, and except consumable and/or sale materials and supplies) owned at the date of the indenture, and upon betterments, extensions and additions thereto, and upon properties subsequently acquired in their entirety subject only to underlying bonds on such properties outstanding at the time of their acquisition.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to refund the Pennsylvania and Connecticut Personal property taxes, legally assessed against and paid by the holder, not exceeding four mills per annum in either State, upon application within 30 days after such payment by the holder thereof.

Original Offerings—First publicly offered ($1,500,000 5½% Series of 1950) in April, 1924, at 95 and interest, yielding about 5⅞%, by the Manufacturers Trust Co., New York.

Manufacturers Trust Co., New York, has also publicly offered the following additional amounts of these bonds: In August, 1924, $600,000 at 97 and interest yielding over 5.70%; in February, 1925, $500,000; in April, 1926, $500,000 at 101 and interest to yield over 5.40%. The same bankers also offered $500,000 5% Series of 1952 in August, 1927.

REAL ESTATE MORTGAGES

$12,625 Real Estate Mortgages were outstanding Dec. 31, 1927.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
*Gross earnings	$1,655,047	$1,595,271	$1,367,850
Operating expenses, maint. & taxes	908,029	903,214	775,970
Net earnings	$747,018	$692,057	$591,880
Interest charges	260,012	237,344	216,988
Amortization, etc.	79,484	58,195	65,222
Surplus for year	$407,522	$396,518	$309,670

*Including dividend from Empire Gas and Electric Co.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$6,329,014	$6,357,133	$5,423,415
Investments	3,138,427	3,127,559	3,111,249
Cash	209,720	242,210	205,723
Accounts receivable	818,724	704,517	205,406
Int. and divds. receiv.	53,840	53,840	53,840
Special deposits	107,830	94,000	184,000
Materials and supplies	190,838	159,103	148,371
Prepayments	10,775	35,349	32,348
Miscell. temporary debits	1,634,429	1,318,413	1,293,484
Reacquired securities	150,800	148,400	146,200
Total	$12,644,397	$12,240,524	$10,804,036

Liabilities—	1927	1926	1925
Common stock	$2,000,000	$2,000,000	$1,951,000
Preferred stock	4,663,200	4,144,500	3,668,800
Preferred stock subscrips.	5,300	3,500	2,600
Funded debt	4,036,125	3,537,125	2,843,000
Bills & accts. payable	997,750	1,595,964	1,518,958
Consumers' deposits	54,160	46,742	37,184
Other liabilities	125,294	34,518	32,461
Accruals	162,261	234,269	174,546
Reserves	401,602	376,064	334,033
Corporate surplus	198,705	267,842	241,454
Total	$12,644,397	$12,240,524	$10,804,036

Officers: G. W. Olmsted, Pres., Ludlow, Pa.; E. L. Phillips, V-P.; R. F. Van Doorn, Treas.; H. R. Frost, Sec.; J. W. Little, Asst. Treas., New York.

Directors: G. W. Olmsted, Ludlow, Pa.; E. L. Phillips, R. F. Van Doorn, J. W. Little, H. R. Frost, Frank J. Stoltz, New York.

Executive Office, 50 Church St. New York.

EMPIRE GAS AND ELECTRIC COMPANY

(Controlled by New York Central Electric Corp.)

History and Properties—Incorporated April 12, 1911, in N. Y.; consolidation of the Auburn Gas Co., the Inter-Urban Gas Co., the Seneca Falls & Waterloo Gas Light Co. (see Manual for 1911, page 1750); the Auburn Subway & Electric Co., (see Manual for 1911, page 1369), and the Citizens Light &

Power Co. of Auburn. The Weedsport Electric Light Co. was merged in 1915, and the Central New York Gas & Electric Co., early in 1916. The Company on Nov. 1, 1920, purchased a coke plant from Empire Coke Co. In Aug., 1922, purchased the municipal electric plant plant from Village of Clifton Springs; in 1927 purchased the entire plants and properties of Seneca Power Corp. (see 1927 Manual, page 2336), Union Springs Light and Power Co. and Ledyard Lighting Co., Inc.

Company produces its own gas, distributing same in Geneva, Waterloo, Seneca Falls, Cayuga, Auburn, Phelps, Palmyra, Newark, Lyons and Clifton Springs. Does the entire gas and electric business in these cities, together with the entire electric business in Weedsport, Clyde, Union Springs and Aurora. Population served, 130,000.

Company's coke-oven plant at Geneva, N. Y., has capacity of 300 tons of coke and approximately 4,000,000 cu. ft. of illuminating gas per day. It also has a gas plant and an electric generating plant in Auburn, a gas plant at Newark, a steam electric generating plant at Geneva and a water power plant at Seneca Falls, and in addition purchases power under contract from the Niagara, Lockport & Ontario Power Co. Also operates the Tracy Development Co's Waterloo water power plant.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	1927	1926	1925
Number of elec. consumers	22,296	20,039	18,326
Elec. purchased (k.w.h.)	49,349,646	47,285,381	40,714,164
Elec. produced by hydro plants (k.w.h.)	18,296,820	14,911,100	14,043,440
Elec. gen. by steam (k.w.h.)		167,010	7,350
Output of elec. (k.w.h.)	67,646,466	62,363,491	54,764,954
Number of gas consumers	18,511	18,221	17,867
Output of gas (cu. ft.)	705,294,300	692,116,200	662,290,200

CAPITAL STOCK

Authorized, 50,000 shares Common and 50,000 shares Pfd., both of $100 par value; issued, $2,692,000 Common, $315,000 Series "A" 6% cumulative Pfd., $219,900 Series "B" 7½% cumulative Pfd., $1,381,600 Series "C" 7% cumulative Pfd., and $838,200 Series "D" 6% cumulative Pfd. The New York Central Electric Corp. acquired entire outstanding Common stock on Jan. 27, 1925. The Pfd. stock is designated as follows: 3,500 shares 6% cum. Pfd. stock Series "A"; 2,200 shares 7½% cum. Pfd. stock Series "B"; 14,300 shares 7% cum. Pfd. stock Series "C," and 30,000 shares to be designated at time of issuance with rates of dividend, etc., as decided upon by the Board of Directors.

Preferred Stock Provisions—The Series "A" 6% Pfd. stock has preference for assets and dividends over Common and is guaranteed by endorsement by the Empire Coke Co., which has been merged into the Empire Power Corp. The Series "B" 7½%, Series "C" 7% and Series "D" 6% Pfd. stocks have same preference as the Series "A" 6% Pfd. stock, but are not guaranteed by the Empire Coke Co.

Callability—Series "A" is subject to redemption as a whole or in part on 30 days' notice at 105. Series "B" is subject to redemption as a whole or in part on 30 days' notice at 103. Series "C" is not subject to redemption. Series "D" is subject to redemption as a whole or in part on not less than 30 days' nor more than 60 days' notice at 105.

Transfer Office—Geneva, N. Y.

Annual Meeting—Monday prior to third Tuesday in January.

Dividends—Preferred dividends are paid quarterly.

FUNDED DEBT

(1)

$2,669,000 EMPIRE COKE CO.-EMPIRE GAS & ELECTRIC CO. JOINT FIRST AND REFUNDING MORTGAGE GOLD 5s; DUE MARCH 1, 1941

Dated March 1, 1911.

Interest Payable March and September 1, at Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia.

Provisions of Issue—Authorized issue, $5,000,000; sufficient reserved to retire the undernoted prior liens; remainder issuable to cover 80% of the cost of additions and improvements, but only when net earnings for preceding year equal twice the interest charges on all bonds of this issue outstanding and those proposed to be issued, and also on underlying bonds. In addition to the amount shown as outstanding, $1,860,000 are pledged as collateral under the General & Refunding Gold 6s, Series "A."

Callability—Subject to call at 102 and interest on any interest date.

Betterment Fund—Annual betterment fund of 2% of outstanding bonds, in effect since March, 1912.

Security—A joint obligation of the Empire Gas & Electric Co. and the Empire Coke Co., which latter Company has been merged into the Empire Power Corp., and secured, subject to the prior liens described below, on the entire property, rights, franchises, etc., of both the Empire Gas & Electric Co. and the former Empire Coke Co.

Legal for Savings Banks in Maine.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$259,000 AUBURN GAS CO. CONSOLIDATED MORTGAGE GOLD 5s; DUE JUNE 1, 1930

Dated June 1, 1905.

Interest Payable June and December 1, at New York Trust Co., New York.

Denomination—Coupon, $1,000.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $600,000; mortgage closed. Outstanding, at Dec. 31, 1927, $259,000.

Security—A first lien on the gas properties purchased in 1905 from the Citizens Light & Power Co., and a second lien on the property of the former Auburn Gas Co.

Legal for Savings Banks in Maine, Rhode Island and New Hampshire.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(3)

$1,005,500 CENTRAL NEW YORK GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE JULY 1, 1941

Dated March 15, 1911.

Interest Payable January and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized issue, $2,000,000; mortgage closed.

Callability—Subject to call at 105 and interest on any interest date.

Sinking Fund—An annual sinking fund of 1% of the amount outstanding began in 1916.

Security—A first lien on property formerly owned by the Central New York Gas & Electric Co.

Legal for Savings Banks in Maine.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$416,000 SENECA POWER CORPORATION FIRST MORTGAGE GOLD 6s; DUE MARCH 1, 1946

Dated March 1, 1916.

Interest Payable March and September 1 at Chatham Phenix National Bank & Trust Co., New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Original issue, $450,000; outstanding Dec. 31, 1927, $416,000.

Callability—Subject to call at 107½ and interest on or before March 1, 1926; from March, 1926 to 1936, at 105 and interest; thereafter at 102½ and interest.

Guaranty—Guaranteed principal and interest by Central New York Gas & Electric Co. (now Empire Gas & Electric Co.).

Sinking Fund—The mortgage provides that $2,000 bonds must be cancelled each year.

Security—A first lien on the entire property of the former Seneca Power Corp.

Original Offering—First publicly offered ($450,000) in May, 1916, at par and interest.

Tax Provision—Company does not pay Normal Federal Income Tax.

(5)

$34,000 UNION SPRINGS LIGHT AND POWER CO. FIRST MORTGAGE GOLD 6s; DUE APRIL 1, 1949

Dated March 1, 1919.

Interest Payable April and October 1 at City Bank Trust Co., Syracuse, N. Y.

Denomination—Coupon, $500.

Trustee—City Bank Trust Co., Syracuse, N. Y.

Provisions of Issue—Authorized, $34,000; mortgage closed.

Callability—Subject to call at 105 on any interest date on 90 days' notice.

Security—A first lien on the property of the Union Springs Light & Power Co.

Tax Provisions—None.

(6)

$1,860,000 EMPIRE GAS & ELECTRIC CO. GENERAL & REFUNDING GOLD 6s, SERIES "A"; DUE JUNE 1, 1952

Dated June 1, 1922.

Interest Payable January and July 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon bonds in interchangeable denominations of $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized amount of Series "A" bonds, $6,000,000. The remaining $4,140,000 of Series "A" bonds may be issued only by the deposit with the Trustee of a like amount of Empire Gas & Electric Co. and Empire Coke Co. Joint First and Refunding Mortgage 5% Gold bonds and/or Central New York Gas & Electric Co. First Mortgage 5% Sinking Fund Gold bonds. Additional series of bonds, other than Series "A" may be issued, having such rates of interest, maturity dates and other provisions as the Board of Directors may determine, but only for 80% of the cost of hereafter acquired property or of additions, betterments and improvements to property, provided net earnings are at least twice the annual interest requirements on the total mortgage debt of the Company including bonds proposed to be issued, and also to refund underlying bonds. At all times bonds may be issued against the deposit with the Trustee of an equal face amount of obligations of the United States Government or cash.

Purpose of Issue—The proceeds from the sale of these bonds will be used to retire underlying bonds and notes and for extensions and improvements to property.

Callability—Subject to call as a whole or in part on 30 days' notice at 110 during the first fifteen years, less 1% each year during the following ten years and at par thereafter, plus accrued interest in each case.

Security—The General and Refunding Mortgage bonds are secured by a general mortgage subject only to existing liens on the entire property of the Company now owned or hereafter acquired. These $1,860,000 Series "A" bonds are additionally secured by the deposit with the Trustee of an equal principal amount of Empire Gas & Electric Co. and Empire Coke Co. Joint First & Refunding Mortgage 5% Gold bonds, or in lieu thereof cash or obligations of the United States Government. Through the deposit of these securities the Series "A" bonds share in a first lien on about 75% of the Company's property. Issuance of these bonds subject to authorization by the Public Service Commission of the State of New York. The indenture provides that all underlying mortgages will be closed except Empire Gas & Electric Co. and Empire Coke Co. Joint First & Refunding Mortgage and bonds thereunder will only be issued as security for bonds issued under the General & Refunding Mortgage. The indenture further provides that in 1941 the Company will cause the General & Refunding Mortgage to become a first mortgage on all of the properties of the Company by the retirement of all underlying bonds outstanding in the hands of the public and by the cancellation of such underlying bonds as may be pledged with the trustee of the General & Refunding Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Seibert & Riggs, New York.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,100,000) in Oct., 1922, at 96 and interest, yielding 6.30%, by W. C. Langley & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Of the Combined Properties Now Owned and Operated by Empire Gas & Electric Co.)

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,793,248	$2,652,492	$2,436,150	$2,286,038	$2,108,604	$1,866,264
Operating expenses, taxes, etc.	1,549,313	1,601,828	1,433,542	1,381,687	1,191,841	1,057,776
Net earnings	$1,243,935	$1,050,664	$1,002,608	$904,351	$916,763	$808,488
Interest charges	332,225	321,196	342,095	$327,499	$316,515	$305,713
Depreciation, etc.	286,485	265,795	246,378	261,592	243,130	190,196
Total charges	$618,710	$586,991	$588,473	$589,091	$559,645	$495,909
Balance for dividends	625,225	463,673	414,135	$315,260	$357,118	$312,579
Dividends paid	433,749	420,294	261,025	302,929	228,490	139,352
Surplus for year	$191,476	$43,379	$153,110	$12,331	$128,628	$173,227
*Times All Bond Interest Earned	3.74	3.27	2.93	2.52	2.89	3.36
Earnings Per Share—						
Preferred	$22.69	$20.94	$22.88	$24.43	$37.21	$43.08
†Common	16.44	11.65	10.72	8.44	16.64	15.04

*Before depreciation. †After deducting full dividend on the amount of each class of Preferred outstanding at close of fiscal year.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Fixed capital	$11,354,290	$8,793,104	$8,469,483	$8,114,591	$7,774,433	$7,196,174
Investments	151,085	1,345,700	1,241,694	1,184,642	2,000	.....
Materials and supplies	534,897	458,571	527,357	710,602	532,530	330,174
Cash on hand, etc.	218,406	276,320	95,122	60,465	66,381	49,493
Bills receivable	325,000	326,850	.....	800	23,600	.....
Accounts receivable	579,397	632,888	612,216	437,038	449,654	415,719
Prepayments	32,139	10,511	9,959	17,271	378	9,353
Sinking fund uninvested	12,757	11,867	27,068	25,035	24,312	23,180
Deferred debit items	658,318	670,727	623,129	684,357	621,386	496,257
Total	$13,866,289	$12,526,538	$11,606,028	$11,234,801	$9,494,674	$8,520,350

GENERAL BALANCE SHEET, DECEMBER 31 (Continued):

Liabilities—	1927	1926	1925	1924	1923	1922
Common stock	$2,692,000	$2,692,000	$2,692,000	$2,692,000	$1,756,000	$1,756,000
Series "A" 6% cum. Pfd. stk.	315,000	315,000	315,000	315,000	329,700	350,000
Series "B" 7½% cum. Pfd. stk.	219,900	219,900	219,900	186,900	181,300	200,000
Series "C" 7% cum. Pfd. stk.	1,381,600	1,381,600	1,274,800	788,600	448,800	175,500
Series "D" 6% cum. Pfd. stk.	838,200	297,200	.....	.....	.....	.....
Installments paid on stock	107,700	83,500	25,269	23,765	32,145	15,639
Funded debt	6,243,500	5,806,000	5,953,500	6,215,000	5,924,500	5,276,500
Real estate mortgage	12,000	12,000	.....	.....	.....	23,000
Bills payable	300,330	306,370	49,670	116,290	21,490	22,850
Interest accrued	63,730	54,881	55,180	57,779	56,229	65,218
Current liabilities	173,993	248,401	121,965	131,957	99,837	170,116
Consumers deposits	32,797	27,397	22,904	22,262	20,986	19,901
Accrued amortization	661,981	454,213	302,471	286,872	267,870	225,775
Other reserves	78,322	74,317	62,988	41,104	12,172	4,834
Profit and loss	745,236	553,759	510,381	357,272	343,645	215,017
Total	$13,866,289	$12,526,538	$11,606,028	$11,234,801	$9,494,674	$8,520,350

Officers: E. L. Phillips, Pres., New York; H. O. Palmer, V-P., Geneva, N. Y.; G. W. Olmsted, V-P., Ludlow, Pa.; R. F. Van Doorn, Treas., New York; C. H. Pierce, Asst. Treas.; Ethel M. Lynch, Asst. Treas., Geneva, N. Y.; H. R. Frost, Sec., New York; Morris Tracy, Asst. Sec. & Aud., Geneva, N. Y.

Directors: E. H. Palmer, Chairman of the Board; H. O. Palmer, C. H. Pierce, L. G. Haskins, Geneva, N. Y.; A. E. Ballin, Auburn, N. Y.; G. W. Olmsted, Ludlow, Pa.; E. L. Phillips, R. F. Van Doorn, H. R. Frost, F. J. Stoltz, J. W. Little, New York.

Offices, Geneva, N. Y., and 50 Church St., New York City.

THE UNITED GAS AND ELECTRIC CORPORATION

(Controlled by Empire Power Corporation)

History—Incorporated July 20, 1923, through the consolidation of the former The United Gas and Electric Corporation (see 1923 Public Utility Manual, page 2598, or apply to our Information Department) and The Berkshire Corp. under the name of The United Gas and Electric Corporation in accordance with the terms of the consolidation agreement dated June 21, 1923 (see 1923 Public Utility Manual, pages 2600 and 2601), duly authorized according to law by the stockholders of the respective corporations, parties thereto.

The United Gas and Electric Corporation owns the entire Common stock of United Gas & Electric Co. (New Jersey), 400,000 shares Common stock of Houston Gas Securities Company, $491,200 or 49.12% of Common stock and $1,197,500 of 2nd Pfd. stock of Elmira Water Light & R.R. Co., and the entire $100,000 capital stock of United Gas & Electric Engineering Corp. The United Gas & Electric Co. (of New Jersey) owns all the Common stock of Lockport Light, Heat & Power Co. and through it controls the International Power and Transmission Co. and $508,800 or 50.88% of the Common stock of Elmira Water, Light and Railroad Co.

United Gas & Electric Engineering Corporation—During the year 1913 the United Gas & Electric Engineering Corp. was organized for the purpose of acting as consulting, contracting and operating engineers and as purchasing agents for the subsidiaries of The United Gas and Electric Corp. The corporate powers of the Engineering Corp. also permit of its acting in the above capacities for any public utility company. The principal office of the Company is in New York City. Its entire capital stock is owned by The United Gas and Electric Corp.

Change in Control—Common stockholders of Corporation were given the opportunity in Feb., 1926, to exchange their Common shares of no par value for either $63 in cash or two shares of Participating stock of Empire Power Corp. As a result of this offer, over 97% of the Common shares of United Gas & Electric Corporation is now owned by Empire Power Corp.

CAPITAL STOCK

Authorized and outstanding, 310,464 shares Common of no par value and $6,499,400 7% (increased from 5% to 6% July 1, 1925, and to 7% Oct. 1, 1927—see below) cumulative Pfd.; par, $100. Over 97% of the Common stock owned by Empire Power Corp.

Preferred Stock Provisions—Preferred stock has preference as to dividends and assets in liquidation and bears 5% cumulative dividends for the first two years, 6% cumulative dividends for the succeeding two years and 7% cumulative dividends thereafter.

Callability—Pfd. stock is subject to redemption in whole or in part at 105% of the par value thereof.

Transfer Agent—The Chase National Bank of the City of New York.

Registrar—National Bank of Commerce in New York.

Annual Meeting—First Wednesday in March, at Hartford, Conn.

Dividends—For dividends paid on Pfd. stock of Old Corporation, see 1923 Public Utility Manual, page 2601. Initial dividend at rate of 5% per annum covering period from July 20 to Oct. 1, 1923, paid on Preferred stock Oct. 1, 1923; thereafter to July 1, 1925 at rate of 5% per anum; October 1, 1925 to July 1, 1927, at rate of 6% per annum; Oct. 1, 1927 to date at rate of 7% per annum; dividends are declared fourth Thursdays of F, M, A & N and are payable J, A, J & O 1 at Company's office, New York. On Common, initial dividend of $1 per share was paid June 19, 1926; Sept. 10, and Dec. 10, 1926 and March 14, June 4, Sept. 10, and Dec. 7, 1927, $1 per share each. In addition a special dividend of 1-3 of a share of $6 Pfd. stock of Lehigh Power Securities Corp. for each Common share held was paid Feb. 3, 1928 to stock of record Jan. 31, 1928.

FUNDED DEBT

None.

THE UNITED GAS AND ELECTRIC CORPORATION

STATEMENT OF EARNINGS FROM ALL SOURCES FOR YEARS ENDED DEC. 31, INCLUDING EQUITY IN NET EARNINGS FROM SUBSIDIARY COMPANIES OWNED AT CLOSE OF YEAR, WHETHER ACTUALLY RECEIVED IN THE FORM OF DIVIDENDS OR NOT

	1927	1926	1925	1924
Direct earnings (less expenses of The United Gas & Electric Corp. and net earnings of its subsidiary companies after deduction of dividends due to outside stockholders, including the equities of the direct subsidiary companies in the operations of their respective subsidiary companies calculated on their holdings at the end of the period	$977,141	$1,335,522	$2,363,626	$1,912,200
Deduct:				
Interest on bonds	.....	124,135	531,333	538,613
Amortization for the year of debt discount and expense	.....	.....	53,556	54,368
Total operating earnings after fixed charges	$977,141	$1,211,387	$1,778,737	$1,319,219

STATEMENT OF EARNINGS FROM ALL SOURCES, ETC. FOR YEARS ENDED DECEMBER 31 (Continued):

Add:				
Capital gains ($14,007,886); less unamortized discount and premium on bonds rdeeemed ($1,247,403)		$12,760,483		
Total	$977,141	$13,971,870	$1,778,737	$1,319,219
Less:				
Sundry adjustments				28,752
Capital losses sustained and charged to capital surplus during the year			662,218	
Balance	$977,141	$13,971,870	$1,116,519	$1,347,971

GENERAL BALANCE SHEET, DECEMBER 31

(The United Gas and Electric Corporation)

Assets—	1927	1926	1925	1924	1923	*1922
Stock of subsidiary companies	$8,895,497	$8,699,658	$18,406,784	$17,393,764	$16,179,502	$16,577,193
Bonds of subsidiary companies			1,584,000	53,600	53,600	128,599
Sundry oil and natural gas companies:						
Stocks				1,647,500	1,647,500	2,508,801
Bonds	1,302,944	1,302,944	1,302,944	593,000	500,000	
Other investments	13,301,051	13,301,051	54,001	51,001	51,001	96,001
Liberty bonds					11,200	29,637
Bonds in sinking fund			885,800	688,200	533,000	387,500
Office fixtures, supplies, etc.				14,563	10,923	12,873
Due by associated companies	5,142,516	784,775	294,329	1,713,092	1,086,857	1,343,847
Miscellaneous sundry debtors	214,904	208,734	14,949	37,128	271,933	85,223
Deferred charges to operations, etc.			1,029,206	1,085,603	1,168,971	1,252,531
Cash	291,682	442,607	895,949	1,304,247	326,651	570,686
Capital losses, carried in suspense						23,512,393
Total	$29,148,594	$24,739,770	$24,467,962	$24,581,698	$21,841,138	$46,505,285
Liabilities—						
Preferred stock	$6,499,400	$6,499,400	$6,499,400	$6,499,400	$6,499,360	
First Preferred stock						$9,284,800
Second Preferred stock						11,618,400
Common stock	3,104,643	3,104,643	3,104,643	3,104,643	3,104,636	12,196,740
Funded debt			9,666,900	9,616,300	9,611,400	9,612,900
7% Pur. Money Ctfs. of indebtedness						696,300
Notes payable	5,775,000	1,400,000	2,585,000	555,000	125,000	
Int. accrued on 6% bonds in hands of public			142,139	143,675	136,176	138,377
Due to associated companies	265,616	1,022,800		290,671	250,000	
Miscellaneous including sundry accrued items	113,769	109,414	187,794	1,973,733	107,809	136,390
Credits in suspense	5,800	5,600				
Profits in suspense						25,176
Surplus capital, being discount on sundry acquisitions of treasury stock						126,014
Surplus						2,670,188
Capital surplus			1,131,718	1,793,935	1,749,034	
General surplus	13,384,366	12,597,913	1,150,368	604,341	257,723	
Total	$29,148,594	$24,739,770	$24,467,962	$24,581,698	$21,841,138	$46,505,285

*Consolidated Balance Sheet of The United Gas and Electric Corporation and United Gas & Electric Engineering Corporation.

NOTE—The Corporation has contingent liabilities in respect of its guarantees of principal and interest of $1,537,000.00 par value of First Refunding 5% Mortgage Bonds of The Wilkes-Barre Co. and in respect of agreement to participate to the extent of $29,570.60 in loan to Crown Central Petroleum Corp.

Officers: Ellis L. Phillips, Chairman of Board; E. G. Connette, Pres.; Geo. W. Olmsted, R. F. Van Doorn, V-Ps.; J. A. McKenna, Sec. & Treas.; H. T. Van Iderstine, Asst. Sec. & Asst. Treas.

Directors: Ellis L. Phillips, Henry R. Frost, R. F. Van Doorn, Geo. W. Olmsted, Frank J. Stoltz, J. A. McKenna, John J. Hubbard, S. Reading Bertron, E. G. Connette.

General Office, 111 Broadway, New York.

UNITED GAS & ELECTRIC COMPANY

(Controlled by United Gas & Electric Corporation)

History and Property—Incorporated Dec. 9, 1901, in N. J., to acquire and operate gas and electric light properties. Controls Lockport Light, Heat & Power Company and through it the International Power and Transmission Co. and Elmira Water, Light & Railroad Company (see appended statements). During 1922 the Company disposed of its stock of the Leavenworth Light, Heat & Power Co. for $150,000. On March 18, 1926, Company sold to Gas Utilities Inc. (see General Index) its security holdings in the Richmond Light, Heat & Power Co. of Richmond, Indiana, Citizens Gas & Fuel Co. of Terre Haute, Indiana, and Union Gas & Electric Co. of Bloomington, Illinois, for $3,500,000.

CAPITAL STOCK

Authorized, 40,000 Common shares of no par value, and $1,500,000 5% cumulative Pfd. (par, $100); outstanding, 36,210 Common shares and $1,195,800 Pfd. In addition $271,970 Pfd. stock is held in treasury. Entire Common stock owned by The United Gas and Electric Corporation. Transfer Agent: Bertron, Griscom & Co., Inc., 40 Wall Street, New York. Annual meeting, third Tuesday in December.

Dividends—Dividends of 5% on Pfd., semi-annually Jan. and July 15.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Direct earnings from current operations, less exp.	$224,225	$189,410	$210,411
Preferred dividends	59,700	59,790	59,790
Surplus for Com., etc.	$164,435	$129,620	$150,621
Earnings Per Share—			
Preferred	$18.75	$15.84	$17.59

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Securities owned	$3,022,878	$2,896,004	$2,486,769
Bills receivable	1,000,001	1,447,200	125,001
Accounts receivable	11,964	14,133	1,003
Prepaid taxes	.....	.....	931
Interest receivable	.....	25,808	9,904
Dividends receivable	11,438	.....	3,741
Suspense	.....	.....	1,481
Cash	26,095	25,896	28,553
Due from assoc. cos.	..	528,052	...
Total	$4,072,376	$4,937,093	$2,657,383

Liabilities—	1927	1926	1925
Preferred stock	*$1,195,800	*$1,195,800	*$1,195,800
Common stock	1,225,000	1,225,000	1,225,000
Accounts payable	5	180	.....
Pfd. stock divd. checks outstanding	160	.....	32
Contingencies	.....	150,000	.....
Reserve for taxes	165,991	5,972	5,972
Res. for Pfd. stock divd.	29,895	29,895	29,895
Suspense	.....	.....	6,202
Surplus	1,455,525	2,330,246	194,482
Total	$4,072,376	$4,937,093	$2,657,383

*In addition $271,970 held in treasury.

Officers: Geo. W. Olmsted, Pres.; E. G. Connette, 1st V-P.; R. F. Van Doorn, 2nd V-P.; J. A. McKenna, Sec. & Treas.; H. T. Van Iderstine, Asst. Sec. & Asst. Treas.

Directors: Ellis L. Phillips, E. G. Connette, Geo. W. Olmsted, R. F. Van Doorn, J. A. McKenna.

Office, 111 Broadway, New York.

ELMIRA WATER, LIGHT & RAILROAD COMPANY

(Controlled by The United Gas & Electric Corp.)

History—Incorporated May 23, 1900 in N. Y. Acquired as of May 28, 1900, property, rights and franchises of Elmira & Horseheads Ry. and Maple Ave. RR. Co., which latter company leased the West Water Street RR. for 999 years from April 26, 1899. Acquired May 25, 1900 all the property, rights and franchises of the Elmira Gas & Illuminating Co., Elmira Illuminating Co., Elmira Water Works Co. and Elmira Heights Water Co. In Sept., 1906, acquired the entire capital stock and bonds of the Elmira & Seneca Lake Traction Co. (and in 1916 merged its property together with the Elmira Transmission Corp., whose entire stock was owned), and the stock of the Chemung County Gas Co. In 1910 acquired the capital stock of the Montour Falls Electric Light Co. In 1911 absorbed the West Side RR., formerly operated under lease. In September, 1926, acquired property, rights and franchises of West Water St. RR. Co. Controls all the gas, lighting, power and street railway business of Elmira. In addition thereto the Company's transmission lines supply Elmira Heights, Southport, Wellsburg, Chemung, Big Flats, Horseheads, Millport, Montour Falls, Odessa, Burdette and Lodi with current for lighting and power. It also sells power to the Corning Light & Power Corp., which supplies Corning and Painted Post with power. Among its numerous favorable power contracts is one with the Elmira, Corning & Waverly Ry. Sold water department to City of Elmira for $1,500,000 on May 1, 1915. The railway lines cover the principal streets of Elmira and extend to Elmira Heights, Clark's Glen, Southport and Horseheads.

Property—Miles of track, single track, equivalent, 31.06. Gauge, standard, Rails, 50 to 110 lb. T and girder. Passenger equipment: Closed passenger (motor, of which two are heavy interurban type, most of the remainder being convertible and semi-convertible P. A. Y. E., 65; center-entrance trailers, 2), 67; snow-plows, 5; service cars, 13; sweepers, 2—total, all cars, 87. Power house, 1; station capacity 26,400 k.w. Gas department has 131.78 miles of gas mains and 11,977 gas meters. Output in 1927, 576,270,000 cu. ft., mixed gas, compared with 564,935,500 cu. ft. in 1926; holder capacity 1,191,000 cu. ft. Electric department: No. of meters, 19,128. Output, 1927, 63,240,367 k.w.h., compared with 64,064,121 k.w.h. in 1926. Population served, 100,000. Company owns Rorick's Glen Park and Maple Avenue Driving Park which, in addition to the Chemung County Fair Grounds, are reached by its railway lines.

Franchises—Railway franchises are nearly all unlimited—others having 58 or more years to run, with exception of three minor extensions (1959-1960-1963). Gas and electric franchises are all unlimited with exception for electricity in Horseheads (1929), Wellsburg (1964), Corning (1963), and Chemung (1974).

CAPITAL STOCK

Authorized, $2,000,000 Common, $3,000000 7% cumulative First Pfd. and $1,200,000 5% Cum. Second Pfd.; outstanding Dec. 31, 1927, $1,000,000 Com., $2,103,800 First Pfd. and $1,200,000 Second Pfd., par, $100. United Gas & Electric Co. (of New Jersey) owns 50.88% of the Common and The United Gas & Electric Corporation owns 49.12% of the Common and 99.79% of the Second Pfd.

First Pfd. Stock Called—The outstanding First Pfd. stock has been called for redemption on Aug. 1, 1928, at 115 and accrued dividends at Chatham-Phenix National Bank & Trust Co., New York.

Transfer Agents—For Second Pfd. and Common: Bertron, Griscom & Co., New York.

Annual Meeting—First Thursday in June.

Dividends—Dividends on Pfd. (now Second Pfd.) at rate of 5% per annum have been regularly paid (M & S) from Sept., 1907; on Common, Oct. 1, 1910, 1% (initial dividend); 1911, 1912, 1913, 1914 and 1915, 4% per annum; 1916, 5%; 1917, 1%; none in 1918, 1919, 1920, 1921 or 1922; 1923, 4%; 1924, 1925 and 1926, 6% each; March 31, June 30 and Sept. 30, 1927, 1½% each; Dec. 31, 1927, 3½%; March 31, 1928, 3%. Dividends on First Pfd. regularly paid from 1914 until retirement in 1928. Payments on all classes quarterly M 31, J 30, S 30 and D 31.

FUNDED DEBT

$5,000,000 FIRST CONSOLIDATED MORTGAGE 5s; DUE SEPTEMBER 1, 1956

Dated September 1, 1906.

Interest Payable March and September 1, at New York Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $5,000,000.

Security—A first lien on entire property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Parker, Hatch & Sheehan, New York.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($500,000) in July, 1907, at a price to yield 5.40%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$2,466,268	$2,541,350	$2,399,279	$2,133,316	$2,211,604	$1,839,323
Operating expenses	1,516,423	1,594,635	1,456,175	1,346,423	1,421,808	1,164,985
Net earnings	$949,845	$946,714	$943,104	$786,893	$789,796	$674,338
Fixed charges	296,640	294,844	298,730	300,282	300,850	283,184
Net income	$653,205	$651,870	$644,374	$486,611	$488,946	$391,154

INCOME ACCOUNT, YEARS ENDED DECEMBER 31 (Continued):

	1927	1926	1925	1924	1923	1922
Preferred dividends	$203,907	$198,148	$194,672	$184,623	$175,546	$161,898
Amortization reserve	191,604	276,354	169,374	136,889	180,000	150,000
Surplus for Common	$257,694	$177,367	$280,328	$165,099	$133,400	$79,256
Common dividends	80,000	60,000	60,000	60,000	40,000	.....
Surplus for year	$177,694	$117,367	$220,328	$105,099	$93,400	$79,256
Times Fixed Charges Earned	3.20	3.21	3.15	2.62	2.62	2.38
Earnings Per Share—						
†First Pfd.	$31.04	$32.86	$32.92	$26.27	$28.89	$24.69
†Second Pfd.	42.44	42.81	42.47	30.16	31.12	24.10
‡Common	25.77	17.74	28.03	16.51	13.34	7.93

†Before amortization reserve. ‡After amortization reserve.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant and equipment	$8,511,097	$8,097,560	$7,688,160	$7,377,900	$7,347,310
Work in progress	1,002,807	291,743	127,395	175,451	105,470
Materials and supplies	211,435	200,898	189,029	212,749	216,187
Investments	159,679	272,962	189,816	129,610	130,046
Notes & loans receivable	100,495	100,927	.....	.....	.....
Accounts receivable	203,170	194,996	218,474	221,194	223,122
Prepaid taxes	2,215	3,674	4,231	2,040	11,577
Other prepaid accounts	8,038	11,702	18,065	5,735	13,331
Sinking fund	.....	.....	1,050	1,050	1,050
Intangible suspense to be amortized	1,255,830	1,285,830	1,315,830	1,345,830	1,379,152
Unamortized debt discount & expense	518,452	532,417	550,341	568,265	586,190
Other suspense	.....	25,241	349,702	413,678	80,659
Cash	130,297	94,484	326,052	162,873	198,533
Total	$12,103,515	$11,112,434	$10,978,145	$10,616,375	$10,292,629
Liabilities—					
First Preferred stock	$2,103,800	$1,983,700	$1,957,100	$1,851,700	$1,692,100
Second Preferred stock	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
Common stock	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funded debt	5,000,000	4,741,000	4,741,000	4,741,000	4,741,000
Bonds called and premium	.....	1,050	1,050	1,050	1,050
Preferred stock subscription payments	765	3,168	8,101	12,789	27,345
Notes payable	150,000	.....	.....	34,000	81,000
Accounts payable	228,777	63,960	68,266	129,397	136,408
Consumers' and other deposits	49,737	79,607	114,054	109,329	100,697
Unclaimed and unpaid wages	13,750	2,586	13,173	11,539	11,037
Bond interest accrued	83,333	79,017	79,017	79,017	79,017
Taxes accrued	224,862	190,401	193,983	128,144	102,144
Other accrued accounts	.....	.....	.....	295	1,050
Bond coupons outstanding and declared divds. unpaid	78,989	70,595	69,107	68,327	60,284
Renewal and replacement reserve	1,195,835	1,020,455	742,131	669,611	608,829
Other optional reserves	146,072	193,316	138,150	164,011	144,676
Suspense	101,956	83,092	65,914	29,705	13,762
Surplus	525,639	400,487	587,098	386,461	292,229
Total	$12,103,515	$11,112,434	$10,978,145	$10,616,375	$10,292,629

Officers: E. L. Phillips, Chairman; E. G. Connette, Pres.; Geo. W. Olmsted, 1st V-P.; F. H. Hill, 2d V-P. & Gen. Mgr.; H. B. Cleveland, Sec. & Treas.; J. A. McKenna, Asst. Sec. & Asst. Treas.

Directors: E. L. Phillips, E. G. Connette, S. G. H. Turner, Geo. W. Olmsted, R. F. Van Doorn, J. A. Kenna, F. H. Hill.

Office, Elmira, N. Y.

LOCKPORT LIGHT, HEAT & POWER COMPANY

(Controlled by United Gas & Electric Co.)

History and Property—Incorporated July 17, 1894, in N. Y., under the name of the Lockport Gas & Electric Light Co. July 31, 1917, merged the Lockport Light, Heat & Power Co. (incorporated May 28, 1907), and assumed the name of the latter company. Owns entire capital stock of International Power & Transmission Co. (see statement appended). Company serves without competition, the City of Lockport, N. Y., with gas, electric light, power and steam heating. Franchise granted Nov. 20, 1905, for 100 years. Population served: Gas, 20,600; electricity, 22,069. Output of gas: In 1927, 178,393,000 cu. ft.; in 1926, 164,274,000 cu. ft. Miles of gas mains, 45.26. Price of gas, $1.90 gross, $1.80 net. Output of electricity: in 1927, 30,522,000 k.w.h.; in 1926, 28,030,999 k.w.h. No. of meters: Gas, 4,698; electric, 2,226; steam, 390. Electric current is generated by the Company's steam and hydro-electric plants in addition to which power is purchased from the Niagara Lockport & Ontario Power Co. under a favorable long-term contract.

CAPITAL STOCK

Authorized, $1,500,000 Common and $1,500,000 7% Cumulative Pfd.; outstanding, $431,700 Common and $756,300 Pfd.; par, $100. During 1924 the $549,400 8% cumulative Pfd. stock outstanding was retired in accordance with the plan of new financing authorized by stockholders Dec. 22, 1923. Entire Common stock is owned by United Gas & Electric Co.

Preferred Stock Offered—Public offering of $100,000 Pfd. stock was made in July, 1927, at 105 and dividend to yield about 6.70% by O'Brian, Potter & Stafford, Buffalo, N. Y.

Callability—Pfd. stock subject to call in whole or in part on 30 days' notice at 105 per share and accrued dividend.

Transfer Agent (Pfd.)—Niagara County National Bank, Lockport, N. Y.

Registrar (Pfd.)—Lockport Exchange Trust Co., Lockport, N. Y.

Annual Meeting—First Monday in July.

Dividends—Common dividends: 1912, 10%; 1913, 7½%; 1914, 5%; 1915, 5%; 1916, 8%; 1917, 2%; none thereafter until 1922, when 3% was paid; 1923, 18%; 1924 and 1925, 8% each; 1926, 12%; 1927, 12%. Pfd. dividends regularly paid quarterly J, A, J & O 1.

FUNDED DEBT

$1,319,000 FIRST MORTGAGE GOLD 5½s; DUE NOVEMBER 1, 1954

Dated November 1, 1924.

Interest Payable May and November 1, at New York Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—The mortgage provides that at no time shall the total amount of bonds issued and outstanding exceed 60% of the value of the property. Additional bonds may be issued in series with such terms as may be decided by the Board of Directors, and then only under the conservative restrictions of the mortgage.

The proceeds from the sale of these bonds were used for the retirement of the $750,000 first Refunding Mortgage bonds previously outstanding and to provide for improvements and betterments to its properties.

Callability—Subject to call at 105 and interest if redeemed on or before Nov. 1, 1929 and 1% less for each succeeding five-year period up to Nov. 1, 1949; at 100½ if redeemed after Nov. 1, 1949 and on or before Nov. 1, 1951; no premium after Nov. 1, 1951, plus accrued interest in each case.

Security—A direct first lien on entire property of Company as well as on the entire outstanding stock of the International Power & Transmission Co..

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania four mills tax refunded.

Legal for Savings Banks in Maine.

Original Offering—First publicly offered ($1,100,000) in September, 1924, at 99¼ and interest, to yield about 5.55% by Spencer Trask & Co., New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923
Gross earnings	$915,280	$914,399	$834,193	$788,864	$747,532
Operating expenses	658,232	645,698	591,782	570,318	548,915
Net earnings	$257,048	$268,701	$242,411	$218,546	$198,617
Fixed charges	73,951	63,536	65,096	$55,160	$48,140
Amortization reserve	56,909	54,076	51,402	47,728	42,618
Total charges	$130,860	$117,612	$116,498	$102,888	$90,758
Surplus for year	$126,188	$151,089	125,913	$115,658	$107,859
*Times Fixed Charges Earned	3.47	4.23	3.72	3.96	4.13
Earnings Per Share—					
Preferred	$16.68	$24.04	$20.37	$20.61	$19.63

*Before amortization reserve.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923
Plant and equipment	$2,492,096	$2,171,535	$2,038,189	$1,919,469	$1,707,281
Work in progress	171,904	40,535	37,233	17,648	20,673
Intangibles	.....	.....	.....	.....	31,250
Materials and supplies	53,004	47,488	38,098	56,746	44,387
Investments	98,943	38,958	54,738	3,826	901
Accounts receivable	150,973	144,950	121,650	125,628	102,687
Suspense accounts	103,488	184,882	200,298	215,460	16,391
Prepaid accounts	21,703	20,528	22,171	16,568	204,393
Unamortized debt, discount and expense	130,005	140,099	149,563	138,693	88,477
Coupon interest deposits	2,200	.....	1,664	18,671	19,000
Preferred dividends deposit	12,793	.....	10,850	9,691	11,168
Cash	13,850	20,509	17,347	59,670	1,914
Special deposit	.....	.....	1,756	92,790	.....
Total	$3,250,959	$2,809,486	$2,693,557	$2,674,860	$2,248,522
Liabilities—					
Common stock	$431,700	$431,700	$431,700	$431,700	$356,700
Preferred stock	756,300	628,500	618,100	561,100	549,400
Funded debt	1,319,000	1,119,000	1,100,000	1,100,000	750,000
5% bonds called	.....	.....	500	.....	.....
7% Preferred stock instalment	.....	.....	693	3,283	.....
Premium on Preferred stock	4,278	.....	.....	.....	.....
8% Preferred stock called and premium	1,210	1,210	1,210	2,310	.....
Notes and accounts payable	32,356	65,431	26,282	96,520	108,547
Common dividends payable	.....	.....	.....	.....	64,206
Consumers deposits	13,389	13,056	12,316	11,521	11,314
Preferred stock dividends check outstanding	12,793	11,108	10,851	9,691	11,168
Bond coupons outstanding	990	1,458	1,664	18,671	19,000
Taxes accrued	26,490	24,946	22,630	11,058	8,374
Other accrued accounts	12,091	10,711	10,533	10,611	350
Renewal and replacements reserves	337,909	332,625	300,589	301,677	269,305
Other optional reserves	20,125	15,567	19,364	13,712	18,441
Surplus	282,328	154,175	137,125	103,006	81,717
Total	$3,250,959	$2,809,486	$2,693,557	$2,674,860	$2,248,522

Officers: E. L. Phillips, Chairman; E. G. Connette, Pres.; Geo. W. Olmsted, V-P.; W. W. Storrs, V-P.; J. A. McKenna, Sec. & Asst. Treas.; J. A. Duff, Treas. & Asst. Sec.; T. W. Connette, V-P. & Gen. Mgr.

Directors: E. L. Phillips, E. G. Connette, G. W. Olmsted, Louis Merritt, W. W. Storrs, T. W. Connette, F. Morris.

Office, Lockport, N. Y.

INTERNATIONAL POWER & TRANSMISSION CO.

(Controlled by Lockport Light, Heat & Power Co.)

History—Incorporated May 15, 1905, in N. Y. Purchases electricity from Niagara, Lockport & Ontario Power Co. and sells same to manufacturers in Lockport, N. Y.

CAPITAL STOCK

Authorized, $2,000,000; outstanding, $150,000; par, $100. All owned by Lockport Light, Heat & Power Co.

Annual Meeting—Third Monday in April.

Dividends—Paid dividends of 15¼% in 1916; 3½% in 1917; 4% in 1918; 4% in 1919; 8% in 1920; 3% in 1921; 2% each in 1922 and 1923; 1924, 1%; none since.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$86,129	$85,025	$83,695
Oper. exp. & taxes	87,044	86,954	86,350
Net loss	$915	$1,929	$2,655

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Fixed capital	$11,343	$11,343	$11,343
Organization	150,000	150,000	150,000
Cash	768	1,309	2,167
Accounts receivable	6,806	6,896	6,635
Total	$168,917	$169,459	$170,145
Liabilities—			
Capital stock	$150,000	$150,000	$150,000
Accounts payable	18,938	18,558	17,321
Taxes accrued	441	449	444
Surplus	*462	452	2,380
Total	$168,917	$169,459	$170,145

*Deficit.

Officers: Geo. W. Olmsted, Pres., New York; T. W. Connette, V-P., Lockport, N. Y.; J. A. McKenna, Sec. & Treas., New York; John A. Duff, Asst. Sec. & Asst. Treas., Lockport, N. Y.

Directors: Geo. W. Olmsted, E. G. Connette, H. R. Frost, J. A. McKenna, E. L. Phillips, R. F. Van Doorn.

General Office, 115 Main St., Lockport, N. Y.

FRANKFORT KENTUCKY NATURAL GAS COMPANY (INC.)

History—Incorporated June 21, 1915, in Ky., to produce, transport and sell natural gas. Franchise expires 1935. Miles of mains, 35; No. of meters, 3,000. Price, 50 cts. per 1,000 cu. ft.

CAPITAL STOCK

Authorized and outstanding, $400,000; par, $100.

Dividends—Usual dividends 4% per annum, but on Feb. 16, 1925, a quarterly payment of 1½% was made, which rate was maintained to Nov. 15, 1925; 1926, 1½%. Payments quarterly, F, M, A & N 15, at Oil City Trust Co., Oil City, Pa.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)	1926	1925	1924
Gross earnings	$162,960	$155,303	$164,079
Oper. exp. & taxes	40,522	‡93,649	*36,416
Less gas purchased	116,146	100,893	97,373
Net earnings	$6,292	†$39,239	$30,290
Depreciation	9,665	7,070	9,128
Balance for dividends	†$3,373	†$46,309	$21,162
Dividends paid	6,000	.....	16,000
Surplus for year	†$9,373	†$46,309	$5,162

*Including taxes and income tax of 1923, paid in 1924. †Loss.
‡Includes damage settlements due to explosion.

Profit and Loss Account, Dec. 31, 1926—Deficit for year as above, $9,373; paid in 1926 on account of explosion claims for 1925, $7,429; restoring depreciation charges made in 1925 and disallowed upon review of Income Tax return, $18,175; total charge against Profit and Loss Account, $34,977; credit balance at Dec. 31, 1925, $4,887—Debit balance, Dec. 31, 1926, $30,090.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available) Assets—	1926	1925	1924
Investment	.....	.....	$428,193
Less depreciation	.....	.....	63,273
	$359,405	$381,135	$364,920
Cash	9,353	20,284	85,235
Shop merchandise	1,440	953	1,362
Accounts receivable	50,562	73,320	24,555
Profit & loss deficit	30,090	.....	.....
Total	$450,850	$475,692	$476,072
Liabilities—			
Capital stock	$400,000	$400,000	$400,000
Accounts payable	850	70,805	875
Notes payable	50,000	.....	.....
Surplus	.....	4,887	75,197
Total	$450,850	$475,692	$476,072

Officers: Robert S. Hampton, Pres., Titusville Pa.; D. L. Hazelrigg, V-P., Frankfort, Ky.; T. J. Tonkin, Jr., V-P. & Gen. Mgr., Lexington, Ky.; Norman E. Clay, Asst. Sec. & Asst. Treas., Oil City, Pa.

Directors: Joseph Seep, Robert S. Hampton, Robert Hampton, Jr., Titusville, Pa.; John Tonkin, Oil City, Pa.; R. R. Harting, T. J. Tonkin, Jr., Lexington, Ky.; D. L. Hazelrigg, Frankfort, Ky.

Offices, Oil City, Pa., and Frankfort, Ky.

THE COLUMBUS INTERURBAN TERMINAL COMPANY

(Joint Control)

History—Incorporated May 24, 1910, in Ohio. Owns terminal, passenger and freight stations in Columbus, Ohio. Company is operated for convenience of the three interurban railways by which it is owned (The Southern Ohio Public Service Co., The Indiana, Columbus & Eastern Traction Co., and The Columbus, Delaware & Marion Electric Co.). Some revenue is received for rent of offices, stores and station privileges. Expenses divided between the three interurbans according to traffic handled through terminal.

CAPITAL STOCK

Authorized, $10,000; outstanding, $1,000; par, $100. All owned by The Southern Ohio Public Service Co., The Indiana, Columbus & Eastern Traction Co., and The Columbus, Delaware & Marion Electric Co. Annual meeting, second Tuesday in February.

FUNDED DEBT

$472,000 First Mortgage Gold 5s; dated June 1, 1910; due June 1, 1935; interest June and Dec. 1, at Citizens Trust & Savings Bank, Columbus, Ohio, Trustee. Coupon, $500; principal may be registered. Authorized, $1,000,000. Secured by a First Mortgage on all property of company, embracing terminal, passenger and freight station in Columbus, Ohio. Unissued bonds reserved for improvements to buildings, etc., but not over $100,000 may be used for additional trackage. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings	$25,458	$25,135
Oper. exps. & taxes	45,144	35,465
Loss from operation	$19,686	$10,330
Other income	43,171	32,038
Total income	$23,485	$21,708
Bond interest	22,984	21,650
Other charges	501	58
Total charges	$23,485	$21,708

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Real estate and buildings	$453,780	$431,340	$431,340
Cash	191	1,863	4,267
Accounts receivable	23,785	14,035	14,157
Notes receivable	134	.....	.....
Prepaid accounts	608	417	525
Deferred charges	7,348	2,567	3,211
Special deposits	6,000	.....	.....
Profit and loss—deficit	7,002	7,002	7,002
Total	$498,848	$457,224	$460,502
Liabilities—			
Capital stock	$1,000	$1,000	$1,000
Funded debt	472,000	433,000	433,000
Interest accrued	1,999	1,844	1,844
Other current liabs.	14,635	11,706	14,356
Reserve for taxes	7,019	6,691	6,858
Unadjusted credits	2,195	2,983	3,444
Total	$498,848	$457,224	$460,502

Officers: A. V. Bland, Pres. & Mgr.; A. F. van Deinse, V-P.; F. A. Healy, Sec., Treas. & Aud.

Directors: A. V. Bland, John W. Hewitt, W. P. Maloney, J. M. Pogue, A. F. van Deinse, R. Z. Zimmermann.

General Office, Columbus, Ohio.

GENERAL PUBLIC UTILITIES COMPANY

(Controlled and Operated by Day & Zimmermann, Inc.)

History and Properties—Organized Jan. 4, 1926, in Florida, as South Florida Ice Company. On March 29, 1926, the charter was amended, changing the name to General Public Utilities Company. The Company owns ice plants in the State of Florida, and through its subsidiaries operates electric light, water and/or ice plants in the states of Louisiana, Texas, New Mexico, Arizona, Nebraska and South Dakota. Its subsidiaries are: Southwestern Public Service Company, Gulf Public Service Company, Consolidated Power & Light Company of South Dakota, The Dakota Power Company, Nebraska Light & Power Company, and Gothenburg Light & Power Company.

The General Public Utilities Company operates two ice plants in the City of Miami, one in Coconut Grove, one at Miami Beach, one at Homestead, one at Florida City, and one at West Palm Beach, with a total daily capacity of 520 tons, serving a permanent population of approximately 200,000. In addition the Company does a cold storage business at several of its plants.

Company and its subsidiaries render service as follows: Electric Service: Population served, 200,000, customers, 31,839; plant capacity, 24,802 k.v.a. Water Service: Population served, 65,000; customers, 10,877; communities served, 6. Ice Service: Population served, 250,000; tons capacity, 957; communities served, 28.

Management—The management of Company and its subsidiaries is under the direction of Day & Zimmermann, Inc., Philadelphia. Pa.

CAPITAL STOCK

Authorized, 500,000 shares Common of no par value and 200,000 shares $7 cumulative Pfd. of no par value; outstanding, Dec. 31, 1926, 400,000 shares Common and 23,237 shares Pfd. Day & Zimmermann, Inc., Philadelphia, Pa., through control of Day and Zimmermann Securities Corp. holds a substantial stock interest.

Preferred Stock Provisions—Has preference for dividends at rate of $7 per share per annum, and in event of voluntary or involuntary liquidation, for assets up to $110 per share and dividends. Subject to call as a whole or in part at $110 per share and dividends. Pfd. stock in excess of 22,500 shares may not be issued unless surplus income, calculated as provided in the Charter and before deduction for depreciation, amortization and income or profits taxes, for 12 consecutive calendar months within 15 calendar months immediately preceding the issuance thereof, shall have been at least 2½ times the annual dividend requirements on the entire amount of Pfd. stock issued and outstanding together with that proposed to be issued. The Charter also provides that no class of Pfd. stock with prior rights to $7 cumulative Pfd. will be created without consent of holders of 75% of $7 cumulative Pfd.; that no Pfd. stock of equal rank with $7 cumulative Pfd., entitled to cumulative Pfd. dividends at a rate exceeding $7 per share per annum or to more than $110 per share in dissolution, will at any time be created if holders of ¼ of outstanding $7 cumulative Pfd. object thereto; that there will be no reduction in dividend rate or cumulation thereof, redemption price or amount payable on distribution of assets, without consent of all the holders of $7 cumulative Pfd. The Charter will not be amended so as to otherwise alter the preferences, etc., of the $7 cumulative Pfd., without consent of 75% of outstanding stock. The $7 cumulative Pfd. stockholders have no preemptive right to subscribe to any issue of capital stock of Company, or issue of securities convertible into Common stock, and are not entitled to vote unless dividends amounting to $3.50 per share are in arrears, in which event they are entitled in the aggregate to ½ of the total number of votes which the holders of all other classes of stock are then entitled to cast. Stockholders entitled to vote may cumulate their votes at all elections of Directors.

Transfer Agents—Guaranty Trust Co. of New York, and American Trust Co., Boston, Mass.

Registrars—Central Union Trust Co. of New York; and The Second National Bank of Boston.

Legal Opinion—Dickson, Beitler & McCouch, Philadelphia (for the Company); Chadbourne, Hunt, Jaeckel & Brown, New York (for the Bankers).

Original Offering—First publicly offered (18,240 shares $7 Pfd.) in July, 1926, at $96 per share and dividends, by Howe, Snow & Bertles, Inc., New York, etc., R. E. Wilsey & Co., Inc., Chicago, Warren A. Tyson & Co., Inc., Philadelphia and H. L. Nason & Co., Boston.

Listed—Pfd. stock listed on Boston Stock Exchange.

Price Range (Pfd.)—1927: High, 98½; low, 95.

Dividends—Pfd. dividends of $1.75 a share have been paid quarterly from July 1, 1926, to date; payments J, A, J & O 1.

FUNDED DEBT

$6,800,000 FIRST MORTGAGE AND COLLATERAL TRUST 6½% GOLD BONDS, SERIES "A"; DUE APRIL 1, 1956

Dated April 1, 1926.

Interest Payable April and October 1, at Central Union Trust Co. of New York, Continental National Bank & Trust Co., Chicago, and The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia.

Denominations—Coupon, $100, $500 and $1,000 (interchangeable) principal may be registered.

Trustees—Central Union Trust Co. of New York, N. Y., and Central Farmers' Trust Co., West Palm Beach, Fla.

Provisions of Issue—Authorized amount, unlimited; issued, $6,800,000 Series "A" 6½s. Additional bonds (in excess of $6,800,000) may be issued under the restriction provided in the mortgage, to provide funds or to reimburse Company for expenditures for the following purposes: (a) For refunding bonds issued under this Indenture or for the acquisition or retirement of outstanding bonds of subsidiaries, par for par; (b) for 75% of the actual cost or fair value, whichever is less, of additional property or improvements acquired or constructed by Company or by any of its subsidiaries, in the latter case obligation of the subsidiary to be deposited with the Trustee; (c) for 75% of the actual cost or fair value, whichever is less, of capital stock and/or obligations of additional subsidiaries provided that on such acquisition there shall be deposited with the Trustee not less than 90% of each class of the outstanding capital stock and not less than 90% of the obligation representing the total indebtedness of each such company. Bonds may be issued for the purposes set forth in the above clauses (b) and (c) only when consolidated net earnings of Company and its subsidiaries available for bond interest, as defined

GENERAL PUBLIC UTILITIES CO., SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit

San Francisco Minneapolis Philadelphia

in the Indenture, for 12 consecutive calendar months within the 15 months next preceding, shall have been at least 1¾ times the annual interest charges on all bonds of subsidiaries then in the hands of the public and on all bonds of this issue then outstanding and those proposed to be issued, and when such earnings remaining after deducting annual interest on bonds of subsidiaries then in the hands of the public shall have been for such period at least twice the annual interest charges on all bonds of this issue then outstanding and those proposed to be issued.

Purpose of Issue—The proceeds from the sale of these bonds were used to acquire or retire $3,200,000 indebtedness of subsidiaries and to provide funds for the acquisition of properties, construction and other corporate purposes.

Callability—Subject to call as a whole or in part on the first day of any month on 30 days' notice, at 105 and accrued interest, reducing on the first day of April, 1936, and each April thereafter, ¼ of 1% to maturity.

Sinking and Improvement Fund—The sinking fund provides a sum of money within the life of the issue, which will equal the aggregate principal amount of Series A bonds ever issued, and will be expended as follows, against which expenditures no additional bonds have or may be issued: (a) For the retirement of Series A bonds: (b) for extensions, improvements and betterments to the properties; (c) for other purposes for which bonds are issuable under the Indenture.

Security—These bonds are a direct obligation of Company secured by an absolute first mortgage on properties having an appraised value of $3,500,000, and further secured by the pledge and deposit under the Trust Indenture of first mortgage bonds, secured obligations and stocks of subsidiary companies whose properties have an appraised value (in excess of bonds, obligations and stocks of such companies not deposited under the Indenture) of over $7,700,000. The properties have been appraised at an amount in excess of $19,000,000, which, after deducting $7,755,750 of bonds and obligations and $40,160 of Pfd. stocks of subsidiaries outstanding in the hands of the public, leaves an equity of over $11,200,000, or the equivalent of over 160% of this issue. The Trust Indenture provides that bonds and Pfd. stocks of subsidiary companies may only be issued for pledge and deposit under the Trust Indenture.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Connecticut, Pennsylvania and California personal property taxes not exceeding 4 mills per annum, the Maryland tax not exceeding 4½ mills per annum, the District of Columbia tax not exceeding 5 mills per annum, and the Massachusetts Income tax on the interest not exceeding 6% of such interest per annum, refunded upon 60 days' application.

Legal Opinion—Dickson, Beitler & McCouch, Philadelphia (for Company), and Chadbourne, Hunt, Jaeckel & Brown, New York (for Bankers).

Original Offering—First publicly offered ($6,300,000) in May, 1926, at 98 and interest, to yield 6.65% by Howe, Snow & Bertles, Inc., New York, etc. and R. E. Wilsey & Co., Inc., Chicago. $500,000 additional were offered in July, 1926.

Listed—Boston Stock Exchange.

Price Range—

	1927	1926
High	101½	98½
Low	98	97½

CONSOLIDATED EARNINGS, YEARS ENDED DECEMBER 31
(General Public Utilities Co. and Subsidiaries)

	*1927	1926	1925
Gross earnings	$4,208,079	$3,983,848	$3,699,178
Oper. exp., incl. maint. & taxes, other than Fed. Income taxes	2,629,270	2,444,594	2,233,434
Net earnings	$1,578,809	$1,539,254	$1,465,744
Int. on funded debt & divds. on Pfd. stock of sub Cos. in hands of public	477,309	457,379	465,531
Balance	$1,101,500	$1,081,875	$1,006,213
Int. requirement of bonds of Gen. Pub. Util. Co.	442,087	442,000	.....
Balance	$659,413	$639,875	.....

*Year ended Nov. 30, 1927.

CONSOLIDATED BALANCE SHEET

Assets—	Dec. 31, 1926	April 19, 1926
Plant, property, etc.	$19,144,018	$17,793,730
Investments:		
Securities	1,850	3,712
Sinking fund	306	20,617
Cash	251,606	212,226
Accounts receivable	499,011	251,296
Materials & supplies	275,663	158,258
Prepayments	40,857	13,874
Unamortized debt discount & expense	728,642	342,041
Other deferred assets	146,757	45,623
Total	$21,088,710	$18,841,377
Liabilities—		
Common stock (400,000 shares no par value)—reserves & surplus	$3,117,510	$2,323,460
Preferred stocks:		
Dakota Power Co. 7%	6,410	24,720
Southwestern Pub. Serv. Co. 6%	33,750	84,450
General Public Utilities $7 no par	2,145,997	1,707,700
Funded debt	14,555,750	14,124,000
Notes payable	326,560	31,245
Accounts payable	453,518	121,825
Accrued interest	160,721	222,985
Accrued taxes	84,892	30,209
Deferred liabilities & reserves	203,602	170,783
Total	$21,088,710	$18,841,377

Officers: F. W. Woodcock, Pres.; Milward Oliver, V-P. & Treas.; W. Findlay Downs, V-P.; C. A. McClure, Sec. & Asst. Treas.; C. Shubert, Asst. Treas., Philadelphia, Pa.

Directors: F. W. Woodcock, Milward Oliver, John E. Zimmermann, C. S. Newhall, Philadelphia; Burton A. Howe, Warren H. Snow, New York, R. E. Wilsey, Chicago.

Executive Office, 1600 Walnut Street, Philadelphia, Pa. **Statutory Office**, Miami, Fla.

CONSOLIDATED POWER & LIGHT CO. OF SOUTH DAKOTA

(Controlled by General Public Utilities Company)

History and Properties—Incorporated March 10, 1908, in Maine.

Company owns hydro-electric plant at Redwater, S. D., with capacity of 1,250 k.v.a. and a steam plant at Pluma, S. D., with capacity of 5,000 k.v.a. Operates in the Black Hills district of South Dakota, serving Lead, Deadwood and 15 other communities, with a total population of 15,000. No. of customers served, 4,211.

Owns all the Common stock of The Dakota Power Company, Nebraska Light & Power Company and Gothenburg Light & Power Company, and all the Common and $210,000 Pfd. stock of Southwestern Public Service Co.

Management—The management of company and its subsidiaries is under the direction of Day & Zimmermann, Inc., Philadelphia, Pa.

CAPITAL STOCK

Authorized, 20,000 shares Common of no par value and $2,000,000 7% cumulative Pfd., par, $100; outstanding, 20,000 shares Comon and $795,000 Pfd. All owned by General Public Utilities Co. Common stock was changed from 20,000 shares, par $100, to 20,000 shares of no par value in 1926. Pfd. stock has prefer-

ence for assets and 7% cumulative dividends and is subject to call at 110 on any dividend date on 60 days' notice.

Annual Meeting—Fourth Thursday in January.

Dividends—Dividends on Pfd. have been paid as follows: 1908, 2%; 1909 and 1910, 3%; 1911, 1912, 1913, 1914, 1915, 1916 and 1917, 4% each; 1918 1%; later dividends not reported.

FUNDED DEBT

$1,464,000 FIRST CONSOLIDATED MORTGAGE SINKING FUND GOLD 5s; DUE DECEMBER 1, 1929

$36,000 FIRST CONSOLIDATED MORTGAGE SINKING FUND GOLD 5s (WITH 1% ADDITIONAL COUPON); DUE DECEMBER 1, 1929

Dated June 1, 1910.

Interest Payable June and December 1, at Old Colony Trust Co., Boston.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Old Colony Trust Co., Boston.

Provisions of Issue—Authorized, $5,000,000; outstanding, $1,500,000; retired through sinking fund, $441,000. The unissued bonds are reserved for extensions, additions and improvements at 80% of cost.

Callability—Subject to call on any interest day on 30 days' notice at 105 and interest.

Sinking Fund—Annually, beginning Aug. 1, 1913, 1% of outstanding bonds, 1913 to 1915, incl.; 1¼%, 1916 to 1918; 1½%, 1919 to 1921; 1¾%, 1922 to 1924; and 2%, 1925 to 1928, incl., for the purchase or reremption of these bonds at not over 105 and interest.

Security—A first lien on entire property now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

Gross earnings	$313,425
Operating expenses & taxes (excl. Fed. Inc. Tax)	118,898
Net earnings from operation	$194,528
Income from investments	211,000
Total income	$405,528
Interest on First Cons. bonds	76,316
Interest on Mtge. Lien notes	114,000
Other interest	32,135
Balance after fixed charges	$183,077
Renewal reserve	12,037
Dividends	155,650
Surplus for year	$15,390

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—	
Plant, investments, etc.	$4,630,610
Sinking fund deposit	247
Cash	24,441
Accounts receivable	45,859
Material and supplies	47,003
Prepayments	2,487
Due from affiliated companies	1,088,405
Other assets	276
Total	$5,839,328
Liabilities—	
Preferred stock	$795,000
Funded debt	1,500,000
Notes payable	2,400,000
Accounts payable	10,480
Interest accrued	30,780
Taxes accrued	20,131
Consumers' deposits	8,633
Reserves	38,356
Donated capital	608
Surplus	*1,035,340
Total	$5,839,328

*Represented by 20,000 shares of Common stock of no par value.

Officers: F. W. Woodcock, Pres.; C. Schubert, V-P.; Milward Oliver, V-P. & Treas.; C. A. McClure, Sec., Philadelphia.

Directors: C. A. McClure, Milward Oliver, F. W. Woodcock, John E. Zimmermann, C. S. Schubert, Philadelphia; Burton A. Howe, Warren H. Snow, New York.

Offices, 1600 Walnut St., Philadelphia, Pa., Deadwood, S. D., and Portland, Me.

THE DAKOTA POWER COMPANY

(Controlled by General Public Utilities Company)

History and Properties—Incorporated Feb. 16, 1907, in S. D., to construct and operate hydro-electric plant. On Jan. 1, 1911, acquired the property and business of the Rapid City Electric & Gas Light Co.—see Manual for 1911, page 2283. A new company under the name The Dakota Power Company was organized Dec. 27, 1923 in South Dakota, to take over the assets and liabilities of the old corporation of the same name. Owns water rights on Rapid Creek, Pennington County S. D., and a hydro-electric plant with a capacity of 1,500 k.v.a. Furnishes light and power service in Rapid City and Piedmont, S. D. Population of territory served, 7,000. Customers, 2,096.

Management—The management of the company is under the direction of Day & Zimmermann, Inc., Philadelphia.

CAPITAL STOCK

Authorized, $500,000 Common and $500,000 7% cumulative Pfd.; outstanding, $500,000 Common and $197,420 Pfd.; par of both issues, $10. All the Common stock and $191,010 of Pfd. stock are owned by General Public Utilities Company. Pfd. stock has preference for assets and dividends, and is subject to call at 105 and accrued dividends on any dividend date upon 30 days' notice. Annual meeting, first Monday in December.

Dividends—Dividends on Pfd. stock have been paid from date of issue to Sept. 1, 1926; payments Sept. 1.

FUNDED DEBT

(1)

$313,000 FIRST MORTGAGE 6% GOLD BONDS; DUE SEPTEMBER 1, 1938

Dated September 1, 1918.

Interest Payable March and September 1 at Chicago Title & Trust Co., Chicago, Ill.

Denominations—Coupon, $250, $500 and $1,000; principal may be registered.

Trustee—Chicago Title and Trust Co., Chicago, Ill. William C. Niblack, Chicago, Co-Trustee.

Provisions of Issue—Authorized, $1,000,000; outstanding, $313,000; no additional bonds may be issued while any General Mortgage bonds (see below) are outstanding.

Callability—Subject to call at 101 and interest on any interest date.

Sinking Fund—Mortgage provides that on Sept. 1, 1923 and on each Sept. 1 of each succeeding year, a sum equal to 2% of amount of bonds outstanding be paid to Trustee for a sinking fund.

Security—A first lien on entire property.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

(2)

$425,000 GENERAL MORTGAGE 7% GOLD BONDS; DUE SEPTEMBER 1, 1943

Dated September 1, 1923.

Interest Payable March and September 1, at National Bank of the Republic, Chicago, Ill.

Denominations—Coupon, $250, $500 and $1,000; principal may be registered.

Trustee—National Bank of the Republic, Chicago, Ill. Arthur J. Baer, Co-Trustee.

Provisions of Issue—Open Mortgage; issued and outstanding, $425,000.

Additional bonds may be issued which may differ as to dates of issue, dates of maturity, interest rate (not exceeding 8%), tax provisions, sinking fund requirements, etc., for: (1) Acquiring or refunding underlying

bonds, indebtedness secured by lien subject to which the Company may acquire any property, and bonds issued hereunder; (2) additions and extensions subsequent to Jan. 1, 1924 provided net earnings are not less than 1½ times interest requirements on all bonds outstanding and to be issued, and for 85% of cost or fair value of additions and extensions whichever is less; and/or 85% of fair value of any utility property acquired as an entirety; and (3) creating a fund for the reimbursement of expenditures on account of which, when made, bonds may be issued under the conditions set forth in Section 2 above.

Callability—Subject to call at 105 and interest on any interest date with 30 days' notice, less ½% after each full year elapsed subsequent to and including Sept. 1, 1927.

Security—A lien upon the entire property of Company subject to the outstanding, $313,000 First Mortgage 6s (see above).

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

Gross earnings	$147,818
Operating expenses, maintenance and taxes	62,277
Net earnings	$85,541
Fixed charges	49,184
Balance	$36,357
Renewal reserve	7,217
Surplus	$29,140

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—	
Plant and property	$1,457,548
Sinking fund deposit	60
Cash	21,973
Accounts receivable	20,281
Material and supplies	5,716
Prepayments	18
Due from affiliated companies	17,837
Total	$1,523,433
Liabilities—	
Common stock	$500,000
Preferred stock	197,420
Funded debt	738,000
Accounts payable	5,833
Consumers' deposits	6,730
Accrued taxes	6,156
Accrued interest	16,177
Reserves	7,835
Donated capital	75
Surplus	45,207
Total	$1,523,433

Officers: F. W. Woodcock, Pres.; Milward Oliver, V-P. & Treas.; C. Schubert, V-P., Philadelphia; Lee Boyer, V-P., Deadwood, S. D.; C. A. McClure, Sec., Philadelphia, Pa.

Directors: C. A. McClure, Milward Oliver, C. Schubert, F. W. Woodcock, Philadelphia, Pa.; Geo. B. Mansfield, Rapid City, S. D.

Offices, 1600 Walnut St., Philadelphia, Pa. and Rapid City, S. D.

NEBRASKA LIGHT & POWER COMPANY

(Controlled by General Public Utilities Company)

History and Properties—Incorporated October 3, 1924, in Delaware. Furnishes electric light and power without competition in McCook, Indianola and Eustis, Nebraska, and contiguous districts. Power plants located at McCook and Eustis, Nebraska, with capacity of 890 k.v.a. and 75 k.v.a. respectively. Territory served has an approximate population of 9,000. No. of customers, 1,760.

CAPITAL STOCK

Authorized, $500,000 Common and $100,000 7% cumulative Pfd. stock, par, $100; outstanding, $130,000 Common. All the Common stock is owned by Consolidated Power & Light Co. of South Dakota, a subsidiary of General Public Utilities Company. No Pfd. stock issued.

FUNDED DEBT

$300,000 FIRST MORTGAGE 6% GOLD BONDS; DUE NOVEMBER 1, 1934

Dated November 1, 1924.

Interest Payable May and November 1, at Guaranty Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Co. of New York. Charles H. Platner, Co-Trustee.

Provisions of Issue—Authorized, $500,000; issued and outstanding $300,000.

Additional bonds may be issued in an amount not in excess of 80% of the cost or fair value (whichever is the lesser) of additional properties and/or additions, or improvements, and then only when the net earnings of the Company, applicable to bond interest, during twelve consecutive months ending not more than three months prior to the date of application for issuance of bonds, shall have been not less than twice the annual interest charges on all outstanding first mortgage bonds and the first mortgage bonds proposed to be issued.

Callability—Subject to call as a whole or in part on 60 days' notice on any interest date to and including November 1, 1929, at 105 and interest, and thereafter at 105 less ½ of 1% for each six months' period elapsed between November 1, 1929, and the date of redemption.

Maintenance Fund—Company on Jan. 1 of each year, sets aside in a Maintenance Fund 8% of gross earnings of preceding calendar year, to be used for, or constituted by, expenditures for maintenance, renewals and replacements, additions and extensions, and/or call of bonds at not exceeding the then redemption price.

Security—Secured by a first mortgage on all property of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1926	1925
Gross earnings	$125,108	$114,076
Operating expenses and taxes	76,854	64,783
Income from operation	$48,254	$49,293
Fixed charges	26,846	24,620
Balance	$21,408	$24,673
Income deductions	530	741
Depreciation	10,440	9,324
Surplus for year	$10,438	$14,608

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1926	1925
Plant and property	$440,070	$448,678
Investments	500	8,928
Cash	14,644	12,829
Accounts receivable	14,895	14,882
Material and supplies	9,397	11,968
Prepaid accounts	16	363
Deferred charges	5,462	7,283
Unamortized debt discount & expense	35,773	40,341
Total	$520,757	$545,272
Liabilities—		
Capital stock	$130,000	$130,000
Funded debt	300,000	300,000
Notes payable	.....	9,000
Accounts payable	2,553	4,673
Customers' deposits	4,503	4,023
Accrued interest & insurance	3,059	3,180
Due to affiliated companies	25,038	36,615
Reserves	41,931	44,277
Surplus	13,693	13,504
Total	$520,757	$545,272

Officers: F. W. Woodcock, Pres.; Milward Oliver, V-P. & Treas.; C. Schubert, V-P.; C. A. McClure, Sec., Philadelphia.

Directors: C. A. McClure, Milward Oliver, C. Schubert, F. W. Woodcock, John E. Zimmermann, Philadelphia.

Executive Office, 1600 Walnut St., Philadelphia, Pa. **Local Office,** McCook, Neb.

SOUTHWESTERN PUBLIC SERVICE COMPANY

(Controlled by General Public Utilities Company)

History and Property—Incorporated in June, 1925 in New Mexico, as Roswell Public Service Company; name changed to present title in Aug., 1925 by an amendment to the charter. Company acquired the capital stock of Holbrook Light & Power Company, Arizona Electric & Power Company of Winslow, Ariz., and Flagstaff Electric Company, and the property of City Light & Water Company of Amarillo, Texas (see 1925 Public Utility Manual, page 2195). Also acquired from local interests plants in Carlsbad and Artesia, N. M., and Pampa and Panhandle, Tex. In Dec., 1926 franchise was obtained in White Deer, Tex., and in Jan., 1927 the municipal plant at McLean, Tex., was acquired.

The Company operates in Texas, New Mexico, and Arizona, the Texas group furnishing electric and water service in Amarillo, and electric service in Panhandle, Pampa, White Deer and McLean; in New Mexico the Company serves Roswell, Arteria and Carlsbad; in Arizona the Company serves Winslow, Holbrook, and Flaggstaff, located on the Santa Fe RR. in the central portion of the state. Combined population served estimated at 90,000. Company has 9 central generating stations, including two hydro-electrics, with an installed capacity of 11,805 h.p., 325 miles of transmission and distribution lines, a water supply system of 95 miles of distributing mains, a gas plant at Roswell with a daily output of 200,000 cu. ft., holder capacity for 800,000 cu. ft. and over 10 miles of gas distributing mains Its ice plants have a total daily capacity of 53 tons. Company has 15,629 electric, 8,253 water and 980 gas customers. Steam heating service is also furnished in the business district of Flagstaff, Ariz.

Management—The Management of the company is under Day & Zimmermann, Inc., Philadelphia.

CAPITAL STOCK

Authorized, 50,000 shares Common of no par value and $315,000 6% non-cumulative Pfd., par $50; outstanding 50,000 shares Common and $311,950 Pfd. All the Common stock is owned by Consolidated Power & Light Company of South Dakota, a subsidiary of General Public Utilities Co., which, together with its subsidiaries, owned as of March 31, 1927, $291,200 of the Pfd. stock.

FUNDED DEBT

$3,727,000 FIRST MORTGAGE 20-YEAR SINKING FUND GOLD 6s, SERIES "A"; DUE JULY 1, 1945

Dated July 1, 1925.

Interest Payable Jan. and July 1, at Guaranty Trust Co. of New York.

Denominations—Coupon, $100, $500 and $1,000; interchangeable and registerable as to principal.

Trustee—Guaranty Trust Co. of New York. Charles H. Platner, Co.-Trustee.

Provisions of Issue—Authorized amount, unlimited; issued and outstanding, $3,727,000.

Additional bonds may be issued in one or more series with interest rates, maturity dates, redemption and sinking fund provisions to be determined as new series are created, for the purpose of acquiring new property but (1) not in excess of 80% of the actual cost or fair value of the permanent additions and improvements; (2) not unless the net earnings of the company and its subsidiaries, as defined in the mortgage, shall be one and three quarters times annual interest charges on all outstanding bonds including those proposed to be issued.

Callability—Subject to call in whole or in part on any interest date on 60 days' notice up to and including July 1st, 1940, at 105 and interest, thereafter at 102 and interest.

Sinking Fund—The indenture provides for an annual sinking fund payment for retirement of bonds of this issue commencing July 1st, 1927, equal to 1% of the maximum principal amount outstanding, at any time preceding such payment during the first five years; 2% during the next ten years and 2½% during the last three years.

Security—Secured by direct first mortgage on all the physical properties of the company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2% and personal property taxes of any State, under any present law, not in excess of 5 mills; Michigan five-mills tax and Massachusetts income tax not exceeding 6%.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($3,500,000) in July, 1925, at 99 and interest, yielding 6.10%, by P. W. Chapman & Co., Inc., New York and Chicago.

Listed—Chicago Stock Exchange.

Price Range—

	1927	1926	1925
High	100¾	98½	99
Low	92	94	95

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

Gross earnings	$1,464,638
Operating expenses, maintenance & taxes	721,512
Net earnings	$743,126
Fixed charges	270,626
Balance	$472,500
Renewal reserve	71,969
Surplus	$400,531

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—		Liabilities—	
Plant and property	$6,364,267	Preferred stock	$311,950
Investments	750	Funded debt	3,727,000
Cash	48,423	Due to affliated companies	1,099,987
Accounts receivable	259,636	Accounts payable	181,515
Material and supplies	159,050	Interest accrued	1,862
Prepayments	19,395	Taxes accrued	43,998
Deferred assets	278	Consumers' deposits	80,472
		Coupon book liability	131
		Advances for construction	69,589
		Reserves	674,341
		Surplus	*660,954
Total	$6,851,799	Total	$6,851,799

*Represented by 50,000 shares of Common stock of no par value.

Officers: F. W. Woodcock, Pres.; Milward Oliver, V-P. & Treas.; W. Findlay Downs, V-P.; C. A. McClure, Sec.

Directors: F. W. Woodcock, John E. Zimmermann, C. A. McClure, Milward Oliver, Burton A. Howe, John E. Dwyer, Frank Schram.

Executive Office, 1600 Walnut St., Philadelphia, Pa.

Local Offices, Amarillo, Texas; Roswell, N. M., and Flagstaff, Ariz.

GULF PUBLIC SERVICE COMPANY

(Controlled by General Public Utilities Company)

History and Property—Incorporated August 8, 1925, in Delaware. During 1926 acquired the properties formerly owned by Southern States Power & Light Co. (see 1926 Public Utility Manual, page 307). Company furnishes 25 communities in Louisiana and eastern Texas with electric, water and/or ice service, including New Iberia, Patterson, Jeanerette, Berwick, Glenmora, Breaux Bridge, Eunice, De Quincy, Opelousas, Loreauville, Mooringsport, Oil City, Jena, Vivian, Winfield, Cotton Valley, Arcadia and Ruston, La., and Jacksonville, Rusk, Troup, Frankston, Mabank, Kemp and Kaufman, Tex. Electric plants owned have a total capacity of 4,884 k.v.a. Ice plants owned have an aggregate daily capacity of 324 tons. Population served, 85,000. Electric customers, 7,188; water customers, 2,507.

Management—The company is under the management of Day & Zimmermann, Inc., Philadelphia, Pa.

CAPITAL STOCK

Authorized and outstanding, 3,000 shares Common stock of no par value. All owned by General Public Utilities Company. Annual meeting, third Monday in February.

FUNDED DEBT

$2,298,500 FIRST MORTGAGE SINKING FUND GOLD 6s, SERIES "A"; DUE OCTOBER 1, 1945

Dated October 1, 1925.

Interest Payable April and October 1 at Guaranty Trust Company of New York.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustee—Guaranty Trust Company of New York, Charles H. Platner, New York, Co-Trustee.

Provisions of Issue—Open mortgage; issued and outstanding, $2,298,500 Series "A" 6s.

Additional bonds may be issued in this series, or other series, which may vary as to dates, rates of interest, etc., for 80% of cost of additions and extensions, provided net earnings equal 1¾ times annual interest charges on all outstanding bonds including those proposed to be issued.

Callability—Subject to call as a whole or in part on any interest date on 60 days' notice up to and including Oct. 1, 1940, at 105 and interest, thereafter at 102 and interest.

Sinking Fund—The indenture provides for an annual sinking fund payment for the retirement of Series "A" bonds commencing October 1, 1927, equal to 1% of the maximum amount outstanding to Oct. 1, 1932; 2% to Oct. 1, 1942; and 2½% thereafter.

Security—Secured by a direct first mortgage on all the physical properties of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Personal Property Taxes of any State, under any present law, not in excess of five mills, refundable to resident holders upon application.

Legal Opinion—Chapman, Cutler & Parker, Chicago.

Original Offering—First publicly offered ($1,500,000) in October, 1925, at 97½ and interest to yield 6.22%, by Camp, Thorne & Co., Inc., Chicago, Ill.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1926

Gross earnings	$805,742
Operating expenses, maintenance & taxes	604,592
Balance	$201,150
Fixed charges	198,353
Balance	$2,797

GENERAL BALANCE SHEET, DECEMBER 31, 1926

Assets—	
Plant and property	$3,978,994
Investments	600
Cash	48,990
Accounts receivable	78,010
Materials and supplies	46,306
Prepayments	8,214
Unamortized debt discount and expense	83,335
Other assets	124,097
Total	$4,368,546
Liabilities—	
Funded debt	$2,298,500
Notes payable	800,000
Accounts payable	96,717
Interest accrued	44,423
Taxes accrued	14,607
Consumers' deposits	19,782
Advances for construction	1,231
Due to affiliated cos.	823,276
Other liabilities	98
Reserves	50,859
Surplus	*219,053
Total	$4,368,546

*Represented by 3,000 shares of Common stock or no par value.

Officers: F. W. Woodcock, Pres.; Milward Oliver, V-P. & Treas.; C. Schubert, V-P.; W. Findlay Downs, V-P.; C. A. McClure, Sec., Philadelphia, Pa.; C. O. Culver, Gen. Mgr., New Iberia, La.

Directors: C. A. McClure, Milward Oliver, C. Schubert, F. W. Woodcock, John E. Zimmermann, Philadelphia; Burton A. Howe, Warren H. Snow, New York.

Offices, 1600 Walnut St., Philadelphia, Pa., New Iberia, La., and Dover, Del.

THE INDIANA, COLUMBUS & EASTERN TRACTION COMPANY

History and Property—Incorporated April 14, 1908, in Ohio, and acquired The Dayton, Springfield & Urbana Electric Ry. Co., The Columbus, London & Springfield Ry., The Columbus, Grove City & Southwestern Ry., The Urbana, Bellefontaine & Northern Ry., The Springfield & Western Ry., The Dayton & Northern Traction Co., and about 12 miles of The Dayton & Muncie Traction Co., extending from Greenville to Union City on the Ohio and Indiana State line. Also acquired the Columbus & Lake Michigan R. R., a steam road operating between Lima and Defiance, which has been converted to electricity. On Aug. 31, 1907, the Company was leased to the Ohio Electric Railway Co., which Company guaranteed payment of interest on bonds and 5% dividends on Pfd. stock, and assigned to that Company its lease of the Columbus, Newark & Zanesville Electric Ry. Co., and Dayton & Western Traction Co. The lease of the Dayton & Western Traction Co. was abrogated and the properties returned to its owners on April 25, 1920. On Jan. 24, 1921, J. Harvey McClure was appointed Receiver of the property, and in August, 1921, the Federal Court abrogated the lease of this company to the Ohio Electric Railway Company. Road extends from Columbus to Grove City; Columbus through Springfield to Dayton; and Springfield to Lima, Ohio. Miles of

GULF PUBLIC SERVICE COMPANY, SECURITIES

Howe Snow & Co.

Incorporated

New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

road (electric) owned, 153. Miles of track owned, 173. Gauge, standard. Cars, 129. Power purchased. Substations, 14. The Lima-Defiance Division of the Company was sold May 21, 1923 to the Lima-Defiance RR. Co., which was formed to take over the line. The Dayton-Union City branch was abandoned on Dec. 31, 1925.

Receiver Appointed—J. Harvey McClure was appointed Receiver for the property on Jan. 24, 1921, and the property is still under his management.

CAPITAL STOCK

Authorized and outstanding, $3,025,000 Common (reduced from $11,000,000 in June, 1911) and $1,000,000 5% cumulative Pfd.; par, $100. Pfd. stock has preference for assets and 5% cumulative dividends. The Ohio Electric Ry. Co. owns all the Common stock and $260,000 of the Pfd.

Annual Meeting—Second Tuesday in February.

Dividends—No dividends paid on Pfd. since 1916, and none on Common.

FUNDED DEBT

(1)

$750,000 DAYTON, SPRINGFIELD & URBANA RY. FIRST MORTGAGE GOLD 5s; DUE NOVEMBER 1, 1928

Dated November 1, 1898.

Interest Payable May and November 1, at New York Trust Co., New York. The interest due May 1, 1921, was paid Oct. 1, 1922, with interest at 6%. Coupons due subsequently were likewise deferred and paid at a later date with interest—the Nov. 1, 1926 coupons on Dec. 31, 1926; the May 1, 1927 coupons on July 30, 1927, and the Nov. 1, 1927 coupons on Dec. 31, 1927, all at their face amount, together with 6% interest, 38 cents per coupon.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized, $750,000 (all issued), of which $229,000 bonds in hands of Trustee for sinking fund purposes, on Dec. 31, 1926.

Callability—Subject to call as a whole at 110 and interest on six months' notice.

Sinking Fund—A sinking fund of 5% of gross earnings is operative, to be used in purchasing bonds in open market under 110; if this is not possible, bonds may be called at 110.

Security—A first lien on line from Dayton to Urbana via Springfield. Assumed by Indiana, Columbus & Eastern Traction Co. These bonds underlie the Indiana, Columbus & Eastern Traction Co. General & Refunding 5s of 1926, which provides for retirement.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Committee for Dayton, Springfield & Urbana Ry. First Mortgage 5s—The May 1 and Nov. 1, 1921 interest on the First Mortgage 5s, having been defaulted, the following protective committee was formed: Valentine Winters, Chairman; Wm. R. Craven, Chas. W. Slagle (Sec.), John C. Haswell, Dayton, Ohio; Costello C. Converse, Boston, Mass., with F. W. Gruen, Dayton, Ohio, as Counsel. Holders of the bonds were asked to deposit them with the May 1, 1921, and subsequent coupons, with the New York Trust Co., New York, Depositary.

(2)

$1,500,000 COLUMBUS, LONDON & SPRINGFIELD RY. FIRST MORTGAGE GOLD 5s; DUE OCTOBER 1, 1920

Dated October 1, 1900.

Interest Payable April and October 1, at New York Trust Co., New York; interest in default. (The last coupon, due Oct. 1, 1920, was paid in 1922).

Denomination—Coupon, $1,000; principal may be registered.

Trustee—New York Trust Co., New York.

Provisions of Issue—Authorized and issued, $1,500,000, of which $240,000 in hands of Trustee for sinking fund purposes, as of Dec. 31, 1926. $1,000,000 of this issue were pledged under Indiana, Columbus & Eastern Traction Co. General & Refunding 5s (paragraph 3). On Aug. 14, 1924, these bonds were sold at public auction to the Bondholders' Protective Committee of the Indiana, Columbus & Eastern Traction Co. General & Refunding 5s, the proceeds of which sale, viz. $5,000, were deposited with the Trustee of the Indiana, Columbus & Eastern Traction Co. General & Refunding 5s.

Callability—Subject to call at 110 and interest.

Sinking Fund—A sinking fund of 5% of gross earnings became operative year ended Sept. 30, 1906.

Security—Secured by first mortgage on line from Columbus to Springfield, Ohio, with a branch to London, and assumed by Indiana, Columbus & Eastern Traction Co. These bonds underlie Indiana, Columbus & Eastern Traction Co. General & Refunding 5s of 1926, which provides for retiremet.

Default—Principal not paid on maturity and was still in default Jan. 1, 1927.

Tax Provisions—Company does not pay Normal Federal Income Tax.

Committee for Columbus, London & Springfield Ry. First Mortgage Gold 5s—Lowell Mason, Chairman, New York; F. X. Quinn, Philadelphia; Dr. Maurice Korshet, Passaic, N. J.; New York Trust Co., Depositary; Sterling Birmingham, Sec., New York; Rabenold & Scribner, Counsel.

(3)

$6,650,000 THE INDIANA, COLUMBUS & EASTERN TRACTION CO. GENERAL & REFUNDING GOLD 5s; DUE MAY 1, 1926

Dated May 1, 1906.

Interest Payable May and November 1, at Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia. The interest due Nov. 1, 1919, and subsequent interest, is in default.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia.

Provisions of Issue—Authorized issue, $10,000,000; $250,000 of the certified outstanding bonds are treasury bonds deposited with the trustee under special arrangement. These bonds are only available for extensions and improvements when net earnings are one and one-half times interest charges on bonds outstanding and those to be issued; $1,250,000 bonds are held to retire underlying liens. The remaining bonds are reserved for future betterments, improvements and extensions, and can only be issued as follows: $1,100,000 when net earnings are 1¾ times interest charges on all bonds, including those to be issued, and $1,000,000 when net earnings are twice interest charges, including interest on bonds to be issued.

Callability—Subject to call as an entirety only, at 105 and interest on any interest day.

Sinking Fund—None provided.

Default—Principal not paid at maturity and still in default.

Security—Secured on all property now owned or hereafter acquired, subject, as to part, to $1,500,000 Columbus, London & Springfield Ry. First 5s of 1920, of which $1,000,000 were pledged hereunder (see paragraph 2), and $750,000 Dayton, Springfield & Urbana Ry. First 5s of 1928, for the retirement of both issues, bonds of this mortgage are reserved, provision for which is made in the mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Listed—Philadelphia Stock Exchange.

Committee for Indiana, Columbus & Eastern Traction Co. General & Refunding 5s—C. S. W. Packard, Chairman, Wm. P. Gest, Sidney F. Tyler, Chas. S. Patton, Philadelphia; R. B. Young, New York; Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia, Pa., Depositary.

EQUIPMENT OBLIGATIONS AND RECEIVER'S CERTIFICATES

There were outstanding at Dec. 31, 1926, $66,000 Receiver's Certificates and $56,551.43 Equipment Trust Certificates and Notes.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$1,240,479	$1,224,699	$1,316,681
Oper. exps., taxes & deprec.	1,151,817	1,104,923	1,219,001
Net earnings	$88,662	$119,776	$97,680
Other income	10,457	13,265	12,252
Total income	$99,119	$133,041	$109,932
Bond interest	$47,201	$49,409	$57,377
Other interest	91,000	91,000	91,000
Other charges	1,000	1,000	417
Total charges	$139,201	$141,409	$148,794
Deficit for year	$40,081	$8,368	$38,862

RECEIVER'S BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Property assets	$544,732	$705,666	$702,954
Cash & spec. deposits	63,389	7,578	11,336
Securities owned	7,294	7,294	7,294
Other investments	79,504	.....	.....
Material & supplies	83,873	107,522	93,828
Due from agents	.....	3,562	4,256
Accts. & notes receiv., etc.	153,045	58,038	61,606
Other current assets	18,738	17,655	15,852
Deferred debit items	.....	6,037	1,736
Unadjusted debits	227,571	.....	.....
Auxiliary operation	.....	93,977	69,149
Receiver's adjustment acct.	.....	133,365	131,365
Profit & loss, deficit	207,573	167,185	158,503
Total	$1,385,719	$1,307,879	$1,257,879
Liabilities—			
Equipment trust ctfs.	$67,098	$56,551	$82,485
Receiver's certificates	65,000	66,000	200,000
Notes payable	21,250	21,250	21,250
Accounts payable	84,223	86,979	95,639
Bond interest accrued	652,748	569,067	479,067
Other interest accrued	15,197	5,879	9,100
Accrued taxes, rents, etc.	28,654	40,283	30,343
Unpaid unmat. paving assess.	.....	37,345	43,771
Other current liabs.	2,760	261	298
Deferred credit items	553	.....	.....
Unadjusted credits	396,457	.....	.....
Reserves	51,779	424,264	295,926
Total	$1,385,719	$1,307,879	$1,257,879

Officers: J. H. McClure, Receiver, Springfield, Ohio; John E. Zimmermann, Pres., F. W. Woodcock, V-P., Philadelphia, Pa.; F. A. Healy, Sec. & Treas.; J. M. Pogue, Asst. Sec. & Asst. Treas., Springfield, Ohio.

Directors: F. W. Woodcock, J. E. Zimmermann, Philadelphia, Pa.; F. A. Healy, J. M. Pogue, Homer C. Corry, Springfield, Ohio.

Office, Traction Bldg., Springfield, O.

THE FELICITY & BETHEL RAILROAD COMPANY

History—Incorporated January 18, 1904, in Ohio. Length of line, 9 miles. Gauge, 4 ft. 8½ inches. Rail, T, 60 lbs. The road is operated by electricity for passengers and freight.

CAPITAL STOCK

Authorized and outstanding, $165,000; par, $50. Secretary of Company acts as Transfer Agent and Registrar. Annual meeting, first Monday in January.

FUNDED DEBT

$100,000 (entire issue) First Gold 5s; dated Oct. 1, 1905; due Oct. 1, 1935; int. April and Oct. 1, at office of Fifth Third Union Trust Co., Cincinnati, Ohio, Trustee. Coupon, $1,000; principal may be registered. Bonds cannot be called. Company does not pay Normal Federal Income Tax.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$8,446	$9,660	$10,908
Oper. exp. & taxes	7,952	9,352	10,007
Net earnings	$494	$308	$901
Bond interest	5,000	5,000	5,000
Deficit for year	$4,506	$4,692	$4,099

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925
Road and equipment	$265,000	$265,000	$265,000
Current accounts	1,119	3,766	3,485
Deferred debit items	9	9	9
Profit and loss	95,683	91,178	86,348
Total	$361,811	$359,953	$354,842
Liabilities—			
Capital stock	$165,000	$165,000	$165,000
Funded debt	100,000	100,000	100,000
Interest accrued	88,654	.....	83,904
Current liabilities	1,878	88,904	100
Taxes accrued	456	.....	401
Unadjusted credits	.....	420	.....
Depreciation accrued	5,823	5,630	5,437
Total	$361,811	$359,953	$354,842

Officers: L. G. Van Ness, Pres., Cincinnati, O.; F. X. Fiebis V-P.; Georgetown, O.; F. A. Nichols, Gen. Mgr., Treas. & Pur. Agt., Cincinnati, O.; J. C. Ginning, Sec., Felicity, O.

Directors: L. G. Van Ness, F. A. Nichols, L. E. Woster, Cincinnati, O.; F. X. Fiebis, Georgetown, O.; S. F. Kennedy, J. C. Ginning, F. Simmerman, Felicity, O.

Office, Cincinnati, Ohio.

HYDRO-ELECTRIC POWER COMMISSION OF THE PROVINCE OF ONTARIO

History—The Commission acts in an advisory capacity in connection with the operation of the Hydro utilities of the various municipalities with which it has contracts. In this connection the Commission arranges for the purchase or construction of distribution systems and assists the municipal officials in making their financial arrangements to pay for the cost of these systems. The Commission also recommends all necessary rate adjustments, as provided under the Power Commission Act, and generally supervises the management and operation of all systems, more especially in the smaller municipalities, which, individually, are not of sufficient size to employ a manager with the technical knowledge necessary to handle properly all phases of the System's operation.

The first Commission was created in 1903. Work was begun on a comprehensive transmission system in 1909, and by the end of 1910 a total of 280 miles of 110,000 volt line had been completed, serving 13 municipalities, which then comprised the Niagara System. The Commission has since formed other smaller systems, and is now serving about 529 municipalities and townships in the Province of Ontario, together with 92 industrial companies and government industries. In Nov., 1922, purchased the electric distributing system of the Toronto and Niagara Power Co. in the vicinity of Toronto.

Since 1924 the properties of the Electrical Development Company of Ontario, Ltd., The Ontario Power Company of Niagara Falls, and The Ontario Transmission Company, Ltd. have formed an integral part of the Hydro-Electric Power Commission's Niagara System and are being operated as part of that System. The agreement of transfer was authorized by the Power Commission and Companies' Transfer Act 1924. The charters of these three companies are being kept alive because of certain obligations referred to in the Agreement of Transfer.

The Hydro-Electric Power Commission also owns and operates the Essex District Railways, Guelph District Railways and Toronto and York District Railways.

FUNDED DEBT

Bonds, Debentures and Debenture Stock, Assumed By the Hydro Electric Power Commission and Guaranteed By the Province

(1)

$8,484,000 ONTARIO POWER CO. OF NIAGARA FALLS FIRST MORTGAGE SINKING FUND GOLD 5s; DUE FEBRUARY 1, 1943

Dated February 2, 1903.

Interest Payable February and August 1, at Canadian Bank of Commerce, Toronto, Ont., and New York.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Toronto General Trusts Corporation, Toronto.

Provisions of Issue—Authorized issue, $12,000,000; issued, $10,579,000, of which $2,095,000 retired by sinking fund to Oct. 31, 1927. Of the bonds outstanding, $1,200,000 are pledged to Bank of Montreal to secure advances to the Hydro-Electric Power Commission of Ontario. The unissued bonds can be issued only for new construction at not exceeding $60 per horse power installed.

Sinking Fund—Minimum $125,000 per annum, to be applied to purchase of bonds at not exceeding 110 and interest. The sinking fund has been assumed by the Hydro-Electric Power Commission of Ontario.

Security—Secured by first lien on all property of the Company including headworks, conduits, valve chamber, overflow, penstocks, generating station, turbines, generators, switchboard, oil switches and other apparatus complete for generating power at 12,000 volts.

Guaranty—Assumed as to principal and interest by supplement agreement signed by the Hydro-Electric Commission of the Province of Ontario, which agreement has been guaranteed by the Province of Ontario.

Tax Provision—Company does not pay U. S. Normal Federal Income Tax.

Original Offering—$1,000,000 in Dec., 1904, at 98 and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	105	102½	100¾	99⅝	96½	99	92	85
Low	103	99⅜	98	94⅜	92¾	90	75¼	75½

(2)

$1,450,000 ONTARIO TRANMISSION CO., LTD. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1945

Dated August 16, 1905.

Interest Payable May and November 1, at Canadian Bank of Commerce, Toronto, Can., or at its agency in New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Toronto General Trusts Corp., Toronto, Can.

Provisions of Issue—Authorized and issued, $2,000,000, of which $550,000 retired by sinking fund to Oct. 31, 1927.

Sinking Fund—$30,000 per annum, began July 1, 1911, which is to be applied to purchase of these bonds at not exceeding 110 and interest. If these bonds cannot be purchased, the money is to be invested in securities approved by the Trustees. The Ontario Power Co. of Niagara Falls assumed the payment of this sinking fund.

Security—Secured by first lien on entire property of Company.

Guaranty—Guaranteed, principal and interest, by endorsement, by the Ontario Power Co. of Niagara Falls. Guaranty assumed by supplemental agreement signed by the Hydro-Electric Power Commission of the Province of Ontario, which agreement has been guaranteed by the Province of Ontario.

Tax Provisions—Company does not pay U. S. Normal Income Tax.

Original Offering—First publicly offered in Feb., 1906, at 99½ and interest.

Listed—New York Stock Exchange.

Price Range—

	1927	1926	1925	1924	1923	1922	1921	1920
High	104	101	99¾	98½	98⅝	95	81	75⅛
Low	102	99⅜	97	94	92¼	79	67⅞	63

(3)

£1,926,619 TORONTO POWER CO., LTD., 4½% GUARANTEED DEBENTURE STOCK; DUE MAY 1, 1941

Dated November 1, 1922.

Interest Payable May and November 1 in London in sterling and in Toronto, Ont., at $4.86 2/3 to the £1.

Trustee—British Empire Trust Co., Ltd., London.

Provisions of Issue—Authorized and outstanding, £1,926,619. Issued in Nov., 1922, in exchange for a like amount of 4½% Debenture stock.

Callability—Subject to call on any interest date upon 6 months' notice at 105 and interest, and in voluntary liquidation is entitled to 105 and interest.

Security—Guaranty—By trust deed, the stock is constituted an unsecured Debenture stock, guaranteed principal, interest and sinking fund by the Hydro-Electric Power Commission of Ontario, which obligation in turn is guaranteed by the Province of Ontario.

Sinking Fund—Provision is made for a sinking fund to operate by purchase with no limit as to price, or by drawing by lot at 105 and interest on any interest date on 6 months' notice.

(4)

$3,706,000 ELECTRICAL DEVELOPMENT CO. OF ONTARIO, LTD. FIRST MORTGAGE (CLOSED) 5% GOLD BONDS; DUE MARCH 1, 1933

Dated March 1, 1903.

Interest Payable March and September 1 at Canadian Bank of Commerce, Toronto, New York and London.

Denominations—Coupon, $500 or £102 14s. 10d.; principal may be registered.

Trustee—National Trust Co., Ltd., Toronto.

Provisions of Issue—Authorized and issued, $10,000,000 of which $1,280,000 retired by sinking fund and $5,014,000 owned by Hydro-Electric Power Commission of Ontario, Nov. 1, 1927.

Sinking Fund—The Mortgage provides for an annual sinking fund (commenced March 1, 1911) of $1 for each electrical horse power sold and paid for during the preceding calendar year, or a minimum of $90,000, the moneys so received to be applied to the purchase of bonds at not to exceed 110 and interest.

Security—A first and only lien on the Company's hydro-electric plant at Niagara Falls; also a first lien by deposit of collateral on the right of way and transmission system; and by a first mortgage on 500 acres of factory sites on the Chippewa River. Provision for the retirement of these bonds is made in the trust deed securing the Consolidated Debenture 4½% stock of Toronto Power Co., Ltd.

Listed—Toronto and London Stock Exchange.

Price Range (Toronto)—

	1927	1926	1925	1924	1923	1922	1921	1920
High	101¾	101½	100½	99½	98¾	96	95	93½
Low	100	99	98	92½	98	94½	90	84

DEBENTURES ISSUED BY THE COMMISSION AND GUARANTEED BY THE PROVINCE

(5)

$8,000,000 4% Debentures, due 1957, issued in purchase of Ontario Power Co. of Niagara Falls,

$3,206,000 6% Debentures, due 1941, issued for the purpose of retiring the 1921 issue of the Ontario Power Co. of Niagara Falls.

$413,000 6% Debentures, due 1940, issued in purchase of the Toronto Power Co., Ltd.

$205,800 6% Debentures, due 1940, issued in purchase of certain electrical power equipment of the Toronto & York Radial Ry.

$4,000,000 5% Debentures, due 1939, issued for the purpose of retiring the 1924 issue of the Toronto Power Co., Ltd.

$200,000 4% Debentures, due 1958, issued in purchase of distribution lines of Essex County.

$26,000 5% Debentures, due 1938, issued in purchase of distribution lines in Essex County.

$100,000 4% Debentures, due 1958, issued in purchase of distribution lines in vicinity of Thorold.

Sandwich, Windsor & Amherstburg Ry.:

$2,039,000 4½% Debentures, due 1960, issued in purchase of the railway.

$61,000 4½% Debentures, due 1960, issued for the purpose of making extensions and betterments.

$900,000 6% Debentures, due 1961, issued for the purpose of making extensions and betterments.

$966,205 5% Debentures, due 1943, issued for the purpose of making extensions and betterments.

$850,000 5% Debentures, due 1945, issued for the purpose of making extensions and betterments.

Guelph Radial Railway:

$276,000 6% Debentures, due 1931, issued for the purpose of making extensions and betterments.

Toronto & York Radial Railway:

$2,375,000 6% Debentures, due 1940, issued in purchase of the Metropolitan, Scarboro and Mimico Radial Railway divisions.

CONTINGENT LIABILITY

$189,000 First Mortgage 5% Gold bonds of the Windsor & Tecumseh Electric Ry. Co., due 1927, and payable by the Detroit United Railways under the terms of the purchase agreement dated Jan. 14, 1920.

The following statement shows the combined revenue of the Hydro-Electric Power Commission and of the municipal electric utilities, year ended Oct. 31, 1926:

Revenue of Commission from municipal electric utilities and other power customers	$20,555,179.19
Revenue collected by municipal electric utilities	22,677,999.28
Revenue of H. E. P. Co. Railways ($2,047,627.62):	
Sandwich, Windsor & Amherstburg Ry.	1,031,443.20
Guelph District Railways	107,104.19
Toronto & York Radial Railways	909,079.23
Total	$45,280,805.09
Deduct amounts included in first item above as follows:	
H. E. P. Co. revenue from sale of power to municipalities, to H. E. P. Co. Railways to Peterborough Ry. and to Campbellford Pulp Mill	12,598,151.88
Total combined revenue	$32,682,653.21

REVENUE OF COMMISSION, YEARS ENDED OCTOBER 31

The following statement summarizes the Commission's collections from municipal hydro-electric utilities and other power customers and shows how the collections have been appropriated:

	1926	1925
Revenue from municipal electric utilities and other power customers	$20,555,179.19	$18,002,148.96
Appropriated as follows:		
Operation, maint., admin., int. and other current exp.	15,693.871.55	13,847,466.79
Reserved for sinking fund, renewal of plant and equip. & contingencies	4,295,894.30	3,716,833.92
Net surplus after providing for all operating expenses & necessary fixed charges, credited to municipalities and shown in their accounts	$565,413.34	$437,848.25

TOTAL POWER GENERATED AND PURCHASED

Hydro-electric generating plants—	Oct. 31, 1926	Oct. 31, 1925
Normal operating capacity	1,003,339 hp.	896,181 hp.
Peak load during fiscal year	*982,595 hp.	*893,953 hp.
Total output during fiscal year	3,603,445,400 kwh.	3,047,634,684 kwh.
Toronto steam plant—		
Normal operating capacity	20,000 hp.	20,000 hp.
Power purchased—		
Contract amount horsepower	49,048	45,811
Peak horsepower	*52,491	*52,321
Total purchased	192,712,303 kwh.	166,122,470 kwh.

Grand totals—	Operating capacity hp.	Peak load hp.	Total output kwh.
1924	864,600	*781,666	3,001,801.041
1925	961,992	*946,274	3,213,757,154
1926	1,072,387	*1,035,086	3,796,157,703

*Peak totals given are direct sums of plant peaks as shown without allowance for diversity in time. Therefore these totals do not indicate the demands on the various systems where there is more than one plant supplying power.

The total investment of the Hydro-Electric Power Commission of Ontario in power undertakings and hydro-electric railways is $203,442,757.99, and the investment of the municipalities in distributing systems and other assets is $74,692,540.69, making in power and hydro-electric railway undertakings a total investment of $278,135,298.68. The total revenue derived from this capital investment aggregated $32,682,653.21 in 1926.

The following statement shows the capital invested in the respective systems and municipal undertakings:

Niagara system	$155,769,665.97
Georgian Bay system	5,259,249.53
St. Lawrence system	1,062,444.88
Rideau system	1,161,658.24
Thunder Bay system	12,724,571.03
Ottawa system	46,843.15
Engineering—Power sites, St. Lawrence and Ottawa systems	262,655.18
Central Ontario and Trent system	14,067,963.23
Nipissing system	1,036,000.84
Office and service buildings, construction plant, inventories, etc.	2,661,806.34
Hydro-electric railways	9,389,899.60
	$203,442,757.99
Municipalities' distributing systems and other assets (exclusive of $8,046,869.53 of municipal sinking fund equity in H-E. P. Co. system)—all systems	74,692,540.69
	$278,135,298.68

STATEMENT OF ASSETS AND LIABILITIES, OCTOBER 31
(Hydro-Electric Power Commission of Ontario)

Assets—	1926	1925
Gen. plants, transmission lines, transformer stations, distribution lines, bldgs., equipment, etc.	$177,576,191	$174,224,698
Inventories	1,345,404	1,274,235
Reserve funds, invested	9,741,142	3,327,555
Sinking funds, invested	359,081	7,181,927
Insurance funds, invested	712,289	714,499
Staff pension funds, invested	834,068	582,018
Grants payable by the Province	46,179	
Cash	438,441	620,620
Accts. receivable, less reserves	3,164,859	2,799,406
Balances due by municipalities for pow.	129,081	474,292
Work in progress	27,299	36,998
Insurance unexpired	42,532	52,654
Discount on debentures	196,632	211,292
Sandwich, Windsor & Amherstburg Ry.	5,127,188	4,192,988
Guelph Radial Ry.	449,749	450,431
Toronto & York Radial Ry.	3,648,914	3,988,513
Port Credit to St. Catharines Radial Ry.	409,687	388,395
Toronto to Port Credit Radial Ry.	663,140	648,595
Total	$204,911,876	$201,219,116
Liabilities—		
Provincial Treasurer: Cash advs. for Niagara & other systems, etc.	$130,237,183	$132,107,226
Debentures issued by the Commission and guaranteed by the Province (incl. accrued interest thereon)	16,388,873	16,388,873
Bonds and debenture stock assumed by the Commission & guaranteed by the Province (incl. accrued int. thereon)	24,309,851	24,909,950
Other debentures assumed	78,146	82,019
Outstanding share capital of the Electrical Devel. Co. of Ontario, Ltd.	1,100	
Accounts payable	600,477	410,746
Bond int. coupons due but not presented for payment	37,592	318.426
Bonds overdue—not presented		8,100
Central Ontario System current acct	179,573	146,239
Insurance department	700,056	698,548
Reserve for staff pensions	816,541	610,451
Balance due to municipalities	836,980	544,816
Reserves for sinking fund	8,484,946	7,996,182
Reserves for renewals	8,682,461	7,041,922
Reserves for obsolescence & conting.	3,826,491	1,120,759
Balance at credit of interest account	5,754	33,894
Sandwich, Windsor & Amherstburg Ry:		
Debentures issued by the Commission & guar. by the Province (with accrued interest thereon)	4,863,454	4,000,132
Accts. payable & accrued charges	63,998	11,644
Provision for unredeemed tickets	10,000	8,500
Other liabilities & reserves	189,736	172,712
Guelph Radial Ry.:		
City of Guelph—purchase price of the railway	122,588	128,568
Debentures issued by the Commission & guar. by the Province	276,000	156,000
Accts. payable, advances, reserves, etc.	51,161	165,863
Toronto & York Radial Ry.:		
Debentures issued by the Commission & guar. by the Province (with accrued interest thereon)	2,434,375	2,434,375
Bank of Montreal—advances	1,200,000	1,200,000
Accts. payable, accrued charges, etc.	14,539	22,071
Port Credit to St. Catharines Radial Ry.:		
Bank of Montreal—advances	500,000	500,000
Total	$204,911,876	$201,219,116

General Office, 190 University Avenue, Toronto, Canada.

BRISTOL GAS & ELECTRIC COMPANY

(Controlled by Cities Service Power & Light Co.)

History—Incorp. in May, 1895, in Va.; absorbed Bristol Light & Power Co. and Consumers' Electric Co. Supplies gas and electricity under franchises unlimited in point of time to Bristol, Tenn.-Va.; population served, about 16,000. Miles of gas mains, 22.60. No. of meters: Gas, 1,332; electric, 4,320. Customers served: Electric, 4,156; gas, 1,310. Sales in 1926: Gas, 48,847,700 cu. ft., compared with 45,410,300 in 1925; electricity, 8,728,729 k.w.h., compared with 7,760,393 k.w.h. in 1925. Artificial gas plant capacity, 240,000 cu. ft.; holder capacity, 201,648 cu. ft. Electric generating capacity, 600 k.w.; purchased current, 2,000 k.w.; connected load, maximum demand, 9,958 k.w. Miles of distributing lines, 70.2.

The Bristol Gas & Electric Co. guarantees the principal and interest of $300,000 First Mortgage 6% bonds of the Watauga Power Co., a Cities Service Power & Light subsidiary, from which Company it purchases power under contract.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. The Cities Service Power & Light Company owns $299,500 (99.833%) of the stock. Annual meeting, third Wednesday in Dec.

FUNDED DEBT

$481,000 First Gold 5s; dated July 1, 1909; due July 1, 1939; interest Jan. and July 1, at Munsey Trust Co., Washington, D. C., Trustee, and National City Bank, New York. Coupon, $500 and $1,000; principal may be registered. Authorized issue, $550,000. Subject to call at 105 and interest on any interest date. Issued in payment for property and for extensions and improvements. Additional bonds may be drawn for actual cost of improvements. Secured by a first lien on the entire property. First publicly offered in 1910 at 96 and interest. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED
(Latest Available)

	Dec. 31, 1926	Jun. 30, 1925
Gross earnings	$374,772	$330,379
Operating expenses and taxes	270,213	257,455
Net earnings	$104,559	$72,924
Interest on bonds	24,050	22,176
Other interest	13,181	10,539
Net to stock and reserves	$67,328	$40,209

Officers: H. L. Doherty, Pres.; R. E. Burger, 1st. V-P.; T. I. Carter, 2nd V-P., New York; J. C. York, Sec.; W. A. Hiddleson, Treas. & Gen. Mgr., Bristol, Tenn.-Va.

Directors: H. L. Doherty, R. E. Burger, T. I. Carter, F. L. Blackburn, New York; W. A. Hiddleson, Bristol, Tenn.-Va.

Office, Bristol, Tenn.-Va.

WATAUGA POWER COMPANY

(Controlled by Cities Service Power & Light Company)

History—Inc. June, 1910, in Tenn.; began operation and sale of power Jan., 1912. Owns and operates hydro-electric plant near Elizabethton, Tenn., and transmission lines extending to Bristol, Tenn.-Va.; also owns two other valuable water power sites. Company supplies light and power service in the City of Elizabethton, under a 50-year franchise, granted in May, 1911, serving a population of about 3,500. Sells electrical energy wholesale to the Bristol Gas & Electric Co. at Bristol, Va.-Tenn., under a contract running for 37 years at fixed monthly payments amounting to $30,000 per annum. Capacity of hydro-electric generating plant, 3,200 h.p. Company owns 21.9 miles of high tension transmission lines and 22.19 miles of distributing lines. Sales in 1926, 10,525,320 k.w.h. compared with 8,618,875 k.w.h. in 1925 and 8,636,690 k.w.h. in 1924. No. of meters, 793. No. of customers, 735; connected load, 11,314 k.w.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. Cities Service Power & Light Company owns $299,500 (99.833%) of the stock. Annual meeting, first Monday in June, at Elizabethton, Tenn.

FUNDED DEBT

$300,000 GUARANTEED FIRST GOLD 6s; DUE DECEMBER 1, 1952

Dated December 1, 1912.

Interest Payable June and Dec. 1, at New York Trust Co., Trustee. Denominations, $500 and $1,000; registered bonds, and coupon bonds, registerable as to principal. Authorized issue, $400,000; issued, $300,000 of which $46,000 held alive in sinking fund Dec. 31, 1926, balance reserved for extensions at 85% of cost.

Sinking fund provision requires the payment of $2,750 per annum, beginning Sept. 1, 1915, for the purpose of purchasing bonds at not more than 106 or call at that figure; and such bonds while becoming non-negotiable, continue to draw interest, which income is credited to the sinking fund. In lieu of cash the Company may deposit with the Trustee the equivalent amount in bonds at 106. The mortgage further provides that if any more bonds are issued out of the treasury, in addition to the $300,000 outstanding, a proportionate increase shall be made in the annual sinking fund levy. On Dec. 31, 1926, $46,000 bonds were held alive in sinking fund.

A first lien on entire property. Unconditionally guaranteed, principal and interest, by Bristol Gas & Electric Company. First publicly offered ($300,000), in Jan., 1913, at 101 and interest. Company pays Normal Federal Income Tax up to 2%.

EARNINGS, YEARS ENDED
(Latest Available)

	Dec. 31, 1926	June 30, 1925
Gross earnings	$156,067	$136,904
Operating exp. and taxes	95,818	79,107
Net earnings	$60,249	$57,797
Interest on funded debt	18,000	18,000
Balance	$42,249	$39,797

Officers: T. I. Carter, Pres., New York; W. A. Hiddleson, V-P. & Gen. Mgr.; J. C. York, Sec. & Treas., Bristol, Tenn.-Va.

Directors: H. L. Doherty, T. I. Carter, New York; W. A. Hiddleson, E. C. Alexander, C. T. St. John, Bristol, Tenn.-Va.

Office, Bristol, Tenn.-Va.

VINCENNES WATER SUPPLY CO.

History—Incorporated in 1885, in Ind. Franchise is indeterminate. Population served, 19,000. Pumpage in 1926, 768,009,000 gals.; in 1925, 770,186,000 gals. Company is under the management of the Bucknell Water Works Trust.

CAPITAL STOCK

Authorized, $200,000 Common; outstanding, $200,000 Common (par, $25) and $510 Pfd. (par, $50). Annual meeting, second Wednesday in May. The outstanding Pfd. stock ($510) has been called but has never been turned in for redemption.

Dividends—Dividends of 4% paid in 1924 and 1925; 1926, 2%; payments semi-annually.

FUNDED DEBT

$317,000 First Gold 6s; dated July 1, 1916; due July 1, 1936; int. Jan. and July 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee. Coupon, $1,000; principal may be registered. Authorized issue, $500,000 of which $183,000 held in treasury. Subject to call on and after July 1, 1921, at 102 and int. A first lien on entire property, now owned or hereafter acquired. Mortgage contains tax free covenant of Sept. 8, 1916,

which obligates company to pay 1% Normal Federal Income Tax only; by agreement company pays additional 1% or 2% in all.

INCOME ACCOUNT, YEARS ENDED DEC. 31

(Accounts Audited by Lybrand, Ross Bros. & Montgomery).

(Latest Available)	1926	1925	1924
Gross earnings	$103,785	$100,508	$99,626
Oper. exp. & taxes	58,456	57,319	55,643
Depreciation	4,497	4,378	4,201
Net earnings	$40,832	$38,812	$39,782
Bond interest	19,020	19,020	19,020
Other interest	44	44	25
Total charges	$19,064	$19,064	$19,045
Profit before allowance for Federal Income Tax	$21,767	$19,748	$20,737
Federal Income Tax	2,797	2,393	2,405
Net profits	$18,970	$17,355	$18,332
Common dividends	4,000	8,000	8,000
Surplus for year	$14,970	$9,355	$10,332
Times Bond int. Earned	2.14	2.03	2.09

GENERAL BALANCE SHEET, DEC. 31

(Latest Available) Assets—	1926	1925	1924
Plant and equipment	$515,450	$505,062	$493,132
Cash	7,642	4,503	2,789
Accounts receivable	7,364	7,280	6,985
Inventories	7,836	8,508	8,561
Depreciation reserve fund	21,402	20,502	16,581
Def. charges to operation	1,321	1,611	673
Total	$561,015	$547,466	$528,722
Liabilities—			
Common stock	$200,000	$200,000	$200,000
Preferred stock	510	610	610
	$200,510	$200,610	$200,610
Deduct: Unamortized capital	150,944	150,944	150,944
	$49,566	$49,666	$49,966
Funded debt	317,000	317,000	317,000
Notes payable	.....	4,000	.....
Accounts payable	4,800	5,896	3,616
Consumers' deposits	15,528	15,635	14,492
Fed. Income Tax	2,797	2,301	2,406
Accrued accounts	15,245	14,613	14,371
Depreciation reserve	42,057	39,211	37,475
Surplus	114,022	99,144	89,696
Total	$561,015	$547,466	$528,722

Officers: Harry T. Watts, Pres. & Supt.; Melvin H. Schwartz, V-P., Vincennes, Ind., Isaac S. Walker, Sec. & Gen. Mgr.; H. Boardman Hopper, Treas.; Walter Godley, Asst. Treas., Philadelphia, Pa.

Directors: W. P. Gest, H. Boardman Hopper, I. S. Walker, Philadelphia, Pa.; H. T. Watts, V. D. Soden, Clarence B. Kessinger, Melvin H. Schwartz, Vincennes, Ind.

Offices, Vincennes, Ind., and 594 Drexel Bldg., Philadelphia, Pa.

CENTRAL UTILITIES SECURITIES CORP.

History and Property—Incorporated in 1916, in Maine, to acquire the securities of electric light, power, gas, ice, water power, etc., companies, and development was further enlarged to include oil producing properties. Corporation, through subsidiaries, owns entirely, oil properties located as follows: 196 acres in southern Illinois, with 12 producing oil wells; also owns control of subsidiaries having 3,400 acres in Oklahoma.

CAPITAL STOCK

Authorized $5,000,000 Common and $5,000,000 6% cumulative Pfd.; outstanding, $3,572,000 Common and $2,195,000 Pfd.; par $100. Registrar, First Wisconsin Trust Co., Milwaukee, Wis. Annual meeting, Feb 28, 1928. Last dividend paid on Pfd. stock, March 31, 1920.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Investments—bonds	$123,661
Investments—debentures	257,310
Accrued interest receivable	11,416
Certificate of deposit	73,125
Cash	382,949
Furniture and fixtures	1
Deficit	4,918,538
Total	$5,767,000
Liabilities—	
Common stock	$3,572,000
Preferred stock	2,195,000
Total	$5,767,000

Officers: Laurence A. Olwell, Pres. & Treas., Milwaukee, Wis.; Richard McCulloch, V-P., St. Louis, Mo.; I. A. Hoff, Sec., Milwaukee, Wis.

Directors: Laurence A. Olwell, C. B. Pierce, I. A. Hoff, Milwaukee, Wis.; Richard McCulloch, James H. Grover, St. Louis, Mo.

General Office, Portland, Me.

CENTRAL HUDSON GAS & ELECTRIC CORPORATION

History and Properties—Incorporated Dec. 31, 1926, in New York, as a consolidation of Central Hudson Gas & Electric Company, The Dutchess Light, Heat & Power Company, United Hudson Electric Corporation, Upper Hudson Electric and Railroad Company, Kingston Gas and Electric Company, and Ulster Electric Light, Heat & Power Company. All the stock of these companies has been exchanged for stock of the Corporation. The Citizens Railroad, Light and Power Company and Southern Dutchess Gas & Electric Company were merged by Central Hudson Gas & Electric Company in January, 1926. Prior to the consolidation, the properties of the companies were operated under unified control as a single system, known as the Central Hudson System. The Corporation serves the territory situated in the Hudson River Valley between New York City and Albany which embraces substantially all of Dutchess, Ulster and Greene and parts of Columbia, Albany and Orange Counties. The Corporation supplies both gas and electricity, without competition, in and around Poughkeepsie, Beacon, Kingston, Newburgh and Catskill. The territory served with electricity includes, in addition to these cities, more than 190 villages and smaller communities as well as a large suburban and rural population. The population of the territory served is in excess of 272,000. Owns entire capital stock of **Cornwall Telephone Co., Philipstown Electric Corp.** and **United Hudson Realty Corp.**

The electric properties include four steam stations and six hydro-electric generating plants with an aggregate installed capacity of 41,700 k.w., and high tension electric transmission lines over 41,700 miles in length. The gas properties include five gas plants having a total daily capacity of over 7,000,000 cubic feet with gas distribution systems aggregating about 184 miles of mains. The electric properties are connected with the lines of important companies in adjacent territory. The franchises under which the Corporation operates are, with minor exceptions, perpetual and contain no burdensome restrictions.

STATEMENT OF GROWTH, YEARS ENDED DEC. 31

	Gross Operating Revenues	Electric Consumers' Meters	Electric Sales k.w.h.	Gas Consumers' Meters	Gas Sales cu. ft.
1915	$1,389,612	10,326	19,873,779	19,897	381,388,000
1920	2,621,951	15,479	45,198,264	22,381	586,860,700
1921	3,038,426	18,310	48,929,925	22,577	553,668,700
1922	3,383,673	21,874	60,728,343	23,337	584,593,800
1923	3,793,238	26,702	67,751,744	24,270	675,590,600
1924	4,164,268	31,447	89,248,160	25,091	664,991,500
1925	4,506,685	36,766	96,763,718	25,884	675,406,700
1926	4,987,560	42,654	109,120,408	26,917	745,336,900
1927	.....	48,392	178,519,855	27,154	753,958,100

CAPITAL STOCK

Authorized, 400,000 shares Common of no par value, and $10,000,000 6% cumulative Pfd., par, $100; outstanding, 300,048 shares Common and $6,030,000 Pfd.

Voting Trust—A Voting Trust Agreement was prepared in Jan., 1927, to which all of the Common stockholders were invited to participate. At Dec. 31, 1927 86% of the stock had been voluntarily deposited; the stock that has not been deposited is principally held outside of the Company's territory.

Dividends—Initial dividend of $1.50 per share on Pfd. stock paid April 1, 1927 for the quarter ended March 31, 1927; subsequent Pfd. dividends paid quarterly, J, A, J & O 15. Initial Common dividend of 50 cents per share paid May 1, 1927 and subsequently each quarter, F, M, A & N 1.

FUNDED DEBT

(1)

$1,175,000 (CLOSED) CENTRAL HUDSON GAS & ELECTRIC CO. FIRST & REFUNDING MORTGAGE GOLD 5s; DUE JUNE 1, 1941

Dated June 1, 1911.

Interest Payable June and December 1, at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—American Exchange Irving Trust Co., New York.

Security—Secured by a first mortgage on entire property of the company, including the gas and electric plants of former Central Hudson Gas & Electric Co. at Poughkeepsie and Newburgh, and real estate, office buildings and other property in Cornwall, Newburgh, Poughkeepsie and vicinity.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$175,000 CITIZENS RAILROAD, LIGHT & POWER CO. FIRST & REFUNDING MORTGAGE 7s; DUE AUGUST 1, 1931

Dated August 1, 1921.

Interest Payable quarterly, F, M, A & N 1, at Fishkill National Bank, Beacon, N. Y.

Denominations—Registered bonds, $500 and $1,000.

Trustees—S. K. Phillips, S. S. Mapes and R. S. Tompkins.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(3)

$700,000 KINGSTON GAS & ELECTRIC CO. FIRST MORTGAGE GOLD 5s; DUE MAY 1, 1952

Dated May 1, 1902.

Interest Payable May and November 1, at Chatham Phenix National Bank & Trust Co., New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Chatham Phenix National Bank & Trust Co., New York.

Provisions of Issue—Authorized and outstanding, $700,000; mortgage closed.

Callability—Subject to call at 107 and interest on any interest date upon four weeks' notice.

Security—A first lien on entire property of former Kingston Gas & Electric Co.

Guaranty—Principal and interest guaranteed by American Gas Co.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(4)

$8,000,000 CENTRAL HUDSON GAS & ELECTRIC CORP. FIRST AND REFUNDING MORTGAGE GOLD BONDS 5% SERIES; DUE JANUARY 1, 1957

Dated January 1, 1927.

Interest Payable March and September 1 at American Exchange Irving Trust Co., New York.

Denominations—Coupon, $500 and $1,000; principal may be registered. Bonds in denomination of $500 are exchangeable in like principal amount for $1,000 bonds, but $1,000 bonds are not exchangeable for $500 bonds.

Trustee—American Exchange Irving Trust Co., New York.

Provisions of Issue—Authorized issue unlimited. Additional bonds may, as provided in the Mortgage, be issued in one or more series, in such amounts and having such rates of interest, maturity dates and such other provisions within the limitations of the Mortgage as directors may from time to time determine. Additional bonds of the 5% Series due 1957, or of other series, may be issued in accordance with the terms of the Mortgage: (a) To refund, in whole or in part, an equal principal amount of existing underlying bonds; underlying bonds, as defined in the Mortgage, secured by mortgages on property hereafter acquired; and bonds of any series issued under the First & Refunding Mortgage. (b) To a principal amount not exceeding $2,000,000 for additions and improvements made prior to Jan. 1, 1927, to the properties of the Corporation, and in principal amounts not exceeding 75% of the cost or fair value of plants or property acquired by Corporation on or after Jan. 1, 1927, and of permanent additions, extensions, betterments and improvements to the property of the Corporation now owned or hereafter acquired, provided that net earnings of the Corporation for 12 consecutive months out of the 15 preceding months shall have been at least 1¾ times the annual interest charges on all First & Refunding Mortgage bonds and all underlying bonds secured by mortgage on any portion of the Corporation's property then outstanding, together with the bonds proposed to be issued. (c) To provide money to be deposited with the Trustee for any of the foregoing purposes.

Purpose of Issue—Proceeds of the $8,000,000 5% series due 1957 were used to reimburse Corporation for expenditures in retiring $6,140,800 bonds of the companies consolidated and for certain additions and improvements already made to its properties.

Callability—Subject to call as a whole or in part on the first day of any month, on not less than 30 days' notice, at a premium of 5% before Jan. 1, 1937; said premium to be reduced by ¼ of 1% on January 1, 1937, with a like additional reduction commencing January 1 of each year thereafter, the bonds to be redeemable at par on and after January 1, 1956, in each case with accrued interest.

Security—Secured by first mortgage on more than 40% of Corporation's property, including all of its hydro-electric developments with one minor exception and more than half of its main high-tension transmission lines, and by direct mortgage on the balance of the property, subject to $2,050,000 closed divisional underlying liens.

Tax Provisions—Corporation pays Normal Federal Income Tax up to 2%. Pennsylvania, Maryland, Connecticut and Massachusetts taxes (other than estate, succession and inheritance taxes) not exceeding in each year $4.00, $4.50, $4.00 or $3.00 per $1,000 bond, respectively, will be refunded as provided in the mortgage, but the corporation will not refund more than one such state tax on the same bond for the same year.

Legal Investments for Savings Banks in Maine, Rhode Island and Massachusetts.

Legal Opinion—Townsend, Elliott & Munson, Philadelphia (for the Bankers) and Gould & Wilkie, New York (for the Corporation).

Original Offering—First publicly offered ($8,000,000) in January, 1927, at 101½ and interest, to yield over 4.90%, by Drexel & Company and Stroud & Co., Inc., Philadelphia.

(5)

$1,250,000 (ENTIRE ISSUE) CENTRAL HUDSON GAS & ELECTRIC CO. DEBENTURE GOLD 6s; DUE JULY 1, 1935

Dated July 1, 1925.

Interest Payable January and July 1 at Company's offices, Poughkeepsie and Newburgh, N. Y.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Callability—Subject to call on any interest date on 30 days' notice at 104 on July 1, 1927, less ½% each year or part thereof thereafter.

Tax Provisions—Company does not pay Normal Federal Income Tax.

(6)

There are also outstanding $55,000 Real Estate Mortgages.

EARNINGS, YEARS ENDED DECEMBER 31
(After giving effect to the consolidation of all properties now owned, irrespective of dates of acquisition)

	*1926	1925	1924
Gross revenue (including non-operating)	$4,997,369	$4,544,242	$4,255,563
Oper. exps., maint., provision for retirement & taxes (except Federal income)	3,170,119	2,956,855	2,998,158
Net earnings	$1,827,250	$1,587,387	$1,257,405
Annual int. on mortgage debt. outstanding upon completion of financing	506,600	.....	.....
Balance	$1,320,650	.....	.....

*Year ended October 31, 1926.

EARNINGS, YEAR ENDED DECEMBER 31, 1927
(Subject to final audit revision)

Gross operating revenues	$5,557,091
Operating expenses, incl. taxes & retirement exp.	3,772,458
Net earnings	$1,784,633
Other income	98,599
Total income	$1,883,232
Interest on mortgage bonds	489,650
Interest on debenture bonds & other indebtedness	93,886
Net charges against surplus for year	61,638
Net corporate income	$1,238,058
Dividends paid	961,881
Balance carried to surplus	$276,177

GENERAL BALANCE SHEET, DECEMBER 31, 1927
(Established by order of the N. Y. Public Service Comm. approving the Company's consolidation, after giving effect to entries since Jan. 1, 1927)
(Subject to final audit revision)

Assets—	
Fixed capital (book value)	$22,344,112
Investments in affiliated cos.	769,372
Current assets	2,658,378
Other assets	1,541,003
Total	$27,312,865
Liabilities—	
Common stock (300,048 shares no par value, capital value at organization)	$3,875,800
Preferred stock	6,030,000
Funded debt	11,355,000
Current liabilities	1,483,833
Other liabilities	684,081
Reserves for retirements & contingencies	1,785,122
Surplus	2,099,029
Total	$27,312,865

Officers: T. R. Beal, Pres. & Gen. Mgr., Poughkeepsie, N. Y.; J. L. Wilkie, V-P., New York; Wm. Schickle, Treas.; P. A. Burnes, Sec., Poughkeepsie, N. Y.

Directors: T. R. Beal, H. M. Beugler, E. R. Acker, A. R. Beal, E. E. Perkins, H. S. Reynolds, Poughkeepsie, N. Y.; John Wilkie; F. N. Bain, Newburgh, N. Y.; G. N. Miller, Rhinebeck, N. Y.; S. R. Bradley, Nyack, N. Y.; John L. Wilkie, New York, N. Y.

General Office, 50 Market St., Poughkeepsie, N. Y.

SOUTHERN OHIO PUBLIC SERVICE COMPANY

History—Incorporated May 21, 1925, in Ohio, and took over on June 1, 1925 the properties of the Columbus, Newark & Zanesville Electric Railway Co. sold at foreclosure sale in February, 1925, under plan of reorganization, dated Dec. 30, 1922 (see 1924 Public Utility Manual, page 2419, or apply to our Information Department).

Supplies electric light and power without competition in the City of Zanesville, Ohio, and a number of adjacent communities. Transmission system 65 miles in length, extends from Zanesville west to within short distance of Columbus, Ohio. 9,863 electric customers served in a territory with population in excess of 50,000. Steam generating plant with capacity of 4,500 k.w.; hydro-electric plant with capacity of 700 k.w. The Company purchases power from Ohio Power Company. Owns an amusement park at Buckeye Lake. Company operates an electric transportation system in Zanesville and interurban electric transportation system between Zanesville and Columbus, Ohio, via Newark, with branch to Buckeye Lake. Miles of track, 95.65. Cars, 83. Owns all of the capital stock of **National Motor Transit Company** operating motor buses between Zanesville, Columbus and Newark, Ohio.

OPERATING STATISTICS, YEARS ENDED DECEMBER 31

	K.W.H. Output (exclusive of railway uses)	Customers Served
1921	8,059,324	4,737
1922	8,923,670	5,611
1923	11,640,896	6,584
1924	13,464,057	7,576
1925	16,012,004	8,843
1926	23,942,735	9,863

CAPITAL STOCK

Authorized 26,500 shares Common of no par value and $2,000,000 7% cumulative Pfd., par $100; outstanding, 25,928 shares Common and $688,000 Series "A" Pfd.

Preferred Stock Provisions—Has preference for assets and dividends. Series "A" Pfd. is limited to $1,000,000. Additional Pfd. stock up to $2,000,000 may be issued from time to time in series, which may vary in dividend rates and redemption prices, but otherwise shall be identical with Series "A." Series "A" Pfd. is subject to call in whole or in part at 110 and dividends at any time. Pfd. stock has equal voting power per share with Common.

Voting Trust—Common stock is held in a voting trust for a period of ten years expiring July 1, 1935. The voting trustees are: Livingston E. Jones, William A. Law, Claude A. Simpler, F. W. Woodcock and John E. Zimmermann, all of Philadelphia.

FUNDED DEBT

(1)

$2,100,000 FIRST MORTGAGE 5½% GOLD BONDS, SERIES "C"; DUE MARCH 1, 1957

Dated March 1, 1927.

Interest Payable March 1 and September 1, at Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia, or Chase National Bank, New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities, Philadelphia, Pa.

Provisions of Issue—Authorized amount unlimited. Outstanding $2,100,000 Series "C" 5½s. The proceeds

SOUTHERN OHIO PUBLIC SERVICE COMPANY, SECURITIES
Howe Snow & Co.
Incorporated
New York Chicago Grand Rapids Detroit
San Francisco Minneapolis Philadelphia

from the sale of these bonds, together with other funds, were used to refund mortgage debt bearing interest at 6% or more.

Additional bonds may be issued in one or more series, in such amounts and having such rates of interest, maturity dates and other provisions as the Board of Directors may determine under the limitations in the Mortgage for the following purposes: (a) To refund in whole or in part an equal principal amount of any other series of bonds; (b) to a principal amount not exceeding 75% of the cost or fair value of physical property and of betterments and improvements to the property of the Company constructed or acquired on or after Jan. 1, 1927, provided the consolidated net earnings of the Company and its subsidiaries, as defined in the Mortgage, for 12 consecutive months out of the 15 months immediately preceding shall have been at least 1¾ times the annual interest charges on all outstanding bonds and those proposed to be issued.

The Mortgage provides that should the transportation properties be sold to a separate corporation, all of the Common stock of which will be owned by the Company, except Directors qualifying shares, and deposited under the Mortgage, additional bonds may be issued, subject to the foregoing restrictions, for physical property, betterments or improvements acquired or made by such subsidiary, provided an equal principal amount of first mortgage bonds of such subsidiary is deposited under the Mortgage and provided further that bonds issued for such purpose shall not exceed 25% of all bonds outstanding under the Mortgage.

The Mortgage provides that in the event of any sale (other than as provided in the foregoing paragraph) of the transportation facilities and real estate used in connection therewith, the proceeds shall be applied to (a) physical property or betterments or improvements to the Company's electric light and power properties to be covered by the lien of this Mortgage and against which no additional bonds shall be issuable, or (b) to retirement of bonds, provided, however, that when a sufficient amount of such bonds have been retired to reduce the amount outstanding to not more than 50% of the appraised value of the electric light and power properties as of Dec. 31, 1926, and of subsequent improvements at cost, the balance of such proceeds may be released from the lien of the Mortgage.

Callability—Subject to call at 105 and accrued interest, on three weeks' notice, on or before Feb. 28, 1937, the redemption price being reduced on March 1, 1937, and on each March 1 thereafter, ½ of 1% to maturity.

Sinking Fund—Company will pay to Trustee, beginning Jan. 1, 1930, and annually thereafter, a sum equivalent to 1% of the principal amount of all bonds issued and outstanding, to be applied to the purchase or redemption of bonds at not exceeding the then prevailing redemption price. Should the company create a sinking fund for any subsequent series of bonds in a larger proportionate amount than the aforesaid sinking fund, such additional sinking fund provisions shall apply to Series "C" bonds.

Security—Secured by an absolute first mortgage on all property of the company. Mortgage provides for the release of transportation properties under conservative restrictions.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse holders for the present Personal Property taxes in the states of Pennsylvania, Connecticut, California, Maryland and the District of Columbia and for the present Massachusetts Income Tax.

Legal Opinion—Johnson, Gilkyson & Freeman (for the Company), and Townsend, Elliott & Munson (for the Bankers), Philadelphia, Pa.

Original Offering—First publicly offered ($2,100,000) in March 1927 at 96½ and accrued interest to yield over 5.75%, by Harrison, Smith & Co., and Howe, Snow & Bertles, Inc., New York, etc.

(2)

$625,000 GENERAL MORTGAGE CONVERTIBLE 6s; DUE APRIL 1, 1937

Dated April 1, 1927.

Interest Payable April and October 1, at Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia, Pa.

Provisions of Issue—Authorized, $750,000; issued, $625,000. The remaining $125,000 principal amount may be issued only when the consolidated net earnings of Company and its subsidiaries for the twelve consecutive months out of the 15 months immediately preceding the application shall be at least (a) three times the interest on the General Mortgage bonds outstanding, including those proposed to be issued, or (b) one and one-half times the interest on total indebtedness secured by lien on Company's properties, prior to the General Mortgage bonds, including those outstanding and proposed to be issued, whichever (a) or (b), shall require the larger amount of net earnings.

Callability—Subject to call prior to April 1, 1928 at 105 and interest; from April 1, 1928 to March 31, 1929, inclusive, at 104 and interest, the redemption price being reduced on April 1, 1929 and on each April 1, thereafter ½ of 1% to maturity.

Sinking Fund—Beginning Feb. 1, 1929 and annually thereafter, a sum equivalent to 3% per annum of the principal amount outstanding to be applied to purchase or redemption of bonds.

Convertibility—Convertible at any time on or after April 1, 1929, into 11 shares of cumulative Pfd. stock entitled to dividends at rate of $7 per annum, for each $1,000 bond.

Security—A direct obligation of the Company and secured by a direct mortgage on all fixed property of Company, subject only to $2,100,000 First Mortgage 5½% Gold Bonds, Series "C."

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and will refund Personal Property taxes in the states of Pennsylvania, Connecticut, California, Maryland and District of Columbia and the Massachusetts Income Tax.

Legal Opinion—Johnson, Gilkyson & Freeman (for the Company) and Townsend, Elliott & Munson (for the Bankers), Philadelphia, Pa.

Original Offering—First publicly offered ($625,000) in March, 1927, at 97 and interest, to yield over 6.40%, by Harrison, Smith & Co., and Howe, Snow & Bertles, Inc., New York, etc.

EQUIPMENT TRUST CERTIFICATES

There were also outstanding March 1, 1927, $77,478 6% Equipment Trust Certificates.

INCOME ACCOUNT, YEARS ENDED:

	Dec. 31, 1927	*Mar. 31, 1927	*Dec. 31, 1926
Gross earnings	$1,456,442	$1,537,528	$1,544,726
Oper. exps. & taxes	1,224,031	1,305,702	1,326,336
Net earnings	$232,411	$231,826	$218,390
Other income	7,424	7,452	6,794
Total income	$239,835	$239,278	$225,184
Bond interest	139,911	99,938	101,287
Other interest	30,611	57,933	46,663
Balance	$69,313	$81,407	$77,234
Depreciation	34,752	105,234	111,450
Other deductions	18,327	6,339	5,058
Deficit for year	†$16,232	$30,166	$39,274

*Includes deficit from operations in Newark City, Ohio, which operations were abandoned Aug. 10, 1926. †Surplus.

GENERAL BALANCE SHEET

Assets—	Dec. 31, 1927	*Mar. 31, 1927	Dec. 31, 1926
Plant and property	$5,556,434	$5,342,797	$5,529,638
Investments	500,155	234,654	61,256
Cash and spec. deposits	70,701	28,719	30,777
Accounts receivable	132,003	127,452	150,615
Material and supplies	108,645	121,412	95,688
Prepaid accounts		17,625	24,106
Deferred assets	379,360	303,683	2,073
Total	$6,747,298	$6,176,342	$5,894,153
Liabilities—			
Common stock	$129,640	$1,714,549	$1,902,305
Preferred stock	688,000	691,750	691,750
Funded debt	2,926,776	2,799,323	1,759,408
Donated capital		11,607	8,482
Notes payable	164,441	140,523	672,617
Accounts payable	198,230	146,757	130,342
Meter deposits, etc.		15,674	15,690
Accrued interest	59,117	16,975	26,538
Accrued taxes, rents, etc.	14,954	45,297	36,842
Unadjusted credits	22,742		
Deferred credit items	17,155		
Other liabilities		23,045	25,849
Reserve for depreciation	565,039	506,719	548,008
Other reserves	38,772	64,123	66,322
Appropriated surplus	1,920,780		
Profit & loss, surplus	1,652		
Total	$6,747,298	$6,176,342	$5,894,153

*After giving effect to new financing.

Officers: Livingston E. Jones, Pres.; F. W. Woodcock, V-P.; R. Z. Zimmermann, V-P.; Milward Oliver, V-P. & Treas.; C. A. McClure, Sec., Philadelphia; L. W. Van Bibber, Asst. Sec. & Asst. Treas., Zanesville, Ohio.

Directors: Livingston E. Jones, Wm. A. Law, Arthur V. Morton, Thomas Newhall, Claude A. Simpler, Philadelphia; John W. Hewitt, Edward R. Meyer, C. M. Piper, L. W. Van Bibber, C. E. Moran, Zanesville, Ohio; A. V. Bland, Columbus, Ohio.

Offices, 1600 Walnut St., Philadelphia, Pa., and Zanesville, Ohio.

GOLDFIELD CONSOLIDATED WATER CO.

History and Property—Incorporated Oct., 1905, in Nev. Owns all the water and sewerage systems and water supplies in Goldfield, Diamondfield and Columbia, Nev. Absorbed the Goldfield Water, Mining & Milling Co., Montezuma Water Co., Esmeralda Water Co., Esmeralda Sewerage & Improvement Co. and Nevada Water Co. In 1911, leased for a period of five years the Rabbit Springs Water Supply & Distribution System, formerly the Columbia Townsite & Water Co. Franchise expires March 14, 1957.

CAPITAL STOCK

Authorized, $1,000,000; outstanding, $998,996; par, $1. Stock transferred at Company's office. Annual meeting, in October.

Dividends—Dividends paid as follows: 1909, 3%; 1910 and 1911, none; 1912, 2%; Jan., 1913, 1%; Jan., 1915, 1%; none since.

FUNDED DEBT

$226,000 First Gold 6s; dated April 1, 1907; due April 1, 1927; int. April and Oct. 1, at American Trust Co., San Francisco, Trustee, or at State Bank & Trust Co., Carson City, Nev. Coupon, $1,000; principal may be registered. Subject to call on any interest date at 103. Authorized, $300,000; issued, $268,000, of which $42,000 redeemed, leaving $226,000 outstanding. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Furnished)

	1925	1924	1923
Gross earnings	$22,337	$23,314	$24,026
Oper. exp. & taxes	20,587	22,329	21,080
Net earnings	$1,750	$985	$2,946
Fixed charges	13,560	13,918	13,560
Deficit for year	$11,810	$12,993	$10,614

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Furnished)

Assets—	1925	1924
Property account	$1,254,887	$1,254,787
Materials and supplies	2,809	3,050
Notes and accounts receivable	6,432	6,274
Cash	1,591	741
Special funds	5,451	5,202
Prepaid insurance, etc.	135	95
Other assets	476	
Profit and loss deficit	47,794	35,984
Total	$1,319,575	$1,306,133
Liabilities—		
Capital stock	$988,996	$988,996
Funded debt	226,000	226,000
Bills payable	15,609	15,609
Accounts payable	2,179	1,475
Other current liabilities	1,886	2,709
Accrued interest	84,905	71,344
Total	$1,319,575	$1,306,133

Officers: Francis D. Frost, Pres., Berkeley, Cal.; Cyril Appel, Sec., San Francisco, Cal.

Directors: Francis D. Frost, Berkeley, Cal.; L. B. Curtis, Riverside, Cal.; F. M. Lisch, Oakland, Cal.; Cyril Appel, San Francisco, Cal.

General Office, Goldfield, Nev.

THE CINCINNATI, GEORGETOWN & PORTSMOUTH RR. CO.

History and Property—Incorporated May 25, 1927, in Ohio, as successor to a company of the same name, incorporated March 21, 1881. Properties of the predecessor company were purchased for $225,000 under court order in foreclosure proceedings brought by the Fifth Third Union Trust Co., Cincinnati, as trustee of the $1,000,000 First Gold 5s, due Jan. 1, 1932, which were in default. Company operates 48 miles of electric railroad from Cincinnati to Russellville, with a branch to Batavia, Ohio, where connection is made with the Norfolk & Western Ry. Co.

CAPITAL STOCK

Authorized and outstanding, 500 shares Common of no par value.

FUNDED DEBT

$5,100. No details available. In August, 1927, the Company applied to the Ohio Public Utilities Commission for authority to issue $300,000 bonds.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927

Gross earnings	$256,606
Operating expenses, maintenance and taxes	212,996
Depreciation	12,738
Net earnings	$30,872
Bond interest	33,288
Deficit for year	$2,416

GENERAL BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Cost of properties	$529,475
Materials and supplies	8,829
Cash	4,480
Notes receivable	12,000
Accounts receivable	8,677
Unadjusted debits	30,794
Deferred debit items	105
Total	$594,360
Liabilities—	
Common stock	$2,500
Funded debt	5,100
Notes payable	300,000
Accounts payable	7,590
Interest accrued	7,655
Reserve for taxes	4,210
Reserve for depreciation	9,376
Other reserves	919
Appropriated surplus	255,948
Profit and loss—surplus	1,062
Total	$594,360

Office, Cincinnati, Ohio.

DAYTON & TROY ELECTRIC RAILWAY

History and Property—Incorporated Jan. 20, 1900, in Ohio; successor to rights and franchises of the Troy, Tippecanoe & Dayton Interurban Ry. Leases the Miami Valley Ry. (controlled by Cincinnati, Hamilton & Dayton Ry.) for 99 years, at rental of $9,600 per year. Line owned: Dayton to Troy, Ohio, 21.22 miles (all on private right of way); 2nd track owned, 10.03 miles—total, 31.25 miles. Leased (Miami Valley Ry.): main track, 10.61 miles; 2nd track, 3.08 miles—total leased, 13.69 miles. Sidings and trackage rights, 7.05 miles. Total operated, 51.99 miles. Gauge, standard. Rail, 70 and 100 lb. T. Passenger cars, 8; freight and express, 12; other, 16.

CAPITAL STOCK

Authorized, $500,000 Common and $800,000 5% cumulative Pfd.; outstanding, $500,000 Common and $647,800 Pfd.; par, $100. Treasurer acts as Registrar and Transfer Agent. Annual meeting, fourth Tuesday in March.

Dividends—Dividends have been paid as follows: On Pfd., 5% per annum, 1902 to March, 1921; none since. On Common, 2% Jan., 1904; 5% in 1905; 6% in 1906; 2% in 1907; 5% in 1909; 6% in 1910; 5% in 1911; March, 1912, 1¼%; 3¾% in 1913; 1914, 1¼%; 1915, 1¼%; 1916, 5%; 1917, 5%; none since.

FUNDED DEBT

None.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925	1924	1923	1922
Gross earnings	$383,248	$374,672	$378,487	$397,072	$404,704	$403,439
Operating expenses, taxes and depreciation	399,100	364,879	381,147	365,691	366,997	349,555
Net earnings	*$15,852	$9,793	*$2,660	$31,381	$37,707	$53,884
Interest charges	12,281	14,927	19,179	21,640	23,173 }	35,733
Rentals, etc.	10,550	9,600	9,600	9,687	11,633 }	
Total charges	$22,831	$24,527	$28,779	$31,327	$34,806	$35,733
Net income	*$38,683	*$14,734	*$31,439	$54	$2,901	$18,151

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

Assets—	1927	1926	1925	1924	1923	1922
Road and equipment	$1,681,053	$1,718,884	$1,729,847	$1,731,025	$1,725,421	$1,675,506
Material and supplies	10,505	6,724	3,368	6,027	11,353	15,111
Bills receivable	.....	.....	.....	.....	.....	4,000
Cash	119	254	255	10,613	739	247
Accounts receivable	16,226	21,920	16,252	17,943	18,598	31,536
Other assets	13,685	8,068	7,598	8,998	11,222	10,707
Profit & loss, deficit	40,170	.....	.....	.....	.....	.....
Total	$1,761,758	$1,755,850	$1,757,320	$1,774,607	$1,767,333	$1,737,107
Liabilities—						
Common stock	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000
Preferred stock	647,800	647,800	647,800	647,800	647,000	647,800
Notes payable	183,000	216,000	265,000	310,000	320,000	377,837
Accounts payable	30,559	26,143	13,922	.....	.....	.....
Other current liabilities	2,950	3,603	5,364	19,793	55,091	18,404
Interest accrued	.....	.....	.....	.....	679	924
Miami Conservancy assessments	.....	.....	.....	.....	.....	6,439
Reserve for taxes	13,652	.....	.....	.....	.....	.....
Reserve for depreciation	383,797	342,241	285,542	225,882	167,040	108,702
Profit and loss	.....	20,063	39,692	71,132	76,723	77,001
Total	$1,761,758	$1,755,850	$1,757,320	$1,774,607	$1,767,333	$1,737,107

Officers: H. P. Clegg, Pres., R. A. Crume, V-P., Gen. Mgr. & Pur. Agt.; L. C. Clegg, Sec. & Treas.; J. F. Keller, Aud., Dayton, Ohio; W. M. Kessler, Supt. Trans., Tippecanoe City, Ohio.

Directors: H. P. Clegg, L. C. Clegg, J. H. Winters, R. A. Crume, H. Gebhart, Dayton, Ohio.

Offices, Dayton, Ohio, and Tippecanoe City, Ohio.

MIAMI VALLEY RAILWAY

(Operated Under Lease)

History—Incorporated Oct. 24, 1892, in Ohio; successor to Piqua St. Ry. Leased to Dayton & Troy Electric Ry. Co. on May 27, 1902, for 99 years at annual rental of $9,600; renewal forever on the same terms. Line of road: Troy to Piqua, Ohio; total track, 9.88 miles. Gauge, standard. Rail, 48 and 70 lb. T.

CAPITAL STOCK

Authorized and outstanding, $300,000; par, $100. All owned by Baltimore & Ohio R. R. Co. Annual meeting, second Tuesday in October, at Cincinnati, Ohio.

FUNDED DEBT

None.

Officers: Daniel Willard, Pres.; Geo. M. Shriver, V-P.; C. W. Galloway, V-P.; Archibald Fries, V-P.; H. R. Preston, V-P.; C. W. Woolford, Sec; E. M. Devereux, Treas.; J. J. Ekin, Compt.; W. D. Owens, Aud., Baltimore Md.

Directors: Daniel Willard, C. W. Woolford, Geo. M. Shriver, H. R. Preston, Baltimore, Md.; M. R. Waite, Cincinnati, O.

General Office, Baltimore, Md.

AUSTIN STREET RAILWAY COMPANY

History and Properties—Incorporated Jan. 3, 1911, in Texas; successor to Austin Electric Ry. (see Manual for 1910, page 1402). Franchise expires Aug. 26, 1941. Does entire street railway business of city; population served, 40,000. Owns and operates 22.67 miles of track. Gauge, standard. Rail, 56, 60 and 72 lbs. T. Power station, 1; engines to generate power, 3. Cars, 44.

CAPITAL STOCK

Authorized, $750,000 Common and $500,000 6% non-cumulative Pfd.; outstanding, $560,000 Common and $250,000 Pfd.; par, $100. Annual meeting, second Tuesday in January. No dividends paid since 1917.

FUNDED DEBT

$786,000 FIRST AND REFUNDING GOLD 5s; DUE JAN. 1, 1936

Dated January 2, 1911.

Interest Payable January and July 1, at The Equitable Trust Co. of New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Equitable Trust Co. of New York.

Provisions of Issue—Authorized, $1,500,000; unissued bonds reserved to cover 80% of cost of additions and improvements, but issuable only when net earnings equal the sinking fund charges and twice the interest on all bonds issued and those to be issued.

Callability—Subject to call on any interest date at 102½.

Sinking Fund—Annual sinking fund began Jan. 1, 1915, consisting of 2% of all bonds outstanding, including those held in the fund; to be invested in bonds of this issue at not exceeding 102½, at which price bonds may be called if not obtainable in the open market. Bonds taken up by this means to be kept alive and interest thereon added to the fund. Bonds in sinking fund, $225,000 Dec. 31, 1926.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered in November, 1911, at 95 and interest by Estabrook & Co., Boston and New York.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1925	1924	1923	1922	1921	1920
Gross earnings	$295,405	$313,423	$328,926	$350,309	$375,648	$348,936
Operating expenses	210,946	217,735	231,472	239,465	262,646	259,974
Net earnings	$84,459	$95,688	$97,454	$110,844	$113,002	$88,962
Bond and other interest	39,951	41,750	44,505	45,875	48,038	46,090
Depreciation	40,762	40,762	40,762	40,762	40,762	40,782
Taxes	14,980	16,970	16,927	16,816	14,532	15,163
Sinking fund, etc	.....	15,720	15,720	15,720	15,720	15,720
Total charges	$95,693	$115,202	$117,914	$119,173	$119,052	$117,755
Deficit for year	$11,234	$19,514	$20,460	$8,329	$6,050	$28,793

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1925	1924	1923	1922	1921	1920
Property account	$1,372,313	$1,486,348	$1,538,315	$1,600,370	$1,647,247	$1,689,009
Materials and supplies	11,511	12,527	13,467	20,554	28,786	30,199
Accounts receivable	3,413	5,470	5,715	2,778	.....	10,135
Cash	*4,874	*418	*3,373	32,980	10,401	3,523
Cash in sinking fund	16,100	15,256	341	11,965	597,360	603,952
Bonds in sinking fund	225,000	188,000	182,000	153,000		
Total	$1,623,463	$1,707,183	$1,736,465	$1,821,647	$2,283,793	$2,336,818
Liabilities—						
Capital stock	$810,000	$810,000	$810,000	$810,000	$1,250,000	$1,250,000
Funded debt	786,000	786,000	786,000	786,000	786,000	786,000
Floating debt	8,095	.....	.....	.....	.....	.....
Reserves	.....	36,999	38,130	49,281	.....	75,645
Notes and accounts payable	.....	40,445	64,912	132,845	163,448	201,747
Profit and loss	19,368	33,739	37,423	43,521	84,345	23,426
Total	$1,623,463	$1,707,183	$1,736,465	$1,821,647	$2,283,793	$2,336,818

*Overdraft.

Officers: J. F. Springfield, Pres., Gen. Mgr. & Pur. Agt., Austin, Tex.; Guy P. Gannett, V-P., Augusta, Me.; D. A. Bush, Sec., Austin, Tex.; G. E. Macomber, Asst. Sec. & Treas., Augusta, Me.

Directors: G. E. Macomber, Augusta, Me.; Guy P. Gannett, Augusta, Me.; W. H. Folts, J. F. Springfield, C. A. Wilcox, Austin, Tex.

Office, Austin, Tex.

NASHUA STREET RAILWAY

History and Property—Incorporated Aug. 14, 1885, in N. H. On July 1, 1900, was leased to the Lowell & Suburban St. Ry. for 99 years (succeeded by Bay State Street Ry.). The receiver appointed in Dec., 1917, for the Bay State Street Ry. terminated the lease and turned the property back to the stockholders. Operates in and between Nashua and Hudson, N. H. Length of track: Main line, 14.82 miles; second track, 1.32 miles; sidings, etc., 0.18 mile—total, 16.32 miles. Gauge, standard.

In March, 1924, the Company was authorized by the New Hampshire Public Service Commission to operate under a temporary lease the lines of the Massachusetts Northeastern Street Ry., between Hudson Bridge and Hudson Center. The Company was also authorized to purchase the property later if thought desirable. The Nashua Transportation Co. on June 8, 1926, took over the fleet of buses plying about Nashua, N. H.

CAPITAL STOCK

Authorized, $325,000 Common and $65,000 7% Pfd.; outstanding, $325,000 Common and $37,800 Pfd.; par, $100. Dividends were regularly paid on Pfd. through 1927; Feb. 2, 1928, dividend passed. On Common, 1922, 1½%; 1923, 3%; 1924, 3%; 1925, 1½%.

FUNDED DEBT

$150,000 First Gold 4s; dated 1901; due Oct. 1, 1931, but subject to call at 105 and int.; int. April and Oct. at Old Colony Trust Co., Boston, Trustee. Coupon, $1,000; principal may be registered. Company pays Normal Federal Income Tax up to 2%.

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

(Latest Available)

	1926	1925	1924
Gross earnings	$146,326	$134,521	$143,788
Operating expenses & taxes	139,936	135,808	126,793
Net earnings	$6,390	*$1,287	$16,995
Other income	286	275	263
Total income	$6,676	*$1,012	$17,258
Interest, etc.	6,000	6,000	6,000
Miscellaneous charges	162	164	226
Total charges	$6,162	$6,164	$6,226
Net income	$514	*$7,176	$11,032
Dividends paid	.....	7,603	12,500
Surplus for year	.....	*$14,779	*$1,468

*Deficit.

GENERAL BALANCE SHEET, DECEMBER 31

(Latest Available)

Assets—	1926	1925	1924
Road and equipment	$572,919	$572,919	$572,874
Sinking funds	1,167	1,199	1,231
Stocks	1,000	.....	.....
Cash	7,530	3,703	11,606
Material and supplies	10,349	8,076	8,832
Accounts receivable	3,271	2,557	2,117
Other current assets	150	150	150
Insurance and other funds	22,537	22,200	43,793
Prepaid items	2,043	2,407	1,170
Other unadjusted debits	62,363	51,853	20,774
Total	$683,329	$665,064	$662,547

Liabilities—	1926	1925	1924
Capital stock	$362,800	$363,600	$364,050
Premium on capital stock	.....	.....	121
Funded debt	150,000	150,000	150,000
Accounts & wages payable	9,475	9,695	9,696
Accrued int., divds. & rents	1,941	1,950	6,832
Tax liabilities	758	778	1,990
Operating reserves	.....	21,836	19,082
Accrued depreciation	119,098	83,297	65,810
Other unadjusted credits	6,648	6,642	5,157
Sink. fund & other reserves	28,261	29,264	27,219
Profit and loss	4,348	*1,998	12,590
Total	$683,329	$665,064	$662,547

*Deficit.

Officers: George A. Fernald, Pres., Boston, Mass.; J. E. Fernald, 1st V-P., Concord, N. H.; Clarence A. Woodbury, Treas., Nashua, N. H.; E. W. Holst, Consulting Eng., Boston, Mass.
Directors: George A. Fernald, E. W. Holst, Boston, Mass.; W. D. Swart, William F. Sullivan, Nashua, N. H.; J. E. Fernald, Samuel Dunsford, Concord, N. H.
Offices, 683 Atlantic Ave., Boston, Mass., and Nashua, N. H.

The figures and data contained herein have been obtained from sources believed to be reliable; the publishers do not, however, hold themselves responsible for the accuracy of any of the statements.

Additional Companies

Further information, if available in our files, will be furnished upon request.

ADDISON GAS & POWER CO.—Incorporated Sept. 21, 1903 in New York. Supplies Addison, N. Y. Capital stock, $50,000. Annual dividend 2.1%. Funded debt, $15,000 6s. Officers: F. D. Kelly, Pres., Treas. & Gen. Mgr.; A. C. Kelly, Sec. General Office, Addison, N. Y.

ALASKA ELECTRIC LIGHT & POWER CO.—Supplies electric light and power to Juneau and Douglas, Alaska. No. of meters, 1,846. Capital stock authorized and outstanding, $100,000. Dividends 6% per annum. Officers: J. P. Corbus, Pres.; W. S. Pullen, V-P., Gen. Mgr. & Pur. Agt.; R. B. Martin, Gen. Supt. General Office, Juneau, Alaska.

AMERICAN GAS CO., INC.—Incorporated in 1905 in W. Va. Supplies natural gas to Galena, Oswego, Columbus, Altamont, Cherokee and Scammon, Kansas. Gas purchased, 140,793,000 cu. ft. Gas sold, 134,269,000 cu. ft. No. domestic consumers, 2,600. Capital stock authorized and outstanding, $200,000; par, $25. No funded debt. Officers: C. E. Burlingame, Pres. & Gen. Mgr.; H. J. Holm, Sec. & Treas.; D. H. Snow, Supt. General Office, Bartlesville, Okla.

ANTWERP LIGHT & POWER CO.—Incorporated Jan. 10, 1910 in New York. Serves Town and Village of Antwerp, N. Y. Capital stock authorized and outstanding, $43,000. No. dividends paid. Funded debt, $70,000 7% mortgage, due July 1, 1943; interest payable January and July 1. Income Account, year ended Dec. 31, 1926—Gross earnings, $24,955; operating expenses and taxes, $11,204; depreciation, $3,789; net earnings, $9,962; fixed charges, etc., $6,136; surplus for year, $3,826. Officers: Jos. A. Baumert, Pres. & Treas.; H. M. Baumert, V-P.; John D. Carpenter, Sec., Antwerp, N. Y. General Office, Main St., Antwerp, N. Y.

ATHENS ELECTRIC LIGHT & POWER CO.—Incorporated May 6, 1903 in Wisconsin. Capital stock, $12,500. No funded debt. Officers: A. C. Rietbrock, Pres., Milwaukee, Wis.; Wm. L. Erbach, V-P., Athens, Wis.; Wm. C. Klann, Sec. & Treas., Milwaukee, Wis. General Office, 700 Cedar Street, Milwaukee, Wis.

BELDING GAS WORKS—Incorporated April 4, 1905 in Michigan. Serves Belding, Mich. Annual production, 17,347,000 cu. ft. Capital stock outstanding, $50,000. No funded debt. Officers: H. J. Leonard, Pres.; J. M. Leonard, V-P.; L. A. Leonard, Sec. & Treas. General Office, Belding, Mich.

BELTON LIGHT & POWER CO.—Incorporated in Feb., 1925, in S. C. Serves Belton, S. C. Capital stock, authorized and outstanding, $100,000; par, $100. No funded debt. Officers: Louis Seel, Jr., Pres. & Treas.; Lewis D. Blake, V-P.; Julius A Blake, Sec. General Office, Belton, S. C.

BERLIN WATER CO.—Incorporated Dec. 31, 1901 in Pa. Supplies the borough of Berlin, Pa., and surrounding territory. Capital stock authorized and outstanding, $100,000; par, $100. Funded debt, $50,000 First 5s, due July 1, 1933; interest Jan. and July 1. Officers: Geo. P. Brubaker, Pres.; Philip A. Shaffer, Sec. General Office, Berlin, Pa.

BETHEL WATER CO.—Incorporated May 28, 1889 in Maine. Serves Bethel, Hill and Mayville, Maine. Capital stock authorized, $60,000; outstanding, $42,000. Dividends paid in 1926, 6%. Funded debt outstanding, $30,000 4½s, due Oct. 1, 1930; interest annually on Aug. 1.

Income Account, year ended December 31, 1927.—Gross earnings, $7,568; operating expenses, $4,102; net income, $3,466; bond interest, $1,350; surplus after charges, $2,116.

General Balance Sheet, January 1, 1928.—Capital stock, $42,000; funded debt, $30,000; reserve for depreciation, $6,277—total, $78,277. Contra: Fixed capital, $69,410; materials and supplies, $1,301; cash, $1,393; profit and loss deficit, $6,173—total, $78,277.

Officers: H. H. Hastings, Pres.; H. C. Rowe, V-P.; W. C. Garey, Sec. & Treas., Bethel, Maine.

BOND COUNTY GAS CO.—Incorporated in 1910 in W. Va. Supplies Greenville, Ill., and adjoining territory. Annual production, 18,968,000 cu. ft. Gas sold, 18,968,000 cu. ft. Capital stock: Authorized, $100,000. Officers: F. T. Rowland, Pres., Treas., Mgr. & Pur. Agt.; M. G. Rowland, Sec.; W. Bircher, Supt. General Office, Greenville, Ill.

BOUND BROOK WATER COMPANY—Incorporated Oct. 6, 1887 in New Jersey. Serves Bound Brook, South Bound Brook, Middlesex Borough, and Bridgewater Township, N. J. Annual output 270,000,000 gals. Capital stock, authorized, $400,000; outstanding, $278,000. Dividends at rate of 8% paid in 1926; 10% in 1927. Funded debt, $50,000 5s, due July 1, 1937; interest payable January and July 1.

Income Account, year ended Dec. 31, 1927.—Gross earnings, $69,258; operating expenses, $21,758; taxes, $12,510; depreciation, $3,800; net earnings, $31,190; other income, $1,098; total income, $32,288; fixed charges, etc., $2,640; dividends paid. $27,050; surplus for year, $2,598.

Officers, E. D. La Tourette, Pres.; Runyon Field, V-P.; F. C. Brush, Gen. Mgr.; David Hastings, Sec.; W. B. R. Mason, Treas., Bound Brook. General Office, Bound Brook, N. J.

BOYER VALLEY TELEPHONE CO.—Incorporated Aug. 2, 1916, in Iowa. Serves towns of Dunlap, Logan, Woodbine, Iowa, and vicinities. No. of exchanges, 3. Capital stock, authorized and outstanding, $300,000. No funded debt.

Income Account, year ended Dec. 31, 1926—Gross earnings, $62,350; operating expenses, $47,618; taxes, $3,737; depreciation, $11,505; net loss, $510.

Officers: G. W. Coe, Pres. & Treas.; H. S. Kinney, V-P.; M. A. Reed, Sec. & Mgr. General Office, Woodbine, Iowa.

BOYERTOWN GAS & FUEL CO.—Incorporated in April, 1906, in Pa. Supplies Boyertown, Pa. Annual production, 6,000,000 cu. ft. Capital stock, authorized and issued, $10,000. No funded debt. Officers: J. E. Porter, Pres., Treas. & Gen. Mgr.; Geo. H. Baer, Sec.; Emerson Groff, Supt. General Office, Pottstown, Pa.

BRISTOL-GOODSON WATER CO.—Incorporated in 1887 in Va. and 1888 in Tenn. Supplies Bristol, Tenn.-Va. Capital stock, outstanding, $50,000. No funded debt. Samuel L. King, Pres.; E. M. Woolsey, V-P.; A. Caldwell, Sec. & Treas. General Office, Bristol, Tenn.

CALGARY WATER POWER CO., LTD.—Incorporated in 1889 with Provincial and Dominion charter. Capital stock outstanding, $100,000. No funded debt. Officers: I. K. Kerr, Pres.; John E. Prince, V-P. & Treas.; F. H. Brown, Sec.; Chas. E. Carr, Mgr., Calgary, Alta.

CAPITAL CITY GAS CO.—Incorporated in 1902 in Vermont. Serves Montpelier, Vt. Annual output, 34,000,000 cu. ft. gas. Capital stock, authorized and outstanding, $100,000; par, $50. 8½% dividends paid in 1927. No funded debt.

Income Account, year ended Dec. 31, 1927—Gross earnings, $37,205; operating expenses $16,687, taxes, $2,593; depreciation, $6,395; net earnings, $11,530; dividends paid, $8,500; surplus for year, $3,030.

Officers: F. Blanchard, Pres.; E. H. Dearitt, V-P.; H. K. Smith, Sec.; Geo. L. Blanchard, Treas. General office, Montpelier, Vt.

CAREY ELECTRIC & MILLING COMPANY—Incorporated June 14, 1917 in Ill. Operated by Carey Electric Light & Power Co. Serves the following communities: Spring Grove, Ringwood, Solon Mills, Wildwood, Grass Lake, Fox River Springs. Capital stock, authorized, $40,000; outstanding, $34,000; par, $100. Dividends have been paid as follows: 1923, 7%; 1924, 5%; 1925, 5¼%; 1926 not reported. No funded debt. Officers: G. H. Knutson, Pres. & Treas.; A. L. Gardner, V-P.; A. L. Glad, Sec., Chicago, Ill.; Irving W. Carey, Wilmot, Wis. General Office, Wilmot, Wis.

CAREY ELECTRIC LIGHT & POWER CO.—Incorporated Feb. 15, 1926 in Wis.; successor to Carey Electric & Milling Co. of Wisconsin. Operates Carey Electric & Milling Co. of Illinois. Serves with electricity the following communities: Powers Lake, Twin Lake, Lake Salem, Silver Lake, Wilmot, Bassetts, Trevor, Cross Lake, Fox River, Camp Lake. Capital stock authorized, $150,000; outstanding, $55,000; par, $100. Dividends have been paid as follows: 1922, 9%; 1923 and 1924, 8% each; 1925, 15½%; 1926, not reported. No funded debt. Officers: G. H. Knutson, Pres. & Treas.; A. L. Gardner, V-P.; A. L. Glad, Sec., Chicago, Ill.; Irving Carey, Gen. Mgr., Wilmot, Wis. General Office, Wilmot, Wis.

CASTRO POINT RAILWAY & TERMINAL CO.—Incorporated Aug. 26, 1911, in Cal. Connects Key System Transit Co. tracks with Richmond Belt Ry. tracks in City of Richmond, Cal. Company is not an operating company. Mileage of track, 2.05. Key System Transit Co. operates over some of the trackage. Capital stock, authorized, $100,000; outstanding, $11,000. No dividends paid. No funded debt.

General Balance Sheet, December 31, 1927—Capital stock, $11,000; accounts payable, $105,798; surplus, $15,109—total, $131,907. Contra: Cost of properties, $131,789; cash, $118—total, $131,907.

Officers and Directors: Anson S. Blake, Pres.; Edwin T. Blake, V-P.; Gustav Kuppe, Sec. & Treas. General Office, 5000 Broadway, Oakland, Cal.

CENTRAL PIPE LINE CO., LTD.—Incorporated in 1911 in Ontario. Supplies natural gas to Aylmer, Malahide, Bayham, Vienna and Port Burwell, Ont. Capital stock outstanding, $49,500. No funded debt. Officers: R. L. Pattinson, Pres.; F. A. Chittim, Sec.; K. H. Holmes, Treas. General Office, Chatham, Ont.

CITIZEN GAS CO. (STAUNTON, VA.)—Incorporated in 1920 in Virginia. Supplies Staunton. Annual sales approximately 26,982,500 cu. ft. Capital stock authorized, $100,000; outstanding, $68,300. Funded debt, $20,600 First 6s, due Sept. 30, 1930. Officers: W. E. Moss, Pres.; J. A. W. Iglehart, V-P.; H. M. Eaton, Sec.-Treas., Detroit, Mich.; Carl Riddlebarger, Mgr. Managed by W. E. Moss & Co., 1402 Buhl Bldg., Detroit, Mich.

CITIZENS' LIGHT, POWER & WATER CO.—Incorporated April 15, 1903, in Alaska. Supplies Ketchikan, Alaska. Meters, 1,846. Capital stock authorized, $500,000. No funded debt. Officers: J. C. Barber, Pres. & Gen. Mgr.; H. C. Strong, V-P.; R. G. Hall, Pur. Agt. General Office, 334 Front St., Ketchikan, Alaska.

CLAREMONT GAS LIGHT CO.—Incorporated in 1905, in New Hampshire. Supplies Claremont, N. H. Annual production, 38,505,700 cu. ft. Capital stock, $100,000. All owned by Monadnock Mills. Funded debt, $37,500 mortgage. Officers: Ira G. Colby, Pres.; Herbert H. Webb, Sec.; Geo. A. Tenney, Treas. General Office, Claremont, N. H.

CORNWALL STREET RAILWAY, LIGHT & POWER, CO., LTD.—Incorporated April 18, 1902, in Ontario. Owns 6½ miles of track in Cornwall, Ont. Carries freight and passengers. Owns St. Lawrence Park. Capital stock, authorized and outstanding, $100,000 Common and $100,000 Pfd.; par, $100. No dividends paid. Funded debt, $75,000 due in 1934; interest payable January and July 1.

General Balance Sheet, December 31, 1927.—Capital stock, $200,000; funded debt, $95,000; accounts payable, $2,547; reserves, $47,305; surplus, $12,744—total, $357,596. Contra: Property and equipment, $340,022; investments, $36; cash, $5,539; accounts receivable, $5,636; materials and supplies, $2,109; unexpired insurance, $597; discount on bonds, $3,656—total, $357,596.

Officers: Ernest A. Macnutt, Pres.; William Hodges, V-P.; J. W. Brown, Sec. & Treas. General Office, Cornwall, Ont.

CORSICANA POWER & LIGHT COMPANY.—Incorporated in 1890 in Texas. Capital stock authorized and outstanding, $50,000. No funded debt. Officers: F. N. Drane, Pres.; S. M. Kerr, V-P.; R. N. Elliott, Sec. & Treas.; E. W. Robinson, Asst. Sec. & Asst. Treas. General Office, Corsicana, Tex.

CRAWFORDSVILLE HEATING CO.—Incorporated May 28, 1909 in Indiana. Capital stock outstanding, $75,000. Funded debt, $84,000, due in 1934; interest April and October. Officers: G. B. Luckett, Pres.; W. B. Lynch, V-P.; W. K. Martin, Sec. & Treas. General Office, Crawfordville, Ind.

ELDRED HOME GAS & FUEL CO.—Incorporated in August, 1904, in Pa. Suppies natural gas to Eldred, Pa., and vicinity. Capital stock, $120,000. Officers: E. A. Barden, Pres.; F. E. Barden, Sec. & Treas. General Office, Eldred, Pa.

ELMER WATER CO.—Incorporated Sept. 7, 1910, in New Jersey. Supplies Borough of Elmer, Salem County, N. J. Capital stock outstanding, $15,000; no dividends paid. Funded debt, $35,000, due Nov. 1, 1942; interest payable May and November 1. Officers: George M. Ashton, Pres.; Harry Mayhew, V-P.; Carl S. Crispin, Treas. General Office, 311 Main Street, Swedesboro, N. J.

FAIRBURN & ATLANTA RAILWAY & ELECTRIC CO.—Incorporated Dec. 22, 1908 in Georgia to own and operate interurban street railway between towns of Fairburn, Union City, Stonewall and Red Oak, Ga. Capital stock, $60,900. Officers: W. H. McLarin, Pres.; H. J. Mims, V-P.; Miss Lois Greene, Sec.; J. H. Longino, Treas. General Office, Fairburn, Ga.

FARMINGTON RIVER POWER CO.—Incorporated May 18, 1893. Power plant located on the Farmington River at Poquonock, Conn. Serves Stanley Works in New Britain. Capital stock, $150,000. No funded debt. Officers: E. A. Moore, Pres.; M. H. Pease, V-P. & Gen. Mgr.; E. W. Pelton, Sec.; L. W. Young, Treas. General Office. New Britain, Conn.

GLENWOOD LIGHT & WATER CO.—Incorporated in 1909 in Nevada. Company in 1914 sold its water works to the City of Glenwood Springs and on Nov. 15, 1916 purchased the property of The Mutual Light, Heat & Power Co. Furnishes light to city of Glenwood Springs and town of Cardiff, Colo. Capital stock, $200,000. No funded debt.

Income Account, year ended Dec. 31, 1926—Gross earnings, $48,325; operating expenses, $25,826; taxes, $6,188; depreciation, $7,981; net earnings, $8,330; dividends, $12,000; deficit for year, $3,670.

Officers: C. C. Parks, Pres., Denver, Colo.; E. E. Lucas, V-P. & Sec.; C. R. McCarthy, Treas. General Office, Glenwood Springs, Colo.

GREENVILLE (MAINE) WATER CO.—Incorporated June 15, 1904, in Maine as the Greenville Light & Power Co.; name changed to above title in 1916. Serves Greenville and Greenville Junction, Maine. Capital stock, authorized, $200,000; outstanding, $112,750. Dividends paid in 1926 and 1927, 4½% each. No funded debt.

Income Account, year ended Dec. 31, 1927—Gross earnings, $12,812; operating expenses, $4,923; taxes, $921; depreciation, $1,532; net earnings, $5,436; dividends, $5,074; surplus for year, $362; previous surplus, $3,224; total surplus Dec. 31, 1927, $3,586.

Officers: Mary E. Kimball, Pres.; M. H. Blackwell, Sec. & Treas. General Office, 119 Front St., Bath, Maine.

HONESDALE CONSOLIDATED WATER CO.—Incorporated Jan. 22, 1905, in Pa. Supplies Honesdale, East Honesdale and Seeleyville, Pa. Capital stock, $100,000. Funded debt, $80,000. Officers: C. J. Smith, Pres.; C. L. Wright, V-P.; J. O. Mumford, Sec.; E. C. Mumford, Treas. Directors: C. J. Smith, C. L. Wright, J. O. Mumford, E. C. Mumford, C. A. Purdy. General Office, Honesdale, Pa.

JEFFERSON COUNTY GAS CO.—Incorporated Oct. 12, 1902, in Pa. Sells gas at wholesale. Capital stock, $250,000. Dividends paid in 1925, 24%. No funded debt. Officers: Frank von Tacky, Pres.; C. J. Frantz, V-P. & Sec.; F. Eugene Smith, Treas. General Office, Warren, Pa.

KENTON TRACTION CO.—Incorporated March 22, 1909, in Oregon. Operates street railway from Portland to North Portland and North Portland Harbor, Ore. Capital stock, $20,000. No dividends paid. As of Dec. 31, 1927 there were outstanding $67,830 notes payable. Officers: B. C. Darnall, Pres.; C. H. Carey, V-P.; Geo. F. Anderson, Sec. & Treas. General Office, North Portland, Ore.

KOOTENAI POWER CO., LTD.—Incorporated June 1, 1908 in Wash. Supplies Coeur d'Alene, Idaho. Meters, 2,600. Capital stock, $50,000. No funded debt. Officers: Vacancy, Pres. George Harding, V-P. & Mgr. General Office, Coeur d'Alene, Idaho.

LAUREL SPRINGS WATER SUPPLY CO.—Incorporated June 12, 1907 in New Jersey. Supplies Laurel Springs, Overbrook, Lindenwold, Stratford and Magnolia, Camden County, N. J. Capital stock authorized and outstanding, $100,000. Dividends paid in 1924, 8%. Funded debt, $50,000 First and Refunding Gold 6s, due Nov. 1, 1931; interest May and November 1. Officers: Elis Parker, Pres.; William McCully, V-P.; Wilfred B. Wolcott, Sec.; E. H. Robinson, Treas. General Office, Laurel Springs, N. J.

LITCHFIELD WATER CO.—Incorporated in 1895 in Conn. Serves Litcheld Village, Conn. Capital stock outstanding, $75,000. Dividends paid in 1926, 6%. No funded debt.

Income Account, year ended Dec. 31, 1926—Gross earnings, $14,987; operating expenses, $7,132; taxes, $1,776; depreciation, $846; net earnings, $5,233; dividends, $4,500; balance, $733.

Officers: Wm. T. Marsh, Pres. & Treas.; Jas. P. Woodruff, V-P.; Dorothy Baldwin, Sec. Office, Litchfield, Conn.

LIVERMORE FALLS LIGHT & POWER CO.—Incorporated in 1899 in Maine. Furnishes light and power to Livermore Falls, Chisholm, Jay, East Dixfield, Livermore and North Jay, Maine. Current purchased from International Paper Co. Capital stock outstanding May 8, 1926, $80,000. Funded debt, $50,000 First Gold 6s, due Oct. 1, 1942; interest April and October. Officers: Oliver A. Pettengill, Pres. & Auditor; Mrs. Della Davis Maxwell, Clerk; John H. Maxwell, Treas. & Gen. Mgr. Drectors: Oliver A. Pettengill, Rumford, Maine; Hugh J. Chisholm, Portland, Maine; John H. Maxwell, Livermore Falls, Maine. General Office, Livermore Falls, Maine.

McCOY NATURAL GAS COMPANY—Incorporated in 1912 in Pa. Sells at wholesale. Capital stock, authorized, $100,000; outstanding, $85,800. Dividends paid in 1926, 36%. No funded debt. Officers: J. B. Forker, Pres.; E. W. Evans, Sec.; H. H. James, Treas. General Office, Oil City, Pa.

MEDFORD GAS CO.—Incorporated in Feb., 1904, in N. J. Supplies town of Medford, N. J. Annual production, 4,860,000 cu. ft. Capital stock outstanding, $25,000. Funded debt, $22,000 First Gold 5s, due July 1, 1934; interest payable January and July 1.

Income Account, year ended Dec. 31, 1926—Gross earnings, $7,933; operating expenses and taxes, $8,024—net loss, $89.

Officers: Edw. B. Reeve, Pres. & Treas.; Wm. Jones, V-P. General Office, Medford, N. J.

MINNESOTA NORTHWESTERN ELECTRIC RY.—Incorporated Sept. 29, 1913, in Minn. Road extends from Thief River Falls to Goodridge, Minn., 18.7 miles. Capital stock, authorized, $50,000; outstanding $300; par, $100. No dividends paid. No funded debt.

Income Account, year ended December 31, 1927—Gross earnings, $25,442; operating expenses and taxes, $27,548; depreciation, $791; net loss, $2,897; rentals, $10,398; deficit for year, $13,295; previous deficit as adjusted, $149,701; profit and loss deficit Dec. 31, 1927, $162,996.

General Balance Sheet, December 31, 1927—Capital stock, $300; notes and accounts payable, $18,345; other current liabilities, $1,558; reserve for taxes, $506; unadjusted credits, $46; deferred credit items, $149,684—total, $170,439. Contra: Materials and supplies, $3,559; cash, $2,161; accounts receivable, $1,080; unadjusted debits, $643; profit and loss deficit, $162,996—total, $170,439.

Officers: Daniel Shaw, Pres.; C. W. Gardner, V-P.; G. W. Webster, Sec.; J. E. Olson, Treas.; W. R. Patterson, Gen. Supt.; J. E. Bertelson, Aud. Directors: Daniel Shaw, G. W. Webster, C. W. Gardner. Offices, Thief River Falls, Minn. and 405 Soo Line Annex, Minneapolis, Minn.

MOUNT BEACON ON HUDSON ASSOCIATION INCLINE RR.—Incorporated in 1909, in New York. Owns an incline railway up Mt. Beacon. Capital stock authorized and

outstanding, $150,000; par $10. No funded debt. Officers: John B. Lodge, Pres. & Treas.; Harry K. Tompkins, V-P.; Frederick W. Heaney, Sec. General Office, Beacon, N. Y.

MULLAN LIGHT CO., LTD.—Incorporated Feb. 26, 1912, in Idaho. Serves Mullan, Idaho. Capital stock authorized and outstanding, $100,000; par $1. No funded debt. Officers: L. C. Wilson, Pres.; W. R. Miller, V-P.; Ellis L. Hale, Sec. & Treas., Wallace, Idaho.

MUNICIPAL UTILITIES CO.—Incorporated April 28, 1903, in New Jersey. A holding company formed to acquire and operate established public utilities. Has issued certificates of indebtedness in exchange for first mortgage bonds. Capital stock authorized, $1,000,000; outstanding, $100,000; par, $100. No dividends paid. Funded debt, $219,010 Certificates of Indebtedness. No interest is paid on these certificates. The certificates are receipts for bonds issued by a Bondholders' Committee. Officers: W. B. D. Smith, Pres.; E. O. Wunderlich, Sec. & Treas. General Office, 2000 Arch Street, Philadelphia, Pa.

MYERSTOWN GAS AND FUEL CO.—Incorporated in 1909 in Pa. Supplies Myerstown and Richland, Pa., with gas for light, heat and fuel purposes. Annual production, 6,000,000 cu. ft. Capital stock, $40,000. Funded debt, $40,000 First Gold 5s, due April 1, 1939; interest April and October 1. Officers: John J. Witman; Pres.; K. L. Witman, Sec. & Treas. General Office, Reading, Pa.

NEEDLES GAS & ELECTRIC CO.—Incorporated Nov. 11, 1910, in Cal. Supplies Needles, Cal. Capital stock authorized and outstanding, $100,000; par $100. No dividends paid. Funded debt, $176,500 First Mortgage 7% Gold bonds, due Dec. 1, 1944. Authorized, $250,000. Interest payable June and December 1. Subject to call after 1933 at 105. Officers: R. S. Masson, Pres.; H. G. Otis, V-P.; Leta Masson, Sec. General Office, 1200 Citizens National Bank Bldg., Los Angeles, Cal.

NIAGARA, WELLAND & LAKE ERIE RAILWAY—Incorporated April 4, 1911 in Ontario, Canada, with power to construct a line from Niagara Falls to Welland, Ont. Length of projected line, 25 miles, of which 2 miles were put in operation on March 2, 1912. Capital stock authorized, $1,000,000; outstanding, $250,000; par $100. No dividends paid. Funded debt outstanding, $42,000 5% bonds, due in 1944; interest payable May and November 1. Officers: H. C. Scholfield, Pres.; W. W. Near, V-P.; H. Rooke, Sec. & Treas., Toronto, Ont. General Office, Welland, Ont.

OXFORD ELECTRIC LIGHT & POWER CO., LTD.—Incorporated in Nov., 1916, in Nova Scotia. Supplies light and power in the town of Oxford and vicinity. Capital stock, authorized, $100,000; outstanding, $50,000; par $100. Funded debt, $64,500 First Gold 6s, due Dec. 1, 1946; interest June and December 1. Authorized issue, $100,000. Subject to call at 105 and int. Officers: H. M. Bradford, Pres., Halifax, N. S.; A. F. Mackintosh, V-P.; J. P. Connolley, Sec. & Treas.; G. M. Mackintosh, Supt. General Office, Oxford, N. S.

PASADENA RAPID TRANSIT CO.—Incorporated Jan. 4, 1909, in Cal., to construct a standard gauge electric railway in the form of an open-top subway to connect Pasadena, South Pasadena and Los Angeles, 9 miles, all on private right of way owned in fee. Capital stock authorized and issued, $250,000; par $100. Funded debt, authorized, $2,000,000 First 30-Year 6s, due March 1, 1942; interest March and September 1. None of these bonds had been issued up to Feb. 1, 1926. Officers: H M. Dobbins, Pres.; W. H. Smith, V-P. & Gen. Mgr.; W. R. Stevenson, Sec. & Treas. General Office, Pasadena, Cal.

PEOPLES SERVICE CO.—(Controlled by Engineers, Inc., Indianapolis, Ind.) Incorporated in 1890 in Indiana. Supplies artificial gas to Connersville, Ind. Annual production, 46,618,000 cu. ft. Capital stock authorized, $200,000; outstanding, $198,380; par $50. Dividends paid in 1925, 4%. Officers: J. B. McFarlan, Pres.; Harry Flint, Sec. & Treas. General Office, Connersville, Ind.

POINT SHIRLEY STREET RAILWAY COMPANY—Incorporated in June, 1910, in Mass. Operates in Winthrop, Mass. Capital stock authorized and outstanding, $25,000, all owned by Boston, Revere Beach & Lynn RR.

Income Account, year ended Dec. 31, 1927.—Gross earnings, $9,434; operating expenses and taxes, $10,688; depreciation, $600; loss from operation, $1,854; interest on note, $170; deficit for year, $2,024. Total deficit, Dec. 31, 1927, $38,776.

Officers: Gardner F. Wells, Pres.; George W. Wells, V-P.; Charles J. Curtaz, Sec. & Asst. Treas.; Albert W. Hemphill, Treas. General Office, 350 Atlantic Ave., Boston, Mass.

RIDGWAY LIGHT & HEAT CO.—Incorporated May 29, 1885, in Pa. Supplies natural gas to Ridgway, Johnsonburg, Rolfe, Croyland, Carman, Portland Mills, Arroyo, Hailton, Shawmut and Brockport District, Pa. Capital stock authorized, $400,000; outstanding, $385,000; par $100. No funded debt. Officers: H. R. Hyde, Pres.; P. R. Smith, V-P.; J. G. Whitmore, Sec.; H. S. Thayer, Treas.; C. H. Law, Pur. Agt. General Office, Ridgway, Pa.

ROCK HILL GAS CO.—Incorporated June 28, 1913, in South Carolina. Supplies Rock Hill, S. C. Annual sales, approximately 16,957,100 cu. ft. Capital stock, $80,000. Funded debt, $80,000 First Gold 5s, due Aug. 1, 1943; interest February and August 1. Authorized issue, $150,000. Officers: W. F. H. Braun, Pres.; Herman Stein, Sec. & Treas. General Office, 314 Otis Bldg., 112 So. 16th St., Philadelphia, Pa.

RUMFORD FALLS LIGHT & WATER CO.—Incorporated July 26, 1892 in Maine. Furnishes Rumford, Mexico, Dixfield, Peru and Canton, Maine, with electric light and power. Capital stock authorized, $200,000; outstanding, $200,000. No funded debt. Officers: Hugh J. Chisholm, Pres.; Fred. O. Eaton, Gen. Mgr. General office, 49 Congress St., Rumford, Maine.

RUSHVILLE NATURAL GAS CO.—Incorporated April 24, 1889, in Indiana. Supplies natural gas to Rushville, Ind. Annual sales, 32,801,920 cu. ft. Capital stock, $100,000; par $50. No funded debt. Officers: H. A. Kramer, Pres.; Guy Abercrombie, V-P.; T. Rich Reed, Sec. & Treas. General Office, Rushville, Ind.

SCRANTON, DUNMORE & MOOSIC LAKE RAILROAD CO.—Incorporated June 3, 1902, in Pa.; completed in 1903 as a steam road, electrified in 1910. Road was formerly leased to Scranton Ry. Co. Line of road: Dunmore to Moosic Lake, Pa., 9 miles; sidings, 0.5 mile. Gauge, standard. Capital stock, authorized, $300,000; issued, $292,400, of which the Scranton Ry. Co. owns $45,300; par, $100. Annual meeting, in June. Funded debt, $100,000 First Gold 6s, due Jan. 1, 1933; interest January and July 1. Guaranteed principal and interest by Scranton Ry. Co. Officer: Francis X. Burke, Pres. Office, Scranton, Pa.

STERLING GAS CO., LTD.—Incorporated May 8, 1907 in Ontario. Serves town of Port Colborne, village of Humberstone and townships of Wainfleet, Sherbrooke, Moulton and Humberstone. Capital stock authorized and outstanding, $100,000; par $100. No funded debt. Dividends paid in 1926, 32½%. Officers: M. A. Reeb, Pres.; C. E. Steele, Sec., Treas. & Mgr. General Office, Port Colborne, Ont.

SULLIVAN POWER CO.—Incorporated in 1912 in South Carolina. Owns water power on Reedy River. Capital stock, $30,000; par $100. Funded debt, $50,000 (authorized) First Coupon 6s; interest semi-annually, mature in one to 20 years. Officers: N. B. Dial, Pres. & Mgr.; J. F. Harney, Supt. General Office, Laurens, S. C.

SUMPTER POWER & WATER CO.—Incorporated July 15, 1919 in Oregon. Supplies electric light and water to Sumpter, Ore. Capital stock, $25,000; par $100. No funded debt. Officers: W. E. Weed, Pres. & Gen. Mgr.; N. R. Howard, V-P. General Office, Sumpter, Ore.

TERRYVILLE WATER CO.—Incorporated May 25, 1893 in Conn. Supplies Terryville, Conn. Capital stock authorized, $50,000; outstanding, $45,000; par $25. Dividends paid in 1927, 6%. Funded debt, $75,000 5½% First Mortgage Bonds; dated January 1, 1928; due January 1, 1953; interest payable January and July 1. Issued to retire $25,000 First Mortgage 5s, due Oct. 1, 1929, and notes payable.

Income Account, year ended December 31, 1927—Gross earnings, $16,146; operating expenses, taxes and depreciation, $10,229; net earnings, $5,917; other income, $338; total income, $6,255; interest charges, $5,032; surplus after charges, $1,223; dividends, $2,700; deficit for year, $1,477.

General Balance Sheet, December 31, 1927—Capital stock, $45,000; funded debt, $25,000; notes payable, $67,000; accounts payable, $210; interest accrued, $1,678; other current liabilities, $2,463; reserve for depreciation, $18,518; profit and loss surplus, $12,451—total, $172,320. Contra: Cost of road and equipment, $163,669; materials and supplies, $3,457; cash, $2,856; accounts receivable, $1,876; other current assets, $283; deferred debit items, $179—total, $172,320,

Officers: C. A. Hamlin, Pres.; S. H. MacKenzie, V-P. & Pur. Agt.; F. L. MacKenzie, Sec. & Treas. General Office, Terryville, Conn.

TOMS RIVER WATER COMPANY—Incorporated July 19, 1897 in N. J. Serves Toms River, N. J. Capital stock, authorized, $60,000; outstanding, $59,950. Dividends paid in 1926, 8%. No funded debt.

Income Account, year ended Dec. 31, 1926—Gross earnings, $16,748; operating expenses, $6,916; taxes, $1,085; depreciation, $1,000; net earnings, $7,747; dividends, $3,980; surplus for year, $3,767.

Officers: Samuel C. Bailey, Jr., Pres.; W. H. Fischer, V-P.; Stephen R. Applegate, Sec.; F. W. Sutton, Jr., Treas. General Office, Toms River, N. J.

WELLINGTON GAS CO.—Incorporated Nov. 2, 1906, in Kansas. Supplies natural gas in Wellington, Kan. Capital stock authorized and outstanding, $100,000; par $1. No funded debt. Officers: C. E. Burlingame, Pres.; H. J. Holm, V-P. & Sec.; C. D. Stewart, Treas.; W. L. Watkins, Pur. Agt., Bartlesville, Okla.

WESTERN NATURAL GAS CO.—Incorporated May 15, 1913 in Okla. Supplies natural gas to Checotah, Eufaula and Cathay, Okla. Capital stock, authorized, $200,000; outstanding, $110,000; par $100. Officers: O. K. Eysenbach, Pres.; B. C. Eysenbach, V-P.; E. T. Tucker, Sec. & Treas. General Office, 210 North Main St., Tulsa, Okla.

WHITTIER HOME TELEPHONE & TELEGRAPH CO.—Incorporated Aug. 15, 1903 in Cal. Serves Whittier, Cal. Capital stock authorized and outstanding, $480,000; par $100. Dividends paid in years 1923 to 1925 inclusive, 10% per annum; 1926, 5%; 1927, $21,600 in cash and $120,000 in stock. Funded debt, $40,600 First 5s, due Jan. 1, 1929, interest payable January and July; and $26,000 equipment obligations.

General Balance Sheet, Dec. 31, 1927—Capital stock, $480,000; funded debt, $40,600; equipment obligations, $26,000; accounts payable, $16,240; interest accrued, $2,285; deferred credit items, $983; reserve for depreciation, $75,504; surplus, $62,511—total, $704,123. Contra: Cost of properties, $641,237; materials and supplies, $25,961; cash, $6,093; accounts receivable, $12,617; other current assets, $2,800; unadjusted debits, $415; deferred debit items, $15,000—total, $704,123. Officers: A. Wardman, Chrm. of Board & Sec.; F. W. Hadley, Pres.; Orrin Gallup, V-P. & Gen. Mgr.; E. A. Carter, Treas.; Fred C. Mendeck, Aud. Directors, A. Wardman, Bonnie Wardman, Orrin Gallup, F. W. Hadley, G. W. Hutchison. General Office, Whittier, Cal.

WINTERPORT WATER COMPANY—Incorporated Feb. 19, 1889 in Maine. Serves Town of Winterport, Maine. Service connections, 270; output, 10,195,200 gals. Capital stock authorized and outstanding, $25,000. No dividends paid. Funded debt outstanding, $14,500 First Gold 6s, due Feb. 1, 1952; interest payable February and August 1.

Income Account, year ended Dec. 31, 1926—Gross earnings, $4,347; operating expenses, $1,544; taxes, $18; depreciation, $492; net earnings, $2,293; bond interest, etc., $935; surplus for year, $1,358.

Officers: Geo. F. West, Pres.; H. G. Beyer, V-P.; Jas. W. Coburn, Clerk & Treas. General Office, 120 Exchange St., Portland, Maine.

The figures and data contained herein have been obtained from sources believed to be reliable; the publishers do not, however, hold themselves responsible for the accuracy of any of the statements.

LIST OF COMPANIES DROPPED

FROM PUBLIC UTILITY MANUALS, 1918 TO 1928, BOTH INCLUSIVE

The following is a list of corporations not referred to elsewhere which have been eliminated from the Public Utility Manuals (1918 to 1928, inclusive) for reasons stated below. For latest published statements in regard to these companies, see either the 1917, 1918, 1919, 1920, 1921, 1922, 1923, 1924, 1925, 1926 or 1927 Manual, the year of last published statement being indicated after the title below. Any further information desired concerning these companies will be gladly furnished on request.

Name of Company	Last Published Statement	Reason for Elimination
Aberdeen Railroad Co.	(1922)	Out of business.
Abilene Street Ry.	(1919)	Operations suspended.
Ada Electric & Gas Co.	(1922)	Now Oklahoma Lt. & Pow. Co.
Ada Water, Heat & Light Co.	(1918)	Now Ada Gas Co.
Adirondack Lakes Traction Co.	(1917)	Operations discontinued.
Adrian Street Ry. Co.	(1927)	Dissolved May 16, 1927.
Alabama Traction Co.	(1926)	Operations ceased; liquidating.
Albemarle Telephone Co.	(1920)	No recent information.
Algoma Power Co., Ltd.	(1926)	Plant sold to Algoma District Power Co., Ltd.
Alko Oil & Gas Co.	(1918)	Out of business.
Allegheny Valley Water Co.	(1917)	Now Triborough Water Co.
Allen Street Railway Co.	(1926)	Dissolved Nov. 22, 1926.
Alton & Jacksonville R.R.	(1917)	Road being dismantled.
Alton-Slater Water Co.	(1917)	No recent information.
Altoona Gas Light & Fuel Co.	(1924)	Company dissolved.
Altoona, Hollidaysburg & Bedford Springs Ry.	(1918)	Out of existence.
Amarillo Gas Co.	(1926)	Merged with Amarillo Oil Co.
Amarillo Street Ry.	(1917)	Purchased by City.
Amazon Wireless Tel. & Tel. Co.	(1917)	Company dissolved.
American District Telegraph Co. (Maine)	(1923)	Dissolved.
American District Telegraph Co. (of N. Y.)	(1918)	Out of business.
American Eagle Oil Co.	(1927)	Acquired by Empire Oil & Refining Co.
American Gas Co. (Carrollton, O.)	(1926)	No recent information.
American Motor Bus Co.	(1926)	No public interest.
American Pipe & Construction Securities Co.	(1924)	Company dissolved.
American Street Lighting Co.	(1926)	No recent information.
American Traction Co.	(1919)	Operations discontinued.
Anderson County Lt. & Heating Co.	(1927)	Dissolved Dec. 30, 1927.
Arrowhead Reservoir & Power Co.	(1926)	Out of business.
Ash Meadows Water Co.	(1917)	Property sold.
Asheville & East Tennessee R.R.	(1922)	Ceased operations.
Ashland Water Works Co.	(1918)	Sold to City of Ashland, Ky.
Ashtabula Rapid Transit Co.	(1922)	Sold to city.
Atlanta & Carolina Ry.	(1917)	Road sold and tracks removed.
Atlantic City Co.	(1920)	Company dissolved.
Atlas Chemical Co. (The)	(1927)	Sold to Ohio Fuel Gas Co.
Aurora, Plainfield & Joliet R.R. Co.	(1924)	Company dissolved.
Automotive Transportation Co., Inc.	(1926)	No recent information.
Babylon R.R.	(1920)	Road dismantled.
Bakersfield Water Co.	(1926)	Merged into California Water Service Co.
Baldwin County Water Co.	(1920)	Plant sold to City of Milledgeville, Ga.
Baldwinsville Light & Heat Co.	(1926)	No recent information.
Baltimore County Water & Electric Co.	(1921)	Sold to city.
Bangor & Portland Traction Co.	(1923)	Now the Bangor & Portland Transit Co.
Bangor (Pa.) Water Co.	(1926)	No recent information.
Batavia (N. Y.) Traction Co.	(1926)	No recent information.
Bath Electric & Gas Light Co.	(1920)	Sold to municipality.
Bay Cities Water Co.	(1921)	Sold under foreclosure.
Bay Shore Street Ry.	(1922)	Sold to City of Green Bay, Wis.
Beaumont Telephone Co.	(1918)	Merged with Bell System.
Beaverton Power Co.	(1927)	No public interest.
Beech Grove Traction Co.	(1925)	Property sold.
Beggs Gas Co.	(1927)	Dissolved Feb. 17, 1927.
Belfast Water Co.	(1919)	Sold to municipality.
Belleville & Mascoutah Traction Co.	(1921)	No track built.
Bellows Falls & Saxtons River St. Ry.	(1926)	No recent information.
Benton & Fairfield Ry.	(1926)	No recent information.
Bergen Aqueduct Co.	(1921)	Sold to village of Ridgewood, N. J.
Berkshire (Mass.) Water Co.	(1926)	No recent information.
Bethlehem City Water Co.	(1920)	Sold to city.
Big Run Water Co.	(1918)	Being reorganized.
Billings Gas Co.	(1927)	No public interest.
Billings Ry., Light & Power Co.	(1918)	Out of business.
Black River Telephone Co.	(1924)	Sold to Lorain County Tel. Co.
Blackwell Oil & Gas Co.	(1922)	Information refused.
Bloomsburg, Millville & Northern Ry. Co.	(1923)	In liquidation.
Blue Hill Street Ry.	(1922)	Sold for junk.
Blue Ridge Traction Co.	(1923)	Foreclosed; will not reorganize.
Blue Valley Ry.	(1919)	No recent information.
Bluff City Ry. Co. of Natchez, Miss.	(1926)	No recent information.
Bluffton, Geneva & Celina Traction Co.	(1918)	Tracks torn up.
Boardman River Electric Light & Power Co.	(1925)	Now North Michigan Public Service Co.
Boise (Idaho) Street Car Co.	(1926)	No recent information.
Border Gas Co.	(1927)	Acquired by Houston Gas Securities Co.
Boston & Eastern Electric RR. Co.	(1925)	No recent information.
Boston Electric Associates	(1922)	Properties sold.
Brandon Electric Light Co., Ltd.	(1917)	Now Canada Gas & Elec. Corp.
Brenham Compress Oil & Mfg. Co.	(1923)	Now Brenham Gas Co.
Bridgeton & Millville Traction Co.	(1922)	Now Cumberland Traction Co.
Bridgewaters Water Co.	(1924)	Plant sold to Town of Bridgewater, Mass.
Brockport Gas Light Co.	(1927)	No recent information.
Brooklyn & Manhattan Ferry Co.	(1918)	Not in operation.
Brooklyn & North River R.R. Co.	(1923)	Operations discontinued.
Brooklyn City Development Corp.	(1926)	Corporation dissolved.
Bryan & College Interurban Ry. Co.	(1923)	Sold at auction for $40,000.
Buckhannon Light & Water Co.	(1917)	Now West Penn Co.

Name of Company	Last Published Statement	Reason for Elimination
Bucyrus Development Co.	(1926)	Sold to City of Bucyrus, Ohio.
Burlington Gas Light Co.	(1926)	Dissolved.
Burlington Sewerage Co.	(1920)	Plant sold to City of Burlington, N. J.
Caldwell Traction Co., Ltd.	(1925)	Sold at Sheriff's sale in 1924.
California Midland R.R.	(1920)	Project only—never built.
California Railway and Power Co.	(1926)	Stock exchanged for stock of Standard Gas & Electric Co.
Calumet Gas Co.	(1918)	Corporation dissolved.
Camaguey Electric Company, S. A.	(1927)	Owned by American & Foreign Power Co., Inc.
Cambrian Oil Co. (The)	(1917)	In liquidation.
Cameron Water Power & Light Co.	(1926)	No recent information.
Canadian Electric & Water Power Co.	(1917)	Sold to municipality.
Canadian Natural Gas Corp.	(1918)	Not in operation at present.
Canton Gas Light Co.	(1919)	Not in operation.
Cape May, Delaware Bay & Sewell's Point R.R.	(1918)	No recent information.
Capital Traction Co. (Oklahoma City)	(1926)	No recent information.
Carlisle & Mt. Holly Ry.	(1920)	Now Carlisle & Mt. Holly R.R.
Carolina-Tennessee Power Co.	(1926)	No recent information.
Carroll County Utility Co.	(1925)	Sold to Southwest Power Co.
Cataract Electric Co., Ltd.	(1926)	Property sold March 2, 1925.
Catskill (N. Y.) Traction Co.	(1917)	Defunct.
Centerville Water Co.	(1927)	No recent information.
Central Cities Utilities Co.	(1927)	Properties sold.
Central Fuel Co.	(1927)	Sold to Central Fuel Co.
Central Light & Heating Co.	(1927)	Dissolved Feb. 4, 1927.
Central Lighting Co.	(1923)	Company dissolved.
Central Michigan Telephone Co.	(1926)	Line dismantled.
Central of Florida Ry.	(1918)	No recent information.
Centralia Traction Co.	(1926)	No recent information.
Centre & Clearfield Ry. Co.	(1927)	Company dissolved.
Chambers Electric Light & Power Co., Ltd.	(1918)	Sold to municipality.
Chambersburg & Gettysburg Electric Ry. Co.	(1926)	Dissolved Dec. 21, 1926.
Chardon, Jefferson & Meadville Interurban R.R.	(1917)	Charter cancelled.
Charleston-Isle of Palms Traction Co.	(1924)	Property sold.
Charleston (S. C.) Light & Water Co.	(1917)	Sold to City of Charleston.
Chautauqua Traction Co.	(1926)	Not operating.
Cherokee Oil & Gas Co.	(1918)	No recent information.
Chester & Derry RR. Association	(1926)	No recent information.
Chestertown Gas Co.	(1926)	No recent information.
Cheyenne Electric Ry.	(1924)	Property dismantled.
Chicago & Interurban Traction Co.	(1927)	Sold at foreclosure sale Aug., 1927.
Chicago, Aurora & De Kalb R.R. Co.	(1923)	Sold at foreclosure sale in 1922.
Chicago Heights Street Ry. Co.	(1925)	Operations discontinued.
Chicago, Palatine & Wauconda RR. Co.	(1926)	Operations discontinued.
Chicago Suburban Power & Light Co.	(1926)	Dissolved, June 29, 1926.
Chicago Utilities Co.	(1921)	In liquidation.
Chickasha Street Ry.	(1927)	Suspended operations.
Christiania Tramways Corp.	(1926)	American loan retired.
Cincinnati & Columbus Traction Co.	(1920)	Property dismantled.
Cities Service Oil Co. (Illinois)	(1927)	Absorbed by Cities Service Oil Co. of Del., Dec. 31, 1926.
Cities Service Oil Co. (W. Va.)	(1927)	Absorbed by Cities Service Oil Co. of Del., Dec. 31, 1926.
Citizens Electric Co.	(1923)	Sold to Consumers Power Co.
Citizens Gas Co. (Burlington, Wis.)	(1927)	Now Wisconsin Southern Gas Co.
Citizens' Gas Light Co.	(1926)	Leased to Jackson Ry. & Lt. Co.
Citizens Light, Power & Telephone Co. (Gallup, N. M.)	(1926)	No recent information.
Citizens Lighting & Heating Co., Toledo, O.	(1918)	Now Mutual Heating & Lighting Co.
Citizens Water Supply Co. of Newtown	(1921)	Sold to city.
City & Leeds Electric Ry.	(1927)	No recent information.
City & Suburban Gas Co.	(1924)	Property sold under foreclosure.
City Electric Co. (Albuquerque, N. M.)	(1927)	Out of business.
City of Bradford Gas & Power Corp.	(1924)	Sold for junk.
City Railway Co., Mt. Vernon, Ill.	(1918)	No recent information.
City Railway Co. (Wheeling, W. Va.)	(1925)	Sold to city.
City Water Power Co.	(1921)	No recent information.
Clairton Street Ry. Co.	(1926)	Dissolved.
Clayton-Glassboro Water Co.	(1926)	Property sold to Borough of Glassboro (N. J.) in Jan., 1927.
Clear Lake R.R.	(1920)	Franchise surrendered.
Cleveland & Chagrin Falls Ry. Co.	(1925)	Operations discontinued.
Cleveland & Eastern Traction Co.	(1925)	Operations discontinued.
Cleveland & Erie Ry.	(1922)	Sold for junk.
Cleveland (Ohio) Light and Power Co.	(1926)	No recent information.
Cleveland, Painesville & Ashtabula RR. Co.	(1926)	Operations discontinued.
Cleveland, Painesville & Eastern RR. Co.	(1926)	Operations discontinued.
Colfax Springs Railway	(1924)	Operations discontinued.
Collingswood Sewerage Co.	(1922)	Sold to Boro of Collingswood.
Colombian Petroleum Co.	(1925)	Sold to South American Gulf Oil Co.
Colorado Springs Gas Co.	(1926)	Sold to City of Colorado Springs.
Columbia County (N.Y.) Gas & Electric Co.	(1917)	Mail returned by P. O.
Columbus, Magnetic Springs & Northern Ry.	(1918)	Not in operation.
Columbus, Urbana & Western El. Ry. Co.	(1925)	Operations discontinued.
Commonwealth Power & Electric Co.	(1918)	Out of business.
Commonwealth Power Co. of Neb.	(1921)	Information refused.
Commonwealth Utilities Co.	(1921)	No recent information.
Concord, Maynard & Hudson St. Ry.	(1922)	Company dissolved.
Conneaut Water Co.	(1921)	Sold to City of Conneaut, O., Nov. 1, 1921.
Connecticut Valley St. Ry.	(1925)	In liquidation.
Consolidated Gas, Electric & Water Co.	(1920)	No recent information.
Consolidated Street Ry.	(1919)	Defunct.
Consolidated Telephone Co.	(1925)	Mail returned by P. O.
Consolidated Utilities Co.	(1925)	Dissolved.
Consolidated Water Co.	(1926)	Water and pipe system sold to City of Pomona (Cal.).
Consolidated Water Co. of Punxsutawney	(1926)	Now Punxsutawney Water Service Co.
Consumers Electric Service Corp.	(1924)	Properties sold.
Consumers Gas & Heat Co.	(1919)	Out of business.
Consumers Gas Co., Princeton, Ind.	(1917)	In receivership.
Conway Electric St. Ry.	(1921)	Operations discontinued; sold for junk.
Corry & Columbus Traction Co. (Corry, Pa.)	(1926)	No recent information.
Corsicana Gas & Electric Co.	(1922)	Now Corsicana Power & Light Co.
Covington & Oxford St. Ry.	(1917)	Liquidated.
Creek County Gas Co., Cushing, Okla.	(1926)	No recent information.
Cumberland Gas Light Co.	(1918)	No recent information.
Cumberland Ry.	(1920)	Sold under foreclosure.

Name of Company	Last Published Statement	Reason for Elimination
Dale Light, Heat & Power Co.	(1917)	Out of business.
Dallas Ice Factory, Light & Power Co.	(1920)	Mail returned by P. O.
Dallastown-Yoe Water Co. (Reading, Pa.)	(1926)	No recent information.
Danville & Sunbury Transit Co.	(1924)	Operations discontinued.
Danville, Champaign & Decatur Ry. & Lt. Co.	(1923)	Company dissolved.
Dauphin Consolidated Water Supply Co.	(1926)	No public interest.
Dawson Electric Light & Power Co., Ltd.	(1927)	No recent information.
Dayton, Covington & Piqua Traction Co.	(1926)	Operation ceased Nov. 6, 1927.
Delaware Company of New Jersey	(1927)	Properties sold.
Denver & South Platte Ry. Co.	(1926)	Dissolved.
Denver Union Water Co.	(1918)	Sold to City of Denver.
Depew and Lancaster Railway Corp.	(1926)	Operations discontinued and road dismantled.
De Queen Ice & Light Co.	(1917)	Now Arkansas Light & Power Co.
Des Moines Water Co.	(1919)	Sold to City of Des Moines.
Detroit, Lansing & Grand Rapids Ry.	(1919)	No recent information.
Dixie Gas Co.	(1920)	Out of business.
Doherty Operating Company	(1925)	No public interest.
Dowagiac Light & Power Co.	(1927)	Sold to Michigan Gas & Electric Co., March 10, 1928.
Dunkirk St. Ry.	(1924)	Out of existence.
Duquesne Inclined Plane Co. (The)	(1926)	No recent information.
Durango Ry. & Realty Co.	(1921)	Property dismantled.
Eagle River Electric Power Co.	(1917)	Out of business.
East Chicago & Indiana Harbor Water Co.	(1924)	Property sold to City of Chicago.
East End Passenger Ry.	(1926)	Williamsport Rys. Co.
East Idaho Gas Co.	(1927)	No recent information.
East Washington Heights Traction Co.	(1925)	Out of business.
Eastern Light & Fuel Co. (Phila., Pa.)	(1926)	No recent information.
Eastern Power & Light Corp.	(1919)	Dissolved.
Eastern States Public Service Co.	(1925)	Holdings disposed of.
Eastern Texas Traction Co.	(1919)	Sold at Sheriff's sale Aug. 5, 1919.
Easton Light & Fuel Co., Easton, Md.	(1917)	No recent information.
Edgarton Gas Co.	(1927)	Dissolved Dec. 30, 1927.
Edmonton Radial Ry.	(1918)	Sold to City.
Egg Harbor City Water Co.	(1922)	Sold to City.
El Dorado Gas Co.	(1927)	Sold to Ouachita Natural Gas Co.
Electric Power Co., Ltd., Toronto	(1917)	Sold to Canadian Government.
Electric Securities Co. of Del.	(1924)	No public interest.
Electric Securities Co. (N. J.)	(1927)	No public interest.
Electric Short Line Ry.	(1924)	Now Minnesota Western R. R. Co.
Elgin & Belvidere Electric Co.	(1927)	Merged with Rockford & Belvidere Ry. Co. and Elgin, Belvidere & Rockford Ry. Co. May 1, 1927.
Elk & Jefferson Gas Co.	(1924)	Out of business.
Elkins Electric Ry.	(1920)	Road dismantled.
Elkins Power Co.	(1922)	No public interest.
Empire Gas & Fuel Co. (Colo.)	(1927)	Merged with Empire Gas & Fuel Co. (Me.) July 6, 1927.
Empire Gas & Fuel Co. (Inc.)	(1927)	Dissolved Sept. 17, 1927.
Empire Gas & Pipeline Co.	(1927)	Acquired by Cities Service Gas Co. in 1927.
Empire Gasoline Co.	(1927)	Now Cities Service Co. System.
Empire Petroleum Co.	(1927)	Acquired by Empire Oil & Refining Co. in 1927.
Empire Refineries Inc. (Del.)	(1927)	Acquired by Empire Oil & Refining Co. in 1927.
Emporia Hydro-Electric Power Corp.	(1924)	Now Halifax Power Corp.
Enoree (S. C.) Power Co.	(1926)	Acquired by Broad River Power Co.
Enterprise Electric Co.	(1926)	Now in American Power & Light Co. System.
Equitable Illuminating Gas Light Co. of Philadelphia	(1927)	Not operating.
Eureka Traction Co.	(1922)	Sold for junk.
Exeter, Hampton & Amesbury St. Ry.	(1921)	Operated by town of Hampton, N. H.
Exeter Ry. & Lighting Co.	(1923)	In process of liquidation.
Fairchance & Smithfield Traction Co. (Uniontown, Pa.)	(1926)	No recent information.
Fairfield & Shawmut Ry. (Fairfield, Maine)	(1926)	No recent information.
Fairhaven City Water & Power Co.	(1926)	Sold to City of Bellingham, Washington.
Feather River Power & Irrigation Co.	(1921)	Dissolved.
Federal Telegraph Co.	(1926)	Stock Exchanged for Federal-Brandes, Inc.
Fidelity Gas Co.	(1917)	Defunct.
Fifty-Nine Osage Oil Co.	(1927)	Acquired by Empire Oil & Refining Co., 1927.
Florida Power Co.	(1924)	Now Florida Power Corp.
Fort Loramie Ry. Co.	(1924)	Operations discontinued.
Fort Scott Gas & Electric Co.	(1918)	No recent information.
Fort Smith-Oklahoma Light & Traction Co.	(1920)	Track abandoned.
Fort Wayne & Decatur Traction Co.	(1927)	Ceased operations Aug. 9, 1927.
Fox & Illinois Union Ry. (Aurora, Ill.)	(1926)	No recent information.
Frankfort & Shelbyville Electric Ry. Co.	(1923)	Projected line; obsolete.
Franklin Light & Power Co.	(1927)	Interests sold to New England Public Service Co. Jan., 1928.
Franklin Real Estate Co. (The)	(1927)	No public interest.
Freeport Railroad Co.	(1917)	No recent information.
Frenchtown (N. J.) Water Co.	(1926)	No recent information.
Fryeburg Horse R.R.	(1919)	Operations discontinued.
Gadsden, Bellevue & Lookout Mountain Ry.	(1925)	Property dismantled.
Gainesville Gas & Electric Power Co.	(1918)	No recent information.
Galesburg & Kewanee Electric Ry. Co.	(1923)	Property sold at receiver's sale, Oct. 20, 1923.
Gallipolis & Northern Traction Co.	(1922)	Sold for junk.
Galt, Preston & Hespeler St. Ry., Ltd.	(1918)	Now Grand River Ry.
Gardner Gas Co.	(1927)	Dissolved Dec. 30, 1927.
Gardner-Templeton Street Ry. (E. Templeton, Mass.)	(1926)	Line discontinued in Aug. 1926.
Garnett (Kansas) Light & Fuel Co.	(1926)	No recent information.
General Electric Traction Co.	(1921)	No recent information.
General Telephone Co.	(1927)	Properties sold.
Georgetown Ry. & Light Co.	(1921)	Sold to City of Georgetown, S. C., March 1, 1921.
Georgetown Water, Gas, Electric & Power Co.	(1923)	No recent information.
Gettysburg Railway	(1917)	Road dismantled.
Giant Electric Light, Heat & Power Co.	(1917)	Out of business.
Girard Water Co. (Phila., Pa.)	(1926)	No public interest.

Name of Company	Last Published Statement	Reason for Elimination
Girardville Gas Co.	(1923)	Plants to be sold at auction.
Glen Cove RR. Co. (The)	(1925)	Operation ceased.
Glendive Heat, Light & Power Co.	(1917)	Now Eastern Montana Light & Power Co.
Globe Light & Power Co.	(1926)	Now Peoples Arizona Gas & Electric Corp.
Goldsboro Electric Ry.	(1921)	Sold to City of Goldsboro.
Grafton Light & Power Co.	(1921)	Now Tygarts Valley Traction Co.
Grand Rapids, Grand Haven & Muskegon Ry. Co.	(1927)	Operation ceased.
Grand River Gas Co.	(1926)	Property sold to Henry L. Doherty & Co., New York.
Grand View RR.	(1926)	Line dismantled.
Grangeville Electric Light & Power Co.	(1926)	Now in American Power & Light Co. System.
Great South Bay Ferry Co.	(1925)	Out of business.
Greeley Gas & Fuel Co. (The)	(1927)	Now subsidiary of National Gas & Electric Corp.
Green Bay Water Co.	(1920)	Sold to City of Green Bay, Wis.
Greencastle Water Works Co.	(1927)	No public interest.
Greenville (Tex.) Gas & Fuel Co.	(1926)	No recent information.
Greenville (Miss.) Gas Co.	(1926)	No recent information.
Greenville (Tex.) Gas Co.	(1923)	Now Greenville Gas & Fuel Co.
Greenville (Ohio) Gas Light Co.	(1926)	Sold to Western Ohio Public Service Co.
Gulf Public Service Co. of Delaware	(1918)	Corporation dissolved.
Guantanamo Electric Company	(1927)	Owned by American & Foreign Power Co., Inc.
Halifax Power Co., Ltd.	(1917)	Liquidated.
Halifax Water Co.	(1919)	Sold to municipality.
Hammonton & Egg Harbor City Gas Co.	(1923)	Now Hammerton & Amatol Gas Co.
Harrison Electric Co.	(1924)	Now Inter-County Power & Light Co.
Hartford & Springfield Street Ry. Co.	(1927)	Sold to Hartford Springfield Coach Co.
Hartland Power Co.	(1924)	Sold to Interstate Power Co. (W. Va.)
Havre de Grace Electric Co.	(1923)	Now Northern Maryland Electric Co.
Hemet-San Jacinto Gas Co.	(1918)	Now Southwestern Gas Co.
Henderson Water Co.	(1926)	Sold to City of Henderson, N. C.
Henrico County Gas Co.	(1925)	Sold to City of Richmond, Va.
Hermosa-Redondo Water Co.	(1926)	Merged into California Water Service Co.
Highland Grove Traction Co.	(1923)	Out of business since April 6, 1923.
Hocking-Sunday Creek Traction Co.	(1925)	Now The Nelsonville - Athens Electric Ry. Co.
Home Manufacturing Light & Power Co. of Cecil County (The) (Elkton, Md.)	(1926)	No recent information.
Home Telephone & Telegraph Co., Henderson, N. C.	(1925)	Merged with Carolina Telegraph & Telephone Co.
Hornell Traction Co.	(1926)	Out of business since July 15, 1926.
Hot Springs Electric Light & Power Co.	(1920)	Plant sold.
Hudson Companies	(1924)	Company dissolved.
Hudson River & Eastern Traction Co.	(1926)	Sold to Westchester Coach Co.
Humboldt Transit Co.	(1921)	Sold to municipality of Eureka, Cal.
Huntingdon, Lewiston & Juniata Valley Traction Co.	(1926)	Sale ordered June 24, 1925.
Huntingdon Water Supply Co.	(1919)	Sold to City.
Huntington R. R.	(1920)	Corporation dissolved Sept. 23, 1919.
Ideal Beach Water Co. (Keansburg, N. J.)	(1926)	No recent information.
Imperial Valley Gas Co.	(1920)	Operations discontinued.
Imperial Water Co., No. 1	(1922)	Sold to Imperial Irrigation District.
Independent Electric Co.	(1924)	Puget Sound Power & Light Co.
Interborough Consolidated Corp.	(1923)	Dissolved.
Inter-City Power Co. (Del.)	(1925)	No public interest.
International Radio Telegraph Co. (The)	(1925)	Dissolved.
International Traction Co.	(1922)	No public interest.
Interstate Utilities Corp.	(1926)	Holdings acquired by Georgia Power Co.
Interurban Electric Co., Ltd., Toronto	(1917)	Purchased by Toronto Hydro-Electric System.
Interurban Ry. & Terminal Co.	(1922)	Property dismantled.
Iola Electric R. R.	(1920)	Defunct.
Iron Mountain Light & Fuel Co.	(1920)	No recent information.
Ironwood Gas Co.	(1920)	No recent information.
Iroquois Public Service Corp.	(1921)	No recent information.
Island Pond Electric Co.	(1922)	Sold to Clyde River Power Co.
Jackson Home Telephone Co.	(1925)	No recent information.
Jacksonville Ferry & Land Co.	(1925)	Property sold to Florida Ferry Co. and others.
Jamestown (N. D.) Gas Co.	(1926)	No recent information.
Jefferson Traction Co.	(1927)	Sold Sept. 23, 1927, for benefit of bondholders.
Jennings Gas & Electric Co.	(1921)	Now Public Service Co. of S. W. Louisiana.
Jersey Shore & Antes Fort RR.	(1925)	Out of business.
Jewett (Conn.) City Water Co.	(1926)	No recent information.
Johnson County Gas Co.	(1927)	Dissolved Dec. 30, 1927.
Joliet & Eastern Traction Co.	(1922)	Property abandoned.
Junction Water Co. (Hampton, N. J.)	(1926)	No recent information.
Jurupa Heights Water Co.	(1926)	No recent information.
Kankakee & Urbana Traction Co.	(1926)	Sold under foreclosure March 27, 1926.
Kankakee Electric Ry.	(1926)	No recent information.
Kansas City Viaduct & Terminal Ry.	(1920)	Sold to municipalities.
Kansas Farmers Gas Co.	(1927)	Dissolved Dec. 30, 1927.
Kansas Natural Gas Co.	(1927)	Acquired by Cities Service Gas Co. in 1927.
Kansas Oklahoma Gas Co.	(1927)	Acquired by Cities Service Gas Co. in 1927.
Kansas Southern Electric R. R.	(1920)	Defunct.
Kauai Electric Co., Ltd.	(1921)	Disincorporated Dec. 31, 1921.
Keene (N. H.) Electric Ry.	(1926)	No recent information.
Keiser Gas Co.	(1917)	Industrial Oil & Gas Co.
Kennebec Gas & Fuel Co.	(1921)	Now Central Maine Power Co.
Kentucky Southwestern Elec. Ry., Light & Power Co.	(1919)	No recent information.
Kewanee Home Telephone Co.	(1926)	Disincorporated June 30, 1925.

Name of Company	Last Published Statement	Reason for Elimination
Keystone Gas Co.	(1926)	Little public interest.
Keystone Utilities Co.	(1926)	Properties sold.
Kinsman Electric Co.	(1926)	Dissolved.
Knox County Electric Co.	(1921)	Now Central Maine Power Co.
Lake Charles Ry., Light & Water Works Co.	(1924)	Sold to Lake Charles Electric Co. Inc.
Lake Shore Motor Bus Corp.	(1922)	Dissolved.
Lancaster Water Filtration Co.	(1924)	Sold to City of Lancaster, Pa.
Laurel Electric Power & Light Co.	(1926)	Merged with Mississippi Power Co.
Lawton Ry. & Lighting Co.	(1923)	Information refused.
Lebanon & Franklin Traction Co.	(1919)	Line dismantled.
Lebanon (Ind.) Telephone Co.	(1926)	No recent information.
Lebanon-Thorntown Traction Co.	(1926)	Line dismantled; Company liquidated.
Leesville Light & Water Works Co., Ltd.	(1925)	Sold to Louisiana Public Utilities Co., Inc.
Lehigh Water Co. (Easton, Pa.)	(1926)	No recent information.
Lewisburg & Ronceverte Electric Ry.	(1921)	Now Lewisburg Ry. & Power Co.
Lincoln, Capital Beach & Milford R.R.	(1927)	Dissolved in 1927.
Linton Gas & Coke Co.	(1927)	Property offered for sale in May, 1928.
London & Lake Erie Ry. & Transportation Co.	(1918)	Line dismantled.
Lone Star State Power Co. (Texas)	(1927)	Dissolved in 1927.
Long Acre Electric Light & Power Co.	(1923)	Taken over by Manhattan-Bronx Power Corp. on June 1, 1923.
Long Beach Water Co.	(1921)	Out of existence.
Long Branch (N. J.) Sewer Co.	(1926)	No recent information.
Long Island Consolidated Electrical Companies (The)	(1926)	Owned by Long Island RR.
Los Angeles & Mt. Washington Ry.	(1922)	Not in operation.
Los Angeles & San Diego Beach Ry.	(1919)	Operations discontinued.
Louisiana Gas & Fuel Co., Inc.	(1922)	Absorbed by The Palmer Corp.
Louisville Heating Co.	(1927)	Dissolved Oct. 17, 1927.
Loyal Railway Co.	(1917)	Taken over by City.
Lykens Valley Railway Co. (Harrisburg, Pa.)	(1926)	No recent information.
Mahanoy City Gas Co.	(1919)	Not in operation.
Mahoning Valley St. Ry.	(1927)	Formerly leased by Jefferson Traction Co.
Maine Rys., Light & Power Co.	(1921)	Properties sold.
Manhattan City & Interurban Ry.	(1922)	Now United Traction System.
Manistee Ry.	(1921)	Abandoned.
Mansfield (La.) Gas Co.	(1926)	No recent information.
Marengo, Lake Geneva & Northern Ry.	(1922)	Under construction.
Marine Railway Co. (The)	(1922)	Operations discontinued.
Marion & Suburban Ry.	(1922)	Being dismantled.
Marquette City & Presque Isle Ry.	(1922)	Now Marquette City Ry.
Marquoketa (Iowa) Light & Heat Co.	(1926)	No recent information.
Martha's Vineyard Street Ry.	(1917)	Road sold.
Maryland Telephone Co. of Baltimore City	(1922)	Property sold.
Marysville Light, Power & Water Co.	(1925)	No public interest.
Massachusetts Consolidated Rys.	(1925)	Liquidated.
Massillon Water Supply Co.	(1926)	Now The Massillon Water Service Co.
Mayfield Water & Light Co.	(1918)	Sold to City of Mayfield, Ky.
Medway & Dedham Street Railway	(1925)	Out of business.
Mercer County Light, Heat & Power Co.	(1926)	Dissolved.
Merchantville Water Co.	(1926)	Sold to municipalities it served.
Meridian Home Telephone Co.	(1918)	Sold at foreclosure.
Mesaba Railway Co.	(1927)	Dismantled.
Mexican Midland Light & Power Co.	(1919)	No recent information.
Mexican National Gas Co., Los Angeles, Cal.	(1917)	Plant shut down.
Miami Traction Co.	(1921)	Sold to City of Miami, Fla.
Michigan Independent Tel. & Traffic Assn.	(1925)	No recent information.
Mid-Continent Consolidated Oil & Utilities Corp.	(1922)	Information refused.
Midland Oil Co.	(1927)	Acquired by Empire Oil & Refining Co. in 1927.
Midland Securities Co.	(1927)	In liquidation.
Midwestern Power Co.	(1926)	Property sold.
Mifflintown (Pa.) Water Co.	(1926)	No recent information.
Milford, Attleboro & Woonsocket St. Ry.	(1924)	Operations discontinued.
Milford Light & Power Co.	(1922)	Sold at receiver's sale.
Mill Mountain Incline, Inc.	(1918)	Sold to W. P. Henritze, Roanoke, Va.
Millville Traction Co. (The)	(1926)	Owned by The Millville Manufacturing Co.
Milwaukee Western Electric Ry. Co.	(1923)	No information available.
Milwaukee Western Ry. Co.	(1923)	No information available.
Mineral Heights Street Ry.	(1920)	Company liquidated.
Missoula Gas Co.	(1926)	Out of business.
Mobile & Pensacola Ry. & Navigation Co.	(1922)	Road abandoned.
Modesto & Empire Traction Co.	(1919)	No recent information.
Modesto Interurban Ry. (The)	(1926)	No recent information.
Monmouth County Electric Co.	(1922)	Sold at public sale.
Monroe Gas Co., Inc.	(1925)	No recent information.
Monroe Water Co.	(1921)	Sold to City of Monroe, Mich., July 1, 1921.
Monroe Water Co. (Wash.)	(1923)	Taken over by the City of Monroe, Wash.
Montecito R. R.	(1918)	Line dismantled.
Monterey & Pacific Grove Ry. Co.	(1923)	Ceased operations on Dec. 4, 1923; road being dismantled.
Montgomery Transit Co.	(1923)	Merged into Shippock-Perkiomen Transit Co.
Montreal Development & Land Co., Ltd.	(1926)	No public interest.
Montreal Hydro-Electric Co., Ltd.	(1926)	No public interest.
Morgantown & Wheeling Ry. Co.	(1923)	Now Scott Run Ry. Co.
Morris County Traction Co.	(1927)	Property sold.
Morrisburg & Ottawa Electric Ry.	(1921)	Not in operation.
Mount McKay & Kakabeka Falls Ry.	(1926)	No recent information.
Mount Mansfield Electric RR.	(1926)	No recent information.
Mt. Vernon (Ohio) Ry.	(1917)	Property sold.
Municipal Water, Light & Power Co.	(1926)	A co-partnership since 1920; all owned by Doherty family.
Murphysboro (Ill.) Electric Ry., Light, Heat & Power Co.	(1926)	No recent information.
Nanticoke Power Co.	(1921)	Not in operation.
Napa City Water Co.	(1922)	Sold to City of Napa, Cal.
Nashville Traction Co.	(1923)	No recent information.
Nassau County Railway Co.	(1925)	In process of dissolution.
Nassau County Water Co.	(1925)	Sold to municipality.
National Gas Co., Ltd.	(1923)	Out of business.
National Properties Co.	(1921)	Inactive.
National Telephone & Electric Co.	(1920)	No recent information.
National Utilities Company	(1925)	Holdings disposed of.
National Water Works & Guarantee Co.	(1918)	Company dissolved.
Nebraska Electric Co.	(1919)	Sold under foreclosure.

Name of Company	Last Published Statement	Reason for Elimination
Neighborhood Light, Power & Heating Co.	(1926)	No recent information.
Netherlands Tramways Corp.	(1917)	Liquidated.
Nevada County Traction Co.	(1923)	Ceased operations on Jan. 1, 1924.
Nevada Gas Co.	(1920)	Out of business.
Nevada Interurban Ry.	(1926)	No recent information.
New Bedford & Onset Street Ry. Co.	(1927)	Sold and scrapped.
New Castle Light & Power Co.	(1925)	Dissolved.
New Charlotte Gas Co.	(1927)	Sold to Consumers Power Co. and later dissolved.
New England Securities Co.	(1922)	Information refused.
New Jersey Consolidated Gas Co.	(1922)	No public interest.
New Jersey Rapid Transit Co.	(1918)	Line dismantled.
New Milford (Conn.) Water Co.	(1926)	No recent information.
New Paltz, Highland & Poughkeepsie Traction Co.	(1926)	Out of business on July 7, 1925.
New York & East River Ferry Co.	(1922)	Sold to city.
New York and Long Island Traction Co.	(1926)	Line dismantled.
New York & North Shore Traction Co.	(1922)	Operations discontinued.
New York Railways Participation Corp.	(1927)	Dissolved April 4, 1927.
Newburg City & Suburban Ry. Inc.	(1924)	Now Orange County Traction Co.
Newcomerstown (Ohio) Gas Co.	(1926)	Sold to Ohio Fuel Supply Co.
Newmarket Electric Co.	(1919)	Liquidated.
Newport & Providence Ry. Co.	(1927)	Information refused.
Newport News Light and Water Co.	(1926)	Sold to City of Newport News, Va.
Newport Water Works	(1926)	No recent information.
Noble County Telephone Co.	(1925)	Out of business.
Norfolk & Bristol St. Ry.	(1921)	Sold under foreclosure.
Norfolk City & Suburban Ry.	(1917)	Company dissolved.
Norfolk County Water Co.	(1921)	Sold to city.
North Attleboro Gas Light Co.	(1927)	No public interest.
North Michigan Water Co.	(1918)	Sold to City of Escanaba, Mich.
North Shore Light & Power Co.	(1926)	No recent information.
Northampton Transit Co.	(1923)	Information refused.
Northern Cambria Ry. Co.	(1926)	Sold at receiver's sale and scrapped in 1926.
Northern Light, Power & Coal Co., Ltd.	(1917)	Property sold.
Northern Massachusetts Street Railway	(1925)	Liquidated.
Northern Minnesota Power Co.	(1918)	Sold to municipality.
Northern Natural Gas Co. (The)	(1924)	Now Cumberland & Allegheny Gas Co.
Northport Traction Co.	(1925)	Sold.
Northwestern Power & Manufacturing Co.	(1925)	Now Northwestern Power & Light Co.
Northwestern Power Co.	(1925)	In liquidation.
Northwestern Traction Co.	(1926)	Line sold and scrapped.
Norton, Taunton & Attleborough St. Ry.	(1919)	Sold to municipalities.
Norton Water Co.	(1924)	Out of existence.
Norwich Water Works	(1926)	Now Norwich Water Service Corp.
Norwood, Canton & Sharon Street Ry.	(1918)	Line dismantled.
Nowata County Gas Co.	(1927)	Dissolved March, 1928.
Oak Bluffs St. Ry.	(1917)	Road sold.
Ocean Shore R.R.	(1920)	In liquidation.
Ocean Street Passenger Ry.	(1918)	No recent information.
Oconto City Water Supply Co.	(1926)	Plant was placed in the hands of the Railroad Comm. of Wis.
Oelwein Gas & Power Co.	(1919)	Out of business.
Ohio Water Co.	(1927)	Properties disposed of.
Oklahoma Union Traction Co.	(1919)	Out of business.
Olean, Bradford & Salamanca Ry. Co.	(1927)	Discontinued and scrapped.
Omaha Gas Co.	(1920)	Sold to City of Omaha, Neb.
Omaha, Lincoln & Beatrice Ry.	(1927)	Operation discontinued.
Onset Water Co.	(1924)	Taken over by Town of Onset, Mass.
Oregon Gas & Electric Co.	(1921)	Now Southern Oregon Gas Co.
Orleans-Kenner Electric Ry.	(1918)	No recent information.
Otero Gas Co.	(1922)	Now Otero County Gas Co.
Oxford Oil & Gas Co., Ltd.	(1921)	Out of business.
Painesville Gas Light & Coal Co.	(1923)	Sold to City of Painesville, Sept. 1, 1923.
Palatka Water Works	(1921)	Sold to city.
Palestine (Tex.) Water Works Co.	(1918)	Sold to city.
Palo Alto Gas Co., San Francisco	(1917)	Purchased by municipality.
Palo Verde Mutual Water Co.	(1925)	Sold to Palo Verde Irrigation District.
Pan-American Wireless Tel. & Tel. Co.	(1922)	Dissolved.
Panama-American Corporation	(1917)	Out of existence.
Paris Mountain Water Co.	(1918)	Property sold.
Parkersburg & Ohio Valley Electric Ry.	(1918)	Line dismantled.
Parsons Gas Co.	(1927)	Dissolved March 8, 1928.
Parsons Water Supply & Power Co.	(1923)	In receivership.
Pascagoula St. Ry. & Power Co.	(1920)	Property sold.
Patterson Heights Street Ry.	(1926)	No recent information.
Paulsboro (N. J.) Water Co.	(1926)	No recent information.
Paxtang Consolidated Water Co.	(1927)	Sold at foreclosure sale Sept. 24, 1925.
Peakland Corporation	(1927)	No public interest.
Penn Central Ry.	(1920)	Property sold.
Pennsylvania & Ohio Traction Co. (The)	(1924)	Operations discontinued.
Pennsylvania Oil & Gas Co. of Ala.	(1921)	Out of business.
Peoples Gas Co.	(1921)	No recent information.
Peoples Home Telephone Co.	(1924)	Corporation dissolved.
Peoples Water Co. of Millville	(1921)	Sold to city.
Peoples Water Co. (Oskaloosa, Iowa)	(1922)	Sold to city.
Philadelphia & Bristol Water Co.	(1923)	No recent information.
Philadelphia & Easton Transit Co.	(1926)	Discontinued business Nov. 25, 1926.
Phoenix Ry. of Arizona	(1925)	Dissolved.
Pier Railway Co. (The)	(1927)	No public interest.
Pike County Electric Light & Power Co.	(1921)	No recent information.
Pittsburg District Electric Co.	(1926)	Dissolved.
Planet Petroleum Co.	(1927)	Merged with Empire Gas & Fuel Co. (Me.) July 6, 1927.
Plattsburgh Traction Co.	(1924)	Discontinued operations.
Plymouth & Sandwich Street Ry.	(1920)	Sold at auction.
Plymouth & Shelby Traction Co. (Line)	(1922)	Not in operation.
Plymouth Bridge Co.	(1923)	Company dissolved by Court Decree in April, 1923.
Point Pleasant Traction Co.	(1923)	Franchise surrendered.
Point Pleasant Water Works Co.	(1920)	Sold to Borough of Point Pleasant.
Port Arthur Traction Co.	(1927)	Acquired by Eastern Texas Electric Co.
Port Costa Water Company	(1926)	Merged into California Water Service Co.
Port Huron Gas & Electric Co.	(1927)	Dissolved.

Name of Company	Last Published Statement	Reason for Elimination
Port Jervis Traction Co.	(1925)	Bankrupt.
Portland & Oregon City Ry. Co.	(1923)	Now Portland Southern Ry. Co.
Portland (Ore.) & Troutdale Electric Ry.	(1926)	Service replaced May 9, 1927 by bus service operated by Portland Electric Power Co.
Portsmouth, Berkeley & Suffolk Water Co.	(1918)	Plant sold to City.
Portsmouth Public Service Co.	(1927)	No public interest.
Portsmouth Telephone Co.	(1925)	Now Portsmouth Home Telephone Co.
Postal Telegraph-Cable Co. of Texas	(1917)	No public interest.
Pottstown & Reading Street Ry.	(1927)	No recent information.
Poulsen Wireless Corp.	(1920)	Dissolved.
Prince Rupert Hydro-Electric Co., Ltd.	(1918)	Sold to City.
Princeton (W. Va.) Water Co.	(1926)	Now West Virginia Water Service Co.
Public Securities Co. (N. J.)	(1926)	Dissolved Dec. 21, 1925.
Public Utilities Co., Inc.	(1924)	Properties sold.
Putnam & Westchester Traction Co.	(1925)	Operations ceased Aug. 9, 1925.
Racine Water Co.	(1918)	Plant sold to City of Racine, Wis.
Radford Water Power Co.	(1919)	No recent information.
Railways Company General	(1918)	Company in liquidation.
Ramapo Water Company	(1926)	No recent information.
Rapid City Gas & Heating Co.	(1926)	Now Central West Public Service Co.
Reedy River Power Co.	(1927)	No recent information.
Relay Automatic Telephone Co., Ltd.	(1922)	No public interest.
Reno Traction Co.	(1927)	Operations ceased Sept., 1927.
Reserve Gas Co.	(1919)	Not in operation.
Reynoldsville Water Co.	(1919)	Sold to municipality.
Rhode Island Co.	(1921)	In liquidation.
Richmond & Princeton Gas Co.	(1927)	Dissolved Dec. 30, 1927.
Richmond Light & Railroad Co.	(1927)	Company inactive.
Richmond-Seven Pines Ry.	(1918)	Sold to U. S. Housing Corp.
Rio Grande Light, Heat & Power Co.	(1922)	No recent information.
Riverbank (Cal.) Water Co.	(1926)	No recent information.
Riverside, Rialto & Pacific R.R.	(1917)	Sold to Los Angeles & Salt Lake R.R.
Roanoke Traction & Light Co.	(1927)	Sold to Central Public Utilities Corp.
Rochester & Manitou RR.	(1925)	Road sold in Aug., 1925.
Rochester Light, Heat & Power Co.	(1918)	Road sold.
Rockport (Ind.) Water Works Co.	(1926)	No recent information.
Rumson Land & Development Co.	(1926)	No recent information.
Sachsen-Anhalt Electric Co. of Halle (Saale) (Elektrizitaetswerk Sachsen-Anhalt A. G. in Halle Saale	(1927)	No public interest.
Sacramento Valley Electric R.R.	(1918)	Line dismantled.
St. Albans & Swanton Traction Co.	(1923)	Scrapped; out of existence.
St. John's (Newfoundland) Gas Light Co.	(1926)	No recent information.
St. Lawrence Gas, Electric & Transportation Co.	(1918)	Corporation dissolved.
St. Louis, Lakewood & Grant Park Ry.	(1918)	Line abandoned.
St. Petersburg & Gulf Ry.	(1918)	Sold under foreclosure.
Salem Lighting Co.	(1926)	Dissolved.
Salina (Kan.) Street Ry.	(1926)	No recent information.
Salmon River Power & Light Co.	(1926)	Merged into Idaho Power Co.
San Antonio Water Supply Co.	(1925)	Sold to City of San Antonio.
San Francisco Oakland Terminal Power Co.	(1921)	Out of existence.
San Marcos Utilities Co.	(1926)	No recent information.
Sandpoint & Interurban Ry. Co., Ltd.	(1917)	Track, right of way, etc., sold.
Sandusky, Norwalk & Mansfield Electric Ry.	(1922)	Sold for scrap.
Santiago Electric Light & Traction Co.	(1927)	Owned by American & Foreign Power Co., Inc.
Sapulpa Electric Interurban Ry.	(1921)	Out of business.
Saranac Lake Gas Co.	(1918)	Company being reorganized.
Savannah Lighting Co.	(1924)	Sold to Savannah Elec. & Power Co.
Schuylkill County Light & Fuel Co.	(1920)	Sold under foreclosure.
Schuylkill Haven Gas & Water Co.	(1921)	Sold to Boro. of Schuylkill Haven, Pa.
Scranton & Binghamton Ry. Co.	(1922)	Obsolete.
Sea View R.R.	(1920)	Road scrapped.
Seaboard Electric Ry. Co.	(1923)	No information available.
Seattle-Tacoma Short Line	(1919)	No recent information.
Sedan Electric Light & Power Co.	(1927)	No recent information.
Selma (Ala.) Electric Ry.	(1926)	Out of business.
Sespe Light & Power Co.	(1925)	No recent information.
Shelburne Falls & Colrain Street Ry.	(1927)	Out of business.
Shenandoah Traction Co.	(1926)	No recent information.
Sheridan Railway Co.	(1925)	Property abandoned.
Sherman Gas Light & Fuel Co.	(1919)	Out of business.
Sierra Blue Lakes Water & Power Co.	(1922)	No recent information.
Silver City Power Co.	(1925)	Sold to Continental Gas, Light & Power Co.
Sioux City, Crystal Lake & Homer Ry.	(1918)	Line abandoned.
Slate Belt Transit Co.	(1923)	Sold at Receiver's sale.
Sodus Gas & Electric Light Co.	(1927)	Now Lake Ontario Power Corp.
South Haven Gas Co.	(1925)	Merged with Michigan Fuel & Light Co.
South Morgantown Traction Co.	(1922)	Now Union Traction Co.
South Side Gas & Electric Co.	(1919)	Sold to City of Mesa, Ariz.
South Side Passenger Ry.	(1926)	Merged into Williamsport Railways Co.
Southeastern Ohio Ry. Co.	(1924)	Discontinued operation.
Southern Gas Improvement Co.	(1927)	Sold June 1, 1927 to Elizabeth City & Suburban Gas Co., Elizabeth City, N. C., and Henderson-Oxford Gas Co., Henderson, N. C.
Southern Illinois & St. Louis Ry.	(1919)	Operations suspended.
Southern Oregon Traction Co.	(1919)	Now Medford Coast R.R. Co.
Southern Traction Co., Bowling Green, Ky.	(1919)	Service suspended.
Southern Traction Co. of Illinois	(1917)	Road never operated.
Southwestern Gas Co. (Hemet, Cal.)	(1920)	Operated by Hemet Vy. Chamber of Commerce.
Southwestern Interurban Ry.	(1922)	Now Arkansas City-Winfield Northern Ry.
Southwestern Traction Co. Property	(1923)	Property sold in Dec., 1923.
Southwestern Utilities Corp. (Kansas)	(1918)	Dissolved.
Spokane Western Power & Traction Co.	(1919)	No recent information.
Springfield & Washington Ry. Co. (The)	(1922)	Road scrapped.
Staten Island Midland Ry. Co.	(1923)	Operated by Dept. of Plant & Structures, City of N. Y.
Steyner Oil Co. (The)	(1927)	Acquired by Empire Oil & Refining Co.
Suburban Gas & Fuel Co.	(1917)	In receiver's hands.
Suffolk Traction Co.	(1924)	Operations suspended.
Sultepec Electric Light & Power Co.	(1927)	In liquidation.
Sunbury & Selinsgrove Electric St. Ry.	(1921)	Reorganized.

Name of Company	Last Published Statement	Reason for Elimination
Sunbury & Susquehanna Ry.	(1921)	Reorganized.
Surprise (Neb.) Telephone Co.	(1926)	No recent information.
Swansea & Seekonk Ry.	(1919)	Dissolved.
Taunton & Pawtucket Street Ry.	(1919)	Purchased by municipality.
Temple Gas Light Co.	(1921)	Now Temple Gas Co.
Texarkana Telephone Co.	(1921)	Now Two-States Telephone Co.
Texas Gas Co.	(1919)	Out of business.
Titusville (Pa.) & Cambridge Springs RR. Co.	(1926)	No recent information.
Titusville Traction Co.	(1924)	Sold for junk.
Toledo Suburban Electric Co.	(1927)	Absorbed by Toledo Edison Co.
Tonopah (Nev.) Sewer & Drainage Co.	(1926)	No recent information.
Toronto & York Radial Ry.	(1924)	Purchased by City of Toronto.
Toronto Electric Light Co. Ltd.	(1924)	Property of City of Toronto.
Toronto Railway Co. (The)	(1924)	Sold to City of Toronto.
Toronto Suburban Ry. Co.	(1923)	Merged into Canadian National Electric Rys. Co.
Towson & Cockeysville Electric Ry.	(1923)	Junked.
Tremont & Pine Grove Electric Light, Heat & Power Co., Pa.	(1917)	Now Eastern Pennsylvania Lt., Heat & Power Company.
Trenton, Lakewood & Seacoast Ry.	(1926)	Sold and tracks removed.
Trenton Traction Co.	(1920)	Company dissolved.
Tri-County Natural Gas Co.	(1919)	Sold to Pennsylvania Gas Co.
Troy & New England Ry. Co.	(1924)	Discontinued operations.
Tuckerton Gas Co.	(1922)	Insolvent.
Tuckerton (N. J.) Water Co.	(1926)	No recent information.
Tuscaloosa Ry. & Utilities Securities Co.	(1921)	No recent information.
Twin City & Lake Superior Ry.	(1919)	No recent information.
Twin Falls Ry.	(1918)	Not in operation.
Uncanoonuc Incline Ry. & Development Co.	(1926)	No recent information.
Union Ferry Co.	(1922)	Sold to City of New York.
Union Gas & Traction Co.	(1927)	Dissolved Feb. 4, 1927.
Union Natural Gas Corp.	(1926)	Merged into Ohio Fuel Corp. Dec., 1924.
Union Traction Co. (Santa Cruz, Cal.)	(1927)	Dissolved Jan., 1927.
United Appliance Co.	(1924)	No public interest.
United Gas & Electric Improvement Co.	(1919)	Not in operation.
United Gas & Water Co.	(1925)	Holdings sold.
United National Utilities Co.	(1921)	Inactive.
United Public Utilities Co. (La.)	(1923)	In liquidation.
United Railways Investment Co.	(1926)	Company dissolved.
United Service Corp.	(1926)	Holdings sold.
United States Gas & Electric Co.	(1920)	Out of business.
United Traction Street Ry.	(1927)	Road sold and junked.
United Water, Gas & Electric Co.	(1917)	No recent information.
United Water Supply Co.	(1918)	Sold to town of Boonton, N. J.
Uvalde & Leona Valley Interurban Ry. Texas	(1917)	Out of business.
Valdosta Street Ry.	(1926)	In receivership in 1925.
Vallamont Traction Co.	(1926)	Merged into Williamsport Railways Co.
Valley Power Co. (Elkton, Va.)	(1926)	Out of business.
Van Brunt Street & Erie Basin RR.	(1925)	Out of business.
Vermont & Quebec Power Corp.	(1925)	Sold at receiver's sale.
Vineyard Haven Gas & Electric Co.	(1918)	Now Vineyard Lighting Co.
Visalia City Water Company	(1926)	Merged into California Water Service Co.

Name of Company	Last Statement Published	Reason for Elimination
Wahpeton (N. D.)-Breckenridge (Minn.) St. Ry.	(1926)	No recent information.
Wallace (Henry M.) Co.	(1918)	Out of existence.
Wallaceburg Gas Co., Ltd.	(1926)	Sold to The Union Natural Gas Co., Ltd.
Wallkill Transit Co.	(1924)	Line abandoned.
Ware & Brookfield Street Ry.	(1917)	Sold at public auction.
Washington & Great Falls Ry. & Power Co.	(1923)	Out of existence.
Washington & Old Dominion Ry.	(1924)	Information refused.
Washington County Water Co.	(1918)	Sold to City of Hagerstown, Md.
Washington-Idaho Water, Light & Power Co.	(1924)	Sold to Inland Power & Light Co.
Washington Power, Light & Water Co.	(1924)	Now Puget Sound Power & Lt. Co.
Washington Utilities Co.	(1923)	Sold under foreclosure; charter revoked.
Washington-Virginia Ry. Co.	(1926)	Sold at auction.
Washington, Westminster & Gettysburg R.R.	(1921)	Out of existence.
Washita Electric Power Co.	(1922)	Now Oklahoma Light & Power Co.
Waterford Electric Light, Heat & Power Co.	(1925)	Dissolved.
Waterloo Water Co.	(1926)	Now Seneca Water Service Corp.
Watertown Water Co.	(1918)	Sold to City of Watertown, S. D.
Watervliet Hydraulic Co.	(1917)	Sold at foreclosure.
Webster City Gas Co.	(1920)	Plant sold to city.
Weir Gas Co.	(1927)	Dissolved Dec. 30, 1927.
Welland Electrical Co., Ltd.	(1924)	Business wound up.
Wellsburg, Bethany & Washington Ry.	(1927)	Out of business.
Wellsville Gas Co.	(1927)	Dissolved Dec. 30, 1927.
West Chester & Wilmington St. Ry. Pa.	(1917)	No recent information.
West Chester, Kennett & Wilmington Elec. Ry. Co.	(1923)	Sold at foreclosure sale.
West Monmouth Water Co.	(1926)	No recent information.
West Side Gas Co.	(1921)	No recent information.
West Virginia & Maryland Gas Co.	(1924)	Now Cumberland & Allegheny Gas Co.
West Virginia Central Gas Co.	(1924)	Now Cumberland & Allegheny Gas Co.
Western Gas Improvement Co.	(1921)	No recent information.
Western General Electric Co., Ltd.	(1926)	Out of business.
Western Ohio R.R.	(1921)	Out of existence.
Westville & Newbold Water Co.	(1926)	Sold to Borough of Westville, N. J.
Whitehall Street Railway Co.	(1925)	Subsidiary of Lehigh Portland Cement Co.
Wichita Railroad & Light Co.	(1927)	Sold in Feb., 1927.
Williamson Electric Co.	(1926)	Sold to American Gas & Electric Co.
Wilmington & Carolina Beach Ry., N. C.	(1917)	No recent information.
Winona & Warsaw Ry.	(1926)	No recent information.
Wisconsin Securities Co.	(1925)	Properties disposed of to H. M. Byllesby & Co.
Wofford Shoals Light & Power Co.	(1923)	No recent information.
Woolwich Water Co.	(1926)	No recent information.
Worcester & Warren Street Ry.	(1918)	Tracks torn up.
Xenia Water Co.	(1919)	Sold to City of Xenia, Ohio.
Yoakum (Tex.) Power, Light & Water Co.	(1926)	Now Yoakum Light & Water Co.
Yosemite Power Co.	(1917)	Property sold.

ADDENDA

Information Received Too Late for Insertion in Regular Order.

THE SOUTHWEST TELEPHONE COMPANY

History and Property—Incorporated in Delaware and furnishes telephone service, without competition (except in one community), to 92 towns and adjacent rural areas in Arkansas, Oklahoma and Texas. The combined population of the communities served is estimated to be about 300,000. The system comprises 92 exchanges, operating 27,542 stations and 3,014 miles of toll and rural lines. By means of interconnections with the Bell Telephone System and with independent companies, through contract, subscribers are provided with nation-wide service.

CAPITAL STOCK

Authorized, 300,000 shares Common of no par value and $6,000,000 7% Pfd., par $100; outstanding, 25,000 shares Common and $528,000 Pfd.

Transfer Agent—Central Trust Co. of Illinois, Chicago.

Annual Meeting—First Tuesday in February.

Dividends—Dividends at the rate of $7 per share per annum paid on Pfd. stock to and including April 1, 1928.

FUNDED DEBT

(1)

$337,000 (ENTIRE ISSUE) FIRST GOLD 6½s, SERIES "A"; DUE AUGUST 1, 1945

Dated August 1, 1925.

Interest Payable February and August 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered; interchangeable.

Trustee—Central Trust Co. of Illinois, Chicago.

Callability—Subject to call on any interest date to Aug. 1, 1935 at 103; Aug. 1, 1936 to 1940 at 102; thereafter at 101.

Improvement, Maintenance and Depreciation Fund—Equal to 10% of gross operating earnings.

Security—Secured by direct first mortgage on all fixed properties now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

(2)

$830,400 FIRST MORTGAGE 6% GOLD BONDS, SERIES "B"; DUE SEPTEMBER 1, 1947

Dated September 1, 1927.

Interest Payable March and September 1 at Central Trust Company of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Authorized amount, unlimited; issued, $337,000 Series "A," $830,400 Series "B" and $1,500,000 Series "C."

First Mortgage bonds, additional to those now outstanding, may be issued from time to time to a principal amount not to exceed 75% of the cost or fair value (whichever is the lesser) of additional properties and/or permanent additions, improvements, or acquisitions (as defined in the mortgage), less the total principal amount of prior liens (as defined in the mortgage) outstanding thereon, if any, provided earnings applicable to bond interest (as defined in the mortgage) for twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of application for issuance of bonds, shall have been not less than twice the annual interest charges on all First Mortgage bonds outstanding including those proposed to be issued (and on outstanding prior liens, if any, as defined in the mortgage). First Mortgage bonds may also be issued against the deposit with the Trustee of an equal principal amount of cash, and such cash may be withdrawn in the manner and to the extent that bonds may be issued under this mortgage. First Mortgage bonds may also be issued to refund equal par amounts of the same or other series of bonds issued under this mortgage and prior liens (as defined in the mortgage), if any, on after-acquired property. First Mortgage bonds may be issued from time to time in series with such provisions as may be determined by the Board of Directors, subject to the restrictions of the mortgage. The bonds of additional series may bear such dates, rates of interest, mature at such times and carry such redemption, sinking fund, tax refund provisions, and such other varying or distinguishing provisions as may be determined by the Board of Directors, subject to the restrictions of the mortgage, but, except as to sinking funds which may be established for the exclusive benefit of a particular series, all bonds of all series shall be equally and ratably secured by the mortgage.

Purpose of Issue—Proceeds were used in connection with the acquisition of new properties and for other corporate purposes.

Callability—Subject to call as a whole or in part on any interest date up to and including Sept. 1, 1932 at 105 and accrued interest; after Sept. 1, 1932 to and including Sept. 1, 1937 at 103 and accrued interest; after Sept. 1, 1937 to and including Sept. 1, 1942 at 102 and accrued interest; thereafter at 101 and accrued interest.

Convertibility—Bonds, unless previously called for redemption, may be converted into Pfd. stock of the Company at any time prior to Sept. 1, 1942 in the following ratio: On or prior to Sept. 1, 1932 at $105 in par value Pfd. stock for each $100 principal amount of bonds; after Sept. 1, 1932 and on or prior to Sept. 1, 1942, $100 in par value of Pfd. stock for each $100 par value bond. Any stock so issued on such conversion shall be entitled to dividends at the rate of 7% per annum from the date of its issuance. As to bonds called for redemption, this right of conversion must be exercised on or prior to the call date.

Sinking Fund—None provided.

Improvement and Maintenance Fund—The mortgage and indenture supplemental thereto provides for an improvement, maintenance and depreciation fund equal to 25% of the gross operating revenue. Such fund may be used by the Company for maintenance and depreciation, for the redemption or retirement of bonds and/or to reimburse the Company for the cost of property additions not made the basis for the issuance of additional bonds.

Security—Secured by a direct first mortgage on all the fixed properties of the Company now owned, which mortgage covers like after-acquired properties.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Company will reimburse holders of these bonds for the Pennsylvania and Connecticut four mills tax; Maryland 4½ mills tax and Massachusetts income tax not exceeding 6%.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($830,000) in Sept., 1927, at par and interest by Cammack & Co., Inc., Chicago, and Paine, Webber & Co., New York, etc.

(3)

$1,500,000 FIRST MORTGAGE 6% GOLD BONDS, SERIES "C"; DUE DECEMBER 1, 1947

Dated December 1, 1927.

Interest Payable June and December 1 at the Central Trust Company of Illinois, Chicago.

Denominations—Coupon, $100, $500 and $1,000, interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue, Maintenance and Depreciation Reserve, Security, etc.—See description of Series "B" bonds (paragraph 2).

Purpose of Issue—Proceeds were used in part for the acquisition of properties, for additional working capital and for other corporate purposes.

Callability—Subject to call in whole or in part on any interest date up to and including Dec. 1, 1932 at 105 and accrued interest; after Dec. 1, 1932 to and including Dec. 1, 1937 at 103 and accrued interest; after Dec. 1, 1937 to and including Dec. 1, 1942 at 102 and accrued interest; thereafter at 101 and accrued interest.

Convertibility—Bonds, unless called for previous redemption, may be converted into Pfd. stock of the Company (or cash in lieu of fractional shares) at any time on or prior to Dec. 1, 1942, in the following ratio; On or prior to Dec. 1, 1932, $105 in par value of Pfd. stock for each $100 principal amount of bonds; after Dec. 1, 1932 and on or prior to Dec. 1, 1942, $100 in par value of Pfd. stock for each $100 par value bond. Any stock so issued on such conversion shall be entitled to dividend at the rate of 7% per annum, when and as declared from the date of its issuance. As to bonds called for redemption, this right of conversion must be exercised on or prior to the call date.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Pennsylvania, Connecticut and California 4 mills tax; Maryland 4½ mills tax; District of Columbia and Kentucky five mills tax, and Massachusetts income tax not exceeding 6% refunded upon proper and timely application.

Legal Opinion—Pam & Hurd, Chicago.

Original Offering—First publicly offered ($1,500,000) in Dec., 1927 at par and interest by Hambleton & Co., New York, etc. and Cammack & Co., Chicago, etc.

(4)

$650,000 6% SECURED CONVERTIBLE GOLD DEBENTURES, SERIES "A"; DUE DECEMBER 1, 1932

Dated December 1, 1927.

Interest Payable June and December 1, at Central Trust Co. of Illinois, Chicago.

Denominations—Coupon $100, $500 and $1,000; interchangeable; principal may be registered.

Trustee—Central Trust Co. of Illinois, Chicago.

Provisions of Issue—Outstanding, $650,000. Issuance of additional debentures subject to restrictions in the mortgage.

Purpose of Issue—Issued in connection with acquisition of new properties, for additional working capital and other corporate purposes.

Callability—Subject to call on any interest date to Dec. 1, 1929 at 103; Dec. 1, 1930 to 1931, at 102; thereafter at 100.

Security—Secured by lien on all fixed properties now owned and to be acquired, subject only to First Mortgage bonds now and hereafter outstanding and underlying liens (if any) on after acquired property, in addition to being a direct obligation of the company.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. Pennsylvania and Connecticut 4 mills tax, Maryland 4½ mills tax, and Massachusetts income tax not exceeding 6%, refunded.

INCOME ACCOUNT, YEARS ENDED SEPTEMBER 30

	1927	1926
Gross revenues	$745,244	$736,614
Operating exps., maint. & taxes (other than Federal income)	370,835	376,545
Net income available for interest, depreciation and Federal taxes	$374,409	$360,069
Annual interest on First Mtge. bonds	161,729	161,729
Balance	$212,680	$198,340

Officers: H. T. Ray, Exec. V-P., Chicago, Ill.; D. T. Strickland, V-P., Little Rock, Ark.; H. C. Rosenthal, Sec. & Treas., Chicago, Ill.; C. H. Ramsay, Asst. Treas.; Marvin Carroll, Gen. Mgr., Little Rock, Ark.

Directors: H. M. Cammack, J. L. Kraft, H. T. Ray, Chicago, Ill.; Marvin Carroll, Little Rock, Ark.

Offices, Little Rock, Ark., and 39 South La Salle St., Chicago, Ill.

ASSOCIATED TELEPHONE AND TELEGRAPH COMPANY

History—Incorporated March 1, 1926, in Delaware, and is an alliance of American and British financial and operating interest in the telephone business and electrical industries affiliated with the telephone business in the United States, Great Britain, Europe and other parts of the world. Company controls, directly or through its subsidiaries, companies with assets exceeding $22,000,000, including Compania Telefonica de Barranquilla (Barranquilla Telephone Company), Automatic Electric Company, Ltd., Reserve Holding Company, New Antwerp Telephone & Electric Company, Automatic Telephones Australasia Ltd., etc. In addition to the foregoing the Company has important investments in other telephone and manufacturing corporations, including Automatic Electric Inc., and, in alliance with its British associates, the two groups in co-operation control the Anglo-Portuguese Telephone Company with assets of more than $4,000,000, and other companies, including Cable, Telephone & General Trust Limited, of London, England, with assets in excess of $11,000,000.

Associated Telephone and Telegraph Company and its allied companies own and manage directly or indirectly upwards of 300,000 telephones.

CAPITAL STOCK

Authorized, 316,000 shares of stock subordinate to the First Pfd. and Class D stocks; 100,000 shares 7% cumulative Pfd., of $100 par value; and 50,000 shares $4 cumulative Class D stock of no par value: outstanding Dec. 31, 1927, 184,985 shares of stock subordinate to the First Pfd. and Class D stock; $2,650,000 7% cumulative First Pfd. and 45,000 shares Class D.

First Preferred Stock Provisions—First Pfd. stock has preference for assets and cumulative dividends and is subject to redemption on any dividend date on 30 days' notice at $115 a share and accrued dividends. In the event of voluntary liquidation, holders of this Pfd. stock are entitled to $115 a share and any accumulated dividends before the holders of any of the other stocks of the Company are entitled to any part of the assets of the Company. In the event of involuntary liquidation, holders of this Pfd. stock are entitled to $100 a share and any accumulated dividends on this stock before the holders of any of the other stocks of the Company are entitled to any part of the assets of the Company. The amount of this 7% cumulative First Pfd. stock that can be issued is restricted by the Company's charter to an amount not to exceed the aggregate issue price of all the other outstanding stocks of the Company subordinate to this Pfd. stock. The aggregate amount of this 7% cumulative First Pfd. stock outstanding at any time can not, therefore, exceed one-half the total amount at issue price, of all the outstanding capital stock of the Company. This stock is entitled to one vote a share on the question of amending the charter of the Company so as to change the priority or preference of this stock, or to change the authorized amount of this stock, otherwise it is non-voting.

Stock Purchase Warrants—The First Pfd. stock carries negotiable stock purchase warrants entitling the holder to purchase a like number of shares of Class D cumulative stock of the Company at $52.50 per share and accrued dividends on or before May 1, 1928.

Class D Stock Provisions—Class D stock is entitled, after payment of dividends of 7% upon the First Pfd. stock, to cumulative dividends of $4.00 per share payable quarterly, before any dividends may be paid on the Common. The Class D stock is subject to redemption on any dividend date upon 30 days' notice at $60 a share and accrued dividends, and in the event of liquidation of the Company, the stock is entitled to receive from the net assets of the Company applicable to this stock $60 a share and accrued dividends if the liquidation be voluntary and $50 a share and accrued dividends if the liquidation be involuntary, before any distribution of assets may be made on the Common stock. This stock is entitled to one vote per share on any question of amending the charter of the Company so as to change the priority or preference of this stock, or to change the authorized amount of this stock.

Transfer Agent and Registrar (First Preferred)—Theodore Gary & Co., Kansas City, Mo.

Tax Provisions—Free from inheritance tax in Delaware.

Legal Opinion—L. E. Durham, Kansas City, Mo.

Original Offering—First publicly offered ($2,000,000 First Preferred) in Jan., 1928, at $100 per share and accrued dividends by Theodore Gary & Co., Kansas City, Mo.

Dividends—Dividends regularly paid quarterly on the First Pfd., since April 1, 1927; payments, J, A, J & O 1. $4.00 per share was paid on the Class D stock Jan. 15, 1927; $1.00 per share paid April 1, 1927, and quarterly thereafter to April 1, 1928; payments, J, A, J & O 1.

FUNDED DEBT

None.

GENERAL BALANCE SHEET, NOVEMBER 30, 1927
(After giving effect to new financing)

Assets—	
Securities of controlled or other corporations ...	$8,220,066
Cash, accounts and bills receivable and other current items	536,703
Deferred items, including discount on stock	76,389
Total	$8,833,158
Liabilities—	
Common and other stock subordinate to the First Pfd. and Class D	$3,100,000
First Preferred stock	2,650,000
Class D stock	2,250,000
Current liabilities	55,976
Inter-company balances	98,452
Surplus	678,730
Total	$8,833,158

Officers: E. A. Mellinger, Chairman; J. G. Crane, Pres.; Sir Alexander Roger, V-P.; W. C. Polk, V-P.; L. Q. Trumbull, V-P.; W. J. Kavanagh, Sec. & Treas.; V. E. Chaney, Asst. Sec.

Directors: A. F. Adams, C. A. Bennett, E. C. Blomeyer, V. E. Chaney, J. G. Crane, L. E. Durham, Theodore Gary, H. L. Gary, H. L. Harris, W. E. Jones, Frank H. Woods, all of the United States; Dr. Chas. A. Holder, Paris, France; John Lee, E. A. Mellinger, Sir Alexander Roger, D. Johnstone Sinclair, Eric Taylor, London, England.

Address, c/o Theodore Gary & Co., Kansas City, Mo.

SOUTHWESTERN POWER & LIGHT COMPANY

(See also statement on page 1550)

CAPITAL STOCK (Revised)

Authorized, $20,000,000 Common, $12,000,000 7% cumulative Pfd., and $3,000,000 Second Pfd., par $100; outstanding Dec. 31, 1927, $15,125,000 Common and $8,387,000 Pfd. All the Common stock, except directors' shares, is held by American Power & Light Co. Of the $3,000,000 authorized Second Pfd., $2,447,000 was issued and later converted into Pfd. stock, thus leaving only one class of Pfd. stock outstanding.

Transfer Agent (Pfd.)—Registrar & Transfer Co., Jersey City, N. J., and Mercantile Trust & Savings Bank, Dallas, Tex.

Registrar (Pfd.)—Corporation Trust Co., Jersey City, N. J., and American Exchange National Bank, Dallas, Tex.

Properties Disposed of—The El Paso Gas, the Galveston Gas Co. and the gas properties supplying Waco, Paris and Brenham, Tex., were sold to Texas Cities Gas Co. in the early part of 1928.

TEXAS POWER & LIGHT COMPANY

(See also statement on page 1555)

(CAPITAL STOCK (REVISED)

Authorized and outstanding, 4,000,000 shares Common of no par value, $6,500,000 7% cumulative Pfd., par, $100, and 50,000 shares $6 Pfd. of no par value. Common stock was changed from 500,000 shares of $20 par value to 4,000,000 shares of no par value during 1926. The Southwestern Power & Light Co. owns the entire outstanding issue of Common stock, except directors' shares.

COMPANIA PANAMENA DE FUERZA Y LUZ
(Panama Power & Light Company)
(Controlled by the Panama Power & Light Corporation)

History and Property—Organized in August, 1927, and has acquired and now owns and operates important electric power and light, manufactured gas, telephone and other properties previously owned and operated by Compania Panamena de Fuerza y Luz (old company) the Panama-Colon Gas Company and Compania Panamena de Telefonos. The Company has also acquired and now owns all securities of the **Panama Electric Company** supplying electric railway service in Panama, Balboa and Las Sabanas. All of the power requirements of the Panama Electric Company are supplied by the Compania Panamena de Fuerza y Luz. Supplies electric power and light service to Panama, Colon, Pueblo Nuevo, Las Sabanas and Juan Diaz in the Republic of Panama. Manufactured gas service is also supplied to Panama, Colon, Balboa, Cristobal and Ancon. Army and Navy Posts located in the Canal Zone are also supplied with gas. Also supplies telephone service in Panama, Colon, Las Sabanas and Pueblo Nuevo, and operates ice plants in Panama and Colon. Total population of territory served is estimated to be in excess of 135,000.

Supervision—Electric Bond and Share Company supervises (under the direction and control of the Company's Board of Directors) the operations of the Panama Power & Light Co.

CAPITAL STOCK

Authorized, 600,000 shares Common stock and 100,000 shares Pfd. stock; outstanding 600,000 shares Common, 20,000 shares $3 cumulative Pfd. and 30,000 shares $3 cumulative Second Pfd.; all of no par value. Of the 100,000 shares authorized Pfd. stock, 40,000 shares are authorized to be issued as $3 Second Pfd. stock. Subsequent to issuance and when certain earnings requirements are met, any of this stock may become $3 Pfd. stock. Company is controlled through ownership of all its Second Pfd. and Common stocks, by the Panama Power & Light Corporation.

Preferred Stock Provisions—The $3 Pfd. stock is entitled, in preference to $3 Second Pfd. stock and Common stock, to cumulative dividends of $3 per share per annum, (payable 75 cents per share quarterly). The $3 Pfd. stock is also entitled, in preference to both the $3 Second Pfd. stock and Common stock, to $50 per share and any accumulated and unpaid

dividends in case of liquidation. Upon vote of a majority of the outstanding Common stock, the $3 Pfd. stock may be redeemed in whole or in part at any time at $55 per share and any accumulative and unpaid dividends. The $3 Pfd. stock is non-voting, with certain limited exceptions. The $3 Second Pfd. stock is redeemable at $50 per share.

Transfer Agent—The Chase National Bank of the City of New York (Panama City Branch).

Registrar—The National City Bank of New York (Panama Branch).

Dividends—Dividends on the Pfd. stock of the former Compania Panamena de Fuerza y Luz were paid for the period from date of issuance in 1917 to Nov. 30, 1927. The initial dividend of 75 cents per share on the $3 Pfd. stock was paid March 1, 1928. Payments quarterly, M, J, S & D 1.

FUNDED DEBT

$5,000,000 6% Gold Debentures; due 1947. No details available.

EARNINGS, YEARS ENDED DECEMBER 31

	1927	1926
Gross earnings from operation	$1,647,283	$1,517,196
Operating expenses and taxes	876,726	831,580
Net earnings	$770,557	$685,616
Annual interest requirements on funded debt to be outstanding on completion of present financing	300,000	.....
Balance for other interest, dividends, renewals and replacements and surplus	$470,557	.....

KANSAS GAS AND ELECTRIC COMPANY

(See also statement on page 1535)

Reorganization—Company was reorganized as of Feb. 21, 1928 at which time the duration of the charter was extended from Dec. 11, 1959 to Dec. 13, 1977.

Common Stock Change—Common stock has been changed from $10,000,000 authorized, $3,000,000 outstanding, par $100, to 600,000 shares authorized, 300,000 shares outstanding, shares of no par value.

PORTLAND GAS & COKE COMPANY

(See also statement on page 1548)

CAPITAL STOCK
(REVISED)

Authorized, 330,000 shares Common of no par value, $6,000,000 7% cumulative Pfd., par $100, and $5,000,000 6% cumulative Pfd., par, $100; outstanding, 330,000 shares Common, and $5,452,900 7% Pfd. Entire Common stock, except directors' shares, is owned by American Power & Light Co.

INDIANA WATER SERVICE COMPANY

(See also statement on page 1397)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(REVISED)

	Gross Revenues	Miles of Mains	No. of Hydrants	No. of Consumers
1921	$117,549	61	610	5,008
1922	121,270	62	610	5,086
1923	128,200	63	611	5,226
1924	129,810	65	637	5,133
1925	140,534	66	649	5,325
1926	171,519	67	656	5,429
1927	176,715	67	660	5,475

FEDERAL WATER SERVICE CORPORATION

(See also statement on page 1380)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(REVISED)

	Number of Services	Miles of Mains	No. of Hydrants
1921	338,530	4,097	16,432
1922	360,339	4,268	17,019
1923	385,078	4,439	17,676
1924	411,345	4,668	18,636
1925	434,184	4,849	19,523
1926	460,568	5,020	20,412
1927	486,651	5,177	21,290

Additional Class "B" Stock Issue.—An additional 65,000 shares of Class "B" stock was issued subsequent to Dec. 31, 1927, increasing the amount outstanding to 130,000 shares as of May 15, 1927.

NEW YORK WATER SERVICE CORPORATION

(See also statement on page 1382)

Acquisition—In Sept., 1927, Corporation merged the Hudson Water Service Corp.

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(REVISED)

	Gross Revenues	Miles of Mains	Hydrants	Consumers
1921	$1,264,118	472	3,972	51,422
1922	1,432,413	480	4,044	58,437
1923	1,560,937	498	4,237	65,396
1924	1,695,045	509	4,587	76,540
1925	1,886,593	526	4,831	84,470
1926	2,059,052	543	5,168	93,459
1927	2,163,011	576	5,412	106,429

New Official—Wm. R. Edwards has been appointed Vice-Pres., and also a director to succeed J. P. Shaw, Jr.

CHESTER WATER SERVICE COMPANY

(See also statement on page 1389)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(REVISED)

	Gross Revenues	Miles of Mains	Hydrants	Service Connections
1922	$409,311	118	431	15,020
1923	415,318	122	465	15,321
1924	408,012	126	476	15,595
1925	476,966	129	501	16,106
1926	499,983	136	538	16,538
1927	516,461	138	547	17,008

OHIO WATER SERVICE COMPANY

(See also statement on page 1394)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(REVISED)

	Gross Revenues	Miles of Mains	Hydrants	Service Connections
1922	$329,654	120	906	9,144
1923	349,012	123	918	9,984
1924	376,198	131	970	10,467
1925	457,477	139	1,047	11,316
1926	491,719	151	1,078	11,994
1927	517,296	160	1,190	12,992

ILLINOIS WATER SERVICE COMPANY

(See also statement on page 1395)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(REVISED)

	Gross Revenues	Miles of Mains	Hydrants	Consumers
1921	$386,829	245	1,387	18,040
1922	410,242	249	1,423	18,884
1923	457,137	253	1,444	19,658
1924	478,326	262	1,503	20,423
1925	505,624	271	1,535	21,230
1926	524,120	273	1,569	21,923
1927	529,062	278	1,608	23,089

WEST VIRGINIA WATER SERVICE COMPANY

(See also statement on page 1398)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(REVISED)

	Gross Earnings	Miles of Mains	Hydrants	Consumers
1921	$467,511	194	595	16,397
1922	501,166	203	624	17,455
1923	547,847	214	710	18,536
1924	631,191	225	745	19,212
1925	678,110	232	758	19,975
1926	695,232	239	785	20,611
1927	754,510	243	806	21,567

ALABAMA WATER SERVICE COMPANY

(See also statement on page 1399)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31
(REVISED)

	Gross Revenues	Miles of Mains	Hydrants	Consumers
1921	$354,750	206	751	12,791
1922	393,881	216	762	13,522
1923	451,493	238	812	14,454
1924	498,937	289	853	15,943
1925	582,228	340	946	18,040
1926	651,737	368	1,005	21,755
1927	709,432	403	1,061	23,835

OREGON-WASHINGTON WATER SERVICE COMPANY

(See also statement on page 1403)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31 (REVISED)

	Gross Revenues	Miles of Mains	Hydrants	Consumers
1921	$323,451	294	727	12,900
1922	353,549	302	759	13,674
1923	378,377	312	783	16,010
1924	416,500	327	800	17,104
1925	429,928	339	826	18,204
1926	457,342	375	863	19,398
1927	461,856	380	889	20,598

CALIFORNIA WATER SERVICE COMPANY

(See also statement on page 1402)

GROWTH OF BUSINESS, YEARS ENDED DECEMBER 31 (REVISED)

	Gross Revenues	Miles of Mains	Hydrants	Service Connections
1922	$1,334,370	803	2,892	55,319
1923	1,487,548	858	2,952	61,792
1924	1,625,311	925	3,140	66,277
1925	1,677,807	953	3,295	69,063
1926	1,817,705	987	3,433	73,921
1927	1,915,907	1,014	3,567	76,337

PUGET SOUND POWER & LIGHT COMPANY

(See also statement on page 454)

Prior Preference Stock Redeemed—Exchange Privilege—All the previously outstanding $10,000,000 7% cumulative Prior Preference stock was called for redemption on May 1, 1928 at $110 per share and accrued dividend at Stone & Webster, Inc., Boston. Holders had the right to exchange their stock pro rata for a new issue of $5 Dividend Prior Preference stock (described below) on a basis of $110 per share for the called stock and $96 a share for the new stock, together with cash adjustment for dividend.

$5 Prior Preference Stock Offered—Stone & Webster and Blodget, Inc., Estabrook & Co., New York, and Parkinson & Burr, Boston, in May, 1928, offered the unexchanged balance of 110,000 shares $5 cumulative Dividend Prior Preference stock of no par value, at $96 and dividend to yield 5.20%.

Prior Preference Stock Provisions—Prior Preference stock has preference as to assets and dividends, payable, J, A, J & O 15, initial dividend to accrue from May 1, 1928.

Callability—Subject to call at 110 and dividend.

Purpose of Issue—Proceeds from sale of this Prior Preference stock will be applied to retirement of such of the $10,000,000 7% Prior Preference stock called for redemption on May 1, 1928, as was not exchanged for this new $5 Prior Preference stock by shareholders.

Tax Provisions—Dividends are exempt from present Normal Federal and Massachusetts Income Taxes.

Legal Opinion—Gaston, Snow, Saltonstall & Hunt, Boston.

PEOPLES GAS COMPANY (NEW JERSEY)

(See also statement on page 796.)

ADDITIONAL BONDS ISSUED

$1,436,000 FIRST MORTGAGE GOLD BONDS 5% SERIES; DUE JUNE 1, 1968.

Dated June 1, 1928.

Interest Payable June and December 1 at the Pennsylvania Co. for Insurances on Lives and Granting Annuities, Philadelphia and The Chase National Bank, New York.

Denominations—Coupon $500 and $1,000; principal may be registered.

Trustee—Pennsylvania Co. for Insurances on Lives & Granting Annuities, Philadelphia.

Provisions of Issue—Authorized amount, unlimited; outstanding (May, 1928), $660,000 5½% Series due 1960 and $1,436,000 5% Series due 1968. For provisions regarding issuance of additional bonds and for security, and tax provisions, see page 796.

Purpose of Issue—Proceeds from sale of these bonds will be used to retire Co's First Mtge. 6% bonds, due Dec. 1, 1954, and to reimburse Treasury for expenditures made covering additions and betterments to properties.

Callability—The 5% Series is subject to call as a whole or in part, after June 1, 1929, on any interest date on 30 days' notice, to and including June 1, 1948, at 105 and interest and after June 1, 1949 at 104 and interest and on or before June 1, 1953, at 103 and interest, on or before June 1, 1958 at 102 and interest, on or before June 1, 1963 at 101 and interest, after June 1, 1963 and on or before June 1, 1966 and thereafter at par and interest until maturity.

Sinking Fund—Supplemental Indenture, securing bonds of this series, provides for a sinking fund, for benefit of bonds of this series, payable twice yearly on April 1 and Sept. 1 in each year beginning Sept. 1, 1935, in an amount equal to ½ of 1% of total principal amount of all bonds of this series outstanding at the time of each such payment to be used for retirement of bonds of this series. At Company's option, in lieu of sinking fund payments, an equal amount may be expended for additions and betterments to Co's property, such additions and betterments, however, not to be made basis for issuance of additional bonds under Mortgage.

Public Offering—$1,436,000 5% Series due 1968 offered in May, 1928, at par and interest by Taylor, Ewart & Co., Inc., and Halsey, Stuart & Co., Inc., New York, etc.

RUMFORD FALLS POWER COMPANY

(See also statement on page 5)

NEW BOND ISSUE

$2,000,000 (CLOSED) GENERAL MORTGAGE 4½% GOLD BONDS; DUE MAY 1, 1948

Dated May 1, 1928.

Interest Payable May and November, 1 at Lee, Higginson & Co., New York, Boston or Chicago.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—The Portland National Bank, Portland, Me.

Provisions of Issue—Authorized and outstanding, $2,000,000.

Purpose of Issue—Proceeds of these bonds, together with cash from Company's treasury, were used to retire on June 1, 1928 the $1,300,000 4½% General Mortgage bonds due Dec. 1, 1929; and to increase the Company's holdings of the 8% capital stock of the Portland & Rumford Falls Railway. Upon completion of this financing the Company will also own $1,286,900 par value (over 64%) of the capital stock of the Portland & Rumford Falls Railway which is operated by the Maine Central RR. Co. (see Railroad Volume) under a sub-lease for 999 years from May 1, 1907, at a cash rental more than sufficient to meet all fixed charges of the Railway and dividends at the stipulated annual rate of 8% on this stock.

Callability—Subject to call on 30 days' notice, as a whole at any time, or in part on any interest date at 102½ on or before May 1, 1933, thereafter at 101½ on or before May 1, 1938, thereafter at 100½ on or before May 1, 1943, and thereafter at par, plus accrued interest in each case.

Sinking Fund—None provided.

Security—Secured by a mortgage on all real estate now owned and used by the Company at Rumford, Me., in its hydro-electric and hydraulic power business, including dams, tunnels, power house of 42,000 h.p. capacity with machinery and equipment attached thereto, canals and the right to use the flow of the Androscoggin River at Rumford; subject only to $806,000 First Mortgage 4% Gold bonds, due Oct. 1, 1945, and water leases now or hereafter made by the Company. The mortgage does not cover certain outside real estate not used or useful in the conduct of the water power and hydro-electric power business nor shares of stock nor other securities. Although the $1,286,900 capital

stock of Portland & Rumford Falls Railway is not pledged hereunder, the Mortgage contains a covenant to the effect that while these bonds are outstanding, Company will not encumber or pledge this stock and if any of it is sold the proceeds thereof will be applied to the purchase or call of these bonds.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and bonds are exempt from local taxes in Maine.

Legal Investment—Bonds are legal investment for Maine Savings banks.

Legal Opinion—Herrick, Smith, Donald & Farley, Boston, (for the bankers) and Drummond & Drummond (for the Company).

Original Offering—First publicly offered ($2,000,000) in May, 1928, at 98½ and interest to yield over 4.60% by Lee, Higginson & Co., New York, etc.

Bonds Redeemed—All the outstanding General Mortgage 4½% Gold bonds, due Dec. 1, 1929 were called for redemption on June 1, 1928 at par and interest at State Street Trust Co., Boston, Trustee.

FOREIGN POWER SECURITIES CORPORATION, LIMITED

(See also statement on page 251)

Additional Preferred Stock Offered—$2,500,000 additional 6% cumulative Participating Pfd. stock was publicly offered in May, 1928, at par $100) and accrued dividends by Nesbitt, Thomson & Co., Ltd., Toronto, etc. Each share of Pfd. carried a warrant entitling the holder of Pfd. shares to purchase one share of no par Common stock at $50 per share on or before May 1, 1929; or at $60 per share on or before May 1, 1930. Upon completion of the financing the outstanding capital stock will consist of 125,000 shares Common of no par value and $5,000,000 6% cumulative Participating Pfd., par $100.

GEORGIA SECURITIES COMPANY

(See also statement on page 1490)

Dividends—Pfd. dividends were regularly paid quarterly during 1927.

GULF STATES UTILITIES COMPANY

(See also statement on page 470)

Capital Stock Increase—Stockholders at a special meeting held May 11, 1928, voted to increase the authorized Pfd. stock from 50,000 shares to 60,000 shares of no par value, to provide for the issuance of 30,000 shares $5.50 Dividend Pfd. stock. The present authorized capital stock is 300,000 shares Common and 60,000 shares Pfd. of which 30,000 shares are $6 Dividend Pfd. and 30,000 are $5.50 Dividend Pfd.

$5.50 Dividend Pfd. Stock Offered—30,000 shares $5.50 Dividend Pfd. stock of no par value were publicly offered in May, 1928, at 98 and dividends by Stone & Webster and Blodget, Inc., Chase Securities Corporation, Blair & Co., Inc., and Brown Brothers Co., New York.

$5.50 Dividend Preferred Stock Provisions—The $5.50 Dividend Pfd. stock ranks equally and is identical in all respects with the $6 Dividend Pfd. stock except as to dividend rate and except that in case of redemption or voluntary liquidation, it is entitled to $100 per share and accrued dividend plus a premium of $8 per share. It is subject to redemption as a whole or in part at any time at $108 and accrued dividend. Shares are without par value and voting rights except in case of dividend defaults, in matters pertaining to additional Pfd. stock and otherwise, as provided in the charter. Dividends are payable M, J. S & D 15.

Transfer Agent—Stone & Webster, Inc., Boston, Mass.

Registrar—State Street Trust Company, Boston, Mass.

THE PEOPLES NATURAL GAS CO.

(See also statement on page 1580)

INCOME ACCOUNT, YEARS ENDED DECEMBER 31
(Revised from Gross Income to Surplus for Year)

	1927	1926	1925
Gross income	$2,496,147	$2,893,315	$1,786,828
Interest on unfunded debt	27,264	26,718	23,466
Other deductions	146,578	341,633	155,354
Net income	$2,322,365	$2,524,964	$1,608,008
Dividend appropriations	1,884,000	*2,685,812	1,320,000
Surplus for year	$438,305	†$160,848	$288,008

*Includes $160,848 paid from surplus. †Deficit.

PETROLEUM TELEPHONE COMPANY

(See also statement on page 65)

NEW BOND ISSUE

$400,000 FIRST MORTGAGE 5% BONDS; DUE JUNE 1, 1958

Dated June 1, 1928.

Interest Payable June and December 1, at Peoples Savings and Trust Co., Pittsburgh.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—Peoples Savings and Trust Co., Pittsburgh.

Provisions of Issue—Authorized $1,500,000; outstanding $400,000. Additional bonds may be issued for not exceeding 65% of value of property and only when net earnings for previous 12 months have been equal to at least 2½ times interest requirements on bonds outstanding and to be issued.

Purpose of Issue—Proceeds of $400,000 bonds were used to retire $421,000 First Mortgage 6% bonds, due June 1, 1944, at 105 and interest, Company supplying additional funds from surplus cash.

Callability—Subject to call on any interest date, on 60 days' notice, at 102½ and interest until June 1, 1938, premium decreasing ½ of 1% each 5 years thereafter.

Security—Secured by a direct first mortgage on all fixed assets of Company including land, buildings and equipment, valued at more than 3½ times amount of these bonds.

Improvement Fund—Mortgage provides for an annual improvement fund of 3% of largest amount of bonds at any time issued, to be used for betterments to property against which no bonds may be issued, or for retirement of bonds of this issue.

Tax Provisions—Company pays Normal Federal Income tax up to 2%, and bonds are free from Pennsylvania 4 mills tax.

Legal Opinion—Paterson, Crawford, Arensberg & Dunn.

Original Offering—First publicly offered ($400,000) in May, 1928, at 101½ and interest, to yield 4.90% by Peoples Savings and Trust Co., Pittsburgh.

Bonds Redeemed—All the outstanding First Mortgage 6% Gold bonds, due June 1, 1944, were called for redemption on June 1, 1928, at 105 and interest, at Peoples Savings and Trust Co. of Pittsburgh, Trustee.

PUBLIC ELECTRIC LIGHT COMPANY

(See also statement on page 487)

Capital Stock Changes—In April, 1928, Company filed articles of amendment to incorporation papers at the Massachusetts State House, Boston, calling for an increase in the Pfd. stock from $900,000 to $1,200,000 and a change in Common stock from shares $100 par value to shares of no par value.

HACKENSACK WATER COMPANY

(See also statement on page 1072)

Correction—In the description of the $4,750,000 First Mortgage Gold 4s, it should be stated that the mortgage is closed at $4,750,000.

REPUBLIC SERVICE CORPORATION

(See also statement on page 133)

NEW NOTE ISSUE

$800,000 TWO-YEAR 5% COUPON NOTES; DUE DECEMBER 1, 1929

Dated December 1, 1927.

Interest Payable June and December 1, at Fidelity-Philadelphia Trust Co., Philadelphia.

Denomination—Coupon, $1,000.

Trustee—Fidelity-Philadelphia Trust Co., Philadelphia.

Provisions of Issue—Authorized amount, not exceeding $1,000,000; outstanding, $800,000. Trust Agreement provides that additional bonds, notes and obligations (except 60-day loans) may be issued only when net earnings available for interest charges for 12 consecutive months of the 14 months next preceding the date of issue shall have been at least 1½ times the interest charges on all bonds, notes and obligations then outstanding and those proposed to be issued.

Purpose of Issue—The proceeds from the sale of the $800,000 notes were used to reimburse Company in part for the acquisition of the stocks of the Virginia companies, namely, Page Power Co. (see General Index), Madison Power Company, Edmonson Electric Company, Massamitten Power Corp., and Damascus Light and Power Company.

Callability—Subject to call in whole or in part on June 1, 1928, or Dec. 1, 1928, at 101 and interest, and on June 1, 1929 at 100½ and interest.

Sinking Fund—None provided.

Security—A direct obligation of Company, but not secured by mortgage. No securities of any kind hereafter issued by subsidiary companies can be disposed of except to the Republic Service Corp.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Tax free in Pennsylvania. Connecticut 4 mills tax, Massachusetts Income Tax and New Hampshire Income Tax under present laws refundable to holders residents in those states. Corporation covenants to refund as provided in indenture upon proper application the state property tax or state income tax assessed by any state in the United States, not in excess of 4 mills per annum on each dollar of the principal amount of the notes.

Legal Opinion—Evans, Bayard and Frick, Philadelphia.

Original Offering—First publicly offered ($800,000) in May, 1928 (price on application), by Bond and Goodwin, Inc., Boston.

In addition to the companies listed on page 133, as controlled, the Republic Service Corp. owns the Page Power Co., Madison Power Co., Edmonson Electric Co., and Damascus Light & Power Co., in Virginia.

MARIETTA AND PARKERSBURG BRIDGE COMPANY

(See also statement on page 1359)

The **Ohio River Bridge & Ferry Co.** First Mortgage 5% Gold bonds, due Jan. 1, 1942 (described on page 1360) are subject to call on any interest date on 60 days' notice at 105 and interest.

THE POTOMAC EDISON COMPANY

(See also statement on page 1361)

The **Frostburg Illuminating & Mfg. Co.** First Mortgage 5% Gold bonds, due July 1, 1929 (described on page 1362), are subject to call on any interest date on one months' notice at par and interest.

The $220,000 Hagertown & Frederick Ry. Co. 5% Coupon notes, due Sept. 1, 1932, were reacquired and cancelled March 31, 1928.

PUBLIC SERVICE COMPANY OF NORTHERN ILLINOIS

(See also statement on page 503)

Erratum—The $10,000,000 Public Service Co. of Northern Illinois 5% Debentures, Series of 1926, due September 1, 1931, are dated September 1, 1926 and not December 1, 1926 as stated on page 509.

CONSOLIDATED WATER COMPANY OF UTICA, N. Y.

(See also statement on page 392)

NEW BOND ISSUE

$4,000,000 REFUNDING MORTGAGE GOLD BONDS, 4½% SERIES DUE 1958; DUE MAY 1, 1958

Dated May 1, 1928.

Interest Payable May and November 1, at Citizens Trust Company of Utica, N. Y.

Denominations—Coupon, $1,000; principal may be registered.

Trustee—Citizens Trust Company of Utica, N. Y.

Provisions of Issue—Authorized amount, unlimited; issued, 4½% Series due 1958, $4,000,000. Additional bonds, either of this series or of other series having such rates of interest, maturity dates and other provisions as the directors may determine, may be authenticated (a) for refunding an equal principal amount of outstanding underlying or prior lien bonds (to be defined in the mortgage) or bonds of any Series authenticated under the mortgage, or (b) for not more than 75% of the cost or fair value, whichever is less, of property additions (to be defined in the mortgage) made subsequent to May 1, 1928. Additional bonds may be authenticated, however, except for refunding purposes, unless net earnings (to be defined in the mortgage) for 12 out of the 15 months immediately preceding the application for authentication shall have been equal to 1¾ times the actual annual interest requirements on all outstanding underlying and prior lien bonds, and all bonds outstanding under the mortgage, including those proposed to be authenticated.

Purpose of Issue—Proceeds were used for the retirement of $2,948,000 First Refunding Mortgage Gold bonds, certain bank loans and for other corporate purposes.

Callability—Subject to call on any interest date, in whole or in part, on 45 days notice, through May 1, 1933 at 103 and interest; thereafter at premiums reducing ¼ of 1% each two years to 100¼ on Nov. 1, 1953 and through May 1, 1955; thereafter at 100 and interest.

Sinking Fund—None provided.

Maintenance and Replacements Reserve—Indenture requires the Company to expend or reserve each year an amount equal to 9% of its gross operating revenues for maintenance, renewals and replacements and depreciation.

Security—Secured by a direct mortgage on substantially all of the fixed property, rights privileges and franchises of the Company, subject to two closed issues of underlying bonds, of which there are outstanding, $1,492,000.

Legal Opinion—Sullivan & Cromwell, New York (for the Bankers) and Dunmore, Ferris & Dewey, Utica, N. Y. (for the Company).

Original Offering—First publicly offered ($4,000,000) in May, 1928, at 97¼ and interest to yield 4.67% by Kidder, Peabody & Co., Harris, Forbes & Co., New York; Mohawk Valley Investing Corp., Utica, N. Y.; Harris, Forbes & Co., Inc., Boston; Harris, Forbes & Co., Ltd., Montreal, and Harris Trust & Savings Bank, Chicago.

Bonds Called—All of the outstanding First Refunding Mortgage 5½% Gold bonds, Series "A", due July 1, 1965 and 5%, Series "C", dated Jan. 1, 1928 and due July 1, 1958, were called for redemption on July 1, 1928, at 103 and interest at Citizens Trust Co. of Utica, N. Y., Trustee, or at office or agency of Company in New York.

CONTINENTAL TELEPHONE COMPANY

(See also statement on page 852)

New Interests in Company—A substantial holding in the Company has been acquired by the Theodore Gary & Co., who will become active in the management of the Company.

New Directors—J. G. Crane, V. E. Chaney, G. B. Foscue, Jr., George K. Gann, C. B. Randall, A. C. Cragg.

THE DULUTH-SUPERIOR TRACTION COMPANY

(See also statement on page 742)

Preferred Stock Provisions—Pfd. stock of this Company is not subject to call.

HARRISBURG RAILWAYS COMPANY

(See also statement on page 395)

Preferred Dividend Passed—Directors voted to omit the semi-annual dividend of $1.50 per share on the Pfd. stock due April 1, 1928. The last dividend paid was $1.50 per share on Oct. 1, 1927.

HARTFORD ELECTRIC LIGHT COMPANY

(See also statement on page 149)

Stock Increase and Par Value Reduction Authorized—Stockholders at a special meeting held May 8, 1928, approved the change in the par value of the capital stock from $100 par to $25 par and an increase in the number of shares from 180,000 to 720,000 shares.

HARTFORD GAS COMPANY

(See also statement on page 82)

Subscription Privilege—Stockholders on April 25, 1928, voted to increase the outstanding capital stock $500,000 by issuing 20,000 additional shares of Common at par, $25. New stock will be offered to stockholders of record Aug. 15, 1928, on the basis of one new share for each seven old shares held. Rights to subscribe will expire Oct. 5, 1928 and the new stock will be issued as of Jan. 5, 1929. This action will increase the outstanding Common stock to $3,250,000. Subscriptions must be paid for in full on Oct. 5, 1928, or 50% on Oct. 5, 1928 and 50% on Jan. 5, 1929. Interest at 6% will be paid on all installments paid on or before Oct. 5, 1928.

ISLANDS EDISON COMPANY

(See also statement on page 360)

Bonds Called—All outstanding Secured 6½% Sinking Fund Gold bonds, due Dec. 1, 1951, were called for redemption on June 1, 1928 at 105 and interest at Pennsylvania Company for Insurances on Lives & Granting Annuities, Philadelphia, Pa.

HUGHES ELECTRIC COMPANY

(See statement of United Public Utilities Company, page 857)

Bonds Called—All the outstanding First Mortgage 5½% Gold bonds, Series "A" and Series "B" of Hughes Electric Company, due Jan. 1, 1946 and 1947, were called for redemption on July 1, 1928, at 103 and interest at Merchants Trust Co., St. Paul, Minn.

INDIANA ELECTRIC CORPORATION

(See also statement on page 1028)

Additional Bonds Offered—$3,268,000 additional First Mortgage (and Refunding) 5% Gold bonds, Series "C", dated March 1, 1926 and due March 1, 1951, were publicly offered in May, 1928 at par and interest by Halsey, Stuart & Co., Inc., New York, etc., making a total of $7,404,000 of this series outstanding.

INDIANAPOLIS WATER COMPANY

(See also statement on page 961)

Stock Authorized—Authority for the issuance and sale of 7,047 shares of 5% Pfd. stock by the Company at not less than $100.25 a share, redeemable at not less than $105, was contained in an order approved May 11, 1928 by the Indiana Public Service Commission. Of the proceeds of the sale $580,600 is to be used to redeem an equal amount of 6% Pfd. stock on July 1, 1928 and $124,100 to repay Company's treasury for improvements made since Nov. 1, 1926.

Preferred Stock Called—All the outstanding 6% Pfd. stock of the Company was called for redemption on July 1, 1928 at 103 and accrued dividend at Fletcher American Co., Indianapolis, Ind.

THE SOUTHERN OHIO ELECTRIC COMPANY

(See also statement on page 1274)

INCOME ACCOUNT, YEAR ENDED DEC. 31, 1927 (REVISED)

Gross earnings	$876,128
Oper. exp. & maintenance	430,352
Taxes	76,930
Depreciation	79,206
Net earnings from oper.	$289,640
Other income	2,537
Total income	$292,177
Interest charges	139,523
Amort. of bond disc. & exp.	6,744
Total fixed charges	$146,267
Net income	145,910
Preferred dividends	137,529
Surplus	$8,381

GENERAL BALANCE SHEET, DECEMBER 31, 1927 (REVISED)

Assets—	
Fixed assets	$4,017,070
Construction work in progress	341,993
Materials and supplies	166,886
Cash and govt. securities	16,154
Accounts receivable	202,029
Notes receivable	824
Deferred charges	6,038
Unadjusted debits	17,389
Discount on securities	479,609
Total	$5,247,992
Liabilities—	
Common stock	$140,148
Preferred stock	1,964,700
Funded debt	2,000,000
Notes payable	357,171
Accounts payable	42,974
Interest accrued	19,982
Other current liabilities	2,340
Reserve for taxes	71,548
Reserve for depreciation	605,424
Profit and loss—surplus	43,705
Total	$5,247,992

The annual output of electricity is stated to be about 41,000,000 k.w.h., and the number of electric meters, 6,768. Company now owns about 150 miles of 66,000-volt and 100 miles of 13,200-volt high tension transmission lines.

CENTRAL INDIANA POWER COMPANY

(See also statement on page 1026)

New Note Issue—In May, 1928, Halsey, Stuart & Co. offered $3,000,000 4½% Gold notes, at 99.06 and interest to yield 5%. A description follows:

$3,000,000 TWO-YEAR 4½% GOLD NOTES; DUE JUNE 1, 1930

Dated June 1, 1928.

Interest Payable June and December 1, at offices of Halsey, Stuart & Co., Chicago and New York.

Denominations—Coupon, $500 and $1,000.

Purpose of Issue—The proceeds of these notes together with $3,268,000 Indiana Electric Corporation First Mortgage (and Refunding) 5% Gold bonds, Series "C," were used for refunding purposes and to reimburse the Company's treasury in part for advances made or to be made to its subsidiaries or associated

company for or on account of improvements, betterments and extensions to their properties.

Callability—Subject to call as a whole or in part at any time upon 30 days' published notice at par and accrued interest.

Security—These notes are a direct obligation of Company.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%, and agrees to reimburse the holders of these notes if requested within sixty days after payment, for the Pennsylvania 4 mill tax, and for the Connecticut Personal Property Tax, not exceeding 4 mills per dollar per annum, and for the Massachusetts Income Tax on the interest not exceeding 6% of such interest per annum.

WISCONSIN TELEPHONE COMPANY

(See also statement on page 588)

Capital Stock Changes—The authorized amount of Common stock was increased from $25,000,000 to $28,000,000 March 27, 1928, and the authorized Pfd. stock was decreased on the same date from $11,000,000 to $8,000,000.

INTERNATIONAL POWER COMPANY, LIMITED

(See also statement on page 707)

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(International Power Company, Ltd.)

Dividends and interest from controlled companies for year	$621,144
Miscellaneous expenses	40,708
Balance	$580,436
Interest on debentures	148,432
Balance for dividends	$432,004
First Preferred dividends	359,676
Surplus for year	$72,328

GENERAL BALANCE SHEET, DEC. 31

Assets—	1927	1926
Investments in stocks and bonds of controlled cos.	$8,805,501	$5,795,649
Advances to controlled companies	2,913,419	2,092,045
Call loan secured by bonds and stocks	508,595	.....
Cash	155,069	120,939
Accounts receivable	.....	36,494
Deferred charges and disc. on securities	195,000	.....
Total	$12,577,584	$8,045,127
Liabilities—		
Common stock	$1,620,725	$1,500,000
First Preferred stock	5,552,900	4,000,000
Second Preferred stock	2,000,000	2,000,000
Funded debt	3,000,000	.....
Bank loans	.....	373,435
Accounts payable	111,857	44,093
Dividend payable	97,175	70,000
Interest accrued	65,000	.....
Surplus	129,927	57,599
Total	$12,577,584	$8,045,127

NORTHERN INDIANA POWER COMPANY

(See also statement on page 1030)

Correction—The $1,254,000 Indiana Railways and Light Co. First Mortgage and Refunding 5% Gold bonds, described on page 1030 are dated Jan. 1, 1913 and are due Jan. 1, 1943 (not Dec. 10, 1912 and Dec. 10, 1942, respectively, as shown).

COLUMBUS ELECTRIC AND POWER COMPANY

(See also statement on page 433)

New Note Issue—In May, 1928, Estabrook & Co., Stone & Webster and Blodget, Inc., New York, etc., and Parkinson & Burr, Boston, offered $2,500,000 Five-Year 4½% Gold Coupon notes, at 97.80 and interest, to yield 5%. A description follows:

$2,500,000 FIVE-YEAR 4½% GOLD COUPON NOTES: DUE MAY 1, 1933

Dated May 1, 1928.

Interest Payable May and November 1, in Boston or New York.

Denomination—Coupon $1,000; principal may be registered.

Callability—Subject to call as a whole or 30 days' published notice at 102 up to and including May 1, 1929 and thereafter decreasing ½ of 1% for each year, plus accrued interest in each case.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Johnson, Clapp, Ives & Knight, and Ropes, Gray, Boyden & Perkins of Boston, Lawrence & Abrahams of Savannah, and Frank U. Garrard of Columbus, Ga.

COMBINED EARNINGS STATEMENT, YEAR ENDED MARCH 31, 1928
(Columbus Electric & Power Co. and Subsidiaries)

Gross earnings	$4,346,326
Operating expenses and taxes	1,944,539
Net earnings	$2,401,787
Income from other sources	7,173
Net income	$2,408,960
Annual interest and requirements on bonded debt.	586,786
Annual interest requirement on notes including above issue	212,500

SOUTHWEST GAS UTILITIES CORPORATION

(See also statement on page 1406)

Preferred Stock Offered—In May, 1928, 17,500 shares $6.50 cumulative Pfd. stock were publicly offered at 99½ and accrued dividend to yield over 6.53% (each share carrying ½ share of Common stock), by Edmund Seymour & Co., Inc., Charles D. Robbins & Co., and Glidden, Morris & Co. A description of this stock follows:

Provisions of Issue—This $6.50 Pfd. stock is preferred as to assets and dividends over the Common stock, and is fully paid and non-assessable. In event of dissolution or liquidation, entitled to $100 per share and accrued dividends.

The Pfd. stock, authorized at 150,000 shares, may be issued in different series and with different dividend rates, redemption prices, and amounts payable upon dissolution. All authorized Pfd. stock shall constitute one class of stock and shall be of equal rank, preference and priority as to dividends and assets.

In addition to the 35,000 shares of $6.50 cumulative Pfd. stock authorized by the certificate of incorporation, additional Pfd. stock may not be issued unless the net consolidated income, as defined, for 12 consecutive calendar months, within 15 calendar months next preceding the date of the additional issue is at least twice annual dividend requirements on all Pfd. stock outstanding, including the additional shares to be issued.

The Certificate of Incorporation provides that on or before July 1, 1930, and semi-annually thereafter, there will be set aside, but only out of surplus, a Sinking Fund equivalent to $2.50 per share on the number of shares of the $6.50 Dividend Pfd. stock outstanding at the time of such Sinking Fund payments, for the purchase and the retirement of such Pfd. stock, or the reimbursement of the Corporation for such purchase at not exceeding $100 per share, provided, however, that if at any time or from time to time permanent additions are made to the properties of the Corporation or its subsidiaries as defined in the Certificate of Incorporation, the Sinking Fund shall be credited with an amount equal to the cash cost or fair value, whichever is lower, of such permanent additions, and no subsequent semi-annual payments to such Sinking Fund need be made unless and until such credit shall have been exhausted. If the Corporation shall not have been able to purchase, at the price aforesaid, sufficient shares of the $6.50 cumulative Pfd. stock to exhaust the amount of the Sinking Fund within 60 days after the Sinking Fund payment shall have been made, any balance thereof shall be released from the obligations of the Sinking Fund and returned to the surplus of the Corporation.

In the event that the Corporation shall be in default in the payment of four successive quarterly dividends on the Pfd. stock, the holders thereof shall have equal voting powers with the holders of the Common stock (the holders of the Common stock having one vote for each share held by them).

The Corporation may not, without the consent of the holders of at least two-thirds of the $6.50 cumulative Pfd. stock, authorize or issue any stock or class of stock having priority or preference over the Pfd. stock as to dividends or as to distribution of assets upon dissolution or liquidation; or amend the provisions of the $6.50 Dividend Pfd. stock so as to affect adversely any of the preferences and other rights given to the holders thereof.

Callability—The $6.50 Pfd. stock is redeemable in whole or in part on any dividend date upon 60 days' notice at $105 per share and accrued dividends.

Transfer Agent—The Seaboard National Bank of the City of New York.

Registrar—Empire Trust Co., New York.

Dividends—Pfd. dividends are payable quarterly, F, M, A & N 1.

To the list of officers shown on page 1407, add the name F. S. Koons, V-P., New York. **New York Office**, 44 Wall St.

SOUTHWEST GAS COMPANY

(See also statement on page 1409)

Officers (Revised list): Charles G. Laskey, Pres., Shreveport, La.; A. L. Forbes, Jr., V-P., Houston, Tex.

Directors (Revised list): Charles G. Laskey, F. S. Koons, B. B. Burton, George Belchie, Horace U. Gade, Howard Morris, F. T. Sutton, Paul Kayser.

Office, Shreveport, La.

THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY

(See also statement on page 581)

Additional Stock Offered—70,000 shares of additional capital stock were offered to stockholders for cash at par, $100 per share, in proportion to their respective holdings at the close of business on May 7, 1928. Each stockholder was entitled to subscribe for one share of stock for every four shares then held, the right to subscribe expiring July 2, 1928. Optional plans for payment were offered as follows:

Plan A: This plan provided for the payment of the total subscription on or before July 2, 1928. Certificates for the stock will be issued as of July 2, 1928 and the stock will participate in all dividends payable after July 16, 1928.

Plan B: This plan provides for the payment of 50% of the total subscription on or before July 2, 1928, and the balance on or before Oct. 1, 1928. Certificates for the stock will be issued as of Oct. 1, 1928, and the stock will participate in all dividends payable after Oct. 15, 1928. Interest will be paid at the rate of 8% per annum from July 2, 1928, to Oct. 1, 1928, on the first installment payment.

SAN JOSE WATER WORKS

(See also statement on page 224)

NEW BOND ISSUE

$500,000 FIRST MORTGAGE 5% GOLD BONDS (ISSUE OF JANUARY 1, 1928); DUE JANUARY 1, 1953

Dated January 1, 1928.

Interest Payable January and July 1, at American Trust Co., San Francisco, or its branch office at San Jose, Cal.

Denomination—Coupon, $1,000; principal may be registered.

Trustee—American Trust Co., San Francisco.

Provisions of Issue—Authorized issue, $5,000,000 (including $500,000 bonds dated July 1, 1926); outstanding, $500,000 First 5s of July 1, 1926 (see page 224 for description), and $500,000 First 5s of Jan. 1, 1928. Of the remaining $4,000,000 authorized bonds, $2,000,000 may be issued but only to pay for the cost of permanent additions, betterments, etc., made by the Company subsequent to Jan. 1, 1926, and $2,000,000 may be issued under the same restrictions, but must not exceed 50% of the cost of permanent additions, betterments, etc., provided that the net earnings for 12 consecutive calendar months, and not more than 60 days prior to the application for the issuance of bonds, shall have been not less than 1¾ times the annual interest charges on all bonds outstanding in the hands of the public, and for the issuance of which application is then made.

Purpose of Issue—The proceeds of these bonds were used to retire $400,000 of notes outstanding and the balance toward reimbursing the Company for expenditures made for capital purposes.

Callability—Subject to call as a whole or in part on any interest date at 105 up to Jan. 1, 1933, and decreasing ¼% each year or fraction of year thereafter, but in no case shall the call price be less than 100½.

Sinking Fund—No provision.

Security—This issue, together with a previous issue of $500,000 are secured by a first mortgage on all of the operative properties now owned or hereafter acquired.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%. Exempt from personal property taxes in California.

Legal Opinion—McCutchen, Olney, Mannon & Greene, San Francisco, and R. C. Leib, San Jose, Cal.

Original Offering—First publicly offered ($500,000) in April, 1928, at 104 and interest to yield over 4.70%, by Bank of Italy National Trust & Savings Assn., San Francisco.

QUEBEC POWER COMPANY

(See also statement on page 937)

Stock Increase—Subscription Privilege—Directors on May 8, 1928 authorized a further issue of 100,000 Common shares without par value. Holders of Common shares of record May 21, 1928 received the right to subscribe for these additional shares at $50 per share in the proportion of one new share for every four shares held on that date, payable $25 per share upon subscription on or before July 5, 1928 and $25 on or before Aug. 31, 1928.

QUINTE & TRENT VALLEY POWER COMPANY, LIMITED

(See also statement on page 176)

Additional Bonds Offered—In May, 1928, $200,000 additional 30-Year First Mortgage Sinking Fund Gold Bonds, due July 1, 1955, were publicly offered at 101½ and interest to yield about 5.85%.

Officers (Revised): J. G. G. Kerry, Pres.; Stanley Johnston, V-P.; C. E. Whitten, Sec. & Treas., Montreal.

Directors (Revised): C. E. Whitten, John Kerry, Stanley Johnston, J. G. G. Kerry, Montreal, Que.; H. R. McClymont, Toronto.

Montreal Office, 2 Seigneurs St.

BARCELONA TRACTION, LIGHT AND POWER COMPANY, LIMITED

(See also statement on page 147)

OPERATING DATA (ALL COMPANIES) YEARS ENDED DEC. 31

	1927	1926
No. of customers—		
Light	272,837	257,057
Power	24,710	23,304
K.W. connected—		
Light	90,187	86,198
Power	231,524	223,955
Steam generation	148,800	148,565
Hydraulic generation	526,811,198	480,738,398
Power purchased	51,411,775	49,408,744
Total k.w.h. generated & purchased	578,222,973	530,295,707
Total k.w.h. sold	435,592,938	396,147,094

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Revenue from all sources	$4,765,521	$4,030,090
Deduct—		
Admins. & reorganization expenses	162,929	196,759
Service of 6½% Prior Lien bonds	970,868	966,185
Service of 6% 45-year bonds	294,393	.....
Service of First Mortgage bonds	436,984	382,265
Premium on redemption on 7% Prior Lien "A" bonds	48,667	.....
Service of 7% Prior Lien "A" bonds	.....	200,757
Service of 7% 30-year bonds	303,578	500,241
Divds. on 7% Participating Pref. shares	2,015,472	1,729,509
Interim divd. of 1% on Ord. shares	143,625	.....
Balance	$389,005	$54,373
Balance end of previous year	214,695	160,322
Total	$603,700	$214,695
Appropriated as follows:		
Final divd. of 1% (making 2% for the year) on Ordinary shares & the corresponding additional divd. of 1% (making 9% for the year) on the Pref. shares (paid Feb. 10, 1928)	395,559	.....
Surplus carried forward to 1928	208,141	.....
Total	$603,700	.....

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Property acct., etc., less depreciation	$104,851,337	$103,946,002
Sinking fund investments	291,484	177,318
Materials	925,752	1,143,269
Debtors & debit balances	2,465,447	4,455,550
Cash	3,425,461	2,455,640
Temporary investments	1,615,197	231,222
Total	$113,574,678	$112,409,001
Liabilities—		
Ordinary stock	$14,362,500	$14,362,500
Preference stock	25,193,400	25,193,400
Shares controlled cos.	13,724	14,405
Funded debt	65,717,226	66,324,018
Bond coupons outstand. & accrd. int.	903,902	904,395
Preferred & Ordinary divds.	67,564	69,708
Bonds drawn not yet redeemed	606,293	623,043
Creditors & credit balances, incl. reserves of controlled cos.	5,470,352	4,203,181
Sinking fund reserves	328,670	449,852
Revenue accounts	911,047	264,499
Total	$113,574,678	$112,409,001

New Director: Walter Gow has been elected a director replacing Alfred Lowenstein.

QUINZE POWER COMPANY, LTD.

(See also statement on page 1186)

Change in Name—Supplementary letters patent have been issued by the Dominion of Canada changing the name of above Company to Northern Quebec Power Company, Ltd.

RAILWAY AND LIGHT SECURITIES COMPANY

(See also statement on page 298)

NEW BOND ISSUE

$3,000,000 (ENTIRE ISSUE) TENTH SERIES COLLATERAL TRUST 4½% GOLD BONDS; DUE MAY 1, 1953

Dated May 1, 1928.

Interest Payable May and November 1, at Old Colony Trust Co., or at The Chase National Bank of the City of New York.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Wilmington Trust Co., Wilmington, Del.

Purpose of Issue—The proceeds from this issue of Tenth Series 4½% bonds were used to retire the first six series of 5% Collateral Trust bonds of the Company, outstanding in the amount of $1,012,000, and for the purchase of additional securities.

Callability—Subject to call in whole or in part at the option of the Company on any interest date on 30 days' published notice at 102 up to and including May 1, 1943, thereafter at 101 up to and including May 1, 1948, thereafter at 100½ up to and including May 1, 1951 and thereafter prior to maturity at 100, in each case with accrued interest.

Retirement Fund—The Indenture of Trust provides that the Company shall deposit the sum of $50,000 on May 1 of each year beginning in 1933 to be used by the Trustee in purchasing for cancellation bonds of the Tenth Series offered to it for sale at not exceeding principal amount and accrued interest. Any part of such sum not exhausted on July 1 reverts to the Company.

Security—The $3,000,000 Tenth Series 4½% bonds are a direct obligation of the Company and are secured by pledge of collateral with a market value of over $4,000,000. The Indenture by which this Series is secured provides that the market value of the pledged collateral, consisting of bonds, notes, stocks and other securities shall be equal at all times to not less than 120% of the principal amount of bonds of the Tenth Series at the time outstanding and shall include bonds, notes or other evidences of indebtedness of a market value not less than 60% of the principal amount of bonds of this Series outstanding. Within the above limitations the Company may make withdrawals and substitutions of collateral in the conduct of its business. Securities of other than railroad and public utilities may be substituted as collateral if the Company or a successor corporation is hereafter authorized to hold them.

Valuation—The appraisal value of the present holdings of bonds, notes and stocks based on market prices as of March 31, 1928, plus cash on hand upon completion of financing, totals over $12,400,000 or more than $2,200 for each $1,000 bond outstanding, including this issue.

Legal Opinion—Ropes, Gray, Boyden & Perkins.

Tax Provision—Company pays Normal Federal Income Tax up to 2%.

Original Offering—First publicly offered ($3,000,000) in April, 1928, at 94¼ and interest to yield 4.90%, by Estabrook & Co., Stone & Webster and Blodget, Inc., and Parkinson & Burr.

INCOME ACCOUNT, YEAR ENDED MARCH 31, 1928

Interest received and accrued	$256,597
Cash dividends received	185,813
Stock dividends sold	33,480
Profit from sale of securities	415,077
Gross income	$890,967
Expenses and taxes	51,583
Balance for interest charges	$839,384
Required for interest charges (including above issue)	260,000

SUSQUEHANNA UTILITIES COMPANY

(See also statement on page 1724)

CAPITAL STOCK (REVISED)

Authorized, 15,000 shares Common stock of no par value, $1,000,000 6% cumulative Pfd., par, $100, and $800,000 5% non-cumulative Pfd., par, $100; outstanding, 8,000 shares Common stock, $550,000 6% First Pfd., and $800,000 5% Second Pfd. All the outstanding Common stock is owned by The Philadelphia Electric Company.

Annual Meeting—Third Wednesday in April.

FUNDED DEBT

$350,000 COLLATERAL TRUST 6% GOLD CERTIFICATES; DATED SEPT. 1, 1927; DUE SEPT. 1, 1977; INTEREST MARCH & SEPT. 1

All owned by The Philadelphia Electric Company.

Officers: W. H. Taylor, Pres.; C. J. Russell, A. R. Granger, H. P. Liversidge and A. B. Huey, V-Ps.; W. E. Long, Treas.; J. B. McCall, Jr., Sec.; C. M. Breitinger, Asst. Treas.; Neale Smith, Asst. Sec.

Directors: A. B. Huey, H. P. Liversidge, W. E. Long, C. J. Russell, W. H. Taylor, J. H. Ware, Jr., S. A. Williams.

OHIO RIVER RAILWAY & POWER COMPANY

(See also statement on page 1258)

Dividends are cumulative on the Pfd. stock from and after Jan. 1, 1926, at the rate of 7% per annum. Since that date dividends have been paid on this stock as follows: Dec. 20, 1927, $1.75 per share; April 2, 1928, $1.75 per share.

NEW YORK STEAM CORPORATION

(See also statement on page 165)

Additional Bonds Issued—In April, 1928, $4,000,000 additional First Mortgage Gold Bonds 5% Series due May 1, 1951, were publicly offered at 102½ and interest, to yield about 4.82%, by Cassatt & Co. and The National City Company, New York. The amount of this issue now outstanding is $11,905,500.

HOLLAND GAS COMPANY

(See also statement on page 1031)

INCOME ACCOUNT, YEAR ENDED DEC. 31, 1927

Gross revenues	$145,996
Operating expenses	90,662
Taxes	8,737
Net earnings	$46,597
Fixed charges	18,000
Other charges	5,503
Depreciation	7,399
Net income	$15,695

GENERAL BALANCE SHEET, DEC. 31, 1927

Assets—	
Property account	$568,031
Miscellaneous investments	1,000
Cash	2,649
Accounts receivable	17,732
Materials and supplies	14,027
Prepaid accounts	1,037
Deferred charges	18,259
Total	$622,735
Liabilities—	
Preferred stock	$10,000
Common stock	150,000
Funded debt	300,000
Accounts and notes payable	7,123
Due to affiliated companies	92,791
Dividends accrued	117
Depreciation reserve	28,184
Other reserves	397
Surplus	34,123
Total	$622,735

The gas sales in 1927 were 100,001,300 cu. ft., compared with 92,720,700 cu. ft. in 1926. Number of consumers, 3,923; miles of mains, 50.

Officers: Roy Campbell, Pres.; W. C. Sharp, V-P.; J. W. Denison, Sec. & Treas.; Eustace J. Knight, Asst. Sec.; Oliver E. McCormick, Asst. Treas.

Directors: Roy Campbell, W. C. Sharp, E. V. Graham, P. J. Lucey, Martin J. Insull.

THE AMERICAN SUPERPOWER CORPORATION (Of Delaware)

(See also statement on page 363)

Stock Dividend—Following authorization by stockholders of Corporation April 17, 1928 of an authorized issue of 400,000 shares of no par value $6 cumulative Preference stock, redeemable at $107.50 a share, and junior to the authorized 400,000 no par $6 cumulative First Pfd. stock, directors declared a stock dividend to holders of no par value Class "A" and Class "B" Common shares of record April 23, 1928, consisting of one share of the new Preference stock for each five shares Common stock held.

AMERICAN TELEPHONE AND TELEGRAPH COMPANY

(See also statement on page 522)

Subscription Privilege—Stockholders of record June 1, 1928, received the right to subscribe for approximately $185,000,000 additional stock in the proportion of one share for each six shares held. Subscription privilege expires August 1, 1928 and payment for shares subscribed were due as follows: $20 per share Aug. 1, 1928; $40 per share Dec. 1, 1928 and $38.65 ($40 less $1.35) on April 1, 1929. Interest at rate of 5% per annum, amounting to $1.35 per share, will be allowed on the first two installment payments from their respective due dates to April 1, 1929, when it will be paid by crediting the amount on the final installment payment. Stock so paid for will be issued as of April 1, 1929, and will participate in dividends payable after April 15, 1929. Subscribers will be permitted to anticipate the installment payments and to pay the full amount on August 1, 1928, provided in such case they pay $3.40 per share in addition to the par value of the stock as adjustment of the excess of 9% dividends over interest at the rate of 5% to April 1, 1929, making the full payment on August 1, 1928, $103.40 per share. Stock so paid for will participate in dividends payable after August 1, 1928. Subscribers who have paid the installment due August 1, 1928, will be permitted to pay the two remaining installments of $40 each on December 1, 1928, provided in such case they pay $2.50 per share in addition to the amount of the installment payments as adjustment of the excess of 9% dividends over interest at rate of 5% to April 1, 1929, making the payment on December 1, 1928, $82.50 per share. Stock so paid for will participate in dividends payable after December 1, 1928. Purpose of this issue is to provide funds for new construction needed by the Bell System to care for additional business resulting from the constantly greater use of telephone service.

THE ANGLO-AMERICAN TELEGRAPH COMPANY, LTD.

(See also statement on page 724)

PROFIT AND LOSS ACCOUNT, YEARS ENDED MARCH 31

	1928	1927
Balance, April 1	*£65,625	£70,854
Rent received from Western Un. Tel. Co. under lease	262,500	262,500
Interest received, less tax	.....	2,122
Total	£$328,125	£335,976
Deductions:		
Deferred stock dividends	£40,221	£40,199
Pfd. stock dividends	160,882	160,796
Ordinary dividends	8,897	9,005
Income tax	52,500	52,500
Total deductions	£262,500	£262,500
Balance, March 31	£65,625	£72,976

*After deducting £7,352 accumulated interest transferred to capital reserve fund.

GENERAL BALANCE SHEET, MARCH 31

Assets—	1928	1927
Capital expenditures, being amount standing for cost of cable, buildings, etc., to which has been added the 1910 cable and freehold property, Old Broad St., London	£7,000,000	£7,000,000
Excess of liquid assets over liabilities assumed by Western Union Tel. Co. at March 31, 1911, payable by lessees to this Co., on termination of lease	122,461	122,461
Capital reserve fund—investments and cash	8,762	.....
Contingency fund—invests. and cash	11,246	11,245
Pensions fund—investments and cash	123,243	120,423
Cash at bankers	59,270	66,072
Debit balances	14,485	14,490
Total	£7,339,467	£7,334,691
Liabilities—		
Ordinary stock	£284,020	£296,580
6% Preferred stock	3,357,990	3,351,710
Deferred stock	3,357,990	3,351,710
Credit balances	1,029	566
Unclaimed divd. acct.	7,101	7,019
Contingency fund	11,246	11,245
Pensions fund	123,243	120,423
Capital reserve fund	762	.....
Liquid assets leased to W. U. Co. as per contra	122,461	122,461
Revenue account	65,625	72,976
Total	£7,339,467	£7,334,691

POWER CORPORATION OF CANADA, LIMITED

(See also statement on page 1182)

Stock Increase—Subscription Privilege—At a Special General Meeting of shareholders held May 11, 1928, it was voted to increase the authorized no par value Common stock from 250,000 shares to 1,000,000 shares. At a subsequent meeting of directors a new issue of no par Common stock was authorized for the purpose of providing funds with which to finance the purchase of securities of important Canadian public utility companies.

The new shares of Common stock were offered to the holders of the 6% non-cumulative Participating Pfd. stock and the no par value Common stock (including the holders of the 5% 30-year Convertible Debentures, Series "A," dated Dec. 1, 1927, who have converted their Debentures into no par value Common stock of the Company) of record at the close of business May 31, 1928, at the price of $60 per share, on the basis of two shares of the new stock for each three shares held May 31, 1928.

The subscription price of $60 per share is payable at The Montreal Trust Company, Montreal, in two instalments of $30 each: the first one payable on or before June 30, 1928, and the second one on or before July 31, 1928.

AMERICAN ELECTRIC POWER COMPANY

(See also statement on page 1049)

Correction—The only property now operated by this Company is a traction line in Dayton, Ohio, all its other properties having being disposed of. The description of the properties shown on page 1049 is therefore out of date and should be ignored.

Under the description of The American Railways Co. Collateral Trust Refunding Convertible 5% Gold bonds on page 1050, the paragraph "Provisions of Issue" should be changed to read as follows: Authorized and issued, $2,000,000, of which $2,068,000 have been retired, leaving $932,000 now outstanding.

BRAZILIAN TRACTION, LIGHT AND POWER COMPANY, LIMITED

(See also statement on page 27)

Toronto Listing—Toronto Stock Exchange in May, 1928, admitted to the list 4,584,000 new Common shares of no par value.

Dividend—The June 1, 1928 dividend on Company's Ordinary shares was paid to shareholders of record on April 30, 1928 and was declared in respect of the shares of $100 par value. Subsequent dividends on Ordinary shares will be in respect to shares of no par value.

BROCKTON GAS LIGHT COMPANY

(See also statement on page 323)

Registrar—American Trust Co., Boston, has been appointed registrar of capital stock of Company.

BROOKLYN EDISON COMPANY, INC.

(See also statement on page 142)

Property and Service (Revised)—The Company's property includes three generating plants, one located on the East River at Hudson Avenue, another on the East River at Gold Street, and the third on New York Bay at 66th Street, which have an aggregate rated capacity of 419,500 kilowatts in generators, with the necessary condensing, switchboard and auxiliary equipment.

The installation of a 110,000 kilowatt generating unit at the Hudson Avenue Generating Station was started in October, 1927, to provide for additional load in 1928. It is planned to have this unit ready for operation in the coming summer. This is the fifth generating unit to be installed at Hudson Avenue and will bring the total capacity of the station up to 340,000 kilowatts, and the aggregate rated capacity of the three generating stations to 529,500 kilowatts. The Hudson Avenue Station supplied approximately three-quarters of the total energy generated in 1927.

There are twenty-seven substations containing 78 units, with a total rated capacity of 94,780 kilowatts for converting alternating current into direct current, and 42 units of alternating current transforming capacity, totaling 420,000 kilovolt amperes. The substation adjacent to the Hudson Avenue Generating Station has a 35,000 kilovolt ampere frequency changer set used for tying in the twenty-five cycle system to the sixty cycle system.

The transmission and distribution systems include 7,489 miles of overhead construction carried on 51,400 poles, and 7,224 miles of underground construction laid in subway conduits. There are 744,323 meters in use on the system, the territory served being estimated to have a population of over 2,250,000.

Proposed Exchange of Stock—President Sloan of Brooklyn Edison Company, Inc., in letter to stockholders on May 19, 1928, accompanying Deposit and Exchange Agreement for exchange of capital stock of Brooklyn Edison Company, Inc., for $5 cumulative Pfd. stock and Common stock of Consolidated Gas Company of New York, dated May 15, 1928, outlined the plans as follows:

This plan provides for the issue by the Consolidated Gas Company of one share of its Common stock, on which dividends are paid at the rate of $5 a year, and one share of its $5 cumulative Pfd. stock, in exchange for each share of the capital stock of this Company.

As soon as holders of at least 70% of the capital stock of this Company deposit their certificates of stock with the Depositary (The National City Bank of New York) for which they will receive transferable certificates of deposit from the Bank, the Trustees of the Consolidated Gas Company have agreed to call a meeting of the stockholders of that Company, to take action upon the proposed issue of its Pfd. and Common stock in exchange for the stock of this Company, on the basis above stated. If the stockholders of the Consolidated Gas Company should decide to divide each of its present shares of Common stock into two shares, then the basis of exchange will be two shares of Common stock and one share of $5 cumulative Pfd. stock for each share of Brooklyn Edison stock.

In case the stockholders of the Consolidated Gas Company should fail to carry into effect the said recommendation of its Board of Trustees prior to Aug. 1, 1928, or within such additional time as the Committee of the Brooklyn Edison Company stockholders may deem advisable, The National City Bank of New York will, upon the surrender of the certificates of deposit, return to the respective depositors, or their assigns, the certificates of stock deposited with it, as aforesaid.

Depositary—The National City Bank of New York.

Stockholders' Committee—Nicholas F. Brady, James H. Post, Matthew S. Sloan.

Proposed New Holding Company—See paragraph under Consolidated Gas Company of New York below.

BONDS LEGAL FOR SAVINGS BANKS

Kings County Electric Light & Power Co. First Mortgage Gold 5s, due October 1, 1937 are legal for savings banks in Connecticut, Maine, Massachusetts and New York.

Kings County Electric Light & Power Co. Purchase Money Gold 6s, due Oct. 1, 1997 are legal for savings banks in Connecticut, Maine and New York.

Edison Electric Illuminating Company of Brooklyn, First Consolidated Mortgage Gold 4s, due Jan. 1, 1939 are legal for savings banks in Connecticut, Maine, Massachusetts and New York.

Brooklyn Edison Company, Inc. General Mortgage Series "A" 5% Gold Bonds, due Jan. 1, 1949 are legal for savings banks in Connecticut, Maine, Massachusetts and New York.

Brooklyn Edison Company, Inc. General Mortgage Series "B" 6% Gold Bonds, due January 1, 1930 are

legal for savings banks in Connecticut, Maine, Massachusetts and New York.

Earnings Per Share (Corrected)—Earnings per share on the average stock outstanding during the year ended December 31, 1927 amounted to $10.42 instead of $10.60 per share as stated on page 142.

CONSOLIDATED GAS COMPANY OF NEW YORK

(See also statement on page 748)

Proposed Merger—Plans for merging Brooklyn Edison Company, Inc. into Company through an exchange of stock, received formal action from directors of the two companies May 15, 1928. Merger is expected to be completed by midsummer. Consolidated Gas Company of New York announced a plan by which it proposes, providing 70% of Brooklyn Edison Company stock is deposited by June 15, 1928 to exchange two shares of Common stock for each share of existing Consolidated Gas Company Common, subject to approval of the New York Public Service Commission. For further details of the merger plan, see paragraph on Proposed Exchange of Stock under Brooklyn Edison Company, Inc. above.

Capitalization—Proposed exchange of stock and the two-for-one split-up of Common shares of Consolidated Gas Company will increase the outstanding Common stock of Consolidated Gas Company from 4,320,000 to 10,440,000 of which Consolidated Gas Company holders would receive 8,640,000 and Brooklyn Edison Company stockholders, 1,800,000 shares. Consolidated Gas Company has issued 1,200,000 of $5 Preferred stock and this would be increased by 2,100,000 shares by the exchange.

Proposed New Holding Company—Shortly after consummation of merger of Brooklyn Edison Company, Inc. with Company, it is planned to form a holding company which will probably be organized as the Consolidated Gas and Electric Company, the shares of which would be exchanged share for share for those of Consolidated Gas Company of New York, after the proposed split-up of Common shares of the latter on the basis of two for one.

BRIDGEPORT HYDRAULIC COMPANY

(See also statement on page 744)

Change in Par Value of Stock—Stockholders at annual meeting, May 15, 1928 approved change in par value of capital stock from $100 to $20, five new shares to be issued for one old share.

Initial Dividend on New Par Value Stock—Directors declared initial quarterly dividend of 40 cents per share on new $20 par value capital stock, payable July 16, 1928. On April 16, 1928 quarterly dividend of $2 per share was paid on old $100 par value stock.

KANSAS CITY, LAWRENCE & TOPEKA ELECTRIC R.R.

(See also statement on page 1991)

This Company ceased operation Aug. 22, 1927, and the property is reported to have been sold for junk to the Snoken-Galamba Corp. Eastern capitalists are stated to be considering the purchase of the line and the establishment of freight service.

KANSAS CITY PUBLIC SERVICE COMPANY

(See also statement on page 1070)

Correction in Date—The heading in income account reading Nov. 15 to Dec. 31, 1926, should read Oct. 16, to Dec. 31, 1926.

BLACKSTONE VALLEY GAS & ELECTRIC COMPANY

(See also statement on page 438)

Correction—Blackstone Valley Gas & Electric Co. Mortgage & Collateral Trust Gold 5s, Series "A" are due April 1, 1951, not 1957 as stated on page 439.

GREAT NORTHERN GAS COMPANY, LTD.

(See also statement on page 196)

CORRECTED INCOME ACCOUNT, YEARS ENDED DEC. 31

	1927	1926	1925
Earnings from operations	$42,195	$28,031	$19,707
Oper. exps., taxes, etc.	26,796	23,505	22,232
Net earnings from opers.	$15,399	$4,526	*$2,525
Other income	6,277	5,314	4,341
Total income	$21,676	$9,840	$1,817
Misc. int. charges	.....	13,296	11,349
Surplus for year	$21,676	*$3,456	*$9,532

*Deficit.

AUGUSTA-AIKEN RAILWAY & ELECTRIC CORPORATION

(See also statement on page 1141)

CONSOLIDATED BALANCE SHEET, DECEMBER 31

Assets—	1927	1926
Cost of properties, plant, franchises, construction equip. & investment acct.	$15,847,971	$15,400,927
Materials and supplies	154,299	187,561
Accounts & bills receivable	184,635	147,778
Cash	21,382	31,545
Unamortized debt disc. & exp.	52,095	71,851
Prepaid accounts	13,616	8,331
Suspense	35,227	33,796
Cash in sinking fund	1,023	1,052
Cash in lieu of property released	100	2,398
Total	$16,310,348	$15,885,239
Liabilities—		
Common stock	$2,250,000	$2,250,000
Preferred stock	2,250,000	2,250,000
Georgia-Carolina Elec. Co. Pfd. stock	150,000	150,000
Funded debt:		
Augusta-Aiken Ry. & Elec. Corp. 5s, 1935	2,891,000	2,891,000
Augusta-Aiken Ry. & Elec. Corp. 6% notes	713,125	706,975
Augusta Ry. & Elec. Co. 1st 5s, 1940	709,000	733,000
Georgia-Carolina Pr. Co. 1st 5s, 1952	3,349,000	3,404,500
Georgia-Carolina Electric Co. 6% notes	1,797,000	1,500,000
Augusta-Aiken Ry. & Elec. Corp. 5% notes due 1924, to be exchanged	4,250	10,400
Notes payable	203,501	171,737
Matured int. on bonds	3,986	4,020
Accounts payable	171,603	154,431
Customers' & employees' deposits	17,431	13,609
Ticket liability	5,578	4,814
Accrued int.	27,572	26,187
Other accrued accounts	1,936	1,045
Accrued sinking fund	62,254	62,154
Georgia-Carolina Electric Co. Pfd. divd.	5,250	5,250
Unearned rentals	5	5
Depreciation, etc. reserves	1,642,521	1,509,389
Surplus	55,336	36,723
Total	$16,310,348	$15,885,239

INTERNATIONAL TELEPHONE AND TELEGARAPH CORPORATION

(See also statement on page 1929)

New Subsidiary Formed—It was denounced May 25, 1928 that Postal Telegraph and Cable Corporation had been incorporated in Maryland in accordance with Plan and Agreement dated March 29, 1928, for the exchange of Common shares of The Mackay Companies for 7% Pfd. stock of this new company and stock of International Telephone and Telegraph Corporation and for exchange of Pfd. shares of The Mackay Companies and of 4% Gold bonds and 4% Debenture stock of The Commercial Cable Company for Collateral Trust 5% bonds of this new company. For details of the plan see page 1929.

THE MACKAY COMPANIES

(See also statement on page 272)

Merger Plan Declared Operative—On May 15, 1928 the Plan and Agreement dated March 29, 1928 was declared operative. The plan provides for the exchange of Common shares of The Mackay Companies for 7% Pfd. stock of a new company, and stock of International Telephone and Telegraph Corporation and for

exchange of Pfd. shares of The Mackay Companies and of 4% Gold bonds and 4% Debenture stock of The Commercial Cable Company for Collateral Trust 5% bonds of the new company. For details of the Plan see page 1929.

New Company Formed—It was announced May 25, 1928 that Postal Telegraph and Cable Corporation had been incorporated in Maryland in accordance with the Plan.

Certificates of Deposit Listed—The New York Stock Exchange on April 11, 1928 admitted to the list Certificates of Deposit of J. P. Morgan & Co. for Preferred and Common stock of The Mackay Companies and First Mortgage 4% Gold bonds, due Jan. 1, 2397 of The Commercial Cable Company.

MUNICIPAL GAS COMPANY

(See also statement on page 1068)

Corrected List of Officers and Directors: Officers: J. B. McCabe, Pres. & Gen. Mgr.; D. L. Cobb, V-P. & Treas.; L. W. Cole, Sec. & Asst. Treas.; C. B. Miller, Asst. Sec. & Asst. Treas.; T. J. Uhl, Asst. Sec. Directors: L. B. Denning, D. L. Cobb, R. G. Soper, J. B. McCabe, L. W. Cole.

METROPOLITAN EDISON COMPANY

(See also statement on page 1414)

Capital Stock Increase—Company has increased its authorized stock from 900,000 shares, consisting of 400,000 shares of Pfd. stock and 500,000 shares Common, both of no par value, to 1,500,000 shares consisting of 1,000,000 shares of Pfd. stock and 500,000 shares Common, of no par value. In addition to these changes the stockholders on May 24, 1928, authorized an increase in the indebtedness of the Company from $50,000,000 to $100,000,000.

New Class of Preferred Stock—At the special meeting of stockholders held May 24, 1928, the stockholders voted to create a new class of Pfd. stock, to be known as $5 cumulative Pfd. and to revise the Pfd. capital with 50,000 shares of $7 cumulative, 400,000 shares of $6 cumulative and 550,000 shares of $5 cumulative Pfd. stock. The terms and preferences of the new $5 Pfd. stock will be exactly the same as those of the $6 and $7 issues, with the exception that the new stock will receive quarterly dividends at the rate of $1.25 instead of $1.50 and $1.75 respectively in the case of the present issues.

Acquisitions—Company has been authorized by the Pennsylvania Public Service Commission to take over eleven electric light and power companies in the General Gas & Electric System of which it is a subsidiary. The companies to be taken over operate in Adams, Montgomery, Chester, Dauphin, Berks, Lehigh and Lebanon Counties, Pa. and are as follows: Ortanna Electric Light & Power Co., Boyerstown Electric Co., Annville & Palmyra Electric Light Co., Bernville Light, Heat & Power Co., Berks-Lehigh Electric Co., Birdsboro Electric Co., Hamburg Gas & Electric Co., Topton Electric Light & Power Co., Wiesenberg Township Electric Light & Power Co., French Creek Electric Co. and Blue Mountain Electric Co. These acquisitions were part of the plan of the General Gas & Electric Co. to simplify the corporate structure of its subsidiaries and affiliated companies.

MILFORD & UXBRIDGE STREET RAILWAY

(See also statement on page 261)

Properties to be Sold—Properties are to be acquired by the Milford, Framingham, Hopedale & Uxbridge Street Ry. Co., which has been granted permission by the Massachusetts Department of Public Utilities to issue $100,000 in stock and $100,000 in bonds bearing interest at not exceeding 6%, to purchase the railway, provided the property is acquired free and clear of all encumbrances.

MAHONING VALLEY WATER COMPANY

(See also statement on page 49)

Bonds Called—All of the outstanding First Mortgage 6% Gold bonds, due annually to May 1, 1942, were called for redemption on June 13, 1928, at 102 and interest at Commercial National Bank, Youngstown, Ohio, Trustee.

NEW YORK POWER & LIGHT CORPORATION

(See also statement on page 343)

CONSOLIDATED INCOME ACCOUNT, YEAR ENDED DEC. 31, 1927

Total operating revenues	$18,937,882
Operating expenses, maintenance and taxes	11,557,946
Net operating revenue	$7,379,936
Other income	71,652
Total income	$7,451,588
Deductions:	
Interest on long term debt	$2,375,695
Miscellaneous interest	356,080
Amortization expenses, etc.	239,837
Total deductions	$2,971,612
Net income	$4,479,976

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927
(Inter-company items eliminated)

Assets—	
Fixed capital	$90,952,758
Cash	10,325,390
Accounts receivable	2,757,397
Bills receivable	51,990
Materials and supplies	1,408,841
Investments	1,736,336
Prepayments	39,475
Suspended accounts	7,112,023
Reacquired securities	337,800
Unamortized debt discount and expense	5,070,712
Intangible capital to be amortized	1,432,135
Special deposits	3,007,141
Total	$124,231,998
Liabilities—	
Common stock	$7,500,919
$6 Preferred stock	6,802,100
7% Preferred stock	11,222,100
*8% Preferred stock	2,131,600
7% Pfd. stock—Port Henry Light & Power Co.	139,700
Constituent companies Pfd. ctfs. outstanding	3,916,800
Cash due stockholders adjusting fractional shares in consolidation	550
Funded debt	71,584,100
Accounts payable	4,286,455
Consumers' deposits	717,250
Accrued taxes, interest, etc.	1,889,755
Prepaid service account	36,900
Retirement reserve	3,450,492
Bond sinking fund reserve	1,644
Other reserves	494,481
Liability for improvement taxes—Sacandaga Reservoir	2,806,337
Suspense accounts	180,407
Unamortized premium on debt	389
Surplus	7,070,019
Total	$124,231,998

*Represents 21,316 shares of 8% Pfd. stock called for redemption on Jan. 1, 1928, but still outstanding.

MONTANA CITIES GAS COMPANY

(See also statement on page 977)

Date of Incorporation—Oct. 14, 1927.

Preferred Stock Provisions—Pfd. stock is cumulative and has preference over Common as to dividends, and in the event of liquidation or dissolution, has preference in the distribution of assets to the amount equal to the par value thereof.

Officers: R. S. Lord, Pres.; B. E. Hepler, V-P.; R. J. Lindsay, V-P.; W. P. Lord, Sec.; W. J. Wilson, Asst. Sec.; F. E. Cannon, Treas.; W. J. Wilson, Asst. Treas.

Directors: R. S. Lord, R. J. Lindsay, B. E. Hepler, F. E. Cannon, Frank W. Camp, Edward S. Lewis, W. E. Burks.

NATIONAL GAS & ELECTRIC CORPORATION

(See also statement on page 365)

Additional Preferred Stock Issued—5,000 additional shares $6.50 Dividend Series cumulative Pfd. stock of no par value was publicly offered in May, 1928, at $97

and dividend, to yield over 6.70% by Fenton Davis & Boyle, of which 7,000 shares are now outstanding.

Preferred Stock Provisions—The $6.50 Dividend Series cumulative Pfd. stock is redeemable in whole or in part at any time or from time to time on 30 days' notice at $110 per share and accrued dividends, and is entitled to a preference on liquidation to the extent of $100 per share and accrued dividends, plus, in case of voluntary liquidation, a premium of $10 per share; and is entitled to equal voting rights with Common stock in case of default in payment of 4 quarterly cumulative dividends.

The authorized Pfd. stock of Company is 30,000 shares, of which 25,000 shares have been designated as $6.50 Dividend Series cumulative Pfd. Additional Pfd. stock may be issued by directors up to 30,000 shares, but no Pfd. stock over 30,000 shares may be issued by Corporation unless consolidated net earnings (as defined in the amended charter) for 12 months out of the 15 months immediately preceding such additional issue shall be equivalent to 2½ times the dividend requirements on the Pfd. stock outstanding and that to be issued, and no stock of any kind in excess of 30,000 shares of Pfd. stock may be authorized or issued which shall have preference over or be on an equality with the Pfd. stock as to dividends, assets or redemption if after proper notice 20% or more of the Pfd. stock then outstanding shall vote against such action.

Transfer Agent—Illinois Merchants Trust Co., Chicago, Ill.

Registrar—Union Trust Co., Chicago, Ill.

Dividends—Dividends on the $6.50 Dividend Series cumulative Pfd. stock are payable quarterly, J, A, J & O 1.

NEW ENGLAND TRANSPORTATION COMPANY

(See also statement on page 1077)

Officers (May 5, 1928): Arthur P. Russell, Pres.; Eugene J. Phillips, V-P.; Chas. H. Knights, Treas.; Harry E. Ross, Act. Clerk; R. H. Palmer, Aud.; Frank S. Hobbs, Gen. Mgr.

Directors (May 5, 1928): Francis C. Coley, Frank A. Farnham, Jas. O. Halliday, Eugene J. Phillips, Arthur P. Russell, Benj. I. Spock, N. M. Rice, Frank F. Baldwin.

General Office, Boston, Mass.

NEW JERSEY BELL TELEPHONE COMPANY

(See also statement on page 557)

Income Account, year ended Dec. 31, 1927—The figures shown on page 557 cover operations of The Delaware & Atlantic Telegraph & Telephone Company in southern New Jersey during the first nine months of the year and operations in the entire state during the last three months.

NEW JERSEY SUBURBAN WATER CO.

(See also statement on page 1955)

INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926	1925
Gross earnings	$168,874	$176,628	$171,051
Operating expenses	190,420	194,086	185,093
Loss from operations	$21,546	$17,458	$14,042
Charges	8,032	4,791	2,049
Deficit for year	$29,578	$22,249	$16,091

INDIANAPOLIS WATER COMPANY

(See also statement on page 961)

New Preferred Stock Issue—In May, 1928, Company issued $704,700 5% cumulative Pfd. stock Series "A." Upon completion of the issuance of this stock, the authorized capitalization of the company was 500,000 shares Common of no par value and $10,000,000 Pfd.; outstanding, 500,000 shares Common and $704,700 5% cumulative Series "A" Pfd.

Preferred Stock Provisions—The authorized amount of Pfd. stock may be increased from $10,000,000 to $20,000,000. Pfd. stock has preference for assets and dividends and in liquidation is entitled to par and accrued dividends. Pfd. stock now or hereafter authorized, shall be issuable in designated series entitled to cumulative preferential dividends at not exceeding 6% per annum, and subject to redemption at not exceeding 110 and accrued dividends, only with the approval of the Indiana Public Service Commission and then only for the purpose of refunding outstanding funded debt or Pfd. stock and/or paying for or reimbursing the Company for the costs of extensions, improvements and betterments to the Company's properties.

Callability—The 5% cumulative Pfd., Series "A," is subject to call on 30 days' notice at 105 and accrued dividend.

Purpose of Issue—Part of the proceeds were used for the retirement of the 6% Pfd. stock formerly outstanding and the balance to reimburse the Company for improvements and extensions to the properties, completed prior to Jan. 1, 1928.

Legal Opinion—Baker & Daniels, Indianapolis, Ind.

Original Offering—First publicly offered ($704,700 5% cumulative Pfd., Series "A") in May, 1928, at 103 and dividend, by Fletcher American Co., Indianapolis.

INTERSTATE FUEL AND LIGHT COMPANY

(See also statement on page 1994)

Securities Retired—The previously outstanding Class "B" stock and $200,000 One-Year Notes, were called and retired. Dividends had been paid on Class "B" stock to date of retirement.

Office Removal—Company's offices are now located at 144 East Main St., Benton Harbor, Mich.

Changes in Officials—H. G. Beebee, Benton Harbor, Mich., is now Sec. and Treas. of Company and its subsidiaries, Michigan Fuel and Light Co. and Wisconsin Fuel & Light Co., succeeding L. F. Ryall as Treas. Hamilton Allport, Chicago, Ill., has succeeded L. F. Ryall as director of Company and two subsidiaries named above. R. C. Beebee has succeeded H. M. Cammack as director of Wisconsin Fuel & Light Co.

MURPHYSBORO TELEPHONE COMPANY

(See also statement on page 231)

Bonds Called—All of the outstanding First Mortgage 6% Gold bonds, due May 1, 1937, were called for redemption on May 1, 1928 at 102 and interest at Illinois State Trust Co., East St. Louis, Ill.

MONTREAL TRAMWAYS COMPANY

(See also statement on page 1178)

Subscription Privilege—Stockholders of record June 1, 1928, were given the right to subscribe to 10,000 additional shares of stock at $150 a share on the basis of one new share for every five old shares held.

MIAMI CITY POWER AND WATER COMPANY

(See also statement on page 1311)

Company Liquidated—On Sept. 20, 1927, all of the outstanding capital stock of the company was acquired by the Peoples Light & Power Corporation. It was subsequently transferred to the Peoples Arizona Gas & Electric Corporation on Nov. 1, 1927, and the Company is now being operated as a division of the Arizona Edison Company, another subsidiary of Peoples Light & Power Corp. All of the outstanding bonds of the Miami City Power & Water Co. were called for redemption and the affairs of the company have been liquidated.

NOVA SCOTIA LIGHT AND POWER COMPANY, LIMITED

(See also statement on page 203)

History—Incorporated in 1914 by Special Act of the Legislature of Nova Scotia, (its name having been changed from Nova Scotia Tramways and Power Com-

pany, Limited, by an Amending Act in 1928), and acquired the business, assets and franchises of the Halifax Electric Tramway Company, Limited (see Manual for 1916, page 4459). It owns and operates, without competition, all the electric light, power, gas and street railway properties in the City of Halifax.

Subsidiaries—The Company owns the entire outstanding capital stock of Dartmouth Gas, Electric Light, Heating and Power Company, Limited, which owns and operates the electric light and power business in the Town of Dartmouth. The Company also owns all the outstanding capital stock of The Sackville River Electric Company, Limited, which supplies electric light and power to the suburban district of Bedford and points between Halifax and Windsor Junction. Together these companies serve a total population estimated to exceed 75,000.

CAPITAL STOCK

Authorized, 40,000 Ordinary shares of no par value; to be outstanding upon completion of financing authorized by stockholders on March 7, 1928, 34,523 shares. For details of refinancing see page 203.

FUNDED DEBT

$3,500,000 5% FIRST MORTGAGE 30-YEAR SINKING FUND GOLD BONDS, SERIES "A"; DUE JUNE 1, 1958

Dated June 1, 1928.

Interest Payable June and December 1 in Canadian gold coin or its equivalent at any branch in Canada of The Royal Bank of Canada; or, at the option of the holder, in United States gold coin or its equivalent at the agency of The Royal Bank of Canada, New York; in sterling at The Royal Bank of Canada, London, England, at the rate of $4.86 2/3 to £1; or at The Royal Bank of Canada, St. John's, Newfoundland, in the currency of the Dominion.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—The Eastern Trust Company, Halifax, N. S.

Provisions of Issue—Authorized amount, unlimited. Authorized, Series "A," $4,000,000; issued, $3,500,000. The balance of $500,000 may be issued from time to time in the discretion of the Directors. Further bonds in addition to those now authorized may be authorized and issued from time to time, as additional bonds of Series "A" or other series, but only to the extent of 75% of the cost or fair value, whichever is less, of additional property of a fixed or permanent nature as defined in the Trust Deed, acquired or constructed by the Company after Jan. 1, 1928, and then only when net earnings as defined in the Trust Deed for the Company's preceding fiscal year shall have been at the rate of not less than one and one-half times the annual interest charges on bonds then outstanding and those proposed to be issued.

Purpose of Issue—Proceeds were used for the retirement of $2,250,000 Nova Scotia Tramways and Power Company 5% First Mortgage Gold bonds, due 1947 and $1,414,500 7% General Mortgage Gold bonds, due 1952.

Callability—Series "A" bonds are subject to call as a whole or in part, on 30 days' notice at a premium of 5% if redeemed on or before June 1, 1933, and if redeemed thereafter on or before June 1, 1957, at a premium of 5% less 1/5 of 1% for each year or part of a year elapsed between June 1, 1933 and the date of redemption, and after June 1, 1957 without premium; in each case with accrued interest to date of redemption.

Sinking Fund—An annual cumulative sinking fund for the redemption of bonds of Series "A" is provided, which requires that the Company shall pay to the Trustee on the first day of June in each year, commencing June 1, 1930, a sum equal to 1% of the aggregate principal amount of bonds of Series "A" previously issued under said mortgage, together with a sum equal to the interest on bonds of Series "A" previously redeemed through the sinking fund. The Trust Deed provides that the sinking fund on further series of bonds shall not be less than the sinking fund payable on Series "A" bonds.

Security—Bonds are secured by a first mortgage and charge on all the properties of the Company, present and future, specific as to real estate, plants, equipment and franchises and by way of a floating charge as to all other assets.

Tax Provisions—Company assumes United States Normal Income Tax up to 2%.

Legal Opinion—Covert, Pearson and Rutledge, Halifax, N. S. (for the Company) and Henry, Stewart, Smith and McCleave, Halifax, N. S. and Victor E. Mitchell, Montreal (for the Bankers).

Original Offering—First publicly offered ($3,500,000) in April, 1927, at 99½ and interest to yield over 5% by Royal Securities Corp., New York.

BOND REDEMPTIONS

All of the First Mortgage 5% Gold bonds, due Dec. 1, 1946, were called for redemption on June 1, 1928, at 105 and interest at Bank of Montreal, New York, Montreal, Que. or London, Eng.

All of the outstanding Series "A" 7% General Mortgage Gold bonds, due April 1, 1952 were called for redemption on Oct. 1, 1928 at 110 and interest at Eastern Trust Co., Montreal, etc., Trustee, or at the Canadian Bank of Commerce, Halifax, Montreal, etc., or at the agency of the Canadian Bank of Commerce in New York. Holders may present their bonds at any time after June 1, 1928 and prior to Oct. 1, 1928 and receive 110 and interest to date of surrender.

NORTHERN ELECTRIC COMPANY

(See also statement on page 1149)

NEW BOND ISSUE

$4,000,000 NORTHERN ELECTRIC COMPANY AND NORTHERN PAPER MILLS FIRST MORTGAGE 5% SERIAL GOLD BONDS, SERIES OF 1928; DUE $75,000 ANNUALLY, NOV. 1, 1934 TO 1936; $100,000 ANNUALLY, NOV. 1, 1937 TO 1943; $125,000 EACH, NOV. 1, 1944 AND 1945; $150,000 NOV. 1, 1946; $175,000 NOV. 1, 1947 AND $250,000 MAY 1, 1948

Dated May 1, 1928.

Interest Payable May and November 1, in Chicago and New York.

Denomination—Coupon, $1,000; principal may be registered.

Trustees—Harris Trust & Savings Bank, Chicago, and M. H. MacLean.

Provisions of Issue—Issued $4,000,000 Series of 1928 5s. Additional bonds of other series, having such rates of interest, maturity dates, and other provisions as the Board of Directors may determine, and as are permitted by the Mortgage, may be issued for (a) not more than 70%, in the case of electric property, or 50%, in the case of paper mill property, of the cost, or fair value, whichever is less, of additions, (as defined in the Mortgage) constructed or acquired subsequent to May 1, 1928; or (b) for refunding, in accordance with the above restrictions, prior lien bonds which may be outstanding on property hereafter acquired. Not more than $3,000,000 of such escrow bonds may be issued for paper mill property.

No additional bonds may, however, be issued unless net earnings (as defined in the Mortgage) for twelve consecutive calendar months ending not more than 90 days preceding application for issuance shall have been at least equal to two and one-half times the annual interest requirements on all outstanding prior lien bonds, if any, and all bonds issued and outstanding under the Mortgage, including those proposed to be issued and unless, also, average earnings as described in the Mortgage for the three consecutive fiscal years next preceding such application shall have been not

less than two and three-quarters times such interest charges.

Callability—Subject to call on any interest date on 60 days' notice at 100 and interest and a premium of ½ of 1% for each year or part of year the bonds have to run before their designated date of maturity, but premium in no event to exceed 5%.

Depletion Fund—The Mortgage provides for a depletion fund into which will be paid the sum of $2.00 per cord of pulpwood cut on the Algoma tract and $4.00 per thousand feet of timber cut on the Ontanagon tract. The moneys so deposited may be used for (1) the purchase of additional pulpwood timber tracts in fee at the rate of $2.00 per cord, $4.00 per thousand feet, or cost, whichever be less; or (2) the retirement of bonds of the last maturity of this series secured thereunder.

Security—Secured by a direct first mortgage upon all the physical properties of Northern Electric Company and Northern Paper Mills now owned or hereafter acquired subject only to lease of space on the transmission line to Wisconsin Gas and Electric Company. Included in the mortgaged properties will be the fee timber holdings in Michigan and Canada. The bonds are the joint and several obligation of the Northern Electric Company and Northern Paper Mills to the full amount of principal and interest.

The companies agree that, while any of the bonds secured by this Mortgage are outstanding, combined current assets will be maintained at least equal to 1½ times combined current liabilities and combined net current assets shall not at any time be less than $750,000, nor shall any dividend payments or distributions of assets be made to stockholders which will reduce combined current assets to less than 2 times combined current liabilities.

Tax Provisions—The Companies pay Normal Federal Income Tax up to 2% and agree to reimburse holders of these bonds, upon application within 60 days after payment, for the Pennsylvania personal property tax not exceeding 4 mills per $1 per annum, and for the Massachusetts income tax on interest not exceeding 6% of such interest per annum.

Legal Opinion—Cutting, Moore and Sidley, Chicago.

Original Offering—First publicly offered ($4,000,000) in May, 1928, at prices ranging from 99¼ to 98½% and accrued interest, yielding approximately 5.10%; by Harris, Forbes & Co., Inc., H. M. Byllesby & Co., Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.

NORTHERN ONTARIO LIGHT AND POWER COMPANY, LIMITED

(See also statement on page 1186)

Bond Redemption—All outstanding First Mortgage 6% Sinking Fund Gold bonds, Series of 1926, due Jan. 1, 1946 were called for redemption on July 1, 1928 at 105 and interest at Toronto General Trusts Corp., Toronto, Trustee, Bankers Trust Co., New York, or at Midland Bank, Ltd., London.

SPRING VALLEY WATER COMPANY

(See also statement on page 890)

NEW NOTE ISSUE

$1,750,000 5% COLLATERAL TRUST SERIAL GOLD NOTES; DUE $150,000 EACH MAY 1 AND NOVEMBER 1, 1929; $250,000 EACH MAY 1 AND NOVEMBER 1, 1930; $300,000 EACH MAY 1 AND NOVEMBER 1, 1931 AND $350,000 MAY 1, 1932

Dated November 1, 1927.

Interest Payable May and November 1, at Wells Fargo Bank & Union Trust Co., San Francisco.

Denominations—Coupon, $500 and $1,000; principal may be registered.

Trustee—Wells Fargo Bank & Union Trust Co., San Francisco, Cal.

Provisions of Issue—Authorized, $3,000,000; outstanding, Jan. 13, 1928, $1,750,000.

Purpose of Issue—Proceeds were used to finance construction work, provide additional delivery capacity of supply aqueducts, etc.

Callability—Subject to call at 1% premium.

Sinking Fund—None.

Security—Secured by pledge and deposit with the Trustee, of Company's First Mortgage 5% Gold bonds, in the ratio of 115% of the face value of notes. Bonds pledged as of Jan. 13, 1928, $2,013,000.

Tax Provisions—Company pays Normal Federal Income tax up to 2%. California 4 mills personal property tax refunded.

SOUTHERN CALIFORNIA GAS CORPORATION

(See also statement on page 1276)

Capital Stock—The Company has outstanding 85,000 shares $6.50 cumulative dividend Pfd. stock of no par value, and not 75,000 shares as shown on page 1276.

Transfer Agents (Common stock)—Farmers Loan & Trust Co., New York, and Los Angeles-First National Trust & Savings Bank.

Registrars (Common stock)—The Chase National Bank of the City of New York, and Union Bank & Trust Co., Los Angeles.

Directors (Revised list): M. W. Dodge, C. A. Stone, W. F. Ingold, A. B. Macbeth, W. G. Kerckhoff, A. C. Balch, B. R. Meyer, Garrettson Dulin, F. Higginson Cabot, Jr., Halstead G. Freeman, Bayard F. Pope.

COMMONWEALTH TELEPHONE COMPANY

(See also statement on page 1019)

NEW NOTE ISSUE

$650,000 COLLATERAL 5% NOTES; DUE MAY 1, 1929

Dated May 1, 1928.

Interest Payable May and November 1, at Continental National Bank & Trust Co., Chicago.

Denominations—Coupon, $500 and $1,000.

Trustee—Continental National Bank & Trust Company, Chicago.

Provisions of Issue—Authorized and issued, $650,000.

Purpose of Issue—Proceeds were used to pay in part for the acquisition of properties, for extensions and betterments, and for other corporate purposes.

Callability—Subject to call as a whole or in part at any time on 30 days' notice at 100 and accrued interest.

Security—Notes are a direct obligation of the Company and are further secured by deposit with the Trustee of all of the outstanding Common stock (except directors' qualifying shares) of the operating companies which companies are entirely free from funded debt. The Indenture provides, among other things, that while any of these notes are outstanding no mortgages shall be placed against the properties of the subsidiaries whose stock is pledged under this Indenture unless provision is made for the retirement of these notes, and no dividends shall be declared on the Common stock of the Company while these notes are outstanding.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Bradley, Williams, Harper & Farrell.

Original Offering—First publicly offered ($650,000) in May, 1928, at 99 and interest, to yield 6% by G. W. Thompson & Co., Patterson, Copeland & Kendall, Inc., and Hayden, Van Atter & Schimberg, Inc., Chicago.

ELECTRIC PUBLIC UTILITIES COMPANY

(See also statement on page 1560)

Maryland Properties—Pending final acquisition of the Maryland properties, $500,000 principal amount of the Company's Fifteen-Year 6% Secured Gold Bonds are being retained by the Trustee, thus leaving only

$3,500,000 outstanding in the hands of the public at the present time (May 28, 1928). Earnings of the Maryland properties are included in the following table and interest charges include requirements for the full $4,000,000 of bonds.

EARNINGS, YEAR ENDED DEC. 31, 1927
(Electric Public Utilities Co. and Subsidiaries, including those to be presently acquired, after eliminating certain non-recurring charges)

Gross earnings	$5,579,924
Operating costs & expenses, incl. maintenance & local taxes	3,633,554
Balance available for interest, retirement reserve & Federal taxes	$1,946,370
Prior annual interest & dividend requirements on securities in hands of the public	1,230,293
Balance	$716,077
Annual interest requirements on 3-yr. 5% gold notes	150,000

PICTOU COUNTY ELECTRIC CO., LTD.

Bonds Exchanged—In May, 1924, the Company was reorganized, and the bonds of the Pictou County Electric Co., Ltd. were exchanged for bonds of the Pictou County Power Board, in the proportion of $400 Pictou County Power Board bonds for each $500 Pictou County Electric Co., Ltd., or 80% of the bonds surrendered. All of the bonds have been surrendered and cancelled, with the exception of two $500 bonds which still remain unredeemed. The Pictou County Power Board bonds are guaranteed both as to principal and interest by the Towns of Westville, Stellarton, Trenton and New Glasgow, in the Province of Nova Scotia, and the bonds now constitute a trustee investment under the laws of this Province.

NEW ENGLAND POWER COMPANY (MASSACHUSETTS)

(See also statement on page 1844)

Stock Increase—The authorized Common stock of this Company is $17,000,000 having been increased by $5,100,000 on May 18, 1926 and $1,700,000 on Nov. 14, 1927.

At a meeting of the stockholders on Nov. 14, 1927, it was voted to reduce the par value of the Common stock from $100 per share to $25 per share, but this change has not as yet (May 24, 1928) been effected.

THE UNION BRIDGE ELECTRIC MANUFACTURING COMPANY

(See also statement on page 1365)

BOND DESCRIPTION DEVISED

$21,000 First Mortgage 6s; dated May 31, 1919; due May 31, 1939; interest May 31 and November 30, at Maryland Surety and Trust Co., Hagerstown, Md., Trustee. Bonds in coupon form. Authorized and issued $30,000 of which $9,000 are held by the Trustee. Subject to call after May 31, 1934 on any interest date on 60 days' notice at 102 and interest. A first lien on entire property.

WEST PENN RAILWAYS COMPANY

(See also statement on page 1371)

Transfer Agent (Pfd.)—The Union Trust Co., Pittsburgh, Pa., and not the Louisville Trust Co., Louisville, Ky., as stated on page 1371.

CENTRAL STATES UTILITIES COMPANY

(See also National Gas and Electric Corp. statement on page 365)

Bonds Called—All outstanding First Mtge. 6% Gold bonds, Series "A", due Dec. 1, 1949 were called for redemption on June 1, 1928 at 105 and interest at Union Trust Co., Detroit, Trustee.

FLORIDA POWER & LIGHT COMPANY

(See also statement on page 1533)

$6 Pfd. Dividend—Initial dividend of $1.50 a share was paid on $6 cumulative Pfd. April 2, 1928.

CHICAGO NORTH SHORE AND MILWAUKEE RAILROAD COMPANY

(See also statement on page 627)

Pfd. Stock Increase Approved—Stockholders in May, 1928, approved increase in authorized 6% non-cumulative Pfd. stock from $5,000,000 to $7,700,000.

First Mortgage Bonds Subject to Prior Redemption—The First Mortgage 5% Gold bonds, due July 1, 1936, are subject to call, as a whole or in part, on any interest date at 105 and interest. On page 629 it is stated that the bonds are not subject to call.

Erratum—The First and Refunding Mortgage 5½% Gold bonds, Series "B," due April 1, 1956, are dated April 1, 1926.

CENTRAL STATES ELECTRIC CORPORATION

(See also statement on page 592)

6% Pfd. Stock Listed—In May, 1928, the Boston Stock Exchange admitted to the list the 6% cumulative Pfd. stock of Company. The Old Colony Trust Co. is Transfer Agent in Boston, and The First National Bank is Registrar in Boston for the 6% Pfd. stock.

AMERICAN POWER & LIGHT COMPANY

(See also statement on page 1526)

Pfd. Stock Listed—The New York Stock Exchange in May, 1928, admitted to the list the no par value $6 cumulative Pfd. stock of Company.

New Director—Harold T. White has been elected a member of the Board of Directors.

PACIFIC LIGHTING CORPORATION

(See also statement on page 632)

Common Stock Listed—The New York Stock Exchange in April, 1928, admitted to the list the no par value Common stock of Corporation.

Transfer Agent—The Pacific Coast Trust Co. is Transfer Agent in New York for Common stock of Corporation.

Registrar—The National Bank of Commerce in New York is Registrar in New York for Common stock of Corporation.

CENTRAL PUBLIC SERVICE CORPORATION

(See also statement on page 992)

Redemption Price of Bonds—The Central Public Service Corp. has by supplemental indentures dated Nov. 1 and Dec. 1, 1927, respectively, to Standard Trust & Savings Bank, now by consolidation The National Bank of the Republic of Chicago, entered into certain additional covenants for the benefit of bond holders and increased the collateral securing the bonds. In accordance with the said supplemental indentures, all bonds of Series "A" issued under the original indenture theretofore redeemable at 101 are now redeemable at 105, if redeemed on or before July 1, 1930, the redemption price decreasing thereafter at ½ of 1% per year until July 1, 1937, after which the redemption price is 101.

THE UNION GAS & ELECTRIC COMPANY

(Cincinnati, Ohio)

(See also statement on page 846)

Series "A" and Series "B" Pfd. Stock Called—All of the outstanding Series "A" and Series "B" Pfd. stock was called for redemption on July 1, 1928 at $102 and accrued dividends at the rate of 6.6% per annum for the Series "A" and at the rate of 6% per annum for the Series "B" at Central Trust Co., Cincinnati, Ohio.

UNITED ELECTRIC LIGHT COMPANY

(See also statement on page 1041)

Electric Output, year ended Dec. 31, 1927—97,177,500 k.w.h.

CORRECTED INCOME ACCOUNT, YEARS ENDED DECEMBER 31

	1927	1926
Operating revenues	$3,361,587	$3,257,608
Deductions:		
Operating expenses	$1,408,166	$1,305,416
Taxes	493,619	520,000
Depreciation	442,243	404,474
Total	$2,344,028	$2,229,890
Net earnings	$1,017,559	$1,027,718
Other income	28,762	1,244
Total income	$1,046,321	$1,028,962
Deductions:		
Interest charges	$4,423	$4,966
Net income	$1,041,898	$1,023,996
Dividends	600,000	600,000
Surplus for year	$441,898	$423,996
Earnings Per Share	*$6.51	$25.60

*On shares of $25 par value.

PENNSYLVANIA GAS & ELECTRIC CORPORATION

(See also statement on page 1058)

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1927
(Pennsylvania Gas & Electric Corporation and subsidiaries)

*Balance December 31, 1926	$103,374
Surplus net income for year	927,041
Profit from sale of Moncton Tramways, Electricity & Gas Co., Ltd., less reserve for Federal income taxes	470,361
Direct surplus items—net	18,264
Total	$1,519,040
Deductions:	
Appropriation for retirement and depl. reserves	$284,393
Net income of properties prior to acquisition	7,025
Dividends on Pfd. stock of subsidiaries in hands of public	104,652
Common dividends paid to minority interests	68,220
Pennsylvania Gas & Electric Corp. dividends:	
Preferred	176,361
Class "A" Common	160,304
Unamortized discount and premium on bonds of subsidiary companies called for redemption	60,223
Minority stockholders' interests	27,448
Total deductions	$888,626
Earned surplus, Dec. 31, 1927	$630,414
Special surplus Dec. 31, 1927	807,774
Total	$1,438,188

*Excluding surplus of former subsidiaries owned at Dec. 31, 1926, but not owned at Dec. 31, 1927.

PENNSYLVANIA GAS & ELECTRIC COMPANY

(See also statement on page 1060)

CONSOLIDATED SURPLUS ACCOUNT, DECEMBER 31, 1927
(Pennsylvania Gas & Electric Company and subsidiaries)

Deficit, Dec. 31, 1926	$33,487
Surplus net income before retirement reserve and dividends, year ended Dec. 31, 1927	$353,301
Profit from sale of Moncton Tramways, Electricity & Gas Co., Ltd., less reserve for Federal Income taxes	470,361
Total	$790,175
Deduct:	
Appropriation for retirement reserve	$81,574
Preferred stock dividends	104,652
Common stock dividends	562,361
Direct surplus items—net	3,134
Surplus of subsidiary companies, at date of acquisition transferred to special surplus	2,795
Total	$754,516
Earned surplus, Dec. 31, 1927	$35,659

WASHINGTON WATER POWER COMPANY

(See also statement on page 966)

Correction—A statement is made that the Company proposes to present resolutions to the stockholders for approval to provide for the creation of a new issue of Pfd. stock. The Company advises, that they do not plan to issue any of the new Pfd. stock.

Time for Deposit of Stock Extended—The time limit for the deposit of stock under the Plan and Agreement of Reorganization, dated Jan. 24, 1928, for exchange of stock for stock of American Power & Light Co., has been extended to June 1, 1928, upon the same terms and conditions as are specified in the Plan.

NORTH PENN GAS COMPANY

(See also statement on page 1063)

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1927

Assets—	
Plant, property, franchises, etc.	$10,809,822
Investments—at cost	190,000
Unamortized bond discount and expense	284,407
Due from holding and affiliated companies	240,902
Cash	56,429
Notes receivable	139
Accounts receivable	154,604
Accrued interest receivable	11,789
Materials and supplies	52,974
Deferred and prepaid items	20,963
Total	$11,822,029
Liabilities—	
Common stock	$1,823,500
Preferred stock	1,316,000
Funded debt	3,000,000
Notes payable	5,500
Accounts and wages payable	120,302
Accrued taxes—general	12,460
Reserve for Federal taxes	73,414
Accrued interest on funded debt	27,500
Miscellaneous current liabilities	8,211
Due to holding and affiliated companies	493,922
Reserve for retirements	2,318,637
Reserve for depletion	1,876,572
Miscellaneous reserves	4,072
Consumers' security deposits	29,073
Accrued interest on security deposits, etc.	10,812
Premium on capital stock	4,125
Special surplus	569,210
Earned surplus	128,719
Total	$11,822,029

WESTERN PUBLIC SERVICE COMPANY

(See also statement on page 472)

Bonds Called—All the outstanding 6½% Debenture Gold Bonds, Series "A," due April 1, 1935, were called for redemption on June 1, 1928 at 102 and interest at International Trust Co., Denver, Trustee, Central Union Trust Co. of New York, or Continental National Bank & Trust Co., Chicago, Ill.

VIRGINIA ELECTRIC AND POWER COMPANY

(See also statement on page 481)

Larger Common Dividend—Company paid a dividend of $1 per share on the Common stock of no par value on March 15, 1928. The previous dividend paid was 50 cents per share on Dec. 15, 1927.

CONSOLIDATED GAS ELECTRIC LIGHT & POWER CO. OF BALTIMORE

(See also statement on page 370)

Initial 5% Preferred Dividend—Initial quarterly dividend of $1.25 per share was paid on the 5% Pfd. stock, Series "A," on July 2, 1928. A dividend of 75c. per share was also paid on the Common stock.

BURLINGTON LIGHT AND POWER COMPANY

(See also statement on page 1694)

Change in Control—It was announced May 23, 1928, that United Gas Improvement Company had sold its interest in this Company to Peoples Light & Power Corporation.

Bonds Called—All outstanding First Mortgage 6% Gold bonds, due Jan. 1, 1942, have been called for redemption on July 1, 1928 at 105 and interest at Fidelity-Philadelphia Trust Co., Philadelphia, Trustee.

BURLINGTON (VERMONT) GAS LIGHT COMPANY

(See also statement on page 1695)

Change in Control—It was announced May 23, 1928, that United Gas Improvement Company had sold its interest in this Company to Peoples Light & Power Corporation.

THE CONNECTICUT POWER COMPANY

(See also statement on page 244)

Capital Stock Changes—Subscription Privilege—Stockholders on May 8, 1928, ratified a change in the Common stock from 60,283 shares of $100 par value to 241,132 shares of $25 par value; the distribution of 4 new shares for each share held; and the creation and issuance of 120,000 additional $25 par value Common shares. Common stockholders of record May 8, 1928, have the right until Aug. 1, 1928, to subscribe to these additional Common shares at $25 a share in the ratio of one new share for each 5 shares held.

Proposed Acquisition of Union Electric Light & Power Co. (Conn.)—Directors of Connecticut Power Co. at special meeting May 21, 1928, voted to extend to all stockholders of the Union Light & Power Co. the privilege of exchanging their stock for stock of Connecticut Power Co. on the basis of 20 shares of Common and 5 shares of 6% Pfd. stock of Connecticut Power Co. for each 16 shares of Union Electric Light & Power Co. Directors of the latter Company on May 21, 1928, voted to submit the offer to their stockholders. A special meeting of the stockholders of the Connecticut company will be held in June, 1928, to authorize the issuance of the 6% Pfd., necessary for the exchange terms. The transaction fixes the valuation of the Union Company at about $1,750,000.

TEXAS CITIES GAS COMPANY

(See also statement on page 1489)

History Revised—Incorporated Dec. 10, 1927 in Texas as Galveston Gas Corp.; name subsequently changed to above. Acquired the properties formerly owned by El Paso Gas Co. and the gas manufacturing and gas distributing system in Waco, Paris and Brenham, Texas, formerly owned by Texas Power & Light Co. (see General Index).

TENTATIVE PRO FORMA BALANCE SHEET, JUNE 1, 1928
(After giving effect to new financing and acquisition of properties)

Assets—	
Fixed capital	$10,541,115
Stocks and bonds owned	3,100
Materials and supplies	128,757
Cash	206,629
Notes receivable	585
Accounts receivable	138,744
Other current assets	277
Prepayments	5,861
Deferred items	607,350
Allied corporations	1,092,919
Total	$12,725,337
Liabilities—	
Common stocks (200,000 no par value shares)	$2,000,000
Funded debt	7,900,000
Accounts payable	6,556
Interest accrued on consumers' deposits	13,807
Bad debts reserve	12,624
Other current liabilities	327
Reserve for taxes	8,900
Inventory adjustment	1,905
Deferred liabilities	92,577
Reserve for depreciation	1,374,923
Affiliated corporations	59,434
Corporate surplus	1,254,284
Total	$12,725,337

TEXAS-LOUISIANA POWER COMPANY

(See also statement on page 185)

Additional First Mortgage Bonds Offered—Emery, Peck & Rockwood Co., Chicago, etc., in May, 1928 offered a block of First Mortgage 20-Year 6% Gold bonds, Series "A," due Jan. 1, 1946, at 102 and interest, to yield over 5.81%. Upon completion of present financing, these bonds will be outstanding in amount of $7,250,000.

Additional Debentures Offered—Pynchon & Co., Howe, Snow & Co., Inc., New York; R. E. Wilsey & Co., Inc., and Troy & Co., Inc., Chicago, in May, 1928, offered $1,700,000 additional 15-year Sinking Fund 6% Gold debentures, Series "A," due March 1, 1942, at par and interest. Upon completion of present financing, these debentures will be outstanding in amount of $4,350,000.

Additional Pfd. Stock Offered—Pynchon & Co., Howe, Snow & Co., Inc., New York; R. E. Wilsey & Co., Inc., and Troy & Co., Inc., Chicago, in May, 1928, offered an additional $1,000,000 7% cumulative Pfd. stock, at 101 and dividend, to yield about 6.93%.

Purpose of Financing—Proceeds of financing in May, 1928, were used to reimburse Company's treasury in part on account of expenditures made for improvements and extensions to its properties, and for general corporate purposes, including acquisition of properties formerly owned and operated by **Texas-Gulf Power Co.** (see pge 2356).

Transfer Agents (Pfd.)—Guaranty Trust Co. of New York, N. Y., and Union Trust Co., Chicago.

Registrars (Pfd.)—Chase National Bank, New York, and Central Trust Co. of Illinois, Chicago.

CITIZENS WATER COMPANY OF SCOTTDALE, PA.

(See also statement on page 990)

New Control—This company is no longer controlled by The Pennsylvania RR. Co.

Pfd. Stock Capitalization—Authorized, $500,000; outstanding, $325,000.

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Revised)

Gross earnings	$81,151
Operating expenses, maintenance & taxes	31,660
Balance	$49,491

Officers: H. D. Boenning, Pres.; D. S. Blackman, V-P.; F. W. Buck, 2nd V-P. & Local Supt.; M. X. Wilberding, Sec. & Treas.; C. A. Blinston, Asst. Sec. & Asst. Treas.

Directors: H. D. Boenning, D. S. Blackman, Maurice W. Sloan, Philadelphia; F. R. Weller, Washington, D. C.; F. W. Buck, Scottdale, Pa.

General Office, 601 Mills Bldg., Washington, D. C. **Local Office**, Scottdale, Pa.

ELECTRIC POWER & LIGHT CORPORATION

(See also statement on page 1497)

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927
(Of Electric Power & Light Corp. and balance applicable to Company from operations of its subsidiaries)

Electric Power & Light Corp.:	
Gross earnings	$7,225,824
Expenses	695,801
Net earnings	$6,530,023
Interest	523,623
Net income	$6,006,400
Dividends:	
On Preferred stock	$3,242,318
On Second Preferred stock	774,837
Balance after dividends	$1,989,245
Subsidiary Companies:	
Undistributed income for year of sub. cos. before renewal and replacement (depreciation) appropriations	$6,012,760
Renewal and replacement (depreciation) appropriations	4,083,384
Proportionate deduction for minority Com. stocks	207,123
Balance from operations of sub. cos. applicable to Electric Power & Light Corporation	$1,722,253
Combined undistributed income	3,711,498

EASTERN UTILITIES ASSOCIATES

(See also statement on page 437)

CAPITAL STOCK

Authorized, 2,000,000 Common shares and 2,000,000 Convertible shares, both of no par value; outstanding May 17, 1928, 557,384 Common shares and 750,664 Convertible shares.

Transfer Agent—(Common shares): Boston Safe Deposit & Trust Co., Boston. (Convertible shares): American Trust Co., Boston.

Registrar (Common and Convertible shares)—Stone & Webster, Inc., Boston.

Annual Meeting—In April.

Listed (Common and Convertible shares)—New York Curb Market.

Dividends—Initial quarterly dividend of 50 cents a share was paid on Common shares May 15, 1928 to shares of record April 30, 1928; payments F, M, A & N 15.

CONSOLIDATED STATEMENT OF OPERATION, YEAR ENDED MARCH 31, 1928
(Blackstone Valley Gas and Electric Company, Edison Electric Illuminating Co. of Brockton, and The Electric Light and Power Co. of Abington & Rockland)

Gross earnings (after elimination of inter-co. sales)	$8,347,673
Operating expenses	*4,297,233
Maintenance	377,357
Taxes	684,009
Net earnings	$2,989,074
Int. on funds advanced to Montaup Electric Co.	52,397
Balance	$3,041,471
Int. and amortization charges B. V. G. & E. Co.	543,172
Int. charges E. E. I. Co. of Brockton	32,164
Int. chgs. E. L. & P. Co. of Abington & Rockland	8,640
Int. on bonds of Pawtucket Gas Co. of N. J.	56,000
Pfd. divd. Pawtucket Gas Co. of N. J.	49,500
Pfd. divd. B. V. G. & E. Co.	77,652
Balance for Eastern Utils. Assoc's. and deprec.	†$2,274,343

*Includes Montaup depreciation, $94,831. †Assuming ownership by Eastern Utilities Associates of all the Common stock of constituent companies.

BOISE VALLEY TRACTION COMPANY

(See also statement on page 1520)

New Control—The capital stock, formerly owned by Idaho Power Company, was sold subsequent to Dec. 31, 1927, to other interests.

CINCINNATI, HAMILTON AND DAYTON CORPORATION

(See also statement on page 644)

CONSOLIDATED BALANCE SHEET, DEC. 31, 1927
(Cincinnati, Hamilton and Dayton Corp. and Reorganization Managers)

Assets—	
Investments	$3,599,460
Cash	†10,075
Incorporation expense	16,093
Total	$3,625,628
Liabilities—	
*Common stock & surplus	$651,878
Prior Debenture bonds	2,125,000
Adjustment Income bonds	848,750
Total	$3,625,628

*Represented by 20,500 no par shares, of which 105 shares are held in treasury. †Includes the balance remaining in the hands of Reorganization Managers otherwise unappropriated, which upon completion of the work of the Managers is to be delivered to the Corporation for its general corporate purposes.

UNTERELBE POWER & LIGHT COMPANY

(See also statement on page 1884)

COMBINED EARNINGS, YEARS ENDED DEC. 31
(Unterelbe Power & Light Co. and Altona Gas & Water Co.)

	1927	1926
Gross earnings, including miscell. inc.	$3,825,662	$3,254,875
Operating expenses, including maint., taxes not based on profits, charges under the Dawes Plan, etc.	1,925,094	1,681,724
Net earnings available for interest, depreciation, royalties,* etc.	$1,900,568	$1,573,151

*The City has covenanted to subordinate royalty charges accruing to it for franchises held by the Company, to current interest and sinking fund charges on these bonds.

NOTE—All conversions from German to United States currency have been made at the rate of 4.2 Reichsmarks to the dollar.

FURTHER DESCRIPTION OF SINKING FUND MORTGAGE 6% BONDS, SERIES "A"

Issue of Additional Bonds—Bonds in addition to, and ranking equally with, the Series "A" bonds may be issued in series up to 60% of cost or fair value, whichever shall be less, of additional fixed assets to be mortgaged (other than fixed assets acquired with the proceeds of the Series "A" bonds), but only if average annual net earnings of the Company, available for interest, depreciation and royalties, for the two fiscal years immediately preceding such issue, shall have been at least 2½ times maximum annual interest and sinking fund charges in respect of all bonds to be outstanding under the Indenture after such issue and all other debt of the Company then to be outstanding and ranking equally with or prior to the Series "A" bonds, and only if such average annual net earnings shall have been at least 3 times maximum annual interest charges in respect of all such bonds and other debt, all as may be more fully stated and defined in the Indenture. Additional bonds may also be issued against the deposit of cash or for refunding purposes. Bonds of the several series may differ as to maturity dates, interest rates, redemption, sinking fund, and in such other respects as may be provided in the Indenture.

Callability—Series "A" 6s are subject to call as a whole or in part on any interest date on 60 days' notice at 100 and interest.

Security (Revised)—Series "A" bonds are secured by direct gold mark mortgages on substantially all of the Company's electric light and power properties, its gas generating plants and its water filtration, central pumping and supply plant. These mortgages will be first mortgages on such electric light and power properties and direct mortgages on the gas and water properties, subject to a repurchase right with respect to the water works property effective only if the property ceases to be used as a water works and to a prior lien in the maximum amount of $140,476. This lien secures a debt of the City of Altona which was not assumed by the Company when the Company acquired the property from the City, and the City has indemnified the Company against any liability for interest or principal thereon.

As the Company is municipally owned, it is not subject to a capital charge under the Dawes Plan, and its property is, therefore, free from the so-called Dawes Mortgage. However, in accordance with the laws of the German Reich, enacted to put the Dawes Plan into effect, the Company is obligated to make annual payments, which on the basis of present assessments, are estimated at about $50,000 per year.

Original Offering—First publicly offered the United States portion of $5,000,000 Series "A" 6s, in May, 1928 at 93 and interest to yield over 6.55%, by A. G. Becker & Co., and International Acceptance Bank, Inc., New York, etc.

Listed—Listed in Boston Stock Exchange and application will be made to list these Series "A" on New York Stock Exchange.

INDIANA HYDRO-ELECTRIC POWER COMPANY

(See also statement on page 1757)

NEW BOND ISSUE

$3,000,000 FIRST MORTGAGE 5% GOLD BONDS, SERIES A; DUE MAY 1, 1958

Dated May 1, 1928.

Interest Payable May and November 1, in New York or Chicago.

Denominations—Coupon, $100, $500 and $1,000; principal may be registered.

Trustees—Continental National Bank & Trust Co., Chicago and Wm. P. Kopf.

Provisions of Issue—Issued, Series "A," $3,000,000. Additional bonds of this or other series may be issued (a) for not exceeding 75% of the cost of additions and betterments and of the cost or value, whichever is less, of purchased property, provided the Mortgage shall be a first lien on such additions, betterments and/or purchased property, and provided the net earnings of the Company, as defined in the Mortgage, for

twelve consecutive months ending within sixty days next preceding the authentication of such bonds shall have been at least 1¾ times the annual interest requirements on all bonds outstanding under the Mortgage, including those to be issued, (less an amount of such bonds equal to any cash or United States Government obligations on deposit under the Mortgage) and (b) par for par against the deposit of cash or United States Government obligations or to refund bonds of other series.

Purpose of Issue—Proceeds were applied toward the retirement of all outstanding bonds of the Company, carrying higher interest coupons.

Callability—Subject to call in whole or in part at any time, on 30 days' notice, at 105 and interest, to and including, April 30, 1933; at 103 and interest, thereafter to and including April 30, 1938; at 102½ and interest, after April 30, 1938 to and including April 30, 1943; at 102 and interest, after April 30, 1943 to and including April 30, 1948; at 101 and interest, after April 30, 1948 to and including April 30, 1953; at 100½ and interest, after April 30, 1953 to and including April 30, 1957, and after April 30, 1957 at par and interest.

Security—Secured by a first mortgage on all permanent properties, rights and franchises of the Company) and Isham, Lincoln and Beale (for the Bank-acquired on account of which bonds are issuable under the Mortgage.

Tax Provisions—Company pays Normal Federal Income Tax up to 2%.

Legal Opinion—Ralph D. Stevenson (for the Company), and Isham, Lincoln and Beale (for the Bankers).

Original Offering—First publicly offered ($3,000,000) in May, 1928, at 99½ and interest by E. H. Rollins & Sons, Halsey, Stuart & Co., Inc., Howe, Snow & Co., Inc., New York, etc.

Power Contract—The Middle West Utilities Company has entered into a contract extending beyond the life of the above described bonds, to cause the output of the plants of the Company to be purchased at a price sufficient to pay all operating expenses, maintenance and taxes of the Company, and interest on the bonds.

INCOME ACCOUNT, YEARS ENDED MARCH 31

	1928	1927
Gross earnings (includ. other income)	$591,233	$490,322
Operating expenses, maint. and taxes	156,759	138,699
Net earnings before depreciation	$434,474	$351,623
Annual int. on $3,000,000 First Mortgage 5% Gold Bonds, Series "A"	150,000	

THE UNDERGROUND ELECTRIC RAILWAYS COMPANY OF LONDON, LTD.

(See also statement on page 887)

Bonds Called—All of the outstanding 4½% bonds, due Jan. 1, 1933, were called for redemption on Oct. 16, 1928, at par and interest at Westminster Bank, Ltd., London, in British Sterling; New York Trust Co. or Speyer & Co., New York, at the exchange of $4.86 2/3 per £; Lazard Speyer-Ellissen, Frankfort-on-Main, Germany, at the exchange of Marks 20.40 per £, or Associated Cassa, Amsterdam, at the exchange of florins, 12.12 per £.

To Issue Debenture Stock—Company proposes to issue immediately £4,000,000 5% new First Mortgage Debenture stock to pay off the 4½% bonds, called for redemption in Oct., 1928 and to repay loans amounting to £1,200,000.

TYROL HYDRO-ELECTRIC POWER COMPANY

(See also statement on page 37)

GENERAL BALANCE SHEET, DECEMBER 31

	1927	1926
Assets—	Schillings	Schillings
Real estate and buildings	227,447	209,272
Achensee power stations	52,285,536	30,658,604
Securities	21,100	11,790
Miscellaneous properties	56,678	.....
Inventories	209,982	52,616
Cash	1,572	5,967
Accounts receivable	1,386,221	617,696
Suspense	2,886,813	2,886,813
Other assets	49,995	.....
Total	57,125,344	34,442,758
Liabilities—		
Capital stock	3,000,000	3,000,000
Funded debt	42,456,000	21,267,754
Reserve funds	147,418	147,418
Loans payable	7,200,000	7,200,000
Creditors	1,563,115	561,330
Interest accrued	9,032	9,970
Suspense	2,046,813	2,046,813
Deferred liabilities	522,966	29,473
Interest on construction	180,000	180,000
Total	57,125,344	34,442,758

KANSAS CITY, LAWRENCE & TOPEKA ELECTRIC R.R.

(See also statement on page 1991)

Successor Company Formed—The Kansas City, Lawrence & Topeka Electric R.R. was closed down July 31, 1927, and did not operate until May 6, 1928, when it was reorganized as the Kansas City, Merriam & Shawnee Railroad with the following officers and directors:

Officers: M. A. Summerour, Chairman of Board; Herman Sonken, Pres.; W. K. Paul, V-P. & Gen. Mgr.; Fred. S. Jackson, V-P. & Gen. Counsel; L. G. Galamba, Sec.; R. H. Golyn, Asst. Sec.; F. P. Dickson, Treas.; J. W. Moore, Aud.

Directors: M. A. Summerour, Chairman; C. Neiman, Geo. McAnany, W. F. Blanton, Shawnee, Kansas; A. A. Sharum, H. J. Miller, A. M. Myers, W. K. Paul, Merriam, Kans.; John Sanders, South Park, Kans.; E. G. McDonald, Kinney Heights, Kans.; L. W. Wilson, Rosedale, Kans.; W. W. Gordon, Harry Darby, Kansas City, Kans.; F. P. Dickson, Herman Sonken, Herman Galamba, Louis G. Galamba, W. S. Barton, Kansas City, Mo.; A. E. Faulkner, Lincoln, Neb.; Gen. Fred. S. Jackson, James E. Smith, Topeka, Kans.

THE OHIO GAS, LIGHT & COKE COMPANY

(See also statement on page 2029)

INCOME ACCOUNT, YEAR ENDED DECEMBER 31, 1927 (REVISED)

Gross earnings	**$188,555**
Operating expenses, taxes, deprec. & amort.	141,371
Net earnings	$47,184
Bond interest	41,708
Note interest	18,848
Preferred dividends	9,250
Deficit for year	$22,622

FUNDED DEBT

$650,000 First Mortgage Gold 6s; dated June 1, 1927; due June 1, 1942. This is one bond of $650,000 held by Great Lakes Utilities Corporation, New York, and was issued to retire old bond issue and to purchase additional property. It is secured by a first mortgage on the entire property of Company.

All the Preferred stock formerly outstanding was called in July 1, 1927 and a dividend of 3½% for the 6 months was paid.

THREE AND ONE-HALF YEAR MATURITIES
OF
SECURITIES OF PUBLIC UTILITY COMPANIES

Covering period from July 1, 1928 to December 31, 1931,
Both Inclusive.

TABULATED SUMMARY

(The securities making up the totals shown below will be found on the pages following, arranged both chronologically and alphabetically)

	Total for Month
1928	
July	$11,440,708
August	41,687,590
September	8,045,000
October	10,875,709
November	18,011,250
December	13,277,900
Total	$103,338,058
1929	
January	$20,444,500
February	5,125,700
March	5,783,400
April	15,228,400
May	13,822,300
June	25,451,100
July	107,760,400
August	16,323,000
September	4,402,500
October	13,321,500
November	9,843,150
December	16,255,000
Total	$253,760,950
1930	
January	$13,761,700
February	19,403,500
March	15,478,500
April	6,829,900
May	11,355,300
June	20,768,500
July	47,579,200
August	16,987,500
September	4,103,400
October	5,088,500
November	48,328,000
December	13,456,100
Total	$223,140,100
1931	
January	$33,666,700
February	23,159,500
March	18,778,000
April	13,781,200
May	4,950,400
June	8,039,200
July	6,957,998
August	8,515,800
September	16,439,000
October	7,943,500
November	14,008,000
December	24,364,500
Total	$180,603,798

RECAPITULATION

*1928	$103,338,058
1929	253,760,950
1930	223,140,100
1931	180,603,798
Total	$760,842,906

*Six months only—July 1 to December 31

THREE AND ONE-HALF YEAR MATURITIES

CHRONOLOGICAL LIST OF MATURITIES IN DETAIL

Covering period from July 1, 1928 to December 31, 1931

JULY, 1928

35,000 American Electric Power Co.
Car Trust 6% Ctfs., Series "A" ..... July 1
8,500 Car Trust Equipment Co.
6% Pfd. Stock (dated July 1, 1918) ..... July 1
50,000 Chicago North Shore and Milwaukee RR.
Equip. 6% Gold Ctfs., Series "C-1" ..... July 1
2,684,208 Chicago North Shore and Milwaukee RR.
5-Yr. Unsecured Non-Interest Bearing Notes ..... July 1
106,000 Chicago South Shore & South Bend RR.
4½% Car Trust Equip. Notes ..... July 1
72,500 Cincinnati Traction Co.
6% Equip. Tr. Ctfs., Series "H1" ..... July 1
37,500 Connecticut Co.
Equip. Tr. 6% Gold Notes, Series "F" ..... July 1
1,500,000 Crew Levick Co.
3-Yr. 6% Gold Notes ..... July 1
50,000 Detroit Motorbus Co.
6% Equip. Trust Gold Ctfs. ..... July 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... July 1
25,000 El Dorado Gas Co.
First Mortgage Gold 8s ..... July 1
..... Illinois Gas Co.
First Mtge. Gold 6s ..... July 1
..... Indiana Service Corp.
Equip. Trust Ctfs., Series "E" ..... July 1
49,000 Inter-Mountain Water and Power Co.
First Mtge. 7% Serial Gold 7s ..... July 1
10,000 Janesville Electric Co.
First & Refdg. (now First) Gold 5s ..... July 1
500,000 Lake Ontario Power Corp.
One-Year 6% Gold Notes, ... July 1
1,598,000 Lake Street Elevated RR. (Chicago & Oak Park Elevated RR.)
First Mortgage 5s ..... July 1
11,000 Louisville Ry.
Car Trust 6% Ctfs., Series "B" ..... July 1
..... Marion & Bluffton Traction Co.
7% Equip. Gold Notes ..... July 1
100,000 Michoacan Power Co.
First Mtge. Gold 6s ..... July 1
2,998,000 North Hudson County Ry.
Consolidated (now First) Mtge. 5s ..... July 1
242,000 Pittsfield Electric St. Ry.
First 7s (formerly 4s; extended) ..... July 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... July 1
£125,000 San Paulo Gas Co., Ltd.
5% Debentures ..... July 1
10,000 Santa Barbara Gas & Electric Co.
First Mtge. Serial & Skg. Fund Gold 5s ..... July 1
25,000 Shreveport Railways
First Mtge. Serial 5s ..... July 1
600,000 Standard Telephone Co. of Illinois
5% Gold Notes ..... July 1
..... United Gas & Electric Co. (Ill.)
First Mtge. Gold 5s ..... July 1
4,000 Vicksburg Gas Co.
First Mtge. Serial 6s ..... July 1
7,500 Whittier Water Co.
First Serial Gold 6s ..... July 1
40,000 Wilkes-Barre & Suburban St. Ry.
4% Bonds (extended at 5%) ..... July 1
18,000 Winona Service Co.
First Mortgage 6s ..... July 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... July 2
1,500 Dewey Gas Co.
First 7s ..... July 15
29,000 Empire Tank Line Co.
6% Equip. Trust Notes, Series of 1924 ..... July 15

AUGUST, 1928

12,000 American Railways
Car Trust 5% Ctfs., Series "C" ..... Aug. 1
25,000 Chicago North Shore and Milwaukee RR.
6% Equipment Notes ..... Aug. 1
110,000 Chicago Rapid Transit Co.
5% Equip. Tr. Ctfs., Series "B" ..... Aug. 1
4,000,000 Eastern Texas Electric Co. (Delaware)
3-Yr. 5% Notes ..... Aug. 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... Aug. 1
50,000 Graham (John)
Real Estate Mtge. 5s (extended) ..... Aug. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "C" ..... Aug. 1
2,000,000 Kinloch Telephone Co.
First Gold 6s ..... Aug. 1
7,000 Miami County Gas Co.
Gold 6s ..... Aug. 1
237,500 Philadelphia Rapid Transit Co.
Equip. Tr. 5½% Ctfs., Series "G" ..... Aug. 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... Aug. 1
65,000 Public Service Electric Co.
Equip. Tr. Series "A" 8% Ctfs. ..... Aug. 1
42,000 Public Service Ry.
Series "E" Equip. Tr. 7¼% Ctfs. ..... Aug. 1
750,000 Standard Telephone Co. (Ill.)
1-Year 5% Gold Notes ..... Aug. 1
24,000,000 Tokyo Electric Light Co., Ltd.
3-Yr. 6% Gold Notes ..... Aug. 1
86,000 Washington Water, Light & Power Co.
First Mtge. 5s ..... Aug. 1
40,000 Wilkes-Barre & Kingston Passenger Ry.
First 5s (extended) ..... Aug. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Aug. 2
9,000 Chippewa Valley Construction Co.
Mortgage Notes ..... Aug. 9
5,000,000 Minneapolis St. Ry.
First Mtge. Collateral 5½% Notes ..... Aug. 15
5,000,000 Minneapolis St. Ry. and Minneapolis, Lyndale & Minnetonka Ry.
Joint First Consol. (extended Gold 5½s) ..... Aug. 15
100,000 Minnesota Southern Telephone Co.
One-Year 5½% Gold Notes ..... Aug. 15
150,000 Philadelphia Rapid Transit Co.
Equip. Tr. 6% Ctfs., Series "F" ..... Aug. 15

SEPTEMBER, 1928

50,000 Boston & Revere Electric St. Ry.
Gold 5s ..... Sept. 1
24,000 Chicago, Aurora & Elgin RR.
6% Car Trust Ctfs., Series of 1922 ..... Sept. 1
170,000 Chicago Rapid Transit Co.
6% Equip. Tr. Gold Ctfs., Series C-1 ..... Sept. 1
336,000 Citizens' Gas Co. of Hannibal
First Gold 5s ..... Sept. 1
60,000 Denver Tramway Terminals Co.
First Serial Gold 5s ..... Sept. 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... Sept. 1
35,000 Haverhill, Georgetown & Danvers St. Ry.
First Gold 6s (extended) ..... Sept. 1
18,000 Indianapolis St. Ry.
Sub-stations First & Gen. Lien Equip. Trust Class "A" 6% Notes ..... Sept. 1
100,000 Iowa Southern Utilities Co.
6% Gold Notes ..... Sept. 1
150,000 Lone Star State Power Co.
First Mtge. Gold 6s ..... Sept. 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... Sept. 1
150,000 Providence & Taunton St. Ry.
First Gold 6s (extended) ..... Sept. 1
1,150,000 Southwest Missouri Electric Ry.
Refdg. & Extension Gold 5s (now 6s) (extended) .... Sept. 1
25,000 Springfield (O.) Ry.
First Gold 5s ..... Sept. 1
4,873,000 United Light & Power Co.
5½% Gold Notes ..... Sept. 1
400,000 Webster & Southbridge Gas & Electric Co.
4½% Coupon Notes ..... Sept. 1
350,000 West Boston Gas Co.
4½% Gold Notes ..... Sept. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Sept. 2
150,000 Wilkes-Barre, Dallas & Harvey's Lake Ry.
First Gold 5s ..... Sept. 15

OCTOBER, 1928

5,500 Car Trust Equipment Co.
6% Pfd. Stock (Dated Oct. 1, 1919) ..... Oct. 1
22,500 Cincinnati, Hamilton & Dayton Ry. Co.
5½% Equip. Trust Gold Ctfs., Series "A" ..... Oct. 1

50,000 Cincinnati Traction Co.
6% Equip. Trust Ctfs., Series "G" ..... Oct. 1
9,000 Connecticut Co.
Equip. Tr. 5% Gold Notes, Series "E" ..... Oct 1
13,000 East Wenatchee Domestic Water Assn.
First Mtge. & Coll. 7s ..... Oct. 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... Oct. 1
8,000 Kentucky Traction & Terminal Co.
6% Equip. Tr. Gold Ctfs., Series "A" ..... Oct. 1
10,000 Lehigh Traction Co.
5½% Equip. Tr. Ctfs. ..... Oct. 1
125,000 Lewiston Connecting Bridge & Queenston Heights Bridge Co.
First Mtge. Gold 5s ..... Oct. 1
..... Lexington Hydraulic & Manufacturing Co.
First Gold 5s ..... Oct. 1
10,000,000 Minneapolis St. Ry. & St. Paul City Ry.
Joint Consolidated Gold 5s ..... Oct. 1
56,000 Nevada County Electric Power Co.
First Mtge. Gold 6s ..... Oct. 1
10,000 Pan Handle Traction Co.
6% Equip. Trust of 1919 ..... Oct. 1
14,700 Pen Argyl Gas Co.
General Mtge. Gold 6s ..... Oct. 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... Oct. 1
250,000 Queens Borough Electric Light & Power Co.
First Mtge. Gold 5s ..... Oct. 1
20,000 St. Louis, Troy & Eastern RR.
6% Equip. Trust Ctfs. ..... Oct. 1
150,000 Salt Lake & Utah RR.
5-Yr. 7% Secured Conv. Notes ..... Oct. 1
..... San Diego Electric Ry.
6% Guar. Equip. Tr. Ctfs., Series "A" ..... Oct. 1
..... San Gorgonio Power Co.
First Serial Gold 7s ..... Oct. 1
20,000 Trenton Passenger Ry.
First Mortgage Gold 6s ..... Oct. 1
12,000 Wheeling Traction Co.
6% First Equip. Trust, Series "H" ..... Oct. 1
27,000 Yuba Power Co.
First Mtge. (Closed) Series Gold 6s ..... Oct. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Oct. 2
29,000 Philadelphia Rapid Transit Co.
Equip. Trust 6% Ctfs., Series "E" ..... Oct. 14
30,000 Empire Tank Line Co.
6% Equip. Trust Notes, Series of 1924 ..... Oct. 15
10,000 Indianapolis Car Equipment Co.
6% First Preferred Stock ..... Oct. 15

NOVEMBER, 1928

300,000 Chicago Motor Coach Co.
6% Equip. Trust Ctfs., Series "A" ..... Nov. 1
2,500,000 Columbus Electric & Power Co.
3-Yr. 5% Gold Notes ..... Nov. 1
17,000 Consolidated Traction Co.
Car Trust Gold 5s, Series "E" ..... Nov. 1
139,000 Council Bluffs Gas & Electric Co.
First 5s ..... Nov. 1
750,000 Dayton, Springfield & Urbana Ry.
First Mortgage 5s ..... Nov. 1
75,000 Detroit United Ry.
General Equip. Tr. 6s, Series "A" ..... Nov. 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs ..... Nov. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "D" ..... Nov. 1
570,000 Interborough Rapid Transit Co.
Interborough 6% Equip. Tr. Ctfs., Series "C" ..... Nov. 1
1,500,000 Midland Utilities Co.
5% Serial Gold Notes ..... Nov. 1
..... National Light, Heat & Power Co.
Coll. Trust Series "A" 5s ..... Nov. 1
7,500 Nowata County Gas Co.
Gold 6s ..... Nov. 1
3,250 Parsons Gas Co.
Gold 6s ..... Nov. 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... Nov. 1
20,000 Public Service Ry.
Equip. Tr. Series "F" 6% Ctfs. ..... Nov. 1
2,000,000 Southern Cities Utilities Corp.
Guar. First Lien Coll. Trust 1-yr. 5% Gold Notes... Nov. 1
125,000 United Power & Light Corp.
6½% Deb. Gold Notes ..... Nov. 1
10,000,000 The Edison Electric Illuminating Co. of Boston
One-Year 4% Notes ..... Nov. 2
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Nov. 2
500 Normal City, Ind., Water Works
Serial 5s ..... Nov. 15

DECEMBER, 1928

150,000 Baker County Power Co.
One-Year 5% Gold Notes ..... Dec. 1
1,160,000 Buffalo & Lackawanna Traction Co.
First Gold 5s ..... Dec. 1
110,000 City of Detroit Dept. of Street Railways
Additions & Betterments 4½% Bonds..... Dec. 1
500,000 Commonwealth Public Service Co.
One-Year Coll. Trust 5% Gold Notes Series "A"... Dec. 1
930,000 Detroit & Suburban Gas Co.
General Mortgage 5s ..... Dec. 1
500,000 Detroit United Ry.
6% Obligations ..... Dec. 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... Dec. 1
92,900 Evansville & Ohio Valley Ry.
6% Collateral Trust Coupon Notes ..... Dec. 1
95,000 Gary Rys.
5½% Equip. Trust Gold Ctfs., Series "A" ..... Dec. 1
250,000 Guthrie Gas Light, Fuel & Improvement Co.
First Mortgage Gold 6s..... Dec. 1
12,500 Indiana Service Corp.
Car Trust, Series "B"..... Dec. 1
18,000 Indianapolis Street Ry.
Sub-stations First & Gen. Lien Equipt. Trust Class "A" 6% Notes ..... Dec. 1
27,500 Kittanning & Ford City St. Ry.
First Gold 6s, ... Dec. 1
35,000 Memphis Street Ry.
Equip. Trust Gold 6s, Series of 1923 ..... Dec. 1
130,000 Mystic Valley Water Co.
First 5s ..... Dec. 1
1,747,000 Northwestern Gas Light & Coke Co
Gold 5s ..... Dec. 1
3,000,000 Peoples Gas Light & Coke Co.
4¼% Gold Notes ..... Dec. 1
190,000 Philadelphia Rapid Transit Co.
5% Equipment Trust Ctfs. ..... Dec. 1
1,000 Plant City Public Service Co.
First Mortgage Bonds..... Dec. 1
550,000 Standard Telephone Co. (Del.)
One-Year 5% Gold Notes ..... Dec. 1
200,000 Uncas Power Co.
First Gold 5s, ... Dec. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Dec. 2
10,000 Buffalo & Erie Ry.
6% Equip. Tr. Gold Ctfs., Series "A"..... Dec. 15
45,000 Connecticut Co.
6% Equipment Tr. Gold Notes, Series "G"..... Dec. 15
270,000 Philadelphia Rapid Transit Co.
5½% Equip. Tr. Ctfs., Series "H" ..... Dec. 15
220,000 Hamilton Street Ry.
First Currency 4½s ..... Dec. 22
2,950,000 Broad River Power Co.
2-Yr. 4% Notes ..... Dec. 31
65,000 Chicago North Shore & Milwaukee RR.
Equip. 4½%, 5% and 5½% Gold Notes, Series "E-1" Dec. 31
16,000 Chicago North Shore & Milwaukee RR.
Equip. 5½% Gold Notes Series "E-2" ..... Dec. 31

JANUARY, 1929

24,000 Annapolis Short Line RR.
7% Car Trust Bonds ..... Jan. 1
6,000 Beaver Valley Traction Co.
5% Car Trusts ..... Jan. 1
93,000 Boston, Milton & Brockton St. Ry.
First 5s (extended) ..... Jan. 1
25,000 Bradford Electric Light Co., Inc.
First Mtge. 6s ..... Jan. 1
1,400,000 Central Illinois Public Service Co.
Serial 4½% Gold Notes ..... Jan. 1
..... Centralia Light & Power Co.
First (Closed) Mtge. Serial Gold 6s ..... Jan. 1
7,500 Citizens Land & Water Co. of Bloomington (Cal.) Jan. 1
4,000,000 Cohoes Power and Light Corp.
First Mtge. Gold 6s ..... Jan. 1
3,000 Commonwealth Telephone Co.
First Mtge. Gold 6s..... Jan. 1
8,000 Cucamonga Water Co.
First Serial 6s ..... Jan. 1
50,000 Detroit Motorbus Co.
6% Equip. Tr. Gold Ctfs. ..... Jan. 1
300,000 Eastern Massachusetts St. Ry.
Refdg. Mtge. One-Ten Yr. Serial 6s, Series "SA"..... Jan. 1
107,500 Eastern Massachusetts St. Ry.
Refdg. Mtge. Serial 6s, Series "SC" ..... Jan. 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... Jan. 1
10,000 Escanaba Traction Co.
First Mtge. Gold 5s ..... Jan. 1
49,000 Feather River Power Co.
First Serial 6s ..... Jan. 1
12,500 Flambeau Power Co.
First Serial 6s, Series "A" ..... Jan. 1
18,000 Fontana Union Water Co.
First Serial Gold 6s ..... Jan. 1
..... Indiana Service Corp.
Equip. Trust Ctfs. Series "E" ..... Jan. 1
450,000 Interborough Rapid Transit Co.
Interborough 6½% Equip. Tr. Ctfs., Series "B" ..... Jan. 1
2,549,000 Kinloch Long Distance Telephone Co. of Missouri
First Gold 5s ..... Jan. 1

50,000 Light, Heat & Power Corp.
5% 30-Yr. Coupon Notes ..... Jan. 1
100,000 Louisiana Ice & Utilities, Inc.
6% Serial Gold Notes ..... Jan. 1
12,000 Louisville Ry.
Car Trust 6% Ctfs., Series "B" ..... Jan. 1
42,500 Macon Electric Light & Ry. Co.
First Gold 6s ..... Jan. 1
..... Marion & Bluffton Traction Co.
7% Equip. Gold Notes ..... Jan. 1
2,985,000 Massachusetts Gas Companies
20-Yr. Sinking Fund Gold 4½s ..... Jan. 1
30,000 Mississippi Valley Utilities Corp.
First Serial Gold 6½s, Series "A," ..... Jan. 1
60,000 Mystic Valley St. Ry.
First Gold 6s (extended) ..... Jan. 1
324,000 New Bedford, Middleboro & Brockton St. Ry.
First Gold 5s (extended) ..... Jan. 1
40,000 Northern New York Power Corp.
First Serial 6s ..... Jan. 1
350,000 Northwestern Public Utilities Inc.
One-Year 5% Gold Notes, Series "A" ..... Jan. 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... Jan. 1
2,000 Princeton Water Co.
First Gold 5s ..... Jan. 1
2,753,200 Public Utilities Co.
First & Refdg. Gold 6s ..... Jan. 1
54,500 San Francisco-Sacramento RR.
First Mtge. Serial 6s ..... Jan. 1
..... South San Joaquin Irrigation District
Gold 5s ..... Jan. 1
1,400,000 Southside Virginia Power Co.
First Gold Bonds, Series "B" ..... Jan 1
94,200 Southern Cambria Ry.
Income 5s ..... Jan. 1
15,000 Sweetwater Water Corp.
First Serial 6s ..... Jan. 1
500,000 Washington Gas & Electric Co.
One-Year 5% Gold Notes ..... Jan. 1
41,600 Whittier Home Telephone & Telegraph Co.
First 5s ..... Jan. 1
2,040,000 Edison Electric Co. of New Orleans
First Mtge. Gold 5s ..... Jan. 2
26,500 Southern Pennsylvania Traction Co.
5% Car Trust Ctfs. ..... Jan. 2
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Jan. 2
1,000 Dewey Gas Co.
Second 7s ..... Jan. 10
375,000 Brooklyn City RR.
Equip. Tr. 5% Gold Ctfs., Series "A" ..... Jan. 15
1,500 Dewey Gas Co.
First 7s ..... Jan. 15
30,000 Empire Tank Line Co.
6% Equip. Trust Notes, Series of 1924 ..... Jan. 15

FEBRUARY, 1929

2,000,000 Berlin City Electric Co.
6½% Notes ..... Feb. 1
25,000 Chicago North Shore and Milwaukee RR.
6% Equipment Notes ..... Feb. 1
110,000 Chicago Rapid Transit Co.
5% Equip. Tr. Ctfs., Series "B" ..... Feb. 1
252,200 Detroit Edison Co.
10-Yr. 7% Conv. Debentures ..... Feb. 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... Feb. 1
..... Fontana Power Co.
First Serial Gold 6s ..... Feb. 1
..... Indiana Service Corp.
6% Car Trust Ctfs. Series "C" ..... Feb. 1
33,000 Louisville Ry.
Equip. Tr. 6% Ctfs., Series "A" ..... Feb. 1
200,000 Mid-Continent Utilities Corp.
One-Year 5% Gold Notes ..... Feb. 1
237,500 Philadelphia Rapid Transit Co.
Equip. Tr. 5½% Ctfs., Series "G" ..... Feb. 1
200,000 Pittsburgh Railways
Car Trust 6s ..... Feb. 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... Feb. 1
65,000 Public Service Electric Co.
Equip. Tr. Series 'A" 8% Ctfs. ..... Feb. 1
42,000 Public Service Ry.
Series "E" Equip. Tr. 7¼% Ctfs. ..... Feb. 1
331,000 South Shore & Boston St. Ry.
First Gold 5s (extended) ..... Feb. 1
377,000 Springfield Light, Heat & Power Co.
First (Closed) Mtge. 5s ..... Feb. 1
500,000 Standard Public Service Corp.
One-Year 5% Gold Notes ..... Feb. 1
20,000 Tulsa Street Ry.
First Gold 6s ..... Feb. 1
150,000 Philadelphia Rapid Transit Co.
Equip. Tr. 6% Ctfs., Series "F" ..... Feb. 15
170,000 Philadelphia Rapid Transit Co.
Equip. Tr. 5% Ctfs. Series "J" ..... Feb. 15
400,000 Three States Telephone Co.
One-Year 5% Gold Notes ..... Feb. 15
9,000 Philadelphia Rapid Transit Co.
Equip Tr. 6% Ctfs. Series "D" ..... Feb. 28

MARCH, 1929

23,000 Chicago, Aurora & Elgin RR.
6% Car Trust Ctfs., Series of 1922 ..... March 1
20,000 City of Ozark
6% Funding Floating Bonds ..... March 1
290,000 Cities Service Tank Line Co.
5% Equip. Trust Gold Ctfs. ..... March 1
1,400,000 Community Telephone Co.
One-Year 5% Gold Notes ..... March 1
21,000 East Taunton St. Ry.
First Mortgage 6s (extended) ..... March 1
3,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... March 1
75,000 Gary Heat, Light & Water Co.
First Gold 5s ..... March 1
18,000 Indianapolis St. Ry.
Sub-stations First & Gen. Lien Equip. Trust Class
"A" 6% Notes ..... March 1
35,000 Iowa Southern Utilities Co.
6% Gold Notes ..... March 1
688,400 Johnstown Water Co.
Gold 5s ..... March 1
350,000 Lincoln Power Co.
One-Year 5% Mtge. Gold Notes ..... March 1
478,000 Norfolk & Atlantic Terminal Co.
First Gold 5s ..... March 1
126,000 People's Light Co. of Pittston
First 5s ..... March 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... March 1
80,000 St. Johnsbury Electric Co.
First 5s ..... March 1
..... Shinnston Power & Light Co.
First Mtge. 7s ..... March 1
15,000 Titusville Electric Light & Power Co.
First 4s ..... March 1
10,000 Union Public Service Co.
First Gold 6s, Series "A" ..... March 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... March 2
..... Elkader Light & Power Co.
First Mtge. 6s ..... March 15
500,000 Middle States Power Co.
1-Yr. 5% Secured Gold Notes ..... March 15
1,500,000 Southern States Utilities Co.
1-Yr. 5% Gold Notes ..... March 15
150,000 West Penn Power Co.
Contractual Obligation to U. S. Govt. ..... March 31

APRIL, 1929

5,500 Car Trust Equipment Co.
6% Pfd. stock (dated Oct. 1, 1919) ..... April 1
50,000 Charleston-Dunbar Natural Gas Co.
First Gold 6s ..... April 1
46,000 Chicago Aurora & Elgin RR.
Equip. Trust Gold Ctfs., Series "B" ..... April 1
46,400 Chicago North Shore and Milwaukee RR.
6% Equip. Tr. Gold Ctfs., Series "D-1" ..... April 1
..... Chicago, North Shore & Milwaukee RR.
6% Equip. Tr. Gold Ctfs., Series "D-2" ..... April 1
22,500 Cincinnati, Hamilton & Dayton Ry. Co.
5½% Equip. Trust Gold Ctfs., Series "A" ..... April 1
50,000 Cincinnati Traction Co.
6% Equip. Trust Gold Notes, Series "G1" ..... April 1
8,000 Connecticut Co.
Equip. Trust 5% Gold Notes, Series "E" ..... April 1
10,000 Dayton & Western Traction Co.
6% Car Trust Ctfs., ... April 1
130,000 Dominion Power & Transmission Co., Ltd.
First Mtge. Gold 5s ..... April 1
1,000 Edison Sault Electric Co.
6% Non-Mortgage Serial Debs. ..... April 1
20,000 Gas Light Co. of Augusta
First Mtge. Gold 5s ..... April 1
325,000 Greensboro Gas Corp.
Coll. Trust 6% Serial Gold notes ..... April 1
2,500,000 Houston Gulf Gas Co.
6% Secured Gold Notes ..... April 1
8,000 Kentucky Traction & Terminal Co.
6% Equip. Tr. Gold Ctfs., Series "A" ..... April 1
175,000 Key System Transit Co.
5½% Equip. Trust Ctfs. ..... April 1
15,500 Lee Electric Co.
First 5s ..... April 1
10,000 Lehigh Traction Co.
5½% Equip. Tr. Ctfs. ..... April 1
200,000 Marshall Gas Co.
First Gold 5s ..... April 1
1,800,000 Montana-Dakota Power Co.
First Mtge. 5½% Gold Bonds, Series of 1927 ..... April 1
125,000 Monterey Light & Power Co.
First Gold 6s ..... April 1

76,000 New London Gas & Electric Co.
Second Gold 5s ..... April 1
2,455,000 Northern Indiana Gas & Electric Co.
First Refdg. Mtge. Gold 5s ..... April 1
750,000 Southern United Gas Co.
2-Yr. 5½% Gold Notes ..... April 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... April 1
599,000 Public Works Co.
First Mortgage Gold 5s ..... April 1
10,000 St. Cloud Water Power Co.
First Serial Gold 6s ..... April 1
20,000 St. Louis, Troy & Eastern RR.
6% Equip. Trust Ctfs. ..... April 1
2,000 Star Telephone Co.
First 6s ..... April 1
1,236,000 Tacoma Railway & Power Co.
First Mtge. Gold 5s ..... April 1
10,500 Tri-City Gas Co.
Gold 6s ..... April 1
1,550,000 United Public Service Co.
2-Yr. 6% Gold notes ..... April 1
1,850,000 United Public Utilities Co.
2-yr. 5½% Gold Notes ..... April 1
25,000 Webster Electric Co.
First 5s ..... April 1
13,000 Wheeling Traction Co.
6% First Equip. Trust, Series "I" ..... April 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... April 2
2,000 Chasm Power Co.
First Gold 5s ..... April 15
31,000 Empire Tank Line Co.
6% Equip. Trust Notes, Series of 1924 ..... April 15
10,000 Indianapolis Car Equipment Co.
6% First Preferred Stock ..... April 15
960,000 Pennsylvania Water Co.
Second (now First) 5s ..... April 15
80,000 Pittsburgh Railways
Car Trust Gold 6s (dated Apr. 15, 1925) ..... April 15

MAY, 1929

150,000 Bethlehem & Nazareth Passenger Ry.
First Gold 5s ..... May 1
650,000 Commonwealth Telephone Co.
Collateral 5% Notes ..... May 1
1,000,000 Consolidated Water Supply Co.
First Gold 5s ..... May 1
75,000 Detroit United Ry.
General Equip. Tr. 6s, Series "A" ..... May 1
1,250,000 Equitable Gas Light Co.
First Mtge. Gold 5s ..... May 1
100,000 Great Lakes Power Co., Ltd.
First Serial 6s ..... May 1
250,000 Hudson River Gas & Electric Co.
First 5s ..... May 1
22,000 Mahoning Valley Water Co.
First Mtge. Gold 6s ..... May 1
328,000 Marion City Ry.
First Gold 6s (extended) ..... May 1
35,000 Miami City Power & Water Co.
First Mtge. Serial 7s ..... May 1
5,000,000 Milwaukee Light, Heat & Traction Co.
First Gold 5s ..... May 1
..... Mississippi Valley Power Co.
6% Gold Notes Series "A" ..... May 1
3,000 Parsons Gas Co.
Gold 6s ..... May 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... May 1
20,000 Public Service Ry.
Equip. Tr. Series "F" 6% Ctfs. ..... May 1
117,300 Sacramento Valley Power Co.
First Mtge. Gold 6s ..... May 1
37,000 Sandusky Gas & Electric Co.
First Gold 5s ..... May 1
75,000 Somerset Traction Co.
First 5s ..... May 1
150,000 Spring Valley Water Co.
5% Coll. Trust Serial Gold Notes ..... May 1
4,428,000 United Electric Light & Power Co.
First Consolidated (Closed) Mtge. Gold 4½s ..... May 1
125,000 United Power & Light Corp.
6½% Deb. Gold Notes ..... May 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... May 2
6,000 Emporia Telephone Co. (The)
First Serial 6s ..... May 15

JUNE, 1929

6,000 Banning Water Co.
First Mtge. Serial Gold 6s ..... June 1
25,000 Butte Electric & Power Co.
(Closed mortgage) First Gold 5s ..... June 1
133,000 City of Detroit Dept. of Street Rys.
4¼% Purchase Bonds ..... June 1
50,000 City of Detriot Dept. of Street Rys.
Additions & Betterments 4½% Bonds ..... June 1
2,000,000 Columbus Electric & Power Co.
3-Yr. 5% Gold Notes ..... June 1
500,000 Detroit United Ry.
6% Obligation ..... June 1
250,000 East Side Traction Co.
First Gold 5s ..... June 1
6,000,000 Empire Gas & Fuel Co. (Del.)
5% Serial Gold Notes ..... June 1
1,500,000 Georgia-Carolina Electric Co.
First Mtge. 6% Gold Notes ..... June 1
12,500 Indiana Service Corp.
Car Trust, Series "B" ..... June 1
18,000 Indianapolis St. Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A" 6% Notes ..... June 1
75,000 Las Vegas Transit Co.
First 5s ..... June 1
40,000 Milford Electric Light & Power Co.
First Gold 5s ..... June 1
60,000 Municipal Gas Co. (of Texas)
6% Serial Debenture Gold Notes ..... June 1
..... Peninsular Power Co.
8% Serial Gold Notes, Series "A" ..... June 1
25,000 Pennamaquan Power Co.
First Mtge. Gold 6s ..... June 1
1,000 Plant City Public Service Co.
First Mortgage Bonds ..... June 1
1,700,000 Potomac Electric Power Co.
First Gold 5s ..... June 1
6,000,000 Sao Paulo Tramway, Light & Power Co., Ltd.
First Mtge. Debenture 5s ..... June 1
1,700,000 Savannah Electric & Power Co.
3-Yr. 5% Gold Coupon Notes ..... June 1
3,524,100 Shaffer Oil & Refining Co.
First Mtge. Conv. Sinking Fund 6s ..... June 1
1,084,800 Trumbull Public Service Co.
First Sinking Fund Gold 6s ..... June 1
..... Twin City Motor Bus Co.
First Real Estate Mtge. 5% Note ..... June 1
123,700 United Telephone Co. of Ottawa, Ill.
First Mtge. Gold 6s ..... June 1
400,000 West Virginia Light, Heat & Power Co.
First Gold 6s ..... June 1
168,000 Yuba Electric Power Co.
First Mtge. Gold 6s ..... June 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... June 2
10,000 Buffalo & Erie Ry.
6% Equip. Tr. Gold Ctfs., Series "A" ..... June 15
45,000 Connecticut Co.
6% Equip. Tr. Gold Notes, Series "G" ..... June 15
..... Mt. Carmel Light & Water Co.
First 5s ..... June 15

JULY, 1929

35,000 American Electric Power Co.
Car Trust 6% Ctfs., Series "A" ..... July 1
78,000,000 American Telephone & Telegraph Co.
Collateral Trust Gold 4s ..... July 1
81,500 Aroostook Valley RR.
Debenture 6s ..... July 1
87,400 Ashland Gas & Electric Light Co.
First Mtge. Gold 5s ..... July 1
325,500 Central Traction Co.
First 5s ..... July 1
277,000 Charlotte Electric Ry., Light & Power Co.
First (closed) Mtge. Gold 5s ..... July 1
1,126,000 Chesapeake & Potomac Telephone Co.
Consolidated Mtge. Gold 5s ..... July 1
50,000 Chicago, North Shore & Milwaukee RR.
Equip. 6% Gold Ctfs., Series "C-1" ..... July 1
106,000 Chicago, South Shore & South Bend RR.
5% Car Trust Equip. Notes ..... July 1
72,500 Cincinnati Traction Co.
6% Equip. Trust Gold Ctfs., Series "H1" ..... July 1
100,000 Conshohocken Gas & Water Co.
First Gold 4s ..... July 1
50,000 Detroit Motorbus Co.
6% Equip. Tr. Gold Ctfs. ..... July 1
8,472,000 Detroit United Ry.
First Mtge. & Coll Trust Skg. Fund 5-Yr. 6s ..... July 1
250,000 Dixie Power Co.
First Mtge. 6s ..... July 1
25,000 El Dorado Gas Co.
First Mtge. Gold 8s ..... July 1
353,000 Erie Traction Co.
First Mtge. Gold 5s ..... July 1
179,000 Frederick Gas & Electric Co.
First Mtge. Gold 5s ..... July 1
50,000 Frostburg Illuminating & Manufacturing Co.
First Mtge. Gold 5s ..... July 1
..... Illinois Gas Co.
First Mtge. Gold 6s ..... July 1
..... Indiana Service Corp.
Equip. Trust Ctfs. Series "E" ..... July 1

50,000 Inter-Mountain Water & Power Co.
First Mtge. Serial 6½s ..... July 1
10,000 Janesville Electric Co.
First & Refunding (now First) Gold 5s ..... July 1
220,000 La Crosse City Ry.
First (closed) Mtge. Gold 5s ..... July 1
500,000 Lebanon Valley St. Ry.
First Gold 5s ..... July 1
89,500 Lewistown & Reedville Electric Ry.
First Mtge. Gold 5s (now 6s) (extended) ..... July 1
11,000 Louisville Ry.
Car Trust 6% Gold Ctfs., Series "B" ..... July 1
..... Marion & Bluffton Traction Co.
7% Equip. Gold Notes ..... July 1
300,000 Merchants' Electric Light & Power Co., Ltd.
First (closed) Mtge. Gold 5s ..... July 1
100,000 Michoacan Power Co.
First Mtge. Gold 6s ..... July 1
15,000 Mississippi Valley Utilities Corp.
First Serial Gold 6½s, Series "B" ..... July 1
3,000,000 Northern Electric Co. (Wis.)
1st Mtge. 3-Yr. 6% Gold Bonds ..... July 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... July 1
5,000 Plymouth Fruit & Electric Co.
First Mtge. Bonds ..... July 1
300,000 Sand Springs Ry.
First Gold 6s ..... July 1
10,000 Santa Barbara Gas & Electric Co.
First (closed) Mtge. Serial & Skg. Fund Gold 5s ..... July 1
100,000 Seventeenth & Nineteenth Streets Passenger Ry.
First 5½s (formerly 5s) (extended) ..... July 1
25,000 Shreveport Rys.
First Mtge. Serial Gold 5s ..... July 1
400,000 Sierra Pacific Electric Co.
3-Yr. 5% Gold Coupon Notes ..... July 1
15,000 Southern Cities Power Co. (Town of Petersburg, Tenn.)
6% Municipal Bonds ..... July 1
85,000 Spencer Gas Co.
First Mtge. Gold 5s ..... July 1
60,000 Swans Falls Co.
First Mtge. Hydro-Electric Gold 6s ..... July 1
25,000 Temescal Water Co.
First Mtge. Gold 6½s ..... July 1
1,500,000 Terre Haute Electric Co.
First Gold 5s ..... July 1
..... United Gas & Electric Co., Ill.
First Mtge. Gold 5s ..... July 1
4,000 Vicksburg Gas Co.
First Mtge. Serial Gold 6s ..... July 1
214,000 Washington Water Power Co.
Consolidated Mtge. & Coll. Trust Gold 5s ..... July 1
1,000,000 Western Power & Light Co.
2-Year 6% Gold Notes ..... July 1
7,500 Whittier Water Co.
First Serial Gold 6s ..... July 1
18,000 Winona Service Co.
First Mtge. 6s ..... July 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... July 2
1,500 Dewey Gas Co.
First 7s ..... July 15
29,000 Empire Tank Line Co.
6% Equip. Trust Notes, Series of 1924 ..... July 15
10,000,000 Toho Electric Power Co., Ltd.
3-Yr. 6% Gold Notes ..... July 15
25,000 Bradford Electric Light Co., Inc.
6% Bonds ..... July 19

AUGUST, 1929

250,000 Aroostook Valley RR.
(Entire Issue) First Gold 4½s ..... Aug. 1
100,000 Athens & Sayre Gas Co.
(Entire Issue) First Gold 5s ..... Aug. 1
591,100 Atlantic & Suburban Ry.
First Mtge. Gold 4s ..... Aug. 1
85,000 Brantford Gas Co.
First Gold 5s ..... Aug. 1
700,000 Central Cities Telephone Co.
Two-Year 5½% Gold Notes ..... Aug. 1
25,000 Chicago, North Shore & Milwaukee RR.
6% Equipment Gold Notes ..... Aug. 1
2,000,000 Colonial Gas & Electric Co.
Secured 3-Yr. 5½% Gold Notes ..... Aug. 1
101,500 Gas Light Co. of Waverly
First Mtge. 5s ..... Aug. 1
300,000 Illinois Central Electric Ry.
(Entire Issue) First Mtge. Gold 5s ..... Aug. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "C" ..... Aug. 1
21,100 Ohio & Western Utilities Co.
First Lien Collateral Gold 5s ..... Aug. 1
390,800 Ohio & Western Utilities Co.
First Lien Collateral Gold 6s ..... Aug. 1
237,500 Philadelphia Rapid Transit Co.
Equip. Trust 5½% Ctfs., Series "G" ..... Aug. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Aug. 1
65,000 Public Service Electric Co.
Equip. Trust Series "A" 8% Ctfs. ..... Aug. 1
42,000 Public Service Ry.
Series "E" Equip. Trust 7¼% Ctfs. ..... Aug. 1
100,000 Roanoke Water Works Co.
6% Serial Gold Notes ..... Aug. 1
3,000 Roosevelt Water, Power & Light Co.
First Mtge. Gold 6s ..... Aug. 1
4,869,000 Seattle Electric Co.
Consol. & Refdg. Mtge. Gold 5s ..... Aug. 1
28,000 Stamford Gas & Electric Co.
First Gold 5s ..... Aug. 1
3,000 Stamford Gas & Electric Co.
Second Gold 4s ..... Aug. 1
5,730,000 Tide Water Power Co.
First Lien & Ref. 5% Gold Bonds, Series "C" ..... Aug. 1
40,000 Aurora Electric & Cold Storage Co.
First Gold 6s ..... Aug. 2
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Aug. 2
490,000 Indiana Telephone Securities Corp.
3-Yr. Coll. Tr. 6% Gold Notes ..... Aug. 15
150,000 Philadelphia Rapid Transit Co.
Equip. Trust 6% Ctfs., Series "F" ..... Aug. 15

SEPTEMBER, 1929

40,000 Charles City Gas Co.
First 5s ..... Sept. 1
24,000 Chicago Aurora & Elgin RR.
6% Car Trust Ctfs., Series of 1922 ..... Sept. 1
170,000 Chicago Rapid Transit Co.
6% Equip. Tr. Gold Ctfs., Series "C-1" ..... Sept. 1
60,000 Denver Tramway Terminals Co.
First Serial Gold 5s ..... Sept. 1
300,000 Hoosac Valley St. Ry.
Refunding First Gold 7s (formerly 4s) (extended) ..... Sept. 1
18,000 Indianapolis St. Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A" 6% Notes ..... Sept. 1
100,000 Iowa Southern Utilities Co.
6% Gold Notes ..... Sept. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Sept. 1
42,000 Portland Water Co.
First 5s ..... Sept. 1
200,000 Portsmouth Gas Co.
First Gold 6s ..... Sept. 1
600,000 Quincy Gas & Electric Co.
First Gold 5s ..... Sept. 1
25,000 Springfield (O.) Ry.
First Gold 5s ..... Sept. 1
58,500 Superior Water, Light & Power Co.
(Closed Mtge.) Refdg. Mtge. Gold 5s ..... Sept. 1
425,000 Terre Haute, Indianapolis & Eastern Traction Co.
6½% Collateral Gold Notes ..... Sept. 1
350,000 West Boston Gas Co.
4½% Gold Notes ..... Sept. 1
1,989,000 Wilkinsburg & East Pittsburg St. Ry.
First Gold 5s ..... Sept. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Sept. 2

OCTOBER, 1929

216,000 Canada Gas & Electric Corp.
First Mtge. Skg. Fund Gold 6s ..... Oct. 1
5,500 Car Trust Equipment Co.
6% Preferred Stock (dated Oct. 1, 1919) ..... Oct. 1
22,500 Cincinnati, Hamilton & Dayton Ry. Co.
5½% Equip. Trust Gold Ctfs., Series "A" ..... Oct. 1
9,000 Connecticut Co.
Equip. Trust 5% Gold Notes, Series "E" ..... Oct. 1
150,000 Consolidated Schuylkill Gas Co.
First Mortgage 5s ..... Oct. 1
13,000 East Wenatchee Domestic Water Assn.
First Mtge. & Coll. 7s ..... Oct. 1
694,000 Eastern Oregon Light & Power Co.
First Mtge. Gold 6s ..... Oct. 1
17,150,000 Yen Great Consolidated Electric Power Co., Ltd.
Fourth Issue 7½% Debs. ..... Oct. 1
504,000 Hamilton Electric Light & Cataract Power Co.
First Mortgage 5s ..... Oct. 1
8,000 Kentucky Traction & Terminal Co.
6% Equip. Trust Gold Ctfs., Series "A" ..... Oct. 1
10,000 Lehigh Traction Co.
5½% Equip. Tr. Ctfs. ..... Oct. 1
..... Lexington Hydraulic & Manufacturing Co.
First Gold 5s ..... Oct. 1
236,000 Missouri & Kansas Telephone Co.
First Mtge. Fund Gold 5s ..... Oct. 1
10,000 Pan Handle Traction Co.
6% Equip. Trust of 1919 ..... Oct. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Oct. 1
750,000 St. Croix Power Co.
(Entire Issue) First Gold 5s ..... Oct. 1

20,000 St. Louis, Troy & Eastern RR.
6% Equip. Trust Ctfs. ..... Oct. 1
..... San Diego Electric Ry.
6% Guar. Equip. Trust Ctfs., Series "A" ..... Oct. 1
..... San Gorgonio Power Co.
First Serial Gold 7s ..... Oct. 1
15,000 South Bethlehem Electric Light Co.
First Gold 5s ..... Oct. 1
25,000 Terryville Water Co.
First 5s ..... Oct. 1
20,000 Trenton Passenger Ry.
First Mtge. Gold 6s ..... Oct. 1
125,000 Union Gas Co. of McKeesport (The)
First Gold 5s ..... Oct. 1
1,831,500 Vermont Hydro-Electric Corp.
First Mtge. Gold 6s, Series "A" ..... Oct. 1
12,000 Wheeling Traction Co.
6% First Equip. Trust of 1924, Series "J" ..... Oct. 1
30,000 Yuba River Power Co.
First Mtge. (closed) Serial Gold 6s ..... Oct. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Oct. 2
29,000 Philadelphia Rapid Transit Co.
Equip. Trust 6% Ctfs., Series "E" ..... Oct. 14
10,000 Indianapolis Car Equipment Co.
6% First Preferred Stock ..... Oct. 15

NOVEMBER, 1929

1,500,000 Baltimore Traction Co.
First Mortgage 5s ..... Nov. 1
13,200 Brooklyn Union Gas Co.
7% Conv. Deb. Gold Coupon Bonds ..... Nov. 1
400,000 Chicago Motor Coach Co.
6% Equip. Trust Gold Ctfs., Series "A" ..... Nov. 1
17,000 Consolidated Traction Co.
5% Car Trust Gold Bonds, Series "E" ..... Nov. 1
500,000 Demerara Electric Co., Ltd.
(Entire Issue) First 5s ..... Nov. 1
75,000 Detroit United Ry.
Gen. Equip. Trust 6s, Series "A" ..... Nov. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "D" ..... Nov. 1
570,000 Interborough Rapid Transit Co.
Interborough 6% Equip. Trust Ctfs., Series "C" ..... Nov. 1
305,000 Lehighton Water Supply Co.
First Mtge. Gold 5s ..... Nov. 1
1,400,000 McGraw Electric Co.
3-Year 6½% Secured Gold Notes ..... Nov. 1
1,500,000 Midland Utilities Co.
5% Serial Gold Notes ..... Nov. 1
..... National Light, Heat & Power Co.
Coll. Trust Gold Series "A" 5s ..... Nov. 1
413,000 New York & Pennsylvania Telephone & Telegraph Co.
General Gold 4s ..... Nov. 1
1,098,000 Niagara, St. Catharines & Toronto Ry.
First Gold 5s ..... Nov. 1
2,200 Okemah Municipal 6s (American Public Service Co.) ..... Nov. 1
115,000 Olean St. Ry.
First Mtge. Gold 5s ..... Nov. 1
3,250 Parsons Gas Co.
Gold 6s ..... Nov. 1
1,500,000 Pittsburgh & Birmingham Traction Co.
First Gold 5s ..... Nov. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Nov. 1
20,000 Public Service Ry.
Equip. Trust Series "F" 6% Ctfs. ..... Nov. 1
75,000 St. Clair Incline Plane Co.
First 5s ..... Nov. 1
150,000 Spring Valley Water Co.
5% Coll. Trust Serial Gold Notes, ... Nov. 1
125,000 United Power & Light Corp.
6½% Debenture Gold Notes ..... Nov. 1
60,000 Watertown (S. D.) Gas Co.
First 6s ..... Nov. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Nov. 2
500 Normal City, Ind., Water Works
Serial 5s ..... Nov. 15

DECEMBER, 1929

2,000 Bellevue Gas Co.
First Mtge. 6s ..... Dec. 1
110,000 City of Detroit Dept. of Street Rys.
Additions & Betterments 4½% Bonds ..... Dec. 1
36,000 Consolidated Power & Light Co. of South Dakota
First Consol. Skg. Fund Gold 5s (with 1% Additional Coupon) ..... Dec. 1
1,464,000 Consolidated Power & Light Co. of South Dakota
First Consol. Skg. Fund Gold 5s ..... Dec. 1
500,000 Detroit United Ry.
6% Obligation ..... Dec. 1
850,000 Delmarva Power Co.
First Mtge. Guar. 5% Gold Bonds Series "A" ..... Dec. 1
250,000 East McKeesport St. Ry.
First Gold 5s ..... Dec. 1
33,000 Gary Rys.
5½% Equip. Trust Gold Ctfs., Series "A" ..... Dec. 1
18,000 Indianapolis St. Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A"
6% Notes ..... Dec. 1
399,000 Johnstown Passenger Ry.
Consol. Mtge. Gold 4s ..... Dec. 1
3,352,000 Lynn & Boston RR.
First Gold 6s (formerly 5s) (extended) ..... Dec. 1
35,000 Memphis St. Ry.
Equip. Trust Gold 6s, Series of 1923 ..... Dec. 1
130,000 Minnesota Southern Telephone Co.
First Gold 6s, Series "A" ..... Dec. 1
190,000 Philadelphia Rapid Transit Co.
5% Equipment Trust Ctfs. ..... Dec. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Dec. 1
1,300,000 Rumford Falls Power Co.
General Gold 4½s ..... Dec. 1
2,000,000 Peoples Gas Light & Coke Co.
4½% Gold Notes ..... Dec. 1
1,724,000 St. Louis Electric Terminal Ry.
Temporary First Gold 5s ..... Dec. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Dec. 2
10,000 Buffalo & Erie Ry.
6% Equip. Trust Gold Ctfs., Series "A" ..... Dec. 15
2,500,000 Northern Texas Utilities Co.
First Lien 3-Yr. 7% Gold Notes ..... Dec. 15
270,000 Philadelphia Rapid Transit Co.
5½% Equip. Trust Ctfs., Series "H" ..... Dec. 15
1,000,000 Scranton-Spring Brook Water Service Co.
4½% Serial Gold Notes ..... Dec. 15
65,000 Chicago North Shore & Milwaukee RR.
Equip. 4½%, 5% and 5½% Gold Notes, Series "E-1" Dec. 31
16,000 Chicago North Shore & Milwaukee RR.
Equip. 5½% Gold Notes, Series "E-2" ..... Dec. 31

JANUARY, 1930

394,100 Adirondack Power & Light Corp.
10-Yr. 5% Debenture Bonds ..... Jan. 1
428,000 Albany Ry.
First Gold 5s ..... Jan. 1
24,000 Annapolis Short Line RR.
7% Car Trust Bonds ..... Jan. 1
3,000,000 Brooklyn Edison Co., Inc.
Genl. Mtge. Series "B" 6% Gold Bonds ..... Jan. 1
33,100 Cattaraugus Union Telephone Co.
First Gold 6s ..... Jan. 1
1,400,000 Central Illinois Public Service Co.
Serial 4½% Gold Notes ..... Jan. 1
..... Centralia Power & Light Co.
First (closed) Mtge. Serial Gold 6s ..... Jan. 1
9,500 Citizens Gas Co. (Burlington, Wis.)
First Mtge. 5s ..... Jan. 1
10,000 Citizens Land & Water Co. of Bloomington (Cal.) Jan. 1
4,000 Commonwealth Telephone Co.
First Mtge. Gold 6s ..... Jan. 1
1,181,000 Consolidated Water Co. of Utica, N. Y.
First Mortgage 5s ..... Jan. 1
542,000 Consolidated Water Co. of Utica, N. Y.
Gold Debentures (now Second Mtge.) 5s ..... Jan. 1
8,000 Cucamonga Water Co.
First Serial 6s ..... Jan. 1
125,000 Dennison Water Supply Co.
(Entire Issue) First Gold 6s ..... Jan. 1
50,000 Detroit Motorbus Co.
6% Equip. Tr. Gold Ctfs. ..... Jan. 1
10,000 Escanaba Traction Co.
First Mtge. Gold 5s ..... Jan. 1
52,000 Feather River Power Co.
First Mtge. Serial Gold 6s ..... Jan. 1
12,500 Flambeau Power Co.
First Mtge. Serial Gold 6s, Series "A" ..... Jan. 1
19,500 Fontana Union Water Co.
First Serial Gold 6s ..... Jan. 1
1,000,000 Indiana Ry.
First Mtge. Gold 5s ..... Jan. 1
..... Indiana Service Corp.
Equip. Trust Ctfs., Series "E" ..... Jan. 1
12,000 Louisville Ry.
Car Trust 6% Gold Ctfs., Series "B" ..... Jan. 1
100,000 Louisiana Ice & Utilities, Inc.
6% Serial Gold Notes ..... Jan. 1
..... Marion & Bluffton Traction Co.
7% Equip. Gold Notes ..... Jan. 1
30,000 Mississippi Valley Utilities Corp.
First Serial Gold 6½s, Series "A" ..... Jan. 1
1,000,000 New England Telephone & Telegraph Co.
Debenture 4s, 9th. Series ..... Jan. 1
81,000 New Milford Electric Light Co.
First Gold 5s ..... Jan. 1
40,000 Northern New York Power Corp.
First Serial 6s ..... Jan. 1

75,000 Ohio Utilities Co. and Ohio & Western Utilities Co.
Joint 8% Serial Gold Notes ..... Jan. 1
74,000 People's Light, Heat & Power Co.
First Mtge. Gold 5s ..... Jan. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Jan. 1
2,000 Princeton Water Co.
First Gold 5s ..... Jan. 1
274,000 Roaring Creek Water Co.
Gold 5s ..... Jan. 1
54,500 San Francisco-Sacramento RR.
First Mtge. Serial Gold 6s ..... Jan. 1
..... South San Joaquin Irrigation District
Gold 5s ..... Jan. 1
15,000 Sweetwater Water Corp.
First Serial Gold 6s ..... Jan. 1
654,000 Syracuse Rapid Transit Ry.
Second Mtge. Gold 5s ..... Jan. 1
732,000 Topeka Ry.
First Mtge. Gold 5s ..... Jan. 1
746,000 Utah Light & Power Co.
Prior Lien Gold 5s ..... Jan. 1
1,113,000 Utah Light & Power Co.
Consol. Gold 4s ..... Jan. 1
16,000 Warwick Valley Light & Power Co.
General 5s ..... Jan. 1
7,500 Wells Electric Light & Power Co.
First Mtge. Gold 5s ..... Jan. 1
26,500 Southern Pennsylvania Traction Co.
5% Car Trust Ctfs. ..... Jan. 2
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Jan. 2
1,000 Dewey Gas Co.
Second 7s ..... Jan. 10
375,000 Brooklyn City RR.
Equip. Trust 5% Gold Ctfs., Series "A" ..... Jan. 15
1,500 Dewey Gas Co.
First 7s ..... Jan. 15
28,000 Empire Tank Line Co.
6% Equip. Trust Notes, Series of 1924 ..... Jan. 15

FEBRUARY, 1930

500,000 Atlantic Public Utilities, Inc.
3-Yr. 6% Coupon Gold Notes ..... Feb. 1
105,000 Berlin Street Ry.
First Extended Gold 7s (originally 5s) ..... Feb. 1
2,500,000 Chicago North Shore & Milwaukee RR. Co.
3-Yr. 5½% Gold Notes ..... Feb. 1
..... Fontana Power Co.
First Serial Gold 6s ..... Feb. 1
1,000,000 Hammond, Whiting & East Chicago Ry.
First Gold 5s ..... Feb. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "C" ..... Feb. 1
33,000 Louisville Ry.
Equip. Trust 6% Ctfs., Series "A" ..... Feb. 1
725,000 Malden & Melrose Gas Light Co.
3-Year 4¾% Gold Notes ..... Feb. 1
286,500 Millville Gas Light Co.
First Gold 5s ..... Feb. 1
5,058,000 Minneapolis Gas Light Co.
First General Gold 5s ..... Feb. 1
2,000,000 Minneapolis Gas Light Co.
6% Secured Gold Notes ..... Feb. 1
669,500 Nebraska Electric Power Co.
First Mtge. 5-Yr. Gold 6s, Series "A" ..... Feb. 1
237,500 Philadelphia Rapid Transit Co.
Equip. Trust 5½% Ctfs., Series "G" ..... Feb. 1
200,000 Pittsburgh Rys.
6% Car Trust Gold Bonds ..... Feb. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Feb. 1
65,000 Public Service Electric Co.
Equip. Trust Series "A" 8% Ctfs. ..... Feb. 1
42,000 Public Service Ry.
Series "E" Equip. Trust 7¼% Ctfs. ..... Feb. 1
3,000,000 Puget Sound Power & Light Co.
5-Yr. Gold Coupon 6s ..... Feb. 1
2,578,000 Seattle Electric Co.
First Mortgage Gold 5s ..... Feb. 1
61,000 Skowhegan Water Co.
First 5s (extended) ..... Feb. 1
22,000 Tulsa Street Ry.
First Gold 6s ..... Feb. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Feb. 2
150,000 Philadelphia Rapid Transit Co.
Equip. Trust 6% Ctfs., Series "F" ..... Feb. 15
170,000 Philadelphia Rapid Transit Co.
Equip. Trust 5% Ctfs., Series "J" ..... Feb. 15

MARCH, 1930

200,000 Berkshire St. Ry.
Debenture Gold 5s (extended) ..... March 1
23,000 Chicago, Aurora & Elgin RR.
6% Car Trust Ctfs., Series of 1922 ..... March 1
290,000 Cities Service Tank Line Co.
5% Equip. Trust Gold Ctfs. ..... March 1
1,277,000 Dayton Gas Co.
First Mtge. Gold 5s ..... March 1
754,000 Detroit Edison Co.
10-Yr. Conv. Debenture 7s ..... March 1
200,000 Empire Passenger Ry.
First Gold 3½s ..... March 1
75,000 Gary Heat, Light & Water Co.
First Mtge. Gold 5s ..... March 1
18,000 Indianapolis St. Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A" 6% Notes ..... March 1
35,000 Iowa Southern Utilities Co.
6% Gold Notes ..... March 1
1,750,000 Joplin & Pittsburg Ry.
First Gold 5s ..... March 1
1,050,000 Joplin & Pittsburg Ry.
General Gold 6s (now 7s) (extended) ..... March 1
30,000 Joseph Light & Power Co.
First Mtge. 6s ..... March 1
111,000 Lynchburg Gas Co.
First 5s ..... March 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... March 1
..... Shinnston Power & Light Co.
First Mtge. 7s ..... March 1
7,000,000 Southern Power Co.
First Mtge. Gold 5s ..... March 1
10,000 Union Public Service Co.
First Gold 6s, Series "A" ..... March 1
2,500,000 United Railways & Electric Co. of Baltimore
Three-Year 6% Gold Notes ..... March 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... March 2
..... Elkader Light & Power Co.
First Mtge. 6s ..... March 15
154,500 West Penn Power Co.
Contractual Obligation to the U. S. Govt. ..... March 31

APRIL, 1930

150,000 Catherine & Bainbridge Streets Ry.
First 6s (formerly 5s) (extended) ..... April 1
50,000 Charleston-Dunbar Natural Gas Co.
First Gold 6s ..... April 1
46,000 Chicago Aurora & Elgin RR.
Equip. Trust 5% Ctfs. Series "B" ..... April 1
46,400 Chicago, North Shore & Milwaukee RR.
6% Equip. Trust Gold Ctfs., Series "D-1" ..... April 1
..... Chicago, North Shore & Milwaukee RR.
6% Equip. Trust Gold Ctfs., Series "D-2" ..... April 1
22,500 Cincinnati Hamilton & Dayton Ry. Co.
5½% Equip. Trust Gold Ctfs., Series "A" ..... April 1
8,000 Connecticut Co.
Equip. Trust 5% Gold Notes, Series "E" ..... April 1
10,000 Dayton & Western Traction Co.
6% Car Trust Ctfs. ..... April 1
130,000 Dominion Power & Transmission Co., Ltd.
First Mtge. Gold 5s ..... April 1
20,000 Gas Light Co. of Augusta
First Mtge. Gold 5s ..... April 1
325,000 Greensboro Gas Corp.
Coll. Tr. 6% Series Gold Bonds ..... April 1
50,000 Hamburg Gas & Electric Co.
First 5s ..... April 1
600,000 Kentucky Power & Light Co.
2-Year 5½% Gold Notes ..... April 1
8,000 Kentucky Traction & Terminal Co.
6% Equip. Trust Gold Ctfs., Series "A" ..... April 1
150,000 Key System Transit Co.
5½% Equip. Trust Ctfs. ..... April 1
10,000 Lehigh Traction Co.
5½% Equip. Trust Ctfs. ..... April 1
35,000 Moose Jaw Electric Ry. Co., Ltd.
First Gold 5s ..... April 1
32,000 Mount Beacon on Hudson Association Incline RR.
Mortgage ..... April 1
24,000 Narragansett Pier Electric Light & Power Co.
First Gold 5s ..... April 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... April 1
131,000 Ripon Light & Water Co.
First Gold 5s ..... April 1
2,354,000 Rochester Ry.
First Consolidated Gold 5s ..... April 1
10,000 St. Cloud Water Power Co.
First Serial Gold 6s ..... April 1
20,000 St. Louis, Troy & Eastern RR.
6% Equip. Trust Ctfs. ..... April 1
2,000 Star Telephone Co.
First 6s ..... April 1
13,000 Wheeling Traction Co.
6% First Equip. Trust of 1924, Series "K" ..... April 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... April 2
2,000 Chasm Power Co.
First Gold 5s ..... April 15

..... Empire Tank Line Co.
6% Equip. Trust Notes, Series 1924 .....April 15
80,000 Pittsburgh Rys.
Car Trust Gold 6s (dated Apr. 15, 1925).....April 15
5,000,000 Yen Fuji Hydro-Electric Co., Ltd.
8½% Mtge., Seventh Issue ..... April 24

MAY, 1930

500,000 Androscoggin Electric Co.
5-Yr. 6% Gold Coupon Notes ....May 1
603,500 Central States Power & Light Corp.
5-Yr. 6% Secured Gold Bonds .....May 1
322,300 Columbia Gas Light Co.
10-Yr. 7% Skg. Fund Gold Notes .....May 1
550,000 Council Bluffs Gas Co.
2-Year 5½ Gold Notes .....May 1
32,500 Dansville Gas & Electric Co.
First Mortgage Gold 5s .....May 1
25,000 Detroit United Ry.
Gen. Equip. Trust 6s, Series "A" .....May 1
2,500,000 Duluth St. Ry.
(Entire Issue) First Mtge. Gold 5s .....May 1
884,000 Duluth St. Ry.
General Mtge. Gold 5s .....May 1
100,000 Great Lakes Power Co., Ltd.
First Serial Gold 6s .....May 1
23,000 Mahoning Valley Water Co.
First Mtge. Gold 6s .....May 1
35,000 Miami City Power & Water Co.
First (closed) Mtge. Serial Gold 7s .....May 1
..... Mississippi Valley Power Co.
6% Gold Notes, Series "A" .....May 1
280,000 Peoples Gas & Electric Co. of Oswego
First Mtge. Skg. Fund Gold 5s .....May 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds .....May 1
20,000 Public Service Ry.
Equip. Trust Series "F" 6% Ctfs. .....May 1
250,000 Spring Valley Water Co.
5% Coll. Trust Serial Gold Notes.....May 1
1,195,000 Standard Gas Light Co. (The)
First Gold 5s .....May 1
2,500,000 Texas Cities Gas Co.
2-Yr. 5½% Gold Notes .....May 1
125,000 United Power & Light Corp.
6½% Debenture Gold Notes .....May 1
1,223,000 Valley Counties Power Co.
First Mtge. Gold 5s .....May 1
180,000 York Telephone Co.
First Mortgage 5s .....May 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes .....May 2
6,000 Emporia Telephone Co. (The)
First Mtge. Serial Gold 6s .....May 15

JUNE, 1930

259,000 Auburn Gas Co.
Consolidated Mtge. Gold 5s .....June 1
6,000 Banning Water Co.
First Mtge. Serial Gold 6s .....June 1
25,000 Butte Electric & Power Co.
(Closed Mtge.) First Gold 5s .....June 1
3,000,000 Central Indiana Power Co.
2-Yr. 4½% Gold Notes .....June 1
1,290,000 City & Suburban Ry.
Consolidated (now First) Mtge. Gold 4s .....June 1
133,000 City of Detroit Dept. of Street Rys.
4¼% Purchase Bonds .....June 1
50,000 City of Detroit Dept. of Street Rys.
Additions & Betterments 4½% Bonds .....June 1
1,500,000 Coal Products Manufacturing Co.
6% Gold Debentures .....June 1
584,000 Depew & Lake Erie Water Co.
First (closed) Gold 5s .....June 1
500,000 Detroit United Ry.
6% Obligation .....June 1
500,000 Doylestown & Willow Grove Passenger Ry.
First Gold 4s .....June 1
6,000,000 Empire Gas & Fuel Co. (Del.)
5% Serial Gold Notes .....June 1
18,000 Indianapolis St. Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A" 6% Notes .....June 1
300,000 Joplin Gas Co.
First Gold 6s .....June 1
135,000 Lee Light & Power Co.
First Gold 6s .....June 1
60,000 Municipal Gas Co. (of Texas)
6% Serial Debenture Gold Notes .....June 1
480,000 Pasadena & Mt. Lowe Ry.
First Mtge. Gold 4s .....June 1
..... Peninsular Power Co.
8% Serial Gold Notes, Series "A" .....June 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds .....June 1
300,000 Public Utilities Consolidated Corp. (Ariz.)
3-Yr. 6% Gold Notes .....June 1
617,500 Southern Gas & Power Corp.
5-Yr. Conv. 6% Gold Notes .....June 1
..... Twin City Motor Bus Co.
First Real Estate Mtge. 5% Note.....June 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes .....June 2
10,000 Buffalo & Erie Ry.
6% Equip. Trust Gold Ctfs., Series "A" .....June 15
10,000,000 Yen Great Consolidated Electric Power Co., Ltd.
Sixth Issue 7½% Debs. .....June 15
..... Mt. Carmel Light & Water Co.
First 5s .....June 15

JULY, 1930

250,000 Allentown & Kutztown Traction Co.
First Gold 5s .....July 1
35,000 American Electric Power Co.
Car Trust 6% Ctfs., Series "A" .....July 1
225,000 Atlanta Street RR.
(Mortgage Closed) First Gold 6s .....July 1
325,000 Bath & Brunswick Light & Power Co.
First & Refunding 5s .....July 1
100,000 Calais St. Ry.
(Entire Issue) First Gold 5s .....July 1
50,000 Chicago, North Shore & Milwaukee RR.
Equip. 6% Gold Ctfs., Series "C-1" .....July 1
106,000 Chicago, South Shore & South Bend RR.
5% Car Trust Equip. Notes .....July 1
72,500 Cincinnati Traction Co.
6% Equip. Trust Gold Ctfs., Series "H1" .....July 1
50,000 Detroit Motorbus Co.
6% Equip. Tr. Gold Ctfs. .....July 1
1,326,000 Duquesne Traction Co.
First 5s .....July 1
25,000 El Dorado Gas Co.
First Mtge. Gold 8s .....July 1
1,350,000 Georgia Electric Light Co.
(Mortgage Closed) First Gold 5s .....July 1
390,000 Herkimer County Light & Power Co.
First Mtge. Gold 5s .....July 1
50,000 Holliston Water Co.
First 5s .....July 1
..... Illinois Gas Co.
First Mtge. Gold 6s .....July 1
..... Indiana Service Corp.
Equip. Trust Ctfs., Series "E" .....July 1
56,000 Inter-Mountain Water & Power Co.
First Mtge. 7% Serial Gold 7s .....July 1
50,000 Inter-Mountain Water & Power Co.
First Serial Gold 6½s.....July 1
56,000 Inter-Mountain Water & Power Co.
First Mtge. Serial Gold 7s .....July 1
10,000 Janesville Electric Co.
First & Refunding (now First) Gold 5s .....July 1
62,000 Kennebunk Electric Light Co.
First Mtge. Gold 5s .....July 1
150,000 La Follette Water, Light & Telephone Co.
(Entire Issue) First Gold 5s .....July 1
312,500 La Porte & Michigan City Traction Co.
First Mtge. Gold 5s .....July 1
11,000 Louisville Ry.
Car Trust 6% Gold Ctfs., Series "B" .....July 1
6,000,000 Louisville Ry.
Consolidated Gold 5s .....July 1
..... Marion & Bluffton Traction Co.
7% Equip. Gold Notes .....July 1
100,000 Michoacan Power Co.
First Mtge. Gold 6s .....July 1
15,000 Mississippi Valley Utilities Corp.
First Serial Gold 6½s, Series "B".....July 1
6,000,000 Newark Passenger Ry.
First Consolidated Mtge. Gold 5s .....July 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds .....July 1
10,000 Santa Barbara Gas & Electric Co.
First (Closed) Mtge. Serial & Sinking Fund Gold 5s..July 1
95,700 Shelburne Falls & Colrain St. Ry.
First & Refunding Gold 5s .....July 1
25,000 Shreveport Rys.
First Mtge. Serial Gold 5s .....July 1
25,000 Temescal Water Co.
First Mtge. Gold 6½s .....July 1
19,801,000 Tri-City Ry. & Light Co.
First & Refdg. Gold 5s .....July 1
..... United Gas & Electric Co.
First Mtge. Gold 5s .....July 1
4,000 Vicksburg Gas Co.
First Mtge. Serial Gold 6s .....July 1
1,604,000 West End St. Ry.
Debenture 4½s .....July 1
400,000 West Liberty St. Ry.
First Gold 5s .....July 1
24,000 Western Ohio Ry.
Conv. Coll. Trust 6s .....July 1
7,500 Whittier Water Co.
First Serial Gold 6s .....July 1

18,000 Winona Service Co.
First Mtge. 6s ..... July 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... July 2
29,000 Empire Tank Line Co.
6% Equip. Trust Notes, Series of 1924 ..... July 15
8,358,000 Toledo Traction Light & Power Co.
5-Yr. 5½% Secured Gold Notes ..... July 15

AUGUST, 1930

..... Indiana Service Corp.
6% Car Trust Ctfs., Series "C" ..... Aug. 1
2,350,000 New York & Queens Electric Light & Power Co.
First Consolidated Gold 5s ..... Aug 1
9,119,000 Pacific Power & Light Co.
First & Refdg. (now First) Gold 5s ..... Aug. 1
237,500 Philadelphia Rapid Transit Co.
Equip. Trust 5½% Ctfs., Series "G" ..... Aug. 1
1,000 Plant City Public Servcie Co.
First Mtge. Gold Bonds ..... Aug. 1
65,000 Public Service Electric Co.
Equip. Trust Series "A" 8% Ctfs. ..... Aug. 1
42,000 Public Service Ry.
Series "E" Equip. Trust 7¼% Ctfs. ..... Aug. 1
1,350,000 Puget Sound Power & Light Co.
5-Yr. 6% Gold Coupon Notes ..... Aug. 1
100,000 Roanoke Water Works Co.
6% Serial Gold Notes ..... Aug. 1
3,000 Roosevelt Water, Power & Light Co.
First Mtge. Gold 6s ..... Aug. 1
1,454,000 Worcester Consolidated Street Ry.
First & Refdg. Mtge. Gold 4½s ..... Aug. 1
2,116,000 Worcester Consolidated Street Ry.
First & Refdg. Mtge. Gold 4½s with 2% Additional Coupon Attached ..... Aug. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Aug. 2
150,000 Philadelphia Rapid Transit Co.
Equip. Trust 6% Ctfs., Series "F" ..... Aug. 15

SEPTEMBER, 1930

70,000 Bangor Ry. & Electric Co.
8% Conv. Gold Notes ..... Sept. 1
563,000 Bay Counties Power Co.
First Consol. Mtge. Gold 5s ..... Sept. 1
2,000,000 Buffalo, Niagara & Eastern Power Corp.
5-Yr. 5% Conv. Debenture Bonds ..... Sept. 1
24,000 Chicago, Aurora & Elgin RR.
6% Car Trust Ctfs., Series of 1922 ..... Sept. 1
170,000 Chicago Rapid Transit Co.
6% Equip. Tr. Gold Ctfs., Series "C-1" ..... Sept. 1
60,000 Denver Tramway Terminals Co.
First Serial Gold 5s ..... Sept. 1
10,300 Detroit River Telephone Co.
First 6s ..... Sept. 1
18,000 Indianapolis St. Ry.
Sub-Stations First & Gen. Lien Equip. Trust Class "A" 6% Notes ..... Sept. 1
100,000 Iowa Southern Utilities Co.
6% Gold Notes ..... Sept. 1
144,900 Kankakee Gas & Electric Co.
First & Refdg. Skg. Fund Gold 5s ..... Sept. 1
120,000 Marion Gas Co.
First Mtge. 6s ..... Sept. 1
176,000 Pacific Gas Improvement Co.
First Mtge. Gold 4s ..... Sept. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Sept. 1
25,000 Springfield (O.) Ry.
First Gold 5s ..... Sept. 1
600,000 Topeka Edison Co.
First Gold 5s ..... Sept. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Sept. 2
21,200 Charles City Gas Co.
First 5s ..... Sept. 30

OCTOBER, 1930

30,000 Bethel Water Co.
6% Bonds ..... Oct. 1
22,500 Cincinnati, Hamilton & Dayton Ry. Co.
5½% Equip. Trust Gold Ctfs., Series "A" ..... Oct. 1
9,000 Connecticut Co.
Equip. Trust 5% Gold Notes, Series "E" ..... Oct. 1
13,000 East Wenatchee Domestic Water Assn.
First Mtge. & Coll. 7s ..... Oct. 1
85,000 Fostoria & Fremont Ry.
First Mtge. Gold 5s ..... Oct. 1
371,000 Hardin-Wyandot Lighting Co.
First Mtge. Gold 5s ..... Oct. 1
65,000 Hoosick Falls Electric Co.
General Gold 5s ..... Oct. 1
8,000 Kentucky Traction & Terminal Co.
6% Equip. Trust Gold Ctfs., Series "A" ..... Oct. 1
1,500,000 Keystone Telephone Co.
3-Year 5% Gold Notes ..... Oct. 1
10,000 Lehigh Traction Co.
5½% Equip. Trust Ctfs. ..... Oct. 1
..... Lexington Hydraulic & Manufacturing Co.
First Gold 5s ..... Oct. 1
750,000 Northern States Power Co. of Minn.
Unsecured Notes ..... Oct. 1
646,000 Peekskill Lighting & RR.
First Gold 5s ..... Oct. 1
1,346,000 Pittsburgh, Allegheny & Manchester Traction Co.
First Mortgage 5s ..... Oct. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Oct. 1
20,000 St. Louis, Troy & Eastern RR.
6% Equip. Trust Ctfs. ..... Oct. 1
..... San Diego Electric Ry.
6% Guar. Equip. Trust Ctfs., Series "A" ..... Oct. 1
..... San Gorgonio Power Co.
First Serial Gold 7s ..... Oct. 1
20,000 Trenton Passenger Ry.
First Mtge. Gold 6s ..... Oct. 1
12,000 Wheeling Traction Co.
6% First Equip. Trust of 1924, Series "L" ..... Oct. 1
30,000 Yuba River Power Co.
First Mtge. (closed) Serial Gold 6s ..... Oct. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Oct. 2
150,000 Southern Indiana Utilities Corp.
First Mtge. 6% Gold Notes ..... Oct. 15

NOVEMBER, 1930

500,000 Chicago Motor Coach Co.
6% Equip. Trust Gold Ctfs., Series "A" ..... Nov. 1
25,000 Detroit United Ry.
Gen. Equip. Trust 6s, Series "A" ..... Nov. 1
30,000,000 The Edison Electric Illuminating Co. of Boston
Three-Year 4½% Notes ..... Nov. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "D" ..... Nov. 1
2,500,000 Federated Utilities, Inc.
3-Yr. 5½% Gold Notes ..... Nov. 1
1,500,000 Midland Utilities Co.
5% Serial Gold Notes ..... Nov. 1
..... National Light, Heat & Power Co.
Coll. Trust Gold Series "A" 5s ..... Nov. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Nov. 1
6,281,000 Portland Ry.
First & Refdg. Mtge. Gold 5s ..... Nov. 1
20,000 Public Service Ry.
Equip. Trust Series "F" 6% Ctfs. ..... Nov. 1
414,000 Sioux Falls Traction System
First Gold 6s ..... Nov. 1
164,000 Spring Brook Water Co.
First Refdg. Gold 5s ..... Nov. 1
250,000 Spring Valley Water Co.
5% Coll. Trust Serial Gold Notes ..... Nov. 1
125,000 United Power & Light Corp.
6½% Debenture Gold Notes ..... Nov. 1
1,548,000 Wyandotte County Gas Co.
First Gold 6s (extended) ..... Nov. 1
4,000,000 Great Western Power Co. of California
5-Yr. 5½% Gold Notes ..... Nov. 2
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Nov. 2
1,000,000 Southern Gas & Power Corp.
6% 5-Yr. Conv. Gold Notes ..... Nov. 15

DECEMBER, 1930

3,500,000 Central Gas & Electric Co.
3-yr. 5½% Gold Notes ..... Dec. 1
110,000 City of Detroit Dept. of Street Rys.
Additions & Betterments 4½% Bonds ..... Dec. 1
500,000 Detroit United Ry.
6% Obligation ..... Dec. 1
3,497,600 Eastern Texas Electric Co. (Delaware)
5-Yr. 5½% Conv. Gold Coupon Notes ..... Dec. 1
200,000 Edison Electric Illuminating Co. of Brockton
(Entire Issue) First Mtge. Gold 5s ..... Dec. 1
33,000 Gary Rys.
5½% Equip. Trust Gold Ctfs., Series "A" ..... Dec. 1
18,000 Indianapolis Street Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A" 6% Notes ..... Dec. 1
35,000 Memphis St. Ry.
Equip. Trust Gold 6s, Series of 1923 ..... Dec. 1
1,000,000 Northern Canada Power Limited
5-Yr. 7½% Debs ..... Dec. 1
3,000,000 Peoples Gas Light & Coke Co.
4½% Gold Notes ..... Dec. 1
190,000 Philadelphia Rapid Transit Co.
5% Equipment Trust Ctfs ..... Dec. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds ..... Dec. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes ..... Dec. 2
10,000 Buffalo & Erie Ry.
6% Equip. Trust Gold Ctfs., Series "A" ..... Dec. 15

270,000 Philadelphia Rapid Transit Co.
5½% Equip. Trust Ctfs,. Series "H" .....Dec. 15
1,000,000 Scranton-Spring Brook Water Service Co.
4¼% Serial Gold Notes .....Dec. 15
65,000 Chicago North Shore & Milwaukee RR.
Equip. 4½%, 5% and 5½% Gold Notes, Series "E-1" Dec. 31
16,000 Chicago North Shore & Milwaukee RR.
Equip. 5½% Gold Notes, Series "E-2".....Dec. 31
10,500 Dillsburg Light, Heat & Power Co.
First Mtge. Gold 5s .....Dec. 31

JANUARY, 1931

24,000 Annapolis Short Line RR.
Car Trust 7s .....Jan. 1
67,000 Brockport Gas Light Co.
First Gold 5s .....Jan. 1
1,400,000 Central Illinois Public Service Co.
Serial 4½% Gold Notes .....Jan. 1
..... Centralia Power & Light Co.
First (Closed) Mtge. Serial Gold 6s .....Jan. 1
10,000 Citizens Land & Water Co. of Bloomington (Cal.)
First Mtge. Serial Gold 6s .....Jan. 1
5,000 Commonwealth Telephone Co.
First Mtge. Gold 6s .....Jan. 1
33,500 Concordia Gas Co.
First Gold 5s .....Jan. 1
8,000 Cucamonga Water Co.
First Serial 6s .....Jan. 1
250,000 Dayton Traction Co.
First Income 6s (formerly 5s) (extended).....Jan. 1
10,000 Escanaba Traction Co.
First Mtge. Gold 5s.....Jan. 1
56,000 Feather River Power Co.
First Mtge. Serial Gold 6s .....Jan. 1
12,500 Flambeau Power Co.
First Mtge. Serial Gold 6s, Series "A" .....Jan. 1
20,500 Fontana Union Water Co.
First Serial Gold 6s .....Jan. 1
200,000 Hamilton City Lines
First Mtge. 6s .....Jan. 1
46,000 Hampton Roads Traction Co.
First Gold 4½s .....Jan. 1
5,700,000 Houston Gulf Gas Co.
First Mtge. Skg. Fund Gold 6½s.....Jan. 1
..... Indiana Service Corp.
Equip. Trust Ctfs., Series "E" .....Jan. 1
35,500 Jacksonville Gas Light & Coke Co.
First Mtge. Gold 5s.....Jan. 1
594,000 Jacksonville Ry. & Light Co.
First Consolidated Mtge. Gold 5s .....Jan. 1
100,000 Louisiana Ice & Utilities, Inc.
6% Serial Gold Notes .....Jan. 1
12,000 Louisville Ry.
Car Trust 6% Gold Ctfs., Series "B".....Jan. 1
..... Marion & Bluffton Traction Co.
7% Equip. Gold Notes .....Jan. 1
525,000 Memphis Light & Power Co.
First Mtge. Gold 5s .....Jan. 1
100,000 Milwaukee Electric Ry. & Light Co.
5-Yr. 6% Gold Notes.....Jan. 1
6,728,000 Milwaukee Electric Ry. & Light Co.
Refdg. & Extension Gold 4½s.....Jan. 1
30,000 Mississippi Valley Utilities Corp.
First Serial Gold 6½s, Series "A".....Jan. 1
40,000 Napa Valley Electric Co.
First Mtge. Gold 6s .....Jan. 1
30,000 Nelsonville-Athens Electric Ry.
First Mtge. 6s .....Jan. 1
40,000 Northern New York Power Corp.
First Serial 6s .....Jan. 1
1,500,000 Northern Texas Electric Co.
3-Year Secured 6% Notes .....Jan. 1
400,000 Oklahoma Ry.
First Mtge. Collateral 6½% Gold Notes .....Jan. 1
934,100 Pacific Gas & Electric Co. (Phoenix, Ariz.)
First Mtge. Gold 6s .....Jan. 1
2,912,000 Pittsburgh, McKeesport & Connellsville Ry.
First Consolidated Mtge. Gold 5s .....Jan. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds .....Jan. 1
2,000 Princeton Water Co.
First Gold 5s .....Jan. 1
54,500 San Francisco-Sacramento RR.
First Mtge. Serial Gold 6s.....Jan. 1
..... South San Joaquin Irrigation District
Gold 5s .....Jan. 1
1,975,100 Southern Illinois Light & Power Co.
First Mtge. Gold 6s .....Jan. 1
25,000 Sweetwater Water Corp.
First Serial Gold 6s .....Jan. 1
650,000 Upham Gas Co.
First Mtge. 5-Yr. Skg. Fund Gold 7s.....Jan. 1
39,000 Utica Belt Line St. RR.
Second Mtge. Gold 5s.....Jan. 1
166,000 Wheeling Bridge Co.
First Mtge. Gold 7s .....Jan. 1
2,500,000 Wheeling Traction Co.
First Consol. (now First) Mtge. Gold 5s.....Jan. 1
4,169,500 (Old) West Penn Rys.
First Mtge. Gold 5s .....Jan. 1
90,000 Woonsocket Electric Machine & Power Co.
First (Closed) Mtge. Gold 4½s.....Jan. 1
1,255,000 Youngstown-Sharon Ry. & Light Co.
First Skg. Fund Gold 5s .....Jan. 1
26,500 Southern Pennsylvania Traction Co.
5% Car Trust Ctfs. .....Jan. 2
273,000 Toledo & Indiana Traction Co.
First Mtge. Gold 5s .....Jan. 2
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes .....Jan. 2
1,000 Dewey Gas Co.
Second 7s .....Jan. 10
375,000 Brooklyn City RR.
Equip. Tr. 5% Gold Ctfs., Series "A" .....Jan. 15
166,000 Warren Light & Power Co.
First Gold 5s .....Jan. 15
75,000 Hanover Gas Co.
First 5s .....Jan. 25

FEBRUARY, 1931

5,000,000 Buffalo Ry.
First Consol. Gold 5s.....Feb. 1
7,893,000 California Power Corp.
Secured Gold 6s.....Feb. 1
1,500,000 Dixie Gas & Utilities Co.
3-Year Convertible 6% Gold Notes .....Feb. 1
300,000 Fitchburg & Leominster St. Ry.
Consol. Gold 4½s (now 5s) .....Feb. 1
..... Fontana Power Co.
First Serial Gold 6s.....Feb. 1
150,000 Town of Hempstead Gas & Electric Light Co.
First Mtge. Gold 5s .....Feb. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "C".....Feb. 1
100,000 Leominster, Shirley & Ayer St. Ry.
First Gold 5s (now 4s) (extended) .....Feb. 1
33,000 Louisville Ry.
Equip. Trust 6% Ctfs., Series "A".....Feb. 1
1,800,000 National Gas & Electric Corp.
3-Year 5½% Convertible Gold Notes.....Feb. 1
237,500 Philadelphia Rapid Transit Co.
Equip. Tr. 5½% Ctfs., Series "G".....Feb. 1
200,000 Pittsburgh Rys.
Car Trust Gold 6s.....Feb. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds.....Feb. 1
4,756,000 Puget Sound Power & Light Co.
First & Refdg. Mtge. Gold 5s.....Feb. 1
23,000 Tulsa St. Ry.
First Gold 6s.....Feb. 1
846,000 Vermont Co.
First Mtge. Gold 5s.....Feb. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes.....Feb. 2
150,000 Philadelphia Rapid Transit Co.
Equip. Tr. 6% Ctfs., Series "F" .....Feb. 15
170,000 Philadelphia Rapid Transit Co.
Equip. Tr. 5% Ctfs., Series "J" .....Feb. 15

MARCH, 1931

23,000 Chicago Aurora & Elgin RR.
6% Car Trust Ctfs., Series of 1922.....March 1
100,000 Chickasha St. Ry.
First Mtge. 5s.....March 1
290,000 Cities Service Tank Line Co.
5% Equip. Tr. Gold Ctfs. March 1.....March 1
5,495,000 Cleveland Ry.
First Mtge. Gold 5s.....March 1
80,000 Eastport Water Co.
Consolidated Mtge. Gold 6s.....March 1
75,000 Gary Heat, Light & Water Co.
First Mtge. Gold 5s.....March 1
317,000 Grand Rapids-Muskegon Power Co.
First Mtge. Gold 5s.....March 1
18,000 Indianapolis St. Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A" 6% Notes .....March 1
35,000 Iowa Southern Utilities Co.
6% Gold Notes .....March 1
899,500 Jacksonville Traction Co.
First Consolidated Gold 5s.....March 1
370,000 Mesaba Ry.
Income Gold 6s .....March 1
600,000 Muskegon Traction & Lighting Co.
First Gold 5s.....March 1
49,000 Philadelphia Suburban Gas Co.
First Mtge. Gold 5s.....March 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds.....March 1
20,500 Railways Realty Co.
First Mtge. Gold 6s .....March 1
..... Shinnston Power & Light Co.
First Mtge. 7s.....March 1
395,000 Southern Michigan Ry.
First Consolidated Mtge. Gold 5s.....March 1

10,000 Union Public Service Co.
First Gold 6s, Series "A".....March 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes.....March 2
..... Elkader Light & Power Co.
First Mortgage 6s.....March 15
20,000,000 Yen Imperial Electric Light Co., Ltd.
First Mtge. 7½s, Series "KOGO".....March 20

APRIL, 1931

2,241,000 Atlantic Avenue RR.
General Consol. Gold 5s.....April 1
208,000 Bay Counties Power Co.
Second Mtge. Gold 6s.....April 1
675,000 Central States Edison Co.
3-Yr. 5½% Convertible Gold Notes.....April 1
50,000 Charleston-Dunbar Natural Gas Co.
First Gold 6s.....April 1
46,000 Chicago Aurora & Elgin RR.
Equip. Trust Gold 5% Ctfs., Series "B".....April 1
46,400 Chicago North Shore & Milwaukee RR.
6% Equip. Trust Gold Ctfs., Series "D-1".....April 1
22,500 Cincinnati, Hamilton & Dayton Ry Co.
5½% Equip. Tr. Gold Ctfs., Series "A".....April 1
405,000 Cities Service Oil Co. (Ohio)
10-Yr. First Lien 8% Gold Notes.....April 1
224,100 Citizens Water Co. (Phillipsburg, Pa.)
First Mtge. 5s.....April 1
8,000 Connecticut Co.
Equip. Tr. 5% Gold Notes, Series "E".....April 1
10,000 Dayton & Western Traction Co.
6% Car Trust Ctfs.,.....April 1
633,500 Des Moines & Central Iowa RR.
U. S. Govt. 6% Note.....April 1
130,000 Dominion Power Transmission Co., Ltd.
First Mtge. Gold 5s.....April 1
20,000 Gas Light Co. of Augusta
First Mtge. Gold 5s.....April 1
325,000 Greensboro Gas Corp.
Coll. Trust Serial Gold 6s.....April 1
2,403,000 Houston Lighting & Power Co.
First Mtge. Gold 5s.....April 1
562,500 Inter-Urban Ry.
First Mtge. Gold 7½s.....April 1
8,000 Kentucky Traction & Terminal Co.
Equip. Trust Gold 6% Ctfs., Series "A".....April 1
150,000 Key System Transit Co.
5½% Equip. Trust Ctfs.....April 1
10,000 Lehigh Traction Co.
5½% Equip. Trust Ctfs.....April 1
1,462,000 Los Angeles Pacific RR.
First Consol. Mtge. Gold 5s.....April 1
1,737,000 Milwaukee Northern Ry.
First Mtge. Gold 5s.....April 1
146,500 Petersburg Gas Co.
First Skg. Fund Gold 5s.....April 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds.....April 1
165,000 Portsmouth (N. H.) Gas Co.
First & Refdg. Mtge. 5s.....April 1
10,000 St. Cloud Water Power Co.
First Serial Gold 6s.....April 1
2,000 Star Telephone Co.
First 6s.....April 1
484,700 Wheeling & Elm Grove Ry.
Second Mtge. Gold 5s.....April 1
13,000 Wheeling Traction Co.
6% First Equip. Tr., Series "M".....April 1
1,500,000 Wilkes-Barre & Wyoming Valley Traction Co.
First Mtge. Gold 7s (formerly 5s) extended).....April 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes.....April 2
2,000 Chasm Power Co.
First Mtge. Gold 5s.....April 15
..... Empire Tank Line Co.
6% Equip. Trust Notes, Series 1924.....April 15
80,000 Pittsburgh Rys.
Car Trust 6s.....April 15

MAY, 1931

22,000 Dayton-Xenia Ry.
6% Equipment Obligations.....May 1
50,000 Derry Electric Co.
First Mtge. Gold 5s.....May 1
25,000 Detroit United Ry.
Genl. Equip. Trust 6s, Series "A".....May 1
110,000 Great Lakes Power Co., Ltd.
First Serial Gold 6s.....May 1
2,500 Home Independent Telephone Co. (La Grande, Ore.)
First Mtge. Serial Gold 5½s.....May 1
644,000 Lynchburg Traction & Light Co.
Mtge. Gold 5s.....May 1
25,000 Mahoning Valley Water Co.
First Mtge. Gold 6s.....May 1
35,000 Miami City Power & Water Co.
First (Closed) Mtge. Serial Gold 7s.....May 1
..... Mississippi Valley Power Co.
6% Gold Notes, Series "A".....May 1
168,500 Orange & Rockland Electric Co.
First & Refdg. 5s.....May 1
1,575,000 Plainfield-Union Water Co.
Rfdg. First Mtge. Gold 5s.....May 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds.....May 1
20,000 Public Service Ry.
Equip. Trust 6% Ctfs., Series "F".....May 1
58,400 Prince William Sound Water-Power, Light & Telephone Co.
First Gold 7s.....May 1
100,000 Rutherford Heights Water Supply Co.
First 5s.....May 1
336,000 San Antonio Water Co.
Refunding Mtge. Gold 5s.....May 1
300,000 Spring Valley Water Co.
5% Coll. Trust Serial Gold Notes.....May 1
1,346,000 Superior Water, Light & Power Co.
First Mtge. Gold 4s.....May 1
125,000 United Power & Light Corp.
6½% Deb. Gold Notes.....May 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes.....May 2
7,000 Emporia Telephone Co.
First Mtge. Serial Gold 6s.....May 15

JUNE, 1931

400,000 Atlantic Public Utilities, Inc.
5-Year Purchase Money Gold Notes.....June 1
60,000 Banning Water Co.
First Serial Gold 6s.....June 1
221,000 Butte Electric & Power Co.
First Gold 5s.....June 1
85,000 Central Gas Co.
First Mtge. 5s.....June 1
50,000 City of Detroit Dept. of Street Rys.
Additions & Betterments 4½% Bonds.....June 1
133,000 City of Detroit Dept. of Street Rys.
4¼ Purchase Bonds.....June 1
500,000 Detroit United Ry.
6% Obligation.....June 1
2,000,000 Galveston-Houston Electric Co.
Secured Gold 6½% Notes, Series "A".....June 1
1,200,000 Galveston-Houston Electric Co.
Secured Gold 6% Notes Series "B".....June 1
18,000 Indianapolis St. Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A" 6% Notes.....June 1
13,000 Keswick Electric Power Co.
First Mtge. Gold 5s.....June 1
60,000 Municipal Gas Co. (Texas)
6% Serial Deb. Gold Notes.....June 1
53,000 Neversink Mountain Ry.
First Gold 4s (extended).....June 1
91,200 Ohio Water Co.
Coll. Trust Gold 4s.....June 1
1,250,000 Paterson Ry.
Consol. (now First) Mtge. Gold 6s.....June 1
..... Peninsular Power Co.
8% Serial Gold Notes, Series "A".....June 1
81,000 Peoples Gas, Electric & Heating Co.
First Mortgage 5s.....June 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds.....June 1
400,000 Rome Electric Light & Power Co.
First Gold 5s.....June 1
720,000 Trinidad Electric Co., Ltd.
Debenture 5s.....June 1
..... Twin City Motor Bus Co.
First Real Estate Mtge. 5% Note.....June 1
618,000 Wilkinsburg & Verona St. Ry.
First Gold 5s.....June 1
75,000 Willow River Power Co.
5½% Gold Notes.....June 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes.....June 2
10,000 Buffalo & Erie Ry.
Equip. Trust Gold 6s, Series "A".....June 15
..... Mt. Carmel Light & Water Co.
First 5s.....June 15

JULY, 1931

35,000 American Electric Power Co.
Car Trust 6% Ctfs., Series "A".....July 1
183,998 Charles City Western Ry.
First Mtge. 6s.....July 1
50,000 Chicago North Shore & Milwaukee RR.
Equip. 6% Gold Ctfs., Series "C-1".....July 1
106,000 Chicago, South Shore & South Bend RR.
5% Car Trust Equip. Notes.....July 1
72,500 Cincinnati Traction Co.
6% Equip. Trust Gold Notes, Series "H1".....July 1
275,000 Concord Electric Co.
First Mtge. Gold 5s.....July 1
30,000 Crisfield Light & Power Co., Inc.
First Gold 6s.....July 1
329,000 Desert Power & Water Co.
First Mtge. Gold 7s.....July 1

128,000 Dover, Somersworth & Rochester St. Ry.
Series "A" First 6s and Series "B" First Income 6s..July 1
25,000 El Dorado Gas Co.
First Mtge. Gold 8s .....July 1
..... Illinois Gas Co.
First Mtge. Gold 6s .....July 1
..... Indiana Service Corp.
Equip. Trust Ctfs., Series "E" .....July 1
50,000 Intermountain Water & Power Co.
First Serial Gold 6½s .....July 1
10,000 Janesville Electric Co.
First & Refdg. Mtge. (now First) Gold 5s.....July 1
150,000 Kansas City Power & Light Co.
5% Mortgage .....July 1
84,000 Lenox Water Co.
First Mtge. 5s .....July 1
11,000 Louisville Ry.
Car Trust 6% Gold Ctfs., Series "B".....July 1
..... Marion & Bluffton Traction Co.
7% Equip. Gold Notes .....July 1
100,000 Michoacan Power Co.
First Mtge. Gold 6s .....July 1
15,000 Mississippi Valley Utilities Corp.
First Serial Gold 6½s, Series "B" .....July 1
250,000 Oley Valley Ry.
First Mtge. Gold 4½s .....July 1
588,000 Pitcairn & Wilmerding St. Ry.
First Gold 5s .....July 1
271,000 Pittsburgh, McKeesport & Greensburg Ry.
First Mtge. Gold 5s .....July 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds .....July 1
5,000 Plymouth Fruit & Electric Co.
First Mortgage Bonds .....July 1
10,000 Santa Barbara Gas & Electric Co.
First Mtge. Serial & Skg. Fund Gold 5s.....July 1
484,000 Seattle & Rainier Valley Ry.
First Mtge. Gold 6s .....July 1
115,000 Sharon & New Castle Rys.
First Lien Skg. Fund Gold 5s .....July 1
250,000 Sheboygan Gas Light Co.
First Gold 5s .....July 1
25,000 Shreveport Rys.
First Mtge. Serial Gold 5s .....July 1
25,000 Temescal Water Co.
First Mtge. Gold 6½s .....July 1
250,000 Trappe & Limerick Electric St. Ry.
First Mtge. Gold 4½s.....July 1
4,000 Vicksburg Gas Co.
First Mtge. Serial Gold 6s.....July 1
7,500 Whittier Water Co.
First Serial Gold 6s .....July 1
18,000 Winona Service Co.
First Mtge. 6s .....July 1
3,000,000 Wisconsin Traction, Light, Heat & Power Co.
First Gold 5s and 7½s.....July 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes .....July 2

AUGUST, 1931

932,000 American Railways
Coll. Trust Rfdg. Conv. Gold 5s .....Aug. 1
353,000 California Central Gas & Electric Co.
First Mtge. 5s .....Aug. 1
175,000 Citizens RR., Light & Power Co.
First & Refdg. Mtge. 7s.....Aug. 1
2,797,300 Crew Levick Co.
First Mtge. Gold 6s .....Aug. 1
3,490,000 Fort Worth Power & Light Co.
First Mtge. Gold 5s .....Aug. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "C," .....Aug. 1
82,000 Olean St. Ry.
Bolivar Extension Gold 5s .....Aug 1
..... Pensacola Electric Co.
First Mtge. Gold 5s .....Aug. 1
237,500 Philadelphia Rapid Transit Co.
Equip. Tr. 5½% Ctfs., Series "G".....Aug. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds .....Aug. 1
95,000 Reading & Southwestern St. Ry.
First Mtge. Gold 5s .....Aug. 1
3,000 Roosevelt Water Power & Light Co.
First Mtge. Gold 6s .....Aug. 1
200,000 Scituate Water Co.
First Gold 6s .....Aug. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes .....Aug. 2
150,000 Philadelphia Rapid Transit Co.
Equip. Tr. 6% Ctfs., Series "F".....Aug. 15

SEPTEMBER, 1931

189,000 Bangor Power Co.
First Mtge. Gold 5s, Series "A".....Sept. 1
148,000 Bangor Power Co.
First Mtge. Gold 5s, Series "B".....Sept. 1
500,000 Birmingham, Knoxville & Allentown Traction Co.
First 6s .....Sept. 1
2,246,000 Central Indiana Gas Co.
First Mtge. Gold 5s.....Sept. 1
24,000 Chicago Aurora & Elgin RR.
6% Car Trust Ctfs., Series of 1922.....Sept. 1
170,000 Chicago Rapid Transit Co.
6% Equip. Trust Gold Ctfs., Series C-1.....Sept. 1
60,000 Denver Tramway Terminals Co.
First Serial Gold 5s .....Sept. 1
1,100,000 Fort Smith Light & Traction Co.
Second Mortgage 8s .....Sept. 1
200,000 Gainesville Gas & Electric Co.
First Mtge. Gold 5s.....Sept. 1
18,000 Indianapolis St. Ry.
Sub-stations First & Genl. Lien Equip. Trust Class "A" 6% Notes .....Sept. 1
100,000 Iowa Southern Utilities Co.
6% Gold Notes .....Sept. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds .....Sept. 1
10,000,000 Public Service Co. of Northern Illinois
5% Debentures, Series of 1926.....Sept. 1
27,000 Redlands St. Ry.
First Mtge. Gold 5s .....Sept. 1
1,034,000 Southwest Missouri RR.
Genl. & Refdg. Gold 5s .....Sept. 1
25,000 Springfield (Ohio) Ry.
First Gold 5s .....Sept. 1
597,000 Butler Water Co.
30-Yr. Gold 5s.....Sept. 2
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes .....Sept. 2

OCTOBER, 1931

75,000 Barnstable Water Co.
First Mtge. Gold 5s.....Oct. 1
750,000 Brazos River Gas Co.
First (Closed) Mtge. 5-Year Skg. Fund Gold 7s....Oct. 1
22,500 Cincinnati, Hamilton & Dayton Ry. Co.
5½% Equip. Tr. Gold Ctfs., Series "A".....Oct. 1
9,000 Connecticut Co.
Equip. Tr. 5% Gold Notes, Series "E".....Oct. 1
14,000 East Wenatchee Domestic Water Association
First Mtge. & Coll. Secured 7s.....Oct. 1
94,000 Iowa City Electric Ry.
First Gold 6s .....Oct. 1
8,000 Kentucky Traction & Terminal Co.
Equip. Trust Gold 6% Ctfs., Series "A".....Oct. 1
10,000 Lehigh Traction Co.
5½% Equip. Trust Ctfs. .....Oct. 1
..... Lexington Hydraulic & Manufacturing Co.
First Gold 5s .....Oct. 1
3,023,000 Maryland Electric Rys.
First Mtge. 25-Yr. Skg. Fund Gold 5s.....Oct. 1
150,000 Nashua St. Ry.
First Gold 4s .....Oct. 1
426,000 New York & Stamford Ry.
First Gold 5s .....Oct. 1
2,326,000 New York Interurban Water Co.
First Mtge. 5s .....Oct. 1
1,000 Plant City Public Service Co.
First Mortgage Gold Bonds.....Oct. 1
44,000 San Bernardino Valley Traction Co.
First Mtge. Gold 5s.....Oct. 1
..... San Diego Electric Ry.
6% Guar. Equip. Tr. Ctfs., Series "A" .....Oct. 1
..... San Gorgonio Power Co.
First Serial Gold 7s .....Oct. 1
296,000 Southwestern General Gas Co.
First & Rfdg. Gold 6s.....Oct. 1
650,000 Trenton Passenger Ry.
First Mtge. Gold 6s .....Oct. 1
12,000 Wheeling Traction Co.
6% First Equip. Tr. Series "N".....Oct. 1
33,000 Yuba River Power Co.
First Mtge. (Closed) Serial Gold 6s..... Oct. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes.....Oct. 2

NOVEMBER, 1931

1,782,000 Binghamton Ry.
First Consol. Gold 5s .....Nov. 1
25,000 Detroit United Ry.
Genl. Equip. Trust 6s, Series "A".....Nov. 1
4,000,000 Eastern Michigan Edison Co.
First Gold 5s.....Nov. 1
..... Indiana Service Corp.
6% Car Trust Ctfs., Series "D".....Nov. 1
22,000 Laurel Electric Light & Power Co.
First Mtge. 6s.....Nov. 1
50,000 Laurel Springs Water Supply Co.
First & Rfdg. Gold 6s.....Nov. 1
2,000,000 Midland Utilities Co.
5% Serial Gold Notes .....Nov. 1
2,000,000 Milwaukee Light, Heat & Traction Co.
General Gold 5s, Series "B".....Nov. 1
2,694,500 Milwaukee Light, Heat & Traction Co.
Genl. Gold 6s, Series "C".....Nov. 1

1,000,000 Milwaukee Light, Heat & Traction Co.
Genl. Gold 5s, Series "D".....Nov. 1
..... National Light, Heat & Power Co.
Coll. Trust Gold Series "A" 5s.....Nov. 1
114,000 Princeton Water Co.
First & Refdg. Gold 6s .....Nov. 1
20,000 Public Service Ry.
Equip. Trust 6% Ctfs., Series "F".....Nov. 1
300,000 Spring Valley Water Co.
5% Coll. Trust Serial Gold Notes .....Nov. 1
500 Normal City, Ind., Water Works
Serial 5s .....Nov. 15

DECEMBER, 1931

..... Citizens Light, Heat & Power Co.
Mortgage Notes .....Dec. 1
110,000 City of Detroit Dept. of Street Rys.
Additions & Betterments 4½% Bonds .....Dec. 1
124,000 Creston Gas & Electric Co.
First Gold 6s .....Dec. 1
500,000 Detroit United Ry.
6% Obligation .....Dec. 1
1,000 Fremont Gas, Electric Light & Power Co.
First Mtge. 5s.....Dec. 1
1,601,000 Johnstown Passenger Ry.
Refunding Gold 4s .....Dec. 1
4,000,000 Massachusetts Gas Companies
20-Yr. 4½% Gold Debs. .....Dec. 1
37,000 Mentone Power Co.
First Gold 5s .....Dec. 1
35,000 Memphis St. Ry.
Equip. Trust Gold 6% Ctfs., Series of 1923.....Dec. 1
595,000 Old Colony Gas Co.
First Mtge. Gold 5s .....Dec. 1
3,500,000 Oswego River Power Corp.
5-Yr. Gold Debs. .....Dec. 1
190,000 Philadelphia Rapid Transit Co.
Equip. Tr. 5% Ctfs., Series "K".....Dec. 1
1,000 Plant City Public Service Co.
First Mtge. Gold Bonds.....Dec. 1
..... Trenton & Mercer County Traction Corp.
J. G. Brill Co. Notes.....Dec. 2
10,000 Buffalo & Erie Ry.
Equip. Tr. Gold 6s, Series "A".....Dec. 15
270,000 Philadelphia Rapid Transit Co.
5½% Equip. Tr. Ctfs., Series "H" .....Dec. 15
1,000,000 Scranton-Spring Brook Water Service Co.
4½% Serial Gold Notes .....Dec. 15
16,000 Chicago North Shore & Milwaukee RR.
Equip. 5½% Gold Notes, Series "E-2".....Dec. 31
65,000 Chicago North Shore & Milwaukee RR.
Equip. 4½% 5% and 5½% Gold Notes, Series "E-1" Dec. 31
7,580,000 Detroit United Ry.
6% Obligation .....Dec. 31
479,500 National Light, Heat & Power Co.
Coll. Trust 7% Notes.....Dec. 31
4,250,000 Shaffer Oil & Refining Co.
5-Yr. 6% Gold Notes .....Dec. 31

ALPHABETICAL LIST OF PUBLIC UTILITY SECURITY OFFERINGS IN 1927

COVERING PERIOD FROM DECEMBER 28, 1926, TO DECEMBER 31, 1927

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Alabama Power Co., First & Refunding Mtge. 4½% Gold bonds, due Dec. 1, 1967 (offered Dec. 5)	40,000,000	94¾ & int., to yield about 4.80%	Harris, Forbes & Co., New York, et al.
Alabama Water Service Co., First Mtge. 5% Gold bonds, Series "A" due Jan. 1, 1957 (offered May 13)	3,500,000	96 & int., to yield 5.27%	G. L. Ohrstrom & Co., Inc., Coffin & Burr, Inc., New York, and Pearson, Erhard & Co., Boston.
Allied Utilities Corp. First Lien & Refunding 6% Gold bonds, Series "A", due Nov. 1, 1951 (offered week ended Mar. 5)	300,000	97 & int., to yield about 6.24%	Parsly Bros. & Co. and Boenning & Co., Phila.
American Commonwealths Power Corp., $7 Cum. First Pfd. stock, Series "A", (no par) (offered May 3)	10,000 shs	$95 & divd., to yield about 7.37%	G. E. Barrett & Co., Inc., and Frederick Peirce & Co., New York, etc.
American Commonwealths Power Corp. 6% Gold Debentures, Series "A", (dated Feb. 1, 1927), due Feb. 1, 1952 (offered May 3)	1,000,000	96 & int., to yield about 6.32%	G. E. Barrett & Co., and Frederick Peirce & Co., New York, etc.
American Commonwealths Power Corp., $7 Cum. 1st Pfd. stock, Series "A", (no par) (offered Nov. 16)	15,000 shs	$96 & divd., to yield over 7.25%	G. E. Barrett & Co., Inc. and Frederick Peirce & Co., New York, etc.
American Commonwealths Power Corp. 6% Gold Debentures, Series "A", due Feb. 1, 1952 (offered Jan. 26)	3,500,000	95 & int., to yield about 6.40%	G. E. Barrett & Co., Inc., and Frederick Peirce & Co., New York.
American Electric Power Corp., 6% Convertible Gold debentures, Series "A", due Sept. 15, 1957 (offered Sept. 30)	6,500,000	99 & int., to yield about 6.05%	Bonbright & Co., Inc., and A. C. Allyn & Co., Inc., New York, etc.
American Natural Gas Corp., Sinking Fund 6½% Gold debentures, due Oct. 1, 1942. (offered with stock purchase privilege). (offered Oct. 25)	10,000,000	99½ & int., to yield over 6.55%	G. L. Ohrstrom & Co., Inc., New York, etc.
American Natural Gas Corp., $7 Cum. Convertible Pfd. stock, (no par) (offered Nov. 9)	50,000 shs	$99.50 & divd. to yield over 7%	G. L. Ohrstrom & Co, Inc., New York, etc.; Hunter, Dulin & Co., and Drumheller, Ehrlichman & White, Seattle, etc.
American Superpower Corp. (of Del.), First Pfd. stock (no par) (offered Sept. 20)	25,000 shs	$98.50 per share & divd., to yield about 6.10%	Bonbright & Co., Inc., New York, etc.
American Utilities Co. First Lien & Refunding 6% Gold bonds, Series "A", (dated Dec. 1, 1925), due Dec. 1, 1945 (offered March 17)	1,250,000	Par & int.	J. G. White & Co., Inc., New York; Parsly Bros. & Co. and Paul & Co., Phila., and Curtis, Stephenson & Co., Inc., Boston.
American Utilities Co. 15-year 6½% Gold debentures (dated Nov. 1, 1926), due Nov. 1, 1941 (offered March 9)	350,000	96½ & int., to yield about 6.88%	Parsly Bros. & Co. and Paul & Co., Phila.
American Utilities Co., First Lien & Refunding 6% Gold bonds, Series "A", dated Dec. 1, 1925), due Dec. 1, 1945 (offered Aug. 16)	910,900	Par & int.	J. G. White & Co., Inc., New York, etc., Parsly Bros. & Co., and Paul & Co., Phila.
American Utilities Co., 15-Year 6½% Gold debentures (dated Nov. 1, 1926), due Nov. 1, 1941 (offered in Aug., 1927)	Block	.....	Parsly Bros. & Co., and Paul & Co., Phila.
American Water Works & Electric Co., Inc. (Del.), $6 Cum. 1st Pfd. stock (no par) (offered July 8)	200,000 shs	$99 & divd.	W. C. Langley & Co., New York, etc.
Appalachian Electric Power Co., $7 Cum. Pfd. stock (no par) (offered Sept. 1)	10,000 shs	105 & divd., to yield 6.67%	J. J. B. Hilliard & Son, Louisville, Ky., and Security Trust Co., Lexington, Ky.
Arkansas-Missouri Power Co., First Mtge. 30-Year Sinking Fund 6% Gold bonds, due Jan. 1, 1953 (offered June 3)	340,000	.....	A. E. Fitkin & Co., Beverley Bogert & Co., New York, and R. E. Wilsey & Co., Inc., Chicago.
Arkansas-Missouri Power Co., 7% Cum. Pfd. stock (par $100) (offered June 3)	200,000	98 & divd.	A. E. Fitkin & Co., Beverley Bogert & Co., New York, and R. E. Wilsey & Co., Inc., Chicago.
Arkansas Power & Light Co., First & Refunding Mtge. 5% Gold bonds (dated Oct. 1, 1926), due Oct. 1, 1956 (offered Nov. 30)	3,000,000	99 & int., to yield over 5.60%	Harris, Forbes & Co., New York, et al.
Ashland (Ky.) Home Telephone Co. First Mtge. 5½% Gold bonds, Series "A", due Feb. 1, 1952 (offered Feb. 8)	400,000	Par & int.	Security Trust Co., Lexington, Ky., and Bacon, Whipple & Co., Inc., Chicago.
Associated Electric Co., 4½% Gold bonds, due Jan. 1, 1953 (offered Dec. 19)	20,000,000	94¼ & int., to yield 4.90%	Harris, Forbes & Co., New York, et al.
Associated Gas & Electric Co. Convertible 5½% Gold debentures due Feb. 1, 1977 (offered Feb. 10)	American portion of 40,000,000	95¾ & int., to yield over 5.75%	Harris, Forbes & Co., et al.
Associated Gas & Electric Co. Class "A" stock (no par) (offered Feb. 18)	100,000 shs	$40.50 per share	John Nickerson & Co., New York, etc.
Associated Gas & Electric Co., $6 Pfd. stock (no par) (offered in Sept., 1927)	25,000 shs	$95 per share & divd., to yield 6.32%	John Nickerson & Co., New York, etc.
Associated Public Utilities Corp., First Lien 20-Year 5% Gold bonds, Series "A," due July 1, 1947 (offered Aug. 17)	2,800,000	91 & int., to yield about 5.75%	E. H. Rollins & Sons, Bond & Goodwin, Inc., and G. V. Grace & Co., Inc., New York, etc.
Associated Telephone Utilities Co., $7 Cum. Prior Pfd. stock (no par) (offered Apr. 25)	Block	$100 & divd.	Paine, Webber & Co., New York, etc.
Associated Telephone Utilities Co., 15-Year 5% Gold debentures, Series "B," due Oct. 1, 1942 (offered Oct. 31)	1,750,000	95 & int., to yield 5.50%	Paine, Webber & Co., New York, etc., and Mitchum, Tully & Co., San Francisco, etc.
Associated Telephone Utilities Co., $6 Cum. Prior Pfd. stock (no par) (offered Oct. 31)	25,000 shs	$92 & divd., to yield 6.52%	Paine, Webber & Co., New York, etc., and Mitchum, Tully & Co., San Francisco, etc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Atlantic City Electric Co., First & Refunding Mtge. 5% Gold bonds (dated April 1, 1926), due Apr. 1, 1956 (offered Sep. 23)	2,762,000	Par & int.	Edward B. Smith & Co., Tucker, Anthony & Co., and Bonbright & Co., Inc., New York, etc.
Atlantic City Gas Co., First Lien & Refunding Mtge. 5% Gold bonds, due July 1, 1957 (offered week ended July 30)	800,000	98 & int., to yield over 5.13%	Drexel & Co., Phila.
Atlantic Public Utilities, Inc., 3-Year 6% Coupon Gold notes, due Feb. 1, 1930 (offered Mar. 30)	500,000	99½ & int., to yield over 6.15%	Sawyer, Fiske & Spencer, Inc., Boston; Paul & Co., Phila.; Dangler, Lapham & Co., and Emery, Peck & Rockwood, Chicago.
Avalon Telephone Co., Ltd. First Mtge. Sinking Fund 6% Gold bonds, Series "A," due Dec. 1, 1946 (offered Dec. 30, 1926)	400,000	Par & int.	Royal Securities Corp., Ltd., Montreal, etc.
Baker County (Ga.) Power Co., First Mtge. 20-Year 6% Gold bonds, due Sept. 1, 1947 (offered Nov. 15)	500,000	99½ & int., to yield over 6%	Davis, Longstaff & Co., Paul C. Dodge & Co., Inc., Chicago, etc., and Howard F. McCandless & Co., San Francisco, etc.
Baker County (Ga.) Power Co., One-Year 5% Gold notes, due Dec. 1, 1928 (offered Nov. 15)	150,000	99 & int., to yield 6%	Davis, Longstaff & Co., Paul C. Dodge & Co., Inc., Chicago, etc., and Howard F. McCandless & Co., San Francisco, etc.
Baton Rouge (La.) Water Works Co., First Mtge. Sinking Fund 5½% Gold bonds, Series "A," due Aug. 1, 1947 (offered Aug. 16)	400,000	Par	Whitney-Central Trust & Savings Bank, et al, New Orleans.
Belle Telephone Co. of Canada, First Mtge. 5% Gold bonds, Series "B," due June 1, 1957 (offered May 26)	10,000,000	102½ & int., to yield about 4.85%	Lee, Higginson & Co., et al.
Binghamton Light, Heat & Power Co., $6 Cum. Pfd. stock (no par) (offered Dec. 12)	10,000 shs	$102 & divd., to yield 5.88%	Pynchon & Co., New York, etc.
Birmingham Water Works Co. First Mtge. 5% Gold bonds, Series "C," due Feb. 1, 1957 (offered Mar. 1)	800,000	99 & int.	W. C. Langley & Co., and Halsey, Stuart & Co., Inc., New York, etc.
Birmingham Water Works Co., First Mtge. 5% Gold bonds, Series "C" (dated Oct. 1, 1924), due Feb. 1, 1957 (offered Dec. 12)	1,200,000	101 & int.	W. C. Langley & Co., and Halsey Stuart & Co., Inc., New York.
Boston Consolidated Gas Co. 20-Year 5% Gold bonds (Debentures), due Feb. 1, 1947 (offered Jan. 17)	10,500,000	103 & int., to yield over 4.76%	Bankers Trust Co. and Dillon, Read & Co., New York.
Boston Elevated Ry. 10-Year 5% Gold bonds, due Feb. 1, 1937 (offered Apr. 14)	1,885,000	100¾ & int., to yield 4.90%	Paine, Webber & Co., White, Weld & Co., Stone & Webster and Blodget, Inc., and First National Corp. of Boston, New York, etc.
Boston Elevated Ry. 10-Year 5% Gold bonds, due Feb. 1, 1937 (offered Jan. 14)	4,626,000	Par & int.	Brown Brothers & Co., Tucker, Anthony & Co. and Edw. B. Smith & Co., New York, and F. S. Moseley & Co. and Atlantic Corp. of Boston, Boston.
Broad River Power Co. First & Refunding Mtge. 5% Gold bonds, Series "A," (dated Sept. 1, 1924), due Sept. 1, 1954 (offered Dec. 29, 1926)	773,000	94 & int., to yield 5.42%	Halsey, Stuart & Co., Inc., and Pynchon & Co., New York, etc.
Brooklyn Borough Gas Co. General & Refunding Mtge. 5% Gold bonds, New Series "A," due Feb. 1, 1967 (offered Mar. 4)	2,700,000	100½ & int., to yield about 4.97%	Otis & Co., New York, etc.
Brooklyn-Manhattan Transit Corp., Rapid Transit Security Sinking Fund 6% Gold bonds, Series "A," due July 1, 1968 (offered May 2)	10,262,200	To yield over 5.90%	Brown Brothers & Co., J. & W. Seligman & Co., Bankers Trust Co., and Hayden, Stone & Co., New York.
Buckeye Public Service Co., 7% Cum. Pfd. Stock (par $100). (Offered in units of 1 share of Pfd. and 1 share no par Com.) (offered Apr. 1)	1,000,000	$110 per unit	D. C. Pierce Co., Cleveland.
Buckeye Public Service Co., Com. stock (no par). (Offered as above) (offered Apr. 1)	10,000 shs	Units	D. C. Pierce Co., Cleveland.
Butler Water Co., First Mtge. 5% Gold bonds, Series "A," due Oct. 1, 1957 (offered Oct. 21)	1,000,000	95 & int., to yield over 5.30%	W. C. Langley & Co., and Halsey Stuart & Co., Inc., New York, etc.
Cadillac (Mich.) Gas Co. 20-Year First Mtge. 6% Gold bonds, Series "A," due Mar. 1, 1947 (offered week ended Apr. 2)	150,000	Par & int.	A. E. Kusterer & Co., Grand Rapids, Mich.
California Oregon Power Co., 5½% Gold debentures, due Oct. 1, 1942 (offered Nov. 7)	4,000,000	98½ & int., to yield 5.65%	H. M. Byllesby & Co., Inc., E. H. Rollins & Sons, Spencer Trask & Co., New York, etc. and American National Co., San Francisco.
California Water Service Corp., One-Year Secured 5% Gold notes, due Apr. 1, 1928 (offered Apr. 7)	7,500,000	Par & int.	G. L. Ohrstrom & Co., Inc., New York.
California Water Service Corp., 6% Cum. Pfd. stock (par $100) (offered Apr. 14)	2,500,000	95 & divd., to yield about 6.32%	G. L. Ohrstrom & Co., Inc., New York; Dean Witter & Co., Hunter, Dulin & Co., and Banks, Huntley & Co., Los Angeles, etc.
Canadian Hydro-Electric Corp., Ltd., 6% Cum. 1st Pfd. stock (par $100) (offered Dec. 7)	12,500,000	97½ & divd.	Estabrook & Co., et al, New York, etc.
Canadian Western Natural Gas, Light, Heat & Power Co., Ltd., 6% Partic. Sinking Fund Pref. stock (par $100) (offered May 27)	1,700,000	97 & divd., to yield 6.19%	Wood, Gundy & Co., Ltd., Toronto, etc.
Cape & Vineyard Electric Co. 6% Cum. Pfd. stock (par $100) (offered Feb. 9)	200,000	99 & int., to yield 6.06%	Brown Brothers & Co., New York, etc.
Carolina-Georgia Service Co., First Mtge. Sinking Fund 6% Gold bonds, Series "A," due June 1, 1942. (Offered with Com. stock purchase warrants). (offered June 15)	1,100,000	97½ & int., to yield over 6.25%	Henry D. Lindsley & Co., Inc., E. R. Diggs & Co., Inc., New York, and Gorrell & Co., Inc., Chicago.
Carolina-Georgia Service Co., Secured Sinking Fund 5-Year 6½% Gold notes, due June 1, 1932. (Offered with detachable stock purchase warrants). (offered July 13)	500,000	98¾ & int., to yield over 6.75%	E. R. Diggs & Co., Inc., New York, etc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Carolina Power & Light Co., First & Refunding Mtge. 5% Gold bonds (dated April 1, 1926), due April 1, 1956 (offered July 12)	10,000,000	100¾ & int., to yield 4.95%	W. L. Langley & Co., Bonbright & Co., Inc., and Old Colony Corp., New York, etc.
Central & South West Utilities Co., $7 Pfd. stock (no par) (offered May 5)	35,000 shs	.....	A. B. Leach & Co., Inc., New York, etc., et al.
Central Arizona Light & Power Co. First & Refunding Mtge. 5½% Gold bonds, Series "C," due Jan. 1, 1947 (offered Jan. 6)	1,300,000	Par & int.	E. H. Rollins & Sons, New York, etc., and First Securities Co., Los Angeles.
Central Cities Telephone Co., First Lien Sinking Fund Collateral 6% Gold bonds, Series of 1927, due Aug. 1, 1942 (offered Aug. 11)	1,700,000	98½ & int., to yield over 6.12%	Hambleton & Co., New York, etc.
Central Cities Telephone Co., 2-Year 5½% Gold notes, due Aug. 1, 1929 (offered Aug. 11)	700,000	99 & int., to yield over 6%	Hayden, Van Atter & Schimberg, Inc., and Patterson, Copeland & Kendall, Inc., Chicago.
Central Gas & Electric Co., First Lien Collateral Trust Sinking Fund 5½% Gold bonds (dated Dec. 1, 1926), due Dec. 1, 1946 (offered Dec. 20)	7,000,000	98½ & int., to yield about 5.625%	Thompson Ross & Co., H. M. Byllesby & Co., Inc., Hambleton & Co., New York, etc.; Federal Securities Corp., Chicago, etc., and West & Co., Philadelphia, etc.
Central Gas & Electric Co., 3-Year 5½% Gold notes, due Dec. 1, 1930 (offered Dec. 20)	3,500,000	99¼ & int., to yield over 5.75%	Thompson Ross & Co., H. M. Byllesby & Co., Inc., Hambleton & Co., New York, etc.; Federal Securities Corp., Chicago, etc., and West & Co., Philadelphia, etc.
Central Gas & Electric Co. First Lien Coll. Trust Sinking Fund 5½% Gold bonds, (dated Dec. 1, 1926), due Dec. 1, 1946 (offered April 6)	2,300,000	95 & int., to yield about 5.95%	H. M. Byllesby & Co., Inc., New York, etc.; Federal Securities Corp., Thompson Ross & Co., Inc., Chicago, and West & Co., Phila.
Central Gas & Electric Co., $6.50 Cum. Pfd. stock (no par) (offered Dec. 29)	25,000 shs	$94.50 & divd., to yield over 6.87%	Federal Securities Corp., Thompson Ross & Co., Chicago, H. M. Byllesby & Co., Inc., New York, etc., and West & Co., Phila., etc.
Central Hudson Gas & Electric Corp. First & Refunding Mtge. 5% Gold bonds, due Jan. 1, 1957 (offered Jan. 17)	8,000,000	101½ & int., to yield over 4.90%	Drexel & Co. and Stroud & Co., Inc., Phila., etc.
Central Illinois Public Service Co., First Mtge. 4½% Gold bonds, Series "F," due Dec. 1, 1967 (offered Dec. 19)	29,000,000	94¾ & int., to yield about 4.80%	Halsey, Stuart & Co., Inc., New York, etc.
Central Illinois Public Service Co. $6 Cum. Pfd. stock (no par) (offered Dec. 30 '26)	6,000 shs	$89 & divd., to yield over 6.70%	Old Colony Corp. and W. C. Langley & Co., New York, etc.
Central Illinois Public Service Co., First Mtge. & Refunding 5% Gold bonds, Series "E," due May 1, 1956 (offered Aug. 10)	4,642,000	97 & int., to yield 5.20%	Halsey, Stuart & Co., Inc., New York, etc.
Central Illinois Public Service Co., 4½% Serial Gold notes, due each Jan. 1, 1929, 1930 and 1931 (offered Dec. 21)	4,200,000	To yield 4.25%, 4.50% and 4.75%	Halsey, Stuart & Co., Inc., New York, etc.
Central Indiana Gas Co., 6½% Cum. Pfd. stock (par $100) (offered Oct. 20)	500,000	97½ & divd., to yield 6.67%	Dawes, Maynard & Co., and Lawrence Regan & Co., Chicago.
Central Iowa Telephone Co., First Mtge. 20-Year 5½% Gold bonds, due July 1, 1947 (offered July 5)	350,000	97 & int., to yield over 5.75%	Oliver J. Anderson & Co., St. Louis.
Central Kansas Power Co., First Mtge. 6% Gold bonds (dated March 1, 1926), due March 1, 1946 (offered week ended Nov. 5)	85,000	Par & int.	Peters Trust Co., Omaha, Neb.
Central Maine Power Co., 6% Pfd. stock (par $100) (offered Sept. 26)	600,000	96 & divd., to yield 6.25%	Co. itself, Augusta, Me.
Central Maine Power Co., First & Gen. Mtge. 4½% Gold bonds, Series "E," due Dec. 1, 1957 (offered Dec. 13)	2,000,000	98 & int., to yield about 4.62%	Harris, Forbes & Co., Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.
Central New Hampshire Telephone Co., 20-Year 6½% Gold Debenture bonds, due July 1, 1947 (offered week ended Aug. 20)	175,000	102 & int., to yield about 5.33%	Bond & Goodwin, Inc., New York etc.
Central Power & Light Co., First Mtge. 5% Gold bonds (dated Aug. 1, 1926) due Aug. 1, 1956 (offered Oct. 5)	4,000,000	97 & int., to yield 5.25%	Howe Snow & Co., Inc., Halsey, Stuart & Co., Inc., Tucker, Anthony & Co., A. B. Leach & Co., Inc., and Hill, Joiner & Co., Inc., New York, etc.
Central Power Co. (Del.) First Mtge. 5% Gold bonds, Series "D," due July 1, 1957 (offered Sept. 9)	3,200,000	96¼ & int., to yield about 5.25%	Hill, Joiner & Co., Inc., and Halsey, Stuart & Co., Inc., New York, etc.
Central Public Service Corp. Collateral Trust 6% Gold bonds, Series "A," (dated July 1, 1925), due July 1, 1940 (offered March 8)	750,000	97 & int., to yield over 6.30%	Thompson Ross & Co., Inc., and E. B. Diggs & Co., Inc., New York.
Central Public Service Corp. Collateral Trust 6% Gold bonds, Series "A," (dated July 1, 1925), due July 1, 1940 (offered Dec. 9)	4,500,000	97½ & int., to yield about 6.30%	Federal Securities Corp., Thompson Ross & Co., Chicago; H. M. Byllesby & Co., Hambleton & Co., New York, etc., and West & Co., Phila., etc.
Central Public Service Corp. $7 Cum. Pfd. stock (no par) (offered week ended Dec. 24)	Block	$100 & divd.	Hambleton & Co., Inc., New York, etc.
Central States Edison, Co., 1-Year 5% Secured Gold notes, due June 15, 1928 (offered July 6)	850,000	99 & int., to yield 6%	Davis, Longstaff & Co., Carson, Goldsmith & Co., Chicago, etc., and Howard F. McCandless & Co., San Francisco, etc.
Central States Electric Corp., 5% Convertible debentures, due Jan. 1, 1948 (offered Dec. 28)	20,000,000	96½ & int., to yield 5.28%	Dillon, Read & Co., New York, etc.
Central States Electric Co., First Mtge. & Refunding 5½% Gold bonds, Series "B," due March 1, 1952 (offered week ended May 7)	250,000	.....	Arthur Perry & Co., Boston, etc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Central States Power & Light Corp. First Mtge. & First Lien 5½% Gold bonds, due Jan. 1, 1953 (offered Dec. 22)	8,500,000	98½ & int., to yield about 5.60%	Chase Securities Corp., New York, et al.
Central States Power & Light Corp., $7 Pfd. stock, (no par) (offered Dec. 22)	30,000 shs	$100 & divd., to yield 7%	Chase Securities Corp., Pynchon & Co., New York, West & Co., Phila., etc., Peabody, Houghteling & Co., Chicago, etc., and W. S. Hammons & Co., Portland, Me.
Chicago & West Towns Ry., First Mtge. 6% Gold bonds, Series "B," due July 1, 1932 (offered week ended Sept. 10)	425,000	95.75 & int., to yield over 7%	Harris Trust & Savings Bank, Chicago.
Chicago Aurora and Elgin RR. Co., 5½% Equipment Trust Gold ctfs., Series "B," due annually Apr. 1, 1928 to 1937, incl. offered week ended Apr. 23	460,000	To yield from 4.75% to 5.75%	Halsey, Stuart & Co., Inc., New York, etc.
Chicago, North Shore & Milwaukee RR., 3-Year 5½% Gold notes, due Feb. 1, 1930 (offered Feb. 16)	2,500,000	99½ & int., to yield over 5.65%	Halsey, Stuart & Co., Inc., and National City Co., New York, etc.
Chicago North Shore & Milwaukee RR., Equip. Trust 5½% Gold ctfs., Series "F-1," due annually Dec. 1, 1933 to 1942, incl. (offered week ended Dec. 17)	720,000 ctfs	To yield from 5.25% to 5.50%	Halsey, Stuart & Co., Inc., New York, etc.
Chicago Rapid Transit Co., First & Refunding Mtge. 6% Gold bonds, due July 1, 1953 (offered May 16)	1,795,000	93 & int., to yield about 6.56%	National City Co., and Halsey, Stuart & Co., Inc., New York.
Cincinnati, Hamilton & Dayton Ry., Equipment Trust 5%, 5½% and 6% Gold Ctfs., Series "A," due semi-annually Oct. 1, 1927 to April 1, 1937, incl. (offered June 23)	450,000	To yield from 5% to 6%	Halsey, Stuart & Co., Inc., Chicago, etc.
Cincinnati Street Ry., First Mtge. 5½% Gold bonds, Series "A," due Apr. 15, 1952 (offered Apr. 11)	7,000,000	Par & int.	Guaranty Co. of New York, and W. E. Hutton & Co., New York, etc.
Cities Service Co. Com. stock (par $20) (offered Jan. 24)	5,000,000	At market	Henry L. Doherty & Co., and Newburger, Henderson & Loeb, New York, etc.; Pearsons-Taft Co., Chicago; De Fremery & Co. and Russell-Colvin Co., San Francisco.
Cities Service Co. Refunding 5% Gold Debenture bonds, due Jan. 1, 1966 (offered Feb. 25)	14,000,000	91¾ & int.	A. B. Leach & Co., Inc. and Henry L. Doherty & Co., New York, etc.; Federal Securities Corp. and Pearsons-Taft Co., Chicago.
Cities Service Gas Co., First Mtge. Pipeline 5½% Gold bonds, due May 1, 1942 (offered May 18)	25,000,000	96¼ & int., to yield about 5.875%	Halsey, Stuart & Co., Inc., et al.
Cities Service Power & Light Co., $6 Cum. Pfd. stock (par $100) (offered June 10)	7,500,000	92¾ per share to yield about 6.47%	Henry L. Doherty & Co., A. B. Leach & Co., Inc., H. M. Byllesby & Co., Inc., New York, etc.; Federal Securities Corp. and Pearsons-Taft Co., Chicago, etc.
Cities Service Power & Light Co., 5½% Gold debentures due Nov. 1, 1952 (offered Nov. 3)	45,000,000	98 & int., to yield 5.65%	Harris, Forbes & Co., National City Co., and Guaranty Co. of New York, New York; Harris, Forbes & Co., Inc., Boston, Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.
Citizens Land & Water Co., Bloomington, Cal., First Mtge., 6% Serial Gold bonds, due annually Jan. 1, 1928 to 1948, incl. (offered Dec. 21, 1926)	350,000	Par & int.	California Co., Drake, Riley & Thomas, and Stevens, Page & Sterling, Los Angeles.
Citizens Water Co., Washington, Pa., 7% Cum. Pfd. stock (par $100) (offered Mar. 4)	200,000	102 & divd., to yield 6.86%	Thomson, Fenn & Co., Hartford, Conn., etc.
Citizens Water Co., Washington, Pa., First Mtge. 5% Gold bonds, Series "B," (dated July 1, 1926), due July 1, 1951 (offered Mar. 7)	410,000	95 & int., to yield about 5.35%	P. W. Chapman & Co., Inc., New York, etc.
City Gas Co. of London (Ont.), First Mtge. Sinking Fund 6% 20-Year Gold bonds, due Apr. 1, 1947 (offered Apr. 8)	225,000	Par & int.	Midland Securities, Ltd., Toronto, etc.
City Water Co. of Chattanooga, 6% Cum. Pfd. stock (par $100) (offered week ended Nov. 26)	1,000,000	Par & divd.	First Securities Co., Chattanooga.
City Water Co. of Chattanooga (Tenn.), First Mtge. 5% Gold bonds (dated Dec. 1, 1924), Series "C," due May 1, 1957 (offered June 2)	600,000	98 & int.	W. C. Langley & Co., and Halsey, Stuart & Co., Inc., New York, etc.
Cleveland Ry. 6% Capital stock (par $100) (offered June 27)	3,580,000	102½ per share	Hayden, Miller & Co., Otis & Co., Union Trust Co., Cleveland Trust Co. and Guardian Trust Co., Cleveland.
Colorado Utilities Corp. First Mtge. 6% Gold bonds, due March 1, 1938 (offered week ended March 5)	300,000	99 & int., to yield 6.15%	Troy, Graham & Co., Chicago.
Columbia Gas & Electric Corp., 25-Year 5% Gold Debenture bonds (dated May 1, 1927) due May 1, 1952 (offered week ended Oct. 8)	5,000,000	To yield over 5.07%	Guaranty Co. of New York, J. & W. Seligman & Co., W. E. Hutton & Co., Coggeshall & Hicks, and Marshall Field, Glore, Ward & Co., New York, etc., and Union Trust Co. of Pittsburgh, Pittsburgh, Pa.
Columbia Gas & Electric Corp. 25-Year 5% Gold Debenture bonds, due May 1, 1952 (offered May 4)	40,000,000	Par & int.	Guaranty Co. of New York, J. & W. Seligman & Co., W. E. Hutton & Co., Coggeshall & Hicks, Marshall Field, Glore, Ward & Co., New York, and Union Trust Co. of Pittsburgh, Pittsburgh.
Columbus Electric & Power Co., First & Refunding Mtge. 5% Gold bonds, Series "B," (dated Nov. 1, 1924), due Nov. 1, 1954 (offered Nov. 30)	2,000,000	101.87 & int., to yield 4.875%	Estabrook & Co., Stone & Webster and Blodget, Inc., and Parkinson & Burr, New York, etc.
Columbus Ry., Power & Light Co., First & Refunding Mtge. 4½% Gold bonds, Series "A," due July 1, 1957 (offered Aug. 23)	13,000,000	93¾ & int., to yield about 4.90%	Guaranty Co. of New York, et al.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Commonwealth Edison Co. First Mtge. Collateral 4½% Gold bonds, Series "D," due July 1, 1957. (offered March 4)	15,000,000	96 & int., to yield 4.75%	Halsey, Stuart & Co., Inc., New York, etc.
Commonwealth Power Corp., 6% Cum. Pfd. stock (par $100) (offered Aug. 17)	13,208,200	Par & divd.	Bonbright & Co., Inc., Hodenpyl Hardey Securities Corp., W. C. Langley & Co., New York, etc., and E. W. Clark & Co., Phila.
Commonwealth Public Service Co., One-Year Collateral Trust 5% Gold notes, Series "A," due Dec. 1, 1928 (offered Dec. 8)	500,000	99 & int., to yield 6%	F. N. Kneeland & Co., Chicago.
Commonwealth Telephone Co. (Ind.) First Mtge. 6% Gold bonds, due serially Jan. 1, 1929 to 1948 (offered week ended Nov. 5)	170,000	Par & int.	Peoples State Bank, Indianapolis.
Commonwealth Telephone Co. (Del.) One-Year Secured 5% Gold notes, Series "A," due June 1, 1928 (offered in Oct., 1927)	350,000	99 & int., to yield 6%	Patterson, Copeland & Kendall, Inc., Chicago.
Community Power & Light Co. 30-Year First Mtge. Collateral 5% Gold bonds, due March 1, 1957 (offered Feb. 2)	11,000,000	95½ & int., to yield about 5.30%	Spencer Trask & Co., Bauer, Pond & Vivian and Old Colony Corp., New York; Wm. L. Ross & Co., Inc., Chicago, and Whitaker & Co., St. Louis.
Community Water Service Co. $7 Cum. First Pfd. stock (no par) (offered Jan. 6)	11,500 shs	$99 & divd., to yield 7.07%	Hale, Waters & Co., New York.
Community Water Service Co., 6% Gold debentures, Series "A" (dated Dec. 1, 1926), due Dec. 1, 1946 (offered May 2)	1,000,000	Par & int.	P. W. Chapman & Co., Inc., New York, etc.
Community Water Service Co., $7 Cum. 1st Pfd. stock (no par) (offered Dec. 14)	6,500 shs	$101 & divd.	Hale, Waters & Co., New York, etc.
Community Water Service Co. 6% Gold debentures, Series "A," due Dec. 1, 1946 (offered March 4)	1,150,000	99 & int., to yield over 6%	P. W. Chapman & Co., Inc., New York, etc.
Community Water Service Co., 6% Gold debentures, Series "A," due Dec. 1, 1946 (offered Sept 29)	1,650,000	Par & int.	P. W. Chapman & Co., Inc., New York, etc.
Community Water Service Co., $7 Cum. 1st Pfd. stock (no par) (offered Aug. 25)	8,000 shs	Par & divd.	Hale, Waters & Co., New York, etc.
Connecticut Light & Power Co., 5½% Cum. Pfd. stock (par $100) (offered Dec. 1)	6,500,000	Par, flat, or par & divds.	Estabrook & Co., New York, etc., Hincks Bros. & Co., Bridgeport, Conn., Putnam & Co., Hartford, Conn., and Chas. W. Scranton & Co., New Haven, Conn.
Consolidated Gas Co. of New York, $5 Cum. Pfd. stock (no par) (offered Mar. 28)	Block	At market to yield about 5.30%	National City Co., New York, etc.
Consolidated Public Service Co., 1-Year 5% Gold notes, due Mar. 1, 1928 (offered week ended Apr. 23)	500,000	.....	Hoagland, Allum & Co., Inc., New York, etc.
Consolidated States Telephone Co., Convertible 6% Gold debentures, Series "A," due June 1, 1952 (offered July 20)	750,000	98 & int., to yield about 6.15%	Vought & Co., and Craigmyle & Co., New York.
Consolidated States Telephone Co., Class "A" stock (no par) (offered July 20)	12,500	$25 per share	Vought & Co., and Craigmyle & Co., New York.
Consolidated Telephone Co. of Wisconsin, First Mtge. 5½% Gold bonds, Series "A," due May 1, 1942 (offered week ended May 7)	1,000,000	97½ & int., to yield about 5.75%	G. L. Ohrstrom & Co., Inc., New York.
Consolidated Utilities, Inc., One-Year Secured 5½% notes (offered Oct. 4)	150,000	99½ & int., to yield 6%	First Citizens Corp., Columbus, O.
Consolidated Water Supply Co., Guaranteed First Mtge. & Collateral Trust 5% Gold bonds, due 1952 (offered Apr. 20)	191,000	101 & int., to yield 4.93%	Marshall Field, Glore Ward & Co., Green, Ellis & Anderson, New York, and J. H. Brooks & Co., Scranton Pa., etc.
Continental Telephone Co. 5-Year Collateral Trust 5½% Gold notes, Series "A," due Mar. 1, 1932 (offered week ended Mar. 26)	800,000	Par & int.	Merchants Trust Co., St. Paul, Minn., and Peters Trust Co., Omaha, Neb.
Continental Telephone Co., 6½% Cum. Pfd. stock (par $100) (offered May 25)	500,000	Par & divd.	Wells-Dickey Co., Minneapolis, etc. and Merchants Trust Co., St. Paul.
County Gas Co. (N. J.), First Mtge. 5% Gold bonds, Series "A," due Jan. 1, 1952 (offered in May, 1927)	600,000	.....	W. H. Newbold's Son & Co., Phila.
Dallas Power & Light Co., First Mtge. 5% Gold bonds, Series "C," due July 1, 1952 (offered week ended May 14)	1,000,000	Par & int.	Harris, Forbes & Co., New York; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.
Denver Tramway Corp. First (Underlying) Mtge. Collateral Trust Sinking Fund 6% Gold notes, due Oct. 1, 1933 (offered week ended Mar. 5)	1,750,000	98½ & int., to yield 6.25%	Boettcher & Co., and International Trust Co., Denver, Colo.
Detroit City Gas Co., First Mtge. 5% Gold bonds, Series "B" (dated Oct. 1, 1925), due Oct. 1, 1950 (offered July 19)	7,500,000	Par & int.	Otis & Co., Halsey, Stuart & Co., Inc., Marshall Field, Glore, Ward & Co., First National Co. of Detroit, Inc., Lehman Brothers, and Redmond & Co., New York, etc.
Detroit City Service Co., First Mtge. 6½% Gold bonds, Series "A," due July 1, 1937 (offered June 30)	3,000,000	99½ & int., to yield over 6.50%	Hoagland, Allum & Co., Inc., Halsey, Stuart & Co., Inc., New York, etc., and West & Co., Phila.
Detroit City Service Co., 6½% Gold notes, due July 1, 1932 (offered Sept. 15)	1,250,000	98 & int., to yield about 6.98%	Hoagland, Allum & Co., Inc., West & Co., and J. A. Ritchie & Co., Inc., New York, etc.
Detroit Edison Co., General & Refunding Mtge. 5% Gold bonds, Series "C," due Aug. 1, 1962 (offered July 18)	20,000,000	102¼ & int., to yield over 4.85%	Harris, Forbes & Co., et al.
Dixie Gas & Utilities Co., 7% Cum. Pfd. stock (par $100). (Offered with a bonus of 2 shares no par Com. with each share Pfd.) (offered June 20)	1,500,000	Par	Goddard & Co., Inc., Moore, Leonard & Lynch, New York, etc., and Hutchinson & Co., Providence, R. I.
Dixie Gas & Utilities Co., Com. stock (no par). (offered as above) (offered June 20)	30,000 shs	Bonus	Goddard & Co., Inc., Moore, Leonard & Lynch, New York, etc., and Hutchinson & Co., Providence, R. I.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Dixie Gulf Gas Co., First Mtge. Sinking Fund 6½% Gold bonds, Series "A," due Sept. 1, 1937 (offered Sept. 15)	9,500,000	99½ & int., to yield over 6.55%	Blyth, Witter & Co., Tucker, Anthony & Co., Hale, Waters & Co., Goddard & Co., and Moore, Leonard & Lynch, New York, etc.
Dixie Gulf Gas Co., $7 Pfd. stock (no par). (offered in Allotment ctfs. of 1 share Pfd. and 1 share Com.) (offered Sept. 16)	37,500 shs	.....	Tucker, Anthony & Co., Goddard & Co., Inc.; Moore, Leonard & Lynch; and Hale, Waters & Co., New York, etc.
Dixie Gulf Gas Co. Com. stock (no par) (offered as above) (offered Sept. 16)	37,500 shs	.....	Tucker, Anthony & Co., Goddard & Co., Inc.; Moore, Leonard & Lynch; and Hale, Waters & Co., New York, etc.
Dominion Power & Milling Corp., 7% Cum. Pfd. stock (par $100) (offered in units of one share Pfd. and one share Com.) (offered Nov. 21)	150,000	$125 per unit	Drummond & Co., Montreal.
Dominion Power & Milling Corp., Com. stock (no par) (offered as above) (offered Nov. 21)	1,500 shs	Units	Drummond & Co., Montreal.
Duke Power Co., First & Refunding Mtge. 4½% Gold bonds, due Dec. 1, 1967 (offered Dec. 15)	40,000,000	98 & int.	Stone & Webster and Blodget, Inc., Guaranty Co. of New York, First National Corp. of Boston, Estabrook & Co., and Drexel & Co., New York, etc.
Duquesne Light Co., First Mtge. 4½% Gold bonds (dated April 1, 1927), due April 1, 1967 (offered Oct. 4)	10,000,000	99 & int., to yield 4.55%	Ladenburg, Thalmann & Co., et. al.
Duquesne Light Co., 5% Cum. 1st Pfd. stock (par $100) (offered Dec. 16)	20,000,000	97½ & divd., to yield 5.12%	Ladenburg, Thalmann & Co., Chase Securities Corp., H. M. Byllesby & Co., Inc., Lee Higginson & Co., Hayden, Stone & Co., New York; and Union Trust Co. of Pittsburgh, Pittsburgh.
Duquesne Light Co., First Mtge. 4½% Gold bonds, due Apr. 1, 1967 (offered Apr. 13)	55,000,000	95 & int., to yield 4.78%	Ladenburg, Thalmann & Co., H. M. Byllesby & Co., Inc., et al.
East Coast Utilities Co., 1-Year 5% Coupon Gold notes, due Apr. 1, 1928 (offered week ended May 21)	600,000	99 & int., to yield over 6%	P. W. Chapman & Co., Inc., New York, etc.
East Coast Utilities Co., First Mtge. Collateral 5.50% Gold bonds, Series "A", due Aug. 1, 1937 (offered Oct. 20)	1,000,000	97 & int., to yield over 5.90%	P. W. Chapman & Co., Inc., New York, etc.
Eastern Gas & Electric Securities Corp. Collateral Trust 6% Gold bonds, due Feb. 1, 1947 (offered Feb. 9)	400,000	Par & int.	Hincks Bros. & Co., Bridgeport, Conn., etc.
Eastern Gas & Electric Securities Corp. $7 Pfd. stock (no par) (offered Feb. 9)	3,000 shs	$100 & divd., to yield 7%	Hincks Bros. & Co., Bridgeport, Conn., etc.
Eastern Massachusetts Electric Co., First Mtge. 6% bonds, due July 1, 1933 (offered June 11)	90,000	105.86 & int.	F. S. Moseley & Co., Boston.
Eastern New Jersey Power Co., First Mtge. 5% Gold bonds, due Jan. 1, 1949 (offered May 11)	1,000,000	97 & int.	Bonbright & Co., Inc., W. C. Langley & Co., and Hoagland, Allum & Co., Inc., New York.
Eastern Shore Public Service Co. (Del.) First Mtge. & First Lien 20-Year 5½% Gold bonds, Series "A," due Sept. 1, 1947 (offered Oct. 3)	3,300,000	Par & int.	E. H. Rollins & Sons, H. M. Byllesby & Co., Inc., Howe, Snow & Co., Inc., Blyth, Witter & Co., and Eastman, Dillon & Co., New York, etc.
Edison Electric Illuminating Co. of Boston, 6 Months notes, due Sept. 30, 1927 (offered Mar 30)	2,200,000	To yield 4.15%	Curtis & Sanger, Boston.
Edison Electric Illuminating Co. of Boston, 3-Year 4½% Gold notes, due Nov. 1, 1930 (offered Oct. 19)	30,000,000	Par & int.	Lee, Higginson & Co., New York, et al.
Edison Electric Illuminating Co. of Boston, 1-Year 4% notes, due Nov. 2, 1928 (offered Oct. 19)	10,000,000	99¾ & int., to yield about 4.25%	Lee, Higginson & Co., New York, et al.
Edison Electric Illuminating Co. of Boston, 6 Months notes, due July 29, 1927 (offered Jan. 26)	1,000,000	To yield 4.125%	Curtis & Sanger, Boston, etc.
Electric Bond & Share Co., 6% Cum. Pfd. stock (par $100) (offered Nov. 16)	10,000,000	109 per share & divd., to yield 5.59%	Bonbright & Co., Inc., New York, etc.
Electric Bond & Share Co., 6% Cum. Pfd. stock (par $100) (offered Jan. 7)	15,000,000	107½ & divd., to yield 5.58%	Bonbright & Co., Inc., New York, etc.
Electric Investors Inc., $6 Pfd. stock (no par) (offered Aug. 11)	15,000 shs	$96.75 per share & divd., to yield 6.20%	Bonbright & Co., Inc., New York, etc.
Electric Public Service Co., First Lien Collateral 5½% Gold bonds, Series "C," due Apr. 1, 1942 (offered Apr. 12)	1,400,000	95 & int., to yield over 6%	Stanley & Bissell, Inc., E. R. Diggs & Co., Inc., Henry D. Lindsley & Co., Inc., New York, etc., and H. L. Nason & Co., Inc., Boston.
Electric Public Service Co., 10-Year Sinking Fund 6% Gold Debenture bonds, due Apr. 1, 1937 (offered Apr. 14)	1,400,000	95 & int., to yield over 6.68%	Stanley & Bissell, Inc., E. R. Diggs & Co., Inc., and Henry D. Lindsley & Co., Inc., New York, etc.
Electric Public Utilities Co., 15-Year Secured 6% Gold bonds, due June 1, 1942 (offered Oct. 11)	1,000,000	97½ & int., to yield over 6.25%	Stanley & Bissell, Inc., Chicago, etc., Warren A. Tyson & Co., Inc., Phila., Porter & Co., Boston, and A. L. Chambers & Co., Inc., Buffalo, N. Y.
Electric Public Utilities Co., 15-Year 6% Secured Gold bonds, due June 1, 1942 (offered June 3)	4,000,000	97½ & int., to yield over 6.25%	Stanley & Bissell, Inc., New York, etc., and A. L. Chambers & Co., Inc., Buffalo, N. Y.
Electric Public Utilities Co., $7 Pfd. stock (no par) (offered June 14)	20,000 shs	$96½ & divd., to yield about 7.25%	Stanley & Bissell, Inc., New York, etc., and A. L. Chambers & Co., Inc., Buffalo, N. Y.
Elizabethtown Water Co., Consolidated First Mtge. 5% Gold bonds, Series "A" due Aug. 1, 1957 (offered July 19)	3,000,000	99 & int., to yield 5.07%	Kean, Taylor & Co., and Roosevelt & Son, New York, etc.
El Paso Electric Co. (Texas) First Mtge. 5% Gold bonds, Series "A", (dated June 1, 1925), due June 1, 1950 (offered week ended Dec. 3)	1,000,000	101 & int.	Stone & Webster and Blodget, Inc., Chase Securities Corp., Blair & Co., Inc., and Brown Brothers & Co., New York, etc.
Empire District Electric Co., First Mtge. & Refunding 5% Gold bonds, due Mar. 1, 1952 (offered April 18)	9,400,000	98½ & int., to yield over 5.10%	Halsey, Stuart & Co., Inc., Arthur Perry & Co., A. B. Leach & Co., Inc., and Henry L. Doherty & Co., New York.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Empire District Electric Co., 6% Cum. Pfd. stock (par $100) (offered May 10)	3,500,000	95 per share, to yield 6.32%	Dillon, Read & Co., A. B. Leach & Co., Henry L. Doherty & Co., New York, and Federal Securities Corp., Chicago.
Empire Gas & Fuel Co. (Del.) 5% Serial Gold notes, due each June 1, 1928, 1929 and 1930 (offered May 26)	18,000,000	To yield about 4.875%, 5.125% and 5.25%	Halsey, Stuart & Co., Inc., et al.
Empire Gas & Fuel Co., 7% Cum. Pfd. stock (par $100) (offered Nov. 1)	10,000,000	Par & divd.	Howe, Snow & Co., Inc., Pearsons-Taft Co., Henry L. Doherty & Co., New York, etc.; Stroud & Co., Inc., Phila., etc.; Federal Securities Corp., and R. E. Wilsey & Co., Chicago, etc.
Feather River Power Co., 7% Cum. Pfd. stock, Class "A," (par $100) (offered Aug. 11)	1,000,000	98 & divd.	E. H. Rollins & Sons, Peirce, Fair & Co., and Wm. R. Staats Co., Los Angeles, etc.
Federal Light & Traction Co., Stamped 30-Year 1st Lien 5% Gold bonds, due March 1, 1942 (offered week ended July 2)	930,500	95¼ & int., to yield about 5.45%	White, Weld & Co., Lee, Higginson & Co., Bodell & Co., West & Co., and James B. Colgate & Co., New York.
Federal Public Utilities Co. (Del.) First Lien Collateral Sinking Fund 6% Gold bonds, Series "A", due July 15, 1937 (offered July 27)	3,750,000	99 & int., to yield 6.12%	Peabody, Houghteling & Co., Chicago, etc., and J. R. Edwards & Co., Cincinnati.
Federal Water Service Corp., Convertible 5½% Gold debentures, due July 1, 1957 (offered Sept. 17)	1,000,000	96¾ & int.	G. L. Ohrstrom & Co., Inc., New York.
Federal Water Service Corp. $6.50 Cum. Pfd. stock (no par) (offered March 30)	20,000 shs	94.50 & divd. to yield about 6.88%	G. L. Ohrstrom & Co., Inc., New York, etc.
Federal Water Service Corp., Convertible 5½% Gold debentures, due July 1, 1957 (offered June 23)	10,000,000	96¾ & int., to yield about 5.75%	G. L. Ohrstrom & Co., Inc., New York, etc.
Federal Water Service Corp., $6.50 Cum. Pfd. stock (no par) (offered Nov. 18)	15,000 shs	.....	G. L. Ohrstrom & Co., Inc., New York, etc.
Federal Water Service Corp., $6.50 Cum. Pfd. stock (no par) (offered Sept. 16)	15,000 shs	$94.50 & divd., to yield about 6.88%	G. L. Ohrstrom & Co., Inc., New York, etc., and Hunter, Dulin & Co., Los Angeles, etc.
Federated Utilities, Inc., First Lien Collateral Trust 5½% Gold bonds, Series of 1927, due March 1, 1957 (offered Oct. 27)	3,500,000	94¾ & int., to yield about 5.87%	Federal Securities Corp., Chicago, etc., West & Co., Phila., etc., H. M. Byllesby & Co., Inc., Hambleton & Co., and Thompson Ross & Co., New York, etc
Federated Utilities, Inc. First Mtge. Collateral 5½% Gold bonds, Series "B", due Sept. 1, 1946 (offered in Dec., 1926)	400,000	97 & int., to yield 5.75%	Wm. L. Ross & Co., Inc., and Fenton, Davis & Boyle, Chicago.
Federated Utilities, Inc., 3-Year 5½% Gold notes, due Nov. 1, 1930 (offered Nov. 3)	2,500,000	98⅞ & int., to yield over 5.90%	Federal Securities Corp., Thompson Ross & Co., Chicago, H. M. Byllesby & Co., Hambleton & Co., New York, and West & Co., Phila.
Federated Utilities, Inc., First Lien Collateral Trust 5½% Gold bonds, due March 1, 1957 (offered March 2)	7,500,000	94¾ & int., to yield over 5.87%	H. M. Byllesby & Co., Thompson Ross & Co., Inc., and Hambleton & Co., New York, etc.; Federal Securities Corp., Chicago, and West & Co., Phila.
Florida Power & Light Co. $7 Cum. Pfd. stock (no par) (offered Jan. 10)	70,000 shs	$100 & divd. per share	Bonbright & Co., Inc., Old Colony Corp., J. G. White & Co., Inc., W. C. Langley & Co. and Tucker, Anthony & Co., New York, etc.
Florida Power & Light Co., First Mtge. 5% Gold bonds (dated Jan. 1, 1926), due Jan. 1, 1954 (offered Dec. 21)	10,000,000	97½ & int., to yield over 5.15%	Bonbright & Co., Inc., New York, et al.
Florida Public Service Co., First Mtge. 6% Gold bonds, Series "B," (dated April 1, 1925), due April 1, 1955 (offered Nov. 21)	1,814,000	101 & int., to yield over 5.90%	A. C. Allyn & Co., Inc., New York. etc.
Florida Public Service Co., 7% Cum. Pfd. stock (par $100) (offered April 8)	1,300,000	99 & divd., to yield 7.07%	A. C. Allyn & Co., Inc., New York.
Florida Public Service Co. First Mtge. 6% Gold bonds, Series "B," due April 1, 1955 (offered January 13)	1,684,000	Par & int.	A. C. Allyn & Co., Inc., New York, etc.
Foreign Power Securities Corp., Ltd., 6% Cum. Partic. Pfd. stock (par $100) (offered with a bonus of ½ of 1 share no par Com. with each share Pfd. stock) (offered May 9)	2,500,000	Par & int.	Nesbitt, Thomson & Co., Ltd., Montreal, etc.
Foreign Power Securities Corp., Ltd., Com. stock (no par) (offered as above) (offered May 9)	12,500 shs	Bonus	Nesbitt, Thomson & Co., Ltd., Montreal, etc.
Fruitvale Mutual Water Co., Cal., First Mtge. 6% Serial Gold bonds, due serially October 1, 1933 to 1952 (offered December 21)	300,000	Par & int.	Wm. R. Staats Co., and Drake Riley & Thomas, Los Angeles, etc.
Galveston-Houston Electric Co., 6% Secured Gold notes, Series "B" (dated June 1, 1926), due June 1, 1931 (offered May 17)	1,200,000	97.41 & int., to yield about 6.75%	Lee, Higginson & Co., New York, etc.
Gates Power Co., Denver, Colo., First Mtge. 6% Serial Gold bonds, due annually Jan. 1, 1929 to 1936, incl. (offered Sept. 15)	300,000	To yield from 5% to 6%	James H. Causey & Co., and U. S. National Co., Denver.
Gatineau Power Co., First Mtge. 5% Gold bonds (dated June 1, 1926), due June 1, 1956 (offered Sept. 16)	18,500,000	97½ & int., to yield over 5.16%	Chase Securities Corp., et al.
General Power & Light Co., 1-Year 6% Gold notes, due Jan. 1, 1928 (offered Jan. 10)	750,000	Par & int.	True-Webber & Co., and R. E. Wilsey & Co., Chicago; Edmund Seymour & Co., Inc. and Throckmorton & Co., New York, and Hayden, Van Atter & Co., Detroit.
General Power & Light Co., Secured 6-Months 5% Gold notes, due Jan. 1, 1928 (offered June 23)	1,750,000	99½ & int., to yield 6%	True, Webber & Co., R. E. Wilsey & Co., Inc., and Hayden, Van Atter & Co., Chicago, etc.
General Telephone Co., One-Year Collateral Trust 5% Gold notes, due May 15, 1928 (offered May 24)	800,000	99 & int., to yield over 6%	Hale, Waters & Co., New York, etc., and True, Webber & Co., Chicago, etc.
Georgia Power Co. First & Refunding Mtge. 5% Gold bonds, due March 1, 1967 (offered March 9)	45,000,000	97 & int., to yield about 5.18%	Drexel & Co., Phila., Syndicate.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Georgia Power Co., First & Refunding Mtge. 5% Gold bonds, (dated March 1, 1927), due March 1, 1967 (offered Oct. 21)....	18,000,000	98 & int., to yield about 5.12%	Bonbright & Co., Inc., Harris, Forbes & Co., New York; Drexel & Co., Phila., etc.; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.
Great Lakes Utilities Corp. 6% Gold Debentures, due May 1, 1937 (offered week ended May 14)	700,000	95¾ & int., to yield about 6.58%	Battles & Co., and Taylor, Ewart & Co., New York, etc.
Great Lakes Utilities Corp. First Lien Collateral Trust 5½% Gold bonds, due May 1, 1942 (offered week ended May 14)....	1,500,000	95¾ & int., to yield about 5.93%	Battles & Co., and Taylor, Ewart & Co., New York, etc.
Great Lakes Utilities Corp. 6% Convertible Series Gold debentures, due May 1, 1937 (offered August 1)	1,275,000	97 & int., to yield about 6.40%	Battles & Co., and Taylor, Ewart & Co., Inc., New York, etc.
Greenwich Water & Gas Co., 6% Pfd. stock (par $100) (offered June 28).....	1,935,000	99½ & divd., to yield 6.03%	Putnam & Storer, Inc., Boston, etc.
Greenwich Water & Gas Co. Collateral Trust 5% Gold bonds, Series "A," due April 1, 1952 (offered March 29).....	3,450,000	95 & int., to yield over 5.35%	E. H. Rollins & Sons, Stone & Webster and Blodget, Inc., and Brown Brothers & Co., New York, and Putnam & Storer, Inc., Boston, etc.
Hackensack Water Co., General & Refunding Mtge. 5% Gold bonds, Series "A," due June 15, 1977 (offered June 21)....	4,000,000	96⅜ & int., to yield over 5.20%	White, Weld & Co., and Kean, Taylor & Co., New York.
Hamilton Gas Co., First Mtge. Sinking Fund 6½% Gold bonds, Series "A," due December 1, 1937. (Offered with Com. stock purchase privilege) (offered Dec. 19)	2,500,000	Par & int.	Taylor, Ewart & Co., Inc., and Zwetsch, Heinzelmann & Co., Inc., New York.
Hamilton Gas Co., 5-Year Sinking Fund 6½% Debenture Gold notes, due Dec. 1, 1932. (offered with Com. stock purchase privilege) (offered Dec. 19)	1,000,000	99 & int., to yield about 6.70%	Taylor, Ewart & Co., Inc., and Zwetsch, Heinzelmann & Co., Inc., New York.
Hanover & McSherrystown Water Co., 10-Year 6% Gold notes, Series "A," due March 1, 1937 (offered week ended Apr. 2)	350,000	99 & int., to yield about 6.13%	Vought & Co., Inc., New York, etc.
Houston Gulf Gas Co. 2-Year 6% Secured Gold notes, due April 1, 1929 (offered March 30)	2,500,000	99 & int., to yield about 6.50%	Taylor, Ewart & Co., Inc., P. W. Chapman & Co., Inc., and Rogers Caldwell & Co., Inc., New York.
Houston Lighting & Power Co., First Lien & Refunding Mtge. 5% Gold bonds, Series "A," due March 1, 1953 (offered June 23)	2,000,000	99¾ & int.	Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York, etc.
Idaho Power Co., First Mtge. 5% Gold bonds (dated Jan. 2, 1917), due Jan. 1, 1947 (offered week ended June 4)	800,000	.....	Harris Trust & Savings Bank, Chicago, Harris, Forbes & Co., New York, Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.
Illinois Northern Utilities Co., First & Refunding Mtge. 5% Gold bonds (dated April 1, 1912), due April 1, 1957 (offered April 7)	1,250,000	97½ & int., to yield over 5.15%	Halsey, Stuart & Co., Inc., New York, etc.
Illinois Power & Light Corp., First & Ref. Mtge. 5% Gold bonds, Series "C," due Dec. 1, 1956 (offered June 20)	4,000,000	97 & int., to yield 5.20%	Harris, Forbes & Co., et al.
Illinois Power & Light Corp. 30-Year Sinking Fund 5½% Debenture Gold bonds, due March 1, 1957 (offered Jan. 31)	9,500,000	96½ & int., to yield about 5.75%	Halsey, Stuart & Co., Inc., New York, etc., Syndicate.
Illinois Power & Light Corp. First & Refunding Mtge. 30-Year 5% Gold bonds, Series "C," (dated Dec. 1, 1926), due Dec. 1, 1956 (offered Nov. 23)	5,000,000	98 & int., to yield over 5.13%	Harris, Forbes & Co., New York, et al.
Illinois Water Service Co., First Mtge. 5% Gold bonds, Series "A," due Jan. 1, 1952 (offered Jan. 28)	1,700,000	95 & int., to yield over 5.37%	G. L. Ohrstrom & Co., Inc., New York, etc.
Illinois Water Service Co., First Mtge. 5% Gold bonds, Series "A," due Jan. 1, 1952 (offered Sept. 7)	560,000	.....	G. L. Ohrstrom & Co., Inc., New York, etc.
Illinois Water Service Co., 6% Cum. Pfd. stock (par $100) (offered Sept. 23)	750,000	94 & divd., to yield 6.38%	G. L. Ohrstrom & Co., Inc., New York, etc., and Curtis, Stephenson & Co., Inc., Boston.
Imperial Utilities Corp. First Mtge. Sinking Fund 6% Gold bonds, Series "A," due Jan. 1, 1947 (offered May 4)	125,000	Par & int.	Stevens, Page & Sterling, Los Angeles.
Indiana Electric Corp., Guaranteed First Mtge. (& Refunding) 5% Gold bonds, Series "C," due March 1, 1951 (offered July 29)	Block	97 & int., to yield 5.22%	Halsey, Stuart & Co., Inc., New York, etc.
Indiana Electric Corp. Guaranteed First Mtge. & Refunding 5% Gold bonds, Series "C" (dated March 1, 1926), due March 1, 1951 (offered Dec. 30)	2,600,000	98½ & int., to yield about 5.10%	Halsey Stuart & Co., Inc., New York, etc.
Indiana Light & Power Co., First Lien Collateral Trust 6% Gold bonds, Series "A," due Jan. 1, 1942 (offered week ended July 23)	250,000	99½ & int.	Schultz Brothers & Co., Cleveland.
Indiana Water Service Co., 6% Cum. Pfd. stock (par $100) (offered June 29)	200,000	98 & divd., to yield 6.125%	Breed, Elliott & Harrison, and Meyer-Kiser Bank, Indianapolis.
Indianapolis Power & Light Co., First Mtge. 5% Gold bonds, Series "A," due Jan. 1, 1957 (offered Jan. 18)	30,000,000	98 & int., to yield over 5.13%	Blair & Co., Inc., Syndicate.
Indianapolis Power & Light Co. 6½% Cum. Pfd. stock (par $100) (offered Jan. 21)..	12,000,000	98 & divd., to yield over 6.63%	Blair & Co., Inc., Syndicate.
Inland Power & Light Corp., Collateral Trust Sinking Fund 6% Gold bonds, Series "C," due April 1, 1957 (offered April 28).	3,000,000	96 & int., to yield about 6.30%	Howe, Snow & Bertles, Inc., Stroud & Co., Inc., Spencer Trask & Co., A. E. Fitkin & Co., New York, etc.; R. E. Wilsey & Co., and Pearsons-Taft Co., Chicago, etc.
Intermountain Water & Power Co., First Mtge. 6½% Serial Gold bonds, due July 1, 1929 to 1944 (offered Sept. 20)	850,000	Par & int.	E. H. Kisor Co., Inc., Columbus, Ohio.
International Power Co., Ltd., 30-Year 6½% Gold debentures, due March 1, 1957 (offered March 1)	3,000,000	Par & int.	G. E. Barret & Co., Inc., and Royal Securities Corp., New York, etc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
International Power Securities Corp. 7% Secured Gold bonds, Series "E," due Feb. 1, 1957 (offered Jan. 5)	10,000,000	96.375 & int., to yield 7.30%	Aldred & Co., Minsch, Monell & Co., Inc., Harris, Forbes & Co. and Bankers Trust Co., New York; Chase & Co., Harris, Forbes & Co., Inc., and First National Corp. of Boston, Boston; Harris Trust & Savings Bank; Chicago and Harris, Forbes & Co., Ltd., Montreal.
International Power Securities Corp., $6 Cum. Pfd. stock, Series "A," (no par). (offered in units of 1 share Pfd. and 1 share Com.) (offered May 26)	Unsubscribed bal. of 75,000 shares	$106 per unit	Aldred & Co., Old Colony Corp., and Minsch, Monell & Co., Inc., New York, etc.
International Power Securities Corp., Com. stock (no par) (offered as above) (offered May 26)	Unsubscribed bal. of 75,000 shares	Units	Aldred & Co., Old Colony Corp., and Minsch, Monell & Co., Inc., New York, etc.
International Power Securities Corp., 7% Secured Gold bonds, Series "F," due Jan. 15, 1952 (offered Jan. 24)	6,000,000	95½ & int., to yield about 7.40%	Bankers Trust Co., New York, et al.
International Telephone & Telegraph Corp. 25-Year 4½% Gold Debenture bonds, due July 1, 1952 (offered June 15)	35,000,000	92 & int., to yield over 5.05%	J. P. Morgan & Co., et al.
Interstate Gas & Electric Co. First Lien Collateral & Refunding 6% Gold bonds, Series "A," due Dec. 1, 1951 (offered Jan. 11)	625,000	Par & int.	Coffin, Forman & Co., Inc., New York and Chicago, and Bartlett, Knight & Co., Chicago.
Interstate Power Co. (of Del.) First Mtge. 5% Gold bonds, due Jan. 1, 1957 (offered Feb. 11)	20,000,000	97½ & int., to yield 5.16%	Spencer Trask & Co., et al.
Interstate Power Co. (of Del.), 6% Gold debentures, due Jan. 1, 1952 (offered Feb. 16)	7,500,000	98½ & int., to yield over 6.10%	Pynchon & Co., New York; Federal Securities Corp., Chicago; West & Co., Phila., and W. S. Hammons & Co., Portland, Me.
Interstate Water Co., First Mtge. 6% Gold bonds, Series "B," due Feb. 1, 1940 (offered in Aug., 1927)	81,400	102 & int., to yield about 5.80%	Block, Fetter & Trost, Inc., Louisville.
Iowa-Nebraska Light & Power Co., First Lien & Refunding Mtge. 5% Gold bonds, Series "A," due May 1, 1957 (offered Aug. 30)	12,000,000	96½ & int., to yield over 5.20%	Otis & Co., et al.
Iowa Public Service Co., $6.50 1st Pfd. stock (no par) (offered week ended Dec. 10)	4,000 shs	$100 & divd.	Harry H. Polk & Co., Des Moines, Iowa.
Iowa Public Service Co. First Mtge. 5% Gold bonds, due June 1, 1957 (offered June 17)	12,000,000	97½ & int., yielding over 5.16%	Halsey, Stuart & Co., Inc., New York, etc., Stroud & Co., Inc., Philadelphia, etc., and Arthur Perry & Co., Boston, etc.
Iowa Union Telephone Co. First Mtge. 6% Gold bonds, due Feb. 1, 1942 (offered week ended Jan. 22)	117,500	Par & int.	Peters Trust Co., Omaha, Neb.
Isarco Hydro-Electric Co. (Societa Idroelettrica dell, Isarco), First Mtge. 25-Year Sinking Fund 7% Gold bonds, due May 1, 1952 (offered May 23)	5,000,000	93½ & int., to yield about 7.60%	Hallgarten & Co., and Halsey, Stuart & Co., Inc., New York, etc.
Islands Edison Co., 7½% Cum. Pfd. stock (par $100) (offered week ended Nov. 12).	400,000	Par & divd.	Gillet & Co., Baltimore, Md., etc.
Jackson County Light, Heat & Power Co. First Mtge. 6% Gold bonds, Series "A," due Dec. 1, 1956 (offered Dec. 28, 1926)..	450,000	Par & int.	Averill Tilden & Co., Chicago.
Jacksonville Gas Co., 6% Gold debentures, Series "A," due May 1, 1952 (offered June 7)	1,500,000	97½ & int., to yield 6.20%	G. E. Barrett & Co., Inc., and Frederick Peirce & Co., New York, etc.
Jersey Central Power & Light Co., First Mtge. & Refunding 20-Year 5% Gold bonds, Series "B," due Aug. 1, 1947 (offered Sept. 19)	2,300,000	96½ & int., to yield over 5.25%	E. H. Rollins & Sons, Howe, Snow & Co., Inc., Blyth, Witter & Co., Eastman, Dillon & Co., H. M. Byllesby & Co., Inc., New York, etc., and Federal Securities Corp., Chicago.
Joplin Water Works Co. First Mtge. 5% Gold bonds, Series "A," due Mar. 1, 1957 (offered Mar. 23)	1,000,000	95 & int., to yield over 5.30%	W. C. Langley & Co., and Halsey, Stuart & Co., Inc., New York, etc.
Kansas City Power & Light Co., First Mtge. 30-Year 4½% Gold bonds, Series "B," due Jan. 1, 1957 (offered Apr. 21)..	3,000,000	96 & int., to yield over 4.75%	Guaranty Co. of New York, Bonbright & Co., Inc., Otis & Co., and Halsey, Stuart & Co., Inc., New York, etc.
Kansas City Power & Light Co., 1st Pfd. stock, Series "B" (no par) (offered Oct. 7)	20,000 shs	$104.50 flat, to yield 5.74%	Otis & Co., and Guaranty Co. of New York, N. Y.
Kansas Home Telephone Co., First Mtge. 6% Gold bonds, Series "A," due Sept. 1, 1947 (offered Nov. 8)	215,000	Par & int.	Mark C. Steinberg & Co., St. Louis.
Kansas Power & Light Co., First Mtge. 5% Gold bonds, Series "B," due May 1, 1957 (offered June 6)	3,286,000	97½ & int., to yield over 5.15%	Harris, Forbes & Co., et al.
Kansas Power Co., 20-Year First Mtge. 5% Gold bonds, Series "A," due March 1, 1947 (offered May 11)	3,500,000	96½ & int., to yield about 5.28%	Howe, Snow & Bertles, Inc., Stroud & Co., Inc., Spencer Trask & Co., and E. H. Rollins & Sons, New York, etc.
Kentucky Electric Development Co., Inc., 6% Cum. Pfd. stock (par $100) (offered Dec. 6)	100,000	Par	Oscar C. Wright Co., Louisville, Ky.
Keystone Telephone Co. of Philadelphia, 3-Year 5% Gold notes, due Oct. 1, 1930 (offered Oct. 10)	1,500,000	98 & int., to yield about 5.75%	A. C. Allyn & Co., Inc., New York, etc.
Keystone Water Works Corp., First Lien 5½% Gold bonds, Series "A," due Dec. 1, 1952 (offered Dec. 15)	4,000,000	99½ & int., to yield over 5.50%	A. B. Leach & Co., Inc., New York, etc.; A. L. Chambers & Co., Inc., Buffalo, N. Y.; and Toy, Gilson & Taylor, Inc.
Keystone Water Works Corp., 15-Year Convertible 6% Gold debentures, Series "A," due Dec. 1, 1942 (offered Dec. 20)	1,375,000	Par & int.	A. B. Leach & Co., Inc., New York, etc.; A. L. Chambers & Co., Inc., Buffalo, N. Y.; and Toy, Gilson & Taylor, Inc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
LaFayette (Ind.) Telephone Co., First Mtge. 5% Gold bonds, Series "A," due Dec. 15, 1957 (offered Dec. 22)	450,000	99 & int., to yield 5.06%	Fletcher American Co., Indianapolis, and First-Merchants Co., LaFayette, Ind.
Lake Erie Power & Light Co., First & Refunding Mtge. Sinking Fund 5½% Gold bonds, Series "B," due Mar. 1, 1949 (offered week ended Apr. 23)	200,000	Par & int.	Putnam & Storer, Inc., and Coffin & Burr, Inc., Boston, etc.
Lake Ontario Power Corp., First Mtge. 5½% Gold bonds, due July 1, 1957 (offered June 27)	1,000,000	98 & int., to yield 5.65%	J. A. W. Iglehart & Co., Baltimore, etc.
Lake Ontario Power Corp., One-Year 6% Gold notes, due July 1, 1928 (offered June 29)	500,000	Par & int.	J. A. W. Iglehart & Co., Baltimore, etc.
La Porte County Indiana Telephone Co. First Mtge. 6% Gold bonds, Series "A," due Dec. 1, 1951 (offered week ended Jan. 22)	550,000	Par & int.	Baker, Walsh & Co., Chicago.
Larutan Gas Corp., First Mtge. Sinking Fund 6½% Gold bonds, due Dec. 1, 1935. (offered with stock purchase privilege Dec. 8)	2,600,000	99 & int., to yield about 6.66%	P. W. Chapman & Co., Inc., and A. M. Lamport & Co., Inc., New York, etc.
Lexington Utilities Co. First & Refunding Mtge. 5% Gold bonds, due Feb. 1, 1952 (offered Feb. 1)	3,750,000	96½ & int., to yield about 5.25%	Bonbright & Co., Inc., Harris, Forbes & Co., and W. C. Langley & Co., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.
Lexington Water Co., Refunding Mtge. 5½% Gold bonds, Series "A," due Aug. 1, 1940 (offered Aug. 26)	900,000	99 & int., to yield over 5.60%	P. W. Chapman & Co., Inc., New York, etc.
Lockport Light, Heat & Power Co., 7% Cum. Pfd. stock (par $100) (offered July 29)	100,000	$105 per share & divd., to yield about 6.70%	O'Brian, Potter & Stafford, Buffalo, N. Y.
Lombard Electric Co. (Societa Lombarda per Distribuzione di Energia Elettrica) First Mtge. External Sinking Fund 7% Gold bonds, Series "A," due Dec. 1, 1952 (offered Jan. 24)	6,000,000	94 & int., to yield over 7.50%	Blair & Co., Inc.; E. H. Rollins & Sons; Stone & Webster and Blodget, Inc., and Banca Commerciale Italiana Trust Co., New York.
Lone Star Gas Corp., 15-Year Sinking Fund 5% Debenture Gold bonds, due May 1, 1942 (offered May 20)	15,000,000	98¾ & int., to yield over 5.10%	Guaranty Co. of New York, New York, and Union Trust Co. of Pittsburgh, Pittsburgh.
Long Island Lighting Co., Convertible 5½% Gold debentures, Series "A," due Apr. 1, 1952 (offered Apr. 8)	1,500,000	Par & int.	W. C. Langley & Co., New York, etc.
Long Island Lighting Co. 6% Cum. Pfd. stock (par $100) (offered Mar. 8)	2,000,000	Par & divd.	W. C. Langley & Co., New York.
Long Island Lighting Co., 6% Cum. Pfd. stock (par $100) (offered Sept. 21)	1,000,000	Par & divd.	W. C. Langley & Co., New York.
Los Angeles Gas & Electric Corp. First & Gen. Mtge. 5% Gold bonds, due Sept. 1, 1961 (offered Feb. 7)	10,000,000	98½ & int.	Bond & Goodwin & Tucker, Inc., et al, New York, etc.
Louisiana Ice & Utilities, Inc., First Mtge. Convertible 6% Gold bonds, Series "A," due Apr. 1, 1946 (offered Jan. 11)	500,000	98 & int., to yield about 6.20%	Liberty Central Trust Co., St. Louis, Chicago Trust Co., Chicago, and John Nickerson & Co., New York, etc.
Louisiana Power & Light Co., First Mtge. 5% Gold bonds, due Dec. 1, 1957 (offered Dec. 1)	8,000,000	97¾ & int.	W. C. Langley & Co., John Nickerson & Co., Guaranty Co. of New York, Old Colony Corp., J. G. White & Co., Inc., and Rogers Caldwell & Co., Inc., New York.
Louisiana Power & Light Co. $6 Cum. Pfd. stock (no par) (offered Dec. 6)	30,000 shs	$95 & divd., to yield 6.32%	Moore, Hyams & Co., Inc., New Orleans.
Louisville Gas & Electric Co. of Kentucky 30-Year First & Refunding Mtge. 5% Gold bonds, Series "A" (dated Nov. 1, 1922), due Nov. 1, 1952 (offered week ended Dec. 31, 1926)	2,000,000	Par & int.	Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.
Manila Gas Co., First Lien Collateral Trust 10-Year 5½% Gold bonds, due Oct. 1, 1937 (offered Oct. 11)	2,250,000	98½ & int., to yield 5.75%	Ames, Emerich & Co., and Hambleton & Co., New York, etc.
Manitoba Power Co., Ltd., Guaranteed First Mtge. Sinking Fund 5½% Gold bonds, Series "B," due July 1, 1952 (offered July 19)	1,500,000	99 & int., to yield 5.57%	Kissel, Kinnicutt & Co., Spencer Trask & Co., E. H. Rollins & Sons, New York, etc., and Nesbitt, Thomson & Co., Ltd. Montreal, etc.
Massachusetts Utilities Investment Trust, 5% Participating Convertible Cum. Pfd. stock (no par) (offered Nov. 1)	Block	$46 & divd., to yield 5.43%	Clark Williams & Co., Hornblower & Weeks, Tripp & Andrews, New York, etc., and C. D. Parker & Co., Inc., Boston.
Maysville Public Service Corp. First Mtge. 5½% Gold bonds, Series "A," due April 1, 1942 (offered April 20)	900,000	97 & int., to yield 5.80%	White-Phillips Co., Davenport, Iowa, etc.
Meridionale Electric Co., 30-Year First Mtge. Sinking Fund 7% Gold bonds, due April 1, 1957 (offered April 30)	5,350,000	95½ & int., to yield over 7.35%	Marshall Field, Glore, Ward & Co., Blair & Co., Inc., Blyth, Witter & Co., and Banca Commerciale Italiana Trust Co., New York.
Michigan Federated Utilities, Guaranteed 6.6% Cum. First Pfd. stock (par $100) (offered in Dec., 1926)	200,000	98 & divd., to yield over 6.70%	Wm. L. Ross & Co., Inc., Chicago.
Michigan Fuel & Light Co., 1-Year 6% Gold notes, Series "A," due June 1, 1928 (offered week ended July 9)	650,000	Par & int.	A. B. Leach & Co., Inc., Chicago, etc.
Michigan Gas & Electric Co. First Mtge. 5% Gold bonds, Series "B," due Dec. 1, 1956 (offered Dec. 27, 1926)	661,000	97 & int., to yield about 5.20%	Hill, Joiner & Co., Inc., Chicago, New York, and Boston.
Michigan Public Service Co., First Mtge. 20-Year 5% Gold bonds, Series "A," due April 1, 1947 (offered June 28)	2,000,000	96 & int., to yield about 5.32%	Pearsons-Taft Co., Howe, Snow & Bertles, Inc., Spencer Trask & Co., A. E. Fitkin & Co., New York, etc., and Central Trust Co. of Illinois, Chicago.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Mid-Continent Telephone Co., 1-Year 5% Gold notes, due June 1, 1928 (offered June 27)	650,000	99 & int., to yield over 6%	E. H. Ottman & Co., Chicago, and Keane Higbie & Co., Detroit.
Middle States Telephone Co. of Illinois, First Mtge. 6% Gold bonds, Series "A," due Jan. 1, 1947 (offered Jan. 13)	800,000	Par & int.	Thompson, Kent & Grace, Inc., Chicago.
Middle States Telephone Co. of Ill. 7% Cum. Pfd. stock (par $100) (offered week ended Jan. 22)	200,000	Par & divd.	Thompson, Kent & Grace, Inc., Chicago.
Middle West Utilities Co. 7% Cum. Pfd. stock (par $100) (offered week ended Jan. 1)	2,000,000	To yield 6.50%	Utility Securities Co., Hill, Joiner & Co. and Emery, Peck & Rockwood, Chicago, and Tucker, Anthony & Co. and Paine, Webber & Co., New York.
Middle West Utilities Co., $6 Cum. Pfd. stock (no par) (offered May 27)	150,000 shs	$92.75 & divd., to yield 6.46%	Utilities Securities Co., et al.
Midland Counties Public Service Corp., First Mtge. 30-Year 5% Gold bonds, Series "A," due Jan. 1, 1957 (offered June 15)	2,500,000	96¾ & int., to yield over 5.20%	Peirce, Fair & Co., and Blyth, Witter & Co., San Francisco, etc.
Midland Utilities Co., 6% Cum. Prior Lien stock (par $100) (offered week ended April 30)	1,500,000	.....	Central States Securities Corp., New York
Midland Utilities Co., 6% Cum. Pfd. stock, Class "A" (par $100) (offered week ended June 18)	2,000,000	91½ flat	Utility Securities Co., Chicago, and Central States Securities Corp., New York.
Midland Utilities Co., 6% Cum. Pfd. stock, Class "A" (par $100) (offered week ended Oct. 29)	Block	.....	Utility Securities Co., Chicago, etc.
Midland Utilities Co., 6% Cum. Prior Lien stock (par $100) (offered Nov. 9)	2,500,000	95 to yield 6.31%	Utility Securities Co., Chicago, etc.
Milwaukee Electric Ry. & Light Co., 6% Cum. Pfd. stock (par $100) (offered week ended Oct. 8)	5,000,000	Par	Co. itself, Milwaukee.
Milwaukee Gas Light Co., First Mtge. 4½% Gold bonds, due March 1, 1967 (offered Feb. 23)	11,500,000	93¾ & int., to yield about 4.85%	Otis & Co., Marshall Field, Glore, Ward & Co., Lehman Brothers, and Redmond & Co., New York.
Minot (N. D.) Gas Co. 7% Cum. Pfd. stock (par $100) (offered Feb. 8)	100,000	98½ & divd., to yield over 7.10%	Drake-Jones Co., Minneapolis, Minn.
Minot (N. D.) Gas Co., First Mtge. 6% Gold bonds, due May 1, 1937 (offered May 23)	200,000	Par & int.	Drake-Jones Co., Minneapolis, Minn.
Minnesota Power & Light Co., First & Ref. Mtge. 5% Gold bonds, due June 1, 1955 (offered June 21)	1,500,000	99¼ & int., to yield over 5%	Harris, Forbes & Co., et al.
Minnesota Power & Light Co., $6 Cum. Pfd. stock (no par) (offered Nov. 18)	Block	$100 & divd.	Northern Trust Co., Howze, Spencer & Co., Inc., American Exchange National Bank, First National Bank, Edward F. Chapin & Co., and City National Bank, Duluth, Minn.
Minnesota Southern Telephone Co., 3-Year First Mtge. 6% Gold bonds, Series "A", due Dec. 1, 1929 (offered week ended Feb. 19)	130,000	Par & int.	Metcalf, Cowgill & Co. and J. A. Cummins & Co., Des Moines, Iowa.
Minnesota Southern Telephone Co., First Mtge. 10-Year 5½% Gold bonds, Series "B", due Aug. 1, 1937 (offered Sept. 17)	150,000	97 & int., to yield 5.90%	Metcalf, Cowgill & Co., Des Moines, Iowa.
Minnesota Southern Telephone Co., 1-Year 5½% Gold notes, due Aug. 15, 1928 (offered Sept. 17)	100,000	Par & int.	Metcalf, Cowgill & Co., Des Moines, Iowa.
Mississippi Power & Light Co., First Mtge. 5% Gold bonds, due Dec. 1, 1957 (offered Nov. 23)	9,000,000	97¼ & int.	W. C. Langley & Co., John Nickerson & Co., Guaranty Co. of New York, Old Colony Corp., J. G. White & Co., Inc., and Rogers Caldwell & Co., Inc., New York.
Mississippi Power & Light Co., $6 Cum. Pfd. stock (no par) (offered Dec. 13)	2,500,000	95 & divd., to yield 6.35%	Moore Hyams & Co., Inc., New Orleans.
Mississippi Power Co. First & Refunding Mtge. 5% Gold bonds (dated Sept. 1, 1925), due Sept. 1, 1955 (offered March 18)	2,000,000	96 & int., to yield about 5.27%	Harris, Forbes & Co., Bonbright & Co., Inc., and Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.
Mississippi River Power Co., 5% debentures, due May 1, 1947 (offered April 6)	3,000,000	96¼ & int., to yield 5.30%	Stone & Webster and Blodget, Inc., International Acceptance Bank, Inc., Kidder, Peabody & Co., Estabrook & Co., Parkinson & Burr, and Old Colony Corp., New York.
Mississippi Valley Utilities Corp., First Mtge. 6½% Serial Gold bonds, Series "A", due annually Jan. 1, 1928 to 1937, incl. (offered June 14)	300,000	To yield from 5% to 6.50%	Geo. H. Burr & Co., and Liberty Central Trust Co., St. Louis.
Mississippi Valley Utilities Corp., First Mtge. 6½% Serial Gold bonds, Series "B", due serially July 1, 1929 to 1937, incl. (offered week ended Oct. 8)	120,000	To yield from 5.50% to 6.50%	I. B. Tigrett & Co., Memphis, Tenn., and Geo. H. Burr & Co., St. Louis, etc.
Missouri Electric Power Co., 1-Year 5½% Gold notes, due Feb. 15, 1928 (offered week ended May 7)	150,000	.....	Priester, Quail & Cundy, Inc., Davenport, Iowa, etc.
Missouri Public Service Co., First Mtge. 20-Year 5% Gold bonds, Series "A", due Feb. 1, 1947 (offered April 29)	5,000,000	97 & int., to yield about 5.25%	Howe, Snow & Bertles, Inc., E. H. Rollins & Sons, and Spencer Trask & Co., New York, etc.
Missouri Public Service Co., $7 Cum. Pfd. stock (no par) (offered week ended June 4)	15,000 shs	Par & int.	Howe, Snow & Bertles, Inc., E. H. Rollins & Sons, and Spencer Trask & Co., New York, etc.
Montana Cities Gas Co., First Mtge. Sinking Fund 7% Gold bonds, Series "A", due Nov. 1, 1937 (offered with Com. stock purchase privilege). (offered Nov. 17)	1,500,000	Par & int.	Yeager, Young & Pierson, Inc., New York, Paul & Co., Phila., etc., and Freeman, Smith & Camp Co., San Francisco, etc.
Montana-Dakota Power Co. First Mtge. 5½% Gold bonds, (Series of 1927) due April 1, 1929. (offered Oct. 13)	1,800,000	Par & int.	Minnesota Loan & Trust Co., Minneapolis, and Second Ward Securities Co., Milwaukee.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Montana Power Co. 5% Gold Debentures. Series "A", due June 1, 1962 (offered May 19)	12,500,000	97¼ & int., to yield over 5.15%	Lee, Higginson & Co., Guaranty Co. of New York, and J. & W. Seligman & Co., New York.
Montreal Island Power Co., First Mtge. 30-Year Sinking Fund 5½% Gold bonds, Series "A," due May 1, 1957 (offered with Com. stock purchase warrants) (offered May 23)	8,000,000	Par & int.	Nesbitt, Thomson & Co., Ltd., Montreal, etc.
Montreal Tramways Co. First Mtge. 5% Gold bonds (dated July 1, 1911), due July 1, 1941 (offered Mar. 17)	500,000	To yield 5%	Ernst & Co., New York.
Mount Spokane Power Co., First Mtge. Sinking Fund 6% Gold bonds (dated Aug. 1, 1922), due Aug. 1, 1937 (offered week ended July 16)	50,000	98.16 & int., to yield 6.25%	Neale, Kelty & Supple, Inc., San Francisco.
Narragansett Co. Collateral Trust (guaranteed) 5% Gold bonds, Series "A," due Jan. 1, 1957 (offered Jan. 26)	27,500,000	99 & int., to yield about 5.06%	Harris, Forbes & Co., Syndicate.
National Public Service Corp., 7% Cum. Pfd. stock, Series "A" (par $100) (offered Jan. 28)	3,500,000	96 & int., to yield over 7.29%	Howe, Snow & Bertles, Inc., Stroud & Co., Inc., A. E. Fitkin & Co. and Hornblower & Weeks, New York, etc.; Pearsons-Taft Co. and R. E. Wilsey & Co., Chicago, etc.
National Public Service Corp. Class "A" Com. stock (no par) (offered Mar. 3)	100,000 shs	At market	Howe, Snow & Bertles, Inc., Eastman, Dillon & Co., Stroud & Co., Inc. and A. E. Fitkin & Co., New York, etc., and R. E. Wilsey & Co., Chicago.
National Telephone & Telegraph Corp., 7% Cum. 1st Pfd. stock (par $100) (offered Sept. 16)	1,250,000	Par & divd.	Theodore Gary & Co., Kansas City, Mo.
Nevada-California Electric Corp., First Trust Mtge. 30-Year 5% Gold bonds, Series of 1956, due Apr. 1, 1956 (offered Oct. 26)	2,750,000	95½ & int., to yield over 5.30%	Spencer Trask & Co., Blyth, Witter & Co., New York, etc., Boettcher & Co., International Trust Co. and U. S. National Co., Denver, Colo.
New Bedford Gas & Edison Light Co., 5-Year 5% Coupon notes, due Jan. 1, 1933 (offered Dec. 5)	762,000	102¼ & int., to yield about 4.50%	Lee, Higginson & Co., and Old Colony Corp., New York, etc.
New England Gas & Electric Association 5% Convertible Gold Debenture bonds, due Sept. 1, 1947 (offered Aug. 25)	17,000,000	99 & int., to yield 5.08%	Harris, Forbes & Co., et al., New York.
New Haven Water Co., First & Refunding Mtge. 4½% Gold bonds, Series "A," due June 1, 1957 (offered week ended July 23)	1,000,000	Par & int.	Chas. W. Scranton & Co., New Haven, Conn.
New Jersey Power & Light Co. First Mtge. 5% Gold bonds, due Aug. 1, 1956 (offered Dec. 28, '26)	6,000,000	99 & int.	Halsey, Stuart & Co., Inc., New York, etc.
New Orleans Public Service Inc., First & Refunding Mtge. 5% Gold bonds, Series "B" (dated June 1, 1925), due June 1, 1955 (offered Jan. 28)	8,000,000	96 & int., to yield over 5.25%	Dillon, Read & Co., New York.
New Rochelle Water Co., 7% Cum. Pfd. stock (par $100) (offered Sept. 1)	450,000	To yield about 6.80%	Thomson, Fenn & Co., Hartford, etc., and MacColl, Fraser & Wheeler, Providence, R. I.
New Rochelle Water Co., First Mtge. 5% Gold bonds, Series "B" (dated May 1, 1927), due Nov. 1, 1951 (offered Aug. 22)	1,100,000	96½ & int., to yield over 5.25%	P. W. Chapman & Co., Inc., New York, etc.
New York Central Electric Corp., First Mtge. 5% Gold bonds, Series of 1952, due July 1, 1952 (offered in Aug., 1927)	500,000	.....	Manufacturers Trust Co., New York, etc.
New York Power & Light Corp., First Mtge. 4½% Gold bonds, due Oct. 1, 1967 (offered Oct. 19)	66,000,000	96 & int., to yield about 4.72%	Bonbright & Co., Inc., New York, etc.
New York Steam Corp., First Mtge, 5% Gold bonds, due May 1, 1951 (offered Feb. 16)	3,000,000	96 & int., to yield about 5.30%	National City Co., and Cassatt & Co., New York, etc.
New York Steam Corp., First Mtge. 5% Gold bonds (dated May 1, 1926), due May 1, 1951 (offered June 29)	1,500,000	98½ & int., to yield 5.10%	National City Co., and Cassatt & Co., New York.
New York Steam Corp., $6 Cum. Pfd. stock (no par) (offered Apr. 30)	25,000 shs	$97.50 flat, to yield about 6.20%	National City Co., and Cassatt & Co., New York, etc.
New York Water Service Corp., 6% Cum. Pfd. stock (par $100) (offered June 17)	500,000	95 & divd., to yield about 6.32%	G. L. Ohrstrom & Co., Inc., New York, and Janney & Co., Philadelphia.
New York Water Service Corp. 6% Cum. Pfd. stock (par $100) (offered Jan. 6)	2,000,000	95 & divd., to yield over 6.30%	Janney & Co., Philadelphia.
New York Water Service Corp., First Mtge. 5% Gold bonds, Series "A," (dated Nov. 1, 1926) due Nov. 1, 1951 (offered week ended July 16)	1,500,000	.....	G. L. Ohrstrom & Co., Inc., New York.
North American Edison Co. 5% debentures, Series "A" (convertible), due Mar. 1, 1957 (offered Jan. 27)	25,000,000	98 & int., to yield 5.125%	Dillon, Read & Co., New York.
North American Light & Power Co., 30-Year Sinking Fund 5½% Gold debentures, Series "A" (dated July 1, 1926), due July 1, 1956 (offered Nov. 30)	1,500,000	96½ & int., to yield about 5.75%	E. H. Rollins & Sons, Marshall Field, Glore, Ward & Co., Spencer Trask & Co., Blyth, Witter & Co., New York, etc., and Illinois Merchants Trust Co., Chicago.
North American Light & Power Co., 30-Year Sinking Fund 5½% Gold debentures, Series "B" (dated July 1, 1926), due July 1, 1956 (offered Nov. 30)	3,500,000	96½ & int., to yield about 5.75%	E. H. Rollins & Sons, Marshall Field, Glore, Ward & Co., Spencer Trask & Co., Blyth, Witter & Co., New York, etc., and Illinois Merchants Trust Co., Chicago.
North Continent Utilities Corp. Convertible Sinking Fund 6½% Gold Debenture bonds, due Jan. 1, 1942 (offered Feb. 8).	2,000,000	Par & int.	Coffin, Forman & Co., Inc., and Geo. M. Forman & Co., New York, etc.
North Penn Gas Co., First Mtge. & Lien 5½% Gold bonds, due May 1, 1957 (offered May 16)	3,000,000	99 & int., to yield over 5.55%	A. C. Allyn & Co., Inc., New York, etc.
North Shore Coke & Chemical Co. First Mtge. Sinking Fund 6% Gold bonds, Series "A," due Mar. 1, 1947 (offered Mar. 31)	2,000,000	Par & int.	Geo. M. Forman & Co., New York, etc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Northeastern Iowa Power Co., 5% Gold notes, due Nov. 1, 1928 (offered week ended May 7)	300,000	.....	Priester, Quail & Cundy, Inc., Davenport, Iowa, etc.
Northern Michigan Public Service Co. 20-Year First Mtge. Sinking Fund 6% Gold bonds, Series "A" (dated Oct. 1, 1925), due Oct. 1, 1945 (offered week ended Mar. 26)	345,500	99 & int., to yield about 6.10%	Hayden, Van Atter & Co., Detroit.
Northern Ohio Power & Light Co., General & Refunding Mtge. 5½% Gold bonds (dated Mar. 1, 1926), due Mar. 1, 1951 (offered June 29)	1,900,000	94 & int., to yield 5.97%	National City Co., New York, etc.
Northern Ohio Telephone Co., 30-Year First Mtge. Sinking Fund 5½% Gold bonds, Series "A," due Feb. 1, 1937 (offered Feb. 24)	1,200,000	Par & int.	R. F. De Voe & Co., Inc., New York, and Chicago Trust Co., Chicago.
Northern Pennsylvania Power Co., $6 Cum. Pfd. stock (no par) (offered Dec. 5)	1,000 shs	$99 & divd., to yield 6.06%	Parsly Bros. & Co., Lewis & Co., and R. M. Snyder & Co., Phila.
Northern Pennsylvania Power Co., $6 Cum. Pfd. stock (no par) (offered in May, 1927)	Block	.....	R. M. Snyder & Co., Lewis & Co. and Parsly Bros. & Co., Phila.
Northwestern Public Service Co., First Mtge. 5% Gold bonds, Series "A," due Jan. 1, 1957 (offered Feb. 8)	5,800,000	96¼ & int., to yield about 5.25%	A. C. Allyn & Co., Inc., A. B. Leach & Co., Inc., and Old Colony Corp., New York, etc.
Northwestern Public Service Co., First Mtge. 5% Gold bonds, Series "A" dated Jan. 1, 1927), due Jan. 1, 1957 (offered Sept. 27)	870,000	96¼ & int., to yield 5.25%	A. C. Allyn & Co., A. B. Leach & Co., Inc., Chicago, etc. and Whitaker & Co., St. Louis
Ohio Central Telephone Corp., First Mtge. 6% Gold bonds, Series "A," due July 1, 1947 (offered Aug. 30)	1,600,000	Par & int.	Thompson, Kent & Grace, Inc., Emery, Peck & Rockwood Co., Chicago, and Paine, Webber & Co., New York, etc.
Ohio Edison Co., First & Refunding Mtge. 5% Gold bonds, due Apr. 1, 1957 (offered Apr. 18)	2,000,000	98 & int., to yield about 5.13%	Bonbright & Co., Inc., and Hodenpyl Hardy Securities Corp., New York, etc.
Ohio Electric Power Co. 7% Cum. Pfd. stock (par $100) (offered week ended Apr. 2)	Block	To yield over 6.85%	Chas. W. Scranton & Co., New Haven, Conn.
Ohio Electric Power Co., First Mtge. 5% Gold bonds, due June 1, 1957 (offered June 10)	2,100,000	96 & int., to yield over 5.25%	A. C. Allyn & Co., Inc., New York, etc.
Ohio Power Co., First & Refunding Mtge. 4½% Gold bonds, Series "D" (dated June 1, 1926), due June 1, 1956 (offered November 19)	9,702,000	94¾ & int., to yield 4.84%	Dillon, Read & Co., Lee, Higginson & Co., and Continental & Commercial Co., New York, etc.
Ohio Telephone Service Co., 7% Cum. Pfd. stock (par $100) (offered June 21)	325,000	Par & divd.	R. B. Keeler & Co., Cleveland.
Ohio Telephone Service Co., First Mtge. 20-Year Sinking Fund 6% Gold bonds, Series "A," due June 1, 1947 (offered June 23)	550,000	Par & int.	Guardian Trust Co. and R. B. Keeler & Co., Cleveland.
Oklahoma Gas Utilities Co., First Lien 7-Year Sinking Fund 6½% Gold bonds, Series "A," due Sept. 1, 1934 (offered with detachable Com. Stock Purchase Warrants) (offered October 25)	800,000	Par & int.	A. E. Fitkin & Co., Los Angeles, etc.
Oklahoma Natural Gas Corp. First Mtge. 6% Gold bonds, Series "A," due July 1, 1946 (offered February 3)	3,795,000	Par & int.	White, Weld & Co. and Blyth, Witter & Co., New York, etc.
Oklahoma Northern Gas Co., First Lien Sinking Fund 6½% Gold bonds, due June 1, 1934 (offered with Com. stock warrants, exchangeable at rate of 10 shs. of Com. for each $1,000 bond) (offered June 29)	1,250,000	Par & int.	Battles & Co., New York, etc., and Brooke, Stokes & Co., Phila., etc.
Oklahoma Northern Gas Co., Com. stock. (offered as above) (offered June 29)	12,500 shs	Bonus	Battles & Co., New York, etc., and Brooke, Stokes & Co., Phila., etc.
Oklahoma Northern Gas Co. Secured 7% Gold debentures, due June 1, 1934 (offered with stock warrants) (offered week ended Aug. 6)	600,000	Par & int.	Battles & Co., New York, etc., and Brooke, Stokes & Co., Phila., etc.
Omaha & Council Bluffs Ry. & Bridge Co., First Mtge. Sinking Fund 6% Gold bonds, due Oct. 1, 1947 (offered Nov. 9)	2,000,000	Par & int.	Ames, Emerich & Co., Inc., New York, etc.
Oregon Telephone Co. 25-Year First Mtge. 6% Gold bonds, Series "A," due Feb. 1, 1952 (offered Jan. 26)	300,000	Par & int.	Peirce, Fair & Co. and Mercantile Securities Co., of Cal., San Francisco, etc.
Oregon-Washington Water Service Co., First Mtge. 5% Gold bonds, Series "A," due June 1, 1957 (offered June 14)	2,300,000	94½ & int., to yield about 5.37%	G. L. Ohrstrom & Co., Inc., New York.
Oregon-Washington Water Service Co., $6 Cum. Pfd. stock (no par) (offered June 17)	7,000 shs	$92 & divd., to yield over 6.52%	G. L. Ohrstrom & Co., Inc., New York, and Janney & Co., Phila.
Ottawa Light Heat & Power Co., Ltd., Refunding Mtge. & Collateral Trust Sinking Fund 5% Gold bonds, Series "A," due October 1, 1957 (offered November 2)	3,225,000	99 & int., to yield over 5.05%	Royal Securities Corp., New York.
Otter Tail Power Co., First Mtge. 5% Gold bonds, Series "E," due Oct. 1, 1946 (offered May 4)	800,000	99½ & int., to yield over 5.04%	Minneapolis Trust Co., Minneapolis.
Otter Tail Power Co. (of Del.) $6 Cum. Pfd. stock (no par) (offered week ended Aug. 6)	Block	97 & divd., to yield 6.19%	Kalman & Co., St. Paul, Minn., etc.
Pacific Gas & Electric Co., First & Refunding Mtge. 4½% Gold bonds, Series "E," due June 1, 1957 (offered Sept. 21)	15,000,000	96 & int., to yield 4.75%	National City Co., American National Co., Blyth, Witter & Co., H. M. Byllesby & Co., Inc., E. H. Rollins & Sons, New York, etc., and Peirce, Fair & Co., San Francisco, etc.
Pecos Valley Power & Light Co., First Mtge. 10-Year 6½% Gold bonds, Series "A," due May 1, 1937. (offered with Com. stock purchase warrants) (offered May 19)	1,750,000	99 & int., to yield over 6.60%	Bauer, Pond & Vivian, New York, Pearson, Erhard & Co., Boston, and Warren & Tyson & Co., Inc., Phila.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Penn Central Light & Power Co. First Mtge. 4½% Gold bonds, due Nov. 1, 1977 (offered November 1)	24,000,000	96 & int., to yield over 4.70%	A. C. Allyn & Co., Inc., New York, et al.
Penn-Ohio Edison Co. 7% Cum. Prior Pref. stock (offered January 18)	1,500,000	99 & divd., to yield over 7%	Bonbright & Co., Inc., Eastman, Dillon & Co., W. C. Langley & Co., New York, and Harper & Turner, Phila.
Pennsylvania-Ohio Power & Light Co., $6 Cum. Pfd. stock (offered July 6)	35,000 shs	$98.50 & divd. to yield 6.09%	Bonbright & Co., Inc., W. C. Langley & Co., Eastman, Dillon & Co., New York, etc., and Harper & Turner, Phila.
Pennsylvania-Ohio Power & Light Co., $6 Cum. Pfd. stock (no par) (offered October 18)	35,000 shs	$99 & divd., to yield about 6.05%	Bonbright & Co., Inc., W. C. Langley & Co., Eastman, Dillon & Co., New York, etc., and Harper & Turner, Phila.
Pennsylvania State Water Corp., $7 Pfd. stock (no par) (offered April 26)	5,000 shs	$100 & divd.	Hale, Waters & Co., New York, etc.
Pennsylvania State Water Corp., First Lien 5½% Gold bonds, Series "A," due March 1, 1952 (offered March 21)	1,300,000	98 & int., to yield about 5.65%	P. W. Chapman & Co., Inc., New York, etc.
Pennsylvania State Water Corp., Additional First Lien 5½% Gold bonds, Series "A," due March 1, 1952 (offered week ended April 30)	775,000	98 & int., to yield about 5.65%	H. M. Payson & Co., Portland, Me.
Pennsylvania State Water Corp., First Lien 5½% Gold bonds, Series "A," (dated March 1, 1927), due March 1, 1952 (offered July 13)	1,500,000	98 & int., to yield about 5.65%	P. W. Chapman & Co., Inc., New York, etc.
Pennsylvania State Water Corp., $7 Cum. Pfd. stock (no par) (offered week ended July 23)	3,500 shs	.....	Hale, Waters & Co., New York, etc.
Pennsylvania Water Service Co., First Mtge. & Refunding 5% Gold bonds, Series "A," due Aug. 1, 1967 (offered Sept. 9)	9,200,000	To yield about 5.08%	G. L. Ohrstrom & Co., Inc., Marshall Field, Glore, Ward & Co., Graham, Parsons & Co., and Coffin & Burr, Inc., New York, etc., and Janney & Co., Phila.
Pennsylvania Water Service Co., $6 Cum. Pfd. stock (no par) (offered Sept. 16)	60,000 shs	99 & divd., to yield over 6.06%	G. L. Ohrstrom & Co., Inc., Marshall Field, Glore, Ward & Co., Graham, Parsons & Co., Green, Ellis & Anderson, New York, etc., and Janney & Co., Phila.
Peoples Gas & Fuel Co., Inc., Guaranteed First Mtge. Sinking Fund 6½% Gold bonds, Series "A," due Oct. 1, 1937. (Offered with detachable stock purchase warrants) (offered Oct. 6)	1,000,000	98 & int., to yield over 6.75%	Glidden, Morris & Co., Edmund Seymour & Co., Inc., New York, and Faxon, Gade & Co., Inc., Boston.
Peoples Gas Light & Coke Co., Chicago, 4¼% Gold notes, due Dec. 1, 1928 (offered Dec. 27)	3,000,000	Par & int.	Halsey, Stuart & Co., Inc., New York, etc.
Peoples Gas Light & Coke Co., Chicago, 4½% Gold notes, due Dec. 1, 1929 (offered Dec. 27)	2,000,000	Par & int.	Halsey, Stuart & Co., Inc., New York, etc.
Peoples Gas Light & Coke Co., Chicago, 4½% Gold notes, due Dec. 1, 1930 (offered Dec. 27)	3,000,000	Par & int.	Halsey, Stuart & Co., Inc., New York, etc.
Peoples Light & Power Corp., First Lien 5½% Gold bonds, due July 1, 1941 (offered Jan. 10)	6,500,000	97 & int., to yield over 5.80%	G. L. Ohrstrom & Co., Inc., New York.
Peoples Light & Power Corp. Convertible 6% Gold debentures, due Jan. 1, 1962 (offered Jan. 17)	5,000,000	98 & int., to yield 6.15%	G. L. Ohrstrom & Co., Inc., New York.
Peoples Light & Power Corp., $6.50 Cum. Pfd. stock (no par) (offered April 22)	19,000 shs	$93.50 & divd., to yield about 6.96%	G. L. Ohrstrom & Co., Inc., New York.
Philadelphia Co., Secured 5% Gold bonds, due Dec. 1, 1967 (offered Dec. 15)	60,000,000	98 & int., to yield 5.11%	H. M. Byllesby & Co., Inc., New York, et al.
Philadelphia Electric Co., First Lien & Refunding Mtge. 4½% Gold bonds, due Nov. 1, 1967 (offered Oct. 13)	35,000,000	98½ & int., to yield over 4.58%	Drexel & Co., Phila., Brown Brothers & Co., Harris, Forbes & Co., New York; Harris Trust & Savings Bank, Chicago, Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.
Philadelphia Rapid Transit Co. Equipment Trust 5% ctfs., Series "K," due annually Dec. 1, 1927 to 1936, incl. (offered Feb 3)	1,900,000	To yield about 4.75% and 5.30%	Dillon, Read & Co., New York, etc.
Philadelphia Suburban-Counties Gas & Electric Co., First & Refunding Mtge. 4½% Gold bonds (dated May 1, 1927) due May 1, 1957 (offered Nov. 3)	10,000,000	98 & int., to yield about 4.625%	Drexel & Co., Stroud & Co., Inc., and Bioren & Co., Phila., etc.
Philadelphia Suburban-Counties Gas & Electric Co., First & Refunding Mtge. 4½% Gold bonds, due May 1, 1957 (offered May 6)	10,000,000	95 & int., to yield about 4.82%	Drexel & Co., Stroud & Co., Inc., and Bioren & Co., Phila.
Philadelphia Suburban Water Co., First Mtge. 4½% Gold bonds, due Nov. 1, 1967 (offered Oct. 10)	2,500,000	97 & int., to yield over 4.66%	Drexel & Co., Phila.
Platte Valley Telephone Corp., First Mtge. 6% Gold bonds, Series "A," due July 1, 1947 (offered July 13)	600,000	Par & int.	Oliver J. Anderson & Co., and Taussig, Day, Fairbank & Co., Inc., St. Louis.
Potomac Edison Co., 6% Cum. Pfd. stock (par $100) (offered Oct. 5)	2,650,000	Par & divd.	W. C. Langley & Co., and Bonbright & Co., Inc., New York.
Potomac Electric Power Co. 5½% Pfd. stock (par $100) (offered May 7)	2,500,000	99 per share	Co. itself, Washington, D. C.
Power Corp. of Canada, Ltd., 30-Year Convertible 5% debentures, Series "A," due Dec. 1, 1957 (offered Nov. 23)	5,000,000	98½ & int., to yield about 5.10%	Nesbitt, Thomson & Co., Ltd., Montreal, etc.
Power Corp. of Canada, Ltd. 6% Cum. First Pfd. stock (par $100) (offered week ended Jan. 15)	2,500,000	96 & divd., to yield 6.25%	Nesbitt, Thomson & Co., Ltd., Montreal, etc.
Power Corp. of New York, 20-Year 5½% Gold Debentures, due May 1 1947 (offered May 19)	5,000,000	Par & int.	F. L. Carlisle & Co., Inc., E. H. Rollins & Sons, Hornblower & Weeks, Halsey, Stuart & Co., Inc., New York, etc., and Schoellkopf, Hutton & Pomeroy, Inc., Buffalo, etc.
Public Service Co. of Northern Illinois, 5% debentures (Series of 1927), due Aug. 1, 1932 (offered July 27)	10,000,000	99 & int., to yield over 5.20%	Halsey, Stuart & Co., Inc., New York, etc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Public Service Co. of Oklahoma, First Mtge. 5% Gold bonds Series "D," due May 1, 1957 (offered Apr. 27)	8,500,000	97½ & int., to yield over 5.15%	Halsey, Stuart & Co., Inc., A. B. Leach & Co., Inc., and Hill, Joiner & Co., Inc., New York, etc.
Public Service Electric & Gas Co., First & Refunding Mtge. 5% Gold bonds (dated June 1, 1952), due June 1, 1965 (offered Mar. 1)	19,800,000	99 & int., to yield about 5.06%	Bonbright & Co., Inc., New York, and Drexel & Co., Phila.
Public Service Electric & Gas Co., First & Refunding Mtge. 4½% Gold bonds, due Dec. 1, 1967 (offered Nov. 23)	45,000,000	98 & int., to yield over 4.60%	Drexel & Co., Phila., and Bonbright & Co., Inc., New York, etc.
Public Utilities Consolidated Corp. (Ariz.), 3-Year 6% Gold notes, due June 1, 1930 (offered in Oct. 1927)	300,000	Par & int.	W. B. Foshay Co., New York, etc.
Public Utilities Consolidated Corp. 7% Cum. Pfd. stock (par $100) (offered week ended July 16)	350,000	Par	W. B. Foshay Co., New York, etc.
Public Utilities Consolidated Corp. (Ariz.), First Mtge. 6% Gold bonds, due July 1, 1947 (offered Oct. 13)	1,250,000	Par & int.	Geo. M. Forman & Co., New York, etc.
Public Utilities Consolidated Corp. (Ariz.), 7% Cum. Pfd. stock (par $100) (offered Oct. 18)	Block	Par & divd.	W. B. Foshay Co., New York, etc.
Public Utilities Corp., Collateral Trust 5½% Gold bonds, due Mar. 1, 1947 (offered in Mar. 1927)	600,000	.....	Jackson & Curtis, Boston.
Puget Sound Telephone Co., First Mtge. 5% Gold bonds, Series "A", due July 1, 1952 (offered July 12)	1,200,000	96½ & int., to yield over 5.25%	Blyth, Witter & Co., and Peirce, Fair & Co., San Francisco, etc.
Puget Sound Telephone Co., 6% Cum. Pfd. stock, Series "B" (par $100), (offered week ended July 23)	200,000	98 & divd., to yield over 6.12%	Blyth, Witter & Co., and Peirce, Fair & Co., San Francisco, etc.
Quebec Southern Power Corp. (new) Com. stock (no par) (offered Mar. 25)	55,000 shs	$27.50 per share	Matthews & Co., Ltd., Toronto, and Browne, Urquhart & Co., Ltd., Montreal.
Queens Borough Gas & Electric Co., Refunding Mtge. 5% Gold bonds (dated Sept. 1, 1925), due Sept. 1, 1955 (offered Sept. 12)	1,200,000	103½ & int., to yield over 4.75%	W. C. Langley & Co., and Bonbright & Co., Inc., New York, etc.
Queens Borough Gas & Electric Co. 6% Cum. Pfd. stock (par $100) (offered Apr. 1)	4,450,000	Par & divd.	W. C. Langley & Co., New York.
Queens Borough Gas & Electric Co., Convertible 5½% Gold debentures, Series "A," due Apr. 1, 1952 (offered Apr. 14)	4,000,000	Par & int.	W. C. Langley & Co., New York.
Railway & Light Securities Co., Collateral Trust Sinking Fund 5% bonds, Ninth Series, due Nov. 1, 1952 (offered Nov. 22)	1,000,000	99 & int., to yield about 5.07%	Estabrook & Co., Stone & Webster and Blodget, Inc., New York, and Parkinson & Burr, Boston.
Redondo Home Telephone Co. First Mtge. 6% Gold bonds, due Sept. 1, 1946 (offered Jan. 5)	200,000	.....	Citizens National Co., Los Angeles.
Rhine-Westphalia Electric Power Corp., Direct Mtge. 6% Gold bonds, due May 1, 1952 (offered Aug. 10)	U. S. Portion of $15,000,000	95½ & int., to yield 6.36%	National City Co., New York, etc.
Rhode Island Public Service Co. Cum. Pfd. stock (no par) (offered Feb. 2)	500,000 shs	$30 per share & divd., to yield 6.66%	Bodell & Co. et al, New York.
Richmond (Ind.) Water Works Corp., First Mtge. 5% Gold bonds, Series "A," due May 1, 1957 (offered May 26)	1,000,000	96 & int., to yield over 5.25%	W. C. Langley & Co., and Halsey, Stuart & Co., Inc., New York, etc.
Rio Grande Valley Gas Co. First Mtge. 7% Gold bonds, Series "A," due Apr. 1, 1937 (offered with Com. stock Purchase Warrants) (offered Mar. 22)	3,500,000	Par & int.	G. E. Barrett & Co., Inc., and Fred'k Peirce & Co., New York, etc.
Safety Motor Coach Lines, Equipment Mtge. 6% Gold notes, due semi-annually Jan. 1, 1928 to July 1, 1930, incl. (offered week ended Sept. 10)	252,000	To yield 5.50% and 6%	Lane, Piper & Jaffray, Inc., Minneapolis, etc.
San Diego Water Supply Co., First Mtge. Sinking Fund 5% Gold bonds, due Nov. 1, 1955 (offered May 9)	3,250,000	Par & int.	Guaranty Co. of New York, New York.
San Joaquin Light & Power Corp. 30-Year Unifying & Refunding Mtge. 5% Gold bonds, Series "D," due Jan. 1, 1957 (offered Jan. 13)	25,000,000	98½ & int., to yield about 5.10%	Peirce, Fair & Co., and Blyth, Witter & Co., New York, San Francisco, etc.
Sedalia (Mo.) Water Co., 7% Cum. Pfd. stock (par $100) (offered week ended Oct. 1)	250,000	Par & divd.	Putnam & Storer, Inc., Boston, etc., and Bitting & Co., St. Louis, etc.
Sedalia (Mo.) Water Co. 20-Year First Mtge. 5½% Gold bonds, due Feb. 1, 1947 (offered Feb. 23)	950,000	Par & int.	Harris Trust & Savings Bank, Chicago, Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Putnam & Storer, Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.
Shawinigan Water & Power Co., First Mtge. & Collateral Trust Sinking Fund 4½% Gold bonds, Series "A," due Oct. 1, 1967 (offered Oct. 5)	U. S. Portion of $35,000,000	95½ & int., to yield over 4.75%	Brown Brothers & Co., Lee, Higginson & Co., Jackson & Curtis, Minsch, Monell & Co., Inc., New York; Alex. Brown & Sons, Baltimore, etc., and Chase & Co., Boston.
Shinyetsu Electric Power Co., Ltd., First Mtge. Sinking Fund 6½% bonds, due Dec. 1, 1952 (offered Dec. 7)	7,650,000	93¼ & int., to yield 7.07%	Dillon, Read & Co., New York, etc.
South Carolina Power Co. First Lien & Refunding Mtge. 5% Gold bonds, due Jan. 1, 1957 (offered Jan. 25)	4,000,000	95 & int., to yield 5.33%	Harris, Forbes & Co., Bonbright & Co., Inc., Tucker, Anthony & Co. and Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago and Harris, Forbes & Co., Ltd., Montreal.
South Jersey Gas, Electric & Traction Co. First Mtge. 5% bonds, (dated Mar. 1, 1903), due Mar. 1, 1953 (offered Jan. 3)	75,000	102½ & int., to yield about 4.85%	Outwater & Wells, Jersey City, N. J.
Southern California Edison Co., Refunding Mtge. 5% Gold bonds, due Sept. 1, 1952 (offered Sept. 15)	30,000,000	Par & int.	Harris, Forbes & Co., Inc., E. H. Rollins & Sons, Coffin & Burr, Inc., New York; Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Southern California Edison Co. Refunding Mtge. 5% Gold bonds, due July 1, 1951 (offered Jan. 11)	15,000,000	98½ & int., to yield over 5.10%	Harris, Forbes & Co., E. H. Rollins & Sons and Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.
Southern California Edison Co., 7% Cum. Pfd. stock (par $25) (offered Sept. 30)	1,750,000	$28.75 flat, to yield 6.08%	E. H. Rollins & Sons, Lee Higginson & Co., New York, etc., and Parkinson & Burr, Boston.
Southern California Edison Co., 5½% Cum. Pfd. stock, Series "C" (par $25) (offered Oct. 21)	2,000,000	$24 flat, to yield 5.73%	E. H. Rollins & Sons, Lee, Higginson & Co., and Parkinson & Burr, New York, etc.
Southern California Gas Co., First Mtge. & Refunding 5% Gold bonds, due Sept. 1, 1957 (offered Oct. 18)	8,646,000	99 & int.	Chase Securities Corp., Pynchon & Co., Stone & Webster and Blodget, Inc., Blyth, Witter & Co., New York, etc., Peirce, Fair & Co., and Hunter, Dulin & Co., San Francisco, etc.
Southern California Gas Corp., $6.50 Cum. Pfd. stock (no par) (offered Nov. 22)	75,000 shs	$100 & divd.	Hunter, Dulin & Co., Los Angeles, et al.
Southern California Gas Corp., Collateral Trust 5% Gold bonds, due Nov. 1, 1937 (offered Dec. 16)	12,500,000	95½ & int., to yield about 5.60%	Chase Securities Corp., Stone & Webster and Blodget, Inc., Pynchon & Co., New York; Peirce, Fair & Co., Hunter, Dulin & Co., and Blyth, Witter & Co., Los Angeles, etc.
Southern Cities Utilities Co., $6 Cum. Prior Pfd. stock (no par) (offered July 20)	Block	$92 per share, to yield over 6.50%	Glidden Morris & Co., and Yeager, Young & Pierson, Inc., New York.
Southern Cities Utilities Corp., Guaranteed First Lien Collateral Trust 1-Year 5% Gold notes, due Nov. 1, 1928 (offered Oct. 20)	2,000,000	99¾ & int., to yield over 5.25%	Hambleton & Co., and Ames, Emerich & Co., Inc., New York.
Southern Gas Utilities, Inc., Guaranteed First Mtge. Sinking Fund 6½% Gold bonds, Series "A", due Sept. 1, 1939 (offered Sept. 22)	2,250,000	99 & int., to yield over 6.60%	G. E. Barrett & Co., Inc., New York, etc., and Wilsey & Co., Inc., Chicago.
Southern Ice & Utilities Co., 5-Year Convertible 6½% Gold notes, due Dec. 1, 1932 (offered Dec. 21)	500,000	99 & int., to yield 6.75%	John Nickerson & Co., New York, etc.
Southern Indiana Telephone & Telegraph Co., First Mtge. 6% Gold bonds, Series "A", due June 1, 1947 (offered Sept. 15)	1,000,000	Par & int.	Thompson, Kent & Grace, Inc., and Hoagland, Allum & Co., New York, etc.
Southern Indiana Utilities Corp., First Mtge. 6% Gold notes, due Oct. 15, 1930 (offered Oct. 28)	150,000	98 & int., to yield about 6.75%	J. S. Martin & Co., Chicago.
Southern Kansas Gas Co., First Mtge. Sinking Fund 6½% Gold bonds, due Aug. 1, 1937. (offered with Com. stock purchase privilege). (offered Aug. 18)	2,500,000	98½ & int., to yield over 6.70%	G. L. Ohrstrom & Co., Inc., New York, etc.
Southern Nebraska Power Co., First Mtge. 5½% Gold bonds, Series "B", due July 1, 1947 (offered June 27)	500,000	98 & int., yielding over 5.65%	Hill, Joiner & Co., Chicago, etc., and Peters Trust Co., Omaha.
Southern Ohio Public Service Co. First Mtge. 5½% Gold bonds, Series "C", due March 1, 1957 (offered Mar. 10)	2,100,000	96½ & int., to yield about 5.75%	Harrison, Smith & Co., and Howe, Snow & Bertles, Inc., New York.
Southern Ohio Public Service Co. General Mtge. Convertible 6% bonds, due Apr. 1, 1937 (offered Mar. 23)	625,000	97 & int., to yield over 6.40%	Harrison, Smith & Co. and Howe, Snow & Bertles, Inc., New York, etc.
Southern United Gas Co., First Lien Sinking Fund 6% Gold bonds, Series "A", due April 1, 1937. (offered with Com. stock purchase warrants). (offered May 16)	2,250,000	98 & int., to yield over 6.25%	Hambleton & Co., Thompson Ross & Co., New York, etc., and Pearson, Erhard & Co., Boston.
Southern United Gas Co., 2-Year 5½% Gold notes, due April 1, 1929 (offered May 18)	750,000	99¼ & int., to yield over 5.90%	Hambleton & Co., Thompson Ross & Co., New York, etc., and Carman, Snider & Co., Inc., Chicago.
Southwest Gas Co., 5-Year Mtge. Sinking Fund 7% Gold notes, Series "A", due May 1, 1932 (offered week ended Nov. 19)	500,000	Par & int.	Edmund Seymour & Co., and Glidden, Morris & Co., New York.
Southwest Gas Co., First Mtge. Sinking Fund 6½% Gold bonds, due May 1, 1937. (offered with Com. stock purchase warrants). (offered May 24)	3,000,000	98½ & int., to yield over 6.70%	Edmund Seymour & Co., Inc., Glidden Morris & Co., and Charles D. Robbins & Co., New York, and Faxon Gade & Co., Inc., Boston.
Southwest Power Co., First Mtge. 5% Gold bonds, due Mar. 1, 1957 (offered Apr. 13)	4,080,000	96 & int., to yield over 5.25%	A. C. Allyn & Co., Inc., Old Colony Corp., New York; West & Co., Phila., and Arthur Perry & Co., Boston.
Southwest Public Service Co. First Mtge. 6½% Gold bonds, Series "A", due March 1, 1937 (offered Feb. 10)	900,000	99½ & int., to yield over 6.50%	Hoagland, Allum & Co., Inc., New York, etc.
Southwest Telephone Co., First Mtge. 6% Gold bonds, Series "B", due Sept. 1, 1947 (offered week ended Oct. 15)	830,000	Par & int.	Cammack & Co., Inc., Chicago, and Paine, Webber & Co., New York, etc.
Southwest Telephone Co., First Mtge. Convertible 6% Gold bonds, Series "C", due Dec. 1, 1947 (offered Dec. 15)	1,500,000	Par & int.	Hambleton & Co., New York, etc., and Cammack & Co., Chicago.
Southwestern Gas & Electric Co. First Mtge. 5% Gold bonds, Series "A", due Jan. 1, 1957 (offered Jan. 18)	12,500,000	96 & int., to yield over 5.25%	Hill, Joiner & Co., Inc., A. B. Leach & Co., Inc., Halsey, Stuart & Co., Inc., Old Colony Corp., and Tucker, Anthony & Co., New York, etc.
Southwestern Gas & Electric Co., 7% Cum. Pfd. stock (par $100) (offered week ended Apr. 23)	2,250,000	97½ flat	A. B. Leach & Co., Inc., Hill, Joiner & Co., Inc., Old Colony Corp., New York, Utility Securities Co., and Emery, Peck & Rockwood, Co., Chicago.
Southwestern Gas & Electric Co., First Mtge. 5% Gold bonds, Series "B", due May 1, 1957 (offered Apr. 28)	5,000,000	96 & int., to yield about 5.23%	Hill, Joiner & Co., Inc., A. B. Leach & Co., Inc., Old Colony Corp., Halsey Stuart & Co., Inc., and Tucker, Anthony & Co., New York, etc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Southwestern Light & Power Co., $6 Cum. Pfd. stock (no par) (offered May 12)	17,500 shs	$89.50 to yield 6.70%	Kelley, Drayton & Converse, New York, etc., Utility Securities Co., and Emery, Peck & Rockwood Co., Chicago, etc.
Southwestern Light & Power Co., First Mtge. 5% Gold bonds, Series "A", due Feb. 1, 1957 (offered Feb. 21)	6,500,000	97 & int., to yield about 5.20%	Hill, Joiner & Co., Inc., Halsey, Stuart & Co., Inc., and Kelley, Drayton & Converse, New York, etc., and Emery, Peck & Rockwood, Chicago.
Southwestern Power & Light Co., First Lien 5% Gold bonds, due June 1, 1943 (offered Aug. 3)	3,000,000	99 & int., to yield about 5.10%	Bonbright & Co., Inc., Halsey, Stuart & Co., Inc., and W. C. Langley & Co., New York.
Springfield (Mo.) Gas & Electric Co., First Mtge. 5% Gold bonds, Series "A," due June 1, 1957 (offered July 13)	3,600,000	97½ & int., to yield over 5.15%	Lee, Higginson & Co., Bodell & Co., White, Weld & Co., and West & Co., New York, etc.
Standard Gas & Electric Co., 6% Gold Debentures, due 1951 and 1966 (offered Oct. 31)	300,000	Market, to yield about 5.80%	Ernst & Co., New York.
Standard Power & Light Corp. (of Del.) 6% Gold debentures, due Feb. 1, 1957 (offered Feb. 4)	24,000,000	99½ & int., to yield over 6.03%	H. M. Byllesby & Co., Inc., and Ladenburg, Thalmann & Co., New York, and Union Trust Co. of Pittsburgh, Pittsburgh.
Standard Telephone Co. of Ill., First Mtge. 6% Gold bonds, Series 'A", due Aug. 1, 1947 (offered week ended Aug. 20)	575,000	Par & int.	Paul C. Dodge & Co., Inc., and Nichols, Terry & Co., Inc., Chicago.
Standard Telephone Co. (Del.), 1-Year 5% Gold notes, due Aug. 1, 1928 (offered Sept. 27)	750,000	99 & int., to yield over 6%	Paul C. Dodge & Co., Inc., Nicholas, Terry & Co., Inc., and Dowling, Swain & Shea, Inc., Boston, etc.
Standard Telephone Co. of Texas, First Mtge. 10-Year Sinking Fund 6% Gold bonds, Series "A", due Sept. 1, 1937 (offered Nov. 15)	250,000	Par & int.	P. W. Brooks & Co., Inc., New York, etc.
Suburban Light & Power Co. (Ohio), First Mtge. Collateral 5½% Gold bonds, Series "A", due May 1, 1952 (offered May 16)..	2,250,000	96 & int., to yield over 5.80%	Love, Macomber & Co., New York.
Suburban Light & Power Co. (Ohio), 7% Cum. First Pfd. stock (par $100) (offered May 17)	500,000	95 & divd., to yield over 7.35%	Vought & Co., Inc., New York, etc.
Sweetwater Water Corp., First Mtge. 5½% Sinking Fund Gold bonds, Series "A", due April 1, 1952 (offered June 7)	1,000,000	100 & int., to yield 5½%	First Securities Co., Freeman, Smith & Camp Co., Los Angeles, Cal.
Sweetwater Water Corp. (Cal.), 6% Cum. Pfd. stock (par $100) (offered week ended July 30)	150,000	94 & divd., to yield 6.38%	Freeman, Smith & Camp Co., San Francisco, etc.
Tennessee Electric Power Co., First & Ref. Mtge. 5% Gold bonds, due June 1, 1956 (offered Apr. 9)	2,000,000	98½ & int., to yield 5.10%	National City Co., Bonbright & Co., Inc., and Hodenpyl Hardy Securities Corp., New York
Texas-Gulf Power Co., One-Year 5% Gold notes, due June 1, 1928 (offered June 24)	900,000	99 & int., to yield over 6%	R. E. Wilsey & Co., Inc., and Troy & Co., Chicago.
Texas-Louisiana Power Co., 15-Year Sinking Fund 6% Debenture Gold bonds, Series "A," due Mar. 1, 1942 (offered April 7)	1,400,000	96½ & int., to yield over 6.35%	R. E. Wilsey & Co., Inc., Troy & Co., Chicago, and A. E. Fitkin & Co., New York.
Texas-Louisiana Power Co., 20-Year First Mtge. 6% Gold bonds, Series "A" (dated Jan. 1, 1926), due Jan. 1, 1946 (offered March 17)	1,000,000	Par & int.	A. E. Fitkin & Co., New York; R. E. Wilsey & Co., Inc., and Troy & Co., Chicago.
Texas-Louisiana Power Co., First Mtge. 20-Year 6% Gold bonds, Series "A" (dated Jan. 1, 1926), due Jan. 1, 1946 (offered Aug. 30)	500,000	Par & int.	R. E. Wilsey & Co., Inc., Troy & Co. and A. E. Fitkin & Co., Chicago, etc.
Texas Power & Light Co., First & Refunding Mtge 5% Gold bonds (dated Nov. 1, 1926), due Nov. 1, 1956 (offered Sept. 29)	4,000,000	98 & int., to yield 5.13%	Harris, Forbes & Co., New York, et al.
Tide Water Power Co. First Lien & Refunding 5% Gold bonds, Series "A," due Aug. 1, 1929 (offered Jan. 25)	2,000,000	98¾ & int., to yield about 5.54%	Hemphill, Noyes & Co., E. H. Rollins & Sons, Coffin & Burr, Inc., Stroud & Co., Inc., and Otis & Co., New York, etc.
Tracy (Cal.) Gas Co., First Mtge. Sinking Fund 6% Gold bonds, due July 1, 1947 (offered week ended Oct. 15)	100,000	99 & int., to yield 6.10%	Bradford, Kimball & Co., San Francisco, etc.
Tri-County Telephone Co., First Mtge. Sinking Fund 5½% bonds, Series "A," due June 1, 1957 (offered Dec. 8)	700,000	Par & int.	Chicago Trust Co., Chicago and R. F. De Voe & Co., Inc., New York, etc.
Tri-State Telephone & Telegraph Co., First & Refunding Mtge. 5½% Gold bonds, Series "A", due May 1, 1942 (offered Aug. 16)	250,000	.....	Wells-Dickey Co., Minneapolis, etc., and Merchants Trust Co., St. Paul.
Twin City Rapid Transit Co., First Lien & Refunding 5½% Gold bonds, Series "A," due Dec. 1, 1952 (offered Dec. 7)	18,000,000	97 & int., to yield over 5.70%	Chase Securities Corp., New York, et al.
Tyrol Hydro-Electric Power Co., Guaranteed 25-Year Secured Mtge. Sinking Fund 7% Gold bonds, due Feb. 1, 1952 (offered Apr. 14)	3,000,000	97½ & int., to yield over 7.20%	F. J. Lisman & Co., and First Federal Foreign Investment Trust, New York.
Union Electric Light & Power Co., (Mo.), Gen. Mtge. 5% Gold bonds, Series "B", due Aug. 1, 1967 (offered July 21)	10,000,000	102½ & int., to yield over 4.85%	Dillon, Read & Co., Harris, Forbes & Co., Inc., Spencer Trask & Co., New York, etc., Harris Trust & Savings Bank, Chicago; Harris Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.
Union Gas Corp., 5-Year Sinking Fund 6% Gold notes, due July 1, 1932 (offered week ended July 16)	500,000	98 & int., to yield 6.47%	Taylor, Ewart & Co., Inc., New York, etc.
Union Gas Utilities, Inc., 10-Year Secured 6½% Gold bonds, Series "A", due Nov. 1, 1937. (Offered with detachable stock purchase warrants.) (Offered Nov. 3)	3,000,000	98 & int., to yield 6.75%	G. E. Barrett & Co., Inc., New York, etc., and Frederick Peirce & Co., Phila., etc.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Union Public Service Co. (Minn.), First Pfd. 7% Cum. stock, Series "A" (par $100) (offered May 26)	100,000	Par & divd.	Harold E. Wood & Co., St. Paul, Minn.
Union Waterworks Co. (Ky.) 1-Year 5% Gold debentures, due Feb. 1, 1928 (offered Feb. 8)	550,000	To yield over 5.75%	Aylward & Co., Chicago.
Union Waterworks Co. (Ky.), 15-Year First Lien 5½% Gold bonds, due Mar. 15, 1942 (offered Mar. 21)	1,450,000	97½ & int., to yield about 5.75%	Hambleton & Co., Inc., New York and Aylward & Co., Chicago.
United Electric Service Co. (Unione Esercizi Elecrtrici), External First Mtge. Sinking Fund 7% Gold bonds, Series "A", due Dec. 1, 1956 (offered Jan. 11)	6,000,000	92½ & int., to yield 7.625%	E. H. Rollins & Sons, Blair & Co., Inc., J. A. Sisto & Co. and Banca Commerciale Italiana Trust Co., New York.
United Light & Power Co., 6% Gold debentures, (dated Nov. 1, 1925), due Nov. 1, 1975) (offered Apr. 14)	500,000	98 & int., to yield about 6.12%	W. T. Bonn & Co., New York.
United Light & Rys., 5½% Gold debentures, due Aug. 1, 1952 (offered Sept. 13)	25,000,000	99½ & int., to yield about 5.53%	Otis & Co., et al.
United Power & Light Corp. (of Kansas), 20-Year First Mtge. 5% Gold bonds, Series "B", due Feb. 1, 1947 (offered Mar. 9)	1,000,000	96 & int., to yield over 5.30%	Harris, Forbes & Co., et al.
United Public Service Co., $7 Cum. Pfd. stock (no par). (Carrying a bonus of one share Com. with each two shares Pfd.) (offered Dec. 1)	10,000 shs	Par & divd.	Hale, Waters & Co., and Thompson Ross & Co., New York, etc.
United Public Service Co. (N. J.), $7 Pfd. stock (no par). (Carrying a bonus of 1 share Com. for each 2 shares Pfd.) (Offered July 25)	5,000 shs	$100 & divd.	Drury-Merchant Co., Sawyer Bros., Inc., and Thompson Ross & Co., Inc., Boston, etc.
United Public Service Co., 15-Year Collateral Trust 6% Gold bonds, Series "A", due April 1, 1942 (offered May 3)	2,000,000	97½ & int., to yield over 6.25%	Hambleton & Co., Thompson Ross & Co., New York, etc., and Pearson, Erhard & Co., Boston.
United Public Service Co. (N. J.), 2-Year 6% Gold notes, due April 1, 1929 (offered May 10)	1,550,000	99¾ & int., to yield about 6.15%	Thompson Ross & Co., New York, etc., and Yeager, Young & Pierson, Inc.
United Public Service Co. (N. J.) $7 Cum. Pfd. stock (no par). (Offered with a bonus of 2 shares Com. stock with each share Pfd. stock). (Offered May 17)	12,000 shs	$100 & divd.	Thompson Ross & Co., New York, etc.
United Public Service Co. (N. J.), Com. stock (no par). (offered as above). (offered May 17)	24,000 shs	Bonus	Thompson Ross & Co., New York, etc.
United Public Utilities Co., (N. J.) First Lien 6% Gold bonds, Series "A," due Apr. 1, 1947 (offered Apr. 11)	5,550,000	Par & int., to yield 6%	Hambleton & Co., and Thompson Ross & Co., New York, etc.
United Public Utilities Co., (N. J.) 2-Year 5½% Gold notes, due Apr. 1, 1929 (offered Apr. 21)	1,850,000	99¼ & int., to yield over 5.90%	Hambleton & Co., and Thompson Ross & Co., New York, etc.
United Railways & Electric Co. of Baltimore, 3-Year 6% Gold notes, due Mar. 1, 1930 (offered Feb. 23)	2,500,000	99¼ & int., to yield about 6.28%	Alex. Brown & Sons, Baltimore.
United Telephone Co., (Del.) First Mtge. Collateral 6% Gold bonds, series "A," due Feb. 1, 1947 (offered May 12)	1,400,000	101 & int., to yield about 5.90%	Wm. L. Ross & Co., Inc., Paul C. Dodge & Co., Inc., Chicago, and Whitaker & Co., St. Louis.
United Telephone Co., (Del.) First Mtge. Collateral 5½% Gold bonds, Series "B," due April 1, 1957 (offered May 12)	750,000	95 & int., to yield about 5.85%	Wm. L. Ross & Co., Inc., Paul C. Dodge & Co., Inc., Chicago, and Whitaker & Co., St. Louis.
United Telephone Co., (Del.) First Mtge. Collateral 6% Gold bonds, Series "A," due Feb. 1, 1947 (offered Feb. 18)	1,400,000	99½ & int., to yield about 6.05%	Wm. L. Ross & Co., Inc., Paul C. Dodge & Co., Inc., Chicago; Whitaker & Co., St. Louis, and Merrill, Oldham & Co., Inc., Boston.
United Telephone Co., First Mtge. Collateral 5½% Gold bonds, Series "B" (dated April 1, 1927), due April 1, 1957 (offered week ended Dec. 17)	385,000	95 & int., to yield 5.85%	Prescott, Wright, Snider Co., Kansas City, Mo., Wm. L. Ross Co., Inc., Paul C. Dodge & Co., Inc., Chicago, and Whitaker & Co., St. Louis, Mo.
Utah Power & Light Co. First Mtge 5% Gold bonds (dated Feb. 2, 1914), due Feb. 1, 1944 (offered Mar. 11)	2,000,000	98 & int., to yield about 5.18%	Harris, Forbes & Co. and Coffin & Burr, Inc., New York; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.
Utah Power & Light Co., $6 Cum. Pfd. stock (no par) (offered week ended June 4)	20,000 shs	.....	Ross Beason & Co., Salt Lake City, Utah.
Utilities Power & Light Corp. 20-Year 5½% Gold Debentures, due June 1, 1947 (offered June 23)	20,000,000	94¼ & int., to yield about 6%	H. M. Byllesby & Co., Inc., Pynchon & Co., John Nickerson & Co., W. S. Hammons & Co., New York; West & Co., Phila., and Federal Securities Corp., Chicago.
Utilities Power & Light Corp. 7% Cum. Pfd. stock (par $100) (offered June 30)	3,000,000	98 & divd. to yield about 7.14%	H. M. Byllesby & Co., Inc., Pynchon & Co., John Nickerson & Co., New York, etc.; West & Co., Phila.; Federal Securities Corp., Chicago, and W. S. Hammons & Co., Portland, Me.
Vamma Water Power Co., Guaranteed First & General Mtge. 5½% Gold bonds, due Oct. 1, 1957 (offered Nov. 29)	5,000,000	98 & int., to yield about 5.65%	Lee, Higginson & Co., New York, etc.
Virginia Electric & Power Co., 6% Cum. Pfd. stock (par $100) (offered week ended Sept. 24)	1,959,600	97½ & divd., to yield about 6.15%	Co. itself, Richmond, Va.
Virginia Electric & Power Co., First & Refunding Mtge. 5% Gold bonds, Series "A" (dated Oct. 1, 1925), due Oct. 1, 1955 (offered June 2)	3,000,000	98¼ & int., to yield over 5.10%	Stone & Webster and Blodget, Inc., Blair & Co., Inc., and Brown Brothers & Co., New York, etc.
Warren Ohio Telephone Co., Collateral 6% Gold bonds, Series "A," due May 1, 1942. (offered May 13)	800,000	Par & int.	Hoagland, Allum & Co., Inc., New York, and Thompson, Kent & Grace, Inc., Chicago.

Title of Issue	Amount of Offering $	Offering Price	Bankers Making Offering
Washington Gas & Electric Co. First Mtge. Sinking Fund 5½% Gold bonds, due Feb. 1, 1947 (offered Mar. 30)	1,750,000	98 & int., to yield over 5.65%	A. C. Allyn & Co., Inc., and W. C. Langley & Co., New York, etc.
Washington Gas & Electric Co., 7% Cum. Pfd. stock (par $100) (offered Apr. 25)	600,000	98 & divd., to yield 7.14%	A. C. Allyn & Co., and Howard F. McCandless & Co., San Francisco.
Washington Motor Coach Co., Inc., Seattle, 8% Cum. Pfd. stock (par $100) (offered June 21)	50,000	Par & int.	Co., itself. Seattle, Wash.
Water Service Companies, Inc., Guaranteed Collateral Trust 5% Gold bonds, due Sept. 1, 1942 (offered week ended Oct. 1)	1,000,000	96½ & int., to yield about 5.35%	G. L. Ohrstrom & Co., Inc., New York, etc.
West Penn Electric Co., 6% Cum. Pfd. stock (par $100) (offered Sept. 14)	8,300,000	Par & divd.	W. C. Langley & Co., New York.
West Penn Electric Co., 6% Cum. Pfd. stock (par $100) (offered July 19)	4,000,000	Par & divd.	West Penn Securities Department, Inc., Pittsburgh.
West Penn Electric Co., 6% Cum. Pfd. stock (par $100) (offered Apr. 19)	2,500,000	Par & divd.	West Penn Securities Department, Inc., Pittsburgh.
West Texas Utilities Co., First Mtge. 5% Gold bonds, Series "A," due Oct. 1, 1957 (offered Oct. 20)	12,500,000	97½ & int., to yield over 5.15%	Halsey, Stuart & Co., Inc., A. B. Leach & Co., Inc., and Howe, Snow & Co., Inc., New York, etc.
West Virginia Gas Corp., First Mtge. Sinking Fund 6½% Gold bonds, due June 1, 1937. (Offered with Com. stock purchase warrants). (Offered June 23)	3,000,000	99 & int., to yield about 6.63%	P. W. Chapman & Co., Inc., New York, etc.
West Virginia Water Service Co. $6 Cum. Pfd. stock (no par) (offered Mar. 15)	9,800 shs	$91 & divd., to yield about 6.60%	Hale, Waters & Co., New York, etc.
West Virginia Water Service Co., First Mtge. 5% Gold bonds, Series "A", due Aug. 1, 1951 (offered Sept. 12)	225,000	95 & int.	G. L. Ohrstrom & Co., Inc., New York, etc.
Western New York Water Co., First Mtge. 25-Year 5% Gold bonds, Series "B", due Nov. 1, 1950 (offered July 7)	600,000	96½ & int., to yield about 5.25%	Spencer Trask & Co., New York, Baker, Trubee & Putnam, Inc., Manufacturers & Traders-Peoples Trust Co., and O'Brian, Potter & Stafford, Buffalo, N. Y.
Western Power Light & Telephone Co., 2-Year 6% Gold notes, due July 1, 1929 (offered July 7)	1,000,000	Par & int.	A. B. Leach & Co., Inc., New York, etc., and Porter Fox & Co., Inc., Chicago.
Western United Gas & Electric Co., First Mtge. 30-Year 5% Gold bonds, Series "B", due Mar. 1, 1957 (offered week ended Sept. 24)	1,500,000		Harris Trust & Savings Bank, Chicago; Harris, Forbes & Co., New York; Harris, Forbes & Co., Inc., Boston, and Harris, Forbes & Co., Ltd., Montreal.
Westmoreland Water Co., First Mtge. 5% Gold bonds, Series "A", due Dec. 1, 1952 (offered Dec. 12)	2,480,000	99 & int., to yield over 5.07%	P. W. Chapman & Co., Inc., New York, etc.
Williamsport (Pa.) Water Co., First Mtge. 5% Gold bonds, Series "A", due Aug. 1, 1952 (offered Aug. 2)	2,500,000	98.50 & int., to yield over 5.10%	P. W. Chapman & Co., Inc., New York and Graham, Parsons & Co., and Cassatt & Co., Phila.
Wilmington Gas Co., First Lien & Refunding Mtge. 5% Gold bonds, due July 1, 1957 (offered week ended July 30, 1927)	400,000	98 & int., to yield over 5.13%	Drexel & Co., Phila.
Wisconsin Hydro Electric Co., First Mtge. 5% Gold bonds, due Oct. 1, 1947 (offered Nov. 22)	2,000,000	95½ & int., to yield about 5.37%	G. L. Ohrstrom & Co., Inc., and Coffin & Burr, Inc., New York, etc.
Wisconsin Hydro Electric Co., 6% Cum. Pfd. stock (par $100) (offered Dec. 3)	800,000	95 & divd., to yield about 6.32%	G. L. Ohrstrom & Co., Inc., New York, etc.
Wisconsin Michigan Power Co., First & Refunding Mtge. 5% Gold bonds, due June 15, 1957 (offered June 24)	5,000,000	99 & int., to yield 5.06%	Harris, Forbes & Co., Spencer Trask & Co., New York; First Wisconsin Co., Milwaukee; Harris, Forbes & Co., Inc., Boston; Harris Trust & Savings Bank, Chicago, and Harris, Forbes & Co., Ltd., Montreal.
Wisconsin Power & Light Co., First Lien & Refunding Mtge. 5% Gold bonds, Series "E" (dated May 1, 1926), due May 1, 1956 (offered Dec. 19)	6,350,000	101½ & int., to yield over 4.90%	Hill, Joiner & Co., Halsey, Stuart & Co., Inc., Paine, Webber & Co., New York, etc.

ALPHABETICAL LIST OF PUBLIC UTILITY SECURITIES CALLED DURING 1927

Title of Issue	Amount Called	Date of Redemption	Price
Adirondack Power & Light Corp. First & Refunding Gold 6s, March 1, 1950	Entire Issue	Sept. 1, 1927	106½
Adirondack Power & Light Corp. 5-year 6% Convertible debentures, April 1, 1929	Entire Issue	Oct. 1, 1927	101
Adirondack Power & Light Corp. First & Refunding Gold 5½s, March 1, 1950	Entire Issue	Nov. 1, 1927	105½
Adriatic Electric Co. 2-year 6½% Gold Notes, Dec. 15, 1928	Entire Issue	July 20, 1927	100½
Afton-Windsor Light, Heat & Power Co. First 6s, Feb. 1, 1944	Entire Issue	Feb. 1, 1927	105
Alabama Power Co. First Lien & Refunding Gold 6s, June 1, 1951	Entire Issue	Dec. 1, 1927	105
Alabama Water Co. First Gold 6s, Jan. 1, 1932	Entire Issue	July 1, 1927	105
Alabama Water Co. First & Refunding Gold 6s, July 1, 1947	Entire Issue	July 1, 1927	103
Alliance Gas & Power Co. First & Refunding Gold 5s, June 1, 1932	Part of Issue	Aug. 20, 1927	105
Amarillo Gas Co. First Gold 6s, June 1, 1934	Entire Issue	June 1, 1927	102
American Public Service Co. First Lien Gold 6s and 6½s, Series "A," 5½s, Series "B" and 5s Series "C," Dec. 1, 1942	Entire Issue	June 1, 1927	105
American Water Works & Electric Co., Inc. (of Va.) 7% Cumulative First Pfd. stock	Entire Issue	Aug. 15, 1927	110
Americus Lighting Co. First Sinking Fund Gold 6s, April 1, 1937	149 and 235	Apr. 1, 1927	105
Ashtabula Water Supply Co. First Gold 5s, June 1, 1937	Entire Issue	Dec. 1, 1927	105
Associated Gas & Electric Co. Secured Convertible Gold 6½s, July 1, 1954	Entire Issue	Jan. 1, 1927	105
Associated Gas & Electric Co. Secured Gold 6s, Jan. 1, 1955	Entire Issue	Apr. 1, 1927	105
Associated Gas & Electric Co. 6½% Convertible Debenture Certificates, Manila Electric Series "A"	Entire Issue	May 23, 1927	105
Athens Electric Ry. First Gold 6s, Oct. 1, 1931	Entire Issue	Apr. 1, 1927	106
Atlanta Gas Light Co. Refunding & Improvement S. F. Gold 6s, Oct. 1, 1970	Part of Issue	Oct. 1, 1927	106
Austin Gas Light Co., Refunding Gold 6s, July 1, 1937	Entire Issue	July 1, 1927	102½
Avalon Telephone Co., Ltd., First Sinking Fund Gold 6½s, Series "A," April 1, 1942 and "B," April 1, 1945	Entire Issue	Apr. 1, 1927	105
Bakersfield Water Co. First 6s	Entire Issue	Sept. 1, 1927	102
Baltimore Electric Co. of Baltimore City First Gold 5s, June 1, 1947	Entire Issue	Feb. 1, 1927	110
Baltimore Electric Co. of Baltimore City, 5% Cum. Pfd. stock	Entire Issue	July 1, 1927	$50
Baton Rouge Water Works Co., First Serial 6s, due Aug. 1, 1928 to 1930, incl.	Entire Issue	.....	100
Battle Creek Gas Co. First Gold 5½s and 6s, Aug. 1, 1929	Entire Issues	Feb. 1, 1927	103
Beaumont Gas Light Co. First Gold 6s, Jan. 1, 1944	Entire Issue	June 1, 1927	101
Beaverton Power Co. First Gold 6s, Series "A," Oct. 15, 1944	Entire Issue	Aug. 1, 1927	102
Bemidji Electric & Mfg. Co. First Serial Gold 6s, Series "A," annually May 1, 1931 to 1940, incl.	Entire Issue	May 1, 1927	103
Bemidji Electric & Mfg. Co. First 6s, Series "A1," serially to May 1, 1940	Entire Issue	Oct. 1, 1927	103
Benwood & McMechen Water Co. First Gold 6½s, April 1, 1937	Entire Issue	Oct. 1, 1927	103
Billings Gas Co. First S. F. Gold 6s, Oct. 1, 1937	Entire Issue	Oct. 1, 1927	105
Bloomington, Pontiac & Joliet Electric Ry. First Gold 5s, Sept. 1, 1935	Entire Issue	Sept. 1, 1927	105
Boston Consolidated Gas Co. 5½% and 6% Pfd. stock	Entire Issues	Feb. 1, 1927	105
Broad River Power Co. First & Refunding 10-year Gold bonds, Series "B," July 1, 1937	Entire Issue	Sept. 14, 1927	100
Brooklyn Borough Gas Co. General & Refunding Gold 6s, Series "A," April 1, 1963	Entire Issue	Apr. 1, 1927	110
Brooklyn Borough Gas Co. 6½% Preferred stock	Entire Issue	Apr. 1, 1927	$53.75
Burlington Traction Co. First & Refunding Gold 5s, July 1, 1942	Entire Issue	Jan. 1, 1927	105
Butler Water Co. 30-year Gold 6s, Sept. 2, 1931	Entire Issue	Dec. 1, 1927	100
Camaguey Electric Co., S. A. First Sinking Fund Gold 6½s, Series "A," due Oct. 1, 1952	Entire Issue	Apr. 1, 1927	107½
Catawba Power Co. 30-year Gold 6s, June 1, 1933	Part of Issue	Dec. 1, 1927	105
Central Arizona Light & Power Co. Pfd. stock	Entire Issue	Feb. 1, 1927	110
Central Cities Telephone Co. 1-year 5% Secured Gold Notes, Jan. 1, 1928	Entire Issue	Oct. 3, 1927	100½
Central Cities Telephone Co. 1-year 5% Secured Gold Notes, April 1, 1928	Entire Issue	Oct. 3, 1927	100½
Central Counties Gas Co. 5-year Convertible 7s, Oct. 1, 1929	Entire Issue	Oct. 1, 1927	102
Central Illinois Light Co. First & Refunding Gold 6s, April 1, 1943	Entire Issue	Oct. 1, 1927	105
Central Illinois Power Co. First Sinking Fund Gold 7s, March 1, 1942	Entire Issue	Sept. 1, 1927	107½
Central Illinois Utilities Co. First Gold 6s, serially to Oct. 1, 1932	Part of Issue	Oct. 1, 1927	103
Central Iowa Power & Light Co. Convertible General Gold 7s, Series "A," Nov. 1, 1934	Entire Issue	May 1, 1927	105
Central Iowa Power & Light Co. Convertible General Gold 7s, Series "A," Nov. 1, 1934	Entire Issue	May 1, 1927	105
Central Iowa Power & Light Co. First Gold 6s, Series "A," Nov. 1, 1944	Entire Issue	May 1, 1927	105
Central Maine Power Co. First Gold 5s, Nov. 1, 1939	Part of Issue	Nov. 1, 1927	105
Central Power Co. First Gold 6s, Series "B," Jan. 1, 1942	Entire Issue	Oct. 1, 1927	105
Central Power Co. First Gold 6s, Series "C," June 1, 1944	Entire Issue	Oct. 1, 1927	105
Central Public Utility Co. 5-Year 6½ Serial Secured notes, Dec. 15, 1930	Entire Issue	Nov. 15, 1927	100
Central West Public Service Co. 1-Year 5½% Gold notes, June 30, 1927	Entire Issue	Jan. 1, 1927	100½
Charleston City Ry. First Extended Gold 6s, Jan. 1, 1938	Entire Issue	July 1, 1927	105
Charleston-Dunbar Natural Gas Co. First Gold 6s, due annually to April 1, 1933	Entire Issue	Oct. 1, 1927	100
Charleston Illuminating Co. Refunding & Improvement Gold 4½s, March 1, 1935	Entire Issue	Sept. 1, 1927	105
Chickasha Gas & Electric Co. 6% Preferred stock	Entire Issue	Mar. 1, 1927	100
Chickasha Gas & Electric Co. First & Refunding Gold 5s, Jan. 1, 1934	Entire Issue	July 1, 1927	105
Chickasha Gas & Electric Co. First Gold 6s, March 1, 1928	Entire Issue	Mar. 1, 1927	100
Chicoutimi Water & Electric Co. First Gold 5s, Jan. 1, 1932	Part of Issue	Nov. 1, 1927	105
Ciego de Avila Water Supply & Electric Corp. First Gold 6s, dated May 16, 1916	Entire Issue	June 1, 1927	100
Cincinnati Gas & Electric Co. First & Refunding S. F. Gold 5s, April 1, 1956	Entire Issue	Oct. 1, 1927	102
Cincinnati Gas & Electric Co. Prior Lien & Ref'ding S. F. Gold 7s, Ser. "A," Jan. 1, 1961	Entire Issue	Oct. 1, 1927	110

Title of Issue	Amount Called	Date of Redemption	Price
Cincinnati Street Ry. First Mtge. 6% Gold notes, Nov. 1, 1928	Entire Issue	May 1, 1927	100¼
Cincinnati Suburban Power Co. First Gold 6½s, Series "A," Nov. 1, 1935	Entire Issue	Nov. 1, 1927	103
Cities Service Co. Convertible Gold Debenture 7s, Series "B," Jan. 1, 1966	Entire Issue	Apr. 21, 1927	102
Cities Service Co. Convertible Gold debenture 7s, Series "D," Jan. 1, 1966	Entire Issue	Apr. 21, 1927	102
Cities Service Co. Convertible Gold debenture 8s, Series "E," Jan. 1, 1966	Entire Issue	Apr. 21, 1927	106
Cities Service Power & Light Co. Secured S. F. Gold 6s, Series "A," Nov. 1, 1944	Entire Issue	Nov. 1, 1927	105
Citizens Gas & Fuel Co. (Terre Haute, Ind.) First & Refunding Gold 5s, Jan. 1, 1960	Entire Issue	Jan. 2, 1927	101
City & Elm Grove RR. Consolidated Collateral Trust Gold 5s, July 1, 1936	Entire Issue	Jan. 1, 1927	105
City Water Co. of Chattanooga 7% cum. First Pfd. stock	Entire Issue	Nov. 1, 1927	100
Clarion Water Co. 40-Year Gold 5s, Mar. 1, 1953	Entire Issue	Sept. 1, 1927	100
Clear Springs Water Co. First Refunding & Improvement Gold 5s, May 1, 1942	Entire Issue	Nov. 1, 1927	102½
Coast Power Co. First Gold 6s, Series "A," July 1, 1942	Entire Issue	July 1, 1927	105
Columbia Gas & Electric Co. of W. Va. 7% cum. Pfd. stock, Series "A"	Entire Issue	May 15, 1927	115
Columbia Gas & Electric Co. of W. Va. 3-Year 5% Gold notes, May 1, 1928	Entire Issue	June 6, 1927	100
Columbus Gas Light Co. First Gold 5s, July 1, 1931	Entire Issue	July 1, 1927	103
Columbus Ry., Power & Light Co. First Refunding & Extension S. F. Gold 5s, Oct. 1, 1940	Entire Issue	Oct. 1, 1927	105
Columbus Ry., Power & Light Co. Refunding Gold 6s, Dec. 1, 1941	Entire Issue	Dec. 1, 1927	110
Commonwealth Light & Power Co. 1-Year 6% Secured Gold notes, Oct. 1, 1927	Entire Issue	July 1, 1927	100½
Commonwealth Power Corp. 25-Year Secured S. F. Gold 6s, May 15, 1947	Entire Issue	Oct. 1, 1927	104¾
Commonwealth Power Corp. General Lien & Refunding Gold 5s, Series "A," July 1, 1939	Entire Issue	Nov. 1, 1927	100
Commonwealth Power Corp. General Lien & Refunding Gold 6s, Series "B," July 1, 1972	Entire Issue	Nov. 1, 1927	105
Community Power & Light Co. First Collateral Sinking Fund Gold 7½s, Series "A," April 1, 1942	Entire Issue	Apr. 1, 1927	110
Community Power & Light Co. First Collateral Sinking Fund Gold 6½s, Series "C," due Oct. 1, 1933	Entire Issue	Apr. 1, 1927	105
Community Power & Light Co. First Collateral Gold 5½s, Series "E," Dec. 1, 1955	Entire Issue	June 1, 1927	105
Community Power & Light Co. First Collateral Sinking Fund Gold 6½s, Series "B," Jan. 1, 1938	Entire Issue	July 1, 1927	105
Community Power & Light Co. First Collateral Sinking Fund Gold 6s, Series "D," Jan. 1, 1950	Entire Issue	July 1, 1927	105
Community Water Service Co. First Lien Gold 5½s, Series "A," July 1, 1951	Entire Issue	Jan. 1, 1927	105
Connecticut Light & Power Co. First & Refunding S. F. Gold 7s, Series "A," May 1, 1951	Part of Issue	Nov. 1, 1927	110
Connecticut Light & Power Co First & Refunding Sinking Fund Gold 5½s, Series "B," due Feb. 1, 1954	Part of Issue	Aug. 1, 1927	107½
Connellsville & Monongahela Ry. First Sinking Fund Gold 4s, Sept. 1, 1930	Part of Issue	Sept. 1, 1927	100
Consolidated Gas Co. of New York 6% Participating Preferred stock	Entire Issue	May 1, 1927	$56.25
Consolidated Power & Light Co. 7% cum. Pfd. stock	Entire Issue	Aug. 1, 1927	110
Consolidated Water Power Co. First Gold 5½s, May 1, 1946	Part of Issue	Nov. 1, 1927	103
Consolidated Water Supply Co. First 5s, May 1, 1929	Entire Issue	May 1, 1927	100
Consumers Gas & Coke Co. First 6s, July 1, 1936	Entire Issue	July 1, 1927	102
Consumers Utility Co. First Gold 6s, Series "A," Oct. 1, 1937	Entire Issue	Apr. 1, 1927	105
Continental Gas & Electric Corp. 25-year Refunding Gold 6s, April 1, 1947	Entire Issue	Oct. 1, 1927	107½
Coos & Curry Telephone Co. First Gold 6½s, Jan. 1, 1949	Entire Issue	Jan. 1, 1927	105
Corn Belt Telephone Co. First Serial Gold 6s, dated Aug. 1, 1925	Entire Issue	Aug. 1, 1927	102
County Gas Co. First Serial Gold 7s, Series "A" and 6s, Series "B," Oct. 1, 1951	Entire Issue	Oct. 1, 1927	105
Crawford County Rys. First Sinking Fund Gold 6s, July 1, 1961	Entire Issue	Jan. 1, 1927	100
Dalhart Ice & Electric Co. and Dalhart Water Co. Joint and Several 10-year 8% Gold notes, Aug. 1, 1931	Entire Issue	Aug. 1, 1927	105
Delaware River Water Co. First Gold 5½s, Series "A," May 1, 1946	Entire Issue	Nov. 1, 1927	105
Denver Gas & Electric Co. General Gold 5s, May 1, 1949	Part of Issue	May 1, 1927	105
Des Plaines Telephone Co., Mortgage Gold bonds, Series "A," July 1, 1942	Entire Issue	July 1, 1927	102
Dubuque Electric Co. First Gold 6s, April 1, 1942	Entire Issue	Apr. 1, 1927	105½
Dubuque Electric Co. 7% Cumulative Preferred stock	Entire Issue	Jun 1, 1927	110
Duncan Electric & Ice Co. First Gold 5s, Aug. 15, 1930	Entire Issue	Mar. 1, 1927	105
Duquesne Light Co., First & Collateral Trust Gold 6s, Series "A," July 1, 1949	Entire Issue	July 1, 1927	105
Duquesne Light Co., First & Collateral Trust Gold 5½s, Series "B," July 1, 1949	Entire Issue	July 1, 1927	105
Eastern Shore Gas & Electric Co. First & Collateral Trust Gold 6s, June 1, 1955	Entire Issue	Dec. 1, 1927	105
Eastern States Utilities Co. First Lien & Refunding Gold 6½s, Feb. 1, 1948	Entire Issue	Aug. 1, 1927	105
El Dorado Water Corp. First Mtge. Sinking Fund Gold bonds, dated May 1, 1922	Entire Issue	June 1, 1927	104
Electric Co. of New Jersey Preferred stock	Entire Issue	Apr. 15, 1927	110
Electric Public Service 1-year 5% Gold notes, Sept. 15, 1927	Entire Issue	May 1, 1927	100
Electric Public Service Co. 3-year 6% Gold notes, April 1, 1929	Entire Issue	May 1, 1927	100
Electric Public Service Co. 3-year 6% Gold notes, Aug. 1, 1929	Entire Issue	May 1, 1927	101
Electric Railway Equipment Securities Corp. 6% Equipment Trust Gold Ctfs., 1928	Part of Issue	Feb. 1, 1927	100
Electric Railway Equipment Securities Corp. 6% Equip. Trust Gold Ctfs., Nov. 1, 1927	Part of Issue	Feb. 15, 1927	100
Electric Railway Equipment Securities Corp. 6% Equipment Trust Ctfs., Nov. 1, 1927	Part of Issue	May 1, 1927	105
Electric Railway Equipment Securities Corp. 5% Equipment Gold Ctfs., Aug. 15, 1927	Part of Issue	May 16, 1927	100
Electric Railway Equipment Securities Corp. 5% Equipment Gold Ctfts., Oct. 1, 1927	Part of Issue	July 1, 1927	100
Electric Railway Equipment Securities Corp. 6% Equipment Gold Ctfs., Nov. 1, 1927	Entire Issue	Aug. 1, 1927	100
Electric Railway Equipment Securities Corp. 6% Equipment Gold Ctfs., Feb. 1, 1928	Part of Issue	Aug. 1, 1927	100
Electric Railway Equipment Securities Corp. 5% Equip. Trust Gold Ctfs., Nov. 15, 1927	Part of Issue	Aug. 15, 1927	100
Electrical Securities Corp. Collateral Trust Sinking Fund 5s (Sixth Series), Feb. 1, 1939	Part of Issue	Feb. 1, 1927	103
Electrical Securities Corp. Collateral Trust Sinking Fund 5s (Tenth Series), Feb. 1, 1941	Part of Issue	Feb. 1, 1927	103
Electrical Securities Corp. Collateral Trust Sink. Fund 5s (Twelfth Series), Feb. 1, 1943	Part of Issue	Feb. 1, 1927	103

Title of Issue	Amount Called	Date of Redemption	Price
Electrical Securities Corp. Collateral Trust S. Fund 5s (Thirteenth Series), Feb. 1, 1943	Part of Issue	Feb. 1, 1927	103
Electrical Securities Corp. Collateral Trust S. Fund 5s (Fourteenth Series), Feb. 1, 1946	Part of Issue	Feb. 1, 1927	103
Electrical Securities Corp. Collateral Trust S. Fund 5s (Seventeenth Series), Feb. 1, 1953	Part of Issue	Feb. 1, 1927	103
Electrical Securities Corp. Collateral Trust Sink. Fund 5s (Fourth Series), Jan. 1, 1936	Entire Issue	July 1, 1927	103
Electrical Securities Corp. Collateral Trust Sinking Fund 5s (Ninth Series), Feb. 1, 1940	Part of Issue	Aug. 1, 1927	103
Electrical Securities Corp. Collateral Trust Sinking Fund 5s (Tenth Series), Feb. 1, 1941	Part of Issue	Aug. 1, 1927	103
Electrical Securities Corp. Collateral Trust Sink. Fund 5s (Fifteenth Series), Feb. 1, 1952	Part of Issue	Aug. 1, 1927	103
Electrical Securities Corp. Collateral Trust Sink. Fund 5s (Sixteenth Series), Feb. 1, 1953	Part of Issue	Aug. 1, 1927	103
Electrical Securities Corp. Collateral Trust S. Fund 5s (Seventeenth Series), Feb. 1, 1953	Part of Issue	Aug. 1, 1927	103
Empire District Electric Co. First Sinking Fund 5s, Nov. 1, 1949	Entire Issue	May 1, 1927	105
Empire Gas & Fuel Co. (Del.) First & Refunding Convertible Gold 7½s, Series "A" and "C," May 1, 1937	Parts of Issues	May 2, 1927	105
Empire Gas & Fuel Co. (Del.) First & Refunding Gold 7½s, Series "A," and "C," May 1, 1937	Entire Issue	Sept. 19, 1927	110
Empire Gas & Fuel Co. (Del.) First & Refunding Gold 6½s, April 1, 1941	Entire Issue	Sept. 19, 1927	105½
Equitable Illuminating Gas Light Co. of Philadelphia First Sinking Fund Gold 5s, Jan. 1, 1928	Part of Issue	Jan. 1, 1927	105
Evansville Gas & Electric Light Co. First & Refunding Gold 5s, June 1, 1932	Part of Issue	June 1, 1927	105
Federal Water Service Corp. 6% Convertible Gold debentures, Series "A," Sept. 1, 1996	Entire Issue	Sept. 1, 1927	110
Federated Utilities, Inc., First Collateral Gold 6s, Series "A," Sept. 1, 1945	Entire Issue	Sept. 1, 1927	105
Federated Utilities Inc., First Collateral Gold 5½s, Series "B," Sept. 1, 1946	Entire Issue	Sept. 1, 1927	103
Fort Payne Utilities Co. First Gold 6s, Aug. 1, 1945	Entire Issue	Aug. 1, 1927	107½
Franklin Water, Light & Power Co. First Gold 5s, April 1, 1929	Entire Issue	Apr. 1, 1927	100
Freeport Water Co. First Serial Gold 5s, annually to July 1, 1932	Entire Issue	July 1, 1927	103
Fresno City Water Co. First Sinking Fund Gold 5s, Jan. 1, 1946	Entire Issue	July 1, 1927	105
Fresno City Water Co. First & Refunding Gold 5½s, Series "B," Nov. 1, 1952	Entire Issue	May 1, 1927	105
Fresno City Water Co. First & Refunding Gold 6s, Series "C," Feb. 1, 1959	Entire Issue	Aug. 1, 1927	105
Fulton County Gas & Electric Co. First & Refunding Gold 6s, Series "A," March 1, 1946	Entire Issue	Sept. 1, 1927	107½
General Telephone Co. 1-Year 5% Gold notes, May 15, 1928	Entire Issue	Nov. 18, 1927	100
Georgia Railway & Power Co. 25-Year General 6s, March 1, 1948	Entire Issue	Mar. 1, 1927	107½
Georgia Ry. & Power Co. First & Refunding Sinking Fund Gold 5s, April 1, 1954	Entire Issue	Apr. 1, 1927	105
Georgia Ry. & Power Co. General Gold 7s, due Nov. 1, 1941	Entire Issue	Apr. 1, 1927	105
Georgia Ry. & Power Co. General Gold 6s, April 1, 1947	Entire Issue	Apr. 1, 1927	107½
Georgia Ry. & Power Co. General Gold 6s, April 1, 1954	Entire Issue	Apr. 1, 1927	107½
German-Atlantic Cable Co. (Deutsch-Atlantische Telegraphengesellschaft) First Sinking Fund Gold 7s, April 1, 1945	Part of Issue	Apr. 1, 1927	110
Gladwin Light & Power Co. First Sinking Fund Gold 6s, Series "A," Nov. 1, 1944	Entire Issue	Oct. 1, 1927	102
Goshen Gas Co. First Consolidated Gold 5s, Dec. 1, 1942	Entire Issue	June 1, 1927	102
Great Consolidated Electric Power Co., Ltd., First Sinking Fund Gold 7s, Series "A," Aug. 1, 1944	Part of Issue	Feb. 1, 1927	100
Great Consolidated Electric Power Co., Ltd. (Japan) First Sinking Fund Gold 7s, Series "A," Aug. 1, 1944	Part of Issue	Aug. 1, 1927	100
Greenville Water Co. First Refunding Gold 5s, Oct. 1, 1928	Part of Issue	Oct. 1, 1927	100
Greenwich Water & Gas Co. Collateral Trust Gold 6s, Series "A," Jan. 1, 1946	Entire Issue	July 1, 1927	105
Greenwich Water & Gas Co. 7% cum. Pfd. stock	Entire Issue	Aug. 1, 1927	107
Guantanamo Electric Co. First Gold 6s, Oct. 1, 1946	Entire Issue	Apr. 1, 1927	105
Hackensack Water Co. 15-Year 7% Gold debentures, Dec. 15, 1926	Entire Issue	June 15, 1927	105½
Hagerstown & Frederick Ry. First & Refunding Sinking Fund Gold 6s, April 1, 1944	Entire Issue	Apr. 1, 1927	105
Hamburg Electric Co. 10-Year External Sinking Fund 7% Gold debentures, Nov. 1, 1935	Part of Issue	May 1, 1927	100
Hamburg Electric Co. 10-Year S. F. 7% External Gold debentures, Nov. 1, 1935	Part of Issue	Nov. 1, 1927	100
Hamilton Utilities Co. First 6s, May 1, 1936	73 & 118	May 1, 1927	103
Hamilton Utilities Co. First Gold 6s, May 1, 1936	Entire Issue	Nov. 1, 1927	103
Hanford Gas & Power Co. First Gold 6s, June 15, 1937	Entire Issue	Nov. 9, 1927	101
Hanover Power Co. First 6s, Series "A," June 1, 1928	Part of Issue	Dec. 1, 1927	100.12
Hanover Power Co. First 6s, Series "C," June 1, 1941	Part of Issue	Dec. 1, 1927	102.33
Harrison Electric & Water Co. First Gold 6½s, July 1, 1944	Entire Issue	July 1, 1927	105
Harwood Electric Co. First & Refunding Sinking Fund Gold 6s, March 1, 1942	Part of Issue	Mar. 1, 1927	107½
Haverstraw Water Supply Co. First Gold 5s, April 1, 1952	Entire Issue	Apr. 1, 1927	100
Hermosa-Redondo Water Co. First Sinking Fund Gold 6½s, Series "A," Dec. 1, 1953	Entire Issue	June 1, 1927	105
Huntington Development & Gas Co. First Sinking Fund Gold 6s, June 1, 1936	Entire Issue	Dec. 1, 1927	102½
Huntington Water Works Co. First 6s, Sept. 1, 1954	Entire Issue	Sept. 1, 1927	105
Huntington Water Works Co. Class "A" stock	Entire Issue	Oct. 1, 1927	103
Huron Light & Power Co., First Lien & Refunding Gold 6s, Series "A," Feb. 1, 1937	Entire Issue	Aug. 1, 1927	105
Illinois Power & Light Corp. 30-Year 7% Gold debentures, April 1, 1953	Entire Issue	Apr. 1, 1927	105
Indiana Coke & Gas Co. First Sinking Fund Gold 6s, April 1, 1946	Entire Issue	Apr. 1, 1927	102½
Indiana Hydro-Electric Power Co. First S. F. Gold 7s, Series "A," and 6s, Series "B," due Dec. 1, 1951	Part of Issue	Dec. 1, 1927	107½
Indiana-Ohio Public Service Co. First Gold 6s, Series "A," June 1, 1946	Entire Issue	July 1, 1927	104
Indiana Power & Water Co. First Sinking Fund Gold 6s, Sept. 1, 1936	Entire Issue	Mar. 1, 1927	103
Indiana Power Co. 3-Year 5½% Gold notes, Feb. 1, 1928	Entire Issue	Feb. 1, 1927	100
Indiana Power Co. First Lien & General Gold 6½s, Series "B," Nov. 1, 1941	Entire Issue	May 1, 1927	105
Indiana Power Co. First & Refunding Gold 6s, Nov. 1, 1944	Entire Issue	May 1, 1927	105
Indiana Public Service Co. First 5s, Jan. 1, 1931	Entire Issue	Jan. 1, 1927	105
Indianapolis & Louisville Traction Co. First Gold 5s, April 1, 1942	Entire Issue	Apr. 1, 1927	105
Indianapolis Light & Heat Co. Consolidated Gold 5s, April 1, 1940	Entire Issue	Apr. 1, 1927	102
Indianapolis Power & Light Corp. First Collateral Trust 6s, Series "A," May 1, 1936	Entire Issue	May 1, 1927	104
Inter County Power & Light Co. First Gold 6s, July 1, 1944	Entire Issue	July 1, 1927	105

Title of Issue	Amount Called	Date of Redemption	Price
International Telephone & Telegraph Corp. 20-year 5½% Convertible Gold debentures, Sept. 1, 1945	Entire Issue	Sept. 1, 1927	105
Interstate Power Co. (Del.) First Gold 6s, Series "A" and "B," July 1, 1944	Entire Issue	July 1, 1927	105
Interstate Power Co. (Del.) 10-year General Gold 7s, July 1, 1934	Entire Issue	July 1, 1927	102½
Interstate Public Service Corp. 30-year Collateral Trust 5s, July 1, 1945	Entire Issue	Jan. 1, 1927	100
Iowa Light, Heat & Power Co. First Sinking Fund Gold 5s and 7s, Oct. 1, 1946	Entire Issue	Apr. 1, 1927	...
Iron Range Light & Power Co. First Serial Gold 6s, annually to May 1, 1937	Entire Issue	May 1, 1927	102½
Jackson Public Service Co. First Sinking Fund Serial Gold 6s and 7s, annually Oct. 1, 1932 to 1934, incl.	Entire Issue	Apr. 1, 1927	100
Jacksonville Gas Co. 10-year 7% Extended Gold debentures, June 1, 1930	Entire Issue	July 1, 1927	100
Jacksonville Gas Light & Coke Co. First Gold 5s, Jan. 1, 1931	Part of Issue	Jan. 1, 1927	100
Jeffersonville Water, Light & Power Co. First Gold 5s, due serially to Feb. 1, 1930	Entire Issue	Jan. 1, 1927	100
Jersey Shore Water Co. First Gold 5s, April 1, 1932	Entire Issue	Oct. 1, 1927	103
Jerseyville Illuminating Co. General Sinking Fund Gold 5s, Feb. 1, 1935	Entire Issue	Aug. 1, 1927	105
Joplin Water Works Co. Gold 5s, April 2, 1940	Entire Issue	May 31, 1927	100
Joplin Water Works Co. Gold 5s, Oct. 1, 1948	Entire Issue	May 31, 1927	100
Kansas-Oklahoma Gas Co. First Mtge. Pipe Line Gold 6s, Aug. 1, 1928	Entire Issue	Sept. 1, 1927	100
Kansas Power Co. 10-year 7% Sinking Fund Gold Debentures, Oct. 1, 1933	Entire Issue	Oct. 1, 1927	104½
Kansas Telephone Co. First Gold 6s, April 1, 1935	Entire Issue	Oct. 1, 1927	101
Keene (N. H.) Gas & Electric Co. First 5s, Aug. 1, 1935	Entire Issue	Feb. 1, 1927	103
Keystone Power & Light Co. 7% Preferred stock	Entire Issue	Aug. 15, 1927	100
Keystone Power Corp. 10-year 7% Convertible Gold Debentures, Jan. 1, 1934	Entire Issue	June 10, 1927	105
Keystone Power Corp. Preferred stock	Entire Issue	Aug. 1, 1927	105
Keystone Power Corp. First Gold 6½s, Series "A," and 6s, Series "B," March 1, 1952	Entire Issue	Sept. 1, 1927	107½
Kings County Lighting Co. 8% Cumulative Preferred stock, Series "A,"	Entire Issue	July 1, 1927	105
Kingston Gas & Electric Co. Guaranteed 7s, Jan. 1, 1932	Entire Issue	Jan. 1, 1927	105
Knoxville Gas Co. First Gold 5s, Oct. 1, 1933	Part of Issue	Oct. 1, 1927	103
Lackawanna Valley Water Supply Co. First Gold 5s, Oct. 1, 1927	Entire Issue	Apr. 1, 1927	100
Laconia Gas & Electric Co. 10-year 8% Gold Notes, July 1, 1931	Entire Issue	Jan. 1, 1927	105
Laconia Gas & Electric Co. First Gold 5s, March 1, 1940	Entire Issue	Mar. 1, 1927	105
Lake Superior District Power Co. First Mortgage & Refunding Gold 6½s, Series "A," Jan. 1, 1942	Entire Issue	Jan. 3, 1927	105
Laurentian Hydro-Electric Ltd., First & Refunding Sinking Fund Gold 6½s, Series "A," June 1, 1934	Entire Issue	June 1, 1927	102½
Laurentide Power Co., Ltd., General Sinking Fund Gold 5½s, Series "A," Jan. 1, 1946	Part of Issue	July 1, 1927	101
Lee Electric Co. (Ia.) First & Refunding Gold 6s, Feb. 1, 1940	Entire Issue	Aug. 1, 1927	100
Lee Electric Co. (W. Va.) First Gold 6s, June 1, 1930	Entire Issue	Dec. 1, 1927	100
Lehigh & Wilkes-Barre Corp. Collateral Trust Serial 5½s, Series "F," Jan. 1, 1930	Entire Series	Jan. 1, 1927	101½
Lehigh & Wilkes-Barre Corp. Collateral Trust Serial 5½s, Series "G," Jan. 1, 1931	Entire Series	Jan. 1, 1927	102
Lehigh & Wilkes-Barre Corp. Collateral Trust Serial 5½s, Series "H," Jan. 1, 1932	Entire Series	Jan. 1, 1927	100
Lehigh & Wilkes-Barre Corp. Serial Collateral Trust 5½s, Series "I," Jan. 1, 1933	Entire Series	July 1, 1927	103
Lehigh Navigation Electric Co. First Sinking Fund Gold 6s, Series "A," July 1, 1943	Part of Issue	July 1, 1927	107½
Lehigh Navigation Electric Co. First Sinking Fund Gold 5s, Series "B," July 1, 1943	Part of Issue	July 1, 1927	100
Lexington Utilities Co. First Lien & Refunding Gold 6s, Series "A," April 1, 1929	Entire Issue	Apr. 1, 1927	101
Lexington Utilities Co. First Lien & Refunding Gold 6s, Series "B," April 1, 1936, and Series "C," Oct. 1, 1946	Entire Issue	Apr. 1, 1927	102½
Liberal Light, Ice & Power Co. 10-year 7% Gold notes, May 1, 1933	Entire Issue	Nov. 1, 1927	105
Lone Star State Power Co. First Gold 6s, Sept. 1, 1928	Entire Issue	Sept. 1, 1927	100½
Los Angeles Electric Co. First Gold 5s, Jan. 1, 1928	Entire Issue	Jan. 1, 1927	100½
Los Angeles Gas & Electric Corp. General & Refunding Gold 7s, Series "B" and "C," June 1, 1931	Entire Issue	June 1, 1927	104½
Louisiana Power Co. First Sinking Fund Gold 6s, Series 1924, Dec. 1, 1944	Entire Issue	June 1, 1927	105
Luzerne County Gas & Electric Corp. First & Refunding Gold 6s, Sept. 1, 1954	Part of Issue	Sept. 1, 1927	107½
Lykens Valley Light & Power Co. First Gold 6s, Sept. 1, 1945	Part of Issue	Sept. 1, 1927	102½
Madison Power Co., Inc., First 6s, July 1, 1951	Entire Issue	Jan. 1, 1927	105
Manufacturers Water Co. First Sinking Fund Gold 5s, June 1, 1939	Part of Issue	June 1, 1927	101
Massachusetts Lighting Cos. 10-Year 7% Gold debentures, Oct. 1, 1930	Entire Issue	Oct. 1, 1927	103
Meigs Water Co. First Sinking Fund Gold 6s, Aug. 15, 1943	Bonds Nos. 23 & 27	Mar. 15, 1927	105
Melbourne Electric Supply Co., Ltd., General S. F. Gold 7½s, Dec. 1, 1946	Part of Issue	Dec. 1, 1927	102½
Metropolitan Gas Corp. First S. F. Gold 5s, Dec. 1, 1941	Entire Issue	Dec. 1, 1927	100
Metropolitan Power Co. First Gold 6s, Series "A," June 1, 1953	Entire Issue	Dec. 1, 1927	107½
Miami Valley Electric Co. First & Refunding 6s, Jan. 1, 1945	Entire Issue	July 1, 1927	101½
Michigan Public Service Co. First Gold 6½s, Series "A," April 1, 1943	Entire Issue	Oct. 1, 1927	107½
Midland Counties Gas & Electric Co. First Gold 6s, Jan. 1, 1932	Entire Issue	Jan. 1, 1927	105
Midland Counties Public Service Corp. General Refunding Gold 7½s, Series "A," Sept. 1, 1956	Entire Issue	Mar. 1, 1927	107½
Midland Counties Public Service Corp. General Refunding Gold 6s, Series "B," Sept. 1. 1952	Entire Issue	Mar. 1, 1927	105
Midway Gas Co. First & Refunding Gold 6s, Dec. 1, 1929	Entire Issue	Sept. 1, 1927	100
Milford Light & Power Co. First Gold 5s, Feb. 1, 1938	Entire Issue	Feb. 1, 1927	105
Milledgeville Lighting Co. First Sinking Fund Gold 6s, Series "A," July 1, 1949	Entire Issue	Jan. 1, 1927	102½
Milo Electric Light & Power Co., First Gold 6s, Jan. 1, 1945	Entire Issue	July 1, 1927	105
Minneapolis Gas Light Co. General Gold 5s, Feb. 1, 1930	Bonds 3295-3437	Mar. 1, 1927	102½
Minnesota Electric Distributing Co. First 7s, 1922 Series, semi-annually to May 1, 1934.	Entire Issue	Nov. 1, 1927	105
Minnesota Electric Light & Power Co. First Gold 6s, May 1, 1935	Entire Issue	May 1, 1927	103
Minnesota Electric Light & Power Co. First & Refunding Gold 6s, Aug. 2, 1940	Entire Issue	Aug. 2, 1927	100
Mississippi Power & Light Co. Pfd. stock	Entire Issue	July 1, 1927	115

Title of Issue	Amount Called	Date of Redemption	Price
Mississippi River Power Co. 15-Year 7% Sinking Fund Gold debentures, due Nov. 1, 1935	Entire Issue	May 1, 1927	102
Missouri Electric, Gas & Water Co. First Gold 8s, Sept. 1, 1931	Entire Issue	Sept. 1, 1927	103
Mobile Electric Co. 10-Year Convertible Gold 7% notes, May 1, 1930	Entire Issue	Nov. 1, 1927	105
Mobile Electric Co. First Gold 5s, May 1, 1946	Entire Issue	Nov. 1, 1927	105
Montana Power Co. 7% cum. Pfd. stock	Entire Issue	July 1, 1927	120
Montpelier & Barre Light & Power Co. 10-Year 8% Gold notes, Sept. 15, 1930	Entire Issue	Apr. 1, 1927	104
Montpelier & Barre Light & Power Co. First Refunding Convertible Gold 5s, Oct. 1, 1944	Entire Issue	Apr. 1, 1927	105
Mountain City Water Co. bonds, dated June 1, 1910	Entire Issue	May 2, 1927	100
Mountain States Power Co. 7% Gold notes, Series "A," July 1, 1938	Entire Issue	July 1, 1927	103
Municipal Gas Co. of the City of Albany First Gold 5½s, Series "A," April 1, 1952	Entire Issue	Oct. 1, 1927	107½
Murray Electric Light & Power Co. First 6s, Jan. 1, 1943	Entire Issue	Jan. 1, 1927	100
Nebraska City Utilities Co. Collateral Trust Gold 6s, July 1, 1928	Entire Issue	July 1, 1927	102
Nevada-California Electric Corp. First Lien Gold 6s, Series "A," Jan. 1, 1946	Entire Issue	Jan. 1, 1927	103
New Jersey Power & Light Co. First Gold 5s, Feb. 1, 1936	Entire Issue	Feb. 1, 1927	105
New York Telephone Co. 30-Year Sinking Fund 6% Gold debentures, Feb. 1, 1949	Part of Issue	Feb. 1, 1927	110
New York Telephone Co. 30-Year Sinking Fund 6% Gold debentures, Feb. 1, 1949	Part of Issue	Aug. 1, 1927	110
Niles Gas Light Co. First Gold 6s, Aug. 1, 1932	Entire Issue	Feb. 1, 1927	102
North American Edison Co. 30-Year Secured Sinking Fund Gold 6s, Series "A," March 15, 1952	Entire Issue	Mar. 15, 1927	106½
North American Edison Co. Secured Sinking Fund 6½s, Series "B," Sept., 1948	Entire Issue	Mar. 1, 1927	105¼
North American Light & Power Corp., 30-Year 7% Sinking Fund Secured Gold notes, July 1, 1954	Entire Issue	Jan. 1, 1927	105
North Boston Lighting Properties, 3-Year 4½% Gold notes, Feb. 1, 1929	Entire Issue	Aug. 1, 1927	100
North Strabane Water Co. First & Refunding 5s, Jan. 1, 1933	Entire Issue	July 1, 1927	102½
North Strabane Water Co. First 5s, Nov. 1, 1931	Entire Issue	Nov. 1, 1927	100
Northern States Power Co. (Minn.) 6½% Gold notes, Nov. 1, 1933	Part of Issue	May 1, 1927	103½
Northern States Power Co. (Minn.) 6½% Convertible Gold notes, Nov. 1, 1933	Part of Issue	May 1, 1927	103½
Northwestern Electric Service Co. of Pa. First & Refunding Gold 6s, July 1, 1962	Entire Issue	Jan. 1, 1927	105
Northwestern Public Service Co. First Gold 6½s, Series "A," Dec. 1, 1948	Entire Issue	June 1, 1927	106¼
Northwestern Public Service Co. 7% Conv. Gold debentures, Series "A," Dec. 1, 1933	Entire Issue	June 1, 1927	105
Northwestern Public Service Co. First Gold 6s, Series "B," Aug. 1, 1950	Entire Issue	Aug. 1, 1927	160¾
Norwich Water Works General 4s, Nov. 1, 1930	Entire Issue	Feb. 1, 1927	105
Oberpfalz Electric Power Corp. First Sinking Fund Gold 7s, June 1, 1946	Part of Issue	June 1, 1927	100
Oberpfalz Electric Power Corp. First Sinking Fund 7s, June 1, 1946	Part of Issue	Dec. 1, 1927	100
Oberlin Telephone Co. First Gold 6s, due 1942	Entire Issue	Jan. 1, 1927	105
Ocean City Sewer Co. First Gold 5s, Jan. 1, 1942	Entire Issue	Jan. 2, 1927	100
Ocean City Water Co. First Gold 5s, Jan. 1, 1959	Entire Issue	Jan. 2, 1927	105
Ocean City Water Co. General & Refunding Gold 5s and 6½s, Jan. 1, 1965	Entire Issues	Jan. 2, 1927	100
Ohio Electric Power Co. First Sinking Fund Gold 6½s, Series "A," July 1, 1944	Entire Issue	July 1, 1927	105
Ohio Electric Power Co. First Sinking Fund Gold 6s, Series "B," Jan. 1, 1946	Entire Issue	July 1, 1927	104¾
Ohio Gas & Electric Co. 7% Preferred stock	Entire Issue	July 1, 1927	110
Ohio Gas & Electric Co. First Gold 6s, Series "A," May 1, 1946	Entire Issue	Nov. 1, 1927	107½
Ohio Gas, Light & Coke Co. First Gold 6½s, Series "A," May 1, 1950	Entire Issue	Nov. 1, 1927	105
Ohio State Power Co. First Gold 6s, June 1, 1935	Part of Issue	Dec. 1, 1927	105
Ohio State Telephone Co. Consolidated & Refunding Sinking Fund Gold 5s, Series "A" and "B" July 1, 1944	Part of Issue	Jan. 1, 1927	100
Ohio State Telephone Co. Consolidated & Refunding Sinking Fund Gold 5s, Series "A" and "B," July 1, 1944	Part of Issue	July 1, 1927	100
Ohio State Telephone Co. Consolidated & Refunding Sinking Fund Gold 5s, Series "A" and "B," July 1, 1944	Part of Issue	July 1, 1927	102
Oklahoma Natural Gas Corp. 6½% Convert. Sink. Fund Gold Debentures, Sept. 1, 1941	Entire Issue	Nov. 18, 1927	105
Ottawa-Montreal Power Co., Ltd., First Sink. Fund Gold 6½s, Series "A," June 1, 1949	Entire Issue	Dec. 1, 1927	105
Otter Tail Power Co. First & Refunding Gold 6s, April 1, 1933	Entire Issue	Apr. 1, 1927	102
Otter Tail Power Co. (Del.) $7 Preferred stock	Entire Issue	July 1, 1927	...
Otter Tail Power Co. (Minn.) 7% Preferred stock	Entire Issue	July 1, 1927	...
Ozark Utilities Co. First Gold 6s, Series "A," April 1, 1931	Entire Issue	Oct. 1, 1927	101
Ovid Electric Co. First 6s, July 1, 1943	Entire Issue	June 1, 1927	102
Pacific Gas & Electric Co. First & Refunding Gold 7s, Series "A," Dec. 1, 1940	Entire Issue	Dec. 1, 1927	110
Pana Gas & Electric Co. First Gold 5s, June 1, 1935	Entire Issue	Dec. 1, 1927	105
Parsons Gas Co. Gold 6s, semi-annually to Nov. 1, 1929	Entire Issue	Nov. 1, 1927	100
Penn Central Light & Power Co. First & Refunding Gold 6s, Dec. 1, 1953	Entire Issue	Dec. 1, 1927	105
Penn Central Light & Power Co. First & Refunding Gold 5½s, July 1, 1964	Entire Issue	Dec. 1, 1927	105
Pennsylvania-Ohio Power & Light Co. 8% Preferred stock	Entire Issue	Aug. 1, 1927	115
Penobscot Power Co. First Sinking Fund Gold 7s, May 1, 1942	Part of Issue	May 1, 1927	103
Peoples Gas Light & Coke Co. General & Refunding Gold 5s, Dec. 1, 1963	Entire Issue	Dec. 1, 1927	105
Peoples Light & Power Co. (Minn.) First Gold 6s, Jan. 1, 1935	Entire Issue	Apr. 1, 1927	102
Peoples Light & Power Co. (Minn.) 7% cumulative Preferred stock	Entire Issue	May 1, 1927	100
Peoples Light & Power Corp. Convertible 5½% Serial Gold notes, June 15, 1927 to June 15, 1928, incl.	Entire Issue	Mar. 28, 1927	...
Peoples Light & Power Corp. Convertible 5¼% Serial Gold notes, Dec. 15, 1927 and 1928	Entire Issue	Mar. 28, 1927	...
People's Water & Light Co. First 6s, Oct. 1, 1934	Entire Issue	Oct. 1, 1927	100
Philadelphia Co. First Refunding & Collateral Trust Gold 6s, Series "A," Feb. 1, 1944	Part of Issue	Aug. 1, 1927	103½
Philadelphia Electric Co. First Lien & Refunding Gold 5½s, June 1, 1947	Part of Issue	June 1, 1927	107½
Philadelphia Electric Co. First Lien & Refunding Gold 5½s, Nov. 1, 1953	Part of Issue	Nov. 1, 1927	107½

Title of Issue	Amount Called	Date of Redemption	Price
Philadelphia Electric Co. First Lien & Refunding Gold 6s, Dec. 1, 1941	Entire Issue	Dec. 1, 1927	107½
Philadelphia Suburban Gas & Electric Co. General Gold 6s, Dec. 1, 1969	Entire Issue	June 1, 1927	105
Philadelphia Suburban Gas & Electric Co. First & Consolidated Gold 6s, Dec. 1, 1943	Entire Issue	Dec. 1, 1927	107½
Pine Bluff Co. First Gold 5s and 6s, Jan. 1, 1942	Entire Issue	Jan. 1, 1927	105
Pittsburgh Utilities Corp. 2-year First Lien 5% Gold notes, April 15, 1928	Entire Issue	Apr. 18, 1927	100½
Port Chester Water Works First Gold 6s, Feb. 1, 1934	Entire Issue	Aug. 1, 1927	105
Port Costa Water Co. First Sinking Fund Gold 6½s, Series "A," July 1, 1936	Entire Issue	July 1, 1927	105
Potomac Electric Power Co. General & Refunding Gold 7s, Series "A," Oct. 1, 1941	Entire Issue	Apr. 1, 1927	105
Potomac Electric Power Co. General & Refunding Gold 6s, Series "B," April 1, 1953	Part of Issue	Oct. 1, 1927	107½
Potomac Public Service Co. First & Refunding Sinking Fund Gold 7s, April 1, 1944	Entire Issue	Apr. 1, 1927	107½
Power Corp. of New York First Gold 6½s, Series "A," Nov. 1, 1942	Part of Issue	May 1, 1927	105
Power Corp. of New York First S. F. Gold 6s, Series "B," Nov. 1, 1942	Part of Issue	Nov. 1, 1927	105
Princeton (W. Va.) Water Co. First Gold 6½s, Aug. 1, 1939	Entire Issue	Feb. 1, 1927	103
Provincial Light, Heat & Power Co., Ltd., First 5s, Sept. 1, 1946	Part of Issue	Sept. 1, 1927	105
Public Service Co. of Kentucky Pfd. stock	Entire Issue	Sept. 1, 1927	105
Public Service Electric Power Co. First Sinking Fund Gold 6s, April 1, 1948	Entire Issue	Apr. 1, 1927	107½
Public Service Electric Power Co. 7% cum. Pfd. stock	Entire Issue	May 1, 1927	115
Public Utilities Corp. 7% cum. Pfd. stock	Entire Issue	Apr. 1, 1927	$55
Puget Sound Telephone Co. First 5s and 6s, Feb. 1, 1936	Entire Issue	Aug. 1, 1927	105
Quebec Power Co. Preference stock	Entire Issue	Jan. 3, 1927	110
Quebec Southern Power Corp. First & Collateral Trust S. F. Gold 6½s, Series "A" and "B," May 1, 1945	Entire Issue	Nov. 1, 1927	102½
Queens Borough Gas & Electric Co. 8% cum. Pfd. stock	Entire Issue	Apr. 1, 1927	107
Racine Water Co. 30-Year Gold 5s, Nov. 1, 1931	Entire Issue	Nov. 1, 1927	100
Railways Realty Co. First Gold 6s, March 1, 1931	1-41, Inclusive	Mar. 1, 1927	102½
Raystown Water Power Co. First Gold 5s, April 1, 1938	Entire Issue	Oct. 1, 1927	105
Red River Valley Power Co. First 6½s, May 1, 1944	Entire Issue	May 1, 1927	105
Red River Valley Power Co. General Convertible 7s, Jan. 1, 1930	Entire Issue	July 1, 1927	105
Richmond (Ky.) Water & Light Co. General & Refunding 5s, Nov. 1, 1939	Entire Issue	May 1, 1927	105
Richmond (Ky.) Water & Light Co. Income 4s, dated April 1, 1901	Entire Issue	May 1, 1927	105
Roanoke Traction & Light Co. First & Collateral Trust Gold 5s, August 1, 1958	Part of Issue	Aug. 1, 1927	105
Roanoke Water Works Co. 6% Serial Gold notes, August 1, 1929 and 1930	Entire Issue	Jan. 17, 1927	100
Rockville-Willimantic Lighting Co. First Refunding Gold 7s, Series "A," Dec. 1, 1971	Entire Issue	Dec. 1, 1927	105
Roland Park Water Co. First Guaranteed 5s, Dec. 1, 1937	Part of Issue	Dec. 1, 1927	105
St. Cloud Public Service Co. First Gold 6s, Nov. 1, 1934	Part of Issue	Nov. 1, 1927	103
Salem Water, Light & Power Co. Refunding & Improvement 6s, July 1, 1912	Entire Issue	July 1, 1927	105
San Francisco Gas & Electric Co. General Gold 4½s, Nov. 1, 1933	Part of Issue	Nov. 1, 1927	105
San Joaquin Light & Power Corp. First & Refunding bonds (Series "A" 6s, Series "B" 5s and 6s, and Series "C" 6s), August 1, 1950	Entire Issues	Feb. 1, 1927	...
San Joaquin Light & Power Corp. 30-Year Unifying & Refunding Gold 7s, Series "A," March 1, 1951	Entire Issue	Mar. 1, 1927	107½
San Joaquin Light & Power Corp. Unifying & Refunding Gold 6s, Series "C," May 1, 1954	Entire Issue	May 1, 1927	105
Sandusky Gas & Electric Co. First Refunding & Improvement Gold 5s, March 1, 1945	Part of Issue	Mar. 1, 1927	103
Santa Monica Bay Home Telephone Co. First Gold 5s, Oct. 15, 1937	Entire Issue	Oct. 15, 1927	100
Santiago Electric Light & Traction Co. First Gold 6s, Jan. 1, 1959	Entire Issue	Jan. 1, 1927	105
Scranton Gas & Water Co. Debenture 5s, Oct. 1, 1930	Entire Issue	Apr. 1, 1927	100
Seneca River Power Co. General Mortgage 50-Year 6% Gold bonds, Series "A," June 1, 1970	Entire Issue	Dec. 1, 1927	115
Shaffer Oil & Refining Co. First Convertible Sinking Fund Gold 6s, June 1, 1929	Part of Issue	June 1, 1927	102
Shaffer Oil & Refining Co. First Convertible S. F. Gold 6s, June 1, 1929	Part of Issue	Dec. 1, 1927	102
Shawinigan Water & Power Co. First & Refunding S. F. Gold 5½s, Series "A," Jan. 1, 1950	Entire Issue	Dec. 1, 1927	110
Shelby County Water, Gas & Electric Co. First Sinking Fund Gold 5s, March 1, 1930	Entire Issue	Mar. 1, 1927	102½
Sidney Electric Co. First Sinking Fund Gold 6s, Jan. 1, 1935	Entire Issue	July 1, 1927	102½
Sodus Gas & Electric Light Co. First 6s, May 1, 1941	Entire Issue	Nov. 1, 1927	105
Solsville Electric Light & Power Co., Inc., First 6s, July 1, 1934	Entire Issue	Jan. 1, 1927	102
South Bend Home Telephone Co. First & Refunding Gold 6s, Jan. 15, 1935	Part of Issue	Jan. 15, 1927	102
Southern California Edison Co. Refunding Gold 6s, Oct. 1, 1943	Entire Issue	Oct. 1, 1927	105
Southern California Gas Co. First & Refunding Gold 7s, Series "A," March 1, 1951	Entire Issue	Sept. 1, 1927	107½
Southern Cities Utilities Corp. 5% Secured Gold notes, Dec. 15, 1927	Entire Issue	Nov. 1, 1927	...
Southern Illinois Light & Power Co. 7% Serial Secured Gold notes, due to Sept. 8, 1929	Entire Issue	Feb. 1, 1927	100
Southern Illinois Light & Power Co. First Lien & Refunding Sinking Fund Gold 6s, Series "B," August 1, 1942	Entire Issue	Feb. 1, 1927	100
Southern Iillinois Ry. & Power Co. First Gold 5s, Oct. 1, 1942	Part of Issue	Oct. 1, 1927	105
Southern Indiana Gas & Electric Co. 10-Year Sinking Fund 7% Gold debentures, Jan. 1, 1934	Part of Issue	Jan. 1, 1927	102
Southern Indiana Gas & Electric Co. Sink. Fund 7% Gold debenture bonds, Jan. 1, 1934	Entire Issue	July 1, 1927	102
Southern Nebraska Power Co. First Gold 7s, Jan. 1, 1934	Entire Issue	July 1, 1927	103
Southern Ohio Public Service Co. First & Ref. Gold 6s, Series "A," dated July 1, 1925	Entire Issue	Apr. 15, 1927	105
Southwest Power Co. First Sinking Fund Gold 6½s, Series "A," May 1, 1944	Entire Issue	May 1, 1927	107½
Southwest Power Co. First Sinking Fund Gold 6s, Series "B," May 1, 1944	Entire Issue	May 1, 1927	104½
Southwestern Gas & Electric Co. First & Refunding Gold 5s, Aug. 1, 1932	Entire Issue	Feb. 1, 1927	102½
Southwestern Gas & Electric Co. First & Refunding Gold 8s, Aug. 1, 1932	Entire Issue	Feb. 1, 1927	110
Southwestern Gas & Electric Co. General Gold 6s, Nov. 1, 1957	Entire Issue	May 1, 1927	105
Southwestern Light & Power Co. First & Coll. Lien Gold 6s, Series "A," March 1, 1937	Entire Issue	Mar. 1, 1927	105
Spring River Power Co. First Gold 5s, annually to Nov. 1, 1930	Entire Issue	May 1, 1927	105

Title of Issue	Amount Called	Date of Redemption	Price
Springfield (Ohio) Light, Heat & Power Co. First Sinking Fund Gold 5s, Feb. 1, 1929	Part of Issue	Feb. 1, 1927	105
Springfield Light, Heat & Power Co. First 5s, Feb. 1, 1929	Part of Issue	Aug. 1, 1927	105
Stadacona Hydraulic Co. First Gold 5s, July 1, 1931	Entire Issue	July 1, 1927	105
State Telephone Co. of Wisconsin First Gold 6s, Series "A," April 1, 1946	Entire Issue	Oct. 1, 1927	105
Staten Island Edison Corp. Refund. & Improvement Gold 6½s, Series "A," July 1, 1953	Entire Issue	Feb. 1, 1927	107½
Staten Island Edison Corp. Refunding & Improvement Gold 6s, Series "B," July 1, 1964	Entire Issue	Feb. 1, 1927	107½
Stearns Lighting & Power Co. First 7s, July 1, 1930	Entire Issue	July 1, 1927	102
Stearns Lighting & Power Co. 10-year 8% Guaranteed Gold notes, Sept. 1, 1931	Entire Issue	Sept. 1, 1927	105
Sterling (Ill.) Water Co. First 6s, July 1, 1945	Entire Issue	July 1, 1927	102
Streator Aqueduct Co. First Gold 6s, June 1, 1939	Entire Issue	Jan. 1, 1927	105
Suburban Light & Power Co. First Mtge. Bond Secured 3% Gold notes, Dec. 1, 1928	Entire Issue	Sept. 1, 1927	101
Sunbury, Hazleton & Wilkes-Barre Ry. First 5s, Series "A," May 1, 1928	Part of Issue	June 1, 1927	100
Susquehanna County Light & Power Co. First 6s, Dec. 15, 1943	Entire Issue	Jan. 1, 1927	105
Taylorville Gas & Electric Co. First Sinking Fund Gold 5s, Feb. 1, 1935	Entire Issue	Aug. 1, 1927	105
Tennessee Electric Power Co. 15-year 6½% Sinking Fund Debentures, June 1, 1939	Part of Issue	Jan. 1, 1927	100
Tennessee Electric Power Co., 10-year Sinking Fund 6½% debentures, Oct. 1, 1933	Entire Issue	June 1, 1927	100
Tennessee Electric Power Co. 15-year Sinking Fund 6½% debentures, June 1, 1939	Entire Issue	June 1, 1927	100
Texarkana Gas & Electric Co. First Gold 5s, July 1, 1930	Entire Issue	Jan. 1, 1927	105
Toledo Edison Co. 8% Cum. Pfd. stock, Series "A"	Entire Issue	Oct. 1, 1927	115
Towanda Gas & Electric Co. General First & Refunding 6s, Oct. 1, 1961	Entire Issue	Apr. 1, 1927	100
Trenton (Mo.) Gas & Electric Co. 10-year 6½% Sinking Fund Gold debentures, Oct. 1, 1935	Entire Issue	July 1, 1927	105
Tri-State Utilities Co. 7% Cum. Pfd. stock	Entire Issue	May 1, 1927	100
Tri-State Utilities Co. First Sinking Fund Gold 6s and 7s, Series "A," Sept. 1, 1934	Entire Issue	Sept. 1, 1927	105
Union Electric Light & Power Co. of Illinois First Gold 5½s, Series "A," Jan. 1, 1954	Part of Issue	Jan. 1, 1927	100
Union Electric Light & Power Co. of Illinois First Gold 5½s, Series "A," Jan. 1, 1954	Part of Issue	July 1, 1927	100
Union Power Co., Inc., 10-year 7% Guaranteed Gold Debentures, July 1, 1933	Entire Issue	Jan. 1, 1927	103
Union Power Co. (The) First Gold 7s, Series "A," Sept. 1, 1938	Entire Issue	Mar. 1, 1927	105
Union Utilities Co. First Sinking Fund Gold 5s, July 1, 1944	Entire Issue	Jan. 1, 1927	105
Uniontown Water Co. First Gold 5s, Jan. 2, 1935	Entire Issue	July 2, 1927	100
United Electric Light Co., Pittsburgh, Pa., 7% Cumulative Pfd. stock	Entire Issue	May 14, 1927	57
United Electric Light Co., Wilmerding, Pa., First Gold 6s, Series "A," Oct. 1, 1945	Entire Issue	Oct. 1, 1927	104¾
United Electric Securities Co. Collateral Trust 5% Gold Bonds, 24th Series, Aug. 1, 1936	Part of Issue	Feb. 1, 1927	103
United Electric Securities Co. Collateral Trust 5% Gold Bonds, 29th Series, Feb. 1, 1939	Part of Issue	Feb. 1, 1927	103
United Electric Securities Co. Collateral Trust 5% Gold Bonds, 30th Series, Aug. 1, 1939	CC-240	Feb. 1, 1927	103
United Electric Securities Co. Collateral Trust 5% Gold Bonds, 32nd Series, Aug. 1, 1940	Part of Issue	Feb. 1, 1927	103
United Electric Securities Co. Collateral Trust 5% Gold Bonds, 33rd Series, Feb. 1, 1941	FF-36	Feb. 1, 1927	103
United Electric Securities Co. Collateral Trust 5% Gold Bonds, 36th Series, Feb. 1, 1942	Part of Issue	Feb. 1, 1927	103
United Electric Securities Co. Collateral Trust 5% Gold Bonds, 37th Series, Feb. 1, 1942	Part of Issue	Feb. 1, 1927	103
United Electric Securities Co. Collateral Trust 5% Gold Bonds, 38th Series, Aug. 1, 1943	Part of Issue	Feb. 1, 1927	103
United Electric Securities Co. Serial Collateral Trust Sinking Fund Gold 5s, 22nd Series, Aug. 1, 1935	Part of Issue	Aug. 1, 1927	103
United Electric Securities Co. Serial Collateral Trust Sinking Fund Gold 5s, 29th Series, Feb. 1, 1939	No. BB-87	Aug. 1, 1927	103
United Electric Securities Co. Serial Collateral Trust Sinking Fund Gold 5s, 32nd Series, Aug. 1, 1940	Part of Issue	Aug. 1, 1927	103
United Electric Securities Co. Serial Collateral Trust Sinking Fund Gold 5s, 36th Series, Feb. 1, 1942	Part of Issue	Aug. 1, 1927	103
United Electric Securities Co. Serial Collateral Trust Sinking Fund Gold 5s, 39th Series, Aug. 1, 1944	No. LL-454	Aug. 1, 1927	103
United Fuel Gas Co. First Sinking Gold 6s, Jan. 1, 1936	Entire Issue	July 1, 1927	105
United Gas & Electric Co. (new Albany, Ind.) First Consolidated Gold 5s, due serially to July 1, 1942	Entire Issue	Jan. 1, 1927	105
United Hudson Electric Corp. First Gold 6s, Jan. 1, 1929	Entire Issue	Mar. 1, 1927	101
United Utilities Co. (Me.) First Collateral Trust Convertible Gold 6s, Jan. 1, 1943	Entire Issue	July 1, 1927	105
Upper Hudson Electric & RR. Co. 10-year Collateral Trust 7s, April 1, 1931	Entire Issue	Apr. 1, 1927	104
Utah Power & Light Co. First Lien & General Gold 7s, Jan. 1, 1941	Entire Issue	May 1, 1927	105
Vicksburg Light & Traction Co. 10-year 6% Gold debentures, March 1, 1930	Entire Issue	Mar. 1, 1927	100
Vicksburg Light & Traction Co. First Gold 5s, July 1, 1932	Entire Issue	July 1, 1927	105
Walkill River Co. Refunding & Improvement Gold 6s, Oct. 1, 1942	Entire Issue	Oct. 1, 1927	102½
Warsaw Gas Co. First Consolidated 5s, April 1, 1943	Entire Issue	Apr. 1, 1927	102
Washington County Gas Co. First Gold 6s, June 1, 1935	Entire Issue	June 1, 1927	102
Washington Coast Utilities First Sinking Fund Gold 6s, Sept. 1, 1941	Entire Issue	Sept. 1, 1927	105
Waterloo Water Co. First 6s, Jan. 1, 1936	Entire Issue	Jan. 1, 1928	101
West Missouri Power Co. First Gold 6½s, June 1, 1934	Entire Issue	June 1, 1927	105
West Missouri Power Co. 7% Serial Gold notes, April 1, 1928	Entire Issue	Oct. 1, 1927	100½
West Missouri Power Co. First Gold 6s, Jan. 1, 1943	Entire Issue	July 1, 1927	105
West Virginia Utilities Co. 7% Pfd. stock (par $50)	Entire Issue	July 15, 1927	$52.50
Western Power Corp. 30-Year 6½% Sinking Fund Gold debentures, Series "A," Dec. 1, 1954	Entire Issue	Jan. 1, 1927	105
Windsor Gas Co., Ltd., First Gold 5s, Nov. 1, 1934	Entire Issue	May 1, 1927	103
Wisconsin Gas & Electric Co. 7% Convertible Gold notes, Series "C," July 1, 1930	Entire Issue	Jan. 1, 1927	101
Wisconsin Gas & Electric Co. 6% Convertible Gold notes, Series due July 1, 1933	Entire Issue	Jan. 1, 1927	101
Wood River Power Co. 30-Year First Gold 6s, Sept. 1, 1946	Entire Issue	Mar. 1, 1927	105
Woodhaven Water Supply Co. First Gold 5½s, Series "A," June 1, 1946	Entire Issue	Feb. 1, 1927	105

ALPHABETICAL LIST OF CONVERTIBLE PUBLIC UTILITY SECURITIES

SECURITIES UPON WHICH CONVERSION PRIVILEGE HAS NOT YET BECOME EFFECTIVE

Note: The fact that a large majority of the securities shown in the following list are subject to call must be kept well in mind in using these lists.

Name of Issue	Date Privilege Becomes Effective	Conversion Basis
American Electric Power Corp. Second Pfd. stock, no par	Sept. 1, 1941	$6 Series of 1927 Pfd. stock
Associated Gas & Electric Co. Gold Debenture 5s, due Oct. 1, 1968	Co's option	Stocks of Company
Brooklyn Union Gas Co., Convertible Debenture 5½s, due Jan. 1, 1936	Jan. 1, 1929	2 shares stock for each $100 Debenture
Canadian Hydro-Electric Corp. Second Pfd. stock, par $100	.....	First Pfd. stock share for share
Eastern Utilities Associates Convertible stock, no par	.....	1 no par Common share for each 2 Convertible shares
Houston Gulf Gas Co. Gold Debenture 6½s, due April 1, 1943	Jan. 1, 1931	7% Pfd. stock, Series "B," at par
Inland Power & Light Corp. First Collateral Trust Gold 6s, Series "C," due Apr. 1, 1957	April 1, 1932	11 7% Pfd. shares for each $1,000 of bonds
Lexington Water Power Co. 5½% Convertible Gold Debentures, due Jan. 1, 1953	Jan. 1, 1931	10 shares $6 Pfd. stock for each $1,000 of Debentures
Long Island Lighting Co. Convertible 5½% Gold Debentures, Series "A," due April 1, 1952	Oct. 1, 1929	$6 Pfd. stock, par for par
Luzerne County Gas & Electric Corp. 20-year Convertible Gold 7s, due July 1, 1944	July 1, 1934	11 shares $7 no par Pfd. stock for each $1,000 bond
Queens Borough Gas & Electric Co. Convertible 5½% Gold Debentures, Series "A," due April 1, 1952	Oct. 1, 1929	6% Pfd. stock, par for par
Rockland Light & Power Co. 6% Convertible Pfd. stock, par $50	Jan. 1, 1931	$65 par of Pfd. for each $50 par of Common
Southern Ohio Public Service Co. General Mortgage Convertible 6s, due April 1, 1937	April 1, 1929	11 shares $7 Pfd. stock for each $1,000 bond

SECURITIES UPON WHICH CONVERSION PRIVILEGE IS IN EFFECT

Name of Issue	Date Privilege Lapses	Conversion Basis
American Detroit Telegraph Co. (N. J.) 7% Convertible Pfd. stock, par $100	30 days' prior to redemption	Common stock, share for share
American Electric Power Corp. 6% Convertible Gold Debentures, Series "A," due Sept. 15, 1957	March 15, 1938, or redemption	10 shares $7 Pfd. stock for $1,000 of Debentures
American Natural Gas Corp. $7 Convertible Pfd. stock, no par	Feb. 1, 1954, or prior redemption	Common stock
Associated Electric Co. Convertible 5½s, due April 1, 1946 (called for redemption July 1, 1928)	July 1, 1928	1 share $6 Pfd. stock of Associated Gas & Electric Co. for each $100 of bonds
Associated Gas & Electric Co. 6% Convertible Debenture bonds, Series "A" of 1925 (called for redemption June 1, 1928)	June 1, 1928	1 share $6.50 Pfd. stock for each $100 of bonds
Associated Gas & Electric Co. 6½% Convertible Debenture Ctfs., Manila Series "B," no fixed maturity	Redemption	10 shares $7 Pfd. stock for each $1,000 Certificate
Associated Gas & Electric Co. 6½% Convertible Debenture Ctfs., Manila Series "C," no fixed maturity	Redemption	10 shares $10 Pfd. stock for each $1,000 Certificate
Associated Gas & Electric Co. Convertible Gold Debenture 4½s, due March 1, 1948	Jan. 2, 1931	Class "A" stock or units of Class "A" and Common stocks
Associated Gas & Electric Co. 5½% Convertible Gold Debentures, due Feb. 1, 1977	Feb. 1, 1933	Class "A" and Common stock
Associated Telephone Utilities Co. Convertible 6% Debentures, Series "A," due Sept. 1, 1941	Maturity or redemption	1 share $7 Prior Pfd. stock for each $100 Debenture
Augusta, Hallowell & Gardiner RR. Convertible General Mortgage 4s, due July 1, 1951	Maturity or redemption	At par into 4% Pfd. stock
Augusta, Winthrop & Gardiner Ry. Convertible General Mortgage Gold 4s, due July 1, 1952	Maturity or redemption	At par into 4% Pfd. stock
Bangor Hydro-Electric Co. First Lien & Refunding Mtge. Convertible 5½s, due Sept. 1, 1949	March 1, 1935	$100 of Common stock for $110 of bonds
Bangor Railway & Electric Co. 8% Convertible Gold notes, due Sept. 1, 1930	Sept. 1, 1928	First & Ref. 5s of Bar Harbor & Union River Power Co.
Brazilian Traction, Light & Power Co. Pfd. stock, par $100	Redemption	1 Ordinary share for each 1 1-5 Pfd. shares

Name of Issue	Date Privilege Lapses	Conversion Basis
Brooklyn Union Gas Co. Convertible Debenture 7s, due Nov. 1, 1929	Maturity	2 shares no par Common stock per $100 Debenture
Brooklyn Union Gas Co. 10-year Convertible Debenture 7s, due May 1, 1932	Maturity	2 shares no par Common stock per $100 Debenture
Buffalo, Niagara & Eastern Power Corp. 5-year Convertible Debenture 5s, due Sept. 1, 1930	Maturity or redemption	4 shares Pfd. stock (par $25) per $100 Debenture
Central States Edison Co. 5½% Convertible Gold notes, due April 1, 1931	Maturity	10 shares Pfd. stock for each $1,000 Debenture
Central West Public Service Co. Convertible 6% Debentures, due Nov. 1, 1936	10 days' prior to maturity or redemption	Class "A" Pfd. stock, par for par
Columbus, Delaware & Marion Electric Co. Convertible Debenture 6s, Series "A," due April 1, 1935	Maturity or redemption	Common stock
Columbus Electric & Power Co. Second Pfd. stock	.....	Par for par into Pfd. stock, Series "B"
Commercial Cable Co. First Mortgage Gold 4s, due Jan. 1, 2397	Maturity	£206 Sterling Debenture stock for each $1,000 bond
Connecticut Electric Service Co. $4 Convertible Pfd. stock, no par	.....	Common stock Voting Trust ctfs., share for share
Consolidated States Telephone Co. Convertible 6% Gold Debentures, Series "A," due June 1, 1952	Maturity or redemption	Class "A" stock, no par
Depew & Lancaster Light, Power & Conduit Co. Pfd. stock	Redemption	Convertible Debenture ctfs. of Associated Gas & Electric Co.
Detroit Edison Co. Convertible Debenture 7s, due Feb. 1, 1929	Aug. 1, 1928, or prior redemption	Paid-up capital stock, par for par
Detroit Edison Co. Convertible Debenture 7s, due March 1, 1930	Sept. 1, 1929, or prior redemption	Paid-up capital stock, par for par
Detroit Edison Co. Convertible Debenture 6s, due Dec. 15, 1932	June 15, 1932, or prior redemption	Paid-up capital stock, par for par
Dixie Gas & Utilities Co. 6% Convertible notes, due Feb. 1, 1931	Maturity or redemption	10 shares Pfd. stock for each $1,000 note
Dixie Power Co. First Mortgage 6s, due July 1, 1929	Maturity	Pfd. or Common stock
Eastern Texas Electric Co. (Del.) 5-yr. 5½% Convertible Gold notes, due Dec. 1, 1930	10 days prior to maturity or redemption	Common stock at $95 per share
Engineers Public Service Co. 5% Convertible Pfd. stock, no par	July 1, 1938	Common stock
Federal Power & Light Co. Pfd. stock, par $100	.....	6% Debenture bonds, par for par
Federal Water Service Corp. Convertible Debenture 5½s, due July 1, 1957	Jan. 1, 1937, or prior redemption	Class "A" stock, no par
General Public Service Corp. $7 Convertible Pfd. stock, no par	10 days prior to redemption	5 Common shares for each Pfd. share
General Public Service Corp. Convertible 5% Gold Debentures, due Jan. 1, 1953	10 days prior to maturity or redemption	One $5.50 Pfd. share for each $100 of Debentures
Georgia Power Co. Second Pfd. stock	Redemption	$6 Pfd. stock
Georgia Securities Co. Pfd. stock, no par	.....	Southeastern Power & Light Co. stock
Great Lakes Utilities Corp. Convertible Gold Debenture 6s, due May 1, 1937	10 days prior to maturity or redemption	10 shares $7 First Pfd. stock and 5 shares Common stock for each $1,000 Debenture
Hilo Gas Co., Ltd. 7% non-cumulative Second Pfd. stock, par $20	.....	Common stock, share for share
Hilo Gas Co., Ltd., 8% cumulative First Pfd. stock, par $20	.....	Common stock, share for share
Hudson & Manhattan RR. First Mortgage Gold 4½s, due Feb. 1, 1957	Maturity	Common stock at $110 per share
Hudson & Manhattan RR. 5% non-cumulative Pfd. stock, par $100	.....	Common stock at $110 per share
Indiana Light & Power Co. First Gold 6s, Series "A," due Jan. 1, 1942	Maturity or redemption	10½ shares Pfd. stock for each $1,000 bond to Jan. 1, 1931; thereafter at par
Interborough Rapid Transit Co. Secured Convertible 7% Gold notes, due Sept. 1, 1932	Aug. 1, 1932, or prior redemption	First & Ref. Mtge. 5s at 85% to Aug. 1, 1928, thereafter to Aug. 31, 1932, at 90%
International Power Co., Ltd. 6% Convertible Second Pfd. stock, par $100	.....	4 Common shares for each Second Pfd. share
Kentucky Electric Power Corp. Convertible 6½% Gold Debentures, due June 1, 1936	Maturity or 10 days prior to redemption	$7 Pfd. stock at $87.50 per share
Keystone Water Works Corp. Convertible Gold Debentures 6s, Series "A," due Dec. 1, 1942	Maturity or 5 days prior to redemption	$6.50 Pfd. stock
Lancaster County Ry. & Light Co. 5% Pfd. stock, par $50	.....	One share Pfd. stock for $50 face amount of 6% Gold notes, due 1932
Louisiana Ice & Utilities, Inc. First Mortgage Convertible Gold 6s, Series "A," due April 1, 1946	Dec. 31, 1936, or prior redemption	16 shares Class "A" Common stock of Commonwealth Utilities Corp. for each $1,000 of bonds
Marconi's Wireless Telegraph Co., Ltd., First Debenture 6½% Convertible stock, due Oct. 1, 1932	April 1, 1929, or 21 days prior to redemption	£3 Debenture stock for £1 of Ordinary stock
Maritime Telegraph & Telephone Co., Ltd., 6% Pfd. stock, Series "A," par $10	Redemption	Common stock, par for par

Name of Issue	Date Privilege Lapses	Conversion Basis
Minnesota Power & Light Co. cumulative 6% Pfd. stock, par $100	Redemption	9/10ths of a share of 7% Pfd. stock for each share of 6% Pfd. stock
Mount Spokane Power Co. 7% Pfd. stock, par $100	Redemption	Common stock
Mountain States Power Co. Convertible 6% Gold notes, Series "B," due Nov. 1, 1935	Maturity or redemption	Pfd. stock, par for par
National Gas & Electric Corp. Convertible 5½% Gold notes, due Feb. 1, 1931	Oct. 31, 1930, or 30 days before prior redemption	10 Pfd. shares for each $1,000 of notes
New Brunswick Power Co. 7% Second Pfd. stock, par $100	.....	First Pfd. stock
New England Co. Secured Convertible Gold 6s, due May 1, 1952	Maturity or redemption	11 shares 6% Pfd. stock of New England Power Assn. for each $1,000 bond
New England Gas & Electric Assn. Convertible Gold Debenture 5s, due Sept. 1, 1947	Sept. 1, 1931, or prior redemption	10 shares $5.50 Pfd. stock for each $1,000 bond
North American Edison Co. 5% debentures, Series "A," due March 1, 1957	March 1, 1936	Preferred stock
North Continent Utilities Corp. Convertible Gold Debenture 6½s, due Jan. 1, 1942	Maturity or redemption	7% Pfd. stock on basis of par for bonds as against $93 per share for Pfd.
Northern Ontario Light & Power Co., Ltd., 6% Pfd. stock, par $100	.....	Common stock, share for share
Northern Pennsylvania Power Co. 6% Pfd. stock, no par	Redemption	One share $6 Pfd. no par for each two shares 6% Pfd., par $50
Northern States Power Co. of Minn. Convertible 6½% Gold notes, due Nov. 1, 1933	Jan. 1, 1929, or 30 days prior to redemption	Common stock of Northern States Power Co. of Del.
Northwestern Electric Co. 6% Original Pfd. stock, par $100	.....	9/10ths of a share of 7% First Pfd. stock for each share 6% Pfd.
Ohio Cities Telephone Co. First Mortgage Convertible 6s, Series "A," due July 1, 1945	Maturity or redemption	$1,100 of Pfd. stock for each $1,000 bond to July 1, 1929; thereafter convertible into $1,000 par of stock
Omnibus Corporation 8% Pfd. stock, par $100	Redemption	3 Common shares for each Pfd. share
Pacific Lighting Corp. 5% Pfd. stock, par $100	.....	6% Pfd. stock
Pacific Power & Light Co. 7% Second Pfd. stock, par $100	Redemption	7% Pfd. stock, par for par
Peninsular Telephone Co. Convertible Debenture Gold 6½s, Series "A," due April 1, 1934	April 1, 1931, or prior redemption	Common stock
Peoples Light & Power Corp. 6% Convertible Gold debentures, due Jan. 1, 1962	Jan. 1, 1952, or 10 days prior to redemption	Class "A" Common stock
Portland Electric Power Co. First & Refunding Mortgage Gold 5s, Series "A," due Feb. 1, 1942	Maturity or redemption	Stock at price equal to amount paid in on such stock plus $10 per $100 share
Power Corporation of Canada, Ltd. Convertible 5% debentures, Series "A," due Dec. 1, 1957	Dec. 1, 1932	One share Common stock for each $100 of debentures
Power Securities Corporation Secured Income bonds, due June 1, 1949	.....	Collateral Trust Gold bonds
Public Service Corp. of New Jersey Convertible 4½% debentures, due Feb. 1, 1948	Feb. 1, 1930, or 10 days before redemption	11 Common shares for each $500 of debentures
Public Utilities Consolidated Corp. Convertible Gold 6s, due March 1, 1938	Maturity	7% Pfd. stock, par for par
Rochester & Syracuse RR. Co., Inc. First Mortgage Gold 5s, due May 1, 1957	May 1, 1929, or prior redemption	Pfd. stock par for par
Rochester Telephone Co. General Mortgage 5s, due Oct. 1, 1933	Maturity	Rochester Telephone Corp. First & Ref. 5s, Series "B," par for par
Rockland Light & Power Co. Convertible Debenture 6s, due Sept. 1, 1934	Maturity	Common stock, par for par
St. Louis Public Service Co. Convertible 6% Gold notes, due Jan. 1, 1933	Maturity or redemption	3 Series "A" Pfd. shares for each $275 of notes
Salem & Pennsgrove Traction Co. First Gold 6s, due Dec. 1, 1935	Maturity or redemption	See General Index for statement of this Company
Salt Lake & Utah RR. 7% Secured Convertible Gold notes, due Oct. 1, 1928	Maturity or redemption	First Mortgage 6% bonds at 92
Shaffer Oil & Refining Co. $7 Convertible Pfd. stock, no par	Redemption	2 shares no par Common for each Pfd. share
Shaffer Oil & Refining Co. 6% Convertible Gold notes, due March 1, 1933	Maturity or 30 days prior to redemption	2 shares no par Common stock for each $100 of notes
South Carolina Gas & Electric Co. Convertible 6s, due Dec. 15, 1932	Maturity or redemption	$1,000 of bonds for 11 shares 7% First Pfd. stock
Southern Cities Utilities Co. 6% Convertible Debentures, Series "A," due April 1, 1936 (called for redemption June 25, 1928)	June 25, 1928	Class "B" Common stock at $70 per share
Southern Gas & Power Corp. 6% Convertible Gold notes, due Nov. 15, 1930	Maturity or 10 days prior to redemption	Class "A" stock of Central Public Service Corp.
Southern Ice & Utilities Co. First Mortgage Convertible 6s, due Feb. 1, 1946	Maturity or redemption	Class "A" Common stock
Southern Ice & Utilities Co. Convertible 6½% Gold notes, due Dec. 1, 1932	Maturity or redemption	Units of 10 Partic. Pfd. shares and 10 Class "A" Common shares at $100 per unit

Name of Issue	Date Privilege Lapses	Conversion Basis
Southwest Telephone Co. First Mortgage Convertible Gold 6s, Series "B," due Sept. 1, 1947	Sept. 1, 1942, or redemption	Preferred stock
Southwest Telephone Co. First Mortgage Convertible Gold 6s, Series "C," due Dec. 1, 1947	Dec. 1, 1942, or redemption	Preferred stock
Texas Electric Ry. Convertible Debenture 6s, due Jan. 1, 1942	Maturity or redemption	7% First Pfd. stock, par for par
Virginia Public Service Co. 6% Gold debentures, due Feb. 1, 1946	April 30, 1929	See General Index for statement of Company
Western New York Water Co. Convertible Debenture 6s, due Nov. 1, 1935	Maturity or redemption	One share Class "A" Pfd. stock for each $75 par value of bonds
Western Ohio Ry. Convertible Collateral Trust 6s, due July 1, 1930	Maturity or redemption	First Pfd. stock, par for par
Western Power Corp. Series "A" Convertible Gold 5½s, due Jan. 1, 1957	Jan. 2, 1940, or redemption	North American Co. Common stock
Western Public Service Co. Debenture 6½s, Series "A," due April 1, 1935 (called for redemption June 30, 1928)	15 days prior to maturity or redemption	7% First Pfd. stock on basis of $100 per share .....
Wilkes-Barre & Hazleton RR. 6% non-cumulative Pfd. stock, par $100	.....	5% Collateral Trust bonds at par .....
Wisconsin Fuel & Light Co. 7% Convertible debentures, due Nov. 1, 1933	Maturity or redemption	Pfd. stock, par for par

The figures and data contained herein have been obtained from sources believed to be reliable; the publishers do not, however, hold themselves responsible for the accuracy of any of the statements.

Public Utility Financing

Among the numerous properties we have been identified with, are:

American Public Service Co.
Appalachian Elec. Power Co.
Central and South West Utils. Co.
Central Georgia Power Co.
Central Illinois Power Co.
Central Indiana Gas Co.
Central Indiana Power Co.
Central Power and Light Co.
Central West Public Serv. Co.
Cincinnati Gas & Electric Co.
Cincinnati Gas Transportation Co.
Cities Service Company
Cities Service Power & Lt. Co.
Columbia Gas & Electric Co.
Commonwealth Edison Co.
Cumberland Co. Pow. & Lt. Co.
Durham Public Service Co.
East Ohio Gas Company
Georgia Lt., Power & Rys. Co.
Indiana Electric Corporation
Interstate Pub. Service Co.
Jersey Central Pr. & Lt. Corp.
Kansas City Gas Co.
Lincoln Gas & Elec. Light Co.
Middle West Utilities Co.
Middle West Power Company
Midland Utilities Co.
Michigan Light Company
Northwestern Public Serv. Co.
Ohio Public Service Co.
Ozark Power & Water Co.
Public Service Co. of Colorado
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